

Report of the Directors 董事會報告書

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

董事謹此提呈截至二零零六年十二月三十一日止年度之報告連同經審核賬目。

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries, associates and jointly controlled entities are shown in notes 43, 44 and 45 to the financial statements, respectively.

主要業務

本公司之主要業務為投資控股，而其附屬公司、聯營公司及共同控制實體之主要業務則分別載於賬目附註43、44及45。

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

按業務及地區分類之本集團表現之分析載於賬目附註5。

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 68.

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68頁之綜合損益表。

The Directors have declared an interim dividend of HK4.6 cents per share, totaling HK\$44,602,408, which was paid on 13th October 2006.

董事已宣派中期股息每股4.6港仙，合共44,602,408港元，該股息已於二零零六年十月十三日支付。

The Directors recommend the payment of a final dividend of HK4.6 cents per share, totaling HK\$45,192,151.

董事建議派付期末股息每股4.6港仙，合共45,192,151港元。

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 164.

五年財務概要

本集團過去五個財政年度業績及資產和負債之概要載於第164頁。

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 30 to the financial statements.

儲備

本集團及本公司年內之儲備變動載於賬目附註30。

DONATIONS

During the year, the Group made no charitable donations.

捐款

本集團於年內概無作出慈善捐款。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group and the Company are shown in note 14 to the financial statements.

物業、廠房及設備

本集團及本公司之物業、廠房及設備變動詳情載於賬目附註14。

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SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 29 to the financial statements.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

SHARE OPTIONS

The Company has a share option scheme (the "Scheme") approved in an extraordinary general meeting on 22nd November 1997 under which the Directors may, at their discretion and within 10 years from the approval date, invite any employees or executive Directors (the "Participants") of the Group to take up options to subscribe for shares in the Company subject to the terms and conditions stipulated in the Scheme. The Company operates the Scheme for the purpose of promoting additional commitment and dedication to the long term objectives of the Group by the Participants. The grant will expire on 21st November 2007 or an earlier date as determined by the Board of Directors. The cash consideration payable for each grant is HK\$1.

Prior to 1st September 2001, the subscription price is determined by the Directors and shall be the higher of nominal value of the Company's share and a price not less than 80% of the market price immediately before the options are granted. The maximum number of shares issued to each employee or Director in respect of which options may be granted shall not exceed 25% of the total shares in issue or to be issued under the Scheme. On 1st September 2001 when the amendments to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") were effective, the subscription price shall be the higher of the closing price on the date of grant and the average closing price for the five business days immediately preceding the date of grant. The maximum number of shares issued and to be issued upon exercise of the options granted to each employee or Director shall not exceed 1% of the total shares in issue in any 12-month period. Shares options granted since 1st September 2001 shall comply with the prevailing Listing Rules.

股本

本公司之股本變動詳情載於賬目附註 29。

購買、出售或贖回股份

本公司於年內概無贖回其任何股份。本公司及其任何附屬公司於年內概無買賣任何本公司股份。

購股權

本公司設有購股權計劃(「該計劃」)。該計劃於一九九七年十一月二十二日舉行之股東特別大會上已獲批准。據此，董事可自批准當日起計十年內，酌情邀請本集團任何僱員或執行董事(「參與者」)接納可根據該計劃規定之條款及條件認購本公司股份之購股權。本公司推行該計劃之目的，是為了鼓勵參與者能為本集團的長遠目標作出更多承擔及貢獻。已授出之購股權將於二零零七年十一月二十一日(或由董事會決定之較早日期)屆滿。授出每份購股權之現金代價為1港元。

於二零零一年九月一日之前，購股權之認購價由董事釐定，必須為本公司股份面值或緊接授出購股權之前不低於股份市價之80%(兩者中以較高者為準)。本公司就已授出購股權而可發行予每名僱員或董事之最高股份數目，不得超出根據該計劃已發行或將予發行之股份總數之25%。然而，香港聯合交易所有限公司證券上市規則(「上市規則」)之修訂於二零零一年九月一日生效後，認購價須為授出購股權當日之收市價或緊接購股權授出前五個營業日之平均收市價(兩者中以較高者為準)。本公司就已授出購股權而可發行予每名僱員或董事之最高股份數目，不得超出任何十二個月內之已發行股份總數1%。自二零零一年九月一日起授出之購股權，均須符合現行之上市規則。

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SHARE OPTIONS (CONTINUED)

As at the date of this report, the total number of shares available for issue under the Scheme is 91,644,000 shares and represent 9.33% of the issued share capital of the Company.

Pursuant to the Scheme, the Company has granted share options in the Company's ordinary shares to certain Directors and employees on 23rd December 2004, with an exercise price of HK\$3.10 and exercisable from 28th December 2004 to 21st November 2007. Details of the share options outstanding as at 31st December 2006 which have been granted under the Scheme are as follows:

購股權(續)

截至本報告刊發當日，根據該計劃可供發行股份總數為91,644,000股股份，即佔本公司已發行股本之9.33%。

根據該計劃，本公司已於二零零四年十二月二十三日授予董事及僱員本公司普通股之購股權，行使價為3.10港元，並可於二零零四年十二月二十八日至二零零七年十一月二十一日期間行使。根據該計劃已授出但尚未行使之購股權於二零零六年十二月三十一日之詳情如下：

		Number of options 購股權數目			Held at 31st December 2006 於二零零六年 十二月三十一日 持有
		Held at 1st January 2006 於二零零六年 一月一日持有	Lapsed during the year 年內失效	Exercised during the year 年內行使	
Directors	董事				
Wang Guanghao	王廣浩	1,000,000	-	-	1,000,000
Ren Xuefeng	任學鋒	900,000	-	-	900,000
Yu Rumin	于汝民	900,000	-	-	900,000
Zhang Hongru (Note 2)	張鴻儒(附註2)	800,000	800,000	-	-
Nie Jiansheng	聶建生	700,000	-	-	700,000
Wang Jiandong	王建東	600,000	-	-	600,000
He Xiuheng (Note 1)	何秀恒(附註1)	300,000	300,000	-	-
Yang Liheng (Note 1)	楊力恒(附註1)	300,000	300,000	-	-
Sun Zengyin	孫增印	300,000	-	-	300,000
Pang Jinhua (Note 2)	龐金華(附註2)	300,000	300,000	-	-
Ye Disheng (Note 2)	葉迪生(附註2)	300,000	300,000	-	-
Continuous contract employees (Note 3)	持續合約僱員(附註3)	500,000	-	500,000	-

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SHARE OPTIONS (CONTINUED)

Notes:

1. The share options of Mr. He Xiuheng and Mr. Yang Liheng lapsed on 1st February 2006 and 20th April 2006 respectively, following their resignation.
2. The share options of Dr. Zhang Hongru, Dr. Pang Jinhua and Mr. Ye Disheng lapsed on 11th August 2006 following their resignation.
3. 500,000 share options were exercised by an employee in May 2006. The weighted average closing price of the shares immediately before the dates on which the options were exercised was HK\$6.19.

Save as disclosed above, none of the Directors had exercised any share option in the Company or none of the Directors of the Company or their spouses or children under the age of 18 had any rights to subscribe for the securities of the Company, or had exercised any such right during the year.

DIRECTORS

The Directors of the Company during the year and up to the date of this report are:

Executive Directors:

Mr. Wang Guanghao	
Dr. Ren Xuefeng	
Mr. Yu Rumin	
Dr. Zhang Hongru	(resigned on 10th July 2006)
Mr. Nie Jiansheng	
Mr. Dai Yan	(appointed on 10th July 2006)
Mr. Hu Chengli	(appointed on 10th July 2006)
Dr. Wang Jiandong	
Mr. Bai Zhisheng	(appointed on 1st January 2006)
Mr. He Xiuheng	(resigned on 1st January 2006)
Mr. Zhang Wenli	(appointed on 20th March 2006)
Mr. Yang Liheng	(resigned on 20th March 2006)
Mr. Sun Zengyin	
Dr. Pang Jinhua	(resigned on 10th July 2006)
Dr. Zong Guoying	(appointed on 10th July 2006)
Mr. Zheng Daoquan	(appointed on 1st December 2006)

購股權(續)

附註：

1. 何秀恆先生及楊力恆先生之購股權自彼等提出請辭後，已分別於二零零六年二月一日及二零零六年四月二十日失效。
2. 張鴻儒博士、龐金華博士及葉迪生先生之購股權自彼等提出請辭後，已於二零零六年八月十一日失效。
3. 一位僱員已於二零零六年五月行使500,000份購股權。股份於緊接該等購股權獲行使前之加權平均收市價為6.19港元。

除上述披露者外，年內概無董事行使任何本公司購股權，本公司董事或彼等之配偶或年齡未滿十八歲之子女亦概無任何權利認購本公司之證券或已行使任何該等權利。

董事

年內及直至本報告刊發日期之本公司董事為：

執行董事：

王廣浩先生	
任學鋒博士	
于汝民先生	
張鴻儒博士	(於二零零六年七月十日辭任)
聶建生先生	
戴延先生	(於二零零六年七月十日委任)
胡成利先生	(於二零零六年七月十日委任)
王建東博士	
白智生先生	(於二零零六年一月一日委任)
何秀恆先生	(於二零零六年一月一日辭任)
張文利先生	(於二零零六年三月二十日委任)
楊力恆先生	(於二零零六年三月二十日辭任)
孫增印先生	
龐金華博士	(於二零零六年七月十日辭任)
宗國英博士	(於二零零六年七月十日委任)
鄭道全先生	(於二零零六年十二月一日委任)

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DIRECTORS (CONTINUED)

Non-executive Directors:

Mr. Ye Disheng (resigned on 10th July 2006)
Mr. Cheung Wing Yui
Mr. Kwong Che Keung, Gordon *
Mr. Lau Wai Kit *
Dr. Cheng Hon Kwan *

* *Independent Non-executive Directors*

In accordance with Articles 92 and 101 of the Company's Articles of Association, Mr. Wang Guanghao, Mr. Nie Jiansheng, Mr. Dai Yan, Mr. Hu Chengli, Dr. Zong Guoying, Mr. Zheng Daoquan, Mr. Lau Wai Kit, Mr. Kwong Che Keung, Gordon and Dr. Cheng Hon Kwan will retire from office at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

There is no fixed terms of office of the non-executive Directors and they are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's Articles of Association.

Each of the Independent Non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

DIRECTORS' SERVICE CONTRACTS

Messrs Wang Guanghao and Yu Rumin, have entered into service agreements with the Company for a period of three years commencing 1st December 1997 and will continue thereafter until terminated by either party giving not less than six months' prior written notice to the other.

Save for the above, none of the Directors of the Company has a service contract with the Company or any of its subsidiaries which is not terminable by the Group within one year without payment of compensation (other than statutory compensation).

董事(續)

非執行董事：

葉迪生先生 (於二零零六年七月十日辭任)
張永銳先生
鄺志強先生 *
劉偉傑先生 *
鄭漢鈞博士 *

* *獨立非執行董事*

根據本公司組織章程細則第92及101條，王廣浩先生、聶建生先生、戴延先生、胡成利先生、宗國英博士、鄭道全先生、劉偉傑先生、鄺志強先生及鄭漢鈞博士在應屆股東週年大會上退任，惟有資格並願意膺選連任。

非執行董事並無固定任期，彼等須按本公司組織章程細則在本公司之股東週年大會上輪席退任及膺選連任。

獨立非執行董事已分別根據上市規則第3.13條作出獨立性之年度確認。本公司認為全體獨立非執行董事均符合上市規則第3.13條所載之獨立性指引，並且按照指引之條款為獨立的。

董事服務合約

王廣浩先生及于汝民先生已與本公司訂立服務協議，由一九九七年十二月一日起計，為期三年，期滿後仍然有效，直至其中一方在不少於六個月前向另一方發出書面通知終止協議為止。

除上文所述者外，本公司董事概無與本公司或其任何附屬公司訂立任何本集團須作補償(法定賠償除外)方可於一年內終止之服務合約。

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DIRECTORS' INTERESTS IN COMPETITORS

Mr. Yu Rumin is the vice chairman and chief executive director of Tianjin Port (Group) Co., Ltd. ("Tianjin Port Group"), as well as the chairman and a director of Tianjin Port Limited, which is a subsidiary of Tianjin Port Group. Tianjin Port Group operates the businesses of handling containerised and non-containerised cargo through its various subsidiaries and associates, the businesses of which is competing with the businesses of Tianjin Port Development Holdings Limited ("TPD"), the listed subsidiary of the Company.

As the Board of the Company and the board of TPD are independent of the board of Tianjin Port Group (save for Mr. Yu, who is the vice chairman and chief executive director of Tianjin Port Group, is the only common director in both of these companies) and Mr. Yu has no control over the Board of the Company and the board of TPD, the Group is capable of carrying on its businesses independently of the businesses of Tianjin Port Group.

Save as disclosed above and within the knowledge of the Directors, as at the date of this report, none of the Directors and their respective associates had any interest in a business which competes or may compete with the business of the Group.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance in relation to the Company's business to which the Company, its subsidiaries, its fellow subsidiaries or its holding company 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.

競爭者之利益

于汝民先生乃天津港(集團)有限公司(「天津港集團」)之副董事長兼總裁，亦為天津港股份有限公司之董事長兼董事，該公司乃天津港集團旗下一家附屬公司。天津港集團透過各家附屬公司及聯營公司從事集裝箱及非集裝箱貨物處理業務。其業務與本公司之上市附屬公司天津港發展控股有限公司(「天津港發展」)之業務互相競爭。

由於本公司董事會及天津港發展董事會均獨立於天津港集團之董事會(除了天津港集團副董事長兼總裁于先生乃上述兩間公司之唯一共同董事外)，加上于先生對本公司董事會及天津港發展董事會並無控制權，因此，本集團經營本身之業務時可獨立於天津港集團之業務。

除上文所披露者外，據董事所知，於本報告日期，董事及彼等各自之聯繫人概無於目前或可能與本集團業務互相競爭之業務當中擁有任何權益。

董事於重大合約中之權益

本公司、其附屬公司、其同系附屬公司或其控股公司概無訂立任何與本公司業務有關而本公司董事於其中直接或間接擁有重大權益，且於年結時或年內任何時間仍然有效之重大合約。

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DIRECTORS' INTERESTS IN SHARES

As at 31st December 2006, the Directors and their associates had the following interests or short positions in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under 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 (the "Model Code"):

(i) Interest in the Company

Name of Directors 董事姓名		Personal interests in shares 股份中之 個人權益	Number of underlying shares held pursuant to share options 根據購股 權持有之 相關股份數目	Total interests 權益總數	Approximate percentage of shares in issue 佔已發行股份 概約百分比
Wang Guanghao	王廣浩	-	1,000,000	1,000,000 ¹	0.10%
Ren Xuefeng	任學鋒	-	900,000	900,000 ¹	0.09%
Yu Rumin	于汝民	-	900,000	900,000 ¹	0.09%
Nie Jiansheng	聶建生	-	700,000	700,000 ¹	0.07%
Hu Chengli	胡成利	120,000	-	120,000 ¹	0.01%
Wang Jiandong	王建東	450,000	600,000	1,050,000 ¹	0.11%
Sun Zengyin	孫增印	-	300,000	300,000 ¹	0.03%

Note:

1 These interests are held in the capacity as a beneficial owner.

Details of the Directors' interests in share options granted by the Company are set out under the section "Share Options".

董事於股份中之權益

於二零零六年十二月三十一日，董事及其聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」))股份、相關股份及債權證中，擁有須登記於本公司根據證券及期貨條例第352條存置之登記冊之權益或淡倉，或須根據上市發行人董事進行證券交易的標準守則(「標準守則」)知會本公司及香港聯合交易所有限公司(「聯交所」)之權益或淡倉如下：

(i) 於本公司之權益

附註：

1 此權益以實益擁有人的身份持有。

有關董事於本公司授出之購股權中之權益，詳見上文「購股權」一節。

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DIRECTORS' INTERESTS IN SHARES (CONTINUED) 董事於股份中之權益(續)

(ii) Long positions in shares of associated corporations

(ii) 於相聯法團股份之好倉

Tianjin Port Development Holdings Limited

天津港發展控股有限公司

Name of Directors 董事姓名	Capacity 身份	Nature of interests 權益性質	Number of shares held 持有股份數目	Approximate percentage of shares in issue 佔已發行股份概約百分比
Hu Chengli 胡成利	Beneficial owner 實益擁有人	Personal interest 個人權益	7,574	0.0004%
Wang Jiandong 王建東	Beneficial owner 實益擁有人	Personal interest 個人權益	28,402	0.002%

Dynasty Fine Wines Group Limited

王朝酒業集團有限公司

Name of Directors 董事姓名	Capacity 身份	Nature of interests 權益性質	Number of shares held 持有股份數目	Approximate percentage of shares in issue 佔已發行股份概約百分比
Hu Chengli 胡成利	Beneficial owner 實益擁有人	Personal interest 個人權益	4,615	0.0004%
Wang Jiandong 王建東	Beneficial owner 實益擁有人	Personal interest 個人權益	17,307	0.001%

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DIRECTORS' INTERESTS IN SHARES (CONTINUED) 董事於股份中之權益(續)

(iii) Share options in associated corporations of the Company

(iii) 於本公司相聯法團之購股權

Tianjin Port Development Holdings Limited

天津港發展控股有限公司

Name of Directors 董事姓名	Capacity 身份	Nature of interests 權益性質	Number of shares over which options are exercisable 可予行使購股權涉及之股份數目	Approximate percentage of shares in issue 佔已發行股份概約百分比
Wang Guanghao 王廣浩	Beneficial owner 實益擁有人	Personal interest 個人權益	2,300,000	0.13%
Nie Jiansheng 聶建生	Beneficial owner 實益擁有人	Personal interest 個人權益	2,100,000	0.12%

Dynasty Fine Wines Group Limited

王朝酒業集團有限公司

Name of Directors 董事姓名	Capacity 身份	Nature of interests 權益性質	Number of shares over which options are exercisable 可予行使購股權涉及之股份數目	Approximate percentage of shares in issue 佔已發行股份概約百分比
Wang Guanghao 王廣浩	Beneficial owner 實益擁有人	Personal interest 個人權益	900,000	0.07%
Nie Jiansheng 聶建生	Beneficial owner 實益擁有人	Personal interest 個人權益	1,950,000	0.16%
Bai Zhisheng 白智生	Beneficial owner 實益擁有人	Personal interest 個人權益	2,300,000	0.18%

Report of the Directors 董事會報告書

SUBSTANTIAL SHAREHOLDERS

As at 31st December 2006, the following persons or corporations, other than the Directors or chief executives of the Company as disclosed above, had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Shareholders 股東姓名	Capacity 身份	Number of shares/ underlying shares held 持有股份數目/ 相關股份數目	Approximate percentage of shares in issue * 佔已發行股份 概約百分比 *
Tsinlien Group Company Limited (Note 2) 津聯集團有限公司(附註2)	Interest of controlled corporations 受控制法團權益	541,855,143 (L)	55.15%
ABN AMRO Holding N.V.	Interest of controlled corporation(s) 受控制法團權益 Custodian/approved lending agent 託管人/獲批准放款代理	57,864,568 (L) 96,000 (P)	5.89% 0.01%

* The percentages have been compiled based on the total number of shares of the Company in issue as at 31st December 2006 (i.e. 982,438,076 ordinary shares).

Notes:

- The letter "L" stands for the shareholder's long position (within the meaning of the SFO) in Shares. The letter "P" stands for lending pool.
- As at 31st December 2006, Tianjin Investment Holdings Limited ("Tianjin Investment") and Tsinlien Venture Capital Company Limited ("Tsinlien Venture"), both being wholly-owned subsidiaries of Tsinlien Group Company Limited ("Tsinlien"), held 539,833,143 shares and 2,022,000 shares respectively. Mr. Wang Guanghao acted as trustee of Tianjin Investment held 10 shares. By virtue of the SFO, Tsinlien is taken to have interest in the shares held by Tianjin Investment and Tsinlien Venture.

Save as disclosed above, the Company has not been notified by any persons or corporations, other than the Directors or chief executives of the Company, who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 31st December 2006.

主要股東

於二零零六年十二月三十一日，以下人士或法團(上文所披露之本公司董事或主要行政人員除外)於本公司股份及相關股份擁有須登記於本公司根據證券及期貨條例第336條存置之登記冊之權益或淡倉：

Name of Shareholders 股東姓名	Capacity 身份	Number of shares/ underlying shares held 持有股份數目/ 相關股份數目	Approximate percentage of shares in issue * 佔已發行股份 概約百分比 *
Tsinlien Group Company Limited (Note 2) 津聯集團有限公司(附註2)	Interest of controlled corporations 受控制法團權益	541,855,143 (L)	55.15%
ABN AMRO Holding N.V.	Interest of controlled corporation(s) 受控制法團權益 Custodian/approved lending agent 託管人/獲批准放款代理	57,864,568 (L) 96,000 (P)	5.89% 0.01%

* 百分比乃根據本公司於二零零六年十二月三十一日之已發行股份總數(即 982,438,076 股普通股)而編製。

附註：

- 「L」指股東於股份之好倉(定義見證券及期貨條例)。「P」指可供借出之股份。
- 於二零零六年十二月三十一日，天津投資控股有限公司(「天津投資」)及津聯創業投資有限公司(「津聯創投」)(兩者皆為津聯集團有限公司(「津聯」)之全資附屬公司)分別持有539,833,143股及2,022,000股股份。王廣浩先生出任天津投資信託人，持有10股股份。根據證券及期貨條例，津聯被視為於天津投資及津聯創投所持有之股份中擁有權益。

除本報告所披露者外，本公司並無獲通知有任何其他人士或法團(本公司董事或主要行政人員除外)於二零零六年十二月三十一日在本公司股份或相關股份擁有須登記於本公司根據證券及期貨條例第336條存置之登記冊之權益或淡倉。

Report of the Directors 董事會報告書

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales attributable to the Group's five largest customers were less than 30% of the Group's sales.

The percentage of the Group's purchases for the year attributable to the Group's major suppliers are as follows:

– the largest supplier	41%
– the five largest suppliers in aggregation	56%

None of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major suppliers noted above.

CONNECTED TRANSACTION

On 10th January 2006, the Company entered into a conditional agreement with Tsinlien and Progress City Group Limited (a wholly-owned subsidiary of Tsinlien) to acquire approximately 90.9421% of its entire equity interest in Tianjin TEDA Tsinlien Heat & Power Co., Ltd. ("Heat & Power Company") (the "Acquisition") at a consideration of HK\$380 million. The Acquisition was satisfied as to HK\$305.1 million by cash and by issuance and allotment of 20,000,000 shares credited as fully paid. The Heat & Power Company, as a sole distributor of the steam, purchases steam from the steam production company and distributes through its transmission pipelines and processing stations to the end users in the TEDA. The Acquisition was completed on 18th April 2006.

管理合約

年內並無訂立或存在涉及本集團全部或任何重大部分業務之任何其他管理及行政合約。

主要客戶及供應商

年內，本集團五大客戶帶來之總銷售額低於本集團銷售額之30%。

年內，本集團主要供應商之採購額佔本集團採購額之百分比如下：

– 最大供應商	41%
– 五大供應商合計	56%

董事、其聯繫人或任何股東(據董事所知乃擁有本公司股本5%以上者)概無於上述主要供應商中擁有任何權益。

關連交易

於二零零六年一月十日，本公司與津聯及 Progress City Group Limited (津聯之全資附屬公司) 訂立有條件協議，購入其於天津泰達津聯熱電有限公司(「熱電公司」) 全部股本權益約90.9421%(「收購事項」)，代價為380,000,000港元。收購事項以305,100,000港元現金及發行及配發20,000,000股之繳足股份支付。作為唯一蒸汽分銷商，熱電公司向蒸汽生產公司購入蒸汽，並通過其輸送管道及處理站分銷予開發區內之最終用戶。收購事項於二零零六年四月十八日完成。

Report of the Directors 董事會報告書

CONNECTED TRANSACTION (CONTINUED)

In respect of the Acquisition, an announcement dated 13th January 2006 was published by the Company and a circular dated 4th February 2006 was distributed to the shareholders of the Company in accordance with the Listing Rules.

The above transaction constitutes a related party transaction and is disclosed in note 38 to the financial statements.

CONTINUING CONNECTED TRANSACTIONS ENTERED INTO BY TPD

TPD has entered into a number of agreements with certain subsidiaries of Tianjin Port (Group) Co., Ltd. ("Tianjin Port Group") for the year ended 31st December 2006. The Stock Exchange has exercised its discretion under Rule 14A.06 of the Listing Rules to deem Tianjin Port Group as a connected person of the Company and TPD upon the listing of the shares of TPD on the main board of the Stock Exchange.

A. Continuing Connected Transactions

The Board of Directors has approved and the independent non-executive Directors of the Company have reviewed and confirmed that the continuing connected transactions set out in (1) and (2) below have been entered into:

- i. in the usual and ordinary course of businesses of the Group;
- ii. on normal commercial terms; and
- iii. in accordance with the relevant written agreements governing on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

In accordance with paragraph 14A.38 of the Listing Rules, the Board of Directors engaged the auditor of the Company to perform certain factual finding procedures on the continuing connected transactions set out below on a sample basis in accordance with Hong Kong Standard on Related Services 4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has reported their factual findings for the selected samples based on the agreed procedures to the Board of Directors.

關連交易(續)

就收購事項而言，本公司按照上市規則刊發日期為二零零六年一月十三日之公佈及向本公司股東寄發日期為二零零六年二月四日之通函。

上述交易構成關連人士交易，已在賬目附註38內披露。

天津港發展進行之持續關連交易

截至二零零六年十二月三十一日止年度，天津港發展與天津港(集團)有限公司(「天津港集團」)及其附屬公司已訂立多份協議。聯交所已行使上市規則第14A.06條的酌情權，從天津港發展於聯交所主板上市起，把天津港集團視為本公司及天津港發展之關連人士。

A. 持續關連交易

董事會已批准及本公司的獨立非執行董事已審閱並確認以下詳列於(1)及(2)部份的持續關連交易：

- i. 於本集團日常及一般業務過程中訂立；
- ii. 按一般商業條款；及
- iii. 根據規管該等交易的相關協議按公平合理並符合本公司股東整體利益的條款訂立。

根據上市規則第14A.38段，董事會委聘本公司核數師就以下所列之持續關連交易按香港會計師公會發出之香港準則4400號關連服務「就財務資料執行協定程序之委聘」之樣本基準，履行若干事實調查程序。核數師已按與董事會所協定之程序就若干經挑選之樣本滙報其事實調查結果。

Report of the Directors 董事會報告書

CONTINUING CONNECTED TRANSACTIONS ENTERED INTO BY TPD (CONTINUED)

天津港發展進行之持續關連交易(續)

The Auditor of the Company confirmed to the Board of Directors in writing in respect of the continuing connected transactions set out in (1) and (2) below for the year ended 31st December 2006:

本公司核數師已就詳列於(1)及(2)部份的截至二零零六年十二月三十一日止年度的持續關連交易向董事會書面確認，該等持續關連交易：

- i. have been approved by the Board of Directors of the Company;
- ii. have been entered into in accordance with the respective written agreements; and
- iii. have not exceeded the respective annual limits for the relevant continuing connected transactions disclosed in the Prospectus dated 12th May 2006 of TPD.

- i. 已獲本公司董事會批准；
- ii. 乃根據規管該等持續關連交易的相關協議訂立；及
- iii. 並無超過日期為二零零六年五月十二日天津港發展招股說明書內所披露有關持續關連交易的年度上限。

Details of the continuing connected transactions are as follows:

有關持續關連交易的詳情如下：

- (1) Continuing connected transactions exempt from the independent shareholders' approval requirements

- (1) 豁免獨立股東批准規定的持續關連交易

The transactions set out in (i) and (ii) below constitute continuing connected transactions for TPD under Rule 14A.34 of the Listing Rules and are exempt from the independent shareholders' approval requirement but subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules. Conditional waivers have been granted by the Stock Exchange from strict compliance by TPD with the disclosure requirements for the year ended 31st December from 2006 to 2008 for these transactions.

根據上市規則第14A.34條，下列(i)和(ii)交易將構成天津港發展持續關連交易，及將獲豁免獨立股東批准的規定，惟將須遵守上市規則第14A.45條至第14A.47條的申報及公佈規定。然而，天津港發展已獲聯交所有條件豁免該等交易嚴格遵守披露規定，豁免期為截至二零零六年十二月三十一日止年度到二零零八年十二月三十一日止年度。

Report of the Directors 董事會報告書

CONTINUING CONNECTED TRANSACTIONS 天津港發展進行之持續關連交易(續)
ENTERED INTO BY TPD (CONTINUED)

A. Continuing Connected Transactions (Continued)

(1) Continuing connected transactions exempt from the independent shareholders' approval requirements (Continued)

- i. Supply of water by Tianjin Port Construction and Engineering Company ("Tianjin Port Construction and Engineering"), a wholly-owned subsidiary of Tianjin Port Group

Date of agreement:
協議日期：

8th May 2006
二零零六年五月八日

Covenant parties:
訂約各方：

- Tianjin Port Container Terminal Co., Limited ("Tianjin Container") and Tianjin Harbour Second Stevedoring Co., Limited ("Tianjin Second Stevedoring")
- Tianjin Port Construction and Engineering
- 天津港集裝箱碼頭有限公司(「天津港集裝箱」)和天津港第二港埠有限公司(「天津港第二港埠」)
- 天津港修建工程

Terms:
年期：

8th May 2006 to 31st December 2008
二零零六年五月八日至二零零八年十二月三十一日

- The fees were charged in relation to services are determined according to the usage by TPD Group and the prices prescribed by the PRC Government
- 費用乃據天津港發展集團之用量及中國政府所規定之價格釐定

Object:
目的：

To provide water to Tianjin Container and Tianjin Second Stevedoring and their subsidiaries nominated by them from time to time
同意向天津港集裝箱和天津港第二港埠及彼等不時指定之附屬公司供水

Waiver granted by the Stock Exchange in respect of the annual cap for the year ended 31st December 2006:
聯交所就截至二零零六年十二月三十一日止年度的年度上限所授出的豁免：

RMB5,000,000
(Approximately HK\$4,800,000)

Actual amount of fees for the year ended 31st December 2006:
截至二零零六年十二月三十一日止年度之實際費用：

RMB4,845,000
(Approximately HK\$4,741,000)
人民幣 4,845,000 元
(約 4,741,000 港元)

A. 持續關連交易(續)

(1) 豁免獨立股東批准規定的持續關連交易(續)

- i. 由天津港修建工程公司(「天津港修建工程」)供水，其為天津港集團之全資附屬公司

Report of the Directors 董事會報告書

CONTINUING CONNECTED TRANSACTIONS 天津港發展進行之持續關連交易(續) ENTERED INTO BY TPD (CONTINUED)

A. Continuing Connected Transactions (Continued)

(1) Continuing connected transactions exempt from the independent shareholders' approval requirements (Continued)

ii. Provision of communications services by Tianjin Communications Navigation Company Limited ("Tianjin Communications Navigation"), a wholly-owned subsidiary of Tianjin Port Group

Date of agreement:
協議日期:

8th May 2006
二零零六年五月八日

Covenant parties:
訂約各方:

- Tianjin Container and Tianjin Second Stevedoring
- Tianjin Communications Navigation
- 天津港集裝箱和天津港第二港埠
- 天津通信導航

Terms:
年期:

8th May 2006 to 31st December 2008
二零零六年五月八日至二零零八年十二月三十一日

- The fees were charged in relation to services are determined according to the usage by TPD Group and the prices prescribed by the PRC Government
- 費用乃根據天津港發展集團之用量及中國政府所規定之價格釐定

Object:
目的:

To provide communications services to Tianjin Container and Tianjin Second Stevedoring and their subsidiaries nominated by them from time to time
同意向天津港集裝箱和天津港第二港埠及彼等不時指定之附屬公司提供通信服務

Waiver granted by the Stock Exchange in respect of the annual cap for the year ended 31st December 2006:
聯交所就截至二零零六年十二月三十一日止年度的年度上限所授出的豁免:

RMB1,300,000
(Approximately HK\$1,200,000)

人民幣 1,300,000 元
(約 1,200,000 港元)

Actual amount of fees for the year ended 31st December 2006:
截至二零零六年十二月三十一日止年度之實際費用:

RMB872,000
(Approximately HK\$853,000)
人民幣 872,000 元
(約 853,000 港元)

A. 持續關連交易(續)

(1) 豁免獨立股東批准規定的持續關連交易(續)

ii. 由天津港通信導航公司(「天津通信導航」)提供通信服務，其為天津港集團之全資附屬公司

8th May 2006
二零零六年五月八日

- Tianjin Container and Tianjin Second Stevedoring
- Tianjin Communications Navigation
- 天津港集裝箱和天津港第二港埠
- 天津通信導航

8th May 2006 to 31st December 2008
二零零六年五月八日至二零零八年十二月三十一日

- The fees were charged in relation to services are determined according to the usage by TPD Group and the prices prescribed by the PRC Government
- 費用乃根據天津港發展集團之用量及中國政府所規定之價格釐定

To provide communications services to Tianjin Container and Tianjin Second Stevedoring and their subsidiaries nominated by them from time to time
同意向天津港集裝箱和天津港第二港埠及彼等不時指定之附屬公司提供通信服務

RMB1,300,000
(Approximately HK\$1,200,000)

人民幣 1,300,000 元
(約 1,200,000 港元)

RMB872,000
(Approximately HK\$853,000)
人民幣 872,000 元
(約 853,000 港元)

Report of the Directors 董事會報告書

CONTINUING CONNECTED TRANSACTIONS 天津港發展進行之持續關連交易(續)
ENTERED INTO BY TPD (CONTINUED)

A. Continuing Connected Transactions (Continued)

(2) Non-exempt continuing connected transaction

The following transaction constitutes a non-exempt continuing connected transaction for TPD and will be subject to the reporting and announcement requirements and the approval by the independent shareholders of TPD in general meeting as required under Rule 14A.35 of the Listing Rules. Conditional waivers have been granted by the Stock Exchange to TPD from strict compliance with the disclosure and independent shareholders' approval requirements under the Listing Rules for the period from 8th May 2006 to 31st December 2008 for this transaction.

- i. Supply of electricity by Tianjin Port Electricity Company ("Tianjin Port Electricity"), a wholly-owned subsidiary of Tianjin Port Group

Date of agreement:
協議日期:

8th May 2006
二零零六年五月八日

Covenant parties:
訂約各方:

- Tianjin Container and Tianjin Second Stevedoring
- Tianjin Port Electricity
- 天津港集裝箱和天津港第二港埠
- 天津港電力

Terms:
年期:

8th May 2006 to 31st December 2008
二零零六年五月八日至二零零八年十二月三十一日

- The fees were charged in relation to services are determined according to the usage by TPD Group and the prices prescribed by the PRC Government
- 費用乃根據天津港發展集團之用量及中國政府所規定之價格釐定

Object:
目的:

To provide electricity to Tianjin Container and Tianjin Second Stevedoring and their subsidiaries nominated by them from time to time
同意向天津港集裝箱和天津港第二港埠及彼等不時指定之附屬公司提供電力服務

Waiver granted by the Stock Exchange in respect of the annual cap for the year ended 31st December 2006:
聯交所就截至二零零六年十二月三十一日止年度的年度上限所授出的豁免:

RMB28,600,000
(Approximately HK\$27,500,000)

人民幣 28,600,000 元
(約 27,500,000 港元)

Actual amount of fees for the year ended 31st December 2006:
截至二零零六年十二月三十一日止年度之實際費用:

RMB26,195,000
(Approximately HK\$25,631,000)
人民幣 26,195,000 元
(約 25,631,000 港元)

A. 持續關連交易(續)

(2) 非豁免持續關連交易

根據上市規則第14A.35條之規定，以下交易將構成天津港發展一項非豁免持續關連交易，並將須遵守申報及公佈規定及獲得天津港發展獨立股東於股東大會上批准。然而，天津港發展已獲聯交所所有條件豁免該等交易嚴格遵守披露規定及獨立股東批准規定，豁免期由二零零六年五月八日至二零零八年十二月三十一日止。

- i. 由天津港電力公司(「天津港電力」)供電，其為天津港集團之全資附屬公司

Report of the Directors 董事會報告書

CONTINUING CONNECTED TRANSACTIONS 天津港發展進行之持續關連交易(續) ENTERED INTO BY TPD (CONTINUED)

B. Exempt Continuing Connected Transactions

The following transaction constitutes a continuing connected transaction for TPD under Rule 14A.33(3) of the Listing Rules and is exempt from the reporting, announcement and independent shareholders' approval requirements of Chapter 14A of the Listing Rules. Notwithstanding the fact that the following transaction is exempt from the reporting, announcement and independent shareholders' approval requirements of Chapter 14A of the Listing Rules, we disclosed the details of the transaction below, on a voluntary basis, in order to increase transparency of TPD's transactions with Tianjin Port Group.

i. Provision of fee collection services to Tianjin Port Group

Date of agreement:
協議日期:

8th May 2006
二零零六年五月八日

Covenant parties:
訂約各方:

- Tianjin Container and Tianjin Second Stevedoring
- Tianjin Port Group
- 天津港集裝箱和天津港第二港埠
- 天津港集團

Terms:
年期:

8th May 2006 to 31st December 2008
二零零六年五月八日至二零零八年十二月三十一日

Object:
目的:

To collect various fees, including but not limited to port construction fees and port management fees, from their customers and forward them to Tianjin Port Group in accordance with relevant PRC regulations. No service fees will be paid by Tianjin Port Group to Tianjin Container and/or Tianjin Second Stevedoring for the fee collection services
同意根據中國有關規例向客戶收取各項費用(包括但不限於港口建設費及港口管理費, 並將費用轉交天津港集團。天津港集團無須就代收費用服務向天津港集裝箱及天津港第二港埠支付任何服務費

Fee collected on behalf of Tianjin Port Group for the year ended 31st December 2006:
截至二零零六年十二月三十一日止年度代天津港集團收取之費用

RMB243,150,000
(Approximately HK\$237,916,000)
人民幣 243,150,000 元
(約 237,916,000 港元)

B. 豁免持續關連交易

根據上市規則第 14A.33(3) 條, 以下交易構成天津港發展的持續關連交易, 並獲豁免遵守上市規則第 14A 章有關申報、公佈及獨立股東批准的規定。儘管以下的交易按聯交所規則是豁免申報、公佈及獨立股東批准, 我們亦自願披露以下交易, 以提升天津港發展與天津港集團交易的透明度。

i. 向天津港集團提供代收費用服務

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CONTINUING CONNECTED TRANSACTIONS
ENTERED INTO BY TPD (CONTINUED)

C. Other Connected Transactions entered by TPD

(1) Agreement for Purchase of Leased Equipment

On 8th May 2006, Tianjin Container entered into an agreement with Tianjin Port Group to terminate the equipment lease agreement and purchase any remaining equipment being used by Tianjin Container at a purchase price of RMB31.1 million (equivalent to HK\$29.9 million) based on an independent valuation of the value of the equipment. The purchase was completed on 9th May 2006.

(2) Agreements for the Acquisition of Land Use Rights, Berths and Railways

Tianjin Container and Tianjin Second Stevedoring entered into two agreements with the Bureau of Land and Resources and Housing Management of the Municipality of Tianjin ("Tianjin Land Bureau") and Tianjin Port Group and two agreements with Tianjin Port Group (the "Acquisition Agreements") on 8th May 2006 to acquire the land use rights, berths and railways (the Properties") that were the subject of the original lease agreements (the "Original Lease Agreements") entered into in 1997 from Tianjin Port Group for an aggregate consideration of RMB894 million (equivalent to approximately HK\$860 million). The Original Lease Agreements were terminated with effect on the same date. The consideration for the purchase of the Properties was based on an independent valuation by a qualified domestic appraisal firm certified by the Tianjin Land Bureau and has been confirmed by the Tianjin Land Bureau.

Upon signing of the Acquisition Agreements, the Original Lease Agreements were also terminated. Tianjin Container and Tianjin Second Stevedoring are entitled to use and occupy the relevant land at no charge prior to the issuance of the land use rights certificate in their name.

天津港發展進行之持續關連交易(續)

C. 天津港發展進行之其他持續關連交易

(1) 購買租賃設備協議

於二零零六年五月八日，天津港集裝箱與天津港集團訂立協議，終止設備租賃協議，及購買天津港集裝箱現正使用之任何剩餘設備，購買價人民幣31,100,000元(相當於約29,900,000港元)乃按照對有關設備之價值所作之獨立估值釐定。此項購買已於二零零六年五月九日完成。

(2) 收購土地使用權、泊位及鐵路協議

天津港集裝箱和天津港第二港埠於二零零六年五月八日與天津市國土資源和房屋管理局(「天津國土局」)及天津港集團訂立兩份協議，並與天津港集團訂立兩份購買土地使用權、泊位及鐵路(「該等物業」)的協議(「收購協議」)，總代價人民幣894,000,000元(相當於約860,000,000港元)，而該等土地使用權、泊位及鐵路即為原於一九九七年與天津港集團所訂租賃協議(「該等原租賃協議」)的事項。該等原租賃協議已於同日起終止。購買該等物業的代價乃根據天津國土局認可的合資格國內評值公司的獨立估值而釐定，並經天津國土局確認。

於收購協議簽訂後，該等原租賃協議同時終止。在以天津港集裝箱和天津港第二港埠名義發出土地使用權證前，其有權免費使用及佔用有關土地。

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CONTINUING CONNECTED TRANSACTIONS ENTERED INTO BY TPD (CONTINUED)

天津港發展進行之持續關連交易(續)

C. Other Connected Transactions entered by TPD (Continued)

C. 天津港發展進行之其他持續關連交易 (續)

(3) Agreement for Purchase of Equipment

(3) 購買設備協議

On 26th July 2006, Tianjin Second Stevedoring entered into a sale and purchase agreement with Tianjin Port Group Storage Company, a wholly-owned subsidiary of Tianjin Port Group, for the purchase of 2 sets of transtainers (the "Equipment") for use in its daily operations. The consideration for the sale and purchase of the Equipment approximately RMB3,708,000 (equivalent to approximately HK\$3,600,000) is based on the net book value of the Equipment as at 31st May 2006 which is a commercial decision and arrived at after arm's length negotiation with Tianjin Port Group Storage Company.

於二零零六年七月二十六日，天津港第二港埠與天津港集團之全資附屬公司天津港集團儲運公司訂立買賣協議，據此購買用於日常營運之2台場橋(「設備」)。買賣設備之代價約為人民幣3,708,000元(相當於約3,600,000港元)。此代價按照此設備於二零零六年五月三十一日之賬面淨值，商業意見和以公平基準磋商與天津港集團儲運公司訂立。

In respect of the aforesaid transaction, an announcement dated 26th July 2006 was published by the Company and TPD on 27th July 2006.

就上述交易之內容，本公司及天津港發展已於二零零六年七月二十七日刊發日期為二零零六年七月二十六日之公佈。

(4) Historical Agreements with Tianjin Port Group

(4) 與天津港集團之歷代協議

The following agreements have been terminated when the shares of TPD were listed on the Main Board of the Stock Exchange on 24th May 2006.

天津港發展之股份於二零零六年五月二十四日在聯交所主板上市。以下協議立刻終止。

- i. Equipment lease agreement
- ii. Container reconfiguration storage service agreement
- iii. Provision of supporting services and auxiliary services agreements
- iv. Inventory management and material supplies agreement
- v. Berths, railways and storage space facilities leasing agreements

- i. 設備租賃協議
- ii. 集裝箱轉棧儲存服務協議
- iii. 提供支持服務及配套服務協議
- iv. 存貨管理及物料供應協議
- v. 土地使用權，泊位及鐵路租賃協議

The details of the above agreements had been disclosed on pages 111 and 112 of the Prospectus of TPD.

有關以上協議之內容，已刊載於天津港發展的招股說明書第111及112頁。

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COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules. Having made specific enquiry with the Directors, all the Directors confirmed that they have complied with the required standard as set out in the Model Code throughout the year 2006.

The Company has also established written guidelines regarding securities transaction on no less exacting terms of the Model Code for senior management and specific individual who may have access to price sensitive information in relation to the securities of the Company.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions except for code provisions A.4.1 and A.4.2 as set out in the Code of Corporate Governance Practices contained in Appendix 14 to the Listing Rules. Please refer to the Corporate Governance Report on pages 32 to 44 for details.

Details of the audit committee and remuneration committee are set out in the Corporate Governance Report.

AUDIT COMMITTEE

An audit committee currently comprising three Independent Non-executive Directors, namely Mr. Kwong Che Keung, Gordon, Mr. Lau Wai Kit and Dr. Cheng Hon Kwan, was established in 1998.

By reference to "A Guide for The Formation of An Audit Committee" published by the Hong Kong Institute of Certified Public Accountants, written terms of reference which describe the authority and duties of the audit committee were prepared and adopted by the Board of the Company.

The annual results have been reviewed by the audit committee of the Company.

遵守上市規則之標準守則

本公司於年內已採納了上市規則附錄十所載的標準守則。經向董事作出具體查詢後，全體董事確認彼等於二零零六年全年均已遵守標準守則所載列的所須標準。

本公司亦已就高層管理人員及可能接觸有關本公司證券之股價敏感資料之特定個別人士，按不寬鬆於標準守則之確實條款建立有關證券交易之書面指引。

遵守企業管治常規守則

於年內，本公司已遵守上市規則附錄十四所載企業管治常規守則之所有守則條文，惟守則條文A.4.1及A.4.2除外。詳情請參閱第32頁至44頁之企業管治報告。

審核委員會及薪酬委員會之詳情載於企業管治報告內。

審核委員會

本公司已於一九九八年成立審核委員會，目前由三名獨立非執行董事鄭志強先生、劉偉傑先生及鄭漢鈞博士所組成。

本公司之董事會參照香港會計師公會頒佈之「組成審核委員會之指引」，制訂及採納審核委員會之書面職權範圍，訂明審核委員會的權力及責任。

本公司之審核委員會已審閱全年業績。

Report of the Directors 董事會報告書

SUBSEQUENT EVENT

Detail of significant event which has been taken place subsequent to the balance sheet date is set out in note 40 to the financial statements.

PUBLIC FLOAT

From information publicly available to the Company and within the knowledge of its Directors, at least 25% of the Company's total issued share capital are held by the public at all times during the year.

INDEPENDENT AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

By Order of the Board

Wang Guanghao

Chairman

Hong Kong SAR, 19th April 2007

結算日後事項

於結算日後進行之重大事項，詳情載於賬目附註40。

公眾持股量

從本公司所得公開資料及據其董事所知，於回顧期內任何時間，公眾持有本公司全部已發行股本至少25%。

獨立核數師

賬目乃由羅兵咸永道會計師事務所審核，該核數師任滿告退，惟符合資格並願膺選連任。

承董事會命

王廣浩

主席

香港特別行政區，二零零七年四月十九日