

The directors present their annual report and the audited financial statements for the year ended 31st March, 2004.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries are set out in note 16 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st March, 2004 are set out in the consolidated income statement on page 13.

The directors now recommend the payment of a final dividend of HK1 cent per ordinary share to the shareholders on the register of members on 27th August, 2004, amounting to HK\$10,435,000.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired furniture and fixtures, office equipment and plant and machinery at a cost of approximately HK\$2.2 million, HK\$1.3 million and HK\$24.9 million, respectively. In addition, the Group acquired machinery at a cost of approximately HK\$18.6 million, which was still under installation at the balance sheet date.

Details of these 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.

INVESTMENT PROPERTIES

Details of movements in the investment properties of the Group during the year are set out in note 15 to the financial statements.

DIRECTORS

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

Executive directors:

Mr. Fang Hung, Kenneth

Mr. Li Kwok Wai, Frankie

Mr. Lam Kam Cheung, Kelvin (resigned on 13th May, 2004)

Independent non-executive directors:

Mr. Tien Pei Chun, James

Mr. Chu Chi Wai, Allan

Mr. Lau Yuen Sun, Adrian (appointed on 13th May, 2004)

In accordance with Clauses 86(2) and 87 of the Company's Bye-Laws, Mr. Li Kwok Wai, Frankie and Mr. Lau Yuen Sun, Adrian, retire and, being eligible, offer themselves for re-election.

DIRECTORS (continued)

None of the directors proposed for re-election at the forthcoming Annual General Meeting has a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The independent non-executive directors have been appointed for a term subject to retirement by rotation in accordance with the Company's Bye-Laws.

DIRECTORS' INTERESTS IN SHARES

At 31st March, 2004, the interests of the directors and their associates in the shares 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 (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

Ordinary shares of HK\$0.20 each in the Company

Name of director	Number of issued ordinary shares held			Percentage of the issued share capital of the Company		
	Personal interest	Corporate interest	Total	Personal interest	Corporate interest	Total
Mr. Fang Hung, Kenneth	20,130,000	697,692,368 (Note)	717,822,368	1.93%	66.86%	68.79%
Mr. Li Kwok Wai, Frankie	17,318,013	697,692,368 (Note)	715,010,381	1.66%	66.86%	68.52%

Note: Mr. Fang Hung, Kenneth beneficially owns 51% of Antrix Investment Limited, which owns 697,692,368 shares in the Company. Mr. Li Kwok Wai, Frankie beneficially owns the remaining 49% of Antrix Investment Limited, which owns 697,692,368 shares in the Company.

Other than as disclosed above, none of the Company's directors 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 as at 31st March, 2004.

SHARE OPTIONS

Particulars of the Company's share option scheme are set out in note 32 to the financial statements.

DIRECTORS' INTERESTS IN CONTRACTS

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.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

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.

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 in the Company's issued share capital as at 31st March, 2004.

PRE-EMPTIVE RIGHTS

There are no provisions 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.

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

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the year.

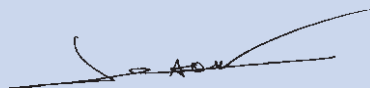
CORPORATE GOVERNANCE

The Company has complied throughout the year ended 31st 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 except that the independent non-executive directors of the Company are not appointed for a specific term as they are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Bye-Laws.

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



Li Kwok Wai, Frankie

Chief Executive Officer

Hong Kong
15th July, 2004