

# Report of the Directors

## 董事會報告

The Directors have pleasure in presenting their report and the audited financial statements of the Company and the Group for the year ended 31 December 2006.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries are set out in note 16 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

An analysis of the business segments of the Group during the year is set out in note 4 to the financial statements.

### RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2006 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 57 to 128.

An interim dividend of HK3.25 cents per ordinary share was paid to shareholders on 8 November 2006. The Directors recommend the payment of a final dividend of HK8.15 cents and a special dividend of HK13.6 cents per ordinary share in respect of the year payable on 28 June 2007 to shareholders on the register of members of the Company on 6 June 2007, making a total dividend for the year 2006 of HK25 cents per ordinary share.

董事會欣然提呈本公司及本集團截至二零零六年十二月三十一日止年度之報告及經審核財務報告。

### 主要業務

本公司之主要業務為投資控股。各主要附屬公司之主要業務詳情載於財務報告附註16。年內，本集團之主要業務性質概無重大變動。

本集團於年內之業務分類分析載列於財務報告附註4。

### 業績及股息

本集團截至二零零六年十二月三十一日止年度之溢利，以及本公司及本集團於該日之財政狀況載列於第57至128頁之財務報告內。

中期股息每股普通股3.25港仙已於二零零六年十一月八日向股東派發。董事建議於二零零七年六月二十八日派發本年度末期股息每股普通股8.15港仙及特別股息每股普通股13.6港仙予於二零零七年六月六日登記在本公司股東名冊內之股東，二零零六年全年派發股息每股普通股合共25港仙。

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### SUMMARY OF FINANCIAL INFORMATION

A summary of the results and assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements and reclassified/restated as appropriate, is set out below. This summary does not form part of the audited financial statements.

### 財政資料概要

下文所載為摘錄自已公佈之經審核財務報告並按需要重新分類／重新呈列之本集團於過去五個財政年度之業績及資產負債之概要。本概要並不構成經審核財務報告之一部份。

		Year ended 31 December 截至十二月三十一日止年度				
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
<b>RESULTS</b>	<b>業績</b>					
<b>CONTINUING OPERATIONS</b>	<b>持續經營業務</b>					
<b>REVENUE</b>	<b>收入</b>	<b>893,698</b>	822,844	788,348	743,522	737,134
Profit before tax	除稅前溢利	<b>78,300</b>	66,440	53,909	33,372	20,443
Tax	稅項	<b>(13,151)</b>	(10,300)	(8,891)	(8,933)	(5,600)
<b>PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>	<b>本年度持續經營業務溢利</b>	<b>65,149</b>	56,140	45,018	24,439	14,843
<b>DISCONTINUED OPERATIONS</b>	<b>已終止經營業務</b>					
Profit for the year from discontinued operations	本年度已終止經營業務溢利	—	—	—	—	24,167
<b>PROFIT FOR THE YEAR</b>	<b>本年度溢利</b>	<b>65,149</b>	56,140	45,018	24,439	39,010
Attributable to:	應佔：					
Equity holders of the Company	本公司股本持有人	<b>65,149</b>	56,140	45,018	24,439	54,144
Minority interests	少數股東權益	—	—	—	—	(15,134)
		<b>65,149</b>	56,140	45,018	24,439	39,010

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		31 December 十二月三十一日				
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	資產總額	365,772	262,335	254,707	222,559	279,719
Total liabilities	負債總額	127,080	112,048	108,823	114,729	185,929
Equity attributable to equity holders of the Company	本公司股本持有人 應佔權益	238,692	150,287	145,884	107,830	93,790
Total liabilities and equity attributable to equity holders of the Company	負債總額及本公司 股本持有人 應佔權益	365,772	262,335	254,707	222,559	279,719

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 14 to the financial statements.

### CHARITABLE DONATIONS

The total donations made by the Group for charitable purposes during the year amounted to approximately HK\$307,000.

### SHARES, WARRANTS AND SHARE OPTIONS

Details of movements in the Company's share capital, warrants and share options during the year, together with the reasons therefor, are set out in notes 24 and 25 to the financial statements.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to the existing shareholders.

### 物業、廠房及設備

本集團物業、廠房及設備於年內之變動詳情載列於財務報告附註14。

### 慈善捐款

本集團於年內就慈善用途捐出之款項總額約307,000港元。

### 股份、認股權證及購股權

本公司股本、認股權證及購股權於年內之變動詳情及其變動原因載列於財務報告附註24及25。

### 優先購股權

本公司之公司細則或百慕達法例並無有關優先購股權之條款，以規定本公司須按比例向現有股東提呈發售新股份。

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### PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities during the year ended 31 December 2006.

### RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 26 to the financial statements and in the consolidated statement of changes in equity, respectively.

### DISTRIBUTABLE RESERVES

As at 31 December 2006, the Company's reserves available for distribution, calculated in accordance with the Bermuda Companies Act 1981, amounted to HK\$521,708,000, of which HK\$51,969,000 has been proposed as final and special dividends for the year. In addition, the Company's share premium account, in the amount of HK\$35,650,000, may be distributed in the form of fully paid bonus shares.

### MAJOR CUSTOMERS AND SUPPLIERS

In 2006, the aggregate purchases attributable to the Group's five largest suppliers accounted for less than 30% of the Group's total purchases for the year. Revenue attributable to the Group's largest customer and the five largest customers in aggregate accounted for 14.5% and 32.1% respectively of the Group's total revenue for the year.

None of the Directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers.

### 購買、出售或贖回證券

本公司或其任何附屬公司於截至二零零六年十二月三十一日止年度內概無購買、出售或贖回本公司任何證券。

### 儲備

本公司及本集團於年內之儲備變動詳情分別載列於財務報告附註26及綜合權益變動表。

### 可分派儲備

截至二零零六年十二月三十一日，本公司根據百慕達一九八一年公司法計算之可供分派儲備為521,708,000港元，其中51,969,000港元已建議作為本年度末期及特別股息。此外，本公司股份溢價賬35,650,000港元可以繳足股款紅股方式分派。

### 主要客戶及供應商

於二零零六年，本集團前五名最大供應商之採購總額少於本集團全年採購總額之30%。本集團最大客戶及前五名客戶合共之收入分別佔本集團全年收入總額之14.5%及32.1%。

本公司董事或其任何聯繫人士或任何股東（據董事所知，擁有本公司已發行股本逾5%之股東），概無於本集團五大客戶中擁有任何實益權益。

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### DIRECTORS

The Directors of the Company during the year were:

#### Executive Directors:

Arthur George Dew (*Chairman*)

Dr. Lincoln Chee Wang Jin

Mark Wong Tai Chun

#### Independent Non-Executive Directors:

Francis J. Chang Chu Fai (*Deputy Chairman*)

Li Chak Hung

Carlisle Caldwell Procter

#### Non-Executive Director:

Richard Owen Pyvis (resigned on 24 November 2006)

Mr. Richard Owen Pyvis resigned as a Non-Executive Director and the Deputy Chairman of the Company on 24 November 2006. Mr. Francis J. Chang Chu Fai was appointed the Deputy Chairman of the Company with effect from 24 November 2006.

In accordance with the Company's bye-laws 87(1) and (2), Mr. Mark Wong Tai Chun and Mr. Li Chak Hung will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

### DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting has an unexpired service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

### DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 30 to the financial statements, no Director had a material interest in, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

### 董事

於年內，本公司之董事如下：

#### 執行董事：

狄亞法 (主席)

徐旺仁醫生

王大鈞

#### 獨立非執行董事：

鄭鑄輝 (副主席)

李澤雄

Carlisle Caldwell Procter

#### 非執行董事：

Richard Owen Pyvis (於二零零六年十一月二十四日辭任)

於二零零六年十一月二十四日，Richard Owen Pyvis先生辭任本公司非執行董事及副主席。鄭鑄輝先生自二零零六年十一月二十四日起獲委任為本公司副主席。

根據本公司之公司細則第87(1)及(2)條，王大鈞先生及李澤雄先生於將召開之股東週年大會上輪值告退，惟彼等符合資格並願意膺選連任。

### 董事之服務合約

擬於將召開之股東週年大會上膺選連任之董事，概無與本公司訂立不可於一年內毋須補償(法定補償除外)而可予以終止之未到期之服務合約。

### 董事之合約權益

除財務報告附註30所披露者外，年內各董事概無於本公司或其任何附屬公司所訂立對本集團業務而言屬重大之任何合約中直接或間接擁有重大權益。

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### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2006, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register (the "Register of Directors' Interests") required to be kept by the Company 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") were as follows:

### 董事於股份及相關股份之權益及淡倉

於二零零六年十二月三十一日，根據證券及期貨條例（「證券期貨條例」）第352條規定所存放之登記冊（「董事權益登記冊」），或根據上市發行人董事進行證券交易之標準守則（「標準守則」）而須通知本公司及香港聯合交易所有限公司（「聯交所」），本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券期貨條例第XV部）之股份、相關股份或債券擁有之權益或淡倉如下：

Name of Directors 董事姓名	Interests in the Company/ associated corporations 於本公司／ 相聯法團之權益	Nature of interest 權益性質	Beneficial interest in shares 於股份之實益權益	Beneficial interest in underlying shares 於相關股份之實益權益	Total interest 權益總計	Approximate percentage of the relevant issued share capital as at 31 December 2006 估二零零六年十二月三十一日相關已發行股本概約百分比
Dr. Lincoln Chee Wang Jin 徐旺仁醫生	Allied Group Limited ("Allied Group") (Note 1) 聯合集團有限公司 （「聯合集團」） （附註1）	Personal 個人	98,000	—	98,000	0.04%
	Sun Hung Kai & Co. Limited ("SHK") 新鴻基有限公司 （「新鴻基」）	Personal 個人	—	58,000 (Note 2) (附註2)	58,000	0.00%
Mark Wong Tai Chun 王大鈞	Company 公司	Personal 個人	185,040	10,170 (Note 3) (附註3)	195,210	0.09%

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### Notes:

1. Allied Group is the ultimate holding company of the Company.
2. This represented an interest in 58,000 underlying shares of SHK, the holding company of the Company, attached to the physically-settled listed warrants of SHK.
3. This represented an interest in 10,170 underlying shares of the Company attached to the physically-settled listed warrants of the Company. According to the Register of Directors' Interests, such warrants were exercised and converted into 10,170 shares of the Company subsequent to the balance sheet date.
4. All interests stated above represented long positions. As at 31 December 2006, no short positions were recorded in the Register of Directors' Interests.

Save as disclosed above, as at 31 December 2006, neither the Directors nor the chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the Register of Directors' Interests or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the share option plan as set out in note 25 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

### 附註：

1. 聯合集團為本公司之最終控股公司。
2. 該權益指於新鴻基(本公司之控股公司)之實物交收上市認股權證所附之58,000股新鴻基相關股份之權益。
3. 該權益指於本公司之實物交收上市認股權證所附之10,170股本公司相關股份之權益。按照董事權益登記冊顯示，該等認股權證於結算日後已獲行使及轉換為10,170股本公司股份。
4. 上述所有權益均為長倉。於二零零六年十二月三十一日，根據董事權益登記冊所載，並無淡倉記錄。

除上文所披露者外，於二零零六年十二月三十一日，本公司各董事及主要行政人員概無於本公司或其任何相聯法團(定義見證券期貨條例第XV部)之任何股份、相關股份或債券中擁有須記錄於董事權益登記冊內，或根據標準守則須另行知會本公司及聯交所之任何權益或淡倉。

### 董事認購股份或債券之權利

除財務報告附註25所載之購股權計劃外，於本年度內，本公司之董事或彼等之配偶或未成年子女並無獲授予或行使任何權利可藉購入本公司之股份或債券而取得利益。此外，本公司或其任何附屬公司並無參與任何安排，使本公司董事可從其他法人團體獲取該種權利。

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### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2006, shareholders (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which were recorded in the register (the "Register of Substantial Shareholders' Interests") required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

### 主要股東於股份及相關股份之權益 及淡倉

於二零零六年十二月三十一日，根據本公司按照證券期貨條例第336條規定所存放之登記冊（「主要股東權益登記冊」）之記錄，持有本公司股份或相關股份中擁有權益或淡倉之股東（本公司董事或主要行政人員除外）如下：

Name of substantial shareholders 主要股東名稱	Capacity 身份	Number of shares and underlying shares 股份及相關 股份數目	Approximate percentage of the issued share capital as at 31 December 2006 佔二零零六年 十二月三十一日 已發行股本 概約百分比	Notes 附註
SHK 新鴻基	Interest of controlled corporation 受控制法團之權益	122,213,776	58.09%	1
Allied Properties (H.K.) Limited ("Allied Properties") 聯合地產(香港)有限公司 (「聯合地產」)	Interest of controlled corporation 受控制法團之權益	122,213,776	58.09%	2
Allied Group 聯合集團	Interest of controlled corporation 受控制法團之權益	122,213,776	58.09%	3
Lee and Lee Trust ("LL Trust")	Interest of controlled corporation 受控制法團之權益	122,213,776	58.09%	4
Penta Investment Advisers Ltd ("Penta")	Investment manager 投資經理	14,156,000	6.73%	5
John Zwaanstra	Interest of controlled corporation 受控制法團之權益	14,156,000	6.73%	6



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### Notes:

1. This represented an interest in 107,506,025 shares of the Company and an interest in 14,707,751 underlying shares of the Company attached to the physically-settled listed warrants of the Company. These interests were held by Wah Cheong Development (B.V.I.) Limited ("Wah Cheong"), a wholly-owned subsidiary of SHK. SHK was therefore deemed, by virtue of the SFO, to have an interest in the shares and underlying shares in which Wah Cheong was interested. According to the Register of Substantial Shareholders' Interests, such warrants were exercised and converted into 14,707,751 shares of the Company subsequent to the balance sheet date.
2. Allied Properties, through its direct and indirect wholly-owned subsidiaries, AP Jade Limited and AP Emerald Limited, owned approximately 65.18% interest in the issued share capital of SHK and was therefore deemed, by virtue of the SFO, to have an interest in the shares and underlying shares in which SHK was interested.
3. Allied Group owned approximately 74.93% interest in the issued share capital of Allied Properties and was therefore deemed, by virtue of the SFO, to have an interest in the shares and underlying shares in which Allied Properties was interested.
4. Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of LL Trust, being a discretionary trust. They together owned approximately 41.25% interest in the issued share capital of Allied Group and were therefore deemed, by virtue of the SFO, to have an interest in the shares and underlying shares in which Allied Group was interested.
5. This represented an interest in 14,156,000 shares of the Company held by Penta.
6. Mr. John Zwaanstra owned 100% interest in the share capital of Penta and was therefore deemed, by virtue of the SFO, to have an interest in the shares in which Penta was interested.
7. All interests stated above represented long positions. As at 31 December 2006, no short positions were recorded in the Register of Substantial Shareholders' Interests.

Save as disclosed above, as at 31 December 2006, so far as was known to the Directors, no other person had interests or short positions in the shares and underlying shares of the Company which are required to be recorded in the Register of Substantial Shareholders' Interests.

### 附註：

1. 該等權益指107,506,025股本公司股份及於本公司實物交收上市認股權證所附之14,707,751股本公司相關股份之權益。該等權益由Wah Cheong Development (B.V.I.) Limited (「Wah Cheong」) (新鴻基之全資附屬公司) 持有。根據證券期貨條例，新鴻基因此被視為擁有該等由Wah Cheong擁有之股份及相關股份之權益。按照主要股東權益登記冊顯示，該等認股權證於結算日後已獲行使及轉換為14,707,751股本公司股份。
2. 聯合地產透過其直接及間接全資附屬公司AP Jade Limited及AP Emerald Limited於新鴻基已發行股本中擁有約65.18%權益，因此根據證券期貨條例被視為擁有該等由新鴻基擁有之股份及相關股份之權益。
3. 聯合集團於聯合地產已發行股本中擁有約74.93%權益，因此根據證券期貨條例被視為擁有該等由聯合地產擁有之股份及相關股份之權益。
4. 李成輝先生、李淑慧女士及李成煌先生為LL Trust之信託人，該信託乃一項全權信託。彼等於聯合集團已發行股本中合共擁有約41.25%權益，因此根據證券期貨條例被視為擁有該等由聯合集團擁有之股份及相關股份之權益。
5. 該權益指Penta持有14,156,000股本公司股份之權益。
6. John Zwaanstra先生於Penta股本中擁有100%權益，因此根據證券期貨條例被視為擁有該等由Penta擁有之股份之權益。
7. 上述所有權益均為長倉。於二零零六年十二月三十一日，根據主要股東權益登記冊所載，並無淡倉記錄。

除上文所披露者外，於二零零六年十二月三十一日，據董事所知，概無其他人士於本公司之股份或相關股份中擁有須記錄於主要股東權益登記冊內之權益或淡倉。

# Report of the Directors

## 董事會報告

### CONTINUING CONNECTED TRANSACTIONS

As disclosed in the press announcement of the Company dated 27 January 2006, the Company entered into the following three agreements (the “Agreements”) with certain subsidiaries of SHK, a controlling shareholder and a connected person of the Company as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), all on 27 January 2006:

#### (1) Insurance Brokerage Services Agreement

An Insurance Brokerage Services Agreement was entered with Sun Hung Kai Insurance Consultants Limited (“SHK Insurance”), an indirect wholly-owned subsidiary of SHK, pursuant to which, SHK Insurance would agree to provide packaged insurance brokerage services to the Group for a term of one year commencing from 1 February 2006. SHK Insurance would assist the Group in procuring insurance policies to be taken out with third party insurers. The provision of such services by SHK Insurance would be on SHK Insurance’s usual terms for provision of the same services to an independent third party and the premium for any insurance policy procured would be the prevailing premium charged by SHK Insurance to an independent third party when dealing on an arm’s length basis having regard to any other special circumstances such as arm’s length negotiated volume discounts. The aggregate annual amount payable by the Group under this agreement for the twelve-month period ended 31 January 2007 should not exceed the annual cap of HK\$6,000,000. The total amount of insurance premium paid to SHK Insurance for the term of the agreement was approximately HK\$3,500,000.

### 持續關連交易

誠如本公司於二零零六年一月二十七日之報章公佈所披露，本公司於二零零六年一月二十七日與新鴻基（為本公司控股股東及關連人士）（定義見香港聯合交易所有限公司證券上市規則（「上市規則」））之若干附屬公司訂立以下三項協議（「該等協議」）：

#### (1) 保險經紀服務協議

與新鴻基保險顧問有限公司（「新鴻基保險」）（新鴻基之間接全資附屬公司）訂立保險經紀服務協議，據此，新鴻基保險同意向本集團提供保險經紀服務，由二零零六年二月一日起，為期一年。新鴻基保險將協助本集團獲得由第三方承保人投購之保單。新鴻基保險提供該等服務之條款，將會為新鴻基保險向獨立第三方提供相同服務時所採用之慣用條款，而就任何保單所收取之保費，則將會為新鴻基保險經公平磋商，並計及任何特殊情況（如公平磋商下之總額折扣）後收取獨立第三方之現行保費。本集團根據此項協議於截至二零零七年一月三十一日止十二個月期間內應付之年度總金額將不超過每年上限金額6,000,000港元。協議期限內，向新鴻基保險支付之保費總額約為3,500,000港元。

# Report of the Directors

## 董事會報告

### (2) Corporate Secretarial Services Agreement

A Corporate Secretarial Services Agreement was entered with Wineur Secretaries Limited ("Wineur Secretaries"), an indirect wholly-owned subsidiary of SHK, pursuant to which, Wineur Secretaries would agree to provide the companies in the Group with the services of a company secretary and with the corporate secretarial services for a term of one year commencing from 1 February 2006. The services provided by Wineur Secretaries was classified into two types, namely, routine services and non-routine services. The retainer fee for the routine services was HK\$930,000 per year and the service fee for the provision of non-routine services would be agreed on an arm's length basis separately for each task having regard to the work involved. The aggregate annual amount payable by the Group under this agreement for the twelve-month period ended 31 January 2007 should not exceed the annual cap of HK\$1,600,000. The total amount paid to Wineur Secretaries, for both routine and non-routine services together with related disbursements, for the term of the agreement was approximately HK\$1,205,000.

### (3) Internal Audit and Compliance Consultancy Services Agreement

An Internal Audit and Compliance Consultancy Services Agreement was entered with SHK Consultancy Services Limited ("SHKCS"), an indirect wholly-owned subsidiary of SHK, pursuant to which SHKCS would agree to provide the companies in the Group with internal audit and compliance consultancy services for a term of one year commencing from 1 February 2006. The fee for the services provided by SHKCS, charged on a time-cost basis, was estimated to be around HK\$150,000 per year. Furthermore, the fee for any requested audit and compliance work would be pre-estimated and agreed separately on an arm's length basis in view of the work involved. The aggregate annual amount payable by the Group under this agreement for the twelve-month period ended 31 January 2007 should not exceed the annual cap of HK\$150,000. The total amount of the internal audit and compliance consultancy fee paid to SHKCS for the term of the agreement was nil.

### (2) 公司秘書服務協議

與偉略秘書有限公司（「偉略秘書」）（新鴻基之間接全資附屬公司）訂立公司秘書服務協議，據此，偉略秘書同意向本集團旗下各公司提供一名公司秘書連同有關之秘書服務，由二零零六年二月一日起，為期一年。偉略秘書所提供之服務可分為兩類，分別為常規服務及非常規服務。常規服務之聘用費為每年930,000港元，而非常規服務之服務收費，則會考慮個別服務所需之工作，按公平磋商基準協定。本集團根據此項協議於截至二零零七年一月三十一日止十二個月期間內應付之年度總金額將不超過每年上限金額1,600,000港元。協議期限內，就常規及非常規服務以及相關代支費向偉略秘書支付之總金額約為1,205,000港元。

### (3) 內部稽核及法規監核顧問服務協議

與SHK Consultancy Services Limited（「SHKCS」）（新鴻基之間接全資附屬公司）訂立內部稽核及法規監核顧問服務協議，據此，SHKCS同意向本集團旗下各公司提供內部稽核及法規監核顧問服務，由二零零六年二月一日起，為期一年。SHKCS所提供之服務將會按工時收費，估計每年收費約為150,000港元。此外，任何應要求而進行之稽核及法規監核工作之費用均會考慮個別服務所涉及之工作，按公平磋商基準事前估計及協定。本集團根據此項協議於截至二零零七年一月三十一日止十二個月期間內應付之年度總金額將不超過每年上限金額150,000港元。協議期限內，並無向SHKCS支付內部稽核及法規監核顧問費。

## Report of the Directors 董事會報告

The transactions contemplated under the Agreements constitute continuing connected transactions of the Company (the “Continuing Connected Transactions”) under Rule 14A.14 of the Listing Rules. Details of the Continuing Connected Transactions were published in the Company’s announcement dated 27 January 2006 and are included in this Annual Report in accordance with the requirements of Rules 14A.45 and 14A.46 of the Listing Rules.

Pursuant to Rule 14A.37 of the Listing Rules, the Independent Non-Executive Directors of the Company, being Messrs. Francis J. Chang Chu Fai, Li Chak Hung and Carlisle Caldwell Procter, have reviewed the Continuing Connected Transactions and confirmed that the Continuing Connected Transactions were entered into:

- (i) in the ordinary and usual course of business of the Company;
- (ii) on normal commercial terms; and
- (iii) in accordance with the relevant Agreements governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

In the opinion of the Board of Directors, the Continuing Connected Transactions have been entered into in the manners stated above.

Pursuant to Rule 14A.38 of the Listing Rules, the Board of Directors has also received a letter from the Company’s auditors confirming that the Continuing Connected Transactions:

- (i) have received the approval of the Company’s Board of Directors;
- (ii) had been entered into in accordance with the relevant Agreements; and
- (iii) the aggregate amount of the fees paid or payable by the Group under the Agreements have not exceeded the relevant annual caps as disclosed in the Company’s announcement dated 27 January 2006.

The Continuing Connected Transactions also constitute related party transactions of the Group during the year which are detailed in note 30 to the financial statements pursuant to the requirements under the Hong Kong Accounting Standard 24 and falls under the definition of “continuing connected transaction” in Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements, where appropriate, in accordance with Chapter 14A of the Listing Rules.

根據該等協議進行的交易按上市規則第14A.14條，構成本公司持續關連交易（「該等持續關連交易」）。該等持續關連交易之詳情已刊載於二零零六年一月二十七日刊發之本公司公佈內，並按照上市規則第14A.45條及第14A.46條載列於本年報內。

根據上市規則第14A.37條，本公司獨立非執行董事鄭鐸輝先生、李澤雄先生及Carlisle Caldwell Procter先生已審閱該等持續關連交易，並確認該等持續關連交易乃符合下列各項條件而訂立：

- (i) 屬本公司之日常及一般業務；
- (ii) 按一般商業條款；及
- (iii) 根據該等協議相關之條款進行，而交易條款乃屬公平合理，且符合本公司股東之整體利益。

董事會認為，該等持續關連交易已按上文訂明方式訂立。

根據上市規則第14A.38條，董事會亦接獲本公司核數師之函件，確認該等持續關連交易：

- (i) 已收到本公司之董事會批准；
- (ii) 乃根據相關之該等協議進行；及
- (iii) 本集團根據該等協議已付或應付的費用總金額並未超過本公司於二零零六年一月二十七日作出之公佈所披露之相關每年上限金額。

根據香港會計準則第24條之規定，該等持續關連交易亦構成本集團於年內之有關連人士交易，其詳情載列於財務報告附註30，及符合上市規則第14A章「持續關連交易」之定義。本公司已遵照上市規則第14A章之披露規定（如適用）。

# Report of the Directors

## 董事會報告

Subsequent to the balance sheet date, on 7 February 2007, the Company entered into three new agreements (the “New Agreements”) for a term of 11 months commencing from 1 February 2007 and expiring on 31 December 2007 on the same principal terms as those of the Agreements. The annual caps for the transactions under the New Agreements were set at HK\$5,000,000, HK\$1,800,000 and HK\$150,000 respectively. The Directors (including the Independent Non-Executive Directors) are of the view that the New Agreements were entered into, after arm’s length negotiations, on normal commercial terms and that the terms of the New Agreements are fair and reasonable so far as the shareholders of the Company and the Company as a whole are concerned. Further details of the New Agreements have been published in the press announcement of the Company dated 7 February 2007.

### CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the “Corporate Governance Report” on pages 29 to 41.

### SUFFICIENCY OF PUBLIC FLOAT

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

### AUDITORS

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

**Dr. Lincoln Chee Wang Jin**  
*Executive Director*

**Mark Wong Tai Chun**  
*Executive Director*

Hong Kong, 28 March 2007

於結算日後，本公司已於二零零七年二月七日，按與該等協議相同之主要條款，訂立三份新協議（「該等新協議」），由二零零七年二月一日起至二零零七年十二月三十一日止，為期十一個月。該等新協議項下之每年交易上限金額分別為5,000,000港元、1,800,000港元及150,000港元。董事（包括獨立非執行董事）認為該等新協議乃經公平磋商後按照一般商業條款而簽訂，該等新協議之條款就本公司股東及本公司整體而言屬公平合理。該等新協議之進一步詳情已刊載於二零零七年二月七日刊發之本公司報章公佈內。

### 企業管治

本公司致力維持高水平之企業管治常規。有關本公司所採納之企業管治常規之資料，載列於第29至41頁之「企業管治報告」內。

### 足夠公眾持股量

於本報告日期，按本公司可獲得之公開資料所示及據董事所知，本公司已按上市規則要求下維持足夠公眾持股量。

### 核數師

安永會計師事務所將任滿告退，而有關續聘其為本公司核數師之決議案將於應屆股東週年大會上提呈。

承董事會命

執行董事  
**徐旺仁醫生**

執行董事  
**王大鈞**

香港，二零零七年三月二十八日