



董事局謹提呈截至二零零六年三月三十一日止年度之報告及本公司及本集團之經審核財務報表。

主要業務

本公司之主要業務為投資控股。其主要附屬公司及主要聯營公司之主要業務詳情，分別載於財務報表附註17及18。

本集團之主要業務性質於本年度內並無重大變動。

業績及股息

本集團截至二零零六年三月三十一日止年度之溢利及本公司及本集團於該日之財務狀況載於財務報表第30至122頁。

董事不建議派付本年度任何股息。

財務資料概要

下表概列本集團截至二零零六年三月三十一日止五個年度之綜合業績、資產、負債及少數股東權益，此乃節錄自己公佈經審核財務報表，及按需要重列／重新分類。五年財務概要之每年金額已作出調整，以使影響遞延稅項及商譽之會計政策之追溯改變生效，有關詳情載於財務報表附註2.2。該概要並不構成經審核財務報表之一部份。

The directors herein present their report and the audited financial statements of the Company and of the Group for the year ended 31 March 2006.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its principal subsidiaries and principal associate are set out in notes 17 and 18 to the financial statements, respectively.

There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 March 2006 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 30 to 122.

The directors do not recommend the payment of any dividend in respect of the year.

SUMMARY FINANCIAL INFORMATION

The following table summarises the consolidated results, assets, liabilities and minority interests of the Group for the five years ended 31 March 2006, as extracted from the published audited financial statements and restated/reclassified as appropriate. The amounts for each year in the five year financial summary have been adjusted for the effects of the retrospective changes in accounting policy affecting deferred tax and goodwill, as detailed in note 2.2 to the financial statements. The summary does not form part of the audited financial statements.



董事局報告 REPORT OF THE DIRECTORS

財務資料概要 (續)

SUMMARY FINANCIAL INFORMATION (Cont'd)

		二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000 (經重列) (Restated)	二零零四年 2004 千港元 HK\$'000 (經重列) (Restated)	二零零三年 2003 千港元 HK\$'000 (經重列) (Restated)	二零零二年 2002 千港元 HK\$'000 (經重列) (Restated)
總資產	Total assets	2,286,389	1,867,822	1,799,975	1,746,183	1,894,713
總負債	Total liabilities	1,178,197	843,816	769,073	752,646	930,092
本公司股東應佔權益	Equity attributable to equity holders of the Company	606,477	553,851	574,177	578,856	572,220
少數股東權益	Minority interests	501,715	470,155	456,725	414,681	392,401
		2,286,389	1,867,822	1,799,975	1,746,183	1,894,713
本公司普通股股東應佔純利／(淨虧損)	Net profit/(loss) attributable to ordinary equity holders of the Company	20,977	(22,467)	(8,278)	9,689	11,793

物業、機器及設備

本集團之物業、機器及設備於本年度內之變動詳情載於財務報表附註13。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Group's property, plant and equipment during the year are set out in note 13 to the financial statements.

投資物業

本集團之投資物業於本年度內之變動詳情載於財務報表附註14。本集團之投資物業於結算日之進一步詳情載於年報第123至124頁。

INVESTMENT PROPERTIES

Details of movements in the Group's investment properties during the year are set out in note 14 to the financial statements. Further particulars of the Group's investment properties at the balance sheet date are set out on pages 123 to 124 of the annual report.



發展中物業

本集團之發展中物業詳情載於財務報表附註16及年報第123頁。

持有供銷售之物業

本集團持有供銷售之物業詳情載於財務報表附註22。

股本及購股權

本公司之股本及購股權變動詳情連同變動之原因，分別載於財務報表附註30及31。

儲備

本公司及本集團於本年度內之儲備變動詳情，分別載於財務報表附註32(b)及綜合權益變動表。

可分派儲備

於結算日，本公司按照一九八一年百慕達公司法計算可作分派之儲備達58,698,000港元。此外，本公司之股份溢價賬518,437,000港元可按繳足紅股形式分派。

主要客戶及供應商

於回顧年度，本集團五大客戶之銷售額佔本年度銷售總額之45%，其中最大客戶應佔之銷售額為13%。本集團五大供應商之採購額佔本年度總採購額之38%，其中最大供應商應佔之採購額為15%。於本年度內尚未計入損益表之採購額，包括施工中之合約工程之成本，已在計算有關百分比時計及。

本公司之董事或彼等之任何聯繫人或據董事所知擁有本公司已發行股本超過5%之股東，概無於本集團五大客戶及供應商中擁有任何實益權益。

PROPERTIES UNDER DEVELOPMENT

Details of the Group's properties under development are set out in note 16 to the financial statements and on page 123 of the annual report.

PROPERTIES HELD FOR SALE

Details of the Group's properties held for sale are set out in note 22 to the financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the share capital and share options of the Company, together with the reasons therefor, are set out in notes 30 and 31 to the financial statements, respectively.

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in note 32(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At the balance sheet date, the Company's reserves available for distribution, calculated in accordance with the Bermuda Companies Act 1981, amounted to HK\$58,698,000. In addition, the Company's share premium account, in the amount of HK\$518,437,000, may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for 45% of the total sales for the year and sales to the largest customer included therein amounted to 13%. Purchases from the Group's five largest suppliers accounted for 38% of the total purchases for the year and purchases from the largest supplier included therein amounted to 15%. Purchases during the year not yet charged to the income statement, including the cost of contract works in progress, have been included in arriving at the relevant percentages.

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and suppliers.



董事局報告 REPORT OF THE DIRECTORS

董事

於本年度內，本公司之董事如下：

執行董事：

張舜堯先生
馮潮澤先生
錢永勛先生
郭敏慧小姐
趙展鴻先生
黃琦先生

獨立非執行董事：

范佐浩先生
周湛樂先生
謝文彬先生

根據本公司之細則規定，趙展鴻先生及黃琦先生將於即將召開之股東週年大會上告退，並願意膺選連任。

董事及高層管理人員之簡歷

本公司董事及本集團高層管理人員之簡歷載於年報第8至第10頁。

董事之服務合約

建議於即將召開之股東週年大會上膺選連任之董事，概無與本公司訂立本公司不可於一年內終止而毋須支付補償(法定補償除外)之服務合約。

DIRECTORS

The directors of the Company during the year were:

Executive directors:

Mr. Francis Cheung
Mr. Fung Chiu Chak, Victor
Mr. David Chien
Miss Jennifer Kwok
Mr. Chiu Chin Hung
Mr. Wong Kay

Independent non-executive directors:

Mr. Fan Chor Ho, Paul
Mr. Chau Cham Son
Mr. Tse Man Bun

In accordance with the Company's bye-laws, Mr. Chiu Chin Hung and Mr. Wong Kay will retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' AND SENIOR MANAGERMENTS' BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 8 to 10 of the annual report.

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.



董事及主要行政人員於股份及
相關股份之權益及好倉

於結算日，董事及主要行政人員於本公司或其相聯法團（具有證券及期貨條例（「證券及期貨條例」）第XV部所賦予之涵義）之股本及相關股份中擁有本公司按證券及期貨條例第352條存置之登記冊所記錄，或根據上市公司董事進行證券交易之標準守則（「標準守則」）須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及好倉如下：

(i) 於本公司普通股中之好倉：

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND LONG POSITIONS IN SHARES AND UNDERLYING SHARES

At the balance sheet date, the interests and long positions of the directors and chief executives in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

(i) Long positions in ordinary shares of the Company:

董事姓名	Name of directors	持有普通股股數及權益性質 Number of ordinary shares held and nature of interest				總計 Total	佔本公司 已發行 股本百分比 Percentage of the Company's issued share capital
		個人 Personal	公司 Corporate	其他 Other			
張舜堯先生	Mr. Francis Cheung	35,820,600	217,185,000 ⁽¹⁾	54,247,200 ⁽²⁾		307,252,800	36.7
馮潮澤先生	Mr. Fung Chiu Chak, Victor	55,821,600	—	—		55,821,600	6.7
錢永勛先生	Mr. David Chien	98,021,020	—	—		98,021,020	11.7
郭敏慧小姐	Miss Jennifer Kwok	16,500,000	—	—		16,500,000	2.0
趙展鴻先生	Mr. Chiu Chin Hung	5,000,000	—	—		5,000,000	0.6
黃琦先生	Mr. Wong Kay	10,765,000	—	—		10,765,000	1.3
謝文彬先生	Mr. Tse Man Bun	442,000	—	—		442,000	0.1



董事局報告 REPORT OF THE DIRECTORS

董事及主要行政人員於股份及 相關股份之權益及好倉（續）

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND LONG POSITIONS IN SHARES AND UNDERLYING SHARES (Cont'd)

(iii) 於本公司之相聯法團股份中之好倉：

(ii) Long positions in shares of associated corporations of the Company:

董事姓名 Name of directors	相聯法團名稱 Name of associated corporations	持有普通股股數及權益性質 Number of ordinary shares held and nature of interest		
		個人 Personal	公司 Corporate	總計 Total
馮潮澤先生 Mr. Fung Chiu Chak, Victor	泰昇建築工程有限公司 Tysan Building Construction Company Limited	3,570,000	—	3,570,000
	泰昇工程服務有限公司 Tysan Engineering Company Limited	800	—	800
	泰昇貿易有限公司 Tysan Trading Company Limited	20	—	20
郭敏慧小姐 Miss Jennifer Kwok	泰昇貿易有限公司 Tysan Trading Company Limited	—	20 ⁽³⁾	20
黃琦先生 Mr. Wong Kay	泰昇工程服務有限公司 Tysan Engineering Company Limited	2,200	—	2,200
	泰昇建築工程有限公司 Tysan Building Construction Company Limited	1,530,000	—	1,530,000

附註：

Notes:

1. 該等股份由 Power Link Investments Limited 持有 171,237,000 股及 Long Billion International Limited 持有 45,948,000 股。該等公司均由張舜堯先生控制。
2. 該等股份由張舜堯先生為創辦人之一全權信託所持有。
3. 該等股份由郭敏慧小姐控制之 JM Concept Company Limited 所持有。

1. 171,237,000 shares were held by Power Link Investments Limited and 45,948,000 shares were held by Long Billion International Limited. Both of these companies are controlled by Mr. Francis Cheung.
2. Such shares were held by a discretionary trust, the founder of which is Mr. Francis Cheung.
3. These shares were held by JM Concept Company Limited, which is controlled by Miss Jennifer Kwok.

董事於本公司購股權之權益已於財務報表附註31中另行披露。

The interests of the directors in the share options of the Company are separately disclosed in note 31 to the financial statements.

除上文所述者外，若干董事僅就符合公司股東人數之最低規定為本公司持有若干附屬公司之非實益個人股權權益。

In addition to the above, certain directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.



董事及主要行政人員於股份及
相關股份之權益及好倉 (續)

(ii) 於本公司之相聯法團股份中之好
倉：(續)

除上文所披露者外，於二零零六年三月三十一日，各董事及主要行政人員概無於本公司或其任何相聯法團之股份、相關股份或債券中擁有根據證券及期貨條例第352條須記錄，或根據標準守則須知會本公司及聯交所之權益或淡倉。

董事及主要行政人員購買股份或債券
之權利

除上文「董事及主要行政人員於股份及相關股份之權益及好倉」，及財務報表附註31購股權計劃披露資料所披露者外，於本年度內任何時間，概無授予任何董事或彼等各自之配偶或未成年子女或主要行政人員透過購買本公司股份或債券之方法而獲得利益之權利，而彼等亦無行使任何該等權利，本公司或其任何附屬公司概無訂立任何安排，致使董事可購買任何其他法人團體之該等權利。

董事於合約之權益

除下文「關連交易」一節所披露者外，於本年度內，概無任何董事直接或間接在本公司或其附屬公司為訂約方而與本公司及其附屬公司之業務有關之任何重要合約中擁有重大權益。

購買、贖回或出售本公司之上市證券

於本年度內，本公司或其任何附屬公司概無購買、贖回或出售本公司之任何上市證券。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND LONG
POSITIONS IN SHARES AND UNDERLYING SHARES (Cont'd)

(ii) Long positions in shares of associated corporations of the
Company: (Cont'd)

Save as disclosed above, as at 31 March 2006, none of the directors and chief executives had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' AND CHIEF EXECUTIVES' RIGHTS TO ACQUIRE
SHARES OR DEBENTURES

Apart from as disclosed under the heading "Directors' and chief executives' interests and long positions in shares and underlying shares" above, and in the share option scheme disclosures in note 31 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children or chief executives, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed below in the section headed "Connected transactions", no director had a material interest, either directly or indirectly, in any contract of significance to the business of the Company and its subsidiaries to which the Company or any of its subsidiaries was a party during the year.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF
THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.



董事局報告 REPORT OF THE DIRECTORS

主要股東於股份及相關股份之權益

於結算日，按本公司根據證券及期貨條例第336條須存置之股東權益記錄持有本公司已發行股本5%以上之權益如下：

於本公司普通股之好倉：

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

At the balance sheet date, the following interests of more than 5% of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in ordinary shares of the Company:

名稱	Name	持有普通股股數 Number of ordinary shares held	佔本公司 已發行股本 百分比 Percentage of the Company's issued share capital
Power Link Investments Limited ⁽¹⁾	Power Link Investments Limited ⁽¹⁾	171,237,000	20.5
Eastern Glory Development Limited ⁽²⁾	Eastern Glory Development Limited ⁽²⁾	171,237,000	20.5
Goldcrest Enterprises Limited ⁽²⁾	Goldcrest Enterprises Limited ⁽²⁾	171,237,000	20.5
Bofield Holdings Limited ⁽²⁾	Bofield Holdings Limited ⁽²⁾	171,237,000	20.5
Long Billion International Limited ⁽¹⁾	Long Billion International Limited ⁽¹⁾	45,948,000	5.5

附註：

Notes:

(1) 上述 Power Link Investments Limited及 Long Billion International Limited之權益亦為於上文「董事及主要行政人員於股份及相關股份之權益及好倉」一節所披露張舜堯先生之公司權益。

(2) 該等人士透過彼等於 Power Link Investments Limited之股本權益被視為於 171,237,000股股份中擁有權益。

(1) The above interests of Power Link Investments Limited and Long Billion International Limited have also been disclosed as corporate interests of Mr. Francis Cheung in the section headed "Directors' and chief executives' interests and long positions in shares and underlying shares" above.

(2) These parties were deemed to have interests in the 171,237,000 shares by virtue of their equity interests in Power Link Investments Limited.

除前述者外，於二零零六年三月三十一日，概無人士（上文「董事及主要行政人員於股份及相關股份之權益及好倉」一節所述權益之本公司董事及主要行政人員除外）已登記擁有本公司股份或相關股份中須根據證券及期貨條例第336條予以記錄之權益或淡倉。

Apart from the foregoing, as at 31 March 2006, no person, other than the directors and chief executives of the Company, whose interests are set out in the section headed "Directors' and chief executives' interests and long positions in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.



關連交易

(1) 分判工程

- (a) 於二零零三年三月十八日授出豁免項下之交易

聯交所於二零零三年三月十八日授出一項豁免，就截至二零零五年十二月三十一日止期間泰昇建築工程有限公司（「泰昇建築工程」）及泰昇工程服務有限公司（「泰昇工程服務」）或泰昇工程（香港）有限公司（「泰昇工程（香港）」）之間涉及分判建築工程或機電工程（「機電工程」）之持續關連交易，豁免本公司嚴格遵守上市規則之關連交易披露規定。

由二零零五年四月一日至二零零五年十二月三十一日止期間內，泰昇建築工程已分判約16,400,000港元之工程予泰昇工程（香港）。該等交易乃由該等公司根據協議之條款於正常及日常業務過程中訂立，並按一般商業條款進行，而該等交易之金額並無超過豁免所指定之上限金額。該等交易已由獨立非執行董事審閱，並取得本公司董事局之批准。

- (b) 於二零零六年一月一日後之持續交易

於二零零六年一月二十六日，泰昇地基工程有限公司（「泰昇地基工程」）、泰昇建築（澳門）有限公司（「泰昇建築（澳門）」）、泰昇建築工程及泰昇工程服務訂立總協議（「總協議」），以管理由二零零六年一月一日至二零零八年十二月三十一日止三年期間該等公司（包括彼等之附屬公司）之間之業務關係及工程分判。總協議（包括本報告所載之年度上限）已由本公司獨立股東於二零零六年三月六日舉行之股東特別大會上追認、確認及批准。

CONNECTED TRANSACTIONS

(1) Subcontracting works

- (a) Transactions under a waiver granted on 18 March 2003

The Stock Exchange granted a waiver on 18 March 2003 to exempt the Company from strict compliance with the disclosure requirements for connected transactions under the Listing Rules in respect of its on-going connected transactions involving the subcontracting of construction works or electrical and mechanical engineering works ("E&M works") between Tysan Building Construction Company Limited ("TBC") and Tysan Engineering Company Limited ("TEC") or Tysan Engineering (H.K.) Company Limited ("TEHK") for a period up to 31 December 2005.

During the period from 1 April 2005 to 31 December 2005, TBC subcontracted works of approximately HK\$16.4 million to TEHK. These transactions were entered into by the companies in the ordinary and usual course of business in accordance with the terms of the agreements, conducted on normal commercial terms and the amounts of these transactions did not exceed the cap amount as prescribed in the waiver. These transactions had been reviewed by the independent non-executive directors and received approval from the Company's board of directors.

- (b) On-going transactions subsequent to 1 January 2006

On 26 January 2006, Tysan Foundation Limited ("TF"), Tysan Construction (Macau) Limited ("TCM"), TBC and TEC entered into a master agreement (the "Master Agreement") to regulate the business relationship and subcontracting of works among them (including their subsidiaries) for a three years' period from 1 January 2006 to 31 December 2008. The Master Agreement (including the annual caps as set out therein) was ratified, confirmed and approved by independent shareholders of the Company at the special general meeting held on 6 March 2006.



董事局報告 REPORT OF THE DIRECTORS

關連交易 (續)

(1) 分判工程 (續)

- (b) 於二零零六年一月一日後之持續交易 (續)

由二零零六年一月一日至二零零六年三月三十一日期間內，上述公司之間已進行下列分判工程：

- (i) 泰昇建築(澳門)已分判約58,600,000港元之建築工程予泰昇建築工程之附屬公司Mac Tysan Construction (Macau) Limited (「Mac Tysan」)；
- (ii) 泰昇建築工程已分判約1,900,000港元之打樁工程予泰昇地基工程；及
- (iii) 泰昇建築工程已分判約900,000港元之機電工程予泰昇工程服務之附屬公司泰昇工程(香港)。

該等交易乃由該等公司根據協議之條款於正常及日常業務過程中訂立，並按一般商業條款進行，而該等交易之金額並無超過總協議所指定之上限金額。該等交易已由獨立非執行董事審閱，並取得本公司董事局之批准。

(2) 提供銀行擔保

於二零零五年十一月二十二日，本公司以銀行為受益人提供一項擔保，以取得45,000,000港元之銀行信貸供泰昇建築工程於其日常商業營運中使用。該交易已由本公司獨立股東於二零零六年一月十一日舉行之股東特別大會上批准。

CONNECTED TRANSACTIONS (Cont'd)

(1) Subcontracting works (Cont'd)

- (b) On-going transactions subsequent to 1 January 2006 (Cont'd)

During the period from 1 January 2006 to 31 March 2006, the following subcontracting of works were carried out amongst the companies mentioned above:

- (i) TCM subcontracted building works of approximately HK\$58.6 million to Mac Tysan Construction (Macau) Limited ("Mac Tysan"), a subsidiary of TBC;
- (ii) TBC subcontracted piling works of approximately HK\$1.9 million to TF; and
- (iii) TBC subcontracted E&M works of approximately HK\$0.9 million to TEHK, a subsidiary of TEC.

These transactions were entered into by the companies in the ordinary and usual course of business in accordance with the terms of the agreements, conducted on normal commercial terms and the amounts of these transactions did not exceed the cap amounts as prescribed in the Master Agreement. These transactions had been reviewed by the independent non-executive directors and received approval from the Company's board of directors.

(2) Provision of a bank guarantee

On 22 November 2005, the Company provided a guarantee in favour of a bank to obtain banking facilities of HK\$45 million for use by TBC in its normal commercial operations. The transaction was approved by independent shareholders of the Company at the special general meeting held on 11 January 2006.



關連交易 (續)

泰昇地基工程及泰昇建築(澳門)均為本公司之全資附屬公司。泰昇建築工程及泰昇工程服務為本公司之非全資附屬公司。泰昇建築工程由本公司擁有50%、馮潮澤先生(「馮先生」)擁有35%及黃琦先生(「黃先生」)擁有15%。泰昇工程服務由本公司擁有70%、馮先生擁有8%及黃先生擁有22%。由於馮先生及黃先生均為本公司之董事，故根據上市規則，泰昇建築工程及泰昇工程服務(包括彼等之附屬公司)均為本公司之關連人士。因此，根據上市規則，上述交易構成本公司之關連交易。

優先購買權

本公司之公司細則或百慕達法律均無有關本公司須按比例向現有股東發行新股之優先購買權之規定。

足夠公眾持股量

根據本公司所得公開資料及據董事所知，於本報告日期，本公司全部已發行股本最少25%乃由公眾人士持有。

核數師

安永會計師事務所任滿告退，有關續聘其為本公司核數師之決議案，將於即將召開之股東週年大會上提呈。

承董事局命

張舜堯
主席

香港
二零零六年七月二十八日

CONNECTED TRANSACTIONS (Cont'd)

Both TF and TCM are wholly-owned subsidiaries of the Company. TBC and TEC are non-wholly owned subsidiaries of the Company. TBC is owned as to 50% by the Company, 35% by Mr. Fung Chiu Chak Victor ("Mr. Fung") and 15% by Mr. Wong Kay ("Mr. Wong"). TEC is owned as to 70% by the Company, 8% by Mr. Fung and 22% by Mr. Wong. As both Mr. Fung and Mr. Wong are directors of the Company, TBC and TEC (including their subsidiaries) are connected persons of the Company under the Listing Rules. Thus, the transactions mentioned above constitute connected transactions for the Company under the Listing Rules.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

AUDITORS

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

BY ORDER OF THE BOARD

FRANCIS CHEUNG
Chairman

Hong Kong
28 July 2006