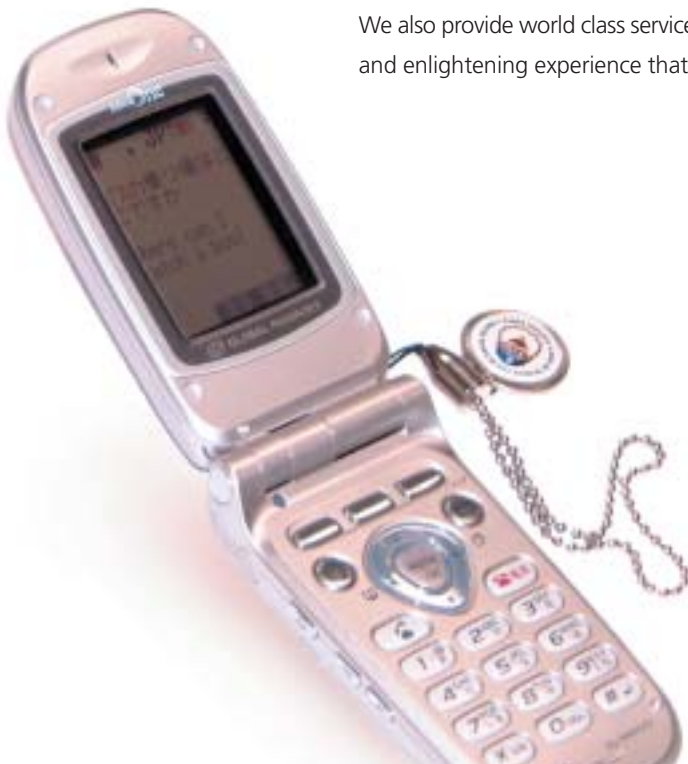


永安旅遊為香港外遊渡假行業中之翹楚，致力發掘旅遊新熱點，積極開拓創新旅程，務求為旅客提供多樣化之選擇，並維持高質素服務，令旅客有一個稱心愉快之假期。

“ 留給至愛的... 甜蜜旅程

Sweetest journey with your ... beloved one ”

Wing On Travel is recognized as the leader in Hong Kong outbound travel industry. By exploring new hot sites and arranging new adventurous journeys, we offer range of choices to our customers. We also provide world class service to make the vacation an enjoyable and enlightening experience that our customers will cherish forever.





Chairman's Statement

On behalf of the Board of Directors, I present the results of the Company and of the Group for the year ended 31 March 2002.

Final Dividends

The Directors do not recommend any final dividend for the year ended 31 March 2002 (2001: Nil).

Business Review

1. Travel business

This past year has been a difficult year for the Group. The sudden episode of "911" plunged the global economy into difficulty, with the travel industry being one of the hardest hit. Coupled with slumped local economy and escalating unemployment rate, people have in general adopted a more conservative money spending habit resulting in a considerable decrease in our long-haul tour customers especially to the United States, Europe and the Mediterranean. Deluxe tours have also recorded a corresponding decrease. Due to all these external factors, the Group's turnover and revenue were dropped from the previous year.

In light of such depressed operating environment, our Group implemented several strategies to attract business and maintain our competitiveness. One of these was continuous adjustment in package tours fees which inevitably affected our profit margin. Other than that, our management undertook cost reduction measures throughout the Group, namely closing down small scale branches and restructuring our operation team. A more stringent control on expenses was adopted such as re-negotiating with suppliers to obtain more favourable terms.

2. Transportation service

Our subsidiary, Trans-Island Limousine, maintained its leading market share in the Hong Kong-China cross-border bus market and the total number of passengers has increased by 4% comparing with the corresponding period of the preceding year. This increase was mainly attributed to the rising demand in Airport Chinalink. As such, we have increased the bus frequency early this year to cater the growing demand. Besides, the steady growth of passengers in our franchised Hong Kong-Shenzhen Airport direct bus services brought a new income stream to our Group.

主席報告

本人謹代表董事會提呈本公司及本集團截至二零零二年三月三十一日止年度之報告。

末期股息

董事會建議不予派發截至二零零二年三月三十一日止年度之末期股息。(二零零一年:無)。

業務回顧

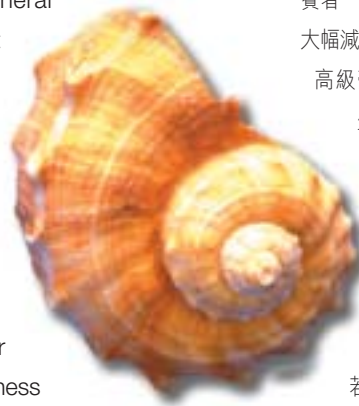
一、旅遊業務

過去一年為本集團艱苦經營之一年。美國「911」事件令全球經濟陷入低迷，而旅遊業更是首當其衝。加上香港之經濟持續低迷及失業率繼續攀升，令消費者一般已採取更審慎理財之策略，長線旅遊客人大幅減少，美國、歐洲、地中海等旅遊路線影響更甚，高級豪華團種亦因為經濟不景氣令參加人數減少。鑑於此等外在因素，本集團之營業額及溢利與去年比較均向下調。

面對如此艱辛之營商環境，本集團已推行若干策略以吸引更多客人及維持本集團在業內之競爭優勢。其中包括根據個別路線之市場經營狀況而調整旅行團團費，惟此舉無可避免地影響到邊際毛利。此外，本集團已全面實行減省成本措施，如關閉規模較少之分行，將人手集中於規模較大之分社以為顧客提供更優質之服務；重整公司架構，提高員工之工作效率，從而提高成本效益。同時，本集團亦嚴謹控制營運開支，如向供應商爭取較佳之市場價格及付款條款。

二、客運業務

本集團之附屬公司環島旅運仍能於中港過境巴士市場之佔有率領先，總乘客人數亦較去年同期上升4%，此上升主要乃由於旅客對「機場大陸通」服務之需求增加。為應付此需求之增長，我們已於年初加強了巴士服務班次。此外，來往深圳機場至香港之專營直通巴士服務，乘客量亦有穩定之增長，為本集團帶來新的收入來源。



Faced with increasingly intensified competition in the transportation service market, the Group has facilitated effective utilization of its resources by ceasing operation of the less profitable routes and focused its resources on expanding and developing the profit making routes. Meanwhile, through the mass media, Trans-Island Limousine gained increasing publicity. Together with the introduction of Ananda Wing On Travel VIP Club to the public, Trans-Island Limousine notably broadened its clientele base.

Our Group has obtained a cross border bus licence running between Hong Kong International Airport and the mainland issued by Hong Kong Airport Authority – Airport Chinalink. In view of the increasing passengers between Hong Kong and the mainland, our Group expected to capture more market shares in the cross-border bus market.

Despite the declining hotel occupancy rate, reflecting the global economic downturn, Airport Hotelink maintained a reasonable income and retains its leading market position.

3. China market

A joint venture established in Hong Kong between the Group and CYTS (Hong Kong) Limited, CYTS Wing On Travel Service Company Limited, has been targeting the visitors from the mainland to Hong Kong. With the abolition of the quota system for “Hong Kong Tours” in this January, simplification of immigration procedures and promotion of inbound travel by the HKSAR Government, visitors from the mainland to Hong Kong has increased significantly and our joint venture has recorded a reasonable profit.

In addition, the development of a joint venture established in Guangzhou between the Group and 廣東省國際旅行社, Wing On International Travel Service Ltd. Guangdong, has come into light and made a positive contribution to the Group’s revenue. Currently, a large number of the Group’s package tours to Guangdong province are organised by Wing On International Travel Service Ltd. Guangdong. Therefore, low operating costs and quality tour services can be ensured.

面對競爭日趨激烈之客運業務市場，透過資源重新調配，取消盈利貢獻較少之巴士路線，集中資源增強及開拓盈利路線。同時，亦利用不同之傳播媒體以增加環島旅運之知名度。連同辰達永安旅遊貴賓會之成立，環島旅運已大大擴展其顧客基礎。

本集團成功取得香港機場管理局發出來往香港國際機場至中國內地之「機場大陸通」過境巴士服務牌照，預期業務將隨着中港兩地來往人數不斷增加而得益。

雖然受到全球經濟放緩影響，酒店入住率持續下降，「機場酒店通」仍能維持穩定收入，並繼續保持其於市場之領導地位。

三、中國市場

本集團與「中國青年旅行社」在港合資之中青旅永安旅行社有限公司主要業務為接待由國內訪港之遊客。隨着今年一月「香港遊」配額制度之取消，出入境手續之簡化與及香港特區政府致力推廣入境旅遊，內地居民來港旅遊人數大增，而該合資公司在本年度已經錄得合理之利潤。

另本集團於廣州與廣東省國際旅行社合資之廣東永安國際旅行社，亦已日趨成熟，並為本集團之收入帶來正面作用。現時，本集團前往廣東省之旅行團大部份已由此合資旅行社作接待服務，因此能確保降低有關之經營成本及保證旅遊服務質素。

Chairman's Statement

Prospects

Our Group believes the coming year will be more positive as the global economy has already shown signs of recovery and we will concentrate in improving cost base and exploring new adventurous journeys. Through the efforts of the management team, we are well positioned to take advantage of a recovery in the Hong Kong economy. The Group also has the financial strength to take advantage of any opportunities and challenges that may arise.

As to the inbound travel operations, both the PRC and HKSAR Government made efforts in implementing favourable policies which are very supportive towards the development of Hong Kong travel industry. In relation to the outbound travel operations, local people desiring to visit the United States and Europe, which has once been decreased sharply owing to the "911 Event", is starting to increase gradually. For that reason, the Group is optimistic that the outbound travel operation will recover in the coming year as the turnover for long-haul tour picks up.

Besides, a growing number of foreign airlines are negotiating with relevant authorities in relation to the arrangement of arrival flights and a couple of airlines from the Philippines, Thailand and Finland have successfully joined in last year. The increase of operating airlines means more seating capacity will be available and air fare is expected to reduce accordingly. Our development in new vacation packages shall definitely benefit from such competitive air fare and our outbound tour income shall ultimately be boosted.

The Group undertook a major restructuring this year. This includes the completion of subscribing new shares by Million Good Limited, and the issuance of convertible notes to Hutchison International Limited, China Enterprises Limited, Capital Strategic Investment Limited and Sinolink Worldwide Holdings Limited. Also, at the special general meeting which held on July this year, the shareholders has approved the subscription of new shares by Japan Air System Hong Kong Limited, Dobetia Enterprises Ltd. and Beijing Tourism Group. Introduction of these strategic partners would definitely strengthen the Group's financial position. Given their extensive experience in the travel industry and in operating management, future business expansion of the Group and consolidation of the Group's business in the PRC can be achieved.

主席報告

展望

集團相信最困難的一年已經過去，未來一年，管理層將努力控制成本、開源節流及開拓新旅遊路線，我們將可隨着香港經濟逐漸復甦及集團充足的財務能力，把握任何機會為股東爭取最大的回報。

在入境旅遊業務方面，中國政府及香港特區政府已在政策推行上盡力配合，以大力支持本港旅遊業之發展。在外遊業務方面，曾受美國「911」事件影響而大受打擊之前往歐美港人數目已逐漸回升。基於此，且有見長線團之營業額已逐漸回升，本集團對外遊業務於來年復甦持有樂觀態度。

此外，與有關當局洽談安排航班飛抵香港之外國航空公司正不斷增加，如去年已有數家航空公司新加入，安排航班從菲律賓、泰國及芬蘭等國家飛抵香港。越來越多航空公司加入將令機位不斷增加，而機票價格亦可相對減低，故此必定有助於本公司開拓更多新旅遊路線，增強外遊業務的收入。

本集團於本年進行重組，包括完成Million Good Limited之新股認購，發行可換股票據予Hutchison International Limited、China Enterprises Limited、資本策略投資有限公司及百仕達控股有限公司，及於本年七月獲股東於股東特別大會上通過配售新股份予日本佳速航空香港有限公司、Dobetia Enterprises Ltd.及北京首都旅遊集團有限公司。本集團相信透過引入該等策略性伙伴，定能大大增強本集團之財務狀況。憑藉彼等於旅遊業務及營運管理方面之豐富經驗，亦可有助本集團日後之業務拓展，以及鞏固其於中國內地之業務。

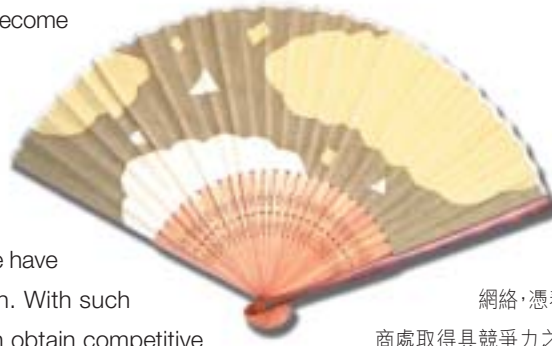
The structure of consumption in the PRC has reached a new level, with travel consumption becoming a hot spot. With the progressive economic growth in the PRC, the accession to the World Trade Organization and the hosting of the 2008 Olympic Games, inbound and outbound travel of the PRC for business or vacation will become a commonplace.

The Group is a well-known expert in the travel industry and its management has extensive experience in marketing and promoting tour business. Most importantly, we have far-reaching global network in tour operation. With such expertise and connections, no doubt we can obtain competitive prices from our suppliers and the Group is optimistic that our turnover and revenue will certainly be boosted when expanding into the PRC tour market.

In order to vie the lucrative PRC market, the Group plans to establish offices in the more developed and densely populated cities in the mainland. To this end, the Group will acquire the PRC local travel agents in order to capitalize on their connections and networks in the market. The Group is presently negotiating with the relevant authority in the PRC for the right of operation of outbound (overseas, Hong Kong and Macau) tour. Once the right is granted, our PRC offices can offer an "one-stop" travel service for local and outbound tours. In view of the captive market of the outbound travelers of the PRC, it is imperative for the Group to establish its presence in the PRC to tap this positive development.

With rising demands in travel information hot-line, human resources will be allocated thereto such that our Group can expand our hot-line centre service by extending service hours and providing comprehensive information. Meanwhile, we are aggressively marketing the Wing On Travel Web Site which provides travel information and tour booking services to local residents as well as customers in our vicinity all day night. Our customers can enjoy our excellent service through the hot-line centre and web site services.

新的消費模式已於中國出現，旅遊消費已成熱潮。隨着中國經濟逐漸起飛，加入世貿組織，以及將舉辦二零零八年奧林匹克運動會，進出中國公幹及旅遊將日趨普及。



本集團為旅遊業之專家，其管理層於市場推廣及推動旅遊業務方面亦已累積豐富經驗，更重要的是本集團擁有遍佈全球之旅遊營運網絡，憑着該等專業及聯繫，我們定能於供應商處取得具競爭力之價格，深信當本集團業務擴展至中國市場時，定能為營業額及收入帶來刺激。

為能於中國這個有利可圖之市場競爭，本集團計劃在中國發展較成熟及人口較稠密之城市開設分社。因此，本集團將收購當地旅行社，以利用其於中國旅遊市場之聯繫及網絡發展。本集團現正與中國有關當局磋商，申請在中國經營外遊及港澳遊之經營權，若成功取得該經營權，將可為本地及外遊旅行團提供「一條龍」之旅遊服務。鑑於中國外遊旅客市場龐大，本集團必需及早在中國建立據點以在此發展中分一杯羹。

隨着顧客使用熱線中心查詢旅遊有關資料日益增加，本集團將調配更多人力資源以擴充熱線中心之服務，包括延長服務時間及提供更詳盡之資料；同時，本集團亦積極推廣永安旅遊網站，為來自香港及其他鄰近地區之顧客提供二十四小時之網上服務，包括提供資料及即時訂購服務。透過熱線中心及網上服務，顧客可隨時隨地享用本集團提供之優質服務。

Chairman's Statement

主席報告

As aforesaid, the Group's transportation service has already been enhanced by reorganizing our cross-border bus transportation services. The latest trend shows that shopping, traveling and working in the mainland is becoming very popular and the Group will focus in certain fast-growing areas, such as Shenzhen and Dongguan. In view of that, the Group plans to increase the cross-border bus frequency to improve our competitiveness with the KCR, such that we can capture the potential market of passengers from Hong Kong to Shenzhen and Dongguan.

Consequent to obtaining the bus service franchise running between Hong Kong International Airport and Shenzhen Airport, the Group is negotiating with the PRC domestic airlines to seek for opportunities to set up strategic partnerships. Such partnership will target the Taiwanese travelers to use our franchised Hong Kong – Shenzhen Airport bus service; and take Shenzhen Airport as a transit point to other cities of the PRC. This arrangement can benefit our Group as well as the PRC domestic airlines when there is a substantial increase in the Shenzhen Airport capacity. The Group will also make similar arrangement with other international and domestic transportation services to make use of our Hong Kong – Shenzhen Airport bus service. As to the cross-border transportation market, we will also put the focus in the PRC. The Group is exploring and investigating opportunities of entering into alliances with other transportation companies in order to expand its market share in passenger transportation business in the PRC.



正如前面所述，本集團之客運業務已透過重組過境直通巴士客運服務而加強。就近來趨勢顯示，前往內地公幹、購物及旅遊之情況已十分普遍。本集團將會把注意力集中於若干高增長之地區如深圳及東莞。因此，本集團計劃增加過境巴士服務班次，以助我們與九廣鐵路作出競爭，並爭取從香港往返深圳及東莞地區之旅客潛在市場。

隨着本集團獲得來往香港國際機場及深圳機場之巴士專營權，本集團現正與中國之民航公司商討組成策略性伙伴關係之機會，以針對台灣旅客使用本集團獲特許經營之香港—深圳機場巴士服務，同時選擇深圳機場為轉機點前往國內其他城市。若深圳機場之客運量有大幅增長，上述伙伴關係將可令本集團及中國之民航公司獲得裨益。本集團亦會與其他國際性及國內之客運公司合作，作出類似之安排，以使用我們之香港—深圳機場巴士服務。就過境客運市場方面，本集團亦將專注中國之市場。本集團正努力尋求與其他運輸網絡公司合作之機會，務求擴大本集團在中國境內之客運業務市場佔有率。

Appreciation

On behalf of the Board of Directors, I would like to thank all staff for their hard work and dedicated efforts during the year and hope that they will continue to work even harder to raise our service standards and improve the Group's performance.

I would also like to express our gratitude to the shareholders for their trust in, and support to the Board of Directors and the management of the Group.

Chan Yeuk Wai

Chairman

Hong Kong, 26 July 2002

致謝

本人謹此代表董事會向全體員工於年內之勤奮努力致以衷心謝意，並希望大家繼續竭誠努力，提高服務水平及增進本集團之業績表現。

本人亦謹此向各股東對本集團董事會及管理層之信任及支持致謝。

主席

陳若偉

香港，二零零二年七月二十六日