

(Amounts expressed in Hong Kong dollars)

Interim Dividend

The Board of Directors has resolved to declare an interim dividend of \$0.08 per share for the year ending 31 December 2000, amounting to a total of about \$83 million.

The share register will be closed from Monday, 9 October 2000 to Wednesday, 11 October 2000, 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 October 2000. 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 Registrars, HKSCC Registrars Limited at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong not later than 4:00 p.m. on Thursday, 5 October 2000.

Directors' Interests

As at 30 June 2000, the Directors 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 (the "SDI Ordinance") as follows:-

Name of Director	Number of shares held				Total
	Personal interests	Family interests	Corporate interests	Other interests	
FAN Chor Ho, Paul	–	–	4,397,000 (note 1)	–	4,397,000
LEE Jor Hung, Dannis	–	–	1,610,000 (note 2)	–	1,610,000

Notes:

- 2,787,000 shares and 1,610,000 shares were respectively owned by Compu-Chart Investment Adviser Limited and Paul Fan Securities Limited, both of which are private companies in which Mr. FAN Chor Ho, Paul holds a 99.99% interest.
- 1,610,000 shares were owned by DL Brokerage Limited, a private company beneficially wholly owned by Mr. LEE Jor Hung, Dannis.

OTHER INFORMATION

As at 30 June 2000, a Director had personal interests in options to subscribe for shares in HKEx granted under HKEx's Pre-Listing Share Option Scheme, details of which are set out below under "Share Options".

Apart from the 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 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.

Share Options

On 31 May 2000, HKEx's Pre-Listing and Post-Listing Share Option Schemes ("the Schemes") were approved by the shareholders under which the Directors of HKEx may, at their discretion, offer any employee (including any Director) of HKEx or of any of its wholly-owned subsidiary options to subscribe for shares in HKEx subject to the terms and conditions stipulated in the Schemes. The share options can be exercised in tranches of 25% from 6 March 2002, reaching 100% from 6 March 2005.

The following share option granted by HKEx to a Director of HKEx to subscribe for shares of HKEx, was outstanding and not yet exercised:-

Name of Director	Date of option granted	Exercise price per share (\$)	Exercisable period	Number of share option at 1.1.2000	Granted from 1.1.2000 to 30.6.2000	Number of shares to be subscribed under the share option at 30.6.2000
KWONG Ki Chi	20 June 2000	7.52	6 March 2002 to 30 May 2010	–	1,454,126	1,454,126

Substantial Shareholder

The Directors are not aware of any party who was directly or indirectly interested in 10% or more of the issued share capital of HKEx as at 30 June 2000 as recorded in the register required to be kept by HKEx under Section 16(1) of the SDI Ordinance.

Audit Committee

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters (including review of the unaudited interim financial statements for the six months ended 30 June 2000). The review of the unaudited interim financial statements was conducted in conjunction with HKEx's internal and external auditors. The independent review report of the external auditors is set out on page 41.

Risk Management Committee

The Risk Management Committee was established under Section 9 of the Exchanges and Clearing Houses (Merger) Ordinance on 3 March 2000 to formulate policies on risk management matters relating to the activities of HKEx and the exchanges and clearing houses of which HKEx is the controller.

Purchase, Sale or Redemption of HKEx's Listed Securities

HKEx had not redeemed any of its shares during the six months ended 30 June 2000. Neither HKEx nor any of its subsidiaries had purchased or sold any of HKEx's listed securities during the period.

O **OTHER INFORMATION**

Compliance with the Listing Rules

None of the Directors of HKEx is aware of any information which would reasonably indicate that HKEx is not, or was not, in compliance with the Code of Best Practice, as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), at any time during the six months ended 30 June 2000.

Pursuant to the Listing Rules in relation to the disclosure of financial information by listed issuers, the interim results announcement and the interim report to be sent to shareholders have been prepared in accordance with Appendix 16 of the Listing Rules and SSAP No. 25.