

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Pursuant to the share option scheme (the "Scheme") adopted on 27th August, 2002 by a resolution passed by the Company's shareholders on the same date, the board of directors of the Company may grant options as an incentive to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company at the price determined by the directors, but shall not be lower than the higher of (i) the closing price of the Company's shares on the Stock Exchange of on the date of grant; (ii) the average of the closing prices of the Company's shares on the Stock Exchange for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares. The maximum number of shares in respect of which options may be granted under the share option scheme is not permitted to exceed 10% of the issued share capital of the Company from time to time. An option may be exercised at any time within ten years from the date of grant of the relevant options.

The offer of a grant of share options under the scheme may be accepted within 28 days from the date of the offer by the grantee. The vesting and exercise period of the share option granted is determinable at the entire discretion of the board of directors but the exercise period will not exceed a period of ten years immediately after acceptance of grant.

At 30th September, 2004, the number of shares in respect of which options had been granted and remained outstanding under the share option scheme were 50,000,000 shares, representing 9.8% of the shares of the Company in issue at that date.

No charge is recognised in the income statement in respect of the value of options granted during the period.

The following tables disclose details of the Company's share options of the Group and movements in such holding during the period:

(i) Employees

Date of grant	Subscription price per share HK\$	Exercise period	Outstanding at 01.04.2004	Number of share options		Outstanding at 30.9.2004
				Granted during the period	Exercised during the period	
05.02.2004	1.3000	05.02.2004 to 04.02.2014	7,700,000	-	-	7,700,000

(ii) Other participants

Date of grant	Subscription price per share HK\$	Exercise period	Outstanding at 01.04.2004	Number of share options		Outstanding at 30.9.2004
				Granted during the period	Exercised during the period	
05.02.2004	1.3000	05.02.2004 to 04.02.2014	12,300,000	-	-	12,300,000
20.04.2004	1.540	20.04.2004 to 19.04.2014	-	30,000,000	-	30,000,000

No options were granted to or held by directors of the Company during the period.

Save disclosed herein:

1. None of the directors or their spouses or children under the age of 18 had any right to subscribe for the securities of the Company, or had exercised any such right during the period; and
2. At no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate.