



澳門祥泰地產集團有限公司*

MACAU PRIME PROPERTIES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 199)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2006

The board of directors (the “Board”) of Macau Prime Properties Holdings Limited (the “Company”) is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30th September, 2006, together with the comparative figures for the corresponding period in 2005.

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2006

		Six months ended	
		30.9.2006	30.9.2005
		(unaudited)	(unaudited)
		HK\$'000	HK\$'000
Turnover	3	201,199	426,380
Cost of sales		(133,001)	(370,651)
Gross profit		68,198	55,729
Other income		50,667	6,830
Distribution costs		(40,422)	(33,043)
Administrative expenses		(48,228)	(20,403)
Decrease in fair value of investments held-for-trading		(5,887)	(5,114)
Compensation for cancellation of call options for acquisition of additional interest in an associate		32,154	–
Impairment loss recognised in respect of goodwill arising from acquisition of subsidiaries		–	(11,000)
Share of results of associates		(4,823)	–
Finance costs	4	(42,109)	(9,940)
Profit (loss) before taxation	5	9,550	(16,941)
Taxation	6	(2,014)	(819)
Profit (loss) for the period		7,536	(17,760)
Attributable to:			
Equity holders of the Company		12,440	(17,760)
Minority interests		(4,904)	–
Profit (loss) for the period		7,536	(17,760)
		HK cents	HK cents
Earnings (loss) per share			
– Basic	7	0.6	(4.4)
– Diluted		N/A	N/A

* For identification purpose only

CONDENSED CONSOLIDATED BALANCE SHEET
AT 30TH SEPTEMBER, 2006

	<i>Notes</i>	30.9.2006 (unaudited) HK\$'000	31.3.2006 (audited) HK\$'000
Non-current assets			
Property, plant and equipment		261,396	38,627
Prepaid lease payments of leasehold land		101,169	1,375
Premium on prepaid lease payments of leasehold land		133,062	–
Intangible assets		2,605	2,986
Interests in associates		–	–
Loan and interest due from an associate		906,240	–
Other loans receivable		4,635	4,635
Deposits paid on acquisition of property, plant and equipment		1,815	–
Deposits and expenses paid for acquisition of subsidiaries and associates		–	253,964
Goodwill		14,817	–
Deferred tax assets		1,520	–
		<u>1,427,259</u>	<u>301,587</u>
Current assets			
Inventories		89,090	70,859
Properties held for sale		58,730	58,536
Investments held-for-trading		31,914	9,043
Debtors, deposits and prepayments	8	203,066	193,365
Other loans receivable		314,013	59,314
Prepaid lease payments of leasehold land		2,419	30
Pledged bank deposits		23,000	3,000
Bank balances and cash		1,195,610	705,480
		<u>1,917,842</u>	<u>1,099,627</u>
Current liabilities			
Creditors and accrued charges	9	135,027	70,237
Tax payable		12,538	1,273
Obligations under finance leases – due within one year		23	143
Convertible note payables		2,958	221
Bank borrowings – due within one year		95,591	45,170
Bank overdraft		645	–
Unsecured other borrowings		39,425	–
		<u>286,207</u>	<u>117,044</u>
Net current assets		<u>1,631,635</u>	<u>982,583</u>
Total assets less current liabilities		<u>3,058,894</u>	<u>1,284,170</u>
Non-current liabilities			
Obligations under finance leases – due after one year		84	96
Convertible note payables		1,313,473	838,241
Bank borrowings – due after one year		13,793	–
Deferred tax liabilities		33,331	–
		<u>1,360,681</u>	<u>838,337</u>
		<u>1,698,213</u>	<u>445,833</u>
Capital and reserves			
Share capital		23,123	6,314
Reserves		1,518,880	438,703
		<u>1,542,003</u>	<u>445,017</u>
Equity attributable to equity holders of the Company		1,542,003	445,017
Minority interests		156,210	816
		<u>1,698,213</u>	<u>445,833</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2006

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st March, 2006 except as described below.

In the current period, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards ("HKFRS(s)", amendments to Hong Kong Accounting Standards ("HKAS (Amendments)"), Amendments and Interpretations ("HK(IFRIC) – INT(s)") (hereinafter collectively referred to as "new HKFRSs") issued by the HKICPA that are effective for the accounting periods beginning on or after 1st December, 2005 or 1st January, 2006 or 1st March, 2006. The adoption of the new HKFRSs had no material effect on how the results for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new standard, amendment and interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these standard, amendment or interpretations will have no material impact on the financial information of the Group.

HKAS 1 (Amendment)	Capital Disclosures ¹
HKFRS 7	Financial Instruments: Disclosures ¹
HK(IFRIC) – INT 8	Scope of HKFRS 2 ²
HK(IFRIC) – INT 9	Reassessment of Embedded Derivatives ³
HK(IFRIC) – INT 10	Interim Financial Reporting and Impairment ⁴

¹ Effective for annual periods beginning on or after 1st January, 2007

² Effective for annual periods beginning on or after 1st May, 2006

³ Effective for annual periods beginning on or after 1st June, 2006

⁴ Effective for annual periods beginning on or after 1st November, 2006

3. SEGMENT INFORMATION

For management purposes, the Group is currently organised into five (2005: four) operating divisions – property development and investment, manufacturing and trading of medicine and health food, operation of golf resort and hotel, securities investment and trading of motorcycles. These divisions are the bases on which the Group reports its primary segment information.

Six months ended 30th September, 2006

	Property HK\$'000	Medicine and health food HK\$'000	Golf resort and hotel HK\$'000	Securities investment HK\$'000	Motorcycles HK\$'000	Consolidated HK\$'000
TURNOVER	2,117	167,039	11,961	13,691	6,391	201,199
SEGMENT RESULTS	(4,470)	1,533	(1,325)	(5,392)	197	(9,457)
Unallocated corporate income						49,947
Unallocated corporate expenses						(16,162)
Compensation for cancellation of call options for acquisition of additional interest in an associate						32,154
Share of results of associates	(4,823)	–	–	–	–	(4,823)
Finance costs						(42,109)
Profit before taxation						9,550
Taxation						(2,014)
Profit for the period						7,536

Six months ended 30th September, 2005

	Property HK\$'000	Medicine and health food HK\$'000	Securities investment HK\$'000	Motorcycles HK\$'000	Consolidated HK\$'000
TURNOVER	–	138,427	282,406	5,547	426,380
SEGMENT RESULTS	259	5,878	(1,190)	186	5,133
Unallocated corporate income					5,313
Unallocated corporate expenses					(6,447)
Impairment loss recognised in respect of goodwill arising from acquisition of subsidiaries	–	(11,000)	–	–	(11,000)
Finance costs					(9,940)
Loss before taxation					(16,941)
Taxation					(819)
Loss for the period					(17,760)

4. FINANCE COSTS

	Six months ended	
	30.9.2006	30.9.2005
	HK\$'000	HK\$'000
Interest on:		
Bank and other borrowings wholly repayable within five years	4,752	1,555
Promissory notes	–	210
Finance leases	5	–
Convertible notes	37,352	8,175
	<u>42,109</u>	<u>9,940</u>

5. PROFIT (LOSS) BEFORE TAXATION

	Six months ended	
	30.9.2006	30.9.2005
	HK\$'000	HK\$'000
Profit (loss) before taxation has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	8,462	4,923
Amortisation of prepaid lease payments	725	15
Amortisation of intangible assets included in administrative expenses	1,033	29
Share-based payment transactions	1,517	–
(Gain) loss on disposal of property, plant and equipment	(15)	260
Interest income	(49,947)	(5,314)
Net realised gains on investments held-for-trading:		
Proceeds on sales of investments (included in turnover)	(13,691)	(282,406)
Less: Cost of sales (included in cost of sales)	13,180	278,407
	<u>(511)</u>	<u>(3,999)</u>

6. TAXATION

	Six months ended	
	30.9.2006	30.9.2005
	HK\$'000	HK\$'000
Current tax:		
Hong Kong Profits Tax	33	–
Taxation in other jurisdictions	1,058	819
	<u>1,091</u>	<u>819</u>
Deferred tax	923	–
	<u>2,014</u>	<u>819</u>

Hong Kong Profits Tax is calculated at 17.5% of the estimated assessable profits for both periods.

Taxation arising in other jurisdictions is calculated at rates prevailing in the relevant jurisdictions.

7. EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share attributable to the ordinary equity holders of the Company is based on the following data:

	Six months ended	
	30.9.2006	30.9.2005
	HK\$'000	HK\$'000
Earnings:		
Profit (loss) for the period attributable to the equity holders of the Company	12,440	(17,760)
	<u>12,440</u>	<u>(17,760)</u>
	30.9.2006	30.9.2005
Weighted average number of ordinary shares for the purposes of basic earnings (loss) per share	1,932,681,786	403,150,067

No diluted earnings (loss) per share has been presented because the exercise of the share options and the conversion of convertible notes would result in an increase in earnings per share or a decrease in loss per share.

8. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade receivables of approximately HK\$37,253,000 (31st March, 2006: HK\$21,374,000).

The following is an aged analysis of trade debtors at the reporting date:

	30.9.2006	31.3.2006
	HK\$'000	HK\$'000
0 – 60 days	22,631	19,309
61 – 90 days	551	528
91 – 180 days	1,459	1,537
181 – 365 days	2,441	–
Over 365 days	10,171	–
	<u>37,253</u>	<u>21,374</u>

9. CREDITORS AND ACCRUED CHARGES

Included in creditors and accrued charges are trade payables of approximately HK\$69,520,000 (31st March, 2006: HK\$51,963,000).

The following is an aged analysis of trade creditors at the reporting date:

	30.9.2006 HK\$'000	31.3.2006 HK\$'000
0 – 60 days	42,831	22,496
61 – 90 days	14,288	21,329
Over 90 days	12,401	8,138
	<u>69,520</u>	<u>51,963</u>

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend in respect of the six months ended 30th September, 2006 (six months ended 30th September, 2005: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group's turnover for the six months ended 30th September, 2006 was decreased to approximately HK\$201.2 million, as compared to the comparative period of HK\$426.4 million since there were less securities investment activities transacted during the current period.

As a result of the fund raising exercises during the period, interest income from the surplus cash increased considerably. In addition, as a condition for the acquisition of Orient Town Limited ("Orient Town", together with its subsidiaries "Orient Town Group"), the Group has advanced a shareholder's loan of HK\$885 million to Orient Town on which interest is charged at prime rate. Interest income, as included in other income, increased significantly to HK\$49.9 million for the current period from HK\$5.3 million for the comparative period.

The acquisition of Everight Investment Limited ("Everight", together with its subsidiaries "Everight Group") was completed in early June 2006 and hence its financial results had been consolidated by the Group since then. As a result, there were overall increases in all expense items. Due to the additional issue of convertible notes, the related interest expenses, which are calculated with reference to the effective interest rate, increased to HK\$37.4 million for the current period as compared with same period of last year of HK\$8.2 million. These increases in expenses were compensated by the gain on cancellation of 5% option for acquisition of additional interest in Orient Town of HK\$32.2 million. The Group achieved a profit of HK\$7.5 million for the six months ended 30th September, 2006 as compared to a loss of HK\$17.8 million for the comparative period.

Properties, Golf and Resort

Orient Town Group

In June 2006, the Group acquired 40% of the issued share capital of Orient Town at their nominal value of HK\$280, which principal asset is its indirect interest in 14 parcels of leased land in Estrada de Seac Pai Van, Macau ("Concordia Land Development"). In addition, the Group advanced a shareholder's loan of HK\$885 million to Orient Town in order to partially finance its indirect investment in the land. The acquisition enables the Group to diversify into the property market in Macau and to have a significant interest in a quality residential development project of total gross floor area of approximately 797,100 m². Orient Town becomes an associated company of the Group after the acquisition.

Everight Group

In June 2006, the Group also acquired the entire equity interest in, and certain loan owed to the vendors by, Everight for an aggregate consideration of HK\$140 million, which was satisfied as to HK\$80 million by cash and HK\$60 million by issue of convertible notes. Everight is, through its non wholly-owned subsidiaries, principally engaged in operation of golf club, hotel, resorts and development and management of luxurious residential properties in Lotus Hill, Panyu, Guangdong and Yalong Bay, Sanya, Hainan.

Summer is traditionally the low season for golf resort. Since acquisition by the Group in June 2006, turnover of Everight Group up to 30th September, 2006 was HK\$12 million with a slight segmental loss of HK\$1.3 million.

Others

There were 24 residential units and 1 commercial unit at Talon Tower on Connaught Road West remained unsold as at 30th September, 2006.

Securities Investment

During the six months ended 30th September, 2006, turnover in securities investment was HK\$13.7 million with a net segmental loss of HK\$5.4 million. At the period end, the Group had investments held-for-trading in an aggregate sum of HK\$31.9 million, all of which were shares listed in Hong Kong.

Manufacture and Trading of Medicine and Health Food

The segmental turnover for the period was HK\$167 million, representing an increase of 21% as compared to the comparative period. However, due to keen competition among competitors, the profit margin was decreasing and the segmental profit was reduced to HK\$1.5 million as compared to HK\$5.9 million for the comparative period.

Financial Review

A total amount of HK\$1,060 million convertible notes was issued during the period under review. On 8th June, 2006, HK\$60 million zero coupon convertible notes at an initial conversion price of HK\$0.44 per share due on 11th August, 2010 was issued as part of the consideration for acquisition of Everight Group. On 15th June, 2006, the Company had further issued 5-year 1% convertible notes in an aggregate principal amount of HK\$1,000 million, with an initial conversion price of HK\$0.7 per share and repayable before the fifth anniversary from

the issue date. These newly-issued HK\$60 million and HK\$1,000 million convertible notes, unless they are previously converted, redeemed or purchased and cancelled prior to their maturity, will be redeemed at 108.3% and 110% of their principal amounts respectively.

During the period, convertible notes in an aggregate principal amount of HK\$394 million were converted into approximately 895.3 million shares of the Company and the outstanding principal amount of the convertible notes as at 30th September, 2006 was approximately HK\$1,642.1 million.

To further strengthen the Group's resources for expanding its activities in property investment, the Company had also placed 833,332,000 new ordinary shares at HK\$0.6 per share to raise approximately HK\$500 million (before expenses) in June 2006. Mainly due to the placement of new ordinary shares, issuance of new convertible notes and conversion of convertible notes, the net asset value of the Group attributable to its shareholders was increased by 247% from HK\$445 million as at 31st March, 2006 to HK\$1,542 million as at 30th September, 2006.

The Group adopts a prudent funding and treasury policy with regard to its overall business operations. In addition to the above convertible note payables, a variety of credit facilities is maintained so as to meet its working capital requirements of the Group.

As at 30th September, 2006, total bank borrowings amounted to HK\$110 million, of which HK\$13.8 million was repayable after one year. Increase in the bank borrowings was due to the consolidation of Everight Group as at 30th September, 2006. The net gearing ratio of the Group, calculated with reference to the bank and other borrowings of HK\$149.5 million and the fair value of the debt component of convertible note payables of HK\$1,316.4 million, offsetting with the pledged bank deposits and the bank and cash balances of HK\$1,218.6 million, and the Group's shareholders' funds of HK\$1,542 million, was 0.16 as at 30th September, 2006.

All the bank borrowings were interest-bearing at prevailing market interest rate. The management believes that interest rate remains stable in the capital market and therefore no hedge is to be made against interest rate fluctuation. Most of the assets and liabilities of the Group were denominated in Hong Kong dollars, and hence the Board considers that the Group was not subject to any material exchange rate exposure.

CORPORATE DEVELOPMENTS

In addition to the acquisitions of interests in Everight Group and Orient Town Group as mentioned in the previous paragraphs headed "Properties, Golf and Resort" as well as the issue of convertible notes and placing of shares as mentioned in the previous paragraphs headed "Financial Review", there were the following significant corporate developments from the beginning of the period under review:

On 23rd May, 2006, the name of the Company has been changed from Cheung Tai Hong Holdings Limited to Macau Prime Properties Holdings Limited so as to signify the Group's business strategy and focus.

On 19th June, 2006, the Group has granted consent for the partial cancellation of call option to purchase additional 5% shareholding in Orient Town for a compensation receivable of approximately HK\$32.2 million.

On 6th October, 2006, the Group has entered into an agreement which enables the Group to acquire effectively 20% interest in Grand Waldo Hotel of Macau which completion is expected in January 2007.

On 28th November, 2006, the Group has entered into a memorandum of understanding to acquire an additional 8.7% interest in Empresa De Fomento Industrial E Comercial Concórdia, S.A. ("Concordia"), upon which completion the Group's effective interest in Concordia will increase from 23.8% to 32.5%.

On 11th December, 2006, the Group has entered into a sale and purchase agreement for acquiring 44 residential units in a residential/office/commercial complex in Macau which completion is expected before end of April 2007.

OUTLOOK

Momentum of the economy of Macau is expected to continue in the years ahead. Booming development in gaming and tourism industries enables Macau to become a top leisure and entertainment destination in the region. Overall investment and business environment is improving, as exemplified by the influx of investors and expatriates. Macau citizens are enjoying enviable increases in their household income which accelerates their demand for better living condition. As a result, the Macau property market has been strong in all sectors, including residential, shops office and hotels.

Concordia Land Development is one of the largest residential project developments with full amenities in Macau, which completion is planned into four phases with the pre-sale of the first phase scheduled around mid-2007 in order to capture the existing upbeat demand. Being superiorly located at the south end of Cotai Strip, which is designated by the Government of Macau as the core district for hotel, leisure and entertainment developments, Concordia Land Development enjoys a magnificent view of all the developments in, and shares the infrastructure facilities of, Cotai Strip. It is expected that the sale of this development will be well received by both local residents and foreign investors. As recently announced, the Group will increase its effective equity interest in Concordia Land Development from 23.8% to 32.5% and become the largest single shareholder so as to maximise its share of return.

The Group is also acquiring an effective 20% in Grand Waldo Hotel which is the first leisure and entertainment hotel complex opened in the Cotai Strip. As a condition of the relevant acquisition, this property will be leased to a joint-venture partner earning rental income at a return on investment of approximately 8% per annum. The Group will also participate in the development of a parcel of land adjacent to this property but no definite use has been decided yet. In addition, the Group is in the process of acquiring 44 residential units at Zhu Kuan Mansion which is superbly located next to the Macau Cultural Centre and at the back of "Venetian Macau" (Sands). These units are intended to be held for rental purpose after refurbishment. Apart from generating a steady rental income stream, both of the properties may contribute good capital appreciation because of their relatively low acquisition costs.

The property development of Everight Group is progressing well as planned. Approval for the development of luxurious residential properties within the Lotus Hill Golf Resort in Guangzhou of gross floor area of about 23,000 m² has been obtained. Construction work has been commenced which completion is expected in mid-2007. In addition, development plan of the resort-type bungalow hotels within the Sun Valley Golf Resort in Sanya in aggregate of about 60 units has been submitted to the relevant government authorities and construction work is expected to commence shortly with target completion by end of 2007. The Group is also planning further property development within the golf resorts so as to boost the return to the Group.

The contribution from the golf business is expected to improve since the second half year is traditionally the high season and the club house of Sun Valley Golf Resort opened in early December 2006.

The Group is actively and cautiously looking for further investment opportunities in Macau and surrounding area, with a view to expanding its investments in quality properties. Barring unforeseeable circumstances, we are optimistic about the Group's future prospects to take advantage of the excellent opportunities ahead.

NUMBER OF EMPLOYEES, REMUNERATION POLICIES AND SHARE OPTION SCHEME

As at 30th September, 2006, the number of employees was 1,861 (31st March, 2006: 583). Employees are remunerated according to their qualifications and experience, job nature and performance, under the pay scales aligned with market conditions. Other benefits to employees include medical, insurance cover and retirement schemes. During the period, the Company had granted share options to certain directors and senior management of the Company pursuant to the terms and conditions of the share option scheme adopted by the Company on 26th August, 2002.

PLEDGE OF ASSETS

As at 30th September, 2006, the Group's property held for sale in an aggregate value of approximately HK\$58.5 million, bank balances of HK\$23 million, prepaid lease payments of HK\$67 million and certain property, plant and equipment of a subsidiary of the Company of approximately HK\$21.2 million had been pledged to banks and financial institutions to secure general credit facilities granted to the Group.

CONTINGENT LIABILITIES

As at 30th September, 2006, the Group had contingent liabilities in respect of a tax indemnity given upon disposal of a subsidiary at HK\$60 million.

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

During the period, the Company had repurchased a total of 47,795,000 ordinary shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate price of HK\$20,041,500. The highest and lowest price per share paid for such repurchases were HK\$0.465 and HK\$0.345 respectively. All these shares were cancelled upon repurchase. Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30th September, 2006.

SECURITIES IN ISSUE

During the period, the Company had issued 895,340,902 ordinary shares upon conversion of convertible notes at the conversion price of HK\$0.44 per share. In addition, the Company had placed 833,332,000 new ordinary shares at HK\$0.6 per share.

As at 30th September, 2006, there were 2,312,314,541 ordinary shares in issue and outstanding share options of 31,300,000 shares with an exercise price of HK\$0.5 per share. Save as disclosed above, there was no movement in the issued share capital during the period.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee"), with specific written terms of reference in line with the code provisions of the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), currently comprises three independent non-executive directors, namely Mr. Wong Chi Keung, Alvin (chairman of the Audit Committee), Mr. Kwok Ka Lap, Alva and Mr. Chui Sai Cheong.

The Audit Committee has reviewed with the management and the Company's auditors the accounting principles and practices adopted by the Group and discussed auditing, financial reporting process and internal control matters including a review of the unaudited interim financial report for the six months ended 30th September, 2006.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has, throughout the period ended 30th September, 2006, complied with the code provisions of the Code, except for the following derivation from code provision A.4.2 of the Code:

Under code provision A.4.2 of the Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. At the annual general meeting of the Company held on 8th September, 2006, retirement of directors by rotation was governed by the previous by-laws of the Company which stipulate, inter alia, that one-third of the directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not greater than one-third) shall retire from office by rotation provided that notwithstanding anything therein, the Chairman of the Board and/or the Managing Director of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken

into account in determining the number of directors to retire in each year. In order to comply with code provision A.4.2, relevant amendments to the bye-laws of the Company (the "Bye-laws") were proposed and approved by the shareholders at the same annual general meeting of the Company, pursuant to which every director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

During the period, all non-executive directors of the Company have confirmed that they are appointed for a fixed term of office in accordance with the requirement of code provision A.4.2 of the Code, subject to the Bye-laws.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the directors. Specific enquiry has been made with all directors of the Company and the directors have confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30th September, 2006.

PUBLICATION OF RESULTS ON THE WEBSITE OF THE STOCK EXCHANGE

The interim results of the Group for the six months ended 30th September, 2006 containing all the information required by paragraph 46 of Appendix 16 to the Listing Rules will be published on the website of the Stock Exchange in due course.

GENERAL

As at the date of this announcement, the directors of the Company are as follows:

Executive Directors:

Mr. Cheung Hon Kit (*Chairman*)
Mr. Chan Fut Yan (*Managing Director*)
Mr. Wong Kam Cheong, Stanley (*Deputy Managing Director*)
Mr. Cheung Chi Kit
Mr. Lai Tsan Tung, David

Non-executive Directors:

Mr. Ho Hau Chong, Norman (*Deputy Chairman*)
Mr. Lo Lin Shing, Simon

Independent Non-executive Directors:

Mr. Wong Chi Keung, Alvin
Mr. Kwok Ka Lap, Alva
Mr. Chui Sai Cheong

On behalf of the Board
Macau Prime Properties Holdings Limited
Cheung Hon Kit
Chairman

Hong Kong, 19th December, 2006

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