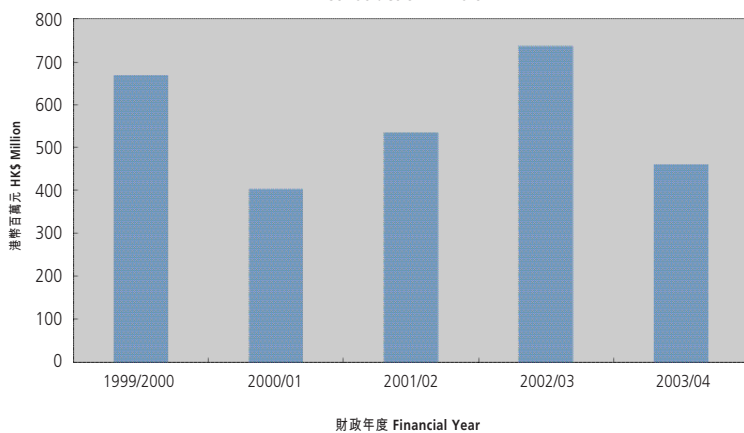


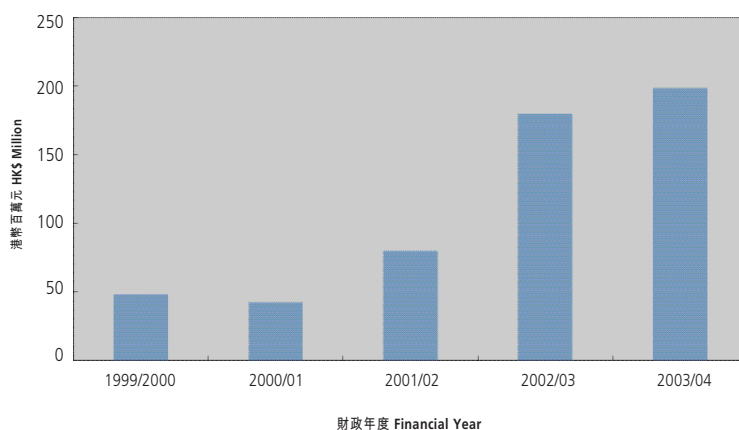
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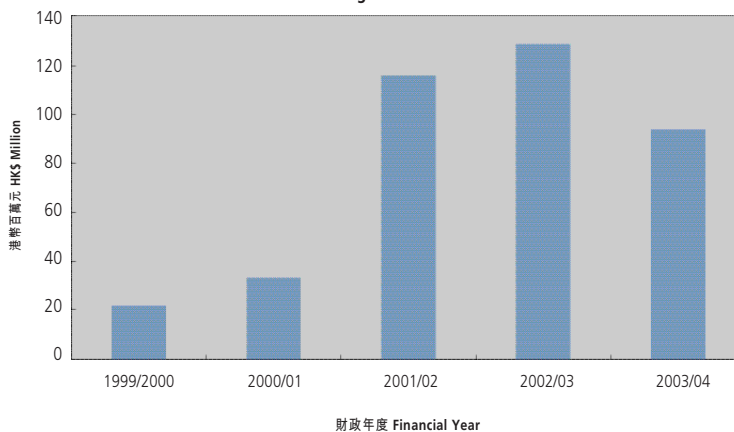
建築部
Construction Division



裝飾及維修部
Interior and Renovation Division



建築材料部
Building Materials Division





愉景灣北住客會所
Discovery Bay North Residents Club

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愉景灣海澄湖畔之住宅發展
Residential Development of Siena Discovery Bay



華富8840號地段之住宅發展項目
Residential Development at Inland Lot No.8840 Wah Fu



重建葵涌村第七期
Redevelopment of Kwai Chung Estate Phase 7

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愉景灣之中華電力變電站
CLP Power Substation at Discovery Bay



白加道之住宅發展項目
Residential Development at Barker Road

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建築部

本集團之建築部於本年度錄得總營業額為港幣四億六千七百三十萬元(二零零三年：港幣七億一千四百六十萬元)，較去年下降百分之三十四點六。營業額下跌主要由於香港房屋委員會石蔭村第五期工程之發展進度減慢，以及於二零零三年首兩季私營和公營樓宇建築工程數量減少。然而，因調整若干建築項目高估了的成本，本部門仍錄得港幣二千三百一十萬元溢利，較去年輕微上升(二零零三年：港幣二千三百萬元)。

於本年度完成的主要工程包括香港房屋委員會葵涌村第七期之重建工程；位於香港仔英基學校協會之學校擴建工程；位於華富八八四零號地段之住宅發展項目；位於愉景灣之中華電力變電站、愉景灣北住客會所及白加道之建築工程，以及香港機場管理局有關機場(禁區)速遞貨運中心通道的道路工程。

現有之香港房屋委員會石蔭村第五期建築工程，以及由本公司與協興建築有限公司組成之合營公司承建位於東涌之獨立花園洋房發展項目工程，均如期順利進行。為建築署於元朗興建一所中度智障兒童學校的工程，以及本集團位於古洞之住宅物業發展工程，預期可於下個財政年度完成。

於本年度，本部門獲承判港幣三億七千三百七十萬元之新合約，其中包括為香港大學於何世光夫人體育中心興建學生宿舍之新合約，價值港幣二億一千八百萬元，工程包括

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Construction Division

The Construction Division has recognised a total turnover of HK\$467.3 million during the year (2003: HK\$714.6 million), a decrease of 34.6% compared with last year. The decline in turnover has mainly been caused by the slowdown of development progress for the Shek Yam Estate Phase 5 project of the Hong Kong Housing Authority, and the decrease in the number of building construction works in both private and public sectors during the first two quarters of 2003. However, due to the adjustment of costs over-estimated for several construction projects, the Division has still recorded a profit of HK\$23.1 million, slightly higher than that of last year (2003: HK\$23.0 million).

Major projects completed during the year have included the re-development of Kwai Chung Estate Phase 7 for the Hong Kong Housing Authority, the extension works for the English Schools Foundation at Aberdeen, the residential development at Inland Lot No. 8840 Wah Fu, the construction works for CLP Power Substation at Discovery Bay, the Discovery Bay North Residents Club and Barker Road, and the Express Cargo Terminal Airside Access Road Works for the Airport Authority Hong Kong.

The existing construction work of Shek Yam Estate Phase 5 for the Hong Kong Housing Authority, and the project work for townhouse development at Tung Chung undertaken by a joint-venture with Hip Hing Construction Company Limited have been progressing smoothly. Construction of a school for moderately mentally handicapped children in Yuen Long for the Architectural Services Department and the residential development of the Group's property at Kwu Tung are expected to be completed in the next financial year.

During the year, this Division was awarded HK\$373.7 million of new contracts, of which a HK\$218.0 million new contract for the construction of student residences at Flora Ho Sports Centre was awarded from the University of Hong Kong. It included the

業務回顧

興建三幢學生住宿大樓。建築工程於二零零三年十一月開始，並計劃於二零零五年年中完成。

另一份新合約乃為東華三院於山東街及黑布街交界興建兩幢二十三層高之社區學院，價值達到港幣八千四百五十萬元。工程於二零零四年二月開始，亦預期於二零零五年年中完成。其他獲承判之新合約包括位於金馬倫道三十三號之拆卸工程、於愉景灣聖公會偉倫小學之學校改建工程，以及香港機場管理局之第六期廁所改善工程。

於二零零四年三月三十一日，本部門手頭未完成之合約價值約達港幣六億零七百七十萬元。於年結日後，本部門獲承判愉景灣上蓋工程之新合約，總值約港幣三億八千一百三十萬元。

在安全方面，本部門於本年度之工業意外率為每一千名工人中有二十一點四五名，較職業安全健康局於同年公佈之香港建築業意外率為低。於本年度，本部門贏得職業安全健康局問答比賽二零零三（企業組）之季軍，此外更於勞工署和業界合辦之二零零三／二零零四年度建造業安全獎勵計劃中，贏得「安全隊伍」組別優異獎。

為表揚本部門於進行建築工程時對公眾及居民之地盤安全、環境意識及有公德之態度，我們的其中兩個建築地盤石蔭村第五期及愉景灣北住客會所，均獲得工務局頒授「公德地盤嘉許計劃二零零三」之獎項。本部門將繼續關注安全監控及環境保護。

Operations Review

construction of three blocks of residential student halls. Construction work commenced in November 2003 and is scheduled to be completed in mid 2005.

Another new contract amounting to HK\$84.5 million for construction of two 23-storey community colleges at the junction of Shantung Street and Hak Po Street was awarded by the Tung Wah Group of Hospitals. The work was commenced in February 2004 and is also expected to be completed in mid 2005. Other new contracts awarded included demolition works at 33 Cameron Road, school improvement works for S.K.H. Wei Lun Primary School in Discovery Bay and toilet improvement works Phase VI for the Airport Authority.

As at 31 March 2004, the outstanding value of contracts on hand for this Division amounted to approximately HK\$607.7 million. Subsequent to the year end, this Division secured a new contract with an aggregate value of approximately HK\$381.3 million for the superstructure works at Discovery Bay.

On the safety front, the accident rate of this Division for the year was 21.45 per 1,000 workers, which was below the accident rate of the Hong Kong construction industry for the same year as announced by the Occupational Safety and Health Council. During the year, this Division won the second runner-up in the Occupational Safety & Health Quiz 2003. It has also won a Meritorious Award in the "Safety Team" category in the "Construction Industry Safety Award Scheme 2003/2004" organised by the Labour Department and the industry.

In recognition of the Division's site safety, environmental consciousness and considerate attitude towards the public and the neighbourhood in carrying out construction works, two of our construction sites, namely Shek Yam Estate Phase 5 and Discovery Bay North Residents Club, were awarded the "Considerate Contractors Site Award 2003" by the Works Bureau. Safety control and environmental protection will continue to be the Division's main concerns.

業務回顧

預期於未來數年，公營房屋建築工程將會減少，因香港特別行政區政府已確認了其立場，由二零零三年開始停止出售及興建居者有其屋計劃之房屋，以糾正香港物業供應過多之情況。

私營房屋方面，為改正土地供求之不平衡，香港特別行政區政府於二零零二年十一月起停止定期土地拍賣，並暫停申請形式的土地買賣，直至二零零三年年終為止；另外亦與兩間鐵路公司聯絡，商討有關彼等與鐵路相關之物業發展項目投標步伐及時間，雙方並同意於未來數年均不會授出鐵路物業發展權（已建築中之物業除外）。香港特別行政區政府之正面經濟復甦手段，以及全球和本地經濟之穩定復甦，均有助私營房屋市場由二零零三年第三季開始之改善。由於投資者及置業人士逐漸回復信心，預期私營房屋方面之建築工程將會增加。

預期樓宇建築業務於未來將繼續維持競爭激烈。然而，管理層對物業市場及樓宇建築業務之中長遠前景依然感到樂觀。憑著我們不斷努力，致力控制成本、維持卓越的地盤安全、提高建築質素及改善管理效率，我們有信心建築部將繼續成長，並為本集團帶來令人鼓舞之成果。

Operations Review

Looking ahead, it is expected that the public housing construction work for the next few years will decrease, as the Hong Kong SAR Government has confirmed its stance on redressing the over-supply of properties situation in Hong Kong through cessation of the production and sale of Home Ownership Scheme flats from 2003 onward.

With the private sector, in order to rectify the supply and demand imbalance of land, the Hong Kong SAR Government stopped scheduled land auctions in November 2002, and suspended land sale by application until the end of 2003. It has also liaised with the two railway corporations on the pace and timing of tendering their railway-related property developments, and has reached a consensus that no railway property development rights will be granted over the next few years, except those which are already under construction. The Hong Kong SAR Government's positive economic revival approaches, together with the steady recovery of the global and local economy have been conducive to the improvement of the private housing market since the 3rd quarter of 2003. It can be expected that construction works for the private sector will increase as investor and homebuyer confidence gradually revive.

Going forward, it is anticipated that the building construction business will continue to be highly competitive. However, the management remains optimistic regarding the medium to long-term prospects of the property market and the building construction business. With our persistent efforts and commitment to exercise cost control, to excel site safety, to enhance building quality and to improve management efficiency, there is every confidence that our Construction Division will continue to grow and deliver exciting outcomes for the Group.



為藍澄灣供應及安裝廚櫃
Supply & Installation of Kitchen Cabinets for
Rambler Crest



為肇輝臺供應及安裝木地板
Supply & Installation of Timber Flooring for
Shiu Fai Terrace

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Building Materials Division



供應喉管及配件
Supply of Pipes and Fittings



新喉管產品－聚乙烯喉
New Type of Piping Product - Polyethylene Pipe

業務回顧

建築材料部

於非典型肺炎肆虐期間，若干發展商拖延或押後彼等之發展項目的進度。因此建築材料部只錄得總營業額港幣九千三百三十萬元（對外營業額為港幣八千三百八十萬元），與去年之港幣一億二千七百八十萬元相比，下降百分之二十七。然而，本部門所作出之貢獻與去年相比，錄得百分之六十四點四之增幅，達到港幣四百三十萬元。此乃由於本年內喉管業務之邊際毛利上升，以及撥回於本年內出售之舊喉管存貨之撥備。

華高達建材有限公司（「華高達」）

華高達乃建築材料部轄下之其中一間附屬公司專門供應及安裝室內產品如百利板、木地板、假天花及廚櫃，其主要客戶均為知名的發展商及總承建商，例如長江集團、新鴻基集團、太古集團、恒基集團、信和置業集團及九廣鐵路公司。

於本年度，進行中的主要項目包括為灣仔警察總部供應及安裝假天花；為青衣之酒店發展項目、藍澄灣及天水圍的住宅發展項目慧景軒供應及安裝廚櫃；以及為傲雲峰供應及安裝百利板、木地板及廚櫃。

Operations Review

Building Materials Division

During the SARS crisis, some developers had delayed or postponed the progress of their development projects. As a result the Building Materials Division has just recognised a total turnover of HK\$93.3 million (turnover to external parties was HK\$83.8 million), representing a 27.0% decrease against last year's figure of HK\$127.8 million. However, contributions from this Division recorded a 64.4% increase to HK\$4.3 million, as compared with that of last year, due to the higher gross profit margins from the piping business and the write back of provision for obsolete stock for the pipes which were sold during the year.

Trigon Building Materials Limited ("Trigon")

Trigon is one of the subsidiaries of the Building Materials Division, which specializes in the supply and installation of interior products such as Polyboard, timber flooring, suspended ceiling systems and kitchen cabinets to renowned developers and main contractors such as Cheung Kong group, Sun Hung Kai group, Swire group, Henderson group, Sino group and the Kowloon-Canton Railway Corporation.

During the year, the main projects undertaken have included the supply and installation of false ceiling for Wanchai Police Headquarters, kitchen cabinets for Rambler Crest, a hotel development at Tsing Yi; Vianni Cove, the residential developments at Tin Shui Wai, and Polyboard, timber flooring and kitchen cabinets for Sky Tower.

業務回顧

於本年度，本部門獲授予之新合約，包括為肇輝臺供應及安裝木地板；為九龍灣宏天廣場、赤柱的政府綜合大樓、灣仔警察總部、馬鞍山政府綜合大樓及中染大廈，供應及安裝假天花；為香港大學於何世光夫人體育中心之學生宿舍供應及安裝假天花及防火板；為古洞住宅發展項目供應及／或安裝廚櫃、假天花及鐵器；為泓景臺供應百利板；為荃灣朗逸峰供應及／或安裝百利板及廚櫃；為傲雲峰供應及安裝百利板及木地板；為九龍站第四期之君臨天下供應中空保護板；以及為東涌藍天海岸供應及安裝窗簾。

於二零零四年三月三十一日，華高達手頭未完成之合約價值達到港幣八千八百三十萬元，其中包括來自供應及／或安裝廚櫃、木地板及假天花之合約，分別達到港幣四千九百五十萬元、港幣四百四十萬元及港幣二千二百四十萬元，以及供應百利板達到港幣八十萬元之訂單。

於過去七年，華高達已鞏固了其於建築材料市場之地位，並取得了百利板之獨家分銷權及威力板之分銷權。百利板乃一種環保防水產品，用作樓宇地板之底板；而威力板亦為一種環保產品，具防火功能，適合各種用途，尤其用作天花板、隔板和包喉。於本年度，華高達亦推出了一種新產品——中空保護板，此乃已完成工程如木地板、雲石地板及牆的塗飾之保護板。

Operations Review

New contracts awarded during the year have included the supply and/or installation of: timber flooring for Shiu Fai Terrace; false ceiling for Skyline Tower at Kowloon Bay, a complex at Stanley, Wanchai Police Headquarters, Ma On Shan Government Complex, and CDW Building; false ceiling and fire rated enclosure for student residence at Flora Ho Sports Centre of the University of Hong Kong; kitchen cabinets, false ceiling and ironmongery for Kwu Tung residential development; Polyboard for Banyan Garden; Polyboard and kitchen cabinets for The Cairnhill at Tsuen Wan; Polyboard and timber flooring for Sky Tower; polypropylene corrugated board for The HarbourSide at Kowloon Station Phase 4; and drapery for Coastal Skyline at Tung Chung.

As at 31 March 2004, the outstanding values of contracts on hand amounted to HK\$88.3 million, including contracts for the supply and/or installation of kitchen cabinets, timber flooring, and suspended ceiling systems amounting to HK\$49.5 million, HK\$4.4 million and HK\$22.4 million respectively, as well as orders for the supply of Polyboard amounting to HK\$0.8 million.

Over the past seven years, Trigon has been able to establish itself firmly in the building materials market. It has secured the sole distributorship of Polyboard and the distributorship for Firex Board. Polyboard is an environmentally friendly water-proof product used as sub-flooring for buildings, whereas Firex Board is also an environmentally friendly product, with fire resistant function, and is useful for all purposes, in particular ceilings, partitionings and enclosures. During the year, Trigon has also introduced a new product, polypropylene corrugated board. It is a protective board for finished works such as wood flooring, marble flooring and wall finishes.

業務回顧

展望將來，預期建築材料部將繼續保持穩定增長，因本地物業市場逐漸復甦及全球和本地經濟均回復穩定。本部門之未來發展方針為透過擴大現有私營及公營方面之客戶基礎，以及從世界各地認可之供應商發掘更多新產品，以加強其競爭力及擴闊其市場滲透力。除了節約成本及改善質素外，管理層將根據現行市場情況，檢討及調整本部門之市場策略。

隨著中國加入世界貿易組織，以及中央政府與香港特別行政區政府建立的更緊密經貿關係安排，預期新的營商及投資機會將會在內地繼續出現。憑著堅持、決心和自信，華高達以良好的狀態面對未來的挑戰。

泰記有限公司 (「泰記」)

泰記乃建築材料部之另一附屬公司，透過零售及工程項目生意，專營喉管、配件及其他相關零件的供應。於回顧年度，泰記之營業額錄得令人滿意的增長，由去年的港幣一千七百萬元上升至港幣二千零一十萬元。

於本年度，泰記之營業額主要來自零售生意。進行中之主要工程項目包括澳門拉斯維加斯酒店及香港科技園五號大樓。

Operations Review

Looking forward, it is expected that the Building Materials Division will continue to make stable progress as the local property market gradually revives and both global and local economy steadily recover. The Division's future direction is to keep strengthening its competitiveness and broadening its market penetration, through expanding the existing client base in both private and public sectors and sourcing new products from worldwide recognized suppliers. Apart from cost constraint and quality improvement, the management will review and adjust the Division's marketing strategy in light of the prevailing marketing conditions.

Following the entry of the PRC into the World Trade Organization, and the establishment of CEPA between the Central government and Hong Kong SAR government, it is expected that new business and investment opportunities will keep emerging on the Mainland. With persistence, determination and confidence, Trigon is in good shape to face the challenges ahead.

Tai Kee Pipes Limited ("Tai Kee")

Tai Kee, another subsidiary of the Building Materials Division, specializes in the supply of pipes, fittings and other related accessories through both retail sales and project sales. During the year under review, it has recorded a satisfactory growth in turnover from last year's figure HK\$17.0 million to HK\$20.1 million.

During the year, most of the turnover has come from retail sales. The main projects undertaken have included Las Vegas Hotel at Macau and the Science Park Building V.

業務回顧

本年度獲授之新工程合約包括為醫院管理局、恒隆中心、澳門拉斯維加斯酒店、香港科技園五號大樓、位於譚臣道之一幢大廈、古洞之住宅發展項目、旺角K2商業發展項目及元朗一所中度智障兒童學校供應喉管。

於回顧年度第四季，金屬喉管的大量需求令其價格急劇上升。於此期間，泰記從出售金屬喉管存貨獲得可觀收益。近期泰記推出了一種新喉管產品「聚乙烯喉」，聚乙烯乃一種塑膠物料，而聚乙烯喉可用作輕便式水管或污水管，優點包括輕便、價格便宜、耐用性強，以及可防止化學性破壞。推出此產品引起市場很大的關注，預期聚乙烯喉可於未來數年取得相當的市場佔有率，作為金屬喉管之代替品。

儘管非典型肺炎的威脅已減退，公眾仍加強關注保養及維修樓宇排水系統以預防疾病。管理層對喉管業務之未來前景感到樂觀。泰記於喉管市場已建立為聲譽良好之供應商，其未來策略繼續集中於擴闊產品類別、發掘新的分銷權、擴闊顧客基礎及為建築項目及樓宇保養工程之承判商供應喉管。泰記於此艱難時刻中穩定增長，實在令人鼓舞。此乃全體同事之努力，令本部門有一個優越的表現。

Operations Review

New project contracts awarded during the year have included the supply of pipes to the Hospital Authority, Hang Lung Centre, Las Vegas Hotel at Macau, Science Park Building V, a building at Thomson Road, a residential development project at Kwu Tung, K2 commercial development at Mong Kok and a new school for moderately mentally handicapped children in Yuen Long.

During the 4th quarter of the year under review, there has been a strong demand in metal pipes leading to a sharp increase in metal pipe prices. Tai Kee has derived considerable returns by selling its metal pipe stock during that period. Recently, Tai Kee introduced a new type of piping product, known as "polyethylene pipe". Polyethylene is a kind of plastic material. Polyethylene pipe can be used for portable water as well as sewage. Its advantages include being lightweight, cheaper in price, having a long life and being resistant to chemical attack. The launch of this product has attracted much market attention. It is anticipated that polyethylene pipes will be able to capture certain market share in the coming years, as an alternative to metal pipes.

Though the threat of SARS has receded, there is still a growing public concern to maintain and repair buildings drainage systems to prevent diseases. The management is optimistic about the future prospects of the piping business. Tai Kee has been well established as one of the reputable suppliers in the piping market. Its future strategy remains to be focused on widening the product range, sourcing new distributorships, expanding client base and pursuing sales to contractors for construction projects and building maintenance works. It is encouraging to have seen Tai Kee grow steadily during this demanding time. It is certainly the integral effort of all colleagues which have made such a positive difference to this Division.



荃灣中染大廈商場之維修工程
Renovation Works for the Shopping Arcade of
The CDW Building in Tsuen Wan

業務回顧 Operations Review

Interior & Renovation Division



何文田衛理苑之維修、改建及加建工程
Renovation, Alteration and Addition Works
for Wylie Court in Homantin



荃灣中染大廈之維修、改建及加建工程
Renovation, Alteration and Addition Works
for The CDW Building in Tsuen Wan

業務回顧

裝飾及維修部

本集團之裝飾及維修部錄得總營業額為港幣一億九千四百三十萬元(對外營業額為港幣九千八百八十萬元)，較去年之港幣一億七千八百萬元，上升百分之九點二。與去年比較，本部門同時錄得百分之一百一十六點九的溢利上升，達到港幣四百四十萬元。

本部門為公營及私營機構提供廣泛之裝飾、保養及維修服務，包括辦公室裝修、外牆維修、翻新、室內裝修、改建及加建工程。

本年度之主要工程項目包括衛理苑、中染大廈、香港大學、香港理工大學及柯士甸道德信學校之改建、加建及維修工程，以及於窩打老道之青年會國際賓館的裝修工程。

於回顧年度，本部門獲授予之主要合約包括香港房屋委員會的一份保養工程合約，負責商場及停車場之保養及維修工程；香港大學之一份設計及施工合約，為位於西面之入口進行裝修工程；以及為位於跑馬地之雲地利台進行外牆維修工程。

於二零零四年三月三十一日，本部門手頭未完成之合約價值達到港幣七千七百一十萬元。於年結日後，本部門獲承判美孚新村外部維修之合約，價值港幣一千九百萬元，以及長江集團紅磡灣酒店發展項目之裝修合約，價值達到港幣一億七千二百八十萬元。

Operations Review

Interior and Renovation Division

The Interior and Renovation Division has recorded a total turnover of HK\$194.3 million (turnover to external parties was HK\$98.8 million), representing a 9.2% increase over last year's figure of HK\$178.0 million. This Division also recorded a 116.9% increase in profits to HK\$4.4 million, as compared with that of last year.

This Division offers a wide range of interior, maintenance and renovation services including office fitting-out, external wall renovation, refurbishment, interior fitting-out, alteration and addition works to both the public and private sectors.

Major project works undertaken during the year have included the alteration, addition and renovation works for the Wylie Court, the CDW Building, the University of Hong Kong, the Hong Kong Polytechnic University, and Tak Sun School at Austin Road, and the fitting-out works for YMCA International House at Waterloo Road.

For the year under review, major contracts awarded have included a term contract from the Hong Kong Housing Authority for maintenance and renovation works of shopping arcades and carparks, a design-and-build contract from the University of Hong Kong for improvement works of the West Gate Entrance, and external wall renovation works for Ventris Place in Happy Valley.

As at 31 March 2004, the outstanding values of contracts on hand amounted to HK\$77.1 million. Subsequent to the year end, this Division was awarded a HK\$19.0 million contract for external renovation of Mei Foo Sun Chuen, and a fitting out contract from Cheung Kong Group for hotel development at Hung Hom Bay amounting to HK\$172.8 million.

業務回顧

於本年度，本部門獲香港房屋委員會分別納入建築(保養工程) M2組(試用)及建築(商場改善工程) SCI組(試用)之認可承建商名冊內。這將為本部門獲取更多公營工程項目提供機會。

為維持競爭力，於地盤管理方面，本部門繼續以有效管理系統策劃、監管及控制整個工作過程，以確保所有工程均如期完成，並繼續提供具質素之服務以符合我們的客戶及顧問個別之需求及規定。

在工程安全及環境保護方面，我們於每一個地盤亦不斷努力監控工作安全及保護環境，因此於回顧年度錄得低工業意外率，而且並無違反環保條例。

根據房屋及規劃地政局於二零零四年一月所發出之政策備忘錄二零零四，香港有大約一萬五千幢私人樓宇樓齡超過三十年，而城市的不同部份均顯露了樓宇老化的跡象。報告亦指出由去年非典型肺炎爆發開始，市民對樓宇各方面的重要性開始加強關注，而政府打算提高私營房屋的樓宇管理及保養。此報告之正面訊息表示於未來數年，私營房屋保養及維修工程之需求將可能增加。

展望未來，基於全球及本地經濟逐漸復甦，以及政府對樓宇保養及樓宇安全方面的重視，管理層對維修行業的中長遠前景仍然有信心。

Operations Review

During the year, this Division was also admitted onto the approved contractors lists under Group M2 (Probationary) in the Building (Maintenance) Category and Group SCI (Probationary) in the Building (Shopping Centre Improvements) Category respectively by the Hong Kong Housing Authority. These will provide the Division with opportunities to tender for more project works for the public sector.

To maintain its competitiveness, this Division continues to manage its site work under an effective management system to plan, monitor and control the whole working process so as to ensure all projects are completed according to schedule and that quality services are continually provided to meet the unique needs and requirements of our clients and consultants.

On the work safety and environmental protection issues, continuing efforts have been taken in safety control and environmental protection on every site, resulting in records of a low accident rate and no infringement of environmental law during the year under review.

According to the Policy Agenda 2004 of Housing, Planning and Lands Bureau issued in January 2004, there are around 15,000 private buildings in Hong Kong which are over 30 years of age, and different parts of the city show signs of decay. This report also states that since the outbreak of SARS last year, there has been increased awareness of the importance of building care, and the Government intends to enhance building management and maintenance of private housing. The positive messages from this report signify that there may be increasing demand for maintenance and renovation work for private buildings in the coming years.

Looking ahead, given the gradual recovery of the global and local economy and the government's emphasis on building maintenance and building safety issues, the management continues to have faith in the medium to long-term prospects of the renovation industry.



健怡坊－健康產品零售連鎖店
Health Plus – Health Products Retailing Chain Store

業務回顧 Operations Review

Health Products Division



位於尖沙咀之「康而健會」
"Care & Health Club" at Tsim Sha Tsui



健康產品部之推廣活動
Promotion Activity of Health Products Division

業務回顧

健康產品部

本部門主要透過兩間附屬公司進行業務：康而健有限公司（「康而健」）及零售企業有限公司（「零售企業」）。

康而健乃本集團首家成立以從事健康產品業務之公司，並成功地取得多種健康產品之銷售權。除主要健康產品「學者靈芝系列」外，於本年度推出之新產品包括「漢方」、「克糖安」及「暢通靈」，並計劃於未來數年推出更多補充飲食的產品。

除了位於尖沙咀之「康而健會」外，於本年度在荃灣開設了另一間新的「康而健會」，以及於美孚新村開設了一間新的「康而健店」。公司定期於尖沙咀「康而健會」及其他場地為會員舉辦健康座談會，並獲得良好的反應。

經過一年多的努力推廣，由二零零二年十二月公司開展業務起，康而健建立了其產品系列，並累積了一定數量的會員。

於二零零三年六月，本集團收購了零售企業，彼乃一家經營健康產品批發業務之公司，此外又以「健怡坊」之商號經營健康產品零售連鎖店業務。於本年度，健怡坊為了重整其分店組合，分別關閉了數間業績較差的分店及增添八間新分店，另外兩間新分店亦於年結日後開幕。目前，健怡坊於香港不同地區共經營十七間健怡坊店。

Operations Review

Health Products Division

This Division is mainly operating under two subsidiaries: Care & Health Limited ("Care & Health") and Retailcorp Limited ("Retailcorp").

Care & Health is the first company established by the Group to pursue the health products business. It has successfully secured distributorship for various health products. Apart from its key health products "Lingzhi Master series", new products launched during the year included "Chinese Medicine Formula", "Dia-Care" & "Bowelcare". It also intends to introduce more dietary supplements in the coming years.

Besides the "Care & Health Club" at Tsimshatsui, another new "Care & Health Club" in Tsuen Wan and a new "Care & Health Shop" at Mei Foo Sun Chuen were opened during the year. Health seminars were organized periodically for its members at the Tsimshatsui "Care & Health Club" and other venues, and have been well received.

After more than one year's promotion efforts, Care & Health has developed its product range and accumulated a substantial membership since its commencement of business in December 2002.

In June 2003, the Group acquired Retailcorp, which operates a health products wholesale business and a health products retailing chain store business under the trade name of "Health Plus". During the year, Health Plus has restructured its shop portfolio by closing down several poorly-performing shops and adding eight new ones, with another two new shops opened subsequent to the year-end. Currently, Health Plus is operating a total of 17 Health Plus Shops in different locations in Hong Kong.

業務回顧

健怡坊旗下的主要產品包括 — 健康護理儀器，健康補充產品及美容護理產品。自收購以來，此項業務之營業額均錄得穩定的增長。

展望將來，零售市場將會逐漸被大型零售商所壟斷。為了在競爭激烈的營商環境下取得長遠的成功，健怡坊必須建立一個穩固的基礎，透過不同的策略，令旗下之產品有別於其他競爭者，以售賣獨家銷售的產品為主，加強其市場推廣力，從而建立其品牌及產品之形象，並開發新的產品以滿足客戶多元化的需求。上述策略之實行，需要各方面完善管理的配合，包括分銷網絡、產品組合及市場策略。

畢竟健康產品部應著重於公眾對健康方面不斷增加的關注，尤其在非典型肺炎肆虐後、本地消費者情緒改善，以及內地旅客流入的需求。管理層認為此等健康產品業務具有增長為一項穩定業務之潛力。

Operations Review

The main product lines of Health Plus have included — health care equipment, health supplements and beauty care products. This operation has recorded a steady growth in turnover since acquisition.

Looking forward, the retail-sales environment will increasingly be dominated by giant retailers. Given the highly-competitive trading environment, Health Plus should establish a sustained basis for long-term success by adopting strategies to differentiate its products from others, by filling its shelves with some exclusive offerings, striving to reinforce its marketing efforts to build up the image of its name and products, and sourcing new products to fulfil customers' increasingly complicated demands. This involves good management of distribution networks, product mixes and marketing strategies.

After all, the Health Product Division should capitalize on increasing public awareness of health issues particularly following the SARS crisis, improved local consumer sentiment, and inflowing demand from mainland tourists. The management considers that these health product operations have the potential to grow into a solid business.



本集團持有位於沙田工業中心之投資物業
The Group's Investment Properties at Shatin
Industrial Centre

業務回顧 Operations Review

Property Investment Division



本集團持有位於大圍之投資物業－永南大廈
The Group's Investment Property at Tai Wai – Winner Building

業務回顧

物業投資部

於本年度，本集團購入了位於大圍的一幢工業大廈、沙田工業中心五樓全層及六樓一部份，以及位於坪輦的一幅土地，作為出租及投資用途。

於二零零四年三月三十一日，位於大圍的工業大廈之租出率為百分之三十七點四。該大廈之維修工程正在進行中，而物業投資部正積極推廣該物業以增加其租出率。於年結日，所有於沙田工業中心之投資物業均百分之一百已租出。位於坪輦的土地之一部份於購入時已根據一份為期九個月之持續租賃協議而租出，而部份餘下區域亦已租出。

位於美環街之投資物業乃百分之一百已租出，而於大角咀必發道之物業的租出率為百分之七十五。

於本年度獲得之租金收入總額為港幣六百萬元(二零零三年：港幣五十萬元)。管理層有信心此等投資物業將為本集團帶來一項穩定的收入。

於年結日後，本公司與獨立第三者訂立了合約，以購買位於九龍塘之物業，代價總額約為港幣五千二百八十萬元。已繳付之訂金總額達到約港幣五百三十萬元。該等收購預期於二零零四年下旬完成，而該等物業將持作投資用途。

Operations Review

Property Investment Division

During the year, the Group acquired an industrial building in Tai Wai, the whole 5th floor and part of the 6th floor of Shatin Industrial Centre, and a piece of land at Ping Che, for rental and investment purposes.

As at 31 March 2004, the occupancy rate of the industrial building in Tai Wai was 37.4%. Renovating works are being carried out and the Property Investment Division is actively marketing the property to improve the occupancy rate. All of the investment properties at Shatin Industrial Centre were 100.0% leased as at the year-end date. A portion of the land at Ping Che was acquired with an ongoing tenancy agreement for nine months whereas the remaining area was partially leased out.

The investment property at Mei Wan Street was 100.0% leased, and the occupancy rate of the property at Bedford Road, Tai Kok Tsui was 75.0%.

The total rental income received during the year was HK\$6.0 million (2003: HK\$0.5 million). The management is confident that these investment properties will generate a steady income stream for the Group.

Subsequent to the year-end date, the Group has entered into contracts to purchase properties at Kowloon Tong from independent third parties at a total consideration of approximately HK\$52.8 million. Deposits amounting to approximately HK\$5.3 million have been paid. The acquisitions are expected to be completed in the second half of 2004 and the properties will be held for investment purposes.



本集團首項住宅發展項目－位於新界青山公路古洞段83號之「高爾夫景園」
The Group's First Residential Development Project - "Golf Parkview" at 83
Castle Peak Road - Kwu Tung, New Territories

業務回顧 Operations Review

Property Development Division



本集團持有位於新界元朗深灣路丈量約第129號之一幅地皮
Property owned by the Group at DD129, Deep Bay Road, Yuen Long, New Territories

業務回顧

物業發展部

於本年度，位於新界青山公路古洞段八十三號之住宅發展項目進展令人滿意，並計劃於二零零四年下旬完成。該等物業之住客將可享受前往上水火車站及落馬州管制站之方便交通。此項目包括六幢低密度住宅樓房，共有四十八個豪華居所。所有單位均設有露台，而且大部份更擁有獨特的高爾夫球場景觀。此項目乃本集團首項物業發展項目，並取名為「高爾夫景園」。在取得政府同意後，將會於二零零四年下旬推出發售。

隨著香港特別行政區政府之正面房屋政策、持續低按揭息率以及對質素更好的住宅樓宇及居住環境之要求令本地物業市場回復信心，以及本地經濟有復甦之跡象，管理層預期從此等項目中可獲得可觀的回報。

物業代理及管理部

本部門主要業務包括提供項目及物業管理、代收租金及租賃代理服務。

於本年度，管理項目包括位於荃灣之中染大廈維修工程，以及位於古洞之土地物業發展項目工程。

除了為中染大廈及於尖沙咀赫德道八號之樓宇提供代收租金、代理及租賃服務外，本部門亦為中染大廈提供物業管理服務。

憑著高質素之服務，物業代理及管理部正致力在高度競爭性環境下取得穩定的回報。

Operations Review

Property Development Division

The residential development located at 83 Castle Peak Road — Kwu Tung, New Territories proceeded satisfactorily during the year and is planned for completion in the second half of the year 2004. The residents of the properties will enjoy convenient access to Sheung Shui KCR station and Lok Ma Chau Control Point. It comprises 6 low-rise residential blocks with a total of 48 luxury flats. All units have balconies, of which most of them are featured with a distinctive golf course view. This is the Group's first property development project and has been named as "Golf Parkview". Subject to the Government's consent, sales will be launched in the second half of 2004.

With emerging signs of local economic recovery, restoration of confidence in the property market following the Hong Kong SAR Government's positive housing policies, continuing low interest rates and demand for better-quality residential housing and living environment, the management expects that a promising return will be derived from this project.

Property Agency and Management Division

The principal activities of this Division include the provision of project and property management, rental collection and leasing agency services.

Projects managed during the year have included the renovation works for the CDW Building in Tsuen Wan and the property development project for the land in Kwu Tung.

In addition to the provision of rental collection, agency and leasing services for the CDW Building and a building at 8 Hart Avenue in Tsimshatsui, it also offers a property management service for the CDW Building.

With their quality services, the property agency and management Division managed to generate stable returns in this highly competitive environment.