

### REVIEW OF OPERATIONS

The notable growth momentum of the Hong Kong economy pursued throughout the year with Gross Domestic Product registered a growth of 7.3% in 2005. Domestic consumption demand held firm along with the more entrenched economic recovery and improving labour market condition whereas the unemployment rate fell from 8.6% in mid-2003 to 6.1% in the first quarter and was further down to a four-year low of 5.2% at the end of the year. Notwithstanding the increasing interest rates and the appreciation of Renminbi, consumer demand and their spending power continued to be strong. Under this atmosphere, the performance of the tourism industry was promising and encouraging over the year under review where statistics shows both inbound arrivals and outbound departures upsurged greatly.

During the year, the Group has adopted the newly effective Hong Kong Financial Reporting Standards. As a result, certain comparative figures for the year ended 31 December 2004 have been restated.

Turnover and gross profit for the year ended 31 December 2005 attained HK\$1,815.7 million and HK\$346.4 million respectively (2004: HK\$1,722.2 million and HK\$295.5 million respectively). The profit for the year was approximately HK\$32.2 million (2004: a loss of HK\$2.8 million) and was arrived at after taking into account the discount on acquisition of subsidiaries of HK\$34.6 million (2004: nil), finance costs of HK\$59.4 million (2004: HK\$66.3 million) and share of results of associates of HK\$8.0 million (2004: a loss of HK\$0.2 million).

### 業務回顧

香港全年之經濟持續顯著增長。於二零零五年，本地生產總值錄得7.3%的增幅。隨著經濟穩定復蘇及勞動市場狀況得以改善，失業率於首季自二零零三年年中之8.6%回落至6.1%，年底更回落至四年來新低5.2%，本地消費需求得以持續增強。儘管利率上升及人民幣升值，消費需求及購買力依然強勁。在如此氣候下，於回顧年度內，旅遊業表現符合理想且令人鼓舞，數據顯示出入境人次均大幅上升。

年內，本集團採納新生效之香港財務報告準則。因此，截至二零零四年十二月三十一日止年度之若干比較數字已予以重列。

截至二零零五年十二月三十一日止年度錄得營業額及毛利分別達1,815,700,000港元及346,400,000港元（二零零四年：分別為1,722,200,000港元及295,500,000港元）。本年度溢利約為32,200,000港元（二零零四年：虧損2,800,000港元），並已計入收購附屬公司之折讓為34,600,000港元（二零零四年：無）、融資成本59,400,000港元（二零零四年：66,300,000港元）及應佔聯營公司業績8,000,000港元（二零零四年：虧損200,000港元）。

### Travel and Related Services

Recovered from the sentiment of the Indian Ocean tsunami happened at the end of 2004, the number of outbound travellers rebounded during 2005. Statistics show that the number of outbound travellers exceeded 72 million and represented a 4.9% over 2004. Facing the high oil price and increasing operating cost which shrunk further the profit margin of the travel industry, the Group has continued to launch series of new products, providing quality service on existing markets and exploring new markets aggressively during the year to enhance its performance. Coupled with the growing number of inbound visitors of over 23 million in 2005, the Group has attained encouraging results during the year under review.

Turnover and contribution to profit of this segment for the year ended 31 December 2005 reached HK\$1,592.0 million and HK\$56.4 million respectively (2004: HK\$1,532.1 million and HK\$49.3 million respectively).

### Hotel and Leisure Services

Benefited from the expansion of the Closer Economic Partnership Arrangement (“CEPA”) and the PRC Individual Visit Scheme to Hong Kong, the hotel and leisure business in Hong Kong and the PRC have shown a rapid recovery during the year.

The performance of the Group’s hotel and leisure business operated under the three hotels in Hong Kong and the PRC with the “Rosedale” brand, and Luoyang Golden Gulf Hotel in the PRC during 2005 were largely benefited from the aforesaid arrangements in terms of both the occupancy rate and room rate. Coupled with the adoption of appropriate market positioning strategy, the performance of this segment during the year under review was encouraging.

The turnover and contribution to profit of this segment for the year achieved HK\$223.8 million and HK\$28.2 million respectively (2004: HK\$190 million and HK\$3.6 million respectively).

### 旅遊及相關服務

隨著二零零四年年底發生印度洋海嘯之陰霾逐漸消散，於二零零五年之出境旅客人數已見反彈。數據顯示，出境人數超越72,000,000，較二零零四年高出4.9%。面對油價高企及經營成本上漲，以致旅遊業邊際利潤縮減，本集團於年內繼續推出一系列嶄新產品，在現有市場提供優質服務，並同時積極發掘新市場，務求提升業務表現。加上二零零五年入境旅客人數上升至超過23,000,000，本集團於回顧年度內之業績令人鼓舞。

此分類業務於截至二零零五年十二月三十一日止年度之營業額及溢利貢獻分別達1,592,000,000港元及56,400,000港元（二零零四年：分別為1,532,100,000港元及49,300,000港元）。

### 酒店及休閒服務

受惠於擴大之更緊密經貿關係安排（「更緊密經貿關係安排」）及放寬內地個人遊計劃訪港限制，香港及中國之酒店及休閒業務在年內迅速復蘇。

本集團三間位於香港及內地以「珀麗」為品牌之酒店，以及中國洛陽金水灣大酒店，就入住率及房價而言，於二零零五年之業績表現大大受惠於上述安排。加上經採納合適之市場定位策略，此分類於回顧年度內之表現令人鼓舞。

此分類業務於本年度之營業額及溢利貢獻分別為223,800,000港元及28,200,000港元（二零零四年：分別為190,000,000港元及3,600,000港元）。

### Associates

The Group entered into the hospitality industry in Macau by the acquisition of approximately 36.26% attributable interests in Kingsway Hotel Limited (“Kingsway”) in February 2005. Resulted from the blooming tourism business in Macau, Kingsway has achieved a net profit for the year ended 31 December 2005 of approximately HK\$17.9 million of which HK\$8.4 million were shared by the Group for the year under review.

The contribution of the Group’s 50% associate, Travoo International Limited (“Travoo”), formed at the end of 2005 is insignificant.

### Material Acquisitions and Disposals

On 20 November 2004, the Group entered into a conditional sale and purchase agreement with an independent third party to acquire an 80% equity interest in Triumph Up Investments Limited (“Triumph”) for a total consideration of approximately HK\$157.5 million. The Group, through Triumph, would, at completion, hold indirectly approximately 34.24% attributable interest in Kingsway of which its principal asset is Kingsway Hotel. On 17 February 2005, the parties entered into a supplemental agreement to amend the terms of the acquisition that the attributable interest in Kingsway acquired by the Group was increased from approximately 34.24% to 36.26% and the consideration was proportionally adjusted to approximately HK\$166.8 million which has been settled in cash. Completion of the supplemental agreement took place on 17 February 2005.

On 11 November 2005, the Group entered into an agreement with Guangdong China Travel Service (Holdings) Ltd. (“GDCTS”) pursuant to which each of the Group and GDCTS would contribute RMB25,000,000 to form a joint venture in return for a 50% interest in the issued share capital of the joint venture company, Travoo. Travoo is intended to be established with a view to providing ticket booking services for hotel, airline and other transportation and event services, the operation of call centers, and the marketing of such services and other travel related services. The agreement was completed on 30 December 2005.

### 聯營公司

於二零零五年二月，本集團收購金域酒店有限公司（「金域」）約36.26%之應佔權益，藉此進軍澳門之酒店業。由於澳門之旅遊業興旺，金域於截至二零零五年十二月三十一日止年度錄得約17,900,000港元之溢利淨額，其中8,400,000港元為本集團於回顧年度內之應佔份額。

本集團於二零零五年年底成立並擁有50%權益之Travoo International Limited（「Travoo」）之貢獻並不重大。

### 重大收購及出售事項

於二零零四年十一月二十日，本集團與一名獨立第三方訂立有條件買賣協議，收購Triumph Up Investments Limited（「Triumph」）之80%股本權益，總代價約157,500,000港元。完成後，本集團透過Triumph間接持有金域約34.24%應佔權益，而金域之主要資產乃金域酒店。於二零零五年二月十七日，協議各方訂立補充協議，修訂收購之條款，將本集團收購金域之應佔權益由約34.24%增至36.26%，代價則按比例調整至約166,800,000港元，並以現金支付。補充協議於二零零五年二月十七日完成。

於二零零五年十一月十一日，本集團與广东中旅（集團）有限公司（「广东中旅」）訂立協議，據此，本集團與广东中旅各注資人民幣25,000,000元組成一家合營公司Travoo，並各自擁有合營公司Travoo之已發行股本50%權益。成立Travoo之目的，乃為提供酒店、航空及其他交通工具之訂票服務和活動服務、經營電話服務中心，以及推廣該等服務及其他旅遊相關服務。有關協議已於二零零五年十二月三十日完成。

### Liquidity and Financial Resources

On 30 November 2004, the Company entered into two placing and subscription agreements with China Enterprises Limited (“CEL”) and a placing agent pursuant to which the placing agent agreed to place, on a fully underwritten basis, 6,000 million existing shares held by a nominee of CEL at the price of HK\$0.028 per placing share to not less than six placees who are independent third parties and CEL would subscribe for 6,000 million new shares at the same price of HK\$0.028 per share. The issue and subscription of 3,660 million and 2,340 million new shares have been completed on 14 December 2004 and 31 January 2005 respectively. The net proceeds of approximately HK\$160.4 million was used principally towards payment of HK\$107.5 million of the consideration for the acquisition of Kingsway and the balance was utilised as general working capital.

On 4 February 2005, the Company entered into a placing and subscription agreement with CEL and a placing agent pursuant to which the placing agent agreed to place, on a best effort basis, up to 6,400 million shares at the price of HK\$0.022 per share. The Company intended to utilise HK\$50 million of the net proceeds of approximately HK\$137 million from the subscription to finance the refurbishment, renovation and upgrading of Kingsway Hotel in Macau, so as to enhance its competitiveness. The remaining HK\$87 million of the proceeds of the subscription are to be used for future investment opportunities related to existing business. The issue and subscription of shares were completed on 18 February 2005.

The Company announced on 4 February 2005 to propose a consolidation that every one hundred shares of HK\$0.01 each in the issued and unissued ordinary share capital of the Company be consolidated into one consolidated share of HK\$1.00 each (the “Consolidation”). The Consolidation was approved by the shareholders of the Company in a special general meeting held on 14 March 2005.

### 流動資金及財務資源

於二零零四年十一月三十日，本公司與China Enterprises Limited（「CEL」）及配售代理訂立兩份配售及認購協議，據此，配售代理同意按全數包銷方式，向不少於6名獨立第三方之承配人配售CEL之代名人持有之6,000,000,000股現有股份，每股配售股份作價0.028港元，而CEL按相同價格每股股份0.028港元，認購6,000,000,000股新股份。發行和認購3,660,000,000股及2,340,000,000股新股份已分別於二零零四年十二月十四日及二零零五年一月三十一日完成。所得款項淨額約160,400,000港元已主要用作支付收購金域之代價107,500,000港元，餘額則撥作一般營運資金。

於二零零五年二月四日，本公司與CEL及一名配售代理訂立配售及認購協議，據此，配售代理同意盡力按每股0.022港元配售最多6,400,000,000股股份。本公司擬將認購事項之所得款項淨額約137,000,000港元中之50,000,000港元，用作裝修、翻新和提升位於澳門之金域酒店，以提高其競爭力。認購之所得款項餘額87,000,000港元，日後將用作與現有業務相關之投資機會。發行和認購股份已於二零零五年二月十八日完成。

本公司於二零零五年二月四日宣布股份合併，建議在本公司已發行及未發行之普通股股本中，將每100股每股面值0.01港元之股份合併為1股每股面值1.00港元之合併股份（「股份合併」）。本公司股東已於二零零五年三月十四日舉行之股東特別大會上批准股份合併。

# Management Discussion and Analysis

## 管理層論述及分析

The Company announced on 17 May 2005 to propose, inter alia, a cancellation of the entire amount standing to the credit of the share premium account (the "Cancellation") and transfer the credit arising from the Cancellation to the contributed surplus account of the Company and such credit would be partially used to set off against the accumulated loss of the Company (the "Set Off"). The Cancellation and the Set Off were approved by the shareholders of the Company in a special general meeting held on 5 July 2005.

On 1 March 2006, the Company entered into a placing agreement with a placing agent pursuant to which the placing agent conditionally agreed to place, on a best effort basis, up to 175,000,000 new adjusted shares at a price of HK\$0.69 per adjusted share to not less than six placees who shall be independent third parties. The placing is conditional on, among other things, the passing of the resolution at the special general meeting by the shareholders to approve the issue of the placing shares. The expected net proceeds of approximately HK\$119.7 million from the placing are intended to be used as general working capital for the Group. In order to facilitate the issue of the placing shares, the Company proposed to conduct a capital reorganisation which involves (i) the reduction of the issued share capital of the Company by HK\$0.90 per existing share by cancelling an equivalent amount of paid-up capital per existing share so that the nominal value of each existing share in issue will be reduced from HK\$1.0 to HK\$0.1; and (ii) the subdivision of every one unissued existing share into ten adjusted shares. Completion of the placing and the capital reorganisation is conditional upon the approval by the shareholders of the Company in the special general meeting to be convened for this purpose.

On 23 March 2006, the Company announced that it has entered into a total of eight subscription agreements in relation to the subscription by eleven subscribers of the 2% convertible exchangeable notes (the "Notes"), matured on the fifth anniversary from the date of issue of the Notes, with an aggregate principal amount of HK\$1,000 million at an initial conversion price of HK\$0.79 (adjustable). CEL and the ten other subscribers have conditionally agreed to subscribe for the Notes with principal amount of HK\$300 million and HK\$700 million by cash respectively. The net proceeds, estimated to be approximately HK\$998.8 million, raised from the subscription of the Notes are expected to be used by the Group for the purpose of expanding its hotel business and travel related business. Completion of the subscription of the Notes conditional upon, amongst other things, the approval by the shareholders of the Company in the special general meeting to be convened for this purpose.

本公司於二零零五年五月十七日宣布建議(其中包括)註銷股份溢價賬之全部貸方金額(「註銷」),並將註銷所產生之貸方金額轉撥至本公司之繳入盈餘賬,而因註銷而產生之有關貸方金額將部份用作抵銷本公司之累計虧損(「抵銷」)。註銷及抵銷已於二零零五年七月五日舉行之股東特別大會上獲本公司股東批准。

於二零零六年三月一日,本公司與一名配售代理訂立配售協議,據此,配售代理有條件地同意按竭誠盡力基準,以每股經調整股份0.69港元的價格將最多達175,000,000股新經調整股份配售予不少於六位承配人(均為獨立第三方)。配售事項須待(其中包括)股東於股東特別大會上通過決議案,批准發行配售股份後,方可作實。配售事項之預計所得款項淨額約119,700,000港元擬用作本集團的一般營運資金。為方便發行配售股份,本公司建議進行一項股本重組,當中包括(i)將本公司已發行股本每股現有股份削減0.90港元,方法是在每股現有股份已繳足股本中註銷相等金額,使每股已發行現有股份的面值由1.0港元減至0.1港元;及(ii)分拆每股未發行的現有股份為10股經調整股份。配售事項及股本重組之完成須待本公司股東於就此舉行之股東特別大會上批准後,方可作實。

於二零零六年三月二十三日,本公司宣布訂立合共八份認購協議,內容有關十一位認購人認購2厘利息之可換股可交換票據(「票據」)。票據於發行當日起計第五週年屆滿,本金總額為1,000,000,000港元,初步兌換價為0.79港元(可予以調整)。CEL與其餘十位認購人已有條件同意分別以現金認購本金額為300,000,000港元及700,000,000港元之票據。票據認購籌集所得款項淨額估計約為998,800,000港元,預期將由本集團用於拓展其酒店業務及旅遊相關業務。票據認購完成須經(其中包括)本公司股東於就此舉行之股東特別大會上批准後,方可作實。

# Management Discussion and Analysis

## 管理層論述及分析

At balance sheet date, the Group's total borrowings were approximately HK\$1,036.2 million (2004: HK\$1,137.2 million) which comprised loans from related companies of HK\$361.5 million (2004: HK\$372.9 million), bank and short term loan repayable within one year of HK\$38.3 million (2004: HK\$57.0 million), bank and other loans repayable after one year of HK\$271.3 million (2004: HK\$300.4 million), obligations under finance leases of HK\$0.1 million (2004: HK\$ 0.5 million), promissory note of HK\$365.0 million (2004: HK\$365.0 million) due in December 2007 and convertible notes of nil (2004: HK\$41.4 million) repayable in June 2007. The convertible notes repayable in June 2007 bear interest at a fixed interest rate of 2% per annum and have all been converted in 2005. All other borrowings bear floating interest rates.

The gearing ratio, expressed as a percentage of total borrowings to shareholders' funds, improved significantly from 180.5% as at 31 December 2004 to 106.4% as at 31 December 2005.

### Pledge of Assets

At 31 December 2005, certain assets of the Group at net book value of HK\$640.0 million (2004: HK\$641.3 million) were pledged to banks and financial institutions for credit facilities. The promissory note is secured by the entire issued share capital of, and shareholders' loan to, an indirect subsidiary of the Company, Makerston Limited, and its subsidiaries holding the Rosedale Hotel and Suites ■ Beijing.

### Contingent Liabilities

The Group did not have any significant contingent liabilities as at 31 December 2005.

於結算日，本集團之借款總額約為1,036,200,000港元（二零零四年：1,137,200,000港元），其中包括關連公司貸款361,500,000港元（二零零四年：372,900,000港元）、一年內償還之銀行及短期貸款38,300,000港元（二零零四年：57,000,000港元）、一年後償還之銀行及其他貸款271,300,000港元（二零零四年：300,400,000港元）、融資租約之承擔100,000港元（二零零四年：500,000港元）、二零零七年十二月到期之承兌票據365,000,000港元（二零零四年：365,000,000港元）及二零零七年六月償還之可換股票據為無（二零零四年：41,400,000港元）。除二零零七年六月償還之可換股票據按固定利率每年2厘計息並已悉數於二零零五年兌換外，所有其他借款均按浮動利率計息。

資本負債比率（按借款總額相對股東資金百分比列示）由二零零四年十二月三十一日之180.5%大幅改善至二零零五年十二月三十一日之106.4%。

### 資產抵押

於二零零五年十二月三十一日，本集團已將賬面淨值為640,000,000港元（二零零四年：641,300,000港元）之若干資產抵押予銀行及財務機構作銀行融資額。承兌票據乃由本公司之一家間接附屬公司Makerston Limited及其持有北京珀麗酒店之附屬公司之全部已發行股本及股東貸款抵押。

### 或然負債

於二零零五年十二月三十一日，本集團並無任何重大或然負債。

### Foreign Currency Exposure

The majority of the Group's assets and liabilities and business transactions were denominated in Hong Kong dollars, US dollars and Renminbi. Despite the appreciation of Renminbi during 2005, the impact on the Group's operation is minimal. As such, the fluctuation of foreign currencies do not have a significant impact on the performance, results and operations of the Group during the reporting year and in the foreseeable future.

The Group will continue to monitor closely its foreign currency exposure and requirements and to arrange for hedging facilities when necessary.

### Employees

At 31 December 2005, the Group has 1,996 employees of which 25 employees were stationed overseas and 1,071 employees were stationed in the PRC. Competitive remuneration packages are structured to commensurate with the responsibilities, qualifications, experience and performance of individual employees. The Group also provided training programmes, provident fund scheme and medical insurance for its employees. Total staff remuneration incurred for the year ended 31 December 2005 were approximately HK\$135.4 million (2004: HK\$128.0 million).

### 外幣風險

本集團之大部份資產、負債及業務交易均以港元、美元及人民幣計算。儘管人民幣於二零零五年內升值，升值對本集團之業務影響極微。因此，外幣匯率波動對本集團於報告期間及可預見未來之表現、業績及營運並無造成重大影響。

本集團將會繼續謹慎監控其外幣風險及需要，並會於需要時安排對沖融資額。

### 僱員

於二零零五年十二月三十一日，本集團聘用1,996名僱員，當中25名駐居海外，另外1,071名則在國內工作。本集團提供與個別僱員之職責、資歷、經驗及表現相稱之優越薪酬組合。此外，本集團亦為其僱員提供培訓課程、公積金計劃及醫療保險。截至二零零五年十二月三十一日止年度，員工薪酬總額約為135,400,000港元（二零零四年：128,000,000港元）。



The Group had a share option scheme (the “Scheme”), which was approved and adopted by shareholders of the Company on 3 May 2002, to enable the directors to grant options to employees, executives or officers of the Company or any of its subsidiaries (including executive and non-executive directors of the Company or any of its subsidiaries) and any suppliers, consultants, agents or advisers who will contribute or have contributed to the Company or any of its subsidiaries as incentives and rewards for their contribution to the Company or such subsidiaries. The maximum number of shares in respect of which options may be granted under the Scheme, when aggregated with any shares subject to any other schemes, shall not exceed 10% of the issued share capital of the Company on the date of approval and adoption of the Scheme (the “General Limit”). The Company proposed to refresh the General Limit so that the number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company would be increased to 10% of the shares in issue as at the date of approval of the General Limit as “refreshed”. The refreshment of the General Limit was approved by the shareholders of the Company in the annual general meeting held on 27 May 2005.

No options have been granted under the Scheme since its adoption.

## PROSPECTS

### Travel and Related Services

In 2005, the PRC served approximately 1.2 billion inbound travellers and represented an increase of 10.3% over 2004. At the same time, online travel transactions in PRC reached RMB7 billion in 2005 and the number of internet users was up by 18.3% as at the end of 2005. Coupled with the effect of the 2008 Beijing Olympic Games and the proposed Shanghai Disney Theme Park to be completed in 2010, the inbound revenue of the mainland will grow in multiples in the coming years. The Group has well equipped itself to grasp this opportunity, through its joint venture currently acting as a land operator for the Group in the Guangdong Province and the newly formed joint venture, Travoo, to further expand its business in the PRC aggressively.

本集團採納一項購股權計劃（「該計劃」），該計劃於二零零二年五月三日獲本公司股東批准及採納，董事藉此可向本公司或其任何附屬公司僱員、主要行政人員或高級人員（包括本公司或其任何附屬公司之執行及非執行董事），以及將會或曾經對本公司或其任何附屬公司作出貢獻之供應商、專業顧問、代理或諮詢人授出購股權，以獎勵及回饋彼等對本公司或該等附屬公司所作之貢獻。根據該計劃可能授出之購股權所涉及之股份，與任何其他計劃所涉及之股份一併計算，數目合共不得超過本公司於批准及採納該計劃日期之已發行股本10%（「一般限額」）。本公司建議更新一般限額，致使根據該計劃及本公司任何其他購股權計劃將授出之所有購股權獲行使時可能發行之股份數目，增加至一般限額獲批准「更新」當日已發行股份之10%。本公司股東已於二零零五年五月二十七日舉行之股東週年大會上批准更新一般限額。

自該計劃採納以來並無根據該計劃授出購股權。

## 展望

### 旅遊及相關服務

於二零零五年，國內接待了約1,200,000,000入境旅客人次，較二零零四年上升10.3%。同時，中國之網上旅遊交易於二零零五年達人民幣7,000,000,000元，而互聯網使用者人數於二零零五年年底亦上升18.3%。舉辦二零零八年北京奧運會，以及將於二零一零年落成之上海迪士尼主題公園計劃，令內地來年之入境收益以倍數遞增。本集團已作好充分準備，透過其合營公司（現正作為本集團於廣東省之地接商），並借助新成立之合營公司Travoo，抓緊良機積極擴充內地業務。



# Management Discussion and Analysis

## 管理層論述及分析

The outbound market to southeast Asian countries has been gradually recovered from the Indian Ocean tsunami happened at the end 2004. The Group will put continuous efforts on promoting with airlines and hotels so as to rebuild travellers' confidence on spending their holidays in those attractive destinations such as Maldives and Phuket. Furthermore, the Group shall continuous to make use of its expertise and experience in the business to expand its product lines, and to explore further leisure and sightseeing spots around the globe for its valuable customers.

Through the popularity of Internet, travel knowledge and destination information can be accessed directly and conveniently. More and more experienced travellers are keen on planning their own itineraries. To cope with the trend of this growing FIT market, the Group has strengthened its leisure section and has actively negotiated with our vendors to provide discounted airfare, high quality accommodation, transportation and dining services to our FIT customers. It is expected that the revenue generated from this business stream will occupy a significant portion of the revenue of the Group in the coming years.

During the year under review, the Group has put considerable resources into its inbound business and the results are promising. Following the opening of the Hong Kong Disney Land and the AsiaWorld-Expo in 2005, the Skyrail to Po Nin Monastery (Ngong Ping 360) and the Wetland Park in mid-2006, the "A Symphony of Lights" being listed on Guinness World Record in November 2005, the proposed new cruise terminal at the old Kai Tak airport site, and the effect of staging the equestrian events of 2008 Olympic Games in Hong Kong, the number of incoming visitors to and transit through Hong Kong is expected to grow to a significant extent. We are confident that, the inbound business of the Group will be greatly benefited from these favourable factors and will constitute a significant source of revenue and profits to the Group in the future.

前往東南亞國家之出境旅遊市場已從二零零四年年底發生之印度洋海嘯之陰霾中逐步復蘇。本集團將繼續努力與航空公司及酒店推廣宣傳，重建旅客對往該等旅遊勝地（如馬爾代夫及布吉島）度假之信心。此外，本集團將繼續善用其於行內之專業知識及經驗，進一步擴闊其產品線路，並為其尊貴客戶在全球各地發掘更多休閒及觀光景點。

隨著互聯網之普及，旅客獲取旅遊知識及目的地資訊更加直接和方便快捷，致使越來越多旅遊經驗豐富之旅客希望自己策劃旅遊行程。面對不斷擴大之自助遊市場趨勢，本集團已增強其休閒服務部門，並積極與供應商磋商，為自助遊旅客提供特價機票、高質素之住宿、交通及膳食服務。預期該業務取得之收益將構成未來幾年內本集團收益之重要部份。

於回顧年度內，本集團已於入境旅遊業務投放大量資源，且收效顯著。繼香港迪士尼樂園及亞洲國際博覽館於二零零五年開幕，通往寶蓮寺之纜車（昂平360）及濕地公園將於二零零六年中旬開放，又「幻彩詠香江」於二零零五年十一月被列入健力士世界紀錄，還有位於舊啟德機場之郵輪碼頭計劃，再加上香港將協辦二零零八年奧運會馬術項目，來港旅遊及途經香港之旅客人數預期將大幅攀升。本集團深信其入境旅遊業務將在該等利好因素中獲益匪淺，並將會成為本集團未來收益及溢利之重要來源。

### Hotel and Leisure Services

The opening of Hong Kong Disney Land in September 2005 helps to reposition Hong Kong as a premium destination for family tourists in Asia. Couple with the recent expansion of the Individual Visit Scheme to 44 PRC cities and the unprecedented opportunity of mainland tourism industry arising from the 2008 Beijing Olympic Games, the overall room rate and occupancy rate of our hotels operated in these cities in the coming years are expected to grow to a considerable extent.

Following the concession by the United Nations Educational, Scientific and Cultural Organisation to add Macau into the list of World Heritage Sites, the opening of the new theme park, the Fisherman's Wharf, the number of visitors to Macau is expected to grow tremendously in the coming years. This will further boost the blooming tourism industry of the city. These developments provide the Group immense opportunities to enlarge its market share through its branch network and Kingsway Hotel acquired during the year. Besides, the Group will keep on exploring further investment projects in Macau so as to cope with the its business strategy within the Pan-Pearl River Delta area.

The Group will continue to develop new products and to provide quality service so as to differentiate ourselves from our competitors and to cope with the demanding needs of our valuable customers, and to stand ahead of the industry.

### 酒店及休閒服務

香港迪士尼樂園於二零零五年九月開幕，讓香港得以重新成為亞洲老少咸宜之首選旅遊地點。由於內地最近放寬個人遊計劃至44個內地城市，加上二零零八年北京奧運會為內地旅遊業帶來無限商機，本集團在該等城市經營之酒店整體房價及入住率，在未來數年可望大幅提升。

在聯合國教科文組織將澳門加入世界遺產名錄及新主題公園漁人碼頭揭幕後，預期未來幾年內，前往澳門旅客人數將大幅上升，從而進一步帶動澳門日益興盛之旅遊業之發展。該等發展為本集團提供了絕佳機會，令本集團得以透過其分行網絡及年內收購之金域酒店擴大市場佔有率。此外，本集團將繼續在澳門發掘更多新的投資項目，以配合在泛珠江三角洲地區內之業務策略。

本集團將繼續開發新產品及提供優質服務，務求在眾多競爭者中脫穎而出，以配合尊貴客戶不斷提高之需求，致使本集團續為業內之翹楚。