



EMPEROR INTERNATIONAL HOLDINGS LIMITED

英皇集團（國際）有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 163)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2005

The board of directors (the “Board” or the “Directors”) of Emperor International Holdings Limited (the “Company”) announced that the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30th September, 2005 (the “Period”) together with comparative figures for the corresponding period in 2004 are as follows:

The consolidated financial statements of the Group have not been audited nor reviewed by the Company’s auditors, Deloitte Touche Tohmatsu, but have been reviewed by the audit committee of the Company, which comprises the three independent non-executive directors of the Company.

CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended 30th September,	
		2005 (unaudited)	2004 (unaudited and restated)
	Notes	HK\$'000	HK\$'000
Turnover – continuing operations		154,811	123,897
Turnover – discontinued operations	4	342,122	294,038
		<u>496,933</u>	<u>417,935</u>
Turnover		154,811	123,897
Cost of sales		(5,324)	(3,526)
Direct operating expenses		(27,046)	(23,002)
Gross profit		122,441	97,369
Other operating income – net		6,730	6,040
Selling and marketing expenses		(2,645)	(1,967)
Administrative expenses		(47,205)	(55,256)
Increase in fair values of investment properties		353,269	142,200
Impairment loss reversed in respect of properties under development		104,000	5,810
Impairment loss (recognised) reversed in respect of properties held for sale		(119)	2,673
Impairment loss recognised in respect of motor vehicle registration mark		(990)	–
Profit from operations	5	<u>535,481</u>	196,869
Finance costs		(28,067)	(5,668)
Share of associates' results after taxation		6,816	5,455
Profit before taxation		<u>514,230</u>	196,656
Taxation	6	(68,541)	(31,610)
Profit from continuing operations		445,689	165,046
Profit from discontinued operations	4	5,026	720
Profit after taxation		<u>450,715</u>	<u>165,766</u>

		Six months ended	
		30th September,	
		2005	2004
		(unaudited)	(unaudited and restated)
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit (loss) attributable to:			
Shareholders of the Company		446,635	166,342
Minority interests		4,080	(576)
Profit after taxation		<u>450,715</u>	<u>165,766</u>
Earnings per share – basic	7	<u>HK\$0.40</u>	<u>HK\$0.19</u>
Earnings per share – diluted	7	<u>HK\$0.40</u>	<u>N/A</u>

CONDENSED CONSOLIDATED BALANCE SHEET

		As at	
		30th September,	31st March,
		2005	2005
		(unaudited)	(audited and restated)
		<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Investment properties		3,438,040	2,815,656
Property, plant and equipment		717,433	781,622
Properties under development		381,642	261,452
Interests in associates		440,252	400,155
Amounts due from associates		9,241	6,414
Loans receivable		13,171	20,070
Intangible assets		2,884	6,401
Goodwill		1,940	1,940
Investments in securities		458	393
Other assets		9,174	13,389
Deferred taxation assets		33,221	72,137
Deposits paid for acquisition of investment properties		32,963	31,800
		<u>5,080,419</u>	<u>4,411,429</u>
Current assets			
Assets held for disposal		221,830	–
Inventories		1,546	33,974
Properties held for sale		13,736	13,918
Debtors, deposits and prepayments		297,920	318,485
Taxation recoverable		451	652
Securities held for trading		1,878	2,913
Pledged bank deposits		5,655	9,375
Bank balances – trust accounts		66,845	87,433
Bank balances and cash		73,899	125,375
		<u>683,760</u>	<u>592,125</u>
Current liabilities			
Liabilities held for disposal		128,774	–
Creditors, customers' deposits and accrued charges		205,348	326,825
Amount due to a shareholder		312,151	212,805
Taxation provision		9,271	3,993
Secured bank borrowings – due within one year		539,497	468,387
Obligations under finance leases – due within one year		–	48
Dividend payable		76,342	–
		<u>1,271,383</u>	<u>1,012,058</u>

	30th September, 2005 (unaudited) <i>HK\$'000</i>	As at 31st March, 2005 (audited and restated) <i>HK\$'000</i>
Net current liabilities	(587,623)	(419,933)
	4,492,796	3,991,496
Non-current liabilities		
Amount due to minority shareholders of subsidiaries	21,971	22,991
Secured bank borrowings – due after one year	553,193	471,095
Obligations under finance leases – due after one year	–	32
Deferred taxation liabilities	146,034	121,830
	3,771,598	3,375,548
Capital and reserves		
Share capital	11,227	11,227
Reserves	3,764,332	3,372,436
Equity attributable to shareholders of the Company	3,775,559	3,383,663
Minority interests	(3,961)	(8,115)
Total Equity	3,771,598	3,375,548

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

2. PRINCIPAL ACCOUNTING POLICIES

The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31st March, 2005 apart from the adoption of the new Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKAS”) and Interpretations (collectively the “HKFRSs”), issued by HKICPA that are effective for accounting periods beginning on or after 1st January, 2005.

In connection with the adoption of the HKFRSs, the Group has applied certain new accounting policies in accordance with the transitional provisions as set out in the relevant HKFRSs. Where required, these new HKFRSs have been applied retrospectively. In addition, certain comparative figures have been reclassified to confirm with the current period presentation. The major changes to accounting policies and the effects on the Group’s income statement and shareholders’ equity are set out as follows:

(a) *Investment Properties*

In previous periods, investment properties were measured at open market values, with revaluation surplus or deficits credited or charged to property revaluation reserve unless the balance on this reserve was insufficient to cover a revaluation decrease, in which case the excess of the revaluation decrease over the balance on the property revaluation reserve was charged to the income statement. Where a decrease had previously been charged and revaluation subsequently arose, that increase was credited to the income statement to the extent of the decrease previously charged.

In accordance with HKAS 40 – “Investment Property”, the Group has elected to use the fair value model to account for its investment properties which required gains or losses arising from changes in fair value of investment properties to be recognised directly in the income statement in the period in which they arise. Accordingly, an approximate amount of HK\$353.3 million has been recognised in the Period.

The Group has applied the relevant transitional provisions in HKAS 40 and elected to apply the standard from 1st April, 2005 onwards. An approximate amount of HK\$254.6 million held in the property revaluation reserve as at 1st April, 2005 has been transferred to the Group’s retained profits. No adjustment has been made on 2005 comparative figures.

(b) *Deferred Taxation Related to Investment Properties*

In previous period, deferred tax consequences in respect of revalued investment properties were assessed on the basis of the tax consequence that would follow from recovery of the carrying amount of the properties through sale. Upon the adoption of HKAS Interpretation 21 “Income Taxes – Recovery of Revalued Non-Depreciable Assets”, the deferred tax consequences of the investment properties are assessed on the basis that reflect the tax consequences that would follow from the manner in which the Group expects to recover the property at each balance sheet date.

In the absence of any specific transitional provisions in HKAS Interpretation 21, this change in accounting policy has been applied retrospectively. As a result, the Group’s shareholders’ equity as at 31st March, 2005 has been decreased by approximately HK\$24.9 million, which represents the net increase in deferred taxation liabilities. The deferred taxation directly charged to the income statement for the six months ended 30th September, 2005 has been increased by approximately HK\$62.3 million (2004: HK\$25.9 million).

(c) *Negative Goodwill*

In previous periods, negative goodwill arising on acquisitions prior to 1st January, 2005 was capitalised and was presented as a deduction from assets and released to the consolidated income statement based on an analysis of the circumstance from which the balance resulted.

The Group has applied HKFRS 3 – “Business Combinations” prospectively from 1st January, 2005. Negative goodwill arising from acquisitions on or after 1st January, 2005 is credited to the consolidated income statement. In accordance with the transitional provisions of HKFRS 3, the carrying amount of negative goodwill that arose from acquisitions prior to 1st January, 2005 should be derecognised with a corresponding increase in retained profits as at 1st April, 2005. Accordingly, negative goodwill of approximately HK\$12.1 million was derecognised.

(d) *Share-based Payment*

The Group has granted share options to certain employees for their services rendered to subscribe for shares of the Company in accordance with the Company’s share option scheme. Prior to the application of HKFRS 2 “Share-based Payment”, the Group did not recognise the financial effect of the share options until they were exercised.

In the current period, the Group has applied HKFRS 2 which requires an expense to be recognised where the Group buys goods or obtains services in exchange for shares or rights over shares (“equity-settled transactions”). The principal impact of HKFRS 2 on the Group is in relation to the expensing of the fair value of share options of the Company determined at the date of grant of the share options over the vesting period.

The Group has applied HKFRS 2 to share options granted on or after 1st April, 2005. This change has no effect on the Group’s shareholders’ equity. The effect of this change on the income statement for the period ended 30th September, 2005 is to increase the expenses of approximately HK\$4.7 million (2004: Nil).

(e) *Hotel Property*

In previous periods, no depreciation was provided on the building element of the hotel property on the basis that it was maintained in a continuous state of sound repair such that, given the estimated life of the hotel property and its residual value, any depreciation was immaterial.

With effect from 1st April, 2005, on adoption of HKAS Interpretation 21, the Group’s building element of the hotel property is amortised over its useful life on a straight-line basis and is stated at cost less accumulated depreciation and impairment. These new accounting policies have been applied retrospectively. The shareholders’ equity as at 31st March, 2005 were restated and decreased by approximately HK\$38.9 million. The change has increased depreciation charge to the consolidated income statement for the six months ended 30th September, 2005 by HK\$2.4 million (2004: HK\$2.4 million).

(f) *Financial assets and liabilities*

The adoption of HKAS 32 “Financial Instruments: Disclosure and Presentation” and HKAS 39 “Financial Instruments: Recognition and Measurement” has resulted in a change in the accounting policy relating to the classification of financial assets and liabilities and their measurements.

From 1st April, 2005, the Group classified and measured its financial assets and liabilities in accordance with the relevant provisions of HKAS 39. As the financial effect is immaterial, no adjustment has been made to the carrying amounts of assets and liabilities and the Group’s retained profits as at 1st April, 2005 and profit for the Period.

3. SEGMENT INFORMATION

For management purpose, the Group is currently organised into eight operating divisions, namely, lease of properties, sales of properties, printing and publishing, securities brokerage and consultancy, wholesaling and retailing of furniture, hotel and restaurant operations, and sales of marine products. These divisions are the basis on which the Group reports its primary segment information.

	Segment revenue		Segment results	
	Six months ended 30th September,		Six months ended 30th September,	
	2005 (unaudited)	2004 (unaudited)	2005 (unaudited)	2004 (unaudited and restated)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Business segments				
<i>Continuing operations:</i>				
Lease of properties	62,581	44,232	511,615	186,594
Sales of properties	247	273	(390)	1,331
Securities brokerage and consultancy	63,002	55,798	43,415	35,513
Hotel operation	28,644	23,225	501	(4,023)
Others	337	369	153	(249)
	<u>154,811</u>	<u>123,897</u>	<u>555,294</u>	<u>219,166</u>
<i>Discontinued operations:</i>				
Printing and publishing	231,765	213,037	4,169	5,208
Wholesaling and retailing of furniture	76,572	59,608	1,092	(2,945)
Restaurant	11,776	12,725	(151)	(643)
Sales of marine products	22,009	8,668	819	(245)
	<u>342,122</u>	<u>294,038</u>	<u>5,929</u>	<u>1,375</u>
	<u>496,933</u>	<u>417,935</u>	<u>561,223</u>	<u>220,541</u>
Interest income			487	572
Corporate general and administrative expenses			(20,247)	(22,863)
Finance costs			(29,023)	(6,329)
Share of associates' results after taxation			6,816	5,455
Taxation			(68,541)	(31,610)
Profit after taxation			<u>450,715</u>	<u>165,766</u>

4. DISCONTINUED OPERATIONS

The Group entered into agreement to dispose of wholesaling and retailing of furniture, printing and publishing and restaurant and had discontinued sales of marine products businesses. Their operating results are as follows:

	Six months ended 30th September,	
	2005 (unaudited) HK\$'000	2004 (unaudited) HK\$'000
Turnover	342,122	294,038
Expenses	(336,193)	(292,663)
Operating results	<u>5,929</u>	<u>1,375</u>
Interest income	53	7
Finance costs	(956)	(662)
Taxation	-	-
Profit after taxation	<u>5,026</u>	<u>720</u>

5. PROFIT FROM OPERATIONS

Profit from operations for the Period has been arrived at after charging depreciation of approximately HK\$27,827,000 (2004: HK\$27,751,000) in respect of the Group's property, plant and equipment and crediting dividend income from listed securities of approximately HK\$68,000 (2004: HK\$24,000).

6. TAXATION

	Six months ended 30th September, 2005 (unaudited) HK\$'000	2004 (unaudited and restated) HK\$'000
The charge comprises:		
Hong Kong Profits Tax attributable to the Group	(4,185)	(3,321)
Deferred taxation	(64,356)	(28,289)
	<u>(68,541)</u>	<u>(31,610)</u>

Hong Kong Profits Tax is calculated at 17.5% of the estimated assessable profit for both periods.

7. EARNINGS PER SHARE

	Six months ended 30th September, 2005 (unaudited) HK\$'000	2004 (unaudited and restated) HK\$'000
The calculation of basic and diluted earnings per share is based on the following data:		
Profit attributable to shareholders for the purpose of calculating basic and diluted earnings per share	<u>446,635</u>	<u>166,342</u>
	Number of shares	
Number of ordinary shares after adjusting for the effect of the 1 to 10 share subdivision effective on 4th January, 2005 for the purpose of calculating basic earnings per share	1,122,678,181	863,293,520
Effect of dilutive potential ordinary shares from share options	<u>5,573,770</u>	N/A
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<u>1,128,251,951</u>	<u>863,293,520</u>

INTERIM DIVIDEND

The Board declared the payment of an interim dividend of HK\$0.05 per share ("Dividend") for the Period (2004: HK\$0.03 adjusted for the effect of the 1 to 10 share subdivision), amounting to approximately HK\$56.1 million. The Dividend will be paid on 23rd January, 2006 (Monday) to shareholders whose names appear on Register of Members of the Company on 11th January, 2006 (Wednesday).

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed, for the purpose of determining shareholders' entitlement to the Dividend, from 9th January, 2006 (Monday) to 11th January, 2006 (Wednesday) (both days inclusive), during which period no share transfer will be effected.

In order to qualify for the Dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Secretaries Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong (with effect from 3rd January 2006, the address of Secretaries Limited will be relocated to 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong) for registration no later than 4:00 p.m. on 6th January, 2006 (Friday).

OPERATION RESULT AND REVIEW OF OPERATIONS

For the Period, the Group recorded a turnover of HK\$496.9 million, representing an increase of 19% as compared with HK\$417.9 million of the previous corresponding period. Profit attributable to shareholders amounted to HK\$446.6 million, up by 169% over last period's HK\$166.3 million.

The rise in profit was mainly due to gains from the revaluation of the Group's existing investment properties and developing project in Hong Kong, and increased rental income amid a recovering property market. The increased return from the securities brokerage business also contributed to the profit surge.

The Group had announced during the Period to dispose non-core operations and refocus on its major and profitable businesses.

OPERATION REVIEW

Property Development and Investment

During the Period, the Group received no turnover from property development because of absence of sales. The turnover from leasing investment properties rose 42% to approximately HK\$62.6 million (2004: HK\$44.2 million) while profit soared 46% to approximately \$54.3 million (2004: HK\$37.2 million). The profit excluded revaluation gain of the Group's investment properties of HK\$353.3 million and HK\$104.0 million from its project under development.

As the Hong Kong market continued to improve in the first half of 2005, the Group's property operations have seen income growing steadily and significantly. The total income of these related segments amounted to HK\$62.8 million (2004: HK\$44.5 million) and profit reached HK\$511.2 million (2004: HK\$187.9 million).

The total carrying value of the Group's property portfolio in Hong Kong and the People's Republic of China ("PRC") reached approximately HK\$4.5 billion. These properties include shops, offices, apartments, industrial buildings and a hotel. To tap Macau's growing retail property market, the Group has acquired two properties at prime locations in the city.

The Phase II development of Riverside Garden at Xiamen, the PRC, has been approved; buildings plans and documents for tender and construction are being prepared and to be completed in early 2006. Construction of Phase II is scheduled to be commenced in March 2006 and permit for pre-sale is expected to be issued later in 2006.

The Group had completed the basement excavation and foundation works of the commercial complex redevelopment at the Lido, Repulse Bay. A brand new Lido is expected to open in 2008. The Group intends to develop the property into a retail shopping arcade for generating rental income in the long run. However, it is also considering an option of including a hotel in the project. The management is currently exploring the possibility.

During the Period, the Group had acquired land with a total area of approximately 23,555 square feet adjacent to its development site in DD210 in Sai Kung. The Group plans to develop high-end residences at the site with a total floor area increasing to 32,670 square feet with the addition of the newly acquired land. The Group has submitted an application for the development with the Town Planning Board. Meanwhile, the Group will continue to replenish its land reserve.

Hotel

The Emperor (Happy Valley) Hotel received a turnover of approximately HK\$28.6 million making up mainly of income from its 150 guest rooms, karaoke lounge and Chinese restaurant. Profit reached HK\$0.5 million subsequent to the completion of guestroom refurbishment, compared to a loss of HK\$4.0 million in the previous corresponding period. The hotel achieved an improvement in both occupancy and room rates compared with the previous period.

Revenue from the karaoke lounge "The Echoes" increased a significant 40% over the previous period and ahead of the budget by 15%.

Securities Brokerage and Consultancy Services

During the Period, turnover from the Group's brokerage and financial services was up 25% to HK\$36.4 million (2004: HK\$29.1 million) bolstered by the growing stock markets in Hong Kong and the region. Profit rose by 72% to HK\$18.9 million (2004: HK\$11.0 million). Together with contribution from consultancy and advisory services, total income from the segment reached HK\$63.0 million (2004: HK\$55.8 million) and profit amounted at HK\$43.4 million (2004: HK\$35.5 million).

Among the Group's financial offerings, trading in Japan and US commodity futures reported the most remarkable performance. By controlling fixed overhead and expanding into new businesses that operate on commission-based systems, it also saw improved operating margins.

Non-core businesses to be disposed/discontinued

The Group announced during the Period the disposal of non-core businesses to its major shareholder in its bid to focus on major and more profitable operations. The businesses to be disposed of included wholesaling and retailing of furniture, publishing and printing and restaurant. The Group would receive approximately HK\$82.4 million in cash upon completion of the disposal, which is scheduled to be completed before the current financial year end. The disposal will not have any material impact on the net asset position of the Group and there will not be any material gain or loss recognised by the Group.

The Group has discontinued the trading operation of marine products. The segment resulted in a profit of HK\$0.8 million during the Period. The discontinuance had realised financial resources of approximately HK\$15 million to the Group.

These non-core businesses resulted in a marginal profit of HK\$5.0 million during the Period. The disposal and discontinuance were expected to generate capital resources of approximately HK\$100 million to the Group.

PROSPECTS

The Group made a significant decision during the Period to reposition itself as a property business player. It planned to dispose of and discontinue non-core businesses to re-allocate its financial resources and management efforts to focus on its core property and financial operations. The disposal and discontinue will also allow the Group to realise its previous investment in those non-core businesses and the proceeds from the sales will improve the Group's financial position. The disposal is expected to complete by the end of the current financial year.

In general, the Group is optimistic about the economy in Hong Kong and the PRC region. The Group's property investment arm focuses on superior rental properties. Its two acquisitions in Macau will generate steady rental income for the Group with good prospect of growth in the long run. The Group is also ironing out the final construction plans and development issues of the Lido project with the governmental authorities.

For property development, the Group focuses on high-end residential projects in popular locations in Hong Kong, Macau and major cities in the PRC. It plans to start construction of Phase II development of Riverside Garden at Xiamen in 2006. In the meantime, it is awaiting government approval to enlarge the scales of its luxurious seaview residential development project in Sai Kung. The management will continue to look for opportunities to expand its land bank and development portfolio.

For its hotel operation in Hong Kong – which the Group views as a part of its property business – the management anticipates an increase in the demand for rooms from both mainland and overseas tourists to Hong Kong. Answering to the popular demand for karaoke, the Group had converted a floor in the hotel premises into karaoke rooms and related work was completed recently. The management expects the new rooms to bring in higher revenue.

The management of the financial and consultancy arm expects financial markets will be on growth track in 2006. The Group will expand its business in the trading of commodity futures and is making preparation to diversify its revenue stream by launching asset management services.

Looking ahead, the Group expects to receive profit contributions from its partially-owned Emperor Entertainment Hotel Limited (“EEH”), of which the Macau hotel will commence business in January 2006, as well as the strong cashflow through dividend distributed by EEH. The Group will closely monitor the performance of all its business segments to maximise returns for its shareholders and investors.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at 30th September, 2005, the total external borrowings (excluding payables) amounted to approximately HK\$1,426.8 million and the Group maintained a debt to equity ratio of 38% (measured by total external borrowings as a percentage to the net asset value of the Group). In addition to its share capital and reserves, the Group made use of cash flow generated from operations, bank borrowings and unsecured loans from a shareholder and related companies to finance its operations. The Group's bank borrowings were denominated in Hong Kong Dollars and their interest rates followed market rates. The Group's bank balances and cash were mostly Hong Kong dollars. The Group had no material exposure

to fluctuations in exchange rates. Besides, the Group had contingent liabilities in respect of (i) guarantees given to a bank in connection with mortgage loans granted to third parties totaling approximately HK\$3 million and (ii) loss and damages due to defects claimed by purchasers of some of the Group's properties.

STAFF COSTS

The total cost incurred for staff including directors' emoluments amounted to HK\$151.3 million during the Period as compared with HK\$133.0 million in the last corresponding period. The increase was due to salaries revision. The number of staff was approximately 1,200 as at the end of the Period (2004: 1,200).

ASSETS PLEDGED

Assets with carrying value of HK\$3,977.0 million were pledged as security for banking facilities.

CORPORATE GOVERNANCE

The Company had complied throughout the Period with the Code on Corporate Governance Practice as set out in Appendix 14 of the Listing Rules except that (i) the non-executive directors of the Company were not appointed for specific term, however, in accordance with the bye-laws of the Company, one-third of the Directors for the time being shall retire from office by rotation (provided that every Director shall be subject to retirement at least once every three years) and be eligible for re-election at the annual general meeting of the Company; and (ii) the Chairperson had not attended the annual general meeting of the Company held on 25th August, 2005 as she was not in Hong Kong.

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

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

By Order of the Board
Emperor International Holdings Limited
Luk Siu Man, Semon
Chairperson

Hong Kong, 15th December, 2005

As at the date hereof, the Board of the Company comprised 1. Chairperson and Non-Executive Director: Ms. Luk Siu Man, Semon, 2. Managing Directors and Executive Directors: Mr. Wong Chi Fai and Ms. Fan Man Seung, Vanessa; 3. Executive Directors: Ms. Mok Fung Lin, Ivy and Mr. Chan Pak Lam, Tom; 4. Independent Non-Executive Directors: Mr. Chan Man Hon, Eric (Chairman of the audit committee), Mr. Law Ka Ming, Michael and Mr. Liu Hing Hung.

** for identification purposes only*

Please also refer to the published version of this announcement China Daily.