

DIRECTORS' INTERESTS IN SHARES

As at 30 September 2003, the interests and short positions of the directors and their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

1. *Interests in shares of the Company*

Company	Number of shares and nature of interests			Percentage of the Company's issued share capital
	Personal interests	Other interests	Total	
Mr. So Yuk Kwan	–	123,508,300 (<i>Note</i>)	123,508,300	33.17%
Mr. Lee Jeong Kwan	3,000,000	–	3,000,000	0.81%
Mr. So Chi On	–	123,508,300 (<i>Note</i>)	123,508,300	33.17%
Mr. Lai Yat Hung, Edmund	3,242,607	–	3,242,607	0.87%
Mr. Lai Yun Wing	6,464,900	–	6,464,900	1.74%

Note : B.K.S. Company Limited, which is a wholly-owned subsidiary of Credit Cash Limited, is the legal and beneficial owner of 123,508,300 shares of HK\$0.1 each in the issued share capital of the Company. The entire issued share capital of Credit Cash Limited is held by Ansbacher (BVI) Limited, which is the trustee of a discretionary trust, the beneficiaries of which include Mr. So Chi On and other family members of Mr. So Yuk Kwan.

2. *Interests in underlying shares of the Company*

The interests of the directors in the share options of the Company are separately disclosed in the section "Share Option Scheme" below.

Apart from as disclosed under the heading "Share Option Scheme" below, at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any directors or their respective associates, or were any such rights exercised by them or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

Save as disclosed above, as at 30 September 2003, none of the directors and their respective associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

The following share options were outstanding under the New Scheme and the Old Scheme during the period:

Name or category of participant	Number of share options					Date of grant of share options	Exercise period of share options <i>(both dates inclusive)</i>	Company's share price		
	At 1 April 2003	Granted during the period	Exercised during the period	Lapsed during the period	At 30 September 2003			Exercise price of share options	At grant date	
						<i>(Note 1)</i>		<i>(Note 2)</i> HK\$	<i>(Note 3)</i> HK\$	
Director										
Lai Yat Hung, Edmund	4,125,000@	-	-	(4,125,000)	-	28 December 1999	28 June 2000 – 27 June 2003	0.72	1.72	
Lai Yat Hung, Edmund	2,250,000@	-	-	(2,250,000)	-	20 October 2000	20 April 2001 – 19 April 2003	0.31	0.53	
Sub-total	6,375,000	-	-	(6,375,000)	-					
Other employees										
In aggregate	4,125,000@	-	-	(4,125,000)	-	28 December 1999	28 June 2000 – 27 June 2003	0.72	1.72	
	3,000,000@	-	-	(3,000,000)	-	20 October 2000	20 April 2001 – 19 April 2003	0.31	0.53	
	27,000,000#	-	(10,800,000)	(450,000)	15,750,000	22 May 2002	23 May 2002 – 12 May 2012	0.304	0.31	
Sub-total	34,125,000	-	(10,800,000)	(7,575,000)	15,750,000					
Total	40,500,000	-	(10,800,000)	(13,950,000)	15,750,000					

The number of outstanding share options under the new share option scheme adopted by the Company on 13 May 2002 (the "New Scheme").

@ The number of outstanding share options under the old share option scheme adopted by the Company on 1 April 1996 (the "Old Scheme").

Notes:

1. The vesting period of the share options is from the date of grant until the commencement of the exercise period.
2. The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital. The exercise price and the number of outstanding share options under the New Scheme and the Old Scheme were adjusted to take into account the effect of the rights issue completed on 3 June 2002.
3. The price of the Company's shares disclosed as at the date of the grant of share options is the Stock Exchange closing price on the trading day immediately prior to the date of the grant of options.
4. The weighted average closing price immediately before the dates on which the options were exercised was HK\$0.46 per share.

The financial impact of share options granted is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the profit and loss account or balance sheet for their cost. Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled prior to their exercise date are deleted from the register of outstanding options.

The directors do not consider it appropriate to disclose a theoretical value of the share options granted during the period because the directors are of the opinion that the values of share options calculated using theoretical models are subject to certain fundamental limitations, due to the subjective nature of and uncertainty relating to a number of the assumptions of expected future performance input to the model, and certain inherent limitations of the model itself.