

REPORT OF THE DIRECTORS

董事會報告

The board of directors (the "Board") are pleased to present their report and the audited financial statements of Kenfair International (Holdings) Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31 March 2005.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the Company's subsidiaries are set out in note 14 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 March 2005 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 43 to 79.

An interim dividend of HK9 cents (2004: HK9 cents) per ordinary share was paid on 6 January 2005. The directors recommend the payment of a final dividend of HK8 cents (2004: HK8 cents) per ordinary share in respect of the year, to shareholders on the register of members on 21 May 2005. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the "Capital and Reserves" section of the balance sheets.

SUMMARY FINANCIAL INFORMATION

The following is a summary of the published consolidated/combined results and of the assets and liabilities of the Group prepared on the basis set out in the note below:

董事會(「董事會」)欣然呈列彼等之報告及建發國際(控股)有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零零五年三月三十一日止年度之經審核財務報表。

主要業務

本公司之主要業務為投資控股。本公司附屬公司之主要業務詳情載於財務報表附註14。年內，本集團之主要業務性質概無重大變動。

業績及股息

本集團截至二零零五年三月三十一日止年度之溢利及本公司與本集團於該日之業務狀況載於第43至第79頁之財務報表內。

本公司已於二零零五年一月六日派付中期股息每股普通股9港仙(二零零四年：9港仙)。董事會建議向於二零零五年五月二十一日名列股東登記冊之股東派付本年度末期股息每股普通股8港仙(二零零四年：8港仙)。此項建議已收錄在財務報表之資產負債表其中「股本及儲備」項下，列作保留溢利之分配。

財務資料概要

以下為本集團按下文附註所載基準而編製之已刊發綜合／合併業績及資產與負債概要：

REPORT OF THE DIRECTORS

董事會報告

RESULTS

業績

		Year ended 31 March 截至三月三十一日止年度				
		2005	2004	2003	2002	2001
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
TURNOVER	營業額					
Participation fee income	參展費收入	203,969	204,931	171,169	158,505	147,218
Entrance fee income	入場費收入	1,020	1,787	1,357	874	1,029
Hotel and travel package income	酒店及旅遊套票收入	12,317	11,686	-	-	-
Administrative income	行政收入	-	-	251	144	276
Advertising fee income	廣告費收入	8,741	7,200	6,948	4,515	1,810
Portal income	入門網站收入	2,631	2,748	1,156	-	-
		228,678	228,352	180,881	164,038	150,333
Other revenue	其他收益	511	333	334	908	904
Other income	其他收入	17,331	7,426	-	-	-
		246,520	236,111	181,215	164,946	151,237
Advertising and promotion expenses	廣告及推廣開支	(29,585)	(25,459)	(19,093)	(11,620)	(11,647)
Agency commission	代理佣金	(13,006)	(13,253)	(11,300)	(10,739)	(8,786)
Amortisation and depreciation	攤銷及折舊	(8,714)	(10,456)	(4,912)	(3,558)	(2,800)
Hotel and travel package expenses	酒店及旅遊套票開支	(12,133)	(12,437)	-	-	-
Operating lease rentals	經營租賃租金	(32,382)	(34,511)	(25,432)	(24,018)	(20,242)
Staff costs	員工成本	(43,129)	(40,405)	(29,146)	(26,897)	(24,103)
Other operating expenses	其他營運開支	(62,439)	(56,492)	(38,543)	(32,484)	(34,881)
PROFIT FROM OPERATING ACTIVITIES	經營業務溢利	45,132	43,098	52,789	55,630	48,778
Finance costs	融資成本	(189)	(352)	(386)	(504)	(435)
PROFIT BEFORE TAX	除稅前溢利	44,943	42,746	52,403	55,126	48,343
Taxation	稅項	(8,000)	(10,500)	(9,947)	(9,489)	(8,797)
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔日常 業務純利	36,943	32,246	42,456	45,637	39,546

SUMMARY FINANCIAL INFORMATION (continued)

財務資料概要(續)

		As at 31 March 於三月三十一日				
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2003 HK\$'000 千港元	2002 HK\$'000 千港元	2001 HK\$'000 千港元
ASSETS AND LIABILITIES	資產與負債					
NON-CURRENT ASSETS	非流動資產	71,369	80,995	67,438	20,986	26,717
CURRENT ASSETS	流動資產	137,099	112,822	86,623	55,570	35,396
CURRENT LIABILITIES	流動負債	(80,915)	(74,654)	(53,481)	(59,346)	(55,030)
NON-CURRENT LIABILITIES	非流動負債	(8,964)	(2,298)	(9,418)	(11,046)	(12,056)
MINORITY INTERESTS	少數股東權益	(1,388)	-	-	-	-
		117,201	116,865	91,162	6,164	(4,973)

Note: The summary of the combined results of the Group for the year ended 31 March 2001 and the combined assets and liabilities of the Group as at 31 March 2001 have been extracted from the Company's prospectus dated 25 March 2002. This summary was prepared from the audited financial statements of the companies now comprising the Group as if the current structure of the Group had been in existence throughout this financial year. The results of the Group for the two years ended 31 March 2005 and its assets and liabilities as at 31 March 2004 and 2005 are those set out on pages 43 and 44 of the financial statements.

附註：本集團截至二零零一年三月三十一日止年度之合併業績及本集團於二零零一年三月三十一日之合併資產與負債概要乃摘錄自本公司於二零零二年三月二十五日刊發之售股章程。本概要乃根據本集團現時旗下公司之經審核財務報表編製，猶如本集團之現時架構於該財政年度一直存在。本集團截至二零零五年三月三十一日止兩個年度之業績及於二零零四年及二零零五年三月三十一日之資產與負債分別載於財務報表第43及第44頁。

FIXED ASSETS

Details of movements in the fixed assets of the Group during the year are set out in note 13 to the financial statements.

固定資產

本集團年內之固定資產變動詳情載於財務報表附註13。

SHARE CAPITAL, SHARE OPTION AND WARRANTS

Details of movements in the Company's share capital during the year and details of the Company's share option scheme and warrants are set out in notes 22 to 24 to the financial statements.

股本、購股權及認股權證

本公司年內之股本變動詳情及本公司購股權計劃及認股權證詳情載於財務報表附註22至24

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, being the jurisdiction in which the Company is incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

優先購買權

本公司之公司組織章程細則或開曼群島(本公司註冊成立所處之司法權區)法例概無載有關於優先購買權之條文，而令本公司須按比例向現有股東發售新股份。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The Company or any of its subsidiaries had not purchased, redeemed or sold any of the Company's listed securities during the year.

購買、贖回或出售本公司之上市證券

本公司或其任何附屬公司在年內概無購買、贖回或出售任何本公司之上市證券。

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 24 to the financial statements and in the consolidated statement of changes in equity, respectively.

儲備

本公司及本集團在年內之儲備變動詳情分別載於財務報表附註24及綜合權益變動表。

DISTRIBUTABLE RESERVES

At 31 March 2005, the Company's reserves available for cash distribution and/or distribution in specie, calculated in accordance with the Companies Law (2003 Revision) of the Cayman Islands, amounted to HK\$29,837,000 (2004: HK\$46,841,000), of which HK\$17,273,000 (2004: HK\$17,264,000) has been proposed as a final dividend for the year. In accordance with the Companies Law (2003 Revision) of the Cayman Islands, a company may make distributions to its members out of the contributed surplus accounts under certain circumstances. In addition, the Company's share premium account, in the amount of HK\$64,902,000 (2004: HK\$64,756,000) 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 approximately 22% (2004: 22%) of the Group's turnover for the year and turnover attributable to the largest customer included therein amounted to approximately 18% (2004: 18%). Purchases from the Group's five largest suppliers accounted for approximately 52% (2004: 52%) of the Group's cost of exhibitions for the year and the fees paid to the largest supplier accounted for approximately 23% (2004: 27%) of the Group's cost of exhibitions for the year.

None of the directors of the Company, or any of their associates or 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 or suppliers.

DIRECTORS

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

Executive directors:

Mr. Ip Ki Cheung (*Chairman*)
Mr. Cheung Shui Kwai (*Managing Director*)
Mr. Chan Siu Chung

Independent non-executive directors:

Mr. Chan Wing Yau, George ("Mr. Chan")
Mr. Lai Yang Chau, Eugene ("Mr. Lai")
Mr. Law Sung Ching, Gavin ("Mr. Law") (appointed on 27 July 2004)
Mr. Wong Tat Tong (resigned on 27 July 2004)

In accordance with article 87(1) and (2) of the Company's articles of association, Mr. Chan will retire from the Board at the forthcoming annual general meeting and, being eligible, offer himself for re-election.

The Company has received annual confirmations of independence from Mr. Chan, Mr. Lai and Mr. Law, and as at the date of this report still consider them to be independent.

可供分派儲備

於二零零五年三月三十一日，按照開曼群島公司法(二零零三年修訂版)計算之本公司可供作現金分派及／或實物分派之儲備為29,837,000港元(二零零四年：46,841,000港元)，其中17,273,000港元(二零零四年：17,264,000港元)獲建議作為本年度之末期股息。根據開曼群島公司法(二零零三年修訂版)，本公司可在若干情況下以繳入盈餘賬內之款項向其股東作出分派。此外，本公司股份溢價賬內之64,902,000港元(二零零四年：64,756,000港元)亦可以繳足股款紅利股份之形式作出分派。

主要客戶及供應商

於回顧年度內，本集團向五大客戶取得之銷售額佔本集團年內之營業額約22%(二零零四年：22%)，此數額包括向當中最大客戶取得之銷售額約18%(二零零四年：18%)。本集團向五大供應商之採購額佔本集團年內之展覽成本約52%(二零零四年：52%)，而向最大供應商支付之費用則佔本集團年內之展覽成本約23%(二零零四年：27%)。

本公司董事、彼等之任何聯繫人士或任何股東(就董事所知，擁有本公司已發行股本5%以上者)概無於本集團之五大客戶或供應商中擁有任何實際權益。

董事

年內及截至本報告日期為止，本公司之董事如下：

執行董事：

葉紀章先生(主席)
張瑞貴先生(董事總經理)
陳兆忠先生

獨立非執行董事：

陳永祐先生(「陳先生」)
黎瀛洲先生(「黎先生」)
羅崇禎先生(「羅先生」) (於二零零四年七月二十七日委任)
黃達堂先生 (於二零零四年七月二十七日辭任)

根據本公司之公司組織章程細則第87(1)及(2)條之規定，陳先生將於即將舉行之股東週年大會上卸任董事一職，惟彼符合資格並願意膺選連任。

本公司已收到陳先生、黎先生及羅先生就彼等之獨立性作出之年度確認，並認為於本報告日期彼等仍獨立。

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 22 to 24 of this report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive directors has entered into a service agreement with the Company for an initial term of three years commencing from 1 April 2002 and which will continue thereafter until the agreement is terminated by not less than six calendar months' notice in writing served by either party on the other. Such notice of termination is agreed not to be issued earlier than 31 March 2005. No notice of termination was received from the executive directors nor issued by the Company up to the date of this report.

All independent non-executive directors have no fixed terms of appointments. No service agreement has been or will be entered into between the Company and either of the independent non-executive directors.

Apart from the foregoing, 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.

董事及高級管理層之簡歷

本公司董事及本集團高級管理層之簡歷載於本報告第22至24頁內。

董事之服務合約

各執行董事均與本公司訂立服務合約，自二零零二年四月一日起初步為期三年，並於其後繼續生效，直至協議任何一方向另一方發出不少於六個公曆月之書面通知終止協議為止，有關終止通知不得於二零零五年三月三十一日前發出。截至本報告日期為止，並無收到執行董事或由本公司發出之終止通知。

所有獨立非執行董事均並無固定任期。本公司概無亦將不會與獨立非執行董事訂立服務合約。

除上述者外，擬於即將舉行之股東週年大會上膺選連任之董事概無與本公司訂立本公司不得於一年內終止而毋須作出賠償(法定賠償除外)之服務合約。

DIRECTORS' REMUNERATION

Directors' remuneration, comprised payments to the directors of the Company and its subsidiaries in connection with the management of the affairs of the Group, is as follows:

董事酬金

董事酬金(包括就管理本集團業務而支付予本公司及其附屬公司各董事之款項)如下:

Name of Director 董事姓名	Basic Salaries 基本薪金 HK\$'000 千港元	Housing Allowances 房屋津貼 HK\$'000 千港元	Bonuses 花紅 HK\$'000 千港元	Provident Fund Contributions 公積金供款 HK\$'000 千港元	Total 合計 HK\$'000 千港元	
2005:	二零零五年:					
Executive directors	執行董事					
Mr. Ip Ki Cheung	葉紀章先生	1,488	840	2,000	12	4,340
Mr. Cheung Shui Kwai	張瑞貴先生	1,488	770	1,200	12	3,470
Mr. Chan Siu Chung	陳兆忠先生	1,488	840	800	12	3,140
Independent non-executive directors	獨立非執行董事					
Mr. Chan Wing Yau, George	陳永祐先生	60	–	–	–	60
Mr. Lai Yang Chau, Eugene	黎瀛洲先生	60	–	–	–	60
Mr. Law Sung Ching, Gavin	羅崇禎先生	40	–	–	–	40
Mr. Wong Tat Tong	黃達堂先生	20	–	–	–	20
		4,644	2,450	4,000	36	11,130
2004:	二零零四年:					
Executive directors	執行董事					
Mr. Ip Ki Cheung	葉紀章先生	1,613	840	500	12	2,965
Mr. Cheung Shui Kwai	張瑞貴先生	1,613	–	300	12	1,925
Mr. Chan Siu Chung	陳兆忠先生	1,613	840	200	12	2,665
Independent non-executive directors	獨立非執行董事					
Mr. Wong Tat Tong	黃達堂先生	60	–	–	–	60
Mr. Lai Yang Chau, Eugene	黎瀛洲先生	18	–	–	–	18
		4,917	1,680	1,000	36	7,633

Included in the directors' remuneration of HK\$11,130,000 (2004: HK\$7,633,000) is HK\$2,933,000 (2004: HK\$898,000) which is included in "Development costs for shows and exhibitions" in the consolidated balance sheet.

董事酬金11,130,000港元(二零零四年:7,633,000港元)已包括綜合資產負債表內「展覽會發展成本」項下之2,933,000港元(二零零四年:898,000港元)。

The remuneration for the two years ended 31 March 2005 disclosed above does not include the estimated monetary value of residential accommodation provided to a director of the Group. The estimated monetary value of such residential accommodation provided to the director, not charged to the income statement for the year, was approximately HK\$39,000 (2004: HK\$449,000).

上文所述截至二零零五年三月三十一日止兩個年度之酬金並無計入提供予本集團一名董事之住宅物業之估計貨幣價值。年內向該董事提供之該幢住宅之估計貨幣價值約39,000港元(二零零四年:449,000港元)並無撥入損益賬。

In accordance with the director's service agreement entered between the Company and each of the three executive directors on 18 March 2002, a discretionary bonus calculated as a percentage of the audited consolidated profit of the Group attributable to shareholders of the Company (after tax but before extraordinary items and such bonus) in respect of every financial year of the Company shall be determined by the Board, but in any event, the aggregate amount payable each financial year shall not exceed 15 per cent of such profit.

根據本公司與三名執行董事各自於二零零二年三月十八日訂立之董事服務協議,董事會須釐定就每個財政年度按本公司股東應佔本集團經審核綜合溢利(除稅但未扣除非經常項目及有關花紅),若干百分比計算之酌情花紅,惟無論如何,每個財政年度應付總額不得超過有關溢利之15%。

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

年內並無董事放棄或同意放棄任何酬金之安排。

DIRECTORS' INTERESTS IN CONTRACTS

No director had a significant beneficial interest, either directly or indirectly, in any contracts of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party during the year. Save as disclosed in this report, none of the Director has had any direct or indirect interest in any assets which have been acquired or disposed of by, or leased to, or which are proposed to be acquired or disposed of by, or leased to, any member of the Group during the year.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

Save as disclosed below, as at 31 March 2005, none of the directors had any beneficial interests (including interests or short positions) in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which would be required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which they are taken or deemed to have taken under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to in that section, or will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in the Listing Rules, to be notified to the Company and the Stock Exchange.

Long positions in the shares of the Company

董事之合約權益

本公司、其控股公司或其任何附屬公司於年內概無訂立董事直接或間接擁有重大實際權益而對本集團業務影響重大之任何合約。除本報告披露者外，年內各董事概無直接或間接擁有本集團任何成員公司購入、出售或租賃或擬購入、出售或租賃之任何資產之任何權益。

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

除下文披露者外，於二零零五年三月三十一日，概無董事於本公司及其任何附屬公司（具有證券及期貨條例（「證券及期貨條例」）第XV部所賦予之涵義）之股份、相關股份及債券中擁有根據證券及期貨條例第XV部份第7及8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）（包括根據證券及期貨條例之有關條文被當作或被視為擁有之權益或淡倉）或根據證券及期貨條例第352條須記錄於該條例所述之登記冊或須根據上市規則之上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之實益權益（包括權益或淡倉）。

於本公司股份之好倉

Name of directors	董事名稱	Number of shares interested 持有權益之股份數目	Capacity 身份	Approximate percentage holding of shares 持股量概約百分比
Mr. Ip Ki Cheung (a)	葉紀章先生 (a)	108,000,000	Interest of a controlled corporation 擁有受控制公司之權益	50.02%
Mr. Cheung Shui Kwai (b)	張瑞貴先生 (b)	32,400,000	Interest of a controlled corporation 擁有受控制公司之權益	15.01%
Mr. Chan Siu Chung (c)	陳兆忠先生 (c)	21,600,000	Interest of a controlled corporation 擁有受控制公司之權益	10.00%

Notes:

- (a) Mr. Ip Ki Cheung is beneficially interested in 50% of the entire issued share capital of Capital Concord Profits Limited ("Capital Concord") which in turn holds 108,000,000 shares representing 50.02% of the entire issued shares of the Company as at 31 March 2005. Accordingly, Mr. Ip Ki Cheung is deemed to be interested in these 108,000,000 shares under the SFO.
- (b) Mr. Cheung Shui Kwai is beneficially interested in 30% of the entire issued share capital of Capital Concord, which in turn holds 108,000,000 shares representing 50.02% of the entire issued shares of the Company as at 31 March 2005. The interest in 32,400,000 shares represents the proportionate attributable interest through Capital Concord's shareholding in the Company.
- (c) Mr. Chan Siu Chung is beneficially interested in 20% of the entire issued share capital of Capital Concord, which in turn holds 108,000,000 shares representing 50.02% of the entire issued shares of the Company as at 31 March 2005. The interest in 21,600,000 shares represents the proportionate attributable interest through Capital Concord's shareholding in the Company.

附註：

- (a) 於二零零五年三月三十一日，葉紀章先生實益擁有Capital Concord Profits Limited（「Capital Concord」）全部已發行股本之50%權益，而該公司則持有本公司108,000,000股股份，佔本公司全部已發行股份之50.02%。因此，根據證券及期貨條例，葉紀章先生被視為擁有該108,000,000股股份之權益。
- (b) 於二零零五年三月三十一日，張瑞貴先生實益擁有Capital Concord全部已發行股本之30%權益，而該公司則持有本公司108,000,000股股份，佔本公司全部已發行股份之50.02%。所持有之32,400,000股股份乃透過Capital Concord於本公司之股權按比例計算之應佔權益。
- (c) 於二零零五年三月三十一日，陳兆忠先生實益擁有Capital Concord全部已發行股本之20%權益，而該公司則持有本公司108,000,000股股份，佔本公司全部已發行股本之50.02%。所持有之21,600,000股股份乃透過Capital Concord於本公司之股權按比例計算之應佔權益。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the share option scheme as set out in note 23 to the financial statements, at no time during the year was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the Company's directors, their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SHARE OPTION SCHEME

Details of the Company's share option scheme are set out in note 23 to the financial statements.

No option had been granted nor agreed to be granted under the share option scheme during the year and up to the date of approval of this report.

SUBSTANTIAL SHAREHOLDERS AND INTERESTS DISCLOSABLE UNDER THE SFO

At 31 March 2005, the following interests of 5% or more of the issued share capital and warrants of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in the shares and underlying shares of the Company

Name	名稱	Number of shares interested 持有權益之股份數目	Number of underlying shares (in respect of warrants of the Company) held 持有相關股份 數目(就本公司 之認股權證而言)	Capacity 身份	Approximate percentage of existing issued ordinary share capital of the Company 本公司現有已發行 普通股股本中之 持股量概約百分比
Capital Concord (1)	Capital Concord (1)	108,000,000	-	Beneficial owner 實益擁有人	50.02%
Best Aims Finance Limited ("Best Aims") (1, 2 and 5)	Best Aims Finance Limited (「Best Aims」) (1, 2及5)	108,000,000	-	Interest of a controlled corporation 擁有受控制公司之權益	50.02%
Harbour Rich Finance Limited ("Harbour Rich") (1, 3 and 6)	Harbour Rich Finance Limited (「Harbour Rich」) (1, 3及6)	32,400,000	-	Interest of a controlled corporation 擁有受控制公司之權益	15.01%
Pace Maker Finance Limited ("Pace Maker") (1, 4 and 7)	Pace Maker Finance Limited (「Pace Maker」) (1, 4及7)	21,600,000	-	Interest of a controlled corporation 擁有受控制公司之權益	10.00%
Mr. Ip Ki Cheung (1, 2, 5 and 8)	葉紀章先生 (1, 2, 5及8)	108,000,000	-	Interest of a controlled corporation 擁有受控制公司之權益	50.02%

董事購入股份或債券之權利

除於財務報表附註23所載購股權計劃披露者外，本公司、其控股公司或其任何附屬公司在年內概無訂立任何安排，致使本公司董事、彼等各自之配偶或18歲以下之子女可藉購入本公司或任何其他法人團體之股份或債券而得益。

購股權計劃

本公司購股權計劃之詳情載於財務報表附註23。

年內及截至本報告之批准日期為止，本公司並無根據購股權計劃授出或同意將予授出任何購股權。

主要股東及根據證券及期貨條例須予披露之權益

於二零零五年三月三十一日，本公司已發行股本及認股權證5%或以上之下列權益乃載於本公司根據證券及期貨條例第336條須存置之權益登記冊內：

於本公司股份及相關股份之好倉

SUBSTANTIAL SHAREHOLDERS AND INTERESTS DISCLOSABLE UNDER THE SFO (continued)

主要股東及根據證券及期貨條例須予披露之權益 (續)

Long positions in the shares and underlying shares of the Company (continued)

於本公司股份及相關股份之好倉(續)

Name	名稱	Number of shares interested 持有權益之股份數目	Number of underlying shares (in respect of warrants of the Company) held 持有相關股份 數目(就本公司 之認股權證而言)	Capacity 身份	Approximate percentage of existing issued ordinary share capital of the Company 本公司現有已發行 普通股股本中之 持股量概約百分比
Mr. Cheung Shui Kwai (1, 3, 6 and 9)	張瑞貴先生 (1、3、6及9)	32,400,000	-	Interest of a controlled corporation 擁有受控制公司之權益	15.01%
Mr. Chan Siu Chung (1, 4, 7 and 10)	陳兆忠先生 (1、4、7及10)	21,600,000	-	Interest of a controlled corporation 擁有受控制公司之權益	10.00%
Dynamic Lead Limited ("Dynamic Lead") (11 and 15)	Dynamic Lead Limited (「Dynamic Lead」) (11及15)	-	20,356,000	Beneficial owner 實益擁有人	9.43%
Better Choice Investments Limited ("Better Choice") (11, 12 and 15)	Better Choice Investments Limited (「Better Choice」) (11、12及15)	-	20,356,000	Interest of a controlled corporation 擁有受控制公司之權益	9.43%
Reo Developments Limited ("Reo") (12, 13 and 15)	Reo Developments Limited (「Reo」) (12、13及15)	-	20,356,000	Interest of a controlled corporation 擁有受控制公司之權益	9.43%
Golden Resources Development International Limited ("Golden Resources") (13 and 15)	金源米業國際有限公司 (「金源米業」) (13及15)	-	20,356,000	Interest of a controlled corporation 擁有受控制公司之權益	9.43%
Cosmopolitan Properties and Securities Limited ("Cosmopolitan Properties") (14 and 15)	四海地產證券有限公司 (「四海地產」) (14及15)	-	18,000,000	Beneficial owner 實益擁有人	8.34%
Cosmopolitan International Holdings Limited ("Cosmopolitan International") (14 and 15)	四海國際集團有限公司 (「四海國際」) (14及15)	-	18,000,000	Interest of a controlled corporation 擁有受控制公司之權益	8.34%

Notes:

附註:

- The entire issued share capital of Capital Concord is beneficially owned as to 50% by Best Aims, 30% by Harbour Rich and 20% by Pace Maker.
 - The entire issued share capital of Best Aims is beneficially owned by Mr. Ip Ki Cheung.
 - The entire issued share capital of Harbour Rich is beneficially owned by Mr. Cheung Shui Kwai.
- Capital Concord之全部已發行股本中，Best Aims實益擁有50%、Harbour Rich實益擁有30%及Pace Maker實益擁有20%。
 - Best Aims之全部已發行股本乃由葉紀章先生實益擁有。
 - Harbour Rich之全部已發行股本乃由張瑞貴先生實益擁有。

SUBSTANTIAL SHAREHOLDERS AND INTERESTS DISCLOSABLE UNDER THE SFO (continued)

4. The entire issued share capital of Pace Maker is beneficially owned by Mr. Chan Siu Chung.
5. These shares are attributable to Best Aims in respect of its 50% interest in Capital Concord, which in turn holds 108,000,000 shares representing 50.02% of the entire issued shares of the Company as at 31 March 2005. Best Aims is deemed to be interested in these 108,000,000 shares under the SFO.
6. These shares are attributable to Harbour Rich in respect of its 30% interest in Capital Concord, which in turn holds 108,000,000 shares representing 50.02% of the entire issued shares of the Company as at 31 March 2005.
7. These shares are attributable to Pace Maker in respect of its 20% interest in Capital Concord, which in turn holds 108,000,000 shares representing 50.02% of the entire issued shares of the Company as at 31 March 2005.
8. These shares are attributable to Mr. Ip Ki Cheung in respect of his 100% interest in Best Aims. Accordingly, Mr. Ip Ki Cheung is deemed to be interested in the 108,000,000 shares (in which Best Aims is deemed to be interested) under the SFO.
9. These shares are attributable to Mr. Cheung Shui Kwai in respect of his 100% interest in Harbour Rich.
10. These shares are attributable to Mr. Chan Siu Chung in respect of his 100% interest in Pace Maker.
11. The entire issued share capital of Dynamic Lead is beneficially owned by Better Choice.
12. The entire issued share capital of Better Choice is beneficially owned by Reo.
13. The entire issued share capital of Reo is beneficially owned by Golden Resources, which is a company listed on the main board of the Stock Exchange.
14. The entire issued share capital of Cosmopolitan Properties is beneficially owned by Cosmopolitan International, which is a company listed on the main board of the Stock Exchange.
15. These are interest held under warrants of the Company which entitle the holder to subscribe for shares of the Company at an initial subscription price of HK\$0.69 per share (subject to adjustment) from the date of issue to 2 December 2005.

COMPLIANCE WITH CODE OF BEST PRACTICE

In the opinion of the directors of the Company, the Company complied with the Code of Best Practice (the "Code"), as set out in Appendix 14 of the Listing Rules of the Stock Exchange, throughout the accounting period covered by this report (the "Period"), except that the independent non-executive directors of the Company are not appointed on specific terms as required by paragraph 7 of the Code but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's articles of association.

主要股東及根據證券及期貨條例須予披露之權益 (續)

4. Pace Maker之全部已發行股本乃由陳兆忠先生實益擁有。
5. 該等股份乃屬於Best Aims所有，此乃由於在二零零五年三月三十一日，Best Aims擁有Capital Concord之50%權益，而該公司擁有本公司108,000,000股股份，佔本公司全部已發行股份之50.02%。根據證券及期貨條例，Best Aims被視為持有該108,000,000股股份之權益。
6. 該等股份乃屬於Harbour Rich所有，此乃由於在二零零五年三月三十一日，Harbour Rich擁有Capital Concord之30%權益，而該公司擁有本公司108,000,000股股份，佔本公司全部已發行股份之50.02%。
7. 該等股份乃屬於Pace Maker所有，此乃由於在二零零五年三月三十一日，Pace Maker擁有Capital Concord之20%權益，而該公司擁有本公司108,000,000股股份，佔本公司全部已發行股份之50.02%。
8. 該等股份乃屬於葉紀章先生所有，此乃由於葉紀章先生擁有Best Aims之100%權益。因此，根據證券及期貨條例，葉紀章先生被視為持有108,000,000股股份(Best Aims被視為持有該等股份之權益)之權益。
9. 該等股份乃屬於張瑞貴先生所有，此乃由於張瑞貴先生擁有Harbour Rich之100%權益。
10. 該等股份乃屬於陳兆忠先生所有，此乃由於陳兆忠先生擁有Pace Maker之100%權益。
11. Dynamic Lead之全部已發行股本乃由Better Choice實益擁有。
12. Better Choice之全部已發行股本乃由Reo實益擁有。
13. Reo之全部已發行股本乃由金源米業實益擁有，而該公司為於聯交所主板上市之公司。
14. 四海地產之全部已發行股本乃由四海國際實益擁有，而該公司為於聯交所主板上市之公司。
15. 此乃根據本公司認股權證所持有之權益，有關認股權證賦予持有人有權自發出日期起至二零零五年十二月二日止期間按每股0.69港元之初步認購價(可予以調整)認購本公司股份。

遵守最佳應用守則

本公司董事認為，除委任本公司獨立非執行董事時並無按照聯交所上市規則附錄十四所載之最佳應用守則(「守則」)第7段規定而訂定任期，但須按照本公司之公司組織章程細則之規定於本公司之股東週年大會上輪值告退並膺選連任外，本公司於本報告所涵蓋之整個會計期間(「該期間」)一直均有遵守該守則之規定。

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company adopted a code of conduct regarding directors' securities transactions based on the terms as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in Appendix 10 of the Listing Rules, throughout the Period. After having made specific enquiry to all directors of the Company, the directors are of the opinion that they have complied with the required standard set out in the Model Code regarding securities transactions by directors throughout the Period.

PUBLIC FLOAT

To the best knowledge of the directors of the Company, the Company had a public float of at least 25% of the total issued share capital of the Company during the year and as at the date of this report.

AUDIT COMMITTEE

The Audit Committee of the Company currently has a membership comprising the three independent non-executive directors of the Company. The terms of reference of the Audit Committee, which is based on "A Guide for the Formation of an Audit Committee" and updated by "A Guide for Effective Audit Committees" as issued by the Hong Kong Institute of Certified Public Accountants (previously known as the Hong Kong Society of Accountants) in December 1997 and in February 2002 respectively, sets out the powers and duties of the committee and is reviewed by the Board of the Company from time to time. The Audit Committee meets regularly with management and the external auditors of the Company and reviews matters relating to audit, accounting and financial statements as well as internal control, risk evaluation and general compliance of the Group, and reports directly to the Board of the Company.

AUDITORS

HLB Hodgson Impey Cheng ("HLB") were first appointed as auditors of the Company on 26 July 2004 to fill the vacancy created by the resignation of Charles Chan, Ip & Fung CPA Ltd. ("CCIF") on 8 July 2004, which were appointed as auditors of the Company on 17 May 2004 to fill the vacancy created by the resignation of Ernst & Young on 21 April 2004.

The financial statements have been audited by HLB who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of HLB as auditors of the Company is to be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Ip Ki Cheung
Chairman

Hong Kong
22 April 2005

遵守上市公司董事進行證券交易之標準守則

本公司於整個期間採納一套關於董事進行證券交易之行為守則，該守則乃根據上市規則附錄十之上市公司董事進行證券交易之標準守則（「標準守則」）所載條款而制訂。在向本公司全體董事作出特別查詢後，各董事認為彼等於該期間內一直遵守標準守則所載有關董事進行證券交易所規定之標準。

公眾持股量

就本公司董事所知，年內及於本報告日期，公眾人士所持有本公司股份之數量最少達本公司已發行股本總數25%。

審核委員會

本公司之審核委員會現時由本公司三名獨立非執行董事組成。依據香港會計師公會於一九九七年十二月頒佈之「成立審核委員會指引」而編製及經香港會計師公會於二零零二年二月頒佈之「審核委員會有效運作指引」所更新之書面職權範圍載列審核委員會之權力及職責，並由本公司董事會不時作出檢討。審核委員會定期與本公司管理層及外聘核數師會面，並檢討與本集團之核數、會計及財務報表以及內部監控、風險評估及全面遵守相關之事宜，及直接向本公司董事會匯報。

核數師

國衛會計師事務所（「國衛」）於二零零四年七月二十六日首次獲委任為本公司之核數師，以填補因陳葉馮會計師事務所有限公司（「陳葉馮」）於二零零四年七月八日辭任而產生之空缺。陳葉馮於二零零四年五月十七日獲委任為本公司之核數師，以填補因安永會計師事務所於二零零四年四月二十一日辭任而產生之空缺。

財務報表已經國衛所審核，國衛即將告退，惟彼符合資格並願膺選連任。就重新委任國衛為本公司核數師之決議案將於即將召開之股東週年大會上提呈。

代表董事會

葉紀章
主席

香港
二零零五年四月二十二日