



GROUP RESULTS

The unaudited Group profit attributable to Shareholders for the six months ended 30th June, 2006 amounted to HK\$269.7 million, an increase of 36.3% as compared with HK\$197.9 million reported for the corresponding period last year. Earnings per share were 86 cents (2005: 63 cents).

The Group's profit has included an investment property revaluation surplus, after related deferred tax, of HK\$80.9 million in the results. Excluding this net surplus, the profit for the period under review would have been HK\$188.8 million, an increase of 69.5% over the comparable period.

The Group's operating profit increased by 49.5% to HK\$163.3 million, principally attributable to better performance of The Marco Polo Hongkong Hotel ("MPHK") amid favourable market conditions and considerable increase in rental income from the hotel's commercial section during the period.

INTERIM DIVIDEND

The Board has declared an interim dividend in respect of the half-year period ended 30th June, 2006 of 5.0 cents (2005: 5.0 cents) per share, payable on Friday, 13th October, 2006 to shareholders on record as at 5th October, 2006.

MANAGEMENT DISCUSSION AND ANALYSIS

Segment Review

For the first half of 2006, total revenue and operating profit of the Hotel Segment grew by 16.8% and 22.9% to HK\$202.4 million and HK\$69.7 million respectively compared to the same period last year. With encouraging increase in tourist arrivals and soaring demand from business visitors attending trade shows and exhibitions, average room rate of MPHK grew by 18.9% to over HK\$1,200 and average occupancy grew to 88.0%.

Total revenue and operating profit of the Property Segment increased by 84.4% and 92.5% to HK\$56.8 million and HK\$49.1 million respectively. Rental from the enlarged retail space of MPHK, which was completed in October 2005, and the retail units at Star House acquired in November 2005, contributed to this increase.

The office and retail space of MPHK was virtually fully let during the period under review, while the Star House retail units were 88.2% leased at June 2006. MPHK's investment properties were revalued by an independent valuer at 30th June, 2006 at HK\$1,365 million and generated a net revaluation surplus (after deferred tax) of HK\$80.9 million to be recognised in the profit for the period under review in accordance with Hong Kong accounting standards.

On property development, 61.6% (45 units) of 60 Victoria Road have been sold by the end of June 2006 to realise HK\$176.5 million in proceeds. These sales were recognised in the current period following the issuance of occupancy permit in May. Full completion will be in late August 2006.



Financial Review

(I) Review of 2006 Interim Results

Turnover

Group turnover for the period under review grew by 108.2% to HK\$483.0 million (2005: HK\$232.0 million). Underpinned by the encouraging performances achieved by MPHK, the Group's hotel revenue rose by 16.8% to HK\$202.4 million. Property investment revenue was up 84.4% to HK\$56.8 million due to higher rental income generated from MPHK's retail areas and additional rental income contributed by the Star House units, which was acquired in November 2005. Property development revenue was HK\$176.5 million, mainly contributed by the proceeds from the sale of 45 residential units at 60 Victoria Road. Increase in dividend income and interest income generated from the Group's surplus cash as a result of interest rate hikes during the period also contributed to the turnover growth.

Operating Profit

Group operating profit for the period amounted to HK\$163.3 million, an increase of HK\$54.1 million or 49.5%. This was driven by the favourable results recorded by the Hotel and Property investment segments.

Performance of the Group's business segments is covered in detail under the Business Review Section.

Share of Profits of Associates

Share of profits of associates in the first half of 2006 was HK\$2.8 million, a decrease of HK\$9.6 million, due to the reduction in attributable profit from the Sorrento project as over 99% units of this project were sold by end 2005.

Taxation

The taxation charge for the period was HK\$37.6 million, compared to HK\$31.4 million in the same period last year. The increase was mainly due to the increase in operating profit.

Profit Attributable to Shareholders

The unaudited Group profit attributable to shareholders for the six months ended 30th June, 2006 amounted to HK\$269.7 million (2005: HK\$197.9 million), for an increase of HK\$71.8 million or 36.3%. Earnings per share were HK\$0.86 (2005: HK\$0.63).

The Group's investment properties were revalued as at 30th June, 2006 resulting in a net surplus after deferred tax of HK\$80.9 million being recorded in the profit and loss account for the period under review. Excluding this surplus, profit for the period would have been HK\$188.8 million, an increase of 69.5% against the comparable period in 2005. The favourable results were mainly due to the increase in the Group's operating profit by HK\$54.1 million to HK\$163.3 million (2005: HK\$109.2 million) and profit on disposal of investments by HK\$42.5 million, but offset in part by the decrease in share of profits of HK\$9.6 million contributed by the associate undertaking the Sorrento property project.



(II) Liquidity and Financial Resources

At 30th June, 2006, the Group's shareholders' equity was HK\$4,508.8 million or HK\$14.31 per share.

In compliance with the amendments to accounting standards (HKAS 19), with effect from 1st January, 2006 retrospectively, the Group's shareholders' equity as at 31st December, 2005 has been restated to HK\$4,096.3 million from HK\$4,101.0 million, a decrease of HK\$4.7 million, due to the recognition of unrecognised actuarial losses to equity.

As at 30th June, 2006, the Group had a net cash balance of HK\$1,585.3 million, HK\$65.7 million higher than at 31st December, 2005. The increase was mainly due to HK\$110.0 million sale proceeds released from stakeholders of 60 Victoria Road. Cash surplus was mostly placed as bank deposits. In addition, the Group maintained a portfolio of investments primarily consisting of blue chip securities, with a market value aggregating HK\$1,332.6 million as at 30th June, 2006 (31st December, 2005: HK\$922.8 million). The performance of the portfolio was in line with the stock markets.

At 30th June, 2006, the Group had no significant exposure to foreign exchange rate fluctuations.

(III) Human Resources

The Group has approximately 455 employees working at the Group's hotel. Employees are remunerated according to the nature of the job and market trends, with a built-in merit component incorporated in the annual increment to reward and motivate individual performance. Total staff costs for six months ended 30th June, 2006 amounted to HK\$52.7 million (2005: HK\$45.3 million).

CODE ON CORPORATE GOVERNANCE PRACTICES

During the financial period under review, all the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited were met by the Company, except in respect of one code provision providing for the roles of chairman and chief executive officer to be performed by different individuals. The deviation is deemed appropriate as it is considered to be more efficient to have one single person to be the Chairman of the Company as well as to discharge the executive functions of a chief executive officer. The Board of Directors believes that the balance of power and authority is adequately ensured by the operations of the Board which comprises experienced and high calibre individuals.



CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the six months ended 30th June, 2006

	Note	Unaudited 30/6/2006 HK\$ Million	Unaudited 30/6/2005 HK\$ Million Restated
Turnover	2	483.0	232.0
Direct costs and operating expenses		(283.9)	(100.8)
Selling and marketing expenses		(22.8)	(10.3)
Depreciation and amortisation		(10.4)	(9.2)
Administrative and corporate expenses		(2.6)	(2.5)
Operating profit	3	163.3	109.2
Increase in fair value of investment properties		98.1	104.8
Other net income	4	43.1	2.9
		<u>304.5</u>	<u>216.9</u>
Share of profits less losses of associates		2.8	12.4
Profit before taxation		307.3	229.3
Taxation	5	(37.6)	(31.4)
Profit attributable to shareholders		<u>269.7</u>	<u>197.9</u>
Proposed interim dividends	6	15.8	15.8
Earnings per share	7	<u>HK\$0.86</u>	<u>HK\$0.63</u>
Proposed interim dividends per share		<u>HK\$0.05</u>	<u>HK\$0.05</u>



CONSOLIDATED BALANCE SHEET
As at 30th June, 2006

	Note	Unaudited 30/6/2006 HK\$ Million	Audited 31/12/2005 HK\$ Million Restated
Non-current assets			
Fixed assets			
Investment properties		1,663.0	1,561.0
Other properties, plant and equipment		54.8	61.0
Leasehold land		15.3	15.3
Interest in associates		1.8	14.6
Available-for-sale investments		1,332.6	922.8
Long term receivables		3.8	-
Employee benefits		4.4	4.4
		<u>3,075.7</u>	<u>2,579.1</u>
Current assets			
Inventories		103.1	243.5
Trade and other receivables	8	132.0	105.8
Cash and cash equivalents		1,585.3	1,519.6
		<u>1,820.4</u>	<u>1,868.9</u>
Current liabilities			
Trade and other payables	9	139.3	134.0
Taxation payable		22.2	9.1
		<u>161.5</u>	<u>143.1</u>
Net current assets		<u>1,658.9</u>	<u>1,725.8</u>
Total assets less current liabilities		<u>4,734.6</u>	<u>4,304.9</u>
Non-current liabilities			
Deferred income	12	1.0	1.6
Deferred taxation		224.8	207.0
		<u>225.8</u>	<u>208.6</u>
NET ASSETS		<u>4,508.8</u>	<u>4,096.3</u>
Capital and reserves			
Share capital	10	157.5	157.5
Reserves	11	4,351.3	3,938.8
TOTAL EQUITY		<u>4,508.8</u>	<u>4,096.3</u>



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 30th June, 2006

	Unaudited 30/6/2006 HK\$ Million	Unaudited 30/6/2005 HK\$ Million Restated
Total equity as at 1st January		
As previously reported	4,101.0	3,505.6
Prior year adjustment for employee benefits	(4.7)	(8.2)
As restated	4,096.3	3,497.4
Net gains and losses not recognised in the consolidated profit and loss account		
As previously reported		34.2
Prior year adjustment for employee benefits		0.6
As restated	178.9	34.8
Profit attributable to shareholders	269.7	197.9
Final dividend approved in respect of the previous year	(37.8)	(37.8)
Revaluation reserve transferred to the consolidated profit and loss account upon disposal of available-for-sale investments		
- by Company/subsidiaries	1.7	-
- by associates	-	(1.5)
Total equity as at 30th June	4,508.8	3,690.8



CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30th June, 2006

	Unaudited 30/6/2006 HK\$ Million	Unaudited 30/6/2005 HK\$ Million
Net cash generated from operating activities	304.4	153.2
Net cash used in investing activities	(200.9)	(116.1)
Net cash used in financing activities	(37.8)	(37.8)
Net increase/(decrease) in cash and cash equivalents	65.7	(0.7)
Cash and cash equivalents at 1st January	<u>1,519.6</u>	<u>1,737.5</u>
Cash and cash equivalents at 30th June	<u>1,585.3</u>	<u>1,736.8</u>



NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The unaudited interim consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants and applicable disclosure provision of Appendix 16 of Listing Rules of the Stock Exchange of Hong Kong Limited.

The preparation of the interim financial statements in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31st December, 2005 except for the changes in accounting policies as described below.

HKAS 19 "Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosures"

In prior years, in calculating the Group's obligation in respect of a defined benefit pension scheme, if any cumulative unrecognised actuarial gain or loss exceeds 10% of the greater of the present value of the defined benefit obligation and the fair value of scheme assets, that portion is recognised in the consolidated profit and loss account over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognised.

With effect from 1st January, 2006, the Group adopted retrospectively the additional recognition policy in the amendment to HKAS 19 under which all actuarial gain or loss of all defined benefit pension schemes can be recognised outside profit or loss. The effect of adoption is to decrease shareholders' equity as at 1st January, 2006 and 1st January, 2005 by HK\$4.7 million and HK\$8.2 million respectively. This change has no significant impact on the Group's results.



2. SEGMENT REPORTING

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

(a) Business segments

	Hotel and restaurants		Property investment		Property development		Investments		Total	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005	30/6/2006	30/6/2005	30/6/2006	30/6/2005	30/6/2006	30/6/2005
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million
						Restated				Restated
Turnover	202.4	173.3	56.8	30.8	176.5	-	47.3	27.9	483.0	232.0
Operating results	69.7	56.7	49.1	25.5	(1.4)	-	45.9	27.0	163.3	109.2
Increase in fair value of investment properties	-	-	98.1	104.8	-	-	-	-	98.1	104.8
Other net income	-	-	-	-	-	-	43.1	2.9	43.1	2.9
									304.5	216.9
Share of profits less losses of associates	-	-	-	-	2.8	11.2	-	1.2	2.8	12.4
Profit before taxation									307.3	229.3
Taxation									(37.6)	(31.4)
Profit attributable to shareholders									269.7	197.9

(b) Geographical segments

	Turnover		Operating results	
	30/6/2006	30/6/2005	30/6/2006	30/6/2005
	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
Hong Kong	466.4	218.2	146.7	95.4
Singapore	16.6	13.8	16.6	13.8
	483.0	232.0	163.3	109.2

No inter-segment revenue has been recorded during the periods.



3. OPERATING PROFIT

	30/6/2006 HK\$ Million	30/6/2005 HK\$ Million
Operating profit is arrived at:-		
After charging:-		
Cost of inventories sold	178.8	13.2
Depreciation and amortisation	10.4	9.2
Staff costs	52.7	45.3
Including :		
Contributions to defined contribution pension schemes	2.0	1.5
Increase in liability for defined benefit pension schemes	0.8	1.1
Total pension cost	2.8	2.6
Auditors' remuneration	0.3	0.3
Share of associates' taxation	0.4	2.1
and crediting:-		
Gross rental income from investment properties	56.8	30.8
Less: direct outgoings	(5.7)	(3.7)
	51.1	27.1
Interest income on bank deposits	25.2	13.2
Dividend income from listed investments	20.6	14.6

4. OTHER NET INCOME

	30/6/2006 HK\$ Million	30/6/2005 HK\$ Million
Release of deferred income	0.6	2.9
Profit on disposal of available-for-sale investments	42.5	-
	43.1	2.9



5. TAXATION

Hong Kong profits tax has been provided at the rate of 17.5% (2005: 17.5%) on the estimated assessable profits for the period.

	30/6/2006 HK\$ Million	30/6/2005 HK\$ Million Restated
Current taxation		
Provision for Hong Kong profits tax for the period	<u>19.8</u>	<u>12.6</u>
Deferred taxation		
Origination and reversal of temporary differences	0.6	0.5
Change in fair value of investment properties	<u>17.2</u>	<u>18.3</u>
	<u>17.8</u>	<u>18.8</u>
Total tax charge	<u>37.6</u>	<u>31.4</u>

6. PROPOSED INTERIM DIVIDENDS

	30/6/2006 HK\$ Million	30/6/2005 HK\$ Million
Proposed interim dividends of 5.0 cents (2005: 5.0 cents) per share	<u>15.8</u>	<u>15.8</u>

7. EARNINGS PER SHARE

The calculation of earnings per share is based on the profit for the period of HK\$269.7 million (2005: HK\$197.9 million) and on 315.0 million (2005: 315.0 million) ordinary shares in issue during the period. For the period under review and the preceding comparative period, there is no difference between the basic and diluted earnings per share.

8. TRADE AND OTHER RECEIVABLES

	30/6/2006 HK\$ Million	31/12/2005 HK\$ Million
Due within 30 days	31.6	39.3
Due after 30 days but within 60 days	6.7	2.5
Due after 60 days but within 90 days	43.6	0.1
Over 90 days	<u>-</u>	<u>0.1</u>
	<u>81.9</u>	<u>42.0</u>
Other receivables	36.8	49.5
Amounts due from fellow subsidiaries	<u>13.3</u>	<u>14.3</u>
	<u>132.0</u>	<u>105.8</u>

The Group has established credit policies for each of its core businesses. The general credit terms allowed range from 0 to 60 days.



9. TRADE AND OTHER PAYABLES

	30/6/2006 HK\$ Million	31/12/2005 HK\$ Million
Due within 30 days	9.8	11.2
Due after 30 days but within 60 days	4.1	3.9
Due after 60 days but within 90 days	0.4	0.4
Over 90 days	-	-
	<u>14.3</u>	<u>15.5</u>
Other payable and provisions	85.4	88.5
Amounts due to fellow subsidiaries	6.9	4.8
Amounts due to an associate	32.7	25.2
	<u>139.3</u>	<u>134.0</u>

10. SHARE CAPITAL

There were no movements in the share capital of the Company during the period under review.

11. RESERVES

	Share premium HK\$ Million	Investments revaluation reserve HK\$ Million	Revenue reserve HK\$ Million	Total HK\$ Million
(i) Company and subsidiaries				
Balance at 1st January, 2006				
As previously reported	542.0	404.4	2,874.4	3,820.8
Prior year adjustments for HKAS 19	-	-	(4.7)	(4.7)
As restated	<u>542.0</u>	<u>404.4</u>	<u>2,869.7</u>	<u>3,816.1</u>
Dividend approved in respect of the previous year	-	-	(37.8)	(37.8)
Revaluation surplus				
- available-for-sale investments	-	178.9	-	178.9
Transferred to the consolidated profit and loss account on disposal of available-for-sale investments	-	1.7	-	1.7
Profit for the period	-	-	266.9	266.9
Balance at 30th June, 2006	<u>542.0</u>	<u>585.0</u>	<u>3,098.8</u>	<u>4,225.8</u>



11. RESERVES (CONTINUED)

	Investments			Total HK\$ Million
	Share premium HK\$ Million	revaluation reserve HK\$ Million	Revenue reserve HK\$ Million	
(ii) Associates				
Balance at 1st January, 2006	-	-	122.7	122.7
Profit for the period	-	-	2.8	2.8
Balance at 30th June, 2006	-	-	125.5	125.5
Total reserves				
At 30th June, 2006	542.0	585.0	3,224.3	4,351.3
At 31st December, 2005 (restated)	542.0	404.4	2,992.4	3,938.8

12. DEFERRED INCOME

The movements of deferred income of the Group are as follows:-

	2006 HK\$ Million	2005 HK\$ Million
Balance at 1st January	1.6	5.2
Additions	-	0.3
Credited to the consolidated profit and loss account upon release	(0.6)	(3.9)
Balance at 30th June / 31st December	1.0	1.6

13. MATERIAL RELATED PARTY TRANSACTIONS

- (a) During the period, there was in existence a management agreement with a subsidiary of the ultimate holding company for management of the Group's hotel operations. Fees payable under this arrangement during the current period amounted to HK\$15.7 million (2005: HK\$13.3 million) which included management fees of HK\$13.0 million (2005: HK\$11.0 million) and marketing fees of HK\$2.7 million (2005: HK\$2.3 million). The management fees included a basic fee and an incentive fee which are calculated based on the relevant percentage of gross revenue and gross operating profit respectively. The marketing fee is calculated based on a percentage of gross revenue. Such a management agreement, entered into on 2nd January, 2004, and the relevant transactions thereunder constitute connected transactions as defined under the Listing Rules but are exempted under the provisions of the Listing Rules which were in force prior to 31st March, 2004 from the requirements relating to connected transactions.



13. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) The Group has a tenancy agreement with Lane Crawford (Hong Kong) Limited, which is indirectly wholly owned by a trust of which the chairman of the Company's ultimate holding company is the settlor, in respect of the lease of shops situated on G/F, 1/F & 2/F of The Marco Polo Hongkong Hotel. The duration of tenancy is from 11th April, 2003 to 10th April, 2009. The rental income earned by the Group from the above agreement during the current period, including contingent rental income, amounted to HK\$33.8 million (2005: HK\$17.5 million). Such a transaction does not constitute a connected transaction under the Listing Rules.

14. COMMITMENTS

Capital commitments outstanding at 30th June, 2006 not provided for in the accounts were as follows:-

	30/6/2006 HK\$ Million	31/12/2005 HK\$ Million
Contracted but not provided for	11.7	27.4
Authorised but not contracted for	8.6	6.2
	<u>20.3</u>	<u>33.6</u>

15. COMPARATIVE FIGURES

Certain comparative figures have been restated as a result of the changes in accounting policies. Further details are disclosed in note 1.

In addition, certain comparative figures have been re-classified as a result of the change in the presentation of the Group's share of associates' taxation which the Group's share of associates' profits less losses is presented on an after-tax basis.

16. REVIEW OF UNAUDITED INTERIM FINANCIAL STATEMENTS

The unaudited interim financial statements for the six months ended 30th June, 2006 have been reviewed with no disagreement by the Audit Committee of the Company.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' DEALING IN SECURITIES

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 of the Listing Rules. The Company has made specific enquiry of all Directors and all the Directors have complied with the required standard set out in the Model Code and its code of conduct regarding Directors' securities transactions.



DIRECTORS' INTERESTS IN SHARES

At 30th June, 2006, Directors of the Company had the following personal beneficial interests, all being long positions, in the ordinary shares of the Company's parent company, namely, The Wharf (Holdings) Limited ("Wharf"), and the percentages which the shares represented to the issued share capital of Wharf are also set out below:

Names of Directors	Number of shares (percentage of issued capital)
Mr. Gonzaga W. J. Li	686,549 (0.028%)
Mr. T. Y. Ng	178,016 (0.007%)

Except as disclosed above, as recorded in the register kept by the Company under section 352 of the Securities and Futures Ordinance ("SFO") in respect of information required to be notified to the Company and the Stock Exchange pursuant to the SFO or to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"):

- (i) there were no interests, both long and short positions, held as at 30th June, 2006 by any of the Directors or Chief Executive of the Company in shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO); and
- (ii) there existed during the financial period no rights to subscribe for any shares, underlying shares or debentures of the Company which were held by any of the Directors or Chief Executive of the Company or any of their spouses or children under 18 years of age nor had there been any exercises during the financial period of any such rights by any of them.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

Given below are the names of all parties which were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital of the Company as at 30th June, 2006, the respective relevant numbers of shares in which they were, and/or were deemed to be, interested as at that date as recorded in the register kept by the Company under section 336 of the SFO (the "Register") and the percentages which the shares represented to the issued share capital of the Company:

Names	Number of ordinary shares (percentage of issued capital)
(i) Upfront International Limited	210,379,500 (66.79%)
(ii) Wharf Estates Limited	210,379,500 (66.79%)
(iii) The Wharf (Holdings) Limited	210,379,500 (66.79%)
(iv) WF Investment Partners Limited	210,379,500 (66.79%)
(v) Wheelock and Company Limited	210,379,500 (66.79%)
(vi) HSBC Trustee (Guernsey) Limited	210,379,500 (66.79%)
(vii) Harson Investment Limited	25,357,500 (8.05%)

Note: For the avoidance of doubt and double counting, it should be noted that duplication occurs in respect of the shareholdings stated against parties (i) to (vi) above in that they represent the same block of shares.

All the interests stated above represented long positions and as at 30th June, 2006, there were no short position interests recorded in the Register.



PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the financial period under review.

BOOK CLOSURE

The Register of Members will be closed from Thursday, 28th September, 2006 to Thursday, 5th October, 2006, both days inclusive, during which period no transfer of shares of the Company can be registered. In order to qualify for the abovementioned interim dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Registrars, Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 27th September, 2006.

By Order of the Board
Wilson W. S. Chan
Secretary

Hong Kong, 15th August, 2006

As at the date of this interim report, the Board of Directors of the Company comprises Mr. Gonzaga W. J. Li and Mr. T. Y. Ng, together with three independent non-executive Directors, namely, Mr. Brian S. Forsgate, Mr. H. M. V. de Lacy Staunton and Mr. Man Kou Tan.

