

## CHAIRMAN'S REPORT



The results of 2005 were shaped by economic recovery, sharply rising rentals and increased personnel costs. Turnover of jewellery retail outpaced that of the previous year, but wholesale of precious metals and the stock broking business both recorded lesser results. The Group as a whole recorded a drop in profit of 7%.

The jewellery retail network continues to grow in Mainland China. Profit contribution from this market, as well as its percentage share within the Group, are both expected to rise.

The wholesale of precious metals remains a steady business, but the stock and futures brokerages are set for more buffeting by competition from banks.

A lot of work had been done throughout the year with regard to compliance and corporate governance, as new and more stringent rules and regulations came into effect. Workings of the board had been strengthened. We are confident that both the board and the management have attained the new standards of accountability and transparency.

The threat of avian flu, volatile energy cost and cross-strait tensions remain dark clouds over the horizon. To weather any storm that may arise, we must remain alert and agile.

On behalf of the Board of Directors, I would like to thank our staff in all of Greater China for their hard work, and to express our appreciation to the support from our shareholders.

A handwritten signature in black ink, appearing to read 'Chow Kwen Lim', written in a cursive style.

**Chow Kwen Lim**  
Chairman

Hong Kong  
29 March 2006

## 主席報告

本集團2005年業績，在經濟復蘇、租金飆升及人事費用上升各因素影響下，珠寶零售營業額較去年優勝，貴金屬批發及證券經紀業務則下跌。集團整體溢利下跌7%。

內地珠寶零售網絡繼續擴展，預料內地業務的溢利貢獻，以至對本集團業務的佔比，均會上升。

貴金屬批發業務保持穩定，但證券及期貨經紀業務繼續受到銀行競爭的沖擊。

隨著法規與企業管治方面的條例與規定相繼生效且愈加嚴謹，董事會於年內落實了多項工作以加強管治監察。集團深信，在問責性和透明度方面，董事會及管理層均符合最新的標準。

禽流感威脅、燃油價格波動及海峽兩岸局勢，有如層層烏雲隨時形成風暴；集團當提高警覺，靈活應付。

本人謹代表董事會對大中華各地員工的努力致以衷心謝意，並感謝股東的支持。



主席  
周君廉

香港  
2006年3月29日