

Chairman's Business Review

I would report to shareholders that the Group's profit after taxation for the financial year ended 30 September 2005 amounted to HK\$38.0 million (2004: HK\$14.7 million). The Board of Directors recommend a final dividend of HK\$1.10 per share payable to the shareholders registered on 10 February 2006. In addition to the interim dividend of HK\$0.50 per share paid in July 2005, the total dividend for the year amounted to HK\$1.60 per share (2004: HK\$1.30 per share).

Occupancy rates of the Group's investment properties have surged on the back of the robust economic growth in Hong Kong. Melbourne Plaza at 33 Queen's Road Central attained 80% occupancy while Kimley Commercial Building at 142-146 Queen's Road Central was 88% leased. New rental rates have firmed up at the same time. Steady rental income has been secured through close liaison and continuing negotiation with tenants.

The Group's unlisted investment represents property development and golf club operation in Foshan, China. The controlling shareholder of the said investment, BT Development Holdings Limited (formerly known as Wing Shan Enterprises (Holdings) Limited) has gone into creditors' voluntary winding up. Foshan International Country Club Company Limited, the joint venture itself, is undergoing a debt restructuring programme. The Group has yet to decide whether to raise or reduce its shareholding in the investment.

The Group has always maintained a prudent approach towards other investments and has endeavoured to maintain stable rental income. Without any debt or commitment, the Group will continue to bring optimum return to all shareholders.

Taking this opportunity, I would like to thank my fellow directors and staff members for their loyal services and continuing efforts.

Dato' Dr. Cheng Yu Tung
Chairman

Hong Kong, 21 December 2005