

REPORT OF THE DIRECTORS

The directors present their annual report and the audited financial statements for the year ended 30th September, 2004.

PRINCIPAL ACTIVITIES

The principal activities of the Company are property investment and investment holding. The principal activities of the Company's subsidiaries and jointly controlled entity are set out in notes 17 and 18 to the financial statements respectively.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 30th September, 2004 are set out in the consolidated income statement on page 23.

An interim dividend of HK\$0.02 per share amounting to HK\$2,203,588 was paid to the shareholders during the year. The directors now recommend the payment of a final dividend of HK\$0.08 per share to the shareholders on the register of members on 31st December, 2004, amounting to HK\$8,814,351.

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity and financial resources

The Group will maintain its conservative financial approach to the funding and treasury policies. At 30th September, 2004, the shareholders' funds were HK\$1,201.1 million, an increase of HK\$354.5 million from HK\$846.6 million at 30th September, 2003. The increase was mainly due to the upward revaluation of the Group's investment properties.

At 30th September, 2004, the Group's total borrowings which were denominated in Hong Kong dollars were HK\$261 million, a decrease of HK\$7.2 million from HK\$268.2 million last year. The borrowings of HK\$114.9 million were repayable within one year, a decrease of HK\$144.1 million from HK\$259 million at 30th September, 2003. The decrease was mainly due to the extension of a secured bank loan of HK\$150 million to repay over a period of three years. The borrowings of HK\$3 million were due for repayment after one year but within two years and the remaining portion of HK\$143.1 million were repayable after two years. At 30th September, 2004, interest on bank overdraft of HK\$0.1 million was based on the prime rate, whereas interest on remaining borrowings of HK\$260.9 million was calculated at HIBOR plus a margin. At 30th September, 2004, the debt to equity ratio, based on the Group's total borrowings of HK\$261 million and its net assets value of HK\$1,201.1 million, was 21.7%, as compared with 31.7% on 30th September, 2003. The decrease was mainly due to the upward revaluation of the Group's investment properties as mentioned above.

董事會報告書

董事會謹將截至二零零四年九月三十日止年度之報告書連同已審核之財政報告表呈覽。

主要業務

本公司之主要業務為物業投資及控股投資。本公司之附屬公司及共同控制公司之主要業務則分別詳列於財政報告表附註第17項及第18項內。

業績及溢利分配

本集團截至二零零四年九月三十日止年度之業績詳列於綜合收益賬第23頁。

每股港幣2仙之中期股息為港幣2,203,588元已於本年內派發予股東。董事會現建議派發末期股息每股港幣8仙，共港幣8,814,351元予於二零零四年十二月三十一日登記於股東名冊內之股東。

管理層討論及分析

資金流動性及財政資源

本集團將維持審慎財政方式處理資金及庫務政策。二零零四年九月三十日，股東權益為港幣十二億零一百一十萬元，比較二零零三年九月三十日之港幣八億四千六百六十萬元增加港幣三億五千四百五十萬元，增加主要因為本集團之投資物業重估價值上調。

於二零零四年九月三十日，本集團之總債項為港幣二億六千一百萬元，較上年度之港幣二億六千八百二十萬元減少港幣七百二十萬元。於一年內要償還之債項為港幣一億一千四百九十萬元，較二零零三年九月三十日港幣二億五千九百萬元減少港幣一億四千四百一十萬元，減少是因為一筆港幣一億五千萬之有抵押銀行貸款已延長至未來三年內償還。債項港幣三百萬元於一年後至兩年內要償還。於二年後要償還之剩餘部份為港幣一億四千三百一十萬元。於二零零四年九月三十日，銀行透支港幣十萬元之利息乃按優惠利率計算，餘下之債項港幣二億六千零九十萬元之利息按本地銀行同業折息加一比率計算。於二零零四年九月三十日，按本集團總債項港幣二億六千一百萬元及其淨資產值港幣十二億零一百一十萬元，負債對股東權益比率為百分之二十一點七，比對二零零三年九月三十日之百分之三十一點七，減少主要因為上述本集團之投資物業重估價值上調。

REPORT OF THE DIRECTORS (Continued)

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Liquidity and financial resources(Continued)

Certain investment properties of the Group with an aggregate carrying value of HK\$1,317 million were pledged to banks to secure the general banking facilities granted to the Group.

As at 30th September, 2004, the Group had undrawn banking facilities of HK\$185 million which will provide adequate funding for the Group's operational and capital expenditure requirement.

As at 30th September, 2004, the Group had contingent liabilities in respect of guarantees issued to secure bank loans to the extent of HK\$15 million granted to the subsidiary of the Group's jointly controlled entity. The extent of banking facilities utilised by the subsidiary of the jointly controlled entity and guaranteed by the Group at 30th September, 2004 was approximately HK\$15 million.

Employees

At 30th September, 2004, the Group had 121 employees and the employee's cost including directors' emoluments for the year amounted to approximately HK\$15.9 million which was lower than that of last year. There was no change in employment and remuneration policies of the Group and the Group does not have any share option scheme for employees.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 25 to the financial statements.

BORROWINGS

Bank loans and overdrafts and other borrowings repayable within one year or on demand are classified under current liabilities. Details of long term borrowings are set out in notes 26 and 27 to the financial statements. No interest was capitalised by the Group during the year.

INVESTMENT PROPERTIES

During the year ended 30th September, 2004,

- (a) The Group incurred expenditure in respect of improvements to investment properties of HK\$5,287,000.
- (b) The Group disposed of an investment property with a carrying book value of HK\$14,000,000.

The Group revalued its investment properties at the year end. The revaluation gave rise to an increase of HK\$337 million, which has been credited to the investment property revaluation reserve.

Details of movements in the investment properties of the Group and the Company are set out in note 14 to the financial statements.

董事會報告書(續)

管理層討論及分析(續)

資金流動性及財政資源(續)

本集團以總額賬面值共約港幣十三億一千七百萬元之若干投資物業抵押於銀行作為給予本集團一般銀行信貸之保證。

於二零零四年九月三十日，本集團未提取之銀行信貸為港幣一億八千五百萬元，此額將提供足夠資金予本集團之營運及資本開支所需。

於二零零四年九月三十日，本集團之或然負債是因為銀行給予一共同控制公司之附屬公司銀行貸款達港幣一千五百萬元而作出之擔保。於二零零四年九月三十日，共同控制公司之附屬公司已使用及本集團擔保之銀行貸款額約為港幣一千五百萬元。

僱員

於二零零四年九月三十日，本集團有一百二十一名僱員，而本年度之僱員開支包括董事酬金約為港幣一千五百九十萬元，比上年度同期減少。本集團之僱傭及酬金政策並無改變，及本集團並無僱員認購股權計劃。

儲備

本年度本集團及本公司之儲備變動詳列於財政報告表附註第25項內。

債項

銀行貸款及透支及其他須於一年內償還或即期償還之債項已列入流動負債項目內。長期債項詳情列於財政報告表附註第26項及27項內。本年度本集團並無將利息撥作為成本。

投資物業

截至二零零四年九月三十日止年度內，

- (a) 本集團支付投資物業裝修費用港幣5,287,000元。
- (b) 本集團出售一投資物業，其賬面值為港幣14,000,000元。

本集團於年結日重估其投資物業。重估所產生之增值港幣三億三千七百萬元已撥入投資物業重估儲備內。

本集團及本公司投資物業之變動詳情列於財政報告表附註第14項內。

REPORT OF THE DIRECTORS (Continued)

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group and the Company are set out in note 15 to the financial statements.

PROPERTIES HELD FOR INVESTMENT

Details of the properties of the Group held for investment at the year end are set out on pages 63 and 64.

MAJOR CUSTOMERS AND SUPPLIERS

For the financial year ended 30th September, 2004, the five largest customers of the Group accounted for less than 30% of the Group's turnover. The five largest suppliers of the Group accounted for approximately 49% of the Group's total purchases for the year and purchases from the largest supplier included therein accounted for approximately 23%.

At no time during the year did a director, an associate of a director or a shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) have an interest in any of the Group's five largest suppliers.

DIRECTORS

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

Mr. Wong Bing Lai
Mr. Wong Tat Chang, Abraham
Mr. Wong Tat Kee, David
Mr. Wong Tat Sum, Samuel
Mdm. Lam Hsieh Li Chen, Linda *
Mdm. Chan Ho Lai Kuen *
Mr. Li Kwok Sing, Aubrey * (appointed on 30th September, 2004)
Mr. Cheng Mo Chi, Moses * (resigned on 30th September, 2004)

* Independent non-executive directors

In accordance with the Company's Articles of Association, Mr. Wong Tat Sum, Samuel will retire by rotation from the board at the forthcoming Annual General Meeting and, being eligible, offer himself for re-election. Mr. Li Kwok Sing, Aubrey will retire from the board at the forthcoming Annual General Meeting and being eligible, offer himself for re-election.

The term of office for each non-executive director is the period up to his/her retirement by rotation in accordance with the Company's Articles of Association.

董事會報告書 (續)

物業、裝置及設備

本集團及本公司之物業、裝置及設備之變動詳情列於財政報告表附註第15項內。

投資物業

本集團於年結日之投資物業詳情列於第63頁及第64頁。

主要客戶及供應商

於截至二零零四年九月三十日止財政年度，本集團五大客戶合共佔本集團之營業額少於30%。本集團五大供應商則佔本集團全年之採購總額約49%，而其中最大供應商約佔採購額約23%。

本年度內本公司董事、其聯繫人士或就董事所知擁有本公司股本逾5%之股東概無擁有本集團任何五大供應商之權益。

董事

本年度及截至此報告書日止本公司之董事為：

黃炳禮先生
黃達濶先生
黃達琪先生
黃達琛先生
林謝麗瓊女士*
陳何麗娟女士*
李國星先生* (於二零零四年九月三十日委任)
鄭慕智先生* (於二零零四年九月三十日辭任)

* 獨立非執行董事

根據本公司組織章程細則，黃達琛先生將於即將召開之股東週年大會上依章輪流告退，惟願膺選連任。李國星先生將於即將召開之股東週年大會上依章告退，惟願膺選連任。

每位非執行董事之任期為任職直至他／她根據本公司組織章程細則輪值告退止。

REPORT OF THE DIRECTORS (Continued)

董事會報告書 (續)

DIRECTORS' INTERESTS IN SHARES

At 30th September, 2004, the interests of the directors and chief executives 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 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:

(a) Long position interests in the Company

董事之股份權益

於二零零四年九月三十日，按證券及期貨條例第352條而設之登記名冊所記錄，或按上市公司董事進行證券交易之標準守則而向本公司及香港聯合交易所有限公司發出之通知，各董事及行政總裁及彼等聯繫人士擁有本公司及其聯營公司之股份權益如下：

(a) 於本公司之好倉權益

Name of director 董事姓名	Number of ordinary shares 普通股數量			Total 總計	Percentage of the issued share capital of the Company 本公司已發行 股本之百分率
	Personal interests 個人權益	Family interests 家族權益 (note 1) (附註1)	Other interests 其他權益 (note 2) (附註2)		
Wong Tat Chang, Abraham 黃達漳	450,800	—	56,806,234	57,257,034	52.0%
Wong Tat Kee, David 黃達琪	—	—	56,806,234	56,806,234	51.6%
Wong Tat Sum, Samuel 黃達琛	—	28,800	56,806,234	56,835,034	51.6%
Lam Hsieh Li Chen, Linda 林謝麗琛	104,420	—	—	104,420	0.1%
Chan Ho Lai Kuen 陳何麗娟	2,416,128	—	—	2,416,128	2.2%

(b) Long position interests in Elephant Holdings Limited ("EHL"), a subsidiary of the Company

(b) 於本公司之附屬公司大象行有限公司(大象行)之好倉權益

Name of director 董事姓名	Number of ordinary shares 普通股數量			Total 總計	Percentage of the issued share capital of EHL 大象行已發行 股本之百分率
	Personal interests 個人權益	Other interests 其他權益 (note 2) (附註2)			
Wong Tat Chang, Abraham 黃達漳	10	4,784		4,794	47.9%
Wong Tat Kee, David 黃達琪	—	4,784		4,784	47.8%
Wong Tat Sum, Samuel 黃達琛	—	4,784		4,784	47.8%

REPORT OF THE DIRECTORS (Continued)

DIRECTORS' INTERESTS IN SHARES (Continued)

Notes:

- (1) Mr. Wong Tat Sum, Samuel is deemed to be interested in 28,800 ordinary shares of the Company, being the interest held beneficially by his spouse.
- (2) Shares included in other interests are beneficially owned by discretionary trusts of which Messrs. Wong Tat Chang, Abraham, Wong Tat Kee, David and Wong Tat Sum, Samuel are beneficiaries and the number of shares in each of the above companies are duplicated for each of these three directors.

Save as disclosed above, at 30th September, 2004, none of the directors or chief executives, nor their associates, had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations.

CONNECTED TRANSACTIONS

During the year ended 30th September, 2003, the Company entered into an agreement with a contractor, B.L. Wong & Co. Ltd., which is owned by Mr. Wong Bing Lai, Mr. Wong Tat Chang, Abraham, Mr. Wong Tat Kee, David, Mr. Wong Tat Sum, Samuel and the spouse of Mr. Wong Bing Lai. Pursuant to the agreement, the contractor provided property improvement works on certain investment properties of the Group. The consideration paid by the Company to the contractor under the agreement during the year ended 30th September, 2004 was HK\$3,026,620, which was determined with reference to the prevailing market price as quoted from other independent third party contractors in the field.

The independent non-executive directors consider that the transaction has been entered into by the Company in the ordinary course of its business and the basis of the consideration is fair and reasonable, so far as the shareholders of the Company are concerned.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed in the section headed "Connected Transactions" and note 33 to the financial statements, 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.

SERVICE AND MANAGEMENT CONTRACTS

No director 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 employing company within one year without the payment of compensation (other than statutory compensation).

No contracts of significance concerning the management and administration of the whole or any substantial part of the business of the Company or any of its subsidiaries were entered into during the year or subsisted at the end of the year.

董事會報告書 (續)

董事之股份權益 (續)

附註：

- (1) 黃達琛先生視作擁有本公司28,800股普通股之權益，該權益為其配偶所擁有。
- (2) 其他權益內之股份為信託基金擁有，黃達漳、黃達琪及黃達琛諸位先生為該等信託基金之受益人，而上述每間公司股份數日均為該三位董事每位所重複之權益。

除以上所披露外，於二零零四年九月三十日，董事或行政總裁或彼等聯繫人士並無擁有本公司或其任何聯營公司之股份、相關股份及債券之任何權益或淡倉。

關連交易

截至二零零三年九月三十日止年度內，本公司與承建商，寶旺有限公司訂立協議。寶旺有限公司由黃炳禮先生、黃達漳先生、黃達琪先生、黃達琛先生及黃炳禮先生之配偶擁有。根據協議，承建商為本集團之若干投資物業提供物業裝修工程。截至二零零四年九月三十日止年度內按協議，本公司支付給承建商之代價為港幣3,026,620元，代價乃參考行業內其他獨立第三者承建公司所報之當時市場價格決定。

獨立非執行董事認為該項交易是本公司於日常業務中達成，及對本公司之股東而言，其代價之基準屬公平和合理。

董事之重大合約利益

除「關連交易」分段及財政報告表附註第33項所披露外，於年結日或年內之任何時間，本公司或其任何附屬公司並無簽訂致使本公司之董事直接或間接享有重大利益之重大合約。

服務及管理合約

於即將召開之股東週年大會上擬重選連任之董事並無與本公司或其任何附屬公司簽訂該僱任公司在不作出賠償(除法定賠償外)下而不可於一年內予以終止之服務合約。

於本年度內或年結日時，本公司或其任何附屬公司並無簽訂或存有涉及其本身全部或大部分業務之管理及行政之重大合約。

REPORT OF THE DIRECTORS (Continued)

ARRANGEMENTS TO ACQUIRE 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

At 30th September, 2004, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance showed that, other than the interests disclosed above in respect of directors, the following shareholder had notified the Company of relevant interests in the issued share capital of the Company:

Name	Number of ordinary shares in the Company	Percentage of the issued share capital of the Company
Madison Profits Limited	22,827,632 (Note)	20.7%

Note: These 22,827,632 shares were taken to be the corporate interests of Mdm. Kung, Nina pursuant to the Securities and Futures Ordinance.

Save as disclosed above, the Company had not been notified by any person, not being a director, of interests or short positions in the shares and underlying shares of the Company as required to be recorded in the register pursuant to Section 336 of the Securities and Futures Ordinance.

PURCHASE, SALE OR REDEMPTION OF SHARES

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

董事會報告書 (續)

購買股份或債券之安排

本年度內本公司或其任何附屬公司並無參與任何安排，使本公司董事因取得本公司或任何其他公司之股份或債券而獲益。

主要股東

於二零零四年九月三十日，根據證券及期貨條例第336條之規定而保存之主要股東登記名冊所載，除以上所述之董事權益外，以下股東已通知本公司其於本公司已發行股本之有關權益：

公司名稱	本公司之普通股數量	本公司已發行股本百分率
Madison Profits Limited	22,827,632 (附註)	20.7%

附註：根據證券及期貨條例，該22,827,632股為龔如心女士之公司權益。

除以上所披露外，根據證券及期貨條例第336條規定須予記錄於登記名冊所載，本公司並無收到任何非董事之人士持有本公司股份及相關股份權益或淡倉之通知。

買入、出售或贖回股份

本年度內本公司或其任何附屬公司並無買入、出售或贖回本公司之股份。

REPORT OF THE DIRECTORS (Continued)

董事會報告書 (續)

LOANS TO ENTITIES

In accordance with rule 13.13 and 13.20 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the directors of the Company reported on details of advances by the Group to the following entities which exceeded 8% of the Company's relevant percentage ratios as at 30th September, 2004, as follows:

給予實體的貸款

本集團向下列實體墊支的貸款超逾本公司於二零零四年九月三十日本公司的有關百分比8%，本公司董事根據香港聯合交易所有限公司證券上市規則（「上市規則」）第13.13及13.20條申報有關詳情如下：

Name of affiliated company 聯屬公司的名稱	Attributable interest held by the Group 本集團所持 應佔權益	As at 30th September, 2004 於二零零四年九月三十日					Total 合計 (A+B)
		Non-interest bearing advances	Guarantee given	Guaranteed loan drawn	Committed capital injection		
		免息貸款 (A)	給予的擔保 (B)	已動用的 擔保貸款	承諾注入 的資本		
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
Silver Gain Development Limited (Note 1) 銀利發展有限公司 (附註1)	33 1/3%	59,885	—	—	—	59,885 (Note 3)	
Guangzhou Garden Plaza Development Company Limited (Note 2) 廣州市東銀房地產有限公司 (附註2)	33 1/3%	—	15,000	15,000	—	15,000	
Silver Gain Development Limited & its subsidiary 銀利發展有限公司及其附屬公司		59,885	15,000	15,000	—	74,885	

Notes:

- The issued share capital of Silver Gain Development Limited is owned by the following companies in equal shares:
 - Dynabest Development Inc. which is wholly owned by Pokfulam Development Company Limited;
 - Million Global Limited which is wholly owned by China National Cereals, Oils & Foodstuffs Import & Export Corporation, a state-owned enterprise and an independent third party; and
 - Property Trust Guangzhou Investments Limited which is beneficially owned as to 95% by Mr. Cheng Kai Chiu, Anthony, an independent third party and 5% by the general public.
- Guangzhou Garden Plaza Development Company Limited is a wholly owned subsidiary of Silver Gain Development Limited.
- This loan has been provided by the Group to the abovenamed entity as shareholder's loan which is unsecured and has no fixed repayment terms.

附註：

- 銀利發展有限公司的發行股本是由下列持有相等股數的公司擁有：
 - Dynabest Development Inc.，為博富臨置業有限公司全資擁有；
 - Million Global Limited，為中國糧油食品進出口（集團）有限公司（國營企業及獨立第三者）全資擁有；及
 - Property Trust Guangzhou Investments Limited，為鄭啟超先生（獨立第三者）實益擁有95%，餘下5%由公眾持有。
- 廣州市東銀房地產有限公司，為銀利發展有限公司的全資附屬公司。
- 本集團向上述實體提供此等貸款作為股東貸款，全屬無抵押及無固定償還條款。

REPORT OF THE DIRECTORS (Continued)

董事會報告書 (續)

FINANCIAL ASSISTANCE AND GUARANTEES TO AFFILIATED COMPANIES

In accordance with rule 13.16 of the Listing Rules, the directors of the Company reported on details of advances to, and guarantees given for the benefit of its affiliated companies as at 30th September, 2004, which in aggregate exceeded 8% of the Company's relevant percentage ratios as at 30th September, 2004, as follows:

給予聯屬公司的財務資助及擔保

本集團於二零零四年九月三十日為其聯屬公司的利益提供貸款及擔保，合共超逾本公司於二零零四年九月三十日本公司的有關百分比8%，本公司董事根據上市規則第13.16條申報有關詳情如下：

As at 30th September, 2004
於二零零四年九月三十日

Name of affiliated company 聯屬公司的名稱	Attributable interest held by the Group 本集團所持應佔權益	Non-interest bearing advances	Guarantee given	Guaranteed loan drawn	Committed capital injection	Total
		免息貸款 (A)	給予的擔保 (B)	已動用的擔保貸款	承諾注入的資本	合計 (A+B)
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Disclosed as loans to entities in previous section 於前分段所披露之給予實體的貸款	33 1/3%	59,885	15,000	15,000	—	74,885

In accordance with rule 13.22 of the Listing Rules, the unaudited consolidated balance sheet of Silver Gain Development Limited as at 30th September, 2004 is set out below:

根據上市規則第13.22條，銀利發展有限公司於二零零四年九月三十日結算之未經審核綜合資產負債表詳情如下：

		HK\$'000 港幣千元
Non-current assets	非流動資產	59,706
Current assets	流動資產	165,515
Current liabilities	流動負債	(21,963)
Non-current liabilities	非流動負債	(214,772)
Net liabilities	負債淨值	(11,514)
Net liabilities attributable to the Group	集團應佔負債淨值	(3,838)

REPORT OF THE DIRECTORS (Continued)

RETIREMENT BENEFIT SCHEME

The Group operates the mandatory provident fund scheme (“MPF Scheme”) for all qualifying employees in accordance with the Mandatory Provident Fund Schemes Ordinance (the “Ordinance”). The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of trustees.

The Group’s contributions to the MPF Scheme were calculated at 5% of the employee’s monthly relevant income. Any contributions which exceed the contributions required under the Ordinance are paid to the MPF Scheme as voluntary contribution.

Contributions to the MPF Scheme for the year made by the Group amounted to HK\$643,000. At 30th September, 2004, no material forfeited contribution which arose upon employees leaving the retirement benefit scheme was available to reduce the contributions payable in future years.

Save as aforementioned, no retirement benefits were paid or are payable by the Group in respect of the year.

CORPORATE GOVERNANCE

The Company has complied throughout the year ended 30th September, 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.

AUDITORS

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

On behalf of the Board
Wong Bing Lai
Chairman

Hong Kong, 24th November, 2004

董事會報告書 (續)

退休金計劃

本集團為所有合資格之僱員根據強制性公積金計劃條例(「條例」)設立強制性公積金計劃(「強積金計劃」)。強積金計劃之資產與本集團之資產分開，由信託人控制之基金管理。

本集團對強積金計劃之供款以僱員每月有關收入百分之五比率計算。任何供款超過條例所須之供款則以自願性供款存入強積金計劃。

於年內本集團向強積金計劃供款共約港幣643,000元。於二零零四年九月三十日，當僱員離開退休金計劃時，並無產生重大沒收供款可作為扣減未來數年所應付之供款。

除前述者外，本集團概無於本年度支付或應付退休福利。

公司管治

本公司於截至二零零四年九月三十日止年度全年均遵守載於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。

核數師

於將來臨之股東週年大會上，將會提出繼續委任德勤•關黃陳方會計師行為本公司核數師之決議案。

承董事會命
主席
黃炳禮

香港，二零零四年十一月二十四日