BEAUFORTE INVESTORS CORPORATION LIMITED

寶福集團有限公司

(Incorporated in Hong Kong with limited liability)

(stock code: 21)

ANNUAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER 2006

The Board of Directors (the "Board") of Beauforte Investors Corporation
Limited (the "Company") announces the un-audited consolidated results of
the Company and its subsidiaries (the "Group") for the year ended 31st
December 2006 as follows:

Un-audited Consolidated Income Statement For The Year Ended 31st December 2006

	Notes	2006 HK\$' million	2005 HK\$' million
Turnover Cost of sales	3	126.1 (126.5)	41.2 (36.1)
Gross profit Other operating income		(0.4)	5.1 0.5
Administrative expenses Finance cost		(9.6) (0.1)	(8.5)
Impairment losses recognised in respect of available-for- sale investments		(0.1)	(31.7)
Decrease in fair value on investment properties		(249.1)	(13.0)
Provision for loss on a guarantee agreement Impairment losses recognised		_	(22.9)
in respect of goodwill arising from acquisition of a subsidiary		_	(7.9)
Loss on disposal of derivative financial instrument			(0.1)
Impairment loss on other		(0.0)	(0.1)
receivable		(8.0)	
Loss before taxation	5	(267.2)	(78.5)
Taxation	6		(0.2)
Loss for the year		(267.2)	(78.7)
Dividend	7		
Loss per share	8		
Basic		(76.00) cents	(24.33) cents
Diluted		<u>N/A</u>	N/A
UN-AUDITED CONSOLIDA' AT 31ST DECEMBER 2006	TED BAI	LANCE SHEET	

N	Notes	2006 HK\$' million	2005 HK\$' million
Non-current assets Plant and equipment Investment properties Available-for-sale		0.1	0.9 272.0
investments		12.0	12.0
		12.1	284.9
Current assets Held for trading investment Trade and other receivable Deposit paid for acquisition of a		1.5	12.2 10.4
subsidiary Deposits in an assets		13.8	13.8
management company Cash and cash equivalents		32.6 0.7	32.6 6.0
		48.6	75.0
Current liabilities Other payables and accruals charges Derivative financial		3.1	2.0
instrument Provision for loss on a guarantee agreement Cash and cash equivalents			0.1 22.9 10.1
		3.1	35.1
Net current assets		45.5	39.9
Net assets		57.6	324.8
Capital and reserves Share capital Reserves		140.5 (82.9)	140.5 184.3
Shareholders' funds		57.6	324.8

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST DECEMBER 2006

DELAY IN THE ANNOUNCEMENT OF AUDITED ANNUAL RESULT AND THE ISSUANCE OF ANNUAL REPORT

The Company has been advised by the Auditors that due to the complexity of situations in relation to the various investments of the Group in the People's Republic of China, it is expected that the audit will be completed by the end of June, 2007. Therefore, this announcement of the preliminary results of the Group is prepared based on un-audited management accounts.

ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS

From 1 January 2006, the Group has adopted all the new and amended HKFRSs which are first effective on 1 January 2006 and relevant to the Group. The adoption of these HKFRSs did not result in significant changes in the Group's accounting policies.

2.2 New or amended HKFRSs that have been issued but are not yet effective

issued but are not yet effective. Th	he following HKFRSs that have been e directors of the Company anticipate s will not result in material financial atements.
Amendment to HKAS 1	Presentation of Financial Statements

711	menament to many 1	- Capital Disclosures ¹
HI	KFRS 7	Financial Instruments: Disclosures1
HI	KFRS 8	Operating Segments ⁴
HI	K (IFRIC) Interpretation 11	Group and Treasury Share Transactions ²
HI	K(IFRIC) Interpretation 12	Service Concession Arrangements ³
1	Effective for annual period 2007.	ds beginning on or after 1st January
2	Effective for annual periods	beginning on or after 1st March 2007.
3	Effective for annual period 2008.	ds beginning on or after 1st January
4	Effective for annual period 2009.	ds beginning on or after 1st January

TURNOVER

Revenue represents the net amounts received and receivables from trading of securities and rental income for the year.

An analysis of the Group's revenue for the year is as follows:

	2006 HK\$' million	2005 HK\$' million
Interest income from other receivables	_	3.5
Rental income Proceeds from trading of securities	126.1	2.7 35.0
Trocceds from trading of securities		
	126.1	41.2

SEGMENT INFORMATION

For management purposes, the Group is currently organised into three operating divisions treasury and investment, property investment and securities trading. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Treasury and investment:

The placing of deposits and securities investment to generate income from interest, dividends and capital appreciation.

Funds are also advanced as loans to other parties on a secured or unsecured basis where suitable opportunities are identified to earn enhanced returns.

Property investment:

Investment in property to generate rental income.

Securities trading:

Investment in listed securities to generate profit from short-term fluctuation in

For the year ended 31st December 2006. Treasury and Property Securities

	investment 2006 HK\$' million	investment 2006 HK\$' million	trading 2006 HK\$' million	Total 2006 HK\$' million
TURNOVER				
Interest income	_	_	_	_
Rental income	_	_	_	_
Trading of security			126.1	126.1
Total turnover			126.1	126.1
RESULTS				
Segment results	_	_	(0.4)	(0.4)
Unallocated expenses	_	_	`-'	(9.6)
Finance cost	_	_	(0.1)	(0.1)
Impairment loss on other receivable	_	_	_	(8.0)
Decrease in fair value on investment properties	_	(249.1)	_	(249.1)
Loss before taxation				(267.2)

For the year ended 31st December 2005:						
	Treasury and investment 2005 HK\$' million	Property investment 2005 HK\$' million	Securities trading 2005 HK\$' million	Total 2005 HK\$' million		
TURNOVER						
Interest income	3.5	_	_	3.5		
Rental income	_	2.7	_	2.7		
Trading of security			35.0	35.0		
Total turnover	3.5	2.7	35.0	41.2		
RESULTS						
Segment results	(51.1)	(10.7)	(0.7)	(62.5)		
Other operating income Unallocated expenses Impairment losses recognised in respect of	_	_	_	0.5 (8.6)		
goodwill arising from acquisition a subsidiary	_	_	_	(7.9)		
Loss before taxation				(78.5)		
Balance sheet						
As at 31st December 20	006					
	Treasury and investment 2006 HK\$' million	Property investment 2006 HK\$' million	Securities trading 2006 HK\$' million	Total 2006 HK\$' million		
ASSETS						

	investment 2006 HK\$' million	investment 2006 HK\$' million	trading 2006 HK\$' million	Total 2006 HK\$' million
ASSETS Segment assets	59.9			59.9
Unallocated corporate assets	_	_	_	0.8
				60.7
LIABILIES Segment liabilities	_	0.7	_	0.7
Unallocated corporate liabilities	-	-	-	2.4
				3.1

As at 31st December 2005

	Treasury and investment 2005	Property investment 2005	Securities trading 2005	Total 2005
	HK\$' million	HK\$' million	HK\$' million	HK\$' million
ASSETS Segment assets	68.8	272.0	12.2	353.0
Unallocated corporate assets				6.9
				359.9
LIABILIES Segment liabilities	22.9	0.7	10.2	33.8
Unallocated corporate liabilities				1.3
				35.1

Other information

For the year ended 31st December 2006

	Treasury and investment 2006 HK\$' million	Property investment 2006 HK\$' million	Securities trading 2006 HK\$' million	Unallocated 2006 HK\$' million	Total 2006 HK\$' million
Depreciation Decrease in fair value on	_	_	_	0.3	0.3
investment properties	_	249.1	_	_	249.1
Finance cost	-	_	_	0.1	0.1
Impairment loss on other receivable	_	-	_	8.0	8.0

For the year ended 31st December 2005

	Treasury and investment 2005 HK\$' million	Property investment 2005 HK\$' million		Unallocated 2005 HK\$' million	Total 2005 HK\$' million
OTHER INFORMATION					
Depreciation	_	_	_	0.4	0.4
Decrease in fair value on an investment property	_	13.0	_	_	13.0
Provision for loss on a guarantee agreement	22.9	_	_	_	22.9
Impairment losses recognised in respect of goodwill arising from acquisition of					
a subsidiary	_	7.9	_	_	7.9
Allowance for bad and doubtful debts	_	_	_	2.5	2.5
Impairment loss recognised in respect of available-for-					
sale investments	31.7	_	_	_	31.7
Loss on derivative financial instrument	_	-	0.1	-	0.1

(b) Geographical segments

(i) The following table provides an analysis of the Group's turnover by geographical market:

	HK\$' million	HK\$' million
The People's Republic of China, excluding Hong Kong (the		
"PRC") Hong Kong	126.1	6.2 35.0
Holig Kolig		
	126.1	41.2

The following is an analysis of the carrying amount of segment assets, and additions to plant and equipment, investment properties and available-for-sale investments analysed by the geographical area in which the assets are located:

	Carrying amount of segment assets		equipment, investment properties and available- for-sale investments	
	2006	2005	2006	2005
	HK\$' million	HK\$' million	HK\$' million	HK\$' million
The PRC	59.9	340.8	_	250.0
Hong Kong	0.8	19.1		
	60.7	359.9		250.0

Additions to plant and

LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging (crediting):

	2006 HK\$' million	2005 HK\$' million
Cost of security trading Directors' remuneration Other staff costs	126.5 1.6 1.1	35.6 1.4 0.9
Total staff costs Auditors' remuneration Impairment loss on other receivable Depreciation	2.7 0.5 8.0 0.3	2.3 0.3 2.5 0.4
Minimum lease rentals in respect of rented premises Rental income less outgoings	1.8	(2.3)
TAXATION		

TAXATION	2006 HK\$' million	2005 HK\$' million
The charge attributable to the Company and its subsidiaries comprises:		
Other regions in the PRC	_	0.2

No provision for Hong Kong Profits Tax has been made as the Group did not have any assessable profits subject to Hong Kong Profits Tax for both years.

Taxation arising in other jurisdictions are calculated at the rates prevailing in the respective jurisdictions.

	2006 HK\$' million	2005 HK\$' million
Loss before taxation	(267.2)	(78.5)
Tax at domestic rate of 17.5% (2005: 17.5%)	46.8	13.7
Tax effect of income not taxable for tax purpose	_	(0.7)
Tax effect of expenses not deductibe for tax purpose	45.0	13.3
Tax effect of tax losses not recognised	1.8	1.5
Effect of different tax rates of subsidiaries operating in other jurisdictions		(0.2)
Taxation charge for the year		0.2

DIVIDEND

No dividend was paid or proposed during 2006, nor has any dividend been proposed since balance sheet date (2005: Nil).

LOSS PER SHARE

The calculation of basic loss per share is based on the following data:-		
	2006 HK\$' million	2005 HK\$' million
Loss for the year	267.2	78.7
	Million	Million
Weighted average number of ordinary shares	351.4	323.5

There were no dilative potential ordinary shares in existence during both years, accordingly, no diluted loss per share figures are presented.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

Property Leasing Business

The Jinan Property

The main asset of the Group, an investment property, situated at Jinan city of the People's Republic of China "the PRC", was awarded to a PRC company by a PRC court order on 11 July 2006, in order to satisfy a debt which the existing directors and previous directors have no knowledge of, which represented approximately 73% of the audited consolidated assets of the Group as at 31 Dec 2005. Accordingly, no rental income was generated in the year under review. The Company made a provision of HK\$237 million in the 2006 interim financial statements to write off the value to reflect the issue.

The Company has been seeking legal advice as to the actions that the Company can make. The latest legal report revealed that there is certain residual value to be recovered but the amount has yet to be finalized.

The Shanghai Property

The directors found out that in addition to the claim made by the court as stated in note 7 to the 2006 interim financial statements, a further claim with unknown amount was attached to the property through a PRC court in Shandong. The Company made a provision of HK\$12.1 million in its 2006 interim financial statements for write off the value to reflect such issue.

The Company has taken legal further actions to remedy the case. The latest legal report revealed that there is a certain residual value to be recovered but the amount has yet to be finalized.

Paper Business

Both of the operations of the Group's associated companies, were still suspended due to lack of working capital.

The company will consider taking appropriate actions to deal with these assets as soon as practicable.

Securities Trading Business

The Group had undertaken trading of listed shares and related products in Hong Kong, and had incurred a loss of approximately HK\$0.5 million during the year. The securities trading actives has ceased since Dec 2006 due to lack of working capital.

Treasury and Investment Business

The directors will collaborate with professional advisors and take positive steps to assess and recover the investments of HK\$12 million made in the Heze Century Energy Coalchem Industrial Co. Ltd., and the deposit of HK\$32.6 million placed with an asset management company in the PRC. The results are still pending.

Furthermore, the Group had appointed lawyers to take legal actions to recover the HK\$13.8 million payment which was made to acquire the Daoqin Hospital Management Company Ltd., the acquisition agreement for which had been cancelled on 27 April 2006. But according to the legal report, the prospect of getting any favorable result for the recovery of deposit will be slim.

New Business and Outlook

Heze Century Energy Coalchem Industry Company Limited in which the Group had an equity interest has obtained the approvals for the project of dimenthyl ether from the government. It is in the process of applying approvals for its coke project and methanol project.

LIQUIDIY AND FINANCIAL RESOURCES

As at 31 December 2006, the Group had a cash and bank balance HK\$0.7 million.

Charges on Group assets

As at 31 December 2006, an investment property of the Group with nil carrying amount (estimated valuation amount of HK\$35.0 million) was pledged to a bank to secure a short-term bank loan of RMB24.0 million granted to a third party.

EMPLOYEES As at 31 December 2006, the Group employed 3 persons and the staff cost amounted to HK\$1.1 million. Staff remuneration packages are reviewed annually. The Group does not maintain a share option scheme.

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

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

CORPORATED GOVERNANCE

The Company has complied throughout the year ended 31 December 2006 which the Code of Best Practice as set out in Appendix 14 to The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rule") except that the independent non-executive directors were not appointed for a specific term as set out in Appendix 14 of the Listing Rule but are subject to retirement by rotation and re-election at annual general meetings in accordance with the Company's Articles of Association. And that no further separation of the roles of Chairman and chief executive officer in view of the existing Group structure and business operation. The directors will consider separating the roles to match with business expansion in future if appropriate.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

Throughout the year ended 31 December 2006, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions based on the specific enquiry of all the directors of the Company.

AUDIT COMMITTEE

The audit committee comprises the three independent non-executive directors of the Company. The committee has reviewed with the management the accounting principals and practices adopted by the Group and discussed auditing, internal control and financial reporting issue including the review of the Group's consolidated financial statements for the year.

PUBLISMENT OF ANNUAL REPORT ON THE STOCK EXCHANGES'S WEBSITE The Company's annual report containing all the information required by the Listing Rules will be published on the Stock Exchange's website on or before 30 June 2007.

On behalf of the Board

Mr. Cheung Chung Leung, Richard

Executive Director

Hong Kong, 27 April 2007

As at the date of this announcement, the directors of the Company are as follows:

Mr. Cheung Chung Leung, Richard Executive director Ms. Sun Bo Mr. Christian Emil Toggenburger Mr. Hans-Peter Hess
Mr. Simon Gordon Littmann
Mr. Leung Kwan, Hermann
Mr. Cheng Hong Kei, Andrew
Mr Frank Yu Non-executive Director Independent non-executive directors