

# Management Discussion & Analysis

## 管 理 層 討 論 及 分 析

### GENERAL OVERVIEW

The Board of Directors of the Company (the “Board”) would like to report a consolidated net profit after taxation attributable to shareholders of the Company of approximately HK\$203.66 million (2004: HK\$363.33 million (restated)) and a basic earnings per share of 17.98 HK cents (2004: 32.64 HK cents (restated)) for the year ended 31st December, 2005. The fall in results for the year was mainly attributable to a drop in sales revenue of the property development segment of the Group in Shanghai as fewer properties were marketed. In addition, a loss arising from changes in fair value of embedded conversion option of the convertible bonds issued by the Company in 2004 was charged to the consolidated income statement of the Group for the year under review due to an adoption of new Hong Kong Accounting Standards effective from 1st January, 2005.

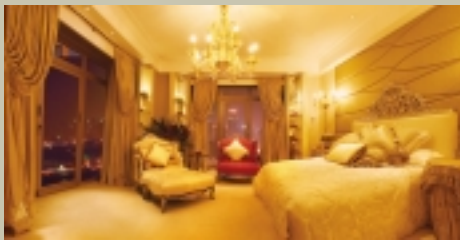
On the other hand, in March 2005, the Group has completed an acquisition of a minority interest in a subsidiary which indirectly holds Tomson Riviera, the landmark property development project of the Group in Pudong along Huangpu River. As the fair value of the Company’s share of the net assets of the said subsidiary at the date of acquisition was more than the consideration paid, in accordance with a newly adopted Hong Kong Financial Reporting Standard effective in 2005, a discount on acquisition of approximately HK\$124.78 million was recognized in and credited to the consolidated income statement of the Group for the year under review.

### 概覽

本公司董事局（「董事局」）謹此報告，截至二零零五年十二月三十一日止年度，本公司股東應佔除稅後綜合溢利淨額約為203,660,000港元（二零零四年：363,330,000港元（重列））及每股基本盈利17.98港仙（二零零四年：32.64港仙（重列））。年度業績下滑主要由於本集團位於上海之物業發展業務推出較少樓盤，故銷售收入減少所致。此外，由於從二零零五年一月一日起採用新訂《香港會計準則》，本公司於二零零四年發行的可換股債券的內含換股權的公平值變動時產生的虧損在本集團回顧年度的綜合利潤表中扣除。

另一方面，本集團已於二零零五年三月完成收購一家附屬公司的少數股東權益，而該公司間接持有位於浦東黃浦江畔的本集團地標物業發展項目－湯臣一品。本公司於收購日應佔該附屬公司的淨資產的公平值高於已付的代價，因此，根據新採用於二零零五年生效的《香港財務報告準則》，一項收購折讓約124,780,000港元已於本集團於回顧年度內的綜合利潤表確認，並計入其中。





## DIVIDEND

For the year ended 31st December, 2005, the Board recommends a payment of a final dividend of HK\$0.05 per share (2004: HK\$0.10 per share). The final dividend would be payable to the shareholders whose names appear on the register of members of the Company on Friday, 26th May, 2006 and dividend warrants are expected to be despatched on Monday, 5th June, 2006.

## OPERATIONS REVIEW

The Group's operations and assets are now principally situated in the mainland China. Having confidence in the development of the mainland China, the Group goes on keeping its business focus in Shanghai, especially Pudong.

During the year under review, property development and trading remained the major revenue generator for the Group and made a contribution of HK\$90.46 million to its operating results while a steady recurrent income generated from property investment delivered an operating profit of approximately HK\$39.22 million to the Group. In addition, leisure activities showed an impressive performance in 2005, with a contribution to the Group's operating results increased by 1.41 times to approximately HK\$26.13 million and the Group also shared a profit of approximately HK\$21.84 million from the hotel operations for 2005.

## 股息

董事局建議派付截至二零零五年十二月三十一日止年度之末期股息每股0.05港元(二零零四年：每股0.10港元)。末期股息將派發予於二零零六年五月二十六日(星期五)名列本公司股東名冊之股東，而股息單預期於二零零六年六月五日(星期一)寄發。

■ Tomson Riviera  
湯臣一品

## 業務回顧

本集團目前的業務及資產均主要位於中國國內。鑑於對中國國內的發展深具信心，因此，本集團將繼續把業務重點放在上海，尤其是浦東。

在回顧年度內，物業發展及銷售業務仍為本集團的主要收入來源，並為本集團帶來約90,460,000港元的營運業績，而物業投資產生的穩定經常性收入為本集團提供約39,220,000港元的營運溢利。此外，二零零五年度的消閒業務表現優越，為本集團帶來的營運業績貢獻增至約26,130,000港元，增幅為1.41倍，而本集團於二零零五年度應佔酒店業務的利潤約為21,840,000港元。



## Management Discussion and Analysis 管理層討論及分析

### Property Development and Investment

Property development and investment is the core business of the Group and accounted for approximately 69% of the turnover of the Group for the year ended 31st December, 2005 while Tomson Golf Villas is the major source of operating revenue of the Group.

### Tomson Golf Villas and Garden

Tomson Golf Villas and Garden is a principal property development project of the Group. The project comprises seven phases of golf villas and a development of apartment houses around the periphery of Tomson Shanghai Pudong Golf Club in Pudong.

Up to the end of the year under review, of the latest three phases of Tomson Golf Villas of a total gross floor area of over 93,000 square meters, a sale of over 90% was recorded while the saleable area of the first four phases of the development has already been sold out. For Tomson Golf Garden, nearly 97% of its total gross floor area was concluded sales. This residential property project accounted for about 48% of the gross profit of the Group during the year under review.

### 物業發展及投資

物業發展及投資為本集團的核心業務，佔本集團於截至二零零五年十二月三十一日止年度營業額約69%，而湯臣高爾夫別墅則是本集團的主要營運收益來源。

### 湯臣高爾夫別墅及花園

湯臣高爾夫別墅及花園是本集團的一項主要物業發展項目。該項目位於浦東之湯臣上海浦東高爾夫球會周邊，包括七期高爾夫別墅和一項公寓樓房發展項目。

截至回顧年度末，總樓面面積逾93,000平方米之最新三期湯臣高爾夫別墅已售出超過90%，而該項目首四期之可供出售面積已經全部售罄。湯臣高爾夫花園之總樓面面積中近97%亦已售出。在回顧年度內，該住宅物業項目為本集團毛利貢獻約48%。

#### ■ Tomson Golf Villas 湯臣高爾夫別墅





■ *Tomson Financial Building*  
湯臣金融大廈

### Tomson Riviera

The Group has completed an acquisition of the remaining 20% interest in the issued capital of a subsidiary at a consideration of US\$18 million (equivalent to approximately HK\$140.40 million) in March 2005 and now holds the entire interest in the luxurious residential development of the Group in Pudong along the Huangpu River. The development project is now formally named as Tomson Riviera and is expected for completion in mid 2006. There will be altogether four residential towers of 40 to 44 storeys and a clubhouse with a total gross floor area of nearly 142,000 square meters. The management is seriously contemplating the selling and/or leasing strategies of the property.

### Other Residential Property Projects

Tomson Garden is composed of a series of apartment houses of a total gross floor area of approximately 141,000 square meters in Zhangjiang Hi-Tech Park of Pudong and next to Tomson Shanghai Pudong Golf Club. Of a total of around 660 residential units, all but 4 units were sold.

Xingguo Garden is now the sole property development of the Group in Puxi and reported a sale of about 85% of its total gross floor area of around 10,000 square meters as at 31st December, 2005.

### 湯臣一品

由於本集團已於二零零五年三月，以代價18,000,000美元(約相等於140,400,000港元)，完成收購一家附屬公司已發行股本中餘下的20%權益，本集團現持有於浦東黃浦江畔的豪華住宅發展項目全數權益。該發展項目現在正式命名為湯臣一品，並預計於二零零六年中竣工。屆時將共有四幢40至44層高之住宅大樓及一個會所，總樓面面積接近142,000平方米。管理層正在慎重地考慮該物業出售及／或租賃的策略。

### 其他住宅物業項目

湯臣豪園位於浦東張江高科技園區內及湯臣上海浦東高爾夫球會側，包括一系列公寓樓房，總樓面面積約為141,000平方米。在約共660個公寓單位中，除了4個單位外，已全部售罄。

湯臣怡園是本集團目前在浦西的唯一物業發展項目。於二零零五年十二月三十一日，約10,000平方米之總樓面面積中經已售出約85%。

## Management Discussion and Analysis 管理層討論及分析



■ Tomson Shanghai Pudong Golf Club 湯臣上海浦東高爾夫球會

### Commercial and Industrial Buildings

Rental income and management fee from the commercial and industrial property portfolio of the Group in Pudong, being Tomson Financial Building, Tomson International Trade Building, Tomson Waigaoqiao Industrial Park and the commercial podium of Tomson Business Centre, provided a steady income of HK\$53.62 million to the Group for the year under review.

### Land Bank

The Group has prudently reviewed the development of its land bank of a site area of over 900,000 square meters in Pudong, Shanghai and is now planning a development of a series of villas plus auxiliary facilities of a total gross floor area of approximately 152,000 square meters on a site near Tomson Shanghai Pudong Golf Club. The property project will be developed by phases. It is expected that the construction works of the first phase will commence in mid 2006 and complete by 2008.

### 商業及工業大廈

在回顧年度內，本集團來自位於浦東的商業及工業物業組合的租金收入及管理費為本集團帶來穩定的收入約共53,620,000港元。該組合包括湯臣金融大廈、湯臣國際貿易大樓、湯臣外高橋工業園區以及湯臣商務中心大廈之商場部份。

### 土地儲備

本集團已慎重地審視位於上海浦東地盤面積超過900,000平方米的土地儲備的發展方案，現正計劃在湯臣上海浦東高爾夫球會附近的一塊土地上發展一系列別墅及配套設施，總樓面面積約152,000平方米。該物業項目將分階段發展，預計第一期建築工程將於二零零六年中開始，並於二零零八年竣工。

## Hospitality and Leisure Industry

### Tomson Shanghai Pudong Golf Club

Sale of membership debentures boosted up the operating revenue of Tomson Shanghai Pudong Golf Club which has reported a nearly 44% increase in its turnover for the year ended 31st December, 2005 as compared with last corresponding year. The operation made a contribution of HK\$26.13 million to the operation results of the Group for the year and was the third largest contributor to the Group following property development and trading, and property investment.

It is the third year for BMW Asian Open held in the Golf Club. The successful organization of the tournament not only enhanced the popularity of the Golf Club but also was a driving force to an increase in sale of its club membership.

## 款客及消閒業務

### 湯臣上海浦東高爾夫球會

會籍債券銷售增加了湯臣上海浦東高爾夫球會的營運收益。該球會於截至二零零五年十二月三十一日止年度錄得的營業額較去年同期上升近44%。於年度內，該業務為本集團帶來約26,130,000港元之營運業績，是繼物業發展及銷售，以及物業投資以外，為本集團的第三大業績來源。

BMW亞洲公開賽已第三年於該高爾夫球會舉行。成功舉辦該項賽事不但提高高爾夫球會的知名度，而且有助促銷球會會籍。



■ Hotel Inter-Continental  
Pudong Shanghai  
上海錦江湯臣洲際大酒店

### Hotel Inter-Continental Pudong Shanghai

Though under severe competition, the hotel operation, in which the Group holds a 50% interest, kept up its improvement in operating results. The Group shared a profit of approximately HK\$21.84 million from the hotel operation during the year under review, an increase of nearly 80% from that for last year. The average occupancy rate of the hotel for 2005 was 77%.


### 上海錦江湯臣洲際大酒店

雖然面對激烈的競爭，該酒店的營運業績仍持續改善。本集團持有該酒店業務50%權益。在回顧年度內，本集團應佔該酒店業務的溢利約為21,840,000港元，與去年度比較，增加近80%。該酒店於二零零五年的平均入住率為77%。

## Management Discussion and Analysis 管理層討論及分析

### Major Investments in Shanghai 於上海之主要投資項目



 Oriental Pearl Tower  
東方明珠廣播電視塔

 Century Park  
世紀公園

 Airport  
機場

**1** Tomson Riviera  
湯臣一品

**2** Tomson Golf Villas and Garden  
湯臣高爾夫別墅及花園



**3** Tomson Financial Building  
湯臣金融大廈

**4** Tomson International  
Trade Building  
湯臣國際貿易大樓



**5** Tomson Waigaoqiao Industrial Park  
湯臣外高橋工業園區



**6** Tomson Business Centre  
湯臣商務中心大廈



**7** Xingguo Garden  
湯臣怡園



**8** Tomson Garden  
湯臣豪園



**9** Tomson Shanghai Pudong Golf Club  
湯臣上海浦東高爾夫球會

**10** Hotel Inter-Continental Pudong Shanghai  
上海錦江湯臣洲際大酒店



## Management Discussion and Analysis

### 管理層討論及分析

#### Industrial Operations

To complement its principal business in property development, the Group has invested in 58% interest in an operation of manufacturing PVC pipes and fittings in Shanghai. The industrial operation made a sound improvement in its gross profit margin during the year ended 31st December, 2005 and contributed an amount of HK\$5.63 million to the operating results of the Group for the year. The PVC products of the operation were honoured as one of the “Top 100 Brands of Products in Shanghai” and the management will devote to further improvement of the product quality and client services so as to reinforce its competitive power.

#### Investment Holding

In addition to its own property development projects, the Group has an indirect investment in the property sector in Pudong by holding a 9.8% interest in the issued capital of Rivera (Holdings) Limited (“RHL”), a listed company in Hong Kong, and a 13.5% interest in the registered capital of an associated company of RHL established in the mainland China. Both RHL and its associated company are principally engaged in property development and investment in Zhangjiang Hi-Tech Park, Pudong, Shanghai.

## FINANCIAL REVIEW

#### Liquidity and Financing

The Group’s capital expenditure and investments for the year were funded by cash on hand and operating revenue.

At the balance sheet date, the cash and cash equivalents of the Group amounted to approximately HK\$827.25 million. During the year under review, the Group generated a net cash inflow of approximately HK\$257.43 million from its operations. After taking into account a net cash outflow of approximately HK\$575.60 million and HK\$409.52 million from the Group’s investing activities and financing activities respectively, the

#### 工業業務

作為補足其於物業發展的主要業務，本集團已於上海一項膠管及配件製造業務中投資58%權益。在截至二零零五年十二月三十一日止年度內，該工業業務的毛利率有不俗的改善，為本集團本年度的營運業績進賬約5,630,000港元。此業務的膠管產品榮獲「上海名牌一百強」之美譽。管理層將致力進一步改善產品質量和客戶服務，以再加強其競爭力。

#### 投資控股

除本集團本身之物業發展項目外，本集團亦透過持有川河集團有限公司（「川河」，一家香港上市公司）之已發行股本9.8%權益及於川河在中國國內成立之一家聯營公司之註冊資本中擁有13.5%權益，而間接投資於浦東之房地產業務。川河及其聯營公司之主要業務均為於上海浦東張江高科技園區從事物業發展及投資業務。

#### 財務回顧

#### 流動資金及融資

本集團於年度內之資本開支及投資所需資金來自手頭現金及營運收益。

於結算日，本集團之現金及等同現金項目約為827,250,000港元。在回顧年度內，本集團之經營業務產生現金流入淨額約257,430,000港元，而經計入本集團之投資業務及融資業務分別產生現金流出淨額約575,600,000港元及409,520,000港元，本集團於回顧年度內錄得現金流出淨

Group recorded a net cash outflow of approximately HK\$727.69 million (2004: net cash inflow of HK\$823.68 million) for the year under review. The net cash outflow was attributable to not only a reduction of property sales but also an acquisition of interests in a subsidiary, a dividend payment and a partial repayment of long-term bank borrowings during the year.

The Group's borrowings as at 31st December, 2005 amounted to approximately HK\$531.11 million (2004: HK\$842.53 million), equivalent to 14.62% (2004: 23.71%) of the equity attributable to the shareholders of the Company at the same date. All those borrowings were due for repayment within one year from the balance sheet date and on the other hand, in view of the nature, 60.75% was arisen from the convertible bonds issued and 36.19% was bank loans under security. The remaining 3.06% of the total borrowings was an unsecured advance from a jointly controlled entity of the Company and had no fixed terms of repayment.

At the balance sheet date, the Group's capital commitments in relation to expenditure on properties under development, which were contracted but not provided for, amounted to approximately HK\$995.73 million (2004: HK\$952.98 million). The Group anticipates funding those commitments from its future operating revenue, bank borrowings and other sources of finance where appropriate.

The Group recorded a current ratio of 1.43 times (2004: 5.25 times (restated)) and a gearing ratio (total liabilities to equity attributable to the shareholders of the Company) of 26.28% (2004: 37.28%) as at 31st December, 2005. The drop in current ratio in 2005 was mainly resulted from the dividend payment by the Company, the repayment of a long-term bank loan and a classification of the convertible bonds as current liabilities at the balance sheet date since all or some of the bonds might be redeemed at the option of the holders in the first half of 2006 according to the terms.

額約727,690,000港元(二零零四年:現金流入淨額約823,680,000港元)。年度內錄得現金流出淨額不但源於物業銷售減少,而且由於購入一家附屬公司之權益、派付股息及償還部份長期銀行借款所致。

於二零零五年十二月三十一日,本集團之借貸額約為531,110,000港元(二零零四年:842,530,000港元),相等於同日之本公司股東應佔權益14.62%(二零零四年:23.71%)。該全部借貸均須於結算日起計一年內到期償還;另一方面,按性質而言,60.75%來自已發行之可換股債券,而36.19%乃有抵押之銀行貸款。借貸總額餘下之3.06%乃本公司一家合營企業之無抵押墊款,且並無固定還款期。

於結算日,本集團有關發展中物業開支之已訂約惟尚未撥備之資本承擔約為995,730,000港元(二零零四年:952,980,000港元)。本集團預期以日後之經營收益、銀行借貸及其他適用之融資來源應付該等承擔。

於二零零五年十二月三十一日,本集團錄得流動比率1.43倍(二零零四年:5.25倍(重列)),而資本負債比率(即負債總額對本公司股東應佔權益之比率)則為26.28%(二零零四年:37.28%)。於二零零五年,流動比率下降主要由於本公司派付股息、償還一項長期銀行借款及於結算日將可換股債券列作流動負債,因為該等債券的持有人可根據有關條款在二零零六年上半年贖回全部或部份債券。

## Management Discussion and Analysis

### 管理層討論及分析

#### Charge on Assets

As at 31st December, 2005, assets of the Group with an aggregate carrying value of approximately HK\$1,366.67 million (2004: HK\$878.72 million) were pledged to banks to secure general banking facilities of the Group and mortgage finance granted to buyers of properties developed by the Group or its jointly controlled entity.

#### Foreign Exchange Exposure

The majority of the Group's assets and liabilities are denominated in Renminbi, therefore, the management expects that the change in value of Renminbi will not have any adverse effect to the Group since Renminbi has generally been perceived as having appreciation in value relative to Hong Kong Dollars. On the other hand, all of the other assets and liabilities of the Group are denominated in either Hong Kong Dollars or United States Dollars, hence, the Group does not anticipate any material foreign exchange exposure.

#### Contingent Liabilities

As at 31st December, 2005, the Group had contingent liabilities in the following aspects:

- (a) a provision of a guarantee to indemnify the management company of Hotel Inter-Continental Pudong Shanghai for the renovation fund;
- (b) a provision of undertaking to various banks in relation to mortgage finance granted to buyers of properties developed by the Group and its jointly controlled entity; and
- (c) a possible levy of land appreciation tax by the tax authorities in the mainland China in respect of the Group's sale of properties there.

The Board is of the opinion that it would be unlikely for the Group to suffer any material financial loss owing to the provision of the aforesaid guarantee and undertaking and the chance that the land appreciation tax might be levied is less than probable. Details of the contingent liabilities of the Group are shown in Note 34 to the financial statements of the Group for the year under review on pages 132 and 133.

#### 資產抵押

於二零零五年十二月三十一日，本集團總賬面值約1,366,670,000港元（二零零四年：878,720,000港元）之資產已抵押予銀行，以作為本集團之一般銀行信貸以及本集團或其合營企業所發展物業之買家所獲按揭融資之擔保。

#### 匯兌風險

由於本集團大部份資產及負債均以人民幣列值，因此，管理層預期人民幣幣值變動將不會對本集團產生任何負面影響，因為相對於港元，人民幣一般被視為會升值。另一方面，本集團所有其他資產及負債均以港元或美元列值，故本集團並不預期有任何重大匯兌風險。

#### 或然負債

於二零零五年十二月三十一日，本集團之或然負債涉及下列各項：

- (a) 向上海錦江湯臣洲際大酒店之管理公司就翻新工程所需資金而提供之擔保；
- (b) 向若干銀行提供就本集團及其合營企業所發展之物業之買家所獲按揭融資之承擔；及
- (c) 中國國內稅務機關就本集團在當地銷售物業而可能徵收之土地增值稅。

董事局認為，本集團不大可能就提供上述擔保及承擔而招致任何重大財務虧損，而徵收土地增值稅之可能性亦屬輕微。本集團或然負債之詳情載於第132及第133頁本集團於回顧年度內之財務報表附註34內。

## ZERO COUPON CONVERTIBLE BONDS DUE 2009

On 4th June, 2004, the Company issued zero coupon convertible bonds due 2009 in an aggregate principal amount of US\$50 million (the "Bonds") at par to professional investors. The Bonds were listed on The Stock Exchange of Hong Kong Limited as selectively marketed securities and did not bear any interest. According to the terms of issue, unless previously redeemed, converted or purchased and cancelled, all or some of the Bonds might be redeemed at the option of their relevant holders on 4th June, 2006 at 106.66% of their principal amount. Otherwise, the Bonds should be redeemed on their maturity on 4th June, 2009 at 117.49% of their principal amount. The bondholders had the right to convert the Bonds into fully paid ordinary shares of HK\$0.50 each in the capital of the Company at an initial conversion price of HK\$1.95 per share (subject to adjustment) during the period from 4th July, 2004 to 20th May, 2009. The conversion price was subsequently adjusted to HK\$1.85 per share with effect from 27th May, 2005 upon declaration of a final dividend of the Company for 2004.

During 2005, a US\$16.75 million aggregate principal amount of the Bonds were converted into fully paid ordinary shares in the capital of the Company while a further US\$33.25 million aggregate principal amount of the Bonds were converted in 2006. Hence, the Bonds were converted in full and none of the Bonds have been redeemed or purchased since its issue. As at the date hereof, the Company has a total of 1,317 million ordinary shares in issue, of which 209.41 million shares were issued upon conversion of the Bonds.

## PROSPECTS

The Group has participated in the property sector in Shanghai since early 1990's and the Board is satisfied with its development and has confidence in its long-term prospect. Property development and trading in Shanghai would definitely continue

## 二零零九年到期之零息可換股債券

於二零零四年六月四日，本公司按面值向專業投資者發行本金總額為50,000,000美元之二零零九年到期之零息可換股債券（「債券」）。債券以選擇性銷售證券形式在香港聯合交易所有限公司上市，並且無附帶任何利息。根據發行條款，除非債券已被提前贖回、兌換或購回及註銷，否則相關債券持有人可選擇要求本公司於二零零六年六月四日按本金金額之106.66%贖回全部或部份債券。不然，債券須於二零零九年六月四日到期時按其本金金額之117.49%贖回。於二零零四年七月四日至二零零九年五月二十日止期間，債券持有人有權把債券兌換為本公司股本中之已繳足普通股每股0.50港元，初步兌換價為每股1.95港元（可作調整）。在本公司宣派二零零四年度末期股息後，兌換價隨即調整至每股1.85港元，並由二零零五年五月二十七日起生效。

在二零零五年內，本金總額為16,750,000美元之債券已兌換為本公司股本中的已繳足普通股股份，另本金總額為33,250,000美元的債券亦於二零零六年獲兌換。因此，債券已全數兌換，而自發行以來，本公司並無贖回或購回任何債券。於本報告刊發之日，本公司之已發行普通股共約為1,317,000,000股，當中，約209,410,000股股份因兌換債券而發行。

## 展望

本集團自九十年代初即參與上海之房地產業務，董事局滿意當地發展，並對上海物業市場的長遠前景充滿信心，因此在上海之物業發展及銷售業務將肯定繼續成為本

## Management Discussion and Analysis

### 管理層討論及分析

to be the key business of the Group while the management is considering any proposal of retaining certain quality properties as long-term investments to increase the asset base of and provide a recurrent rental income to the Group. Besides, in order to diversify the business portfolio of the Group, the Board would also explore any potential investment opportunities in any other business lines.

#### HUMAN RESOURCES

As at the end of the year 2005, the Group engaged over 800 employees in total in its various offices in Hong Kong, Shanghai and Taiwan excluding those associates and jointly controlled entities. The total staff costs including emoluments paid to the Directors during the year under review amounted to approximately HK\$45.05 million. Remuneration and benefit packages are generally structured with reference to market terms together with individual responsibilities, performance and qualification. Discretionary bonus was paid to employees based on individual contribution. In addition, the Company has established a share option scheme pursuant to which options are allowed for granting to directors and employees of the Group to subscribe for shares in the Company.

Taking this opportunity, the Board would like to express its profound gratitude to all the staff members of the Group for their efforts and commitment to the Group over the years. In addition, the Board wishes to welcome Mr Lee Chan Fai to join as an independent non-executive Director of the Company since December 2005 and record a vote of thank to Mr Lu Yao-Tsu, an ex-director, for his contribution to the Company during his tenure of office.

On behalf of the Board  
**Hsu Feng**  
*Managing Director*

Hong Kong, 18th April, 2006

集團的主要業務。此外，管理層亦正研究任何保留若干優質物業作長期投資的建議，以增強本集團的資產基礎，並為本集團提供經常性租金收入。另一方面，為了把本集團的業務組合多元化，董事局也會尋求任何其他商業領域之潛在投資商機。

#### 人力資源

於二零零五年年末，本集團在香港、上海及台灣之多個辦事處（不包括聯營公司和合營企業）共僱用超過800名僱員。於回顧年度內，員工總成本（包括向董事支付的酬金）約為45,050,000港元。本集團之薪酬及福利一般參考市場條款及個別僱員所承擔之責任、表現與資歷而釐定，並按個別員工之貢獻而酌情發放花紅。此外，本公司已設立一項購股權計劃，據此，可向本集團之董事及僱員授出購股權，以認購本公司股份。

董事局謹此機會向本集團各員工多年來之努力及承擔衷心表示謝意。此外，董事局謹此歡迎李燦輝先生於二零零五年十二月加入本公司，擔任本公司獨立非執行董事，並向前任董事陸耀祖先生於任期內對本公司所作出之貢獻致謝。

代表董事局  
 董事總經理  
**徐 楓**

香港，二零零六年四月十八日