

REPORT OF THE DIRECTORS

The board of Directors (the "Board") herein present their report and the audited financial statements of Dawnrays Pharmaceutical (Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2005.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the subsidiaries are set out in note 18 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2005 and the state of affairs of the Company and the Group at that date are set out in the audited financial statements on pages 50 to 119.

An interim dividend of HK\$0.015 per ordinary share was paid on 28 September 2005. The Board recommends the payment of a final dividend of HK\$0.035 per ordinary share in respect of the year, to shareholders on the register of members on 3 May 2006. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the capital and reserves section of the balance sheet.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and of the assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the published audited financial statements and Accountants' Report included in the Prospectus of the Company dated 30 June 2003 and reclassified as appropriate, is set out on page 120. This summary does not form part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT AND LAND USE RIGHTS

Details of movements in property, plant and equipment and land use rights of the Company and the Group during the year are set out in notes 14 and 15 to the financial statements, respectively.

董事會報告

董事會(「董事會」)提呈其董事會報告及東瑞製藥(控股)有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零零五年十二月三十一日止年度的經審核財務報表。

主要業務

本公司的主要業務為投資控股。附屬公司的主要業務詳情載列於財務報表附註18。本集團於年內的主要業務性質並無重大變動。

業績及股息

本集團截至二零零五年十二月三十一日止年度的溢利及本公司及本集團於該日的財務狀況，載於經審核財務報表第50至119頁。

每股普通股港幣0.015元的中期股息已於二零零五年九月二十八日派發。董事會建議向於二零零六年五月三日名列股東名冊的股東支付末期股息每股普通股港幣0.035元。有關建議已列入財務報表，並計入資產負債表內股本及儲備一節的配發保留溢利一項中。

財務資料概要

節錄自己公佈的經審核財務報表及本公司於二零零三年六月三十日刊發的招股章程內的會計師報告(並經適當重新分類)，有關本集團最近五個財政年度的已公佈業績、資產、負債及少數股東權益概要載於第120頁。該概要並不構成經審核財務報表的部分。

物業、廠房及設備及土地使用權

本公司及本集團於年內的物業、廠房及設備及土地使用權的變動詳情，分別載於財務報表的附註14及15。

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SHARE CAPITAL AND SHARE OPTIONS

There were no movements in either the Company's authorised or issued share capital during the year. Details of movements in the Company's share options during the year are set out in note 28 to the financial statements.

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year. Subsequent to 31 December 2005, the Company purchased 28,000 shares of the Company's listed securities on 6 January 2006 at HK\$0.50 per share on the Stock Exchange and the shares have been cancelled upon purchase.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in statement of changes in equity and note 29 to the financial statements.

DISTRIBUTABLE RESERVES

At 31 December 2005, the Company's reserves available for distribution amounted to RMB226,413,000, of which RMB29,127,000 has been proposed as a final dividend for the year. Under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, the share premium account of the Company of approximately RMB69,583,000 as at 31 December 2005 are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business. The share premium account may also be distributed in the form of fully paid bonus shares.

股本及購股權

本公司於年內的法定股本或已發行股本並無出現變動。本公司於年內的購股權變動詳情載於財務報表附註28。

優先購買權

本公司的公司組織章程細則或開曼群島法律並無有關優先購買權的條文，規定本公司須按比例提呈發售新股予現有股東。

購買、贖回或出售本公司上市證券

本公司或其任何附屬公司於年內並無購買、贖回或出售任何本公司上市證券。二零零五年十二月三十一日後，於二零零六年一月六日，本公司以每股港幣0.50元於聯交所市場購買28,000股本公司上市證券。該批股票已於購買時註銷。

儲備

本公司及本集團於年內的儲備變動詳情，載於股東權益變動表及財務報表附註29。

可供分派儲備

本公司於二零零五年十二月三十一日的可供分派儲備達人民幣226,413,000元，其中建議人民幣29,127,000元用作宣派年內的末期股息。根據開曼群島公司法（一九六一年第三卷，經綜合及修訂）第二十二章，本公司於二零零五年十二月三十一日可供分派予本公司股東的股份溢價賬約人民幣69,583,000元，惟本公司須於緊接建議派發股息當日後，本公司有能力清償其於一般業務過程中到期的債務。股份溢價賬亦可以繳足紅股的方式分派。

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MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for 24% of the total sales for the year and sales to the largest customer included therein amounted to 7%. Purchases from the Group's five largest suppliers accounted for 48% of the total purchases for the year and purchases from the largest supplier included therein amounted to 22%.

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

DIRECTORS

The Directors of the Company during the year were:

EXECUTIVE DIRECTORS

Ms. Li Kei Ling

Mr. Hung Yung Lai

Mr. Zhang Jing Xing

Mr. Lam Kam Wah (resigned on 22 April 2005)

Mr. Li Tung Ming

Mr. Xu Kehan

NON-EXECUTIVE DIRECTOR

Mr. Leung Hong Man (appointed on 1 November 2005)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Pan Xue Tian

Mr. Lee Cheuk Yin Dannis

Mr. Choi Tat Ying Jacky

主要客戶及供應商

於回顧年內，向本集團五大客戶的銷售額佔銷售總額的24%，而向其中最大客戶的銷售額則佔7%。向本集團五大供應商的採購額佔年內採購總額的48%，而向其中最大供應商的採購額則佔22%。

本公司董事或其任何聯繫人或任何股東（據董事所知，擁有本公司已發行股本逾5%權益）於本集團五大客戶或供應商中並無擁有任何實益權益。

董事

本公司於年內的董事如下：

執行董事

李其玲女士

熊融禮先生

張京星先生

林錦華先生（於二零零五年四月二十二日辭任）

李東明先生

許克寒先生

非執行董事

梁康民先生（於二零零五年十一月一日獲委任）

獨立非執行董事

潘學田先生

李卓然先生

蔡達英先生

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In accordance with the article 87 of the Company's articles of association, Mr. Zhang Jing Xing and Mr. Pan Xue Tian will retire by rotation and being eligible, offer themselves for re-election at the forthcoming annual general meeting ("AGM"). As Mr. Leung Hong Man was appointed by the Board as an additional Director after the AGM held on 22 April 2005, he will retire from office at the forthcoming AGM, and, being eligible, offer himself for re-election. Mr. Lee Cheuk Yin, Dannis will also retire from office and offer himself for re-election in view of the provisions in paragraph A.4.2 of the Appendix 14 of the Listing Rules, which came into effect on 1 January 2005.

The Company has received annual confirmations of independence from Mr. Pan Xue Tian, Mr. Lee Cheuk Yin Dannis and Mr. Choi Tat Ying Jacky, and as at the date of this report still considers them to be independent.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors of the Company and the senior management of the Group are set out on pages 28 to 35 of the annual report.

DIRECTORS' SERVICE CONTRACTS

Ms. Li Kei Ling has entered into a service contract with the Company for a term of two years which commenced on 1 July 2003. Ms. Li's service contract was revised to a term of three years which commenced on 1 July 2005 and is subject to termination by the Company giving not less than one month's written notice. Ms. Li is entitled to a basic annual salary of approximately HK\$504,000 which will be reviewed at the discretion of the Board after she has completed 12 months of service.

Mr. Hung Yung Lai has entered into a service contract with the Company for a term of two years which commenced on 1 July 2003. Mr. Hung's service contract was revised to a term of three years which commenced on 1 July 2005 and is subject to termination by the Company giving not less than one month's written notice. Mr. Hung is entitled to a basic annual salary of approximately HK\$504,000 which will be reviewed at the discretion of the Board after he has completed 12 months of service.

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根據本公司組織章程細則第87條，張京星先生及潘學田先生將於應屆股東週年大會（「股東週年大會」）上輪席告退，並符合資格願膺選連任。由於梁康民先生於二零零五年四月二十二日舉行的股東週年大會後獲委任為額外董事，彼將於應屆股東週年大會上告退，及符合資格願膺選連任。鑑於上市規則附錄14第A.4.2段的條文（於二零零五年一月一日生效），李卓然先生亦將告退，及願膺選連任。

本公司已取得潘學田先生、李卓然先生及蔡達英先生的年度獨立確認書，並於本報告刊發之日仍視彼等為獨立人士。

董事及高級管理層履歷

本公司董事及本集團高級管理層的履歷詳情載於年報第28至35頁。

董事服務合約

李其玲女士與本公司簽訂服務合約，由二零零三年七月一日開始為期兩年。李女士的服務合約由二零零五年七月一日開始獲續約三年，並可由本公司發出不少於一個月書面通知書予以終止。李女士有權享有基本年薪約為港幣504,000元，有關薪金於其完成十二個月的服務期限後由董事會酌情審閱。

熊融禮先生與本公司簽訂服務合約，由二零零三年七月一日開始為期兩年。熊先生的服務合約由二零零五年七月一日開始獲續約三年，並可由本公司發出不少於一個月書面通知書予以終止。熊先生有權享有基本年薪約為港幣504,000元，有關薪金於其完成十二個月的服務期限後由董事會酌情審閱。

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Mr. Zhang Jing Xing has entered into a service contract with the Company for a term of two years which commenced on 1 July 2003 and is subject to termination by either party giving not less than three months' written notice. On 1 August 2004, Mr. Zhang's service contract was revised to a term of three years which commenced on 1 August 2004 and is subject to termination by the Company giving not less than one month's written notice. Mr. Zhang is entitled to a basic annual salary of approximately HK\$504,000 which will be reviewed at the discretion of the Board after he has completed 12 months of service.

Mr. Li Tung Ming has entered into a service contract with the Company for a term of two years which commenced on 14 January 2004 and will continue thereafter until terminated by either party giving not less than three months' written notice. Mr. Li is entitled to a basic annual salary of HK\$504,000 which will be reviewed at the discretion of the Board after he has completed 12 months of service.

Mr. Xu Kehan has entered into a service contract with the Company for a term of three years which commenced on 17 March 2004 and is subject to termination by the Company giving not less than one month's written notice. Mr. Xu is entitled to a basic annual salary of HK\$504,000 which will be reviewed at the discretion of the Board after he has completed 12 months of service.

Mr. Leung Hong Man has entered into a service contract with the Company for a term of two years which commenced on 1 November 2005 and is subject to termination by either party giving not less than one month written notice. Mr. Leung is currently entitled to a basic annual remuneration of HK\$72,000. Save for the above director's fee, Mr. Leung is not entitled to any other remuneration.

Mr. Pan Xue Tian and Mr. Lee Cheuk Yin Dannis have been appointed as an Independent Non-executive Director for the period commencing on 1 July 2003 and 25 November 2003, respectively. Mr. Pan and Mr. Lee's service contracts were renewed for a term of two years which commenced on 1 July 2005. Mr. Choi Tat Ying Jacky has been appointed as an Independent Non-executive Director for a term of two years which commenced on 30 September 2004. Mr. Pan, Mr. Lee and Mr. Choi's appointments are subject to termination by either party giving not less than one month written notice. Each of Mr. Pan,

張京星先生與本公司訂立服務合約，由二零零三年七月一日開始為期兩年，並可於任何一方發出不少於三個月書面通知書予以終止。於二零零四年八月一日，張先生的服務合約由二零零四年八月一日開始獲續約三年，並可由本公司發出不少於一個月書面通知書予以終止。張先生有權享有基本年薪約港幣504,000元，有關薪金於其完成十二個月的服務期限後由董事會酌情審閱。

李東明先生與本公司訂立服務合約，由二零零四年一月十四日開始為期兩年，其後將繼續有效直至任何一方發出不少於三個月書面通知書予以終止。李先生有權享有基本年薪港幣504,000元，有關薪金於其完成十二個月的服務期限後由董事會酌情審閱。

許克寒先生與本公司訂立服務合約，由二零零四年三月十七日開始為期三年，並可由本公司發出不少於一個月書面通知書予以終止。許先生有權享有基本年薪港幣504,000元，有關薪金於其完成十二個月的服務期限後由董事會酌情審閱。

梁康民先生與本公司訂立服務合約，由二零零五年十一月一日開始為期兩年，並可於任何一方發出不少於一個月書面通知書予以終止。梁先生現時享有年度酬金港幣72,000元。除上述董事袍金外，梁先生並無享有任何其他酬金。

潘學田先生及李卓然先生獲委任為獨立非執行董事，分別由二零零三年七月一日及二零零三年十一月二十五日開始直至二零零五年六月三十日為止。潘先生及李先生的服務合約已於二零零五年七月一日獲續約兩年。蔡達英先生已獲委任為獨立非執行董事，由二零零四年九月三十日開始為期兩年。潘先生、李先生及蔡先生的委任均可於任何一方發出不少於一個月書

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Mr. Lee and Mr. Choi are currently entitled to an annual remuneration of HK\$96,000. Save for the above directors' fees, the three Independent Non-executive Directors are not entitled to any other remuneration.

No Director proposed for re-election at the forthcoming AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

No Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group. There is no contract of significance between the Group, its controlling shareholder or any of its subsidiaries 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 were in existence during the year.

面通知書予以終止。潘先生、李先生及蔡先生現時各自享有年度酬金港幣96,000元。除上述董事袍金外，三名獨立非執行董事並無享有任何其他酬金。

擬於應屆股東週年大會上再獲推選的董事，並無與本公司訂立不可於一年內免賠償(除法定賠償外)予以終止的服務合約。

董事於合約的權益

概無董事於對本集團業務屬重大的任何合約中直接或間接擁有重大權益。本集團、其控股股東或其任何附屬公司之間並無任何重大合約。

管理合約

於年內，概無訂立或存在任何有關處理及管理本公司全部業務或業務的重要部份的合約。

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DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2005, the interests and short positions of the Directors and Chief Executive in the shares or underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as 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 Issuers, were as follows:

Long positions in ordinary shares of the Company:

於本公司普通股中的好倉：

		Number of shares held, capacity and nature of interest 持有的股份數目、身份及權益性質			
Name	Notes	Directly beneficially owned 直接 實益擁有	Through controlled corporation 通過控制公司 持有	Total	Percentage of the Company's issued share capital 佔本公司已發 行股本的百分比
名稱	附註			總數	
Directors 董事					
Ms. Li Kei Ling 李其玲女士	(a)	—	342,072,000	342,072,000	42.76
Mr. Hung Yung Lai 熊融禮先生	(a)	—	342,072,000	342,072,000	42.76
Mr. Zhang Jing Xing 張京星先生	(b)	—	76,900,000	76,900,000	9.61
Mr. Li Tung Ming 李東明先生	(c)	2,800,000	56,000,000	58,800,000	7.35
Mr. Xu Kehan 許克寒先生		800,000	—	800,000	0.10
Mr. Leung Hong Man 梁康民先生	(d)	—	40,000,000	40,000,000	5.00
Chief Executive Officer 行政總裁					
Mr. Dong Shao Zhi 董紹志先生		3,000,000	—	3,000,000	0.38

董事及行政總裁於股份及相關股份的權益及淡倉

於二零零五年十二月三十一日，董事及行政總裁於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股本、相關股份及債券中，擁有記錄於本公司根據證券及期貨條例第352條存置的登記冊，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及香港聯合交易所有限公司（「聯交所」）的權益及淡倉載列如下：

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The interests of the Directors and Chief Executive Officer in the share options of the Company are separately disclosed in note 28 to the financial statements.

董事及行政總裁於本公司購股權的權益分別載列於財務報表附註28。

Long positions in shares and underlying shares of associated corporation:

於相關法團股份及相關股份中的好倉：

Name of Director	Name of associated corporation	Relationship with the Company	Shares	Number of shares	Capacity and nature of interest	Percentage of the associated corporation's issued share capital 佔相關法團已發行股本的百分比
董事名稱	相關法團名稱	與本公司的關係	股份	股份數目	身份及權益性質	
Ms. Li Kei Ling	Fortune United Group Limited	Company's holding company	Ordinary shares	2	Through a controlled corporation	50
李其玲女士		本公司的控股公司	普通股		通過一間控制公司	
Mr. Hung Yung Lai	Fortune United Group Limited	Company's holding company	Ordinary shares	2	Through a controlled corporation	50
熊融禮先生		本公司的控股公司	普通股		通過一間控制公司	

Notes:

- (a) 342,072,000 shares are held by Fortune United Group Limited, a company incorporated in the British Virgin Islands. Keysmart Enterprises Limited, which is wholly-owned by Ms. Li Kei Ling, and Hunwick International Limited, which is wholly-owned by Mr. Hung Yung Lai, are each beneficially interested in 50% of the share capital of Fortune United Group Limited.
- (b) 76,900,000 shares are held by Ray Sheen Company Limited, a company incorporated in the British Virgin Islands. The entire issued share capital of Ray Sheen Company Limited is beneficially owned by Mr. Zhang Jing Xing.
- (c) 56,000,000 shares are held by Time Lead Investments Limited, a company incorporated in the British Virgin Islands. The entire issued share capital of Time Lead Investments Limited is beneficially owned by Mr. Li Tung Ming.
- (d) 40,000,000 shares are held by Toyo International Investment Limited, a company incorporated in Hong Kong. Mr. Leung Hong Man and Mr. Leung Yiu Sing are each beneficially interested in 50% of the share capital of Toyo International Investment Limited.

附註：

- (a) 342,072,000股股份由一家於英屬處女群島註冊成立的公司Fortune United Group Limited所持有。Fortune United Group Limited的股本由李其玲女士全資擁有的Keysmart Enterprises Limited及由熊融禮先生全資擁有的Hunwick International Limited各自實益擁有50%權益。
- (b) 76,900,000股股份由一家於英屬處女群島註冊成立的公司Ray Sheen Company Limited所持有。Ray Sheen Company Limited的全部已發行股本由張京星先生實益擁有。
- (c) 56,000,000股股份由一家於英屬處女群島註冊成立的公司Time Lead Investments Limited所持有。Time Lead Investments Limited的全部已發行股本由李東明先生實益擁有。
- (d) 40,000,000股股份由一家於香港註冊成立的公司東海國際投資有限公司所持有。東海國際投資有限公司的全部已發行股本由梁康民及梁耀成先生各自實益擁有50%權益。

REPORT OF THE DIRECTORS

董事會報告

Save as disclosed above, as at 31 December 2005, none of the Directors or Chief Executive had registered an interest or short position in the shares or underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by directors of Listed Issuers.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading "Directors' and Chief Executive's interests and short positions in shares and underlying shares" above and in the share option scheme disclosures in note 28 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEME

The detailed disclosures relating to the Company's share option schemes and valuation of options are set out in note 28 to the financial statements.

除上述者外，於二零零五年十二月三十一日，概無董事或行政總裁於本公司或其任何相聯法團的股份、相關股份或債券中，擁有須根據證券及期貨條例第352條予以記錄，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及聯交所的權益或淡倉。

董事購買股份或債券的權益

除於上述「董事及行政總裁於股份及相關股份的權益及淡倉」一節及財務報表附註28所載購股權計劃披露的事宜外，年內並無任何董事、彼等的配偶或未滿18歲的子女獲授可透過收購本公司股份或債券的方法收購權益的權利，或彼等行使任何該等權利，或本公司、其控股公司或其任何附屬公司訂立任何安排，以令董事可收購任何其他法人團體有關權利。

購股權計劃

有關本公司購股權計劃的詳情及購股權之估值載於財務報表附註28。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

主要股東及其他人士於股份及相關股份的權益

As at 31 December 2005, the following interests or short positions in the shares and underlying shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

於二零零五年十二月三十一日，根據證券及期貨條例第336條須於本公司存置的權益登記冊上記錄，於本公司股份及相關股份的權益或淡倉載列如下：

Long positions:

好倉：

Name	Notes	Number of shares held, capacity and nature of interest 持有的股份數目、身份及權益性質			Total	Percentage of the Company's issued share capital 佔本公司 已發行股本 的百分比
		Directly Beneficially owned 直接實益 擁有	Family interest 家屬權益	Through a controlled corporation 通過一家 控制公司		
名稱	附註				總數	
Fortune United Group Limited	(a)	342,072,000	—	—	342,072,000	42.76
Keysmart Enterprises Limited	(a)	—	—	342,072,000	342,072,000	42.76
Hunwick International Limited	(a)	—	—	342,072,000	342,072,000	42.76
Mdm. Lu Pun 姚彬女士	(b)	—	342,072,000	—	342,072,000	42.76
Ray Sheen Company Limited	(c)	76,900,000	—	—	76,900,000	9.61
Mdm. Luo Yang 羅央女士	(d)	—	76,900,000	—	76,900,000	9.61
Time Lead Investments Limited	(e)	56,000,000	—	—	56,000,000	7.00
Toyo International Investment Limited 東海國際投資有限公司	(f)	40,000,000	—	—	40,000,000	5.00
Mdm. Lo Mei Sai 羅美茜女士	(g)	—	40,000,000	—	40,000,000	5.00
Mr. Leung Yiu Sing 梁耀成先生	(f)&(h)	2,132,000	—	40,000,000	42,132,000	5.27
Mdm. Chu Shuet Fong 朱雪芳女士	(h)&(i)	2,132,000	40,000,000	—	42,132,000	5.27

REPORT OF THE DIRECTORS

董事會報告

Notes:

- (a) The issued capital of Fortune United Group Limited is equally beneficially owned by Keysmart Enterprises Limited and Hunwick International Limited which are in turn, respectively, wholly-owned by Ms. Li Kei Ling and Mr. Hung Yung Lai, Executive Directors of the Company.
- (b) Mdm. Lu Pun is the wife of Mr. Hung Yung Lai and is deemed to be interested in the shares of the Company held by Mr. Hung Yung Lai.
- (c) The entire issued capital of Ray Sheen Company Limited is beneficially owned by Mr. Zhang Jing Xing, an Executive Director of the Company.
- (d) Mdm. Luo Yang is the wife of Mr. Zhang Jing Xing and is deemed to be interested in the shares of the Company held by Mr. Zhang Jing Xing.
- (e) The entire issued capital of Time Lead Investments Limited is beneficially owned by Mr. Li Tung Ming, an Executive Director of the Company.
- (f) The issued capital of Toyo International Investment Limited is equally beneficially owned by Mr. Leung Hong Man, the Non-executive Director of the Company and his father Mr. Leung Yiu Sing.
- (g) Mdm. Lo Mei Sai is the wife of Mr. Lueng Hong Man and is deemed to be interested in the shares of the Company held by Mr. Leung Hong Man.
- (h) As recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, 2,132,000 shares are jointly held by Mr. Leung Yiu Sing and his wife Mdm. Chu Shuet Fong, both deemed to be interested in all of the shares held jointly. Mr. Leung Yiu Sing and Mdm. Chu Shuet Fong has informed the Company that as at 31 December 2005, they jointly held 4,500,000 shares of the Company. However, since the increase in the percentage figure of their holding did not cross over a whole percentage number, no notice was filed by Mr. Leung Yiu Sing and Mdm. Chu Shuet Fong under the SFO.
- (i) Mdm. Chu Shuet Fong is the wife of Mr. Lueng Yiu Sing and is deemed to be interested in the shares of the Company held by Mr. Leung Yiu Sing.

附註：

- (a) Fortune United Group Limited的已發行股本由 Keysmart Enterprises Limited及Hunwick International Limited平均實益擁有。Keysmart Enterprises Limited及Hunwick International Limited分別由本公司的執行董事李其玲女士及熊融禮先生全資擁有。
- (b) 姚彬女士為熊融禮先生的配偶，故被視為於熊融禮先生持有的本公司股份中擁有權益。
- (c) Ray Sheen Company Limited的全部已發行股本由本公司一名執行董事張京星先生實益擁有。
- (d) 羅央女士為張京星先生的配偶，故被視為於張京星先生持有的本公司股份中擁有權益。
- (e) Time Lead Investments Limited的全部已發行股本由本公司一名執行董事李東明先生實益擁有。
- (f) 東海國際投資有限公司的已發行股本分別由本公司的非執行董事梁康民先生及彼之父親梁耀成先生平均實益擁有。
- (g) 羅美茜女士為梁康民先生的配偶，故被視為於梁康民先生持有的本公司股份中擁有權益。
- (h) 根據證券及期貨條例第336條須於本公司存置的權益登記冊上記錄，2,132,000股股份由梁耀成先生及朱雪芳女士共同持有，彼等均被視為擁有該批共同持有股份的全部權益。梁耀成先生及朱雪芳女士曾通知本公司，於二零零五年十二月三十一日，彼等共同持有4,500,000股本公司股份。但由於彼等權益百分率數字的上升並無跨越一個百分率整數，根據證券及期貨條例，梁耀成先生及朱雪芳女士無須提交通知存檔。
- (i) 朱雪芳女士為梁耀成先生的配偶，故被視為於梁耀成先生持有的本公司股份中擁有權益。

REPORT OF THE DIRECTORS

董事會報告

Save as disclosed above, as at 31 December 2005, no person, other than the Directors and Chief Executive Officer of the Company, whose interests are set out in the section "Directors' and Chief Executive's interests and short positions in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

POST BALANCE SHEET EVENTS

Details of the significant post balance sheet events of the Group are set out in note 33 to the financial statements.

AUDITORS

Ernst & Young will retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming AGM.

ON BEHALF OF THE BOARD

Li Kei Ling

Chairman

Hong Kong, 28 March 2006

除上文披露者外，於二零零五年十二月三十一日，並無其他人士（本公司董事及行政總裁除外，有關彼等的權益載於上文「董事及行政總裁於股份及相關股份的權益及淡倉」一節）登記於本公司股份或相關股份中擁有的權益或淡倉（須根據證券及期貨條例第336條予以登記）。

足夠的公眾持股量

根據本公司獲得的已公開資料及據董事所知，於本報告刊發之日，公眾人士持有本公司已發行股本總額至少25%。

結算日後事項

本集團於結算日後的重大事項詳情載於財務報表附註33。

核數師

安永會計師事務所將辭任，而重新委任彼等為本公司核數師的決議案，將於應屆股東週年大會上提呈。

代表董事會

李其玲

主席

香港，二零零六年三月二十八日