

CODE ON CORPORATE GOVERNANCE PRACTICES

During the financial period under review, all 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”) were met by the Company, except in respect of one code provision providing for the roles of chairman and chief executive officer to be performed by different individuals. The deviation is deemed appropriate as it is considered to be more efficient to have one single person to be the Chairman of the Company as well as to discharge the executive functions of a chief executive officer. The Board of Directors believes that the balance of power and authority is adequately ensured by the operations of the Board which comprises experienced and high calibre individuals, a substantial proportion thereof being Independent Non-executive Directors.

MODEL CODE FOR DIRECTORS’ DEALING IN SECURITIES

The Company has adopted a code of conduct regarding directors’ securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) in Appendix 10 of the Listing Rules. The Company has made specific enquiry of all Directors and all the Directors have complied with the required standard set out in the Model Code and the code of conduct adopted by the Company regarding directors’ securities transactions during the period under review.

DIRECTORS’ INTERESTS IN SHARES

At 30 June 2011, Directors of the Company had the following beneficial interests, all being long positions, in the share capitals of the Company, and of two subsidiaries of the Company, namely, The Wharf (Holdings) Limited (“Wharf”) and i-CABLE Communications Limited (“i-CABLE”), and the percentages which the relevant shares represented to the issued share capitals of the three companies respectively are also set out below:

	No. of Ordinary Shares (percentage of issued capital)	Nature of Interest
The Company		
Peter K C Woo	1,204,934,330 (59.3023%)	Personal Interest in 8,847,510 shares, Corporate Interest in 200,865,142 shares and Other Interest in 995,221,678 shares
Stephen T H Ng	300,000 (0.0148%)	Personal Interest
B M Chang	8,629,575 (0.4247%)	Corporate Interest
Wharf		
Stephen T H Ng	804,445 (0.0266%)	Personal Interest
Kenneth W S Ting	9,600 (0.0003%)	Personal Interest
i-CABLE		
Stephen T H Ng	1,265,005 (0.0629%)	Personal Interest

Notes:

- (1) *The 995,221,678 shares of the Company stated above as “Other Interest” against the name of Mr Peter K C Woo represented an interest comprised in certain trust properties in which Mr Woo was taken, under certain provisions in Part XV of the Securities and Futures Ordinance (the “SFO”) which are applicable to a director or chief executive of a listed company, to be interested.*
- (2) *The shareholdings classified as “Corporate Interest” in which the Directors concerned were taken to be interested as stated above were interests of corporations at respective general meetings of which the relevant Directors were respectively either entitled to exercise (or taken under Part XV of the SFO to be able to exercise) or control the exercise of one-third or more of the voting power in general meetings of such corporations.*
- (3) *The shareholding interests stated above as “Personal Interest” and “Corporate Interest” against the name of Mr Peter K C Woo totalling 209,712,652 shares of the Company represented the same block of shares as that of the shareholding interest of Mrs Bessie P Y Woo stated under the section headed “Substantial Shareholders’ Interests” below.*
- (4) *The 995,221,678 shares of the Company as referred to under Note (1) above are entirely duplicated or included in the shareholding interest of HSBC Trustee (Guernsey) Limited stated under the section headed “Substantial Shareholders’ Interests” below.*

Except as disclosed above, as recorded in the register kept by the Company under section 352 of the SFO in respect of information required to be notified to the Company and the Stock Exchange by the Directors and/or Chief Executive of the Company pursuant to the SFO or to the Model Code, there were no interests, both long and short positions, held as at 30 June 2011 by any of the Directors or Chief Executive of the Company in shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), nor had there been any rights to subscribe for any shares, underlying shares or debentures of the Company held by any of them at any time during the financial period.

SUBSTANTIAL SHAREHOLDERS’ INTERESTS

Given below are the names of all parties, other than person(s) who is/are Director(s) of the Company, who/which were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital of the Company as at 30 June 2011, the respective relevant numbers of shares in which they were, and/or were deemed to be, interested as at that date as recorded in the register kept by the Company under section 336 of the SFO (the “Register”) and the percentages which the shares represented to the issued share capital of the Company:

Names	No. of Ordinary Shares (percentage of issued capital)
(i) Mrs Bessie P Y Woo	209,712,652 (10.32%)
(ii) HSBC Trustee (Guernsey) Limited	1,095,300,362 (53.91%)

Note: Duplication occurred in respect of the shareholding interests under (i) and (ii) above, as set out in Notes (3) and (4) under the section headed “Directors’ Interests in Shares” above.

All the interests stated above represented long positions and as at 30 June 2011, there were no short position interests recorded in the Register.

CHANGES OF INFORMATION OF DIRECTORS

Given below is the latest information regarding annual emoluments, calculated on an annualised basis, of all those Directors of the Company for whom there have been changes of amounts of emoluments since the publication of the last annual report of the Company:

Directors	#Salary and various allowances HK\$'000	##Discretionary annual bonus in cash HK\$'000
Peter K C Woo	16,423 (2010: 15,906)	18,000 (2010: 16,000)
Stephen T H Ng	5,604 (2010: 4,646)	10,000 (2010: 9,000)
Paul Y C Tsui	3,089 (2010: 2,967)	4,500 (2010: 3,500)
Ricky K Y Wong	3,201 (2010: 2,967)	3,000 (2010: 2,000)

Not including the Chairman's fee of HK\$75,000 per annum to Mr Peter K C Woo and the Director's fee of HK\$60,000 per annum to each of the other Directors of the Company payable by the Company.

Paid during the six-month period ended 30 June 2011, with the amounts of such discretionary annual bonuses fixed/decided unilaterally by the employers.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the financial period under review.

BOOK CLOSURE

The Register of Members will be closed from Tuesday, 20 September 2011 to Thursday, 22 September 2011, both days inclusive, during which period no share transfers can be registered. In order to qualify for the abovementioned interim dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Registrars, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 19 September 2011.

By Order of the Board
Wilson W S Chan
Company Secretary

Hong Kong, 25 August 2011

As at the date of this interim report, the Board of Directors of the Company comprises Mr Peter K C Woo, Mr Stephen T H Ng, Mr Paul Y C Tsui and Mr Ricky K Y Wong, together with five Independent Non-executive Directors, namely, Mr Alexander S K Au, Mr B M Chang, Mr Herald L F Lau, Mr Kenneth W S Ting and Mr Glenn S Yee.

Notwithstanding any choice of language or means for the receipt of corporate communications (viz. annual report, interim report, etc.) previously made by Shareholder(s) and communicated to the Company, Shareholder(s) is/are given the option (which may be exercised at any time by giving reasonable prior notice to the Company) of changing his/her/their choice of printed language version(s) to English only, Chinese only or both English and Chinese for receiving future corporate communications, or changing the choice of receiving future corporate communications to using electronic means instead of in printed version (or vice versa). Such notice of change of choice should contain the full name(s) in English, address and contact telephone number of the relevant Shareholder(s), together with the relevant words regarding the request for the change of choice, and should be sent to the Company, c/o the Company's Registrars, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, by post or by hand delivery, or via email to wheelockcompany-ecom@hk.tricorglobal.com.