

The directors have pleasure in presenting their annual report and the audited financial statements for the year ended 31 March 2004.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company and provides corporate management services. The activities of its principal subsidiaries are set out in note 15 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2004 are set out in the consolidated income statement on page 24.

An interim dividend of HK2 cents per share amounting to approximately HK\$6,709,000 was paid to the shareholders during the year. The directors now recommend the payment of a final dividend of HK6 cents per share to the shareholders whose names appear on the register of members on 11 August 2004, amounting to approximately HK\$20,126,000, and the retention of the remaining profit.

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of purchases and sales attributable to the Group's largest suppliers and customers are as follows:

Purchases

- the largest supplier
- five largest suppliers combined

Sales

- the largest customer
- five largest customers combined

董事會謹向各位提呈本公司截至二零零四年三月三十一日止年度之董事會報告書及經審核財務報告書。

主要業務

本公司乃一間投資控股公司，並提供公司管理服務。其主要附屬公司之業務詳見財務報告書附註15。

業績及溢利分配

本集團截至二零零四年三月三十一日止年度之業績見第24頁之綜合收益表。

年內，股東獲派付中期股息每股2港仙，用於派息之款額為6,709,000港元。董事會謹此建議派付末期股息每股6港仙予二零零四年八月十一日名列股東名冊之股東，即約20,126,000港元及保留餘下溢利。

主要客戶及供應商

本集團最大供應商及客戶之購貨額及銷售額所佔百分比如下：

購貨額

- 最大供應商	17%
- 五大供應商合計	28%

銷售額

- 最大顧客	31%
- 五大顧客合計	79%

MAJOR CUSTOMERS AND SUPPLIERS (continued)

No directors, their associates or shareholders (which to the knowledge of the directors own more than 5% of the Company's share capital) were interested at any time during the year in any of the above suppliers or customers.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 84.

SHARE CAPITAL

Details of the share capital of the Company are set out in note 24 to the financial statements.

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

INVESTMENT PROPERTY

Details of the investment property of the Group are set out in note 12 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent approximately HK\$59 million on the acquisition of property, plant and equipment principally to expand and upgrade its manufacturing facilities.

Details of these and other movements during the year in the property, plant and equipment of the Group and the Company are set out in note 13 to the financial statements.

主要客戶及供應商 (續)

各董事、彼等之聯繫人士或股東(指就董事會所知持有本公司逾5%股本之股東)於年內任何時間概無擁有以上供應商或客戶之任何權益。

財務概要

有關本集團在過去五個財政年度之業績、資產及負債概要載於第84頁。

股本

有關本公司之股本詳情載於財務報告書附註24。

年內，本公司及其附屬公司概無購買、出售或贖回本公司任何上市證券。

投資物業

本集團之投資物業詳情載於財務報告書附註12。

物業、廠房及設備

年內，本集團動用約5仟9百萬港元添置物業、廠房及設備以擴充及提高其生產設施。

本集團及本公司之物業、廠房及設備之此等變動及其他變動之情況載於財務報告書附註13。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive directors

Mr. Cheung Lun
Mr. Cheung Shu Wan
Ms. Cheung Lai Chun, Maggie
Ms. Cheung Lai See, Sophie
Mr. Cheung Pui

Independent non-executive directors

Mr. Lai Ah Ming, Leon
Professor Lo Chung Mau

In accordance with the provisions of the Company's Bye-Laws, Mr. Cheung Pui and Professor Lo Chung Mau shall retire by rotation and, being eligible, offer themselves for re-election.

The term of office of each director, including non-executive director, is the period up to his/her retirement by rotation in accordance with the Company's Bye-Laws.

None of the directors of the Company proposed for re-election at the forthcoming annual general meeting has any service contract with the Company or any of its subsidiaries not determinable by the employing company within one year without payment of compensation (other than statutory compensation).

董事及董事服務合約

年內至本報告發表當日本公司之董事如下：

執行董事

張倫先生
張樹穩先生
張麗珍女士
張麗斯女士
張培先生

獨立非執行董事

黎雅明先生
盧寵茂教授

根據本公司公司細則之規定，張培先生及盧寵茂教授於即將舉行之週年大會上依章告退，惟彼等均願膺選連任。

根據本公司之公司細則，各董事(包括非執行董事)之任期直至須輪值告退為止。

應屆股東週年大會候選連任之本公司董事概無與本公司或其任何附屬公司訂立不可於一年內終止而毋須作出補償(法定賠償除外)之服務合約。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND CONVERTIBLE BONDS

董事及主要行政人員之股份及購股權及可轉換債券權益及淡倉

At 31 March 2004, the interests and short positions of the directors and the chief executives and their associates in the shares, underlying shares and convertible bonds of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

於二零零四年三月三十一日，根據證券及期貨條例第352條之規定載入該條例所述之登記冊，或須遵照香港聯合交易所有限公司上市公司董事進行證券交易的標準守則，知會本公司及聯交所，各董事、主要行政人員及彼等之聯繫人士，擁有本公司股份及購股權及可轉換債券及其相聯法團之股份權益及淡倉如下：－

(1) Long positions

(1) 好倉股份

Ordinary shares of HK\$0.10 each of the Company

本公司每股面值0.10港元之普通股

Name	Capacity	Number of issued ordinary shares held	Notes	Percentage of the issued share capital of the Company
姓名	身份	所持已發行普通股數目	備註	佔公司已發行股本百分比
Mr. Cheung Lun 張倫先生	Beneficial Owner 實益擁有人	4,000,000		1.19%
	Held by controlled corporation 所控制之公司持有			
	- Allan Investment Company Limited ("AICL") 亞倫投資有限公司 (「亞倫投資」)	134,821,960	(i)	40.19%
	- Commence Investment Limited 啟卓投資有限公司	858,000	(ii)	0.26%
				41.64%
Mr. Cheung Shu Wan 張樹穩先生	Beneficial owner 實益擁有人	37,744,400		11.25%
	Held by controlled corporation 所控制之公司持有			
	- Topsail Investments Inc.	6,694,935	(iii)	2.00%
				13.25%

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND CONVERTIBLE BONDS (continued)

董事及主要行政人員之股份及購股權及可轉換債券權益及淡倉 (續)

(1) Long positions (continued)

(1) 好倉股份 (續)

Name	Capacity	Number of issued ordinary shares held	Notes	Percentage of the issued share capital of the Company
姓名	身份	所持已發行普通股數目	備註	佔公司已發行股本百分比
Ms. Cheung Lai Chun, Maggie 張麗珍小姐	Beneficial Owner 實益擁有人	600,000		0.18%
Ms. Cheung Lai See, Sophie 張麗斯小姐	Beneficial owner 實益擁有人	500,000		0.15%
Mr. Cheung Pui 張培先生	Beneficial owner 實益擁有人	1,000,000		0.30%
	Held by controlled corporation 所控制之公司持有			
	- AICL 亞倫投資	134,821,960	(i)	40.19%
				40.49%
Mr. Cheung Shu Sang, William 張樹生先生	Beneficial owner 實益擁有人	868,000	(iv)	0.26%

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND CONVERTIBLE BONDS (continued)

(1) Long positions (continued)

Notes:

- (i) AICL is owned as to 89% by Mr. Cheung Lun and his spouse, Ms. Tse Kam. The balance of the shares (11%) in AICL is owned by Mr. Cheung Pui, who is also a director of AICL.
- (ii) Commence Investment Limited is a company wholly-owned by Mr. Cheung Lun.
- (iii) Topsail Investments Inc. is a company wholly-owned by Mr. Cheung Shu Wan.
- (iv) Mr. Cheung Shu Sang, William is a son of Mr. Cheung Lun.

(2) Short positions

At 31 March 2004, none of the directors or the chief executives nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations.

SHARE OPTION SCHEMES

Particulars of the Company's share option schemes are set out in note 26 to the financial statements.

No options were granted or exercised during the year and there were no outstanding options at the beginning or the end of the year.

董事及主要行政人員之股份及購股權及可轉換債券權益及淡倉 (續)

(1) 好倉股份 (續)

附註：

- (i) 亞倫投資之89%權益乃由張倫先生及其配偶謝金女士擁有。而亞倫投資餘下之股份(11%)則由張培先生擁有。
- (ii) 啟卓投資有限公司由張倫先生實益擁有。
- (iii) Topsail Investments Inc.由張樹穩先生全資擁有。
- (iv) 張樹生先生乃張倫先生之兒子。

(2) 淡倉股份

於二零零四年三月三十一日，各董事、主要行政人員或彼等之聯繫人士概無擁有本公司或其任何聯繫公司任何淡倉股份權益或債券。

購股權

本公司之購股權計劃詳情載於財務報告書附註26。

本年內並無授予或行使之認購股權，於年初或年結時亦無任何尚未行使之認購股份購股權。

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Other than the share option scheme set out in note 26 to the financial statements, at no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE AND CONNECTED TRANSACTIONS

Conan Electric Manufacturing Limited ("Conan"), a wholly-owned subsidiary of the Company, entered into a tenancy agreement with AICL, a company in which Mr. Cheung Lun, Ms. Tse Kam and Mr. Cheung Pui have beneficial interests and of which Mr. Cheung Lun, Mr. Cheung Pui, Mr. Cheung Shu Wan, Ms. Cheung Lai Chun, Maggie and Ms. Cheung Lai See, Sophie are also directors, pursuant to which AICL granted to Conan a tenancy in respect of certain premises in Lihlin Village, Huizhou, the People's Republic of China at a monthly rent of HK\$75,000. The tenancy agreement was for a term of two years commenced from 1 April 2002 and was renewed for two years from 1 April 2004. The total amount of rent paid for the year by the Group in respect of this agreement was HK\$900,000.

In addition, Conan also entered into another tenancy agreement with Fair Pacific Limited, a company in which Mr. Cheung Lun, Ms. Tse Kam and Mr. Cheung Pui have beneficial interests and of which Mr. Cheung Shu Wan, Ms. Cheung Lai Chun, Maggie and Ms. Cheung Lai See, Sophie are also directors, pursuant to which Fair Pacific Limited granted to Conan a tenancy in respect of certain land in Lihlin Village, Huizhou, the People's Republic of China at a monthly rent of approximately HK\$28,000. The tenancy agreement was for a term of three years commenced from 1 October 2003 and renewable up to year 2028 on every 7 years. The total amount of rent paid for the year by the Group in respect of this agreement was approximately HK\$170,000.

購買股份或債券之安排

除載於財務報告書附註26之購股權計劃外，本公司或其任何附屬公司於年內概無參與任何安排，使本公司董事可藉購入本公司或其他公司之股份或債券而獲益。

董事於重大合約之權益及相連交易

康倫電業製造有限公司（「康倫」），本公司之全資擁有附屬公司，與亞倫投資訂立一項租約。張倫先生、謝金女士及張培先生實益擁有亞倫投資之權益，而張倫先生、張培先生、張樹穩先生、張麗珍女士及張麗斯女士為該公司董事。根據該租約，亞倫投資將位於中華人民共和國惠州瀝林村之部份物業租予康倫，月租75,000港元。該租約由二零零二年四月一日開始為期兩年及於二零零四年四月一日續約兩年。本集團就該租約於本年內所付之租金總額為900,000港元。

除此之外，康倫與海暉有限公司訂立另一項租約。張倫先生、謝金女士及張培先生實益擁有，而張樹穩先生、張麗珍小姐及張麗斯小姐為該公司董事，根據該租約，海暉有限公司將位於中華人民共和國惠州瀝林村之部份土地租予康倫，月租約28,000港元。該租約由二零零三年十月一日開始為期三年及其後每7年續約直至二零二八年。本集團就該租約於本年內所付之租金總額約為170,000港元。

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE AND CONNECTED TRANSACTIONS (continued)

Allan Plastics Mfg., Limited ("APML"), a wholly-owned subsidiary of the Company, entered into a tenancy agreement with Income Village Limited, a company in which Mr. Cheung Lun, Ms. Tse Kam and Mr. Cheung Pui have beneficial interests and of which Mr. Cheung Lun, Mr. Cheung Pui, Mr. Cheung Shu Wan, Ms. Cheung Lai Chun, Maggie and Ms. Cheung Lai See, Sophie are also directors, pursuant to which Income Village Limited granted to APML a tenancy in respect of certain premises in Lihlin Village, Huizhou, the People's Republic of China at a monthly rent of HK\$17,000. The tenancy agreement is for a term of three years commenced from 1 April 2003. The total amount of rent paid for the year by the Group in respect of this agreement was HK\$204,000.

Other than as disclosed above, no contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

SUBSTANTIAL SHAREHOLDERS

Other than the interests disclosed above in respect of certain directors, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance discloses no person as having a notifiable interest or short position of 5% or more in the issued share capital of the Company as at 31 March 2004.

DONATIONS

During the year, the Group made charitable and other donations amounting to approximately HK\$42,000.

董事於重大合約之權益及相連交易 (續)

亞倫塑膠製造有限公司(「亞倫塑膠」)，本公司之全資擁有附屬公司，與儲鎮有限公司訂立一項租約。張倫先生、張樹穩先生及張培先生實益擁有儲鎮有限公司之權益，而張倫先生、張培先生、張樹穩先生、張麗珍女士及張麗斯女士為該公司董事。根據該租約，儲鎮有限公司將位於中華人民共和國惠州瀝林村之部份物業租予亞倫塑膠，月租17,000港元。租約由二零零三年四月一日開始為期三年。本集團就該租約於本年度內所付之租金總額為204,000港元。

除上文所披露者外，於年終或年內任何時間概無其他由本公司或其附屬公司訂立與本公司董事直接或間接擁有重大權益之重要合約。

主要股東

除上文所披露部份董事權益外，依照證券及期貨條例第336條規定由本公司保存之主要股東名冊顯示，本公司並無獲通知有其他人士持有佔本公司於二零零四年三月三十一日須申報的權益或佔已發行股本5%之淡倉股份或以上之權益。

捐款

年內，本集團給予慈善及其他機構之捐款為42,000港元。

CORPORATE GOVERNANCE

The Company has complied throughout the year ended 31 March 2004 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.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-Laws, or the laws in Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

AUDITORS

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

CHEUNG LUN
CHAIRMAN

Hong Kong, 6 July 2004

企業監管

本公司於截至二零零四年三月三十一日止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十四載列之最佳應用守則。

優先購買權

本公司之公司細則及百慕達法例概無載列有關優先購買權之規定，本公司無須按此規定而按現有股東之持股比例發行新股。

核數師

於應屆股東週年大會上，將會提出一項決議案，繼續委任德勤•關黃陳方會計師行為本公司核數師。

董事會代表

張倫
主席

香港，二零零四年七月六日