



**ZEN Wei Pao, William**  
Chairman

### **Dear Shareholders,**

*In 2004, the performance and development of the Group were encouraging: net profit increased persistently, the performance of the Group's existing toll road projects was outstanding, the development of new toll road projects was gratifying, and the property development business was also developing smoothly.*

*The Group's profit attributable to shareholders in 2004 was HK\$368.8 million, a growth of 14.3% over that of 2003. Earnings per share was HK63 cents. The Board of Directors has resolved to propose a final dividend of HK18 cents per share. Together with the interim dividend of HK16 cents per share, total dividend per share for 2004 will be HK34 cents, representing an increase of 36% over that of 2003.*

During 2004, with significant growth in traffic volume of toll roads in China, the Group registered a substantial increase in its toll revenue and recorded a total cash flow of HK\$687 million. During the year, the Group has actively explored and solicited potential expressway projects with lucrative returns, and has achieved positive result. The newly acquired project of Tangshan-Tianjin Expressway in Hebei Province started contributing profit to the Group in February 2005.

Having studied and carefully planned for years, the Group started property development business in China in 2004 and acquired land-use rights of several pieces of land at competitive prices. It is expected that the Group's property development business will contribute profit to the Group in 2006.

The Group continues to be optimistic about China's toll road business. The recent announcement of the RMB2,000 billion plan for road construction by the Chinese government has further enhanced the future potential for toll road business. With its outstanding track records, solid experiences and well-established reputation, the Group will endeavor to further develop this core business. It is expected that the number of the Group's expressway projects will continue to increase in the coming years.

Property development business is a new attempt to the Group. With the accumulated knowledge and experience in China, as well as the establishment of a professional team and the proactive and practical management style, the Group believes that the property development business will prosper and bring new source of profits to the shareholders. In 2005, the Group will take a cautious, serious and positive approach to develop this business.

2004 marked the year of the Group's leap over of its first 10-year anniversary. The Board of Directors is confident that 2005 will be the beginning of the Group's another golden decade.

I would like to take this opportunity to express my hearty gratitude to our shareholders, our business partners, directors, and loyal and dedicated colleagues.

**William Zen**

*Chairman*

Hong Kong, 1 April 2005