

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

FINANCIAL REVIEW

The Group's total borrowing was decreased from HK\$67,285,000 in 2003 to HK\$42,728,000 at 31 December 2004, showing an decrease of HK\$24,557,000. The gearing ratio (calculated at the ratio of net borrowings to shareholders' funds) was 74.1% (2003: 42.9%).

The Group will support the project development from its rental income. At the same, the Group would take appropriate actions & efforts to collect the receivables due. The Board is now in the process of negotiation with the purchase for the settlement of the outstanding balance by instalments in respect of the disposal of a property development project. If no agreement can be reached, the Group will take any actions to recover the amount due as soon as possible.

The Group does not anticipate any material foreign exchange exposure since its cash or cash equivalent held, borrowings, revenue and expenses are denominated either in Hong Kong dollars or Renminbi or United States dollars.

STAFF AND REMUNERATION POLICIES

The Group had approximately 80 employees in Hong Kong and the PRC for the year. They are remunerated according to the job nature, market conditions, individual performance and qualifications. Other staff benefits include share option scheme and year end bonus.

財務回顧

本集團於二零零四年十二月三十一日借貸總額為42,728,000港元，比二零零三年67,285,000港元減少24,557,000港元。於二零零四年十二月三十一日的資產負債比率(即貸款淨額與股東資金之比率)為74.1%(二零零三年：42.9%)。

本集團將以可動用租金收入為項目發展提供資金。同時，本集團採取適當行動並盡力追收應收款項。董事會現正與買方就已出售物業發展項目商討分期支付其過期款項。如雙方未能達成協議，本集團將會採取適當的行動解決。

由於本集團持有的現金及現金等價物、借貸、收入及開支皆以港元或人民幣或美元計算，故本集團並不預見任何重大外匯風險。

僱員及酬金政策

本年度本集團共僱用約80名員工於香港及中國工作。僱員之薪酬按照其工作性質、市場指標、個人表現及資歷而釐定。其他員工福利包括購股權計劃及年終花紅。