

The directors present their report and the audited financial statements of the Company and the Group for the year ended 31 March 2004.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries consisted of the manufacture and marketing of clocks and lighting products, the trading of metals and the provision of electroplating services. There were no significant changes in the nature of the Group's activities during the year.

RESULTS AND DIVIDENDS

The Group's result for the year ended 31 March 2004 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 40 to 102.

The directors do not recommend the payment of any dividend in respect of the year.

FIVE YEAR FINANCIAL SUMMARY

A summary of the published results, assets and liabilities, and minority interests of the Group for the last five financial years, as extracted from the audited financial statements is set out on pages 103 to 104 of the annual report. This summary does not form part of the audited financial statements.

INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

Details of movements in the investment properties and property, plant and equipment of the Group during the year are set out in notes 11 and 12 to the financial statements.

董事會茲呈報本公司及本集團截至二零零四年三月三十一日止年度之董事會報告及經審核財務報告。

主要業務

本公司之主要業務為投資控股。本公司之各附屬公司之主要業務乃製造及推銷時鐘及照明產品、金屬貿易及提供電鍍服務。本集團之業務性質於年內並無重大改變。

業績及股息

本集團截至二零零四年三月三十一日止年度之業績及本公司與本集團於該日之業務狀況載於第40頁至第102頁之財務報告內。

董事會不建議派發任何年內之股息。

五年財務摘要

本集團過去五個財政年度公佈之業績及資產、負債及少數股東權益概要（節錄自經審核財務報告）載於本年報之第103頁至第104頁。此概要並非構成經審核財務報告之部份。

投資物業及物業、廠房及設備

本集團於年內之投資物業及物業、廠房及設備之變動詳情載於財務報告附註11及12。

Report of the Directors

SHARE CAPITAL, SHARE OPTIONS AND WARRANTS

Details of movements in the Company's share capital during the year, together with the reason therefor, and details of the Company's share options and warrants are set out in note 25 to the financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the bye-laws of the Company or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year, the Company repurchased certain of its ordinary shares of HK\$0.10 each on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the summary details of which are as follows:

Month of repurchase	購回股份月份	Number of shares repurchased 購回股份數目	Price per share 每股價格		Total price paid 總繳付價格
			Highest 最高價	Lowest 最低價	
			HK\$ 港幣元	HK\$ 港幣元	HK\$ 港幣元
May 2003	二零零三年五月	506,000	0.57	0.56	289,000

The repurchased shares were cancelled during the year and the issued share capital of the Company was reduced by the par value thereof. The premium paid on the repurchase of the share of HK\$238,000 has been debited to the share premium account of the Company.

The repurchase of the Company's shares during the year was effected by the directors, pursuant to the mandate from shareholders, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Group.

股本、購股權及認股權證

本公司於本年內之股本變動與其原因、及本公司之購股權及認股權證詳情載於財務報告附註25。

優先購買權

根據本公司之公司細則或百慕達法例，並無有關優先購買權之規定，以致本公司必須向其現有股東按持股比例發行新股份。

購入、贖回及出售本公司證券

於本年內，本公司在香港聯合交易所有限公司（「聯交所」）購回若干每股面值港幣0.10元之普通股股份，詳情摘要如下：

購回之股份於本年內已註銷，而本公司之已發行股本按票面值減低。購回股份已繳付之溢價港幣238,000元於本公司股份溢價賬扣減。

於本年內，根據股東授權，董事於年內行使其授權購回本公司之股份，藉此可提高本集團每股資產淨值及每股盈利，整體使股東獲利。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY (Cont'd)

Save as disclosed above, 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 26 to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 March 2004, the Company had no retained profits available for cash distribution and/or distribution in specie. Under the Companies Act 1981 of Bermuda, the Company's contributed surplus of HK\$128,013,000 may be distributed under certain circumstances. In addition, the Company's share premium account with a balance of HK\$25,123,000 may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for 49% of the total sales for the year and sales to the largest customer included therein amounted to 24%. Purchases from the Group's five largest suppliers accounted for 51% of the total purchases for the year and purchases from the largest supplier included therein amounted to 39%.

As far as the directors are aware, neither the directors, their associates, nor 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 and suppliers.

購入、贖回及出售本公司上市證券 (續)

除上文所披露外，本公司或其附屬公司於本年內概無購入、贖回或出售本公司之任何上市證券。

儲備

本公司及本集團於本年內之儲備變動詳情分別載於財務報告附註26及綜合權益變動表。

可供分派之儲備

於二零零四年三月三十一日，本公司沒有可供之現金分派及／或實物分派之保留溢利。根據百慕達一九八一年公司法，本公司之繳入盈餘為港幣128,013,000元，於若干情形下可供分派。此外，本公司之股份溢價結餘為港幣25,123,000元，可作已繳足紅股形式分派。

主要客戶及供應商

於回顧年度內，五大客戶佔本集團之總銷售額49%，最大客戶佔總銷售額24%。五大供應商佔本集團年內之總採購額51%，最大供應商佔總採購額39%。

就董事會所知，擁有本公司已發行股本5%以上之董事、彼等之聯繫人士或任何股東均無持有本集團五大客戶及供應商之任何權益。

Report of the Directors

DIRECTORS

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

Executive directors:

Mr. LIANG Jin You
 Ms. LI Kwo Yuk
 Mr. LEUNG Kin Yau
 Mr. OU Jian Sheng
 Mr. DENG Ju Neng
 Mr. LIN Dong Hong (appointed on 10 May, 2004)

Non-executive director:

Mr. LO Wah Wai

Independent non-executive directors:

Mr. LO Ming Chi, Charles
 Mr. CHEUNG Doi Shu

In accordance with articles 86(2) and 87 of the Company's bye-laws, Mr. DENG Ju Neng, Mr. LIN Don Hong and Ms. LI Kwo Yuk will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 24 to 28 of the 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 other than statutory compensation.

董事

於本年度內及截至本報告簽發日期止，本公司之董事如下：

執行董事：

梁金友先生
 李戈玉女士
 梁健友先生
 歐健生先生
 鄧巨能先生
 林東宏先生 (於二零零四年五月十日獲委任)

非執行董事：

盧華威先生

獨立非執行董事：

勞明智先生
 張岱樞先生

根據本公司之公司細則第86(2)條及87條，鄧巨能先生、林東宏先生及李戈玉女士將依章輪值告退，並於即將舉行之股東週年大會上膺選連任。

董事及高級管理人員簡介

本公司董事及本集團高級管理人員之履歷詳情載於本年報第24頁至28頁。

董事服務合約

本公司並無與擬於即將舉行之股東週年大會上膺選連任之董事訂立任何不可於一年內由本公司無償終止(法定補償除外)之合約。

DIRECTORS' INTERESTS IN CONTRACTS

No director had a significant beneficial interest, either direct or indirect, in any contract of significance to the business of the Group to which the Company or any its subsidiaries was a party at any time during the year.

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS

As at 31 March 2004, the interests of the directors of the Company in the shares and share options 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 kept by the Company pursuant to section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

Long positions

(a) Ordinary shares of HK\$0.10 each of the Company

Director 董事	Capacity 身份
Mr. LIANG Jin You 梁金友先生	Held by controlled corporation (note) 所控制之公司持有 (附註)

董事之合約權益

各董事在本公司或其任何附屬公司於本年度內任何時間，概無參與訂立與本集團業務有關連之重大合約，亦無擁有任何直接或間接之實質利益。

董事於股本及購股權之權益

於二零零四年三月三十一日，本公司根據證券及期貨條例（「證券及期貨條例」）第352條而設立之名冊所記錄，董事於本公司或其他相聯法團（具有證券及期貨條例第XV部的涵義）之股份及購股權權益；或根據上市公司董事證券交易的標準守則而須知會本公司及聯交所之權益如下：

好倉

(a) 本公司每股面值港幣0.10元之普通股

Number of issued ordinary shares held 所持已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百份比
119,184,300	49.55%

Report of the Directors

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS (Cont'd) 董事於股本及購股權之權益 (續)

(b) Share options

Directors 董事	Capacity 身份	Number of options held 所持購股權數目	Number of underlying shares 相關股份數目
Mr. LIANG Jin You 梁金友先生	Beneficial owner 實益擁有人	2,306,000	2,306,000
Ms. LI Kwo Yuk 李戈玉女士	Beneficial owner 實益擁有人	2,836,000	2,836,000
Mr. OU Jian Sheng 歐健生先生	Beneficial owner 實益擁有人	5,766,000	5,766,000
		10,908,000	10,908,000

Note: 119,184,300 shares are owned by Golden Glory Group Limited ("GG"), a company incorporated in the British Virgin Islands. The entire issued share capital of GG is beneficially owned by General Line International (Holdings) Limited, which is in turn 100% beneficially owned by Mr. LIANG Jin You.

(b) 購股權

附註：119,184,300股股份由Golden Glory Group Limited (「GG」) 擁有。GG為於英屬處女群島註冊成立之有限公司，GG之全部已發行股本由廣橋國際(控股)有限公司實益擁有，此公司由梁金友先生實益擁有。

Save as disclosed above, none of the other directors, chief executives or their associates had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 31 March 2004.

除上文所披露外，於二零零四年三月三十一日，概無其他董事、主要行政人員或彼等之聯繫人士擁有本公司或其相聯法團(具有證券及期貨條例第XV部的涵義)的任何股份、相關股份或債券的任何權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading "Directors' interests in shares and share options" above, 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 or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

董事購買股本或債券之權利

除上文「董事於股本及購股權之權益」外，於本年內任何時間，並無任何董事、彼等之配偶或十八歲以下子女有任何認購本公司股份或債券，或已行使該等權利而獲益；或本公司及其附屬公司概無任何安排，以致本公司董事可藉購入其他法人團體之股份或債務而獲益。

SHARE OPTION SCHEME

Particulars of the Company's share option scheme are set out in note 25 to the financial statements.

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2004, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors and chief executives, the following shareholders had notified the Company of the relevant interests in the issued share capital of the Company.

Long positions

Ordinary shares of HK\$0.10 each of the Company

Shareholders 股東	Capacity 身份	Number of issued ordinary shares held 所持已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Golden Glory Group Limited	Beneficial owner 實益擁有人	119,184,300	49.55%
General Line International (Holdings) Limited 廣橋國際(控股)有限公司	Held by controlled corporation (Note) 所控制之公司持有(附註)	119,184,300	49.55%
Mr. LI Feng Saio 李豐韶先生	Beneficial owner 實益擁有人	22,841,600	9.50%
Ms. CHIA Kok Chi Annie 謝國姿女士	Beneficial owner 實益擁有人	22,450,000	9.33%

Note: 119,184,300 shares are owned by GG, a company incorporated in the British Virgin Islands. The entire issued share capital of GG is beneficially owned by General Line International (Holdings) Limited, which is in turn 100% beneficially owned by Mr. LIANG Jin You.

購股權計劃

有關本公司之購股權計劃詳細披露載於財務報告附註25。

主要股東

於二零零四年三月三十一日，本公司根據證券及期貨條例第336條而設立之主要股東名冊顯示，除上文披露有關若干董事及主要行政人員之權益外，下列股東向本公司知會於本公司已發行股本之有關權益。

好倉

本公司每股面值港幣0.10元之普通股

附註：119,184,300股股份由Golden Glory Group Limited (「GG」) 擁有。GG為於英屬處女群島註冊成立之有限公司，GG之全部已發行股本由廣橋國際(控股)有限公司實益擁有，此公司由梁金友先生實益擁有。

Report of the Directors

SUBSTANTIAL SHAREHOLDERS (Cont'd)

Long positions (續)

Other than as disclosed above, the Company has not been notified of any other interests or short position in the issued share capital of the Company as at 31 March 2004.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

No director had interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Rules governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), during the year and up to the date of this report.

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 Listing Rules throughout the year and up to the date of this report, except that independent non-executive directors are not appointed for specific terms as recommended by the Code.

POST BALANCE SHEET EVENT

Details of the significant post balance sheet event of the Group are set out in note 32 to the financial statements.

AUDIT COMMITTEE

The Company has set up an Audit Committee (the "Committee"). The Committee meets regularly with senior management to review the accounting principles and practices adopted by the Group and to discuss auditing, internal control and financial reporting matters. The members of the Committee are Mr. LO Ming Chi, Charles and Mr. CHEUNG Doi Shu, both of whom are the independent non-executive directors of the Company.

主要股東 (續)

好倉 (續)

除上文披露外，本公司概無獲悉任何於二零零四年三月三十一日本公司已發行股本其他權益或淡倉。

董事在相互競爭業務之權益

於年內及截至本年報之日期，根據聯交所證券上市規則（「上市規則」），董事並無在一項業務中不論直接或間接佔有權益，而該項業務跟本集團本身業務相互競爭。

最佳應用守則

董事認為，本公司於年內已遵守聯交所上市規則附錄十四之最佳應用守則（「守則」），唯一例外是獨立非執行董事並非按照守則之建議而指定任期。

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32。

審核委員會

本公司成立審核委員會（「委員會」），委員會定期與公司高級管理人員會面，以檢討本集團採用之會計準則，以及有關賬目審核、內部管理及財務申報事宜。委員會之成員有勞明智先生及張岱樞先生，兩人均屬本公司之獨立非執行董事。

AUDITORS

During the year, Ernst & Young resigned and KLL Associates CPA Limited were appointed as auditors of the Company.

A resolution will be submitted to the forthcoming annual general meeting to re-appoint KLL Associates CPA Limited as auditors of the Company.

ON BEHALF OF THE BOARD

LIANG Jin You

Chairman

Hong Kong, 26 July 2004

核數師

於年內，安永會計師事務所辭任為本公司之核數師，華融會計師事務所有限公司獲委任為本公司之核數師。

本公司將於在即將舉行之股東週年大會上提呈一項決議案，重新委任華融會計師事務所有限公司為本公司之核數師。

承董事會命

梁金友

主席

香港，二零零四年七月二十六日