

INFORMATION OF SHARE OPTION SCHEME

The following share options were outstanding under the Scheme during the six months period ended 30th June 2004:

Number or category of participant	At 1st January 2004	Number of share options		At 30th June 2004	Date of grant of share options ⁽²⁾	Exercise price of share options (HK\$) ⁽³⁾	Exercise period of share options
		Granted during the period	Exercised during the period ⁽¹⁾				
Directors							
Mr. Lawrence Ho	-	900,000	-	900,000	19 February 2004	2.405	19 February 2005 to 7 March 2012
	-	900,000	-	900,000	19 February 2004	2.405	19 February 2006 to 7 March 2012
	-	1,800,000	-	1,800,000			
Mr. Frank Tsui	1,816,306	-	-	1,816,306	8 March 2002	1.00	8 September 2002 to 7 March 2012
	-	900,000	-	900,000	19 February 2004	2.405	19 February 2005 to 7 March 2012
	-	900,000	-	900,000	19 February 2004	2.405	19 February 2006 to 7 March 2012
	1,816,306	1,800,000	-	3,616,306			
Mr. Ho Cheuk Yuet	1,816,306	-	-	1,816,306	8 March 2002	1.00	8 September 2002 to 7 March 2012
Mr. Peter So ⁽⁴⁾	1,816,306	-	1,816,306	-	8 March 2002	1.00	8 September 2002 to 7 March 2012
Sub-total	5,448,918	3,600,000	1,816,306	7,232,612			

Number or category of participant	At 1st January 2004	Number of share options Granted during the period	Exercised during the period ⁽¹⁾	At 30th June 2004	Date of grant of share options ⁽²⁾	Exercise price of share options (HK\$) ⁽³⁾	Exercise period of share options
Employees							
In aggregate	375,001	-	-	375,001	8 March 2002	1.00	8 March 2003 to 7 March 2012
	375,001	-	-	375,001	8 March 2002	1.00	8 March 2004 to 7 March 2012
	1,113,835	-	-	1,113,835	13 September 2002	1.1067	13 September 2002 to 7 March 2012
	1,113,835	-	-	1,113,835	13 September 2002	1.1067	13 March 2003 to 7 March 2012
	615,000	-	75,000	540,000	13 September 2002	1.1067	13 September 2003 to 7 March 2012
	615,000	-	-	615,000	13 September 2002	1.1067	13 September 2004 to 7 March 2012
	-	4,060,000	-	4,060,000	19 February 2004	2.405	19 February 2005 to 7 March 2012
	-	4,110,000	-	4,110,000	19 February 2004	2.405	19 February 2006 to 7 March 2012
Sub-total	<u>4,207,672</u>	<u>8,170,000</u>	<u>75,000</u>	<u>12,302,672</u>			
Others							
In aggregate	2,220,085	-	-	2,220,085	13 September 2002	1.1067	13 September 2003 to 7 March 2012
	2,220,087	-	-	2,220,087	13 September 2002	1.1067	13 September 2004 to 7 March 2012
	-	500,000	-	500,000	19 February 2004	2.405	19 February 2005 to 7 March 2012
	-	500,000	-	500,000	19 February 2004	2.405	19 February 2006 to 7 March 2012
Sub-total	<u>4,440,172</u>	<u>1,000,000</u>	<u>-</u>	<u>5,440,172</u>			
Total	<u>14,096,762</u>	<u>12,770,000</u>	<u>1,891,306</u>	<u>24,975,456</u>			

- (1) No share option has been lapsed or cancelled during the year.
- (2) The vesting period of the share options is from the date of the grant until the commencement of the exercise period.
- (3) The exercise price of the share options was adjusted after the completion of rights issue on 24th September 2003.
- (4) Mr. Peter So resigned as an Non-executive Director of the Company on 1st April 2004.

Regarding the share options granted during the period to directors, employees and others, the directors do not consider it appropriate to disclose a theoretical value of the options granted, because, in the absence of a readily available market for share options on the ordinary shares of the Company, the directors were unable to arrive at an accurate assessment of the value of the share options.

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

The Company's independent non-executive directors are not appointed for specific terms, as both those directors and the Company prefer to have their offices continued on an ongoing, without renewal basis. Save as aforesaid, in the opinion of the directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited throughout the six months ended 30th June 2004.

REVIEW BY AUDIT COMMITTEE

The 2004 interim report has been reviewed by the Audit Committee of the Company. Regular meetings have been held by the committee since its establishment. The Audit Committee meets at least twice every year.