

RESULTS

The Group's turnover and net profit attributable to shareholders for the year amounted to approximately HK\$395.6 million (2005: HK\$364.1 million) and approximately HK\$72.6 million (2005: HK\$69.5 million), respectively.

DIVIDEND

The board (the "Board") of directors of the Company (the "Directors") has recommended a final dividend of 7.0 HK cents per share (2005: 12.0 HK cents) for the year ended 31 March 2006 to Shareholders on the register of members of the Company as of 17 August 2006. The final dividend will be paid on or before 25 August 2006, subject to Shareholders' approval at the forthcoming annual general meeting of the Company to be held on 17 August 2006. Together with the interim dividend of 3.0 HK cents distributed in January 2006, the total dividend per share for the year will be 10.0 HK cents (2005: 15.0 HK cents).

PROPOSED BONUS ISSUE OF SHARES

The Board of Directors has also resolved to recommend a bonus issue of shares of HK\$0.10 each in the share capital of the Company on the basis of one bonus share (the "Bonus Share(s)") for every ten existing shares held by shareholders of the Company whose name appear on the register of members of the Company at the close of business on 17 August 2006. The Bonus Shares will rank pari passu in all respects with the existing issued shares except that they will not carry any right to receive the final dividend for the year ended 31 March 2006.

The bonus issue is conditional upon (a) the approval of the shareholders of the Company; (b) the granting by the Bermuda Monetary Authority of the relevant permissions in respect of the bonus issue (if required); and (c) the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the Bonus Shares. A circular, containing, among other matters, details of the bonus issue will be sent to shareholders of the Company in due course.

CLOSURE OF REGISTER

The register of members of the Company will be closed from 14 August 2006 to 17 August 2006, both days inclusive, during which no transfer of shares will be registered. To qualify for the proposed final dividend and the bonus issue, all Shareholders are required to lodge their transfers with the Company's branch share registrars in Hong Kong, Tengis Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration by no later than 4:30 p.m. on 11 August 2006.

BUSINESS REVIEW

Following the achievement of historical high net profits last year, the Group posted another record high net profit of approximately HK\$72.6 million and record high net assets of approximately HK\$840.2 million for the year ended 31 March 2006, since its listing in 1995.

For the year ended 31 March 2006, the Group's turnover increased to approximately HK\$395.6 million (2005: approximately HK\$364.1 million) which was mainly attributable to the commencement of the sale of residential units and shops at Milan Place.

Property Development

For the year under review, the Group has completed the foundation work at the Shatin Heights Road and Fairview Park Boulevard projects and the construction work for both projects is on schedule. In April 2006, the Group entered into a provisional sale and purchase agreement to sell the entire site at Davis Street, Kennedy Town at a consideration of HK\$149.9 million. In June 2006, the Group completed the purchase of properties located at 270-274 Cheung Sha Wan Road. The Group currently plans to demolish the existing building structures and redevelop it into a 24 storey residential and commercial building.

As at June 2006, the Group's property development portfolio is as follows:

Property Name	Location	Approximate Site Area <i>(sq ft)</i>	Development Plan	Anticipated Completion
Shatin Heights Road	Lot No.1476 in DD 189	49,100	Low density residential area with 11 luxury houses	Early 2007
Fairview Park Boulevard	Lot No. 4781, Lot No. 3254 RP, Lot No. 3265 S.A, Lot No. 3251 S.B RP, Lot No. 3257 RP, Lot No. 3258 S.B SS.I, Lot No. 3641 S.A, Lot No. 3258 S.B RP, Lot No. 3641 RP in DD 104	154,800	Low density residential and commercial area with 16 luxury houses, 6 shops and club house	Early 2007
Cheung Sha Wan	270-274 Cheung Sha Wan Road, Kowloon	4,200	24 storey residential and commercial building	Early 2008
Total		208,100		

Given the notable improvement in the local employment climate and robust retail trade, as well as a boost in consumer spending, the Directors expect that the Hong Kong property market will benefit from the improved economy. The Group's current land reserve is expected to be sufficient to accommodate its development plans and generate handsome returns to the Group for the next two years.

Property Investment

During the year under review, gross rental income amounted to approximately HK\$9.4 million (2005: approximately HK\$11.3 million). The reduction in gross rental income was mainly due to the disposal of a number of investment properties in the second half of the last financial year under review. In order to maintain a well-balanced investment property portfolio, the Group has also completed the purchase of six shops for a total consideration of over HK\$111 million during the first half of the current financial year. In May 2006, the Group entered into a provisional sale and purchase agreement to sell a retail shop at Haiphong Road at a consideration of HK\$78 million.

For the current financial year and up to the date of this report, the Group has sold 34 residential units and nine shop lots at Milan Place, which had been acquired earlier this year, generating a turnover of approximately HK\$120.1 million. The Group will continue to dispose of the remaining 14 residential units.

As at 31 March 2006, the Group maintained an investment property portfolio with a net book value of approximately HK\$297.5 million (2005: approximately HK\$219.6 million), providing an annual gross rental income of approximately HK\$9.4 million. The Group will continue to look for suitable retail shops for the long term building up of the Group's investment properties portfolio. The Directors believe that this strategy can on the one hand provide stable income to the Group and, on the other hand benefit from the appreciation in property value in the years to come.

Management and Sub-licensing of Chinese Wet Markets

The Group continues to be the leader in this business sector in Hong Kong. During the year, this division provided a steady profit contribution to the Group by generating a net profit of approximately HK\$18.3 million (2005: approximately HK\$15.4 million).

Given the Group's extensive expertise and experience in the management of Chinese wet markets, the Directors are optimistic that it will be a strong position to secure more business opportunities with the Link Real Estate Investment Trust and other business entities as well. The Group is actively looking for new markets with great potential both in Hong Kong and the PRC. We plan to use our professionalism and experience in developing and promoting modern wet markets so as to maximize our investment returns.

Management and Sub-licensing of Shopping Centres and Car Parks

These two areas of business remained stable in the year under review. Subsequent to the year end, as a result of the internal restructuring of a major customer, most of our management contracts for shopping centres and car parks have been terminated. Whilst the Group will continue to look for new business in this area, it is currently expected that the activities in this area will be substantially reduced. However, as the profit contribution of this area has not been significant to the Group, the Directors do not expect any material adverse effect on the Group's business and financial position.

Investment in Pharmaceutical and Health Products related Business

The keen competition amongst competitors, together with increasing operating costs arising from rising rental and labour costs, have dampened retail sales resulting in WYTH recording a net loss of approximately HK\$98.4 million for the year. However, with an increasing health awareness by the public and an increasing popularity of Chinese medicinal and health related products, the Group expects that the future of the pharmaceutical industry is promising and that the performance of WYTH will improve.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31st March 2006, the Group had cash resources and short term investments of HK\$382.7 million (2005: HK\$372.0 million) and had a net debt position of approximately HK\$245.5 million (calculated with reference to the Group's cash and cash equivalents and total borrowings of approximately HK\$311.9 million and approximately HK\$557.4 million, respectively).

The gearing ratio was 29.2% (calculated with reference to the Group's total borrowings net of cash and cash equivalents and capital and reserves of approximately HK\$245.5 million and HK\$839.7 million (2005: 2.0%)).

As at 31 March 2006, the Group's investment properties, with a book value of HK\$297.5 million (2005: HK\$219.6 million), and certain rental income generated therefrom were pledged to secure the Group's general banking facilities, HK\$217.1 million (2005: HK\$92.3 million) of which was utilized as at 31 March 2006.

The Group's contingent liabilities and capital commitment as at 31 March 2006 amounted to HK\$239.0 million (2005: HK\$121.4 million).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2006, the Group had about 600 full time employees, over 98% of whom were located in Hong Kong.

The Group remunerates its employees mainly based on industry practices and individual performance and experience. On top of the regular remuneration, discretionary bonuses and share options may be granted to selected staff by reference to the Group's performance as well as an individual's performance. Other benefits, such as medical and retirement benefits and structured training programmes, are also provided.

PROSPECTS

With its strong financial resources and liquidity, the Group will continue to explore good investment opportunities to enhance Shareholders' returns.