

## ■ SHARE OPTION SCHEME

According to the New Share Option Scheme, the Board may grant options to any director, employee and/or any selected participant as incentives or rewards for their contribution to the Group and the Board may provide restrictions on the exercise of an option during the period an option may be exercised.

On 26 June 2002, the Company offered the first batch of 123,360,000 share options under the New Share Option Scheme to certain directors and employees of the Company and other participants at the exercise price of HK\$0.1312, being the average closing price of the Company's shares for the five business day immediately preceding 26 June 2002 and may be exercised at any time during the period from 26 June 2002 to 20 June 2012. The closing price of the Company's shares immediately before the date of grant was HK\$0.135.

Category of participants	Number of share options granted
Directors	
Hon Fong Ming, Perry	900,000
Qian Keming	864,000
Zhang Jiebin	900,000
Ke Yinbin	900,000
Shang Qingling	864,000
Yu Enguang	864,000
Ma Qingguo	864,000
Employees	13,064,000
Suppliers of goods and services	48,680,000
Other participants	55,460,000

During the six months ended 30 June 2002, no option was exercised, lapsed or cancelled and save as disclosed above, no further option was granted on or before 30 June 2002.