

## PLEDGE OF ASSETS

As at 30 June 2004, the Group had pledged certain of its time deposits and guaranteed funds amounting to HK\$16,282,000 (31 December 2003: HK\$16,278,000) as security for general banking facilities granted by banks.

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 30 June 2004, the interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or are required pursuant to the Model Code for Securities Transactions by Directors of Listed Companies of the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

### Directors' Interests in the issued shares of the Company

Name of Director	Capacity	Number of Shares	Percentage of issued share capital of the Company
Shaw Wen Fei	Corporate (Note 1)	1,064,900	1.43%
Lui Chun Bing, Tommy	Beneficial owner	266,800	0.36%
	Family interest (Note 2)	4,000,000	5.38%
		4,266,800	5.74%
Au Hoi Tsun, Peter	Beneficial owner	345,000	0.46%

#### Notes:

- These shares are held by Sharp States Investments Inc., the entire issued share capital of which is wholly owned by Mr. Shaw Wen Fei.
- These shares are held by Expert View Group Limited, a corresponding interest of 66.67% and 33.33% of the issued share capital of which is beneficially owned by Ms. Sum Kin Man and Mr. Lui Tin Shun, wife and son of Mr. Lui Chun Bing, Tommy respectively. Mr. Lui Chun Bing, Tommy is deemed to be interested in the shares of the Company held by Ms. Sum Kin Man and Mr. Lui Tin Shun.

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES (continued)

Save as disclosed above, as at 30 June 2004, none of the Directors, chief executives of the Company and their associates had any personal, family, corporate or other 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 would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register of directors' and chief executives' interests and short positions, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, to be notified to the Company and the Stock Exchange.

## SHARE OPTIONS

### 1. The Company

The Company adopted a share option scheme at its special general meeting held on 22 March 2002. 2,720,000 share options granted on 15 July 2003 and then remained outstanding. As of 30 June 2004, no share options were granted and/or exercised during the Current Period. Details of the outstanding share options are as follows:

Name of option holder	Exercise price	Exercisable period	Number of outstanding share options
<b>Directors</b>			
Shaw Wen Fei	HK\$1.14	15/07/2003 – 14/07/2008	600,000
Lui Chun Bing, Tommy	HK\$1.14	15/07/2003 – 14/07/2008	600,000
Au Hoi Tsun, Peter	HK\$1.14	15/07/2003 – 14/07/2008	450,000
Lee Hoong Seun	HK\$1.14	15/07/2003 – 14/07/2008	200,000
Sung Yan Wai, Petrus	HK\$1.14	15/07/2003 – 14/07/2008	200,000
Chim Chun Kwan, Sandy	HK\$1.14	15/07/2003 – 14/07/2008	200,000
Wong Che Keung, Richard	HK\$1.14	15/07/2003 – 14/07/2008	60,000
Tong Yee Yung, Joseph	HK\$1.14	15/07/2003 – 14/07/2008	60,000
Sub-total:			2,370,000
<b>Employees</b>	HK\$1.14	15/07/2003 – 14/07/2008	350,000
Total:			2,720,000

### 2. Associated Corporation

Omnitech Holdings Limited ("OHL"), 51.56% owned by the Company, adopted a new share option scheme at the special general meeting of the Company held on 20 May 2004 (the "OHL New Share Option Scheme"). No share options were granted under the OHL New Share Option Scheme during the Current Period up to 30 June 2004.

## SHARE OPTIONS (continued)

Apart from the foregoing, at no time during the Current Period was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or any of their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, and no Directors or chief executives of the Company or their respective spouses or children under 18 years of age had been granted any right to subscribe for equity or debt securities of the Company nor exercised any such right.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 30 June 2004, so far as is known to the Directors or chief executives of the Company, the following persons (other than the Directors or the chief executives of the Company) had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO:

Name of Shareholder	Capacity	Number of shares	Percentage of issued share capital of the Company
The Grande (Nominees) Limited (Note 1)	Beneficial owner	6,573,795	8.85%
The Grande Holdings Limited (Note 1)	Corporate	6,573,795	8.85%
Barrican Investments Corporation (Note 1)	Corporate	6,573,795	8.85%
The Grande International Holdings Limited (Note 1)	Corporate	6,573,795	8.85%
Ho Wing On, Christopher (Note 1)	Corporate	6,573,795	8.85%
Planet Adventure Limited (Note 2)	Beneficial owner	6,200,000	8.35%
Huen Wing Ming, Patrick (Note 2)	Corporate	6,300,000	8.48%
Huen Ng Sui Fong, Isabel (Note 3)	Family interest	6,300,000	8.48%
Sum Kin Man (Notes 4 and 5)	Corporate Family interest	4,000,000 866,800	5.38% 1.17%
		4,866,800	6.55%
Expert View Group Limited (Note 5)	Beneficial owner	4,000,000	5.38%
Lui Tin Shun (Note 5)	Corporate	4,000,000	5.38%

## **SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES (continued)**

*Notes:*

1. The Grande (Nominees) Limited is a wholly owned subsidiary of The Grande Holdings Limited. Barrican Investments Corporation holds a controlling interest in the capital of The Grande Holdings Limited and is a wholly owned subsidiary of The Grande International Holdings Limited. The Grande International Holdings Limited is wholly owned by Mr. Ho Wing On, Christopher. The Grande Holdings Limited, Barrican Investments Corporation, The Grande International Holdings Limited and Mr. Ho Wing On, Christopher are deemed to be interested in the shares of the Company held by The Grande (Nominees) Limited.
2. Planet Adventure Limited and Patova International Limited are wholly owned by Mr. Huen Wing Ming, Patrick who is deemed to be interested in 6,200,000 shares and 100,000 shares of the Company held by Planet Adventure Limited and Patova International Limited respectively.
3. Mrs. Huen Ng Sui Fong, Isabel is the spouse of Mr. Huen Wing Ming, Patrick and is deemed to be interested in the shares of the Company in which Mr. Huen Wing Ming, Patrick is interested.
4. Ms. Sum Kin Man is the spouse of Mr. Lui Chun Bing, Tommy and is deemed to be interested in the shares of the Company held by Mr. Lui Chun Bing, Tommy.
5. Expert View Group Limited is beneficially owned as to 66.67% and 33.33% by Ms. Sum Kin Man and Mr. Lui Tin Shun, spouse and son of Mr. Lui Chun Bing, Tommy respectively. Each of Ms. Sum Kin Man and Mr. Lui Tin Shun is deemed to be interested in the shares of the Company held by Expert View Group Limited.

Save as disclosed above, as at 30 June 2004, the Directors are not aware of any other persons who have 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 would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.