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## TAI SANG LAND DEVELOPMENT LIMITED

### 大生地產發展有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 89)

## ANNOUNCEMENT OF 2008 RESULTS

The Board of Directors of Tai Sang Land Development Limited (the “Company”) announced the consolidated results of the Company and its subsidiary companies (collectively the “Group”) for the year ended 31st December 2008 are as follows:

### CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2008

	<i>Note</i>	<b>2008</b> <i>HK\$'000</i>	<b>2007</b> <i>HK\$'000</i>
Revenues	2	190,870	176,808
Cost of sales	3	<u>(48,010)</u>	<u>(44,452)</u>
Gross profit		142,860	132,356
Fair value (losses)/gains on investment properties		(577,373)	836,174
Other gains, net	4	13,657	77,358
Administrative expenses	3	(70,905)	(64,266)
Other operating expenses	3	<u>(17,749)</u>	<u>(18,462)</u>
Operating (loss)/profit		<u>(509,510)</u>	<u>963,160</u>
Finance income	5	789	690
Finance costs	5	<u>(14,223)</u>	<u>(17,437)</u>
Finance costs, net		<u>(13,434)</u>	<u>(16,747)</u>
(Loss)/profit before income tax		(522,944)	946,413
Income tax credit/(expense)	6	<u>106,794</u>	<u>(171,586)</u>
(Loss)/profit for the year		<u>(416,150)</u>	<u>774,827</u>
Attributable to:			
Equity holders of the Company		(410,190)	757,316
Minority interests		<u>(5,960)</u>	<u>17,511</u>
		<u>(416,150)</u>	<u>774,827</u>
Dividends	7	<u>37,397</u>	<u>86,301</u>
Dividends per share	7		
Interim — paid		HK 8 cents	HK 9 cents
Final — proposed		HK 5 cents	HK11 cents
Special — proposed		—	HK10 cents
Total		<u>HK13 cents</u>	<u>HK30 cents</u>
(Loss)/earnings per share (basic and diluted)	8	<u>HK\$(1.43)</u>	<u>HK\$2.63</u>

**CONSOLIDATED BALANCE SHEET  
AS AT 31ST DECEMBER 2008**

	<i>Note</i>	<b>2008</b> <i>HK\$'000</i>	<b>2007</b> <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		95,256	91,723
Investment properties		2,791,054	3,366,975
Leasehold land		90,263	92,590
Available-for-sale financial assets		67,950	99,376
		<u>3,044,523</u>	<u>3,650,664</u>
Current assets			
Investment properties for sale		—	130,000
Properties for sale		101,790	102,133
Debtors and prepayments	9	23,246	21,175
Current income tax recoverable		208	152
Cash and cash equivalents		29,922	40,707
		<u>155,166</u>	<u>294,167</u>
Current liabilities			
Rental and other deposits		31,440	44,806
Creditors and accruals	10	31,426	43,285
Derivative financial instruments		1,778	—
Current income tax liabilities		31,431	12,699
Short term bank loans — secured		231,000	200,000
Bank overdrafts — secured		1,492	—
Current portion of long term bank loans — secured		1,859	87,222
		<u>330,426</u>	<u>388,012</u>
Net current liabilities		<u>(175,260)</u>	<u>(93,845)</u>
Total assets less current liabilities		<u>2,869,263</u>	<u>3,556,819</u>
Non-current liabilities			
Long term bank loans — secured		(136,696)	(132,135)
Deferred income tax liabilities		(298,773)	(433,098)
		<u>(435,469)</u>	<u>(565,233)</u>
Net assets		<u>2,433,794</u>	<u>2,991,586</u>
Equity			
Capital and reserves attributable to the Company's equity holders			
Share capital		287,670	287,670
Reserves		2,044,929	2,546,623
Proposed dividends		14,383	60,411
		<u>2,346,982</u>	<u>2,894,704</u>
Minority interests		86,812	96,882
Total equity		<u>2,433,794</u>	<u>2,991,586</u>

Notes:

## 1. Basis of preparation and accounting policies

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, available-for-sale financial assets and derivative financial instruments at fair value.

The Group had loss of HK\$416,150,000 for the year ended 31st December 2008. The loss was primarily resulted from the fair value losses on investment properties of HK\$577,373,000 which did not have a direct cash flow impact on the operations of the Group. In addition, the Group had net current liabilities of HK\$175,260,000 as at 31st December 2008. The net current liabilities mainly included a short term bank loan of HK\$200,000,000 which was renewed in December 2008 and was subject to annual renewal.

Based on the Group’s history of refinancing, its available banking facilities and its assets backing, the Directors consider that the Group will be able to obtain sufficient financial resources so as to enable it to operate and meet its liabilities as and when they fall due.

The new amendments and interpretations of HKFRSs, which are effective for the accounting periods beginning on 1st January 2008, were not relevant for the Group.

The HKICPA has issued certain new and revised standards and amendments of HKFRSs which are relevant to the Group and are effective from accounting periods beginning from 1st January 2009:

HKFRS 3 (Revised)	Business Combinations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HKAS 1 (Revised and Amendment)	Presentation of Financial Statements
HKAS 23 (Revised and Amendment)	Borrowing Costs
HKAS 27 (Revised and Amendment)	Consolidated and Separate Financial Statements
HKAS 40 (Amendment)	Investment Property

The Group has not early adopted the above standards and amendments in the consolidated financial statements for the year ended 31st December 2008. The Group made an assessment of the impact of these standards and amendments and it is not expected to have significant financial impact on the Group’s results of operation and financial position except for the changes in disclosures and presentation.

## 2. Revenues and segment information

In accordance with the Group’s internal financial reporting, the Group has determined that business segments are presented as the primary reporting format and geographical segments as the secondary reporting format. The operations of the Group is organised into three main business segments, namely property rental, property sales and property related services, and are located in Hong Kong and North America.

There are no sales between the geographical segments.

An analysis of the Group's revenues and results for the year, assets, liabilities and other segment items by business and geographical segments is as follows:

Primary reporting format - business segments

	<b>2008</b>			
	<b>Property rental</b>	<b>Property sales</b>	<b>Property related services</b>	<b>Group</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenues				
Total revenues	181,688	—	14,012	195,700
Inter-segment revenues	<u>—</u>	<u>—</u>	<u>(4,830)</u>	<u>(4,830)</u>
External revenues	<u>181,688</u>	<u>—</u>	<u>9,182</u>	<u>190,870</u>
Segment results	<u>120,425</u>	<u>(417)</u>	<u>5,103</u>	125,111
Fair value losses on investment properties	(577,373)	—	—	(577,373)
Impairment loss on available-for-sale financial assets				(7,544)
Unallocated income				21,201
Unallocated costs				<u>(70,905)</u>
Operating loss				(509,510)
Finance income				789
Finance costs				<u>(14,223)</u>
Loss before income tax				(522,944)
Income tax credit				<u>106,794</u>
Loss for the year				<u>(416,150)</u>
Segment assets	2,848,794	102,235	1,171	2,952,200
Unallocated assets				<u>247,489</u>
Total assets				<u>3,199,689</u>
Segment liabilities	423,749	300	2,732	426,781
Unallocated liabilities				<u>339,114</u>
Total liabilities				<u>765,895</u>
Other segment items are as follows:				
Capital expenditure				
— segment	3,246	134	—	3,380
— unallocated				17,409
Depreciation and amortisation				
— segment	1,715	361	—	2,076
— unallocated				<u>9,884</u>

	<b>2007</b>			
	<b>Property rental HK\$'000</b>	<b>Property sales HK\$'000</b>	<b>Property related services HK\$'000</b>	<b>Group HK\$'000</b>
Revenues				
Total revenues	168,066	—	13,656	181,722
Inter-segment revenues	<u>—</u>	<u>—</u>	<u>(4,914)</u>	<u>(4,914)</u>
External revenues	<u>168,066</u>	<u>—</u>	<u>8,742</u>	<u>176,808</u>
Segment results	<u>106,965</u>	<u>(427)</u>	<u>7,356</u>	113,894
Fair value gains on investment properties	836,174	—	—	836,174
Unallocated income				77,358
Unallocated costs				<u>(64,266)</u>
Operating profit				963,160
Finance income				690
Finance costs				<u>(17,437)</u>
Profit before income tax				946,413
Income tax expense				<u>(171,586)</u>
Profit for the year				<u>774,827</u>
Segment assets	3,542,316	102,596	1,478	3,646,390
Unallocated assets				<u>298,441</u>
Total assets				<u>3,944,831</u>
Segment liabilities	489,439	611	1,878	491,928
Unallocated liabilities				<u>461,317</u>
Total liabilities				<u>953,245</u>
Other segment items are as follows:				
Capital expenditure				
— segment	252,977	299	—	253,276
— unallocated				2,061
Depreciation and amortisation				
— segment	1,884	426	—	2,310
— unallocated				<u>9,177</u>

Secondary reporting format - geographical segments

	<b>2008</b>			
	<b>Revenues</b> <i>HK\$'000</i>	<b>Segment results</b> <i>HK\$'000</i>	<b>Total assets</b> <i>HK\$'000</i>	<b>Capital expenditure</b> <i>HK\$'000</i>
Hong Kong	145,911	112,624	2,768,797	17,737
North America	<u>44,959</u>	<u>12,487</u>	<u>430,892</u>	<u>3,052</u>
	<u>190,870</u>	<u>125,111</u>	<u>3,199,689</u>	<u>20,789</u>

  

	<b>2007</b>			
	<b>Revenues</b> <i>HK\$'000</i>	<b>Segment results</b> <i>HK\$'000</i>	<b>Total assets</b> <i>HK\$'000</i>	<b>Capital expenditure</b> <i>HK\$'000</i>
Hong Kong	131,456	98,053	3,358,633	252,943
North America	<u>45,352</u>	<u>15,841</u>	<u>586,198</u>	<u>2,394</u>
	<u>176,808</u>	<u>113,894</u>	<u>3,944,831</u>	<u>255,337</u>

3. Cost and expenses by nature

	<b>2008</b> <i>HK\$'000</i>	<b>2007</b> <i>HK\$'000</i>
Cost of sales		
Outgoings in respect of		
— investment properties	32,849	31,230
— properties for sale	5,579	6,694
Others	<u>9,582</u>	<u>6,528</u>
	<u>48,010</u>	<u>44,452</u>
Administrative and other operating expenses		
Amortisation of leasehold land	2,670	3,525
Auditors' remuneration	2,004	1,974
Depreciation	9,290	7,962
Loss on disposal of property, plant and equipment, net	—	419
Operating lease rental for office premises to		
— related companies	1,409	1,143
— third parties	1,060	—
Staff costs	51,694	49,236
Others	<u>20,527</u>	<u>18,469</u>
	<u>88,654</u>	<u>82,728</u>

4. **Other gains, net**

	<b>2008</b> <i>HK\$'000</i>	<b>2007</b> <i>HK\$'000</i>
Dividend income from available-for-sale financial assets		
- listed	1,036	971
- unlisted	10,593	4,800
Gain on disposal of a subsidiary company	—	39,587
Gain on disposal of investment properties	8,850	32,000
Gain on disposal of property, plant and equipment, net	722	—
Impairment loss on available-for-sale financial assets	<u>(7,544)</u>	<u>—</u>
	<u>13,657</u>	<u>77,358</u>

5. **Finance income and costs**

	<b>2008</b> <i>HK\$'000</i>	<b>2007</b> <i>HK\$'000</i>
Finance income		
Interest income from banks	789	690
Finance costs		
Interest expenses on bank loans and overdrafts wholly repayable within five years	(14,223)	(20,083)
Less: amount capitalised in properties under development	<u>—</u>	<u>2,646</u>
	<u>(14,223)</u>	<u>(17,437)</u>
Finance costs, net	<u>(13,434)</u>	<u>(16,747)</u>

## 6. Income tax credit/(expense)

In 2008, the Hong Kong government enacted a change in profits tax rate from 17.5% to 16.5% for fiscal year of 2008/2009. Hong Kong profits tax has been provided at the rate of 16.5% (2007: 17.5%) on the estimated assessable profit for the year. No overseas taxation has been provided as there is no estimated taxable profit of the overseas subsidiary companies for the year (2007: HK\$Nil).

The amount of income tax credited/(charged) to the consolidated income statement represents:

	<b>2008</b> <i>HK\$'000</i>	<b>2007</b> <i>HK\$'000</i>
Current income tax		
— current year provision	(27,828)	(14,711)
— over provision in prior years	<u>297</u>	<u>1,370</u>
	(27,531)	(13,341)
Deferred income tax	<u>134,325</u>	<u>(158,245)</u>
	<u>106,794</u>	<u>(171,586)</u>

## 7. Dividends

	<b>2008</b> <i>HK\$'000</i>	<b>2007</b> <i>HK\$'000</i>
Interim, paid, of HK8 cents (2007: HK9 cents) per ordinary share	23,014	25,890
Final, proposed, of HK5 cents (2007: HK11 cents) per ordinary share	14,383	31,644
Special, proposed, of HK Nil cent (2007: HK10 cents) per ordinary share	<u>—</u>	<u>28,767</u>
	<u>37,397</u>	<u>86,301</u>

At a meeting held on 6th April 2009, the directors proposed a final dividend of HK5 cents per ordinary share. This proposed dividend is not reflected as a dividend payable in the consolidated financial statements, but will be reflected as an appropriation of retained profits for the year ending 31st December 2009 upon the approval by the shareholders.

## 8. (Loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on loss attributable to Company's equity holders of HK\$410,190,000 (2007: profit of HK\$757,316,000) and on 287,669,676 (2007: 287,669,676) ordinary shares in issue during the year.

As there are no dilutive potential ordinary shares as at 31st December 2008 and 2007, the diluted (loss)/ earnings per share is equal to the basic (loss)/earnings per share.

## 9. Debtors and prepayments

	<b>2008</b> <i>HK\$'000</i>	<b>2007</b> <i>HK\$'000</i>
Trade debtors	631	480
Prepayments and deposits	<u>22,615</u>	<u>20,695</u>
	<u>23,246</u>	<u>21,175</u>

The trade debtors represent rental and management fee receivables. Sales are made on open account terms and the Group normally does not grant credit period to trade debtors.

At 31st December 2008, the ageing analysis of the Group's trade debtors was as follows:

	<b>2008</b> <i>HK\$'000</i>	<b>2007</b> <i>HK\$'000</i>
Current	408	321
31-60 days	129	136
61-90 days	16	23
Over 90 days	<u>78</u>	<u>—</u>
	<u>631</u>	<u>480</u>

## 10. Creditors and accruals

	<b>2008</b> <i>HK\$'000</i>	<b>2007</b> <i>HK\$'000</i>
Trade creditors	5,319	3,400
Other creditors	11,565	21,089
Accruals	<u>14,542</u>	<u>18,796</u>
	<u>31,426</u>	<u>43,285</u>

At 31st December 2008, the ageing analysis of the Group's trade creditors was as follows:

	<b>2008</b> <i>HK\$'000</i>	<b>2007</b> <i>HK\$'000</i>
Current	4,257	2,279
31-60 days	213	227
61-90 days	41	86
Over 90 days	<u>808</u>	<u>808</u>
	<u>5,319</u>	<u>3,400</u>

The financial figures in respect of the preliminary announcement of the Group's results for the year ended 31st December 2008 have been agreed by PricewaterhouseCoopers ("PwC") to the amounts set out in the Group's consolidated financial statements for the year. The work performed by PwC in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PwC on the preliminary announcement.

### **PROPOSED FINAL DIVIDEND AND RECORD DATE**

An interim dividend of HK8 cents (2007: HK9 cents) per share were paid to shareholders on 14th October 2008. The directors of the Company have resolved to recommend to shareholders at the Annual General Meeting the payment of a final dividend of HK5 cents (2007: a final dividend of HK11 cents and a special dividend of HK10 cents) per share to the shareholders whose names appear on the register of members of the Company on 18th May 2009 ("Record Date"). The total distribution for the financial year ended 31st December 2008 will be HK13 cents (2007: HK30 cents) per share. The proposed final dividend will be paid on 25th May 2009 following approval at the Annual General Meeting.

### **ANNUAL GENERAL MEETING**

It is proposed that the Annual General Meeting of the Shareholders of the Company will be held on 18th May 2009. Notice of Annual General Meeting will be published on the Stock Exchange's website and the Company's website at [www.tsld.com](http://www.tsld.com) and despatched to the shareholders in due course.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 11th May 2009 to Monday, 18th May 2009, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's registrars, Computershare Hong Kong Investor Services Limited at 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Friday, 8th May 2009.

## **CHAIRMAN'S STATEMENT**

### **Result**

The turnover of the Group for the year was HK\$190.9 million, representing an increase of HK\$14.1 million or 8% as compared with HK\$176.8 million for 2007.

The underlying profit for 2008 was approximately HK\$28.8 million, decreased by HK\$68.5 million as compared to the corresponding figure of HK\$97.3 million for 2007. The drop in the underlying profit was mainly attributable to the significant drop in the gains on disposal of properties in 2008. The disposal gains were HK\$8.9 million for 2008, which were HK\$71.6 million for 2007.

The Group recorded a consolidated loss of HK\$416.2 million for 2008, compared to a consolidated profit of HK\$774.8 million for 2007. The reported loss for the year included the fair value losses on investment properties of HK\$577.4 million and the related deferred income tax written back of HK\$132.4 million. Loss per share for the year was HK\$1.43 (2007: earnings per share of HK\$2.63).

### **Dividend**

The directors have resolved to recommend a final dividend of HK5 cents (2007: a final dividend of HK11 cents and a special dividend of HK10 cents) per ordinary share.

### **Business review**

In Hong Kong, the gross rental income rose by 11.4% or HK\$14.0 million to HK\$136.7 million as compared to last year. There was a significant rise of 16.3% or HK\$8.9 million in gross rental income attributable to godown and warehouse sector, reflecting continuing strong demand for the warehouse space. Occupancy of the Hong Kong rental portfolio maintained at high level for 2008. The renewal rental rate is expected to taper off in the coming year as the demand is weakening.

In the USA, the gross rental income from Montgomery Plaza remained stable at HK\$45.0 million as compared to last year. The office spaces occupancy rate of Montgomery Plaza dropped to 91% at the end of 2008 and the average annual office rent maintained at US\$36.5 per square feet. The loan facilities in the USA were renewed during the year at floating interest rate and the interest expenses for 2008 dropped by HK\$2 million or 20%. The overall vacancy may increase but as the asking rent rate may drop on the current U.S. economic conditions, the rental income from Montgomery Plaza may drop in the coming year.

The global downturn in stock and property market caused the fair value losses in revaluation of the Group's available-for-sale financial assets. There were impairment losses of the Group's available-for-sale financial assets of HK\$7.5 million for the listed or unlisted security investments even though the Group is intended to hold the portfolio for long term.

By the end of 2008, certain subsidiary companies of the Company received offers from the Urban Renewal Authority (the "URA") to purchase properties comprising shop premises, domestic units, the roof and the exteriors of the side walls of Yue Wah Mansion, Nos. 407-431 Kwun Tong Road, Nos. 34-62 Yue Man Square, Kowloon (the "Properties"). The aggregate consideration for the acquisition of the Properties by the URA under the offers amounted to approximately HK\$122.9 million. The subsidiary companies have been in negotiation with the URA and hopefully the matter will be resolved by the second half of 2009.

### **Financial Resources**

During the year, the Group's total bank borrowings decreased by HK\$49.8 million to HK\$369.6 million. The total equity decreased by HK\$557.8 million to HK\$2,433.8 million (2007: HK\$2,991.6 million) and long term bank loans outstanding as at 31st December 2008 amounted to HK\$138.6 million (2007: HK\$219.4 million). The debt to equity ratio was 15.2% (2007: 14.0%).

There were sufficient committed banking facilities available for the Group's current funding needs and future business requirements. The Group's financial position remains healthy. Exposure to foreign exchange risk is kept to a minimum as the bank borrowings are in either Hong Kong or US dollars.

### **Prospects**

The effect of the financial tsunami was worldwide and Hong Kong is of no exception. Luckily, Mainland China provides Hong Kong with a cushion against the global downturn. The China market is believed to remain steady. Given that the Central Government launches a series of stimulative public policies, the economy of Mainland China is expected to grow steadily in this year.

It is hopeful that the proactive policy implemented by the various governments will ease the money and credit markets leading to stabilisation, and business operating environment will recover eventually and global economy will then stabilise.

Barring any unforeseen circumstances, the Group will continue to pursue its prudent policy and maintain stable earnings for the coming year.

In closing, I wish to thank my fellow directors for their valuable guidance and to all staff members for their dedication and hard work.

## MANAGEMENT DISCUSSION AND ANALYSIS

### (a) Capital structure of the Group

The capital structure of the Group had not changed materially from the last annual report. The Group borrowings are primarily denominated in Hong Kong and United States dollars. The Group therefore has no significant exposure to foreign exchange fluctuation.

The maturity of the Group's long term bank loans is as follows:

	<b>2008</b>	<b>2007</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
— within one year	1,859	87,222
— in the second year	1,859	2,835
— in the third to fifth years inclusive	<u>134,837</u>	<u>129,300</u>
	<u>138,555</u>	<u>219,357</u>

The Group's bank borrowings of HK\$371.0 million (2007: HK\$419.4 million) are secured by certain properties with an aggregate carrying amount of HK\$1,575.2 million (2007: HK\$1,407.9 million) and the rental income thereon.

### (b) Significant investment held and their performance and future prospects

The Group holds 12% equity interest in The Yangtze Ventures Limited and The Yangtze Ventures II Limited (collectively "Yangtze"). The fair value of the Group's equity interest in Yangtze as at 31st December 2008 dropped to HK\$17 million as compared to the fair value of HK\$58 million as at 31st December 2007. The drop in valuation of Yangtze partly reflected a drop in valuation of its portfolio of listed investment in CIG Yangtze Ports PLC and Walcom Group, and also reflecting the distribution of the dividend during the year in the sum of approximately HK\$10.6 million.

The accumulated dividend received from Yangtze up to 31st December 2008 was HK\$51.4 million together with the fair value of Yangtze of HK\$17 million yielding a return of 3 times over the cost of investment.

During the year 2008, the Group made an additional investment in a new venture fund, The Yangtze China Investment Limited (“YCIL”), of HK\$23.4 million, acquiring 11.8% of the cornerstone shares of YCIL. The fair value of YCIL dropped by 8.5% amid the global downturn in the stock market.

**(c) Details of number and remuneration of employees**

Including the Directors of the Group as at 31st December 2008, the Group employed a total of 148 full-time employees. In addition to salary payment, other benefits include discretionary bonus, insurance, medical schemes and mandatory provident fund schemes.

**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 issued shares during the year.

**CORPORATE GOVERNANCE**

During the year ended 31st December 2008, the Company complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Board of the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Listing Rules and all Directors have confirmed that throughout 2008, they have complied with the provision of such Model Code.

**AUDIT COMMITTEE’S REVIEW**

The Audit Committee has reviewed, in the presence of the external auditor, PwC, the Group’s principal accounting policies and the consolidated financial statements for the year ended 31st December 2008.

## **ANNUAL REPORT**

The 2008 Annual Report containing all the information required by the Listing Rules will be published on the Stock Exchange's website and the Company's website at [www.tsld.com](http://www.tsld.com).

By Order of the Board  
**William Ma Ching Wai**  
*Chairman*

Hong Kong, 6th April 2009

### **Registrar and Transfer office**

Computershare Hong Kong Investor Services Limited  
17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong

*As at the date of this announcement, the Board comprised of eleven directors, of which Mr. Ma Ching Wai, William, Mr. Ma Ching Hang, Patrick, Mr. Ma Ching Kuen, Alfred, Ms. Ma Ching Sau, Amy, Ms. Ma Ching Man, Katy, Ms. Ma Ching Keung, Ruth and Mr. Ma Ching Yeung, Philip are executive directors, Mr. Cheung Wing Yui, Edward is a non-executive director, and Mr. Chau Kwok Fun, Kevin, Mr. Tan Soo Kiu and Mr. Wong Hing Kwok, William are independent non-executive directors.*