

On behalf of the board of directors, I present the annual report of Winfoong International Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2004.

本人謹代表董事會同寅，向各股東提呈榮豐國際有限公司（「本公司」）及其附屬公司（「本集團」）截至二零零四年十二月三十一日止年度之年報。

FINANCIAL RESULTS

For the year ended 31 December 2004, the Group recorded consolidated profit attributable to shareholders of approximately HK\$22.4 million.

財務業績

於截至二零零四年十二月三十一日止年度，本集團錄得股東應佔綜合溢利約22,400,000港元。

DIVIDENDS

No interim dividend was paid for the year ended 31 December 2004 and the directors do not recommend the payment of a final dividend.

股息

截至二零零四年十二月三十一日止年度並無派付中期股息，而董事亦不建議派付末期股息。

MANAGEMENT DISCUSSION AND ANALYSIS REVIEW OF OPERATIONS AND FUTURE PROSPECTS

During the year, the Group continued to engage in property related businesses and provision of horticultural services. Despite the decrease in revenue from sale of development properties, turnover was comparable to that of 2003 due to the increase in rental income.

管理層討論及分析 業務回顧及未來前景

年內，本集團繼續從事與物業相關之業務及提供園藝服務。儘管發展物業之銷售收益減少，但租金收入增加，使營業額維持與二零零三年相若之水平。

The Group recorded net profit of approximately HK\$22.4 million. The improvement of the Group's results was mainly attributable to the reversal of provision for and surplus on revaluation of properties of approximately HK\$33.3 million in aggregate and the decrease in the share of the downward revaluation of properties held by an associate in Singapore by approximately HK\$22.9 million.

本集團錄得純利約22,400,000港元。本集團業績改善主要歸因於回撥撥備及重估物業產生之盈餘貢獻合共約33,300,000港元，以及分佔新加坡聯營公司所持物業之重估減值部份減少約22,900,000港元。

Due to the upward revaluation of properties, the net asset value of the Group per share as at 31 December 2004 increased to approximately HK\$1.21 (2003: HK\$0.82) based on the 1,492,410,986 (2003: 1,492,410,986) shares issued.

由於物業重估後升值，故按照1,492,410,986股（二零零三年：1,492,410,986股）已發行股份計算，本集團於二零零四年十二月三十一日之每股資產淨值增加至約1.21港元（二零零三年：0.82港元）。

The Group will continue to look for investment and development opportunities in Hong Kong.

本集團將繼續於香港尋求投資及發展機會。

LIQUIDITY AND FINANCIAL RESOURCES

All the Group's funding and treasury activities are centrally managed and controlled at the corporate level. There is no significant change in respect of treasury and financing policies from the information disclosed in the Group's latest annual report. The Group has no exposure to foreign exchange rate fluctuations except for the interests in an associate in Singapore which is held as long term investment. The Group's borrowings are denominated in Hong Kong dollars and arranged on a floating rate basis.

The Group's working capital requirements are met by recurring cash flows from the investment properties portfolio and committed undrawn credit facilities. The year-end gearing ratio was 31% (2003: 45%) based on bank loans less cash and bank balances to shareholders' funds including minority interests. The majority of the Group's borrowings matures in or after 2010. As at 31 December 2004, the outstanding bank loans amounted approximately HK\$559.6 million. These loan facilities were secured by the Group's properties. The Company has provided guarantees in respect of bank facilities made available to subsidiaries totalling approximately HK\$609.4 million (2003: HK\$638.5 million).

ACKNOWLEDGMENT

I take this opportunity to express my gratitude to my colleagues on the board and the staff members of the Group for their strong support and valuable contribution.

Patrick Cheong
Chairman

Hong Kong
28 February 2005

流動資金及財務資源

本集團所有融資和司庫活動均在集團層面由中央管理及控制。司庫及融資政策與本集團對上一次年報所披露之資料顯示並無重大變動。除本集團持有一間新加坡聯營公司權益作為長線投資外，本集團毋須承受匯兌波動風險。本集團借款均以港元計算並以浮息基準安排。

本集團以投資物業組合之經常性現金流量及已承諾但未經提取之信貸融資額，滿足營運資金需要。按銀行貸款扣除現金及銀行結餘再除以股東資金（包括少數股東權益）計算之年終資本負債比率為31%（二零零三年：45%）。本集團大部份借貸於二零一零年或之後到期償還。於二零零四年十二月三十一日，尚未清償之銀行貸款約559,600,000港元。該等貸款乃以本集團之物業作抵押。本公司已就附屬公司獲得之銀行信貸合共約609,400,000港元（二零零三年：638,500,000港元）提供擔保。

致謝

本人謹藉此機會向董事會同寅及本集團各位職員之鼎力支持及寶貴貢獻致謝。

主席
鍾斌銓

香港
二零零五年二月二十八日