



**Dr. Han Cheng Fong** *Chairman*  
韓禎豐博士 主席

I am pleased to present the much improved results of the Vision Century Group for the year 2004. With a turnover of HK\$547 million, the Group achieved a profit attributable to shareholders of HK\$16 million, after four years of losses. This positive outcome is testimony to the success of the changes and reforms implemented during the year to streamline and rationalize the Group's asset base, particularly the orderly execution of the restructuring and repositioning process, which started in earnest at the end of 2003. All assets were rigorously managed during the year to enhance their yields in the short term and to realize their full potential in the longer term. The imposition of controls on operating expenses so as to improve productivity and efficiency also started to bear results and contributed to the bottomline in 2004.

## Overview

The Group's results for 2004 were delivered within the improved operating environments in Hong Kong and China. After several years of economic downturn, Hong Kong enjoyed a strong rebound in 2004, with GDP growth recovering to 7.5% from 2003's 3.3%, falling unemployment and broad-based increases in capital values and rental in the property sector. The spill-over from China's robust economic growth, the benefits of the Closer Economic Partnership Agreement (CEPA) and other measures adopted by the Chinese government to promote business activities in Hong Kong combined to speedily restore confidence. The spectacular economic growth that has turned the Pearl River Delta region into a global manufacturing powerhouse continued. Meanwhile, the Chinese economy continued to surge ahead in 2004, with a GDP growth of about 9.5%, despite the government's efforts to orchestrate a soft landing for the economy to grow more moderately. Against this bullish background, the Group's real estate activities in Hong Kong and China performed well.

本人欣然提呈威新集團二零零四年度之業績，較對上一年錄得顯著改善。經過四年之虧損，本集團本年度錄得營業額港幣547,000,000元，股東應佔溢利港幣16,000,000元。業績攀升印證了年內實行有關精簡及整頓本集團資產基礎之變動及改革取得成功，尤其是於二零零三年年底切實開始按部執行重組及重新定位安排。集團於年內審慎管理所有資產，務求提高短期回報，並且長遠取得最大的潛在回報。同時，為提升生產力及效率而對經營開支實施之監控亦漸見成果，令二零零四年得以達到收支平衡。

## 概況

本集團二零零四年之業績是在中港兩地經營環境改善之利好因素下產生。經過多年經濟低迷後，香港於二零零四年出現強勢復甦，生產總值由二零零三年之3.3%回升至7.5%，失業率下降，物業界之資本值及租金整體均呈現上揚。受中國經濟強勁增長所帶動，加上受惠於更緊密經貿關係安排(CEPA)，以及中國政府為提倡香港商業活動而採納之其他政策，種種因素加速市民恢復信心。經濟大幅增長繼續令珠江三角洲成為全球製造業樞紐。同時，儘管中國政府意圖讓經濟軟著陸以放緩增長，中國經濟於二零零四年依然上揚，國內生產總值增長約9.5%。基於整體局勢向好，本集團於香港及中國之房地產業務亦表現出色。

The Group achieved significant progress with the divestment of several non-core and non-performing assets and activities during the year. These included the entire range of the loss-making information/communication technology (infocomm) business and the power plant in Wuhu, China. These disposals have released capital locked in them for redirection into better performing assets and activities. The Group's business focus is now exclusively property development, investment and management. As at 31 December 2004, 90% of the total assets were domiciled in China, which contributed 85% of the year's turnover. In tandem with this emerging profile of growing property business in China, we have started to allocate more and higher caliber human resource there to support the growing activities.

All the initiatives taken to date are working smoothly and bode well for the future. I believe that the strategic goals achieved in 2004 have created a suitable platform for the Group to deliver better performance in the years ahead. In this context, I am delighted to note that the development of the next phase of Vision (Shenzhen) Business Park resumed at the end of 2004, after several years of delay. This over HK\$100 million new investment will contribute to the Group's long-term growth.

## Financial Performance

The Group recorded a profit attributable to shareholders of HK\$16 million (equivalent to HK0.58 cents per share) compared to the loss of HK\$846 million (equivalent to HK29.8 cents per share) suffered in 2003. This is a significant turnaround and an indication that the many tough decisions and actions taken are beginning to drive the Group back to profitability. In particular, the disposal of the infocomm business in June 2004 stopped the recurring operating losses. Meanwhile, the improved sales of the Group's residential projects in Hong Kong and China contributed positively to the bottomline, aided by the slashing of administrative expenses by almost half to HK\$25 million. Total provisions made fell to HK\$8 million, down from a staggering HK\$776 million in 2003.

本集團於年內減持多項非核心及表現欠佳之資產與業務，繼而令業績顯著改進。減持之資產與業務包括虧損中之整個資訊科技分部，以及位於中國蕪湖之發電廠。出售上述項目有助釋放資金轉投作表現較佳之資產及業務。本集團目前將業務集中於物業發展、投資及管理。於二零零四年十二月三十一日，集團總資產的90%均位於中國，佔本年度營業額85%。隨著中國物業業務日益增長，我們亦開始調派更多精英至國內協助發展當地不斷增長的業務。

目前各項計劃均進展順利，並將為日後發展奠定良好基礎。本人認為，二零零四年所達到之策略性目標已為本集團建立合適之平台，而未來年度定可開創更佳成績。本人在此欣然宣佈，經過多年延工後，深圳威新軟件科技園二期發展項目已於二零零四年底復工。這項超過港幣100,000,000元之新投資項目將有助本集團長遠的增長。

## 財務表現

本集團之股東應佔溢利為港幣16,000,000元（相等於每股港幣0.58仙），二零零三年則錄得虧損港幣846,000,000元（相等於每股港幣29.8仙）。有關數字反映業績轉虧為盈，並且過往採納的多項決策及行動均開始為本集團帶來盈利。特別是於二零零四年六月出售資訊科技業務，遏止了經常性經營虧損。此外，本集團位於香港及中國之住宅項目銷售改善亦對收支平衡產生積極作用，而行政開支亦削減近半至港幣25,000,000元。撥備總額由二零零三年之港幣776,000,000元下跌至港幣8,000,000元。

The Group's turnover for 2004 jumped nearly three-fold to HK\$547 million, up from HK\$185 million in 2003. This surge in turnover was contributed by the sale of units of the Group's two completed residential projects in China, namely, Scenic Place (phase 1) in Beijing and The Ninth ZhongShan in Dalian. In addition, the Vision (Shenzhen) Business Park (phase 1) contributed a record gross rental income of HK\$13.5 million in 2004, an increase of nearly HK\$2 million over that earned in 2003.

## Operational Performance

During the year, the single-minded focus was the optimization of resources and streamlining of operations and organizational processes so as to improve performance. Despite several challenges and unforeseen difficulties, The Ninth ZhongShan project was completed and obtained its occupation permit in July 2004, missing the deadline by some six months. We had acted promptly to resolve those problems afflicting the project and I am satisfied that the situation has now been brought under control. This high quality development is superbly located at the core of the Central Business District of Dalian. As at the end of 2004, 40% of the 432 apartments had been sold. During the year, the Group continued to sell apartments in the completed Scenic Place (phase 1) development, bringing the total to 670, or 85% of the total 788 units.

Vision International Centre, the Group's joint venture project with Tsinghua Science Park Co., Ltd., a subsidiary of the prestigious Tsinghua University, Beijing, was completed in September 2004. Today, this 13-storey high quality and state-of-the-art business park facility located within the Tsinghua Science Park in Zhongguancun, Haidian District, Beijing is recognized as a landmark building. Within 3 months of its completion, the building's occupancy rate (including commitments by tenants) hit a remarkable 85%, exceeding expectations. This achievement was especially commendable in the context of the office glut in Beijing.

本集團二零零四年之營業額由二零零三年港幣185,000,000元上升至港幣547,000,000元，升幅近三倍之多。營業額上升主要由於本集團兩個中國落成住宅項目北京蝶翠華庭（一期）及大連中山九號銷售單位帶來貢獻。此外，深圳威新軟件科技園（一期）於二零零四年錄得之總租金收入港幣13,500,000元亦創新高，較二零零三年所賺取之租金升近港幣2,000,000元。

## 營運表現

年內，集團唯一焦點為優化資源及精簡營運及組織過程，藉以改善表現。儘管面對種種挑戰及未能預見之困難，中山九號仍能於二零零四年七月落成並取得其入住許可證，較預期遲約六個月。我們已迅速採取措施解決阻礙進度之問題，而本人對於以上情況現已受到控制感到滿意。這個優質發展項目位處大連中央商業區。截至二零零四年底，432個單位中之40%已售出。於年內，本集團繼續出售已落成項目蝶翠華庭（一期）之單位，令售出單位總數增至670個，或總數788個單位之85%。

本集團與著名北京清華大學之附屬公司啓迪控股股份有限公司之合資項目－威新國際大廈，於二零零四年九月完成。至今，此幢位於北京海淀區中關村，13層高之新型優質商業園設施，已成為當地的地標。在其落成後短短三個月內，該大廈之出租率（包括已訂約租戶）已創下85%之驕人成績，超出預期所料。在北京辦公室單位供過於求的環境下，此佳績值得讚美。

Notwithstanding intense competition, our flagship business park in Shenzhen achieved a superb 98% occupancy as at 31 December 2004. This exceptional performance was due to the tested strategy of offering our tenants the best physical space plus an unrivalled and consistently high standard of property management services.

## Moving forward

As mentioned earlier, I am pleased to report that we commenced the development of the first of two parts of phase 2 of the Vision (Shenzhen) Business Park at the end of 2004. The first part will comprise the construction of two medium-rise office blocks and an amenity center, with a combined gross floor area of about 40,000 m<sup>2</sup>. Piling works were finished in February 2005 and subject to all necessary approvals being obtained, we aim to achieve the completion of construction of the buildings by January 2006. Subject to market conditions, the Group hopes to commence the development of second part at the earliest practical date. Meanwhile, a comprehensive marketing programme to secure tenants for the space under construction will be rolled out in China and globally soon.

Concurrently, we are reviewing the design concept and the development parameters of the last land parcel of the Shenzhen site – referred to as phase 3 – which occupies 254,000 m<sup>2</sup>, with a developable gross floor area of over 400,000 m<sup>2</sup>. The site is at a strategic location in Shenzhen and the Group believes that such a mega development should be planned and executed to enable the city to exert its position as a modern and vibrant metropolis of the 21<sup>st</sup> century within the fast-developing Pearl River Delta region. To achieve this vision, the Group is developing a new master plan which can serve as a starting point for discussions with the Shenzhen authorities. We are hopeful that such dialogue will conclude with an acceptable solution for this exciting development to proceed, including a possible extension of the existing construction deadline to beyond 31 December 2005. The Group remains fully committed to develop the whole of the Shenzhen site and will accelerate the pace of development to the extent permitted by market conditions to catch up on missed deadlines.

儘管競爭激烈，我們於深圳之商業園旗艦項目於二零零四年十二月三十一日仍錄得高達98%之出租率。錄得如此佳績全因我們為租戶提供最佳空間及獨一無二之優質物業管理服務。

## 進展

如上文所述，本人欣然報告我們已於二零零四年底展開深圳威新軟件科技園二期兩部份發展工程之第一部份。第一部份將包括建造兩幢中層式辦公樓及一幢康樂中心，總樓面面積約40,000平方米。打樁工程已於二零零五年二月完成，尚待取得一切所需批文，我們計劃於二零零六年一月完成該等建築物之工程。若市況容許，本集團希望盡早開始發展第二部份。同時，本集團即將在中國及世界各地實行全面市場推廣計劃，為發展中的空間物色租戶。

與此同時，我們正檢討深圳最後一幅土地（稱為第三期）之設計概念及發展參數，該地面積254,000平方米，可發展樓面面積超過400,000平方米。該地位處深圳策略位置，而本集團相信該巨型發展項目應經規劃及執行以能夠特顯該城市為迅速發展之珠江三角洲內二十一世紀的現代化動感都市。為達到此目的，本集團現正籌劃一個新的總綱計劃，用作與深圳政府機關展開洽商。我們對彼此溝通後可達致合理的解決方案以落實進行此項令人興奮之發展項目滿懷希望，包括可能將現有建設的期限延遲至二零零五年十二月三十一日後。本集團依然全情投入發展整個深圳地盤，並將在市況容許下加快發展進度，以趕上已錯過的期限。

The development process of Scenic Place (phase 2) had to be halted in August 2004 when a key requirement stipulated under the new regulations promulgated by the Beijing Land Bureau in April 2004 could not be fulfilled. This position is most unfortunate. Nevertheless, the Group is now exploring all feasible options to reach an optimal outcome from this situation.

## Looking ahead

I am heartened that the Group is now in a better shape to secure a viable future in the competitive real estate sector in China and Hong Kong. Clearly, the Group has emerged from the restructuring and repositioning process transformed and ready to meet the challenges that still lie ahead.

With the completion of construction of the Group's projects in 2004, the priority task of 2005 is to commence the development of the existing landbank and at the same time to seek out new investment opportunities to grow organically. We are also willing to consider suitable merger and acquisition opportunities if they can expedite the pace of profitable growth.

The Group has strengthened its business development activities to seek out new investments in China, especially in cities where the Group already has a presence and a platform to build on existing relationships with strategic partners, service providers and relevant government bodies. In this connection, we are holding on-going discussions with the Tsinghua Science Park Group, our valued partner in the successful development of Vision International Centre, to deepen our cooperation in new investments and businesses.

We are also looking to collaborate with our two major shareholders, Fraser and Neave and Ascendas to tap into their wide range of business and investment opportunities in China. With the combination of their strengths and expertise in all the major property segments, we are confident of generating a proprietary deal-flow of business opportunities for the Group.

由於集團未能達到北京土地管理局於二零零四年四月頒佈之新法規之一項主要規定，蝶翠華庭(二期)之發展須於二零零四年八月停止，此屬最不幸之情況。儘管如此，本集團現正尋求一切可行方案，務求化解上述困境。

## 展望

對於本集團現處於較佳之狀態在競爭激烈之中國及香港房地產界爭取有利之未來，本人感到鼓舞。本集團顯然已從重組及重新定位之過程蛻變，且已準備好應付日後種種挑戰。

隨著本集團二零零四年之項目完工，二零零五年之首要任務為開始發展現有土地儲備，同時物色新投資機會以爭取實質增長。假如併購活動可促進利潤增長，我們亦會予以考慮。

本集團已加強其業務發展活動，在中國物色新投資機會，尤其是在本集團已踏足之城市，以及可擴展現有策略夥伴、服務供應商及相關政府機關之關係平台。據此，我們現正與携手成功發展威新國際大廈之夥伴清華科技園集團進行持續磋商，以加強我們在新投資及業務上之合作。

我們亦正期望與兩名主要股東花莎尼及騰飛合作，在中國開拓多元化業務及投資商機。集合彼等在各個主要物業界之力量及專才，我們深信可為本集團帶來物業專有交易流量之商機。

With China as one of the world's fastest growing economies, I believe the Group's focus there is the right strategy. The future is both exciting and challenging. While we pursue the opportunities, we must remain vigilant to the risk and uncertainty inherent in the market place and be guided by prudent commercial principles that aim to deliver an appropriate risk-adjusted return.

## Corporate Governance

We believe good governance is essential to achieve good performance. Therefore, the Group is fully committed to maintaining good corporate governance to safeguard the interests of the shareholders, lenders and other stakeholders. Here, the Group will continue to embrace all best practices in corporate governance, particularly in relation to transparency, accountability, keeping shareholders fully informed through effective and timely communication and maintaining an effective board with strong and wholly independent directors. During 2004, we reinforced the Board's strength by the appointment of a new independent non-executive director. I am happy that we have a board which provides a good balance of constructive support and challenge to the Group's senior management.

## Acknowledgement

I recently completed my first year as Chairman of the Board and must thank all my fellow directors for the total support and wise counsel they had so graciously accorded me. They have shared my responsibilities and eased the burden of the office. Individually and collectively, the directors have brought their considerable expertise and experience to bear on our decision-making deliberations and I am confident that they will continue to make invaluable contributions in the stewardship of the Group in 2005 and beyond.

基於中國為其中一個全球增長最快之經濟體系，本人認為本集團集中於國內市場乃正確策略。未來充滿著刺激與挑戰。然而，在我們把握時機之同時，我們必須對市場上之風險及潛在不明朗因素保持警惕，依循著審慎之商業原則，務求取得適合之風險調整回報。

## 企業管治

我們相信良好之企業管治乃創造佳績之關鍵。因此，本集團致力維持優質之企業管治，以保障股東、借款人及其他保管人之權益。就此而言，本集團將繼續諾守企業管治之一切最佳守則，特別是有關透明度及誠信之守則，藉以透過有效及適時之聯繫，且推選由有實力及完全獨立之董事組成之董事會，使股東可以絕對知情。於二零零四年，我們委任一名新的獨立非執行董事以加強董事會之實力。本人對於董事會能夠為本集團之高級管理層同時給予支持及提出質疑，使兩者達致平衡而感到欣喜。

## 鳴謝

本人剛完成第一年董事會主席之職務，謹此衷心答謝各董事給予本人之全力支持及精闢意見。全因彼等在工作上之協助，令本人日常工作輕鬆不少。董事各具專長，且經驗豐富，彼此同心協力審議每一項決定，故本人有信心，彼等將對領導本集團在二零零五年及以後繼續作出寶貴貢獻。



There were several board changes during the year. Mr. Lai Seck Khui retired as a Deputy Chairman and non-executive director in May 2004. On behalf of the Board, I record here my sincere appreciation of Mr. Lai's contributions and services during his term of office. Ms. Angela Wang retired from the Audit Committee in December 2004 and I thank her for her hard work. I am delighted that Ms. Wang is continuing to serve as a non-executive director. Last but not least, I extend a warm welcome to Messrs Goh Yong Chian, Patrick and Hui Chiu Chung, who were appointed in June and December 2004 respectively as non-executive directors and members of the Audit Committee. Both gentlemen have impressive credentials and will no doubt extend and diversify the talent base of the Board.

Our employees have responded positively to the multitude of changes implemented during 2004. It is their combined dedication and skills that have helped the Group through a year of challenges and difficulties. I look forward to their continued commitment. I must add my appreciation to the customers, bankers, business partners and shareholders for their trust and unstinting support.



**Dr. Han Cheng Fong**  
Chairman

Hong Kong, 24 March 2005

年內董事會出現多番變動，黎錫駒先生於二零零四年五月辭任副主席兼非執行董事之職。本人謹此代表董事會，對黎先生在任期間所作之貢獻及服務致以由衷謝意。王培芬女士於二零零四年十二月辭任審核委員會職務，本人亦對其付出之努力表示感謝。對於王女士繼續留任為非執行董事，本人感到極之欣喜。最後，本人歡迎吳榮鈿先生及許照中先生分別於二零零四年六月及十二月獲委任為非執行董事及審核委員會成員。二人均以誠信見稱，必定可擴大及拓展董事會之人才基礎。

我們的僱員對二零零四年實行之種種變動均表示支持。全憑彼等之忠誠及技能，幫助本集團度過充滿挑戰及困難之一年。本人期望彼等繼續給予本集團支持。本人亦須藉此鳴謝各客戶、銀行家、業務夥伴及股東之信任及無限支持。



韓禎豐博士  
主席

香港，二零零五年三月二十四日