

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賬目。

## 主要業務

本公司為一間投資控股公司。其附屬公司及聯營公司之主要業務分別載於綜合賬目附註45及18。

年內，本集團出售其聯營公司予一名獨立第三方，代價約為29,112,000港元。

## 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43頁之綜合收益表。

每股1.8港仙之中期股息為數4,819,000港元已於年內派付予股東。董事會現建議向於二零零六年五月十六日名列本公司股東登記冊之股東派付為數約19,274,000港元每股7.2港仙之末期股息，而年內之剩餘溢利23,745,000港元則予以保留。

## 物業、機器及設備

本集團在年內繼續擴充及提升其用於印刷及製造包裝產品之設備。有關該等擴充及變動及本集團物業、機器及設備於年內之其他變動詳情載於綜合賬目附註16。

The directors have pleasure in presenting their annual report and the audited consolidated financial statements for the year ended 31st December, 2005.

## PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its subsidiaries and associate are set out in Notes 45 and 18 to the consolidated financial statements, respectively.

During the year, the Group has disposed of its associate to an independent third party for a consideration of approximately HK\$29,112,000.

## RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st December, 2005 are set out in the consolidated income statement on page 43.

An interim dividend of HK1.8 cents per share amounting to HK\$4,819,000 was paid to the shareholders during the year. The directors now recommend a final dividend of HK7.2 cents per share to the shareholders on the register of members on 16th May, 2006, amounting to approximately HK\$19,274,000 in aggregate and the retention of the remaining profit for the year of HK\$23,745,000.

## PROPERTY, PLANT AND EQUIPMENT

During the year, the Group continued to expand and upgrade its facilities for printing and manufacturing of packaging products. Details of these and other movements during the year in the property, plant and equipment of the Group are set out in Note 16 to the consolidated financial statements.

## 董事會報告 Directors' Report

### 業績、資產及負債

下表概述本集團截至二零零五年十二月三十一日止五個年度之綜合業績、資產及負債。

### RESULTS, ASSETS AND LIABILITIES

The following table summarises the consolidated results, assets and liabilities of the Group for the five years ended 31st December, 2005.

	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	
	2005	2004	2003	2002	2001	
	千港元	千港元	千港元	千港元	千港元	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		(重列)				
		(restated)				
母公司股權持有人 應佔溢利	Profit attributable to equity holders of the parent	47,838	40,644	35,260	34,360	31,569
總資產	Total assets	1,164,678	973,319	733,971	790,197	698,219
總負債	Total liabilities	(633,253)	(501,556)	(312,305)	(393,866)	(329,461)
少數股東權益	Minority interests	(197,329)	(170,216)	(155,273)	(143,547)	(129,076)
		334,096	301,547	266,393	252,784	239,682

附註：截至二零零一年十二月三十一日、二零零二年十二月三十一日及二零零三年十二月三十一日止年度之數字並無作出調整以反映採納多項於二零零五年一月一日生效之新增香港財務報告準則及香港會計準則所導致會計政策之變動。

Note: The figures for the year ended 31st December, 2001, 31st December, 2002 and 31st December, 2003 have not been adjusted to reflect the change in accounting policy for the adoption of a number of new Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards effective on 1st January, 2005.

### 流動資金及財政資源

於二零零五年十二月三十一日，銀行結餘及現金為201,959,000港元（二零零四年：156,747,000港元）。計息之負債為483,520,000港元（二零零四年：346,837,000港元）。股東資金加少數股東權益為531,425,000港元（二零零四年：471,763,000港元）。淨資產負債比率（計息負債減現金／股東資金加少數股東權益）為53.0%（二零零四年：40.3%）。

### LIQUIDITY AND FINANCIAL RESOURCES

As at 31st December, 2005, the bank balances and cash amounted to HK\$201,959,000 (2004: HK\$156,747,000). The interest bearing liabilities amounted to HK\$483,520,000 (2004: HK\$346,837,000). The shareholders' equity plus minority interests amounted to HK\$531,425,000 (2004: HK\$471,763,000). The net debt to equity ratio (interest bearing liabilities less cash/sharholders' equity plus minority interests) was 53.0% (2004: 40.3%).

## 本公司可供分派儲備

本公司於二零零五年十二月三十一日可供分派予股東之儲備金額相當於保留溢利及繳入盈餘合共約35,557,000港元(二零零四年: 36,467,000港元)，詳情已載於附註44(a)。

## 股本及認股權證

本公司之股本及認股權證於年內之變動詳情分別載於綜合賬目附註30及31。所有未行使之認股權證已於二零零四年六月三十日屆滿。

## 董事

以下乃年內及截至本報告日期為止之本公司董事會成員：

### 執行董事：

許經振先生(主席)  
丘少明先生  
許檳榔先生  
李春仁先生  
周勁先生  
王鳳舞先生

### 獨立非執行董事：

林炳昌先生  
吳志揚先生  
譚旭生先生

許經振先生、許檳榔先生及林炳昌先生將根據本公司之公司細則第87條之規定，在即將舉行之股東週年大會上依章告退，惟彼等已表示願意膺選連任。

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公司或其任何附屬公司訂立任何不得於一年內在無需支付任何賠償(法定賠償除外)之情況下終止之服務合約。

## DISTRIBUTABLE RESERVES OF THE COMPANY

The amount of the Company's reserves available for distribution to shareholders as at 31st December, 2005 represented the retained profits and contributed surplus totalling approximately HK\$35,557,000 (2004: HK\$36,467,000). Details are set out in Note 44(a).

## SHARE CAPITAL AND WARRANTS

Details of movements during the year in the share capital and warrants of the Company are set out in Notes 30 and 31 to the consolidated financial statements, respectively. All unexercised warrants expired on 30th June, 2004.

## DIRECTORS

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

### Executive directors:

Mr. Hui King Chun, Andrew (*Chairman*)  
Mr. Yau Chau Min, Paul  
Mr. Hui Bin Long  
Mr. Li Chun Ren  
Mr. Zhou Jin  
Mr. Wang Feng Wu

### Independent non-executive directors:

Mr. Lam Ping Cheung, Andrew  
Mr. Ng Chi Yeung, Simon  
Mr. Tam Yuk Sang, Sammy

Messrs. Hui King Chun, Andrew, Hui Bin Long and Lam Ping Cheung, Andrew shall retire at the forthcoming annual general meeting in accordance with Article 87 of the Bye-Laws of the Company and, being eligible, offer themselves for re-election.

None of the directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation, other than statutory compensation.

## 董事會報告 Directors' Report

### 董事及高級管理人員之履歷

#### 執行董事

許經振先生，55歲，本集團創辦人兼本公司主席及董事總經理。許先生負責本集團的整體管理及企業發展政策和策略，以及與中國多個不同的地方政府及有關當局協商。他在管理及製造方面積逾二十七年經驗，包括在印刷及包裝業的十三年經驗。許先生亦是毅力工業集團有限公司（一間於香港聯合交易所有限公司（「聯交所」）上市之公司）之執行董事。

丘少明先生，42歲，本集團總經理，負責處理日常業務運作及項目管理、製訂本集團的行政政策和市場推廣策略及全面管理本集團的銷售活動。他在國立台灣大學畢業並取得經濟學學士學位後，遠赴英國深造，並畢業於英國華威大學，獲工商管理碩士學位。丘先生曾任職於多間國際公司，在市場推廣及銷售、企業財務及管理方面積逾十七年經驗。他於一九九四年六月加盟本集團。

許檳榔先生，58歲，負責為本集團之印刷技術及應用進行研發；製訂及維持一個有效及高效率的印刷運作系統，並就產品種類及滲透市場提供意見。許先生在印刷業積逾二十七年經驗。他於一九九三年六月加盟本集團。

李春仁先生，73歲，乃一九九三年雲南僑通包裝印刷有限公司（「雲南僑通合資企業」）其中一位創建員工，曾為其副董事長。他在中國製造業方面有豐富經營及管理經驗。

### DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHICAL INFORMATION

#### Executive directors

**Mr. Hui King Chun, Andrew**, aged 55, is the founder of the Group and chairman and managing director of the Company. Mr. Hui is responsible for the overall management and development of corporate policy and strategy of the Group, and the liaison with various local governments and authorities in the PRC. He has over 27 years' experience in management and manufacturing, including 13 years' experience in the printing and packaging business. Mr. Hui is also an executive director of Ngai Lik Industrial Holdings Limited, a company listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

**Mr. Yau Chau Min, Paul**, aged 42, is the general manager of the Group and is responsible for daily operations and project management, setting up administration policies, devising the Group's marketing strategy and overall management of the Group's sales activities. He holds a MBA degree from the University of Warwick in the United Kingdom after graduating from National Taiwan University with a Bachelor of Arts in Economics. Mr. Yau has had over 17 years' experience in marketing and sales, corporate finance and management with several multinational companies. He joined the Group in June 1994.

**Mr. Hui Bin Long**, aged 58, is responsible for the Group's R&D in printing technology and applications, establishing and maintaining an effective and efficient printing operation system and providing advice as to product variety and market penetration. Mr. Hui has over 27 years' experience in printing operations. He joined the Group in June 1993.

**Mr. Li Chun Ren**, aged 73, was one of the founding staff members of Yunnan Qiaotong Package Printing Co., Ltd. ("Yunnan Qiaotong JV") in 1993 and was its vice chairman. He has extensive operational and management experience in the PRC's manufacturing industry.

周勁先生，46歲，負責雲南僑通合資企業之整體管理，乃雲南僑通合資企業其中一位創建員工，現為雲南僑通合資企業總經理。周先生乃中國高級經濟師，於中國社會科學院研究所商貿經濟專業碩士研究生畢業。他在一九九三年三月加入本集團前，分別在中國雲南省一所大學及一間政府機關內從事學術及研究活動。

王鳳舞先生，51歲，負責哈爾濱高美印刷有限公司（「哈爾濱高美合資企業」）的整體管理，為哈爾濱高美合資企業的總經理。王先生為中國經濟師，畢業於中國北京印刷學院。一九九三年三月加盟本集團之前，他在中國印刷業積逾二十年生產及管理經驗。

#### 獨立非執行董事

林炳昌先生，54歲，為香港合資格律師及香港林炳昌律師事務所之創辦人及獨立經營者。林先生亦是多間香港上市公司之獨立非執行董事，包括毅力工業集團有限公司、金源米業有限公司、威利國際控股有限公司、內蒙發展(控股)有限公司、確利達包裝國際控股有限公司、合一投資控股有限公司、易盈科技控股有限公司及中國高速(集團)有限公司。他於一九九八年五月獲本公司委任。

吳志揚先生，49歲，為香港、英格蘭及威爾斯之合資格律師、新加坡註冊大律師、澳洲首都地區的大律師。吳先生乃鄒陳律師行之顧問，亦是兩間香港上市公司之獨立非執行董事，包括毅力工業集團有限公司及永發置業投資有限公司。吳先生持有英國 Manchester Metropolitan University 學士學位及持有中國法及比較法之法學碩士學位。吳先生為香港大學之兼職講師。他於一九九八年五月獲本公司委任。

**Mr. Zhou Jin**, aged 46, is responsible for the overall management of Yunnan Qiaotong JV. He was one of the founding staff members of Yunnan Qiaotong JV and is currently also its general manager. Mr. Zhou is a senior economist in the PRC and graduated from the Graduate School of Social Science College of the PRC with a major in business and economics. Prior to joining the Group in March 1993, he was engaged in academic and research activities with a university and a governmental bureau respectively in Yunnan Province, the PRC.

**Mr. Wang Feng Wu**, aged 51, is responsible for the overall management of Harbin Gaomei Printing Company Limited ("Harbin Gaomei JV"). He is the general manager of Harbin Gaomei JV. Mr. Wang is an economist in the PRC and a graduate of Beijing Printing College, the PRC. Prior to joining the Group in March 1993, he had over 20 years' experience in operation and management in the PRC's printing industry.

#### Independent non-executive directors

**Mr. Lam Ping Cheung, Andrew**, aged 54, is qualified as a solicitor in Hong Kong. He is the founder and sole proprietor of Messrs. Andrew Lam & Co., a law firm in Hong Kong. Mr. Lam is also an independent non-executive director of several public listed companies in Hong Kong including Ngai Lik Industrial Holdings Limited, Golden Resources Development International Limited, Willie International Holdings Limited, Inner Mongolia Development (Holdings) Limited, Qualipak International Holdings Limited, Unity Investments Holdings Limited, Espco Technology Holdings Limited and China Velocity Group Limited. He was appointed by the Company in May 1998.

**Mr. Ng Chi Yeung, Simon**, aged 49, is qualified as a solicitor in Hong Kong, England and Wales, an advocate and solicitor in Singapore, and a barrister in the Australian Capital Territory. Mr. Ng is a consultant of Rowland Chow, Chan & Company, a law firm in Hong Kong. He is also an independent non-executive director of two other public listed companies in Hong Kong, namely, Ngai Lik Industrial Holdings Limited and Winfair Investment Company Limited. Mr. Ng holds a bachelor degree from the Manchester Metropolitan University in the United Kingdom and a master degree in Chinese and Comparative Law. Mr. Ng is a part-time lecturer teaching at The University of Hong Kong. He was appointed by the Company in May 1998.

## 董事會報告 Directors' Report

譚旭生先生，42歲，畢業於香港理工大學，為英國特許公認會計師公會及香港會計師公會之資深會員。他目前為一家企業策略及管理顧問公司之合夥人。譚先生亦為兩間香港上市公司之獨立非執行董事，包括毅力工業集團有限公司及易盈科技控股有限公司。

### 顧問

馬宏泰先生，75歲，負責就雲南僑通合資企業及哈爾濱高美合資企業之業務運作進行實地研究，並為操作人員提供生產技巧及技術的培訓，以及為本集團未來發展方向提出有關產品組合之意見。馬先生在一九九三年六月加盟本集團之前，已經在中國印刷業之運作、技術訓練及管理方面積逾五十二年豐富經驗。他是中國之高級工程師。

### 高級管理人員

陳志毅先生，38歲，為本公司之財務總監及公司秘書，負責本集團之整體財務及公司秘書事宜。陳先生持有香港大學社會科學學士學位。他為現任香港會計師公會會員及英國公認會計師公會資深會員，亦為香港執業會計師。他於不同工商行業之審計、會計及公司財務方面積逾十五年經驗。他於二零零二年九月加盟本集團。

歐陽浩明先生，56歲，本集團印刷發展經理。他負責雲南僑通合資企業之柯式印刷實地研究，並為柯式印刷部門提供生產管理及技術的培訓，以及為本集團未來發展方向提出有關產品及設備組合之意見。在二零零二年七月加盟本集團之前，歐陽先生在印刷業積逾三十年經驗。

**Mr. Tam Yuk Sang, Sammy**, aged 42, graduated from Hong Kong Polytechnic University and is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He is currently a partner of a corporate strategy and management advisory company. Mr. Tam is also an independent non-executive director of two other public listed companies in Hong Kong, namely, Ngai Lik Industrial Holdings Limited and Espco Technology Holdings Limited.

### Consultant

**Mr. Ma Hong Tai**, aged 75, is responsible for field study of the operations of Yunnan Qiaotong JV and Harbin Gaomei JV, providing training for operations staff on production technique and workmanship and advising on the direction of the future development for the Group by giving an opinion on product combinations. Prior to joining the Group in June 1993, Mr. Ma had over 52 years' experience in operations, technical training and management in the PRC's printing industry. He is a senior engineer in the PRC.

### Senior management

**Mr. Chan Chi Ngai, John**, aged 38, is the financial controller and company secretary of the Company and is responsible for the Group's overall financial and company secretarial matters. Mr. Chan holds a Bachelor Degree in Social Science from The University of Hong Kong. He is an associate member of the Hong Kong Society of Accountants and a fellow member of Association of Chartered Certified Accountants. He is also a Certified Public Accountant in Hong Kong. He has more than 15 year's experience in auditing, accounting and corporate finance matters in various commercial and industrial sectors. He joined the Group in September 2002.

**Mr. Au Yeung Ho Ming**, aged 56, is printing development manager of the Group. He is responsible for field study of offset printing operations of Yunnan Qiaotong JV, providing production management and technical training for the offset printing department, and advising on the direction of the future development for the Group by giving opinion on product and equipment combinations. Prior to joining the Group in July 2002, Mr. Au Yeung had over 30 years' experience in printing industry.

王金樂先生，59歲，本集團石油業務經理，負責本集團石油業務之運作事宜。王先生於二零零二年五月加盟本集團之前，曾任職一家大型跨國石油公司逾二十七年，負責全球燃油業務。

麥潔瑩女士，38歲，本集團助理項目經理。她負責協調本集團中國生產設備之運作及協助採購各項生產設備、零部件、配件及原材料。她於一九九三年三月加盟本集團。

張靖先生，46歲，受聘於雲南僑通合資企業開業時，現任其副總經理，負責其生產策劃及運作事宜。張先生結業於中國人民大學工商管理碩士研究生班。

李建平先生，48歲，自二零零一年三月受聘為雲南僑通合資企業副總經理。李先生在中國香煙製造業之生產管理方面積逾十八年經驗。

陶飛虎先生，52歲，自二零零一年七月受聘為雲南僑通合資企業副總經理，負責銷售及市場推廣活動，乃雲南僑通合資企業其中一位創建員工。陶先生在中國之生產及市場推廣管理方面積逾二十九年經驗。

文杰先生，43歲，受聘於雲南僑通合資企業開業時，現任其總工藝師，負責其生產技術及工藝。文先生持有中國雲南大學理學士學位。

江飛先生，44歲，受聘於雲南僑通合資企業開業時，現任其總工程師，負責生產設備管理。江先生為中國工程師，持有中國雲南工業大學學士學位。

**Mr. Wong Kam Lok, Andrew**, aged 59, is the manager of petroleum business of the Group. He is responsible for the operation of petroleum business of the Group. Prior to joining the Group in May 2002, Mr. Wong served in a multi-national major oil company over 27 years for worldwide fuel oil business.

**Ms. Mak Kit Ying, Maggie**, aged 38, is the assistant project manager of the Group. She is responsible for coordinating the operation of the Group's production facilities in the PRC and assisting in the procurement of production equipment, spare parts, accessories and raw materials. She joined the Group in March 1993.

**Mr. Zhang Jing**, aged 46, has been employed by Yunnan Qiaotong JV since its inception and is currently its deputy general manager. He is responsible for its production planning and operations. Mr. Zhang graduated from the Graduate Course of Business Administration of the People's University of China, the PRC.

**Mr. Li Jian Ping**, aged 48, has been the deputy general manager of Yunnan Qiaotong JV since March 2001. Mr. Li has had over 18 years' experience in production management of the PRC's tobacco manufacturing industry.

**Mr. Tao Fei Hu**, aged 52, has been the deputy general manager of Yunnan Qiaotong JV since July 2001 for supervising the sales and marketing activities. He was one of the founding staff members of Yunnan Qiaotong JV. Mr. Tao has had over 29 years' working experience in production and marketing management in the PRC.

**Mr. Wen Jie**, aged 43, has been employed by Yunnan Qiaotong JV since its inception and is currently its chief workmanship officer. He is responsible for its production technique and workmanship. Mr. Wen holds a bachelor degree of science from University of Yunnan, the PRC.

**Mr. Jiang Fei**, aged 44, has been employed by Yunnan Qiaotong JV since its inception and is currently its chief engineer. He is responsible for the management of production equipment. Mr. Jiang is an engineer in the PRC and holds a bachelor degree from Yunnan University of Industry, the PRC.

## 董事會報告 Directors' Report

葛祖德先生，43歲，受聘於雲南僑通合資企業開業時，現任其財務經理。葛先生為中國會計師。

**Mr. Ge Zu De**, aged 43, has been employed by Yunnan Qiaotong JV since its inception and is currently its finance manager. Mr. Ge is an accountant in the PRC.

### 董事於股份、相關股份及債券中擁有之權益

董事及彼等之聯繫人士在本公司(定義見證券及期貨條例(「證券及期貨條例」)第十五部)於二零零五年十二月三十一日之股份、相關股份及債券中，擁有須登記於本公司根據證券及期貨條例第352條存置之登記冊內或須根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)所載之上市發行人董事進行證券交易之標準守則(「標準守則」)以其他方式知會本公司及聯交所之權益如下：

### DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31st December, 2005, the interests of the directors and their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("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 of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

董事名稱	地位	持有已發行 普通股之數目	本公司已發行 股本之百分比
Name of director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
許經振先生	信託形式持有	(附註)	
Mr. Hui King Chun, Andrew	Held by trust	199,500,000 (Note)	74.53%

附註：該等股份以由全權信託間接全資擁有之公司Accufit Investments Inc.之名義登記，其受益人為許經振先生之家族成員。

Note: These shares are registered in the name of Accufit Investments Inc., a company indirectly wholly-owned by a discretionary trust, the beneficiaries of which are the family members of Mr. Hui King Chun, Andrew.



除上述所披露者外，董事、行政總裁或彼等之聯繫人士概無在本公司或其任何相聯法團（定義見證券及期貨條例第十五部）於二零零五年十二月三十一日之股份、相關股份及債券中，擁有任何須登記於本公司根據證券及期貨條例第352條存置之登記冊內或須根據標準守則以其他方式知會本公司及聯交所之權益或淡倉。

### 購買股份或債券之安排

除附註32「購股權計劃」所披露者外，本公司、其控股公司或其任何附屬公司或同系附屬公司概無於年內作為一方參與訂立任何可令本公司董事藉著購入本公司或任何其他法人團體之股份或債券而獲得利益之安排。

### 董事於重大合約之權益

本公司、其控股公司、附屬公司或同系附屬公司概無作為一方參與訂立本公司董事於其中直接或間接擁有重大權益之重大合約，而該等合約於年終或於年內任何時候仍然有效。

### 主要股東

除上文「董事於股份、相關股份及債券中擁有之權益」一節所披露之權益外，概無在本公司於二零零五年十二月三十一日之股份及相關股份中，擁有任何須根據證券及期貨條例第336條知會本公司之其他相關權益或淡倉。

Other than as disclosed above, none of the directors, chief executives, nor their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 31st December, 2005, as required to be 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.

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed is "share option scheme" in Note 32, at no time during the year was the Company, its holding company or any of its subsidiaries or fellow 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.

### DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance to which the Company, its holding company, subsidiaries or fellow 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.

### SUBSTANTIAL SHAREHOLDERS

Other than as disclosed above under the section headed "DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES", the Company has not been notified of any other relevant interests or short positions in the shares and underlying shares of the Company as at 31st December, 2005 as required pursuant to Section 336 of the SFO.

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### 關連交易

年內，本集團與於本公司一間附屬公司擁有10%股權之股東紅河卷煙總廠昭通卷煙廠（前稱雲南昭通卷煙廠（「雲南昭通」））訂立買賣交易，款額約為131,600,000港元（二零零四年：86,094,000港元）。聯交所已授出有條件豁免，即豁免本公司嚴格遵守上市規則之規定，而本公司獨立非執行董事已確認，該等交易乃根據聯交所授出之豁免所載之條件進行。

獨立非執行董事已確認，上述交易乃由本集團於日常業務過程中按一般商業條款及根據監管該等交易之協議條款訂立，該等條款對股東及本公司整體利益而言屬公平合理。

除上文所披露者外，概無須當作關連交易而遵照上市規則之有關規定予以披露之其他交易。

### 主要客戶及供應商

於截至二零零五年十二月三十一日止年度，本集團最大客戶及五大客戶分別佔本集團總收益約44%及75%。本集團最大供應商及五大供應商分別佔本集團總購貨額約53%及87%。

董事、彼等之聯繫人士或任何就董事會所知擁有本公司股本逾5%之股東概無於本集團任何五大客戶或供應商之股本中擁有任何權益。

### CONNECTED TRANSACTIONS

During the year, the Group has entered into sales transaction with 紅河卷煙總廠昭通卷煙廠(Formerly known as Yunnan Zhaotong Cigarette Factory ("YZCF")), a 10% equity shareholder in a subsidiary of the Company, amounted to approximately HK\$131,600,000 (2004: HK\$86,094,000). The Stock Exchange has granted conditional waivers to the Company from strict compliance with the requirements of the Listing Rules, and the independent non-executive directors of the Company have confirmed that these transactions were carried out in compliance with the conditions set out in the waivers granted by the Stock Exchange.

The independent non-executive directors have confirmed that the above transactions has been entered into by the Group in the ordinary course of its business on normal commercial terms, and in accordance with the terms of the agreement governing such transactions that are fair and reasonable in the interests of the shareholders of the Company as a whole.

Save as disclosed above, there were no other transactions which need to be disclosed as connected transactions in accordance with the requirements of the Listing Rules.

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31st December, 2005, the Group's largest customer and five largest customers accounted for approximately 44% and 75% respectively of the Group's total revenue. The Group's largest supplier and five largest suppliers accounted for approximately 53% and 87% respectively of the Group's total purchases.

None of the directors, their associates or any shareholders (which to the knowledge of the directors owned more than 5% of the Company's share capital) had an interest in the share capital of any of the Group's five largest customers or suppliers.

## 購買、出售或贖回本公司上市證券

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。

## 董事於競爭業務之權益

年內，概無董事於本公司之競爭業務中擁有須根據上市規則第8.10條予以披露之權益。

## 優先購股權

本公司之公司細則或百慕達法例並無有關可能強令本公司按比例向現有股東發售新股之優先購股權之規定。

## 薪酬政策

有關本集團僱員之薪酬政策乃由薪酬委員會根據僱員之表現、資歷及工作能力而制定。

薪酬委員會經考慮本集團之營運業績、個別表現及可比較市場數據審閱本集團就本集團董事及高級管理層之所有薪酬制定之薪酬政策及架構。

本公司於二零零二年採納購股權計劃。有關計劃詳情已載於賬目附註32。

## 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.

## DIRECTORS' INTEREST IN COMPETING BUSINESS

During the year, none of the directors had any interests in competing business of the Company which was required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

## 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 existing shareholders.

## EMOLUMENT POLICY

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

The Remuneration Committee reviews the Group's emolument policy and structure for all remuneration of the directors and senior management of the Group, having regard to the Group's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme in 2002. Details of the scheme are set out in Note 32 to the financial statements.

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### 委任獨立非執行董事

本公司已根據上市規則第3.13條接獲各獨立非執行董事(包括林炳昌先生、吳志揚先生及譚旭生先生)有關其獨立性之年度確認書。本公司認為全體獨立非執行董事為獨立人士。

### 足夠之公眾持股量

本公司於截至二零零五年十二月三十一日止年度期間一直保持足夠之公眾持股量。

### 聯席核數師

本公司將在即將舉行之股東週年大會上提呈一項決議案，續聘德勤•關黃陳方會計師行及陳浩賢會計師事務所為本公司之聯席核數師。

承董事會命

許經振

主席

香港，二零零六年四月二十日

### APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive directors, Messrs. Lam Ping Cheung, Andrew, Ng Chi Yeung, Simon and Tam Yuk Sang, Sammy, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive directors are independent.

### SUFFICIENCY OF PUBLIC FLOAT

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

### JOINT AUDITORS

A resolution will be submitted to the forthcoming annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu and Messrs. Graham H.Y. Chan & Co. as joint auditors of the Company.

On behalf of the Board

**Hui King Chun, Andrew**

*Chairman*

Hong Kong, 20th April, 2006