

DIRECTORS' REPORT

董事會報告書

The directors present their annual report and the audited financial statements for the year ended 31 December 2005.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. It also provides corporate management services.

The principal activities of the Company's principal subsidiaries as at 31 December 2005 are set out in note 40 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2005 are set out in the consolidated income statement on page 42 of the annual report.

An interim dividend of HK3.0 cents per share amounting to approximately HK\$9,808,000 was paid to the shareholders during the year. The Board does not recommend the payment of any final dividend for the year ended 31 December 2005.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers in aggregate accounted for approximately 86% of the turnover of the Group and the largest customer accounted for approximately 40% of the turnover of the Group while the sole supplier, Shenzhen TOP Guo Wei Electronics Co., Ltd. ("Guo Wei") accounted for 100% of the purchases of the Group.

At no time during the year did a director, an associate of a director (within the meaning of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange")) or a shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) have an interest in any of the Group's five largest customers or the sole supplier.

董事會謹此提呈截至二零零五年十二月三十一日止年度之年報及經審核財務報表。

主要業務

本公司乃投資控股公司，並提供公司管理服務。

本公司各主要附屬公司於二零零五年十二月三十一日之主要業務載於財務報表附註40。

業績及分配

本集團截至二零零五年十二月三十一日止年度之業績載於本年報第42頁之綜合收益表。

年內已向股東支付每股3.0港仙之中期股息，合共約9,808,000港元。董事會並不建議派付末期股息。

主要客戶及供應商

年內，五大客戶合共佔本集團營業額約86%，而最大客戶則佔本集團營業額約40%；而唯一供應商深圳托普國威電子有限公司（「國威」）則佔本集團購貨額100%。

董事、董事之聯繫人士（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」））或據董事會所知擁有本公司股本5%以上之本公司股東，概無於年內任何時間擁有本集團五大客戶或唯一供應商之任何權益。

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PROPERTY, PLANT AND EQUIPMENT

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

SHARE CAPITAL

Details of movements in the Company's share capital during the year are set out in note 28 to the financial statements.

DIRECTORS

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

Executive directors:

Peter Francis AMOUR - Chairman
Malcolm Stephen JACOBS-PATON
LEUNG Shek Kong
MAK Chee Bun
Sir Keith BRIGHT (retired on 24 May 2005)

Independent non-executive directors:

Thomas CHIA
Edward Hungerford MILWARD-OLIVER
Stanley CHAN

In accordance with Clauses 87(1) and 87(2) of the Company's Bye-laws, Mr. Peter Francis AMOUR, Mr. Malcolm Stephen JACOBS-PATON and Mr. MAK Chee Bun retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

The term of office for each of the independent non-executive directors is the period from the date of appointment up to his retirement by rotation in accordance with the Company's Bye-laws.

DIRECTORS' SERVICE CONTRACTS

None of the directors being 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.

物業、廠房及設備

年內本集團物業、廠房及設備之變動詳情載於財務報表附註16。

股本

年內本公司股本之變動詳情載於財務報表附註28。

董事

本公司年內及截至本報告日期止之董事名單如下：

執行董事：

區沛達－主席
Malcolm Stephen JACOBS-PATON
梁錫光
麥致賁
Keith BRIGHT 爵士
(於二零零五年五月二十四日退任)

獨立非執行董事：

賈元平
Edward Hungerford MILWARD-OLIVER
陳石麟

根據本公司之公司細則第87(1)及87(2)條，區沛達先生、Malcolm Stephen Jacobs - Paton先生及麥致賁先生將於即將舉行之股東週年大會上輪值告退，彼等符合資格並願意膺選連任。

各獨立非執行董事之任期由獲委任當日起計，直至根據本公司之公司細則輪值告退為止。

董事及服務合約

擬於即將舉行之股東週年大會上膺選連任之董事，概無與本集團訂立本集團不可於一年內終止而毋須給予補償(法定補償除外)之服務合約。

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DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 31 December 2005, the interests of the directors, chief executive and their associates in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company 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 contained in the Listing Rules were as follows:

Long position

Ordinary shares of HK\$0.1 each of the Company

Name of Director		Personal interests	Corporate interests	Percentage of the issued share capital of the Company
董事姓名		個人權益	公司權益	佔本公司已發行股本百分比
Peter Francis AMOUR	區沛達	400,000	76,637,615 (Note) (附註)	23.44
Malcolm Stephen JACOBS-PATON	Malcolm Stephen JACOBS-PATON	401,202	—	0.12
LEUNG Shek Kong	梁錫光	6,336,804	—	1.94
MAK Chee Bun	麥致賁	2,006,751	—	0.61
Thomas CHIA	賈元平	60,000	—	0.02

Note: 76,637,615 shares were held by Suncorp Partners Limited ("SPL"), a company incorporated in the British Virgin Islands, in which Mr. Peter Francis AMOUR is entitled to exercise one-third or more of the voting power at general meetings in SPL.

Save as disclosed above, the share option disclosed under the heading of "Share Option Scheme" and other than certain nominee shares in subsidiaries held in trust for the Group, at 31 December 2005, none of the directors, chief executives and their associates, had any interests or short positions in any shares of the Company or any of its associated corporations.

董事及主要行政人員之股份權益

於二零零五年十二月三十一日，董事、主要行政人員及彼等之聯繫人士在本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)股份中，擁有記錄於本公司根據證券及期貨第352條存置之股東名冊，或根據上市規則所載上市公司董事進行證券交易之標準守則(「標準守則」)而須知會本公司及聯交所之權益如下：

好倉

本公司每股面值0.1港元之普通股

Number of ordinary shares held 所持普通股數目

附註：76,637,615股股份乃由Suncorp Partners Limited(「SPL」)持有，該公司於英屬處女群島註冊成立，區沛達先生於SPL股東大會擁有權行使三分之一或以上之投票權。

除上文所披露者以及根據「購股權計劃」項下及以信託形式為本集團持有於附屬公司之若干代理人股份以外所披露之購股權外，於二零零五年十二月三十一日，董事、主要行政人員及彼等之聯繫人士概無在本公司或其任何相聯法團之任何股份中擁有任何權益或淡倉。

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SHARE OPTION SCHEME

Particulars of the Company's share option scheme are set out in note 30 to the financial statements.

The following table discloses movements in the Company's share options held by the directors and employees during the year:

購股權計劃

本公司之購股權計劃詳情載於財務報表附註30中。

下表披露董事及僱員持有之本公司購股權於年內之變動：

Directors	Notes	Date of grant	Exercise period	Exercise price	Balance at 1.1.2005 於二零零五年一月一日 之結餘	Granted during the year 於年內 授出	Exercised during the year 於年內 行使	Lapsed during the year 於年內 失效	Balance at 31.12.2005 於二零零五年十二月三十一日 之結餘
董事	附註	授出日期	行使期	行使價 HK\$ 港元					
Peter Francis AMOUR 區沛達	(b)	4.12.2002	4.12.2002 - 3.12.2007	0.292	125,000	—	—	—	125,000
	(b)	3.3.2003	3.3.2003 - 2.3.2008	0.385	1,100,000	—	—	—	1,100,000
	(b)	9.12.2003	9.12.2003 - 8.12.2008	1.020	1,900,000	—	—	—	1,900,000
	(b)	16.3.2004	16.3.2004 - 15.3.2009	0.996	1,100,000	—	—	—	1,100,000
Malcolm Stephen JACOBS - PATON	(b)	4.12.2002	4.12.2002 - 3.12.2007	0.292	1,500,000	—	—	—	1,500,000
	(b)	3.3.2003	3.3.2003 - 2.3.2008	0.385	1,100,000	—	—	—	1,100,000
	(b)	9.12.2003	9.12.2003 - 8.12.2008	1.020	1,900,000	—	—	—	1,900,000
	(b)	16.3.2004	16.3.2004 - 15.3.2009	0.996	1,100,000	—	—	—	1,100,000
LEUNG Shek Kong 梁錫光	(b)	4.12.2002	4.12.2002 - 3.12.2007	0.292	125,000	—	—	—	125,000
	(b)	3.3.2003	3.3.2003 - 2.3.2008	0.385	1,100,000	—	—	—	1,100,000
	(b)	9.12.2003	9.12.2003 - 8.12.2008	1.020	1,900,000	—	—	—	1,900,000
	(b)	16.3.2004	16.3.2004 - 15.3.2009	0.996	1,100,000	—	—	—	1,100,000

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Directors	Notes	Date of grant	Exercise period	Exercise price	Balance at 1.1.2005 於二零零五年一月一日之結餘	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Balance at 31.12.2005 於二零零五年十二月三十一日之結餘
董事	附註	授出日期	行使期	行使價 HK\$ 港元					
MAK Chee Bun 麥致貴	(a)	5.6.2001	13.7.2001 - 4.6.2005	0.434	1,500,000	—	(1,500,000)	—	—
	(b)	4.12.2002	4.12.2002 - 3.12.2007	0.292	125,000	—	—	—	125,000
	(b)	3.3.2003	3.3.2003 - 2.3.2008	0.385	1,100,000	—	—	—	1,100,000
	(b)	9.12.2003	9.12.2003 - 8.12.2008	1.020	1,900,000	—	—	—	1,900,000
	(b)	16.3.2004	16.3.2004 - 15.3.2009	0.996	1,100,000	—	—	—	1,100,000
Sub-total 小計					19,775,000	—	(1,500,000)	—	18,275,000
Employees (Other than directors)			僱員 (不包括董事)						
	(b)	4.12.2002	4.12.2002 - 3.12.2007	0.292	20,000	—	—	—	20,000
	(b) & (c)	9.12.2003	9.12.2003 - 8.12.2008	1.020	2,960,000	—	(620,000)	—	2,340,000
	(b) & (d)	18.10.2004	18.4.2005 - 17.10.2009	2.120	2,412,000	—	—	—	2,412,000
Sub-total 小計					5,392,000	—	(620,000)	—	4,772,000
Total 總計					25,167,000	—	(2,120,000)	—	23,047,000

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Notes:

- (a) The options were granted pursuant to a share option scheme of the Company adopted on 7 September 1999 and subsequently amended on 13 July 2001.
- (b) The options were granted pursuant to a share option scheme of the Company adopted on 23 May 2002.
- (c) The options are exercisable subject to (i) up to 50% of the options are exercisable from 9 December 2003 to 8 December 2004; (ii) all options are exercisable from 9 December 2004 to 8 December 2008.
- (d) The options are exercisable subject to (i) up to 50% of the options are exercisable from 18 April 2005 to 17 October 2005; (ii) all options are exercisable from 18 October 2005 to 17 October 2009.

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 of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

The weighted average closing price of the Company's shares immediately before the dates on which the options were exercised was HK\$2.75.

附註：

- (a) 該等購股權乃根據本公司於一九九九年九月七日(繼而於二零零一年七月十三日修訂)採納之購股權計劃授出。
- (b) 該等購股權乃根據本公司於二零零二年五月二十三日採納之購股權計劃授出。
- (c) 該等購股權可予以行使，惟須受以下規限：(i)由二零零三年十二月九日起至二零零四年十二月八日止期間可行使最多50%之購股權；(ii)所有購股權可由二零零四年十二月九日起至二零零八年十二月八日止期間行使。
- (d) 該等購股權可予以行使，惟須受以下規限：(i)由二零零五年四月十八日起至二零零五年十月十七日止期間可行使最多50%之購股權；(ii)所有購股權可由二零零五年十月十八日起至二零零九年十月十七日止期間行使。

除上文所披露者外，本公司或其任何附屬公司於年內任何時間概無訂立任何安排，以使本公司董事可透過收購本公司或任何其他法團之股份或債權證而獲益。

緊隨購股權獲行使日期前，本公司股份之加權平均收市價為2.75港元。

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SUBSTANTIAL SHAREHOLDERS

As at 31 December 2005, the register of substantial shareholders maintained pursuant to Section 336 of the SFO showed that other than the interests disclosed in "Directors' and Chief Executives' Interest in Shares", the following shareholders had notified the Company of its relevant interests in the issued capital of the Company.

Long position

Ordinary shares of HK\$0.1 each of the Company

Name 名稱	Capacity 身份	Number of shares held 所持股份數目	Percentage of the issued share capital of the Company 佔本公司已 發行股本 百分比 %
Suncorp Partners Limited	Beneficial owner 實益擁有人	76,637,615	23.44
CHAN Kam Tim 陳錦添	Beneficial owner 實益擁有人	46,006,350	14.07
David Michael WEBB	Beneficial owner 實益擁有人	2,832,000	0.87
	Interest of a controlled corporation 受控制公司權益	20,128,000 (<i>Note 1</i>) (<i>附註 1</i>)	6.16
		22,960,000	7.02
Preferable Situation Assets Limited (<i>Note 2</i>) (<i>附註 2</i>)	Beneficial owner 實益擁有人	20,128,000 (<i>Note 1</i>) (<i>附註 1</i>)	6.16

Notes:

- Mr. David Michael WEBB has a corporate interest in the same block of 20,128,000 ordinary shares held by Preferable Situation Assets Limited.
- Preferable Situation Assets Limited is wholly owned by Mr. David Michael WEBB.

主要股東

除「董事及主要行政人員之股份權益」所披露之權益外，按本公司遵照證券及期貨條例第336條存置之主要股東登記冊所披露，於二零零五年十二月三十一日，已就於本公司已發行股本之相關權益知會本公司之股東如下。

好倉

本公司每股面值0.1港元之普通股

Name 名稱	Capacity 身份	Number of shares held 所持股份數目	Percentage of the issued share capital of the Company 佔本公司已 發行股本 百分比 %
Suncorp Partners Limited	Beneficial owner 實益擁有人	76,637,615	23.44
CHAN Kam Tim 陳錦添	Beneficial owner 實益擁有人	46,006,350	14.07
David Michael WEBB	Beneficial owner 實益擁有人	2,832,000	0.87
	Interest of a controlled corporation 受控制公司權益	20,128,000 (<i>Note 1</i>) (<i>附註 1</i>)	6.16
		22,960,000	7.02
Preferable Situation Assets Limited (<i>Note 2</i>) (<i>附註 2</i>)	Beneficial owner 實益擁有人	20,128,000 (<i>Note 1</i>) (<i>附註 1</i>)	6.16

附註：

- David Michael WEBB先生於 Preferable Situation Assets Limited持有之同一批 20,128,000股普通股中擁有公司權益。
- Preferable Situation Assets Limited由 David Michael WEBB先生全資擁有。

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Other than the interests disclosed above, as at 31 December 2005, the Company has not been notified of any other interests or short positions in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

GUARANTEES TO AFFILIATED COMPANIES

As at 31 December 2005, the guarantees given by the Group to banks in respect of banking facilities granted to, Guo Wei, a jointly controlled entity amounted to approximately HK\$70.3 million.

The balance sheet of the above jointly controlled entity, which is extracted from its unaudited management accounts at 31 December 2005 is as follows:

		HK\$'000 千港元
Non-current assets	非流動資產	178,216
Current assets	流動資產	191,046
Current liabilities	流動負債	(744,349)
		<hr/>
		(375,087)
		<hr/> <hr/>
Group's attributable interests	本集團應佔權益	—
		<hr/> <hr/>

Included in the balance of current liabilities of HK\$744,349,000 was HK\$362 million due to the Group brought forward from previous years up to 4 September 2001, against which an impairment loss in the same amount had been recognised by the Group in a previous year.

Details of the jointly controlled entity are set out in note 17 to the financial statements.

除上文披露之權益外，於二零零五年十二月三十一日，本公司並無獲知會根據證券及期貨條例第336條須予記錄之本公司股份或相關股份之任何其他權益或淡倉。

對聯屬公司之擔保

於二零零五年十二月三十一日，本集團就授予一間合營公司之銀行融資約70,300,000港元而提供擔保。

上述合營公司之資產負債表乃摘錄自其於二零零五年十二月三十一日之未經審核管理賬目，並載列如下：

於流動負債結餘744,349,000港元中，包括應付本集團結轉過往年度直至二零零一年九月四日款項362,000,000港元，對比一過往年度本集團已確認之相同減值虧損金額。

有關合營公司之詳情載於財務報表附註17。

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DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts 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.

DISTRIBUTABLE RESERVES OF THE COMPANY

The reserves available for distribution to shareholders of the Company at 31 December 2005 was HK\$42,369,000.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, a company cannot declare or pay a dividend, or make a distribution out of contributed surplus, if:

- (a) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

PRE-EMPTIVE RIGHTS

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

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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

董事於重大合約之權益

於年終或年內任何時間，本公司或其任何附屬公司概無訂立任何重大且本公司任何董事直接或間接擁有重大權益之合約。

本公司之可供分派儲備

於二零零五年十二月三十一日，本公司可供分派予其股東之儲備為42,369,000港元。

根據百慕達一九八一年公司法（經修訂），本公司之實繳盈餘賬可作分派。惟在下列情況下，本公司不可宣布或派付股息，或從實繳盈餘中作出分派，如：

- (a) 本公司現已或將於分派後，無力償還到期債務；或
- (b) 本公司資產之可變現價值少於債務總值加上其已發行股本及股份溢價。

優先購買權

本公司之公司細則或百慕達法例並無對優先購買權作出任何限制，促使本公司須按比例向現有股東提呈發售新股份。

獨立非執行董事之委任

根據上市規則第3.13條，本公司已經收到各獨立非執行董事就確認其獨立性之函件，本公司認為全體獨立非執行董事均為獨立人士。

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EMOLUMENT POLICY

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

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of which are set out in note 30 to the financial statements.

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

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

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2005.

AUDITORS

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

Peter Francis AMOUR

CHAIRMAN

24 April 2006

薪酬政策

本集團之僱員薪酬政策由薪酬委員會按僱員之表現、資格及能力而訂立。

本公司之董事酬金由薪酬委員會參照本公司之經營業績、個別表現及可供比較之市場統計數字釐定。

本公司已採納購權證計劃作為對董事及合資格僱員之獎勵，計劃詳情載於財務報表附註30。

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年內概無購買、出售或贖回本公司任何上市證券。

公眾持股量之足夠性

於截至二零零五年十二月三十一日止整個年度，本公司皆維持足夠之公眾持股量。

核數師

於即將舉行之本公司股東週年大會上將提呈一項決議案，重新委聘德勤•關黃陳方會計師行為本公司核數師。

代表董事會

區沛達

主席

二零零六年四月二十四日