



ENM Holdings Limited

安寧控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock code: 128)

Interim Results Announcement For the six months ended 30 June 2005

The Board of Directors (the “Board”) of ENM Holdings Limited (the “Company”) herein present the unaudited consolidated interim results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2005, together with the unaudited comparative amounts for the corresponding period in 2004.

The interim financial report has not been audited, but has been reviewed by the Company’s audit committee and the Company’s auditors.

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the six months ended 30 June 2005 - unaudited

(Expressed in Hong Kong dollars)

	Notes	Six months ended 30 June	
		2005 (Unaudited) \$'000	2004 (Restated) \$'000
Turnover	3	113,328	104,987
Cost of sales		(51,707)	(41,947)
Gross profit		61,621	63,040
Other income and gains	4	3,452	11,644
Selling and distribution costs		(34,578)	(26,841)
Administrative expenses		(35,392)	(40,248)
Other operating income/(expenses), net		15,894	(5,574)
Finance costs	5	(250)	(227)
Share of profits and losses of associates		(1,432)	(1,194)
Profit before tax	6	9,315	600
Tax	7	—	38
Profit for the period		9,315	638
Attributable to:			
Equity holders of the Company		8,941	(2,816)
Minority interests		374	3,454
		9,315	638
Earnings/(loss) per share	8		
- Basic		0.54 cents	(0.17) cents
- Diluted		N/A	N/A
Dividend per share		Nil	Nil

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2005 - unaudited

(Expressed in Hong Kong dollars)

	<i>Notes</i>	30 June 2005 (Unaudited) \$'000	31 December 2004 (Restated) \$'000
Non-current assets			
Fixed assets			
- Properties and equipment		78,379	74,198
- Investment properties		100,991	96,200
		179,370	170,398
Prepaid land premiums		3,178	3,217
Goodwill		6,610	6,610
Interests in associates		18,789	9,633
Interests in jointly-controlled entities		—	—
Available-for-sale investments		36,287	35,489
		244,234	225,347
Current assets			
Financial assets at fair value through profit and loss		154,835	149,296
Inventories		46,136	33,910
Trade receivables	9	6,783	11,710
Prepayments, deposits and other receivables		27,700	28,651
Prepaid land premiums		77	77
Due from an associate		—	641
Pledged deposits		342	342
Time deposits		521,858	531,741
Cash and bank balances		24,581	49,266
		782,312	805,634
Current liabilities			
Trade and other payables	10	62,072	81,819
Due to an associate		750	—
Interest-bearing bank borrowings		7,102	6,597
Debentures		1,254	954
Other loans		5,207	5,207
Tax payable		5,557	5,436
		81,942	100,013
Net current assets		700,370	705,621
Total assets less current liabilities		944,604	930,968
Non-current liabilities			
Debentures		8,130	8,550
Deferred revenue		25,662	20,870
		33,792	29,420
		910,812	901,548

<i>Notes</i>	30 June 2005 <i>(Unaudited)</i> \$'000	31 December 2004 <i>(Restated)</i> \$'000
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CAPITAL AND RESERVES

Equity attributable to equity holders of the

Company

Share capital	16,507	16,507
Reserves	867,749	858,859
	884,256	875,366
Minority interests	26,556	26,182
	910,812	901,548

Notes:

1 Basis of preparation and significant accounting policies

The condensed consolidated interim financial statements are prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” and Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 December 2004, except for the changes in accounting policies following the adoption of certain new and revised Hong Kong Financial Reporting Standards (“HKFRSs”, which also include HKASs and Interpretations (“HK-INTs”)) that affect the Group and are adopted for the first time for the current period’s financial statements:

(a) HKAS 32 and HKAS 39 - Financial Instruments

Upon the adoption of HKASs 32 and 39, after initial recognition, available-for-sale investments are measured at fair value with gains or losses recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the profit and loss account. When the fair value of unlisted equity securities cannot be reliably measured, such securities are stated at cost less impairment losses.

The changes in accounting policy has resulted in the reclassification of the Group’s investments in equity securities, classified as long term investments previously, as available-for-sale investments, and has had no effect on the Group’s consolidated profit and loss account and accumulated losses since the Group’s available-for-sale investments were stated at fair value or cost less impairment losses as at 1 January 2005.

(b) HKAS 40 - Investment Property and HK-INT 2 - The Appropriate Accounting Policies for Hotel Properties

Changes in accounting policies relating to investment properties are as follows:

(i) Changes in fair values of investment properties

Upon the adoption of HKAS 40, gains or losses arising from changes in the fair values of investment properties are included in the profit and loss account in the period in which they arise. Any gains or losses on the retirement or disposal of an investment property are recognised in the profit and loss account in the period of retirement or disposal.

The adoption of HKAS 40 has had no effect on the Group's consolidated profit and loss account and opening balances of accumulated losses as at 1 January 2005 and 2004 since the Group recorded net revaluation deficits in prior periods and had no investment revaluation reserve at these dates.

(ii) *Reclassification of resort and recreational club properties*

Upon the adoption of HKAS 40 and HK-INT 2, only owner-managed hotels are regarded as owner-occupied properties and stated at cost or valuation less accumulated depreciation and any impairment losses. On the other hand, if a hotel owner's position is, in substance, be that of a passive investor and is not significantly exposed to the cash flows generated by the hotel, the hotel is distinguished from owner-occupied property and is classified as an investment property.

The adoption of HKAS 40 and HK-INT 2 has resulted in the reclassification of the Group's resort and recreational club properties located in Shanghai, mainland China, as investment properties. The effects of the change in accounting policy are summarised in note 2 to the condensed consolidated financial statements. In accordance with HKAS 40 and HK-INT 2, comparative amounts have been restated.

(c) ***HKFRS 2 - Share-based Payment***

Upon the adoption of HKFRS 2, when employees (including directors) render services as consideration for equity instruments ("equity-settled transactions"), the cost of the equity-settled transactions with employees is measured by reference to the fair value at the date at which the instruments are granted.

The Group has taken advantage of the transitional provisions set out in paragraph 53 of HKFRS 2 under which the new recognition and measurement policies have not been applied to options granted to employees on or before 7 November 2002 and had vested by 1 January 2005. The adoption of HKFRS 2 has had no effect on the Group's condensed consolidated profit and loss account and accumulated losses since all outstanding options of the Group were granted to employees before 7 November 2002 and had vested by 1 January 2005.

(d) ***HKFRS 3 - Business Combinations and HKAS 36 - Impairment of Assets***

Upon the adoption of HKFRS 3 and HKAS 36, goodwill arising on acquisitions is no longer amortised but subject to an annual impairment review (or more frequently if events or changes in circumstances indicate that the carrying value may be impaired). Any impairment loss recognised for goodwill is not reversed in a subsequent period.

Pursuant to the transitional provisions of HKFRS 3, the Group eliminated at 1 January 2005 the carrying amounts of accumulated amortisation with a corresponding entry to the cost of goodwill. Goodwill previously eliminated against consolidated reserve remains eliminated against consolidated reserve and is not recognised in the profit and loss account when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

The effects of the above changes are summarised in note 2 to the condensed financial statements. In accordance with the transitional provisions of HKFRS 3, comparative amounts have not been restated.

(e) ***HKAS 17 — Leases***

Upon the adoption of HKAS 17, the Group's leasehold interest in the recreational club located in Hong Kong is separated into leasehold land component and leasehold buildings component. The leasehold land component is classified as an operating lease since the ownership title to the land interest is not expected to pass to the Group by the end of the lease term, and is reclassified from fixed

assets to prepaid land premiums, while the leasehold buildings component continues to be categorised within “resort and recreational club properties” as part of fixed assets and stated at valuation, as determined using depreciated replacement costs basis, less depreciation and any impairment losses. Prepaid land lease payments under operating leases are initially stated at cost and subsequently amortised on the straight-line basis over the lease term. When the lease payments for interests in leasehold land and buildings cannot be allocated reliably between the land and building components, the entire lease payments are included as finance leases and have continued to be stated at valuation less accumulated depreciation and any impairment losses.

The effects of the above changes are summarised in note 2 below. In accordance with HKAS 17, comparative amounts have been restated.

2 Summary of the impact of changes in accounting policies

Following the adoption of the HKFRSs, the opening balances of the accumulated losses were adjusted retrospectively. The details of the prior period adjustments are summarised as follows:

(a) Effect on opening balance of accumulated losses at 1 January 2005

		Increase in accumulated losses (Unaudited) \$'000
Effect of new policy	<i>Note</i>	\$'000
Prior period adjustment:		
HKAS 17 -		
Separation of the land and buildings components of owner-occupied properties	1(e)	<u>(50,706)</u>
Total effect at 1 January 2005		<u>(50,706)</u>

(b) Effect on opening balance of accumulated losses at 1 January 2004

		Increase in accumulated losses (Unaudited) \$'000
Effect of new policy	<i>Note</i>	\$'000
Prior period adjustment:		
HKAS 17 -		
Separation of the land and buildings components of owner-occupied properties	1(e)	<u>(44,129)</u>
Total effect at 1 January 2004		<u>(44,129)</u>

The following table summarises the impact on profit after tax for the six-month periods ended 30 June 2005 and 2004 upon the adoption of the new HKFRSs. As no retrospective adjustments have been made for the adoption of HKFRS 3, the amounts shown for the six months period ended 30 June 2004 may not be comparable to the amounts shown for the current interim period.

(c) *Effect on profit after tax for the six months ended 30 June 2005 and 2004*

	<i>Notes</i>	Six months ended	
		2005	2004
Effect of new policy (Increase/(decrease))		Equity holders of the Company (Unaudited) \$'000	Equity holders of the Company (Unaudited) \$'000
Effect on profit after tax:			
HKFRS 3			
- Discontinuation of amortisation of goodwill	1(d)	176	—
HKAS 40 and HK-INT 2			
- Reversal of depreciation of resort and recreational club properties classified as investment properties	1(b)	2,556	1,316
HKAS 17			
- Decrease in depreciation of owner-occupied properties	1(e)	604	519
- Amortisation of prepaid land premiums	1(e)	(39)	(39)
Total effect for the period		<u>3,297</u>	<u>1,796</u>
Effect on earnings/(loss) per share:			
Basic		<u>0.20 cents</u>	<u>0.11 cents</u>
Diluted		<u>—</u>	<u>—</u>

3 Turnover and segmental information

An analysis of the Group's revenue and results by business segments and an analysis of the Group's revenue by geographical segments are as follows:

(a) Business segments

	Group turnover		Contribution to profit	
	Six months ended		Six months ended	
	30 June		30 June	
	2005	2004	2005	2004
	(Unaudited)	(Unaudited)	(Unaudited)	(Restated)
	\$'000	\$'000	\$'000	\$'000
Wholesale and retail of fashion wear and accessories	92,620	73,946	1,164	8,850
Telecommunications services	2,976	17,703*	5,493	4,247
Resort and recreational club operations	8,848	9,223	(1,129)	(796)
Investments and treasury	8,884	4,115	6,559	(9,219)
	<u>113,328</u>	<u>104,987</u>	<u>12,087</u>	3,082
Unallocated gains and expenses, net			(1,090)	(1,061)
Finance costs			(250)	(227)
Share of profits and losses of associates			(1,432)	(1,194)
Tax			—	38
			<u>9,315</u>	<u>638</u>

(b) Geographical segments

	Group turnover	
	Six months ended	
	30 June	
	2005	2004
	(Unaudited)	(Unaudited)
	\$'000	\$'000
Hong Kong	110,312	87,245
Mainland China	2,152	984
Other Asia Pacific regions	807	1,793
Europe	54	4,688
North America	—	10,274
Others	3	3
	<u>113,328</u>	<u>104,987</u>

* Turnover from the provision of telecommunications services for the six months ended 30 June 2004 included a sum of \$10,224,000 received from a final transit carrier in respect of traffic revenue generated in prior years which was not recognised previously in view of the uncertainty of its collectibility.

4 Other income and gains

An analysis of other income and gains are as follows:

	Six months ended	
	30 June	
	2005	2004
	(Unaudited)	(Unaudited)
	\$'000	\$'000
Sub-leasing rental income	502	3,440
Management fees	1,599	1,672
Consulting services fees	—	257
Gain of disposal of a franchise business	—	4,519
Others	<u>1,351</u>	<u>1,756</u>
	<u>3,452</u>	<u>11,644</u>

5 Finance costs

Finance costs represented interest on bank loans wholly repayable within five years.

6 Profit before tax

The Group's profit before tax was determined after charging/(crediting):

	Six months ended	
	30 June	
	2005	2004
	(Unaudited)	(Unaudited)
	\$'000	\$'000
Cost of goods sold	50,197	37,288
Amortisation of goodwill	—	311
Amortisation of prepaid land premiums	39	39
Depreciation	3,718	2,667
Dividend income	(1,264)	(1,048)
Interest income	(7,619)	(3,067)
Exchange gains, net	(3,099)	(2,080)
Gain on disposal of fixed assets	(31)	(328)
Net realised and unrealised (gains)/losses on investments in securities	<u>(4,752)</u>	<u>4,965</u>

7 Tax

No provision for Hong Kong profits tax and overseas income tax has been made in the condensed consolidated profit and loss account for the six months ended 30 June 2005 as the Company and its subsidiaries either did not generate any assessable profits for the period or had available tax losses brought forward from prior years to offset the assessable profits generated during the period (Six months ended 30 June 2004: Nil).

Tax included in the condensed consolidated profit and loss account for the six months ended 30 June 2004 represented over-provision of overseas profits tax in prior years.

No provision for deferred tax liabilities was made as at 30 June 2005 as the Company and its subsidiaries had tax losses brought forward which were sufficient to offset the taxable temporary differences at that date. Deferred tax assets have not been recognised in respect of these tax losses as they arose in subsidiaries that have either been loss-making for some time or whose availability of future taxable profits is unpredictable.

8 Earnings/(loss) per share

(a) *Basic earnings/(loss) per share*

The calculation of basic earnings/(loss) per share is based on the profit attributable to equity holders of the Company for the period of \$8,941,000 (2004: Loss of \$2,816,000 (as restated)) and the weighted average of 1,650,658,676 (2004: 1,650,658,676) ordinary shares in issue during the period.

(b) *Diluted earnings/(loss) per share*

Diluted earnings/(loss) per share for both periods have not been disclosed as no diluting events existed during these periods.

9 Trade receivables

The Group maintains a defined credit policy for its trade customers and the credit terms vary according to the business activities. The financial strengths of and the period of business with individual customers are considered in determining the respective credit terms. Reviews of major receivables are conducted regularly.

An aged analysis of trade receivables as at 30 June 2005, based on invoice date and net of provisions, is as follows:

	30 June 2005 (Unaudited) \$'000	31 December 2004 (Audited) \$'000
0 - 1 month	3,501	7,305
2 - 3 months	417	993
Over 3 months	<u>2,865</u>	<u>3,412</u>
	<u>6,783</u>	<u>11,710</u>

10 Trade and other payables

All trade and other payables are due within one month or on demand.

CHANGE OF COMPANY NAME

Pursuant to a special resolution passed on 3 June 2005, the name of the Company has been changed from “e-New Media Company Limited 安寧數碼科技有限公司” to “ENM Holdings Limited 安寧控股有限公司” with effect from 24 June 2005.

INTERIM DIVIDEND

The directors do not recommend the payment of an interim dividend for the reporting period.

CHIEF EXECUTIVE OFFICER'S STATEMENT

FINANCIAL REVIEW

Benefiting from the continuous recovery of the Hong Kong and Asia economies, the Group achieved satisfactory results for the six months ended 30 June 2005. For the period under review, the Group reported a turnover of HK\$113,328,000 (2004: HK\$104,987,000) which represents an increase of 8% as compared to the corresponding period in 2004. Consolidated profit attributable to equity holders of the Company amounted to HK\$8,941,000 (2004: Loss of HK\$2,816,000 (as restated)) for the period ended 30 June 2005. The reported profit represented a substantial improvement and turnaround in operation as compared to the results of the corresponding period in 2004.

LIQUIDITY AND FINANCIAL POSITION

The Group was in solid financial position with cash and deposit holdings of HK\$546,781,000 (31 December 2004: HK\$581,349,000). At 30 June 2005, total borrowings amount to HK\$21,693,000 (31 December 2004: HK\$21,308,000) with HK\$13,563,000 (31 December 2004: HK\$12,758,000) repayment falling due within one year. The Group's gearing ratio (a comparison of total borrowings with total equity) was 2.4% at the interim period end date (31 December 2004: 2.4%). The current ratio at 30 June 2005 was 9.5 times (31 December 2004: 8.1 times).

At 30 June 2005, the Group's borrowings and bank balances were primarily denominated in Hong Kong dollars, United States dollars and Euros and exchange differences were reflected in the interim financial report. All borrowings of the Group are either interest free or on a floating rate basis.

The Group's imported purchases are mainly denominated in Euros and United States dollars. The Group will from time to time review its foreign exchange position and will consider hedging its foreign exchange exposure by way of forward foreign exchange contract in appropriate situations.

BUSINESS REVIEW

FASHION RETAIL

The Swank Shop Limited ("Swank")

Swank continued to benefit from Hong Kong's sustained economic recovery. Despite unusual weather patterns in the first half of the year, a phenomenon which hurt the fashion retail industry generally, Swank's turnover rose 27% as compared to the same period last year. Parts of such increase are attributable to the increase in points of sale. Total floor area for sale of merchandise increased from 31,000 sqf to 38,000 sqf which includes the Roberto Cavalli flagship (opened in June 2005). After netting out the effect of the expansion of new shops, Swank recorded a 20% same store growth over the same period under review.

Management believes that sales turnover will continue to rise in face of expected continued economic recovery of Hong Kong in the second half of the year.

RESORT AND RECREATIONAL CLUB OPERATIONS

Shanghai Hilltop Country Club (“Shanghai Hilltop”)

Management expects that all renovation work of Shanghai Hilltop will be completed by the end of this year and Shanghai Hilltop will be opened officially in the beginning of 2006.

Upon completion of the renovation and alteration works, Shanghai Hilltop will mainly comprise a Hotel Building, a Clubhouse Building, other ancillary structures and certain outdoor recreational facilities including golf driving range, tennis courts and outdoor swimming pool.

The Hotel Building is a four-star hotel, which provides around 300 guest rooms. It will be facilitated with Chinese and Western restaurants and multi-purpose conference rooms. The Clubhouse Building will be facilitated with indoor swimming pools, spa, gymnasium, a multi-function sport centre with badminton courts, table-tennis room, chess room and activity centre, etc.

In the meantime, Shanghai Landis Hospitality Management Co. Ltd, the management company of Shanghai Hilltop, is scheduling and designing various marketing and promotion activities to introduce Shanghai Hilltop to target customers.

Hong Kong Hilltop Country Club (“Hong Kong Hilltop”)

Revenue generated by Hong Kong Hilltop for the period ending June 2005 is substantially similar to the results of the same period last year.

Gross profit on the Food and Beverage business improved slightly due to an increase in the revenue of such business. Revenue generated by Lodge sales were affected as demand lessened and the average tariff for rooms decreased, mainly as a result of stiff and increased competition by new and established hotels respectively.

The business of providing for meetings, seminar and training events generated good results as there were steady demand for such services. Management expects that this trend will continue for the rest of the year.

Hong Kong Hilltop is currently undergoing repair and maintenance projects to comply with certain licensing requirements, and Management is currently studying the viability of further upgrading the facilities at Hong Kong Hilltop.

BIO-MEDICAL

Genovate Biotechnology Company Limited (“Genovate”)

Genovate (founded in Taiwan in 1993 by Genelabs Technologies, Inc. of the USA) is a fully integrated pharmaceutical company, encompassing in its operation: new drug development and new formulation capability; clinical trials for local and international pharmaceutical companies; drug manufacturing; drug marketing and distribution in Taiwan.

Genovate has a range of new drug products in the pipeline. “Genetaxyl” is an improved version of Paclitaxel (BMS’ Taxol) developed by Genovate for treatment of breast cancer, and its market share in Taiwan has increased favourably. In addition, two marketed new drugs, Urotrol and Glusafes, received positive market acceptance in Taiwan. Furthermore, in early 2005, for the first time Taiwan has granted approval for the sale of two “once a day” new drugs, Loxol SR (mucolytic agent) and Diabetrol (antidiabetic agent) SR. The drugs are expected to launch shortly in Taiwan. Such flow of new drugs will further strengthen Genovate’s sales.

TELECOMMUNICATIONS

International Premium Rate Services (“IPRS”)

Certain success were achieved in the opening up of the China market as Management had taken certain actions and are in the process of securing various licenses required to operate “value-added” telecommunications services in China.

The IPRS market during the first half of 2005 remained in very difficult conditions and Management does not envisage major recovery of such business or reverse in direction of major carriers around the world.

Management had put in relentless effort and is diligently engaged in the process of debt recovery and will continue to monitor the situation closely.

Wireless Network Card Business - Shanghai ENM Telecom & Technologies Limited (“SENMTT”)

The core business of SENMTT is to provide customers with wireless internet access services through mobile network and the distribution of GPRS and CDMA1X network cards in the Shanghai region through its cooperation with China Mobile Shanghai and China Unicom Shanghai. Besides such businesses, Management plans to diversify existing business by broadening SENMTT’s product range. SENMTT will continue to look for opportunities to apply its cooperation model with China Unicom and other telecom operators for other consumer products/services.

OTHER INVESTMENTS

SinoPay.com Holdings Limited (“SinoPay”)

SinoPay’s main business is providing B2C electronic payment and Intra-bank fund transfer solution services in China through its Joint Venture (the “JV”) in Shanghai with China UnionPay. Due to the popularity of internet and on-line purchase in China, the income from on-line payment grew steadily during the first six months of this year. The introduction of on-line mutual fund transaction also has contribution to SinoPay’s income.

The merger transaction between the JV and 廣州好易聯支付網絡公司 (“Easylink”) is in progress and is targeted to be completed by the end of this year.

Beijing Smartdot Technologies Co. Ltd. (“Smartdot”)

Smartdot is engaged in the development of software and solution projects in China and its core business is in the area of e-government projects and office automation. The six-month turnover and profit were RMB20,407,000 and RMB1,161,000 respectively (2004: turnover was RMB6,196,000 with a loss of RMB2,777,000).

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 six months ended 30 June 2005.

CODE ON CORPORATE GOVERNANCE PRACTICES

None of the directors of the Company are aware of any information that would reasonably indicate that the Company is not or was not for any part of the six months ended 30 June 2005 in compliance with the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited except for the deviations in respect of the service term and rotation of directors under code provisions A.4.1 and A.4.2 of the Code.

Under code provisions A.4.1 and A.4.2 of the Code, (a) non-executive directors should be appointed for a specific term and subject to re-election, and (b) all directors appointed to fill casual vacancy should be subject to election by shareholders at the first general meeting after their appointment, and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

According to the Articles of Association of the Company, any director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. At each annual general meeting, one-third of the directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office. The directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring directors shall be eligible for re-election. As there are eight directors, and one-third of them shall retire subject to rotation, and barring unforeseen resignation/retirement during the year, each director is effectively appointed under a term of more than 3 years.

BOARD OF DIRECTORS

As at the date of this announcement, the executive directors of the Company are Mr. Joseph Wing Kong LEUNG (Chairman), Mr. James C. NG (Chief Executive Officer), Mr. Derek Wai Choi LEUNG and Mr. Wing Tung YEUNG; the non-executive director is Mr. Raymond Wai Pun LAU; and the independent non-executive directors are Dr. Cecil Sze Tsung CHAO, Dr. Jen CHEN and Mr. Ian Grant ROBINSON.

By order of the Board
James C. Ng
Chief Executive Officer

Hong Kong, 23 September 2005

Please also refer to the published version of this announcement in The Standard.