

# 主席報告書 Chairman's Statement

## 財政業績

本人欣然宣布本集團截至二零零七年三月三十一日止年度之經審核業績。於本年度，本集團之經營溢利約為港幣655,600,000元，較上一財政年度上升約76.4%，該上升幾乎完全因為投資物業估值盈利淨額港幣657,900,000元所致。倘投資物業估值盈利淨額不被計算在內，截至二零零七年三月三十一日止財政年度，本集團之經營虧損約為港幣2,300,000元，該虧損是因為本集團之主要業務一由本公司擁有50.01%股權的附屬公司凱聯國際酒店有限公司（「凱聯」）所持有之香港凱悅酒店（「本酒店」）和本酒店商場的運作終止所致。

## 業務回顧及財政業績之評論

本集團之重建中物業經獨立專業估值師重估，於二零零七年三月三十一日之估值為港幣4,890,000,000元，有關物業的估值盈利港幣647,300,000元則確認於本年度的綜合損益表內。

於本年度，位於荔枝角和廣州的投資物業為本集團帶來相對穩定的租金收入，較上一財政年度下跌約3.0%，該下跌主要是因為汽油站之或有租金因本年度的汽車燃料銷售量下降而減少所致。

## FINANCIAL RESULTS

I am pleased to report the audited results of the Group for the year ended 31 March 2007. During the year, the Group achieved a profit from operations of approximately HK\$655.6 million, representing an increase of approximately 76.4% compared with the previous financial year. The increment was almost entirely attributable to the net valuation gains on investment properties of HK\$657.9 million. Excluding the net valuation gains on investment properties, the Group recorded a loss from operations for the financial year ended 31 March 2007 of approximately HK\$2.3 million due to the cessation of the main business of the Group which was the operation of Hyatt Regency Hong Kong (the "Hotel") and the Hotel's shopping arcade owned by the Company's 50.01% owned subsidiary, Associated International Hotels Limited ("AIHL").

## BUSINESS REVIEW AND COMMENTARY ON FINANCIAL RESULTS

At 31 March 2007, the property under redevelopment of the Group was revalued at HK\$4,890.0 million by an independent professional valuer and the valuation gains of HK\$647.3 million were recognised in the consolidated income statement during the year.

Rental income generated from the investment properties in Lai Chi Kok and Guangzhou during the year was relatively stable, representing a decrease of approximately 3.0% compared with the previous financial year. Such decrease was mainly due to the decrease in contingent rentals from the petrol filling station as a result of lower sales volume of motor fuel during the year.

## 主席報告書 (續) Chairman's Statement (Continued)

### 業務回顧及財政業績之評論 (續)

截至二零零七年三月三十一日止財政年度，本集團之高爾夫球康樂會—Austin Hills Golf Resort 的分部虧損為港幣9,200,000元。該財政年度之分部收入為港幣18,300,000元，較上一財政年度下跌約3.1%。本年度的經營業績則較上一財政年度因受高爾夫球場斜坡傾瀉及為會所總大廈而進行之維修工程的影響而稍有改善。

由於本年度利率上升，本集團的利息收入達港幣21,600,000元，較去年增加約港幣4,800,000元。

### 資本結構及流動資金

於二零零七年三月三十一日，本集團之權益總額為港幣5,084,000,000元，於二零零六年三月三十一日則為港幣4,546,600,000元。於二零零七年三月三十一日，本集團並未動用任何銀行信貸額，且沒有資本負債比率。

### BUSINESS REVIEW AND COMMENTARY ON FINANCIAL RESULTS (Continued)

Austin Hills Golf Resort, the Group's golf and recreational club operation, suffered a segment loss of HK\$9.2 million for the financial year ended 31 March 2007. Segment revenue for the said year was HK\$18.3 million, representing a decrease of approximately 3.1% compared with the previous financial year. The operation results have shown slight improvement for the year under review compared with the previous financial year which were affected by repairs for the main building of the club house and arising from a landslide in a golf course.

Interest income amounted to HK\$21.6 million, increased by approximately HK\$4.8 million due to rising interest rates during the year.

### CAPITAL STRUCTURE AND LIQUIDITY

The total equity for the Group at 31 March 2007 was HK\$5,084.0 million, compared with HK\$4,546.6 million at 31 March 2006. At 31 March 2007, the whole banking facilities of the Group were unutilised and the Group's gearing ratio was nil.

## 主席報告書 (續) Chairman's Statement (Continued)

### 展望

將凱聯持有之本酒店和本酒店商場所組成的物業重建為一幢以零售商舖為主的大廈之計劃現正進行，地基和地庫挖掘工程正在施工中。在無不可預見的情況下，整項重建工程預計於二零零九年竣工。根據工料測量師的最新報告，現估計有關的建築費用約為港幣1,100,000,000元，並將主要由外借款支付。如二零零六年十月二十日刊登之公告指出，凱聯已與一間銀行訂立一份融資協議，包括一筆為期五年，合共港幣1,000,000,000元的定期貸款和一筆為期五年，合共港幣200,000,000元的循環信貸額。在符合其他協議條件及貸款銀行同意的情況下，凱聯可選擇將融資期限延長兩年。

本酒店及本酒店商場經營是本集團的主要收入來源。終止該等經營已對並將繼續對本集團於重建期間的收入和業績造成非常重大的負面影響。然而，董事會認為，零售物業在長遠而言可能為本集團帶來較經營酒店更高的資金回報，故認為在重建工程竣工後將提升對本集團的長線回報，並可為股東爭取更高的價值。

### OUTLOOK

The project for redeveloping the property comprising the Hotel and the Hotel's shopping arcade owned by AIHL into a building comprising mainly retail components is in progress. Foundation and basement excavation works are being carried out. Barring unforeseen circumstances, the entire redevelopment project is anticipated to be completed in 2009. Based on the latest quantity surveyors' report, the present estimated cost of construction for this project is around HK\$1.1 billion and this will be mainly financed by external borrowings. As announced on 20 October 2006, AIHL has entered into a facility agreement with a bank comprising of a 5-year term loan facility of up to HK\$1 billion and a 5-year revolving credit facility of up to HK\$200 million. AIHL has an option to extend the facilities for two additional years, subject to, among other things, the agreement of the lending bank.

The cessation of the Hotel and the Hotel's shopping arcade operations, which were the Group's main sources of income, has and will continue to have a very substantial negative impact on the revenue and results of the Group during the redevelopment period. However, the Directors consider that upon completion of the redevelopment, it will increase the return to the Group in the long run and will enhance value for shareholders because it is believed that a retail development is likely to generate a higher return on capital in the long term than the hotel operation.

## 主席報告書 (續) Chairman's Statement (Continued)

### 展望 (續)

本公司之附屬公司—凱聯董事會已宣布，該公司可能在重建工程完成前不派發股息。雖然重建工程所需的借款直接由凱聯，而非本公司承擔，本酒店和本酒店商場停止運作將令本公司主要經常性收入於重建期間終止。在此情況下，本公司於重建期間股息派發可能較迄今派息水平低。然而，這並不保證本公司在重建工程完成前繼續派發或維持派發一定水平的股息。

### 股東周年大會

本公司之股東周年大會將於二零零七年九月十九日星期三舉行。

### 股息

董事會欣然建議派發截至二零零七年三月三十一日止年度之末期股息每股3仙予於二零零七年九月十九日星期三名列本公司股東名冊之股東。連同本年度已派發之中期股息每股2仙，本公司於截至二零零七年三月三十一日止年度之股息將合共為每股5仙（二零零六年：每股5仙）。建議派發之股息經股東周年大會通過後，將約於二零零七年十月十七日星期三派付。自二零零七年九月十三日星期四起至二零零七年九月十九日星期三止首尾兩天包括在內，本公司將暫停辦理股東登記手續，以便確定有權獲派末期股息及出席，並於股東周年大會上投票之股東，任何股份在該期間內均不得過戶。所有過戶文件務須在二零零七年九月十二日星期三下午四時三十分或之前送交本公司股票登記處。

### OUTLOOK (Continued)

The Directors of the Company's subsidiary, AIHL, have announced that it is likely that that company will not pay dividends before completion of the project. Although the burden of borrowings for the project falls directly on AIHL rather than the Company, the main sources of recurrent income for the Company will disappear during the redevelopment period with closure of the Hotel and the Hotel's shopping arcade. In the circumstances it is likely that dividend payments of the Company will be reduced during the redevelopment period from levels hitherto paid. No guarantee can be given that dividends will continue to be paid at a certain level or at all pending completion of the redevelopment.

### ANNUAL GENERAL MEETING

The Annual General Meeting of shareholders of the Company will be held on Wednesday, 19 September 2007.

### DIVIDEND

The Board is pleased to recommend the payment to shareholders on the register of members of the Company on Wednesday, 19 September 2007 of a final dividend of 3 cents per share for the year ended 31 March 2007. As the Company paid an interim dividend of 2 cents per share during the year, the total dividend for the year ended 31 March 2007 will be 5 cents per share (2006: 5 cents per share). The proposed dividend will be paid on or about Wednesday, 17 October 2007 following approval at the Annual General Meeting. The register of members of the Company will be closed for the purpose of determining the identity of members who are entitled to receive the final dividend and to attend and vote at the Annual General Meeting from Thursday, 13 September 2007 to Wednesday, 19 September 2007, both dates inclusive, during which period no transfer of shares will be effected. All transfers must be lodged with the Company's share registrars not later than 4:30 pm on Wednesday, 12 September 2007.

## 主席報告書 (續) Chairman's Statement (Continued)

### 僱員

於二零零七年三月三十一日，本集團僱員人數共143人。

除工資、醫療及退休福利外，本集團亦向員工發放酌定花紅。此外，本集團也贊助員工參加所需之外間進修課程。

最後，本人謹代表董事會對各同事在過去一年之忠誠及辛勤貢獻致以謝意。

主席  
鍾輝煌

香港，二零零七年七月十一日

### STAFF

At 31 March 2007, the total number of employees of the Group was 143.

In addition to salaries, medical and retirement benefits, the Group pays discretionary bonuses to its staff. Sponsorships for necessary outside training courses are also provided by the Group to its staff.

Finally, on behalf of the Board, I wish to thank all our staff for their devotion and dedication in the past year.

**Cheong Hooi Hong**  
Chairman

Hong Kong, 11 July 2007