

The directors present their annual report and the audited financial statements for the year ended 31st August, 2003.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its principal subsidiaries and jointly controlled entities are set out in notes 14 and 15 to the financial statements, respectively.

RESULTS AND APPROPRIATIONS

The results of the Group and appropriations of the Company for the year ended 31st August, 2003 are set out in the consolidated income statement on page 34 and in the accompanying notes to the financial statements.

The directors recommend the payment of a final dividend of HK10.0 cents per share payable to shareholders whose names appear on the register of members on 5th February, 2004 which, together with the interim dividend of HK12.0 cents per share paid during the year, makes a total dividend for the year of HK22.0 cents per share.

INVESTMENT PROPERTIES

The Group's investment properties were revalued at 31st August, 2003 and the resulting deficit of approximately HK\$5,741,000 has been charged to the consolidated income statement.

Details of this and other movements in the investment properties of the Group during the year are set out in note 11 to the financial statements. Particulars of the Group's investment properties are set out on page 92.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group incurred expenditure of approximately HK\$269,765,000 and HK\$183,381,000 on additions to plant and machinery and construction in progress, respectively, to expand and upgrade the Group's manufacturing facilities.

Details of these and other movements in the property, plant and equipment of the Group and of the Company during the year are set out in note 12 to the financial statements.

董事提呈截至二零零三年八月三十一日止年度之年報及經審核財務報表。

主要業務

本公司乃一間投資控股公司。其主要附屬公司及共同控制機構之主要業務分別載列於財務報表附註14及15內。

業績及備撥

截至二零零三年八月三十一日止年度之本集團業績及本公司備撥詳情載列於第34頁之綜合收益賬及其有關之財務報表附註內。

董事建議派發末期股息每股10.0港仙予在二零零四年二月五日名列在股東名冊內之股東。連同在本年度已付的中期股息每股12.0港仙，全年股息共為每股22.0港仙。

投資物業

本集團之投資物業在二零零三年八月三十一日已重估，約5,741,000港元之重估虧損已在綜合收益賬內扣除。

本年度本集團之投資物業連上述及其他變動詳情載列於財務報表附註11內。本集團之投資物業詳情載列於第92頁。

物業、機器及設備

本年度本集團為擴大及增強本集團生產設備而用於增加廠房機器及興建中物業的支出分別約為269,765,000港元及183,381,000港元。

本年度本集團及本公司之物業、機器及設備連上述及其他變動詳情載列於財務報表附註12內。

董事會報告

SHARE CAPITAL

Details of the Company's share capital are set out in note 22 to the financial statements.

RESERVES

Details of movements in the reserves of the Company during the year are set out in note 24 to the financial statements.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive directors:

Mr. Ha Chung Fong (*Chairman*)
Mr. Lau Hong Yon
Mr. Pow Man Kue

Non-executive directors:

Mr. Ha Hon Kuen
Ms. Yeh Yi Hao, Yvette
Ms. Mi Man See, Lisa (*alternate to Ms. Yeh Yi Hao, Yvette*)

Independent non-executive directors:

Mr. Ng Kwok Tung
Mr. Wong Kwong Chi

In accordance with Article 102 of the Company's Articles of Association, Messrs. Pow Man Kue, Ha Hon Kuen and Ng Kwok Tung retire and, being eligible, offer themselves for re-election.

股本

本公司之股本詳情載列於財務報表附註22內。

儲備

本年度本公司之儲備變動詳情載列於財務報表附註24內。

董事及董事服務合約

於本年度及截至本年報日，本公司董事名單如下：

執行董事：

夏松芳先生 (*主席*)
柳康遠先生
鮑文巨先生

非執行董事：

夏漢權先生
葉儀皓女士
米聞斯小姐 (*為葉儀皓女士之替代董事*)

獨立非執行董事：

伍國棟先生
王幹芝先生

根據本公司組織章程第102條，鮑文巨先生、夏漢權先生及伍國棟先生告退，惟願膺選連任。

For those retiring directors, Mr. Pow Man Kue has entered into a service contract with the Company for a term of five years commencing 1st March, 1998. On 27th November, 2002, the terms of his contract was extended to 28th February, 2005. Messrs. Ha Hon Kuen and Ng Kwok Tung have entered into separate service contracts with the Company for a term of one year commencing 17th May, 1996 and 16th November, 1996, respectively. During the year, the terms of both contracts, which were previously extended to 31st August, 2003, were further extended to 31st August, 2004.

Ms. Yeh Yi Hao, Yvette has entered into a service contract with the Company for a term of eighteen months commencing 1st March, 2000. During the year, the terms of her contract, which was previously extended to 31st August, 2003, was further extended to 31st August, 2004. Mr. Wong Kwong Chi has entered into a service contract with the Company for a term of one year commencing 16th August, 1998. During the year, the terms of his contract, which was previously extended to 31st August, 2003, was further extended to 31st August, 2004.

Other than as disclosed above, no director proposed for re-election at the forthcoming annual general meeting and no non-executive director has a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN SECURITIES

At 31st August, 2003, the interest of the directors and their associates in the shares and underlying shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), 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 (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

在需要告退之董事中，鮑文巨先生已與本公司簽訂一份服務合約，合約由一九九八年三月一日開始，為期五年。於二零零二年十一月二十七日，該合約已續期至二零零五年二月二十八日。夏漢權先生及伍國棟先生已分別與本公司簽訂服務合約，合約分別由一九九六年五月十七日及一九九六年十一月十六日開始，為期一年。本年度該等合約已續期至二零零三年八月三十一日，後再續期至二零零四年八月三十一日。

葉儀皓女士已與本公司簽訂一份服務合約，合約由二零零零年三月一日開始，為期十八個月。本年度該合約已續期至二零零三年八月三十一日，後再續期至二零零四年八月三十一日。王幹芝先生已與本公司簽訂一份服務合約，合約由一九九八年八月十六日開始，為期一年。本年度該合約已續期至二零零三年八月三十一日，後再續期至二零零四年八月三十一日。

除上述外，所有需於即將舉行之股東週年大會上重選之董事及所有非執行董事與本集團並無訂立任何於一年內非由本集團決定終止而無須支付賠償（一般法定責任除外）之服務合約。

董事之證券權益

於二零零三年八月三十一日，根據本公司按證券及期貨條例第352條設置之名冊所記錄或按香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）內上市公司董事進行證券交易之標準守則（「標準守則」）須通知本公司及聯交所之資料，各董事及其聯繫人於本公司及其聯營公司所持有之股份及相關股份權益如下：

董事會報告

Long positions in shares and underlying shares of the Company:

本公司股份及相關股份的好倉情況：

Name of director 董事名稱	Number of shares held as 持有股份數目			Total 總數	Approximate % of the issued share capital 約佔已發行 股本比率
	Beneficial owner 實益擁有人	Other interests 其他權益	Equity derivatives (share option) 衍生權益 (認股權) (Note 1) (附註1)		
Mr. Ha Chung Fong 夏松芳先生	—	281,622,044 (Note 2) (附註2)	—	281,622,044	35.86
Mr. Lau Hong Yon 柳康遠先生	—	—	280,000	280,000	0.04
Mr. Pow Man Kue 鮑文巨先生	560,000	—	280,000	840,000	0.11
Ms. Yeh Yi Hao, Yvette 葉儀皓女士	70,000	—	—	70,000	0.01

Notes:

附註：

- The share options were granted under the share option scheme of the Company adopted on 25th January, 2002 and entitle the holders thereof to subscribe for the Company's shares of HK\$0.20 each at a subscription price of HK\$3.825 per share at any time during a period from 25th October, 2003 to 24th April, 2004.
- Mr. Ha Chung Fong was deemed to be interested in 281,622,044 shares in the Company in virtue of the set up of the discretionary trust, the Ha Trust, for the benefit of his family and Centre Trustees (C.I.) Limited ("Centre Trustees") is the trustee of the Ha Trust.

- 認股權乃根據本公司於二零零二年一月二十五日採納之認股權計劃授出，持有者可於二零零三年十月二十五日至二零零四年四月二十四日期間內之任何時間以每股3.825港元之認購價認購每股面值0.2港元之本公司股份。
- 由於夏松芳先生為其家族利益成立一項酌情信託the Ha Trust，因此被當作持有281,622,044股本公司股份權益。Centre Trustees (C.I.) Limited (「Centre Trustees」) 為the Ha Trust之受託人。

Other than as disclosed above, none of the directors nor their associates had any interests or short positions in any shares and underlying shares of the Company or any of its associated corporations, which were recorded in the register as required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules.

除上述外，根據本公司按證券及期貨條例第352條設置之名冊所記錄或按上市規則內標準守則須通知本公司及聯交所之資料，本公司董事及其聯繫人並無持有本公司或本公司任何聯營公司任何股份及相關股份權益或淡倉。

SHARE OPTIONS

Particulars of the Company's share option schemes are set out in note 23 to the financial statements.

The following table discloses movements in the share options of the Company's directors during the year:

Director	Share option type	Outstanding at 1.9.2002	Number of share options		
			Granted during the year	Exercised during the year	Outstanding at 31.8.2003
	認股權類別	於二零零二年九月一日結餘	本年度授出	本年度行使	於二零零三年八月三十一日結餘
Mr. Lau Hong Yon	柳康遠先生	280,000	—	(280,000)	—
	2001	—	280,000	—	280,000
Mr. Pow Man Kue	鮑文巨先生	280,000	—	(280,000)	—
	2002	—	280,000	—	280,000
		560,000	560,000	(560,000)	560,000

Details of each type of share options are as follows:

Share option type	Date of grant	Hold-up period	Option period	Exercise price
認股權類別	授出日期	持有期	認購期限	認購價
				HK\$
				港元
2001	30.8.2001	30.8.2001 - 29.8.2002	30.8.2002 - 28.2.2003	0.72
2002	25.10.2002	25.10.2002 - 24.10.2003	25.10.2003 - 24.4.2004	3.825

The closing price of the Company's shares immediately before 25th October, 2002, the date of grant of the 2002 share options, was HK\$3.725.

認股權

本公司認股權計劃之詳情載列於財務報表附註23內。

本年度本公司董事之認股權之變動如下表所披露：

Director	Share option type	Outstanding at 1.9.2002	Number of share options		
			Granted during the year	Exercised during the year	Outstanding at 31.8.2003
	認股權類別	於二零零二年九月一日結餘	本年度授出	本年度行使	於二零零三年八月三十一日結餘
Mr. Lau Hong Yon	柳康遠先生	280,000	—	(280,000)	—
	2001	—	280,000	—	280,000
Mr. Pow Man Kue	鮑文巨先生	280,000	—	(280,000)	—
	2002	—	280,000	—	280,000
		560,000	560,000	(560,000)	560,000

每類認股權之詳情如下：

於二零零二年十月二十五日(2002認股權授出日)之前一天的本公司股份收市價為3.725港元。

董事會報告

Share options were exercised on various dates from 30th August, 2002 to 8th November, 2002. The weighted average closing prices of the Company's shares immediately before the dates on which the share options were exercised during such period ranged from HK\$2.88 to HK\$3.695.

The share prices on the dates of issue of shares to directors and employees on 17th September, 2002, 30th September, 2002, 28th October, 2002 and 25th November, 2002 were HK\$2.90, HK\$3.125, HK\$3.875 and HK\$3.675, respectively.

The fair value of the share options granted in the current year measured at the date of grant on 25th October, 2002 was HK\$0.69 per share option. The following significant assumptions were used to derive the fair value using the Black-Scholes option pricing model:

Expected life of options	認股權預期年期	15 months 月
Expected volatility based on historical volatility of share prices	按股份價格的歷史波幅而預期的波幅	44%
Hong Kong Exchange Fund Notes rate (per annum)	香港外匯基金票據息率(每年)	1.89%
Expected annual dividends	預期每年股息	3.3%

For the purposes of the calculation of fair value, no adjustment has been made in respect of share options expected to be forfeited due to lack of historical data.

The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price. Because changes in subjective input assumptions can materially affect the fair value estimate, in the directors' opinion, the existing model does not necessarily provide a reliable single measure of the fair value of the share options.

認股權在二零零二年八月三十日至二零零二年十一月八日期間內的多個日子被行使。認股權在該期間被行使時之前一天的本公司股份加權平均收市價為2.88港元至3.695港元。

於二零零二年九月十七日、二零零二年九月三十日、二零零二年十月二十八日及二零零二年十一月二十五日發行股份予董事及僱員的當天股份價格分別為2.90港元、3.125港元、3.875港元及3.675港元。

於本年度授出的認股權於二零零二年十月二十五日授出日的公平價值為每股認股權0.69港元。下列乃運用栢力克—舒爾斯期權定價模式計算公平價值時所採用的重大假設：

在計算公平價值時，由於並無過往數據可依，故並沒有就預期沒收的認股權作出調整。

栢力克—舒爾斯期權定價模式需要輸入高度主觀的假設，當中包括股份價格的波幅。由於主觀輸入假設的變動可重大影響公平價值的估計，故董事認為現有模式不一定能就認股權的公平價值提供一個可靠的單一計算方法。

ARRANGEMENTS TO PURCHASE SHARES OR DEBT SECURITIES

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debt securities, including debentures, of the Company or any other body corporate and none of the directors nor any of their spouses or children under the age of 18 had any rights to subscribe for the securities of the Company, or had exercised any such rights during the year.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE AND CONNECTED TRANSACTIONS

On 20th December, 2002, Hiway Textiles Limited (formerly Ambler House Development Limited) ("Hiway"), a wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement (the "Agreement") with Harmony Corp. ("Harmony"). Pursuant to the Agreement, Hiway agreed to acquire from Harmony the entire issued and paid up share capital of Higon Enterprises Limited, Richlink (HK) Limited and Karlson Industrial Limited (collectively the "Higon Group"), for a cash consideration of HK\$12,000,000. Harmony is beneficially owned by Mr. Ha Kam On, Victor, who is the son of Mr. Ha Chung Fong. The consideration has been arrived at based on normal commercial terms and in accordance with the Agreement with reference to a combination of factors, namely, the net asset value and goodwill of the Higon Group.

收購股份或債務證券安排

除上述外，本公司或其任何附屬公司在本年度內任何時間均無任何安排，使本公司董事藉購買本公司或任何其他公司之股份或債務證券（包括債券）而獲益，本年度各董事或任何其配偶及其子女（年齡少於十八歲）並無授權可認購本公司證券或並無行使該權利。

董事擁有之重要合約權益及關連交易

於二零零二年十二月二十日，本公司之全資附屬公司海匯紡織有限公司（前為 Ambler House Development Limited）（「海匯」）與 Harmony Corp.（「Harmony」）簽訂一份買賣合約（「合約」）。根據合約，海匯同意以 12,000,000 港元之現金代價向 Harmony 購入海高有限公司、富僑（香港）有限公司及加信有限公司（合稱「海高集團」）之所有已發行及已支付股本。Harmony 為夏錦安先生實益擁有，而夏錦安先生為夏松芳先生的兒子。代價乃按一般商業條款及根據合約內容和考慮各方面因素，當中包括海高集團之資產淨值及商譽，而釐定的。

董事會報告

On 22nd October, 2001, K.L.W. Limited (“KLW”), a wholly-owned subsidiary of the Company, entered into a tenancy agreement (the “YCC Agreement”) with Yee Chang Company Limited (“YCC”), a company controlled by Centre Trustees, for the grant of a tenancy by YCC to KLW for a term of two years commencing 15th October, 2001 at a monthly rent of HK\$74,000 exclusive of rates and management fee. Rental totaling HK\$888,000 were paid by the Group to YCC pursuant to the YCC Agreement during the year. On 22nd October, 2003, Hiway entered into a tenancy agreement with YCC for the grant of a tenancy by YCC to Hiway for a term of two years commencing 15th October, 2003 at a monthly rent of HK\$70,000 exclusive of rates and management fee.

The terms of the above transactions were considered by the Board of Directors of the Company (including the independent non-executive directors) as fair and reasonable and the above transactions had been entered into on normal commercial terms.

Save as disclosed above, there were no other transactions which need to be disclosed as connected transactions in accordance with the requirements of the Listing Rules and no contracts of significance to which the Company or any of its 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.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

於二零零一年十月二十二日，本公司全資附屬公司金漣威(香港)有限公司(「金漣威」)與義翔有限公司(「義翔」)訂立一項租約協議(「該協議」)，由義翔以月租74,000港元(不包括差餉及管理費)將一物業出租予金漣威，租約由二零零一年十月十五日開始，為期兩年。義翔為一間由Centre Trustees所控制的公司。本年度本集團根據該協議而支付予義翔之租金共888,000港元。於二零零三年十月二十二日，海匯與義翔訂立一項租約協議，由義翔以月租70,000港元(不包括差餉及管理費)將一物業出租予海匯，租約由二零零三年十月十五日開始，為期兩年。

本公司董事會(包括獨立非執行董事)認為以上之交易屬公平、合理及按正常商業條款進行。

除上述外，於本年度終結時或在本年度內任何時間，本公司或其任何附屬公司並無其他根據上市規則須予披露之關連交易，亦無訂立任何與本公司董事有直接或間接重大利益之重要合約。

購回、出售及贖回本公司之上市證券

本年度本公司及其任何附屬公司並無購回、出售或贖回本公司之上市證券。

SUBSTANTIAL SHAREHOLDERS' AND OTHER SHAREHOLDERS' INTERESTS

At 31st August, 2003, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interest disclosed above in respect of certain directors, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

Long positions in shares and underlying shares of the Company:

主要股東及其他股東權益

於二零零三年八月三十一日，根據本公司按證券及期貨條例第336條所設置的主要股東名冊顯示，除上述部份董事已披露之權益外，以下股東已通知本公司其持有本公司已發行股本的有關權益。

本公司股份及相關股份的好倉情況：

Name of substantial shareholder 主要股東名稱	Number of shares 股份數目	Capacity 身分	Approximate % of the issued share capital 約佔已發行 股本比率
Centre Trustees	281,622,044 (notes 1 and 3) (附註 1 及 3)	Trustee 受託人	35.86
Ms. Tang Kuen Mui 鄧娟妹女士	281,622,044 (notes 2 and 3) (附註 2 及 3)	Spouse interest 配偶權益	35.86
J.P. Morgan Chase & Co.	117,459,282 (notes 4 and 5) (附註 4 及 5)	788,000 shares as beneficial owner, 76,254,000 shares as investment manager and 40,417,282 shares as other 788,000 股為實益擁有人， 76,254,000 股為投資經理及 40,417,282 股為其他	14.96
The Capital Group Companies, Inc.	46,742,000 (note 6) (附註 6)	Investment manager 投資經理	5.95

董事會報告

Notes:

附註：

1. The following is a breakdown of the interests in shares of Centre Trustees:

1. 下列為Centre Trustees所持有之股份權益細節：

Controlled corporation 受控法團	Controlling shareholder 控權股東	% of control 控制比率	Total interest in shares 股份權益總數		Approximate % of the issued share capital 約佔已發行的股本比率
			Direct interest 直接權益	Deemed interest 當作持有的權益	
Super Brilliance Company Limited	Centre Trustees (i)	100.00	280,082,044	—	35.67
YCC 義翔	Koy Holdings Corporations (ii)	100.00	1,540,000	—	0.19
The Kam Kong Unit Trust	Centre Trustees	99.99	—	1,540,000	0.19

(i) *Centre Trustees is the trustee of the Ha Trust, a discretionary trust set up by Mr. Ha Chung Fong for the benefit of his family.*

(i) *Centre Trustees為the Ha Trust之受託人，the Ha Trust為夏松芳先生為其家族利益而成立的一項酌情信託。*

(ii) *Koy Holdings Corporations is the trustee of The Kam Kong Unit Trust.*

(ii) *Koy Holdings Corporations為The Kam Kong Unit Trust之受託人。*

2. Ms. Tang Kuen Mui, spouse of Mr. Ha Chung Fong, was deemed to be interested in the shares.

2. 鄧娟妹女士為夏松芳先生之配偶，因而被當作持有該等股份權益。

3. The interests of Mr. Ha Chung Fong, Centre Trustees and Ms. Tang Kuen Mui were duplicated.

3. 夏松芳先生、Centre Trustees及鄧娟妹女士之權益是重複的。

4. The following is a breakdown of the interests in shares of J.P. Morgan Chase & Co.:

4. 下列為J. P. Morgan Chase & Co.所持有之股份權益細節：

Controlled corporation 受控法團	Controlling shareholder 控權股東	% of control 控制比率	Total interest in shares 股份權益總數		Approximate % of the issued share capital 約佔已發行的股本比率
			Direct interest 直接權益	Deemed interest 當作持有的權益	
J.P. Morgan Fleming Asset Management Holdings Inc.	J.P. Morgan Chase & Co.	100.00	—	76,254,000	9.71
J.P. Morgan Fleming Asset Management (Asia) Inc.	J.P. Morgan Fleming Asset Management Holdings Inc.	100.00	—	73,340,000	9.34
JF Asset Management Limited	J.P. Morgan Fleming Asset Management (Asia) Inc.	99.99	59,840,000	11,550,000	9.09
JPMorgan Chase Bank	J.P. Morgan Chase & Co.	100.00	40,417,282	788,000	5.25

Controlled corporation 受控法團	Controlling shareholder 控權股東	% of control 控制比率	Total interest in shares 股份權益總數		Approximate % of the issued share capital 約佔已發行的股本比率
			Direct interest 直接權益	Deemed interest 當作持有的權益	
JF Asset Management (Taiwan) Limited	JF Funds Limited	99.90	11,550,000	—	1.47
JF Funds Limited	JF Asset Management Limited	100.00	—	11,550,000	1.47
J.P. Morgan Fleming Asset Management (UK) Limited	Robert Fleming Asset Management Limited	100.00	2,914,000	—	0.37
Robert Fleming Asset Management Limited	Robert Fleming Holdings Ltd	99.96	—	2,914,000	0.37
Robert Fleming Holdings Ltd	J.P. Morgan Fleming Asset Management Holdings Inc.	96.00	—	2,914,000	0.37
JF International Management Inc.	J.P. Morgan Fleming Asset Management (Asia) Inc.	100.00	1,950,000	—	0.25
J.P. Morgan Whitefriars Inc.	J.P. Morgan Overseas Capital Corporation	100.00	788,000	—	0.10
J.P. Morgan Overseas Capital Corporation	J.P. Morgan International Finance Limited	100.00	—	788,000	0.10
J.P. Morgan International Finance Limited	J.P. Morgan International Inc.	100.00	—	788,000	0.10
J.P. Morgan International Inc.	JPMorgan Chase Bank	100.00	—	788,000	0.10
5.	The 117,459,282 shares included a lending pool of 40,417,282 shares.	5.	於 117,459,282 股內包括 40,417,282 股可供借出的股份。		
6.	The following is a breakdown of the interests in shares of The Capital Group Companies, Inc.:	6.	下列為 The Capital Group Companies, Inc. 所持有之股份權益細節：		
Controlled corporation 受控法團	Controlling shareholder 控權股東	% of control 控制比率	Total interest in shares 股份權益總數		Approximate % of the issued share capital 約佔已發行的股本比率
			Direct interest 直接權益	Deemed interest 當作持有的權益	
Capital Group International, Inc.	The Capital Group Companies, Inc.	100.00	—	46,742,000	5.95
Capital Guardian Trust Company	Capital Group International, Inc.	100.00	25,958,000	—	3.30
Capital International, Inc.	Capital Group International, Inc.	100.00	20,784,000	—	2.65

董事會報告

Other than as disclosed above, the Company has not been notified of any other relevant interests or short position in the issued share capital of the Company as at 31st August, 2003.

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate turnover attributable to the Group's five largest customers was less than 30% of the total turnover for the year. The aggregate purchases attributable to the Group's five largest suppliers were less than 30% of the total purchases for the year.

DONATIONS

During the year, the Group made charitable and other donations totalling approximately HK\$351,000.

CORPORATE GOVERNANCE

The Company has complied throughout the year ended 31st August, 2003 with the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

AUDITORS

A resolution will be submitted to the forthcoming annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

Ha Chung Fong
Director

Hong Kong
18th December, 2003

除上述外，於二零零三年八月三十一日，本公司並無收到任何其他持有本公司已發行股本的有關權益或淡倉通知。

主要客戶及供應商

本年度本集團前五大客戶共佔本集團之營業總額少於百分之三十。而本年度本集團前五大供應商共佔本集團之採購總額少於百分之三十。

捐款

本年度本集團作出之慈善及其他捐款共約351,000港元。

公司管治

於截至二零零三年八月三十一日止年度內，本公司一直遵守上市規則附錄14「最佳應用守則」之規則。

核數師

本公司將於即將舉行之股東週年大會上提呈決議案，續聘德勤•關黃陳方會計師行為本公司之核數師。

代董事會

董事
夏松芳

香港
二零零三年十二月十八日