

CORPORATE INFORMATION

Executive Directors

Deacon Te-ken CHIU, J.P. (*Chairman*)

Derek CHIU (*Managing Director and
Chief Executive*)

Desmond CHIU (*Deputy Managing Director*)

Margaret CHIU

Non-executive Directors

CHIU JU Ching-lan, J.P.

Dick Tat-sang CHIU

David Tat-cheong CHIU

Dennis Tat-shing CHIU

Duncan CHIU

Independent Non-executive Directors

IP Shing-hing, J.P.

NG Wing-hang Patrick

Choy Wai-shek Raymond, MH, J.P.

Alternate Directors

CHAN Chi-hing (*Alternate Director to
Deacon Te-ken CHIU*)

TANG Sung-ki (*Alternate Director to
Desmond CHIU*)

Company Secretary

TANG Sung-ki, CPA, FCCA

Solicitors

Woo, Kwan, Lee & Lo

Auditors

Deloitte Touche Tohmatsu

Principal Bankers

The Bank of East Asia, Limited

Bank of China (Hong Kong) Limited

Allied Banking Corporation (HK) Ltd.

Registered Office

Suite 3408, 34th Floor, Office Tower,
Convention Plaza,
1 Harbour Road, Wanchai, Hong Kong.

Share Registrars

Standard Registrars Limited

Ground Floor, Bank of East Asia

Harbour View Centre,
56 Gloucester Road, Wanchai, Hong Kong.

Stock Exchange

The Shares of the Company are listed on
The Stock Exchange of Hong Kong Limited

Stock Code

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MANAGING DIRECTOR AND CHIEF EXECUTIVE'S STATEMENT

INTERIM RESULTS

The Board of Directors of Far East Hotels And Entertainment Limited (the "Company") announces the unaudited interim financial results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2004.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 September 2004 (2003: Nil).

REVIEW OF OPERATIONS

Cheung Chau Warwick Hotel has successfully captured more local business with turnover on food and beverage section increased by 4% compared with last interim period. The business of room section remains stable during the period.

The turnover of Beijing Warwick International Apartments has increased by 18% compared with last interim period.

All the residential units of the Nob Hill development, our Company's joint venture development project with Cheung Kong (Holdings) Limited, were sold.

The directors of the Company's associate Bolan Holdings N.V. have re-assessed its interest in land situated in Sydney, Australia and made an impairment provision of asset value by US\$2.5 million.

PROSPECTS

Phase I's renovation of both the Cheung Chau Warwick Hotel and Beijing Warwick International Apartments has been completed and approximately 50% and 30% of the rooms have been renovated respectively. After renovation, the directors believe that both the room rate and occupancy rate will improve and have positive effect on both the turnover and revenue of these two establishments.

On 6 October 2004, a wholly-owned subsidiary (the "Vendor") of the Company, had entered into a Provisional Sale and Purchase Agreement with a Purchaser to dispose of its carport podium at 3rd Floor to 6th Floor, Lisa House, No. 33-37 Nelson Street, Kowloon, Hong Kong (the "Property") at a consideration of HK\$34,500,000. The Property will be sold with the underlying lease expiring on 28th February 2005. The current rental of the Property receivable under the lease is HK\$210,000 per calendar month. The disposal is subject to the Vendor, prior to completion of the disposal, having entered into a new lease with the existing tenant of the Property for a term of 2 years commencing from 1 March 2005 at a monthly rental of HK\$250,000 (exclusive of management fees, rates and other expenses). If the Vendor does not enter into such new lease with the existing tenant, then the Purchaser can choose to demand a return of all consideration paid to the Vendor in respect of the disposal thereby terminating the subject transaction or require the date of completion of the disposal to be extended until such new lease is entered into between the Vendor and the existing tenant.

In view of the turnaround economic situation in Hong Kong, the Company will actively consider the redevelopment of the adjacent lands of the Nob Hill development and look for opportunities in its core business as well as diversifying into other businesses.

EMPLOYEES

The Group has approximately 110 employees. Employees are remunerated according to nature of the job and market trend, with build-in merit component incorporated in the annual increment to reward and motivate individual performance.

FINANCE ACTIVITIES

At 30/9/2004, the Group had bank and other borrowings facilities amounting to HK\$97,127,000 (31/3/2004: HK\$104,384,000), of which HK\$90,114,000 (31/3/2004: HK\$104,288,000) were utilised. These facilities were secured by legal mortgages over the Group's properties and deposits with an aggregate net book value of HK\$82,693,000 (31/3/2004: HK\$78,059,000) and HK\$2,175,000 (31/3/2004: HK\$2,173,000) respectively. In addition, the facilities of the Group were also secured by a floating charge on all the assets and undertakings, both present and future, including the uncalled capital, of the Company.

At 30/9/2004, the Group had no material exposure under foreign exchange contracts, interest or currency swaps or other financial derivatives.

Shareholders' funds at 30/9/2004 amounted to approximately HK\$471 million (31/3/2004: approximately HK\$478 million). Accordingly, the Group's gearing ratio (total bank and other borrowings facilities utilised to shareholders' funds) at 30/9/2004 is 19% (31/3/2004: 22%).

Derek Chiu

Managing Director & Chief Executive

Hong Kong, 17 December 2004

ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING RULES

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS OF THE COMPANY

As at 30 September 2004, the interests and short positions of the Directors and the Company's chief executives in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required (a) to be notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

(a) Ordinary shares of HK\$1.00 each of the Company

Name of Director	Personal interests	Corporate interests	Total	Percentage of issued share capital of the Company
Mr. Deacon Te-ken Chiu	12,491,424	111,901,052 <i>(Note 1)</i>	124,392,476	25%
Mr. Derek Chiu	15,394,000	93,430,299 <i>(Note 2)</i>	108,824,299	22%
Madam Chiu Ju Ching-lan	188,000	–	188,000	0%
Mr. Dick Tat-sang Chiu	12,172,800	22,277,033 <i>(Note 3)</i>	34,449,833	7%
Mr. David Tat-cheong Chiu	3,144,627	–	3,144,627	1%
Ms. Margaret Chiu	676,240	5,000,000 <i>(Note 4)</i>	5,676,240	1%
	<u>44,067,091</u>	<u>232,608,384</u>	<u>276,675,475</u>	<u>56%</u>

Notes:

1. Of the 111,901,052 shares, 100,939,842 shares were held by various private companies controlled by Mr. Deacon Te-ken Chiu, 295,210 shares were held by Far East Consortium Limited, a wholly-owned subsidiary of Far East Consortium International Limited, and 10,666,000 shares were held by Brentford Investments Inc., a wholly-owned subsidiary of Far East Technology International Limited. Mr. Deacon Te-ken Chiu is a controlling shareholder of these companies.
2. The 93,430,299 shares were held by Energy Overseas Ltd, a company controlled by Mr. Derek Chiu.
3. The 22,277,033 shares were held by various private companies controlled by Mr. Dick Tat-sang Chiu.
4. The 5,000,000 shares were held by a private company controlled by Ms. Margaret Chiu.

(b) Share options of the Company

Name of Director	Capacity	Number of share options held	Number of underlying shares
Mr. Deacon Te-ken Chiu	Beneficial owner	5,000,000	5,000,000
Mr. Derek Chiu	Beneficial owner	1,590,000	1,590,000
Madam Chiu Ju Ching-lan	Beneficial owner	4,000,000	4,000,000
Ms. Margaret Chiu	Beneficial owner	7,000,000	7,000,000
Mr. Tang Sung-ki	Beneficial owner	6,150,000	6,150,000
		<u>23,740,000</u>	<u>23,740,000</u>

No share options were granted or exercised during the period concerned.

Save as disclosed above, as at 30 September 2004, none of the Directors nor the Company's chief executives nor their respective associates, had interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

SUBSTANTIAL SHAREHOLDERS

Save for the interests of certain Directors disclosed above, according to the register of interests maintained by the Company pursuant to Section 336 of the SFO and so far as was known to the Directors, there is no other person/entity (other than a Director or chief executive of the Company) who, as at 30 September 2004, had notified to the Company any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or who was, directly or indirectly, interested in five per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any member of the Group or in any options in respect of such capital.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the period under review, the Company and its subsidiaries have not purchased, sold or redeemed any of the securities in the Company.

AUDIT COMMITTEE

The Audit Committee has reviewed the unaudited condensed accounts for the six months ended 30 September 2004.

CORPORATE GOVERNANCE

Compliance with the Code of Best Practice

None of the Directors is aware of information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30 September 2004, 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"), except that the independent non-executive directors of the Company were not appointed for specific terms as they are subject to retirement and re-election in accordance with the provision of the articles of associates of the Company.

Securities transactions by directors

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the code of conduct regarding Directors' securities transactions. The Company has made specific enquiry of all Directors whether the Directors have complied with the required standard set out in the Model Code during the six months ended 30 September 2004 and all Directors confirmed that they have complied with the Model Code.

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2004

	Notes	Six months ended 30 September	
		2004 (unaudited) HK\$	2003 (unaudited) HK\$
Turnover	3	12,022,674	25,574,385
Cost of sales		(12,005,753)	(14,531,648)
		16,921	11,042,737
Other operating income		2,080	352,146
Administrative expenses		(7,059,586)	(6,839,427)
Other operating expenses		(791,486)	(791,486)
(Loss) Profit from operations		(7,832,071)	3,763,970
Finance costs	5	(1,987,223)	(2,505,764)
Share of results of associates		2,388,826	(3,030,591)
Loss before taxation		(7,430,468)	(1,772,385)
Taxation	6	454,974	35,619
Loss before minority interests		(7,885,442)	(1,808,004)
Minority interests		—	—
Loss for the period		(7,885,442)	(1,808,004)
		Cent	Cent
Loss per share – basic and diluted	7	(1.61)	(0.37)

CONDENSED CONSOLIDATED BALANCE SHEET

AT 30 SEPTEMBER 2004

	Notes	30/09/2004 (unaudited) HK\$	31/03/2004 (audited) HK\$
Non-current Assets			
Property, plant and equipment		157,847,107	156,079,684
Investment properties		28,820,000	28,820,000
Intangible asset		7,484,300	8,427,000
Interests in associates	8	175,305,946	208,711,605
Investments in securities		186,732,145	185,920,945
		<u>556,189,498</u>	<u>587,959,234</u>
Current Assets			
Investments in securities		9,670,360	4,012,896
Inventories		764,768	511,968
Trade and other receivables	9	6,593,196	5,357,487
Amount due from related companies		829,067	853,475
Pledged bank deposits		2,174,516	2,173,166
Bank balances and cash		3,340,221	1,259,994
		<u>23,372,128</u>	<u>14,168,986</u>
Current Liabilities			
Trade and other payables	10	8,337,361	9,256,576
Deposits received		1,059,753	822,142
Amount due to an associate		514,926	394,926
Amount due to directors		–	30,000
Amount due to a related company		–	8,365
Amount due to a minority shareholder		896,226	707,547
Obligation under finance leases – due within 1 year		287,512	293,023
Bank and other borrowings – due within 1 year		62,611,936	74,321,001
		<u>73,707,714</u>	<u>85,833,580</u>
Net Current Liabilities		<u>(50,335,586)</u>	<u>(71,664,594)</u>
		<u>505,853,912</u>	<u>516,294,640</u>

	Notes	30/09/2004 (unaudited) HK\$	31/03/2004 (audited) HK\$
Capital and Reserves			
Share capital	11	488,842,675	488,842,675
Reserves		(18,215,832)	(10,404,388)
		<u>470,626,843</u>	<u>478,438,287</u>
Non-current Liabilities			
Deferred tax liabilities		7,519,423	7,519,423
Obligation under finance leases – due after 1 year		205,804	369,724
Bank and other borrowings – due after 1 year		27,501,842	29,967,206
		<u>35,227,069</u>	<u>37,856,353</u>
		<u>505,853,912</u>	<u>516,294,640</u>

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2004

	Six months ended	
	30 September	
	2004	2003
	(unaudited)	(unaudited)
	HK\$	HK\$
Net cash (used in) from operating activities	(13,618,040)	20,401,020
Net cash (used in) from investing activities	(3,692,836)	2,608,320
Net cash from (used in) financing activities	26,190,191	(48,784,716)
	<u>8,879,315</u>	<u>(25,775,376)</u>
Net increase (decrease) in cash and cash equivalents		
Cash and cash equivalents at beginning of the period	(5,644,243)	26,604,431
	<u>3,235,072</u>	<u>829,055</u>
Cash and cash equivalents at end of the period		
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	3,340,221	1,803,161
Bank overdrafts	(105,149)	(974,106)
	<u>3,235,072</u>	<u>829,055</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2004

	Share capital	Share premium	Capital reserve	Capital redemption reserve	Revaluation reserve	Exchange reserve	Special reserve	Deficit	Total
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
At 1 April 2003 (Audited)	488,842,675	92,805,386	21,223,231	28,990,000	819,000	5,460,907	(37,225,662)	(108,178,237)	492,737,300
Share of exchange adjustments of an associate	-	-	-	-	-	(117,000)	-	-	(117,000)
Loss for the period	-	-	-	-	-	-	-	(1,808,004)	(1,808,004)
At 30 September 2003 (Unaudited)	488,842,675	92,805,386	21,223,231	28,990,000	819,000	5,343,907	(37,225,662)	(109,986,241)	490,812,296
At 1 April 2004 (Audited)	488,842,675	92,805,386	21,223,231	28,990,000	5,372,809	(1,597,299)	(37,225,662)	(119,972,853)	478,438,287
Share of exchange adjustments of an associate	-	-	-	-	-	73,998	-	-	73,998
Loss for the period	-	-	-	-	-	-	-	(7,885,442)	(7,885,442)
At 30 September 2004 (Unaudited)	488,842,675	92,805,386	21,223,231	28,990,000	5,372,809	(1,523,301)	(37,225,662)	(127,858,295)	470,626,843

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1. Basis Of Preparation

The condensed consolidated financial statements have been prepared in accordance with the Statement of Standard Accounting Practice No. 25 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants and with the applicable disclosures requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and should be read in conjunction with the 2004 annual financial statements.

2. Accounting Policy And Comparative Figures

The condensed consolidated financial statements have been prepared under the historical cost convention as modified for the revaluation of investment properties and investments in securities.

The accounting policies and methods of computation used in the preparation of these unaudited condensed consolidated financial statements are consistent with those used in the Group's annual financial statements for the year ended 31 March 2004. Certain comparative figures for the prior period have been restated to conform with the current period's presentation.

3. Business And Geographical Segments

Business segments

	Six months ended 30 September (unaudited)						
	Hotel operation	Property rental	Securities trading	Loan financing	Investment holding	Others	Consolidated
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
2004							
Turnover	<u>6,328,355</u>	<u>3,937,218</u>	<u>1,104,331</u>	<u>39,561</u>	<u>613,209</u>	<u>-</u>	<u>12,022,674</u>
Segment result	<u>636,355</u>	<u>(1,253,862)</u>	<u>(18,342)</u>	<u>39,561</u>	<u>613,209</u>	<u>-</u>	<u>16,921</u>
Bank interest income							1,900
Dividend income							180
Unallocated administrative expenses							(7,059,586)
Other operating expenses	-	(791,486)	-	-	-	-	(791,486)
Finance costs							(1,987,223)
Share of results of associates	-	213,941	-	8,331,161	-	(6,156,276)	2,388,826
Loss before taxation							(7,430,468)
Taxation							(454,974)
Loss before minority interests							(7,885,442)
Minority interests							-
Loss for the period							<u>(7,885,442)</u>

	Six months ended 30 September (unaudited)						Consolidated HK\$
	Hotel operation HK\$	Property rental HK\$	Securities trading HK\$	Loan financing HK\$	Investment holding HK\$	Others HK\$	
	2003						
Turnover	<u>6,077,496</u>	<u>4,351,566</u>	<u>11,113,288</u>	<u>3,425,126</u>	<u>606,909</u>	<u>-</u>	<u>25,574,385</u>
Segment result	<u>198,859</u>	<u>(1,737,543)</u>	<u>8,549,386</u>	<u>3,425,126</u>	<u>606,909</u>	<u>-</u>	<u>11,042,737</u>
Bank interest income							30,188
Dividend income							321,958
Unallocated administrative expenses							(6,839,427)
Other operating expenses	-	(791,486)	-	-	-	-	(791,486)
Finance costs							(2,505,764)
Share of results of associates	-	-	-	(2,706,200)	-	(324,391)	(3,030,591)
Loss before taxation							(1,772,385)
Taxation							(35,619)
Loss before minority interests							(1,808,004)
Minority interests							-
Loss for the period							<u>(1,808,004)</u>

Geographical segments

	Sales revenue by geographical market		Contribution to profit (loss) from operation	
	2004 (unaudited) HK\$	2003 (unaudited) HK\$	2004 (unaudited) HK\$	2003 (unaudited) HK\$
Hong Kong	<u>9,334,056</u>	23,296,051	<u>2,075,362</u>	13,384,648
Other regions in the People's Republic of China	<u>2,688,618</u>	<u>2,278,334</u>	<u>(2,058,441)</u>	<u>(2,341,911)</u>
	<u>12,022,674</u>	<u>25,574,385</u>	<u>16,921</u>	<u>11,042,737</u>

4. Depreciation And Amortisation

During the period, depreciation of HK\$2,528,340 (2003: HK\$2,426,555) was charged in respect of the Group's property, plant and equipment.

During the period, amortisation of HK\$942,700 (2003: HK\$942,700) was charged in respect of the Group's intangible assets.

5. Finance Costs

	Six months ended 30 September	
	2004 (unaudited) HK\$	2003 (unaudited) HK\$
Interest on bank and other borrowings:		
Wholly repayable within 5 years	1,782,602	2,158,956
Not wholly repayable within 5 years	180,686	315,152
Interest on finance leases	23,935	31,656
	<u>1,987,223</u>	<u>2,505,764</u>

6. Taxation

The charge in both the current and the prior interim reporting period represent share of taxation attributable to associates.

No provision for Hong Kong Profits Tax in respect of the Company and its subsidiaries has been made in the financial statements as the Company and its subsidiaries has no assessable profit or incurred a tax loss in both the current and the prior interim reporting period.

7. Loss Per Share

(a) Basic loss per share

The calculation of basic loss per share is based on the Group's loss for the period of HK\$7,885,442 (2003: loss of HK\$1,808,004) and on the 488,842,675 (2003: 488,842,675) shares in issue during the period.

(b) Diluted loss per share

The computation of diluted loss per share has not assumed the exercise of the outstanding share options of the Company since their exercise prices were greater than the average market price of shares for the current and the prior interim reporting period.

8. Interests In Associates

The following details have been extracted based on the unaudited consolidated financial statements of the Group's principal associates and after taking into account the adoption of SSAP 12 (Revised):

	Bolan Holdings N.V. 30 June 2004 (unaudited) HK\$	Central More Limited 30 June 2004 (unaudited) HK\$
Operating results for the six months ended 30 June 2004:		
Turnover	259,662	15,490,000
Depreciation	173,332	–
Profit (Loss) before taxation	<u>(355,618)</u>	<u>16,662,322</u>
Profit (Loss) before taxation attributable to the Group	<u>(160,028)</u>	<u>8,331,161</u>
Financial position at 30 June 2004:		
Non-current assets	347,135,123	187,673,493
Current assets	481,564	50,593,355
Current liabilities	(4,099,391)	(90,456,709)
Non-current liabilities	<u>(165,850,988)</u>	<u>(40,120,436)</u>
Net assets	<u>177,666,308</u>	<u>107,689,703</u>
Net assets attributable to the Group	<u>79,949,838</u>	<u>53,844,852</u>

During the period under review, the directors of Bolan Holdings N.V. have re-assessed its interest in land situated in Sydney, Australia and made an impairment provision of asset value by US\$2.5 million.

9. Trade And Other Receivables

The Group generally allows an average credit period of not more than 30 days to its customers.

The following is an aged analysis of trade receivables at the reporting date:

	30/9/2004 (unaudited) HK\$	31/3/2004 (audited) HK\$
0 – 30 days	108,875	159,860
31 – 60 days	100,697	79,960
Over 60 days	337,341	179,577
Trade receivables	546,913	419,397
Other receivables	6,046,283	4,938,090
	<u>6,593,196</u>	<u>5,357,487</u>

10. Trade And Other Payables

The following is an aged analysis of trade payables at the reporting date:

	30/9/2004 (unaudited) HK\$	31/3/2004 (audited) HK\$
0 – 30 days	440,273	260,804
31 – 60 days	413,268	271,196
Over 60 days	1,198,022	1,667,810
Trade payables	2,051,563	2,199,810
Other payables	6,285,798	7,056,766
	<u>8,337,361</u>	<u>9,256,576</u>

11. Share Capital

There were no movements in the share capital of the Company in either the current or the prior interim reporting period.

12. Commitments

(a) Operating lease arrangements

The Group as lessee:

At 30/9/2004, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of premises which fall due as follows:

	30/9/2004 (unaudited) HK\$	31/3/2004 (audited) HK\$
Within one year	3,962,264	4,042,682
In the second to fifth year inclusive	15,849,057	15,849,057
Over five years	59,433,962	61,415,094
	<u>79,245,283</u>	<u>81,306,833</u>

The Group as lessor:

Property rental income earned during the period was HK\$3,937,218 (30/9/2003: HK\$4,351,566).

At 30/9/2004, the Group had contracted with tenants for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	30/9/2004 (unaudited) HK\$	31/3/2004 (audited) HK\$
Within one year	1,050,000	2,264,000
In the second to fifth year inclusive	—	—
	<u>1,050,000</u>	<u>2,264,000</u>

(b) Capital commitments

	30/9/2004 (unaudited) HK\$	31/3/2004 (audited) HK\$
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the financial statements	—	<u>1,386,431</u>

(c) Other commitments

The Group had contracted with an independent consultancy company for the acquisition of exchange and/or joint venture development of Kau Wah Keng Old Village, Lai Chi Kok, Kowloon and the outstanding commitment at 30/9/2004 on procurement fee amounted to HK\$28,000,000 (31/3/2004: HK\$28,000,000).