

# Chairman's Business Review

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I would report to shareholders that the Group's profit after taxation for the financial year ended 30 September 2006 amounted to HK\$293.0 million (2005: HK\$38.0 million). The Board of Directors recommend a final dividend of HK\$1.30 per share payable to the shareholders registered on 9 February 2007. In addition to the interim dividend of HK\$0.70 per share paid in July 2006, the total dividend for the year amounted to HK\$2.00 per share (2005: HK\$1.60 per share).

The Group's investment properties at Melbourne Plaza, 33 Queen's Road Central reached an occupancy rate of 95% while Kimley Commercial Building at 142-146 Queen's Road Central was 90% leased. Both occupancy and rental rates grew satisfactorily under the resilient economy. Rising rental income has been secured through close liaison and continuing negotiation with tenants.

The investment involving property development and golf club operations in Foshan, China of which the Group has an equity interest continues to operate without any immediate plan for property development. The golf club is operating on a self-finance basis. The cost-cutting measures have led to a slight improvement in its operation. In light of the completed debt restructuring, the Board has decided to write back a provision of HK\$24.0 million against advances to the said investment.

The Group has always maintained a prudent approach towards other investments and placed its emphasis on stable rental income as its main source of revenue. As the economy continues to improve, the investment properties in Central will contribute sturdy income for the Group. Without any debt or commitment, the Group will keep on bringing 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, 20 December 2006