

## Other Information

### REVOLVING CREDIT AGREEMENT WITH COVENANTS OF THE CONTROLLING SHAREHOLDERS

As disclosed in the Company's announcement dated 17th September, 2004, a wholly-owned subsidiary of the Company and a wholly-owned subsidiary of Henderson Investment Limited ("HI"), as several borrowers, have obtained a HK\$10,000,000,000 revolving credit facility that consists of a 5-year and a 7-year tranche in equal amount (the "Facility") from a syndicate of banks under the respective several guarantees given by the Company and HI.

In connection with the Facility, it will be an event of default if the Company ceases to own and control at least 51 per cent. of the issued equity share capital of HI or if either the Company or HI ceases to be ultimately controlled by Dr. Lee Shau Kee and/or his family and/or companies controlled by any of them or any trust in which Dr. Lee Shau Kee and/or his family and or companies controlled by any of them are beneficiaries. If any event of default occurs, the Facility may become due and payable on demand.

### FINANCIAL ASSISTANCE TO AFFILIATED COMPANIES

As at 31st December, 2005, the issued share capital of the Company comprised 1,814,580,000 shares. Based on the average closing price of the Company's shares of HK\$36.77 per share by reference to The Stock Exchange of Hong Kong Limited's daily quotation sheets for the trading days from 22nd December, 2005 to 30th December, 2005 (both days inclusive) being the five business days immediately preceding 31st December, 2005, the total market capitalisation of the Company was approximately HK\$66,722 million (the "Market Capitalisation") as at 31st December, 2005.

As at 31st December, 2005, the Group had provided financial assistance to, and guarantees for certain affiliated companies amounting to HK\$14,589.43 million in aggregate exceeding 8 per cent. of the Market Capitalisation (being the applicable threshold before the Listing Rules revised on 1st March, 2006). In accordance with Rule 13.22 of the Listing Rules, the combined balance sheet of and the Group's attributable interest in these affiliated companies as at 31st December, 2005 are set out as follows:

	Combined HK\$ million	The Group's attributable interest HK\$ million
Non-current assets	47,830	15,353
Current assets	13,314	5,669
Current liabilities	(7,062)	(2,801)
Net current assets	6,252	2,868
Total assets less current liabilities	54,082	18,221
Non-current liabilities	(38,399)	(12,494)
Net assets	15,683	5,727

## REVIEW OF INTERIM RESULTS

The unaudited interim results for the six months ended 31st December, 2005 have been reviewed by the auditors of the Company, Messrs. KPMG, the report of which is included on page 54.

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

During the period under review, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

Subsequent to the period under review, Henson International Finance Limited, a wholly-owned subsidiary of the Company, effected the full redemption of the remaining 1% guaranteed convertible notes due 2006 on 9th February, 2006, the maturity date, in the principal amount of HK\$188,700,000 at 82% (as fixed under the terms thereof) which, together with accrued interest, amounted to HK\$155,677,500.

## AUDIT COMMITTEE

The Audit Committee met in March 2006 and reviewed the systems of internal control and compliance and the interim report for the period ended 31st December, 2005.

## CODE ON CORPORATE GOVERNANCE PRACTICES

During the six months ended 31st December, 2005, the Company has complied with the Code on Corporate Governance Practices (the "CGP Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), except that the roles of the chairman and the chief executive officer of the Company are not separate under code provision A.2.1 of the CGP Code. The Company is of the view that it is in the best interest of the Company that Dr. Lee Shau Kee, with his profound expertise in the property business, shall continue in his dual capacity as the Chairman and Managing Director.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code of the Listing Rules as the code for dealing in securities of the Company by the Directors (the "Model Code"). Having made specific enquiry, the Company confirmed that all Directors have complied with the required standard as set out in the Model Code.

By Order of the Board  
**Timon LIU Cheung Yuen**  
Company Secretary

Hong Kong, 22nd March, 2006

*As at the date of this report, the Board comprises: (1) executive directors: Lee Shau Kee (Chairman), Lee Ka Kit, Colin Lam Ko Yin, Lee Ka Shing, John Yip Ying Chee, Alexander Au Siu Kee, Ho Wing Fun, Suen Kwok Lam, Lee King Yue, Fung Lee Woon King, Leung Sing, Eddie Lau Yum Chuen, Li Ning and Patrick Kwok Ping Ho; (2) non-executive directors: Lo Tak Shing, Woo Po Shing, Leung Hay Man, Angelina Lee Pui Ling, Lee Tat Man, Kan Fook Yee, Vincent Liang (as alternate to Lo Tak Shing) and Jackson Woo Ka Biu (as alternate to Woo Po Shing); and (3) independent non-executive directors: Gordon Kwong Che Keung, Ko Ping Keung and Wu King Cheong.*