

董事會同寅謹將截至二零零五年三月三十一日止年度報告書連同經已審核之賬目呈覽。

## 主要業務

本公司為一間投資控股公司，其附屬公司主要從事設計、發展、生產及經銷電子元器件，電子專業生產服務和經銷及製造個人電腦及數碼產品。

本集團於本年度之營業額及經營盈利貢獻依業務及地區分部載列於賬目附註2。

## 業績及分派

本集團於本年度之業績載列於第26頁之綜合損益表內。

中期股息每股0.01港元或選擇認股權證已於二零零五年二月二十三日派發，總額為2,647,000港元。董事會建議派發二零零五年三月三十一日止年度之末期股息每股0.02港元，總額為5,451,000港元。

## 附屬公司

於二零零五年三月三十一日，本公司之主要附屬公司詳情載列於賬目附註15。

## 固定資產

本集團固定資產之變動情況載列於賬目附註13。

## 股本

於本年度內，本公司股本之變動情況載列於賬目附註24。

## 認股權證

於本年度內，本公司認股權證之變動情況載列於賬目附註26。

The Directors submit their report together with the audited accounts for the year ended 31 March 2005.

## PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in the design, development, manufacturing and distribution of electronic components, electronic manufacturing services and distribution and manufacturing of personal computer and digital products.

An analysis of the Group's turnover and contribution to operating profit by business segment and geographical segment for the year 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 26.

An interim dividend of HK\$0.01 per share with alternative to elect Warrant Alternative totalling HK\$2,647,000 was paid on 23 February 2005. The Board of Directors proposed a final dividend of HK\$0.02 per share totalling HK\$5,451,000 in respect of the year ended 31 March 2005.

## SUBSIDIARIES

Particulars of the company's principal subsidiaries at 31 March 2005 are set out in note 15 to the accounts.

## FIXED ASSETS

Movements in fixed assets of the Group are set out in note 13 to the accounts.

## SHARE CAPITAL

Movements in share capital of the company are set out in note 24 to the accounts.

## WARRANTS

Movements in warrants of the company are set out in note 26 to the accounts.

## 儲備

於本年度內，撥入儲備及自儲備撥出之重大金額及有關詳情載列於賬目附註27。

## 可供分派儲備

於二零零五年三月三十一日，本公司可分派之儲備計為85,602,000港元(二零零四年：87,116,000港元)，此金額已包括繳入盈餘數額72,309,000港元(二零零四年：72,309,000港元)。

## 捐款

於本年度內，本集團作出之慈善捐款為160,000港元(二零零四年：263,000港元)。

## 優先購買權

儘管百慕達法例並無對優先購買權加以限制，及本公司組織章程細則並無優先購買權之規定，本公司會按現時股東持有股份比例售賣新股票予股東。

## 五年財務概要

本集團截至二零零五年三月三十一日止前五個年度每年之綜合業績、資產及負債概要載列於第11至12頁。

## 主要客戶及供應商

截至二零零五年三月三十一日止年度，本集團之五位最大客戶共佔本年度集團總營業額約為百分之三十七點九，而最大之客戶約佔百分之十二點五。本集團之五位最大供應商則共佔本年度集團總採購額約百分之四十五點五，其中最大之供應商約佔百分之二十八點五。

董事、彼等之聯繫人士或任何股東(指據董事所知擁有本公司百分之五以上股本權益之股東)並無於上述之主要供應商或客戶中擁有任何權益。

## RESERVES

The amounts and particulars of material transfers to and from reserves during the year are set out in note 27 to the accounts.

## DISTRIBUTABLE RESERVES

At 31 March 2005, the reserves of the company available for distribution amounted to HK\$85,602,000 (2004: HK\$87,116,000), including contributed surplus of HK\$72,309,000 (2004: HK\$72,309,000).

## DONATIONS

The Group made charitable donations of HK\$160,000 (2004: HK\$263,000) during the year.

## PRE-EMPTIVE RIGHT

There is no provisions for pre-emptive rights under the Company's bye-laws and there was no restriction against such right under the laws in Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

## FIVE YEAR FINANCIAL SUMMARY

A summary of the consolidated results, assets and liabilities of the Group for each of the last five years ended 31 March 2005 is set out on pages 11 to 12.

## MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2005, sales to the five largest customers of the Group in total accounted for approximately 37.9% of the Group's total turnover, with the largest customer accounting for about 12.5%. The five largest suppliers of the Group together in total accounted for approximately 45.5% by value of the Group's total purchases during the year, with the largest supplier accounting for about 28.5%.

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 or customers noted above.

## 董事

本年度內及直至本報告日期之在任董事如下：

劉得還先生 (總裁)  
 陳婉薇女士 (副總裁)  
 尹楚輝先生  
 麥漢佳先生  
 畢滌凡先生\*  
 蔡毓藩先生\* (於二零零四年九月十七日委任)  
 廖毅榮先生\* (於二零零四年九月十七日委任)  
 袁致才先生\* (於二零零四年九月十七日辭任)

陳婉薇女士及尹楚輝先生按照本公司之公司組織章程細則第99條輪值告退，惟彼等均願膺選連任。

\* 獨立非執行董事

各董事包括獨立非執行董事獲委任後，須根據本公司組織章程細則在公司之股東週年大會上輪值告退，惟可膺選連任。

## 董事及高級管理人員之個人資料

### 執行董事

劉得還先生，現年五十五歲，為本集團之創辦人兼總裁。劉先生畢業於香港浸會學院(現稱香港浸會大學)社會學系及在電子業管理及生產方面擁有超過二十年經驗。在創立本集團之前，劉先生在電子業內更擁有超過六年經營本身業務之經驗。彼負責本集團整體之企業策劃、策略發展及市場推廣工作。

陳婉薇女士，現年四十八歲，為劉得還先生之配偶。陳女士為本集團副總裁兼行政及財務董事，負責集團行政、人力資源及財務管理。彼於一九九八年加入本集團，陳女士擁有超過二十年之會計及財務管理經驗，同時擁有超過十年經營本身業務之經驗。

## DIRECTORS

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

Mr. LAU Tak Wan (President)  
 Ms. CHAN Yuen Mei, Pinky (Vice-president)  
 Mr. WAN Chor Fai  
 Mr. MAK Hon Kai, Stanly  
 Mr. Barry John BUTTIFANT\*  
 Mr. CHOI Yuk Fan\* (appointed on 17 September 2004)  
 Mr. LIU Ngai Wing\* (appointed on 17 September 2004)  
 Mr. YUEN Chi Choi, Simon\* (resigned on 17 September 2004)

Ms. CHAN Yuen Mei, Pinky and Mr. WAN Chor Fai retire by rotation in accordance with clause 99 of the Company's bye-laws and, being eligible, offer themselves for re-election.

\* Independent non-executive directors

The terms of office of the directors, including the independent non-executive directors, are subject to retirement by rotation and are eligible for re-election at the Company's annual general meeting in accordance with the Company's bye-laws.

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### Executive directors

Mr. LAU Tak Wan, aged 55, is the founder and the President of the Group. Mr. Lau graduated from Hong Kong Baptist College (now known as Hong Kong Baptist University) in Sociology and has more than 20 years' management and production experience in the electronics industry. Prior to founding the Group, Mr. Lau had over 6 years' experience in running his own business in the electronics industry. He is responsible for the overall corporate planning, strategic development and marketing of the Group.

Ms. CHAN Yuen Mei, Pinky, aged 48, is the spouse of Mr. LAU Tak Wan. Ms. Chan is the Vice-president of the Group. Also she is the Director of Administration and Finance responsible for administration, human resources and finance of the Group. Prior to joining the Group in 1998, Ms. Chan has over 20 years of experience in accounting and financial management and at the same time running her own business for more than 10 years.

**董事及高級管理人員之個人資料** (續)**BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT** (continued)**執行董事****Executive directors**

尹楚輝先生，現年四十七歲，為本集團之CEO(製造業務)。尹先生畢業於香港理工學院(現稱香港理工大學)之生產及工業工程系，現時負責本集團業務發展及生產管理。彼擁有超過十六年之生產管理及市場推廣經驗。在一九八七年加入本集團之前，尹先生在一家國際集團工作，負責管理電子部門。

Mr. WAN Chor Fai, aged 47, is the CEO (Manufacturing) of the Group. Mr. Wan graduated from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in Production and Industrial Engineering and is responsible for the business development and manufacturing management of the Group. He has more than 16 years' experience in manufacturing and marketing. Prior to joining the Group in 1987, he worked for an international conglomerate and was in charge of the electronics division.

麥漢佳先生，現年四十三歲，為本集團之CEO(經銷業務)，負責本集團整體之市場策略與電子元器件之經銷。彼於一九八八年加入本集團，擁有超過二十年電子零件之銷售及市場推廣經驗。

Mr. MAK Hon Kai, Stanly, aged 43, is the CEO (Distribution) of the Group responsible for the Group's overall marketing strategy and the distribution of electronic components. Mr. Mak joined the Group in 1988. He has more than 20 years' experience in the sales and marketing of electronic components.

**獨立非執行董事****Independent non-executive directors**

畢滌凡先生，現年六十歲，於二零零四年十二月獲委任為Hsin Chong International Holdings Limited(「新昌國際」)之董事總經理及新昌營造集團有限公司之替任董事及於二零零五年一月為新昌管理集團有限公司之替任董事。加入新昌國際前，畢先生為霸菱亞洲投資有限公司之營運合伙人。彼於二零零一年至二零零二年期間擔任和記行(集團)有限公司之董事總經理，並於二零零二年至二零零四年出任該公司董事會顧問，彼於萬威國際有限公司擔任董事總經理超過8年及曾於森那美香港有限公司及寶麗碧集團工作超過11年，其間曾出任財務董事及董事總經理職務。彼為香港上市公司：佐丹奴國際有限公司、招商迪辰(亞洲)有限公司、媒體世紀集團及華訊股份有限公司，美國納斯達克證券市場上市之China Technology Global Corporation之獨立非執行董事及紐約證券交易所上市Global-Tech Appliances Inc.之董事。

Mr. Barry John BUTTIFANT, aged 60, has been appointed as the Managing Director of Hsin Chong International Holdings Limited ("Hsin Chong"), and the Alternate Director of Hsin Chong Construction Group Limited since December 2004 and became the Alternate Director of Synergis Holdings Limited in January 2005. Before joining Hsin Chong, Mr. Buttifant was an Operating Partner of Barings Private Equity Partners Asia Limited. He was also the Managing Director of Wo Kee Hong (Holdings) Limited ("Wo Kee Hong") from 2001 to 2002 and was the Adviser to the board of directors of Wo Kee Hong from 2002 to 2004. He was the Managing Director of IDT International Limited for over 8 years and had worked for Sime Darby Hong Kong Limited and Polly Peck Group for more than 11 years in the capacity of Finance Director and Managing Director during the period. He is also an independent non-executive director of Hong Kong public companies: Giordano International Limited, China Merchants DiChain (Asia) Limited, MediaNation Inc and Alltronics Holdings Limited, one NASDAQ listed company, China Technology Global Corporation and a director of one NYSE public company, Global-Tech Appliances Inc.

畢先生為英國特許公認會計師公會，香港會計師公會，The Chartered Management Institute，香港管理專業協會及香港董事學會之資深會員。彼於一九九四年成為本公司獨立非執行董事。

Mr. Buttifant is a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Chartered Management Institute; the Hong Kong Management Association and the Hong Kong Institute of Directors. He became an independent non-executive director of the Company in 1994.

**董事及高級管理人員之個人資料** (續)**獨立非執行董事** (續)

廖毅榮先生，現年五十四歲，持有香港中文大學環球商業管理學理科碩士學位、香港理工大學酒店及旅遊管理學理科碩士學位及香港公開大學工商管理碩士學位。

廖先生現時為豐德麗控股有限公司之執行董事；英發國際有限公司及恆豐金業科技有限公司之獨立非執行董事。廖先生為香港會計師公會、特許秘書及行政人員公會會員及英國公認會計師公會之資深會員。

蔡毓藩先生，現年五十二歲，持有由倫敦大學於一九八八年頒發之法律學士學位及於一九九一年由香港大學頒發之法律深造文憑。現時蔡先生是蔡毓藩律師行負責人及執業律師，為香港及海外市民及商業機構提供法律專業服務。

蔡先生於一九九三年取得香港高等法院律師資格及於一九九四年取得英國高等法院律師資格。於一九九三年開始從事司法界工作之前，蔡先生於一九七七年至一九九零年期間在香港政府民政事務署服務。

**董事服務合約**

各執行董事已與本公司訂立服務合約及此等服務合約將於此後一直持續生效，直至任何一方給予不少於三個月或六個月書面通知予以終止為止。

擬於即將舉行之股東週年大會上膺選連任之董事並無與本公司訂立仍未屆滿而於一年內免付補償(法定補償除外)則不能予終止之服務合約。

**BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT** (continued)**Independent non-executive directors** (continued)

Mr. LIU Ngai Wing, aged 54, holds a Master of Science Degree in Global Business from the Chinese University of Hong Kong, a Master of Science Degree in Hotel and Tourism Management from the Hong Kong Polytechnic University and a Master Degree in Business Administration from the Open University of Hong Kong.

Mr. Liu is an executive director of eSun Holdings Ltd, independent non-executive director of Climax International Ltd and Hang Fung Gold Technology Ltd. He is an associate member of both the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Secretaries and Administrators, and is also a fellow member of Association of Chartered Certified Accountants.

Mr. CHOI Yuk Fan, aged 52, is a holder of a Bachelor Degree of Laws (LLB) awarded by the University of London in 1988 and a Post-graduate Certificate in Laws (PCLL) awarded by the University of Hong Kong in 1991. Now, Mr. Choi is the Principal of Messrs. Y. F. Choi & Co., Solicitors and is a practising lawyer providing legal services for citizens of Hong Kong and foreign countries.

Mr. Choi was admitted Solicitor of the Supreme Court of Hong Kong in 1993 and Solicitor of the Supreme Court of England and Wales in 1994. Before, Mr. Choi took up his legal career in 1993, he served in the Home Affairs Department about 13 years (1977-1990).

**DIRECTORS' SERVICE CONTRACTS**

Each of the executive directors has entered into a service contract with the Company and these service contracts will continue thereafter until terminated by either party for not less than three or six months' prior written notice.

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 by the Company within one year without payment of compensation, other than statutory compensation.

## 董事享有權益之合約

除上文所詳述之董事服務合約外及下文所述之關連交易，於年終或本年度內任何時間，本公司或其任何附屬公司概無簽訂任何涉及本集團之業務而本公司董事直接或間接在其中擁有重大權益之其他重要合約。

## 董事及最高行政人員於本公司或任何有聯繫法團之股份、相關股份及債權證之權益及淡倉

於二零零五年三月三十一日，本公司依據證券及期貨條例（「證券條例」）第352條而設置之登記冊所記錄或根據上市規則上市公司董事進行證券交易的標準守則須另外知會本公司及聯交所者，各董事及最高行政人員在本公司及其有聯繫法團（按證券及期貨條例第XV部之定義）之股份、相關股份及債權證之權益及淡倉如下：

### (a) 於本公司每股面值\$0.10港元之股份好倉

## DIRECTORS' INTERESTS IN CONTRACTS

Apart from the directors' service contracts noted above and the connected transactions noted as below, no other 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' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

At 31 March 2005, the interests and short positions of each director and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), as recorded in the register maintained 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 for Securities Transactions by director of Listed Issuer in the Listing Rules were as follows:

### (a) Long position in of HK\$0.10 each in the Company

董事姓名 Name of directors	已發行普通股/衍生工具所附相關股份之數目 Number of issued ordinary shares/underlying shares attached to derivatives														總數 Total interests	百分比 Percentage
	非上市認股權證 Unlisted Warrants						已發行普通股 Ordinary shares in issued									
	個人權益 Personal interests	附註 Notes	法團權益 Corporate interests	附註 Notes	其他權益 Other interests	附註 Notes	個人權益 Personal interests	附註 Notes	法團權益 Corporate interests	附註 Notes	其他權益 Other interests	附註 Notes				
劉得還先生 Mr. LAU Tak Wan	1,037,333	1	21,361,612	2&3	2,789,999	4	5,186,666	1	111,176,064	2&3	13,949,999	4	155,501,673	58.47%		
陳婉薇女士 Ms. CHAN Yuen Mei, Pinky	670,666	1	21,361,612	2&3	3,156,666	4	3,353,332	1	111,176,064	2&3	15,783,333	4	155,501,673	58.47%		
尹楚輝先生 Mr. WAN Chor Fai	-	-	-	-	-	-	150,000	-	-	-	-	-	150,000	0.06%		
麥漢佳先生 Mr. MAK Hon Kai, Stanly	-	-	-	-	-	-	1,000,000	-	-	-	-	-	1,000,000	0.38%		
畢焱凡先生 Mr. Barry John BUTTIFANT	-	-	-	-	-	-	500,000	-	-	-	-	-	500,000	0.19%		

**董事及最高行政人員於本公司或任何有聯繫法團之股份、相關股份及債權證之權益及淡倉 (續)**

**DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (continued)**

**(a) 於本公司每股面值\$0.10港元之股份好倉 (續)**

附註：

1. 劉先生及陳女士(劉先生之配偶)聯名擁有本公司股份504,000認股權證及2,520,000股。
2. China Capital Holdings Investment Ltd (「China Capital」)實益擁有本公司股份9,373,766股認股權證及51,236,832股。China Capital之百分之六十已發行股本由劉先生擁有，餘下百分之四十已發行股本由陳女士擁有。
3. Leading Trade Ltd (「Leading Trade」)實益擁有本公司11,987,846認股權證及59,939,232股。Leading Trade百分之五十已發行股本由劉先生擁有，餘下百分之五十已發行股本由陳女士擁有。
4. Cyber Concept Limited (「Cyber Concept」)實益擁有本公司2,623,333認股權證及股份13,116,667股。Cyber Concept公司由Yuen Che Bun先生全員擁有。Yuen Che Bun先生與劉先生為共同行動人士。

**(b) 於本公司有聯繫法團之股份**

Dominion International Limited由一個信託人按全權信託全資擁有，該信託之受益人包括劉得還先生及其若干家族成員擁有下列附屬公司之實益權益：

寰宇電線有限公司 Cosmos Wires and Connectors Manufacturing Limited	
Westpac Digital Limited	
宏標實業有限公司 Vastpoint Industrial Limited	
台和商事有限公司 Daiwa Associate (H.K.) Limited	

**(a) Long position in of HK\$0.10 each in the Company (continued)**

Notes:

1. 504,000 warrants and 2,520,000 shares in the Company were jointly held by Mr. Lau and Ms. Chan (the spouse of Mr. Lau).
2. 9,373,766 warrants and 51,236,832 shares in the Company were beneficially owned by China Capital Holdings Investment Ltd ("China Capital"). The issued share capital of China Capital is 60% owned by Mr. Lau, and 40% owned by Ms. Chan.
3. 11,987,846 warrants and 59,939,232 shares in the Company were beneficially owned by Leading Trade Ltd ("Leading Trade"). The issue share capital of Leading Trade is 50% owned by Mr. Lau and 50% owned by Ms. Chan.
4. 2,623,333 warrants and 13,116,667 shares in the Company were beneficially owned by Cyber Concept Limited ("Cyber Concept"). Cyber Concept is a company wholly owned by Mr. Yuen Che Bun, Mr. Yuen Che Bun and Mr. Lau are acting in concert.

**(b) Shares of associated corporations of the company**

Dominion International Limited, which is wholly owned by a trustee for the benefit of a discretionary trust the beneficiaries of which include Mr. LAU Tak Wan, and certain of his family members, has beneficial interests in the following subsidiaries:

**持有之無投票權遞延股份數目  
Number of non-voting  
deferred shares held**

寰宇電線有限公司 Cosmos Wires and Connectors Manufacturing Limited	50,000
Westpac Digital Limited	1
宏標實業有限公司 Vastpoint Industrial Limited	455,000
台和商事有限公司 Daiwa Associate (H.K.) Limited	1,500,000

## 董事及最高行政人員於本公司或任何有聯繫法團之股份、相關股份及債權證之權益及淡倉 (續)

### (b) 於本公司有聯繫法團之股份 (續)

此外，劉先生及陳女士分別實益擁有寰宇精準工業有限公司之無投票權遞延股份140,000股及10,000股。

除上述披露者外，於二零零五年三月三十一日，本公司依據證券及期貨條例第352條規定保存之名冊中記載或根據上市規則上市公司董事進行證券交易的標準守則須另外知會本公司及聯交所者，概無本公司董事或最高行政人員或彼等之聯繫人士於本公司或其相聯法團(定義見證券及期貨條例第XV部分)之股份、相關股份及債券中擁有任何權益及淡倉。

## 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有任何合約。

## 關連交易

於二零零四年九月二十四日，集團完成收購Elite Century Holdings Inc.(劉得還先生為該公司之主席兼執行董事，擁有89.1%股權)。此交易構成重大及關連交易。此收購已於二零零四年八月三十日之股東特別大會得到獨立股東通過。

於一九九六年六月一日，Elite Century Holdings Inc. 其中一間附屬公司與劉得還先生及陳婉薇女士共同擁有之公司就一間加拿大辦事處訂立一項租售協議，為期由一九九六年六月一日至二零零六年五月三十一日。此辦事處之月租為15,332.64加元。

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (continued)

### (b) Shares of associated corporations of the company (continued)

In addition, each of Mr. Lau and Ms. Chan beneficially owns 140,000 and 10,000 non-voting deferred shares respectively in Cosmotec Precision Industrial Limited.

Save as disclosed above, as at 31 March 2005, none of the directors or chief executive of the Company or their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained 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 for Securities Transactions by directors of Listed Issuers in the Listing Rules.

## 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.

## CONNECTED TRANSACTIONS

On 24 September 2004, The Group completed an acquisition of Elite Century Holdings Inc. which is 89.1% beneficially owned by Mr. Lau Tak Wan, the Chairman and executive director. This transaction constituted a major and connected transaction. The acquisition was approved by independence shareholders' in the Special General Meeting held on 30 August 2004.

One of the subsidiaries of Elite Century Holdings Inc. had entered into a rental agreement in respect of office space in Canada on 1 June 1996 with a company jointly owned by Mr. Lau Tak Wan and Ms. Chan Yuen Mei, Pinky for the period from 1 June 1996 to 31 May 2006. Monthly rental paid for the office premises is CAN\$15,332.64.



**關連交易 (續)**

根據上市規則，上述交易構成關連交易。董事認為，上述交易按正常商業條款及按公平磋商基準訂立或並就整體而言，對本公司股東言屬公平合理。

根據上市規則，上述各項關連交易構成獲豁免關連交易。

除上文所述者外，本年度內，本公司或其附屬公司均無參予任何交易，乃根據香港聯合交易所有限公司之《證券上市規則》(「上市規則」)被界定為本公司須予披露的關連交易。

**購股權計劃**

於二零零二年八月二十二日，本公司為遵守上市規則第17章之規定採納新購股權計劃(「新計劃」)，以取代過往有效之舊購股權計劃(「舊計劃」)。截至二零零五年三月三十一日止本公司概無根據新計劃授出購股權及根據舊計劃授出而於期內未行使之購股權。

**主要股東的權益**

於二零零五年三月三十一日，就各董事所深知，本公司根據證券及期貨條例第336條所存置之登記冊所載，直接或間接擁有本公司已發行股本5%或以上權益之人仕(本公司董事或主要行政人員除外)如下：

**於本公司股份的權益**

	附註 Note	持有股份數目 Number of shares held	佔已發行股份 總數百分比 % of the total issued shares
Leading Trade Limited	1	59,939,232	22.54%
China Capital Holdings Investment Limited	2	51,236,832	19.26%

**CONNECTED TRANSACTIONS (continued)**

The above constituted a connected transaction under the Listing Rules. The Directors are of the opinion that the above transaction was entered into on normal commercial terms and on an arm's length basis and is fair and reasonable so far as the shareholders of the Company, taken as a whole, are concerned.

The above connected transaction constituted an exempted connected transaction under the Listing Rules.

Save as disclosed above, neither the Company nor its subsidiaries had entered into any connected transactions discloseable by the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the year.

**SHARE OPTION SCHEMES**

On 22 August 2002, the Company adopted a new share option scheme (the "New Scheme") in compliance with Chapter 17 of the Listing Rules, which replaced the old share option scheme (the "Old Scheme") in force previously. The Company has not granted any options under the New Scheme and no share options were outstanding as at 31 March 2005.

**INTERESTS OF SUBSTANTIAL SHAREHOLDERS**

As at 31 March 2005, to the best knowledge of the directors, the following parties (other than a director or chief executive of the Company) were recorded in the register kept by the Company under section 336 of the SFO as being directly or indirectly interested in 5% or more of the issued share capital of the Company:

**Interests in the shares of the Company**

**主要股東的權益 (續)****於本公司股份的權益 (續)**

附註：

1. Leading Trade Limited之50%權益為劉得選先生所擁有及50%權益為陳婉薇女士所擁有。因此，根據證券及期貨條例，Leading Trade Limited、劉先生及陳女士均被視為擁有59,939,232、155,501,673及155,501,673股本公司股份之權益。
2. China Capital Holdings Investment Limited之60%權益為劉得選先生所擁有及40%權益為陳婉薇女士所擁有。因此，根據證券及期貨條例，China Capital Holdings Investment Limited、劉先生及陳女士分別被視為擁有51,236,832、155,501,673及155,501,673股本公司股份之權益。

除上述披露外，於二零零五年三月三十一日，本公司未獲通知任何超過本公司已發行股本5%或以上且已記錄入按證券及期貨條例第336條設立之主要股東名冊之權益。

**公眾持股量之充足性**

基於本公司可公開獲得之資料並就其董事所知，本公司已於回顧年度全年維持足夠之公眾持股量。

**遵守上市規則之最佳應用守則**

除獨立非執行董事之任期並無訂明外，本公司之董事確認並不知悉任何資料，足以合理顯示本公司於二零零五年三月三十一日止期間之任何時間內曾經或現時，未有遵守上市規則附錄十四所載之最佳應用守則（二零零五年一月一日前有效）。

根據本公司組織章程細則規定，獨立非執行董事須於股東週年大會上輪值告退，並可膺選連任。

**INTERESTS OF SUBSTANTIAL SHAREHOLDERS***(continued)***Interests in the shares of the Company (continued)**

Notes:

1. Leading Trade Limited is 50% owned by Mr. LAU Tak Wan and 50% owned by Ms. CHAN Yuen Mei, Pinky. Accordingly, Leading Trade Limited, Mr. Lau and Ms. Chan were deemed by SFO to be interested in 59,939,232, 155,501,673 and 155,501,673 shares of the Company.
2. China Capital Holdings Investment Limited is 60% owned by Mr. LAU Tak Wan and 40% owned by Ms. CHAN Yuen Mei, Pinky. Accordingly, China Capital Holdings Investment Limited, Mr. Lau and Ms. Chan were deemed by SFO to be interested in 51,236,832, 155,501,673 and 155,501,673 shares of the Company respectively.

Save as disclosed above, the Company has not been notified of any other interest representing 5% or more of the issued share capital of the Company and recorded in the register of Substantial Shareholders maintained under Section 336 of the SFO as at 31 March 2005.

**SUFFICIENCY OF PUBLIC FLOAT**

Based on the information publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float throughout the year under review.

**COMPLIANCE WITH THE CODE OF BEST PRACTICE OF THE LISTING RULES**

The Directors of the Company confirmed that they are not aware of any information which would reasonably indicate that the Company is not, or was not in compliance with the Code of Best Practice, as set out in Appendix 14 of the Listing Rules (in force prior to 1 January 2005), at any time during the year ended 31 March 2005 except for not specifying the terms of appointment of independent non-executive directors.

According to the bye-laws of the Company, independent non-executive directors are subject to retirement by rotation and re-election at the annual general meeting.

## 遵守董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載標準守則，作為其有關董事進行證券交易之操守準則。經向全體董事作出特定查詢後，董事已確認，本公司已於截至二零零五年三月三十一日止期間遵守上市規則附錄十所載標準守則之要求。

## 獨立非執行董事之獨立性

本公司已接獲各獨立非執行董事之年度確認書，確認彼等符合上市規則第3.13條所載有關其獨立性之規定。本公司認為所有獨立非執行董事均屬獨立人士。

## 審核委員會

本公司已參照由香港會計師公會發出之「成立審核委員會指引」編製及採納列明審核委員會之職權及責任之職權範圍書。審核委員會就集團審計範圍內的事項擔任董事會與公司核數師之間的重要橋樑。審核委員會亦負責檢討公司內部審核工作，以及內部監控與風險評估等方面的效能。委員會由三位獨立非執行董事畢滌凡先生、蔡毓藩先生及廖毅榮先生組成。委員會於本財政年度內已召開二次會議。

## 購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於截至二零零五年三月三十一日止期間內概無購買、出售或贖回任何本公司之上市證券。

## 核數師

本年度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，願膺選連任。

承董事會命  
總裁  
劉得還

香港，二零零五年七月十四日

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its code of conduct regarding directors' securities transactions. Having made specific enquiry of all directors, the directors have confirmed compliance with the required standard set out in the Model Code as provided in Appendix 10 of the Listing Rules for the year ended 31 March 2005.

## INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each Independent Non-executive Director an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive directors are independent.

## AUDIT COMMITTEE

The written terms of reference which describe the authority and duties of the Audit Committee were prepared and adopted with reference to "A Guide for the Formation of An Audit Committee" published by the Hong Kong Institute of Certified Public Accountants. Audit Committee provides an important link between the Board and the company's auditors in matters coming within the scope of the group audit. It also reviews the effectiveness of both the internal audit and of internal controls and risk evaluation. The Committee comprises three independent non-executive directors, namely Mr. Barry John BUTTIFANT, Mr. CHOI Yuk Fan and Mr. LIU Ngai Wing. Two meetings were held during the current financial year.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold and redeemed any of the Company's listed securities during the six months ended 31 March 2005.

## AUDITORS

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

On behalf of the Board  
**LAU Tak Wan**  
President

Hong Kong, 14 July 2005