

Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

As at 31 December 2005, the interests and short positions of directors and chief executive in shares and, in respect of equity derivatives, underlying shares and debentures of the Company and its Associated Corporations as required to be disclosed under Part XV of the Securities and Futures Ordinance (the "SFO") were as follows:

1. Long positions in shares and underlying shares of the Company:

Name of Director	Personal	Child under 18 or spouse	Corporate	Others	Equity derivative (share option)	Total	% of shares in issue
Kwok Ping-sheung, Walter	-	-	-	1,078,622,522 ¹	75,000	1,078,697,522	44.92
Lee Shau-kee	486,340	-	343,000 ²	-	-	829,340	0.03
Kwok Ping-kwong, Thomas	1,901,281	304,065	-	1,076,672,214 ¹	75,000	1,078,952,560	44.93
Kwok Ping-luen, Raymond	-	-	-	1,079,815,895 ¹	75,000	1,079,890,895	44.97
Wong Yue-chim, Richard	-	1,000	-	-	-	1,000	0
Li Ka-cheung, Eric	-	-	18,000	-	-	18,000	0
Lo Chiu-chun, Clement	90,000	-	-	-	-	90,000	0
Law King-wan	20,000	70,267	-	-	-	90,267	0
Chan Kai-ming	41,186	-	-	-	75,000	116,186	0
Chan Kui-yuen, Thomas	-	66,000	126,500	-	75,000	267,500	0.01
Kwong Chun	702,722	339,358	-	-	75,000	1,117,080	0.04
Wong Yick-kam, Michael	70,904	-	-	-	75,000	145,904	0
Wong Chik-wing, Mike	120,999	-	-	-	75,000	195,999	0
Woo Ka Biu, Jackson	-	1,000	-	-	-	1,000	0
(Alternate Director to Woo Po-shing)							

Notes :

1. Of these shares in the Company, Messrs. Walter Kwok Ping-sheung, Thomas Kwok Ping-kwong and Raymond Kwok Ping-luen were deemed to be interested in 1,056,638,347 shares, which represented the same interests and were therefore duplicated amongst these three directors for the purpose of the SFO.
2. Dr Lee Shau-kee was deemed to be interested in the 343,000 shares held through Superfun Enterprises Limited ("Superfun"). This corporation was wholly-owned by The Hong Kong and China Gas Company Limited which was 37.62% held by Henderson Investment Limited of which 73.48% was held by Kingslee S.A., a wholly-owned subsidiary of Henderson Land Development Company Limited. Henderson Land Development Company Limited was 61.87% held by Henderson Development Limited ("Henderson Development"). Hopkins (Cayman) Limited ("Hopkins") as trustee of a unit trust (the "Unit Trust") owned all the issued ordinary shares of Henderson Development. Rimmer (Cayman) Limited ("Rimmer") and Riddick (Cayman) Limited ("Riddick") as trustees of respective discretionary trusts, held units in the Unit Trust. The entire issued share capital of Hopkins, Rimmer and Riddick were owned by Dr Lee Shau-kee. He was taken to be interested in these 343,000 shares held by Superfun by virtue of the SFO.

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2. Long positions in shares and underlying shares of Associated Corporations:

a. SUNeVision Holdings Ltd.:

Name of Director	Personal	Others	Equity derivatives (share option)	Total	% of shares in issue
Kwok Ping-sheung, Walter	-	1,070,000*	120,000	1,190,000	0.05
Kwok Ping-kwong, Thomas	-	1,070,000*	120,000	1,190,000	0.05
Kwok Ping-luen, Raymond	-	1,742,500*	233,333	1,975,833	0.09
Chan Kai-ming	115,000	-	-	115,000	0
Chan Kui-yuen, Thomas	-	-	120,000	120,000	0
Kwong Chun	300,000	-	-	300,000	0.01
Wong Yick-kam, Michael	100,000	-	120,000	220,000	0.01
Wong Chik-wing, Mike	109,000	-	-	109,000	0

Note:

* Of these shares in the Company, Messrs. Walter Kwok Ping-sheung, Thomas Kwok Ping-kwong and Raymond Kwok Ping-luen were deemed to be interested in 1,070,000 shares, which represented the same interests and were therefore duplicated amongst these three directors for the purpose of the SFO.

b. SmarTone Telecommunications Holdings Limited:

Name of Director	Others	% of shares in issue
Kwok Ping-luen, Raymond	2,237,767	0.38

c. Transport International Holdings Limited:

Name of Director	Personal	% of shares in issue
Kwok Ping-sheung, Walter	61,522	0.01
Kwok Ping-luen, Raymond	393,350	0.09
Chung Sze-yuen	18,821	0

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- d. Each of Messrs. Walter Kwok Ping-sheung, Thomas Kwok Ping-kwong and Raymond Kwok Ping-luen had the following interests in shares of the following Associated Corporations:

Name of Associated Corporation	Personal	Attributable holding through corporation	Attributable % of shares in issue through corporation	Actual holding through corporation	Actual % interests in issued shares
Superindo Company Limited	10	-	-	-	10
Super Fly Company Limited	10	-	-	-	10
Splendid Kai Limited	-	2,500*	25	1,500	15
Hung Carom Company Limited	-	25*	25	15	15
Tinyau Company Limited	-	1*	50	1	50
Open Step Limited	-	8*	80	4	40

Note:

- * Messrs. Walter Kwok Ping-sheung, Thomas Kwok Ping-kwong and Raymond Kwok Ping-luen were deemed to be interested in these shares, which represented the same interests and were therefore duplicated amongst these three directors for the purpose of the SFO. Those shares were held by corporations in which they were entitled to control the exercise of one-third or more of the voting rights in the general meetings of those corporations.

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e. Dr Lee Shau-kee had corporate interests in shares of the following Associated Corporations:

Name of Associated Corporation	Total	% of shares in issue
Anbok Limited	2 ²	50
Billion Ventures Limited	1 ³	50
Central Waterfront Construction Company Limited	1 ⁴	50
Central Waterfront Property Holdings Limited	95 ⁵	95
Central Waterfront Property Investment Holdings Limited	50 ⁶	50
CWP Limited	1 ⁷	50
Daily Win Development Limited	100 ⁸	25
E Man - Sanfield JV Construction Company Limited	1 ⁹	50
Everise (H.K.) Limited	1 ¹⁰	50
Fullwise Finance Limited	2 ¹¹	50
Gold Sky Limited	1 ¹²	50
Jade Land Resources Limited	1 ¹³	25
Joy Wave Development Limited	1 ¹⁴	50
Karnold Way Limited	2,459 ¹⁵	24.59
Maxfine Development Limited	3,050 ¹⁶	33.33
New Treasure Development Limited	1 ¹⁷	25
Royal Peninsula Management Service Company Limited	1 ¹⁸	50
Special Concept Development Limited	1 ¹⁹	25
Star Play Development Limited	1 ²⁰	33.33
Successful Finance Limited	1 ²¹	50
Teamfield Property Limited	4,918 ²²	49.18
Topcycle Construction Company Limited	1 ²³	50
Topcycle Development Limited	1 ²⁴	50
Topcycle Project Management Limited	1 ²⁵	50
World Space Investment Limited	4,918 ²⁶	49.18

Notes :

1. Dr Lee Shau-kee was deemed to be interested in the 343,000 shares held through Superfun Enterprises Limited ("Superfun"). This corporation was wholly-owned by The Hong Kong and China Gas Company Limited which was 37.62% held by Henderson Investment Limited of which 73.48% was held by Kingslee S.A., a wholly-owned subsidiary of Henderson Land Development Company Limited. Henderson Land Development Company Limited was 61.87% held by Henderson Development Limited ("Henderson Development"). Hopkins (Cayman) Limited ("Hopkins") as trustee of a unit trust (the "Unit Trust") owned all the issued ordinary shares of Henderson Development. Rimmer (Cayman) Limited ("Rimmer") and Riddick (Cayman) Limited ("Riddick") as trustees of respective discretionary trusts, held units in the Unit Trust. The entire issued share capital of Hopkins, Rimmer and Riddick were owned by Dr Lee Shau-kee. He was taken to be interested in these 343,000 shares held by Superfun by virtue of the SFO.
2. Dr Lee Shau-kee was deemed to be interested in the 2 shares held through Everise (H.K.) Limited. This corporation was wholly-owned by Masterland Limited, a wholly-owned subsidiary of Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
3. Dr Lee Shau-kee was deemed to be interested in the 1 share held through Chico Investment Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.

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4. Dr Lee Shau-kee was deemed to be interested in the 1 share held through E Man Construction Company Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
5. Dr Lee Shau-kee was deemed to be interested in the 95 shares held through Central Waterfront Property Investment Holdings Limited. This corporation was 50% held by Primeland Investment Limited of which 68.42% was held by Starland International Limited, a wholly-owned subsidiary of Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
6. Dr Lee Shau-kee was deemed to be interested in the 50 shares held through Primeland Investment Limited. This corporation was 68.42% was held by Starland International Limited, a wholly-owned subsidiary of Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
7. Dr Lee Shau-kee was deemed to be interested in the 1 share held through Starland International Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
8. Dr Lee Shau-kee was deemed to be interested in the 100 shares held through Citiright Development Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
9. Dr Lee Shau-kee was deemed to be interested in the 1 share held through E Man Construction Company Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
10. Dr Lee Shau-kee was deemed to be interested in the 1 share held through Masterland Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
11. Dr Lee Shau-kee was deemed to be interested in the 2 shares held through Everise (H.K.) Limited. This corporation was 50% held by Masterland Limited, a wholly-owned subsidiary of Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
12. Dr Lee Shau-kee was deemed to be interested in the 1 share held through Atex Resources Limited. This corporation was wholly-owned by Mightymark Investment Limited, a wholly-owned subsidiary of Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
13. Dr Lee Shau-kee was deemed to be interested in the 1 share held through Citiplus Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
14. Dr Lee Shau-kee was deemed to be interested in the 1 share held through E Man Construction Company Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
15. Dr Lee Shau-kee was deemed to be interested in the 2,459 shares held through Chico Investment Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
16. Dr Lee Shau-kee was deemed to be interested in the 3,050 shares held through Quickcentre Properties Limited. This corporation was 50% held by Henderson (China) Investment Company Limited of which 100% was held by Andcoe Limited, a wholly-owned subsidiary of Henderson China Holdings Limited. This corporation was 100% held by Brightland Enterprises Limited, a wholly-owned subsidiary of Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.

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17. Dr Lee Shau-kee was deemed to be interested in the 1 share held through Citiplus Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
18. Dr Lee Shau-kee was deemed to be interested in the 1 share held through Well Born Real Estate Management Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
19. Dr Lee Shau-kee was deemed to be interested in the 1 share held through Citiplus Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
20. Dr Lee Shau-kee was deemed to be interested in the 1 share held through Henderson Investment Limited. This corporation was 73.48% held by Kingslee S.A., a wholly-owned subsidiary of Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
21. Dr Lee Shau-kee was deemed to be interested in the 1 share held through Join Fortune Development Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
22. Dr Lee Shau-kee was deemed to be interested in the 4,918 shares held through Billion Ventures Limited. This corporation was 50% held by Chico Investment Limited, a wholly-owned subsidiary of Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
23. Dr Lee Shau-kee was deemed to be interested in the 1 share held through E Man Construction Company Limited. This corporation was wholly-owned by Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
24. Dr Lee Shau-kee was deemed to be interested in the 1 share held through Dandy Investments Limited. This corporation was a wholly-owned subsidiary of Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
25. Dr Lee Shau-kee was deemed to be interested in the 1 share held through Dandy Investments Limited. This corporation was a wholly-owned subsidiary of Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.
26. Dr Lee Shau-kee was deemed to be interested in the 4,918 shares held through Billion Ventures Limited. This corporation was 50% held by Chico Investment Limited, a wholly-owned subsidiary of Henderson Land Development Company Limited. Dr Lee Shau-kee was taken to be interested in Henderson Land Development Company Limited as set out in Note 1.

The interests of the directors and the chief executive in the share options (being regarded for the time being as unlisted physically settled equity derivatives) of the Company and its Associated Corporations are stated in detail in the Share Option Schemes section stating below.

Save as disclosed above, as at 31 December 2005, none of the directors and the chief executive of the Company were, under Divisions 7 and 8 of Part XV of the SFO, taken to be interested or deemed to have any other interests or short positions in shares, underlying shares or debentures of the Company and its Associated Corporations, that were required to be entered into the register kept by the Company pursuant to section 352 of the SFO or 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 in the Listing Rules.

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SHARE OPTION SCHEMES

1. Share Option Schemes of the Company

The Company once adopted a share option scheme on 20 November 1997 (“the Old Scheme”). Since its adoption, the Company had granted two lots of share options on 15 February 2000 and 16 July 2001. The first lot expired on 14 February 2005; while options granted and accepted under the second lot can still be exercised in whole before 15 July 2006, thereafter the options will expire.

The Company by ordinary resolutions passed at its extraordinary general meeting held on 5 December 2002 has adopted a new share option scheme (“the New Scheme”) and terminated the Old Scheme in order to comply with the new requirements under the then revised Chapter 17 of the Listing Rules. No further options may be offered under the Old Scheme. However, the outstanding options granted under the Old Scheme mentioning in the following paragraphs shall continue to be subject to the provisions of the Old Scheme and the revised provisions of Chapter 17 of the Listing Rules. No option shares have been granted under the New Scheme to any person since its adoption.

The following shows the outstanding positions of the directors and the chief executive as at 31 December 2005 with respect to their share options granted under the Old Scheme:

Name of director	Date of grant	Exercise price HK\$	Number of share options				
			Balance as at 1.7.2005	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	Balance as at 31.12.2005
Kwok Ping-sheung, Walter	16.7.2001	70.00	75,000	-	-	-	75,000
Kwok Ping-kwong, Thomas	16.7.2001	70.00	75,000	-	-	-	75,000
Kwok Ping-luen, Raymond	16.7.2001	70.00	75,000	-	-	-	75,000
Chan Kai-ming	16.7.2001	70.00	75,000	-	-	-	75,000
Chan Kui-yuen, Thomas	16.7.2001	70.00	75,000	-	-	-	75,000
Kwong Chun	16.7.2001	70.00	75,000	-	-	-	75,000
Wong Yick-kam, Michael	16.7.2001	70.00	75,000	-	-	-	75,000
Wong Chik-wing, Mike	16.7.2001	70.00	75,000	-	-	-	75,000

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A summary of the movements during the half year ended 31 December 2005 of the share options granted under the Old Scheme to the employees of the Company working under employment contracts that are regarded as “continuous contracts” for the purposes of the Employment Ordinance, other than the directors and the chief executive as disclosed above, is as follows:

Date of grant	Exercise price HK\$	Number of share options				
		Balance as at 1.7.2005	Granted during the period	Exercised during the period	Cancelled/Lapsed during the period	Balance as at 31.12.2005
16.7.2001	70.00	1,242,000	-	156,000*	-	1,086,000

Note:

* The weighted average closing price of the shares immediately before the dates on which share options were exercised under the Old Scheme were HK\$80.41.

Other than the participants as stated above, the Company had not granted since the adoption of the Old Scheme any share options to any other persons as required to be disclosed under Rule 17.07 of the Listing Rules.

2. Share Option Schemes of Subsidiaries

a Pre-IPO Share Option Scheme of SUNeVision Holdings Ltd.

SUNeVision Holdings Ltd. (“SUNeVision”) had adopted a share option scheme (“SeV Pre-IPO Share Option Scheme”), the principal terms of which were summarized in the section headed “Statutory and General Information Share Option Schemes” in Appendix 5 to SUNeVision’s prospectus dated 6 March 2000. Since its adoption, SUNeVision had granted four lots of share options (“SeV Pre-IPO Share Options”) pursuant to the SeV Pre-IPO Share Option Scheme.

The options at the exercise price of HK\$10.38 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (i) one-third of the options within three years commencing on 31 December 2000;
- (ii) a further one-third of the options within three years commencing on 31 December 2001;
- (iii) the remaining one-third of the options within three years commencing on 31 December 2002; and
- (iv) the options had expired at the close of business on 30 December 2005.

The options at the exercise price of HK\$3.885 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (i) one-third of the options within three years commencing on 15 November 2001;
- (ii) a further one-third of the options within three years commencing on 15 November 2002;
- (iii) the remaining one-third of the options within three years commencing on 15 November 2003; and
- (iv) the options will expire at the close of business on 14 November 2006.

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The options at the exercise price of HK\$2.34 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (i) one-third of the options within three years commencing on 20 March 2002;
- (ii) a further one-third of the options within three years commencing on 20 March 2003;
- (iii) the remaining one-third of the options within three years commencing on 20 March 2004; and
- (iv) the options will expire at the close of business on 19 March 2007.

The options at the exercise price of HK\$1.43 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (i) one-third of the options within three years commencing on 8 July 2003;
- (ii) a further one-third of the options within three years commencing on 8 July 2004;
- (iii) the remaining one-third of the options within three years commencing on 8 July 2005; and
- (iv) the options will expire at the close of business on 7 July 2008.

b. New Share Option Scheme of SUNeVision Holdings Ltd.

SUNeVision by shareholders' resolutions passed at its annual general meeting held on 3 December 2002, has adopted a new share option scheme ("SeV New Share Option Scheme") and terminated the SeV Pre-IPO Share Option Scheme. These have become effective on 5 December 2002 as a result of the passing of ordinary resolutions approving the same by the shareholders of the Company at its extraordinary general meeting held on the same day. No further options may be offered under the SeV Pre-IPO Share Option Scheme. However, the outstanding options granted under the SeV Pre-IPO Share Option Scheme shall continue to be subject to the provisions of the Pre-IPO Share Option Scheme and the provisions of Chapter 23 of the Rules Governing the Listing of Securities on the Growth Enterprises Market of the Stock Exchange (the "GEM Listing Rules"). Since its adoption, SUNeVision had granted two lots of share options ("SeV Share Options").

The options at the exercise price of HK\$1.59 per share may be exercised in accordance with the terms of the SeV New Share Option Scheme as to:

- (i) an amount up to one-third of the grant within three years commencing on 29 November 2004;
- (ii) the remaining amount but up to two-thirds of the grant within three years commencing on 29 November 2005;
- (iii) the remaining amount within three years commencing on 29 November 2006; and
- (iv) the options will expire at the close of business on 28 November 2009.

The options at the exercise price of HK\$1.41 per share may be exercised in accordance with the terms of the relevant scheme in full at any time within three years from 10 November 2005 and the options will expire at the close of business on 9 November 2008.

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The following shows the outstanding positions of the directors and chief executive of the Company as at 31 December 2005 with respect to their SeV Pre-IPO Share Options and SeV Share Options:

Name of director	Date of grant	Exercise Price HK\$	Number of share options				
			Balance as at 1.7.2005	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	Balance as at 31.12.2005
Kwok Ping-sheung, Walter	28.3.2000	10.38	138,334	-	-	138,334	0
	7.4.2001	2.34	120,000	-	-	-	<u>120,000</u> 120,000
Kwok Ping-kwong, Thomas	28.3.2000	10.38	138,334	-	-	138,334	0
	7.4.2001	2.34	120,000	-	-	-	<u>120,000</u> 120,000
Kwok Ping-luen, Raymond	28.3.2000	10.38	251,666	-	-	251,666	0
	7.4.2001	2.34	233,333	-	-	-	<u>233,333</u> 233,333
Chan Kui-yuen, Thomas	28.3.2000	10.38	170,000	-	-	170,000	0
	7.4.2001	2.34	120,000	-	-	-	<u>120,000</u> 120,000
Wong Yick-kam, Michael	28.3.2000	10.38	120,000	-	-	120,000	0
	7.4.2001	2.34	120,000	-	-	-	<u>120,000</u> 120,000

A summary of the movements during the six months ended 31 December 2005 of the SeV Pre-IPO Share Options and the SeV Share Options granted to the employees of the Company working under employment contracts that are regarded as "continuous contracts" for the purposes of the Employment Ordinance, other than the directors and chief executive as disclosed above, is as follows:

Date of grant	Exercise price HK\$	Balance as at 1.7.2005	Number of share options			
			Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	Balance as at 31.12.2005
28.3.2000	10.380	773,333	-	-	773,333	0
30.11.2000	3.885	591,667	-	-	295,834	295,833
7.4.2001	2.340	800,000	-	-	20,000	780,000
8.7.2002	1.430	750,000	-	-	-	750,000
29.11.2003	1.590	1,850,000	-	-	-	1,850,000
10.11.2005	1.410	-	1,900,000	-	-	<u>1,900,000</u> 5,575,833

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Other than the participants as stated above, SUNeVision had not granted since the adoption of the SeV Pre-IPO Share Option Scheme and the SeV New Share Option Scheme any options to any other persons as required to be disclosed under Rule 17.07 of the Listing Rules.

c. Valuation of SeV Share Options

Pursuant to Rule 17.08 of the Listing Rules, the valuation of the SeV Share Options granted during the half year ended 31 December 2005 is as follows:

Name of Participants	Number of Options granted on 10.11.2005	Option Value as at 10.11.2005	Option Value as at 31.12.2005
Aggregate total of Employees of the Company	1,900,000	HK\$468,842	HK\$387,883

The closing price of the share of SUNeVision immediately before the date on which such SeV Share Options were granted was HK\$1.41 (as of 9 November 2005).

According to the Black-Scholes model*, the total value of the SeV Share Options granted on 10 November 2005 was estimated at HK\$468,842 with the following variables and assumptions:

1. Risk Free Rate

4.416 %, being the approximate yield of 3-year Exchange Fund Note traded on 10 November 2005.

2. Expected Volatility

25.84%, being the annualized volatility of the closing price of the shares of SUNeVision from 10 November 2004 to 9 November 2005.

3. Expected Dividend

- (i) Yield: 3.19%, being 2005 prospective dividend yield of the shares of SUNeVision.
- (ii) Growth Rate: 16.6%, per annum, being 3-year historical dividend growth rate of SUNeVision.

4. Expected Life of such SeV Share Options is 3 years with the following assumptions

- (i) There is no material difference between the expected volatility over the whole life of such SeV Share Options and the historical volatility of the shares of SUNeVision over the period from 10 November 2004 to 9 November 2005.
- (ii) There is no material difference between the dividend growth rate over the whole life of such SeV Share Options and the historical dividend growth rate of SUNeVision over the previous 3 years.

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According to the Black-Scholes model*, the total value of the SeV Share Options granted on 10 November 2005 was estimated at HK\$387,883 as at 31 December 2005 with the following variables and assumptions:-

1. Risk Free Rate

4.04 %, being the approximate yield of 3-year Exchange Fund Note traded on 30 December 2005.

2. Expected Volatility

25.56%, being the annualized volatility of the closing price of the shares of SUNeVision from 1 January 2005 to 31 December 2005.

3. Expected Dividend

(i) Yield : 3.31%, being 2005 prospective dividend yield of the share of SUNeVision.

(ii) Growth Rate : 16.6%, per annum, being 3-year historical dividend growth rate of SUNeVision.

4. Expected Life of such SeV Share Options is 2.9 years with the following assumptions

(i) There is no material difference between the expected volatility over the whole life of such SeV Share Options and the historical volatility of the shares of SUNeVision over the period from 1 January 2005 to 31 December 2005.

(ii) There is no material difference between the dividend growth rate over the whole life of such SeV Share Options and the historical dividend growth rate of SUNeVision over the previous 3 years.

All the options forfeited before expiry of the SeV New Share Option Scheme will be treated as lapsed options which will not be added back to the number of shares available to be issued under the SeV New Share Option Scheme.

***Note :**

The Black-Scholes model (the "Model") is developed to estimate the fair value of publicly traded options that have no vesting restriction and are fully transferable. The Model is only one of the commonly used models to estimate the fair value of an option. The value of an option varies with different variables of certain subjective assumptions. Any change in the variables so adopted may materially affect the estimation of the fair value of an option.

Other Information

d. Share Option Scheme of iAdvantage Limited

The Company operates another share option scheme which was approved for iAdvantage Limited, a subsidiary of the Company, allowing its board of directors the right to grant to its full-time employees and executive directors options to subscribe for its shares in aggregate up to 10% of its issued capital from time to time. The exercise period of any option granted under the share option scheme of iAdvantage Limited shall commence on the date of grant of the option and expire on such date as determined by the board of iAdvantage Limited or 28 February 2010, whichever is the earlier, and subject to the provisions for early termination contained therein. No option shares for iAdvantage Limited have been granted to any person since its adoption as required to be disclosed under the Listing Rules.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2005, the long positions of every person, other than directors or the chief executive of the Company, who had interests in shares of the Company which fall to be disclosed to the Company under Part XV of the SFO were as follows:

Name	As Trustee	Corporate interest	Beneficial Owner	Others	Total number of shares	% of shares in issue
HSBC International Trustee Limited	1,084,154,733	900,577	-	-	1,085,055,310*	44.19
Cerberus Group Limited	-	1,056,338,347	-	-	1,056,338,347*	43.99
Vantage Captain Limited	-	75,830,929	980,507,418	-	1,056,338,347*	43.99
The Capital Group Companies, Inc.	-	-	-	168,671,686	168,671,686	7.02

*Note :

The shares in which Vantage Captain Limited was interested were the shares in which Cerberus Group Limited was interested; the shares in which Cerberus Group Limited was interested formed part of the shares in which HSBC International Trustee Limited was interested. Of the above shares in the Company in which HSBC International Trustee Limited was interested, 1,056,638,347 shares were the shares referred to in the Note 1 to the section on "Directors' and Chief Executive's Interests".

INTERESTS OF OTHER PERSONS

During the half year ended 31 December 2005, other than the interests in shares and underlying shares of the Company and its Associated Corporations held by the directors, the chief executive and substantial shareholders stated above, there were no other persons with interests recorded in the register required to be kept under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its ordinary shares during the half year ended 31 December 2005. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's ordinary shares during this period.

Other Information

INTERIM DIVIDEND

The Directors declared an interim dividend of HK\$0.70 per share (2004: HK\$0.70 per share) payable in cash on 27 March 2006 to shareholders on the Register of Members as at 24 March 2006.

The Register of Members will be closed from 20 March 2006 to 24 March 2006, both days inclusive. In order to qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Registrars, Computershare Hong Kong Investor Services Limited, Hopewell Centre, 17th Floor, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on 17 March 2006.

FINANCIAL ASSISTANCE AND GUARANTEES TO AFFILIATED COMPANIES

The Group has provided financial assistance to and guarantees for facilities granted to certain associated companies and jointly controlled entities (collectively the "Affiliated Companies" within the definition under Chapter 13 of the Listing Rules) which together in aggregate exceeds the relevant percentage ratios of 8% under the Listing Rules. In accordance with the continuing disclosure requirements under Rule 13.22, a proforma combined balance sheet of the Affiliated Companies and the Group's attributable interest in the Affiliated Companies as at 31 December 2005 are presented below:

	Proforma combined balance sheet (HK\$M)	The Group's attributable interest (HK\$M)
Non-current assets	58,242	25,279
Current assets	10,054	4,437
Current liabilities	(4,731)	(1,964)
Non-current liabilities	(59,814)	(26,262)
	<u>3,751</u>	<u>1,490</u>

Other Information

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Code of Conduct regarding securities transactions by directors as set out in Appendix 10 to the Listing Rules during the relevant accounting period and all directors have complied with the required standard of dealings set out therein.

AUDIT COMMITTEE

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed with management regarding auditing, internal control and financial reporting matters including the review of the Company's unaudited interim results for the six months ended 31 December 2005.

CORPORATE GOVERNANCE

During the six months ended 31 December 2005, the Company has complied with the provisions of the Code on Corporate Governance Practices (the "Code Provisions") as set out in Appendix 14 of the Listing Rules, except for the following deviation:

Code provision A.2.1 stipulates that the role of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Given the current corporate structure, there is no separation between the roles of Chairman and Chief Executive Officer. Although the Chairman and Chief Executive Officer is the same individual, power and authority are not concentrated as responsibilities are also shared with the two vice-chairmen and all major decisions are made in consultation with members of the Board and appropriate board committees as well as top management. There are four independent non-executive directors in the Board offering independent and different perspectives. Therefore, the Board is of the view that there are adequate balance of power and safeguards in place.

By Order of the Board

Lai Ho-kai, Ernest

Company Secretary

Hong Kong, 3 March 2006