

## ▶ 董事會報告 Directors' Report

董事會提呈本公司及其附屬公司（於此統稱為「本集團」）截至二零零六年三月三十一日止年度報告及經審核綜合財務報告。

### 主要業務

本公司為一間投資控股公司，其主要附屬公司從事製造及買賣溶劑、塗料及潤滑油。

### 業績及盈利分配

本集團截至二零零六年三月三十一日止年度之業績及本公司之盈利分配分別載於第65頁之綜合收益表及綜合財務報告附註12。本年度內已向股東派發中期股息每股5.0港仙。董事會建議派發期末股息每股9.0港仙，估計為42,890,000港元，溢利餘額撥備保留。

### 股本

本公司年內已發行股本之變動已載於綜合財務報告附註29。

### 儲備

本集團及本公司年內之儲備變動分別載於第68至69頁之綜合權益變動表及綜合財務報告附註39(b)。

The directors present their annual report and the audited consolidated financial statements of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 31st March, 2006.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its principal subsidiaries are engaged in the manufacture of and trading in solvents, coatings and lubricants.

### RESULTS AND APPROPRIATIONS

The results of the Group and appropriations of the Company for the year ended 31st March, 2006 are set out in the consolidated income statement on page 65 and note 12 to the consolidated financial statements, respectively. An interim dividend of HK5.0 cents per share was paid to the shareholders during the year. The directors propose a final dividend of HK9.0 cents per share, estimated to be HK\$42,890,000 and the retention of the remaining profit in reserves.

### SHARE CAPITAL

Details of and movements in the issued share capital of the Company during the year are set out in note 29 to the consolidated financial statements.

### 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 pages 68 to 69 and note 39(b) to the consolidated financial statements, respectively.

## 儲備 (續)

本公司可供派發之儲備指股份溢價、特別儲備及保留溢利。按照開曼群島公司法第22章規定，在受制於本公司之公司組織章程大綱及細則規定之情況下，以及如果在進行分派或派發股息後本公司能在正常業務經營期間償還到期債務之情況下，本公司之股份溢價才能用作向股東進行分派或支付股息。按照本公司之公司組織章程細則，本公司只能從二零零六年三月三十一日之保留溢利142,206,000港元(二零零五年：121,835,000 港元)中撥款派發股息。

## 物業、廠房及設備

年內，本集團總數共投資了約89,000,000港元於購買物業、廠房及設備以擴大其生意業務。此等詳情及年內本集團之物業、廠房及設備之其他變動列載於綜合財務報告附註14。

## 附屬公司

有關本公司於二零零六年三月三十一日之主要附屬公司詳情載於綜合財務報告附註38。

## 董事及服務合約

年內及截至本報告日期為止本公司之董事如下：

### 執行董事：

葉志成先生 (主席)  
 葉鳳娟小姐 (副主席)  
 葉子軒先生 (副主席)  
 吳紹平先生  
 丁漢欽先生  
 黃金焰先生 (副行政總裁)  
 楊民儉先生

## RESERVES (CONTINUED)

The Company's reserves available for distribution represent the share premium, special reserve and retained profits. Under the Companies Law Chapter 22 of the Cayman Islands, the share premium of the Company is available for distribution or paying dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the distribution or dividend, the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's Articles of Association, dividends can only be distributed out of the retained profits of the Company, which amounted to HK\$142,206,000 at 31st March, 2006 (2005: HK\$121,835,000).

## PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment totalling approximately HK\$89 million for expansion of its business. Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 14 to the consolidated financial statements.

## SUBSIDIARIES

Details of the Company's principal subsidiaries at 31st March, 2006 are set out in note 38 to the consolidated financial statements.

## DIRECTORS AND SERVICE CONTRACTS

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

### Executive directors:

Mr. Ip Chi Shing, Tony (Chairman)  
 Ms. Ip Fung Kuen (Deputy chairman)  
 Mr. Yip Tsz Hin, Stephen (Deputy chairman)  
 Mr. Ng Siu Ping, George  
 Mr. Ting Hon Yam  
 Mr. Wong Kam Yim, Kenny (Deputy chief executive officer)  
 Mr. Young Man Kim, Robert

## 董事及服務合約 (續)

### 非執行董事：

唐匯棟先生

### 獨立非執行董事：

黃廣志先生

歐陽贊邦先生

李澤民先生

遵照本公司之公司組織章程細則，葉志成先生、葉鳳娟小姐、黃金焰先生及楊民儉先生於即將舉行之股東週年大會上依章告退，惟彼等願膺選連任，而其餘所有董事則繼續留任。本公司之非執行董事唐匯棟先生及獨立非執行董事黃廣志先生及歐陽贊邦先生之委任，亦於即將舉行之股東週年大會結束時完結，惟彼等願再接納為期兩年之聘任。於去年獨立非執行董事李澤民先生已接納為期兩年之應聘。

於即將舉行之股東週年大會上獲提名膺選連任之董事概無與本公司或其附屬公司訂立任何本集團在一年內不可在不予賠償(法定賠償除外)的情況下終止尚未屆滿之服務合約。

非執行董事及獨立非執行董事之袍金乃由董事會確定。

## DIRECTORS AND SERVICE CONTRACTS (CONTINUED)

### Non-executive director:

Mr. Tong Wui Tung, Ronald

### Independent non-executive directors:

Mr. Wong Kong Chi

Mr. Au-Yeung Tsan Pong, Davie

Mr. Li Chak Man, Chuck

In accordance with the provisions of the Company's Articles of Association, Mr. Ip Chi Shing, Tony, Ms. Ip Fung Kuen, Mr. Wong Kam Yim, Kenny and Mr. Young Man Kim, Robert will retire by rotation and, being eligible, offer themselves for re-election as directors at the forthcoming annual general meeting of the Company. All remaining directors will continue in office. The appointment of the non-executive director, Mr. Tong Wui Tung, Ronald and the independent non-executive directors, Mr. Wong Kong Chi and Mr. Au-Yeung Tsan Pong, Davie, will also terminate at the conclusion of the forthcoming annual general meeting and, being eligible, offer themselves for appointment for a specific term of two years. In the last year, the independent non-executive director, Mr. Li Chak Man, Chuck, was appointed for a specific term of two years.

No director being proposed for re-election at the forthcoming annual general meeting has an unexpired service contract with the Company or its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

The non-executive and independent non-executive directors' fees are determined by the Board of Directors.

## 董事及最高行政人員於證券之權益及淡倉

於二零零六年三月三十一日，本公司董事及其各自的聯繫人士於本公司股份中的權益或淡倉（定義見證券及期貨條例（「證券及期貨條例」）第XV部）須(a)根據證券及期貨條例第XV部第7及第8部知會本公司及香港聯合交易所有限公司（「聯交所」）（包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉）；(b)根據證券及期貨條例第352條記載置存之登記冊內的權益或淡倉；或(c)根據上市發行人董事進行證券交易的標準守則知會本公司及聯交所的權益或淡倉如下：—

### 好倉

董事姓名 Name of Director	個人權益 Personal Interests	家族權益 Family Interests	其他權益 Other Interests	總數 Total	已發行股本 之百分比 Percentage of the issued share capital of the Company
葉志成先生 Mr. Ip Chi Shing, Tony	250,000	—	189,173,932 (a)	189,423,932	39.75%
葉鳳娟小姐 Ms. Ip Fung Kuen	60,350,000	—	—	60,350,000	12.66%
葉子軒先生 Mr. Yip Tsz Hin, Stephen	37,000,000	20,000,000 (b)	—	57,000,000	11.96%
吳紹平先生 Mr. Ng Siu Ping, George	1,632,000	50,000 (c)	—	1,682,000	0.35%
丁漢欽先生 Mr. Ting Hon Yam	—	—	—	—	—
黃金焰先生 Mr. Wong Kam Yim, Kenny	208,000	—	—	208,000	0.04%
楊民儉先生 Mr. Young Man Kim, Robert	1,702,000	—	—	1,702,000	0.36%
唐匯棟先生 Mr. Tong Wui Tung, Ronald	—	500,000 (d)	—	500,000	0.10%
黃廣志先生 Mr. Wong Kong Chi	—	100,000 (e)	—	100,000	0.02%
歐陽贊邦先生 Mr. Au-Yeung Tsan Pong, Davie	—	—	—	—	—
李澤民先生 Mr. Li Chak Man, Chuck	150,000 (f)	— (f)	—	150,000	0.03%

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31st March, 2006, the interests of the directors and their respective associates in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which are required (a) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have taken under such provisions of the SFO); or (b) to be recorded in the register to be kept pursuant to Section 352 of the SFO; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange were as follows:—

### Long positions

## 董事及最高行政人員於證券之 權益及淡倉 (續)

附註：

- (a) 葉志成先生於本公司之股份中擁有之權益由一項家族全權信託之信託人 Ablewood Holdings Limited 所持有，該等信託之受益人包括葉志成先生及其家族成員。
- (b) 此等股份由葉子軒先生之妻子曹家麗女士持有。
- (c) 此等股份由吳紹平先生之妻子蕭露莉女士持有。
- (d) 此等股份由唐匯棟先生之妻子劉梅心女士持有。
- (e) 此等股份由黃廣志先生之妻子詹小慧女士持有。
- (f) 此等股份與李澤民先生之妻子鄭綺霞女士共同持有。

有關本公司新購股權計劃董事授予及持有購股權之詳情載於下一節「購股權」。

葉志成先生、葉鳳娟小姐、葉子軒先生及葉志成先生妻子梁碧瑜女士各持有本公司之附屬公司葉氏恒昌(集團)有限公司之無投票權遞延股一股。

除上文所披露者及董事以本公司或其附屬公司受託人身份持有附屬公司若干代名人股份外，於二零零六年三月三十一日，各董事、最高行政人員或其聯繫人士均沒有於本公司或其任何聯營公司(按證券及期貨條例)之證券中持有任何權益或淡倉。

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SECURITIES (CONTINUED)

Notes:

- (a) The interests of Mr. Ip Chi Shing, Tony in shares of the Company are held by Ablewood Holdings Limited as trustee of a family discretionary trust, the objects of which include Mr. Ip Chi Shing, Tony and his family.
- (b) These shares are held by Madam Tso Ka Lai, the wife of Mr. Yip Tsz Hin, Stephen.
- (c) These shares are held by Madam Siu Oi Li, Maicy, the wife of Mr. Ng Siu Ping, George.
- (d) These shares are held by Madam Lau Mui Sum, the wife of Mr. Tong Wui Tung, Ronald.
- (e) These shares are held by Madam Jim Siu Wai, the wife of Mr. Wong Kong Chi.
- (f) These shares are jointly held with Madam Cheng Yee Ha, the wife of Mr. Li Chak Man, Chuck.

Details of the share options granted to and held by the directors under the Company's new share option scheme are shown in the next section "Share options".

Mr. Ip Chi Shing, Tony, Ms. Ip Fung Kuen, Mr. Yip Tsz Hin, Stephen and Madam Liang Bih Yu, the wife of Mr. Ip Chi Shing, Tony, each holds one non-voting deferred share of Yip's H.C. (Holding) Limited, a subsidiary of the Company.

Other than as disclosed above and certain nominee shares in subsidiaries held by directors in trust for the Company or its subsidiaries, at 31st March, 2006, none of the directors, chief executives nor their associates held any interests or short positions in the securities of the Company or any of its associated corporations as defined in the SFO.

## 購股權

本公司於一九九一年七月十八日採納之購股權計劃（「舊計劃」）已於二零零一年七月十七日終止。於二零零六年三月三十一日，並無該計劃已授出之購股權尚未被行使。

於二零零一年八月二十八日採納另一新購股權計劃（「二零零一計劃」），其目的是藉以獎勵參與者，並將於二零零六年八月二十七日期滿。而二零零一計劃並未授出任何購股權。

於二零零二年九月三日，本公司股東批准終止二零零一計劃，並遵照聯交所證券上市規則第十七章之修訂，採納新購股權計劃（「新計劃」）。新計劃之詳情已載於綜合財務報告附註30。

## SHARE OPTIONS

A share option scheme of the Company being adopted on 18th July, 1991 (the "Old Scheme") expired on 17th July, 2001. As at 31st March, 2006, there is no option granted under the Old Scheme which is still outstanding.

A new share option scheme (the "2001 Scheme") was adopted on 28th August, 2001 for the purpose of providing incentives to the participants and would expire on 27th August, 2006. No share options were granted under 2001 Scheme.

On 3rd September, 2002, the Company approved the termination of the 2001 Scheme and adopted a new share option scheme (the "New Scheme") which will expire on 2nd September, 2012 in order to comply with the terms of Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange. Particulars of the New Scheme are set out in note 30 to the consolidated financial statements.

### 購股權 (續)

年內，根據本公司新計劃已授予若干董事或其他僱員購股權之變動詳情如下：—

### SHARE OPTIONS (CONTINUED)

During the year, movements in the number of options which have been granted to certain directors and employees under the Company's New Scheme are as follows:—

	授出日期 Date of Grant	行使價 Exercise Price 港元 HK\$	購股權數目 Number of share options			
			於二零零五年 四月一日 尚未行使 Outstanding at 1.4.2005	年內已 授出 Granted during the year	於二零零六年 年內已 行使 Exercised during the year	於二零零六年 三月三十一日 尚未行使 Outstanding at 31.3.2006
<b>董事</b> <b>Directors</b>						
葉鳳娟女士 Ms. Ip Fung Kuen	二零零四年五月十七日 17th May, 2004	1.590	150,000	—	150,000	—
	二零零五年十月二十四日 24th October, 2005	2.004	—	200,000	200,000	—
葉子軒先生 Mr. Yip Tsz Hin, Stephen	二零零四年五月十七日 17th May, 2004	1.590	300,000	—	300,000	—
	二零零五年十月二十四日 24th October, 2005	2.004	—	200,000	200,000	—
吳紹平先生 Mr. Ng Siu Ping, George	二零零二年十一月十四日 14th November, 2002	1.190	500,000	—	—	500,000
	二零零四年五月十七日 17th May, 2004	1.590	300,000	—	—	300,000
	二零零五年十月二十四日 24th October, 2005	2.004	—	200,000	—	200,000
丁漢欽先生 Mr. Ting Hon Yam	二零零二年十一月十四日 14th November, 2002	1.190	500,000	—	—	500,000
	二零零四年五月十七日 17th May, 2004	1.590	150,000	—	—	150,000
	二零零五年十月二十四日 24th October, 2005	2.004	—	200,000	—	200,000

## 購股權 (續)

## SHARE OPTIONS (CONTINUED)

授出日期 Date of Grant	行使價 Exercise Price 港元 HK\$	購股權數目 Number of share options				
		於二零零五年 四月一日 尚未行使 Outstanding at 1.4.2005	年內已授出 Granted during the year	年內已行使 Exercised during the year	於二零零六年 三月三十一日 尚未行使 Outstanding at 31.3.2006	
<b>董事</b> <b>Directors</b>						
黃金焯先生 Mr. Wong Kam Yim, Kenny	二零零二年十一月十四日 14th November, 2002	1.190	500,000	–	–	500,000
	二零零四年五月十七日 17th May, 2004	1.590	300,000	–	–	300,000
	二零零五年十月二十四日 24th October, 2005	2.004	–	200,000	–	200,000
楊民儉先生 Mr. Young Man Kim, Robert	二零零五年十月二十四日 24th October, 2005	2.004	–	200,000	–	200,000
			<u>2,700,000</u>	<u>1,200,000</u>	<u>850,000</u>	<u>3,050,000</u>
<b>員工</b> <b>Employees</b>						
	二零零二年十一月十四日 14th November, 2002	1.190	1,200,000	–	800,000	400,000
	二零零四年五月十七日 17th May, 2004	1.590	3,825,000	–	1,625,000	2,200,000
	二零零四年十月八日 8th October, 2004	1.690	3,000,000	–	–	3,000,000
	二零零五年十月二十四日 24th October, 2005	2.004	–	7,426,000	352,000	7,074,000
			<u>8,025,000</u>	<u>7,426,000</u>	<u>2,777,000</u>	<u>12,674,000</u>
			<u>10,725,000</u>	<u>8,626,000</u>	<u>3,627,000</u>	<u>15,724,000</u>

### 購股權 (續)

本公司股份在緊接購股權授出日期(即二零零五年十月二十四日)之前的收市價為2.0港元。而在緊接購股權行使日期之前的加權平均收市價為2.194港元。

除上文所披露者外，於年內任何時間，本公司或其任何附屬公司概無參與任何安排，以使本公司董事藉收購本公司或任何其他法人團體之股份或債券而獲益。

除上文所披露者外，年內各董事或其配偶或十八歲以下之子女均無任何權利以認購本公司之證券，或曾行使任何該等權利。

### 主要股東

於二零零六年三月三十一日，按根據證券及期貨條例第336條保存之主要股東登記名冊所示，除上文所披露有關若干董事之權益外，就本公司所知，並無任何人士於二零零六年三月三十一日擁有佔本公司已發行股本5%或以上之任何權益。

### 購買、出售或贖回本公司之上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

### SHARE OPTIONS (CONTINUED)

The closing price of the shares of the Company immediately before the grant of options on 24th October, 2005 was HK\$2.0. Weighted average closing price of the shares of the Company immediately before the dates on which the options were exercised was HK\$2.194.

Other than as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangement 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.

Other than as disclosed above, none of the directors, or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the year.

### SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2006, the register of substantial shareholders maintained under Section 336 of the SFO shows that, other than the interests disclosed above in respect of certain directors, the Company has not been notified of any interests representing 5% or more of the Company's issued share capital as at 31st March, 2006.

### 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.

## 主要客戶及供應商

本集團最大供應商及首五名供應商作出之購貨分別佔本集團年內總購貨額15.6%及34.3%。

本集團首五名客戶之營業額佔本集團年內總營業額乃少於30%。

本公司董事或彼等任何聯繫人士或任何股東(據董事所知擁有5%以上本公司已發行股本)概無於本公司首五名供應商及客戶中擁有任何權益。

## 結賬日後事件

有關結賬日後事件之詳情載於綜合財務報告附註35。

## 公司管治

本公司之企業管治報告詳情載於第41至51頁之「企業管治報告」。

## 公眾持股量

根據本公司所得的公開資料及董事所知，於二零零六年三月三十一日及本報告日期，公眾人士持有之股份百分比按聯交所證券上市規則不少於本公司已發行股份25%之足夠公眾持股量。

## 捐款

年內，集團作出慈善及其它捐款合共約135,000港元。

## MAJOR SUPPLIERS AND CUSTOMERS

The aggregate purchases attributable to the Group's largest suppliers and five largest suppliers taken together accounted for 15.6 per cent and 34.3 per cent respectively of the Group's total purchases for the year.

The aggregate sales attributable to the Group's five largest customers taken together were less than 30 per cent of the Group's total turnover for the year.

None of the directors, their associates, or any shareholder (which to the knowledge of the directors owns more than 5 per cent of the Company's share capital) has any interest in the Group's five largest suppliers and customers.

## POST BALANCE SHEET EVENT

Details of post balance sheet event are set out in note 35 to the consolidated financial statements.

## CORPORATE GOVERNANCE

Report on the Company's corporate governance are set out in "Corporate Governance Report" on pages 41 to 51.

## SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors, as at 31st March, 2006 and the date of this report, there is sufficient public float of not less than 25% of the Company's total issued shares capital as required under the Rules Governing the Listing Securities on the Stock Exchange.

## DONATIONS

During the year, the Group made charitable and other donations amounting to HK\$135,000.

## 關連交易及董事之合約權益

年內，本集團分別支付720,000港元、600,000港元及216,000港元之租金予港德投資有限公司、嘉捷投資有限公司及香港微型科技有限公司，本公司之董事葉志成先生、葉子軒先生及吳紹平先生分別於該三間公司持有受益權。

除以上所披露者外，於本年度年終時或年內任何時間並不存在本公司或其任何附屬公司有份參與本公司董事擁有重大直接或間接權益之重大合約。

## 優先購買權

本公司之公司組織章程細則及開曼群島公司法概無有關優先購買權之規定。

## 核數師

有關重新委聘德勤•關黃陳方會計師行為本公司核數師之決議案將於本公司之股東週年大會上提呈。

承董事會命

**葉志成**

主席

香港，二零零六年六月二十九日

## CONNECTED TRANSACTIONS AND DIRECTORS' INTERESTS IN CONTRACTS

During the year, the Group paid rent of HK\$720,000, HK\$600,000 and HK\$216,000 to Goldex Investments Limited, Galsheer Investments Limited and Microphase Technology Company Limited respectively in which Mr. Ip Chi Shing, Tony, Mr. Yip Tsz Hin, Stephen and Mr. Ng Siu Ping, George, the directors of the Company, have beneficial interests, respectively.

Other than as disclosed above, 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.

## PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the Companies Law of the Cayman Islands.

## AUDITORS

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

On behalf of the Board

**Ip Chi Shing, Tony**

Chairman

Hong Kong, 29th June, 2006