

**SUBSTANTIAL SHAREHOLDERS**

In addition to the interests disclosed above in respect of the Directors, the Company was notified of the following interest in the issued ordinary share capital of the Company as at 31 December 2002 as required to be recorded in the register maintained under Section 16(1) of the SDI Ordinance:

- (i) 367,904,142 shares of the Company are held by Guliano, representing 39.74% of the issued share capital of the Company.
- (ii) VdV is deemed to be interested in the shares of the Company as it holds 49.99% of the issued share capital of Guliano.
- (iii) A family trust of which the family members of Mr. Wong are eligible beneficiaries is deemed to be interested in the shares of the Company as it holds 40.41% of the issued share capital of Guliano.

**SHARE OPTIONS**

A new share option scheme was approved and adopted at a special general meeting of the Company held on 22 November 2001, pursuant to which the Company may grant options to Directors of the Company and employees of the Group, and any suppliers, consultants and advisers who will or have provided services to the Group, to subscribe for shares in the Company, subject to a maximum of 10% of the issued share capital of the Company as at 22 November 2001 and the maximum number of options granted to any one individual in any 12-month period shall not exceed 1% of the issued share capital. The purpose of the new share option scheme is to enable the Company to grant options to selected participants as incentives and rewards for their contribution to the Group. A consideration of HK\$1 is payable on the grant of an option. Options granted must be taken up within 14 days from the date of grant. The subscription price of the option shares is determined by the Directors of the Company, and will not be less than the highest of the nominal value of the shares, the closing price of the shares on the date of grant and the average of the closing prices of the shares on the five trading days immediately preceding the date of the grant.

The options are exercisable at any time during the period commencing on the second anniversary of the date of grant of the options and expiring at the close of business on the day preceding the tenth anniversary of the date of adoption of the share option scheme.

Other than the options granted to the Directors, there were no options under the share option scheme were granted, exercised or cancelled during the period.