

MAE HOLDINGS LIMITED

DIRECTORS' INTERESTS IN SECURITIES

At 31 October 2005, the directors who had interests or short positions in the shares or underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance), as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("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:

Name of director	Capacity	Number of issued shares	Total percentage of shareholding	Share options granted but not exercised
Mr. Lo Wai Shing Felix	Held by controlled corporation (<i>Note</i>)	41,775,000(L)	9.3%	—
Mr. Lau Kevin	Beneficial owner	—	—	640,000

Note: The 41,775,000 shares are held by HK Sky Entertainment Holdings Limited, a company wholly-owned by Mr. Lo Wai Shing, Felix.

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

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.

The purpose of the New Scheme provides incentives or rewards to the participants (including but not limited to employees, directors, suppliers and customers of the Group) for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group.