

Interests and Short Positions of Substantial Shareholders in Shares and Underlying Shares

As at 30 June 2005, other than the interests of the directors or chief executive of the Company as disclosed above, the following persons had interests in the Shares of the Company which fall to be disclosed to the Company under Section 336 of the SFO:–

(A) Long Positions in Shares of the Company

Name of Shareholder	Capacity/Nature	Number of Shares	Percentage of issued share capital
Long Positions			
King Lun Holdings Limited	Beneficial owner (49,950,800) Interest of controlled corporation (996,000,000) ¹	1,045,950,800 ²	35.72%
J.P. Morgan Trust Company (Jersey) Limited	Trustee (50,750,000) Interest of controlled corporation (1,045,950,800) ²	1,096,700,800 ³	37.45%
The Capital Group Companies, Inc.	Investment manager	347,278,175	11.86%
Short Positions			
King Lun Holdings Limited	Beneficial owner	49,950,800 ⁴	1.71%
J.P. Morgan Trust Company (Jersey) Limited	Interest of controlled corporation	49,950,800 ⁵	1.71%

Notes:

- (1) 996,000,000 Shares are held by Li & Fung (1937) Limited which is a wholly owned subsidiary of King Lun Holdings Limited.
- (2) (a) 50% of issued share capital of King Lun Holdings Limited is owned by J.P. Morgan Trust Company (Jersey) Limited and its interests in 1,045,950,800 Shares of the Company is duplicated in the interests of J.P. Morgan Trust Company (Jersey) Limited.
 (b) By virtue of the SFO, each of Dr Victor FUNG Kwok King and Dr William FUNG Kwok Lun is deemed to be interested in 1,045,950,800 Shares of the Company held by King Lun Holdings Limited as described in Note (1) under the above section of Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures.
- (3) By virtue of the SFO, Dr Victor FUNG Kwok King is deemed to be interested in 1,096,700,800 Shares held by J.P. Morgan Trust Company (Jersey) Limited, the trustee of a trust established for the benefit of the family of Dr Victor FUNG Kwok King.
- (4) This short position represents King Lun's short position in 49,950,800 underlying shares which constitutes unlisted physically settled equity derivatives pursuant to arrangement as described in the Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures section stated above.
- (5) J.P. Morgan Trust Company (Jersey) Limited is taken to have short position in the same underlying shares held by its controlled corporation, King Lun Holdings Limited.

Save as disclosed above, the Company had not been notified of any short positions being held by any substantial shareholder in the Shares or underlying shares of the Company as at 30 June 2005.