

## Chairman's Statement 主席報告



The Group benefited from a general improvement in regional and global business environment, reporting an overall growth during the year ended 30th June, 2005. The Group is also optimistic in the implementation of the BVI Project which is a 50-50 joint venture agreement between the Group and The Ritz-Carlton Hotel Company, Ltd. I am pleased to present the progress of this project, together with the results of the Group's other business operation during the year ended 30th June, 2005.

### RESULTS

The Group's audited consolidated profit from operation of the Group for the year ended 30th June, 2005 amounted to approximately HK\$110,230,000, representing an increase of approximately 246.4% compared to last year. The increase in profit from operation was mainly attributed to the revaluation profit of HK\$100,880,000 which was derived from the adoption of the new Hong Kong Financial Standards, and an improvement in cost control of the Group's operation, management and administration. As the unusual one-off gain on disposal of subsidiaries and discontinued operations recorded in the year ended 30th June, 2004, the audited consolidated profit attributable to shareholders of the Group for the year ended 30th June, 2005 amounted to approximately HK\$103,525,000, an increase of approximately 7.3% compared to last year.

本集團受惠於地區及全球商業環境之整體改善，於截至二零零五年六月三十日止年度間錄得整體增長。本集團亦對能與The Ritz-Carlton Hotel Company, Ltd.合作成立50-50合營企業發展英屬處女群島項目感到樂觀。本人欣然呈報此項目之進展，連同本集團於截至二零零五年六月三十日止年度其他業務營運之業績。

### 業績

於截至二零零五年六月三十日止年度，來自本集團業務營運之經審核綜合溢利約為110,230,000港元，較上年度增長約246.4%。營運溢利之增長乃主要由於本集團採納新香港財務報告準則所帶來之100,880,000港元之重估溢利及本公司營運、管理及行政之成本控制得到改善。於截至二零零四年六月三十日止年度錄得出售附屬公司及已終止業務所得之一次性特殊收益，本集團截至二零零五年六月三十日止年度股東應佔經審核綜合溢利亦約為103,525,000港元，較上年度增加約7.3%。

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The Group was primarily engaged in three areas of business, namely the property development, property investments and OEM business.

**PLEDGE OF ASSETS**

At 30th June, 2005, the asset values of investment properties and property, plant and equipment pledged by the Group to secure a total banking facilities granted to the Group amount to HK\$275,800,000 (2004: HK\$174,420,000) and HK\$1,752,000 (2004: HK\$2,616,000) respectively. At 30th June, 2005, the Group also pledged its fixed deposit of HK\$2,969,000 (2004: Nil).

本集團之主要業務有三方面，即物業發展、物業投資及原設備製造業務。

**資產抵押**

於二零零五年六月三十日，本集團用作抵押以換取授予本集團之銀行融資總額之投資物業及物業、廠房及設備之資產值分別為275,800,000港元(二零零四年：174,420,000港元)及1,752,000港元(二零零四年：2,616,000港元)。於二零零五年六月三十日，本集團亦抵押其2,969,000港元(二零零四年：無)之定期存款。

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### BUSINESS REVIEW

#### (I) PROPERTY DEVELOPMENT – BRITISH VIRGIN ISLANDS PROJECT (“BVI” PROJECT)

A key feature of the Group this year was the BVI Project. The Company, through its wholly-owned subsidiary, Quorum Island (BVI) Limited (“Quorum Island”) has entered into the Heads of Agreement with The Ritz-Carlton Hotel Company, Ltd. on 11th April, 2005 to develop the Site which is owned by Quorum Island for a possible establishment of 50-50 joint venture to develop a golf course, hotel and marina in Beef Island, the British Virgin Islands and the negotiation is underway as the “Exclusivity Period” of the Heads of Agreement has been extended to 30th November, 2005.

The Ritz-Carlton hotels and resorts are renowned for indulgent luxury and it has 54 hotels worldwide.

### 業務回顧

#### (I) 物業發展－英屬處女群島項目（「英屬處女群島」項目）

本集團本年度之重點為英屬處女群島項目。於二零零五年四月十一日，本公司透過其全資附屬公司Quorum Island (BVI) Limited（「Quorum Island」）與The Ritz-Carlton Hotel Company, Ltd.訂立總協議，可能以股權比例為50-50成立一項合營企業，發展由Quorum Island所擁有之英屬處女群島之Beef Island為高爾夫球場、酒店及遊艇會。該總協議之專屬期已延長至二零零五年十一月三十日，合營企業亦在洽商中。

Ritz-Carlton酒店及渡假村以其極級豪華著稱，並於環球擁有54間酒店。

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The Group's investment properties, mainly in Hong Kong and PRC, generated a gain of stable rental revenue of approximately HK\$9,980,000 during the year.

**(III) OEM BUSINESS**

The Group's OEM manufacturing company, supported by a stable customer base, was able to maintain its market share despite competitive market conditions over the previous financial year ended 30th June, 2005. The OEM of electronic business continued to be the Group's stable source of income. In order to mitigate its competitiveness, the Group has carried out a series of proactive measures for resource allocation, aiming to trim down the cost and to focus more on higher-growth products.

**OUTLOOK**

The results of 2004/2005 reflect the overall solid growth of the Group's established business and the vision in BVI projects. Our strategy to transform the Group into a Resort Developer has been progressing well and will provide a solid long-term platform for robust growth.

**(II) 投資物業**

本集團之投資物業（主要於香港及中國）於本年度帶來約9,980,000港元之穩定租金收益。

**(III) 原設備製造業務**

於截至二零零五年六月三十日止財政年度，受惠於穩定顧客基礎，即使市場競爭激烈，本集團之原設備製造公司能夠維持其市場佔有率。電子業務之原設備製造業務繼續成為本集團之穩定收入來源。為了令產品更具競爭力，本集團已實施一系列積極資源分配措施，務求減低成本及更專注於更高增長之產品。

**展望**

二零零四年／二零零五年之業績反映本集團已確立之業務之整體實質增長及發展英屬處女群島項目。本集團轉型為渡假村發展商之策略一直進展良好，並將為日後的蓬勃增長提供一個穩固之長遠發展平臺。

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Our investment in BVI Project will support that aim as the project holds golf course, hotel and properties for long-term rental income in the company years. We are confident that the BVI project, with its innovative approach to resort development will generate a steady income stream for the Company in future years. Moreover, we will explore more investment and project development opportunities in resort and property markets to further consolidate the Group as a resort developer in the market.

### The BVI Project

Riding on the bright outlook of golf course given by the increasing popularity of golf sports worldwide, the Group leveraged on this opportunity and initiated a new strategic operation project named the BVI Project. The project is a 50-50 joint venture agreement between the Company and Ritz-Carlton's Group on the construction of a recreation and resort site on the British Virgin Islands ("BVI"). The Group will partner with world-class companies including The Ritz-Carlton, EDSA, Nicklaus Design, Applied Technology & Management Inc., Hill Glazier and Wilson & Associates on Beef Island Development proposal. The construction and infrastructure works of the BVI Project are as follow:

由於英屬處女群島項目包括高爾夫球場、酒店及於未來數年提供長期租金收入之多項物業，本集團於該項目之投資將有利於達成上述該目標。本公司有信心英屬處女群島項目，以其創新之渡假村發展方式，將於未來數年為本公司提供一項穩定之收入來源。此外，本集團將在渡假村及物業市場探索更多投資及項目發展機會，從而進一步鞏固本集團於市場中作為渡假村發展商之地位。

### 英屬處女群島項目

由於國際間高爾夫球運動日趨普遍，發展高爾夫球場前景樂觀，本集團趁此機會開展一項策略性營運項目，名為英屬處女群島項目。該項目為本公司與Ritz-Carlton集團按股權比例為50-50之合營企業協議，於英屬處女群島興建一個娛樂及渡假區。本集團將與世界級公司，包括The Ritz-Carlton、EDSA、Nicklaus Design、Applied Technology & Management Inc.、Hill Glazier及Wilson & Associates於發展Beef Island項目中合作。英屬處女群島項目之建設及基建工程如下：

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- |  |   |
|--|---|
| <p>(a) 18 holes Jack Nicklaus Signature golf course, club house and golf residences. The course will be the only golf course in the BVI;</p> | <p>(a) 18洞Jack Nicklaus名師設計高爾夫球場、會所及高爾夫球會所住宅。該球場將為英屬處女群島唯一之高爾夫球場；</p>               |
| <p>(b) Marina Bay residential &amp; Marina Village with state-of-the-art mega-yacht facility;</p>  | <p>(b) 擁有先進大型遊艇設施之遊艇灣住宅區及遊艇村；</p>   |
| <p>(c) 5-star Ritz-Carlton luxury resorts (120 keys hotel rooms + 80 keys condo hotel + 60 fractional units);</p>                            | <p>(c) 五星級Ritz-Carlton豪華渡假村(120間酒店客房+80間酒店套房+60間分層單位)；</p>                          |
| <p>(d) Mount Alma residential sites;</p>   | <p>(d) Mount Alma住宅區；</p>   |
| <p>(e) Ocean-view Residential including Little Cay Residences, The Cove Residences, The Bluff Residences; and</p>                            | <p>(e) 海景住宅區，包括Little Cay Residences、The Cove Residences、The Bluff Residences；及</p> |
| <p>(f) Airport Commercial with guest house, shops, restaurants, amphitheatre and offices.</p>  | <p>(f) 機場商業區，包括旅館、商舖、餐廳、露天劇場及辦公室。</p>   |

More importantly, all residence units will be branded with Ritz-Carlton where residents received top-tier room services from Ritz-Carlton.

尤其重要是，所有住宅單位均以Ritz-Carlton為品牌，住客均可享有Ritz-Carlton提供頂級房間服務。

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The agreement on development of the BVI Project between the Group and Ritz-Carlton's Group is expected to be signed in the fourth quarter of 2005. Under no unforeseeable circumstances, the construction works of the golf course and recreation club house are expected to be completed in the beginning of 2008, while the mega-yacht marina facility and hotel facility will be completed in the beginning of 2009. The Group also expects to launch the presales of residential and fractional units on Beef Island in the second half year of 2006. The management believes that the BVI Project is a significant investment and will bring considerable profit to the Group.

Given the strong economic fundamentals and a healthy prospect in resorts and property sector, the Group is set for further positive growth in the next few years. The Group shall continue to look for further business opportunities to optimize earnings. The Directors are confident of the prospects of the Company.

本集團與Ritz-Carlton集團就發展英屬處女群島項目之協議預期於二零零五年第四季簽訂。在並無不可預計之環境因素下，高爾夫球場及娛樂會所之建築工程預期於二零零八年初完成，而大型遊艇會所設施及酒店設施將於二零零九年初完成。本集團亦預期於二零零六年下半年推出Beef Island住宅及分層單位預售。管理層相信英屬處女群島項目乃一項重要投資，並將為本集團帶來可觀利潤。

鑒於強健之經濟基本因素及渡假旅遊及地產業之良好發展前景，未來幾年將為本集團帶來正面增長。本集團將繼續找尋商機以擴大盈利。董事對本公司前景充滿信心。

**Chairman's Statement 主席報告****LIQUIDITY AND FINANCIAL INFORMATION**

At 30th June, 2005, the Group's total net assets value and borrowings amounted to HK470.10 million and HK\$82.8 million with the gearing ratio of total borrowings was 17.6% as compared to 23.7% of the corresponding year, representing a comparative low level of the Group. Also, the Group has restructured the Group's banking facilities of HK\$50 million with the maturity of loan repayment of 3 years after the balance date.

At 30th June, 2005, the majority of the Group's assets were in Hong Kong and US dollars and the exposure of foreign exchange was insignificant to the Group.

**STAFF**

At 30th June, 2005, the total number of employees of the Group amounted to 335 (2004: 342). The staff of the Group is rewarded not only salary package but also medical insurance, provident fund and discretionary bonus.

**AUDIT COMMITTEE AND INTERNAL CONTROL**

The Audit Committee is chaired by all Independent Non-Executive Directors who have appropriate professional qualifications, accounting or related financial management expertise. The Audit Committee has its responsibilities to review with the senior management and the Company's external auditors the internal and external audit findings, the accounting principles and practices adopted by the Group, listing rules and statutory compliance, and to discuss auditing, internal controls, risk management and financial reporting matters. As reviewed, the Audit Committee is satisfied that the internal controls and accounting systems of the Group.

**流動現金及財務資料**

於二零零五年六月三十日，本集團資產淨值總額及總借款淨額為470,100,000港元及82,800,000港元，總借款負債比率為17.6%，相較該年度之23.7%，顯示本集團相對較低負債水平。於結算日後，本集團已重組本集團50,000,000港元之銀行貸款，還款期限為3年。

於二零零五年六月三十日，本集團大部分資產以港元及美元持有，故並無重大之外匯風險。

**員工**

於二零零五年六月三十日，本集團員工總數為335人（二零零四年：342人）。本集團員工不僅獲得薪金，同時亦可享有醫療保險、公積金及酌情花紅。

**審核委員會及內部控制**

審核委員會由具有適當專業技能、會計或相關財經管理專業知識之全體獨立非執行董事組成。審核委員會負責與管理層及本公司外部核數師審閱內部及外部審核結果、本集團採用之會計準則及慣例、上市規則、法定合規情況，並就核數、內部控制、風險管理及財務申報事宜進行討論。經審閱後，審核委員會對本集團之內部控制及會計系統感到滿意。



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### CORPORATE GOVERNANCE

The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (Listing Rules) throughout the year. Specific enquiries have been made to all Directors, who have confirmed that they have complied with the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules during the year.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the accounts for the year ended 30th June, 2005. All of the Audit Committee members are appointed from the Independent Non-executive Directors, with the Chairman having appropriate professional qualifications and experience in financial matters.

In order to reinforce independence, accountability and responsibility, the role of the Group Chairman is separate from that of the Group Managing Director with their respective responsibilities endorsed by the Board in writing and the Remuneration Committee was formed by majority of Independent Non-executive Directors with defined terms of reference which are of no less exacting terms than those set out in the Code on Corporate Governance Practices of the Listing Rules. To further reinforce independence, an additional Independent Non-executive Director with professional in Finance and Accounting was appointed.

### EXPOSURE TO EXCHANGE RATE FLUCTUATIONS

The Group does not engage in interest rate or foreign exchange speculative activities. It is the Group's policy to manage foreign exchange risk through matching foreign exchange income with expense, and where exposure to foreign exchange is anticipated, appropriate hedging instrument will be used.

### 公司管治

本公司全年一直遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載之企業管治常規守則。經向本公司各董事個別查詢，各董事已確認彼等年內一直遵守上市規則附錄十所載之上市公司董事進行證券交易標準守則。

審核委員會已審閱本集團採用之會計準則及慣例及截至二零零五年六月三十日止年度之賬目。所有審核委員會成員均從獨立非執行董事中委任，主席具備財經領域之適當專業技能及經驗。

為強化獨立性、問責性及責任，本集團主席角色獨立於本集團董事總經理，其各自之職責由董事會書面批准，薪酬委員會由多數獨立非執行董事組成，所界定之職權範圍不遜於上市規則之企業管治常規守則之條款。為更進一步強化獨立性，已新委任一位具有金融及會計專業知識之獨立非執行董事。

### 匯率波動風險

本集團並無進行任何利率或外匯投機活動。本集團的管理外匯風險政策是，以相應開支配合外匯收入，而有關外匯風險為已經預計，並已運用適當之對沖工具。

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### ACKNOWLEDGEMENT

I would like to take this opportunity to express my sincere thanks to Board members for their wise counsel during the year, and also to all loyal and dedicated staff of the Group for their effort and contribution to the Group.

By order of the Board

**Hung Wong Kar Gee, Mimi**

*Chairman*

Hong Kong, 13th October, 2005

### 鳴謝

謹借此機會衷心感謝各董事會成員於本年度之睿智指導，以及本集團所有兢兢業業之員工對本集團之熱誠投入及貢獻。

承董事會命

**洪王家琪**

*主席*

香港，二零零五年十月十三日