

REPORT OF DIRECTORS

The directors have pleasure in presenting their annual report and the audited financial statements of the Company and of the Group for the year ended 31 December 2004.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the subsidiaries comprise the printing of books, magazines, packaging products and pop-up and touch-and-feel books.

On 8 September 2004, the Company had acquired from the holding company, SNP Corporation Ltd (“SNP”), the entire issued share capital of SNP Excel (Hong Kong) Company Limited (formerly known as SNP Excel United Company Limited) (“Excel (HK)”) and an equivalent of approximately 99.95% of issued voting share capital of SNP Excel (Thailand) Co., Ltd. (formerly known as SNP SPrint (Thailand) Co., Ltd.) (“Excel (Thai)”) for total consideration of approximately HK\$409.3 million, which comprised a total cash consideration of S\$88 million (equivalent to approximately HK\$403.1 million) and listing expenses of approximately HK\$6.2 million. Both Excel (HK) and Excel (Thai) are principally engaged in the printing of pop-up and touch-and-feel books. Excel (HK) and Excel (Thai) in total contributed a net income of approximately HK\$12.1 million for the period from the date of acquisition to 31 December 2004 before the amortisation of goodwill and interest costs.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2004 are set out in the consolidated income statement on page 53.

An interim dividend of HK2 cents per ordinary share, amounting to approximately HK\$8,055,000, was paid to the shareholders during the year. The directors now recommend the payment of a final dividend of HK3 cents per ordinary share to the shareholders on the register of members on 28 February 2005 amounting to HK\$12,082,000 and the retention of the remaining profit for the year of HK\$30,345,000.

INVESTMENT PROPERTIES

During the year, the Group transferred all the investment properties to property, plant and equipment (the “Transfer”). A surplus of HK\$7,525,000 arose from the revaluation of the Group’s investment properties at the date of Transfer. Details of this and other movements in the Group’s investment properties are set out in note 12 to the financial statements.

REPORT OF DIRECTORS

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group incurred expenditure of approximately HK\$60.4 million on property, plant and equipment and in addition, the investment properties with the amount of approximately HK\$18 million was transferred to property, plant and equipment. Details of these and other movements during the year are set out in note 13 to the financial statements.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the audited financial statements and reclassified as appropriate, is set out on page 104. This summary does not form part of the audited financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 25 to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 December 2004, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Act 1981 of Bermuda (as amended), amounted to HK\$283,701,000, of which HK\$12,082,000 has been proposed as a final dividend for the year. In addition, the Company's share premium account, in the amount of HK\$326,493,000, may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

The five largest customers accounted for less than 30% of the Group's total turnover for the year. The five largest suppliers accounted for approximately 47% of the Group's total purchases for the year and the largest supplier accounted for approximately 20% of the total purchases.

None of the directors, their associates, or any shareholder (which to the knowledge of the directors own more than 5% of the Company's issued share capital) has any interest in the Group's five largest suppliers.

REPORT OF DIRECTORS

DIRECTORS

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

Executive directors:

Peter, Yang Sze Chen	(Chairman)
Yeo Chee Tong	(Chief Executive Officer)

Non-executive directors:

Tay Siew Choon	
Frank, Wong Kwong Shing	(appointed as independent non-executive director on 18 March 2004 and re-designated as non-executive director on 2 August 2004 and resigned on 6 January 2005)
Koo Tse Chia	(resigned on 6 February 2004)
Maria Yang	(resigned on 18 March 2004)

Independent non-executive directors:

Edmund, Cheng Wai Wing	
Kyle Arnold Shaw, Jr.	
John Robert Walter	(appointed on 6 February 2004)
Joseph, Lai Ming	(appointed on 2 August 2004)
Walter, Ma King Wah	(resigned on 11 February 2004)

Pursuant to Clause 89 of the Company's Bye-Laws, Mr. John Robert Walter and Mr. Joseph, Lai Ming, who were appointed by the Board on 6 February 2004 and 2 August 2004 respectively, will retire at the Company's forthcoming Annual General Meeting ("AGM") and, being eligible, offer themselves for re-election.

In accordance with Clause 97 of the Company's Bye-Laws, Mr. Kyle Arnold Shaw, Jr. will retire and, being eligible, offer himself for re-election at the AGM.

The non-executive directors are subject to retirement by rotation in the same manner as the executive directors.

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

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS

As at 31 December 2004, the interests of the directors in the shares and share options of the Company and its associated corporations (as defined in Part XV of the Securities and Futures Ordinance (Cap 571) ("SFO") as recorded in the register maintained under Section 352 of Part XV of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transaction by Directors of Listed Companies ("Model Code"), were as follows:

(1) Long positions in shares and underlying shares of the Company

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

Name of directors	Capacity	Number of shares held	Percentage of issued share capital as at 31 December 2004
Peter, Yang Sze Chen	Beneficial owner	900,000	0.22%
	Held by controlled corporation (Note)	16,514,867	4.10%
		17,414,867	4.32%
Kyle Arnold Shaw, Jr.	Beneficial owner	324,000	0.08%
		17,738,867	4.40%

Note: These shares were held through Team Long Development Limited, a company that was wholly owned by Mr. Peter, Yang Sze Chen.

- (b) Share options of the Company

Name of director	Capacity	Number of share options held	Number of underlying shares
Yeo Chee Tong	Beneficial owner	675,000	675,000

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(2) Long positions in shares and underlying shares of the associated corporation of the Company, SNP Corporation Ltd ("SNP")

(a) Ordinary shares of S\$0.50 each of SNP

Name of directors	Capacity	Number of shares held	Percentage of issued share capital as at 31 December 2004
Yeo Chee Tong	Beneficial owner Held by spouse	870,553	0.75%
		70,000	0.06%
		940,553	0.81%
Edmund, Cheng Wai Wing	Beneficial owner	35,000	0.03%
		975,553	0.84%

(b) Share options of SNP

Name of director	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
Peter, Yang Sze Chen	Beneficial owner	1,250	1,250	1.29	15 October 2004 to 14 October 2013
		1,250	1,250	1.29	15 October 2005 to 14 October 2013
		1,250	1,250	1.29	15 October 2006 to 14 October 2013
		1,250	1,250	1.29	15 October 2007 to 14 October 2013
		5,000	5,000	0.83	21 October 2005 to 20 October 2014
		5,000	5,000	0.83	21 October 2006 to 20 October 2014
		5,000	5,000	0.83	21 October 2007 to 20 October 2014
		5,000	5,000	0.83	21 October 2008 to 20 October 2014
		25,000	25,000		

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(2) Long positions in shares and underlying shares of the associated corporation of the Company, SNP Corporation Ltd ("SNP") *(continued)*

(b) Share options of SNP *(continued)*

Name of director	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
Yeo Chee Tong	Beneficial owner	10,000	10,000	0.50	23 April 2002 to 22 April 2011
		10,000	10,000	0.50	23 April 2003 to 22 April 2011
		10,000	10,000	0.50	23 April 2004 to 22 April 2011
		10,000	10,000	0.50	23 April 2005 to 22 April 2011
		10,000	10,000	0.50	11 October 2002 to 10 October 2011
		10,000	10,000	0.50	11 October 2003 to 10 October 2011
		10,000	10,000	0.50	11 October 2004 to 10 October 2011
		10,000	10,000	0.50	11 October 2005 to 10 October 2011
		20,000	20,000	0.69	17 April 2003 to 16 April 2012
		20,000	20,000	0.69	17 April 2004 to 16 April 2012
		20,000	20,000	0.69	17 April 2005 to 16 April 2012
		20,000	20,000	0.69	17 April 2006 to 16 April 2012
		20,000	20,000	0.61	23 October 2003 to 22 October 2012
		20,000	20,000	0.61	23 October 2004 to 22 October 2012
		20,000	20,000	0.61	23 October 2005 to 22 October 2012
		20,000	20,000	0.61	23 October 2006 to 22 October 2012
		20,000	20,000	0.59	15 April 2004 to 14 April 2013
		20,000	20,000	0.59	15 April 2005 to 14 April 2013
		20,000	20,000	0.59	15 April 2006 to 14 April 2013
		20,000	20,000	0.59	15 April 2007 to 14 April 2013
		20,000	20,000	1.29	15 October 2004 to 14 October 2013
		20,000	20,000	1.29	15 October 2005 to 14 October 2013
		20,000	20,000	1.29	15 October 2006 to 14 October 2013
		20,000	20,000	1.29	15 October 2007 to 14 October 2013
		20,000	20,000	1.19	21 April 2005 to 20 April 2014
		20,000	20,000	1.19	21 April 2006 to 20 April 2014
		20,000	20,000	1.19	21 April 2007 to 20 April 2014
		20,000	20,000	1.19	21 April 2008 to 20 April 2014
		20,000	20,000	0.83	21 October 2005 to 20 October 2014
		20,000	20,000	0.83	21 October 2006 to 20 October 2014
20,000	20,000	0.83	21 October 2007 to 20 October 2014		
20,000	20,000	0.83	21 October 2008 to 20 October 2014		
		560,000	560,000		

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(2) Long positions in shares and underlying shares of the associated corporation of the Company, SNP Corporation Ltd ("SNP") *(continued)*

(b) Share options of SNP *(continued)*

Name of director	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
Tay Siew Choon	Beneficial owner	5,000	5,000	0.50	23 April 2002 to 22 April 2011
		5,000	5,000	0.50	23 April 2003 to 22 April 2011
		5,000	5,000	0.50	23 April 2004 to 22 April 2011
		5,000	5,000	0.50	23 April 2005 to 22 April 2011
		50,000	50,000	0.69	17 April 2003 to 16 April 2007
		50,000	50,000	0.59	15 April 2004 to 14 April 2008
		70,000	70,000	1.19	21 April 2005 to 20 April 2009
		190,000	190,000		
Edmund, Cheng Wai Wing	Beneficial owner	30,000	30,000	0.59	15 April 2004 to 14 April 2008
		50,000	50,000	1.19	21 April 2005 to 20 April 2009
		80,000	80,000		
John Robert Walter	Beneficial owner	30,000	30,000	0.50	23 April 2002 to 22 April 2006
		30,000	30,000	0.69	17 April 2003 to 16 April 2007
		30,000	30,000	0.59	15 April 2004 to 14 April 2008
		50,000	50,000	1.19	21 April 2005 to 20 April 2009
		140,000	140,000		
		995,000	995,000		

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(3) Long positions in shares and underlying shares of other associated corporations of the Company

(i) Shares

Name of directors and company in which interest is held	Capacity	Number of shares held	Percentage of issued share capital as at 31 December 2004
(a) Interest in Singapore Technologies Engineering Ltd Ordinary shares of S\$0.10 each Yeo Chee Tong	Beneficial owner	2,568	0.00%
(b) Interest in Raffles Holdings Limited Ordinary shares of S\$0.50 each Tay Siew Choon Frank, Wong Kwong Shing	Beneficial owner Beneficial owner	10,000 5,000	0.00% 0.00%
(c) Interest in Vertex Investment (II) Ltd Ordinary shares of US\$1.00 each Tay Siew Choon	Beneficial owner	2	0.03%
(d) Interest in Vertex Technology Fund Ltd Ordinary shares of US\$1.00 each Tay Siew Choon	Beneficial owner	20	0.02%
(e) Interest in Vertex Technology Fund (II) Ltd Ordinary shares of US\$1.00 each Tay Siew Choon Redeemable preference shares of US\$0.01 each Tay Siew Choon	Beneficial owner Beneficial owner	500 500	0.33% 0.33%
(f) Interest in SembCorp Industries Ltd Ordinary shares of S\$0.25 each Tay Siew Choon	Beneficial owner	54,598	0.00%
(g) Interest in Singapore Food Industries Limited Ordinary shares of S\$0.05 each Tay Siew Choon	Beneficial owner Held by spouse	282,000 531,000	0.06% 0.10%
		813,000	0.16%

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(3) Long positions in shares and underlying shares of other associated corporations of the Company *(continued)*

(i) Shares *(continued)*

Name of directors and company in which interest is held	Capacity	Number of shares held	Percentage of issued share capital as at 31 December 2004
(h) Interest in Singapore Computer Systems Limited			
Ordinary shares of S\$0.25 each			
Tay Siew Choon	Beneficial owner	471,000	0.31%
	Held by spouse	500,000	0.32%
		971,000	0.63%
(i) Interest in Singapore Telecommunications Ltd			
Ordinary shares of S\$0.15 each			
Tay Siew Choon	Beneficial owner	1,560	0.00%
	Held by spouse	1,430	0.00%
		2,990	0.00%
Yeo Chee Tong	Beneficial owner	5,590	0.00%
	Held by spouse	1,616	0.00%
		7,206	0.00%
(j) Interest in SMRT Corporation Ltd			
Ordinary shares of S\$0.10 each			
Tay Siew Choon	Beneficial owner	30,000	0.02%
(k) Interest in Telechoice International Limited			
Ordinary shares of S\$0.02 each			
Tay Siew Choon	Beneficial owner	60,000	0.01%
Yeo Chee Tong	Beneficial owner	9,000	0.00%
		69,000	0.01%

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(3) Long positions in shares and underlying shares of other associated corporations of the Company *(continued)*

(ii) Share Options

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
(a) Interest in Chartered Semiconductor Manufacturing Ltd					
Tay Siew Choon	Beneficial owner	23,443	23,443	4.26	15 August 2002 to 15 August 2006
		29,304	29,304	3.46	22 February 2003 to 22 February 2007
		234,439	234,439	3.88	1 May 2002 to 1 May 2007
		46,887	46,887	1.86	30 August 2003 to 30 August 2007
		25,000	25,000	0.72	28 February 2004 to 28 February 2008
		35,000	35,000	1.10	29 August 2004 to 29 August 2008
		60,000	60,000	1.70	27 February 2005 to 27 February 2009
		454,073	454,073		

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(3) Long positions in shares and underlying shares of other associated corporations of the Company *(continued)*

(ii) Share Options *(continued)*

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
(b) Interest in CapitaLand Limited					
Tay Siew Choon	Beneficial owner	13,462	13,462	1.91	13 June 2001 to 11 June 2005
		13,463	13,463	1.91	13 June 2002 to 11 June 2005
		13,462	13,462	1.91	13 June 2003 to 11 June 2005
		13,463	13,463	1.91	13 June 2004 to 11 June 2005
		12,500	12,500	1.85	19 June 2002 to 18 June 2006
		12,500	12,500	1.85	19 June 2003 to 18 June 2006
		12,500	12,500	1.85	19 June 2004 to 18 June 2006
		12,500	12,500	1.85	19 June 2005 to 18 June 2006
		10,000	10,000	1.19	11 May 2003 to 10 May 2007
		10,000	10,000	1.19	11 May 2004 to 10 May 2007
		10,000	10,000	1.19	11 May 2005 to 10 May 2007
		10,000	10,000	1.19	11 May 2006 to 10 May 2007
		5,985	5,985	1.00	1 March 2004 to 28 February 2013
		5,985	5,985	1.00	1 March 2005 to 28 February 2013
		5,985	5,985	1.00	1 March 2006 to 28 February 2013
5,985	5,985	1.00	1 March 2007 to 28 February 2013		
		167,790	167,790		

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(3) Long positions in shares and underlying shares of other associated corporations of the Company *(continued)*

(ii) Share Options *(continued)*

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
(c) Interest in The Ascott Group Limited					
Tay Siew Choon	Beneficial owner	2,500	2,500	0.37	21 December 2001 to 20 December 2010
		2,500	2,500	0.37	21 December 2002 to 20 December 2010
		2,500	2,500	0.37	21 December 2003 to 20 December 2010
		2,500	2,500	0.37	21 December 2004 to 20 December 2010
		3,000	3,000	0.32	30 June 2002 to 29 June 2011
		3,000	3,000	0.32	30 June 2003 to 29 June 2011
		3,000	3,000	0.32	30 June 2004 to 29 June 2011
		3,000	3,000	0.32	30 June 2005 to 29 June 2011
		3,000	3,000	0.35	5 May 2003 to 4 May 2012
		3,000	3,000	0.35	5 May 2004 to 4 May 2012
		3,000	3,000	0.35	5 May 2005 to 4 May 2012
		3,000	3,000	0.35	5 May 2006 to 4 May 2012
		5,750	5,750	0.32	10 May 2004 to 9 May 2013
		5,750	5,750	0.32	10 May 2005 to 9 May 2013
		5,750	5,750	0.32	10 May 2006 to 9 May 2013
		5,750	5,750	0.32	10 May 2007 to 9 May 2013
		57,000	57,000		

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(3) Long positions in shares and underlying shares of other associated corporations of the Company *(continued)*

(ii) Share Options *(continued)*

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
(d) Interest in STT Communication Limited					
Tay Siew Choon	Beneficial owner	25,000	25,000	1.42	19 September 2001 to 18 September 2010
		25,000	25,000	1.42	19 September 2002 to 18 September 2010
		25,000	25,000	1.42	19 September 2003 to 18 September 2010
		25,000	25,000	1.42	19 September 2004 to 18 September 2010
		3,750	3,750	0.92	28 April 2002 to 27 April 2011
		3,750	3,750	0.92	28 April 2003 to 27 April 2011
		3,750	3,750	0.92	28 April 2004 to 27 April 2011
		3,750	3,750	0.92	28 April 2005 to 27 April 2011
		7,500	7,500	0.50	24 November 2002 to 23 November 2011
		7,500	7,500	0.50	24 November 2003 to 23 November 2011
		7,500	7,500	0.50	24 November 2004 to 23 November 2011
		7,500	7,500	0.50	24 November 2005 to 23 November 2011
		20,000	20,000	0.50	29 June 2003 to 28 June 2012
		20,000	20,000	0.50	29 June 2004 to 28 June 2012
		20,000	20,000	0.50	29 June 2005 to 28 June 2012
		20,000	20,000	0.50	29 June 2006 to 28 June 2012
		25,000	25,000	0.57	30 July 2004 to 29 July 2013
		25,000	25,000	0.57	30 July 2005 to 29 July 2013
		25,000	25,000	0.57	30 July 2006 to 29 July 2013
		25,000	25,000	0.57	30 July 2007 to 29 July 2013
		50,000	50,000	1.08	29 July 2005 to 28 July 2014
		50,000	50,000	1.08	29 July 2006 to 28 July 2014
		50,000	50,000	1.08	29 July 2007 to 28 July 2014
		50,000	50,000	1.08	29 July 2008 to 28 July 2014
		525,000	525,000		

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(3) Long positions in shares and underlying shares of other associated corporations of the Company *(continued)*

(ii) Share Options *(continued)*

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
(e) Interest in SembCorp Industries Ltd					
Tay Siew Choon	Beneficial owner	500,000	500,000	2.26	20 May 2001 to 19 May 2009
		125,000	125,000	1.99	27 June 2001 to 26 June 2010
		125,000	125,000	1.99	27 June 2002 to 26 June 2010
		125,000	125,000	1.99	27 June 2003 to 26 June 2010
		125,000	125,000	1.99	27 June 2004 to 26 June 2010
		12,500	12,500	1.55	20 April 2002 to 19 April 2006
		12,500	12,500	1.55	20 April 2003 to 19 April 2006
		12,500	12,500	1.55	20 April 2004 to 19 April 2006
		12,500	12,500	1.55	20 April 2005 to 19 April 2006
		6,250	6,250	1.59	8 May 2003 to 7 May 2007
		6,250	6,250	1.59	8 May 2004 to 7 May 2007
		6,250	6,250	1.59	8 May 2005 to 7 May 2007
		6,250	6,250	1.59	8 May 2006 to 7 May 2007
		6,250	6,250	0.98	18 October 2003 to 17 October 2007
		6,250	6,250	0.98	18 October 2004 to 17 October 2007
		6,250	6,250	0.98	18 October 2005 to 17 October 2007
		6,250	6,250	0.98	18 October 2006 to 17 October 2007
		6,250	6,250	1.14	3 June 2004 to 2 June 2008
		6,250	6,250	1.14	3 June 2005 to 2 June 2008
		6,250	6,250	1.14	3 June 2006 to 2 June 2008
6,250	6,250	1.14	3 June 2007 to 2 June 2008		
6,250	6,250	1.29	19 November 2004 to 18 November 2008		
6,250	6,250	1.29	19 November 2005 to 18 November 2008		
6,250	6,250	1.29	19 November 2006 to 18 November 2008		
6,250	6,250	1.29	19 November 2007 to 18 November 2008		
		1,150,000	1,150,000		

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(3) Long positions in shares and underlying shares of other associated corporations of the Company *(continued)*

(ii) Share Options *(continued)*

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
(f) Interest in Singapore Food Industries Limited					
Tay Siew Choon	Beneficial owner	50,000	50,000	0.55	24 August 2004 to 23 August 2005
		50,000	50,000		
(g) Interest in Singapore Computer Systems Limited					
Tay Siew Choon	Beneficial owner	20,000	20,000	2.20	19 October 2001 to 18 October 2005
		20,000	20,000	2.20	19 October 2002 to 18 October 2005
		20,000	20,000	2.20	19 October 2003 to 18 October 2005
		20,000	20,000	2.20	19 October 2004 to 18 October 2005
		25,000	25,000	2.08	15 March 2002 to 14 March 2006
		25,000	25,000	2.08	15 March 2003 to 14 March 2006
		25,000	25,000	2.08	15 March 2004 to 14 March 2006
		25,000	25,000	2.08	15 March 2005 to 14 March 2006
		18,750	18,750	1.55	8 March 2003 to 7 March 2007
		18,750	18,750	1.55	8 March 2004 to 7 March 2007
		18,750	18,750	1.55	8 March 2005 to 7 March 2007
		18,750	18,750	1.55	8 March 2006 to 7 March 2007
		18,750	18,750	0.86	22 February 2004 to 21 February 2008
		18,750	18,750	0.86	22 February 2005 to 21 February 2008
		18,750	18,750	0.86	22 February 2006 to 21 February 2008
		18,750	18,750	0.86	22 February 2007 to 21 February 2008
		18,750	18,750	0.84	30 April 2005 to 29 April 2009
		18,750	18,750	0.84	30 April 2006 to 29 April 2009
		18,750	18,750	0.84	30 April 2007 to 29 April 2009
		18,750	18,750	0.84	30 April 2008 to 29 April 2009
		405,000	405,000		

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(3) Long positions in shares and underlying shares of other associated corporations of the Company *(continued)*

(ii) Share Options *(continued)*

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
(h) Interest in Green Dot Internet Services Pte Ltd					
Tay Siew Choon	Beneficial owner	4,156	4,156	1.00	12 March 2003 to 11 March 2013
		4,157	4,157	1.00	12 March 2004 to 11 March 2013
		4,157	4,157	1.00	12 March 2005 to 11 March 2013
		4,157	4,157	1.00	12 March 2006 to 11 March 2013
		2,616	2,616	1.00	1 April 2004 to 31 March 2014
		2,616	2,616	1.00	1 April 2005 to 31 March 2014
		2,617	2,617	1.00	1 April 2006 to 31 March 2014
		2,617	2,617	1.00	1 April 2007 to 31 March 2014
		27,093	27,093		
(i) Interest in Global Crossing Ltd					
				US\$	
Tay Siew Choon	Beneficial owner	4,400	4,400	10.16	12 January 2005 to 11 November 2014
		3,300	3,300	10.16	12 January 2006 to 11 November 2014
		3,300	3,300	10.16	12 January 2007 to 11 November 2014
		11,000	11,000		

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN SHARES AND OPTIONS *(continued)*

(3) Long positions in shares and underlying shares of other associated corporations of the Company *(continued)*

(iii) Conditional Awards under the Restricted Stock Plan

Name of directors and company in which interest is held	Capacity	Number of share held	Number of underlying shares
(a) Award under Green Dot Capital Restricted Stock Plan			
Interest in Singapore Computer Systems Limited			
Tay Siew Choon	Beneficial owner	200,000	200,000

Other than the interests holdings as disclosed above, none of the directors, chief executives and their associates, had any interests or short positions in any shares, underlying shares or debenture of the Company or any of its associated corporations at 31 December 2004.

REPORT OF DIRECTORS

SHARE CAPITAL AND SHARE OPTIONS

Particulars of the Company's share capital and share option schemes are set out in note 23 and note 24 to financial statements respectively.

The following table discloses details of the share options outstanding under 2003 Scheme held by a director and employees and movements during the year.

	Number of share options			
	Outstanding at 1.1.2004 HK\$	Granted during the year HK\$	Lapsed during the year HK\$	Outstanding at 31.12.2004 HK\$
A director, Yeo Chee Tong	450,000	225,000	–	675,000
Eligible employees	1,510,000	895,000	(180,000)	2,225,000
Total	1,960,000	1,120,000	(180,000)	2,900,000

No options were exercised under 2003 Scheme during the year.

The terms applicable to specific categories of options are set out in note 24 to the financial statements.

The closing price of the Company's shares on 24 November 2004, the day before the date of grant of the share options under 2003 Scheme during the year, was HK\$1.04.

The fair value of the options granted during the year, measured at the date of grant 25 November 2004, totalled approximately HK\$326,000. The following significant assumptions were used to derive the fair value, using the Black-Scholes option pricing model:

1. an expected volatility of 41%;
2. an expected dividend yield of 4.76%; and
3. the estimated expected life of the options granted during 2004 is ten years. The corresponding interest rate of ten-year Hong Kong Exchange Fund Notes at the date the options granted was 3.434%.

REPORT OF DIRECTORS

SHARE CAPITAL AND SHARE OPTIONS *(continued)*

For the purposes of the calculation of fair value, no adjustment has been made in respect of options expected to be forfeited, due to the absence of historical data.

The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price. Because changes in subjective input assumptions can materially affect the fair value estimate, in the directors' opinion, the existing model does not necessarily provide a reliable single measure of the fair value of the share options.

SUBSTANTIAL SHAREHOLDERS

At 31 December 2004, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the Securities and Future Ordinances shows that the following shareholders had notified the Company of the relevant interests in the issued share capital of the Company.

Ordinary shares of HK\$0.10 each of the Company

Name of shareholder	Capacity	Number of ordinary shares	Percentage of issued share capital as at 31 December 2004
SNP	Beneficial owner	282,343,988	70.11
Green Dot Capital Pte Ltd	Held by controlled corporation (Note)	282,343,988	70.11
Temasek Capital (Private) Limited	Held by controlled corporation (Note)	282,343,988	70.11
Temasek Holdings (Private) Limited	Held by controlled corporation (Note)	282,343,988	70.11

Note: These shares were held through SNP, a company in which Green Dot Capital Pte Ltd, a wholly owned subsidiary of Temasek Capital (Private) Limited, has approximately 55% shareholding. Temasek Capital (Private) Limited is a wholly owned subsidiary of Temasek Holdings (Private) Limited.

Other than as disclosed above, the Company has not been notified of any other interests or short position in the issued share capital of the Company as at 31 December 2004.

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance to which the Company, or any of its holding companies, 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.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Except for the share option scheme disclosed above, at no time during the year was the Company, or any of its holding companies, 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.

CONNECTED TRANSACTIONS

- (i) On 8 September 2004, the Company had acquired from the holding company, SNP, the entire issued share capital of Excel (HK) and an equivalent of approximately 99.95% of issued voting share capital of Excel (Thai) for a total cash consideration of S\$88 million (equivalent to approximately HK\$403.1 million). Both Excel (HK) and Excel (Thai) are principally engaged in the printing of pop-up and touch-and-feel books. Excel (HK) and Excel (Thai) in total contributed a net income of approximately HK\$12.1 million for the period from the date of acquisition to 31 December 2004 before the amortisation of goodwill and interest costs.
- (ii) On 11 August 2004, the Company and SNP Vite Limited ("Vite"), a wholly owned subsidiary of SNP, entered into a master agreement ("Master Agreement") pursuant to which Vite agreed to provide financial printing service ("Services") to the Company including type-setting, translation and printing of announcements, circulars and annual reports and placing of announcements in newspapers. The Master Agreement is for a fixed term of three years effective 1 January 2004 and ending 31 December 2006 unless terminated by either party before its expiry. The maximum aggregated annual value ("cap") payable to Vite by the Company for the Services rendered for the years ending 31 December 2004, 2005 and 2006 will be HK\$3,000,000, HK\$2,000,000 and HK\$2,000,000, respectively.

During the year, the Company has paid approximately HK\$1,664,000 (2003: HK\$560,000) for the printing services provided by Vite. The transactions with Vite were carried out in the ordinary and usual course of business and on normal commercial terms.

REPORT OF DIRECTORS

CONNECTED TRANSACTIONS *(continued)*

In the opinion of the Company's independent non-executive directors, the transactions were entered into in the ordinary and usual course of the Group's business, conducted on normal commercial terms and were in accordance with the terms of the contracts governing such services. The amount of the Services for the year did not exceed HK\$3,000,000, a condition which was set out in a circular issued by the Company to its shareholders on 14 August 2004.

The auditors of the Company have confirmed that the Services have been approved by the board of directors and did not exceed the cap stated in the relevant announcement.

- (iii) During the year, the Group had sold certain goods to SNP Group. The total sales by the Group to SNP Group in 2004 amounted to approximately HK\$89,000 (2003: HK\$50,000). The transactions with SNP Group were carried out in the ordinary and usual course of business and on normal commercial terms.

In the opinion of the Company's independent non-executive directors, the transactions were entered into in the ordinary and usual course of the Group's business, conducted on normal commercial terms and were in accordance with the contracts governing such transactions. The amount of the transactions for the year did not exceed HK\$20,000,000, a condition which was set out in announcement dated 7 August 2003.

The auditors of the Company have confirmed that the above transactions have been approved by the board of directors and did not exceed the cap stated in the relevant announcement.

Other connected party transactions are disclosed in note 34(b) to the financial statements.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

There was no purchase, sales or redemption by the Company or any of its subsidiaries, of the Company's listed securities during the year ended 31 December 2004.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-Laws, or articles of association or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

REPORT OF DIRECTORS

COMPLIANCE WITH THE 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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, throughout the accounting period covered by the annual report.

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiry of all directors, all directors confirmed they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by directors adopted by the Company.

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 Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited. The Company considers all of the independent non-executive directors are independent.

AUDIT COMMITTEE

The Company has an audit committee which was established for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls.

The audit committee, comprising four independent non-executive directors, met three times during the financial year. During the meetings, the audit committee reviewed the accounting principles and practices adopted by the Group, the interim and annual reports of the Group, connected transactions and discussed with management the auditing, internal control and financial reporting matters.

EMOLUMENT POLICY

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

The emoluments of the directors of the Company 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 are set out in note 24 to the financial statements.

REPORT OF DIRECTORS

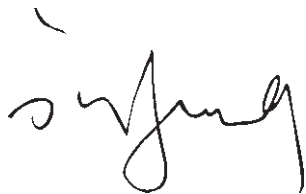
SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2004.

AUDITORS

A resolution will be submitted to the Annual General Meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors.

On behalf of the Board



Peter, Yang Sze Chen

Chairman

Hong Kong

17 January 2005