

## CHAIRMAN'S STATEMENT 主席報告



*From left to right: MAK Pak Hung, Joseph TONG Tang, Arthur George DEW, THAM Yok Mui, Patrick POON Mo Yiu*

# CHAIRMAN'S STATEMENT

## 主席報告

The Group was successful in the year under review in delivering pleasing results for shareholders. The Group's financial performance resulted from a combination of solid results from the Group's core businesses of wealth management, asset management and corporate finance together with, principally, realized profits from the sale of investments, increases in the fair value of investment property and the write back of impairment losses. These profits were partially offset by a reduction in the Group's share of the results and amortization of negative goodwill (goodwill) of associated companies as detailed in the Management Discussion and Analysis on page 21.

The Group maintained its position as one of the largest non-bank financial institutions in Hong Kong. The Group continues to enjoy a strong Balance Sheet, and is supported by dedicated and skilled staff providing a wide range of products within a sound business strategy to a broad spectrum of clients. Management will continue to focus on growth as well as the reduction of non-essential costs and the phasing out of any operations which do not meet profit targets.

### RESULTS FOR THE YEAR

During the year, the Group recorded a 5.74% increase in profit before tax to HK\$436.5 million (2004: HK\$412.8 million restated). Consolidated profit attributable to equity holders of the Company increased by 6.02% to HK\$401.5 million (2004: HK\$378.7 million restated). Earnings per share (EPS) increased by 5.92% to HK32.2 cents (2004: HK30.4 cents restated). Revenue was HK\$793.6 million for the year, against HK\$807 million for the previous year.

The Directors recommended the declaration of a final dividend of HK9.5 cents per share payable on 8 June 2006 to shareholders whose names appear on the register of members of the Company on 25 May 2006, making a total dividend for the year 2005 of HK12 cents per share (2004: HK9 cents).

於回顧年度，集團成功為股東帶來理想業績。由於財富管理、資產管理及企業融資各項核心業務均有實質表現，加上出售投資所得兌現溢利、投資物業公平值上升及減值虧損撥回等主要因素，集團的財務表現理想。然而，部份溢利由於集團分佔聯營公司的業績及負商譽(商譽)攤銷減少而被抵銷，有關詳情載於管理層討論及分析第21頁。

集團仍然是香港最大型的非銀行金融機構之一，財政狀況依然穩健，配合努力不懈及專業的員工，按周全的業務策略為客戶提供多元化的產品。管理層將繼續集中於業務增長及削減非必要成本，以及逐步撤除未能達到盈利目標的業務。

### 全年業績

年內，集團錄得5.74%之除稅前溢利增長，達436.5百萬港元(2004年：重列為412.8百萬港元)。本公司股東應佔綜合溢利增長6.02%至401.5百萬港元(2004年：重列為378.7百萬港元)。每股盈利增長5.92%至32.2港仙(2004年：重列為30.4港仙)。本年度收益為793.6百萬港元，去年則為807百萬港元。

董事會建議派發末期股息每股9.5港仙予於2006年5月25日登記在本公司股東名冊內之股東，2005年全年派發之股息每股合共12港仙(2004年：9港仙)。股息將於2006年6月8日寄發。

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The Directors have also approved a bonus issue of new warrants (the "Bonus Warrants") on the basis of one Bonus Warrant for every five shares held, at an initial subscription price of HK\$6.00 per share with a term of three years, details of which will be included in a circular to be sent to the shareholders as soon as practicable.

### OPERATIONS

The Group's operating divisions continued to deliver on our commitment to provide our clients with a comprehensive range of financial services and products and a high standard of service. The details of the performance of the various divisions are outlined in the Management Discussion and Analysis.

### BUSINESS DEVELOPMENT AND EXPANSION

The Group continued the development of its core businesses. Wealth Management operations (incorporating all broking and associated services) continued to expand with additional sales staff and product offerings. In March 2005, the acquisition of Excalibur Securities Limited and Excalibur Futures Limited was completed to complement existing brokerage activities.

The Group also pursued its expansion in the rapidly growing asset management market. A Hedge Fund division was formed in 2005 and initiated two funds. The division also hopes to launch new hedge funds in 2006. A subsidiary company was also appointed as the replacement manager for an umbrella Fund. This appointment brought, as at the February 2006 dealing date, a further US\$410 million of investor's funds under management.

The Corporate Finance division was more active during the year, particularly during the second half. It will continue to focus on IPO projects for enterprises in both Hong Kong and China and financial advisory and placing services for listed companies in Hong Kong.

董事會已批准以紅利方式發行新認股權證（「紅利認股權證」），基準為每持有五股股份獲配發一份紅利認股權證，初步認購價為每股6.00港元，認購年期為三年。有關詳情將載列於一份盡快寄發予各股東之通函內。

### 業務

集團各營運部門繼續貫徹其承諾，向客戶提供全面及優質的金融服務及產品。各部門的業績表現詳載於管理層討論及分析一節內。

### 業務發展與擴張

集團繼續發展核心業務。財富管理方面的業務（包括所有經紀及相關服務）繼續擴展，聘用更多營銷人員及提供多元化的產品。於2005年3月，集團完成收購駿溢証券有限公司及駿溢期貨有限公司，以配合現有的經紀業務。

集團亦銳意在迅速發展的資產管理市場擴張業務，於2005年設立對沖基金部，開展了兩個基金。該部門亦期望在2006年推出更多新的對沖基金。一間附屬公司亦獲委任為一個傘子基金的替任經理。此項委任為集團帶來了4.1億美元（截至2006年2月的交易日）的額外管理投資基金。

企業融資部於年內（尤其在下半年）更為活躍，並將繼續集中於中港兩地企業的首次公開招股項目，以及為香港上市公司提供財務顧問及配售服務。

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The Group also acquired premises in the Tian An Centre in Shanghai for possible future expansion of our Shanghai office. Any portion of the premises not required by the Group has been leased out.

### EXTENSION OF PRODUCTS AND CLIENT SERVICE CAPABILITIES

The Group continued to expand and increase its service offerings and client service capabilities.

A new Products division has recently been formed to provide product support to our sales teams with the objective of enabling them to provide one-stop investment and wealth management solutions for our clients. Training courses and professional development workshops are being made available to sales staff. All clients are now able to access a wide range of brokerage, mutual fund and investment products.

In early 2005, order placing and account enquiry services were made available to clients via mobile devices through cooperative arrangements with Telecom Digital in the Mango Stock II project. In addition, an upgraded Internet trading service for U.S. stocks was launched in June.

The Research division continued to support sales staff and clients with research and technical analysis. Over 500 equity comments and analysis and more than 200 strategy, sector and company reports were provided throughout the year.

### PEOPLE

The perseverance, loyalty and professionalism of our staff marked our success as a company in this people-focused industry. We will continue to dedicate resources towards employee services to cultivate a positive outlook and a strong sense of belonging for our staff. We value the building of long-term relationships with our staff, and will continue to provide training opportunities and career and personal development opportunities for them.

集團亦購入上海天安中心之物業，以作集團上海辦事處日後可能擴充之用，並已將集團未有用途的單位租出。

### 擴展產品及客戶服務

集團不斷擴展服務範圍，並加強客戶服務。

集團近期成立產品部，為營銷隊伍提供產品支援，藉以為客戶提供一站式投資及財富管理方案。集團亦為營銷人員提供培訓課程及專業發展工作坊。現時所有客戶均能接觸到多種經紀服務、互惠基金及投資產品。

集團與電訊數碼訂立合作安排以推出 Mango Stock II 項目，客戶由2005年初起可透過流動裝置落盤及查詢賬戶資料。此外，集團亦於6月推出經提升的互聯網美國股票買賣服務。

資料研究部繼續為營銷人員及客戶提供研究及技術性分析。年內，該部門總共提供500多份股份評論與分析，亦提供超過200份策略性、個別行業及公司報告。

### 人才

集團所經營的行業相當倚重人才，而集團的成功有賴其僱員的努力、忠誠及專業精神。集團會繼續在員工服務上投放資源，以培養僱員積極進取的精神和強烈的歸屬感。集團非常重視與僱員建立長久的關係，會持續為僱員提供進修機會，擴大其事業與個人的發展空間。

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### ASSOCIATED COMPANIES

The Group's three listed principal associated companies also produced pleasing results in 2005.

Tian An China Investments Company Limited ("Tian An") recorded sales of total gross floor areas of approximately 138,000m<sup>2</sup> (2004 : 225,000m<sup>2</sup>), while the net profit attributable to equity holders increased by 10.2% to HK\$202.5 million. Tian An maintains a positive outlook for the P.R.C. economy and housing market for the foreseeable future.

Quality HealthCare Asia Limited was successful in delivering significantly improved results for 2005 with a 24.7% increase in net profit to HK\$56.1 million. The improved performance was a result of increases in visits from both contract and private paying clients and an overall growth in the total number of corporate clients served.

Yu Ming Investments Limited recorded net profit attributable to equity holders of HK\$144.7 million (2004: HK\$39.4 million) which was attributable primarily to the appreciation in the value of its investment in Argyle Centre.

### OUR COMMUNITY

The Group again supported a number of benefit initiatives in 2005. We sponsored the "Round the Island Drive" fundraising effort with proceeds going to the UNICEF Asian Tsunami Disaster Relief. The Group also participated in Community Chest's "Corporate Ocean Park Challenge", another fund raiser, with employees participating in challenging group activities. As in previous years, we also supported the "Standard Chartered Hong Kong Marathon".

### 聯營公司

集團三間主要上市聯營公司於2005年亦有理想表現。

天安中國投資有限公司(「天安」)錄得銷售總樓面面積約138,000平方米(2004年：225,000平方米)，股東應佔淨溢利增加10.2%至202.5百萬港元。對於國內經濟及短期房市之前景，天安仍然感到樂觀。

卓健亞洲有限公司成功大幅改善其2005年度之業績，淨溢利增長24.7%至56.1百萬港元，業績改善主要是由於合約客戶及私人付款客戶之求診次數均有上升，以及其企業客戶總數整體增加所致。

禹銘投資有限公司錄得股東應佔淨溢利144.7百萬港元(2004年：39.4百萬港元)，主要是由於旺角中心的投資大幅升值。

### 社會服務

集團於2005年再次支持多項慈善活動。集團贊助「環島駕車巡遊」籌款活動，所得善款捐贈聯合國兒童基金會南亞海嘯援助基金。集團亦參與公益金的「海洋公園智激開心旅程」籌款活動，派出員工參與富有挑戰性的團體活動。一如以往各年，集團亦支持「渣打香港馬拉松」活動。



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On the education front, 2005 marked our third year of collaboration with The University of Hong Kong's School of Professional and Continuing Education (HKU SPACE) to provide scholarships in The Certificate in Financial Studies. To date, the programme has awarded scholarships to more than 30 participants. Our goal is to assist in the development of appropriate industry skills for the improvement of the overall quality of financial professionals in Hong Kong. As part of our community involvement in Macau, the Group partnered with the Macao Polytechnic Institute to provide scholarships in their Higher Diploma in Commerce programme.

The Group's community efforts and employee initiatives were recognized by the Hong Kong Social Council in awarding us the Caring Company award for a third year.

### OUTLOOK

In contrast to 2005, Hong Kong equity markets and China-related shares have outperformed many of their Asian counterparts in early 2006.

Hong Kong's currency peg to the US dollar results in its interest rates broadly following U.S. rates. Accordingly, the outlook for U.S. interest rates may be the key driver of market sentiment in 2006. Conditions generally appear challenging with volatile commodity and energy prices, an uncertain outlook for housing and consumer spending in the U.S., as well as some concerns regarding the possibility of an avian flu pandemic.

在教育方面，集團於2005年已是第三年與香港大學專業進修學院合作，提供金融學證書課程獎學金。至今該課程已有逾30名學員獲頒發有關獎學金。集團希望藉著協助發展合適的行業技能，提升香港金融專業人士的整體質素。在澳門的社會服務方面，集團亦與澳門理工學院合作，為該學院的商貿高等文憑課程提供獎學金。

本集團對社會服務的貢獻及員工在社職的積極參與取得香港社會服務聯會認同，該會已第三年向集團頒發商界展關懷之獎項。

### 展望

與2005年相比，香港股市及與中國相關的股份於2006年初的表現較亞洲大部份其他地區優勝。

由於港元與美元掛鈎，故港元利率大致上跟隨美國利率走勢，因此美國利率的展望在2006年可能是影響市場氣氛的主要因素。商品及能源價格波動、房市及消費前景不明朗，加上對可能爆發禽流感疫情的憂慮，似乎令美國經濟環境面對不少挑戰。

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On the other hand, economic conditions in Hong Kong are presently quite robust, with the unemployment rate continuing to fall and personal income levels continuing to rise. The rate of growth of the P.R.C. economy has remained firm. A significant portion of the equity capital raised through the local stock market is raised by P.R.C. companies or by companies expanding into China, and increasingly, affluent mainland consumers continue to visit Hong Kong. Accordingly, the significance of the P.R.C. to the outlook for Hong Kong is expected to continue to increase.

The Group is committed to pursuing growth in its financial services businesses both through organic growth and acquisitions where appropriate. The intention is to not only expand existing services but to create new products and target additional market segments where opportunities are identified.

### APPRECIATION

On 30 December 2005, Sir Gordon Macwhinnie retired from his positions as an Independent Non-Executive Director of the Board and Chairman of the Audit Committee. The Group is grateful for his significant contribution over the past seven years.

### CONCLUSION

The Group proudly celebrated the 35th anniversary of the founding of Sun Hung Kai & Co. in 2005 with shareholders, past and present directors, senior management and staff, professional advisers, business partners and clients. I would again like to sincerely thank all those who have supported or been involved with the growth of the Group over the years.

另一方面，香港現時經濟狀況甚佳，失業率持續下跌，個人收入水平亦不斷上升，而中國經濟的增長率仍保持穩定。本港股市的大部分股本集資是由國企或發展中國業務的公司進行，加上日漸富裕的內地消費者仍不斷訪港。因此，預期中國對香港前景的影響與日俱增。

集團透過內部增長及在適當時進行收購，致力擴展其金融服務業。集團不單計劃擴展現有服務，亦會在恰當時機推出新產品和進軍其他目標市場。

### 致謝

於2005年12月30日，麥蘊利爵士退任董事會獨立非執行董事及審核委員會主席之職。對麥蘊利爵士過去七年來對集團作出之重大貢獻，集團深表謝意。

### 總結

於2005年，集團有幸與股東、前任及現任董事、高層管理人員及僱員、專業顧問、業務夥伴及客戶慶祝新鴻基公司成立35週年。本人再次衷心感謝多年來曾支持或參與本集團發展的所有人士。

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Finally, I would like to express my appreciation to our shareholders, my fellow directors, all members of management and staff, professional advisers and clients for their confidence and consistent support during the year.



**Arthur George Dew**  
*Chairman*

Hong Kong, 7 April 2006

最後，本人亦感謝各位股東、董事同寅、全體管理人員及僱員、專業顧問及客戶年內對集團的信賴與鼎力支持。



主席  
狄亞法

香港，2006年4月7日