

本人欣然提呈泰昇集團控股有限公司（「本公司」）連同其附屬公司（「本集團」）截至二零零四年三月三十一日止年度之年報。在回顧之年度內，本集團錄得營業額逾703,000,000港元（二零零二／零三年：1,225,000,000港元），而股東應佔綜合純利則約為15,900,000港元（二零零二／零三年：19,400,000港元）。

股息

董事局認為應將更多之盈利保留作內部資源。因此，董事局議決不會就截至二零零四年三月三十一日止年度派付末期股息（二零零二／零三年：無）。截至二零零三年九月三十日止六個月並無派付中期股息（二零零二／零三年：無）。

業務回顧

香港市場

於財務年度期初，香港經濟受到持續通縮、失業率高企、爆發非典型肺炎及消費信心全面下跌等不利因素所籠罩，經濟活動備受打擊，並阻礙多個行業之發展。幸好，在全球經濟持續增長之帶動下，加上政府推行多項刺激香港經濟之措施，經濟環境於財務年度下半年開始好轉。

地基打樁

地基行業於本年度競爭激烈。於回顧年度，地基業務方面之營業額為381,000,000港元，而其折舊前盈利貢獻淨額則為16,000,000港元。於回顧期間，本集團之合約中約有53%來自私人機構，而其餘則來自公營部門。本集團手頭上之主要合約包括荔枝角道九號幹線、廖創興銀行大廈及近期取得價值122,000,000港元之昂船洲大橋工程合約。隨著地產行業在沉寂多時之市況逐漸復甦過來，預期地基行業亦會隨之而復甦。

I am pleased to present the annual report of Tysan Holdings Limited (the "Company") together with its subsidiaries (the "Group") for the year ended 31 March 2004. For the year under review, the Group's turnover was HK\$703 million (2002/03: HK\$1,225 million) while consolidated net profit attributable to shareholders was HK\$15.9 million (2002/03: HK\$19.4 million).

DIVIDEND

The Board considered that more earnings should be retained for internal resources. As such, it was resolved that no recommendation for the payment of a final dividend would be made for the year ended 31 March 2004 (2002/03: Nil). No interim dividend was paid for the six months ended 30 September 2003 (2002/03: Nil).

BUSINESS REVIEW

Hong Kong Market

During the beginning of the financial year, Hong Kong's economy was depicted by persistent deflation, high unemployment rate, outbreak of SARS and general loss of confidence. Such unpleasant factors choked economic activities and suffocated many business sectors. Fortunately, the economic sentiment improved towards the later half of the financial year as the global economy showed continuous growth while the government injected a series of boosters to stimulate Hong Kong's economy.

Foundation Piling

It was a competitive year for the foundation industry. During the year under review, turnover of the foundation division was HK\$381 million while net contribution before depreciation was HK\$16 million. Approximately 53% of the Group's contracts during the year under review were from the private sector while the remaining were from the public sector. The Group's major contracts on hand include, inter alia, Route 9 — Lai Chi Kok Road, Liu Chong Hing Bank Building and the recently awarded HK\$122 million contract of Stonecutters Bridge. With the gradual recovery of the prolonged downturn of the property market, the foundation industry is expected to follow its footprint.

其他建築相關業務

於回顧期間，本集團機電工程部門及樓宇建築部門錄得營業額205,000,000港元，而經營溢利則為4,000,000港元。憑藉精簡有效之架構，儘管面對競爭激烈及艱困之營商環境，本集團繼續認為從此等部門可取得穩定盈利。

本集團之機械租賃及貿易業務錄得營業額15,000,000港元，貢獻主要來自塔式吊機市場。儘管該部門仍錄得虧損，塔式吊機租賃市場已逐漸有所改善。該部門已按照計劃成功縮減其機隊之規模至最優化之水平，因此現時處於「最佳狀態」於市場面對競爭。此外，該部門已與其他亞洲國家建立穩定之貿易業務，當中包括韓國、日本、台灣及泰國。

中國市場

泰昇集團於中國之物業投資及發展均位於上海及天津。於二零零三年，中國國內生產總值增長9.1%，超過14,000億美元，而人均國內生產總值達1,090美元，為中國之人均國內生產總值首次超過1,000美元。上海為中國之商業及金融中心，於二零零三年錄得之國內生產總值增長11.8%至超過750億美元，而全市人均生產總值則超過5,600美元。另一方面，天津於二零零三年之國內生產總值增長14.5%至約290億美元，而全市人均生產總值則超過3,100美元。

物業投資及管理

由於上海之商業活動日趨頻繁，對優質公寓之需求因而有所增加。於回顧財務年度，本集團出租公寓華園及愛都之租金及入住率均錄得令人滿意的升幅。由於天津近年加快城市增長及發展，預期本集團於天津之競爭力將與日俱增，因此，吾等近期為天津國際大廈之大堂及各層寫字樓以時尚之設計進行翻新。儘管天津國際大廈在租務方面於天津仍然獨佔鰲頭，亦為天津租金最高之大廈，吾等將重新裝修所有出租公寓，務求為該物業取得最佳回報。

Other Construction Related Sectors

During the year under review, the turnover of the Group's electrical and mechanical division and building construction division amounted to HK\$205 million while operating profit was HK\$4 million. With its lean and efficient structure, the Group continues to expect profitable returns from the divisions despite a competitive and difficult environment.

The Group's machinery hiring and trading arm recorded a turnover of HK\$15 million with major contribution from the tower cranes market. Though the division still suffered a loss, the tower cranes rental market has gradually improved. As planned, the division has successfully downsized its fleet to its optimal level and thus is now in a "fit shape" to compete in the market. Furthermore, it is steadily building up its trading activities with other Asian countries which include Korea, Japan, Taiwan and Thailand.

PRC Market

Tysan Group's investment and development properties in China are located in Shanghai and Tianjin. In 2003, China's GDP grew 9.1% to over US\$1,400 billion with a per capita GDP of US\$1,090. It was the first time that China's per capita GDP exceeded US\$1,000. Shanghai, being the commercial and financial center of China, recorded a GDP growth of 11.8% to US\$75 billion in 2003 with a per capita GDP of over US\$5,600. Tianjin, on the other hand, experienced a GDP growth of 14.5% to about US\$29 billion in 2003 with a per capita GDP of over US\$3,100.

Property Investment and Management

Given the rising number of business activities in Shanghai, there is an increasing demand for quality service apartments. During the financial year under review, both the rentals and occupancies of our service apartments, China Garden and Aidu, have enjoyed satisfactory growth. In anticipation of growing competitiveness in Tianjin as a result of the city's recent accelerating growth and development, we have recently renovated Tianjin International Building's main lobby and office floors with state of the art design. Though Tianjin International Building continues to stand head and shoulders above the competition and commands the highest rental rates in Tianjin, we will revamp all its service apartments to ensure optimum return on the property.

物業發展

憑藉吾等於建築項目管理之專業技術知識，以及吾等於上海所發展的項目：泰德苑及泰榮苑，取得之成就，本集團已成功於上海躋身為優質中型發展商，專注於開發住宅物業。吾等之發展項目位於上海普陀區，俯視蘇洲河，總面積約為150,000平方米。此地块將發展成為優質住宅小區，約有1,100個單位。除位於黃金地段外，該地块毗鄰為輕鐵站，而地鐵站亦建於咫尺之間，所以交通極為便利。該項目將分兩期發展，第一期將於二零零四年下半年度施工，並計劃將於一年後，即二零零五年下半年進行預售。

本集團已按照計劃於天津一個主要發展區收購一個新地块：海河項目區。由於市政府已作出戰略決定，將海河區兩旁改造成為一個具有現代化經濟、秀麗景觀及充滿文化氣息之環帶區，並預期將成為天津之地標，因此吾等之地块乃座落於一個發展潛力優厚之黃金地段。該地块總面積約為75,000平方米，將發展成為擁有超過600個單位之優質住宅小區。該項目將分兩期發展，第一期將於本財務年度下半年施工，並計劃於一年後進行預售。

前景

建築業之前景極依賴香港之經濟氣候。藉著中央政府透過簽訂更緊密經貿關係安排(CEPA)及放寬個人訪港之旅遊限制支持下，香港整體經濟活動再現強勢，物業市場復甦，就是最重要之證明。此外，標準普爾最近將香港貨幣之評級由「負面」提升為「穩定」，亦意味著國際市場對本港恢復信心，「低迷及黑暗時期」已經正式結束，只要經濟繼續保持復甦步伐，建築業將重現生機，而本集團作為香港首屈一指之地基公司，務能從湧現之商機獲益。

Property Development

With our technical expertise in construction project management, the success of our development projects, Talent Court and Tiffany Court in Shanghai, our Group has successfully established and positioned ourselves as a high quality medium size developer in Shanghai with major focus in the residential market. Our development project, with a total area of about 150,000 sqm, is located in Shanghai's Putuo district overlooking Suzhou river. This site will be developed into a high quality residential complex with about 1,100 units. In addition to its prime location, transportation is also extremely convenient as it is right next to a light rail station and there will be a subway station right outside the site. The project will be developed in 2 phases and the first phase will commence in the second half of 2004 while presale will be scheduled a year later in the second half of 2005.

As planned, the Group acquired a new site in Tianjin's key development area: the Haihe River Project area. As the city government has made a strategic decision to transform the areas along the Haihe River area to a modern economic, scenery and cultural belt which is expected to become the landmark of Tianjin, our site is thus situated at a prime and great potential location. With a total area of about 75,000 sqm, it will be developed into a high quality residential complex with over 600 units. The project will be developed in 2 phases and the first phase will commence in the second half of this financial year while presale will be scheduled a year later.

PROSPECTS

The outlook of the construction industry relies heavily on the economic atmosphere in Hong Kong. With the support of the central government through the signing of the Closer Economic Partnership Arrangement (CEPA) and the relaxation of travel restrictions for individuals wishing to visit Hong Kong, the overall sentiment in Hong Kong has indeed strengthened. One key indication is the recent rebound in the property market. Furthermore, the recent upgrade on Hong Kong dollar by Standard and Poor's from "negative" to "stable" also signifies the return of international confidence and thereby officially closes the chapter of the "doom and gloom period". So far as the economy continues to sustain its path of recovery, the construction industry will gradually recuperate and the Group, being the top leading foundation company in Hong Kong, is bound to capitalize on such opportunities.

前景 (續)

儘管中央政府及時實施調控措施以控制若干業務及地區之投資不至過份集中，吾等認為，中國經濟將繼續按穩健步伐發展。由於世貿之規定而開放市場，中國整體上會繼續吸引外商投資。上海及天津為中央政府直接管轄之直轄市，與此同時為中國國內生產總值增幅最高之城市，將會繼續維持於中國經濟發展之領導地位。憑藉本集團自九十年代起已建立之知名度，吾等深信本集團於中國之物業發展業務前景無可限量。

財務回顧

本集團繼續採取審慎之理財政策及維持穩健之資本結構，現金流量充沛。於二零零四年三月三十一日，本集團持有現金約為86,000,000港元（二零零三年三月三十一日：141,000,000港元），而資產總值及資產淨值分別約為1,776,000,000港元（二零零三年三月三十一日：1,718,000,000港元）及662,000,000港元（二零零三年三月三十一日：642,000,000港元）。現金減少主要由於增加中國物業項目之投資。於二零零四年三月三十一日，本集團之營運資金錄得負債淨值11,000,000港元。由於本集團已安排將於二零零四年九月前，將長期銀行貸款取代短期銀行借款，故此情況將會有所改善。

本集團之借款淨值為250,000,000港元，而去年同期為191,000,000港元。負債淨值對資產淨值之資本負債比率維持於31%之審慎水平，而去年則為33%。於二零零四年三月三十一日，與履約保證擔保有關之或然負債由156,000,000港元減少至41,000,000港元，而本集團賬面值約328,000,000港元之若干固定資產已予質押作為本集團取得若干銀行融資之抵押。本集團之銀行借款大部份以港元為單位，惟亦為中國附屬公司安排以人民幣作出借貸。人民幣借款之貨幣風險已以本集團之人民幣資產及中國物業所產生之收益對沖。

PROSPECTS (Cont'd)

Despite the central government's prompt austerity measures to control the over concentration of investments in certain business and geographical areas, we are of the view that China's economy will continue to grow at a healthy pace. With the opening up of the market due to WTO requirements, China will continue to attract foreign investments en masse. Shanghai and Tianjin, both being municipalities directly under the Central Government and at the same time among the highest GDP growth cities in China, will bound to continue their leadership position in China's economic development. Leveraging on our established presence in China since the mid-1990s, we are confident in the immense prospects of our property business in China.

FINANCIAL REVIEW

The Group continues to adopt a prudent financing policy and sustain a sound capital structure with healthy cashflow. As at 31 March 2004, the Group's cash on hand was approximately HK\$86 million (31 March 2003: HK\$141 million) while total assets and net assets were approximately HK\$1,776 million (31 March 2003: HK\$1,718 million) and HK\$662 million (31 March 2003: HK\$642 million) respectively. The drop in cash was primarily due to the increase in investment in property projects in the PRC. As at 31 March 2004, the Group's working capital recorded a net liability of HK\$11 million. This situation will be rectified as the Group has already arranged to replace short term bank borrowings by long term bank loans which will be in place before September 2004.

The Group's net borrowings were HK\$250 million as compared to HK\$191 million in the previous period. Total liabilities to total assets gearing ratio was maintained at the prudent level of 31 per cent. as compared to 33 per cent. last year. As at 31 March 2004, contingent liabilities decreased from HK\$156 million to HK\$41 million in relation to guarantees of performance bonds while certain of the Group's fixed assets with a book value of approximately HK\$328 million have been pledged to secure certain banking facilities of the Group. The Group's bank borrowings were mostly denominated in Hong Kong dollars but Renminbi loan facilities have also been arranged for its PRC subsidiaries. Currency exposure in the Renminbi borrowings has been hedged by the Group's Renminbi assets and revenue as generated by its PRC properties.

聘用及薪酬政策

於二零零四年三月三十一日，本集團，包括其位於香港及中國之所有附屬公司及合營企業，合共聘用約1,000名僱員。本集團之薪酬政策，主要根據現行市場薪金水平及各公司及有關僱員之表現而釐定。本集團亦會提供其他福利，包括公積金、醫療保險及培訓等。此外，僱員並可根據本集團經批准之購股權計劃條款獲授購股權。

致謝

本人謹代表董事局，對全體員工在過去極具挑戰期間之竭誠服務、努力不懈及貢獻良多，致以衷心感謝。吾等亦感謝全體股東對本集團之支持。

承董事局命

張舜堯
主席

香港，二零零四年七月八日

EMPLOYMENT AND REMUNERATION POLICIES

The Group, including its subsidiaries and joint ventures in Hong Kong and the PRC, employed approximately 1,000 employees as at 31 March 2004. The Group's remuneration policies are primarily based on prevailing market salary levels and the performance of the respective companies and individuals concerned. Fringe benefits which include provident fund, medical insurance and training are provided. In addition, share options may also be granted in accordance to the terms of the Group's approved share option scheme.

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to all our staff for their dedication, hard work and contribution especially during such challenging period. In addition, we would also like to thank all our shareholders for their support of the Group.

On behalf of the Board

FRANCIS CHEUNG
Chairman

Hong Kong, 8 July 2004