

OTHER INFORMATION

The Directors submit their interim report together with the unaudited financial results of PORTS DESIGN LIMITED ("PORTS" or the "Company") and its subsidiaries (together with the Company, the "Group") for the six months ended 30 June 2006.

Interim Dividend and Closure of Register of Members

The earnings for the Group for the six months ended 30 June 2006 are RMB100.8 million. The Directors have declared an interim dividend of RMB0.11 per share for the six months ended 30 June 2006, totaling RMB60.2 million to be payable to shareholders registered as at 29 September 2006 (2005: 30 September 2005).

The interim dividend will be payable on 31 October 2006 to shareholders whose names appear on the register of members of the Company on 29 September 2006. The register of members will be closed from 26 September 2006 to 29 September 2006, both days inclusive, during which period no transfer of shares can be effected.

In order to qualify for the above dividend, all transfer of shares accompanied by the requisite share certificates must be lodged with the Company's Branch Share Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:00 p.m. on 25 September 2006.

Directors

The Directors of PORTS during the six months ended 30 June 2006 were:

Executive Directors	Non-Executive Directors	Independent Non-Executive Directors
Mr. Edward Tan Han Kiat	Ms. Julie Ann Enfield	Mr. Rodney Ray Cone
Mr. Alfred Chan Kai Tai		Ms. Valarie Fong Wei Lynn
Mr. Pierre Frank Bourque		Ms. Lara Magno Lai

Directors' and Chief Executives' Interests and Short Positions

As at 30 June 2006, the interests of each Director, chief executive of the Company and their respective associates in the shares, underlying shares and debentures of the Company or any associated corporations of the Company (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, are as follows:

(i) Shares of the Company of HK\$0.0025 each ("Shares")

	Personal Interest	Corporate Interest (Note 2)	Family Interest	Other interest	Total Interest (Note 2)
Mr. Edward Han Kiat Tan (Note 1)		251,091,276 (L)			251,091,276 (L)
	0	22,000,000 (S)	0	0	22,000,000 (S)
Mr. Alfred Kai Tai Chan (Note 1)		251,091,276 (L)			251,091,276 (L)
	0	22,000,000 (S)	0	0	22,000,000 (S)
Mr. Pierre Frank Bourque	0	0	0	0	0
Ms. Julie Ann Enfield	0	0	0	0	0
Mr. Rodney Ray Cone	0	0	0	0	0
Ms. Valarie Fong Wei Lynn	0	0	0	0	0
Ms. Lara Magno Lai	0	0	0	0	0

Note 1: A long position of 3,491,276 Shares are owned by Ports International Enterprise Limited ("PIEL"), the issued share capital of which is owned as to 50% by Mr. Tan and Mr. Chan respectively. PIEL also holds a short position of 22,000,000 shares. 247,600,000 Shares are owned by CFS International Inc., a direct subsidiary of PIEL. Mr. Tan and Mr. Chan are deemed to be interested in 45.86% of the issued share capital of the Company by virtue of their respective interests in PIEL pursuant to Part XV of the SFO.

Note 2: (L) - Long Position, (S) - Short Position.

(ii) Share options in the Company

	Number of outstanding share options	Percentage of issued share capital
Mr. Pierre Frank Bourque	15,000	0.03%
Mr. Rodney Ray Cone	15,000	0.01%
Ms. Valarie Fong Wei Lynn	15,000	0.01%

Other than the holdings disclosed above, during the first half of 2006 no interests and short positions were held or deemed taken to be held under Part XV of the SFO by any Director or chief executive of the Company or their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Stock Exchange pursuant to Part XV of the SFO or pursuant to the Model Code for Securities Transactions by Directors of Listed Companies or which were required pursuant to section 352 of the SFO to be entered in the register referred to therein.

Share Options Scheme

Details of the share options outstanding as at 30 June 2006 under the Scheme were as follows:

	Options held at 1/1/2006	Options granted during the period	Options exercised during the period (Note 1)	Options lapsed during the period	Options held at 30/6/2006 (Note 2)	Exercise price (HK\$) (Note 3)	Grant date	Exercisable from	Exercisable until	Weighted average closing price (HK\$) (Note 4)
Mr. Edward Tan Han Kiat	0	0	0	0	0	10.50	N/A	N/A	N/A	N/A
Mr. Alfred Chan Kai Tai	0	0	0	0	0	10.50	N/A	N/A	N/A	N/A
Mr. Pierre Frank Bourque	45,000	0	0	0	45,000	10.50	3/11/2003	3/11/2003	2/11/2013	N/A
Ms. Julie Ann Enfield	0	0	0	0	0	10.50	N/A	N/A	N/A	N/A
Mr. Rodney Ray Cone	15,000	0	0	0	15,000	10.50	3/11/2003	3/11/2003	2/11/2013	N/A
Ms. Valarie Fong Wei Lynn	15,000	0	0	0	15,000	10.50	3/11/2003	3/11/2003	2/11/2013	N/A
Continuous contract employees	3,038,335	0	748,042	17,548	2,272,745	10.50	3/11/2003	3/11/2003	2/11/2013	10.32

Note 1: On and subject to the terms of the Share Option Scheme, the Options shall only be exercisable in respect of such part thereof that has been vested in accordance with the following manner:

Fraction of the shares covered under the option	Vesting date
1/3	First anniversary of the offer date
1/3	Second anniversary of the offer date
1/3	Third anniversary of the offer date

The Board may in its absolute discretion relax or accelerate all or any of the above vesting periods in such manner as it may deem fit.

Note 2: No option has been cancelled during the six months ended 30 June 2006.

Note 3: The exercise price for each share was originally fixed at HK\$10.50, but was adjusted to HK\$2.625 following the 4 for 1 share split in November 2004.

Note 4: This represents the weighted average closing price of the shares of the Company immediately before the dates on which the options were exercised.

Substantial Shareholders

As at 30 June 2006, the interests or short positions of the shareholders, other than a Director or Chief Executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Names of shareholders	Class of shares	Capacity	Number of shares of the Company (See *Notes below)	Percentage of the issued share capital
CFS International Inc. Ports International Enterprises Limited	Ordinary	Beneficial Owner	247,600,000 (L)	45.22%
	Ordinary	Beneficial Owner	3,491,276 (L) 22,000,000 (S)	45.86% (L) 4.02% (S)
		Interest of Controlled Corporation	247,600,000 (L)	
Lloyd George Investment Management (Bermuda) Ltd	Ordinary	Beneficial Owner	38,724,000 (L)	7.07%
Arisaig Greater China Fund Limited	Ordinary	Beneficial Owner	37,922,500 (L)	6.93%
Arisaig Partners (Mauritius) Limited	Ordinary	Beneficial Owner	37,922,500 (L)	6.93%
Cooper Lindsay William Ernest	Ordinary	Interest of Controlled Corporation	37,922,500 (L)	6.93%
Baring Asset Management	Ordinary	Investment Manager	38,107,096 (L)	6.96%

*Notes: (L) - Long Position, (S) - Short Position.

Save as disclosed above, the register required to be kept under section 336 of the SFO showed that the Company had not been notified of any interests or short positions in the shares and underlying shares of the Company as at 30 June 2006.

Directors' Interests in Contracts of Significance

There were no contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, at the end of the period ended 30 June 2006.

Purchase, Sale or Redemption of Group's Listed Securities

During the six months ended 30 June 2006, the Company has not redeemed, and neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed securities.

Pre-emptive Rights

There is no provision regarding pre-emptive rights under the Bye-Laws of the Company and the laws of Bermuda.

Retirement Scheme

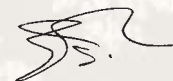
The Group participates in the Pension Plan benefit scheme mandated by the PRC government for its employees based in the PRC and the Mandatory Provident Plan mandated by the Hong Kong Government for its employees in Hong Kong.

Pledging of shares by controlling shareholders

The controlling shareholder of the issuer has not pledged any of its interests in shares of the Group to any third-party.

Statement of Sufficiency of Public Interest

As at 31 August 2006, based on the information publicly available to the Company and within the knowledge of the Directors, 44.41% of the Shares were publicly held.



On Behalf of the Board
Edward Tan Han Kiat
Chairman

31 August 2006, Xiamen, China