

## DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30th September, 2001.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are property investment and investment holding. The principal activities of the Company's subsidiaries and the jointly controlled entity are set out in notes 17 and 18 to the financial statements respectively.

The Group's turnover and contribution to profit before taxation for the year ended 30th September, 2001, analysed by principal activities, are set out in note 4 to the financial statements.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 30th September, 2001 are set out in the consolidated income statement on page 19.

An interim dividend of HK\$0.02 per share amounting to HK\$2,203,588 was paid to the shareholders during the year. The directors now recommend the payment of a final dividend of HK\$0.06 per share to the shareholders on the register of members on 28th December, 2001, amounting to HK\$6,610,763.

### SUBSIDIARIES AND JOINTLY CONTROLLED ENTITY

Details of the Company's subsidiaries and the jointly controlled entity are set out in notes 17 and 18 to the financial statements respectively.

### RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 25 to the financial statements.

### 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 48.

### BORROWINGS

Bank loans and overdrafts and other borrowings repayable within one year or on demand are classified under current liabilities. Details of long term borrowings are set out in notes 26 and 27 to the financial statements. No interest was capitalised by the Group during the year.

### INVESTMENT PROPERTIES

The Group sold certain investment properties and revalued its investment properties at the year end. The revaluation decrease, which has been debited directly to the investment property revaluation reserve, amounted to HK\$74,250,000. Details of movements in the investment properties of the Group and the Company are set out in note 14 to the financial statements.

## 董事會報告書

董事會謹將截至二零零一年九月三十日止年度之報告書連同已審核之財政報告表呈覽。

### 主要業務

本公司之主要業務為物業投資及控股投資。本公司之附屬公司及共同控制公司之主要業務則分別詳列於財政報告表附註第17項及第18項內。

本集團截至二零零一年九月三十日止年度以主要業務劃分之營業額及其除稅前溢利之分析詳列於財政報告表附註第4項內。

### 業績及溢利分配

本集團截至二零零一年九月三十日止年度之業績詳列於綜合收益賬第19頁。

每股港幣2仙之中期股息為港幣2,203,588元已於本年內派發予股東。董事會現建議派發末期股息每股港幣6仙，共港幣6,610,763元予於二零零一年十二月二十八日登記於股東名冊內之股東。

### 附屬公司及共同控制公司

本公司之附屬公司及共同控制公司詳情分別列於財政報告表附註第17項及第18項內。

### 儲備

本年度本集團及本公司之儲備變動詳列於財政報告表附註第25項內。

### 財政概要

本集團過去五個財政年度之業績、資產及負債概要載於第48頁。

### 借款

銀行貸款及透支及其他須於一年內償還或即期償還之借款已列入流動負債項目內。長期借款詳情列於財政報告表第26項及27項內。本年度本集團並無將利息撥作為成本。

### 投資物業

本集團於年結日出售若干投資物業及重估其投資物業。重估之減值約港幣74,250,000元已直接在投資物業重估儲備扣除。本集團及本公司投資物業之變動詳情列於財政報告表附註第14項內。

## DIRECTORS' REPORT (Continued)

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group and the Company are set out in note 15 to the financial statements.

### MAJOR PROPERTIES HELD FOR INVESTMENT

Details of the major properties of the Group held for investment at the year end are set out on pages 49 and 50.

### MAJOR CUSTOMERS AND SUPPLIERS

For the financial year ended 30th September, 2001, the five largest customers of the Group accounted for less than 30% of the Group's turnover. The five largest suppliers of the Group accounted for approximately 52% of the Group's total purchases for the year and purchases from the largest supplier included therein accounted for approximately 27%.

At no time during the year did a director, an associate of a director or a shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) have an interest in any of the Group's five largest suppliers.

### DIRECTORS

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

Mr. Wong Bing Lai  
Mr. Wong Tat Chang, Abraham  
Mr. Wong Tat Kee, David  
Mr. Wong Tat Sum, Samuel  
Mdm. Lam Hsieh Li Chen, Linda \*  
Mdm. Chan Ho Lai Kuen \*  
Mr. Cheng Mo Chi, Moses \*

*\* Independent non-executive directors*

In accordance with the Company's Articles of Association, Mdm. Chan Ho Lai Kuen shall retire by rotation from the board at the forthcoming Annual General Meeting and, being eligible, offers herself for re-election.

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

## 董事會報告書 (續)

### 物業、裝置及設備

本集團及本公司之物業、裝置及設備之變動詳情列於財政報告表附註第15項內。

### 主要投資物業

本集團於年結日之主要投資物業詳情列於第49頁及第50頁。

### 主要客戶及供應商

於截至二零零一年九月三十日止財政年度，本集團五大客戶合共佔本集團之營業額少於30%。本集團五大供應商則佔本集團全年之採購總額約52%，而其中最大供應商約佔採購額27%。

本年度內董事、其聯繫人士或就本公司董事所知擁有本公司股本逾5%之股東概無擁有本集團任何五大供應商之權益。

### 董事

本年度及截止此報告書日止本公司之董事為：

黃炳禮先生  
黃達濶先生  
黃達琪先生  
黃達琛先生  
林謝麗瓊女士\*  
陳何麗娟女士\*  
鄭慕智先生\*

*\* 獨立非執行董事*

根據本公司章程，陳何麗娟女士將於即將召開之股東週年大會上依章輪流告退，惟願膺選連任。

每位非執行董事之任期為任職直至他／她根據本公司組織章程細則輪值告退止。

## DIRECTORS' REPORT (Continued)

## 董事會報告書 (續)

### DIRECTORS' INTERESTS IN SHARES

At 30th September, 2001, the interests of the directors and chief executives 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:

### 董事之股份權益

於二零零一年九月三十日，按證券(公開權益)條例第29條而設之登記名冊所記錄，各董事及行政總裁及彼等聯繫人士擁有本公司之股本權益如下：

		Number of ordinary shares 普通股數量			
Name of director 董事姓名		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益
(a) Interests in the Company 於本公司之權益	Wong Tat Chang, Abraham 黃達漳	450,800	—	—	56,816,234
	Wong Tat Kee, David 黃達琪	—	—	—	56,816,234
	Wong Tat Sum, Samuel 黃達琛	—	28,800	—	56,816,234
	Lam Hsieh Li Chen, Linda 林謝麗瓊	104,420	—	—	—
	Chan Ho Lai Kuen 陳何麗娟	2,416,128	—	—	—
(b) Interests in subsidiary 於附屬公司之權益	Elephant Holdings Limited 大象行有限公司				
	Wong Tat Chang, Abraham 黃達漳	10	—	—	4,784
	Wong Tat Kee, David 黃達琪	—	—	—	4,784
	Wong Tat Sum, Samuel 黃達琛	—	—	—	4,784

Note: Shares included in other interests are beneficially owned by discretionary trusts of which Messrs. Wong Tat Chang, Abraham, Wong Tat Kee, David and Wong Tat Sum, Samuel are beneficiaries and the number of shares in each of the above companies are duplicated for each of these three directors.

附註：其他權益內之股份為信託基金擁有，黃達漳、黃達琪及黃達琛諸位先生為該等信託基金之受益人，而上述每間公司股份數日均為該三位董事每位所重複之權益。

Save as aforementioned, at 30th September, 2001, none of the directors or chief executives, nor their associates, had any interests in the equity 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 securities of the Company, or had exercised any such right during the year.

除上述者，於二零零一年九月三十日，按證券(公開權益)條例之定義董事或行政總裁或彼等聯繫人士並無擁有本公司或其任何附屬公司之股本證券權益，及於本年度董事或行政總裁或其配偶或其未滿十八歲之子女並無獲授任何可認購本公司證券之權利或行使任何該權利。

### DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed in note 35 to the financial statements, 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.

### 董事之重大合約利益

除於財政報告表附註第35項內所述外，於年結日或年內之任何時間，本公司或其任何附屬公司並無簽訂致使本公司之董事直接或間接享有重大利益之重大合約。

## DIRECTORS' REPORT (Continued)

### SERVICE AND MANAGEMENT CONTRACTS

No director 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 employing company within one year without the payment of compensation (other than statutory compensation).

No contracts of significance concerning the management and administration of the whole or any substantial part of the business of the Company or any of its subsidiaries were entered into during the year or subsisted at the end of the year.

### ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

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.

### SUBSTANTIAL SHAREHOLDERS

As at 30th September, 2001 the register of substantial shareholders maintained under Section 16(1) of the SDI Ordinance showed that, other than the interests disclosed above in respect of certain directors (and chief executives), the following shareholder had an interest of 10% or more in the share capital of the Company:

<u>Name</u>	<u>Number of ordinary shares in the Company</u>
Madison Profits Limited	22,827,632 (Note)

Note: These 22,827,632 shares were taken to be the corporate interests of Mdm. Kung, Nina pursuant to the SDI Ordinance.

### PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares during the year.

### RETIREMENT BENEFIT SCHEMES

Prior to 1st December, 2000, the Group operated a defined contribution retirement benefit scheme for all qualifying employees. The assets of the scheme were held in a separate trustee administered fund. The employees were not required to contribute to the scheme and were entitled to the whole of the employer's contribution and accrued interest thereon after completion of 12 years of service, or at a sliding scale after completion of 3 to 11 years' service.

With effect from 1st December, 2000, the Group's employees are required to join the mandatory provident fund scheme ("MPF Scheme") in accordance with the Mandatory Provident Fund Schemes Ordinance ("the Ordinance").

## 董事會報告書(續)

### 服務及管理合約

於即將召開之股東週年大會上擬重選連任之董事並無與本公司或其任何附屬公司簽訂該僱任公司在不作出賠償(除法定賠償外)下而不可於一年內予以終止之服務合約。

於本年度內或年結日時，本公司或其任何附屬公司並無簽訂或存有涉及其本身全部或重大部分業務之管理及行政之重大合約。

### 購買股份或債券之安排

本年度內本公司或其任何附屬公司並無參與任何安排，使本公司董事因取得本公司或任何其他公司之股份或債券而獲益。

### 主要股東

於二零零一年九月三十日，根據證券(公開權益)條例第十六(一)條之規定而保存之主要股東登記名冊所載，除若干董事(及行政總裁)以上所述權益外，以下股東持有百分之十或以上本公司之股本權益：

<u>公司名稱</u>	<u>本公司之普通股數量</u>
Madison Profits Limited	22,827,632 (附註)

附註：根據證券(公開權益)條例，該22,827,632股為龔如心女士之公司權益。

### 購買、出售或贖回股份

本年度內本公司或其任何附屬公司並無購買、出售或贖回本公司之股份。

### 退休金計劃

於二零零零年十二月一日以前本集團為所有合資格之僱員設立定額福利退休金計劃。此計劃之資產由一獨立信託管理基金持有。僱員無須向該計劃供款，服務滿十二年之僱員可有權收取整筆僱主供款及其應計利息，服務滿三至十一年之僱員則可收取按遞增比例之供款及利息。

從二零零零年十二月一日起，本集團之僱員須根據強制性公積金計劃條例(「條例」)參加強制性公積金計劃(「強積金計劃」)。

## DIRECTORS' REPORT (Continued)

The Group's contributions to both schemes were calculated at 5% of the employee's monthly relevant income. Any contributions which exceed the contributions required under the Ordinance are paid to the MPF Scheme as voluntary contribution.

Contributions to the schemes for the year made by the Group amounted to approximately HK\$617,790.

Under the defined contribution retirement scheme, the Group's contributions made to employees who have left the Group's employment prior to being vested fully with such contributions were forfeited and could be used by the Group to reduce its contributions. For the year ended 30th September, 2001, no forfeited contributions were used to reduce the current year's contributions. At 30th September, 2001, no material forfeited contribution which arose upon employees leaving the retirement benefit scheme was available to reduce the contributions payable in future years.

Save as aforementioned, no retirement benefits were paid or are payable by the Group in respect of the year.

### CORPORATE GOVERNANCE

The Company has complied throughout the year ended 30th September, 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.

### AUDITORS

A resolution to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company will be proposed at the forthcoming annual general meeting. There has been no change in auditors of the Company in any of the preceding three years.

On behalf of the Board  
**WONG BING LAI**  
*Chairman*

Hong Kong, 27th November, 2001

## 董事會報告書 (續)

本集團對兩個計劃之供款以僱員每月有關收入百分之五比率計算。任何供款超過條例所須之供款則以自願性供款存入強積金計劃。

於年內本集團向計劃供款共約港幣617,790元。

按定額福利退休金計劃之規定，倘僱員於可全數收取本集團供款前離職，本集團將沒收本集團對該僱員之供款及用作扣減本集團之供款額。截至二零零一年九月三十日止年度，並無被沒收之供款用作扣減本年度之供款。於二零零一年九月三十日，因僱員退出退休金計劃而沒收之供款，作為以供扣減未來數年所應付之供款並不重大。

除前述者外，本集團概無於本年度支付或應付退休福利。

### 公司管治

本公司於截至二零零一年九月三十日止年度全年均遵守載於香港聯合交易所有限公司證券上市規則附錄十四所載之最佳應用守則。

### 核數師

於將來臨之股東週年大會上，將會提出繼續委任德勤•關黃陳方會計師行為本公司核數師之決議案。本公司之核數師於過去三年並無變動。

承董事會命  
主席  
**黃炳禮**

香港，二零零一年十一月二十七日