

DIRECTORS' REPORT

董事會報告書

The directors have pleasure in presenting their report together with the audited financial statements of the Company and of the Group for the year ended 31st March, 2001.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its principal subsidiaries are set out in note 15 to the financial statements.

RESULTS

The Group's loss for the year ended 31st March, 2001 is set out in the consolidated income statement on page 34.

No dividends were paid or declared during the year.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31st March, 2001, the largest customer of the Group by itself and together with the next four largest customers accounted for 32% and 73%, respectively, of the Group's turnover. The largest supplier of the Group by itself and together with the next four largest suppliers accounted for 22% and 50%, respectively, of the Group's purchases.

As far as the directors are aware, neither the directors, their associates, nor those shareholders which to the knowledge of the directors own more than 5% of the Company's share capital had any interest in the five largest customers and suppliers.

RETIREMENT BENEFITS SCHEME AND COSTS

Retirement benefits scheme contributions

退休福利計劃供款

The Forfeited Contributions of HK\$117,466 have been deducted from the Group's contributions for the year.

Details of the Group's retirement benefits scheme are set out in note 34 to the financial statements.

董事會欣然呈報其報告書及本公司與本集團截至二零零一年三月三十一日止年度之經審核財務報告。

主要業務

本公司之主要業務為投資控股，其主要附屬公司之業務載於財務報告附註15。

業績

本集團截至二零零一年三月三十一日止年度之虧損載於第34頁之綜合收益表。

本集團於年內並無派付或宣派任何股息。

主要客戶及供應商

截至二零零一年三月三十一日止年度，本集團最大及五大客戶分別佔本集團營業額之32%及73%，而本集團最大及五大供應商分別佔本集團採購額之22%及50%。

就董事會所知，各董事、彼等之聯繫人士及就董事所知擁有本公司股本5%以上之股東概無擁有五大客戶及供應商任何權益。

退休福利計劃及成本

2001 二零零一年 HK\$ 港元	2000 二零零零年 HK\$ 港元
749,486	441,092

本集團於年內之供款已扣減已沒收供款共117,466港元。

本集團退休福利計劃之詳情載於財務報告附註34。

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DIRECTORS

The directors of the Company in office during the year and up to the date of this report are as follows:

Executive Directors:

Yang Lan (*Chairman*)

Wu Zheng, Bruno (*Executive Chairman*)

(appointed as Executive Director on 28th July, 2000, appointed as Executive Chairman on 21st August 2000, appointed as the Chief Executive Officer on 2nd February, 2001 and appointed as the alternate director to Mr. Chen Han Yuan on 5th June 2001)

Michael Francis Spiessbach

(appointed as Non-executive Director on 20th March, 2000 and re-designated as Executive Director on 13th June 2000)

Chen Han Yuan

(appointed on 28th May, 2001)

Chan Ping

(resigned on 10th March, 2001)

Tsui Yiu Ming

(resigned on 17th May, 2001)

Independent Non-executive Directors:

Yuen Kon Ming, Jason

Yan Tat Wah, Joseph

In accordance with the Company's Bye-laws, Mr. Chen Han Yuan could only hold his office as director of the Company until the forthcoming annual general meeting while Mr. Michael Francis Spiessbach will retire by rotation at the forthcoming annual general meeting. The retiring directors, being eligible, offer themselves for re-election.

All existing independent non-executive directors have been appointed for a term of one year and are subject to re-appointment upon expiration of that period.

董事

本公司年內及截至本年報日期之在任董事如下：

執行董事：

楊瀾 (主席)

吳征 (執行主席)

(於二零零零年七月二十八日獲委任為執行董事，於二零零零年八月二十一日獲委任為執行主席，於二零零一年二月二日獲委任為行政總裁，並於二零零一年六月五日獲委任為陳漢元先生之替代董事)

Michael Francis Spiessbach

(於二零零零年三月二十日獲委任為非執行董事，並於二零零零年六月十三日獲重新委任為執行董事)

陳漢元

(於二零零一年五月二十八日獲委任)

陳萍

(於二零零一年三月十日辭任)

徐耀明

(於二零零一年五月十七日辭任)

獨立非執行董事：

袁幹明

甄達華

根據本公司之公司細則，陳漢元先生需於即將舉行之股東週年大會退任，而Michael Francis Spiessbach先生亦將於應屆股東週年大會上依章退任。退任董事均符合資格並願膺選連任。

所有現任獨立非執行董事之任期為一年，將於任期屆滿後有待續聘。

DIRECTORS' REPORT 董事會報告書

DIRECTORS' SERVICE CONTRACTS

No director being 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' RIGHTS TO ACQUIRE SHARES

Pursuant to the Company's share option scheme, details of options granted to the directors and the number of options remained outstanding as at 31st March, 2001 were as follows:

Directors	董事	Granted during the year and number of options outstanding at 31st March, 2001 年內授出而於二零零一年三月三十一日尚未行使之購股權數目 HK\$ 港元	Exercise price 行使價	Exercise period of share options 購股權行使期
Yang Lan	楊瀾	37,000,000	0.176	27.4.2000-26.4.2010
		80,000,000	0.152	31.1.2001-30.1.2011
Wu Zheng, Bruno	吳征	30,000,000	0.241	5.9.2000-4.9.2010
		80,000,000	0.152	31.1.2001-30.1.2011
Michael Francis Spiessbach		3,000,000	0.231	13.6.2000-12.6.2010
		12,000,000	0.152	31.1.2001-30.1.2011
Chan Ping (Note)	陳萍 (附註)	12,000,000	0.176	27.4.2000-26.4.2010
		3,000,000	0.152	31.1.2001-30.1.2011
Tsui Yiu Ming	徐耀明	30,000,000	0.176	27.4.2000-26.4.2010
		4,000,000	0.152	31.1.2001-30.1.2011

Note: The interests disclosed for Ms. Chan Ping at 31st March 2001 represent her interests at the date of her resignation as director of the Company on 10th March 2001.

董事之服務合約

在本屆股東週年大會獲提名連任之董事，均無與本公司訂立任何不可在一年內在沒有賠償(法定賠償除外)情況下予以終止之服務合約。

董事購買股份之權利

根據本公司之購股權計劃，董事所獲之購股權詳情及於二零零一年三月三十一日尚未行使之購股權數目如下：

附註：二零零一年三月三十一日陳萍女士擁有之權益指其於二零零一年三月十日辭任本公司董事當日所擁有之權益。

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董事會報告書

DIRECTORS' RIGHTS TO ACQUIRE SHARES (continued)

The exercise price is adjustable in accordance with the provisions of the share option scheme. Details of the share option scheme is disclosed in note 24(d) to the financial statements.

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Company's directors or their associates to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARE CAPITAL

Details of the interests of the directors and chief executive in the ordinary shares of the Company and the associated corporation as at 31st March, 2001 as recorded in the register maintained under Section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance") were as follows:

The Company

Ordinary shares

董事購買股份之權利 (續)

行使價可根據購股權計劃之規定作出調整，有關購股權計劃之詳情載於財務報告附註24(d)。

除上文所披露者外，於年內任何時間，本公司及其附屬公司並無訂立任何安排，致使本公司董事或彼等之聯繫人士可藉購入本公司或任何其他法人團體之股份或債券而獲益。

董事所擁有之股本權益

於二零零一年三月三十一日，根據證券(披露權益)條例(「披露權益條例」)第29條存置之登記冊所載，各董事及主要行政人員所擁有之本公司及聯營公司普通股權益如下：

本公司

普通股

Number of shares

股份數目

		Notes	Personal interests	Family interests	Corporate interests	Other interests	Total interests
Directors	董事	附註	個人權益	家族權益	公司權益	其他權益	總計
Yang Lan	楊瀾	(1)	—	—	2,328,122,572	—	2,328,122,572
Wu Zheng, Bruno	吳征	(1)	—	2,328,122,572	—	—	2,328,122,572
Chan Ping	陳萍	(2) & (3)	—	24,878,000	—	—	24,878,000
Tsui Yiu Ming	徐耀明		260,000	—	—	—	260,000

DIRECTORS' REPORT 董事會報告書

DIRECTORS' INTERESTS IN SHARE CAPITAL (continued)

Notes:

- (1) These corporate interests were held by Ms. Yang Lan through her direct ownership of 87.11% of the issued share capital of Global Frequent Limited. Global Frequent Limited had an interest in the issued ordinary shares of the Company of 37.94% at 31st March, 2001.

Mr. Wu Zheng, Bruno is Ms Yang Lan's spouse and was appointed as a director of the Company on 28th July, 2000.

- (2) These ordinary shares of the Company are held by Shinning Sky Consultants Ltd. which is wholly-owned by Mr. Lui Pan, the spouse of Ms. Chan Ping.
- (3) The interests disclosed for Ms. Chan Ping at 31st March, 2001 represent her interests at the date of her resignation as a director of the Company on 10th March, 2001.

Associated Corporation — Global Frequent Limited

Yang Lan 楊瀾
Wu Zheng, Bruno 吳征

Save as disclosed above and in the section "Directors' Rights to Acquire Shares", as at 31st March, 2001, none of the directors or their associates had any personal, family, corporate or other interests in the shares of the Company or any of its associated corporations as defined in the SDI Ordinance. None of the directors or their spouses or children under the age of 18 had any right to subscribe shares of the Company, or had exercised any such right during the year.

董事所擁有之股本權益 (續)

註：

- (1) 該等公司權益乃楊瀾女士透過Global Frequent Limited持有，楊瀾女士直接擁有Global Frequent Limited 87.11%已發行股本。於二零零一年三月三十一日，Global Frequent Limited擁有本公司已發行普通股37.94%。

吳征先生為楊瀾女士之配偶，於二零零零年七月二十八日獲委任為本公司董事。

- (2) 該等本公司普通股由陳萍女士之配偶呂品先生全資擁有之Shinning Sky Consultants Ltd.持有。
- (3) 二零零一年三月三十一日陳萍女士擁有之權益指其於二零零一年三月十日辭任本公司董事當日所擁有之權益。

聯營公司 — Global Frequent Limited

Number of shares

股份數目

Name	姓名	Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益	Total interests 總計
Yang Lan	楊瀾	8,711	—	—	—	8,711
Wu Zheng, Bruno	吳征	—	8,711	—	—	8,711

除上文及「董事購買股份之權利」一節所披露者外，於二零零一年三月三十一日，各董事或彼等之聯繫人士於本公司或任何聯營公司（定義見披露權益條例）之股份中，並無擁有任何個人、家族、公司或其他權益。年內，各董事或彼等之配偶或未滿18歲之子女並無擁有或行使任何可認購本公司股份之權利。

DIRECTORS' REPORT

董事會報告書

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 36 to the financial statements, no director had a significant beneficial interest in any contract that is significant to the business of the Group to which the Company or any of its subsidiaries was a party at the end of the year or at any time during the year.

SUBSTANTIAL SHAREHOLDERS

Save as disclosed in the section "Directors' Interests in Share Capital", as at 31st March, 2001, the Company has not been notified of any other interests representing 10% or more of the Company's issued ordinary share capital that were required to be recorded under Section 16(1) of the SDI Ordinance.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

The Company has not redeemed any of its listed shares during the year. Neither the Company nor any of its subsidiary companies has repurchased or sold listed shares of the Company during the year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the laws of Bermuda, being the jurisdiction in which the Company is incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options are set out in note 24 to the financial statements.

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in note 25 to the financial statements.

董事所擁有之重大合約權益

除財務報告附註36所披露者外，各董事於本公司或其任何附屬公司於年終時或年內任何時間訂立且對本集團業務有重大影響之重大合約中，並無擁有任何重大實際權益。

主要股東

除「董事所擁有之股本權益」一節所披露者外，於二零零一年三月三十一日，本公司並未獲知會有任何人士擁有須根據披露權益條例第16(1)條登記之本公司已發行普通股本10%或以上。

買賣或贖回上市股份

本公司於年內並無贖回任何上市股份。本公司及其附屬公司於年內亦無購回或出售本公司任何上市股份。

優先購買權

本公司之公司細則或百慕達(即本公司註冊成立之司法權區)法例並無有關優先購買權之條文，規定本公司須按比例向現有股東發售新股份。

股本及購股權

本公司股本及購股權變動之詳情載於財務報告附註24。

儲備

本公司及本集團年內之儲備變動詳情載於財務報告附註25。

DIRECTORS' REPORT 董事會報告書**DISTRIBUTABLE RESERVES**

In the opinion of the directors, the Company has, no reserves available for distribution to its shareholders.

However, pursuant to the Companies Act 1981 of Bermuda, the Company's share premium account of HK\$226,746,323 can be distributed in the form of fully paid bonus shares.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Company and of the Group during the year are set out in note 13 to the financial statements.

POST BALANCE SHEET EVENT

Details of significant post balance sheet event are set out in note 37 to the financial statements.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on pages 90 and 91 of the annual report.

CORPORATE GOVERNANCE

The Company has complied throughout the year ended 31st March, 2001 with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

AUDITORS

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

WU ZHENG, BRUNO

Executive Chairman

Hong Kong, 12th June 2001

可供分派儲備

董事認為，本公司並無可供分派予股東之儲備。

然而，根據百慕達一九八一年公司法，本公司之股份溢價賬226,746,323港元可以繳足紅股方式分派。

物業、機器及設備

本公司及本集團年內之物業、機器及設備變動詳情載於財務報告附註13。

結算日後事項

重大結算日後事項之詳情載於財務報告附註37。

財務概要

本集團於過往五個財政年度之業務及資產與負債概要載於年報第90及91頁。

公司監管

本公司於截至二零零一年三月三十一日止整個年度一直遵守香港聯合交易所有限公司證券上市規則附錄14所載之最佳應用守則。

核數師

本公司將於應屆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。

承董事會命

吳征

執行主席

香港，二零零一年六月十二日