

主席報告書
Chairman's Statement



劉小鷹
Lau Siu Ying

主席兼首席執行官
Chairman and CEO

...揉合中西文化、兼收傳統及現代之管理哲學，
乃本集團之企業文化，
以達至「**注重長遠，天天進步**」之宗旨。
「**人為本，企業為家**」乃本公司之精神。...



主席報告書 Chairman's Statement

各位股東：

本人欣然匯報，本集團已走出了艱辛的二零零三／二零零四年，完全擺脫了非典型肺炎對本集團業績及表現所帶來之不利影響。本集團以不同型號產品全面覆蓋中國市場內各個分部，使本集團於九個月期間取得滿意成績。本集團於二零零四年下半年度之銷售量亦錄得歷史性新高，而九個月期間之股東應佔純利亦較去年同期上升107%至42,900,000港元。董事會建議宣派期間之末期股息每股3.75港仙，此舉符合本集團維持穩定派息政策之一貫做法。

中國手機市場競爭仍然熾烈，市場內有超過60個品牌及逾千款型號。儘管有部分國內生產商淡出市場，但隨著中國逐步放寬生產移動電話之限制，將有更多國內及外來生產商加入市場。儘管如此，諾基亞、摩托羅拉及三星三個外國品牌仍然主導市場，合共佔有50%以上之市場份額。因應市場發展，本集團將繼續吸納更多品牌，從而增加市場佔有率，與此同時，本集團將提升與市場內主要廠商之現有關係，以得到彼等更大支持。循著此方向，本集團剛就NEC若干主打中高階市場型號之手機簽訂全國分銷權合約。於二零零四年，NEC手機之銷售量及市場份額均大幅上升，並預期可成為即將來臨之3G年代之領導品牌。

本集團將繼續加強三、四線城市之覆蓋面，以及深化現有市場滲透率。資訊及控制為經營業務之重要環節。為管理網羅7,000個直接供貨之活躍客戶及涵蓋20,000多家國內零售商店之網絡，以及取得最新之市場資訊，本集團已自行開發一套即時網上分銷資源規劃系統，使其可密切監察每項銷售交易。憑藉完善及覆蓋全面之分銷網絡，本集團與生產商磋商及爭取新型號產品之全國分銷權時，始能處於更有利之位置。

Dear Shareholders,

I am pleased to report that the Group has fully recovered from its difficult time in 2003/2004 when the impact of SARS had an adverse effect to the Group's result and performance. With a full range of products covering basically all market segments of the PRC market, the Group recorded a satisfactory result for the nine months period. Sales volume reached the record high of the Group in the second half of 2004 while the net profit attributable to shareholders for the nine months period of HK\$42.9 million increased by 107% in comparison with that of the same period last year. The Board proposed that a final dividend of HK3.75 cents per share be declared for the period which is in line with the Group's practice to maintain a stable dividend policy to shareholders.

The handset market remains very competitive in the PRC with more than 60 brands and 1,000 models. Even though some domestic manufacturers faded out from the market, more new comers from domestic and overseas entered into the market when the restrictions on manufacturing mobile phones in the PRC are released. Nevertheless, three foreign brands, Nokia, Motorola and Samsung still dominate the market with aggregate market share of more than 50%. To cope with such situation, the Group will continue to expand our brand coverage to increase our market share, while, at the same time, to enhance our existing relationships with key players in the market to obtain better supports from them. With this direction, the Group just signed up the national distributorship agreement for certain handset models of NEC targeting for mid to high end market. NEC handset sales volume and market share have been significantly increased in China during 2004 and is expected to become a leading brand in the coming 3G era.

The Group will continue to enhance our coverage in third and fourth tier cities and to deepen the existing market penetration. Information and control are keys of business. To manage a network of 7,000 direct invoiced active customers and coverage of over 20,000 retail shops in China, and to obtain the most updated market information, the Group has already developed a real time web-based distribution resources planning system by our own to monitor closely every sales transaction. Only with a well-established distribution network with sufficient board and deep coverage, the Group could be in a better position to negotiate and to bargain with manufacturers on national distributions of new models.



主席報告書 Chairman's Statement

於二零零四年，本集團藉提供諾基亞2300、3100、3220及7610等最新型號手機，成功與多個省份之中國移動分公司締結夥伴關係，進行直接供應業務。本集團已直接交付超過200,000部手機予包括北京、上海、廣東、浙江、江蘇、遼寧、江西、山西及河南等地之中國移動分公司。

利用本集團分銷網絡之優勢，以及為了向客戶提供更多產品，本集團已開始以自身品牌「YAL」銷售移動電話配件。首批3,000件「YAL」藍芽耳機已裝運予客戶，反應令人滿意。

有見中國網上商業愈趨普及，本集團已設立手機電子商業入門網站(www.138yes.com)，用於中國之網上移動電話網上銷售，作為本集團擴展分銷渠道至直接最終買家之策略。

為降低業務風險及健康成長，本集團將繼續物色商機，擴闊業務範疇，並以多元化業務之方式改善邊際溢利。

本人謹藉此機會感謝本集團優秀卓越之團隊，於過去期間之辛勤工作及所作出之寶貴貢獻。彼等乃本集團之重要資產，本集團將動用一切資源，協助彼等發揮長處，穩步成長。本人亦對財務機構、股東及投資者對本集團之持久支持致謝。董事會及全體員工將竭盡所能，為來年締造更佳成績。



劉小鷹
主席兼首席執行官
二零零五年四月十五日
香港

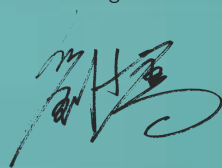
During 2004, the Group has successfully hooked up with various provincial China Mobile branches with the latest models like Nokia 2300, 3100, 3220 and 7610 for the direct supply business. We have shipped more than 200,000 handsets directly to China Mobile branches including Beijing, Shanghai, Guangdong, Zhejiang, Jiangsu, Liaoning, Jiangxi, Shanxi and Henan, etc.

To leverage the value of our distribution network and to provide more products for our customers, the Group started to sell mobile phone accessories under our own brand name "YAL". The first lot of 3,000 units "YAL" Bluetooth headsets has already shipped to our customers with satisfactory feedback.

As online commerce is getting popular in China and it is the Group's strategy to extend the distribution channel to cover direct end users, the Group has launched handset e-commerce portal (www.138yes.com) for selling mobile phones online in the PRC.

To reduce the business risk and for a healthy growth, the Group will continue to look for business opportunities to expand our business scope and to improve our profit margin with diversification.

I take this opportunity to thank our team of talented people for their hard work and valuable contributions over the period. They are the assets of the Group and the Group will certainly provide all resources to enable them to maximize their strengths and growth. I should also thank our financial institutions, shareholders and investors for their continuous supports. The Board of Directors, together with all the staffs, will continue to do their best to deliver good results in the future.



Lau Siu Ying
Chairman and Chief Executive Officer
15 April 2005
Hong Kong

