



董事合照 *Picture of Executive Directors*

不是夢幻組合，只是一群實事實幹的香港人

Not a dream team, just a group of down-to-earth Hong Kong people

The Directors have the pleasure of presenting their annual report together with the audited financial statements of Karrie International Holdings Limited (“the Company”) and its subsidiaries (together with the Company, the “Group”) for the year ended 31st March, 2002.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in the manufacture and sale of computer casings, video cassette housings, office automation products, plastic and metal parts (together referred to as “metal and plastic products”), moulds and electronic manufacturing services.

董事會謹此呈上嘉利國際控股有限公司（「本公司」）及其附屬公司（合稱「本集團」）截至二零零二年三月三十一日止年度之年報及經審核賬目。

主要業務

本公司之主要業務為投資控股，其附屬公司主要從事製造及銷售電腦外殼、錄影帶外殼、辦公室文儀產品、其他塑膠及金屬部件（「五金塑膠產品」）、模具及電子專業代工服務。


PRINCIPAL ACTIVITIES (Cont'd)

The Group's turnover by principal product category and geographical locations together with their respective profits from operations for the year ended 31st March, 2002 are analysed as follows:

1. By principal product category:

		2002 二零零二年			
		Metal and plastic products 五金塑膠產品 \$'000 千元	Electronic manufacturing services 電子專業 代工服務 \$'000 千元	Moulds 模具 \$'000 千元	Total 合共 \$'000 千元
Turnover	營業額	729,028	388,216	39,018	1,156,262
Segment results	分類業績	73,625	14,697	2,265	90,587
Interest income	利息收入				4,095
Interest expense	利息支出				(9,244)
Taxation	稅項				(3,793)
Profit after taxation	除稅後溢利				81,645

		2001 二零零一年			
		Metal and plastic products 五金塑膠產品 \$'000 千元	Electronic manufacturing services 電子專業 代工服務 \$'000 千元	Moulds 模具 \$'000 千元	Total 合共 \$'000 千元
Turnover	營業額	799,203	47,930	45,570	892,703
Segment results	分類業績	37,061	580	5,915	43,556
Interest income	利息收入				2,857
Interest expense	利息支出				(15,981)
Taxation	稅項				(4,064)
Profit after taxation	除稅後溢利				26,368

主要業務 (續)

本集團按主要產品及客戶所在地劃分之營業額及經營溢利截至二零零二年三月三十一日止之分析如下：

1. 按主要產品分析


46 PRINCIPAL ACTIVITIES (Cont'd)

主要業務 (續)
2. By geographical locations*:
2. 按客戶所在地*:

		2002 二零零二年				
		Japan	Asia (excluding Japan) 亞洲 日本 (不包日本)	North America 北美洲	Western Europe 西歐	Total 合共
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Turnover	營業額	305,257	212,262	195,474	443,269	1,156,262
Segment results	分類業績	24,409	23,870	11,533	30,775	90,587

		2001 二零零一年				
		Japan	Asia (excluding Japan) 亞洲 日本 (不包日本)	North America 北美洲	Western Europe 西歐	Total 合共
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Turnover	營業額	241,258	142,639	188,362	320,444	892,703
Segment results	分類業績	11,312	7,946	1,264	23,034	43,556

* Turnover by geographical locations is determined on the basis of the destination of delivery of merchandise.

* 按地域分析的營業額是以貨品運送的目的地來決定。



RESULTS AND APPROPRIATIONS

Details of the Group's results for the year ended 31st March, 2002 are set out in the consolidated income statement on page 65 of this annual report.

An interim dividend of HK5.0 cents per ordinary share was paid during the year. The Directors have recommended the payment of a final dividend HK5.9 cents per ordinary share.

FINANCIAL SUMMARY

A summary of the results of the Group for each of the financial year 1997 to 2002 and the assets and liabilities of the Group as at 31st March, 1997, 1998, 1999, 2000, 2001 and 2002 are shown on pages 123 and 124 of this annual report.

CUSTOMERS AND SUPPLIERS

For the year ended 31st March, 2002, the five largest suppliers of the Group accounted for approximately 46% of the Group's total purchases and the five largest customers accounted for approximately 74% of the Group's total turnover. The largest supplier accounted for approximately 20% of the Group's purchases while the largest customer accounted for approximately 21% of the Group's turnover.

None of the Directors, their associates, or any shareholders (which, to the knowledge of the Directors, owned more than 5% of the Company's share capital) had a beneficial interest in the Group's five largest customers and five largest suppliers.

SHARE CAPITAL AND EMPLOYEES' SHARE OPTIONS

Details of the share capital and employees' share options of the Company are set out in Notes 23 and 24, respectively, to the accompanying financial statements.

業績與提撥

本集團截至二零零二年三月三十一日止年度之業績，詳載於本年報第65頁之綜合損益表內。

本年度已派發中期息每普通股港幣5.0仙。董事會現建議派發末期股息為每普通股港幣5.9仙。

財務摘要

由一九九七年至二零零二年之集團業績摘要和一九九七年、一九九八年、一九九九年、二零零零年、二零零一年及二零零二年三月三十一日之資產負債摘要載於本年報第123及124頁。

主要供應商及客戶

截至二零零二年三月三十一日止年度，本集團五大供應商佔總購貨額約46%，而其五大客戶佔總營業額約74%。另外本集團最大供應商佔總購貨額約20%而其最大客戶佔總營業額約21%。

各董事、彼等之聯繫人士或任何股東（指據董事所知擁有本公司5%以上股本之股東）概無於本集團五大供應商及客戶中擁有任何權益。

股本與員工購股權

本公司股本與有關員工購股權計劃，分別詳載於財務報表附註23及24。



48 RESERVES AND RETAINED PROFIT

Movements in reserves of the Group and the Company during the year are set out in Note 25 to the accompanying financial statements. Movements in retained profit of the Group during the year are set out in the consolidated income statement on page 65 of this annual report.

As at 31st March, 2002, the Company's reserves of approximately HK\$193,185,000 representing the contributed surplus and retained profit of approximately HK\$2,827,000 were available for distribution to the Company's shareholders.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR OTHER SIMILAR RIGHTS

Apart from employee's share options, the Company had no outstanding convertible securities, options, warrants or other similar rights as at 31st March, 2002. There has been no exercise of convertible securities, options, warrants or other similar rights during the year ended 31st March, 2002.

PURCHASE, SALE OR REDEMPTION OF SHARES

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

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws and the laws in Bermuda which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

SUBSIDIARIES

Particulars of the subsidiaries are set out in Note 12 to the accompanying financial statements.

儲備與保留溢利

本集團及本公司在本年度之儲備變動情況載於財務報表附註25，而本集團在本年度之保留溢利變動情況載於本年報第65頁。

截至二零零二年三月三十一日止，本公司儲備約港幣193,185,000元，而可向股東作分派之繳入盈餘及保留溢利約港幣2,827,000元。

可換股證券、購股權、認股權證或其他類似權利

於二零零二年三月三十一日，除員工購股權外，本公司並無尚未行使之可換股證券、購股權、認股權證或其他類似權利，而於截至二零零二年三月三十一日止年度內亦無此等權利被行使。

購買、出售或贖回股份

本公司及其附屬公司在本年度內均無購買、出售或贖回本公司任何股份。

優先權

本公司細則規定或百慕達法例中，均無載有本公司須按比例向現有股東發行新股之優先權條文。

管理合約

本年度內，本公司並無就整體業務或任何重大業務之管理或行政工作簽訂任何合約，亦無存有此等合約。

附屬公司

本公司各附屬公司之詳情，載於財務報表附註12。



FIXED ASSETS

Details of movements in fixed assets during the year are set out in Note 11 to the accompanying financial statements.

BANK LOANS AND OVERDRAFTS

Particulars of bank loans and overdrafts of the Group as at 31st March, 2002 are set out in Notes 17 and 20 to the accompanying financial statements.

DIRECTORS

The Directors who held office during the year and up to the date of this report are:

Executive Directors

Mr. Ho Cheuk Fai (*Chairman & CEO*)
Mr. Ho Cheuk Ming (*Deputy Chairman & COO*)
Mr. Kwok Wing Kin (*Deputy Chairman*)
Mr. Tam Wing Hung
Mr. Lee Shu Ki
Mr. Li Cheuk Sum (Resigned on 13th August, 2001)

Independent Non-executive Directors

Mr. Chan Sui Sum, Raymond
Mr. Leung Wai Ho
Mr. So Wai Chun (Appointed on 1st July, 2001)

The independent non-executive Directors are appointed for specific term and hold office until 4th February, 2003, 7th September, 2002 and 30th June, 2003 respectively, subject to extension.

In accordance with Bye-law 87 of the Company's Bye-laws, Messrs. Tam Wing Hung and Chan Sui Sum, Raymond retire from office at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

固定資產

在本年度內之固定資產變動情況詳載於財務報表附註 11。

銀行借貸與透支

本集團於二零零二年三月三十一日之銀行借貸與透支詳情列於賬目附註 17 及 20。

董事會

本年度內在任之董事如下：

執行董事

何焯輝先生 (*主席兼行政總裁*)
何卓明先生 (*副主席兼營運總裁*)
郭永堅先生 (*副主席*)
談永雄先生
李樹琪先生
李焯森先生 (於二零零一年八月十三日辭任)

獨立非執行董事

陳瑞森先生
梁偉浩先生
蘇偉俊先生 (於二零零一年七月一日獲委任)

本公司獨立非執行董事之任期均以特定年期委任，其任期分別於二零零三年二月四日、二零零二年九月七日及二零零三年六月三十日屆滿，延期除外。

按照公司細則第 87 條規定，談永雄先生及陳瑞森先生將於即將舉行之股東週年大會上退任，惟有資格並願意膺選連任。

Report of The Directors

50 DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not terminable by the Company within one year without payment of compensation (other than statutory compensation).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 31st March, 2002, the interests of the Directors and chief executives in the shares of the Company and any associated corporations (as defined in the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance")) as recorded in the register maintained under Section 29 of the SDI Ordinance or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies are as follows:

(A) Interests in the Company



		Number of ordinary shares of HK\$0.10 each 每股面值港幣一角之普通股數目			
		Personal interests 個人權益	Family interests 家屬權益	Corporate/ Other interests 法團權益或 其他權益	Number of outstanding share options 購股權數目
Mr. Ho Cheuk Fai	何焯輝先生	—	33,570,000 (Note 1) (附註一)	232,200,000 (Note 2) (附註二)	3,000,000
Mr. Ho Cheuk Ming	何卓明先生	2,000,000	—	232,176,780 (Note 3) (附註二)	7,000,000
Mr. Kwok Wing Kin	郭永堅先生	100,000	—	—	600,000
Mr. Tam Wing Hung	談永雄先生	—	—	—	1,500,000
Mr. Lee Shu Ki	李樹琪先生	800,000	—	—	—
Ms. Ho Po Chu, Scandy	何寶珠女士	33,570,000	—	232,200,000 (Note 4) (附註四)	2,500,000

董事之服務合約

本公司並無與擬於股東週年大會上重選連任之董事訂立任何不可於一年內由本公司無償終止之服務合約 (法定賠償除外)。

董事及行政總裁之股份權益

於二零零二年三月三十一日，本公司各董事及行政總裁在本公司及其相聯法團 (釋義見證券 (披露權益) 條例 (「披露條例」)) 股本中擁有並已登記於本公司按披露條例第二十九條而存置之登記冊所載之權益，或根據上市公司董事進行證券交易的標準守則已知會本公司及聯交所之權益如下：

(甲) 於本公司之權益

Report of The Directors

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES (Cont'd)

董事及行政總裁之股份權益 (續)

(A) Interests in the Company (Cont'd)

(甲) 於本公司之權益 (續)

Notes:

附註:

1. Mr. Ho Cheuk Fai is deemed to be interested in these Shares by virtue of the fact that his wife, Ms Ho Po Chu, Scandy has a personal interest in these Shares.
2. 232,200,000 Shares are held by Pearl Court Company Limited ("Pearl Court") as trustee for a unit trust known as the Ho Cheuk Fai Family Trust ("HCF Trust"). Mr. Ho Cheuk Fai is deemed to be interested in these Shares through Pearl Court by virtue of (i) his wife being the only shareholder of Pearl Court and controlling one-third or more of the voting power at general meeting of Pearl Court, and (ii) Mr. Ho Cheuk Fai and his wife being two of the three directors of Pearl Court. Mr. Ho Cheuk Fai is also deemed to be interested in these Shares by virtue of the fact that one of 10,000 units of HCF Trust is held by his wife and the beneficiaries of a discretionary trust known as Ho Wai Leung Memorial Trust ("HWL Trust") (see note 3 below) included his wife and children under 18.
3. These Shares are held by Pearl Court as trustee for HCF Trust. 9,999 of 10,000 units of HCF Trust are held by HSBC International Trustee Limited ("HITL") as trustee for HWL Trust. Mr. Ho Cheuk Ming is deemed to be interested in these Shares by virtue of the fact that he is one of the beneficiaries of the HWL Trust.

- 一、何焯輝先生因其妻子何寶珠女士該等股份中擁有個人權益而被視為擁有該等權益。
- 二、232,200,000股股份由 Pearl Court Company Limited (「Pearl Court」) 以 Ho Cheuk Fai Family Trust (「HCF Trust」) 之單位信託之受託人持有。由於(i)何焯輝先生之妻子乃 Pearl Court 之唯一股東及在 Pearl Court 股東大會控制三分之一投票權，及(ii)何焯輝先生及其妻子乃 Pearl Court 三名董事之其中兩名，故何焯輝先生被視為透過 Pearl Court 持有該等股份。何焯輝先生亦因 HCF Trust 10,000個單位中其中之一個乃由其妻子持有，而 Ho Wai Leung Memorial Trust (「HWL Trust」) (見附註三) 之受益人包括其妻子及18歲以下之子女，故此被視為擁有該等股份的權益。
- 三、這些股份由 Pearl Court 以 HCF Trust 受託人身份持有。HCF Trust 10,000個單位中之9,999個乃由 HWL Trust 之全權信託之受託人 HSBC International Trustee Limited (「HITL」) 持有。何卓明先生由於屬 HWL Trust 之受益人之一，故被視為持有該等股份。




DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES (Cont'd)
董事及行政總裁之股份權益 (續)
(A) Interests in the Company (Cont'd)

4. Disregarding the interests of her husband, Mr. Ho Cheuk Fai, who is a Chairman and a Director of the Company and whose interests are separately disclosed, Ms. Ho Po Chu, Scandy is deemed to be interested in these Shares through Pearl Court by virtue of the facts that she is the only shareholder of Pearl Court and holds one unit of the HCF Trust and that the beneficiaries of the HWL Trust includes herself and her children under 18.

(甲) 於本公司之權益 (續)

- 四、 除何寶珠女士之丈夫何焯輝先生之權益外(該等權益因何先生為本公司主席及董事已作獨立披露)何寶珠女士為Pearl Court之唯一股東,其持有HCF Trust其中一個單位以及由於HWL Trust之受益人包括何寶珠女士之未滿十八歲之子女,因此何寶珠女士被視為透過Pearl Court擁有該等股份之權益。

(B) Interests in associated corporations
(乙) 於相聯法團之權益
(i) Karrie Industrial Company Limited
(i) 嘉利產品有限公司
**Number of non-voting deferred shares of HK\$100 each
每股面值港幣100元之無投票權遞延股份數目**

		Personal interests	Family interests	Corporate/ Other interests	Total interests
		個人權益	家屬權益	法團權益/ 其他權益	合計權益
Mr. Ho Cheuk Fai	何焯輝先生	43,000	—	—	43,000
Ms. Ho Po Chu, Scandy	何寶珠女士	7,000	—	—	7,000

(ii) Karpo Technologies Limited
(ii) 嘉寶科技有限公司
**Number of non-voting deferred shares of HK\$100 each
每股面值港幣100元之無投票權遞延股份數目**

		Personal interests	Family interests	Corporate/ Other interests	Total interests
		個人權益	家屬權益	法團權益/ 其他權益	合計權益
Mr. Ho Cheuk Fai	何焯輝先生	10,000	—	—	10,000

Report of The Directors

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES (Cont'd)

董事及行政總裁之股份權益 (續)

(B) Interests in associated corporations (Cont'd)

(乙) 於相聯法團之權益 (續)

(iii) *Karrie Industrial Holdings Limited*

(iii) *Karrie Industrial Holdings Limited*

**Number of non-voting deferred shares of HK\$1 each
每股面值港幣1元之無投票權遞延股份數目**

		Personal interests	Family interests	Corporate/ Other interests	Total interests
		個人權益	家屬權益	法團權益/ 其他權益	合計權益
Mr. Ho Cheuk Fai	何焯輝先生	1	—	—	1
Ms. Ho Po Chu, Scandy	何寶珠女士	1	—	—	1

Save as disclosed above and under the heading “Arrangement to Purchase Shares and Debentures”, none of the Directors, chief executives or their associates have any personal, family, corporate or other interests in the share capital of the Company or any of its associated corporations as defined in the SDI Ordinance as at 31st March, 2002.

除上文及根據「購買股份及債券之安排」一節所披露外，各董事、行政總裁或其聯繫人等於二零零二年三月三十一日在本公司或其相關法團（釋義見披露條例）股本中概無持有任何個人、家屬、法團或其他權益。



ARRANGEMENT TO PURCHASE SHARES AND DEBENTURES

A Share Option Scheme (“Option Scheme”) for the purpose of providing incentives and rewards to eligible employees who contribute to the success of the Group’s operations was maintained by the Company under which eligible employees of the Group, including Executive Directors and chief executives of the Company, may be granted options to subscribe for shares in the Company. The Option Scheme became effective on 1st December, 1996 and unless terminated, would remain in force until 1st December, 2006. Each share option entitles the holder to subscribe for one share of HK\$0.10 each in the Company at a predetermined price. Details of outstanding share options as at 31st March, 2002 under the scheme are as follows:

購買股份及債券之安排

本公司設有優先購股計劃（「該計劃」）；據此，藉以鼓勵及回饋對本集團之成功經營作出貢獻之合資格僱員。本集團之合資格僱員，包括本公司之執行董事及行政總裁可獲授認購本公司股份之優先購股權。該計劃於一九九六年十二月一日生效並除非被終止，將有效至二零零六年十二月一日。每份優先購股權授予其持有人按預先釐定之認購價認購本公司一股每股面值港幣0.10元股份之權利。根據該計劃於二零零二年三月三十一日尚未行使之優先認股權詳情如下：

Name	Date of Grant	Exercise Price HK\$	Exercise Period	Closing Price before date of grant HK\$ 於購股權 授出日之 價格 港幣	Price at exercise date of options HK\$ 於購股權 行使日之 價格 港幣	Number of Share Options 購股權數目				
						Outstanding at 31.3.2001 二零零一年 三月 三十一日 尚未行使	Granted during the year 於本年度 獲授與	Exercised during the year 於本年度 行使	Lapsed/ cancelled during the year 於本年度 失效/取消	Outstanding at 31.3.2002 二零零二年 三月 三十一日 尚未行使
(i) Directors/Chief Executives 董事及行政總裁										
Mr. Ho Cheuk Fai 何焯輝先生	19.6.1999	0.335	Before 30.11.2006前	0.41	—	3,000,000	—	—	—	3,000,000
Mr. Ho Cheuk Ming 何卓明先生	19.6.1999	0.335	Before 30.11.2006前	0.41	0.64	8,000,000	—	1,000,000	—	7,000,000
Mr. Kwok Wing Kin 郭永堅先生	20.9.2000	0.300	On or before 20.9.2001或之前	0.35	0.51	200,000	—	200,000	—	—
	20.9.2000	0.300	On or before 20.9.2001或之前	0.35	0.62	100,000	—	100,000	—	—
	20.9.2000	0.300	21.9.2001- 20.9.2002	0.35	0.62	200,000	—	200,000	—	—
	20.9.2000	0.300	21.9.2001- 20.9.2002	0.35	0.74	100,000	—	100,000	—	—
	20.9.2000	0.300	21.9.2002- 20.9.2003	0.35	—	300,000	—	—	—	300,000
	20.9.2000	0.300	21.9.2003- 30.11.2006	0.35	—	300,000	—	—	—	300,000




**ARRANGEMENT TO PURCHASE SHARES
AND DEBENTURES (Cont'd)**
購買股份及債券之安排 (續)

Name	Date of Grant	Exercise Price HK\$	Exercise Period	Price at	Price at	Outstanding at 31.3.2001 二零零一年 三月 三十一日 尚未行使	Number of Share Options 購股權數目		
				grant date of options HK\$ 於購股權 授出日之 價格 港幣	exercise date of options HK\$ 於購股權 行使日之 價格 港幣		Granted during the year 於本年度 獲授與	Exercised during the year 於本年度 行使	Outstanding at 31.3.2002 二零零二年 三月 三十一日 尚未行使
Mr. Tam Wing Hung 談永雄先生	20.9.2000	0.300	On or before 20.9.2001或之前	0.35	—	300,000	—	—	300,000
	20.9.2000	0.300	21.9.2001- 20.9.2002	0.35	—	300,000	—	—	300,000
	20.9.2000	0.300	21.9.2002- 20.9.2003	0.35	—	380,000	—	—	380,000
	20.9.2000	0.300	21.9.2003- 30.11.2006	0.35	—	520,000	—	—	520,000
Ms. Ho Po Chu, Scandy	19.6.1999	0.335	Before 30.11.2006之前	0.41	—	2,500,000	—	—	2,500,000
(ii) Employees 員工	20.9.2000	0.300	On or before 20.9.2001或之前	0.35	0.589 (AVG) (平均)	1,250,000	—	850,000	400,000
	20.9.2000	0.300	21.9.2001- 20.9.2002	0.35	0.652 (AVG) (平均)	1,550,000	—	750,000	800,000
	20.9.2000	0.300	21.9.2002- 20.9.2003	0.35	—	1,180,000	—	—	1,180,000
	20.9.2000	0.300	21.9.2003- 30.11.2006	0.35	—	520,000	—	—	520,000

The maximum number of unexercised share options currently permitted to be granted under the Option Scheme was an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Option Scheme was limited to 25% of the aggregate number of shares for the time being issued and are issuable under the Option Scheme.

根據該計劃，現時可授出之未行使購股權最高數目，於彼等獲行使時，可相等於本公司於任何時間已發行股份之10%。最多向每名合資格參與該計劃之人士授出可發行股份之購股權數目，限於根據該計劃下本公司當時已發行及可發行股份總數之25%。



ARRANGEMENT TO PURCHASE SHARES AND DEBENTURES (Cont'd)

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$10 in total by the grantee. The exercise period of the share options granted was to be determined by the directors, provided that such period should not exceed the period of 10 years from 1st December.

The exercise price of the share options was to be determined by the Directors at their discretion and would be the higher of a price being not less than 80% of the average of the closing price of the shares on The Stock Exchange of Hong Kong Limited for the five trading days immediately preceding the offer date, and the nominal value of the shares of the Company.

In order to comply with the new requirements of Chapter 17 of the Listing Rules effective on 1st September, 2001, an ordinary resolution was passed by the shareholders of the Company at a Special General Meeting held on 21st May, 2002, to terminate the Option Scheme and to adopt a new share option scheme in compliance with Chapter 17.

Except for the above, at no time during the period was the Company or its subsidiaries a party to any arrangements to enable the Directors and chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any body corporate.

The Directors consider that it is not appropriate to state the value of all options that can be granted pursuant to the Option Scheme as if they had been granted as a number of variables which are crucial for the calculation of the option value have not been determined. Such variables include any performance targets set and other relevant variables. The Directors believe that any calculation of the value of the options based on a great number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

購買股份及債券之安排 (續)

提出授予購股權之建議可自建議之日期起二十八天內，在購股權承授人支付面值總代價港幣10元後被接納。所授出之購股權之行使期由董事釐定，並在若干歸屬期後開始，但不能長於該計劃到期日止。

該計劃之行使價由董事酌情釐定，將不少於股份於香港聯合交易所有限公司於建議日前五個交易日所報之平均收市價之80%價格及本公司股份面值（以較高者為準）。

為遵照上市規則第十七章於二零零一年九月一日起生效的新規定，本公司已於二零零二年五月二十一日召開股東特別大會並由股東通過普通決議案終止該計劃及採納符合第十七章規定的新購股權計劃。

除上述者外，期內本公司及其附屬公司概無參與任何安排，致使本公司董事及行政總裁可藉收購本公司或任何其他法人團體之股份或債券而獲益。

董事會認為，由於對計算購股權價值而言至為重要之若干變數尚未確定，故列出根據購股權計劃可予授出之所有購股權價值乃屬不適宜。該等變數包括工作表現目標及其他相關變數。董事會相信，根據多項預測性假設計算之任何購股權價值均屬了無意義及會誤導股東。

**DIRECTORS' INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS****董事於合約之利益及關連交易**

The following connected transactions of the Group have subsisted during the year:

本集團於年內亦曾涉及下列關連交易：

- (a) A lease agreement dated 15th November, 2001 was entered into between Castfast Industrial (Yan Tien) Limited (“Castfast (Yan Tien)”), a wholly-owned subsidiary of the Company, as landlord and Kar-Info Company Limited (“Kar-Info”) as tenant for the lease of a portion of 3rd Floor of Phase 4 of a factory in Yantian, Dongguan, the People’s Republic of China at monthly rental of HK\$16,830 for a term of two years commencing on 15th November, 2001.
- (a) 雁田嘉輝塑膠五金廠有限公司（「雁田嘉輝」）（本公司之全資附屬公司）（出租人）與嘉訊通有限公司（「嘉訊通」）（承租人）於二零零一年十一月十五日訂立之租賃協議，有關出租位於中國東莞雁田之廠房第四期三樓廠房部份樓面，每月租金16,830元，租期自二零零一年十一月十五日起計為期兩年。
- (b) On 15th November, 2001, Kings Lion Development Limited (“Kings Lion”) as landlord entered into a lease with Karrie Industrial Company Limited (“Karrie Industrial”), a wholly-owned subsidiary of the Company, as tenant for the lease of a portion (being 25,322 square feet in gross floor area) of 9th Floor, Southeast Industrial Building, 611-619 Castle Peak Road, Tsuen Wan, New Territories together with two car parking spaces in the same building at a monthly rental of HK\$105,473 (that is, at approximately HK\$4.17 per square foot) for a term of two years commencing on 18th November, 2001.
- (b) 勁獅發展有限公司（「勁獅」）（出租人）與嘉利產品有限公司（「嘉利產品」）（本公司之全資附屬公司）（承租人）於二零零一年十一月十五日就位於新界荃灣青山公路611-619號東南工業大廈九樓部份樓面（建築面積為25,322平方呎）連同兩個位於該大廈地下之車位訂立租賃協議，月租港幣105,473元（即每平方呎約港幣4.17元），為期兩年，租期由二零零一年十一月十八日起計。
- (c) A lease agreement dated 15th November, 2001 was entered into between Castfast (Yan Tien) as landlord and Dongguan Yanxun Electronics Company Limited (“Dongguan Yanxun”), an 85% owned subsidiary of the Company, as tenant for the lease of a portion of a factory in Yantian, Dongguan, the People’s Republic of China at a monthly rental of HK\$238,470 for a term of two years commencing on 15th November, 2001.
- (c) 雁田嘉輝（出租人）與東莞雁訊電子有限公司（「東莞雁訊」）（本公司持有其85%權益之附屬公司）（承租人）於二零零一年十一月十五日訂立租賃協議，租賃位於中國東莞雁田的廠房部份樓面，月租港幣238,470元，租期由二零零一年十一月十五日起計為期兩年。

**DIRECTORS' INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS** (Cont'd)

Kar-Info and Kings Lion are connected persons of the Company under Chapter 14 of the Listing Rules for the reason that Mr. Ho Cheuk Fai, a Director of the Company, together with his wife, control 100% of the voting power in general meetings and also control the board of each of Kar-Info and Kings Lion.

The Independent Non-executive Directors have reviewed the above transactions and confirmed that those transactions have been entered into by the Group in the ordinary and usual course of its business and on normal commercial terms which are fair and reasonable so far as the shareholders of the Company are concerned.

- (d) On 22nd August, 2001, a loan agreement was entered into between the Company as Guarantor, Dongguan Yanxun as Borrower, and The Bank of East Asia, Limited, Shenzhen Branch as Lender whereby the Guarantor was required to guarantee to the Lender to secure the credit facilities of up to the extent of RMB20,000,000 granted by the Lender to the Borrower.
- (e) On 12th November, 2001, a financial arrangement was entered into under which Karwin Engineering Company Limited, a wholly-owned subsidiary of the Company, obtained a standby letter of credit from China Construction Bank, Hong Kong Branch to secure the banking facilities granted by China Construction Bank, Dongguan Branch to Dongguan Yanxun to the extent of RMB10,000,000.

董事於合約之利益及關連交易 (續)

根據上市規則第十四章，嘉訊通及勁獅均為本公司之關連人士，原因是本公司董事何焯輝先生連同其妻子控制嘉訊通及勁獅股東大會100%投票權及其董事會。

獨立非執行董事已審閱上述交易，並確認此等交易乃在本集團之日常業務中進行，並按正常之商業條款訂立，對本公司之股東屬公平合理。

- (d) 東莞雁訊（「借款人」）與東亞銀行深圳分行（「貸款人」）於二零零一年八月二十二日訂立借款合同；據此，本公司（「擔保人」）需向貸款人作出保證，作為貸款人向借款人授出最高達人民幣20,000,000元銀行融資之擔保。
- (e) 嘉運機械工程有限公司（「嘉運」）（本公司之全資附屬公司）與中國建設銀行香港分行（「中建香港分行」）於二零零一年十一月十二日達成財務安排；據此，嘉運以其從中建香港分行取得之備兌信用證作出保證，作為中國建設銀行東莞分行向東莞雁訊授出最高達人民幣10,000,000元銀行融資之擔保。

**DIRECTORS' INTERESTS IN CONTRACTS
AND CONNECTED TRANSACTIONS** *(Cont'd)*

(f) On 6th November, 2001, a letter of guarantee was signed by Karrie Industrial as Guarantor, Dongguan Yanxun as Borrower, and Standard Chartered Bank, Shenzhen Branch as Lender whereby the Guarantor was required to guarantee to the Lender to secure the banking facilities of up to the extent of RMB15,000,000 granted by the Lender to the Borrower.

Save as disclosed above, no other contracts of significance in relation to the Company's business to which the Company or 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.

董事於合約之利益及關連交易
(續)

(f) 嘉利產品(「擔保人」)、東莞雁訊(「借款人」)與標準渣打銀行深圳分行(「貸款人」)於二零零一年十一月六日訂立擔保函件;據此,擔保人需向貸款人作出擔保,作為貸款人向借款人授出最高達人民幣15,000,000元銀行融資之擔保。

除上文披露外,本公司或其附屬公司於本年度內任何時間概無簽訂涉及本公司之業務而本公司董事直接或間接擁有重大利益之重要合約。



Report of The Directors

60 SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2002, according to the register of interests kept by the Company under Section 16(1) of the SDI Ordinance, the persons (other than a Director or chief executive of the Company) who are, directly or indirectly, interested and/or deemed to be interested in 10 per cent. or more of the nominal value of the issued share capital of the Company are as follows:

主要股東

於二零零二年三月三十一日，根據本公司按披露權益條例第16(1)條存置之權益登記冊，直接或間接擁有及／或被視作擁有本公司已發行股本之面值10%或以上之權益之人士（不包括董事及本公司之行政總裁）如下：

Number of ordinary shares of HK\$0.10 each 每股面值港幣一角之普通股數目

Name of Shareholder	Personal	Corporate/ Other	Shareholding percentage 持股量 百分比
	interests 個人權益	interests 法團權益／ 其他權益	
Pearl Court*	—	232,200,000 (Note 1) (附註一)	61.60%
HITL	—	232,176,780 (Note 2) (附註二)	61.60%
HSBC Holdings plc (“HHUK”)	—	232,176,780 (Note 2) (附註二)	61.60%
HSBC Finance (Netherlands) (“HFN”)	—	232,176,780 (Note 2) (附註二)	61.60%
HSBC Holdings B.V. (“HHBV”)	—	232,176,780 (Note 2) (附註二)	61.60%
HSBC Investment Bank Holdings B.V. (“HIB”)	—	232,176,780 (Note 2) (附註二)	61.60%



Report of The Directors

SUBSTANTIAL SHAREHOLDERS (Cont'd)

Notes:

1. Pearl Court is a trustee of the HCF Trust.
2. HITL is the trustee of the HWL Trust. HITL is wholly-owned subsidiary of HHUK through HFN, HHBV and HIB, which are also wholly-owned subsidiaries of HHUK. HHUK, HFN, HHBV and HIB are deemed to be interested in these shares by virtue of the interest of HITL. The interests of HITL, HHUK, HFN, HHBV and HIB duplicate each other.

* The corporate/other interests in Shares by each substantial shareholder duplicates the family interests and corporate/other interests of Mr. Ho Cheuk Fai, Mr. Ho Cheuk Ming and Ms. Ho Po Chu, Scandy as stated in the section headed "Directors' and chief executives' interests in the Shares".

Save as disclosed above, there are no other interests as recorded on the register kept by the Company under Section 16(1) of the SDI Ordinance as at 31st March, 2002.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Thursday, 15th August, 2002 to Monday, 19th August, 2002 (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, Room 1712-6, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Wednesday, 14th August, 2002.

主要股東 (續)

附註:

- 一、 Pearl Court為HCF Trust之受託人。
- 二、 HITL為HWL Trust之受託人。HITL為HHUK透過HFN、HHBV及HIB(彼等亦為HHUK之全資附屬公司)而擁有之全資附屬公司。因此HHUK、HFN、HHBV及HIB透過HITL被視為擁有HITL所持有之權益。HITL、HHUK、HFN、HHBV及HIB之權益乃互相重複。

* 各主要股東於股份中之法團權益/其他權益與何焯輝先生、何卓明先生及何寶珠女士之家屬權益及法團權益/其他權益重複,如「董事及行政總裁股份之權益」一節所述。

除上文披露外,於二零零二年三月三十一日,本公司根據披露權益條例第16(1)條而存置之權益登記冊並無記錄其他權益。

暫停辦理過戶登記

本公司將由二零零二年八月十五日星期四至二零零二年八月十九日星期一(包括首尾兩天)暫停辦理股份過戶登記手續。如欲享有末期股息,所有填妥之股份轉讓文件連同有關之股票,須於二零零二年八月十四日星期三下午四時前送達本公司於香港之股份過戶登記分處香港中央證券登記有限公司,地址為香港灣仔皇后大道東183號合和中心17樓1712至6室。





AUDIT COMMITTEE

According to the requirements of the Listing Rules, in January 1999 the Group has established an Audit Committee which is now comprising three independent non-executive directors of the Company. They are responsible for dealing with matters relating to audit which include reviewing and supervising the financial reporting process and internal control to protect the interests of the shareholders.

COMPLIANCE WITH CODE OF BEST PRACTICE

In the opinion of the Directors, the Company had complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules throughout the year from 1st April, 2001 to 31st March, 2002.

AUDITORS

Messrs. Arthur Andersen & Co audited the financial statements of the Group for the years ended 31st March, 1999, 2000 and 2001. During the period, Messrs. Arthur Andersen & Co resigned as the auditors of the Company and the Company's shareholders appointed Messrs. PricewaterhouseCoopers to fill the casual vacancy in a special general meeting. The financial statements for the year ended 31st March, 2002 have been audited by Messrs. PricewaterhouseCoopers who retire and, being eligible, offer themselves for reappointment.

On behalf of the Board of Directors,
HO CHEUK FAI
Chairman

Hong Kong, 15th July, 2002

審核委員會

遵照上市規則，本公司於一九九九年一月底成立審核委員會，該委員會現由三位獨立非執行董事組成。審核委員會負責處理審核範圍內之事宜，包括財務報表的審閱及內部監控，以保障本公司股東之利益。

遵守最佳應用守則

董事會認為本公司於年內一直遵守上市規則附錄14內所載「最佳應用守則」之規定。

核數師

截至一九九九年三月三十一日止至二零零一年三月三十一日止的賬目已經由安達信公司審核。因安達信公司呈辭，本期內的特別股東大會，股東們決議委聘羅兵咸永道會計師事務所為本公司之核數師。截至二零零二年三月三十一日止年度之賬目已經由羅兵咸永道會計師事務所審核，該核數師已任滿，惟有資格並願意膺選連任。

承董事會命
何焯輝
主席

香港，二零零二年七月十五日

