



主席報告

Chairman's Statement

管理層論述及分析 業務回顧

本集團於二零零六年的主要收入來自其於亞洲國際博覽館的投資，以及來自物業投資、債券及證券的投資。本集團的投資組合包括高至低風險的投資項目。多元化的投資選擇旨在降低投資組合的整體風險。

於二零零六年底，本集團的主要投資項目如下：

投資項目	詳情
亞洲國際博覽館	香港最大的展覽設施
零售物業	分別位於九龍及香港黃金地段的旺角及銅鑼灣的零售商舖
新華航空控股有限公司 (「新華航空」)	香港與中國的航空控股有限公司
債務及股本	債務及股本組合

於二零零六年內，亞洲國際博覽館經過其首個完整營運年度，而本集團透過優先股方式投資於該公司已確認理想收入。零售物業市場維持平穩，連同於二零零六年十一月在銅鑼灣開設timeplus商場，本集團的租金收入錄得溫和增長。本集團於高息債務及股本兩方面的投資項目均錄得理想盈利。於二零零六年就中富航空有限公司(「中富航空」)的投資與新華航空的投資進行股票交換一事出現尚未解決的登記問題。鑒於於新華航空的股票擁有權存在不明朗因素及該公司的不合作態度，因此本集團未能確認新華航空股份及已決定取消確認其於中富航空的股票投資及原先持有的應收款項。此外，於本年度內亦已就中富航空可換股債權證作出全數撥備。東方羊絨(「東方羊絨」)經歷表現欠佳的二零零五年後已錄得溢利輕微回升。然而，有關連人士之大量應收款項仍然備受關注，即使東方羊絨扭虧為盈，但董事會決定仍然就該等應收款項作出撥備，導致分佔本年度之虧損。因此，於二零零六年十二月三十一日在東方羊絨之投資已為零。

MANAGEMENT DISCUSSION AND ANALYSIS OPERATION REVIEW

The Group's major income in 2006 came from its investment in AsiaWorld-Expo, properties investments, bonds and securities. The Group's portfolio comprises high to low risk investments. The diversity aims to smoothen out the overall risk of the portfolio.

As at the end of 2006, the Group's major investments were as follows:

Investments	Description
AsiaWorld-Expo	The largest exhibition facility in Hong Kong
Retail Properties	Retail shops in Mongkok and Causeway Bay, the prime retail location in Kowloon and Hong Kong respectively
Grand China Air Company Limited (「Grand China」)	A holding company of airlines in Hong Kong and China
Debts and Equities	A portfolio of debts and equities

During 2006, AsiaWorld-Expo had its first full year of operation, and the Group recognised a good income from its preference share investment in it. The retail property market remained steady, together with the opening of the shopping mall "timeplus" in Causeway Bay in November 2006, the Group's rental income had a modest growth. Our investments in high-yield bonds and equities reported a mediocre profit. The swap of our investment in CR Airways Limited ("CR Airways") in 2006 for investment in Grand China ran into registration difficulties, which remains unresolved. In view of the title uncertainty and the lack of cooperation from Grand China, the Group failed to recognise the Grand China shares and made a decision to derecognise its investment in CR Airways and receivables originally held. Further, a full provision of the CR Airways convertible debenture was also made during the year. Oriental Cashmere Limited ("OCL") experienced a mild recovery in profits from a bad 2005. However, a huge receivable with related parties was a cause for concerns, and the board decided to make provision of such receivable despite of the turnaround and resulted in a share of loss for the year. Accordingly, the investment in OCL has been become zero as at 31st December, 2006.



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亞洲國際博覽館

本集團擁有一個私人財團（「合營企業」）的60%股本權益，而合營企業與香港政府及機場管理局共同投資於亞洲國際博覽館。亞洲國際博覽館位於香港國際機場，提供面積達66,000平方米的永久展覽場地。合營企業擁有亞洲國際博覽館的13.5%權益。

亞洲國際博覽館乃一座無柱位建築物，並擁有專用的地下鐵路車站－「博覽館站」。該設施於二零零五年十二月已正式開幕。訂場租約及收益更遠遠超過於初步投資時原先規劃的預算金額。該設施的世界級設備吸引多個國際大型展覽會移師香港舉行：

1. 全球最大的電訊展覽會－國際電信聯盟(ITU)的世界電信展年會已於二零零六年十二月舉行。ITU傳統上過去一直於日內瓦舉行。
2. 亞太區最頂尖的航空展覽－亞洲航空展已選定亞洲國際博覽館作為其二零零七年九月的舉辦場地。亞洲航空展傳統上過去一直於新加坡舉行。
3. 先前於上海舉行的China Sourcing Fairs已於二零零六年四月移師亞洲國際博覽館舉行。該展覽會展出來自中國、香港及亞洲其他地區的優質供應商推出的最新產品。China Sourcing Fairs包括三個獨立展覽會：電子及零件、時尚配飾及禮品與家居產品。

除了舉辦展覽，一個世界級娛樂場館（已命名為Arena）專門用作舉行演唱會及文娛活動，並可容納多達14,500名觀眾。本地及國際知名藝人已曾於二零零六年在Arena獻技。

AsiaWorld-Expo

The Group has a 60% equity interest in a private sector consortium ("JVP"), which jointly invests with the Hong Kong Government and the Airport Authority in AsiaWorld-Expo, a 66,000 sqm permanent exhibition center located at the Hong Kong International Airport. JVP owns 13.5% interests in AsiaWorld-Expo.

AsiaWorld-Expo is a column-free structure under one roof, with a dedicated Mass Transit Railway station - the "AsiaWorld-Expo Station". The facility was officially opened in December 2005. Bookings and revenue exceed the budget originally planned at the time of our initial investment. Its world-class specifications attracted a number of major international exhibitions to relocate to Hong Kong:

1. International Telecommunication Union's (ITU) Telecom World annual convention, the world's biggest telecom show, was held in December 2006. ITU has been traditionally held in Geneva before.
2. Asian Aerospace, Asia Pacific's foremost aerospace exhibition, has selected AsiaWorld-Expo as its venue for September 2007. Asian Aerospace has been traditionally held in Singapore before.
3. China Sourcing Fairs, held previously in Shanghai and relocated to AsiaWorld-Expo in April 2006. The fairs showcase the latest products from quality suppliers from China, Hong Kong and the rest of Asia. The China Sourcing Fairs comprise three separate shows: Electronics & Components, Fashion Accessories and Gifts & Home Products.

In addition to exhibition, a world-class entertainment hall (named Arena) is purpose-built for concert and entertainment events and can house up to 14,500 spectators. Acclaimed local and international artists already performed in the Arena in 2006.



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零售物業

本集團的物業投資項目只會專注於黃金地段的零售商舖。新建成的商場timeplus已於二零零六年十一月開業，並將成為二零零七年的目標發展項目。

物業	情況
旺角 旺角中心	本集團擁有旺角中心內的159個舖位(面積逾34,000平方呎)，出租率實際接近100%，租金收入穩定增長。
旺角 銀城廣場	本集團擁有銀城廣場逾14,000平方呎零售舖位，租金上升幅度預期介乎20%至25%。
銅鑼灣 timeplus	本集團擁有整個商場達30,000平方呎。開業後出租率達100%。經過不斷宣傳，市民大眾對該商場的認識迅速增加。

高息債券

本集團於二零零六年已出售其接近所有於高息債券的投資。債券的收入、出售及升值(扣除減值)為本集團帶來理想盈利。

新華航空

於二零零六年六月，中富航空(本集團擁有重大權益的公司)急需營運資金。本集團與新華航空訂立股份互換協議，將其於中富航空的權益與於新華航空的97,850,000股新股份的投資進行互換。新華航空為中國的航空控股公司。中富航空其後於二零零六年九月更改其名稱為香港航空有限公司(「香港航空」)。

截至財務報表日期，由於出現監管事宜，新華航空尚未登記本集團為其股東。由於新華航空(依本公司的意見)在登記過程中及向本公司提供資料的事宜上未能充份合作，因此董事認為有必要取消確認於中富航空的投資及原先持有的應收款項。本集團現正就本集團於新華航空的聲稱權益積極追討損失及繼續讓股東得悉事態進展。

Retail Properties

The Group's focuses property investment in retail space on prime location only. Newly developed shopping arcade - timeplus was opened in November 2006, which will be the focus development in 2007.

Properties	Status
Argyle Centre Mongkok	The Group owns 159 shops in Argyle Centre (over 34,000 sqft), with a virtually full occupancy rate and a steady growth in rental income.
Ginza Plaza Mongkok	The Group owns over 14,000 sqft of retail space in Ginza Plaza with an expected increment of rental from 20% to 25%.
timeplus Causeway Bay	The Group owns the whole shopping arcade with 30,000 sqft. The opening was a success with 100% occupancy. With continuous promotion, the awareness of the public increased significantly.

High-Yield Bonds

The Group divested almost all of its investment in high yield bonds in 2006. The income, sale and appreciation of the bonds (net of impairment) yielded a mediocre profit for the Group.

Grand China

In June 2006, CR Airways, a company in which the Group had substantial interests, was in need of working capital. The Group entered into a share swap agreement with Grand China to swap its interests in CR Airways with investment in 97,850,000 new shares in Grand China. Grand China is an airline holding company in China. CR Airways subsequently changed its name to Hong Kong Airlines Limited ("Hong Kong Airlines") in September 2006.

As at to the date of the financial statements, Grand China has not registered the Group as its shareholder, due to regulatory difficulties. As Grand China is in our opinion rather uncooperative in the registration process, as well as in providing information to us, the directors consider it is necessary to derecognise the investment in CR Airways and receivable originally held. The Group is actively seeking for recovery of our purported interests in Grand China, and will keep shareholders informed of the progress.



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東方羊絨

受到二零零五年初撤銷紡織品配額制度所產生影響，令到東方羊絨產生龐大行政費用（包括空運費），東方羊絨的業務於令人失望的二零零五年後已出現輕微改善。於二零零六年，在業務整合後（惟行政費用遠低於以往水平），純利得以輕微改善。然而，有關連人士之大量應收款項仍然備受關注，即使東方羊絨扭虧為盈，但董事會決定仍然就該等應收款項作出撥備，導致分佔本年度之虧損。因此，於二零零六年十二月三十一日在東方羊絨之投資已為零。

前景

隨著於黃金地段的零售舖位增加，本集團預期二零零七年的租金收入將會增加。

亞洲國際博覽館於二零零六年表現理想，原因為多個國際主辦機構均將其國際展覽會移師至該館舉行。本集團對該館的前景感到樂觀。

財政狀況

本集團已透過借貸增加於零售投資物業的投資。於二零零六年底，銀行及其他借貸總額為926,000,000港元（於二零零五年十二月三十一日：485,000,000港元）。

資本與負債比率

於二零零六年十二月三十一日，本集團的資本與負債比率（指帶息銀行及其他借款與本公司股權持有人應佔權益的比率）約為126%（於二零零五年十二月三十一日：約為54%）。

外匯風險

於二零零六年十二月三十一日，本集團的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。

OCL

OCL recovered mildly from an appalling 2005 which was attributable to the after effect of the lifting of the textile quota system in the beginning of 2005, which caused OCL to incur significant administration expenses including shipment by air. In 2006, business consolidated, but with a much lower administration expense, net profit mildly improved. However, a huge receivable of OCL with its related parties was a cause for concerns, and the board decided to make full provision of such receivable despite of the turnaround and resulted in a share of loss for the year. Accordingly, the investment in OCL has been zero as at 31st December, 2006.

PROSPECTS

With the increase in retail space in prime locations, the Group expects to increase rental income in 2007.

AsiaWorld-Expo had a good 2006 as a number of international organisers hosted their major international exhibitions there. We are optimistic about its prospects.

FINANCIAL POSITION

The Group uses leverage in its investments. As at the end of 2006, aggregate bank and other borrowings amounted to HK\$926 million (at 31st December, 2005: HK\$485 million).

GEARING RATIO

As at 31st December, 2006, the gearing ratio of the Group, which represents the ratio of interest-bearing bank and other borrowings to equity attributable to the equity holders of the Company, was approximately 126% (at 31st December, 2005: approximately 54%).

FOREIGN EXCHANGE EXPOSURE

As at 31st December, 2006, most of the Group's investments were based in Hong Kong dollar and United States dollar and were therefore not exposed to significant foreign currency risks.



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擔保

本公司就一間持有物業的附屬公司所欠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的擔保。該間持有物業的公司於二零零六年十二月三十一日欠該銀行的未償還債項約為714,000,000港元(於二零零五年十二月三十一日:約為445,000,000港元)。

本公司就一間全資附屬公司所獲一間財務機構提供不超過15,000,000美元的信貸額提供擔保。於二零零六年十二月三十一日的未償還債項約為800,000歐羅(於二零零五年十二月三十一日:約為1,100,000歐羅)。

員工成本

本集團於本年度的員工成本(不包括董事酬金)總額合共約為533,830港元(二零零五年:約為332,000港元)。

秘書
李業華

香港, 二零零七年三月二十八日

GUARANTEE

The Company has given a guarantee to a bank to secure the outstanding indebtedness due by its properties holding subsidiary, for an amount attributable to the Group's equity interests in that subsidiary. The amount of outstanding indebtedness due by the property holding company to this bank as at 31st December, 2006 was approximately HK\$714 million (at 31st December, 2005: approximately HK\$445 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, 2006 was approximately Euro 0.8 million (at 31st December, 2005: approximately Euro 1.1 million).

STAFF COSTS

The Group's total staff costs (excluding directors' emoluments) for the year under review amounted to approximately HK\$533,830 (2005 : approximately HK\$332,000).

Peter Lee Yip Wah
Secretary

Hong Kong, 28th March, 2007