

REPORT OF THE DIRECTORS 董事會報告書

The directors have pleasure in presenting their report and the audited financial statements for the year ended 30 June 2004.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries and associates are set out in notes 33 and 19 to the financial statements respectively.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 23.

The directors do not recommend the payment of a final dividend.

SEGMENTAL INFORMATION

Details of the segmental information of the Group for the year ended 30 June 2004 are set out in note 3 to the financial statements.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out on page 27.

DISTRIBUTABLE RESERVES

At 30 June 2004, the Company had no retained profits available for cash distribution. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus of the Company in the amount of HK\$56,516,000 at 30 June 2004 is only distributable to shareholders in certain circumstances, which the Company is currently unable to satisfy.

董事會欣然提呈截至二零零四年六月三十日止年度之經審核財務報表。

主要業務

本公司之主要業務為投資控股，而其附屬公司及聯營公司之主要業務則分別詳載於財務報表附註33及19。

業績及分派

本集團於本年度之業績載於第23頁之綜合收益表內。

董事會不建議派發末期股息。

分類資料

本集團截至二零零四年六月三十日止年度之分類資料詳情載於財務報表附註3。

儲備

有關本集團及本公司儲備於本年度之變動詳情載於第27頁。

可分派儲備

於二零零四年六月三十日，本公司並無保留溢利可供現金分派。根據一九八一年百慕達公司法（經修訂），本公司於二零零四年六月三十日之繳入盈餘56,516,000港元僅可於若干情況下分派予股東，而本公司目前未能合符條件。

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PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year are set out in note 16 to the financial statements.

MAJOR INTERESTS IN PROPERTIES

The Group did not hold any major interests in properties as at 30 June 2004.

BANK AND OTHER BORROWINGS

Details of bank and other borrowings of the Group are set out in note 25 to the financial statements. No interest has been capitalized during the year.

SUBSIDIARIES AND ASSOCIATES

Details of the Company's subsidiaries and associates at 30 June 2004 are set out in notes 33 and 19 to the financial statements respectively.

SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in note 28 to the financial statements respectively.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-Laws of the Company or the laws of Bermuda in relation to issues of new shares by the Company.

PURCHASE, SALE OF REDEMPTION OF THE COMPANY'S SHARES

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

物業、機器及設備

有關本集團於本年度之物業、機器及設備變動詳情載於財務報表附註16。

主要物業權益

截至二零零四年六月三十日，本集團並無持有任何主要物業權益。

銀行貸款及其它借貸

有關本集團之銀行貸款及其它借貸詳情載於財務報表附註25。年內概無利息撥充資本。

附屬公司及聯營公司

本公司之附屬公司及聯營公司於二零零四年六月三十日之詳情分別載於財務報表附註33及19。

股本

有關年內本公司之股本變動詳情分別載於財務報表附註28。

優先認購權

本公司之公司細則或百慕達法例均無涉及發行本公司新股之優先認股權條文。

購買、出售或購回本公司股份

年內本公司或其任何附屬公司概無購買、出售或購回任何本公司之上市股份。

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FIVE YEARS 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 76.

DIRECTORS

The directors who held office during the year and up to the date of this report were:

Executive directors:

Mr. Ke Jun Xiang

(re-designated as non-executive director on 17 May 2003 and re-appointed as executive director on 10 July 2003)

Mr. Ho Pui Tsun, Peter

(resigned on 17 May 2003 and re-appointed on 10 July 2003)

Mr. Shao Wei Hong

Mr. Hu Yeshan

Mr. Dai Wei

(appointed on 17 May 2003 and resigned on 10 July 2003)

Mr. Zhang Shu Qing

(appointed on 17 May 2003 and resigned on 10 July 2003)

Mr. Liu Shun Fai

(appointed on 17 May 2003 and resigned on 10 July 2003)

Ms. Lee Wing Yin, Jessica

(appointed on 17 May 2003 and resigned on 10 July 2003)

Mr. Chow Yeung Tuen, Richard

(appointed on 10 July 2003 and resigned on 1 September 2004)

五年財務概要

本集團於過去五個財政年度之業績及資產與負債之撮要載於第76頁。

董事

本年度截至本報告日期在任之董事如下：

執行董事：

柯俊翔先生

(於二零零三年五月十七日獲重新任命為非執行董事，並於二零零三年七月十日獲重新委任為執行董事)

何佩川先生

(於二零零三年五月十七日辭任，並於二零零三年七月十日獲重新委任)

邵偉宏先生

胡葉山先生

代偉先生

(於二零零三年五月十七日獲委任，並於二零零三年七月十日辭任)

張樹清先生

(於二零零三年五月十七日獲委任，並於二零零三年七月十日辭任)

廖舜輝先生

(於二零零三年五月十七日獲委任，並於二零零三年七月十日辭任)

李穎然女士

(於二零零三年五月十七日獲委任，並於二零零三年七月十日辭任)

鄒揚敦先生

(於二零零三年七月十日獲委任，並於二零零四年九月一日辭任)

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DIRECTORS (Continued)

Non-executive directors:

Mr. Li Qinyi

Mr. Sik Siu Kwan

(appointed on 14 May 2003 and resigned on 10 July 2003)

Mr. Ke Jun Xiang

(re-designated as non-executive director on 17 May 2003 and re-appointed as executive director on 10 July 2003)

Mr. Hui Ching Shan, Douglas

(appointed on 10 July 2003 and resigned on 10 November 2003)

Independent non-executive directors:

Mr. Wong Kwok Tai, Wytan

Mr. Choi Tat Ying, Jacky

(appointed on 26 May 2003 and resigned on 10 July 2003)

Mr. Ching Chun Chung

(appointed on 28 July 2003)

Mr. Kwok Yam Sheung

(appointed on 30 September 2004)

In accordance with the Company's Bye-Laws 99 and 102, Mr. Ke Jun Xiang, Mr. Ho Pui Tsun, Peter, Mr. Shao Wei Hong, Mr. Hu Yeshan, Mr. Li Qinyi, Mr. Wong Kwok Tai, Wytan and Mr. Ching Chun Chung will retire, and Mr. Kwok Yam Sheung will hold office until the forthcoming Annual General Meeting. Such Directors, being eligible, offer themselves for re-election.

None of the directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not terminable by the company within one year without payment of compensation, other than statutory compensation.

董事 (續)

非執行董事：

李勤毅先生

薛兆坤先生

(於二零零三年五月十四日獲委任，並於二零零三年七月十日辭任)

柯俊翔先生

(於二零零三年五月十七日獲重新任命為非執行董事，並於二零零三年七月十日獲重新委任為執行董事)

許青山先生

(於二零零三年七月十日獲委任，並於二零零三年十一月十日辭任)

獨立非執行董事：

黃國泰先生

蔡達英先生

(於二零零三年五月二十六日獲委任，並於二零零三年七月十日辭任)

程振忠先生

(於二零零三年七月二十八日獲委任)

郭蔭尚先生

(於二零零四年九月三十日獲委任)

根據本公司之公司細則第99及102條，柯俊翔先生、何佩川先生、邵偉宏先生、胡葉山先生、李勤毅先生、黃國泰先生及程振忠先生將於應屆股東週年大會上退任，而郭蔭尚先生之任期則將於應屆股東週年大會舉行時任滿，惟該等合資格董事願意膺選連任。

擬於應屆股東週年大會上膺選連任之董事概無與本公司或其任何附屬公司訂立本公司不可於一年內終止而不作出賠償(法定賠償除外)之服務合約。

REPORT OF THE DIRECTORS 董事會報告書

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The brief biographical details of the directors and senior management are set out on pages 6 to 8.

DIRECTORS' INTERESTS IN EQUITY

As at 30 June 2004, the interests of the directors and the chief executive of the Company and/or their respective associates in the long or short positions in shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)(the "SFO")) as recorded in the register 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 Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") under the Listing Rules were as follows:

Long position in the shares of the Company:

Name of director 董事姓名	Number of ordinary shares beneficially held 實益持有之普通股數	Nature of interest 權益性質	Approximate percentage of total shareholding (%) 佔總持股量之 概約百分比 (%)
Mr. Ke Jun Xiang 柯俊翔先生	3,530,000,000 (Note) (附註)	Interest in corporation 擁有法團權益	57.17

Note: Mr. Ke Jun Xiang ("Mr. Ke") had a controlling interest in Global Work Management Limited and Trade Honour Limited ("Trade Honour") which held 30,000,000 and 3,500,000,000 ordinary shares of the Company respectively. Accordingly, Mr. Ke was deemed to have interests in 3,530,000,000 ordinary shares of the Company.

董事及高級管理人員之履歷

董事及高級管理人員之履歷簡述載於第6至8頁。

董事之股本權益

於二零零四年六月三十日，根據香港法例第571章證券及期貨條例(「證券及期貨條例」)第352條本公司須存置之登記冊所紀錄，或根據證券及期貨條例第XV部或根據上市規則中《上市公司董事進行證券交易之標準守則》(「標準守則」)之規定須知會本公司及聯交所，本公司董事及主要行政人員及／或彼等各自之聯繫人士於本公司或其任何相聯法團(見證券及期貨條例第XV部之定義)之股份、相關股份及債券中擁有下列之好倉或淡倉：

本公司股份好倉：

附註：柯俊翔先生(「柯先生」)於Global Work Management Limited及Trade Honour Limited(「Trade Honour」)中擁有控股權，此等公司分別擁有本公司之普通股30,000,000股及3,500,000,000股。故此，柯先生被視作於本公司之3,530,000,000股普通股中擁有權益。

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DIRECTORS' INTERESTS IN EQUITY (Continued)

Save as disclosed above, as at 30 June 2004, none of the directors and/or any of their associates had any interests in the shares or deemed interest in the long and short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register 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 Part XV of the SFO or the Model Code.

At no time during the year was the Company or its subsidiaries, a party to any arrangements to enable the directors of the Company, their spouse or children under the age of 18 to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance in relation to the Group's business 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.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the directors of the Company has interests in any businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group.

董事之股本權益 (續)

除上文所披露者外，於二零零四年六月三十日，根據證券及期貨條例第352條本公司須置存之登記冊所紀錄，或根據證券及期貨條例第XV部或根據標準守則之規定須知會本公司及聯交所，董事及／或其任何聯繫人士概無於本公司或其任何相聯法團（見證券及期貨條例第XV部之定義）之股份中擁有任何權益或被視作於股份、相關股份或債券中擁有好倉及淡倉。

於本年度內任何時間，本公司或其附屬公司概無參與任何安排，致使本公司董事、其配偶或其未滿十八歲之子女可藉著購入本公司或任何其他法人團體之股份或債券而獲益。

董事於重大合約之權益

於本年度完結或年內任何時間，本公司或其任何附屬公司概無簽訂與本集團業務有關且本公司董事直接或間接擁有重大權益之任何重大合約。

董事之利益衝突

本公司各董事概無擁有直接或間接與本集團業務構成競爭或可能構成競爭之任何業務權益。

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SUBSTANTIAL SHAREHOLDERS

As at 30 June 2004, the following persons (other than the directors or the chief executive of the Company) had an interest in the following long position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

Long position in the shares of the Company:

Name of shareholder 股東名稱	Nature of interest 權益性質	Number of ordinary shares held 所持普通股數	Approximate percentage of total shareholding (%) 佔總持股量之 概約百分比(%)
Trade Honour Limited	Beneficial Owner 實益擁有人	35,000,000,000	56.68
Upperclass Limited	Beneficial Owner 實益擁有人	500,000,000	8.10
Yau Kwok Wai	Interest in Corporation 擁有法團權益	500,000,000 <i>Note 附註</i>	8.10

Note: the interest disclosed comprised 500,000,000 shares held by Upperclass Limited, which is 100% owned by Yau Kwok Wai.

Saved as disclosed above, so far as known to the directors as at 30 June 2004, no other person (other than directors or the chief executive of the Company) had an interest in the long and short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

主要股東

於二零零四年六月三十日，根據證券及期貨條例第336條本公司須置存之登記冊所紀錄，下列人士（本公司董事及主要行政人員除外）於本公司股份或相關股份中擁有下列之好倉。

本公司股份好倉：

Name of shareholder 股東名稱	Nature of interest 權益性質	Number of ordinary shares held 所持普通股數	Approximate percentage of total shareholding (%) 佔總持股量之 概約百分比(%)
Trade Honour Limited	Beneficial Owner 實益擁有人	35,000,000,000	56.68
Upperclass Limited	Beneficial Owner 實益擁有人	500,000,000	8.10
Yau Kwok Wai	Interest in Corporation 擁有法團權益	500,000,000 <i>Note 附註</i>	8.10

附註： 所披露之權益包括500,000,000股由Upperclass Limited擁有之股份，該公司由Yau Kwok Wai擁有100%權益。

除上文所披露者外，於二零零四年六月三十日，就董事所知，根據證券及期貨條例第336條本公司須置存之登記冊所紀錄，並無其他人士（本公司董事或主要行政人員除外）於本公司股份或相關股份中擁有好倉及淡倉。

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MANAGEMENT CONTRACTS

No contacts 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.

PENSION SCHEME

Details of the Group's pension scheme are set out in note 14 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of turnover and purchases attributable to the Group's major customers and suppliers for the year are of follows:

Turnover:	營業額：	
- The largest customer	- 最大客戶	21%
- Five largest customers combined	- 五大客戶共佔	61%
Purchases:	採購額：	
- The largest supplier	- 最大供應商	58%
- Five largest suppliers combined	- 五大供應商共佔	98%

None of the directors, their associates or any shareholders (which, to the knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interests in any of the above customers or suppliers.

管理合約

年內並無訂立或存在任何有關整體或本公司業務之任何重大部份管理及行政之合約。

退休金計劃

本集團之退休金計劃詳情載於財務報表附註14。

主要客戶及供應商

年內主要客戶及供應商所佔本集團營業額及採購額之百分比如下：

年內各董事、彼等之聯繫人士或就董事會所知擁有本公司已發行股本5%以上之任何股東，概無擁有上述主要客戶或供應商之任何權益。

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CODE OF BEST PRACTICE

The Company was in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited during the year, except that the independent non-executive directors are not appointed for a specific term. These directors are subject to retirement and re-election at the annual general meeting of the Company in accordance with the Company's Bye-Law 99. In the opinion of the directors, this meets the same objective of the Code of Best Practice.

Pursuant to the Code of Best Practice, an audit committee was established on 28 March 2000 with written terms of reference which describe the authority and duties of the audit committee include the review and supervision of the financial reporting process and internal controls procedures of the Group. The audit committee currently comprises three independent non-executive directors, namely Mr. Wong Kwok Tai, Wystan, Mr. Ching Chun Chung and Mr. Kwok Yam Sheung. Mr. Ching and Mr. Kwok joined the audit committee on 28 July 2003 and 30 September 2004 respectively. The audit committee has not met during the year.

AUDITORS

A resolution for the re-appointment of CCIF CPA Limited as auditors of the Company until the conclusion of the next Annual General Meeting is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

Ke Jun Xiang

Chairman

Hong Kong, 29 October 2004

遵守最佳應用守則

除獨立非執行董事並無特定任期外，本公司於年內一直遵守香港聯合交易所有限公司證券上市規則附錄14之最佳應用守則。上述董事須根據本公司之公司細則第99條輪值退任，並在本公司之股東週年大會上重選連任。董事認為，此舉符合最佳應用守則之規定。

根據最佳應用守則，審核委員會於二零零零年三月二十八日成立，其職權範圍書概述審核委員會之權力及職責，包括審閱及監督本集團之財務申報程式及內部監控程序。審核委員會現時包括黃國泰先生、程振忠先生及郭蔭尚先生三名獨立非執行董事。程先生及郭先生分別於二零零三年七月二十八日及二零零四年九月三十日加入審核委員會。審核委員會於年內未曾會晤。

核數師

有關重新委任陳葉馮會計師事務所有限公司為本公司核數師直至下屆股東週年大會結束之決議案將於應屆股東週年大會上提呈。

承董事會命

主席

柯俊翔

香港，二零零四年十月二十九日