

The directors of the Company (the "Directors") present to the shareholders their report together with the audited financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2005 (the "Year").

本公司董事（「董事」）謹向股東提呈董事會報告書連同本公司及其附屬公司（「本集團」）截至二零零五年十二月三十一日止年度（「本年度」）之經審核財務報表。

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities and other particulars of its principal subsidiaries and associates as at 31st December, 2005 are set out in notes 37 and 38 to the financial statements.

主要業務

本公司為投資控股公司，其主要附屬公司及聯營公司於二零零五年十二月三十一日之主要業務及其他資料載於財務報表附註 37 及 38。

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated income statement on page 47.

業績及分配

本集團於本年度之業績載於第 47 頁之綜合收益表。

No interim dividend was declared for the Year (2004: Nil) and the Board did not recommend any payment of final dividend for the Year (2004: Nil).

本年度並無宣派中期股息（二零零四年：無）而董事會亦不建議派付本年度之末期股息（二零零四年：無）。

SEGMENT INFORMATION

An analysis of the Group's revenue and contribution to profit for the Year by principal activities is set out in note 8 to the financial statements.

分類資料

本集團按主要業務劃分之本年度收入及溢利分析載於財務報表附註 8。

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 110.

財務概要

本集團過往五個財政年度之業績、資產與負債概要載於第 110 頁內。

INVESTMENT PROPERTIES

Movements in the investment properties during the year are set out in note 17 to the financial statements.

投資物業

投資物業於年內之變動載於財務報表附註 17。

PROPERTY AND OTHER FIXED ASSETS

Movements in the property and other fixed assets during the year are set out in note 18 to the financial statements.

物業及其他固定資產

物業及其他固定資產於年內之變動情況載於財務報表附註 18。

PROPERTIES HELD FOR DEVELOPMENT

Movements in the properties held for development during the year are set out in note 19 to the financial statements.

持作發展物業

持作發展物業於年內之變動載於財務報表附註 19。

PROPERTY INTERESTS HELD FOR DEVELOPMENT

Movements in the property interests held for development during the year are set out in note 20 to the financial statements.

持作發展之物業權益

持作發展之物業權益於年內之變動載於財務報表附註 20。

PREPAID LEASE PAYMENTS

Movements in the prepaid lease payments during the year are set out in note 21 to the financial statements.

預付租賃款項

預付租賃款項於年內之變動載於財務報表附註 21。

PRINCIPAL PROPERTIES

Details of the principal properties of the Group at 31st December, 2005 are set out on pages 111 to 116.

主要物業

本集團於二零零五年十二月三十一日之主要物業詳情載於第 111 至 116 頁內。

SHARE CAPITAL

With a view to broadening the capital base of the Company, 56,460,000 shares of the Company were issued and allotted to the independent investors on 2nd February, 2005 pursuant to a placing agreement entered into between the Company and its placing agent on 24th January, 2005. The net proceeds of approximately HK\$52.8 million had been used as general working capital.

股本

為擴闊本公司之資本基礎，於二零零五年二月二日，本公司根據與配售代理於二零零五年一月二十四日訂立之配售協議，向獨立投資者發行及配發 56,460,000 股本公司股份。所得款項淨額約 52,800,000 港元已用作一般營運資金。

Movements in the share capital of the Company during the year are set out in note 30 to the financial statements.

本公司之股本於年內之變動載於財務報表附註 30。

RESERVES

Movements in the reserves of the Group and the Company during the year are set out on page 50 and in note 31 to the financial statements respectively.

儲備

本集團及本公司之儲備於年內之變動情況分別載於第 50 頁及財務報表附註 31。

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

MAJOR SUPPLIERS AND CUSTOMERS

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers contributed approximately 59% and 95% of the Group's total purchases for the Year.

The aggregate revenue attributable to the Group's largest customer and five largest customers accounted for 11% and 38% of the Group's total revenue for the Year.

None of the Company's directors, their associates, or any shareholders of the Company (which to the knowledge of the Company's directors owned more than 5% of the Company's issued shares) had a beneficial interest in any of the Group's five largest suppliers and customers.

DIRECTORS

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

Executive Directors:

Mr. Thomas Lau, Luen-hung (*Chairman*)

Mr. Joseph Lau, Luen-hung (*Chief Executive Officer*)

Independent Non-executive Directors:

Mr. Wang, Jian-guo

Mr. Mok, Hon-sang

Mr. Wong, Tik-tung

購買、出售或贖回上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

主要供應商及客戶

本年度本集團累計之最大供應商及五大供應商應佔之購貨總額分別佔本集團購貨總額約 59% 及 95%。

本年度本集團累計之最大客戶及五大客戶應佔之收入總額分別佔本集團總營業收入之 11% 及 38%。

本公司董事、彼等之聯繫人士或本公司任何股東（據本公司董事所知擁有本公司已發行股份逾 5% 者）概無擁有本集團任何五大供應商或客戶之實益權益。

董事

於年內及直至本報告日期止，董事為：

執行董事：

劉鑾鴻先生（主席）

劉鑾雄先生（行政總裁）

獨立非執行董事：

王建國先生

莫漢生先生

汪滌東先生

DIRECTORS (cont'd)

With effect from 29th March, 2006, the offices of the following Directors have been changed:

- a) Mr. Thomas Lau, Luen-hung has resigned as the Chairman and Executive Director of the Company;
- b) Mr. Joseph Lau, Luen-hung has resigned as the Chief Executive Officer and Executive Director of the Company;
- c) Mr. Matthew Cheong, Veng-va, has been appointed as the Chairman and Executive Director of the Company; and
- d) Ms. Teresa Poon, Mun-chie, has been appointed as the Chief Executive Officer and Executive Director of the Company.

In accordance with Articles 92 and 101 of the Company's Articles of Association, Mr. Matthew Cheong, Veng-va, Ms. Teresa Poon, Mun-chie and Mr. Wang, Jian-guo will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

No Director being proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

董事（續）

由二零零六年三月二十九日起，以下董事之職位已作出調動：

- a) 劉鑾鴻先生已辭任為本公司主席及執行董事；
- b) 劉鑾雄先生已辭任為本公司行政總裁及執行董事；
- c) 昌榮華先生已獲委任為本公司主席及執行董事；及
- d) 潘敏慈小姐已獲委任為本公司行政總裁及執行董事。

根據本公司組織章程細則第 92 及 101 條之規定，昌榮華先生、潘敏慈小姐及王建國先生將告退，惟彼等願於即將舉行之股東週年大會上膺選連任。

擬於即將舉行之股東週年大會上膺選連任之董事概無訂立本集團不可於一年內毋須支付賠償（法定賠償除外）而終止之服務合約。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS

董事及最高行政人員於本公司及相聯法團之證券權益

As at 31st December, 2005, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register kept by the Company pursuant to 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 were as follows:-

於二零零五年十二月三十一日，本公司董事及最高行政人員於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第 XV 部）之股份、相關股份及債券中擁有根據證券及期貨條例第 352 條置存之登記冊所載錄或根據上市發行人董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉如下：

I. The Company 本公司

Name of Director 董事姓名	Number of Shares (ordinary share) 股份數目（普通股）	Note 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Joseph Lau, Luen-hung 劉鑾雄	209,811,186	1	Interest in Controlled Corporation 於受控制 公司之權益	61.93%

II. Associated Corporations of the Company 本公司之相聯法團

Chinese Estates 華人置業

Name of Director 董事姓名	Number of Shares (ordinary share) 股份數目（普通股）	Note 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Joseph Lau, Luen-hung 劉鑾雄	1,000,000,000	2	Other Interests 其他權益	
	275,143,456	3	Other Interests 其他權益	
	<u>1,275,143,456</u>			60.96%
Thomas Lau, Luen-hung 劉鑾鴻	199,207,187	4	Other Interests 其他權益	9.52%

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS (cont'd)

董事及最高行政人員於本公司及相聯法團之證券權益（續）

G-Prop 金匡

Name of Director 董事姓名	Number of Shares (ordinary share) 股份數目（普通股）	Note 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Joseph Lau, Luen-hung 劉鑾雄	397,858,761	5	Interest in Controlled Corporation 於受控制 公司之權益	50.10%
Notes:			附註：	
1. Mr. Joseph Lau, Luen-hung, by virtue of his 60.96% interest in the issued share capital of Chinese Estates as disclosed in paragraph II above, was deemed to be interested in these shares of the Company under the provisions of the SFO.			1. 正如上文第II段所披露，劉鑾雄先生擁有華人置業已發行股本中之60.96%權益，故根據證券及期貨條例之規定，被視為擁有該等本公司股份。	
2. The 1,000,000,000 shares of Chinese Estates were held by a unit trust of which Mr. Joseph Lau, Luen-hung was a unit holder. The rest of the units in the unit trust were held by a discretionary trust of which Mr. Joseph Lau, Luen-hung was the founder and certain family members of Mr. Joseph Lau, Luen-hung were eligible beneficiaries.			2. 該等1,000,000,000股華人置業股份由一項以劉鑾雄先生為單位持有人之單位信託基金持有。該單位信託基金餘下之單位由一項以劉鑾雄先生為創立人及劉鑾雄先生之若干家族成員為合資格受益人之全權信託持有。	
3. The 275,143,456 shares of Chinese Estates were held by another discretionary trust of which certain family members of Mr. Joseph Lau, Luen-hung were eligible beneficiaries.			3. 該等275,143,456股華人置業股份由另一項以劉鑾雄先生之若干家族成員為合資格受益人之全權信託持有。	
4. These shares were indirectly owned by another discretionary trust of which certain family members of Mr. Thomas Lau, Luen-hung were eligible beneficiaries.			4. 該等股份由另一項以劉鑾鴻先生之若干家族成員為合資格受益人之全權信託間接擁有。	

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS (cont'd)

5. Mr. Joseph Lau, Luen-hung, by virtue of his 60.96% interest in the issued share capital of Chinese Estates as disclosed in paragraph II above, was deemed to be interested in 397,858,761 shares of G-Prop under the provisions of the SFO. Chinese Estates was interested in 397,858,761 shares of G-Prop of which 170,000,000 shares, 113,818,911 shares, 37,162,165 shares and 76,877,685 shares were issued shares respectively held by Million Point Limited ("Million Point"), Paul Y. Holdings Company Limited ("Paul Y."), Great Empire International Ltd. ("Great Empire") and Luckpoint Investment Limited ("Luckpoint").

Chinese Estates was deemed to be interested in the 170,000,000 shares of G-Prop by virtue of the SFO as Chinese Estates owned the entire issued share capital of Chinese Estates, Limited, which owned the entire issued share capital of Cosmos Success Limited which in turn owned the entire issued share capital of Million Point.

Chinese Estates was also deemed to be interested in the 113,818,911 shares of G-Prop by virtue of the SFO as Chinese Estates owned the entire issued share capital of Paul Y.

Chinese Estates was also deemed to be interested in the 37,162,165 shares of G-Prop by virtue of the SFO as Chinese Estates owned the entire issued share capital of Paul Y., which in turn beneficially owned the entire issued share capital of Great Empire.

Chinese Estates was also deemed to be interested in the 76,877,685 shares of G-Prop by virtue of the SFO as Chinese Estates owned the entire issued share capital of China Entertainment and Land Investment Company, Limited, which in turn owned the entire issued share capital of Luckpoint.

All the interests stated above represent long positions. The percentage shown was the number of shares the relevant Director was interested expressed as a percentage of the number of issued shares as at 31st December, 2005.

Save as disclosed above, none of the other Directors and chief executives of the Company had or were deemed under the SFO to have any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within Part XV of the SFO) as at 31st December, 2005, and none of the Directors or chief executives of the Company nor their spouses or children under 18 years of age were granted or had exercised any right to subscribe for any securities of the Company or any of its associated corporations during the year.

董事及最高行政人員於本公司及相聯法團之證券權益（續）

5. 正如上文第II段所披露，劉鑾雄先生擁有華人置業已發行股本中之 60.96% 權益，故根據證券及期貨條例之規定，被視為擁有金匡之 397,858,761 股股份。華人置業擁有 397,858,761 股金匡股份，其中 170,000,000 股、113,818,911 股、37,162,165 股及 76,877,685 股之已發行股份分別由 Million Point Limited (「Million Point」)、Paul Y. Holdings Company Limited (「Paul Y.」)、Great Empire International Ltd. (「Great Empire」) 及樂邦投資有限公司 (「樂邦」) 持有。

由於華人置業擁有華人置業有限公司之全部已發行股本，而華人置業有限公司擁有 Cosmos Success Limited 之全部已發行股本，後者則擁有 Million Point 之全部已發行股本，華人置業根據證券及期貨條例被視為擁有上述 170,000,000 股金匡股份。

由於華人置業擁有 Paul Y. 之全部已發行股本，華人置業根據證券及期貨條例亦被視為擁有上述 113,818,911 股金匡股份。

由於華人置業擁有 Paul Y. 之全部已發行股本，而 Paul Y. 實益擁有 Great Empire 之全部已發行股本，華人置業根據證券及期貨條例亦被視為擁有上述 37,162,165 股金匡股份。

由於華人置業擁有中華娛樂置業有限公司之全部已發行股本，而中華娛樂置業有限公司擁有樂邦之全部已發行股本，華人置業根據證券及期貨條例亦被視為擁有上述 76,877,685 股金匡股份。

上述所有權益均為好倉。所顯示的百分比為有關董事於二零零五年十二月三十一日擁有之股份數目佔已發行股份數目之百分比。

除上文所披露者外，於二零零五年十二月三十一日，本公司其他董事及最高行政人員概無擁有或根據證券及期貨條例被視為擁有本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券之任何權益或淡倉，並於本年度內，本公司之董事或最高行政人員或彼等之配偶或未滿十八歲之子女概無獲授予或已行使任何可認購本公司或其任何相聯法團之證券之任何權利。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY

主要股東於本公司之證券權益

As at 31st December, 2005, so far as are known to the Directors, the following parties (other than a Director or chief executive of the Company) were recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified to the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:

據董事所知悉，於二零零五年十二月三十一日，本公司根據證券及期貨條例第336條須置存之登記冊所載錄或按其他方式知會本公司，直接或間接擁有或被視為擁有本公司已發行股本5%或以上權益之人士（本公司之董事或最高行政人員除外）如下：

Name	Number of Shares (ordinary share)	Capacity	Percentage of Issued Share Capital 已發行 股本百分比
名稱	股份數目（普通股）	身份	
Billion Up Limited	209,811,186 (notes 1 & 2) (附註 1 及 2)	Beneficial Owner 實益擁有人	61.93%
Lucky Years Ltd.	209,811,186 (notes 1 & 2) (附註 1 及 2)	Interest in Controlled Corporation 於受控制公司之權益	61.93%
Chinese Estates 華人置業	209,811,186 (notes 1 & 2) (附註 1 及 2)	Interest in Controlled Corporation 於受控制公司之權益	61.93%
Global King Ltd.	209,811,186 (notes 1 & 3) (附註 1 及 3)	Trustee 信託人	61.93%
GZ Trust Corporation	209,811,186 (notes 1 & 3) (附註 1 及 3)	Trustee and Beneficiary of a Trust 信託人及一項信託之受益人	61.93%
Li Ka-shing 李嘉誠	20,833,142 (notes 4 & 5) (附註 4 及 5)	Founder of Discretionary Trusts and Interest of Controlled Corporations 全權信託之創立人及 受控制公司之權益	6.15%

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY (cont'd)

主要股東於本公司之證券權益 (續)

Name	Number of Shares (ordinary share)	Capacity	Percentage of Issued Share Capital
名稱	股份數目 (普通股)	身份	已發行 股本百分比
Li Ka-Shing Unity Trustcorp Limited	20,833,142 (notes 4 & 5) (附註 4 及 5)	Trustee and Beneficiary of a Trust 信託人及一項信託之受益人	6.15%
Li Ka-Shing Unity Trustee Corporation Limited	20,833,142 (notes 4 & 5) (附註 4 及 5)	Trustee and Beneficiary of a Trust 信託人及一項信託之受益人	6.15%
Li Ka-Shing Unity Trustee Company Limited	20,833,142 (notes 4 & 5) (附註 4 及 5)	Trustee 信託人	6.15%
Cheung Kong (Holdings) Limited 長江實業 (集團) 有限公司	20,833,142 (notes 4 & 5) (附註 4 及 5)	Interest of Controlled Corporations 受控制公司之權益	6.15%
Hutchison Whampoa Limited 和記黃埔有限公司	20,833,142 (note 4) (附註 4)	Interest of Controlled Corporations 受控制公司之權益	6.15%
Hutchison International Limited 和記企業有限公司	20,833,142 (note 4) (附註 4)	Interest of a Controlled Corporation 一間受控制公司之權益	6.15%
Primetek Holdings Limited	20,833,142 (note 4) (附註 4)	Beneficial Owner 實益擁有人	6.15%

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY (cont'd)

主要股東於本公司之證券權益 (續)

Notes:

1. These shares were the same parcel of shares referred to in "Interest in Controlled Corporation" of Mr. Joseph Lau, Luen-hung under "Directors' and Chief Executives' Interests in the Securities of the Company and Associated Corporations" as disclosed in paragraph I above.
2. Billion Up Limited was a wholly-owned subsidiary of Lucky Years Ltd., which in turn was a wholly-owned subsidiary of Chinese Estates, and its interests in the shares of the Company were duplicated and included in the shareholding stated against Lucky Years Ltd. and Chinese Estates.
3. GZ Trust Corporation as trustee of a discretionary trust held units in a unit trust of which Global King Ltd. was the trustee. Global King Ltd. was entitled to exercise more than one-third of the voting power at the general meetings of Chinese Estates. Accordingly, Global King Ltd. and GZ Trust Corporation were deemed to be interested in the same interests stated against Chinese Estates.
4. Primetek Holdings Limited ("Primetek") is a wholly-owned subsidiary of Hutchison International Limited ("HIL"), which in turn is a wholly-owned subsidiary of Hutchison Whampoa Limited ("HWL"). By virtue of the SFO, HWL and HIL were deemed to be interested in the 20,833,142 shares of the Company held by Primetek.
5. Li Ka-Shing Unity Holdings Limited, of which each of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard is interested in one-third of the entire issued share capital, owns the entire issued share capital of Li Ka-Shing Unity Trustee Company Limited ("TUT1"). TUT1 as trustee of The Li Ka-Shing Unity Trust ("UT1"), together with certain companies which TUT1 as trustee of UT1 is entitled to exercise or control the exercise of more than one-third of the voting power at their general meetings, hold more than one-third of the issued share capital of Cheung Kong (Holdings) Limited ("CKH"). Subsidiaries of CKH are entitled to exercise or control the exercise of more than one-third of the voting power at the general meetings of HWL.

附註：

1. 該等股份為上文第 I 段所披露「董事及最高行政人員於本公司及相聯法團之證券權益」中所述劉鑾雄先生「於受控制公司之權益」中所指之同一批股份。
2. Billion Up Limited 為 Lucky Years Ltd. 之全資附屬公司，Lucky Years Ltd. 為華人置業之全資附屬公司，其於本公司股份之權益已重複計入，並包括在 Lucky Years Ltd. 及華人置業所述之股權內。
3. GZ Trust Corporation（作為一項全權信託之信託人）持有一項以 Global King Ltd. 為信託人之單位信託基金之單位。Global King Ltd. 有權在華人置業之股東大會上行使三分之一以上之投票權。因此，Global King Ltd. 及 GZ Trust Corporation 被視為擁有華人置業所擁有之權益。
4. Primetek Holdings Limited（「Primetek」）為和記企業有限公司（「和記企業」）之全資附屬公司，而後者為和記黃埔有限公司（「和黃」）之全資附屬公司。根據證券及期貨條例，和黃及和記企業被視為擁有 Primetek 持有之 20,833,142 股本公司股份。
5. 由李嘉誠先生、李澤鉅先生及李澤楷先生各自擁有全部已發行股本之三分之一權益之 Li Ka-Shing Unity Holdings Limited，擁有 Li Ka-Shing Unity Trustee Company Limited（「TUT1」）之全部已發行股本。TUT1 以 The Li Ka-Shing Unity Trust（「UT1」）信託人之身份，連同若干公司（TUT1 以 UT1 信託人之身份有權在其股東大會上行使或控制行使三分之一以上之投票權之公司）合共持有長江實業（集團）有限公司（「長實」）三分之一以上之已發行股本。長實之附屬公司有權在和黃之股東大會上行使或控制行使三分之一以上之投票權。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY (cont'd)

Notes: (cont'd)

In addition, Li Ka-Shing Unity Holdings Limited also owns the entire issued share capital of Li Ka-Shing Unity Trustee Corporation Limited ("TDT1") as trustee of The Li Ka-Shing Unity Discretionary Trust ("DT1") and Li Ka-Shing Unity Trustcorp Limited ("TDT2") as trustee of another discretionary trust ("DT2"). Each of TDT1 and TDT2 holds units in the UT1.

By virtue of the SFO, each of Mr. Li Ka-shing, being the settlor and may being regarded as a founder of DT1 and DT2 for the purpose of the SFO, TDT1, TDT2, TUT1 and CKH was deemed to be interested in the 20,833,142 shares of the Company held by Primetek.

All the interests stated above represent long positions. As at 31st December, 2005, no short positions were recorded in the register kept by the Company under section 336 of the SFO.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

There were no arrangements to which the Company, its ultimate holding company, or any of its ultimate holding company's subsidiaries was a party to enable the Directors to acquire benefit by means of the acquisition of shares in, or debentures of, the Company or any other body corporate during the year.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

There were no contracts of significance in relation to the Company's business, to which the Company or any of the Company's subsidiaries was a party, subsisting at the end of the year or at any time during the year, and in which a Director had, whether directly or indirectly, a material interest, nor there were any other contracts of significance in relation to the Company's business between the Company or any of the Company's subsidiaries and a controlling shareholder or any of its subsidiaries.

CONNECTED TRANSACTIONS

During the year, there were no discloseable connected transactions.

主要股東於本公司之證券權益 (續)

附註：(續)

此外，Li Ka-Shing Unity Holdings Limited 亦擁有 Li Ka-Shing Unity Trustee Corporation Limited 「TDT1」(The Li Ka-Shing Unity Discretionary Trust (「DT1」) 之信託人) 及 Li Ka-Shing Unity Trustcorp Limited「TDT2」(另一全權信託(「DT2」之信託人) 之全部已發行股本。TDT1 及 TDT2 各持有 UT1 之單位。

根據證券及期貨條例，李嘉誠先生為 DT1 及 DT2 之託管人，就證券及期貨條例而言被視為 DT1 及 DT2 之創立人，TDT1、TDT2、TUT1 及長實被視為擁有 Primetek 持有之 20,833,142 股本公司股份。

上述所有權益均為好倉。於二零零五年十二月三十一日，本公司按證券及期貨條例第 336 條置存之登記冊所載概無任何淡倉。

購買股份或債券之安排

本公司、其最終控股公司或其最終控股公司之任何附屬公司概無於本年度內作出任何安排，以使董事可藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

董事及控權股東於合約之權益

本公司或本公司之任何附屬公司概無於年結時或本年度內任何時間訂立與本公司業務有關之重大合約而董事於其中直接或間接擁有重大權益，亦概無與控權股東或其任何附屬公司訂立與本公司業務有關之重大合約。

關連交易

於年內概無須予披露之關連交易。

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

董事於競爭性業務之權益

Pursuant to Rule 8.10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), as at 31st December, 2005, the following Directors had declared their interests in the following companies with businesses, which compete or are likely to compete, either directly or indirectly with the businesses of the Group:

於二零零五年十二月三十一日，根據聯交所證券上市規則（「上市規則」）第 8.10 條，下列董事申報於下列與本集團業務直接或間接構成競爭或可能構成競爭之業務之公司中擁有權益：

Name of Directors 董事姓名	Name of the companies 公司名稱	Nature of business considered to compete or likely to compete with the business of the Group 被認為與本集團業務構成競爭或可能構成競爭之業務性質	Nature of interest of the Directors in the companies 董事於該等公司之權益性質
Joseph Lau, Luen-hung 劉鑾雄	Chinese Estates* and its subsidiaries 華人置業 * 及其附屬公司	Property investment and development 物業投資及發展	Director and having certain deemed interests in Chinese Estates 董事及於華人置業擁有若干被視為擁有之權益
	Power Jade Limited ("Power Jade")** and its subsidiaries Power Jade Limited ("Power Jade") ** 及其附屬公司	Property investment and development 物業投資及發展	Director and having certain deemed interests in Power Jade 董事及於 Power Jade 擁有若干被視為擁有之權益
	G-Prop and its subsidiaries 金匡及其附屬公司	Property investment 物業投資	Having certain deemed interests in G-Prop 於金匡擁有若干被視為擁有之權益
Thomas Lau, Luen-hung 劉鑾鴻	Chinese Estates* and its subsidiaries 華人置業 * 及其附屬公司	Property investment and development 物業投資及發展	Director and having certain deemed interests in Chinese Estates 董事及於華人置業擁有若干被視為擁有之權益
	Power Jade** and its subsidiaries Power Jade** 及其附屬公司	Property investment and development 物業投資及發展	Director 董事

* listed holding company of the Company

** 50% indirectly owned by Chinese Estates

* 本公司之上市控股公司

** 華人置業間接擁有 50%

DIRECTORS' INTERESTS IN COMPETING BUSINESSES (cont'd)

Mr. Joseph Lau, Luen-hung and Mr. Thomas Lau, Luen-hung are brothers (collectively the "Lau Brothers") and also have personal interest in private companies engaged in businesses consisting of property development and investment in Hong Kong. As such, they are regarded as being interested in such businesses, which compete or may compete with the Group.

Other than the businesses of the private companies of the Lau Brothers, the above-mentioned businesses are managed by separate publicly listed companies and separate company with independent management and administration. For better delineation of property investment business, Chinese Estates, the controlling shareholder of the Company, will give the Company the priority over the future property investment project with the value of less than or equal to 50% of the net asset value of the Company with reference to the latest published account and subject to the financial resources of the Company from time to time.

In this respect, coupled with the diligence of its Independent Non-executive Directors (whose views carry significant weight in the Board's decisions) and the independent audit committee of the Company (the "Audit Committee"), the Group is capable of carrying on its businesses independently of, and at arm's length from, the business of the above-mentioned companies.

Other than as disclosed above, none of the Directors are interested in any business, which competes or is likely to compete, either directly or indirectly, with the Company's businesses.

董事於競爭性業務之權益 (續)

劉鑾雄先生及劉鑾鴻先生為兄弟（統稱「劉氏兄弟」），並於經營業務包括於香港從事物業發展及投資之私人公司中擁有個人權益，因此，彼等被視為於與本集團構成競爭或可能構成競爭之業務擁有權益。

除劉氏兄弟之私人公司之業務外，上述業務乃由獨立上市公司及獨立公司管理，該等公司擁有獨立管理及行政程序。為了更清晰地劃分物業投資業務，本公司之控股股東華人置業將參考最近期公佈之賬目及因應本公司不時具備之財政資源，將價值少於或相當於本公司資產淨值 50% 之未來物業投資項目優先給予本公司考慮。

就此而言，結合其對董事會決策有重大影響力之獨立非執行董事及本公司獨立審核委員會（「審核委員會」）之努力，本集團有能力獨立並按公平磋商原則從事其業務，而不受上述公司之業務所影響。

除上文所披露者外，董事概無於與本公司業務直接或間接構成競爭或可能競爭之任何業務中擁有權益。

RETIREMENT BENEFIT SCHEMES

The Group operates two retirement benefit schemes:

- (1) the provident fund scheme as defined in the Mandatory Provident Fund Scheme Ordinance, Chapter 485 of the laws of Hong Kong (the "MPF Scheme"); and
- (2) the provident fund scheme as defined in the Occupational Retirement Scheme Ordinance, Chapter 426 of the laws of Hong Kong (the "Top-up Scheme").

Both the MPF Scheme and the Top-up Scheme were defined contribution schemes and the assets of both schemes were managed by their respective trustees accordingly.

The MPF Scheme was available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions were made by the Group at 5% based on the staff's relevant income. The maximum relevant income for contribution purpose is HK\$20,000 per month. Staff members were entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefit was required by law to be preserved until the retirement age of 65. Forfeited contributions of MPF Scheme cannot be used by the Group to offset the existing level of contributions.

退休福利計劃

本集團設有兩項退休福利計劃：

- (1) 香港法例第 485 章強積金計劃條例下界定之退休金計劃（「強積金計劃」）；及
- (2) 香港法例第 426 章職業退休計劃條例下界定之退休金計劃（「補足計劃」）。

強積金計劃及補足計劃為定額供款計劃，該兩項計劃之資產據此均由各自之受託人管理。

強積金計劃可供所有 18 至 64 歲受僱於香港最少 60 日之本集團僱員參加。本集團根據僱員之有關入息作出 5% 之供款。就供款而言，有關入息上限為每月 20,000 港元。不論其於本集團之服務年期，僱員均可取得 100% 本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡 65 歲方可領取。本集團不可動用強積金計劃下之已沒收供款，以抵銷現有之供款水平。

RETIREMENT BENEFIT SCHEMES (cont'd)

The Top-up Scheme was available to those employees with basic salary over HK\$20,000 and/or years of service over 5. Contributions to the Top-up Scheme were made by the Group at 5%, 7.5% or 10% of staff's basic salary (depending on the length of service) less the Group's mandatory contribution under the MPF Scheme. Staff members were entitled to 100% of the Group's contributions together with accrued returns after completing 10 years of service or more, or attaining the retirement age, or were entitled at a reduced scale between 30% to 90% of the Group's contributions after completing a period of service of at least 3 years but less than 10 years. The Top-up Scheme allowed any forfeited contributions (made by the Group for any staff member who subsequently left the Top-up Scheme prior to vesting fully in such contributions) to be used by the Group to offset the current level of contributions of the Group.

The Group's cost for the MPF scheme charged to consolidated income statement for the Year amounted to HK\$55,000 (2004: HK\$41,000).

During both years, no employee of the Group was entitled to the benefit of the Top-up Scheme and no contribution had been made by the Group to the Top-up Scheme.

退休福利計劃 (續)

補足計劃可供基本薪金超過 20,000 港元及／或年資超過五年之僱員參加。本集團乃根據僱員之基本薪金按其服務年期，作出 5%、7.5% 或 10% 之補足計劃供款，並減去本集團根據強積金計劃作出之強制性供款。僱員服務滿 10 年或以上或到退休年齡時可取得 100% 本集團供款連同應計回報，而服務年期滿 3 年但不足 10 年之僱員則可按遞減比例取得 30% 至 90% 本集團供款。補足計劃容許本集團將任何已沒收供款（即本集團就任何可獲得全部供款前退出補足計劃之僱員而作出之供款）用以抵銷本集團現有之供款水平。

本集團於年內就強積金計劃於綜合收益表扣除之費用為 55,000 港元（二零零四年：41,000 港元）。

於上述兩個年度內，本集團概無僱員受惠於補足計劃，而本集團對補足計劃亦無供款。

PRE-EMPTIVE RIGHTS

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

ADVANCES TO ENTITIES

As at 31st December, 2005, the Group had made advances to associated companies of approximately HK\$196 million (before provision). The shareholder loans had been granted either for financing their acquisition of assets or daily operations. The shareholder loans are unsecured, with no specific maturity dates and are repayable on demand.

Pursuant to Rule 13.20 of the Listing Rules, the Company disclose details of the loans advanced to the entities as at 31st December, 2005 as below:

Name of associated companies	Attributable interest held by the Group 本集團持有之應佔權益 %	Interest rates 利率 %	Interest-bearing 計息 HK\$'000 千港元	Non-interest-bearing 不計息 HK\$'000 千港元	Total advances 墊款總額 HK\$'000 千港元
Finedale Industries Limited 廣坤實業有限公司	33 $\frac{1}{3}$	Prime – 2.75 最優惠利率 減 2.75	86,528	–	86,528
Canaria Holding Limited	50	N/A 不適用	–	46,405	46,405
Tianjin Winson Real Estate Development Co., Ltd. 天津華盛房地產發展有限公司	50	N/A 不適用	–	53,495	53,495
Earn Elite Development Limited 盈才發展有限公司	50	6.75	9,500	–	9,500
			96,028	99,900	195,928

優先購買權

本公司之組織章程細則並無有關規定本公司按比例向現有股東發行新股份之優先購買權條文。

墊付實體款項

於二零零五年十二月三十一日，本集團向聯營公司提供之墊款約為 196,000,000 港元（未扣除撥備）。該等股東貸款乃供應付其收購資產或日常營運所需。該等股東貸款乃無抵押、無特定到期日並須於通知時償還。

根據上市規則第 13.20 條，本公司披露於二零零五年十二月三十一日向實體提供之貸款詳情如下：

PROFORMA COMBINED BALANCE SHEET OF THE AFFILIATED COMPANIES

Pursuant to Rule 13.22 of the Listing Rules, a proforma combined balance sheet of the affiliated companies with financial assistance from the Group as at 31st December, 2005 (the latest practicable date) is presented below:

Non-current assets	非流動資產
Current assets	流動資產
Current liabilities	流動負債
Non-current liabilities	非流動負債
Net assets	資產淨值

Note: Proforma combined balance sheet has been adjusted so as to align with the Group's accounting policies.

AUDIT COMMITTEE

The Audit Committee comprised Mr. Wang, Jian-guo, Mr. Mok, Hon-sang and Mr. Wong, Tik-tung and the annual results of the Group for the Year has been reviewed by the Audit Committee.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the Year.

聯繫公司之備考合併資產負債表

根據上市規則第 13.22 條，獲本集團財政援助之聯繫公司於二零零五年十二月三十一日（最後實際可行日期）之備考合併資產負債表如下：

	(Note) Combined total (附註) 合併總值 HK\$'000 千港元	Interest attributable to the Group 本集團 應佔權益 HK\$'000 千港元
	1,031,505	360,252
	20,045	7,625
	(26,538)	(9,448)
	(588,581)	(234,533)
	<u>436,431</u>	<u>123,896</u>

附註：備考合併資產負債表已作出配合本集團之會計政策的調整。

審核委員會

審核委員會乃由王建國先生、莫漢生先生及汪滌東先生組成，而本集團之本年度業績已由審核委員會審閱。

公眾持股量

本公司於本年度一直維持足夠之公眾持股量。

AUDITORS

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu, who will retire at the conclusion of the forthcoming annual general meeting, and being eligible, will offer themselves for re-appointment, as auditors of the Company.

On behalf of the Board

Thomas Lau, Luen-hung

Chairman

Hong Kong, 14th March, 2006

核數師

本公司即將舉行之股東週年大會上將提呈一項決議案，德勤•關黃陳方會計師行於即將舉行之股東週年大會結束時將任滿告退，並符合資格及願獲續聘為本公司核數師。

代表董事會

主席

劉鑾鴻

香港，二零零六年三月十四日