

DIRECTORS' REPORT 董事會報告書

The directors have pleasure in presenting their annual report and the audited financial statements for the year ended 31st March, 2001.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company and provides corporate management services. The activities of its principal subsidiaries are set out in note 14 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st March, 2001 are set out in the consolidated income statement on page 26.

An interim dividend of 2.0 cents per share amounting to HK\$6,709,000 was paid to the shareholders during the year. The directors now recommend the payment of a final dividend of 6.0 cents per share to the shareholders on the register of members on 17th August, 2001, amounting to HK\$20,126,000, and the retention of the remaining profit.

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of purchases and sales attributable to the Group's largest suppliers and customers are as follows:

Purchases

- the largest supplier
- five largest suppliers combined

Sales

- the largest customer
- five largest customers combined

No directors, their associates or shareholders (which to the knowledge of the directors own more than 5% of the Company's share capital) were interested at any time during the year in any of the above suppliers or customers.

董事會謹向各位提呈本公司截至二零零一年三月三十一日止年度之董事會報告書及經審核財務報告書。

主要業務

本公司乃一間投資控股公司，並提供公司管理服務。其主要附屬公司之業務詳見財務報告書附註14。

業績及溢利分配

本集團截至二零零一年三月三十一日止年度之業績見第26頁之綜合收益表。

年內，股東獲派付中期股息每股2.0仙，用於派息之款額為6,709,000港元。董事會謹此建議派付末期股息每股6.0仙予二零零一年八月十七日名列股東名冊之股東，即20,126,000港元及保留餘下本年度之溢利。

主要客戶及供應商

本集團最大供應商及客戶之購貨額及銷售額所佔百分比如下：

購貨額

- | | |
|-----------|-----|
| - 最大供應商 | 14% |
| - 五大供應商合計 | 34% |

銷售額

- | | |
|----------|-----|
| - 最大客戶 | 27% |
| - 五大客戶合計 | 68% |

各董事、彼等之聯繫人士或股東（指就董事會所知持有本公司逾5%股本之股東）於年內任何時間概無擁有以上供應商或客戶之任何權益。

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 76.

SHARE CAPITAL

During the year, 19,050,000 share options were exercised to subscribe for 19,050,000 ordinary shares in the Company at an exercise price of HK\$0.41 per share. Details of movements during the year in the share capital of the Company are set out in note 20 to the financial statements.

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

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 21 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent approximately HK\$13.6 million on the acquisition of plant and machinery and approximately HK\$27.5 million on the acquisition of moulds and tools to expand and upgrade its manufacturing facilities.

Details of these and other movements in the property, plant and equipment of the Group and the Company are set out in note 12 to the financial statements.

財務概要

有關本集團在過去五個財政年度之業績、資產及負債概要載於第76頁。

股本

年內，19,050,000股購股權被行使，以認購價每股0.41港元認購19,050,000股本公司之普通股。本公司之股本詳情載於財務報告書附註20。

年內，本公司及其附屬公司概無購買、出售或贖回本公司任何上市證券。

儲備

本集團及本公司年內之儲備變動詳情載於財務報告書附註21。

物業、廠房及設備

年內，本集團動用約13,600,000港元添置設備及機器和約27,500,000港元添置模具及工具以擴充生產設施及提高其性能。

本集團及本公司之物業、廠房及設備之此等變動及其他變動之情況載於財務報告書附註12。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

董事及董事服務合約

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

年內至本報告發表當日本公司之董事如下：

Executive directors

執行董事

Mr. Cheung Lun
Mr. Cheung Shu Wan
Ms. Cheung Lai Chun, Maggie
Ms. Cheung Lai See, Sophie
Mr. Cheung Pui
Mr. Wong Wing Ming

張倫先生
張樹穩先生
張麗珍女士
張麗斯女士
張培先生
黃永明先生

Non-executive directors

非執行董事

Mr. Lai Ah Ming, Leon†
Dr. Lo Chung Mau†
Ms. Ma Wai Man, Catherine
(resigned on 10th January, 2001)

黎雅明先生†
盧寵茂醫生†
馬慧敏女士
(於二零零一年一月十日辭任)

† *Independent non-executive directors*

† 獨立非執行董事

In accordance with the provisions of the Company's Bye-Laws, Mr. Cheung Pui and Mr. Lai Ah Ming Leon shall retire by rotation and, being eligible, offer themselves for re-election.

根據本公司公司細則之規定，張培先生及黎雅明先生均於即將舉行之週年大會上依章告退，惟彼等均願膺選連任。

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

根據本公司之公司細則各非執行董事之任期直至須輪值告退為止。

None of the directors of the Company proposed for re-election at the forthcoming annual general meeting has any service contract with the Company or any of its subsidiaries not determinable by the employing company within one year without payment of compensation (other than statutory compensation).

應屆股東週年大會候選連任之本公司董事概無與本公司或其任何附屬公司訂立不可於一年內終止而毋須作出補償(法定賠償除外)之服務合約。

DIRECTORS' INTERESTS IN SHARES

(i) Shares

At 31st March, 2001, the interests of the directors and their associates in the share capital 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:

Name of directors 董事姓名		Number of ordinary shares held 所持普通股數目			
		Personal interests 個人權益	Family interests 家族權益	Corporate interest 公司權益	Other interests 其他權益
Mr. Cheung Lun	張倫先生	4,000,000	-	145,679,960*	-
Mr. Cheung Shu Wan	張樹穩先生	48,940,400	-	6,694,935+	-
Ms. Cheung Lai Chun, Maggie	張麗珍女士	600,000	-	-	-
Ms. Cheung Lai See, Sophie	張麗斯女士	1,648,000	-	-	-
Mr. Cheung Pui	張培先生	1,600,000	-	-	15,930,416*
Mr. Wong Wing Ming	黃永明先生	1,000,000	-	-	-

* A total of 144,821,960 shares are held by Allan Investment Company Limited, a company owned as to 89% by Mr. Cheung Lun and his spouse, Ms Tse Kam. The balance of the shares (11%) in Allan Investment Company Limited is owned by Mr. Cheung Pui. In addition, a total of 858,000 shares are held by Commence Investment Limited, a company beneficially owned by Mr. Cheung Lun.

+ A total of 6,694,935 shares are held by Topsail Investments Inc., a company beneficially owned by Mr. Cheung Shu Wan.

董事所佔之股份權益

(i) 股份

於二零零一年三月三十一日，按本公司遵照證券（公開權益）條例（「公開權益條例」）第29條之規定而保存之登記冊所載，各董事及彼等之聯繫人士於本公司股本所佔之權益如下：

Name of directors 董事姓名		Number of ordinary shares held 所持普通股數目			
		Personal interests 個人權益	Family interests 家族權益	Corporate interest 公司權益	Other interests 其他權益
Mr. Cheung Lun	張倫先生	4,000,000	-	145,679,960*	-
Mr. Cheung Shu Wan	張樹穩先生	48,940,400	-	6,694,935+	-
Ms. Cheung Lai Chun, Maggie	張麗珍女士	600,000	-	-	-
Ms. Cheung Lai See, Sophie	張麗斯女士	1,648,000	-	-	-
Mr. Cheung Pui	張培先生	1,600,000	-	-	15,930,416*
Mr. Wong Wing Ming	黃永明先生	1,000,000	-	-	-

* 亞倫投資有限公司共持有144,821,960股股份；該公司之89%權益乃由張倫先生及其配偶謝金女士擁有。而亞倫投資有限公司餘下之股份(11%)則由張培先生擁有。此外，合共858,000股股份由張倫先生實益擁有之啟卓投資有限公司持有。

+ 為數6,694,935股股份由張樹穩先生實益擁有之Topsail Investments Inc.持有。

DIRECTORS' INTERESTS IN SHARES (continued)

(ii) Options

The directors had personal interests in share options to subscribe for shares in the Company at a subscription price of HK\$0.41 per share, exercisable from 25th September, 1997 to 24th September, 2000 as follows:

Name of directors 董事姓名	At 1.4.2000 於二零零零年 四月一日	Number of share options 購股權數目		
		Exercised during the year 年內行使	Lapsed during the year 年內失效	At 31.3.2001 於二零零一年 三月三十一日
Mr. Cheung Lun 張倫先生	7,000,000	4,000,000	3,000,000	-
Mr. Cheung Shu Wan 張樹穩先生	6,500,000	3,700,000	2,800,000	-
Ms. Cheung Lai Chun, Maggie 張麗珍女士	3,800,000	2,200,000	1,600,000	-
Ms. Cheung Lai See, Sophie 張麗斯女士	5,000,000	2,300,000	2,700,000	-
Mr. Cheung Pui 張培先生	1,000,000	1,000,000	-	-
Mr. Wong Wing Ming 黃永明先生	800,000	800,000	-	-
	<u>24,100,000</u>	<u>14,000,000</u>	<u>10,100,000</u>	<u>-</u>

Details of the Company's share option scheme are set out in note 20 to the financial statements.

Other than as disclosed above, none of the directors or chief executives, 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 or chief executives, 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.

董事所佔之股份權益 (續)

(ii) 購股權

以下為董事所擁有之購股權個人權益，該等購股權可於一九九七年九月二十五日至二零零零年九月二十四日期間按每股0.41港元之認購價認購本公司股份：

Name of directors 董事姓名	At 1.4.2000 於二零零零年 四月一日	Number of share options 購股權數目		
		Exercised during the year 年內行使	Lapsed during the year 年內失效	At 31.3.2001 於二零零一年 三月三十一日
Mr. Cheung Lun 張倫先生	7,000,000	4,000,000	3,000,000	-
Mr. Cheung Shu Wan 張樹穩先生	6,500,000	3,700,000	2,800,000	-
Ms. Cheung Lai Chun, Maggie 張麗珍女士	3,800,000	2,200,000	1,600,000	-
Ms. Cheung Lai See, Sophie 張麗斯女士	5,000,000	2,300,000	2,700,000	-
Mr. Cheung Pui 張培先生	1,000,000	1,000,000	-	-
Mr. Wong Wing Ming 黃永明先生	800,000	800,000	-	-
	<u>24,100,000</u>	<u>14,000,000</u>	<u>10,100,000</u>	<u>-</u>

購股權計劃之詳情載於財務報告書附註20。

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擁有本公司或其任何聯營公司（定義見公開權益條例）任何證券權益，而各董事及主要行政人員、彼等之配偶或十八歲以下子女亦無擁有任何可認購本公司證券之權利，或於年內行使該等權益。

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Other than the share option scheme as explained above, at no time during the year was the Company or any of its subsidiaries, 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.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Conan Electric Manufacturing Limited ("Conan"), a subsidiary of the Company, entered into a tenancy agreement with Allan Investment Company Limited ("AICL"), a company in which Mr. Cheung Lun, his spouse Ms. Tse Kam and Mr. Cheung Pui have beneficial interests and of which Mr. Cheung Lun, Mr. Cheung Pui, Mr. Cheung Shu Wan, Ms. Cheung Lai Chun, Maggie and Ms. Cheung Lai See, Sophie are also directors, pursuant to which AICL granted to Conan a tenancy in respect of Lihlin Village, Huizhou, the People's Republic of China at a monthly rent of HK\$75,000. The tenancy agreement is for a term of 2 years commenced from 1st April, 2000. The total amount of rent paid for the year by the Group in respect of this agreement was HK\$900,000.

Allan Plastics Mfg., Limited ("APML"), a subsidiary of the Company, entered into a tenancy agreement with Income Village Limited ("Income Village"), a company in which Mr. Cheung Lun, his spouse Ms. Tse Kam, Mr. Cheung Shu Wan and Mr. Cheung Pui have beneficial interests and of which Mr. Cheung Lun, Mr. Cheung Pui, Mr. Cheung Shu Wan, Ms. Cheung Lai Chun, Maggie and Ms. Cheung Lai See, Sophie are directors, pursuant to which Income Village granted to APML a tenancy in respect of Lihlin Village, Huizhou, the People's Republic of China at a monthly rent of HK\$17,000. The tenancy agreement is for a term of 3 years commenced from 1st April, 2000. The total amount of rent paid for the year by the Group in respect of this agreement was HK\$204,000.

購買股份或債券之安排

除上文所解釋之購股權計劃外，本公司或其任何附屬公司於年內概無參與任何安排，使本公司董事可藉購入本公司或其他法人團體之股份或債券而獲益。

董事於重大合約之權益

康倫電業製造有限公司（「康倫」），本公司之附屬公司，與亞倫投資有限公司（「亞倫投資」）訂立一項租約。張倫先生、其配偶謝金女士及張培先生實益擁有亞倫投資之權益，而張倫先生、張培先生、張樹穩先生、張麗珍女士及張麗斯女士為該公司董事。根據該租約，亞倫投資將位於中華人民共和國惠州瀝林村之物業租予康倫，月租75,000港元。該租約由二零零零年四月一日開始為期兩年。本集團就該租約於本年內所付之租金總額為900,000港元。

亞倫塑膠製造有限公司（「亞倫塑膠」），本公司之附屬公司，與儲鎮有限公司（「儲鎮」）訂立一項租約。張倫先生、其配偶謝金女士、張樹穩先生及張培先生實益擁有儲鎮之權益，而張倫先生、張培先生、張樹穩先生、張麗珍女士及張麗斯女士為該公司董事。根據該租約，儲鎮將位於中華人民共和國惠州瀝林村之物業租予亞倫塑膠，月租17,000港元。租約由二零零零年四月一日開始為期三年。本集團就該租約於本年度內所付之租金總額為204,000港元。

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE (continued)

Other than as disclosed above, no contracts of significance to which the 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.

SUBSTANTIAL SHAREHOLDERS

Other than the interests disclosed above in respect of certain directors, the register of substantial shareholders maintained by the Company pursuant to Section 16(1) of the SDI Ordinance discloses no person as having an interest of 10% or more in the issued share capital of the Company as at 31st March, 2001.

DONATIONS

During the year, the Group made charitable and other donations amounting to HK\$279,000.

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.

PRE-EMPTIVE RIGHTS

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

董事於重大合約之權益 (續)

除上文所披露者外，於年終或年內任何時間概無其他由本公司或其附屬公司訂立與本公司董事直接或間接擁有重大權益之重要合約。

主要股東

除上文所披露部份董事權益外，依照公開權益條例第16(1)條規定由本公司保存之主要股東名冊顯示，本公司並無獲通知有其他人士持有佔本公司二零零一年三月三十一日已發行股本10%或以上之權益。

捐款

年內，本集團給予慈善及其他機構之捐款達279,000港元。

企業監管

本公司於截至二零零一年三月三十一日止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十四載列之最佳應用守則。

優先購買權

本公司之公司細則及百慕達法例概無載列有關優先購買權之規定，本公司無須按此規定而按現有股東之持股比例發行新股。

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

Cheung Lun
Chairman

Hong Kong, 20th July, 2001

核數師

於應屆股東週年大會上，將會提出一項決議案，繼續委任德勤•關黃陳方會計師行為本公司核數師。

董事會代表

主席
張倫

香港，二零零一年七月二十日