

DIRECTORS' REPORT

董事局同寅謹呈覽本公司及其附屬公司(統稱「集團」)截至二零零一年三月三十一日止年度之年報及經審核之財務報告。

主要業務

本公司為一投資控股公司。本公司附屬公司之業務包括設計、製造及銷售範圍廣泛之電子產品及證券買賣。

本集團之營業額及對經營虧損貢獻之分析已載於附註3內。

業績及分配

截至二零零一年三月三十一日止年度之本集團業績及本公司之溢利分配分別載於第16頁之綜合收益表及財務報告附註10內。

本年度內已向股東派發中期息每股0.4仙。董事局不建議派發末期股息。

財務概要

本集團過去五個財政年度之財務概要已載於第69頁及70頁內。

股本

本年度內，本公司在香港聯合交易所有限公司購回本公司之股份共40,196,000股，並因派送紅股、以股代息及行使認股權證而分別發行130,397,209股、5,532,426股及120,292,492股新股份。

此外，由於本公司曾將每股面值0.40港元之股份拆細為四股每股面值0.10港元之股份，本公司因此共發行了1,955,958,144新股份。以上詳情已載於財務報告附註25內。

本公司之認股權證及優先認股權於本年度內之變動，已分別載於財務報告附註27及28內。

投資物業

於年結日，本集團將其投資物業重估，重估所產生之1,630,000港元虧絀在綜合收益表中扣除。有關本集團之投資物業詳情，已載於財務報告附註12內。

The directors present their annual report and the audited financial statements of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 31st March, 2001.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The subsidiaries of the Company are engaged in the design, manufacture and sale of a wide range of electronic products and in securities trading.

An analysis of the turnover and contribution to loss from operations of the Group is set out on note 3.

RESULTS AND APPROPRIATIONS

The results of the Group and appropriations of the Company for the year ended 31st March, 2001 are set out in the consolidated income statement on page 16 and note 10 to the financial statements respectively.

An interim dividend of 0.4 cents per share was paid to the shareholders during the year. The directors do not recommend the payment of a final dividend for the year.

FINANCIAL SUMMARY

A financial summary of the Group is set out on pages 69 and 70.

SHARE CAPITAL

During the year, the Company repurchased a total of 40,196,000 of its own shares on The Stock Exchange of Hong Kong Limited and issued 130,397,209, 5,532,426 and 120,292,492 new shares as a result of the bonus issue of shares, scrip dividends and exercise of warrants.

In addition, the Company issued a total of 1,955,958,144 new shares as a result of subdivision of each HK\$0.40 share into four shares of HK\$0.10 each. Details of the above are set out in note 25 to the financial statements.

Movements in share options and warrants of the Company during the year are set out in note 27 and 28 to the financial statements.

INVESTMENT PROPERTIES

At balance sheet date, the Group revalued its investment properties. The corresponding deficit arising on revaluation of HK\$1,630,000 was charged to the consolidated income statement. Details of investment properties of the Group are set out in note 12 to the financial statements.

DIRECTORS' REPORT

物業、廠房及設備

本年度，本集團為擴張業務而購入之物業、廠房及設備成本為49,838,408港元。上述及其他有關本集團物業、廠房及設備於本年度內之變動及詳情，已載於財務報告附註13內。

捐款

本年度內本集團之捐款共102,300港元。

董事及董事服務合約

於本年度及截至本報告日期為止之董事如下：

執行董事：

劉錫康
劉錫淇
劉錫澳

獨立非執行董事：

何厚鏘
韓相田

劉錫淇先生將依照本公司之細則82於即將召開之股東週年大會輪值告退，及有資格膺選連任。

擬於即將召開之股東週年大會被提名膺選連任之任何董事，概無與本公司或其附屬公司訂有本集團不可於一年內毋須補償（法定賠償除外）而終止之服務合約。

獨立非執行董事之委任期限乃依照本公司細則用輪值告退方法委任。

董事之合約利益及關連交易

於本年結日或本年度任何時間內，本公司或其附屬公司並未與任何董事訂立重要合約而使彼等直接或間接地獲得重大利益。

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment at a cost of HK\$49,838,408 to expand its business. Details of this and other movements in the property, plant and equipment of the Group during the year are set out in note 13 to the financial statements.

DONATIONS

During the year, the Group made charitable and other donations totalling HK\$102,300.

DIRECTORS AND SERVICE CONTRACTS

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

Executive directors:

Lau Sak Hong, Philip
Lau Sak Kai, Anthony
Lau Sak Yuk, Andy

Independent non-executive directors:

Ho Hau Chong, Norman
Hon Sheung Tin, Peter

In accordance with the Company's bye-law 82, Lau Sak Kai, Anthony retires by rotation and, being eligible, offers himself for re-election at the forthcoming annual general meeting.

No director being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

The independent non-executive directors are appointed for a term subject to retirement by rotation as required by the Company's bye-laws.

DIRECTORS' INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS

No contract of significance to which the Company or any of its subsidiaries was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' REPORT

董事之證券權益

於二零零一年三月三十一日，根據證券（公開權益）條例（「公開權益條例」）第29條而載於登記名冊內之各董事於本公司股份中擁有之權益如下：

DIRECTORS' INTERESTS IN SECURITIES

As at 31st March, 2001, the interests of the directors in the shares and warrants of the Company as recorded in the register maintained by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance") were as follows:

		持有本公司股份數目			持有本公司認股權證數目*		
		Number of shares of the Company held			Number of warrants of the Company held *		
		個人權益 Personal interests	公司權益 Corporate interests	其他權益 Other interests	個人權益 Personal interests	公司權益 Corporate interests	其他權益 Other interests
執行董事:	Executive directors:						
劉錫康	Lau Sak Hong, Philip	138,376,288	12,072,360 (a) 40,401,660 (b)	670,546,202 (c)	27,675,255	2,414,470 (a) 8,080,330 (b)	80,062,364 (c)
劉錫淇	Lau Sak Kai, Anthony	146,063,718	12,072,360 (a) 40,401,660 (b)	-	-	2,414,470 (a) 8,080,330 (b)	-
劉錫澳	Lau Sak Yuk, Andy	137,236,431	12,072,360 (a) 40,401,660 (b)	-	-	2,414,470 (a) 8,080,330 (b)	-
獨立非執行董事:	Independent non-executive directors:						
韓相田	Hong Sheung Tin, Peter	778,580	-	-	151,760	-	-
何厚鏞	Ho Hau Chong, Norman	-	-	-	-	-	-

* 所有認股權證已於二零零一年三月三十一日後屆滿。

* All warrants were expired on the day after 31st March, 2001.

附註:

Notes:

- (a) 該等股份乃透過由劉錫康、劉錫淇及劉錫澳（連同其他家族成員簡稱「劉氏家族」）實益擁有之公司K.K. Nominees Limited持有。
- (b) 該等股份乃透過由劉氏家族實益擁有之公司Wincard Management Services Limited持有。
- (c) 該等股份由一全權信託基金實益擁有之公司Philip Lau Holding Corporation直接或間接持有，該全權信託基金之受益人包括劉錫康及其聯繫人士。

- (a) These shares and warrants are held through K.K. Nominees Limited, a company which is beneficially owned by Lau Sak Hong, Philip, Lau Sak Kai, Anthony and Lau Sak Yuk, Andy (hereinafter collectively with other family members referred to as the "Lau family").
- (b) These shares and warrants are held through Wincard Management Services Limited, a company which is beneficially owned by the Lau family.
- (c) These shares and warrants are beneficially owned directly or indirectly by Philip Lau Holding Corporation, a company beneficially owned by a discretionary trust, the discretionary objects of which include Lau Sak Hong, Philip and his associates.

此外，其他劉氏家族成員共持有33,215,592股股份。

In addition, other members of the Lau family held an aggregate of 33,215,592 shares.

除上文所披露者及某些董事以本公司或其附屬公司受託人身份持有附屬公司之若干代理人股份外，並未有任何董事於本公司或依據公開權益條例定義下之有關公司擁有權益。

Save as disclosed above and other than certain nominee shares in subsidiaries held by directors in trust for the Company or its subsidiaries, no director held any interest in the securities of the Company or any of its associated corporations as defined in the SDI Ordinance.

DIRECTORS' REPORT

董事於購買股份及債券之權利

根據本公司之優先認股權計劃，其詳情載於財務報告附註27內，某些董事已獲授予優先認股權以認購本公司股份。優先認股權於本年度內之變動如下：

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Pursuant to the share option scheme of the Company, details of which are set out in note 27 to the financial statements, certain directors were granted options to subscribe for shares in the Company. A summary of the movement of options during the year is as follows:

董事	Name of director	授予日期 Date of grant	調整後 行使價*/ 行使價 Adjusted exercise price*/ exercise price 港元 HK\$	優先認股權股份數目 Number of option shares		
				於 1.4.2000 At 1.4.2000	於本年度派送紅股 及股份拆細之調整 Adjustment for bonus issue and subdivision of shares during the year	於 31.3.2001 At 31.3.2001
劉錫康	Lau Sak Hong, Philip	8.21.1997	0.12244/ 0.6122	6,750,000	27,000,000	33,750,000
		4.1.1998	0.1/0.4	1,300,000	3,900,000	5,200,000
劉錫淇	Lau Sak Kai, Anthony	4.1.1998	0.1/0.4	4,300,000	12,900,000	17,200,000
劉錫澳	Lau Sak Yuk, Andy	4.1.1998	0.1/0.4	4,300,000	12,900,000	17,200,000

* 於二零零零年九月二十八日收市後，本公司曾按當時每持有四股面值0.40港元之現有股份派送一股面值0.40港元之股份，及將每股面值0.40港元之股份拆細成四股每股面值0.10港元之股份，行使價因此而相應調整。

* The exercise prices were adjusted with effect from the close of business on 28th September, 2000 as a result of the bonus issue of one share for every existing four shares and the subdivision of shares by subdividing each share of the Company of nominal value of HK\$0.40 into four shares of HK\$0.10 each.

優先認股權計劃已於二零零一年四月六日屆滿。本年度內並無授予或行使認股權。

The share option scheme was expired on 6th April, 2001. No share options were granted or exercised during the year.

除上文披露者外，本公司或其任何附屬公司於本年度任何時間概無參與訂立任何安排而使本公司之董事可藉收購本公司或任何其他法人團體之股份或債券而獲得利益。

Save as aforesaid, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable a director of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

除上文披露者外，各董事或彼等之聯繫人士於本年度內概無持有本公司或其任何聯繫公司（釋義見公開權益條例）證券之任何權益，而各董事或其配偶或未滿18歲之子女概無擁有任何可認購本公司證券之權利或曾行使任何該等權利。

Save as disclosed above, none of the directors or 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, or 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.

DIRECTORS' REPORT

主要股東

於二零零一年三月三十一日，按本公司根據公開權益條例16(1)條而設存之主要股東登記名冊上所載，除上述董事所披露之權益外，概無任何人士通知本公司其擁有本公司10%或以上之已發行股本。

可換股證券、優先認股權、認股權證或類似之權利

除於財務報告附註27及28所載之認股權證及優先認股權外，於二零零一年三月三十一日本公司並無未行使之可換股證券、優先認股權、認股權證或類似之權利。於本年內，除於財務報告附註28所載之已行使認股權證外，並無行使任何可換股證券、優先認股權、認股權證或類似之權利。

購買、出售或贖回本公司之上市證券

於本年內，本公司如財務報告附註25內所載，曾於香港聯合交易所有限公司購買本公司之股份。購回股份乃由於董事局相信此舉將會提高本公司之每股資產淨值及／或每股盈利。此等股份已於本公司購回時註銷。

除上文披露者外，本公司或其任何附屬公司概無於本年度內購買、出售或贖回任何本公司之上市證券。

最佳應用守則

本公司於本年度內，均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中有關須匯報遵守情況之段落。

股份優先購買權

本公司之公司細則或百慕達法例均無對優先購買權作出任何限制，故本公司毋需按比例向現有股東發售新股。

SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2001, the register of substantial shareholders maintained by the Company pursuant to Section 16 (1) of the SDI Ordinance showed that, other than the interests disclosed above in respect of the directors, the Company had not been notified of any interests representing 10% or more of the Company's issued share capital.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

Other than the share options and warrants as set out in notes 27 and 28 to the financial statements, the Company had no outstanding convertible securities, options, warrants or other similar rights as at 31st March, 2001. Other than the warrants exercised as set out in note 28 to the financial statements, there has been no exercise of convertible securities, options, warrants or similar rights during the year.

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

During the year, the Company purchased certain of its own shares on The Stock Exchange of Hong Kong Limited as described in note 25 to the financial statements. The shares were repurchased because the directors believed that it could enhance the net asset value per share and/or earnings per share of the Company. The shares were cancelled upon repurchase by the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

CODE OF BEST PRACTICE

The Company has complied throughout the year 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.

PRE-EMPTIVE RIGHTS

There is no provision 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.

DIRECTORS' REPORT

核數師

本公司之股東週年大會上將提呈決議案，重新委聘德勤•關黃陳方會計師行為本公司之核數師。

承董事局命
主席
劉錫康

香港，二零零一年七月二十日

AUDITORS

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

On behalf of the Board
LAU SAK HONG, PHILIP
CHAIRMAN

20th July, 2001