

董事會茲提呈截至二零零二年三月三十一日止年度之董事會報告，以及本公司及本集團之經審核財務報告。

主要業務

本公司之主要業務為投資控股。各主要附屬公司之業務載於財務報告附註第17項。

分類資料

本集團截至二零零二年三月三十一日止年度之營業額及業績貢獻按主要業務及經營地區之分析載於財務報告附註第4項。

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業績載於第41頁之綜合損益表。

本公司於本年度並無派發中期股息(二零零一年：無)，而董事會不建議派發本年度之末期股息(二零零一年：無)。

The directors herein 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. The activities of the principal subsidiaries are set out in note 17 to the financial statements.

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 4 to the financial statements.

Results and Dividends

The Group's results for the year ended 31 March 2002 are set out in the consolidated profit and loss account on page 41.

No interim dividend was paid during the year (2001: Nil) and the directors do not recommend the payment of a final dividend in respect of the year (2001: Nil).

會計政策

本集團之主要會計政策載於財務報告附註第2項。

投資物業、發展中物業及物業、機器及設備

本集團之投資物業、發展中物業及物業、機器及設備於本年度之變動詳情分別載於財務報告附註第14項、第15項及第16項。

股本、可兌換證券、購股權及紅利認股權證

本公司於年內之股本、可兌換證券、購股權及紅利認股權證之變動詳情以及有關理由均列於財務報告附註第27項及第29項。

購買、贖回或出售上市證券

本公司或其任何附屬公司概無於本年度購買、贖回或出售本公司之任何上市證券。

儲備

本公司及本集團於年內儲備之變動詳情載於財務報告附註第28項。

可供分派儲備

於二零零二年三月三十一日，按香港公司條例第79B條計算，本公司並無可供分派儲備（二零零一年：港幣454,793,000元）。

結算日後事項

本集團結算日後重大事項之詳情載於財務報告附註第34項。

Accounting Policies

The principal accounting policies of the Group are set out in note 2 to the financial statements.

Investment Properties, Property Under Development and Properties, Plant and Equipment

Details of movements in investment properties, property under development and properties, plant and equipment of the Group during the year are set out in notes 14, 15 and 16 to the financial statements, respectively.

Share Capital, Convertible Securities, Share Options and Bonus Warrants

Details of movements in the Company's share capital, convertible securities, share options and bonus warrants during the year, together with the reasons therefor, are set out in notes 27 and 29 to the financial statements.

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 28 to the financial statements.

Distributable Reserves

At 31 March 2002, the Company had no distributable reserves (2001: HK\$454,793,000), calculated in accordance with section 79B of the Hong Kong Company Ordinance.

Post Balance Sheet Events

Details of the significant post balance sheet events relating to the Group are set out in note 34 to the financial statements.

主要客戶及供應商

截至二零零二年三月三十一日止年度：

- (i) 五大客戶合共所佔之營業額佔本集團總營業額之61.57% (二零零一年：84.8%)，其中最大客戶之銷售額佔21.64% (二零零一年：37.8%)；及
- (ii) 五大供應商合共所佔之採購額 (不包括採購資本性質之項目) 佔本集團總採購額之46.69% (二零零一年：68.1%)。最大供應商之採購額佔本集團總採購額之24.98% (二零零一年：48.9%)。

截至二零零一年三月三十一日止年度，本集團五大客戶之一為本公司股東中國華通物產集團公司 (「華通物產」) 之全資附屬公司。吳躍華先生為華通物產委任之本公司董事。吳先生於二零零二年八月二十七日辭任為本公司董事。除本文所披露者外，本公司董事或彼等之聯繫人士或據本公司董事所知擁有本公司已發行股本5%以上之任何其他股東概無實益擁有本集團之五大客戶或供應商之任何權益。

Major Customers and Suppliers

For the year ended 31 March 2002:

- (i) the aggregate amount of turnover attributable to the five largest customers represented 61.57% (2001: 84.8%) of the Group's total turnover. Sales to the largest customer included therein amounted to 21.64% (2001: 37.8%); and
- (ii) the aggregate amount of purchases (not including purchases of items which are of a capital nature) attributable to the five largest suppliers represented 46.69% (2001: 68.1%) of the Group's total purchases. Purchases from the largest supplier amounted to 24.98% (2001: 48.9%) of the Group's total purchases.

For the year ended 31 March 2001, one of the Group's five largest customers is a wholly-owned subsidiary of China Huatong Distribution Industry Development Corp. ("China Huatong"), a shareholder of the Company. Mr Wu Yuehua was a director of the Company appointed by China Huatong. Mr. Wu resigned as the director of the Company on 27 August 2002. Save as disclosed herein, none of the directors of the Company or any of their associates or any other shareholders, which to the best knowledge of the Company's directors, owned more than 5% of the Company's issued share capital, had any beneficial interest in the Group's five largest customers or suppliers.

Report of the Directors

董事

Directors

本公司年內及截至本報告日止之董事如下： The directors of the Company during the year and up to the date of this report were:

董事姓名	Name of Director	委任／(轉職)日期 Date of Appointment/ (Change)	辭任日期 Date of Resignation
袁煒 (主席)	YUEN Wai (Chairman)	22/10/1997	28/05/2002
陳智 (執行董事)	Mongkon CHERLOEMCHOEDCHOO (Executive Director)	22/10/1997	—
王曉東 (執行董事)	WANG Xiaodong (Executive Director)	22/10/1997	30/08/2001
鍾浩 (由執行董事 轉為非執行董事)	CHUNG Ho (changed from Executive Director to Non-Executive Director)	22/10/1997 (15/08/2002)	—
陳周薇薇 (由執行董事 轉為非執行董事)	CHEN CHOU Mei Mei, Vivien (changed from Executive Director to Non-Executive Director)	22/10/1997 (01/01/2002)	17/01/2002
譚唯實 (獨立非執行董事)	TAM Wai Sat (Independent Non-Executive Director)	22/10/1997	21/02/2002
林煥彬 (非執行董事)	LAM Woon Bun (Non-Executive Director)	13/11/1997	01/04/2001
吳躍華 (由執行董事轉 為非執行董事)	WU Yuehua (changed from Executive Director to Non-Executive Director)	07/04/1999 (15/08/2002)	27/08/2002
鄧子頤 (獨立非執行董事)	TANG Tse Yee, Kennedy (Independent Non-Executive Director)	02/08/1999	06/06/2001
向心 (執行董事)	XIANG Xin (Executive Director)	06/06/2001	16/08/2001
彭學軍 (獨立非執行董事)	PENG Xue Jun (Independent Non-Executive Director)	06/06/2001	23/08/2001
辛羅林 (獨立非執行董事)	XIN Luo Lin (Independent Non-Executive Director)	03/07/2001	08/03/2002
吳廣亮 (由非執行董事轉為 執行董事)	WU Guang Liang (changed from Non-Executive Director to Executive Director)	25/09/2001 (29/10/2001)	—
李向鴻 (執行董事)	LI Xianghong (Executive Director)	29/10/2001	—
李鐵峰 (執行董事)	LI Tiefeng (Executive Director)	29/10/2001	—
李洪銓 (非執行董事)	LEE Hoong Seun (Non-Executive Director)	27/11/2001	—
勞有安 (獨立非執行董事)	LAO Youan (Independent Non-Executive Director)	18/04/2002	—
黃新強 (執行董事)	WONG Sun Keung (Executive Director)	04/08/2002	13/08/2002
賴祐康 (獨立非執行董事)	LAI Yau Hong, Thomson (Independent Non-Executive Director)	04/08/2002	13/08/2002
葉影全 (獨立非執行董事)	IP Ying Chuen (Independent Non-Executive Director)	04/08/2002	13/08/2002

根據本公司之公司組織章程第96條規定，吳廣亮先生、李向鴻先生、李鐵峰先生及勞有安先生將任滿告退並符合資格膺選連任。李洪銓先生將任滿告退，惟其不膺選連任。

In accordance with Article 96 of the Company's Articles of Association, Messrs. Wu Guang Liang, Li Xianghong, Li Tiefeng and Lao Youan shall retire and shall be eligible for re-election at the forthcoming annual general meeting. Mr. Lee Hoong Seun shall retire and does not offer himself for re-election.

根據本公司之公司組織章程第105條規定，鍾浩先生或陳智先生在即將舉行之股東週年大會上輪值告退並符合資格膺選連任。

In accordance with Article 105 of the Company's Articles of Association, either Mr. Chung Ho or Mr. Mongkon Cherloemchoedchoo shall retire by rotation and is eligible for re-election at the forthcoming annual general meeting.

管理合約

除本公司職僱員之服務合約外，年內概無就本公司全部或大部份管理及行政工作訂立任何合約，年內亦無該等合約存在。

Management contracts

No contracts, other than contract of service with any person engaged in the full time employment of the Company, 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.

董事之服務合約

本公司並無與於即將舉行之股東週年大會上提名連任之任何董事訂有公司不可於一年內免付賠償（法定賠償除外）而終止之服務合約。

Directors' Service Contracts

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 other than statutory compensation.

董事之股份權益

於二零零二年三月三十一日，本公司根據證券（披露權益）條例（「披露權益條例」）第29條置存之記錄冊所記錄有關董事於本公司股本中之權益如下：

Directors' Interests in Shares

As at 31 March 2002, the interests of the directors 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:

董事姓名 Name of director	權益類別 Type of interest	所持普通股數目 Number of ordinary shares held
袁煒 YUEN Wai	個人 Personal	6,500,000
	法團 (附註1) Corporate (Note 1)	512,663,500
陳智 Mongkon CHERLOEMCHOEDCHOO	法團 (附註1) Corporate (Note 1)	512,663,500

附註：

1. 此等股份由Pan Pacific Traders Limited持有，該公司由Magnificent Fortune Limited及Newfound Wealth Limited分別擁有70%及30%權益，而Magnificent Fortune Limited及Newfound Wealth Limited分別由袁煒先生及陳智先生全資擁有。
2. 本公司於二零零二年五月二十八日獲知會，荷蘭銀行香港分行（「該銀行」）（作為承按人）於二零零二年五月二十四日及二零零二年五月二十七日與兩名獨立人士訂立兩份協議出售413,000,000股及95,201,500股本公司股份。該兩份協議毋須待彼此之條件達成後方可作實，而各協議須待該銀行獲得證券及期貨事務監察委員會企業融資部執行理事及執行理事任何代表發出豁免。本公司於二零零二年九月二日獲知會，就終止該銀行與Pacific Will Holdings Limited及Run Fung International Limited分別於二零零二年五月二十七日及二零零二年五月二十四日訂立之買賣本公司股份協議之協議已於二零零二年八月三十日簽訂。
3. Pan Pacific Traders Limited（本公司之控股股東）擁有512,663,500股股份，全部均已抵押予該銀行。
4. 董事會於二零零二年七月二十六日收到中國華通物產集團公司（「中國華通」）之通知，聲明中國華通為持有512,663,500股股份之Pan Pacific Traders Ltd.（本公司之控股股東）所持全部股份之最終實益擁有人。
5. 本公司已接納袁煒先生於二零零二年五月二十八日辭任本公司執行董事及主席之職務。

除上文披露者外，概無董事及／或彼等之聯繫人士於本公司或其任何聯營公司（定義見披露權益條例）之股本中擁有任何個人、家族、法團或其他權益。

Note:

1. The shares are held by Pan Pacific Traders Limited which is 70% and 30% owned by Magnificent Fortune Limited and Newfound Wealth Limited respectively, which are wholly-owned by Messrs. Yuen Wai and Mongkon Cherloemchoedchoo respectively.
2. The Company has been informed on 28 May 2002 that the ABN AMRO Bank N.V., Hong Kong Branch ("the Bank"), as mortgagee, has entered into two agreements on 24 May 2002 and 27 May 2002 with two independent parties for the sale of 413,000,000 and 95,201,500 shares of the Company. The two agreements are not inter-conditional on each other and each of them is subject to the Bank obtaining a waiver from the Executive Directors of the Corporate Finance Division of the Securities and Futures Commission and any delegate of the Executive Director. The Company has been informed, on 2 September 2002, that an agreement was executed on 30 August 2002 to terminate the agreements for the sale and purchase of shares of the Company made between the Bank and Pacific Will Holdings Limited and Run Fung International Limited dated 27 May 2002 and 24 May 2002 respectively.
3. Pan Pacific Traders Limited is the controlling shareholder of the Company, which owns 512,663,500 Shares, all of which are pledged to the Bank.
4. The Board received notification from China Huatong Distribution & Industry Development Corporation ("China Huatong") on 26 July 2002 claiming that China Huatong is the ultimate beneficial owner of all the shares held by Pan Pacific Traders Ltd., the controlling shareholder of the Company, which owns 512,663,500 of shares.
5. The Company accepted the resignation from Mr. Yuen Wai on 28 May 2002 as Executive Director and Chairman of the Company.

Save as disclosed above, none of the directors and/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.

董事購買股份或債券之權利

除上文「董事之股份權益」及下文「購股權計劃」所披露者外，概無董事或彼等各自之配偶或十八歲以下子女於年內任何時間獲授透過購買本公司股份或債券以獲益之權利，彼等並無行使該項權利，而本公司、其控股公司或其任何附屬公司或同系附屬公司亦概無參與訂立任何安排，致使董事於任何其他法人團體取得該項權利。

董事之合約權益

董事概無於年內在本公司、其同系附屬公司或其控股公司為訂約方之任何與本集團業務有關之重大合約中直接或間接擁有重大權益，年度終結時亦無該等合約存在。

購股權計劃

本公司於一九九八年九月二十二日舉行之股東週年大會上採納一項購股權計劃（「該計劃」），據此，董事可酌情向本公司及其附屬公司之董事及僱員授出購股權，以認購本公司股份。根據該計劃授出之購股權獲行使時發行之股份數目，最多不得超過本公司不時之已發行股本之10%（不包括根據該計劃授出之購股權獲行使時發行之股份）。該計劃將於一九九八年九月二十二日至二零零八年九月二十一日之十年期間內有效。

根據董事於一九九九年七月十五日通過之決議案，賦予持有人可於二零零零年一月十六日至二零零二年一月十五日之兩年期間內按每股港幣0.8432元之價格認購47,250,000股股份之權利之購股權根據該計劃授出。

Directors' Rights to Acquire Shares or Debentures

Apart from as disclosed under the heading "Directors' Interest in Shares" 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, its holding 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.

Directors' Interests in Contracts

No contract of significance in relation to the Group's business to which the Company, its fellow subsidiaries or its holding companies was a party and in which any director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Share Options Scheme

The Company adopted a share option scheme (the "Scheme") at the Annual General Meeting held on 22 September 1998 under which the directors may, at their discretion, grant options to directors and employees of the Company and its subsidiaries to subscribe for shares in the Company. The maximum number of shares issued upon exercise of options granted under the Scheme shall not exceed 10% of the share capital of the Company in issue from time to time (excluding the shares issued upon exercise of options granted pursuant to the Scheme). The Scheme will remain in force for a period of ten years from 22 September 1998 to 21 September 2008.

Pursuant to a resolution of the directors passed on 15 July 1999, share options entitling the holders to subscribe for 47,250,000 shares at the price of HK\$0.8432 per share during the two years from 16 January 2000 to 15 January 2002 were granted under the Scheme.

Report of the Directors

根據董事於二零零一年三月三十日通過之決議案，分別賦予持有人可於二零零一年七月一日、二零零一年十月一日及二零零二年三月三十一日起三年期間內按每股港幣0.1491元之價格認購21,225,000股、32,325,000股及11,100,000股股份之權利之購股權根據該計劃授出。

Pursuant to a resolution of the directors passed on 30 March 2001, share options entitling the holders to subscribe at the price of HK\$0.1491 per share for 21,225,000 shares, 32,325,000 shares and 11,100,000 shares within the three years commencing from 1 July 2001, 1 October 2001 and 31 March 2002 respectively were granted under the Scheme.

於本年度根據該計劃尚未行使之購股權如下：

The following share options were outstanding under the scheme during the year:

參與者姓名或類別 Name or category of participant	購股權數目 Number of share options				購股權授出日期 Date of grant of share options	購股權行使期 Exercise period of share options	每股購股權 行使價 price of each share options 港幣 HK\$
	於二零零一年		於二零零二年				
	四月一日 As at 1 April 2001	於年內行使 Exercised during the year	於年內失效 Lapsed during the year	三月三十一日 As at 31 March 2002			

董事、行政總裁及主要股東及彼等之聯繫人士

Directors, chief executives and substantial shareholders, and their associates

袁煒 YUEN Wai	22,000,000	-	(22,000,000)	-	15/07/99	16/01/00 to 15/01/02	0.8432
	6,500,000	(6,500,000)	-	-	30/03/01	01/07/01 to 30/06/04	0.1491
	6,500,000	-	-	6,500,000	30/03/01	01/10/01 to 30/09/04	0.1491
	<u>35,000,000</u>	<u>(6,500,000)</u>	<u>(22,000,000)</u>	<u>6,500,000</u>			
鍾浩 CHUNG Ho	6,000,000	-	(6,000,000)	-	15/07/99	16/01/00 to 15/01/02	0.8432
	4,000,000	-	-	4,000,000	30/03/01	01/07/01 to 30/06/04	0.1491
	4,000,000	-	-	4,000,000	30/03/01	01/10/01 to 30/09/04	0.1491
	<u>14,000,000</u>	<u>-</u>	<u>(6,000,000)</u>	<u>8,000,000</u>			
王曉東 WANG Xiaodong	6,000,000	-	(6,000,000)	-	15/07/99	16/01/00 to 15/01/02	0.8432
	4,000,000	-	(4,000,000)	-	30/03/01	01/07/01 to 30/06/04	0.1491
	4,000,000	-	(4,000,000)	-	30/03/01	01/10/01 to 30/09/04	0.1491
	<u>14,000,000</u>	<u>-</u>	<u>(14,000,000)</u>	<u>-</u>			

購股權數目							
Number of share options							
參與者姓名或類別 Name or category of participant	於二零零一年		於二零零二年		購股權授出日期 Date of grant of share options	購股權行使期 Exercise period of share options	每股購股權 行使價 Exercise price of each share option 港幣 HK\$
	於四月一日 As at 1 April 2001	於年內行使 Exercised during the year	於年內失效 Lapsed during the year	於三月三十一日 As at 31 March 2002			
董事、行政總裁及主要股東及彼等之聯繫人士 (續)							
Directors, chief executives and substantial shareholders, and their associates (Continued)							
陳周薇薇 CHEN CHOU Mei Mei, Vivien	4,000,000 2,000,000 2,000,000	- - -	(4,000,000) (2,000,000) (2,000,000)	- - -	15/07/99 30/03/01 30/03/01	16/01/00 to 15/01/02 01/07/01 to 30/06/04 01/10/01 to 30/09/04	0.8432 0.1491 0.1491
	<u>8,000,000</u>	<u>-</u>	<u>(8,000,000)</u>	<u>-</u>			
陳智 Mongkon CHERLOEM – CHOEDCHOO	4,000,000 2,000,000 2,000,000	- - -	(4,000,000) - -	- 2,000,000 2,000,000	15/07/99 30/03/01 30/03/01	16/01/00 to 15/01/02 01/07/01 to 30/06/04 01/10/01 to 30/09/04	0.8432 0.1491 0.1491
	<u>8,000,000</u>	<u>-</u>	<u>(4,000,000)</u>	<u>4,000,000</u>			
吳耀華 WU Yuehua	2,000,000 2,000,000	- -	- -	2,000,000 2,000,000	30/03/01 30/03/01	01/10/01 to 30/09/04 31/03/02 to 30/03/05	0.1491 0.1491
	<u>4,000,000</u>	<u>-</u>	<u>-</u>	<u>4,000,000</u>			
其他僱員							
Other employees							
總數 In aggregate	3,250,000 2,725,000 2,725,000 9,100,000 9,100,000	- - - (350,000) -	(3,250,000) - - (2,175,000) (2,525,000)	- 2,725,000 2,725,000 6,575,000 6,575,000	15/07/99 30/03/01 30/03/01 30/03/01 30/03/01	16/01/00 to 15/01/02 01/07/01 to 30/06/04 01/10/01 to 30/09/04 01/10/01 to 30/09/04 31/03/02 to 30/03/05	0.8432 0.1491 0.1491 0.1491 0.1491
	<u>26,900,000</u>	<u>(350,000)</u>	<u>(7,950,000)</u>	<u>18,600,000</u>			
	<u>109,900,000</u>	<u>(6,850,000)</u>	<u>(61,950,000)</u>	<u>41,100,000</u>			

按照該計劃之條文，購股權將於承授人不再為本公司僱員（包括董事）一個月後失效。

In accordance with the provisions of the Scheme, share options will be lapsed upon the grantee ceasing to be an employee (including a director) of the Company after one month following the date of such cessation.

主要股東

於二零零二年三月三十一日，根據披露權益條例第16(1)條備存之主要股東登記冊顯示，以下股東於本公司之已發行股本中擁有10%或以上之權益：

Substantial Shareholders

At 31 March 2002, the register of substantial shareholders maintained under Section 16(1) of the SDI Ordinance shows that the following shareholders had an interest of 10% or more in the issued share capital of the Company:

股東姓名	Name of shareholder	股份數目 Number of shares
袁煒	Yuen Wai	6,500,000
袁煒	Yuen Wai	512,663,500 (附註) (Note)
Magnificent Fortune Limited	Magnificent Fortune Limited	512,663,500 (附註) (Note)
Pan Pacific Traders Limited	Pan Pacific Traders Limited	512,663,500 (附註) (Note)

附註：該512,663,500股股份乃由Pan Pacific Traders Limited持有。根據「董事之股份權益」一段附註內披露之持股狀況，依據披露權益條例，Magnificent Fortune Limited及袁煒先生均被視為在該512,663,500股股份擁有權益。

Note: The 512,663,500 shares are held by Pan Pacific Traders Limited. According to the shareholding position as disclosed in the note to the paragraph headed "Directors' Interest in Shares", Magnificent Fortune Limited and Mr. Yuen Wai are deemed to be interested in the 512,663,500 shares pursuant to the SDI Ordinance.

除上文所披露者外，概無任何人士於本公司股本中擁有根據披露權益條例第16(1)條須予以記錄之已登記權益。

Save as disclosed above, no 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.

審核委員會

本公司設有審核委員會，審核委員會乃根據最佳應用守則之規定成立，旨在檢討及監察本集團之財務呈報過程及內部監控。審核委員會之成員譚唯實先生、鄧子頤先生、辛羅林先生及勞有安先生皆為本公司之獨立非執行董事。鄧子頤先生及譚唯實先生分別於二零零一年六月六日及二零零二年二月二十一日辭任，辛羅林先生於二零零一年七月三日獲委任，並於二零零二年三月八日辭任，而勞有安先生於二零零二年四月十八日獲委任。

董事於競爭業務之權益

根據香港聯合交易所有限公司證券上市規則（「上市規則」）第8.10(2)段，於一九九七年十月二十二日至二零零一年十二月三十一日期間擔任執行董事並於二零零二年一月一日至二零零二年一月十七日擔任非執行董事之陳周薇薇女士亦為南聯地產控股有限公司（「南聯地產」）之執行董事，故被視為於回顧期間在南聯地產擁有權益。

南聯地產之附屬公司分別在香港擁有工業樓宇及停車場泊位作為出租用途，對本集團之物業擁有及出租業務構成競爭性業務。

陳周薇薇女士在任何方面均不涉及經營本集團之物業擁有及出租業務。所以本集團能夠公平地經營該獨立於上述競爭業務之業務。陳周薇薇女士於二零零二年一月一日由執行董事轉為非執行董事，並於二零零二年一月十七日辭任本公司非執行董事之職務。

Audit Committee

The Company has an audit committee, which was established in accordance with requirements of the Code of Best Practice, for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprised of Mr. Tam Wai Sat, Mr. Tang Tse Yee, Kennedy, Mr. Xin Luo Lin and Mr. Lao Youan, all being independent non-executive directors of the Company. Mr. Tang Tse Yee, Kennedy and Mr. Tam Wai Sat resigned on 6 June 2001 and 21 February 2002 respectively. Mr. Xin Luo Lin was appointed on 3 July 2001 and resigned on 8 March 2002. Mr. Lao Youan was appointed on 18 April 2002.

Directors' Interests in Competing Businesses

Mrs. Chen Chou Mei Mei, Vivien, an Executive Director during the period from 22 October 1997 to 31 December 2001 and a Non-Executive Director during the period from 1 January 2002 to 17 January 2002, of the Company, being also an Executive Director of Winsor Properties Holdings Limited ("WPHL"), is considered as having an interest in WPHL under paragraph 8.10(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the period under review.

Ownership of industrial premises and car park spaces in Hong Kong for letting by subsidiaries of WPHL constitutes competing businesses to the Group's property owning and letting businesses.

Mrs. Chen Chou Mei Mei, Vivien is not involved in any way in the carrying on of the Group's property owning and letting businesses. The Group is therefore capable of carrying on such businesses at arm's length and independently of the said competing businesses. Mrs. Chen Chou Mei Mei, Vivien changed from an Executive Director to a Non-Executive Director with effect from 1 January 2002 and resigned as a Non-Executive Director of the Company on 17 January 2002.

最佳應用守則

董事認為，本公司於本年報所述會計期間內一直遵守香港聯合交易所有限公司上市規則附錄十四之最佳應用守則。本公司董事概不知悉任何資料可合理顯示本公司於年報所述會計期間並無或曾經不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之最佳應用守則，惟非執行董事並非以固定年期委任，因根據本公司之公司組織章程第105條，彼等須在股東週年大會上輪值告退及重選連任。董事會亦知悉，應委任多一位獨立非執行董事加入董事會，以成為審核委員會之會員。然而，由於本集團所面對之問題，董事會未能尋找適合人選填補空缺。

Code of Best Practice

In the opinion of the directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules of The Stock Exchange of Hong Kong Limited throughout the accounting period covered by the annual report. None of the Directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the accounting period covered by the annual report, in compliance 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 except that non-executive directors are not appointed for a specific term as they are subject to retirement by rotation and re-election at Annual General Meetings in accordance with Article 105 of the Company's Articles of Association. The Board is also aware that an additional independent non-executive director should be appointed to the Board and as an additional member of the Audit Committee. However the Board is having difficulty in seeking suitable candidate to fill this vacancy in view of the problems facing the Group.

據上市規則第19項應用指引須予披露之資料

以下為根據香港聯合交易所有限公司證券上市規則第19項應用指引3.10條披露聯營公司於二零零二年三月三十一日之備考合併資產負債表：

Disclosure Pursuant to Practice Note 19 of the Listing Rules

The proforma combined balance sheet of associates as at 31 March 2002 disclosed in accordance with 3.10 of the Practice Note 19 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited is as follows:

		港幣千元 HK\$'000
長期投資	Long-term investments	614,265
流動資產	Current assets	726
流動負債	Current liabilities	<u>(561)</u>
流動資產淨值	Net current assets	165
非流動負債	Non-current liabilities	
股東貸款	Shareholders' loans	<u>(616,505)</u>
負債淨額	Net liabilities	<u><u>(2,075)</u></u>
集團應佔負債淨額	Group's share of net liabilities	<u><u>(664)</u></u>

核數師

馬施雲會計師事務所將任滿告退，惟彼等願膺選連任。本公司將於應屆股東週年大會上提呈一項決議案重聘馬施雲會計師事務所為本公司之核數師。

羅兵咸永道會計師事務所為本公司截至二零零零年及二零零一年三月三十一日止年度之核數師，於二零零二年八月二十九日辭任。該會計師行辭任後，馬施雲會計師事務所獲委任為本公司之核數師。

董事會代表
李鐵峰
執行董事

香港
二零零二年十一月二十一日

Auditors

Moore Stephens retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Moore Stephens as auditors of the Company is to be proposed at the forthcoming annual general meeting.

PricewaterhouseCoopers were auditors of the Company for the years ended 31 March 2000 and 2001 and resigned on 29 August 2002. On their resignation, Moore Stephens were appointed as auditors of the Company.

On behalf of the Board
Li Tiefeng
Executive Director

Hong Kong
21 November 2002