

DISCLOSURE OF INTERESTS

Directors' Interests in Securities

As at 30th June 2004, the interests and short positions of the Directors and chief executive of the Company in shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required to be (i) notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short positions which a Director or chief executive was taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") under Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Interests in shares of the Company

Name of Director	Long/short position	Number of shares held					Total	Percentage of issued share capital
		Directly beneficially owned	Through spouse or minor children	Through controlled corporation(s)	Through discretionary trust(s)/as beneficiary or trustee of trust(s)	Through person(s) acting in concert		
Mr. Wang Kin Chung, Peter	Long position	—	—	138,260,000 (a)	—	12,069,445 (l)	150,329,445	55.94%
Mr. Wu Ching Her	Long position	2,636,289	—	—	—	—	2,636,289	0.98%
Ms. Wang Koo Yik Chun	Long position	—	—	—	1,537,000 (b)	—	1,537,000	0.57%
Mr. Tang Yue Nien, Martin	Long position	—	—	—	52,338,047 (c, d, i and j)	—	52,338,047	19.48%
Ms. Leslie Tang Schilling	Long position	—	4,312,193 (e and i)	—	—	—	4,312,193	1.60%

Interests in shares of Hua Thai Manufacturing Public Company Limited ("Hua Thai"), an associated corporation of the Company

Name of Director	Long/short position	Number of shares held			Total	Percentage of issued share capital
		Directly beneficially owned	Through spouse or minor children			
Mr. Wang Kin Chung, Peter	Long position	—	1,085,800 (m)		1,085,800	10.86%
Ms. Wang Koo Yik Chun	Long position	7,500 (n)	2,500 (n)		10,000	0.10%

Save as disclosed above, as at 30th June 2004, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short positions which a Director or chief executive was taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 30th June 2004, the Company had been notified that the following shareholders (not being Directors or chief executive of the Company) were interested, or were deemed to be interested, in the following interests and/or short positions in the shares, debentures or underlying shares of the Company, notifiable to the Company pursuant to Division 2 and 3 of Part XV of the SFO. These interests are in addition to those disclosed in the section "Directors' Interests in Securities" above in respect of the Directors and chief executive of the Company.

Name of Shareholder	Long/short position	Number of shares held					Total	Percentage of issued share capital
		Directly beneficially owned	Through spouse or minor children	Through controlled corporation(s)	Through discretionary trust(s)/as beneficiary or trustee of trust(s)	Through person(s) acting in concert		
Silver Tree Holdings Inc.	Long position	138,260,000 (a)	—	—	—	—	138,260,000	51.45%
Ms. Daisy Ting	Long position	—	138,260,000 (o)	—	—	—	138,260,000	51.45%
Mr. Tang Chi Chien, Jack	Long position	—	4,299,492 (f and j)	—	7,769,953 (g)	138,260,000 (k)	150,329,445	55.94%
Bermuda Trust (New Zealand) Limited	Long position	—	—	—	75,648,500 (c, d, e, f, g and h)	—	75,648,500	28.15%
HSBC International Trustee Limited	Long position	—	—	75,648,500 (p)	82,500 (p)	—	75,731,000	28.18%

Save as disclosed above, as at 30th June 2004, no other person (other than a Director or chief executive of the Company) known to any Director or chief executive of the Company had an interest or short position in the shares, debentures or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Notes to "Directors' Interests in Securities" and "Substantial Shareholders" sections (information as at 30th June 2004):

- a. 138,260,000 shares were beneficially owned by Silver Tree Holdings Inc., a company wholly-owned by Mr. Wang Kin Chung, Peter.
- b. 1,379,000 shares were held by Euroworld Trustee Holdings Corporation as trustee of a unit trust, units of which were held by a trust, the discretionary objects of which included Ms. Wang Koo Yik Chun. Another 158,000 shares were held by Main World Investment Limited, the entire issued share capital of which was beneficially owned by the same unit trust.
- c. Bermuda Trust (New Zealand) Limited held 38,371,533 shares as trustee of a trust of which Mr. Tang Yue Nien, Martin was a discretionary beneficiary.
- d. Bermuda Trust (New Zealand) Limited held 13,966,514 shares as co-trustee with Mr. Tang Yue Nien, Martin of various trusts of which Mr. Tang Yue Nien, Martin was a discretionary beneficiary.
- e. Bermuda Trust (New Zealand) Limited held 4,312,193 shares as co-trustee of a trust of which Ms. Leslie Tang Schilling's children were discretionary beneficiaries.
- f. Bermuda Trust (New Zealand) Limited held 4,299,492 shares as co-trustee of a trust of which Mr. Tang Chi Chien, Jack's spouse was a discretionary beneficiary.
- g. Bermuda Trust (New Zealand) Limited held 7,769,953 shares as co-trustee with Mr. Tang Chi Chien, Jack of a trust of which Mr. Tang Chi Chien, Jack was a discretionary beneficiary.
- h. Bermuda Trust (New Zealand) Limited held 75,648,500 shares as trustees for various trusts and all the shares were registered in the name of its nominee company, Somers Nominees (Far East) Limited.
- i. 4,312,193 shares held by Mr. Tang Yue Nien, Martin overlap that of family interests of Ms. Leslie Tang Schilling.
- j. 4,299,492 shares held by Mr. Tang Yue Nien, Martin overlap that of family interests of Mr. Tang Chi Chien, Jack.
- k. By virtue of Section 317 of the SFO, Mr. Tang Chi Chien, Jack was taken to be interested in the interest of Mr. Wang Kin Chung, Peter in the equity securities of the Company, namely 138,260,000 shares which were held by Silver Tree Holdings Inc., a company wholly-owned by Mr. Wang Kin Chung, Peter (see Note a).
- l. By virtue of Section 317 of the SFO, Mr. Wang Kin Chung, Peter was taken to be interested in the interest of Mr. Tang Chi Chien, Jack, in the equity securities of the Company, namely the family interests of 4,299,492 shares (see Notes f and j) and the personal and other interests of 7,769,953 shares (see Note g).
- m. 1,085,800 shares were held by Ms. Daisy Ting, the spouse of Mr. Wang Kin Chung, Peter, in Hua Thai.
- n. 7,500 shares were held by Ms. Wang Koo Yik Chun and 2,500 shares were held by the late Mr. Wang Seng Liang, the spouse of Ms. Wang Koo Yik Chun, in Hua Thai.
- o. 138,260,000 shares were beneficially owned by Silver Tree Holdings Inc., a company wholly-owned by Mr. Wang Kin Chung, Peter (see Note a), the spouse of Ms. Daisy Ting.
- p. 75,648,500 shares were held by Bermuda Trust (New Zealand) Limited (see Notes c, d, e, f, g and h), a company accustomed/obliged to act in accordance with the directions or instructions of HSBC International Trustee Limited. Another 82,500 shares were held by HSBC International Trustee Limited as trustee (other than a bare trustee).

SHARE OPTIONS

A share option scheme was adopted by the shareholders of the Company at the special general meeting held on 28th November 1997, pursuant to which options may be granted to full-time employees (including executive directors) of the Company or its subsidiaries to subscribe for shares in the Company (the "Share Option Scheme"). The Share Option Scheme will remain in force for a period of ten years from 28th November 1997. As at the date of this Interim Report, 20,994,025 shares, representing 7.81% of the issued share capital of the Company, are available for issue under the Share Option Scheme and in compliance with Chapter 17 of the Listing Rules.

No share options under the Share Option Scheme were outstanding at the beginning and at the end of the six months ended 30th June 2004 and no share options were granted, exercised, cancelled or lapsed during the said period.