

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

Prospects

The Group will begin operating its local tapioca chip distribution network in China in the second half of 2005. This is in line with the Group's long term strategy. The Group plans to utilize this added sale channel to enhance its participation in the tapioca chip market in China.

The property market in Hong Kong continues to be relatively active, especially in the sector of retail shops. The Group will renew or replace tenancy agreements for some of its investment properties in the second half of 2005. As most of the Group's investment properties are retail shops located at prime shopping districts, we are optimistic that all the new tenancies will be accompanied by a double digit rise in rental income.

In Shanghai, in view of the developments brought about by the macro economic measures, the Group now plans to market the additional units on the upper floors of Merry Tower in late 2005 or early 2006.

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

At a meeting held on 29 August 2005, the directors declared an interim dividend of HK\$0.01 per share (2004: HK\$0.01) payable on or about 30 September 2005 to the shareholders of the Company whose names are on the register of members on 16 September 2005.

The register of members of the Company will be closed from 14 September 2005 to 16 September 2005, both days inclusive, during which period no share transfer will be effected. In order to qualify for the interim dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's registrar, Abacus Share Registrars Limited, at G/F BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, no later than 4:30 p.m. on 13 September 2005.

DIRECTORS' INTERESTS AND SHORT POSITIONS

At 30 June 2005, the interests and short positions of each director in the shares and underlying shares of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited ("the Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Director	Personal Interests	Family Interest	Corporate Interests	Other Interest	Total	% of Issued Share Capital
Mr Rustom Ming Yu HO	–	–	138,347,288*	–	138,347,288	52.87
Mr John Ming Tak HO	–	600,000	138,347,288*	–	138,947,288	53.10

* By virtue of the SFO, both Mr Rustom Ming Yu HO and Mr John Ming Tak HO are deemed to have interests in the 138,347,288 shares held by Fulcrest Limited, a company incorporated in Hong Kong and the ultimate holding company of which is controlled by Mr Rustom Ming Yu HO and Mr John Ming Tak HO. Interests in the same shares are also shown under the section headed "Substantial Shareholders' Interest and Short Positions" below.