



A Brighter Future Ahead

Chairman's Statement

主席報告

“ 立足香港，發展內地
*Strive to Establish in Hong Kong
whilst Developing Mainland Operations* ”



總覽

受全球經濟放緩和香港經濟持續低迷影響，本集團二零零一年的業務表現不夠理想，加上年內須為個別投資項目和自置物業作大幅撥備，年度業績出現了虧損。雖然面對嚴峻的挑戰，本集團仍然積極進行內部鞏固和調控工作，並按市場環境的轉變，適度調整發展策略，以期固本培元，創造更有利的條件，迎接新的發展時期的到來。

Overview

With the global economy slowing down and Hong Kong's economy continuing its sluggish mode, the Group recorded less than satisfactory performance in 2001. On top of this, substantial provision had to be made during the year for specific investment projects and self-owned property, resulting in an overall loss. Though faced with such great challenges, the Group persisted in carrying through internal consolidation and cost control and adjusted our development strategy in response to the changing market environment. The ultimate goal is to strengthen our financial position and to create more favourable conditions to enable us to grasp future development opportunities as they arise.

加強監察 提高公司管治水平

年內，本集團進一步加強內部監控及提高公司管治水平，成立了一個獨立的內部審計部門，同時又加強監管附屬公司的運作，針對性的推行多項措施，包括：進一步收緊工程合約報批及投標項目利潤守則、精簡人手和公司架構，以便使資源配置趨於有效合理。



立足香港 發展內地

除積極作內部調整外，本集團旗下各附屬公司亦按中港經濟環境的轉變，逐步以「立足香港，發展內地」為主要市場發展策略，即利用香港在技術及人才方面的既有優勢，大力拓展國內業務，以得享更高的經濟效益。發展情況理想，已成功取得不少合約，並正洽談多個項目。

過去倚重華南市場的積架集團，現已在西部數個工業重鎮設立分銷點。海外市場則已延伸至東南亞多個國家，年底分別在新加坡、馬來西亞及泰國設立分銷商。產品開發方面，五月重奪日本頂級壓鑄系列 – 「日米株式會社」(Nichibeij)全線產品於香港及中國之總代理權，前景樂觀。

Step Up Control and Enhance Corporate Governance

During the year, the Group further strengthened internal control and improved the standard of corporate governance. An independent internal audit department was set up whilst the supervision of operations of subsidiaries was enhanced. Several focused measures were implemented, including, further scrutiny over the approval procedures of construction contracts and profit margin guidelines for tenders, streamlining headcounts and organization structure, all with the aim of achieving a more effective and rational resource allocation.

Strive to Establish in Hong Kong Whilst Developing Mainland Operations

Apart from active internal reengineering, various subsidiaries under the Group gradually adopted the principal market development strategy of “Strive to Establish in Hong Kong whilst Developing Mainland Operations” as the economic conditions in Hong Kong and China continued to evolve. In a nutshell, the strategy calls for utilizing the existing comparative advantage of Hong Kong in terms of technical skill and talent to actively explore mainland business, ultimately achieving higher economic benefit. The strategy has brought excellent results, with the Group succeeding in securing a number of contracts and negotiation on several projects are now underway.

In the past, Jaeger Group focused its business mainly in the Southern China market. However, it has now set up distribution bases in several important industrial cities in Western China. Overseas, Jaeger has extended its reach to a number of Southeast Asian countries. At the end of the year, distribution agencies were set up in Singapore, Malaysia and Thailand respectively. In the area of product development, in May 2001, Jaeger successfully re-gained the sole distributorship in Hong Kong and China of Nichibeij's range which is the top range of die-casting product series in Japan. The potential of this project is most promising.

In specialized construction business, Condo Group, the Group's subsidiary, has gradually increased the weight of mainland business, in view of changes in the local market. In 2001, Condo actively participated in mainland development projects managed by Hong Kong enterprises. This has enabled further spread of risk and is deemed to have a long-term effect on the stability and growth potential of the Group's profit.

專業建築業務方面，本集團旗下的瑞和集團隨著本地市場的變化，把國內業務的比重逐漸提升，致力積極參與港商在國內的發展項目，令風險得以進一步分散，對保持集團盈利的穩定性及增長能力起了長遠作用。

多利加集團年內取得國內及香港多項機電工程項目。截至二零零一年十二月三十一日止，手頭合約的價值約為266,675,000港元。環保業務方面，多利加集團已鎖定幾種設備及系統作重點發展，由於港府大力推動節能產品應用，及國內對環境污染問題的治理嚴加重視，相信有助該等產品的推廣及銷售。

銀豐集團營業額亦較去年大幅上升，先後與多家實力雄厚的公司簽訂協議，相信這些協議可以為銀豐集團帶來穩定的收入。東莞百聞防火木門廠更添置了生產設備以應付日益增加的國內訂單。截至年底，銀豐集團在手合約的價值約35,000,000港元。

展望

展望未來，鑑於中國已成功取得2008年奧運會主辦權，國內的建築行業勢將蓬勃發展，相信會令本集團旗下的專業建築公司受惠。此外，本集團針對集團業務在香港以外地區的發展，大力加強風險防範及控制機制，積極建立經營管理自我完善機制，必將有效推動本集團的經營和運作，亦有助本集團掌握經濟復甦期所湧現的商機。本集團將繼續關注中港市場的發展形勢，務求在兩地開拓更大的客戶網絡，為股東謀求更理想的回報。

本人謹代表董事會，對管理層及全體員工的貢獻和辛勤努力，致以衷心謝意；並籲請各股東、客戶和供應商繼續給予支持，共創美好明天。

承董事會命

高德柱

主席

二零零二年四月二十三日

During the year, Polycrown Group succeeded in signing up several E&M projects in both China and Hong Kong. As at 31 December 2001, value of contracts in hand was approximately HK\$266,675,000. As regards the environmental protection business, Polycrown has selected several equipment and systems as the main focus of development. The HKSAR government's commitment in promoting the use of energy-efficient products and the mainland government's stepped up effort in tackling problems caused by environmental pollution will definitely be conducive to the marketing and sales of these products.

Enful Group also achieved significant growth in turnover against the previous year. Agreements were concluded with several reputable companies. It is our belief that these agreements will generate steady revenue for Enful. During the year, its Bridgman fire door production plant in Dongguan installed new production equipment in a bid to support increasing number of orders from mainland customers. At the end of 2001, value of Enful's contracts in hand amounted to approximately HK\$35,000,000.

Prospects

Looking ahead, with China's success in winning the right to host the 2008 Olympics, the construction industry in China is destined for a full boom. We are confident that this will benefit the Group's specialized construction operation. In addition, in a bid to develop business in regions outside Hong Kong, the Group will strive to strengthen the internal risk management and control mechanism, and to actively establish a self-improvement system in operational management. This will, beyond any doubt, effectively promote out operational efficiency and profitability to a new level, as well as enable the Group to grasp any opportunity which may emerge as the economy recovers. We will continue to closely monitor the market development in both China and Hong Kong, ultimately further expanding our customer network in these two areas and bringing higher return to our shareholders.

On behalf of the Board of Directors, I would like to extend my deepest gratitude to the management and all our staff for their contribution and hardwork. I would also like to call on all our shareholders, customers and suppliers to continue to render us support and to build a better tomorrow.

By order of the Board

Gao Dezhu

Chairman

23 April 2002