

董事會報告書

Report of the Directors

董事會茲提呈截至二零零五年六月三十日止年度之報告及經審核賬目。

主要業務及按地域劃分之營運分析

本公司之主要業務為投資控股。其附屬公司之業務載於賬目附註34。

本集團本年度按主要業務及地域劃分之營業額及分部業績分析載於賬目附註2。

業績及溢利分配

本年度之業績載於第37頁之綜合損益表內。

董事不建議派發股息。

五年財務摘要

本集團過去五年財政年度之業績、資產及負債之摘要載於第4頁。

儲備

本集團及本公司儲備於年內之變動載於賬目附註25。

捐款

本集團在本年度作出之慈善及其他捐款合共港幣169,800元(二零零四年：港幣10,000元)。

固定資產

本集團之固定資產變動詳情載於賬目附註11。

The Directors submit their report together with the audited accounts for the year ended 30th June 2005.

Principal Activities and Geographical Analysis of Operations

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in note 34 to the accounts.

An analysis of the Group's turnover and segment results for the year by principal activities and geographical areas is set out in note 2 to the accounts.

Results and Appropriations

The results of the Group for the year are set out in the consolidated profit and loss account on page 37.

The directors do not recommend the payment of a dividend.

Five Year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 4.

Reserves

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

Donations

Charitable and other donations made by the Group during the year amounted to HK\$169,800 (2004: HK\$10,000).

Fixed Assets

Details of the movements in fixed assets of the Group are set out in note 11 to the accounts.

董事會報告書

Report of the Directors

主要物業

本集團持有作投資之主要物業詳情載於第100頁。

股本

本公司之股本變動詳情載於賬目附註24。

可分派儲備

本公司於二零零五年六月三十日之可分派儲備為港幣51,162,000元(二零零四年：港幣51,152,000元)，包括實繳盈餘港幣51,852,000元(二零零四年：港幣51,852,000元)，而實繳盈餘只在符合賬目附註25所載各項條件方可予以分派。

銀行貸款及其他借貸之詳情

於二零零五年六月三十日，銀行貸款及其他借貸之詳情載於賬目附註22、23、26及29。

購股權計劃

根據於二零零三年股東週年大會上通過之決議案，本公司根據上市規則採納購股權計劃。購股權計劃之細節詳列如下：

(a) 購股權計劃之目的

購股權計劃之目的是使本公司可向經過選定之參與人(定義見下文)授出購股權，作為其對本集團及投資實體之貢獻及支持之獎勵及／或獎賞。

Principal Properties

Details of the principal properties held for investment purpose of the Group are set out on page 100.

Share Capital

Details of the movements in share capital of the Company are set out in note 24 to the accounts.

Distributable Reserves

Distributable reserves of the Company at 30th June 2005 amounted to HK\$51,162,000 (2004: HK\$51,152,000) including contributed surplus of HK\$51,852,000 (2004: HK\$51,852,000) which is only distributable subject to conditions as set out in note 25 to the accounts.

Particulars of Bank Loans and Other Borrowings

Particulars of bank loans and other borrowings as at 30th June 2005 are set out in notes 22, 23, 26 and 29 to the accounts.

Share Option Scheme

Pursuant to a resolution passed in the 2003 AGM, the Company has adopted the Share Option Scheme in compliance with the Listing Rules. Details of the Share Option Scheme are as follows:

(a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Company to grant options to selected Participants (as defined below) as incentive and/or rewards for their contribution and support to the Group and any invested entity.

董事會報告書

Report of the Directors

購股權計劃 (續)

(b) 購股權計劃的參與人

董事會可酌情邀請屬於以下任何類別，對本集團及任何投資實體有貢獻及作出支持之參與人（「參與人」），藉接納購股權以認購股份。

- (i) 本公司、其任何附屬公司或任何投資實體之任何全職僱員，包括（但不限於）本公司、其任何附屬公司或任何投資實體之任何執行董事（個別稱為「僱員」）；
- (ii) 本公司、其任何附屬公司或任何投資實體之任何非執行董事（包括獨立非執行董事）；
- (iii) 本集團任何成員公司或任何投資實體之任何貨品或服務供應商；
- (iv) 本集團或任何投資實體之任何客戶；
- (v) 向本集團或任何投資實體提供研究、發展或其他技術支援之任何人士或實體；
- (vi) 本集團任何成員公司或任何投資實體之股東或本集團任何成員公司或任何投資實體所發行之證券之持有人；
- (vii) 本集團任何成員公司或任何投資實體任何業務範圍或業務發展之任何顧問（專業或非專業）或諮詢人；

Share Option Scheme (Continued)

(b) Participants of the Share Option Scheme

The Board may, at its discretion, invite any person belonging to any of the following classes of participants for their contribution and support to the Group and any invested entity (the “Participants” and individually, a “Participant”) to take up options to subscribe for shares.

- (i) any full-time employee of the Company, any of its subsidiary or any invested entity, including (without limitation) any Executive Director of the Company, any of its subsidiary or any invested entity (individually, an “Employee”);
- (ii) any Non-executive Director (including Independent Non-executive Directors) of the Company, any of its subsidiary or any invested entity;
- (iii) any supplier of goods or services to any member of the Group or any invested entity;
- (iv) any customer of the Group or any invested entity;
- (v) any person or entity that provides research, development or other technical support to the Group or any invested entity;
- (vi) any shareholder of any member of the Group or any invested entity or any holder of any securities issued by any member of the Group or any invested entity;
- (vii) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any invested entity;

董事會報告書

Report of the Directors

購股權計劃 (續)

(b) 購股權計劃的參與人 (續)

- (viii) 本集團業務運作或業務安排之任何合夥人或合作人，及就購股權而言，可向上述任何類別之參與人(一位或以上)全資附屬擁有之公司授出購股權。

(c) 根據購股權計劃可供發行股份數目上限

- (i) 根據購股權計劃及本集團當時任何其他計劃授出之所有未行使購股權，於行使時可發行股份數目，最多不得超過本公司不時已發行股份之30%。按購股權計劃或本公司當時任何其他計劃之條款作廢或取消之購股權，於計算以上之30%上限時，不得計算在內；
- (ii) 根據購股權計劃可供發行股份數目上限為143,460,537股股份，相當於股東在二零零三年股東週年大會上有條件批准及採納購股權計劃當日已發行股份之10%。

(d) 各參與人之權利上限

於截至向每位獲授人之授出日期為止之任何12個月期間內，根據購股權計劃及本集團當時任何其他計劃向獲授人授出之購股權(包括已行使及未行使之購股權)獲行使而已發行及可予發行之股份總數，合共不得超過當時已發行股份總數之1%。

Share Option Scheme (Continued)

(b) Participants of the Share Option Scheme (Continued)

- (viii) any joint venture partner or counter-party to business operation or business arrangements of the Group, and for the purposes of the Share Option Scheme, the options may be granted to any company wholly owned by one or more persons belonging to any of the above classes of the Participants.

(c) Maximum number of shares available for issue under the Share Option Scheme

- (i) The maximum number of shares which may be issued upon exercise of all outstanding option granted and yet to be exercised under the Share Option Scheme and any other schemes for the time being of the Company shall not exceed 30% of the shares in issue from time to time. Options lapsed or cancelled for the time being of the Company shall not be counted for the purpose of calculating the said 30% limit;
- (ii) The maximum number of shares available for issue under the Share Option Scheme is 143,460,537 shares, represents 10% of the shares in issue as at the date the shareholders conditionally approved and adopted the Share Option Scheme at the 2003 AGM.

(d) Maximum entitlement of each Participant

The total number of shares issued and to be issued upon exercise of the options granted and to be granted to each grantee under the Share Option Scheme and any other schemes for the time being of the Company (including both exercised and outstanding options) in any 12-month period up to the date of grant to each grantee must not exceed 1% of the aggregate number of shares for the time being in issue.

董事會報告書

Report of the Directors

購股權計劃 (續)

(e) 購股權之剩餘壽命及行使時限

現時並無一般規定限制購股權必須於持有任何最短期限後方可行使，惟董事會獲授權於授出任何特定購股權時，可酌情施加該等最短期限限制。由授出日期起計10年至該段10年期間最後一日內任何時間，購股權可根據購股權計劃之條款行使。

(f) 接納購股權建議時之應付代價

參與人於接納購股權建議時應付港幣1元之代價。

(g) 訂明認購價之基準

購股權計劃訂明之股份認購價須為董事會向已獲任何授出購股權建議之參與人所知會之價格，惟不得低於以下各項之最高數值：(i)於授出日期(必須為營業日)股份在聯交所每日報價表所報之收市價；及(ii)於緊接授出日期前五個營業日股份於聯交所每日報價表所報之平均收市價，惟認購價不得低於股份之面值。

於二零零三年十一月二十六日至二零零五年六月三十日期間，並無根據購股權計劃授出任何購股權。

Share Option Scheme (Continued)

(e) Remaining life and exercisable period of the options

There is no general requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular option. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period of 10 years commencing on the date of grant and expiring on the last day of the said 10-year period.

(f) Payment on acceptance of the options offer

A sum of HK\$1 is payable by the Participant on acceptance of the option offer.

(g) Basis of determining the subscription price

The subscription price for shares under the Share Option Scheme shall be a price notified by the Board to a Participant to whom any offer of the grant of an option is made and shall be at least the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant which must be a business day; and (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant, provided that the subscription price shall not be the lower than the nominal value of a share.

There was no share options granted under the Share Option Scheme for the period from 26th November 2003 to 30th June 2005.

董事會報告書

Report of the Directors

董事

年內及截至本報告書之日止在任董事如下：

林小明先生
趙雪英女士
楊劍標先生（於二零零四年九月二十七日獲委任）
趙善改先生¹
伍國棟先生¹
馬廷雄先生¹（於二零零四年九月二十七日獲委任）

¹ 獨立非執行董事

楊劍標先生、伍國棟先生及趙善改先生根據細則第87(1)條及第86(2)條任滿將會輪值告退，但表示如再度獲選，願繼續連任。

並無明確任期之獨立非執行董事須按照本公司細則輪值告退。

根據上市規則第3.13條，本公司已向各上述獨立非執行董事收取其獨立性之確認書及本公司亦確信彼等為獨立人仕。

董事服務合約

並無董事與本公司訂立本公司在一年內不可在不予賠償（法定賠償除外）的情況下終止之服務合約。

董事之重大合約權益

除於賬目附註33所披露者外，本公司、其控股公司、其附屬公司或同系附屬公司概無參與訂立於結算日或年內任何時間仍然生效、對本集團業務有重要影響而董事直接或間接擁有重大實際權益之合約。

Directors

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

Mr LAM Shiu Ming, Daneil
Ms CHIU Suet Ying
Mr YEUNG Kim Piu (appointed on 27th September 2004)
Mr CHIU Shin Koi¹
Mr NG Kwok Tung¹
Mr MA Ting Hung¹ (appointed on 27th September 2004)

¹ Independent Non-executive Directors

Messrs Yeung Kim Piu, Ng Kwok Tung and Chiu Shin Koi, retire by rotation in accordance with Article 87(1) and 86(2) of the Bye-laws and, being eligible, offer themselves for re-election.

Independent Non-executive Directors who have not been appointed for a specific term are subject to retirement by rotation as specified by the Company's Articles of Association.

The Company has received from each of the above Independent Non-executive Directors a confirmation of his independence pursuant to Rules 3.13 of the Listing Rules and the Company is satisfied that they are independent as such.

Directors' Service Contracts

None of the Directors has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

Directors' Interest in Contracts of Significance

Save as disclosed in note 33 to the accounts, no contracts of significance in relation to the Group's business to which the Company, its holding company, its subsidiaries or its fellow subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事會報告書

Report of the Directors

董事於競爭性業務的權益

董事概無對於本集團業務構成競爭或可能構成直接或間接競爭之業務擁有權益。

董事於股本證券或債務證券之權益

於二零零五年六月三十日，本公司各董事及主要行政人員所擁有根據香港法例第571章證券及期貨條例（「證券及期貨條例」）第341、342及343條須知會本公司及聯交所之本公司及相聯法團（定義見證券及期貨條例）之所有好倉（包括根據證券及期貨條例第344及345條任何該等董事被視為擁有之權益），或根據證券及期貨條例第352條須登記於本公司須存置之登記冊或根據標準守則須知會本公司及聯交所之權益如下：

董事姓名	權益性質	所持本公司股份數目	持股百分比
Name of Director	Nature of interest	Number of shares of the Company held	Percentage of Shareholding
林小明先生	一項全權信託之創立人(註)		
Mr Lam Shiu Ming, Daneil	Founder of a discretionary trust (Note)	872,406,705	53.70%

上述披露之所有權益全為本公司股份之好倉。

註：該全權信託之受託人為Central Core Resources Limited。該公司擁有Globalcrest Enterprises Limited全部已發行股本，而Globalcrest Enterprises Limited則擁有本公司872,406,705股股份。

除上文所披露者外，於二零零五年六月三十日，本公司各董事或主要行政人員或彼等各自之聯繫人士概無擁有根據證券及期貨條例第341、342及343條或標準守則須知會本公司及聯交所之本公司或任何相聯法團之股本權益及淡倉（包括根據證券及期貨條例第344及345條被視為或當作擁有之權益）或根據證券及期貨條例第352條須登記於該條例所述登記冊之權益。

Directors' Interests in Competing Business

None of the Directors has an interest in a business which competes or is likely to compete, either directly or indirectly with the business of the Group.

Directors' Interests in Equity or Debt Securities

As at 30th June 2005, the interests which are all long position of each of the Directors and chief executives of the Company in the share capital of the Company and its associated corporation (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO") which were required to be notified to the Company and the Stock Exchange pursuant to Sections 341, 342 and 343 of the SFO (including interest which any such director was taken to have under Sections 344 and 345 of the SFO) or which were required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

All the interests disclosed above represent long positions in the shares of the Company.

Note: The trustee of the discretionary trust is Central Core Resources Limited which owns the entire issued share capital of the Globalcrest Enterprises Limited which in turn is interested in 872,406,705 shares of the Company.

Save as disclosed above, as at 30th June 2005, none of the Directors or chief executives of the Company or their associates had any interests (including short positions) in the share capital of the Company or any of its associated corporations where were required to be notified to the Company and the Stock Exchange pursuant to Sections 341, 342 and 343 of the SFO (including interests which they were deemed or taken to have under Sections 344 and 345 of the SFO) or the Model Code or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein.

董事會報告書

Report of the Directors

董事於股本證券或債務證券之權益 (續)

本年度內，各董事（包括彼等之配偶及18歲以下之子女）並無擁有，或獲授予或行使任何可認購本公司及其相聯法團之股份之權利。

此外，本年度內，本公司、其控股公司、其附屬公司或其同系附屬公司於年內並無訂立任何安排，使本公司董事可藉購買本公司或任何其他法人團體之股份或債券而獲益。

主要股東

於二零零五年六月三十日，按本公司根據證券及期貨條例第336條存置之登記冊所記錄，下列人士擁有佔本公司已發行股本5%或以上之本公司已發行股本權益（包括淡倉）：

股東名稱

Name of shareholder

Globalcrest Enterprises Limited (註)(Note)
Central Core Resources Limited (註)(Note)
Pan Asia Special Opportunities Fund

所持本公司股份數目 Number of shares of the Company held

872,406,705
872,406,705
83,464,285

持股百分比 Percentage of shareholding

53.70%
53.70%
5.14%

上述披露之所有權益全為本公司股份之好倉。

註： Globalcrest Enterprises Limited 之全部已發行股本由 Central Core Resources Limited 持有，而 Central Core Resources Limited 乃林小明先生及趙雪英女士之若干直系親屬為受益人之全權信託之受託人。

Directors' Interests in Equity or Debt Securities (Continued)

At no time during the year, the Directors (including their spouse and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for shares of the Company and its associated corporations.

In addition, at no time during the year was the Company, its holding company, its subsidiaries, its associated company or its fellow subsidiaries a party to any arrangement to enable the Directors of the Company to hold any interests or short position in the shares or underlying shares in or debentures of, the Company or any other body corporate.

Substantial Shareholders

At 30th June 2005, in accordance with the register kept by the Company under Section 336 of the SFO, the following people were interested in the issued share capital of the Company (including short positions) representing 5% or more of the issued share capital of the Company:

All the interests disclosed above represent long positions in the shares of the Company.

Note: The entire issued share capital of the Globalcrest Enterprises Limited is held by Central Core Resources Limited, the trustee of a discretionary trust under which certain immediate family members of Mr Lam Shiu Ming Daneil and Ms Chiu Suet Ying are discretionary objects.

董事會報告書

Report of the Directors

管理合約

本年度內，本公司並無就整體業務或任何重要業務之管理或行政工作簽訂或存在任何合約。

優先購買權

儘管百慕達法律並無限制優先購買權，但細則並無有關權利之規定。

購買、出售或贖回本公司之上市證券

本公司於年內並無贖回其任何股份。本公司及其任何附屬公司於年內概無購買或出售本公司任何上市證券。

主要供應商及客戶

年內本集團主要供應商及客戶所佔之購貨及銷售百分比如下：

購貨額

— 最大供應商	18.48%
— 五大供應商合計	63.66%

銷售額

— 最大客戶	13.16%
— 五大客戶合計	38.80%

各董事、彼等之聯繫人士或任何股東(就董事所知擁有本公司逾5%之股本)概無擁有上述主要供應商或客戶之任何權益。

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Pre-emptive Rights

There are no provision for pre-emptive rights under the Bye-laws and there are no restrictions against such rights under the laws in Bermuda.

Purchase, Sale or Redemption of the Company's Listed Securities

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the year.

Major Suppliers and Customers

The percentage of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

Purchases

— the largest supplier	18.48%
— five largest suppliers combined	63.66%

Sales

— the largest customer	13.16%
— five largest customers combined	38.80%

None of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major suppliers and customers noted above.

董事會報告書

Report of the Directors

關連交易

本集團於截至二零零五年六月三十日止年度進行之若干有關連人士交易，即根據上市規則構成獲豁免關連交易者，乃載於賬目附註33。

公眾持股量

根據截至本年報日期本公司所得悉及董事亦知悉之公開資料，本公司一直維持上市規則所訂明之公眾持股量。

核數師

本賬目已經由羅兵咸永道會計師事務所審核，該核數師任滿告退，惟符合資格並願受聘連任。

承董事會命

林小明

主席

香港，二零零五年十月二十日

Connected Transactions

Certain related party transactions entered by the Group during the year ended 30th June 2005, which constitute exempted connected transactions under the Listing Rules, are disclosed in Note 33 to the accounts.

Sufficiency of Public Float

Based on information publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

Auditors

The accounts have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

Lam Shiu Ming, Daneil

Chairman

Hong Kong, 20th October 2005