

DIRECTORS' RIGHTS TO ACQUIRE SHARES

On 4 August 1993, the Company approved a share option scheme (the "Old Scheme") under which the directors may, at their absolute discretion, grant options to directors and employees of the Company and its subsidiaries to subscribe for shares in the Company. The maximum number of shares in respect of which options may be granted may not exceed 10% of the share capital of the Company in issue from time to time.

The Stock Exchange of Hong Kong Limited has amended Chapter 17 (Share Option Scheme) of the Main Board Listing Rules which came into effect on 1 September 2001. In compliance with the amendments to the Listing Rules, the Company, at an Annual General Meeting held on 2 September 2002, adopted a new share option scheme (the "New Scheme") for the purpose of providing incentives and rewards to eligible participants who contributed to the success of the Group's operation and enabling the Group to recruit and retain high-calibre employees and attract resources that are valuable to the Group and Invested Entity. The New Scheme will remain in force for a period of 10 years from 2 September 2002. On the same day, the Old Scheme was terminated.

Up to the termination of the Old Scheme, no share options were granted under the Old Scheme. Up to 30 September 2002, no share options were granted to any eligible participants under the New Scheme.

Apart from the foregoing, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the Company's directors, their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.