

# Other Information

(Financial figures are expressed in Hong Kong dollars)

## Interim Dividend and Close of Register

The Board of Directors has resolved to declare an interim dividend of \$0.08 per share (2001: \$0.08 per share) for the year ending 31 December 2002, amounting to a total of about \$83 million (2001: \$83 million).

The share register will be closed from Monday, 9 September 2002 to Wednesday, 11 September 2002, both dates inclusive, during which period no transfer of shares will be registered. Dividend warrants will be despatched to shareholders on or about Thursday, 12 September 2002. In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with HKEx's registrar, Hong Kong Registrars Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Friday, 6 September 2002.

## Share Option Schemes

On 31 May 2000, the Pre-Listing Share Option Scheme (Pre-Listing Scheme) and the Post-Listing Share Option Scheme (Post-Listing Scheme) were approved by the shareholders under which the Directors of HKEx may, at their discretion, offer any employee (including any executive director) of HKEx or of any of its subsidiaries, options to subscribe for shares in HKEx subject to the terms and conditions stipulated in the two schemes. The Post-Listing Scheme was subsequently amended by shareholders on 17 April 2002 to comply with the new requirements of Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (Listing Rules) effected on 1 September 2001. No share option has been granted under the Post-Listing Scheme.

Pursuant to the Pre-Listing Scheme, share options were granted to continuous contract employees of the Group on 20 June 2000. Share options granted are exercisable between 6 March 2002 and 30 May 2010, in tranches of 25 per cent each reaching 100 per cent as from 6 March 2005 at an exercise price of \$7.52 per share. The number of shares issuable under the share options outstanding as at 1 January 2002 and 30 June 2002 were 27,267,384 shares and 24,014,920 shares respectively. During the period ended 30 June 2002, 2,462,000 shares were issued upon the exercise of options and the weighted average closing price immediately before the dates on which the options were exercised was about \$12.49. A total of 790,464 shares issuable under the options had lapsed in accordance with the terms of the Pre-Listing Scheme due to the resignation of employees.



## Other Information



### Directors' Interests in Shares and Options

#### (i) Shares

As at 30 June 2002, the Directors, the Chief Executive and their respective associates had interests in the shares of HKEx as recorded in the register maintained by HKEx pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance (SDI Ordinance) as follows:

Name of Director	Number of shares held		
	Personal Interests	Corporate Interests	Total
FAN Chor Ho, Paul	—	2,187,000 (note 1)	2,187,000
KWONG Ki Chi	362,000	—	362,000
LEE Jor Hung, Dannis	—	1,610,000 (note 2)	1,610,000
YUE Wai Keung	—	1,000 (note 3)	1,000

Notes:

- 2,187,000 shares were owned by Compu-Chart Investment Adviser Limited, a private company in which Mr FAN Chor Ho, Paul holds a 99.99 per cent interest.
- 1,610,000 shares were owned by DL Brokerage Limited, a private company beneficially wholly owned by Mr LEE Jor Hung, Dannis.
- 1,000 shares were owned by Luen Fat Securities Company Limited, a private company in which Mr YUE Wai Keung holds a 36.75 per cent interest.

Other than the holdings disclosed above, no interests were held or deemed or taken to be held under the SDI Ordinance by any Director or Chief Executive of HKEx or their respective associates in any equity or debt securities of HKEx or any of its associated corporations which were required to be notified to HKEx and The Stock Exchange of Hong Kong Limited (Stock Exchange) pursuant to Section 28 of the SDI Ordinance or pursuant to the Model Code for Securities Transactions by Directors of Listed Companies or which are required pursuant to Section 29 of the SDI Ordinance to be entered in the register referred to therein.

### Directors' Interests in Shares and Options (continued)

#### (ii) Options

As at 30 June 2002, the outstanding number of shares issuable under a share option granted pursuant to the Pre-Listing Scheme to Mr Kwong Ki Chi, a Director and the Chief Executive of HKEx, was 1,092,126 (2001: 1,454,126). The said option was granted on 20 June 2000, and is exercisable between 6 March 2002 and 30 May 2010 at an exercise price of \$7.52 per share. During the six months ended 30 June 2002, Mr Kwong had exercised the option and subscribed for 362,000 shares.

Apart from the aforesaid, at no time during the year was HKEx, or its subsidiaries, a party to any arrangement to enable the Directors of HKEx to acquire benefits by means of the acquisition of shares in, or debentures of, HKEx or any other body corporate, and neither the Directors nor the Chief Executive, nor any of their spouses or children under the age of 18, had any interest in, or had been granted, or exercised, any right to subscribe for the securities and options of HKEx and its associated corporation within the meaning of the SDI Ordinance, or had exercised any such rights.

#### Substantial Shareholders

The Directors are not aware of any party who was directly or indirectly interested in 10 per cent or more of the issued share capital of HKEx as at 30 June 2002 as recorded in the register required to be kept by HKEx under Section 16(1) of the SDI Ordinance.

#### Minority Controller

Under the Exchanges and Clearing Houses (Merger) Ordinance (Merger Ordinance), no person shall be or become a Minority Controller, i.e. a person who either alone or with any associate or associates, is entitled to exercise, or control the exercise of 5 per cent or more of the voting power at any general meeting of the recognised exchange controller, except with the approval in writing of the Securities and Futures Commission (SFC) after consultation with the Financial Secretary of the HKSAR.

As of 30 June 2002, two CCASS Participants were holding approximately 31.3 per cent and 12.4 per cent (as of 30 June 2001: three CCASS Participants each held approximately 21.7 per cent, 12.4 per cent and 6.2 per cent of HKEx's issued share capital) respectively of HKEx's issued share capital. The SFC had, after consultation with the Financial Secretary, granted approval to these two CCASS Participants for being Minority Controllers of HKEx on the basis that the shares are held in custody for their clients.



## Other Information



### Corporate Governance

The Audit Committee has reviewed the unaudited interim financial statements for the six months ended 30 June 2002 in conjunction with HKEx's external auditors. The independent review report of the external auditors is set out on page 51.

None of the Directors of HKEx is aware of information that would reasonably indicate that HKEx is not, or was not at any time during the six months ended 30 June 2002, in compliance with Appendix 14 of the Listing Rules.

### Purchase, Sale or Redemption of Shares

During the six months ended 30 June 2002, HKEx had not redeemed, and neither HKEx nor any of its subsidiaries had purchased or sold any of HKEx's shares.