

Report

of the Directors 董事會報告

董事會全寅欣然提呈南洋商業銀行有限公司(「本銀行」)及其附屬公司(連同本銀行統稱「本集團」)截至2006年12月31日止年度之董事會報告及經審核之綜合財務報表。

主要業務

本銀行為根據香港《銀行業條例》所規定獲認可之持牌銀行。本銀行主要從事銀行及相關之金融服務。附屬公司的主要業務載於財務報表附註30內。

業績及分配

本集團在本年之業績載於第35頁綜合收益賬。

董事會已於2006年6月16日宣佈派發第一期中期股息每股95港元，合共570,000,000港元，並於2006年8月31日支付。

董事會已於2006年12月1日宣佈派發第二期中期股息每股80港元，合共480,000,000港元，並於2007年2月28日支付。

儲備

本集團之儲備變動詳情載於第38頁綜合權益變動結算表內。

捐款

本集團於年內之慈善及其他捐款合共約383,000港元。

物業、廠房及設備

本集團及本銀行的物業、廠房及設備變動詳情載於財務報表附註31內。

The Directors are pleased to present their report together with the audited consolidated financial statements of Nanyang Commercial Bank, Limited (hereinafter as the "Bank") and its subsidiaries (together with the Bank hereinafter as the "Group") for the year ended 31 December 2006.

PRINCIPAL ACTIVITIES

The Bank is a licensed bank authorized under the Hong Kong Banking Ordinance. The principal activities of the Bank are the provision of banking and related financial services. The principal activities of the Bank's subsidiaries are shown in Note 30 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 35.

The directors declared a first interim dividend of HK\$95 per ordinary share, totaling HK\$570,000,000 on 16 June 2006 which was paid on 31 August 2006.

The directors declared a second interim dividend of HK\$80 per ordinary share, totaling HK\$480,000,000 on 1 December 2006 which was paid on 28 February 2007.

RESERVES

Details of movements in the reserves of the Group are set out in the consolidated statement of changes in equity on page 38.

DONATIONS

Charitable and other donations made by the Group during the year amounted to approximately HK\$383,000.

PROPERTIES, PLANT AND EQUIPMENT

Details of movements in properties, plant and equipment of the Group and the Bank are set out in Note 31 to the financial statements.

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股本

本銀行的股本詳情載於財務報表附註38內。

董事

本年內及直至本報告日期止之董事如下：

名譽董事長：莊世平

董事會

董事長：和廣北[#]

副董事長：許剛

(於2007年1月26日
委任為董事及當選
為副董事長)

李繼文
(於2007年2月1日離任)

董事：何兆全

藍鴻震*

劉漢銓*

羅文華[#]

毛小威[#]

袁偉強

朱燕來[#]

張信剛*

(於2006年12月20日
委任)

饒餘慶*

(於2006年6月17日
離任)

[#] 非執行董事

* 獨立非執行董事

根據本銀行的《公司章程》第81條，羅文華先生、何兆全先生、毛小威先生及袁偉強先生將於應屆股東週年大會上退任，何兆全先生願意重選連任，羅文華先生、毛小威先生及袁偉強先生不重選連任。

SHARE CAPITAL

Details of the share capital of the Bank are set out in Note 38 to the financial statements.

DIRECTORS

The directors during the year and up to the date of this report are:

Honorary Chairman: Chuang Shih Ping

Board of Directors

Chairman: He Guangbei[#]

Vice Chairman: Xu Gang
(appointed as director and
elected as vice chairman
on 26 January 2007)

Li Jiwen
(resigned on 1 February 2007)

Directors:

Ho Shiu Chuen

Lan Hong Tsung, David*

Lau Hon Chuen, Ambrose*

Law Man Wah[#]

Mao Xiaowei[#]

Yuen Wai Keung

Zhu Yanlai[#]

Chang Hsin Kang*

(appointed on
20 December 2006)

Jao Yu Ching*

(resigned on 17 June 2006)

[#] Non-executive directors

* Independent non-executive directors

In accordance with Article 81 of the Bank's Articles of Association, Mr. Law Man Wah, Mr. Ho Shiu Chuen, Mr. Mao Xiaowei and Mr. Yuen Wai Keung retire at the forthcoming annual general meeting. Mr. Ho Shiu Chuen, being eligible for re-election, offers himself for re-election at the forthcoming annual general meeting. Mr. Law Man Wah, Mr. Mao Xiaowei, and Mr. Yuen Wai Keung do not offer themselves for re-election at the forthcoming annual general meeting.



根據本銀行的《公司章程》第82條，許剛先生及張信剛先生將於應屆股東週年大會上退任，並願意重選連任。

董事購買股份或債券之權利

除財務報表附註18所披露者外，於本年任何時間內，本銀行、其任何控股公司、附屬公司或同系附屬公司概無訂立任何安排，使董事可藉購買本銀行或任何其他法人團體之股份或債券而獲益。

董事於重大之合約之權益

於本年內，本銀行、其任何控股公司、附屬公司或同系附屬公司概無簽訂任何涉及本集團之業務而本銀行之董事直接或間接在其中擁有重大權益之合約。

管理合約

於本年內，本銀行並無就整體業務或任何重要業務之管理及行政工作簽訂或存有任何合約。

符合《本地註冊認可機構披露財務資料》指引

截至2006年12月31日之財務報表完全符合香港金融管理局頒佈的監管政策手冊《本地註冊認可機構披露財務資料》指引內所載的規定。

審計師

本年度之財務報表乃由羅兵咸永道會計師事務所審計，該審計師任滿告退，惟符合資格，願應聘連任。

承董事會命

和廣北
董事長

香港，2007年3月16日

In accordance with Article 82 of the Bank's Articles of Association, Mr. Xu Gang and Mr. Chang Hsin Kang retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

DIRECTORS' INTERESTS IN EQUITY OR DEBT SECURITIES

Saved as disclosed in Note 18, at no time during the year was the Bank or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Bank to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

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

MANAGEMENT CONTRACTS

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

COMPLIANCE WITH THE GUIDELINE ON "FINANCIAL DISCLOSURE BY LOCALLY INCORPORATED AUTHORIZED INSTITUTIONS"

The financial statements for the year ended 31 December 2006 fully comply with the requirements set out in the guideline on "Financial Disclosure by Locally Incorporated Authorized Institutions" under the Supervisory Policy Manual issued by the Hong Kong Monetary Authority.

AUDITORS

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

On behalf of the Board

He Guangbei
Chairman

Hong Kong, 16 March 2007