

董事會報告書

Report of the Directors

董事會欣然將本公司與本集團截至二零零四年十二月三十一日止年度之報告及經審核財務報表呈交股東閱覽。

主要業務

本公司之主要業務為投資控股，主要附屬公司及聯營公司之業務刊載於第92頁至第95頁。

本集團之分類資料刊載於財務報表附註5內。

集團溢利

本集團截至二零零四年十二月三十一日止年度之溢利刊載於第51頁之綜合損益表內。

股息

董事會建議宣派末期股息每股港幣3仙(2004年2.7仙)，合共港幣約4,508萬元。末期股息將於二零零五年七月十五日向二零零五年六月二十一日名列本公司股東名冊的股東支付。

物業、廠房及設備

本年度內物業、廠房及設備之變動情況刊載於財務報表附註14。

物業

本集團之主要物業概要刊載於第3頁至第12頁。

股本

本年度內股本之變動情況刊載於財務報表附註27。

儲備

本年度內本公司與本集團儲備之變動情況刊載於財務報表附註28。

The directors have pleasure in submitting to shareholders their report and audited financial statements of the Company and the Group for the year ended 31st December, 2004.

Principal Activities

The principal activity of the Company is investment holding and the activities of its principal subsidiaries and associates are shown on page 92 to 95.

The segment information of the Group is set out in note 5 to the financial statements.

Group Profit

The consolidated income statement set out on page 51 shows the Group's profit for the year ended 31st December, 2004.

Dividends

The board of directors recommend the declaration of a final dividend of HK 3.0 cents (2003: HK2.7 cents) per share amounting to approximately HK\$45.08 million payable on 15th July, 2005 to shareholders whose names appear on the Register of Members of the Company on 21st June, 2005.

Property, Plant and Equipment

Movements in property, plant and equipment during the year are set out in note 14 to the financial statements.

Properties

A schedule of the principal properties of the Group is set out on pages 3 to 12.

Share Capital

Movements in share capital during the year are set out in note 27 to the financial statements.

Reserves

Movements in reserves of the Company and the Group during the year are set out in note 28 to the financial statements.

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董事

本年度內以及於本報告書日期董事如下：

執行董事

王 印先生

寧高寧先生 (於二零零四年十二月三十日辭任)

閻 颺先生

劉百成先生

鍾 義先生

陳 鷹先生

陳 凱先生

唐 勇先生

何正榮先生

非執行董事

姜智宏先生

霍保樂先生

獨立非執行董事

黃廣志先生

王 石先生

施永青先生 (於二零零四年八月五日委任)

根據本公司組織章程細則第九十九條和細則第一一六條，王印先生、閻颺先生、姜智宏先生、陳鷹先生及施永青先生均須於應屆之股東週年大會中退任，惟具資格並願膺選連任。

本公司已經接獲各獨立非執行董事有關其獨立性的年度確認，並認為各獨立非執行董事均獨立於本公司。

董事及高層管理人員簡歷

董事及高層管理人員簡歷刊載於第23頁至第28頁。

Directors

The directors who held office during the year and at the date of this report are:

Executive Directors

Mr. Wang Yin

Mr. Ning Gaoning (Resigned on 30th Dec 2004)

Mr. Yan Biao

Mr. Lau Pak Shing

Mr. Zhong Yi

Mr. Chen Ying

Mr. Chen Kai

Mr. Tang Yong

Mr. He Zheng Rong

Non-Executive Directors

Mr. Keung Chi Wang, Ralph

Mr. Paul Wolansky

Independent Non-Executive Directors

Mr. Wong Kong Chi

Mr. Wang Shi

Mr. Shih Wing Ching (Appointed on 5th August, 2004)

According to Article 99 and Article 116 of the Articles of Association of the Company, Mr. Wang Yin, Mr. Yan Biao, Mr. Keung Chi Wang, Ralph, Mr. Chen Ying and Mr. Shih Wing Ching shall retire at the forthcoming annual general meeting, and are eligible and willing to offer themselves for re-election.

Company has received the Confirmation of Independence from all the independent non-executive directors, and consider that all the independent non-executive directors are independent of the Company.

Biographical Details of Directors and Senior Management

Biographical details of the Directors and senior management are set out on pages 23 to 28.

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股份期權計劃

本公司設有一項股份期權計劃，旨在加強參與者對本公司之承擔，以及努力實踐本公司之目標。於回顧期內，本公司設立了兩個股份期權計劃，即「新計劃」和「舊計劃」。

舊計劃指持續至二零零二年一月三十一日的股份期權計劃，並已於二零零二年一月三十一日終止。舊計劃之合資格參與者為本公司及其附屬公司之僱員（包括董事在內）。舊計劃准許向每位參與者授出之股份期權最多不超過二零零一年九月一日前適用之香港聯合交易所有限公司證券上市規則（「上市規則」）准許的上限。股份期權的行使價由董事會完全酌情釐定，但不得超過二零零一年九月一日前適用之上市規則准許之折讓上限。

新計劃乃指股東於二零零二年一月三十一日之股東特別大會上批准之股份期權計劃，該計劃於二零一二年一月三十一日屆滿。本公司董事會可向合資格參與者授出股份期權，該等合資格參與者包括僱員、本集團之員工、執行或非執行董事、由本集團之任何僱員、執行或非執行董事所設立的酌情信託之信託體、本集團之專家顧問、專業顧問及其他顧問之行政人員和僱員、本公司行政總裁或主要股東、本集團之聯營公司、本公司之董事、行政總裁或主要股東的聯繫人、及主要股東的僱員。每個參與者可獲之最高數目（包括授予董事、行政總裁或主要股東或彼等各自之任何聯繫人之股份期權）相當於當時實行的上市規則所准許的上限。股份期權的行使價根據上市規則的有關規定而釐定。

Share Option Schemes

The Company operates share option schemes for the purpose of promoting additional commitment and dedication to the objectives of the Company by the participants. During the period under review, the Company operates two share option schemes, namely the “Old Scheme” and the “New Scheme”.

The Old Scheme refers to the share option scheme which subsisted until 31st January, 2002 and was terminated on 31st January, 2002. Eligible participants of the Old Scheme were the employees of the Company and its subsidiaries (including the directors of the Company). The maximum entitlement of each participant did not exceed the maximum limit as permitted by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) applicable before 1st September, 2001. The exercise prices of the share options were determined at the entire discretion of the board of directors, but did not exceed the maximum discount permitted by the Listing Rules applicable prior to 1st September, 2001.

The New Scheme refers to the share option scheme which was approved by the shareholders in the extra-ordinary general meeting held on 31st January, 2002 and shall expire on 31st January, 2012. The board of directors of the Company may grant options to eligible participants including employees, executive or non-executive directors of the Group, any discretionary object of a discretionary trust established by any employee, executive or non-executive director of the Group, any executive or employee of consultants, professional and other advisors to the Group, chief executive, substantial shareholders of the Company, associated companies of the Group, associates of directors, chief executive and substantial shareholders of the Company, and employees of substantial shareholders. The maximum entitlement of each participant (including options to be granted to the directors, chief executive or substantial shareholders of the Company, or any of their respective associates) is equal to the maximum limit permitted under the prevailing Listing Rules. The exercise prices of the share options are determined pursuant to the requirement of prevailing Listing Rules.

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於本年報刊發出當日，根據新計劃可供發行的股份為146,589,943股，佔本公司已發行股本之9.7%。

兩個計劃的承授人可於授出股份期權之要約提出二十八天內，支付港幣1元之象徵式代價後接納要約。

下述於二零零二年一月三十一日或以後授出之股份期權乃根據新計劃發行，其餘為根據舊計劃發行。根據新計劃授出之股份期權有效期為授出之日起計十年，根據舊計劃授出之股份期權有效期為二零零七年五月二十七日。其行使期限部分為授予之日起即有權行使有關股份期權可認購股份之100%，部分為授予之日後每年可予行使有關股份期權可認購股份之25%。

董事認為不適宜列出期內授出股份期權之價值。原因為股份期權普遍接納的定價模式一般以可轉讓的股份期權釐定價值，而本公司之股份期權乃屬不允許轉讓，此外，普通接納定價模式的部分參數只可從過往統計資料中得出，而本公司無法提供足夠過往資料作為估計本公司股份期權價值所用的可靠數字。基於上述理由，本公司認為計算所授出股份期權價值的意義不大，且會誤導股東。

除下文所披露者外，於本年度內，本公司之董事、行政總裁、主要股東或彼等各自之聯繫人及主要股東之僱員，均未曾獲授、行使其他股份期權，同時並無其他股份期權根據有關股份期權計劃之條款而授出或失效。

As of the date of this report, the total number of shares available for issue under the New Scheme is 146,589,943 shares and represents 9.7% of the issued share capital of the Company.

The offer of a grant of share options under both schemes may be accepted within 28 days from the date of the offer upon the payment of a nominal consideration of HK\$1 in total by the grantee.

Share options disclosed below and granted on or after 31st January, 2002 were issued under the New Scheme while the remaining options were under the Old Scheme. Share options granted under the Old Scheme are exercisable before 27th May, 2007, and those under the New Scheme are exercisable for a period of 10 years after the date of grant. Those share options are generally either entirely immediately exercisable from the date of grant or 25% of them are exercisable in each calendar year after the date of grant.

The directors do not consider it to be appropriate to state the value of the share options granted under the schemes during the period. It is because the generally accepted option pricing models are applicable to options that are transferable but those of the Company are not. In addition, certain parameters for the generally accepted option pricing models are only derivable from previous statistics and the Company is unable to provide sufficient historic information to generate reliable inputs for the valuation of the share options. Based on the above reasons, the Company believes that the valuation of the share options would not be meaningful and may mislead shareholders.

Save as disclosed below, no other share options has been granted, exercised, cancelled or lapsed in accordance with the terms of the relevant share option scheme during the year in relation to each of the directors, chief executive, substantial shareholders of the Company or their respective associates and employees of substantial shareholders.

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(甲) 董事

於二零零四年十二月三十一日，下列董事持有根據本公司之新、舊股份期權計劃而可認購股份之權益：

(a) Directors

As of 31st December, 2004, the following directors had interests in options to subscribe for shares under both of the new and the old share option schemes of the Company:

董事姓名	Name of director	身份	授出日期	股份期權數目							本公司股份價格	
				2004年1月1日		於本期間				2004年	Price of	
				行使價格	尚未行使之	於本期間	於本期間	於本期間	於本期間	12月31日	已授出	已行使
港幣元	股份期權數目	授出	行使	註銷	失效	尚未行使	股份期權	股份期權				
			Exercise	Outstanding	Granted	Exercised	Cancelled	Lapsed	Outstanding	option	option	
			HK\$	at	the year	during	during	during	at	For	For	
				1/1/2004					31/12/2004	granted	exercised	
										HK\$	HK\$	
寧高寧 (於2004年 12月30日辭任)	Ning Gaoning	實益擁有人	27/6/1997	4.592	2,500,000	-	-	-	-	2,500,000	-	-
	(Resigned on 30 Dec 2004)	Beneficial owner	20/7/2000	0.99	2,500,000	-	-	-	-	2,500,000	-	-
王印	Mr. Wang Yin	實益擁有人	1/3/2002	1.61	4,800,000	-	-	-	-	4,800,000	-	-
	Beneficial owner		28/4/2004	1.04	-	3,500,000	-	-	-	3,500,000	1.02	-
閻颯	Mr. Yan Biao	實益擁有人	27/6/1997	4.592	2,300,000	-	-	-	-	2,300,000	-	-
	Beneficial owner		20/7/2000	0.99	2,400,000	-	-	-	-	2,400,000	-	-
姜智宏	Mr. Keung Chi Wang,	實益擁有人	27/6/1997	4.592	2,000,000	-	-	-	-	2,000,000	-	-
	Ralph	Beneficial owner	20/7/2000	0.99	1,300,000	-	-	-	-	1,300,000	-	-
鍾義	Mr. Zhong Yi	實益擁有人	20/7/2000	0.99	2,000,000	-	-	-	-	2,000,000	-	-
	Beneficial owner											
陳鷹	Mr. Chen Ying	實益擁有人	4/3/2002	1.59	120,000	-	-	-	-	120,000	-	-
	Beneficial owner		15/4/2002	1.61	1,600,000	-	-	-	-	1,600,000	-	-
			28/4/2004	1.04	-	2,000,000	-	-	-	2,000,000	1.02	-
陳凱	Mr. Chen Kai	實益擁有人	1/3/2002	1.61	1,200,000	-	-	-	-	1,200,000	-	-
	Beneficial owner		28/4/2004	1.04	-	2,000,000	-	-	-	2,000,000	1.02	-
唐勇	Mr. Tang Yong	實益擁有人	1/3/2002	1.61	1,200,000	-	-	-	-	1,200,000	-	-
	Beneficial owner		28/4/2004	1.04	-	2,000,000	-	-	-	2,000,000	1.02	-
何正榮	Mr. He Zheng Rong	實益擁有人	1/3/2002	1.61	1,200,000	-	-	-	-	1,200,000	-	-
	Beneficial owner		28/4/2004	1.04	-	2,000,000	-	-	-	2,000,000	1.02	-

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(乙) 僱員及其他參與者

以下是本公司向本集團僱員(不包括董事)及其他參與者授出的股份期權的詳情:

(i) 僱員(不包括董事)

授出日期 Date of Grant	行使價格 港幣元 Exercise Price HK\$	2004年1月1日 尚未行使 Outstanding at 1/1/2004	由於董事辭任 的重新劃分 Reclassify as Director's resignation	股份期權數目 Number of share option					本公司股份價格 Price of Company share	
				於本期間授出 Granted during the year	於本期間行使 Exercised during the year	於本期間註銷 Cancelled during the year	於本期間失效 Lapsed during the year	2004年12月31日 尚未行使 Outstanding at 31/12/2004	已授出股份期權 港幣元 For option granted HK\$	已行使股份期權 港幣元 For option exercised HK\$
27/6/1997	4.592	8,149,000	2,400,000	-	-	-	1,274,000	9,275,000	-	-
20/7/2000	0.99	4,290,000	1,400,000	-	-	-	350,000	5,340,000	-	-
1/3/2002	1.61	3,800,000	-	-	-	-	-	3,800,000	-	-
15/4/2002	1.61	3,700,000	-	-	-	-	900,000	2,800,000	-	-
7/10/2002	0.96	10,250,000	-	-	-	-	900,000	9,350,000	-	-
28/4/2004	1.04	-	-	18,090,000	-	-	950,000	17,140,000	1.02	-

(ii) 其他參與者

(ii) Other participants

授出日期 Date of Grant	行使價格 港幣元 Exercise Price HK\$	2004年1月1日 尚未行使 Outstanding at 1/1/2004	股份期權數目 Number of share option					本公司股份價格 Price of Company share	
			於本期間授出 Granted during the year	於本期間行使 Exercised during the year	於本期間註銷 Cancelled during the year	於本期間失效 Lapsed during the year	2004年12月31日 尚未行使 Outstanding at 31/12/2004	已授出股份期權 港幣元 For option granted HK\$	已行使股份期權 港幣元 For option exercised HK\$
4/3/2002	1.59	28,050,000	-	-	-	-	28,050,000	-	-

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董事之證券權益

於二零零四年十二月三十一日，本公司董事及最高行政人員於本公司及其相聯法團（定義見《證券及期貨條例》第XV部分）股份、相關股份及債券中擁有須根據《證券及期貨條例》第XV部第7及第8部分知會本公司及聯交所的權益和淡倉（包括根據《證券及期貨條例》條文規定被列為或視作擁有的權益或淡倉），或根據《證券及期貨條例》第352條須記錄於存置的登記冊內的權益或淡倉，或根據上市規則所載《上市公司董事進行證券交易的標準守則》（「標準守則」）須知會本公司及香港聯合交易所有限公司（「聯交所」）的權益或淡倉如下：

(甲) 於本公司已發行普通股及相關股份中擁有的權益：

Directors' Interest in Securities

As of 31st December, 2004, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests and short positions which the directors and chief executive of the Company are taken or deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise required to be notified to Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Listing Rules, were as follows:

(a) Interest in issued ordinary shares and underlying shares of the Company

董事姓名	Name of Directors	好倉／淡倉 Long positions/ Short positions	相關股份數目 ⁽¹⁾		身份 Capacity	共佔權益百分比 ⁽³⁾ Aggregate percentage of interest ⁽³⁾
			股份數目 Number of Shares	Number of underlying shares ⁽¹⁾		
寧高寧 (於2004年 12月30日辭任)	Mr. Ning Gaoning (Resigned on 30 Dec 2004)	好倉 Long position	—	5,000,000	實益持有人 Beneficial Owner	0.33
王印	Mr. Wang Yin	好倉 Long position	—	8,300,000	實益持有人 Beneficial Owner	0.55
閻颺	Mr. Yan Biao	好倉 Long position	—	4,700,000	實益持有人 Beneficial Owner	0.31
姜智宏	Mr. Keung Chi Wang, Ralph	好倉 Long position	—	3,300,000	實益持有人 Beneficial Owner	0.22
鍾義	Mr. Zhong Yi	好倉 Long position	—	2,000,000	實益持有人 Beneficial Owner	0.13
陳鷹	Mr. Chen Ying	好倉 Long position	—	3,720,000	實益持有人 Beneficial Owner	0.25
陳凱	Mr. Chen Kai	好倉 Long position	—	3,200,000	實益持有人 Beneficial Owner	0.21
唐勇	Mr. Tang Yong	好倉 Long position	—	3,200,000	實益持有人 Beneficial Owner	0.21
何正榮	Mr. He Zheng Rong	好倉 Long position	—	3,200,000	實益持有人 Beneficial Owner	0.21
霍保樂	Mr. Paul Wolansky	好倉 Long position	83,972,000	—	受控制公司權益 ⁽²⁾ Controlled Company's interest ⁽²⁾	5.59

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- (1) 指上文「股份期權計劃」一節詳述已授出購股權所涉及之本公司相關股份，該等股份期權是屬於非上市以實物交收的股本衍生工具。
- (2) The Cathay Investment Fund Ltd直接擁有公司83,972,000股，而霍保樂先生在該公司的投資經理New China Management Corporation中擁有50%的股份，因此霍保樂先生被視為擁有公司83,972,000股股票權益。
- (3) 指好倉所涉及之本公司股份及相關股份總數於二零零四年十二月三十一日佔本公司已發行股本總數的百分比。

- (1) This refers to underlying shares of the Company covered by share options granted as detailed above under the section headed “Share Option Schemes”, such options being unlisted physically settled equity derivatives.
- (2) Mr. Paul Wolansky’s interests in the Company is attributable to his 50% shareholdings in New China Management Corp., the investment manager to The Cathay Investment Fund Ltd., which in turn holds 83,972,000 shares of the Company. Thus Mr. Paul Wolansky is deemed to be interested in the 83,972,000 shares of the Company.
- (3) This represents the percentage of the aggregate long positions in shares and underlying shares of the Company to the total issued share capital of the Company as of 31st December, 2004.

(乙) 於本公司相聯法團—華潤創業有限公司（「華潤創業」）已發行普通股及相關股份中擁有的權益：

(b) Interests in issued ordinary shares and underlying shares of China Resources Enterprise Limited (“CRE”), an associated corporation of the Company:

董事姓名	Name of Directors	好倉／淡倉 Long positions/ Short positions	相關股份數目 ⁽¹⁾		身份 Capacity	共佔權益百分比 ⁽²⁾ Aggregate percentage of interest ⁽²⁾
			股份數目 Number of Shares	Number of underlying shares ⁽¹⁾		
寧高寧 (於2004年 12月30日辭任)	Mr. Ning Gaoning (Resigned on 30 Dec 2004)	好倉 Long position	1,630,000	4,500,000	實益持有人 Beneficial Owner	0.29
王印	Mr. Wang Yin	好倉 Long position	28,000	—	實益持有人 Beneficial Owner	0.001
閻颺	Mr. Yan Biao	好倉 Long position	900,000	4,000,000	實益持有人 Beneficial Owner	0.23
姜智宏	Mr. Keung Chi Wang, Ralph	好倉 Long position	—	2,966,000	實益持有人 Beneficial Owner	0.14
劉百成	Mr. Lau Pak Shing	好倉 Long position	—	2,500,000	實益持有人 Beneficial Owner	0.12
鍾義	Mr. Zhong Yi	好倉 Long position	420,000	1,100,000	實益持有人 Beneficial Owner	0.07
陳鷹	Mr. Chen Ying	好倉 Long position	—	100,000	實益持有人 Beneficial Owner	0.005

- (1) 指根據華潤創業購股權計劃已授出購股權所涉及之相關股份，該等購股權是屬於非上市以實物交收的股本衍生工具。
- (2) 指好倉所涉及的華潤創業股份及相關股份總數於二零零四年十二月三十一日佔華潤創業已發行股本總數的百分比。

- (1) This refers to underlying shares of CRE, covered by share option granted under the Share Option Scheme of CRE, such option being unlisted physically settled equity derivatives.
- (2) This represents the percentage of the aggregate long positions in shares and underlying shares of CRE to the total issued share capital of the Company as of 31st December, 2004.

董事會報告書

Report of the Directors

(丙) 於本公司相聯法團－華潤勵致有限公司（「華潤勵致」）已發行普通股及相關股份中擁有的權益：

(c) Interests in issued ordinary shares and underlying shares of China Resources Logic Limited (“CR Logic”), an associated corporation of the Company:

董事姓名	Name of Directors	好倉／淡倉 Long positions/ Short positions	股份數目 Number of Shares	相關股份數目 ⁽¹⁾ Number of underlying shares ⁽¹⁾	身份 Capacity	共佔權益百分比 ⁽²⁾ Aggregate percentage of interest ⁽²⁾
寧高寧 (於2004年 12月30日辭任)	Mr. Ning Gaoning (Resigned on 30 Dec 2004)	好倉 Long position	–	3,000,000	實益持有人 Beneficial Owner	0.11
王印	Mr. Wang Yin	好倉 Long position	300,000	–	實益持有人 Beneficial Owner	0.01
閻颺	Mr. Yan Biao	好倉 Long position	–	6,000,000	實益持有人 Beneficial Owner	0.23
陳鷹	Mr. Chen Ying	好倉 Long position	200,000	120,000	實益持有人 Beneficial Owner	0.01
陳凱	Mr. Chen Kai	好倉 Long position	1,000,000	–	實益持有人 Beneficial Owner	0.04
何正榮	Mr. He Zheng Rong	好倉 Long position	150,000	–	實益持有人 Beneficial Owner	0.006

(1) 指根據華潤勵致股份期權計劃已授出股份期權所涉及的相關股份，該等股份期權是屬於非上市以實物交收的股本衍生工具。

(2) 指好倉所涉及的華潤勵致股份及相關股份總數於二零零四年十二月三十一日佔華潤勵致已發行股本總數的百分比。

(1) This refers to underlying shares of CR Logic covered by share option granted under the Share Option Scheme of the CR Logic, such option being being unlisted physically settled equity derivatives.

(2) This represents the percentage of the aggregate long positions in shares and underlying shares of CR Logic to the total issued share capital of the Company as of 31st December, 2004.

董事會報告書

Report of the Directors

(丁) 於本公司相聯法團－華潤水泥控股有限公司（「華潤水泥」）已發行普通股及相關股份中擁有的權益：

(d) Interests in issued ordinary shares and underlying shares of China Resources Cement Holdings Limited (“CR Cement”), an associated corporation of the Company:

董事姓名	Name of Directors	好倉／淡倉 Long positions/ Short positions	股份數目 Number of Shares	相關股份數目 ⁽¹⁾ Number of underlying shares ⁽¹⁾	身份 Capacity	共佔權益百分比 ⁽²⁾ Aggregate percentage of interest ⁽²⁾
寧高寧 (於2004年 12月30日辭任)	Mr. Ning Gaoning (Resigned on 30 Dec 2004)	好倉 Long position	163,000	–	實益持有人 Beneficial Owner	0.04
閻颺	Mr. Yan Biao	好倉 Long position	90,000	–	實益持有人 Beneficial Owner	0.02
王印	Mr. Wang Yin	好倉 Long position	2,800	–	實益持有人 Beneficial Owner	0.0008
姜智宏	Mr. Keung Chi Wang, Ralph	好倉 Long position	–	800,000	實益持有人 Beneficial Owner	0.22

(1) 根據華潤水泥股份期權計劃已授出股份期權所涉及的相關股份，該等股份期權是屬於非上市以實物交收的股本衍生工具。

(2) 指好倉所涉及的華潤水泥股份及相關股份總數於二零零四年十二月三十一日佔華潤水泥已發行股本總數的百分比。

(1) This refers to underlying shares of CR Cement covered by share options granted under the Share Option Scheme of CR Cement, such option being being unlisted physically settled equity derivatives.

(2) This represents the percentage of the aggregate long positions in shares and underlying shares of CR Cement to the total issued share capital of the Company as of 31st December, 2004.

董事會報告書

Report of the Directors

(戊) 於本公司相聯法團－華潤電力控股有限公司（「華潤電力」）已發行普通股及相關股份中擁有的權益：

(e) Interests in issued ordinary shares and underlying shares of China Resources Power Holdings Limited (“CR Power”), an associated corporation of the Company:

董事姓名	Name of Directors	好倉／淡倉 Long positions/ Short Positions	股份數目 Number of Shares	相關股份數目 ⁽¹⁾ Number of underlying shares ⁽¹⁾	身份 Capacity	共佔權益百分比 ⁽²⁾ Aggregate percentage of interest ⁽²⁾
寧高寧 (於2004年 12月30日辭任)	Mr. Ning Gaoning (Resigned on 30 Dec 2004)	好倉 Long position	–	1,000,000	實益持有人 Beneficial Owner	0.03
王印	Mr. Wang Yin	好倉 Long position	–	600,000	實益持有人 Beneficial Owner	0.02
閻颺	Mr. Yan Biao	好倉 Long position	–	600,000	實益持有人 Beneficial Owner	0.02
劉百成	Mr. Lau Pak Shing	好倉 Long position	–	500,000	實益持有人 Beneficial Owner	0.01
陳鷹	Mr. Chen Ying	好倉 Long position	–	100,000	實益持有人 Beneficial Owner	0.003
陳凱	Mr. Chen Kai	好倉 Long position	–	100,000	實益持有人 Beneficial Owner	0.003
唐勇	Mr. Tang Yong	好倉 Long position	–	100,000	實益持有人 Beneficial Owner	0.003
何正榮	Mr. He Zheng Rong	好倉 Long position	–	100,000	實益持有人 Beneficial Owner	0.003

(1) 指根據華潤電力股份期權計劃已授出股份期權所涉及的相關股份，該等股份期權是屬於非上市以實物交收的股本衍生工具。

(2) 指好倉所涉及的華潤電力股份及相關股份總數於二零零四年十二月三十一日佔華潤電力已發行股本總數的百分比。

(1) This refers to underlying shares of CR Power covered by share options granted under the Share Option Scheme of CR Power, such option being being unlisted physically settled equity derivatives.

(2) This represents the percentage of the aggregate long positions in shares and underlying shares of CR Power to the total issued share capital of the Company as of 31st December, 2004.

董事會報告書

Report of the Directors

於相聯法團的相關股份權益

同日，若干位董事在根據相聯法團（定義見《證券及期貨條例》）的股份期權計劃所授出股份期權所涉及的相關股份中擁有權益，該等股份期權是屬於非上市以實物交收的股本衍生工具：

(甲) 根據一間相聯法團—華潤創業有限公司股份期權計劃而授出的股份期權：

Interests in Underlying Shares of Associated Corporation

As of the same date, certain directors had interests in underlying shares covered by options granted under the share option schemes of associated corporations (within the meaning of SFO), such options being unlisted physically settled equity derivatives:

(a) Options outstanding under the share option schemes of an associated corporation, China Resources Enterprise Limited:

董事姓名	Name of director	身份	授出日期 ⁽¹⁾	行使價格 港幣元	2004年	於本期間 尚未行使	於本期間 授出	於本期間 行使	於本期間 註銷	於本期間 失效	2004年
					Exercise						Outstanding
		Capacity	Date of Grant ⁽¹⁾	Price	at	during	during	during	during	during	at
				HK\$	1/1/2004	the year	the year	the year	the year	the year	31/12/2004
寧高寧 (於2004年 12月30日 辭任)	Mr. Ning Gaoning	實益擁有人	20/6/2000	7.19	3,300,000	-	-	-	-	-	3,300,000
	(Resigned on 30 Dec 2004)	Beneficial Owner	7/02/2002	7.17	1,200,000	-	-	-	-	-	1,200,000
關聰	Mr. Yan Biao	實益擁有人	20/6/2000	7.19	3,000,000	-	-	-	-	-	3,000,000
		Beneficial Owner	7/02/2002	7.17	1,000,000	-	-	-	-	-	1,000,000
姜智宏	Mr. Keung Chi Wang,	實益擁有人	20/6/2000	7.19	1,400,000	-	-	-	-	-	1,400,000
	Ralph	Beneficial Owner	7/02/2002	7.17	500,000	-	-	-	-	-	500,000
			14/1/2004	9.72	-	216,000	-	-	-	-	216,000
			02/6/2004	9.55	-	850,000	-	-	-	-	850,000
劉百成	Mr. Lau Pak Shing	實益擁有人	20/6/2000	7.19	1,000,000	-	-	-	-	-	1,000,000
		Beneficial Owner	7/02/2002	7.17	500,000	-	500,000	-	-	-	-
			14/1/2004	9.72	-	500,000	-	-	-	-	500,000
			02/6/2004	9.55	-	1,000,000	-	-	-	-	1,000,000
鍾義	Mr. Zhong Yi	實益擁有人	20/6/2000	7.19	1,500,000	-	1,500,000	-	-	-	-
		Beneficial Owner	02/6/2004	9.55	-	300,000	-	-	-	-	300,000
			22/7/2004	9.8	-	800,000	-	-	-	-	800,000
陳鷹	Mr. Chen Ying	實益擁有人	5/3/2002	7.35	100,000	-	-	-	-	-	100,000
		Beneficial Owner									

(1) 購股權可於自授出之日起十年內行使。

(2) 上述每次授出股份期權的代價為1.00港元。

(1) Options are exercised within a period of ten years from the date of grant of the relevant options.

(2) Consideration for each of the grants mentioned above is HK\$1.00.

董事會報告書

Report of the Directors

(乙) 根據一間相聯法團－華潤勵致有限公司股份期權計劃而授出的購股權：

(b) Options outstanding under the share option schemes of an associated corporation, China Resources Logic Limited:

董事姓名	Name of director	身份 Capacity	授出日期 Date of Grant	行使價格 港幣元 Exercise Price HK\$	2004年	於本期間 授出 Granted during the year	於本期間 行使 Exercised during the year	於本期間 註銷 Cancelled during the year	於本期間 失效 Lapsed during the year	2004年
					1月1日 尚未行使 Outstanding at 1/1/2004					12月31日 尚未行使 Outstanding at 31/12/2004
寧高寧 (於2004年 12月30日 辭任)	Mr. Ning Gaoning	實益擁有人	2/10/2002	0.57	2,000,000	-	-	-	-	2,000,000
	(Resigned on 30 Dec 2004)	Beneficial Owner	9/4/2003	0.479	1,000,000	-	-	-	-	1,000,000
閻颯	Mr. Yan Biao	實益擁有人 Beneficial Owner	4/12/2001	0.79	6,000,000	-	-	-	-	6,000,000
陳鷹	Mr. Chen Ying	實益擁有人 Beneficial Owner	09/4/2002	0.82	120,000	-	-	-	-	120,000

(1) 購股權可於自授出之日起十年內行使。

(1) Options are exercised within a period of ten years from the date of grant of the relevant options.

(2) 上述每次授出購股權的代價為1.00港元

(2) Consideration for each of the grants mentioned above is HK\$1.00

董事會報告書

Report of the Directors

(丙) 根據一間相聯法團－華潤水泥有限公司股份期權計劃而授出的股份期權：

(c) Options outstanding under the share option schemes of an associated corporation, China Resources Cement Holding Limited:

董事姓名	Name of director	身份	授出日期	行使價格 港幣元	2004年	於本期間 授出	於本期間 行使	於本期間 註銷	於本期間 失效	2004年
					1月1日 尚未行使					12月31日 尚未行使
			Date of Grant	Exercise Price HK\$	Outstanding at 1/1/2004	Granted during the year	Exercised during the year	Cancelled during the year	Lapsed during the year	Outstanding at 31/12/2004
姜智宏	Mr. Keung Chi Wang, Ralph	實益擁有人 Beneficial Owner	5/12/2003	2.325	800,000	-	-	-	-	800,000

(1) 購股權可分五期行使，每期20%，可由二零零四年、二零零五年、二零零六年、二零零七年及二零零八年十二月五日至二零一三年十二月四日期間行使。

(2) 上述每次授出股份期權的代價為1.00港元

(1) Options are exercisable in 5 tranches of 20% each, from 5th December, 2004, 2005, 2006, 2007 and 2008 to 4th December, 2013.

(2) Consideration for each of the grants mentioned above is HK\$1.00

董事會報告書

Report of the Directors

(丁) 根據一間相聯法團－華潤電力控股有限公司股份期權計劃而授出的股份期權：

(d) Options outstanding under the share option schemes of an associated corporation, China Resources Power Holding Limited:

董事姓名	Name of director	身份 Capacity	授出日期 Date of Grant	行使價格 港幣元 Exercise Price HK\$	2004年	於本期間 授出 Granted during the year	於本期間 行使 Exercised during the year	於本期間 註銷 Cancelled during the year	於本期間 失效 Lapsed during the year	2004年
					1月1日 尚未行使 Outstanding at 1/1/2004					12月31日 尚未行使 Outstanding at 31/12/2004
寧高寧 (於2004年 12月30日 辭任)	Mr. Ning Gaoning (Resigned on 30 Dec 2004)	實益擁有人 Beneficial Owner	12/11/2003	2.8	1,000,000	-	-	-	-	1,000,000
王印	Mr. Wang Yin	實益擁有人 Beneficial Owner	12/11/2003	2.8	600,000	-	-	-	-	600,000
閻颯	Mr. Yan Biao	實益擁有人 Beneficial Owner	12/11/2003	2.8	600,000	-	-	-	-	600,000
劉百成	Mr. Lau Pak Shing	實益擁有人 Beneficial Owner	12/11/2003	2.8	500,000	-	-	-	-	500,000
陳鷹	Mr. Chen Ying	實益擁有人 Beneficial Owner	12/11/2003	2.8	100,000	-	-	-	-	100,000
陳凱	Mr. Chen Kai	實益擁有人 Beneficial Owner	12/11/2003	2.8	100,000	-	-	-	-	100,000
唐勇	Mr. Tang Yong	實益擁有人 Beneficial Owner	12/11/2003	2.8	100,000	-	-	-	-	100,000
何正榮	Mr. He Zheng Rong	實益擁有人 Beneficial Owner	12/11/2003	2.8	100,000	-	-	-	-	100,000

(1) 購股權可分五期行使，每期20%，可由二零零四年、二零零五年、二零零六年、二零零七年及二零零八年十月六日至二零一三年十月五日期間行使。

(2) 上述每次授出購股權的代價為1.00港元

(1) Options are exercisable in 5 tranches of 20% each, from 6th October, 2004, 2005, 2006, 2007 and 2008 to 5th October, 2013.

(2) Consideration for each of the grants mentioned above is HK\$1.00

董事會報告書

Report of the Directors

董事之服務合約

於二零零四年十二月三十一日，董事概無與本公司或其任何附屬公司簽訂任何不可於一年內免付補償（法定補償除外）而予以終止之服務合約。

董事之合約權益

於年結日時或本年度內任何時間，並無任何本公司董事在本公司或其附屬公司之任何重大合約上直接或間接擁有任何重大權益。

Directors' Service Contracts

As of 31st December, 2004, none of the Directors has any service contract with the Company or any its subsidiaries which is not terminable by the employing company within one year without payment of compensation other than statutory compensation.

Directors' Interests in Contracts

No contracts of significance to which the Company or its subsidiaries were a party and in which any director of the Company had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the year.

董事會報告書

Report of the Directors

擁有須申報權益的股東

截至二零零四年十二月三十一日，以下人士（本公司董事或行政總裁除外）於本公司的股份及相關股份中擁有根據《證券及期貨條例》第XV部第2及第3分部規定須向本公司披露或記錄於遵照《證券及期貨條例》第336條而備存的登記冊的權益或淡倉如下：

Shareholders with Notifiable Interests

As of 31st December, 2004, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provision of Division 2 and 3 of Part XV of the SFO or which were recorded in the register maintained by the Company pursuant to section 336 of the SFO:

於2004年12月31日
所持股份的好倉
總額佔本公司已
發行股本的百分比
Percentage of
the aggregate
long position
in shares to the
issued share
capital of the
Company as at
31st December, 2004

股東名稱	Name of Interest Party	身份 Capacity	權益性質 Nature of Interest	股份數目 Number of Share	31st December, 2004
Finetex International Limited (「Finetex」) ⁽¹⁾	Finetex International Limited (「Finetex」) ⁽¹⁾	實益擁有人 Beneficial Owner	實益權益 Beneficial Interest	661,500,000	44.02
華潤(集團)有限公司 (「華潤集團」) ⁽¹⁾	China Resources (Holdings) Company Limited (「CRH」) ⁽¹⁾	實益擁有人 Beneficial Owner	實益權益 Beneficial Interest	96,270,000	6.41
華潤(集團)有限公司 (「華潤集團」) ⁽¹⁾	China Resources (Holdings) Company Limited (「CRH」) ⁽¹⁾	受控制公司權益 Controlled company's interest	公司權益 Corporate Interest	661,500,000	44.02
CRC Bluesky Limited (「Bluesky」) ⁽¹⁾	CRC Bluesky Limited (「Bluesky」) ⁽¹⁾	受控制公司權益 Controlled Company's Interest	公司權益 Corporate Interest	757,770,000	50.43
華潤股份有限公司 (「華潤股份」) ⁽¹⁾	China Resources Co., Limited ⁽¹⁾	受控制公司權益 Controlled Company's Interest	公司權益 Corporate Interest	757,770,000	50.43
中國華潤總公司 (「中國華潤」) ⁽¹⁾	China Resources National Corporation (「CRNC」) ⁽¹⁾	受控制公司權益 Controlled Company's Interest	公司權益 Corporate Interest	757,770,000	50.43
The Cathay Investment Fund Ltd ⁽²⁾	The Cathay Investment Fund Ltd ⁽²⁾	受控制公司權益 Controlled Company's Interest	公司權益 Corporate Interest	83,972,000	5.59
New China Management Corp ⁽²⁾	New China Management Corp ⁽²⁾	投資經理 Investment Manager	其他 Others	83,972,000	5.59

董事會報告書

Report of the Directors

- (1) Finetex直接持有本公司661,500,000股，華潤集團為Finetex之唯一股東，除此之外，華潤集團又直接擁有公司96,270,000股，而華潤集團是Bluesky的全資附屬公司，Bluesky是華潤股份的全資附屬公司，而華潤股份99.98%的權益是由中國華潤擁有，因此，華潤集團、Bluesky、華潤股份、中國華潤均被視為擁有公司757,770,000股股份的權益。
- (2) The Cathay Investment Fund, Ltd.委任New China Management Corp.為投資經理，提供投資管理服務。

除上文所披露外，於二零零四年十二月三十一日，概無任何其他人士於本公司的股份及相關股份中擁有根據《證券及期貨條例》第XV部第2及第3分部規定須向本公司披露的權益和淡倉，或記錄於本公司遵照《證券及期貨條例》第336條存置的登記冊的權益或淡倉。

附屬公司及聯營公司

各附屬公司及聯營公司之詳細資料刊載於第92頁至第95頁。

關連交易

於2004年6月25日，華潤置地(北京)股份有限公司與華潤山東(石材)有限公司供貨協議，代價為港幣2,642,313元。該代價乃經過雙方經公平協商後釐定。由於本公司持有70.4%華潤置地(北京)股份有限公司的股份，而華潤山東(石材)有限公司則由中國華潤總公司擁有99%，且中國華潤總公司乃透過其全資附屬公司華潤(集團)有限公司擁有本公司50.43%，根據上市規則，上述交易構成本公司的關連交易，該等交易經過獨立非執行董事的審閱並按上市規則進行了報紙公告。

- (1) 661,500,000 share of the Company are directly held by Finetex, CRH is the sole shareholder of Finetex. Moreover, 96,270,000 shares of the Company are directly held by CRH, which is a 100% subsidiary of Bluesky, which is in turn owned as to 100% by China Resources Co. Limited, which is in turn held as to 99.98% by CRNC. Thus, CRH, Bluesky, China Resources Co., Limited and CRNC are deemed to be interested in an aggregate of 757,770,000 shares in the Company.
- (2) New China Management Corp. was appointed by The Cathay Investment Fund, Ltd as its investment manager to provide investment management services.

Save as aforesaid, as of 31st December 2004, no other person had any interest in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provision of Division 2 and 3 of Part XV of the SFO or which were recorded in the register kept by the Company under section 336 of the SFO.

Subsidiaries and Associates

Particulars regarding the subsidiaries and associates are set out on pages 92 to 95.

Connected Transactions

On 25th June, 2004, China Resources Land (Beijing) Co. Ltd ("CRLBJ") and China Resources (Shandong) Stone Products Co, Ltd. ("CR Shandong") entered into a supply agreement for a consideration of HK\$2,642,313 which was determined after arm's length negotiation between the said parties. As CRLBJ is owned as to 70.4% by the Company, and CR Shandong is owned as to 99% by CRNC, which, in turn, has a 50.43% interest in the Company via its wholly-owned subsidiary, CRH, the supply agreement constituted a connected transactions of the Company pursuant to Listing Rules. Such transaction was reviewed by independent non-executive directors and announced in newspaper according to the requirement of the Listing Rules.

董事會報告書

Report of the Directors

於2004年8月5日，北京華潤曙光房地產開發有限公司與華潤建築有限公司簽定鳳凰城建築工程協議書，代價為港幣89,378,067元。該代價乃經過雙方經公平協商後釐定。由於北京華潤曙光房地產開發有限公司是華潤置地(北京)股份有限公司的全資附屬公司，由本公司間接持有70.4%。而華潤建築則由中國華潤總公司擁有99%，且中國華潤總公司乃透過其全資附屬公司華潤(集團)有限公司擁有本公司50.43%，根據上市規則，上述交易構成本公司的關連交易，該交易獲得股東大會的批准。

於2004年8月5日，華潤置地(北京)股份有限公司與華潤建築有限公司分別簽定峻峰華亭建築工程協議和峻峰華亭A座、D座裝修工程協議，代價分別為港幣2,780,485元及港幣9,317,063元。該代價乃經過雙方經公平協商後釐定。由於本公司持有70.4%華潤置地(北京)股份有限公司的股份，而華潤建築則由中國華潤總公司擁有99%，且中國華潤總公司乃透過其全資附屬公司華潤(集團)有限公司擁有本公司50.43%，根據上市規則，上述交易構成本公司的關連交易，該等交易經過獨立非執行董事的審閱並按上市規則進行了報紙公告。

購買、出售或贖回上市證券

本年度內，本集團贖會及取消面值總額530,000美元之於二零零四年到期年息2厘的可換股債券(該等債券於盧森堡證券交易所上市)，除上文所披露之外，本公司或其附屬公司於年內概無購買、出售或贖回本公司任何上市證券(不論是否在聯交或其他證券交易所進行)。

On 5th August, 2004, Beijing China Resources Shuguang Real Estate Development Co., Ltd (“CRShuguang”) and China Resources Construction Company Limited (“CR Construction”) entered into the Phoenix City Construction Agreement for a consideration of HK\$89,378,067 which was determined after arm’s length negotiation between the said parties. As CRShuguang is a wholly-owned subsidiary of China Resources Land (Beijing) Company Limited (“CRLBJ”) and is currently owned as to 70.4% by the Company, and CR Construction is owned as to 99% by CRNC, which, in turn, has a 50.43% interest in the Company via its wholly-owned subsidiary, CRH, the Construction Agreement constituted a connected transaction of the Company pursuant to Listing Rules and was approved by shareholders at general meeting.

On 5th August, 2004, China Resources Land (Beijing) Co. Ltd (“CRLBJ”) and China Resources Construction Company Limited (“CR Construction”) entered into the Top Box Construction Agreement and Top Box Fitting Agreement for considerations of HK\$2,780,485 and HK\$9,317,063 respectively which were determined after arm’s length negotiation between the said parties. As CRLBJ is owned as to 70.4% by the Company, and CR Construction is owned as to 99% by CRNC, which, in turn, has a 50.43% interest in the Company via its wholly-owned subsidiary, CRH, the two Agreements constituted connected transactions of the Company pursuant to Listing Rules. Such transactions were reviewed by independent non-executive directors and announced in newspaper according to the requirement of the Listing Rules.

Purchase, Sale or Redemption of Listed Securities

During the year, the Group redeemed and cancelled a total nominal value of US\$530,000 of the 2% Convertible Bond due 2004 listed on the Luxembourg Stock Exchange, save as aforesaid, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (whether on The Stock Exchange of Hong Kong Limited or otherwise).

董事會報告書

Report of the Directors

企業管治

公司致力與高水準的企業管治，就董事所知年內一直遵守各項法定及非法定要求，包括公司條例，上市規則和證券及期貨條例等。

最佳應用守則

本公司在本年度整段期間內一直遵守上市規則附錄十四之規定，唯一例外情況為非執行董事須輪值告退，而非以指定之任期委任。

就董事之證券交易，本公司已採納上市規則附錄十所載之標準守則為本公司董事進行證券交易之守則（「該守則」）。本公司已向所有董事作出特定查詢後，確認所有董事均已完全遵守該守則列示的所有標準。

公眾持股量

就可提供本公司之公開資料及本公司董事所知，於本報告日，本公司已發行股份有足夠並不少於上市規則規定25%之公眾持有量。

主要客戶及供應商

本年度內，本集團之五大供應商及客戶共佔本集團少於30%之採購額及銷售額。

五年財務概要

本集團過往五個財政年度之業績及資產負債概要刊載於第96頁。

Corporate Governance

The Company is dedicated to maintaining a high level of corporate governance. During the year, within the knowledge of the directors, the Company has complied with all statutory and non-statutory requirements, including the Companies Ordinance, the Listing Rules and the SFO.

Code of Best Practice

The Company has complied throughout the year with Appendix 14 to the Listing Rules, with the exception that non-executive directors have no set term of office but retire from office on a rotational basis.

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rule as code of conduct regarding securities transactions by the directors. Having made specific enquiry with all directors, the Company confirmed that all directors has complied with the required standard set out in the Model Code.

Public Float

Based on the information that is publicly available to the Company and within the knowledge of the directors, as of the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

Major Customers and Suppliers

During the year, the Group's five largest suppliers and customers together accounted for less than 30% of the Group's purchases and sales respectively.

Five Year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 96.

董事會報告書

Report of the Directors

優先購買權

本公司之公司組織章程細則並無有關優先購買權之任何規定，而開曼群島法例亦無有關該權利之任何限制。

審核委員會

審核委員會成員為黃廣志先生、王石先生、施永青先生，彼等均為本公司之獨立非執行董事。審核委員會已經與管理層人員及本公司核數師共同審閱了本集團採納的會計原則及慣例，並已就本集團的核數、內部監控及財務申報事宜（包括審閱期內的財務報表）進行了討論。

核數師

德勤•關黃陳方會計師行將於應屆股東週年大會結束時任滿告退，並具資格備聘再任。

承董事局命

主席

王印

香港，二零零五年四月七日

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Company's Articles of Association and there are no restrictions against such rights under the laws in the Cayman Island.

Audit Committee

The members of the audit committee comprise Mr. Wong Kong Chi, Mr. Wang Shi and Mr. Shih Wing Ching, all of them being independent non-executive directors of the Company. The audit committee has reviewed, together with the management and the Company's auditors, the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the financial statements for the year.

Auditors

Messrs. Deloitte Touche Tohmatsu will retire at the end of the forthcoming annual general meeting and is eligible for reappointment.

On behalf of the board

Wang Yin

Chairman

Hong Kong, 7th April, 2005