

Report of the Directors

董事會報告

The Directors are pleased to present their report together with the audited consolidated financial statements of Lee Kee Holdings Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31st December 2006.

Principal Activities

The principal activity of the Company is investment holding. The principal activities of the subsidiaries is sourcing and distribution of non-ferrous metals, primarily zinc alloy and zinc, nickel and nickel-related products, aluminium alloy and aluminium, and other electroplating chemicals (including chemicals of precious metals, such as silver, gold and rhodium). The activities of the subsidiaries are set out in note 30 to the financial statements.

Group Reorganisation

The Company was incorporated in the Cayman Islands on 11th November 2005 with limited liability under the Companies Laws (2004 Revision) of the Cayman Islands.

In September 2006, pursuant to a series of group reorganisation (the "Reorganisation") in preparation for the listing of the shares of the Company on Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company became the holding company of Lee Kee Group (BVI) Limited and its subsidiaries. Details of the Reorganisation are set out in the prospectus of the Company dated 21st September 2006. The Company's shares (the "Shares") were listed on the Stock Exchange on 4th October 2006.

Results and Appropriations

The results of the Group for the year are set out in the consolidated income statement on page 54.

The Directors recommend the payment of dividends of HK11.93 cents (including a special dividend of HK10 cents and a final dividend of HK1.93 cents) per ordinary share, totalling HK\$99,019,000 to the shareholders whose names are registered on the register of members on 31st May 2007.

董事欣然提呈利記控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至二零零六年十二月三十一日止年度之經審核綜合財務報表。

主要業務

本公司之主要業務是投資控股。附屬公司之主要業務是採購及分銷有色金屬，主要包括鋅合金及鋅、鎳及鎳有關產品、鋁合金及鋁以及其他電鍍化工原料（包括貴金屬化學品，例如銀、金及鉑）。附屬公司之主要業務載於財務報表附註30。

集團重組

本公司於二零零五年十一月十一日根據開曼群島公司法（二零零四年修訂本）在開曼群島註冊成立為有限公司。

於二零零六年九月，根據本公司為籌備股份於香港聯合交易所有限公司（「聯交所」）主板上市而進行之一系列集團重組（「重組」），本公司成為 Lee Kee Group (BVI) Limited 及其附屬公司之控股公司。有關重組之詳情載於本公司日期為二零零六年九月二十一日之售股章程內。本公司之股份（「股份」）於二零零六年十月四日在聯交所上市。

業績及分派

本集團於年內之業績載於第54頁之綜合收益表內。

董事建議向於二零零七年五月三十一日名列股東名冊之股東派付股息每股普通股11.93港仙（包括特別股息10港仙及末期股息1.93港仙），合共99,019,000港元。

Reserves

Movements in the reserves of the Group and of the Company during the year are set out in note 25 to the financial statements.

Donations

Charitable and other donations made by the Group during the year amounted to approximately HK\$1.3 million.

Property, Plant and Equipment

Details of the movements in property, plant and equipment of the Group are set out in note 17 to the financial statements.

Share Capital

Details of the movements in share capital of the Company are set out in note 24 to the financial statements.

Distributable Reserves

Distributable reserves of the Company at 31st December 2006 amounted to approximately HK\$1,241 million.

Pre-emptive Rights

There is no provision for pre-emptive rights under the Company's Articles of Association and there was no restriction against such rights under the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

Five Year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 16.

儲備

本集團及本公司於年內之儲備變動載於財務報表附註25。

捐款

本集團於年內之慈善及其他捐款約1,300,000港元。

物業、廠房及設備

本集團物業、廠房及設備之變動詳情載於財務報表附註17。

股本

有關本公司之股本變動詳情載於財務報表附註24。

可供分派儲備

本公司於二零零六年十二月三十一日之可供分派儲備為約1,241,000,000港元。

優先購買權

本公司之組織章程細則概無優先購買權之條文，開曼群島法例亦無對有關權利作出任何限制，規定本公司必須按比例發售新股予現有股東。

五年財務概要

本集團於過去五個財政年度之業績及資產負債概要載於第16頁。

Purchase, Sale or Redemption of Securities

The Company has not redeemed any of its Shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

Share Options

The Company adopted the Pre-IPO share option scheme (the "Pre-IPO Scheme") and the share option scheme (the "Share Option Scheme") pursuant to the written resolutions of the shareholder of the Company passed on 15 September 2006.

1. Pre-IPO Scheme

The purpose of the Pre-IPO Scheme is to recognise the contribution of certain directors and full-time employees of members of the Group whom the Board considered had contributed to the growth of the Group and/or to the listing of Shares on the Stock Exchange. The options were granted at a consideration for HK\$1. The exercise price of the granted options is HK\$2.136 per share which is equal to 80% of the offer price in connection with the listing of the Company's shares on the Stock Exchange in 2006. Each option gives the holder the right to subscribe for shares of the Company. The Pre-IPO Scheme will remain valid until its expiry date.

A summary of the principal terms of the Pre-IPO Share Option Scheme are set out in the Company's Prospectus dated 21st September 2006.

Details of the share options granted and outstanding as at 31st December 2006 under the Pre-IPO Scheme are set out in Note 24 to the financial statements.

As at 31st December 2006, options to subscribe for a total of 21,960,180 shares were still outstanding under the Pre-IPO Scheme which represents approximately 2.577% of the enlarged issued share capital of the Company.

購買、出售或贖回證券

本公司於年內並無贖回其任何股份。本公司及其附屬公司於年內概無買賣本公司之股份。

購股權

本公司已根據本公司股東於二零零六年九月十五日通過之書面決議案採納首次公開發售前購股權計劃（「首次公開發售前購股權計劃」）及購股權計劃（「購股權計劃」）。

1. 首次公開發售前購股權計劃

首次公開發售前購股權計劃之目的為表揚董事會認為對本集團發展及／或股份於聯交所上市作出貢獻之本集團成員公司若干名董事及全職僱員。授出購股權之代價為1港元。已授出購股權之行使價為每股2.136港元，相等於本公司股份於二零零六年在聯交所上市時發售價之80%。每份購股權賦予其持有人權利認購本公司股份。首次公開發售前購股權計劃將一直有效直至其屆滿之日止。

有關首次公開發售前購股權計劃之主要條款概要載於本公司日期為二零零六年九月二十一日之售股章程內。

有關於二零零六年十二月三十一日根據首次公開發售前購股權計劃已授出但尚未行使購股權之詳情載於財務報表附註24。

於二零零六年十二月三十一日，根據首次公開發售前購股權計劃涉及可認購合共21,960,180股股份之購股權尚未獲行使，相當於本公司經擴大已發行股本約2.577%。

The value of the options granted to the respective parties under the Pre-IPO Scheme is as follows:

下列人士根據首次公開發售前購股權計劃所獲授購股權之價值載列如下：

		HK\$ 港元
Directors		
Mr. CHAN Pak Chung	董事 陳伯中先生	6,690,36
Ms. MA Siu Tao	馬笑桃女士	5,491,689
Ms. CHAN Yuen Shan, Clara	陳婉珊女士	3,902,717
Mr. NG Tze For	吳子科先生	278,726
Others		
Senior management and employees	其他 高級管理層及僱員	14,857,476

The fair value of options granted during the year determined using the binomial model was approximately HK\$31 million. The significant inputs into the model were share price of HK\$2.67 per share as at the grant date, exercise price of HK\$2.136 per share as shown above, volatility of the share of 65%, expected life of options of three years, expected dividend yield of 4.48% and annual risk-free interest rate of 3.97%. The volatility measured at the standard deviation of expected share price returns is based on the 5-year historical volatility of price return of companies engaged in the industry of metal trading listed on the Stock Exchange.

年內已授出購股權之公平價值為31,000,000港元，乃根據二項式估值模式計算。此模式之主要輸入項目為於授出日期之股價每股2.67港元、行使價每股2.136港元、預計股價股份波幅65%、預計購股權期限3年、預計股息回報率4.48%及無風險年息率3.97%。按預計股價回報標準偏差計算之波幅乃根據過去五年從事金屬買賣之聯交所上市公司之股價回報波動釐定。

2. Share Option Scheme

The purpose of the Share Option Scheme is established to provide participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and the Shares for the benefit of the Company and the shareholders of the Company as a whole. The participants of the Share Option Scheme may include directors and employees of any member of the Group, advisors, consultants, distributors, contractors, customers, suppliers, agents, business partners, joint venture business partners, service providers of any member of the Group. Each option will be granted at a consideration for HK\$1. The Share Option Scheme will remain valid until 14th September 2016.

The subscription price of Shares in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the higher of:

- (i) the closing price of a Share as stated in the daily quotations sheet issued by the Stock Exchange on the date of offer of such grant, which shall be a business day;
- (ii) the average of the closing prices of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five trading days immediately preceding the date of offer of such grant; and
- (iii) the nominal value of a Share on the date of offer of such grant.

2. 購股權計劃

設立購股權計劃之目的是為參與者提供獲得本公司專有利益之機會，並鼓勵參與者致力提升本公司及其股份之價值以為本公司及本公司股東帶來整體利益。購股權計劃之參與者包括本集團成員公司之董事及僱員、本集團成員公司之顧問、諮詢人、分銷商、承辦商、客戶、供應商、代理、業務夥伴、合營夥伴及服務供應商。每一購股權將以代價1港元授出。購股權計劃將一直有效直至二零一六年九月十四日為止。

根據購股權計劃授出之特定購股權之股份認購價將由董事會全權釐定，惟有關價格將不得低於以下之較高者：

- (i) 股份於建議有關授出日期（須為營業日）在聯交所之每日報價表所報之收市價；
- (ii) 股份於緊接建議有關授出日期前五個交易日在聯交所之每日報價表所報之平均收市價；及
- (iii) 股份於建議有關授出日期之面值。

The maximum number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and under any other share option scheme(s) adopted by the Company must not in aggregate exceed 10% of the aggregate of the Shares at the time of listing plus shares issued under the Over-allotment Option (the "Scheme Mandate Limit") or the refreshed Scheme Mandate Limit approved by the shareholders. In addition, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company at any time must not exceed 30% of the issued share capital of the Company in issue from time to time. The total number of Shares issued and which fall to be issued upon exercise of the options granted and to be granted under the Share Option Scheme and any other share option scheme(s) of the Company to each participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of total number of Shares in issue as at the date of offer to grant. Any further grant of options in excess of this 1% limit shall be subject to the approval of the Shareholders in general meeting at which such participant and his associates abstaining from voting.

No options have been granted under the Share Option Scheme since the adoption date on 15th September 2006 and up to 31st December 2006.

根據購股權計劃及本公司所採納之其他購股權計劃將予授出之購股權獲悉數行使時可能發行之股份數目，最高不得超過於上市時股份及根據超額配股權而發行之股份總數之10%（「計劃授權限額」）或獲股東批准之更新計劃授權限額。此外，根據購股權計劃及本公司所採納之其他購股權計劃已授出但尚未行使或將予行使之購股權獲行使時可能發行之股份數目，最高不得超過本公司不時已發行股本之30%。根據購股權計劃及本公司所採納之其他購股權計劃向各參與者已授出或將予授出之購股權（包括已行使及尚未行使之購股權）獲行使而於任何12個月期間已發行及將予發行之股份總數，不得超過建議授出日期已發行股份總數之1%。任何進一步授予超過1%上限之購股權必須於股東大會上獲股東批准，而有關參與者及其聯繫人士須放棄投票。

自二零零六年九月十五日採納之日起至二零零六年十二月三十一日止，概無根據購股權計劃授出任何購股權。

Directors

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

Executive Directors

Mr. CHAN Pak Chung (appointed on 11th November 2005)
Ms. CHAN Yuen Shan, Clara (appointed on 11th November 2005)
Ms. MA Siu Tao (appointed on 14th September 2006)
Mr. NG Tze For (appointed on 14th September 2006)

Non-executive Directors

Mr. William Tasman WISE (appointed on 14th September 2006)

Independent Non-executive Directors

Mr. CHUNG Wai Kwok, Jimmy (appointed on 14th September 2006)
Mr. YAN Cheuk Yam (appointed on 14th September 2006
and resigned on 28th February 2007)
Mr. LEUNG Kwok Keung (appointed on 14th September 2006)

In accordance with Article 130 of the Articles of Association of the Company, Ms. MA Siu Tao, Mr. NG Tze For and Mr. LEUNG Kwok Keung shall retire and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Directors' Service Contracts

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

Directors' Interests in Contracts

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

Biographical Details of Directors and Senior Management

Brief biographical details of Directors and the Senior Management are set out from page 30 to page 35 of the Annual Report.

董事

年內及直至本報告日期之董事如下：

執行董事

陳伯中先生（於二零零五年十一月十一日獲委任）
陳婉珊女士（於二零零五年十一月十一日獲委任）
馬笑桃女士（於二零零六年九月十四日獲委任）
吳子科先生（於二零零六年九月十四日獲委任）

非執行董事

William Tasman WISE先生
（於二零零六年九月十四日獲委任）

獨立非執行董事

鍾維國先生（於二零零六年九月十四日獲委任）
甄焯欽先生（於二零零六年九月十四日獲委任，
並已於二零零七年二月二十八日辭任）
梁覺強先生（於二零零六年九月十四日獲委任）

根據本公司之組織章程細則第130條，馬笑桃女士、吳子科先生及梁覺強先生將於應屆股東週年大會上退任，惟符合資格並願膺選連任。

董事之服務合約

擬於應屆股東週年大會上膺選連任之董事概無與本公司訂立本公司不可於一年內免付補償賠償（法定賠償除外）而終止之服務合約。

董事之合約權益

本公司或其任何附屬公司、聯屬公司及控股公司並無參與訂立於本年度結算日或本年度任何時間內生效而本公司董事直接或間接擁有重大權益及對本集團業務而言屬重大之合約。

董事及高級管理層之簡歷

董事及高級管理層之簡歷載於本年報第30頁至第35頁。

Directors' and Chief Executives' Interests and/or Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated corporations

At 31st December 2006, the interests and short positions of each Director and Chief Executive in the shares, underlying shares and debentures of the Company and its 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 Part XV of the SFO were as follows:

1. Long Position in Shares of the Company

Name of Director 董事姓名	Capacity 身份	Number of Shares in which interested 擁有權益之股份數目	Approximate percentage of issued Shares 佔已發行股份之 概約百分比
Mr. CHAN Pak Chung ¹ 陳伯中先生 ¹	Founder of a discretionary trust 全權信託之創立人	600,000,000	72.29%
Ms. MA Siu Tao ² 馬笑桃女士 ²	Beneficiary of a trust 信託之受益人	600,000,000	72.29%

Notes:

- The 600,000,000 Shares are held by Global Alliance Global Services Limited ("Global Alliance") whose entire issued share capital is held by Gold Alliance International Management Limited ("Gold Alliance International"), which is in turn held by HSBC International Trustee Limited ("HSBC Trustee") acting as the trustee of the P.C. CHAN Family Trust. The P.C. CHAN Family Trust is an irrevocable discretionary trust set up by Mr. CHAN Pak Chung as settlor and HSBC Trustee as trustee on 6th March 2006. The discretionary objects of which include Ms. MA Siu Tao and the other family members of Mr. CHAN Pak Chung. Mr. CHAN Pak Chung is the settlor of the P.C. CHAN Family Trust and is deemed to be interested in the 600,000,000 Shares held by Gold Alliance under the SFO.
- Ms. MA Siu Tao, the spouse of Mr. CHAN Pak Chung and an Executive Director, is deemed to be interested in the 600,000,000 Shares held by Gold Alliance as she is one of the discretionary objects under the P.C. CHAN Family Trust under the SFO.

董事及最高行政人員於本公司及其相聯法團之股份、相關股份及債券之權益及淡倉

於二零零六年十二月三十一日，根據本公司依照證券及期貨條例（「證券及期貨條例」）第352條第XV部之規定存置之登記冊所載，各董事及最高行政人員於本公司及其相聯法團（具有證券及期貨條例所賦予之涵義）之股份、相關股份及債券中擁有之權益及淡倉如下：

1. 於本公司股份之好倉

附註：

- 該600,000,000股股份由Global Alliance Global Services Limited（「Global Alliance」）持有，Gold Alliance International Management Limited（「Global Alliance International」）持有該公司全部已發行股本，而Gold Alliance International則由HSBC International Trustee Limited（「HSBC Trustee」）作為陳伯中家族信託之受託人身份持有。陳伯中家族信託乃由陳伯中先生作為信託創立人及HSBC Trustee作為受託人於二零零六年三月六日成立之不可撤銷全權信託，其受益對象包括馬笑桃女士及陳伯中先生之其他家族成員。陳伯中先生為陳伯中家族信託之信託創立人，根據證券及期貨條例，其被視為於Gold Alliance所持有之600,000,000股股份中擁有權益。
- 由於陳伯中先生之配偶兼執行董事馬笑桃女士為陳伯中家族信託之受益對象，根據證券及期貨條例，其被視為於Gold Alliance所持有之600,000,000股股份中擁有權益。

2. Long Position in Underlying Shares of the Company

2. 於本公司之相關股份之好倉

Name of Director 董事姓名	Capacity 身份	Description of equity derivatives 股本衍生工具說明	Number of underlying Shares 相關股份數目
Mr. CHAN Pak Chung 陳伯中先生	Beneficial owner 實益擁有人	Share option 購股權	4,705,860
	Family interest 家族權益	Share option 購股權	3,862,740
Ms. MA Siu Tao 馬笑桃女士	Beneficial owner 實益擁有人	Share option 購股權	3,862,740
	Family interest 家族權益	Share option 購股權	4,705,860
Ms. CHAN Yuen Shan, Clara 陳婉珊女士	Beneficial owner 實益擁有人	Share option 購股權	2,745,090
Mr. NG Tze For 吳子科先生	Beneficial owner 實益擁有人	Share option 購股權	196,050

Note: Mr. CHAN Pak Chung and Ms. MA Siu Tao were granted options under the Pre-IPO Scheme to subscribe for 4,705,860 Shares and 3,862,740 Shares respectively. Ms. MA Siu Tao is the spouse of Mr. CHAN Pak Chung. Therefore, pursuant to Part XV of the SFO, Mr. CHAN Pak Chung is deemed to be interested in the share option granted to Ms. MA Siu Tao and Ms. MA Siu Tao is deemed to be interested in the share option granted to Mr. CHAN Pak Chung.

附註：陳伯中先生及馬笑桃女士根據首次公開發售前購股權計劃分別獲授購股權以認購4,705,860股及3,862,740股股份。馬笑桃女士為陳伯中先生之配偶，因此，根據證券及期貨條例第XV部，陳伯中先生被視為於馬笑桃女士獲授之購股權中擁有權益，而馬笑桃女士被視為於陳伯中先生獲授之購股權中擁有權益。

Share options are granted to Directors under the Pre-IPO Scheme whose details are listed under the section "Share Options" above.

根據首次公開發售前購股權計劃授予董事之購股權詳情載於上文「購股權」一節。

Save as disclosed above, at no time during the year, the Directors and Chief Executives (including their spouse and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for shares (or warrants or debentures, if applicable) of the Company and its associated corporations required to be disclosed pursuant to the SFO.

除上文披露者外，於年內任何時間，概無董事及最高行政人員（包括彼等之配偶及未滿十八歲之子女）於本公司及其相聯法團中擁有權益，或獲授或行使任何可認購本公司及其相聯法團股份（或認股權證或債券，如適用）之權利而須根據證券及期貨條例予以披露。

At no time during the year was the Company or any of its subsidiaries, fellow subsidiaries and holding companies a party to any arrangement to enable the Directors and Chief Executives of the Company (including their spouse and children under 18 years of age) to hold any interests or short positions in the Shares or underlying Shares in, or debentures of, the Company or its associated corporation.

於年內任何時間，本公司或其任何附屬公司、聯屬公司及控股公司概無參與任何安排，致使本公司董事及最高行政人員（包括彼等之配偶及未滿十八歲之子女）於本公司或其相聯法團之股份、相關股份及債券中擁有任何權益或淡倉。

Substantial Shareholders' Interests and/or Short Positions in the Shares, Underlying Shares of the Company

The register of substantial shareholders required to be kept under section 336 of Part XV of the SFO shows that as at 31st December 2006, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and Chief Executives.

Long Position in the Shares of the Company

Name 名稱	Capacity 身份	Number of Ordinary Shares in which interested 擁有權益之普通股數目	Approximate percentage of issued Shares 佔已發行股份之 概約百分比
Gold Alliance Global Services Limited	Registered owner 註冊擁有人	600,000,000	72.29%
Gold Alliance International Management Limited	Interest of controlled corporation 於受控制公司之權益	600,000,000	72.29%
HSBC International Trustee Limited	Trustee 受託人	600,000,000	72.29%

Note: The entire share capital of Gold Alliance is held by Gold Alliance International, which is in turn held by HSBC Trustee acting as the trustee of the P.C. CHAN Family Trust. The P.C. CHAN Family Trust is an irrevocable discretionary trust set up by Mr. CHAN Pak Chung as settlor and HSBC Trustee as trustee on 6th March 2006. The discretionary objects of which include Ms. MA Siu Tao and other family members of Mr. CHAN Pak Chung.

Save as disclosed above, at no time during the year, no person, other than the Directors and Chief Executives (including their spouse and children under 18 years of age) had any interest or short positions in the Shares or underlying shares of the Company recorded in the register to be kept under section 336 of the SFO.

主要股東於本公司之股份及相關股份之權益及／或淡倉

根據證券及期貨條例第336條第XV部之規定所存置之主要股東登記冊所載，於二零零六年十二月三十一日，本公司獲知會下列主要股東之權益及淡倉，即佔本公司已發行股本5%或以上權益。此等權益並無計入上文所披露之董事及最高行政人員權益內。

於本公司股份之好倉

Name 名稱	Capacity 身份	Number of Ordinary Shares in which interested 擁有權益之普通股數目	Approximate percentage of issued Shares 佔已發行股份之 概約百分比
Gold Alliance Global Services Limited	Registered owner 註冊擁有人	600,000,000	72.29%
Gold Alliance International Management Limited	Interest of controlled corporation 於受控制公司之權益	600,000,000	72.29%
HSBC International Trustee Limited	Trustee 受託人	600,000,000	72.29%

附註：Gold Alliance International持有Global Alliance全部已發行股本，而Gold Alliance International則由HSBC Trustee作為陳伯中家族信託之受託人身份持有。陳伯中家族信託乃由陳伯中先生作為信託創立人及HSBC Trustee作為受託人於二零零六年三月六日成立之不可撤銷全權信託，其受益對象包括馬笑桃女士及陳伯中先生之其他家族成員。

除上文披露者外，於年內任何時間，除董事及最高行政人員（包括彼等之配偶及未滿十八歲之子女）外，根據證券及期貨條例第336條之規定所存置之登記冊記錄，概無任何人士於本公司之股份或相關股份中擁有任何權益或淡倉。

Other Persons' Interests and/or Short Positions in the Shares, Underlying Shares of the Company

As at 31st December 2006, no other persons had any interest or short positions in the Shares or underlying shares of the Company recorded in the register to be kept under the SFO.

Major Suppliers and Customers

During the year, the Group sold less than 30% of its goods to its five largest customers.

The percentage of purchases for the year ended 31 December 2006 attributable to the Group's major suppliers is as follows:

Purchases	
– the largest supplier	55%
– five largest suppliers combined	88%

During the year ended 31 December 2006, no Directors or any associates of Directors or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) has any interest in any of the Group's five largest suppliers.

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Competing Business

Mr. CHAN Pak Chung has provided a written confirmation, which has been reviewed and confirmed by the Independent Non-executive Directors of the Company, confirming that he has complied with the terms of a Deed of Non-competition entered into between the Company and him during the Reviewed Period.

Auditor

The consolidated financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

Chairman

Hong Kong, 27th March 2007

其他人士於本公司股份及相關股份之權益及／或淡倉

於二零零六年十二月三十一日，根據證券及期貨條例之規定所存置之登記冊所載，概無其他人士於本公司股份或相關股份中擁有權益或淡倉。

主要供應商及客戶

年內，本集團向其五大客戶出售少於30%貨品。

本集團主要供應商應佔截至二零零六年十二月三十一日止年度買賣百分比如下：

購買	
– 最大供應商	55%
– 五大供應商合計	88%

於截至二零零六年十二月三十一日止年度期間，概無任何董事或董事的任何聯繫人或任何股東（據董事所知持有本公司股本5%以上）在任何本集團五大供應商中擁有任何權益。

管理合約

年內概無有關本公司全部或任何重大部份之業務之管理及行政合約由本公司訂立或存在。

競爭業務

陳伯中先生已提供書面確認，並由本公司獨立非執行董事審閱及確認，陳伯中先生於回顧期間已遵守本公司與其所訂立之不可競爭契據之條款。

核數師

綜合財務報表已由羅兵咸永道會計師事務所審核，羅兵咸永道會計師事務所將任滿告退，惟符合資格並願意獲續聘。

代表董事會

主席

香港，二零零七年三月二十七日