



Chairman's Letter to Shareholders

To the shareholders of Century Legend (Holdings) Limited:

2005 is a year of expansion for the Group in readying itself for the enormous gaming business market in Macau as well as in the Pan-Pacific regions.

Macau continued to experience a remarkable economic growth in 2005. The number of Mainland individual travelers visiting Macau exceeds 10 million representing approximately 56% of the number of Macau's inbound tourists during the year. The booming tourism industry in turn drove the growth of the local consumption as well as the economy. Last year, GDP of Macau showed a substantial growth of 6.7%.

After years of development, gaming industry has become the irreplaceable core business activities in Macau. Foreign investments and experiences have been introduced to Macau after liberation of the gaming industry. The gaming industry has been growing rapidly after the liberation and recorded revenue of US\$5.6 billion in 2005. This is an impressive figure even if compare to other international well-known gaming destination such as the Las Vegas Strip. As new market players are entering into the market in the foreseeable future, there is still much room for the industry to grow. It is

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expected that the revenue generated from gaming industry shall reach no less than US\$10 billion by 2010.

REVIEW BACKWARDS

The Group has further entrenched its gaming business in Macau through a series of acquisition in the year 2005.

In November 2005, the Group and its substantial shareholder, China Sky Investments Limited ("China Sky") jointly acquired 50% interests in Longnex Limited, the beneficial owner of Holiday Inn, Macau (the "Hotel"). The gaming facilities inside the Hotel were then expanded and is now known as the Macau Diamond Casino ("MDC"). MDC was fully launched in January 2006 and it presents a lively entertainment sensation offering professional services and up-to-date gaming equipments. This acquisition has broadened the Group's revenue base and further strengthened the Group's gaming investments in Macau. MDC currently includes a mass hall housing 40 gaming tables as well as different types of slot machines. In addition there are also 2 VIP rooms inside for gaming intermediary activities in order to cater the needs of VIPs.

In July 2005, two companies in Macau formed by the Group and China Sky were granted the gaming intermediary licences by the Macau Government for conducting gaming intermediary activities at Diamond Hall located in Lisboa Casino and Diamond Entertainment Hall in MDC. The granting of licences ended an era of unregulated gaming intermediary business in Macau and helps to control competition from unqualified market participants. Written agreements between two companies and the casino operator were subsequently signed in March 2006. The foremost importance for signing the agreements is that all former verbal agreements with the casino operator regarding the gaming intermediary activities could now be formalised and each party knows clearly about their own rights and obligations.

Subic Diamond Casino ("SDC") in Philippines was launched in May 2005 and has progressively built up its turnover and customer base. SDC intends to become a prominent small-medium gaming venue offering an

alternative to the customers in the Pan Pacific region. Its strategy for differentiating itself from other competitors is to become a tropical holiday resort with a first class service environment and is easily accessible within the region. The Group is beneficially owning 11% of interest in SDC. It is envisaged that when the right opportunity arises, the Group may consider increasing its investment in SDC.

LOOK FORWARD

Macau Special Administrative Region is becoming more recognised internationally and received immense support from the Central Government of the People's Republic of China. These create very favorable condition for the Macau economy to grow further. The Group will conduct further business development and explore other potential investment opportunities in Macau in a prudent manner.

Looking ahead, the development of Macau's travel and gaming industry will continue a favorable and fast growing trend. To further tap the growth of the gaming business market, the Group has planned to expand the gaming operation in MDC by operating more VIP rooms and introducing other different facilities in the near future.

For and on behalf of the Group and the board of directors, I would like to express my heartfelt thanks to our shareholders for their enduring support and to all of my colleagues for their dedication and hard work throughout the year. Your dedication and involvement will be the most valuable asset for the growth of the Group.

Once again, with my deepest and warmest regards.

TSANG Chiu Mo Samuel

Executive Chairman