

Chairman's Statement

主席報告書

I am pleased to present the results of Chi Cheung Investment Company, Limited (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31st December, 2009 (the "Year") to the shareholders of the Company.

RESULTS

Revenue for the Year decreased to HK\$23.6 million (2008: HK\$143.1 million). Gross profit for the Year dropped to HK\$20.4 million (2008: HK\$102.7 million). Profit attributable to equity holders of the Company for the Year was HK\$17.9 million compared to HK\$116.7 million last year.

DIVIDENDS

The Board of Directors recommended the payment of a final dividend of HK1 cent per share for the Year (2008: HK1 cent per share) to the shareholders whose names appear on the register of members on 28th May, 2010. Subject to the approval of the shareholders at the forthcoming annual general meeting to be held on 28th May, 2010, the recommended final dividend will be paid on or about 18th June, 2010 to the shareholders as registered at the close of business on 28th May, 2010.

Taken together with the interim dividend of HK1 cent per share paid on 30th October, 2009, this will make a total dividend for the full year of HK2 cents per share in 2009 (2008: HK1 cent per share).

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from 26th May, 2010 to 28th May, 2010, both days inclusive. For the purpose of ascertaining the members' entitlement to the attendance of the forthcoming annual general meeting of the Company and to the final dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, namely Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on 25th May, 2010.

本人欣然呈報至祥置業有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零零九年十二月三十一日止年度(「本年度」)之業績予本公司股東。

業績

本年度之收益減少至23,600,000港元(二零零八年:143,100,000港元)。本年度之毛利下跌至20,400,000港元(二零零八年:102,700,000港元)。本公司股本持有人於本年度之應佔溢利為17,900,000港元,而去年則為116,700,000港元。

股息

董事會建議派發本年度之末期股息每股一港仙(二零零八年:每股一港仙)予於二零一零年五月二十八日已登記在股東名冊上之股東。待股東在即將於二零一零年五月二十八日召開之股東週年大會上批准通過後,建議派發之末期股息將於二零一零年六月十八日前後派發予二零一零年五月二十八日辦公時間結束時已登記之股東。

連同於二零零九年十月三十日已派發之中期股息每股一港仙,二零零九年全年度派發股息將合共為每股二港仙(二零零八年:每股一港仙)。

暫停辦理股東登記手續

本公司將自二零一零年五月二十六日起至二零一零年五月二十八日止(包括首尾兩天在內)暫停辦理股東登記手續。為確定股東出席本公司應屆股東週年大會及獲派末期股息的資格,所有股份過戶文件連同有關股票必須於二零一零年五月二十五日下午四時三十分前交回本公司的香港股份過戶登記處卓佳秘書商務有限公司,地址為香港皇后大道東28號金鐘匯中心26樓。

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BUSINESS REVIEW

During the Year under review, the investment returns from the loan to the Chinese Estates Group and certain long term fixed and floating rates notes had been the primary source of income of the Group, whereas the income from sale of properties and car parking rentals constituted secondary source.

Finance and Securities Investment

As at 31st December, 2009, the Company lent to the Chinese Estates Group a total sum of HK\$853 million under the three-year revolving loan facility ("Revolving Loan") at the interest rate of HIBOR plus 1% per annum. The Group had accrued an interest income from the Revolving Loan in the sum of HK\$9.8 million for the Year, in comparison with the interest income of HK\$0.4 million therefrom in 2008.

The investment in long term fixed and floating rates notes (the "FRN") with the aggregate principal sum of US\$12 million generated an interest income of HK\$5.1 million during the Year. At the end of the Year, the fair value of the FRN amounted to HK\$96.5 million, representing an increment of HK\$7.5 million or 8.4% as compared to HK\$89.0 million as at 31st December, 2008.

Investment Properties and Properties Held for Sale

During the Year, the Group had sold two units in Gemstar Tower, Hunghom, Kowloon, including one unit for investment purpose, comparing with sale of 10 units in 2008. The total sales proceeds generated HK\$15.5 million. The decline in sales of units in Gemstar Tower was mainly attributable to overall stagnant market condition in non-residential property sector in the first half of the Year under the adverse global business environment after the financial tsunami in 2008, and the reduction in units offered for sale.

The rental income from the car parking spaces in Gemstar Tower amounted to about HK\$2.4 million for the Year.

As at 31st December, 2009, the Group held 4 godown units on various floors of Gemstar Tower for sale with a total gross floor area of approximately 22,605 square feet and 50 car parking spaces. As at 31st December, 2009, the occupancy rate of the car parking spaces in Gemstar Tower was 42%.

業務回顧

回顧年內，提供予華置集團之貸款及若干長期定息及浮息票據之投資回報為本集團之主要收入來源，而物業銷售及停車位租金收入構成次要來源。

融資及證券投資

於二零零九年十二月三十一日，本公司依三年期循環貸款協議（「循環貸款」）借予華置集團之貸款合共為853,000,000港元，年息為香港銀行同業拆息加一厘。年內，本集團從循環貸款入賬之利息收入為9,800,000港元，而二零零八年之利息收入為400,000港元。

年內，從本金總面額為12,000,000美元之長期定息及浮息票據（「票據」）之投資所產生之利息收入為5,100,000港元。於本年終，票據之公平值為96,500,000港元，對比於二零零八年十二月三十一日之公平值89,000,000港元，增長為7,500,000港元或8.4%。

投資物業及持作出售之物業

年內，本集團出售兩個九龍紅磡駿昇中心單位，當中包括一個作投資物業用單位，而於二零零八年則有十個單位售出。由出售所得之總收益為15,500,000港元。駿昇中心單位銷售減少主要因為在二零零八年環球金融海嘯之營商環境不利之影響下，上半年非住宅用物業市場整體上趨於呆滯，以及單位之銷售供應減少所致。

年內，駿昇中心停車位租金收入約為2,400,000港元。

於二零零九年十二月三十一日，本集團持有不同樓層，建築面積約為22,605平方呎之四個貨倉單位，及五十個停車泊位。於二零零九年十二月三十一日，駿昇中心停車位之出租率為42%。

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PROSPECTS

The local economic condition at the end of the Year showed certain signs of recovery. Unemployment rate begins to stabilize. With the inflow of the visitors and investors from the mainland China, the local consumption shows improvement. Again, on the continuing support from the central government, the local micro economic environment has overcome the worst time of the global financial tsunami. However, the global economic condition is still severe and the worldwide consumption demand is rather low. Against these backgrounds, the Company's decision to secure a reliable and stable interest income return from the Chinese Estates Group by lending to the latter the principal sum of HK\$853 million proved to be prudent and positive during the Year. The fund of the Company has been preserved intact with continuous growth from the interest income. The rentals of the carpark in Gemstar Tower and the interest income from various FRN continue to produce stable income to the Company. Overall, the foundations of the Company remain stable and the interests of the shareholders of the Company are secured.

The local economy is on the way to the right track. The Company will continue to honour its contractual funding promise to the Chinese Estates Group. At the same time, the Company will constantly monitor its operation in tandem with the economic trend and will take prudent business strategy to exploit new business opportunity.

APPRECIATION

I would like to take this opportunity to thank the shareholders of their continuing support. I also thank my fellow Directors and staff members for their dedication and hard work.

On behalf of the Board

Matthew Cheong, Veng-va

Chairman

Hong Kong, 12th March, 2010

展望

本地經濟情況於年終時呈若干復甦跡象。失業率開始回穩。在內地訪客及投資者湧入下，本地消費情況亦呈改善。再者，在中央政府之持續支持下，本地微觀經濟環境已渡過環球金融海嘯之最困難時期。然而，環球經濟環境仍然嚴峻，世界各地消費需求偏低。在這些背景下，本公司最後選擇了在年內繼續向華置集團貸款為數本金853,000,000港元，以取得穩健及合理之利息收入回報，實證上是審慎及正面。本公司之資金仍然保持穩固，並在利息收入下持續增長。駿昇中心之停車位租金，以及從循環貸款及各票據之利息，將繼續為本公司帶來平穩之收入。整體上，本公司之基礎仍然穩定，而本公司股東之利益亦穩固。

本地經濟正重拾正軌。本公司將繼續向華置集團履行其在合約上之融資承諾。同時，本公司將不時依經濟之趨勢審視本公司運作，並將採取審慎商業策略以發掘新商機。

致謝

本人謹藉此機會對股東一直以來的鼎力支持及全體董事和員工竭誠為本集團効力深表謝意。

代表董事會

主席

昌榮華

香港，二零一零年三月十二日