

Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 March, 2005.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities and other details of the subsidiaries are set out in note 26 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March, 2005 are set out in the consolidated income statement on page 14.

An interim dividend of HK2.8 cents per share amounting to HK\$9,303,764 was paid to the shareholders during the year. The directors recommend the payment of a final dividend of HK 6 cents per share to the shareholders whose names appear on the register of members on 23 August, 2005 amounting to HK\$19,936,637, and the retention of the remaining profit for the year of HK\$25,096,940.

PROPERTY, PLANT AND EQUIPMENT

The Group acquired property, plant and equipment during the year at an aggregate cost of approximately HK\$33 million in order to increase its production capacity. Details of this and other movements during the year in the property, plant and equipment of the Group are set out in note 11 to the financial statements.

SHARE CAPITAL

The share capital of the Company is set out in note 19 to the financial statements.

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

DISTRIBUTABLE RESERVES

As at 31 March, 2005, the reserves of the Company available for distribution to shareholders were HK\$286,010,399, being the contributed surplus of HK\$19,782,427 and the retained profits of HK\$266,227,972.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 40.

DIRECTORS

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

Executive directors:

Dr. Suek Chai Kit, Christopher (*Chairman*)

Ms. Ng Wai Chi

Mr. Suek Chai Hong

Mr. Suek Ka Lun, Ernie (appointed on 29 July, 2004)

Non-executive director:

Mr. Suek Che Hin

Independent non-executive directors:

Mr. Tse Po Lau, Paul

Mr. Wong Sun Fat

Mr. Chan Kwing Choi, Warren

In accordance with Clause 169(2) of the Company's Bye-laws, Mr. Suek Che Hin and Mr. Chan Kwing Choi, Warren retire and, being eligible, offer themselves for re-election.

The term of office for each non-executive director is the period up to his/her retirement by rotation in accordance with the Company's Bye-laws.

DIRECTORS' SERVICE CONTRACTS

No director 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).

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DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 March, 2005, the interests of the directors and their associates in the shares and underlying shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

(i) Long positions of ordinary shares of HK\$0.10 each of the Company

Name of director	Capacity	Number of ordinary shares held	Percentage of the issued share capital of the Company
Dr. Suek Chai Kit, Christopher	Beneficial owner	13,700,000	
	Other interests (<i>note 1</i>)	185,660,000	
		199,360,000	60.00%
Ms. Ng Wai Chi	Beneficial owner	10,170,000	3.06%
Mr. Suek Che Hin	Other interests (<i>note 2</i>)	19,120,000	5.75%
		228,650,000	68.81%

Notes:

1. These shares are beneficially owned by CNA Company Limited ("CNA") which in turn is beneficially owned by the CNA Trust, a discretionary trust whose objects include the children of Dr. Suek Chai Kit, Christopher.
2. These shares are beneficially owned by Goodhope Assets Limited, a company in which family member of Mr. Suek Che Hin has a beneficial interest.

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES *(Continued)***(ii) Long positions of shares in subsidiaries**

At 31 March, 2005, CNA and Ms. Ng Wai Chi beneficially owned deferred non-voting shares in the following subsidiaries of the Company:

Name of subsidiary	Name of owner	Number and par value of deferred non-voting shares
Chung Tai Management Limited	CNA	2 shares of HK\$1 each
Chung Tai Printing (China) Company Limited	CNA	100 shares of HK\$100 each
Chung Tai Printing Company Limited	CNA	3,000 shares of HK\$100 each
Profit Link Investment Limited	CNA	2 shares of HK\$1 each
The Greatime Offset Printing Company Limited	Ng Wai Chi CNA	500 shares of HK\$100 each 9,500 shares of HK\$100 each

The rights and restrictions of such deferred non-voting shares are set out in note 26 to the financial statements.

Other than as disclosed above, none of the directors nor their associates had any interests or short positions in any shares and underlying shares of the Company or any of its associated corporations as at 31 March, 2005.

ARRANGEMENTS TO PURCHASE SHARES FOR DEBENTURES

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

Other than as disclosed in note 25 to the financial statements, no contracts of significance to which the Company, its ultimate holding company, subsidiaries, any subsidiaries of its ultimate 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.

CONNECTED TRANSACTION

Details of the discloseable connected transaction for the year are set out in note 25 to the financial statements.

Other than as disclosed therein, there were no transactions which needed to be disclosed as connected transactions in accordance with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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SUBSTANTIAL SHAREHOLDER

Other than the interests disclosed above in respect of certain directors, the register of substantial shareholders maintained by the Company pursuant to section 336 of the Securities and Futures Ordinance discloses no person as having a notifiable interest or short position in the issued share capital of the Company as at 31 March, 2005.

CORPORATE GOVERNANCE

The Company has complied throughout the year ended 31 March, 2005 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.

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.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 March 2005.

MAJOR CUSTOMERS AND SUPPLIERS

Aggregate purchases attributable to the Group's five largest suppliers were less than 30% of total purchases.

Aggregate sales attributable to the Group's five largest customers were less than 30% of total turnover.

AUDITORS

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

On behalf of the Board

Dr. SUEK CHAI KIT, CHRISTOPHER

Chairman

Hong Kong, 19 July, 2005