

主席報告

各位股東：

儘管市場在二零零三年上半年受到沙士爆發之打擊，本集團仍成功於回顧年度維持穩健增長，營業額及純利分別上升29%及30%。本集團之每股基本盈利為21.9港仙。

本年度上半年，本集團在前所未有最嚴峻之挑戰下，仍然堅持採取長遠擴展策略。這策略於沙士過後及經濟逐步改善時帶來可觀回報。於下半年，由於第三季有大批個人遊客訪港，本集團之表現取得大幅增長。營業額較本年度上半年上升35%，此乃於沙士期間難以預期。

由於本集團於二零零零年進軍美容服務之業務，現已建立穩健之基礎。此業務分類乃一項投資，以維持本集團之長遠增長。鑑於業務於二零零三年轉虧為盈，其現正準備就緒在香港持續增長中之市場及中國尚未開發之龐大美容服務市場中發揮優勢。

未來展望

與內地簽訂更緊密經貿關係安排（「CEPA」）為香港之服務行業提供了新機遇。儘管CEPA並未為本集團帶來即時效益，我們仍然認為此項安排已打開了以往緊閉之門戶。雖然內地高稅率及關稅等市場環境依然不適合本集團開設零售專門店，惟我們正監察發展之進度，而我們之營業隊伍亦一直訓練有素兼準備充足。倘有任何新安排或變動致使本集團能解決主要障礙，我們將會以最直接有效之方式進軍中國市場。

在本地方面，我們將繼續實行擴展零售網絡之策略，直至於往後數年可擴展之空間大幅減少為止。由於過去數月市場氣氛出現改變導致租金成本增加，我們預計未來擴展之步伐將不及二零零三年般迅速。

Chairman's Statement

Dear Shareholders,

Although the market was disrupted by the outbreak of SARS in the first half of 2003, the Group was able to maintain a healthy growth rate of 29% in turnover and 30% in net profit for the year under review. Basic earnings per share of the Group was 21.9 HK cents.

In the first half of the year, the Group was facing the biggest challenge ever. Still, we have remained committed to our long-term expansion strategy. This paid off when SARS was over and the economy was gradually improved. In the second half of the year, the Group's performance was really boosted when numerous individual travelers started visiting Hong Kong in the third quarter. The turnover increased by 35% compared to the first half of the year, which could hardly be foreseen during SARS period.

Since our Group diversified into beauty services business in 2000, solid foundation has been built. This business segment is the investment to which we have committed for sustaining the growth of our Group in the longer term. As the business has turned from loss to gain in 2003, it is now well-placed to take advantage of the continually growing market in Hong Kong as well as the huge untapped beauty services market in PRC.

Future Prospect

The signing of the Closer Economic Partnership Arrangement ("CEPA") with the Mainland offered new opportunities for Hong Kong's servicing sector. Though there will be no immediate effect of CEPA on the Group, we still consider this arrangement has opened the door which was tightly shut before. The market environment, like the existence of high taxes and tariffs, is still not favorable for us to open retail outlets in Mainland, but we are monitoring the progress of the development. Our operation team is well trained and prepared. Should there be any new arrangements or changes that allow the Group to overcome most of the obstacles, we are ready to go into the China market in the most efficient and effective manner.

Back to home, we will carry on our strategy in expanding the retail network until the room to expand is greatly diminished several years later. We anticipate that the pace of expansion in future will not be as fast as in 2003 because the rental cost has increased after the market sentiment has changed in the past several months.

主席報告 (續)

未來展望 (續)

為保持溢利穩步上揚，本集團將尋求方法橫向及縱向擴張本集團業務、為不同業務分類造就協同效益、引入更多增值服務以獲取最大回報，並致力更有效地運用資源。

最後，本人謹代表董事會，向年內努力不懈之管理層及員工致以衷心謝意。

主席
葉俊亨

香港，二零零四年四月二十三日

Chairman's Statement (continued)

Future Prospect (continued)

To keep the momentum of profit growth, the Group will pursue ways to extend our business horizontally and vertically, to create synergy between different business segments, to maximize the return by introducing more value-added services, and to utilize resources effectively as much as possible.

Finally, on behalf of the board of directors, I would like to express my gratitude to our management and staff for their hard work and dedication throughout the year.

Ip Chun Heng, Wilson
Chairman

Hong Kong, 23 April 2004