

I have pleasure in presenting the annual report of the Company for the year ended 31st December, 2006.

The Hong Kong economy continued to improve in 2006. Continuing strong domestic consumption and improving market confidence provided added momentum for domestic growth. The strong growth of the economies in the surrounding Asian region has helped boost business and investment opportunities. The local economy also benefited from the Mainland Individual Traveller Scheme and the Closer Economic Partnership Arrangements. GDP rose 6.8 per cent. in 2006 which saw unemployment rate falling to a six-year low of 4.4 per cent. by the end of 2006.

I am pleased to see the Management's decision of moving towards the retail sector, and the profit growth achieved, mainly from our property activities. For the year ended 31st December, 2006, the Group achieved a consolidated profit attributable to shareholders of HK\$261 million, a 116 per cent. increase compared with 2005 of a profit of HK\$121 million.

I would like to express my appreciation to my fellow Directors and all staff for their hard work, valuable contribution and devotion during the year. I would also like to take this opportunity to express my sincere gratitude to our shareholders and business partners for their continuing support.

**Mr. Stephen Riady**  
*Chairman*

24th April, 2007