

感謝各位股東和社會各界朋友對本集團的關心及支持。本人欣然對本集團二零零五年的業務進行回顧，並對未來發展作出展望。

業績回顧

截至二零零五年十二月三十一日止年度（「本年度」），本集團連同本集團應佔聯營公司之營業額，總額為港幣12.36億元（二零零四年：港幣8.71億元），較去年同期上升42%。股東應佔盈利為港幣3.6億元（二零零四年：港幣3.15億元），較去年同期上升14%。每股基本盈利為港幣3.16仙（二零零四年：港幣2.77仙），較去年同期上升14%。

於二零零五年十二月三十一日，本集團之總資產及淨資產值分別為港幣44.68億元（二零零四年：港幣34.20億元）及港幣31.72億元（二零零四年：港幣27.16億元），較二零零四年十二月三十一日分別上升31%及17%。

董事會建議向股東派發截至二零零五年十二月三十一日止年度之末期股息每股港幣0.55仙（二零零四年：港幣0.5仙），合共約港幣6,246萬元（二零零四年：港幣5,716萬元），較去年增長10%。

I would like to express my gratitude to the shareholders and the public for their interest of and continuous support to the Group. I am pleased to take this opportunity to present a review of the business activities of the Group in 2005 and a preview of our future development.

REVIEW OF RESULTS

For the year ended 31 December 2005 (the "Year"), turnover of the Group together with the Group's share of turnover of associates, amounted to HK\$1,236 million (2004: HK\$871 million), representing an increase of 42% over the corresponding period of 2004. Profit attributable to shareholders was HK\$360 million (2004: HK\$315 million), representing an increase of 14% over the corresponding period of 2004. Basic earnings per share was HK 3.16 cents (2004: HK 2.77 cents), representing an increase of 14% over that of 2004.

As at 31 December 2005, total assets and net asset value of the Group were HK\$4,468 million (2004: HK\$3,420 million) and HK\$3,172 million (2004: HK\$2,716 million) respectively, representing increases of 31% and 17% over those of 31 December 2004.

The board of directors recommended the payment of a final dividend of HK 0.55 cent (2004: HK 0.5 cent) per share for the year ended 31 December 2005, totalling approximately HK\$62.46 million (2004: HK\$57.16 million) to the shareholders, representing an increase of 10% over that of 2004.

本集團及應佔聯營公司的物流及相關業務於本年度錄得營業額港幣6.14億元(二零零四年:港幣4.05億元),較去年上升52%,經營盈利為港幣1.06億元(二零零四年:港幣1.18億元),本集團的投資重點深圳市華南國際物流有限公司(「華南物流」)於本年度實現了初步的綜合營運,業務發展情況理想,隨著深港陸路口岸「綠色通道」將於二零零六年上半年開通,華南物流將可進一步加快開發一系列的業務。另外,本集團的全資附屬公司全程物流(深圳)有限公司(「全程物流」)與其持有的多項優質戰略性物流資產亦繼續於本年度為本集團帶來良好的盈利貢獻。

受惠於中國經濟保持穩定的增長,本集團聯營公司深圳高速公路股份有限公司(「深圳高速」)經營和投資的各收費公路的車流量和路費收入總體上承接二零零四年度的發展態勢,本年度的經營業績持續錄得理想增長,股東應佔盈利為港幣5.27億元(二零零四年:港幣3.91億元),較去年同期上升35%;而另一家聯營公司中國南玻集團股份有限公司(「南玻集團」)的股東應佔盈利為港幣3.03億元(二零零四年:港幣3.19億元),受到國內浮法玻璃行業因過往三年產能連續急劇擴張,導致全行業在二零零五年價格急劇下跌的市場環境影響下,南玻集團仍然實現了主營業務收入快速增長、淨利潤相對穩定的經營成果。

Turnover of the logistics and related business of the Group together with its share of turnover of associates for the Year was HK\$614 million (2004: HK\$405 million), representing an increase of 52% over that of 2004 and operating profit of which was HK\$106 million (2004: HK\$118 million). Shenzhen South-China International Logistics Co., Ltd. ("South-China Logistics"), a key investment of the Group, preliminarily materialised integrated operations and delivered satisfactory business development during the Year. Following the opening of the "Green Lane" in boundary control points between Shenzhen and Hong Kong in the first half of 2006, this will facilitate further commencement of a series of businesses by South-China Logistics. In addition, a variety of strategic logistics assets held by the Group's wholly owned subsidiary, Total Logistics (Shenzhen) Co., Ltd. ("Total Logistics"), continuously contributed satisfactory profit during the Year.

Driven by the steady economic growth in the PRC, the overall traffic flow and toll revenue derived from the toll highways operated and invested by the Group's associate, Shenzhen Expressway Company Limited ("Shenzhen Expressway"), inherited the growth momentum from 2004. During the Year, the operating results of Shenzhen Expressway continued to record satisfactory growth and achieved a profit attributable to shareholders of HK\$527 million (2004: HK\$391 million), representing an increase of 35% over that of 2004. Another associate of the Group, CSG Holding Co., Ltd. ("CSG") recorded a profit attributable to shareholders of HK\$303 million (2004: HK\$319 million). The floating glass industry in the PRC experienced a sharp price decrease in 2005 as a result of the sharp and continuous expansion of industry capacity during the last three years. Despite these, CSG still achieved a significant growth in turnover from core business and a relatively stable net profit.

繼續實現併購優質物流基建項目

繼去年增持華南物流使其正式成為本集團持有66.67%權益的附屬公司後，本集團於年內抓緊了以較低的投資成本收購高質素物流基建項目的良機，於本年八月，與深圳高速共同完成收購位於湖北省的武黃高速公路100%權益，本集團與深圳高速分別持有45%及55%權益。武黃高速為一條由湖北省武漢市連接黃石市之主要道路，並為滬蓉國道之主要組成部份，自開通以來，車流量及路費收入保持著增長的態勢。有鑑於中國經濟的持續快速增長，特別是中國政府開發西部的政策，必將推動運輸物流業的快速發展，給高質素交通基礎設施帶來旺盛的需求，預期武黃高速將會為本集團帶來良好的回報。

持續加強集團內部監控，致力提升企業管治水平

董事會為確保集團資產能有效運用及增值，使股東的利益得到更佳保障，一向致力提升本集團的企業管治水平。在過去數年間分別成立了審核委員會、內部審計部門、薪酬委員會及提名委員會，於本年度內，本集團有系統地對內部監控系統進行了全面的評估及檢討，同時，為進一步提升企業管治水平投入了大量資源，使本集團於年中已符合上市規則中企業管治常規守則的所有守則條文，以及部份最佳常規的相關要求。

CONTINUING TO CAPITALISE ON OPPORTUNITIES FOR MERGER AND ACQUISITION OF QUALITY LOGISTICS INFRASTRUCTURE PROJECTS

Following the increase of its interests in South-China Logistics in 2004, rendering South-China Logistics a 66.67% owned subsidiary of the Group, the Group continued to capitalise on opportunities for acquisition of quality logistics infrastructure projects at relatively low costs during the Year. In August 2005, the Group completed a joint acquisition with Shenzhen Expressway of 100% interest in Wuhuang Expressway in Hubei Province, the PRC. Wuhuang Expressway, owned as to 45% and 55% by the Group and Shenzhen Expressway respectively, is a major route connecting Wuhan City and Huangshi City in Hubei Province and constitutes a major part of the Hurong National Highway. Since its opening, Wuhuang Expressway has maintained a growth momentum in its traffic flows and toll revenue. In view of the rapid and continuous economic growth of the PRC and particularly the policy for developing the western region adopted by the PRC government, a rapid development in the transportation and logistics industry of the PRC and thus a strong demand for quality logistics infrastructures can be well expected. It is expected that Wuhuang Expressway will bring remarkable returns for our shareholders.

CONTINUING TO REINFORCE INTERNAL CONTROL AND TO IMPROVE THE STANDARDS OF CORPORATE GOVERNANCE

The board of directors is committed to improving the standard of corporate governance of the Group and ensuring an efficient deployment and added value of the Group's assets, thereby providing comprehensive protection to shareholders' interests. During the past few years, the Group established the audit committee, the internal audit department, the remuneration committee and the nomination committee. During the Year, the Group assessed and reviewed our internal control system in a comprehensive and systematic way. In addition, the Group has also utilised substantial resources to improve the standards of our corporate governance, and as a result, the Group has been able to comply with all provisions stipulated in the Code on Corporate Governance Practices of the Listing Rules and certain of the recommended best practices in mid 2005.

參與股權分置改革，充份體現深圳市政府的大力支持

本集團作為兩家在國內上市的深圳高速及南玻集團的最大非流通股股東，需要參與兩家公司的股權分置改革方案，並按本集團所持的股權比例承擔對價，惟深圳市政府通過統籌安排，使本集團因支付對價而產生的資產流失大幅縮減，不僅體現了深圳市政府對本集團的大力支持，同時使得本公司全體股東可以分享旗下上市公司股權分置改革帶來的直接利益。本集團所持的深圳高速和南玻集團股份在完成股權分置改革後將逐步實現完全流通，可大大提高本集團主要資產的流動性，預期資產的價值將會隨流通性的提高而大幅提升。

把握利好時機，為集團實施資源性併購策略提供有力支援

本公司已於二零零六年一月底簽訂一項認購協議，發行本金額為港幣6億元、換股價為每股港幣0.341元並將於二零一一年到期的零息可換股債券，該債券已於二零零六年二月二十四日正式發行予國際的獨立投資人士或機構投資者。董事會把握了近期股票市場的利好情況，為本公司籌集額外資金，作為未來投資於優質物流基建項目及營運資金的用途，不但得以加強本公司的財務能力及擴闊其資本基礎，並可以進一步擴大本公司的股東層面，藉此引入更多大型的機構及策略性投資者，為本集團創造更大的效益。

POLICIES OF SHARE SEGREGATION REFORM IN THE PRC AND SHENZHEN MUNICIPAL GOVERNMENT'S SUPPORT TO THE GROUP

Being the largest non-listed share shareholders in two PRC listed companies, Shenzhen Expressway and CSG, the Group is required to participate and pay consideration in proportion to its shareholdings in the share segregation reforms of Shenzhen Expressway and CSG. The Shenzhen Municipal Government has made arrangements to significantly reduce the asset losses resulting from the considerations paid by the Group. These arrangements not only materialize the Shenzhen Municipal Government's strong support for the Group, but also enable all shareholders of the Company to share the direct benefits resulting from the share segregation reform of the Group's listed investment. Shares in Shenzhen Expressway and CSG held by the Group will be converted into listed shares upon completion of the share segregation reforms which will significantly increase the liquidity of the major assets of the Group. It is expected that the values of these assets will rise to a large extent with the increase of liquidity.

CAPITALISING ON FAVOURABLE OPPORTUNITIES TO STRONGLY SUPPORT THE STRATEGY OF THE GROUP OF MERGER AND ACQUISITION

The Company entered into a subscription agreement at the end of January 2006, whereby the Company issued zero coupon convertible bonds due 2011 with an aggregate principal amount of HK\$600 million and a conversion price of HK\$0.341. The bonds were officially issued to international independent investors and institutional investors on 24 February 2006. The Board has taken advantages of the recent positive performance of the equity market to raise additional funds for the Company's investment in quality logistics infrastructure projects in the future and for working capital purposes. This will strengthen the financial capacity and expand the capital base of the Company. Moreover, the Company's shareholder coverage will also be further enlarged, thus attracting more sizable institutional and strategic investors to bring about maximum benefits for the Group.

展望

本集團現有項目之建設與營運正在積極穩妥地推進，對附屬企業控權能力及增值服務能力也在逐步提升，成為集團未來穩定的盈利來源。同時，本集團在過去一年以及在未來也將繼續積極尋找適當機會，落實收購物流基建項目，有序推進區域內整體戰略佈局之完善及資源統籌，以進一步發展集團內部之協同效應。本集團現時資金充裕，為集團實施資源性併購策略提供有力支援。

二零零六年，依託於全球四大集裝箱港口之一的深圳港，本集團於物流園區的兩大投資重點華南國際及西部物流的發展勢頭良好，未來前景喜人，本集團正考慮加大對兩家公司的投資，以加強對港口物流業務的控制。同時，本集團將一如繼往，積極尋求增持物流方面資源的契機，通過收購基建資產及介入深圳市其他物流園區的快速發展，務求分享區域經濟增長帶來的資源價值提升及資產回報增長。

展望未來，物流將受惠於中國經濟、貿易等各方面之穩定增長，成為充滿活力、充滿機遇也充滿挑戰的行業。本集團將從資源、流程等方面入手，提高決策與實施效率，全面提升管理水平，加大戰略投資力度，謀求合理、健康之增長速度，實現企業常青之目標。

主席

李黑虎

香港，二零零六年四月三日

OUTLOOK

The construction and operation of the existing projects of the Group are well on track and so are the regulation and value-added capability of the subsidiaries, all of which will become sources of steady profit for the Group in the future. Moreover, the Group has in the past year, and will try its best in the future to identify appropriate opportunities so as to acquire logistics infrastructure projects and improve the overall strategic layout and resources planning in the region, thereby further enhancing the synergistic effect within the Group. At present, the Group has sufficient funds which will provide a strong support for the Group's merger and acquisition strategy on logistics resources.

In 2006, with the support from Shenzhen ports which is one of the four largest container port in the world, the development trend of the Group's two key investments in logistics districts, namely South-China Logistics and Shenzhen Western Logistics, will be very encouraging and promising prospects can be well expected. The Group intends to increase its investments in South-China Logistics and Shenzhen Western Logistics in order to further strengthen its control on port logistics business. Meanwhile, the Group will continue to actively seek opportunities of increasing interests in resources in the logistics business through acquiring infrastructure assets and participating in the rapid development of other logistics districts in Shenzhen City so as to capitalise on the appreciation of resources and the growth of asset returns resulting from the growth of regional economy.

Looking forward, the logistics industry will be benefited from the steady growth in all aspects, including economy and trading in the PRC, and will become a vigorous industry full of opportunities as well as challenges. Starting with such aspects as resources and work flow, the Group will improve the efficiency of decision-making and implementation, upgrade the overall managerial level and increase its strategic investment so as to secure a reasonable and healthy growth, hence achieving the objective of sustainable development of the Group.

Li Hei Hu

Chairman

Hong Kong, 3 April 2006