

DIRECTORS' INTERESTS IN SECURITIES

At 31 October 2004, the directors who had interests or short positions in the shares or underlying shares of the Company which fall to be disclosed to the Company under Part XV of the Securities and Futures Ordinance ("SFO"), whether directly or indirectly, were as follows:

Name of director	Share options	Short	Number	Total number	Total
	granted but not exercised	positions in the shares	of issued shares	of ordinary shares of the Company held	percentage of shareholding
Mr. Lo Wai Shing					
Felix	—	—	835,500,000(L)	835,500,000(L)	21.13%
Mr. Lau Kevin	12,800,000	—	—	—	—

Note: The 835,500,000 shares are held by HK Sky Entertainment Holdings Limited. Mr. Lo Wai Shing, Felix holds 100% beneficial interests in this company.

The Letter "L" represents the director's interests in the shares.

Save as disclosed above, at 31 October 2004, none of the directors, chief executives, nor their associates, had any interests in any securities of the Company or any of its associated corporations as defined in the Part XV of the SFO, and none of the directors or chief executives, nor their spouses or their children under the age of 18, had any rights to subscribe for the securities of the Company or had exercised any such rights during the year.

DIRECTORS' RIGHTS TO ACQUIRE SHARE OR DEBENTURES

Under the share option scheme adopted by the Company on 10 November 1998 (the "Old Scheme"), the Board of Directors of the Company may grant options to the full-time employees (including executive directors) of the Company or any of its subsidiaries. On 24 September 2004, a new share option scheme (the "New Scheme") was adopted by the Company and the Old Scheme was terminated. No further options can be offered under the Old Scheme. However, all other respects of the provisions of the Old Scheme shall remain in full force and holders of all options granted under the Old Scheme prior to such termination shall be entitled to exercise the outstanding options pursuant to the terms of the Old Scheme until the expiry of the said options.