



華 厦 置 業 有 限 公 司

WAH HA REALTY COMPANY LIMITED

ANNUAL REPORT 2005

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CORPORATE INFORMATION

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. Cheung Kee Wee, BBA, Chairman

Aged 53. Joined the Group and appointed a director in 1976. Elected Chairman in 2000. Has over 25 years' experience in the property and building construction industry in Hong Kong. Brother of Messrs. Cheung Lin Wee and Cheung Ying Wai, Eric.

Mr. Cheung Lin Wee, BFin

Aged 47. Joined the Group and appointed a director in 1985. Has over 20 years' experience in property management. Mainly responsible for the property management activities of the Group. Brother of Messrs. Cheung Kee Wee and Cheung Ying Wai, Eric.

Mr. Cheung Ying Wai, Eric, BSc

Aged 43. Joined the Group and appointed a director in 1999. Mainly responsible for the general management of the Group. Brother of Messrs. Cheung Kee Wee and Cheung Lin Wee.

Non-executive Directors

Mr. John Ho, LLB

Aged 59. Appointed an independent non-executive director in 1994 and re-designated as a non-executive director on 27th September 2004. A practising solicitor in Hong Kong. Qualified as a solicitor and joined a major firm of solicitors in 1972. A senior partner of Messrs. John Ho & Tsui. An independent non-executive director of Wong's Kong King International (Holdings) Limited and also an executive director of Hemisphere Properties Plc., a London listed company.

Mr. Ng Kwok Tung, LIA (Dip), Chinese Law (Dip), BCom, CPA (Practising), CA, FCPA, ATIHK, MSCA

Aged 54. Appointed an independent non-executive director in 2001 and re-designated as a non-executive director on 27th September 2004. A practising accountant in Hong Kong. A partner of Messrs. Tony Kwok Tung Ng & Co.. An independent non-executive director of Fountain Set (Holdings) Limited, Universe International Holdings Limited and Timeless Software Limited.

Independent Non-executive Directors

Mr. Lam Hon Keung, Keith, O.B.E., J.P.

Aged 65. Appointed a director in 1993. A Committee Member of Far East Exchange Limited (1975-86) and The Stock Exchange of Hong Kong Limited (1987-94). An ex-President of Rotary Club of Hong Kong South (1976-77) and an appointed Legislative Councillor in the year 1984. Active in community and social involvements — Chairman of the Hong Kong Buddhist Hospital, Vice Chairman of the Hong Kong Buddhist Association, a member of the Social Welfare Advisory Committee, etc. and being a director of various companies. A Fellow of the Institute of Directors and a member of the British Institute of Management.

Mr. Chan Woon Kong

Aged 71. Appointed a director in 2004. Has over 40 years' extensive experience in the banking industry in Hong Kong, serving in senior management of various banks including Far East Bank Limited, First Pacific Bank Limited and Bank of East Asia, Limited. Currently is the Senior Vice President of United Commercial Bank in Hong Kong.

Mr. Soo Hung Leung, Lincoln, BScChE, MBA, J.P.

Aged 60. Appointed a director in 2004. A stock broker and Chairman of Soo Pei Shao & Co. Ltd., also an independent non-executive director of Wing Lung Bank Limited and a non-executive director of Applied International Holdings Limited. A member of the HKSAR Insider Dealing Tribunal, the Solicitors Disciplinary Tribunal, the Committee of the Spastics Association, Chairman of the English Advisory Committee of the Baptist University, and Chairman of the HKSAR Board of Review (Film Censorship).

Senior Management

Mr. Chu Wing Man, Raymond, MFin, BBA, LLB, FCPA, FCCA, ACIS, Company Secretary

Aged 43. A professional accountant. Joined the Group and appointed the Company Secretary of the Company in 1998. Has over 15 years' experience in Accountancy.

Mr. Lui Chun Pong, BA, MAcc, FCPA, FCCA, ASA, ATIHK, Qualified Accountant

Aged 36. A professional accountant. Joined the Group as Deputy Chief Accountant in 1998 and appointed the Qualified Accountant of the Company in 2004. Has over 10 years' experience in Accountancy.

CORPORATE INFORMATION (CONTINUED)

AUDIT COMMITTEE

Mr. Lam Hon Keung, Keith (*Chairman*)

Mr. John Ho

Mr. Ng Kwok Tung

Mr. Chan Woon Kong

Mr. Soo Hung Leung, Lincoln

BANKERS

The Bank of East Asia, Limited

Goldman Sachs (Asia) L.L.C.

AUDITORS

PricewaterhouseCoopers

SHARE REGISTRARS

Hongkong Managers and Secretaries Limited

26th Floor

Citicorp Centre

18 Whitfield Road

Causeway Bay

Hong Kong

Telephone: (852) 2806 3606

Fax: (852) 2887 2054

REGISTERED OFFICE

Room 2500, Dominion Centre

43-59 Queen's Road East

Wanchai

Hong Kong

Telephone: (852) 2527 1821

Fax: (852) 2861 3771

STOCK CODES

The Stock Exchange of Hong Kong Limited

278

Reuters

0278.HK

WEBSITE

<http://www.wahha.com>

GROUP STRUCTURE*As at 31st March 2005*

	Effective percentage of equity held by the Group	Principal activities
Holding Company		
Wah Ha Realty Company Limited	—	Investment holding
Subsidiary Companies		
Festigood Company Limited	100	Property development
Galy Property Management Limited	100	Property management
Khanman Property Limited	100	Dormant
Tai Kong Shan Realty Limited	100	Property investment
Tinpoly Realty Limited	100	Property investment
Wah Ha Construction Company Limited	100	Building contractor
Wah Ha Real Estate Agency Limited	100	Property agency
WH Properties Limited	100	Dormant
Associated Companies		
Cantake Land Investment Company Limited	25	Property development
Chase Good Development Limited	25	Property development
Daily Eagle Development Limited	25	Property development
Eastern Tailor Enterprises Limited	25	Property investment
Fu Kung San Realty Limited	50	Investment holding
Fullion Realty Limited	50	Property investment
Fupoly Properties Limited	25	Property investment
Hinquand Enterprise Limited	50	Property investment
Kam Lee Wah Realty Limited	50	Property investment
Keneva Company Limited	25	Property development
Kin Yuen Hing Investment Company Limited	50	Property development
Mass Collection Company Limited	50	Property development
Remadour Estate Limited	25	Property investment
Sing Mei Properties Limited	25	Property investment
Star Fortune Investments Limited	50	Provision of finance
Sun Prince Godown Limited	50	Property investment
Sun Tai Tsuen Godown Company Limited	50	Property investment
Wah Ha Property Development Limited	50	Property investment

All companies are incorporated in Hong Kong.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Members of Wah Ha Realty Company Limited (the “Company”) will be held at Room 2500, Dominion Centre, 43-59 Queen’s Road East, Wanchai, Hong Kong on Tuesday, 23rd August 2005 at 12:00 noon for the following purposes:

1. To receive, consider and adopt the Audited Accounts and the Reports of the Directors and Auditors for the year ended 31st March 2005.
2. To declare a final dividend for the year ended 31st March 2005.
3. To re-elect Directors and fix the Directors’ fees.
4. To re-appoint Messrs. PricewaterhouseCoopers as Auditors of the Company and authorize the Board to fix their remuneration.
5. As special business, to consider and, if thought fit, pass with or without modifications, the following resolutions as Ordinary Resolutions:

(A) **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares of HK\$0.65 each (“Shares”) in the capital of the Company subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”), be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of Shares of the Company in issue at the date of this resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next Annual General Meeting of the Company;
 - (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by the Companies Ordinance to be held; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

- (B) “**THAT** the general mandate unconditionally given to the Directors to issue and dispose of additional shares not exceeding 20% of the existing issued share capital of the Company be and is hereby renewed until whichever is the earlier of:
- (a) the conclusion of the next Annual General Meeting of the Company;
 - (b) the expiration of the period within which the next Annual General Meeting of the Company is required by the Companies Ordinance to be held; and
 - (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
- (C) “**THAT** conditional upon the passing of the Resolutions Nos. 5(A) and 5(B), the general mandate granted to the Directors to issue and dispose of additional shares pursuant to Resolution No. 5(B) be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 5(A), provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing this resolution.”

By Order of the Board
Raymond Chu Wing Man
Company Secretary

Hong Kong, 12th July 2005

Notes:

- (i) A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, on a poll, vote in his stead. A proxy need not be a member of the Company.
- (ii) To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the Company’s registered office, Room 2500, Dominion Centre, 43-59 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting thereof.
- (iii) The Register of Members of the Company will be closed from Tuesday, 16th August 2005 to Tuesday, 23rd August 2005, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Registrars, Hongkong Managers and Secretaries Limited, 26th Floor, Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong for registration not later than 4:00 p.m. on Monday, 15th August 2005.
- (iv) Concerning the above proposed Ordinary Resolution No. 5, approval is being sought from the shareholders to give general mandate to the Directors to issue and repurchase shares of the Company pursuant to Section 57B of the Companies Ordinance and the Listing Rules. The Directors wish to state that they have no immediate plans to issue any new shares or to repurchase any shares of the Company.
- (v) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
- (vi) A circular containing information regarding Resolutions Nos. 3 and 5 is sent to the shareholders together with the Company’s 2005 Annual Report.

CHAIRMAN'S STATEMENT

RESULTS

The profit attributable to shareholders for the year ended 31st March 2005 amounted to HK\$25,052,980 (2004: HK\$28,413,828). Earnings per share for the year was HK20.7 cents (2004: HK23.5 cents).

DIVIDENDS

The Board has resolved to recommend a final dividend of HK4 cents (2004: HK3 cents and HK3 cents special dividend) per share for the year ended 31st March 2005. No interim dividend had been declared or paid (2004: nil) during the year. Total dividend for the year will amount to HK4 cents (2004: HK6 cents) per share.

MANAGEMENT DISCUSSION AND ANALYSIS

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Financial Results

The Group's turnover for the year ended 31st March 2005 amounted to HK\$6,788,081, representing a decline of 30.65% from the previous year. This decrease was predictable and attributable to the cessation of receiving management fees from certain of its associated companies, leading to the distinct drop in management fee income by HK\$2,378,000. However, this decline in income was balanced by the corresponding increase in profits from these associated companies. The absence of property sales also contributed to the decline in turnover by HK\$528,000. The Group's interest income increased by HK\$574,495 in the year under review. However, this increase was eroded by the drops in rental and construction supervision fee income.

For the year ended 31st March 2005, the Group's profit attributable to shareholders dropped to HK\$25,052,980 (2004: HK\$28,413,828) with earnings per share of HK20.7 cents (2004: HK23.5 cents), representing a decrease of 11.83% from that of the preceding year. While there was an increase of HK\$574,495 in interest income, the profit of the Group's Investment Business was lacklustre as exceptional high gains from short-term investments were recorded last year. The aggregate of net realised and unrealised gains of the Group's short-term investments for the current year was HK\$3,341,190, which was HK\$4,328,462 lower than that of last year. This substantial decrease was explained by the strong rebound in the prices of short-term investments since the SARS outbreak in 2003 and hence, exceptional high gains were recorded in 2004. The unfavourable impact was however mitigated by the improvements in the values of the investment properties held. Consequently, the Group's profit for the reporting year recorded a decline when compared with that of last year.

Business Review

Property Investment, Development, Management and Building Contractor

Benefited from the promising property market especially in luxury residential property sector, during the year under review, Wah Ha Property Development Limited, the Group's 50% owned associated company sold one of its investment properties that was acquired in 1996, namely Suite C on 5th and 6th Floors together with two car parking spaces on 1st Floor of No. 1 Robinson Road, Hong Kong at market value. The Group's share of profit derived therefrom amounted to about HK\$2.13 million. Apart from this, the Group did not acquire or dispose of any property during the year under review and up to the date of this report.

Despite the moderate decrease of 5.42% in turnover as compared with HK\$3.94 million of last year, the Group's Rental Business had performed satisfactorily. In the context of an ongoing improved economic fundamentals, the downward pressure on rental rates seemed to be relieved. Currently, the 25-storey Horizon Plaza at Ap Lei Chau and most of the luxury residential units of the Group are fully occupied and rented out with satisfactory returns. It is anticipated that this segment will show encouraging growth as a result of better occupancy and favourable rental rates from both renewals and new leases following the upturn of the local property market.

For the year under review, the turnover of the Group's Property Management Business shrank slightly to approximately HK\$1.16 million (2004: HK\$1.22 million) in tandem with the continuous fall in expenditure levels of the serviced parties. Consequently, profit from this segment decreased by approximately HK\$0.05 million compared to that of last year.

During the reporting year, the operating environment of the Group's Building Contractor Business showed no improvement when compared with that of last year. A fall of nearly HK\$0.30 million in turnover for the whole year was recorded. However, the stringent cost control measures successfully narrowed the loss in this segment from HK\$0.46 million in the preceding year to approximately HK\$0.24 million in this fiscal year.

Investment and Corporate Services

The Group's Investment Business still performed well for the year under review. However, the momentum and market sentiment in the local stock market established since the end of 2003/2004 fiscal year seemed to have been cooled down in the second quarter of this financial year citing investors' concern about downside risks and falling equity prices in light of some risk factors emerged in the market. It was witnessed that the increase of HK\$1.96 million in net profit on sales of the Group's short-term investments during the year was wholly driven away by the shrinkage in unrealised gains of approximately HK\$6.29 million from the Group's short-term investment portfolio. Profits from this business though attained HK\$4.94 million, had still shown a 55.23% regression when compared with the high base figures of last year.

CHAIRMAN'S STATEMENT (CONTINUED)

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Business Review (continued)

Investment and Corporate Services (continued)

The Group had ceased to receive management fees from certain of its associated companies in the Group's Corporate Services Business this year. Turnover of this segment was adversely affected and was pushed down to HK\$0.43 million (2004: HK\$2.90 million). The operating loss in this sector was unavoidably enlarged from HK\$0.38 million of last year to HK\$2.91 million of this year. However, this decrease in income resulted in a corresponding increase in the profits of the associated companies of the Group.

DISPOSAL OF A 25% OWNED ASSOCIATED COMPANY

In December 2004, the Company disposed of its entire interest in a 25% owned associated company, namely Keneva Construction Company Limited ("Keneva"), to a related company of another shareholder of Keneva. Keneva is engaged in building contractor business and did not contribute any profit to the Group in 2004. The disposal was in line with the Group's continual review and rationalisation of its investment policy. While this disposal constituted a connected transaction, it was exempt from all the reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.31(2) of Chapter 14A of the Listing Rules. A gain of HK\$43,673 arose from this disposal.

EMPLOYMENT INFORMATION

The Group has less than twenty employees and their remuneration are maintained at competitive levels. Employees' salaries are determined on performance basis with reference to the market trend. In addition, discretionary bonuses are granted to eligible employees by reference to the Group's results and individual performance. Other benefits include education subsidies, medical and retirement benefits.

LIQUIDITY AND FINANCIAL RESOURCES

The Group is virtually debt-free and generally finances its operations with internally generated cash flows. The Group's cash and bank balances amounted to HK\$97.47 million at 31st March 2005. The Board believes that the Group has sufficient financial resources for its operations. The Group has no material exposure to foreign exchange rate fluctuation and material contingent liabilities.

OTHER DISCLOSURE

Other than as disclosed above, the Directors are not aware of any other material changes to the information in relation to the Group's performance and the material factors underlying its results and financial position published in the annual report for the year ended 31st March 2004.

PROSPECTS

Looking forward, the local economic environment will remain broadly favourable in light of the continued betterment in the local economic fundamentals, such as the improving job market conditions, further growth in local GDP as well as the encouraging property market with broad-based growth across all sectors. Additionally, the Central Government's supportive policies, the opening of the Disney theme park in September this year and the increased consumer confidence across all sectors of the economy will give a further stimulation to the local economy. Given such positive outlook as well as our sound financial position and solid experience in the property industry, we are confident that the performance of the Group's core property-related businesses will be promising in the coming year.

Although the local economy has generally performed well and the momentum of the growth is likely to sustain, the outlook is increasingly overshadowed by a number of risk factors in the external environment, like crude oil price volatility, global interest rate increase and etc. Indeed, escalated competition in the local property market will continue to be a challenge to the Group's performance. In light of these, we will continue to focus our resources and energy on our core property-related business and make concrete efforts to safeguard and strengthen our business operations in order to bring satisfactory return to our shareholders.

APPRECIATION

I would like to take this opportunity to express my gratitude to all our board members for their invaluable contribution and to extend my appreciation to our shareholders for their continued support and our staff for their hard work and dedication.

Cheung Kee Wee

Chairman

Hong Kong, 12th July 2005

REPORT OF THE DIRECTORS

The Directors have pleasure in submitting their report together with the audited accounts of the Company and its subsidiary companies (the "Group") for the year ended 31st March 2005.

PRINCIPAL ACTIVITIES

The principal activities of the Group are investment holding, property development and investment, property management and building contractor.

RESULTS

The results of the Group for the year ended 31st March 2005 are shown on page 22.

DIVIDEND

No interim dividend had been declared or paid during the year (2004: nil). The Directors have resolved to recommend at the forthcoming annual general meeting of the Company to be held on Tuesday, 23rd August 2005 a final dividend of HK4 cents (2004: HK3 cents and HK3 cents special dividend) per share to be paid on Monday, 29th August 2005 to the shareholders whose names appear on the register of members of the Company on Tuesday, 23rd August 2005. Total dividend for the year will amount to HK4 cents (2004: HK6 cents) per share.

FIVE YEAR FINANCIAL SUMMARY

A summary of the Group's results and of its assets and liabilities for the past five financial years is shown on page 50.

RESERVES

Movements in the reserves of the Company and the Group during the year are set out in note 21 to the accounts.

Distributable reserves of the Company as at 31st March 2005, calculated under Section 79B of the Hong Kong Companies Ordinance, amounted to HK\$290,724,169 (2004: HK\$292,138,368).

PROPERTIES

Details of the movements in investment properties are shown in note 12 to the accounts.

Details of the properties held by the Group for investment and sale purposes are shown on pages 52 to 56.

SHARE CAPITAL

Details of the movement in share capital of the Company are set out in note 20 to the accounts.

DIRECTORS

The Directors during the year and at the date of this report are:

Executive Directors

Mr. Cheung Kee Wee (*Chairman*)

Mr. Cheung Lin Wee

Mr. Cheung Ying Wai, Eric

Non-executive Directors

Mr. John Ho (Re-designated from Independent Non-executive Director on 27th September 2004)

Mr. Ng Kwok Tung (Re-designated from Independent Non-executive Director on 27th September 2004)

Independent Non-executive Directors

Mr. Lam Hon Keung, Keith

Mr. Chan Woon Kong

Mr. Soo Hung Leung, Lincoln

In accordance with Article 103(A) of the Company's Articles of Association, Messrs. Cheung Lin Wee, John Ho and Ng Kwok Tung retire by rotation at the forthcoming Annual General Meeting and they, being eligible, offer themselves for re-election.

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out on pages 2 to 3.

DIRECTORS' SERVICE CONTRACTS

None of the Directors has a service contract with the Company or its subsidiary companies which is not determinable within one year without payment of compensation, other than statutory compensation.

REPORT OF THE DIRECTORS (CONTINUED)

DIRECTORS' INTERESTS IN CONTRACTS

Save for those "Significant Related Party Transactions" described in note 24 to the accounts and the section "Connected Transaction" below, no contracts of significance 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, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31st March 2005, the interests and short positions of the Directors and Chief Executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long Positions in Ordinary Shares of the Company

Name of Director	Personal Interests	Corporate Interests	Other Interests	Total	% of issued share capital
Cheung Kee Wee	—	1,705,360 (Note 1)	87,391,440 (Note 2)	89,096,800	73.66
Cheung Lin Wee	572,000	—	87,391,440 (Note 2)	87,963,440	72.72
Cheung Ying Wai, Eric	396,000	—	13,444,837 (Note 3)	13,840,837	11.44

Notes:

- (1) These shares were held by a company of which Mr. Cheung Kee Wee ("CKW") and his spouse in aggregate owned 50% interest. Therefore, CKW was deemed to be interested in these shares under the SFO.
- (2)* The 87,391,440 shares of CKW and Mr. Cheung Lin Wee ("CLW") related to the same block of shares in the Company. CKW and CLW are two of the three executors under the Will of Mr. Cheung Kung Hai, deceased ("CKH") who held 87,391,440 shares before his death. Under the Will of CKH in which CKW and CLW are also two of the beneficiaries, the assets are to be held on trust for sale. The Executors however have right of appropriation of the assets to the beneficiaries in specie and there is hence a possibility that shares will be distributed to beneficiaries. To avoid double counting, the number of shares that may contingently be allocated to CKW and CLW respectively have not been added to these numbers of shares.
- (3)* CKH held 87,391,440 shares before his death. Under the Will of CKH in which Mr. Cheung Ying Wai, Eric ("CYW") is one of the beneficiaries, there is a possibility that these 13,444,837 shares will be allocated to CYW.

* Since probate has not been granted and the Executors are not yet registered as holders of the shares in question, strictly speaking, a trust of the shares has not yet been legally constituted.

Save as disclosed above, as at 31st March 2005, none of the Directors or Chief Executives of the Company or any of their associates had or were deemed to have any interests or short positions 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 would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER SHAREHOLDERS' INTERESTS

So far as is known to the Directors or Chief Executives of the Company, as at 31st March 2005, the following Shareholders (other than Directors or Chief Executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO as being directly or indirectly interested in 5% or more of the issued share capital of the Company were as follows:

Long Positions in the Ordinary Shares of the Company

	Number of shares	% of issued share capital
Substantial Shareholders:		
Cheung Kung Hai, deceased	87,391,440	72.25
Chin Lan Hong	99,387,040 (Note 1)	82.17
Kung So Ha, Anne	89,096,800 (Note 2)	73.66
Wu Suet Yi, Rita	87,963,440 (Note 3)	72.72
Hoh Kwok Hing, Corinne	13,840,837 (Note 4)	11.44
Person other than Substantial Shareholders:		
Megabest Securities Limited	11,295,600 (Note 5)	9.34

REPORT OF THE DIRECTORS (CONTINUED)

SUBSTANTIAL SHAREHOLDERS' AND OTHER SHAREHOLDERS' INTERESTS (continued)

Long Positions in the Ordinary Shares of the Company (continued)

Notes:

- (1)* Out of the 99,387,040 shares, 11,295,600 shares were held by Megabest Securities Limited ("Megabest") of which Madam Chin Lan Hong ("CLH") was interested in the entire issued share capital, through the chain of ownership being described in Note (5) below; 700,000 shares were held under her personal interests; and 87,391,440 shares related to the same block of shares as described in "Other Interests" of CKW and CLW respectively under the heading of "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures", as CLH together with CKW and CLW are the three executors under the Will of CKH who held 87,391,440 shares before his death. Under the Will of CKH, CLH is also one of the beneficiaries. To avoid double counting, the number of shares which may contingently be allocated to CLH has not been added to this number of shares.
- (2) Ms. Kung So Ha, Anne is the wife of CKW and was taken to be interested in these shares in which her spouse was interested under the SFO.
- (3) Ms. Wu Suet Yi, Rita is the wife of CLW and was taken to be interested in these shares in which her spouse was interested under the SFO.
- (4) Ms. Hoh Kwok Hing, Corinne is the wife of CYW and was taken to be interested in these shares in which her spouse was interested under the SFO.
- (5) These 11,295,600 shares held by Megabest related to the same block of shares as described in Note (1). These shares were held by Megabest through its wholly owned subsidiary Profit-taking Company Inc., which in turn held the entire issued share capital of Pullfield Company Limited, the registered owner of the said 11,295,600 shares of the Company.
- * Since probate has not been granted and the Executors are not yet registered as holders of the shares in question, strictly speaking, a trust of the shares has not yet been legally constituted.

Save as disclosed above, as at 31st March 2005, the Company has not been notified by any person (other than Directors or Chief Executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO as being directly or indirectly interested in 5% or more of the issued share capital of the Company.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiary companies has purchased or sold any of the Company's shares during the year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate turnover during the year attributable to the Group's five largest customers was 45.7% of the Group's total turnover, of which 24.9% was made to the largest customer.

The aggregate purchase of revenue items during the year attributable to the Group's five largest suppliers were less than 30% of the Group's total revenue purchases.

None of the Directors, their associates or any shareholder who to the knowledge of the Directors owns more than 5% of the Company's issued share capital has an interest in the major customers or suppliers disclosed above, except that CKH, substantial shareholder of the Company, has beneficial interests in one of the Group's five largest customers.

CONNECTED TRANSACTIONS

Significant related party transactions entered by the Group during the year ended 31st March 2005, which also constitute connected transactions under the Listing Rules, are disclosed in note 24 to the accounts.

As mentioned in the Chairman's Statement on page 10, the Company has in December 2004 disposed of its entire interest in a 25% owned associated company, namely Keneva Construction Company Limited ("Keneva"), to a related company of another shareholder of Keneva. While the disposal constituted a connected transaction, it was exempt from all the reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.31(2) of Chapter 14A of the Listing Rules.

DISCLOSURE PURSUANT TO RULES 13.20 AND 13.22 OF THE LISTING RULES

As at 31st March 2005, the market capitalization of the Company was approximately HK\$184,826,880 (the "Market Capitalization") which was based on the total number of 120,960,000 shares of the Company in issue on 31st March 2005 and the average closing price of HK\$1.528 per share from 23rd March 2005 to 31st March 2005 (both days inclusive) being the five business days immediately preceding 31st March 2005.

REPORT OF THE DIRECTORS (CONTINUED)**DISCLOSURE PURSUANT TO RULES 13.20 AND 13.22 OF THE LISTING RULES** (continued)

Details of the advances made by the Group to the following entities as at 31st March 2005, which individually exceeded 8% of the Market Capitalization, are as follows:

Name of Entities	Percentage of equity interest held by the Group	Advances as at 31st March 2005 HK\$
Cantake Land Investment Company Limited	25%	42,803,920
Chase Good Development Limited	25%	15,481,803
Eastern Tailor Enterprises Limited	25%	18,101,919
Hinquand Enterprise Limited	50%	19,201,760
Keneva Company Limited	25%	38,607,400

The aforesaid advances were funding contributions made to the entities, in proportion to the Group's shareholdings in such companies on the same terms and conditions, for financing their respective property projects. These advances are unsecured, interest free, have no specific repayment terms and are met by the internal resources of the Group.

In total, the Group has provided financial assistance to its affiliated companies at an aggregate amount of HK\$164,811,744 as at 31st March 2005, representing approximately 89.17% of the Market Capitalization. The pro forma combined balance sheet of these affiliated companies and the Group's attributable interest in these affiliated companies as at 31st March 2005 are as follows:

	Pro forma Combined Balance Sheet HK\$	Group's Attributable Interests HK\$
Non-current assets	702,235,573	197,629,666
Current assets	214,409,203	73,741,178
Current liabilities	(19,980,456)	(5,662,460)
Net current assets	194,428,747	68,078,718
Non-current liabilities	(653,211,426)	(183,142,289)
Net assets	243,452,894	82,566,095

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

THE CODE OF BEST PRACTICE

In the opinion of the Directors, the Company has complied with the Code of Best Practice ("the Code") as set out in Appendix 14 of the Listing Rules (in force prior to 1st January 2005) throughout the year ended 31st March 2005, except that Non-executive Directors of the Company are not appointed for specific terms as they are subject to retirement by rotation at the annual general meeting of the Company in accordance with Article 103(A) of the Company's Articles of Association.

The Code has been replaced by the Code on Corporate Governance Practices ("the CG Code") which took effect for accounting periods commencing on or after 1st January 2005. The Company would report on compliance with the code provisions in the CG Code in its forthcoming interim results announcement and interim report for the six months ending 30th September 2005.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors ("the Model Code") set out in Appendix 10 to the Listing Rules as the code of conduct regarding directors' securities transactions. All Directors of the Company have confirmed, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the year ended 31st March 2005.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the Independent Non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Board has assessed the independence of all the Independent Non-executive Directors and is satisfied of their independence.

REPORT OF THE DIRECTORS (CONTINUED)

AUDIT COMMITTEE

The audit committee of the Company has been established since December 1998. As at the date hereof, the audit committee consists of three Independent Non-executive Directors, namely Messrs. Lam Hon Keung, Keith (Chairman), Chan Woon Kong and Soo Hung Leung, Lincoln and two Non-executive Directors, namely Messrs. John Ho and Ng Kwok Tung, with written terms of reference in compliance with the Listing Rules. The audit committee has reviewed the Group's accounts for the year ended 31st March 2005 and has no reservation on the accounting treatments adopted by the Group.

AUDITORS

The accounts have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for reappointment.

On behalf of the Board

Cheung Kee Wee

Chairman

Hong Kong, 12th July 2005

REPORT OF THE AUDITORS



TO THE SHAREHOLDERS OF WAH HA REALTY COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

We have audited the accounts on pages 22 to 49 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Hong Kong Companies Ordinance requires the Directors to prepare accounts which give a true and fair view. In preparing accounts which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

BASIS OF OPINION

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts. We believe that our audit provides a reasonable basis for our opinion.

OPINION

In our opinion, the accounts give a true and fair view of the state of affairs of the Company and the Group as at 31st March 2005 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 12th July 2005

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31st March 2005

	Note	2005 HK\$	2004 HK\$
Turnover	3	6,788,081	9,788,505
Direct costs		(398,102)	(591,424)
Gross profit		6,389,979	9,197,081
Other revenues	4	1,345,869	3,465,540
General and administration expenses		(4,414,293)	(5,069,527)
Other operating income		3,597,718	7,669,652
Operating profit	5	6,919,273	15,262,746
Share of profits less losses of associated companies	6	20,342,680	15,096,975
Profit before taxation		27,261,953	30,359,721
Taxation	9	(2,208,973)	(1,945,893)
Profit attributable to shareholders		25,052,980	28,413,828
Dividends	10	4,838,400	7,257,600
Earnings per share	11	20.7 cents	23.5 cents

CONSOLIDATED BALANCE SHEET

As at 31st March 2005

	Note	2005 HK\$	2004 HK\$
Non-current assets			
Investment properties	12	26,150,000	21,150,000
Associated companies	14	295,097,000	283,458,289
Long-term investments	15	250,448	250,448
		321,497,448	304,858,737
Current assets			
Properties held for sale, at cost		7,230,434	7,230,434
Debtors and prepayments	16	3,481,398	3,406,387
Amounts due from related companies	17	—	109,700
Taxation recoverable		9,521	37,287
Short-term investments	18	130,010,613	113,115,354
Cash and bank balances		97,473,287	80,881,471
		238,205,253	204,780,633
Current liabilities			
Creditors and accruals	19	1,599,511	1,466,835
Amounts due to related companies	17	2,135,089	1,519,769
Taxation payable		25,448	37,873
		3,760,048	3,024,477
Net current assets		234,445,205	201,756,156
Net assets		555,942,653	506,614,893
Financed by:			
Share capital	20	78,624,000	78,624,000
Reserves	21	477,318,653	427,990,893
Shareholders' funds		555,942,653	506,614,893

BALANCE SHEET

As at 31st March 2005

	Note	2005 HK\$	2004 HK\$
Non-current assets			
Investment properties	12	26,150,000	21,150,000
Subsidiary companies	13	(12,763,847)	(12,028,239)
Associated companies	14	178,068,599	211,288,908
Long-term investments	15	250,448	250,448
		191,705,200	220,661,117
Current assets			
Properties held for sale, at cost		1,124,946	1,124,945
Debtors and prepayments		374,170	733,195
Amounts due from related companies	17	—	105,000
Short-term investments	18	130,010,613	113,115,354
Cash and bank balances		91,928,700	75,566,743
		223,438,429	190,645,237
Current liabilities			
Creditors and accruals	19	1,240,775	1,091,701
Amounts due to related companies	17	102,400	—
		1,343,175	1,091,701
Net current assets		222,095,254	189,553,536
Net assets		413,800,454	410,214,653
Financed by:			
Share capital	20	78,624,000	78,624,000
Reserves	21	335,176,454	331,590,653
Shareholders' funds		413,800,454	410,214,653

Cheung Kee Wee
Director

Cheung Lin Wee
Director

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March 2005

	2005	2004
	HK\$	HK\$
Cash flows from operating activities		
Operating profit	6,919,273	15,262,746
Interest income from investment	(864,726)	(350,633)
Dividend income	(1,237,805)	(3,462,082)
Net profit on sales of short-term investments	(2,963,667)	(1,006,017)
Net unrealised gain of short-term investments	(377,523)	(6,663,636)
Gain on disposal of an associated company	(43,673)	—
Operating profit before working capital changes	1,431,879	3,780,378
Decrease in properties held for sale	—	219,588
(Increase)/decrease in debtors and prepayments	(75,011)	209,257
Increase in net amounts due to related companies	725,020	466,859
Increase/(decrease) in creditors and accruals	132,676	(93,081)
Cash generated from operations	2,214,564	4,583,001
Hong Kong profits tax paid	(218,555)	(360,280)
Dividends paid to shareholders	(7,257,600)	—
Net cash (outflow)/inflow from operating activities	(5,261,591)	4,222,721
Cash flows from investment activities		
Mortgage loans repaid	—	116,660
Dividend received from associated companies	84,645	2,875,000
Dividend received from investments	1,237,805	3,462,082
Decrease in net amounts due from associated companies	33,220,299	25,782,988
Interest received from investment	864,726	350,633
Disposal of short-term investments	569,594,607	15,998,785
Purchase of short-term investments	(583,148,675)	(17,616,918)
Net cash inflow from investing activities	21,853,407	30,969,230
Net increase in cash and bank balances	16,591,816	35,191,951
Cash and bank balances at beginning of year	80,881,471	45,689,520
Cash and bank balances at end of year	97,473,287	80,881,471

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March 2005

	Note	2005 HK\$	2004 HK\$
Equity at beginning of year		506,614,893	468,138,136
Surplus on revaluation of investment properties	21		
Company and subsidiary companies		5,000,000	2,400,000
Associated companies		26,532,380	7,662,929
Net gains not recognised in profit and loss account		31,532,380	10,062,929
Profit for the year	21	25,052,980	28,413,828
Dividend	21	(7,257,600)	—
Equity at end of year		555,942,653	506,614,893

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and property investment. The activities of the subsidiary and associated companies are shown in notes 13 and 14 to the accounts respectively.

2. PRINCIPAL ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention, as modified by the revaluation of investment properties, investments in certain associated companies and short-term investments, and in accordance with accounting principles generally accepted in Hong Kong, and comply with accounting standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("new HKFRSs") which are effective for accounting periods beginning on or after 1st January 2005. The Group has not early adopted these new HKFRSs in the accounts for the year ended 31st March 2005. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to analyse and quantify the impact of these new HKFRSs on the results of operations and financial position of the Group.

(a) Basis of consolidation

The consolidated accounts include the accounts of the Company and its subsidiary companies made up to 31st March and the Group's attributable share of post acquisition results and reserves of its associated companies.

Results attributable to subsidiary and associated companies acquired or disposed of during the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal as applicable.

The profit and loss on disposal of subsidiary or associated companies is determined as the difference between the net disposal proceeds and the Group's share of net assets at the date of disposal including the attributable amount of goodwill or negative goodwill which remains unamortised.

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

NOTES TO THE ACCOUNTS (CONTINUED)

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Subsidiary companies

A company is a subsidiary company if the Group holds for the long-term more than half of the issued equity share capital, controls more than half of the voting power or controls the composition of the board of directors.

In the Company's balance sheet, investments in subsidiary companies are stated at cost less provision. Provision is made when, in the opinion of the Directors, there is impairment in value other than temporary in nature. The results of subsidiary companies are accounted for by the Company to the extent of dividend income.

(c) Associated companies

An associated company is a company, not being a subsidiary company, in which an equity interest is held for the long-term and significant influence is exercised in its management.

Associated companies are accounted for under the equity method whereby the consolidated profit and loss account includes the Group's share of the results of associated companies, and the consolidated balance sheet includes the Group's share of net assets.

In the Company's balance sheet, investments in associated companies are stated at cost or valuation less provision. Provision is made when, in the opinion of the Directors, there is a diminution in value other than temporary in nature.

(d) Goodwill

Goodwill represents the difference between the cost of an acquisition over the fair values ascribed to the Group's share of the net assets of the acquired subsidiary and associated companies at the effective date of acquisition. Goodwill on acquisitions is included in the balance sheet as a separate asset and amortised using the straight line method over its estimated useful life of not more than twenty years. Where the fair values ascribed to the net assets exceed the purchase consideration, such differences are recognised as income in the year of acquisition or over the weighted average useful life of the non-monetary assets.

The carrying amount of goodwill is reviewed annually and provision is only made where, in the opinion of the Directors, there is impairment in value other than temporary in nature.

(e) **Investments**

Investments held for long-term specific purposes are included under non-current assets and carried at cost less provision. Provision is made when, in the opinion of the Directors, there is impairment in value other than temporary in nature.

Held-to-maturity securities are stated in the balance sheet at cost plus/less any discount/premium amortised to date. The discount or premium is amortised over the period to maturity and included as interest income/expense in the profit and loss account. Provision is made when there is diminution in value other than temporary in nature.

The carrying amounts of individual held-to-maturity securities or holdings of the same securities are reviewed at the balance sheet date in order to assess the credit risk and whether the carrying amounts are expected to be recovered. Provisions are made when the carrying amounts are not expected to be recovered and are recognised in the profit and loss account as an expense immediately.

Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are included under current assets and are carried at fair value. At each balance sheet date, the net unrealised gains or losses arising from the changes in fair value of short-term investments are recognised in the profit and loss account.

All purchases and sales of investments are recognised on the trade date, which is the date that the Group commits to purchase or sell the assets. Cost of purchase includes transaction costs. Profits or losses on disposal of investments, representing the difference between the net sales proceeds and the carrying amounts, are recognised in the profit and loss account as they arise.

NOTES TO THE ACCOUNTS (CONTINUED)

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(f) Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are held for their investment potential, any rental being negotiated at arm's length. Investment properties are carried at their open market values based on professional valuations carried out by independent valuers at the balance sheet date. Increases in valuation are credited to the investment properties revaluation reserve; decreases are first set off against earlier valuation reserves on a portfolio basis and thereafter charged to the profit and loss account. Upon the disposal of an investment property, any relevant revaluation surplus realised is transferred to the profit and loss account.

No depreciation is provided on investment properties held on leases of more than twenty years.

(g) Properties held for sale

Properties held for sale are stated at the lower of cost and estimated net realisable value. Net realisable value is determined by reference to management estimates based on prevailing market conditions.

(h) Deferred taxation

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiaries and associated companies, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

(i) **Provisions**

Provisions are recognised where there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where a provision is expected to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(j) **Operating leases**

Leases where substantially all the risks and rewards of ownership of assets remain with the lessors are accounted for as operating leases. Rentals applicable to operating leases net of any incentives received from the lessors are charged to the profit and loss account on a straight-line basis over the lease terms.

(k) **Revenue recognition**

Sales of completed properties are recognised when the sale agreements are completed or when the relevant building occupation permit is issued by the Building Authorities whichever is the later. When a development property is sold in advance of completion, sales are recognised over the course of the development and are computed as a proportion of the total estimated sales to completion; the proportion used being the lower of the proportion of construction costs incurred at the balance sheet date to estimated total construction costs and the proportion of sales proceeds received at the balance sheet date to total sales proceeds.

Management fee is recognised when services are rendered.

Rental income is recognised over the periods of the respective leases on a straight-line basis.

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

Dividend income is recognised when the right to receive payment is certain.

NOTES TO THE ACCOUNTS (CONTINUED)**2. PRINCIPAL ACCOUNTING POLICIES** (continued)**(l) Employee benefits**

The Group participates in a defined contribution scheme. The Group's contributions under the scheme are charged to the profit and loss account as incurred. The amount of the Group's contributions is based on specified percentages of the basic salaries of employees.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(m) Foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at exchange rates ruling at that date. Exchange differences arising are dealt with in the profit and loss account.

(n) Related parties

Related parties are individuals and companies, including subsidiary and associated companies, where the individual, company or group has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

3. TURNOVER

	2005	2004
	<i>HK\$</i>	<i>HK\$</i>
Rental income	3,730,047	3,943,814
Management fee income	1,585,613	4,117,586
Interest income	1,260,071	685,576
Construction supervision fee income	212,350	513,529
Sales of properties	—	528,000
	6,788,081	9,788,505

4. OTHER REVENUES

	2005	2004
	<i>HK\$</i>	<i>HK\$</i>
Dividend income		
Listed investments	231,821	742,208
Unlisted quoted investments	1,005,984	2,719,874
Sundries	108,064	3,458
	1,345,869	3,465,540

5. OPERATING PROFIT

	2005	2004
	<i>HK\$</i>	<i>HK\$</i>
Operating profit is stated after crediting:		
Gross rental income		
Investment properties	931,850	963,889
Other properties	2,798,197	2,979,925
Less: related outgoings	(398,102)	(371,836)
Net profit on sales of short-term investments	2,963,667	1,006,017
Net unrealised gain on short-term investments	377,523	6,663,635
Gain on disposal of an associated company	43,673	—

and after charging:

Staff costs (including Directors' remuneration and retirement benefits)	3,334,763	3,566,444
Auditors' remuneration	313,000	318,000
Cost of properties sold	—	219,588

NOTES TO THE ACCOUNTS (CONTINUED)**6. SHARE OF PROFITS LESS LOSSES OF ASSOCIATED COMPANIES**

The Group's share of results of associated companies included surpluses on revaluation of properties held by associated companies amounting to HK\$5,298,753 (2004: HK\$3,688,438).

7. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

	2005	2004
	<i>HK\$</i>	<i>HK\$</i>
Directors' fees		
Executive Directors	150,000	60,000
Non-executive Directors	100,000	—
Independent Non-executive Directors	150,000	75,000
	400,000	135,000
Other emoluments	—	—
	400,000	135,000

None of the Directors has waived the right to receive their emoluments.

Details of the emoluments paid to the five individuals, who are not Directors, whose emoluments were the highest in the Group are:

	2005	2004
	<i>HK\$</i>	<i>HK\$</i>
Salaries and other emoluments	1,472,882	1,358,216
Contributions to retirement benefits scheme	69,011	80,775
	1,541,893	1,438,991

The emoluments of each of the five individuals are below HK\$1,000,000.

8. RETIREMENT BENEFITS SCHEME

The Group participates in a defined contribution scheme which covers all the employees of the Group and certain related companies. The assets of the scheme are held in a trust fund separated from the Group and the related companies. Contributions to the scheme are based on a percentage of employee salary depending upon the length of service of the employee and charged to the profit and loss account in the year to which they relate. The charge for the scheme for the year was HK\$161,295 (2004: HK\$208,775).

NOTES TO THE ACCOUNTS (CONTINUED)**9. TAXATION**

Hong Kong profits tax has been provided at the rate of 17.5% (2004: 17.5%) on the estimated assessable profit for the year.

	2005	2004
	<i>HK\$</i>	<i>HK\$</i>
Current taxation:		
Hong Kong profits tax	236,500	313,880
(Over)/Under provision in prior years	(2,604)	10,082
	233,896	323,962
Share of taxation attributable to associated companies	1,975,077	1,621,931
	2,208,973	1,945,893

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the taxation rate of Hong Kong, the home country of the Company, as follows:

	2005	2004
	<i>HK\$</i>	<i>HK\$</i>
Profit before taxation	27,261,953	30,359,721
Calculated at a taxation rate of 17.5% (2004: 17.5%)	4,770,842	5,312,951
Over provision in prior years	(6,713)	(230,259)
Income not subject to taxation	(2,217,520)	(1,439,119)
Expenses not deductible for taxation purposes	107,143	243,085
Decrease in unrecognised tax losses	(450,627)	(1,902,501)
Temporary differences not recognised	2,565	(13,546)
Others	3,283	(24,718)
Taxation charge	2,208,973	1,945,893

10. DIVIDENDS

	2005	2004
	HK\$	HK\$
Proposed final of HK4 cents (2004: HK3 cents) per share	4,838,400	3,628,800
Proposed special of HK nil cents (2004: HK3 cents) per share	—	3,628,800
	4,838,400	7,257,600

At a meeting held on 12th July 2005, the Board of Directors has resolved to recommend a final dividend of HK4 cents per share. This proposed final dividend will be accounted for as an appropriation of retained profits for the year ending 31st March 2006.

11. EARNINGS PER SHARE

The calculation of earnings per share is based on the profit attributable to shareholders of HK\$25,052,980 (2004: HK\$28,413,828) and on 120,960,000 shares in issue during the year.

12. INVESTMENT PROPERTIES

	Group and Company
	HK\$
Valuation	
At 31st March 2004	21,150,000
Surplus on revaluation (<i>Note 21</i>)	5,000,000
At 31st March 2005	26,150,000

The properties are held under leases of over 50 years in Hong Kong and are stated at professional valuation made on 31st March 2005 by Chung Sen Surveyors Limited on an open market value basis.

NOTES TO THE ACCOUNTS (CONTINUED)**13. SUBSIDIARY COMPANIES**

	Company	
	2005	2004
	HK\$	HK\$
Unlisted shares, at cost	110,346	110,346
Amounts receivable	483,574	331,474
Amounts payable	(13,357,767)	(12,470,059)
	(12,763,847)	(12,028,239)

The amounts receivable and payable are unsecured, interest free and have no specific repayment terms.

Particulars of the subsidiary companies, all of which are wholly-owned by the Company, are as follows:

Name	Principal activities	Particulars of issued share capital
Festigood Company Limited	Property development	2 Ordinary shares of HK\$1 each
Galy Property Management Limited	Property management	2 Ordinary shares of HK\$1 each
Khanman Property Limited	Dormant	2 Ordinary shares of HK\$100 each
Tai Kong Shan Realty Limited	Property investment	100,000 Ordinary shares of HK\$1 each
Tinpoly Realty Limited	Property investment	4 Ordinary shares of HK\$10 each
Wah Ha Construction Company Limited	Building contractor	2 Ordinary shares of HK\$1 each
Wah Ha Real Estate Agency Limited	Property agency	1,000 Ordinary shares of HK\$10 each
WH Properties Limited	Dormant	100 Ordinary shares of HK\$1 each

All subsidiary companies are incorporated and operate in Hong Kong and are held directly by the Company.

14. ASSOCIATED COMPANIES

	Group		Company	
	2005 HK\$	2004 HK\$	2005 HK\$	2004 HK\$
Unlisted shares, at cost or Directors' valuation in 1990	26,240,618	26,240,628	26,240,618	26,240,628
Share of retained post- acquisition reserves	117,028,401	72,169,381	—	—
Share of net assets	143,269,019	98,410,009	26,240,618	26,240,628
Amounts receivable	164,811,744	193,434,539	164,811,744	193,434,539
Amounts payable	(12,983,763)	(8,386,259)	(12,983,763)	(8,386,259)
	151,827,981	185,048,280	151,827,981	185,048,280
	295,097,000	283,458,289	178,068,599	211,288,908

Particulars of the associated companies and amounts receivable/(payable) are as follows:

Name	Principal activities	Amounts receivable/ (payable) by Group		Particulars of issued share capital	Effective percentage of equity held by Group
		2005 HK\$	2004 HK\$		
Cantake Land Investment Company Limited	Property development	42,803,920	52,775,266	6,000,000 shares of HK\$1 each	25
Chase Good Development Limited	Property development	15,481,803	15,871,803	4 shares of HK\$1 each	25

NOTES TO THE ACCOUNTS (CONTINUED)**14. ASSOCIATED COMPANIES** (continued)

Particulars of the associated companies and amounts receivable/(payable) are as follows: (continued)

Name	Principal activities	Amounts receivable/ (payable) by Group		Particulars of issued share capital	Effective percentage of equity held by Group
		2005 HK\$	2004 HK\$		
Daily Eagle Development Limited	Property development	(9,394,839)	(6,212,335)	4 shares of HK\$1 each	25
Eastern Tailor Enterprises Limited	Property investment	18,101,919	19,526,917	10,000 shares of HK\$1 each	25
Fu Kung San Realty Limited	Investment holding	(1,052,610)	(287,610)	100 shares of HK\$10 each	50
Fullion Realty Limited	Property investment	36,284	26,284	4 shares of HK\$10 each	50
Fupoly Properties Limited	Property investment	—	—	10,000 shares of HK\$10 each	25
Hinquand Enterprise Limited	Property investment	19,201,760	20,626,760	1,000 shares of HK\$10 each	50
Kam Lee Wah Realty Limited	Property investment	71,760	105,935	100,000 shares of HK\$1 each	50
Keneva Company Limited	Property development	38,607,400	38,857,400	20 shares of HK\$10 each	25
Kin Yuen Hing Investment Company Limited	Property development	11,809,056	13,159,056	200,000 shares of HK\$1 each	50
Mass Collection Company Limited	Property development	(2,536,314)	(1,886,314)	2 shares of HK\$1 each	50

Name	Principal activities	Amounts receivable/ (payable) by Group		Particulars of issued share capital	Effective percentage of equity held by Group
		2005 HK\$	2004 HK\$		
Remadour Estate Limited	Property investment	8,386,495	9,261,495	10,000 shares of HK\$1 each	25
Sing Mei Properties Limited	Property investment	—	—	69,513 shares of HK\$100 each	25
Star Fortune Investments Limited	Provision of finance	859,824	2,084,974	2 shares of HK\$1 each	50
Sun Prince Godown Limited	Property investment	3,150,575	3,425,575	100,000 shares of HK\$10 each	50
Sun Tai Tsuen Godown Company Limited	Property investment	3,146,469	3,421,469	100,000 shares of HK\$10 each	50
Wah Ha Property Development Limited	Property investment	3,154,479	14,291,605	10 shares of HK\$10 each	50
		151,827,981	185,048,280		

- (1) The amounts receivable and payable are unsecured, interest free and have no specific repayment terms. The Group has not provided any guarantees in respect of any borrowings or facilities of the associated companies and has not entered into any agreements to make further advances to the associated companies.
- (2) All associated companies are incorporated and operate in Hong Kong and are held directly by the Company except Sing Mei Properties Limited which is 50% owned by Fu Kung San Realty Limited.

NOTES TO THE ACCOUNTS (CONTINUED)**15. LONG-TERM INVESTMENTS**

	Group and Company	
	2005	2004
	<i>HK\$</i>	<i>HK\$</i>
Unlisted shares, at cost	250,448	250,448

16. DEBTORS AND PREPAYMENTS

	Group		Company	
	2005	2004	2005	2004
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Trade debtors				
Below 60 days	341,567	143,848	18,700	16,200
Over 60 days	4,754	40,004	3	40,004
Other receivables	3,000,323	3,069,801	348,965	543,758
Prepayments and utility deposits	134,754	152,734	6,502	133,233
	3,481,398	3,406,387	374,170	733,195

Trade debtors represent rental receivable which is normally due for payment upon presentation of debit note at the beginning of each rental period.

17. BALANCES WITH RELATED COMPANIES

The amounts receivable and payable are unsecured, interest free and have no specific repayment terms.

18. SHORT-TERM INVESTMENTS

	Group and Company	
	2005	2004
	HK\$	HK\$
Unlisted quoted investment fund, at market value	7,456,714	92,224,979
Unlisted held-to-maturity securities	105,134,311	—
Listed shares, at market value		
Hong Kong	12,815,023	10,015,112
Overseas	4,604,565	10,875,263
	130,010,613	113,115,354

19. CREDITORS AND ACCRUALS

	Group		Company	
	2005	2004	2005	2004
	HK\$	HK\$	HK\$	HK\$
Trade creditors				
Below 90 days	35,533	22,902	—	—
Over 90 days	10	19,380	10	10
	35,543	42,282	10	10
Other payables	604,063	210,250	548,955	210,250
Rental and utility deposits received	739,595	826,323	544,600	529,254
Accrued expenses	220,310	387,980	147,210	352,187
	1,599,511	1,466,835	1,240,775	1,091,701

NOTES TO THE ACCOUNTS (CONTINUED)**20. SHARE CAPITAL**

	Company	
	2005	2004
	<i>HK\$</i>	<i>HK\$</i>
<i>Authorised:</i>		
150,000,000 shares of HK\$0.65 each	97,500,000	97,500,000
<i>Issued and fully paid:</i>		
120,960,000 shares of HK\$0.65 each	78,624,000	78,624,000

21. RESERVES

	Asset revaluation reserve <i>HK\$</i>	Investment properties revaluation reserve <i>HK\$</i>	Retained profits <i>HK\$</i>	Total <i>HK\$</i>
Group				
At 31st March 2003	20,180,230	23,897,693	345,436,213	389,514,136
Surplus on revaluation				
Company and subsidiary companies	—	2,400,000	—	2,400,000
Associated companies	—	7,662,929	—	7,662,929
Profit for the year	—	—	28,413,828	28,413,828
At 31st March 2004	20,180,230	33,960,622	373,850,041	427,990,893
Surplus on revaluation				
Company and subsidiary companies	—	5,000,000	—	5,000,000
Associated companies	—	26,532,380	—	26,532,380
Profit for the year	—	—	25,052,980	25,052,980
2004 Final dividends	—	—	(7,257,600)	(7,257,600)
At 31st March 2005	20,180,230	65,493,002	391,645,421	477,318,653
Representing:				
Retained Profits			386,807,021	
2005 Proposed final dividends			4,838,400	
			391,645,421	
Company				
At 31st March 2003	23,600,000	13,452,285	275,333,987	312,386,272
Surplus on revaluation	—	2,400,000	—	2,400,000
Profit for the year	—	—	16,804,381	16,804,381
At 31st March 2004	23,600,000	15,852,285	292,138,368	331,590,653
Surplus on revaluation	—	5,000,000	—	5,000,000
Profit for the year	—	—	5,843,401	5,843,401
2004 Final dividends	—	—	(7,257,600)	(7,257,600)
At 31st March 2005	23,600,000	20,852,285	290,724,169	335,176,454
Representing:				
Retained Profits			285,885,769	
2005 Proposed final dividends			4,838,400	
			290,724,169	

NOTES TO THE ACCOUNTS (CONTINUED)**21. RESERVES** (continued)

Asset revaluation reserve, investment properties revaluation reserve and retained profits of the Group attributable to associated companies amounted to HK\$20,180,230 (2004: HK\$20,180,230), HK\$44,640,717 (2004: HK\$18,108,337) and HK\$75,807,454 (2004: HK\$57,480,814) respectively.

22. DEFERRED TAXATION

Deferred taxation is calculated in full on temporary differences under the liability method using a taxation rate of 17.5% (2004: 17.5%).

Deferred income tax assets are recognised for tax loss carry forwards to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses of HK\$1,467,980 (2004: HK\$1,263,000) to carry forward against future taxable income; these tax losses have no expiry date.

23. OPERATING LEASE RENTAL RECEIVABLE

The future aggregate minimum lease rental income under non-cancellable operating leases in respect of land and buildings is receivable in the following years:

	Group	
	2005	2004
	HK\$	HK\$
First year	3,238,280	2,767,738
Second to fifth years inclusive	531,700	1,531,856
	3,769,980	4,299,594

24. SIGNIFICANT RELATED PARTY TRANSACTIONS

The following is a summary of related party transactions carried out in the normal course of the Group's business during the year:

	<i>Note</i>	2005 HK\$	2004 HK\$
Associated companies			
Management fee income	1	—	2,378,000
Related companies			
Management fee income	1	225,000	324,000
Construction supervision fee income	2	212,350	513,529
Estate agency fee income	3	200,000	200,000

Notes:

- (1) The Group provided management services to certain associated companies and a related company. Fees were charged based on a percentage of annual rental income received by associated companies and the related company.
- (2) The Group provided supervisory services for building construction work to certain related companies. Service fees were calculated based on the number of employees on the job.
- (3) The Group provided estate agency services to a related company at a fixed annual fee.

25. SEGMENT INFORMATION

The principal activities of the Group include those relating to investment holding, property development and investment, property management and building contractor. There are no other significant identifiable separate business. In accordance with the Group's internal financial reporting and operating activities, the primary reporting is by business segments and the secondary reporting is by geographical segments. All of the Group's operation and assets are located in Hong Kong. Segment assets consist primarily of associated companies, investment properties, properties held for sale, other non-current assets and debtors and prepayments. Segment liabilities comprise mainly creditors and accruals.

NOTES TO THE ACCOUNTS (CONTINUED)

25. SEGMENT INFORMATION (continued)

Primary reporting segment — business segment

	Property investment, development and management and building contractor HK\$	Investments and corporate services HK\$	Total HK\$
Year ended 31st March 2005			
Turnover	5,103,010	1,685,071	6,788,081
Segment results	3,438,753	3,480,520	6,919,273
Share of profits less losses of associated companies	20,342,680	—	20,342,680
Profit before taxation			27,261,953
Taxation			(2,208,973)
Profit attributable to shareholders			25,052,980
Segment assets	331,860,315	130,359,578	462,219,893
Common assets			97,482,808
Total assets			559,702,701
Segment liabilities	3,585,645	148,955	3,734,600
Common liabilities			25,448
Total liabilities			3,760,048

	Property investment, development and management and building contractor HK\$	Investments and corporate services HK\$	Total HK\$
Year ended 31st March 2004			
Turnover	6,200,929	3,587,576	9,788,505
Segment results	3,825,005	11,437,741	15,262,746
Share of profits less losses of associated companies	15,096,975	—	15,096,975
Profit before taxation			30,359,721
Taxation			(1,945,893)
Profit attributable to shareholders			28,413,828
Segment assets	314,952,749	113,767,865	428,720,614
Common assets			80,918,756
Total assets			509,639,370
Segment liabilities	2,776,354	210,250	2,986,604
Common liabilities			37,873
Total liabilities			3,024,477

26. APPROVAL OF ACCOUNTS

The accounts were approved by the Board of Directors on 12th July 2005.

FIVE YEAR FINANCIAL SUMMARY

	2005	2004	2003	2002	2001
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Results					
Year ended 31st March					
Turnover	6,788	9,789	12,179	13,669	16,976
Profit before taxation	27,262	30,360	4,776	11,276	3,256
Profit attributable to shareholders	25,053	28,414	2,005	8,744	355
Dividends	4,838	7,258	—	2,419	4,717
Assets and liabilities					
As at 31st March					
Investment properties	26,150	21,150	18,750	19,150	20,800
Associated companies	295,097	283,458	290,978	344,639	358,945
Other investments	250	250	250	250	250
Loans receivable	—	—	—	64	198
Current assets	238,206	204,781	160,868	120,603	116,529
Total assets	559,703	509,639	470,846	484,706	496,722
Current liabilities	3,760	3,024	2,708	2,820	8,035
Employment of funds	555,943	506,615	468,138	481,886	488,687
Share capital	78,624	78,624	78,624	78,624	78,624
Reserves	477,319	427,991	389,514	403,252	410,045
Shareholders' funds	555,943	506,615	468,138	481,876	488,669
Deferred taxation	—	—	—	10	18
Funds employed	555,943	506,615	468,138	481,886	488,687

FINANCIAL SUMMARY OF ASSOCIATED COMPANIES

A significant portion of the Group's property development and investment activities is undertaken by associated companies. However, none of the individual associated company is significant in relation to the results and assets of the Group. To provide shareholders with information on the financial performance and position of the associated companies, the following is a summary of the aggregated results and net assets of the Group's associated companies for the year ended 31st March 2005:

	2005	2004
	HK\$	HK\$
Results		
Turnover	95,695,698	123,162,466
Operating profit	48,328,734	42,145,916
Surplus on revaluation of properties	35,249,271	8,858,220
Profit before taxation	83,578,005	51,004,136
Taxation	(6,690,489)	(5,219,364)
Profit after taxation	76,887,516	45,784,772
Group's share of profits less losses before taxation	20,342,680	15,096,975
Net assets		
Investment properties	814,192,430	722,623,936
Loans receivable	1,781,127	3,141,556
Current assets		
Properties held for sale	315,585,196	315,585,196
Debtors and prepayments	3,307,084	16,326,173
Current portion of loans receivable	954,534	2,292,670
Taxation recoverable	371,944	774,885
Cash and bank balances	10,760,532	20,469,769
Current liabilities		
Creditors and accruals	(28,890,015)	(34,194,607)
Taxation payable	(2,265,579)	(703,006)
Net amounts due to shareholders	(646,789,744)	(738,821,537)
Deferred taxation	(14,229,030)	(13,198,398)
Net assets	454,778,479	294,296,637
Group's share of net assets	143,269,019	98,410,009

PRINCIPAL PROPERTIES

As at 31st March 2005

(a) For investment

Description	Lot No.	Type	Lease Term	Registered Owner
Hong Kong				
Flats B & C on 2/F, Hin Wah Building at Nos. 446-450 Hennessy Road, Causeway Bay	The Remaining Portion ("RP") of Sub-Section ("Subsec.") 1 of Section ("Sec.") A of Marine Lot No. 269; RP of Sec. A of Marine Lot No. 269; and RP of Sec. E of Marine Lot No. 201	Commercial	Long Lease	Wah Ha Realty Company Limited
Flat C on 12/F, Wah Ha Factory Building at No. 8 Shipyard Lane, Quarry Bay	Subsec. 6 of Sec. E of Quarry Bay Marine Lot No. 2 and the extension thereto	Industrial	Long Lease	Wah Ha Realty Company Limited
Apartment B on 1/F & 2/F & 2 carparks, Repulse Bay Towers at No. 119A Repulse Bay Road, Repulse Bay	Sec. B of Rural Building Lot No. 168; RP of Sec. A of Rural Building Lot No. 168; and Sec. B of Subsec. 3 of Sec. A of Rural Building Lot No. 168	Residential	Long Lease	Wah Ha Realty Company Limited
Flat 11 on G/F of Montane Mansion at King's Road, Quarry Bay	Sec. C of Inland Lot No. 8104	Commercial	Long Lease	Wah Ha Property Development Limited
Unit B3, Block B including main roof & 2 carparks, Grosse Pointe Villa at No. 4 Stanley Village Road, Stanley	RP of Rural Building Lot No. 392	Residential	Long Lease	Wah Ha Property Development Limited

Description	Lot No.	Type	Lease Term	Registered Owner
G/F & 2/F, Midland Centre (82 shops) at No. 328 Queen's Road Central	Inland Lot No. 8426	Commercial	Long Lease	Hinquand Enterprise Limited
Flat 2 on G/F and Basement and 2 carparks on Basement, Stewart Terrace at Nos. 81-95 Peak Road	Rural Building Lot Nos. 299-306	Residential	Medium Lease	Wah Ha Property Development Limited
Flat A on 6/F & 1 carpark, Mountain Lodge at No. 44 Mount Kellett Road	Rural Building Lot No. 199	Residential	Long Lease	Wah Ha Property Development Limited
Belvedere (5 townhouses & 12 carparks) at No. 41 Chung Hom Kok Road, Chung Hom Kok	Rural Building Lot No. 968	Residential	Long Lease	Remadour Estate Limited
Vista Stanley (8 duplex units, 4 flats and 23 carparks) at No. 20 Stanley Village Road, Stanley	RP of Rural Building Lot No. 239	Residential	Long Lease	Eastern Tailor Enterprises Limited
Horizon Plaza at No. 2 Lee Wing Street, Ap Lei Chau West, Aberdeen	Ap Lei Chau Inland Lot No. 122	Industrial/ Godown	Medium Lease	Daily Eagle Development Limited and Double Joy Investment Company Limited

PRINCIPAL PROPERTIES (CONTINUED)

As at 31st March 2005

(a) For investment (continued)

Description	Lot No.	Type	Lease Term	Registered Owner
New Territories				
Agricultural Land at Yuen Long	Lots Nos. 124, 126, 156 & 158 in D.D. No. 109, Yuen Long	Agricultural	Medium Lease	Wah Ha Property Development Limited
Central Trading Centre at No. 9 Lok Yip Road, On Lok Tsuen, Fanling	Fanling Sheung Shui Town Lot No. 23	Industrial/ Godown	Medium Lease	Chase Good Development Limited
Belair Villa (15 townhouses, 24 duplex units and 54 carparks) at No. 9 Yu Tai Road, Kai Leng, Fanling	Fanling Sheung Shui Town Lot No. 116	Residential	Medium Lease	Cantake Land Investment Company Limited

(b) For sale

Description	Lot No.	Type	Approximate Gross	Registered Owner	Group's
			Floor Area (sq. ft.)		Interest (%)
Hong Kong					
Shops Nos. 10, 26 & 37 on 1/F, Gold Mine Building at No. 345 Chai Wan Road, Chai Wan	Chai Wan Inland Lot No. 80	Commercial	773	Kam Lee Wah Realty Limited and Kamlloyds Company Limited	25
Eight Commercial Tower (186 office/industrial units, 69 shops on G/F and 1/F & 162 carparks) at junction of Sun Yip Street and On Yip Street, Chai Wan	Chai Wan Inland Lot No. 144	Office/Industrial Commercial (G/F & 1/F)	238,590 36,853	Keneva Company Limited	25

Description	Lot No.	Type	Approximate Gross		Group's Interest (%)
			Floor Area (sq. ft.)	Registered Owner	
Fully Building Shop 1 on G/F, 76 Wanchai Road, Wanchai	Subsec. 1 of Sec. A of Marine Lot No. 119; RP of Sec. A of Marine Lot No. 119; RP of Subsec. 1 of Sec. B of Marine Lot No. 119; Subsec. 2 of Sec. B of Marine Lot No. 119; RP of Sec. B of Marine Lot No. 119; and RP of Subsec. 2 of Sec. A of Marine Lot No. 119	Commercial	379	Fupoly Properties Limited	25
Kowloon					
Flat A on G/F, May Wah Court at Nos. 111 & 113 Chatham Road, Tsimshatsui	RP of Kowloon Inland Lot No. 9935 and RP of Kowloon Inland Lot No. 9936	Commercial	2,860	Wah Ha Realty Company Limited	100
Flat B on 1/F & 2 carparks, Yip Win Factory Building at No. 10 Tsun Yip Lane, Kwun Tong	Kun Tong Inland Lot No. 71	Industrial	5,253	Wah Ha Realty Company Limited and Aik San Realty Limited	50

PRINCIPAL PROPERTIES (CONTINUED)

As at 31st March 2005

(b) For sale (continued)

Description	Lot No.	Type	Approximate Gross Floor Area (sq. ft.)	Registered Owner	Group's Interest (%)
New Territories (continued)					
Festigood Centre (4 units) at No. 8 Lok Yip Road, On Lok Tsuen, Fanling	Fanling Sheung Shui Town Lot No. 98	Industrial/ Godown	6,784	Festigood Company Limited	100
Delya Industrial Centre (31 units & 18 carparks) at Shek Pai Tau Road, Tuen Mun	Tuen Mun Town Lot No. 164	Industrial/ Godown	30,205	Tinpoly Realty Limited and Delya Realty Limited	50
Texaco Road Industrial Centre (27 units & 7 carparks) at Nos. 256-264 Texaco Road, Tsuen Wan	Tsuen Wan Town Lots Nos. 242 and 243	Industrial/Godown	74,794	Sun Prince Godown Limited and Sun Tai Tsuen Godown Company Limited	50
Wing Kin Industrial Building (workshop on G/F & 1 carpark) at Nos. 4-6 Wing Kin Road, Kwai Chung	Kwai Chung Town Lot No. 273	Industrial	13,456	Tai Kong Shan Realty Limited and Good Fully Realty Limited	50
Good Harvest Centre (18 units & 1 carpark) at No. 33 On Chuen Street, On Lok Tsuen, Fanling	Fanling Sheung Shui Town Lot No. 100	Industrial/ Godown	26,469	Mass Collection Company Limited	50
Tsing Yi Industrial Centre at Nos. 1-33 Cheung Tat Road, Tsing Yi (Phase I: 11 units & 8 carparks) (Phase II: 6 units & 14 carparks)	Tsing Yi Town Lot No. 65	Industrial/ Godown	103,100 (Phase I: 91,644) (Phase II: 11,456)	Sing Mei Properties Limited	25
World Trade Square (159 units & 11 carparks) at No. 21 On Lok Mun Road, On Lok Tsuen, Fanling	Fanling Sheung Shui Town Lot No. 12	Industrial/ Godown	168,556	Kin Yuen Hing Investment Limited and Kin Ngai Enterprises Limited	25