

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

Kenfair International (Holdings) Limited and its subsidiaries emerged from fiscal 2003 a stronger and more resilient company. Despite the challenging business environment, we successfully accomplished our business goals, and delivered satisfactory financial results.

Since our listing on the Stock Exchange of Hong Kong on 10 April 2002, our aim has been to maintain our outstanding business performance against the robust market worldwide, together with a highly aggressive stand in the marketplace, to enable us to capture every potential business opportunity for our long-term growth.

Industry Overview

Globalization is increasingly breaking down the barriers in trading activities around the world, facilitating the free exchange of goods, services and market information. Trade fairs, used since the times of Ancient Egypt, provide the most powerful and effective trade promotion tool, matching buyers and manufacturers from around the world together, in conducting business.

Despite the emergence of high-speed and electronic communications since the 1990s, trade fairs continue to rank as one of the most dynamic and effective sales and marketing tools in existence, as it is truly the most effective marketing communications medium in the commercial world. In the context of today's modern economy, trade fairs unite buyers and sellers, providing a unique opportunity for personal contact.

致各股東：

建發國際(控股)有限公司及其附屬公司之業務於二零零三年度茁壯成長。儘管營商環境充滿挑戰，我們仍能貫徹業務目標，達致理想業績表現。

自本公司於二零零二年四月十日在香港聯合交易所上市後，我們的業務表現一直傲視同群，亦不斷積極擴展我們的市場份額，以把握每個長遠業務發展的潛在商機。

行業回顧

全球一體化正逐漸打破世界各地商貿活動的阻隔，有效促進貨物、服務及市場資訊間的交流。於古埃及時代已出現的商貿展乃最強大而有效的商務推廣工具，連結全球買家及廠商，締造業務商機。

縱使高速電子通訊科技於九十年代開始流行，由於商貿展乃商業社會中最有效的市場推廣媒介，故商貿展仍然是目前最廣泛及最有效的市場營銷工具之一。於現今的經濟體系內，商貿展連結買賣雙方，提供一個獨特的機會以促進個人聯繫。



CHAIRMAN 主席

Mr. Ip Ki Cheung

葉紀章先生

In view of the increasing importance of Meetings, Incentives, Conventions and Exhibitions (“M.I.C.E.”) in the regional economy, Hong Kong has gained distinctive appeal as the world’s top convention and exhibition city, with its active and lucrative business environment, international standards and modern infrastructure, facilities and services, full governmental support, strategic location and geographical intimacy with its People’s Republic of China (“PRC”) neighbor. Exhibitions and trade fairs make a significant contribution to Hong Kong’s economy – enhancing export value and driving demand for hotels, airlines, restaurants and entertainment.

In 2002, there were growing global uncertainties in view of weakening economic conditions and security issues. However, in times like these, international trade fairs, particularly those organized by experienced and reliable exhibition organizers with international standards, play a valuable role to increasingly overwhelming responses.

Kenfair International.....

We entered the year with several important goals: to deliver solid earnings, improve the underlying economics of our business and increase investments in business-building activities. By almost any measure, we achieved what we set out to do. We delivered satisfactory financial results together with our other accomplishments, we also sustained promising business growth, creating breakthroughs despite the volatile economy.

Our continuing success is backed by our long history and philosophy to build “A gateway to achieve business opportunities”. This mission aims to bring local and regional manufacturers to the immediate attention of overseas buyers, facilitating inter- and intra- regional, as well as international trade. Kenfair International has now grown into a household name known for our mega trade fairs of the highest quality and leading international standards. Our fairs, focusing on toys, gifts, premium and household products, have become the major industry event of the region with our visionary direction and unmatched appeal.

During the year, our highly acclaimed Hong Kong International Toys & Gifts Show, and Asian Gifts, Premium & Household Products Show (together the “October Shows”) successfully attracted some 3,000 manufacturers and 58,405 buyers from around the world, to become a “must visit” event for global buyers. Demonstrating our dedication and commitment to providing a top-quality event for industry players, we are delighted that our October Shows has been identified as an “Approved Event” of the Union des Foires Internationales (“UFI”), a leading organization consisting of the world’s foremost trade fair organizers, in October 2002. This recognition confirms our position as among the world’s leading trade fair organizers and affirms Kenfair International’s abilities to provide both exhibitors and visitors alike with the assurance that they will benefit from a professionally planned, efficiently organized and well-managed trade exhibition.

鑑於區內會議、討論會、研討會及展覽會(「會議展覽」)日趨重要，憑著香港擁有世界頂級會議及展覽城市的優勢、蘊藏商機無限的營商環境、達國際級水平的現代化基建、設備與服務、政府鼎力支持、位處優越地理位置及毗鄰中國之地理上的優勢，使香港能成為舉世矚目的一級會議及展覽城市。展覽會及商貿展促進出口，刺激對酒店、航空、食肆及娛樂行業的需求，對香港經濟貢獻鉅大。

二零零二年存著全球經濟疲弱及保安警號響起之不穩定因素。然而，在此等環境情況下，若干由經驗豐富、信譽可靠以及達國際水平的主辦機構所籌辦之展覽會擔當著舉足輕重的角色，以滿足市場的需求。

建發國際.....

於回顧年內，我們訂下要達致可觀利潤、提升業務規模效益及擴充業務領域數個主要目標。我們已透過各種方法完成既定之目標。並錄得理想的業績，縱然在動盪的經濟狀況下，我們的業務增長仍然表現卓越。

本集團連年之成功實在有賴我們已建立之根基及一直貫徹「貫通經貿之門」的理念。此信念旨在聯繫本地與區內廠商及海外買家，並有效促進區內、跨區以及國際間之貿易。建發國際舉辦的展覽會向以優質及達世界級水平而蜚聲國際。因循我們的理念及成就，我們針對玩具、禮品、贈品及家居用品為主的展覽會已晉身成為區內展覽項目的盛事。

年內我們所舉辦的「香港國際玩具及禮品展」及「亞洲贈品及家居用品展」(合稱「十月份展覽會」)成功吸引逾3,000家廠商及58,405名國際買家參與，成為全球買家「必定」參與的盛會。我們十分高興十月份展覽會於二零零二年十月獲得國際知名的展覽聯盟Union des Foires Internationales(「UFI」)評定為「確認展覽」，充份實踐我們為業界舉辦優質展覽項目的決心及承諾，更奠定了我們乃世界享負盛名的商貿展覽會主辦機構的領導地位，及肯定建發國際能為參展商及買家提供經精心策劃、統籌及管理的商貿展覽會之能力。

Since February 2001, we have organized Asia Expo annually in London. The event is tailor-made for Asian manufacturers to meet new and potential buyers, who travel through Europe seeking quality Asian products at competitively prices. In spite of its relatively short history, Asia Expo has been increasing in scale and scope, creating strong roots and significant impacts on the European exhibition calendar.

Kenfair International is committed to strengthening our services profile and capabilities, providing a full range of exhibition services from sales and marketing activities, pre-show promotional campaigns, booth design, venue set-up, VIP buyers lounges, business centers to post-show reviews. We took every action to enlarge our buyers and exhibitors database to expand the events' scale and scope. We also carried feasibility studies on exploring and identifying different and new exhibition themes and new locations, in order to further consolidate our leading position in the region and the world.

Future Opportunities

We anticipate that economic conditions in 2003 will continue to be daunting. Yet, at Kenfair International, we will meet every challenge with focus, seeking every means to overcome issues as they arise. In such an environment, it is crucial to have maximum flexibility, as we anticipate and react to challenges. At the same time, it is of strategic importance to adhere to our traditional values.

At Kenfair International, we will continue to be guided by our corporate vision, which is to become one of the world's most respected trade fair organizers. We remain committed to providing premium value to our customers, as we work to earn their loyalty and extend our presence in the marketplace. New shows with new themes and in new locations will be launched. Building on the proven success model of Asia Expo which has been held annually in London since 2001, we will be introducing our Kenfair Asian expo in Las Vegas in August 2003. Additionally, we have been looking forward to launch new trade fairs in Thailand and the PRC in 2004. We are currently entering into the final stages of negotiation. To ensure our sustainable development into the future, we are increasing our commitment to bring superior value to our customers, as we develop the right products and services to meet their needs.

With rigor and commitment, I can say that I expect every year to come to be our best ever.

自二零零一年二月起，我們每年均於倫敦舉辦「亞洲博覽會」。亞洲博覽會專門為亞洲廠商而設，為他們提供一個連繫遍遊歐洲，並希望以極具競爭力的價格搜羅優質亞洲產品的新買家及潛在買家的機會。縱使亞洲博覽會歷史尚短，但其規模及展覽範圍正日益擴大，穩佔歐洲展覽會一席位及成為重要之展覽。

建發國際致力加強服務及提升能力，並提供一系列由銷售至市場推廣活動、展前宣傳計劃、攤位設計、展場佈置、貴賓買家休息室、商務中心以至展後檢討等展覽會服務。我們積極擴大買家及參展商資料庫，以擴充展覽會的規模及領域。我們亦就開發不同嶄新展覽會主題及地點進行可行性研究，進一步鞏固我們於區內及國際的領導地位。

未來發展

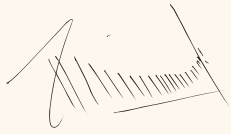
我們預期二零零三年的經濟情況將持續不明朗。然而，建發國際將積極裝備以迎接每項挑戰，使問題能迎刃而解。保持高度靈活性乃當我們迎接面前挑戰的最佳方法。與此同時，我們亦應循著固有的方向進發。

建發國際將繼續朝著本集團矢志成為世界商貿展覽會主辦機構翹楚的目標前進。我們亦致力為客戶提供增值服務，以贏取他們的信任及進一步擴大我們的市場份額。我們將推出意念創新及於其他地區舉辦嶄新展覽會。鑑於二零零一年起每年於倫敦舉辦的亞洲博覽會的成功例證，我們將於二零零三年八月在拉斯維加斯推出亞洲博覽會。此外，我們亦期望於二零零四年在泰國及中國推出新展覽會，目前我們正進行最後之磋商。為確保業務能穩步發展，我們將進一步提供合適的產品及服務以切合客戶的需求，致力為客戶提供更大裨益。

憑藉上述的承諾，我深信本集團的業務每年定能再闢高峰。

Appreciation

On behalf of the Board, I would like to take this opportunity to express my gratitude to our customers, suppliers and shareholders for their continuous support. I would also like to thank our staff for their hard work. The significant increase of visitors is a clear indication of our fairs' success. This success is testament to the many months of commitment and dedication that both our staff and business partners have put in. They share our passion and for this, I owe them countless thanks. Their important contribution to the year's results is fully appreciated. It is their spirit that drives Kenfair International to greater achievement.

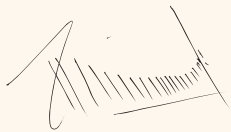


Ip Ki Cheung
Chairman

Hong Kong, 26 May 2003

致謝

本人謹代表董事會藉此機會向各客戶、供應商及股東一直以來對本集團的支持致以由衷謝意，我亦感謝各員工所付出的努力。參觀人數不斷遞增，充份反映展覽會的成功，更是員工及業務夥伴過去數月來努力不懈的例證。他們與我們朝著同一方向進發，為此我向他們致以最深切的感謝。我十分欣賞他們為本集團年內所付出的努力，此乃促使建發國際再創佳績的推動力。



主席
葉紀章

香港，二零零三年五月二十六日