

The board of Directors (the “Directors”) present their report and the audited financial statements of the Group for the year ended 31 March 2007.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The Group is principally engaged in the supply of gas and gas pipeline connection business and properties holding and investment and supply of video lottery system and equipment in the PRC. The principal activities of its subsidiaries are set out in note 43 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2007 are set out in the consolidated income statement on page 60.

The directors do not recommend the payment of a final dividend for the year ended 31 March 2007 (2006: nil).

PROPERTY, PLANT AND EQUIPMENT

Details of the movements during the year in the property, plant and equipment of the Group are set out in note 16 to the consolidated financial statements.

SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 30 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 63.

董事會謹提呈本集團截至2007年3月31日止年度之年報及經審核財務報表。

主要業務

本公司為一間投資控股公司。本集團主要在中國從事供應燃氣及接駁燃氣管道、物業持有及投資及視頻彩票系統及設備供應業務。其附屬公司之主要業務載於綜合財務報表附註43。

業績及股息

本集團截至2007年3月31日止年度之業績載於第60頁之綜合收益表。

董事不建議派付截至2007年3月31日止年度之末期股息(2006年：無)。

物業、廠房及設備

本集團之物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註16。

股本

本公司股本於本年度之變動詳情載於綜合財務報表附註30。

儲備

本集團於本年度之儲備變動詳情載於第63頁綜合權益變動表。

DISTRIBUTABLE RESERVES

As at 31 March 2007, the Company did not have any distributable reserve.

DIRECTORS

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

Executive directors:

Xu Ruixin (*Honourable Chairman*)

Liu Jing (*Chairman*)

Mo Shikang (*Managing Director*)

Zhang Hesheng (*Deputy Chairman*)

Zhu Peifeng (*Deputy Chairman*)

Jin Song

Wong Ching

(appointed on 23 December 2006)

Yan Wing Cheung

(resigned on 23 December 2006)

Independent non-executive directors:

Liu Junmin

Tan Qinglian

Sin Ka Man

(appointed on 23 December 2006)

Wong Shing Kay, Oliver

(resigned on 3 October 2006)

Chan Chuk Cheung, Ivan

(appointed on 3 October 2006 and resigned on 23 December 2006)

可供分派儲備

於2007年3月31日，本公司概無可供分派儲備。

董事

本公司於本年度內及截至本報告日期之董事如下：

執行董事：

徐瑞新 (榮譽主席)

劉京 (主席)

莫世康 (董事總經理)

張和生 (副主席)

朱培風 (副主席)

靳松

王政

(於2006年12月23日獲委任)

甄永祥

(於2006年12月23日辭任)

獨立非執行董事：

劉駿民

譚慶璉

冼家敏

(於2006年12月23日獲委任)

黃承基

(於2006年10月3日辭任)

陳祝祥

(於2006年10月3日獲委任及於2006年12月23日辭任)

DIRECTORS (Continued)

In accordance with Bye-Law 99 of the Company's Bye-Laws, Mr. Xu Ruixin, Mr. Liu Jing and Mr. Jin Song will retire by rotation at the forthcoming annual general meeting and, being eligible, Mr. Xu Ruixin, Mr. Liu Jing and Mr. Jin Song will offer themselves for re-election at the forthcoming annual general meeting.

Besides, Mr. Wong Ching and Mr. Sin Ka Man who were appointed as Executive Director and Independent Non-executive Director of the Company respectively during the year 2006, will retire at the forthcoming annual general meeting, and being eligible, will offer themselves for re-election at the forthcoming annual general meeting pursuant to the Bye-Law 102(B) of the Company's Bye-Laws.

BIOGRAPHY OF DIRECTORS

Biography of Directors are set out on pages 23 to 26.

DIRECTORS' SERVICE CONTRACTS

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

董事(續)

根據本公司之公司細則第99條規定，徐瑞新先生、劉京先生及靳松先生將於應屆股東週年大會上輪席告退並符合資格重選連任；徐瑞新先生、劉京先生及靳松先生願意於應屆股東週年大會上膺選連任。

此外，於2006年分別獲委任為本公司執行董事及獨立非執行董事之王政先生及冼家敏先生將於應屆股東週年大會退任並符合資格重選連任；彼等將根據本公司之公司細則第102(B)條規定於應屆股東週年大會上膺選連任。

董事之履歷

董事之履歷載於第23至26頁。

董事服務合約

概無任何建議於應屆股東週年大會上重選之董事已訂立本公司不可於一年內無須支付賠償(法定賠償除外)而予以終止之服務合約。

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2007, the interests of the directors and their associates in the shares, underlying shares and debentures of the Company or its associated corporations within the meaning of Part XV of the Securities Future Ordinance (the "SFO"), as recorded in the register required to be kept by the Company pursuant to Section 352 of SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

Issued shares of the Company

Name 名稱	Capacity 身份	Number of shares 股份數目	Approximate percentage of the Company's issued share capital 本公司已發行股本之概約百分比
Dr. Mo Shikang ("Dr. Mo") 莫世康博士(「莫博士」)	Through controlled corporations (Note 1 and 2) 通過所控制公司持有 (附註1及2)	1,000,798,538	27.65%
Asian Allied Limited ("Asian Allied")	Through a controlled corporation (Note 1) 通過所控制公司持有 (附註1)	1,000,798,538	27.65%
Super Win Development Limited ("Super Win")	Beneficial owner 實益擁有人	1,000,798,538	27.65%

Notes:

- Asian Allied is interested in the same block of 1,000,798,538 shares registered under the name of Super Win, its wholly-owned subsidiary.
- Dr. Mo is the beneficial owner of 42.75% of the issued share capital of Asian Allied. Pursuant to the provisions of Part XV of the SFO, Dr. Mo is deemed to be interested in the same block of 1,000,798,538 shares in which Asian Allied has an attributable interest.

董事於股份、相關股份及債券之權益

於2007年3月31日，根據證券及期貨條例第352條本公司存置之登記冊所記錄，或根據上市公司董事進行證券交易之標準守則(「標準守則」)須知會本公司及香港聯合交易所有限公司(「聯交所」)，有關董事及彼等之聯繫人士於本公司或其聯營公司之股份、相關股份及債券中屬證券及期貨條例(「證券期貨條例」)第XV部所述之權益如下：

本公司已發行股份

Name 名稱	Capacity 身份	Number of shares 股份數目	Approximate percentage of the Company's issued share capital 本公司已發行股本之概約百分比
Dr. Mo Shikang ("Dr. Mo") 莫世康博士(「莫博士」)	Through controlled corporations (Note 1 and 2) 通過所控制公司持有 (附註1及2)	1,000,798,538	27.65%
Asian Allied Limited ("Asian Allied")	Through a controlled corporation (Note 1) 通過所控制公司持有 (附註1)	1,000,798,538	27.65%
Super Win Development Limited ("Super Win")	Beneficial owner 實益擁有人	1,000,798,538	27.65%

附註：

- Asian Allied於以Super Win(其全資附屬公司)之名義登記之同一批1,000,798,538股股份中擁有權益。
- 莫博士為Asian Allied之已發行股本42.75%之實益擁有人。根據證券及期貨條例第XV部，莫博士被視為於Asian Allied佔有權益之同一批1,000,798,538股股份中擁有權益。

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

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

Save as disclosed above, none of the directors nor their associates had any interests or short positions in any shares, underlying shares or debenture of the Company or any of its associated corporations as at 31 March 2007 which had been entered in the register 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.

DIRECTOR'S RIGHT TO ACQUIRE SHARES OR DEBENTURES

As at 31 March 2007, the number of outstanding option shares granted by the Company under the 1997 Share Option Scheme and 2006 Share Option Scheme to the Directors to subscribe for shares of the Company, as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code is set out in the section head "Share Options" of this report.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company, any of its subsidiaries or fellow 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.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed in note 35 to the consolidated financial statements, there are no contracts of significance to which the Company, any of its subsidiaries or fellow 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.

董事於股份、相關股份及債券之 權益(續)

以上披露之所有權益代表於本公司股份之好倉。

除以上披露者外，於2007年3月31日，根據證券及期貨條例第352條本公司須予存置之登記冊所記錄，或根據標準守則須知會本公司及聯交所，概無董事或其聯繫人士於本公司或其任何聯營公司之股份、相關股份或債券中擁有任何權益或淡倉。

董事股份或債券之權利

於2007年3月31日，本公司根據1997年購股權計劃及2006年購股權計劃向董事授出，根據證券及期貨條例第352節本公司存置之記錄冊內所記錄，或根據標準守則須知會本公司及聯交所之可認購本公司股份之未行使購股權數目已載於本報告「購股權」一節。

購買股份或債券之安排

於本年度任何時間，本公司、其任何附屬公司或同集團附屬公司並無訂立任何安排，致使本公司董事可藉購入本公司或任何其他法團之股份或債券而獲益。

董事於重大合約之權益

除綜合財務報表附註35所披露者外，概無本公司、其任何附屬公司或同集團附屬公司訂立，而本公司董事(不論直接或間接地)擁有重大權益之任何重大合約於年終或本年度任何時間仍然有效。

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2007, according to the register maintained by the Company pursuant to Section 336 of the SFO, the following persons were, directly or indirectly, beneficially interested in 5% or more of the issued share capital and underlying shares of the Company.

主要股東

於2007年3月31日，根據本公司按證券及期貨條例第336條所存置之登記冊，以下人士直接或間接地實益擁有本公司已發行股本及相關股份之5%或以上權益：

Name of shareholder 股東名稱	Capacity and nature of interest 身份及權益性質	Number of shares held 持有股份數目	Number of underlying shares (under equity derivatives of the Company) 相關股份數目 (本公司股本 衍生工具項下)	Aggregate interest 權益總額	Percentage of the Company's issued share capital 佔本公司 已發行股本 百分比
Super Win	Directly beneficially owned 直接實益擁有	1,000,798,538	—	1,000,798,538	27.65%
Asian Allied	Through a controlled corporation 通過所控制公司持有	1,000,798,538	—	1,000,798,538	27.65%
Dr. Mo 莫博士	Through controlled corporations 通過所控制公司持有	1,000,798,538	2,600,000	1,003,398,538	27.72%
Merrill Lynch & Co., Inc ("Merrill Lynch")	Through controlled corporations (Note) 通過所控制公司持有 (附註)	3,586,000	522,943,147	526,529,147	14.54%
Indopark Holdings Ltd. ("Indopark")	Directly beneficially owned (Note) 直接實益擁有 (附註)	—	522,943,147	522,943,147	14.45%

Note: Indopark entered into a subscription agreement with the Company on 30 May 2006 to subscribe for US\$40,000,000 convertible notes ("Convertible notes") from the Company. The Convertible notes were issued to Indopark on 15 June 2006 and can be converted into shares of the Company from 15 December 2006. By virtue of Indopark being an indirect wholly-owned subsidiary of Merrill Lynch. Merrill Lynch is deemed to be interested in the 522,943,147 underlying shares of the Company held by Indopark.

附註： Indopark於2006年5月30日與本公司訂立認購協議，自本公司認購40,000,000美元之可換股票據（「可換股票據」）。可換股票據已於2006年6月15日發行予Indopark，自2006年12月15日起可轉換為本公司股份。由於Indopark乃Merrill Lynch之間接全資附屬公司，Merrill Lynch被視為擁有Indopark持有之522,943,147股本公司相關股份之權益。

All the interests disclosed under this section represent long positions in the shares of the Company.

於本節披露之所有權益均為本公司股份中之好倉。

SUBSTANTIAL SHAREHOLDERS (Continued)

Other than as disclosed above, as at 31 March 2007, the Company has not been notified of any other relevant interests and short positions in the issued share capital and underlying shares of the Company which had been recorded in the register required to be kept under Section 336 of the SFO.

SHARE OPTION SCHEME

On 3 October 2006, the shareholders of the Company approved the termination (to the effect that no further options shall be offered) of the share option scheme adopted by the Company on 4 April 1997 (the “1997 Share Option Scheme”) and the adoption of a new share option scheme on 3 October 2006 (the “2006 Share Option Scheme”).

As at 31 March 2007, a total of 123,200,000 option shares were outstanding which comprised 67,200,000 option shares and 56,000,000 option shares granted under the 1997 Share Option Scheme and the 2006 Share Option Scheme respectively.

The following is a summary of the principal terms of these two share option schemes (for the 1997 Share Option Scheme, only those terms applying to the outstanding option shares are set out).

(i) 1997 Share Option Scheme

The Company operates the 1997 Share Option Scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the option scheme include full-time employees (including executive directors) of the Group. The option scheme became effective on 4 April 1997 and, unless otherwise amended or altered, will remain in force for 10 years from that date.

The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than three years from the date of the offer of the share options or the expiry date of the 1997 Share Option Scheme, if earlier. The amount paid on acceptance of an option was HK\$1.

主要股東(續)

除上文所披露者外，於2007年3月31日，本公司並無獲悉本公司已發行股本及相關股份中之任何其他相關權益及淡倉記錄於根據證券及期貨條例第336條須予置存之登記冊內。

購股權計劃

於2006年10月3日，本公司之股東批准終止（據此不可進一步授出購股權）本公司於1997年4月4日採納之購股權計劃（「1997年購股權計劃」）及於2006年10月3日採納一項新購股權計劃（「2006年購股權計劃」）。

於2007年3月31日，合共有123,200,000份購股權尚未行使，其中包括分別根據1997年購股權計劃及2006年購股權計劃授出之67,200,000份購股權及56,000,000份購股權。

下文概述該兩項購股權計劃之主要條款（就1997年購股權計劃而言，僅載列適用於尚未行使購股權之條款）。

(i) 1997年購股權計劃

本公司設立1997年購股權計劃，藉以鼓勵及回饋對本集團之成功經營作出貢獻之合資格參與者。購股權計劃之合資格參與者包括本集團之全職僱員（包括執行董事）。除非另外修訂或更改，購股權計劃將自1997年4月4日起十年內有效。

所授出之購股權之行使期由董事釐定，並在若干歸屬期後開始，但不能長於提出授予購股權之日起計三年後或1997年購股權計劃到期日（以較早者為準）止。接受購股權需支付金額港幣1元。

SHARE OPTION SCHEME (Continued)

(i) 1997 Share Option Scheme (Continued)

The exercise price of the share options is determinable by the directors at their discretion and will be the higher of a price being not less than 80% of the average of the closing price of the shares on the Stock Exchange for the five trading days immediately preceding the offer date, and the nominal value of the shares of the Company.

The 1997 Share Option Scheme was terminated on 3 October 2006 such that thereafter no further options should be offered but the options which had been granted during its life should continue to be valid and exercisable in accordance with their terms of issue and in all other respects its provisions should remain in full force and effect.

(ii) 2006 Share Option Scheme

The purpose of 2006 Share Option Scheme is to provide incentives to the executives, employees, directors (including non-executive directors and independent non-executive directors), consultants, advisers and/or agents of the Group to contribute to the Group, to enable the Group to recruit and retain quality employees to serve the Group on a long-term basis and to attract human resources that are valuable to the Group.

購股權計劃(續)

(i) 1997年購股權計劃(續)

購股權之行使價由董事酌情釐定，將不少於股份於緊接授出日前五個交易日於聯交所所報之平均收市價之80%之價格及本公司股份面值(以較高者為準)。

1997年購股權計劃於2006年10月3日終止，據此不可進一步授出購股權，惟於此計劃生效期間授出之購股權將繼續有效及可根據其發行條款行使，而就其他方面而言，其條款將繼續具有全面效力及作用。

(ii) 2006年購股權計劃

設立2006年購股權計劃旨在鼓勵本集團之行政人員、僱員、董事(包括非執行董事及獨立非執行董事)、顧問及/或代理為本集團作出貢獻、幫助本集團招聘及慰留僱員以長期服務本集團及吸引對本集團有價值之人力資源。

SHARE OPTION SCHEME (Continued)

(ii) 2006 Share Option Scheme (Continued)

The maximum number of shares of the Company which may be issued upon exercise of all options to be granted under the 2006 Share Option Scheme (and under any other scheme of the Company) shall not in aggregate exceed 10% of the shares in issue as at the date of the adoption of the 2006 Share Option Scheme (the "Scheme Mandate Limit") provided that the Company may at any time as the Board of Directors of the Company may think fit seek approval from its shareholders to refresh the Scheme Mandate Limit, save that the maximum number of Shares which may be issued upon exercise of all options to be granted under the 2006 Share Option Scheme (and under any other scheme of the Company) shall not exceed 10% of the shares in issue as at the date of approval by the shareholders of the Company in general meeting where such limit is refreshed. Options previously granted under the 2006 Share Option Scheme and any other scheme of the Company (including those outstanding, cancelled, and lapsed in accordance with the terms of the 2006 Share Option Scheme or any other scheme of the Company or exercised options under the said schemes) shall not be counted for the purpose of calculating the limit as refreshed. Notwithstanding aforesaid in this paragraph, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2006 Share Option Scheme (and under any other scheme of the Company) shall not exceed 30% of the shares in issue from time to time. As at 31 March 2007, a total of 247,675,994 Shares (representing approximately 6.84% of the existing issued share capital of the Company) are available for issue under the 2006 Share Option Scheme. Subsequent to the balance sheet date, an addition of 232,152,000 share options had been granted and a total of 288,152,000 are outstanding under the 2006 Share Option Scheme at the date of this report. The maximum entitlement of each participant under the 2006 Share Option Scheme is 1% of the Shares in issue from time to time.

購股權計劃 (續)

(ii) 2006年購股權計劃 (續)

因根據2006年購股權計劃(及本公司任何其他計劃)授出之所有購股權獲行使而可予發行之本公司股份(「股份」)總數,最多不得超逾於2006年購股權計劃採納之日已發行股份之10%(「計劃授權上限」),惟本公司可於本公司董事會認為適當情況下尋求股東批准修訂計劃授權上限,惟因行使根據2006年購股權計劃(及本公司任何其他計劃)將予授出之所有購股權而可予發行之股份總數,最多不得超逾於本公司股東於股東大會批准修訂該上限之日已發行股份之10%。之前根據2006年購股權計劃及本公司任何其他計劃授出之購股權(包括根據2006年購股權計劃或本公司任何其他計劃之條款而尚未行使、已註銷及作廢之購股權或已根據上述計劃行使之購股權)將不會列入經修訂上限內。儘管本段前文所述者,惟因行使所有授出而尚未行使及根據2006年購股權計劃(及本公司任何其他計劃)有待行使之購股權而可予發行之股份總數,最多不得超逾不時已發行股份之30%。於2007年3月31日,根據2006年購股權計劃可予發行之股份合計為247,675,994股(佔本公司現有已發行股本約6.84%)。於結算日後,根據2006年購股權計劃新授出購股權232,152,000份及於本年報日期合共有288,152,000份購股權尚未行使。每位參與人根據2006年購股權計劃之最高配額不得超過不時已發行股份之1%。

SHARE OPTION SCHEME (Continued)

(ii) 2006 Share Option Scheme (Continued)

No amount is payable on acceptance of an offer to grant an option to subscribe for the shares of the Company granted pursuant to the 2006 Share Option Scheme (the "Offer"). The 2006 Share Option Scheme may be exercised at any time for a period of ten years commencing after a period of six months from the date of acceptance of the Offer, subject to the conditions imposed by the Board.

The subscription price in respect of any particular option under the 2006 Share Option Scheme shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant option but the subscription price shall not be less than whichever is the highest of (a) the nominal value of a share; (b) the closing price of the share as stated in the Stock Exchange's daily quotations sheet on the date of the Board resolution approving the grant of options; (c) the average of the closing prices of the share as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of the Board resolution approving the grant of options.

The 2006 Share Option Scheme will expire on 2 October 2016.

購股權計劃(續)

(ii) 2006年購股權計劃(續)

合資格參與者毋須繳付款項以接納根據2006年購股權計劃授出認購本公司之股份之購股權(「授出」)。2006年購股權計劃可於自接納授出日起計之後6個月期間起計10年期間任何時間行使，惟須受限於本公司董事會提出之條件。

2006年購股權計劃之任何特定購股權所涉及之認購價，乃董事會於有關購股權授出時全權釐定之價格，惟認購價不得低於下列之較高者(a)股份之面值；(b)於董事會通過決議案批准授出購股權之日聯交所日報價表所報股份之收市價；及(c)於董事會通過決議案批准授出購股權之前五個營業日聯交所日報價表所報股份之平均收市價。

2006年購股權計劃將於2016年10月2日屆滿。

SHARE OPTION SCHEME (Continued)

購股權計劃(續)

The following tables disclose details of movements of the 1997 Share Option Scheme held by employees (including directors) during the year ended 31 March 2007 in accordance with rule 17.07 of the Listing Rules:

根據上市規則第17.07條，下表披露僱員(包括董事)於截至2007年3月31日止年度所持1997年購股權計劃之變動詳情：

Name or category of participant 參與者 名稱或類別	As at於 01.04.2006	Granted during the year 年內授出	Exercise during the year 年內行使	As at於 31.03.2007 (Note 5) (附註5)	Date of grant of share options 授出 購股權日期 (Note 1) (附註1)	Exercise period of share options 購股權 行使期間	Exercise price of share options 購股權 行使價 (Note 2) (附註2)
Directors 董事							
Liu Jing 劉京	26,000,000	—	—	26,000,000	13.04.2005	12.10.2005 to 至 03.04.2007	0.365
Mo Shikang 莫世康	2,600,000	—	—	2,600,000	13.04.2005	12.10.2005 to 至 03.04.2007	0.365
Zhu Peifeng 朱培風	2,600,000	—	2,600,000	—	13.04.2005	12.10.2005 to 至 03.04.2007	0.365
Zhang Hesheng 張和生	2,600,000	—	—	2,600,000	13.04.2005	12.10.2005 to 至 03.04.2007	0.365

Report of the Directors

董事會報告

SHARE OPTION SCHEME (Continued)

購股權計劃 (續)

Name or category of participant 參與者 名稱或類別	As at 於 01.04.2006	Granted during the year 年內授出	Exercise during the year 年內行使	As at 於 31.03.2007 (Note 5) (附註5)	Date of grant of share options 授出 購股權日期 (Note 1) (附註1)	Exercise period of share options 購股權 行使期間	Exercise price of share options 購股權 行使價 (Note 2) (附註2)
Directors 董事							
Jin Song 靳松	26,000,000	—	—	26,000,000	13.04.2005	12.10.2005 to 至 03.04.2007	0.365
Yan Wing Cheung (Note 3) 甄永祥 (附註3)	26,000,000	—	21,000,000	5,000,000	18.11.2005	17.05.2006 to 至 03.04.2007	0.400
Employee(s) 僱員							
In aggregate 合計	5,000,000	—	—	5,000,000	13.04.2005	12.10.2005 to 至 03.04.2007	0.365
Total 總數	90,800,000	—	23,600,000	67,200,000			

SHARE OPTION SCHEME (Continued)

Notes:

1. The vesting period is six months from the date of acceptance of the Offer.
2. The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
3. Mr. Yan Wing Cheung resigned as executive director of the Company on 23 December 2006.
4. During the year, no option shares were granted/granted the adjustment, cancelled or lapsed under the 1997 Share Option Scheme.
5. Subsequent to the balance sheet date, 67,200,000 share options had been exercised and converted into the Company's ordinary shares.

The following tables disclose details of movements of the 2006 Share Option Scheme held by employees (including directors, if any) during the year ended 31 March 2007 in accordance with rule 17.07 of the Listing Rules:—

Name or category of participant 參與者 名稱或類別	As at 於 01.04.2006	Granted during the year 年內授出	Exercise during the year 年內行使	As at 於 31.03.2007	Date of grant of share options 授出 購股權日期 (Note 1) (附註1)	Exercise period of share options 購股權 行使期間	Exercise price of share options 購股權 行使價 (Note 2) (附註2)
Consultants 顧問	—	56,000,000	—	56,000,000	11.10.2006	11.04.2007 to 至 10.04.2010	0.385
	—	56,000,000	—	56,000,000			

購股權計劃(續)

附註：

1. 歸屬期為由接納授出日期起計6個月。
2. 購股權之行使價受限於因應供股或發行紅股而作出之調整或本公司股本之其他相近改變。
3. 甄永祥先生於2006年12月23日辭任本公司之執行董事。
4. 年內概無購股權根據1997年購股權計劃授出／獲批准調整、註銷或失效。
5. 於結算日後，67,200,000份購股權已行使及轉換為本公司之普通股。

根據上市規則第17.07條，下表披露僱員(包括董事，如有)於截至2007年3月31日止年度所持2006年購股權計劃之變動詳情：

SHARE OPTION SCHEME (Continued)

Notes:

- (1) The vesting period is six months from the date of acceptance of the Offer.
- (2) The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- (3) During the year, no option shares were cancelled or lapsed under the 2006 Share Option Scheme.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, sales to the Group's five largest customers accounted for approximately 16.4% of the total sales for the year, and sales to the largest customer included therein amounted to approximately 6.4%. Purchases from the Group's five largest suppliers accounted for approximately 66.4% of the total purchases for the year, and purchases from the largest supplier included therein amounted to approximately 40.5%.

None of the directors of the Company, or any of their associates or any other shareholders, which, to the best knowledge of the directors, owns more than 5% of the Company's issued share capital, had any beneficial interest in the Group's five largest customers or suppliers.

購股權計劃(續)

附註：

- (1) 歸屬期為由接納授出日期起計6個月。
- (2) 購股權之行使價受限於因應供股或發行紅股而作出之調整或本公司股本之其他相近改變。
- (3) 年內概無購股權根據2006年購股權計劃註銷或失效。

主要客戶與供應商

於本年度，本集團五大客戶之銷售額佔本年度總銷售額約16.4%，而其中最大客戶之銷售額則約佔6.4%。本集團向五大供應商作出之採購佔本年度採購總額約66.4%，而向其中最大供應商作出之採購額則約佔40.5%。

本公司董事或其任何聯繫人士或據董事所知擁有本公司已發行股本5%以上之任何其他股東概無於本集團五大客戶或五大供應商中擁有任何實益權益。

COMPETITION AND CONFLICTS OF INTERESTS

None of the directors or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group.

EMOLUMENT POLICY

The emolument policy regarding the employees of the Group is set up by the Remuneration Committee and is based on their merit, qualifications and competence.

The emoluments of the Directors are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics. No director, or any of his associates, and executive is involved in dealing his own remuneration.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme is set out in note 31 to the consolidated financial statements.

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

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

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws, or the laws of Bermuda which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

競爭與利益衝突

概無任何本公司董事或主要股東或任何彼等之聯繫人士參與任何與本集團業務構成競爭或可能構成競爭之業務，或與本集團有任何其他利益衝突。

酬金政策

本集團僱員的酬金政策由薪酬委員會制定，並按僱員的功勞、資歷及能力為基礎。

董事酬金由薪酬委員會經參考本公司之經營業績、個人表現及可資比較市場數據而釐定。概無任何董事或任何其聯繫人士以及行政人員參與處理其本身之薪酬。

本公司已採納一項購股權計劃，以向董事及合資格僱員提供獎勵，該計劃之詳情載於綜合財務報表附註31。

購買、出售或贖回本公司之上市證券

年內本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

優先購買權

本公司之公司細則或百慕達法律並無關於優先購買權之規定，致令本公司必須首先按比例向現有股東發售新股份。

SUFFICIENCY OF PUBLIC FLOAT

Based on the publicly available information to the Company as at the date of this report and to the best knowledge of the directors, the Company has maintained a sufficient public float during the year as required under the Listing Rules.

CORPORATE GOVERNANCE

Particulars of the Company's corporate governance practices are set out in the Corporate Governance Report on pages 44 to 57.

ANNUAL CONFIRMATION OF INDEPENDENCE

The Company has received, from each of the independent non-executive directors, an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

POST BALANCE SHEET EVENTS

Details of significant post balance sheet events of the Group are set out in note 40 to the consolidated financial statements.

足夠公眾持股量

於本年報日期根據公開獲得之資料及據董事所知，本公司於年內已按上市規則之規定維持足夠公眾持股量。

企業管治

本公司之企業管治常規之詳細資料載列於第44至57頁之企業管治報告。

年度獨立性確認

本公司已根據上市規則第3.13條收到各獨立非執行董事之年度獨立性確認書。本公司認為所有獨立非執行董事均為獨立人士。

結算日後事項

有關本集團之重大結算日後事項之詳情載於綜合財務報表附註40。

AUDITORS

On 23 March 2005, Messrs. Ernst & Young, who acts as auditors for the period from 1 April 2002 to 31 March 2004, resigned and Messrs. Deloitte Touche Tohmatsu were appointed as auditors of the Company.

On 3 November 2006, Messrs Deloitte Touche Tohmatsu, who acts as auditors for the period from 1 April 2004 to 31 March 2006, resigned and Messrs. SHINEWING (HK) CPA Limited were appointed as auditors of the Company.

The financial statements have been audited by SHINEWING (HK) CPA Limited were appointed as the auditors of the Company to fill the casual vacancy and to hold office until the Annual General Meeting. Pursuant to section 89(3) of the Bermuda Companies Act 1981, a shareholder has given the Company a notice of intention to nominate SHINEWING (HK) CPA Limited as the auditors of the Company and an ordinary resolution will be proposed at the forthcoming annual general meeting accordingly.

On behalf of the Board

Dr. MO SHIKANG

Managing and Executive Director

Beijing, 27 July 2007

核數師

於2005年3月23日，安永會計師事務所(於2002年4月1日至2004年3月31日止期間擔任本公司核數師)辭任，而德勤·關黃陳方會計師行獲委任為本公司核數師。

於2006年11月3日，德勤·關黃陳方會計師行(於2004年4月1日至2006年3月31日止期間擔任本公司核數師)辭任，而信永中和(香港)會計師事務所有限公司獲委任為本公司核數師。

信永中和(香港)會計師事務所有限公司獲委任為本公司核數師以填補臨時空缺，任期直至股東週年大會，此等財務報表由信永中和(香港)會計師事務所有限公司審核。根據百慕達1981年公司法第89(3)條，一名股東已向本公司發出意向通告以提名信永中和(香港)會計師事務所有限公司為本公司之核數師，據此將於應屆股東週年大會提呈一項普通決議案。

承董事會命

莫世康博士

董事總經理兼執行董事

北京，2007年7月27日