

REPORT OF THE DIRECTORS

董事會全人謹將截至二零零二年三月三十一日止年度之年報及經審核財務報表呈覽。

主要業務

本公司之主要業務乃投資控股及提供管理服務。而附屬公司和聯營公司之主要業務及其他詳情載於第88至第93頁。

本公司及各附屬公司於本財政年度的主要業務及經營地區詳情載於財務報表附註13內。

主要客戶及供應商

年內本集團首五大銷售客戶及供應商佔本集團營業額及購貨量分別少於30%。

財務報表

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財政狀況載於第32至第87頁之財務報表內。

本公司已於二零零二年一月十五日派發中期股息每股港幣10仙(二零零一年：每股港幣12仙)，並無派發特別股息(二零零一年：每股港幣1.5元)。董事會現建議派發截至二零零二年三月三十一日止年度之末期股息每股港幣32仙(二零零一年：港幣32仙)。

慈善捐款

本集團年內作出慈善捐款為港幣186,793元(二零零一年：無)。

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 March 2002.

PRINCIPAL ACTIVITIES

The principal activities of the company are investment holding and provision of management services. The principal activities and other particulars of the subsidiaries and associates are set out on pages 88 to 93.

The analysis of the principal activities and geographical locations of the operations of the company and its subsidiaries during the financial year are set out in note 13 on the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the group's sales to the five largest customers and purchases from the five largest suppliers accounted for less than 30% of the group's turnover and purchases respectively.

FINANCIAL STATEMENTS

The profit of the group for the year ended 31 March 2002 and the state of the company's and the group's affairs as at that date are set out in the financial statements on pages 32 to 87.

An interim dividend of HK\$10 cents per share (2001: HK\$12 cents per share) was paid on 15 January 2002. No special dividend (2001: HK\$1.5 per share) was paid. The directors now recommend the payment of a final dividend of HK\$32 cents per share (2001: HK\$32 cents per share) in respect of the year ended 31 March 2002.

CHARITABLE DONATIONS

Charitable donations made by the group during the year amounted to HK\$186,793 (2001: HK\$Nil).

固定資產

本年度內，固定資產之添置及其他變動詳情載於財務報表附註14。

股本

本公司年內有關股本之變動詳情載於財務報表附註26。

本公司於本年度作出股份回購。董事們認為有關之股份回購有助提高本公司之每股盈利。

董事會

本公司年內之董事名單載於第4頁。

根據本公司組織章程第95條及第104條規定，陳瑞球先生、陳永奎先生、陳永樂先生及井上隆司先生之任期依次屆滿，惟彼等願於將召開之股東週年大會上膺選連任。

董事服務合約

擬於行將召開之股東週年大會上膺選連任之董事，並無與本公司或其任何附屬公司訂立任何仍然有效，而不可在一年內終止而毋須賠償(法定賠償除外)之服務合約。

董事之股份權益

根據本公司董事股份權益登記冊之紀錄，於二零零二年三月三十一日在任之董事於該日持有本公司和附屬公司(屬於證券(公開權益)條例之定義內)已發行股本之權益如下：

FIXED ASSETS

Details of additions to and other movements in fixed assets during the year are set out in note 14 on the financial statements.

SHARE CAPITAL

Details of the movements in share capital of the company during the year are set out in note 26 on the financial statements.

During the year, repurchases of shares were made by the company because the directors were of the opinion that the repurchases would enhance the earnings per share of the company.

DIRECTORS

The directors of the company during the year are listed on page 4.

In accordance with Articles 95 and 104 of the company's articles of association, Messrs Chan Sui Kau, Chan Wing Fui Peter, Chan Wing Sun Samuel and Takashi Inoue retire from the board by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has an unexpired service contract which is not determinable by the company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

DIRECTORS' INTERESTS IN SHARES

The directors of the company who held office at 31 March 2002 had the following interests in the issued share capital of the company and its subsidiaries (within the meaning of the Securities (Disclosure of Interests) Ordinance) at that date as recorded in the register of directors' share interests:

董事之股份權益 (續)

DIRECTORS' INTERESTS IN SHARES (Continued)

		每股面值港幣0.50元之普通股股份數目 Ordinary shares of HK\$0.50 each Number of shares			
實益權益 Beneficial interests	Beneficial interests	個人權益 Personal interests	家族權益 Family interests	公司權益 Corporate interests	其他權益 Other interests
陳瑞球	Chan Sui Kau	5,929,272	214,368	3,840,820	(i)
陳永奎	Chan Wing Fui, Peter	324,068	100,000	–	(i) & (ii)
陳永樂	Chan Wing Sun, Samuel	2,072,072	–	–	(i) & (ii)
周陳淑玲	Chan Suk Ling, Shirley	3,613,544	16,000	–	(i)
陳永明	Chan Wing Ming, Michael	2,967,208	–	–	(i)
陳永棋	Chan Wing Kee	3,692,776	819,404	–	(i), (ii) & (iii)
陳永滔	Chan Wing To	4,144,736	–	–	(i), (ii) & (iii)
傅承蔭	Fu Sing Yam, William	361,068	–	–	–

(i) (a) 合共29,932,264股本公司股份乃由就陳氏家族成員(包括陳瑞球先生、陳永奎先生、陳永棋先生、陳永樂先生、陳永滔先生、陳永明先生及周陳淑玲女士)之利益而成立之信託及公司所持有。

(b) 合共34,595,908股本公司股份乃由Canfield Holdings Limited持有。該公司由本公司若干董事，即陳永奎先生、陳永棋先生、陳永樂先生、陳永滔先生、陳永明先生及周陳淑玲女士實益擁有。

(ii) 2,917,480股本公司股份乃由Hearty Development Limited持有。該公司由陳永奎先生、陳永棋先生、陳永樂先生及陳永滔先生實益擁有。

(iii) 1,597,000股本公司股份乃由Super Team International Limited持有。該公司由陳永棋先生、陳永滔先生及陳氏家族若干成員實益擁有。

(i) (a) An aggregate of 29,932,264 shares of the company were held under various trusts and companies established for the benefit of members of the Chan family including Messrs Chan Sui Kau, Chan Wing Fui Peter, Chan Wing Kee, Chan Wing Sun Samuel, Chan Wing To, Chan Wing Ming Michael and Madam Chan Suk Ling Shirley.

(b) 34,595,908 shares of the company were held by Canfield Holdings Limited, which is beneficially owned by certain directors of the company, namely, Messrs Chan Wing Fui Peter, Chan Wing Kee, Chan Wing Sun Samuel, Chan Wing To, Chan Wing Ming Michael and Madam Chan Suk Ling Shirley.

(ii) 2,917,480 shares of the company were held by Hearty Development Limited which is beneficially owned by Messrs Chan Wing Fui Peter, Chan Wing Kee, Chan Wing Sun Samuel and Chan Wing To.

(iii) 1,597,000 shares of the company were held by Super Team International Limited which is beneficially owned by Messrs Chan Wing Kee, Chan Wing To and certain members of the Chan family.

認股權計劃

按照一九九三年七月十四日及一九九四年五月十三日通過之普通決議案。董事按本公司之認股權計劃批准以名義代價授出認股權予本公司及其附屬公司之若干董事及僱員，彼等可以每股港幣3.38元之行使價格，分別認購13,185,000股及780,000股每股面值港幣0.50元之本公司股份。該等認股權分別可於一九九三年十月一日至二零零一年十二月三十一日及一九九四年十月一日至二零零一年十二月三十一日期間行使。至於在二零零一年四月一日由僱員持有之115,000股認股權亦因在年內並無行使而屆滿。

所有授予本公司董事之認股權已於二零零一年四月一日前獲行使，故此，於二零零二年三月三十一日，並無尚未行使之認股權。

除上文所述者外，本公司或其任何附屬公司於年內任何時間概無作出任何安排，致使本公司之董事或其配偶或其未滿十八歲之子女可藉獲取本公司或任何其他法團之股份或債券而獲益。

本公司股本中之主要權益

於二零零二年三月三十一日，根據證券(公開權益)條例第16(1)條規定置存之登記冊，除上文所披露之董事權益外，本公司並無接獲通知有關任何佔本公司已發行股本10%或以上之權益。

關連交易及董事之合約權益

根據香港聯合交易所證券上市規則(「上市規則」)第14章所列的關連交易詳情載於財務報表附註31內。本公司的獨立非執行董事認為，關連交易均：

SHARE OPTION SCHEME

Pursuant to ordinary resolutions passed on 14 July 1993 and 13 May 1994, the directors authorised the grant of options at nominal consideration for an aggregate of 13,185,000 shares and of 780,000 shares, respectively, of HK\$0.50 each of the company under the company's share option scheme to certain directors and employees of the company and its subsidiaries, at an exercise price of HK\$3.38 per share. The options were exercisable in the periods from 1 October 1993 to 31 December 2001 and from 1 October 1994 to 31 December 2001, respectively. The 115,000 share options held by the employees as at 1 April 2001 expired during the year without being exercised.

All share options granted to the directors of the company were exercised prior to 1 April 2001 and accordingly none were outstanding as at 31 March 2002.

Apart from the foregoing, at no time during the year was the company or any of its subsidiaries a party to any arrangement to enable the directors of the company or any of their spouses or children under eighteen years of age to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

As at 31 March 2002, the register required to be kept under Section 16(1) of the Securities (Disclosure of Interests) Ordinance showed that, other than the interests disclosed above in respect of the directors, the company had not been notified of any interests representing 10% or more of the company's issued share capital.

CONNECTED TRANSACTIONS AND DIRECTORS' INTERESTS IN CONTRACTS

Details of the connected transactions under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") are set out in note 31 on the financial statements. In the opinion of the independent non-executive directors, the connected transactions were:

關連交易及董事之合約權益 (續)

- (i) 於一般及日常業務過程中進行；
- (ii) 按正常商業條款或如無可供比較之條款，按本公司獨立股東認為公平合理之條款下進行；及
- (iii) 按監管各項交易的協議條款或如並無該等協議，按不遜於給予獨立第三者或由獨立第三者提供(如適用)的條款下進行。

除上文所述者外，在本年度結算日或本年度任何時間內，本公司或其任何附屬公司所訂立之重大合約中，公司董事概無佔有重大權益。

購回、出售或贖回本公司之上市證券

除財務報表附註26所列載者外，本公司或其附屬公司於本年度概無購回、出售或贖回本公司其他上市證券。

銀行貸款及其他借款

有關本集團於二零零二年三月三十一日之銀行貸款及其他借款資料詳情載於財務報表附註23及24。

五年財務概要

本集團在過去五個財政年度之業績及資產與負債概要載於本年報第94頁。

CONNECTED TRANSACTIONS AND DIRECTORS' INTERESTS IN CONTRACTS

(Continued)

- (i) conducted in the ordinary and usual course of its business;
- (ii) either on normal commercial terms or where there is no available comparison, on terms that are fair and reasonable so far as the independent shareholders of the company are concerned; and
- (iii) either in accordance with the terms of the agreements governing such transactions or, where there are no such agreements, on terms no less favourable than those available to or from (as appropriate) independent third parties.

Apart from the foregoing, no contract of significance to which the company or any of its subsidiaries was a party, in which a director of the company had a material interest, subsisted at the end of the year or at any time during the year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Save as set out in note 26 on the financial statements, there were no other purchases, sales or redemptions of the company's listed securities by the company, or any of its subsidiaries during the year.

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the group as at 31 March 2002 are set out in notes 23 and 24 on the financial statements.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the group for the last five financial years is set out on page 94 of the annual report.

物業

於二零零一年十月三十一日，本集團完成向 Dongguan Midas Printing Company Limited 出售位於東莞Chang An Town賬面值為港幣25,700,000元之投資物業。該項交易導致出現港幣3,775,000元之虧損。

有關本集團之主要物業和物業權益摘要載於財務報表附註14。

退休計劃

本公司及其在香港之若干附屬公司已為所有合資格之僱員成立定額供款退休計劃（「該計劃」）。該計劃之資產以一名獨立信託人管理之公積金分開持有。根據該計劃之規則，僱主必須每月按僱員基本薪金之5%供款，而僱員可選擇供款與否。根據該計劃之規則，倘僱員在可取回全部僱主供款前退出計劃，被沒收之僱主供款將用作扣減日後之僱主供款或退還予僱主。年內退還予僱主之款項數額不大。

自二零零零年十二月一日強制性公積金（「強積金」）實施後，僱主供款現時是向強積金支付。強積金計劃乃根據《強制性公積金計劃條例》實施，對象為《香港僱傭條例》管轄範圍之僱員。強積金計劃乃一項定額供款退休計劃，由獨立受託人負責管理。根據強積金計劃，僱主及僱員各須按僱員之有關收入之5%向該計劃作出供款，每月有關收入之上限為港幣20,000元。僱員於服務滿十年後，可得到僱主於強積金實施前按原有計劃作出之所有供款連同應計利息，或於服務三至九年後按遞增比例取回30%至90%之供款。

PROPERTIES

On 31 October 2001, the group completed the sale of an investment property with a carrying value of HK\$25,700,000 located in Chang An Town, Dongguan to Dongguan Midas Printing Company Limited. The disposal resulted in a loss of HK\$3,775,000.

Particulars of the major properties and property interests of the group are set out in note 14 on the financial statements.

RETIREMENT SCHEME

The company and certain of its subsidiaries in Hong Kong operate a defined contribution retirement scheme (“the Scheme”) for all qualified employees. The assets of the Scheme are held separately under a provident fund managed by an independent trustee. Pursuant to the rules of the Scheme, the employer is required to make contributions to the Scheme calculated at 5% of the employees’ basic salaries on a monthly basis, whereas the employees’ contributions are optional, at their own discretion. Where there are employees who leave the Scheme prior to vesting fully in the contributions, in accordance with the rules of the Scheme, the forfeited employer’s contributions shall be used to reduce the future contributions of the employer or refunded to the employer on request. The amount refunded to the employer during the year was immaterial.

Following the introduction of the Mandatory Provident Fund (“MPF”) on 1 December 2000 employer contributions are now made to the MPF. The MPF Scheme is operated under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the Scheme at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$20,000. The employees are entitled to 100% of the employer’s contributions made prior to the introduction of the MPF and the accrued interest after 10 complete years of service, or at an increasing scale of between 30% to 90% after completion of 3 to 9 years’ service of the original Scheme.

退休計劃 (續)

在中華人民共和國(「中國」)境內之本集團附屬公司之僱員乃國家組織之職工社會養老保險計劃之成員。該等附屬公司須按僱員工資之若干百分比作出退休福利計劃供款。該等附屬公司就退休福利計劃所承擔之唯一責任是支付該計劃之供款。

最佳應用守則

本公司於整個年度均有遵守香港聯合交易所有限公司上市規則附錄14所載之最佳應用守則，惟本公司之非執行董事非按特定條款委任。彼等須按本公司之公司章程細則第95及104條於股東週年大會上輪值告退。

審核委員會

審核委員會現有兩位獨立之非執行董事成員，並向董事會匯報。審核委員會定期與本集團高級管理人員和核數師會面，檢討內部控制系統之效率和查閱本集團之中期報告和年報。

核數師

畢馬威會計師事務所將任滿告退，惟願膺選連任。在即將舉行之股東週年大會上，董事會將提呈決議案，動議續聘畢馬威會計師事務所為本公司核數師。

承董事會命

秘書

梁榮發

香港，二零零二年七月十五日

RETIREMENT SCHEME (Continued)

The employees of the subsidiaries in the People's Republic of China ("the PRC") are members of the state-sponsored retirement scheme organised by the government of the PRC. The subsidiaries are required to contribute a certain percentage of payroll to the retirement scheme to fund the benefits. The only obligation of the subsidiaries with respect to the retirement scheme is the required contributions under the retirement scheme.

COMPLIANCE WITH THE CODE OF BEST PRACTICE

The company has complied throughout the year with the Code of Best Practice as set out by The Stock Exchange of Hong Kong Limited in Appendix 14 to the Listing Rules except that the non-executive directors of the company were not appointed for a specific term but are subject to rotation in annual general meetings pursuant to Articles 95 and 104 of the company's Articles of Association.

AUDIT COMMITTEE

The audit committee comprises two independent non-executive directors and reports to the board of directors. The audit committee meets with the group's senior management and external auditors periodically to review the effectiveness of the internal control systems and the interim and annual reports of the group.

AUDITORS

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board

Leung Wing Fat

Secretary

Hong Kong, 15 July 2002