



行政總裁商建光先生  
Mr. Shang Jianguang, Chief Executive Office

## REVIEW OF RESULTS

For the year ended 31 December 2004, the Group's turnover amounted to HK\$523,802,000, representing an increase of HK\$235,924,000 as compared with last year. Operating profits amounted to HK\$37,732,000, representing an increase of HK\$76,488,000, and earnings per share was HK0.74 cent.

## 業績回顧

截至二零零四年十二月三十一日止年度，本集團營業額為523,802,000港元，比去年增加235,924,000港元，經營溢利為37,732,000港元，較去年增加76,488,000港元，每股盈利為0.74港仙。



### BUSINESS REVIEW

#### (1) Property Development Business

During the year under review, Beijing Jing Guan Property Development Co. Ltd. ("Beijing Jing Guan"), a wholly-owned subsidiary of the Group, mainly focused on the property development project in East Part of E Area, Taiyanggong New District, Taiyanggong North Street, Beijing, the PRC ("Sunpalace Mercury Garden"). The total gross floor area of the project is approximately 180,000 square meters, and comprises seven residential buildings and one three-storey commercial facilities. During the year under review, Beijing Jing Guan actively eliminated the unfavourable effects brought by the macro control policies to the property business adopted by the Government while fully capitalised on its edges and aggressively commenced the sales of block nos. 1, 2, 3 and 5 in the year, and recorded promising sales performance. The floor area sold represented 85.3% of the saleable area, and generated a revenue of HK\$217,920,000 to the Group for the year, and become a major source of profit to the Group. The remaining block nos. 6, 7 and 9 have been granted pre-sale permits at the beginning of 2005, and will be put on sale in mid 2005, while commercial facilities in block no. 4 will also commence sales or be put on lease in mid 2005. It is anticipated that the project will continue to bring in substantial revenue to the Group.

### 業務回顧

#### (1) 房地產開發業務

本集團之全資附屬公司北京京冠房地產開發有限公司(「北京京冠」),在回顧年內以中國北京市太陽宮北街太陽宮新區E區東部之房產開發項目(「太陽星城水星園」)建設為中心,項目建築總規模約180,000平方米,共建七座住宅樓及一座三層商業設施。在回顧年內,北京京冠在積極消除國家宏觀調控對房地產業務所引致之不良影響的同時,充分發揮自身有利條件,積極作好1、2、3及5號樓年內開盤銷售的各項工作,取得理想的銷售成績,銷售面積達到可售面積的85.3%,於本年度為本集團帶來217,920,000港元之收益,成為集團利潤的一個主要來源。餘下的6、7及9號樓已於二零零五年初取得預售許可證,並將於二零零五年中開盤銷售,4號樓商業設施也將於二零零五年中開始出售或招租。該項目預計將繼續為本集團帶來可觀的收益。



### (2) Watches and Timepieces Business

During the year under review, EBOHR Luxuries International Company Limited (“EBOHR Luxuries”, formerly known as EB Watch and Clock (Shenzhen) Co., Ltd.), a wholly-owned subsidiary of the Group, focused on diversifying products ranges, exploring franchise terminals, revamping the images of franchised and strengthening the training of its sales staff. “Nano” products were the first product introduced by EBOHR Luxuries along its alternative line which has been awarded “New Reward of Chinese Enterprise” by the “China Enterprise Confederation”. “EBOHR” brand name has also been ranked the 476th among the Top 500 “Most Valuable Brand” of the PRC, by the “World Brand Lab”. In addition, EBOHR Luxuries actively expanded its group purchase and franchise businesses and added a total of 240 franchise terminals during the year under review, as well as implemented motivating policies that are more closely linked to its franchise and group purchase businesses. Outstanding results were recorded, which mitigated the impact of the fierce price war amongst its competitors on EBOHR Luxuries, and considerably enhanced its operating business. EBOHR Luxuries recorded an operating profit of HK\$9,962,000 during the year under review.

### (2) 鐘錶業務

本集團之全資附屬公司依波精品(深圳)有限公司(「依波精品」,前稱光大依波鐘錶(深圳)有限公司),在回顧年內以打造差異化產品、開拓加盟終端、改善終端形象及強化專銷員的培訓為工作重點,而「納米」產品更是依波精品率先推出的差異化產品,並榮獲中國企業聯合會授予「中國企業新記錄」殊榮。依波品牌更名列「世界品牌實驗室」評出的「最具價值品牌中國500強」的第476位。此外,依波精品大力拓展團購業務和加盟業務,於回顧年共開拓加盟終端240個,並實施了與加盟和團購業務更緊密掛鉤的激勵政策,取得了明顯的效果,有效地降低了同行之間的惡性價格戰對依波精品的衝擊,使經營業務得到了一定的提升,並於回顧年錄得盈利9,962,000港元。



### (3) Timber Business

During the year under review, Seti Timber Industry (Shenzhen) Company Limited (“Seti Timber”, formerly known as Everbright Timber Industry (Shenzhen) Company Limited), a wholly-owned subsidiary of the Group, mainly focused on container floor boards, middle intensity fibre boards and technological woods as its key products. Affected by the macro control policies of the Government, the soaring prices of timber materials, the fluctuation in the price of major chemical materials alongside with the International crude oil prices and increasing intense competition from other factories in the market, production costs continued to be on the rise and Seti Timber recorded an operating loss of HK\$27,137,000 for the year. Seti Timber adopted a series of aggressive measures, including restructuring its management composition, adjusting its product portfolio, expanding the output and sales volume of products with high gross profits, and significantly strengthening its on-site production management and lowering product wastage. However, unfavourable factors such as the surging raw materials prices and the high fixed costs of the company had not been eliminated within a short period of time, and Seti Timber had not been able to generate profit for the year.



### (3) 木材業務

本集團之全資附屬公司森帝木業(深圳)有限公司(「森帝木業」,前稱光大木材工業(深圳)有限公司),在回顧年內主要以集裝箱地板、中密度纖維板和科技木為主打產品。森帝木業由於受國家宏觀調控、原木材料價格持續上漲、主要化工原料伴隨國際原油價格波動及市場同業廠家競爭日益激烈的影響下,產品成本相應上升,於本年度錄得經營虧損為27,137,000港元。森帝木業在本年度已採取重整經營管理班子,調整產品結構,增大高毛利產品的產銷量,大力加強生產現場管理,降低產品消耗等一系列積極措施,惟原材料價格上漲及公司固定成本較高的不利因素未能在短期內消除,森帝木業在本年度尚未取得贏利。

#### (4) Property Investment

In light of the improving market condition in Hong Kong, the Group disposed of its property situated at 39/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong to an independent third party for a cash consideration of HK\$92,888,600 in November 2004. The purchaser has fully settled the consideration in accordance with the contract by installments prior to 31 January 2005. Proceeds from the disposal will be used as the Group's general operating capital. In addition, a factory complex in Dongguan, Guangdong Province, the PRC; a property in 2nd Lower Ground Floor, Jin Hua Building, Yan He South Road, Luohu District, Shenzhen; and an office floor and three shop outlets located at Xianghua Lu, Zhuhai owned by the Group have all been held for rent, and generated a rental income of HK\$5,212,000 for the Group during the year under review.

### FINANCIAL POSITION

#### (1) Liquidity, Financial Resources and Capital Structure

As at 31 December 2004, the Group had non-pledged cash and bank balances of approximately HK\$186,826,000 (31 December 2003: HK\$320,342,000). Based on the bank and other loans of HK\$339,228,000 (31 December 2003: HK\$443,405,000) and shareholders' equity of HK\$498,893,000 (31 December 2003: HK\$487,400,000), the Group's gearing ratio (being loans divided by shareholders' equity) was 68% (31 December 2003: 91%).

The Group's bank loans were all denominated in Renminbi. As at 31 December 2004, the Group's bank loans amounting to HK\$28,269,000 (8.3% of the bank loans) are repayable within one year.

#### (4) 物業投資

鑒於香港地產市況好轉，本集團於二零零四年十一月出售其擁有位於香港夏愨道十六號遠東金融中心三十九樓之物業予一獨立第三者，現金代價金額為92,888,600港元。買方已於二零零五年一月三十一日前按合約分期付清所有代價，出售所得款項將用於本集團之一般營運資金。此外，本集團擁有位於中國廣東省東莞市的工廠綜合大樓、深圳市羅湖區沿河南路錦花大廈底層中層及位於珠海市香華路一層辦公樓及三個舖位之物業均用作出租用途，於回顧年共為本集團帶來5,212,000港元之租金收入。

### 財務狀況

#### (1) 流動資金、財務資源及資本結構

於二零零四年十二月三十一日，本集團無抵押現金及銀行結存約為186,826,000港元（二零零三年十二月三十一日：320,342,000港元）。根據銀行與其他借貸339,228,000港元（二零零三年十二月三十一日：443,405,000港元）及股東權益498,893,000港元（二零零三年十二月三十一日：487,400,000港元）計算，本集團之資本負債率（借貸除以股東權益）為68%（二零零三年十二月三十一日：91%）。

本集團的銀行借貸均以人民幣計算。於二零零四年十二月三十一日，本集團8.3%（共28,269,000港元）之銀行借貸須於一年內償還。

### (2) Charge on Assets

- (1) A bank loan of HK\$310,959,000 granted to Beijing Jing Guan is secured by the land use rights of the East Part of E Area, Taiyanggong New District, Chao Yang Qu, Beijing, the PRC held by Beijing Jing Guan.
- (2) Bank loans of HK\$28,269,000 and other banking facilities of Seti Timber are secured by a time deposit of approximately HK\$4,845,000 and a piece of land in Nanshan District, Shenzhen owned by the Group situated in PRC with net book value amounting to approximately HK\$129,460,000 as at 31 December 2004.

### (3) Capital Commitments

As at 31 December 2004, the Group had capital commitments of approximately HK\$378,931,000 mainly related to construction costs payable in respect of the group's property development project in Beijing and the proposed acquisition of 21% equity interests in Beijing Haidian Science Park Development Co., Ltd.. The capital commitments will be satisfied by funds generated from the sales of properties and the Group's available cash.

### (4) Contingent Liabilities

During the year, the Group provided guarantees in favour of certain banks for mortgage loans granted by the banks to the buyers of the Group's properties under development to the extent of approximately HK\$289 million in aggregate. As at the balance sheet date, mortgages loans in aggregate of approximately HK\$78 million were utilised by the buyers of the Group's properties under development.

The Company had no material contingent liabilities as at the balance sheet date.

### (2) 資產抵押

- (1) 北京京冠向銀行貸款310,959,000港元，該貸款以北京京冠位於北京朝陽區太陽宮新區E區東部之土地使用權作抵押。
- (2) 森帝木業之28,269,000港元銀行貸款及其他銀行信貸以定期存款約4,845,000港元及本集團所擁有位於深圳市南山區於二零零四年十二月三十一日賬面淨值約129,460,000港元之土地作抵押。

### (3) 資本承擔

於二零零四年十二月三十一日，本集團之資本承擔約為378,931,000港元，主要涉及就本集團於中國北京市之物業發展項目所應付建築成本以及建議收購北京海澱科技園建設股份有限公司21%股本權益應付之代價。該資本承擔將由出售物業所得之資金與本集團可動用之現金支付。

### (4) 或然負債

年內，本集團就其發展中物業之多名買方獲若干銀行授予之按揭貸款合共約289,000,000港元，向該等銀行提供擔保。截至結算日，本集團發展中物業之該等買方已動用合共約78,000,000港元之按揭貸款。

截至結算日，本公司並無重大或然負債。

### MAJOR TRANSACTION

In order to further explore the property business in the PRC market with high growth potentials and prospects, the Group entered into agreements with 北京海澱區商業設施建設經營公司(Commercial Facility Construction and Managing Company of Haidian District of Beijing) (“Commercial Facility”) and 北京海開房地產集團公司(Beijing Haikai Real Estate Group Company) (“Beijing Haikai”) on 29 November 2004 (and the supplemental agreements subsequently entered into on 1 December 2004 and 28 February 2005 respectively), to acquire from Commercial Facility and Beijing Haikai an aggregate of 21% shareholdings interest in 北京海澱科技園建設股份有限公司(Beijing Haidian Science Park Development Co., Ltd.) (“Haidian Science Park Development”) held by them for a total consideration of HK\$126,000,000. Haidian Science Park Development is principally engaged in the development and sale of land in Haidian District of Beijing, and participates in the major property development/redevelopment programmes of the Beijing Municipal Government. In view of the continuous general economic growth in the PRC and its accession to the World Trade Organisation, as well as the upcoming 2008 Olympic Games, all of which will boost the development of the property market in Beijing, coupled with the scale of the projects under development of Haidian Science Park Development and its subsidiaries, the Board believes that the acquisition will strengthen the Group’s earnings base.

### OUTLOOK

The management of the Group believes that the economy of the PRC will continue to grow rapidly and the income level of its people will also continue to rise in high speed. As the living standard of its people continues to improve, it is anticipated that the rapid growth of the PRC property market will persist for several years in the future. As the capital of the PRC, Beijing is the economic and cultural hub, and in particular driven by the PRC becoming a member of the World Trade Organisation and the holding of 2008 Olympic Games, the growth potential of property

### 主要交易

為了進一步拓展本集團於具備增長潛力及前景之中國房地產業務，本集團於二零零四年十一月二十九日與北京海澱區商業設施建設經營公司（「商業設施」）和北京海開房地產集團公司（「海開」）簽訂協議（及隨後分別於二零零四年十二月一日及二零零五年二月二十八日簽訂補充協議），以總代價126,000,000港元，向商業設施和海開收購其持有北京海澱科技園建設股份有限公司（「海科建」）合共21%權益。海科建主要從事北京海澱區土地發展及銷售業務，並參與北京市人民政府之主要物業發展／重建計劃。基於中國整體經濟持續增長、中國加入世界貿易組織及即將舉行之二零零八年奧林匹克運動會將會帶動北京房地產業發展，以及海科建及其附屬公司在建項目之規模，董事會相信，該收購將加強本集團之盈利基礎。

### 展望

本集團管理層相信，國內經濟將持續高速發展，居民收入水平快速提高，隨著居民對居住條件要求的不斷提升，預計未來若干年國內房地產市場仍將保持高速發展。北京作為中國首都，為經濟及文化樞紐，尤其在中國成為世界貿易組織成員國及即將舉辦之二零零八年奧林匹克運動會的帶動下，北京房地產的發展潛力將更為巨大。為此，大力發展本集團於北京之房地產業務會是本集團未來幾年之發展重點。除了致力發展及推銷太陽星城水星園項目外，本集團將儘快促成海科建的收購項目，為本集

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

market of Beijing will be even more significant. As such, devoting more efforts to develop the Group's property business in Beijing will be our main focus of development in the coming years. In addition to our commitment to develop and promote the Sunpalace Mercury Garden project, the Group will procure the completion of the acquisition of Haidian Science Park Development as soon as possible, so as to increase the Group's land reserve for long term development and will strive for our aim of achieving sustained development of our property projects in Beijing by integrating the edges of both parties. At the same time, the Group will adhere to its principles and cautiously and decisively capture opportunities and select quality projects for investments subject to satisfactory project analyses and risks controls, so as to generate new sources of revenue for the Group.

For the watches and timepieces business, EBOHR Luxuries will continue to focus its resources on its four strengths, namely "brand name", "design", "quality" and "information", and speed up the shift of focus from its brand name to consumer recognition of its brand, translating value of its brand name to boost sales volume and product value. In addition, EBOHR Luxuries will strengthen its internal management, improve costs and inventory control systems and enhance training so as to optimise its staff quality in order to strengthen its competitive edges. The Group believes that its watches and timepieces business will continue to develop stably with the implementation of the above strategies.

For the timber business, Seti Timber will strive to continue the modification of its product structure and develop new products in line with its selling approach towards its strategic objective. Alongside the recovery of the global economy and the development of the general PRC economy, in particular the fast growing export trading and container business will sustain rapid growth, and hence creating room for development for container floorings business. Currently, Seti Timber has established collaborative relationship with a major container

團長期發展增加土地儲備，並通過對雙方的優勢資源進行整合，達到北京房地產項目可持續發展之目的。同時，本集團將遵循謹慎原則，在做好項目分析和風險控制的前提下，果斷抓住機遇，選擇優秀的項目進行投資，為本集團帶來新的利潤來源。

對於鐘錶業務，依波精品將繼續集中資源打造「品牌」、「設計」、「品質」和「信息」四個方面相對優勢，加速將品牌投入的重點向品牌消費認知度轉移，品牌價值向提高銷量和產品增值方面轉化。此外，依波精品還將強化內部管理，完善成本及存貨管理機制，加強培訓以優化員工素質，從而增強其競爭優勢。本集團相信鐘錶業務在以上策略的實施下將持續平穩發展。

對於木材業務，森帝木業將繼續以大力調整產品結構，開發適銷對路的新產品為策略目標。隨著全球經濟的復蘇和中國經濟的全面發展，尤其是出口貿易的快速增長，集裝箱業務將持續迅速發展，這也給集裝箱地板帶來了發展空間。目前，森帝木業已與國內大型集裝箱製造業企業建立了合作關係，這是一個非常理想的發展契機。此外，科技木和複合地板等高附加值的新產品開發也初見成效，準備根據市場需求逐漸加大產銷量。雖然森帝木業同時也面對原材料價格居高不下、同業競爭激烈、公司固



manufacturer in the PRC, which presents an excellent development opportunity for the Group. Besides, the development of high added-value new products such as technological wood and complex wooden floorings has seen its initial results, and is well-positioned to increase output and sales volume in pace with market demand. Although Seti Timber has to face stringent challenges such as sustained high prices of raw materials, intense peer competition and high fixed costs, the management remains confident about the prospects of Seti Timber.

The new Board and management will implement flexible and decisive operating strategies, while so far as ongoing development is concerned, the Group will also consider various investment opportunities that are beneficial to the Group in achieving greater investment returns.

### EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2004, the Group has approximately 2,330 full-time staff in Hong Kong and the PRC. The remuneration packages offered to the employees are determined and reviewed on an arm's length basis with reference to the market condition and individual performance. The Group also provides other benefits to its employees, including year end double pay, medical insurance and retirement benefits, and incentive bonus are offered with reference to the Group's operating results and employees' individual performance. All employees of the Group in Hong Kong have joined the Mandatory Provident Fund Scheme.

定成本偏高的嚴峻考驗，惟管理層對森帝木業的發展前景仍然抱有信心。

新的董事會和管理層將施行靈活及果斷的經營策略，為了持續發展，本集團還將考慮各項對本集團有利的投資機會，期望獲得更大的投資回報。

### 僱員及薪酬政策

本集團於二零零四年十二月三十一日擁有香港及中國內地全職員工約2,330名。僱員之薪酬乃本著公平原則，參考市場情況及根據個別表現制定及檢討。本集團並為員工提供其他福利，包括：年終雙糧、醫療保險及退休福利，並視集團的經營業績及員工個人的工作表現給僱員發放獎金花紅。本集團在香港之全體僱員亦均已加入強積金計劃。

### APPRECIATION

The Directors would like to take this opportunity to express our gratitude to all shareholders, customers, bankers, professional consultants, the management as a whole and all staff for their dedication and contribution to the Group during the year under review.

#### **Shang Jianguang**

*Chief Executive Officer*

Hong Kong, 22 April 2005

### 致意

董事謹此向本集團之各位股東、客戶、往來銀行、項目顧問以及全體管理層及每一位員工在回顧年內對本集團所作出的努力及貢獻致以衷心感謝。

#### **商建光**

*行政總裁*

香港·二零零五年四月二十二日