

# 主席報告

## Chairman's Statement

### 末期業績

憑藉中港經濟蓬勃增長，加上本集團努力拓展核心消費業務以及實現非核心資產價值，本集團在二零零六年的業績再創新高。截至二零零六年十二月三十一日止年度的綜合營業額較二零零五年上升21%，創下港幣65,437,000,000元的新高。股東應佔溢利為港幣2,776,000,000元，較上年度增加25%，突破集團上市以來新高。每股盈利按加權平均基準計算達港幣1.19元，而二零零五年則為港幣1.02元。

二零零六年及二零零五年的投資物業價值重估稅後收益及重大出售事項收益的總額，分別達到港幣931,000,000元及港幣800,000,000元。剔除該等影響後，本公司截至二零零六年十二月三十一日止年度的股東應佔基礎綜合溢利仍增加30%。集團旗下大多數業務均錄得強勁的內涵增長。

### 股息

董事會建議於二零零七年六月十五日或前後，向二零零七年五月二十八日名列本公司股東名冊的股東派發二零零六年度末期股息，每股港幣0.26元（二零零五年：每股港幣0.25元）。連同中期股息每股港幣0.14元及二零零六年十二月就出售本集團管道燃氣及化工經銷業務支付的特別股息每股港幣1元，二零零六年度的派息總額將達每股港幣1.4元（二零零五年：每股港幣0.38元），較二零零五年增加268%。

### 暫停辦理股份過戶登記手續

本公司將由二零零七年五月二十八日至二零零七年五月三十一日（包括首尾兩天）暫停辦理股份過戶登記手續。為符合獲派末期股息的資格，所有填妥的過戶表格連同有關股票，最遲須於二零零七年五月二十五日下午四時三十分前送達本公司的股份過戶處——標準證券登記有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

### 策略施行

#### 企業策略

為實現成為中國最大消費企業的目標，本集團不斷投資於核心消費業務，務求擴大市場佔有率、提升競爭力，並為未來增長奠定基礎。截至二零零六年十二月三十一日止年度，本集團的資本開支接近港幣40億元，大部份用於飲品及零售業務。年內完成的主要收購包括位於

### Final Results

With the flourishing economy in the Chinese Mainland and Hong Kong, reinforced by the Group's parallel efforts to expand core consumer businesses and realize the value of non-core assets, the Group reported another record year in 2006. Consolidated turnover for the year ended 31 December 2006 rose 21% over 2005 to a new high of HK\$65,437 million. Profit attributable to shareholders was HK\$2,776 million, a 25% increase from the previous year, the highest it has been since our listing. Earnings per share, on a weighted average basis, was HK\$1.19 compared to HK\$1.02 in 2005.

Excluding the after-tax effect of revaluation of investment properties and major disposals, which led to aggregate gains of HK\$931 million in 2006 and HK\$800 million in 2005, the Group's underlying consolidated profit attributable to the Company's shareholders would have increased by 30% for the year ended 31 December 2006. There was strong organic growth across most of our operations.

### Dividends

The Board recommends a final dividend of HK\$0.26 per share for 2006 (2005: HK\$0.25 per share) payable on or about 15 June 2007 to shareholders whose names appear on the Register of Members of the Company on 28 May 2007. Together with the interim dividend of HK\$0.14 per share and the special dividend of HK\$1 per share paid in December 2006 in respect of the disposal of the Group's piped gas and chemical distribution businesses, the total distribution for 2006 will amount to HK\$1.4 per share (2005: HK\$0.38 per share). This represents a 268% increase over 2005.

### Closure of Register

The Register of Members will be closed from 28 May 2007 to 31 May 2007, both days inclusive. In order to be eligible for the final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrars of the Company, Standard Registrars Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 25 May 2007.

### Strategy Implementation

#### Corporate Strategy

With an objective of becoming the largest consumer company in China, the Group has been investing in the core consumer businesses to enhance market position, improve competitiveness and develop platform for future growth. For the year ended 31 December 2006, the Group incurred nearly HK\$4 billion on capital expenditure, with a majority on beverage and retail businesses. Major acquisitions during the year included the five breweries in Fujian Province,

福建、浙江、安徽、山西各省及內蒙古自治區的五家啤酒廠。此外，本集團亦有投資興建全新啤酒廠，並對現有啤酒廠進行改造以提升產能。去年在超市業務方面的資本開支，主要用於開設新店和購置店址物業。年內共開設122家超市分店及收購25家超市分店。

與此同時，本集團繼續出售與其核心業務組合無關或缺乏群聚效應的業務或資產。於二零零六年，我們以港幣27.8億元，將中國內地管道燃氣及化工經銷業務的權益，悉數出售予本公司的直接控股公司華潤(集團)有限公司。本集團鑒於出售之時其資產負債率處於低水平，因此決定透過派發特別股息將逾80%的收益回贈股東。

本集團實施以零售帶動經銷的策略繼續取得滿意進展。本集團的食品、飲品及紡織業務開始成為超市業務供應鏈的一部份。尤其食品業務方面，向來為本集團的香港超市供應鮮肉、蔬菜、食米和其他食物產品，是其最大供應商之一，而且近期更將合作範圍擴展至廣東省和浙江省。本集團旗下行銷全國的「雪花」啤酒，經銷網絡亦遍佈本集團的內地超市。對於管理本集團旗下在香港零售物業極富經驗的地產業務部將拓展中國內地購物商場，並以本集團超市作為主要租戶。

本集團亦在加快於中國內地的投資。於回顧年度期間，內地業務佔的整體營業額及稅前溢利分別約為59.3%及41.4%，而截至二零零五年十二月三十一日止年度數字則分別為55.9%及40.6%。

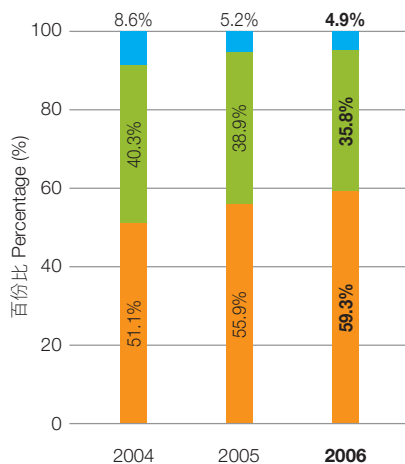
Zhejiang Province, Anhui Province, Shanxi Province and the Inner Mongolia Autonomous Region. In addition, there were investments in the greenfield breweries under construction and existing breweries under renovation for capacity upgrade. The capital expenditure on our supermarket operation last year was mainly for new store opening and purchase of store properties. A total of 122 supermarket stores were opened and 25 supermarket stores were acquired during the year.

Concurrently, the Group has been divesting businesses or assets which are outside our core portfolio or which lacked critical mass. In 2006, our entire interests in piped gas and chemical distribution businesses in the Chinese Mainland were sold to China Resources (Holdings) Company Limited, the Company's immediate holding company, for HK\$2,780 million. In view of our low gearing at the time of disposal, the Group returned over 80% of the proceeds to shareholders by way of a special dividend.

The Group is also making satisfactory progress in the implementation of our retail-led distribution strategy. The Group's food, beverage and textile operations have started to form part of the supply chain for our supermarket business. In particular, the food operation, which has a long history of supplying fresh meat, vegetables, rice and other food products to our supermarkets in Hong Kong, is currently one of their largest suppliers. Their cooperation has recently extended to Guangdong and Zhejiang provinces. "SNOW", our national brand for beer, is also sold extensively in our mainland supermarkets. Our property division, which is very experienced in operating the Group's retail properties in Hong Kong, will develop shopping malls in the Chinese Mainland, with our supermarket stores as anchor tenants.

The Group has also been accelerating its investments in the Chinese Mainland. For the year under review, about 59.3% of turnover and 41.4% of profit before tax was from the mainland, compared with 55.9% and 40.6% respectively in the year ended 31 December 2005.

營業額地區分佈  
Turnover by geographic region



除稅前溢利地區分佈  
Profit before tax by geographic region



## 業務策略

內地消費市場高度散離，經營效益低，且主要以定價作為競爭手段。此外，不同省市的經濟條件、人口分佈和客戶偏好存在重大差別。本集團進入目標地區市場之前，必先對其進行仔細分析。若決定進軍該市場，將以進佔地區領導地位為策略，以冀發揮規模效益。本集團的增長模式包括對外收購和內涵增長，視乎業務性質和市場機遇而定。若進行對外收購，本集團必會嚴格遵守成本原則，仔細權衡不同方案的利弊。除了追求建立業務規模外，我們也積極在日常營運中建立注重成本效益的內部文化，既要監控成本，也要提高生產力，務求提高股東價值。

本集團非常注重品牌策略的發展，通過突出品牌，在競爭對手間別樹一幟。我們的啤酒業務，以行銷全國的「雪花」品牌掛帥，以其他地區及本土品牌為輔。「雪花」啤酒以年輕一族為對象，而品牌一直以「暢享成長」為宣傳主題。在二零零六年，品牌被推廣為「啤酒愛好者的正式合作伙伴」。超市業務方面，本集團致力透過積極加強服務及引進革新零售店形式，樹立卓越的零售連鎖集團形象。在深圳和北京開設以高檔消費者為對象的高尚國際食品專門店「Olé」，均深受客戶歡迎。食品業務的「五豐」品牌，作為優質鮮肉的標誌，早已深入人心，近期進一步推出其他綜合食品，包括大米、米粉、水果、酒類、蛋品、速凍食品、罐頭食品及臘味肉製品等八大種類。

本集團亦在不同層面實施其他業務策略。超市業務中的大型超市提高檔次，不斷改善商品結構及陳列模式，推出更多時尚衣飾產品及提升自營櫃位的比例，尤其在新鮮食品和紡織品方面。飲品業務方面進行分銷渠道的革新，以便更有效控制經銷商及提升供應鏈的效率。食品經銷業務在上海和深圳的設施已投入運作，目前正積極開拓內地鮮肉市場，尋求業務增長。紡織業務專注於生產特色產品，包括MAKO紗線、牛仔消閒服和綿綸絲等。隨著技術改造計劃的完成，高端產品的比例已有提高。

## 經營環境

內地消費市場發展迅速但仍然高度分散。二零零六年中國內地的零售銷售額增長13.7%至約人民幣76,410億元，市場整合趨勢持續。據商務部公佈的數據，前一百家零售商合計銷售額增加25%至人民幣8,550億元，佔零售銷售總額11.2%。

## Business Strategy

The mainland consumer market is highly fragmented with low efficiency while competition is focused on pricing. In addition, there is considerable dissimilarity in the economics, demographics and customer preference of each province and municipality. The Group will analyze in detail the targeted district before entry. Once decided to enter, it will adopt a district dominance strategy in expansion so that economies of scale can be achieved. Both acquisitive and organic growth will be pursued depending on the nature of the business and market opportunities. For acquisitions, the Group has a strong cost discipline while benefits against alternative options are always thoroughly reviewed. Apart from building scale, a culture on cost efficiency in daily operation, looking for concurrent cost control and productivity enhancement, has been promulgated internally to deliver shareholder value.

The Group puts heavy emphasis on branding strategy to differentiate itself from competitors. Our brewery operation has a national branding strategy for "SNOW" complemented by the district and local brands. "SNOW" targets the younger generation, and the brand has been associated with "life's progression". In 2006, the brand was marketed as "the official partner of beer-lovers 啤酒愛好者的正式合作伙伴". On the other hand, our supermarket operation is developing its image as a distinguished retailing chain via enhanced service and store format innovation. Its new format, "Olé", a high-end international food hall targeting upscale consumers, has positively received tremendous response in Shenzhen and Beijing. The "Ng Fung" brand of high quality fresh meat has been well established by our food business. It has recently launched more general food products under this brand which can be broadly classified into eight categories of rice, rice noodles, fruits, wine, eggs, frozen food, canned food and preserved meat.

Other business strategies have also been implemented at different levels. The hypermarket of our supermarket operation has adopted a trade up strategy by improving its merchandise mix and layout. More fashionable apparel products are introduced, and the proportion of self-operated counters is rising, especially in the fresh food and soft line sections. Our beverage business has been reforming its distribution channel to exercise better control over distributors and enhance supply chain efficiency. Our food distribution business is exploiting the mainland fresh meat market for growth with two projects in Shanghai and Shenzhen already in operation. Our textile business focuses on the niche products in production, including MAKO yarns, denim casual wears and nylon textured yarns. The proportion of high-end products has increased following its technology upgrade program.

## Operating Environment

The mainland consumer market is undergoing rapid development but still very fragmented. Retail sales in the Chinese Mainland grew 13.7% to about RMB7,641 billion in 2006 with continuous market consolidation. According to the Ministry of Commerce, sales of the top 100 retailers increased by 25% to RMB855 billion and constituted approximately 11.2% of total retail sales.

去年內地啤酒市場增長步伐加快，總產量估計達35,200,000千升，增長14.7%，對比二零零五年增長10.4%。二零零六年，本集團的啤酒業務取得約15%市場佔有率，而前三位啤酒商所佔的市場份額約為38%，對比二零零五年約佔36%，二零零零年約佔19%。

二零零六年中國內地綿紗及布料的產量分別較上年度增長22%及20%。本集團轉攻高檔產品市場的目標不變，繼續致力於推行技術改造計劃，調整產品組合，逐步以高檔產品取代大量低檔產品。在此過渡調整期間，本集團的紗線及布料產量分別較二零零五年減少1.8%及6.9%。

隨著可支配收入的上升和生活水平的提高，食品開支佔家庭開支的比例將會增加。豬肉是中國人的主要糧食，內地豬肉行業一直穩步增長，去年豬肉消耗量增長約4%。然而，按國際標準，中國的人均肉類消耗量仍然偏低。

香港經濟去年進一步改善。本地消費信心日漸增強，旅遊業持續暢旺，帶動零售額上升7.3%。二零零六年超市和百貨店的銷售額分別較上年度增加4.2%及8.1%。鮮肉消耗量方面，二零零六年的進口和本產活豬牛數量分別約達1,988,100頭及46,500頭，較二零零五年分別減少3%及4%。由二零零六年八月開始，中國內地的冰鮮豬肉獲准進口香港，但對鮮肉消耗量的影響不大。

### 企業管治

董事會堅持以最高的商業道德標準，處理集團的日常業務，並充分了解到，良好的企業管治必須以紀律為本，建立誠信，否則一切經濟成就均無從談起。

董事會亦知悉，本集團在獲得上市地位的同時，其股東及其他利益群體必然要求對其實務常規、制度、監控、標準和價值取向等多加了解。透明度和及時披露信息對知情決策及小股東至為重要，因此兩者乃本集團企業管治架構的關鍵元素。自二零零二年十一月起，本集團已經開始自願公佈季度財務及業務回顧，是恒生指數成份股當中首家亦是至今為止唯一自願公佈季度業績的綜合企業，遠早於香港聯合交易所將此列為主板上市發行人的建議最佳應用守則。

本公司在其企業管治常規手冊中表明，董事會已定下目標，逐步將獨立非執行董事的比例增加至最少三分之一。我們欣然公佈，這個目標

Growth of the mainland brewery market accelerated last year with total production volume increased by an estimated 14.7%, compared to 10.4% in 2005, to 35.2 million kiloliters. In 2006, the Group's brewery operation enjoyed a market share of about 15% whereas the top three players accounted for approximately 38% of the market, compared with 36% in 2005 and 19% in 2000.

In 2006, the production of cotton yarns and fabrics in the Chinese Mainland increased by 22% and 20% over the previous year respectively. Our focus on technology upgrade and rationalizing products with the intention to produce more upmarket products remains unchanged. Quality high-end products are gradually replacing low-end mass products in our product mix. During this adjustment process, our yarns and fabrics production decreased by 1.8% and 6.9% respectively over 2005.

As disposable incomes rise and living standards improve, the proportion of household expenditure on food will increase. There has been a stable growth in the mainland pork industry, the major food of Chinese, with an increase of approximately 4% in consumption last year. Meat consumption per capita in China, however, is still low on international scale.

The Hong Kong economy further improved last year. Retail sales increased by 7.3% alongside rising domestic consumer confidence and buoyant tourism. Supermarket sales and department store sales increased by 4.2% and 8.1% respectively in 2006 over the previous year. For fresh meat consumption, imported and locally produced live pigs and cattle amounted to about 1,988,100 heads and 46,500 heads respectively in 2006. This represents a decline of 3% and 4% respectively when compared to 2005. Import of chilled pork from the Chinese Mainland was allowed in August 2006 but this marginally impacted on the fresh meat consumption.

### Corporate Governance

The Board strongly believes in upholding the highest ethical standards in the course of conducting its business. It is well aware that corporate governance embodies a discipline that builds trust, in the absence of which the Group can hardly achieve economic success.

The Board recognizes that having acquired the listing status, the Group's shareholders and other stakeholders would understandably want to know its practices, systems, controls, standards and values. Transparency and information disclosure are central to well-informed investment decisions and minority shareholders; it follows that they are also the key components of the Group's corporate governance framework. Since November 2002, the Group has been producing quarterly financial and operational review on a voluntary basis. It is the first and also the only conglomerate company among the constituent stocks in the Hang Seng Index to initiate such a move, well before the Hong Kong Stock Exchange made it a recommended best practice for main board listed issuers.

The Company's Corporate Governance Practice Manual has laid down the Board's objective to increase the proportion of Independent Non-Executive Directors to at least one-third over time. We are glad to see that this was fulfilled





董事會成員(由左至右)：謝勝喜、王帥廷、閻颺、蔣偉、喬世波、鄺文謙、王群、宋林

Board members (from left to right) : Xie Shengxi, Wang Shuaiting, Yan Biao, Jiang Wei, Qiao Shibo, Kwong Man Him, Wang Qun, Song Lin

已於回顧年度內達成。隨著陳智思議員和蕭炯柱先生於去年十一月以獨立非執行董事身份加入董事會，董事會 17 位成員中已包括六位獨立非執行董事。

本集團堅持實施優質企業管治，過去成績有目共睹。本集團為建立行之有效的企業管治架構而付出的努力，一直廣受投資界稱許，以下嘉獎為本集團在二零零六年贏得的認同提供明證：

- 在《歐洲貨幣》雜誌二零零六年進行的全球新興市場「最佳企業管治」調查中名列第一；
- 在香港董事學會舉辦的「二零零六年度傑出董事獎」中有幸成為「上市公司（香港交易所－恒生指數成分股）」的「董事會類別」得獎者；
- 獲《亞洲金融》雜誌評選為中國最佳企業管治公司以及中國最佳管理公司之一；
- 在《亞洲企業管治》雜誌舉辦的「二零零六年表揚頒獎－亞洲最佳企業管治公司」中被評選為得獎者之一；及
- 獲《經濟一週》雜誌評選為香港傑出藍籌企業之一。

良好企業管治常規的標準，不會一成不變。本集團將繼續密切注意其現有常規是否充分，務求與時並進。

during the year under review. The Hon. Bernard Charnwut Chan and Mr. Siu Kwing Chue, Gordon joined the Board as Independent Non-Executive Directors in November last year; and after their appointment, the Board consists of six Independent Non-Executive Directors out of a total of 17 members.

The Group has a proven track record of enforcing good corporate governance practices. Its efforts to implement a sound and effective corporate governance framework have been well received by the investment community, and the following accolades attest to the recognition gained by the Group in 2006:

- it was ranked overall number one in the 2006 Euromoney “Best Corporate Governance” survey on global emerging markets;
- it was honored as an Awardee in the Board Category for “Listed Companies (SEHK – Hang Seng Index Constituents)” in the “Directors Of The Year Awards 2006” organized by the Hong Kong Institute of Directors;
- it was rated one of the companies with the best corporate governance in China and also one of the best managed companies in China by FinanceAsia;
- it was selected as one of the recipients of the “Recognition Awards 2006 - The Best of Asia” by Corporate Governance Asia; and
- it was named one of the outstanding enterprises among blue-chip companies in Hong Kong by the Economic Digest.

The standard of good corporate governance practices is always changing. In order to keep up with this dynamic environment, the Group will continue to monitor the adequacy of its existing practices.



董事會成員(由左至右) : 陳樹林、姜智宏、劉百成、陳普芬、黃大寧、李家祥、鄭慕智、陳智思、蕭炯柱

Board members (from left to right) : Chen Shulin, Keung Chi Wang, Ralph, Lau Pak Shing, Chan Po Fun, Peter, Houang Tai Ninh, Li Ka Cheung, Eric, Cheng Mo Chi, Chan Bernard Charnwut, Siu Kwing Chue, Gordon

### 內部監控

董事會負責建立及有效地執行本集團的內部監控制度，以確保達成企業目標、業務運作暢順、資產和利益群體權益獲得保障及財務報表準確可靠。本集團採用之監控架構與美國 Committee of Sponsoring Organizations of the Treadway Commission 及香港會計師公會建議的監控架構一致，作為本集團的內部監控制度標準，以及集團公司的最佳常規。

董事會定期對本集團的內部監控制度作出檢討。截至二零零六年十二月三十一日止年度，董事會已檢討本集團的現行內部監控制度，並信納制度行之有效。有關本集團內部監控制度的詳情，載於本年報內的企業管治報告。

### 社會責任

企業應如何處理其業務經營對道德、環境和社會所造成的影響，已成為公眾近年日益關注的議題。本集團的利益群體，不僅包括股東而且還有客戶、供應商、僱員和社會大眾，日益期望本集團能以更加負責任的態度經營業務，加強對環境和社區的責任承擔。董事會了解到，若不對這些訴求作出適當回應，本集團的持續性發展勢將受到阻礙。

作為指導原則，我們採納開放和高透明度的業務常規，以道德價值觀為基礎，並且尊重社

### Internal Control

The Board is responsible for the Group's system of internal control and its effectiveness to ensure the accomplishment of corporate goals, smooth running of the operations, assets and stakeholders' interest are safeguarded as well as reliability of financial statements. The Group adopts the control framework consistent with the frameworks recommended by both the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in the United States and the Hong Kong Institute of Certified Public Accountants as our standards in establishing control systems and the best practice among our group companies.

The Board conducts regular review of the Group's internal control system. For the year ended 31 December 2006, the Board has reviewed and is satisfied with the effectiveness of the Group's current internal control system in place. A detailed elaboration of the Group's internal control system is set out in full in the Corporate Governance Report of this Annual Report.

### Social Responsibility

How corporations should deal with the ethical, environmental and social impacts of their business operations has drawn much attention from the public in recent years. Stakeholders, including not only shareholders but also customers, suppliers, employees and the society at large, increasingly expect the Group to conduct its business more responsibly and be more accountable to the environment and community. The Board is aware that the absence of appropriate responses to such expectation would hold back the Group's sustainable development.

Our guiding principles are to adopt open and transparent business practices that are based on ethical values and respect for the community, the environment,

區、環境、僱員、股東及其他利益群體，以求締造可持續價值，並將這些價值觀融入本集團的業務決策和過程之中。

環境保護是我們的關注重點之一。本集團努力以有利於保護及保育環境的方式經營業務，並制訂有關政策指引，其中規定本集團於落實任何業務收購建議之前，應對有關業務的環境和生態影響、潛在環境風險等進行評估。年內，本集團的香港超市業務承諾減少派發膠袋，並參加「無膠袋日」活動，體現本集團保育自然資源的企業文化，所得成果使人鼓舞。此外，本集團的內地超市業務亦積極研究提高能源系統的效益，實施了調高店內空調溫度、安裝節能照明系統等措施。本集團向公眾宣傳環保信息亦不遺餘力，飲品業務連續第二年舉辦「雪花啤酒·勇闖天涯」活動，二零零六年製作的紀錄片，以追尋長江源頭為主題，藉此向公眾宣傳保護水源的信息。

本集團以關懷社會為本，致力為貧苦無助者謀福。年內，飲品業務舉辦了不同的活動，向中國內地的貧苦學生提供財務援助，最少有600個學生因此受惠。超市業務在旗下分店內設置捐款箱，幫助慈善團體籌款，並且自二零零四年以來，在中國內地贊助興辦第三家小學。此外，中藝一如往年，捐出一件精緻藝術品拍賣，收入撥作慈善用途。

本集團參與社區事務，並不單止於向慈善機構捐款。二零零六年二月，旗下香港超市業務獲香港社會服務聯會頒發「商界展關懷」標誌。商業機構必須符合「商界展關懷計劃」的六項準則，並且表現良好企業公民的質素，方能獲得「商界展關懷」的標誌。



獲香港超市業務鼎力支持的慈善活動宣傳海報。  
Posters of charity events supported by our supermarket division.



「雪花」啤酒贊助的活動，在青海省長江源頭立碑。  
A monument was erected to mark the origin of the Yangtze River in Qinghai Province in a campaign sponsored by "SNOW".



「雪花」啤酒向中國貧苦學生提供財務援助。  
"SNOW" offered financial assistance to poverty-stricken students in China.

employees, shareholders and other stakeholders so as to deliver sustainable value, and to incorporate such values into our business decisions and processes.

Environmental protection is one of the focal areas that we address. The Group endeavors to conduct business in ways that protect and preserve the environment. There are policies to guide us in this regard, which stipulate that the Group should, among other things, evaluate the environmental and ecological impact from its operations, and assess the potential environmental risks before any proposed business acquisition should be proceeded. One of the examples of our corporate culture to protect and preserve natural resources is the pledge by our supermarket division in Hong Kong to reduce the distribution of plastic bags and the participation in the "No Plastic Bag Day" event. The result was encouraging. Also, our mainland supermarket division has been looking for ways to improve its energy system's efficiency. Initiatives included raising in-store air-conditioner temperature and installing energy saving lighting system. In addition, the Group promotes public awareness of the need to protect our environment. For the second consecutive year, our beverage operation launched the campaign called "The Great Expedition with SNOW (雪花啤酒·勇闖天涯)". The 2006 campaign produced a documentary program on adventures to trace the origin of the Yangtze River, with an aim to encourage the public to protect our water sources.

The Group also cares for the community and constantly works for the good of the underprivileged. During the year, our beverage division organized different activities the purpose of which was to provide financial assistance to poverty-stricken students in the Chinese Mainland, and at least 600 students benefited as a result. Our supermarket division helped raise money for charity through in-store donation collection boxes, and sponsored the establishment of the third primary school in the Chinese Mainland since 2004. Like the year before, Chinese Arts & Crafts put up an exquisite art item for auction and donated the entire proceeds to a charitable fund.

The Group's community involvement goes beyond donations to charitable organizations. Our supermarket division in Hong Kong obtained the Caring Company Logo Award from the Hong Kong Council of Social Service in February 2006. This logo was awarded to companies which satisfied the six criteria of the Caring Company Scheme and demonstrated good corporate citizenship.



去年，本集團與顧問公司合作，對集團中港業務進行大型的客戶滿意度調查。這項定期的舉措，有助於本集團了解自己的市場優勢以及不足之處，並從客戶的角度出發，改善產品與服務。我們非常重視客戶的意見，以提高客戶滿意度作為履行社會責任的指標，以及增強競爭力的手段。

鑒於本集團的業務多元化，企業社會責任問題亦可以從多個角度去處理。因此，我們將繼續不斷探討新措施，務求更好地履行作為良好企業公民的責任。

### 投資者關係

我們的最終目標，是要為股東價值創造長期、穩定的增長。本集團一直鼓勵投資者、高級管理層與營運管理層之間建立有效的三方溝通渠道，以達到高水平的企業管治標準。本集團瞭解業務多元化的綜合企業所獨有的特點和需要，深知單單改善投資者關係並不足恃，同時亦需加強投資界、高級管理層與各業務單位之間的有效溝通。

本集團經常與投資界保持公開對話溝通。每年一度於四月左右進行為期三周的環球路演，造訪歐洲、美國及亞洲的機構投資者，此舉深受投資界歡迎。二零零六年環球路演的重點是介紹本集團旗下的超市及飲品業務，深入分析本集團的獨特優勢、策略和市場的競爭情況。該兩個業務的主管人員亦聯同總部高級管理層一起參加路演。七月間為分析員和基金經理舉行的公司開放日，也得到業界的良好反應，分析員和基金經理在為期三日的考察行程中，參觀了本集團的上海肉類加工中心，以及浙江省的超市和啤酒業務。於二零零六年，高層管理人員聯同來自不同業務單位的主管人員出席超過230次的商務會議，包括單獨面談、實地考察、午餐講座及金融機構安排的會議等，總共會見約630名分析員和基金經理。



高級管理層出席業績簡報會，向新聞媒體介紹最新業務發展。  
Senior management attended the result briefing for the media to explain the latest business development.

The Group conducted a large-scale customer satisfaction survey on our businesses in both the Chinese Mainland and Hong Kong together with consultancy firms last year. This regular exercise enables us to identify our strengths and weaknesses in the marketplace, so as to improve our products and services from customer perspective. We respect the opinions of our customers and view their satisfaction as an attribute in fulfilling our social responsibility as well as a tool to enhance our competitive edge.

In view of the diversity of the Group's businesses, the issues of corporate social responsibility can be tackled from many angles. We will continuously explore new initiatives to fulfill our duty as a good corporate citizen.

### Investor Relations

Our ultimate goal is to create a steady, long term growth in shareholder value. The Group has been encouraging a tripartite communication system among investors, senior management and operational management to reach high standards of corporate governance. Understanding the unique features and specific needs of a conglomerate enterprise of different businesses, we strive to go beyond merely improving investor relations, but also promoting effective communication among investment community, senior management and various business units.

The Group maintains an open dialogue with the investment community. Our practice for conducting a three-week global roadshow annually around April to visit institutional investors in Europe, the United States and Asia has highly been appreciated by the investment community. The focus in the 2006 global roadshow was on our supermarket and beverage operations and detailed analysis on our niche, strategies and the competitive environment was presented. Chief executives of the two operations also participated in the roadshow together with senior management from the headquarters. The Corporate Day held in July for analysts and fund managers was also well received. During the three-day tour, the syndicate visited our meat processing centre in Shanghai, supermarket and brewery operations in Zhejiang Province. In 2006, top management along with senior management of different business units met with about 630 analysts and fund managers in over 230 meetings including one-on-one meetings, site visits, luncheons as well as conferences arranged by financial institutions.



副董事總經理鄭文謙率領分析員和基金經理考察團，參觀本集團位於浙江省杭州的啤酒廠。  
Deputy Managing Director Kwong Man Him led the analyst and fund manager syndicate to visit the brewery plant at Hangzhou, Zhejiang Province.



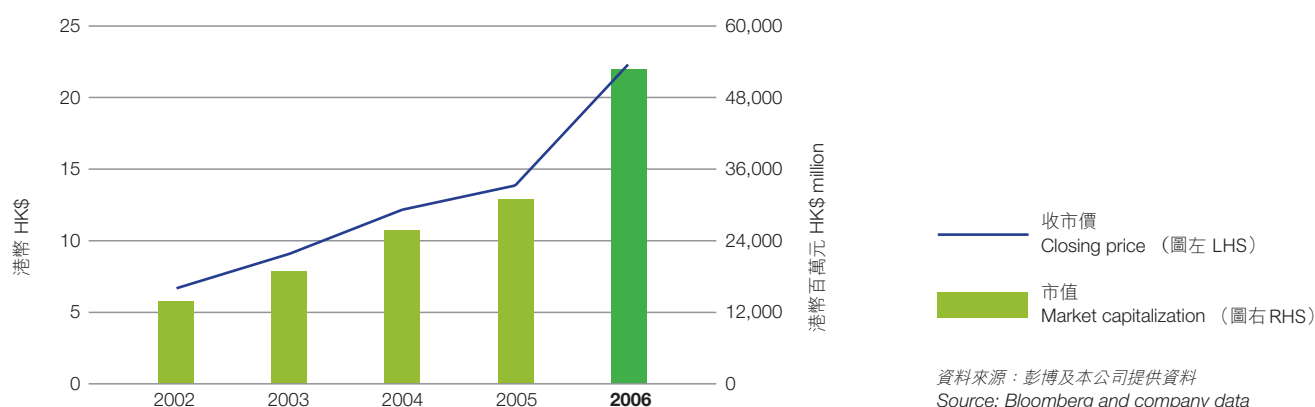
## 股價表現

二零零六年華潤創業的股價上升至港幣22.35元，升幅達61.4%，較恒生指數的升幅高出20.2%。年內，股價於二零零六年十二月十三日收市報港幣23.70元，創下亞洲金融危機以來的新高，而全年最低收市價則為港幣13.80元。年內華潤創業的市值亦增至港幣527.11億元，升幅達70.4%。

## Share Performance

CRE's share price rose 61.4% to HK\$22.35 in 2006, outperforming the Hang Seng Index by 20.2%. During the year, its daily closing share price hit a post-Asian financial crisis high of HK\$23.70 on 13 December 2006. The lowest closing price was HK\$13.80. CRE's market capitalization also grew 70.4% to HK\$52,711 million in the year.

華潤創業由二零零二至二零零六年的年終收市價及市值  
Year-end closing price and market capitalization of CRE for 2002-2006



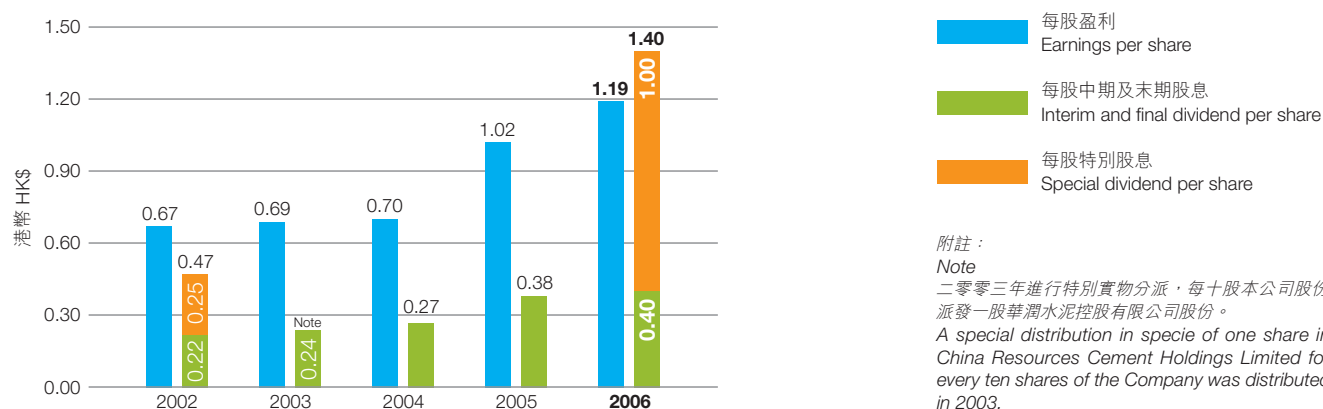
## 派息比率

本集團向來以逐步改善基本現金股息分派比率為目標，一直以來亦付諸實現。本集團派發基本現金股息的準則，是要在公司盈利增長帶來的現金與促進未來溢利增長所需的現金之間取得平衡。此外，在特殊情況下，也會考慮派發特別股息，但需視乎當時財務狀況、資金需求和市場環境而定。二零零六年，本集團出售管道燃氣和化工經銷業務，為此派發特別現金股息每股港幣1元。本集團亦曾於二零零二及二零零三年就剝離銀行和建材等非核心資產派發特別股息。

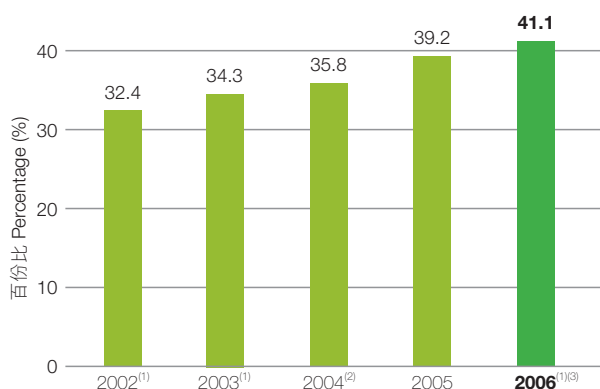
## Dividend Payout Ratio

The Group has long had a goal of gradually improving its basic cash dividend payout ratio and has continuously delivered upon this goal. We plan to pay basic cash dividends that balance the cash generated from the growth of the company's earnings with the cash needed to fuel future profit growth. In addition, special dividends would be considered for exceptional events, subject to the prevailing financial position, funding needs and market environment. In 2006, a special cash dividend of HK\$1 per share was paid following the disposal of the Group's piped gas and chemical distribution businesses. Special dividends were also distributed in 2002 and 2003 during which the non-core assets in banking and building materials were divested.

二零零二至二零零六年每股盈利及每股股息 Earnings and dividend per share for 2002-2006



## 二零零二至二零零六年基本現金股息分派比率 Basic cash dividend payout ratio for 2002-2006



附註：(1) 附表並不包括於二零零二年派發每股港幣0.25元的特別現金股息、二零零三年以分派實物方式每十股本公司股份派發一股華潤水泥控股有限公司股份、以及二零零六年派發特別現金股息每股港幣1元。  
The chart has excluded the distribution of special dividends of HK\$0.25 per share in cash in 2002, one share in China Resources Cement Holdings Limited for every ten shares of the Company in 2003 in specie and HK\$1 per share in cash in 2006.

(2) 根據二零零四年年報所列之股東應佔溢利計算。二零零四年股東應佔溢利經以前年度調整而重列後，現金股息分派比率會重列為38.8%。  
Calculation is based on profit attributable to shareholders as reported in the annual report of 2004. Taken into account of prior year adjustments with the profit attributable to shareholders of 2004 restated, the payout ratio shall be restated to 38.8%.

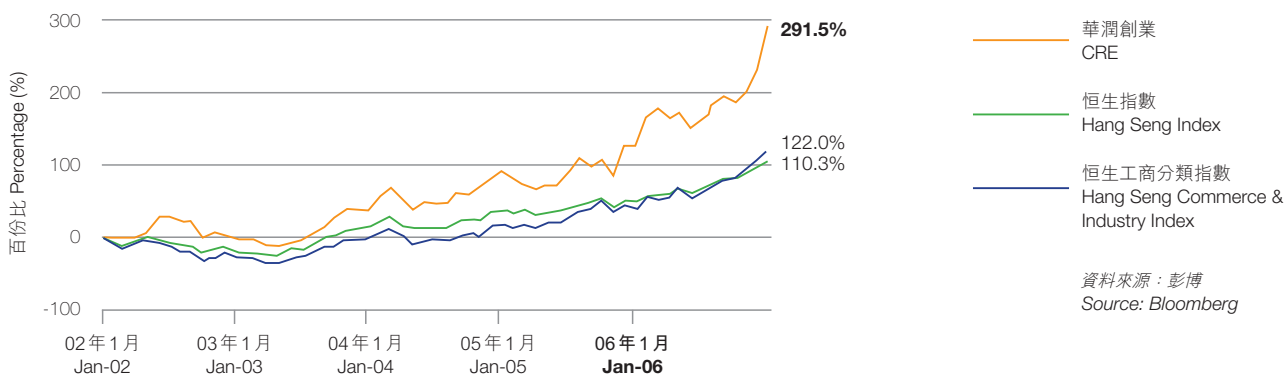
(3) 計算基於股東應佔溢利減去管道燃氣及化工經銷業務的出售收益。  
Calculation is based on profit attributable to shareholders less the disposal gain of the piped gas and chemical distribution businesses.

## 股東回報總額

隨著逐步將業務焦點轉向消費行業、業績表現強勁及不斷提升企業管治水平，過去五年華潤創業股份按股價升幅及將股息再投資計算，股東回報總額達291.5%，遠高於恒生指數及恒生工商分類指數的幅度。二零零六年度的股東回報總額為72.5%，而恒生指數及恒生工商分類指數的平均幅度則分別為39.0%及53.1%。

## Total Shareholder Return

With the gradual re-alignment of our business focus on the consumer sector, robust operating performance and rising corporate governance standard, CRE's shares achieved a total return for shareholders of 291.5% over the past five years, as measured by share price appreciation and reinvested dividend. This is considerably higher than that of the Hang Seng Index and the Hang Seng Commerce & Industry Index. For the year 2006, the total return for shareholders was 72.5%, compared to the average 39.0% of the Hang Seng Index and 53.1% of the Hang Seng Commerce & Industry Index.

二零零二至二零零六年華潤創業股東回報總額相對大市指數的表現  
Total shareholder return of CRE relative to market indices for 2002-2006

## 前景

本集團的核心消費業務在二零零六年取得驕人成績。在超市業務的帶動下，集團的零售業務錄得令人鼓舞的溢利增長。啤酒銷售量上升34%至5,300,000千升，成為中國內地最大的啤酒商。行銷全國的「雪花」啤酒，銷量繼續大幅增長，進一步鞏固作為全國最大啤酒品牌的地位。食品業務也錄得近年最強勁的基礎淨溢利增長，而集團的內地肉類加工項目也進展良好。紡織業務方面，儘管溢利受制於嚴峻的經營環境而下降，但於技術改造計劃完成後，市場對其高端MAKO紗線產品需求甚殷。今後紡織業務將專注於生產特色產品，優化產品組合。

## Prospects

2006 was a remarkable year for our core consumer businesses. There was encouraging profit increase in our retail business led by our supermarket operation. With a 34% rise in beer sales volume to 5.3 million kiloliters, our beverage business became the largest brewer on the mainland. The tremendous growth of the national brand, "SNOW", also reinforced its position as the country's largest beer brand. Underlying net profit growth of our food business was the strongest in recent years while its mainland meat processing projects progressed well. For our textile business, despite a profit decline amidst challenging operating environment, there was a strong demand for its high-end yarn products, MAKO, after technology upgrade and our future focus will be on producing niche products and product mix enhancements.

中國個人消費增長蓬勃，零售市場日趨開放，吸引了不少全球性的集團進駐中國市場，使得內地超市業務競爭異常激烈。市場整合的步伐將會加快，因此本集團的超市業務必須不斷提高核心競爭力，鞏固市場定位。今後的擴張將會非常專注於地區和業態，務求以最具效益的方式迅速在目標地區建立主導地位。日後開設新店將以大型超市和標準超市為主，視乎地方人口分佈和經濟狀況而定。為改善商場購物的環境和減輕零售店鋪租金上漲的影響，我們將一部分的大型超市用地，租予能帶來互補效應的租戶。此外，本集團亦按嚴格條件購入一部份的店鋪物業，並開始整合華東的採購與物流網絡。

本集團的飲品業務，仍會繼續將其啤酒廠網絡從現時沿海區域和長江流域擴展至鄰近地區。儘管在新區域設廠的成本較高，但為有效發展全國經銷網絡的緣故，此舉仍屬勢在必行。同時，我們希望通過對業務營運的改進，實現有利可圖的業務擴充。我們將會採取對外收購、新廠投資、擴能改造等三軌並進的方式，實現產能增長。隨著「雪花」啤酒迅速發展為行銷全國的品牌，本集團可望減少對外部收購的倚賴。「雪花」品牌廣受歡迎，乃本集團致力推行品牌定位、營銷策略和市場整合的成果。鑒於市場對優質啤酒的需求與日俱增，今年我們將繼續加強「雪花」品牌在北京、廣州和上海等大城市的銷售工作，加以配合。

中國內地的冰鮮豬肉從去年下半年開始獲准進口香港，但對本集團從內地進口牲畜的食品業務，影響甚微。我們已成功將「五豐」品牌塑造為優質鮮肉的標誌，在市場對食品安全日益關注之際，其品牌形象的優勢尤其突出。本地農場供應的新鮮豬肉，乃香港唯一其他活豬供應來源，然而特區政府為控制環境污染，已於二零零六年年中推出豬農退還牌照計劃，未來本地活豬供應勢將進一步減少，而供應真空將由進口填補。本集團的深圳和上海肉類加工項目均進展順利，並已在該兩個城市建立具有競爭力的供應鏈，涵蓋豬隻採購、屠宰、肉類生產、以至零售等環節。本集團憑藉其經驗和信譽，應可在內地肉類市場掌握更多投資機會。

受內地紡織產品限制性配額等因素所影響，集團的紡織業務去年業績未盡如意，今後將專注於競爭力較強、利潤能力較高的產品。本集團在高端紗線和尼龍產品方面已建立優勢，可滿足海外市場對優質襯衫和絲襪的需求。我們亦正瞄準開發以牛仔消閒服為主的成衣出口業務。

The mainland supermarket business is highly competitive as global players are increasingly attracted by China's robust private consumption growth and the liberalized retail market. Market consolidation will accelerate and the Group's supermarket operation needs to continually enhance its core competence and market niche. Future expansion will be very focused in terms of location and store format to establish dominance within the target district in the most efficient way. We will open mainly hypermarket and standard supermarket depending on the local demographics and economies. To improve shopping environment and alleviate the impact of rising retail rentals, we are leasing out some of the hypermarket space to complementary tenants. We are also buying some of the store properties on stringent requirements and have started to integrate the procurement and logistics networks in Eastern China.

Our beverage business will continue to spread its brewery network along the coastal line and Yangtze River into the neighboring areas. Although the start up cost is high for new districts, this is essential in order to develop an efficient national distribution network. At the same time, we aim to attain profitable expansion via operational improvements. A three-pronged approach will be adopted to grow production capacity through acquisition, greenfield investment and capacity upgrade. The reduced reliance on acquisition is made possible with the rapid development of "SNOW" as a national brand. The popularity of "SNOW" is the result of our success in brand positioning, marketing strategies and market consolidation. We will step up our sales efforts for "SNOW" this year in the major cities including Beijing, Guangzhou and Shanghai as there is rising demand for quality beer.

Import of chilled pork from the Chinese Mainland was allowed in the second half of last year but there has been little impact on our food business, which imports livestock from the mainland. We have successfully developed "Ng Fung" brand as high quality fresh meat, creating a strong premium brand image amidst growing concerns over food safety. Supply of fresh pork from the local farms, the only other source of live pigs in Hong Kong, will be further reduced by the introduction of a pig farm license surrender scheme in middle 2006 to control Hong Kong's pollution problems. The shortfall will be satisfied by imports. Our mainland meat processing projects in Shenzhen and Shanghai are progressing well. We have developed a competent supply chain from pig sourcing, slaughtering, meat production to retailing in the two cities. Our experience and reputation put us in a favorable position to capture further investment opportunities in the mainland meat market.

Following a slack result last year, which was partly due to the restrictive quotas on mainland textile products, our textile business will concentrate on products with better competitiveness and margins. We have established our comparative advantage in higher end yarn and nylon products to match strong overseas demand for high quality shirts and stockings. We are also targeting denim casual wears to lead our garment export.



我們經營所在的市場，均呈現良好經濟形勢。中國經濟於二零零六年繼續向前邁進。中央政府為確保均衡及可持續的經濟發展，已將穩定經濟增長和低通脹定為今年的目標。中央政府又以刺激內需為推動經濟增長的主要動力，並實施多項措施以縮短收入差距。至於近期的經濟降溫措施，只是針對一些投資過熱的領域。香港方面，在失業率持續下降、工資普遍有所增加、來港旅客數字上升及物業市場穩步向好的情況下，經濟持續強勁。

展望二零零七年及往後日子，我們的經營重點將環繞如何落實計劃，將集團建立成全國最大規模的消費企業。非核心資產的出售也將繼續進行。繼去年出售中國內地的管道燃氣及化工經銷業務後，近期已簽訂框架協議，預備出售香港的石油經銷業務，即本集團石油業務所剩下的唯一業務。上述並行之努力皆以提高股東價值為目標。我們對出售非核心資產所形成的盈利真空，將會逐步由核心業務及出售收益用於再投資所帶來的盈利貢獻填補，感到樂觀。以中國內地消費市場規模之大、增長之快，未來數年必將商機無限，深信我們必能抓緊機遇，為股東締造超卓佳績。

### 致謝

我們近年大幅度強化董事會，以推動企業管治常規。二零零六年年底，陳智思議員和蕭炯柱先生加入董事會成為獨立非執行董事，他們兩位的知識與專長，必將為集團帶來寶貴的裨益。本人謹向陳先生和蕭先生致以熱烈的歡迎。

本集團的經營一向講求團隊合作，全賴僱員竭誠盡忠，努力不懈，方能取得佳績。他們不斷推陳出新，致力追求卓越，為集團形成以業績為本的獨特文化。在此，本人要向全體僱員表示謝意，並要感謝我們的股東、客戶、業務夥伴和其他利益群體對本集團的支持。

主席  
宋林

香港，二零零七年四月四日

The economic environment of the markets we operate is positive. China's economy continued to churn ahead in 2006. To ensure balanced and sustainable economic development, the central government has set stable economic growth and low inflation targets for this year. It has made boosting domestic consumption a priority for driving economic growth and introduced measures to narrow the income gap. The recent measures to slow down the mainland economy are only specific to certain over-invested sectors. In Hong Kong, the economy is strong with falling unemployment rate, increased salaries, rising tourist arrivals and steadily improving property market.

Looking ahead into 2007 and beyond, our focus is on the execution of our plan to build the Group into the largest consumer company in China. Divestment of the non-core assets will also continue. After the sale of our piped gas and chemical distribution operations in the Chinese Mainland last year, a framework agreement has been signed recently relating the disposal of our petroleum distribution operation in Hong Kong, the only remaining business in our petroleum division. These parallel efforts have a common goal – to improve shareholder return. We are optimistic that the earnings gap created after the disposal of our non-core assets will be gradually filled by our core businesses and new contributions from re-investment of the disposal proceeds. As the mainland consumer market is huge and growing fast, we are excited about the opportunities in the years ahead and are confident in our ability to capitalize on them and deliver superior results to our shareholders.

### Appreciation

We have considerably strengthened our Board in recent years to promote corporate governance practices. In late 2006, two Independent Non-Executive Directors joined our Board, namely The Hon. Bernard Charnwut Chan and Mr. Siu Kwing Chue, Gordon, whose knowledge and expertise will surely be invaluable to the Group. I would like to extend a warm welcome to Mr. Chan and Mr. Siu.

With a team approach in our operation, our success highly depends on the full dedication from our hardworking employees. Their innovation as well as commitment to excellence have helped us build a unique result-oriented culture, and I take this opportunity to thank them. I also wish to express my gratitude to our shareholders, customers, business partners and other stakeholders for their support of the Group.

SONG LIN  
Chairman

Hong Kong, 4 April 2007