

Report of the Directors

董事會報告

The directors present their report and the audited financial statements of the Company and of the Group for the year ended 31 December 2006.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. During the year, the Group was involved in the distribution of computer hardware and software products and the provision of computer technology services and provision of property agency consultancy services. Details of the principal activities of the Group's principal subsidiaries are set out in note 14 to the financial statements.

There were no significant changes in the nature of the Group's principal activities during the year and up to the date of this report.

RESULTS

The Group's results for the year ended 31 December 2006 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 31 to 96.

SUMMARY FINANCIAL INFORMATION

The following is a summary of the published consolidated results and the assets, liabilities and minority interests of the Group, prepared on the basis set out in the note below. This summary does not form part of the audited financial statements.

董事會謹提呈本公司及本集團截至二零零六年十二月三十一日止年度之報告及經審核財務報表。

主要業務

本公司之主要業務為投資控股。於年內，本集團從事分銷電腦軟硬件產品以及提供電腦技術服務及地產代理顧問服務之業務。有關本集團各主要附屬公司之主要業務詳情載於財務報表附註14。

本年度及截至本報告日期止期間，本集團之主要業務性質並無任何重大變動。

業績

本集團截至二零零六年十二月三十一日止年度之業績與本公司及本集團於該日之財務狀況載於第31至第96頁之財務報表。

財務資料概要

以下為本集團按照下文附註所載基準編製之已公佈綜合業績以及資產、負債及少數股東權益概要。此概要並不構成經審核財務報表其中部分。

SUMMARY FINANCIAL INFORMATION (CONTINUED)
RESULTS

財務資料概要 (續)
業績

		Year ended 31 December 截至十二月三十一日止年度				
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
TURNOVER	營業額					
Continuing operations	持續經營業務	58,740	128,884	237,841	261,692	188,784
Discontinued operation	已終止業務	-	96,224	-	-	155,084
		58,740	225,108	237,841	261,692	343,868
LOSS BEFORE TAX	除稅前虧損					
Continuing operations	持續經營業務	(11,633)	(12,406)	(29,755)	(15,734)	(35,317)
Discontinued operation	已終止業務	-	(27,110)	-	-	(99,863)
		(11,633)	(39,516)	(29,755)	(15,734)	(135,180)
Tax	稅項	1,642	1,673	(175)	1,974	(4,065)
LOSS BEFORE MINORITY INTERESTS	未計少數股東權益 前虧損	(9,991)	(37,843)	(29,930)	(13,760)	(139,245)
Minority interests	少數股東權益	-	2,171	3,077	(1,622)	(8,624)
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔日常業務 之淨虧損	(9,991)	(35,672)	(26,853)	(15,382)	(147,869)

SUMMARY FINANCIAL INFORMATION (CONTINUED)
ASSETS, LIABILITIES AND MINORITY INTERESTS

財務資料概要 (續)
資產、負債及少數股東權益

		31 December 十二月三十一日				
		2006	2005	2004	2003	2002
		二零零六年	二零零五年	二零零四年	二零零三年	二零零二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
NON-CURRENT ASSETS	非流動資產	48,880	106,388	86,924	90,257	58,761
CURRENT ASSETS	流動資產	190,519	96,480	238,526	281,019	264,275
CURRENT LIABILITIES	流動負債	68,407	47,349	(189,819)	(205,835)	(143,632)
NET CURRENT ASSETS	流動資產淨值	122,112	49,131	48,707	75,184	120,643
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減 流動負債	170,992	155,519	135,631	165,441	179,404
NON-CURRENT LIABILITIES	非流動負債	-	210	(487)	(737)	(953)
MINORITY INTERESTS	少數股東權益	-	-	(4,454)	(7,531)	(5,909)
		170,992	155,309	130,690	157,173	172,542

FIXED ASSETS

Details of movements in the fixed assets of the Company and of the Group during the year are set out in note 12 to the financial statements.

固定資產

本公司及本集團固定資產於年內之變動詳情載於財務報表附註12。

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options during the year, together with the reasons therefor, are set out in notes 27 and 28 to the financial statements, respectively.

股本及購股權

本公司股本及購股權於年內之變動詳情連同變動理由分別載於財務報表附註27及28。

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in note 29 to the financial statements and in the consolidated statement of changes in equity on page 34, respectively.

儲備

本公司及本集團儲備於年內之變動詳情分別載於財務報表附註29及第34頁之綜合權益變動報表。

DISTRIBUTABLE RESERVES

At 31 December 2006, the Company had no retained profits available for cash distribution and/or distribution in specie. Under the Companies Act 1981 of Bermuda, the Company's contributed surplus of HK\$39,431,000 is undistributable. The Company's share premium account, in the amount of HK\$342,547,000 at 31 December 2006, may be distributed in the form of fully paid bonus shares.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to its existing shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for approximately 36% of the Group's total sales for the year.

Purchases from the Group's five largest suppliers accounted for 53% of the total purchases for the year and purchases from the largest supplier included therein amounted to 26% of the Group's total purchases for the year.

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

可分派儲備

於二零零六年十二月三十一日，本公司並無留存溢利可作現金分派及／或實物分派。根據百慕達一九八一年公司法，本公司之繳入盈餘39,431,000港元現時不可分派。本公司於二零零六年十二月三十一日之股份溢價賬達342,547,000港元，可按繳足股款紅股之方式分派。

優先認股權

本公司之公司細則或本公司註冊成立之司法權區百慕達之法例均無載有本公司必須按比例向其現有股東發售新股份之優先認股權規定。

購買、贖回或出售本公司之上市證券

本公司或其任何附屬公司於年內並無購買、贖回或出售本公司任何上市證券。

主要客戶及供應商

於回顧年內，向本集團五名最大客戶作出之銷售佔本集團本年度之銷售總額約36%。

本集團向五名最大供應商作出之採購佔本年度採購總額53%，而其中向最大供應商作出之採購佔本集團本年度採購總額26%。

本公司董事、彼等任何聯繫人士或據董事所深知擁有本公司已發行股本5%以上之任何股東，並無擁有本集團五大客戶或供應商之任何實益權益。

Report of the Directors 董事會報告

DIRECTORS

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

EXECUTIVE DIRECTORS:

Mr. Tse Michael Nam (*Chairman and Chief Executive Officer*)
(appointed on 12 February 2007)

Mr. Chan Tze Ngon

Mr. Wu Emmy (resigned on 10 October 2006)

Mr. Tang Kin Hung (*Deputy Chairman*)

(retired on 26 May 2006,
appointed on 10 October 2006, and
resigned on 1 March 2007)

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Lo Siew Kiong, (resigned on 23 June 2006)
John, O.B.E., J.P.

Mr. Tai Benedict (appointed on 23 June 2006)

Mr. Fu Yan Yan

Ms. Wang Xi Ling

Mr. Lim Yew Kong, John (appointed on 12 February 2007)

In accordance with bye-law 111 of the Company's bye-laws and the Code on Corporate Governance Practices contained in Appendix 14 of the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), Mr. Chan Tze Ngon and Mr. Fu Yan Yan will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and of the senior management of the Group are set out on pages 13 to 14 of this annual report.

DIRECTORS' SERVICE CONTRACTS

No director 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.

董事

於年內及截至本報告日期止本公司在任董事如下:

執行董事:

謝南洋先生 (主席兼行政總裁)
(於二零零七年二月十二日獲委任)

陳子昂先生

吳安敏先生 (於二零零六年十月十日辭任)

鄧健洪先生 (副主席)

(於二零零六年五月二十六日
退任, 於二零零六年十月十日
獲委任, 後於二零零七年三月
一日辭任)

獨立非執行董事:

羅肇強先生, (於二零零六年六月二十三日
O.B.E., 辭任)

太平紳士

戴並達先生 (於二零零六年六月二十三日
獲委任)

傅欣欣先生

王希玲女士

Lim Yew Kong, (於二零零七年二月十二日獲委任)
John先生

根據本公司之公司細則第111條及香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載企業管治常規守則, 陳子昂先生及傅欣欣先生將輪值告退, 且合資格並願意於應屆股東週年大會膺選連任。

董事及高級管理人員之履歷

本公司董事及本集團高級管理人員之履歷載於本年報第13至第14頁。

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終止而毋須支付除賠償(法定補償除外)之服務合約。

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 35 to the financial statements, no director had a material beneficial interest, either direct or indirect, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group are set out in note 35 to the financial statements.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 31 December 2006, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to 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 (the "Model Code"), were as follows:

Long positions in ordinary shares and underlying shares of the Company:

董事於合約之權益

除財務報表附註35披露者外，概無董事在本公司或其任何附屬公司於年內訂立且對本集團業務有重大影響之合約中，擁有直接或間接重大實益權益。

有關連人士交易

本集團進行之有關連人士交易詳情載於財務報表附註35。

董事及行政總裁於股份、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，本公司董事及行政總裁於本公司或其相聯法團（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，擁有本公司根據證券及期貨條例第352條須存置之登記冊所記錄，或根據上市公司董事進行證券交易的標準守則（「標準守則」）已知會本公司及聯交所之權益及淡倉如下：

於本公司普通股及相關股份之好倉：

Capacity 身分	Number of issued ordinary shares and underlying shares of HK\$0.10 each in the Company held Personal interests 持有本公司每股面值0.10港元 已發行普通股及相關股份之數目 個人權益	Percentage of holding 持股百分比
Director: 董事：		
Mr. Chan Tze Ngon 陳子昂先生	Beneficial owner 實益擁有人 125,542,000	18.60%

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES [CONTINUED]

董事及行政總裁於股份、相關股份及債券之權益及淡倉 (續)

Name of Directors 董事姓名	Nature of interest 權益性質	No. of underlying Shares 相關股份數目	No. of share options 購股權數目	Position 持倉
Mr. Tai Benedict (note) 戴並達先生 (附註)	Beneficial owner 實益擁有人	600,000	600,000	Long 好倉
Mr. Fu Yan Yan (note) 傅欣欣先生 (附註)	Beneficial owner 實益擁有人	600,000	600,000	Long 好倉
Ms. Wang Xi Ling (note) 王希玲女士 (附註)	Beneficial owner 實益擁有人	600,000	600,000	Long 好倉

Note: These options were granted under the share option scheme adopted by the Company and entitle the holders thereof to subscribe for Shares at an exercise price of HK\$0.15 per Share.

附註：此等購股權乃根據本公司所採納購股權計劃授出，並賦予其持有人權利按每股股份0.15港元之行使價認購股份。

In addition to the above as at 31 December 2006, certain directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

於二零零六年十二月三十一日，除上述者外，為符合公司最少股東人數之規定，若干董事代本公司持有若干附屬公司之非實益個人股本權益。

Save as disclosed above, none of the directors or the chief executive of the Company had registered an interest or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文披露者外，本公司董事或行政總裁概無於本公司或其任何相聯法團之股份、相關股份或債券中，擁有須根據證券及期貨條例第352條予以記錄，或根據標準守則已知會本公司及聯交所之權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

董事購入股份或債券之權利

Save as disclosed in note 28 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in the Company granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

除財務報表附註28披露者外，於年內任何時間，概無向董事或彼等各自之配偶或未滿18歲之子女授出可藉購入本公司股份而獲益之權利；彼等亦無行使任何該等權利；本公司或其任何附屬公司亦無參與任何安排，致使董事可於任何其他法人團體獲取該等權利。

SHARE OPTION SCHEMES

Concerning the share options granted during the year to the directors and employees as detailed in note 28 to the financial statements, the directors do not consider it appropriate to disclose a theoretical value of the options granted because in the absence of a readily available market value of the share options on the ordinary shares of the Company, the directors were unable to arrive at an accurate assessment of the value of the share options.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

Other than the directors and chief executive of the Company, whose interests are set out in the section "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures" above, no other person had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded in the register of interests pursuant to Section 336 of the SFO.

(ii) Interests in shares of associated corporations of the Company

Name of subsidiary 附屬公司名稱	Name of entity 實體名稱／姓名	Class and no. of securities 證券類別及數目	Percentage shareholdings 股權百分比
TVH Cyber Technology Ltd. 宏昌數碼科技有限公司	Yi Jun Yong 易駿勇	200 ordinary shares of HK\$1 each (L) 200股每股面值 1港元之普通股(L)	20%
BMC Software (China) Ltd.	BMC Software (HK) Ltd.	1 ordinary share of HK\$1 (L) 1股面值 1港元之普通股(L)	10%

L: represents the entity's interests in the securities

購股權計劃

就財務報表附註28所詳述有關年內授予董事及僱員之購股權而言，由於市場並無有關本公司普通股之購股權市值供參考，董事未能就該等購股權之價值作出準確估值，故董事認為，並不適宜披露購股權之理論價值。

主要股東及其他人士於股份及相關股份之權益及淡倉

除本公司董事及行政總裁於上文「董事及行政總裁於股份、相關股份及債券之權益及淡倉」一節所載之權益外，概無其他人士於本公司之股份或相關股份中，擁有須根據證券及期貨條例第336條記錄在權益登記冊之權益或淡倉。

(ii) 於本公司相聯法團股份之權益

L: 代表實體於證券之權益

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (CONTINUED)

Save as disclosed above and so far as the Directors are aware of, as at 31 December 2006, no other party (other than the Directors and the chief executives of the Company) had an interest or short positions in the shares, the underlying shares or debentures of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

CORPORATE GOVERNANCE

Details of corporate governance are set out in the section headed "Report of Corporate Governance" in this annual report.

AUDIT COMMITTEE

The Company established an audit committee on 12 June 1999, which comprises three independent non-executive directors, namely Mr. Tai Benedict, Mr. Fu Yan Yan and Ms. Wang Xi Ling in accordance with the requirements of the Listing Rules. The audit committee meets regularly mainly to consider the nature and scope of audit reviews, the effectiveness of the Group's financial reporting process and internal control systems, and compliance with the relevant rules and regulations.

INDEPENDENT AUDITOR

Lawrence CPA Limited retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Tse Michael Nam

Chairman

Hong Kong
13 April 2007

主要股東及其他人士於股份及相關股份之權益及淡倉 (續)

除上文披露者外，據董事所知，於二零零六年十二月三十一日，除董事及本公司行政總裁外，並無其他人士於本公司股份、相關股份或債券中，擁有須根據證券及期貨條例第XV部第2及3分部條文向本公司披露，或須根據證券及期貨條例第336條記入該條所指登記冊之權益或淡倉。

企業管治

有關企業管治詳情載於本年報「企業管治報告」一節。

審核委員會

本公司已根據上市規則之規定於一九九九年六月十二日成立由三名獨立非執行董事組成之審核委員會，分別為戴並達先生、傅欣欣先生及王希玲女士。該審核委員會定期開會，主要考慮審核之性質及範圍、本集團財務申報程序及內部監控制度之成效，以及有否遵守相關規則及規例。

獨立核數師

富勤會計師有限公司任滿告退，而續聘該公司為本公司核數師之決議案將於應屆股東週年大會上提呈。

代表董事會

主席

謝南洋

香港

二零零七年四月十三日