

The directors submit their annual report together with the audited financial statements of the Company and its subsidiaries for the year ended 30 June 2006.

Principal Activities

The Company is an investment holding company and the principal activities of the subsidiaries are set out on pages 163 to 168.

Subsidiaries

Details of the Company's subsidiaries are set out on pages 163 to 168.

Financial Statements

The profit of the Group for the year, the state of affairs of the Company and of the Group as at 30 June 2006 and the Group's cash flows and statement of changes in equity for the year ended are set out in the financial statements on pages 61 to 168.

Charitable Donations

There were charitable donations of HK\$52,000 made by the Group during the year (eighteen months ended 30 June 2005: Nil).

董事謹提呈其截至二零零六年六月三十日止年度本公司及其附屬公司的周年報告及經審核財務報表。

主要業務

本公司為一間投資控股公司，其附屬公司的主要業務詳列於第163頁至第168頁。

附屬公司

本公司附屬公司的資料詳列於第163頁至第168頁。

財務報表

本集團於本年度的溢利、本公司及本集團於二零零六年六月三十日的財務狀況及截至該日止年度本集團的現金流量及權益變動表均詳列於第61頁至第168頁的財務報表內。

慈善捐款

本集團於本年度內之慈善捐款為港幣52,000元(截至二零零五年六月三十日止十八個月：無)。

Final Dividend

The Directors will recommend to the shareholders for approval at the forthcoming annual general meeting a final dividend of HK\$0.07 per share. This, together with the interim dividend of HK\$0.06 per share paid on Wednesday, 22 March 2006, will amount to a total of HK\$0.13 per share for the year (eighteen months ended 30 June 2005: HK\$0.13 per share). Subject to shareholders' approval, the final dividend will be payable on Thursday, 12 October 2006 to the shareholders whose names appear on the register of members on Wednesday, 11 October 2006.

Closure of Register of Members

The register of members of the Company will be closed from Thursday, 5 October 2006 to Wednesday, 11 October 2006, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividend, all transfer documents, accompanied by the relevant share certificates must be lodged with the Company's Share Registrars and Transfer Office, Hongkong Managers and Secretaries Limited at Citicorp Centre, 26th Floor, 18 Whitfield Road, Causeway Bay, Hong Kong not later than 4:00 p.m. on Wednesday, 4 October 2006.

Share Capital

Movements in share capital during the year are set out in Note 35 to the financial statements.

Reserves

Movements in reserves during the year are set out in Note 36 to the financial statements.

末期股息

董事於即將舉行之股東週年常會上向股東建議，批准派發末期股息每股港幣0.07元。此項股息連同於二零零六年三月二十二日星期三支付之中期股息每股港幣0.06元，本年度共派發股息總額將為每股港幣0.13元(截至二零零五年六月三十日止十八個月：每股港幣0.13元)。待股東批准後，末期股息將於二零零六年十月十二日星期四支付予於二零零六年十月十一日星期三名列股東名冊之股東。

暫停辦理股份過戶登記手續

本公司將由二零零六年十月五日星期四至二零零六年十月十一日星期三(首尾兩天包括在內)期間，暫停辦理股份過戶登記手續。如欲合符資格獲派末期股息，所有股份過戶文件連同有關之股票必須於二零零六年十月四日星期三下午四時前送達本公司之過戶及轉讓登記處，香港經理秘書有限公司，地址為香港銅鑼灣威非路道18號萬國寶通中心26樓。

股本

本年度股本的變動詳列於財務報表附註35。

儲備

本年度儲備的變動詳列於財務報表附註36。

Fixed Assets

Movements in fixed assets during the year are set out in Note 17 to the financial statements.

Directors

The directors during the year and up to the date of this report were:

- WHANG Tar Choung, *Chairman*^{*}
 NG Ping Kin, Peter, *Vice Chairman*[#]
 LEUNG Wai Fung^{**}
 — appointed on 11 July 2005
- WHANG Sun Tze^{*}
 LO Kwong Chi, Clement[#]
 KWEK Leng Hai^{*}
 TAN Lim Heng^{*}
 James ENG, Jr.^{*}
 TSANG Cho Tai^{*}
 HO King Cheung^{*}
 DING Wai Chuen[#]
 MATSUMURA Hirokazu[#]
 — appointed on 12 May 2006
- YONG Weng Chye
 — alternate director to WHANG Tar Choung
- IKEDA Hiromi
 — alternate director to TAKAGI Shigeyoshi
 and MATSUMURA Hirokazu
- TSAO Chen, James, *Group Managing Director*^{**}
 — resigned on 11 July 2005
- TAKAGI Shigeyoshi[#]
 — resigned on 12 May 2006

^{**} *Executive director*

^{*} *Non-executive director*

[#] *Independent non-executive director*

固定資產

本年度固定資產的變動詳列於財務報表附註17。

董事

本年度及直至本報告書日期止之董事如下：

- 黃大椿，*主席*^{*}
 伍秉堅，*副主席*[#]
 梁偉峰^{**}
 — 於二零零五年
 七月十一日獲委任
- 黃上哲^{*}
 羅廣志[#]
 郭令海^{*}
 陳林興^{*}
 英正生^{*}
 曾祖泰^{*}
 何景祥^{*}
 丁偉銓[#]
 松村宏一[#]
 — 於二零零六年
 五月十二日獲委任
- 楊榮財
 — 黃大椿之代行董事
- 池田浩巳
 — 高木茂佳及松村宏一之
 代行董事
- 曹宸綱(曹震)，*集團董事總經理*^{**}
 — 於二零零五年七月十一日離任
- 高木茂佳[#]
 — 於二零零六年五月十二日離任

^{**} *執行董事*

^{*} *非執行董事*

[#] *獨立非執行董事*

Directors (continued)

In accordance with the provisions of article 78 of the Company's articles of association, Messrs. WHANG Tar Choung, NG Ping Kin, Peter, WHANG Sun Tze and LO Kwong Chi, Clement shall retire at the forthcoming Annual General Meeting. Messrs. WHANG Sun Tze and LO Kwong Chi, Clement being eligible, offer themselves for re-election and Messrs. WHANG Tar Choung and NG Ping Kin, Peter will not offer themselves for re-election at the forthcoming Annual General Meeting.

In accordance with the provisions of article 79 of the Company's articles of association, Mr. MATSUMURA Hirokazu shall retire and being eligible, offers himself for re-election at the forthcoming Annual General Meeting.

The Company received confirmation of independence in respect of the year from each of the independent non-executive directors pursuant to Rule 3.13 of the Listing Rules. Up to and as at the date of this report, the Company still considers the independent non-executive directors to be independent.

Directors' Service Contracts

No directors proposed for re-election at the forthcoming Annual General Meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Company or any of its subsidiaries, within one year without payment of compensation (other than statutory compensation).

Directors' Interests in Contracts

No contract of significance in relation to the Group's business to which the Company or any of its subsidiaries, holding company or fellow subsidiaries was a party and in which a director of the Company had a material interest subsisted at the end of the year or at any time during the year.

董事 (續)

根據本公司組織細則第七十八條規定，黃大椿先生、伍秉堅先生、黃上哲博士及羅廣志先生將於即將舉行之股東週年常會上告退。黃上哲博士及羅廣志先生合資格且願意於即將舉行之股東週年常會上膺選連任，而黃大椿先生及伍秉堅先生將按意願不重選連任。

根據本公司組織細則第七十九條規定，松村宏一先生將於即將舉行之股東週年常會上告退，並合資格膺選連任。

根據上市規則第3.13條之要求，本公司已收悉各獨立非執行董事分別就其獨立性而發出之確認函件。截至本年度及直至本報告書日期止，本公司仍然認同獨立非執行董事之獨立性。

董事的服務合約

擬於即將舉行之股東週年常會重選之董事，概無與本公司或其任何附屬公司訂立不可由本公司或其任何附屬公司於一年內終止而毋須作賠償(法定賠償除外)之服務合約。

董事在合約的權益

在本年度，本公司或其附屬公司、控股公司或其附屬公司於本集團業務中並無訂立任何令本公司董事享有重大權益的重要合約。

Connected Transactions

GIMC Services Agreement

GIMC Limited (“GIMC”) is an indirect wholly-owned subsidiary of Hong Leong Company (Malaysia) Berhad (“HLCM”) and by virtue of the Securities and Futures Ordinance, a substantial shareholder of the Company, which is deemed to be interested in 73.11% of share capital in the Company. A service agreement (the “Original GIMC Services Agreement”) and a supplemental service agreement (the “Supplemental GIMC Services Agreement”) were entered into between the Company and GIMC on 27 June 2003 and 17 January 2006 respectively. A summary of the terms of the Original GIMC Services Agreement and as amended and supplemented by the Supplemental GIMC Services Agreement (together, the “GIMC Services Agreement”) is as follows:

- (a) GIMC would provide the Company with services including the overview of the Group’s strategies and planning, oversight of investment and financial management disciplines, treasury and risk management and development, development of quality and productivity programmes, guidance in respect of operating practices and procedures, and overview of planning and development of management information systems;
- (b) the Company would pay to GIMC service fees, subject to an annual cap of HK\$10,000,000 (the “Annual Cap”), comprising a monthly charge of HK\$50,000 (or such other amount as may be agreed from time to time between GIMC and the Company) and an annual fee equal to 3 per cent of the annual consolidated profits before tax of the Company for each of the three financial years ended/ending 30 June 2006, 30 June 2007 and 30 June 2008; and

關連交易

GIMC服務協議

GIMC是 Hong Leong Company (Malaysia) Berhad (「HLCM」) 的間接全資附屬公司，根據《證券及期貨條例》，為本公司之主要股東，並被視作持有73.11%本公司股份之權益。本公司與GIMC Limited (「GIMC」) 於二零零三年六月二十七日及二零零六年一月十七日分別訂立一份服務協議(「原GIMC服務協議」)及一份補充服務協議(「GIMC補充服務協議」)。下文為經GIMC補充服務協議修訂及補充之原GIMC服務協議(統稱「GIMC服務協議」)之條款摘要：

- (a) GIMC將為本公司提供的服務包括概觀本公司之策略及規劃、監察投資及財務管理等紀律、財政及風險管理及發展、質素及生產力的發展計劃、有關經營慣例及程序之諮詢及概觀資訊管理的規劃及發展；
- (b) 本公司將支付予GIMC的服務費用包括月費50,000港元(或GIMC與本公司不時可能同意之其他金額)以及相等於各年(即截至二零零六年六月三十日、二零零七年六月三十日及二零零八年六月三十日止三個財政年度)每年除稅前綜合溢利之3%之年費，惟須受各年應付之年度上限10,000,000港元(「年度上限」)所規限；及

Connected Transactions (continued)

GIMC Services Agreement (continued)

- (c) the GIMC Services Agreement is for a term of three years commenced on 1 July 2005 and may be renewed thereafter for a consecutive term of three years by the Company serving written notice to GIMC at least three months prior to the expiration of the current terms, subject to GIMC's agreement to such renewal.

In the event that the aggregate service fees payable by the Company to HLCM or any of its associated companies for the provision of similar services, if any, exceeded the Annual Cap during any of the three financial years ended/ending 30 June 2006, 30 June 2007 and 30 June 2008, the Company would be required to re-comply with the Listing Rules and be subject to strict compliance with the disclosure requirement therein; and GIMC would have the right to terminate the GIMC Services Agreement immediately.

The independent non-executive directors of the Company reviewed the transactions under the GIMC Services Agreement (the "GIMC Transactions") during the year and confirmed that:

- (1) the GIMC Transactions were entered into:
- in the ordinary and usual course of business of the Company;
 - on terms no less favourable to the Company than the terms available from independent third parties; and
 - in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole;
- (2) The auditors of the Company have reviewed the GIMC transactions and confirmed that the transactions (i) had received the approval of the Board of Directors of the Company, (ii) had been entered into in accordance with the terms of the GIMC Services Agreement; and (iii) had not exceed the annual cap disclosed in the announcement of the Company dated 17 January 2006.

關連交易 (續)

GIMC服務協議 (續)

- (c) GIMC服務協議由二零零五年七月一日起生效為期三年，並可於其協議屆滿前給予GIMC不少於三個月通知以重續該協議三年，惟該等重續須獲得GIMC同意。

本公司若於各年(即截至二零零六年六月三十日、二零零七年六月三十日及二零零八年六月三十日止三個財政年度)須就HLCM或其任何聯營公司所提供類似服務(如有)所應付之服務費用超過年度上限，本公司將須重新遵守上市規則並須嚴格遵守其中之公佈規定，而GIMC將有權即時終止GIMC服務協議。

本公司獨立非執行董事已於本年度內檢討GIMC服務協議下之交易(「GIMC交易」)，並確認：

- (1) GIMC交易：
- 屬本公司日常及一般業務；
 - 所按照的條款不遜於獨立第三者所獲得之條款；及
 - 乃根據有關交易的協議條款進行，而交易條款屬公平合理，並符合本公司股東整體利益；
- (2) 本公司核數師已審閱GIMC交易並確認該等交易：(i)已獲本公司董事會批准；(ii)乃根據GIMC服務協議條款而訂立；及(iii)並無超過本公司於二零零六年一月十七日刊發之公佈所披露的年度上限。

Connected Transactions (continued)

Share Option Scheme

The Company obtained shareholders' approval on 18 April 2006 to modify the share option scheme of the Company (the "Share Option Scheme") to provide for the satisfaction of the exercise of options through issue of new shares of the Company or transfer of existing issued shares of the Company (the "Existing Shares"). A trust for the Share Option Scheme (the "Trust") was established in July 2006 pursuant to a trust deed (the "Trust Deed") between the Company and a trustee of the Trust (the "Trustee") to acquire the Existing Shares for the purpose of the Share Option Scheme. The Company or its subsidiaries will make loans to the Trust from time to time to enable the Trust to acquire the Existing Shares for the purpose of the Trust.

The grant of options to the directors of the Company or its subsidiaries (who are deemed to be connected persons of the Company under the Listing Rules) pursuant to the Share Option Scheme and the grant of loans to the Trust from time to time constitute continuing connected and possible discloseable transactions for the Company under Chapter 14A of the Listing Rules.

The independent non-executive directors of the Company reviewed the grant of options and the grant of loans during the year and confirmed that:

- (1) the continuing connected transactions were entered into:
 - in the ordinary and usual course of business of the Company;
 - on terms no less favourable to the Company than the terms available from independent third parties; and
 - in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole;
- (2) during the year, no option was granted under the Share Option Scheme and neither the Company or its subsidiaries has made loans to the Trust.

關連交易 (續)

購股權計劃

於二零零六年四月十八日，本公司取得股東批准修訂本公司之購股權計劃（「購股權計劃」），透過發行本公司新股份或本公司已發行之現有股份（「現有股份」）滿足購股權之行使。於二零零六年七月，本公司與信託之受託人（「受託人」）根據信託契據（「信託契據」）成立信託（「信託」），以達到購股權計劃之目的購入現有股份。本公司或其附屬公司將不時向信託提供貸款，使信託能購入現有股份以達到信託之目的。

根據購股權計劃向本公司或其附屬公司之董事（根據上市規則視為本公司之關連人士）授出購股權及不時向行政人員信託提供貸款，按上市規則第14A章構成本公司持續關連及可能須予披露交易。

本公司獨立非執行董事已於年內檢討授出購股權及提供貸款，並確認：

- (1) 持續關連交易：
 - 屬本公司日常及一般業務；
 - 所按照的條款不遜於獨立第三者所獲得之條款；及
 - 乃根據有關交易的協議條款進行，而交易條款屬公平合理，並符合本公司股東整體利益；
- (2) 於年內，並無根據購股權計劃授出購股權以及本公司或其附屬公司並無向信託提供貸款。

Management Contracts

Except for the Services Agreement disclosed in the section of "Connected Transactions" above, no contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or subsisted during the year.

Directors' Interests in Shares, Underlying Shares and Debentures

As at 30 June 2006, the directors have the following interests or short positions in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO") as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code"):

(A) The Company

Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份/ 相關股份數目
WHANG Tar Choung 黃大椿	Personal 個人	5,337,637
	Family 家族	4,222,534
	Persons acting in concert 一致行動人士	168,354,476

管理合約

除上文「關連交易」一節所披露之服務協議外，於本年度內概無訂立或存在任何有關本集團整體業務或任何重要業務之管理及行政工作的合約。

董事於股份、相關股份及債券之權益

於二零零六年六月三十日，各董事於本公司或其任何聯營公司(定義見證券及期貨條例)擁有須根據證券及期貨條例(「證券及期貨條例」)第352條規定而設之登記名冊中所載之股份，有關股本中之淡倉股份，相關股份及債權證之權益及根據上市公司董事進行證券交易的標準守則(「標準守則」)須知會本公司及香港聯合交易所之權益如下：

(A) 本公司

Notes 附註	Total 總計	Approximate percentage of total issued share capital of the Company 估本公司已發行股本之概約百分比
(a) & (b)	177,914,647	73.11%

Directors' Interests in Shares,
Underlying Shares and Debentures

(continued)

董事於股份、相關股份
及債券之權益 (續)

(A) The Company (continued)

(A) 本公司 (續)

Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份/ 相關股份數目	Notes 附註	Total 總計	Approximate percentage of total issued share capital of the Company 估本公司 已發行股本之 概約百分比
NG Ping Kin, Peter 伍秉堅	Personal 個人	100,000		100,000	0.04%
WHANG Sun Tze 黃上哲	Personal 個人	27,123,743			
	Corporate 公司	19,326	(c)		
	Persons acting in concert 一致行動人士	150,790,035	(a) & (d)	177,933,104	73.12%
LO Kwong Chi, Clement 羅廣志	Personal 個人	373,754		373,754	0.15%
KWEK Leng Hai 郭令海	Personal 個人	2,300,000		2,300,000	0.95%
TAN Lim Heng 陳林興	Personal 個人	274,000		274,000	0.11%
James ENG Jr. 英正生	Personal 個人	619,000		619,000	0.25%
HO King Cheung 何景祥	Personal 個人	30,690		30,690	0.01%
DING Wai Chuen 丁偉銓	Personal 個人	10,000		10,000	0.00%
YONG Weng Chye 楊榮財	Personal 個人	132,000		132,000	0.05%

Directors' Interests in Shares,
Underlying Shares and Debentures

(continued)

董事於股份、相關股份
及債券之權益 (續)

(B) Associated corporations

(i) Interests in shares/underlying shares

(B) 聯營公司

(i) 股份／相關股份之權益

Name of associated corporations 聯營公司名稱	Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份／ 相關股份數目	Notes 附註	Total 總計	Approximate percentage of total issued share capital of associated corporations 估聯營公司已發行股本之概約百分比
Hong Leong Company (Malaysia) Berhad	KWEK Leng Hai 郭令海	Personal 個人	420,500		420,500	2.62%
M.C. Packaging Offshore Limited	NG Ping Kin, Peter 伍秉堅	Personal 個人	3,000		3,000	0.36%
Guoco Group Limited 國浩集團有限公司	KWEK Leng Hai 郭令海	Personal 個人	3,670,775		3,670,775	1.12%
	TAN Lim Heng 陳林興	Personal 個人	559,230		559,230	0.17%
	James ENG Jr. 英正生	Personal 個人	565,443		565,443	0.17%
	TSANG Cho Tai 曾祖泰	Personal 個人	1,000		1,000	0.00%
GuocoLand Limited 國浩房地產有限公司	WHANG Tar Choung 黃大椿	Personal 個人	12,500		12,500	0.00%
	WHANG Sun Tze 黃上哲	Family 家族	66,600		66,600	0.01%
	KWEK Leng Hai 郭令海	Personal 個人	19,851,140		19,851,140	2.98%

Directors' Interests in Shares,
Underlying Shares and Debentures

(continued)

董事於股份、相關股份
及債券之權益 (續)

(B) Associated corporations (continued)

(i) Interests in shares/underlying shares
(continued)

(B) 聯營公司 (續)

(i) 股份／相關股份之權益
(續)

Name of associated corporations 聯營公司名稱	Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份／ 相關股份數目	Notes 附註	Total 總計	Approximate percentage of total issued share capital of associated corporations 佔聯營公司 已發行股本 之概約百分比
GuocoLand Limited (continued) 國浩房地產 有限公司 (續)	TAN Lim Heng 陳林興	Personal 個人	1,000,000		1,000,000	0.15%
	James ENG Jr. 英正生	Personal 個人	200,000		200,000	0.03%
	TSANG Cho Tai 曾祖泰	Personal 個人	200,000		200,000	0.03%
Hong Leong Bank Berhad	WHANG Sun Tze 黃上哲	Family 家族	129,000		129,000	0.01%
	KWEK Leng Hai 郭令海	Personal 個人	3,955,700		3,955,700	0.26%
Hong Leong Financial Group Berhad (formerly known as Hong Leong Credit Berhad)	WHANG Sun Tze 黃上哲	Family 家族	534,092		534,092	0.05%
	KWEK Leng Hai 郭令海	Personal 個人	2,316,800	(e)	2,316,800	0.22%
	TAN Lim Heng 陳林興	Personal 個人	245,700		245,700	0.02%
Hong Leong Industries Berhad	WHANG Sun Tze 黃上哲	Family 家族	105,600		105,600	0.05%
	KWEK Leng Hai 郭令海	Personal 個人	215,312	(f)	215,312	0.10%

Directors' Interests in Shares,
Underlying Shares and Debentures

(continued)

董事於股份、相關股份
及債券之權益 (續)

(B) Associated corporations (continued)

(i) Interests in shares/underlying shares
(continued)

(B) 聯營公司 (續)

(i) 股份／相關股份之權益
(續)

Name of associated corporations 聯營公司名稱	Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份／ 相關股份數目	Notes 附註	Total 總計	Approximate percentage of total issued share capital of associated corporations 佔聯營公司 已發行股本 之概約百分比
GuocoLand (Malaysia) Berhad (formerly known as Hong Leong Properties Berhad)	KWEK Leng Hai 郭令海	Personal 個人	226,800		226,800	0.03%
	TAN Lim Heng 陳林興	Personal 個人	73,710		73,710	0.01%
Hume Industries (Malaysia) Berhad	WHANG Sun Tze 黃上哲	Family 家族	12,667		12,667	0.01%
HLG Capital Berhad	KWEK Leng Hai 郭令海	Personal 個人	500,000		500,000	0.41%

Directors' Interests in Shares,
Underlying Shares and Debentures

(continued)

董事於股份、相關股份
及債券之權益 (續)

(B) Associated corporations (continued)

(ii) Interests in debentures

Name of associated
corporation
聯營公司名稱

Name of director
董事姓名

(B) 聯營公司 (續)

(ii) 債券權益

Nature of interest 權益性質	Amount of debentures held 持有債券金額	Total 總計
	MYR 馬來西亞元	MYR 馬來西亞元

Hong Leong Industries Berhad	KWEK Leng Hai 郭令海	Personal 個人	165,000	165,000
---------------------------------	----------------------	----------------	---------	---------

Notes:

- (a) The total interests disclosed herein represent the interests in 177,914,647 ordinary shares of the Company which the respective parties held by virtue of Section 317 of the SFO in relation to the interests in shares pursuant to the shareholders' agreement and the supplemental agreement both dated 27 May 1997 entered into by Guoinvest International Limited ("Guoinvest") and, inter alia, Dr. WHANG Sun Tze (alias: WHANG Siong Tiat), Mr. WHANG Tar Choung, Madam TEO Joo Yee, T.C. Whang & Company (Private) Limited ("T.C. & Co.") and Raven Investment Company Limited ("Raven") and the Novation Agreement dated 5 September 2003 entered into by Guoinvest, GuoLine International Limited (a sister subsidiary of Guoinvest), Dr. WHANG Sun Tze (alias: WHANG Siong Tiat), Mr. WHANG Tar Choung, Madam TEO Joo Yee, T.C. & Co. and Raven.
- (b) The interests of person acting in concert disclosed represent the deemed interests of Mr. WHANG Tar Choung in 168,354,476 ordinary shares in the Company referred to in Note (a) above.

附註：

- (a) 本文所披露之權益代表本公司177,914,647股之普通股，權益包括下述有關各方根據證券及期貨條例第317條之規定，Guoinvest International Limited (「Guoinvest」) 及黃上哲博士、黃大椿先生、張如意女士、T.C. Whang & Company (Private) Limited (「T.C. & Co.」) 及利宏投資有限公司 (「利宏」) 根據於一九九七年五月二十七日簽訂之股東協議及補充協議 Guoinvest、GuoLine International Limited (Guoinvest 之姊妹附屬公司)、黃上哲博士、黃大椿先生、張如意女士、T.C. & Co. 及利宏根據二零零三年九月五日所簽訂之約務更改合同所持有之權益。
- (b) 所披露之一致行動人仕權益代表上文附註(a)所述由黃大椿先生持有本公司168,354,476股普通股之被視為擁有之權益。

Directors' Interests in Shares, Underlying Shares and Debentures

(continued)

Notes: (continued)

- (c) The interests disclosed represent the corporate interests of Dr. WHANG Sun Tze in 18,457 ordinary shares and 869 ordinary shares in the Company held by SGR Investment Company, Limited ("SGR") and T.C. & Co. respectively. Dr. WHANG Sun Tze holds 95.41% and 59.52% interests in SGR and T.C. & Co. respectively.
- (d) The interests of person acting in concert disclosed represent the deemed interests of Dr. WHANG Sun Tze in 150,790,035 ordinary shares in the Company referred to in Note (a) above.
- (e) The interests of Mr. KWEK Leng Hai represent the interests in 2,156,000 ordinary shares of Hong Leong Financial Group Berhad ("HLFGB") and 160,800 underlying shares of listed physically settled options issued by HLFGB.
- (f) The interests of Mr. KWEK Leng Hai represent the interests in 163,200 ordinary shares of Hong Leong Industries Berhad ("HLI") and 52,112 underlying shares of listed physically settled options issued by HLI.

All the interests disclosed in sections (A) and (B) above represent long position in the ordinary shares of the Company or associated corporations save as otherwise specified in the notes above.

Save as disclosed herein, none of the director has any interests or short positions in any shares, underlying shares and debentures of the Company or any associated corporations as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事於股份、相關股份及債券之權益 (續)

附註：(續)

- (c) 所披露之權益代表黃上哲博士透過 SGR Investment Company, Limited (「SGR」) 及 T.C. & Co. 分別持有本公司 18,457 股普通股及 869 股普通股之權益。黃上哲博士在 SGR 及 T.C. & Co. 分別持有 95.41% 及 59.52% 之股份權益。
- (d) 所披露之一致行動人仕權益代表上文附註(a)所述由黃上哲博士持有本公司 150,790,035 股普通股之被視為擁有之權益。
- (e) 郭令海先生持有之權益代表 2,156,000 股 HLFGB 普通股及 160,800 股 HLFGB 發行之上市實物交收之期權之相關股份。
- (f) 郭令海先生持有之權益代表 163,200 股 HLI 普通股及 52,112 股 HLI 發行之上市實物交收之期權之相關股份。

所有於上述(A)及(B)部所披露之權益皆代表持有本公司或聯營公司之好倉普通股股份。於上文另述者除外。

除本文所披露者外，概無任何董事於本公司或其任何聯營公司擁有須根據證券及期貨條例第352條規定而設之登記名冊中所載之股份，有關股本中之淡倉股份，相關股份及債券及根據標準守則須知會本公司及聯交所之權益。

Share Options

In order to comply with the new requirements of Chapter 17 of the Listing Rules, a new share option scheme of the Company (the "Share Option Scheme") was adopted on 23 May 2003 and was amended on 18 April 2006 to provide flexibility to the Company in providing alternatives in implementing the Share Option Scheme. During the year ended 30 June 2006, no options were granted or outstanding.

Certain subsidiaries of Hong Leong Company (Malaysia) Berhad, the Company's ultimate holding company have made arrangements under which eligible directors of the Company may acquire shares in the respective companies concerned. No person who at any time during the year were directors of the Company held shares acquired in pursuance of the arrangements.

Apart from the foregoing, there was no arrangement to which the Company or any of its subsidiaries, holding company or fellow subsidiaries was a party to enable the directors to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

購股權

為符合上市條例第十七章之新規定，公司一項新購股權計劃（「購股權計劃」）於二零零三年五月二十三日獲採納，並於二零零六年四月十八日作出修訂，使南順能更靈活地以其他途徑履行購股權計劃。截至二零零六年六月三十日止年內，並無授出或未行使之任何購股權。

若干 Hong Leong Company (Malaysia) Berhad (本公司之最終控股公司) 之附屬公司曾作出安排讓本公司現任董事可購買該等公司之股份。於本年度內之任何時間，本公司並無任何為本公司董事之人仕按該安排購買該些股份。

除上列者外，本公司或其附屬公司、控股公司或其附屬公司並無簽訂任何協議，使董事可透過購買本公司或任何其他公司之股份或債券而獲得利益。

Substantial Shareholders and Other Persons' Interests in Shares

As at 30 June 2006, the following persons (other than directors of the Company) have interests or short positions in the shares and underlying shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

主要股東及其他個人之持股權益

於二零零六年六月三十日，根據證券及期貨條例第336條規定存置之登記冊所記錄，下列人士(本公司董事除外)持有股份及相關股份中的權益或淡倉：

	Number of shares held 持有之股份數目	Notes 附註	Approximate percentage of interest 概約權益百分比
Raven Investment Company Limited 利宏投資有限公司	177,914,647	(A)+(B)	73.11%
T.C. Whang & Company (Private) Limited	177,914,647	(A)+(C)	73.11%
TEO Joo Yee 張如意	177,914,647	(A)+(D)	73.11%
Hong Leong Company (Malaysia) Berhad	177,914,647	(A)+(E)+(F)	73.11%
QUEK Leng Chan 郭令燦	177,914,647	(A)+(E)+(F)	73.11%
HL Holdings Sdn Bhd	177,914,647	(A)+(E)+(F)	73.11%
Hong Leong Investment Holdings Pte Limited	177,914,647	(A)+(E)+(F)	73.11%
Kwek Holdings Pte Limited	177,914,647	(A)+(E)+(F)	73.11%
Davos Investment Holdings Private Limited	177,914,647	(A)+(E)+(F)	73.11%
KWEK Leng Kee	177,914,647	(A)+(E)+(F)	73.11%

Substantial Shareholders and Other Persons' Interests in Shares (continued)

主要股東及其他個人之持股權益 (續)

Notes:

附註：

- (A) The total interests disclosed herein represent the interests in 177,914,647 ordinary shares of the Company which the respective parties held by virtue of Section 317 of the SFO in relation to the interests in shares pursuant to the shareholders' agreement and the supplemental agreement both dated 27 May 1997 entered into by Guoinvest International Limited ("Guoinvest") and, inter alia, Dr. WHANG Sun Tze (alias: WHANG Siong Tiat), Mr. WHANG Tar Choung, Madam TEO Joo Yee, T.C. Whang & Company (Private) Limited ("T.C. & Co.") and Raven Investment Company Limited ("Raven") and the Novation Agreement dated 5 September 2003 entered into by Guoinvest, GuoLine International Limited ("GuoLine", a sister subsidiary of Guoinvest), Dr. WHANG Sun Tze (alias: WHANG Siong Tiat), Mr. WHANG Tar Choung, Madam TEO Joo Yee, T.C. & Co. and Raven.
- (B) The interests disclosed comprise (i) own interest of Raven in 1,221,205 ordinary shares in the Company and (ii) the deemed interest in 176,693,442 ordinary shares in the Company held by other parties referred to in Note (A) above.
- (C) The interests disclosed comprise (i) own interest of T.C. & Co. in 869 ordinary shares in the Company and (ii) the deemed interest in 177,913,778 ordinary shares in the Company held by other parties referred to in Note (A) above.
- (D) The interests disclosed comprise (i) own interest of Madam TEO Joo Yee in 4,222,534 ordinary shares in the Company and (ii) the deemed interest in 173,692,113 ordinary shares in the Company held by other parties referred to in Note (A) above.
- (A) 本文所披露之總權益代表本公司177,914,647股之普通股，權益包括下述有關各方根據證券及期貨條例第317條之規定，Guoinvest International Limited (「Guoinvest」) 及黃上哲博士、黃大椿先生、張如意女士、T.C. Whang & Company (Private) Limited (「T.C. & Co.」) 及利宏投資有限公司 (「利宏」) 根據於一九九七年五月二十七日簽訂之股東協議及補充協議及Guoinvest、GuoLine International Limited (「GuoLine」, Guoinvest之姊妹附屬公司)、黃上哲博士、黃大椿先生、張如意女士、T.C. & Co. 及利宏根據二零零三年九月五日所簽訂之約務更改合同所持有之權益。
- (B) 所披露之權益包括(i)利宏本身於本公司1,221,205股普通股之權益及(ii)上文附註(A)所述由其他人仕持有之本公司176,693,442股普通股之被視為擁有之權益。
- (C) 所披露之權益包括(i)T.C. & Co. 本身於本公司869股普通股之權益及(ii)上文附註(A)所述由其他人仕持有之本公司177,913,778股普通股之被視為擁有之權益。
- (D) 所披露之權益包括(i)張如意女士本身於本公司4,222,534股普通股之權益及(ii)上文附註(A)所述由其他人仕持有之本公司173,692,113股普通股之被視為擁有之權益。

Substantial Shareholders and Other Persons' Interests in Shares (continued)

Notes: (continued)

- (E) The interests disclosed comprise (i) the corporate interests in 140,008,659 ordinary shares in the Company held through GuoLine and (ii) the deemed interest in 37,905,988 ordinary shares in the Company held by other parties referred to in Note (A) above.
- (F) Both Guoinvest and GuoLine are wholly-owned subsidiaries of GuoLine Capital Assets Limited which in turn is a wholly-owned subsidiary of Hong Leong Company (Malaysia) Berhad ("HLCM"). By virtue of Section 316(2) of the SFO, HLCM is held as to 49.11% and 34.49% by HL Holdings Sdn Bhd ("HLH") and Hong Leong Investment Holdings Pte Limited ("HLIH") respectively. HLH is wholly-owned by Mr. QUEK Leng Chan. Mr. KWEK Leng Kee holds 41.92% interest in Davos Investment Holdings Private Limited which in turn holds 33.59% interest in HLIH and Kwek Holdings Pte Limited holds 49% interest in HLIH.

All the interests disclosed under this section represent long position in the ordinary shares of the Company.

Save as disclosed herein, no other person (other than directors of the Company) has an interest or a short position in the shares and underlying shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Purchase, Sale or Redemption of the Company's Listed Shares

During the year, the Company had not redeemed, and neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed shares.

主要股東及其他個人之持股權益 (續)

附註：(續)

- (E) 所披露之權益包括(i)透過GuoLine持有於本公司140,008,659股普通股之權益及(ii)上文附註(A)所述由其他人仕持有之本公司37,905,988股普通股之被視為擁有之權益。
- (F) Guoinvest及GuoLine均為GuoLine Capital Assets Limited之全資附屬公司，後者為Hong Leong Company (Malaysia) Berhad (「HLCM」)之全資附屬公司。根據證券及期貨條例316(2)條之規定，HL Holdings Sdn Bhd (「HLH」)及Hong Leong Investment Holdings Pte Limited (「HLIH」)分別持有49.11%及34.49% HLCM之權益。HLH為郭令燦先生獨資擁有。KWEK Leng Kee先生持有41.92% Davos Investment Holdings Private Limited之股權而Davos則持有HLIH33.59%之股權，而Kwek Holdings Pte Limited持有HLIH49%之股權。

此部份披露之所有權益皆代表持有本公司好倉普通股份。

除本文所披露外，根據證券及期貨條例第336條須存置的登記冊所顯示，並無其他人仕(本公司之董事除外)持有股份及相關股份之權益或淡倉。

購買、出售或贖回本公司之上市股份

於本年度內，本公司並無贖回、及本公司或其附屬公司概無購買或出售本公司任何上市股份。

Major Customers and Suppliers

The sales amount attributable to the Group's 5 largest customers combined accounted for less than 30% of the Group's total turnover for the year.

The purchases amount attributable to the Group's 5 largest suppliers combined accounted for less than 30% of the Group's total purchases for the year.

At no time during the year have the directors or their associates or any shareholders of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

Corporate Governance

Code on Corporate Governance Practices

During the year, the Company had complied with the relevant provisions set out in the Code on Corporate Governance Practices (the "CGP" Code") based on the principles set out in Appendix 14 to the Listing Rules, save for the following:

- the non-executive directors were not appointed for a specific term. However, they are subject to retirement by rotation and re-election at the annual general meetings of the Company pursuant to the Articles of Association of the Company. As such, the Company considers that such provisions are sufficient to meet the underlying objectives of the relevant provisions of the CGP Code.

主要客戶及供應商

本集團售予最大的首五位客戶的銷售額共佔本集團本年度銷售額少於30%。

本集團購自最大的首五位供應商的購貨額佔本集團本年度購貨總額少於30%。

本年度本公司之董事、其聯繫人仕及任何股東(就董事所知之超過5%本公司股份人仕)從沒在該等主要客戶及供應商擁有任何利益。

公司管治

公司管治常規守則

於年度內，本公司一直按上市規則附錄14之原則，遵守企業管治常規守則(「企業管治守則」)所載之有關條文，惟下列除外：

- 非執行董事並無指定任期，但須根據本公司之公司組織章程細則規定於本公司股東週年常會上輪值告退及重選連任。因此，本公司認為該等條文足以符合企業管治常規守則有關條文之相關目標。

Corporate Governance (continued)

Model Code for Securities Transactions by Directors

The Company had adopted the Model Code as the code of conduct regarding directors' securities transactions.

Having made specific enquiry of all directors of the Company, they have complied with the required standard set out in the Model Code for the year.

Board Audit Committee

The Board Audit Committee ("BAC") comprises Messrs. NG Ping Kin, Peter (Chairman), LO Kwong Chi, Clement, TSANG Cho Tai and DING Wai Chuen, three of whom are independent non-executive directors. The BAC intends to meet quarterly to assist the Board in providing an independent review on the completeness, accuracy and fairness of the financial statements of the Group, as well as the efficiency and effectiveness of the Group's internal controls. In addition, the BAC has reviewed with management the accounting policies and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the audited consolidated financial statements of the Group for the year ended 30 June 2006 and the auditors' report thereon and submits them to the Board.

Details of the role of and work performed by the BAC are set out in the Corporate Governance Report on pages 34 to 35.

公司管治 (續)

董事於證券交易之標準守則

本公司已採納標準守則為本公司董事於證券交易之基本原則。

經與所有本公司之董事查詢，彼等於本年度均遵守列於標準守則內之規定。

董事會審核委員會

董事會審核委員會由伍秉堅先生(主席)、羅廣志先生、曾祖泰先生及丁偉銓先生組成，其中三位為獨立非執行董事。董事會審核委員會擬每季舉行一次會議以協助董事會獨立檢討本集團財務報表的完整性、準確性和公正程度以及本集團內部監控的效率及效益。董事會審核委員會已連同管理層檢討本集團所採納之會計政策及實務，以及商討審計、內部監控及財務申報事宜，並已包括審閱本集團截至二零零六年六月三十日止年度內經審核之綜合財務報表，以及當中所載之核數師報告，並呈交該等報表及報告予董事會。

董事會審核委員會之角色及工作詳情列載於第34頁至第35頁的企業管治報告書內。

Corporate Governance (continued)

Remuneration Committee

The Remuneration Committee comprises Messrs. KWEK Leng Hai (Chairman), LO Kwong Chi, Clement and DING Wai Chuen, two of whom are independent non-executive directors.

Details of the role of and work performed by the Remuneration Committee are set out in the Corporate Governance Report on page 33.

Sufficiency of Public Float

At all times during the year, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the directors.

Auditors

A resolution to re-appoint the retiring auditors, Messrs. PKF, Certified Public Accountants, is to be proposed at the forthcoming Annual General Meeting.

By Order of the Board
KWEK Leng Hai
Chairman

Hong Kong, 28 August 2006

公司管治 (續)

薪酬委員會

薪酬委員會由郭令海先生(主席)、羅廣志先生及丁偉銓先生組成，其中兩位為獨立非執行董事。

薪酬委員會之角色及工作詳情列載於第33頁的企業管治報告書內。

足夠之公眾持股量

基於公開於本公司查閱之資料及據董事所知悉，在本年度內，本公司一直維持上市規則所訂明之公眾持股量。

核數師

在即將召開之股東週年常會，將提呈決議案，建議續聘梁學濂會計師事務所為本公司的核數師。

承董事會命
主席
郭令海

香港，二零零六年八月二十八日