

DISCLOSURE OF ADDITIONAL INFORMATION**Directors' interests in shares**

As at 30 June 2004, the interests and short positions of the directors and chief executives of the Company in the shares and share options of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register kept by the Company pursuant to section 352 of the SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

Long positions

(a) Ordinary shares of HK\$0.01 each of the Company

Name	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Directors			
Mr. Lam Ping Kei	Held by controlled corporation (note 1)	702,000,000	48.75%
Ms. Wong Choi Fung	Held by controlled corporation (note 2)	378,000,000	26.25%
		<u>1,080,000,000</u>	<u>75.00%</u>

(b) Share options

Name	Capacity	Number of options held	Number of underlying shares
Directors			
Mr. Law Wai Fai	Beneficial owner	14,000,000	14,000,000
Mr. Lam Chu Ying	Beneficial owner	8,000,000	8,000,000
Mr. Yeung Kwong Lun	Beneficial owner	4,000,000	4,000,000
		<u>26,000,000</u>	<u>26,000,000</u>

DISCLOSURE OF ADDITIONAL INFORMATION

Directors' interests in shares *(continued)*

Notes:

1. These ordinary shares are owned by Super Giant Assets Limited ("Super Giant"), a company incorporated in the British Virgin Islands (the "BVI"). The entire issued share capital of Super Giant is beneficially owned by Mr. Lam Ping Kei.
2. These ordinary shares are owned by Fastmath Assets Limited ("Fastmath"), a company incorporated in the BVI. The entire issued share capital of Fastmath is beneficially owned by Ms Wong Choi Fung.

Save as disclosed above, none of the other directors, chief executives and their associates, had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 30 June 2004.

Directors' rights to acquire shares or debentures

Saved as disclosed under the paragraph headed "Directors' interests in shares" above and "share option scheme" below, at no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

Share option scheme

The Company operates a share option scheme (the "Option Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Option Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, any person or entity providing research, development and growth of the Group. The Option Scheme became effective on 18 September 2001 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

DISCLOSURE OF ADDITIONAL INFORMATION

Share option scheme *(continued)*

The following share options were outstanding under the Option Scheme during the Period:

Name or category of participant	Number of share options				At 30 June 2004	Date of grant of share options*	Exercise period of share options	Exercise price of share options **
	At 1 January 2004	Granted during the period	Exercised during the period	Cancelled during the period				
Directors								
Mr Law Wai Fai	14,000,000	-	-	-	14,000,000	28 November 2002	18 December 2002 to 17 December 2005	0.348
Ms. Lam Chu Ying	8,000,000	-	-	-	8,000,000	28 November 2002	18 December 2002 to 17 December 2005	0.348
Mr Yeung Kwong Lun	4,000,000	-	-	-	4,000,000	28 November 2002	18 December 2002 to 17 December 2005	0.348
	<u>26,000,000</u>	-	-	-	<u>26,000,000</u>			
Other employees								
In aggregate	<u>15,580,000</u>	-	-	(2,600,000)	<u>12,980,000</u>	28 November 2002	18 December 2002 to 17 December 2005	0.348
	<u>41,580,000</u>	-	-	(2,600,000)	<u>38,980,000</u>			

* The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

** The exercise price of the share options is subject to adjustment in the case of a capitalisation issue, rights issue, sub-division or consolidation of the Company's shares or reduction of the Company's share capital.

DISCLOSURE OF ADDITIONAL INFORMATION

Substantial shareholders

As at 30 June 2004, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors and chief executives, the following shareholders had notified the Company of the relevant interests in the issued share capital of the Company.

Long positions

Ordinary shares of HK\$0.01 each of the Company

Name of shareholder	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Super Giant	Beneficial owner	702,000,000	48.75%
Fastmath	Beneficial owner	378,000,000	26.25%
		<u>1,080,000,000</u>	<u>75.00%</u>

Other than as disclosed above, the Company has not been notified of any other interests or short position in the issued share capital of the Company as at 30 June 2004.

Purchase, redemption or sale of listed securities of the Company

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Period.

Code of best practice

In the opinion of the Directors, the Company complied with the Code of Best Practice (the "Code") as set out in appendix 14 of the Listing Rules throughout the Period.

DISCLOSURE OF ADDITIONAL INFORMATION

Audit committee

The Company has an audit committee which was established in accordance with the requirements of the Code for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises the two independent non-executive directors of the Company.

The interim results of the Group for the Period had not been audited, but had been reviewed by the Audit Committee.

On behalf of the Board
Lam Ping Kei
Chairman

Hong Kong, 26 August 2004