

Report of the Directors

The directors present their report and the audited financial statements of the Company and the Group for the year ended 31 March 2005.

GROUP REORGANISATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 27 August 2002 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

Pursuant to the Group's reorganisation (the "Group Reorganisation") to rationalise the Group's structure in preparation for the listing of the Company's shares on the Main Board of The Stock Exchange of the Hong Kong Limited (the "Stock Exchange"), the Company became the holding company of the companies now comprising the Group on 10 September 2004. Further details of the Group reorganisation and the subsidiaries acquired pursuant thereto, are set out in notes 1 and 32 to the financial statements and the Company's prospectus dated 30 September 2004.

On 13 October 2004, the Company completed its initial public offering and the shares of the Company were listed on the Stock Exchange.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the subsidiaries are set out in note 17 to the financial statements.

RESULTS AND DIVIDENDS

The Group's loss for the year ended 31 March 2005 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 35 to 105.

The directors do not recommend the payment of any dividend in respect of the year.

董事會報告

董事會謹此提呈彼等之報告，連同本公司及本集團截至二零零五年三月三十一日止年度之經審核財務報表。

集團重組

本公司於二零零二年八月二十七日根據開曼群島公司法第22章(一九六一年第3項法例，經綜合及修訂)於開曼群島註冊成立為獲豁免有限公司。

根據為籌備本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市而整頓本集團架構之本集團重組(「集團重組」)，本公司於二零零四年九月十日成為本集團現時旗下各公司之控股公司。其他有關集團重組及據其所收購之附屬公司之詳情載於財務報表附註1及32以及本公司於二零零四年九月三十日刊發之招股章程。

於二零零四年十月十三日，本公司完成其首次公開發售，而本公司股份已於聯交所上市。

主要業務

本公司之主要業務為投資控股，其附屬公司之主要業務詳情載於財務報表附註17。

業績與股息

本集團截至二零零五年三月三十一日止年度之虧損及本公司與本集團於該日之事務狀況載於第35至105頁之財務報表。

董事並不建議派付本年度之任何末期股息。

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USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

The proceeds from the Company's issue of new shares at the time of its listing on the Hong Kong Stock Exchange on 13 October 2004, after deduction of related issuance expenses, amounted to approximately HK\$40 million. During the period from the listing of the Company's shares on 13 October 2004 to 31 March 2005, the Group utilized a total of HK\$34.8 million for the following purposes:

- approximately HK\$33.8 million was used for working capital for bidding tenders of future construction projects and to finance the construction costs for the projects of the Group; and
- the balance of HK\$1 million was applied as additional working capital of the Group.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and minority interests of the Group is set out on page 106 to 107 of the annual report. This summary does not form part of the audited financial statements.

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 note 15 to the financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options during the year, together with the reasons therefor, are set out in note 32 to the financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the Companies Law (2004 Revision) of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to the existing shareholders.

來自本公司首次公開發售之所得款項用途

本公司於其在二零零四年十月十三日在香港聯交所上市時發行新股之所得款項經扣除相關發行開支後約為40,000,000港元。於本公司股份在二零零四年十月十三日上市至二零零五年三月三十一日期間，本集團就以下用途動用合共34,800,000港元：

- 約33,800,000港元用作競投日後建築項目之營運資金，並為本集團項目建築成本提供資金；及
- 餘額1,000,000港元用作本集團之額外營運資金。

財務資料概要

本集團已公佈之業績及資產、負債與少數股東權益概要載於年報第106至107頁。該概要並不構成經審核財務報表之一部分。

固定資產及投資物業

本集團固定資產及投資物業於年內之變動載於財務報表附註15。

股本及購股權

本公司股本及購股權於年內之變動以及變動原因載於財務報表附註32。

優先購買權

本公司之組織章程細則或開曼群島公司法(二零零四年修訂本)項下並無有關優先購股權之條文，致使本公司須按比例向現有股東發售新股。

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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 34 to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 March 2005, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Law (2004 Revision) of the Cayman Islands, amounted to HK\$136,693,000. The distributable reserves include the Company's share premium and capital reserve, in a total of HK\$137,183,000 as at 31 March 2005, which may be distributed, provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's 5 largest customers accounted for 97% of the total sales for the year and sales to the largest customer included therein amounted to 49%. Purchases from the Group's 5 largest suppliers accounted for 77% of the total purchases for the year and purchases from the largest supplier included therein amounted to 29%.

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

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購買、贖回或出售本公司上市證券

年內，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

儲備

本公司與本集團於年內之儲備變動詳情分別載於財務報表附註34及綜合權益變動表。

可分派儲備

於二零零五年三月三十一日，根據開曼群島公司法(二零零四年修訂本)之條文計算，本公司之可供分派儲備達136,693,000港元。可分派儲備包括本公司可供分派之股份溢價及資本儲備，有關金額於二零零五年三月三十一日合共達137,183,000港元，惟於緊隨建議分派股息後本公司須可於日常業務過程中支付其到期債項。

主要客戶及供應商

回顧年內，向本公司五大客戶作出之銷售額佔本年度總銷售額97%，而銷售予其中最大客戶則佔49%。向本集團五大供應商作出之購貨額佔本年度總購貨額77%，而自其中最大供應商之購貨額則佔29%。

本公司董事或彼等任何聯繫人士或任何股東(就董事所深知擁有本公司已發行股本5%以上)概無於本集團五大客戶中擁有任何實益權益。

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DIRECTORS

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

Executive directors:

Mr. Hui Chi Yung (*Chairman*)
Mr. Hui Kau Mo
Mr. Yiu Kai Yeuk, Raphael

Independent non-executive directors:

Mr. Liu Kwong Sang (appointed on 6 September 2004)
Mr. Sit Hing Wah
Dr. Hu Chung Kuen, David

In accordance with articles 86(3), 87(1) and (2) of the Company's articles of association, Mr. Liu Kwong Sang and Dr. Hu Chung Kuen, David will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming Annual General Meeting. The independent non-executive directors are appointed for a period one year commencing from 1 September 2004.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 27 to 30 of the annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with the Company for an initial term of three years commencing from 1 September 2004. Each of the executive Directors is entitled to the respective basic salaries set out below (subject to an annual increment after each completed year of service at a rate to be determined at the sole and absolute discretion of the board of Directors). In addition, the executive Directors are also entitled to a discretionary bonus as the board of Directors may in its absolute discretion determine having regard to the performance of the executive Director and the operating results of the Group in respect of any financial year of the Company. An executive Director may not vote on any resolution of the Directors regarding the amount of the

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董事

於年內及直至本報告刊發日期在任之本公司董事為：

執行董事：

許智勇先生(主席)
姚啟越先生
許教武先生

獨立非執行董事：

廖廣生先生(於二零零四年九月六日獲委任)
薛興華先生
胡中權醫生

按本公司組織章程細則第86(3)、87(1)及(2)條，廖廣生先生及胡中權醫生將輪值退任，而彼等符合資格並願意於應屆股東週年大會上膺選連任。獨立非執行董事之任期由二零零四年九月一日起計為期一年。

董事及高級管理層履歷

本公司董事及本集團高級管理層之履歷詳情載於年報第27至30頁。

董事服務合約

執行董事已各自與本公司訂立服務協議，初步由二零零四年九月一日起計為期三年。各執行董事分別有權獲得下文所載之基本薪金(可每年於完成每個服務年度後根據董事會全權酌情決定之比率調高)。此外，執行董事亦有權獲得董事會根據執行董事之表現，及本集團就有關本公司於任何財政年度之經營業績而全權酌情決定之酌情花紅。執行董事不可就任何有關應向其支付之花紅金額之

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bonus payable to him. Furthermore, the executive Directors are entitled to all reasonable medical expenses as provided under the Group's medical benefits scheme. In addition, the executive Directors may, at the sole and absolute discretion of the board of Directors, be eligible to participate in any share option scheme from time to time adopted by the Company in accordance with the terms and conditions of such share option scheme. The current basic monthly salaries of the executive Directors are as follows:

Name 姓名	Amount 金額 (HK\$) (港元)
Mr. Hui Chi Yung 許智勇先生	68,800
Mr. Yiu Kai Yeuk, Raphael 姚啟越先生	139,800

The independent non-executive Directors have been appointed for a term of 1 year commencing from 1 September 2004. The Company intends to pay a director's fee of HK\$20,000 per annum to each of the independent non-executive Directors. Save for the director's fee, none of the independent non-executive Director is expected to receive any other remuneration for holding their office as an independent non-executive Director.

Apart from the foregoing, no director 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.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 39 to the financial statements, no director had a material beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

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董事決議案投票。另外，執行董事亦有權獲得所有根據本集團醫療福利計劃提供之合理醫療開支。此外，根據董事會全權酌情，執行董事亦符合資格根據本公司不時採納之任何購股權計劃之條款及條件參與該等購股權計劃。執行董事現時之基本月薪如下：

獨立非執行董事之任期由二零零四年九月一日起計為期1年。本公司擬向各獨立非執行董事支付董事袍金每年20,000港元。除董事袍金外，預期獨立非執行董事將不會就其出任獨立非執行董事職務獲得任何其他酬金。

除已披露者外，建議於應屆股東週年大會上膺選連任之董事概無與本公司訂立任何服務合約（可由本公司終止而無需支付賠償之合約除外）。

董事之合約權益

除財務報表附註39所披露者外，董事於年內概無於任何由本公司或其任何附屬公司簽訂關於本集團業務之任何重要合約中直接或間接擁有重大實益權益。

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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.

管理合約

年內並無訂立或存有任何有關本公司業務全部或任何重要部分之管理及行政之合約。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 31 March 2005, the interests and short positions of the directors in the share capital and underlying shares and debentures 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 Issuers, were as follows:

董事於股份、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，董事於本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股本及相關股份及債券中擁有根據證券及期貨條例第352條須記錄在該條所述登記冊之權益及淡倉，或根據上市發行人董事進行證券交易之標準守則知會本公司及聯交所之權益及淡倉如下：

Long position in Shares, underlying shares and debentures of the Company or its associated corporations:

於本公司或其相聯法團之股份、相關股份及債券之好倉：

Name of Director	Company/name of associated corporation	Capacity	Name and class of securities/ approximate shareholding percentage
董事姓名	本公司/ 相聯法團名稱	身份	證券名稱及類別/ 股權概約百分比 (Note 1) (附註1)
Mr. Hui Kau Mo	Company	Settlor/Founder of The Wing Hong Trust (Note 2)	608,118,560 Shares/ 57.15(L)
許教武先生	本公司	財產授予人/榮康信託之 創辦人(附註2)	608,118,560股股份/ 57.15%(L)
	Rich Place Investment Limited	Settlor/Founder of The Wing Hong Trust (Note 3)	1 ordinary share 100%(L)
		財產授予人/榮康信託之 創辦人(附註3)	1股普通股 100%(L)

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Name of Director 董事姓名	Company/name of associated corporation 本公司／ 相聯法團名稱	Capacity 身份	Name and class of securities/ approximate shareholding percentage 證券名稱及類別／ 股權概約百分比 (Note 1) (附註1)
Mr. Hui Chi Yung 許智勇先生	Company 本公司	Beneficiary of the Wing Hong Trust (Note 2) 榮康信託之受益人(附註2)	608,118,560 Shares/ 57.15%(L) 608,118,560股股份/ 57.15%(L)
	Rich Place Investment Limited	Beneficiary of The Wing Hong Trust (Note 3) 榮康信託之受益人(附註3)	1 ordinary share 100%(L) 1股普通股 100%(L)
Mr. Yiu Kai Yeuk, Raphael 姚啟越先生	Company 本公司	Corporate interest (Note 4) 法團權益(附註4)	68,053,440 Shares/ 6.4%(L) 68,053,440股股份/ 6.4%(L)
Mr. Yiu Kai Yeuk, Raphael 姚啟越先生	Beatrice Construction Limited 碧尊建築有限公司	Beneficial owner 實益擁有人	96,000 ordinary shares/ 10%(L) 96,000股普通股/ 10%(L)

Notes:

- The letter "L" denotes the Director's long position in such securities.
- These shares will be held by Rich Place Investment Limited which is wholly owned by RBTT. RBTT is the trustee of The Wing Hong Trust, a discretionary trust whose beneficiaries are the family members of Mr. Hui Kau Mo.
- The share is held by RBTT. RBTT is the trustee of The Wing Hong Trust, a discretionary trust whose beneficiaries are the family members of Mr. Hui Kau Mo.
- These shares are held by Million Honest Limited, the entire issued share capital of which is held by Mr. Yiu Kai Yeuk, Raphael.

附註：

- [L] 字母指董事於有關證券持有好倉。
- 該等股份將由 Rich Place Investment Limited 持有，而 Rich Place Investment Limited 由 RBTT 全資擁有。RBTT 是全權信託人榮康信託之受託人，而榮康信託之受益人為許敬武先生之家族成員。
- 該股份由 RBTT 持有。RBTT 是全權信託人榮康信託之受託人，而榮康信託之受益人為許敬武先生之家族成員。
- 該等股份由 Million Honest Limited 持有。Million Honest Limited 全部已發行股本由姚啟越先生持有。

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Save as disclosed above, none of the directors had registered an interest or short position in the shares, underlying shares or debentures 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 Issuers.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save for the share option scheme of the Company, at no time during the year were there any rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director 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.

SHARE OPTION SCHEME

Particulars of the share option scheme of the Company are disclosed in note 33 to the financial statements. Since adoption of the share option scheme, no share option has been granted.

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除上文所披露者外，於二零零五年三月三十一日，概無董事於本公司或其任何相聯法團之股份、相關股份或債券中擁有須根據證券及期貨條例第352條予以記錄或根據上市發行人進行證券交易之標準守則知會本公司及聯交所之權益或淡倉。

董事購入股份或債券之權利

除本公司之購股權計劃外，概無董事或彼等各自之配偶或其十八歲以下之子女於年內任何時間獲授予權利藉購入本公司之股份或債券而獲得利益，而彼等亦無行使任何該等權利；本公司、其控股公司或其任何附屬公司或同系附屬公司亦無參與訂立任何安排致使董事於任何其他法人團體獲得該等權利。

購股權計劃

本公司購股權計劃詳情於財務報表附註33中披露。自採納購股權計劃以來並無授出任何購股權。

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SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31 March 2005, the interests and short positions (other than the directors of the Company) of the Company recorded in the register of interests in the shares and underlying shares of the Company, as required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

At 31 March 2005, the following interests and short positions of 5% or more of the issued share capital and share options of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

主要股東及其他人士於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336條須存置之本公司股份及相關股份權益登記冊所記錄，本公司之權益及淡倉（不包括本公司之董事）如下：

於二零零五年三月三十一日，本公司已發行股本5%或以上及購股權之下列權益及淡倉乃記錄於根據本公司按證券及期貨條例第336條須存置之權益登記冊：

Name 名稱	Company/Group Member 公司／集團 成員公司	Capacity 身份	Class and number of securities/ approximate shareholding percentage 證券類別及數目／ 股權概約百分比 (Note 1) (附註1)
The Wing Hong Trust	Company	Beneficial owner (Note 2)	608,118,560 Shares/ 57.15%(L)
榮康信託	本公司	實益擁有人 (附註2)	608,118,560股股份/ 57.15%(L)
Chin Ivan	Company	Beneficial owner	104,920,000 Shares/ 9.86%(L)
	本公司	實益擁有人	104,920,000股股份/ 9.86%(L)
United Century Limited	Company	Beneficial owner (Note 3)	68,628,000 Shares/ 6.45%(L)
	本公司	實益擁有人 (附註3)	68,628,000股股份/ 6.45%(L)
Hui Chi Yang	Company	Corporate interest (Note 3)	68,628,000 Shares/ 6.45%(L)
許智揚	本公司	法團權益 (附註3)	68,628,000股股份/ 6.45%(L)

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董事會報告

Name 名稱	Company/Group Member 公司/集團 成員公司	Capacity 身份	Class and number of securities/ approximate shareholding percentage 證券類別及數目/ 股權概約百分比 (Note 1) (附註1)
Million Honest Limited	Company 本公司	Beneficial owner (Note 4) 實益擁有人 (附註4)	68,053,440 Shares/ 6.4%(L) 68,053,440股股份/ 6.4%(L)

Notes:

附註：

- | | |
|--|---|
| <p>1. The letter "L" denotes long position in such securities.</p> <p>2. These shares will be held by Rich Place Investment Limited. The entire issued share capital of Rich Place Investment Limited is held by RBTT, acting in its capacity as the trustee of The Wing Hong Trust, a discretionary trust whose beneficiaries are the family members of Mr. Hui Kau Mo.</p> <p>3. The entire issued share capital of United Century Limited is owned by Mr. Hui Chi Yang, who is the director of business development of the Group but is not a member of the Board. Mr. Hui Chi Yang is the brother of Mr. Hui Chi Yung and a son of Mr. Hui Kau Mo, both are executive Directors.</p> <p>4. The entire issued share capital of Million Honest Limited is beneficially owned by Mr. Yiu Kai Yeuk, Raphael.</p> | <p>1. 「L」字母指於該等證券中持有好倉。</p> <p>2. 該等股份將由 Rich Place Investment Limited 持有。Rich Place Investment Limited 全部已發行股本由榮康信託之受託人 RBTT 持有。榮康信託為全權信託，受益人為許教武先生之家族成員。</p> <p>3. United Century Limited 之全部已發行股本由許智揚先生擁有。許先生為本集團業務發展總監，惟並非董事會成員。許智揚先生為執行董事許智勇先生之胞弟，並為執行董事許教武先生之兒子。</p> <p>4. Million Honest Limited 之全部已發行股本由姚啟越先生實益擁有。</p> |
|--|---|

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 shares 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.

除上文所披露者外，概無人士（權益載於上文「董事於股份及相關股份之權益及淡倉」一節之本公司董事除外）於本公司股份或相關股份中擁有須根據證券及期貨條例第336條予以記錄之權益或淡倉。

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

關連交易及持續關連交易

Connected transactions and continuing connected transactions undertaken by the Group during the year are set out in note 39 to the financial statements.

本集團於年內進行之關連交易及持續關連交易載於財務報表附註39。

Report of the Directors

The independent non-executive directors of the Company have reviewed and confirmed that the continuing connected transactions entered into by the Group were (i) in the ordinary course of the Group's business either on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; (ii) in accordance with the terms of the agreements governing the transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (iii) within the prescribed limits as set out in the waiver letters in respect of connected transactions granted by the Stock Exchange to the Company.

PURSUANT TO RULES 13.13 AND 13.15 OF THE LISTING RULES

According to the latest management accounts of the Group as at 30 June 2005, the Company had accounts receivable (the "Receivable") due from Match Power Investment Limited, Gingerbread Investments Limited and Hop Tai Construction Co., Ltd. (the "Customers") of approximately HK\$120.5 million, HK\$18.2 million and HK\$10.8 million respectively.

The Receivable exceeds the prescribed percentage set out in Rule 13.13 of the Listing Rules.

The Receivable of each of the Customers is receivable that arose from the Group's construction projects in its usual and ordinary course of business and governed by normal commercial terms agreed with the Customers on an arm's-length basis. The Receivable is unsecured. The repayment or credit terms of the Receivable are short term and granted in line with the Group's credit policy and on normal commercial terms. The Group normally allows an average credit period of 60 days and the receivable should be settled within three months after the issue of the final account of the contract works.

To the best of the knowledge of the directors of the Company, each of the Customers is an independent third party that is not connected with the connected person (as defined in the Listing Rules) of the Company. The primary scope of business of the Customers is property development.

董事會報告

本公司獨立非執行董事已審閱並確認本集團進行之持續關連交易乃(i)於本集團日常業務過程中按正常商業條款或不遜於本集團給予或得自獨立第三方之條款進行；(ii)根據規管該等交易之協議之條款(屬公允合理且符合本公司股東之整體利益)進行；及(iii)於聯交所授予本公司有關關連交易之豁免函件所載之指定限額之內。

根據上市規則第13.13及13.15條

根據本集團於二零零五年六月三十日之最新管理賬目，本公司應收 Match Power Investment Limited、Gingerbread Investments Limited 及 Hop Tai Construction Co., Ltd. (「該等客戶」)之應收款(「應收款」)分別約為120,500,000港元、18,200,000港元及10,800,000港元。

應收款超逾上市規則第13.13條所載之指定百分比。

各該等客戶之應收款乃由本集團之建築項目於一般及正常商業過程中產生之應收款項，並受與該等客戶公允磋商後協定之一般商業條款規管。應收款乃無抵押。應收款之還款或信貸期為短期，並以符合本集團信貸政策及按一般商業條款授出。本集團一般授出平均60日之信貸期，而應收款項應於發出合約工程之最後賬目後三個月內支付。

就本公司董事所知，各該等客戶均為與本公司之關連人士(定義見上市規則)概無關連之獨立第三者。該等客戶之主要業務範圍為物業發展。

Report of the Directors

Based on the closing share price of the five trading days ended 27 July 2005 and the published audited accounts of the Company as at 31 March 2005, the Receivable exceeds 8% of one or more of the relevant percentage ratios as set out in Rule 14.07 of the Listing Rules:

	Percentage of Total Assets	Percentage of Market Capitalisation
(i) Match Power Investment Limited	46%	199%
(ii) Gingerbread Investments Limited	less than 8%	30%
(iii) Hop Tai Construction Co., Ltd.	less than 8%	18%

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises the three independent non-executive directors of the Company.

The Audit Committee meets at least twice a year and also meets with the Company's external auditors to discuss the audit process and accounting issues, and reviews the effectiveness of internal controls. The written terms of reference which describe the authority and duties of the Audit Committee are regularly reviewed and updated by the board.

EMPLOYEES

As at 31 March 2005, the Group has approximately 94 employees (31 March 2004: approximately 99 employees), the majority of whom are employed in Hong Kong. The Group remunerates its employees based on industry practice and performance of individual employees. The Group has a share option scheme for its staff.

董事會報告

根據截至二零零五年七月二十七日(即本公佈刊發前之最後交易日)止五個交易日之股份收市價以及本公司於二零零五年三月三十一日之已刊發經審核賬目計算,應收款超逾上市規則第14.07條所載一項或多項相關百分比比率之8%:

	Percentage of Total Assets	Percentage of Market Capitalisation	總資產 百分比	市值 百分比
(i) Match Power Investment Limited	46%	199%	46%	199%
(ii) Gingerbread Investments Limited	less than 8%	30%	少於8%	30%
(iii) Hop Tai Construction Co., Ltd.	less than 8%	18%	少於8%	18%

審核委員會

本公司根據上市規則第3.21條成立審核委員會,以審閱及監管本集團之財務報告程序及內部監控。審核委員會由三名本公司獨立非執行董事組成。

審核委員會每年舉行最少兩次會議,並與本公司之外聘核數師舉行會議討論審核程序及會計事項,及審閱內部監控之成效。董事會定期檢討及更新詳述審核委員會之書面權責範圍。

僱員

於二零零五年三月三十一日,本集團約有94名僱員(二零零四年三月三十一日:約99名僱員),大部分於香港聘用。本集團根據行業慣例與個別僱員之表現發放酬金。本集團為其員工設有一項購股權計劃。

Report of the Directors

COMPLIANCE WITH THE CODE OF BEST PRACTICE OF THE LISTING RULES

In the opinion of the board, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules (in force prior to 1 January 2005) throughout the year ended 31 March 2005.

The audit committee was established with written terms of reference which deal clearly with its authority and duties in pursuance of Appendix 14 of the Listing Rules. Amongst the audit committee's principal duties are the review and supervision of the Company's financial reporting process and internal controls, including the review of the audited financial statements for the year ended 31 March 2005.

MAINTAINING HIGH STANDARD OF CORPORATE GOVERNANCE

Sound corporate governance is crucial to the smooth, effective and transparent operation of a company and its ability to attract investment, protect rights of shareholders and stakeholders, and enhance shareholder value. The Company has always attached great importance to corporate governance so as to ensure its sustainable development.

During the year, the Company continued to comply with the Code of Best Practice as set out in Appendix 14 of the Listing Rules issued by the Stock Exchange. On 1 January 2005, the Code of Best Practice was replaced by the Code on Corporate Governance Practices (the "new Code"). Listed issuers are expected to comply with the new Code's provisions starting from 1 January 2005.

BOARD OF DIRECTORS

The existing board of directors of the Company consists of 3 executive directors and 3 independent non-executive directors. The 3 executive directors are Mr. Hui Chi Yung, Mr. Yiu Kai Yeuk, Raphael and Mr. Hui Kau Mo who have extensive experience in the construction industry. The executive directors meet regularly to review and discuss management reports on the performance of the Group, current plans and long term opportunities, and any other issues of immediate concern. They are responsible for the day to day management of the Group's operations. They conduct regular meetings with the senior management of the Company, its subsidiaries and associated companies, at which operational issues and financial performance are evaluated.

董事會報告

遵守上市規則之最佳應用守則

董事會認為，本公司於截至二零零五年三月三十一日止年度全年一直遵守上市規則附錄14內所載之最佳應用守則（於二零零五年一月一日前生效）。

根據上市條例附錄14，審核委員會已經設立，並以書面清楚制定其權力與職責。審核委員會之主要職責包括審閱及監督本公司之財務申報程序及內部監控，當中包括審閱截至二零零五年三月三十一日止年度之經審核財務報表。

維持高水平之企業管治

公司營運是否暢順、有效而具透明度，以及能否吸引投資者、保障股東及權益關涉者之權利以及提高股東價值，箇中關鍵在於完善之企業管治。一直以來，本公司對企業管治都極為重視，務求確保本公司可持續發展。

於年內，本公司繼續遵守聯交所頒佈之上市規則附錄14所載之最佳應用守則。於二零零五年一月一日，最佳應用守則為企業管治常規守則（「新守則」）取代。預期上市發行人須由二零零五年一月一日起遵守新守則之條文。

董事會

本公司現時之董事會由3名執行董事及3名獨立非執行董事組成。3名執行董事為許智勇先生、姚啟越先生及許教武先生，彼等於建築業均擁有豐富經驗。執行董事定期召開會議，就本集團表現、現行計劃及長期發展機會以及任何其他需即時關注之事項進行檢討及討論管理報告。他們負責本集團營運之日常管理，並定期與本公司、其附屬公司及聯營公司之高級管理層舉行會議，就營運事宜及財務表現進行評核。

Report of the Directors

The independent non-executive directors are Mr. Liu Kwong Sang, Mr. Sit Hing Wah and Dr. Hu Chung Kuen, David. They are independent to the Company and do not assume any management position in the Company. They are appointed for a specific term until 31 August 2005 and their appointment are subject to re-election following retirement at next annual general meeting and retirement by rotation pursuant to the bye-laws of the Company. All of them satisfy the regulatory requirements for independence.

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the directors. Having made specific enquiries of all directors, the Company confirmed that the directors have complied with the required standard set out in the Model Code and its code of conduct regarding the directors' securities transactions.

At present, an Audit Committee and a Remuneration Committee have been set up under the board of directors.

REMUNERATION COMMITTEE

The Company's Remuneration Committee was established on 28 December 2004 with specific terms of reference that specify its authority and duties. The current members of the committee are Mr. Liu Kwong Sang, Mr. Sit Hing Wah and Dr. Hu Chung Kuen, David, the independent non-executive directors of the Company and the executive director, Mr. Hui Chi Yung. The Remuneration Committee is responsible for the review of the Company's policies for the remuneration of its directors and senior management and the making of any recommendations in relation to such policies to the board.

INTERNAL CONTROLS

The board places great importance on internal controls and risk management and is responsible for establishing and maintaining adequate internal controls over financial reporting for the Company and assessing the overall effectiveness of those internal controls.

The results of the implementation of its internal controls mechanism are reviewed by the executive directors in order to ensure that internal monitoring and control mechanism operate soundly, stably and effectively.

董事會報告

獨立非執行董事為廖廣生先生、薛興華先生及胡中權醫生。他們獨立於本公司，並沒有持有本公司任何管理職務。他們獲委任特別任期至二零零五年八月三十一日止，並須根據本公司之公司細則於下屆股東週年大會退任及輪值退任後可獲膺選連任。彼等均符合有關獨立性之監管規定。

本公司已採納載列於上市規則附錄10之標準守則作為董事進行證券交易之行為守則。於向全體董事作出特別查詢後，本公司確認全體董事已遵守標準守則及其有關董事進行證券交易之行為守則所載之所需標準。

現時，董事會下設審核委員會及薪酬委員會。

薪酬委員會

本公司之薪酬委員會於二零零四年十二月二十八日成立，列有其特別權責範圍。委員會現任成員為本公司獨立非執行董事廖廣生先生、薛興華先生及胡中權醫生，以及執行董事許智勇先生。薪酬委員會之職責為審閱本公司董事及高級管理層之薪酬政策，及向董事會提出有關該等政策之建議。

內部監控

董事會非常重視內部監控及風險管理，並負責就本公司之財務報告設立及維持適當之內部監控，並評估這些內部監控制之總體成效。

推行內部監控機制之結果由執行董事審閱，以確保內部監察與監控機制穩健及有效率地運作。

Report of the Directors

COMMUNICATIONS WITH SHAREHOLDERS

The objective of communications with the shareholders is to provide our shareholders with detailed information about the Company so they can exercise their shareholders' rights in an informed manner.

The Company uses a range of communication tools to ensure its shareholders are kept well informed of the Company's key business imperatives. These include the Company's annual general meetings, annual reports, interim reports, various notices, announcements and circulars.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

ANNUAL CONFIRMATION OF INDEPENDENCE

The Company has received annual confirmation from each of the independent non-executive directors as regards their independence to the Company and considers that each of the independent non-executive directors is independent to the Company.

AUDITORS

Ernst & Young were appointed as the first auditors of the Company for the period. Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Hui Chi Yung

Chairman

Hong Kong
28 July 2005

董事會報告

與股東之通訊

與股東通訊之目的為向本公司之股東提供有關本公司之詳細資料，使他們能以知情之方式行使其股東權利。

本公司採用一系列之通訊工具，以確保其股東詳細得悉本公司之主要業務事宜。該等工具包括本公司之股東週年大會、年報、中期報告、各類通告、公佈及通函。

公眾持股量

根據可供本公司公開查閱之資料及就本公司董事所知，於本報告日期，本公司擁有上市規則所規定不少於已發行股份25%之足夠公眾持股量。

年度獨立性確認

本公司已接獲各獨立非執行董事發出有關彼等獨立於本公司之年度確認，並認為各獨立非執行董事均獨立於本公司。

核數師

安永會計師事務所獲委任為本公司於本期間之首名核數師。安永會計師事務所退任，而應屆股東週年大會上將提呈一項有關決議案續聘其為本公司之核數師。

代表董事會

主席

許智勇

香港

二零零五年七月二十八日