

CHAIRMAN'S STATEMENT – continued

CHINA XPRESS PTE. LTD. – continued

We were able to benefit from the economic rebound and improvement in the labour market and ran continuous sales and marketing programs. As a result of our efforts we experienced a significant expansion in our customer base and received the MasterCard International award for “The Highest Growth Rate In 2004 Number of Open Cards in Hong Kong – 2nd Runner Up”. Nevertheless, competition for consumer finance intensified further amongst market players which led to a decrease in our net interest income.

The Group is pursuing expansion of its credit card logistics/processing services into the People's Republic of China (“PRC”) by marketing tailor-made, turn-key, full-service credit card issuance, processing and logistics services to PRC companies, especially financial institutions, such as banks and insurance companies.

China Xpress – Travel Agency

Anglo-French Travel Pte Ltd.

In October 2004, the Group acquired 60% of the issued share capital of Anglo-French Travel Pte Ltd. (“Anglo-French”), a Singapore company which focuses on corporate travel for small and medium enterprises, government statutory boards, multinational and global companies, leisure travel including land packages and tours, “MICE” (Meetings – Incentives – Conventions – Exhibitions) and wholesale agent airline ticketing businesses. Anglo-French ranked number 11 amongst 209 Billing and Settlement Plan Agents in Singapore (source: IATA). This ranking includes corporate ticketing, leisure, “MICE” and wholesale agents. Anglo-French has received numerous accolades and awards such as:

1996

National Training Award – SME Category

- Singapore Productivity & Standards Board (PSB)

1997

Travel Agency of the Year – Outbound

- Singapore Tourism Board (STB)

1998

ISO 9002 Certification

- Llyod McGill

2000 & 2001

Tourism Host of the Year

- Singapore Tourism Board (STB)

2003

ISO 9001:2000 for Quality Management System

- BSI Management Systems

主席報告 – 續

CHINA XPRESS PTE. LTD. – 續

本集團可自經濟復甦及就業市場改善獲益，並繼續推銷售及市場推廣計劃。由於本集團不斷努力，客戶基礎大幅擴展，並榮獲萬事達卡國際頒發之「二零零四年信用卡數目最高增長率季軍」。然而，消費借貸方面，市場競爭對手之競爭進一步加劇，導致本集團利息收入淨額減少。

本集團現正透過向中華人民共和國（「中國」）公司，特別是銀行及保險公司等財務機構，推廣度身訂造之全面信用卡保險、處理及後勤服務，擴展其於中國之信用卡後勤／處理服務。

China Xpress – 旅遊代理

Anglo-French Travel Pte Ltd.

於二零零四年十月，本集團收購Anglo-French Travel Pte Ltd.（「Anglo-French」）已發行股本60%，該新加坡公司專注於中小型企業、政府法定機構、跨國及國際公司之公司旅遊；旅遊套票及旅行團等消閒旅遊；會議展覽及獎勵旅遊（「MICE」）（Meetings – Incentives – Conventions – Exhibitions）以及經銷機票業務。Anglo-French於新加坡209家票務及結算代理中排名第11位（資料來源：IATA），有關排名包括公司票務、消閒、「MICE」及經銷代理。Anglo-French曾榮獲多項殊榮及獎項，例如：

一九九六年

National Training Award – SME Category（全國培訓大獎 – 中小企組別）

- Singapore Productivity & Standards Board (PSB)（新加坡生產力標準局）

一九九七年

Travel Agency of the Year – Outbound（全年旅遊代理大獎）

- Singapore Tourism Board (STB)（新加坡旅遊局）

一九九八年

ISO 9002 Certification（ISO 9002認證）

- Llyod McGill

二零零零年及二零零一年

Tourism Host of the Year（全年旅遊主辦機構）

- Singapore Tourism Board (STB)（新加坡旅遊局）

二零零三年

ISO 9001:2000 for Quality Management System（ISO 9001:2000品質管理系統）

- BSI Management Systems

CHAIRMAN'S STATEMENT – continued

CHINA XPRESS PTE. LTD. – continued

During the year, Anglo-French contributed HK\$216.7 million to the Group's turnover, and HK\$3.7 million to the Group's loss from operations.

China Xpress – Airline Investments

During the year, the Group, and its affiliated companies acquired a 16.0% equity stake (which subsequently increased to 20% after the year end date) in Skywest Limited ("Skywest"), an Australia listed company and became the second largest shareholder in Skywest. Skywest is one of Australia's largest and longest established regional airlines, meeting the transport needs of millions of Western Australians, as well as domestic and international tourists for more than 40 years. Skywest is the major regional airline in Western Australia, providing scheduled services to sixteen destinations, covering Albany, Argyle, Broome, Darwin, Esperance, Geraldton, Carnarvon, Exmouth, Kalgoorlie, Karratha, Kununurra, Newman, Leinster, Leonaora and Port Hedland. Skywest also provides many connector services, Broome - Darwin, Exmouth - Broome, Carnarvon - Exmouth and Port Healand - Karratha. The airline operates a once-weekly services linking the Pilbara to Bali. Skywest's regional charter service caters for the specific needs of government, corporate and mining and resources clients, requiring charter aircraft to the state's most remote locations. Our strategic investment in this key Australian carrier establishes a platform for co-operation on a number of commercial fronts and creates the opportunity to strengthen network connections in Singapore, Australia, Hong Kong and the PRC.

FUTURISTIC GROUP LTD.

The interior fit-out business is operated through Futuristic Group Ltd. ("Futuristic"), the Group's Singapore listed associate, of which as at March 31, 2005, the Group held a 45.6% interest in. Futuristic is an award-winning, leading interior fit-out and store fixtures specialist. It provides high-end store fixtures to high-profile and Fortune 500 clients and also manufactures other fixture products of the highest quality for export around the world. Futuristic is headquartered in Singapore with offices in Malaysia and PRC, and partners in North America, Taiwan and Australia.

To position itself for the potential growth in its store fixtures specialist business, Futuristic has incorporated a wholly-owned subsidiary, Futuristic Store Fixtures International Pte Ltd to focus on this growing market segment. This new company, which celebrated its official launch in June 2005, will help focus its energies and resources on the huge global market for store fixtures.

In 2005, Futuristic expanded into the businesses of securities trading, financial, investments, consultancy and funding services.

主席報告 – 續

CHINA XPRESS PTE. LTD. – 續

年內，Anglo-French分別為本集團帶來營業額216,700,000港元及經營虧損3,700,000港元。

China Xpress – 航空公司投資

年內，本集團及其聯屬公司收購澳洲上市公司Skywest Limited（「Skywest」）16.0%股權，於年結日後增至20%，本集團因而成為Skywest第二大股東。Skywest為澳洲最大型、歷史最悠久之地區航空公司之一，滿足過百萬名西澳洲居民之交通運輸需要，服務當地及國際旅客超過40年。Skywest為西澳洲主要地區航空公司，提供飛往十六個目的地航機服務，覆蓋奧爾巴尼、亞佳那、布魯姆、達爾文、埃斯佩蘭斯區、格拉德頓、加拿芬、埃克斯茅斯、加爾哥尼、卡拉沙、根納魯拉、紐曼、倫斯特、利奧諾拉及赫爾蘭港。Skywest亦提供若干接駁航機之航線：布魯姆往達爾文、埃克斯茅斯往布魯姆、加拿芬往埃克斯茅斯及赫爾蘭港往卡拉沙。公司亦提供每週一班由皮巴拉往峇里島之航線。Skywest亦有為政府、企業以及從事採礦及資源業客戶提供租機服務，由指定地點前往州內偏遠地區。本集團於此主要澳洲航空公司作出之策略投資，可為多項商業合作提供平台，並締造機會，加強新加坡、澳洲、香港及中國之網絡聯繫。

FUTURISTIC GROUP LTD.

本集團透過新加坡上市聯營公司Futuristic Group Ltd.（「Futuristic」）經營室內裝修業務，於二零零五年三月三十一日，本集團持有其45.6%權益。Futuristic為大型室內裝修及店舖傢具專門店，榮獲多個獎項，向高檔客戶及Fortune 500客戶提供高檔店舖傢具，亦製造其他優質傢具，出口至世界各地。Futuristic總部設於新加坡，於馬來西亞及中國設有辦事處，於北美洲、台灣及澳洲均有合作夥伴。

為就店舖傢具專門店業務發展作好準備，Futuristic註冊成立一家全資附屬公司Futuristic Store Fixtures International Pte Ltd，專注於此正在增長的市場。此新成立公司於二零零五年六月正式開業，將有助集中其力量及資源至店舖傢具之龐大全球市場。

於二零零五年，Futuristic擴展業務至證券買賣、金融、投資、顧問及融資服務。

NOVENA HOLDINGS LIMITED

By the end of the year in review, the Group held a 10% strategic equity stake in Novena Holdings Limited (“Novena”). Novena is a Singapore listed company that is a well-established consumer lifestyle player in the furniture and beauty industries. Its range of furniture, marketed under the brands Novena, Modern Living, Castilla, The White Collection and Natural Living, caters to the needs of different consumer lifestyles. Meanwhile, Novena’s comprehensive range of beauty products and services, typically beauty and personal care items, are marketed under the household names of Leewah Beauty and NC. Over the years, Novena has received numerous awards which is a recognition of their superior business operations. These include the prestigious Superbrands Award which recognizes some of the world’s greatest brands and the Singapore Promising Brand Award which recognizes SMEs which have shown outstanding performance in brand communication. Novena strives to continuously upgrade its production and merchandising values in order to provide the best retail experience, products and services.

GLOBAL MED TECHNOLOGIES INC.

The health care business is operated through Global Med Technologies Inc. (“Global Med”), the Group’s U.S. listed subsidiary, of which as at March 31, 2005, the Group holds a 40.5% interest in. The Group’s health care business recorded a turnover of approximately HK\$53.6 million and operating losses of approximately HK\$8.8 million.

Global Med is an international e-Health, medical information technology company, providing information management software products and services to the healthcare industry. Its Wyndgate Technologies division is a leading supplier of information management systems to U.S. and international blood centers and hospital transfusion centers. Current clients of Wyndgate’s products and services manage more than 3 million units of blood, or over 22% of the U.S. blood supply, each year. In the last 12-months Global Med secured a US\$8 million equity commitment and reached an installation milestone of over 300 facilities. Internationally, it announced the second African blood center installation and completed its first Canadian customer installation launch. Wyndgate’s products are now being implemented in the U.S., Canada, the Caribbean and sub-Saharan Africa.

FINANCIAL AND SECURITIES INVESTMENT

The financial and securities investment division of the Group recorded a turnover of approximately HK\$533.2 million for the year ended March 31, 2005, representing an increase of 8.7% from HK\$490.6 million for the previous year. The financial and securities investment division recorded an operating profit of HK\$23.8 million as compared to a loss of HK\$74.6 million in 2004. During the year, the Group completed the disposal of its entire interest in China Gas Holdings Limited.

羅敏娜控股有限公司

於回顧年度結束時，本集團持有羅敏娜控股有限公司（「羅敏娜控股」）10%策略股權。羅敏娜控股為新加坡上市公司，為傢具及美容業歷史悠久之消費生活時尚公司。其傢具系列以 Novena、Modern Living、Castilla、The White Collection 及 Natural Living 品牌銷售，迎合不同顧客生活要求。同時，羅敏娜控股全面美容產品及服務系列以 Leewah Beauty 及 NC 著名品牌銷售，一般包括美容及個人護理產品。多年來，羅敏娜控股榮獲多項殊榮，足以肯定其卓越業務經營，其中包括嘉許全球部分最佳品牌的著名 Superbrands Award（超級品牌大獎）以及表揚於品牌宣傳方面有出色表現之中小企的 Singapore Promising Brand Award（新加坡卓越大獎）。羅敏娜控股致力繼續提升其生產及商品價值，務求提供最佳零售經驗、產品及服務。

GLOBAL MED TECHNOLOGIES INC.

本集團透過其美國上市附屬公司 Global Med Technologies Inc.（「Global Med」）經營保健業務，於二零零五年三月三十一日，本集團持有其40.5%權益。本集團保健業務錄得營業額約53,600,000港元及經營虧損約8,800,000港元。

Global Med 為國際電子保健及醫療資訊科技公司，向保健業提供資訊管理軟件產品及服務。其 Wyndgate Technologies 部門為資訊管理系統主要供應商，向美國及國際輸血中心及醫院之輸血中心提供有關系統。目前使用 Wyndgate 產品及服務之客戶每年管理超過 3,000,000 個單位的血液或美國每年血液供應超過 22%。於過去十二個月，Global Med 取得股本 8,000,000 美元，安裝超過 300 部設施，寫下新里程碑。國際方面，Global Med 宣佈安裝第二個非洲輸血裝置及完成推出其首個加拿大客戶輸血裝置。Wyndgate 產品現已於美國、加拿大、加勒比地區及非洲撒哈拉沙漠週邊地區推出。

金融及證券投資

截至二零零五年三月三十一日止年度，本集團金融及證券投資部門錄得營業額約 533,200,000 港元，較去年 490,600,000 港元增加 8.7%。金融及證券投資部門錄得經營溢利 23,800,000 港元，而於二零零四年則錄得虧損 74,600,000 港元。年內，本集團完成出售其於中國燃氣控股有限公司全部權益。

OUTLOOK

It is our business strategy to continue to focus on the financial and securities investment businesses including securities trading, corporate finance, consumer finance and the credit card business and to continue to expand our travel, hospitality and aviation related businesses. We will continue to introduce reputable strategic partners to create opportunities to enlarge the credit card customer base, enhance the Group's business connections, and build on our brand name and international recognition and to acquire more travel service companies and airline companies with an aim to build globally branded, PRC focused international credit card and travel services for PRC banks, and PRC state-owned and global travel companies.

The year ahead will be an optimistic year for credit card businesses. With the growth in consumer spending and borrowing together with the expected increase in job and investment opportunities in the market, the demand for consumer loans will continue to increase. In light of the drop in the unemployment rate of our market segment and the declining trend of personal bankruptcies, the Group will undertake a more aggressive marketing strategy to grow its principal business and launch a series of new loyalty card products participate in the Xpress Miles™ rewards program, such as “Bon Appetit Club” loyalty card program.

The Group's business direction includes diversification of country risk through the expansion and development of its existing businesses in corporate finance, consumer finance, credit cards, and travel related activity outside of Hong Kong with a strong focus on Singapore and the PRC. The goal of the Group is to fully leverage its various brandings, to consolidate internal and external resources and to augment reform efforts in order to enhance its competitiveness in the Singapore, PRC and international markets, so as to become an international and modernized travel service group.

The Group maintained a very strong cash position throughout the year and had a cash balance of over HK\$69.6 million as at March 31, 2005. This advantage, together with the continued growth of our core business and prudent investment strategies, makes us highly competitive. We are optimistic about our future. Through effective utilisation of our capital, we will expand and extend our business in the years to come. In the coming year, the Group intends to further create greater synergies among the strategic partners, such as Futuristic, Novena and Skywest, in order to maximise its competitive advantages in large scale operations and services.

展望

本集團業務策略為繼續專注於金融及證券投資業務，包括證券買賣、企業融資、消費信貸及信用卡業務，並繼續擴展旅遊、款待及航空相關業務。本集團將繼續引入著名策略合作夥伴，為擴大信用卡客戶基礎、增強本集團業務聯繫以及建立本集團品牌及國際知名度締造機會，並收購更多旅遊服務公司及航空公司，務求為中國的銀行、中國國有及全球旅遊公司提供全球知名、對準中國的國際信用卡及旅遊服務。

本集團對未來一年的信用卡業務充滿信心。隨著消費及借貸增長，加上預期市場就業及投資機會將會增加，消費者貸款需求將持續上升。由於本集團所處市場分部之失業率下跌，個人破產個案亦有下跌趨勢，本集團將更積極推行市場推廣策略，以發展其主要業務，並推出一系列新會員卡，參與「特速哩數」獎勵計劃，例如「為食會」會員卡計劃。

本集團業務方向包括透過集中於新加坡及中國等香港以外地區，擴充及發展企業融資、消費信貸、信用卡及旅遊相關活動等現有業務，分散國家風險。本集團目標為全面利用其多個品牌，整合內外資源，並加強改革工作，提升於新加坡、中國及國際市場之競爭力，以晉身現代化的國際旅遊服務集團之列。

本集團年內現金狀況一直保持強勁，於二零零五年三月三十一日，本集團有現金結餘超過69,600,000港元。此優勢加上本集團核心業務持續增長及推行審慎投資策略，本集團競爭力有所提高。本集團對未來前景充滿信心。透過有效運用資金，本集團將於未來擴展業務及覆蓋範圍。來年，本集團計劃進一步與Futuristic、羅敏娜控股及Skywest等策略合作夥伴創造更大協同效益，務求提升大型業務及服務之競爭優勢。

CHAIRMAN'S STATEMENT – continued

APPRECIATION

I would like to thank the members of the Board for their guidance and to extend my appreciation to the management and staff for their continued dedication and hard work.

By Order of the Board

CHAN HENG FAI

Managing Chairman

Hong Kong, July 26, 2005

主席報告 – 續

致謝

本人謹此對董事會各成員的英明指導以及一直鞠躬盡瘁的管理層及員工致以衷心謝意。

承董事會命

執行主席

陳恒輝

香港，二零零五年七月二十六日