

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 September 2004, the interests and short positions of the directors and chief executives of the Company (including those interests and short positions which were taken or deemed to have been taken under the provisions of the Securities and Futures Ordinance (the "SFO")) in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or which were notified to the Company 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 Issuers (the "Model Code") were as follows:

### (A) INTERESTS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

	Number of shares held			Number of underlying shares held under equity derivatives		Total interests as % of the relevant issued share capital
	Personal interests (held as beneficial owner)	Corporate interests (interests of controlled corporation)	Trust and similar interests	Personal/Family interests	Total interests	
TAI Tak Fung, Stephen	–	53,095,177 <sup>(i)</sup>	30,914,000 <sup>(ii)</sup>	2,000,000 <sup>(iv &amp; v)</sup>	86,009,177	33.44%
Takeshi NOMAGUCHI	400,000	–	–	400,000 <sup>(iv)</sup>	800,000	0.31%
MAN Wing Cheung, Ellis	200,000	–	–	300,000 <sup>(iv)</sup>	500,000	0.19%
YIP Wai Keung	736,360	–	–	520,000 <sup>(iv)</sup>	1,256,360	0.49%
TAI Chun Leung	–	–	30,914,000 <sup>(iii)</sup>	–	30,914,000	12.02%
CHAN Kay Cheung	–	–	–	800,000 <sup>(iv)</sup>	800,000	0.31%
LAN Yee Fong, Steve John	800,000	–	–	–	800,000	0.31%
LUI Shing Ming, Brian	–	–	–	600,000 <sup>(iv &amp; vi)</sup>	600,000	0.23%

*Notes:*

- (i) Out of the 53,095,177 shares, 187,927 shares, representing 0.07% of the Company's issued share capital, are beneficially owned by Four Seas Mercantile Holdings Limited ("FSMHL"). Special Access Limited ("SAL") and Careful Guide Limited ("CGL") which in aggregate hold more than one-third of the issued share capital of FSMHL. SAL is wholly-owned by Dr. TAI Tak Fung, Stephen, JP and his spouse Dr. WU Mei Yung, Quinly; whereas CGL is owned by a discretionary trust, the Tai Family Trust, the eligible beneficiaries of which include members of the family of Dr. TAI Tak Fung, Stephen, JP and his spouse Dr. WU Mei Yung, Quinly. Accordingly, Dr. TAI Tak Fung, Stephen, JP and his spouse Dr. WU Mei Yung, Quinly are deemed to have interests in those 187,927 shares of the Company's issued share capital held by FSMHL. The remaining 52,907,250 shares, representing 20.57% of the Company's issued share capital, are owned by SAL, and Dr. TAI Tak Fung, Stephen, JP and his spouse Dr. WU Mei Yung, Quinly are therefore deemed to have interests therein.
- (ii) 30,914,000 shares, representing 12.02% of the Company's issued capital, are owned by CGL whose shares are owned by a discretionary trust, the Tai Family Trust, the eligible beneficiaries of which include members of the family of Dr. TAI Tak Fung, Stephen, JP and his spouse Dr. WU Mei Yung, Quinly. Thus Dr. TAI Tak Fung, Stephen, JP and his spouse Dr. WU Mei Yung, Quinly are deemed to have interests therein.
- (iii) Such interests in the shares are held by CGL, a company controlled by the Tai Family Trust under which Mr. TAI Chun Leung is a discretionary beneficiary. As Director of the Company, Mr. TAI Chun Leung is taken to have a duty of disclosure in relation to such shares under the SFO.
- (iv) These represent the interest in underlying shares in respect of the share options granted by the Company, the details of which are set out in the section headed "Share Option Scheme" below.
- (v) Of which, 1,200,000 share options were granted to Dr. TAI Tak Fung, Stephen, JP. Another 800,000 share options were granted to his spouse Dr. WU Mei Yung, Quinly. Dr. TAI Tak Fung, Stephen, JP is therefore deemed to have interest therein.
- (vi) 600,000 share options were granted to his spouse Mdm. LEUNG Mei Han, therefore Mr. LUI Shing Ming, Brian is deemed to have interests therein.

**(B) INTERESTS IN SHARES AND UNDERLYING SHARES OF THE ASSOCIATED CORPORATION**

Directors' interests in the equity of FSMHL are as follows:

	Number of shares held			Number of underlying shares held under equity derivatives		Total interests as % of the relevant issued share capital
	Personal interests (held as beneficial owner)	Corporate interests (interests of controlled corporation)	Trust and similar interests	Personal/Family interests	Total interests	
TAI Tak Fung, Stephen	–	81,250,000 <sup>(i)</sup>	82,000,000 <sup>(ii)</sup>	600,000 <sup>(iv &amp; v)</sup>	163,850,000	41.01%
MAN Wing Cheung, Ellis	–	–	–	300,000 <sup>(v)</sup>	300,000	0.08%
YIP Wai Keung	680,000	–	–	300,000 <sup>(v)</sup>	980,000	0.25%
TAI Chun Leung	–	–	82,000,000 <sup>(iii)</sup>	100,000 <sup>(v)</sup>	82,100,000	20.55%
LUI Shing Ming, Brian	–	–	–	300,000 <sup>(v &amp; vi)</sup>	300,000	0.08%

*Notes:*

- (i) The shares, which represent 20.33% of the issued share capital of FSMHL, are owned by SAL, which in turn is wholly owned by Dr. TAI Tak Fung, Stephen, JP and his spouse Dr. WU Mei Yung, Quinly. Thus Dr. TAI Tak Fung, Stephen, JP and his spouse Dr. WU Mei Yung, Quinly are deemed to have interests therein.
- (ii) The shares, which represent 20.52% of the issued share capital of FSMHL, are owned by CGL whose shares are owned by a discretionary trust, the Tai Family Trust, the eligible beneficiaries of which include members of the family of Dr. TAI Tak Fung, Stephen, JP and his spouse Dr. WU Mei Yung, Quinly. Thus Dr. TAI Tak Fung, Stephen, JP and his spouse Dr. WU Mei Yung, Quinly are deemed to have interests therein.
- (iii) Such interests in the shares are held by CGL, a company controlled by the Tai Family Trust under which Mr. TAI Chun Leung is a discretionary beneficiary.
- (iv) Of which, 300,000 share options were granted to Dr. TAI Tak Fung, Stephen, JP. Another 300,000 share options were granted to his spouse Dr. WU Mei Yung, Quinly. Dr. TAI Tak Fung, Stephen, JP is therefore deemed to have interest therein.
- (v) The share options were granted on 11 February 2003, exercisable from 1 August 2003 to 31 January 2005 at an exercise price HK\$2.955. No share options were exercised by the directors during the period.
- (vi) 300,000 share options were granted to his spouse Mdm. LEUNG Mei Han, therefore Mr. LUI Shing Ming, Brian is deemed to have interest therein.

All the interests stated above represent long positions in the shares/underlying shares of the Company. Save as disclosed above, as at 30 September 2004, none of the directors or chief executives of the Company had, or were deemed under the SFO to have, any interest or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the register kept by the Company under Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.