

Report of the Directors

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 28 February 2006.

Principal Activities

The principal activity of the Company is investment holding. The principal activities and other particulars of the subsidiaries are set out in note 12 on the financial statements.

The analysis of the geographical locations of the operations of the Company and its subsidiaries (the "Group") during the financial year is set out in note 10 on the financial statements.

Major Customers and Suppliers

For the year ended 28 February 2006, the five largest customers in aggregate accounted for less than 30% of the Group's turnover. The five largest suppliers in aggregate and the largest supplier of the Group accounted for approximately 47% and 23% respectively by value of the Group's total purchases.

As set out in note 29(c) on the financial statements, Rosy Blue Hong Kong Ltd. is a fellow subsidiary of Prime Investments S.A., a preference shareholder of Partner Logistics Limited which is the Company's controlling shareholder.

Except for the above, at no time during the year have the directors, their associates or any shareholder of the Company (which, to the knowledge of the directors, owns more than 5% of the Company's issued share capital) had any interest (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") ("Listing Rules")) in these major customers and suppliers.

Financial Statements

The loss of the Group for the year ended 28 February 2006 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 79 to 168.

董事會報告書

董事會欣然提呈截至2006年2月28日止年度的年報及經審核財務報表呈覽。

主要業務

本公司的主要業務是投資控股。各附屬公司的主要業務及其他詳情載列於財務報表附註12。

本公司及各附屬公司（「本集團」）於本財政年度的經營地區分析載列於財務報表附註10。

主要客戶及供應商

截至2006年2月28日止年度，本集團五大客戶合共佔本集團之營業額低於30%，而本集團五大供應商及最大供應商分別佔本集團總採購額約47%及23%。

如本財務報表附註29(c)所述，Rosy Blue Hong Kong Ltd.為Partner Logistics Limited（此乃本公司之有控制權股東）的優先股東Prime Investments S.A.的同系附屬公司。

除上述外，本公司的董事、與董事有聯繫人士或任何股東（據董事所知，持有本公司已發行股本5%以上）均沒有於本年度任何時間擁有這些主要客戶及供應商的任何權益（定義見《香港聯合交易所有限公司（「聯交所」）證券上市規則》（「上市規則」））。

財務報表

本集團截至2006年2月28日止年度的虧損和本公司及本集團於該日的財政狀況載於第79至168頁的財務報表內。

Financial Statements (Continued)

The directors do not recommend the payment of any dividend in respect of the year ended 28 February 2006 (2005: HK\$Nil).

Charitable Donations

Charitable donations made by the Group during the year amounted to HK\$81,000 (2005: HK\$337,000).

Property, Plant and Equipment

Details of the movements in property, plant and equipment of the Group and of the Company during the year are set out in note 11 to the financial statements.

Share Capital

Details of the movements in share capital of the Company during the year are set out in note 23 to the financial statements.

Reserves

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

Directors

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

Executive Directors

Tse Tat Fung, Tommy, *Chairman*

Peter Gerardus Van Weerdenburg, *Deputy Chairman*

Erwin Steve Huang (appointed on 14 July 2005 and appointed as Deputy Chairman on 22 June 2006)

Alex Chan

Cheung Tse Kin, Michael (appointed on 22 June 2006)

Yau On Yee, Annie (appointed on 22 June 2006)

Leung Yit Kuen, Raymond (resigned on 25 April 2005)

Non-executive Director

Hong Po Kui, Martin (retired on 26 August 2005)

財務報表 (續)

董事會不建議就截至2006年2月28日止年度派發任何股息(2005年:港幣零元)。

慈善捐款

本集團於年內的慈善捐款額為港幣81,000元(2005年:港幣337,000元)。

物業、廠房及設備

本集團及本公司於本年度內物業、廠房及設備變動的詳情載於財務報表附註11。

股本

本公司於本年度內股本變動的詳情載於財務報表附註23。

儲備

本集團及本公司於本年度內儲備變動的詳情載於綜合權益變動表及財務報表附註24。

董事

本財政年度及截至本報告日期止的董事如下:

執行董事

謝達峰 (主席)

溫彼得 (副主席)

黃岳永 (於2005年7月14日獲委任,

並於2006年6月22日獲委任為副主席)

陳偉康

張子健 (於2006年6月22日獲委任)

邱安儀 (於2006年6月22日獲委任)

梁悅權 (於2005年4月25日離任)

非執行董事

康寶駒 (於2005年8月26日退任)

Directors *(Continued)*

Independent Non-executive Directors

Chui Chi Yun, Robert

Gerald Clive Dobby

Lui Pui Kee, Francis

In accordance with the provisions of the Company's Bye-laws and to comply with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules, Mr. Tse Tat Fung, Tommy, Mr. Peter Gerardus Van Weerdenburg, Mr. Cheung Tse Kin, Michael, Ms. Yau On Yee, Annie and Mr. Gerald Clive Dobby will retire as directors by rotation at the forthcoming annual general meeting. Each of Mr. Tse Tat Fung, Tommy, Mr. Peter Gerardus Van Weerdenburg, Mr. Cheung Tse Kin, Michael and Ms. Yau On Yee, Annie, being eligible, will offer himself/herself for re-election as an executive director of the Company for a term of three years and Mr. Gerald Clive Dobby, being eligible, will offer himself for re-election as an independent non-executive director of the Company for a term of three years. All other directors continue in office for the ensuing year.

Each of the three Independent Non-executive Directors has provided a written confirmation in respect of the factors set out in Rule 3.13 of the Listing Rules concerning his independence to the Company. The Board considers each of the three Independent Non-executive Directors to be independent.

Directors' Service Contracts

No directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Group which is not determinable by the Group within one year without payment of compensation other than statutory compensation.

董事 *(續)*

獨立非執行董事

崔志仁

Gerald Clive Dobby

呂培基

依照本公司的公司細則規定及遵守上市規則附錄14所載企業管治常規守則之規定，謝達峰先生，溫彼得先生，張子健先生，邱安儀女士及Gerald Clive Dobby先生需於即將舉行之股東週年大會上告退。謝達峰先生，溫彼得先生，張子健先生及邱安儀女士有資格並已表示願意膺選連任為執行董事，任期為三年及Gerald Clive Dobby先生有資格並已表示願意膺選連任為獨立非執行董事，任期為三年。其他所有董事則於來年繼續留任。

三名獨立非執行董事均已就上市規則第3.13條例載的關於董事獨立性的各項要求向本公司提交確認書。董事會認為三名獨立非執行董事均具獨立性。

董事之服務合約

擬於即將召開的股東週年大會中候選連任的董事概無與本集團訂立於一年內本集團不可在不予賠償（一般法定義務除外）的情況終止的服務合約。

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 28 February 2006, the interests and short positions of the directors and chief executive and/or their respective associates of the Company 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 were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register maintained by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code"), were as follows:

(i) Interests and short positions in issued shares of the Company

董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉

於2006年2月28日，本公司董事及最高行政人員及／或彼等各自之任何聯繫人士擁有須根據《證券及期貨條例》第XV部第7及8分部知會本公司及聯交所（包括根據以上條例有關條文已接受或被設定已接受的權益及淡倉）的本公司及其任何聯營公司（按《證券及期貨條例》第XV部之定義）股份、相關股份及債權證的權益及淡倉，或須根據以上條例第352條登記於由本公司存置之登記冊，或須根據《上市公司董事進行證券交易的標準守則》（「標準守則」）知會本公司及聯交所的本公司及其任何聯營公司（按《證券及期貨條例》第XV部之定義）股份、相關股份及債權證的權益及淡倉如下：

(i) 於本公司的已發行股份之權益及淡倉

Ordinary shares of HK\$0.25 each 每股港幣0.25元的普通股

Name of director	Personal interest	Family interest	Corporate interest	Derivative interest	Short position	Other interest	% of total issued shares
				(share option) 衍生工具 權益 (購股權)			
董事姓名	個人權益	家族權益	公司權益	(購股權)	淡倉	其他權益	百分比
Tse Tat Fung, Tommy	謝達峰	-	- 152,960,914 (note 1) (附註1)	2,000,000 100,000 (note 2) (附註2)	-	-	73.87%
Peter Gerardus Van Weerdenburg	溫彼得	2,252,000	-	-	2,000,000	-	1.09%
Alex Chan	陳偉康	-	-	-	200,000	-	-
Erwin Steve Huang	黃岳永	-	-	-	100,000	-	-

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

(Continued)

(i) Interests and short positions in issued shares of the Company (Continued)

Notes:

1. These ordinary shares were held by Partner Logistics Limited, a company which is owned and controlled by Blink Technology Limited. Blink Technology Limited in turn is wholly and beneficially owned by Mr. Tse Tat Fung, Tommy. By virtue of the SFO, Mr. Tse Tat Fung, Tommy is deemed to be interested in all the shares held by Partner Logistics Limited.
2. These 100,000 Share options were granted to Ms. Yau On Yee, Annie, the spouse of Mr. Tse Tat Fung, Tommy. By virtue of the SFO, Mr. Tse Tat Fung, Tommy is deemed to be interested in these share options.

董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉 (續)

(i) 於本公司的已發行股份之權益及淡倉 (續)

附註:

1. 此等普通股股份乃由Partner Logistics Limited持有，該公司由謝達峰先生全資實益擁有之Blink Technology Limited擁有及控制。根據《證券及期貨條例》，謝達峰先生被視作持有由Partner Logistics Limited持有之所有股份之權益。
2. 獲授予此等100,000股購股權之邱安儀女士為謝達峰先生之配偶。根據《證券及期貨條例》，謝達峰先生被視作持有此等購股權之權益。

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

(Continued)

(ii) Interests in underlying shares

As at 28 February 2006, directors of the Company had interests in option to subscribe for shares of the Company as follows:

董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉 (續)

(ii) 於相關股份的權益

於2006年2月28日，本公司董事持有可認購本公司股份的購股權權益如下：

Name of director	Date of grant	Date of acceptance	Exercise price	Exercisable period	Number of share options held	
					as at 1 March 2005	as at 28 February 2006
董事姓名	授出日期	接納日期	行使價格	行使期間	於2005年3月1日	於2006年2月28日
Tse Tat Fung, Tommy 謝達峰	25 July 2005 2005年7月25日	28 July 2005 2005年7月28日	HK\$1.76 (note 1) 港幣1.76元 (附註1)	22 August 2005 to 25 July 2009 (note 2) 2005年8月22日至2009年7月25日 (附註2)	-	2,000,000
Peter Gerardus Van Weerdenburg 溫彼得	25 July 2005 2005年7月25日	28 July 2005 2005年7月28日	HK\$1.76 (note 1) 港幣1.76元 (附註1)	22 August 2005 to 25 July 2009 (note 2) 2005年8月22日至2009年7月25日 (附註2)	-	2,000,000
Alex Chan 陳偉康	25 July 2005 2005年7月25日	1 August 2005 2005年8月1日	HK\$1.76 (note 1) 港幣1.76元 (附註1)	22 August 2005 to 25 July 2009 (note 2) 2005年8月22日至2009年7月25日 (附註2)	-	200,000
Erwin Steve Huang 黃岳永	25 July 2005 2005年7月25日	1 August 2005 2005年8月1日	HK\$1.76 (note 1) 港幣1.76元 (附註1)	22 August 2005 to 25 July 2009 (note 2) 2005年8月22日至2009年7月25日 (附註2)	-	100,000

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

(Continued)

(ii) Interests in underlying shares

Notes:

1. The closing price of the Company's shares traded on the Hong Kong Stock Exchange on 25 July 2005 was HK\$1.71, being the date on which the relevant options were offered for grant.
2. For one of the conditions of grant, the grantee concerned agreed with the Company that (i) 20% of the options granted can be exercised during the period from 22 August 2005 to 25 July 2009; (ii) the next 40% of the options granted can be exercised during the period from 25 January 2007 to 25 July 2009; and (iii) the remaining 40% of the options granted can be exercised during the period from 25 July 2007 to 25 July 2009.

Other than as disclosed above and certain nominee shares in subsidiaries held by directors in trust for the Company or its subsidiaries, none of the Company's directors, chief executive and their respective associates, had any other interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which required notification to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such director or chief executive is taken or deemed to have taken under such provisions of the SFO); or which were required pursuant to section 352 of the SFO to be entered into the register maintained by the Company; or which were required, pursuant to the Model Code contained in the Listing Rules, to be notified to the Company or the Stock Exchange.

董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉 (續)

(ii) 於相關股份的權益

附註:

1. 本公司股份於2005年7月25日(即有關購股權之要約授予日期)在香港聯交所錄得之收市價為港幣1.71元。
2. 就其中一項授予條件而言,有關承授人與本公司協定:(i)其中20%已授出購股權可於2005年8月22日至2009年7月25日期內行使;(ii)另外40%已授出購股權可於2007年1月25日至2009年7月25日期內行使;及(iii)餘下40%已授出購股權可於2007年7月25日至2009年7月25日期內行使。

除上文所披露者及董事以信託形式代本公司或其附屬公司持有附屬公司若干名義股份外,並無本公司的董事及最高行政人員及彼等之聯繫人士擁有根據《證券及期貨條例》第XV部第7及8分部須知會本公司及聯交所之本公司或其任何相聯法團(定義見證券及期貨條例第XV部)股份、相關股份及債券之權益或淡倉(包括根據證券及期貨條例有關條文任何董事或最高行政人員所擁有或被視作擁有的權益或淡倉),或根據上市規則內所載之標準守則須知會本公司及聯交所之權益及淡倉,或須記入本公司根據《證券及期貨條例》第352條存置的登記冊。

Substantial Shareholders' and other Persons' Interests and Short Positions in Shares and Underlying Shares of the Company

As at 28 February 2005, the interests and short positions of any substantial shareholders or other persons (not being directors or chief executive of the Company) in the shares and/or underlying shares of the Company which have been disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO and have been recorded in the register required to be kept by the Company pursuant to section 336 of Part XV of the SFO were as follows:

主要股東及其他人士於本公司股份及相關股份中擁有的權益與淡倉

於2006年2月28日，任何主要股東或其他人士（並非本公司的董事或最高行政人員）在本公司股份及／或相關股份中擁有已根據《證券及期貨條例》第XV部第2及3分部的規定向本公司作出披露，及已在本公司根據該條例第XV部第336條備存的登記冊內作出記錄的權益及淡倉如下：

		Ordinary shares of HK\$0.25 each 每股港幣0.25元的普通股						
Name 姓名	Capacity 身份	Direct interest 直接權益	% of total issued share capital 佔已發行股本 總數百分比		Short position 淡倉	% of total issued share capital 佔已發行股本 總數百分比		
			Other interest 其他權益	share capital 佔已發行股本 總數百分比		Other interest 其他權益	share capital 佔已發行股本 總數百分比	
Partner Logistics Limited (note 1)	Partner Logistics Limited (附註1)	Beneficial owner 實益擁有人	152,960,914	73.87%	-	-	-	-
Blink Technology Limited (note 1)	Blink Technology Limited (附註1)	Deemed interest 視作權益	-	-	-	-	152,960,914	73.87%
Yau On Yee, Annie (note 1)	邱安儀 (附註1)	Deemed interest 視作權益	-	-	-	-	152,960,914	73.87%
Prime Investments S.A. (note 2)	Prime Investments S.A. (附註2)	Deemed interest 視作權益	-	-	-	-	152,960,914	73.87%
Rosy Blue Investments S.à.R.L. (note 2)	Rosy Blue Investments S.à.R.L. (附註2)	Deemed interest 視作權益	-	-	-	-	152,960,914	73.87%
Harshad Ramniklal Mehta (note 2)	Harshad Ramniklal Mehta (附註2)	Deemed interest 視作權益	-	-	-	-	152,960,914	73.87%

Substantial Shareholders' and other Persons' Interests and Short Positions in Shares and Underlying Shares (Continued)

Notes:

1. These ordinary shares were held by Partner Logistics Limited, a company which is owned and controlled by Blink Technology Limited. Blink Technology Limited is wholly and beneficially owned by Mr. Tse Tat Fung, Tommy. Ms. Yau On Yee, Annie is the spouse of Mr. Tse Tat Fung, Tommy. By virtue of the SFO, Blink Technology Limited, Mr. Tse Tat Fung, Tommy and Ms. Yau On Yee, Annie are deemed to be interested in all the shares held by Partner Logistics Limited.
2. These ordinary shares were held by Partner Logistics Limited, a company which is owned and controlled by Blink Technology Limited. Prime Investments S.A. is the preference shareholder of Partner Logistics Limited. Prime Investments S.A. is owned as to 99.83% by Rosy Blue Investments S.à.R.L., which in turn is owned as to 75% by Mr. Harshad Ramniklal Mehta. By virtue of the SFO, each of Prime Investments S.A., Rosy Blue Investments S.à.R.L. and Mr. Harshad Ramniklal Mehta, is deemed to be interested in all the shares held by Partner Logistics Limited.

Other than as disclosed above, the Company had not been notified of any persons who had interests or short positions in the shares and/or underlying shares of the Company, which were required to be recorded in the register required to be kept by the Company pursuant to section 336 of Part XV of the SFO.

Share Option Scheme

The Company's share option scheme was adopted by shareholders of the Company on 26 November 2003 ("2003 Share Option Scheme"). The purpose of the 2003 Share Option Scheme is to provide incentives or rewards to participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which the Group holds any equity interest ("Invested Entity").

主要股東及其他人士在股份及相關股份中擁有的權益與淡倉 (續)

附註:

1. 此等普通股股份乃由Partner Logistics Limited持有，該公司由謝達峰先生全資實益擁有之Blink Technology Limited擁有及控制。而邱安儀女士為謝達峰先生之配偶。根據《證券及期貨條例》，Blink Technology Limited、謝達峰先生及邱安儀女士被視作持有由Partner Logistics Limited持有之所有股份之權益。
2. 此等普通股股份乃由Partner Logistics Limited持有，該公司由Blink Technology Limited擁有及控制，Prime Investments S.A.為Partner Logistics Limited的優先股股東，而Prime Investments S.A.是由Rosy Blue Investments S.à.R.L.持有99.83%，而該公司是由Harshad Ramniklal Mehta先生持有75%。根據《證券及期貨條例》，Prime Investments S.A.、Rosy Blue Investments S.à.R.L.及Harshad Ramniklal Mehta先生各自均被視作持有由Partner Logistics Limited持有之所有股份之權益。

除上文所披露者外，本公司並無獲告知有任何人士擁有須記入本公司根據《證券及期貨條例》第XV部第336條備存的登記冊內作出記錄的本公司股份及或相關股份之權益或淡倉。

購股計劃

本公司之購股計劃於2003年11月26日由本公司股東採納（「2003年購股計劃」）。2003年購股計劃的目的是為了獎勵或獎償計劃項下的參與者對本集團的貢獻為及／或讓本集團得以招攬及挽留優秀僱員，以及為本集團持有股權的實體（「被投資實體」）吸納寶貴人才。

Share Option Scheme (Continued)

Under the 2003 Share Option Scheme, the directors of the Company are authorised, at their discretion, at any time following the date of the adoption of the 2003 Share Option Scheme but before the tenth anniversary of that date, to offer options to any person belonging to any of the following classes of participants to subscribe for shares of the Company:

- any employee (whether full time or part time employee, including any executive directors but not any non-executive director) of the Company, any of its subsidiaries or any Invested Entity;
- any non-executive director (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity;
- any supplier of goods or services to any member of the Group or any Invested Entity;
- any customer of the Group or any Invested Entity;
- any person or entity that provides research, development or technological support or other services to the Group or any Invested Entity; and
- any shareholder or 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.

The exercise price of options is the highest of the nominal value of the shares, the closing price of the shares on the Stock Exchange on the date of offer of the grant and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of offer of the grant. An offer of an option shall be deemed to have been accepted within 28 days from the date of offer upon acceptance of the option duly signed by the grantee together with a remittance of HK\$1. The maximum number of securities available for issue under the 2003 Share Option Scheme shall not exceed 10% of the issued share capital of the Company. The maximum entitlement of each grantee in any 12-month period is limited to 1% of the ordinary shares in issue of the Company. The option period will not be more than ten years from the date of grant of the option and the Company's board of directors may at its discretion determine the minimum period for which the option has to be held or other restriction before the exercise of the subscription right attaching thereon.

購股計劃 (續)

根據2003年購股計劃，本公司董事獲授權可酌情於採納2003年購股計劃之日後但該日期之第十週年前之任何時間，向屬於下列任何參與者類別的人士要約可供認購本公司股份的購股權：

- 本公司、其任何附屬公司或任何被投資實體的任何僱員 (不論是全職或兼職僱員，包括任何執行董事惟不包括任何非執行董事)；
- 本公司、其任何附屬公司或任何被投資實體的任何非執行董事 (包括獨立非執行董事)；
- 本集團任何成員公司或任何被投資實體的任何貨物或服務供應商；
- 本集團或任何被投資實體的任何客戶；
- 向本集團或任何被投資實體提供研究、開發或技術支援或其他服務的任何人士或實體；及
- 本集團或任何被投資實體的任何股東或任何成員公司；或本集團任何成員公司或任何被投資實體的任何已發行證券的持有人。

購股權的行使價為股份的票面值、股份於購股權要約授予日期在聯交所錄得的收市價及股份於截至購股權要約授予日期前五個營業日在聯交所錄得的平均收市價三者中的最高數額。在授予購股權起計二十八日內，當附有港幣1元匯款的獲授權人正式簽署的購股權接納函件已收取，則設定購股權已被接納。根據2003年購股計劃可能授出之購股權所涉及之股份總數，最多不得超過本公司已發行股本之10%。每名獲授權人的購股限制為在任何十二個月期間限於本公司已發行普通股的1%。購股權的有效年期由授出購股權當日起計不得超過十年。本公司董事會可酌情決定參與者在行使購股權所附認購權前必須持有購股權的最短期限或其他限制。

Share Option Scheme (Continued)

As at 28 February 2006, the number of shares issuable under options granted pursuant to the 2003 Share Option Scheme was 8,775,000 which represented approximately 4.24% of the then issued share capital of the Company. The movements in the number of share options under the 2003 Share Option Scheme during the year ended 28 February 2006 were as follows:

Date of grant	Date of acceptance	Exercise price	Exercisable period	Balance in issue at 1 March 2005 於2005年3月1日之已發行結餘	Number of share options granted during the period 期內授出之購股權數目	Number of share options exercised during the period 期內已行使之購股權數目	Number of share options lapsed during the period 期內失效之購股權數目	Balance in issue at 28 February 2006 於2006年2月28日之已發行結餘
25 July 2005 2005年7月25日	26 July 2005 to 19 August 2005 (note 1) 2005年7月26日至2005年8月19日 (附註1)	HK\$1.76 (note 2) 港幣1.76元 (附註2)	22 August 2005 to 25 July 2009 (note 4) 2005年8月22日至2009年7月25日 (附註4)	-	8,787,500	-	50,000	8,737,500
28 July 2005 2005年7月28日	8 August 2005 2005年8月8日	HK\$1.73 (note 3) 港幣1.73元 (附註3)	22 August 2005 to 25 July 2009 (note 4) 2005年8月22日至2009年7月25日 (附註4)	-	37,500	-	-	37,500

購股計劃 (續)

截至2006年2月28日，根據2003年購股權計劃授出之購股權可予發行之股份數目為8,775,000股，佔本公司當時已發行股本約4.24%。於截至2006年2月28日止年度內，2003年購股權計劃所涉購股權數目之變動如下：

Share Option Scheme (Continued)

Notes:

1. Due to the large number of employees participating in the 2003 Share Option Scheme, the relevant information can only be shown within a reasonable range in this Annual Report. For options granted to employees, the options were granted during the underlying periods for acceptance of such options by the employees concerned.
2. The closing price of the Company's shares traded on the Hong Kong Stock Exchange on 25 July 2005 was HK\$1.71, being the date on which the relevant options were offered for grant.
3. The closing price of the Company's shares traded on the Hong Kong Stock Exchange on 28 July 2005 was HK\$1.68, being the date on which the relevant options were offered for grant.
4. For one of the conditions of grant, the grantee concerned agreed with the Company that (i) 20% of the options granted can be exercised during the period from 22 August 2005 to 25 July 2009; (ii) the next 40% of the options granted can be exercised during the period from 25 January 2007 to 25 July 2009; and (iii) the remaining 40% of the options granted can be exercised during the period from 25 July 2007 to 25 July 2009.

No share options have exercised during the year ended 28 February 2006.

The fair value of options granted estimated in accordance with the Binomial valuation model is disclosed in note 26 to the financial statements.

Directors' Interest in Contracts

The Group owes certain loans to Partner Logistics Limited, a company controlled by Mr. Tse Tat Fung, Tommy, a director of the Company. The loans due to Partner Logistics Limited are secured and interest bearing at Hong Kong Interbank Offering Rate plus 2%. During the year, interest expenses paid to Partner Logistics Limited amounted to HK\$3,880,000 (2005: HK\$4,189,000).

購股計劃 (續)

附註:

1. 由於參與2003年購股權計劃之僱員人數眾多，故只可在本年報內以合理範圍顯示。就授予僱員之購股權而言，購股權授出日期顯示可供有關僱員接納上述購股權之相關期間。
2. 本公司股份於2005年7月25日（即有關購股權之要約日期）在香港聯交所錄得之收市價為港幣1.71元。
3. 本公司股份於2005年7月28日（即有關購股權之要約日期）在香港聯交所錄得之收市價為港幣1.68元。
4. 就其中一項授予條件而言，有關承受人與本公司協定：(i)其中20%已授出購股權可於2005年8月22日至2009年7月25日期內行使；(ii)另外40%已授出購股權可於2007年1月25日至2009年7月25日期內行使；及(iii)餘下40%已授出購股權可於2007年7月25日至2009年7月25日期內行使。

於截至2006年2月28日止年度內，概無任何購股權獲行使。

獲授的購股權按「二項式」期權定價模式估計的公平價值載於財務報表附註26。

董事在合約的利益

本集團欠Partner Logistics Limited（由本公司董事謝達峰先生控制的公司）若干貸款。欠Partner Logistics Limited的貸款為有抵押，按香港銀行同業拆息加2%計息。於本年度內，已付Partner Logistics Limited的利息費用為港幣3,880,000元（2005年：港幣4,189,000元）。

Directors' Interest in Contracts (Continued)

Apart from the foregoing, no contracts of significance to which the Company, its holding company 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.

Connected Transactions

Details of the connected transactions are set out in note 29 to the financial statements.

The Company's independent non-executive directors have reviewed the continuing connected transactions as set out in the circular dated 6 November 2003 ("Continuing Connected Transactions") during the year as set out in note 29 to the financial statements. The independent non-executive directors were satisfied that each of the Continuing Connected Transaction has been:

- (a) entered into in the ordinary and usual course of business of the Group;
- (b) conducted either on normal commercial terms or, if there is no available comparison, on terms that are fair and reasonable so far as the shareholders of the Company are concerned;
- (c) in accordance with the Licensing and Consignment Terms (as defined in the circular of the Company dated 6 November 2003), master supply agreement, comprehensive services agreement, and other terms governing the Continuing Connected Transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and
- (d) within the respective limits as set out in the circular dated 6 November 2003.

董事在合約的利益 (續)

除上述者外，於年結時或本年度任何時間，本公司，其控股公司或附屬公司，不論直接或間接，均沒有訂立任何本公司董事擁有關鍵性利益關係的重要合約。

關連交易

關連交易的詳情載於財務報表附註29。

本公司的獨立非執行董事於本年度內已經審閱2003年11月6日發出的通函中所列載的持續關連交易（「持續關連交易」）這些交易的詳情載於財務報表附註29。獨立非執行董事認為各項持續關連交易均是在下列情況下進行：

- (a) 在本集團的一般和日常業務過程中進行；
- (b) 按正常商業條款，或（倘若缺乏同類交易以作比較）按對本公司股東而言屬於公平和合理的條款進行；
- (c) 按認可商標使用與寄賣條款（按本公司於2003年11月6日發出的通函所界定）、總供貨協議、全面服務協議，以及其他規範持續關連交易的公平和合理的條款進行，並在整體上符合本公司股東的權益；及
- (d) 按2003年11月6日發出的通函所載的相關限額內進行。

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

During the year, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company.

Convertible Securities, Options or Similar Rights

Other than the share options under the 2003 Share Option Scheme as disclosed above, the Company had no other outstanding convertible securities, options or similar rights as at 28 February 2006.

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's Bye-laws or the laws in Bermuda.

Bank Loans and Other Borrowings

Particulars of bank loans and other borrowings of the Group as at 28 February 2006 are set out in notes 18 to 20 on the financial statements.

Five-year 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 pages 169 to 170 of the annual report.

Properties

Particulars of the major properties of the Group are shown on pages 171 and 172 of the annual report.

Retirement Schemes

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$20,000.

購買、出售或贖回本公司的上市證券

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司的上市證券。

可換股證券、認股權或類似權利

除上文所披露2003年購股計劃項下之購股權外，本公司於2006年2月28日概無其他未獲行使之可換股證券、認股權或類似權利。

優先購股權

本公司的公司細則或百慕達法例對優先購股權並無限制，對此權利亦無規定條款。

銀行貸款及其他借貸

本集團於2006年2月28日的銀行貸款及其他借貸詳情載於財務報表附註18至20。

五年概要

本集團於過去五個財政年度的業績及資產與負債概要載於本年報第169至170頁。

物業

本集團主要物業的詳情載於本年報第171至172頁。

退休計劃

本集團按照香港《強制性公積金計劃條例》的規定，為根據香港《僱傭條例》聘用的僱員，設立強制性公積金計劃（「強積金計劃」）。強積金計劃是一個界定供款退休計劃，由獨立的受託人管理。根據強積金計劃，僱主和僱員均須按照僱員相關入息的5%向計劃作出供款，但每月的相關入息上限為港幣20,000元。

Retirement Schemes (Continued)

The Group also operates defined contribution retirement benefits schemes for all qualifying employees in the People's Republic of China ("PRC") and Malaysia. The assets of the schemes are held separately from those of the Group in funds under the control of independent trustees.

The Group's total contributions to these schemes charged to the consolidated income statement during the year ended 28 February 2006 amounted to HK\$4,814,000 representing contributions payable by the Group to the schemes at 5%, 7% and 12% of the gross salaries in Hong Kong, PRC and Malaysia, respectively.

Public Float

Based on information that is publicly available to the Company and within the knowledge of the directors, the percentage of the shares in public hands exceed 25% as at 20 January 2006, the latest practicable date to ascertain such information prior to the issue of this annual report.

Corporate Governance

The Company is committed to maintaining a high standard of corporate governance. Information on the corporate governance practice adopted by the Company is set out in the Corporate Governance Report on pages 68 to 76.

Audit Committee

The Company's audit committee comprises of three independent non-executive directors, Mr. Chui Chi Yun, Robert, Mr. Gerald Clive Dobby and Mr. Lui Pui Kee, Francis. Information on the Audit Committee is set out in the Corporate Governance Report on pages 68 to 76.

退休計劃 (續)

本集團亦為所有中華人民共和國(「中國」)及馬來西亞合資格的僱員設立一個界定供款退休計劃。計劃的資產獨立於本集團的資產並由獨立受託人持有及管理。

於截至2006年2月28日止年度，本集團向此等計劃所作之總供款額為港幣4,814,000元，並已在綜合收益表中扣除。此供款乃本集團分別為香港、中國及馬來西亞的員工薪金5%、7%及12%所支付予計劃的供款額。

公眾持股量

根據本公司獲得的公開資料及據本公司董事知悉，於2006年1月20日(即本年報發行前確定該等資料的最後實際可行日期)，由公眾人士持有本公司股份超過25%。

企業管治

本公司致力維持高水準企業管治，本公司推行企業管治常規的有關資料載於第68至76頁之企業管治報告。

審核委員會

本公司之審核委員會成員包括3位獨立非執行董事崔志仁先生、Gerald Clive Dobby先生及呂培基先生。審核委員之有關資料載於第68至76頁之企業管治報告。

Auditors

On 6 April 2006, KPMG resigned as auditors of the Company and Moore Stephens were appointed as the auditors of the Company to fill the casual vacancy arising from the resignation of KPMG.

Moore Stephens will retire at the forthcoming annual general meeting and, being eligible, offer themselves for reappointment. A resolution for the reappointment of Moore Stephens as auditors of the Company is to be proposed at the forthcoming annual general meeting.

By Order of the Board

Tse Tat Fung, Tommy
Chairman

Hong Kong, 22 June 2006

核數師

於2006年4月6日，畢馬威會計師事務所辭任本公司核數師而馬施雲會計師事務所獲委任為本公司核數師以填補畢馬威會計師事務所辭任為產生之臨時空缺。

馬施雲會計師事務所於將舉行之股東週年大會上告退，惟願膺選連任。由馬施雲會計師事務所連任本公司核數師的決議案，將於即將舉行的股東週年大會上提出。

承董事會命

謝達峰
主席

香港，二零零六年六月二十二日