

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

The fiscal year 2004 was full of challenges and opportunities for Asia's world city, Hong Kong. As a leading Hong Kong-based trade fair organizer, Kenfair International (Holdings) Limited ("Kenfair International" or together with its subsidiaries, the "Group") accomplished its business goals, demonstrating its strengths despite the challenging environment during the year.

Our success clearly reflects our sound business model and the world-class exhibition services we deliver to Hong Kong and overseas manufacturers, as well as buyers worldwide. More importantly, our triumphant achievements show the commitment of Kenfair International to serving as "a gateway to achieve business opportunities" to customers in Hong Kong and overseas.



CHAIRMAN 主席
Mr. Ip Ki Cheung 葉紀章先生

INDUSTRY OVERVIEW

The outbreak of Severe Acute Respiratory Syndrome ("SARS") in March 2003 badly hit the local economy, and the exhibition industry was no exception. However, living up to its reputation as the most energetic city in Asia, Hong Kong's business activities resumed quickly after the SARS scare, resulting in a swift economic recovery. As an important economic sector in Hong Kong, the local exhibition industry put up hundreds of world-standard trade fairs. Tens of thousands buyers from all around the globe continued to come and attend trade fairs in Hong Kong.

致各股東

2004年對於香港這個亞洲國際都會來說，實在是充滿挑戰和機遇的一年。作為一家以香港為基地、在展覽業內享負盛名的貿易展覽會主辦機構，建發國際(控股)有限公司(「建發國際」或其附屬機構「本集團」)，在困難重重的營商環境下，仍然昂步向前，於本年度成功達成本集團的業務目標。

本集團於年內取得卓越的成就充分反映我們多年來穩健的營運基礎，以及專為本港及海外廠商和世界各地買家提供的世界級展覽服務。更重要的是，這些成就再一次印證建發國際多年來對本港及海外顧客「開啟商機之門」的承諾。

行業回顧

2003年3月非典型肺炎(「非典」)對本港經濟造成沉重的打擊，展覽行業亦未能倖免。幸而當疫情消退，作為亞洲最有活力的都市，香港的商業活動瞬即復甦。而作為本地經濟體系中不可或缺的一個行業，展覽業界經營者更旋即恢復舉辦多個世界級的展覽項目，並一如以往，繼續吸引數以萬計來自全球的買家蒞臨參觀。

The booming of the manufacturing sector in the People's Republic of China ("China") also boosts Chinese manufacturers' demand for trade fairs to market their products to worldwide buyers. Thus, I am confident that the Closer Economic Partnership Arrangement ("CEPA") between Hong Kong and Mainland China, effective since 1 January 2004, will provide all Hong Kong-based exhibition organizers and service providers, including Kenfair International, which is the first CEPA-qualified trade fair organizer in Hong Kong, with an easier way to open up the Mainland market.

I believe Kenfair International and all our fellow industry players will move ahead to explore the markets in both Hong Kong and Mainland China and grab every arising opportunity to grow our business.

迅速起飛的中華人民共和國(「中國」)製造業促使中國廠商對展示產品予海外買家的貿易展覽會需求更為殷切。本人深信，自2004年1月1日開始生效的《更緊密經貿關係安排》(「CEPA」)將為有意進軍內地龐大市場的香港展覽業經營商，包括在CEPA落實期間首家獲准進入內地提供展覽服務的建發國際，提供一個開發中國內地市場的便捷途徑。

本人相信建發國際及其他展覽業界的同業友好，均已蓄勢待發，抓緊市場各個機遇，全力開拓中港兩地蓬勃的展覽業市場。

Kenfair International

During the year, Kenfair International continued to achieve the business goals we set for ourselves. With unyielding efforts, we ensured our earning, improved the underlying economy of our business operation and increased investment in rewarding business activities. Despite the hard time we experienced in the first half of the year, Kenfair International made several important accomplishments. We successfully launched the Hong Kong International Toys & Gifts Show and Asian Gifts Premium & Household Products Show (the "October Shows") and ASIANA in Hong Kong, as well as the Asia Expo and Kenfair Asian expo in the United Kingdom and the United States respectively. We are also very pleased to have our Asia Expo, London endorsed as a "UFI-Approved Event" by The Global Association of the Exhibition Industry ("UFI"). Meanwhile, the number of advertising pages in our trade magazine, MegAsia kept increasing, and our web portal, Kenfair.com attracted user-members from all over the world.

建發國際

於回顧年內，建發國際繼續朝著發展目標進發。集團上下堅定不移，除維持業務的增長外，更改善業務規模效益及增加回報可觀的投資項目。儘管上半年度大家經歷了一段刻苦的時間，建發國際仍能衝出重圍，並取得多項重要的成就。本集團成功於香港舉辦「香港國際玩具及禮品展」暨「亞洲贈品及家居用品展」(合稱「十月份展覽會」)及「ASIANA」，以及分別在英國倫敦和美國拉斯維加斯舉行的「亞洲博覽會」及「拉斯維加斯 - 亞洲博覽會」。對於倫敦「亞洲博覽會」獲國際展覽聯盟UFI評定為「認可展覽會」，本人感到十分欣慰。同時，本集團旗下貿易雜誌 - MegAsia所取得之廣告頁數亦節節上升；另建發國際網站Kenfair.com亦深受世界各地買家的歡迎。

October Shows & ASIANA (H.K.)

The October Shows is the annual highlight of Kenfair International. For over a decade, the October Shows has year after year drawn in vast number of global buyers. During the year, this UFI-endorsed event attracted a record number of 4,666 booths occupied by 3,049 exhibitors, and 60,417 global buyers who visited the show. Once again, the October Shows stood out as one of the most important trade fairs on the global trade fair calendar.

「十月份展覽會」及「ASIANA」(香港)

「十月份展覽會」為建發國際一年一度的重點展覽項目。多年以來，「十月份展覽會」每年均吸引數以萬計、來自世界各地專程前來搜羅亞洲產品的國際買家。於回顧年內，這項榮獲國際展覽聯盟UFI認可的展覽會共吸引了3,049個參展商參展，設置4,666個展覽攤位，共有60,417名國際買家入場參觀採購。去年「十月份展覽會」的空前成功，再一次證明該展覽會在全球採購活動中舉足輕重的地位。

During the year, Kenfair International also launched a new local trade show named ASIANA. The 3-day event, with a wide array of high-end Asian products on display, welcomed high-calibre merchandisers and buyers from luxury department stores and importers in Europe and America.

Our achievements in the two trade exhibitions encouraged us to take our events to a new level of excellence. To cater for the ever-increasing demand for trade fairs on toys, gifts, premium and household products, especially for those manufacturers on the persistently long waiting list of the October Shows, Kenfair International made the strategic decision to connect the two trade shows in 2004 into a brand new series of shows. In the coming October, the October Shows, termed as Mega Show Part One will be followed a few days later by ASIANA – Mega Show Part Two. The repositioned ASIANA show welcomes all high-quality products from manufacturers worldwide.

年內，建發國際於香港推出一個全新的展覽會 – 「ASIANA」。為期3日的展覽會上展示多種高檔次的亞洲產品，並以歐美高級百貨公司的買家及進口商為主要對象。

我們繼續將現有的展覽會推至另一高峰。為了滿足市場對玩具、禮品、贈品及家居用品貿易展殷切的需求，加上目前正輪候參與「十月份展覽會」的廠商名單眾多，因此本集團定於2004年把上述兩場展覽會集結成另一嶄新的亞洲展覽盛事。2004年開始，「十月份展覽會」將成為第一炮，緊隨而之將會是「ASIANA – 亞洲展覽盛事第二部分」。重新定位的「ASIANA」將歡迎世界各地的展商展出其高質素的產品。

Asia Expo (U.K.) & Kenfair Asian expo (U.S.A.)

Our overseas trade fairs, including Asia Expo in London and Kenfair Asian expo in Las Vegas, returned tremendous results during the year. Bringing Asian manufacturers' right to the doorsteps of European and American buyers, both trade events become the most effective showcases for Asian-made products in the United Kingdom and the United States. Enjoying worldwide acclaims, our Asia Expo was also accredited as an "Approved Event" by UFI in the current financial year.

「亞洲博覽會」(英國)及「拉斯維加斯 – 亞洲博覽會」(美國)

本集團現時兩個海外展覽會，包括在英國倫敦舉行的「亞洲博覽會」及美國的「拉斯維加斯 – 亞洲博覽會」，年內均發展迅速。作為英國和美國當地最大型的亞洲產品展，兩場展覽會均躍升為歐美買家採購亞洲產品的理想平台。而倫敦「亞洲博覽會」在世界各地之貿易展覽會中獲得高度的評價，使其於年內成為國際展覽聯盟UFI之「認可展覽會」。

Future Opportunities

Kenfair International never stops striving for a better future. We will continue to make all our trade fairs world-class events. To leverage fully the advantages of the exhibition facilities in Hong Kong and capture business opportunities arising in Hong Kong and Mainland China after the signing of the CEPA, Kenfair International has set up a Research & Development Department and a Business Development Department. The two newly established arms are trusted with the important tasks of focusing on allocation of funds and resources for exploring new trade fairs and also teaming up with strategic partners around the globe. With abundant experience, professional expertise and sound business plans in place, I believe Kenfair International will continue to thrive and successfully grow its trade fairs in the years ahead.

前景

建發國際一直矢志建立更美好的將來。展望未來，本集團將繼續提高各展覽會的質素，以此躍身成為世界級的展覽盛事。我們亦將充分掌握CEPA及香港展覽設施所帶來的機遇，積極尋求於本港及中國內地之業務發展良機。而建發國際研究及發展部和業務發展部之成立，更反映我們致力投入資源，開拓海外市場、創辦嶄新展覽會及建立國際策略性合作夥伴網絡的路向。仰賴建發國際全體員工的努力及本集團策略性的全面推廣計劃，本人對建發國際展覽會將於來年更上一層樓充滿信心。

Appreciation

On behalf of the Board of Directors, I would like to express my deepest gratitude to all our clients, suppliers and shareholders for their continuous support. I would also like to thank all our staff members for their hard work and outstanding contribution in making all our events successful and well respected in the global arena. Looking ahead, I am confident that Kenfair International is on the right track to becoming one of the leading trade fair organizers in the Asia Pacific region.




Ip Ki Cheung

Chairman

Hong Kong, 27 July 2004

致謝

本人謹代表董事會，藉此機會向各客戶、供應商及股東，對本集團一直以來的支持致以衷心的謝意。本人亦感謝建發國際的所有員工，他們的努力和貢獻為本集團之展覽會締造美滿佳績。展望將來，本人深信建發國際正朝著成為亞太區最佳展覽會主辦機構的目標前進。



主席

葉紀章

香港，2004年7月27日