

董事局報告

REPORT OF THE DIRECTORS

董事局同寅謹將截至二零零六年十二月三十一日止年度報告及已經審核財務報表呈覽。

The directors hereby present their report together with the audited financial statements for the year ended 31st December 2006.

主要業務及業務營運與地區之分析

PRINCIPAL ACTIVITIES AND BUSINESS AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

本公司之主要業務為投資控股。附屬公司之業務載於財務報表註釋17。

The principal activity of the Company is investment holding. The activities of the subsidiaries are shown in note 17 to the financial statements.

本年度按業務及地區分類之集團業績表現分析載於財務報表註釋5。

An analysis of the Group's performance for the year by business and geographical segments is set out in note 5 to the financial statements.

業績及分配

RESULTS AND APPROPRIATIONS

本集團截至二零零六年十二月三十一日止年度之業績載於第31頁。

The results of the Group for the year ended 31st December 2006 are set out on page 31.

董事局現建議派發末期股息每股普通股港幣4仙，合共港幣18,377,146元(二零零五年：每股港幣3仙，合共港幣13,782,860元)。

The directors have resolved to recommend the payment of a final dividend of 4 HK cents per ordinary share, totaling HK\$18,377,146 (2005:3 HK cents per share totaling HK\$13,782,860).

五年財務摘要

FIVE YEAR FINANCIAL SUMMARY

集團上五個財政年度之業績、資產淨值、權益總額摘要載於第3頁。

A summary of the results, net assets and total equity of the Group for the last five financial years is set out on page 3.

儲備金

RESERVES

本集團及本公司在本年度之儲備金變動載於財務報表註釋34。

Movements in the reserves of the Group and the Company during the year are set out in note 34 to the financial statements.

物業、機器及設備

PROPERTY, PLANT AND EQUIPMENT

本集團之物業、機器及設備變動詳情載於財務報表註釋14。

Details of the movements in property, plant and equipment are shown in note 14 to the financial statements.

持有主要物業權益

PRINCIPAL PROPERTY INTERESTS HELD

本集團持有作投資之主要物業權益詳情載於第148頁。

Details of the Group's principal property interests held for investment purpose are set out on page 148.

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股本

本公司股本詳情載於財務報表註釋34。

SHARE CAPITAL

Details of the share capital of the Company are shown in note 34 to the financial statements.

可分配儲備

於二零零六年十二月三十一日，根據香港公司條例第79B條所計算，本公司可分派儲備為港幣24,345,141元(二零零五年：港幣17,940,030元)。

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31st December 2006, calculated under section 79B of the Hong Kong Companies Ordinance, amounted to HK\$24,345,141(2005: HK\$17,940,030).

董事局

本年度及本報告日期在職董事芳名載於第2頁。

DIRECTORS

The names of the directors serving during the year and at the date of this report are set out on page 2.

按照本公司組織章程細則第94及95條規定，陳桂宗先生、葉啟明先生及翁建宇先生將於即將舉行之股東週年大會輪值告退，並表示如再度獲選，願繼續連任。

In accordance with articles 94 and 95 of the Company's Articles of Association, Messrs Chen Gui Zong, Ip Kai Ming and Weng Jian Yu will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

按照本公司組織章程細則第85條規定，陳樂先生於二零零六年六月十九日獲委任為本公司董事，任期至本公司即將舉行之股東週年大會為止，並表示如再度獲選，願繼續連任。

In accordance with article 85 of the Company's Articles of Association, Mr Chen Le who was appointed as a director of the Company on 19th June 2006, shall hold office until the forthcoming annual general meeting of the Company following his appointment and, being eligible, offers himself for re-election.

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任何本公司不可於一年內免付補償而可予終止之服務合約。

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.

本公司已接獲各獨立非執行董事根據香港聯合交易所證券上市規則(「上市規則」)第3.13條規定就其獨立性提交週年確認書，而本公司亦認為所有獨立非執行董事均為本公司獨立人士(定義見上市規則)。

The Company has received from each independent non-executive director an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Company considers all the independent non-executive directors are independent as defined in the Listing Rules.

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董事權益

本年度內或年結時，本公司及各附屬公司概無簽訂任何有關本公司之業務而本公司董事直接或間接擁有重大權益之重要合約。

本年度內本公司及各附屬公司概無簽訂任何協議，使本公司董事可藉收購本公司或任何其他法人團體之股份或債券而取得利益。

於二零零六年十二月三十一日，本公司董事及行政總裁在本公司及其相聯法團(按香港證券及期貨條例(「證券及期貨條例」)第XV部所指的定義)的股份、相關股份或債券中擁有根據證券及期貨條例第352條須予備存的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」)須知會本公司及香港聯合交易所(「聯交所」)之權益及淡倉如下：

DIRECTORS' INTERESTS

No contracts of significance in relation to the Company's business to which the Company or its subsidiaries 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.

At no time during the year was the Company or its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

At 31st December 2006, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Hong Kong Securities and Futures Ordinance ("SFO")) 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 of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") were as follows:

於本公司普通股份之好倉 Long Position in Ordinary Shares of the Company

董事姓名 Name of Director	權益性質 Nature of interests	持有股份數量 Number of shares held	概約持股百分比 Approximate percentage of shareholding
葉啟明 Ip Kai Ming	個人權益 Personal interest	666,000	0.14%

除上文所披露者外，於二零零六年十二月三十一日，本公司董事及行政總裁概無在本公司或其相聯法團(按證券及期貨條例第XV部所指的定義)的股份、相關股份或債券中擁有任何須根據證券及期貨條例第352條須予備存的登記冊所記錄或根據標準守則須知會本公司及聯交所之權益或淡倉；而本公司之董事或彼等之配偶或18歲以下之子女於年內亦無持有任何權利以認購本公司的證券或已行使該等權利。

Save as disclosed above, as at 31st December 2006, none of the directors and chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) 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; and none of the directors or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the year.

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主要股東

根據本公司按證券及期貨條例第336條規定而設置之登記冊中載錄，於二零零六年十二月三十一日，下列法團持有本公司股份權益(按證券及期貨條例之定義)，其明細如下：

SUBSTANTIAL SHAREHOLDERS

The register maintained by the Company pursuant to section 336 of the SFO recorded that, as at 31st December 2006, the following corporations had interests (as defined in the SFO) in the Company:

公司名稱 Name of Corporation	附註 Notes	持有股份數量 Number of shares held	概約持股百分比 Approximate percentage of shareholding
Samba Limited ("Samba")		144,885,000	31.54%
Papilio Inc.	1	169,125,000	36.81%
貴信有限公司 (「貴信」) Vigour Fine Company Limited ("Vigour Fine")	2	192,764,600	41.96%
福建投資企業集團公司 (「福建投資企業」) Fujian Investment & Enterprise Holdings Corporation ("FIEC")	3	192,764,600	41.96%
BNP Paribas Asset Management	4	29,092,000	6.33%

附註:

1. Papilio Inc. 持有Samba股東大會的三分之一或以上投票權，及被視為擁有Samba於本公司所持144,885,000股股份的權益。
2. 貴信持有Samba股東大會的三分之一或以上投票權，及被視為擁有Samba於本公司所持144,885,000股股份的權益。
3. 福建投資企業為貴信的控權股東，及被視為擁有貴信於本公司直接或間接所持股份的權益。
4. BNP Paribas Asset Management透過其分別於Parvest Investment Management Company S.A. 及Shinhan BNP Paribas Investment Trust Management Co., Ltd. 的持股被視為於10,498,000股及18,594,000股股份中擁有權益。

Notes:

1. Papilio Inc. held one third or more of the voting power at general meetings of Samba and was deemed to be interested in 144,885,000 shares of the Company owned by Samba.
2. Vigour Fine held one third or more of the voting power at general meetings of Samba and was deemed to be interested in 144,885,000 shares of the Company owned by Samba.
3. FIEC was the controlling shareholder of Vigour Fine and was deemed to be interested in the shares of the Company owned by Vigour Fine directly or indirectly.
4. BNP Paribas Asset Management was deemed to be interested in 10,498,000 and 18,594,000 shares through its holdings in Parvest Investment Management Company S.A. and Shinhan BNP Paribas Investment Trust Management Co., Ltd. respectively.

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主要股東 (續)

上述所有權益皆為本公司普通股股份之好倉。於二零零六年十二月三十一日，本公司按證券及期貨條例第336條而設置之登記冊內並無任何淡倉記錄。

購入、出售或贖回股份

本公司於本年度內並無贖回任何本身之股份。另本公司或各附屬公司於年內亦無購入或出售任何本公司之股份。

管理合約

本年度本公司與主要股東貴信續訂年度管理協議，由貴信向本公司提供管理服務，包括委派董事給予本公司之董事局。本年度支付予貴信之管理費為港幣1,880,000元。

丁仕達先生、朱學倫先生及翁建宇先生因亦為貴信之董事而被視為於上述交易有利益關係。

除上述外，本公司於本年度內並無簽訂或存有任何有關本公司全盤業務，或其中重大部份業務之管理及行政合約。

董事及高級管理人員個人簡歷

本公司之董事及高級管理人員之個人簡歷載於第11頁至第15頁。

主要客戶及供應商

本年度內，本集團從五大供應商處購買其產品及服務少於百分之三十，而售予五大客戶的產品及服務亦少於百分之三十。

SUBSTANTIAL SHAREHOLDERS (Continued)

All the interests stated above represent long positions in the ordinary shares of the Company. As at 31st December 2006, no short positions were recorded in the register maintained by the Company under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF SHARES

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.

MANAGEMENT CONTRACTS

During the year, the Company renewed the annual management agreement with Vigour Fine, a substantial shareholder of the Company, whereby Vigour Fine provides management services to the Company which include the provision of directors to the board of directors of the Company. A management fee of HK\$1,880,000 has been paid to Vigour Fine during the year.

Messrs Ding Shi Da, Zhu Xue Lun and Weng Jian Yu have interest in the above transaction as directors of Vigour Fine.

Except for the above, no other 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.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details in respect of the Company's directors and senior management are set out on pages 11 to 15.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the Group purchased less than 30% of its products and services from its 5 largest suppliers and sold less than 30% of its products and services to its 5 largest customers.

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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內進行的重要有關連人士交易詳情載於財務報表註釋17、18、19、30、39(a)、39(b)及39(e)內，惟此等有關連人士交易按上市規則規定不須披露為關連交易。

其他亦構成上市規則所指之關連交易之有關連人士交易載於財務報表註釋20、29、39(c)、39(d)及40(c)內。

公眾持股量

根據本公司所得的公開資料顯示及就其董事所知，於本報告日期，本公司維持根據上市規則所訂明的公眾持股量。

結算日後事項

結算日後事項詳情載於財務報表註釋40。

核數師

本年度財務報表已經由羅兵咸永道會計師事務所審核，該核數師任滿告退，但表示願意應聘連任。

董事局代表

丁仕達
主席

香港，二零零七年四月二十六日

CONNECTED TRANSACTIONS

Significant related party transactions entered into by the Group during the year ended 31st December 2006, which are not required to be disclosed under the Listing Rules as connected transactions, are disclosed in notes 17, 18, 19, 30, 39(a), 39(b) and 39(e) to the financial statements.

Other related party transactions, which also constitute connected transactions under the Listing Rules, are disclosed in notes 20, 29, 39(c), 39(d) and 40(c) to the financial statements.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as of the date of this report, the Company has maintained the prescribed public float under the Listing Rules.

POST BALANCE SHEET DATE EVENTS

Details of the post balance sheet date events are disclosed in note 40 to the financial statements.

AUDITORS

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

On behalf of the Board

DING SHI DA
Chairman

HONG KONG, 26th April 2007