

Directors' Report

董事會報告

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

董事會謹此提呈截至二零零一年三月三十一日止年度之年度報告及經審核財務報表。

Principal Activities

The Company acts as the investment holding company of a group of subsidiaries which are principally engaged in the import, marketing and distribution of consumer electrical appliances in Hong Kong, Macau and other regions in the People's Republic of China ("PRC") and the provision of related after-sales and maintenance services.

主要業務

本公司作為其集團附屬公司之投資控股公司，主要在中華人民共和國（「中國」）內之香港、澳門及其他地區從事消費電器產品之進口、市場推廣及分銷業務，以及提供有關之售後及保養服務。

An analysis of the Group's turnover and contribution to profit from operations by geographical region is set out in note 3 to the financial statements.

本集團按地區劃分之營業額及經營溢利分析載於財務報表附註3內。

Subsidiaries

Details of the Company's subsidiaries at March 31, 2001 are set out in note 12 to the financial statements.

附屬公司

本公司旗下附屬公司於二零零一年三月三十一日之詳情載於財務報表附註12內。

Results and Appropriations

The results of the Group for the year ended March 31, 2001 are set out in the consolidated income statement on page 23.

業績及撥款

本集團截至二零零一年三月三十一日止年度之業績載於第23頁綜合收益表內。

An interim dividend of 0.10 HK cent per share amounting to approximately HK\$3,866,000 was paid to the shareholders during the year. The directors now recommend the payment of a final dividend of 0.15 HK cent per share to the shareholders whose names appear on the register of members on August 23, 2001, amounting to approximately HK\$5,799,000, and the retention of the remaining profit for the year of approximately HK\$10,650,000.

年內已向股東派發每股0.10港仙之中期股息，總額合共為3,866,000港元。董事會現建議向二零零一年八月二十三日名列本公司股東名冊上之所有股東派發末期股息每股0.15港仙，股息總額合共約5,799,000港元，並保留本年度之餘下溢利約10,650,000港元。

Reserves

Details of movements during the year in the reserves of the Group and the Company are set out in note 20 to the financial statements.

Financial Summary

A financial summary of the Group's past results, and assets and liabilities is set out on page 49.

Property, Plant and Equipment

Details of movements during the year in the property, plant and equipment of the Group and the Company are set out in note 11 to the financial statements.

Share Capital

With effect from April 3, 2000, each of the existing issued and unissued shares of the Company have been subdivided from HK\$0.10 each into ten shares of HK\$0.01 each.

Details of the share capital of the Company are set out in note 18 to the financial statements.

Purchase, Sale and Redemption of Securities

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

Borrowings

Bank overdrafts and other borrowings repayable within one year or on demand are classified as current liabilities as set out in note 16 to the financial statements.

No interest was capitalised by the Group during the year.

儲備

本公司及本集團於本年度之儲備變動詳情載於財務報表附註20內。

財務概要

本集團過去之業績及資產與負債之財務概要載於第49頁內。

物業、廠房及設備

本公司及本集團於本年度之物業、廠房及設備變動詳情載於財務報表附註11內。

股本

自二零零零年四月三日開始，本公司每股現時已發行及未發行之股份已由每股面值0.10港元分拆為十股每股面值0.01港元之股份。

本公司之股本之詳情載於財務報表附註18內。

購買、出售或贖回證券

年內，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

借貸

須於一年內或因應要求而償還之銀行透支及其他借貸乃列作流動負債，並載於財務報表附註16內。

年內本集團概無將利息資本化。

Directors

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

Executive directors

Mr. Chu Ka Lok, Peter (*Chairman and President*)

Mr. Wat Hon Keung (*Vice-President*)

Mr. Chan Kai Kwok

Ms. Chu Maria Teresa

Independent non-executive directors

Mr. Chan Chi Keung, Chris

Dr. Wu Shu Chih, Alex

In accordance with Clause 87 of the Company's Bye-laws, Mr. Chan Kai Kwok and Ms. Chu Maria Teresa retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting. The other directors continue in office.

The term of office for each of the independent non-executive directors is the period up to his retirement by rotation in accordance with the Company's Bye-laws.

Three of the executive directors, namely Messrs. Chu Ka Lok, Peter, Wat Hon Keung and Ms. Chu Maria Teresa have each entered into a service agreement with the Company for a period of three years commencing on July 1, 1997 and continuing thereafter until terminated by either party giving not less than three months' written notice to the other party.

Save as disclosed above, no other director has a service contract with the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

董事

年內及截至本年報刊發當日，本公司之董事如下：

執行董事

朱嘉樂先生 (*主席兼總裁*)

屈漢強先生 (*副總裁*)

陳啟國先生

朱詠儀小姐

獨立非執行董事

陳志強先生

吳樹熾博士

根據本公司之公司細則第八十七條，陳啟國先生及朱詠儀小姐應輪席告退，惟彼等願於來屆週年大會膺選連任。其他董事則會續留任為董事。

根據本公司之公司細則，各獨立非執行董事之任期乃根據其須輪席告退之期間為限。

三位執行董事（朱嘉樂先生、屈漢強先生及朱詠儀小姐）均分別與本公司訂立服務協議，由一九九七年七月一日起，為期三年，任期屆滿後可延續，直至任何立約方向另一立約方作出不少於三個月書面通知終止協議為止。

除上文所披露者外，概無其他董事與本集團訂立本集團不可於一年內免付賠償（法定賠償除外）而終止之服務合約。

Directors' Interests in Securities of the Company and its Associated Corporations

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

(i) The Company

(a) Shares

Name of director	董事姓名
Mr. Chu Ka Lok, Peter	朱嘉樂先生
Mr. Wat Hon Keung	屈漢強先生
Mr. Chan Kai Kwok	陳啟國先生
Ms. Chu Maria Teresa	朱詠儀小姐

Note: These shares were held by Charmwood Development Limited. The entire issued share capital of Charmwood Development Limited is held by the trustee of a discretionary trust in which Mr. Chu Ka Lok, Peter is included as a beneficiary. He therefore has "other interests" in such number of shares as described in Practice Note 5 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

董事佔本公司及其聯營公司之證券權益

於二零零一年三月三十一日，各董事及彼等之聯繫人士於本公司及其聯營公司之證券中擁有根據證券(公司權益)條例(「公開權益條例」)第二十九條本公司須存置之名冊所記錄之權益如下：

(i) 本公司

(a) 股份

Number of shares 股份數目

Personal interests 私人權益	Other interests 其他權益
7,340,000	2,365,200,000 (Note) (附註)
18,660,000	—
18,710,000	—
50,000,000	—

附註： 該等股份乃由 Charmwood Development Limited 持有。Charmwood Development Limited 之全部已發行股本是由全權信託受託人持有，而朱嘉樂先生為該全權信託之其中一位受益人。因此，根據香港聯合交易所有限公司證券上市條例應用指引第五號，朱先生擁有該等數目股份之「其他權益」。

(b) Options

At March 31, 2001, there were no share options outstanding which entitle the directors to subscribe for shares in the Company.

Details of the share option scheme are set out in note 19 to the financial statements.

(b) 購股權

於二零零一年三月三十一日，並無尚未行使之購股權賦予董事權利認購本公司之股份。

購股權計劃詳情載於財務報表附註19內。

(ii) Shares in subsidiaries

At March 31, 2001, the following director held “other interests” in the non-voting deferred shares in Alpha Appliances Limited, a 100% owned subsidiary of the Company, as follows:

Name of director**董事姓名**

Mr. Chu Ka Lok, Peter

朱嘉樂先生

**Number of non-voting
deferred shares
無投票權遞延股份數目**

50,000

(Note) (附註)

Note: 49,999 shares were held by Charmwood Development Limited and 1 share was held by Reredos Corporation which share was in turn held in trust for Charmwood Development Limited. The entire issued share capital of Charmwood Development Limited is held by the trustee of a discretionary trust in which Mr. Chu Ka Lok, Peter is included as a beneficiary. He therefore has “other interests” in such number of non-voting deferred shares as described in Practice Note 5 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

附註： Charmwood Development Limited持有49,999股股份，而其餘1股股份則由Reredos Corporation以信託形式代Charmwood Development Limited持有。Charmwood Development Limited之全部已發行股本是由全權信託受託人持有，而朱嘉樂先生為該全權信託之其中一位受益人。因此，根據香港聯合交易所有限公司證券上市條例應用指引第五號，朱先生擁有該等數目之無投票權遞延股份之「其他權益」。

In addition, a number of directors held non-beneficial interests in shares in certain subsidiaries as nominees for the Group.

此外，多位董事以本公司代理人名義於若干附屬公司中持有非實益權益。

Save as disclosed above, none of the directors, chief executives or their associates had any personal, family, corporate or other interests in the equity or debt securities of the Company or its associated corporations (as defined in the SDI Ordinance) as recorded in the register required to be kept under Section 29 of the SDI Ordinance.

Directors' Rights to Acquire Shares

At no time during the year was the Company, its holding company, or any of its subsidiaries a party to any arrangements to enable the Company's directors or their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Interest in Contracts of Significance

No contracts of significance to which the Company, its holding company, or any of its 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.

Connected Transactions

The Group has entered into two tenancy agreements with Napson Trading Limited ("Napson") for the use of premises, each for a term of three years from February 1, 2000 to January 31, 2003 at the then prevailing market rate. During the year, total rentals paid and payable to Napson amounted to HK\$948,000. Napson is a company wholly-owned by the trustee of a discretionary trust, in which Mr. Chu Ka Lok, Peter, is included as a beneficiary.

除上文所披露者外，各董事、主要行政人員或彼等之聯繫人士概無於本公司或其任何聯營公司(定義見公開權益條例)任何股本證券及債務證券中擁有根據公開權益條例第二十九條本公司須存置之名冊所記錄之權益。

董事購買股份之權利

本公司、其控股公司或任何附屬公司概無於年內任何時間內訂立任何安排致使本公司之董事、其配偶或18歲以下之子女透過購買本公司或任何其他法人團體之股份或債券而獲取利益。

董事於重大合約之權益

本公司之董事概無於本公司、其控股公司或任何附屬公司於年終或年內任何時間內所訂立任何重大合約中直接或間接擁有重大權益。

關連交易

本集團已與 Napson Trading Limited ([Napson]) 就租房產訂立兩項租務協議，每項協議按當時市價各自為期三年，租賃期由二零零零年二月一日起至二零零三年一月三十一日止。年內，已支付及應支付 Napson 之租金總額為 948,000 港元。Napson 為一間由全權信託受託人全資擁有之公司，而朱嘉樂先生為該全權信託之其中一位受益人。

The Group has also entered into four tenancy agreements with Grant Return Investments Limited (“Grant Return”), a company wholly-owned by Napson, for the use of a godown, each for a term of three years from July 1, 1997 to June 30, 2000. These tenancy agreements have been renewed for a further term of three years at the then prevailing market rate. During the year, total rentals paid and payable to Grant Return amounted to HK\$3,525,000.

The independent non-executive directors have confirmed that the above transactions have been entered into by the Group in the ordinary course of its business and in accordance with the terms of the agreements governing such transactions.

Major Customers and Suppliers

During the year, aggregate sales attributable to the Group’s five largest customers were less than 30% of the Group’s turnover. The Group has three suppliers and the largest supplier accounted for 93% of the Group’s purchases.

Napson (details of which are set out in the section headed “Connected Transactions”) is beneficially interested in 315,000 shares in Fujitsu General Limited (representing 0.29% of the issued share capital of Fujitsu General Limited), the largest supplier to the Group.

Save as disclosed above, at no time during the year did the directors, their associates or any shareholders (which to the knowledge of the directors own more than 5% of the Company’s share capital) have any interest in the suppliers of the Group.

Substantial Shareholders

At March 31, 2001, according to the register kept under Section 16(1) of the SDI Ordinance, the only shareholder who had an interest in 10% or more of the issued share capital of the Company was Charmwood Development Limited which held 2,365,200,000 shares of HK\$0.01 each. This interest has also been disclosed as an interest of Mr. Chu Ka Lok, Peter in the disclosure of directors’ interests in securities of the Company above.

本集團亦與由Napson全資擁有之宏集投資有限公司(「宏集」)訂立四項租務協議，以租用一個貨倉，每項協議各自為期三年，租賃期由一九九七年七月一日起至二零零零年六月三十日止。此四項租務協議已按當時市價再續約三年。年內，應支付予宏集之租金總額為3,525,000港元。

獨立非執行董事已確認上述交易是在本集團日常業務中訂立，並遵守該等交易之協議條款進行。

主要客戶及供應商

年內，本集團售予五大客戶之銷量佔本集團營業額少於30%。本集團與三間供應商合作，而最大供應商佔本集團採購額93%。

Napson (其詳情載於上文標題「關連交易」一節內)實益持有富士通將軍公司315,000股股份(相當於富士通將軍公司已發行股本中0.29%權益)。富士通將軍為本集團最大之供應商。

除上文所披露者外，於年內任何時間，概無董事、其聯繫人士或任何股東(就董事所知，彼等持有本公司股本逾5%)於本集團供應商中持有任何權益。

主要股東

在二零零一年三月三十一日，根據公開權益條例第十六(一)條存置之名冊顯示，唯一持有本公司已發行股本中10%或以上權益之股東為Charmwood Development Limited，其持有2,365,200,000股每股0.01港元之股份。此等權益亦已於上文董事於本公司證券權益中披露為朱嘉樂先生之權益。

Save as disclosed above, no person had registered an interest in the share capital of the Company that was required to be recorded under Section 16(1) of the SDI Ordinance.

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Company's Bye-laws, although there are no restrictions against such rights under the laws in Bermuda.

Compliance With Code of Best Practice

The Company has complied throughout the year ended March 31, 2001 with Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Post Balance Sheet Event

Details of a significant post balance sheet event are set out in note 29 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

Chu Ka Lok, Peter
Chairman and President

July 16, 2001

除上文所披露者外，根據公開權益條例第十六(一)條本公司須予存置之名冊所載，概無任何人士持有本公司股本中之權益。

優先購買權

儘管百慕達法例對優先購買權並無限制，惟本公司之公司細則並無就優先購買權作出規定。

遵守最佳應用守則

本公司於截至二零零一年三月三十一日止年度內，一直遵守香港聯合交易所有限公司之證券上市規則附錄十四。

結算日後事項

結算日後事項的細節載列於財務報表的附註29內。

核數師

本公司將於股東週年大會上提呈決議案重聘德勤•關黃陳方會計師行為本公司之核數師。

承董事會命

主席兼總裁
朱嘉樂

二零零一年七月十六日