



DYNAMIC HOLDINGS LIMITED
達力集團有限公司

(Incorporated in Bermuda with limited liability)
(在百慕達註冊成立之有限公司)

Stock Code 股份代號: 29

2005-2006 年度年報
ANNUAL REPORT



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高瞻遠「築」

BUILDING WITH VISION



公司資料 Corporate Information

董事

執行董事
蔡黎明 (主席)
陳永杰 (行政總裁)
陳永年
陳俊望
張志明
黃正順

獨立非執行董事
莊劍青
SY Robin
麥貴榮

審核委員會

莊劍青 (主席)
SY Robin
麥貴榮

薪酬委員會

蔡黎明
陳永杰
莊劍青
SY Robin
麥貴榮

公司秘書

黃愛儀

核數師

德勤•關黃陳方會計師行

法律顧問

的近律師行
Appleby Hunter Bailhache

主要往來銀行

恒生銀行有限公司
中國工商銀行(亞洲)有限公司
中國銀行
交通銀行
招商銀行

DIRECTORS

Executive Directors
CHUA Domingo, *Chairman*
CHAN Wing Kit, Frank, *Chief Executive Officer*
TANENGLIAN Mariano Chua
TAN Lucio Jr. Khao
CHEUNG Chi Ming
PASCUAL Ramon Sy

Independent Non-executive Directors
CHONG Kim Chan, Kenneth
SY Robin
MAK Kwai Wing, Alexander

AUDIT COMMITTEE

CHONG Kim Chan, Kenneth, *Chairman*
SY Robin
MAK Kwai Wing, Alexander

REMUNERATION COMMITTEE

CHUA Domingo
CHAN Wing Kit, Frank
CHONG Kim Chan, Kenneth
SY Robin
MAK Kwai Wing, Alexander

COMPANY SECRETARY

WONG Oi Yee, Polly

AUDITORS

Deloitte Touche Tohmatsu

LEGAL ADVISERS

Deacons
Appleby Hunter Bailhache

PRINCIPAL BANKERS

Hang Seng Bank Limited
Industrial and Commercial Bank of China (Asia) Limited
Bank of China
Bank of Communications
China Merchants Bank

公司資料 (續)

Corporate Information (Continued)

股份代號

029

STOCK CODE

029

股份過戶登記處

主要股份過戶登記處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

股份過戶登記分處

登捷時有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓

SHARE REGISTRARS

Principal Share Registrars

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

Branch Share Registrars

Tengis Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

主要營業地點

香港
銅鑼灣
希慎道8號
裕景商業中心17樓

PRINCIPAL PLACE OF BUSINESS

17th Floor, Eton Tower
8 Hysan Avenue
Causeway Bay
Hong Kong

深圳代表處

中華人民共和國
深圳市羅湖區嘉賓路2002號
彭年廣場3601室

REPRESENTATIVE OFFICE IN SHENZHEN

Room 3601, Pang Lin Plaza
2002 Jia Bin Road, Luohu District, Shenzhen
The People's Republic of China

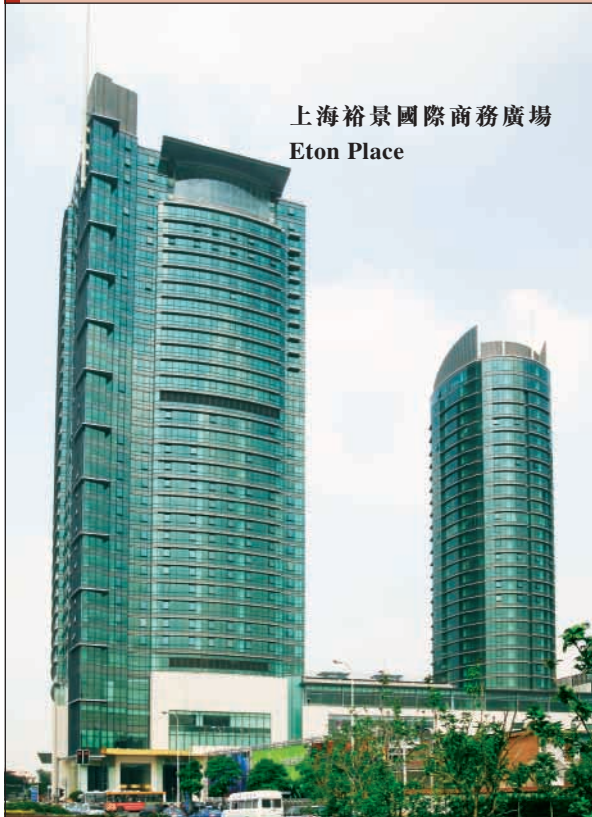
網址

<http://www.dynamic.hk>

WEBSITE

<http://www.dynamic.hk>

主席報告書 Chairman's Statement



上海裕景國際商務廣場
Eton Place



蔡黎明先生
Mr. CHUA Domingo

本人欣然向股東提呈本報告書。

業績

截至二零零六年六月三十日止年度，本集團營業額為港幣171,469,000元，較上年度營業額港幣126,939,000元對比，增幅達35%。此增幅主要是由於本年度內北京朝陽園第三期之銷售入賬。儘管隨著出售達力貨櫃中心而引致租金減少以及港口運作的利潤下降，惟本年度之毛利降為港幣47,170,000元，較去年度輕微下跌約2%。

本集團出售貨櫃中心的現金代價為港幣632,000,000元，實現資本收益港幣128,096,000元。此項出售連同物業銷售及租金收入為本年度產生股東應佔之溢利合共為港幣130,160,000元，對比去年度港幣92,135,000元，增幅為41%。每股基本盈利為港幣59.4仙，而去年則為港幣42.1仙。

I am pleased to present my report to the shareholders.

RESULTS

For the year ended 30 June 2006, the turnover of the Group amounted to HK\$171,469,000 showing an increase of 35% as compared with HK\$126,939,000 for the previous year. It is primarily attributable to the booking of sales of Phase III of Chaoyang Garden in Beijing during the year. Despite reduced rental receipts following the disposal of Dynamic Cargo Centre and lower profit from port operations, the gross profit for the year was HK\$47,170,000 — a slight drop of about 2% as compared with the previous year.

The disposal of the Group's cargo centre at a cash consideration of HK\$632,000,000 realised a capital gain of HK\$128,096,000. This, together with property sales and rental revenue produced an aggregate profit of HK\$130,160,000 attributable to shareholders of the Company for the year, representing an increase of 41% from HK\$92,135,000 of the previous year. Earnings per share for the year were HK\$0.594 as compared with HK\$0.421 in the previous year.

主席報告書 (續)

Chairman's Statement (Continued)

股息

董事建議派發末期股息每股港幣3仙(二零零五年：港幣2仙)予於二零零六年十二月二十二日名列本公司股東名冊之所有股東。連同已派發之一項特別股息港幣15仙及一項中期股息每股港幣2仙，截至二零零六年六月三十日止年度之股息總額將為每股港幣20仙。股息單預期將約於二零零七年一月十七日寄予各股東，但須待股東在應屆之本公司股東週年大會上通過。

業務回顧

北京

於回顧年度內，北京朝陽園三期已經竣工。迄今，名為「國際創展中心」的商務公寓已售出及交付客戶使用的為約66%。營業額港幣139,187,000元並已經於本年度收益表內入賬。

名為「尚街」的購物商場亦在2006年第一季招租，反應理想。至目前為止，約76%的可出租面積已租予零售客戶，其中包括一些國際著名品牌商戶。

香港

本集團於本年度內以總現金代價港幣632,000,000元出售名為達力貨櫃中心的投資物業，實現資本收益港幣128,096,000元。出售的詳情已刊載在二零零五年十月三十一日向所有股東寄發的通函中。該項出售為本集團策略性邁向投資回報較高的人民幣資產鋪路。

DIVIDENDS

The Directors recommend the payment of a final dividend of 3 Hong Kong cents (2005: 2 Hong Kong cents) per share to the shareholders of the Company whose names appear on the register of members on 22 December 2006. A special dividend of 15 Hong Kong cents per share and an interim dividend of 2 Hong Kong cents per share were paid to the shareholders of the Company during the year which, in aggregate, gives total dividends for the year of 20 Hong Kong cents per share. Subject to approval of shareholders at the forthcoming annual general meeting of the Company, the warrants for the final dividend are expected to be dispatched to those entitled on or about 17 January 2007.

BUSINESS REVIEW

Beijing

During the year under review, the construction of Phase III of Chaoyang Garden, was completed. To date, about 66% of commercial apartments known as “Inspiring Space” had been sold and delivered to buyers. The turnover of HK\$139,187,000, had been duly accounted for in the income statement of the year.

Leasing of space at the shopping mall known as “Uptown” had commenced in the first quarter of 2006 and the result was satisfactory. So far, about 76% of leasable floor area had been let to retailers including some well-known international brands.

Hong Kong

During the year, the Group disposed of its investment properties known as Dynamic Cargo Centre for a total cash consideration of HK\$632,000,000 and realised a capital gain of HK\$128,096,000. Details of the disposal were provided in a circular of the Company dated 31 October 2005 sent to all the shareholders. The disposal paved the way for the strategic move to re-align the Group's investment in favour of higher-yield RMB based assets.

主席報告書 (續)

Chairman's Statement (Continued)

業務回顧 (續)

上海

為了踏出策略性投資的一步，本集團於本年度內從關連者以港幣728,000,000元購入182個優質辦公室單位，其總建築樓面面積佔約30,188平方米，位處於上海浦東一幢辦公室／商業／酒店綜合物業內，名為裕景國際商務廣場。按照該收購，賣方將提供由交樓日開始為期三年的每年總租金保證回報率為8%。該等交易的詳情已載列在二零零六年二月二十四日向所有股東寄發的通函中。該收購經股東大會批准後於二零零六年三月份完成。

深圳

蛇口東角頭港口運作的營業額較上年度減低，因為本集團開始撤出港口運作，以準備地塊作為重新發展用途。本集團相信，東角頭的重建計劃與市當局重新規劃將會協調一致，提高經濟效益。

與此同時，本集團已經申請國際仲裁，務求最終能解決與中方合作夥伴多年來冗長的股權爭議。目前預期首次聆訊將會約在二零零七年初舉行。

財務狀況

本集團維持良好及充裕財務狀況，融資及財務政策乃以企業層面及審慎態度管理及控制。於二零零六年六月三十日，本公司股權持有人應佔權益合共為港幣1,026,627,000元（二零零五年：港幣831,131,000元），而每股資產淨值為港幣4.69元（二零零五年：港幣3.79元）。本集團於二零零六年六月三十日概無有抵押及無抵押借貸（二零零五年：港幣291,794,000元），按本集團借款總額相對本公司股權持有人應佔權益計算下沒有負債比率（二零零五年：35%）。本集團於本年度內有充裕現金流量，於二零零六年六月三十日維持尚未動用信貸額合共港幣11,000,000元（二零零五年：港幣221,624,800元），並以浮動利率計息，作為流動資金。與此同時，本集團將獲銀行授予港幣400,000,000元之信貸額作為融資收購上海辦公樓物業。

BUSINESS REVIEW (Continued)

Shanghai

As a step of the strategic investment move, the Group acquired during the year, from a connected parties, 182 high quality office units with a total gross area of 30,188 square metres in an office/commercial/hotel complex in Pudong, known as Eton Place for a sum of HK\$728,000,000. The acquisition is subject to the vendor's gross rental guarantee yield of 8% per annum for three years from date of delivery. Details of the transactions were disclosed in a circular of the Company dated 24 February 2006 sent to all the shareholders. The acquisition was completed in March 2006 upon shareholders' approval.

Shenzhen

Revenues from port operations in Tung Kok Tau in Shekou were lower in the year as the Group started to phase out the port operations to prepare the site for redevelopment. The Group believes that its new redevelopment plan for Tung Kok Tau will be in harmony with the replanning by the city authorities which will enhance its economic value.

Meanwhile, the Group has lodged a petition for international arbitration with the aim to settle conclusively the protracted disputes over the equity interests with the Chinese joint venture partner. It is currently expected that the initial hearing will be held around early part of 2007.

FINANCIAL REVIEW

The financial position of the Group remains sound and liquid, and its financing and treasury policies are managed and controlled at the corporate level and prudent manner. At 30 June 2006, the equity attributable to shareholders amounted to HK\$1,026,627,000 (2005: HK\$831,131,000) with net asset value per share of HK\$4.69 (2005: HK\$3.79). There was neither secured nor unsecured borrowings of the Group (2005: HK\$291,794,000) as at 30 June 2006 with no gearing (2005: 35%) based on the debt of the Group to its shareholders' equity. With sufficient cashflow in the year, the Group maintained un-utilised credit facilities of HK\$11,000,000 (2005: HK\$221,624,800) as working capital at floating interest rate as at 30 June 2006, with credit facilities of HK\$400,000,000 to be granted by the banks to the Group for financing acquisition of office properties in Shanghai.

主席報告書 (續)

Chairman's Statement (Continued)

財務狀況 (續)

於二零零六年六月三十日，本集團將銀行存款港幣16,804,000元(二零零五年：港幣27,964,000元)向銀行作出抵押，為北京朝陽園住房買家獲授予銀行按揭貸款提供擔保。於結算日，本公司或然負債包括本集團獲得銀行借貸而向財務機構所作出擔保，款項為港幣11,000,000元(二零零五年：港幣334,674,000元)。此外，本集團曾為北京朝陽園住房買家提供銀行按揭貸款擔保，於二零零六年六月三十日，本集團提供該等擔保按揭貸款最高額為港幣402,216,000元(二零零五年：港幣643,533,000元)。另外，本公司之一間附屬公司遭申索合共約港幣14,879,000元(二零零五年：港幣14,879,000元)已於本年度內擱置。

在本年度內，朝陽園物業銷售款項、達力貨櫃中心的出售收入及租金收入與及港口運作收入已為本集團帶來充裕現金流量。於二零零六年六月三十日，本集團銀行結餘及現金為人民幣、港幣及美金，總額為港幣97,736,000元(二零零五年：港幣101,773,000元)。在本年度內匯率波動風險對本集團概無影響。

有關重建東角頭項目所需之資金擬以內部資金、銀行借貸及董事認為最適當融資方式支付。

展望

北京

隨著北京日益接近二零零八年奧林匹克運動會，中國大陸強勁的經濟增長不斷提高可動用收入。投資者的持續信心及外資湧入導致市場情緒高漲。對零售物業及商務公寓的需求預期會攀升。北京朝陽園三期將會成為朝陽區商貿活動熱熾的新焦點。

FINANCIAL REVIEW (Continued)

As at 30 June 2006, the Group pledged certain of its bank deposits amounting to HK\$16,804,000 (2005: HK\$27,964,000) to banks to secure mortgage bank loans granted to the homebuyers of Chaoyang Garden in Beijing. As at balance sheet date, the contingent liabilities of the Company for guarantee given to financial institution in respect of banking facilities granted to the Group amounted to HK\$11,000,000 (2005: HK\$334,674,000). In addition, the Group has given guarantees in respect of mortgage loans provided by banks to the home buyers of Chaoyang Garden in Beijing. At 30 June 2006, the Group had a maximum amount of mortgage loans which were subject to these guarantees of HK\$402,216,000 (2005: HK\$643,533,000). In addition, the claim against a subsidiary of the Group for the amount of about HK\$14,879,000 (2005: HK\$14,879,000) was vacated during the year.

During the year, sufficient cashflow was generated by sales proceeds of Chaoyang Garden/The Sun Crest, sales proceeds and rental income of Dynamic Cargo Centre and revenue of port operations. As at 30 June 2006, the Group's bank balances and cash stood at HK\$97,736,000 (2005: HK\$101,773,000) denominated in Renminbi, Hong Kong dollars and United States dollars. No significant exposure to foreign currency fluctuations affected the Group in the year under review.

The funding requirements for redevelopment of Tung Kok Tau are intended to be financed by internal resources, bank borrowings and such other means of financing as the Directors may deem expedient.

PROSPECTS

Beijing

As Beijing approaches the 2008 Olympic Game, the strong growth of the mainland economy continues to raise disposable income. Sustained investor confidence and inflow of capital, lead to a buoyant market sentiment. Demands for retail space commercial apartments are expected to grow. Phase III of Chaoyang Garden, will become a new hive of activities in the Chaoyang District.

主席報告書 (續)

Chairman's Statement (Continued)

展望 (續)

上海

高檔寫字樓的需求在上海依然興旺。在二零零六年九月份，裕景國際商務廣場西塔樓182個優質辦公室單位全部順利移交。物業矗立黃浦江邊，毗鄰浦東陸家嘴金融區，現已成為本集團在中國其中一項優質投資。其後三年，每年之總租金保證回報率8%將成為穩定的收入來源。此外，我們相信一旦物業全數租出，租金收入將會改善。

深圳

在城市穩固的經濟增長下，雖然當局採取冷卻措施，但深圳市內置業安居的動力持續旺盛。隨著連接香港與深圳的西部通道即將竣工，東角頭將蛻變為一個商住皆宜的新焦點，令重建東角頭的經濟價值更上層樓。

致意

於本年度內，彭傑文先生在本集團任職十二年後辭退本公司行政總裁及執行董事職務，本人代表董事會向彭先生對本集團作出寶貴的貢獻謹此深表謝意。

本人又對各董事及全體職員之努力及忠心，以及本集團往來銀行及股東之不斷支持，謹此深表謝意。

主席
蔡黎明

香港，二零零六年十月二十四日

PROSPECTS (Continued)

Shanghai

Demand for prime office premises in Shanghai remains robust. In September 2006, the whole lot of 182 high quality office units of West Tower of Eton Place was delivered. Located on the bank of the Huangpu River and adjacent to the Lujiazui financial district in Pudong, it is now one of the prime investment of the Group in China. Over the next three years, the guaranteed gross rental yield of 8% per annum will contribute a steady source of income. We believe however that rental earning can improve once the property is fully let.

Shenzhen

Momentum for home buying in Shenzhen continues to be strong amid the city's solid economic growth despite market cooling measures taken by the authorities. The impending completion of the Western Corridor link between Hong Kong and Shenzhen will transform Tung Kok Tau into a new focal residential/commercial district, which will enhance economic value of the re-development of Tung Kok Tau.

APPRECIATION

During the year, Mr. PANG Kit Man, John resigned as Chief Executive Officer and Executive Director of the Company after having been with the Company for 12 years. On behalf of the Board, I would like to express its sincere gratitude to him for his valuable contributions to the Group.

I would also like to thank my fellow Directors and staff for their hard work and commitment, and our bankers and shareholders for their continued support.



CHUA Domingo
Chairman

Hong Kong, 24 October 2006

管理人員簡介

Profile of Management

董事

執行董事

蔡黎明先生，現年65歲，自一九九二年起為本公司主席，並為本公司薪酬委員會會員和根據證券及期貨條例第 XV 部的條文為本公司之一位主要股東。蔡先生具有逾33年物業投資及發展以及業務管理之經驗，主要負責本集團整體策略性領導及方向。除在香港領先發展商及優質地產投資集團裕景興業(集團)有限公司(「裕景」)持有權益與董事職務外，彼亦為菲鷹航空公司主席，並於香港、中國大陸、美國及菲律賓之銀行、酒店、啤酒、房地產、股票經紀及融資公司擔任董事職位。彼與本公司其他執行董事關係為：陳永杰博士及陳永年先生之內弟；張志明先生之內兄；以及陳俊望先生及黃正順之姑丈。

陳永杰博士，現年58歲，於二零零六年六月十六日獲委任為本公司行政總裁及執行董事。彼負責本集團整體表現。彼亦為本公司薪酬委員會會員。彼於物業發展、銀行及綜合管理擁有超過20年經驗。過往，彼於香港曾出任裕景和 Oceanic 銀行(為一間在三藩市州議會特許成立的商業銀行)之行政總裁；及新聯銀行(香港)有限公司(一間有限牌照銀行)之副主席。彼持有應用科學學士學位、工商管理碩士學位及一項人文學榮譽博士。彼與本公司其他執行董事關係為：蔡黎明先生及張志明先生之內弟；陳永年先生之弟；以及陳俊望先生及黃正順先生之叔父。

陳永年先生，現年66歲，於一九九七年起為本公司執行董事。彼負責本集團業務發展、投資及管理。彼擁有44年業務管理及司庫之經驗。除出任裕景集團之董事外，彼為菲律賓航空公司副主席及司庫，及於菲律賓多間公司擔任董事及司庫職位，其中包括一間銀行、多間酒店、一間啤酒製造廠及多間工廠，並持有商業學士學位。彼與本公司其他執行董事關係為：陳永杰博士之兄；蔡黎明先生及張志明先生之內兄；以及陳俊望先生及黃正順先生之叔父。

DIRECTORS

Executive Directors

Mr. CHUA Domingo, aged 65, is the Chairman of the Company nominated in 1992. He is also a member of Remuneration Committee of the Company and a substantial shareholder of the Company under Part XV of the Securities and Futures Ordinance. With over 33 years' experience in property development and investment and business management, Mr. CHUA is primarily responsible for overall strategic leadership and direction of the Group. Apart from holding interests and directorships in the group of Eton Properties (Holdings) Limited ("Eton"), a leading developer and holding companies of up-market properties in Hong Kong, he is the chairman of Air Philippines Corp. and directors of banks, hotel, brewery, real estate, brokerage and finance companies in Hong Kong, Mainland China, the U.S.A. and the Philippines. He is related to other Executive Directors of the Company being brother-in-law of Dr. CHAN Wing Kit, Frank, Mr. TANENGLIAN Mariano Chua and Mr. CHEUNG Chi Ming; and uncle of Mr. TAN Lucio Jr. Khao and Mr. PASCUAL Ramon Sy.

Dr. CHAN Wing Kit, Frank, aged 58, is Chief Executive Officer and Executive Director of the Company and was appointed on 16 June 2006. He is responsible for overall performance of the Group. He is also a member of the Remuneration Committee of the Company. He has over 20 years of experience in property development, banking and general management. Over the years, he had held positions as the chief executive officer of Eton in Hong Kong and Oceanic Bank, a state chartered commercial bank in San Francisco and vice chairman of Allied Banking Corporation (Hong Kong) Limited, a restricted licensed bank. He holds a bachelor degree in applied science, a master degree in business administration and an honorary doctorate in humane letters. He is related to other Executive Directors of the Company being brother-in-law of Mr. CHUA Domingo and Mr. CHEUNG Chi Ming; brother of Mr. TANENGLIAN Mariano Chua; uncle of Mr. TAN Lucio Jr. Khao and Mr. PASCUAL Ramon Sy.

Mr. TANENGLIAN Mariano Chua, aged 66, is an Executive Director of the Company and was appointed in 1997. He is in charge of business development, investment and management of the Group. He has 44 years of experience in business management and treasury. Apart from holding directorships in the group of Eton, he is the vice chairman and treasurer of Philippine Airlines, and holds other directorships and treasury positions in various companies in the Philippines including a bank, hotels, a brewery and industrial plants. And he holds a bachelor degree in commerce. He is related to other Executive Directors of the Company being a brother of Dr. CHAN Wing Kit, Frank, the brother-in-law of Mr. CHUA Domingo and Mr. CHEUNG Chi Ming; and uncle of Mr. TAN Lucio Jr. Khao and Mr. PASCUAL Ramon Sy.

管理人員簡介 (續) Profile of Management (Continued)

董事 (續)

執行董事 (續)

陳俊望先生，現年40歲，於一九九七年起擔任本公司執行董事。彼負責本集團業務發展、投資及管理，並擁有15年之業務管理工作經驗，並現任菲律賓航空公司之董事；及於菲律賓一間航空輔助及後勤公司出任總裁及行政總裁。彼亦曾於菲律賓多間公司擔任高級行政職務，其中包括煙草及釀酒業務。彼獲美國西北大學及香港科技大學共同頒發行政工商管理碩士課程之碩士學位，及持有土木工程學士學位。彼與其他執行董事關係為：蔡黎明先生、陳永杰博士、陳永年先生及張志明先生之侄兒及黃正順先生之內弟。

張志明先生，現年62歲，於一九九九年為本公司執行董事。彼負責本集團業務發展、投資及管理，擁有36年物業發展、啤酒及服務行業之經驗。自一九七六年起，彼在巴布亞新畿內亞的 Kenmore Pty., Ltd. (其中一間經營製造、地產及服務行業的最大集團) 內擔任執行董事。彼亦為裕景及於中國大陸啤酒集團公司擔任高級行政職務。彼持有農務及水利學士學位，並與本公司其他執行董事關係為：蔡黎明先生、陳永杰博士及陳永年先生之內弟；以及陳俊望先生及黃正順先生之姑丈。

黃正順先生，現年47歲，於二零零六年六月十六日獲委任為本公司執行董事。彼負責本集團業務發展、投資及管理。彼於製造業、物業發展及投資擁有超過20年經驗。彼現擔任裕景一高級行政職位，亦擔任與中國內地、香港及菲律賓有生意往來之地產物業、製造業及物流公司之董事。彼為聯太工業有限公司之獨立非執行董事。彼持有經濟學學士學位。彼與本公司其他執行董事關係為：蔡黎明先生、陳永杰博士、陳永年先生及張志明先生之姪／姨甥女婿及陳俊望先生之姐夫。

DIRECTORS (Continued)

Executive Directors (Continued)

Mr. TAN Lucio Jr. Khao, aged 40, is an Executive Director of the Company and was appointed in 1997. He is in charge of business development, investment and management of the Group. He has 15 years of experience in business management as and is currently a Director of Philippine Airlines as well as the president and chief executive officer of an airline support and logistics company in the Philippines. He has held senior executive positions in various companies including tobacco and rum industries in the Philippines. He was awarded master degree under executive master of business and administration program (EMBA) jointly by Northwestern University in the United States and Hong Kong University of Science and Technology as well as holding a bachelor degree in civil engineering. He is related to other Executive Directors of the Company being nephew of Mr. CHUA Domingo, Dr. CHAN Wing Kit, Frank, Mr. TANENGLIAN Mariano Chua and Mr. CHEUNG Chi Ming; and brother-in-law of Mr. PASCUAL Ramon Sy.

Mr. CHEUNG Chi Ming, aged 62, is an Executive Director of the Company and was appointed in 1999. He is in charge of business development, investment and management of the Group. He possesses 36 years of experience in property development, brewery and services industry. He has been an Executive Director of Kenmore Pty., Ltd., one of the largest group of manufacturing, property and service companies in Papua New Guinea since 1976, and is also senior executives of Eton and group of brewery companies in Mainland China. He holds a bachelor degree in agricultural and water conservancy. He is related to other Executive Directors of the Company being brother-in-law of Mr. CHUA Domingo, Dr. CHAN Wing Kit, Frank and Mr. TANENGLIAN Mariano Chua, and uncle of Mr. TAN Lucio Jr. Khao and Mr. PASCUAL Ramon Sy.

Mr. PASCUAL Ramon Sy, aged 47 is an Executive Director of the Company and was appointed on 16 June 2006. He is in charge of business development, investment and management of the Group. He has over 20 years of experience in manufacturing, property development and investment. He currently holds a senior executive position in Eton. He also serves as Director in real estate, manufacturing and logistics companies with businesses in Mainland China, Hong Kong and the Philippines. And he is an Independent Non-executive Director of United Pacific Industries Limited. He holds a bachelor degree in economics. He is married to the niece of four other Executive Directors of the Company, namely, Mr. CHUA Domingo, Dr. CHAN Wing Kit, Frank, Mr. TANENGLIAN Mariano Chua and Mr. CHEUNG Chi Ming and he is brother-in-law of Mr. TAN Lucio Jr. Khao.

管理人員簡介 (續)

Profile of Management (Continued)

董事 (續)

獨立非執行董事

莊劍青先生，現年55歲，於一九九四年獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會主席及薪酬委員會成員。彼是珠寶業資深人士，具有逾34年珠寶業務工作經驗，現正管理多間於香港、新加坡及日本從事珠寶製造、批發及出口業務之公司。

SY Robin 先生，現年71歲，於一九九四年獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會及薪酬委員會成員。彼為菲律賓一間從事船務船主 Asia Shipping Corporation 之總裁，亦為一名律師，並於菲律賓若干公司擔任高級行政職務，該等公司從事造船、修理業務及重型建築機器貿易。

麥貴榮先生，現年56歲，於二零零四年獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會及薪酬委員會成員。彼現為一位國際稅務顧問及專家，並擁有國際稅務策劃之廣泛經驗及已具有31年之稅務經驗。彼曾是香港稅務學會之會長及安永會計師事務所稅務部之合夥人。彼持有香港大學頒發之社會科學學士。

高級管理人員

趙少鴻先生，現年48歲，乃本集團財務總監。彼持有工商管理碩士學位，並於香港會計及財務界具有逾23年之經驗。彼於一九九三年加入本集團前，曾於一間主要會計師行服務，及於香港數間地產公司擔任不同之高級會計職位。

黃世達先生，現年45歲，乃本集團之中國部總經理及合資格會計師。彼於一九九零年加入本集團。彼為香港會計師公會會員，並獲香港中文大學頒發工商管理碩士學位。彼亦為香港建設管理交流中心會員，於會計界及中國大陸房地產發展項目具有19年之經驗。

黃愛儀女士，現年40歲，為本集團公司秘書。彼持有工商管理碩士學位，乃香港特許秘書公會資深會員，亦為香港會計師公會會員，於香港上市公司具有逾18年企業管治、會計、財務及法律事務之經驗，彼於一九九四年加入本集團。

DIRECTORS (Continued)

Independent Non-executive Directors

Mr. CHONG Kim Chan, Kenneth, aged 55, is an Independent Non-executive Director of the Company and was appointed in 1994. He is also Chairman of Audit Committee and member of Remuneration Committee of the Company. He is a veteran in the jewellery business in which he has over 34 years of working experience. He is managing a number of companies engaged in jewellery manufacturing, wholesaling and exports activities in Hong Kong, Singapore and Japan.

Mr. SY Robin, aged 71, is an Independent Non-executive Director of the Company and was appointed in 1994. He is also members of Audit Committee and Remuneration Committee of the Company. He is the president of Asia Shipping Corporation, a shipowner engaged in shipping business in the Philippines. He is also a lawyer and holds senior executive positions in some companies engaged in shipbuilding and repairing business as well as heavy construction equipment trading field in the Philippines.

Mr. MAK Kwai Wing, Alexander, aged 56, is an Independent Non-executive Director and was appointed in 2004. He is also members of Audit Committee and Remuneration Committee of the Company. He is currently a consultant and an expert of international taxation. He has extensive experience in international tax planning and has worked in tax services for 31 years. He was the president of the Taxation Institute of Hong Kong and partner of Ernst & Young in tax services. He holds a bachelor degree in Social Science from the University of Hong Kong.

SENIOR MANAGEMENT

Mr. CHIU Siu Hung, Allan, aged 48, is the financial controller of the Group. He holds a master degree in business administration and has over 23 years of experience in the accounting and finance field in Hong Kong. Prior to joining the Group in 1993, he worked at a major accounting firm and held various senior accounting positions in property companies in Hong Kong.

Mr. WONG Sai Tat, Patrick, aged 45, is the general manager of China operations and qualified accountant of the Group. He joined the Group in 1990. He is an associate of Hong Kong Institute of Certified Public Accountants and obtained a master degree in business administration from the Chinese University of Hong Kong. He is also a member of Hong Kong Project Management Exchange Centre. He has 19 years of experience in the accounting field and development projects of properties in Mainland China.

Ms. WONG Oi Yee, Polly, aged 40, is the company secretary of the Group. She holds a master degree in business administration and is a fellow of The Hong Kong Institute of Chartered Secretaries. She is also an associate of Hong Kong Institute of Certified Public Accountants and has more than 18 years of experience in corporate governance, accounting, finance and legal affairs in publicly listed companies in Hong Kong. She joined the Group in 1994.

企業管治報告

Corporate Governance Report

本公司致力奉行良好的企業管治常規。本公司的企業管治原則著重有效的董事會、審慎的內部及風險控制、高透明度及清晰的披露，以及對股東負責。

截至二零零六年六月三十日止之年度為本回顧財政年度，本公司董事會（「董事會」）及管理層一直參照本地及國際標準持續檢閱及提昇企業管治常規的質素。董事會相信，董事會努力不懈提昇本公司企業管治常規的質素，已對本公司及其附屬公司（「本集團」）過去數年業務的增長作出貢獻。

企業管治常規守則

本公司已遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載企業管治常規守則（「管治守則」）的守則條文。

於本年度內，本集團就香港的營運已進行內部檢閱，目的是確保：

- (i) 高水平管理監控已充份及明確定義；
- (ii) 營運管理已到位、充足和有效；
- (iii) 收入適當地收訖、記錄，並具依據；
- (iv) 開支性質適當和經適當批准；及
- (v) 資產適當地受保障。

本集團亦對本集團在中華人民共和國（「中國」）的營運已實施及完成內部檢閱，目的在確保管理及監控有效。

The Company is committed to establish and uphold good corporate governance practices and procedures. The corporate governance principles of the Company emphasise an effective Board, prudent internal and risk control, transparency and accountability to shareholders.

During the year ended 30 June 2006, being the financial year under review, the Board of Directors (the “Board”) and the management of the Company have been continually reviewing and enhancing the corporate governance practices with reference to local and international standards. The Board believes that its continued efforts in enhancing the Company’s corporate governance practices have contributed to the business growth of the Company and its subsidiaries (the “Group”) in the past years.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and complied with the code provisions in the Code on Corporate Governance Practices (the “CG Code”) set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

During the year, the Group carried out an internal review in respect of the Group’s operations in Hong Kong with the objectives of ensuring:

- (i) high level management controls are adequately defined;
- (ii) operational controls are in place, sufficient and effective;
- (iii) income is properly received, recorded and supported;
- (iv) expenses are of proper nature and are properly approved; and
- (v) assets are properly safeguarded.

The Group has also conducted and completed an internal review in respect of the Group’s operations in the People’s Republic of China (the “PRC”) with the objectives of ensuring management and control efficiency.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則 (續)

完成內部檢閱後，已向董事會提出建議，董事會經審閱及考慮建議後，已採納並已實施有關香港的營運及大部份中國營運的建議。董事會將持續監控和檢閱本公司企業管治常規和程序以確保管治守則獲得遵守及提昇。

本公司亦已採納於二零零五年十月四日由董事會批准與管治守則相符合的內部企業管治常規守則（「內部管治守則」），其中包括與上市規則附錄十所載條款相同之董事進行證券交易標準守則。內部管治守則致力促進管治守則之遵守及向董事會成員和本公司高級管理層就這方面作出指引。

為了令本公司之公司細則符合相關的管治守則條文，董事會已建議於二零零六年十二月二十二日召開的應屆股東週年大會上本公司股東批准修訂某些公司細則。

每條守則條文已由本公司完全遵守，其概要及有關遵守相應詳情如下。

CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

As a result of such internal reviews, recommendations were put forward to the Board. The Board, having reviewed and considered the recommendations, has adopted the recommendations made in respect of its Hong Kong operations and most of the recommendations in respect of its PRC operations. Implementation of such recommendations has been completed. The Board will continue to monitor and review the Company's corporate governance practices and procedures to ensure compliance with the CG Code and to enhance its practices and procedures.

The Company also adopted an internal corporate governance code in line with the CG Code which was approved by the Board on 4 October 2005 ("Internal CG Code") and adopted, amongst others, a code for securities transactions by Directors on the same terms as set out in Appendix 10 to the Listing Rules. The Internal CG Code aims to facilitate compliance with the CG Code and to give guidance to members of the Board and the senior management of the Company in this respect.

In order to bring the bye-laws of the Company in line with the relevant provisions of the CG Code, certain amendments to the Bye-Laws of the Company have been proposed by the Board for approval by shareholders of the Company at the forthcoming annual general meeting to be held on 22 December 2006.

We summarise below each of the code provisions set out in the CG Code, all of which the Company has complied with, together with corresponding details of compliance.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情

甲. 董事

甲.1 董事會

守則原則

董事會應負有領導的責任，並應集體負責統管及監督發行人事務。董事應該客觀行事，所作決策須符合發行人利益。

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES

A. DIRECTORS

A.1 The Board

Code Principle

The Board should assume responsibility for leadership and be collectively responsible for directing and supervising the issuer's affairs. Directors should make decision objectively in the interest of the issuer.

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of Compliance								
<p>每年召開至少四次董事會定期會議。</p> <p>At least four regular Board meetings a year.</p>	是 Yes	<p>主席負責董事會會議整體上的進行和會議程序均正確。</p> <p>The Chairman is responsible for the proper conduct and proceedings of Board meetings in general.</p> <p>董事會最少每季召開一次會議。於本年度內，共召開了四次董事會定期會議。董事於本年度內出席董事會及董事會委員會會議的詳情如下：</p> <p>The Board meets at least on a quarterly basis. During the year, a total of four regular Board meetings were held. Details of Directors' attendance record of such regular Board meetings and Board committee meetings during the year are as follows:</p> <table border="1"> <thead> <tr> <th>董事 Director</th> <th>出席率 Attendance</th> </tr> </thead> <tbody> <tr> <td>蔡黎明先生 Mr. CHUA Domingo</td> <td>2/4</td> </tr> <tr> <td>陳永杰博士 Dr. CHAN Wing Kit, Frank (於二零零六年六月十六日獲委任) (appointed on 16 June 2006)</td> <td>1/1</td> </tr> <tr> <td>陳永年先生 Mr. TANENGLIAN Mariano Chua</td> <td>2/4</td> </tr> </tbody> </table>	董事 Director	出席率 Attendance	蔡黎明先生 Mr. CHUA Domingo	2/4	陳永杰博士 Dr. CHAN Wing Kit, Frank (於二零零六年六月十六日獲委任) (appointed on 16 June 2006)	1/1	陳永年先生 Mr. TANENGLIAN Mariano Chua	2/4
董事 Director	出席率 Attendance									
蔡黎明先生 Mr. CHUA Domingo	2/4									
陳永杰博士 Dr. CHAN Wing Kit, Frank (於二零零六年六月十六日獲委任) (appointed on 16 June 2006)	1/1									
陳永年先生 Mr. TANENGLIAN Mariano Chua	2/4									

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

甲. 董事 (續)

A. DIRECTORS (Continued)

甲.1 董事會 (續)

A.1 The Board (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of Compliance	出席率 Attendance
		董事 Director	
		陳俊望先生 Mr. TAN Lucio Jr. Khao	2/4
		張志明先生 Mr. CHEUNG Chi Ming	2/4
		黃正順先生 Mr. PASCUAL Ramon Sy (於二零零六年六月十六日獲委任) (appointed on 16 June 2006)	1/1
		莊劍青先生 Mr. CHONG Kim Chan, Kenneth	4/4
		SY Robin 先生 Mr. SY Robin	1/4
		麥貴榮先生 Mr. MAK Kwai Wing, Alexander	3/4
		彭傑文先生 Mr. PANG Kit Man, John (於二零零六年六月十六日辭退) (resigned on 16 June 2006)	3/4

董事出席董事會會議及專注公司事務整體理想。本公司將於本公司未來財政年度持續每季召開定期董事會會議。

Attendance of the Directors in Board meetings and to the affairs of the Company was satisfactory as a whole. The Company will continue to hold regularly Board meetings on a quarterly basis in the coming financial years of the Company.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

甲. 董事 (續)

A. DIRECTORS (Continued)

甲.1 董事會 (續)

A.1 The Board (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of Compliance
		<p>薪酬委員會於二零零五年十月四日成立。在本年度內，薪酬委員會並未曾舉行會議，而會議將根據其職權範圍按需要而召開。</p> <p>The Remuneration Committee was established on 4 October 2005. During the year, no meeting has been held by the Remuneration Committee and meetings will be held on a need basis in accordance with its terms of reference.</p>
		<p>審核委員會於一九九九年三月二十七日成立，依據審核委員會所有會員按照其職權範圍兩次發出書面同意，接受截至二零零五年六月三十日止年度的已審核綜合財務賬項初稿和截至二零零五年十二月三十一日止六個月的未經審核綜合財務賬項初稿提交給董事會商討及批准。</p> <p>The Audit Committee was established on 27 March 1999 and, pursuant to two consents in writing by all members of the Audit Committee in accordance with its terms of reference, accepted the draft audited consolidated financial statements of the Company for the year ended 30 June 2005 and the draft unaudited consolidated financial statements of the Company for the six months ended 31 December 2005 for submission to the Board for discussion and approval.</p>
全體董事皆有機會提出商討事項列入董事會定期會議議程。 Opportunity to all Directors to include matters in the agenda for regular Board meetings.	是 Yes	<p>在有關董事會定期會議的議程發送予各董事前，諮詢各董事希望列入議程的商討事項。</p> <p>Directors are also consulted as to items which the Directors may wish to include in the agenda for regular Board meetings before the relevant agenda is dispatched to the Directors.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

甲. 董事 (續)

A. DIRECTORS (Continued)

甲.1 董事會 (續)

A.1 The Board (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of Compliance
<p>召開董事會定期會議前應向全體董事發出至少十四天通知。</p> <p>At least 14 days' notice given to all Directors prior to a regular Board meeting.</p>	是 Yes	<p>董事會定期會議通知及議程在該會議不少於十四天前發送予全體董事。有關的資料及文件在該會議不少於三天前發送予全體董事。</p> <p>Notice and agenda of a regular Board meeting are given to all Directors not less than 14 days prior to such meeting. The relevant papers and documents are given to all Directors not less than 3 days prior to such meeting.</p>
<p>可獲得公司秘書的意見和服務。</p> <p>Access to advice and services of the company secretary.</p>	是 Yes	<p>本公司的公司秘書(「公司秘書」)負責本集團的公司秘書事宜，包括董事會程序。</p> <p>The company secretary of the Company (the “Company Secretary”) is responsible for company secretarial matters of the Group, including Board procedures.</p> <p>此外，如情況需要，本公司尋求法律顧問協助提供法律意見及秘書服務予本公司。</p> <p>In addition, the Company seeks assistance from legal advisers to provide legal advice and secretarial services to the Company when the situation requires.</p> <p>全體董事皆可獲得公司秘書的服務和意見。</p> <p>All Directors have access to the services and advice of the Company Secretary.</p>
<p>公司秘書應備存會議紀錄以供查閱。</p> <p>Minutes of meetings kept by company secretary and available for inspection.</p>	是 Yes	<p>所有董事會及董事會委員會會議紀錄均由公司秘書備存，並可在香港供查閱。</p> <p>All Board and Board committees minutes and records are kept by the Company Secretary and will be available for inspection in Hong Kong.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

甲. 董事 (續)

A. DIRECTORS (Continued)

甲.1 董事會 (續)

A.1 The Board (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of Compliance
<p>董事會會議紀錄初稿及最後定稿均應在合理時間內發送予全體董事，以分別供其表達意見及紀錄之用。</p> <p>Draft and final minutes of Board meetings sent to all Directors for comments and records respectively, in both cases, within reasonable time.</p>	是 Yes	<p>董事會會議紀錄初稿由公司秘書負責編寫，將分發予全體董事以供其審閱及表達意見，董事會會議紀錄最後定稿將於有關董事會會議後在切實可行時間內盡快發送予全體董事以供紀錄。</p> <p>Draft minutes of a Board meeting will be prepared by the Company Secretary and circulated to all the Directors for review and comment, and final version of the Board minutes will be sent to all Directors for record as soon as practicable after the relevant Board meeting.</p>
<p>應有已商定的程序，讓董事諮詢獨立專業意見，所需費用由公司承擔。</p> <p>Agreed procedure for Directors to seek independent professional advice at the company's expense.</p>	是 Yes	<p>董事可諮詢獨立專業意見，所需費用由本公司承擔。</p> <p>Directors may request for independent professional advice which will be sought at the Company's expense.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

甲. 董事 (續)

甲.1 董事會 (續)

守則條文

Code Provisions

如有主要股東董事(或任何其聯繫人仕)在事項中存有董事會認為是重大的利益衝突,應召開董事會會議。於上述事項存有利益的董事須放棄投票,並且不得計算在法定人數之內。在交易中本身及其聯繫人仕均沒有重大利益的獨立非執行董事應該出席有關的董事會會議。

If a substantial shareholder/Director (or any of his/her associates) has a conflict of interest in a matter which the Board has determined to be material, a Board meeting should be held. The Director having interest in the matter must abstain from voting and not be counted in quorum. Independent Non-executive Directors who, and whose associates, have no material interest in the transaction should be present at such Board meeting.

是否遵守

Compliance

是
Yes

遵守詳情

Details of Compliance

本公司之公司細則訂明,董事就其所知,於有關本公司的合約或安排或建議中的合約或安排存有任何利益時,應於董事會會議上聲明彼或其任何聯繫人仕之利益性質。

The Bye-Laws of the Company stipulate that a Director who to his knowledge is in any way interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest or associates at meeting of the Board.

本公司的公司細則也訂明,(除其中所載若干例外情況外),倘若董事或其任何聯繫人仕就其所知於任何合約或安排或其他建議存有重大利益,則彼於有關的任何董事會決議案,均無權投票,亦不得計算在有關法定人數之內,倘若彼投票,其投票亦不獲計算(彼亦不得計算在有關決議之法定人數之內)。

The Bye-Laws of the Company also stipulate that (subject to certain exceptions contained therein) a Director shall not be entitled to vote (nor shall be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or proposal in which he is or any of his associates are to his knowledge materially interested, and if he shall do so his vote shall not be counted (nor will he be counted in the quorum for the resolution).

董事會的慣例是以召開會議,決定主要股東或董事(或其任何聯繫人仕)存有重大利益關係的任何事宜,並要求獨立非執行董事出席。

It is the practice of the Board to hold a meeting to decide on any matter in which a substantial shareholder or a Director (or any of his associates) has a material interest and to request for presence of Independent Non-executive Directors.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

甲. 董事 (續)

A. DIRECTORS (Continued)

甲.1 董事會 (續)

A.1 The Board (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of Compliance
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如有主要股東或董事在商討事項中存有董事會認為是重大的利益衝突，該事項會根據適用的規則和規例處理。如有需要，一獨立董事會委員會將成立處理該事項。

If a substantial shareholder or a Director has a conflict of interest in a matter to be considered material by the Board, the matter will be dealt with according to applicable rules and regulations and, if required, an independent Board committee will be set up to deal with the matter.

就於二零零六年一月六日公佈於本年度內發生的有關裕景國際商務廣場的關連交易和持續關連交易（「裕景交易」），董事會成立了由三位獨立非執行董事：莊劍青先生，SY Robin 先生，麥貴榮先生組成的一獨立董事會委員會處理該事項。三位獨立非執行董事中有兩位出席於二零零六年一月三日之董事會，批准達成裕景交易和成立上述獨立董事會委員會。

Regarding the Connected Transaction and Continuing Connected Transactions in relation to Eton Place announced on 6 January 2006 which took place during the year (the “Eton Transaction”), an independent Board committee, comprising Mr. CHONG Kim Chan, Kenneth, Mr. SY Robin and Mr. MAK Kwai Wing, Alexander, the three Independent Non-executive Directors, was set up to deal with the matter. Two of the three Independent Non-executive Directors were present at the Board meeting held on 3 January 2006 to approve the entering into of the Eton Transaction and the establishment of the said independent Board committee.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

甲. 董事 (續)

甲.2 主席及行政總裁

守則原則

董事會的經營管理和發行人業務的日常管理應有明確劃分，並分別由不同的主管承擔，以確保權力和授權分布均衡。

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

A. DIRECTORS (Continued)

A.2 Chairman and chief executive officer

Code Principle

The management of the Board and the day-to-day management of the issuer's business should be clearly divided and separately undertaken by different officers to ensure a balance of power and authority.

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>主席及行政總裁的角色及職責應有區分及清楚界定，並具文列載。</p> <p>Roles and responsibilities of chairman and chief executive officer should be separate and clearly established and set out in writing.</p>	是 Yes	<p>本公司主席（「主席」）及行政總裁（「行政總裁」）的角色及職責有清楚區分並具文列載於內部管治守則。</p> <p>The roles and responsibilities of the chairman (the “Chairman”) and the chief executive officer (the “CEO”) of the Company are separate and set out in writing in the Internal CG Code.</p> <p>主席蔡黎明先生負責統管和帶領董事會，分配董事會成員間的職責，並於董事會會議和本公司股東會議上維持正確進行和程序，監管本集團整體方向及策略計劃。此外，主席在促使全體董事積極參與董事會事務及在建立良好企業管治常規及程序方面扮演重要角色。</p> <p>Mr. CHUA Domingo, the Chairman, is responsible for directing and leading the Board, the assignment of responsibilities among members of the Board, and the proper conduct and proceedings of meetings of the Board and shareholders of the Company, and overseeing the Group's overall direction and strategic planning. In addition, the Chairman also plays a key role in driving all Directors to actively contribute to Board affairs and establishing good corporate governance practices and procedures.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

甲. 董事 (續)

A. DIRECTORS (Continued)

甲.2 主席及行政總裁 (續)

A.2 Chairman and chief executive officer (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of Compliance
		<p>行政總裁陳永杰博士 (於本財政年度二零零六年六月十六日接任彭傑文先生) 負責管理本公司業務及事務、建議和實施策略、業務和營運計劃、統管及監管本公司活動、根據董事會採納的策略方向發展和實施營運政策、發展及建議組織結構、管理股東與公共關係，並確保董事會具所有所需資訊以履行其職責。</p> <p>Dr. CHAN Wing Kit, Frank (succeeding Mr. PANG Kit Man, John during the financial year under review on 16 June 2006), the CEO, is responsible for managing the business and affairs of the Company, recommending and implementing strategic, business and operational plans, directing and monitoring the activities of the Company, developing and implementing operational policies under the strategic directions adopted by the Board, developing and recommending organizational structure, managing shareholders and public relations and ensuring that the Board has all the information it requires to fulfill its duties.</p> <p>就董事間的關係特別就主席和行政總裁之間的關係，請分別參閱本年報第11頁至13頁的管理人員簡介及第55頁至64頁的董事報告書內董事於競爭業務中之權益的一節。</p> <p>Please refer to the profile of management on pages 11 to 13 and pages 55 to 64 respectively of this Annual Report for the relationships and the section on Directors' interests in competing business in the Directors' report among the Directors, in particular, between the Chairman and the CEO.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

甲. 董事 (續)

A. DIRECTORS (Continued)

甲.2 主席及行政總裁 (續)

A.2 Chairman and chief executive officer (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of Compliance
<p>主席應確保全體董事均適當知悉董事會會議上所提及事項。</p> <p>The chairman should ensure all Directors be briefed on issues arising at Board meetings.</p>	是 Yes	<p>目前主席負責 (透過主席本人或管理層其他成員) 向全體董事提供董事會會議所提及事項所需資訊。</p> <p>Currently, the Chairman is responsible for provision of the necessary information, either through himself or other members of the management, to all Directors on issues arising at the Board meeting.</p>
<p>主席應確保董事獲得充分的資訊。</p> <p>The chairman should ensure that Directors receive adequate information.</p>	是 Yes	<p>董事會已經建立有關提供及獲取資訊的程序 (見下文甲.6一節)。</p> <p>The Board has established procedures regarding supply and access of information (see Section A.6 below).</p> <p>主席 (透過主席本人或管理層其他成員) 會應要求向全體董事提供彼等履行任務所必需的資訊。</p> <p>The Chairman will upon request provide the necessary information, either through himself or other members of the management, to all Directors for discharging their duties.</p> <p>內部管治守則也訂明行政總裁其中職責是與主席及其他董事會成員會面，以確保及時提供彼等所需資訊。</p> <p>The Internal CG Code also stipulates that it is one of the duties of the CEO to meet with the Chairman and other Board members to ensure they are provided all the information they need in a timely manner.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

甲. 董事 (續)

甲.3 董事會組成

守則原則

董事會應擁有發行人業務所需的技巧及經驗，並維持適度的平衡。董事會中的執行董事及非執行董事 (包括獨立非執行董事) 的組合亦應取得平衡，以確保有效地作出獨立判斷。

本公司董事會

董事會目前由六名執行董事及三名獨立非執行董事組成。於二零零六年六月三十日，董事會成員如下：

蔡黎明先生 (主席及執行董事)

陳永杰博士 (行政總裁及執行董事)

陳永年先生 (執行董事)

陳俊望先生 (執行董事)

張志明先生 (執行董事)

黃正順先生 (執行董事)

莊劍青先生 (獨立非執行董事)

SY Robin 先生 (獨立非執行董事)

麥貴榮先生 (獨立非執行董事)

在本年度內，彭傑文先生 (行政總裁及執行董事) 於二零零六年六月十六日辭退，而陳永杰博士獲委任以填補臨時空缺。此外，黃正順先生於同日獲委任為董事會新增執行董事。

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

A. DIRECTORS (Continued)

A.3 Board composition

Code Principle

The Board should have a balance of skills and experience appropriate for the requirements of the business of the issuer. The Board should also include a balanced composition of Executive and Non-executive Directors (including Independent Non-executive Directors) to ensure that independent judgment can be made effectively.

The Board of the Company

The Board currently comprises six Executive Directors and three Independent Non-executive Directors. As at 30 June 2006, the Board members were as follows:

Mr. CHUA Domingo (Chairman and Executive Director)

Dr. CHAN Wing Kit, Frank (CEO and Executive Director)

Mr. TANENGLIAN (Executive Director)

Mariano Chua

Mr. TAN Lucio Jr. Khao (Executive Director)

Mr. CHEUNG Chi Ming (Executive Director)

Mr. PASCUAL Ramon Sy (Executive Director)

Mr. CHONG Kim Chan, Kenneth (Independent Non-executive Director)

Mr. SY Robin (Independent Non-executive Director)

Mr. MAK Kwai Wing, Alexander (Independent Non-executive Director)

During the year, Mr. PANG Kit Man, John, the CEO and an Executive Director, resigned on 16 June 2006 and Dr. CHAN Wing Kit, Frank was appointed to fill the casual vacancy. Further, Mr. PASCUAL Ramon Sy was appointed as an addition to the Board on the same day as an Executive Director.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

甲. 董事 (續)

甲.3 董事會組成 (續)

本公司董事會 (續)

關於董事會成員的資歷、經驗、專長及關係 (如有)，請分別參閱本年報第11頁至13頁的管理人員簡介及第55頁至64頁的董事報告書內董事於競爭業務中之權益的一節。

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

A. DIRECTORS (Continued)

A.3 Board composition (Continued)

The Board of the Company (Continued)

For qualifications, experience, expertise and relationships (if any) of the Board members, please refer to the Profile of Management and the section on Directors' interests in competing business in the Directors' Report on pages 11 to 13 and pages 55 to 64 respectively of this Annual Report.

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
於所有載有董事姓名的企業通訊中註明獨立非執行董事的身份。 Identify the Independent Non-executive Directors in all corporate communications where Directors have been mentioned.	是 Yes	於所有載有董事姓名的企業通訊 (包括年報、公告、致股東通函、股東大會通告及本公司網站) 中均有披露全體董事的名字及職位 (包括主席、行政總裁、執行董事及獨立非執行董事)。 The names of all Directors and their titles (including Chairman, Chief Executive Officer, Executive Directors and Independent Non-executive Directors) are disclosed in all corporate communications that disclose the names of the Directors, including annual reports, announcements, circulars to shareholders, notices of general meetings and in the Company's website.

甲.4 委任、重選及罷免

守則原則

新董事之委任

委任新董事加入董事會應有正式、經審慎考慮及具透明的程序。所有董事應定期重選。

A.4 Appointment, re-election and removal

Code Principle

Appointment of New Directors

There should be a formal, considered and transparent procedures for the appointment of new Directors to the Board. All Directors should be subject to re-election at regular intervals.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

甲. 董事 (續)

甲.4 委任、重選及罷免 (續)

新董事之委任 (續)

目前，本公司並無提名委員會以作委任新董事加入董事會。由董事會集體負責物色及挑選合資格人士成為董事會成員。如董事會或董事認為有需要或適宜委任一名新董事會成員（不論是填補臨時空缺或其他原因），每名董事會成員均可提名合適的人士作為董事會成員的候選人，讓董事會決定。

在挑選合適的候選人成為董事會成員時，董事會將考慮多方面的條件，如該候選人的教育水平、資歷、經驗、技能及可作出的貢獻。於二零零六年六月十六日召開的董事會會議，考慮及批准委任陳永杰博士為行政總裁及執行董事，填補彭傑文先生於同日辭任後的臨時空缺，並委任黃正順先生為執行董事，蔡黎明先生，陳永年先生，陳俊望先生，張志明先生及莊劍青先生均有出席該董事會會議並批准該等委任。

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

A. DIRECTORS (Continued)

A.4 Appointment, re-election and removal (Continued)

Appointment of New Directors (Continued)

Currently, the Company does not have a nomination committee for appointment of new Directors to the Board. The responsibilities of identifying and selecting suitably qualified individuals to become members of the Board are undertaken by the Board collectively. Where the Board or a Director considers necessary or desirable to appoint a new member to the Board (whether to fill a casual vacancy or otherwise), each member of the Board may nominate suitable individual(s) as candidate(s) of member(s) of the Board for the decision of the Board.

In selecting a suitable candidate to become a member of the Board, the Board will consider various criteria such as education, qualification, experience, skills and possible contribution of such candidate. A Board meeting was held on 16 June 2006 to consider and approve the appointment of Dr. CHAN Wing Kit, Frank as the CEO and an Executive Director to fill the casual vacancy upon the resignation of Mr. PANG Kit Man, John effective on the same day and, further, the appointment of Mr. PASCUAL Ramon as an Executive Director, pursuant to which Mr. CHUA Domingo, Mr. TANENGLIAN Mariano Chua, Mr. TAN Lucio Jr. Khao, Mr. CHEUNG Chi Ming and Mr. CHONG Kim Chan, Kenneth attended the said Board meeting to approve such appointments.

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of Compliance
非執行董事的委任應有指定任期，並須接受重選。 Non-executive Directors should be appointed for a specific term, subject to re-election.	是 Yes	目前，所有非執行董事（包括獨立非執行董事）任期為二年，並須根據本公司的公司細則輪席告退。 Currently, the term of appointment of all Independent Non-executive Directors are two years subject to retirement by rotation in accordance with the bye-laws of the Company.
所有獲委任填補臨時空缺的董事須於接受委任後的首次股東大會上接受選舉。 All Directors appointed to fill a casual vacancy should be subject to election at the first general meeting after appointment.	是 Yes	董事會已建議於二零零六年十二月二十二日召開的應屆股東週年大會上批准修訂本公司的公司細則，以回應此要求。 Amendment to the bye-laws of the Company has been proposed by the Board for approval at the forthcoming annual general meeting to be held on 22 December 2006 to reflect this requirement.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

甲. 董事 (續)

A. DIRECTORS (Continued)

甲.4 委任、重選及罷免 (續)

A.4 Appointment, re-election and removal (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of Compliance
<p>每名董事應輪席告退，至少每三年一次。</p> <p>Every Director should be subject to retirement by rotation at least once every three years.</p>	是 Yes	<p>陳永杰博士於二零零六年六月十六日獲委任為行政總裁及執行董事，填補彭傑文先生辭任的臨時空缺。彼將於二零零六年十二月二十二日的應屆股東週年大會（被委任後的首次股東大會）上接受選舉。</p> <p>Dr. CHAN Wing Kit, Frank, was appointed on 16 June 2006 to fill the casual vacancy of Mr. PANG Kit Man, John as the CEO and an Executive Director. He will be subject to election at the forthcoming annual general meeting to be held on 22 December 2006, being the first general meeting after his appointment.</p> <p>本公司的公司細則訂明，每名董事至少每三年輪席告退一次。</p> <p>The Company's bye-laws stipulate that every Director will be subject to retirement by rotation at least once every three years.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

甲. 董事 (續)

甲.5 董事的責任

守則原則

所有董事(包括非執行董事)須不時瞭解其作為發行人董事的職責,以及發行人的經營方式、業務活動及發展。

守則條文

Code Provisions

每名新獲委任的董事均應獲得全面、正式的就任須知,以確保彼能適當理解發行人的業務;以及彼在監管規定以及發行人的業務及管治政策下的職責,彼亦察覺其在法律、法規或其他方面的職責。

Every newly appointed Director should receive a comprehensive, formal induction to ensure that he/she has proper understanding of the business and his/her responsibilities under regulatory requirements, business and governance policies of the issuer and also aware of his responsibilities by law, regulations or otherwise.

是否遵守

Compliance

是
Yes

遵守詳情

Details of compliance

董事會將向新獲委任董事提供有關董事根據百慕達法例、香港法例及上市規則的職務及責任的資料,以協助彼理解其責任。

The Board will provide information on Director's duties and obligations under Bermuda laws, Hong Kong laws and the Listing Rules to a newly appointed Director to assist such Director to understand his responsibilities.

董事會亦將安排本公司的法律顧問與新獲委任董事開會,本公司的法律顧問將在會上向該名董事解釋彼根據相關法律和法規所須承擔的責任。

The Board will also arrange for a meeting between the Company's legal advisers and a newly appointed Director in which the Company's legal advisers will explain to such Director his responsibilities under the relevant legal and regulatory requirements.

此外,本公司將提供相關資料及籌辦不同活動,以確保新獲委任董事適當理解本公司的業務及管治政策,並會安排高級管理人員向該新獲委任董事簡述本公司的業務及運作。新獲委任董事並獲得機會提出問題及意見。

In addition, the Company will provide relevant information and organize activities to ensure the newly appointed Director properly understands the business and governance policies of the Company and will arrange for the senior management to brief such newly appointed Director on the business and operations of the Company. The newly appointed Director will be given opportunities to raise questions and give comments.

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

A. DIRECTORS (Continued)

A.5 Responsibilities of Directors

Code Principle

All Directors (including Non-executive Directors) shall keep abreast of their responsibilities as a Director of an issuer, and of the conduct, business activities and development of such issuer.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

甲. 董事 (續)

甲.5 董事的責任 (續)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
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非執行董事的職能包括： Functions of Non-executive Directors include:	是 Yes	
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- 在董事會會議上提供獨立的意見。
- bringing an independent judgment at Board meetings.
- 在出現潛在利益衝突時發揮牽頭引導作用。
- taking the lead where potential conflicts of interests arise.
- 應邀加入委員會。
- serving on committees if invited.
- 仔細評審發行人的表現。
- scrutinizing the issuer's performance.

董事須確保彼等能付出足夠時間及專注以處理發行人的事務。 Directors should ensure that they can give sufficient time and attention to the affairs of the issuer.	是 Yes	
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COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

A. DIRECTORS (Continued)

A.5 Responsibilities of Directors (Continued)

非執行董事就應納入董事會會議的討論事項而被諮詢，並獲得機會在董事會會議上提出問題及意見。
Non-executive Directors are consulted as to the matters to be included for discussion at Board meetings and are provided with opportunities to raise questions or comments at Board meetings.

就有關裕景交易須獲得獨立股東批准，由三位獨立非執行董事組成的獨立董事會委員會就裕景交易事項已發表獨立意見。

In relation to the Eton Transaction, which required independent shareholders' approval, an independent Board committee was formed comprising the three Independent Non-executive Directors to give independent opinion on the Eton Transaction.

全體獨立非執行董事均為審核委員會及薪酬委員會的成員，兩個委員會均肩負監管本公司的職責。

All the Independent Non-executive Directors are members of the Audit Committee and the Remuneration Committee; both committees serve the function of scrutinising the Company.

董事出席會議及專注公司事務整體理想。

There have been satisfactory attendances in general for meetings and attention to the affairs of the Company by the Directors.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

甲. 董事 (續)

A. DIRECTORS (Continued)

甲.5 董事的責任 (續)

A.5 Responsibilities of Directors (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>董事必須遵守上市規則附錄十上市發行人董事進行證券交易的標準守則(「標準守則」)履行彼等有關證券交易的責任。</p> <p>Directors must comply with their obligations under the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules regarding their securities transactions.</p>	<p>是 Yes</p>	<p>本公司已採用與上市規則附錄十條款相同的董事進行證券交易標準守則。在標準守則具文列明每名董事被特定須定期向本公司確認彼已遵守標準守則，並無任何董事不遵守任何有關規定。</p> <p>The Company has adopted a code for securities transactions by Directors on the same terms as set out in Appendix 10 to the Listing Rules. Each Director is specifically required to confirm with the Company that he has complied with the required standard set out in the Model Code on a regular basis and there has not been any non-compliance by any Directors in this respect.</p>

甲.6 資料提供及使用

A.6 Supply of and access to information

守則原則

Code Principle

董事應獲提供適當及時資料，其形式及素質須使董事能夠在掌握有關資料的情況下作出決定，並能履行其作為發行人董事的職責及責任。

Directors should be provided in a timely manner with appropriate information in such form and of such quality as will enable them to make an informed decision and to discharge their duties and responsibilities as Director of an issuer.

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>董事會定期會議的所有議程及文件應至少在舉行該董事會會議日期的三天前或已同意其他期限送交全體董事。</p> <p>Agenda and papers for regular Board meetings should be sent in full to all Directors at least three days before the date of such Board meetings (or such other period as agreed).</p>	<p>是 Yes</p>	<p>現時董事會定期會議的所有議程及文件至少在舉行該董事會會議日期的三天前送交全體董事。</p> <p>Agenda and Board papers are currently sent in full to all Directors at least three days before the date of a regular Board meeting.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

甲. 董事 (續)

A. DIRECTORS (Continued)

甲.6 資料提供及使用 (續)

A.6 Supply of and access to information (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of Compliance
<p>每名董事應有自行接觸高級管理人員的獨立途徑，並能夠在掌握完全和可靠資料的情況下作出決定。</p> <p>Each Director should have separate and independent access to senior management for complete and reliable information to enable it to make informed decisions.</p>	是 Yes	<p>董事會及每名董事有自行接觸高級管理人員的獨立途徑。高級管理人員與董事不時進行正式或非正式會議。</p> <p>The Board and each Director can separately and independently access the senior management of the Company. Senior management will meet, formally and informally, with the Directors from time to time.</p> <p>內部管治守則亦列明行政總裁有責任促使董事會成員可接觸管理層以允許董事會能履行其職責。</p> <p>The Internal CG Code also stipulates that it is the CEO's responsibility to ensure that Board members have access to management in order to permit the Board to fulfill its obligations.</p>
<p>董事有權查閱董事會文件及有關資料，並對董事提問須採取步驟以作出迅速及全面的回應。</p> <p>Directors are entitled to have access to Board papers and related materials and steps must be taken to respond promptly and fully to Directors' queries.</p>	是 Yes	<p>公司秘書備存董事會會議記錄、文件及有關資料並可應董事要求時查閱。高級管理人員及公司秘書須對董事提問作出跟進。</p> <p>Board minutes, papers and related materials are kept by the Company Secretary and are made available for inspection by Directors. Queries raised by Directors will be followed up by the senior management or the Company Secretary.</p> <p>所有董事會及董事會委員會會議紀錄及文件可供董事及董事會委員會成員查閱。</p> <p>Board and Board committee minutes and papers are available for inspection by Directors and Board committee members.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

甲. 董事 (續)

A. DIRECTORS (Continued)

甲.6 資料提供及使用 (續)

A.6 Supply of and access to information (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of Compliance
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每名董事均有機會於董事會或董事會委員會會議上提出問題或意見，有關提問將於會議上或在會議後盡快獲回答，意見會記錄在案，並於討論後採取相關行動（如適合）。

Each Director will be given the opportunity to raise questions or provide comments at Board meetings or meetings of Board committees and his questions will be answered at the meeting or promptly thereafter. Comments will be noted and relevant action will be taken (if appropriate) after discussion.

乙. 董事及高級管理人員的薪酬

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

乙.1 薪酬及披露的水平及組成

B.1 The level and make-up of remuneration and disclosure

守則原則

Code Principle

發行人應設有正規而具透明度的程序，以制訂有關執行董事酬金的政策及釐訂全體董事的薪酬待遇。沒有董事能參與訂定本身的酬金。

An issuer should establish a formal and transparent procedure for setting policy on Executive Directors' remuneration and for fixing the remuneration package for all Directors. No Director should be involved in deciding his own remuneration.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

乙. 董事及高級管理人員的薪酬 (續)

乙.1 薪酬及披露的水平及組成 (續)

薪酬委員會

薪酬委員會於二零零五年十月四日成立，現時由以下成員組成：

蔡黎明先生	(主席及執行董事)
陳永杰博士	(行政總裁及 執行董事)
莊劍青先生	(獨立非執行董事)
SY Robin 先生	(獨立非執行董事)
麥貴榮先生	(獨立非執行董事)

薪酬委員會並無正式委任主席，然而在每次薪酬委員會會議開始時會委任主席。

薪酬委員會主要負責以下職務：

1. 就彼等對其他執行董事的薪酬方案諮詢主席及／或行政總裁；
2. 就本公司董事及高級管理人員的全體薪酬政策及架構，及就建立正規及具透明度的程序制訂此等薪酬政策，向董事會提出建議；
3. 獲授權釐訂全體執行董事及高級管理人員的特定薪酬待遇；

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

B.1 The level and make-up of remuneration and disclosure (Continued)

Remuneration Committee

The Remuneration Committee was established on 4 October 2005 and currently consists of the following members:

Mr. CHUA Domingo	(Chairman and Executive Director)
Dr. CHAN Wing Kit, Frank	(CEO and Executive Director)
Mr. CHONG Kim Chan, Kenneth	(Independent Non-executive Director)
Mr. SY Robin	(Independent Non-executive Director)
Mr. MAK Kwai Wing, Alexander	(Independent Non-executive Director)

No chairman has been formally appointed for the Remuneration Committee. However, a chairman will be appointed at the commencement of each meeting of the Remuneration Committee.

The Remuneration Committee is primarily responsible for the following duties:

1. to consult the Chairman and/or the CEO about their proposals relating to the remuneration of other executive Directors;
2. to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing the policy on such remuneration;
3. to have the delegated responsibilities to determine the specific remunerations packages of all executive Directors and senior management;

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

乙. 董事及高級管理人員的薪酬 (續)

乙.1 薪酬及披露的水平及組成 (續)

薪酬委員會 (續)

4. 透過參照董事會不時通過的企業目標，檢討及批准按表現而釐定的薪酬；
5. 檢討及批准向執行董事及高級管理人員支付喪失或終止職務或委任有關的賠償，以確保該等賠償按有關合約條款釐定；如非按合約條款釐定，該等賠償亦須公平而對本公司不會過多；
6. 檢討及批准董事因行為失當而遭解僱或罷免董事所涉及的賠償安排，以確保該等安排按有關合約條款釐定；若未能按合約條款釐定，有關賠償亦須合理適當；
7. 確保任何董事或其任何聯繫人仕不得自行釐訂本身的薪酬；及
8. 向本公司股東建議按上市規則第13.68條就須獲股東批准的任何董事服務合同應如何投票。

在本年度內，薪酬委員會並無召開會議，而薪酬委員會已於二零零六年九月三十日開會以考慮董事及高級管理人員的薪酬。

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

B.1 The level and make-up of remuneration and disclosure (Continued)

Remuneration Committee (Continued)

4. to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
5. to review and approve the compensation payable to Executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
6. to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
7. to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
8. to advise the Company's shareholders on how to vote with respect to any service contracts of Directors that require shareholders' approval under rule 13.68 of Listing Rules.

During the year, no meeting was held by the Remuneration Committee. The Remuneration Committee met on 30 September 2006 to consider the remuneration of the Directors and senior management.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

乙. 董事及高級管理人員的薪酬 (續)

乙.1 薪酬及披露的水平及組成 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

B.1 The level and make-up of remuneration and disclosure (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>設立薪酬委員會時應具有特定書面職權範圍 (包括上市規則附錄十四第B.1.3段所載最低限度特定職責)，並須應要求提供有關資料，而多數會員為非執行董事。</p> <p>Remuneration committee should be established with specific written terms of reference (containing the minimum prescribed details as set out in paragraph B.1.3 of Appendix 14 to the Listing Rules) and should be available on request, with a majority of members being non-Executive Directors.</p>	是 Yes	<p>本公司已設立薪酬委員會，其書面訂明之職權範圍已符合上市規則附錄十四第B.1.3段所載規定。</p> <p>The Company has established a Remuneration Committee with terms of reference which meet the requirements as set out in paragraph B.1.3 of Appendix 14 to the Listing Rules.</p> <p>薪酬委員會的職權範圍應要求提供及載於本公司網站。</p> <p>The terms of reference of the Remuneration Committee are available on request and on the website of the Company.</p> <p>薪酬委員會五位成員中其中三位是獨立非執行董事。</p> <p>Of the five members of the Remuneration Committee, three are Independent Non-executive Directors.</p>
<p>薪酬委員會應就其他執行董事的薪酬方案諮詢主席及／或行政總裁，如有需要，亦可索取專業意見。</p> <p>The remuneration committee should consult the chairman and/or chief executive officer regarding proposed remuneration of other Executive Directors and have access to professional advice if necessary.</p>	是 Yes	<p>薪酬委員會的職權範圍訂明委員會成員應就其他執行董事的薪酬方案諮詢主席及／或行政總裁。</p> <p>The terms of reference of the Remuneration Committee provide that the committee should consult the Chairman and/or the CEO about proposed remuneration of other executive Directors.</p> <p>薪酬委員會已獲授權於有需要時尋求獨立專業意見，所需費用由本公司承擔。</p> <p>The Remuneration Committee has also been authorized to obtain independent professional advice if it considers this necessary, at the Company's expense.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

乙. 董事及高級管理人員的薪酬 (續)

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

乙.1 薪酬及披露的水平及組成 (續)

B.1 The level and make-up of remuneration and disclosure (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>薪酬委員會應可獲提供充足資源以履行其職責。</p> <p>The remuneration committee should be provided with sufficient resources to discharge its duties.</p>	<p>是</p> <p>Yes</p>	<p>薪酬委員會的職權範圍訂明薪酬委員會可於有需要時尋求獨立專業意見。</p> <p>The terms of reference of the Remuneration Committee provide that the Remuneration Committee may obtain independent professional advice if it considers necessary.</p> <p>此外，董事會與高級管理人員將對薪酬委員會提供全面支援。</p> <p>In addition, the Board and the senior management will give full support to the Remuneration Committee.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

丙. 問責及核數

丙.1 財務匯報

守則原則

董事會應對公司表現、情況及前景作出平衡、清晰及明白的評核。

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

C. ACCOUNTABILITY AND AUDIT

C.1 Financial reporting

Code Principle

The Board should present a balanced, clear and comprehensible assessment of the company's performance, position and prospects.

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>管理層應向董事會就財務及其他資料提供解釋，讓董事會作出有明智的評審。</p> <p>Management should provide explanation on financial and other information to enable the Board to make informed assessment.</p>	是 Yes	<p>董事透過每季定期舉行的董事會會議及適當時定期獲得本集團的一般財務資料及解釋(如適用)。</p> <p>Directors are provided with general financial information with explanation thereof (if appropriate) of the Group on a regular basis, through the regular quarterly Board meetings and when appropriate.</p> <p>此外，管理層亦會定期與執行董事開會，商討本公司財務資料(如適用)。</p> <p>Moreover, the Executive Directors also meet with the management to discuss the financial information of the Company when appropriate.</p>
<p>董事應承認彼等有編製賬目的責任，以及核數師亦應在核數師報告中就其申報責任作出聲明。董事須在持續經營的基礎下編製賬目(除不適當情況外)。</p> <p>Acknowledgement of responsibility from the Directors for preparing the accounts and a statement by the auditors regarding reporting responsibilities in auditors' report. The Directors should prepare the accounts on a going concern basis unless it is inappropriate to do so.</p>	是 Yes	<p>董事每年承認彼等有編製本集團財務賬項的責任，並確保財務賬項根據法定規定及適用的會計標準。</p> <p>The Directors annually acknowledge their responsibility for preparing the financial statements of the Group and ensure that the preparation of the financial statements are in accordance with statutory requirements and applicable accounting standards.</p> <p>核數師申報責任的聲明列載於核數師報告內。</p> <p>Auditors' reporting responsibilities statement is set out in the auditors' report.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

丙. 問責及核數 (續)

C. ACCOUNTABILITY AND AUDIT (Continued)

丙.1 財務匯報 (續)

C.1 Financial reporting (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>董事會有責任於年度／中期報告、涉及股價敏感資料的通告及監管規定下須予披露的其他財務披露／報告中作出平衡、清晰及明白的評審。</p> <p>Board's responsibility to present a balanced, clear and understandable assessment in annual/interim reports, price-sensitive announcements and other financial disclosures/reports under regulatory requirements.</p>	<p>是 Yes</p>	<p>董事會共同負責於年度／中期報告、涉及股價敏感資料的通告及法例規定須予披露的其他財務披露／報告作出清晰及明白的評核。此外，已成立審核委員會以監察本公司財務賬項完整性。</p> <p>The Board is collectively responsible for ensuring clear and understandable assessment in annual/interim reports, price-sensitive announcement and other financial disclosures/reports under regulatory requirements. In addition, the Audit Committee has been established to monitor the integrity of financial statements of the Company.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

丙. 問責及核數 (續)

丙.2 內部監控

守則原則

董事會應確保發行人的內部監控系統妥善而且有效，以保障股東的投資及發行人的資產。

守則條文

Code Provisions

董事應最少每年檢閱一次內部監控系統是否有效。

The Directors should at least annually conduct a review of the effectiveness of the system of internal control.

是否遵守

Compliance

是
Yes

遵守詳情

Details of compliance

於本年度內，董事會已內部檢閱本集團在香港的營運，目的是確保：—

During the year, the Board has conducted an internal review of the Group's operations in Hong Kong with the objectives of ensuring:

- 高水平管理監控已充份及明確定義；
- high level management controls are adequately defined;
- 營運管理已到位、充足和有效；
- operational controls are in place, sufficient and effective;
- 收入適當地收訖、記錄，並具依據；
- income is properly received, recorded and supported;
- 開支性質適當和經適當批准；及
- expenses are of proper nature and are properly approved; and
- 資產適當地受保障。
- assets are properly safeguarded.

本集團亦對集團在中國營運已實施及完成內部檢閱，目的在確保管理及監控有效。

The Group has also conducted and completed an internal review in respect of the Group's operations in the PRC with the objectives of ensuring management and control efficiency.

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

C. ACCOUNTABILITY AND AUDIT (Continued)

C.2 Internal controls

Code Principle

The Board should ensure that the issuer maintains sound and effective internal controls to safeguard the shareholders' investment and the issuer's assets.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

丙. 問責及核數 (續)

C. ACCOUNTABILITY AND AUDIT (Continued)

丙.2 內部監控 (續)

C.2 Internal controls (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
該等檢閱函蓋所有重要監控，包括財務、營運及合規監控，以及風險管理功能。		Such reviews cover all material controls including financial, operational and compliance controls, and risk management functions.

丙.3 審核委員會

C.3 Audit committee

守則原則

Code Principle

董事會應就應用到財務匯報及內部監控原則及維持與本公司核數師一適當的關係而作出正規及具透明度的安排。所成立的審核委員會應具有清晰的職權範圍。

The Board should establish formal and transparent arrangements for considering how it will apply the financial reporting and internal control principles and for maintaining an appropriate relationship with the Company's auditors. The audit committee established should have clear terms of reference.

審核委員會

Audit Committee

審核委員會於一九九九年三月二十七日成立，目前由以下成員組成：

The Audit Committee was established on 27 March 1999 and currently consists of the following members:

莊劍青先生* (獨立非執行董事)

Mr. CHONG Kim Chan, Kenneth* (Independent Non-executive Director)

SY Robin 先生 (獨立非執行董事)

Mr. SY Robin (Independent Non-executive Director)

麥貴榮先生 (獨立非執行董事)

Mr. MAK Kwai Wing, Alexander (Independent Non-executive Director)

* 審核委員會主席

* Chairman of Audit Committee

審核委員會主要負責以下職務：

The Audit Committee is primarily responsible for the following duties:

1. 就外聘核數師的委任、重新委任及罷免向董事會提供建議，批准外聘核數師的薪酬及聘用條款，及處理有關該核數師辭職或辭退該核數師的任何問題；

1. to make recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of that auditor;

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

丙. 問責及核數 (續)

丙.3 審核委員會 (續)

審核委員會 (續)

2. 按適用的標準檢閱及監察外聘核數師是否獨立客觀及核數程序有效性；
3. 就外聘核數師提供非核數服務制定政策，並予以執行；
4. 監察本公司的財務賬項及本公司年度報告及賬目、半年度報告，並審閱上述賬項及報告所載有關財務匯報的重大判斷；及
5. 監督本公司的財務匯報系統及內部監控程序。

審核委員會於本年度內，依據審核委員所有成員按其職權範圍發出的兩次書面同意，接受截至二零零五年六月三十日止年度的已審核綜合財務賬項初稿和截至二零零五年十二月三十一日止六個月的未經審核綜合財務賬項初稿提交給董事會商討及批准。

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

C. ACCOUNTABILITY AND AUDIT (Continued)

C.3 Audit committee (Continued)

Audit Committee (Continued)

2. to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standard;
3. to develop and implement policy on the engagement of an external auditor to supply non-audit services;
4. to monitor integrity of financial statements of the Company and the Company's annual report and accounts, half-year report and to review significant financial reporting judgments contained in them; and
5. to oversee the Company's financial reporting system and internal control procedures.

During the year, members of the Audit Committee, pursuant to two consents in writing by all members of the Audit Committee in accordance with its terms of reference, accepted the draft audited consolidated financial statements of the Company for the year ended 30 June 2005 and the draft unaudited consolidated financial statements of the Company for the six months ended 31 December 2005 for submission to the Board for discussion and approval.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

丙. 問責及核數 (續)

丙.3 審核委員會 (續)

核數師酬金

於截至二零零六年六月三十日止的年度，本公司的核數師德勤•關黃陳方會計師行向本集團提供的核數及非核數服務，及與該等服務有關的已付及應付酬金列載如下：

服務 Services

核數服務

Audit services

- 已付核數費用 — 截至二零零五年六月三十日止年度全年業績 566
- Audit fee paid — Final results for the year ended 30 June 2005
- 已付核數費用 — 審閱本集團公積金基金 8
- Audit fee paid — Review of provident funds of the Group

非核數服務

Non-audit services

- 就編製於二零零五年十月四日公布有關出售達力貨櫃中心的會計師報告已付費用 600
- Fee paid for the preparation of the accountants' report in relation to the disposal of Dynamic Cargo Centre announced on 4 October 2005
- 就編製有關裕景交易的會計師報告已付費用 445
- Fee paid for the preparation of the accountants' report in relation to the Eton Transaction
- 向本集團提供培訓的已付費用 1
- Fee paid for provision of training to the Group

審核委員會認為核數師對本集團所提供的上述非核數服務並無影響核數師的獨立性。

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

C. ACCOUNTABILITY AND AUDIT (Continued)

C.3 Audit committee (Continued)

Auditors' remuneration

During the year ended 30 June 2006, audit and non-audit services were provided to the Group by Deloitte Touche Tohmatsu, the auditors of the Company, and the amounts of remuneration paid and payable in connection therewith are as follows:

金額約數
Approximate Amount
港幣千元
HK\$'000

The Audit Committee is of the view that the auditors' independence was not affected by the provision of the abovementioned non-audit services to the Group.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

丙. 問責及核數 (續)

丙.3 審核委員會 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

C. ACCOUNTABILITY AND AUDIT (Continued)

C.3 Audit committee (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>會議紀錄應由正式委任的秘書備存，並應在合理時間內送交委員會全體成員。</p> <p>Minutes should be kept by a duly appointed secretary and should be sent to all committee members within a reasonable time.</p>	是 Yes	<p>審核委員會職權範圍規定審核委員會的秘書應由公司秘書擔任，彼應備存整份委員會會議紀錄。而會議紀錄初稿及最後定稿送交委員會全體成員分別以作審閱及記錄，有關文件均於相關審核委員會會議後合理時間內送交。</p> <p>The terms of reference of the Audit Committee provide that the Company Secretary should be the secretary of the Audit Committee, who should keep the full minutes of the committee's meetings, and that draft and final minutes should be sent to all members of the committee for their comment and record respectively within reasonable time after the meetings.</p>
<p>現任核數師的前任合夥人不得擔任審核委員會成員。</p> <p>A former partner of the existing auditors should not sit on the Audit Committee.</p>	是 Yes	<p>審核委員會的成員皆非本集團現任核數師的前任合夥人。</p> <p>None of the Audit Committee members is a former partner of the existing auditors of the Group.</p>
<p>審核委員會的職權範圍應最少包括上市規則附錄十四第C.3.3段所載的特定職責，並須應要求提供。</p> <p>The terms of reference of audit committee should contain the minimum prescribed details in paragraph C.3.3 of Appendix 14 to the Listing Rules and should be made available on request.</p>	是 Yes	<p>本公司已設立審核委員會，其職權範圍符合上市規則附錄十四第C.3.3段所載的要求。</p> <p>The Company has established an Audit Committee with terms of reference which meet the requirements as set out in paragraph C.3.3 of Appendix 14 to the Listing Rules.</p> <p>審核委員會的職權範圍可應要求提供及載於公司網站。</p> <p>The terms of reference of the Audit Committee will be available on request and on the Company's website.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

丙. 問責及核數 (續)

C. ACCOUNTABILITY AND AUDIT (Continued)

丙.3 審核委員會 (續)

C.3 Audit committee (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>凡董事會不同意審核委員會對甄選、委任、辭任或罷免外聘核數師事宜的意見，發行人應在企業管治報告中列載審核委員會的建議，以及董事會所持的意見。</p> <p>Where the Board disagrees with the audit committee's view on the selection, appointment, resignation or dismissal of the external auditors, the issuer should include in the Corporate Governance Report the audit committee's recommendation and the Board's view.</p>	是 Yes	<p>董事會並無不同意審核委員會對甄選、委任、辭任或罷免外聘核數師事宜的意見。倘雙方意見不一致，董事會將在企業管治報告中列載有關詳情。</p> <p>The Board has not had any disagreement with the Audit Committee on the selection, appointment, resignation or dismissal of its external auditors. Should there be such a disagreement, the Board will include the relevant details in its Corporate Governance Report.</p>
<p>審核委員會應獲提供充足資源以履行其職責。</p> <p>The audit committee should be provided with sufficient resources to discharge its duties.</p>	是 Yes	<p>根據審核委員會的職權範圍，審核委員會成員可於有需要時尋求外界法律或其他獨立專業意見。</p> <p>The terms of reference of the Audit Committee provide that it is authorized to obtain outside legal or other independent professional advice if it considers this necessary.</p> <p>此外，董事會與高級管理人員將為審核委員會提供全面支援。</p> <p>In addition, the Board and the senior management will give full support to the committee.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

丁. 董事會權力的轉授

丁.1 管理功能

守則原則

發行人應有一個正式的明細表列載特定有待董事會作決定的事項。董事會應明確指示管理層有關事項在代表發行人作出決定前，須由董事會批准。

董事會及管理層的角色和功能

董事會負責制定業務發展策略，審閱及監督本集團的業務表現，以及編製及批准財務賬項。在情況需要時，董事會就有關於行政及管理職能轉授予由行政總裁領導下的管理層給予清晰的指引。董事會定期審閱有關安排及可不時作出適當調整，以確保董事會的決定能及時有效執行。

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

D. DELEGATION BY THE BOARD

D.1 Management functions

Code Principle

An issuer should have a formal schedule of matters specifically reserved to the Board for its decision. The Board should give clear directions to management as to the matters that must be approved by the Board before decisions are made on behalf of the issuer.

Roles and functions of the Board and the management

The Board is responsible for formulating strategic business development, reviewing and monitoring the business performance of the Group, as well as preparing and approving financial statements. The Board gives clear directions as the situation requires as to the administrative and management functions of the Group delegated to the management led by the CEO. Such arrangements are reviewed by the Board on a periodic basis and appropriate adjustments may, from time to time, be made to ensure the decisions of the Board can be carried out effectively in a timely fashion.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

丁. 董事會權力的轉授 (續)

D. DELEGATION BY THE BOARD (Continued)

丁.1 管理功能 (續)

D.1 Management functions (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>董事會必須就有關管理及行政職能轉授給管理層給予清晰的指引，包括在甚麼情況下管理層應事前取得董事會批准。</p> <p>The Board must give clear directions as to aspects of management and administrative functions delegated to management, including circumstances where management should obtain prior approval from the Board.</p> <p>應將保留予董事會的職能及轉授予管理層的職能分別確定下來。</p> <p>Formalise the functions reserved to the Board and those delegated to management.</p>	<p>是 Yes</p>	<p>概括而言，董事會負責為本集團制訂策略及指引，訂立業務目標及發展計劃，監察高級管理人員表現，以及確保良好的企業管治。高級管理人員由行政總裁領導，負責實施董事會制訂的策略及計劃，並定期向董事會匯報，確保策略及計劃能正確地實施。</p> <p>In general, the Board is responsible for establishing the strategies and direction of the Group, setting business objectives and development plans, monitoring the performance of the senior management, and ensuring good corporate governance. The senior management, which is led by the CEO, is responsible for implementing the strategies and plans set by the Board, and reporting to the Board periodically to ensure proper implementation.</p>
<h4>丁.2 董事會委員會</h4> <p><i>守則原則</i></p> <p>董事會委員會成立時應具文訂立特定的職權範圍，清楚列載委員會權力及職責。</p> <p><i>董事會委員會之成立</i></p> <p>目前董事會已成立審核委員會及薪酬委員會，其具文訂立的職權範圍詳情已分別載列於上文乙.1和丙.3兩節。</p>		<h4>D.2 Board committees</h4> <p><i>Code Principle</i></p> <p>Board committees should be formed with specific written terms of reference which deal clearly with the committees' authority and duties.</p> <p><i>Establishment of Board Committees</i></p> <p>Currently, the Board has established the Audit Committee and Remuneration Committee with written terms of reference, details of which are set out in Sections B.1 and C.3 above respectively.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

丁. 董事會權力的轉授 (續)

丁.2 董事會委員會 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

D. DELEGATION BY THE BOARD (Continued)

D.2 Board committees (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>清楚訂明的職權範圍，讓委員會能適當地履行其職能。</p> <p>Clear terms of reference to enable proper discharge of committee functions.</p>	是 Yes	<p>本公司目前設有兩個董事會委員會，包括審核委員會及薪酬委員會，各委員會均具有明確的書面職權範圍。</p> <p>The Company currently has two Board committees, being the Audit Committee and the Remuneration Committee, each of which has clear written terms of reference.</p> <p>上述董事會委員會的職權範圍書可應要求提供及載於本公司網址。</p> <p>The terms of reference of the Audit and Remuneration Committees are available on request and on the Company's website.</p>
<p>職權範圍應規定該等委員會要向董事會匯報其決定或建議。</p> <p>The terms of reference should require committees to report back to the Board their decisions or recommendations.</p>	是 Yes	<p>各董事會委員會的職權範圍均有條文規定該委員會須向董事會匯報彼等所作的任何決定或建議。</p> <p>The terms of reference of each of the Board committees contain provisions which require such Board committees to report back or make recommendations to the Board.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

戊. 與股東的溝通

戊.1 有效的溝通

守則原則

董事會應盡力與股東持續保持對話，尤其是藉股東週年大會或其他股東大會與股東溝通及鼓勵他們的參與。

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

E. COMMUNICATION WITH SHAREHOLDERS

E.1 Effective communication

Code Principle

The Board should endeavour to maintain an on-going dialogue with shareholders and, in particular, use annual meetings or other general meetings to communicate with shareholders and encourage their participation.

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>會議主席應就每項實際獨立的事宜個別提出決議案。</p> <p>A separate resolution should be proposed by the chairman for each substantially separate issue.</p>	是 Yes	<p>根據本公司適用的法律及法規規定，股東大會上均就每項實際獨立的事宜個別提出決議案，包括每名董事的選舉或重選提名。</p> <p>Separate resolutions are proposed at general meeting on each substantially separate issue in accordance with legal and regulatory requirements applicable to the Company, including the election or re-election of individual Directors.</p>
<p>董事會主席應出席股東週年大會，並安排審核委員會、薪酬委員會及提名委員會(如適用)的主席，或在該等委員會的主席缺席時由另一名委員出席，在股東週年大會上回答提問。</p> <p>The chairman of the Board should attend the annual general meeting and arrange for the chairmen of the audit, remuneration and nomination committees (as appropriate) or in the absence of the chairman of such committees, another member of the committee to be available to answer questions at the annual general meeting.</p>	是 Yes	<p>於本年度內，本公司於二零零五年十二月二十九日舉行了股東週年大會。審核委員會主席莊劍青先生及薪酬委員會的三名成員均已出席該股東週年大會。</p> <p>During the year, the Company held its annual general meeting on 29 December 2005. The Chairman of the Audit Committee, Mr. CHONG Kim Chan, Kenneth, and three of the members of the Remuneration Committee attended the said annual general meeting.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

戊. 與股東的溝通 (續)

戊.1 有效的溝通 (續)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
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董事會轄下的獨立委員會 (如有) 的主席亦應在任何批准關連交易或任何其他須經獨立股東批准的交易的股東大會上回應問題。

The chairman of the independent Board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent shareholders' approval.

是
Yes

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
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於本年度內，獨立董事會委員會成員包括於二零零六年一月三日就有關裕景交易委任的三位獨立非執行董事。獨立委員會並無委任主席，然而其中兩名成員出席了有關股東特別大會。

During the year, an independent Board committee comprising the three Independent Non-executive Directors was appointed on 3 January 2006 in relation to the Eton Transaction. There was no chairman appointed in respect of the independent Board committee, however, two of its members attended the relevant special general meeting.

戊.2 以投票方式表決

守則原則

發行人應定期通知股東以投票方式表決的程序，並確保符合上市規則有關以投票方式表決的規定及發行人本身的組織章程文件。

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
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在召開股東大會的通函內披露以投票方式表決的程序，以及股東要求以投票方式表決的權利。

Disclosure in general meeting circulars of procedures and rights of shareholders to demand a poll.

是
Yes

E.2 Voting by poll

Code Principle

The issuer should regularly inform shareholders of the procedure for voting by poll and ensure compliance with the requirements about voting by poll contained in the Listing Rules and the constitutional documents of the issuer.

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
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要求以投票方式表決的權利及程序將載於隨附股東大會通知的致股東通函內。投票表決程序亦於股東大會上向股東解釋。

The rights and the procedures for demanding a poll are set out in circulars accompanying notices of general meetings dispatched to shareholders. The poll procedures are also explained to shareholders at general meetings.

企業管治報告 (續)

Corporate Governance Report (Continued)

企業管治常規守則遵守詳情 (續)

COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

戊. 與股東的溝通 (續)

E. COMMUNICATION WITH SHAREHOLDERS (Continued)

戊.2 以投票方式表決 (續)

E.2 Voting by poll (Continued)

守則條文 Code Provisions	是否遵守 Compliance	遵守詳情 Details of compliance
<p>確保所有票數均適當點算及記錄在案。 Ensure that votes cast are properly counted and recorded.</p>	是 Yes	<p>本公司的慣例為委派本公司股份過戶登記處代表為表決程序的監察人。 It is the practice of the Company to appoint representatives of the share registrar of the Company as scrutineer for the voting procedures.</p>
<p>大會主席應在會議開始時充分解釋股東要求投票表決的程序，以及投票表決的程序。 Chairman of meeting should adequately explain the procedure for demanding a poll by shareholders and the poll procedures at the commencement of meeting.</p>	是 Yes	<p>於本年度內，所舉行的股東週年大會及股東特別大會上，主席已在會議開始時解釋投票表決的程序。 At each of the annual general meeting and the special general meetings held in the year, the chairman explained the poll procedures to the shareholders at the commencement of the meetings.</p>

企業管治報告 (續)

Corporate Governance Report (Continued)

其他企業管治資料

I 股東權利

公司致力確保股東權益。就此，本公司透過多個途徑與股東保持溝通，包括股東週年大會、股東特別大會、年報、股東大會通知、致股東通函、公告、新聞稿及其他在本公司網站刊登的企業通訊。

此外，行政總裁負責管理及監督本公司與股東及投資者、媒體、政府、員工及公眾的關係。

登記股東以郵遞方式收取股東會議通知。任何登記股東均有權出席股東週年大會及股東特別大會，惟其股份必須已繳足並已登記於本公司的股東名冊內。就截至二零零六年六月三十日止年度，本公司的股東週年大會將於二零零六年十二月二十二日召開。

根據本公司公司細則第62條及百慕達公司法1981(經修訂)，本公司之一位或多位股東，通過向本公司在的註冊辦事處遞交書面向董事會請求，列明會議目的並由請求者簽署，要求董事會召開股東大會，惟該等請求者在遞交該書面請求當日須持有不少於本公司十分之一的已繳足股本，該等股本須附有本公司股東大會上的投票權。

倘若董事會在該書面請求遞交日期起計21天內未有妥為召開該大會，則該等請求者，或其中任何持有超過彼等合共投票權50%的請求者，可按由董事會所召開大會的同樣方式或最接近方式自行召開大會，惟不可遲於該書面請求遞交日期起計三個月，而因董事未能召開大會致使該等請求者產生的一切合理開支須由本公司償付請求者。

ADDITIONAL CORPORATE GOVERNANCE INFORMATION

I. Shareholders' rights

The Company is committed to ensure shareholders' interest. To this end, the Company communicates with its shareholders through various channels, including annual general meetings, special general meetings, annual reports, notices of general meetings, circulars sent to shareholders, announcements, press releases and other corporate communications available on the Company's website.

In addition, the CEO is responsible for managing and overseeing the relations of the Company with its shareholders and investors, the media, the government, its employees and the general public.

Registered shareholders are notified by post for the shareholders' meetings. Any registered shareholder is entitled to attend annual and special general meetings of the Company provided that their shares have been fully paid up and recorded in the register of members of the Company. In respect of the year ended 30 June 2006, an annual general meeting of the Company will be held on 22 December 2006.

Pursuant to Bye-Law 62 of the Company and under the Companies Act 1981 of Bermuda (as amended), a member or members of the Company may request the Board to convene a general meeting by depositing at the registered office of the Company specifying the purposes of the meeting and signed by the requisitioner(s), provided that such requisitioner(s) hold(s) as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company.

If the Board does not within 21 days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitioner(s) or any of them representing more than one-half of the total voting rights of all of them may themselves convene a general meeting in the same manner, as nearly as possible, as that in which meetings are to be convened by the Directors provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and any reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Directors duly to convene a meeting shall be repaid to the requisitionists by the Company.

企業管治報告 (續)

Corporate Governance Report (Continued)

其他企業管治資料 (續)

I 股東權利 (續)

股東可透過以下「投資者關係」一節所列的聯絡詳情向本公司作出查詢或提出意見。

II. 投資者關係

本公司認為，與投資者之間的溝通，實為加強本集團透明度，以及定期收集投資者意見及回應的重要途徑。

股東、投資者及媒體均可透過以下聯絡方法向本公司作出查詢：

熱線電話： (852) 2881 5221
傳真： (852) 2881 5224
郵遞： 香港銅鑼灣希慎道8號
裕景商業中心17樓

網站： <http://www.dynamic.hk>
電郵： info@dynamic-hk.com

ADDITIONAL CORPORATE GOVERNANCE INFORMATION (Continued)

I. Shareholders' rights (Continued)

Shareholders can make enquiries or proposals to the Company by putting their enquiries or proposals to the Company using the contact details listed under the Section headed "Investor relations" below.

II. Investor relations

The Company regards communication with investors as an important means to enhance the transparency of the Group and regularly collects views and feedbacks from them.

Shareholders, investors and the media can make enquiries to the Company through the following means:

Hotline telephone number: (852) 2881 5221
Fax: (852) 2881 5224
Post: 17th Floor
Eton Tower
8 Hysan Avenue
Causeway Bay
Hong Kong
Website: <http://www.dynamic.hk>
Email: info@dynamic-hk.com

董事報告書 Directors' Report



董事同寅謹將截至二零零六年六月三十日止年度之董事報告書及經審核財務賬項呈覽。

主要業務

本公司乃一間投資控股公司，其主要附屬公司之業務為物業投資及發展。

主要附屬公司之主要業務載於財務賬項附註第42項內。

主要客戶及供應商

於本年度內，本集團五大客戶之總營業額佔本集團總營業額少於30%；及本集團五大供應商之採購總額佔本集團採購總額少於30%。

業績及分配

本集團截至二零零六年六月三十日止年度之業績載於第67頁綜合收益表內。

於二零零六年一月十七日，一項末期股息每股港幣2仙已派發予本公司股東作為於截至二零零五年六月三十日為止年度之末期股息。

The Directors have pleasure in presenting their report and the audited financial statements for the year ended 30 June 2006.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities of its principal subsidiaries are property investment and development.

The principal activities of the principal subsidiaries are set out in note 42 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the percentage of the turnover attributable to the Group's five largest customers in aggregate was less than 30% of the total turnover of the Group and the percentage of purchases attributable to the Group's five largest suppliers in aggregate was less than 30% of the total purchases of the Group.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 30 June 2006 are set out in the consolidated income statement on page 67.

On 17 January 2006, a final dividend of 2 Hong Kong cents per share was paid to the Company's shareholders as a final dividend for the year ended 30 June 2005.

董事報告書 (續) Directors' Report (Continued)

業績及分配 (續)

一項特別股息每股港幣15仙及一項中期股息每股港幣2仙於本年度內已向股東派發，董事現建議派發末期股息每股港幣3仙予二零零六年十二月二十二日名列股東名冊之股東，使本年度之股息總額合共為每股港幣20仙，並保留本年度剩餘之溢利。

物業、機器及設備、投資物業及物業權益

於本年度內，本集團已出售全部投資物業。投資物業在出售前之公平值增加淨額為港幣132,000,000元，已撥入綜合收益表內。

於本年度內，本集團通過收購附屬公司獲得一項物業權益，該物業權益之公平值為港幣456,816,000元。

本集團物業、機器及設備、投資物業及物業權益與其他之變動詳情分別載於財務賬項附註第16、17及第18項內。

待發展物業及發展中物業

本集團待發展物業及發展中物業之變動詳情分別載於財務賬項附註第19及22項內。

購買、出售或贖回上市證券

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

RESULTS AND APPROPRIATIONS (Continued)

A special dividend of 15 Hong Kong cents per share and an interim dividend of 2 Hong Kong cents per share were paid to the shareholders of the Company during the year. The Directors now recommend the payment of a final dividend of 3 Hong Kong cents per share to the shareholders of the Company whose names appear on the register of members on 22 December 2006 which, in aggregate, gives total dividends for the year of 20 Hong Kong cents per share and the retention of the remaining profit of the year.

PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND PROPERTY INTEREST

During the year, the Group disposed of all of its investment properties. The net increase in fair value of investment properties before disposal, which has been credited to the consolidated income statement, amounted to HK\$132,000,000.

During the year, the Group acquired a property interest with a fair value of HK\$456,816,000 through the acquisition of subsidiaries.

Details of these and other movements in the property, plant and equipment, investment properties and property interest of the Group are set out in notes 16, 17 and 18 to the financial statements, respectively.

PROPERTIES HELD FOR DEVELOPMENT AND PROPERTIES UNDER DEVELOPMENT

Details of the movements in the properties held for development and properties under development of the Group are set out in notes 19 and 22 to the financial statements, respectively.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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



董事報告書 (續)

Directors' Report (Continued)



有關連之交易

在二零零六年一月五日，本公司之全資附屬公司 Glory Diamond Inc. 作為買方，與作為賣方之 Eton Properties Group Ltd. (「賣方」) 及作為擔保人之 Eton Properties Ltd. (「擔保方」) 之兩位關連人士 (根據上市規則，即本公司控股股東及主席蔡黎明先生及其聯繫人士，彼等均間接實益擁有該等公司股本權益)，訂立協議以總代價港幣344,000,000元購入 High Grand Investments Limited 已發行之全部股權及所有債項 (「收購事項」)。

根據收購事項，本集團須投資的總額為港幣728,000,000元 (可予調整)，支付包括收購事項及根據與賣方屬下一間接全資附屬發展商上海齊茂房地產開發有限公司訂立的預售合約尚餘付款人民幣400,000,000元 (可予調整)，以購買一項位於上海之物業 (「裕景國際商務廣場」)，該物業擁有182個辦公室單位而估計總建築樓面面積約30,188平方米 (「物業」)。買方及擔保方已提供自物業交付日起計為期三年每年總租金保證回報率為8%。

CONNECTED TRANSACTIONS

On 5 January 2006, Glory Diamond Inc., a wholly owned subsidiary of the Company, as purchaser entered into an agreement with Eton Properties Group Limited (the "Vendor") as vendor and Eton Properties Limited (the "Guarantor") as guarantor, two connected persons (as defined in the Listing Rules) in which Mr. CHUA Domingo, the controlling shareholder and Chairman of the Company together with his associates is indirectly beneficially interested, for acquisition of the entire issued share capital of and outstanding debts owing from High Grand Investments Limited at a total consideration of HK\$344,000,000 (the "Acquisition").

Pursuant to the Acquisition, the Group has to invest in the total sum of HK\$728,000,000 (subject to adjustment), comprising the consideration for the Acquisition and payment of RMB400,000,000 (subject to adjustment), being balance payment payable under the pre-sale contracts made with Shanghai Supreme Trade Property Development Co., Ltd. as developer, being an indirect wholly-owned subsidiary of the Vendor, for acquisition of a property situated in Shanghai ("Eton Place") with 182 office units and an estimated gross floor area of 30,188 square metres (the "Property"). The Vendor and Guarantor have provided a gross rental guarantee yield of 8% per annum for three years from date of delivery of the Property.

董事報告書 (續) Directors' Report (Continued)

有關連之交易 (續)

根據裕景國際商務廣場公契(「公契」)，賣方屬下之一間接全資附屬公司伊頓物業管理(上海)有限公司(「物業經理」)，將會出任物業經理負責管理裕景國際商務廣場(包括物業)。按照公契，與其他受約束業主的條款一樣，本集團須按每月每平方米人民幣28元計算支付物業管理費予物業經理。依據有關之物業管理合約，物業經理的臨時聘用期由二零零六年六月一日至二零零八年五月三十一日止，為期兩年。上述交易的詳情已經在本公司在二零零六年二月二十四日向股東寄發的通函中披露。

除其他條件外，上述交易須待獨立股東之批准，有關之普通決議案已於二零零六年三月十三日獲得通過。而收購事項於二零零六年三月十四日完成。

董事

於本年度內及截至本報告書日期止，本公司之董事如下：

執行董事：

蔡黎明先生 (主席)
陳永杰博士 (行政總裁)
(於二零零六年
六月十六日獲委任)

陳永年先生
陳俊望先生
張志明先生
黃正順先生

(於二零零六年
六月十六日獲委任)

彭傑文先生 (行政總裁)
(於二零零六年六月十六日辭退)

獨立非執行董事：

莊劍青先生
SY Robin 先生
麥貴榮先生



CONNECTED TRANSACTIONS (Continued)

Pursuant to deed of mutual covenant (“DMC”) in respect of Eton Place, Eton Property Management (Shanghai) Company Limited (the “Property Manager”), being an indirect wholly-owned subsidiary of the Vendor will act as the property manager to manage Eton Place (including the Property). Property management fees of approximately RMB28 per square meter per month will be payable by the Group to the Property Manager on the same terms binding on other owners of other parts of Eton Place calculated in accordance with DMC. The engagement of the Property Manager as set out in the relevant property management contract will be for a term of two years provisionally commencing from 1 June 2006 to 31 May 2008. Details of the above transactions are disclosed in the Company’s circular to shareholders dated 24 February 2006.

The above transactions are subject to, among others, approval of independent shareholders of the Company, ordinary resolution of which was passed on 13 March 2006. Completion of the Acquisition took place on 14 March 2006.

DIRECTORS

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

Executive Directors:

Mr. CHUA Domingo, *Chairman*
Dr. CHAN Wing Kit, Frank,
Chief Executive Officer
(appointed on 16 June 2006)
Mr. TANENGLIAN Mariano Chua
Mr. TAN Lucio Jr. Khao
Mr. CHEUNG Chi Ming
Mr. PASCUAL Ramon Sy
(appointed on 16 June 2006)

Mr. PANG Kit Man, John, *Chief Executive Officer*
(resigned on 16 June 2006)

Independent Non-executive Directors:

Mr. CHONG Kim Chan, Kenneth
Mr. SY Robin
Mr. MAK Kwai Wing, Alexander

董事報告書 (續)

Directors' Report (Continued)



董事 (續)

根據本公司之公司細則第99條及第102條，主席蔡黎明先生、陳永年先生及陳俊望先生須輪席告退，陳永杰博士及黃正順先生出任董事截至應屆股東週年大會，彼等並均願膺選連任。

除根據本公司之公司細則第99條輪席告退規定外，所有受委任之獨立非執行董事之服務合約均為期兩年，同時，彼等已根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）第3.13條確認其獨立性。

DIRECTORS (Continued)

In accordance with bye-laws 99 and 102 of the Company's bye-laws, Messrs. CHUA Domingo, Chairman, TANENGLIAN Mariano Chua and TAN Lucio Jr. Khao will retire by rotation, Dr. CHAN Wing Kit, Frank and Mr. PASCUAL Ramon Sy will hold office until the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

All Independent Non-executive Directors have been appointed, subject to retirement by rotation in accordance with the Company's bye-laws 99, for a term of two years and they have confirmed their independence pursuant to rule 3.13 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

董事報告書 (續)

Directors' Report (Continued)

董事之股份權益及淡倉

於二零零六年六月三十日，根據證券及期貨條例（「該條例」）第352條須存置之權益名冊所載，董事及彼等聯繫人仕擁有本公司股份之權益（按該條例定義）如下：

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 30 June 2006, the interests of the Directors and their associates in the shares of the Company (within the meaning of the Securities and Futures Ordinance (“SFO”)) as recorded in the register required to be maintained under Section 352 of the SFO were as follows:

董事名稱	Name of Director	所持已發行普通股數目(好倉)		
		Number of issued ordinary shares held (long position)		本公司已發行股本百分比 Percentage of the issued share capital of the Company
		個人權益 Personal interests	公司權益 Corporate interests	
蔡黎明先生 (附註)	Mr. CHUA Domingo (note)	4,000,000	89,321,279	42.59%
黃正順先生	Mr. PASCUAL Ramon Sy	80,000	—	0.04%

附註：蔡黎明先生之公司權益乃透過 Dynamic Development Corporation 而持有，而 Carnation Investments Inc. 則全資擁有 Dynamic Development Corporation，蔡黎明先生乃 Carnation Investments Inc. 唯一股東及董事。



Note: The corporate interests of Mr. CHUA Domingo were held through Dynamic Development Corporation. Dynamic Development Corporation is wholly-owned by Carnation Investments Inc. of which Mr. CHUA Domingo is the sole shareholder and Director.

除上文所披露者外，董事或彼等聯繫人仕於二零零六年六月三十日概無在本公司或其任何聯營公司（定義見該條例）的任何股份、相關股份或債券中擁有任何權益或淡倉；或依據上市公司董事進行證券交易之標準守則須知會本公司及聯交所。

Save as disclosed above, none of the Directors or their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as defined in the SFO as at 30 June 2006; or would require, pursuant to Model Code for Securities Transactions by Directors of the Listed Companies, to be notified to the Company and the Stock Exchange.

董事報告書 (續) Directors' Report (Continued)



董事購買股份或債券之權利

除於財務賬項附註第35項內說明外，本公司或其任何附屬公司於本年度內並無訂立任何安排，可使本公司董事藉購買本公司或任何其他法人團體之股份或債券而獲益。於本年度內，本公司董事、彼等配偶或18歲以下子女概無任何權力、或行使任何該等權力以認購本公司之證券。

董事之服務合約

所有擬於應屆股東週年大會上膺選連任之董事，與本公司或其任何附屬公司概無訂立本集團於一年內不可在不予賠償(法定賠償除外)情況下終止之服務合約。

董事於競爭業務中之權益

於本年度內及直至本報告日期，根據上市規則，本公司以下董事及前任董事被視為在與本集團業務直接或間接有競爭或可能有競爭之業務中擁有權益。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than as described in note 35 to the financial statements, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the Directors of the Company, their spouses or children under the age of 18, had any rights to subscribe for securities of the Company, or had exercised any such rights during the year.

DIRECTORS' SERVICE CONTRACTS

None of the 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 Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year and up to the date of this report, the following Directors and an ex-Director of the Company are considered to have interests in businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group pursuant to the Listing Rules.

董事報告書 (續)

Directors' Report (Continued)

董事於競爭業務中之權益 (續)

蔡黎明先生、陳永杰博士、陳永年先生、張志明先生、黃正順先生及彭傑文先生均於在香港及中國大陸從事物業投資及發展之公司中有權益及／或擔任董事職務。

由於董事會乃獨立於上述公司之董事會，本集團能獨立於該等公司業務，且在各自獨立利益下經營其業務。

董事於重大合約中之權益

除於財務賬項附註第30及第39項內披露者外，本公司或其任何附屬公司於年終或本年度內訂立之重大合約中，本公司各董事概無涉及與擁有直接或間接之重大權益。

主要股東

於二零零六年六月三十日，根據該條例第336條規定須存置之權益名冊所載，主要股東(本公司董事除外)擁有本公司股份之權益如下：



DIRECTORS' INTERESTS IN COMPETING BUSINESS (Continued)

Mr. CHUA Domingo, Dr. CHAN Wing Kit, Frank, Mr. TANENGLIAN Mariano Chua, Mr. CHEUNG Chi Ming, Mr. PASCUAL Ramon Sy and Mr. PANG Kit Man, John held interests and/or directorship in companies engaged in the businesses of property investment and development in Hong Kong and the Mainland China.

As the Board is independent from the boards of the said companies, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of such companies.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in notes 30 and 39 to the financial statements, no contract of significance, to which the Company or any of its subsidiaries was a party and in which a Director of the Company had material interests, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2006, the interests of substantial shareholders (other than a Director of the Company) in the shares of the Company as recorded in the register as required to be kept under Section 336 of the SFO were as follows:

股東名稱	Name of shareholder	所持已發行 普通股數目(好倉) Number of issued ordinary shares held (long position)	本公司已發行 股本百分比 Percentage of the issued share capital of the Company
普納集團有限公司 (附註)	Plus Holdings Limited (note)	13,152,000	6%

附註：普納集團有限公司之權益乃透過其全資擁有附屬公司普納投資有限公司而持有。

Note: The interests of Plus Holdings Limited were held through Telecom Plus Investment Limited, its wholly-owned subsidiary.

除上文所披露及有關蔡黎明先生之權益披露外，於二零零六年六月三十日，本公司概無接獲根據該條例第336條規定須記載本公司任何相關股份及其他權益或淡倉的通知。

Other than as disclosed above and the interests disclosed in the Directors' interests in shares in respect of Mr. CHUA Domingo, the Company has not been notified of any other interests or short position and underlying shares of the Company as required to be recorded in the register under Section 336 of the SFO as at 30 June 2006.

董事報告書 (續)

Directors' Report (Continued)



薪酬政策

於二零零六年六月三十日，本集團於香港及中國大陸聘用約一百名員工，薪酬與現行市場水平相若，並包括員工福利如下：醫療保險、公積金計劃及優先認股權計劃。

本集團之僱員薪酬政策由薪酬委員會按功績、資格及能力表現而建立。

本公司之董事薪酬由薪酬委員會根據公司經營業績，個別工作表現及可比較市場統計而定。

本公司已採納優先認股權計劃以鼓勵董事及合資格僱員，計劃詳情載於財務報表附註第35項內。

優先購買權

本公司之公司細則概無優先購買權之規定，或百慕達法例亦無強制規定本公司須按股權比例配售新股份予現時股東。

充足公眾持股量

本公司於截至二零零六年六月三十日止年度一直維持充足公眾持股量。

EMOLUMENT POLICY

At 30 June 2006, the Group had about 100 employees in Hong Kong and the Mainland China at prevailing market remuneration with employee benefits such as medical insurance, provident fund schemes and share options scheme.

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit as, qualifications and competence.

The emoluments of the Directors of the Company are decided by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme is set out in note 35 to the financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-Laws, or the laws of Bermuda which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 30 June 2006.

董事報告書 (續) Directors' Report (Continued)

公司監管

本公司於截至二零零五年六月三十日止年度內已遵守上市規則附錄十四所載之企業管治常規守則的守則條文。本公司所採取企業管治慣例資料列於第14至第54頁內企業管治報告。

結算日後事項

結算日後發生之重大事項詳情載於財務報表附註第41項內。

核數師

本公司擬於即將召開之股東週年大會上提呈決議案，重聘德勤•關黃陳方會計師行為本公司之核數師。

代表董事會

董事兼行政總裁
陳永杰

香港，二零零六年十月二十四日

CORPORATE GOVERNANCE

The Company has complied throughout the year ended 30 June 2006 with the code provisions in the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules. Information on the corporate governance practices adopted by the Company is set out in Corporate Governance Report on pages 14 to 54.

POST BALANCE SHEET EVENTS

Details of significant events occurring after the balance sheet date are set out in note 41 to the financial statements.

AUDITORS

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board



CHAN Wing Kit, Frank
Director and Chief Executive Officer

Hong Kong, 24 October 2006



核數師報告書 Auditors' Report

Deloitte. 德勤

德勤·關黃陳方會計師行
香港金鐘道88號
太古廣場一座35樓

Deloitte Touche Tohmatsu
35/F One Pacific Place
88 Queensway
Hong Kong

致達力集團有限公司列位股東
(在百慕達註冊成立之有限公司)

本核數師行已完成審核載於第67至第128頁按照香港普遍採納之會計原則編制之財務賬項。

董事及核數師之個別責任

貴公司之董事乃負責編制真實與公平之綜合財務賬項。在編制該等綜合財務賬項時，董事必須選擇及貫徹採用合適之會計政策。

本行的責任是根據本行審核工作的結果，對該等綜合財務賬項作出獨立意見，並按照《百慕達公司法》第90條的規定，只向作為法人團體的股東報告。除此以外，本行的報告書不可用作其他用途。本行概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

意見之基準

本行乃按照香港會計師公會頒佈之香港核數準則進行審核工作，審核範圍包括以抽查方式查核與綜合財務賬項所載數額及披露事項有關之憑證，亦包括評估董事於編制該等綜合財務賬項時所作之重大估計和判斷、所釐定之會計政策是否適合貴集團之具體情況、以及是否貫徹應用並足夠地披露該等會計政策。

本行在策劃和進行審核工作時，均以取得一切本行認為所需之資料及解釋為目標，使本行能獲得充份之憑證，就該等綜合財務賬項是否存在重大錯誤陳述，作出合理之確定。在表達意見時，本行亦已衡量該等綜合財務賬項所載之資料整體上是否足夠。本行相信，本行之審核工作已為本行之意見建立了合理之基準。

TO THE SHAREHOLDERS OF DYNAMIC HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

We have audited the financial statements on pages 67 to 128 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

Respective responsibilities of directors and auditors

The Company's Directors are responsible for the preparation of consolidated financial statements which give a true and fair view. In preparing consolidated financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those consolidated financial statements and to report our opinion solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Basis of opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the consolidated financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the consolidated financial statements, and of whether the accounting policies are appropriate to the circumstances of the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the consolidated financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

核數師報告書 (續) Auditors' Report (Continued)

意見

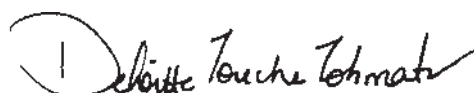
本行認為上述之綜合財務賬項均真實與公平地反映 貴集團於二零零六年六月三十日之財政狀況及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露要求而妥善編制。

德勤•關黃陳方會計師行
執業會計師

香港，二零零六年十月二十四日

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 30 June 2006 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.



Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong, 24 October 2006

綜合收益表

Consolidated Income Statement

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

			二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
營業額	Turnover	8	171,469	126,939
銷售成本	Cost of sales		(124,299)	(78,585)
毛利	Gross profit		47,170	48,354
其他收入	Other income	9	11,964	4,510
投資物業公平值之增加	Increase in fair value of investment properties		132,000	80,000
出售投資物業支出	Expenses on disposal of investment properties		(3,904)	—
行政費用	Administrative expenses		(34,164)	(26,483)
融資成本	Finance costs	10	(1,014)	(783)
解散一間附屬公司之收益	Gain on dissolution of a subsidiary		—	1,640
除稅前溢利	Profit before taxation	11	152,052	107,238
稅項	Taxation	13	(20,597)	(12,561)
本年度溢利	Profit for the year		131,455	94,677
應佔溢利：	Attributable to:			
母公司股權持有人	Equity holders of the parent		130,160	92,135
少數股東權益	Minority interests		1,295	2,542
			131,455	94,677
股息	Dividends	14	41,630	8,764
每股基本盈利 (港幣：仙)	Basic earnings per share (Hong Kong cents)	15	59.4	42.1

綜合資產負債表

Consolidated Balance Sheet

於二零零六年六月三十日
At 30 June 2006

		附註 Notes	二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
非流動資產	Non-current Assets			
物業、機器及設備	Property, plant and equipment	16	13,987	12,475
投資物業	Investment properties	17	—	500,000
物業權益	Property interest	18	455,432	—
待發展物業	Properties held for development	19	225,654	219,848
商譽	Goodwill	20	—	—
貸款應收賬款	Loan receivables			
— 須於一年後償還	— due after one year	21	2,164	7,147
			697,237	739,470
流動資產	Current Assets			
發展中物業	Properties under development	22	—	248,774
待售物業	Properties held for sale	23	398,561	150,088
貸款應收賬款	Loan receivables			
— 須於一年內償還	— due within one year	21	6,052	8,167
貿易及其他應收賬款	Trade and other receivables	24	45,271	32,961
少數股東欠款	Amounts due from minority shareholders	24	5,322	5,035
應退稅項	Tax recoverable		12,563	14,949
銀行存款 — 已抵押	Bank deposits — pledged	37	16,804	27,964
銀行結餘及現金	Bank balances and cash		97,736	101,773
			582,309	589,711
流動負債	Current Liabilities			
貿易及其他應付賬款	Trade and other payables	25	79,374	102,484
已收預售按金	Pre-sale deposits received	26	34,531	37,033
欠一間有關聯公司之款項	Amount due to a related company			
— 須於一年內償還	— due within one year	27	9,407	—
應付稅項	Tax liabilities		49,531	15,945
銀行貸款 — 須於一年內償還	Bank loans — due within one year	28	—	99,674
			172,843	255,136
流動資產淨值	Net Current Assets		409,466	334,575
資產總值減流動負債	Total Assets less Current Liabilities		1,106,703	1,074,045

綜合資產負債表 (續)

Consolidated Balance Sheet (Continued)

於二零零六年六月三十日
At 30 June 2006

		附註 Notes	二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
資本及儲備	Capital and Reserves			
股本	Share capital	29	219,104	219,104
儲備	Reserves		807,523	612,027
母公司股權持有人 應佔權益	Equity attributable to equity holders of the parent		1,026,627	831,131
少數股東權益	Minority interests		34,865	30,688
總權益	Total Equity		1,061,492	861,819
非流動負債	Non-current Liabilities			
銀行貸款	Bank loans			
— 須於一年後償還	— due after one year	28	—	123,500
其他應付賬款	Other payable			
— 須於一年後償還	— due after one year		—	493
來自一間有關聯公司之貸款	Loan from a related company	30	—	68,620
欠一間有關聯公司之款項	Amount due to a related company			
— 須於一年後償還	— due after one year	27	17,490	—
遞延稅項負債	Deferred tax liabilities	31	27,721	19,613
			45,211	212,226
			1,106,703	1,074,045

第67至第128頁所載之財務賬項已於二零零六年十月二十四日由董事會批核及授權刊印，並由下列董事代表簽署：

The financial statements on pages 67 to 128 were approved and authorised for issue by the Board of Directors on 24 October 2006 and are signed on its behalf by:



董事
蔡黎明

董事
陳永杰

CHUA Domingo
DIRECTOR



CHAN Wing Kit, Frank
DIRECTOR

綜合股東權益變動表

Consolidated Statement of Changes in Equity

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

		母公司股權持有人應佔										少數		
		Attributable to equity holders of the parent										股東權益		總計
		資本								保留溢利	總計	股東權益	總計	
		股本	股份溢價	特別儲備	負商譽	贖回儲備	匯兌儲備	法定儲備	其他儲備	保留溢利	總計	股東權益	總計	
		Share capital	Share premium	Special reserve	Negative goodwill	redemption reserve	Translation reserve	Statutory reserve	Other reserve	Retained profits	Total	Minority interests	Total	
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
				(附註甲)				(附註乙)	(附註丙)					
				(note a)				(note b)	(note c)					
於二零零四年七月一日	At 1 July 2004													
— 原先呈列	— as originally stated	219,104	426,608	55,018	3,178	1,644	(2,428)	721	—	45,555	749,400	—	749,400	
— 會計政策變動之影響	— effect of change in accounting policies (note 3)	—	—	—	—	—	—	—	—	—	—	28,146	28,146	
— 經重列	— as restated	219,104	426,608	55,018	3,178	1,644	(2,428)	721	—	45,555	749,400	28,146	777,546	
本年度溢利	Profit for the year	—	—	—	—	—	—	—	—	92,135	92,135	2,542	94,677	
解散一間附屬公司之收益	Gain on dissolution of a subsidiary	—	—	—	(1,640)	—	—	—	—	—	(1,640)	—	(1,640)	
本年度總確認收入及開支	Total recognised income and expense for the year	—	—	—	(1,640)	—	—	—	—	92,135	90,495	2,542	93,037	
現金股息	Cash dividends	—	—	—	—	—	—	—	—	(8,764)	(8,764)	—	(8,764)	
於二零零五年六月三十日	At 30 June 2005	219,104	426,608	55,018	1,538	1,644	(2,428)	721	—	128,926	831,131	30,688	861,819	
— 會計政策變動之影響	— effect of change in accounting policies (note 3)	—	—	—	(1,538)	—	—	—	—	276	(1,262)	(66)	(1,328)	
於二零零五年七月一日	At 1 July 2005													
(經重列)	— as restated	219,104	426,608	55,018	—	1,644	(2,428)	721	—	129,202	829,869	30,622	860,491	
直接於權益確認之換算海外業務產生之匯兌差額	Exchange differences arising on translation of foreign operations recognised directly in equity	—	—	—	—	—	15,777	—	—	—	15,777	2,948	18,725	
本年度溢利	Profit for the year	—	—	—	—	—	—	—	—	130,160	130,160	1,295	131,455	
本年度總確認之收入及開支	Total recognised income and expense for the year	—	—	—	—	—	15,777	—	—	130,160	145,937	4,243	150,180	
因收購附屬公司產生來自一般權益持有者之貢獻	Contributions from an equity holder arising from acquisition of subsidiaries	—	—	—	—	—	—	—	92,451	—	92,451	—	92,451	
現金股息	Cash dividends	—	—	—	—	—	—	—	—	(41,630)	(41,630)	—	(41,630)	
於二零零六年六月三十日	At 30 June 2006	219,104	426,608	55,018	—	1,644	13,349	721	92,451	217,732	1,026,627	34,865	1,061,492	

附註：

- (甲) 本集團之特別儲備由所收購附屬公司當時之股本、股份溢價、一般儲備及保留溢利之總值與本公司就收購事項所發行之股份之面值間之差異產生。
- (乙) 轉撥自保留溢利之法定儲備乃按適用於本公司中國附屬公司之相關中華人民共和國(「中國」)之法律及法規之規定作出。
- (丙) 本集團之其他儲備乃指於截至二零零六年六月三十日止年度內，由已付及應付代價之公平價值與透過收購附屬公司所收購之可識別資產、負債及或然負債之淨公平價值間之差異所產生來自母公司一般權益持有者之貢獻(附註38)。

Notes:

- (a) The special reserve of the Group arose from the difference between the aggregate amount of the then share capital, share premium, general reserve and retained profits of the subsidiaries acquired, and the nominal amount of the Company's shares issued for the acquisition in relation to a previous group reorganisation.
- (b) The statutory reserves transferred from retained profits are required by the relevant People's Republic of China ("PRC") laws and regulations applicable to the Company's PRC subsidiaries.
- (c) The other reserve of the Group represents deemed contributions from an equity holder of the parent arose from the difference between the fair value of consideration paid and payable and the net fair value of the identifiable assets, liabilities and contingent liabilities acquired through acquisition of the subsidiaries during the year ended 30 June 2006 (note 38).

綜合現金流量表

Consolidated Cash Flow Statement

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

	附註 Notes	二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
經營業務	OPERATING ACTIVITIES		
經營溢利	Profit before taxation	152,052	107,238
調整：	Adjustments for:		
利息收入	Interest income	(6,069)	(1,366)
投資物業公平值之增加	Increase in fair value of investment properties	(132,000)	(80,000)
解散一間附屬公司之收益	Gain on dissolution of a subsidiary	—	(1,640)
折舊	Depreciation	1,780	1,593
出售物業、機器及設備虧損	Loss on disposal of property, plant and equipment	4	166
出售投資物業之支出	Expenses on disposal of investment properties	3,904	—
預付租賃款項之攤銷	Amortisation of prepaid lease payments	2,040	—
商譽攤銷	Amortisation of goodwill	—	161
呆賬準備	Allowance for doubtful debts	24	653
融資成本	Finance costs	1,014	783
營運資金流動前之經營現金流量	Operating cash flows before movements in working capital	22,749	27,588
發展中物業增加	Increase in properties under development	(97,630)	(142,176)
待售物業減少	Decrease in properties held for sale	113,039	72,204
貿易及其他應收賬款增加	Increase in trade and other receivables	(5,227)	(9,284)
貿易及其他應付賬款(減少)增加	(Decrease) Increase in trade and other payables	(22,934)	25,555
已收預售按金(減少)增加	(Decrease) increase in pre-sales deposits received	(2,502)	4,603
來自(用於)經營之現金	Cash generated (used in) from operations	7,495	(21,510)
已付香港利得稅	Hong Kong Profits Tax paid	(30)	(28)
已付海外稅項	Overseas tax paid	(5,067)	(6,786)
利息收入	Interest received	5,432	1,366
來自(用於)經營業務之現金淨值	NET CASH FROM (USED IN) OPERATING ACTIVITIES	7,830	(26,958)

綜合現金流量表 (續)

Consolidated Cash Flow Statement (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

	附註 Notes	二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
投資活動			
出售投資物業款項		628,096	—
銀行抵押存款減少(增加)		11,160	(6,476)
貸款應收賬款減少		6,407	9,965
出售物業、機器及設備 收入		1	305
收購附屬公司，現金及 現金等值淨額	38	(316,240)	—
添置物業、機器及設備		(2,902)	(721)
待發展物業投資		(836)	(1,712)
少數股東欠款增加		(287)	(113)
來自投資活動之 現金淨額		325,399	1,248
融資活動			
新造銀行貸款		83,000	86,037
來自一間有關聯公司 之新造貸款		1,520	3,543
償還銀行貸款款項		(306,174)	(28,436)
償還一間有關聯公司 之貸款		(70,140)	(37,518)
已付股息		(41,630)	(8,764)
已付利息		(4,609)	(7,113)
(用於)來自融資活動之 現金淨額		(338,033)	7,749
現金及現金等值減少 淨額		(4,804)	(17,961)
年初之現金及現金等值		101,773	119,734
外匯兌換變動之影響		767	—
年終之現金及現金等值		97,736	101,773
銀行結餘及現金之代表			

財務賬項附註

Notes to the Financial Statements

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

1. 概述

本公司乃在百慕達註冊成立之受豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要營業地點已載列於本年報中公司資料內。

本公司為一間投資控股公司，其主要附屬公司之業務為物業投資及發展。

財務賬項以港幣呈列，港幣亦為本公司之功能貨幣。

2. 應用香港財務報告準則／會計政策之變動

於本年度內，本集團首次應用香港會計師公會（「香港會計師公會」）所頒佈之多項新訂香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋（「詮釋」）（以下統稱為「新香港財務報告準則」），該等準則均於二零零五年一月一日或其後開始之會計期間生效。應用新香港財務報告準則致使綜合損益表、綜合資產負債表及綜合權益變動表之呈列方式有所變動。尤其是少數股東權益之呈列已作更改。採納新香港財務報告準則導致本集團於下列範疇之會計政策出現變動，以致本年度及／或過往會計年度之業績編製及呈列方式有所更改。

1. GENERAL

The Company was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office and principal place of business of the Company are disclosed in Corporate Information in the annual report.

The Company acts as an investment holding company. The activities of its principal subsidiaries are property investment and development.

The financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company.

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations (“INTs”) (hereinafter collectively referred to as “new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) that are effective for accounting periods beginning on or after 1 January 2005. The application of the new HKFRSs has resulted in a change in the presentation of the consolidated income statement, consolidated balance sheet and consolidated statement of changes in equity. In particular, the presentation of minority interests has been changed. The application of the new HKFRSs has resulted in changes to the Group’s accounting policies in the following areas that have an effect on how the results for the current and/or prior accounting years are prepared and presented.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度

For the year ended 30 June 2006

2. 應用香港財務報告準則／會計政策之變動 (續)

業務合併

於本年度內，本集團已將香港財務報告準則第3號「業務合併」之有關過渡性條款應用於協議訂立日期於二零零五年一月一日前由業務合併所產生的商譽。採用香港財務報告準則第3號之過渡性條款對本集團的主要影響概述如下：

商譽

於過往年度，於二零零五年一月一日前進行收購而產生之商譽資本化，並按其估計可使用期限攤銷。本集團已採用香港財務報告準則第3號之相關過渡性規定。對於過往在資產負債表內資本化的商譽攤銷，本集團在二零零五年七月一日減除累積的相關攤銷額的賬面值港幣13,704,000元，致使商譽數值相應下降（見附註20）。商譽已在二零零五年七月一日前全數攤銷，因此以後無須執行減值測試。二零零五年的比較數字未有重新修訂。在二零零五年一月一日或其後收購產生之商譽乃於首次確認後按成本減累計減值虧損（如有）計算。

本集團於被收購公司可識別資產、負債及或然負債之淨公平值權益超出成本值之金額（過往稱「負商譽」）

於過往年度，於二零零一年七月一日前進行收購所產生之負商譽會計入儲備內。根據香港財務報告準則第3號之相關過渡性條文，本集團於二零零五年七月一日解除確認金額達港幣1,538,000元之所有負商譽，並於本集團保留溢利內作出相應增加。

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES (Continued)

Business Combinations

In the current year, the Group has applied the transitional provisions of HKFRS 3 “Business Combinations” to goodwill acquired in business combinations for which the agreement date was before 1 January 2005. The principal effects of the application of transitional provisions of HKFRS 3 to the Group are summarised below:

Goodwill

In previous years, goodwill arising on acquisitions before 1 January 2005 was capitalised and amortised over its estimated useful life. The Group has applied the relevant transitional provisions in HKFRS 3. With respect to goodwill previously capitalised on the balance sheet, the Group on 1 July 2005 eliminated the carrying amount of the related accumulated amortisation of HK\$13,704,000 with a corresponding decrease in the cost of goodwill (see note 20). The goodwill was fully amortised prior to 1 July 2005 and is therefore not subject to further impairment test. Comparative figures for 2005 have not been restated. Goodwill arising on acquisition on or after 1 January 2005 is measured at cost less accumulated impairment losses (if any) after initial recognition.

Excess of the Group’s interest in the net fair value of acquiree’s identifiable assets, liabilities and contingent liabilities over cost (previously known as “negative goodwill”)

In previous years, negative goodwill arising on acquisitions prior to 1 July 2001 was held in reserves. In accordance with the relevant transitional provisions in HKFRS 3, the Group derecognised all negative goodwill of HK\$1,538,000 on 1 July 2005, with a corresponding increase in the Group’s retained profits.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

2. 應用香港財務報告準則／會計政策之變動 (續)

金融工具

於本年度內，本集團已應用香港會計準則第32號「金融工具：披露及呈列」及香港會計準則第39號「金融工具：確認及計量」。香港會計準則第32號需作追溯應用。香港會計準則第39號(於二零零五年一月一日或其後開始之年度期間生效)基本上不容許對金融資產及負債按追溯基準進行確認、撤銷確認或計量。應用香港會計準則第32號並無對本集團如何呈列本會計期間及過往會計期間之金融工具產生重大影響。採納香港會計準則第39號的主要影響概述如下：

財務資產及財務負債之分類及計量

本集團已應用香港會計準則第39號中有關香港會計準則第39號範圍內之財務資產及財務負債之分類及計量之相關過渡性條文。

債務及股本證券以外之財務資產及財務負債

自二零零五年七月一日起，本集團乃根據香港會計準則第39號之規定分類及計量債務及股本證券以外之財務資產及財務負債(先前不屬會計實務準則第24號之範圍)。根據香港會計準則第39號，財務資產分類為「按公平價值於損益表列賬之財務資產」、「可供出售財務資產」、「貸款及應收款項」或「持有至到期之財務資產」。財務負債一般分類為「按公平價值於損益表列賬之財務負債」或「按公平價值於損益表列賬之財務負債以外之財務負債(其他財務負債)」。於初次確認後，「其他財務負債」以實際利息法按攤銷成本列賬。

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES (Continued)

Financial Instruments

In the current year, the Group has applied HKAS 32 “Financial Instruments: Disclosure and Presentation” and HKAS 39 “Financial Instruments: Recognition and Measurement”. HKAS 32 requires retrospective application. HKAS 39, which is effective for accounting periods beginning on or after 1 January 2005, generally does not permit the recognition, derecognition or measurement of financial assets and liabilities on a retrospective basis. The application of HKAS 32 has had no material impact on how financial instruments of the Group are presented for the current and prior accounting periods. The principal effects resulting from the implementation of HKAS 39 are summarised below:

Classification and measurement of financial assets and financial liabilities

The Group has applied the relevant transitional provisions in HKAS 39 with respect to classification and measurement of financial assets and financial liabilities that are within the scope of HKAS 39.

Financial assets and financial liabilities other than debt and equity securities

From 1 July 2005 onwards, the Group classifies and measures its financial assets and financial liabilities other than debt and equity securities (which were previously outside the scope of Statement of Standard Accounting Practice 24) in accordance with the requirements of HKAS 39. Financial assets under HKAS 39 are classified as “financial assets at fair value through profit or loss”, “available-for-sale financial assets”, “loans and receivables” or “held-to-maturity financial assets”. Financial liabilities are generally classified as “financial liabilities at fair value through profit or loss” or “financial liabilities other than financial liabilities at fair value through profit or loss (other financial liabilities)”. “Other financial liabilities” are carried at amortised cost using the effective interest method after initial recognition.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

2. 應用香港財務報告準則／會計政策之變動 (續)

金融工具 (續)

債務及股本證券以外之財務資產及財務負債 (續)

於應用香港會計準則第39號後，本集團計算免息應收貸款之假計利息。因此，於二零零五年七月一日，應收貸款之賬面值已減少港幣1,328,000元。本集團之保留溢利及少數股東權益作出相應調整 (有關財務影響見附註3)。

3. 會計政策變動之影響概要

上文所述會計政策變動對本年度及過往年度之影響載列如下：

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Financial assets and financial liabilities other than debt and equity securities (Continued)

Upon applying HKAS 39, the Group calculated the imputed interest of interest free loan receivables. As a result, the carrying amount of the loan receivables has been decreased by HK\$1,328,000 on 1 July 2005. Corresponding adjustment has been made to the Group's retained profits and minority interests (see note 3 for financial impact).

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

The effects of the changes in the accounting policies described above on the results for the current and prior years are as follows:

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
計入其他收入之貸款應收款項 假計利息收入增加 — 香港會計準則第39號	Increase in imputed interest income on loan receivables included in other income — HKAS 39	637	—
本年度溢利增加	Increase in profit for the year	637	—

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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3. 會計政策變動之影響概要 (續)

應用新香港財務報告準則於二零零五年六月三十日及二零零五年七月一日之累積影響概列如下：

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (Continued)

The cumulative effects of the application of new HKFRSs as at 30 June 2005 and 1 July 2005 are summarised below:

		採納下列各項之調整			於二零零五年 七月一日 (重列) As at 1 July 2005 (restated) 港幣千元 HK\$'000
		於二零零五年 六月三十日 (原先呈列) As at 30 June 2005 (originally stated) 港幣千元 HK\$'000	香港 財務報告 準則第3號 HKFRS 3 港幣千元 HK\$'000	香港會計 準則第39號 HKAS 39 港幣千元 HK\$'000	
待發展物業	Properties held for development	219,848	—	—	219,848
貸款應收賬款	Loan receivables				
— 須於一年後償還	— due after one year	7,147	—	(529)	6,618
貸款應收賬款	Loan receivables				
— 須於一年內償還	— due within one year	8,167	—	(799)	7,368
對資產及負債之總影響	Total effects on assets and liabilities		—	(1,328)	
保留溢利	Retained profits	128,926	1,538	(1,262)	129,202
負商譽	Negative goodwill	1,538	(1,538)	—	—
少數股東權益	Minority interests	—	—	(66)	30,622
對權益之總影響	Total effects on equity		—	(1,328)	
少數股東權益	Minority interests	30,688	—	—	—

應用新香港財務報告準則對本集團於二零零四年七月一日之權益之財務影響概列如下：

The financial effects of the application of the new HKFRSs to the Group's equity on 1 July 2004 are summarised below:

		原先呈列	重新分類 香港會計 準則第1號	經重列
		As originally stated 港幣千元 HK\$'000	Reclassification HKAS 1 港幣千元 HK\$'000	As restated 港幣千元 HK\$'000
少數股東權益	Minority interests	—	28,146	28,146

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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4. 新訂或修改的會計準則所帶來的潛在但未生效的影響

本集團並未提早採納下列已頒佈但尚未生效之新準則、修訂及詮釋。本集團已經開始評估本集團尚未提早應用這些新訂或修訂準則、修訂及詮釋的影響。除有關公司之間借貸(組成海外業務淨投資的一部分)的香港會計準則第21號(經修訂)「海外業務之淨投資」所帶來之影響外,及香港會計準則第39號及香港財務報告準則第4號(經修訂)「財務擔保合約」需財務擔保必須在首次確認時以公平值確認,本集團預期採納其他新訂或修訂準則、修訂及詮釋對本集團之財務報表並無重大影響。本集團現正決定香港會計準則第21號及香港會計準則第39號修訂之影響。

香港會計準則第1號 (經修訂)	股本披露 ¹
香港會計準則第21號 (經修訂)	海外業務投資淨額 ²
香港會計準則第39號 (經修訂)	預測集團內公司 之間交易之現金 流量對沖會計 處理法 ²
香港會計準則第39號 (經修訂)	選擇公平值入賬 ²
香港會計準則第39號及 香港財務報告準則 第4號(經修訂)	財務擔保合約 ²
香港財務報告準則第6號	礦產資源之勘探及 評估 ²
香港財務報告準則第7號	金融工具:披露 ¹
香港(國際財務報告詮釋 委員會) — 詮釋第4號	釐定安排是否包括 租賃 ²
香港(國際財務報告詮釋 委員會) — 詮釋第5號	解除運作、復原及 環境修復基金 所產生權益之 權利 ²
香港(國際財務報告詮釋 委員會) — 詮釋第6號	參與特定市場負債 — 廢棄電力及 電子設備 ³
香港(國際財務報告詮釋 委員會) — 詮釋第7號	根據香港會計準則 第29號惡性通貨 膨脹經濟體系 財務匯報之重列 方式 ⁴

4. POTENTIAL IMPACT ARISING ON THE NEW OR REVISED ACCOUNTING STANDARDS NOT YET EFFECTIVE

The Group has not applied early the following new or revised standards, amendments and interpretations that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new or revised standards, amendments and interpretations which have not been applied early by the Group. Except for the impacts of HKAS 21 (Amendment) “Net investment in a foreign operation”, which relates to inter-company loans which form part of net investment in a foreign operation, HKAS 39 & HKFRS 4 (Amendments) “Financial guarantee contracts”, which requires recognition of financial guarantee at fair value on initial recognition, the Group anticipates that the applications of the other new or revised standards, amendments and interpretations would not have significant impact on the financial statements of the Group. The Group is in the midst of determining the impact of the amendments to HKAS 21 and HKAS 39.

HKAS 1 (Amendment)	Capital disclosures ¹
HKAS 21 (Amendment)	Net investment in a foreign operation ²
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions ²
HKAS 39 (Amendment)	The fair value option ²
HKAS 39 & HKFRS 4 (Amendments)	Financial guarantee contracts ²
HKFRS 6	Exploration for and evaluation of mineral resources ²
HKFRS 7	Financial instruments: Disclosures ¹
HK(IFRIC) — INT 4	Determining whether an arrangement contains a lease ²
HK(IFRIC) — INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds ²
HK(IFRIC) — INT 6	Liabilities arising from participating in a specific market — waste electrical and electronic equipment ³
HK(IFRIC) — INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ⁴

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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4. 新訂或修改的會計準則所帶來的潛在但未生效的影響 (續)

香港(國際財務報告詮釋委員會)一詮釋第8號	香港財務報告準則第2號 ⁵
香港(國際財務報告詮釋委員會)一詮釋第9號	內置衍生工具之重新評估 ⁶
香港(國際財務報告詮釋委員會)一詮釋第10號	中期財務報告及減值 ⁷

- ¹ 適用於二零零七年一月一日或之後開始之會計期間。
- ² 適用於二零零六年一月一日或之後開始之會計期間。
- ³ 適用於二零零五年十二月一日或之後開始之會計期間。
- ⁴ 適用於二零零六年三月一日或之後開始之會計期間。
- ⁵ 適用於二零零六年五月一日或之後開始之會計期間。
- ⁶ 適用於二零零六年六月一日或之後開始之會計期間。
- ⁷ 適用於二零零六年十一月一日或之後開始之會計期間。

5. 主要會計政策

此綜合財務賬項乃根據歷史成本慣例編製，惟投資物業及若干金融工具則按公平值計量除外，其會計政策闡述如下。

綜合財務賬項乃按香港會計師公會所頒佈之香港財務報告準則編製。此外，財務賬項包括聯交所證券上市規則及香港公司條例所規定的適用披露。

綜合基準

綜合財務賬項包括本公司及其附屬公司之財務賬項。

於本年度內收購或出售附屬公司之業績均按其收購生效日期起及截至出售生效日期止計算入綜合收益表(如適用)。

4. POTENTIAL IMPACT ARISING ON THE NEW OR REVISED ACCOUNTING STANDARDS NOT YET EFFECTIVE (Continued)

HK(IFRIC) — INT 8	Scope of HKFRS 2 ⁵
HK(IFRIC) — INT 9	Reassessment of embedded derivatives ⁶
HK(IFRIC) — INT 10	Interim Financial Reporting and Impairment ⁷

- ¹ Effective for annual periods beginning on or after 1 January 2007.
- ² Effective for annual periods beginning on or after 1 January 2006.
- ³ Effective for annual periods beginning on or after 1 December 2005.
- ⁴ Effective for annual periods beginning on or after 1 March 2006.
- ⁵ Effective for annual periods beginning on or after 1 May 2006.
- ⁶ Effective for annual periods beginning on or after 1 June 2006.
- ⁷ Effective for annual periods beginning on or after 1 November 2006.

5. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared under the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or made up to the effective date of disposal, as appropriate.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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5. 主要會計政策 (續)

綜合基準 (續)

如需要，附屬公司之財務報表將會作出調整，以使其與本集團其他成員公司所採用之會計政策一致。所有集團內公司間之重大交易及結餘於綜合賬目時對銷。綜合附屬公司資產淨值內之少數股東權益與本集團於當中之權益分開呈列。資產淨值內之少數股東權益包括該等權益於原業務合併日期之金額，以及自合併日期起少數股東應佔之權益變動。少數股東應佔虧損超出少數股東於附屬公司權益中之利益之數額，於本集團之權益作出分配，惟具約束力責任及可以其他投資彌補虧損之少數股東除外。

商譽

於二零零五年一月一日前進行收購事項產生之商譽

於二零零五年一月一日前進行收購附屬公司所產生之商譽 (協議日期為於二零零五年一月一日前) 而產生之商譽乃指收購成本超出本集團佔收購日期有關附屬公司可辨認資產及負債公平值之差額。對早前已撥充資本之商譽，本集團已在二零零五年七月一日前全面攤銷。

於二零零五年一月一日或之後進行收購事項產生之商譽

就收購協議日期為二零零五年一月一日或以後之附屬公司所產生之商譽，指於收購當日之收購成本高於本集團應佔有關附屬公司可識別資產、負債及或然負債之淨公平值之差額。該等商譽乃按成本減任何累積減值虧損列賬。收購附屬公司產生之撥充資本商譽乃於綜合資產負債表中單獨呈列。

5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group. All inter-company transactions and balances within the Group have been eliminated on consolidation. Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Goodwill

Goodwill arising on acquisitions prior to 1 January 2005

Goodwill arising on acquisition of a subsidiary for which the agreement date is before 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant subsidiary at the date of acquisition. For previously capitalised goodwill, the Group has fully amortised such goodwill prior to 1 July 2005.

Goodwill arising on acquisitions on or after 1 January 2005

Goodwill arising on an acquisition of a subsidiary for which the agreement date is on or after 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant subsidiary at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses. Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the consolidated balance sheet.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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5. 主要會計政策 (續)

商譽 (續)

於二零零五年一月一日或之後進行收購事項產生之商譽 (續)

就減值測試而言，收購所產生之商譽乃被分配到預期自收購所產生協同效益中受益之各有關現金產生單位或一組現金產生單位。獲分配商譽之現金產生單位須每年進行減值測試及於有關單位有跡象出現減值時進行減值測試。就於某個財政年度之收購所產生之商譽而言，獲分配商譽之現金產生單位於該財政年度完結前進行減值測試。倘現金產生單位之可收回金額少於該單位之賬面值，則減值虧損先用作減低任何分配至該單位之商譽賬面值，其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。商譽之任何減值虧損乃直接於綜合收益表內確認。商譽之減值虧損於其後期間不予撥回。

倘其後出售附屬公司，計算出售盈虧金額時會計入已撥充資本商譽之應佔金額。

收購公司所佔被收購公司可識別資產、負債及或然負債之淨公平價值權益高出成本值之金額 (「收購折讓」)

收購附屬公司 (其協議日期為二零零五年一月一日或以後) 產生之收購折讓，即被收購公司可識別資產、負債及或然負債之淨公平價值高出業務合併成本值之金額。收購折讓即時於損益賬內確認。

誠如上文附註2所闡述，於二零零五年七月一日之所有負商譽均已解除確認，並已對本集團之保留溢利作出相應調整。

5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Goodwill (Continued)

Goodwill arising on acquisitions on or after 1 January 2005
(Continued)

For the purposes of impairment testing, goodwill arising from an acquisition of a subsidiary is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

Excess of an acquirer's interest in the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over cost ("Discount on acquisition")

A discount on acquisition arising on an acquisition of a subsidiary for which an agreement date is on or after 1 January 2005 represents the excess of the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination. Discount on acquisition is recognised immediately in profit or loss.

As explained in note 2 above, all negative goodwill as at 1 July 2005 has been derecognised with a corresponding adjustment to the Group's retained profits.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

5. 主要會計政策 (續)

投資物業

投資物業包含有租約的土地，持有目的在於賺取租金及／或資本升值。

於首次確認時，投資物業按成本(包括任何直接應佔支出)計量。於首次確認後，投資物業乃採用公平值模式計量。投資物業公平值變動所產生之收益或虧損列入所產生期間之溢利或虧損。

土地使用權之預付租金

土地使用權之預付租金乃以成本減去其後之累積攤銷及任何累積減值虧損列賬。土地使用權之預付租金成本乃以直線法於相關土地使用權或相關公司之經營期(以較短者為準)內攤銷。

發展中物業及待售物業

發展為可銷售之發展中物業乃分類為流動資產，並以成本及估計可變現淨值之較低者列賬。成本包括於租賃土地之物業權益，而發展成本包括應佔之已撥充資本借貸成本。已落成物業乃轉撥至「待售物業」。待售物業乃按成本及可變現淨值之較低者列賬。

借貸成本

在收購、建築及生產為合資格資產直接產生之借貸成本乃資本化為資產成本之一部份。合資格資產指需要一段長時間方能用於設定用途或銷售之資產。當資產大概可作設定用途或銷售時，該借貸成本撥作資產成本將終止。暫時投資有待用作合資格資產開支之特定借貸所賺取之投資收入，乃自己撥充資本之借貸成本中扣除。

5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investment properties

Investment property including land under operating lease arrangements, which is property held to earn rentals and/or for capital appreciation.

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

Prepaid lease payments on land use rights

Prepaid lease payments on land use rights are stated at cost less subsequent accumulated amortisation and any accumulated impairment losses. The costs of prepaid lease payments on land use rights are amortised on a straight line basis over the shorter of the relevant land use right or the operation period of the relevant company.

Properties under development and properties held for sale

Properties under development which are developed for sale are classified under current assets and stated at the lower of cost and estimated net realisable value. Cost comprises the property interest in leasehold land and development costs including attributable borrowing costs capitalised. Completed properties are transferred to "Properties held for sale". Properties held for sale are stated at the lower of cost and net realisable value.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

5. 主要會計政策 (續)

借貸成本 (續)

所有其他借貸成本於期內產生時確認為支出。

稅項

入息稅開支指現時應付稅項及遞延稅項總額。現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利不包括已撥往其他年度的應課稅或應扣減之收入及開支項目，亦不包括不可作免稅或不可作稅項扣減之項目，故與收益表所列純利不同。本集團的當期應課稅負債乃根據資產負債表結算日當時已頒佈或確定頒佈的稅率計算。

遞延稅項指預期從財務賬項內資產及負債賬面值與計算應課稅溢利所採用相應稅基之差額所應付或可收回之稅項，以資產負債表負債法處理。遞延稅項負債一般就所有應課稅暫時差額確認，而遞延稅項資產則於有可能可扣減暫時差額以對銷應課稅溢利時予以確認。倘暫時差額乃自商譽或於並不影響應課稅溢利或會計溢利之交易中初步確認(惟業務合併除外)其他資產或負債而產生，則該等資產或負債不予確認。

遞延稅項資產之賬面值乃於各個結算日進行檢討，並予以相應扣減，直至並無足夠應課稅溢利可供全部或部分遞延稅項資產可予應用為止。

遞延稅項按預期適用於負債清償或資產變現期間之稅率計算。遞延稅項從收益表中扣除或計入收益表，除非遞延稅項關乎直接從股本權益扣除或直接計入股本權益之項目，在該情況下遞延稅項亦於股本權益中處理。

5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Borrowing costs (Continued)

All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

Taxation

Taxation represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from the profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes consolidated income statement items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

5. 主要會計政策 (續)

租約

凡租約條款將擁有權大體上所有風險及回報轉移至本集團之租約，均被視為融資租約。所有其他租約一概列為經營租約。

根據經營租約應付之租金乃於有關租約年期內以直線法在損益賬確認。作為訂立經營租約優惠之已收及應收利益乃於租約年期內以直線法確認為租金開支減少。

外幣

於編製各個別集團實體之財務賬項時，以該實體功能貨幣以外貨幣(外幣)進行之交易乃按其功能貨幣(即該實體業務所在主要經濟環境之貨幣)於交易日期當時之適用匯率換算入賬。於各結算日，以外幣列值之貨幣項目以結算日當時之適用匯率重新換算。按公平值列賬且按外幣列值之非貨幣項目乃按釐定公平值當日之適用匯率重新換算，而以外幣歷史成本計量之非貨幣項目不予重新換算。

因結算貨幣項目及換算貨幣項目所產生之滙兌差額於產生期間在損益賬確認。因換算按公平值列賬之非貨幣項目產生之滙兌差額計入期內之損益賬。

就呈列綜合財務賬項而言，本集團海外業務之資產及負債均按結算日當時之適用匯率換算為本公司之呈列貨幣(即港幣)，而其收入及開支乃按年度平均匯率換算，除非年內匯率出現重大波動，則於該情況下，將採用交易日期當時之適用匯率。所產生之滙兌差額(如有)均確認為股本權益之獨立部份(換算儲備)。有關換算差額於該項海外業務出售期間在損益賬確認。

5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised as profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included as profit or loss for the period.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised as profit or loss in the period in which the foreign operation is disposed of.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

5. 主要會計政策 (續)

外幣 (續)

對二零零五年七月一日或其後由收購海外業務所得之個別資產，其商譽及公平值調整會視為海外業務之資產及負債而其貨幣換算則以結算日當時的匯率為準。發生之換算差額會在換算儲備中確認。如附註2所述，二零零五年七月一日以前由收購海外業務所產生之商譽及公平值調整，會作為收購公司之非現金外幣項目並以收購時的歷史兌換率呈報。

退休福利計劃

香港及中華人民共和國之定額供款退休計劃及強制性公積金計劃(「強積金」)之供款於到期支付時作為支出扣除。

金融工具

金融資產及金融負債於集團實體成為訂約提供工具之一方時於綜合資產負債表確認。金融資產及金融負債初步以公平值計量。購置或發行金融資產及金融負債(不包括按公平值列賬並在損益表內處理之金融資產及金融負債)時直接產生之交易成本於初步確認時加進或扣減該金融資產及金融負債(視情況而定)之公平值。購置或發行按公平值列賬並在損益表內處理之金融資產及金融負債時直接產生之交易成本即時於損益中確認。

5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 July 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the balance sheet date. Exchange differences arising are recognised in the translation reserve. As mentioned in note 2, goodwill and fair value adjustments arising on acquisitions of foreign operations prior to 1 July 2005 are treated as non-monetary foreign currency items of the acquirer and reported using the historical exchange rate prevailing at the date of the acquisition.

Retirement benefits costs

Payments to defined contribution retirement benefits plans in Hong Kong and the People's Republic of China and the Mandatory Provident Fund Scheme (the "MPF Scheme") are charged as an expense as they fall due.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated balance sheet when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately as profit or loss.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

5. 主要會計政策 (續)

金融資產

本集團之金融資產所採納之會計政策載列於下文。

貸款及應收款項

貸款及應收款項為於活躍市場並無報價而附帶固定或可釐定付款之非衍生金融資產。於首次確認後之各結算日，貸款及應收款項(包括應收貸款、貿易及其他應收少數權益股東款項、銀行存款及銀行結存)採用實際利率法攤銷成本，並減任何已識別減值虧損列賬。倘有客觀證據顯示資產出現減值，則減值虧損會於損益賬確認，並按資產賬面值與按原實際利率貼現之估計未來現金流量現值之差額計算。倘資產可收回金額之增幅客觀上涉及確認減值後所發生之事件，則減值虧損會於以後期間撥回，惟減值撥回當日之資產賬面值不得超過如無確認減值時之原來應攤銷成本。

現金及現金等值

現金及現金等值包括即時現金及在三個月或以下到期銀行存款。

5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial assets

The accounting policies adopted in respect of the Group's financial assets are set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including loan receivables, trade and other receivables, amounts due from minority shareholders, bank deposits and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment loss. An impairment loss is recognised as profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank deposits with maturity of three months or less.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

5. 主要會計政策 (續)

金融負債及股本權益

由集團實體發行之金融負債及股本權益工具按所訂立之合約安排性質，以及金融負債及股本權益工具之定義而分類。股本權益工具指任何能作為本集團資產在扣除其所有負債後之剩餘權益之憑證之合約。特定類別的金融負債及股本權益工具所採納之會計政策載列於下文：

借貸

銀行借貸其後運用實際利率法以經攤銷成本計量。實得款項 (扣除交易費用) 與所償還或贖回借貸之間之任何差額，均依據本集團就借貸成本之會計政策於借貸期限內確認。

其他金融負債

其他金融負債包括貿易及其他應付賬款、銀行貸款、應付一間有關聯公司款項及有關聯公司給予之貸款，均於其後運用實際利率法以經攤銷成本計量。

股本權益工具

本公司發行之股本權益工具乃按實得款項 (扣除直接發行費用) 入賬。

5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Borrowings

Bank borrowings are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

Other financial liabilities

Other financial liabilities including trade and other payables, bank loans, amount due to a related company and loan from a related company are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

5. 主要會計政策 (續)

收益確認

收益乃按於一般業務過程中所提供的貨物及服務的已收或應收代價(扣除折扣及相關銷售稅項)的公平值計量。

物業銷售

於日常業務過程中銷售物業所得的收益會於下列所有條件達成時確認：

- 物業擁有權的主要風險及回報轉讓予買家；
- 並無參與一般與該物業擁有權有關的持續管理，亦無保留有關物業的實際控制權；
- 收益金額能可靠地計量；
- 與交易有關的經濟收益極有可能流入本集團；及
- 交易所涉及或將涉及的成本能可靠地計量。

在此階段以前自買家收取的款項於流動負債項下作為已收預售按金入賬。

其他

來自經營租約的租金收入乃根據直線法在有關租約之年期內於收益表確認。

金融資產利息收入乃根據尚存本金及適用的實際利率按時間基準累計。而實際利率為透過金融資產的賬面淨值的預計年期實際貼現預期日後現金收入的比率。

5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes.

Sales of properties

Revenue from sale of properties in the ordinary course of business is recognised when all of the following criteria are met:

- the significant risks and rewards of ownership of the properties are transferred to buyers;
- neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties are retained;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Payments received from purchasers prior to this stage are recorded as pre-sales deposits under current liabilities.

Others

Rental income from operating leases is recognised in the income statement on a straight line basis over the term of the relevant lease.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

5. 主要會計政策 (續)

收益確認 (續)

其他 (續)

港口運作收入於服務提供時確認入賬。

源自投資之股息收入於本集團收取款項權利確定後，才確認入賬。

發展中物業

發展中物業相當於土地使用權之預付租賃款項及直接填海和其他相關成本。

物業、機器及設備

物業、機器及設備乃按成本減去累積折舊及累積減值虧損(如有)入賬。

物業、機器及設備成本之折舊乃以直線基準在估計可使用期內撇銷。

物業、機器及設備項目會在出售或預期繼續使用資產不會帶來未來經濟利益時解除確認。解除確認資產的任何損益(按出售所得款項淨額與該項目的賬面值之間的差額計算)在項目解除確認的年度計入收益表。

減值(不包括商譽)

本集團於各結算日檢討其資產賬面值以確定該等資產是否已存在減損之跡象。倘估計一項資產之可收回金額低於其賬面值，則將其賬面值撇減至其可收回金額。減值虧損隨即確認為一項開支。

5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Others (Continued)

Port operating income is recognised when the services are rendered.

Dividend income from investments is recognised when the Group's right to receive payment has been established.

Properties held under development

Properties held under development represents prepaid lease payments of land use rights and direct reclamation and related costs.

Property, plant and equipment

Property, plant and equipment are stated at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is provided to write off the cost of property, plant and equipment over their estimated useful lives using the straight line method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year in which the item is derecognised.

Impairment (other than goodwill)

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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5. 主要會計政策 (續)

減值 (不包括商譽) (續)

當一項減值虧損隨後撥回時，則將該項資產之賬面值增加至其修訂後的估計可收回金額，但增加後之賬面值不得超過過往年度若未確認減值虧損時所確定之賬面值。一項減值虧損之撥回隨即作為收入確認。

6. 推測不確定性之主要來源

本集團編算會計推測時作出有關未來的估計及假設，而所得的會計推測未必等於實際業績。下文論述或有重大風險導致調整下一財政年度的資產及負債賬面值的主要估計及假設。

呆賬撥備

本集團根據對貸款應收賬款、貿易及其他應收賬款可收回程度的評估作出呆賬撥備。

倘出現事件或情況變動顯示結餘可能無法收回，則會就貸款應收賬款、貿易及其他應收賬款作出撥備。呆賬的確定須使用判斷及估計。倘貸款應收賬款、貿易及其他應收賬款可收回程度的預期與原推測不符，有關差異將影響推測改變期間的貸款應收賬款、貿易及其他應收賬款的賬面值及呆賬開支。

5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment (other than goodwill) (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

6. KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group makes estimates and assumptions concerning the future in preparing accounting estimates. The resulting accounting estimates may not equal to the actual results. The key estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed as below.

Allowance of doubtful debts

The Group makes allowance for doubtful debts based on an assessment of the recoverability of loan receivables, trade and other receivables.

Allowances are applied to loan receivables, trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful debts requires the use of judgement and estimates. Where the expectation on the recoverability of loan receivables, trade and other receivables is different from the original estimate, such difference will impact the carrying value of loan receivables, trade and other receivables and doubtful debts expenses in the periods in which such estimate has been changed.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

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7. 財務風險管理目標及政策

本集團之主要金融工具包括應收賬項、銀行結存、已抵押存款、應付賬項及借款。該等金融工具之詳情於各自之附註內披露。與該等金融工具有關之風險及如何規避該等風險之政策載列如下。本集團會管理及監控有關風險程度以確保適當措施可以按時及有效的執行。

(甲) 市場風險

(i) 外幣風險

本集團的大部份交易、資產及負債均以集團個別實體之功能貨幣計值，因此，本集團所面對外匯波動風險甚低。

(ii) 利率風險

本集團的現金流利率風險主要與本集團以浮動利率計息的存款有關。管理層會密切監視相關的現金流利率風險，並會在需時考慮措施對沖重大的現金流利率風險。

由於本集團的大部份存款均以浮動利率計息，故本集團所承受的公平值利率風險極微。

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include receivables, bank balances, pledged deposits, payables and loans. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(a) Market risk

(i) Foreign currency risk

The Group has minimal exposure to foreign exchange fluctuations as most of the Group's transactions, assets and liabilities are denominated in the functional currencies of the respective Group's entities.

(ii) Interest rate risk

The Group's cash flow interest rate risk relates primarily to the Group's deposits at floating rates. Management monitors the related cash flow interest rate risk exposure closely and will consider hedging significant cash flow interest rate risk exposure should the need arise.

The Group's exposure to fair value interest rate risk is minimal as majority of the Group's deposits are at floating interest rates.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度

For the year ended 30 June 2006

7. 財務風險管理目標及政策 (續)

(乙) 信貸風險

倘交易對方並無履行其有關各類別已確認金融資產之義務，則本集團要承受之最大信貸風險為綜合資產負債表所列之該等資產之賬面值。為了盡量減低信貸風險，本集團已經制訂有關釐定信貸額、信貸批核及其他監察程序的政策，以確保採取跟進措施收回逾期之債務。此外，本集團定期檢討各個別貿易債項、貸款應收賬款及向住房買家收取之其他應收款項之可收回款額，以確保就無法收回之款額作出足夠之減值虧損撥備。就此而言，本公司董事認為信貸風險已顯著降低。本集團面對信貸風險集中情況之主要地域為中國北京。

由於交易對方皆是擁有國際高度信貸評級之銀行，流動資金的信貸風險有限。

(丙) 流動資金風險

本集團之目標為透過採用銀行貸款及銀行透支，使融資之延續性與靈活性保持平衡。此外，本集團亦已安排銀行備用信貸，作為應變措施。

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet. In order to minimise credit risk, the Group has policies in place for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt, loan receivable and other receivable from home buyer at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors of the Company consider that the credit risk is significantly reduced. The Group's concentration of credit risk by geographical locations is mainly in Beijing, the PRC.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

(c) Liquidity risk

The Group's objective is to maintain a balance between the continuity of funding and the flexibility through the use of bank loans and overdrafts. In addition, banking facilities have been put in place for contingency purposes.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

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8. 業務及地域分類

業務部分

為便於管理，本集團目前分組為三類經營組別 — 物業銷售、物業租賃及港口運作。本集團之主要分類資料報告均以上述主要經營業務為基礎。

主要業務呈列如下：

物業銷售 — 銷售本集團發展之物業

物業租金 — 租賃物業

港口運作 — 港口運作

有關此等業務之分類資料呈報如下：

8. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into three operating divisions — property sales, property rental and port operations. These principal operating activities are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Property sales — sales of properties developed by the Group

Property rental — leasing of investment properties

Port operations — operations of the port

Segment information about these businesses is presented below:

		物業銷售		物業租賃		港口運作		綜合	
		Property sales		Property rental		Port operations		Consolidated	
		二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年
		2006	2005	2006	2005	2006	2005	2006	2005
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
營業額	TURNOVER								
對外銷售	External sales	139,187	76,468	14,187	30,562	18,095	19,909	171,469	126,939
分類業績	SEGMENT RESULT	23,685	4,661	143,429	108,119	1,078	6,164	168,192	118,944
未分配其他收入	Unallocated other income							1,628	3
未分配公司 支出	Unallocated corporate expenses							(16,754)	(12,566)
融資成本	Finance costs							(1,014)	(783)
解散一間附屬 公司之收益	Gain on dissolution of a subsidiary							—	1,640
除稅前溢利	Profit before taxation							152,052	107,238
稅項	Taxation							(20,597)	(12,561)
本年度溢利	Profit for the year							131,455	94,677

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

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8. 業務及地域分類 (續)

業務部分 (續)

資產負債表

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

BALANCE SHEET

		物業銷售		物業租賃		港口運作		綜合	
		Property sales		Property rental		Port operations		Consolidated	
		二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年
		2006	2005	2006	2005	2006	2005	2006	2005
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
資產	ASSETS								
分類資產	Segment assets	493,855	548,454	487,327	500,837	267,455	258,575	1,248,637	1,307,866
未分配公司資產	Unallocated corporate assets							30,909	21,315
綜合資產總值	Consolidated total assets							1,279,546	1,329,181
負債	LIABILITIES								
分類負債	Segment liabilities	93,017	108,265	27,206	8,648	14,359	13,674	134,582	130,587
銀行貸款	Bank loans							—	223,174
來自一間有關聯公司之貸款	Loan from a related company							—	68,620
未分配公司負債	Unallocated corporate liabilities							83,472	44,981
綜合負債總值	Consolidated total liabilities							218,054	467,362

其他資料

OTHER INFORMATION

		物業銷售		物業租賃		港口運作		未分配		綜合	
		Property sales		Property rental		Port operations		Unallocated		Consolidated	
		二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
資本支出	Capital expenditures	1,786	123	456,816	—	1,878	6,137	795	24	461,275	6,284
折舊	Depreciation	355	409	—	—	1,270	1,152	155	32	1,780	1,593
呆賬準備	Allowance for doubtful debts	—	32	—	167	24	2	—	452	24	653
商譽攤銷	Amortisation of goodwill	—	161	—	—	—	—	—	—	—	161
投資物業之公平值增加	Increase in fair value of investment properties	—	—	132,000	80,000	—	—	—	—	132,000	80,000

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

8. 業務及地域分類 (續)

地域分類

下表列明本集團按地域市場 (不考慮貨品／服務來源) 劃分之銷售分析：

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Geographical segments

The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods/services:

		按地域市場劃分之營業額		除稅前溢利	
		Turnover by geographical market		Profit before taxation	
		二零零六年	二零零五年	二零零六年	二零零五年
		2006	2005	2006	2005
		港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
香港特別行政區 (「香港」)	Hong Kong Special Administrative Region (“Hong Kong”)	14,187	30,562	143,429	108,119
中華人民共和國其他地區 (「中國」)	Other regions in the People's Republic of China (“PRC”)	157,282	96,377	24,763	10,825
		171,469	126,939	168,192	118,944
未分配其他收入	Unallocated other income			1,628	3
未分配公司支出	Unallocated corporate expenses			(16,754)	(12,566)
融資成本	Finance costs			(1,014)	(783)
解散一間附屬公司之收益	Gain on dissolution of a subsidiary			—	1,640
除稅前溢利	Profit before taxation			152,052	107,238

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

8. 業務及地域分類 (續)

地域分類 (續)

下表按資產位於之地域來分析分類資產和待發展物業賬面值、物業、機器及設備添置及新增物業權益：

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Geographical segments (Continued)

The following is an analysis of the carrying amount of segment assets and properties held for development, additions to property, plant and equipment, additions to property interest analysed by the geographical area in which the assets are located:

		分類資產賬面值		待發展物業賬面值		物業、機器及設備添置		新增物業權益	
		Carrying amount of segment assets		Carrying amount of properties held for development		Additions to property, plant and equipment		Additions to property interest	
		二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年
		2006	2005	2006	2005	2006	2005	2006	2005
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
香港	Hong Kong	40,561	507,203	—	—	799	24	—	—
中國	PRC	1,226,422	807,029	225,654	219,848	2,103	697	456,816	—
		1,266,983	1,314,232	225,654	219,848	2,902	721	456,816	—
未分配資產	Unallocated assets	12,563	14,949						
		1,279,546	1,329,181						

9. 其他收入

9. OTHER INCOME

		二零零六年	二零零五年
		2006	2005
		港幣千元	港幣千元
		HK\$'000	HK\$'000
銀行利息收入	Bank interest income	5,432	1,366
兌換收益	Exchange gain	49	—
貸款應收賬款之假計利息收入	Imputed interest income on loan receivables	637	—
雜項收入	Sundry income	5,846	3,144
		11,964	4,510

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

10. 融資成本

10. FINANCE COSTS

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
須於五年內悉數償還之 銀行借貸利息	Interest on bank borrowings wholly repayable within five years	3,328	3,541
減：為合資格資產之開支 資本化而採用一項 資本化率6.5% (二零零五年：5.2%) 撥入及納入發展中物業之 資產成本款項	Less: Amount capitalised and included in properties under development by applying a capitalisation rate of 6.5% (2005: 5.2%) to expenditure on qualifying assets	(3,259)	(2,758)
須於五年內悉數償還來自一間 有關聯公司之借貸利息	Interest on loan from a related company wholly repayable within five years	1,281	3,851
減：為合資格資產之開支資本化 而採用一項資本化率6.0% (二零零五年：4.4%) 及 納入待發展物業之資產 成本款項	Less: Amount capitalised and included in properties held for development by applying a capitalisation rate of 6.0% (2005: 4.4%) to expenditure on qualifying assets	(721)	(3,851)
欠一間有關聯公司款項之 假計利息支出	Imputed interest expense on amount due to a related company	385	—
		1,014	783

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

11. 除稅前溢利

11. PROFIT BEFORE TAXATION

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
除稅前溢利已扣除下列各項：	Profit before taxation has been arrived at after charging:		
呆賬準備	Allowance for doubtful debts	24	653
商譽攤銷 (已包括在行政費用內)	Amortisation of goodwill (included in administrative expenses)	—	161
預付租賃款項之攤銷	Amortisation of prepaid lease payments	3,077	3,014
減：納入待發展物業之資產成本款項	Less: Amount capitalised and included in properties held for development	(1,037)	(3,014)
		2,040	—
核數師酬金	Auditors' remuneration	723	589
折舊	Depreciation	1,780	1,593
減：納入發展中物業之 資產成本款項	Less: Amount capitalised and included in properties under development	(59)	(15)
		1,721	1,578
出售物業、機器及設備虧損	Loss on disposal of property, plant and equipment	4	166
辦公室及僱員宿舍之營業 租賃租金	Operating lease rentals in respect of office premises and staff quarters	645	675
員工成本(包括呈列於附註 第12(甲)項之董事酬金)	Staff costs (including Directors' remuneration shown in note 12(a))	16,973	19,630
減：納入發展中物業之 資產成本款項	Less: Amount capitalised and included in properties under development	(798)	(1,681)
		16,175	17,949

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

11. 除稅前溢利 (續)

11. PROFIT BEFORE TAXATION (Continued)

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
並已計入：	and after crediting:		
已收及應收營業租賃	Net operating lease rentals		
租金淨額	received and receivable		
物業總租金	Gross rents from properties	15,644	33,655
減：在本年度內收取租金收入	Less: Direct expenses		
的投資物業所產生直接支出	from investment properties that generated rental income during the year	(1,330)	(2,011)
		14,314	31,644

有關董事住宿營業租賃租金之港幣420,000元(二零零五年：港幣420,000元)已包括在董事其他酬金內。

Operating lease rentals in respect of Directors' accommodation amounting to HK\$420,000 (2005: HK\$420,000) are included in Directors' other emoluments.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

12. 董事及僱員酬金

(甲) 董事酬金

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
董事袍金	Directors' fees		
執行董事	Executive	60	—
獨立非執行董事	Independent non-executive	120	100
其他酬金 (執行董事) :	Other emoluments (Executive Directors):		
薪金及其他福利	Salaries and other benefits	1,133	1,154
退休福利計劃供款	Retirement benefits scheme contributions	—	—
		1,313	1,254

實付或應付予各四名 (二零零五年 : 三名) 董事之酬金如下 :

The emoluments paid or payable to each of the 4 (2005: 3) Directors were as follows:

二零零六年
2006

		彭傑文先生* Mr. PANG Kit Man, John *	張志明先生 Mr. CHEUNG Chi Ming	莊劍青先生 Mr. CHONG Kim Chan, Kenneth	麥貴榮先生 Mr. MAK Alexander Kwai Wing,	總額 Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
袍金	Fees	—	60	80	40	180
其他酬金	Other emoluments					
薪金及其他福利	Salaries and other benefits	1,133	—	—	—	1,133
退休福利計劃供款	Contributions to retirement benefits schemes	—	—	—	—	—
酬金總額	Total emoluments	1,133	60	80	40	1,313

* 彭傑文先生於二零零六年六月十六日辭任本公司董事一職。

* Mr. PANG Kit Man, John resigned as a Director of the Company on 16 June 2006.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

12. 董事及僱員酬金 (續)

12. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

(甲) 董事酬金 (續)

(a) Directors' emoluments (Continued)

二零零五年
2005

		彭傑文先生 Mr. PANG Kit Man, John 港幣千元 HK\$'000	莊劍青先生 Mr. CHONG Kim Chan, Kenneth 港幣千元 HK\$'000	麥貴榮先生 Mr. MAK Kwai Wing, Alexander 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
袍金	Fees	—	60	40	100
其他酬金	Other emoluments				
薪金及其他福利	Salaries and other benefits	1,154	—	—	1,154
退休福利計劃供款	Contributions to retirement benefits schemes	—	—	—	—
酬金總額	Total emoluments	1,154	60	40	1,254

沒有酬金支付予其他董事。

No emoluments were paid to other Directors.

(乙) 僱員酬金

(b) Employees' emoluments

五名最高薪酬人士包括1名董事(二零零五年：1名董事)，其酬金詳情載於上文附註第12(甲)項內。其餘4名人士(二零零五年：4名人士)之酬金如下：

The five highest paid individuals included one Director (2005: one Director), details of whose emoluments are set out in note 12(a) above. The emoluments of the remaining four individuals (2005: four individuals) are as follows:

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
薪金及其他福利	Salaries and other benefits	3,354	3,622
退休福利計劃供款	Retirement benefits scheme contributions	101	109
		3,455	3,731

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

12. 董事及僱員酬金 (續)

(乙) 僱員酬金 (續)

彼等酬金之金額組別如下：

	二零零六年 2006 僱員數目 No. of employees	二零零五年 2005 僱員數目 No. of employees
無至港幣1,000,000元	4	3
港幣1,000,001元至 港幣1,500,000元	—	1

12. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

(b) Employees' emoluments (Continued)

Their emoluments are within the following bands:

	二零零六年 2006 僱員數目 No. of employees	二零零五年 2005 僱員數目 No. of employees
Nil to HK\$1,000,000	4	3
HK\$1,000,001 to HK\$1,500,000	—	1

13. 稅項

13. TAXATION

	二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
稅項支出包括：		
香港利得稅		
本年度	22,377	83
過往年度超額準備	(1)	(3)
中國其他地區所得稅		
本年度	20,903	4,509
過往年度超額準備	(3,069)	(3,686)
遞延稅項負債 (附註31)	(19,613)	11,658
	20,597	12,561

香港利得稅乃根據本期之估計應課稅溢利按17.5% (二零零五年：17.5%) 計算。

Hong Kong Profits Tax is calculated at 17.5% (2005: 17.5%) of the estimated assessable profits for the year.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

13. 稅項 (續)

中國外資企業所得稅(「所得稅」)及土地增值稅(「增值稅」)乃按中國現行稅率計算。法定稅率為33%(二零零五年:33%)。根據中國相關法律及法規,符合外國投資生產企業資格並於沿海經濟區域及經濟特區內設立之本集團附屬公司,可享有15%的中國企業所得稅優惠稅率。增值稅則按適用增值之價值採用0.5%至1%稅率計算。

遞延稅項負債詳情載於財務賬項附註第31項內。

本年度稅項支出(回撥)可與綜合收益表之除稅前溢利對賬如下:

13. TAXATION (Continued)

PRC Foreign Enterprise Income Tax (“FEIT”) and land appreciation tax (“LAT”) are calculated at the rates prevailing in the PRC. The statutory rate of the FEIT is 33% (2005: 33%). Pursuant to relevant laws and regulations in the PRC, the subsidiary of the Group that is qualified as productive foreign investment enterprises established in cities within the coastal economic zones and special economic zones are entitled to PRC enterprise income tax at concessionary rate at 15%. LAT is charged at ranging from 0.5% to 1% on the application appreciation value.

Details of the deferred tax liabilities are set out in note 31.

The tax charge (credit) for the year can be reconciled to the profit before taxation per the consolidated income statement as follows:

		香港		於中國其他地方		合共	
		Hong Kong		Elsewhere in the PRC		Total	
		二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年
		2006	2005	2006	2005	2006	2005
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
除稅前溢利	Profit before taxation	126,658	95,203	25,394	12,035	152,052	107,238
適用稅率	Application tax rate	17.5%	17.5%	33%	33%		
按本地利得稅稅率計算之稅項	Tax at the domestic income tax rate	22,165	16,660	8,380	3,972	30,545	20,632
計算稅項時不可扣減支出之稅務影響	Tax effect of expenses not deductible for tax purpose	1,047	297	4,297	—	5,344	297
計算稅項時不需課稅收入之稅務影響	Tax effect of income not taxable for tax purpose	(23,275)	(5,330)	(1,230)	(4)	(24,505)	(5,334)
未被確認稅務虧損之稅務影響	Tax effect of tax losses not recognised	674	130	—	—	674	130
以往年度超額撥備	Overprovision in prior years	(1)	(3)	(3,069)	(3,686)	(3,070)	(3,689)
使用未被確認之遞延稅項資產	Utilisation of deferred tax assets previously not recognised	—	(16)	—	—	—	(16)
授予中國附屬公司稅務豁免之影響	Effect on tax exemptions granted to PRC subsidiary	—	—	(677)	(949)	(677)	(949)
土地增值稅之影響	Effect of LAT	—	—	10,133	1,489	10,133	1,489
其他	Others	2,153	1	—	—	2,153	1
本年度稅項支出(回撥)	Tax charge (credit) of the year	2,763	11,739	17,834	822	20,597	12,561

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

14. 股息

14. DIVIDENDS

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
有關截至二零零六年六月三十日 止年度已派發特別股息 每股港幣15仙(二零零五年：無)	Special dividend paid in respect of year ended 30 June 2006 of 15 Hong Kong cents (2005: nil) per share	32,866	—
有關截至二零零六年六月三十日 止年度已派發中期股息每股港幣2仙 (二零零五年：港幣2仙)	Interim dividend paid in respect of year ended 30 June 2006 of 2 Hong Kong cents (2005: 2 Hong Kong cents) per share	4,382	4,382
有關截至二零零五年六月三十日 止年度已派發末期股息每股港幣2仙 (二零零四年：港幣2仙)	Final dividend paid in respect of year ended 30 June 2005 of 2 Hong Kong cents (2004: 2 Hong Kong cents) per share	4,382	4,382
		41,630	8,764

董事已建議截至二零零六年六月三十日
止之末期股息每股港幣3仙，但須待股
東在股東週年大會上通過。

The final dividend in respect of 3 Hong Kong cents per share for
the year ended 30 June 2006 has been proposed by the Directors
and is subject to approval by the shareholders in the annual
general meeting.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

15. 每股基本盈利

母公司股權持有人應佔每股基本盈利乃根據本年度之母公司股權持有人應佔純利港幣130,160,000元(二零零五年：港幣92,135,000元)及於本年度內已發行普通股219,103,681股(二零零五年：219,103,681股)計算。

下表概括列出上文第3項附註所載之會計政策變動對每股基本盈利的影響：

15. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share attributable to equity holders of the parent is based on profit attributable to equity holders of the parent of HK\$130,160,000 (2005: HK\$92,135,000) for the year and on 219,103,681 (2005: 219,103,681) ordinary shares in issue throughout the year.

The following table summaries the impact on basic earnings per share as a result of the change in accounting policies shown in note 3 above:

		二零零六年 2006 港幣仙 HK cents	二零零五年 2005 港幣仙 HK cents
已呈報調整前數字	Reported figure before adjustments	59.1	42.1
會計政策變動產生之調整	Adjustments arising from change in accounting policies	0.3	—
重列	Restated	59.4	42.1

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

16. 物業、機器及設備

16. PROPERTY, PLANT AND EQUIPMENT

		車輛 Motor vehicles 港幣千元 HK\$'000	機器、 設備及其他 Plant and machinery, equipment and others 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
成本	COST			
於二零零四年七月一日	At 1 July 2004	6,432	28,962	35,394
添置	Additions	—	721	721
發展中物業轉撥	Transferred from properties under development	—	277	277
出售	Disposals	(484)	(2,276)	(2,760)
於二零零五年六月三十日	At 30 June 2005	5,948	27,684	33,632
兌換調整	Exchange realignment	156	766	922
添置	Additions	2,595	307	2,902
發展中物業轉撥	Transferred from properties under development	—	19	19
出售	Disposals	—	(22)	(22)
於二零零六年六月三十日	At 30 June 2006	8,699	28,754	37,453
折舊	DEPRECIATION			
於二零零四年七月一日	At 1 July 2004	5,672	16,181	21,853
本年度準備	Provided for the year	87	1,506	1,593
因出售而撇除	Eliminated on disposals	(435)	(1,854)	(2,289)
於二零零五年六月三十日	At 30 June 2005	5,324	15,833	21,157
兌換調整	Exchange realignment	122	424	546
本年度準備	Provided for the year	391	1,389	1,780
因出售而撇除	Eliminated on disposals	—	(17)	(17)
於二零零六年六月三十日	At 30 June 2006	5,837	17,629	23,466
賬面值	CARRYING VALUES			
於二零零六年六月三十日	At 30 June 2006	2,862	11,125	13,987
於二零零五年六月三十日	At 30 June 2005	624	11,851	12,475

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

16. 物業、機器及設備 (續)

上述物業、機器及設備項目按下列年率
撇銷：

車輛	15% – 20%
機器、設備及其他	10% – 33.3%

17. 投資物業

公平值

於二零零四年七月一日
公平值增加

於二零零五年六月三十日
公平值增加
出售

於二零零六年六月三十日

本集團之投資物業乃位於香港及以中期租約持有。於本年度內，本集團已出售其全部投資物業。因出售予一位獨立買方而反映於出售時該等投資物業的公平值為出售交易之實得款項。公平值增值產生港幣132,000,000元的收益已計入截至二零零六年六月三十日止年度的綜合收益表。

投資物業於出售前以營業租賃出租。

16. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The above items of property, plant and equipment are depreciated at the following rates per annum:

Motor vehicles	15% to 20%
Plant and machinery, equipment and others	10% to 33.3%

17. INVESTMENT PROPERTIES

港幣千元
HK\$'000

FAIR VALUE

At 1 July 2004 420,000
Increase in fair value 80,000

At 30 June 2005 500,000
Increase in fair value 132,000
Disposal (632,000)

At 30 June 2006 —

The investment properties was situated in Hong Kong and held under medium-term leases. During the year, the Group disposed of all of its investment properties. As reflected by the disposal to an independent purchaser, the fair value of the investment properties upon disposal was the proceeds arising from the disposal transaction. The gain arising from increase in fair value of HK\$132,000,000 has been credited to the consolidated income statement for the year ended 30 June 2006.

The investment properties were rented out under operating leases before they were disposed of.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

18. 物業權益

物業權益指本公司年內收購的附屬公司智啟國際有限公司(「智啟國際」)與發展商(為賣方之附屬公司)訂立的預售合約所能識別及產生之可能經濟利益。有關收購附屬公司的詳情載於第38項附註。所預售之物業(「該物業」)指發展商正在興建、位於中國上海的一幢寫字樓大廈。物業權益已參照：(i)考慮相關資產的狀況後該物業於二零零六年三月十四日的估值港幣844,000,000元；及(ii)扣減智啟國際須於二零零六年八月三十一日前支付發展商(並於本集團收購智啟國際後由其最終承擔支付)的物業權益餘款人民幣400,000,000元(約港幣388,568,000元)後，按估計公平值計量。

19. 待發展物業

本集團待發展物業是位於中國深圳蛇口的一塊土地，表示為土地使用權之預付租賃款項和直接填海費用。土地使用權自一九九九年十一月十八日起計為70年。於二零零三年十二月，本集團向深圳市規劃國土局支付地價款餘額。本集團並正在辦理取得長期租約土地使用權證。

於二零零六年六月三十日，包括在發展中物業的款額為港幣16,638,000元(二零零五年：港幣15,917,000元)及港幣6,924,000元(二零零五年：港幣6,203,000元)，分別為填海成本及在財務賬項中利息資本化的款額。填海工程在本年度內中止。中止後再無填海成本和利息被資本化。

18. PROPERTY INTEREST

The property interest, which represents probable economic benefits identifiable and derived from the pre-sale contracts entered into between Move On International Limited ("MOIL"), a subsidiary acquired by the Group during the year and the developer which is a subsidiary of the vendor of MOIL. Details of the acquisition of the subsidiaries are set out in note 38. The property under pre-sale ("the Property") represents an office building which is under construction by the developer and located in Shanghai, the PRC. The property interest is measured at its estimated fair value by reference to (i) the valuation of the Property of HK\$844,000,000 as at 14 March 2006, taking into account of the status of the underlying asset; and (ii) after deducting the balance payment of the property interest of RMB400,000,000 (approximately HK\$388,568,000) that will be due for payment by MOIL to the developer before 31 August 2006 that is ultimately borne by the Group after the acquisition of MOIL.

19. PROPERTIES HELD FOR DEVELOPMENT

The properties held for development of the Group represent prepaid lease payments of land use rights and direct reclamation costs for a piece of land situated at Tung Kok Tau in Shenzhen, the PRC with a land use right of up to 70 years commencing on 18 November 1999. In December 2003, the Group paid the outstanding balance of land premium to the Shenzhen Land Administration Bureau of the PRC. The Group is in the process of obtaining the land use right certificate for such long lease.

At 30 June 2006, included in the properties held for development are amounts of HK\$16,638,000 (2005: HK\$15,917,000) and HK\$6,924,000 (2005: HK\$6,203,000) being reclamation costs and interest capitalised in the account. The reclamation works were suspended during the year and no further reclamation costs and interest expenses were capitalised upon the suspension of the reclamation works.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

20. 商譽

20. GOODWILL

		港幣千元 HK\$'000
成本	COST	
於二零零四年七月一日及 二零零五年七月一日	At 1 July 2004 and 1 July 2005	13,704
採納香港財務報告準則第3號 前對銷累計攤銷	Elimination of amortisation accumulated prior to the adoption of HKFRS 3	(13,704)
於二零零六年六月三十日	At 30 June 2006	—
攤銷	AMORTISATION	
於二零零四年七月一日	At 1 July 2004	13,543
本年度準備	Charged for the year	161
於二零零五年六月三十日	At 30 June 2005	13,704
採納香港財務報告準則第3號 前對銷累計攤銷	Elimination of amortisation accumulated prior to the adoption of HKFRS 3	(13,704)
於二零零六年六月三十日	At 30 June 2006	—
賬面值	CARRYING VALUE	
於二零零六年六月三十日	At 30 June 2006	—
於二零零五年六月三十日	At 30 June 2005	—
商譽於十年內以直線法攤銷，直至二零零五年六月三十日。	Until 30 June 2005, goodwill was amortised using the straight line method over ten years.	

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

21. 貸款應收賬款

21. LOAN RECEIVABLES

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
貸款應收賬款乃應償還如下：	Loan receivables are repayable as follows:		
一年內或按要求時償還	Within one year or on demand	6,052	8,167
一年後償還	More than one year	2,164	7,147
		8,216	15,314
減：列作流動資產之 一年內應償還款項	Less: Amount receivable within one year shown under current assets	(6,052)	(8,167)
須於一年後償還款項	Amount due after one year	2,164	7,147

應收貸款乃以住房買家之物業作抵押，並為免息及須分36期償還。於二零零五年七月一日採納香港會計準則第39號後，有關金額乃以攤銷成本計量，而實際年利率為5.85%。

該金額於結算日之公平值，乃按結算日之當前市場利率折算得出之預期未來現金流現值釐訂，且與其賬面值相若。

The loan receivables are secured by the home buyers' properties, interest free and are repayable by 36 instalments. The amounts are measured at amortised cost upon adoption of HKAS 39 on 1 July 2005 and the effective interest rate is 5.85% per annum.

The fair value of the amount as at balance sheet date, determined based on the present value of the estimated future cash inflows discounted using prevailing market rate at the balance sheet date approximates to its carrying value.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

22. 發展中物業

22. PROPERTIES UNDER DEVELOPMENT

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
成本	COST		
年初	At beginning of the year	248,774	138,079
兌換調整	Exchange realignment	7,428	—
添置	Additions	97,630	142,176
撥作資產成本之利息	Interest capitalised	3,259	2,758
		357,091	283,013
減：竣工及轉入為待售物業	Less: Completed and transferred to properties held for sale	(357,072)	(19,872)
轉入待發展物業	Transferred to properties held for development	—	(14,090)
轉入物業、機器及設備	Transferred to property, plant and equipment	(19)	(277)
年終	At end of the year	—	248,774

發展中物業乃位於北京，土地使用權證由一九九五年十月十九日起計為期達至70年。

The properties under development are situated in Beijing, the PRC with a land use right of up to 70 years commencing on 19 October 1995.

於二零零五年六月三十日，發展中物業款項包括在賬項中已撥入資產成本利息的款額港幣17,648,000元。

At 30 June 2005, included in the properties under development was an amount of HK\$17,648,000 being interest capitalised in the account.

23. 待售物業

23. PROPERTIES HELD FOR SALE

本集團待售物業乃位於中國以長期租賃持有及以成本值載列。包括在內之款額港幣93,481,000元(二零零五年：港幣74,741,000元)之待售物業，預期將於結算日後十二個月內變現。

The properties held for sale of the Group are situated in the PRC, held under long lease and are stated at cost. Included in the amount are properties held for sale of HK\$93,481,000 (2005: HK\$74,741,000) expected to be realised within the next twelve months after the balance sheet date.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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24. 其他金融資產**貿易及其他應收賬款**

於二零零六年六月三十日，貿易及其他應收賬款結餘包括港幣2,823,000元(二零零五年：港幣1,413,000元)之貿易應收賬款及港幣30,979,000元(二零零五年：港幣21,626,000元)之住房貸款。除於第21項附註內披露有關住房貸款外，本集團物業銷售允許客戶平均為三十日之信用期。來自租客之租金收入及客戶之應收服務收入於出示發票時即付。貿易應收賬款之賬齡分析如下：

0日至60日內
61日至90日內
90日以上

24. OTHER FINANCIAL ASSETS**Trade and other receivables**

At 30 June 2006, the balance of trade and other receivables included trade receivables of HK\$2,823,000 (2005: HK\$1,413,000) and other receivables from home buyers who defaulted repayment to banks of HK\$30,979,000 (2005: HK\$21,626,000). For property sales, other than home loans disclosed in note 21, the Group allows an average credit period of 30 days to its customers. Rentals receivable from tenants and service income receivables from customers are payable on presentation of invoices. The aged analysis of trade receivables is as follows:

	二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
0–60 days	2,823	1,268
61–90 days	—	79
Over 90 days	—	66
	2,823	1,413

少數股東欠款

該款項概無抵押、免息及須按要求時償還。

銀行結餘及現金

銀行結餘及現金包括本集團持有之現金以及以現行適用之利率計息及期限在三個月或以內而不限用途之銀行存款。

本集團其他金融資產於二零零六年六月三十日之賬面值與其各自之公平值相若。

Amounts due from minority shareholders

The amounts are unsecured, interest free and repayable on demand.

Bank balances and cash

Bank balances and cash comprise cash held by the Group and deposits with prevailing market interest rates and maturity of three months or less held with banks were not restricted in use.

The carrying amounts of the Group's other financial assets at 30 June 2006 approximates to their corresponding fair values.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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25. 貿易及其他應付賬款

於二零零六年六月三十日，貿易及其他應付賬款結餘包括港幣41,635,000元(二零零五年：港幣59,090,000元)之貿易應付賬款。貿易應付賬款之賬齡分析如下：

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
0日至60日內	0 — 60 days	31,773	35,929
61日至90日內	61 — 90 days	519	10,350
90日以上	Over 90 days	9,343	12,811
		41,635	59,090

本集團貿易及其他應付款項於二零零六年六月三十日之賬面值與公平值相若。

25. TRADE AND OTHER PAYABLES

At 30 June 2006, the balance of trade and other payables included trade payables of HK\$41,635,000 (2005: HK\$59,090,000). The aged analysis of trade payables is as follows:

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
0 — 60 days	0 — 60 days	31,773	35,929
61 — 90 days	61 — 90 days	519	10,350
Over 90 days	Over 90 days	9,343	12,811
		41,635	59,090

The carrying amount of the Group's trade and other payables at 30 June 2006 approximates to its fair value.

26. 已收預售按金

款項預期在結算日後下十二個月內確認為收益。

26. PRE-SALE DEPOSITS RECEIVED

The amount is expected to be recognised as revenue within the next twelve months after the balance sheet date.

27. 應付一間有關聯公司之款項

應付一間有關聯公司之款項指第38項附註所闡述之收購附屬公司協議下總代價中港幣30,000,000元之保留款項。該筆款項將於預售合約(見第18項附註披露)完成後分三年每年支付港幣10,000,000元予以發還。該款項按5厘之實際年利率以經攤銷成本計量。於本年度，就此筆結餘於綜合收益表扣減港幣385,000元之假計利息開支。

27. AMOUNT DUE TO A RELATED COMPANY

The amount due to related company represents the retained sum of HK\$30,000,000 out of total consideration under the agreement for acquisition of the subsidiaries as explained in note 38. The amount will be released by three yearly payments of HK\$10,000,000 each from the completion of the pre-sale contracts as disclosed in note 18. The amount is measured at amortised cost at an effective interest rate of 5% per annum. During the year, an imputed interest expense of HK\$385,000 is charged to the consolidated income statement in respect of this balance.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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28. 銀行貸款

28. BANK LOANS

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
有抵押	Secured	—	209,538
無抵押	Unsecured	—	13,636
		—	223,174
計值為：	Denominated in:		
— 港幣	— Hong Kong dollars	—	157,136
— 人民幣	— Renminbi	—	66,038
		—	223,174
應償還銀行貸款如下：	The bank loans were repayable as follows:		
一年內或按要求時償還	Within one year or on demand	—	99,674
一年後但不超過兩年	More than one year, but not exceeding two years	—	22,000
兩年後但不超過五年	More than two years, but not exceeding five years	—	101,500
		—	223,174
減：列作流動負債之一 年內應償還款項	Less: Amount repayable within one year shown under current liabilities	—	(99,674)
須於一年後償還款項	Amount due after one year	—	123,500

該等貸款根據香港銀行同業拆息再加上0.48%至1.5%之平均利率(二零零五年：0.48%至1.5%)，及於本年內償還。

The loans carried average interest rate of about 0.48% to 1.5% over Hong Kong Interbank Offered Rate ("HIBOR") (2005: 0.48% to 1.5% over HIBOR) and were repaid during the year.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

29. 股本

29. SHARE CAPITAL

		二零零六年及 二零零五年之 股份數目 Number of shares 2006 & 2005	二零零六年及 二零零五年之 總數 Amount 2006 & 2005 港幣千元 HK\$'000
每股面值港幣1.00元之 普通股股份 法定	Ordinary shares of HK\$1.00 each Authorised	300,000,000	300,000
已發行	Issued	219,103,681	219,104

30. 來自一間有關聯公司之貸款

30. LOAN FROM A RELATED COMPANY

於二零零三年十二月二十九日，本公司以借款人名義，與 Speedy Return Investments Limited (「貸款人」) 以貸款人名義簽訂一份借款合同。貸款人為一間由本公司主席及控股股東蔡黎明先生間接最終全資擁有的。按該借款合同，貸款人同意授予本公司一項無抵押循環信用額最高金額美金23,000,000元，用作本公司及其附屬公司流動資金，包括支付位於深圳市東角頭一塊土地(附註19)的部份地價款。這借貸乃無抵押的，年利率則為倫敦銀行同業拆息率再加2.125%，年期為兩年(自借款合同簽訂日起計)，該借貸與本公司及／或其附屬公司曾或能獲其他財務機構或第三者於一般業務情況下授予借貸的一般商業條款較為優惠。該貸款已根據二零零五年十月十二日簽訂之補充協議再延期兩年。根據該等協議，貸款人有權在僅給予本集團五日通知下要求償還款項。於二零零五年六月三十日，已提取貸款之款額達美金8,830,000元，其未償還利息為美金1,000元。年內，本集團已悉數償還該款額。

On 29 December 2003, a loan agreement was entered into between the Company as borrower and Speedy Return Investments Limited (“Lender”) as lender, which was a company beneficially, indirectly and wholly owned by Mr. CHUA Domingo, the Chairman and controlling shareholder of the Company. Pursuant to such loan agreement, the Lender agreed to grant the Company an unsecured revolving credit facility in the maximum amount of US\$23,000,000 to finance general working capital of the Company and its subsidiaries including payment of partial land premium as regards a piece of land as described in note 19. The loan was unsecured, carried interest at LIBOR plus 2.125%, for a term of two years from the date of loan agreement. Such loan was extended for a term of two years pursuant to a supplemental agreement dated 12 October 2005. Pursuant to the agreements, the Lender had right to demand repayment with only five day notice given to the Group. As at 30 June 2005, the drawn loan amounted to US\$8,830,000 and interest outstanding thereon amounted to US\$1,000. During the year, the amount was fully repaid by the Group.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

31. 遞延稅項負債

以下為本年度及過往報告期間本集團確認之主要遞延稅項負債以及有關變動：

		加速 稅務折舊 Accelerated tax depreciation 港幣千元 HK\$'000	稅務虧損 Tax losses 港幣千元 HK\$'000	物業權益 Property interest 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
二零零四年七月一日	At 1 July 2004	17,865	(9,910)	—	7,955
在收益表內扣除	Charge to income statement	10,623	1,035	—	11,658
二零零五年六月三十日	At 30 June 2005	28,488	(8,875)	—	19,613
收購附屬公司	Acquisition of subsidiaries	—	—	27,721	27,721
在收益表內扣除	Charge to income statement	(28,488)	8,875	—	(19,613)
二零零六年六月三十日	At 30 June 2006	—	—	27,721	27,721

附註：這代表智啟物業權益歷史成本入賬數額與本集團持有物業權益公平值的稅務影響。

於二零零六年六月三十日，本集團可用作抵銷將來溢利而未使用稅務虧損為港幣21,838,000元（二零零五年：港幣17,984,000元）。鑑於將來溢利流動不可預計，故未有確認遞延稅項資產。

32. 或然負債

一附屬公司在高等法院訴訟中被指為被告人，指稱違反合約訂明的承諾，惟有關之聆訊現已擱置。原告人申索合共港幣14,879,000元（二零零五年：港幣14,879,000元）。該附屬公司及其律師強烈抗辯該申索，並向原告人提出一項反申索書，其中包括合共港幣49,309,000元（二零零五年：港幣49,309,000元）（須經法庭評估）的賠償。按董事意見，該個案結果不會構成本集團財務賬項重大負面影響，據此，財務賬項未為任何潛在負債作出準備。

31. DEFERRED TAX LIABILITIES

The major deferred tax liabilities recognised by the Group and movements thereon during the current and prior reporting periods are as follows:

		Accelerated tax depreciation 港幣千元 HK\$'000	Tax losses 港幣千元 HK\$'000	Property interest 港幣千元 HK\$'000	Total 港幣千元 HK\$'000
At 1 July 2004		17,865	(9,910)	—	7,955
Charge to income statement		10,623	1,035	—	11,658
At 30 June 2005		28,488	(8,875)	—	19,613
Acquisition of subsidiaries		—	—	27,721	27,721
Charge to income statement		(28,488)	8,875	—	(19,613)
At 30 June 2006		—	—	27,721	27,721

Note: It represents the tax effect on the difference between the historical costs of the property interest in the books of MOIL and the fair value of the property interest held by the Group.

At 30 June 2006, the Group has unused tax losses of HK\$21,838,000 (2005: HK\$17,984,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

32. CONTINGENT LIABILITIES

A subsidiary has been named as a defendant in a High Court action in respect of an alleged breach of contractual undertakings, which hearing has been vacated. The plaintiff is claiming for an amount of HK\$14,879,000 (2005: HK\$14,879,000). The subject subsidiary and its legal counsel are strongly resisting this claim and a counterclaim has been lodged against the plaintiff for, inter alia, damages in an amount of about HK\$49,309,000 (2005: HK\$49,309,000) (subject to the Court's assessment). In the opinion of the Directors, the outcome of this case would not have a material adverse impact on the financial position of the Group, accordingly, no provision for any potential liability has been made in the financial statements.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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32. 或然負債 (續)

此外，本集團及本公司曾為中國一房地產項目的住房買家提供銀行按揭貸款償還擔保。於二零零六年六月三十日，本集團提供該等擔保按揭貸款最高額分別為港幣402,216,000元（二零零五年：港幣643,533,000元）。

33. 資本承擔

已簽署合約而未在
財務賬項內撥備
之資本性支出用作
待發展物業應付
工程及其他費用

已簽署合約而未在財務賬項內撥備
有關收購物業權益之資本性支出

32. CONTINGENT LIABILITIES (Continued)

In addition, the Group has given guarantees in respect of the settlement of home loans provided by banks to the home buyers of a property project in the PRC. At 30 June 2006, the Group had a maximum amount of such home loans which were subject to these guarantees of HK\$402,216,000 (2005: HK\$643,533,000).

33. CAPITAL COMMITMENTS

	二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
已簽署合約而未在財務賬項內撥備之資本性支出用作待發展物業應付工程及其他費用	—	181
已簽署合約而未在財務賬項內撥備有關收購物業權益之資本性支出	388,568	—

34. 租約承擔

本集團為承租人：

於結算日，本集團就租用物業所訂下不可撤銷營業租賃之將來最少租賃付款總額如下：

於一年內
於第二至第五年內
(兩者包括在內)

租約一般協議為期兩年，而租約期內之租金乃固定的。

34. LEASE COMMITMENTS

The Group as lessee:

At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating leases in respect of rented premises as follows:

	二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
於一年內	518	1,188
於第二至第五年內 (兩者包括在內)	24	487
	542	1,675

Leases are negotiated for an average term of two years and rentals are fixed over the period of the leases.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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34. 租約承擔 (續)

本集團為出租人：

於結算日，以下資產按營業租賃租出：

投資物業

待售物業

該等資產出租期為三年，而承租人有權續約，惟續約期不超過兩年。

於結算日，本集團與租客簽訂不可撤銷營業租賃之將來最少租賃收入總額如下：

34. LEASE COMMITMENTS (Continued)

The Group as lessor:

At the balance sheet date, the following assets were rented out under operating leases:

Investment properties

Properties held for sale

These assets were leased out for periods of three years with renewal options given to the lessees for further periods not exceeding two years.

As at the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases:

二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
—	500,000
90,226	13,166

二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
19,217	39,795
36,656	13,522
24,330	—
80,203	53,317

於一年內

於第二至第五年內
(兩者包括在內)

五年以上

Within one year

In the second to fifth year
inclusive

Over five years

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

35. 優先認股權計劃

本公司於二零零一年十二月二十一日採納一項優先認股權計劃(「優先認股權計劃」)。

採納優先認股權計劃旨在為董事、員工及合資格參與者提供獎勵，並於二零零一年十二月二十日屆滿。根據優先認股權計劃，本公司董事會可向本公司及其附屬公司執行董事、員工及依據優先認股權計劃由本公司董事會酌情決定合資格參與者，授予可認購本公司股份之優先認股權。每股認購價格不少於(i)授予優先認股權當日在聯交所上市之本公司股份收市價；(ii)緊接授予優先認股權日期前五個營業日在聯交所之本公司股份平均收市價；及(iii)本公司股份面值三者之較高者。根據優先認股權計劃可授予優先認股權股份數目最多為於優先認股權計劃獲批准當日本公司已發行股份之10%。倘悉數行使會導致董事、員工或合資格參與者在任何十二個月內可認購總額超逾本公司已發行股本1%，他或她均不可授予優先認股權。按照優先認股權計劃，可行使授予優先認股權時間為本公司董事會通知期限，惟不得超過自授予之日起計十年。接受每一優先認股權之授予須支付代價港幣1元。

自優先認股權採納日，本公司及其附屬公司任何董事、員工及合資格參與者概無根據優先認股權計劃獲授予或行使優先認股權，及於二零零六年六月三十日、二零零五年六月三十日及二零零四年七月一日並無尚未行使之優先認股權。

35. SHARE OPTION SCHEME

The Company adopted a share option scheme on 21 December 2001 (the “Share Option Scheme”).

The Share Option Scheme was adopted for the purpose of providing incentives to Directors, employees and eligible participants and will expire on 20 December 2011. Under the Share Option Scheme, the Board of Directors of the Company may grant options to Executive Directors, employees of the Company and its subsidiaries and such eligible participants at the discretion of the Board of Directors of the Company pursuant to the terms of the Share Option Scheme, to subscribe for shares of the Company at a price per share not less than the highest of (i) the closing price of a share of the Company listed on the Stock Exchange at the date of grant of the option; (ii) the average of the closing price of a share of the Company on the Stock Exchange for the five trading days immediately preceding the date of grant of the option; and (iii) the nominal value of a share of the Company. The maximum number of shares in respect of which options shall be granted under the Share Option Scheme shall not exceed 10% in aggregate of the issued share capital of the Company at the date of its adoption. No Director, employee or eligible participant may be granted options under the Share Option Scheme which will enable him or her if exercise in full to subscribe for exceeding 1% of the issued share capital of the Company in any 12-month period. The option period for which the options granted can be exercisable, shall be such period as notified by the Board of Directors of the Company, save that it shall not be more than 10 years from the date of grant subject to the terms of the Share Option Scheme. Nominal consideration of HK\$1 is payable on acceptance of each grant.

No share option was granted to or exercised by any of the Company's and its subsidiaries' Directors, employees and such eligible participants under the Share Option Scheme since its adoption, and there were no share options outstanding as at 30 June 2006, 30 June 2005 and 1 July 2004.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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36. 退休福利計劃

(甲) 於二零零零年十二月一日前，本集團為所有合資格僱員設立定額供款退休計劃（「定額供款退休計劃」）。該計劃之資產由獨立受託人管理，並與本集團之資產分開處理。倘僱員於可取得全數供款前退出定額供款退休計劃，則本集團將可以動用該放棄供款以減低本集團日後之供款。

自二零零零年十二月一日起，本集團設立強制性公積金計劃（「強積金計劃」）。定額供款退休計劃之員工可有有一次性之選擇權，決定轉為強積金計劃或保留現時之計劃。而新合資格僱員可選擇參加定額供款退休計劃或強積金計劃。強積金計劃已根據強制性公積金計劃條例向強積金管理局註冊。強積金計劃之資產由獨立受託人管理，並與本集團之資產分開處理。根據強積金計劃條例，僱主及其僱員分別須按規例訂明之比率作出供款。並無任何放棄供款可供僱主用作減低本集團日後供款之用。

由定額供款退休計劃及強積金計劃而引致納入收益表內的退休福利計劃供款，乃本集團按該等計劃規例訂明之比率而作出應付供款。

於本年度內，退休福利供款港幣209,000元（二零零五年：港幣211,000元）已計入收益表內。

於二零零六年六月三十日，僱員因終止定額供款退休計劃而放棄之供款為港幣57,000元（二零零五年：港幣2,500元），該款項可用作減低本集團將來之應付供款。

36. RETIREMENT BENEFIT SCHEME

(a) Prior to 1 December 2000, the Group operated a defined contribution retirement benefit scheme ("Defined Contribution Scheme") for its qualifying employees in Hong Kong. The assets of the scheme were held separately from those of the Group in funds under the control of an independent trustee. Where there are employees who leave the Defined Contribution Scheme prior to vesting fully in the contributions, the amount of the forfeited contributions would be used to reduce future contributions payable by the Group.

With effective from 1 December 2000, the Group has set up a MPF Scheme. Members of the Defined Contribution Scheme were given one-time option to choose to transfer to the MPF Scheme or remain in the existing scheme. While new eligible employees can choose between the Defined Contribution Scheme and MPF Scheme. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. No forfeited contributions are available to reduce the contribution payable in the future years by the employer.

The retirement benefit scheme contributions arising from the Defined Contribution Scheme and the MPF Scheme charged to the income statement represent contributions payable to the funds by the Group at rates specified in the rules of the schemes.

During the year, retirement benefits contributions charged to the consolidated income statement are HK\$209,000 (2005: HK\$211,000).

At 30 June 2006, there are forfeited contributions of HK\$57,000 (2005: HK\$2,500) which arose upon employees leaving the Defined Contribution Scheme and which are available to reduce the contributions payable by the Group under Defined Contribution Scheme in the future years.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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36. 退休福利計劃 (續)

(乙) 根據有關中國法例及規則，中國附屬公司須根據北京及深圳當地政府規定，分別將薪金之20%及9%，作為退休福利計劃中該等公司員工退休福利的供款。

於本年度內，退休福利供款港幣638,000元（二零零五年：港幣648,000元）已計入收益表內。

37. 資產抵押

此外，除附註32所披露本集團就銀行授予若干買家之住房貸款所提供之保證外，本集團亦已將其銀行存款港幣16,804,000元（二零零五年：港幣27,964,000元）抵押予銀行，作為授予住房買家之該等住房貸款之抵押品。存款按平均0.72厘之浮動息率計息，並會於借予住房買家之住屋貸款解除後解除。該等存款於二零零六年六月三十日之公平值與其相應賬面值相若。

於二零零六年六月三十日，本集團已同意向銀行抵押載列於附註18內物業權益，並轉讓該物業權益所得租金收入及出售款項，以取得授予本集團一般銀行貸款。於二零零六年六月三十日，該貸款尚未被動用。

36. RETIREMENT BENEFIT SCHEME (Continued)

(b) According to the relevant laws and regulations in the PRC, the PRC subsidiaries are required to contribute 20% and 9% of the stipulated salary set by the Beijing and Shenzhen local governments, respectively, to the retirement benefits schemes to fund the retirement benefits of their employees.

During the year, the retirement benefits contributions charged to the consolidated income statement are HK\$638,000 (2005: HK\$648,000).

37. PLEDGE OF ASSETS

In addition to the guarantees given by the Group for home loans provided by banks to certain buyers as disclosed in note 32, the Group has also pledged its bank deposits of HK\$16,804,000 (2005: HK\$27,964,000) to banks to secure such home loans granted to the home buyers. The deposits carry floating interest rate of 0.72% on average and will be released upon the release of relevant home loans granted to home buyers. The fair value of such deposits at 30 June 2006 approximates to the corresponding carrying amount.

At 30th June, 2006, the Group had agreed to pledge its property interest as disclosed in note 18 and an assignment of rental and sale proceeds from the property interest to the bank to secure general banking facilities granted to the Group. As at 30 June 2006, the facilities have not yet been utilised.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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38. 收購附屬公司

於二零零六年一月五日，Eton Properties Group Limited (「賣方」)、Eton Properties Limited (「擔保人」) 及本公司全資附屬公司 Glory Diamond Inc., (「買方」) 訂立協議，據此，賣方同意出售及買方同意購買 High Grand Investments Limited (「HGIL」) 全部已發行股份，以及HGIL結欠賣方之未償還債項(該債項於二零零六年一月五日約為港幣77,000,000元)，總代價為港幣344,000,000元(約相當於人民幣358,000,000元)。賣方為本公司之權益持有人。HGIL 為一間投資控股公司，其持有智啟國際全部已發行股本。智啟國際為持有附註18所披露之物業權益之公司。

於交易中所收購之資產淨值即物業權益之公平值港幣456,816,000元(賬面值為港幣179,605,000元)，扣除相關遞延稅項負債港幣27,721,000元。交易之總代價包括現金代價港幣314,000,000元及應付關連公司之遞延代價港幣26,512,000元，於扣除與收購事項相關之交易成本後為港幣2,240,000元。

除上文所述所收購之資產淨值外，應收賣方之其他應收款項為港幣6,108,000元，乃透過收購事項確認。有關金額代表管理層對賣方於收購附屬公司之協議內訂明有關租金回報、償還物業管理費及應付予租務代理之佣金之承諾之最佳估算，並已參考估計市場租金及佔用率釐訂。

總代價與所收購資產淨值之公平值間之差額港幣92,451,000元被視為賣方(彼亦為本公司之股權持有人)之出資額，並於年內計入本集團之其他儲備。

因收購而引起之淨現金流出為港幣316,240,000元，包括現金代價港幣314,000,000元及與收購有關之交易費港幣2,240,000元。本年內收購之子公司對集團本年度營業額，業績及現金流並無重大貢獻。

38. ACQUISITION OF SUBSIDIARIES

On 5 January 2006, the Eton Properties Group Limited (the "Vendor"), Eton Properties Limited (the "Guarantor") and Glory Diamond Inc., (the "Purchaser"), a wholly-owned subsidiary of the Company, entered into an agreement, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, the entire issued share of High Grand Investments Limited ("HGIL") and the outstanding debt owing from HGIL to the Vendor and such debt amounted to approximately HK\$77,000,000 as at 5 January 2006, at the total consideration of HK\$344,000,000 (equivalent to approximately RMB358,000,000). The Vendor is an equity holder of the Company. HGIL is an investment holding company, it holds the entire issued share capital of MOIL. MOIL is the company holding the property interest as disclosed in note 18.

The net assets acquired in the transaction represent the property interest with a fair value of HK\$456,816,000 (with the carrying value of HK\$179,605,000), deducting the related deferred tax liabilities of HK\$27,721,000. The total consideration of the transaction comprised cash consideration of HK\$314,000,000 and deferred consideration payable to a related company of HK\$26,512,000, after deducting transaction costs incurred in connection with the acquisition was HK\$2,240,000.

In addition to the net assets acquired as stated above, an other receivable from the Vendor of HK\$6,108,000 was recognised through the acquisition which represents the management's best estimate of the Vendor's undertaking stipulated in the agreement for acquisition of the subsidiaries in respect of rental yield, reimbursement of the property management fees and the letting commission payable to letting agents with reference to the estimated market rentals and occupancy rates.

The difference of HK\$92,451,000 between the total consideration and the fair value of the net assets acquired is considered as deemed capital contribution from the Vendor who is also an equity holder of the Company and is credited to the other reserve of the Group during the year.

The net cash outflow arising on the acquisition is HK\$316,240,000, comprising cash consideration of HK\$314,000,000 and transaction costs incurred in connection with the acquisition of HK\$2,240,000. The subsidiaries acquired during the year did not make significant contribution to the Group's turnover, result and cash flow for the year.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

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39. 與有關人仕之交易

除於綜合財務賬項附註第24、27、30及38項內披露外，本集團與有關公司於本年度內達成下列交易：

已收租金收入
已付租金及管理費

已付顧問服務費
已付融資成本及費用

於二零零六年六月三十日及二零零五年六月三十日，下列關連公司之其他未償還結餘（該等款項為無抵押、免息及須按要求償還）載列如下：

納入貿易及其他應收賬款
之應收關連公司按金

納入貿易及其他應收賬款
之應收關連公司款項

納入貿易及其他應付賬款
之應付關連公司顧問費

有關聯公司乃為若干董事於該等公司擁有共同董事職位及／或實益權益。

本集團主要管理人事為所有董事，彼等薪酬詳情在附註12內披露。

39. RELATED PARTY TRANSACTIONS

Other than those disclosed in notes 24, 27, 30 and 38 to the consolidated financial statements, during the year, the Group has entered into the following transactions with related companies:

	二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
Rental income received	65	148
Rental and management fees paid	1,415	1,386
Consultancy service fees paid	1,000	1,000
Finance costs and charges paid	1,646	3,968

Other outstanding balances with the following related companies, which are unsecured, interest free and repayable on demand, at 30 June 2006 and 30 June 2005 are as follows:

	二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
Deposits due from related companies included in trade and other receivables	232	223
Amounts due from related companies included in trade and other receivables	94	1,528
Consultancy fee payable to a related company included in trade and other payables	—	500

The related companies are companies in which certain directors have common directorship and/or beneficial interests.

The Group's key management personnel are all Directors, details of their remuneration are disclosed in note 12.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度

For the year ended 30 June 2006

40. 本公司資產負債表資料

本公司於結算日資產負債表資料包括：

40. BALANCE SHEET INFORMATION OF THE COMPANY

Balance sheet information of the Company at the balance sheet date includes:

		二零零六年 2006 港幣千元 HK\$'000	二零零五年 2005 港幣千元 HK\$'000
非流動資產	Non-current Assets		
附屬公司權益	Interests in subsidiaries	—	666,333
一間附屬公司貸款	Loan to a subsidiary	—	68,620
		—	734,953
流動資產	Current Assets		
附屬公司欠款	Amounts due from subsidiaries	763,028	—
其他應收款項及預付款	Other receivables and prepayment	107	87
銀行結餘及現金	Bank balances and cash	464	262
		763,599	349
流動負債	Current Liabilities		
其他應付款項	Other payables	1,649	1,345
欠附屬公司款項	Amounts due to subsidiaries	48,054	—
		49,703	1,345
流動資產(負債)淨值	Net Current Assets (Liabilities)	713,896	(996)
		713,896	733,957
資本及儲備	Capital and Reserves		
股本	Share capital	219,104	219,104
儲備	Reserves	494,792	441,226
		713,896	660,330
非流動負債	Non-current liabilities		
欠附屬公司款項	Amounts due to subsidiaries	—	5,007
來自一間有關聯公司之貸款	Loan from a related company	—	68,620
		—	73,627
		713,896	733,957

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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41. 結算日後事項

於附註18內披露，根據於二零零五年十二月二十二日至三十日簽訂182份預售合同，本公司一間全資附屬公司約訂從一有關連人仕之收購位於上海若干物業權益總代價為人民幣585,550,000元。本集團透過向銀行抵押預售合同收購物業而獲授予銀行之信貸款，按雙方同意已於結算日後悉數支付餘款人民幣400,000,000元。預售合同已於二零零六年九月三十日根據有關條款完成。

42. 主要附屬公司詳情

於二零零六年六月三十日，主要附屬公司之詳情如下：

41. POST BALANCE SHEET EVENTS

As disclosed in note 18, pursuant to the 182 sets of pre-sale contracts entered into between 22 and 30 December 2005, a wholly-owned subsidiary of the Company contracted to acquire from a connected party certain property interests situated in Shanghai at a total consideration of RMB585,550,000. As mutually agreed, the balance payment of RMB400,000,000 was fully settled subsequent to balance sheet date by credit facilities granted by the banks to the Group upon charge over the properties acquired under the pre-sale contracts in favour of the banks. Completion of the pre-sale contracts took place on 30 September 2006 in accordance with the terms thereof.

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of principal subsidiaries at 30 June 2006 are as follows:

附屬公司名稱 Name of subsidiary	成立／註冊／ 經營地區 Place of incorporation/ registration/ operation	已發行及 繳足股本／ 註冊資本 Issued and paid up share capital/ registered capital		本公司持有 已發行股本／ 註冊資本面值 百分比 Proportion of nominal value of issued/ registered capital held by the Company	主要業務 Principal activities
		普通股 Ordinary	其他 Others		
雅典企業有限公司 Ardent Enterprises Limited	香港 Hong Kong	港幣1,200元 HK\$1,200	—	100%	投資控股 Investment holding
北京利暉房地產開發 有限公司 Beijing Longfast Property Development Co., Ltd.	中國 (附註六) PRC (Note 6)	— 美金29,500,000元 (附註一) — US\$29,500,000 (Note 1)	—	98%	物業投資及發展 Property investment and development
乘旋投資有限公司 Billion Stock Investment Limited	香港 Hong Kong	港幣2元 HK\$2	—	100%	提供信託服務 Provision of nominee services
Broad Capital Investments Limited	英屬處女群島 British Virgin Islands	美金1元 US\$1	—	100%	投資控股 Investment holding

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
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42. 主要附屬公司詳情 (續)

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

附屬公司名稱 Name of subsidiary	成立／註冊／ 經營地區 Place of incorporation/ registration/ operation	已發行及 繳足股本／ 註冊資本 Issued and paid up share capital/ registered capital		本公司持有 已發行股本／ 註冊資本面值 百分比 Proportion of nominal value of issued/ registered capital held by the Company	主要業務 Principal activities
		普通股 Ordinary	其他 Others		
中盈置業有限公司 China Gain Properties Limited	香港 Hong Kong	港幣2元 HK\$2	—	100%	物業投資 Property investment
Dynamic (B.V.I.) Limited	英屬處女群島 British Virgin Islands	美金50,000元 US\$50,000	—	100%	投資控股 Investment holding
達力財務有限公司 Dynamic Finance Limited	香港 Hong Kong	港幣10,000元 HK\$10,000	—	100%	融資 Financing
達力管理(北京)有限公司 Dynamic Management (Beijing) Limited	英屬處女群島 British Virgin Islands	港幣7元 HK\$7	—	100%	融資 Financing
達力管理服務有限公司 Dynamic Management Services Limited	香港 Hong Kong	港幣2元 HK\$2	—	100%	提供管理服務 Provision of management services
Dynamic (Nominees) Limited	香港 Hong Kong	港幣2元 HK\$2	—	100%	提供管理服務 Provision of management services
達力房地產(中國)諮詢 管理有限公司 Dynamic Real Estate (China) Management Consultancy Limited	英屬處女群島 British Virgin Islands	美金1元 US\$1	—	100%	管理諮詢 Management consultancy
Glory Diamond Inc.	英屬處女群島 British Virgin Islands	美金10元 US\$10	—	100%	投資控股 Investment holding

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度
For the year ended 30 June 2006

42. 主要附屬公司詳情 (續)

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

附屬公司名稱 Name of subsidiary	成立／註冊／ 經營地區 Place of incorporation/ registration/ operation	已發行及 繳足股本／ 註冊資本 Issued and paid up share capital/ registered capital		本公司持有 已發行股本／ 註冊資本面值 百分比 Proportion of nominal value of issued/ registered capital held by the Company	主要業務 Principal activities
		普通股 Ordinary	其他 Others		
浩域投資有限公司 Harvic Investment Limited	香港 Hong Kong	港幣2元 HK\$2	—	100%	投資控股 Investment holding
High Grand Investments Limited	英屬處女群島 British Virgin Islands	美金1元 US\$1	—	100%	投資控股 Investment holding
智啟國際有限公司 Move On International Limited	香港 Hong Kong	港幣1元 HK\$1	—	100%	物業投資 Property investment
Pearlway Investments Limited	英屬處女群島 British Virgin Islands	美金1元 US\$1	—	100%	投資控股 Investment holding
深圳圳華港灣企業 有限公司 Shenzhen Zhen Wah Harbour Enterprises Ltd.	中國 (附註七) PRC (Note 7)	—	人民幣 53,550,000元 RMB53,550,000	80% (附註二) (Note 2)	港口運作／物業發展 Port operations/ property development
多利億投資有限公司 Strong Way Investment Limited	香港 Hong Kong	港幣10,000元 HK\$10,000	—	100%	投資控股 Investment holding
遠僑發展有限公司 Yonderille Developments Limited	香港 Hong Kong	港幣40,000元 HK\$40,000	—	100%	物業投資 Property investment

附註：

一、北京利暉房地產開發有限公司(「北京利暉」)之註冊股本為美金30,000,000元。上述所披露之美金29,500,000元乃截至二零零六年六月三十日止本集團所繳足之股本。然而，本集團經同意可攤佔北京利暉95%利潤。

Notes:

1. Beijing Longfast Property Development Co., Ltd. ("Beijing Longfast") had a registered capital of US\$30,000,000. The amount of US\$29,500,000 disclosed above represents capital paid by the Group up to 30 June 2006. However, the Group's entitlement to share the profit in Beijing Longfast was agreed to be at 95%.

財務賬項附註 (續)

Notes to the Financial Statements (Continued)

截至二零零六年六月三十日止年度

For the year ended 30 June 2006

42. 主要附屬公司詳情 (續)

附註：(續)

- 二、 本集團就有關深圳圳華港灣企業有限公司 (「圳華」) 雙方持有股權權益百分比與中方合資伙伴發生爭議。本集團曾與中方合資伙伴談判解決爭議及收購中方合資伙伴在東角頭房地產項目所持有全部股權權益。按一位中國律師出具之意見，本集團持有圳華80%股權權益是有效及合法生效的。由於爭議持續並阻礙圳華運作 (包括營業牌照之年檢)，本集團已遞交一項呈請書以就此提出國際仲裁。與此同時，本集團與中方合資伙伴繼續進行協商解決分歧。
- 三、 除 Dynamic (B.V.I.) Limited 及 Glory Diamond Inc. 由本公司直接全資擁有外，所有附屬公司均為間接擁有。
- 四、 董事認為以上報表所列明為主要影響本集團業績或資產之本公司附屬公司，並認為列明其他附屬公司資料將造成篇幅過多。
- 五、 各附屬公司於年終或本年度內任何時間概無發行任何債務證券。
- 六、 在中國成立之附屬公司註冊為中外合作經營公司。
- 七、 在中國成立之附屬公司註冊為中外合資經營公司。

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Notes: (Continued)

2. The Group is in dispute with the Chinese joint venture partner as to the percentages of equity interest held by two parties in Shenzhen Zhen Wah Harbour Enterprises Ltd. ("Zhen Wah"). The Group has been negotiating with the Chinese joint venture partner to resolve the dispute and to acquire all the equity interest held by the Chinese joint venture partner on real estates development in Tung Kok Tau. Based on the opinion of a PRC lawyer, the 80% equity interest owned by the Group in Zhen Wah is valid and legally enforceable. As the dispute has been prolonged and hinders the operations of Zhen Wah including annual inspection of business licence, the Group has lodged a petition for international arbitration in this regard. In the meantime, negotiations are continuing with Chinese joint venture partner to resolve the dispute.
3. Other than Dynamic (B.V.I.) Limited and Glory Diamond Inc., which are wholly-owned directly by the Company, all subsidiaries are held by the Company indirectly.
4. The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.
5. None of the subsidiaries had issued any debt securities at the end of the year, or at any time during the year.
6. The subsidiary established in the PRC is registered as sino-foreign co-operative joint venture.
7. The subsidiary established in the PRC is registered as sino-foreign equity joint venture.

財務摘要

Financial Summary

以下為所述各年度之綜合業績及資產負債表摘要：

A summary of the consolidated results and assets and liabilities for the years stated is as follows:

綜合業績

CONSOLIDATED RESULTS

		截至六月三十日止年度				
		Year ended 30 June				
		二零零二年	二零零三年	二零零四年	二零零五年	二零零六年
		2002	2003	2004	2005	2006
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
營業額	Turnover	50,567	294,752	410,257	126,939	171,469
該年度母公司 股權持有人應佔 溢利(虧損)	Profit (loss) for the year attributable to equity holders of the parent	(47,597)	(137)	35,455	92,135	130,160
每股基本盈利(虧損) (港幣：仙)	Basic earnings (loss) per share (Hong Kong cents)	(21.7)	(0.1)	16.2	42.1	59.4

財務摘要 (續)

Financial Summary (Continued)

綜合資產及負債

CONSOLIDATED ASSETS AND LIABILITIES

		於六月三十日				
		At 30 June				
		二零零二年	二零零三年	二零零四年	二零零五年	二零零六年
		2002	2003	2004	2005	2006
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
物業、機器及設備	Property, plant and equipment	8,229	8,525	13,541	12,475	13,987
投資物業	Investment properties	460,000	420,000	420,000	500,000	—
物業權益	Property interest	—	—	—	—	455,432
待發展物業	Properties held for development	—	—	200,195	219,848	225,654
發展中物業	Properties under development	284,654	131,509	—	—	—
取得土地使用權已付按金	Deposit paid to acquire land use rights	51,064	51,064	—	—	—
商譽	Goodwill	2,443	1,302	161	—	—
於聯營公司之權益	Interests in associates	421	—	—	—	—
貸款應收賬款	Loan receivables	2,147	1,616	14,729	7,147	2,164
流動資產淨值	Net current assets	87,049	307,399	380,599	265,462	409,466
		896,007	921,415	1,029,225	1,004,932	1,106,703
母公司股東應佔權益	Equity attributable to the shareholders of the parent	742,772	722,709	749,400	831,131	1,026,627
少數股東權益	Minority interests	25,442	25,390	28,146	30,688	34,865
銀行貸款	Bank loans	—	—	—	—	—
— 須於一年後償還	— due after one year	124,797	167,073	140,636	123,500	—
其他應付賬款	Other payable	—	—	—	—	—
— 須於一年後償還	— due after one year	2,996	493	493	—	—
來自一間有關聯公司之貸款	Loan from a related company	—	—	102,595	—	—
遞延稅項負債	Deferred tax liabilities	—	5,750	7,955	19,613	27,721
欠一間有關聯公司款項	Amount due to a related company	—	—	—	—	—
— 須於一年後償還	— due after one year	—	—	—	—	17,490
		896,007	921,415	1,029,225	1,004,932	1,106,703

註：

Notes:

- 上述財務摘要於二零零二年七月一日前並未就香港會計師公會頒佈採納會計實務準則第12項(經修訂)「入息稅」之影響而作出調整，因董事認為這調整不切實可行的。
- 上述財務摘要於二零零四年七月一日前並未就採納新香港財務報告準則於二零零五年七月一日或之後之會計期起開始生效之影響而作出調整。

- The above financial summary prior to 1 July 2002 has not been adjusted to take into account the effect on the adoption of SSAP 12 (Revised) "Income Taxes" issued by Hong Kong Institute of Certified Public Accountants as the Directors considered that it is not practicable to do so.
- The above financial summary prior to 1 July 2004 has not been adjusted to take into account the effect on the adoption of new Hong Kong Financial Reporting Standards that are effective for accounting period beginning on or after 1 July 2005.

所持有物業分析 Analysis of Properties Held

於二零零六年六月三十日，所持有發展中物業及待售物業之詳情如下：

Particulars of properties under development and properties held for sale at 30 June 2006:

位置	種類	地盤面積約數	已發展樓面 面積約數	竣工階段	本集團權益	預期竣工日期
Location	Type	Approximate site area	Approximate developed gross floor area	Stage of completion	Group's interests	Expected date of completion
中華人民共和國 北京市 朝陽區甘露園 南里二十五號 朝陽園第一期 第三座、第四座及 第五座、第二期第一座 及第二座、第六座及 第七座及第三期之 未售出部份	商業及住宅	不適用	150,068平方呎 住宅 416,901平方呎 公寓／商業 (不包括泊車位 之樓面面積)	已落成	95%	不適用
Unsold portion of Towers 3, 4 and 5 Phase I — Chaoyang Garden and Towers 1, 2, 6 and 7 Phase II — The Sun Crest Phase III, No. 25 Nan Lane Ganlouyuan Chaoyang District Beijing City The Peoples' Republic of China	Commercial and residential	N/A	150,068 sq.ft. residential 416,901 sq.ft. apartment/ commercial (gross floor area excluding carparking area)	Completed	95%	N/A

所持有物業分析 Analysis of Properties Held

於二零零六年六月三十日，所持有待發展物業之詳情如下：

Particulars of properties held for development at 30 June 2006:

位置	種類	地盤面積約數	可發展樓面 面積約數 Approximate developable gross floor area	竣工階段	本集團權益	預期竣工日期
Location	Type	Approximate site area		Stage of completion	Group's interests	Expected date of completion
位於中華人民共和國 廣東省深圳 蛇口南山區 東角頭之一幅用地	住宅、酒店 及商業	1,849,108平方呎 (包括需填海 1,291,680平方呎)	2,523,082 平方呎 住宅 129,168平方呎 酒店 64,584 平方呎 商業	臨時海港 經營／總體 規劃重新分區	80%	不適用
A site located in Tung Kok Tau Shekou, Nanshan District Shenzhen, Guangdong Province The People's Republic of China	Residential, hotel and commercial	1,849,108 sq.ft. (including 1,291,680 sq.ft. to be reclaimed)	2,523,082 sq.ft. residential 129,168 sq.ft. hotel 64,584 sq.ft. commercial	Temporary port operations/ master plan rezoning	80%	N/A