



Marine Passenger Transportation,
Tourist Attraction & Hotel Businesses.



Mr. Quyang Guoliang, Chairman
歐陽國樑先生，主席

I would like to present the audited consolidated financial results of Zhu Kuan Development Company Limited (the "Company") and its subsidiaries (the "Group") for the year ended 30 April 2002.

The consolidated turnover of the Group and profit attributable to shareholders were approximately HK\$255,559,000 and HK\$20,204,000 respectively, representing a decrease of approximately 15% and 46% compared with the previous year.

本人謹此提呈珠光發展有限公司（「本公司」）及其附屬公司（「本集團」）截至二零零二年四月三十日止年度經審核之綜合全年業績。

本集團之綜合營業額及股東應佔純利分別約為港幣255,559,000元及港幣20,204,000元，較去年相比分別下跌約15%及46%。

Business Review

業務回顧

Overshadowed by the general oversupply in the hotel industry of Zhuhai, hotel operators were vying for customers with cutthroat prices, resulting in a substantial deterioration of the results of the Group's hotel business. The number of visitors to The New Yuanming Palace ("NYMP") and Fantasy Water World also dropped during the year under review due to the rainy weather and growing competition from surrounding theme parks in Guangdong Province. However, thanks to the management's cost-effective control measures and write-back of provision for staff benefits made in prior years, the overall tourist attraction business managed to maintain its profit contribution to the Group. As for the passenger transportation business, the number of passenger trips of the ferry services running between Zhuhai and Hong Kong was on a slight rise, and operating costs were lower as a result of the falling oil prices worldwide. Accordingly, there was a mild growth in profit compared with the same period last year.

珠海酒店業受到整體供應過盛影響，酒店業內相互競爭割價以爭取客源，導致酒店業績大幅倒退。圓明新園及夢幻水城亦由於在回顧年內受天氣多雨及廣東省其他主題公園競爭力上升所影響而使入園人數下降，但由於管理層善於緊縮控制成本及往年計提之員工福利得以回撥所致，整體旅遊景點溢利貢獻仍得以保持。而在客運業務方面，珠海與香港航線之客運量仍得以輕微增長，且由於環球石油價格下降所致，營運成本得以減輕，盈利與往年同期相比，錄得輕微增長。

1. Hotel Business

During the year under review, Zhuhai Holiday Resort Hotel recorded a further drop in market share amid the increasing number of new hotels in Zhuhai. With the supply and demand of hotel rooms falling seriously out of balance, though it ranked the second among the hotels of the same level in Zhuhai in terms of average occupancy rate, the resort hotel recorded a decrease of approximately 7% as compared with the corresponding period last year. Meanwhile, its room rates were slightly reduced in order to maintain competitive

1. 酒店業務

於回顧年內，由於珠海市新開的酒店不斷增加，使珠海度假村酒店在原有的市場佔有率再次下降，房間供求關係嚴重失衡，使我司酒店之平均入住率，雖然在珠海市同星級酒店位列第二名，但與往年相比卻仍下降約7%。而房價亦須下調以保持與同業之競爭力，加上於回顧期內沒有航展及較大型宴會，直接影響度假村酒店公司之房務及附帶

in the market, which, coupled with neither aerospace exhibition nor major banquets held during the year under review, was directly attributable to the drop in revenues from accommodation services and the related catering and recreational facilities. In addition, the profit margin of travel agencies business operated by Zhuhai Holiday Resort Hotel Co., Ltd. shrank due to fierce competition. As such, the overall performance of the hotel business registered a slight loss.

2. New Yuanming Palace and Fantasy Water World

During the year under review, the number of visitors to The New Yuanming Palace ("NYMP") and Fantasy Water World totaled about 660,000 and 240,000 respectively, representing a drop of approximately 24% and 20% respectively as compared with last year. This was mainly due to the rainy weather and growing competition from surrounding theme parks in Guangdong Province. In response to this, the management adopted flexible operation strategies for the purpose of cost control by contracting out various operations such as catering, park management and shop operations. In addition, the accumulated provision for staff benefits made by The New Yuanming Palace Tourist Co., Ltd. of Zhuhai S.E.Z. in prior years was written back during the year due to the enactment of new PRC laws and regulations in relation to enterprise's housing reform (for employees) which render the provision unnecessary. As such, the overall tourist attraction business still managed to maintain its profit contribution to the Group despite a drop in turnover during the year as compared with the corresponding period last year.

3. Marine Passenger Transportation Business/Terminal Operation

As for the passenger transportation business, the number of passenger trips of the ferry services between Zhuhai and Hong Kong run by Zhuhai High-Speed Passenger Ferry Co., Ltd. ("High-Speed Passenger Ferry Company") recorded a slight increase as compared with the corresponding period last year, while that between Zhuhai and Shekou continued to shrink due to competition from the operators of non-stop bus services. Nevertheless, High-Speed Passenger Ferry Company still recorded a mild growth in operating profit during the year under review thanks to the falling fuel prices and reduced maintenance overheads as a result of enhanced technology in vessels management. Meanwhile, the number of passenger trips of the ferry services between Hong Kong and Zhuhai and that of the cruise services around Zhuhai city also increased as compared with the corresponding period last year, thereby offsetting the drop in passenger flow of the ferry services between Zhuhai and Shekou. Accordingly, the overall operating profit of Zhuhai Jiuzhou Port Passenger Traffic Service Co., Ltd. still recorded a slight increase when comparing the same as the corresponding period in the previous year.

之餐飲及康樂設施收入下降。而珠海度假村酒店有限公司所經營之旅行社業務也因競爭激烈而導致邊際利潤下調，故整體酒店業務於本年度錄得輕微虧損。

2. 圓明新園及夢幻水城

於回顧年度，圓明新園及夢幻水城的入場人數分別約為66萬人次及24萬人次，與往年相比分別減少約24%及20%。這主要由於受到今年天氣多雨及廣東省其他主題公園競爭力上升影響。管理層採取靈活經營手法，將多項經營，如餐飲、場務、商場銷售改為承包制，以控制成本。且由於中國就(僱員)住房改革實施新的法例及規例，無須就此作出撥備，令往年在珠海經濟特區圓明新園旅遊有限公司計提之員工福利於年內得以回撥，本年度經營額與往年相比雖然錄得跌幅，但整體之旅遊景點業務仍能持續為本集團提供溢利。

3. 海上客運交通及碼頭業務

海上客運業務方面，珠海高速客輪有限公司(「高速客輪公司」)經營之珠海與香港之客運航線的客運流量與往年同期相比錄得輕微增長，而珠海與蛇口之間之客運渡輪航線服務則由於受到直通巴士競爭影響，客運量持續減少。但在回顧年度，受惠於燃油價格下降及船舶管理技術改善而導致維修費用減少，故高速客輪公司之經營溢利與往年同期相比仍取得輕微增長。另由於香港與珠海航線及珠海市內環島遊之客運量仍與往年同期相比錄得增長，此抵銷了珠海與蛇口航線之旅客流量下降，故珠海九洲客運服務有限公司之整體營利與往年同期相比仍錄得輕微增長。

Prospects

展望

Looking ahead, the outlook for the hotel industry remains dismal in the coming year. In light of this, the management will devise more events and marketing campaigns nationwide to attract more visitors. Obsolete recreational facilities, surrounding gardens, and food and drink area will be updated or new recreational program and operating model will be added in order to maintain the competitiveness of Zhuhai Holiday Resort Hotel. As for Fantasy Water World, the Company has improved parts of its recreational facilities in order to afford greater delight and attraction to visitors, while "Chinese Herbs Treasure Valley" is scheduled to open for business in the final quarter of 2002. It is believed that such efforts would help to generate a larger stream of visitors to the theme parks. What is more, China's entry into the World Trade Organization is poised to give a further boost to business activities between Hong Kong and Zhuhai. High-Speed Passenger Ferry Company will increase the frequency of daily ferry service between Hong Kong and Zhuhai from 24 to 28 from August 2002. With this in mind, the board of directors believes that the passenger transportation business will maintain steady growth.

By Order of the Board
Ouyang Guoliang
Chairman

Hong Kong
28 August 2002

展望來年度，酒店業務的前景仍十分嚴峻，管理層亦將策劃更多活動及銷售推廣計劃至全國市場以吸引更多旅客，且對殘舊的康樂設施及週邊園林環境，以至餐飲區域亦將更新替換或加插新的康樂節目及經營模式以保持競爭力。夢幻水城方面，公司已將部份娛樂設施進行改進，以增加趣味性及吸引力，而圓明新園內之「中藥谷」亦計劃於二零零二年第四季度展開營運，預料入園遊客將可比本年增長。而隨著中國已加入世貿組織，往來香港及珠海兩地的商務活動亦將頻繁，故珠海高速客輪有限公司亦於二零零二年八月起，將往來香港及珠海兩地的航運由以往每天24班增加至每天28班，管理層相信客運業務將可保持穩定發展。

承董事會命
歐陽國樑
主席

香港
二零零二年八月二十八日