

董事會同寅謹提呈截至二零零四年六月三十日止年度本公司及其附屬公司(以下統稱「本集團」)之業績報告及經審核財務報告。

主要業務

本公司乃一間投資控股公司。其附屬公司主要從事銷售一般系統產品、提供服務及軟件特許權、系統產品租賃、投資電子商貿項目，以及於高科技產品開發公司持有策略性投資。

業績及分配

本集團截至二零零四年六月三十日止年度之業績載於第21頁之綜合損益表及隨附之財務報告附註內。相等於每股0.60港仙之中期股息(可選擇現金)於本年度內按以股代息方式派發予股東。董事建議按以股代息方式派發相等於每股0.65港仙之末期股息(可選擇現金)。累計溢利之變動情況載於財務報告附註33。

股本

本公司於本年度內之股本變動詳情載於財務報告附註31。

儲備

本集團及本公司於本年度內之儲備變動情況載於財務報告附註33。

本公司可供分派之儲備為股息儲備、特別儲備及累計溢利之總和235,069,000港元。

物業、廠房及設備

於本年度內，為擴展業務，本集團添置約值7,000,000港元之物業、廠房及設備。本集團於本年度內有關物業、廠房及設備之變動情況載於財務報告附註12。

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 30 June 2004.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in sales of general systems products, provision of services and software licensing, leasing of systems products, investments in e-commerce projects and holding strategic investments in advanced technology product development companies.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 30 June 2004 are set out in the consolidated income statement on page 21 and in the accompanying notes to the financial statements. An interim dividend in scrip form equivalent to HK0.60 cents per share, with a cash option, was distributed to the shareholders during the year. A final dividend in scrip form equivalent to HK0.65 cents per share, with a cash option, is proposed by the directors. Movements of the accumulated profits are set out in note 33 to the financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 31 to the financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in note 33 to the financial statements.

The Company's reserves available for distribution represent the aggregate of dividend reserve, special reserve and accumulated profits of HK\$235,069,000.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired additional property, plant and equipment of approximately HK\$7 million to expand its continuing business. Details of movements in property, plant and equipment of the Group during the year are set out in note 12 to the financial statements.

董事及服務合約

本年度及截至本報告刊發日期止，本公司之董事為：

執行董事：

簡文樂先生
黎日光先生
馮建良先生

非執行董事：

簡堅良先生
梁雄健教授*
葉培大教授*
Frank Bleackley先生*
崔玖教授* (於二零零三年十月二十四日獲委任)
何耀明先生* (於二零零四年三月二十三日獲委任)

* 獨立非執行董事

根據本公司章程細則第87條規定，馮建良先生及梁雄健教授將退任，梁雄健教授願意膺選連任。其他董事均繼續留任。

擬於應屆股東周年大會上動議連任之董事概無與本公司或其任何附屬公司訂立任何本集團不能於一年內毋須補償（法定補償除外）而終止之服務合約。

獲委任之非執行董事須根據本公司章程細則之規定輪流退任。

購股權及董事購買股份或債券之權利

本公司、其最終控股公司冠軍科技集團有限公司（「冠軍」）及同系附屬公司數碼香港各設有購股權計劃。據此，合資格人士（包括本公司、冠軍及數碼香港或其各自之附屬公司之董事）可獲授購股權以分別認購本公司、冠軍及數碼香港之股份。

(i) 本公司

於二零零二年十一月二十九日，本公司採納購股權計劃（「計劃」），計劃將於二零一二年十一月二十八日屆滿。本公司概無根據計劃授出購股權。計劃之詳情載於財務報告附註32。

DIRECTORS AND SERVICE CONTRACTS

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

Executive directors:

Mr. Paul Kan Man Lok
Mr. Lai Yat Kwong
Mr. Fung Kin Leung

Non-executive directors:

Mr. Leo Kan Kin Leung
Prof. Liang Xiong Jian *
Prof. Ye Pei Da *
Mr. Frank Bleackley *
Prof. Julia Tsuei Jo * (appointed on 24 October 2003)
Mr. Ho Yiu Ming * (appointed on 23 March 2004)

* Being independent non-executive directors

In accordance with Article 87 of the Company's Articles of Association, Mr. Fung Kin Leung and Prof. Liang Xiong Jian retire by rotation. Prof. Liang Xiong Jian offers himself for re-election. All other directors continue in office.

No directors 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 non-executive directors have been appointed for a term subject to retirement by rotation as required by the Company's Articles of Association.

SHARE OPTIONS AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

The Company, its ultimate holding company, Champion Technology Holdings Limited ("Champion"), and a fellow subsidiary, DIGITALHONGKONG.COM, each has a share option scheme under which eligible persons, including directors of the Company, Champion, DIGITALHONGKONG.COM or any of their respective subsidiaries may be granted options to subscribe for shares in the Company, Champion and DIGITALHONGKONG.COM respectively.

(i) The Company

On 29 November 2002, the Company adopted the share option scheme (the "Scheme") which will expire on 28 November 2012. No share option was granted by the Company under the Scheme. Particulars of the Scheme are set out in note 32 to the financial statements.

購股權及董事購買股份或債券之權利—續

(ii) 冠軍

於二零零二年十一月二十九日，冠軍採納一項購股權計劃（「冠軍購股權計劃」）。冠軍購股權計劃之目的在於吸引及挽留優秀人員及其他人士，並為彼等提供獎勵，激發彼等對冠軍及其附屬公司（「冠軍集團」）之業務作出貢獻。根據冠軍購股權計劃，董事可向任何涉及冠軍、其附屬公司或聯屬公司之業務、營運、管理、技術、法律、會計及財務事宜之董事、僱員、顧問、諮詢人，或就任何全權信託而其受益人包括任何上述人士或其實益擁有之公司，以及冠軍集團之客戶及供應商授出購股權，以認購冠軍之股份。冠軍已授出之購股權可於董事所釐定之期間任何時間行使，惟所釐定之期間不可多於有關購股權授出日期起計十年，而接納日期須不遲於要約日期後二十一日。冠軍購股權計劃授出之購股權之行使購價（可按其中之規定作出調整）為(i)股份面值；(ii)於授出日期（須為營業日）在香港聯合交易所有限公司（「聯交所」）每日報價表所報之每股股份收市價；或(iii)緊接授出日期前五個營業日在聯交所每日報價表所報之每股股份平均收市價，三者以最高者為準。自採納以來，冠軍概無根據冠軍購股權計劃授出任何購股權。

SHARE OPTIONS AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES – Continued

(ii) Champion

On 29 November 2002, Champion adopted a share option scheme (the "Champion Option Scheme"). The purpose of the Champion Option Scheme is to attract and to retain quality personnel and other persons and to provide them with incentive to contribute to the business and operation of Champion and its subsidiaries (the "Champion Group"). Under the Champion Option Scheme, the directors may grant options to any directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of Champion, its subsidiaries or affiliates or any discretionary trust whose discretionary objects include the aforesaid persons or a company beneficially owned by the aforesaid persons as well as customers and suppliers of the Champion Group to subscribe for shares of Champion. The share option granted by Champion is exercisable at any time for a period determined by its directors which shall be less than ten years from the date of grant, where the acceptance date should not be later than 21 days after the date of offer. The exercise price (subject to adjustment as provided therein) of the option under the Champion Option Scheme is equal to the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the daily quotation sheet of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of grant, which must be a business day; and (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant of the option. No share option under the Champion Option Scheme was granted by Champion since its adoption.

購股權及董事購買股份或債券之權利—續

(iii) 數碼香港

於二零零二年十一月二十九日，數碼香港採納一項購股權計劃（「數碼香港購股權計劃」）。數碼香港購股權計劃之目的在於吸引及挽留優秀人員及其他人士，並為彼等提供獎勵，激發彼等對數碼香港及其附屬公司（「數碼香港集團」）之業務作出貢獻。根據數碼香港購股權計劃，董事可向任何涉及數碼香港、其附屬公司或聯屬公司之業務、營運、管理、技術、法律、會計及財務事宜之董事、僱員、顧問、諮詢人，或就任何全權信託而其受益人包括任何上述人士或其實益擁有之公司，以及數碼香港集團之客戶及供應商授出購股權，以認購數碼香港之股份。授出之購股權可於董事所釐定之期間任何時間行使，惟所釐定之期間不可多於有關購股權授出日期起計十年。數碼香港授出之購股權之行使價（可按其中之規定作出調整）為(i)股份面值；(ii)於授出日期（須為營業日）在聯交所每日報價表所報之每股股份收市價；或(iii)緊接授出日期前五個營業日在聯交所每日報價表所報之每股股份平均收市價，三者以最高者為準。自採納以來，數碼香港概無根據數碼香港購股權計劃授出任何購股權。

除上文所述之購股權計劃外，本公司、其控股公司、其任何同系附屬公司或附屬公司在本年度內任何時間均無參與任何安排，致使本公司董事可透過購入本公司或任何其他法人團體之股份或債券而獲得利益。

SHARE OPTIONS AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES – Continued

(iii) DIGITALHONGKONG.COM

On 29 November 2002, DIGITALHONGKONG.COM adopted a share option scheme (the "DHK Option Scheme"). The purpose of the DHK Option Scheme is to attract and to retain quality personnel and other persons and to provide them with incentive to contribute to the business and operation of DIGITALHONGKONG.COM and its subsidiaries (the "DIGITALHK Group"). Under the DHK Option Scheme, the directors may grant options to any directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of the DIGITALHONGKONG.COM, its subsidiaries or affiliates or any discretionary trust whose discretionary objects include the aforesaid persons or a company beneficially owned by the aforesaid persons as well as customers and suppliers of the DIGITALHK Group, to subscribe for shares of DIGITALHONGKONG.COM. Options granted by DIGITALHONGKONG.COM are exercisable at any time for a period determined by its directors which shall be less than ten years from the date of grant. The exercise price (subject to adjustment as provided therein) of the option under the DHK Option Scheme is equal to the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; and (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant of the option. No share option under the DHK Option Scheme was granted by DIGITALHONGKONG.COM since its adoption.

Other than the share option schemes described above, at no time during the year was the Company, its holding company, any of its fellow subsidiaries or subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

董事之證券權益或淡倉

於二零零四年六月三十日，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條存置之股東名冊記錄所示，或向聯交所另行作出之通知，本公司董事在本公司或其任何相關法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有之權益及淡倉如下：

DIRECTORS' INTERESTS OR SHORT POSITIONS IN SECURITIES

At 30 June 2004, the interests and short positions of the directors of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Stock Exchange were as follows:

	Name of director	Capacity	Number of shares	Percentage of the issued share capital 佔已發行股本百分比	Number of warrants
	董事姓名	身份	股份數目	股本百分比	認股權證數目
Securities of the Company 本公司之證券	Mr. Paul Kan Man Lok 簡文樂先生	The person who sets up the discretionary trust and a discretionary object of the trust 乃設立該全權信託的人士及該信託之其中一名受益人	Note 1 附註1	74.95%	-
Securities of Champion 冠軍之證券	Mr. Paul Kan Man Lok 簡文樂先生	The person who sets up the discretionary trust and a discretionary object of the trust 乃設立該全權信託的人士及該信託之其中一名受益人	Note 2 附註2	28.80%	Note 2 附註2
Securities of DIGITALHONGKONG.COM 數碼香港之證券	Mr. Paul Kan Man Lok 簡文樂先生	The person who sets up the discretionary trust and a discretionary object of the trust 乃設立該全權信託的人士及該信託之其中一名受益人	Note 3 附註3	79.98%	-

附註：

- 1,322,420,962股由冠軍持有，而407,779,752股由Lawnside International Limited（「Lawnside」）持有。Lawnside由Lanchester Limited全資擁有。Lanchester Limited乃一間由一項合資格受益人包括簡文樂先生及其家族成員以及冠軍及其附屬公司員工之全權信託所實益擁有之公司。於二零零四年六月三十日，僅簡文樂先生及其家族成員為全權信託受益人。Lawnside則擁有冠軍全部已發行股本約28.80%，因而被視為擁有該等由冠軍擁有之股份權益。
- 340,930,150股股份及64,437,619份認股權證由Lawnside持有，由冠軍所發行之認股權證將於二零零五年二月七日期滿。
- 117,300,000股股份由冠軍持有，而2,669,171股股份則由Lawnside持有。

Notes:

- 1,322,420,962 shares were held by Champion and 407,779,752 shares were held by Lawnside International Limited ("Lawnside"). Lawnside is wholly owned by Lanchester Limited which is a company beneficially owned by a discretionary trust, the eligible discretionary objects of which include Mr. Paul Kan Man Lok and his family members and staff of Champion and its subsidiaries. As at 30 June 2004, only Mr. Paul Kan Man Lok and his family members are discretionary objects of the trust and Lawnside held approximately 28.80% of the entire issued share capital of Champion and was accordingly deemed to have an interest in these shares which were owned by Champion.
- 340,930,150 shares and 64,437,619 warrants were held by Lawnside. The warrants issued by Champion will expire on 7 February 2005.
- 117,300,000 shares were held by Champion and 2,669,171 shares were held by Lawnside.

董事之證券權益或淡倉—續

除上文所披露者及由董事以本公司或其附屬公司之受託人名義持有之若干附屬公司之若干代理人股份外，於二零零四年六月三十日，各董事或彼等任何聯繫人士並無擁有本公司或其任何相關法團（定義見證券及期貨條例第XV部）之任何證券、相關股份或債券之權益或淡倉。

各董事於合約及關連交易之權益

於截至二零零四年六月三十日止年度內，本集團與冠軍及其附屬公司（本集團除外）曾進行下列交易：

交易類別

本集團向冠軍及其附屬公司支付使用辦公室及其設備及管理服務之費用

本集團向冠軍之附屬公司出售傳呼機及器材

本集團向冠軍之附屬公司購買電訊器材

本公司之獨立非執行董事認為上述交易乃按日常業務程序及一般商業條款進行。關連交易之詳情載於財務報告附註40。

除上文所披露者外，本公司董事在本公司、其控股公司、其任何同系附屬公司或附屬公司參與訂立，且在本年度結束時仍然有效或在本年度內任何時間訂立之重大合約中，概無直接或間接擁有權益。

DIRECTORS' INTERESTS OR SHORT POSITIONS IN SECURITIES – Continued

Save as disclosed above and other than certain nominee shares in subsidiaries held by directors in trust for the Company or its subsidiaries, none of the directors or any of their associates had any interest or short position in the securities, underlying shares or debentures of the Company or any of its associated corporations as defined in Part XV of the SFO as at 30 June 2004.

DIRECTORS' INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS

During the year ended 30 June 2004, the Group had transactions with Champion and its subsidiaries other than the Group as follows:

Nature of transactions

HK\$'000
千港元

Fees paid by the Group to Champion and its subsidiaries for the provision of office premises and facilities, and management services

100

Sales of pagers and equipment by the Group to subsidiaries of Champion

42

Purchases of telecommunications equipment by the Group from subsidiaries of Champion

169

In the opinion of the independent non-executive directors of the Company, the above transactions were carried out in the usual course of business and on normal commercial terms. Details of connected transactions are set out in note 40 to the financial statements.

Save as disclosed above, no contracts of significance to which the Company, its holding company, any of its fellow subsidiaries or 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.

主要股東

於二零零四年六月三十日，根據證券及期貨條例第336條規定本公司須存置之股東名冊記錄，下列人士（於「董事之證券權益或淡倉」所披露之本公司董事及行政總裁除外）於本公司之股本擁有權益：

Name of shareholder	Long/short position	Capacity	Number of shares	Percentage of the issued share capital 佔已發行股本百分比
股東名稱	好/淡倉	身份	股份數目	
Champion 冠軍	Long 好倉	Beneficial owner 實益擁有人	1,322,420,962	57.29%
Lawnside	Long 好倉	Beneficial owner 實益擁有人	407,779,752	17.66%

除上文所披露者外，本公司並無獲悉本公司之已發行股本於二零零四年六月三十日有任何其他相關權益或淡倉。

可換股證券、購股權、認股權證或類似權利

於二零零四年六月三十日，本公司並無任何尚未行使之可換股證券、購股權、認股權證或其他類似權利。於本年度內並無行使任何可換股證券、購股權、認股權證或類似權利。

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於本年度內概無購買、出售或贖回任何本公司之上市證券。

優先購股權

本公司之章程細則或開曼群島法例並無載有任何優先購股權之規定，規定本公司須按比例向現有股東提呈發售新股。

主要客戶及供應商

截至二零零四年六月三十日止年度，本集團五大客戶及供應商所佔之營業額及購買額佔本集團之營業總額及購買總額分別不足30%。

企業管治

本公司全年一直遵照聯交所證券上市規則附錄十四所載之最佳應用守則行事。

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2004, the following persons (other than a director and chief executive of the Company disclosed under directors' interests or short positions in securities) had interests in the share capital of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of shareholder	Long/short position	Capacity	Number of shares	Percentage of the issued share capital 佔已發行股本百分比
股東名稱	好/淡倉	身份	股份數目	
Champion 冠軍	Long 好倉	Beneficial owner 實益擁有人	1,322,420,962	57.29%
Lawnside	Long 好倉	Beneficial owner 實益擁有人	407,779,752	17.66%

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 June 2004.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

The Company had no outstanding convertible securities, options, warrants or other similar rights as at 30 June 2004 and there was no exercise of convertible securities, options, warrants or similar rights during the year.

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

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

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 30 June 2004, the aggregate amount of turnover and purchases attributable to the Group's five largest customers and suppliers respectively represented less than 30% of the Group's total turnover and purchases.

CORPORATE GOVERNANCE

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.

核數師

有關續聘德勤•關黃陳方會計師行為本公司之核數師之決議案將於股東周年大會上提呈。

承董事會命

主席
簡文樂
香港
二零零四年十月二十一日

AUDITORS

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

On behalf of the Board

Paul KAN Man Lok
CHAIRMAN
Hong Kong
21 October 2004