

# Report of the Directors

## 董事會報告書

董事會茲提呈截至二零零三年六月三十日止年度之報告及經審核賬目。

### 主要業務及按地域劃分之營運分析

本公司之主要業務為投資控股。其附屬公司之業務載於賬目附註32。

本集團本年度按主要業務及地域劃分之營業額及分部業績分析載於賬目附註2。

### 業績及溢利分配

本年度之業績載於第三十二頁之綜合損益表內。

董事不建議派發股息。

### 五年財務摘要

本集團過去五年財政年度之業績、資產及負債之摘要載於第四頁。

### 儲備

本集團及本公司儲備於年內之變動載於賬目附註22。

### 捐款

本集團在本年度作出之慈善及其他捐款合共港幣25,500元(二零零二年：港幣142,000元)。

### 固定資產

本集團之固定資產變動詳情載於賬目附註11。

The directors submit their report together with the audited accounts for the year ended 30th June 2003.

### PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in note 32 to the accounts.

An analysis of the Group's turnover and segment results for the year by principal activities and geographical areas is set out in note 2 to the accounts.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated profit and loss account on page 32.

The directors do not recommend the payment of a dividend.

### FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 4.

### RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 22 to the accounts.

### DONATIONS

Charitable and other donations made by the Group during the year amounted to HK\$25,500 (2002: HK\$142,000).

### FIXED ASSETS

Details of the movements in fixed assets of the Group are set out in note 11 to the accounts.

# Report of the Directors

## 董事會報告書

### 股本

本公司之股本變動詳情載於賬目附註21。

### 可分派儲備

本公司於二零零三年六月三十日之可分派儲備為港幣50,989,000元(二零零二年：港幣52,558,000元)，包括實繳盈餘港幣51,852,000元(二零零二年：港幣51,852,000元)，而實繳盈餘只在符合賬目附註22所載各項條件方可予以分派。

### 銀行貸款、透支及其他借貸之詳情

於二零零三年六月三十日，銀行貸款、透支及其他借貸之詳情載於賬目附註19、20、23及24。

### 購股權計劃

於一九九九年六月二十八日(「開始日期」)，本公司之股東批准一項購股權計劃(「現有計劃」)。該現有計劃之詳情如下：

#### (a) 現有計劃之目的

現有計劃旨在確認本集團執行董事及僱員所作之貢獻，並挽留對本集團有重大貢獻之僱員。

#### (b) 現有計劃之參與者

本公司可給予本公司及其附屬公司任何全職僱員(「僱員」)，包括任何執行董事可認購本公司股份之購股權。

### SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 21 to the accounts.

### DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 30th June 2003 amounted to HK\$50,989,000 (2002: HK\$52,558,000), including contributed surplus of HK\$51,852,000 (2002: HK\$51,852,000) which is only distributable subject to conditions as set out in note 22 to the accounts.

### PARTICULARS OF BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

Particulars of bank loans, overdrafts and other borrowings as at 30th June 2003 are set out in notes 19, 20, 23 and 24 to the accounts.

### SHARE OPTION SCHEME

On 28th June 1999 (the "Commencement Date"), a share option scheme (the "Existing Scheme") was approved by the shareholders of the Company. Details of the Existing Scheme are as follows:

#### (a) Purposes of the Existing Scheme

The purposes of the Existing Scheme are to recognise the contribution made by the executive directors and the employees of the Group and to retain the services of the employees who will make valuable contribution to the Group.

#### (b) Participants of the Existing Scheme

The Company may offer to grant share options to any full-time employees (the "Employee"), including any executive directors of the Company and its subsidiaries, to subscribe for shares in the Company.

# Report of the Directors

## 董事會報告書

### 購股權計劃 (續)

**(c) 根據現有計劃可發行之股份數目上限**

根據現有計劃可發行之最高股份數目為143,460,537股，相等於本報告日期本公司已發行股本之10%。

**(d) 每名參與者可獲購股權數目上限**

倘僱員全面行使所獲購股權會導致可認購之股份數目，加上已行使全部先前已獲授購股權而發行之股份總數及所有先前已獲授但尚未行使之購股權可發行之股份數目，超過當時根據現有計劃已發行及可發行股份總數之25%，則本公司不得向該僱員授出任何購股權。

**(e) 購股權之限期行使期及計劃之屆滿期**

現有計劃自開始日期起計10年內有效，將二零零九年六月二十七日屆滿，計劃限期屆滿後將不再授出任何購股權。購股權可即時於接納當日起計5年內行使，或於接納日後滿6個月、12個月或18個月至5年限期之到期日期間內行使。

**(f) 接納購股權建議時應付之代價**

僱員於接納購股權建議時應付港幣1元之代價。

### SHARE OPTION SCHEME (Cont'd)

**(c) Maximum number of shares available for issue under the Existing Scheme**

The maximum number of shares available for issue under the Existing Scheme is 143,460,537, representing 10% of the issued share capital of the Company at the date of this report.

**(d) Maximum entitlement of each participant**

No Employee shall be granted an option which, if exercised in full, would result in such Employee becoming entitled to subscribe for such number of shares as when aggregated with the total number of shares already issued under all the options previously granted to him which have been exercised, and, issuable under all the options previously granted to him which are for the time being subsisting and unexercised, would exceed 25% of the aggregate number of shares for the time being issued and issuable under the Existing Scheme.

**(e) Remaining life and the exercisable period of the options**

The Existing Scheme shall be valid and effective for a period of 10 years from the Commencement Date and it will remain valid until 27th June 2009, after which period no further options will be granted. The options granted may be exercised at any time during a period of five years commencing immediately, or on the expiry of six months, 12 months or 18 months after the date upon which the options is accepted and expiring on the last day of the five years' period.

**(f) Payment on acceptance of the options offer**

A sum of HK\$1 is payable by the Employee on acceptance of the options offer.

# Report of the Directors

## 董事會報告書

### 購股權計劃 (續)

#### (g) 釐定認購價之基準

董事會負責釐定行使根據現有計劃授出之購股權認購股份時應付之認購價，並知會僱員，而認購價不得低於(i)授出購股權當日前五個交易日股份在香港聯合交易所有限公司(「聯交所」)每日報價表所列之平均收市價80%；或(ii)本公司股份面值(以較高者為準)。

根據現有計劃已授出予本公司之董事之購股權詳情如下：

	於二零零二年 七月一日 持有之購股權 數目 Number of options held at 1st July 2002 以千計 '000	於年內 註銷之 購股權 數目 Number of options cancelled during the year 以千計 '000	於二零零三年 六月三十日 持有之購股權 數目 Number of options held at 30th June 2003 以千計 '000	行使價 Exercise price 港元 HK\$	授出日期 Grant date	行使期開始 Exercisable from	行使期終結 Exercisable until
現任董事： Current directors:							
林小明先生 Mr Lam Shiu Ming, Daneil	22,500	(22,500)	—	0.4	二零零零年六月十九日 19th June 2000	二零零零年六月十九日 19th June 2000	二零零五年六月十八日 18th June 2005
趙雪英女士 Ms Chiu Suet Ying	22,500	(22,500)	—	0.4	二零零零年六月十九日 19th June 2000	二零零零年六月十九日 19th June 2000	二零零五年六月十八日 18th June 2005
前任董事： Former director:							
楊劍標先生* Mr Yeung Kim Piu *	3,000	(3,000)	—	0.5	二零零零年六月十九日 19th June 2000	二零零零年十二月十九日 19th December 2000	二零零五年六月十八日 18th June 2005
	3,000	(3,000)	—	0.5	二零零零年六月十九日 19th June 2000	二零零一年十二月十九日 19th December 2001	二零零五年六月十八日 18th June 2005

\* 楊劍標先生於二零零二年十一月二十六日退任董事。

### SHARE OPTION SCHEME (Cont'd)

#### (g) Basis of determining the subscription price

The subscription price for shares in relation to the options to be granted under the Existing Scheme shall be determined by the Board of Directors and notified to an Employee being not less than (i) 80% of the average of the closing price of the shares as stated in the Stock Exchange's daily quotation sheets of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the five trading days immediately preceding the date of grant of the Options; or (ii) the nominal value of the shares of the Company, whichever is the higher.

Details of the options which have been granted to the directors under the Existing Scheme are as follows:

# Report of the Directors

## 董事會報告書

### 購股權計劃 (續)

於二零零三年六月三十日，所有以上之購股權均已交回及註銷。

鑑於香港聯合交易所有限公司上市規則（「上市規則」）第十七章引進由二零零一年九月一日起生效之變動，董事會認為，採納符合上市規則之新購股權計劃（「新計劃」）並終止現有計劃乃符合本公司之利益。新計劃主要條款之概要將會載於通函（「通函」）內，並將連同本公司截至二零零三年六月三十日止年度之年報一併寄發予本公司股東。現有計劃將於新計劃生效時終止，而新計劃須待通函所載若干條件達成後方予生效。

### 董事

年內在任董事如下：

林小明先生  
趙雪英女士  
楊劍標先生  
（於二零零二年十一月二十六日退任）  
趙善改先生\*  
伍國棟先生\*

\* 獨立非執行董事

趙善改先生及伍國棟先生根據公司細則第87(1)條任滿將會輪值告退，但表示如再度獲選，願繼續連任。

並無明確任期之獨立非執行董事須按照本公司細則輪值告退。

### SHARE OPTION SCHEME (Cont'd)

On 30th June 2003, all the above share options were surrendered and cancelled.

In view of the changes introduced in Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") with effect from 1st September 2001, The Board considers that it is in the interest of the Company to adopt a new share option scheme (the "New Scheme") in compliance with the Listing Rules and to terminate the Existing Scheme. A summary of the principal terms of the rules of the New Scheme will be set out in a circular (the "Circular") which will be despatched to the shareholders of the Company together with the annual report for the year ended 30th June 2003. The Existing Scheme will be terminated upon the New Scheme coming into effect which in turn will be subject to the fulfilment of certain conditions set out in the Circular.

### DIRECTORS

The directors during the year were:—

Mr LAM Shiu Ming, Daneil  
Ms CHIU Suet Ying  
Mr YEUNG Kim Piu  
（retired on 26th November 2002）  
Mr CHIU Shin Koi \*  
Mr NG Kwok Tung \*

\* Independent non-executive directors

Mr CHIU Shin Koi and Mr NG Kwok Tung, retire by rotation in accordance with Article 87(1) of the Company's Bye-Laws and, being eligible, offer themselves for re-election.

Independent non-executive directors who have not been appointed for a specific term are subject to retirement by rotation as specified by the Company's Articles of Association.

# Report of the Directors

## 董事會報告書

### 董事服務合約

林小明先生及趙雪英女士已分別與本公司訂立服務合約，由二零零二年七月一日起計，為期三年，其後可由任何一方事先以六個月書面通知予以終止，而通知期不得於首年內任何時間屆滿。根據服務合約，按照董事會所酌情應付予各董事之酬金每年可增加不超過15%，而各董事可獲發一項酌情花紅，惟於該年度應付予所有董事之花紅總金額不得超過本集團之除稅及少數股東權益後但未計非經常及特殊項目及該等花紅之經審核純利5%。每年薪金增加之金額及根據服務合約應付之花紅乃由董事會全權酌情決定，惟該等服務合約有關各方不可就董事會作出有關彼之任何決定投票或計入法定人數內。

除上文所披露者外，擬於應屆股東週年大會上候選連任之董事並無與本公司訂立本公司於一年內不作賠償（法定賠償除外）則不可終止之服務合約。

### 董事之合約權益

本公司、其控股公司、其附屬公司或同系附屬公司概無參與訂立於結算日或年內任何時間仍然生效、對本集團業務有重要影響而本公司董事直接或間接擁有重大實際權益之合約。

### DIRECTORS' SERVICE CONTRACTS

Mr LAM Shiu Ming, Daneil and Ms CHIU Suet Ying have each entered into a service contract with the Company for a term of three years commencing 1st July 2002, which may be terminated by either party thereto giving to the other six months' prior notice in writing, which notice period shall not expire at any time during the first year. Under these service contracts, the remuneration payable to each of them may, subject to the discretion of the directors, be increased by not more than 15 percent per annum and they will each be entitled to discretionary bonus provided that the total amount of bonuses payable to all the directors for such year shall not exceed five percent of the Group's audited net profit after taxation and minority interests but before extraordinary and exceptional items and the payment of such bonus. The amount of the annual salary increase and the bonus payable under such service contracts is at the sole discretion of the board of directors provided that the respective parties to such service contracts may not vote or be counted in the quorum in respect of any such determination of the board of directors in relation to him or her.

Save as disclosed above, none of the directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

### DIRECTOR'S INTEREST IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company, its holding company, its subsidiaries or its fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

# Report of the Directors

## 董事會報告書

### 董事於股本證券或債務證券之權益

於二零零三年六月三十日，本公司各董事及主要行政人員所擁有根據證券及期貨條例第341、342及343條須知會本公司及聯交所之本公司及相聯法團(定義見證券及期貨條例)之股本權益及短倉(包括根據證券及期貨條例第344及345條任何該等董事被視為擁有之權益)，或根據證券及期貨條例第352條須登記於本公司須存置之登記冊或根據上市公司董事進行證券買賣的標準守則(「標準守則」)須知會本公司及聯交所之權益如下：

董事姓名 Name of Director	權益性質 Nature of interest	所持本公司股份數目 Number of shares of the Company held	持股百分比 Percentage of shareholding
林小明 LAM Shiu Ming, Daneil	一項全權信託之創立人(註) Founder of a discretionary trust (Note)	576,754,470	60.3%

註：該全權信託之受託人為Central Core Resources Limited。該公司擁有Globalcrest Enterprises Limited全部已發行股本，而Globalcrest Enterprises Limited則擁有本公司576,754,470股股份。

### DIRECTORS' INTERESTS IN EQUITY OR DEBT SECURITIES

As at 30th June 2003, the interests (including short positions) of each of the directors and chief executive of the Company in the share capital of the Company and its associated corporation (within the meaning of the Securities and Futures Ordinance ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Sections 341, 342 and 343 of the SFO (including interest which any such director was taken to have under Sections 344 and 345 of the SFO) or which were required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by directors of Listed Companies (the "Model Code") were as follows:

Note: The trustee of the discretionary trust is Central Core Resources Limited which owns the entire issued share capital of the Globalcrest Enterprises Limited which in turn is interested in 576,754,470 shares of the Company.

除上文所披露者外，於二零零三年六月三十日，本公司各董事或主要行政人員或彼等各自之聯繫人士概無擁有根據證券及期貨條例第341、342及343條或標準守則須知會本公司及聯交所之本公司或任何相聯法團之股本權益及短倉(包括根據證券及期貨條例第344及345條被視為或當作擁有之權益)或根據證券及期貨條例第352條須登記於該條例所述登記冊之權益。

Save as disclosed above, as at 30th June 2003, none of the directors or chief executives of the Company or their associates had any interests (including short positions) in the share capital of the Company or any of its associated corporations where were required to be notified to the Company and the Stock Exchange pursuant to Sections 341, 342 and 343 of the SFO (including interests which they were deemed or taken to have under Sections 344 and 345 of the SFO) or the Model Code or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein.

除上述購股權計劃外，各董事(包括彼等之配偶及未滿18歲之子女)並無獲授予或行使任何可認購本公司股份之權利。

Apart from the share option scheme mentioned above, none of the directors (including their spouse and children under 18 years of age) had been granted, or exercised, any rights to subscribe for shares of the Company.

此外，本公司、其控股公司、其附屬公司或其同系附屬公司於年內並無訂立任何安排，使本公司董事可藉購買本公司或任何其他法人團體之股份或債券而獲益。

In addition, at no time during the year was the Company, its holding company, its subsidiaries or its fellow subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

# Report of the Directors

## 董事會報告書

### 主要股東

於二零零三年六月三十日，按本公司根據證券及期貨條例第336條存置之登記冊所記錄，下列人士擁有佔本公司已發行股本5%或以上之本公司已發行股本權益(包括短倉)：

股東名稱 Name of shareholder	所持本公司股份數目 Number of shares of the Company held	持股百分比 Percentage of shareholding
Globalcrest Enterprises Limited (Note) (註)	576,754,470	60.3%
Central Core Resources Limited (Note) (註)	576,754,470	60.3%
J.P. Morgan Chase & Co.	86,265,000	9.02%
Pan Asia Special Opportunities Fund	83,464,285	8.73%

註：Globalcrest Enterprises Limited 之全部已發行股本由Central Core Resources Limited持有，而Central Core Resources Limited乃林小明先生及趙雪英女士之若干直系親屬為受益人之全權信託之受託人。

### SUBSTANTIAL SHAREHOLDERS

At 30th June 2003, in accordance with the register kept by the Company under Section 336 of the SFO, the following persons were interested in the issued share capital of the Company (including short positions) representing 5% or more of the issued share capital of the Company:

Note: The entire issued share capital of the Globalcrest Enterprises Limited is held by Central Core Resources Limited, the trustee of a discretionary trust under which certain immediate family members of Mr LAM Shiu Ming, Daneil and Ms CHIU Suet Ying are discretionary objects.

### 管理合約

本年度內，本公司並無就整體業務或任何重要業務之管理或行政工作簽訂或存在任何合約。

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

### 優先購買權

儘管百慕達法律並無限制優先購買權，但本公司之公司細則並無有關權利之規定。

### PRE-EMPTIVE RIGHTS

There are no provision for pre-emptive rights under the Company's bye-laws and there are no restrictions against such rights under the laws in Bermuda.



# Report of the Directors

## 董事會報告書

### 主要供應商及客戶

年內本集團主要供應商及客戶所佔之購貨及銷售百分比如下：

#### 購貨額

— 最大供應商	20.04%
— 五大供應商合計	49.70%

#### 銷售額

— 最大客戶	9.64%
— 五大客戶合計	35.38%

各董事、彼等之聯繫人士或任何股東（就董事所知擁有本公司逾5%之股本）概無擁有上述主要供應商及客戶之任何權益。

### 關連交易

本集團於截至二零零三年六月三十日止年度進行之重大有關連人士交易，即根據上市規則構成獲豁免關連交易者，乃載於賬目附註三十。

### MAJOR SUPPLIERS AND CUSTOMERS

The percentage of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

#### Purchases

— the largest supplier	20.04%
— five largest suppliers combined	49.70%

#### Sales

— the largest customer	9.64%
— five largest customers combined	35.38%

None of the directors, their associates or any shareholder (which to the knowledge of the directors owns more than 5% of the Company's share capital) had an interest in the major suppliers and customers noted above.

### CONNECTED TRANSACTIONS

Significant related party transactions entered by the Group during the year ended 30th June 2003, which constitute exempted connected transactions under the Listing Rules, are disclosed in note 30 to the accounts.

# Report of the Directors

## 董事會報告書

### 結算日後事項

於二零零三年七月二十九日，董事會通過一項供股計劃，向於二零零三年八月十九日名列於股東名冊之股東（不包括登記地址位於香港以外之股東）按每持有兩股現有股份發行一股供股股份之基準，以發售價港幣0.08元發行478,201,790股股份。該項交易已於二零零三年九月八日完成，本公司已收取約港幣37,684,000元之所得款項淨額。

供股之進一步詳情載於本公司於二零零三年八月十九日刊發之通函。

### 核數師

本賬目已經由羅兵咸永道會計師事務所審核，該核數師任滿告退，惟符合資格並願受聘連任。

承董事會命

林小明  
主席

香港，二零零三年十月二十日

### SUBSEQUENT EVENTS

On 29th July 2003, the Board of Directors approved a rights issue for 478,201,790 shares at an issue price of HK\$0.08 per rights share on the basis of one rights share for every two existing shares held by members on the register of members on 19th August 2003 (excluding those shareholders with registered addresses outside Hong Kong). The transaction was completed on 8th September 2003 and the net proceeds of approximately HK\$37,684,000 were received by the Company.

Further details of the rights issue are set out in the prospectus of the Company dated 19th August 2003.

### AUDITORS

The accounts have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

Lam Shiu Ming, Daneil  
Chairman

Hong Kong, 20th October 2003