

Directors' interests

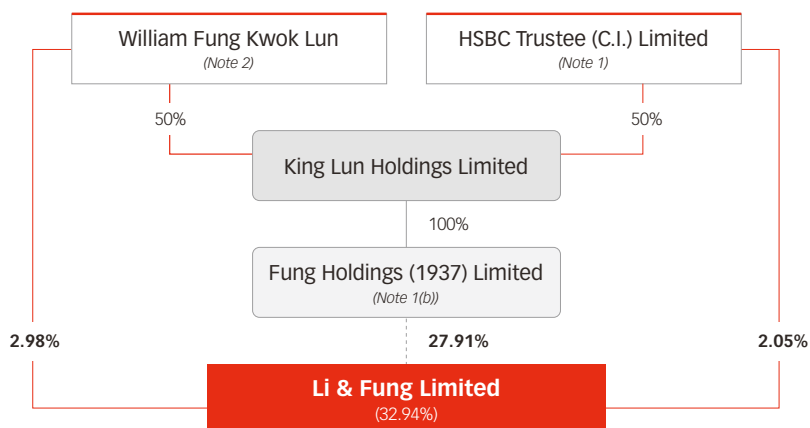
As at 30 June 2015, the Directors and chief executives of the Company and their associates had the following interests in the Shares, underlying shares and debentures of the Company and its associated corporations (as defined under Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

(A) Long Positions in Shares, Underlying Shares and Debentures of the Company

Name of Director	Number of Shares				Total	Percentage of Issued Share Capital
	Personal Interest	Family Interest	Trust/ Corporate Interest	Equity Derivatives (Share Options)		
Victor Fung Kwok King	2,814,444	–	2,521,966,180 ¹	–	2,524,780,624	30.00%
William Fung Kwok Lun	167,120,260	108,800 ^{2(a)}	2,425,362,472 ^{2(b)}	7,509,000 ⁷	2,600,100,532	30.89%
Spencer Theodore Fung*	1,408,000	–	2,522,776,180 ^{1&3}	12,569,000 ⁷	2,536,753,180	30.14%
Marc Robert Compagnon	900,000	–	12,979,780 ⁴	11,945,000 ⁷	25,824,780	0.30%
Paul Edward Selway-Swift	36,000	–	16,000 ⁵	–	52,000	0.00%
Martin Tang Yue Nien	–	–	60,000 ⁶	–	60,000	0.00%

* Son of Victor Fung Kwok King

The following simplified chart illustrates the deemed interests of Victor Fung Kwok King and Spencer Theodore Fung under Note (1) below and the interest of William Fung Kwok Lun under Note (2) below:



NOTES:

As at 30 June 2015,

- (1) Victor Fung Kwok King and Spencer Theodore Fung were each deemed to have interests in 2,521,966,180 Shares held in the following manner:
- (a) 173,012,308 Shares were indirectly held by HSBC Trustee (C.I.) Limited ("HSBC Trustee") through its wholly-owned subsidiary, First Island Developments Limited. HSBC Trustee is the trustee of a trust established for the benefit of the family members of Victor Fung Kwok King (the "Trust"); and
 - (b) 2,195,727,908 Shares were directly held by Fung Holdings (1937) Limited ("FH (1937)"), a wholly-owned subsidiary of King Lun Holdings Limited ("King Lun"), and 153,225,964 Shares were indirectly held by FH (1937) through its wholly-owned subsidiary, Fung Distribution International Limited ("Fung Distribution"). King Lun is a company owned 50% by HSBC Trustee as trustee of the Trust and 50% by William Fung Kwok Lun.
- (2) (a) Apart from 108,800 Shares, the spouse of William Fung Kwok Lun held US\$2,000,000 of the perpetual subordinated capital securities of the Company.
- (b) Out of 2,425,362,472 Shares, 26,114,400 Shares and 50,294,200 Shares were held by Golden Step Limited and Step Dragon Enterprise Limited respectively, both companies were beneficially owned by William Fung Kwok Lun. The balance of 2,348,953,872 Shares were indirectly held by King Lun as mentioned in Note (1)(b) above.
- (3) Out of 2,522,776,180 Shares, 810,000 Shares represented the interests in Award Shares granted by the Company and remained unvested. The balance of 2,521,966,180 Shares represented the deemed interests of Spencer Theodore Fung as mentioned in Note (1) above.
- (4) Out of 12,979,780 Shares, 690,000 Shares represented the interests in Award Shares granted by the Company and remained unvested. The balance of 12,289,780 Shares were held by Profit Snow Holdings Limited, a company beneficially owned by Marc Robert Compagnon.
- (5) 16,000 Shares were held by a trust of which Paul Edward Selway-Swift is a beneficiary.
- (6) 60,000 Shares were held by a trust of which Martin Tang Yue Nien is a beneficiary.
- (7) These interests represented the interests in underlying shares in respect of Share Options granted by the Company to these Directors as beneficial owners, the details of which are set out in the Share Option Schemes section stated below.

(B) Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 30 June 2015, none of the Directors and chief executives of the Company or their associates had any short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations (as defined under Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(C) Share Options

The interests of the Directors and chief executives in the Share Options (being regarded as unlisted physically settled equity derivatives) are detailed in the Share Option Schemes section stated below.

Save as disclosed above, at no time during the period did the Directors and chief executives (including their spouses and children under 18 years of age) have any interest in, or were granted, or exercised, any rights to subscribe for Shares (or warrants or debentures, if applicable) in the Company or its associated corporations, as required to be disclosed pursuant to the SFO.

Long-term Incentive Schemes

(A) Share Option Schemes

2003 OPTION SCHEME

Pursuant to the terms of the 2003 Option Scheme, the 2003 Option Scheme is valid and effective for a period of 10 years commencing on the adoption date and expiring on the tenth anniversary of the adoption date. Accordingly, the 2003 Option Scheme expired on 11 May 2013 and no further options could thereafter be granted under the 2003 Option Scheme. However, all remaining provisions remain in full force and effect to govern the exercise of all the Share Options granted under the 2003 Option Scheme prior to its expiration.

As at 30 June 2015, there were Share Options relating to 16,000,000 Shares granted by the Company representing 0.19% of the issued Shares as at the date of this Report pursuant to the 2003 Option Scheme which were valid and outstanding.

2014 OPTION SCHEME

The 2014 Option Scheme was approved by the Shareholders at the annual general meeting of the Company held on 15 May 2014. As at 30 June 2015, there were Share Options relating to 90,107,000 Shares granted by the Company representing 1.07% of the issued Shares as at the date of this Report pursuant to the 2014 Option Scheme which were valid and outstanding.

Details of the Share Options granted under the 2003 Option Scheme and the 2014 Option Scheme and which remain outstanding as at 30 June 2015 are as follows:

	Number of Share Options				Exercise Price HK\$	Grant Date	Exercisable Period	Pursuant to 2003 Option Scheme ("2003")/2014 Option Scheme ("2014")
	As at 1/1/2015	Granted	Lapsed	As at 30/6/2015				
William Fung Kwok Lun	412,000	-	(412,000)	-	16.90 ¹	11/4/2011	1/5/2012-30/4/2015	2003
	-	2,503,000	-	2,503,000	7.49 ²	21/5/2015	1/1/2016-31/12/2017	2014
	-	2,503,000	-	2,503,000	7.49 ²	21/5/2015	1/1/2017-31/12/2018	2014
	-	2,503,000	-	2,503,000	7.49 ²	21/5/2015	1/1/2018-31/12/2019	2014
Spencer Theodore Fung	274,000	-	(274,000)	-	16.90 ¹	11/4/2011	1/5/2012-30/4/2015	2003
	1,000,000	-	(1,000,000)	-	12.12 ¹	22/12/2011	1/5/2013-30/4/2015	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2014-30/4/2016	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2015-30/4/2017	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2016-30/4/2018	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2017-30/4/2019	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2018-30/4/2020	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2019-30/4/2021	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2020-30/4/2022	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2021-30/4/2023	2003
	-	1,523,000	-	1,523,000	7.49 ²	21/5/2015	1/1/2016-31/12/2017	2014
	-	1,523,000	-	1,523,000	7.49 ²	21/5/2015	1/1/2017-31/12/2018	2014
	-	1,523,000	-	1,523,000	7.49 ²	21/5/2015	1/1/2018-31/12/2019	2014

	Number of Share Options				Exercise Price HK\$	Grant Date	Exercisable Period	Pursuant to 2003 Option Scheme ("2003")/2014 Option Scheme ("2014")
	As at 1/1/2015	Granted	Lapsed	As at 30/6/2015				
Marc Robert	274,000	-	(274,000)	-	16.90 ¹	11/4/2011	1/5/2012-30/4/2015	2003
Compagnon	1,000,000	-	(1,000,000)	-	12.12 ¹	22/12/2011	1/5/2013-30/4/2015	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2014-30/4/2016	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2015-30/4/2017	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2016-30/4/2018	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2017-30/4/2019	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2018-30/4/2020	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2019-30/4/2021	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2020-30/4/2022	2003
	1,000,000	-	-	1,000,000	12.12 ¹	22/12/2011	1/5/2021-30/4/2023	2003
	-	1,315,000	-	1,315,000	7.49 ²	21/5/2015	1/1/2016-31/12/2017	2014
	-	1,315,000	-	1,315,000	7.49 ²	21/5/2015	1/1/2017-31/12/2018	2014
	-	1,315,000	-	1,315,000	7.49 ²	21/5/2015	1/1/2018-31/12/2019	2014
Continuous contract employee	21,358,000	-	(21,358,000)	-	16.90 ¹	11/4/2011	1/5/2012-30/4/2015	2003
	1,380,000	-	(1,380,000)	-	12.71 ¹	21/11/2011	1/5/2012-30/4/2015	2003
	-	23,537,000	-	23,537,000	7.49 ²	21/5/2015	1/1/2016-31/12/2017	2014
	-	25,198,000	-	25,198,000	7.49 ²	21/5/2015	1/1/2017-31/12/2018	2014
	-	25,349,000	-	25,349,000	7.49 ²	21/5/2015	1/1/2018-31/12/2019	2014
Total	41,698,000	90,107,000	(25,698,000)	106,107,000				

NOTES:

(1) Following the spin-off and separate listing of Global Brands, the exercise price applicable to the Share Options outstanding on the record date for the distribution in specie (i.e. 7 July 2014) was adjusted from HK\$20.21 to HK\$16.90, from HK\$14.50 to HK\$12.12 and from HK\$15.20 to HK\$12.71 with effect from 31 August 2014.

(2) The closing market price per Share as at the date preceding the date on which the Share Options were granted was HK\$7.29.

(3) Details of Share Options granted by the Company are set out in Note 12 to the condensed interim financial information.

(B) Share Award Scheme

The Share Award Scheme was approved by the Shareholders at the annual general meeting of the Company held on 21 May 2015 ("Adoption Date"). The maximum number of Shares which can be awarded under the Share Award Scheme is 3% (i.e. 250,811,949 Shares) of the total number of issued Shares as at the Adoption Date.

On 21 May 2015, a total of 62,683,000 Award Shares were awarded to eligible persons pursuant to the Share Award Scheme, and out of which 7,634,000 Award Shares were awarded to connected persons including Spencer Theodore Fung and Marc Robert Compagnon who are executive directors of the Company. The 7,634,000 Award Shares were purchased from the open market. The balance of 55,049,000 Award Shares were allotted and issued at nominal value on 22 May 2015.

As at 30 June 2015, a total of 61,923,000 Award Shares, granted pursuant to the Share Award Scheme, remained unvested. A total of 760,000 Award Shares were forfeited and held by the trustee to be applied towards future awards and accordingly, the total number of 188,888,949 Shares are available for granting in the future under the Share Award Scheme.