



**CONTINENTAL**  
HOLDINGS LIMITED





陳聖澤博士，太平紳士

集團主席

Chan Sing Chuk, Charles, Ph.D, JP

Group Chairman

本人欣然提呈恒和珠寶集團有限公司(「本公司」)及其附屬公司(「本集團」)截至二零零五年六月三十日止財政年度之年報。

### 業務回顧

於年內，本集團之營業額為1,243,000,000港元(二零零四年：1,249,000,000港元)。股東應佔溢利為49,800,000港元(二零零四年：15,200,000港元)，增加228%而每股盈利為17.8港仙(二零零四年：5.4港仙)。

去年鑽石價格有所上升，加上美國利率逐步攀升，對邊際毛利構成壓力。為求維持競爭優勢，本公司投放更多推廣資源於開發擁有專利設計且獨有之產品線。銷售隊伍繼續開發新市場，藉此擴闊本公司之客戶基礎。此外，本公司新設的製造及鑽石切割打磨設施已融合於江門

I am pleased to present the annual report of Continental Holdings Limited ("the Company") and its subsidiaries ("the Group") for the financial year ended 30 June 2005.

### BUSINESS REVIEW

During the year, the Group has achieved a turnover of HK\$1.243 billion (2004: HK\$1.249 billion). Profit attributable to shareholders was HK\$49.8 million (2004: HK\$15.2 million) representing an increase of 228% and earnings per share was HK17.8 cents (2004: HK5.4 cents).

The increase in diamond price accompanied by the escalating interest rate in the United States last year has put pressure on the profit margins. In order to maintain a competitive edge, more marketing resources were deployed in developing exclusive product lines with patented designs. Sales team is continuously tapping into new markets to broaden our customer base. Furthermore, our new manufacturing and diamond cutting polishing facility is consolidated into one



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## Chairman's Statement ■ 主席報告



廠房內，以達致更高效率。本公司將不斷致力維持業務上的穩定增長。

本集團之核心業務仍為鑽石及珠寶製造。近年來，本集團亦加強本身資產增長以多元化其收入基礎。源自本集團物業組合之租金收入已產生穩定的收入來源。管理層將繼續物色機會為股東帶來更高的回報。

plant in Jiangmen to achieve greater efficiency. The company will continue to assert efforts in maintaining a steady business growth.

The core business of the Group remains in diamond and jewellery manufacturing. In recent years, the Group has also diversified its revenue base by strengthening our asset growth. The rental revenues generated from the Group's property portfolio have generated a steady income source. The management will continue to seek opportunities to generate higher return to the shareholders.



Grand opening of Continental Diamond Langham Place boutique on 7 December 2004. Ribbon cutton ceremony by Ms. Vicki Chan (General Manager of Continental Diamond), Gaile Lai (Famous Hong Kong Model and Actress), Mrs. Shirley Chan (Executive Director of Continental Holdings Ltd.,)

恒和鑽石朗豪坊分店之開幕典禮於二零零四年十二月七日舉行。由恒和鑽石總經理陳慧琪小姐、香港名模特兒及演員樂基兒小姐及恒和珠寶集團董事陳鄭小燕女士主持剪綵儀式。



Presentation of Snow Magic Collection by Gaile Lai at the grand opening of Continental Diamond Langham Place Boutique.

恒和鑽石朗豪坊分店開幕典禮中，由樂基兒小姐展示 Snow Magic 首飾系列。



Continental Diamond Boutique in Langham Place, Mong Kok, opened in December 2004

恒和鑽石朗豪坊分店於二零零四年十二月開幕。



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## 業務展望

儘管環球競爭劇烈，但隨著世界的經濟環境持續穩步成長，本集團深信我們的業務仍可維持穩定之增長。

## 流動資金、財務資源及負債

於二零零五年六月三十日，按本集團之銀行借貸對比股東資金計算，本集團之資產負債比率維持於0.46 (二零零四年：0.15)之適中水平。現金及銀行結餘總額為32,339,000港元 (二零零四年：74,911,000港元)，銀行貸款及透支為305,919,000港元 (二零零四年：93,008,000港元)，此變動乃因收購一項投資物業所致。該等銀行貸款及透支以投資物業、若干租賃土地建築物及機械設備之第一法定押記、投資物業租金收入之轉讓及本公司提供之公司擔保，以及一名董事所作出之個人擔保作抵押。

## 資產抵押

於二零零五年六月三十日，本集團之投資物業、若干租賃土地及建築物，經已按予銀行作為一般銀行信貸融資之抵押。

## 資本結構

本集團所有借貸均以港元結算，利息按香港銀行同業拆息或最優惠利率釐定。

## BUSINESS OUTLOOK

With the economy growing at a steady pace, and despite the high competition worldwide, our Group is confident that our business will maintain a steady growth.

## LIQUIDITY, FINANCIAL RESOURCES AND GEARING

As of 30 June 2005, the Group had a moderate gearing ratio of 0.46 (2004: 0.15), calculated on the basis of the Group's bank borrowings over shareholders' funds. Total cash and bank balances was HK\$32,339,000 (2004: HK\$74,911,000) while bank loans and overdrafts was HK\$305,919,000 (2004: HK\$93,008,000). The movement represents the acquisition of an investment property. These bank loans and overdrafts are secured by first legal charges over the Group's investment properties, certain leasehold land and buildings, and certain of the plant and machinery, assignment of rental income of investment properties and corporate guarantees executed by the Company together with a personal guarantee executed by a director.

## PLEDGE OF ASSETS

As of 30 June 2005, the Group's investment properties, certain leasehold land and buildings were pledged to bank to secure the general banking facilities.

## CAPITAL STRUCTURE

All the Group's borrowings are denominated in local Hong Kong dollars. Interest is determined on the basis of Hong Kong inter-bank offering rates or Prime Rate.





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本集團於截至二零零五年六月三十日止年度之資本結構並無任何變動。考慮到本公司目前之財務狀況，及並無出現不可預見之情況下，管理層預期無需改變資本結構。

### 僱員人數、酬金政策及購股權計劃

本集團合共聘用約2,300名僱員，當中大部分聘於中國。本集團主要按業內慣例釐定僱員之薪酬。本公司並無採納任何購股權計劃。

### 匯率波動風險及相關對沖

除英國附屬公司外，本集團所有交易及借貸均主要以美元及／或港元為單位。在聯繫匯率下，匯率波動風險甚微。本集團在年內並無運用金融工具進行對沖。於二零零五年六月三十日，並無未結算之對沖工具。

### 致謝

本人謹代表董事會向本集團之管理人員及員工於年內竭誠服務及勤奮工作、客戶對吾等產品之信心及支持，以及股東之信賴及支持致以衷心謝意。

承董事會命  
主席  
陳聖澤

香港，二零零五年十月十九日

There was no change to the Group's capital structure during the year ended 30 June 2005. In the light of the current financial position of the Company and provided there is no unforeseeable circumstance, the management does not anticipate the need to change the capital structure.

### NUMBER OF EMPLOYEES, REMUNERATION POLICIES AND SHARE OPTION SCHEMES

The Group employs a total of approximately 2,300 employees with the majority in the PRC. The Group remunerates its employees largely based on the industrial practice. There is no share option scheme being adopted by the Company.

### EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

With the exception of the UK subsidiary, all transactions and the borrowings of the Group are primarily denominated in US Dollars and/ or Hong Kong Dollars. The risk of foreign exchange fluctuations is minimal under the peg. During the year, the Group did not use any financial instrument for hedging purposes. As of 30 June 2005, there was no hedging instrument outstanding.

### ACKNOWLEDGEMENT

On behalf of the Board, I would like to express my sincere gratitude to the Group's management and staff member for their dedication and hard work, our customers for their confidence and support for our products, and our shareholders for their trust and support.

On behalf of the Board  
**Chan Sing Chuk, Charles**  
Chairman

Hong Kong, 19 October 2005