

董事會報告 Directors' Report



董事會現向各位股東提呈其報告及本集團截至二零零五年十二月三十一日止年度之經審核賬目。

主要業務

本公司之主要業務為投資控股。其主要附屬公司經營之主要業務載於賬目附註42。

本集團之主要業務為在中國製造及銷售方便麵、糕餅及飲品。

按主要產品劃分之本集團營業額及股東應佔溢利(虧損)之分析列載如下：

The directors submit their report together with the audited financial statements of the Group for the year ended 31 December 2005.

Principal Activities

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are set out in note 42 to the financial statements.

The principal activities of the Group are the manufacture and sale of instant noodles, baked goods and beverages in the PRC.

An analysis of the Group's turnover and profits (losses) attributable to shareholders by major products is set out below:

		營業額		股東應佔溢利(虧損)	
		Turnover		Profits (losses)	
				attributable to	
				shareholders	
		2005	2004	2005	2004
		千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000
方便麵	Instant noodles	981,796	849,932	66,194	17,478
飲品	Beverages	702,348	479,398	46,909	9,474
糕餅	Bakery	92,912	83,833	1,184	(15,904)
其他	Others	68,553	53,726	9,242	275,381
合計	Total	1,845,609	1,466,889	123,529	286,429

業績及股息分派

本集團截至二零零五年十二月三十一日止年度之業績詳情載於本年報第47頁的綜合收益表。

董事會建議分別派發特別及末期股息，每股1.07美仙及1.25美仙，合共派發59,799千美元及69,859千美元，特別股息已於二零零六年二月二十二日派發。

Results and Appropriations

The results of the Group for the year are set out in the consolidated income statement on page 47.

The directors recommend the payment of a special dividend and a final dividend of US 1.07 cents and US 1.25 cents per ordinary share, totalling US\$59.799 million and US\$69.859 million respectively. Special dividend was paid on 22 February 2006.



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儲備

本年度內本集團及本公司之儲備變動詳情載於賬目附註33。

固定資產

有關固定資產之變動，詳情載於賬目附註16。

五年財政摘要

本集團過去五年之業績及資產與負債摘要載於本年報第4及第5頁。

購入、出售或贖回股份及可換股債券

除載於賬目附註29外，本公司或其任何附屬公司概無購入、出售或贖回本公司任何股份及可換股債券。

銀行及其他借款

本集團及本公司之銀行及其他借款之詳情載於賬目附註29。

Reserves

Movements in the reserves of the Group and the Company during the year are set out in note 33 to the financial statements.

Fixed Assets

Details of the movements in fixed assets are set out in note 16 to the financial statements.

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 on page 4 and 5.

Purchase, Sale or Redemption of Shares and Convertible Bonds

Save as set out in note 29 to the financial statements, there were no other purchases, sales or redemptions of the Company's shares and convertible bonds by the Company or any of its subsidiaries during the year.

Bank Loans and Other Borrowings

Details of bank loans and other borrowings of the Group and the Company are set out in note 29 to the financial statements.





董事

本年度內及截至本報告發表日期止之本公司董事為：

執行董事

魏應州
井田毅
吉澤亮
吳崇儀
魏應交
井田純一郎

獨立非執行董事

徐信群
李長福
中山知行(於二零零五年六月二十四日獲委任
並於二零零六年四月一日辭任)
小川和夫(於二零零六年四月一日獲委任)
高捷雄(於二零零五年六月二十四日辭任)

中山知行先生於二零零五年六月二十四日由董事會委任為本公司董事，中山先生因個人理由於二零零六年四月一日辭任，董事會於同日委任小川和夫先生為本公司董事，根據本公司之公司組織章程細則第九十一條，小川先生將於二零零六年六月十二日舉行之週年股東大會退位，惟願膺選連任。另根據本公司之公司組織章程細則第九十九條，井田毅先生、吉澤亮先生及魏應交先生須輪席退位，惟願膺選連任。

各董事概無與本公司訂立任何本公司須作補償方可於一年內終止之服務合約。

本公司已接獲獨立非執行董事就根據上市規則第3.13條有關獨立性的規定的確認書。本公司認為所有獨立非執行董事均為獨立。

Directors

The directors of the Company during the year and up to the date of this report are as follows:

Executive Directors

Wei Ing-Chou
Takeshi Ida
Ryo Yoshizawa
Wu Chung-Yi
Wei Ying-Chiao
Junichiro Ida

Independent Non-executive Directors

Hsu Shin-Chun
Lee Tiong-Hock
Tomoyuki Nakayama (appointed on 24 June 2005
and resigned on 1 April 2006)
Kazuo Ogawa (appointed on 1 April 2006)
Katsuo Ko (resigned on 24 June 2005)

Mr. Tomoyuki Nakayama was appointed by the Board of Directors on 24 June 2005. Due to personal reasons, Mr. Nakayama resigned on 1 April 2006 and Mr. Kazuo Ogawa was appointed by the Board of Directors on the same day. In accordance with Article 91 of the Company's Articles of Association, Mr. Ogawa will retire and, being eligible, offer for re-election as a director of the Company at the annual general meeting to be held on 12 June 2006. In accordance with Article 99 of the Company's Articles of Association, Mr. Takeshi Ida, Mr. Ryo Yoshizawa and Mr. Wei Ying-Chiao retire by rotation and, being eligible, offer themselves for re-election.

None of the directors have a service contract with the Company which is not determinable by the Company within one year without the payment of compensation.

The Company received the Independent Non-executive Directors' confirmations of their independence pursuant to Rule 3.13 of the Listing Rules. The Company considered all the Independent Non-executive Directors are independent.



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董事及高階管理人員簡介

董事及高階管理人員之個人資料載於本年報第14至19頁。

董事及行政總裁之股份權益

於二零零五年十二月三十一日，董事及行政總裁於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第十五部)之股份、相關股份或債券中之權益及淡倉須(a)根據證券及期貨條例第十五部第七及第八分部知會本公司及香港聯合交易所有限公司(「聯交所」)(包括根據該等條例當作或被視為擁有之權益或淡倉)；或(b)根據證券及期貨條例第352條規定記錄在該條所述之登記冊；或(c)根據上市公司董事進行證券交易之標準守則須知會本公司及聯交所如下：

股份之長倉

董事姓名

魏應州
魏應交
吳崇儀

Biographical Details of Directors and Senior Management

Brief biographical details of directors and senior management are set out on pages 14 to 19.

Interests of Directors and Chief Executive in Shares

As at 31 December 2005, the interests and short positions of the Directors and Chief Executive in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which are required (a) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange were as follows:

Long position in shares

普通股數目	
Number of ordinary shares	
個人權益	法團權益
Personal interests	Corporate interests
	(附註)
	(Note)

Name of directors

Wei Ing-Chou
Wei Ying-Chiao
Wu Chung-Yi

13,242,000	1,854,827,866
—	1,854,827,866
—	1,854,827,866





附註：該等股份由頂新（開曼島）控股有限公司（「頂新」）持有及以其名義登記；頂新由和德公司實益擁有約55.10%，吳崇儀透過Gisshin Venture Capital Inc.持有27.91%及獨立第三者持有其餘的16.99%。和德公司由魏應州擁有25%、魏應交擁有25%，其餘的50%由上述兩位董事之兄弟魏應充及魏應行擁有。

Note: These shares are held by and registered under the name of Ting Hsin (Cayman Islands) Holding Corp. ("Ting Hsin"). Ting Hsin is beneficially owned as to approximately 55.10% by Ho Te Investments Limited, as to approximately 27.91% by Wu Chung-Yi through Gisshin Venture Capital Inc. and as to the remaining 16.99% by unrelated third parties. Ho Te Investments Limited is beneficially owned as to 25% by Wei Ing-Chou, 25% by Wei Ying-Chiao, and the remaining 50% is owned by Wei Yin-Chun and Wei Yin-Heng (brothers of the above two directors) in equal proportion.

截至二零零五年十二月三十一日止年度內任何時間概無向任何董事或彼等各自之配偶或年齡未滿十八歲之子女授出可藉購入本公司之股份或債券而獲得利益之權利。彼等於期內亦無行使任何此等權利。本公司或其任何附屬公司概無參與訂立任何安排，致使董事可於任何其他法人團體獲得此等利益。

At no time during the year ended 31 December 2005 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in or any other body corporate.

除本段所披露者外，於二零零五年十二月三十一日，概無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第十五部）之任何證券中之權益須(a)根據證券及期貨條例第十五部第七及第八分部知會本公司及聯交所（包括根據該等條例當作或被視為擁有之權益或淡倉）；或(b)根據證券及期貨條例第三五二條規定記錄在該條所述之登記冊；或(c)根據上市公司董事進行證券交易之標準守則須知會本公司及聯交所。

Save as disclosed in this paragraph, as at 31 December 2005, none of the Directors and Chief Executive had interests in any securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies relating to securities transactions by directors to be notified to the Company and the Stock Exchange.



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主要股東

就本公司董事或行政總裁所知，於二零零五年十二月三十一日，根據證券及期貨條例第十五部第二及三分部須予披露之股份或相關股份之權益或淡倉，或於任何類別之股本面值直接或間接擁有5%或以上之權益，可於本集團任何成員公司股東週年大會上所有情況下附帶投票權利的人士或公司（並非本公司董事或執行董事）如下：

股份之長倉

股東名稱

頂新(開曼島)控股有限公司

三洋食品株式會社

世訊投資股份有限公司

除上述者外，於二零零五年十二月三十一日，董事並不知悉任何人士擁有根據證券及期貨條例第十五部第二及三分部須予披露之股份或相關股份之權益或淡倉，或於任何類別之股本或有關該等股本之購股權面值擁有5%或以上之權益，可於本公司股東週年大會上所有情況下附帶投票權利。

足夠公眾持股量

根據本公司所得的公開資料及據董事所知，於刊印本報告前之最後可行日期，本公司已符合上市規則之規定，維持不少於本公司已發行股份25%的公眾持股量。

Substantial Shareholders

So far as was known to any Director or Chief Executive of the Company, as at 31 December 2005, the persons or companies (not being a Director or Chief Executive of the Company) who had interests or short positions in the share or the underlying shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly deemed to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any number of the Group were as follows:

Long positions in shares

Name of shareholder	股份數目 Number of shares	股東權益 Shareholder's interests
Ting Hsin (Cayman Islands) Holding Corp.	1,854,827,866	33.1889%
Sanyo Foods Co., Ltd.	1,854,827,866	33.1889%
Shyh Shiunn Investment Corporation	465,107,784	8.3200%

Save as disclosed above, as at 31 December 2005, the Directors were not aware of any other person who had an interest or short position in the shares or underlying shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who was interested in 5% or more of the nominal value of any class of share capital, or options in respect of such capital, carrying rights to vote in all circumstances at general meetings of the Company.

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of its Directors, as at the latest practicable date prior to the printing of this report, the Company has maintained sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.





於合約之權益

除賬目所披露之有關連人士交易外，本公司或其附屬公司概無訂立本公司董事在其中直接或間接擁有重大權益且於年終或年內任何時間仍然有效之重要合約。

管理合約

於年內並無訂立或存在任何有關管理本公司全部或任何重要部份業務之合約。

主要客戶及供應商

本年度分別來自本集團五大客戶及五大供應商之銷售及採購總額均少於百分之三十。

Interests in Contracts

Except for the related party transactions as disclosed in the financial statements, no other contracts of significance in relation to the Company's business to which the Company or its subsidiaries was a party and in which a director 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.

Major Customers and Suppliers

During the year, the Group purchased less than 30% of its goods and services from its 5 largest suppliers and sold less than 30% of its goods to its 5 largest customers.



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持續關連交易

本集團根據本公司與其關連人士所簽訂之多項持續關連交易協議，進行了若干交易。有關該等交易之詳情包括下列情況：

- (1) 本公司全資附屬公司台灣康師傅食品股份有限公司(「台灣康師傅」)於二零零三年十二月三十一日與頂新製油實業股份有限公司(「頂新製油」)簽訂合約，由二零零四年一月一日至二零零四年十二月三十一日止期間，台灣康師傅向頂新製油採購加工油脂。頂新製油在台灣註冊成立。本公司兩位執行董事魏應州先生及魏應交先生以及其兩名兄弟魏應充先生及魏應行先生共擁有頂新製油60.4%公司股份，而魏先生的其他親屬佔餘下的39.6%股份。本公司於二零零四年一月五日刊發此項交易之詳情，而此交易已由獨立非執行董事審核及批准。此合約於二零零五年一月十四日延期，由二零零五年一月一日至二零零五年十二月三十一日止，類似公佈於二零零五年一月十四日發出。該合約於二零零五年十二月十六日再度延期，由二零零六年一月一日至二零零六年十二月三十一日止。
- (2) 本公司於二零零五年十月十八日簽訂樂購合約及全家便利合約，根據合約本集團將供應本集團的方便食品及飲品予樂購量販連鎖店及全家便利連鎖店。樂購及全家便利為本公司主要股東頂新的聯繫人。以上合約期為三年，自二零零五年一月一日起至二零零七年十二月三十一日實行。本公司於二零零五年十月十九日於報章刊發以上交易詳情。

Continuing Connected Transactions

The Group carried on certain continuing connected transactions under various agreements between the Group and connected persons of the Company. Details of certain transactions are set out below:

- (1) On 31 December 2003, Master Kong (Taiwan) Foods Co., Ltd. ("Master Kong Taiwan"), a wholly-owned subsidiary of the Company, entered into an agreement with Ting Hsin Oil & Fat Industrial Co., Ltd. ("Ting Hsin Oil"). Taiwan Master Kong would purchase processed oil from Ting Hsin Oil during the period from 1 January 2004 to 31 December 2004. Ting Hsin Oil is a company incorporated in Taiwan. 60.4% interest of Ting Hsin Oil is owned by Mr. Wei Ing-Chou, Mr. Wei-Ying Chiao, the two executive directors of the Company, and their two brothers, Mr. Wei Yin-Chun and Mr. Wei Yin-Heng; and the remaining 39.6% interest is owned by other relatives of Mr. Wei. An announcement setting out the details of this transaction was made on 5 January 2004. The transaction was reviewed and approved by the Company's independent non-executive directors. The agreement was extended on 14 January 2005 for a further period from 1 January 2005 to 31 December 2005. Similar announcement was made on 14 January 2005. The agreement was further extended on 16 December 2005 for a further period from 1 January 2006 to 31 December 2006.
- (2) On 18 October 2005, the Company entered into the Hymall Agreement and the Family Mart Agreement. Pursuant to the Hymall Agreement and the Family Mart Agreement, the Group will supply the Group's instant food and beverage products to Hymall hypermarket chain stores and Family Mart convenience chain stores, respectively. Each of Hymall and Family Mart is an associate of Ting Hsin, which is a substantial shareholder of the Company. The agreements have commenced from 1 January 2005 for three years ending 31 December 2007. Newspaper announcement setting out the details of these agreements were made on 19 October 2005.





董事(包括獨立非執行董事)已審閱及確認，上述持續關連交易為：

- (a) 該等交易為集團的日常業務；
- (b) 該等交易按照一般商務條款進行，或若可供比較的交易不足以判斷該等交易的條款是否一般商務條款，則對集團而言，該等交易的條款不遜於獨立第三者可取得或提供(視屬何情況而定)的條款；及
- (c) 該等交易是根據有關協議的規定而進行，交易條款乃公平合理，並且符合公司股東的整體利益。

本公司之核數師亦已審核該等交易，並向董事局確認：

- (a) 該等交易已獲得公司董事局批准；
- (b) 該等交易乃按照集團的定價政策而進行(如交易涉及由集團提供貨品或服務)；
- (c) 該等交易乃根據規限有關交易的協議而進行；及
- (d) 該等交易並無超逾之前刊發的公告所披露的有關年度上限。

The Directors (including the Independent Non-Executive Directors), have reviewed and confirmed that the above continuing connected transactions have been entered into by the Group:

- (a) in the ordinary and usual course of business of the Group;
- (b) either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and
- (c) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Auditors of the Company have also reviewed these transactions and confirmed to the Board that:

- (a) they have been approved by the Board of the Company;
- (b) they are in accordance with the pricing policies of the Group (if the transactions involve provision of goods or services by the Group);
- (c) they have been entered into in accordance with the relevant agreements governing the transactions; and
- (d) they have not exceeded the relevant annual caps disclosed in previous announcements.



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優先購買權

本公司之公司組織章程細則並無有關優先購買權之規定，雖然開曼群島法例並無有關該等權利之限制。

核數師

本公司股東週年大會上將提呈續聘摩斯倫•馬賽會計師事務所為本公司核數師之決議案。

承董事會命

魏應州

董事長

中國天津，二零零六年四月二十四日

Pre-Emptive Rights

There is no provision for pre-emptive rights under the Company's Articles of Association although there are no restrictions against such rights under the laws in the Cayman Islands.

Auditors

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Moores Rowland Mazars as auditors of the Company.

By order of the Board

Wei Ing-Chou

Chairman

Tianjin, the PRC, 24 April 2006

