

DIRECTORS' INTERESTS IN EQUITY OR DEBT SECURITIES

As at 30 June 2001, the directors, chief executives and their associates had the following interests in the share capital and share options of the Company and its associated corporations (within the meaning of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance")) which require notification pursuant to section 28 of the SDI Ordinance or the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") or as recorded in the register maintained pursuant to section 29 of the SDI Ordinance:

(A) Shares of HK\$0.025 each

	Number of Shares			
	Personal interest	Corporate interest	Family interest	Other interest
Dr Victor Fung Kwok King	—	1,180,500,000 <i>Note (1)</i>	—	50,750,000 <i>Note (2)</i>
Dr William Fung Kwok Lun	68,502,300	1,180,500,000 <i>Note (1)</i>	8,000	—
Mr Henry Chan	2,080,000	—	—	—
Mr Danny Lau Sai Wing	7,000,000	—	—	—
Ms Annabella Leung Wai Ping	2,880,000	—	—	—
Mr Bruce Philip Rockowitz	8,000	50,374,100	—	—
Mr Lau Butt Farn	2,200,000	—	—	—
Professor Franklin Warren McFarlan	52,000	—	—	—

Notes:

(1) As at 30 June 2001:

- (a) King Lun Holdings Limited ("King Lun"), a private company incorporated in the British Virgin Islands, held 49,950,800 Shares.
- (b) King Lun through its wholly-owned Hong Kong incorporated subsidiary, Li & Fung (1937) Limited, held 996,000,000 Shares.
- (c) Li & Fung (1937) Limited, through Orient Ocean Holdings Limited ("Orient Ocean"), a private company incorporated in the British Virgin Islands, held 134,549,200 Shares. Li & Fung (1937) Limited held 50% voting rights with no beneficial interest in Orient Ocean.

Dr Victor Fung Kwok King and Dr William Fung Kwok Lun are deemed to have interests in the 1,180,500,000 Shares, i.e. the total number of Shares mentioned in *notes* (1)(a), (b) and (c) above, through their personal or other interests in King Lun as set out below:

- (i) 1,332,840 shares in King Lun, representing 50% of its issued share capital, are owned by Chase Bank & Trust Company (CI) Limited, the trustee of a trust established for the benefit of the family of Dr Victor Fung Kwok King.
 - (ii) 1,332,840 shares in King Lun, representing 50% of its issued share capital, are owned by Dr William Fung Kwok Lun.
- (2) 50,750,000 Shares in the Company are held by Chase Bank & Trust Company (CI) Limited, the trustee of a trust established for the benefit of the family of Dr Victor Fung Kwok King.

(B) Share options

	Number of share options outstanding	
	16 July 1999 <i>Note (a)</i>	7 July 2000 <i>Note (b)</i>
Dr William Fung Kwok Lun	—	480,000
Mr Henry Chan	1,200,000	240,000
Mr Danny Lau Sai Wing	240,000	240,000
Ms Annabella Leung Wai Ping	—	240,000
	<u>1,440,000</u>	<u>1,200,000</u>

Notes:

- (a) The share options granted on 16 July 1999 are exercisable at HK\$4.1525 per share during the period from 16 July 2000 to 15 July 2002.
- (b) The share options granted on 7 July 2000 are exercisable at HK\$15.26 per share during the period from 7 July 2001 to 6 July 2003.

During the period, a total of 360,000 Shares were issued to a director of the Company pursuant to the exercise of the share options granted on 25 July 1998.