

DIRECTORS' INTERESTS IN SECURITIES

As at 30th September, 2002, the interests of the Directors in the share capital of the Company and its associated corporations (as defined in the Securities (Disclosure of Interests) Ordinance (“the SDI Ordinance”)) which have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies or required to be recorded in the register of the Company pursuant to Section 29 of the SDI Ordinance were as follows:

(a) Interests in the Company – Shares

Name of Director	Number of ordinary shares		
	Personal interests	Family interests	Total
CHOW Yei Ching	640,527,782*	–	640,527,782
KUOK Hoi Sang	491,083	–	491,083
FUNG Pak Kwan	456,450	–	456,450
KAN Ka Hon	145,200	–	145,200
TAM Kwok Wing	845,078	162,365	1,007,443

* Dr CHOW Yei Ching beneficially owned 640,527,782 shares of the Company, representing approximately 50.23% of the issued share capital of the Company. These shares were same as those shares described in “Substantial Shareholder” below.

(b) Interests in Associated Corporations – Shares

Name of Director	Associated corporations	Number of ordinary shares			Total
		Personal interests	Corporate interests	Family interests	
CHOW Yei Ching	CiTL	34,079,270	433,466,666*	–	467,545,936
	CSHL	–	99,813,000*	–	99,813,000
	CCHL	61,036,489	89,385,444*	–	150,421,933
KUOK Hoi Sang	CiTL	12,000,000	–	–	12,000,000
	CCHL	1,326,437	–	–	1,326,437
FUNG Pak Kwan	CiTL	12,900,000	–	–	12,900,000
KAN Ka Hon	CiTL	2,256,000	–	–	2,256,000
TAM Kwok Wing	CiTL	2,000,000	–	52,000	2,052,000
	CCHL	625,796	–	7,142	632,938

* Dr CHOW Yei Ching had notified CiTL, CSHL and CCHL that under the SDI Ordinance, he was deemed to be interested in 433,466,666 shares in CiTL, 99,813,000 shares in CSHL and 89,385,444 shares in CCHL which were all held by the Company as Dr Chow beneficially owned 640,527,782 shares of the Company, representing approximately 50.23% of the issued share capital of the Company.

DIRECTORS' INTERESTS IN SECURITIES (*Continued*)

In addition, certain Directors personally hold share options to subscribe for ordinary shares of the Company and its associated corporations as disclosed under the paragraph "Share Option Scheme" below.

Save as disclosed above and in "Share Option Scheme" stating below, as at 30th September, 2002, none of the Directors of the Company nor their spouses nor children under the age of 18 had or were deemed to have any interest in the securities of the Company or any of its associated corporations (as defined in the SDI Ordinance) or were granted any right to subscribe for securities of the Company or any of its associated corporations or exercised such right during the period under review pursuant to Section 28 of the SDI Ordinance or under Section 31 or Part I of the Schedule to the SDI Ordinance.

SHARE OPTION SCHEME

Details of the share options outstanding as at 30th September, 2002 which have been granted under the share option schemes of the Company and its associated corporations adopted by their respective shareholders on 30th September, 1991 were as follows:

(a) Interests in the Company – Share Options

Name of Director	Date of grant	Period during which options are exercisable	Exercise price per option	Number of share options				
				Balance as at 1st April, 2002	Exercised during the period	Cancelled during the period	Lapsed during the period	Outstanding as at 30th September, 2002
				(HK\$)				
CHOW Yei Ching	17/12/1999	30/06/2000 – 29/06/2003	0.488	8,450,000	-	-	-	8,450,000
KUOK Hoi Sang	17/12/1999	30/06/2000 – 29/06/2003	0.488	5,350,000	-	-	-	5,350,000
FUNG Pak Kwan	17/12/1999	30/06/2000 – 29/06/2003	0.488	5,350,000	-	-	-	5,350,000
KAN Ka Hon	17/12/1999	30/06/2000 – 29/06/2003	0.488	5,000,000	-	-	-	5,000,000
WONG Kie Ngok, Alexander	17/12/1999	30/06/2000 – 29/06/2003	0.488	5,000,000	-	-	-	5,000,000
TAM Kwok Wing	17/12/1999	30/06/2000 – 29/06/2003	0.488	5,000,000	-	-	-	5,000,000

As at 30th September, 2002, the number of shares in respect of which options had been granted under the share option scheme adopted by the shareholders of the Company on 30th September, 1991 was 34,150,000, representing 2.7% of the shares of the Company in issue at that date.

SHARE OPTION SCHEME (Continued)**(b) Interests in Associated Corporations – Share Options**

Name of Director	Associated corporation	Date of grant	Period during which options are exercisable	Exercise price per option	Number of share options				Outstanding as at 30th September, 2002
					Balance as at 1st April, 2002	Exercised during the period	Cancelled during the period	Lapsed during the period	
(HK\$)									
CHOW Yei Ching	CiTL	17/12/1999	30/06/2000 – 29/06/2003	0.464	7,000,000	-	-	-	7,000,000
KUOK Hoi Sang	CiTL	17/12/1999	30/06/2000 – 29/06/2003	0.464	5,000,000	-	-	-	5,000,000
FUNG Pak Kwan	CiTL	17/12/1999	30/06/2000 – 29/06/2003	0.464	6,550,000	-	-	-	6,550,000
KAN Ka Hon	CiTL	17/12/1999	30/06/2000 – 29/06/2003	0.464	5,000,000	-	-	-	5,000,000

As at 30th September, 2002, the number of shares in respect of which options had been granted under the share option scheme adopted by the shareholders of CiTL on 30th September, 1991 was 28,550,000, representing 3.3% of the shares of CiTL in issue at that date.

A new share option scheme (“the New Scheme”) was approved by the shareholders of the Company at the 2002 Annual General Meeting of the Company held on 20th September, 2002. The New Scheme fully complies with Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (“the Listing Rules”). A summary of the terms of the New Scheme was contained in the Company’s circular dated 30th July, 2002. During the period under review, no share option was granted, exercised, cancelled or lapsed under the New Scheme. There was no outstanding option under the New Scheme at the beginning and at the end of the period under review.

The Company’s subsidiary, Chevalier iTech Holdings Limited (“CiTL”) has adopted a new share option scheme (“the CiTL Scheme”) as approved by the shareholders of CiTL and the Company at their respective 2002 Annual General Meetings held on 20th September, 2002. The CiTL Scheme fully complies with Chapter 17 of the Listing Rules. A summary of the terms of the CiTL Scheme was contained in the CiTL’s circular dated 30th July, 2002. During the period under review, no share option was granted, exercised, cancelled or lapsed under the CiTL Scheme. There was no outstanding option under the CiTL Scheme at the beginning and at the end of the period under review.

ARRANGEMENT FOR ACQUISITION OF SHARES OR DEBENTURES

Except for the share option schemes adopted by the Company and CiTL and the share options granted to certain Directors, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.