

董事會報告書

Report of the Directors

董事會欣然呈報截至二零零七年三月三十一日止年度的年報及經審核財務報表。

The Directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 March 2007.

主要營業地點

天德地產有限公司(「本公司」)是一間在香港註冊及成立的公司，其註冊辦事處和主要營業地點設於香港德輔道中21至23號歐陸貿易中心502室。

PRINCIPAL PLACE OF BUSINESS

Tian Teck Land Limited (the "Company") is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Room 502, Euro Trade Centre, 21-23 Des Voeux Road Central, Hong Kong.

主要業務

本公司的主要業務為物業投資及投資控股。各附屬公司的主要業務及其他詳情載於財務報表附註15。

PRINCIPAL ACTIVITIES

The principal activities of the Company are property investment and investment holding. The principal activities and other particulars of the subsidiaries are set out in note 15 to the financial statements.

本公司及各附屬公司於本財政年度的主要業務和經營地區分析載於財務報表附註4。

The analysis of the principal activities and geographical locations of the operations of the Company and its subsidiaries during the financial year is set out in note 4 to the financial statements.

主要客戶及供應商

於本年度內，本集團向其五大供應商所進行的採購及向五大客戶所作出的銷售均分別低於總採購額及總銷售額的30%。

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest suppliers and five largest customers of the Group accounted for less than 30% by value of the Group's total purchases and sales respectively.

財務報表

本集團截至二零零七年三月三十一日止年度的溢利及本公司和本集團於該日的財政狀況刊載於財務報表內第46至第129頁。

FINANCIAL STATEMENTS

The profit of the Group for the year ended 31 March 2007 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 46 to 129.

董事會報告書 (續)

Report of the Directors (Continued)

撥入儲備

尚未扣除股息的股東應佔溢利為港幣543,873,000元(二零零六年(重報):港幣305,892,000元)已撥入儲備。儲備的其他變動詳情列載於財務報表附註23。

本公司已於二零零七年一月十七日派發中期股息每股港幣2仙(二零零六年:港幣2仙)。董事會現建議派發截至二零零七年三月三十一日止年度末期股息每股港幣3仙(二零零六年:港幣3仙)。

慈善捐款

本集團於本年度內的慈善捐款為港幣55,000元(二零零六年:港幣5,000元)。

固定資產

固定資產的變動詳情列載於財務報表附註14。

本集團的投資物業如下:

重建中物業

| 地點 | 計劃用途 | 租賃年期 | 落成進度 | 預計 | 地盤面積 | 樓面面積 | 集團權益 |
|---|--------------|---------------|-----------------------------------|-----------------------------|--------------|------------------|------------------|
| | | | | 落成日期 | | | |
| Location | Intended use | Term of lease | Stage of completion | Expected date of completion | Site area | Gross floor area | Group's interest |
| 九龍彌敦道六十三號 (九龍內地段7425號) | 商業 | 中期 | 地基工程 進行中 | 2009年 | 4,044 平方米 | 53,048 平方米 | 50.01% |
| 63 Nathan Road, Kowloon (Kowloon Inland Lot No. 7425) | Commercial | Medium | Foundation work in progress | 2009 | 4,044 sq m | 53,048 sq m | 50.01% |

TRANSFER TO RESERVES

Profits attributable to shareholders, before dividends, of HK\$543,873,000 (2006 (restated): HK\$305,892,000) have been transferred to reserves. Other movements in reserves are set out in note 23 to the financial statements.

An interim dividend of HK\$0.02 (2006: HK\$0.02) per share was paid on 17 January 2007. The Directors have recommended the payment of a final dividend of HK\$0.03 (2006: HK\$0.03) per share in respect of the year ended 31 March 2007.

CHARITABLE DONATIONS

Donations made by the Group during the year amounted to HK\$55,000 (2006: HK\$5,000).

FIXED ASSETS

Movements in fixed assets are set out in note 14 to the financial statements.

The investment properties of the Group are as follows:

Property under redevelopment

董事會報告書 (續)

Report of the Directors (Continued)

固定資產 (續)

租賃及待資本增值物業

地點

Location

好運工業大廈

地下A單位、一樓A單位及

地下L1、L2、L3及L4停車位

九龍觀塘巧明街一百零五號

(觀塘內地段22號)

Good Luck Industrial Building

Unit A on the Ground and 1st Floor,
and Car Parking Spaces Nos.

L1, L2, L3 & L4 on the Ground Floor,

105 How Ming Street, Kwun Tong, Kowloon

(Kwun Tong Inland Lot No. 22)

PTD 58065 to 58149 and PTD 58151,

Mukim of Tebrau, Johor Bahru, Johor,

Malaysia

好運工業中心

地下、二樓、三樓及四樓

九龍長沙灣荔枝角道

八百零八號

(新九龍內地段5780號)

Goodluck Industrial Centre

Ground, 2nd, 3rd and 4th Floors,

808 Lai Chi Kok Road,

Cheung Sha Wan, Kowloon

(New Kowloon Inland Lot No. 5780)

FIXED ASSETS (Continued)

Properties held for leasing and capital appreciation

現有用途

Existing use

工場及停車位

Workshops and
car parking spaces

未確定

Undetermined

油站、陳列室、

停車位及車房

Petrol filling station,
showrooms, car parking
spaces and car
workshops

租賃年期

Term of lease

中期

Medium

永久

Freehold

中期

Medium

董事會報告書 (續)

Report of the Directors (Continued)

固定資產 (續)

租賃及待資本增值物業 (續)

地點
Location

宜安廣場
八樓一至十四單位
中國廣州市東山區
建設六馬路三十三號
Yi An Plaza
Unit 1 to 14, 8th Floor,
No. 33 Jianshe 6 Road,
Dong Shan District,
Guangzhou,
PRC

董事會

本財政年度的董事會成員如下：

執行董事

鍾輝煌
鍾瓊林
鍾焯輝
鍾燦南
鍾聰玲

(於二零零七年一月一日上任)

鍾敏卿

(於二零零七年一月一日離任)

非執行董事

冼祖昭
劉華森

FIXED ASSETS (Continued)

Properties held for leasing and capital appreciation (Continued)

| 現有用途 Existing use | 租賃年期 Term of lease |
|----------------------|-----------------------|
| 辦公室 Office | 中期 Medium |

DIRECTORS

The Directors during the financial year were:

Executive directors

Cheong Hooi Hong
Cheong Kheng Lim
Cheong Keng Hooi
Cheong Sim Lam
Cheong Chong Ling

(appointed with effect from 1 January 2007)

Cheong Been Kheng

(resigned with effect from 1 January 2007)

Non-executive directors

Sin Cho Chiu, Charles
Lau Wah Sum

董事會報告書 (續)

Report of the Directors (Continued)

董事會 (續)

獨立非執行董事

周雲海
姚李男
謝鵬元

根據本公司的公司章程第103、104及109條，鍾瓊林先生、鍾炯輝先生、鍾聰玲小姐及周雲海先生須於即將召開的股東周年大會上輪值告退，惟願膺選連任。

董事服務合約

執行董事(鍾聰玲小姐除外)分別獲本公司的附屬公司—凱聯國際酒店有限公司(「凱聯」)聘任為有關行政職位，最初任期由一九八六年一月一日起計為期二年。其後，該任期可延續直至任何一方給予對方三個月之書面通知為止。

擬於即將召開的股東周年大會中候選連任的董事概無訂立本公司或其任何附屬公司於一年內不可在不予賠償(一般法定賠償除外)的情況下終止的尚未屆滿的服務合約。

DIRECTORS (Continued)

Independent non-executive directors

Chow Wan Hoi, Paul
Yau Allen Lee-nam
Tse Pang Yuen

In accordance with articles 103, 104 and 109 of the Company's Articles of Association, Mr Cheong Kheng Lim, Mr Cheong Keng Hooi, Miss Cheong Chong Ling and Mr Chow Wan Hoi, Paul shall retire from the board by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

DIRECTORS' SERVICE CONTRACTS

The executive directors (except Miss Cheong Chong Ling) were appointed to their respective executive offices in the Company's subsidiary, Associated International Hotels Limited ("AIHL"), for an initial period of two years effective on 1 January 1986 and their appointments continue after the said period unless and until either party giving to the other three months' notice in writing.

No director proposed for re-election at the forthcoming annual general meeting has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

董事會報告書 (續)

Report of the Directors (Continued)

董事及最高行政人員擁有的股份、相關股份和債權證的權益及淡倉

遵照《證券及期貨條例》第352條而備存的董事及最高行政人員權益及淡倉登記冊記錄，或按照《上市發行人董事進行證券交易的標準守則》以其他方式向本公司和香港聯合交易所有限公司申報的資料顯示，於二零零七年三月三十一日在任的本公司董事及最高行政人員於該日擁有本公司、其任何控股公司、附屬公司、同系附屬公司或任何其他相聯法團（須符合《證券及期貨條例》所載的定義）股份的權益如下：

(a) 本公司

| | | 每股面值港幣0.25元股份股數 | | | | 佔已發行 | |
|-----|-----------------------|-----------------------------------|-----------|-----------|-------------------------|------------------|--|
| | | Number of shares of HK\$0.25 each | | | | 股份總數 | |
| | | 個人權益 | 家屬權益 | 公司權益 | 實益權益 總數 | 的百分比 | |
| | | Personal | Family | Corporate | Total | % of total | |
| 姓名 | Name | interests | interests | interests | beneficial interests | issued shares | |
| 鍾輝煌 | Cheong Hooi Hong | 4,625,792 | — | — | 4,625,792 | 0.97% | |
| 鍾瓊林 | Cheong Kheng Lim | 46,023,872 | 115,292 | — | 46,139,164 | 9.72% | |
| 鍾炯輝 | Cheong Keng Hooi | 26,912,036 | 1,002,384 | — | 27,914,420 | 5.88% | |
| 鍾榮南 | Cheong Sim Lam | 1,099,504 | — | — | 1,099,504 | 0.23% | |
| 鍾聰玲 | Cheong Chong Ling | 412,000 | — | — | 412,000 | 0.09% | |
| 冼祖昭 | Sin Cho Chiu, Charles | 2,000 | — | 115,200 | 117,200 | 0.02% | |
| | | | | (註)(Note) | | | |
| 劉華森 | Lau Wah Sum | — | — | — | — | — | |
| 周雲海 | Chow Wan Hoi, Paul | — | — | — | — | — | |
| 姚李男 | Yau Allen Lee-nam | — | — | — | — | — | |
| 謝鵬元 | Tse Pang Yuen | — | — | — | — | — | |

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

The directors and chief executives of the Company who held office at 31 March 2007 had the following interests in the shares of the Company, any of its holding companies, subsidiaries, fellow subsidiaries or any other associated corporations (within the meaning of the Securities and Futures Ordinance (“SFO”)) at that date as recorded in the register of directors’ and chief executives’ interests and short positions 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 pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers:

(a) The Company

董事會報告書 (續)

Report of the Directors (Continued)

董事及最高行政人員擁有的股份、相關股份和債權證的權益及淡倉 (續)

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

(Continued)

(a) 本公司 (續)

(a) The Company (Continued)

註：公司權益下的115,200股為昭英有限公司所持有的115,200股股份。根據《證券及期貨條例》，冼祖昭先生被視為擁有此等股份的權益。

Note: The corporate interests of 115,200 shares represent 115,200 shares held by Chason Limited where Mr Sin Cho Chiu, Charles is taken to be interested in such shares under the SFO.

(b) 凱聯國際酒店有限公司

(b) Associated International Hotels Limited

每股面值港幣1元普通股股數

Number of ordinary shares of HK\$1 each

| 姓名 | Name | 個人權益 | 家屬權益 | 公司權益 | 實益權益 | 佔已發行 |
|-----|-----------------------|------------|-----------|-----------|------------|------------|
| | | | | | 總數 | 股份總數 |
| | | Personal | Family | Corporate | Total | % of total |
| | | interests | interests | interests | beneficial | issued |
| | | | | | interests | shares |
| 鍾輝煌 | Cheong Hooi Hong | 2,073,992 | — | — | 2,073,992 | 0.58% |
| 鍾瓊林 | Cheong Kheng Lim | 26,089,715 | 34,000 | — | 26,123,715 | 7.26% |
| 鍾炯輝 | Cheong Keng Hooi | 15,275,839 | 275,280 | — | 15,551,119 | 4.32% |
| 鍾榮南 | Cheong Sim Lam | 1,807,155 | 24,000 | — | 1,831,155 | 0.51% |
| 鍾聰玲 | Cheong Chong Ling | 588,000 | — | — | 588,000 | 0.16% |
| 冼祖昭 | Sin Cho Chiu, Charles | 242,000 | — | 120,000 | 362,000 | 0.10% |
| | | | | (註)(Note) | | |
| 劉華森 | Lau Wah Sum | — | — | — | — | — |
| 周雲海 | Chow Wan Hoi, Paul | — | — | — | — | — |
| 姚李男 | Yau Allen Lee-nam | — | — | — | — | — |
| 謝鵬元 | Tse Pang Yuen | — | — | — | — | — |

註：公司權益下的120,000股為昭英有限公司所持有的120,000股普通股。根據《證券及期貨條例》，冼祖昭先生被視為擁有此等股份的權益。

Note: The corporate interests of 120,000 shares represent 120,000 ordinary shares held by Chason Limited where Mr Sin Cho Chiu, Charles is taken to be interested in such shares under the SFO.

董事會報告書 (續)

Report of the Directors (Continued)

董事及最高行政人員擁有的股份、相關股份和債權證的權益及淡倉 (續)

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

(Continued)

(c) Austin Hills Country Resort Bhd.

(c) Austin Hills Country Resort Bhd.

每股面值馬來西亞元1元普通股股數

Number of ordinary shares of Malaysian Ringgit 1 each

| 姓名 | Name | 個人權益 Personal interests | 家屬權益 Family interests | 公司權益 Corporate interests | 實益權益 | 佔已發行 |
|-----|-----------------------|-------------------------------|-----------------------------|--------------------------------|--|--|
| | | | | | 總數 Total beneficial interests | 股份總數 的百分比 % of total issued shares |
| 鍾輝煌 | Cheong Hooi Hong | — | — | — | — | — |
| 鍾瓊林 | Cheong Kheng Lim | 1 | — | — | 1 | 0.00001% |
| 鍾炯輝 | Cheong Keng Hooi | — | — | — | — | — |
| 鍾榮南 | Cheong Sim Lam | — | 3 | — | 3 | 0.00003% |
| 鍾聰玲 | Cheong Chong Ling | — | — | — | — | — |
| 冼祖昭 | Sin Cho Chiu, Charles | — | — | — | — | — |
| 劉華森 | Lau Wah Sum | — | — | — | — | — |
| 周雲海 | Chow Wan Hoi, Paul | — | — | — | — | — |
| 姚李男 | Yau Allen Lee-nam | — | — | — | — | — |
| 謝鵬元 | Tse Pang Yuen | — | — | — | — | — |

董事會報告書 (續)

Report of the Directors (Continued)

董事及最高行政人員擁有的股份、相關股份和債權證的權益及淡倉 (續)

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

(Continued)

(d) 天德有限公司

(d) Tian Teck Investment Holding Co., Limited

每股面值港幣1元普通股股數

Number of ordinary shares of HK\$1 each

| 姓名 | Name | 個人權益 | 家屬權益 | 公司權益 | 實益權益 | 佔已發行 股份總數 的百分比 |
|-----|-----------------------|-----------|-----------|-----------|------------|----------------------|
| | | | | | 總數 | |
| | | Personal | Family | Corporate | Total | % of total |
| | | interests | interests | interests | beneficial | issued |
| | | | | | interests | shares |
| 鍾輝煌 | Cheong Hooi Hong | 25 | — | — | 25 | 25% |
| 鍾瓊林 | Cheong Kheng Lim | 25 | — | — | 25 | 25% |
| 鍾炯輝 | Cheong Keng Hooi | 25 | — | — | 25 | 25% |
| 鍾榮南 | Cheong Sim Lam | 25 | — | — | 25 | 25% |
| 鍾聰玲 | Cheong Chong Ling | — | — | — | — | — |
| 冼祖昭 | Sin Cho Chiu, Charles | — | — | — | — | — |
| 劉華森 | Lau Wah Sum | — | — | — | — | — |
| 周雲海 | Chow Wan Hoi, Paul | — | — | — | — | — |
| 姚李男 | Yau Allen Lee-nam | — | — | — | — | — |
| 謝鵬元 | Tse Pang Yuen | — | — | — | — | — |

董事會報告書 (續)

Report of the Directors (Continued)

董事及最高行政人員擁有的股份、相關股份和債權證的權益及淡倉 (續)

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

(Continued)

(e) 益福有限公司

(e) Yik Fok Investment Holding Company, Limited

每股面值港幣1元普通股股數

Number of ordinary shares of HK\$1 each

| 姓名 | Name | 個人權益 Personal interests | 家屬權益 Family interests | 公司權益 Corporate interests | 實益權益 | 佔已發行 股份總數 的百分比 % of total issued shares |
|-----|-----------------------|-------------------------------|-----------------------------|--------------------------------|--|--|
| | | | | | 總數 Total beneficial interests | |
| 鍾輝煌 | Cheong Hooi Hong | 10 | — | — | 10 | 0.00005% |
| 鍾瓊林 | Cheong Kheng Lim | 10 | — | — | 10 | 0.00005% |
| 鍾炯輝 | Cheong Keng Hooi | 10 | — | — | 10 | 0.00005% |
| 鍾榮南 | Cheong Sim Lam | 10 | — | — | 10 | 0.00005% |
| 鍾聰玲 | Cheong Chong Ling | — | — | — | — | — |
| 冼祖昭 | Sin Cho Chiu, Charles | — | — | — | — | — |
| 劉華森 | Lau Wah Sum | — | — | — | — | — |
| 周雲海 | Chow Wan Hoi, Paul | — | — | — | — | — |
| 姚李男 | Yau Allen Lee-nam | — | — | — | — | — |
| 謝鵬元 | Tse Pang Yuen | — | — | — | — | — |

遵照《證券及期貨條例》第352條而備存的登記冊記錄，或按照《上市發行人董事進行證券交易的標準守則》以其他方式向本公司和香港聯合交易所有限公司申報的資料顯示，除上述所披露者外，於二零零七年三月三十一日，本公司董事及最高行政人員及其聯繫人（按《香港聯合交易所有限公司證券上市規則》（「上市規則」）之定義）均沒有擁有本公司、其任何控股公司、附屬公司、同集團附屬公司或任何相聯法團的股份、相關股份或債權證的權益或淡倉。

Apart from the foregoing, as at 31 March 2007, none of the directors and chief executives of the Company and their associates (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("the Listing Rules")) had interests or short positions in the shares, underlying shares or debentures of the Company, any of its holding companies, subsidiaries, fellow subsidiaries or any other associated corporations, 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 pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

董事會報告書 (續)

Report of the Directors (Continued)

主要股東及其他人士擁有的股份和相關股份的權益及淡倉

本公司獲知下列公司或人士於二零零七年三月三十一日擁有本公司已發行股份5%或以上的權益：

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES

The Company has been notified of the following interests in the Company's issued shares at 31 March 2007 amounting to 5% or more of the shares in issue:

| | | 每股面值 港幣0.25元 股份股數 Number of shares of HK\$0.25 each | 佔已發行股份 總數的百分比 Percentage of total issued shares |
|--------|---|--|---|
| 天德有限公司 | Tian Teck Investment Holding Co., Limited | 237,370,032 | 50.001% |
| 鍾瓊林 | Cheong Kheng Lim | 46,139,164 (註1) (Note 1) | 9.72% |
| 鍾焯輝 | Cheong Keng Hooi | 27,914,420 (註2) (Note 2) | 5.88% |
| 林育遜 | Lim Yoke Soon | 46,139,164 (註3) (Note 3) | 9.72% |
| 巫惠惠 | Wu Soo Huei | 27,914,420 (註4) (Note 4) | 5.88% |

註：

- (1) 鍾瓊林先生擁有之46,139,164股股份中的46,023,872股為鍾瓊林先生個人持有，115,292股則為其配偶林育遜女士持有。
- (2) 鍾焯輝先生擁有之27,914,420股股份中的26,912,036股為鍾焯輝先生個人持有，1,002,384股則為其配偶巫惠惠女士持有。
- (3) 林育遜女士擁有之46,139,164股股份中的115,292股為林育遜女士個人持有，46,023,872股則為其配偶鍾瓊林先生持有。

Notes:

- (1) Out of the 46,139,164 shares in which Mr Cheong Kheng Lim is interested, 46,023,872 shares were held by Mr Cheong Kheng Lim himself, and 115,292 shares were held by his spouse, Ms Lim Yoke Soon.
- (2) Out of the 27,914,420 shares in which Mr Cheong Keng Hooi is interested, 26,912,036 shares were held by Mr Cheong Keng Hooi himself, and 1,002,384 shares were held by his spouse, Ms Wu Soo Huei.
- (3) Out of the 46,139,164 shares in which Ms Lim Yoke Soon is interested, 115,292 shares were held by Ms Lim Yoke Soon herself, and 46,023,872 shares were held by her spouse, Mr Cheong Kheng Lim.

董事會報告書 (續)

Report of the Directors (Continued)

主要股東及其他人士擁有的股份和相關股份的權益及淡倉 (續)

- (4) 巫惠惠女士擁有之 27,914,420 股股份中的 1,002,384 股為巫惠惠女士個人持有，26,912,036 股則為其配偶鍾炯輝先生持有。

除上述及上一節「董事及最高行政人員擁有的股份、相關股份和債權證的權益及淡倉」所披露者外，於二零零七年三月三十一日，本公司並無獲通知有關任何其他因遵照《證券及期貨條例》第 336 條而須備存於登記冊的本公司股份和相關股份的權益或淡倉記錄。

董事在合約的利益

本公司、控股公司、附屬公司、同系附屬公司或任何其他相聯法團於年結時或本年度任何時間，均沒有訂立任何本公司董事直接或間接擁有關鍵性利益關係的重要合約。

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES

(Continued)

- (4) Out of the 27,914,420 shares in which Ms Wu Soo Huei is interested, 1,002,384 shares were held by Ms Wu Soo Huei herself, and 26,912,036 shares were held by her spouse, Mr Cheong Keng Hooi.

Apart from the foregoing and save as disclosed in the section “Interests and short positions of directors and chief executives in shares, underlying shares and debentures” above, as at 31 March 2007 no other interests or short positions in the shares and underlying shares of the Company required to be recorded in the register kept under section 336 of the SFO have been notified to the Company.

DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance to which the Company, its holding company, subsidiaries, fellow subsidiaries or any other associated corporations was a party, 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.

董事會報告書 (續)

Report of the Directors (Continued)

管理合約

- (a) 在往年度，根據本公司的附屬公司—凱聯與凱悅國際(亞太區)有限公司簽訂的管理協議，凱悅國際(亞太區)有限公司全權負責本集團之酒店—香港凱悅酒店的日常經營運作。該管理協議已於二零零五年十二月三十一日屆滿。附屬公司於本年度內並無付管理費(二零零六年：港幣15,877,000元)。
- (b) 本公司擁有50.01%權益的附屬公司—凱聯與本公司訂有無期限的協議。根據該等協議，凱聯同意為本公司提供行政服務(公司秘書)及非行政服務(辦公室設施及職員)。本公司於截至二零零七年三月三十一日止年度內支付予凱聯的服務費用總額為港幣1,200,000元(二零零六年：港幣1,200,000元)。

除上述所披露者外，本公司於本年度內並無任何或簽訂任何有關全盤業務或其中重大部分的管理合約。

本公司及其附屬公司購回、出售或贖回其上市證券

本年度內，本公司或其任何附屬公司並無購回、出售或贖回本公司之上市證券。

MANAGEMENT CONTRACTS

- (a) In prior years, a management agreement existed between the Company's subsidiary, AIHL, and Hyatt International – Asia Pacific, Limited under which Hyatt International – Asia Pacific, Limited had complete responsibility for the day-to-day operations of the Group's hotel, Hyatt Regency Hong Kong Hotel. The management agreement expired on 31 December 2005. No management fees was paid by the subsidiary for the year ended 31 March 2007 (2006: HK\$15,877,000).
- (b) Agreements exist between the Company and AIHL, a 50.01% owned subsidiary, whereby AIHL agrees to provide administrative (company secretarial) services and non-administrative services (office facilities and staff) to the Company for an indefinite period. The aggregate fees paid to AIHL for the year ended 31 March 2007 amounted to HK\$1,200,000 (2006: HK\$1,200,000).

Apart from the foregoing, no contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

PURCHASE, SALE OR REDEMPTION BY THE COMPANY AND ITS SUBSIDIARIES OF ITS LISTED SECURITIES

There were no purchases, sales or redemptions of the Company's listed securities by the Company or any of its subsidiaries during the year.

董事會報告書 (續)

Report of the Directors (Continued)

根據上市規則第13.21條之規定而作出披露

於二零零六年十月二十日，本公司之附屬公司—凱聯以借款人身份與一間銀行訂立一份融資協議（「融資協議」）。按該協議規定，凱聯的控股股東須履行特定責任。

該融資協議包括一筆為期五年，合共港幣1,000,000,000元的定期貸款和一筆為期五年，合共港幣200,000,000元的循環信貸額。在符合其他協議條件及貸款銀行同意的情况下，凱聯可選擇將融資期限延長兩年。

根據融資協議，如鍾輝煌先生、鍾瓊林先生、鍾焯輝先生和鍾燦南先生（共稱為本公司及凱聯的控股股東）不再按融資協議條文的規定而最少直接或間接實益擁有凱聯已發行股本百分之二十五，即屬違約。

若上述違約的情況出現，貸款銀行可行使的權力包括要求即時償還按融資協議向凱聯借出的所有貸款和應計利息。

倘導致披露有關責任的情況仍然存在，本公司將根據上市規則第13.21條的規定在其以後的中期報告及年報內作出持續披露。

除上述所披露外，本公司沒有其他因根據上市規則第13.21條的規定而必須披露的責任。

DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

On 20 October 2006, the Company's subsidiary, AIHL, as borrower, entered into a facility agreement with a bank (the "Facility Agreement") with covenants relating to specific performance of the controlling shareholders of AIHL.

The Facility Agreement comprises a 5-year term loan facility of up to HK\$1 billion and a 5-year revolving credit facility of up to HK\$200 million. AIHL has an option to extend the facilities for two additional years, subject to, among other things, the agreement of the lending bank.

Pursuant to the Facility Agreement, it would be an event of default if Mr Cheong Hooi Hong, Mr Cheong Kheng Lim, Mr Cheong Keng Hooi and Mr Cheong Sim Lam, collectively being the controlling shareholders of the Company and AIHL, cease to beneficially own, directly or indirectly, at least 25% of the issued share capital of AIHL in accordance with the terms of the Facility Agreement.

Upon the occurrence of such an event of default, the lending bank may, among other things, demand immediate repayment of all of the loans made to AIHL under the Facility Agreement together with accrued interest.

The Company will make continuing disclosure pursuant to Rule 13.21 of the Listing Rules in subsequent interim and annual reports for so long as the circumstances giving rise to the relevant obligation continue to exist.

Save as disclosed above, the Company does not have other disclosure obligations under Rule 13.21 of the Listing Rules.

董事會報告書 (續)

Report of the Directors (Continued)

五年財務概要

本集團於過去五個財政年度的業績及資產與負債概要載於本年報第130至第132頁。

退休計劃

本集團的退休計劃詳情載於財務報表附註25。

足夠公眾持股量

基於公開予本公司查閱之資料及據本公司董事會所知悉，截至本年報日期為止，本公司一直維持上市規則訂明之公眾持股量。

獨立性的確認

根據上市規則第3.13條，本公司已收到每位獨立非執行董事有關其獨立性的周年確認書。本公司認為全體獨立非執行董事均為獨立人士。

核數師

畢馬威會計師事務所即將告退，惟願膺選連任。由畢馬威會計師事務所連任本公司核數師的決議，將於即將召開的股東周年大會上提出。

承董事會命
主席
鍾輝煌

香港，二零零七年七月十一日

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 pages 130 to 132 of the annual report.

RETIREMENT SCHEMES

Particulars of the retirement schemes are set out in note 25 to the financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and considers all the independent non-executive directors to be independent.

AUDITORS

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming annual general meeting.

By order of the board
Cheong Hooi Hong
Chairman

Hong Kong, 11 July 2007