

REPORT OF THE DIRECTORS

董事會報告

The Directors submit their report together with the audited accounts for the year ended 31st December 2006.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in Note 18 to the accounts.

An analysis of the Group's turnover and contribution to operating profit for the year is set out in Notes 5, 6 and 7 to the accounts.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated profit and loss account on page 29.

The Directors recommend the payment of a final dividend of HK\$0.04 per ordinary share, totalling HK\$9,674,000.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in Note 26 to the accounts.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in Note 16 the accounts.

INVESTMENT PROPERTIES

Details of the properties held for investment purposes are set out in Note 17 to the accounts.

SHARE CAPITAL

Details of share capital of the Company are set out in Note 25 to the accounts.

董事會提呈其截至二零零六年十二月三十一日止年度之報告連同經審核賬目。

按主要業務及地域分析之業務

本公司之主要業務為投資控股，而其附屬公司之業務則載於賬目附註18。

本集團之營業額及經營溢利貢獻分析載於賬目附註5、6及7。

業績及分配

本集團年內之業績載於第29頁之綜合損益表。

董事會建議派付末期股息每股普通股0.04港元，共計9,674,000港元。

儲備

本集團及本公司儲備年內變動之詳情載於賬目附註26。

物業、廠房及設備

本集團物業、廠房及設備變動之詳情載於賬目附註16。

投資物業

有關持有作投資用途物業之詳情載於賬目附註17。

股本

本公司股本之詳情載於賬目附註25。

REPORT OF THE DIRECTORS

董事會報告

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 below:

五年財務概要

本集團於過去五個財政年度之業績及資產與負債概要載列如下：

	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
RESULTS					
業績					
Turnover 營業額	393,590	431,618	445,260	522,921	617,556
Profit before taxation 除稅前溢利	24,848	39,551	60,236	51,113	71,616
Taxation 稅項	(3,757)	(6,112)	(9,961)	(8,589)	(12,314)
Profit for the year 年度溢利	21,091	33,439	50,275	42,524	59,302
Attributable to: 歸屬於：					
Shareholders of the Company 本公司股東	21,091	33,439	50,430	42,524	59,302
Minority interests 少數股東權益	—	—	(155)	—	—
	21,091	33,439	50,275	42,524	59,302
ASSETS AND LIABILITIES					
資產及負債					
Total assets 資產總值	290,285	325,302	398,665	425,261	522,782
Total liabilities 負債總額	(94,183)	(104,226)	(136,441)	(132,606)	(182,918)
Shareholders' funds 股東資金	196,102	221,076	262,224	292,655	339,864

REPORT OF THE DIRECTORS

董事會報告

FIVE YEAR FINANCIAL SUMMARY

(continued)

The results, assets and liabilities of the Group for the five years ended 31st December 2006 have been prepared on the basis set out in Note 2 to the accounts.

PURCHASE, REDEMPTION OR SALE OF THE COMPANY'S LISTED SECURITIES

During the year ended 31st December 2006, neither the Company nor its subsidiaries had purchased, redeemed or sold any of the Company's listed securities.

DIRECTORS

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

EXECUTIVE DIRECTOR

Mr. Tsang Chung Yin
Mr. Tsang Yin
Mr. Chan Churk Kai
Dr. Tsang Ngan Chung
Ms. Ngai Chui Ling
Mr. Tsang Sik Yin, Eric (resigned on 30th June 2006)

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Chan Yuk Ming
Mr. Wong, Samuel Kwok Hay
Mr. Chan Yuk Tong (appointed on 1st January 2007)
Mr. Wong Wah On, Edward (resigned on 31st December 2006)

In accordance with the Company's Bye-Law 99, Mr. Tsang Chung Yin, Dr. Tsang Ngan Chung and Mr. Wong, Samuel Kwok Hay, retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

In accordance with the Company's Bye-Law 102(B), Mr. Chan Yuk Tong retires at the forthcoming annual general meeting and, being eligible, offers himself for re-election.

五年財務概要 (續)

本集團截至二零零六年十二月三十一日止五個年度之業績、資產與負債乃按賬目附註2所載之基準編製。

買賣或贖回本公司上市證券

於截至二零零六年十二月三十一日止年度內，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

董事

年內及直至本報告日期在任之董事如下：

執行董事

曾仲賢先生
曾賢先生
陳焯佳先生
曾銀鐘博士
魏翠玲女士
曾錫賢先生 (於二零零六年六月三十日辭任)

獨立非執行董事

陳旭明先生
黃國熹先生
陳育棠先生 (於二零零七年一月一日獲委任)
黃華安先生 (於二零零六年十二月三十一日辭任)

根據本公司之公司細則第99條，曾仲賢先生、曾銀鐘博士及黃國熹先生須在應屆股東週年大會上輪值退任，惟彼等有資格及願意膺選連任。

根據本公司之公司細則第102(B)條，陳育棠先生須在應屆股東週年大會上退任，惟彼有資格及願意膺選連任。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS

Mr. Chan Yuk Ming, Mr. Wong, Samuel Kwok Hay and Mr. Chan Yuk Tong are Independent Non-executive Directors and were appointed for an one-year term expiring on 31st December 2007.

Each of the Executive Directors has entered into a service contract with the Company for a term of three years commencing from 1st December 2003 and shall continue thereafter until terminated in accordance with the terms of the service agreement, which may be terminated by either party thereto giving to the other not less than three calendar months' prior notice in writing. None of the contracts have compensation clauses.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out below:

DIRECTORS

EXECUTIVE DIRECTORS

Mr. TSANG Chung Yin, aged 61, joined the Group in 1986. He is the Chairman of the Company. He has over 30 years of experience in the trading of pipes, fittings and other related accessories. He is responsible for the Group's sales and purchases activities. He is a member of the Institute of Plumbing & Registered Plumber (U.K.). He is the elder brother of Dr. Tsang Ngan Chung and Mr. Tsang Yin.

Mr. TSANG Yin, aged 58, joined the Group in 1986. He is the Deputy Chairman of the Company. He has over 30 years of experience in the trading of pipes, fittings and other related accessories. He is a licensed plumber of the Water Supplies Department. He supervises sales department of the Group. He is the younger brother of Mr. Tsang Chung Yin and Dr. Tsang Ngan Chung.

董事之服務合約

陳旭明先生、黃國熹先生及陳育棠先生為獨立非執行董事，任期一年，將於二零零七年十二月三十一日屆滿。

各執行董事與本公司均已訂立服務合約，由二零零三年十二月一日起計為期三年，並將繼續有效直至根據服務協議之條款終止為止，及可由任何一方向另一方事先不少於三個月發出書面通知而終止。所有董事服務合約並無賠償金條款。

董事及高級管理人員之履歷

董事及高級管理人員之履歷簡述如下：

董事

執行董事

曾仲賢先生，61歲，於1986年加入本集團，曾先生為本公司主席，在喉管、管件及其他相關配件之貿易方面積逾30年經驗，負責本集團之銷售及採購業務。曾先生為Institute of Plumbing & Registered Plumber (U.K.)之會員。曾先生乃曾銀鐘博士及曾賢先生之胞兄。

曾賢先生，58歲，於1986年加入本集團，曾先生為本公司副主席。彼在喉管、管件及其他相關配件之貿易方面積逾30年經驗，並為水務署之持牌水喉匠。彼主管本集團之銷售部門。曾先生乃曾仲賢先生及曾銀鐘博士之胞弟。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT *(continued)*

Mr. CHAN Churk Kai, aged 53, is the Managing Director of the Company. With over 29 years of experience in the trading of pipes, fittings and other related accessories, he is responsible for the development and supervision of the sales department. Mr. Chan is the Welfare Supervisor of the Hong Kong Plumbing & Sanitary Ware Trade Association Limited. He is also an associate member of the Institute of Plumbing and Heating Engineering (U.K.), Asian Institute of Intelligent Buildings and the Hong Kong Association of Energy Engineers. He is also a member of Lions Clubs. Mr. Chan joined the Group in 1978.

Dr. TSANG Ngan Chung, aged 59, joined the Group in 1986 and has over 30 years of experience in the trading of pipes, fittings and other related accessories. She is responsible for the finance, administration and personnel operations in the Group. She holds a Doctor's Degree in Economics and Commerce from the Pacific Western University of the United States. She is the younger sister of Mr. Tsang Chung Yin and the elder sister of Mr. Tsang Yin.

Ms. NGAI Chui Ling, aged 47, is the Purchasing Director of the Group. She is responsible for the control of stock levels and co-ordination of the sales teams of the Group. Ms. Ngai joined the Group in 1979 and has over 22 years of experience in the procurement of pipes, fittings and other related accessories.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHAN Yuk Ming, aged 51, is a Chartered Building Surveyor, a Registered Professional Surveyor (Building Surveying) and an Authorized Person. Mr. Chan has over 23 years of experience in the surveying profession. He is a Member of the Chartered Institute of Arbitrators and the Chartered Institute of Building; a Fellow Member of the Hong Kong Institute of Surveyors and the Royal Institution of Chartered Surveyors. Mr. Chan is currently the President of Hong Kong Institute of Surveyors. Mr. Chan is also a Governor of World Organisation of Building Officials; Alternate Chairperson of Authorized Persons Registration Committee; member of Town Planning Board, Advisory Committee on Barrier Free Access and Railway Objection Hearing Panel.

董事及高級管理人員之履歷 (續)

陳焯佳先生，53歲，為本公司董事總經理，在喉管、管件及其他相關配件之貿易方面積逾29年經驗，負責發展及監督銷售部門。陳先生為香港水喉潔具業商會有限公司之福利主任，英國水喉工程學會、亞洲智能建築學會及香港能源工程師學會會員。彼亦為獅子會會員。陳先生於1978年加入本集團。

曾銀鐘博士，59歲，於1986年加入本集團，在喉管、管件及其他相關配件之貿易方面積逾30年經驗，負責本集團之財務、行政管理及人事等方面之運作。曾博士持有美國西太平洋大學之經濟及商業博士學位。曾博士乃曾仲賢先生之胞妹及曾賢先生之胞姊。

魏翠玲女士，47歲，本集團採購部董事，負責控制存貨數量及協調本集團之銷售隊伍。魏女士於1979年加入本集團，在喉管、管件及其他相關配件之採購方面積逾22年經驗。

獨立非執行董事

陳旭明先生，51歲，特許建築測量師、註冊專業測量師(建築測量)及認可人士。陳先生在測量專業方面積逾23年經驗。彼為特許仲裁學會及特許建造師學會會員、香港測量師學會及英國皇家特許測量師學會資深會員。陳先生現為香港測量師學會會長，亦為世界建築人員組織總監、認可人士註冊事務委員會候補主席、城市規劃委員會，無阻通道諮詢委員會及鐵路方案反對意見聆聽委員會之成員。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT *(continued)*

Mr. WONG, Samuel Kwok Hay, aged 58, is at present a partner of the solicitor firm Wong & Fok. He is a lawyer (qualified in Hong Kong, Canada, Australia, England and Wales), a Notary Public of HKSAR, a Notary Public of the Province of Alberta Canada, a China-Appointed Attesting Officer, a Hong Kong Civil Celebrant of Marriages, a professional engineer (FHKIE, FICE, FIStructE, RPE and RSE) and a quantity surveyor (FInstCES, MRICS and MHKIS). Being active in these professions for some 35 years, Mr. Wong currently practices construction law and is on the List of Arbitrators of the Hong Kong International Arbitration Centre. He has taught construction/safety laws in various universities in Hong Kong on a part-time basis. Mr. Wong is also a member of the Hong Kong Advisory Committee on the Quality of Water Supplies.

Mr. CHAN Yuk Tong, aged 44, is a practicing fellow member of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia. Mr. Chan holds a Bachelor's degree in Commerce from the University of Newcastle in Australia and a Master's degree of Business Administration from the Chinese University of Hong Kong. He also has over 20 years of experience in auditing, accounting, management consultancy and financial advisory services. Mr. Chan is an executive director of Vitop Bioenergy Holdings Limited and an independent non-executive director of Anhui Conch Cement Company Limited, Carico Holdings Limited, Daisho Microline Holdings Limited and Kam Hing International Holdings Limited, all of which are listed companies in Hong Kong.

董事及高級管理人員之履歷 (續)

黃國熹先生，58歲，香港黃霍律師行之合夥人。彼為律師(取得香港、加拿大、澳洲、英國及威爾斯之資格)、香港及加拿大亞伯達省國際公證人、中國委任公證人、香港婚姻監禮人、亦為專業工程師(FHKIE, FICE, FIStructE, RPE及RSE)及工料測量師(FInstCES, MRICS及MHKIS)。投身於工程、法律及測量界逾35年，黃先生現時從事工程法律訴訟，並為香港國際仲裁中心的仲裁員。黃先生曾以兼職形式在香港各大學教授工程／安全法律課程。彼現時為香港水質事務諮詢委員會委員。

陳育棠先生，44歲，彼為香港會計師公會之執業資深會員及澳洲會計師公會之會員。陳先生持有澳洲紐卡素大學商業學士學位及香港中文大學工商管理碩士學位。彼亦在審計、會計、管理顧問及財務諮詢服務方面具有逾20年經驗。陳先生為天年生物控股有限公司之執行董事及安徽海螺水泥股份有限公司、中汽資源投資有限公司、大昌微綫集團有限公司與錦興國際控股有限公司之獨立非執行董事，上述各間公司均為香港上市公司。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT *(continued)*

SENIOR MANAGEMENT

Ms. CHAN Yuk Fan, Fanny, aged 43, is the sales director of a subsidiary. Ms. Chan is responsible for the Group's sales operations including wholesale division, Hong Kong and Macau retail shops, PRC trade and new product development. She is also responsible for training new staff members of the sales and marketing team of the Group. Ms. Chan has over 25 years of experience in the selling of pipes, fittings and other related accessories. She joined the Group in 1982.

Ms. LAI Wai Ying, Josie, aged 46, is the sales director of a subsidiary. Ms. Lai is responsible for the Group's wholesale operations and marketing functions. She is also responsible for training new staff members of the sales and marketing team of the Group. Ms. Lai joined the Group in 1980 and has over 27 years of experience in wholesale industry.

Mr. LAI Kui Chung, aged 49, is the warehouse director of a subsidiary. Mr. Lai is responsible for the warehouse and transportation activities of the Group. He has over 28 years of experience in supervising warehouse and transportation operations. Mr. Lai holds a Certificate in Store Supervision from a technical institute. Mr. Lai joined the Group in 1979.

Mr. KU Chun Ming, Barry, aged 41, is the deputy general sales manager of the Group. Mr. Ku has over 19 years of experience in sales and marketing activities. He is responsible for the sales and promotion activities including the exhibitions and seminars. Mr. Ku joined the Group in 1993.

Mr. LEONG Vai Keong, Terence, aged 36, is the senior sales manager of the Group. Mr. Leong has 15 years of experience in sales and promotion activities. He is responsible for the sales and marketing activities including the exhibitions and seminars. Mr. Leong joined the Group in 1994.

Miss CHAN Yuk Sim, Elsa, aged 40, is a manager of the Shanghai subsidiary. Miss Chan is responsible for the management and organization of the whole China's business, including sales, company's strategy and plans and daily operations of the Shanghai subsidiary. Miss Chan joined the Group in 1985, has over 22 years of experience in sales, management and training.

董事及高級管理人員之履歷 (續)

高級管理人員

陳玉芬女士，43歲，本集團之附屬公司之銷售董事。陳女士負責本集團之銷售業務，包括批發部門、香港及澳門零售店、中國貿易及新產品業務發展。彼亦負責培訓本集團銷售及市場推廣隊伍之新員工。陳女士在銷售喉管、管件及其他相關配件方面積逾25年經驗，於1982年加入本集團。

賴惠瑩女士，46歲，本集團之附屬公司之銷售董事。賴女士負責本集團之批發運作及市場推廣業務。彼亦負責培訓本集團銷售及市場推廣隊伍之新員工。賴女士於1980年加入本集團，在批發行業積逾27年經驗。

黎居忠先生，49歲，本集團之附屬公司之倉務董事，負責本集團之倉儲及運輸業務。彼在管理倉庫及運輸營運方面積逾28年經驗，持有工業學院之倉庫管理證書。黎先生於1979年加入本集團。

古俊明先生，41歲，本集團副總銷售經理。古先生在銷售及市場推廣業務積逾19年經驗。彼負責銷售及市場推廣活動，包括展覽及研討會。古先生於1993年加入本集團。

梁偉強先生，36歲，本集團之資深銷售經理。梁先生在銷售及市場推廣業務積逾15年經驗。彼負責銷售及市場推廣活動，包括展覽及研討會。梁先生於1994年加入本集團。

陳玉嬋小姐，40歲，本集團之上海附屬公司經理。陳小姐負責管理和統籌全中國之業務，包括營銷、公司發展策略，以及上海附屬公司之日常營運工作。陳小姐於1985年加入本集團，在銷售、管理和培訓等方面已積逾22年經驗。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (continued)

Ms. LO Wai Yin, Susan, aged 48, is a shop general manager of the Group. Ms. Lo is responsible for the daily operations of the Group's retail shops. She is also responsible for training new staff members or salesmen of the Group. Ms. Lo has approximately 22 years of experience in the selling of pipes, fittings and other related accessories. She joined the Group in 1986.

Miss. LIU Pui Pik, Fanny, aged 36, is a sales manager of the Group. She has over 10 years of experience in the selling of pipes, fittings and other related accessories. She is responsible for the Group's sales coordination including handling clients' inquiries, making quotations and daily correspondence. Ms. Liu holds a Bachelor of Arts Degree from the University of Hong Kong. Miss Liu joined the Group in 1995.

Mr. CHAN Long Ping, Ryan, aged 45, is a sales manager of the Group, he has over 10 years of experience in sales and planning. He is responsible for the sales and marketing development. Mr. Chan joined the Group in 1997.

Ms. TAM Siu Hoi, Sandy, aged 49, is the system manager of the Group. Ms. Tam is in charge of the Group's management and information systems. She is also responsible for the development and enhancement of the Group's applications systems. Ms. Tam joined the Group in 1978.

Ms. HUNG Yuk Kam, Daisy, aged 35, is the finance and administration manager and the company secretary of the Company. She is the member of both the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants. She holds a Bachelor's Degree in Finance from the City University of Hong Kong. She is responsible for the supervision of the finance, accounting and administration department of the Group. Miss Hung joined the Group in 2001.

Mr. TANG Hei Man, Herman, aged 33, is a sales manager of the Group. He has over 10 years working experience in the area of engineering consultancy and business development. He is responsible for the Group's sales and marketing development. Mr. Tang holds a Bachelor Degree in Civil and Structural Engineering from the University of Hong Kong. Mr. Tang joined the Group in 2003.

董事及高級管理人員之履歷 (續)

盧惠然女士，48歲，本集團之店鋪總經理。盧女士負責本集團零售店鋪之日常運作。彼亦負責培訓本集團之新入職員工或售貨員。盧女士於銷售喉管、管件及其他相關配件方面積逾約22年經驗。彼於1986年加盟本集團。

廖珮碧小姐，36歲，本集團之銷售經理。彼在銷售喉管、管件及其他相關配件方面積逾10年經驗，負責本集團之銷售協調工作，包括處理客戶諮詢、報價及日常聯絡事宜。廖小姐持有香港大學文學士學位。彼於1995年加入本集團。

陳浪平先生，45歲，本集團之銷售經理，彼在銷售及策劃方面積逾10年經驗，負責銷售及市場發展工作。陳先生於1997年加入本集團。

譚笑開女士，49歲，本集團之電腦部經理，譚女士負責本集團之管理及資訊系統，亦負責開發及增強本集團應用程式系統。譚女士於1978年加入本集團。

孔玉琴女士，35歲，本公司之財務及行政經理及公司秘書。彼為香港會計師公會及英國特許公認會計師公會會員，持有香港城市大學財務學士學位，負責監察本集團之財務、會計及行政部門。孔小姐於2001年加入本集團。

鄧希文先生，33歲，本集團之銷售經理。彼在工程顧問及業務發展方面積逾10年經驗，在本集團負責銷售及市場發展工作。鄧先生持有香港大學土木及結構工程學士學位。彼於2003年加入本集團。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS

During the year, the Group paid rental expenses to certain related companies. Mr. Tsang Chung Yin, Dr. Tsang Ngan Chung, Mr. Tsang Yin and Mr. Tsang Sik Yin, Eric are interested in these transactions to the extent that they have, either individually or collectively, beneficial interests in these related companies. Details of these transactions are set out in Note 32 to the accounts.

Apart from the above, no contracts of significance in relation to the Company's business to which the Company, its subsidiaries or its holding company 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.

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.

CONNECTED TRANSACTIONS

Significant related party transactions entered by the Group during the year ended 31st December 2006 are disclosed in Note 32 to the accounts. These transactions also constitute continuing connected transactions under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

Pursuant to Rule 14A.38 of the Listing Rules the Board of Directors has engaged the auditor of the Company to perform certain agreed upon procedures in respect of the continuing connected transactions of the Group to assist the Directors to evaluate whether the transactions:

- (1) have received the approval from the Board;
- (2) have been entered into in accordance with the relevant agreements governing the transactions; and
- (3) have not exceeded the caps disclosed in the Company's announcement dated 5th October 2005 and relevant announcement.

董事之合約權益

本集團於年內向若干關連公司支付租賃費用。曾仲賢先生、曾銀鐘博士、曾賢先生及曾錫賢先生因個別或共同擁有該等關連公司之實益權益而視作與上述交易有利益關係。上述交易之詳情載於賬目附註32。

除上述者外，各董事於本公司、其附屬公司或其控股公司所訂立而對本公司業務而言屬重大及本公司董事直接或間接擁有重大權益及於年結時或年內任何時間仍然有效之任何合約中，概無擁有重大權益。

管理合約

本年度內，本公司並無就整體業務或任何重要業務之管理及行政工作簽訂或存有任何合約。

關連交易

本集團於截至二零零六年十二月三十一日止年度訂立之重大關連人士交易在賬目附註32披露。有關交易並構成聯交所證券上市規則（「上市規則」）所指之持續關連交易。

根據上市規則第14A.38條，董事會委聘本公司核數師就本集團之持續關連交易執行若干協定程序，以協助董事評估有關交易：

- (1) 是否已取得董事會批准；
- (2) 是否已按照監管有關交易的相關協議訂立；及
- (3) 是否並無超逾本公司二零零五年十月五日所刊發公佈及相關公佈所披露的上限。

REPORT OF THE DIRECTORS

董事會報告

CONNECTED TRANSACTIONS *(continued)*

The auditor has reported its factual findings on these procedures to the Board of Directors. In the opinion of the Independent Non-executive Directors, the continuing connected transactions entered into by the Group during the year ended 31st December 2006 were:

- (i) in the ordinary and usual course of business of the Group;
- (ii) in accordance with the agreements governing the transactions on terms that are fair and reasonable so far as the shareholders of the Company.

Save as disclosed above, there were no other transactions which need to be disclosed as connected transactions in accordance with the requirements of the Listing Rules during the year ended 31st December 2006.

關連交易 (續)

核數師已向董事會匯報彼等之實質成果。獨立非執行董事確認，本集團於截至二零零六年十二月三十一日止年度所訂立之持續關連交易：

- (i) 於本集團日常及一般業務過程中進行；
- (ii) 遵照監管該等交易而訂立之協議之規定，該等交易乃按照對本公司股東乃屬公平合理之條款而進行。

除上文所披露者外，根據上市規則之規定，截至二零零六年十二月三十一日止年度，概無任何關連交易須予以披露。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES

At 31st December 2006, the interests of the Directors and chief executives in the shares of the Company and its associated corporations disclosed pursuant to Section 352 of the Securities and Futures Ordinance (“SFO”) were as follows:

董事於股份、相關股份或債券之權益及淡倉

於二零零六年十二月三十一日，根據本公司按證券及期貨條例（「證券及期貨條例」）第352條之規定存置之登記冊所記錄，本公司董事及主要行政人員於本公司及其相聯法團之股份中擁有之權益如下：

Ordinary shares of HK\$0.1 each in World Trade Bun Kee Ltd. 世貿彬記集團有限公司每股面值0.1港元普通股

	Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益	Total 合計
Mr. Tsang Chung Yin (<i>notes 1, 2 & 5</i>) 曾仲賢先生 (<i>附註1、2及5</i>)	—	—	122,400,000	19,206,000	141,606,000
Dr. Tsang Ngan Chung (<i>notes 1, 3 & 5</i>) 曾銀鐘博士 (<i>附註1、3及5</i>)	—	—	122,400,000	19,206,000	141,606,000
Mr. Tsang Yin (<i>notes 1, 4 & 5</i>) 曾賢先生 (<i>附註1、4及5</i>)	—	4,842,000	122,400,000	14,346,000	141,588,000

notes:

- (1) Interest in shares stated above represent long positions.
- (2) Jong Yee Limited (“Jong Yee”) is the trustee of the Jong Yee Unit Trust. All units of the Jong Yee Unit Trust are owned by the Karny Trust, the discretionary beneficiaries of which are family members of Mr. Tsang Chung Yin. Jong Yee directly held 19,206,000 shares in the Company.
- (3) Kingsville Inc. (“Kingsville”) is the trustee of the Kingsville Unit Trust. All units of the Kingsville Unit Trust are owned by the Fungming Trust, the discretionary beneficiaries of which are family members of Dr. Tsang Ngan Chung. Kingsville directly held 19,206,000 shares in the Company.

附註：

- (1) 上述股份之權益均屬好倉。
- (2) Jong Yee Limited（「Jong Yee」）乃Jong Yee Unit Trust之受託人。Jong Yee Unit Trust之所有單位均由Karny Trust擁有，後者之酌情受益人為曾仲賢先生之家族成員。19,206,000股本公司股份由Jong Yee直接持有。
- (3) Kingsville Inc.（「Kingsville」）乃Kingsville Unit Trust之受託人。Kingsville Unit Trust之所有單位均由Fungming Trust擁有，後者之酌情受益人為曾銀鐘博士之家族成員。19,206,000股本公司股份由Kingsville直接持有。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES (continued)

(4) Manhattan Properties Limited ("Manhattan Properties") is owned by St. George's Trust Company Limited which is the trustee of the Manhattan Trust, the discretionary beneficiaries of which are family members of Mr. Tsang Yin. Manhattan Properties directly held 14,346,000 shares in the Company.

(5) On Top Industrial Limited ("On Top"), a company incorporated in the British Virgin Islands, held 122,400,000 shares in the Company. On Top is beneficially owned as to 33.33% by Jong Yee, as to 33.33% by Kingsville and as to 16.67% by Manhattan Properties.

Save as disclosed above, none of the Directors and the chief executive of the Company was interested or had any short position in any shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as at 31st December 2006.

SHARE OPTIONS

A summary of the Share Option Scheme and details of the movement in share options of the Company during the year are set out in page 82.

董事於股份、相關股份或債券之權益及淡倉 (續)

(4) Manhattan Properties Limited (「Manhattan Properties」) 由 Manhattan Trust 之受託人 St. George's Trust Company Limited 擁有，Manhattan Trust 之酌情受益人為曾賢先生之家族成員。14,346,000 股本公司股份由 Manhattan Properties 直接持有。

(5) On Top Industrial Limited (「On Top」) 為在英屬處女群島註冊成立之公司，持有 122,400,000 股本公司股份。Jong Yee、Kingsville 及 Manhattan Properties 分別擁有 On Top 之 33.33%、33.33% 及 16.67% 股權。

除上文所披露者外，於二零零六年十二月三十一日，本公司之董事及主要行政人員概無擁有本公司及其相聯法團(定義見證券及期貨條例第 XV 部)之任何股份、相關股份或債權證之權益或淡倉。

購股權

購股權計劃之概要及本公司購股權於年內之變動詳情載於第 82 頁。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS

The register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO disclosed the following persons or corporations (other than a director and chief executive of the Company) as having an interest of 5% or more of the issued share capital of the Company:

Long position in share and underlying share of the Company

Name of shareholder
股東名稱

Number of ordinary shares
普通股份數目

Percentage of holding
所持有之百分比
(%)

Jong Yee Limited (note 1) (附註1)	141,606,000	58.55%
Kingsville Inc. (note 2) (附註2)	141,606,000	58.55%
On Top Industrial Limited	122,400,000	50.61%
Mr. Chau Kam To 周錦濤先生	20,000,000	8.27%
St. George's Trust Company Limited	14,346,000	5.93%

Other than disclosed above, the Company has not been notified of any other interests representing 5% or more of the Company's issued share capital as at 31st December 2006.

As at 31st December 2006, the Company had not been notified of any short positions being held by any substantial shareholders in the shares or underlying shares of the Company.

notes:

- (1) Jong Yee Limited directly held 19,206,000 shares in the Company and indirectly held 122,400,000 shares through On Top Industrial Limited, which is owned approximately 33.33% by Jong Yee Limited.
- (2) Kingsville Inc. directly held 19,206,000 shares in the Company and indirectly held 122,400,000 shares through On Top Industrial Limited, which is owned approximately 33.33% by Kingsville Inc.

主要股東

按證券及期貨條例第336條之規定本公司存置之主要股東登記冊所披露，以下人士或公司(不包括本公司之董事及主要行政人員)佔本公司已發行股本中5%或以上之權益：

於本公司股份及相關股份之好倉

除上文所披露者外，於二零零六年十二月三十一日，本公司並不知悉有任何其他人士佔本公司已發行股本5%或以上權益。

於二零零六年十二月三十一日，本公司並未獲知會有任何主要股東擁有本公司股份或相關股份之任何淡倉。

附註：

- (1) Jong Yee Limited直接持有19,206,000股本公司股份及透過On Top Industrial Limited(其由Jong Yee Limited間接擁有約33.33%)間接持有122,400,000股股份。
- (2) Kingsville Inc.直接持有19,206,000股本公司股份及透過On Top Industrial Limited(其由Kingsville Inc.間接擁有約33.33%)間接持有122,400,000股股份。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

Purchases	
– the largest supplier	23.52%
– five largest suppliers combined	64.12%
Sales	
– the largest customer	5.40%
– five largest customers combined	18.00%

None of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) has an interest in the major suppliers or customers noted above.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws, or the Companies Act 1981 of Bermuda (as amended), which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

PUBLIC FLOAT

As at the date of this report, the Company has maintained the prescribed public float required under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the directors.

AUDITOR

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

On behalf of the Board
TSANG Chung Yin
Chairman

Hong Kong, 16th April 2007

主要客戶及供應商

本集團主要供應商及客戶年內分別所佔之採購及銷售百份比如下：

採購	
– 最大供應商	23.52%
– 五大供應商合併	64.12%
銷售	
– 最大客戶	5.40%
– 五大客戶合併	18.00%

各董事、其聯繫人士或任何股東(就董事所知擁有本公司股本5%以上者)概無擁有上述主要供應商或客戶之任何權益。

優先購買權

本公司之公司細則或百慕達一九八一年公司法(經修訂)概無任何有關按持股比例基準向現有股東發售新股之優先購買權條文。

公眾持股量

根據本公司可取得之公開資料以及就董事所知，於本報告日期，本公司維持上市規則所規定之既訂公眾持股量。

核數師

賬目已獲羅兵咸永道會計師事務所審核，該行任滿告退，惟有資格及願意膺選連任。

董事會代表
主席
曾仲賢

香港，二零零七年四月十六日