

## DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for the year ended 31st December 2004.

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are trading and distribution of chemicals, materials and equipment used in the manufacture of printed circuit boards and electronic products and the manufacture of electrical and electronic products for OEM customers.

### RESULTS

The results of the Group for the year ended 31st December 2004 are set out in the consolidated income statement on page 35.

### DIVIDENDS

An interim dividend of HK\$0.01 per share amounting to HK\$6,928,000 was paid to the shareholders during the year.

The directors now recommend the payment of a final dividend of HK\$0.02 per share to the shareholders on the register of members on 30th May 2005, amounting to HK\$13,856,000, and the retention of the remaining profit for the year of HK\$101,735,000.

### FIXED ASSETS

Details of movements in fixed assets of the Group are set out in note 14 of notes to the financial statements.

### SHARE CAPITAL

Details of the Company's share capital are set out in note 27 of notes to the financial statements. There was no movement in the Company's share capital during the year.

### RESERVES

Details of the movements in the reserves of the Group and the Company during the year are set out in note 28 of notes to the financial statements.

### PRE-EMPTIVE RIGHTS

There are no provisions 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.

## 董事會報告書

董事會同寅謹將本公司截至二零零四年十二月三十一日止年度報告及已審核之財務報表送呈各股東省覽。

### 主要業務

本公司屬投資控股公司，其主要附屬公司之主要業務為貿易及分銷用以製造印刷電路板及電子產品之化學品、物料及設備及為原產品客戶製造電器及電子產品。

### 業績

本集團截至二零零四年十二月三十一日止年度之業績載於第35頁之綜合收益表內。

### 股息

已於年內向股東支付中期股息每股港幣0.01元，合共港幣6,928,000元。

董事現建議向二零零五年五月三十日名列股東名冊之股東支付末期股息每股港幣0.02元，合共港幣13,856,000元。年內保留之剩餘溢利為港幣101,735,000元。

### 固定資產

本集團固定資產之變動詳情刊載於財務報表附註14。

### 股本

本公司股本之詳情刊載於財務報表附註27。年內股本並無變動。

### 儲備

本集團及本公司之儲備變動詳情刊載於財務報表附註28。

### 優先購買權

本公司之公司細則或百慕達法例均無訂明有關本公司必須按現有股東之持股比例向彼等提呈發售新股份之優先購買權之規定。

## **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.

## **CHARITABLE DONATIONS**

During the year, the Group made charitable donations amounting to approximately HK\$980,000.

## **MAJOR CUSTOMERS AND SUPPLIERS**

35% of turnover and 38% of purchases during the year were attributable to the Group's five largest customers and suppliers respectively. 16% of turnover and 19% of purchases during the year were attributable to the Group's largest customer and supplier respectively. None of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) has any interest in the Group's five largest customers or five largest suppliers.

## **DIRECTORS**

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

### **Executive Directors**

Senta Wong  
Edward Ying-Chun Tsui  
Byron Shu-Chan Ho  
Bengie Man-Hang Kwong  
Hamed Hassan EL-ABD

### **Independent Non-Executive Directors**

Peter Chung-Yin Lee  
John Ho  
Philip Wan-Chung Tse  
Gene Howard Weiner

In accordance with Bye-laws 103 to 105 of the Company's Bye-laws, Mr. Hamed Hassan EL-ABD and Mr. Peter Chung-Yin Lee shall retire by rotation and, being eligible, offer themselves for election.

The term of office for each Independent Non-Executive Director is the period up to his retirement by rotation in accordance with the Company's Bye-laws.

## **購買、出售或贖回本公司之上市證券**

本公司或其任何附屬公司於本年度概無購買、出售或贖回本公司之任何上市證券。

## **慈善捐款**

本年度內本集團之慈善捐款總額為港幣九十八萬元。

## **主要顧客及供應商**

本集團之五大顧客及供應商所佔本年度之營業額及採購額分別為35%及38%。本集團之最大顧客及供應商所佔本年度之營業額及採購額分別為16%及19%。本公司各董事及其聯繫人士或任何股東（董事會獲知擁有本公司已發行股本5%或以上）概無在該五大顧客或五大供應商佔有任何權益。

## **董事**

本年度內及截至本報告刊發日期本公司之董事為：

### **執行董事**

王忠桐  
徐應春  
何樹燦  
鄭敏恆  
Hamed Hassan EL-ABD

### **獨立非執行董事**

李仲賢  
何約翰  
謝宏中  
Gene Howard Weiner

依照本公司細則第一零三至一零五條，Hamed Hassan EL-ABD先生及李仲賢先生任期屆滿，輪值告退，並願意接受提選連任。

各獨立非執行董事之任期乃直至其根據本公司之公司細則輪席告退為止之期間。

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

## INTERESTS OF DIRECTORS

At 31st December 2004, the interests or short positions of the Directors 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”) 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 of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

### (A) Long positions in shares of the Company

Name 姓名	Capacity 身份	Number of shares held 股份總數	Percentage of total issued shares 佔已發行 股份總數 百分比
<b>Executive directors 執行董事</b>			
Senta Wong 王忠桐	Interest of child or spouse, interest of controlled corporations and founder of discretionary trust (Note 1) 子女或配偶權益、受控制法團權益及酌情信託之成立人 (附註 1)	325,068,723	46.92%
Edward Ying-Chun Tsui 徐應春	Beneficial owner 實益擁有人	2,973,920	0.42%
Byron Shu-Chan Ho 何樹燦	Beneficial owner 實益擁有人	1,000,000	0.14%
Bengie Man-Hang Kwong 鄺敏恆	Beneficial owner 實益擁有人	2,400,000	0.35%
<b>Non-Executive director 非執行董事</b>			
Gene Howard Weiner	Beneficial owner 實益擁有人	180,000	0.03%

Note:

- Mr. Senta Wong was deemed (by virtue of the SFO) to be interested in 325,068,723 shares in the Company. These shares were held in the following capacity:
  - 1,886,000 shares were held by Ms. Wong Wu Lai Ming, wife of Mr. Senta Wong.

擬於即將舉行之股東週年大會上膺選連任之董事，概無與本集團訂立任何本集團於一年內終止則須作出賠償(法定補償除外)之服務合約。

## 董事之權益

於二零零四年十二月三十一日，根據證券及期貨條例(「證券及期貨條例」)第352條予以置存之登記冊之記錄，或根據上市公司董事進行證券交易的標準守則已向本公司及香港聯合交易所有限公司(「聯交所」)作出之通知，本公司董事於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有之權益或淡倉如下：

### (A) 本公司股份之好倉

Name 姓名	Capacity 身份	Number of shares held 股份總數	Percentage of total issued shares 佔已發行 股份總數 百分比
<b>Executive directors 執行董事</b>			
Senta Wong 王忠桐	Interest of child or spouse, interest of controlled corporations and founder of discretionary trust (Note 1) 子女或配偶權益、受控制法團權益及酌情信託之成立人 (附註 1)	325,068,723	46.92%
Edward Ying-Chun Tsui 徐應春	Beneficial owner 實益擁有人	2,973,920	0.42%
Byron Shu-Chan Ho 何樹燦	Beneficial owner 實益擁有人	1,000,000	0.14%
Bengie Man-Hang Kwong 鄺敏恆	Beneficial owner 實益擁有人	2,400,000	0.35%
<b>Non-Executive director 非執行董事</b>			
Gene Howard Weiner	Beneficial owner 實益擁有人	180,000	0.03%

附註：

- 根據證券及期貨條例，王忠桐先生被視為擁有本公司325,068,723股股份之權益，該等股份乃按以下身份持有：
  - 1,886,000股股份由王忠桐先生之妻子王胡麗明女士持有。

- (b) 115,382,723 shares were held by Senta Wong (BVI) Limited, the entire issued share capital of which is owned by Mr. Senta Wong. The references to 115,382,723 shares deemed to be interested by Mr. Senta Wong (as disclosed herein) and Senta Wong (BVI) Limited (as disclosed in the section headed “Interests of substantial shareholders”) relate to the same block of shares.
- (c) 207,800,000 shares were held by Greatfamily Inc. (which was in turn wholly owned by Greatguy Inc.) for a discretionary trust, of which Mr. Senta Wong and Batsford Limited were regarded as the founders (by virtue of the SFO). The references to 207,800,000 shares deemed to be interested by Mr. Senta Wong (as disclosed herein), Greatfamily Inc., and Greatguy Inc. (as disclosed in the section headed “Interests of substantial shareholders”), and Batsford Limited (as disclosed in Note 1(a) under the section headed “Interests of substantial shareholders”) relate to the same block of shares.

- (b) 115,382,723股股份由Senta Wong (BVI) Limited 持有，其全部已發行股本由王忠桐先生擁有。有關王忠桐先生（於本節披露）及Senta Wong (BVI) Limited（於「主要股東之權益」一節披露）被視為擁有權益之115,382,723股股份乃指同一批股份。
- (c) 207,800,000股股份由Greatfamily Inc. 為一項酌情信託所持有（該公司由Greatguy Inc. 全資擁有），而王忠桐先生及Batsford Limited 根據證券及期貨條例被視為其成立人。有關王忠桐先生（於本節披露）、Greatfamily Inc. 及Greatguy Inc.（於「主要股東之權益」一節披露），以及Batsford Limited（於「主要股東之權益」一節附註1(a)披露）被視為擁有權益之207,800,000股股份乃指同一批股份。

**(B) Long positions in shares of associated corporations of the Company**

**(B) 本公司相聯法團股份之好倉**

Name 姓名	Associated corporation 相聯法團	Capacity 身份	Number of share held 所持股數	Percentage of total issued shares 佔已發行 股份總數 百分比
Senta Wong 王忠桐	Golden Crown Limited	Beneficial owner 實益擁有人	25	12.5%

Certain Directors held qualifying shares in certain subsidiaries of the Group on trust for the Company or other subsidiaries of the Group.

若干董事以代表本公司或本集團其他附屬公司持有信託之形式，持有本集團若干附屬公司之資格股。

Save as disclosed herein, as at 31st December 2004, none of the Directors of the Company or his associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) 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 for Securities Transactions by Directors of Listed Companies.

除本文所披露者外，於二零零四年十二月三十一日，根據證券及期貨條例第352條予以置存之登記冊之記錄，或根據上市公司董事進行證券交易的標準守則已向本公司及聯交所作出之通知，本公司董事或其聯繫人士，概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有權益或淡倉。

**DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE**

No contract of significance to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

**ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES**

At no time during the year was the Company, its subsidiaries or its associated corporations a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates to acquire benefits by acquisition of shares or underlying shares in, debentures of, the Company or its associated corporations.

**INTERESTS OF SUBSTANTIAL SHAREHOLDERS**

The Company has been notified that, as at 31st December 2004, persons (other than Directors of the Company) who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

**Long positions in shares of the Company**

Name 姓名	Capacity 身份	Number of shares held 所持股數	Percentage of total issued shares 佔已發行 股份總數 百分比
Substantial shareholders 主要股東			
Batsford Limited	Founder of discretionary trust and trustee (Note 1) 酌情信託之成立人及受託人 (附註1)	238,413,332	34.41%
Greatfamily Inc.	Beneficial owner (Note 2) 實益擁有人 (附註2)	207,800,000	29.99%
Greatguy Inc.	Trustee (Note 2) 受託人 (附註2)	207,800,000	29.99%
Senta Wong (BVI) Limited	Beneficial owner (Note 3) 實益擁有人 (附註3)	115,382,723	16.65%
Other persons 其他人士			
Wong Chung Yin 王忠樺	Beneficial owner, interest of child or spouse and founder of discretionary trust (Note 4) 實益擁有人、子女或配偶權益及酌情信託之成立人 (附註4)	69,969,251	10.10%
HSBC International Trustee Limited	Interest of controlled corporations 受控制法團之權益	70,680,284	10.20%

**董事於重大合約之權益**

於年末或年內之任何時候，本公司董事概無在本公司或其任何附屬公司參與訂立重大合約中直接或間接擁有任何重大權益。

**認購股份或債券之安排**

於本年度內任何時間，本公司、其附屬公司或相聯法團概無訂立任何安排，致使本公司董事或主要行政人員或彼等各自之聯繫人士可藉收購本公司或其相聯法團之股份、相關股份或債券而獲益。

**主要股東之權益**

據本公司所知，於二零零四年十二月三十一日，根據證券及期貨條例第336條予以置存之登記冊之記錄，下列人士(除本公司董事外)於本公司股份或相關股份中擁有權益或淡倉：

**本公司股份之好倉**

Notes:

1. Batsford Limited was deemed (by virtue of the SFO) to be interested in 238,413,332 shares in the Company. These shares were held in the following capacity:
  - (a) 207,800,000 shares were held by Greatfamily Inc. (which was in turn wholly owned by Greatguy Inc.) for a discretionary trust, of which Mr. Senta Wong and Batsford Limited were regarded as the founders (by virtue of the SFO). Please see Note 1(c) under the section headed “Interests of Directors”.
  - (b) 30,613,332 shares were held by Levy Investment Limited (which was in turn wholly owned by Batsford Limited) for a discretionary trust, of which Mr. Wong Chung Yin was regarded as the founder (by virtue of the SFO). The references to 30,613,332 shares deemed to be interested by Batsford Limited (as disclosed herein) and Mr. Wong Chung Yin (as disclosed in Note 4(c) below) relate to the same block of shares.
2. Please see Note 1(c) under the section headed “Interests of Directors”.
3. Please see Note 1(b) under the section headed “Interests of Directors”.
4. Mr. Wong Chung Yin was deemed (by virtue of the SFO) to be interested in 69,969,251 shares in the Company. These shares were held in the following capacity:
  - (a) 3,772,000 shares were held by Mr. Wong Chung Yin personally.
  - (b) 2,000,000 shares were held under Mr. Wong Chung Yin and his wife, Ms. Woo Sin Ming.
  - (c) 30,613,332 shares were held by Levy Investment Limited (which was in turn wholly owned by Batsford Limited) for a discretionary trust, of which Mr. Wong Chung Yin was regarded as the founder (by virtue of the SFO). Please see Note 1(b) above.
  - (d) 33,583,919 shares were held for The Pacific Way Unit Trust, of which Guardian Trustee Limited was regarded as the beneficiary (by virtue of the SFO). Mr. Wong Chung Yin was regarded as the founder of the trust (by virtue of the SFO) in relation to the same block of shares.

附註：

1. 根據證券及期貨條例，Batsford Limited 被視為擁有本公司 238,413,332 股股份之權益，該等股份乃按以下身份持有：
  - (a) 207,800,000 股股份由 Greatfamily Inc. 為一項酌情信託而持有（該公司由 Greatguy Inc. 全資擁有），而王忠桐先生及 Batsford Limited 根據證券及期貨條例被視為其成立人。請參見「董事之權益」一節附註 1(c)。
  - (b) 30,613,332 股股份由 Levy Investment Limited 為一項酌情信託而持有（該公司由 Batsford Limited 全資擁有），而王忠樺先生根據證券及期貨條例被視為其成立人。有關 Batsford Limited（於本節披露）、王忠樺先生（於下文附註 4(c) 披露）被視為擁有權益之 30,613,332 股股份乃指同一批股份。
2. 請參見「董事之權益」一節附註 1(c)。
3. 請參見「董事之權益」一節附註 1(b)。
4. 根據證券及期貨條例，王忠樺先生被視為擁有本公司 69,969,251 股股份之權益，該等股份乃按以下身份持有：
  - (a) 3,772,000 股股份由王忠樺先生個人持有。
  - (b) 2,000,000 股股份由王忠樺先生及其妻子胡倩明女士持有。
  - (c) 30,613,332 股股份由 Levy Investment Limited 為一項酌情信託而持有（該公司由 Batsford Limited 全資擁有），而王忠樺先生根據證券及期貨條例被視為其成立人。請參見上文附註 1(b)。
  - (d) 33,583,919 股股份代表 The Pacific Way Unit Trust 持有，而 Guardian Trustee Limited 根據證券及期貨條例被視為其受益人，而王忠樺先生根據證券及期貨條例被視為有關同一批股份信託之成立人。

Save as disclosed, the Company has not been notified of any other interests or short positions in the shares or underlying shares of the Company as at 31st December 2004.

#### RETIREMENT BENEFITS SCHEMES

Details of the Group's retirement benefits schemes are set out in note 33 of notes to the financial statements.

#### COMPLIANCE WITH CHAPTER 13 OF THE LISTING RULES

The following information is disclosed pursuant to rules 13.18 and 13.21 of Chapter 13 of the Listing Rules:

The Company entered into a loan agreement on 6 August, 2003 with a syndicate of banks for a 4-year term loan facility of up to HK\$250 million to refinance a previous loan facility and for general working capital purposes. This loan agreement includes conditions to the effect that: (a) Mr. Senta Wong, the controlling shareholder of the Company, together with his associates, must remain the single largest shareholder of the Company; (b) Mr. Senta Wong, together with his associates and his other family members, must hold more than 50% of the issued share capital of the Company; and (c) Mr. Senta Wong must remain as the Chairman and the Chief Executive Officer of the Company. Under this loan agreement, if such an event of default occurs, all amounts outstanding and owing under the facility may become immediately due and payable. As at the latest practicable date, none of the above events of default has occurred.

#### CORPORATE GOVERNANCE

The Company has complied throughout the year ended 31st December 2004 with the Code of Best Practice as set out in Appendix 14 of the Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited, except that the Independent Non-executive Directors are not appointed for a specific term but are subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the provisions of the Company's Bye-Laws.

The Company has adopted the Model Code (the "Model Code") for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (as may be amended from time to time by the Stock Exchange pursuant to the Listing Rules) as the Company's code of conduct and rules governing dealings by all Directors in the securities of the Company. All Directors

除上述披露外，本公司於二零零四年十二月三十一日止並無獲悉任何其他人士持有本公司股份或相關股份之權益或淡倉。

#### 退休福利計劃

本集團退休福利計劃之詳情列載於財務報表附註33。

#### 根據上市規則第13章作出披露

下列資料乃遵照上市規則第13章第13.18及13.21條之規定而披露：

本公司於二零零三年八月六日與一組銀團就一筆最多高達港幣二億五千萬之四年定期貸款融資訂立一項貸款協議，為之前貸款融資重新融資及作為流動資金之用。該貸款協議有效之條件包括：(a)王忠桐先生(本公司之控股股東)連同其聯繫人士必須繼續為本公司之單一最大股東；(b)王忠桐先生連同其聯繫人士及其他家族成員必須持有本公司之已發行股本百分之五十以上；及(c)王忠桐先生留任本公司之主席及行政總裁。根據此貸款協議，倘發生任何一項違約事項，該貸款融資項下所有未償還之款項或會立即到期，並須即時償還。於最後可行日期，概無出現上述任何違約事項。

#### 公司管治

本公司於截至二零零四年十二月三十一日止年度內已遵守香港聯合交易所有限公司證券上市規則附錄十四所載之最佳應用守則，除獨立非執行董事並無指定任期，惟須根據本公司細則於本公司之股東週年大會上輪值告退及重選連任之外。

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則(「標準守則」)(聯交所可按上市規則就其所不時修訂)作為本公司規管所有董事買賣本公司證券之行為守則及規則。於截至二零零四年十二月

had complied with the required standard regarding Directors' securities dealing set out in the Model Code during the year ended 31st December, 2004.

The Company has received, from each of the Independent Non-Executive Directors, an annual confirmation of his independence pursuant to Rules 3.13 of the Listing Rules. The Company considers all of the Independent Non-executive directors are independent.

A Remuneration Committee was established by the Board of Director on 11th April 2005. It comprises the three Independent Non-executive Directors with the terms of reference based on those set out in Appendix 14 to the amended Listing Rules.

#### **AUDIT COMMITTEE**

The Audit Committee comprises the three Independent Non-Executive Directors, namely Messrs. John Ho, Philip Wan-Chung Tse and Peter Chung-Yin Lee.

The written terms of reference which describe the authority and duties of the Audit Committee were prepared and adopted with reference to "A Guide for the Formation of An Audit Committee" published by the Hong Kong Institute of Certified Public Accountants. The principal activities of the Audit Committee include the review and supervision of the Group's financial reporting process and internal controls.

The Audit Committee met twice during the financial year in conjunction with the management of the Group to review the internal controls, interim results and final financial statements of the Group prior to recommending them to the Board for approval.

#### **PUBLIC FLOAT**

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the latest practicable date prior to the printing of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing rules.

三十一日止，所有董事均已遵守標準守則所載有關董事買賣證券之標準規定。

本公司已從每位獨立非執行董事取得按上市規則第3.13條就其獨立性之年度確認。本公司認為全部獨立非執行董事確屬獨立人士。

董事會於二零零五年四月十一日成立一個薪酬委員會，該委員會之成員包括三位獨立非執行董事。其權責範圍乃根據經修訂上市規則附錄十四闡釋所定。

#### **審核委員會**

審核委員會由三名獨立非執行董事何約翰先生、謝宏中先生及李仲賢先生組成。

書面職權範圍概述審核委員會之權限及職責，乃參照香港會計師公會頒佈之「成立審核委員會指引」編製及採納。審核委員會主要工作包括檢討及監督本集團之財務申報程序及內部控制事宜。

審核委員會於本財政年度已會同本集團管理層召開兩次會議，以便在提呈董事會批准前檢討本集團之內部控制、中期業績及全年財務報告。

#### **公眾持股量**

根據本公司所擁有的公眾資料及每位董事所知悉，於印製本報告前之最後實際可行日期，本公司已發行股本總額不少於25%是由公眾人士持有。



## AUDITORS

Messrs. Deloitte Touche Tohmatsu who acted as joint auditors of the Company with Messrs. Ho and Ho & Company for the past years, resigned on 1st September 2003.

The financial statements for the year have been audited by Messrs Ho and Ho & Company who retire and, being eligible, offer themselves for reappointment at the forthcoming annual general meeting.

On behalf of the Board

## 核數師

德勤·關黃陳方會計師行及何錫麟會計師行為本公司於過去年度的聯席核數師，惟前者已於二零零三年九月一日辭任。

本年度之財務報表由何錫麟會計師行審核，該行任滿告退，惟願意在應屆股東週年大會上膺選連任。

承董事會命

**Senta Wong**

*Chairman*

Hong Kong, 11th April 2005

**王忠桐**

*主席*

香港，二零零五年四月十一日