

Share Option Scheme

Particulars of share options outstanding under the share option scheme of the Company (the "Share Option Scheme") at the beginning and at the end of the financial period for the six months ended 30 June 2009 and share options granted, exercised, lapsed or cancelled under such scheme during the period were as follows:-

Name or category of participants	Date of grant of share options ⁽¹⁾	Number of share options held at 1 January 2009	Granted	Exercised	Lapsed/ cancelled	Number of share options held at 30 June 2009	Exercise period of share options	Exercise price of share options ⁽²⁾ HK\$	Share price of the Company	
			during the six months ended 30 June 2009	during the six months ended 30 June 2009	during the six months ended 30 June 2009				at the grant date of share options ⁽³⁾ HK\$	at the exercise date of share options HK\$
Employees in aggregate	1.6.2009	-	4,750,000	-	-	4,750,000	1.6.2009 to 31.5.2019 (both dates inclusive)	1.00	0.96	N/A
Total		-	4,750,000	-	-	4,750,000				

Notes:

- The share options will be vested according to a schedule, namely, as to as close to one-third of the shares of the Company which are subject to the share options as possible on each of 1 June 2009, 23 November 2009 and 23 November 2010, and provided that for the vesting to occur the grantee has to remain an Eligible Participant (as defined in the Share Option Scheme) on such vesting date.*
- The exercise price of the share options is subject to adjustment in accordance with the provisions of the Share Option Scheme.*
- The stated price was the Stock Exchange closing price of the shares of the Company on the trading day immediately prior to the date of the grant of the share options.*

As at 30 June 2009, the Company had 4,750,000 share options outstanding under the Share Option Scheme.

The fair value of share options granted during the six months ended 30 June 2009 determined using the Black-Scholes model was approximately HK\$0.27 each. The significant inputs into the model were an expected volatility of 49%, an expected dividend yield of 5.9%, an expected option life up to 6 years and an annual risk-free interest rate of 1.65%. The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of daily share prices of the comparable companies over one and a half years immediately preceding the grant date.