

Interim Dividend

The Board declares an interim dividend of HK\$0.50 per share (2004: HK\$0.50 per share) for the year ending 30 September 2005. The register of members will be closed from 18 July to 20 July 2005, both days inclusive, during which period no transfer of shares will be registered. Dividend warrants will be posted to shareholders by 25 July 2005.

Chairman's Business Review

The Group's investment properties, Melbourne Plaza at 33 Queen's Road Central and Kimley Commercial Building at 142-146 Queen's Road Central, continued to generate steady rental income. Melbourne Plaza attained 78% occupancy while Kimley Commercial Building was 71% leased. Rents have moved upwards compared with last corresponding period. The occupancy rate is considered satisfactory in view of the stiff competition in Central's rental market. While stable earnings are maintained, moderate growth can be expected for the whole year.

The project involving property development and golf club operations in Foshan China of which the Group has an equity interest is operating on a self-finance basis. Stringent cost-cutting measures are employed to ensure continuing operation.

Management Discussion and Analysis

Net profit for the six months ended 31 March 2005 amounted to HK\$17.8 million (2004: HK\$7.8 million). Results for the last period included a HK\$10 million provision made for advances to the Group's unlisted investment, Billion Park Investment Limited. Turnover for the period dropped slightly by 0.5% to HK\$35.5 million as compared to last period.

SIGNIFICANT INVESTMENTS

The Group's investment properties at Melbourne Plaza and Kimley Commercial Building in Central were approximately 78% and 71% let.

LIQUIDITY AND FINANCIAL RESOURCES

Basically, the Group's working capital requirement was financed by its rental income. As at 31 March 2005, the Group had cash and bank balances totalling HK\$36.7 million. During the period, the Group did not need any borrowings or overdraft facilities.

EMPLOYEES AND REMUNERATION POLICIES

The Group employs a total of 18 employees. The Group recognises the importance of the strength of its human resources for its success. Pay rates of employees are maintained at competitive levels and promotion and salary increments are assessed on a performance related basis.

Directors' Interests in Shares, Underlying Shares and Debentures

As at 31 March 2005, the interests or short positions of the Directors and Chief Executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:-

	Number of shares held		Approximate percentage of shareholding
	Personal interests	Corporate interests	
Directors			
Mr. Chung Ming Fai	12,000,500	1,000 (note)	48.00%
Mr. Chung Yin Shu, Frederick	1,875	–	0.01%
Chief Executive			
Mr. Ho Tak Him	1,000	–	–

Note:

Mr. Chung Ming Fai controls more than one-third of the voting power of Fu Hop Investment Company Limited which holds 1,000 shares in the Company.