

The directors have pleasure in presenting their report and the audited financial statements of the Company and the Group for the year ended 31 March 2004.

#### **PRINCIPAL ACTIVITIES**

The Group's principal activities during the year consisted of the production, dyeing and sale of knitted fabric and yarn, the retailing and distribution of casual apparel and accessory, the provision of franchise services, the provision of repair and maintenance services for motors and generators, and the trading of generators. There were no significant changes in the nature of the Group's principal activities during the year.

The principal activity of the Company is investment holding.

#### **RESULTS AND DIVIDENDS**

The Group's profit for the year ended 31 March 2004 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 32 to 112.

An interim dividend of HK8.0 cents per ordinary share was paid on 10 February 2004. The directors recommend the payment of a final dividend of HK12.0 cents per ordinary share in respect of the year, to shareholders on the register of members on 26 August 2004. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the capital and reserves section of the balance sheet.

董事會欣然呈奉本公司與本集團截至二零零四年三月三十一日止年度之年報及經審核財務報表，敬祈省覽。

#### **主要業務**

本年度本集團之主要業務包括針織布及棉紗之產銷及整染、便服及飾物之銷售、提供特許經營服務、提供汽車及發電機之維修及保養服務及銷售發電機。本集團之業務性質在本年度並無重大轉變。

本公司之主要業務為投資控股。

#### **業績與股息**

本集團於截至二零零四年三月三十一日止年度之溢利及本公司與本集團截至該日期之業務狀況列載於第32至112頁之財務報表。

中期股息每股港幣8.0仙已於二零零四年二月十日派發。董事會茲建議派發本年度末期股息每股港幣12.0仙予二零零四年八月二十六日名列股東名冊之股東，是項建議股息已列入本財務報表，亦即於資產負債表的資本及儲備賬中由保留溢利撥出。

## SUMMARY FINANCIAL INFORMATION

A summary of the published results and of the assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the published audited financial statements and reclassified as appropriate, is set out below.

## 財務資料概要

下表為本集團於過往五個財政年度之已公佈業績、資產、負債與少數股東權益之摘要，乃摘自已公佈之經審核財務報表及按需要重新分類。

## RESULTS

## 業績

		Year ended 31 March				
		截至三月三十一日止年度				
		2004	2003	2002	2001	2000
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>TURNOVER</b>	<b>營業額</b>	<b>6,216,465</b>	5,198,585	4,720,333	4,309,436	3,092,784
<b>PROFIT FROM OPERATING</b>	<b>經常業務溢利</b>					
<b>ACTIVITIES</b>		<b>498,266</b>	618,734	531,418	480,475	320,881
Share of profit of an associate	應佔聯營公司溢利	<b>33,344</b>	46,630	62,157	56,299	30,685
Finance costs	財務費用	<b>(4,086)</b>	(2,787)	(5,770)	(6,229)	(22,963)
<b>PROFIT BEFORE TAX</b>	<b>除稅前溢利</b>	<b>527,524</b>	662,577	587,805	530,545	328,603
Tax	稅項	<b>(57,888)</b>	(37,926)	(29,501)	(59,089)	(27,011)
<b>PROFIT BEFORE</b>	<b>未計少數股東權益前</b>					
<b>MINORITY INTERESTS</b>	<b>溢利</b>	<b>469,636</b>	624,651	558,304	471,456	301,592
Minority interests	少數股東權益	<b>(47,666)</b>	(34,089)	(28,197)	(7,568)	—
<b>NET PROFIT FROM</b>	<b>股東應佔經常業務</b>					
<b>ORDINARY ACTIVITIES</b>	<b>溢利淨額</b>					
<b>ATTRIBUTABLE</b>						
<b>TO SHAREHOLDERS</b>		<b>421,970</b>	590,562	530,107	463,888	301,592

**ASSETS, LIABILITIES  
AND MINORITY  
INTERESTS**

**資產、負債與  
少數股東權益**

		As at 31 March				
		於三月三十一日				
		2004	2003	2002	2001	2000
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>TOTAL ASSETS</b>	<b>資產總值</b>	<b>4,390,685</b>	3,368,333	2,793,575	2,540,375	2,034,191
<b>TOTAL LIABILITIES</b>	<b>負債總值</b>	<b>(1,859,461)</b>	(1,001,912)	(731,945)	(846,071)	(646,669)
<b>MINORITY INTERESTS</b>	<b>少數股東權益</b>	<b>(82,766)</b>	(50,710)	(36,971)	(8,046)	(478)
		<b>2,448,458</b>	2,315,711	2,024,659	1,686,258	1,387,044

**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 to the financial statements, respectively.

**SHARE CAPITAL AND SHARE OPTIONS**

Details of movements in the share capital and share options of the Company during the year, together with the reasons therefor, are set out in notes 27 and 28 to the financial statements, respectively.

**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.

**固定資產及投資物業**

本集團於本年度之固定資產及投資物業變動之詳情分別列載於財務報表附註13及14。

**股本及購股權**

本公司於年內股本及購股權變動之詳情及有關原因分別列載於財務報表附註27及28。

**優先認購權**

本公司之細則及百慕達之法例概無要求本公司須按現有股東持股比例出售新股的優先認購權條文。

**PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES  
OF THE COMPANY**

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

**RESERVES**

Details of movements in the reserves of the Company and the Group during the year are set out in note 29 to the financial statements and in the consolidated statement of changes in equity, respectively.

**DISTRIBUTABLE RESERVES**

At 31 March 2004, the Company's reserves available for cash distribution and/or distribution in specie amounted to HK\$586,753,000, of which HK\$159,047,000 has been proposed as a final dividend for the year. In addition, the Company's share premium account, in the amount of HK\$336,728,000, may be distributed in the form of fully paid-up bonus shares.

**MAJOR CUSTOMERS AND SUPPLIERS**

In the year under review, both purchases and sales from/to the five largest suppliers and customers accounted for less than 30% of the Group's total purchases and sales for the year, respectively.

**購入、贖回或出售本公司上市證券**

本公司及任何附屬公司於年內概無購入、贖回或出售任何本公司之上市證券。

**儲備**

本公司及本集團於本年度之儲備變動詳情分別列載於財務表附註29及綜合權益變動表。

**可供分派儲備**

於二零零四年三月三十一日，本公司可供作現金及／或實物分派之儲備為港幣586,753,000元，其中將擬派發的本年度末期股息為港幣159,047,000元。此外，本公司股本溢價賬港幣336,728,000元亦可以繳足紅股方式予以分派。

**主要客戶及供應商**

於本審核年度，五大供應商／客戶佔本年度集團之總採購額／銷售額均不足30%。

## DIRECTORS

The directors of the Company during the year were:

### Executive directors:

Poon Bun Chak (*Chairman and Managing Director*)

Poon Kai Chak

Poon Kei Chak

Poon Kwan Chak

Ting Kit Chung

### Independent non-executive directors:

Au Son Yiu

Cheng Shu Wing

Wong Tze Kin, David

(appointed on 26 March 2004)

In accordance with the Company's bye-laws, all the existing directors will retire and, being eligible, will offer themselves for re-election at the forthcoming Annual General Meeting.

## DIRECTORS' SERVICE CONTRACTS

The service contracts entered into between the Company and each of the executive directors as listed above may be terminated by either party by giving not less than three months' written notice or compensation in lieu.

Save as disclosed above, no directors proposed for re-election at the forthcoming Annual General Meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

## 董事

本年內本公司董事如下：

### 執行董事

潘彬澤 (*主席兼董事總經理*)

潘佳澤

潘機澤

潘鈞澤

丁傑忠

### 獨立非執行董事

區燦耀

鄭樹榮

黃自建

(於二零零四年三月二十六日獲委任)

根據本公司細則，所有現任董事將於即將舉行之股東週年大會上退任，惟彼等符合資格並願膺選連任。

## 董事服務合約

本公司與上列執行董事簽訂之服務合約要求雙方於終止服務合約時，其中一方須給予不少於三個月之書面通知或代通知補償。

除上文所披露者外，本公司與建議在即將舉行之股東週年大會上重選連任之董事一概無簽訂本公司於一年內不作補償(法定賠償除外)則不可終止之服務合約。

## DIRECTORS' INTERESTS IN CONTRACTS

Mr Poon Bun Chak, being an executive director and also a substantial shareholder of the Company, was interested in shareholder loan agreements for advances granted to the Group during the year. The shareholder loans were unsecured, interest-bearing at rates ranging from Hong Kong Interbank Offered Rate ("HIBOR") plus 0.4% to 0.96% per annum, and were repayable on agreed terms. Further details of the outstanding shareholder loan as at 31 March 2004 are set out in note 24 to the financial statements.

Save as disclosed above, no directors had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party during the year.

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### Executive directors

Mr. Poon Bun Chak, aged 56, is the chairman and managing director overseeing the planning and development of the Group. He founded the Group in 1975 and has more than 29 years' experience in the textile field.

Mr. Poon Kai Chak, aged 54, is a younger brother of Mr. Poon Bun Chak. He joined the Group in 1980 and has more than 24 years' experience in the industry. He is responsible for the knitting operation of the Group.

## 董事合約權益

本集團執行董事兼主要股東，潘彬澤先生於年內向本集團提供貸款。有關的股東貸款並無抵押、附息，年利息為香港銀行同業拆息加0.4%至0.96%，須按期還款。於二零零四年三月三十一日未償還股東貸款明細詳見財務報表附註24。

除以上披露外，各董事於年內概無在本公司、其控股公司或其任何附屬公司所簽訂之任何重大合約中直接或簡接佔有重大權益。

## 董事及高級管理人員履歷

### 執行董事

潘彬澤先生，五十六歲，主席兼董事總經理，負責監督本集團之規劃及發展。彼於一九七五年創辦本集團，擁有逾二十九年紡織業經驗。

潘佳澤先生，五十四歲，潘彬澤先生之胞弟。彼於一九八零年加入本集團，擁有逾二十四年本行業經驗，負責管理本集團織布業務。

Mr. Poon Kei Chak, aged 52, is a younger brother of Mr. Poon Bun Chak. He joined the Group on its establishment in 1975 and has more than 29 years' experience in the field. He looks after the dyeing operation and assists in the overall management of the Group.

Mr. Poon Kwan Chak, aged 58, is the elder brother of Mr. Poon Bun Chak. He joined the Group in 1976 and has more than 28 years' related experience. He is responsible for the Group's merchandising and sales management.

Mr. Ting Kit Chung, aged 48, is responsible for the general administration and financial management of the Group. He joined the Group in 1991 and has more than 10 years' banking experience. He holds a Bachelor of Arts degree from the University of Hong Kong.

#### **Independent non-executive directors**

Mr. Au Son Yiu, aged 59, has extensive experience in the securities industry. He is a director of The Association of Former Council Members of The Stock Exchange of Hong Kong Limited, a director of The Institute of Securities Dealers Limited, a consultant to Dao Heng Securities Limited, and a non-executive director for several public companies listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). In addition, he is a former deputy chairman of The Hong Kong Securities Clearing Company Limited (1992-1994) and a former council member of the Stock Exchange (1988-1994).

潘機澤先生，五十二歲，潘彬澤先生之胞弟。彼於一九七五年本集團創立時加入本集團，擁有逾二十九年紡織業經驗，負責管理整染業務及協助管理本集團一般業務。

潘鈞澤先生，五十八歲，潘彬澤先生之胞兄。彼於一九七六年加入本集團，擁有逾二十八年有關業務經驗，負責管理本集團採購及銷售業務。

丁傑忠先生，四十八歲，負責本集團行政及財務管理。彼於一九九一年加入本集團，擁有逾十年銀行業經驗。彼持有香港大學文學士學位。

#### **獨立非執行董事**

區燦耀先生，五十九歲，有豐富證券業經驗。彼為香港聯合交易所歷屆理事聯誼會有限公司及證券商協會有限公司之董事，亦為道亨證券有限公司之顧問，並擔任若干在香港聯合交易所有限公司（「聯交所」）上市之公眾公司非執行董事。此外，彼為香港中央結算有限公司前任副主席（一九九二年至一九九四年）與聯交所前任理事（一九八八年至一九九四年）。

Mr. Cheng Shu Wing, aged 54, is a director of Worldvest Capital Limited. He holds a Bachelor of Business Administration degree from the Chinese University of Hong Kong and has more than 28 years' experience in banking and securities industries in Hong Kong.

Mr. Wong Tze Kin, David, aged 41, is director of CFL Anchor Limited. Mr. Wong holds a Bachelor of Science degree from the University of California Berkeley. He is a member of the American Institute of Certified Public Accountants and a fellow member of the Hong Kong Society of Accountants. He has approximately 20 years' experience in accounting, corporate finance, fund management and stockbroking.

#### Senior management

Mr. Chan Min, Samuel, aged 49, is a director of the Group's retail operation. He holds a master's degree in business administration from the Northwestern University and Hong Kong University of Science and Technology. He is a member of the British Computer Society. Prior to joining the Group in 1996, Mr. Chan had over 13 years' experience in retail operation and MIS management.

Mr. Chan Chi Hon, aged 42, joined the Group in 1997 and is the Group's financial controller and company secretary. Mr. Chan holds a master's degree in commerce from the University of New South Wales, Australia, and is a fellow member of the Hong Kong Society of Accountants and is a certified practising accountant of the CPA Australia. He has more than 17 years' experience in auditing and accounting.

鄭樹榮先生，五十四歲，寶盛融資有限公司董事，彼持有香港中文大學工商管理學士學位。有逾二十八年香港銀行業及證券業經驗。

黃自建先生，四十一歲，現為安格爾有限公司董事。黃先生持有加州大學柏克萊分校理學士學位，並為美國會計師協會會員及香港會計師公會之資深會員。黃先生於會計、企業融資、基金管理、及證券經紀業務擁有約20年經驗。

#### 高級管理人員

陳勉先生，四十九歲，本集團零售業務之董事。彼持有美國西北大學及香港科技大學合作的工商管理碩士學位。彼為英國電腦學會會員。於一九九六年加入本集團前，陳先生曾從事零售業之業務及資訊科技管理超過十三年。

陳志漢先生，四十二歲，本集團財務總監兼公司秘書。彼於一九九七年加入本集團。彼持有澳洲新南威爾斯大學商科碩士學位，並為香港會計師公會資深會員及澳洲會計師公會會員，具有超過十七年的核數與會計經驗。



Mr. Chau Kuen Kai, aged 46, is a factory manager of the knitting operation of the Group. He joined the Group in 1979 and has more than 24 years' experience in the knitting industry.

Mr. Fung Wai Lun, Daniel, aged 47, is a director of the Group's retail operation. Before joining the Group in 1996, Mr. Fung had more than 20 years' experience in the retailing industry.

Mr. Hon Siu Kit, aged 44, is an associate director of Nice Dyeing Factory Limited, a subsidiary of the Group engaged in the sale of finished knitted fabric. He joined the Group in 1993 and has more than 26 years' experience in the textile industry.

Mr. Hung Cho Tak, Joe, aged 37, is a general manager of the Group's retail operation in Hong Kong. He joined the Group in 2000 and has more than 13 years' experience in the retailing industry. Mr. Hung has 10 years' experience in the East Asia countries, such as Singapore, South Korea, Taiwan and the PRC market.

Ms. Leung Mei Yin, aged 39, is an associate director of Nice Dyeing Factory Limited, a subsidiary of the Group engaged in the sale of finished knitted fabric. She joined the Group in 1990 and has more than 18 years' experience in the textile industry.

Mr. Ling Man, aged 51, is a factory manager of the yarn dyeing operation of the Group. He joined the Group in 1998 and has more than 28 years' experience in the dyeing and finishing industry.

周權佳先生，四十六歲，本集團針織業務工廠經理。彼於一九七九年加入本集團，擁有超過二十四年針織業經驗。

封偉倫先生，四十七歲，本集團零售業務董事。於一九九六年加入本集團之前，已具有超過二十年零售業經驗。

韓少傑先生，四十四歲，本集團從事針織布銷售之附屬公司永佳染廠有限公司業務董事。彼於一九九三年加入本集團，擁有超過二十六年紡織業經驗。

洪祖德先生，三十七歲，本集團零售業務香港區總經理。於二零零零年加入本集團，擁有超過十三年零售經驗。當中具有十年東南亞零售業務經驗，包括星加坡、南韓、台灣及中國大陸等市場。

梁美賢小姐，三十九歲，本集團從事針織布銷售之附屬公司永佳染廠有限公司業務董事。彼於一九九零年加入本集團，擁有超過十八年紡織業經驗。

凌文先生，五十一歲，本集團染紗業務部工廠經理。於一九九八年加入本集團，擁有超過二十八年整染業經驗。

Mr. Liu Ying Che, aged 39, is a factory manager of the fabric dyeing operation of the Group. He joined the Group in 1989 and has more than 20 years' experience in the dyeing and finishing industry.

Mr. Liu Wei Chao, aged 39, joined in 1996 and is the chief financial officer of the Group's retail operation. He has more than 20 years' experience in accounting. Mr. Liu holds a master's degree in business administration from the University of Western Sydney, Australia. He is a member of the Chinese Institute of Certified Public Accountants and CIA (Certified Internal Auditor).

Mr. Su Geng Weng, aged 40, is a general manager of the Group's retail operation in Shanghai. He joined the Group in 1998 and has more than 15 years' experience in the retailing industry.

Mr. Ting Kit Hung, aged 52, is the director and chief executive of the Group's motor and generator services operation in the PRC. Mr. Ting is an associate member of the Institute of Motor Industry, the Chartered Institute of Transport and the British Institute of Management. He also holds a Master of Business Administration degree from the University of East Asia, Macau. He joined the Group in 1995 and has more than 34 years' experience in the motor industry. He is the elder brother of Mr. Ting Kit Chung.

Mr. Wong Tung Yiu, aged 49, is an associate director and the general manager of Nice Dyeing Factory Limited, a subsidiary of the Group engaged in the sale of finished knitted fabric. He joined the Group in 1994 and has more than 30 years' experience in the textile industry.

廖英智先生，三十九歲，本集團染布業務工廠經理。彼於一九八九年加入本集團，擁有超過二十年整染業經驗。

劉偉超先生，三十九歲，於一九九六年加入本集團，彼為集團零售業務財務總監，彼具有超過二十年財務及會計經驗。彼持有澳洲西悉尼大學工商管理碩士學位，並為中國註冊會計師及國際內部審計師會員。

蘇耿文先生，四十歲，本集團零售業務上海區總經理。於一九九八年加入本集團及已具有超過十五年零售經驗。

丁傑雄先生，五十二歲，本集團在中國汽車及發電機維修部董事兼行政總裁。彼為英國汽車工業學會、英國特許運輸學會及英國管理學會會員，亦擁有澳門東亞大學工商管理碩士學位。彼於一九九五年加入本集團，擁有逾三十四年汽車維修業經驗。彼為丁傑忠先生之胞兄。

王東耀先生，四十九歲，本集團從事針織布銷售之附屬公司永佳染廠有限公司業務董事兼總經理。彼於一九九四年加入本集團，擁有超過三十年紡織業經驗。

**DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES**

At 31 March 2004, the interests and short positions of the directors in the share capital of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded 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, were as follows:

Interests in ordinary shares of the Company:

**董事於股份及相關股份之權益及短倉**

於二零零四年三月三十一日，根據《證券及期貨條例》第352條而備存的登記冊，或根據《上市公司董事進行證券交易的標準守則》通知本公司及聯交所，各董事在本公司及其聯繫公司（定義見《證券及期貨條例》第XV部）的股本權益及短倉如下：

於本公司普通股之權益：

Name of director	董事姓名	Number of shares held, capacity and nature of interest				Percentage of the Company's issued capital
		Directly, beneficially owned	Through spouse or minor children	Through controlled corporations	Total	
		直接、實益擁有	藉配偶或未成年子女	藉受控制公司	合計	佔本公司已發行股本百分率
Poon Bun Chak	潘彬澤	29,720,000	168,800,104*	505,200,000#	703,720,104	53.1
Poon Kai Chak	潘佳澤	7,802,800	—	—	7,802,800	0.6
Poon Kei Chak	潘機澤	21,477,200	—	—	21,477,200	1.6
Poon Kwan Chak	潘鈞澤	6,442,800	—	—	6,442,800	0.5
Ting Kit Chung	丁傑忠	1,600,000	—	—	1,600,000	0.1
		67,042,800	168,800,104	505,200,000	741,042,904	55.9

The interests of the directors in the share options of the Company are separately disclosed in note 28 to the financial statements.

\* 168,800,104 shares are owned by Farrow Star Limited, which is wholly-owned by Perfection Inc. as a trustee for The Evergreen Trust, a discretionary trust, the beneficiaries of which include the family members of Mr. Poon Bun Chak. These shares are held through his spouse or minor children in accordance with the SFO.

# 505,200,000 shares are owned by Giant Wizard Corporation in which Farrow Star Limited has an 87.51% equity interest. A 12.4% interest in Giant Wizard Corporation is owned by Messrs Poon Bun Chak, Poon Kei Chak and Poon Kwan Chak.

Save as disclosed above, none of the directors had registered an interest or short position in the shares and underlying shares of the Company or any of its associated corporations that was required to be recorded 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.

#### **DIRECTORS' RIGHTS TO ACQUIRE SHARES**

Save as disclosed under the section "Directors' interests and short positions in shares and underlying shares" above and in the share option scheme disclosures in note 28 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares of the Company granted to any directors or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

各董事所持有本公司之購股權權益已披露於財務報表附註28。

\* 168,800,104股股份由 Farrow Star Limited 持有，而 Perfection Inc. 則以 The Evergreen Trust 之信託人身份完全擁有 Farrow Star Limited，該全權信託之受益人包括潘彬澤先生之家族成員。根據《證券及期貨條例》，該等股份屬於以配偶及未成年子女持有。

# 505,200,000股股份由 Farrow Star Limited 擁有 87.51% 股本權益之 Giant Wizard Corporation 擁有。Giant Wizard Corporation 之 12.4% 權益由潘彬澤先生、潘機澤先生及潘鈞澤先生擁有。

除上文所述外，董事概無於本公司或其任何相聯法團之股份、相關股份中，擁有須遵照《證券及期貨條例》第352條予以記錄之權益或短倉，或根據《上市公司董事進行證券交易的標準守則》須知會本公司及聯交所之權益或短倉。

#### **董事之購股權利**

除於上述「董事於股份及相關股份之權益及短倉」一段及財務報表附註28所載的購股權計劃披露以外，於年內任何時間，概無任何董事或彼等各自的配偶或未成年子女獲授可藉購入本公司的股份而獲益的權利，或彼等概無行使此等權利；或本公司或母公司或其任何附屬公司概無參與任何安排，致令董事可於任何其他法人團體獲得此等權利。

### SHARE OPTION SCHEME

Concerning the share options granted during the year to the directors, a substantial shareholder and employees, as detailed in note 28 to the financial statements, the directors of the Company do not consider it appropriate to disclose a theoretical value of the share options granted to the directors and employees of the Company during the year, because a number of factors crucial for the valuation cannot be determined. Accordingly, any valuation of the share options based on various speculative assumptions would not be meaningful, but would be misleading to the shareholders of the Company.

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 March 2004, the following interests of 5% or more of the issued capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

### 購股權計劃

就年內授予董事、一主要股東及僱員之購股權而言，詳情見財務報表附註28，本公司董事認為不宜披露本年度已授予本公司董事及僱員之購股權之理論價值，皆因在評估該價值時所需要之多個重要因素並未能確定。因此，根據多種推測性假設而對購股權作出任何價值評估實為毫無意義，並會對本公司股東構成誤導。

### 主要股東及其他人士於股份及相關股份權益

於二零零四年三月三十一日，以下股東擁有本公司已發行股本之5%或以上權益，已根據《證券及期貨條例》第336條規定記載於權益登記冊內：

Name	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued capital as at 31 March 2004 在二零零四年三月三十一日 佔本公司
名稱	身份及權益種類	持有普通股數目	已發行股本之百分率
The Capital Group Companies, Inc.	Directly and beneficially owned 直接及實益擁有	77,723,900	5.9

Save as disclosed above, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in share and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

### CONNECTED TRANSACTIONS

Details of the connected transactions are set out in note 34(c) to the financial statements.

### AUDIT COMMITTEE

Pursuant to the Code of Best Practice (the "Code"), as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") of the Stock Exchange, the Company established an Audit Committee (the "Committee") on 15 March 1999. The members of the Committee comprise the three independent non-executive directors of the Group, Messrs Au Son Yiu, Cheng Shu Wing and Wong Tze Kin, David.

The terms of reference and duties have been laid down as a guideline for the Committee. The principal duties of the Committee include the review and supervision of the financial reporting process and internal controls of the Group. During the year, the Committee held two meetings to review the internal controls and financial reporting matters and provide recommendations to the board of directors. For the year under review, the Audit Committee has reviewed and discussed with the management the audited financial statements of the Group.

除上述披露外，無任何人士（除本公司董事權益已詳述於「董事於股份及相關股份之權益及短倉」）根據《證券及期貨條例》第336條須登記其於本公司股份及相關股份的權益或短倉。

### 關連交易

關連交易的細則已載於財務報表附註34(c)。

### 審核委員會

本公司遵照聯交所的《證券上市規則》附錄十四所載之《最佳應用守則》，於一九九九年三月十五日成立審核委員會（「委員會」），其成員包括本公司之三位獨立非執行董事，分別為區樂耀先生、鄭樹榮先生及黃自建先生。

委員會備有明確之條文及職責細則作指引。委員會之主要職責包括審核本集團之財務報告及內部監控制度。於本年度內，委員會已進行過兩次會議，檢討集團之內部監控制度及財務報告事宜，並向董事會提交意見。關於本年度，審核委員會已與管理層審閱及討論已審核的集團財務報表。

### CODE OF BEST PRACTICE

In the opinion of the directors, the Company complied with the Code, as set out in Appendix 14 of the Listing Rules of the Stock Exchange, throughout the accounting period covered by the annual report.

### AUDITORS

Ernst & Young retire and a resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD

**Poon Bun Chak**

*Chairman*

Hong Kong, 23 July 2004

### 最佳應用守則

董事會認為，本公司於本年報所述之會計期間均遵守根據聯交所《證券上市規則》附錄十四指引所載之《最佳應用守則》。

### 核數師

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

承董事會命

主席

**潘彬澤**

香港，二零零四年七月二十三日