

# report of the directors

## 董事會報告書

董事會謹此提呈彼等之報告以及本公司與本集團截至二零零二年三月三十一日止年度之經審核財務報告。

### 主要業務

本公司之主要業務為投資控股。各附屬公司之主要業務詳情載於財務報告附註16。年內本集團之主要業務概無變動。

### 分類資料

本集團截至二零零二年三月三十一日止年度按主要業務及地區劃分之營業額及業績貢獻之分析載列於財務報表附註5。

### 業績及股息

本集團截至二零零二年三月三十一日止年度之溢利及本公司與本集團於該日之業務狀況載於第36至第104頁之財務報告內。

董事不建議派發本年度任何股息。

The directors present their report and the audited financial statements of the Company and the Group for the year ended 31 March 2002.

### Principal activities

The principal activity of the Company is investment holding. Details of the principal activities of the subsidiaries are set out in note 16 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

### Segment information

An analysis of the Group's turnover and contribution to results by principal activity and geographical area of operations for the year ended 31 March 2002 is set out in note 5 to the financial statements.

### Results and dividends

The Group's profit for the year ended 31 March 2002 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 36 to 104.

The directors do not recommend the payment of any dividends in respect of the year.

## 財務資料概要

下表為自經審核財務報表摘錄，並已於適當時作出重新分類之本集團過去五個財政年度已公佈業績及資產、負債及少數股東權益概要。五年概要中之每年數額已按影響股息之會計政策之追溯改變之影響而作調整，詳情載於財務報表附註2(如適用)。

## Summary financial information

A summary of the published results and assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the audited financial statements and reclassified as appropriate, is set out below. The amounts for each year in the five year summary have been adjusted for the effects of the retrospective changes in accounting policy affecting dividends, as detailed in note 2 to the financial statements, where applicable.

業績	Results	截至三月三十一日止年度				
		Year ended 31 March				
		2002 千港元 HK\$'000	2001 千港元 HK\$'000	2000 千港元 HK\$'000	1999 千港元 HK\$'000	1998 千港元 HK\$'000
營業額	Turnover	459,059	334,440	265,525	214,091	175,171
稅前溢利	Profit before tax	43,614	50,313	39,524	21,427	19,674
稅項	Tax	(6,015)	(8,192)	(6,330)	(3,039)	(2,748)
股東應佔日常 業務純利	Net profit from ordinary activities attributable to shareholders	37,599	42,121	33,194	18,388	16,926
資產及負債	Assets and liabilities	三月三十一日				
		31 March				
		2002 千港元 HK\$'000	2001 千港元 HK\$'000 (重列) (Restated)	2000 千港元 HK\$'000	1999 千港元 HK\$'000	1998 千港元 HK\$'000
資產總值	Total assets	410,523	286,108	152,684	150,517	118,375
負債總額	Total liabilities	166,932	149,032	112,422	122,709	97,318
少數股東權益	Minority interests	–	–	2,782	2,782	2,782
		243,591	137,076	37,480	25,026	18,275

附註：

- (1) 於二零零零年九月，本集團向一名獨立第三者出售之前由本公司附屬公司天方投資有限公司一個部門於上表呈列年度期間經營之酒樓業務。該獨立第三者與各董事、主要行政人員或彼等各自之聯繫人士概無關連（「出售事項」）。

本集團之合併業績概要包括本公司及其附屬公司之業績，假設集團重組已於一九九七年四月一日（即呈列之五個年度開始時）完成，並假設出售事項亦已於一九九七年四月一日（即呈列之五個年度開始時）完成。因此，所呈報之本集團合併業績概要不包括酒樓業務應佔經營業績，假設酒樓業務已於呈報年度開始時出售，並已撥回酒樓業務經營所在酒樓物業涉及之按揭貸款利息開支。

就第36至第104頁之財務報告而言，酒樓業務應佔經營業績已列入本集團截至二零零零年九月一日（出售事項之生效日期）之合併業績內，而有關酒樓物業之按揭貸款利息開支亦列入截至二零零一年三月三十一日止年度之綜合損益賬內。

- (2) 上述之本集團之合併資產及負債及少數股東權益概要以假設集團重組於一九九七年四月一日完成之基準呈報。

## 固定資產及投資物業

本公司與本集團固定資產及投資物業之變動詳情分別載於財務報告附註14及15。

## 股本、購股權及認股權證

本公司於年內之股本變動詳情連同有關理由以及本公司購股權計劃及認股權證之詳情，載於財務報告附註29。

Notes:

- (1) In September 2000, the Group disposed of its restaurant business, which was previously operated by a division of Sky Fox Investment Limited, a subsidiary of the Company, during the years presented above, to an independent third party not connected with any of the directors, chief executives or their respective associates (the "Disposal").

The above summary of the combined results of the Group includes the results of the Company and its subsidiaries as if the Group Reorganisation was completed at 1 April 1997, being the beginning of the five years presented, and on the basis as if the Disposal had also been completed at 1 April 1997, being the beginning of the five years presented. Accordingly, the summary of the combined results of the Group has been presented by excluding the operating results attributable to the restaurant business as if the restaurant business was disposed of at the beginning of the years presented, and by reversing the mortgage loan interest expenses in relation to the restaurant property in which the restaurant business was carried on.

For the purpose of the financial statements on pages 36 to 104, the operating results attributable to the restaurant business have been included in the consolidated results of the Group up to 1 September 2000, the effective date of the Disposal, and the mortgage loan interest expenses in relation to the restaurant property have also been included in the consolidated profit and loss account for the year ended 31 March 2001.

- (2) The above summary of the combined assets, liabilities and minority interests of the Group has been presented on the basis as if the Group Reorganisation was completed as at 1 April 1997.

## Fixed assets and investment properties

Details of movements in the fixed assets and investment properties of the Company and the Group during the year are set out in notes 14 and 15, respectively, to the financial statements.

## Share capital, share options and warrants

Details of movements in the Company's share capital and warrants during the year, together with the reasons therefor, and details of the Company's share option scheme and warrants, are set out in note 29 to the financial statements.

## 優先購股權

本公司之公司細則或百慕達法例並無優先購股權條文，規定本公司須以按比例基準向現有股東發售新股。

## 購入、贖回或出售上市證券

本公司或其任何附屬公司概無於年內購入、贖回或出售任何本公司之上市證券。

## 儲備

年內本公司及本集團儲備之變動詳情載於財務報告附註30。

## 可供分派儲備

於二零零二年三月三十一日，本公司可供作現金分派及／或實物分派之儲備（包括繳入盈餘賬及保留溢利）為37,368,000港元。此外，本公司股份溢價賬為數68,739,000港元可以已繳足紅股方式分派。

## 主要客戶及供應商

涉及本集團五大客戶之銷售額佔本集團本年度總營業額約38%。尤其涉及本集團最大客戶之銷售額佔本集團本年度總營業額約9%。

涉及本集團五大供應商之採購額佔本集團本年度採購總額約38%。當中，本集團最大供應商佔本集團本年度採購總額約12%。

據董事知悉，各董事、彼等之聯繫人士或據董事所知擁有本公司已發行股本5%以上權益之股東，概無擁有本集團五大客戶或五大供應商之任何實際權益。

## 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.

## Purchase, redemption or sale of listed securities of the Company

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

## Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 30 to the financial statements.

## Distributable reserves

At 31 March 2002, the Company's reserves available for cash distribution and/or distribution in specie, comprising the contributed surplus and retained profits, amounted to HK\$37,368,000. In addition, the Company's share premium account in the amount of HK\$68,739,000 may be distributed in the form of fully paid bonus shares.

## Major customers and suppliers

Sales to the five largest customers of the Group accounted for approximately 38% of the Group's total turnover for the year. In particular, sales to the largest customer of the Group accounted for approximately 9% of the Group's total turnover for the year.

Purchases from the five largest suppliers of the Group accounted for approximately 38% of the Group's total purchases for the year. In particular, purchases from the Group's largest supplier accounted for approximately 12% of the Group's total purchases for the year.

As far as the directors are aware, neither the directors of the Company nor any of their associates nor any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or five largest suppliers.

## 董事

年內在任之本公司董事為：

### 執行董事：

梁鄂先生  
梁城先生  
李宗興先生  
李家耀先生

### 獨立非執行董事：

王品清先生  
黃光漢先生

根據本公司之公司細則第86及87條，李家耀先生即將舉行之本公司股東週年大會上輪值告退，惟合資格並願意膺選連任。

根據本公司公司細則之條文，本公司董事(包括獨立非執行董事惟不包括主席梁鄂先生及董事總經理梁城先生)須於本公司股東週年大會上輪值告退及膺選連任。獨立非執行董事並無指定任期，惟須根據本公司之公司細則輪值告退。

## Directors

The directors of the Company during the year were:

### Executive directors:

Mr. Leung Ngok  
Mr. Leung Shing  
Mr. Li Chung Hing  
Mr. Lee Ka Yiu, Andy

### Independent non-executive directors:

Mr. Wang Pinqing  
Mr. Wong Kong Hon

In accordance with clauses 86 and 87 of the Company's bye-laws, Mr. Lee Ka Yiu, Andy will retire by rotation and, being eligible, will offer himself for re-election at the Company's forthcoming annual general meeting.

The directors of the Company, including the independent non-executive directors but excluding the chairman, Mr. Leung Ngok, and the managing director, Mr. Leung Shing, are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Company's bye-laws. The independent non-executive directors are not appointed for specific terms but are subject to retirement by rotation in accordance with the Company's bye-laws.

## 董事及高層管理人員之履歷

### 執行董事

梁鄂先生，43歲，本公司主席。彼於一九八三年創立本集團，負責本集團整體策劃及制定公司政策。在創立本集團之前，梁鄂先生在服裝零售公司任職生產經理。梁先生在服裝生產及分銷業務方面擁有逾22年經驗。梁先生乃執行董事梁城先生之胞兄。

梁城先生，40歲，本公司副主席兼董事總經理暨共同創辦人。梁先生負責本集團之整體策劃、銷售、零售及分銷業務以及本集團之業務發展及行政。在創立本集團之前，梁城先生為一間服裝零售公司之店舖經理。梁先生於零售服務業擁有逾22年經驗。梁先生乃執行董事梁鄂先生之胞弟。

李宗興先生，43歲，執行董事，負責本集團產品設計及發展與採購管理。彼持有香港理工大學(前稱香港理工學院)時裝及服裝製造文憑，於時裝設計及採購管理方面擁有逾19年經驗。李先生加盟本集團之前，曾在一間上市紡織品公司擔任首席設計師。李先生於一九九一年加入本集團。

李家耀先生，38歲，執行董事，負責本集團零售及分銷業務以及市場開發工作。李先生於一九九五年加入本集團，在零售服務業擁有逾12年經驗。李先生在加入本集團之前，為香港一間紡織品公司之銷售經理。

## Directors' and senior management's biographies

### Executive directors

*Mr. Leung Ngok*, aged 43, is the chairman of the Company. He founded the Group in 1983 and is responsible for the overall strategic planning and formulation of corporate policies of the Group. Prior to the founding of the Group, Mr. Leung Ngok was the production manager of a clothes retailing company. Mr. Leung has over 22 years of experience in the apparel manufacturing and distribution business. Mr. Leung is the elder brother of Mr. Leung Shing, an executive director.

*Mr. Leung Shing*, aged 40, is the deputy chairman and managing director of the Company and co-founder of the Group. Mr. Leung is responsible for the overall strategic planning, sales, retail and distribution operations as well as the business development and administration of the Group. Prior to the founding of the Group, Mr. Leung Shing was the shop manager of a clothes retailing company. Mr. Leung has over 22 years of experience in the retail services industry. Mr. Leung is the younger brother of Mr. Leung Ngok, an executive director.

*Mr. Li Chung Hing*, aged 43, is an executive director and is responsible for the Group's product design and the development and merchandising management of the Group. He holds a diploma in Fashion and Clothing Manufacture from the Hong Kong Polytechnic University (formerly known as Hong Kong Polytechnic) and has over 19 years of experience in design and merchandising management. Before joining the Group, Mr. Li previously held the position of chief designer in a listed textile company. Mr. Li joined the Group in 1991.

*Mr. Lee Ka Yiu*, Andy, aged 38, is an executive director and is responsible for the retail and distribution operations and market development of the Group. Mr. Lee joined the Group in 1995 and has over 12 years of experience in the retail services industry. Mr. Lee was a sales manager of a textile company in Hong Kong prior to joining the Group.

## 董事及高層管理人員之履歷 (續)

### 獨立非執行董事

王品清先生，72歲，本公司獨立非執行董事。王先生於一九八二年至一九八九年期間任中國對外經濟關係及貿易部副部長。

黃光漢先生，60歲，本公司獨立非執行董事。黃先生現任中國全國人民代表大會代表、中華總商會副主席，並為太平紳士。

### 高層管理人員

伍志賢先生，36歲，本公司財務總監兼公司秘書，負責本集團之會計及財務監控職能，亦負責規劃及監管本集團管理信息系統之推行工作。伍先生於一九九九年加入本集團，持有香港中文大學工商管理學士學位，主修會計。加入本集團之前，伍先生曾任職一家國際會計師行，擁有逾11年核數、會計及財務經驗。彼現為英國特許會計師公會及香港會計師公會會員。

羅冠廷先生，27歲，本集團在中國之市場開發經理，負責本集團在中國之市場開發工作。羅先生持有香港大學中文學士學位，於一九九八年加入本集團。羅先生在加入本集團之前為一間上市時裝公司之營業主任。

## Directors' and senior management's biographies (cont'd)

### Independent non-executive directors

*Mr. Wang Pinqing, aged 72, is an independent non-executive director of the Company. Mr. Wang was the vice minister of The Ministry of Foreign Economic Relations and Trade of the PRC from 1982 to 1989.*

*Mr. Wong Kong Hon, aged 60, is an independent non-executive director of the Company. Mr. Wong is a deputy of the National People's Congress of China, the vice-chairman of the Chinese General Chamber of Commerce and a Justice of the Peace.*

### Senior management

*Mr. Ng Chi Yin, aged 36, is the financial controller and the company secretary of the Company. Mr. Ng is responsible for the accounting and financial control functions of the Group. He is also responsible for planning and supervising the implementation of the management information system of the Group. He joined the Group in 1999. Mr. Ng holds a bachelor's degree in Business Administration majoring in Accounting from the Chinese University of Hong Kong. Before joining the Group, Mr. Ng worked in an international accounting firm and has over 11 years of experience in auditing, accounting and financial work. He is a member of the Association of Chartered Certified Accountants in the United Kingdom and the Hong Kong Society of Accountants.*

*Mr. Law Kwun Ting, aged 27, is the market development manager of the Group in the PRC and is responsible for the market development of the Group in the PRC. Mr. Law holds a bachelor's degree in Chinese from the University of Hong Kong and joined the Group in 1998. Mr. Law was a sales supervisor of a listed fashion group prior to joining the Group.*

## 董事及高層管理人員之履歷 (續)

### 高層管理人員

張慧茹女士，30歲，本集團人力資源部經理，負責本集團人事管理及員工培訓工作。張女士持有台灣淡江大學產業經濟學士學位，於一九九六年加入本集團，之前曾在一個企業集團之零售營業部門任職。

陸偉聲先生，48歲，本集團生產及設計主管，負責本集團生產及採購之運作監控。陸先生於二零零零年加入本集團，其擁有生產及採購方面逾32年經驗。

張美卿女士，33歲，本集團在香港之營運主管，負責管轄本集團香港之整體零售運作。張女士於二零零一年加入本集團，曾於大型服裝連鎖店集團出任副零售總監一職，彼擁有16年零售業經驗。

呂庸輝先生，32歲，本集團企業發展部經理，負責開發本集團新業務之拓展。呂先生於二零零一年加入本集團，其持有加拿大多倫多大學學士學位。曾於銀行界及商業機構負責投資分析及項目發展工作。

### 董事之服務合約

各執行董事已與本公司訂立由二零零一年十一月一日起計為期三年之服務合約。除非由任何一方向另一方給予不少於六個月書面通知予以終止，否則有關服務合約將於期滿時自動續期一年。

除上文披露者外，獲建議於即將舉行之股東週年大會上備選連任之董事概無與本公司訂立本公司可於一年內終止而毋須作出任何賠償(法定賠償除外)之服務合約。

## Directors' and senior management's biographies (cont'd)

### Senior management (cont'd)

*Ms. Cheung Wai Yu*, aged 30, is the manager of the human resources department of the Group and is responsible for the Group's personnel management and staff training. Ms. Cheung holds a bachelor's degree in Industry Economics from Tamkang University, Taiwan, and joined the Group in 1996. Ms. Cheung worked for the retail operations department of a conglomerate prior to joining the Group.

*Mr. Luk Wai Sing*, aged 48, is the Group's director of production and design. Mr. Luk is responsible for the supervision of the Group's production and procurement operations. Mr. Luk joined the Group in 2000, and has over 32 years of experience in production and procurement.

*Ms. Cheung Mei Hing*, aged 33, is the Group's director of operations in Hong Kong. Ms. Cheung is responsible for the overall retailing operations. Ms. Cheung joined the Group in 2001, and had previously held the position of deputy director of retailing in a large-scale fashion chain store group. She has 16 deputy years of experience in retailing.

*Mr. Lui Yung Fai Samuel*, aged 32, is the manager of the Group's corporate management department, and is responsible for the expansion of the Group's new operations. Mr. Lui joined the Group in 2001, and holds a bachelor degree from University of Toronto. Mr. Lui had previously worked in the banking field and various commercial organizations, responsible for investment analysis and project development.

### Directors' service contracts

Each of the executive directors has entered into a service contract with the Company for a term of three years commencing from 1 November 2001, which shall automatically continue for successive terms of one year upon expiry, unless terminated by either party giving not less than six months' notice in writing to the other party.

Save as disclosed above, no director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.



## 董事於合約之權益

除涉及及為籌備本公司首次公開發售所進行集團重組及財務報告附註4披露之交易外，董事概無於年內在本公司或其附屬公司所訂立而對本集團業務關係重大之合約中直接或間接擁有重大之實際權益。

## 董事於股份及認股權證之權益

於二零零二年三月三十一日，各董事在本公司及其相聯法團(定義見證券(披露權益)條例(「披露權益條例」))之股本及認股權證中擁有須登記在本公司根據披露權益條例第29條之規定而存置之登記冊之權益如下：

董事姓名 Name of director	權益類別 Type of interest	持有權益之股份數目 Number of shares owned	持有之購股權數目 Number of warrants held
梁鄂先生(附註) Mr. Leung Ngok (Note)	公司／家族 Corporate/family	513,562,500	102,712,500
梁城先生(附註) Mr. Leung Shing (Note)	公司／家族 Corporate/family	513,562,500	102,712,500

附註：此等股份及認股權證由ACE Target Inc.作為The Target Unit Trust之受託人身份擁有。The Target Unit Trust之51%已發行單位由一個受益人包括梁鄂先生家族成員之全權信託The Leung Ngok Family Trust之受託人Ansbacher (BVI) Limited擁有，而其餘49%之已發行單位由一個受益人包括梁城先生家族成員之全權信託The Leung Shing Family Trust之受託人Ansbacher (BVI) Limited擁有。ACE Target Inc.之已發行股本分別由梁鄂先生及梁城先生按51%及49%之比例持有。

除以上者外，若干董事僅為符合最低公司股權要求而為本公司利益持有若干附屬公司之非實際個人股本權益。

除上文披露者外，各董事、主要行政人員或彼等之聯繫人士概無在本公司或其任何相聯法團(定義見披露權益條例)之股本中擁有任何個人、家族、公司或其他權益。

## Directors' interests in contracts

Other than those transactions disclosed in note 4 to the financial statements, no director had a significant beneficial interest, either direct or indirect, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

## Directors' interests in shares and warrants

At 31 March 2002, the interests of the directors in the share capital and warrants of the Company or its associated corporations (as defined in 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:

Note: These shares and warrants are owned by ACE Target Inc. as trustee of The Target Unit Trust, a unit trust of which 51% of the units in issue are owned by Ansbacher (BVI) Limited, as trustee of The Leung Ngok Family Trust, a discretionary trust of which the objects include Mr. Leung Ngok's family members, and of which 49% of the units in issue are owned by Ansbacher (BVI) Limited, as trustee of The Leung Shing Family Trust, a discretionary trust of which the objects include Mr. Leung Shing's family members. The issued share capital of ACE Target Inc. is held by Mr. Leung Ngok and Mr. Leung Shing in the proportions of 51% and 49% respectively.

In addition to the above, certain directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

Save as disclosed above, none of the directors or their associates had any personal, family, corporate or other interests in the equity of the Company or any of its associated corporations as defined in the SDI Ordinance.

## 董事於股份及債券之權益

除上文「董事於股份及認股權益之權益」及下文「購股權計劃」所披露者外，於本年度任何時間，並無向本公司董事或彼等之配偶及十八歲以下子女授出任何透過購入本公司股份或債券而取得利益之權利，而本公司或其任何附屬公司亦無作出安排，使董事可購入任何其他法人團體之該等權利。

## 購股權計劃

於二零零零年十月十七日已採納一項購股權計劃（「前計劃」），目的為向對本集團業務成功作出貢獻之合資格參與者（包括本公司或其附屬公司之執行董事及任何全職僱員）提供激勵及獎賞。而除非另外修訂或修改，前計劃將自採納日期起十年內有效。

於二零零一年八月二十三日，香港聯合交易所有限公司（「聯交所」）宣佈修訂聯交所證券上市規則（「上市規則」）第17章有關購股權計劃之條文，而有關修訂已自二零零一年九月一日起生效。為符合上市規則之修訂及聯交所之公佈，董事認為終止前計劃及採納一項新購股權計劃（「新計劃」）乃符合本公司之利益。一項普通決議案已於二零零二年七月九日之本公司股東大會上提呈，以批准上文所述採納新計劃及終止前計劃。

## Directors' rights to acquire shares or debentures

Apart from as disclosed under the headings "Directors' interests in shares and warrants" above and "Share option scheme" below, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

## Share option scheme

On 17 October 2000, the Company adopted a share option scheme (the "Previous Scheme") for the purpose of providing incentives and rewards to eligible participants including executive directors and any full-time employee of the Company or its subsidiaries. The Previous Scheme should, unless otherwise terminated or amended, remain in force for 10 years from the adoption date.

On 23 August 2001, The Stock Exchange of Hong Kong Limited (the "Stock Exchange") announced amendments to Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") in respect of share option schemes, which came into effect on 1 September 2001. In compliance with the amendments to the Listing Rules and the announcement of the Stock Exchange, the directors consider that it is in the interest of the Company to terminate the Previous Scheme and to adopt a new share option scheme (the "New Scheme"). An ordinary resolution was passed at the shareholders' meeting of the Company held on 9 July 2002 for the approval of the said adoption of the New Scheme and termination of the Previous Scheme.

## 購股權計劃(續)

採納新計劃之目的旨在鼓勵或獎賞合資格參與者對本集團作出貢獻及/或協助本集團聘請及留任能幹僱員及吸納對本集團與本集團持有之股權之任何實體(「所投資公司」)有重大價值之人力資源。新計劃之合資格參與者包括本公司、其附屬公司或所投資公司之董事及僱員、本集團或任何所投資公司之供應商及客戶、向本集團或任何所投資公司提供研究、開發或其他技術支援之任何人士或公司，以及本集團任何成員公司或任何所投資公司之任何股東或本集團任何成員公司或任何所投資公司所發行證券之持有人。而除非另外修訂或修改，新計劃將自二零零二年七月十七日起十年內有效。

可於新計劃及本公司任何其他購股權計劃所有已授出但未獲行使之購股權予以行使時發行之股份數目，最高不得超過不時已發行股本之30%。可於新計劃及本公司任何其他購股權計劃授出之購股權予以行使時發行之股份總數，合共不得超過本公司於二零零二年七月九日已發行股份之10%。根據新計劃及本公司任何其他購股權計劃之條款已失效之購股權將不計入10%限額內。本公司可於開股東大會上尋求股東批准更新新計劃之10%上限，然而更新限額後可於根據新計劃及本公司任何其他購股權計劃授出之所有購股權予以行使時發行之股份總數，不得超過批准更新限額當日本公司已發行股份之10%。釐定更新限額時，先前根據新計劃及本公司任何其他購股權計劃授出之購股權(包括根據新計劃及本公司任何其他購股權計劃授出之購股權(包括根據新購股權計劃及本公司任何其他購股權計劃之條款而未獲行使、已註銷、已失效或已行使之購股權)將不予計算。每名合資格參與者在任何十二個月內獲授根據新計劃及本公司任何其他購股權計劃授出之購股權(包括已行使及尚未行使之購股權)予以行使時所發行及將發行之股份總數不得超過已發行股份總數之1%。

## Share option scheme (cont'd)

The New Scheme is adopted for the purpose of providing incentives or rewards to eligible participants for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which the Group holds any equity interest (the "Invested Entity"). Eligible participants of the New Scheme include the directors and employees of the Company, its subsidiaries or any Invested Entity, suppliers and customers of the Group or any Invested Entity, any person or entity that provides research, development or other technological support to the Group or any Invested Entity, and any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity. The New Scheme should, unless otherwise terminated or amended, remain in force for ten years from 17 July 2002.

The maximum number of shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the New Scheme and any other share option schemes of the Company must not exceed 30% of the total number of shares in issue from time to time. The total number of shares which may be issued upon exercise of all share options to be granted under the New Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares in issue on 9 July 2002. Share options lapsed in accordance with the terms of the New Scheme or any other share option schemes of the Company will not be counted for the purpose of calculating the 10% limit. The Company may seek approval of the shareholders in general meeting for refreshing the 10% limit under the New Scheme save that the total number of shares which may be issued upon exercise of all share options to be granted under the New Scheme and any other share option schemes of the Company under the limit as refreshed shall not exceed 10% of the total number of shares in issue as at the date of approval of the limit as refreshed. Share options previously granted under the New Scheme or any other share option schemes of the Company (including share options outstanding, cancelled, lapsed or exercised in accordance with the terms of the New Scheme or any other share option schemes of the Company) will not be counted for the purpose of calculating the limit as refreshed. The total number of shares issued and to be issued upon exercise of the share options granted to each eligible participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue.

## 購股權計劃(續)

根據新計劃向本公司董事、行政總裁或主要股東或彼等任何聯繫人士授予購股權，必須符合上市規則第17.04條之規定，並須先取得未獲授予購股權之獨立非執行董事批准。此外，倘向本公司主要股東或獨立非執行董事或彼等任何聯繫人士授予購股權，會令計至有關人士獲授購股權當日止之十二個月內所有已獲授及將獲授之購股權(包括已行使、已註銷及尚未行使之購股權)予以行使後所發行及將發行之股份合共超過本公司已發行股份之0.1%，及按每次授出購股權當天之股份收市價計算之總值逾5,000,000港元，則該等授予購股權之建議須於股東大會上取得股東批准。

承授人須於獲提供授予購股權建議當日起計28日內接納授予之購股權，而接納時須付象徵式代價合共1港元。購股權可按照董事所決定之期間內行使，惟在任何情況下不得遲於董事會提供授予購股權建議當日起計10年(惟可根據新計劃條款而提早終止購股權)。除董事會另有訂明，否則於行使除帶於該等購股權所附帶之認購權前並無必須持有之最短期限。

購股權之行使價可由董事決定，惟不得低於下列三者中之較高者：(i)本公司股份於提供授予購股權建議當日於聯交所之收市價；(ii)本公司股份於提供授予購股權建議日期前五個交易日於聯交所之平均收市價；及(iii)本公司股份面值。

本公司並無根據前計劃及新計劃授出購股權。

## Share option scheme (cont'd)

Each grant of the share options to a director, chief executive or substantial shareholder of the Company, or to any of their associates, under the New Scheme must comply with the requirements of Rule 17.04 of the Listing Rules and must be subject to approval by the independent non-executive directors to whom share options have not been granted. In addition, any grant of share options to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, which would result in the shares issued and to be issued upon exercise of all share options already granted and to be granted (including share options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant in excess of 0.1% of the shares of the Company in issue and with an aggregate value (based on the closing price of the Company's shares at the date of each grant) in excess of HK\$5 million, are subject to prior shareholders' approval in a general meeting.

The offer of a grant of share options shall be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, save that such period shall not be more than ten years from the date of the offer of the share options subject to the provisions for early termination set out in the New Scheme. There is no minimum period for which an option must be held before the exercise of the subscription right attaching thereto except otherwise imposed by the board of directors.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares.

No share options has been granted by the Company under the Previous Scheme or the New Scheme.

## 主要股東

於二零零二年三月三十一日，根據本公司依據披露權益條例第16(1)條須設存之權益登記冊所載，以下人士擁有本公司已發行股本10%或以上之權益：

名稱 Name	股份數目 Number of shares held	持股百分比 Percentage of the Company's share capital
ACE Target Inc. (附註)	513,562,500	54.29%
ACE Target Inc. (Note)		
Ansbacher (BVI) Limited (附註)	513,562,500	54.29%
Ansbacher (BVI) Limited (Note)		

附註：該等權益指與於「董事於股份及認股權益之權益」(該節進一步詳述ACE Target Inc.之資料)披露作為梁鄂先生及梁城先生之「公司／家族權益」相同之權益。

除上文披露者外，其他人士概無在本公司股本中擁有根據權益披露條例第16(1)條規定須予登記之權益。

## 發售新股所得款項用途

本集團於二零零零年十一月按每股作價0.80港元發行68,750,000股本公司之新股籌得約41,500,000港元(已扣除有關開支)。本公司股份自二零零零年十一月十三日起順利在聯交所上市。所得款項已根據於二零零零年十月三十一日所刊發之本公司招股章程內所載之建議用途應用如下：

- 約14,500,000港元用作擴展本集團之香港零售門市及裝修現有門市；
- 約11,000,000港元用作委聘更多專營商擴展本集團在中國之分銷網絡；
- 約2,000,000港元用作發展本集團之前線銷售點系統及獲取ISO9000資格；

## Substantial shareholders

At 31 March 2002, the following interests of 10% or more in the share capital of the Company were recorded in the Register of Interests required to be kept by the Company pursuant to Section 16(1) of the SDI Ordinance:

名稱 Name	股份數目 Number of shares held	持股百分比 Percentage of the Company's share capital
ACE Target Inc. (附註)	513,562,500	54.29%
ACE Target Inc. (Note)		
Ansbacher (BVI) Limited (附註)	513,562,500	54.29%
Ansbacher (BVI) Limited (Note)		

Note: These interests refer to the same interests which have been disclosed as "Corporate/family interests" of Mr. Leung Ngok and Mr. Leung Shing, in the section headed "Directors' interests in shares and warrants" above, where further details of ACE Target Inc. are given.

Save as disclosed above, no other 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.

## Application of proceeds of new issue

The Group raised approximately HK\$41.5 million, net of related expenses, from the issue of 68,750,000 new shares of the Company at HK\$0.80 per share in November 2000. The Company's shares were successfully listed on the Stock Exchange with effect from 13 November 2000. The net proceeds have been applied in accordance with the proposed applications set out in the Company's prospectus dated 31 October 2000, as follows:

- as to approximately HK\$14.5 million for the expansion of the Group's retail outlets in Hong Kong and to furnish the existing outlets;
- as to approximately HK\$11 million for the expansion of the Group's distribution network in the PRC through engaging more franchisees;
- as to approximately HK\$2 million for the development of the Group's front end point-of-sales system and to obtain the ISO 9000 qualification;

## 發售新股所得款項用途(續)

- 約5,000,000港元用作償還本集團之銀行借款；及
- 餘款約9,000,000港元用作本集團之額外營運資金。

## 最佳應用守則

董事認為，於本年報所包括之會計期間，本公司一直遵守香港聯合交易所有限公司證券上市規則附錄十四所載最佳應用守則（「守則」），惟本公司獨立非執行董事並無按守則第7段所規定具有指定任期，須根據本公司之公司細則於即將舉行之股東週年大會上輪值告退及膺選連任。

## 審核委員會

本公司已根據守則成立審核委員會，以審核及監督本集團之財務報告程序及內部監控。委員會成員包括兩位獨立非執行董事。

## 結算日後事項

本集團主要結算日後事項之詳情載於財務報告附註35。

## 核數師

安永會計師事務所任滿告退，本公司將於即將舉行之股東週年大會上提呈決議案，重新委聘其出任本公司核數師一職。

承董事會命

主席  
梁鄂

香港，二零零二年七月三十日

## Application of proceeds of new issue (cont'd)

- as to approximately HK\$5 million for the repayment of bank borrowings of the Group; and
- as to approximately HK\$9 million as additional working capital of the Group.

## Code of Best Practice

In the opinion of the directors, the Company has complied with the Code of Best Practice (the “Code”), as set out in Appendix 14 of the Listing Rules of the Hong Kong Stock Exchange, throughout the accounting period covered by the annual report, except that the independent non-executive directors of the Company are not appointed for a specific term as required by paragraph 7 of the Code, but are subject to retirement by rotation in accordance with the bye-laws of the Company.

## Audit committee

The Company has an audit committee which was established in accordance with the requirements of the Code, for the purpose of reviewing and providing supervision over the Group’s financial reporting process and internal controls. The audit committee comprises the two independent non-executive directors of the Company.

## Post balance sheet events

Details of the significant post balance sheet events of the Group are set out in note 35 to the financial statements.

## Auditors

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Leung Ngok  
Chairman

Hong Kong, 30 July 2002