

The board of directors (the “Board”) have pleasure in presenting their report and the audited financial statements for the year ended March 31, 2005.

Principal activities

The Company and its subsidiaries (the “Group”) are investments holding companies.

Segmental information

The Group’s turnover and contribution to operating results were all derived from investments in listed and unlisted companies in Hong Kong.

Subsidiaries

Details of the Company’s subsidiaries at March 31, 2005 are set out in note (13) to the financial statements.

Results and appropriations

The results of the Group for the year ended March 31, 2005 are set out in the consolidated income statement on page 19.

The Board have resolved not to recommend a payment of final dividend.

Share capital

Details of the movements in the Company’s share capital during the year are set out in note (21) to the financial statements.

董事會(「董事會」)欣然提呈此報告及截至二零零五年三月三十一日止年度之經審核財務報表。

主要業務

本公司及其附屬公司(「本集團」)乃投資控股公司。

分部資料

本集團之營業額及經營業績貢獻全部均來自本集團於香港之上市及非上市公司之投資。

附屬公司

本公司於二零零五年三月三十一日之附屬公司之詳情載於財務報表附註(13)。

業績及分配

本集團截至二零零五年三月三十一日止年度之業績載於第19頁之綜合收入報表。

董事會議決不派本年度之末期股息。

股本

有關本年度內本公司股本之變動詳情載於財務報表附註(21)。

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 below. This summary is not part of the audited financial statements.

財務概要

以下為本集團於過去五個財政年度之業績及資產與負債之概要。此概要並非經審核財務報表之部份。

RESULTS**業績**

(in HK\$ thousands)	(以港幣千元為單位)	1/4/2004- 31/3/2005	1/4/2003- 31/3/2004	1/4/2002- 31/3/2003	1/4/2001- 31/3/2002	1/4/2000- 31/3/2001
Turnover	營業額	22,114	56,604	8,180	27,800	36,380
Profit (Loss) before taxation	除稅前溢利(虧損)	(6,686)	11,590	(18,218)	14,055	(25,992)
Taxation	稅項	-	-	200	-	820
Net profit (loss) attributable to shareholders	股東應佔淨溢利(虧損)	(6,686)	11,590	(18,018)	14,055	(25,172)

ASSETS AND LIABILITIES**資產與負債**

(in HK\$ thousands)	(以港幣千元為單位)	March 31 三月三十一日				
		2005	2004	2003	2002	2001
Total assets	資產總值	96,889	102,290	88,971	101,216	87,149
Total liabilities	負債總值	(3,217)	(1,932)	(203)	(317)	(305)
Net assets	資產淨值	93,672	100,358	88,768	100,899	86,844

Notes: The Company was incorporated in the Cayman Islands on November 4, 1999 and became the holding Company of the companies comprising the Group as a result of the group reorganisation on December 22, 1999. The financial results of the Group for the period from June 8, 1999 (date of incorporation of Super Idea International Limited, a then wholly-owned subsidiary of the Company after the group reorganisation) to March 31, 2000 were prepared on the basis of merger accounting as if the Group structure had been in existence throughout the period presented.

附註： 本公司於一九九九年十一月四日於開曼群島註冊成立，並於一九九九年十二月二十二日在本集團重組後成為本集團屬下公司之控股公司。本集團由一九九九年六月八日(Super Idea International Limited之註冊成立日期，於集團重組後，成為本公司之全資附屬公司)至二零零零年三月三十一日期間之財務業績乃按兼併會計基準編制，猶如本集團之架構於呈報期間一直存在。

Reserves

Movements in the reserves of the Group and the Company during the year are set out in note (22) to the financial statements.

The Company's reserves available for distribution represent the share premium, contributed surplus and retained profits under the Companies Law of the Cayman Islands. The share premium of the Company is available for paying dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the distribution of dividend the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's Articles of Association, dividends can be distributed out of the share premium, contributed surplus and retained profits of the Company which in aggregate amounted to approximately HK\$84,836,000 (2004: HK\$96,797,000) as at March 31, 2005.

Repurchase, sale and redemption of the Company's listed securities

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

Directors

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

Executive Directors

Mr. Li Kwok Cheung, George	
Mr. Chiu Sui Keung	(resigned on July 7, 2004)
Ms. Lin Wai Yan	(resigned on July 7, 2004)
Mr. Cheng Wai Lun, Andrew	
Dr. Wong Yun Kuen	(appointed on August 30, 2004)

Non-executive Directors

Mr. Kwok Hong Yee, Jesse	(resigned on August 23, 2004)
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Independent Non-executive Directors

Mr. Wong Wai Kwong, David	
Dr. Lewis Hung Fung	
Mr. Ip Man Tin, David	(appointed on August 30, 2004)

In accordance with Article 157 and 160 of the Company's Articles of Association, Mr. Li Kwok Cheung, George, Dr. Wong Yun Kuen, Dr. Lewis Hung Fung and Mr. Ip Man Tin, David shall retire by rotation from office and, being eligible, offer themselves for re-election. All other directors continue in office.

The term of office of each of the independent non-executive directors lasts until his retirement by rotation in accordance with the Company's Articles of Association.

儲備

有關本年度內之本集團及本公司儲備變動情況載於財務報表附註(22)。

根據開曼群島公司法之規定，本公司可供分派之儲備乃指股份溢價、實繳盈餘及保留溢利。本公司之股份溢價可根據本公司之組織章程細則之規定，用作向股東派發股息，惟本公司在緊隨派發股息後仍須有能力支付在日常業務程序下到期應付之債務。於二零零五年三月三十一日，本公司之股份溢價、實繳盈餘及保留溢利合共約為84,836,000港元（二零零四年：96,797,000港元）。根據本公司之組織章程細則之規定，該等款項均可用作派發股息。

購回、出售及贖回本公司之上市證券

本公司或其任何附屬公司在本年度內並無購回、出售或贖回本公司之任何上市證券。

董事

在有關本年度內及截至本年報刊發日期為止，本公司之董事如下：

執行董事

李國祥先生	
趙瑞強先生	(於二零零四年七月七日辭任)
林慧欣女士	(於二零零四年七月七日辭任)
鄭偉倫先生	
黃潤權博士	(於二零零四年八月三十日委任)

非執行董事

郭匡義先生	(於二零零四年八月二十三日辭任)
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獨立非執行董事

黃偉光先生	
馮振雄醫生	
葉漫天先生	(於二零零四年八月三十日委任)

根據本公司之組織章程細則第157條及160條，李國祥先生、黃潤權博士、馮振雄醫生及葉漫天先生將輪值告退，惟彼等符合資格願膺選連任，所有董事均願意被提名重選。所有其他董事仍留任董事會。

各獨立非執行董事之任期乃直至其根據本公司之組織章程細則須依章輪值告退為止。

The Company received confirmation of independence in respect of the year ended March 31, 2005 from each of the independent non-executive directors pursuant to rule 3.13 of the Revised Listing Rules. Up to and as at the date of this report, the Company still considers the independent non-executive directors to be independent.

Directors' service contracts

None of the directors who are proposed for re-election at the forthcoming annual general meeting 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 contracts

In the opinion of the Board, there were 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 any 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 executives' interests and short positions in the shares, underlying shares and debentures of the company or any associated corporation

As at March 31, 2005, the interests and short positions of the directors of the Company 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 (the "SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "SEHK") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the directors and the chief executive of the Company were deemed or taken to have under such provisions of the SFO) or which were required to be and were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") in the Listing Rules were as follows:

本公司已接獲各獨立非執行董事根據經修訂上市規則第3.13條發出有關截至二零零五年三月三十一日止年度之獨立確認書。截至及於本報告書日期，本公司仍然視獨立非執行董事屬獨立。

董事服務合約

在即將舉行之股東週年大會上獲提名重選連任之董事與本集團概無訂立本集團如不作出賠償(法定賠償除外)則不能在一年內予以終止之服務合約。

董事於合約之權益

根據董事會之意見，本公司或其任何附屬公司訂立有關本公司業務之重大合約中，本公司董事概無直接或間接擁有重大利益，且於本年度完結時或於年內任何時間仍然生效。

董事及行政總裁於本公司或任何聯營公司之股份、相關股份及債券之權益及淡倉

於二零零五年三月三十一日，本公司董事於本公司及其相聯法團(定義見證券及期貨條例第XV部(「證券及期貨條例」))之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉(包括根據證券及期貨條例之該等條文本公司董事及最高行政人員被視為或被當作擁有之權益及淡倉)，或須列入而已列入按證券及期貨條例第352條存置之登記冊內，或根據上市規則之上市公司董事進行證券交易之標準守則(「標準守則」)須知會本公司及聯交所之權益及淡倉如下：

Name of director 董事姓名	Number of shares 股份數目				Total 總額	Percentage of issued share capital 已發行股本 百分比
	Person interests 個人權益	Family interests 家屬權益	Corporate interests 法團權益	Other interests 其他權益		
Cheng Wai Lun, Andrew (Note) 鄭偉倫 (附註)	-	-	340,000,000	-	340,000,000	32.08%

Ordinary Shares of HK\$0.01 each in the Company

本公司每股面值0.01港元之普通股

Cheng Wai Lun, Andrew (Note) 鄭偉倫 (附註)	-	-	340,000,000	-	340,000,000	32.08%
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Note: Mr. Cheng Wai Lun, Andrew is one of the discretionary objects of a trust which assets include interests in the entire issued share capital of Fung Fai Growth Limited. Fung Fai Growth Limited holds 340,000,000 shares of the Company.

Save as disclosed above, at no time during the year ended March 31, 2005 was the Company, its subsidiaries or its associate a party to any arrangement to enable the directors or chief executives of the Company, or their spouses or children under the age of 18, to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or its associated corporation.

Save as disclosed above, none of the directors or the chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept 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 Companies contained in the Listing Rules.

Substantial shareholder's interests and short positions in the shares, underlying shares of the company

As at March 31, 2005, the following persons or corporations, other than the interest disclosed above in respect of the directors, interest in 5% or more in the shares and underlying shares of the Company have been notified to the Company and recorded in the register of substantial shareholders' interests in shares and short positions required to be kept under Section 336 of Part XV of the SFO:

Name of shareholder 股東名稱	Number of shares held 所持股票數目	Approximate percentage of the total number of shares in issued 約佔已發行股份百分比
Ordinary shares of HK\$0.01 each in the Company 本公司每股面值0.01港元之普通股		
Fung Fai Growth Limited (Note (a))	340,000,000	32.08%
Fung Fai Growth Limited (附註(a))		
Kingswell Holdings Group Limited (Note (b))	192,000,000	18.12%
Kingswell Holdings Group Limited (附註(b))		

附註：該等股份由Fung Fai Growth Limited持有，Fung Fai Growth Limited由一信託全資實益擁有，而鄭偉倫先生為其中一位酌情受益人。Fung Fai Growth Limited持有本公司340,000,000股股份。

除上文披露者外，於截至二零零五年三月三十一日止年度內之任何時間，本公司、其附屬公司或其聯營公司概無訂立任何安排，令本公司之董事或主要行政人員或其配偶或其未滿十八歲之子女可藉購入本公司或其他相聯法團之股份或債券而獲益。

除上文披露者外，本公司各董事或主要行政人員並無於本公司或其相聯法團(定義見證券及期貨條例第十五部份)之股份、相關股份或債券擁有權益或淡倉，而須登記於根據證券及期貨條例第352條規定須存置之登記冊內，或根據上市規則所載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任何權益及淡倉。

主要股東於本公司之股份及相關股份之權益及淡倉

於二零零五年三月三十一日，根據本公司按證券及期貨條例第XV部第336條規定而設置之主要股東權益及淡倉登記冊紀錄所顯示，以下人士或公司(除上述披露有關董事所持之權益外)持有本公司已發行股本及相關股份百分之五或以上之股份權益：

Notes:

- (a) The entire issued share capital of Fung Fai Growth Limited is owned by a trust of which the discretionary objects are family members of Mr. Cheng Kai Ming, Charles, including a director of the Company, Mr. Cheng Wai Lun, Andrew.
- (b) The entire issued share capital of Kingswell Holdings Group Limited is beneficially owned by Mr. Janusz Mieczyslaw Stempnowski.

Save as disclosed above, as at March 31, 2005, the Directors are not aware of any other persons who have interests or short positions in the shares, underlying shares of equity derivatives or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would be required to be disclosed to the Company pursuant to Part XV of the SFO.

Connected transactions

Significant related party transactions entered by the Group during the year ended March 31, 2005 which also constitute connected transactions under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), are disclosed in note (26) to the financial statements.

The investment manager of the Company is regarded as a connected person of the Company under Chapter 21 of the Listing Rules. Accordingly, the investment management agreement constitutes a connected transaction of the Company. The management fee paid during the year amounted to HK\$1,387,324.

The Board considers the connected transactions as disclosed in note (26) have been conducted in the ordinary and usual course of business of the Group on normal commercial terms and did not exceed the cap amount as prescribed in the waiver granted by the Stock Exchange. These connected transactions had been reviewed by the independent non-executive directors and the auditors of the Company and received approval from the Company's board of directors.

Management contracts

Details of significant management contracts in relation to the Company's business are included in note (26)(a) to the financial statements.

Save as disclosed above, no other 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.

附註：

- (a) Fung Fai Growth Limited之全部已發行股本乃由一項信託持有，其酌情受益人乃鄭啟明先生之家族成員，包括本公司之董事鄭偉倫先生。
- (b) Kingswell Holdings Group Limited之全部已發行股本乃由Mr. Janusz Mieczyslaw Stempnowski實益擁有。

除上文所披露者外，於二零零五年三月三十一日，董事並不知悉有任何其他人士於本公司或任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份股本衍生工具或債券中擁有根據證券及期貨條例第XV部，須向本公司披露之權益或淡倉。

關連交易

截至二零零五年三月三十一日止年度，本集團進行之重大關聯人士交易（根據香港聯合交易所有限公司證券上市規則（「上市規則」）同時構成關連交易），乃載於財務報表附註(26)。

根據上市規則第21章，本公司之投資經理被視為本公司之關連人士。因此，投資管理協議構成本公司之關連交易。本年度所支付之管理費為1,387,324港元。

該等交易（載於附註(26)）乃本集團於一般及正常業務過程中訂立，並按一般商業條款進行，且並無超逾聯交所授出豁免指定之最高款額。該關連交易已經由獨立非執行董事及本公司核數師審閱，並取得本公司董事會之批准。

管理合約

有關本公司業務之重大管理合約之詳情已載於財務報表附註(26)(a)。

除上文披露者外，本公司於本年度並沒有簽訂或存在任何關於本公司全部或大部份業務之管理及行政合約。

Pre-emptive rights

There are no provisions for pre-emptive rights which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders under the Company's Memorandum and Articles of Association and the Companies Laws of the Cayman Islands.

Audit committee

The Company has established an audit committee according to "A Guide for The Formation of an Audit Committee" published by the Hong Kong Institute of Certified Public Accountants. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group. The Audit Committee had also reviewed the annual results of the Group for the year ended March 31, 2005 in conjunction with the Company's external auditors.

The audit committee of the Group consists of 3 independent non-executive directors, namely Mr. Wong Wai Kwong, David, Dr. Lewis Hung Fung and Mr. Ip Man Tin, David.

Corporate governance

The Company has complied throughout the year ended March 31, 2005 with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange, except that independent non-executive directors of the Company were not appointed for a specific term but are subject to retirement by rotation according to the provision of the Company's bye-laws.

Sufficiency of public float

According to the information that is publicly available to the Company and within the knowledge of the Board, the percentage of the Company's shares which are in the hands of the public exceeds 25% of the Company's total number of issued shares.

Closure of Registers of Members

The register of members will be closed from August 15, 2005 to August 19, 2005 both days inclusive. In order to qualify for the attendance of the annual general meeting of the Company to be held on August 30, 2005, all completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrars of the Company, Standard Registrars Limited, at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration no later than 4:00 p.m. on August 12, 2005.

優先購買權

本公司之公司組織章程大綱及細則及開曼群島法例均無載列有關本公司須按比例基準向現有股東提呈新股之優先購買權規定。

審核委員會

本公司已根據香港會計師公會頒佈之「成立審核委員會指引」成立審核委員會，其主要職責為審閱並監察本集團之財務匯報程序及內部監控制度。審核委員會亦已聯同本公司之外聘核數師審閱本集團截至二零零五年三月三十一日止年度之年度業績。

審核委員會現有三名獨立非執行董事，黃偉光先生、馮振雄醫生及葉漫天先生。

企業管治

本公司於截至二零零五年三月三十一日止年度內一直均有遵守聯交所證券上市規則附錄14所載之最佳應用守則，惟本公司之獨立非執行董事並無特定任期，並須根據本公司章程細則之規定輪席告退。

足夠公眾持股量

根據本公司獲得之公開資料及據董事會所知，公眾人士所持有本公司股份超過本公司已發行股份總數25%。

暫停辦理過戶登記

本公司將於二零零五年八月十五日至二零零五年八月十九日(包括首尾兩日)期間暫停辦理股份過戶登記手續。股東如欲出席本公司將於二零零五年八月三十日舉行之股東週年大會，須於二零零五年八月十二日下午四時前，將過戶文件連同有關之股票，送交本公司之股份過戶登記處標準證券登記有限公司，地址為香港灣仔告士打道56號東亞銀行港灣中心地下，辦理過戶登記手續。

Auditors

Messrs. Deloitte Touche Tohmatsu, Certified Public Accountants, resigned as joint auditors of the Company on April 3, 2001 while Messrs. Chu and Chu, Certified Public Accountants, continued to act as auditors of the Company from that date.

Apart from the foregoing, there were no other changes in auditors of the Company in any of the preceding three years.

Messrs. Chu and Chu, Certified Public Accountants, retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting.

On behalf of the Board

Li Kwok Cheung, George

Executive Director

Hong Kong, July 22, 2005

核數師

於二零零一年四月三日，德勤•關黃陳方會計師事務所辭任本公司之聯席核數師，而朱永昌、朱國正會計師事務所繼續出任本公司的核數師。

除以上所述外，本公司之核數師在過往的三年內並沒有其他改變。

朱永昌、朱國正會計師事務所退任，而於即將舉行之股東週年大會上將提呈一項重新委任其為本公司核數師的決議案。

承董事會命

李國祥

執行董事

香港，二零零五年七月二十二日