

REPORT OF THE DIRECTORS

董事會報告書

West Kowloon Expressway and Olympic Station Phase I, II 'C', Hong Kong
香港西九龍快速公路及奧運站奧海城一、二期 'C'



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

CORPORATE REORGANISATION AND CHANGE OF DOMICILE

Pursuant to a group reorganisation by way of a scheme of arrangement (the "Redomicile") sanctioned by the High Court of Hong Kong Special Administrative Region, Hong Kong Construction (Hong Kong) Limited (formerly known as Hong Kong Construction (Holdings) Limited), the former listed vehicle of the Group, became a wholly owned subsidiary of HKC (Holdings) Limited (the "Company"), a company incorporated in Bermuda on 14th April 2005. The Redomicile became effective on 16th November 2006. After completion of the Redomicile, the Company became the listed vehicle of the Group and Hong Kong Construction (Hong Kong) Limited's shares ceased to be listed on The Stock Exchange of Hong Kong Limited.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activities of the Company are construction, property development and investment, infrastructure and alternative energy investment. The activities of the principal subsidiaries are set out in pages 157 to 160 of the financial statements.

An analysis of the Group's performance for the year by business and geographical is set out in note 5 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 81.

The Directors declared an interim dividend of HK\$4.5 cents per ordinary share, totalling HK\$130.6 million, which was paid on 6th November 2006.

The Directors recommend the payment of a final dividend of HK\$6.0 cents per ordinary share, totally HK\$288.8 million.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group and the Company are set out in note 19 to the financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company during the year are set out in note 32 to the financial statements.

董事會全人謹此提呈截至二零零六年十二月三十一日止年度之年報及經審核之財務報表。

公司重組及遷冊

根據香港特別行政區高等法院批准以協議計劃方式進行之集團重組（「遷冊」），本集團前上市公司香港建設（香港）工程有限公司（前稱香港建設（控股）有限公司）成為於二零零五年四月十四日於百慕達註冊成立之香港建設（控股）有限公司（「本公司」）之全資附屬公司。遷冊於二零零六年十一月十六日生效。於遷冊完成後，本公司成為本集團之上市公司，而香港建設（香港）工程有限公司股份已不再於香港聯合交易所有限公司上市。

主要業務及營業地區分析

本公司之主要業務是承建工程、物業發展及投資、基建及替代能源發展。主要附屬公司之業務載於財務報表第157頁至第160頁。

年內，本集團按業務及地域劃分之業績分析列於財務報表附註5。

業績及分派

本集團於本年度之業績載於第81頁綜合損益表。

董事宣派中期股息為每股普通股4.5港仙，合共130,600,000港元，已於二零零六年十一月六日派付。

董事會建議派付末期股息每股普通股6.0港仙，合共288,800,000港元。

物業、機器及設備

本集團及本公司之物業、機器及設備變動詳情載於財務報表附註19。

股本

年內，本公司之股本變動詳情載於財務報表附註32。

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31st December 2006, calculated in accordance with the Companies Act 1981 of Bermuda (as amended), amounted to HK\$878.2 million.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-laws of the Company ("Bye-Laws") and there are no restrictions against such rights under the laws of Bermuda.

DIRECTORS

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

- * OEI Tjie Goan (Chairman)
 - * WANG Jun (Honorary Chairman) (appointed on 15th December 2006)
 - * LI Xueming (Deputy Chairman)
 - * XU Zheng (Deputy Chairman)
 - # OEI Kang, Eric (Managing Director and Chief Executive Officer)
 - # CHEN Libo
 - # TSANG Sai Chung, Kirk
 - # TANG Sau Wai, Tom
 - # CHENG Sum Hing, Sam
 - # SO Hang, Selina (resigned on 15th June 2006)
 - * LIU Guolin
 - * FAN Yan Hok, Philip
 - ** CHUNG Cho Yee, Mico
 - ** CHENG Yuk Wo
 - ** Albert Thomas DA ROSA, Junior
- # Executive Director
* Non-executive Director
** Independent Non-executive Director

The Company has received the annual confirmation of independence from all the Independent Non-executive Directors pursuant to the Listing Rules and consider them to be independent.

At the forthcoming annual general meeting ("AGM"), Mr. OEI Tjie Goan, Mr. OEI Kang, Eric, Mr. CHUNG Cho Yee, Mico, Mr. TSANG Sai Chung, Kirk and Mr. TANG Sau Wai, Tom will retire from office by rotation in accordance with bye-laws 87(1) of the Bye-laws and will offer themselves for re-election to serve for another term. Further, Mr. WANG Jun who was newly appointed by the Board will also retire from office in accordance with bye-laws 86(2) of the Bye-laws and will offer himself for re-election for the forthcoming AGM.

可供分派儲備

本公司於二零零六年十二月三十一日的可供分派儲備，按照百慕達一九八一年公司法（修訂本）計算為878,200,000港元。

優先認股權

本公司之公司細則（「公司細則」）並無有關優先認股權之條文，而百慕達法例亦無對優先認股權有所限制。

董事

年內及於本報告日期之董事如下：

- * 黃志源（主席）
 - * 王軍（榮譽主席）（於二零零六年十二月十五日獲委任）
 - * 李學明（副主席）
 - * 徐征（副主席）
 - # 黃剛（董事總經理兼行政總裁）
 - # 陳立波
 - # 曾細忠
 - # 鄧守偉
 - # 鄭森興
 - # 蘇荇（於二零零六年六月十五日辭任）
 - * 劉國林
 - * 范仁鶴
 - ** 鍾楚義
 - ** 鄭毓和
 - ** 羅凱栢
- # 執行董事
* 非執行董事
** 獨立非執行董事

本公司已根據上市規則接獲全體獨立非執行董事之年度確認函，故認為彼等為獨立人士。

於應屆股東週年大會（「股東週年大會」）上，黃志源先生、黃剛先生、鍾楚義先生、曾細忠先生及鄧守偉先生將根據公司細則第87(1)條輪席告退，並同意膺選連任。此外，董事會新委任之成員王軍先生亦將根據公司細則第86(2)條告退，並同意於應屆股東週年大會膺選連任。

DIRECTORS' SERVICE CONTRACTS

None of the Directors 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.

SHARE OPTION SCHEMES

Hong Kong Construction (Hong Kong) Limited adopted a share option Scheme on 3rd June 2004 (the "Old Option Scheme") which was terminated on 16th November 2006 due to successful implementation of Redomicile. A new share option scheme was adopted ("New Option Scheme") by HKC (Holdings) Limited on 15th June 2006 ("Old Option Scheme" and "New Option Scheme" are together defined as "Option Scheme"). A summary of the Option Scheme is set out below:-

董事服務合約

概無董事與本公司訂立本公司不可於一年內予以終止而毋須賠償之服務合約（法定賠償除外）。

購股權計劃

香港建設（香港）工程有限公司於二零零四年六月三日採納之購股權計劃（「舊購股權計劃」），因成功進行遷冊，已於二零零六年十一月十六日終止。新購股權計劃已於二零零六年六月十五日獲香港建設（控股）有限公司採納（「新購股權計劃」）（「舊購股權計劃」及「新購股權計劃」均界定為「該等購股權計劃」）。該等購股權計劃現概述如下：

	New Option Scheme 新購股權計劃	Old Option Scheme 舊購股權計劃
Purpose 目的	To recruit and retain high caliber Eligible Persons (as defined below) and attract human resources that are valuable to the Group or any entity in which any member of the Group holds an equity interest ("Invested Entity") 聘請及挽留優秀之合資格人士（定義見下文）及吸引對本集團或任何實體有價值之人力資源，而本集團旗下任何成員公司持有該等實體之股本權益（「投資實體」）	To recruit and retain high caliber Eligible Persons (as defined below) and attract human resources that are valuable to the Group or any entity in which any member of the Group holds an equity interest ("Invested Entity") 聘請及挽留優秀之合資格人士（定義見下文）及吸引對本集團或任何實體有價值之人力資源，而本集團旗下任何成員公司持有該等實體之股本權益（「投資實體」）
	To recognise the significant contributions of the Eligible Persons to the growth of the Group or Invested Entity by rewarding them with opportunities to obtain ownership interest in the Company 透過提供機會讓合資格人士取得本公司之擁有權權益，確認彼等對本集團或投資實體之增長所作出之重大貢獻	To recognise the significant contributions of the Eligible Persons to the growth of the Group or Invested Entity by rewarding them with opportunities to obtain ownership interest in the Group 透過提供機會讓合資格人士取得本集團之擁有權權益，確認彼等對本集團或投資實體之增長所作出之重大貢獻
	To further motivate and to give incentives to these Eligible Persons to continue to contribute to the long term success and prosperity of the Group or Invested Entity 進一步鼓勵及獎勵該等合資格人士繼續為本集團或投資實體之長遠成功作出貢獻	To further motivate and to give incentives to these Eligible Persons to continue to contribute to the long term success and prosperity of the Group or Invested Entity 進一步鼓勵及獎勵該等合資格人士繼續為本集團或投資實體之長遠成功作出貢獻

SHARE OPTION SCHEMES (continued)
購股權計劃 (續)

	New Option Scheme 新購股權計劃	Old Option Scheme 舊購股權計劃
Eligible Persons 合資格人士	Any employee, senior executive or officer, manager, director or consultant of any member of the Group or any Invested Entity who have contributed or will contribute to the growth and development of the Group or any Invested Entity 任何曾經或將會對本集團或任何投資實體之增長及發展作出貢獻之本集團旗下任何成員公司或投資實體之僱員、高級行政人員或主要人員、經理、董事或顧問	Any employee, senior executive or officer, manager, director or consultant of any member of the Group or any Invested Entity who have contributed or will contribute to the growth and development of the Group or any Invested Entity 任何曾經或將會對本集團或任何投資實體之增長及發展作出貢獻之本集團旗下任何成員公司或投資實體之僱員、高級行政人員或主要人員、經理、董事或顧問
Total number of shares available for issue under the Option Schemes and percentage of the issued share capital as at 31st December 2006 根據該等購股權計劃可供發行之股份總數，以及佔二零零六年十二月三十一日已發行股本之百分比	160,573,289 shares (4.4%) 160,573,289股(4.4%)	Nil 無
Maximum entitlement of each Eligible 各合資格人士之最高配額	In any 12-month period: 於任何十二個月期間： (a) 1% of the issued share capital (excluding substantial shareholders and independent non-executive directors) (a) 佔已發行股本之1%（不包括主要股東及獨立非執行董事） (b) 0.1% of the issued share capital and not exceed HK\$5 million in aggregate value (for substantial shareholders and independent non-executive directors): (b) 佔已發行股本之0.1%，但總值不超過5,000,000港元（就主要股東及獨立非執行董事而言）	In any 12-month period: 於任何十二個月期間： (a) 1% of the issued share capital (excluding substantial shareholders and independent non-executive directors) (a) 佔已發行股本之1%（不包括主要股東及獨立非執行董事） (b) 0.1% of the issued share capital and not exceed HK\$5 million in aggregate value (for substantial shareholders and independent non-executive directors): (b) 佔已發行股本之0.1%，但總值不超過5,000,000港元（就主要股東及獨立非執行董事而言）
The period within which the shares 須認購股份之期間	Not earlier than the date on which the option is granted or deemed to be granted and not more than 10 years from the date of grant 不得早於購股權授予日期或視作授予日期，以及自授予日期起計不得超過十年	Not earlier than the date on which the option is granted or deemed to be granted and not more than 10 years from the date of grant 不得早於購股權授予日期或視作授予日期，以及自授予日期起計不得超過十年

SHARE OPTION SCHEMES (continued)
購股權計劃 (續)

	New Option Scheme 新購股權計劃	Old Option Scheme 舊購股權計劃
The minimum period for which an option must be held 持有購股權之最短期限	Nil 無規定	Nil 無規定
The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be repaid 申請或接納購股權之應付金額以及付款或通知付款之期限或償還申請購股權貸款之期限	Payment of HK\$1.0 within 10 business days from the date of offer 自提呈日期起計十個營業日內支付 1.0港元	Payment of HK\$1.0 within 10 business days from the date of offer 自提呈日期起計十個營業日內支付 1.0港元
The basis of determining 釐定行使價之基準	The highest of: 以下較高者： (a) the closing price of the shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of offer the exercise price; (a) 股份於提呈日期在香港聯合交易所有限公司（「聯交所」）之收市價； (b) the average closing prices of the shares on the Stock Exchange for 5 business days immediately preceding the date of offer; and (b) 股份緊接於提呈日期前五個營業日在聯交所之平均收市價；及 (c) the nominal value of a share (c) 股份之面值	The highest of: 以下較高者： (a) the closing price of the shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of offer the exercise price; (a) 股份於提呈日期在香港聯合交易所有限公司（「聯交所」）之收市價； (b) the average closing prices of the shares on the Stock Exchange for 5 business days immediately preceding the date of offer; and (b) 股份緊接於提呈日期前五個營業日在聯交所之平均收市價；及 (c) the nominal value of a share (c) 股份之面值
The remaining life 餘下年期	Until 15th June 2016 直至二零一六年六月十五日止	Until 2nd June 2014 直至二零一四年六月二日止

SHARE OPTION SCHEMES (continued)

At 31st December 2006, details of the share options granted under the Old Option Scheme are as follows:

購股權計劃（續）

於二零零六年十二月三十一日，根據舊購股權計劃授予之購股權詳情如下：

	Number of options outstanding at 1st January 2006	Number of options cancelled/lapsed during the year	Number of options outstanding at 31st December 2006	Date of grant	Options granted during the year	Exercise period	Exercise price per share	Closing price per share immediately before the date of grant
	於二零零六年一月一日未行使之購股權數目	於年內註銷/失效之購股權數目	於二零零六年十二月三十一日未行使之購股權數目	授出日期	於年內授出之購股權	行使期	每股行使價 HK\$ 港元	緊接於授出日期前每股股份之收市價 HK\$ 港元
Director 董事								
OEI Kang, Eric 黃剛	-	460,000	-	8th March 2006 二零零六年三月八日	460,000	8th March 2007 to 7th March 2016 二零零七年三月八日至 二零一六年三月七日	0.83	0.83
	-	690,000	-	8th March 2006 二零零六年三月八日	690,000	8th March 2008 to 7th March 2016 二零零八年三月八日至 二零一六年三月七日	0.83	0.83
	-	1,150,000	-	8th March 2006 二零零六年三月八日	1,150,000	8th March 2009 to 7th March 2016 二零零九年三月八日至 二零一六年三月七日	0.83	0.83
CHEN Libo 陳立波	-	1,000,000	-	8th March 2006 二零零六年三月八日	1,000,000	8th March 2007 to 7th March 2016 二零零七年三月八日至 二零一六年三月七日	0.83	0.83
	-	1,500,000	-	8th March 2006 二零零六年三月八日	1,500,000	8th March 2008 to 7th March 2016 二零零八年三月八日至 二零一六年三月七日	0.83	0.83
	-	2,500,000	-	8th March 2006 二零零六年三月八日	2,500,000	8th March 2009 to 7th March 2016 二零零九年三月八日至 二零一六年三月七日	0.83	0.83

SHARE OPTION SCHEMES (continued)
購股權計劃 (續)

	Number of options outstanding at 1st January 2006 於二零零六年一月一日未行使之購股權數目	Number of options cancelled/lapsed during the year 於年內註銷/失效之購股權數目	Number of options outstanding at 31st December 2006 於二零零六年十二月三十一日未行使之購股權數目	Date of grant 授出日期	Options granted during the year 於年內授出之購股權	Exercise period 行使期	Exercise price per share 每股行使價 HK\$ 港元	Closing price per share immediately before the date of grant 緊接於購股權授出日期前每股股份之收市價 HK\$ 港元
TSANG Sai Chung, Kirk 曾細忠	-	1,000,000	-	8th March 2006 二零零六年三月八日	1,000,000	8th March 2007 to 7th March 2016 二零零七年三月八日至二零零六年三月七日	0.83	0.83
	-	1,500,000	-	8th March 2006 二零零六年三月八日	1,500,000	8th March 2008 to 7th March 2016 二零零八年三月八日至二零零六年三月七日	0.83	0.83
	-	2,500,000	-	8th March 2006 二零零六年三月八日	2,500,000	8th March 2009 to 7th March 2016 二零零九年三月八日至二零零六年三月七日	0.83	0.83
TANG Sau Wai, Tom 鄧守偉	-	1,000,000	-	8th March 2006 二零零六年三月八日	1,000,000	8th March 2007 to 7th March 2016 二零零七年三月八日至二零零六年三月七日	0.83	0.83
	-	1,500,000	-	8th March 2006 二零零六年三月八日	1,500,000	8th March 2008 to 7th March 2016 二零零八年三月八日至二零零六年三月七日	0.83	0.83
	-	2,500,000	-	8th March 2006 二零零六年三月八日	2,500,000	8th March 2009 to 7th March 2016 二零零九年三月八日至二零零六年三月七日	0.83	0.83

SHARE OPTION SCHEMES (continued)
購股權計劃 (續)

	Number of options outstanding at 1st January 2006 於二零零六年一月一日未行使之購股權數目	Number of options cancelled/lapsed during the year 於年內註銷/失效之購股權數目	Number of options outstanding at 31st December 2006 於二零零六年十二月三十一日未行使之購股權數目	Date of grant 授出之授出日期	Options granted during the year 於年內每股股份購股權	Exercise period 行使期	Exercise price per share 每股行使價 HK\$ 港元	Closing price per share immediately before the date of grant 緊接於購股權授出日期前之收市價 HK\$ 港元
CHENG Sum Hing, Sam 鄭森興	-	600,000	-	8th March 2006 二零零六年三月八日	600,000	8th March 2007 to 7th March 2016 二零零七年三月八日至二零零六年三月七日	0.83	0.83
	-	900,000	-	8th March 2006 二零零六年三月八日	900,000	8th March 2008 to 7th March 2016 二零零八年三月八日至二零零六年三月七日	0.83	0.83
	-	1,500,000	-	8th March 2006 二零零六年三月八日	1,500,000	8th March 2009 to 7th March 2016 二零零九年三月八日至二零零六年三月七日	0.83	0.83
TOTAL 合計	-	20,300,000	-		20,300,000			
Employee and other participants 僱員及其他參與人士	-	4,660,000	-	8th March 2006 二零零六年三月八日	4,660,000	8th March 2007 to 7th March 2016 二零零七年三月八日至二零零六年三月七日	0.83	0.83
	-	6,990,000	-	8th March 2006 二零零六年三月八日	6,990,000	8th March 2008 to 7th March 2016 二零零八年三月八日至二零零六年三月七日	0.83	0.83
	-	11,650,000	-	8th March 2006 二零零六年三月八日	11,650,000	8th March 2009 to 7th March 2016 二零零九年三月八日至二零零六年三月七日	0.83	0.83
TOTAL 合計	-	23,300,000	-		23,300,000			

SHARE OPTION SCHEMES (continued)

At 31st December 2006, details of the share options granted under the New Option Scheme are as follows:

購股權計劃（續）

於二零零六年十二月三十一日，根據新購股權計劃授予之購股權詳情如下：

	Number of options outstanding at 1st January 2006 於二零零六年一月一日未行使之購股權數目	Number of options cancelled/lapsed during the year 於年內註銷/失效之購股權數目	Number of options outstanding at 31st December 2006 於二零零六年十二月三十一日未行使之購股權數目	Date of grant 授出日期	Options granted during the year 於年內授出之購股權	Exercise period 行使期	Exercise price per share 每股行使價 HK\$ 港元	Closing price per share immediately before the date of grant 緊接於購股權授出日期前每股股份之收市價 HK\$ 港元
Director 董事								
OEI Kang, Eric 黃剛	N/A 不適用	817,500	562,500	15th December 2006 二零零六年十二月十五日	1,380,000	15th Dec 2007 to 14th Dec 2016 二零零七年十二月十五日至 二零一六年十二月十四日	1.42	1.41
	N/A 不適用	1,362,500	937,500	15th December 2006 二零零六年十二月十五日	2,300,000	15th Dec 2008 to 14th Dec 2016 二零零八年十二月十五日至 二零一六年十二月十四日	1.42	1.41
CHEN Libo 陳立波	N/A 不適用	-	4,000,000	15th December 2006 二零零六年十二月十五日	4,000,000	15th Dec 2007 to 14th Dec 2016 二零零七年十二月十五日至 二零一六年十二月十四日	1.42	1.41
	N/A 不適用	-	6,500,000	15th December 2006 二零零六年十二月十五日	6,500,000	15th Dec 2008 to 14th Dec 2016 二零零八年十二月十五日至 二零一六年十二月十四日	1.42	1.41
	N/A 不適用	-	2,500,000	15th December 2006 二零零六年十二月十五日	2,500,000	15th Dec 2009 to 14th Dec 2016 二零零九年十二月十五日至 二零一六年十二月十四日	1.42	1.41
TSANG Sai Chung, Kirk 曾細忠	N/A 不適用	-	3,000,000	15th December 2006 二零零六年十二月十五日	3,000,000	15th Dec 2007 to 14th Dec 2016 二零零七年十二月十五日至 二零一六年十二月十四日	1.42	1.41
	N/A 不適用	-	5,000,000	15th December 2006 二零零六年十二月十五日	5,000,000	15th Dec 2008 to 14th Dec 2016 二零零八年十二月十五日至 二零一六年十二月十四日	1.42	1.41

SHARE OPTION SCHEMES (continued)
購股權計劃 (續)

	Number of options outstanding at 1st January 2006 於二零零六年一月一日未行使之購股權數目	Number of options cancelled/lapsed during the year 於年內註銷/失效之購股權數目	Number of options outstanding at 31st December 2006 於二零零六年十二月三十一日未行使之購股權數目	Date of grant 授出日期	Options granted during the year 於年內授出之購股權	Exercise period 行使期	Exercise price per share 每股行使價 HK\$ 港元	Closing price per share immediately before the date of grant 緊接於購股權授出日期前每股股份之收市價 HK\$ 港元
TANG Sau Wai, Tom 鄧守偉	N/A 不適用	-	3,600,000	15th December 2006 二零零六年十二月十五日	3,600,000	15th Dec 2007 to 14th Dec 2016 二零零七年十二月十五日至二零零六年十二月十四日	1.42	1.41
	N/A 不適用	-	5,900,000	15th December 2006 二零零六年十二月十五日	5,900,000	15th Dec 2008 to 14th Dec 2016 二零零八年十二月十五日至二零零六年十二月十四日	1.42	1.41
	N/A 不適用	-	1,500,000	15th December 2006 二零零六年十二月十五日	1,500,000	15th Dec 2009 to 14th Dec 2016 二零零九年十二月十五日至二零零六年十二月十四日	1.42	1.41
CHENG Sum Hing, Sam 鄭森興	N/A 不適用	-	1,800,000	15th December 2006 二零零六年十二月十五日	1,800,000	15th Dec 2007 to 14th Dec 2016 二零零七年十二月十五日至二零零六年十二月十四日	1.42	1.41
	N/A 不適用	-	3,000,000	15th December 2006 二零零六年十二月十五日	3,000,000	15th Dec 2008 to 14th Dec 2016 二零零八年十二月十五日至二零零六年十二月十四日	1.42	1.41
TOTAL 合計	N/A 不適用	2,180,000	38,300,000		40,480,000			
Employee and other participants 僱員及其他參與人士	N/A 不適用	817,500	24,862,500	15th December 2006 二零零六年十二月十五日	25,680,000	15th Dec 2007 to 14th Dec 2016 二零零七年十二月十五日至二零零六年十二月十四日	1.42	1.41
	N/A 不適用	1,362,500	38,987,500	15th December 2006 二零零六年十二月十五日	40,350,000	15th Dec 2008 to 14th Dec 2016 二零零八年十二月十五日至二零零六年十二月十四日	1.42	1.41
	N/A 不適用	-	36,750,000	15th December 2006 二零零六年十二月十五日	36,750,000	15th Dec 2009 to 14th Dec 2016 二零零九年十二月十五日至二零零六年十二月十四日	1.42	1.41
TOTAL 合計	N/A 不適用	2,180,000	100,600,000		102,780,000			

DIRECTORS' INTERESTS

At 31st December 2006, the interests and short positions of the Directors and Chief Executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance (the "SFO")) which (a) are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which are taken or deemed to have under such provisions of the SFO); or (b) were recorded in the register required to be kept under Section 352 of the SFO; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

(i) Interests of the Directors in shares and underlying shares of the Company:

Name of Director	Nature of interest	Number of Shares (Long position)	Approximate percentage of existing issued share capital of the Company 佔本公司現有已發行股本概約百分比	Number of Shares (Short position)	Approximate percentage of existing issued share capital of the Company 佔本公司現有已發行股本概約百分比
董事姓名	權益性質	股份數目 (好倉)		股份數目 (淡倉)	
OEl Kang, Eric 黃剛	Personal 個人	150,701,257 ¹	4.133%	-	-
	Corporate 公司	2,032,108,448 ²	55.735%	-	-
	Joint 共同	1,520,246 ³	0.042%	-	-
	Family 家族	1,500,000 ⁴	0.041%	-	-
CHEN Libo 陳立波	Personal 個人	78,845,129 ⁵	2.163%	-	-
TSANG Sai Chung, Kirk 曾細忠	Personal 個人	9,495,149 ⁶	0.260%	-	-
TANG Sau Wai, Tom 鄧守偉	Personal 個人	11,108,895 ⁷	0.305%	-	-
	Family 家族	154,632	0.004%	-	-
CHENG Sum Hing, Sam 鄭森興	Personal 個人	4,800,000 ⁸	0.132%	-	-

董事權益

於二零零六年十二月三十一日，各董事及本公司主要行政人員於本公司及其任何相聯法團（定義見證券及期貨條例）的股份、相關股份及債券中擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例上述規定視為或當作擁有之權益或淡倉）；或(b)登記於證券及期貨條例第352條規定存置的登記冊之權益或淡倉；或(c)根據聯交所證券上市規則（「上市規則」）所載之上市公司董事進行證券交易的標準守則規定須知會本公司及聯交所之權益或淡倉如下：

(i) 董事於本公司股份及相關股份之權益：

DIRECTORS' INTERESTS (continued)

Notes:

1. The personal interest of Mr. OEI represents an interest in 149,201,257 Shares and an interest in 1,500,000 underlying Shares in respect of options granted by the Company as stated below.
2. The corporate interest of Mr. OEI represents an interest in 1,599,647,452 Shares held by Creator and an interest in 432,460,996 Shares held by Genesis Capital Group Limited ("Genesis"), a company owned as to 50% by Mr. OEI and as to the remaining 50% by his wife, Mrs. OEI Valonia Lau ("Mrs. OEI"). Mr. OEI is also a director of Creator and Genesis.
3. The joint interest of Mr. OEI represents the Shares jointly held with Mrs. OEI.
4. The family interest of Mr. OEI represents an interest in 1,500,000 underlying Shares in respect of options granted by the Company to Mrs. OEI.
5. The personal interest of Mr. CHEN represents an interest in 65,845,129 Shares and an interest in 13,000,000 underlying Shares in respect of options granted by the Company as stated below.
6. The personal interest of Mr. TSANG represents an interest in 1,495,149 Shares and an interest in 8,000,000 underlying Shares in respect of options granted by the Company as stated below.
7. The personal interest of Mr. TANG represents an interest in 108,895 Shares and an interest in 11,000,000 underlying Shares in respect of options granted by the Company as stated below.
8. The personal interest of Mr. CHENG represents an interest in 4,800,000 underlying Shares in respect of options granted by the Company as stated below.

董事權益 (續)

附註：

1. 黃先生之個人權益指於149,201,257股股份之權益及下述本公司所授出購股權有關之1,500,000股相關股份權益。
2. 黃先生之公司權益指由創達持有之1,599,647,452股股份之權益及由黃先生及彼之妻子劉慧女士（「黃太」）各自擁有50%權益之華創集團有限公司（「華創」）持有之432,460,996股股份之權益。黃先生亦為創達及華創之董事。
3. 黃先生之共同權益指彼與黃太共同持有之股份。
4. 黃先生之家族權益指本公司授予黃太之購股權有關之1,500,000股相關股份權益。
5. 陳先生之個人權益指於65,845,129股股份之權益及下述本公司所授出購股權有關之13,000,000股相關股份權益。
6. 曾先生之個人權益指於1,495,149股股份之權益及下述本公司所授出購股權有關之8,000,000股相關股份權益。
7. 鄧先生之個人權益指於108,895股股份之權益及下述本公司所授出購股權有關之11,000,000股相關股份權益。
8. 鄭先生之個人權益指下述本公司所授出購股權有關之4,800,000股相關股份權益。

DIRECTORS' INTERESTS (continued)

(ii) Options to subscribe for Shares granted under the share option scheme adopted on 16th June 2006

董事權益 (續)

(ii) 根據本公司於二零零六年六月十六日採納之購股權計劃授出可認購股份之購股權：

Name of Director	Nature of interest	Number of options outstanding at 1st January 2006 於二零零六年一月一日未行使之購股權數目	Options granted during the year 於年內授出之購股權	Number of options cancelled or lapsed during the year 於年內註銷/失效之購股權數目	Number of options outstanding at 31st December 2006 於二零零六年十二月三十一日未行使之購股權數目	Date of grant 授出日期	Exercisable period 行使期	Exercise price per share 每股行使價	Closing price per share immediately before the date of grant 緊接授出日期前每股股份之收市價
董事姓名	權益性質	購股權數目	授出之購股權	購股權數目	購股權數目	授出日期	行使期	每股行使價 HK\$ 港元	收市價 HK\$ 港元
Mr. OEI 黃先生	Personal 個人	N/A 不適用	1,380,000	817,500	562,500	15th December 2006 二零零六年十二月十五日	15th December 2007 to 14th December 2016 二零零七年十二月十五日至二零零六年十二月十四日	1.42	1.41
		N/A 不適用	2,300,000	1,362,500	937,500	15th December 2006 二零零六年十二月十五日	15th December 2008 to 14th December 2016 二零零八年十二月十五日至二零零六年十二月十四日	1.42	1.41
	Family 家族	N/A 不適用	1,380,000	817,500	562,500 (Note) (附註)	15th December 2006 二零零六年十二月十五日	15th December 2007 to 14th December 2016 二零零七年十二月十五日至二零零六年十二月十四日	1.42	1.41
		N/A 不適用	2,300,000	1,362,500	937,500 (Note) (附註)	15th December 2006 二零零六年十二月十五日	15th December 2008 to 14th December 2016 二零零八年十二月十五日至二零零六年十二月十四日	1.42	1.41
Mr. CHEN 陳先生	Personal 個人	N/A 不適用	4,000,000	—	4,000,000	15th December 2006 二零零六年十二月十五日	15th December 2007 to 14th December 2016 二零零七年十二月十五日至二零零六年十二月十四日	1.42	1.41
		N/A 不適用	6,500,000	—	6,500,000	15th December 2006 二零零六年十二月十五日	15th December 2008 to 14th December 2016 二零零八年十二月十五日至二零零六年十二月十四日	1.42	1.41
		N/A 不適用	2,500,000	—	2,500,000	15th December 2006 二零零六年十二月十五日	15th December 2009 to 14th December 2016 二零零九年十二月十五日至二零零六年十二月十四日	1.42	1.41
Mr. TSANG 曾先生	Personal 個人	N/A 不適用	3,000,000	—	3,000,000	15th December 2006 二零零六年十二月十五日	15th December 2007 to 14th December 2016 二零零七年十二月十五日至二零零六年十二月十四日	1.42	1.41
		N/A 不適用	5,000,000	—	5,000,000	15th December 2006 二零零六年十二月十五日	15th December 2008 to 14th December 2016 二零零八年十二月十五日至二零零六年十二月十四日	1.42	1.41

DIRECTORS' INTERESTS (continued)

(ii) (continued)

董事權益 (續)

(ii) (續)

Name of Director	Nature of interest	Number of options outstanding at 1st January 2006 於二零零六年一月一日未行使之購股權數目	Options granted during the year 於年內授出之購股權	Number of options cancelled or lapsed during the year 於年內註銷/失效之購股權數目	Number of options outstanding at 31st December 2006 於二零零六年十二月三十一日未行使之購股權數目	Date of grant 授出日期	Exercisable period 行使期	Exercise price per share 每股行使價	Closing price per share immediately before the date of grant 緊接授出日期前每股股份之收市價
董事姓名	權益性質	購股權數目	授出之購股權	購股權數目	購股權數目	授出日期	行使期	每股行使價 HK\$ 港元	收市價 HK\$ 港元
Mr. TANG 鄧先生	Personal 個人	N/A 不適用	3,600,000	-	3,600,000	15th December 2006 二零零六年十二月十五日	15th December 2007 to 14th December 2016 二零零七年十二月十五日至二零零六年十二月十四日	1.42	1.41
		N/A 不適用	5,900,000	-	5,900,000	15th December 2006 二零零六年十二月十五日	15th December 2008 to 14th December 2016 二零零八年十二月十五日至二零零六年十二月十四日	1.42	1.41
		N/A 不適用	1,500,000	-	1,500,000	15th December 2006 二零零六年十二月十五日	15th December 2009 to 14th December 2016 二零零九年十二月十五日至二零零六年十二月十四日	1.42	1.41
Mr. CHENG 鄭先生	Personal 個人	N/A 不適用	1,800,000	-	1,800,000	15th December 2006 二零零六年十二月十五日	15th December 2007 to 14th December 2016 二零零七年十二月十五日至二零零六年十二月十四日	1.42	1.41
		N/A 不適用	3,000,000	-	3,000,000	15th December 2006 二零零六年十二月十五日	15th December 2008 to 14th December 2016 二零零八年十二月十五日至二零零六年十二月十四日	1.42	1.41

Note: The family interest of Mr. OEI represents an interest in 1,500,000 underlying Shares in respect of options granted by the Company to his wife, Mrs. OEI.

附註：黃先生之家族權益指本公司授予彼之妻子黃太之購股權有關之1,500,000股相關股份權益。

DIRECTORS' INTERESTS (continued)

Save as disclosed above, as at 31st December 2006, the Directors or chief executive of the Company held any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS INTERESTS

As at 31st December 2006, the interests or short positions of every person other than a director or chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO and the amount of such interests and short position were as follows:

董事權益 (續)

除上文披露者外，於二零零六年十二月三十一日，本公司各董事或主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中，概無擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例有關條文被當作或視為擁有之權益及淡倉），或根據證券及期貨條例第352條須記入該條所指登記冊之權益或淡倉，或根據上市規則所載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之權益或淡倉。

主要股東權益

於二零零六年十二月三十一日，根據本公司按證券及期貨條例第336條須存置之登記冊所示，下列人士（董事或本公司行政人員除外）於本公司股份及相關股份中擁有權益或淡倉，其數額如下：

SUBSTANTIAL SHAREHOLDERS INTERESTS (continued)

(i) Interests and short positions in Shares:

主要股東權益 (續)

(i) 於股份之權益及淡倉

Name of Shareholder	Nature of interest	Number of Shares (Long position)	Approximate percentage of existing issued share capital of the Company 佔本公司現有已發行股本概約百分比	Number of Shares (Short position)	Approximate percentage of existing issued share capital of the Company 佔本公司現有已發行股本概約百分比
股東名稱	權益性質	股份數目 (好倉)		股份數目 (淡倉)	
Mrs. OEI 黃太	Personal 個人	1,500,000 ¹	0.041%	—	—
	Corporate 公司	432,460,996 ²	11.861%	—	—
	Joint 共同	1,520,246 ³	0.0417%	—	—
	Family 家族	1,750,348,709 ⁴	48.007%	—	—
Creator 創達	Beneficial owner 實益擁有人	1,599,647,452	43.874%	—	—
Penta Investment Advisers Ltd.	Investment manager 投資經理	475,995,000	13.055%	—	—
John ZWAANSTRA	Corporate 公司	475,995,000	13.055%	—	—
Genesis 華創	Beneficial owner 實益擁有人	432,460,996	11.861%	—	—

Notes:

- The personal interest of Mrs. OEI represents an interest in 1,500,000 underlying Shares in respect of options granted by the Company to Mrs. OEI.
- The corporate interest of Mrs. OEI represents the Shares held by Genesis.
- The joint interest of Mrs. OEI represents the Shares jointly held with Mr. OEI.
- The family interest of Mrs. OEI represents an interest in 1,599,647,452 Shares held by Creator, an interest in 149,201,257 Shares held by Mr. OEI and an interest in 1,500,000 underlying Shares in respect of options granted by the Company to Mr. OEI.

附註：

- 黃太之個人權益指本公司授予黃太之購股權有關之1,500,000股相關股份。
- 黃太之公司權益指華創持有之股份。
- 黃太之共同權益指與黃先生共同持有之股份。
- 黃太之家族權益指創達持有之1,599,647,452股股份之權益、黃先生持有之149,201,257股股份之權益及本公司授予黃先生之購股權有關之1,500,000股相關股份權益。

CONNECTED TRANSACTIONS

Details of the connected transactions are disclosed in Note 41(b), (d), (f), (g) and (h) to the consolidated financial statements.

CONTINUING CONNECTED TRANSACTIONS

Details of the continuing connected transactions are provided under Note 41(c) to the consolidated financial statements.

(1) Opinion from the Independent non-executive directors on the continuing connected transactions

Pursuant to the water supply agreement and Rule 14A.37 of the Listing Rules, the Independent non-executive directors of the Company have reviewed the above continuing connected transactions and opined that the water supply agreement:

- entered into and conducted in the ordinary and usual course of the Group's business;
- the unit price of untreated water charged by Yangpu to Jinhai during 2006 was stipulated under the water supply agreement and related supplemental agreements and was no less favourable to the Group than those charged to independent third parties; and
- entered into in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

(2) Report from the auditors on the continuing connected transactions

For the purpose of Rule 14A.38 of the Listing Rules, PricewaterhouseCoopers, the auditors of the Company, have performed certain agreed-upon procedures on the above continuing connected transactions and reported that the transactions entered into:

- (i) were approved by the Board of Directors of the Company;
- (ii) have been entered into in accordance with the relevant agreements governing the transactions; and
- (iii) have not exceeded the annual caps stated in the relevant announcements.

關連交易

在正常業務過程中進行之關連交易詳情載於綜合財務報表附註41(b), (d), (f), (g)及(h)披露。

持續關連交易

持續關連交易詳情載於綜合財務報表附註41(c)。

(1) 獨立非執行董事對持續關連交易之意見

根據供水協議及上市規則第14A.37條，本公司獨立非執行董事已審閱上述持續關連交易，並認為供水協議：

- 乃在本集團日常及一般業務過程中訂立及進行；
- 洋浦根據該供水協議及相關補充協議規定於二零零六年向金海收取之未經處理水的單位價格，不遜於本集團向獨立第三方收取之價格；及
- 乃按照規管該等協議之有關協議訂立，而有關係款乃公平合理且符合本公司股東整體利益。

(2) 核數師就持續關連交易作出之報告

就上市規則第14A.38條而言，本公司核數師羅兵咸永道會計師事務所已就上述持續關連交易進行若干已協定之程序，並呈報所訂立之交易：

- (i) 已經本公司董事會批准；
- (ii) 已經按照規管該等交易之有關協議而訂立；及
- (iii) 並無超出有關公佈所述之每年上限金額。

EVENTS AFTER BALANCE SHEET DATE

Details of the events after balance sheet date are disclosed in Note 43 to the consolidated financial statements.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to which the Company or its subsidiaries was a party and in which a Director had a material interest subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Mr. OEI Tjie Goan is the chairman and a director of PT. Sinar Mas, a company together with its subsidiaries, associates, including Asia Pulp & Paper Company, Ltd., and its holding companies (the "Sinar Mas Group") are engaged in, among other things, general trading and, property development and investment. One of the business activities of the Sinar Mas Group is property development and investment in the PRC.

Save as disclosed above, Mr. OEI Tjie Goan is not interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

Mr. OEI Kang, Eric, a member of the Oei family and a son of Mr. OEI Tjie Goan, does not have any directorship in the Sinar Mas Group.

Save as disclosed above, Mr. OEI Kang, Eric is not interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

Mr. WANG Jun ("Mr WANG") is the chairman and an executive director of Poly (Hong Kong) Investments Limited (together with its subsidiaries, associates and holding companies (if any), the "Poly Investment Group"). One of the principal business activities of the Poly Investments Group is property investment and development in the PRC. In addition, Mr. WANG is also the Chairman and an executive director of Goldbond Group Holdings Limited ("Goldbond"). One of the principal business of the Goldbond is property development and investment in Hong Kong and the PRC.

結算日後事項

結算日後事項詳情於綜合財務報表附註43披露。

董事之合約權益

於年結日或年內任何時間，本公司或其任何附屬公司概無訂立任何董事在其中擁有重大權益之重要合約。

董事在競爭業務之權益

黃志源先生為PT. Sinar Mas主席兼董事。PT. Sinar Mas連同其附屬公司、聯營公司（包括亞洲漿紙業有限公司）及其控股公司（統稱「金光集團」）從事（其中包括）一般貿易以及物業發展與投資業務。金光集團業務之一為於中國從事物業發展及投資。

除上文披露者外，黃志源先生並無擁有足以或可能對本集團業務直接或間接構成競爭之業務權益。

黃剛先生為黃氏家族之成員及黃志源先生之子，並無於金光集團擔任任何董事職務。

除上文披露者外，黃剛先生並無擁有足以或可能對本集團業務直接或間接構成競爭之業務權益。

王軍先生（「王先生」）為保利（香港）投資有限公司（連同其附屬公司、聯營公司及控股公司（如有）統稱「保利投資集團」）主席兼執行董事。保利投資集團其中一項主要業務為於中國從事物業發展及投資。此外，王先生亦為金榜集團控股有限公司（「金榜」）主席兼執行董事。金榜其中一項主要業務為在香港及中國進行物業發展之業務。

DIRECTORS' INTERESTS IN COMPETING BUSINESSES (continued)

Mr. LI Xueming is a director of China Everbright Holdings Company Limited and Mr. FAN Yan Hok, Philip is a director of China Everbright International Limited, both companies are members of the China Everbright Group. One of its business activities is property development/infrastructure project investments.

Mr. LIU Guolin and Mr. XU Zheng are directors and senior management in Shanghai Construction (Group) General Corporation (together with its subsidiaries, associates and holding companies, the "Shanghai Construction Group") which is a former substantial Shareholder (as defined in Part XV of the SFO) as well as a sub-contractor and a joint venture partner for certain construction projects of the Group. One of its business activities is construction business in the PRC.

No non-competition undertakings have been obtained from the abovementioned directors as they are, by law, fiduciaries of the Company and are prohibited by law from placing themselves in a position where their duties may conflict with their interests.

Having considered that the Company itself has its own management supervising the daily operation and making financial and business decisions, the Company can operate its business independently from the Sinar Mas Group, Yangpu Development, China Everbright Group and the Shanghai Construction Group.

Save as disclosed above, none of the Directors or their respective associate(s) was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

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.

董事在競爭業務之權益 (續)

李學明先生為中國光大集團有限公司董事，而范仁鶴先生則為中國光大國際有限公司董事。此兩家公司均為中國光大集團成員公司，而其中一類業務為物業發展/基建項目投資。

劉國林先生及徐征先生均為上海建工（集團）總公司（連同其附屬公司、聯營公司及控股公司統稱「上海建工集團」）董事兼高級管理層成員。上海建工集團為前主要股東（定義見證券及期貨條例第XV部）兼本集團若干建築項目之分判商及合營夥伴。上海建工集團其中一項業務為於中國從事建築業務。

上述董事並無提供不競爭承諾，原因為在法律上彼等為本公司之受信人，而法例禁止彼等處於職責與個人利益可能存在衝突之位置。

鑑於本公司擁有本身之管理層負責監督日常業務運作以及作出財務及商業決策，故本公司之業務運作能夠獨立於金光集團、洋浦發展、中國光大集團及上海建工集團。

除上文披露者外，董事或彼等各自之聯繫人士概無擁有足以或可能對本集團業務直接或間接構成競爭之業務權益。

管理合約

本公司於年內並無訂立或擁有任何有關本公司全部或其中任何重大部分業務之管理及行政合約。

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of the Group's purchases and sales for the year attributable to major suppliers and customers were as follows:

Purchases	
The largest supplier	53.16%
Five largest suppliers	76.61%
Sales	
The largest customer	26.81%
Five largest customers	61.39%

The Oei Family have indirect equity interest in Jinhai Paper Pulping Industrial Company Limited, one of the five largest customers of the Group. Save as disclosed above, none of the Directors, their associated companies or shareholders, (which to the knowledge of the Directors owns more than 5% of the Company's share capital) held any interests in the share capital of the major suppliers or customers noted above.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of its listed securities during the financial year.

BORROWINGS

Particulars of borrowings of the Group at 31st December 2006 are set out in note 35 to the financial statements.

FIVE-YEAR FINANCIAL SUMMARY

A five-year financial summary of the results and of the assets and liabilities of the Group is set out on page 163.

LIQUIDITY

As of the balance sheet date, the Group's unpledged cash and bank deposits were HK\$1,062.5 million (2005: HK\$597.7 million). The directors anticipate that the Group will utilise the available cash balances, the proceeds from its construction contracts and future sales of properties, and rental income together with any new loans which is expected to be available from the banks to meet its funding requirements of its major construction contracts and working capital requirements in both Hong Kong and China.

PRINCIPAL PROPERTIES

Details of the principal properties of the Group are set out on page 164.

主要客戶及供應商

主要供應商及客戶於年內佔本集團購貨額及銷售量之百分比如下：

購貨額	
最大供應商	53.16%
五大供應商	76.61%
銷售量	
最大客戶	26.81%
五大客戶	61.39%

除黃氏家族間接控制的海南金海漿紙業有限公司被列作五大客戶之一外，董事、彼等之有連繫者之人士或任何股東（指據董事所知擁有本公司5%以上股本權益之股東）並無於上述之主要供應商或客戶中擁有任何權益。

購買、出售或贖回上市證券

本公司或各附屬公司於本財政年度內並無購買、出售或贖回其任何上市證券。

借款

本集團於二零零六年十二月三十一日之借款詳情，列於財務報表附註35。

五年財務資料概要

本集團業績、資產及負債之五年財務資料概要刊載於第163頁。

現金流動

於結算日，本集團未抵押之現金及銀行存款合共為1,062,500,000港元（二零零五年：597,700,000港元）。董事會預料本集團將從可用現金結餘，建築合約和將來物業出售之所得款項、租金收入和預期可以從銀行獲得之新貸款，以應付香港和中國之主要建築工程合約和日常營運資金之資金需要。

主要物業

本集團之主要物業詳情載於第164頁。

DONATIONS

During the year, the Group made charitable and other donations of approximately HK\$1.0 million (2005: HK\$0.7 million).

RESERVES

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

RETIREMENT SCHEMES

The Group operates a Mandatory Provident Fund Scheme. Particulars of the retirement schemes are set out in note 12(b) to the financial statements.

CORPORATE GOVERNANCE

In the opinion of the directors, save as disclosed below, the Company has complied with the code provisions (the "Code Provision") set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") throughout the year ended 31st December 2006.

Code Provision E.1.2

Code Provision E.1.2 The Chairman of the Board did not attend the annual general meeting of the Group as he had another business engagement but the Chairmen of the relevant committee were available to answer question at the shareholders meetings.

Code Provision A.4.1

Under the Code Provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. However, the independent non-executive directors of the Company were not appointed for a specific term because they are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Company's Bye-laws.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Specified employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with guidelines on no less exacting terms than the Model Code. A Code for Securities Dealings by Employees has also been adopted in this regard.

捐款

年內，本集團捐出約1,000,000港元（二零零五年：700,000港元）作慈善及其他捐贈用途。

儲備

本集團及本公司於年內之儲備變動載於財務報表附註33。

退休金計劃

本集團設有一項強制性公積金計劃。退休計劃詳情列於財務報表附註12(b)內。

企業管治

董事認為，除下文披露者外，截至二零零六年十二月三十一日止整個年度，本公司已遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四內企業管治常規守則（「企管守則」）所載之守則條文（「守則條文」）。

守則條文第E.1.2條

董事會主席因公務而未能出席本集團之股東週年大會，惟有關委員會主席於股東大會上回答提問。

守則條文第A.4.1條

根據守則條文第A.4.1條，非執行董事應按指定任期委任及重選。然而，本公司獨立非執行董事並非按指定任期獲委任，惟彼等須根據本公司之公司細則條文在股東大會輪席告退及重選。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載董事進行證券交易之標準守則作為其本身董事進行證券交易之守則。特定僱員若可能擁有本集團尚未公開之股價敏感資料，亦須遵守一套標準不遜於標準守則之指引。本公司亦已就此採納僱員買賣證券之守則。

AUDIT COMMITTEE

The audit committee comprises three independent non-executive directors and one non-executive director with written terms of reference in accordance with the requirements of the Listing Rules, and reports to the board of directors. The audit committee has reviewed the Group's annual results for the year of 2006.

REMUNERATION COMMITTEE

The Group established a Remuneration Committee in 2005 with written terms of reference in accordance with the requirements of the Listing Rules. The Remuneration Committee comprises three independent non-executive directors and one non-executive director.

NOMINATION COMMITTEE

The Group established a Nomination Committee in 2005 with written terms of reference in accordance with the requirements of the Listing Rules. The Nomination Committee comprises three independent non-executive directors and one non-executive director.

PUBLIC FLOAT

Based on the information that is publicly available to the and within the knowledge of the Directors, it is confirmed that there is sufficient public float of more than 25% of the Company's issued shares at the latest practicable date prior to the issue of the annual report.

AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who retired and, being eligible, offer themselves for reappointment. A resolution for the reappointment of PricewaterhouseCoopers as auditors of the Company is to be proposed at the fourthcoming annual general meeting.

KPMG acted as auditors of the Company up to and including the year ended 31st December 2003. KPMG resigned on 3rd June 2004 and the Directors appointed PricewaterhouseCoopers to fill the causal vacancy effective from 20th July 2004.

On behalf of the board

OEI Kang, Eric

Managing Director and Chief Executive Officer

Hong Kong, 16th April 2007

審核委員會

審核委員會包括三名獨立非執行董事及一名非執行董事，已根據上市規則制訂書面職權範圍，並須向董事會匯報。審核委員會已審閱本集團二零零六年之年度業績。

薪酬委員會

本集團於二零零五年成立薪酬委員會，並根據上市規則之規定制訂書面職權範圍。薪酬委員會由三名獨立非執行董事及一名非執行董事組成。

提名委員會

本集團於二零零五年成立提名委員會，並根據上市規則之規定制訂書面職權範圍。提名委員會由三名獨立非執行董事及一名非執行董事組成。

公眾持股量

根據本公司所獲公開資料及就董事所知，截至本年報刊發當日，本公司維持足夠的公眾持股量，即公眾持有本公司於最後可行日期之已發行股份25%以上。

核數師

該等財務報表已由告退並符合資格膺選連任之羅兵咸永道會計師事務所審核。有關重新委任羅兵咸永道會計師事務所為本公司核數師之決議案將於應屆股東週年大會呈呈。

畢馬威會計師事務所於截至二零零三年十二月三十一日止年度（包括該年度）擔任本公司核數師。畢馬威會計師事務所已於二零零四年六月三日辭任，而董事已委任羅兵咸永道會計師事務所填補該空缺，自二零零四年七月二十日起生效。

代表董事會

黃剛

董事總經理兼行政總裁

香港，二零零七年四月十六日