

# DIRECTORS' REPORT

## 董事報告

The Directors submit their report together with the audited accounts for the year ended 31st December 2005.

### PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the manufacturing and trading of electric cable and wire products. The activities of the subsidiaries are set out in note 31 to the accounts.

An analysis of the Group's performance for the year by business and geographical segments is set out in note 4 to the accounts.

### FIVE YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out below:

		2001	2002	2003	2004	2005
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Turnover	營業額	205,510	227,635	238,928	303,143	<b>375,383</b>
Profit/(loss) for the year	全年溢利/ (虧損)	(12,896)	9,284	15,044	15,829	<b>25,408</b>
Total assets	總資產	183,006	184,871	194,376	249,162	<b>280,966</b>
Total liabilities	總負債	(72,471)	(66,240)	(65,250)	(104,914)	<b>(115,755)</b>
Shareholders' funds	股東資金	110,535	118,631	129,126	144,248	<b>165,211</b>

### ANALYSIS OF THE GROUP'S PERFORMANCE

An analysis of the Group's performance is shown in the Chairman's Statement on pages 6 to 10.

董事謹此提呈董事報告及截至二零零五年十二月三十一日止年度之經審核賬目。

### 按主要業務及地域劃分之分析

本公司之主要業務為投資控股，其附屬公司主要從事製造及買賣電線及導線產品業務。附屬公司之業務載於賬目附註31。

本集團本年度按主要業務及地區劃分之業務分部表現分析載於賬目附註4。

### 五年財務概要

下表顯示本集團在過往五年內之業績、資產及負債概要：

### 本集團之業務表現分析

本集團之業務表現分析載於第6頁至第10頁之主席報告內。

## MAJOR CUSTOMERS AND SUPPLIERS

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

		%
Purchases	採購	
– the largest supplier	– 最大供應商	21%
– five largest suppliers combined	– 五大供應商	69%
Sales	銷售	
– the largest customer	– 最大客戶	13%
– five largest customers combined	– 五大客戶	35%

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 or customers noted above.

## RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated profit and loss account on page 42.

The Directors have declared an interim dividend of HK\$0.01 per ordinary share, totaling approximately HK\$1,990,000 which was paid on 21st October 2005.

The Directors recommend the payment of a final dividend of HK\$0.03 per ordinary share, totaling approximately HK\$5,970,000.

## SHARE CAPITAL

Details of share capital of the Company are set out in note 21 to the accounts.

## RESERVES

Movements in the reserves of the Group and the Company during the year are set out in the Consolidated Statement of Changes in equity on page 45 and note 22 to the accounts, respectively.

## 主要客戶及供應商

本年度內本集團之主要供應商及客戶之採購及銷售百分比如下：

董事、彼等之聯繫人士或任何股東(指據董事所知擁有本公司5%以上股本權益之股東)並無於上述之主要供應商或客戶中擁有任何權益。

## 業績及分配

本年度內本集團之業績載於第42頁之綜合損益賬內。

董事已宣派中期股息每普通股1港仙，合共1,990,000港元，並於二零零五年十月二十一日派發。

董事建議派發末期股息每普通股3港仙，合共5,970,000港元。

## 股本

有關本公司股本之變動載於賬目附註21。

## 儲備

本年度內本集團及本公司之儲備變動分別載於第45頁之綜合權益變動表及賬目附註22。

## DIRECTORS' REPORT (CONTINUED)

### 董事報告 (續)

#### DISTRIBUTABLE RESERVES

At 31st December 2005, the distributable reserves of the Company amounted to HK\$1 12,904,000.

#### DONATIONS

Charitable donations made by the Group during the year amounted to HK\$1,318,000.

#### FIXED ASSETS

Details of the movements in fixed assets of the Group are set out in note 15 to the accounts.

#### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws and there are no restriction against such rights under the laws of Bermuda.

#### PURCHASE, SALE AND 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, redeemed or sold any of the Company's shares during the year.

#### PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, it is confirmed that there is sufficient public float of more than 25% of the Company's issued shares at the latest practicable date prior to the issue of the annual report.

#### 可供分派儲備

於二零零五年十二月三十一日，本公司之可供分派儲備達112,904,000港元。

#### 捐款

本年度內本集團之慈善捐獻達1,318,000港元。

#### 固定資產

有關本集團固定資產變動之詳情載於賬目附註15。

#### 優先購買權

本公司之公司細則並無優先購買權之規定，而百慕達法例並無對該等權利作出限制。

#### 購買、出售及贖回本公司之上市證券

本公司並無在本年度內贖回其任何股份。本公司及其任何附屬公司概無在本年度內購買、贖回或出售任何本公司之股份。

#### 公眾持股量

根據本公司從公開途徑所取得的資訊及就各董事所知，確認本年報發行前最實際可行的一個交易日維持多於本公司已發行股份百分之二十五之公眾持股量。

**ANALYSIS OF BANK LOANS AND OTHER BORROWINGS**

**銀行貸款及其他借貸分析**

The Group's bank loans and other borrowings as at 31st December 2005 are repayable over the following periods:

本集團於二零零五年十二月三十一日之銀行貸款及其他借貸須於下列期限償還：

		<b>Bank loans</b>	<b>Hire purchase</b>	<b>Trust receipt loan</b>	<b>Total</b>
		<b>銀行 貸款</b>	<b>合約 承擔</b>	<b>收據 貸款</b>	<b>總額</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>千港元</b>	<b>千港元</b>	<b>千港元</b>	<b>千港元</b>
On demand or not exceeding one year	即期償還或一年內償還	8,299	1,459	48,608	58,366
More than one year but not exceeding two years	一年以上但不超過兩年	2,223	799	—	3,022
More than two years but not exceeding five years	兩年以上但不超過五年	3,149	137	—	3,286
More than five years	五年以上	—	—	—	—
		<b>13,671</b>	<b>2,395</b>	<b>48,608</b>	<b>64,674</b>

**DIRECTORS**

**董事**

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

於本年度內至本報告之日在任之董事如下：

**Executive Directors**

MON Tiffany (*Deputy Chairman*)

(appointed as the Deputy Chairman  
on 1st January 2006)

MON Chung Hung (*Chief Executive Officer*)

(appointed as the Chief Executive Officer  
on 1st September 2005)

LI Ho Cheong

SIU Yuk Shing, Marco

LI Man Wai

**執行董事**

孟韋怡 (*副主席*)

(於二零零六年一月一日  
獲委任為副主席)

孟振雄 (*行政總裁*)

(於二零零五年九月一日  
獲委任為行政總裁)

李可昌

蕭旭成

李文斌

## DIRECTORS' REPORT (CONTINUED)

### 董事報告(續)

#### DIRECTORS (CONTINUED)

##### Non-Executive Director

KOO Di An, Louise (*Chairman*)  
(appointed as the Chairman  
on 1st September 2005;  
resigned as an Executive Director and  
appointed as a Non-Executive Director  
on 1st January 2006)

##### Independent Non-Executive Directors

LAU Chun Kay  
LIAO Zhixiong  
CHENG Kwok Kit, Edwin  
(resigned on 31st December 2005)  
MA Chun Hon, Richard  
(appointed on 13th February 2006)

KOO Di An, Louise, MON Chung Hung, LI Man Wai and SIU Yuk Shing, Marco will retire in accordance with clause 111(A) of the Company's Bye-laws at the forthcoming annual general meeting of the Company and, being eligible, all offer themselves for re-election.

#### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management of the Company are set out as follows:

##### Executive Directors

Ms. MON Tiffany, aged 25, is the Deputy Chairman, an Executive Director, and a member of the compliance committee of the Company. She holds a bachelor's double major degree in Economics and Management from the University of Sydney, Australia. She joined the Group in 2002. Ms. MON is also the Marketing Communications Manager of the Group and is responsible for developing various marketing strategies and overall internal and external communications. She is the daughter of Mr. MON Chung Hung and Ms. KOO Di An, Louise.

#### 董事(續)

##### 非執行董事

顧迪安 (主席)  
(於二零零五年九月一日  
獲委任為主席；  
於二零零六年一月一日  
辭任執行董事及獲委任為非執行董事)

##### 獨立非執行董事

劉振麒  
廖志雄  
鄭國杰  
(辭任於二零零五年十二月三十一日)  
馬鎮漢  
(委任於二零零六年二月十三日)

顧迪安、孟振雄、李文斌及蕭旭成將根據本公司之公司細則第111(A)條於本公司即將舉行的股東周年大會上輪席告退，彼等符合資格並願意膺選連任。

#### 董事及高層管理人員之詳細履歷

本公司董事及高層管理人員之詳細履歷載列如下：

##### 執行董事

孟韋怡女士，25歲，本公司之副主席，執行董事及監察委員會成員。彼持有澳洲雪梨大學經濟及管理雙學士學位。彼於二零零二年加入本集團。孟女士亦為本集團之市場拓展事務經理，負責市場推廣活動及整體對內及對外之聯繫。彼為孟振雄先生及顧迪安女士之女兒。

**BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)**

**Executive Directors (continued)**

*Mr. MON Chung Hung*, aged 55, is the founder of the Group, the Chief Executive Officer, an Executive Director and a member of the compliance committee of the Company. Mr. MON has over 28 years of experience in the electric cable and wire industry. He is responsible for the Group's overall strategic planning and policy making. Mr. MON is a director of Spector Holdings Limited, the controlling shareholder of the Company. He is also the husband of Ms. KOO Di An, Louise and the father of Ms. MON Tiffany.

*Mr. LI Ho Cheong*, aged 53, is an Executive Director and a member of the compliance committee of the Company. He joined the Group in 1997. Mr. LI has over 26 years of experience in the cable and wire industry. Mr. LI is also the Marketing Director of the Group and is responsible for marketing the Group's products and developing the overseas markets.

*Mr. SIU Yuk Shing, Marco*, aged 46, is an Executive Director and a member of the compliance committee of the Company. He joined the Group in 1986. Mr. SIU has over 18 years of experience in the electric cable and wire industry. Mr. SIU is also the Sales Director of the Group and is responsible for sales of the Group's products and product development.

*Ms. LI Man Wai*, FCCA, FCPA, aged 51, is an Executive Director, the Compliance Officer, the Qualified Accountant, the Company Secretary and a member of the compliance committee of the Company. Ms. LI is a Fellow member of the Association of Chartered Certified Accountants of the United Kingdom, a Fellow member of the Hong Kong Institute of Certified Public Accountants and a Member of the Hong Kong Institute of Directors. She joined the Group in 2001 and has over 30 years of experience as a senior executive in finance, accounting and administration of manufacturing, trading and servicing industries in Asia particularly Mainland China. She is also experienced in sales and marketing. She is mainly responsible for the Group's finance and administration.

**董事及高層管理人員之詳細履歷 (續)**

**執行董事 (續)**

孟振雄先生，55歲，本集團創辦人，本公司之行政總裁，執行董事及監察委員會成員。孟先生在電線及導線業積逾28年豐富經驗。彼負責本集團之整體策劃及決策工作。孟先生為本公司控股股東Spector Holdings Limited之董事。彼為顧迪安女士之丈夫及孟韋怡女士之父親。

李可昌先生，53歲，本公司之執行董事及監察委員會成員。彼於一九九七年加入本集團。李先生在電線及導線業積逾26年豐富經驗。李先生亦為本集團之市場總監，負責本集團產品之銷售及海外市場之開拓。

蕭旭成先生，46歲，本公司之執行董事及監察委員會成員。彼於一九八六年加入本集團。蕭先生在電線及導線業積逾18年豐富經驗。蕭先生亦為本集團之營業總監，負責本集團產品之銷售及產品發展工作。

李文嫻女士，FCCA，FCPA，51歲，本公司之執行董事，監察主任，合資格會計師，公司秘書及監察委員會之成員。李女士為英國特許公認會計師公會資深會員，香港會計師公會資深會員及香港董事會會員。彼於二零零一年加入本集團，並在亞洲，尤以在內地製造、貿易及服務業出任財務、會計及管理之高級行政人員方面積逾30年豐富經驗。彼亦擁有銷售及市場推廣之經驗。彼負責本集團之財務及行政工作。

## DIRECTORS' REPORT (CONTINUED)

### 董事報告 (續)

#### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

##### Non-Executive Director

*Ms. KOO Di An, Louise*, aged 54, is the Chairman, a Non-Executive Director, the chairman of the compliance committee and a member of the audit, remuneration and nomination committees of the Company. Ms. KOO is a Chairman of Po Leung Kuk and a Council of Sowers Action. Ms. KOO is a director of Spector Holdings Limited, the controlling shareholder of the Company. She is also the wife of Mr. MON Chung Hung and the mother of Ms. MON Tiffany.

##### Independent Non-Executive Directors

*Mr. LAU Chun Kay*, B.Sc., MBA, aged 56, is an Independent Non-Executive Director, the chairman of the audit, remuneration and nomination committees and a member of the compliance committee of the Company. He joined the Group in 1996. Mr. LAU is a registered professional engineer and holds a master's degree in business administration and a bachelor's degree in electrical engineering from the University of Hong Kong. Mr. LAU is also a Life President of the Hong Kong Electrical Contractors Association, and a past President and Advisor of The Federation of Asian and Pacific Electrical Contractors Associations. He has over 35 years of experience in management and engineering.

*Mr. LIAO Zhixiong*, aged 38, is an Independent Non-Executive Director and a member of the audit, remuneration, nomination and compliance committees of the Company. He joined the Group in 2004. Mr. LIAO has been practising as a lawyer in the People's Republic of China ("PRC") since 1996. Mr. LIAO has also been appointed as Legal Consultant for the Local Taxation Bureau of Shenzhen Municipality, PRC since 1996. Mr. LIAO holds a bachelor's degree in Economics, a master's degree in Law as well as a PhD in Law with major in Economics and Commercial Law from the Renmin University in PRC. Mr. LIAO was bestowed by the national government of PRC the qualification of "Lawyer" in 1994 and the qualification of "Economist" (specialized in Taxation) in 1995.

*Mr. MA Chun Hon Richard*, aged 49, is an Independent Non-Executive Director and a member of the audit, remuneration, nomination and compliance committees of the Company. He joined the Group in February 2006. Mr. MA has been practicing as a Public Accountant in Australia since 1988. He holds a bachelor degree of Commerce from University of New South Wales major in Accounting. Mr. MA is an Associate Member of the Australian Certified Public Accountants and a Fellow Member of the Taxation Institute of Australia.

#### 董事及高層管理人員之詳細履歷(續)

##### 非執行董事

*顧迪安女士*，54歲，本公司之主席，非執行董事，監察委員會主席及審核委員會，薪酬委員會及提名委員會之成員。顧女士為保良局主席及苗圃行動之名譽理事。顧女士為本公司控股股東Spector Holdings Limited之董事。彼為孟振雄先生之妻子及孟韋怡女士之母親。

##### 獨立非執行董事

*劉振麒先生*，B.Sc.，MBA，56歲，本公司之獨立非執行董事，審核委員會，薪酬委員會及提名委員會之主席及監察委員會成員。彼於一九九六年加入本集團。劉先生為一名註冊專業工程師及持有香港大學工商管理碩士學位及電機工程學士學位。劉先生亦為香港電器工程商會之永遠會長，以及亞洲太平洋電氣工事協會聯合會之前任會長及顧問。彼在管理及工程方面積逾35年豐富經驗。

*廖志雄先生*，38歲，本公司之獨立非執行董事，審核委員會，薪酬委員會，提名委員會及監察委員會之成員。彼於二零零四年加入本集團。廖先生自一九九六年起為中華人民共和國(「中國」)之執業律師。廖先生亦自一九九六年起擔任深圳市地方稅局的法律顧問。廖先生持有中國人民大學之經濟學學士及法律學碩士學位，亦是主修經濟法及公司法之法學博士。廖先生於一九九四年獲中國政府授予律師資格及於一九九五年獲授予經濟師(稅務專業)資格。

*馬鎮漢先生*，49歲，本公司之獨立非執行董事，審核委員會，薪酬委員會，提名委員會及監察委員會之成員。彼於二零零六年二月加入本集團。馬先生自一九八八年起一直為澳洲執業會計師。彼持有新南威爾斯大學之商科學士學位，主修會計。馬先生為澳洲執業會計師公會會員及澳洲稅務學會之資深會員。

**BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)**

**Senior Management**

*Ms. WONG Wai Ping*, aged 54, is the Group's General Manager and is responsible for sales and marketing activities. She joined the Group in 1993 and has over 31 years of experience in the electric cable and wire industry and electronics and communications industry.

*Mr. CHAN Cheung Wing*, aged 45, is the General Manager – Operation and is responsible for supervising and monitoring the overall management of factory operations in Mainland China of the Group. He holds a bachelor and master's degree in Science from Chinese University of Hong Kong. He joined the Group in December 2005 and has over 15 years of management experience in the electronic and electrical industries.

*Mr. TIAN Nan Lv*, aged 36, is the Assistant General Manager – Operation and is responsible for supervising and monitoring the Group's production activities in Mainland China. He holds a bachelor's degree in mechanical engineering from Xi'an Jiaotong University in Mainland China. He joined the Group in 1994 and has over 7 years of experience in the chemical processing industry.

*Mr. DING Yong*, aged 32, is the Production Manager – Power Cord division and is responsible for supervising and monitoring the daily operations of the Group's Power Cord division in Mainland China. He holds a bachelor's degree in Business Administration from Chongqing University. He joined the Group in 1998 and has over 8 years of experience in power cord industry.

*Mr. LUO Ke Hui*, aged 36, is the Production Manager – Wire Division and is responsible for supervising and monitoring the daily operations of the Group's Electric Cable division in Mainland China. He holds a bachelor's degree in chemical engineering from Hubei Industry University. He joined the Group in 1996 and has over 6 years of experience in plastic manufacturing.

*Mr. WEN Bing*, aged 38, is the Production Manager – Wire Harness division and is responsible for supervising and monitoring the daily operations of the Group's Wire Harness division in Mainland China. He holds a bachelor's degree in science – statistics from Anhui University. He joined the Group in 1994 and has over 11 years of experience in wire harness industry.

**董事及高層管理人員之詳細履歷(續)**

**高層管理人員**

*王慧屏女士*，54歲，本集團總經理，負責銷售及市場拓展工作。彼於一九九三年加入本集團，在電線及導線業、電子業及通訊業積逾31年豐富經驗。

*陳長榮先生*，45歲，營運總經理，負責監督及監察本集團內地工廠之整體運作及管理。彼持有香港中文大學理學士及理學碩士學位。彼於二零零五年十二月加入本集團，在電子及電機行業積逾15年豐富管理經驗。

*田南律先生*，36歲，營運副總經理，負責監督及監察本集團內地工廠之生產工作。彼持有中國西安交通大學機械工程學士學位。彼於一九九四年加入本集團，在化學加工業積逾7年豐富經驗。

*丁勇先生*，32歲，插頭部生產經理，負責監督及監察本集團內地工廠插頭部之日常運作。彼持有重慶大學工商管理學士學位。彼於一九九八年加入本集團，在電源線行業積逾8年豐富經驗。

*羅克暉先生*，36歲，電線部生產經理，負責監督及監察本集團內地工廠電線部之日常運作。彼持有湖北工業大學化學工程學士學位。彼於一九九六年加入本集團，在塑膠行業積逾6年豐富經驗。

*聞兵先生*，38歲，插件部生產經理，負責監督及監察本集團內地工廠插件部之日常運作。彼持有安徽大學之理學士學位(統計學)。彼於1994年加入本集團，在電線接插件行業積逾11年豐富經驗。

## DIRECTORS' REPORT (CONTINUED)

### 董事報告(續)

#### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

##### Senior Management (continued)

Mr. CHEN Run Kai, aged 27, is the Assistant Production Manager – Plastic division and is responsible for supervising and monitoring the daily operations of the Group's Plastic division in Mainland China. He holds a bachelor's degree in Engineering from Tongji University. He joined the Group in 2002 and has over 3 years of experience in power cord and plastic industry.

Mr. HE Jian Hua, aged 43, is the Engineering Manager and is responsible for supervising and monitoring the daily operations of the Group's Engineering division in Mainland China. He holds a bachelor's degree in engineering from East China Institute of Geology. He joined the Group in 1996 and has over 15 years of experience in geology and chemical engineering.

Mr. XUE Li Gang, aged 29, is the Assistant Quality Manager and is responsible for supervising and monitoring the daily operations of the Group's Quality division in Mainland China. He holds a bachelor's degree in Mechanical Engineering from Lanzhou Jiaotong University (formerly Lanzhou Railway University). He joined the Group in 2000 and has over 6 years of experience in quality supervision and control.

Mr. ZHOU Jing Zhuan, aged 52, is the Sales Manager of Mainland China and is responsible for supervising and monitoring the daily operations of the Group's Sales division in Mainland China. He joined the Group in 1992 and has over 18 years of experience in factory operation.

Mr. XIAO Xiao Quan, CICPA, aged 37, is the Finance Manager of Mainland China and is responsible for supervising and monitoring the daily operation of Group's accounting and financial management in Mainland China. He obtains professional qualification in accounting from Hunan College of Finance and Economics. He joined the Group in 2001 and has over 13 years of experience in accounting field.

Mr. ZHOU You Bing, aged 34, is the Administration Manager and is responsible for supervising and monitoring the daily operation of Group's administration, warehouse and store operation including shipment in Mainland China. He holds a diploma in business administration from Chongqing University, China. He joined the Group in 2002 and has over 9 years of experience in management control.

#### 董事及高層管理人員之詳細履歷(續)

##### 高層管理人員(續)

陳潤楷先生，27歲，塑膠部生產副經理，負責監督及監察本集團內地工廠塑膠部之日常運作。彼持有同濟大學之工程學學士學位。彼於2002年加入本集團，在電源線、塑膠行業積逾3年豐富經驗。

何建華先生，43歲，工程經理，負責監督及監察本集團內地工廠工程部之日常運作。彼持有中國華東地質學院工程學士學位。彼於一九九六年加入本集團，在地質及化工行業積逾15年豐富經驗。

薛立剛先生，29歲，品管部副經理，負責監督及監察本集團內地工廠品管部之日常運作。彼持有蘭州交通大學(原蘭州鐵道學院)機械製造工藝與設備學士學位。彼於二零零零年加入本集團，在品質督導及監控方面積逾6年豐富經驗。

周經傳先生，52歲，國內業務部經理，負責監督及監察本集團內地工廠業務部之日常運作。彼於一九九二年加入本集團，在工廠營運方面積逾18年豐富經驗。

肖曉全先生，中國註冊會計師協會個人會員(CICPA)，37歲，內地工廠財務經理，負責監督及監察本集團內地工廠日常之會計與財務管理工作。彼持有中國湖南財經學院之會計學專業資格。彼於二零零一年加入本集團，在會計行業積逾13年豐富經驗。

周友兵先生，34歲，行政經理，負責監督及監察本集團內地工廠行政及倉庫之日常運作、存貨運作及付運過程。彼持有中國重慶大學企業管理文憑。彼於二零零二年加入本集團，在企業管理方面積逾9年豐富經驗。

## DIRECTORS' SERVICE CONTRACTS

### Executive Directors

On 1st January 2006, **MON Tiffany** entered into a service contract with the Company for a term of 2 years ending on 31st December 2007. Either party may at any time during the term terminate the contract by giving the other not less than 3 months prior notice or, in lieu of such notice, payment of a sum equivalent to 3 monthly instalments of salary. The contract should be deemed to have been renewed automatically for one consecutive year period under the same terms and conditions of the existing contract unless notice of non-renewal is served by either party to the other at least 2 months prior to the end of the term.

On 31st March 2004, **MON Chung Hung** entered into a service contract with the Company for a term of 21 calendar months ending on 31st December 2005. Either party may at any time during the term terminate the contract by giving the other not less than 12 months prior notice or, in lieu of such notice, payment of a sum equivalent to 12 monthly instalments of salary. However, the contract should be deemed to have been renewed automatically for one consecutive year period under the same terms and conditions of the existing contract unless notice of non-renewal is served by either party to the other at least 2 months prior to the end of the term.

On 4th November 2003, **LI Ho Cheong** entered into a service contract with the Company for a term of 4 years ending on 31st December 2007. LI Ho Cheong may at any time during the term terminate the contract by giving the Company not less than 6 months prior notice or payment in lieu in the years of 2004 and 2005, and 3 months prior notice or payment in lieu for the years of 2006 and 2007. However the Company is entitled to terminate the contract at any time of the term by serving not less than 3 months prior notice or, in lieu of such notice, payment of a sum equivalent to 3 monthly instalments of salary. The contract should be deemed to have been renewed automatically for one consecutive year period under the same terms and conditions of the existing contract unless notice of non-renewal is served by either party to the other at least 2 months prior to the end of the term.

## 董事之服務合約

### 執行董事

於二零零六年一月一日，**孟韋怡**與本公司訂立服務合約，為期兩年，並於二零零七年十二月三十一日屆滿。合約任何一方均有權提早終止合約，惟須給予對方最少三個月書面通知或相當於三個月薪酬的代通知金。除非任何一方於合約屆滿前最少兩個月以書面通知對方不予續約，否則該合約將以相同條款於緊接一年自動續約。

於二零零四年三月三十一日，**孟振雄**與本公司訂立服務合約，為期二十一個月，並於二零零五年十二月三十一日屆滿。合約任何一方均有權提早終止合約，惟須給予對方最少十二個月書面通知或相當於十二個月薪酬的代通知金。除非任何一方於合約屆滿前最少兩個月以書面通知對方不予續約，否則該合約將以相同條款於緊接一年自動續約。

於二零零三年十一月四日，**李可昌**與本公司訂立服務合約，為期四年，並於二零零七年十二月三十一日屆滿。李可昌於二零零四年及二零零五年內可給予本公司最少六個月書面通知或代通知金終止該合約，而二零零六年及二零零七年則為三個月書面通知或代通知金。然而，本公司只須給予三個月書面通知或相當於三個月薪酬的代通知金以終止該合約。除非任何一方於合約屆滿前最少兩個月以書面通知對方不予續約，否則該合約將以相同條款於緊接一年自動續約。

## DIRECTORS' REPORT (CONTINUED)

### 董事報告 (續)

#### DIRECTORS' SERVICE CONTRACTS (CONTINUED)

##### Executive Directors (continued)

On 4th November 2003, **SIU Yuk Shing, Marco** entered into a service contract with the Company for a term of 4 years ending on 31st December 2007. SIU Yuk Shing, Marco may at any time during the term terminate the contract by giving the Company not less than 6 months prior notice or payment in lieu in the years of 2004 and 2005, and 3 months prior notice or payment in lieu for the years of 2006 and 2007. However, the Company is entitled to terminate the contract at any time of the term by serving not less than 3 months prior notice or, in lieu of such notice, payment of a sum equivalent to 3 monthly instalments of salary. The contract should be deemed to have been renewed automatically for one consecutive year period under the same terms and conditions of the existing contract unless notice of non-renewal is served by either party to the other as least 2 months prior to the end of the term.

On 3rd September 2004, **LI Man Wai** entered into a service contract with the Company for a term of 2 years ending on 2nd September 2006. Either party may at any time during the term terminate the contract by giving the other not less than 3 months prior notice or, in lieu of such notice, payment of a sum equivalent to 3 monthly instalments of salary. The contract should be deemed to have been renewed automatically for one consecutive year period under the same terms and conditions of the existing contract unless notice of non-renewal is served by either party to the other at least 2 months prior to the end of the term.

##### Non-Executive Director

On 1st January 2006, **KOO Di An, Louise** entered into a service contract with the Company for a term of 2 years ending on 31st December 2007. Either party may at any time during the term terminate the contract by giving the other not less than 3 months prior notice or, in lieu of such notice, payment of a sum equivalent to 3 monthly instalments of salary. The contract should be deemed to have been renewed automatically for one consecutive year period under the same terms and conditions of the existing contract unless notice of non-renewal is served by either party to the other at least 2 months prior to the end of the term.

#### 董事之服務合約 (續)

##### 執行董事 (續)

於二零零三年十一月四日，**蕭旭成**與本公司訂立服務合約，為期四年，並於二零零七年十二月三十一日屆滿。蕭旭成於二零零四年及二零零五年內可給予本公司最少六個月書面通知或代通知金終止該合約，而二零零六年及二零零七年則為三個月書面通知或代通知金。然而，本公司只須給予三個月書面通知或相當於三個月薪酬的代通知金以終止該合約。除非任何一方於合約屆滿前最少兩個月以書面通知對方不予續約，否則該合約將以相同條款於緊接一年自動續約。

於二零零四年九月三日，**李文斌**與本公司訂立服務合約，為期兩年，並於二零零六年九月二日屆滿。合約任何一方均有權提早終止合約，惟須給予對方最少三個月書面通知或相當於三個月薪酬的代通知金。除非任何一方於合約屆滿前最少兩個月以書面通知對方不予續約，否則該合約將以相同條款於緊接一年自動續約。

##### 非執行董事

於二零零六年一月一日，**顧迪安**與本公司訂立服務合約，為期兩年，並於二零零七年十二月三十一日屆滿。合約任何一方均有權提早終止合約，惟須給予對方最少三個月書面通知或相當於三個月薪酬的代通知金。除非任何一方於合約屆滿前最少兩個月以書面通知對方不予續約，否則該合約將以相同條款於緊接一年自動續約。

## DIRECTORS' SERVICE CONTRACTS (CONTINUED)

### Independent Non-Executive Directors

On 1st January 2006, **LAU Chun Kay** entered into a service contract with the Company for a term of 3 years ending on 31st December 2008. Either party may at any time during the term terminate the contact by giving the other not less than 2 months prior notice.

On 31st August 2004, **LIAO Zhixiong** entered into a service contract with the Company for a term of 2 years ending on 31st August 2006. Either party may at any time during the term terminate the contract by giving the other not less than 2 months prior notice.

On 13th February 2006, **MA Chun Hon**, Richard entered into a service contract with the Company for a term of 1 years ending on 12th February 2007. Either party may at any time during the term terminate the contract by giving the other not less than 2 months prior notice.

The Company has not entered into any service contract which is not determinable within one year and without payment of compensation other than statutory compensation.

## DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company, its holding company or its subsidiaries was a party, and in which a Director had a material interest, whether directly or indirectly, existed at the end of the year or at any time during the year.

## 董事之服務合約 (續)

### 獨立非執行董事

於二零零六年一月一日，**劉振麒**與本公司訂立服務合約，為期三年，並於二零零八年十二月三十一日屆滿。合約任何一方均有權提早終止合約，惟須給予對方最少兩個月書面通知。

於二零零四年八月三十一日，**廖志雄**與本公司訂立服務合約，為期兩年，並於二零零六年八月三十一日屆滿。合約任何一方均有權提早終止合約，惟須給予對方最少兩個月書面通知。

於二零零六年二月十三日，**馬鎮漢**與本公司訂立服務合約，為期一年，並於二零零七年二月十二月屆滿。合約任何一方均有權提早終止合約，惟須給予對方最少兩個月書面通知。

本公司並無訂立任何不能在一年內終止而毋須支付賠償金(法定賠償除外)之服務合約。

## 董事於合約之權益

本公司、其控股公司及其附屬公司並無訂立任何於年終或年內任何時間有效、且與本公司業務有重大關係及當中有本公司任何董事直接或間接擁有重大權益之合約。

## DIRECTORS' REPORT (CONTINUED)

### 董事報告(續)

#### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY OR DEBT SECURITIES

At 31st December 2005, the interests of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (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 notified to the Company were as follows:

#### (a) Ordinary shares of HK\$0.10 each in the Company ("Shares")

Name 姓名	Personal interests 個人權益	Family interests 家族權益	Number of shares 股份數目		Other interests 其他權益	Total interests 總權益	Total interests as % of the relevant issued share capital 總權益佔相關已發行股本之百分比
			Corporate interests 法團權益	Other interests 其他			
MON Chung Hung 孟振雄	2,000,000	–	141,398,000 (Note 1 附註1)	–	–	143,398,000	72.07%
KOO Di An, Louise 顧迪安	–	143,398,000 (Note 2 附註2)	–	–	–	143,398,000	72.07%
SIU Yuk Shing, Marco 蕭旭成	300,000	–	–	–	–	300,000	0.15%
LAU Chun Kay 劉振麒	138,000	–	–	–	–	138,000	0.07%
LI Man Wai 李文斌	1,150,000	–	–	–	–	1,150,000	0.58%

Note 1: The 141,398,000 Shares were held in the name of Spector Holdings Limited, the issued share capital of which is beneficially owned as to 99.9% by Mr. MON Chung Hung and as to the remaining 0.1% by Ms. KOO Di An, Louise.

Note 2: Ms. KOO Di An, Louise is the wife of Mr. MON Chung Hung. Ms. KOO is thus deemed to be interested in 143,398,000 Shares by virtue of her husband's interest therein.

#### 董事及主要行政人員於股本或債務證券之權益

於二零零五年十二月三十一日，根據證券及期貨條例352條之規定而存置之登記冊所記錄，本公司董事及主要行政人員在本公司或其相關法團(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，或本公司已接獲通知之該等權益如下：

#### (a) 本公司每股0.10港元之普通股(「股份」)

附註 1：此141,398,000股份由Spector Holdings Limited實益擁有，該公司99.9%已發行股本由孟振雄先生擁有，餘下的0.1%由顧迪安女士擁有。

附註 2：顧迪安女士為孟振雄先生的妻子，顧女士因其丈夫的緣故被視為擁有143,398,000股份。

**DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY OR DEBT SECURITIES (CONTINUED)**

**(b) Share options**

At a special general meeting of the Company held on 23rd April 2003 ("Adoption Date"), resolutions had been passed to terminate the share option scheme adopted on 5th December 1996 (the "1996 Scheme") and to adopt a new share option scheme (the "2003 Scheme") for the benefit of employees and directors of the Company. The principal purposes of the 2003 Scheme are to enable the Group and its invested entities to recruit and retain high calibre eligible persons and attract human resources that are valuable to the Group or invested entities, to recognise the significant contributions of the eligible persons to the growth of the Group or invested entities and to further motivate and give incentives to these eligible persons to continue to contribute to the long term success and prosperity of the Group or invested entities.

The principal terms of the 2003 Scheme are summarized as follows:

*(i) Eligible person*

Any employee (whether full time or part time), senior executive or officer, manager, Director (including Executive, Non-Executive and Independent Non-Executive Director) or consultant of any members of the Group or any invested entity, who, in the sole discretion of the Directors, have contributed or will contribute to the growth and development of the Group or any invested entity.

*(ii) Maximum number of shares*

The total number of shares which may be issued upon exercise of all options to be granted under the 2003 Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 10% of the shares in issue at the Adoption Date (i.e. 19,895,800 shares on the basis of 198,958,000 shares in issue as at the Adoption Date) unless the Company obtains a fresh approval from its shareholders. Such shares represent 10% of the issued share capital of the Company as at the date of this annual report.

**董事及主要行政人員於股本或債務證券之權益(續)**

**(b) 購股權**

於二零零三年四月二十三日(「採納日期」)舉行之股東特別大會上，通過了取消於一九九六年十二月五日採納之購股權計劃(「一九九六年計劃」)及採納為本集團之僱員及董事利益而設之新購股權計劃(「二零零三年計劃」)之決議案。二零零三年計劃主要旨在讓本集團及其投資公司可聘請及延聘能幹之合資格人士及吸引對本集團或所投資公司具有價值之人力資源、回報合資格人士對本集團或所投資公司之增長所作出之貢獻、以及進一步鼓勵及嘉獎該等合資格人士繼續為本集團或所投資公司之長期成功及繁盛作出努力。

二零零三年計劃之主要條款載列如下：

*(i) 合資格人士*

由董事酌情釐定對本集團或任何投資公司之增長及發展有所貢獻或將會作出貢獻之本集團任何成員或任何所投資公司之任何全職或兼職僱員、高級行政人員或職員、經理、董事(包括執行董事、非執行董事及獨立非執行董事)或顧問。

*(ii) 最高股份數目*

因行使二零零三年計劃及本公司任何其他購股權計劃而授出之全部購股權，其可予發行股份總數不得超出於採納日期已發行股份之10%(根據於採納日期之已發行股份198,958,000股計算，該10%之股份上限即19,895,800股股份)，除非本公司取得其股東之更新批准。該等股份相當於本年報日期之已發行股份之10%。

## DIRECTORS' REPORT (CONTINUED)

### 董事報告 (續)

#### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY OR DEBT SECURITIES (CONTINUED)

##### (b) Share options (continued)

- (ii) *Maximum number of shares (continued)*  
The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2003 Scheme and any other share option scheme(s) of the Company shall not in aggregate exceed 30% of the shares in issue from time to time. No option may be granted under the 2003 Scheme and any other share option scheme(s) of the Company if such limit is exceeded.
- (iii) *Maximum entitlement of each grantee*  
Unless separately approved by shareholders, the total number of shares which may be issued upon exercise of the options granted to each eligible person in any 12-month period must not exceed one (1) per cent. of the shares in issue.
- (iv) *Option period*  
The option period shall be notified by the Board to each grantee upon grant of each option, provided that it shall commence on a date not earlier than the date on which the option is granted or deemed to be granted in accordance with the terms of the 2003 Scheme ("Commencement Date") and not be more than 10 years from the Commencement Date.
- (v) *Amount payable on application or acceptance*  
The eligible person must accept any such offer notified to him or her within 10 business days from the date on which an offer is made to an eligible person, which must be a business day ("Offer Date"), failing which it shall be deemed to have been rejected. Upon acceptance of the offer, the grantee shall pay HK\$1.00 to the Company as consideration for the grant.

#### 董事及主要行政人員於股本或債務證券之權益(續)

##### (b) 購股權(續)

- (ii) *最高股份數目(續)*  
因行使二零零三年計劃及本公司任何其他購股權計劃而授予但尚未行使之購股權，其可予發行之股份數目上限不得超出不時已發行股份之30%。倘超出上述限額，則不得根據二零零三年計劃及本公司任何其他購股權計劃再授出任何購股權。
- (iii) *每位承授人之配額上限*  
除非獲得股東額外批准，否則於任何12個月期間內不得向單一名合資格人士授予可因行使該購股權而獲得超過當時發行股份1%的購股權。
- (iv) *購股權可行使期限*  
購股權可行使期限將由董事會於授出每份購股權時告知各承授人，惟購股權的可行使期限不能早於根據二零零三年計劃條款所訂授出或被視為授出之日(「開始日期」)，並不能超過由開始日期起計十年。
- (v) *申請時或接納時之應付款額*  
向合資格人士作出要約之日期必須為營業日(「要約日期」)，合資格人士必須於要約日期起計十個營業日內接納有關的要約，逾期者將被視作拒絕接納論。於接納要約時，承授人須向本公司繳付1港元，作為所授予購股權之代價。

**DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY  
OR DEBT SECURITIES (CONTINUED)**

**(b) Share options (continued)**

(vi) *Subscription price*

The subscription price shall be a price determined by the Directors at its absolute discretion and notified to an eligible person and shall not be less than the highest of (1) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the Offer Date; (2) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the Offer Date; and (3) the nominal value of a Share.

(vii) *Term of the 2003 Scheme*

The 2003 Scheme will remain in force for a period of 10 years commencing from the Adoption Date, after which no further options shall be granted but the options which are granted during the life of the 2003 Scheme may continue to be exercisable in accordance with their terms of issue and the provisions of the 2003 Scheme shall in all other respects remain in full force and effect in respect thereof.

Up to 31st December 2005, no options have been granted under the 1996 Scheme or the 2003 Scheme.

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or chief executives of the Company or any of their associates to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

**董事及主要行政人員於股本或債務證券之  
權益(續)**

**(b) 購股權(續)**

(vi) *認購價*

股份認購價將由董事全權決定，並須知會合資格人士，惟認購價不得低於下列三者之最高者：(1) 股份於要約日期在聯交所日報表所示之收市價；(2) 股份於緊接要約日期前五個營業日在聯交所日報表所示之平均收市價；及(3) 股份面值。

(vii) *二零零三年計劃之期限*

二零零三年計劃之有效期由採納日期起計十年，其後將不能再據此授出購股權，惟於二零零三年計劃年內已授出之購股權將可繼續根據二零零三年計劃之發行條款予以行使，而二零零三年計劃在其他各方面之規定將就此仍具十足效力及作用。

截至二零零五年十二月三十一日，尚未有根據一九九六年計劃或二零零三年計劃授出過任何購股權。

除上文所披露外，本公司或其任何附屬公司在本年內並未作出任何安排，使本公司董事或主要行政人員或彼等之任何聯繫人士因收購本公司或其他任何法人團體之股份或債券而獲益。

## DIRECTORS' REPORT (CONTINUED)

### 董事報告(續)

#### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

Other than the interests of the Directors and chief executives of the Company as disclosed above, as at 31st December 2005, the register maintained by the Company pursuant to section 336 of the SFO records interests (as defined in the SFO) in the Company of the following corporation.

Name	Personal interests	Family interests	Number of shares			Total interests	Total interests as % of the relevant issued share capital
			Corporate interests	Other interests	Other interests		
姓名	個人權益	家族權益	法團權益	其他權益	其他權益	總權益	總權益佔相關已發行股本之百分比
Spector Holdings Limited	141,398,000	–	–	–	–	141,398,000	71.07%

The share capital of the above company is owned as to 99.9% by Mr. MON Chung Hung and as to the remaining 0.1% by Ms. KOO Di An, Louise.

All the interests stated above represent long positions. As at 31st December 2005, no short positions were recorded in the Register of Interests in Shares and Short Positions of substantial shareholders required to be kept under section 336 of the SFO.

Save as disclosed above, so far as the Directors are aware, there were no person who, as at 31st December 2005, directly or indirectly held or was beneficially interested in shares representing 5% or more of the issued share capital of the Company or its subsidiaries.

As at 31st March 2006, being the latest practicable date prior to the issue of this report, approximately 27.13% of the issued capital of the Company is held by the public as required by Rule 8.08 of the Listing Rules.

#### 主要股東於本公司股本之權益

除上文所披露之本公司董事及主要行政人員之權益外，於二零零五年十二月三十一日，根據證券及期貨條例第336條之規定而存置之登記冊所記錄，以下法團持有本公司之權益(定義見證券及期貨條例)。

上述公司之股本其中99.9%由孟振雄先生擁有，餘下的0.1%由顧迪安女士擁有。

上述所有權益均為好倉。於二零零五年十二月三十一日，根據證券及期貨條例336條之規定而存置之主要股東之股份權益及淡倉登記冊內，並無淡倉記錄。

除上文所披露外，就各董事所知，於二零零五年十二月三十一日，並無任何人士直接或間接持有或實益擁有本公司或其附屬公司已發行股本5%或以上之股份權益。

截至二零零六年三月三十一日，即本報告刊發前最後可行日期，本公司的已發行股本約有27.13%由公眾持有，符合上市規則第8.08條之規定。

### 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.

### DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors have an interest in any business constituting a competing business to the Group.

### AUDITORS

The accounts have been audited by PricewaterhouseCoopers who will retire at the forthcoming annual general meeting of the Company and, being eligible, offer themselves for re-appointment.

By Order of the Board  
**KOO Di An, Louise**  
*Chairman*

Hong Kong, 31st March 2006

### 管理合約

本年度內並無訂立亦從未存在與本公司整體或任何重要業務有關之管理及行政合約。

### 董事於競爭業務之權益

各董事概無在對本集團業務構成競爭之任何其他業務擁有權益。

### 核數師

賬目已經由羅兵咸永道會計師事務所審核。該核數師將於即將舉行的股東周年大會任滿退任，惟願意膺選連任。

承董事會命  
主席  
顧迪安

香港，二零零六年三月三十一日