

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 30 September 2003, the interests and short positions of the directors of the Company and their associates in the shares and underlying shares of the Company which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO") (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), were as follows:

Shares of HK\$0.10 each of the Company

Name of director	Capacity	Interests in shares (Note 1)	Interests in underlying shares (Note 1)	Aggregate percentage of holding (%) (Note 3)
LI Qin	Beneficial owner	1,016,000	—	0.12
GUO Wei	Beneficial owner	904,000	5,600,000	0.76
ZENG Maochao	Beneficial owner	808,000	—	0.09
	Interest of spouse	60,000 (Note 2)	—	0.01
LIN Yang	Beneficial owner	220,000	3,000,000	0.37
HUA Zhinian	Beneficial owner	80,000	2,200,000	0.27

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

Notes:

1. All the above interests in the shares and underlying shares of the Company were long positions. None of the directors of the Company or their associates held any short positions in the shares or underlying shares of the Company at 30 September 2003. Interests in underlying shares of the Company represented share options granted to such directors, further details of which are set out in the section headed "Share Options" below.
2. 60,000 shares were owned by the wife of Mr. ZENG Maochao.
3. The aggregate percentages of holding were calculated on the basis of 858,749,331 shares of the Company in issue at 30 September 2003.

Save as disclosed above, at 30 September 2003, none of the directors and chief executives of the Company or their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of the SFO) which were required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTIONS

The old share option scheme of the Company was adopted on 14 May 2001 (the "2001 Share Option Scheme") and terminated on 18 July 2002. Upon termination, no further options shall be granted under the 2001 Share Option Scheme but the provisions of the 2001 Share Option Scheme shall remain in full force and effect in all other respects to govern all outstanding options granted thereunder prior to termination. The new share option scheme of the Company was adopted on 18 July 2002 (the "2002 Share Option Scheme").