

DIRECTORS' REPORT | 董事會報告

The directors present their annual report and the audited financial statements for the year ended 31st August, 2004.

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, 2004 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 HK7.5 cents per share payable to shareholders whose names appear on the register of members on 26th January, 2005 which, together with the interim dividend of HK3.5 cents per share paid during the year, makes a total dividend for the year of HK11.0 cents per share.

Investment Properties

The Group's investment properties were revalued at 31st August, 2004 and the resulting surplus of approximately HK\$42,000 has been credited 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 100.

Property, Plant and Equipment

During the year, the Group incurred expenditure of approximately HK\$153,969,000 and HK\$115,507,000 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.

董事提呈截至二零零四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

截至二零零四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7.5港仙予在二零零五年一月二十六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3.5港仙，全年股息共為每股11.0港仙。

投資物業

本集團之投資物業於二零零四年八月三十一日已重估，及所產生約42,000港元之盈餘已在綜合收益賬內計入。

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100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153,969,000港元及115,507,000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。



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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. Ha Kam On, Victor (appointed on 1st September, 2004)
 Mr. Yen Gordon (appointed on 1st September, 2004)
 Mr. Pow Man Kue (resigned on 1st September, 2004)

Non-executive directors:

Mr. Ha Hon Kuen
 Ms. Yeh Yi Hao, Yvette
 Ms. Mi Man See, Lisa (resigned on 20th April, 2004)
 (*alternate to Ms. Yeh Yi Hao, Yvette*)

Independent non-executive directors:

Mr. Ng Kwok Tung
 Mr. Wong Kwong Chi
 Mr. Chow Wing Kin, Anthony, SBS, JP (appointed on 1st September, 2004)

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
 夏錦安先生 (於二零零四年九月一日被委任)
 嚴震銘先生 (於二零零四年九月一日被委任)
 鮑文巨先生 (於二零零四年九月一日辭任)

非執行董事：

夏漢權先生
 葉儀皓女士
 米聞斯小姐 (於二零零四年四月二十日辭任)
 (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
 周永健先生， (於二零零四年九月一日被委任)
 銀紫荊星章，
 太平紳士



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In accordance with Article 93 of the Company's Articles of Association, Messrs. Ha Kam On, Victor, Yen Gordon and Chow Wing Kin, Anthony, SBS, JP shall retire at the forthcoming annual general meeting and pursuant to Article 102 of the Company's Articles of Association, Messrs. Ha Chung Fong and Wong Kwong Chi shall retire by rotation at the forthcoming annual general meeting. All retiring directors, being eligible, offer themselves for re-election.

For those retiring directors, neither Messrs. Ha Kam On, Victor and Yen Gordon has entered into service contracts with the Company. Mr. Chow Wing Kin, Anthony, SBS, JP has entered into a service contract with the Company for a term of one year commencing 1st September, 2004. Mr. Ha Chung Fong has entered into a service contract with the Company without specific terms of office on 1st May, 1995. 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 was extended to 31st August, 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. 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 their contracts were extended to 31st August, 2005.

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.

根據本公司組織章程第93條，夏錦安先生、嚴震銘先生及周永健先生（銀紫荊星章，太平紳士）將於即將舉行之股東週年大會告退，及根據本公司組織章程第102條，夏松芳先生及王幹芝先生將於即將舉行之股東週年大會輪值告退。惟所有告退之董事均合資格及願膺選連任。

在告退之董事中，夏錦安先生及嚴震銘先生與本公司並無訂立服務合約。周永健先生（銀紫荊星章，太平紳士）與本公司已簽訂一份服務合約，合約由二零零四年九月一日開始，為期一年。夏松芳先生已於一九九五年五月一日與本公司簽訂一份並無特定服務年期的服務合約。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二零零五年八月三十一日。

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。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。本年度該等合約已續期至二零零五年八月三十一日。

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。



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Directors' Interests in Securities

At 31st August, 2004, the interests 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 Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Long positions in shares and underlying shares of the Company:

Name of director 董事名稱	Beneficial owner 實益擁有人	Other interests 其他權益	Total 總數	Approximate % of the issued share capital 約佔已發行股本比率
Mr. Ha Chung Fong 夏松芳先生	2,986,000	282,014,044 (note) (附註)	285,000,044	35.89
Mr. Lau Hong Yon 柳康遠先生	280,000	—	280,000	0.04
Ms. Yeh Yi Hao, Yvette 葉儀皓女士	70,000	—	70,000	0.01

Note:

Mr. Ha Chung Fong was deemed to be interested in 282,014,044 shares in the Company in virtue of the set up of a 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.

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.

董事之證券權益

於二零零四年八月三十一日，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：

本公司股份及相關股份的好倉情況：

Number of shares held as 持有股份數目

Name of director 董事名稱	Beneficial owner 實益擁有人	Other interests 其他權益	Total 總數	Approximate % of the issued share capital 約佔已發行股本比率
Mr. Ha Chung Fong 夏松芳先生	2,986,000	282,014,044 (note) (附註)	285,000,044	35.89
Mr. Lau Hong Yon 柳康遠先生	280,000	—	280,000	0.04
Ms. Yeh Yi Hao, Yvette 葉儀皓女士	70,000	—	70,000	0.01

附註：

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282,014,044股本公司股份權益。Centre Trustees (C.I.) Limited（「Centre Trustees」）為the Ha Trust之受託人。

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。



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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:

Name of director	Share option type	Number of share options		
		Outstanding at 1.9.2003	Exercised during the year	Outstanding at 31.8.2004
	認股權類別	於二零零三年九月一日結餘	本年度行使	於二零零四年八月三十一日結餘
Mr. Lau Hong Yon	2002	280,000	(280,000)	—
Mr. Pow Man Kue (resigned on 1st September, 2004)	2002	280,000	(280,000)	—
		560,000	(560,000)	—

Details of the share option 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
2002	25.10.2002	25.10.2002-24.10.2003	25.10.2003-24.4.2004	3.825

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.

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：

Name of director	Share option type	Number of share options		
		Outstanding at 1.9.2003	Exercised during the year	Outstanding at 31.8.2004
	認股權類別	於二零零三年九月一日結餘	本年度行使	於二零零四年八月三十一日結餘
Mr. Lau Hong Yon	2002	280,000	(280,000)	—
Mr. Pow Man Kue (resigned on 1st September, 2004)	2002	280,000	(280,000)	—
		560,000	(560,000)	—

認股權之詳情如下：

購買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。



Directors' Interests in Contracts of Significance and Connected Transactions

On 3rd May, 2004, seven subsidiaries of the Company, namely Fountain Set Limited, Fountain Set Textiles (B.C.) Limited, Fountain Set Worldwide Sdn. Bhd., Hiway Textiles Limited, K.L.W. Limited, Ocean Lanka (Private) Limited and OceanStar Textiles International Limited (the "Seven Subsidiaries"), entered into a Master Purchase Transactions Agreement ("Purchase Agreement") for a period until 31st August, 2006 with Fountain Set Textiles (Ontario) Limited ("Fountain Set Ontario") in which Mr. Kwan Wan Kee, the Vice President of Fountain Set Ontario, and the Company continued to hold approximately 41% and 51% of equity interest respectively. Pursuant to the Purchase Agreement, Fountain Set Ontario would purchase fabrics, yarns and garments ("Products") from the Seven Subsidiaries on an order-by-order basis with the aggregate annual amounts not exceed HK\$34,000,000, HK\$42,000,000 and HK\$53,000,000 for each of the three financial years ended 31st August, 2006 respectively. During the year, Fountain Set Ontario purchased the Products from the Seven Subsidiaries of an aggregate amount of approximately HK\$21,254,000.

On 3rd May, 2004, two subsidiaries of the Company, namely Dongguan Fuan Textiles Limited and Jiangyin Fuhui Textiles Limited (the "Two Subsidiaries"), entered into a Master Subcontracting Transactions Agreement ("Subcontracting Agreement") for a period until 31st August, 2006 with Dongguan Goldlink Thread Factory Co. Ltd. ("Dongguan Goldlink") in which Mr. Chow Pong Sing, a director of Dongguan Goldlink, and the Company continued to hold approximately 40% and 60% of equity interest respectively. Pursuant to the Subcontracting Agreement, the Two Subsidiaries would provide subcontracting services of dyeing to Dongguan Goldlink on an order-by-order basis with the aggregate annual amounts not exceed HK\$9,000,000, HK\$12,000,000 and HK\$15,000,000 for each of the three financial years ended 31st August, 2006 respectively. During the year, the Two Subsidiaries provided subcontracting service to Dongguan Goldlink of an aggregate amount of approximately HK\$7,716,000.

董事擁有之重要合約權益及關連交易

本公司之七間附屬公司即福田實業有限公司、Fountain Set Textiles (B.C.) Limited、Fountain Set Worldwide Sdn. Bhd.、海匯紡織有限公司、金漣威(香港)有限公司、Ocean Lanka (Private) Limited及海星紡織國際有限公司(「七間附屬公司」)於二零零四年五月三日與Fountain Set Textiles (Ontario) Limited(「福田安省」)訂立了採購交易總協議(「採購協議」)，有效期至二零零六年八月三十一日止。福田安省副總裁關宏基先生及本公司分別持續擁有福田安省約41%及51%股權。根據採購協議，福田安省將會按個別訂單基準向該七間附屬公司採購布疋、紗及成衣(「貨品」)，而截至二零零六年八月三十一日止的三個財政年度之各年度採購總金額分別不得高於34,000,000港元、42,000,000港元及53,000,000港元。本年度福田安省向七間附屬公司採購貨品的總金額約為21,254,000港元。

本公司之兩間附屬公司即東莞福安紡織印染有限公司及江陰福匯紡織有限公司(「兩間附屬公司」)於二零零四年五月三日與東莞金菱線廠有限公司(「東莞金菱」)訂立了加工交易總協議(「加工協議」)，有效期至二零零六年八月三十一日止。東莞金菱之董事周邦盛先生及本公司分別持續擁有東莞金菱約40%及60%股權。根據加工協議，兩間附屬公司將會按個別訂單基準向東莞金菱提供染色加工服務，而截至二零零六年八月三十一日止的三個財政年度之各年度加工服務總金額分別不得高於9,000,000港元、12,000,000港元及15,000,000港元。本年度兩間附屬公司向東莞金菱提供加工服務的總金額約為7,716,000港元。



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On 3rd May, 2004, eleven subsidiaries of the Company, namely Dong Guan Hai Xing Apparel Co., Ltd., Dongguan Fuan Textiles Limited, Dongguan Shatin Lake Side Textiles Printing & Dyeing Co., Ltd., Faun Industries Limited, Fountain Set Limited, Fountain Set Textiles (B.C.) Limited, Highscene Limited, Higon Enterprises Limited, Hiway Textiles Limited, K.L.W. Limited, and Jiangyin Fuhui Textiles Limited (the "Eleven Subsidiaries"), entered into a Master Sales Transactions Agreement ("Sales Agreement") for a period until 31st August, 2006 with Goldlink Thread Limited, Goldfolk Limited and Dongguan Goldlink ("Goldlink Group") in which Mr. Chow Pong Sing, a director of Goldlink Group, and the Company continued to hold approximately 40% and 60% of equity interest respectively. Pursuant to the Sales Agreement, Goldlink Group would sell yarns and sewing threads to the Eleven Subsidiaries on an order-by-order basis with the aggregate annual amounts not exceed HK\$5,000,000, HK\$10,000,000 and HK\$15,000,000 for each of the three financial years ended 31st August, 2006 respectively. During the year, Goldlink Group sold yarns and sewing threads to the Eleven Subsidiaries of an aggregate amount of approximately HK\$3,824,000.

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.

本公司之十一間附屬公司即東莞海星服裝有限公司、東莞福安紡織印染有限公司、東莞沙田麗海紡織印染有限公司、福力實業有限公司、福田實業有限公司、Fountain Set Textiles (B.C.) Limited、漢盛有限公司、海高有限公司、海匯紡織有限公司、金漣威(香港)有限公司及江陰福匯紡織有限公司(「十一間附屬公司」)於二零零四年五月三日與金菱線廠有限公司、金孚有限公司及東莞金菱(「金菱集團」)訂立了銷售交易總協議(「銷售協議」)，有效期至二零零六年八月三十一日止。金菱集團董事周邦盛先生及本公司分別持續擁有金菱集團約40%及60%股權。根據銷售協議，金菱集團將會按個別訂單基準向十一間附屬公司銷售紗及縫紉線，而截至二零零六年八月三十一日止的三個財政年度之各年度銷售總金額分別不得高於5,000,000港元、10,000,000港元及15,000,000港元。本年度金菱集團向十一間附屬公司出售紗及縫紉線的總金額約為3,824,000港元。

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。



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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.

Substantial Shareholders' and Other Shareholders' Interests

At 31st August, 2004, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests 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 (short) positions in shares and underlying shares of the Company:

購買、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買、出售或贖回本公司之上市證券。

主要股東及其他股東權益

於二零零四年八月三十一日，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(淡倉)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	282,014,044 (notes 1 and 3) (附註 1 及 3)	Trustee 受託人	35.52
Ms. Tang Kuen Mui 鄧娟妹女士	285,000,044 (notes 2 and 3) (附註 2 及 3)	Spouse interest 配偶權益	35.89
J.P. Morgan Chase & Co.	101,337,524 (notes 4 and 5) (附註 4 及 5)	46,974,000 shares as investment manager and 54,363,524 shares as approved lending agent 46,974,000 股為投資經理及 54,363,524 股為核准借出代理人	12.76
Morgan Stanley	56,562,000 (7,798,000) (note 6) (附註 6)	Interest of corporation controlled by Morgan Stanley Morgan Stanley 所控制的法團的權益	7.12 (0.98)



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Notes:

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

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	—	35.28
Yee Chang Company Limited 義翔有限公司	Koy Holdings Corporations (ii)	100.00	1,932,000	—	0.24
The Kam Kong Unit Trust	Centre Trustees	99.99	—	1,932,000	0.24

(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.

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

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

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

附註：

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	—	35.28
Yee Chang Company Limited 義翔有限公司	Koy Holdings Corporations (ii)	100.00	1,932,000	—	0.24
The Kam Kong Unit Trust	Centre Trustees	99.99	—	1,932,000	0.24

(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為The Kam Kong Unit Trust之受託人。

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. 夏松芳先生、Centre Trustees及鄧娟妹女士之權益是重複的。



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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	7,500,000	—	0.94
JF Funds Limited	JF Asset Management Limited	100.00	—	7,500,000	0.94
JF Asset Management Limited	J.P. Morgan Fleming Asset Management (Asia) Inc.	99.99	39,064,000	7,500,000	5.86
J.P. Morgan Fleming Asset Management (Asia) Inc.	J.P. Morgan Fleming Asset Management Holdings Inc.	100.00	—	46,974,000	5.92
J.P. Morgan Fleming Asset Management Holdings Inc.	J.P. Morgan Chase & Co.	100.00	—	46,974,000	5.92
JPMorgan Chase Bank	J.P. Morgan Chase & Co.	100.00	54,363,524	—	6.85
JF International Management Inc.	J.P. Morgan Fleming Asset Management (Asia) Inc.	100.00	410,000	—	0.05

5. The 101,337,524 shares included a lending pool of 54,363,524 shares.
5. 於101,337,524股內包括54,363,524股可供借出的股份。



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6. The following is a breakdown of the interests in shares of Morgan Stanley:

6. 下列為Morgan Stanley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 約佔已發行股本比率
			Direct interest 直接權益	Deemed interest 當作持有的權益	
Morgan Stanley Capital Management, L.L.C.	Morgan Stanley	100.00	—	51,727,200 (2,963,200)	6.52 (0.38)
Morgan Stanley Domestic Capital, Inc.	Morgan Stanley Capital Management, L.L.C.	100.00	—	51,727,200 (2,963,200)	6.52 (0.38)
Morgan Stanley International Incorporated	Morgan Stanley	90.00	—	51,727,200 (2,963,200)	6.52 (0.38)
Morgan Stanley International Holdings Inc.	Morgan Stanley	80.00	—	47,698,000	6.01
Morgan Stanley Asia Pacific (Holdings) Limited	Morgan Stanley International Holdings Inc.	90.00	—	47,698,000	6.01
Morgan Stanley Asia Regional (Holdings) III L.L.C.	Morgan Stanley Asia Pacific (Holdings) Limited	100.00	—	47,698,000	6.01
Morgan Stanley Dean Witter (Singapore) Holdings Pte. Ltd.	Morgan Stanley Asia Regional (Holdings) III L.L.C.	100.00	—	47,698,000	6.01
Morgan Stanley Investment Management Company	Morgan Stanley Dean Witter (Singapore) Holdings Pte. Ltd.	100.00	47,698,000	—	6.01
Morgan Stanley International Limited	Morgan Stanley International Incorporated	100.00	—	4,029,200 (2,963,200)	0.51 (0.38)
Morgan Stanley Group (Europe)	Morgan Stanley International Limited	98.30	—	4,029,200 (2,963,200)	0.51 (0.38)
Morgan Stanley UK Group	Morgan Stanley Group (Europe)	100.00	—	4,029,200 (2,963,200)	0.51 (0.38)
Morgan Stanley & Co International Limited	Morgan Stanley UK Group	100.00	4,029,200 (2,963,200)	—	0.51 (0.38)
Morgan Stanley & Co. Incorporated	Morgan Stanley	100.00	1,147,180 (1,147,180)	—	0.14 (0.14)
MSDW Offshore Equity Services Inc.	Morgan Stanley	100.00	—	3,687,620 (3,687,620)	0.46 (0.46)
MSDW Equity Finance Services I (Cayman) Limited	MSDW Offshore Equity Services Inc.	100.00	3,687,620 (3,687,620)	—	0.46 (0.46)



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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, 2004.

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 largest supplier and five largest suppliers taken together accounted for 12% and 31% respectively of the Group's total purchases for the year.

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) has any interest in the Group's five largest suppliers.

Donations

During the year, the Group made charitable and other donations totalling approximately HK\$380,000.

Corporate Governance

The Company has complied throughout the year ended 31st August, 2004 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

16th December, 2004

除上述外，於二零零四年八月三十一日，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30%。

本年度本集團最大供應商及前五大供應商共佔本集團之採購總額分別為12%及31%。

並無董事、其聯繫人或任何就董事所知擁有本公司5%以上股本之股東實益擁有本集團前五大供應商之權益。

捐款

本年度本集團作出之慈善及其他捐款共約380,000港元。

公司管治

於截至二零零四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

二零零四年十二月十六日

