



The Directors would like to present to the shareholders their annual report together with the audited financial statements of the Company and of the Group for the year ended 31 March 2003.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are the provision of financial services, including stockbroking, futures and options broking, mutual funds and insurance-linked investment plans and products broking, securities margin financing and corporate finance advisory services. Particulars of the principal subsidiaries of the Company are set out in note 15 to the financial statements.

RESULTS

The results of the Group for the year ended 31 March 2003 are set out in the consolidated income statement on page 29 of the Annual Report.

FIVE YEARS FINANCIAL SUMMARY

A summary of the results of the Group for the past five financial years ended 31 March 2003 is set out on page 79 of the Annual Report.

FIXED ASSETS

Movements in the fixed assets of the Group during the year are set out in note 13 to the financial statements.

SHARE CAPITAL

Movements in the share capital of the Company during the year are set out in note 23 to the financial statements.

RESERVES

Movements in the reserves of the Company and of the Group during the year are set out in note 24 to the financial statements and the consolidated statement of changes in equity respectively.

董事謹此提呈本公司及本集團截至二零零三年三月三十一日止年度之年報及經審核財務報表予各股東省覽。

主要業務

本公司為投資控股公司。本集團之主要業務為提供金融服務，包括證券買賣、期貨與期權買賣、互惠基金、保險掛鈎投資計劃及產品買賣、證券保證金融資及企業融資顧問服務。本公司主要附屬公司之詳情詳列於財務報表附註第15項內。

業績

本集團截至二零零三年三月三十一日止年度之業績詳列於本年報第29頁之綜合損益計數表。

五年財務概要

本集團截至二零零三年三月三十一日止過去五個財政年度之業績概要詳列於本年報第79頁。

固定資產

本集團於年度內固定資產之變動詳列於財務報表附註第13項內。

股本

本公司於年度內股本之變動詳列於財務報表附註第23項內。

儲備

本公司及本集團於年度內儲備之變動詳列於財務報表附註第24項及綜合權益變動表內。



DISTRIBUTABLE RESERVES

As at 31 March 2003, the Company had no reserves available for distribution to the shareholders.

DIRECTORS

The Directors of the Company during the year and up to the date of this annual report were as follows:

Executive Directors:

Mr. Lam Kwok Hing (*Chairman*)

Mr. Nam Kwok Lun (*Deputy Chairman*)

Independent Non-executive Directors:

Mr. Ng Chi Kin David

Mr. Chen Wei-Ming Eric

In accordance with the Company's Bye-laws, Mr. Nam Kwok Lun retires from office and, being eligible, offers himself for re-election at the forthcoming annual general meeting.

DIRECTORS AND SENIOR MANAGEMENT BIOGRAPHIES

Biographical information of the Directors of the Company and the senior management of the Group are set out on pages 15 to 19 of the Annual Report.

DIRECTORS' SERVICE CONTRACTS

Each of the Executive Directors has entered into a service contract with the Company for a "three-year" term commencing from 1 September 2000 which is not determinable within one year without payment of compensation. These service contracts shall continue thereafter unless and until terminated by either party with not less than three months' prior written notice.

None of the Directors proposed for re-election at the forthcoming annual general meeting has entered into any service agreements with any member of the Group which is not determinable within one year without payment of compensation, other than statutory compensation.

可供分派儲備

截至二零零三年三月三十一日，本公司並無可供分派予各股東之儲備。

董事

年度內及截至本年報日期，本公司之董事如下：

執行董事：

藍國慶先生 (*主席*)

藍國倫先生 (*副主席*)

獨立非執行董事：

伍志堅先生

陳偉明先生

根據本公司之公司細則，藍國倫先生須遵照本公司之公司細則於即將召開之股東週年大會退任，惟符合資格於大會上膺選連任。

董事及高級管理層簡歷

本公司董事及本集團高級管理層之簡歷詳列於本年報第15至19頁。

董事之服務合約

各執行董事均與本公司訂立不得於一年內免付賠償予以終止之服務合約，合約期由二零零零年九月一日起計，為期三年。該等服務合約將於其後繼續生效直至及除非任何一方發出不少於三個月之書面通知予以終止。

將於應屆股東週年大會上膺選連任之董事，概無與本集團任何成員公司訂立不可於一年內終止而毋須作出補償 (法定補償除外) 之服務合約。

DIRECTORS' INTERESTS IN SHARES

At 31 March 2003, the interests of the Directors in the share capital of the Company and its associated corporations (within the meaning of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance")) which were required to be notified to the Company and the SEHK pursuant to section 28 of the SDI Ordinance (including the interests which they were deemed or taken to have under section 31 or Part I of the Schedule to the SDI Ordinance) or which were required pursuant to section 29 of the SDI Ordinance, to be entered in the register referred to therein or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Rules Governing the Listing of Securities of the SEHK (the "Listing Rules"), to be notified to the Company and the SEHK were as follows:

Name 姓名	Type of interest 權益類別	Total number of shares 股份總數
Lam Kwok Hing (Note)	藍國慶 (註)	296,758,000
Nam Kwok Lun (Note)	藍國倫 (註)	296,758,000

Note: The shares are registered in the name of and beneficially owned by J&A Investment Limited ("J&A"). The entire issued share capital of J&A is beneficially owned as to 80% by Mr. Lam Kwok Hing and 20% by Mr. Nam Kwok Lun.

Save as disclosed above, at 31 March 2003, none of the Directors, nor their associates had any interests in any securities of the Company or any of its associated corporations as defined in the SDI Ordinance, and none of the Directors, nor their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the year.

SHARE OPTION SCHEMES

Particulars of the Company's share option scheme adopted by the written resolution of the sole shareholder of the Company dated 16 August 2000 (the "Option Scheme") and the share option agreement entered into between the Company and Chestrich Investments Limited ("Chestrich") together with the details of movements in the share options to subscribe for shares of HK\$0.10 each in the Company are set out in note 30 to the financial statements.

董事於股份之權益

於二零零三年三月三十一日，各董事於本公司及其相聯法團(定義見證券(披露權益)條例(「披露權益條例」))所擁有根據披露權益條例第28條須知會本公司及聯交所(包括根據披露權益條例第31條或附表第一部被視作擁有之權益)或根據披露權益條例第29條須記錄於登記冊或根據聯交所證券上市規則(「上市規則」)所載上市公司董事進行證券交易之標準守則須知會本公司及聯交所之股份權益如下：

註：上述股份由J&A Investment Limited(「J&A」)實益擁有，並以其名義登記。而J&A之全部已發行股本則由藍國慶先生及藍國倫先生分別實益擁有80%及20%之權益。

除上述所披露者外，於二零零三年三月三十一日，董事及彼等之聯繫人士概無擁有本公司或其任何相聯法團(定義見披露權益條例)之任何證券權益，而董事、彼等之配偶或18歲以下之子女概無擁有認購本公司證券之任何權利，或於本年度內行使任何有關權利。

認股權計劃

有關本公司唯一股東於二零零零年八月十六日通過書面決議批准之認股權計劃(「認股權計劃」)，及本公司與Chestrich Investments Limited(「Chestrich」)訂立之認股權協議詳情，連同有關可認購本公司每股面值0.10港元股份之認股權之變動詳情，均載於財務報表附註第30項內。



DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Other than the share options granted to the Directors under the Option Scheme as described in note 30(a) to the financial statements, at no time during the year was the Company, its ultimate holding company or any subsidiaries of its ultimate holding company a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the Directors, their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such rights during the year.

CONNECTED TRANSACTIONS AND DIRECTORS' INTERESTS IN CONTRACTS

- (1) During the year, Karl-Thomson Securities Company Limited, a wholly-owned subsidiary of the Company, made advances to LuckySurfAsia.com Inc. and its subsidiaries (collectively "LuckySurf Group"). LuckySurfAsia.com Inc. is a 57.14% owned subsidiary of the Company. The other shareholders of LuckySurfAsia.com Inc. are not connected persons of the Company other than by virtue of their holdings in that company. The purpose of the advances is to finance the operations of LuckySurf Group. The advances are unsecured, non-interest bearing and have no fixed repayment term. At 31 March 2003, the total amount due from LuckySurf Group was approximately HK\$247,000.
- (2) During the year, the Group received commission income from securities dealings of approximately HK\$66,000, HK\$55,000 and HK\$60,000 from the Directors, Messrs. Lam Kwok Hing and Nam Kwok Lun and their associates respectively.
- (3) During the year, the Group received interest income from securities margin financing of approximately HK\$37,000, HK\$10,000 and HK\$6,000 from the Directors, Messrs. Lam Kwok Hing and Nam Kwok Lun and their associates respectively.
- (4) During the year, the Group acquired the entire interest in Karfun Investments Limited from the Directors, Messrs. Lam Kwok Hing and Nam Kwok Lun at a consideration of approximately HK\$107,000.

董事收購股份或債券之權利

年度內，除財務報表附註第30(a)項所述根據認股權計劃授予董事認股權外，本公司、其最終控股公司或其最終控股公司之任何附屬公司，概無訂立任何安排，以致本公司董事可透過收購本公司或任何其他法人團體之股份或債券而獲得任何利益，且董事、彼等之配偶或18歲以下之子女概無擁有可認購本公司證券之任何權利，或於本年度內行使任何有關權利。

關連交易及董事之合約權益

- (1) 年度內，本公司之一間全資附屬公司高信證券有限公司，給予LuckySurfAsia.com Inc.及其附屬公司(統稱「LuckySurf集團」)墊款。LuckySurfAsia.com Inc.為本公司擁有其57.14%權益之附屬公司。LuckySurfAsia.com Inc.之其他股東，除彼等於LuckySurfAsia.com Inc.之控股權外，均非本公司之關連人士。該筆墊款目的是用作LuckySurf集團之營運資金。該筆墊款為無抵押、免息及並無固定還款期。於二零零三年三月三十一日，LuckySurf集團須償還之款項合共約247,000港元。
- (2) 年度內，本集團就證券買賣而分別向董事藍國慶先生、藍國倫先生及彼等之聯繫人收取佣金約66,000港元、55,000港元及60,000港元。
- (3) 年度內，本集團就證券保證金融資而分別向董事藍國慶先生、藍國倫先生及彼等之聯繫人收取利息約37,000港元、10,000港元及6,000港元。
- (4) 年度內，本集團向董事藍國慶先生及藍國倫先生收購佳帆投資有限公司之全部權益，代價約為107,000港元。



- (5) During the year, the Group received advisory fee income of HK\$30,000 from Asia Tele-Net and Technology Corporation Limited in which Mr. Lam Kwok Hing has a beneficial interest and Messrs. Lam Kwok Hing and Ng Chi Kin David are the directors.

Save as disclosed above, there were no other material transactions which needed to be disclosed as connected transactions in accordance with the requirements of the Listing Rules, and no contract of significance, to which the Company, its ultimate holding company or any subsidiaries of its ultimate holding company 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.

The Independent Non-executive Directors of the Company have reviewed the connected transactions as set out in (2) and (3) above and confirmed that:

- (a) the transactions have been carried out in the ordinary and usual course of business of the Group;
- (b) the transactions have been entered into on normal commercial terms and on arm's length basis, and in accordance with the terms of the agreements governing such transactions or on terms no less favourable than those available to independent third parties;
- (c) the transactions have been entered into on terms that are fair and reasonable in so far as the independent shareholders of the Company are concerned; and
- (d) the aggregate value of such transactions entered into during the year did not exceed HK\$3,000,000.

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2003, according to the register maintained by the Company pursuant to Section 16(1) of the SDI Ordinance, the following shareholder was interested in 10% or more of the Company's issued share capital:

Name of shareholder 股東名稱	Number of shares 股份數目	Percentage of shareholding 持股量百分比
J&A (Note) J&A (註)	296,758,000	64.51%

- (5) 年度內，本集團向亞洲聯網科技有限公司（藍國慶先生實益擁有其權益，而藍國慶先生及伍志堅先生均為其董事）收取顧問費30,000港元。

除上述披露者外，於本年度結束時或年度內任何時間，並無其他重大交易需要根據上市規則之規定，作為關連交易般予以披露之交易，且本公司、其最終控股公司或其最終控股公司之任何附屬公司，並無訂立任何重大合約（本公司董事直接或間接擁有其重大權益）。

本公司之獨立非執行董事已審閱上文第(2)及(3)段所列之關連交易，並確認：

- (a) 該等交易均於本集團之日常及正常業務範圍內進行；
- (b) 該等交易均按正常商業條款及公平原則基準，並按監管該等交易之協議條款，或不遜於獨立第三者可享有之條款訂立；
- (c) 該等交易均就本公司獨立股東而言，屬公平合理之條款訂立；及
- (d) 年度內訂立之該等交易總值，並不超過3,000,000港元。

主要股東

根據本公司按披露權益條例第16(1)條而須保存之主要股東登記冊所載，截至二零零三年三月三十一日，下列人士擁有本公司已發行股本10%或以上權益：



Note: J&A is a company incorporated in the British Virgin Islands with limited liability and is beneficially owned as to 80% by Mr. Lam Kwok Hing and 20% by Mr. Nam Kwok Lun.

Save as disclosed above, at 31 March 2003, there is no person known to any Director or chief executive of the Company, who is directly or indirectly, interested in 10% or more of the nominal value of any class of share capital, or options in respect of such capital, carrying rights to vote in all circumstances at general meetings of any member of the Company.

PRE-EMPTIVE RIGHTS

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

RETIREMENT BENEFITS SCHEME

Details of the Group's retirement benefits schemes are set out in note 31 to the financial statements.

COMPETING INTERESTS

During the year, none of the Directors or the management shareholders of the Company (as defined in the Listing Rules) had an interest in a business that competed with the Group or might compete with the business of the Group.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2003, less than 30% of the Group's sales were attributable to the Group's five largest customers.

The Group had no major suppliers due to the nature of principal activities of the Group.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the year ended 31 March 2003, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

註： J&A乃於英屬處女群島註冊成立之有限公司，由藍國慶先生及藍國倫先生分別實益擁有80%及20%之權益。

除上述披露者外，於二零零三年三月三十一日，就董事或本公司主要行政人員所知，概無其他人士直接或間接實益擁有在本公司任何成員之公司股東大會上，有權於任何情況下投票之任何類別股本或有關該股本之任何購股權面值10%或以上之權益。

優先購買權

根據本公司之公司細則或百慕達法例，概無載列任何有關本公司須按比例向現有股東提呈發售新股份之優先購買權規定。

退休福利計劃

本集團之退休福利計劃詳情，載於財務報表附註第31項內。

權益競爭

年度內，董事或本公司之管理層股東（定義見上市規則），概無於與本集團之業務構成或可能構成競爭之業務中，擁有任何權益。

主要客戶及供應商

截至二零零三年三月三十一日止年度，本集團之五大客戶共佔本集團營業額不足30%。

由於本集團之主要業務性質使然，本集團並無主要供應商。

購入、贖回或售出股份

截至二零零三年三月三十一日止年度內，本公司或其任何附屬公司概無購入、贖回或售出本公司任何上市證券。



AUDIT COMMITTEE

To comply with the Code of Best Practice (the “Code”) as set out in Appendix 14 of the Listing Rules, the Company set up an audit committee for the purpose of reviewing and providing supervision of the financial reporting process and internal control system of the Group. The audit committee comprises the two Independent Non-executive Directors. During the year, the audit committee met twice for the purpose of reviewing the Group’s interim and final results.

COMPLIANCE WITH THE CODE

The Company has complied throughout the year ended 31 March 2003 with the Code as set out in Appendix 14 of the Listing Rules, except that the Independent Non-executive Directors were not appointed for a specific term as required by paragraph 7 of the Code, but are subjected to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company’s Bye-laws.

POST BALANCE SHEET EVENTS

Particulars of significant post balance sheet events of the Group are set out in note 33 to the financial statements.

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.

By Order of the Board
LAM KWOK HING
Chairman

Hong Kong, 25 July 2003

審計委員會

為遵守上市規則附錄十四所載之最佳應用守則（「守則」），本公司成立審計委員會，其主要職責為檢討及監督本集團之財務申報程序及內部監控系統。審計委員會由兩名獨立非執行董事組成。年度內，審計委員會已召開兩次會議，以審閱本集團之中期及末期業績報告。

最佳應用守則

本公司於截至二零零三年三月三十一日止整個年度一直遵守上市規則附錄十四所載之守則。惟本公司之獨立非執行董事並無按該守則第7段所述有指定任期，而乃根據本公司細則之規定輪流退任及於本公司之股東週年大會上膺選連任。

結算日後事項

本集團之結算日後重大事項詳列於財務報表附註第33項內。

核數師

本公司應屆股東週年大會將提呈決議案，以續聘德勤•關黃陳方會計師行為本公司核數師。

承董事會命
藍國慶
主席

香港，二零零三年七月二十五日