

The directors herein present their annual report together with the audited financial statements of the Company and the Group for the year ended 31st March, 2001.

Principal activities

The principal activity of the Company is investment holding. The principal activities of the Group involve the systems integration of mid-range computers; software development and related services; the distribution of computer products; E-business; telecommunication systems integration, the trading of telecommunication products and cabling and intelligent building project. Other than the disposal of the Group's business of the trading of the telecommunication products and cabling and intelligent building project which is further detailed in note 3 to the financial statements and the commencement of E-business there were no changes in the nature of the Group's principal activities during the year.

Segmented information

An analysis of Group's turnover and contribution/(absorption) to profit/(loss) from operating activities by principal activity and geographical location for the year ended 31st March, 2001 is as follows:

By principal activity: 按主要業務劃分：

	2001 二零零一年		2000 二零零零年	
	Turnover 營業額 HK\$'000 千港元	Contribution/ (absorption) 貢獻/(分攤) HK\$'000 千港元	Turnover 營業額 HK\$'000 千港元	Contribution/ (absorption) 貢獻/(分攤) HK\$'000 千港元
Systems integration of mid-range computers 中型電腦系統集成	639,123	(46,087)	884,078	58,653
Software development and related services 軟件開發及相關服務	35,719	(102,827)	32,673	(17,960)
Cabling and intelligent building project (discontinued during the year) 佈綫及智能大廈工程(已於年內終止)	7,897	(9,862)	256,004	(16,506)
Distribution of computer products 電腦產品分銷	477,095	22,652	351,943	14,909
E-business 電子商貿	92	(25,425)	-	-
Corporate and other activities 企業活動及其他業務	5,107	3,308	-	30,376
	1,165,033	(158,241)	1,524,698	69,472

董事會謹此提呈截至二零零一年三月三十一日止年度年報及本公司與本集團之經審核財務報告。

主要業務

本公司之主要業務為投資控股。本集團之主要業務為中型電腦系統集成、軟件開發及相關服務、分銷電腦產品、電子商務、電子通訊系統集成及買賣電子通訊產品及電纜及人工智能建設項目。除財務報告附註3所詳述本集團出售其電纜及人工智能建設項目業務及買賣電子通訊產品外，年內本集團主要業務之性質並無改變。

分類資料

本集團截至二零零一年三月三十一日止年度按主要業務及地區劃分之營業額及對/(所分攤)經營溢利/(虧損)之貢獻/(分攤)分析如下：

	2001 二零零一年		2000 二零零零年	
	Turnover 營業額	Contribution/ (absorption) 貢獻/(分攤)	Turnover 營業額	Contribution/ (adsorption) 貢獻/(分攤)
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
The People's Republic of China 中華人民共和國	511,040	(191,969)	1,051,931	46,345
Singapore 新加坡	269,422	8,111	239,945	11,869
Malaysia 馬來西亞	309,794	17,592	173,210	2,772
The Philippines 菲律賓	74,777	8,025	59,612	8,486
	1,165,033	(158,241)	1,524,698	69,472

By geographical location: 按地區劃分：

Major suppliers and customers

The largest supplier of the Group accounted for approximately 63% (2000: 57%) of the Group's total purchases and the five largest suppliers accounted for approximately 78% (2000: 63%) of the Group's total purchases.

Sales to the Group's five largest customers accounted for less than 30% of the total sales for the year.

None of the directors, their associates, nor those shareholders, who to the best knowledge of the directors own more than 5% of the Company's share capital, had any interest in the five largest suppliers or customers.

Financial results

The Group's loss for the year ended 31st March, 2001 and the state of affairs of the Company and the Group as at that date are set out in the financial statements on pages 44 to 116.

Dividends

No interim dividend was paid during the year (2000: Nil) and the directors do not recommend the payment of any final dividend in respect of the year ended 31st March, 2001 (2000: Nil).

主要供應商及客戶

本集團最大供應商佔本集團總採購額約63% (二零零零年：57%)，五大供應商則佔本集團總採購額約78% (二零零零年：63%)。

本集團五大客戶的銷售額佔本集團全年總銷售額30%以下。

各董事、彼等之聯繫人士或就董事所知擁有本公司股本5%以上之股東概無擁有五大供應商或客戶之任何權益。

財務業績

本集團截至二零零一年三月三十一日止年度虧損及本公司與本集團截至當日業務狀況載於第44至116頁之財務報告。

股息

年內並無派發中期股息(二零零零年：無)，而董事不建議派發截至二零零一年三月三十一日止年度之任何末期股息(二零零零年：無)。

Fixed assets and investment properties

Details of movements in the fixed assets and investment properties of the Group during the year are set out in notes 13 and 14, respectively, to the financial statements.

Subsidiaries

Particulars of the Company's principal subsidiaries at the balance sheet date are set out in note 15 to the financial statements.

Borrowings

Details of the borrowings of the Group at the balance sheet date are set out in notes 24 and 25 to the financial statements.

Share capital and share options

Details of movements in the Company's share capital, including the reasons for new issues, and the movements in share options during the year are set out in note 27 to the financial statements.

Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 28 to the financial statements.

As at 31st March, 2001, the Company did not have any reserves available for cash distribution and/or distribution in specie (2000: Nil).

Convertible bonds and exchangeable bonds

Details of the convertible bonds and exchangeable bonds of the Company and the Group at the balance sheet date are set out in note 29 to the financial statements.

固定資產及投資物業

本集團固定資產及投資物業年內變動詳情分別載於財務報告附註13及14。

附屬公司

本公司於結算日之各主要附屬公司詳情載列於財務報告附註15。

借貸

本集團於結算日之借貸詳情載列於財務報告附註24及25。

股本及購股權

本公司年內之股本變動(包括發售新股理由)及購股權之變動詳情載列於財務報告附註27。

儲備

本公司及本集團年內儲備變動詳情載列於財務報告附註28。

於二零零一年三月三十一日，本公司並無任何可供現金分派及／或實物分派之儲備(二零零零年：無)。

可換股債券及可轉換債券

本公司及本集團於結算日之可換股債券及可轉換債券之詳情載列於財務報告附註29。

Directors

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Lam Hon Nam (*Chairman*)
 Ma Chun Kwong, Edmund (*Group Managing Director*)
 Wai Yee Jan
 Ching Wan Kwan
 Wang Guangdi
 Cheung Kam Foo (*Resigned on 13th March, 2001*)

Non-executive directors:

Lai Kai Ming, Dominic (*Appointed on 17th May, 2000*)

 Chan Wen Mee, May (*Appointed on 17th May, 2000, alternate to Mr. Lai Kai Ming, Dominic*)

Independent non-executive directors:

Au Sui-Chee, Robert
 Wong Kin Cheung, (*Alternate to Mr. Au Sui-Chee, Robert*)
 Francis
 Ip Tin Chee, Arnold
 Jean Eric Salata (*Resigned on 28th February, 2001*)

 Xu Xin (*Resigned on 28th February, 2001*)

In accordance with the Company's bye-laws, Mr. Wai Yee Jan, Mr. Wang Guangdi and Ms. Ching Wan Kwan will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

董事

本公司年內及直至本報告刊發日期之在任董事如下：

執行董事：

林漢南 (主席)
 馬振光 (集團董事總經理)
 韋以建
 靜雲昆
 王光第
 張金富 (於二零零一年三月十三日辭任)

非執行董事：

黎啟明 (於二零零零年五月十七日獲委任)
 陳雲美 (於二零零零年五月十七日獲委任，為黎啟明先生之替任人)

獨立非執行董事：

歐瑞志
 黃建章 (歐瑞志先生之替任人)

 葉天賜
 Jean Eric Salata (於二零零一年二月二十八日辭任)
 徐新 (於二零零一年二月二十八日辭任)

根據本公司細則，韋以建先生、王光第先生及靜雲昆女士任滿輪值告退，惟彼等均願意於應屆股東週年大會上膺選連任。

Directors' interests in share capital and options

At the balance sheet date, the interests of the directors in the share capital and options of the Company and its associated corporations (as defined under the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance")), as recorded in the register maintained pursuant to Section 29 of the SDI Ordinance or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code"), or as otherwise known to the directors, were as follows:

(a) Interests in the Company's shares

Name of director 董事姓名	Personal 個人權益	Number of shares held 所持股份數目		Total 總計
		Family 家族權益	Corporate 公司權益	
Lam Hon Nam 林漢南	400,000	–	136,494,800 (i)	136,894,800
Ma Chun Kwong, Edmund 馬振光	1,550,000	300,000	136,494,800 (i)	138,344,800
Wai Yee Jan 韋以建	1,500,000	–	136,494,800 (i)	137,994,800
Ching Wan Kwan 靜雲昆	1,020,000	–	–	1,020,000
Wang Guangdi 王光第	1,060,000	40,000	–	1,100,000

(i) The above 136,494,800 shares were held by Lam Ma & Wai Limited, a company incorporated in the British Virgin Islands, which is owned as to 45.94%, 45.46% and 8.60% by Mr. Lam Hon Nam, Mr. Ma Chun Kwong, Edmund and Mr. Wai Yee Jan, respectively.

董事之股本及購股權權益

於結算日，根據證券(披露權益)條例(「披露權益條例」)第29條存置之登記冊所載，或根據上市公司董事進行證券交易的標準守則(「標準守則」)而須知會本公司及香港聯合交易所有限公司，或據董事會所知，各董事擁有之本公司及其聯營公司(定義見披露權益條例)股本及購股權權益如下：

(a) 本公司之股份權益

(i) 上述136,494,800股股份由Lam Ma & Wai Limited持有。該公司於英屬處女群島註冊成立，由林漢南先生、馬振光先生及韋以建先生分別擁有45.94%、45.46%及8.60%。

(b) Interests in associated corporations

(b) 聯營公司權益

Name of company 公司名稱	Name of director 董事姓名	Number of non-voting deferred shares held/ Percentage of equity interest held – Personal interests 所持無投票權遞延 股份數目 / 所持股權 百分比 個人權益
Vanda Computer & Equipment Company Limited 中聯電腦(國際)有限公司	Lam Hon Nam 林漢南 Ma Chun Kwong, Edmund 馬振光 Wai Yee Jan 韋以建	918,800 909,200 172,000
Vanda Instrument & Equipment Company Limited 偉達儀器工業設備有限公司	Lam Hon Nam 林漢南 Ma Chun Kwong, Edmund 馬振光 Wai Yee Jan 韋以建	229,700 227,300 43,000
Janeper Development Limited 振培發展有限公司	Lam Hon Nam 林漢南 Ma Chun Kwong, Edmund 馬振光	150,000 150,000
Beijing New Generation Computer Graphics Co., Ltd. 北京新生代電腦圖文有限公司	Wai Yee Jan 韋以建	15%

Mr. Lam Hon Nam also holds one ordinary share of HK\$1 in each of Vanda Computer & Equipment Company Limited, Vanda Instrument & Equipment Company Limited, Janeper Development Limited, Janko Technology Limited, Azure Technology Limited in trust for Vanda (B.V.I.) Limited; holds one ordinary share of HK\$1 of Vanda Software Engineering Company Limited in trust for Vandasoft Technology Holdings Limited; holds one ordinary share of HK\$1 in Vanda Information Technology Limited in trust for Vanda Software Engineering Company Limited; holds one ordinary share of HK\$1 in WiseAsia.com Limited in trust for Interactive Technology Limited; holds ten ordinary shares of HK\$0.10 each of DigiLogistics.com Limited in trust for Empower International Limited and holds ordinary share capital of MOP\$1,000 in Vanda Computer Service (Macau) Company Limited in trust for Vanda Computer & Equipment Company Limited. Mr. Ma Chun Kwong, Edmund also holds one ordinary share of Peso100 in Azure Technologies Phils., Inc. in trust for Vanda Systems (Singapore) Pte Ltd.

林漢南先生亦以信託形式代Vanda (B.V.I.) Limited持有中聯電腦(國際)有限公司、偉達儀器工業設備有限公司、振培發展有限公司、展高科技有限公司及雅特科技有限公司各一股面值1港元之普通股；以信託形式代Vandasoft Technology Holdings Limited持有中聯軟件工程有限公司一股面值1港元之普通股；以信託形式代中聯軟件工程有限公司持有中聯信息科技有限公司一股面值1港元之普通股；以信託形式代Interactive Technology Limited持有WiseAisa.com Limited一股面值1港元之普通股；以信託形式代Empower International Limited持有DigiLogistics.com Limited十股面值0.10港元之普通股及以信託形式代中聯電腦(國際)有限公司持有Vanda Computer Service (Macau) Company Limited面值1,000澳門葡幣之普通股股本。馬振光先生亦以信託形式代Vanda Systems (Singapore) Pte Ltd持有Azure Technologies Phils., Inc.一股面值100比索之普通股。

Save as disclosed above, none of the directors has or has had any interest, either directly or indirectly, in the equity securities of the Company or its associated corporations, which requires notification to the Company and the Stock Exchange pursuant to Section 28 of the SDI Ordinance (including interests which they are deemed or taken to have under Section 31 or Part I of the Schedule to the SDI Ordinance) or which requires, pursuant to Section 29 of the SDI Ordinance, to be entered in the register referred to therein.

(c) Interests in the Company's options

Pursuant to an ordinary resolution passed on 22nd March, 1995, a share option scheme was adopted whereby the directors of the Company, at their discretion, are authorised to invite any employee or executive director of the Company or any of its subsidiaries to take up options to subscribe for shares not exceeding 10% of the issued share capital of the Company. The options are exercisable for a period of three years commencing on the expiry of six months after the date on which the option is accepted, provided that no options can be exercised after 21st March, 2005.

除上文所披露者外，董事現無亦從無直接或間接擁有根據披露權益條例第28條而須知會本公司及香港聯合交易所有限公司之本公司或其聯營公司股本證券權益（包括根據披露權益條例第31條或附表第一部份被視為或當作擁有之權益），或根據披露權益條例第29條而須登記於該條例所規定登記冊之權益。

(c) 本公司之購股權權益

根據一九九五年三月二十二日通過之普通決議案，本公司採納購股權計劃，本公司董事已獲授權，可酌情邀請本公司或其任何附屬公司屬下任何僱員或執行董事接納購股權，以認購不超過本公司已發行股本10%之股份。該等購股權可於接納購股權日期後滿六個月之日起計三年內行使，惟不得於二零零五年三月三十一日後行使。

Particulars of share options held by the directors during the year were as follows:

年內，各董事所持購股權之詳情如下：

Name 姓名	Date 授出日期	Number of share options held at 1st April 2000 二零零零年 四月一日持有 之購股權數目	Granted during the year 年內授出	Exercised during the year 年內行使	Number of	Exercise price per share, subject to adjustment 每股 行使價 (可予調整) HK\$港元
					share options held at 31st March 2001 二零零一年 三月三十一日 持有之購股權 數目	
Lam Hon Nam 林漢南	15.4.1999	400,000	-	-	400,000	0.42
	23.11.1999	1,500,000	-	-	1,500,000	0.87
	12.7.2000	-	1,000,000	-	1,000,000	2.20
Ma Chun Kwong, Edmund 馬振光	15.4.1999	400,000	-	400,000	-	0.42
	23.11.1999	1,500,000	-	750,000	750,000	0.87
	12.7.2000	-	1,000,000	-	1,000,000	2.20
Wai Yee Jan 韋以建	15.4.1999	400,000	-	400,000	-	0.42
	23.11.1999	1,500,000	-	750,000	750,000	0.87
	12.7.2000	-	1,000,000	-	1,000,000	2.20
Ching Wan Kwan 靜雲昆	15.4.1999	250,000	-	250,000	-	0.42
	23.11.1999	700,000	-	50,000	650,000	0.87
	12.7.2000	-	500,000	-	500,000	2.20
Wang Guangdi 王光第	15.4.1999	250,000	-	250,000	-	0.42
	23.11.2000	700,000	-	350,000	350,000	0.87
	12.7.2000	-	400,000	-	400,000	2.20
Cheung Kam Foo 張金富	15.4.1999	250,000	-	250,000	-	0.42
	23.11.1999	700,000	-	700,000	-	0.87
	12.7.2000	-	400,000	-	400,000	2.20

Other than through the above share option scheme, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company or their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

除上述購股權計劃外，本公司或其任何附屬公司概無於年內任何時間訂立任何安排，致使本公司董事或彼等各自之配偶或未滿18歲之子女可藉購入本公司或任何其他法人團體之股份或債券而獲益。

Directors' interests in contracts

Except as disclosed under the section "Service contracts of directors" and notes 4 and 17 to the financial statements, no director had a material beneficial interest in any contract of significance in relation to the Company's business to which the Company or any of its subsidiaries was a party during the year.

董事之合約權益

除「董事之服務合約」一節及財務報告附註4及17所披露者外，概無董事於本公司或其任何附屬公司年內簽訂之任何重大且與本公司業務有關之合約中擁有重大實際權益。

Purchase, sale or redemption of the Company's listed securities

During the year ended 31st March, 2001, the Company repurchased its own shares on the Stock Exchange, the details of which are set out as follows:

Date 日期	Number of shares 股份數目	Highest 最高價 HK\$ 港元	Lowest 最低價 HK\$ 港元	Total consideration 總代價 HK\$ 港元
26th September, 2000 二零零零年九月二十六日	260,000	1.19	1.19	310,553
11th October, 2000 二零零零年十月十一日	200,000	1.20	1.18	238,686
12th October, 2000 二零零零年十月十二日	100,000	1.14	1.14	114,425
13th October, 2000 二零零零年十月十三日	212,000	1.06	1.04	224,413
16th October, 2000 二零零零年十月十六日	100,000	1.06	1.04	105,934
17th October, 2000 二零零零年十月十七日	278,000	1.04	1.02	287,408
18th October, 2000 二零零零年十月十八日	234,000	0.98	0.91	222,769
19th October, 2000 二零零零年十月十九日	350,000	0.90	0.84	311,677
30th March, 2001 二零零一年三月三十日	96,000	0.83	0.80	79,376
Total 總數	1,830,000			1,895,241

The above shares were cancelled upon repurchase and accordingly, the issued share capital of the Company was reduced by the nominal value of these shares. The premium and brokerage expenses payable on repurchase were charged against the share premium.

Apart from the above repurchases of shares, there was no purchase, sale or redemption by the Company or any of its subsidiaries of the Company's listed securities during the year.

購買、出售或贖回本公司上市證券

截至二零零一年三月三十一日止年度內，本公司於香港聯合交易所有限公司購回其本身股份，詳情載列如下：

本公司於購回該等股份後即予以註銷，本公司已發行股本亦按該批股份面值而減少。購回股份須支付之溢價及經紀費用自股份溢價賬中扣除。

除回購股份以外，本公司或其任何附屬公司於年內概無買賣或贖回本公司之上市證券。

Substantial shareholders

At the balance sheet date, the register of substantial shareholders maintained pursuant to Section 16(1) of the SDI Ordinance, showed that no person, other than those disclosed under the section "Directors' interests in share capital and options" above, had a beneficial interest in 10% or more of the Company's issued share capital.

Service contracts of directors

Mr. Lam Hon Nam, Mr. Ma Chun Kwong, Edmund, Mr. Wai Yee Jan and Ms. Ching Wan Kwan have entered into service contracts with the Company which may be terminated by either party to the contracts with six months' notice.

Save as disclosed above, no director had a service contract with the Company which is not determinable by the Company within one year without payment of compensation other than the statutory obligation.

Management contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company, between the Company and its controlling shareholders or any of the controlling shareholder's subsidiaries, was entered into during the year or existed at the balance sheet date.

Pre-emptive rights

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

Compliance with the Code of Best Practice

Throughout the year and up to the date of this report, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), except that the independent non-executive directors of the Company were not appointed for specific terms but are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Company's bye-laws.

主要股東

於結算日，根據披露權益條例第16(1)條設立之主要股東名冊所示，除上文「董事之股本及購股權權益」一節所披露者外，概無任何人士擁有本公司已發行股本10%或以上實際權益。

董事之服務合約

林漢南先生、馬振光先生、韋以建先生及靜雲昆女士均與本公司訂立可由任何締約方發出六個月通知予以終止之服務合約。

除上文所披露者外，董事概無與本公司訂立任何本公司不作賠償（法定責任除外）則不得於一年內終止之服務合約。

管理合約

本公司與其控股股東或其任何控股股東之附屬公司之間於年內並無就本公司全部或任何主要部份業務訂立或於結算日仍然生效之管理及行政合約。

優先購買權

本公司細則或百慕達法例並無本公司須按比例向現有股東發售新股之優先購買權之規定。

遵守最佳應用守則

本公司於本年度內及截至本報告日期一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之最佳應用守則，惟本公司獨立非執行董事並無指定任期，而根據本公司之公司細則規定，彼等須於股東週年大會輪值告退及重選連任。

Audit committee

Pursuant to an ordinary resolution passed on 12th February, 2000, an audit committee (the "Committee") was established with Mr. Jean Eric Salata appointed as the chairman, Mr. Ip Tin Chee, Arnold appointed as vice-chairman and Mr. Au Sui Chee, Robert appointed as a member, in accordance with the requirement of the Listing Rules. The scope of authority and responsibility of the Committee is defined in accordance with the guidance issued by the Hong Kong Society of Accountants. The Committee's principal duties are to assist the directors of the Company in providing an independent review of the effectiveness of the financial reporting process and internal controls of the Group. Mr. Jean Eric Salata resigned as director on 28th February, 2001.

Auditors

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the board

Lam Hon Nam
Chairman

Hong Kong
26th July, 2001

審核委員會

根據於二零零零年二月十二日通過之普通決議案，已按照上市規則成立審核委員會，並委任Jean Eric Salata先生出任主席、葉天賜先生出任副主席及歐瑞志先生出任成員。審核委員會之職責範圍根據香港會計師公會之指引訂立。委員會之主要職責為協助本公司董事會獨立審查本集團財務申報制度及內部控制措施。於二零零一年二月二十八日Jean Eric Salata先生辭任董事一職。

核數師

安永會計師事務所任滿告退，本公司將於應屆股東週年大會提呈續聘該核數師之決議案。

承董事會命

林漢南
主席

香港
二零零一年七月二十六日