

## Additional Information

### Directors' interests in securities

As at 30 June 2004, the directors and chief executive of the Company and their respective associates had the following interests and short positions (if any) in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the

Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"):

Name of director	Number of shares of HK\$0.01 each held			Percentage of issued share capital
	Personal interests	Corporate interests	Total interests	
Mr. Richard John Siemens	–	100,631,627 (Note 1)	100,631,627	21.4%
Mr. William Bruce Hicks	2,319,914	67,962,428 (Note 2)	70,282,342	14.9%
Mr. Kuldeep Saran	341,200	67,632,428 (Note 3)	67,973,628	14.4%
Mr. Shane Frederick Weir	10,000	–	10,000	0.0%

*Notes:*

- 2,400,000 shares are beneficially owned by Siemens Enterprises Limited, a company controlled by Mr. Richard John Siemens. 98,231,627 shares are beneficially owned by Goldstone Trading Limited, a company controlled by Mr. Siemens.
- 67,962,428 shares are beneficially owned by Great Wall Holdings Limited, a company controlled by Mr. William Bruce Hicks.
- 67,632,428 shares are beneficially owned by Future (Holdings) Limited, a company controlled by Mr. Kuldeep Saran.

All the interests disclosed above represent long position in the shares of the Company and there were no underlying shares held by the directors as at 30 June 2004.

Save as disclosed above, as at 30 June 2004, none of the directors or chief executive of the Company or their respective associates had any interests 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 recorded in the register to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### Arrangement to enable directors to acquire shares or debentures

Apart from the share option schemes that are adopted or may be adopted by the Company or any of its subsidiaries and referred to in the paragraph below

titled "Share option schemes", at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable any director or chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and neither the directors or chief executive of the Company nor any of their spouses or children under the age of 18 had any interest in, or had been granted, any right to subscribe for shares in or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), or had exercised any such right during the period.

### Substantial shareholders

As at 30 June 2004, the following persons, other than the directors or chief executive of the Company, had interests and short positions (if any) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

<b>Name of shareholder</b>	<b>Number of shares held</b>	<b>Percentage of interest</b>
Goldstone Trading Limited	98,231,627*	20.9%
Great Wall Holdings Limited	67,962,428*	14.4%
Future (Holdings) Limited	67,632,428*	14.4%

\* The interests herein disclosed represent the same interests as the corporate interests of Mr. Richard John Siemens (being held through Goldstone Trading Limited), Mr. William Bruce Hicks and Mr. Kuldeep Saran as disclosed in the notes to the description under the heading of “Directors’ interests in securities” above.

All interests disclosed above represent long position in the shares of the Company.

Save as disclosed above, the Company has not been notified of any other persons (other than the directors or chief executive of the Company) who had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO as at 30 June 2004.

## **Share options schemes**

### **The Company**

Pursuant to the employee share option scheme of the Company (the “Old Share Option Scheme”) adopted in a special general meeting held on 25 October 1999, the directors of the Company might, at their discretion, invite eligible employees of the Group, including executive directors of the Company, to take up options to subscribe for shares in the Company under the terms and conditions stipulated therein. The Old Share Option Scheme was subsequently terminated by the Company in a special general meeting held on 28 June 2002 but the share options granted but not yet exercised thereunder would remain effective and are bound by terms therein.

On 28 June 2002, the Company adopted a new share option scheme (the “New Share Option Scheme”) to comply with the modified requirements of Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”). Under the New Share Option Scheme, the directors of the Company might at its discretion grant share options to (i) any director, employee, consultant, customer, supplier,

business introduction agent, or legal, financial or marketing adviser of or contractor to any company in the Group or any affiliate; and/or (ii) any discretionary trust the discretionary objects of which include any of the foregoing, under the terms and conditions stipulated therein. No share options have ever been granted by the Company under the New Share Option Scheme since adoption.

### **Subsidiaries of the Company**

On 28 June 2002, the Company adopted a set of rules and procedures for share option schemes for its subsidiaries (the “Scheme Rules and Procedures”) to comply with the modified requirements of Chapter 17 of the Listing Rules. Pursuant to the Scheme Rules and Procedures, the subsidiaries might adopt their respective share options schemes in terms and conditions of the Scheme Rules and Procedures, under which the board of directors of each of the relevant subsidiaries might at its discretion grant their respective share options to (i) any director, employee, consultant, customer, supplier, business introduction agent, or legal, financial or marketing adviser of or contractor to the subsidiaries and their subsidiaries, any of their holding companies or any affiliate; and/or (ii) any discretionary trust the discretionary objects of which include any of the foregoing. No subsidiaries have ever adopted any share option schemes pursuant to the terms and conditions of the Scheme Rules and Procedures since adoption.

During the period, no share options were held by the directors, chief executive or substantial shareholders of the Company, or suppliers of goods or services or other participants other than eligible employees under the Old Share Option Scheme.

## Additional Information (continued)

Details of the share options granted to eligible employees under the Old Share Option Scheme and remained outstanding as at 30 June 2004 were as follows:

Date of grant	Exercisable period	Exercise price HK\$	Number of share options		
			As at 1 January 2004	Lapsed during the period	As at 30 June 2004
25.10.1999	25.10.2000 - 24.10.2009	1.40	1,065,000	(1,050,000)	15,000
16.11.1999	16.11.2000 - 24.10.2009	1.60	7,500	–	7,500
23.12.1999	23.12.2000 - 24.10.2009	2.00	370,000	–	370,000
03.01.2000	03.01.2001 - 24.10.2009	2.30	300,000	(300,000)	–
24.01.2000	21.02.2000 - 24.10.2009	2.30	450,000	(450,000)	–
25.01.2000	01.03.2000 - 24.10.2009	2.30	150,000	(150,000)	–
03.03.2000	03.04.2000 - 24.10.2009	7.60	1,140,000	(1,140,000)	–
03.03.2000	03.03.2001 - 24.10.2009	7.60	15,000	–	15,000
28.04.2000	28.04.2001 - 24.10.2009	3.30	476,500	(325,000)	151,500
09.08.2000	09.08.2001 - 24.10.2009	2.30	30,000	–	30,000
25.10.2000	25.10.2001 - 24.10.2009	1.20	30,000	–	30,000
<b>Total</b>			<b>4,034,000</b>	<b>(3,415,000)</b>	<b>619,000</b>

### Code of best practice

None of the directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not, throughout the six months ended 30 June 2004, in compliance with the Code of Best Practice as set out in Appendix 14 to the Listing Rules, save that the non-executive directors of the Company are not appointed for fixed terms, but are subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Company's Bye-laws.

### Audit committee

The Audit Committee has reviewed with the management and the auditors of the Company the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including a review of the unaudited consolidated financial results for the six months ended 30 June 2004.

### Purchase, sale or redemption of the Company's listed securities

During the period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

### Employee remuneration policies

As at 30 June 2004, the Group employed 187 employees (31 December 2003: 186 employees) in Hong Kong and overseas.

The Group's remuneration policies are formulated on the basis of the performance and experience of individual employee and are in line with local market practices where the Group operates. The Group has established incentive bonus schemes to motivate and reward employees at all levels to achieve the Group's objectives. In addition to salary and bonus payment, the Group also offers to its employees other fringe benefits including provident fund and medical benefits. Furthermore, pursuant to the share option schemes adopted by the Company, share options may be granted to eligible employees of the Group to subscribe for shares in the Company under the terms and conditions stipulated therein.

### Appreciation

The Board would like to thank the customers, shareholders, business associates and professional advisers for their support and extend its appreciation to all employees for their hard work, dedication and commitment to the Group.

By Order of the Board  
**Lau Wai Ming Raymond**  
*Company Secretary*

7 September 2004