

Report of the Directors

董事會報告書

The Directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 December 2005.

Principal Place of Business

The Company is incorporated and domiciled in Hong Kong and has its registered office and principle place of business at 11th and 12th Floors, Tower B, 63 Wo Yi Hop Road, Kwai Chung, Hong Kong.

Principal Activity

The principal activity of the Company is the provision of front-end Government Electronic Trading Services for processing certain official trade-related documents.

The principal activities and other particulars of the Company's subsidiaries are set out in note 16 on the financial statements.

Major Customers and Suppliers

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the financial year is as follows:

		Percentage of the Group's total 佔本集團總額的百分比	
		Sales 銷售額	Purchases 採購額
The largest customer	最大客戶	1.2%	
Five largest customers in aggregate	五大客戶合計	2.7%	
The largest supplier	最大供應商		7.1%
Five largest suppliers in aggregate	五大供應商合計		20.2%

PCCW-HKT Limited, a shareholder of more than 5% of the Company's share capital, is a provider of telecommunication services to the Group and is among the five largest suppliers to the Group.

Apart from the foregoing, at no time during the year have the directors, their associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

董事會欣然向全體股東提呈截至二零零五年十二月三十一日止年度之報告書及經審核財務報表。

主要營業地點

本公司在香港註冊成立並以香港為本籍，註冊辦事處兼主要營業地點，位於香港葵涌和宜合道六十三號麗晶中心B座十一樓及十二樓。

主要業務

本公司的主要業務是提供前端的政府電子貿易服務，處理若干官方貿易相關文件。

本公司附屬公司的主要業務及其他詳情載於財務報表附註16。

主要客戶及供應商

本集團於本財政年度，就主要客戶及供應商分別進行的銷售及採購資料如下：

香港電訊有限公司是本公司股東，擁有本公司已發行股本超過5%，亦是本集團的電訊服務供應商，為本集團五大供應商之一。

除上文所述外，各董事、董事的聯繫人士或按董事所知擁有本公司已發行股本5%或以上的任何股東，並無擁有上述主要客戶及供應商任何權益。

Report of the Directors (continued)

董事會報告書 (續)

Financial Statements

The profit of the Group for the year ended 31 December 2005 and the state of the Company's and the Group's affairs at that date are set out in the financial statements on pages 44 to 117.

Transfer to Reserves

Profit attributable to equity shareholders, before dividends, of HK\$91.4 million (2004: HK\$63.0 million) have been transferred to reserves. Other movements in reserves are set out in note 24 to the financial statements.

An interim dividend of HK cents 8.80 per share giving effect to the share consolidation (2004 (restated): HK cents 5.32 per share giving effect to the share consolidation) and a special dividend of HK cents 4.32 per share giving effect to the share consolidation (2004: nil) were paid on 17 October 2005. The Directors now recommend the payment of a final dividend of HK cents 3.00 per share after share consolidation (2004 (restated): HK cents 1.60 per share giving effect to the share consolidation) in respect of the year ended 31 December 2005.

Fixed Assets

Movements in fixed assets during the year are set out in note 14 to the financial statements.

Share Capital

Details of the movements in share capital of the Company during the year are set out in note 24(a) to the financial statements.

On 14 October 2005, an ordinary resolution was passed by all shareholders of the Company at the extraordinary general meeting to effect the share consolidation pursuant to which every two ordinary shares of HK\$0.10 each in the capital of the company, both issued and unissued, were consolidated into one ordinary share of HK\$0.20 each.

On 28 October 2005, the Company issued 58,320,000 new shares of nominal value of HK\$0.20 per share at HK\$1.25 each to the subscribers of the new shares for the listing of the Company's shares on the Main Board of the SEHK. As at 31 December 2005, the authorised share capital of the Company was HK\$250.0 million, divided into 1,250 million ordinary shares, 777,632,500 of which were issued and credited as fully paid.

財務報表

本集團截至二零零五年十二月三十一日止年度的溢利，以及本公司與本集團於該日的經營狀況詳情，載於財務報表第44至第117頁。

轉撥至儲備

未計及股息前的股權持有人應佔溢利港幣9,140萬元(二零零四年:港幣6,300萬元)已轉撥至儲備。其他儲備變動資訊載於財務報表附註24。

已計及股份合併影響的中期息每股8.80港仙(二零零四年(重列):每股5.32港仙,已計及股份合併影響)及已計及股份合併影響的特別股息每股4.32港仙(二零零四年:無)已於二零零五年十月十七日派付。於股份合併後,董事會現時建議就截至二零零五年十二月三十一日止年度派付已計及股份合併影響的末期息每股3.00港仙(二零零四年(重列):每股1.60港仙,已計及股份合併影響)。

固定資產

固定資產於年內的變動詳情,載於財務報表附註14。

股本

本公司於年內的股本變動詳情,載於財務報表附註24(a)。

二零零五年十月十四日,本公司全體股東於股東特別大會上通過普通決議案,使股份合併生效,據此將本公司股本中每兩股每股面值港幣0.10元的普通股(包括已發行及未發行者)合併為一股每股面值港幣0.20元的普通股。

二零零五年十月二十八日,本公司就其股份於聯交所主板上市,向新股認購人發行58,320,000股每股面值港幣0.20元的新股,每股作價港幣1.25元。於二零零五年十二月三十一日,本公司的法定股本為港幣250,000,000元,分為1,250,000,000股普通股,其中777,632,500股為已發行及入賬列為繳足股份。

Directors

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

Chairman and Non-executive Director

Dr. LEE Nai Shee, Harry, S.B.S., J.P.

Executive Directors

Mr. YUE Kwok Hung, Justin
Ms. CHUNG Shun Kwan, Emily (appointed on 13 May 2005)

Non-executive Directors

Mr. LAU Kam Kuen, David (appointed on 7 March 2005)
Mr. Hubert CHAK
Mr. YING Tze Man, Kenneth
Mr. LO Sze Wai, Albert (appointed on 13 May 2005)
Mr. NG Chik Sum, Jackson
Dr. CHEUNG Yiu Sing
Mr. Alistair CURRIE
Ms. LEUNG Man Ching, Maggie (ceased to be alternate to Mr. Martin CUBBON on 23 February 2005)
Mr. SIU Man Tat, Martin (ceased to be alternate to Mr. YUEN Man Chung, Tommy on 7 March 2005) (appointed to be alternate to Mr. LAU Kam Kuen, David on 7 March 2005 and ceased on 13 May 2005)
Mr. YUEN Man Chung, Tommy (resigned on 7 March 2005)
Mr. CHOW Shiu On, David (ceased to be alternate to Mr. NG Chik Sum, Jackson on 13 May 2005)
Mr. KAN Kam Chan, Patrick (resigned on 13 May 2005)
Mr. BIEN Chia Chen, Andy (ceased to be alternate to Mr. KAN Kam Chan, Patrick on 13 May 2005)
Mr. James Steed TSIEN (ceased to be alternate to Mr. YING Tze Man, Kenneth on 13 May 2005)
Mr. Martin CUBBON (resigned on 13 May 2005)
Mr. SINN Chung Ming, Anthony (ceased to be alternate to Mr. JIANG Wei on 13 May 2005)
Mr. LEUNG Kwan Yuen, Andrew (resigned on 13 May 2005)
Mr. MAK Kui Yin, Louis (ceased to be alternate to Mr. LEUNG Kwan Yuen, Andrew on 13 May 2005)
Mr. Stuart Kennedy NIVISON (ceased to be alternate to Mr. Alistair CURRIE on 13 May 2005)
Mr. JIANG Wei (resigned on 9 June 2005)

董事

於年內直至本報告刊發日期止期間的在任董事為：

主席兼非執行董事

李乃熺博士·S.B.S.·J.P.

執行董事

余國雄先生
鍾順群女士 (於二零零五年五月十三日獲委任)

非執行董事

劉淦權先生 (於二零零五年三月七日獲委任)
翟迪強先生
英子文先生
羅四維先生 (於二零零五年五月十三日獲委任)
吳植森先生
張耀成博士
Alistair CURRIE先生
梁文貞女士 (於二零零五年二月二十三日終止替任Martin CUBBON先生的職務)
蕭文達先生 (於二零零五年三月七日終止替任袁民忠先生的職務) (於二零零五年三月七日獲委任替任劉淦權先生的職務·並於二零零五年五月十三日終止)
袁民忠先生 (於二零零五年三月七日辭任)
周兆安先生 (於二零零五年五月十三日終止替任吳植森先生的職務)
簡錦燦先生 (於二零零五年五月十三日辭任)
卞家振先生 (於二零零五年五月十三日終止替任簡錦燦先生的職務)
James Steed TSIEN先生 (於二零零五年五月十三日終止替任英子文先生的職務)
Martin CUBBON先生 (於二零零五年五月十三日辭任)
冼仲銘先生 (於二零零五年五月十三日終止替任蔣偉先生的職務)
梁君彥先生 (於二零零五年五月十三日辭任)
麥鉅然先生 (於二零零五年五月十三日終止替任梁君彥先生的職務)
Stuart Kennedy NIVISON先生 (於二零零五年五月十三日終止替任Alistair CURRIE先生的職務)
蔣偉先生 (於二零零五年六月九日辭任)

Report of the Directors (continued)

董事會報告書 (續)

Directors (continued)

Independent Non-executive Directors

Dr. FONG Ching, Eddy, S.B.S., J.P. (appointed on 13 May 2005)
 Mr. HO Lap Kee, Sunny (appointed on 13 May 2005)
 Mr. WONG Tin Yau, Kelvin (appointed on 13 May 2005)

Biographical details of the Directors at the date of this report are shown on pages 23 to 28.

Messrs YING Tze Man, Kenneth, LO Sze Wai, Albert, CHEUNG Yiu Sing, FONG Ching, Eddy, HO Lap Kee, Sunny and WONG Tin Yau, Kelvin retire at the forthcoming annual general meeting in accordance with article 100 of the Company's articles of association and, being eligible, offer themselves for re-election.

Directors' Interests in Contracts

Mr. LAU Kam Kuen, David is a Director and a civil servant of the Government, and accordingly may be regarded as interested in all contracts and other dealings between the Government or the FSI and members of the Group.

Apart from the foregoing, no contract of significance to which the Company or its subsidiaries was a party, in which a Director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

Directors' Service Contracts

Under a service contract between the Company and Mr. YUE Kwok Hung, Justin dated 27 December 2002, Mr. YUE has been appointed to act as Executive Director and Chief Executive Officer of the Company with effect from 1 January 2003 until 31 December 2005. On 16 August 2005, Mr. Yue's service contract was renewed for a period of three year commencing 1 January 2006 until 31 December 2008. The contract can be terminated by the Company or Mr. YUE by giving three months' notice or payment in lieu of notice.

Under a service contract between the Company and Ms. CHUNG Shun Kwan, Emily dated 19 July 2005, Ms. CHUNG has been appointed to act as Executive Director and Chief Operations Officer of the Company with effect from 1 August 2005 until 31 July 2008. The contract can be terminated by the Company or Ms. CHUNG by giving three months' notice or payment in lieu of notice.

董事 (續)

獨立非執行董事

方正博士·S.B.S.·J.P. (於二零零五年五月十三日獲委任)
 何立基先生 (於二零零五年五月十三日獲委任)
 黃天祐先生 (於二零零五年五月十三日獲委任)

於本報告刊發日期的董事履歷·詳情載於第23至28頁。

根據本公司的組織章程第100條·英子文先生·羅四維先生·張耀成博士·方正博士·何立基先生及黃天祐先生須於即將舉行的股東週年大會上輪值告退·並符合資格膺選連任。

董事的合約權益

劉淦權先生為董事·亦為政府公務員·因此可能被視為於政府或財政司司長法團及本集團成員公司訂立的一切合約及其他交易中有利害關係。

除上文所述·本公司董事於年終或年內任何時間·在本公司或其附屬公司所訂立且仍然生效的主要大合約中·並無擁有任何重大權益。

董事服務合約

根據本公司與余國雄先生於二零零二年十二月二十七日訂立的服務合約·余先生獲委任為本公司執行董事兼行政總裁·任期由二零零三年一月一日起生效·直至二零零五年十二月三十一日。二零零五年八月十六日·余先生重續額外三年服務合約·合約期由二零零六年一月一日至二零零八年十二月三十一日。該份合約可由本公司或余先生給予對方三個月通知或代通知金終止。

根據本公司與鍾順群女士於二零零五年七月十九日訂立的服務合約·鍾女士獲委任為本公司執行董事兼營運總監·任期由二零零五年八月一日起·直至二零零八年七月三十一日。該份合約可由本公司或鍾女士給予對方三個月通知或代通知金終止。

Directors' Service Contract (continued)

Mr. YUE Kwok Hung, Justin and Ms. CHUNG Shun Kwan, Emily are also directors of DTTNCo, an associate of the Group.

Save for disclosed, no director proposed for re-election at the forthcoming annual general meeting has an unexpired service contract which is not determinable by the Company within one year without payment of compensation, other than normal statutory compensation.

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures

The Directors of the Company have been granted options under the Company's share option scheme, details of which are set out in the section "Share Option Scheme" below.

Apart from the foregoing, none of the Directors of the Company or any of their spouses or children under eighteen years of age has interest or short positions in shares, underlying shares or debentures of the Company, any of its holding company, subsidiaries or other associated corporations, as recorded in the register required to be kept under section 352 of the Securities and Futures Ordinance (the SFO) or as otherwise notified to the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

Share Option Scheme

The Company has adopted a Pre-IPO share option scheme on 2 August 2000 and amended on 11 September 2001 and 26 November 2002 respectively and a share option scheme on 14 October 2005 whereby the Directors are authorised to invite employees of the Group, including its Directors of any company in the Group, to take up options to subscribe for shares in the Company at a nominal consideration of HK\$1.00 per grant under the share option scheme. Each option gives the holder the right to subscribe for one ordinary share in the Company.

The share option schemes give the participants an opportunity to have a personal stake in the Company and help motivate the participants to optimise their performance and efficiency and attract and retain participants whose contributions are important to the long-term growth and profitability of the Group.

董事服務合約 (續)

余國雄先生及鍾順群女士同時為本集團聯營公司DTTNC的董事。

除已披露者外，擬於股東週年大會上膺選連任的董事，與本公司並無訂立本公司不可於一年內不付賠償（正常法定賠償除外）而終止的未到期服務合同。

董事之股份、相關股份及債券權益及淡倉

根據本公司購股權計劃，本公司董事已獲授予購股權，詳情載於下文「購股權計劃」一節。

除上文所述，本公司董事或他們的配偶或未滿十八歲子女，在本公司、其任何持股公司、附屬公司或其他相聯法團的股份、相關股份或債券權益中，概無擁有任何須登記於根據證券及期貨條例（「證券及期貨條例」）第352條規定須予備存的登記冊內的權益或淡倉，或根據上市公司董事進行證券交易的標準守則須知會本公司的權益或淡倉。

購股權計劃

本公司已於二零零零年八月二日採納首次公開招股前購股權計劃（分別於二零零一年九月十一日及二零零二年十一月二十六日修訂），並已於二零零五年十月十四日採納購股權計劃，據此，董事獲授權邀請本集團僱員（包括本集團任何公司董事）接納可認購本公司股份的購股權。有關購股權乃根據購股權計劃每次以港幣1.00元的象徵式代價授出。每份購股權讓持有人有權認購本公司一股普通股。

兩項購股權計劃的目的，是為參與者提供以個人身份持有本公司權益的機會，此舉有助激發參與者提升工作表現及效率，並吸引及保留對本集團的長遠增長及溢利能力有重要貢獻的參與者。

Report of the Directors (continued)

董事會報告書 (續)

Share Option Scheme (continued)

The total number of share options which may be issued upon exercise of all options to be granted under all share option schemes shall not exceed in aggregate 10% of the issued capital or 77,763,250 shares at the Company's listing date, being 28 October 2005 (the "Scheme Mandate Limit"). Options that have lapsed shall not be counted for the purpose of calculating the Scheme Mandate Limit. The Scheme Mandate Limit may be renewed by obtaining approval of shareholders in general meeting of the Company provided that such the total number of shares which may be issued upon exercise of all options to be granted under the share option schemes under the Scheme Mandate Limit as renewed shall not exceed 10% of the shares issued at the date of approval of such limit (the Refreshed Limit). Options previously granted (which may be cancelled, lapsed or exercised) shall not be counted for the purpose of calculating the Refreshed Limit.

Pre-IPO Share Option Scheme

Under the Pre-IPO share option scheme, no option could be granted to any grantee, so that the grantee would, taking also into account options previously granted to him, be entitled to subscribe for more than 25% of the aggregate number of shares subject to the Pre-IPO share option scheme.

- (i) Pursuant to the Pre-IPO share option scheme approved on 2 August 2000 and amended on 11 December 2001 and 26 November 2002

The granting of share options commenced on 24 November 2000 and has ceased upon the listing of the Company's shares on the Main Board of the SEHK on 28 October 2005. Each option has a 10-year exercise period. Commencing from the first, second and third anniversaries of the listing date, the relevant grantee may exercise up to 25%, 60% and 100% respectively of the shares comprised in the option (less any number of shares in respect of which the option has been previously exercised). The exercise price is the lower of HK\$0.9 and 80% of the IPO price. On 28 October 2005, the IPO price was fixed at HK\$1.25 per share.

購股權計劃 (續)

根據所有購股權計劃將予授出的所有購股權而可能發行及行使的股份數目，合共不得超過本公司於上市日期（即二零零五年十月二十八日）的已發行股本10%，亦即77,763,250股股份（「計劃授權限額」）。在計算計劃授權限額時，已失效的購股權不得計算在內。計劃授權限額可於本公司股東大會上取得股東批准後更新，惟按更新後的計劃授權限額，根據購股權計劃將予授出的所有購股權可予發行及行使的股份總數，不得超過批准該限額當日已發行股份的10%（「經更新限額」）。就計算經更新限額而言，以往根據購股權計劃授出的購股權（包括可能已註銷、失效或行使者）不得計算在內。

首次公開招股前購股權計劃

根據首次公開招股前購股權計劃，本公司概無向任何承授人授出任何購股權，以致承授人連同先前已獲授的購股權，有權認購不超過首次公開招股前購股權計劃股份總數的25%。

- (i) 根據二零零零年八月二日批准並於二零零一年十二月十一日及二零零二年十一月二十六日修訂的首次公開招股前購股權計劃：

購股權於二零零零年十一月二十四日開始授出，並已於二零零五年十月二十八日本公司股份在聯交所主板上市時終止。每份購股權共有十年行使期。由上市日期起計第一、第二及第三周年開始，有關承授人最多可分別行使其購股權所包含的股份最高達25%、60%及100%（減去過往已行使的購股權所涉及股份數目）。行使價為港幣0.9元及首次公開招股發售價的80%兩者中之較低者。二零零五年十月二十八日，首次公開招股價定為每股港幣1.25元。

Share Option Scheme (continued)

Pre-IPO Share Option Scheme (continued)

(ii) Pursuant to the grant of options approved on 22 March 2005

At its meeting on 22 March 2005, the Board approved a fresh allotment of share options under the Pre-IPO share option scheme to all permanent staff. The grant was made conditional upon the successful listing of the Company's shares on the Main Board of the SEHK. The terms are the same as those for the grants as stated above, except that the exercise price shall be equal to the IPO price or HK\$1.25 per share.

Share Option Scheme

At the general meeting of the Company held on 14 October 2005, the shareholders approved and adopted a share option scheme (including the Pre-IPO share option scheme) with the following terms:

- (a) The purpose of the share option scheme is to attract and retain the best available personnel and to provide additional incentives to employees, directors, consultants, business associates and advisors to promote the success of the Group.
- (b) The Board has the absolute discretion to offer any employees (whether full-time or part-time), director (including Independent Non-executive Directors), consultant, business associates or adviser of the Company or any company within the Group options to subscribe for share, provided that the total number of shares issued or to be issued to any one grantee in any 12 month period shall not exceed 1% of the shares of the Company in issue. The grantee shall pay HK\$1.00 to the Company as nominal consideration for the grant upon acceptance of the offer of an option. The share options granted under the share option scheme vest after 12 months, 24 months and 36 months to exercise 25%, 60% and 100% respectively of the share options. Each option has a 10-year exercise period. The subscription amount payable in respect of each share option upon exercise of an option shall be determined by the Board and shall be not less than the greater of:
 - (i) the closing price of the shares on the SEHK's daily quotation sheet on the date, which must a business day, of written of such option (the Date of Grant);
 - (ii) the average closing price of the shares on the SEHK as stated in the SEHK's daily quotation sheets for the five business days immediately preceding the Date of Grant; and
 - (iii) the nominal value of the shares.

購股權計劃 (續)

首次公開招股前購股權計劃 (續)

(ii) 根據二零零五年三月二十二日批准授出的購股權

董事會於二零零五年三月二十二日召開會議，批准向所有永久員工根據首次公開招股前購股權計劃，更新配發購股權。有關購股權已於本公司股份成功在聯交所主板上市時有條件授出。有關條款與上文所述已授出的各項購股權相同，惟行使價應等於首次公開招股價或每股港幣1.25元。

購股權計劃

股東於二零零五年十月十四日舉行的股東大會上，批准及採納的購股權計劃(包括首次公開招股前購股權計劃)的條款如下：

- (a) 購股權計劃的目的，是為吸引及保留最優秀人才，並為推動本集團的成功，向僱員、董事、顧問、業務夥伴及諮詢顧問提供額外獎勵。
- (b) 董事會可全權酌情向本公司或本集團旗下任何公司的任何全職或兼職僱員、董事(包括獨立非執行董事)、顧問、業務夥伴或諮詢顧問授出購股權，讓其可認購股份，惟於任何十二個月內已發行或將予發行任何承授人的股份總數不得超過本公司已發行股份的1%。接納購股權要約時，承授人須向本公司支付港幣1.00元，作為獲授購股權的象徵式代價。在十二個月、二十四個月及三十六個月後，根據購股權計劃授出的購股權賦予權力，可分別行使有關購股權的25%、60%及100%。每份購股權共有十年行使期。因行使購股權而須就每份購股權支付的認購款項，將由董事會釐定，且不應少於下列各項中最高者：
 - (i) 於購股權的書面要約日期(「授出日期」)，其必須為營業日)，於聯交所每日報價表所列股份的收市價；
 - (ii) 緊接授出日期前五個營業日，於聯交所每日報價表所列股份在聯交所的平均收市價；及
 - (iii) 股份面值。

Report of the Directors (continued)

董事會報告書 (續)

Share Option Scheme (continued)

Share Option Scheme (continued)

As at 31 December 2005, the Directors and employees of the Company had the following interests in options to subscribe for shares of the company granted for nil consideration under the share option scheme of the Company. Each option gives the holder the right to subscribe for one ordinary share of the Company.

購股權計劃 (續)

購股權計劃 (續)

於二零零五年十二月三十一日，董事及本公司僱員擁有的購股權權益，可根據本公司的購股權計劃按無償代價認購本公司股份。每份購股權賦予其持有人認購本公司一股普通股的權利。

		No. of options outstanding at 1 January 2005	No. of shares consolidated	No. of options granted during the year	Effect of options lapsed upon termination of employment	No. of options outstanding at 31 December 2005	Date granted	Exercise period	Exercise price per share	Market value per share on exercise of options*
		於二零零五年一月一日尚未行使的購股權數目	合併股份數目	行使購股權年內授出的購股權數目	因終止受僱而失效的購股權	於二零零五年十二月三十一日尚未行使的購股權數目	授出日期	行使期	每股行使價	行使時每股股份的市值*
Directors	董事									
YUE Kwok Hung, Justin	余國雄	3,525,000	(1,762,500)	-	-	1,762,500	24/11/2000	10 years 10年	HK\$0.90 港幣0.90元	HK\$1.60 港幣1.60元
		3,525,000	(1,762,500)	-	-	1,762,500	13/12/2001	10 years 10年	HK\$0.90 港幣0.90元	HK\$1.60 港幣1.60元
		-	-	982,900	-	982,900	14/10/2005	10 years 10年	HK\$1.25 港幣1.25元	HK\$1.60 港幣1.60元
CHUNG Shun Kwan, Emily	鍾順群	800,000	(400,000)	-	-	400,000	24/11/2000	10 years 10年	HK\$0.90 港幣0.90元	HK \$1.60 港幣1.60元
		800,000	(400,000)	-	-	400,000	13/12/2001	10 years 10年	HK\$0.90 港幣0.90元	HK\$1.60 港幣1.60元
		-	-	396,845	-	396,845	14/10/2005	10 years 10年	HK\$1.25 港幣1.25元	HK\$1.60 港幣1.60元
Employees	僱員	6,000,000	(3,000,000)	-	(305,000)	2,695,000	Granted in 2000 於二零零零年授出	10 years 10年	HK \$0.90 港幣0.90元	HK\$1.60 港幣1.60元
		6,330,000	(3,165,000)	-	(410,000)	2,755,000	Granted in 2001 於二零零一年授出	10 years 10年	HK\$0.90 港幣0.90元	HK\$1.60 港幣1.60元
		2,060,000	(1,030,000)	-	(65,000)	965,000	Granted in 2002 於二零零二年授出	10 years 10年	HK\$0.90 港幣0.90元	HK\$1.60 港幣1.60元
		980,000	(490,000)	-	(105,000)	385,000	Granted in 2003 於二零零三年授出	10 years 10年	HK\$0.90 港幣0.90元	HK\$1.60 港幣1.60元
		610,000	(305,000)	-	(160,000)	145,000	Granted in 2004 於二零零四年授出	10 years 10年	HK\$0.90 港幣0.90元	HK\$1.60 港幣1.60元
		-	-	12,836,551	(125,317)	12,711,234	14/10/2005	10 years 10年	HK\$1.25 港幣1.25元	HK\$1.60 港幣1.60元
Total	總計	24,630,000	(12,315,000)	14,216,296	(1,170,317)	25,360,979				

The options granted to the Directors are registered under the names of the Directors who are also the beneficial owners.

授予董事的購股權，乃按本身亦兼為實益擁有人的董事的名義登記。

* being the closing price of the Company's ordinary shares as at 30 December 2005.

* 本公司普通股於二零零五年十二月三十日的收市價。

Share Option Scheme (continued)

Share Option Scheme (continued)

Information on the accounting policy for share options granted and the weighted average value per option is provided in note 1(n)(ii) and note 23 to the financial statements respectively.

Apart from the foregoing, at no time during the year was the Company, or its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares

The Company has been notified of the following interest in the Company's issued shares at 31 December 2005 amounting to 5% or more of the ordinary shares in issues:

購股權計劃 (續)

購股權計劃 (續)

有關已授出的購股權及每份購股權加權平均值的會計政策的資料，分別載於財務報表附註1(n)(ii)及附註23。

除上文所述，本公司或其附屬公司於年內任何時間，概無訂立任何安排，藉以讓本公司董事可因收購本公司或任何其他法人團體的股份而得益。

主要股東及其他人士於股份及相關股份的權益及淡倉

按本公司所知，於二零零五年十二月三十一日在本公司已發行股份中擁有已發行普通股的5%或以上的權益如下：

		Ordinary shares of HK\$0.20 each 每股普通股港幣0.20元			% of total issued shares 所佔已發行 股份百分比
		Registered shareholders 註冊股東	Corporate interests 公司權益	Number of shares 股份數目	
Substantial shareholders	主要股東				
The Financial Secretary Incorporated	財政司司長法團	95,673,000	–	95,673,000	12.30%
Other persons	其他人士				
HSBC Holdings plc	滙豐控股有限公司	–	63,125,000	63,125,000	8.12%
The Hongkong and Shanghai Banking Corporation Limited	香港上海滙豐 銀行有限公司	63,125,000	–	63,125,000	8.12%
PCCW Limited	電訊盈科有限公司	–	63,125,000	63,125,000	8.12%
PCCW-HKT Limited	香港電訊有限公司	63,125,000	–	63,125,000	8.12%

Report of the Directors (continued)

董事會報告書 (續)

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares (continued)

The register of interests in shares and short positions kept under section 336 of the SFO indicates that the interest disclosed by HSBC Holdings plc is the same as the 63,125,000 shares disclosed by The Hongkong & Shanghai Banking Corporation Limited, its 100% owned subsidiary and the interest disclosed by PCCW Limited is the same as the 63,125,000 shares disclosed by PCCW-HKT Limited, its 100% owned subsidiary.

Apart from the above, the Company had not been notified by any person who had interests or short positions in the shares and underlying shares of the Company as at 31 December 2005, which was required to be kept under section 336 of the SFO.

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

Connected Transactions

During 2005, the Company entered into (or continued to be party to) certain transactions with the Government and the FSI. The FSI has been our largest shareholder and connected person. The Government, holding the Company's shares through FSI, has therefore also been considered as a connected person.

Although these transactions were "connected transactions" as defined in the Listing Rules, all of them were either sharing of administrative services or de minimis transactions respectively exempted under rules 14A.33(2) and 14A.33(3) of the Listing Rules from all reporting, announcement and independent shareholders' approval requirements.

Bank Loans and Other Borrowings

The Company did not have any bank loans and other borrowings as at 31 December 2005.

主要股東及其他人士於股份及相關股份的權益及淡倉 (續)

根據證券及期貨條例第336條規定，須予備存的股份及淡倉權益登記冊顯示，滙豐控股有限公司所披露的權益與其全資附屬公司香港上海滙豐銀行有限公司所披露的63,125,000股股份一致，而電訊盈科有限公司披露的權益與其全資附屬公司香港電訊有限公司所披露的63,125,000股股份亦相同。

除上文所述外，就本公司所知，於二零零五年十二月三十一日概無任何人士擁有本公司股份或相關股份的權益或淡倉，而根據證券及期貨條例第336條規定須予備存。

公眾持股量充足

於本年報刊發日期，根據本公司可取得的公開資料顯示，並就本公司董事所知，本公司的公眾持股量一直維持於上市規則所訂明的水平。

關連交易

於二零零五年度，本公司曾與政府及財政司司長法團訂立（或繼續為其訂約方）若干交易。財政司司長法團一直是我們的最大股東兼關連人士。由於政府透過財政司司長法團持有本公司股份，因此亦視作關連人士論。

儘管該等交易按上市規則界定均屬「關連交易」，惟全部交易均為根據上市規則第14A.33(2)條及第14A.33(3)條分別獲豁免的分享行政服務或最低限額交易，並可豁免一切申報、公告及獨立股東批准規定。

銀行貸款及其他借貸

於二零零五年十二月三十一日，本公司並無任何銀行貸款及其他借貸。

Summary of Financial Information

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 118 of the annual report.

Retirement Scheme

The Group operates a Mandatory Provident Fund scheme for all qualifying employees. Particulars of these retirement schemes are set out in note 22 to the financial statements.

Confirmations of Independence

The Company has received from each of the Independent Non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the Independent Non-executive Directors to be independent.

Auditors

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board

Dr. LEE Nai Shee, Harry, S.B.S., J.P.

Chairman

Hong Kong, 23 March 2006

財務資料概要

本集團過去五個財政年度的業績及資產負債概要，載於年報第118頁。

退休計劃

本集團為全體合資格僱員，履行強制性公積金計劃。有關該等退休計劃的詳情，載於財務報表附註22。

獨立確認

本公司已收到每名獨立非執行董事根據上市規則第3.13條發出的每年獨立確認。本公司認為獨立非執行董事全部屬於獨立人士。

核數師

畢馬威會計師事務所將會退任，惟其符合資格可膺選連任。本公司將於即將舉行的股東週年大會上提呈決議案，藉以續聘畢馬威會計師事務所為本公司核數師。

承董事會命

主席

李乃熺博士，S.B.S.，J.P.

香港，二零零六年三月二十三日