

董事局同寅謹呈覽本公司及其附屬公司(統稱「集團」)截至二零零三年三月三十一日止年度之年報及經審核之財務報告。

主要業務及分類資料

本公司為一投資控股公司。本公司附屬公司之業務包括設計、製造及銷售範圍廣泛之電子產品及證券買賣。

集團之分類資料詳細列於財務報告附註四內。

本集團之營業額及對經營溢利貢獻之分析已載於附註4內。

附屬公司

截至二零零三年三月三十一日，公司主要附屬公司資料列於財務報告附註39內。

業績

截至二零零三年三月三十一日止年度之本集團業績載於第22頁之綜合損益表。

股息

董事局已宣派中期股息0.2港仙並於二零零三年二月十日派發。董事局建議分派末期股息每股0.5港仙。

財務概要

本集團過去五個財政年度之財務概要已載於第84頁及85頁內。

股本

本年度內，本公司在香港聯合交易所有限公司購回本公司之股份共17,010,000股，董事局認為當時公司股票交易價格以每股淨資產值折扣交易，回購股份會增加本公司之每股資產淨值。本公司亦因行使購股權而發行11,200,000股新股份。

股本之變動情況載於財務報告附註26內。

The directors present their annual report and the audited financial statements of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 31st March, 2003.

PRINCIPAL ACTIVITIES AND SEGMENT INFORMATION

The Company is an investment holding company. The subsidiaries of the Company are engaged in the design, manufacture and sale of a wide range of electronic products and in securities trading.

Details of segment information of the Group were set out in note 4 of the financial statements.

An analysis of the turnover and contribution to profit from operations of the Group is set out in note 4 to the financial statements.

SUBSIDIARIES

Particulars of the Company's subsidiaries at 31st March, 2003 are set out in note 39 on the financial statements.

RESULTS

The results of the Group for the year ended 31st March, 2003 are set out in the consolidated income statement on page 22.

DIVIDEND

The directors have declared an interim dividend of HK0.2 cent per share which was paid on 10th February, 2003. The directors recommend the payment of a final dividend of HK0.5 cent per share.

FINANCIAL SUMMARY

A 5 year financial summary of the Group is set out on pages 84 and 85.

SHARE CAPITAL

During the year, the Company repurchased a total of 17,010,000 of its own shares on The Stock Exchange of Hong Kong Limited. The directors considered that, as the Company's shares were trading at a discount to the net assets value per share, the repurchases would increase the net asset value per share of the Company. The Company also issued 11,200,000 new shares as a result of the exercise of share options.

Details of the movements in share capital are set out in note 26 to the financial statements.

股本－續

本公司之優先認股權於本年度內之變動，已載於財務報告附註27內。

儲備

本集團及本公司於本年度儲備變動情況列於財務報告附註28內。本公司在二零零三年三月三十一日可分派儲備為104,763,000港元（二零零二年：115,508,000港元）。

投資物業

在年結日，本集團將其投資物業重估，重估所產生之1,490,000港元虧損計入綜合收益表中。有關本集團之投資物業詳情，已載於財務報告附註13內。

物業、機器及儀器

本年度，本集團為擴張業務而購入之物業、機器及儀器約為46,430,000港元。上述及其他有關本集團物業、機器及儀器於本年度內之變動及詳情，已載於財務報告附註14內。

慈善捐款

於今年度本集團沒有慈善捐款（二零零二年：無）。

董事及董事服務合約

於本年度及截至本報告日期為止之董事如下：

執行董事：

劉錫康
劉錫淇
劉錫澳

獨立非執行董事：

何厚鏘
韓相田

韓相田先生將依照本公司之細則82於即將召開之股東週年大會輪值告退，及有資格膺選連任。

SHARE CAPITAL – continued

Details of share options of the Company outstanding during the year are set out in note 27 to the financial statements.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 28 to the financial statements. The Company had distributable reserves of HK\$104,763,000 as at 31st March, 2003 (2002: HK\$115,508,000).

INVESTMENT PROPERTIES

At balance sheet date, the Group revalued its investment properties. The corresponding deficit arising on revaluation of HK\$1,490,000 was debited to the consolidated income statement. Details of investment properties of the Group are set out in note 13 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment of approximately HK\$46,430,000 to expand its business. Details of this and other movements in the property, plant and equipment of the Group during the year are set out in note 14 to the financial statements.

CHARITABLE DONATIONS

No donation was made by the Group during the year (2002: Nil).

DIRECTORS AND SERVICE CONTRACTS

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

Executive directors:

Lau Sak Hong, Philip
Lau Sak Kai, Anthony
Lau Sak Yuk, Andy

Independent non-executive directors:

Ho Hau Chong, Norman
Hon Sheung Tin, Peter

In accordance with the Company's bye-law 82, Hon Sheung Tin, Peter retires by rotation and, being eligible, offers himself for re-election at the forthcoming annual general meeting.

董事及董事服務合約－續

擬於即將召開之股東週年大會被提名膺選連任之任何董事，概無與本公司或其附屬公司訂有本集團不可於一年內毋須補償（法定賠償除外）而終止之服務合約。

獨立非執行董事之委任期限乃依照本公司細則用輪值告退方法委任。

董事之合約利益及關連交易

於本年結日或本年度任何時間內，本公司或其附屬公司並未與任何董事訂立重要合約而使彼等直接或間接地獲得重大利益。

董事之證券權益

在二零零三年三月三十一日，根據證券（公開權益）條例（「公開權益條例」）第29條而載於登記名冊內之各董事於本公司股份中擁有之權益如下：

DIRECTORS AND SERVICE CONTRACTS – continued

No director being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

The independent non-executive directors are appointed for a term subject to retirement by rotation as required by the Company's bye-laws.

DIRECTORS' INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS

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

DIRECTORS' INTERESTS IN SECURITIES

As at 31st March, 2003, the interests of the directors in the shares 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:

		持有本公司股份數目		
		Number of shares of the Company held		
		個人權益	公司權益	其他權益
		Personal	Corporate	Other
		interests	interests	interests
執行董事：	Executive directors:			
劉錫康	Lau Sak Hong, Philip	198,786,288	12,072,360 (a)	670,546,202 (c)
		–	40,401,660 (b)	–
劉錫淇	Lau Sak Kai, Anthony	149,063,718	12,072,360 (a)	–
		–	40,401,660 (b)	–
劉錫澳	Lau Sak Yuk, Andy	140,236,434	12,072,360 (a)	–
		–	40,401,660 (b)	–
獨立非執行董事：	Independent non-executive directors:			
何厚鏘	Ho Hau Chong, Norman	–	–	–
韓相田	Hon Sheung Tin, Peter	778,580	–	–

董事之證券權益－續

附註：

- (a) 該等股份乃透過由劉錫康、劉錫淇及劉錫澳（連同其他家族成員簡稱「劉氏家族」）實益擁有之公司K.K. Nominees Limited持有。
- (b) 該等股份乃透過由劉氏家族實益擁有之公司Wincard Management Services Limited持有。
- (c) 該等股份由一全權信託基金實益擁有之公司Philip Lau Holding Corporation直接或間接持有，該全權信託基金之受益人包括劉錫康及其聯繫人士。

此外，其他劉氏家族成員共持有20,758,460股股份。

除上文所披露者及某些董事以本公司或其附屬公司受託人身份持有附屬公司之若干代理人股份外，並未有任何董事於本公司或依據公開權益條例定義下之有關公司擁有權益。

購股權計劃

根據本公司於一九九七年四月七日舉行之股東特別大會所通過採用為期四年之購股權計劃，董事局可授予購股權給本集團任何有資格之員工，包括本公司及其附屬公司之董事，認購本公司之股份。所授予之購股權由授予購股權當日起計於五年內可行使。購股權之股份認購價為股份之面值或於授予購股權前五個交易日股份之平均最後成交價之80%，以較高者為準。

DIRECTORS' INTERESTS IN SECURITIES – continued

Notes:

- (a) These shares are held through K.K. Nominees Limited, a company which is beneficially owned by Lau Sak Hong, Philip, Lau Sak Kai, Anthony and Lau Sak Yuk, Andy (hereinafter collectively with other family members referred to as the "Lau family").
- (b) These shares are held through Wincard Management Services Limited, a company which is beneficially owned by the Lau family.
- (c) These shares are beneficially owned directly or indirectly by Philip Lau Holding Corporation, a company beneficially owned by a discretionary trust, the discretionary objects of which include Lau Sak Hong, Philip and his associates.

In addition, other members of the Lau family held an aggregate of 20,758,460 shares.

Save as disclosed above and other than certain nominee shares in subsidiaries held by directors in trust for the Company or its subsidiaries, no director held any interest in the securities of the Company or any of its associated corporations as defined in the SDI Ordinance.

SHARE OPTION SCHEME

Under the Company's share option scheme ("Old Scheme") which was approved and adopted at the special general meeting of the Company held on 7th April, 1997 for a period of 4 years, the directors might grant options to any eligible employees of the Group, including directors, of the Company and its subsidiaries to subscribe for shares in the Company. Options granted are exercisable within a period of five years commencing from the date of grant of the options. The subscription price of the option shares is the higher of the nominal value of the shares and an amount which is not less than 80% of the average of the last dealt prices of the shares on the five trading days immediately preceding the offer of the options.

購股權計劃－續

舊計劃已於二零零一年四月六日到期，由此，沒有購股權可根據此舊計劃授出。根據舊計劃已授出之購股權仍然有效。於二零零三年三月三十一日年度，根據舊計劃已授予之購股權變動情況如下：

SHARE OPTION SCHEME – continued

The Old Scheme was expired on 6th April, 2001 and thereafter, no more option can be granted pursuant to the Old Scheme. In respect of the options granted under the Old Scheme, the provisions shall remain in force. Movement of the options granted pursuant to the Old Scheme during the year ended 31st March, 2003 is as follows:

授予人姓名 Name of grantee	授予日期 Date of grant	行使價 Exercise price 港元 HK\$	於二零零二年 四月一日之 購股權數目 Number of option shares outstanding at 1.4.2002	於本年度 購股權 失效數目 Number of option shares lapsed during the year	於本年度行使 購股權數目 Number of option shares exercised during the year	於二零零三年 三月三十一日 購股權數目 Number of option shares at 31.3.2003
劉錫康 Lau Sak Hong, Philip	21.8.1997 1.4.1998	0.12244 0.10000	33,750,000 5,200,000	33,750,000 -	- 5,200,000	- -
劉錫淇 Lau Sak Kai, Anthony	1.4.1998	0.10000	17,200,000	14,200,000	3,000,000	-
劉錫澳 Lau Sak Yuk, Andy	1.4.1998	0.10000	17,200,000	14,200,000	3,000,000	-
僱員 Employees	2.7.1999	0.10000	73,350,000 43,645,056	62,150,000 -	11,200,000 -	- 43,645,056
			116,995,056	62,150,000	11,200,000	43,645,056

行使購股權當日之前一日，加權平均收市價為每股0.101港元。

The weighted average closing price per share immediately before the date on which the options were exercised was HK\$0.101.

根據本公司於二零零二年九月十二日舉行之股東特別大會所通過採用為期五年之優先認股權計劃「新計劃」。主要目的在於鼓勵及獎勵參與者對本集團作出之貢獻。可參與新計劃人仕包括員工、非執行董事、商品或服務供應商、顧客、諮詢人或顧問以及集團公司股東。

A new share option scheme ("New Scheme") was approved and adopted at the special general meeting of the Company held on 12th September, 2002 for a period of 5 years. The primary purpose is to provide incentives or rewards to participants for their contribution to the Group. Eligible participants of the New Scheme included any employees, non-executive directors, suppliers of goods or services, customers, advisors or consultant and shareholders of any member of the Group.

購股權計劃 – 續

根據新計劃連同公司其他購股權計劃，購股權最高可授出股份之總數，不得超過於新計劃獲通過之日已發行股份之10%而整體已授出及可行使購股權股份數目不可超過當時已發行股份之30%。

於購股權授出之日的12個月內，各參與者（主要股東，獨立非執行董事及其親屬除外）非獲行使而發行及將予發行之股份總數不可超過當時已發行股本之1%。

購股權可行使期限由董事局決定，惟不可於授出日起計超過五年。承授人可於購股權限內任何時間行使購股權。

購股權之股份認購價由董事局決定，惟有關價格不得低過於授予購股權當日，股份之收市價，或緊接授出日期前五個交易日股份平均收市價，或股份於授出日期之面值。

授出購股權之代價為1港元，該金額在任何情況下將不可退還。

於本年度根據新計劃並沒有授出任何購股權。

主要股東

在二零零三年三月三十一日，按本公司根據公開權益條例16(1)條而設存之主要股東登記名冊上所載，除上述董事所披露之權益外，概無任何人士通知本公司其擁有本公司10%或以上之已發行股本。

SHARE OPTION SCHEME – continued

The maximum number of shares options which may be issued upon exercise of all options to be granted under this New Scheme and other share option scheme of the Company must not, in aggregate, exceed 10% of the share while overall limit for all outstanding options granted and yet to be exercised must not exceed 30% of the share in issue from time to time.

The total number of shares issued and to be issued upon exercise of the option granted to each participant (except substantial shareholder, independent non-executive director, or their respective associates) in any 12 months period up to the date of the grant shall not exceed 1% of the share in issue.

The option period within which the shares must be taken up under an option is any period as determined by the Board, which shall not be more than 5 years from the date on which the option is granted. The option may be exercised by the grantee at any time during the option period.

The subscription price of the share options is determined by the Board, but shall be no less than the highest of the closing price of the share on the offer date, the average of the closing price of the shares of the 5 trading day immediately preceding the offer date; or the nominal value of the shares on the offer date.

The consideration for the grant is HK\$1 and it shall in no circumstance be refundable.

No share option was granted pursuant to the New Scheme during the year.

SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2003, the register of substantial shareholders maintained by the Company pursuant to Section 16 (1) of the SDI 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.

購買、出售或贖回上市證券

本年度內，本公司在香港聯合交易所有限公司（「聯交所」）購回本公司股份詳情如下：

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, the Company repurchased shares of the Company on The Stock Exchange of Hong Kong Limited ("the Stock Exchange") as follows:

月份	Month	購回 股份數目 Number of shares	每股價格		總額 Aggregate Consideration 港元 HK\$
			最低價 Lowest 港元 HK\$	最高價 Highest 港元 HK\$	
二零零二年八月	August 2002	2,120,000	0.045	0.049	97,790
二零零二年九月	September 2002	4,240,000	0.041	0.047	190,030
二零零二年十月	October 2002	1,510,000	0.038	0.044	62,370
二零零二年十一月	November 2002	630,000	0.042	0.043	26,760
二零零三年一月	January 2003	2,870,000	0.081	0.089	247,810
二零零三年二月	February 2003	1,540,000	0.092	0.097	144,980
二零零三年三月	March 2003	4,100,000	0.090	0.105	395,300
		<u>17,010,000</u>			<u>1,165,040</u>

該等購回股份已全部註銷，而本公司已發行股本之面值亦相應減低。購回股份之折扣總額已轉入累計溢利。而相等於購回及註銷股份面值則由累計溢利轉撥往股本贖回儲備。

The above shares were cancelled upon repurchase and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. The discount on repurchase was credited to accumulated profits. An amount equivalent to the nominal value of the shares cancelled was transferred from accumulated profits to the capital redemption reserve.

最佳應用守則

本公司在本年度內，均遵守香港聯合交易所有限公司證券上市規則附錄14所載之最佳應用守則中有關須匯報遵守情況之段落。

CODE OF BEST PRACTICE

The Company has complied throughout the year 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.

股份優先購買權

本公司之公司細則或百慕達法例均無對優先購買權作出任何限制，故本公司毋需按比例向現有股東發售新股。

PRE-EMPTIVE RIGHTS

There is no provision 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.

主要供應商與客戶

本集團最大及首5間最大之客戶分別佔本集團營業總額26%及64%。

本集團最大及首5間最大之供應商分別佔本集團購貨總額15%及34%。

本公司各董事，其聯繫人士或據本公司董事所知悉擁有本公司已發行股本逾5%之股東，概無擁有本集團之首五大客戶或供應商之實益權益。

核數師

於本年度，核數師德勤•關黃陳方會計師行辭任及摩斯倫會計師行獲委任為本公司的核數師。

本公司之股東週年大會上將提呈決議案，重新委聘摩斯倫會計師行為本公司之核數師。

承董事局命
主席
劉錫康

香港，二零零三年七月十五日

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate sales attributable to the Group's largest customer and five largest customers accounted for 26% and 64% respectively of the Group's total turnover for the year.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers accounted for 15% and 34% respectively of the Group's total purchases for the year.

Save as disclosed above, none of the directors, their associates, or any shareholder (which to the knowledge of the directors owns more than 5% of the Company's share capital) has any interest in the Group's five largest customers or suppliers.

AUDITORS

During the year, the auditors Messrs Deloitte Touche Tohmatsu resigned and Messrs Moores Rowland were appointed auditors of the Company.

A resolution will be submitted to the annual general meeting to re-appoint Messrs Moores Rowland as auditors of the Company.

On behalf of the Board
Lau Sak Hong, Philip
CHAIRMAN

15th July, 2003