

董事會報告書

REPORT OF THE DIRECTORS

董事會同人現謹向各股東發表截至二〇〇四年十二月三十一日止年度之報告書及已審核之賬目。

主要業務

本行及其附屬公司之主要業務為銀行及有關之財務服務。附屬公司之業務見賬目註釋(二十一)。

本集團是年度按業務及地域劃分之表現分析詳載於賬目註釋(三十二)。

業績及分配

本集團是年度之溢利連同有關溢利分配說明列於本年賬目第三十頁之綜合損益表內。

董事會已宣派中期股息每股普通股港幣四角八仙，並於二〇〇四年九月二十七日派發，總額為港幣一億一千一百四十五萬一千元。董事會建議派發末期股息每股普通股港幣一元九角八仙，總額為港幣四億五千九百七十三萬七千元。

儲備

本集團及本行儲備之變動詳載於賬目註釋(三十)。

按照香港《公司條例》第七十九B條計算，本行於二〇〇四年十二月三十一日之可分配儲備總額為港幣五十七億一百零七萬四千元。

捐款

是年度本集團之慈善捐款共為港幣一十三萬七千元。

固定資產

本集團及本行固定資產之變動詳載於賬目註釋(二十四)。

董事

本屆及截至本報告書日期止之董事芳名，詳載於本年報第四頁。

The directors have pleasure in presenting their report together with the audited accounts for the year ended 31 December 2004.

Principal activities

The Bank and its subsidiaries are engaged in the provision of banking and related financial services. The principal activities of the subsidiaries are set out in note 21 to the accounts.

An analysis of the Group's performance for the year by business and geographical segment is set out in note 32 to the accounts.

Results and appropriations

The results of the Group for the year ended 31 December 2004 are set out in the consolidated profit and loss account on page 30 together with particulars of the appropriations therefrom which have been made or which are recommended.

The directors have declared an interim dividend of HK\$0.48 per ordinary share, totalling HK\$111,451,000, which was paid on 27 September 2004. The directors recommend the payment of a final dividend of HK\$1.98 per ordinary share, totalling HK\$459,737,000.

Reserves

Details of the movements in the Group's and the Bank's reserves are set out in note 30 to the accounts.

Distributable reserves of the Bank at 31 December 2004, calculated under section 79B of the Hong Kong Companies Ordinance, amounted to HK\$5,701,074,000.

Donations

Charitable and other donations made by the Group during the year amounted to HK\$137,000.

Fixed assets

Details of the movements in the Group's and the Bank's fixed assets are set out in note 24 to the accounts.

Directors

The directors during the year and up to the date of this report are listed on page 4.

董事鍾子森先生、伍步高博士、伍步剛博士及黃記祖先生照本行註冊章程第一百條，例應告退，除黃記祖先生外，鍾子森先生、伍步高博士及伍步剛博士均願應選連任。

在即將舉行之股東年會上擬應選連任之董事，均無與本行訂立不能由本行於一年內毋須作出補償（法定補償除外）而終止之服務合約。

非執行董事須根據本行註冊章程之規定在股東年會上輪值告退及應選連任。

主要股東

據本行遵照香港《證券及期貨條例》第三三六條而設之主要股東登記冊顯示，於二〇〇四年十二月三十一日本行已接獲下列股東通知持有本行已發行股本百分之五或以上權益：

伍黎宜有限公司
伍宜孫有限公司
宜康有限公司
永時實業有限公司
及時企業有限公司

⁽¹⁾ 此數包括伍宜孫有限公司持有控制性股權之宜康有限公司所持股份在內。

⁽²⁾ 此數包括永時實業有限公司持有控制性股權之及時企業有限公司所持股份在內。

上述全部權益皆為長倉。據本行遵照香港《證券及期貨條例》第三三六條而設之登記冊，於二〇〇四年十二月三十一日並無淡倉記錄。

In accordance with Article 100 of the Bank's Articles of Association, Mr Che-shum CHUNG, Dr Michael Po-ko WU, Dr Patrick Po-kong WU and Mr Kee-choe NG retire by rotation at the forthcoming Annual General Meeting. Mr Kee-choe NG does not offer himself for re-election; Mr Che-shum CHUNG, Dr Michael Po-ko WU and Dr Patrick Po-kong WU, being eligible, offer themselves for re-election.

None of the directors proposed for re-election at the forthcoming Annual General Meeting has a service contract with the Bank which is not determinable by the Bank within one year without payment of compensation (other than statutory compensation).

Non-executive directors are subject to retirement by rotation and re-election at the Annual General Meeting in accordance with the Articles of Association of the Bank.

Substantial shareholders

At 31 December 2004, the register of substantial shareholders maintained under section 336 of the Hong Kong Securities and Futures Ordinance showed that the Bank had been notified of the following substantial shareholders' interests, being 5% or more of the Bank's issued share capital:

	所持股數 Number of shares	佔已發行股份之百分比 Percentage of issued share capital
Wu Jieh Yee Company Limited	65,524,929	28.22
Wu Yee Sun Company Limited	57,811,241 ⁽¹⁾	24.90
Yee Hong Company Limited	25,571,406	11.01
Wings Investment Company Limited	21,926,910 ⁽²⁾	9.44
Hopes Enterprises Limited	11,638,204	5.01

⁽¹⁾ This includes the shares held by Yee Hong Company Limited in which Wu Yee Sun Company Limited holds a controlling interest.

⁽²⁾ This includes the shares held by Hopes Enterprises Limited in which Wings Investment Company Limited holds a controlling interest.

All the interests stated above represent long positions. No short positions were recorded in the register maintained under section 336 of the Hong Kong Securities and Futures Ordinance as at 31 December 2004.

董事之股本權益

據本行遵照香港《證券及期貨條例》第三五二條而設之登記冊所記錄，或據本行接獲各董事及行政總裁之通知，於二〇〇四年十二月三十一日彼等持有本行之股本權益如下：

Directors' interests in shares

At 31 December 2004, the interests of the directors and chief executive in the shares of the Bank as recorded in the register maintained under section 352 of the Hong Kong Securities and Futures Ordinance or as notified to the Bank were as follows:

		所持股數			總數	佔已發行股份之百分比 Percentage of issued share capital
		個人權益 Personal interests	家族權益 Family interests	其他權益 Other interests		
伍步高 (行政總裁)	Dr Michael Po-ko WU (Chief Executive)	194,184	84,166	—	278,350	0.12
伍步剛	Dr Patrick Po-kong WU	387,704	9,990	—	397,694	0.17
伍步昌	Mr Albert Po-cheung WU	—	—	—	—	—
伍步謙	Dr Philip Po-him WU	241,115	—	—	241,115	0.10
伍步揚	Mr Ivan Po-young WU	—	—	—	—	—
鍾子森	Mr Che-shum CHUNG	3,373	—	—	3,373	0.00
黃記祖	Mr Kee-choe NG	—	—	—	—	—
伍兆燦	Dr Siu-chan NG	—	—	—	—	—
梁乃鵬	Dr Norman Nai-pang LEUNG	—	—	—	—	—
蘇洪亮	Mr Lincoln Hung-leung SOO	—	—	—	—	—
伍尚豐	Mr Anthony Shang-fung WU	30,474	—	—	30,474	0.01
曾崇光	Mr Shung-kwong TSANG	4,665	9,126	—	13,791	0.01
馬毅強 (伍步揚之代行董事)	Mr Kenneth Ngai-keung MA (Alternate to Mr Ivan Po-young WU)	—	—	—	—	—

上述全部權益皆為長倉。據本行遵照香港《證券及期貨條例》第三五二條而設之登記冊，於二〇〇四年十二月三十一日並無淡倉記錄。

All the interests stated above represent long positions. No short positions were recorded in the register maintained under section 352 of the Hong Kong Securities and Futures Ordinance as at 31 December 2004.

並無任何董事獲授予認購本行股份之權利，亦無任何董事行使該等權利。

None of the directors have been granted, or have exercised, any rights to subscribe for shares of the Bank.

是年度內本行或其附屬公司概無參與任何安排，致令本行董事及行政總裁持有本行或聯營公司之任何股本權益或淡倉，或持有其債券。

At no time during the year was the Bank or its subsidiaries a party to any arrangement to enable the directors and chief executive of the Bank to hold any interests or short positions in the shares in, or debentures of, the Bank or its associated corporations.

董事之合約權益

本行向永時實業有限公司租用永恒商業大廈部份寫字樓，與該公司訂有兩份租約，租期分別為二〇〇二年一月起計三年及二〇〇二年十二月起計六年，租值均經專業人士獨立評估後訂定。伍步高博士、伍步剛博士、伍黎宜博士、伍步昌先生、伍步謙博士及何子棟先生均於年度內直接或間接擁有永時實業有限公司之股東權益。

Directors' interests in contracts

The Bank rents from Wings Investment Company Limited certain office space in Wings Building under two tenancy agreements, for terms of three years commencing January 2002 and six years commencing December 2002, at rentals based on independent professional valuations. Dr Michael Po-ko WU, Dr Patrick Po-kong WU, Dr Jieh-yee WU, Mr Albert Po-cheung WU, Dr Philip Po-him WU and Mr Stephen Tze-tung HO were directly or indirectly interested in Wings Investment Company Limited as shareholders during the year.

此外，是年度內及至是年終結日止，本行或其附屬公司並無訂立任何與本行業務有關而董事直接或間接享有重大權益之其他重要合約。

買入、出售或贖回股份

是年度本行並無贖回本行之股份，本行及各附屬公司均無買入或出售本行之股份。

管理合約

是年度內，本行並無就全盤或其中重大部份業務簽訂或存有任何管理合約。

董事及高層管理人員個人資料

本行董事及高層管理人員個人資料詳列於第六頁至第九頁。

主要客戶

是年度本集團從五位最大客戶所賺取之收入佔本集團總收入少於百分之三十。

董事進行證券交易的守則

本行已採納一套有關本行董事進行證券交易之行為守則（「行為守則」），該守則的要求不低於香港聯合交易所有限公司證券上市規則附錄十所載之「上市發行人董事進行證券交易的標準守則」（「標準守則」）內的規定。

本行向所有董事作出具體查詢後，確認各董事均已遵守標準守則內的規定及有關本行董事進行證券交易之行為守則。

披露財務資料

本行已全面遵從金融管理專員於二〇〇二年十一月發出之「本地註冊認可機構披露財務資料」之指引。

核數師

本賬目經由羅兵咸永道會計師事務所審核，該核數師亦照章告退，但願意應聘續任。

承董事會命
董事長 伍步高 謹啟

香港 二〇〇五年二月二十三日

No other contracts of significance in relation to the Bank's business to which the Bank or its subsidiaries was a party and in which a director of the Bank had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Purchase, sale or redemption of shares

The Bank has not redeemed any of its shares during the year. Neither the Bank nor any of its subsidiaries has purchased or sold any of the Bank's shares 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.

Biographical details of directors and senior management

Brief biographical details in respect of the directors and senior management of the Bank are set out on pages 6 to 9.

Major customers

The percentage of the Group's income for the year attributable to the five largest customers of the Group is less than 30%.

Code for securities transactions by directors

The Bank has adopted a code of securities transactions by directors (the "Code of Conduct") on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Following specific enquiry made with all directors, the Bank has confirmed that each of the directors complied with the required standard set out in the Model Code and the Code of Conduct regarding securities transactions by the directors.

Financial disclosures

The Bank has fully complied with the requirements set out in the guideline entitled "Financial Disclosure by Locally Incorporated Authorised Institutions" issued by the Monetary Authority in November 2002.

Auditors

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

By Order of the Board
Michael Po-ko WU
Chairman

Hong Kong, 23 February 2005