

CHAIRMAN'S STATEMENT



ZEN Wei Pao, William
Chairman

Dear Shareholders,

The Group performed well in 2005. Profit contributions from toll road business continued to grow, and the property development business was making solid progress.

The Group's profit attributable to the shareholders in 2005 was HK\$428.3 million, representing an increment of 16% as compared with that of 2004. Earnings per share was HK73 cents. The Board recommended a final dividend of HK26 cents per share. Together with the interim dividend of HK17 cents per share, total dividend for 2005 will be HK43 cents per share.

Along with the persistent economic development of mainland China, there was a healthy growth in revenue from toll road projects in 2005, generating a total cash inflow of HK\$864 million for the Group, and further witnessing the Group's solid foundation and operation experience in the toll road business.

Progress of the Group's property development business which commenced in 2004 has been steady. At present, the Group has secured developable land with a total gross floor area of 1.6 million square metres in Guangzhou, Guangdong Province and in Changzhou, Jiangsu Province. The Group's first property development project in Guangzhou has commenced the pre-sale in phases. Both the speed of sales and price achieved were better than expected. The accompanying revenue and profit will be recognised in the Group's accounts in year 2006. It is expected that the revenue contribution from the property development business will grow steadily over the next few years.

In the past ten years, the Group's toll road business has delivered stable return to shareholders. Looking forward, the Group will continue to apply its invaluable experiences and advantages in this field to capture new expressway projects with good investment potential and to improve the performances of existing toll road projects, thereby further enhancing the revenue and profit from this core business.

Underpinned by the continuous economic development of mainland China, there is an earnest and surging demand for a better living environment. Potential for property development business is thus enormous. In 2006, with years of investment experiences in China, the Group will keep its positive and cautious approach to expand the property development business gradually, with a view to turning it into a better and bigger business, and providing shareholders with a higher return.

I would like to take this opportunity to express my hearty gratitude to our shareholders, business partners and loyal and dedicated staff.

Zen Wei Pao, William

Chairman

Hong Kong, 31 March 2006