

The directors present their annual report and the audited financial statements for the year ended 31st March, 2001.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its principal subsidiaries and associates are set out in notes 43 and 17 to the financial statements respectively.

CHANGE OF NAME

Pursuant to a special resolution passed by the shareholders in a special general meeting held on 2nd April, 2001, the name of the Company was changed from Huey Tai International Limited to Sing Pao Media Group Limited.

RESULTS

The results of the Group for the year ended 31st March, 2001 are set out in the consolidated income statement on page 25 of the annual report.

The directors do not recommend the payment of a dividend for the year ended 31st March, 2001.

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 page 79 of the annual report.

MAJOR PROPERTIES

Details of the major properties of the Group at 31st March, 2001 are set out on page 80 of the annual report.

INVESTMENT PROPERTIES

During the year, the Company sold its entire interest in Asean Resources Holdings Limited ("Asean") and investment properties with an aggregate carrying value of approximately HK\$2,035 million were disposed of upon the sale of Asean.

INVESTMENT PROPERTIES (continued)

The Group's remaining investment properties were revalued on 31st March, 2001 at approximately HK\$85 million and the surplus arising on the revaluation of approximately HK\$23 million has been credited to the investment property revaluation reserve.

Details of these and other movements in the investment properties of the Group during the year and particulars of the major investment properties of the Group at 31st March, 2001 are set out in note 13 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment with an aggregate net book value of approximately HK\$41 million were disposed of upon the sale of Asean.

Details of this and other movements in the property, plant and equipment of the Group during the year are set out in note 14 to the financial statements.

INTANGIBLE ASSET

The Group acquired the rights to publish newspaper under the trademark and tradename of "Sing Pao" during the year. Details are set out in note 15 to the financial statements.

PROPERTIES UNDER DEVELOPMENT

Details of the disposal upon the sale of Asean and other movements in the properties under development of the Group during the year are set out in note 19 to the financial statements.

SHARE CAPITAL

Details of share capital of the Company are set out in note 27 to the financial statements.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 29 to the financial statements.

CONVERTIBLE DEBTS

Details of convertible debts of the Group are set out in note 26 to the financial statements.

DIRECTORS

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

Executive directors:

Cheung Kwok Wah (Deputy Chairman and Managing Director)	(appointed on 23rd January, 2001)
Tong Chin Shing	(appointed on 23rd January, 2001)
Tsang Chi Wai, Eric	(appointed on 23rd January, 2001)
Wong Lai Shun, Benny	(appointed on 23rd January, 2001)
Choo Yeow Ming	(appointed on 11th July, 2001)
Ma Wai Man, Catherine	(appointed on 11th July, 2001)
Chan Boon Ho, Peter	(resigned on 13th February, 2001)
Leung Chi Kin	(resigned on 13th February, 2001)
Lo Lin Shing, Simon	(resigned on 13th February, 2001)
Wong Kam Cheong, Stanley	(resigned on 13th February, 2001)
Lai Yu Ting	(resigned on 13th February, 2001)
Lai Hing Chiu, Dominic	(resigned on 13th February, 2001)
Andrew Marshall John Leitch	(appointed on 13th June, 2000 and resigned on 13th February, 2001)

Non-executive director:

Lee Peng Fei, Allen (Chairman)	(appointed on 13th February, 2001)
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Independent non-executive directors:

Alice Choi	(appointed on 13th February, 2001)
Tse Wan Chung, Philip	(appointed on 13th February, 2001)
Leung Tze Hang, David	(appointed on 11th July, 2001)
Wen, Carson	(appointed on 11th July, 2001)
Cheng Wui See, Henry	(resigned on 13th February, 2001)
Cheung Hon Kit	(resigned on 13th February, 2001)
Tsang Link Carl, Brian	(resigned on 13th February, 2001)

DIRECTORS (continued)

In accordance with Clause 86(2) of the Company's bye-laws, Messrs. Cheung Kwok Wah, Tong Chin Shing, Tsang Chi Wai, Eric, Wong Lai Shun, Benny, Lee Peng Fei, Allen and Tse Wan Chung, Philip and Ms. Alice Choi retire at the forthcoming annual general meeting and will not offer themselves for re-election.

In accordance with Clause 86(2) of the Company's bye-laws, Mr. Choo Yeow Ming, Ms. Ma Wai Man, Catherine, Mr. Leung Tze Hang, David and Mr. Wen, Carson retire at the forthcoming annual general meeting, and being eligible, offer themselves for re-election.

The term of office for each non-executive director is the period up to his retirement by rotation in accordance with the bye-laws of the Company.

None of the directors proposed for re-election at the forthcoming annual general meeting has an unexpired service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN SECURITIES

At 31st March, 2001, the interests of the directors and their associates in the securities of the Company and of its associated corporations, within the meaning of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance"), as recorded in the register maintained by the Company pursuant to Section 29 of the SDI Ordinance were as follows:

Name of director	Number of share options		
	At 1st April, 2000	Surrendered during the year	Outstanding at 31st March, 2001
Chan Boon Ho, Peter	31,295,000	(31,295,000)	–
Leung Chi Kin	31,295,000	(31,295,000)	–
Lo Lin Shing, Simon	15,650,000	(15,650,000)	–
Wong Kam Cheong, Stanley	23,470,000	(23,470,000)	–
Lai Yu Ting	13,690,000	(13,690,000)	–
Lai Hing Chiu, Dominic	7,825,000	(7,825,000)	–

The share options were granted under the share option scheme of the Company adopted on 8th September, 1998 and entitled the holders thereof to subscribe for shares of HK\$0.40 each in the Company at a subscription price of HK\$0.5136 per share (subject to adjustment) during the period from 10th March, 2000 to 9th March, 2003. All of the share options were surrendered for cancellation in February 2001.

Save as disclosed above, at 31st March, 2001, none of the directors, chief executive or their associates had any personal, family, corporate or other interests in the securities of the Company or any of its associated corporations as defined in the SDI Ordinance.

SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2001, the register of substantial shareholders maintained by the Company under Section 16(1) of the SDI Ordinance showed that the following persons, had an interest of 10% or more in the issued share capital of the Company:

Name	Number of shares	Approximate shareholding percentage
China Strategic Holdings Limited	1,173,378,918 (Note)	74.99%
Star East Holdings Limited	1,173,378,918 (Note)	74.99%
Good Trend Enterprises Limited	1,173,378,918 (Note)	74.99%
Capital Deal Investments Limited	1,173,378,918 (Note)	74.99%
Gold Brilliant Limited	1,173,378,918 (Note)	74.99%

Note: Gold Brilliant Limited is 65% and 35% owned by Good Trend Enterprises Limited and Capital Deal Investments Limited respectively. Good Trend Enterprises Limited is a wholly-owned subsidiary of China Strategic Holdings Limited and Capital Deal Investments Limited is a wholly-owned subsidiary of Star East Holdings Limited. All of Good Trend Enterprises Limited, China Strategic Holdings Limited, Capital Deal Investments Limited and Star East Holdings Limited are deemed to be interested in the same batch of 1,173,378,918 shares held by Gold Brilliant Limited pursuant to the SDI Ordinance.

Save as disclosed above, the Company has not been notified of any other interests as at 31st March, 2001 representing 10% or more of the issued share capital of the Company.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Save as disclosed under the section headed "Directors' interests in securities", at no time during the year was the Company or any of its holding companies, fellow subsidiaries or subsidiaries a party to any arrangements to enable the directors or chief executives 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 or chief executives, nor any of their spouses or children under the age of 18, had any rights to subscribe for the securities of the Company, or had exercised any such rights during the year.

CONNECTED TRANSACTIONS AND DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Details of the connected transactions for the year are set out in note 40 to the financial statements. In the opinion of the directors who do not have any interest in the transactions, the transactions were carried out on normal commercial terms and in the ordinary and usual course of business of the Group.

Save as disclosed above, no contracts of significance to which the Company or any of its holding companies, fellow subsidiaries or subsidiaries 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.

COMPETING INTEREST

None of the directors is interested in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate turnover attributable to the Group's five largest customers were less than 30% of the Group's sales.

The aggregate purchases attributable to the Group's five largest suppliers during the year accounted for approximately 67% of the total purchases of the Group and the largest supplier accounted for approximately 52% of the total purchases of the Group. Purchases not charged to the income statement, including the cost of land and construction works for properties under development, have been included in arriving at this percentage.

At no time during the year did the directors, their associates or shareholders of the Company, whom to the knowledge of the directors own more than 5% of the Company's issued share capital, have any interest in the five largest suppliers of the Group.

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

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities 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.

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.

POST BALANCE SHEET EVENTS

Details of significant post balance sheet events are set out in note 41 to the financial statements.

SEGMENTAL INFORMATION

Details of segmental information are set out in note 42 to the financial statements.

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

Tong Chin Shing

Director

Hong Kong, 20th July, 2001