

CHAIRMAN'S STATEMENT

RESULTS

I am pleased to report that the Group's audited consolidated profit for the year ended 31 March 2006, after providing for taxation, amounted to HK\$129,879,756. Earnings per share for the year was HK\$0.42.

DIVIDENDS

The Board recommends the payment of a final dividend of HK2.3 cents (2005: HK2.0 cents) per share payable to the shareholders whose names appear on the Register of Members on 28 July 2006. This dividend, together with the interim dividend of HK1.5 cents per share already paid in January 2006, will make a total distribution of HK3.8 cents (2005: HK3.2 cents) per share for the full year.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Friday, 28 July 2006 to Friday, 4 August 2006, both days inclusive, during which period no transfer of shares will be registered by the Company. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar and Transfer Office, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Thursday, 27 July 2006. It is expected that the final dividend warrants will be despatched to shareholders on or about 9 August 2006.

BUSINESS REVIEW

Hong Kong

The local economy has been strong throughout the year. The rental value and capital value of both shops and office properties especially those in prime locations have recorded substantial increase during the year.

The Group's gross rental income for the year was HK\$37.6 million. In addition, the Group's share of gross rental income from an associate was HK\$10.6 million. Therefore the total gross rental income attributable to the Group amounted to HK\$48.2 million, representing an increase of 20.7% over that of the previous year. The substantial increase in rental income was due to the full year contribution of rental income from the purchase of the property at Shop F, Burlington House, Tsimshatsui last year. The rental rate of the Group's shops and office properties also increased substantially upon lease renewal during the year.

The Group's investment properties recorded a total increase in capital value of HK\$105.5 million for the year based on professional revaluation. The increase included HK\$23.8 million attributable from the investment properties of an associated company of the Group.

The Group continued to hold offshore debt securities for investment during the year. The investments generated a total of HK\$3.8 million interest income for the year. The investment portfolio amounted to HK\$29.9 million at 31 March 2006.

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Overseas

The six residential property units of Pointe Claire situated in the City of Vancouver, Canada remained fully leased during the year. The market value of these properties continued to increase during the year due to the buoyant property market and the appreciation of the Canadian currency.

PROSPECTS

The central government has started to impose certain measures and raise interest rate to cool down the mainland economy especially in the property sector and those industries with over-capacity. The international commodity prices including oil and metals fluctuated wildly with the movement of the U.S. currency amid speculation that the U.S. interest rate is near the peak. The increasing turbulence in the global financial markets will have more impact on the local economy and the consumer confidence.

In the local residential property market, trading activities have only improved slightly after developers adjusted the price downward. But the overall residential market will remain uneventful for the year. In the commercial property market, both the rental value and the capital value of shops and office properties in prime locations will remain at a high level due to the buoyant local economy.

The Group's rental income will continue to increase next year upon the renewal of leases at higher market rental for the Group's investment properties. The Group is also in more excellent financial position with the substantial appreciation in the capital value of the properties in recent years. Therefore the Group will continue to search for suitable investment opportunities.

Finally I would like to take this opportunity to express my gratitude to all the Directors and staff members of the Group for their valuable contribution and continued support throughout the year.

Chan Hoi Sow

Chairman

Hong Kong, 16 June 2006