

**(ii) Underlying Shares**

Name of director	Capacity	Outstanding number of shares issuable under the options granted pursuant to the share option scheme adopted on			Total
		19.02.1992	29.08.2002		
Chan Hoi Lam	Beneficial owner	–	28,000,000	28,000,000	
Yau Kang Nam	Beneficial owner	–	6,000,000	6,000,000	
Jiang Hai Qing	Beneficial owner	10,000,000	10,000,000	20,000,000	

Save as disclosed above, none of the directors or their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of 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 Companies.

## DISCLOSABLE INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS UNDER THE SFO

As at 30th September, 2004, the following substantial shareholder had interests and short positions as recorded in the register maintained by the Company pursuant to section 336 of the SFO in the shares of the Company:

**Shares**

Name of Shareholder	Capacity	Number of shares held	Percentage of issued share capital
First Century Holdings Limited	Beneficial Owner	2,058,869,889	52.33%

Save as disclosed above, the Company had not been notified of any other persons who had interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations as recorded in the register required to be kept pursuant to Section 336 of the SFO as at 30th September, 2004.

## SHARE OPTION SCHEME

On 29th August, 2002, the Company adopted a share option scheme (the "New Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Under the New Scheme the directors may, at their discretion, offer any eligible participant (including any director of the Company or any of its subsidiaries) options to subscribe for shares in the Company subject to the terms and conditions stipulated in the New Scheme. During the period, no options were granted under the New Scheme.

The financial impact of options granted is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the income statement or balance sheet for their costs. Upon the exercise of the options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account.

Details of the movements in the number of options outstanding during the period which have been granted under the New Scheme are as follows:

Name or category of participant	Date of grant (Notes 1 & 2)	Exercise period (Note 1)	Exercise price per share <i>HK\$</i>	Number of share options			Outstanding at 30.9.2004	Weighted average closing price (Note 3) <i>HK\$</i>
				Outstanding at 1.4.2004	Exercised during the period	Lapsed during the period		
<b>Directors</b>								
Chan Hoi Lam	3.4.2003	3.4.2003 – 2.4.2006	0.018	28,000,000	–	–	28,000,000	–
Yau Kang Nam	3.4.2003	3.4.2003 – 2.4.2006	0.018	6,000,000	–	–	6,000,000	–
Jiang Hai Qing	3.4.2003	3.4.2003 – 2.4.2006	0.018	10,000,000	–	–	10,000,000	–
				44,000,000	–	–	44,000,000	
<b>Employees/Consultants</b>								
In aggregate	3.4.2003	3.4.2003 – 2.4.2006	0.018	62,900,000	(21,500,000)	(6,500,000)	34,900,000	0.026
Total				106,900,000	(21,500,000)	(6,500,000)	78,900,000	