

DIRECTORS' INTERESTS IN SHARE CAPITAL

As at 30th June, 2004, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) of the Company, which (a) are as recorded in the register required to be kept under section 352 of the SFO; or (b) are 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 Issuers in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), were as follows:

	Name of Director	Class of Shares Held	Number of Shares Held				Total (Approximate percentage of the Issued Shares as at 30th June, 2004)
			Personal Interests	Family Interests	Corporate Interests	Other Interests	
1. The Company	Mr. Lo Yuk Sui	Ordinary (issued)	220,000	-	4,370,380,259 (Notes a(v) & d)	-	4,370,600,259 (53.66%)
		Preference (issued)	-	-	3,440 (Note a(v))	-	3,440 (20.54%)
	Mrs. Kitty Lo Lee Kit Tai (Note h)	Ordinary (issued)	2,370,000	-	-	-	2,370,000 (0.032%)
		Ordinary (unissued)	1,080,000 (Note e)	-	-	-	1,080,000 (0.013%)
2. Century City International Holdings Limited ("CCIHL")	Mr. Lo Yuk Sui	Ordinary (i) issued	543,344,843	-	2,185,994,246 (Note a(i))	-	2,729,339,089
		Ordinary (ii) unissued	-	-	10,210,000,000 (Note a(ii))	-	10,210,000,000
	Total (i) & (ii):						12,939,339,089 (239.76%)



	Name of Associated Corporation	Name of Director	Class of Shares Held	Number of Shares Held				Total (Approximate percentage of the Issued Shares as at 30th June, 2004)
				Personal Interests	Family Interests	Corporate Interests	Other Interests	
2.	CCIHL	Mrs. Kitty Lo Lee Kit Tai (Note h)	Ordinary (issued)	2,510,000	-	-	-	2,510,000 (0.047%)
		Mr. Jimmy Lo Chun To	Ordinary (issued)	1,659,800	-	-	-	1,659,800 (0.031%)
		Ms. Belinda Yeung Bik Yiu	Ordinary (issued)	2,000	-	-	-	2,000 (0.0001%)
3.	Pailburg Holdings Limited ("PHL")	Mr. Lo Yuk Sui	Ordinary (i) issued	442,765	-	3,276,817,477 (Note a(iii))	200,000,000 (Note b)	3,477,260,242
			(ii) unissued	-	-	1,240,000,000 (Notes a(iv) & c)	-	1,240,000,000
			Preference (issued)	-	-	1,240,000,000 (Notes a(iv) & c)	-	1,240,000,000 (100%)
		Mr. Donald Fan Tung	Ordinary (issued)	2,718	-	-	-	2,718 (0.00005%)
		Mrs. Kitty Lo Lee Kit Tai (Note h)	Ordinary (issued)	100,000	-	-	-	100,000 (0.002%)
		Mr. Jimmy Lo Chun To	Ordinary (issued)	284,000	-	-	-	284,000 (0.006%)
4.	8D International (BVI) Limited ("8D-BVI")	Mr. Lo Yuk Sui	Ordinary (issued)	-	-	1,000 (Note f)	-	1,000 (100%)
5.	Network Sky Limited	Mrs. Kitty Lo Lee Kit Tai (Note h)	Ordinary (issued)	-	-	50,000 (Note g)	-	50,000 (25%)
							Total (i) & (ii):	4,717,260,242 (93.25%)

Notes:

(a) (i) The shares were held through companies wholly owned by Mr. Lo Yuk Sui and a company, namely Master City Limited, 99.9% owned by Mr. Lo Yuk Sui.

(ii) The interests in these shares of CCIHL were held through corporations controlled by Mr. Lo Yuk Sui as detailed below:

(a) Name of corporation	Controlled by	% of control
Century City International Holdings Limited	Mr. Lo Yuk Sui	50.57
Century City BVI Holdings Limited	Century City International Holdings Limited	100.00
8D International (BVI) Limited	Century City BVI Holdings Limited	40.00
Task Master Technology Limited	8D International (BVI) Limited	100.00
Net Community Limited	Task Master Technology Limited	33.33
Century Digital Holdings Limited	Net Community Limited	100.00
Grand Modern Investments Limited	Century Digital Holdings Limited	100.00

(b) Name of corporation	Controlled by	% of control
Manyways Technology Limited	Mr. Lo Yuk Sui	100.00
Secure Way Technology Limited	Mr. Lo Yuk Sui	92.50
8D International (BVI) Limited	Manyways Technology Limited	60.00
Task Master Technology Limited	8D International (BVI) Limited	100.00
Net Community Limited	Secure Way Technology Limited	66.67
Net Community Limited	Task Master Technology Limited	33.33
Century Digital Holdings Limited	Net Community Limited	100.00
Grand Modern Investments Limited	Century Digital Holdings Limited	100.00

(iii) The shares were held through companies wholly owned by CCIHL, in which Mr. Lo Yuk Sui holds 50.57% shareholding interests.

(iv) The interests in these shares of PHL were held through corporations controlled by Mr. Lo Yuk Sui as detailed below:

(a) Name of corporation	Controlled by	% of control
Century City International Holdings Limited	Mr. Lo Yuk Sui	50.57
Century City BVI Holdings Limited	Century City International Holdings Limited	100.00
8D International (BVI) Limited	Century City BVI Holdings Limited	40.00
Task Master Technology Limited	8D International (BVI) Limited	100.00
Net Community Limited	Task Master Technology Limited	33.33
Century Digital Holdings Limited	Net Community Limited	100.00
Grand Modern Investments Limited	Century Digital Holdings Limited	100.00

(b) Name of corporation	Controlled by	% of control
Manyways Technology Limited	Mr. Lo Yuk Sui	100.00
Secure Way Technology Limited	Mr. Lo Yuk Sui	92.50
8D International (BVI) Limited	Manyways Technology Limited	60.00
Task Master Technology Limited	8D International (BVI) Limited	100.00
Net Community Limited	Secure Way Technology Limited	66.67
Net Community Limited	Task Master Technology Limited	33.33
Century Digital Holdings Limited	Net Community Limited	100.00
Grand Modern Investments Limited	Century Digital Holdings Limited	100.00



- (v) The shares were held through companies wholly owned by PHL, in which CCIHL held 64.78% shareholding interests as at 30th June, 2004.
- (b) As at 30th June, 2004, Mr. Lo Yuk Sui was the trustee for Select Wise Trust, of which Select Wise Holdings Limited, a substantial shareholder of CCIHL and PHL, was the beneficiary.
- (c) 1,240,000,000 convertible preference shares of PHL ("PHL Preference Shares") are convertible into 1,240,000,000 ordinary shares of PHL on the basis of one PHL Preference Share for one ordinary share of PHL.
- (d) Included the balance of 716,576,649 shares charged by a wholly-owned subsidiary of PHL (the "SPV") in favour of a trustee for the holders of, and forming the exchange property (the "Exchange Property") in respect of, the Series B Bonds issued as part of the restructuring and settlement proposal in respect of the then existing bonds of the PHL Group on 31st October, 2002 (the "Settlement Closing Date"). The Exchange Property was to be released to the holders of the Series B Bonds (the "Series B Bondholders") in four quarterly tranches on each dates falling 12, 15, 18 and 21 months after the Settlement Closing Date, subject to certain early release provisions. A total balance of 242,451,649 shares under the first three tranches (the "Released Tranches") remained within the Exchange Property which were deliverable to the Series B Bondholders at any time upon request. The Exchange Property, including any remaining balance of shares under the Released Tranches and the fourth tranche comprising 474,125,000 shares, were released and ceased to be held by the SPV on 31st July, 2004.
- (e) Details of Directors' interests in share options granted by the Company are set out in note 18 to the condensed consolidated financial statements.
- (f) 400 shares were held through companies controlled by CCIHL and 600 shares were held through a company controlled by Mr. Lo Yuk Sui.
- (g) The shares were held through a company wholly owned by Mrs. Kitty Lo Lee Kit Tai.
- (h) Mrs. Kitty Lo Lee Kit Tai resigned as a Director of the Company on 18th August, 2004.

Save as disclosed herein, as at 30th June, 2004, none of the Directors and chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) of the Company, which (a) are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (b) are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules to be notified to the Company and the Stock Exchange.

Save as disclosed in note 18 to the condensed consolidated financial statements, during the period, no right has been granted to, or exercised by, the following persons, to subscribe for shares in or debentures of the Company under the Share Option Scheme (as referred to in note 18 to the condensed consolidated financial statements) and no option granted to such persons under the Share Option Scheme has been cancelled and lapsed:

- (i) any Director, chief executive or substantial shareholders of the Company, or their respective associates;
- (ii) any participant under the Share Option Scheme with options granted in excess of the individual limit;
- (iii) any employee working under employment contract that is regarded as “continuous contract” for the purpose of the Employment Ordinance;
- (iv) any supplier of goods or services; and
- (v) any other participants under the Share Option Scheme.