WING SHAN INTERNATIONAL LIMITED
榮山國際有限公司

WING SHAN

INTERIM REPORT 2005

COMPANY INFORMATION

Board of Directors	*Executive Directors* HE Haochang *(Chairman & Managing Director)* LAM Siu Hung *(Deputy Managing Director)* CHAN Che Kan, Edward *(Deputy Managing Director)* *(whose resignation as an Executive Director and the Deputy Managing Director with effect from 15 September 2005)* SITU Min *(Chief Financial Officer & Qualified Accountant)* LI Feng
	Independent Non-executive Directors CHAN Ting Chuen, David NG Pui Cheung, Joseph CHEUNG Kin Piu, Valiant
Company Secretary	HUEN Po Wah
Audit Committee	CHAN Ting Chuen, David *(Chairman)* NG Pui Cheung, Joseph CHEUNG Kin Piu, Valiant
Remuneration Committee	CHAN Ting Chuen, David *(Chairman)* HE Haochang NG Pui Cheung, Joseph CHEUNG Kin Piu, Valiant
Registered Office	Rooms 2801-2805, China Insurance Group Building 141 Des Voeux Road Central Hong Kong
Auditors	KPMG Certified Public Accountants Hong Kong
Registrars and Transfer Office	Computershare Hong Kong Investor Services Limited 46th Floor, Hopewell Centre 183 Queen's Road East Hong Kong
Principal Bankers	Bank of China (Hong Kong) Limited The Hongkong & Shanghai Banking Corporation Limited
Stock Code	570
Website	http://www.wingshan.com.hk

INTERIM RESULTS

The board of directors (the "Board") of Wing Shan International Limited (the "Company") together with its subsidiaries known as the "Group" reports that the unaudited consolidated interim results of the Group for the six months ended 30 June 2005 are as follows:

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the six months ended 30 June 2005 – Unaudited
(Expressed in Hong Kong dollars)

		Six months ended 30 June	
		2005	2004
	Note	**$'000**	$'000
Turnover	3	**391,081**	370,415
Cost of sales		**(403,375)**	(362,456)
Gross (loss)/profit		**(12,294)**	7,959
Interest income		**754**	939
Other net income		**2,275**	120
Administrative expenses		**(13,904)**	(11,740)
Goodwill amortisation		**–**	(15,811)
Impairment loss	10	**(94,783)**	–
Loss from operations		**(117,952)**	(18,533)
Finance costs	5	**(9,474)**	(11,122)
Loss before taxation	5	**(127,426)**	(29,655)
Income tax	6	**5,607**	1,767
Loss after taxation		**(121,819)**	(27,888)
Attributable to:			
– Equity holders of the parent		**(117,000)**	(26,063)
– Minority interests		**(4,819)**	(1,825)
Loss after taxation		**(121,819)**	(27,888)
Loss per share	8		
– Basic		**14.1 cents**	3.1 cents
– Diluted		**N/A**	N/A

The notes on pages 6 to 20 form part of this interim financial report.

CONSOLIDATED BALANCE SHEET

At 30 June 2005 – Unaudited
(Expressed in Hong Kong dollars)

	Note	**At 30 June 2005 $'000**	At 31 December 2004 (restated) $'000
Non-current assets			
Property, plant and equipment		**1,171,875**	1,217,978
Lease prepayments		**35,482**	36,482
Goodwill	10	**483,536**	578,319
Deferred taxation		**18,463**	12,856
		1,709,356	1,845,635
Current assets			
Consumables		**27,030**	18,145
Trade and other receivables	11	**81,155**	179,795
Tax recoverable		**25**	25
Cash and cash equivalents		**156,241**	98,258
		264,451	296,223
Current liabilities			
Trade and other payables	12	**86,187**	132,099
Provision for staff welfare		**921**	1,241
Bank loans	13	**–**	46,790
Current portion of other loans		**83,123**	93,679
		170,231	273,809
Net current assets		**94,220**	22,414
Total assets less current liabilities		**1,803,576**	1,868,049
Non-current liabilities			
Bank loans	13	**125,397**	78,607
Other loans		**205,913**	195,357
		331,310	273,964
Net assets		**1,472,266**	1,594,085
Capital and reserves			
Share capital		**83,015**	83,015
Reserves		**1,192,520**	1,309,520
Total equity attributable to equity holders of the parent		**1,275,535**	1,392,535
Minority interests		**196,731**	201,550
Total equity		**1,472,266**	1,594,085

The notes on pages 6 to 20 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2005 – Unaudited

(Expressed in Hong Kong dollars)

	Share capital $'000	Share premium $'000	Capital redemption reserve $'000	Reserve fund $'000	Enterprise development fund $'000	Retained profits $'000	Total equity attributable to equity holders of the parent $'000	Minority interests $'000	Total equity $'000
At 1 January 2004	82,902	1,041,444	297	23,481	23,481	288,844	1,460,449	208,417	1,668,866
Shares issued under shares option scheme (Note 14(c))	113	282	–	–	–	–	395	–	395
Loss for the period	–	–	–	–	–	(26,063)	(26,063)	(1,825)	(27,888)
Dividends paid to equity holders of the parent (Note 7)	–	–	–	–	–	(12,452)	(12,452)	–	(12,452)
Dividends paid to minority equity holders of subsidiaries	–	–	–	–	–	–	–	(2,253)	(2,253)
At 30 June 2004	83,015	1,041,726	297	23,481	23,481	250,329	1,422,329	204,339	1,626,668
At 1 January 2005	**83,015**	**1,041,726**	**297**	**23,481**	**23,481**	**220,535**	**1,392,535**	**201,550**	**1,594,085**
Loss for the period	**-**	**-**	**-**	**-**	**-**	**(117,000)**	**(117,000)**	**(4,819)**	**(121,819)**
At 30 June 2005	**83,015**	**1,041,726**	**297**	**23,481**	**23,481**	**103,535**	**1,275,535**	**196,731**	**1,472,266**

The notes on pages 6 to 20 form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2005 – Unaudited

(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2005	2004
	$'000	$'000
Net cash generated from/(used in) operations	**73,794**	(37,543)
Net cash generated from investing activities	**673**	645
Net cash used in financing activities	**(16,484)**	(73,301)
Increase/(decrease) in cash and cash equivalents	**57,983**	(110,199)
Cash and cash equivalents at the beginning of the period	**98,258**	220,263
Cash and cash equivalents at the end of the period	**156,241**	110,064
Analysis of balances of cash and cash equivalents		
Deposits with banks	**17,374**	10,814
Cash at bank and in hand	**138,867**	99,250
	156,241	110,064

The notes on pages 6 to 20 form part of this interim financial report.

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars)

1. Basis of preparation

The interim financial report is unaudited, but has been reviewed by the audit committee of Wing Shan International Limited (the "Company") and by its auditors, KPMG, in accordance with Statement of Auditing Standards 700, "Engagements to review interim financial reports", issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). KPMG's independent review report to the board of directors is included on page 21 to 22.

The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34 "Interim financial reporting" issued by the HKICPA.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2004 annual accounts, except for the accounting policy changes that are expected to be reflected in the 2005 annual accounts. Details of these changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated accounts and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company and its subsidiaries (the "Group") since the 2004 annual accounts. The condensed consolidated interim accounts and notes thereon do not include all of the information required for full set of accounts prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs", which term collectively includes HKASs and Interpretations).

The financial information relating to the financial year ended 31 December 2004 that is included in the interim financial report as being previously reported information does not constitute the Company's statutory accounts for that financial year but is derived from those accounts. Statutory accounts for the year ended 31 December 2004 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those accounts in their report dated 14 April 2005.

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

2. Changes in accounting policies

The HKICPA has issued a number of new and revised HKFRSs that are effective or available for early adoption for accounting periods beginning on or after 1 January 2005. The board of directors has determined the accounting policies to be adopted in the preparation of the Group's annual accounts for the year ending 31 December 2005, on the basis of HKFRSs currently in issue.

The HKFRSs that will be effective or are available for voluntary early adoption in the annual accounts for the year ending 31 December 2005 may be affected by the issue of additional interpretations or other changes announced by the HKICPA subsequent to the date of issuance of this interim report. Therefore the policies that will be applied in the Group's accounts for that period cannot be determined with certainty at the date of issuance of this interim financial report.

The following sets out further information on the changes in accounting policies for the annual accounting period beginning on 1 January 2005 which have been reflected in this interim financial report.

(a) Employee share option scheme (HKFRS 2, "Share-based payment")

In prior years, no amounts were recognised when employees (which term includes directors) were granted share options over shares in the Company. If the employees chose to exercise the options, the nominal amount of share capital and share premium were credited only to the extent of the option's exercise price receivable.

With effect from 1 January 2005, in order to comply with HKFRS 2, the Group recognises the fair value of such share options as an expense in the profit and loss account, or as an asset, if the cost qualifies for recognition as an asset under the Group's accounting policies. A corresponding increase is recognised in a capital reserve within equity.

Where the employees are required to meet vesting conditions before they become entitled to the options, the Group recognises the fair value of the options granted over the vesting period. Otherwise, the Group recognises the fair value in the period in which the options are granted.

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

2. Changes in accounting policies (Continued)

(a) *Employee share option scheme (HKFRS 2, "Share-based payment") (Continued)*

If an employee chooses to exercise options, the related capital reserve is transferred to share capital and share premium, together with the exercise price. If the options lapse unexercised the related capital reserve is transferred directly to retained profits.

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 the following grants of options

(i) all options granted to employees on or before 7 November 2002; and

(ii) all options granted to employees after 7 November 2002 but which had vested before 1 January 2005.

As a result, no adjustment to the opening balance is required as all options granted after 7 November 2002 were vested before 1 January 2005. There were no options granted to employees during the six months ended 30 June 2005.

Details of the employee share option scheme can be found in the Company's annual report for the year ended 31 December 2004 and note 14 on this interim financial report.

(b) *Land use rights and buildings held for own use (HKAS 17, "Leases")*

In prior years, land use rights and buildings held for own use were stated at cost less accumulated depreciation and accumulated impairment losses.

With the adoption of HKAS 17 as from 1 January 2005, the land use rights held for own use is accounted for as being held under an operating lease where the fair value of the interest in any buildings situated on the leasehold land could be separately identified from the fair value of the land use rights at the time the lease was first entered into by the Group, or taken over from the previous lessee, or at the date of construction of those buildings, if later. Any pre-paid land premiums for acquiring the land use rights are amortised on a straight line basis over the lease term. Any buildings held for own use which are situated on such land leases continue to be presented as part of property, plant and equipment.

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

2. Changes in accounting policies (Continued)

(b) *Land use rights and buildings held for own use (HKAS 17, "Leases") (Continued)*

The new accounting policy has been adopted retrospectively but there is no impact on the Group's net assets as at the period end/year end and on the Group's loss attributable to equity holders for the periods presented. Additional line item "Lease prepayments" which previously included in "Property, plant and equipment" has been included on the face of consolidated balance sheet. Comparative figures of "Property, plant and equipment" have been reclassified to conform with the current period's presentation.

(c) *Amortisation of goodwill (HKFRS 3, "Business combinations" and HKAS 36, "Impairment of assets")*

In prior years, goodwill was amortised on a straight-line basis over its estimated useful life and was subject to impairment testing when there were indications of impairment.

With effect from 1 January 2005, in accordance with HKFRS 3 and HKAS 36, the Group no longer amortises goodwill. Such goodwill is tested annually for impairment, including in the year of its initial recognition, as well as when there are indications of impairment. Impairment losses are recognised when the carrying amount of the cash generating unit to which the goodwill has been allocated exceeds its recoverable amount.

The new policy in respect of goodwill has been applied prospectively in accordance with the transitional arrangements under HKFRS 3. As a result, comparative amounts have not been restated, the cumulative amount of amortisation as at 1 January 2005 has been offset against the cost of the goodwill and no amortisation charge for goodwill has been recognised in the consolidated profit and loss account for the six months ended 30 June 2005. This has reduced the Group's loss after tax for the six months ended 30 June 2005 and basic loss per share by $15,811,000 and 1.9 cents respectively.

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

2. Changes in accounting policies (Continued)

(d) *Retranslation of goodwill relating to a net investment in a foreign operation (HKAS 21, "The effects of changes in foreign exchange rates")*

In prior years, goodwill was carried at cost less amortisation and impairment as described in note 2(c).

With effect from 1 January 2005, in order to comply with HKAS 21, any goodwill arising on the acquisition of a foreign operation is treated as an asset of the foreign operation. Thus it is expressed in the functional currency of that foreign operation and is retranslated at the closing rate at each balance sheet date. Any resulting exchange difference is taken directly to the exchange reserves, together with any other differences arising from the re-translation of the net assets of the foreign operation.

In accordance with the transitional provisions in HKAS 21, this new policy has not been adopted retrospectively and will only be applied to acquisitions occurring on or after 1 January 2005. As the Group has not acquired any new foreign operations since that date, the change in policy has had no impact on the interim financial report for the six months ended 30 June 2005.

(e) *Minority interests (HKAS 1, "Presentation of financial statements" and HKAS 27, "Consolidated and separate financial statements")*

In prior years, minority interests at the balance sheet date were presented in the consolidated balance sheet separately from liabilities and as deduction from net assets. Minority interests in the results of the Group for the year were also separately presented in the consolidated profit and loss account as a deduction before arriving at the loss attributable to shareholders.

With effect from 1 January 2005, in order to comply with HKAS 1 and HKAS 27, minority interests at the balance sheet date are presented in the consolidated balance sheet within equity, separately from the equity attributable to the equity holders of the parent, and minority interests in the results of the Group for the period are presented on the face of the consolidated profit and loss account as an allocation of the total profit or loss for the period between the minority interests and the equity holders of the parent.

The presentation of minority interests in the consolidated balance sheet, profit and loss account and statement of changes in equity for the comparative period has been restated accordingly.

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

2. Changes in accounting policies (Continued)

(f) *Classification of liabilities (HKAS 1, "Presentation of financial statements" and HKAS 10 "Events after the balance sheet date")*

In prior years, loan that was due to be settled within twelve months after the balance sheet date was still classified as non-current liability if an agreement to reschedule payments on a long-term basis was completed after the balance sheet date and before the accounts were authorised for issue.

With effect from 1 January 2005, in accordance with HKAS 1, loan that is due to be settled within twelve months after the balance sheet date is classified as current liability even if an agreement to reschedule payments on a long-term basis is completed after the balance sheet date and before the accounts are authorised for issue. However, this would qualify for disclosure as a non-adjusting event in accordance with HKAS 10.

As a result, other long term loans amounting to HK$93.7 million as at 31 December 2004 which were previously classified as non-current liabilities have been reclassified into current portion of other long term loans in order to conform with the current period's presentation.

3. Turnover

The principal activity of the Group is the generation and sale of electricity. Turnover represents the invoiced value, net of value added tax, of electricity supplied in Foshan City, Guangdong Province, the People's Republic of China ("PRC") and additional fuel cost surcharges of $62.2 million (six months ended 30 June 2004: $12.3 million) for electricity supplied, representing an adjustment for tariff of electricity supplied.

4. Segment reporting

The Group's results are almost entirely attributable to its generation and sale of electricity in the PRC. Accordingly, no segmental analysis is provided.

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

5. Loss before taxation

Loss before taxation is arrived at after charging:

	Six months ended 30 June 2005 $'000	2004 $'000
(a) Finance costs		
Interest on bank advances and other borrowings wholly repayable within five years	**9,474**	11,122
(b) Other items		
Amortisation of lease prepayments	**1,000**	1,000
Depreciation		
– assets held for use under operating leases	**2,031**	–
– other assets	**44,153**	48,090

6. Income tax in consolidated profit and loss account

	Six months ended 30 June 2005 $'000	2004 $'000
Current tax – PRC enterprise income tax		
Under-provision in respect of prior year	**–**	188
Deferred Tax		
Origination and reversal of temporary differences	**(5,607)**	(1,955)
Total income tax credit	**(5,607)**	(1,767)

No provision has been made for Hong Kong Profits Tax as the Group sustained losses in Hong Kong for taxation purposes during the period. No provision for PRC enterprise income tax has been made during the period as the Company's subsidiary, 佛山市沙口發電廠有限公司 (Foshan Shakou Power Plant Co., Ltd.) ("Shakou JV"), sustained a loss for taxation purposes.

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

7. Dividends

Dividends attributable to the previous financial year, approved and paid during the interim period

	Six months ended 30 June	
	2005	2004
	$'000	$'000
Final dividend in respect of the previous financial year, approved and paid during the following interim period, of nil cent per share (year ended 31 December 2003: 1.5 cents per share)	**–**	12,452

8. Loss per share

(a) *Basic*

The calculation of basic loss per share is based on the loss attributable to equity holders of the parent for the six months ended 30 June 2005 of $117,000,000 (six months ended 30 June 2004: $26,063,000) and on the weighted average number of shares in issue during the six months ended 30 June 2005 of 830,146,244 (six months ended 30 June 2004: 829,617,321).

(b) *Diluted*

The diluted loss per share for the six months ended 30 June 2004 and 2005 is not shown as all potential ordinary shares are anti-dilutive.

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

9. Material related party transactions

(a) *Transactions with related companies:*

Name of related company	Nature of transaction	Six months ended 30 June 2005 $'000	2004 $'000
Foshan City District Electricity Fuel Supply Company	Purchase of fuel (excluding value added tax)	**330,805**	291,269
Foshan City District Electric Power Construction Corporation and its associate	Interest on loans	**6,374**	9,235
Funeng Power Supply Co., Ltd.	Lease of facilities and premises	**2,246**	–

(i) During the period, the Group purchased fuel from 佛山市區電力燃料公司 (Foshan City District Electricity Fuel Supply Company) ("Fuel Company"). As at 30 June 2005, amount due to Fuel Company was $71.9 million (31 December 2004: $108.2 million). The Fuel Company, being a fellow subsidiary of 佛山市區電力建設總公司 (Foshan City District Electric Power Construction Corporation) ("Power Construction Corporation"), is a related party to the Company because Power Construction Corporation is a substantial shareholder of Shakou JV.

(ii) During the period, Shakou JV had outstanding loans due to Power Construction Corporation and its associate pursuant to certain loan agreements entered into between Shakou JV and the respective counter parties. As at 30 June 2005, the outstanding loans amounted to approximately $289.04 million (31 December 2004: $289.04 million). As at 30 June 2005, the loans amounting to $201.18 million are interest-bearing at a fixed rate of 5.76% per annum and the remaining balances are interest-free. (31 December 2004: loans amounting to $223.16 million are interest-bearing at a fixed rate of 5.76% per annum and the remaining balances are interest-free).

As at 30 June 2005, there was no overdue interest payable to these parties (There was overdue interest payable as at 31 December 2004 amounting to $7.2 million, which was interest-free).

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

9. Material related party transactions (Continued)

(a) *Transactions with related companies: (Continued)*

(iii) In July 2004, Shakou JV entered into a facilities lease agreement with 佛山市福能發電廠有限公司 (Funeng Power Supply Co., Ltd.) ("Funeng JV"). Funeng JV, being a fellow subsidiary of Power Construction Corporation, is a related party to the Company because Power Construction Corporation is a substantial shareholder of Shakou JV. Pursuant to the facilities lease agreement, Shakou JV leased to Funeng JV certain assets (including office premises, factory premises, land use rights and auxiliary power generation facilities) for two years commencing from the date of the agreement and Shakou JV would receive two annual rental payments of approximately $4.49 million (Rmb4.80 million) for each of the two years.

(iv) Power Construction Corporation, a substantial shareholder of Shakou JV, is a subsidiary of Foshan Electric Power Construction Group Corporation ("Power Group Corporation") which is ultimately owned by the PRC government. The Group also conducts business with other enterprises directly or indirectly owned or controlled by the PRC government ("State-owned enterprises"). The related party transactions as disclosed above only refer to transactions with Power Construction Corporation, Fuel Company and Funeng Company and enterprises which are under common control of Power Group Corporation. The transactions with other State-owned enterprises, mainly include sales of electricity, are conducted in the ordinary course of business and under normal commercial terms and as such the Group believes that meaningful disclosure of related party transactions has been provided in the above.

(b) *Compensation of key management personnel:*

	Six months ended 30 June	
	2005	2004
	$'000	$'000
Short-term employee benefits	**1,577**	1,449
Post-employment benefits	**83**	81
	1,660	1,530

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

10. Goodwill

During the six months ended 30 June 2005, the continuing increase in fuel oil price caused the Group to assess the recoverable amount of goodwill of Shakou JV. Based on this assessment, the carrying amount of the goodwill was written down by $94.8 million. The estimates of recoverable amount were based on the value in use, determined using a discount rate of 7%.

11. Trade and other receivables

	At 30 June 2005 $'000	At 31 December 2004 $'000
Trade receivables	**72,668**	172,404
Other receivables	**8,487**	7,391
	81,155	179,795

Included in trade and other receivables is a trade debtor with the following ageing analysis:

	At 30 June 2005 $'000	At 31 December 2004 $'000
Current	**72,668**	103,574
1 to 3 months overdue	**–**	68,830
	72,668	172,404

Debts are due within 30 days from the date of billing. All of the trade and other receivables are expected to recover within one year.

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

12. Trade and other payables

	At 30 June 2005 $'000	At 31 December 2004 $'000
Creditors and accrued charges	**14,278**	16,732
Amounts due to related companies	**71,909**	115,367
	86,187	132,099

Included in trade and other payables are trade creditors with the following ageing analysis:

	At 30 June 2005 $'000	At 31 December 2004 $'000
Due within 1 month or on demand	**71,909**	108,207

All of the trade and other payables are expected to settle within one year.

13. Bank loans – secured

At 30 June 2005, the Group's bank loans were repayable as follows:

	At 30 June 2005 $'000	At 31 December 2004 $'000
Within one year or on demand	**–**	46,790
After 1 year but within 2 years	**78,607**	28,074
After 2 years but within 5 years	**46,790**	50,533
	125,397	78,607
	125,397	125,397

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

13. Bank loans – secured (Continued)

The banking facilities of the PRC subsidiary are secured by charges over its power generating facilities with an aggregate carrying value of $1,078,361,000 (31 December 2004: $1,120,703,000). Such banking facilities amount to $196,519,000 (31 December 2004: $196,519,000), out of which $125,397,000 (31 December 2004: $125,397,000) were drawn down at 30 June 2005. The bank loans bear interest at rates ranging from 4.941% to 5.184% per annum as at 30 June 2005 (31 December 2004: from 4.779% to 4.941% per annum).

14. Equity compensation benefits

The Company has a share option scheme which was adopted on 22 May 2002 whereby the directors of the Company are authorized, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options to subscribe for shares of the Company. The exercise price of options is the highest of the nominal value of the shares, the closing price of the shares on The Stock Exchange of Hong Kong Limited on the date of grant and the average closing price of the shares on The Stock Exchange of Hong Kong Limited for the five business days immediately preceding the date of grant. The options vest after six months from the date of grant and are then exercisable within a period of five years. Each option gives the holder the right to subscribe for one share.

(a) *Movement in share options*

	2005	2004
	'000	'000
At 1 January	**14,228**	15,356
Exercised	**–**	(1,128)
At 30 June 2005/31 December 2004	**14,228**	14,228
Options vested at 30 June 2005/ 31 December 2004	**14,228**	14,228

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

14. Equity compensation benefits (Continued)

(b) *Terms of unexpired and unexercised share options at balance sheet date*

Date granted	Exercise period	Exercise price	**At 30 June 2005 '000**	At 31 December 2004 '000
25 July 2002	25 January 2003 to 24 January 2008	$0.35	**828**	828
30 July 2002	30 January 2003 to 29 January 2008	$0.35	**11,900**	11,900
19 May 2003	22 November 2003 to 21 November 2008	$0.415	**1,500**	1,500
			14,228	14,228

(c) *No share option was exercised during the period*
Details of share options exercised during last year:

Exercised date	**Exercise price**	**Market value per share at exercise date**	**Proceeds received** $'000	**Number** '000
2 January 2004	$0.35	$0.50	21	60
6 January 2004	$0.35	$0.50	84	240
22 April 2004	$0.35	$0.445	290	828
			395	1,128

15. Contingent liabilities
Shakou JV had a syndicated loan denominated in US dollar which was fully repaid on 23 March 1998. Under the loan agreement, Shakou JV is required to bear any PRC tax payable in respect of interest paid to the lenders. By a letter dated 17 March 1998, the Shakou JV's former ultimate holding company, Foshan Development Company Limited, agreed to bear any tax liabilities, including penalties, if any, which may arise from the interest paid on the syndicated loan. The estimated tax which may be payable is approximately $43 million, excluding penalties.

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in Hong Kong dollars)

16. Post balance sheet events

    On 23 August 2005, Shakou JV placed purchase orders with an independent third party supplier to provide certain spare parts and inspection services for the routine large-scale inspection and overhaul of its power plant for a total consideration of CHF10,958,669 (equivalent to approximately $66,519,000).

17. Approval of the interim financial report

    The interim financial report was authorized for issue by the board of directors on 15 September 2005.

INDEPENDENT REVIEW REPORT

KPMG

To the board of directors of Wing Shan International Limited

Introduction

We have been instructed by the company to review the interim financial report set out on pages 2 to 20.

Respective responsibilities of directors and auditors

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The interim financial report is the responsibility of, and has been approved by, the directors.

It is our responsibility to form an independent conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Review work performed

We conducted our review, in accordance with Statement of Auditing Standards 700 "Engagements to review interim financial reports" issued by the Hong Kong Institute of Certified Public Accountants. A review consists principally of making enquiries of group management and applying analytical procedures to the interim financial report and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the interim financial report.

Review conclusion

On the basis of our review, which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 30 June 2005.

KPMG
Certified Public Accountants

Hong Kong, 15 September 2005

MANAGEMENT DISCUSSION AND ANALYSIS

Performance Review

The Group's turnover increased by 5.58% to HK$391.08 million (six months ended 30 June 2004: HK$370.42 million) which included additional fuel cost surcharges received of HK$62.17 million (six months ended 30 June 2004: HK$12.28 million). The growth mainly resulted from the increase of additional fuel cost surcharges approved and received during the period. The Group's cost of sales also increased by 11.29% to HK$403.38 million (six months ended 30 June 2004: HK$362.46 million), primarily reflecting the increase in fuel oil cost during the period. The Group suffered gross loss of HK$12.29 million (six months ended 30 June 2004: gross profit of HK$7.96 million) resulting from the continuing increase in fuel oil cost, such cost recorded a relatively high growth, and the timing difference in relation to the approval and receiving of additional fuel cost surcharges. With effect from 1 January 2005, there was no more goodwill amortisation as adoption of the new HKAS issued by the HKICPA. Goodwill amortisation for the six months ended 30 June 2004 was HK$15.81 million. As resulting from the increase in fuel oil prices, the Group had to assess the recoverable amount of goodwill of its subsidiary, Shakou JV. Based on this assessment, the carrying amount of the goodwill was written down by HK$94.78 million (six months ended 30 June 2004: Nil). Under these circumstances, the loss from operations increased from previous HK$18.53 million to HK$117.95 million. Coupled with the 14.82% fall of finance costs from previous HK$11.12 million to HK$9.47 million, loss after taxation for the period increased to HK$121.82 million (six months ended 30 June 2004: HK$27.89 million) and loss per share increased to HK$0.141 (six months ended 30 June 2004: HK$0.031).

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Operational Review

Electricity Sales

Foshan Municipality continued to experience electricity growth. Major power plant operators in the locality including Shakou JV were required to operate at maximum capacity during peak demand periods in order to improve the tight supply situation. However, Shakou JV has decided to reduce the generation of electricity in low demand period to balance the effect from increase in fuel oil price. During the period, the Group decreased its electricity sales volume by 8.16 % to approximately 695.81 million kilowatts-hours (“kwh”) (six months ended 30 June 2004: 757.62 million kwh). The average plant utilization rate of Shakou Power Plant has changed from the previous 57.80% to 55.31%. Shakou JV continued its maintenance and repairs programs to ensure optimal condition (for more details, refer to the following paragraph under the heading of “Purchase of Spare Parts and Inspection Services”). During the period, no significant mechanical failure or serious breakdown occurred and safety production at optimal capacity utilization was achieved.

Fuel Oil Prices

During the period, fuel oil prices were continuing to rise to a record high. The weighted average cost of heavy oil consumed by Shakou JV for the period increased by 19.85% (six months ended 30 June 2004: 6%). Shakou JV continued its effort to liaise with the relevant People’s Republic of China parties (“PRC parties”) in respect of securing additional fuel cost surcharges to cover the increase in heavy oil cost.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Operational Review (Continued)

Facility Lease Agreement

On 30 July 2004, Shakou JV and Funeng Power Supply Co., Ltd. ("Funeng JV"), a Sino-foreign equity joint-venture established in the PRC, entered into the Facilities Lease Agreement, pursuant to which Funeng JV agreed to lease from Shakou JV certain assets (including office premises, factory premises, land use rights and auxiliary power generation facilities) for two years commencing from the date of the Facilities Lease Agreement. The consideration is to be satisfied in cash by two annual payments of approximately HK$4.49 million each. As Foshan City District Electric Power Construction Corporation ("Power Construction Corporation"), a wholly-owned subsidiary of Foshan City Electric Power Construction Group Corporation ("Power Group Corporation"), is a substantial shareholder (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules")) of Shakou JV. It is a connected person of the Company within the meaning of the Listing Rules. Funeng JV, being a subsidiary of Power Group Corporation, is an associate (as defined in the Listing Rules) of the Power Construction Corporation by virtue of its being a fellow subsidiary of Power Construction Corporation and thus the entering into of the Facilities Lease Agreement between Shakou JV and Funeng JV constituted a connected transaction of the Company and the transactions arising therefrom constituted continuing connected transactions under Chapter 14A of the Listing Rules. Details of the transaction have already been disclosed by a press announcement dated 2 August 2004.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Financial Review

Liquidity and Financial Resources

As at 30 June 2005, the Group's outstanding cash and cash equivalents increased to HK$156.24 million (31 December 2004: HK$98.26 million). Current ratio (current assets to current liabilities) was 1.55 (31 December 2004: 1.08) and net working capital surplus amounted to HK$94.22 million (31 December 2004: HK$22.41 million). During the period, the Group had net cash inflow from operating activities of HK$73.79 million (six months ended 30 June 2004: HK$37.54 million of net cash outflow). The Group had repaid the current bank loans during the period and then was granted long term bank loans at the same amount for the purpose of maintaining the working capital. There was no change in the Group's outstanding total debts (short term and long term borrowings) and the total debts to total assets ratio was increased to 0.21 (31 December 2004: 0.19) which was mainly due to the impairment loss on goodwill.

Capital Structure

The Group's capital structure comprised a mix of shareholders' fund and long term debts that were endeavored to maximize the value to the Company's shareholders. As at 30 June 2005, the Company's shareholders' equity decreased 8.40% to HK$1.28 billion (31 December 2004: HK$1.39 billion) primarily due to the loss attributable to the shareholders. The total other loans (including their current portions) were unsecured loans due to the Shakou JV's PRC joint-venture partner and its associate. The total bank loans (including their current portion) were secured by the assets of Shakou JV. Gearing ratio, being the aggregate amount of the bank loans and other loans (including their current portion) as a percentage of the total equity, increased to 28.15% (31 December 2004: 26.00%).

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Financial Review (Continued)

Charges on Group Assets

As at 30 June 2005, the banking facilities of Shakou JV were secured by charges over its power generation facilities with an aggregate carrying value of HK$1.08 billion (31 December 2004: HK$1.12 billion). Such banking facilities amount to HK$196.52 million (31 December 2004: 196.52 million), out of which HK$125.40 million (31 December 2004: HK$125.40 million) were drawn down. The bank loan bore interest at rates ranging from 4.941% to 5.184% per annum (31 December 2004: from 4.779% to 4.941% per annum).

Exchange Risk

During the period, the Group's revenue, operating costs, financial costs, debt servicing and capital expenditure were substantially denominated in Renminbi. Therefore, no financial instrument has been used for the purpose of hedging exchange risk.

Contingent Liabilities

Shakou JV had a syndicated loan denominated in US Dollar which was fully repaid on 23 March 1998. Under the loan agreement, Shakou JV is required to bear any PRC tax payable in respect of interest paid to the lenders. By a letter dated 17 March 1998, Shakou JV's former ultimate holding company, Foshan Development Company Limited, agreed to bear any tax liabilities, including penalties. The estimated tax which may be payable is approximately HK$43 million, excluding penalties.

Employees and Remuneration Policy

As at 30 June 2005, the Group had 172 employees (31 December 2004: 203 employees). The remuneration policy for the Group's employees are reviewed and approved by the Broad together with the remuneration committee on a periodical basis. The Group remunerates its employees based on industry practice and performance of individual employees. The Group also offers discretionary bonuses and share options under the Scheme (as defined hereinafter), to eligible employees.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Outlook

It was expected that Foshan Municipality's strong electricity demand would persist in the foreseeable future. Barring unforeseen circumstances, the Company's directors are confident that the Group would achieve overall in turnover growth for the full year. However, fuel oil price would continue to hover at the recent high levels in the short term or medium term and the Group's operating results would still be affected by the increased fuel oil cost caused by international oil price movement. Shakou JV was informed that the relevant PRC parties would keep on to consider granting additional fuel cost surcharges to major oil-fired plants operating in the province to compensate part of the increased fuel cost incurred by them as a result of the rising fuel oil prices. While the Group would continue to strive for overall production efficiency improvement and cost effectiveness enhancement, it would endeavor its best effort to liaise with the relevant PRC parties for additional fuel cost surcharges to offset the adverse impact of the increased fuel oil cost on the Group's operating results.

Purchase of Spare Parts and Inspection Services

Subsequent to 30 June 2005, Shakou JV had placed two purchase orders in respect of spare parts and inspection services in the aggregate amount of approximately HK$66.52 million for the purpose of undertaking a routine major service and maintenance overhaul for the Shakou Power Plant. Upon completion, it is expected that the power generation facilities of the Shakou Power Plant will benefit in the following ways:

1. ability to maintain maximum capacity availability of the power generating facilities at all times, especially during peak load periods;

2. ability to maintain uninterrupted electricity supply to the relevant locality; and

3. avoidance of or reduction in the occurrence of unexpected failures and breakdown.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Risk Assessment

The major operating expense of the Group is fuel oil cost. Due to the continuing rise in the fuel oil prices, such cost recorded a relatively higher growth which caused the Group to suffer gross loss result. The continuing rise in fuel oil prices will be a critical factor to our oil-fired power plant, while its tariff is determined by mutual agreement with the sole customer and subject to approval by Guangdong Provincial Price Bureau.

The Group continued its strategy to reduce the full impact of increased fuel oil cost on its performance by negotiating with the relevant PRC parties of the province and the customer for additional fuel cost surcharges. Barring unforeseen circumstances, the Group believed that such additional fuel cost surcharges would be reasonable for the business in running oil-fired power plant.

In fact, the additional fuel cost surcharges for current year will be received in next year and the amount involved being larger and larger. It will adversely affect the liquidity of the Group. Under the circumstances, the management teams have endeavored their great effort to solve these issues.

Resignation of Director

Mr. CHAN Che Kan, Edward has tendered his resignation as an executive director and deputy managing director of the Company with effect from 15 September 2005. The Board would like to thank Mr. CHAN for his valuable contributions to the Company and the Group.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2005 (six months ended 30 June 2004: Nil).

DISCLOSURE OF TRADE RECEIVABLES PURSUANT TO RULE 13.20 OF THE LISTING RULES

The market capitalization of the Company as at 30 June 2005 amounting to approximately HK$313,795,280 based on the total number of 830,146,244 shares in issue on that date and the average closing price of HK$0.378 per share for the last five business days up to that date. As at 30 June 2005, the trade receivables owed to the Group by the sole customer, Guangdong Power Grid Company, Foshan Power Supply Bureau ("Guangdong Power Grid"), formerly named Guangdong Guang-Dian Power Grid Group Co. Ltd., Foshan Branch, in aggregate amounted to approximately HK$72,668,000, representing approximately 23.16% of the Company's market capitalization on that date. The trade receivables are in sale of electricity and which are interest-free, unsecured and with credit terms of 30 days and with average settle period of approximately 45 days. Guangdong Power Grid, a state owned enterprise incorporated in the PRC, is a third party and not a connected person of the Company (as defined in the Listing Rules) whose principle business is commercial operation of electric power distribution and supply in Foshan Municipality of Guangdong Province the PRC.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS

As at 30 June 2005, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required 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 are taken or deemed to have under such provisions of the SFO); or recorded in the register maintained by the Company pursuant to section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") as contained in the Listing Rules were as follows:

Long positions in shares and underlying shares of the Company:

	Number of Ordinary Shares				
Name of directors	**Personal interests (held as beneficial owner)**	**Corporate interests (interests of controlled corporation)**	**Underlying shares pursuant to share options** *(Note 2)*	**Total interests**	**Approximate percentage of total interests to issued share capital** (%)
HE Haochang	–	6,117,079 *(Note 1)*	4,200,000	10,317,079	1.24
CHAN Che Kan, Edward	205,034	–	3,900,000	4,105,034	0.49
SITU Min	–	–	3,800,000	3,800,000	0.46
LI Feng	–	–	1,500,000	1,500,000	0.18
CHAN Ting Chuen, David	828,000	–	–	828,000	0.10
NG Pui Cheung, Joseph	–	–	828,000	828,000	0.10

Notes:

1. These shares were held by Main Fortune International Limited which is 50% owned by Mr. He Haochang.

2. These interests represent interests of options granted to the directors of the Company under the Scheme to acquire for shares of the Company, further details of which are set out hereinafter.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS (Continued)

Save as disclosed above, none of the directors and chief executive of the Company had any interests or short positions in any shares and underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required 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 are taken or deemed to have under such provisions of the SFO); or recorded in the register maintained by the Company pursuant to section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") dated 22 May 2002 for any eligible employee or director of any member of the Group. Details of the Scheme have been disclosed in the Company's most recent published annual report. As at 30 June 2005, only the following directors had personal interests in the share options to subscribe for the shares of the Company:

Name of Directors/ chief executive	No. of options outstanding as at 1/1/2005	Date of grant	Period during which options exercisable	Exercise Price per share HK$	Market value per share at date of grant of options HK$	No of options outstanding as at 30/6/2005
HE Haochang	4,200,000	30/7/2002	30/1/2003-29/1/2008	0.35	0.33	4,200,000
CHAN Che Kan, Edward	3,900,000	30/7/2002	30/1/2003-29/1/2008	0.35	0.33	3,900,000
SITU Min	3,800,000	30/7/2002	30/1/2003-29/1/2008	0.35	0.33	3,800,000
LI Feng	1,500,000	22/5/2003	22/11/2003-21/11/2008	0.415	0.395	1,500,000
NG Pui Cheung, Joseph*	828,000	25/7/2002	25/1/2003-24/1/2008	0.35	0.345	828,000
Total	14,228,000					14,228,000

* *Independent non-executive director*

SHARE OPTION SCHEME (Continued)

Notes:

1. No share option has been granted during the period.

2. No share option has been exercised, cancelled, or lapsed during the period.

3. The vesting periods of the options are from the date of the options granted until the commencement of the exercise period.

4. Market value is the closing price at date preceding the date of options granted.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

Saved as disclosed above, at no time during the period, none of the directors of the Company or their spouses or children under age of 18, had been granted any right to subscribe for the equity or debenture of the Company or its subsidiaries, or had exercised any such right during the period or was the Company or its subsidiaries to any arrangement to enable the directors of the Company to acquire such rights of the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2005, the interests and short positions of the shareholders (other than a director or chief executive of the Company) in the shares and underlying shares of the Company as recorded in the register which were required to be kept by the Company under Section 336 of SFO were as follows:

Long positions in shares of the Company:

Name	Number of Ordinary Shares				Percentage of issued capital
	Personal interest	Corporate interest	Family interest	Other interest	(%)
Hensil Investments Group Limited	–	315,000,000 *(Note 1)*	–	–	37.95
Foshan Development Company Limited	–	315,000,000 *(Note 1)*	–	–	37.95
YIP Siu Chun	290,196,037 *(Note 2)*	–	–	–	34.96
Oakwood Enterprise Limited	–	–	–	290,196,037 *(Note 2)*	34.96
KWAN Tik Hoi	–	–	290,196,037 *(Note 2)*	–	34.96

Notes:

1. The 315,000,000 shares are held by Hensil Investments Group Limited. By virtue of its interest in Hensil Investments Group Limited, Foshan Development Company Limited is deemed to be interested in the 315,000,000 shares held by Hensil Investments Group Limited.

2. The 290,196,037 shares are held by Madam YIP Siu Chun as beneficial owner. Oakwood Enterprise Limited has given notification in respect of its interest in 290,196,037 shares held by Madam YIP Siu Chun. By virtue of his relationship as the spouse of Madam YIP Siu Chun, Mr KWAN Tik Hoi is deemed to be interested in the 290,196,037 shares held by Madam YIP Siu Chun.

SUBSTANTIAL SHAREHOLDERS' INTERESTS (Continued)

Save as disclosed above, according to the register required to be kept under section 336 of the SFO and so far as was known to the Directors and the chief executive of the Company, the Company had not been notified of any interests or short positions in the shares and underlying shares of the Company.

CODE OF CORPORATE GOVERNANCE PRACTICES

To the knowledge of the Board, the Company has complied throughout the six months ended 30 June 2005 with the Code Provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules except to the Code Provision A.2.1 that, the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Mr. HE Haochang is the Chairman and Managing Director of the Company. The reason of the combined position of the Company's Chairman and Managing Director is that the Group's principal activities are the generation and sale of electricity in Foshan City, Guangdong Province, the PRC. The Chairman familiarizes and has good communication channel with the leaders of the relevant PRC parties. In addition, the Chairman possesses the ability to handle the different corporate cultures between Hong Kong and PRC enterprises. The principle of segregation of duty has been carried out among members of the Board for the purposes of balance of power.

AUDIT COMMITTEE

In accordance with the Listing Rules, the Company has set up an audit committee which comprises three independent non-executive directors. The audit committee is responsible for reviewing the interim and annual reports of the Group and also the internal control system. The audit committee will review and supervise the effectiveness of the internal control systems and financial reporting process of the Group by meeting with the external auditors and the Group's senior management.

REMUNERATION COMMITTEE

In accordance with the Listing Rules, the Company's remuneration committee was established on 31 January 2005 which comprises three independent non-executive directors and the Chairman of the Company. The remuneration committee is responsible for the review of the Company's policies for the remuneration of its directors and senior management and the making of any recommendations in relation to such policies to the board.

THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules. Having made specific enquiry of all the directors of the Company and in accordance with information provided, all the directors have complied with the provisions under the Model Code.

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

During the six months ended 30 June 2005, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares.

By Order of the Board
HE Haochang
Chairman and Managing Director

Hong Kong, 15 September 2005

As at the date of this report, the Board comprises of 7 directors, of whom Mr. HE Haochang, Mr. LAM Siu Hung, Mr. SITU Min, Mr. LI Feng are the executive directors; and Mr. CHAN Ting Chuen, David, Mr. NG Pui Cheung, Joseph and Mr. CHEUNG Kin Piu, Valiant are the independent non-executive directors.