

The directors have the pleasure of presenting their annual report together with the audited financial statements of Raymond Industrial Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2000.

PRINCIPAL ACTIVITIES

The principal activities of the Company and its subsidiaries were:

- Manufacturing and sale of electrical home appliances in North America, Europe and the People's Republic of China ("PRC"); and
- Manufacturing and sale of cigarette paper in the PRC. The controlling interests in the subsidiaries (Victory Will Limited and its subsidiary), engaged in the manufacturing and sale of cigarette paper, were reduced during the year as a result of a reorganisation (see Note 11(c)ii). The Group no longer consolidates the results of Victory Will Limited and its subsidiary, Sichuan Jinfeng Paper Company Limited, since the reorganisation. Instead, the Group equity accounts for the results of Victory Will Limited and Sichuan Jinfeng Paper Company Limited indirectly through its 33.83% interest in Cheung Fung Technology (Holdings) Limited, an associated company of the Group as at year end.

董事會報告書

董事會謹此呈上截至二零零零年十二月三十一日止年度本公司之年報及經審核賬目。

主要業務

本公司及附屬公司主要業務如下：

- 製造及銷售家庭電器用具往北美，歐洲及中國；及
- 在中國製造及銷售煙紙；本年度集團按重組結果(附註11(C)ii)減持附屬公司(凱心有限公司及其附屬公司)從事製造及銷售煙紙之權益。重組後，集團不會與凱心有限公司及其附屬公司四川錦豐紙業有限公司作出綜合業績報告。而集團仍透過在年底成為聯營公司之祥豐科技(集團)有限公司間接持有凱心有限公司和四川錦豐紙業有限公司33.83%權益。

The Group's head office is in Hong Kong and all of its products are manufactured in the PRC.

An analysis of the Group's turnover by principal activities and geographical location of customers is as follows:

(a) By principal activities:

	Turnover		Profit from operations	
	HK\$'000	%	HK\$'000	%
Electrical home appliances	347,077	76	36,181	52
Cigarette paper	112,145	24	33,805	48
	459,222	100	69,986	100

董事會報告書

集團之總寫字樓設在香港，所有產品均在中國製造。

按基本業務和區域進行分類之集團營業額之分析如下：

(a) 按基本業務：

	營業額		經營利潤	
	港幣千元	%	港幣千元	%
家庭電器產品	347,077	76	36,181	52
煙紙	112,145	24	33,805	48
	459,222	100	69,986	100

(b) By geographical location of customers:

	Turnover		Profit from operations	
	HK\$'000	%	HK\$'000	%
North America				
— United States of America	199,994	44	20,445	29
— Canada	12,016	3	1,228	2
	212,010	47	21,673	31
PRC	115,069	25	34,169	49
Europe	87,402	19	8,935	13
Others	44,741	9	5,209	7
	459,222	100	69,986	100

董事會報告書

(b) 按客戶所在地：

	營業額		經營利潤	
	港幣千元	%	港幣千元	%
北美				
— 美利堅合眾國	199,994	44	20,445	29
— 加拿大	12,016	3	1,228	2
	212,010	47	21,673	31
中國	115,069	25	34,169	49
歐洲	87,402	19	8,935	13
其他地區	44,741	9	5,209	7
	459,222	100	69,986	100

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2000 are set out in the accompanying consolidated income statement on page 21.

The directors declared an interim dividend of HK2¢ per share, totalling HK\$6,286,016, which was paid during the year. The directors recommend the payment of a final dividend of HK6¢ per share, totalling HK\$18,858,048 and recommend that the retained profit of HK\$138,324,456 at 31 December 2000 be carried forward.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 61.

SHARE CAPITAL

Details of the movement in the Company's share capital are set out in Note 20 to the accompanying financial statements.

SHARE OPTIONS

Information on the Company's share option scheme for employees is set out in Note 21 to the accompanying financial statements.

董事會報告書

業績與提撥

集團是年業績和提撥之詳情，請參閱載於第21頁之綜合損益表。

董事局宣佈本年度已派發中期息每股港幣二仙，合共港幣六百二十八萬六千零一十六元。董事局建議派發末期息每股港幣六仙，合計港幣一千八百八十五萬八千零四十八元，及建議於二零零零年十二月三十一日結存滾存溢利港幣一億三千八百三十二萬四千四百五十六元。

財務摘要

集團最近五年之業績和資產及負債摘要，請參閱年報的第61頁。

股本

公司股本詳情，請參閱賬目附註20。

認股權

有關公司員工認股權計劃詳情，請參閱賬目附註21。

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in Note 22 to the accompanying financial statements. As at 31 December 2000, reserves of approximately HK\$19,963,522 of the Company were available for distribution to shareholders.

FIXED ASSETS

Movements in fixed assets of the Group and the Company during the year are set out in Note 10 to the accompanying financial statements.

SUBSIDIARIES AND ASSOCIATED COMPANIES

Details of the Company's subsidiaries and associated companies as at 31 December 2000 are set out in Notes 11 and 12 to the accompanying financial statements respectively.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association.

MANAGEMENT CONTRACTS

No substantial contracts concerning the management and administration of the Group were entered into or existed during the year.

董事會報告書

儲備

有關集團及公司儲備變動，請參閱賬目附註22。於二零零零年十二月三十一日，公司約有儲備港幣一千九百九十六萬三千五百二十二元可供分配予股東。

固定資產

有關集團及公司之固定資產變動詳情，請參閱賬目附註10。

附屬公司及聯營公司

於二零零零年十二月三十一日，有關本集團附屬公司及聯營公司之詳情，請分別參閱賬目附註11及12。

股本優先購買權

本公司之公司細則並無設立股本優先購買權之條文。

管理合約

本年度集團沒有簽署任何關於集團管理及行政的合約。

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S OWN SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares during the year.

DIRECTORS

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

Executive directors:

Mr. Wilson Wong Kin Lae
Mr. Yang Zhengqing
Mr. John Wong Ying Man
Mr. Kennedy Wong Ying Ho

Non-executive directors:

Mr. Leonard Edward Joyce (Resigned on 1 March 2001)
Mr. Philip Wong Kin Hang
Mr. Qi Yuan

董事會報告書

購買、出售或贖回本公司股份

是年度本公司及其任何附屬公司均沒有購買，出售或贖回本公司所發行的股份。

董事會

是年度至此報告發表之日本公司董事會成員如下：

執行董事：

黃乾利先生
楊正清先生
黃英敏先生
黃英豪先生

非執行董事：

Leonard Edward Joyce 先生 (於二零零一年三月一日辭職)
黃乾亨先生
齊元先生

Independent non-executive directors:

Mr. Michael Leung Kai Hung

Mr. Anthony Fan Ren Da

Alternate director:

Mr. Li Dong

In accordance with Articles 95 and 112 of the Company's articles of association, Mr. Yang Zhengqing, Mr. Kennedy Wong Ying Ho and Mr. Qi Yuan will retire by rotation at the forthcoming annual general meeting and will, being eligible, offer themselves for re-election. The remaining directors will continue in office.

The non-executive directors do not have specific terms of appointment but are subject to retirement by rotation in accordance with the above articles.

DIRECTORS' SERVICE CONTRACTS

None of the directors has a service contract with the Company or its subsidiaries which is not terminable within one year without payment of compensation (other than statutory compensation).

董事會報告書

獨立非執行董事：

梁啟雄先生

范仁達先生

代董事：

李冬先生

依據本公司組織章程第九十五及一百一十二條，楊正清先生、黃英豪先生和齊元先生三位董事將於應屆股東週年大會輪值告休。惟他們願應選連任。其餘各董事繼續留任。

非執行董事沒有特定的任期期限，但可根據以上條款輪任。

董事之服務合約

本集團之董事沒有與本公司或其附屬公司簽訂任何不可於一年內終止而必須賠償之服務合約（除法定賠償外）。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

According to the register maintained by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance"), the interests of the directors, chief executives and their associates in the issued share capital of the Company and associated corporations (within the meaning of the SDI Ordinance) as at 31 December 2000 were as follows:

Name of director	Number of shares held			
	Personal interests	Family interests	Corporate interests	Other interests
Mr. Wilson Wong Kin Lae	333,000	—	16,579,773 ^(a)	77,881,760 ^(b)
Mr. Leonard Edward Joyce	2,281,800	—	—	—
Mr. John Wong Ying Man	1,121,440	—	—	—
Mr. Philip Wong Kin Hang	16,941,360	821,000	23,829,653 ^(c)	1,306,000 ^(d)
Mr. Kennedy Wong Ying Ho	—	—	11,815,820 ^(e)	—

Notes:

- (a) These shares were held through Broadbridge Enterprise Limited, a company beneficially owned by Mr. Wilson Wong Kin Lae.
- (b) These shares were held through Haylee Trust, the beneficiaries of which include the children of Mr. Wilson Wong Kin Lae.

董事會報告書

董事及高級行政人員之股份利益

於二零零零年十二月三十一日，根據本公司依證券(公開權益)條例第二十九條規定而設置之登記冊所載記錄顯示的董事，高級行政人員及其夥伴之實益擁有本公司已發行股本如下：

董事姓名	私人	持股數量		
		家屬	團體	其他
黃乾利先生	333,000	—	16,579,773 ^(a)	77,881,760 ^(b)
Mr. Leonard Edward Joyce	2,281,800	—	—	—
黃英敏先生	1,121,440	—	—	—
黃乾亨先生	16,941,360	821,000	23,829,653 ^(c)	1,306,000 ^(d)
黃英豪先生	—	—	11,815,820 ^(e)	—

附註：

- (a) 該等股份乃透過黃乾利先生實益擁有之 Broadbridge Enterprise Ltd 持有。
- (b) 該等股份乃透過由包括黃乾利先生之子女實益擁有之 Haylee Trust 持有。

- (c) These shares were held through Ho Kit Man Inc., a company beneficially owned by Mr. Philip Wong Kin Hang.
- (d) These shares were held through Philip Wong Kin Hang Foundation.
- (e) These shares were held through Limin Corporation, a company beneficially owned by Mr. Kennedy Wong Ying Ho.

Save as disclosed above and other than nominee shares in certain subsidiaries held in trust for the Group, none of the directors, chief executives or their associates had any other interests in the securities of the Company or any other associated corporations as defined in the SDI Ordinance as at 31 December 2000.

SUBSTANTIAL SHAREHOLDERS

Other than the interests disclosed above in respect of certain directors, the register of substantial shareholders maintained by the Company under Section 16(1) of SDI Ordinance shows that the Company was notified of the following interest representing 10% or more of the issued share capital of the Company as at 31 December 2000:

Name of shareholder	Number of shares held	% of issued share capital
Silver Talent Development Limited	61,080,800	19

董事會報告書

- (c) 該等股份乃透過由黃乾亨先生實益擁有之 Ho Kit Man Inc. 持有。
- (d) 該等股份乃透過黃乾亨基金持有。
- (e) 該等股份乃透過由黃英豪先生實益擁有之 Limin Corporation 持有。

除上述股份權益及部份董事以代理人身份持有附屬公司之股份外，於二零零零年十二月三十一日各董事、高級行政人員及其夥伴並無擁有根據證券(公開權益)條例定義下須予公開之其他股份權益。

主要股東

除上述董事及高級行政人員及其夥伴之股份權益外，於二零零零年十二月三十一日，根據證券(公開權益)條例第十六(1)條而設置之主要股東登記冊，已申報擁有公司股本10%或以上的股東如下：

股東名稱	持股數量	所佔股份百分比
銀立發展有限公司	61,080,800	19

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.

DIRECTORS' AND CHIEF EXECUTIVES' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Other than the Company's share option scheme for employees, details of which are set out in Note 21 to the financial statements, 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 to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

No option was granted to, or exercised by, any of the Company's directors and chief executives under the share option scheme during the year.

None of the directors and chief executives, or their spouse or children under the age of 18, had any right to subscribe for the shares of the Company, or had exercised any such right during the year.

AUDIT COMMITTEE

The Stock Exchange of Hong Kong Limited has revised the Code of Best Practice requiring listed companies to establish an audit committee with written terms of reference which deal clearly with its authority and duties. Audit committee of the Group comprises all independent non-executive directors. Amongst the committee's principal duties are to review and supervise the listed company's financial reporting process and internal controls.

董事會報告書

董事合約利益

在年終或本年度任何時間內，公司之董事沒有直接或間接的與公司或其附屬公司訂有重要的合同，而獲得實質利益。

董事及高級行政人員購入股份及債券之安排

除僱員認股計劃授予若干職員認購本公司股份選擇權外，正如闡明於賬目附註21中，本公司及其附屬公司於是年內並無達成任何安排促使本公司之董事認購本公司或其他公司之股份或債券而獲益。

根據認股計劃是年度內公司董事及高級行政人員無獲配授或行使認股權。

公佈之董事及高級行政人員，其配偶及未滿十八歲的子女均無權認購本公司股份及不可行使其認股權。

審核委員會

香港聯合交易所更改最佳應用守則要求上市公司設立審核委員會及詳列其權限及責任。於本年，公司委任獨立非執行董事成立審核委員會，委員會主要責任是審查及監督上市公司之財務報告處理及內部控制。

CODE OF BEST PRACTICE

In the opinion of the directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules of The Stock Exchange of Hong Kong Limited throughout the accounting period covered by the annual report, except that the independent non-executive directors of the Company are not appointed for specific terms. Independent non-executive directors are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Company's articles of associations.

AUDITORS

The financial statements for the year ended 31 December 2000 were audited by Messrs. Arthur Andersen & Co. A resolution for the re-appointment of Messrs. Arthur Andersen & Co as the Company's auditors for the ensuing year is to be proposed at the forthcoming annual general meeting.

On behalf of the Board



Wilson Wong Kin Lae

Director

Hong Kong, 19 April 2001

董事會報告書

最佳應用守則

董事會認為於本年報所述會計期間內，除獨立非執行董事並無訂在指定任期而委任外，本公司一直遵守香港聯合交易所有限公司證券上市規則附錄十四之規定。

根據公司細則，獨立非執行董事需在應屆股東大會輪值告休。惟他們願應選連任。

核數師

而二零零零年十二月三十一日之財務報表已由安達信公司審核。於行將召開之股東週年大會上，本公司將提呈議案，續聘安達信公司為本公司之核數師。

承董事會命



董事
黃乾利

香港，二零零一年四月十九日