

主席報告

Chairman's Statement

管理層論述及分析

經營業績

本集團於二零零四年之經常性收入主要來自旺角中心(旺角區一個購物商場)與債券投資組合。由於稅務局稅務上訴委員會作出有利本集團之裁決，故可以將第一太平可換股參股證之稅項撥備撥回。

業務回顧

於二零零四年十二月三十一日，本集團之主要投資項目包括亞洲國際博覽館、旺角中心、一間以香港為基地的航空公司、高息債券及股本證券。

亞洲國際博覽館

於二零零三年八月，本集團聯同一個私人財團(「合營企業」)，隨同香港特別行政區政府及機場管理局投資發展及經營亞洲國際博覽館。亞洲國際博覽館位於香港國際機場，提供全層面積達66,000平方米之展覽場地，更可擴展至成為面積達100,000平方米之展覽場地。

亞洲國際博覽館乃一座無柱位展覽設施，地鐵可以直達，預期將於二零零六年一月開幕。博覽館現時已收到遠至二零零八年之訂場預約，情況比原先預期還要理想。全球最大之電訊展覽會國際電信聯盟(ITU)之世界電信展年會，已選定亞洲國際博覽館為二零零六年之舉辦場地。除了舉辦展覽及會議，其中一個場館更是多用途館，可容納多達14,500名觀眾，是演唱會及文娛表演的理想場地。

本集團擁有該合營企業37.85%權益，亦有權向一名關連人士支付所涉及之成本，以增持合營企業之權益至60%。該合營企業則擁有亞洲國際博覽館13.5%權益。

MANAGEMENT DISCUSSION AND ANALYSIS

Results of Operation

Argyle Centre (a shopping mall in Mongkok) and a bond portfolio provided the bulk of the recurrent income of the Group in 2004. The tax provision made for the First Pacific convertible participating certificates was written back as the Board of Review of the Inland Revenue Department gave a ruling in our favour.

Operation Review

As at 31st December, 2004, the Group's major investments were in AsiaWorld-Expo, Argyle Centre, a Hong Kong based airline, high yield bonds and equity securities.

AsiaWorld-Expo

In August 2003, the Group joined a private sector consortium ("JV") to invest with the Hong Kong Government and the Airport Authority to develop and operate AsiaWorld-Expo ("AsiaWorld"), a 66,000 sqm exhibition center located at the Hong Kong International Airport, with a capacity of expanding into a 100,000 sqm exhibition facility.

The centre is a column-free structure under one roof, with direct and exclusive MTR (Mass Transit Railway) access. It is scheduled to open in January 2006. Bookings are well into 2008, exceeding the original budget. International Telecommunication Union's (ITU) Telecom World annual convention, the world's biggest telecom show, has selected AsiaWorld-Expo as the venue for 2006. In addition to exhibitions and conventions, one of the halls is a purpose built arena that can be used for concert and entertainment events, housing up to 14,500 spectators.

The Group had 37.85% interest in JV and has a right to increase its interest in JV to 60% at cost from a connected person. That JV in turn has a 13.5% interest in AsiaWorld.

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旺角中心

本集團擁有旺角中心內的156個舖位，佔地逾25,000平方呎。商場於年內的出租率一直貼近100%的水平，租金收入亦見穩定增長。於二零零四年，本集團把握物業市道反彈的時機，出售10,088平方呎的舖位，大大減輕了持有有關舖位的聯營公司的總借貸水平。

高息債券

195,000,000港元的債券組合於二零零四年表現強勁。於化工、金融及消費品行業的投資亦是集團取得不俗表現的功臣之一。本集團於去年底將部份升幅已近見頂的債券套現。

航空公司

本集團投資在一間以香港為基地的航空公司，其指定飛往中國濟南、南寧、溫州、梅縣以及菲律賓佬沃，現時提供的航線包括飛往南寧的定期航班，以及飛往菲律賓佬沃和克拉克、柬埔寨暹粒的定期包機航班。

該航空公司現時有飛往十多個中國城市的航線待批。本集團相信，該航空公司將可成為於香港為基地的主要地區航空公司，服務中國二級城市的乘客。

前景

亞洲國際博覽館在二零零六年全面運作後將可為本集團帶來現金流量，長遠來說更可成為經常性收入來源。

本集團投資的航空公司旗下飛往南寧的定期航班已於二零零五年一月啟航，標誌著公司發展路上的重要里程碑，其機隊與航線亦正快速擴張。

Argyle Centre Shopping Mall

The Group owns 156 shops in Argyle Centre (over 25,000 sqft). Throughout the year, occupancy rate for the shopping mall stayed at nearly 100%, with a steady growth in rental income. In 2004, the Group took advantage of the rebounded property market and disposed of 10,088 sqft of shops, significantly reducing the total borrowings of the associated company holding the shops.

High Yield Bonds

The HK\$195 mln bond portfolio had a strong performance in 2004. Our exposure in the petrochemicals, financials and consumer goods sectors have contributed to the satisfactory performance. Towards the end of last year we realized a few bonds that have appreciated to a point where further upside is limited.

Airline

The airline the Group invested in is a Hong Kong based airline. It is designated to fly to Jinan, Nanning, Wenzhou, Meixian in the PRC and Laoag in Philippines. It is presently flying scheduled services to Nanning, and scheduled chartered services to Laoag and Clark in Philippines and Siem Reap in Cambodia.

Approval is pending for routes to 10 more PRC cities. We believe the airline is on the right track to become a major regional airline based in Hong Kong serving passengers in secondary PRC cities.

Prospects

AsiaWorld-Expo is expected to generate cashflow to the Group after its full year of operation in 2006 and to generate recurrent income for the long term.

The airline the Group invested in began its scheduled flight to Nanning in January 2005, marking a significant milestone. The airline is rapidly expanding both its fleet and routes.

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本集團於二零零四年十二月簽約投資於中國一間領先的開士米毛衣廠，此新項目正待若干先決條件達成而作實。

經過二零零三年及二零零四年的投資週期後，本集團已全面開展多項投資項目。集團將密切注視高息債券市場的走勢，順應市況調整投資組合。

財政狀況

本集團於年內全力出擊，開展多項投資項目，同時亦保持雄厚之財政狀況穩健，負債水平僅屬輕微。

外匯風險

於二零零四年十二月三十一日，本集團之大部份投資均以港元及美元定值，因而毋須面對重大外匯風險。本集團不時投資於以歐羅計值之債務證券，本集團亦有意對沖該等債務證券之貨幣風險至投資經理認為適當之水平。

擔保

本公司就持有旺角中心之聯營公司所欠之未償還債項向一間銀行提供相當於本集團股本權益應佔數額之擔保。該聯營公司於二零零四年十二月三十一日欠該銀行之未償還債項約為230,000,000港元（於二零零三年十二月三十一日：約為393,000,000港元）。

本公司為一間全資附屬公司所獲一間財務機構提供之不超逾15,000,000美元之信貸額提供擔保。於二零零四年十二月三十一日之未償還債項約為4,400,000歐羅（於二零零三年十二月三十一日：約為7,400,000歐羅）。

The Group signed up a new investment in a leading cashmere garment manufacturer in the PRC in December 2004, pending completion after certain conditions precedent are fulfilled.

After an investment cycle during 2003 and 2004, the Group is substantially fully invested. The Group will closely monitor the trend of the high yield bond market and reshuffle the portfolio according to market condition.

FINANCIAL POSITION

The Group is materially fully invested and maintains a strong financial position with immaterial gearing.

FOREIGN EXCHANGE EXPOSURE

As at 31st December, 2004, most of the Group's investments are based in Hong Kong dollar and United States dollar and are therefore not exposed to significant foreign currency risks. The Group invests in Euro denominated debt securities from time to time, and it is the Group's intention to hedge the currency exposure of debt securities to an extent considered appropriate by the investment manager.

GUARANTEE

The Company has given a guarantee to a bank to secure the outstanding indebtedness due by an associated company holding the Argyle Centre, for an amount attributable to the Group's equity interests. The amount of outstanding indebtedness due by the associated company to this bank at 31st December, 2004 was approximately HK\$230 million (at 31st December, 2003: approximately HK\$393 million).

The Company has given a guarantee to a financial institution to secure borrowing facilities available to a wholly-owned subsidiary in the amount not exceeding equivalent US\$15 million. The outstanding indebtedness at 31st December, 2004 was approximately Euro 4.4 million (at 31st December, 2003: approximately Euro 7.4 million).

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員工成本

本集團於本年度之員工成本總額合共約360,000港元。

STAFF COSTS

The Group's total staff costs for the year amounted to approximately HK\$360,000.

主席
馮永祥

Fung Wing Cheung, Tony
Chairman

香港·二零零五年三月二十二日

Hong Kong, 22nd March, 2005