

## SUBSTANTIAL SHAREHOLDERS

So far as is known to any director or the chief executive of the Company, as at the 30 June 2005, the persons or companies (not being a director or chief executive of the Company) who had interests or short positions in the shares and 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 who were directly or indirectly deemed to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group were as follows:

### Long position in shares

Name of shareholder of the Company	Notes	Capacity	Number of issued ordinary share held		Percentage of the issued share capital
			Direct interests	Deemed interests	of the Company
Well Success	1	Beneficial owner	559,703,240	111,926,000	60.51%
Ko Shing	1	Beneficial owner	111,926,000	–	10.08%
First Dynamic	1	Held by controlled corporation	–	671,629,240	60.51%
Alexon International	1	Held by controlled corporation	–	671,629,240	60.51%
Royal Pacific	1	Held by controlled corporation	–	671,629,240	60.51%
Frensham Investments Limited ("Frensham")	2	Held by controlled corporation	–	671,629,240	60.51%
Pou Yuen Industrial (Holdings) Limited ("Pou Yuen (Holdings)")	2	Held by controlled corporation	–	671,629,240	60.51%
Yue Yuen Industrial Limited ("Yue Yuen Industrial")	2	Held by controlled corporation	–	671,629,240	60.51%
Pou Hing Industrial Company Limited ("Pou Hing Company")	2	Held by controlled corporation	–	671,629,240	60.51%
Yue Yuen Industrial (Holdings) Limited ("Yue Yuen")	2	Held by controlled corporation	–	671,629,240	60.51%
Wealthplus Holdings Limited ("Wealthplus")	2	Held by controlled corporation	–	671,629,240	60.51%

**Long position in shares** (continued)

Name of shareholder of the Company	Notes	Capacity	Number of issued ordinary share held		Percentage of the issue share capital of the Company
			Direct interests	Deemed interests	
Pou Chen Corporation ("Pou Chen")	2	Held by controlled corporation	-	671,629,240	60.51%
Madam Lau Yuk Wah	3	Held by controlled corporation	-	678,229,174	61.11%
Madam Ng Shuk Fong	3	Held by controlled corporation	-	678,229,240	61.11%
Mr. Chang	4	Person acting in concert	9,679,903	111,926,000	10.09%
Madam Chou Mei Yueh	4	Person acting in concert	-	121,605,903	10.09%
Government of Singapore Investment Corporation Pte Ltd.		Investment Manager	56,306,000	-	5.07%
Chartered Asset Management Pte Ltd		Investment Manager	67,252,000	-	6.06%

*Notes:*

- Well Success is directly interested in 559,703,240 shares of the Company and deemed to be interested in 111,926,000 shares of the Company held by Ko Shing which is its wholly-owned subsidiary.

First Dynamic held more than one-third of the issued share capital of Well Success. Royal Pacific and Alexon each held more than one-third of the issued share capital of First Dynamic.

Accordingly, Well Success, First Dynamic, Royal Pacific and Alexon are deemed to be interested in 671,629,240 shares of the Company.

2. Frensham held more than one-third of the issued share capital of Well Success. Frensham is a wholly-owned subsidiary of Pou Yuen (Holdings) which in turn is a wholly-owned subsidiary of Yue Yuen Industrial. Yue Yuen Industrial is a wholly-owned subsidiary of Pou Hing Company which in turn was a wholly-owned subsidiary of Yue Yuen. Wealthplus, a wholly-owned subsidiary of Pou Chen, held over 35% interests in Yue Yuen.

Accordingly, Frensham, Pou Yuen (Holdings), Yue Yuen Industrial, Pou Hing Company, Yue Yuen, Wealthplus and Pou Chen are deemed to be interested in 671,629,240 shares of the Company.

3. Madam Lau Yuk Wah ("Madam Lau") is the wife of Mr. Sze, a director of the Company. Mr. Sze is interested in the entire issued share capital of Alexon, which is deemed to be interested in 671,629,240 shares of the Company (see Note 1). Mr. Sze was granted 9,000,000 share options of the Company on 9 January 2004. 3,000,000 options were exercised on 25 February 2004, pursuant to the bonus issue of shares approved by the shareholders of the Company on 12 May 2004 (the "Bonus Issue"), 300,000 bonus shares were issued to Mr. Sze. The outstanding share options were adjusted by a factor of 0.9091, hence Mr. Sze's 6,000,000 outstanding options after adjustment amount to 6,599,934. Mr. Sze is deemed to be interested in a total of 678,229,174 shares of the Company. Madam Lau is deemed to be interested in 678,229,174 shares of the Company.

Madam Ng Shuk Fong ("Madam Ng") is the wife of Mr. Chan, a director of the Company. Mr. Chan is interested in the entire issued share capital of Royal Pacific which is deemed to be interested in 671,629,240 shares of the Company (see Note 1). Mr. Chan was granted 6,000,000 options of the Company on 9 January 2004. 2,000,000 options were exercised on 17 February 2004 and 4,000,000 were exercised on 7 April 2004. 600,000 bonus shares were issued to Mr. Chan as a result of the Bonus Issue, Mr. Chan is thus deemed to be interested in a total of 678,229,240 shares of the Company. Madam Ng is deemed to be interested in 678,229,240 shares of the Company.

4. Ko Shing had a direct interest in 111,926,000 shares of the Company. Mr. Chang is deemed to be interested in 111,926,000 shares of the Company pursuant to a subscription agreement dated 27 May 2003 to acquire interests in the Company.

Mr. Chang was granted 8,800,000 share options of the Company on 9 January 2004. Pursuant to the bonus issue, the outstanding share options were adjusted by a factor of 0.9091, hence Mr. Chang's 8,800,000 outstanding options after adjustment amount to 9,679,903. Mr. Chang is interested in a total of 121,605,903 shares of the Company. Madam Chou Mei Yueh is the wife of Mr. Chang and is deemed to be interested in 121,605,903 shares of the Company.

**Short position in shares**

Other than as disclosed above, none of the director or the chief executive of the Company has been notified of any other relevant interests or short positions in the issued share capital of the Company or its underlying shares which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in five per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Company and the amount of each such person's interest in such securities together with particulars of any options in respect of such capital.

**SHARE OPTION SCHEME**

Details of the directors' interest in the Scheme are set out under the section Directors' Disclosure of Interests under the heading "Long Position in Shares".

**Outstanding Share Options**

Pursuant to an ordinary resolution passed at a special general meeting of the Company on 22 October 2001, a new share option scheme (the "2001 Scheme") was adopted by the Company. The 2001 Scheme replaced the share option scheme adopted on 9 February 1995 (as amended on 9 December 1997) (the "1997 Scheme"). After the adoption of the 2001 Scheme, no further options can be granted under the 1997 Scheme. No share option of the 1997 Scheme was outstanding as at 31 December 2003. There was no option granted under the 2001 Scheme since its adoption.

The Company operates the 2001 Scheme for the purpose of providing eligible participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole. All directors, full-time employees and any other persons who, in the sole discretion of the board of directors, have contributed or will contribute to the Group are eligible to participate in the 2001 Scheme.

Shares which may be issued upon exercise of all options to be granted under the 2001 Scheme or any other share option scheme adopted by the Company must not in aggregate exceed 10% of the shares of the Company in issue on the date of adoption.