

Chairman's Statement



2005 was a year full of challenges and opportunities. The economic austerity measures implemented by the PRC government slowed down the growth of the property market, but at the same time promoted its healthy and rational development. During the year, the Group's business advanced steadily with turnover increased by 91% to over HK\$310 million and profit attributable to shareholders reached HK\$58.4 million. This was the result of the unwavering efforts and dedication of the entire staff.

The Group actively expanded its business in 2005. It was the sole agent of about 150 primary property projects, a double of 74 in 2004. It has business in 14 major cities in the PRC and maintained leadership in the primary property markets in Guangzhou and Dongguan. In addition, coverage of the planning consultancy business is more than 30 cities in the PRC. Its secondary property market business also saw encouraging growth supported by its expanded branch network. The Group added new branch offices during the year, bringing the total number of branches from 59 in 2004 to the current 130.

Looking ahead, besides consolidating existing operations, the Group will further expand its scope of business by exploring opportunities in other property related fields. Riding on its extensive industry experience, precise market analysis, professional and strong management and operation team, the Group is set to deliver better performance and generate satisfactory returns for shareholders.

On behalf of the Board, I would like to thank all shareholders, partners and customers for their continuous support and our staff for their efforts and contribution in the past year.

By order of the Board

Fu Wai Chung

Chairman

Hong Kong, 19th April, 2006

Primary Real Estate

Services Network in PRC

