

The Directors present their annual report together the audited financial statements for the year ended 31st December, 2006.

### PRINCIPAL ACTIVITIES

The company is an investment holding company. The principal activities of its principal subsidiaries are set out in note 32 to the financial statements.

### TURNOVER AND CONTRIBUTION BY SEGMENT

The Group's turnover and contribution to profit from operations analysed by principal activities are set out in notes 6 and 7 to the financial statements.

### SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY

Particulars of the Company's principal subsidiaries, associates and jointly controlled entity as at 31st December, 2006 are set out in notes 32, 33 and 34 to the financial statements respectively.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st December, 2006 are set out in the consolidated income statement on page 30.

In the opinion of the directors, the Company's reserves available for distribution represented retained profits with an amount of HK\$77,018,000 at 31st December, 2006 (2005: HK\$82,899,000).

The directors recommend the payment of a final dividend of approximately HK\$7,941,000 (2005: HK\$7,941,000) representing HK\$0.01 (2005: HK\$0.01) per share, payable to shareholders of the Company whose names are on the register of members on 15th May, 2007.

### FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five years is set out on page 72.

董事會提呈截至二零零六年十二月三十一日止年度之年報連同經審核財務報表。

### 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32。

### 營業額及分類貢獻

本集團按主要業務分析之營業額及來自營運之溢利貢獻載於財務報表附註6及7。

### 附屬公司、聯營公司及共同控制機構

於二零零六年十二月三十一日，本公司之主要附屬公司、聯營公司及共同控制機構詳情分別載於財務報表附註32、33及34。

### 業績及分派

本集團截至二零零六年十二月三十一日止年度之業績載於第30頁之綜合收益表。

董事認為，本公司之可供分派儲備指於二零零六年十二月三十一日之保留溢利77,018,000港元（二零零五年：82,899,000港元）。

董事建議向於二零零六年五月十五日名列在股東名冊之本公司股東派付末期股息約7,941,000港元（二零零五年：7,941,000港元），即每股0.01港元（二零零五年：0.01港元）。

### 財務概要

本集團過往五年之業績、資產及負債概要載於第72頁。

### INVESTMENT PROPERTIES

During the year, the Group disposed of investment properties with carrying amount of approximately HK\$68,100,000 at a consideration of approximately HK\$67,354,000.

The Group's investment properties were revalued at 31st December, 2006 by an independent firm of professional property valuers, on an open market value basis. Details are set out in note 16 to the financial statements.

A summary of the investment properties held by the Group at 31st December, 2006 is set out on pages 73 to 74.

### SHARE CAPITAL

There is no movement in the share capital of the Company during the year.

### RESERVES

Movements in the reserves of the Group during the year are set out on page 32 of the financial statements.

### PRE-EMPTIVE RIGHTS

No pre-emptive rights exist at the laws of Bermuda, being the jurisdiction in which the Company is incorporated.

### 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.

### 投資物業

本年度·本集團以代價約67,354,000港元出售賬面值約68,100,000港元之投資物業。

本集團之投資物業於二零零六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16。

本集團於二零零六年十二月三十一日持有之投資物業之概要載於第73至74頁。

### 股本

本公司本年度股本並無任何變動。

### 儲備

本集團本年度之儲備變動載於財務報表第32頁。

### 股本優先購買權

本公司於百慕達註冊成立·該司法轄區之法律並無股本優先購買權存在。

### 買賣或贖回本公司之上市證券

本年度·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。

## 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. Lau, Ming-wai ( <i>Chairman</i> )	(appointed on 1st March, 2007)
Mr. Leung, Wing-pong ( <i>Chief Executive Officer</i> )	
Mr. Kong, Chi-ming ( <i>Deputy Chairman</i> )	
Ms. Halina Hung, Shi-wei	(appointed on 11th August, 2006 & resigned on 1st March, 2007)
Mr. Aaron Tam, Chong-cheong	(resigned on 11th August, 2006)

In accordance with the clause 86(2) of the Company's bye-laws, Mr. Lau, Ming-wai, will retire and, being eligible, offer himself for re-election at the forthcoming annual general meeting.

Pursuant to the clauses 87(1) and 87 (2) of the Company's bye-laws, Mr. Leung, Yun-fai and Mr. Leung, Wing-pong will be retire from office by rotation for re-election at the forthcoming annual general meeting.

No Directors being proposed for re-election at 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, 2006, none of the directors, chief executive 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 "SFC"), 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").

## 董事及董事之服務合約

本年度及截至本報告日期止本公司之董事如下:

**執行董事:**

劉鳴煒先生 (主席)	(於二零零七年三月一日獲委任)
梁榮邦先生 (行政總裁)	
江志明先生 (副主席)	
熊思慧女士	(於二零零六年八月十一日獲委任並於二零零七年三月一日辭任)
譚頌翔先生	(於二零零六年八月十一日辭任)

根據本公司之公司細則第86(2)條·劉鳴煒先生將於應屆股東週年大會上退任·惟符合資格且願意重選連任。

根據本公司之公司細則第87(1)及87(2)條·梁潤輝先生及梁榮邦先生將於應屆股東週年大會上輪值告退以作重選連任。

擬於應屆股東週年大會上沒有董事因彼與本公司或其任何附屬公司訂立於本集團尚未決議而為期一年且沒有作出賠償(除法定賠償外)之服務合約建議重選連任。

## 董事之股份權益及淡倉

於二零零六年十二月三十一日·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而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·或則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。

## 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 26 to the financial statements.

No options were outstanding at 31st December, 2006 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.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY

At as 31st December, 2006, 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:

### 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	Notes 附註	Percentage of shareholding 股權百分比%
Million Point Limited	170,000,000	Beneficial owner 受益擁有人	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 受益擁有人	2	9.68
China Entertainment 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 受益擁有人及受控制公司之權益	3 & 4	19.01

## 認購股權計劃

本公司於二零零二年二月十五日採納一項認購股權計劃(「二零零二年計劃」)，有關詳情載於財務報表附註26。

就二零零二年計劃內，於二零零六年十二月三十一日概無尚未行使之認購股權。本年度並無認購股權授出、行使、註銷或失效。

## 董事購買股份或債券之權利

除上文所披露之認購股權計劃外，本公司、其控股公司或其任何附屬公司或同系附屬公司於本年度任何時間均無作出任何安排，使本公司董事藉可購入本公司或任何其他法人團體之股份或債務證券(包括債券)中而獲得利益。

## 主要股東於本公司之證券權益

於二零零六年十二月三十一日，本公司按證券及期貨條例第336條存置之登記冊所載錄，以下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：

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY (cont'd)

## 主要股東於本公司之證券權益 (續)

## Long position in shares (cont'd)

於股份之好倉 (續)

Name of shareholder 股東名稱	Number of Shares 股份數目	Capacity 身份	Notes 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
Mr. Lau, Ming-wai 劉鳴煒先生	397,858,961	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 受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
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

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY (cont'd)

### Long position in shares (cont'd)

#### 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 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.
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, Paul Y. and Goldstance Group Limited ("Goldstance") 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 owned the entire issued capital of Goldstance, which in turn owned the entire issued share capital of Great Empire.

4. Mr. Aaron Tam, Chong-cheong and Ms. Halina Hung, Shi-wei, previous directors of the Company, were also employees of subsidiaries of Chinese Estates and/or Paul Y.. Mr. Lau, Ming-wai, 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. Both Mr. Joseph Lau, Luen-hung and Mr. Lau, Ming-wai by virtue of their 47.07% interest in the issued share capital of Chinese Estates, was deemed to be interested in the same interests stated against Chinese Estates under the provision 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.

## 主要股東於本公司之證券權益 (續)

### 於股份之好倉 (續)

#### 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。
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. 擁有 Goldstance Group Limited (「Goldstance」) 之全部已發行股本，而 Goldstance 擁有 Great Empire 之全部已發行股本，因此華人置業、Paul Y. 及 Goldstance 各被視為於 Great Empire 所擁有之同一批股份中擁有權益。

4. 本公司前董事譚頌翔先生及熊思慧女士亦曾為華人置業及／或 Paul Y. 之附屬公司之僱員。本公司董事劉鳴煒先生、梁榮邦先生及江志明先生亦為華人置業及／或 Paul Y. 之附屬公司之現任僱員。該等附屬公司本身並非本公司之主要股東。
5. 劉鑾雄先生及劉鳴煒先生因為擁有華人置業之已發行股本 47.07% 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 作為一項酌情信託之信託人) 持有若干單位由 Global King Ltd. 任信託人之信託基金。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。



## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY (cont'd)

## 主要股東於本公司之證券權益 (續)

## Long position in shares (cont'd)

## 於股份之好倉 (續)

Notes: (cont'd)

附註: (續)

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.

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。

Li Ka-Shing Unity Holdings Limited, of which each of Mr. Li, Ka-shing ("Mr. Li"), Mr. Victor Li, Tzar-kuoi, and Mr. Richard Li, Tzar-kai, 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 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 meeting of HWL.

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。

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.

此外，Li Ka-Shing Unity Holdings Limited 亦擁有 Li Ka-Shing Unity Trustee Corporation Limited (「TDT1」) (作為 The Li Ka-Shing Unity Discretionary Trust (「DT1」) 之信託人) 及 Li Ka-Shing Unity Trustcorp Limited (「TDT2」) (作為另一個酌情信託 (「DT2」) 之信託人) 之全部已發行股本。TDT1 及 TDT2 各持有 UT1 之單位。

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.

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。

All the interests stated above represent long position. At 31st December, 2006, no short position was recorded in the register kept by the Company under section 336 of the SFO.

上述所有權益均為好倉。於二零零六年十二月三十一日，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。

## DIRECTORS' INTEREST 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 and the lease agreement was terminated on 9th June, 2006. Mr. Lam, Yat-fai, being the independent Non-Executive Director of the Company, is the sole proprietor of D.Y. Lam & Co.. The rental of HK\$82,000 (2005:HK\$186,000) and the management fee of HK\$27,000 (2005: 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, subsidiaries, or fellow 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 26 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.

## PENSION SCHEMES

The Group operates two pension schemes:

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

## 董事於合約中之權益

本公司之一間同系附屬公司與一合租租戶（其中一方為林日輝會計師行）按一般商業條款訂立租賃寫字樓之租約，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，而有關租約已於二零零六年六月九日終止。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。本年度，已向合租租戶徵收租金為82,000港元（二零零五年：186,000港元）及管理費為27,000港元（二零零五年：62,000港元）。

除上文所披露者外，本公司各董事在本公司、其控股公司、附屬公司或同系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。

## 酬金政策及認購股權計劃

酬金包括薪金及按個別表現釐定之年終花紅。於二零零二年二月十五日本公司採納認購股權計劃（「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26。本年初及年終並無認購股權尚未行使，本年度亦無授出、行使或註銷認購股權，亦無認購股權已經失效。

## 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。



## PENSION SCHEMES (cont'd)

The MPF Schemes 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.

The Group's cost for the schemes charged to consolidated income statement for the year ended 31st December, 2006 amounted to HK\$52,000 (2005: HK\$40,000) after reduction of HK\$9,000 (2005: HK\$8,000) from the forfeited contribution of the Top-up Scheme.

During the year, contributions to the Top-up Scheme of HK\$18,000 (2005: HK\$16,000) were forfeited and used to reduce existing level of contributions. As at 31st December, 2006, HK\$9,000 (2005: HK\$8,000) was utilised and the balance of HK\$9,000 (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 44% and 94.2%, 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 35.3% and 72.8% respectively, of the Group's total purchase for the year.

## 退休金計劃 (續)

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。

自補足計劃之已沒收供款中扣除9,000港元（二零零五年：8,000港元）後，本集團於截至二零零六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52,000港元（二零零五年：40,000港元）。

本年度，已沒收補足計劃之供款18,000港元（二零零五年：16,000港元），並用作減低現時之供款水平。於二零零六年十二月三十一日已動用9,000港元（二零零五年：8,000港元），而餘額9,000港元（二零零五年：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本年內總營業額之44%及94.2%。

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本年內總購貨額之35.3%及72.8%。

## MAJOR CUSTOMERS AND SUPPLIERS (cont'd)

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 one of the five largest customers or suppliers of the Group.

## 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 5th March, 2007 (the latest practicable date prior to the issue of the annual report), the obligation has been complied with.

## POST BALANCE SHEET EVENTS

Details of significant post balance sheet events are set out in note 35 to the financial statements.

## AUDITORS

Messrs. HLB Hodgson Impey Cheng were appointed as the auditors of Company with effect from 2nd January, 2007 in succession to Messrs. Deloitte Touche Tohmatsu who resigned from the office on 15th November, 2006.

The financial statements of the Company have been audited by Messrs. HLB Hodgson Impey Cheng retire and, being eligible, offer themselves for re-appointment as auditors of the Company at the forthcoming annual general meeting.

On behalf of the Board

**Lau, Ming-wai**

Chairman

Hong Kong, 8th March, 2007

## 主要客戶及供應商 (續)

就董事所知悉概無董事、其聯繫人士或擁有5%以上之本公司已發行股本之任何股東亦擁有本集團任何其中五大客戶或供應商之股本權益。

## 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，於二零零七年三月五日（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35。

## 核數師

國衛會計師事務所已獲委任為本公司之核數師，以接替於二零零六年十一月十五日辭任之德勤•關黃陳方會計師行，於二零零七年一月二日生效。

本公司財務報表已由國衛會計師事務所審核，彼將於應屆股東週年大會上退任，惟符合資格並願意重選連任。

代表董事會

主席

劉鳴燁

香港，二零零七年三月八日