

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

董事會提呈截至二零零五年十二月三十一日止年度之年報及經審核財務報表。

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its principal subsidiaries are set out in note 37 to the financial statements.

主要業務

本公司為投資控股公司。其主要附屬公司之主要業務載於財務報表附註 37。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st December, 2005 are set out in the consolidated income statement on page 36.

業績及分派

本集團截至二零零五年十二月三十一日止年度之業績載於第 36 頁之綜合收益表。

In the opinion of the directors, the Company's reserves available for distribution represented retained profits with an amount of HK\$82,899,000 at 31st December, 2005 (2004: HK\$81,919,000).

董事認為，本公司之可供分派儲備指於二零零五年十二月三十一日之保留溢利 82,899,000 港元（二零零四年：81,919,000 港元）。

The directors recommend the payment of a final dividend of approximately HK\$7.9 million representing HK\$0.01 (2004: Nil) per share, payable to shareholders of the Company whose names are on the register of members on 1st June, 2006.

董事建議向於二零零六年六月一日名列股東名冊之本公司股東派付末期股息約 7,900,000 港元，即每股 0.01 港元（二零零四年：無）。

SHARE CAPITAL

Pursuant to a share placing agreement dated 1st February, 2005, the Company issued a total of 102,800,000 ordinary shares of HK\$0.01 each at a price of HK\$0.255 per share in February 2005. The net proceeds from the share placing was HK\$25.8 million of which HK\$23.1 million was used to repay the secured borrowings from a fellow subsidiary and the remaining balance was used as general working capital of the Group.

股本

根據於二零零五年二月一日訂立之股份配售協議，本公司於二零零五年二月按每股 0.255 港元之價格發行合共 102,800,000 股每股面值 0.01 港元之普通股。股份配售之所得款項淨額為 25,800,000 港元，其中 23,100,000 港元已用作償還來自同系附屬公司之有抵押借貸，而餘額已用作本公司之一般營運資金。

Details of the above and other movements in the share capital of the Company are set out in note 28 to the financial statements.

上述本公司之股本及其他變動之詳情載於財務報表附註 28。

INVESTMENT PROPERTIES

During the year, the Group disposed of investment properties with carrying amount of approximately HK\$5.4 million at a consideration of approximately HK\$9.0 million.

The Group's investment properties were revalued at 31st December, 2005 by an independent firm of professional property valuers, on an open market value basis. Details are set out in note 17 to the financial statements.

A summary of the investment properties held by the Group at 31st December, 2005 is set out on page 87.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive directors:

Mr. Aaron Tam, Chong-cheong (*Chairman*)
 Mr. Leung, Wing-pong (*Chief Executive Officer*)
 Mr. Kong, Chi-ming (*Deputy Chairman*) (appointed on 22nd July, 2005)
 Ms. Jackie Shek, Lai-ping (resigned on 22nd July, 2005)

Independent non-executive directors:

Mr. Leung, Yun-fai
 Mr. Lam, Yat-fai
 Dr. David Chain, Chi-woo

In accordance with clauses 86(2) and 87(2) of the Company's bye-laws, Mr. Aaron Tam, Chong-cheong, Mr. Kong, Chi-ming and Mr. Leung, Yun-fai will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

投資物業

年內，本集團按代價約 9,000,000 港元出售賬面值約 5,400,000 港元之投資物業。

本集團之投資物業於二零零五年十二月三十一日由獨立物業估值師按公開市值基準重估，有關詳情載於財務報表附註 17。

本集團於二零零五年十二月三十一日持有之投資物業之概要載於第 87 頁。

董事及董事之服務合約

年內及截至本報告日期止本公司之董事如下：

執行董事：

譚頌翔先生（主席）
 梁榮邦先生（行政總裁）
 江志明先生（副主席）（於二零零五年七月二十二日獲委任）
 石麗萍女士（於二零零五年七月二十二日辭任）

獨立非執行董事：

梁潤輝先生
 林日輝先生
 錢其武醫生

根據本公司之公司細則第 86(2)及 87(2)條，譚頌翔先生、江志明先生及梁潤輝先生將於稍後舉行之股東週年大會上退任，並符合資格且願意重選連任。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS (cont'd)

The term of office of each independent non-executive director is the period up to his retirement as required by the Company's bye-laws.

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

DIRECTORS' INTERESTS IN SHARES AND SHORT POSITION

At 31st December, 2005, none of the directors, chief executives nor their associates, had any interests or short position in any shares, underlying shares or rights to subscribe for the securities of the Company and its associated corporations, as recorded in the register maintained by the Company under Section 352 of the Securities and Futures Ordinance (the "SFO"), or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

SHARE OPTION SCHEME

The Company has adopted a share option scheme on 15th February, 2002 (the "2002 Scheme") for which the details are set out in note 29 to the financial statements.

No options were outstanding at 31st December, 2005 under the 2002 Scheme. No options were granted, exercised, cancelled or lapsed during the year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the share option scheme as disclosed above, at no time during the year was the Company, its holding companies 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 debt securities (including debentures) of, the Company or any other body corporate.

董事及董事之服務合約 (續)

根據本公司之公司細則，每位獨立非執行董事之任期直至其輪值退任時屆滿。

擬於稍後舉行之股東週年大會上重選連任之董事概無與本公司或其任何附屬公司訂立本集團不作賠償（法定賠償除外）則不可於一年內終止之服務合約。

董事之股份權益及淡倉

於二零零五年十二月三十一日，概無董事、最高行政人員或彼等之聯繫人士於本公司或其相聯法團之任何股份、相關股份或可認購其證券之權利中擁有須記錄於本公司按證券及期貨條例（「證券及期貨條例」）第 352 條而存置之登記冊內之權益或淡倉，或依據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）所載上市公司董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之權益或淡倉。

購股權計劃

本公司於二零零二年二月十五日採納一項購股權計劃（「二零零二年計劃」），有關詳情載於財務報表附註 29。

根據二零零二年計劃，概無於二零零五年十二月三十一日尚未行使之購股權。年內並無購股權授出、行使、註銷或失效。

董事購買股份或債券之權利

除上文所披露之購股權計劃外，本公司、其控股公司或其任何附屬公司或同系附屬公司於年內任何時間均無訂立任何安排，使本公司董事可從購買本公司或任何其他法人團體之股份或債務證券（包括債券）中獲益。

DISCLOSEABLE INTERESTS AND SHORT POSITION
OF SHAREHOLDERS UNDER THE SFO根據證券及期貨條例須予披露
之股東權益及淡倉

As at 31st December, 2005, the following parties were recorded in the register kept by the Company under section 336 of the SFO as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:

於二零零五年十二月三十一日，根據本公司按證券及期貨條例第 336 條存置之登記冊所示，下列人士直接或間接擁有或被視為擁有本公司已發行股本 5% 或以上之權益：

Long position in shares

於股份之好倉

Name of Shareholder 股東名稱	Number of Shares 股份數目	Capacity 身份	Note 附註	Percentage of shareholding 股權百分比 %
Million Point Limited	170,000,000	Beneficial owner 實益擁有人	1	21.41
Cosmos Success Limited	170,000,000	Interest of a controlled corporation 受控制公司之權益	1	21.41
Chinese Estates, Limited 華人置業有限公司	170,000,000	Interest of a controlled corporation 受控制公司之權益	1	21.41
Luckpoint Investment Limited 樂邦投資有限公司	76,877,685	Beneficial owner 實益擁有人	2	9.68
China Entertainment and Land Investment Company, Limited 中華娛樂置業有限公司	76,877,685	Interest of a controlled corporation 受控制公司之權益	2	9.68
Paul Y. Holdings Company Limited	150,981,076	Beneficial owner and interest of a controlled corporation 實益擁有人及受控制公司之權益	3 & 4	19.01

DISCLOSEABLE INTERESTS AND SHORT POSITION
OF SHAREHOLDERS UNDER THE SFO (cont'd)根據證券及期貨條例須予披露
之股東權益及淡倉（續）

Name of Shareholder 股東名稱	Number of Shares 股份數目	Capacity 身份	Note 附註	Percentage of shareholding 股權百分比 %
Chinese Estates Holdings Limited	397,858,761	Interest of controlled corporations 受控制公司之權益	1, 2, 3 & 4	50.10
Mr. Joseph Lau, Luen-hung 劉鑾雄先生	397,858,761	Interest of a controlled corporation 受控制公司之權益	5	50.10
Global King Ltd.	397,858,761	Interest of a controlled corporation 受控制公司之權益	6	50.10
GZ Trust Corporation	397,858,761	Interest of a controlled corporation 受控制公司之權益	6	50.10
Hutchison International Limited 和記企業有限公司	100,887,912	Beneficial owner and interest of controlled corporations 實益擁有人及受控制公司之權益	7	12.70
Hutchison Whampoa Limited 和記黃埔有限公司	100,887,912	Interest of controlled corporations 受控制公司之權益	7	12.70
Cheung Kong (Holdings) Limited 長江實業（集團）有限公司	100,887,912	Interest of controlled corporations 受控制公司之權益	7	12.70
Mr. Li Ka-shing 李嘉誠先生	100,887,912	Founder of discretionary trusts and interest of controlled corporations 全權信託之創立人及受控制 公司之權益	7	12.70

DISCLOSEABLE INTERESTS AND SHORT POSITION
OF SHAREHOLDERS UNDER THE SFO (cont'd)根據證券及期貨條例須予披露
之股東權益及淡倉（續）

Name of Shareholder 股東名稱	Number of Shares 股份數目	Capacity 身份	Note 附註	Percentage of shareholding 股權百分比 %
Li Ka-Shing Unity Trustcorp Limited	100,887,912	Trustee and beneficiary of trust 信託人及信託之受益人	7	12.70
Li Ka-Shing Unity Trustee Corporation Limited	100,887,912	Trustee and beneficiary of trust 信託人及信託之受益人	7	12.70
Li Ka-Shing Unity Trustee Company Limited	100,887,912	Trustee 信託人	7	12.70

Notes:

1. Million Point Limited ("Million Point") was the beneficial owner of 170,000,000 shares. Each of Chinese Estates Holdings Limited ("Chinese Estates"), Chinese Estates, Limited and Cosmos Success Limited was deemed to be interested in the same parcel of shares in which Million Point was interested since Chinese Estates owned the entire issued share capital of Chinese Estates, Limited, which in turn owned the entire issued share capital of Cosmos Success Limited, which in turn owned the entire issued share capital of Million Point.
2. Luckpoint Investment Limited ("Luckpoint") was the beneficial owner of 76,877,685 shares. Each of Chinese Estates and China Entertainment and Land Investment Company, Limited ("CELI") was deemed to be interested in the same parcel of shares in which Luckpoint was interested since Chinese Estates owned the entire issued share capital of CELI, which in turn owned the entire issued share capital of Luckpoint.

附註:

1. Million Point Limited（「Million Point」）為 170,000,000 股股份之實益擁有人。由於 Chinese Estates Holdings Limited（「華人置業」）擁有華人置業有限公司之全部已發行股本，而華人置業有限公司擁有 Cosmos Success Limited 之全部已發行股本，而 Cosmos Success Limited 擁有 Million Point 之全部已發行股本，因此華人置業、華人置業有限公司及 Cosmos Success Limited 各被視為於 Million Point 所擁有之同一批股份中擁有權益。
2. 樂邦投資有限公司（「樂邦」）為 76,877,685 股股份之實益擁有人。由於華人置業擁有中華娛樂置業有限公司（「中娛置業」）之全部已發行股本，而中娛置業擁有樂邦之全部已發行股本，因此華人置業及中娛置業各被視為於樂邦所擁有之同一批股份中擁有權益。

DISCLOSEABLE INTERESTS AND SHORT POSITION OF SHAREHOLDERS UNDER THE SFO (cont'd)

3. Paul Y. Holdings Company Limited ("Paul Y.") was the beneficial owner of 113,818,911 shares. Chinese Estates was deemed to be interested in the same parcel of shares in which Paul Y. was interested since Chinese Estates owned the entire issued share capital of Paul Y..

In addition, Great Empire International Ltd. ("Great Empire") was the beneficial owner of 37,162,165 shares. Each of Chinese Estates and Paul Y. was deemed to be interested in the same parcel of shares in which Great Empire was interested since Chinese Estates owned the entire issued share capital of Paul Y., which in turn owned the entire issued share capital of Great Empire.

4. Mr. Aaron Tam, Chong-cheong, Mr. Leung, Wing-pong and Mr. Kong, Chi-ming, directors of the Company, are also employees of subsidiaries of Chinese Estates and/or Paul Y.. These subsidiaries are not themselves substantial shareholders of the Company.
5. Mr. Joseph Lau, Luen-hung, by virtue of his 60.96% interest in the issued share capital of Chinese Estates, was deemed to be interested in the same interests stated against Chinese Estates under the provisions of the SFO.
6. GZ Trust Corporation as trustee of a discretionary trust held units in a unit trust of which Global King Ltd. was the trustee. Global King Ltd. was entitled to exercise more than one-third of the voting power at general meetings of Chinese Estates. Accordingly, Global King Ltd. and GZ Trust Corporation were deemed to be interested in the same interests stated against Chinese Estates.
7. These shares comprised 62,899,924 shares beneficially owned by Hutchison International Limited ("HIL") and 37,987,988 shares beneficially owned by Koga Limited ("Koga"). HIL is a wholly-owned subsidiary of Hutchison Whampoa Limited ("HWL"). By virtue of the SFO, HWL was deemed to be interested in the same parcel of such 62,899,924 shares which HIL was interested. Koga is a wholly-owned subsidiary of Cheung Kong Infrastructure (BVI) Limited, which in turn is a wholly-owned subsidiary of Cheung Kong Infrastructure Holdings Limited ("CKI"). CKI is a subsidiary of Hutchison Infrastructure Holdings Limited which in turn is a wholly-owned subsidiary of HIL. By virtue of the SFO, each of HIL and HWL was deemed to be interested in the same parcels of such 37,987,988 shares in which Koga was interested.

根據證券及期貨條例須予披露之股東權益及淡倉（續）

3. Paul Y. Holdings Company Limited (「Paul Y.」) 為 113,818,911 股股份之實益擁有人。由於華人置業擁有 Paul Y. 之全部已發行股本，因此華人置業被視為於 Paul Y. 所擁有之同一批股份中擁有權益。

此外，Great Empire International Ltd. (「Great Empire」) 為 37,162,165 股股份之實益擁有人。由於華人置業擁有 Paul Y. 之全部已發行股本，而 Paul Y. 實益擁有 Great Empire 之全部已發行股本，因此華人置業及 Paul Y. 各被視為於 Great Empire 所擁有之同一批股份中擁有權益。

4. 本公司董事譚頌翔先生、梁榮邦先生及江志明先生亦為華人置業及／或 Paul Y. 之附屬公司之僱員。該等附屬公司本身並非本公司之主要股東。
5. 劉鑾雄先生因為於華人置業之已發行股本擁有 60.96% 權益，故根據證券及期貨條例之條文被視為擁有華人置業所擁有之權益。
6. GZ Trust Corporation 以一項全權信託之信託人身份持有一項由 Global King Ltd. 任信託人之信託單位。Global King Ltd. 有權於華人置業之股東大會上行使三分之一以上之投票權。因此，Global King Ltd. 及 GZ Trust Corporation 被視為擁有華人置業所擁有之權益。
7. 該等股份包括 62,899,924 股由和記企業有限公司 (「和記企業」) 實益擁有之股份及 37,987,988 股由 Koga Limited (「Koga」) 實益擁有之股份。和記企業為和記黃埔有限公司 (「和黃」) 之全資附屬公司。根據證券及期貨條例，和黃被視為於和記企業所擁有之同一批 62,899,924 股股份中擁有權益。Koga 為 Cheung Kong Infrastructure (BVI) Limited 之全資附屬公司，而 Cheung Kong Infrastructure (BVI) Limited 為長江基建集團有限公司 (「長江基建」) 之全資附屬公司。長江基建為 Hutchison Infrastructure Holdings Limited 之附屬公司，而 Hutchison Infrastructure Holdings Limited 為和記企業之全資附屬公司。根據證券及期貨條例，和記企業及和黃各被視為於 Koga 所擁有之同一批 37,987,988 股股份中擁有權益。

DISCLOSEABLE INTERESTS AND SHORT POSITION OF SHAREHOLDERS UNDER THE SFO (cont'd)

Li Ka-Shing Unity Holdings Limited, of which each of Mr. Li Ka-shing ("Mr. Li"), Mr. Li Tzar-kuoi, Victor and Mr. Li Tzar-kai, Richard was interested in one-third of the entire issued share capital, owned the entire issued share capital of Li Ka-Shing Unity Trustee Company Limited ("TUT1"). TUT1 as trustee of The Li Ka-Shing Unity Trust ("UT1"), together with certain companies which TUT1 as trustee of UT1 was entitled to exercise or control the exercise of more than one-third of the voting power at their general meetings, held more than one-third of the issued share capital of Cheung Kong (Holdings) Limited ("CKH"). Certain subsidiaries of CKH were entitled to exercise or control the exercise of more than one-third of the voting power at the general meetings of HWL.

In addition, Li Ka-Shing Unity Holdings Limited also owned the entire issued share capital of Li Ka-Shing Unity Trustee Corporation Limited ("TDT1") as trustee of The Li Ka-Shing Unity Discretionary Trust ("DT1") and Li Ka-Shing Unity Trustcorp Limited ("TDT2") as trustee of another discretionary trust ("DT2"). Each of TDT1 and TDT2 holds units in UT1.

Mr. Li was the settlor of each of DT1 and DT2 and may be regarded as a founder of each of DT1 and DT2 for the purpose of the SFO. By virtue of the SFO, each of Mr. Li, TDT1, TDT2, TUT1 and CKH was deemed to be interested in the 100,887,912 shares in which HWL was interested.

All the interests stated above represent long position and interest in shares. As at 31st December, 2005, no short position was recorded in the register kept by the Company under section 336 of the SFO.

根據證券及期貨條例須予披露之股東權益及淡倉（續）

由李嘉誠先生（「李先生」）、李澤鉅先生及李澤楷先生各自擁有全部已發行股本三分之一權益之 Li Ka-Shing Unity Holdings Limited 擁有 Li Ka-Shing Unity Trustee Company Limited（「TUT1」）全部已發行股本。TUT1 以 The Li Ka-Shing Unity Trust（「UT1」）信託人之身份，連同若干公司（TUT1 以 UT1 信託人之身份有權在其股東大會上行使或控制行使三分之一以上投票權之公司）合共持有長江實業（集團）有限公司（「長實」）三分之一以上之已發行股本。長實若干附屬公司有權在和黃之股東大會上行使或控制行使三分之一以上之投票權。

此外，Li Ka-Shing Unity Holdings Limited 亦擁有 Li Ka-Shing Unity Trustee Corporation Limited（「TDT1」），The Li Ka-Shing Unity Discretionary Trust（「DT1」）之信託人及 Li Ka-Shing Unity Trustcorp Limited（「TDT2」），另一全權信託（「DT2」）之信託人之全部已發行股本。TDT1 及 TDT2 各持有 UT1 之單位。

李先生為 DT1 及 DT2 之財產授予人，就證券及期貨條例而言，或可被視為 DT1 及 DT2 之創立人。根據證券及期貨條例，李先生、TDT1、TDT2、TUT1 及長實各被視為於和黃所擁有之 100,887,912 股股份之權益中擁有權益。

上述所有權益均指股份之好倉及權益。於二零零五年十二月三十一日，本公司根據證券及期貨條例第 336 條存置之登記冊中並無任何淡倉記錄。

CONNECTED TRANSACTIONS

On 28th March, 2002 and 4th September, 2003, each of Great King Limited ("Great King") and Gold Concept Limited ("Gold Concept") entered into a facility letter and supplement agreements with Oriental Ford Finance Limited ("Oriental Ford"), a wholly owned subsidiary of Chinese Estates, pursuant to which Oriental Ford agreed to provide secured loan facilities of up to the HK\$23,917,000 and HK\$1,450,000, respectively, to Great King and Gold Concept. The secured loan facilities are secured by the mortgage deeds on the flats A and B on the 4th floor and roofs A and B, shop G on the ground floor, the whole of 1st, 2nd and 3rd floors of Golden Hall Building, numbers 49-63 Castle Peak Road, Yuen Long, New Territories, Hong Kong. Interests were payable at such rate as announced or applied by Standard Chartered Bank (Hong Kong) Limited (or such other bank as Oriental Ford may from time to time select in its absolute discretion) from time to time as its prime interest rate in Hong Kong for lending of Hong Kong Dollars to its prime customers.

The secured loans together with interests to be accrued thereon would be repaid by Great King and Gold Concept by way of 204 successive monthly instalments of HK\$166,000 and HK\$10,000 each, respectively, (subject to adjustment). During the year, interest of approximately HK\$159,000 was paid to Oriental Ford.

The outstanding secured loans and accrued interest were wholly repaid on 21st February, 2005.

關連交易

於二零零二年三月二十八日及二零零三年九月四日，東帝有限公司（「東帝」）及金朗有限公司（「金朗」）各與華人置業之全資附屬公司律豐財務有限公司（「律豐財務」）訂立貸款通知書及補充協議，據此，律豐財務同意向東帝及金朗分別提供最多可至 23,917,000 港元及 1,450,000 港元之有抵押信貸。有抵押信貸乃以香港新界元朗青山公路 49-63 號金豪大廈 4 樓 A 及 B 室及天台 A 及 B 單位及地下 G 舖及 1 樓、2 樓及 3 樓全層作抵押。利息乃按渣打銀行（香港）有限公司（或律豐財務不時全權指定之其他銀行）不時向其優惠客戶就港元貸款公布或應用之香港最優惠利率計算。

東帝及金朗須就有抵押貸款連同應計利息分別連續 204 個月按月分期償還 166,000 港元及 10,000 港元（可予調整）。年內已支付律豐財務之利息約為 159,000 港元。

尚未償還之有抵押貸款及應計利息已於二零零五年二月二十一日悉數償還。

DIRECTORS' INTERESTS IN CONTRACTS

A lease agreement was entered into between a fellow subsidiary of the Company and a joint tenant, of which D.Y. Lam & Co. is a party, for office premises on normal commercial terms for two years commencing from 10th June, 2004 to 9th June, 2006 at monthly rental of HK\$16,000. Mr. Lam, Yat-fai, being the independent non-executive director of the Company, is the sole proprietor of D.Y. Lam & Co.. Rental of HK\$186,000 and management fee of HK\$62,000 were charged to the joint tenant during the year.

Other than as disclosed above, no contract of significance, to which the Company, its holding companies, fellow subsidiaries or 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.

REMUNERATION POLICIES AND SHARE OPTION SCHEME

Remuneration package comprised salary and year-end bonuses based on individual merits. The Company has adopted a share option scheme on 15th February, 2002 (the "2002 Scheme"). Details of the 2002 Scheme are set out in note 29 to the financial statements. There were no outstanding options at the beginning and at the end of the year. No options were granted, exercised, cancelled or lapsed during the year.

董事於合約中之權益

本公司一間同系附屬公司與一合租租戶（林日輝會計師行為其中一方）按一般商業條款訂立租約租賃寫字樓單位，租期由二零零四年六月十日至二零零六年六月九日為期兩年，月租 16,000 港元。本公司獨立非執行董事林日輝先生為林日輝會計師行之獨資經營者。年內，已向合租租戶徵收 186,000 港元租金及 62,000 港元管理費。

除上文所披露者外，本公司各董事在本公司、其控股公司、同系附屬公司或附屬公司於年結日或年內任何時間訂立之重要合約中概無直接或間接擁有重大權益。

酬金政策及購股權計劃

酬金包括薪金及按個別表現釐定之年終花紅。本公司於二零零二年二月十五日採納購股權計劃（「二零零二年計劃」）。二零零二年計劃之詳情載於財務報表附註 29。年初及年終並無購股權尚未行使，年內亦無授出、行使或註銷購股權，亦無購股權已經失效。

PENSION SCHEMES

The Group operates two pension schemes:

- (1) the provident fund scheme as defined in the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the laws of Hong Kong (the "MPF Scheme"); and
- (2) the provident fund scheme as defined in the Occupational Retirement Schemes Ordinance, Chapter 426 of the laws of Hong Kong (the "Top-up Scheme").

Both the MPF Scheme and the Top-up Scheme were defined contribution schemes and the assets of both schemes were managed by their respective trustees accordingly.

The MPF Scheme was available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions were made by the Group at 5% based on the staff's relevant income. The maximum relevant income for contribution purpose is HK\$20,000 per month. Staff members were entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefits were required by law to be preserved until the retirement age of 65.

The Top-up Scheme was available to those employees with basic salary over HK\$20,000 and/or years of service over 5. Contributions to the Top-up Scheme were made by the Group at 5%, 7.5% or 10% of staff's basic salary (depending on the length of service) less the Group's mandatory contribution under the MPF Scheme. Staff members were entitled to 100% of the Group's contributions together with accrued returns after completing 10 years of service or more, or attaining the retirement age, or were entitled at a reduced scale between 30% to 90% of the Group's contributions after completing a period of service of at least 3 years but less than 10 years. The Top-up Scheme allowed any forfeited contributions (made by the Group for any staff member who subsequently left the Top-up Scheme prior to vesting fully in such contributions) to be used by the Group to offset the current level of contributions of the Group.

退休金計劃

本集團推行兩項退休金計劃：

- (1) 香港法例第 485 章強制性公積金計劃條例所界定之公積金計劃（「強積金計劃」）；及
- (2) 香港法例第 426 章職業退休計劃條例所界定之公積金計劃（「補足計劃」）。

強積金計劃及補足計劃均為定額供款計劃，該等計劃之資產乃由各自之受託人管理。

強積金計劃可供所有 18 至 64 歲受僱於香港最少 60 日之本集團僱員參加。本集團根據僱員之有關入息作出 5% 之供款。就供款而言，有關入息上限為每月 20,000 港元。不論其於本集團之服務年期，僱員均可取得 100% 本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡 65 歲方可領取。

補足計劃可供基本薪金超過 20,000 港元及/或年資超過五年之僱員參加。本集團乃根據僱員之基本薪金按其服務年期，作出 5%、7.5% 或 10% 之補足計劃供款，並減去本集團根據強積金計劃作出之強制性供款。僱員於服務滿 10 年或以上或到退休年齡時可取得 100% 本集團供款連同應計回報，而服務年期滿 3 年但不足 10 年之僱員則可按遞減比例取得 30% 至 90% 本集團供款。補足計劃容許本集團將任何已沒收供款（即本集團就任何可獲得全部供款前退出補足計劃之僱員而作出之供款）用以抵銷本集團現有之供款水平。

PENSION SCHEMES (cont'd)

The Group's cost for the schemes charged to consolidated income statement for the year ended 31st December, 2005 amounted to HK\$40,000 (2004: HK\$46,000) after reduction of HK\$8,000 from the forfeited contribution of the Top-up Scheme.

During the year, contributions to the Top-up Scheme of HK\$16,000 were forfeited and used to reduce existing level of contributions. As at 31st December, 2005, HK\$8,000 was utilized and the balance of HK\$8,000 was available to reduce future contribution.

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate sales attributable to the Group's largest customer and five largest customers accounted for approximately 25% and 75%, respectively, of the Group's total turnover for the year.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers accounted for approximately 41% and 67%, respectively, of the Group's total purchases for the year.

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

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

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

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.

退休金計劃 (續)

自補足計劃之已沒收供款中扣除 8,000 港元後，本集團於截至二零零五年十二月三十一日止年度內就該等計劃於綜合收益表扣除之費用為 40,000 港元（二零零四年：46,000 港元）。

年內，已沒收補足計劃之供款 16,000 港元，並用作減低現時之供款水平。於二零零五年十二月三十一日已動用 8,000 港元，而餘額 8,000 港元將可用作減少未來供款。

主要客戶及供應商

本集團最大客戶及五大客戶之總銷售額分別約佔本集團年內總營業額之 25% 及 75%。

本集團最大供應商及五大供應商之總購貨額分別約佔本集團年內總購貨額之 41% 及 67%。

各董事、其聯繫人士或就董事所知擁有 5% 以上之本公司已發行股本之任何股東概無擁有本集團任何其他五大客戶或供應商之股本權益。

買賣或贖回本公司之上市證券

年內，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。

股本優先購買權

本公司之公司細則或百慕達法例中，並無本公司須按比例發售新股予現有股東之股本優先購買權條文。

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rules 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

SUFFICIENCY OF PUBLIC FLOAT

Rule 8.08 of the Listing Rules required at least 25% of the issued share capital of the Company must be held in public hands. Based on information that is publicly available to the Company and within the knowledge of the directors as at 10th March, 2006 (the latest practicable date prior to the issue of the annual report), the obligation has been complied with.

POST BALANCE SHEET EVENT

Details of significant post balance sheet event are set out in note 40 to the financial statements.

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

Aaron Tam, Chong-cheong

Chairman

Hong Kong, 13th March, 2006

委任獨立非執行董事

本公司已根據上市規則第 3.13 條接獲各獨立非執行董事發出之年度獨立性確認書。本公司認為，全體獨立非執行董事均為獨立人士。

足夠之公眾持股量

上市規則第 8.08 條規定，本公司最少 25% 之已發行股本須由公眾人士持有，按所得資料及據董事所知，於二零零六年三月十日（本年報刊發前之最後實際可行日期），本公司已符合上述規定。

結算日後事項

結算日後重大事項之詳情載於財務報表附註 40。

核數師

本公司將於股東週年大會上提呈一項決議案，以續聘德勤•關黃陳方會計師行為本公司核數師。

代表董事會

主席

譚頌翔

香港，二零零六年三月十三日