

## ii) Looking for options to increase space for "Mega Show" series

As there is a pressing demand for exhibition space in the "Mega Show" series, we are exploring every possible option to cater for more exhibitors, including the rental of possible sites in the city area in Hong Kong during the same time slot of the "Mega Show" series.

### ii) 尋求擴充「亞洲展覽盛事」系列展覽會場地的方案

由於「亞洲展覽盛事」系列展覽空間供不應求，集團正積極尋求各種可行辦法，務求讓更多廠商有機會參展，其中包括於展覽會舉行期間在香港市區物色及租用適合場地。

## iii) Thailand Jewellery Show

Besides launching the new trade fair in Poland, the Group will continue working towards realizing the proposed Asian Gems and Jewellery Show in Bangkok, Thailand. While continuing negotiations and discussions with relevant parties, we will keep on updating and exchanging views with relevant trade associations in Thailand on the proposed show. Further details of the proposed show will be announced upon confirmation.

### iii) 泰國珠寶展

除了忙於籌備波蘭新貿易展覽會，本集團亦會繼續努力落實於泰國曼谷舉辦亞洲寶石及珠寶展的計劃。除繼續與有關方面洽談外，本集團亦經常就展覽會的各項安排，與泰國有關商會交流意見及更新資料。有關展覽會之詳情將於確定後公佈。

## iv) International strategic business alliance

To further expand our coverage in the new markets, Kenfair International will step up efforts in establishing strategic partnerships with international trade associations, major trade fair organizers, and government bodies in our target markets. We have commenced our first move to strengthen the alliance with the Hong Kong Trade Development Council ("HKTDC"). Our first cooperative effort with this quasi-government body is the "Hong Kong International Furniture Fair", to be held in October, 2006 in Hong Kong. This cooperation will combine the strength of both the HKTDC and the Group. Details of the show will be announced in the near future.

### iv) 國際策略性聯盟

為把業務脈絡伸延至更多新市場，建發國際將進一步致力與目標市場之國際貿易商會、主要貿易展覽會主辦機構、及政府機構建立策略性聯盟。本集團亦開展了第一步，與香港貿易發展局（「貿發局」）達成合作，於2006年10月，與半官方機構貿發局於香港合辦「香港國際傢俱展」，是項合作將凝聚本集團及貿發局的實力。展覽會之有關詳情將於短期內公佈。

## CORPORATE GOVERNANCE

Kenfair International sees good corporate governance vital in its strive for business success and sustainable growth. As such, we fully adhere to the Code of Best Practice set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), and other recommended measures to strengthen corporate governance. While rules and regulations are essential, Kenfair International believes the full measure of a corporation's credibility resides within the values of that company and its leaders. Hence, the Group continues to value and benefit from the governance, counsel and guidance of our directors. All executive directors hold regular meetings with senior management to communicate and formulate the Group's overall strategies and corporate policies. Furthermore, the Board of Directors remains vigilant to all situations that may affect the Group's finance and shareholders' interests. The Group is committed to enhancing its overall transparency as a publicly listed company.

## 企業管治

建發國際深信良好的企業管治乃業務成功及持續增長的重要因素。我們全力履行香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14之最佳應用守則，以及其他為加強企業管理而建議的措施。除遵守條例及規則外，建發國際亦相信公司的價值觀及管理層之鼎力支持亦是不可或缺。所有執行董事均定期與管理層進行會議，商討及制訂本集團的整體策略及企業政策。董事會並保持警覺，密切留意每個可影響本集團財政及股東利益的情況。本集團亦致力向公眾提升作為上市公司的整體透明度。

To ensure that the Group's financial policies are implemented diligently, our audit committee meets regularly to review the completeness, accuracy and fairness of the Group's financial statements. We take the nature and scope of external audit reviews into account to effectively guide our corporate finance implementations.

為堅守我們一貫嚴謹的財政政策，我們的審核委員會定期檢討本集團的財務報告，確保文件之完整、正確及公平，以及檢討本集團外聘核數師的報告作有效的企業財務計劃。

## Human Resources

As of 31 March 2005, the Group employed a total of 168 staff members in Hong Kong and China. All employees are remunerated in accordance with their performance, experience and prevailing industry practices.

The Group participates in retirement benefit schemes for its staff members in Hong Kong and China. The Group has also adopted a share option scheme since 10 April 2002, and employees may be granted options at the discretion of the Board of Directors. No option had been granted up to the date of this report.

## 人力資源

於2005年3月31日，本集團於香港及中國共僱有168名員工。本集團給予僱員之薪酬乃按照其工作表現、經驗及人力市場情況作出相應調整。

本集團為香港及中國員工提供一套完善的退休福利計劃。自2002年4月10日起，本集團開始採納購股權計劃，董事會可酌情向員工授出購股權。截至本報告日止，本集團暫未有根據計劃授出任何購股權。

## Liquidity and Financial Resources

The Group finances its operations with internally generated cash flows. As at 31 March 2005, the Group had cash, bank balances and fixed deposits of approximately HK\$63 million (31 March 2004: approximately HK\$61 million).

As at 31 March 2005, the Group's total listed investment in shares amounted to approximately HK\$54 million (2004: approximately HK\$30 million). They are classified into long-term holding for capital growth and short-term holding for profit.

The Group had bank borrowings of approximately HK\$2.3 million as at 31 March 2005 (2004: approximately HK\$8.8 million), which were secured mainly by legal charges on certain fixed assets owned by the Group. The Group's financial position as at 31 March 2005 was satisfactory with a current ratio of approximately 1.69 (2004: approximately 1.51) and a gearing ratio (total debts to total assets) of approximately 1.1% (2004: approximately 4.5%). Both the Group and the Company had no significant contingent liabilities as at the balance sheet date (2004: Nil). The Group's cash balances are mainly in Hong Kong and United States dollars, while borrowings are mainly in Hong Kong dollars. As such, the Group does not have any significant exposure to foreign exchange fluctuations.

## 流動資金及財務資源

本集團主要以日常營運所產生的現金支付業務運作開支。於2005年3月31日，本集團之手頭現金、銀行存款及定期存款總值約63,000,000港元 (2004年：約61,000,000港元)。

於2005年3月31日，本集團投資於上市公司的股票總值約為54,000,000港元 (2004年：約30,000,000港元)，可分為長期持有及短期持有兩類，前者著眼於長遠資本增長，後者則著重短期利潤。

於2005年3月31日，本集團之銀行借貸約為2,300,000港元 (2004年：約8,800,000港元)，主要由若干本集團擁有的固定資產作抵押。本集團於2005年3月31日的財政狀況理想，流動比率約為1.69 (2004年：約1.51)，資產負債比率 (以總負債對比總資產)則約為1.1% (2004年：約4.5%)。於結算日，本集團及本公司均無重大的或然負債 (2004年：無)。本集團的現金存款主要以港元及美元結算，銀行借貸則主要以港元結算。故此，本集團並無任何重大的外匯風險。

## CONCLUSION

The Group achieved a steady growth in the past twelve months. Our achievements in all aspects of our business can be traced to our sound business model, clear strategies and the dedication of our experienced management team and working teams. Looking forward, we have every confidence in the Group's future.

Finally, on behalf of the Board of Directors, I would like to take this opportunity to thank everyone at the Group, particularly our staff, for the unrelenting efforts and extraordinary commitment they had shown in the past year. Their hard work and dedication in striving for excellence have been vital to the Group's success and its enhanced reputation in the international exhibitions industry.



### **Cheung Shui Kwai**

Managing Director

Hong Kong, 22 April 2005

## 總結

本集團的業務於過去一年穩步增長。本集團得以在各業務範疇取得理想成績，主要有賴我們穩健的業務基礎、明確的業務策略，加上經驗豐富的管理層及工作團隊所付出的努力。展望未來，我們對本集團的發展充滿信心。

最後，本人謹代表董事會，對本集團每一位員工於過去一年的努力不懈及堅毅團結的精神致以深深的謝意。他們每一位的全情投入及精益求精的精神對本集團的成功舉足輕重，而他們的努力將促使本集團於國際展覽行業的聲譽更隆。



董事總經理

**張瑞貴**

香港，2005年4月22日