

REPORT OF THE DIRECTORS

董事會報告

The directors submit their report together with the audited accounts for the year ended 31st December 2004.

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 12 to the accounts.

An analysis of the Group's turnover and contribution to operating profit for the year by principal activity is set out in notes 2 and 3 to the accounts.

RESULTS AND APPROPRIATIONS

The results for the year are set out in the consolidated profit and loss account on page 27.

The directors recommend the payment of a final dividend of HK\$0.03 per ordinary share.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 18 to the accounts.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 11 to the accounts.

INVESTMENT PROPERTIES

Details of the properties held for investment purposes are set out on page 50.

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 17 to the accounts.

董事會提呈其截至二零零四年十二月三十一日止年度之報告連同經審核賬目。

按主要業務及地域分析之業務

本公司之主要業務為投資控股，而其附屬公司之業務則載於賬目附註12。

本集團按主要業務劃分之營業額及經營溢利貢獻分析載於賬目附註2及3。

業績及分配

年內之業績載於第27頁之綜合損益賬。

董事會建議派付末期股息每股普通股0.03港元。

儲備

本集團及本公司儲備年內變動之詳情載於賬目附註18。

物業、廠房及設備

本集團物業、廠房及設備變動之詳情載於賬目附註11。

投資物業

有關持有作投資用途物業之詳情載於第50頁。

股本

本公司股本變動之詳情載於賬目附註17。

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FIVE YEAR 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 below:

五年財務概要

本集團於過去五個財政年度之業績及資產與負債概要載列如下：

	2000 二零零零年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
RESULTS					
業績					
Turnover 營業額	435,501	479,113	393,590	431,618	445,260
Profit before taxation 除稅前溢利	53,309	52,368	24,848	39,551	60,236
Taxation 稅項	(7,570)	(8,579)	(3,757)	(6,112)	(9,961)
Profit before minority interests 未計少數股東權益前溢利	45,739	43,789	21,091	33,439	50,275
Minority interests 少數股東權益	—	—	—	—	155
Profit attributable to shareholders 股東應佔溢利	45,739	43,789	21,091	33,439	50,430
ASSETS AND LIABILITIES					
資產及負債					
Total assets 總資產	292,234	280,203	290,285	325,302	398,710
Total liabilities 總負債	(139,885)	(93,665)	(94,183)	(104,226)	(136,486)
Shareholders' funds 股東資金	152,349	186,538	196,102	221,076	262,224

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FIVE YEAR FINANCIAL SUMMARY

(continued)

The results, assets and liabilities of the Group for the five years ended 31st December 2004 have been prepared on the basis set out in note 1 to the accounts.

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

During the year ended 31st December 2004, neither the Company nor its subsidiaries had purchased, redeemed or sold any of the Company's listed securities.

DIRECTORS

The directors during the year were:

EXECUTIVE DIRECTOR

Mr. Tsang Sik Yin, Eric
Mr. Tsang Chung Yin
Mr. Chan Churk Kai
Dr. Tsang Ngan Chung
Mr. Tsang Yin
Ms. Ngai Chui Ling

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Wong Wah On, Edward
Mr. Chan Yuk Ming
Mr. Wong, Samuel Kwok Hay
(appointed on 30th September 2004)

In accordance with the Company's Bye-law 99, Dr. Tsang Ngan Chung and Mr. Chan Yuk Ming, retire by rotation and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

In accordance with the Company's Bye-law 102(B), Mr. Wong, Samuel Kwok Hay retires at the forthcoming annual general meeting and, being eligible, offers himself for re-election.

五年財務概要 (續)

本集團截至二零零四年十二月三十一日止五個年度之業績、資產與負債乃按賬目附註1所載之基準編製。

買賣或贖回本公司上市證券

於截至二零零四年十二月三十一日止年度內，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

董事

年內在任之董事如下：

執行董事

曾錫賢先生
曾仲賢先生
陳焯佳先生
曾銀鐘博士
曾賢先生
魏翠玲女士

獨立非執行董事

黃華安先生
陳旭明先生
黃國熹先生
(於二零零四年九月三十日委任)

根據本公司之公司細則第99條，曾銀鐘博士及陳旭明先生須在應屆股東週年大會上輪值退任，惟彼等有資格及願意膺選連任。

根據本公司之公司細則第102(B)條，黃國熹先生須在應屆股東大會上退任，惟彼有資格及願意膺選連任。

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DIRECTORS' SERVICE CONTRACTS

Mr. Wong Wah On, Edward and Mr. Chan Yuk Ming are independent non-executive directors and were appointed for a one-year term expiring on 31st December 2005.

Mr. Wong, Samuel Kwok Hay is an independent non-executive director and was appointed for a one year term expiring on 29th September, 2005.

Each of the executive directors has entered into a service contract with the Company for a term of three years commencing from 1st December 2003, which may be terminated by either party thereto giving to the other not less than three calendar months' prior notice in writing. None of the contracts have compensation clauses.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of directors and senior management are set out below:

DIRECTORS

EXECUTIVE DIRECTORS

Mr. TSANG Sik Yin, Eric, aged 61, joined the Group in 1986 and is the Chairman of the Company. He has over 30 years of experience in the trading of pipes, fittings and other related accessories. He is responsible for the co-ordination of all the directors and key management of the Group and the Group's overall business strategies. He holds a Bachelor's Degree in Commerce from the Chinese University of Hong Kong. He is the elder brother of Mr. Tsang Chung Yin, Dr. Tsang Ngan Chung and Mr. Tsang Yin.

Mr. TSANG Chung Yin, aged 59, joined the Group in 1986 and is the Vice Chairman of the Company. He has over 29 years of experience in the trading of pipes, fittings and other related accessories. He is responsible for the Group's sales and purchases activities. He is a member of the Institute of Plumbing & Registered Plumber (U.K.). He is the younger brother of Mr. Tsang Sik Yin, Eric and the elder brother of Dr. Tsang Ngan Chung and Mr. Tsang Yin.

董事之服務合約

黃華安先生及陳旭明先生為獨立非執行董事，任期一年，將於二零零五年十二月三十一日屆滿。

黃國熹先生為獨立非執行董事，任期一年，將於二零零五年九月二十九日屆滿。

各執行董事與本公司均已訂立服務合約，由二零零三年十二月一日起計為期三年，可由任何一方向另一方事先不少於三個月發出書面通知而終止。所有董事服務合約並無賠償金條款。

董事及高級管理人員之履歷

董事及高級管理人員之履歷簡述如下：

董事

執行董事

曾錫賢先生，61歲，於1986年加入本集團，並為本公司主席，在喉管、管件及其他相關配件之貿易方面積逾30年經驗。彼負責聯繫本集團所有董事及主要管理人員以及本集團之總體業務策略。曾先生持有香港中文大學商科學士學位。曾先生乃曾仲賢先生、曾銀鐘博士及曾賢先生之長兄。

曾仲賢先生，59歲，於1986年加入本集團，並為本公司副主席，在喉管、管件及其他相關配件之貿易方面積逾29年經驗，負責本集團之銷售及採購業務。曾先生為Institute of Plumbing & Registered Plumber (U.K.)之會員。曾先生乃曾錫賢先生之胞弟及曾銀鐘博士及曾賢先生之胞兄。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT *(continued)*

Mr. CHAN Churk Kai, aged 51, is the Managing Director of the Company. With over 26 years of experience in the trading of pipes, fittings and other related accessories, he is responsible for the development and supervision of the sales department. Mr. Chan is the Welfare Supervisor of the Hong Kong Plumbing & Sanitary Ware Trade Association Limited. He is also an associate member of the Institute of plumbing (U.K.) and Asian Institute of Intelligent Buildings. He is also a member of both Lions Clubs International District 303 HK & Macau and MAIIB. Mr. Chan joined the Group in 1978.

Dr. TSANG Ngan Chung, aged 57, joined the Group in 1986 and has over 28 years of experience in the trading of pipes, fittings and other related accessories. She is responsible for the finance, administration and personnel operations in the Group. She holds a Doctor's Degree in Economics and Commerce from the Pacific Western University of the United States. She is the younger sister of Mr. Tsang Sik Yin, Eric and Mr. Tsang Chung Yin and the elder sister of Mr. Tsang Yin.

Mr. TSANG Yin, aged 56, joined the Group in 1986 and has over 29 years of experience in the trading of pipes, fittings and other related accessories. He is a licensed plumber of the Water Supplies Department. He supervises civil and plumbing team of sales department of the Group. He is the younger brother of Mr. Tsang Sik Yin, Eric, Mr. Tsang Chung Yin and Dr. Tsang Ngan Chung.

Ms. NGAI Chui Ling, aged 45, is the Purchasing Director of the Group. She is responsible for the control of stock levels and co-ordination of the sales teams of the Group. Ms. Ngai joined the Group in 1979 and has over 20 years of experience in the procurement of pipes, fittings and other related accessories.

董事及高級管理人員之履歷 (續)

陳焯佳先生，51歲，為本公司董事總經理，在喉管、管件及其他相關配件之貿易方面積逾26年經驗，負責發展及監督銷售部門。陳先生為香港水喉潔具業商會有限公司之福利主任，英國水喉工程學會及亞洲智能建築學會會員。彼亦為Lions Club International District 303 HK & Macau及MAIIB之會員。陳先生於1978年加入本集團。

曾銀鐘博士，57歲，於1986年加入本集團，在喉管、管件及其他相關配件之貿易方面積逾28年經驗，負責本集團之財務、行政管理及人事等方面之運作。曾博士持有美國西太平洋大學之經濟及商業博士學位。曾博士乃曾錫賢先生及曾仲賢先生之胞妹及曾賢先生之胞姊。

曾賢先生，56歲，於1986年加入本集團，在喉管、管件及其他相關配件之貿易方面積逾29年經驗，並為水務署之持牌水喉匠。彼主管本集團銷售部門之土木工程及水喉小組部門。曾先生乃曾錫賢先生、曾仲賢先生及曾銀鐘博士之胞弟。

魏翠玲女士，45歲，本集團採購部董事，負責控制存貨數量及協調本集團之銷售隊伍。魏女士於1979年加入本集團，在喉管、管件及其他相關配件之採購方面積逾20年經驗。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT *(continued)*

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. WONG Wah On, Edward, aged 41, is a certified public accountant in Hong Kong and a partner of the accounting firm, Tam & Wong, Certified Public Accountants. Mr. Wong has over 14 years of experience in auditing and finance. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants. He is also an associate member of the Institute of Chartered Secretaries and Administrators.

Mr. CHAN Yuk Ming, aged 49, is a Chartered Building Surveyor, a Registered Professional Surveyor (Building Surveying) and an Authorized Person. Mr. Chan has over 22 years of experience in the surveying profession. He is a Member of the Chartered Institute of Arbitrators and the Chartered Institute of Building; a Fellow Member of the Hong Kong Institute of Surveyors and the Royal Institution of Chartered Surveyors. Mr. Chan is currently the Vice-President of Hong Kong Institute of Surveyors. Mr. Chan is also a Governor of World Organisation of Building Officials; Vice Chairman of Surveyors Registration Board; member of the Authorized Persons and Registered Structural Engineers Committee, Appeal Tribunal Panel & Railway Objection Hearing Panel.

Mr. WONG, Samuel Kwok Hay, aged 55, is at present a partner of the solicitor firm Wong & Fok. He is a lawyer (qualified in Hong Kong, Canada, Australia, England and Wales), a professional engineer (FHKIE, FICE, FIStructE, RPE and RSE) and a quantity surveyor (FInstCES and MRICS). Being active in these professions for some 34 years, Mr. Wong currently practices construction law and is on the List of Arbitrators of the Hong Kong International Arbitration Centre. He has taught construction/safety laws in various universities in Hong Kong on a part-time basis. Mr. Wong is also a member of the Hong Kong Advisory Committee on the Quality of Water Supplies.

董事及高級管理人員之履歷 (續)

獨立非執行董事

黃華安先生，41歲，香港執業會計師及執業會計師事務所Tam & Wong之合夥人。黃先生在核數及財務方面積逾14年經驗。彼為香港會計師公會及英國特許會計師公會之資深會員，亦為英國特許秘書及行政人員公會會員。

陳旭明先生，49歲，特許建築測量師、註冊專業測量師(建築測量)及認可人士。陳先生在測量專業方面積逾22年經驗。彼為特許仲裁學會及特許建造師學會會員、香港測量師學會及英國皇家特許測量師學會資深會員。陳先生現為香港測量師學會副會長，亦為世界建築人員組織總監、測量師註冊管理局副主席、認可人士及註冊結構工程師委員會、上訴審裁委員會及鐵路方案反對意見聆聽委員會之成員。

黃國熹先生，55歲，是香港黃霍律師行合夥人。他是律師(取得香港、加拿大、澳洲、英國及威爾斯之資格)，也是專業工程師(FHKIE, FICE, FIStructE, RPE及RSE)及工料測量師(FInstCES及MRICS)。投身於工程、法律及測量界逾34年，黃先生現時從事工程法律訴訟，並為香港國際仲裁中心的仲裁員。黃先生曾以兼職形式在香港各大學教授工程/安全法律課程。他現時為香港水質事務諮詢委員會委員。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT *(continued)*

SENIOR MANAGEMENT

Ms. CHAN Yuk Fan, Fanny, aged 41, is the sales director of a subsidiary. Ms. Chan is responsible for the Group's sales operations including wholesale division, retail shops and PRC trade. She is also responsible for training new staff members of the sales and marketing team of the Group. Ms. Chan has over 20 years of experience in the selling of pipes, fittings and other related accessories. She joined the Group in 1982.

Ms. LAI Wai Ying, Josie, aged 44, is the sales director of a subsidiary. Ms. Lai is responsible for the Group's wholesale operations and marketing functions. She is also responsible for training new staff members of the sales and marketing team of the Group. Ms. Lai joined the Group in 1980 and has over 25 years of experience in wholesale industry.

Mr. LAI Kui Chung, aged 47, is the warehouse director of a subsidiary. Mr. Lai is responsible for the warehouse and transportation activities of the Group. He has over 25 years of experience in supervising warehouse and transportation operations. Mr. Lai holds a Certificate in Store Supervision from a technical institute. Mr. Lai joined the Group in 1979.

Mr. KU Chun Ming, Barry, aged 39, is a senior sales manager of the Group. Mr. Ku has over 17 years of experience in sales and marketing activities. He is responsible for the sales and promotion activities including the exhibitions and seminars. Mr. Ku joined the Group in 1993.

Mr. LEONG Vai Keong, Terence, aged 34, is the deputy senior sales manager of the Group. Mr. Leong has 13 years of experience in sales and promotion activities. He is responsible for the sales and marketing activities including the exhibitions and seminars. Mr. Leong joined the Group in 1994.

Miss Chan Yuk Sim, aged 38, is a sales manager of the Shanghai subsidiary. Miss Chan is responsible for PRC sales and the daily operations of a subsidiary. She has over 18 years of experience in the selling of pipes, fittings and other related accessories. Miss Chan joined the Group in 1985.

董事及高級管理人員之履歷 (續)

高級管理人員

陳玉芬女士，41歲，本集團之附屬公司之銷售董事。陳女士負責本集團之銷售業務，包括批發部門、零售店及中國貿易。彼亦負責培訓本集團銷售及市場推廣隊伍之新員工。陳女士在銷售喉管、管件及其他相關配件方面積逾20年經驗，於1982年加入本集團。

賴惠瑩女士，44歲，本集團之附屬公司之銷售董事。賴女士負責本集團之批發運作及市場推廣業務。彼亦負責培訓本集團銷售及市場推廣隊伍之新員工。賴女士於1980年加入本集團，在批發行業積逾25年經驗。

黎居忠先生，47歲，本集團之附屬公司之倉務董事，負責本集團之倉儲及運輸業務。彼在管理倉庫及運輸營運方面積逾25年經驗，持有工業學院之倉庫管理證書。黎先生於1979年加入本集團。

古俊明先生，39歲，本集團資深銷售經理。古先生在銷售及市場推廣業務積逾17年經驗。彼負責銷售及市場推廣活動，包括展覽及研討會。於1993年加入本集團。

梁偉強先生，34歲，本集團之副資深銷售經理。梁先生在銷售及市場推廣業務積逾13年經驗。彼負責銷售及推廣活動，包括展覽及研討會。梁先生於1994年加入本集團。

陳玉嬋小姐，38歲，本集團之上海附屬公司之銷售經理，陳小姐負責中國之銷售業務及有關附屬公司之日常營運工作。彼在喉管、管件及其他相關配件銷售方面積逾18年經驗，陳小姐於1985年加入本集團。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (continued)

Ms. Lo Wai Yin, Susan, aged 46, is a shop general manager of the Group. Ms. Lo is responsible for the daily operations of the Group's retail shops. She is also responsible for training new staff members or salesmen of the Group. Ms. Lo has approximately 20 years of experience in the selling of pipes, fittings and other related accessories. She joined the Group in 1986.

Miss. LIU Pui Pik, Fanny, aged 34, is a sales manager of the Group. She has over 8 years of experience in the selling of pipes, fittings and other related accessories. She is responsible for the Group's sales coordination including handling clients' inquiries, making quotations and daily correspondence. Ms. Liu holds a Bachelor of Arts Degree from the University of Hong Kong. Miss Liu joined the Group in 1995.

Mr. Chan Long Ping, Ryan, aged 43, is a sales manager of the Group, he has over 10 years of experience in sales and planning. He is responsible for the sales and marketing development. Mr. Chan joined the Group in 1997.

Ms. TAM Siu Hoi, Sandy, aged 47, is the system manager of the Group. Ms. Tam is in charge of the Group's management and information systems. She is also responsible for the development and enhancement of the Group's applications systems. Ms. Tam joined the Group in 1978.

Ms. LO Yim Ling, Sonia, aged 36, is the deputy senior purchasing manager of the Group. Prior to joining the Group in 1995, she has over 10 years of experience in marketing activities. Ms. Lo is responsible for the procurement function of the Group. Ms. Lo holds a Master's Degree in International Marketing, a Honour Diploma in Marketing and a Diploma in Chartered Institute of Marketing.

Miss HUNG Yuk Kam, Daisy, aged 33, is the finance and administration manager and the company secretary of the Company. She is an associate member of both the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants. She holds a Bachelor's Degree in Finance from the City University of Hong Kong. She is responsible for the supervision of the finance, accounting and administration department of the Group. Miss Hung joined the Group in 2001.

Mr. Tang Hei Man, Herman, aged 31, is a sales manager of the Group. He has over 8 years working experience in the area of engineering consultancy and business development. He is responsible for the Group's sales and marketing development. Mr. Tang holds a Bachelor Degree in Civil and Structural Engineering from the University of Hong Kong. Mr. Tang joined the Group in 2003.

董事及高級管理人員之履歷 (續)

盧惠然小姐，46歲，本集團之店舖總經理。盧小姐負責本集團零售店舖之日常運作。彼亦負責培訓本集團之新入職員工或售貨員。盧小姐於銷售管件及其他相關配件方面積逾約20年經驗。彼於1986年加盟本集團。

廖珮碧小姐，34歲，本集團之銷售經理。彼在銷售喉管、管件及其他相關配件方面積逾8年經驗，負責本集團之銷售協調工作，包括處理客戶諮詢、報價及日常聯絡事宜。廖小姐持有香港大學文學士學位。於1995年加入本集團。

陳浪平先生，43歲，本集團之銷售經理，彼在銷售及策劃方面積逾10年經驗，負責市場發展工作。陳先生於1997年加入本集團。

譚笑開女士，47歲，本集團之電腦部經理，譚女士負責本集團之管理及資訊系統，亦負責開發及增強本集團應用程式系統。譚女士於1978年加入本集團。

盧艷玲女士，36歲，本集團之副資深採購經理，於1995年加入本集團前，在市場推廣業務積逾10年經驗。盧女士負責本集團之採購活動。盧女士持有國際市場推廣碩士學位、市場推廣榮譽文憑及英國特許市務學會之文憑。

孔玉琴小姐，33歲，本公司之財務及行政經理及公司秘書。彼為香港會計師公會及英國特許會計師公會會員，持有香港城市大學財務學士學位，負責監察本集團之財務、會計及行政部門。孔小姐於2001年加入本集團。

鄧希文先生，31歲，本集團之銷售經理。彼在工程顧問、銷售及市場發展方面積逾8年經驗，在本集團負責市場發展及銷售工作。鄧先生持有香港大學土木及結構工程學士學位。於二零零三年加入本集團。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS

During the year, the Group paid rental expenses to certain related companies. Mr. Tsang Sik Yin, Eric, Mr. Tsang Chung Yin, Dr. Tsang Ngan Chung and Mr. Tsang Yin, are interested in these transactions to the extent that they have, either individually or collectively, beneficial interests in these related companies. Details of these transactions are set out in note 24 to the accounts.

Apart from the above, no contracts of significance in relation to the Company's business to which the Company, its subsidiaries or its holding company 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.

MANAGEMENT CONTRACTS

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

CONNECTED TRANSACTIONS

Significant related party transactions entered by the Group during the year ended 31st December 2004 are disclosed in note 24 to the accounts.

These transactions also constitute connected transactions under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The independent non-executive directors have reviewed the connected transactions and in their opinion, these transactions were entered into by the Group:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms; and
- (3) in accordance with the relevant agreement governing them and on terms that are fair and reasonable so far as the shareholders of the Company are concerned.

董事之合約權益

本集團於年內向若干關連公司支付租賃費用。曾錫賢先生、曾仲賢先生、曾銀鐘博士及曾賢先生因個別或共同擁有該等關連公司之實益權益而視作與上述交易有利益關係。上述交易之詳情載於賬目附註24。

除上述者外，各董事於本公司、其附屬公司或其控股公司所訂立而對本公司業務而言屬重大及本公司董事直接或間接擁有重大權益及於年結時或年內任何時間仍然有效之任何合約中，概無擁有重大權益。

管理合約

本年度內，本公司並無就整體業務或任何重要業務之管理及行政工作簽訂或存有任何合約。

關連交易

本集團於截至二零零四年十二月三十一日止年度訂立之重大關連人士交易在賬目附註24披露。

有關交易並構成聯交所證券上市規則（「上市規則」）所指之關連交易。

獨立非執行董事已審閱上述交易，並認為本集團乃在以下情況進行交易：

- (1) 交易乃本集團於其一般日常業務中訂立；
- (2) 交易乃按一般商業條款訂立；及
- (3) 交易乃按監管該等交易之有關協議之條款訂立，對本公司股東公平合理。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES

At 31st December 2004, the interests of the directors and chief executives in the shares of the Company and its associated corporations disclosed pursuant to Section 352 of the Securities and Futures Ordinance (“SFO”) were as follows:

Ordinary shares of HK\$0.1 each in World Trade Bun Kee Ltd.
世貿彬記集團有限公司每股面值0.1港元普通股

董事於股份、相關股份或債券之權益及淡倉

於二零零四年十二月三十一日，根據本公司按證券及期貨條例（「證券及期貨條例」）第352條之規定存置之登記冊所記錄，本公司董事及主要行政人員於本公司及其聯營公司之股份中擁有之權益如下：

	Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益	Total 合計
Mr. Tsang Sik Yin, Eric (Notes 2 & 6) 曾錫賢先生 (附註2及6)	—	—	136,926,000	—	136,926,000
Mr. Tsang Chung Yin (Notes 3 & 6) 曾仲賢先生 (附註3及6)	—	—	122,400,000	14,364,000	136,764,000
Dr. Tsang Ngan Chung (Notes 4 & 6) 曾銀鐘先生 (附註4及6)	—	—	122,400,000	14,364,000	136,764,000
Mr. Tsang Yin (Notes 5 & 6) 曾賢先生 (附註5及6)	—	—	122,400,000	14,346,000	136,746,000

Notes:

- Interest in shares stated above represent long positions.
- Click Fort Limited (“Click Fort”) is a company incorporated in the British Virgin Islands, the entire issued share capital of which is owned by Mr. Tsang Sik Yin, Eric. Click Fort directly held 14,526,000 shares in the company.
- Jong Yee Limited (“Jong Yee”) is the trustee of the Jong Yee Unit Trust. All units of the Jong Yee Unit Trust are owned by the Karyn Trust, the discretionary beneficiaries of which are family members of Mr. Tsang Chung Yin. Jong Yee directly held 14,364,000 shares in the Company.
- Kingsville Inc. (“Kingsville”) is the trustee of the Kingsville Unit Trust. All units of the Kingsville Unit Trust are owned by the Fungming Trust, the discretionary beneficiaries of which are family members of Dr. Tsang Ngan Chung. Kingsville directly held 14,364,000 shares in the Company.

附註：

- 上述股份之權益均屬好倉。
- Click Fort Limited（「Click Fort」）為在英屬處女群島註冊成立之公司，其全部已發行股本由曾錫賢先生擁有。Click Fort直接持有本公司股份14,526,000股。
- Jong Yee Limited（「Jong Yee」）乃Jong Yee Unit Trust之受託人。Jong Yee Unit Trust之所有單位均由Karyn Trust擁有，後者之酌情受益人為曾仲賢先生之家族成員。14,364,000股本公司股份由Jong Yee直接持有。
- Kingsville Inc.（「Kingsville」）乃Kingsville Unit Trust之受託人。Kingsville Unit Trust之所有單位均由Fungming Trust擁有，後者之酌情受益人為曾銀鐘博士之家族成員。14,364,000股本公司股份由Kingsville直接持有。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES (continued)

(5) Manhattan Properties Limited (“Manhattan Properties”) is owned by St. George’s Trust Company Limited which is the trustee of the Manhattan Trust, the discretionary beneficiaries of which are family members of Mr. Tsang Yin. Manhattan Properties directly held 14,346,000 shares in the Company.

(6) On Top Industrial Limited (“On Top”), a company incorporated in the British Virgin Islands, held 122,400,000 shares in the Company. On Top is beneficially owned as to 25% by Click Fort, as to 25% by Jong Yee, as to 25% by Kingsville and as to 25% by Manhattan Properties.

Save as disclosed above, none of the directors and the chief executive of the Company was interested or had any short position in any shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as at 31st December 2004.

SHARE OPTIONS

On 24th June 2004, ordinary resolutions were passed by shareholders at Annual General Meeting to approve the adoption of the New Share Option Scheme (the “Scheme”) in order to fully comply with Chapter 17 of Listing Rules, and the termination of the Old Share Option Scheme which was adopted on 27th November 2000.

1. PURPOSE OF THE SCHEME

The purpose of the Scheme is to enable the Company to grant options to Eligible Participants as an incentive or reward for their contribution or potential contribution to the Group.

2. WHO MAY JOIN

The Board may, at its discretion, invite any persons belonging to any of the following classes of Eligible Participants to subscribe for Shares:

- (a) any employee or proposed employee (whether full-time or part-time), any Director (whether executive, non-executive or independent non-executive Director) of any member of the Group;

董事於股份、相關股份或債券之權益及淡倉 (續)

(5) Manhattan Properties Limited (「Manhattan Properties」) 由 Manhattan Trust 之受託人 St. George’s Trust Company Limited 擁有，Manhattan Trust 之酌情受益人為曾賢先生之家族成員。14,346,000 股本公司股份由 Manhattan Properties 直接持有。

(6) On Top Industrial Limited (「On Top」) 為在英屬處女群島註冊成立之公司，持有 122,400,000 股本公司股份。Click Fort、Jong Yee、Kingsville 及 Manhattan Properties 各擁有 On Top 25% 之股權。

除上文所披露者外，於二零零四年十二月三十一日，本公司之董事及主要行政人員概無擁有本公司及其相聯法團(定義見證券及期貨條例第 XV 部)之任何股份、相關股份或債權證之權益或淡倉。

購股權

於二零零四年六月二十四日，股東於股東週年大會上通過普通決議案，批准採納新購股權計劃(「計劃」)，以全面符合上市規則第 17 章之規定，並終止於二零零零年十一月二十七日採納之舊購股權計劃。

1. 計劃之目的

計劃之目的為使本公司能向合資格參與者授出購股權以作鼓勵或回饋彼等對本集團所作之貢獻或潛在之貢獻。

2. 參與人士之資格

董事會可酌情邀請屬下列任何一類之合資格參與者：

- (a) 任何僱員或擬僱用之僱員(不論屬全職或兼職)、本集團任何成員公司之任何董事(不論屬執行、非執行或獨立非執行董事)；

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTIONS (continued)

- (b) any supplier of goods or services to any member of the Group;
- (c) any customer or subcontractor of any member of the Group;
- (d) any professional consultant or adviser of any member of the Group; and
- (e) any other person whatsoever determined by the Board as having contributed to the development, growth or benefit of the Group.

The eligibility of a participant to the Scheme has been determined by the Directors at their sole discretion.

3. MAXIMUM NUMBER OF SHARES

- (a) The maximum number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes of the Company in issue shall entitle the grantees to exercise up to an aggregate of 10 per cent. of the total number of shares in issue as at the date of adoption of the Scheme.
- (b) The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Company in issue shall not exceed 30 per cent. of the total number of shares in issue from time to time.

4. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

The maximum number of shares issued and to be issued upon the exercise of options granted to each Eligible Person (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the issued share capital of the Company. Any further grant of share options in excess of this limit is subject to shareholders' approval in general meeting of the Company.

購股權 (續)

- (b) 本集團任何成員公司之任何貨品或服務之供應商；
- (c) 本集團任何成員公司之任何客戶或分包商；
- (d) 本集團任何成員公司之任何專業顧問或專家；及
- (e) 董事會釐定為對本集團之發展、增長或利益作出貢獻之任何其他人士。

董事可全權釐定計劃參與者是否符合資格。

3. 最高股份數目

- (a) 根據計劃或本公司已實施之任何其他計劃，因行使將予授出之所有購股權而將予發行之最高股份數目，將賦予承授人權利可行使不多於採納計劃日期之已發行股份總數之10%。
- (b) 根據計劃或本公司已實施之任何其他計劃，因行使所有已授出而尚未行使及將予行使之購股權時，將予發行之最高股份數目，不得超過不時已發行股份總數之30%。

4. 各參與者之最高股份數目

於任何十二個月期間內，已發行股份及因行使已授出購股權（不包括已行使及尚未行使之購股權）而將發行予各合資格參與者之最高股份數目，不得超過本公司已發行股本之1%。任何進一步授出超過此限制之購股權須於本公司之股東大會上取得股東批准。

SHARE OPTIONS (continued)

5. PRICE OF SHARES

The subscription price for Shares under the Scheme (“Subscription Price”) will be a price determined by the Board and will be at least the highest of (a) the closing price of the shares as stated in the Stock Exchange’s daily quotation sheet on the date on which the relevant option is deemed to be granted and accepted in accordance with the terms of the Scheme (the “Commencement Date”), which must be a day on which the Stock Exchange is open for the business of dealing in securities (“Trading Day”); (b) the average closing price of the shares as stated in the Stock Exchange’s daily quotation sheet for the five Trading Days immediately preceding the Commencement Date; and (c) the nominal value of the shares.

6. ACCEPTANCE OF OFFERS

An option shall be deemed to have been granted and accepted with effect from the date of the said offer, subject to the Company’s receipt of the duplicate offer letter duly signed and accepted by the Eligible Participant together with a remittance in favour of the Company of HK\$10.00 by way of consideration for the grant thereof within a period of 28 days from the date of the said offer. Such remittance shall in no circumstance be refundable.

7. TIME OF EXERCISE OF OPTION AND PERFORMANCE TARGET

An option may be exercised in accordance with the terms of the Scheme at any time during a period to be determined and notified by the Directors to each grantee of the options provided that the option period shall not be longer than 10 years from the Commencement Date.

Unless specified in the terms of any relevant offer, the grantee of an option is not required to achieve any performance target before the relevant options may be exercised.

購股權 (續)

5. 股份之價格

根據計劃股份認購價(「認購價」)將由董事會釐定，並最少為(a)股份於有關購股權被視為按照計劃條款將予授出及獲接納當日(「開始日期」)(須為聯交所經營證券交易業務之營業日(「交易日」))在聯交所每日報價表所報之收市價；(b)股份於緊接開始日期前連續五個交易日在聯交所每日報價表所報之平均收市價；及(c)股份面值三者中之最高者。

6. 接納要約

待本公司於該要約日期起計二十八日期間內，接獲由合資格參與者妥為簽署及接納之要約函件副本，並連同開列以本公司為受惠人之匯款10.00元作為授出購股權之代價後，購股權被視為自該要約當日起已授出並已生效。於任何情況下該匯款均不獲退還。

7. 行使購股權之時間及表現目標

購股權可根據計劃之條款於董事釐定並由董事通知各購股權承授人之期間內隨時行使，惟購股權期間須為自開始日期起計之十年內。

除非任何有關要約之條款另有指明外，購股權承授人於有關購股權可予行使前毋須於工作表現上達至任何目標。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTIONS (continued)

8. LIFE OF THE SCHEME

The Scheme will remain in force for a period of 10 years commencing on 24th June 2004 which was the date of adoption of the Scheme.

No option had been granted during the year. As at 31st December 2004, there are no share options outstanding.

SUBSTANTIAL SHAREHOLDERS

The register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO disclosed the following persons or corporations (other than a director and chief executive of the Company) as having an interest of 5% or more of the issued share capital of the Company:

Long position in Share and underlying share of the Company

Name of shareholder
股東名稱

Number of ordinary shares
普通股份數目

Percentage of holding
所持有之百分比
(%)

On Top Industrial Limited

122,400,000

50.61%

Mr. Chau Kam To

20,000,000

8.27%

周錦濤先生

Mr. Tsang Sik Yin, Eric

14,526,000

6.01%

曾錫賢先生

Jong Yee Limited

14,364,000

5.94%

Kingsville Inc.

14,364,000

5.94%

St. George's Trust Company Limited

14,346,000

5.93%

Other than disclosed above, the Company has not been notified of any other interests representing 5% or more of the Company's issued share capital as at 31st December 2004.

As at 31st December 2004, the Company had not been notified of any short positions being held by any substantial shareholder in the shares or underlying shares of the Company.

購股權 (續)

8. 購股權期限

計劃於二零零四年六月二十四日採納計劃日期起計十年期間內一直有效。

於年度內概無授出購股權。於二零零四年十二月三十一日，概無尚未行使之購股權。

主要股東

按證券及期貨條例第336條之規定本公司存置之主要股東登記冊所披露，以下人士或公司(不包括本公司之董事及主要行政人員)佔本公司已發行股本中5%或以上之權益：

於本公司股份及相關股份之好倉

除上文所披露者外，於二零零四年十二月三十一日，本公司並不知悉有任何其他人士佔本公司已發行股本5%或以上權益。

於二零零四年十二月三十一日，本公司並未獲知會有任何主要股東擁有本公司股份或相關股份之任何淡倉。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

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	21.06%
– five largest suppliers combined	58.85%
Sales	
– the largest customer	3.97%
– five largest customers combined	14.76%

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

COMPLIANCE WITH THE CODE OF BEST PRACTICE OF THE LISTING RULES

In the opinion of the directors, the Company has complied with the Code of the Best Practice as set out in Appendix 14 of the Listing Rules since the listing of its shares on the Stock Exchange.

AUDIT COMMITTEE

The written terms of reference which describe the authority and duties of the Audit Committee with reference to "A Guide for The Formation of An Audit Committee" published by the Hong Kong Institute of Certified Public Accountants were prepared and adopted by the Board of Directors.

The Audit Committee provides an important link between the Board and the Company's auditors in matters coming within the scope of the audit. It also reviews the effectiveness of the audit and of internal controls and risk evaluation. The Committee comprises three independent non-executive directors, namely Mr. Wong Wah On, Edward, Mr. Chan Yuk Ming and Mr. Wong, Samuel Kwok Hay. The Committee has, since the listing of the Company, carried out its work in accordance with the authority and duties as adopted by the Board of Directors and has reviewed the effectiveness of internal controls and interim and annual accounts for the year.

主要客戶及供應商

本集團主要供應商及客戶年內分別所佔之採購及銷售百份比如下：

採購	
– 最大供應商	21.06%
– 五大供應商合併	58.85%
銷售	
– 最大客戶	3.97%
– 五大客戶合併	14.76%

各董事、其聯繫人士或任何股東(就董事所知擁有本公司股本5%以上者)概無擁有上述主要供應商或客戶之任何權益。

遵守上市規則之最佳應用守則

董事認為，自股份在聯交所上市以來，本公司一直遵守上市規則附錄十四所載之最佳應用守則。

審核委員會

載述審核委員會權責之職權範圍乃由董事會根據香港會計師公會刊發之「審核委員會成立指引」而編製及採納。

在集團審核方面，審核委員會為董事會與本公司核數師間之重要連繫。此外，該委員會並檢討審核、內部監控及風險評估之成效。該委員會由三名獨立非執行董事黃華安先生、陳旭明先生及黃國熹先生組成。自本公司上市以來，該委員會一直根據董事會採納之權責行事，並已檢討內部監控及本年度之中期及全年賬目。

REPORT OF THE DIRECTORS

董事會報告

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws, or the Companies Act 1981 of Bermuda (as amended), which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

AUDITORS

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

On behalf of the Board
CHAN Churk Kai
Director

Hong Kong, 31st March 2005

優先購買權

本公司之公司細則或百慕達一九八一年公司法（經修訂）概無任何有關按持股比例基準向現有股東發售新股之優先購買權條文。

核數師

賬目已獲羅兵咸永道會計師事務所審核，該行任滿告退，惟有資格及願意膺選連任。

董事會代表
董事
陳焯佳

香港，二零零五年三月三十一日