

Ultimate Designer Label Exhibition

The Group has never been satisfied with the status quo, and is planning to organize a new concept-show with outstanding specifications and requirements. The new show is being designed for high-end products in a highly sophisticated and aristocratic setting, targeting luxury department stores. The rationale behind the show is to cater for the rosy prospects in this market niche which is growing around the world. The creative event will be themed for gifts, premium and household products exclusively from Asia. Protruding its uniqueness and exclusiveness in the region, all the exhibitors and buyers will be invited based on careful selection. The management strongly believes that organizing such a high-end trade fair will not only substantiate the Group's leading edge, but also further promote the Group's reputation and build its brand in the exhibition industry. The Group is currently undertaking a detailed feasibility research over the possibility and technical requirements of the show.



高尚格調產品展覽會

本集團並未滿足於現狀，現正計劃舉辦一個概念獨特，並對參展產品檔次有特定要求的展覽會。此項全新展覽會特為高檔產品而設，攤位設計格調高尚，主要針對高級百貨公司之有關買家。籌辦此展覽會之目的為滿足市場上對這類具獨特性及設計優雅產品需求。此嶄新之展覽主題圍繞亞洲禮品、贈品及家居用品。鑑於此展覽在區內乃獨一無二，故所有參展商及買家均經本集團細意挑選及透過特別邀請方能參與。管理層絕對相信舉辦此高檔次貿易展能突顯本集團之領導地位，亦能進一步提昇本集團於展覽業內建立之商譽。本集團正進行詳細之可行性研究以及一切有關舉辦此展覽會所涉及之技術問題。

Asia Expo

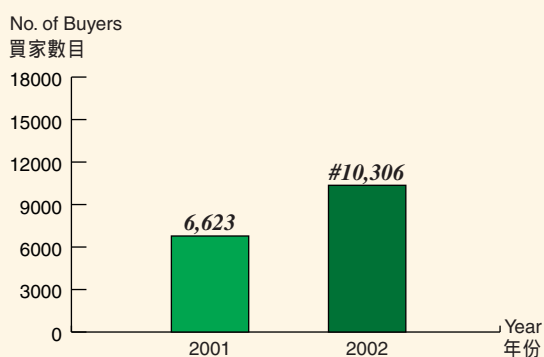
During the Review Period, the Group put the full force into its exhibitor and buyer recruitment activities for the overseas show, **Asia Expo** 2003 in London. Sales and marketing teams have been attending a number of major international trade fairs to intensively promote the forthcoming Asia Expo. With its focused theme and vast business scope, more than 900 booths have already been booked. In addition, several trade associations from the Asian region had shown a keen interest in supporting the event. In its third year, the Asia Expo in London has become an international event in Europe with huge scale and scope as well as top participant quality.

亞洲博覽會

於回顧期內，本集團正全力為二零零三年於倫敦舉辦的亞洲博覽會招募參展商及買家。建發國際的市場及銷售隊伍透過參與各地主要國際展覽會，以宣傳明年之亞洲博覽會。由於亞洲博覽會以純亞洲產品作號召及多元化產品為主題，所以現時已成功租出超過900個攤位。同時，若干亞洲貿易協會亦十分支持亞洲博覽會。邁入第三個年頭，亞洲博覽會已成為規模龐大以及參展質素極佳之國際盛事。



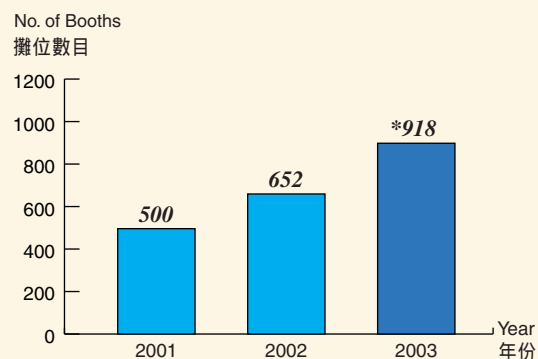
GROWTH OF BUYERS ATTENDANCE 入場買家增長圖表



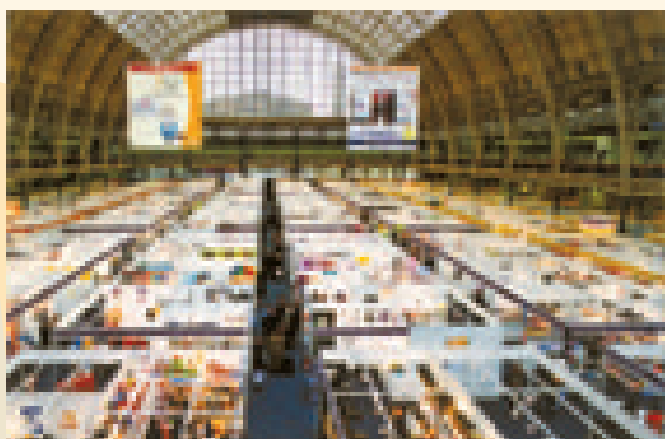
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GROWTH OF BOOTHS 攤位增長圖表



* As at 18 November 2002 * 至2002年11月18日止



Kenfair Asian expo, Las Vegas

To complement the Group's expansion strategy and replicate the success of Asia Expo in London, Kenfair International implemented a large-scale feasibility study to explore the possibilities for staging a new show in Las Vegas, the United States of America ("US"). The detailed studies revealed indications for enormous demand for an international trade fair with an Asian-focus in the US. Kenfair International has therefore decided to organise the **Kenfair Asian expo** in Las Vegas on 13-15 August 2003, bringing Asian toys, gifts, premium and household products manufacturers to US buyers, and it is expected that around 500 booths will be set for the Kenfair Asian expo. The Kenfair Asian expo will be themed in line with the Group's Asia Expo in London, which has been cited as the largest trade fair for Asian products in Europe.



拉斯維加斯—亞洲博覽會

為配合本集團之拓展策略以及重覆倫敦亞洲博覽會之成功模式，建發國際已完成於美國拉斯維加斯舉行新展覽會所進行的大型可行性研究。研究結果顯示美國市場對以亞洲產品為主題的國際性貿易展需求殷切，因此，建發國際決定於二零零三年八月十三至十五日舉辦拉斯維加斯—亞洲博覽會，把亞洲玩具、禮品、贈品及家居用品廠商引進美國市場。預計屆時將會有500個攤位，而拉斯維加斯—亞洲博覽會的主題與被譽為歐洲最大型的亞洲產品展覽會 - 倫敦亞洲博覽會相若。

Asian Food Fair

Constantly seeking to expand its business scope and to diversify exhibition themes, the Group has been looking at new exhibitions, both locally and regionally. The Group is planning to organize the **Asian Food Fair** in Hong Kong in 2003. Facilitated by China's accession to the World Trade Organization ("WTO"), the Asian Food Fair will tap into the enormous market demand for imported and exported food products with exclusive coverage for all Asian countries. The show is almost at its final stages of preparation.

亞洲食品展

為配合不斷拓展業務領域以及多元化展覽主題之方針，建發國際已決定於本地及區內籌辦新展覽會。本集團正計劃於二零零三年在香港舉辦亞洲食品展。隨著中國加入世界貿易組織（「世貿」），亞洲食品展以展出亞洲國家食品為主題，以滿足市場對亞洲進口及出口食品產品的需求。此展覽會已踏入最後之籌備階段。

Asian Gems and Jewellery Show

Additionally, Kenfair International is looking forward to organizing the **Asian Gems and Jewellery Show** in Bangkok, Thailand, in 2004. Facilitated with various geographical and social favorables, such as political stability, excellent hotels, worldwide flight network, efficient business facilities, entertainment and resort attractions, Thailand is the most optimal choice for the exhibition. Together with the city's dynamic role as the region's strategic hub for the manufacturing and export of treated gem stones and finished jewellery, the show is expected to draw a large number of overseas buyers from Europe, the US and Asia. Feasibility studies are currently under way.



亞洲寶石及珠寶展

與此同時，建發國際亦計劃於二零零四年在泰國曼谷舉辦亞洲寶石及珠寶展。泰國擁有完善之展覽設施，穩定的政治體系，優越之酒店服務，貫通全球之航機網絡及良好之商務及娛樂設施。此外，泰國作為區內主要生產及出口寶石及珠寶產品地區，此展覽會預期能吸引大量來自歐洲、美國及亞洲之買家。本集團現正就此展覽會進行可行性研究。

Grasping opportunities arising in the PRC

Riding on its flourishing economy and improving infrastructure facilities in the PRC and coupled with the opening up of many of the policies following its accession to WTO, it is expected that open inter-regional trade will become more prevalent in the PRC. To capture the rising demand for internationally recognized and world-standard exhibitions and trade fairs in the country, Kenfair International is planning to organize an exhibition on toys, gifts, premium and household products in Beijing, the PRC, by establishing a cooperative joint venture with a reputable and renowned corporation in PRC. However, the preparatory work for this show is only at its preliminary stages.

抓緊中國業務商機

隨著中國經濟不斷起飛及基礎設施的不斷改善，再加上中國加入世貿後開放政策，預期跨地區間之經貿活動將於國內日趨頻繁。為把握中國對具國際水平之展覽會及貿易展的殷切需求，建發國際正與一家知名的中資企業進行初步磋商，準備在國內成立合作公司，並於首都北京舉辦以玩具、禮品、贈品及家居用品為主題之展覽會，有關準備工作正處於籌劃初段。



Kenfair Travel Limited

Committed to providing quality exhibition support and value-added services to customers, Kenfair International continues to make every effort to enhance service quality. In view of the escalating demand for travel packages for exhibition purposes, both domestically and internationally, the Group decided to separate its Travel & Logistics team from the existing Customer Service Department to establish a new executive arm specializing in travel services, **Kenfair Travel Limited** ("Kenfair Travel").

Kenfair Travel will complement the Group's mission to provide one-stop shop exhibition services to both regional manufacturers and international buyers. Locally, thousands of overseas buyers attend the Group's major event, the October Shows, on a yearly basis. When these buyers arrive in Hong Kong, they need various travel services, including hotel accommodation and transportation. For other stopovers who plan to travel either to other East-Asian countries or the PRC, they may need further visa applications. Globally, Kenfair Travel provides a wide spectrum of travel services, such as ticketing, hotel accommodation and tour organization to local manufacturers at favorable discounts. These services are particularly geared for those who will be attending either the Group's overseas exhibitions, namely, London's Asia Expo and Las Vegas's Kenfair Asian expo, or other major international events abroad. Kenfair Travel will provide a full service package, saving customers not only money but time, and impressing them with the valuable services provided by Kenfair International.

The management believes this move will broaden the Group's business scope as well as create a new revenue stream. At the same time, the existing Customer Service Department can focus on upgrading service quality.



建發旅運有限公司

為能向展覽會客戶提供更佳服務，建發國際致力加強服務質素和提供更多元化和增值服務。有見展覽會舉辦期間本地及國際買家對旅運及住宿的需求不斷增加，本集團決定把旅運服務及後勤部門獨立於現有之客戶服務部，成立**建發旅運有限公司**（「建發旅運」），以專注旅運及住宿安排。

建發旅運旨在為區內廠商及國際買家提供一站式展覽會服務。以本地而言，每年均有數以千計海外買家參與本集團的主要展覽會—十月份展覽會。買家蒞臨香港均需各項旅遊安排，包括酒店住宿及交通安排。此外到中國或東南亞地區旅遊而須短期停留之商客亦需申請簽證。建發旅運亦會為參與本集團之海外展覽會如倫敦亞洲博覽會、拉斯維加斯亞洲博覽會及其他主要國際展覽會的廠商提供以優惠價訂購機票、酒店住宿及遊覽服務。建發旅運將提供全面服務，不單能為客戶節省開支，亦讓他們感受到建發國際的優質服務。

管理層相信成立建發旅運能擴展業務領域及同時讓客戶服務部專注於提升服務水平。

Conclusion

The management believes that Kenfair International has an unrivalled edge in the international exhibition market, and can capitalize on Hong Kong's many favourable benefits as a world-famous exhibition capital. Looking ahead, Kenfair International will leverage its expertise gained over the years and commitment to continuously focus on its core business, organizing exhibitions, both locally and internationally, to become a world leader in providing comprehensive exhibition services.

總結

管理層相信建發國際能憑藉香港作為國際展覽之都的優勢，成為國際展覽市場上響負盛名的展覽會主辦商。展望未來，建發國際將憑藉本身於行內豐富的經驗，以及秉承不斷於本地及國際開展多元化展覽會的承諾，本集團定能成為一間能提供多元化展覽服務的領導者。

Use of Proceeds

The proceeds from the Company's issue of shares at the time of its listing on the Stock Exchange on 10 April 2002, after deduction of related expenses, amounted to approximately HK\$42,000,000, of which approximately HK\$10,000,000 were applied as at 30 September 2002. During the Review Period, the proceeds were applied as follows:

- as to approximately HK\$1,000,000 for the expansion of the existing trade shows
- as to approximately HK\$2,000,000 for the development of new shows
- as to approximately HK\$3,000,000 for the development of the PRC market
- as to approximately HK\$4,000,000 for general working capital

The balance of the proceeds of approximately HK\$32,000,000 was deposited with banks and will be applied in the coming period to their intended use as set out in the prospectus dated 25 March 2002.

集資用途

本公司於二零零二年四月十日在港交所上市時發行股份所得之收益，經扣除有關開支後約為港幣42,000,000元。截至二零零二年九月三十日止六個月，本集團已動用港幣10,000,000元，用途如下：

- 約港幣1,000,000元作擴展現有貿易展覽會
- 約港幣2,000,000元作開發新展覽會
- 約港幣3,000,000元作開發中國市場
- 約港幣4,000,000元作一般營運資金

董事會已把餘款港幣32,000,000元存入銀行。於未來，集資款項將按二零零二年三月二十五日之招股書所述用途使用。

Liquidity and Financial Resources

The Group generally finances its operations with internally generated cash flows. As at 30 September 2002, the Group had cash and bank balances and fixed deposits approximately HK\$77 million. The Group's bank borrowings at 30 September 2002 amounted to approximately HK\$9.6 million, which were secured mainly by the legal charges on certain fixed assets owned by the Group. The gearing ratio of the Group at 30 September 2002 calculated as a ratio of total debts to total assets was approximately 5.1%. Net current assets at 30 September 2002 were approximately HK\$16.4 million and the current ratio was maintained at a healthy level of approximately 111%.

流動資金及財務資源

本集團主要以日常營運所產生之現金收益支付其業務運作。於二零零二年九月三十日，本集團之手頭現金、銀行存款及定期存款總值約港幣77,000,000元。於二零零二年九月三十日，本集團之銀行借貸約為港幣9,600,000元，主要由若干本集團擁有固定資產作抵押。本集團於二零零二年九月三十日之資產負債比率（以總負債對比總資產）約為5.1%。二零零二年九月三十日之流動資產淨值約港幣16,400,000元，而流動比率則維持於健康水平約111%。

Employment, Training and Development

As at 30 September 2002, the Group had a total of 86 employees, 77 of who are based in Hong Kong, with the remainder based in Shanghai, the PRC. The Group's employees are remunerated in accordance with their work performance, experience and prevailing industry practices. The Group also participates in a retirement benefit scheme for staff in Hong Kong and the PRC. Since 10 April 2002, the Group has also adopted a share option scheme. The Board, at its discretion grant options to employees of the Group. No option had been granted up to the date of this report.



Cheung Shui Kwai
Managing Director

Hong Kong, 18 November 2002

招聘、培訓及發展

截至二零零二年九月三十日，本集團共有86名員工，其中77名主要以香港為工作基地，其餘則在中國上海工作為主。本集團給予僱員之薪酬將按個別表現、履歷、經驗及人力市場情況作出調整。此外，本集團亦為香港及內地員工提供退休福利計劃。二零零二年四月十日起，本集團亦設有一項購股權計劃。董事會可向員工授出購股權。截至本報告日止，本集團暫未有根據計劃授出任何購股權。



董事總經理

張瑞貴

香港，二零零二年十一月十八日