

Results for the Year Ended 30 September 2006

Revenue of HK\$215 million was captured for the year ended 30 September 2006 versus HK\$186 million for the nine months ended 30 September 2005. The profit attributable to ordinary equity holders of HK\$92 million was recorded compared to the profit of HK\$94 million in the nine months ended 30 September 2005. The earnings per share was HK1.83 cents during the year under review (based on the weighted average number of issued shares) compared to HK3.00 cents in the preceding period. The operating profit of the year under review amounted to HK\$150 million, which compared favourably with the profit of HK\$118 million realized in 2005.

The accounting policies and methods of computation used in the preparation of the financial statements for the year are consistent with those used in the annual financial statements for the nine months ended 30 September 2005.

Included in the results for the year ended 30 September 2006 were the higher rental income produced by the business parks in mainland China, the write-back of the provisions for a development project and changes in fair value of investment properties to reflect change in circumstances.

Review of Overall Performance

Revenue for the year rose to HK\$215 million, up from HK\$186 million for the nine months ended 30 September 2005. The higher revenue was due to an increase in rental income from investment properties, partially offset by lower sales realized from the completed residential projects.

Gross profit increased to HK\$107 million for the year compared to HK\$77 million for the nine months ended 30 September 2005 due to improved margins. During the year, provisions were written back at HK\$73 million relating to phase 2B of Vision Shenzhen Business Park following its commencement of development, and changes in fair value of investment properties totalled HK\$52 million.

截至二零零六年九月三十日止年度之業績

於截至二零零六年九月三十日止年度獲得收入為港幣215,000,000元，相比於截至二零零五年九月三十日止九個月為港幣186,000,000元。普通股權益持有人應佔溢利為港幣92,000,000元，相比於截至二零零五年九月三十日止九個月溢利為港幣94,000,000元。於回顧年度，每股盈利為1.83港仙（按已發行股份之加權平均數所計算），相比於去年同期為3.00港仙。於回顧年度，經營溢利達港幣150,000,000元，與二零零五年變現所得溢利港幣118,000,000元相比為佳。

編製年度財務報表所採用之會計政策及方法乃與編製截至二零零五年九月三十日止九個月之年度財務報表所採用者相同。

截至二零零六年九月三十日止年度之業績已計入於中國大陸之商業園所產生較高之租金收入，並為投資物業公平值變更及發展項目撥備之撥回。

整體業績回顧

年內，收入由截至二零零五年九月三十日止九個月港幣186,000,000元上升至港幣215,000,000元。收入上升由於投資物業租賃收入增加，只是部份被已落成住宅項目變現減少沖減所致。

相比於截至二零零五年九月三十日止九個月為港幣77,000,000元，本年度毛利增加至港幣107,000,000元，主要由於邊際利潤改善所致。年內，有關深圳威新軟件科技園2B期開始發展後之撥備撥回為港幣73,000,000元，而投資物業之公平值變更合共為港幣52,000,000元。

Finance costs increased to HK\$35 million for the year against HK\$18 million for the nine months ended 30 September 2005 due to the lesser amounts being capitalized, following the completion of the Group's properties under development. Total borrowings increased by HK\$97 million, from HK\$1,082 million as at 30 September 2005 to HK\$1,179 million as at 30 September 2006 following the payment of the development and construction costs for the both residential and investment properties. The repayment of some borrowings was primarily from the proceeds realized from the sale of completed residential apartments and a portion of the proceeds from the rights issue.

Final Dividend

The Board has resolved not to propose any final dividend for the year ended 30 September 2006 (period ended 30 September 2005: Nil).

Business Segment

Property

The property segment was the key contributor to the Group's revenue during the year under review. Revenue of the property segment was HK\$143 million, or 67% of the total revenue, compared to HK\$151 million or 81% of the total revenue for the nine months ended of 2005. Of the HK\$143 million revenue, HK\$136 million was contributed by the sale of apartments of two residential developments, The Ninth ZhongShan, Dalian and Scenic Place (phase 1), Beijing.

財務費用於本年度增加至港幣35,000,000元，而截至二零零五年九月三十日止九個月財務費用為港幣18,000,000元，此乃由於本集團發展中物業於落成後減少資本化之金額所致。於支付住宅及投資物業之發展及建築成本後，借款總額增加港幣97,000,000元，由二零零五年九月三十日之港幣1,082,000,000元增加至二零零六年九月三十日之港幣1,179,000,000元。償還部份借款主要來自變現銷售已落成住宅單位所得之款項及部份來自供股所得之款項。

末期股息

董事會建議不派付截至二零零六年九月三十日止年度之末期股息(截至二零零五年九月三十日止期間：無)。

業務分部

物業

於回顧年度，物業分部繼續成為本集團收益之主要來源。物業分部之收入為港幣143,000,000元，或佔總收入之67%，而截至二零零五年止九個月則為港幣151,000,000元，或佔總收入之81%。在收入港幣143,000,000元中，港幣136,000,000元乃來自銷售兩項住宅發展項目，大連中山九號及北京蝶翠華庭(一期)。

Business park

Revenue generated from the business park segment increased substantially from HK\$35 million for the nine months ended 30 September 2005 to HK\$71 million for the year under review as a result of the maiden contribution from the phase 2A of Vision Shenzhen Business Park which was completed and became income-generating in the year under review. With an average occupancy of 96%, Vision International Centre contributed HK\$47 million to the Group's revenue during the year under review. Phases 1 and 2A of Vision Shenzhen Business Park continued to provide a stable income stream to the Group, contributing revenue of HK\$24 million during the year under review and enjoying average occupancy rates of 92% and 100% respectively.

Geographical Markets

Hong Kong

Revenue derived from Hong Kong during the year under review dropped to HK\$5 million (3% of total revenue) from HK\$13 million (7% of total revenue) for the nine months ended 30 September 2005. This decrease reflected the depleted stock of completed apartments in the trading portfolio held for sale in Hong Kong.

Mainland China

During the year under review, the revenue earned from the operations in mainland China amounted to HK\$209 million (97% of total revenue) compared to HK\$173 million (93% of total revenue) for the nine months ended 30 September 2005. Revenue comprised mainly the sales realized from the two trading development properties, namely The Ninth ZhongShan and Scenic Place (phase 1).

With no new projects in the pipeline in Hong Kong, the Group's future revenue and earnings will be driven almost solely from operations in mainland China. This is consistent with the Group's current strategy of shifting its investment focus and resources to take advantage of the attractive business opportunities there.

商業園

商業園分部所賺取之收入錄得重大增幅，由截至二零零五年九月三十日止九個月之港幣35,000,000元增加至截至回顧年度之港幣71,000,000元，此乃由於深圳威新軟件科技園2A期首次帶來之收入，該大廈於回顧年度完工及賺取收入。威新國際大廈之平均出租率達96%，其於回顧年度為本集團帶來收入港幣47,000,000元。深圳威新軟件科技園一期及2A期於回顧年度為本集團帶來穩定之收入來源，所帶來之收入達港幣24,000,000元，其出租率分別達92%及100%。

地區市場

香港

於回顧年度，來自香港之收入由截至二零零五年九月三十日止九個月之港幣13,000,000元(佔總收入之7%)減少至港幣5,000,000元(佔總收入之3%)。收入之減少反映在香港持有作出售用途之已落成商品房存貨減少。

中國內地

於回顧年度，來自中國業務之收入達港幣209,000,000元(佔總收入之97%)，而截至二零零五年九月三十日止九個月之收入則為港幣173,000,000元(佔總收入之93%)。收入主要來自銷售兩項發展物業(即為中山九號及北京蝶翠華庭(一期))之收入。

由於在香港並無新在建項目，本集團日後之收入及盈利將差不多僅源自中國業務。此方向符合本集團目前轉移投資方向及資源之策略，務求盡享當地商機處處之優勢。

Assets

The value of the Group's total assets rose by 21% to HK\$3,340 million as at 30 September 2006 from HK\$2,754 million as at 30 September 2005.

Assets held under the property segment amounted to HK\$2,179 million (65% of total assets) as at 30 September 2006 compared to HK\$1,954 million (71% of total assets) as at 30 September 2005. The increase was mainly due to increase of the land costs and capitalized development costs for sites of Songjiang, Shanghai, and the phase 2 of Scenic Place, Beijing. Assets held under the business park segment increased to HK\$879 million (26% of total assets) as at 30 September 2006 from HK\$679 million (25% of total assets) as at 30 September 2005, reflecting the capitalized development costs, the write-back of provision in relation to the impairment of the value of phase 2B of Vision Shenzhen Business Park and changes in fair value of investment properties for Vision Shenzhen Business Park and Vision International Centre. The assets held by the other segments amounted to HK\$282 million, which constituted 9% of the Group's total assets.

Total assets held in mainland China amounted to HK\$3,053 million as at 30 September 2006, representing 91% of the Group's total assets compared to 95% as at 30 September 2005.

資產

本集團於二零零六年九月三十日之資產總值為港幣3,340,000,000元，較二零零五年九月三十日之港幣2,754,000,000元上升21%。

於二零零六年九月三十日，於物業分部項下持有之資產達港幣2,179,000,000元（佔總資產之65%），而於二零零五年九月三十日則為港幣1,954,000,000元（佔總資產之71%）。資產值增加主要是由於上海松江之土地成本及資本化發展成本增加及北京蝶翠華庭二期之土地成本。於商業園分部項下持有之資產由二零零五年九月三十日之港幣679,000,000元（佔總資產25%）增加至二零零六年九月三十日之港幣879,000,000元（佔總資產26%），反映資本化發展成本及撥回深圳威新軟件科技園2B期之減值撥備及於深圳威新科技園及威新國際大廈投資物業公平值之變更。於其他分部持有之資產為港幣282,000,000元，僅佔本集團總資產之9%。

於二零零六年九月三十日，在中國持有之總資產為港幣3,053,000,000元，佔本集團之總資產91%，而二零零五年九月三十日則佔總資產之95%。

Shareholders' Funds

The Group's total shareholders' funds increased by 34% from HK\$1,100 million as at 30 September 2005 to HK\$1,473 million as at 30 September 2006. The increase was mainly due to the rights issue completed on 12 September 2006. The rights issue raised a net fund of HK\$270 million, after deducting related expenses of about HK\$4 million, which would be earmarked for financing the development of the Group's property projects. On a per-share basis, the consolidated net assets value of the Group as at 30 September 2006 decreased slightly to HK21.5 cents compared to HK24.1 cents as at 30 September 2005. The total shareholders' funds represented 44% of the total assets of HK\$3,340 million as at 30 September 2006.

Financial Resources, Liquidity and Capital Structure

Liquidity and capital resources

The Group's total borrowings increased by 9% to HK\$1,179 million as at 30 September 2006 from HK\$1,082 million as at 30 September 2005 while the net debt (measured by total bank borrowings minus cash and bank deposits) decreased to HK\$792 million as at 30 September 2006 from HK\$799 million as at 30 September 2005. The increase in total borrowings was due mainly to the payment of the development and construction costs for residential and investment properties. The Group's gearing ratio (defined as the total borrowings over total equity (including minority interest)) decreased to 67% as at 30 September 2006 from 79% as at 30 September 2005.

With the commencement of construction of phase 2B of Vision Shenzhen Business Park, the Group had an outstanding capital commitment of HK\$119 million as at 30 September 2006.

股東資金

本集團之股東資金總額由二零零五年九月三十日之港幣1,100,000,000元增加34%至二零零六年九月三十日之港幣1,473,000,000元。股東資金總額之增加主要是由於在二零零六年九月十二日完成供股。供股所籌措之資金淨額，經減去有關開支（約港幣4,000,000元）為港幣270,000,000元，將用作本集團物業項目之發展資金。按每股基準計算，本集團於二零零六年九月三十日之綜合資產淨值輕微減少至21.5港仙，而二零零五年九月三十日則為24.1港仙。於二零零六年九月三十日，股東資金總額佔總資產港幣3,340,000,000元之44%。

財務資源、流動資金及資本架構

流動資金及資本資源

本集團之借貸總額由二零零五年九月三十日之港幣1,082,000,000元增加9%至二零零六年九月三十日之港幣1,179,000,000元，而債務淨額（以銀行借款總額減現金及銀行存款計算）則由二零零五年九月三十日之港幣799,000,000元減少至二零零六年九月三十日之港幣792,000,000元。借貸總額之增加主要用於住宅及投資物業之發展及建築成本之付款。本集團之資產負債比率（定義為總借款除以權益總額（包括少數股東權益））由二零零五年九月三十日之79%減少至二零零六年九月三十日之67%。

深圳威新軟件科技園2B期開始發展後，本集團於二零零六年九月三十日之未償還資本承擔為港幣119,000,000元。

Short-term and long-term borrowings

The maturity profiles of the Group's bank borrowings outstanding as at 30 September 2006 and 30 September 2005 are summarized as follows:

		30 September 2006		30 September 2005	
		二零零六年九月三十日		二零零五年九月三十日	
		HK\$ million		HK\$ million	
		港幣百萬元	%	港幣百萬元	%
Within one year	一年內	230	20	316	29
In the second year	第二年內	642	54	559	52
In the third to fifth year	第三至第五年內	307	26	207	19
Total	總額	1,179	100	1,082	100

短期及長期貸款

本集團於二零零六年九月三十日及二零零五年九月三十日之未償還銀行貸款還款情況概述如下：

Financial Management**Foreign currency risk**

The Group continued to maintain a balanced match of renminbi financing in its mainland China projects where cash flows were denominated in that currency to mitigate currency risk. The Group did not use any financial instrument to hedge foreign currency risk.

The denominations of the Group's bank and other borrowings outstanding as at 30 September 2006 and 30 September 2005 are summarized as follows:

		30 September 2006		30 September 2005	
		二零零六年九月三十日		二零零五年九月三十日	
		HK\$ million		HK\$ million	
		港幣百萬元	%	港幣百萬元	%
In HK\$	港幣	62	5	139	13
In RMB	人民幣	1,117	95	943	87
Total	總額	1,179	100	1,082	100

財務管理**外匯風險**

本集團繼續維持均衡之人民幣融資，以減輕在以該貨幣為主要現金流量之中國大陸項目之貨幣風險。本集團並無使用任何財務工具對沖外匯風險。

本集團於二零零六年九月三十日及二零零五年九月三十日尚未償還之銀行及其他貸款按記賬貨幣分類概述如下：

Interest rate risk

The Group was exposed to changes in interest rate fluctuations to the extent that they affected the cost of funds for floating rate borrowings. As at 30 September 2006, about 92% of the Group's total borrowings were on a floating rate basis whilst the remaining 8% on fixed rate basis. As at 30 September 2005, 69% of the borrowings were on floating rate and 31% on fixed rate. The Group continued to maintain a mix of floating rate and fixed rate borrowings. Steps would be taken to hedge against any foreseeable interest rate exposure, if considered necessary.

Pledge of Assets

As at 30 September 2006, the Group's bank loans were secured by certain investment properties with a value of HK\$597,517,000 (2005: HK\$499,233,000), certain properties held for sale with a carrying value of HK\$10,283,000 (2005: HK\$192,373,000), certain land use rights with a carrying value of HK\$72,721,000 (2005: HK\$39,352,000) and cash deposits of HK\$120,106,000 (2005: HK\$88,800,000).

Contingent Liabilities

As at 30 September 2006, the Company issued guarantees to the extent of HK\$294 million (2005: HK\$273 million) of which HK\$204 million (2005: HK\$263 million) was utilized in relation to bank borrowings granted to its subsidiaries.

利率風險

本集團面對之利率波幅變動，限於浮動利率貸款對資金成本之影響。於二零零六年九月三十日，本集團貸款總額當中，約92%以浮動利率計息，其餘8%以固定利率計息。於二零零五年九月三十日，本集團貸款當中之69%為浮息貸款，另外31%則為定息貸款。本集團將繼續維持浮息貸款及定息貸款之借貸組合，並在有需要時採取必要措施對沖任何可預見之利率波動風險。

資產抵押

於二零零六年九月三十日，本集團之銀行貸款乃以賬面值港幣597,517,000元(二零零五年：港幣499,233,000元)之若干投資物業、賬面值港幣10,283,000元(二零零五年：港幣192,373,000元)之持作出售之若干物業、賬面值港幣72,721,000元(二零零五年：港幣39,352,000元)之若干土地使用權，以及現金存款港幣120,106,000元(二零零五年：港幣88,800,000元)作為抵押。

或然負債

於二零零六年九月三十日，本公司作出擔保合共港幣294,000,000元(二零零五年：港幣273,000,000元)，其中授予附屬公司之銀行借款已動用港幣204,000,000元(二零零五年：港幣263,000,000元)。