

Report of the Directors

董事會報告

The directors present their report and the audited financial statements of the Company and of the Group for the year ended 31 December 2003.

Principal activities

The principal activity of the Company is investment holding. During the year, the Group was involved in the distribution of computer hardware and software products and the provision of computer technology services. Details of the principal activities of the Group's principal subsidiaries are set out in note 15 to the financial statements.

There were no significant changes in the nature of the Group's principal activities during the year and up to the date of this report.

Results

The Group's results for the year ended 31 December 2003 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 43 to 128.

Summary financial information

The following is a summary of the published consolidated results and the assets, liabilities and minority interests of the Group, prepared on the basis set out in the note below. This summary does not form part of the audited financial statements.

董事會謹提呈本公司及本集團截至二零零三年十二月三十一日止年度之報告及經審核財務報表。

主要業務

本公司之主要業務為投資控股，於年內，本集團從事電腦硬件與軟件產品之分銷與提供電腦技術服務之業務，而本集團各主要附屬公司之主要業務詳情載於財務報表附註15。

本年度及截至本報告日期止期間，本集團之主要業務性質並無任何重大變動。

業績

本集團截至二零零三年十二月三十一日止年度之業績與本公司及本集團於該日期之財務狀況載於第43至128頁之財務報表。

財務資料概要

以下為本集團按照下文附註所載基準編製之已公佈綜合業績以及資產、負債及少數股東權益概要。該概要並不構成經審核財務報表其中部分。

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Summary financial information (continued)

財務資料概要(續)

Results

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2003 二零零三年	2002 二零零二年	2001 二零零一年	2000 二零零零年	1999 一九九九年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
TURNOVER	營業額					
Continuing operations	持續經營業務	261,692	188,784	448,684	417,247	350,298
Discontinued operations	已終止業務	-	155,084	127,703	-	-
		<u>261,692</u>	<u>343,868</u>	<u>576,387</u>	<u>417,247</u>	<u>350,298</u>
PROFIT/(LOSS) BEFORE TAX	除稅前溢利/(虧損)					
Continuing operations	持續經營業務	(15,734)	(35,317)	(89,178)	20,712	42,405
Discontinued operations	已終止業務	-	(99,863)	4,855	-	-
		<u>(15,734)</u>	<u>(135,180)</u>	<u>(84,323)</u>	<u>20,712</u>	<u>42,405</u>
Tax	稅項	1,974	(4,065)	(333)	(871)	(6,205)
PROFIT/(LOSS) BEFORE MINORITY INTERESTS	未計少數股東權益 前溢利/(虧損)	(13,760)	(139,245)	(84,656)	19,841	36,200
Minority interests	少數股東權益	(1,622)	(8,624)	(4,152)	(1,628)	(1,922)
NET PROFIT/(LOSS) FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔日常業務 之純利/(淨虧損)	<u>(15,382)</u>	<u>(147,869)</u>	<u>(88,808)</u>	<u>18,213</u>	<u>34,278</u>

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Summary financial information (continued)

財務資料概要 (續)

ASSETS, LIABILITIES AND MINORITY INTERESTS

資產、負債及少數股東權益

		31 December 十二月三十一日				
		2003 二零零三年	2002 二零零二年	2001 二零零一年	2000 二零零零年	1999 一九九九年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產	90,257	58,761	137,165	94,675	27,983
CURRENT ASSETS	流動資產	281,019	264,275	400,488	378,610	245,195
CURRENT LIABILITIES	流動負債	(205,835)	(143,632)	(239,205)	(128,364)	(139,564)
NET CURRENT ASSETS	流動資產淨值	75,184	120,643	161,283	250,246	105,631
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減 流動負債	165,441	179,404	298,448	344,921	133,614
NON-CURRENT LIABILITIES	非流動負債	(737)	(953)	(629)	(1,529)	(1,833)
MINORITY INTERESTS	少數股東權益	(7,531)	(5,909)	(52,072)	(4,540)	(2,158)
		<u>157,173</u>	<u>172,542</u>	<u>245,747</u>	<u>338,852</u>	<u>129,623</u>

Fixed assets

固定資產

Details of movements in the fixed assets of the Company and of the Group during the year are set out in note 13 to the financial statements.

本公司及本集團固定資產於年內之變動詳情載於財務報表附註13。

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Share capital and share options

Details of movements in the Company's share capital and share options during the year, together with the reasons therefor, are set out in notes 28 and 29 to the financial statements, respectively.

Reserves

Details of movements in the reserves of the Company and of the Group during the year are set out in note 30 to the financial statements and in the consolidated statement of changes in equity on page 46, respectively.

Distributable reserves

At 31 December 2003, the Company had no retained profits available for cash distribution and/or distribution in specie. Under the Companies Act 1981 of Bermuda (as amended), the Company's contributed surplus of HK\$39,431,000 is currently unable to be distributed. The Company's share premium account, in the amount of HK\$341,072,000 at 31 December 2003, may be distributed in the form of fully paid bonus shares.

Pre-emptive rights

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to its existing shareholders.

股本及購股權

本公司股本及購股權於年內之變動詳情連同變動之理由分別載於財務報表附註28及29。

儲備

本公司及本集團儲備於年內之變動詳情分別載於財務報表附註30及第46頁之綜合權益變動報表。

可分派儲備

於二零零三年十二月三十一日，本公司並無留存溢利可作現金分派及／或實物分派。根據百慕達一九八一年公司法（修訂本），本公司之繳入盈餘39,431,000港元現時無法分派。本公司於二零零三年十二月三十一日之股份溢價賬達341,072,000港元，可按繳足股款紅股之方式分派。

優先認股權

本公司之公司細則或本公司註冊成立之司法權區百慕達之法例均無載有本公司必須按比例向現有股東發售新股份之優先認股權規定。

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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.

Major customers and suppliers

In the year under review, sales to the Group's five largest customers accounted for less than 30% of the Group's total sales for the year.

Purchases from the Group's five largest suppliers accounted for 49% of the total purchases for the year and purchases from the largest supplier included therein amounted to 17% of the Group's total purchases for the year.

None of the directors of the Company or any of their associates or 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 suppliers.

Directors

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

Executive directors:

Mr Chan Tze Ngon (Chairman)
Mr Wu Emmy (Deputy Chairman)
Mr Tang Kin Hung
Mr Chow Siu Lam, Cliff

Non-executive director:

Mr Luk Chung Po (Resigned on 16 April 2003)

Independent non-executive directors:

Dr Lo Siew Kiong, John, O.B.E., J.P.
Dr Chou Tao Hsiung, Joseph (Resigned on 9 June 2003)
Mr Fu Yan Yan (Appointed on 9 June 2003)

購買、贖回或出售本公司之上市證券

本公司或其任何附屬公司於年內並無購買、贖回或出售任何本公司之上市證券。

主要客戶及供應商

於回顧年內，向本集團五名最大客戶作出之銷售佔本集團本年度之銷售總額不足30%。

本集團向五名最大供應商作出之採購佔本年度採購總額49%，而其中向最大供應商作出之採購佔本集團年內採購總額17%。

本公司董事、彼等之聯繫人士或據董事會所深知擁有本公司已發行股本5%以上之任何股東並無擁有本集團五大客戶或供應商之任何實益權益。

董事

於年內及截至本報告日期止本公司在任董事如下：

執行董事：

陳子昂先生 (主席)
吳安敏先生 (副主席)
鄧健洪先生
周少霖先生

非執行董事：

陸忠甫先生 (於二零零三年四月十六日辭任)

獨立非執行董事：

羅肇強博士·O.B.E.· 太平紳士
周道熊博士 (於二零零三年六月九日辭任)
傅欣欣先生 (於二零零三年六月九日獲委任)

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Directors (continued)

In accordance with bye-law 114 of the Company's bye-laws, Mr Fu Yan Yan will retire and, being eligible, will offer himself for re-election at the forthcoming annual general meeting.

In accordance with bye-law 111 of the Company's bye-laws, Mr Chow Siu Lam, Cliff and Mr Tang Kin Hung will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting. Apart from Mr Chan Tze Ngon and Mr Wu Emmy, all the other executive directors of the Company are subject to retirement by rotation and re-election in accordance with the provisions of the Company's bye-laws.

Directors' and senior management's biographies

Biographical details of the directors of the Company and of the senior management of the Group are set out on pages 16 to 18 of this annual report.

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 of compensation, other than statutory compensation.

Directors' interests in contracts

Save as disclosed in note 34 to the financial statements, no director had a material 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.

Related party transactions and connected transactions

Details of the related party transactions and connected transactions of the Group are set out in note 34 to the financial statements.

董事(續)

根據本公司之公司細則第114條，傅欣欣先生將告退，且合資格並願於應屆股東週年大會膺選連任。

根據本公司之公司細則第111條，周少霖先生及鄧健洪先生將輪值告退，且合資格並願於應屆股東週年大會膺選連任。除陳子昂先生及吳安敏先生外，本公司所有其他執行董事均須根據本公司之公司細則之規定輪值告退並膺選連任。

董事及高級管理人員之履歷

本公司董事及本集團高級管理人員之履歷載於本年報第16至第18頁。

董事之服務合約

於應屆股東週年大會上膺選連任之董事概無與本公司訂立不可於一年內終止而毋須支付除法定補償外賠償之服務合約。

董事於合約之權益

除財務報表附註34披露者外，各董事在本公司或其任何附屬公司於年內訂立且對本集團業務有重大影響之合約中，概無擁有直接或間接重大實益權益。

有關連人士交易及關連交易

本集團進行之有關連人士交易及關連交易詳情載於財務報表附註34。

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Directors' and chief executive's interests and short positions in shares, underlying shares and debentures

At 31 December 2003, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

Long positions in ordinary shares of the Company:

董事及行政總裁於股份、相關股份及債券之權益及淡倉

於二零零三年十二月三十一日，本公司董事及行政總裁於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有本公司根據證券及期貨條例第352條須存置之登記冊所記錄，或根據上市公司董事進行證券交易的標準守則（「標準守則」）已知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉如下：

本公司於普通股之好倉：

Name of director 董事姓名	Number of issued ordinary shares of HK\$0.10 each in the Company held		Percentage of holding 持股 百分比
	Personal interests 持有本公司每股面值0.10港元 已發行普通股之數目 個人權益		
Mr. Chan Tze Ngon 陳子昂先生	82,614,000		16.48%
Mr. Tang Kin Hung 鄧健洪先生	<u>12,600,000</u>		2.51%

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.

除上述者外，為符合公司最少股東人數之規定，若干董事代本公司持有若干附屬公司之非實益個人股本權益。

Save as disclosed above, none of the directors or the chief executive of the Company had registered an interest or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文披露者外，本公司董事或行政總裁概無於本公司或其任何相聯法團之股份、相關股份或債券中擁有須根據證券及期貨條例第352條予以記錄，或根據標準守則已知會本公司及聯交所之權益或淡倉。

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Directors' rights to acquire shares or debentures

Save as disclosed the share option scheme disclosures in note 29 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in 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 holding companies and subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

Share option scheme

Concerning the share options granted during the year to the directors and employees as detailed in note 29 to the financial statements, the directors do not consider it appropriate to disclose a theoretical value of the options granted because in the absence of a readily available market value of the share options on the ordinary shares of the Company, the directors were unable to arrive at an accurate assessment of the value of these share options.

Substantial shareholders' and other persons' interests and short positions in shares and underlying shares

Other than the directors and chief executive of the Company, whose interests are set out in the section "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures" above, no other person had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded in the register of interests pursuant to Section 336 of the SFO.

Post balance sheet event

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

董事購入股份或債券之權利

除財務報表附註29所披露之購股權計劃外，於年內任何時間，概無向董事或彼等各自之配偶或未滿18歲之子女授出可藉購入本公司股份而獲益之權利，或彼等亦無行使任何該等權利；或本公司或其控股公司及附屬公司亦無參與任何安排，致使董事可於任何其他法人團體購入該等權利。

購股權計劃

就財務報表附註29所闡釋有關年內授予董事及僱員之購股權而言，由於市場並無有關本公司普通股之購股權市值供參考，董事未能就該等購股權之價值作出準確估值，故董事認為，並不適宜披露購股權之理論價值。

主要股東及其他人士於股份及相關股份之權益及淡倉

除本公司董事及行政總裁於上文「董事及行政總裁於股份、相關股份及債券之權益及淡倉」一節所載之權益外，概無其他人士擁有須根據證券及期貨條例第336條記錄在權益登記冊之本公司股份或相關股份權益或淡倉。

結算日後事項

本集團重大結算日後事項之詳情載於財務報表附註35。

Report of the Directors

董事會報告

Code of Best Practice

In the opinion of the directors, the Company complied with the Code of Best Practice (the "Code"), as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited throughout the accounting period covered by this annual report, except that the independent non-executive directors of the Company were not appointed for specific terms as required by paragraph 7 of the retirement/re-election Code, but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's by-laws.

Audit Committee

The Company established an audit committee in 1999, which comprises two independent non-executive directors, in accordance with paragraph 14 of the Code. The audit committee meets regularly mainly to consider the nature and scope of audit reviews, the effectiveness of the Group's financial reporting process and internal control systems, and compliance with the relevant rules and regulations.

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

Chan Tze Ngan

Chairman

Hong Kong
28 April 2004

最佳應用守則

董事會認為，除本公司之獨立非執行董事並無根據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（「守則」）第7段有關退任／重選之規定指定任期，但須根據本公司之公司細則於本公司之股東週年大會上輪值告退及膺選連任外，本公司於本年報所涵蓋會計期間一直遵守守則。

審核委員會

本公司已根據守則第14段之規定於一九九九年成立一個由兩位獨立非執行董事組成之審核委員會。該審核委員會定期開會，主要考慮審核之性質及範圍、本集團財務申報程序及內部監控系統之成效，以及是否已遵守相關規則及條例。

核數師

安永會計師事務所任滿告退，而續聘該公司為本公司核數師之決議案將於應屆股東週年大會上提呈。

代表董事會

主席

陳子昂

香港
二零零四年四月二十八日