

## 董事會報告書 Directors' report

董事會欣然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綜合財務報表。

### 主要業務

本公司為一間投資控股公司，其附屬公司之主要業務載於綜合財務報表附註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，載於第50頁之綜合損益表。

董事會建議向於二零零六年五月三十日名列本公司股東名冊上之股東派發末期股息每股1港仙，股息金額合共約5,508,000港元，並在儲備內保留剩餘溢利。

並無作出任何安排據此本公司股東已經或同意放棄任何股息。

### 投資物業及物業、廠房及設備

於年內，本集團之預付租金及樓宇已轉撥至投資物業，並於二零零五年十二月三十一日重估。公平值減少達約1,109,000港元，已於綜合損益表扣除。

本集團於二零零五年十二月三十一日重估樓宇，導致出現重估增值約224,000港元及2,850,000港元，並已分別計入綜合損益表及資產重估儲備中。

另外，本集團以成本約26,565,000港元收購廠房、機器及模具，以擴充其生產設施。

有關本集團之投資物業及物業、廠房及設備於年內其他變動之詳情，分別載於綜合財務報表附註13及14。

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

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its subsidiaries are set out in note 40 to the consolidated 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 50.

The Directors now recommend the payment of a final dividend of HK1 cent per share to the shareholders of the Company whose names appear on the register of members on 30 May 2006, amounting to a total amount of approximately HK\$5,508,000, and the retention of the remaining profit in reserve.

There is no arrangement under which a shareholder of the Company has waived or agreed to waiver any dividends.

### INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

During the year, prepaid lease payments and buildings of the Group were transferred to investment properties and were revalued at 31 December 2005. The decrease in fair value amounting to approximately HK\$1,109,000 has been charged to consolidated income statement.

The Group's buildings were revalued at 31 December 2005, resulting in a revaluation surplus of approximately HK\$224,000 and HK\$2,850,000 which has been credited to consolidated income statement and asset revaluation reserve, respectively.

In addition, the Group acquired plant, machinery and moulds at a cost of approximately HK\$26,565,000 to expand its production facilities.

Details of these and other movements during the year in investment properties and property, plant and equipment of the Group are set out in notes 13 and 14 to the consolidated financial statements, respectively.

**本公司之可供分派儲備**

於二零零五年十二月三十一日，本公司可供分派予股東之儲備由繳入盈餘及保留溢利組成，合共達約129,632,000港元(二零零四年：134,277,000港元)。

根據百慕達一九八一年公司法(經修訂)，繳入盈餘可供分派予股東。然而，在下列情況下，本公司不得宣派或派付股息或從繳入盈餘作出分派：

- (a) 本公司現時或作出派付後將無力償還到期債務；或
- (b) 本公司資產之可變現價值將因分派而少於其負債、已發行股本及股份溢價賬之總和。

**董事及服務合約**

於年內及直至本報告日期為止，董事如下：

**執行董事：**

唐錫麟先生(主席兼董事總經理)  
李嘉輝先生  
高麗瓊女士  
鍾惠愉女士

**非執行董事：**

李國樑先生  
楊耀宗先生

**獨立非執行董事：**

孫耀全先生  
葛根祥先生  
陳浩文先生  
(於二零零五年九月二十一日獲委任)  
曹廣榮先生  
(於二零零五年六月五日辭世)

**DISTRIBUTABLE RESERVES OF THE COMPANY**

The Company's reserves available for distribution to shareholders as at 31 December 2005 comprise contributed surplus and retained profits totaling of approximately HK\$129,632,000 (2004: HK\$134,277,000).

Under the Companies Act 1981 of Bermuda (as amended), contributed surplus is available for distribution to shareholders. However, the 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.

**DIRECTORS AND SERVICE CONTRACTS**

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

**Executive Directors:**

Mr. Tong Shek Lun (*Chairman and Managing Director*)  
Mr. Li Ka Fai, Fred  
Ms. Ko Lai King, Kinny  
Ms. Chung Wai Yu, Regina

**Non-executive Directors:**

Mr. Lee Kwok Leung  
Mr. Yang Yiu Chong, Ronald Jeffrey

**Independent non-executive Directors:**

Mr. Sun Yaoquan  
Mr. Goh Gen Cheung  
Mr. Chan Ho Man  
(appointed on 21 September 2005)  
Mr. Tsao Kwang Yung, Peter  
(passed away on 5 June 2005)

**董事會報告書**  
**Directors' report**

根據本公司之公司細則第87(1)及87(2)條，唐錫麟先生、李嘉輝先生及陳浩文先生任期屆滿需依章告退，而唐錫麟先生及陳浩文先生符合資格並願於本公司應屆股東週年大會上膺選連任。

唐錫麟先生、李嘉輝先生、高麗瓊女士及鍾惠愉女士已與本公司簽訂由二零零四年四月一日起至二零零七年三月三十一日止為期三年的服務合約。

根據本公司之公司細則規定，非執行董事之任期為一年及以輪值退任之方式委任。

除上文披露者外，各擬於即將舉行之股東週年大會重選連任之董事，並無與本集團訂立不能於一年內由本公司終止，而毋須作出賠償(法定賠償除外)之服務合約。

**董事之合約權益**

於年終時或本年度任何時間內，本公司或其任何附屬公司概無訂立任何本公司董事直接或間接擁有重大權益之重要合約。

**董事於競爭業務之權益**

各執行董事向本公司確認彼等除本集團業務外，概無於其他業務擁有權益，致使其與本集團業務直接或間接競爭或可能競爭。

In accordance with Clauses 87(1) and 87(2) of the Company's bye-laws, Mr. Tong Shek Lun, Mr. Li Ka Fai, Fred and Mr. Chan Ho Man shall retire, and Mr. Tong Shek Lun and Mr. Chan Ho Man, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

Mr. Tong Shek Lun, Mr. Li Ka Fai, Fred, Ms. Ko Lai King, Kinny and Ms. Chung Wai Yu, Regina have entered into service contracts with the Company for a period of three years commencing from 1 April 2004 to 31 March 2007.

The non-executive Directors have been appointed for a term of one year subject to retirement by rotation in accordance with the Company's bye-laws.

Other than as disclosed above, no Director being proposed for re-election at the forthcoming annual general meeting has a service contract with the Group which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

**DIRECTORS' INTERESTS IN CONTRACTS**

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

**DIRECTORS' INTERESTS IN COMPETING BUSINESS**

The executive Directors have confirmed to the Company that they are not interested in any business apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business.

## 董事之證券權益

於二零零五年十二月三十一日，根據香港法例第571章證券及期貨條例（「證券及期貨條例」）第352條規定而設置之登記冊所載或已根據上市公司董事進行證券交易的標準守則（「標準守則」）向本公司及聯交所另行呈報，本公司董事及主要行政人員於本公司及其相聯法團（定義見證券及期貨條例）之股份、相關股份及債券中擁有之權益及淡倉如下：

- (i) 本公司每股面值0.1港元之普通股（好倉）

## DIRECTORS' INTERESTS IN SECURITIES

As at 31 December 2005, the interests and short positions of the Directors and the chief executives of the Company and their associates in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), as recorded in the register maintained 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 for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

- (i) Ordinary shares of HK\$0.1 each of the Company (Long positions)

董事姓名 Name of Director	權益類別 Type of interest	持有之 普通股數目 Number of ordinary shares held	佔本公司 已發行股本 之百分比 Percentage of issued share capital of the Company
唐錫麟先生 Mr. Tong Shek Lun	公司權益 Corporate	231,180,000	42%
李嘉輝先生 Mr. Li Ka Fai, Fred	公司權益 Corporate	231,180,000	42%
高麗瓊女士 Ms. Ko Lai King, Kinny	公司權益 Corporate	231,180,000	42%
鍾惠愉女士 Ms. Chung Wai Yu, Regina	公司權益 Corporate	231,180,000	42%

註：以上231,180,000股份由本公司主要股東Sapphire Profits Limited持有，唐錫麟先生、李嘉輝先生、高麗瓊女士及鍾惠愉女士分別持有Sapphire Profits Limited已發行股本之90.41%、3.46%、3.46%及2.67%。

Note: The above 231,180,000 shares are held by Sapphire Profits Limited, a substantial shareholder of the Company. Mr. Tong Shek Lun, Mr. Li Ka Fai, Fred, Ms. Ko Lai King, Kinny and Ms. Chung Wai Yu, Regina each owns 90.41%, 3.46%, 3.46% and 2.67% of the issued share capital of Sapphire Profits Limited, respectively.

**董事會報告書**  
**Directors' report****(ii) 認購股權**

董事於本公司之認購股權權益詳情載於下文「認購股權計劃」內。

除上文及「認購股權計劃」一節所披露者外，本公司董事及主要行政人員於二零零五年十二月三十一日概無於本公司或其任何相聯法團（定義見證券及期貨條例）之任何股份、相關股份或債券中擁有任何須載入根據證券及期貨條例第352條設置之登記冊內或須根據標準守則向本公司及聯交所另行呈報之權益或淡倉。

**認購股權計劃**

本公司各項認購股權計劃之詳情，載於綜合財務報表附註29。於本年度內，概無根據認購股權計劃授出認購股權。

除上述之認購股權計劃外，於本年度任何時間內，本公司或其任何附屬公司概無參與任何安排，致使本公司董事或彼等各自之配偶或未成年子女可藉購買本公司或任何其他法定團體之股份或債券而獲益。

**(ii) Share options**

Details of the Directors' interests in share options of the Company are set out in the section headed "Share Option Scheme" below.

Other than disclosed above and in the section headed "Share Option Scheme", none of the Directors, the chief executives of the Company and their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of the SFO) that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as at 31 December 2005.

**SHARE OPTION SCHEME**

Particulars of the Company's share option scheme are set out in note 29 to the consolidated financial statements. No options have been granted under the share option scheme since its adoption.

Other than the share option scheme 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 their respective spouses or minor children to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## 主要股東

除上文「董事之證券權益」所披露之權益外，於二零零五年十二月三十一日根據證券及期貨條例第336條存置之主要股東名冊顯示，下列股東已知會本公司其於本公司股份及相關股份中擁有權益及淡倉：

### 好倉

#### Long position

股東名稱 Name of shareholders	權益性質 Capacity	持有之 普通股數目 Number of ordinary shares held	佔本公司已發行 股本之百分比 Percentage of issued share capital of the Company
Sapphire Profits Limited	實益擁有人 Beneficial owner	231,180,000	42%
Perfect Treasure Investment Limited	實益擁有人 Beneficial owner	88,100,000	16%

除上文所披露者外，於二零零五年十二月三十一日，本公司並未獲任何人士（本公司董事或高級行政人員除外）知會於本公司股份及相關股份中須根據證券及期貨條例第336節存置記錄於登記冊之任何其他權益或淡倉。

## 主要客戶及供應商

於本年度內，本集團之最大及五大供應商分別佔本集團之總購買額約9%及25%。本集團之最大及五大客戶分別佔本集團總營業額約10%及31%。

本公司所有董事及其聯繫人士或任何股東（據董事所知擁有本公司5%以上之已發行股本）概無擁有本集團五大客戶或供應商之權益。

## SUBSTANTIAL SHAREHOLDERS

As at 31 December 2005, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO showed that, other than the interests of certain Directors disclosed under the section headed "Directors' Interests in Securities" above, the following shareholders had notified the Company of the interests and short positions in the shares and underlying shares of the Company:

Other than as disclosed above, the Company has not been notified of any person, other than a Director or a chief executive of the Company, had any other interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO as at 31 December 2005.

## MAJOR CUSTOMERS AND SUPPLIERS

During the year, the Group's largest and top five suppliers accounted for approximately 9% and 25% of the Group's total purchases, respectively. The Group's largest and top five customers accounted for approximately 10% and 31% of the Group's total turnover, respectively.

None of the Director, its associate or a shareholder of the Company which to the knowledge of the Directors owns more than 5% of the Company's issued share capital has any interest in any of the Group's five largest suppliers or customers.

## 董事會報告書 Directors' report

### 可換股證券、認股權證或類似權利

本公司於二零零五年十二月三十一日並無尚未行使之可換股證券、認股權證或類似權利，而年內亦無行使任何可換股證券、認股權證或類似權利。

### 購買、出售及回購本公司上市證券

於本年度內，本公司及其各附屬公司概無購買、出售或贖回本公司任何上市證券。

### 股份優先購買權

本公司之公司細則或百慕達法律均無關於股份優先購買權之規定，要求本公司在發行新股時須按比例配發予現有股東。

### 公司管治

截至二零零五年十二月三十一日止年度，本公司已遵守根據上市規則附錄14所載之企業管治守則。本公司所採納之主要企業管治慣例報告載於第28至35頁。

本公司已根據上市規則第3.13條，得到各獨立非執行董事確認彼等獨立性之年度確認。本公司認為，所有獨立非執行董事均屬獨立。

### 薪金政策

本集團僱員之薪金政策乃由薪酬委員會根據僱員之優點、資格及能力釐定。

本公司董事之酬金由薪酬委員會考慮本公司經營業績、個人之表現及可比較上市市場數據後決定。

本公司已採納購股權計劃，作為對董事及合資格僱員之獎勵，有關詳情載於財務報表附註29。

### CONVERTIBLE SECURITIES, WARRANTS OR SIMILAR RIGHTS

The Company had no outstanding convertible securities, warrants or other similar rights as at 31 December 2005 and there has been no exercise of any convertible securities, warrants or similar rights during the year.

### 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.

### 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 its existing shareholders.

### CORPORATE GOVERNANCE

The Company has complied throughout the year ended 31 December 2005 with the Code of Corporate Governance Practices as contained in Appendix 14 to the Listing Rules. A report on the principal corporate governance practices adopted by the Company is set out on pages 28 to 35.

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.

### EMOLUMENT POLICY

The emolument policy for employees of the Group is set by the Remuneration Committee on the basis of 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.

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 29 to the financial statements.

## 足夠之公眾持股量

根據公開可得資料及就董事所知，本公司確認於截至二零零五年十二月三十一日止年度已發行股本一直具有足夠之公眾持股量。

## 核數師

本公司將於股東週年大會上提呈德勤•關黃陳方會計師行續任本公司核數師之決議案。

於過去三年本公司之核數師並無變動。

承董事會命

主席兼董事總經理  
唐錫麟

香港  
二零零六年四月十九日

## SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to and within the knowledge of the Directors, it is confirmed that there is a sufficient public float of the issued share capital of the Company throughout the year ended 31 December 2005.

## AUDITORS

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

There has been no change to the auditors of the Company in the preceding three years.

On behalf of the board of Directors

**Tong Shek Lun**  
*Chairman and Managing Director*

Hong Kong  
19 April 2006