

# REPORT OF THE DIRECTORS

## 董事報告

The directors submit their report together with the audited financial statements for the year ended 31st December 2005.

### PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in note 34 to the financial statements.

An analysis of the Group's performance for the year by business and geographical segments is set out in note 3 to the financial statements.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 78.

The directors do not recommend the payment of a dividend.

### RESERVES

Movements in the reserves of the Group and of the Company during the year are set out in note 20 to the financial statements.

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group and of the Company are set out in note 6 to the financial statements.

### SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in note 19 to the financial statements.

### DISTRIBUTABLE RESERVES

The Company has no distributable reserves as at 31st December 2005 (2004: Nil).

### PRE-EMPTIVE RIGHTS

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

董事謹提呈彼等之報告及截至二零零五年十二月三十一日止年度之經審核財務報表。

### 主要業務及經營之地區分析

本公司之主要業務為控股投資。各附屬公司之業務已載列於財務報表附註34。

本集團於本年度按業務及地區劃分之業績分析載列於財務報表附註3。

### 業績及股息

本集團於本年度之業績載列於第78頁之綜合收益表。

董事不建議派發股息。

### 儲備

本集團及本公司於本年度之儲備之變動詳情載列於財務報表附註20。

### 物業、廠房及設備

本集團及本公司物業、廠房及設備之變動詳情載列於財務報表附註6。

### 股本

本公司之股本變動詳情載列於財務報表附註19。

### 可供分派之儲備

本公司於二零零五年十二月三十一日並無可供分派之儲備(二零零四年：無)。

### 優先購買權

本公司章程細則內並無有關優先購買權之規定，百慕達法例亦無對該等權利作出限制。

## FIVE YEAR FINANCIAL SUMMARY

The consolidated results, and assets and liabilities of the Group for the last five financial years, restated and reclassified as appropriate, are summarised below:

## 五年之財政摘要

經適當重列與重新分類後，本集團過去五個財政年度之綜合業績與資產及負債概述如下：

### Results

		業績				
		2005	2004	2003	2002	2001
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		二零零五年	二零零四年	二零零三年	二零零二年	二零零一年
		千港元	千港元	千港元	千港元	千港元
			(Restated)	(Restated)		
			(重列)	(重列)		
Turnover	銷售	304,618	169,236	73,252	49,879	65,048
Loss before taxation	除稅前之虧損	(33,922)	(55,757)	(139,432)	(137,153)	(34,513)
Taxation	稅項	-	-	-	-	-
Minority interests	少數股東權益	-	502	3,847	943	2,741
Preference dividends	優先股股息	(5,812)	(5,812)	(5,812)	(6,089)	(9,601)
Loss attributable to ordinary shareholders	普通股股東應佔虧損	(39,734)	(61,067)	(141,397)	(142,299)	(41,373)
Assets and liabilities	資產及負債					
Property, plant and equipment	物業、廠房及設備	20,404	36,343	61,768	65,073	72,143
Intangible assets	無形資產	30,880	28,075	27,752	37,911	18,961
Investments	投資	13,092	6,685	7,717	29,337	55,280
Other non-current assets	其他非流動資產	956	956	-	47,425	62,288
Net current assets	流動資產淨額	108,255	74,672	48,530	51,028	128,574
		173,587	146,731	145,767	230,774	337,246
Shareholders' equity	股東權益	55,782	28,890	27,388	108,664	214,193
Minority interests	少數股東權益	117,761	117,761	118,263	122,110	123,053
Total equity	總權益	173,543	146,651	145,651	230,774	337,246
Non-current liabilities	非流動負債	44	80	116	-	-
		173,587	146,731	145,767	230,774	337,246

The results for each of the two years ended 31st December 2004 and 2003 and the assets and liabilities as at the respective balance sheet dates have been restated as a result of the adoption of the new/revised standards and interpretations of Hong Kong Financial Reporting Standards as set out in note 2.1 to the financial statements.

### **PURCHASE, REDEMPTION OR SALE OF SECURITIES**

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

### **SHARE OPTIONS**

The Company adopted a share option scheme (the "Scheme") at a Special General Meeting held on 26th June 2002. The purpose of the Scheme is to recognise and acknowledge the contributions of the Qualified Persons (as defined in the Scheme, including but not limited to the directors, the employees, partners, associates and etc. of the Group and its shareholders) to the Group. The Scheme is designed to motivate executives and key employees and other persons who make a contribution to the Group and enable the Group to attract and retain individuals with experience and ability and to reward them for their past contributions.

Pursuant to the Scheme, the Company can grant options to Qualified Persons for a consideration of HK\$1.00 for each grant payable by the Qualified Persons to the Company. The total number of the shares issued and to be issued upon exercise of options granted to each Qualified Person (including both exercised, cancelled and outstanding options) in any twelve-month period shall not exceed 1% of the shares then in issue.

Subscription price in relation to each option pursuant to the Scheme shall not be less than the higher of (i) the closing price of the shares as stated in The Stock Exchange of Hong Kong Limited's ("SEHK's") daily quotation sheets on the date on which the option is offered to an Qualified Person; (ii) the average of the closing prices of the shares as stated in the SEHK's daily quotation sheets for the five trading days immediately preceding the date of offer, or (iii) the nominal value of the shares. The options are exercisable within the option period as determined by the board of directors of the Company.

誠如財務報表附註2.1所述，由於採納香港財務報告準則(「香港財務報告準則」)之新訂／經修訂準則及詮釋，故此截至二零零四年及二零零三年十二月三十一日止兩個年度各年之業績及於結算日之資產負債已經重列。

### **購買、贖回或出售證券之安排**

本公司於本年度內並無贖回其任何股份。本公司或其任何附屬公司於本年度內並無購買或出售本公司任何股份。

### **購股權**

本公司於二零零二年六月二十六日舉行之股東特別大會上採納一項購股權計劃(「該計劃」)。該計劃之目的為表彰及感謝合資格人士(定義見該計劃，包括但不限於本集團董事、僱員、合夥人、聯繫人士等及其股東)之貢獻。該計劃旨在激勵行政人員及主要僱員以及可能對本集團作出貢獻之其他人士，並有助本集團吸引及挽留富經驗及才幹之個別人士，以獎勵彼等在過去作出之貢獻。

根據該計劃，本公司可向合資格人士授出購股權，每份購股權之代價為1.00港元，由合資格人士支付予本公司。於任何十二個月期間，在授予各合資格人士之購股權(包括已行使、註銷及尚未行使之購股權)獲行使時已發行及將予發行股份之總數目不得超過當時已發行股份之1%。

有關根據該計劃授出之各購股權之認購價不得低於下列較高者(i)向合資格人士授予購股權之日香港聯合交易所有限公司(「香港聯交所」)每日報價單載列之股份收市價；(ii)緊接授出日期前五個營業日香港聯交所每日報價單載列之股份平均收市價；或(iii)股票面值。購股權於本公司董事會決定之購股權期內可予以行使。

## SHARE OPTIONS (Continued)

During the year, no share options were granted under the Scheme (2004: Nil). As at 26th April 2006, the Company can still grant up to 22,233,449 share options without refreshing the limit pursuant to the Scheme, representing 3.79% of the issued share capital as at the date of this report.

The Scheme shall be valid and effective for a period of 10 years commencing from the approval of the Scheme.

Details of the share options outstanding as at 31st December 2005 which have been granted under the Scheme are as follows:

		Number of options 購股權數目				Exercise price per share HK\$	Date of share options granted	Exercise period <sup>2</sup>
Directors		held as at 1st January 2005	exercised during the year	lapsed during the year	held as at 31st December 2005			
董事		於二零零五年一月一日持有	年內行使	年內失效	於二零零五年十二月三十一日持有	每股行使價港元	授予購股權日期	行使期間 <sup>2</sup>
Mr. Ko Chun Shun, Johnson	高振順先生	3,000,000	-	-	3,000,000	1.47	23/7/2002	<sup>4</sup> 24/7/2002 - 23/7/2008 二零零二年七月二十四日至二零零八年七月二十三日 <sup>4</sup>
		450,000	-	-	450,000	0.824	10/12/2003	1/1/2004 - 31/12/2006 二零零三年十二月十一日至二零零六年十二月三十一日
Mr. Lui Pan, Terry	呂品先生	3,000,000	-	-	3,000,000	1.47	23/7/2002	<sup>4</sup> 24/7/2002 - 23/7/2008 二零零二年七月二十四日至二零零八年七月二十三日 <sup>4</sup>
		1,000,000	-	-	1,000,000	1.47	23/7/2002	<sup>4</sup> 24/7/2002 - 23/7/2008 二零零二年七月二十四日至二零零八年七月二十三日 <sup>4</sup>
		4,500,000	-	-	4,500,000	0.824	10/12/2003	1/1/2004 - 31/12/2006 二零零三年十二月十一日至二零零六年十二月三十一日
		4,500,000	<sup>2</sup> (2,000,000)	-	2,500,000	0.824	10/12/2003	1/1/2004 - 31/12/2006 二零零三年十二月十一日至二零零六年十二月三十一日

## 購股權 (續)

於本年度，並無根據該計劃授出購股權(二零零四年：無)。於二零零六年四月二十六日，倘並無更新該計劃之限額，本公司仍可授出22,233,449份購股權，佔本報告日期已發行股本3.79%。

該計劃將由通過該計劃開始起計十年內有效及可行。

於二零零五年十二月三十一日已經按該計劃授予但未行使之購股權詳情如下：

**REPORT OF THE DIRECTORS** (Continued)  
**董事報告** (續)

**SHARE OPTIONS** (Continued)

**購股權** (續)

Directors		Number of options 購股權數目			held as at 31st December 2005	Exercise price per share HK\$	Date of share options granted	<sup>2</sup> Exercise period
		held as at 1st January 2005	exercised during the year	lapsed during the year				
董事		於二零零五年 一月一日持有	年內行使	年內失效	於二零零五年 十二月三十一日 持有	每股 行使價 港元	授予 購股權日期	行使期間 <sup>2</sup>
Ms. Cheung Sum Yu, Fiona	張心瑜女士	550,000	-	-	550,000	0.824	10/12/2003	1/1/2004 - 31/12/2006
							二零零三年 十二月十日	二零零四年 一月一日至 二零零六年 十二月三十一日
Mr. Shaw Sun Kan, Gordon	蕭宇成先生	550,000	-	-	550,000	0.824	10/12/2003	1/1/2004 - 31/12/2006
							二零零三年 十二月十日	二零零四年 一月一日至 二零零六年 十二月三十一日
Mr. Jerry Sze	Jerry Sze 先生	550,000	<sup>3</sup> (366,666)	-	183,334	0.824	10/12/2003	1/1/2004 - 31/12/2006
							二零零三年 十二月十日	二零零四年 一月一日至 二零零六年 十二月三十一日
Mr. Chu Hon Pong	朱漢邦先生	450,000	-	-	450,000	0.824	10/12/2003	1/1/2004 - 31/12/2006
							二零零三年 十二月十日	二零零四年 一月一日至 二零零六年 十二月三十一日
Mr. Liu Tsun Kie	劉俊基先生	450,000	-	-	450,000	0.824	10/12/2003	1/1/2004 - 31/12/2006
							二零零三年 十二月十日	二零零四年 一月一日至 二零零六年 十二月三十一日
Others	其他	6,250,667	(1,527,667)	-	4,723,000	1.47	23/7/2002	<sup>4</sup> 24/7/2002 - 23/7/2008
							二零零二年 七月二十三日	二零零二年 七月二十四日至 二零零八年 七月二十三日 <sup>4</sup>
		20,663,336	(4,648,332)	-	16,015,004	0.824	10/12/2003	1/1/2004 - 31/12/2006
							二零零三年 十二月十日	二零零四年 一月一日至 二零零六年 十二月三十一日
		45,914,003	(8,542,665)	-	37,371,338			

## SHARE OPTIONS (Continued)

- <sup>1</sup> held by Ms. Chan Ping, an employee of the Group as well as the spouse of Mr. Lui Pan, Terry
- <sup>2</sup> Exercise dates were 23rd February 2005 and 16th June 2005. At the dates before the options were exercised, the market values per share were HK\$1.53 and HK\$1.73 respectively.
- <sup>3</sup> Exercise date was 16th June 2005. At the date before the options were exercised, the market value per share was HK\$1.73.
- <sup>4</sup> Pursuant to the resolution passed on 20th June 2005, the exercise period of the options was extended to further three years, until 23rd July 2008.

## DIRECTORS

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

### Executive directors

Mr. Ko Chun Shun, Johnson  
Mr. Lui Pan, Terry

### Non-executive directors

Ms. Cheung Sum Yu, Fiona  
Mr. Shaw Sun Kan, Gordon  
Mr. Jerry Sze  
Mr. Itzhak Shenberg

### Independent non-executive directors

Mr. Chu Hon Pong  
Mr. Liu Tsun Kie  
Mr. Yap Fat Suan Henry

In accordance with Articles 98 and 104 of the Company's bye-laws, Mr. Ko Chun Shun, Johnson, Ms. Cheung Sum Yu, Fiona and Mr. Shaw Sun Kan, Gordon will retire, and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Under the terms of their appointment, the independent non-executive directors are not appointed for specific terms but are subject to retirement by rotation in accordance with the Company's bye-laws.

## 購股權 (續)

- <sup>1</sup> 由呂品先生之配偶陳萍女士持有，而她亦是本集團之僱員。
- <sup>2</sup> 行使日期為二零零五年二月二十三日及二零零五年六月十六日。於該購股權獲行使前之日期，每股市場價值分別為1.53及1.73港元。
- <sup>3</sup> 行使日期為二零零五年六月十六日。於該購股權獲行使前之日期，每股市場價值為1.73港元。
- <sup>4</sup> 根據於二零零五年六月二十日通過之決議案，該購股權之行使期間進一步延長三年，至二零零八年七月二十三日止。

## 董事

本年度內及至本報告日之董事如下：

### 執行董事

高振順先生  
呂品先生

### 非執行董事

張心瑜女士  
蕭宇成先生  
Jerry Sze先生  
Itzhak Shenberg先生

### 獨立非執行董事

朱漢邦先生  
劉俊基先生  
葉發旋先生

根據本公司章程細則第98條及第104條，高振順先生、張心瑜女士及蕭宇成先生將於應屆股東周年大會上告退，並符合資格願膺選連任。

在獨立非執行董事之委任條款下，獨立非執行董事並無特定任期，而應根據本公司章程細則，輪流告退。

## REPORT OF THE DIRECTORS (Continued)

### 董事報告 (續)

#### DIRECTORS' SERVICE CONTRACTS

None of the directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year 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 or 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.

#### BRIEF BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

##### Directors

Name 姓名	Age 年齡	Position held 職務	Number of years of service 服務年期	Business experience 商業履歷
Mr. Ko Chun Shun, Johnson 高振順先生	54	Chairman and Executive Director 主席兼執行董事	7	International trading, direct investment and financial services 國際貿易、直接投資及金融服務
Mr. Lui Pan, Terry 呂品先生	51	President and Executive Director 總裁兼執行董事	7	Engineering and marketing 工程及市場推廣
Ms. Cheung Sum Yu, Fiona 張心瑜女士	42	Non-executive Director 非執行董事	8	Marketing, manufacturing and distribution operations 市場推廣、製造及分銷業務
Mr. Shaw Sun Kan, Gordon 蕭宇成先生	41	Non-executive Director 非執行董事	6	Direct investment 直接投資
Mr. Jerry Sze Jerry Sze 先生	45	Non-executive Director 非執行董事	5	Direct investment 直接投資
Mr. Itzhak Shenberg Itzhak Shenberg 先生	56	Non-executive Director 非執行董事	3	Technology and engineering 科技及工程
Mr. Chu Hon Pong 朱漢邦先生	56	Independent Non-executive Director 獨立非執行董事	6	Direct investment 直接投資

#### 董事服務合約

擬於應屆股東周年大會上膺選連任之董事，概無與本公司訂立本公司不可於一年內免付補償(法定補償除外)而終止之服務合約。

#### 董事之合約權益

於年結日或年內任何時間，本公司或其附屬公司概無簽定任何涉及本集團之業務而本集團之董事直接或間接在其中擁有重大權益之重要合約。

#### 董事及高級管理人員之履歷簡介

##### 董事

**Directors****董事**

Name 姓名	Age 年齡	Position held 職務	Number of years of service 服務年期	Business experience 商業履歷
Mr. Liu Tsun Kie 劉俊基先生	55	Independent Non-executive Director 獨立非執行董事	6	Engineering and corporate finance 工程及企業融資
Mr. Yap Fat Suan Henry 葉發旋先生	59	Independent Non-executive Director 獨立非執行董事	2	Accounting and finance 會計及財務

**Senior management staff****高級管理人員**

Name 姓名	Age 年齡	Position held 職務	Number of years of service 服務年期	Business experience 商業履歷
Ms. Chiu Lai Kuen, Susanna 趙麗娟女士	45	Senior Vice President - Business development & corporate affairs 高級副總裁－ 業務發展及總部事務	6	Information technology, media and operations management 資訊科技、傳媒及營運管理
Mr. Sam Wong 黃植良先生	45	Senior Vice President - Finance 高級副總裁－財務	5	Investment banking and finance 投資銀行及融資
Ms. Chan Ping, Patty 陳萍女士	48	Senior Vice President - China operations 高級副總裁－中國業務	5	China operations and marketing 中國業務及市場推廣
Mr. Ho Te Hwai, Cecil 賀德懷先生	45	Company Secretary 公司秘書	7	Accounting and finance 會計及財務



**DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS**

At 31st December 2005, the interests of the directors in the shares and underlying shares other than the share options held which are disclosed under section headed "Share Options" of this report, all of which are long position, of the Company or its associated corporations, as defined in Part XV of Securities and Futures Ordinance (the "SFO") and as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code"), were as follows:

**(a) Ordinary shares of HK\$0.10 each in the Company**

姓名	Notes 附註	Number of shares held 股份數目				Total 總數	% of the Issued share capital of the Company 佔本公司已發行股本百分比
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益			
Mr. Ko Chun Shun, Johnson 高振順先生	(i)	343,000	2,040,816	158,357,940	160,741,756	27.55	
Ms. Cheung Sum Yu, Fiona 張心瑜女士	(ii)	3,316,000	-	10,001,140	13,317,140	2.28	
Mr. Lui Pan, Terry 呂品先生	(iii)	198,000	750,000	-	948,000	0.16	

Notes:

(i) 118,403,418 ordinary shares in the Company are directly held by Prime Pacific International Limited, which is owned as to 67% and 33% by Gold Pagoda Incorporated ("Gold Pagoda") and Prime Gold International Limited ("Prime Gold"), respectively.

Prime Gold is owned as to 82.45% by Kwan Wing Holdings Limited ("Kwan Wing"), a company incorporated in the British Virgin Islands and wholly owned by Mr. Ko Chun Shun, Johnson ("Mr. Ko").

**董事於本公司或任何相聯法團股份及相關股份之權益或淡倉**

於二零零五年十二月三十一日，根據證券及期貨條例第352條規定本公司須存置之登記冊所載或根據上市公司董事進行證券交易的標準守則（「標準守則」）另行向本公司及香港聯交所知會，董事會於本公司及其相關法團（定義見證券及期貨條例第15部）之股份及相關股份（惟本報告「購股權」一節披露所持之購股權除外）所擁有之權益（所有均為好倉）資料如下：

**(a) 本公司每股面值0.10港元之普通股**

附註：

(i) Prime Pacific International Limited直接持有118,403,418股本公司普通股，而Gold Pagoda Incorporated（「Gold Pagoda」）及Prime Gold International Limited（「Prime Gold」）分別擁有Prime Pacific International Limited 67%及33%權益。

Kwan Wing Holdings Limited（「Kwan Wing」）持有Prime Gold之82.45%權益。Kwan Wing為於英屬處女群島註冊成立之公司，並由高振順先生（「高先生」）全資擁有。

Gold Pagoda is a wholly-owned subsidiary of Universal Holdings Limited ("UHL"), a listed company in Hong Kong of which Mr. Ko has a controlling interest.

31,032,522 ordinary shares in the Company are held directly by Universal Appliances Limited ("UAL"), a wholly-owned subsidiary of UHL.

2,956,000 ordinary shares in the Company are held by All Mark Limited, a wholly-owned subsidiary of UHL.

2,822,000 ordinary shares in the Company are held by First Gain International Limited which is wholly owned by Mr. Ko.

3,144,000 ordinary shares in the Company are held by Kwan Wing.

2,040,816 ordinary shares in the Company are held by Ms. Cheung Yat Kwan, who is the spouse of Mr. Ko.

(ii) 10,001,140 ordinary shares are held by Gallium International Limited, which in turn is wholly owned by Creative World International Limited, a company wholly-owned by Ms. Cheung Sum Yu, Fiona.

(iii) 750,000 ordinary shares in the Company are held by Ms. Chan Ping, who is the spouse of Mr. Lui Pan, Terry.

**(b)** Million Way Enterprises Limited, a wholly-owned subsidiary of UHL, holds preference shares of face value of US\$15,000,000 issued by DVN (Group) Limited, a wholly-owned subsidiary of the Company. These preference shares are exchangeable to approximately 28,147,700 ordinary shares in the Company at a conversion price of HK\$4.13 per share, subject to adjustment.

Gold Pagoda為友利控股有限公司(「友利控股」，一家於香港上市公司)之全資附屬公司，而高先生則擁有友利控股之控制權。

友利控股之全資附屬公司友利電訊工業有限公司(「友利電訊」)直接持有31,032,522股本公司普通股。

友利控股之全資附屬公司All Mark Limited持有2,956,000股本公司普通股。

First Gain International Limited持有2,822,000股本公司普通股。該公司由高先生全資擁有。

Kwan Wing持有3,144,000股本公司普通股。

高先生之配偶張逸君女士持有本公司2,040,816股普通股。

(ii) Gallium International Limited持有10,001,140股本公司普通股，而該公司則為由張心瑜女士全資擁有之公司Creative World International Limited全資擁有。

(iii) 呂品先生之配偶陳萍女士持有本公司750,000股普通股。

**(b)** 友利控股之全資附屬公司Million Way Enterprises Limited持有面值15,000,000美元由本公司之全資附屬公司天地數碼(集團)有限公司發行之優先股。該公司可以每股4.13港元兌換價兌換大約28,147,700股(或會調整)本公司普通股。

**(c) Rights to acquire ordinary shares of the Company**

Derivative to ordinary shares of HK\$0.1 each in the Company:

Directors 董事		Share options as at 31st December 2005 於二零零五年十二月三十一日之購股權
Mr. Ko Chun Shun, Johnson	高振順先生	3,450,000
Mr. Lui Pan, Terry	呂品先生	7,500,000
		13,500,000
Ms. Cheung Sum Yu, Fiona	張心瑜女士	550,000
Mr. Shaw Sun Kan, Gordon	蕭宇成先生	550,000
Mr. Jerry Sze	Jerry Sze 先生	183,334
Mr. Chu Hon Pong	朱漢邦先生	450,000
Mr. Liu Tsun Kie	劉俊基先生	450,000

<sup>1</sup> held by Ms. Chan Ping, an employee of the Group as well as the spouse of Mr. Lui Pan, Terry

Share options are granted to directors under the Scheme approved by shareholders at a Special General Meeting on 26th June 2002. Refer to details under Share Options above.

Save as mentioned above, as at 31st December 2005, none of the directors had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations which had been recorded in the register required to be kept under Section 352 of the SFO or otherwise notified to the Company and the SEHK pursuant to the Model Code.

Save as disclosed above, at no time during the year was the Company or its subsidiaries, a party to any arrangement to enable the Company's directors to acquire benefit by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Save as disclosed above, at no time during the year, the directors and chief executive (including their spouse and children under 18 years of age) had any interest in, or had been granted or exercised, any rights to subscribe for shares in the Company and its associated corporations.

**(c) 收購本公司普通股之權利**

本公司每股0.1港元之普通股衍生工具：

		Share options as at 31st December 2005 於二零零五年十二月三十一日之購股權
Mr. Ko Chun Shun, Johnson	高振順先生	3,450,000
Mr. Lui Pan, Terry	呂品先生	7,500,000
		13,500,000
Ms. Cheung Sum Yu, Fiona	張心瑜女士	550,000
Mr. Shaw Sun Kan, Gordon	蕭宇成先生	550,000
Mr. Jerry Sze	Jerry Sze 先生	183,334
Mr. Chu Hon Pong	朱漢邦先生	450,000
Mr. Liu Tsun Kie	劉俊基先生	450,000

<sup>1</sup> 由呂品先生之配偶陳萍女士持有，而她亦是本集團之僱員。

購股權乃按股東於二零零二年六月二十六日舉行之股東特別大會通過的該計劃授予董事。請參閱上文購股權一段。

除上述者外，在二零零五年十二月三十一日，根據證券及期貨條例第352條或根據標準守則另行向本公司及香港聯交所知會，本公司董事並沒有擁有本公司及其任何相聯法團之股份、相關股份或債券之權益或淡倉。

除上文披露者外，本公司或其附屬公司於本年度內並無訂立任何安排，致令本公司董事可透過購買本公司或任何其他法團之股份或債券而獲得利益。

除上文披露者外，董事及行政總裁(包括彼等各自之配偶及18歲以下子女)概無於本年度內在本公司及其相聯法團擁有任何權益，或被授予或已行使任何權利以認購本公司及其相聯法團之股份。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

At 31st December 2005, save as disclosed below and under the section "Directors' interests and short positions in shares and underlying shares of the Company or any associated corporations" above, no other person had registered any other interests under section 336 of the SFO:

## 主要股東於本公司股份及相關股份之權益及淡倉

於二零零五年十二月三十一日，除上文「董事於股份、相關股份之權益及淡倉」一節及如下所披露者外，概無任何其他人士擁有根據證券及期貨條例第336條規定應予以記錄之任何其他權益：

	Notes	Number of shares held			% of the Issued share capital of the Company 佔本公司已發行股本百分比
		Direct interests	Indirect interests	Total	
	附註	持有股份數目			
		直接權益	間接權益	總數	
BAPEF Investments XIV Limited		30,110,204	–	30,110,204	5.16
Baring Asia Private Equity Fund LP2	(i)	–	30,110,204	30,110,204	5.16
Motorola-Dragon Investment, Inc		117,000,000	–	117,000,000	20.05
Motorola, Inc.	(ii)	–	117,000,000	117,000,000	20.05

Note (i) The interests are held by BAPEF Investments XIV Limited.

Note (ii) The interests are held by Motorola-Dragon Investment, Inc.

附註(i) 權益由BAPEF Investments XIV Limited持有。

附註(ii) 權益由Motorola-Dragon Investment, Inc.持有。

## MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company or the Group was entered into or existed during the year.

## 管理合約

本年度內概無訂立或存在任何涉及本公司或本集團整體或任何部分重要業務之管理及行政之合約。

### MAJOR SUPPLIERS AND MAJOR CUSTOMERS

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

Purchases	
– the largest supplier	21%
– five largest suppliers combined	61%
Sales	
– the largest customer	12%
– five largest customers combined	53%

None of the directors, their associates or any shareholders (which to the knowledge of the directors own more than 5% of the Company's issued share capital) had an interest in the major suppliers or customers noted above.

### CONNECTED TRANSACTIONS

Certain related party transactions as disclosed in note 33 to the financial statements also constituted connected transactions under the Rules Governing the Listing of Securities ("Listing Rules"), required to be disclosed in accordance with Main Board: Chapter 14A of the Listing Rules. The following transactions between certain connected parties (as defined in the Listing Rules) and the Company have been entered into and/or are ongoing for which relevant announcements, if necessary, had been made by the Company in accordance with the requirements of the Listing Rules.

During the year, the Group had transactions with group companies of Motorola-Dragon Investment, Inc., a substantial shareholder of the Company, as follows:

- (i) Certain wholly-owned subsidiaries of the Company sold equipment amounting to HK\$2,299,000 to the connected parties.
- (ii) Certain wholly-owned subsidiaries of the Company purchased equipment and set-top boxes amounting to HK\$28,165,000 from the connected parties.

### 主要供應商及主要客戶

本集團主要供應商及主要客戶之採購額與銷售額佔本年總額百分比如下：

採購	
– 最大供應商	21%
– 五位最大供應商合計	61%
銷售	
– 最大客戶	12%
– 五位最大客戶合計	53%

概無任何董事、彼等之聯繫人士或就董事所知任何擁有本公司已發行股本5%以上之股東於上述主要供應商或客戶擁有任何權益。

### 關連交易

於財務報表附註33中披露之若干關連方交易，按證券上市規則（「上市規則」）亦構成關連交易，並須根據主板上市規則第14A章予以披露。以下所述若干關連各方（定義按上市規則）與本公司之間已經訂立及／或在進行之中的交易，如有必要，已經按上市規則之規定由本公司作出有關公布。

年內，本集團與Motorola-Dragon Investment, Inc. (本公司之主要股東)之集團公司進行以下交易：

- (i) 本公司若干全資附屬公司向關連人士出售合共2,299,000港元之設備。
- (ii) 本公司若干全資附屬公司向關連人士採購合共28,165,000港元之設備及機頂盒。

These connected transactions have been reviewed by independent non-executive directors of the Company who have confirmed that these transactions were entered into by the Group:

- a) The transactions are executed in the ordinary and usual course of business of the Group;
- b) The transactions are executed on normal commercial terms or on terms not less favourable than those given to (or obtained from, whichever is applicable) independent third parties (if no comparable transaction could be referred to judge whether the transactions are executed on normal commercial terms);
- c) The purchases are executed in accordance with the Non-exclusive Distributor Agreement and in the interests of the shareholders of the Company as a whole; and
- d) The annual aggregate amount of the purchases has not exceeded the cap set out in the Company's circular dated 23rd June 2004, HK\$273 million for the year ended 31st December 2005.

Saved as mentioned above, there were no transactions which are required to be disclosed as connected transactions in accordance with the Listing Rules on SEHK.

### **SUFFICIENCY OF PUBLIC FLOAT**

Based on the information that is publicly available to the 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 reporting date.

### **AUDITORS**

The accounts have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

**Ko Chun Shun, Johnson**  
Chairman

Hong Kong, 26th April 2006

該等關連交易已獲本公司獨立非執行董事審議，彼等已確認該等由本集團訂立之交易：

- a) 交貨乃在本集團日常及一般業務範圍內進行；
- b) 交貨乃按照一般商業條款；或如無可比較交易以判斷交易是否按照一般商業條款進行，則是否按照一般不遜於向或由（倘適用）獨立第三方提供之條款進行；
- c) 購貨乃按照非獨家分銷協議進行，並符合本公司股東之整體利益；及
- d) 購貨之全年總額並無超出本公司於二零零四年六月二十三日刊發之通函所載之上限，即截至二零零五年十二月三十一日止年度之273,000,000港元。

除上文所述者外，概無任何交易須遵照香港聯交所上市規則之規定作為關連交易並予以披露。

### **足夠公眾持股量**

於報告日期，根據董事可以得悉而亦知悉的公開資料作為基準，本公司確認已發行股份之公眾持股量超過25%，故有足夠之公眾持股量。

### **核數師**

羅兵咸永道會計師事務所已審核本年報賬目，任滿告退，並符合資格願膺選連任本公司之核數師。

承董事會命

**高振順**  
主席

香港，二零零六年四月二十六日