

# REPORT OF THE DIRECTORS 董事會報告

The Directors are pleased to present their annual report together with the audited accounts of Hopson Development Holdings Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31st December 2004.

## PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries, associates and a jointly controlled entity are principally engaged in investment holding and property development, investment and property management.

An analysis of the Group's turnover by geographical locations and their respective contributions to operating profit for the year ended 31st December 2004 is as follows:

董事會欣然提呈合生創展集團有限公司(「本公司」)及其附屬公司(以下統稱「本集團」)截至二零零四年十二月三十一日止年度的年報連同經審核賬目。

## 主要業務

本公司為一間投資控股公司，旗下各附屬公司、聯營公司及共同控制實體主要從事投資控股、物業發展、投資及物業管理業務。

本集團截至二零零四年十二月三十一日止年度按地區劃分之營業額及其各自對經營溢利之貢獻分析如下：

		Turnover 營業額 HK\$'000 千港元	Contribution to operating profit 對經營溢利的貢獻 HK\$'000 千港元
Guangzhou	廣州	2,395,779	517,309
Beijing	北京	1,459,240	329,849
Shanghai	上海	298,534	128,912
Tianjin	天津	280,502	19,114
Others	其他	15,858	15,858
		4,449,913	1,011,042
Other revenue	其他收入		117,706
Unallocated corporate expenses	未分配開支		(25,669)
<b>TOTAL</b>	<b>總計</b>		<b>1,103,079</b>

An analysis of the Group's turnover by business segments and their respective contributions to operating profit for the year ended 31st December 2004 is as follows:

本集團截至二零零四年十二月三十一日止年度按業務劃分之營業額及其各自對經營溢利的貢獻分析如下：

		Turnover 營業額 HK\$'000 千港元	Contribution to operating profit 對經營溢利的貢獻 HK\$'000 千港元
Pre-sale and sale of properties	物業預售及銷售	4,338,019	976,776
Rental income	租金收入	42,744	38,470
Property management fees	物業管理費	69,150	(4,204)
		4,449,913	1,011,042
Other revenue	其他收入		117,706
Unallocated corporate expenses	未分配開支		(25,669)
<b>TOTAL</b>	<b>總計</b>		<b>1,103,079</b>

## MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31st December 2004, the five largest customers of the Group accounted for approximately 3.8% of the Group's turnover while the five largest suppliers of the Group accounted for 52% of the Group's purchases. In addition, the largest customer of the Group accounted for approximately 1.8% of the Group's turnover while the largest supplier of the Group accounted for approximately 25% of the Group's purchases.

Save for the association with certain related companies as set out in Note 4 to the accompanying audited accounts, none of the Directors, their associates or any shareholders (which to the knowledge of the Directors owned more than 5% of the Company's share capital) has a beneficial interest in the Group's five largest customers or five largest suppliers.

## RESULTS AND APPROPRIATIONS

Details of the Group's results for the year ended 31st December 2004 are set out in the consolidated profit and loss account on page 61 of this annual report.

An interim dividend of HK3 cents per share, totalling HK\$30,090,000, was declared and paid during the year. The Directors recommended the payment of a final dividend of HK6 cents per share, which will bring the total dividends for the year ended 31st December 2004 to HK\$90,270,000.

## SHARE CAPITAL

Details of movements in share capital of the Company are set out in Note 35 to the accompanying accounts.

## RESERVES

Movements in reserves of the Group and of the Company during the year are set out in Note 37 to the accounts.

Distributable reserves of the Company as at 31st December 2004, calculated under the Companies Act of Bermuda, amounted to HK\$53,228,000 (2003: HK\$50,062,000).

## DONATIONS

During the year, the Group made charitable donations totalling HK\$4,068,000 (2003: HK\$6,109,000) to various organisations for charitable purpose.

## 主要顧客及供應商

於截至二零零四年十二月三十一日止年度期間，本集團五名最大客戶約佔本集團營業額約3.8%，而本集團五名最大供應商則約佔本集團採購額的52%。此外，本集團的最大客戶約佔本集團營業額約1.8%，而本集團的最大供應商則約佔本集團採購額約25%。

除於隨附的經審核賬目附註4所載與若干關連公司有聯繫外，概無董事、彼等的聯繫人等或任何股東（據董事所知擁有超過本公司5%之股本者）於本集團五名最大客戶或五名最大供應商中擁有實質權益。

## 業績及分派

本集團截至二零零四年十二月三十一日止年度的業績詳情載於本年報第61頁的綜合損益表內。

中期股息每股3港仙，合共30,090,000港元，已於本年度內宣派及支付。董事建議派發末期股息每股6港仙；故此，截至二零零四年十二月三十一日止年度股息總額將為90,270,000港元。

## 股本

本公司的股本變動詳情載於隨附之賬目附註35。

## 儲備

本集團及本公司於本年度的儲備變動載於賬目附註37。

於二零零四年十二月三十一日，根據百慕達公司法計算，本公司的可供分派儲備為53,228,000港元（二零零三年：50,062,000港元）。

## 捐款

於本年，本集團為慈善用途捐款4,068,000港元（二零零三年：6,109,000港元）予多個機構。

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## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws and there is no restriction against such rights under the laws of Bermuda.

## FIXED ASSETS AND INVESTMENT PROPERTIES

Details of movements in fixed assets and investment properties of the Group during the year are set out in Notes 14 and 15 to the accounts, respectively.

## SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's subsidiaries and associated companies are set out in Notes 18 and 19 to the accounts, respectively.

## BANK LOANS

Particulars of bank loans as at 31st December 2004 are set out in Notes 29 and 30 to the accounts.

## PENSION SCHEMES

Details of the pension schemes are set out in Note 42 to the accounts.

## FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 125 to 128.

## ON-GOING CONNECTED TRANSACTIONS

The Stock Exchange of Hong Kong Limited (the "Stock Exchange") has granted a conditional waiver to the Company from strict compliance with the requirements under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") in force prior to 31st March 2004 in respect of certain on-going connected transactions. Pursuant to the waiver, the Company is not required to disclose details of such connected transactions by on-going press notice and/or circular and/or to obtain prior independent shareholders' approval. Details of such connected transactions are as follows:

## 優先購買權

本公司細則並無優先購買權條文，而百慕達法例亦無限制該等權利。

## 固定資產和投資物業

本集團於本年度的固定資產和投資物業變動詳情分別載於賬目附註14及附註15。

## 附屬公司及聯營公司

本公司的附屬公司及聯營公司詳情分別載於賬目附註18及附註19。

## 銀行貸款

於二零零四年十二月三十一日銀行貸款詳情載於賬目附註29及附註30。

## 退休金計劃

退休金計劃詳情載於賬目附註42。

## 五年財務摘要

本集團於過去五年業績及資產與負債摘要載於第125至128頁。

## 持續關連交易

香港聯合交易所有限公司(「聯交所」)已就若干持續關連交易，批准本公司有條件豁免嚴格遵守二零零四年三月三十一日前具有效力的聯交所證券上市規則(「上市規則」)第14章的規定。根據該項豁免，本公司毋須持續以刊發報章公告及/或通函方式披露該等關連交易詳情，及/或事先獲取獨立股東批准。該等關連交易詳情如下：

- (i) Appointment of a main contractor - Guangdong Zhujiang Construction Limited ("GZ Construction")

During the three years commencing 1st January 2003, the Group may, from time to time, appoint GZ Construction as its main contractor in respect of construction works to be carried out on property development projects of the Group. The appointment of GZ Construction as the Group's main contractor will be on normal commercial terms conducted at arm's length between the parties and in the ordinary and usual course of business of the Group; and will be fair and reasonable so far as the shareholders of the Company are concerned. Further, individual construction contracts will only be awarded to GZ Construction if the terms offered by it are not less favourable than those offered by other contractors. GZ Construction, being a 60%-owned subsidiary of Guangdong Zhujiang Investment Limited ("GD Zhujiang"), a minority shareholder of certain subsidiaries of the Company, is a connected person of the Company under the Listing Rules. During the year ended 31st December 2004, construction fees paid/payable to GZ Construction amounted to approximately HK\$792,000,000 (2003: HK\$1,250,000,000).

- (ii) Appointment of a main contractor - Guangdong Hanjiang Construction Installation Project Limited ("Hanjiang")

During the three years commencing 1st January 2003, the Group may, from time to time, appoint Hanjiang as its main contractor in respect of construction works to be carried out on property development projects of the Group. The appointment of Hanjiang as the Group's main contractor will be on normal commercial terms conducted at arm's length between the parties and in the ordinary and usual course of business of the Group; and will be fair and reasonable so far as the shareholders of the Company are concerned. Further, individual construction contracts will only be awarded to Hanjiang if the terms offered by it are not less favourable than those offered by other contractors. Hanjiang is owned as to 90 per cent. by Mr. Chu Hing Yee, the brother of Mr. Chu Mang Yee, the Chairman and executive director of the Company ("Mr. Chu"), and 10 per cent. by Mr. Chu Fan, the brother-in-law of Mr. Chu. Each of Mr. Chu Hing Yee and Mr. Chu Fan is a connected person of the Company under the Listing Rules. Accordingly, Hanjiang being an associate of Mr. Chu Hing Yee is also a connected person of the Company. During the year ended 31st December 2004, construction fees paid/payable to Hanjiang amounted to approximately HK\$1,298,000,000 (2003: HK\$882,000,000).

- (i) 委任總承建商－廣東珠江工程總承包有限公司（「珠江總承包」）

由二零零三年一月一日起計三年期間，本集團可不時委聘珠江總承包為本集團將進行建築工程的物業發展項目的主要承建商。本集團將循雙方按公平磋商原則及於本集團日常業務範圍內對本公司股東屬公平合理的一般商業條款，委聘珠江總承包為本集團的主要承建商。此外，只有當珠江總承包所開出的條款並不遜於其他承建商，個別建築合約才會批予珠江總承包。根據上市規則，由於珠江總承包為廣東珠江投資有限公司（「廣東珠江」）（本公司若干附屬公司的少數股東）持有60%權益的附屬公司，故珠江總承包乃本公司的關連人士。於截至二零零四年十二月三十一日止年度已付／應付珠江總承包的建築費用約為792,000,000港元（二零零三年：1,250,000,000港元）。

- (ii) 委任總承建商－廣東韓江建築安裝工程有限公司（「韓江」）

由二零零三年一月一日起計三年期間，本集團可不時委聘韓江為本集團將進行建築工程的物業發展項目的主要承建商。本集團將循雙方按公平磋商原則及於本集團日常業務範圍內對本公司股東屬公平合理的一般商業條款，委聘韓江為本集團的主要承建商。此外，只有當韓江所開出的條款並不遜於其他承建商，個別建築合約才會批予韓江。韓江由本公司主席兼執行董事朱孟依先生（「朱先生」）之胞弟朱慶伊先生擁有90%權益，以及由朱先生之妹夫朱帆先生擁有10%權益。根據上市規則，朱慶伊先生及朱帆先生均為本公司之「關連人士」。因此，韓江作為朱慶伊先生之聯繫人士亦屬本公司之關連人士。於截至二零零四年十二月三十一日止年度已付／應付韓江的建築費用約為1,298,000,000港元（二零零三年：882,000,000港元）。

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- (iii) Appointment of a property management company - Guangdong Esteem Property Services Limited ("Esteem")

During the three years commencing 1st January 2003, the Group may appoint Esteem to manage the unsold units of the Group's properties located in Guangzhou and the southern part of Guangdong Province in return for management fees equal to those charged to owners of individual units of the sold properties. Esteem is a connected person of the Company under Chapter 14 of the Listing Rules in force prior to 31st March 2004 because 10% equity interest of Esteem is held by Guangdong Zhujiang Property Management Company, a wholly-owned subsidiary of GD Zhujiang. During the year ended 31st December 2004, management fees paid/payable to Esteem amounted to approximately HK\$323,000 (2003: HK\$4,196,000).

On 19th January 2004, the Group acquired the remaining 10% equity interest in Esteem from Guangdong Zhujiang Property Management Company for a consideration of RMB 467,000. Esteem thus became a wholly-owned subsidiary of the Company. After 19th January 2004, any transactions between the Company and Esteem are exempt from the disclosure or shareholders' approval requirement of the Listing Rules.

- (iv) Appointment of a property management company - Beijing Zhujiang Century Property Management Limited ("Beijing Century")

During the three years commencing 1st January 2003, the Group may appoint Beijing Century to manage the unsold units of the Group's properties located in Beijing and Tianjin in return for management fees equal to those charged to owners of individual units of the sold properties. Beijing Century is owned as to 80% by Beijing Zhujiang Real Estate Development Company Limited ("Beijing Zhujiang") and 20% by GZ Construction, while Beijing Zhujiang is owned as to 60 per cent. by GD Zhujiang and 40 per cent. by GZ Construction. Accordingly, Beijing Century is a connected person of the Company under the Listing Rules. During the year ended 31st December 2004, management fees paid/payable to Beijing Century amounted to approximately HK\$4,907,000 (2003: HK\$1,926,000).

- (v) Appointment of a property management company - Shanghai Hopson Property Management Limited ("Shanghai Hopson")

During the two years commencing 1st January 2004, the Group may appoint Shanghai Hopson to manage the unsold units of the Group's properties located in Shanghai in return for management fees equal to those charged to owners of individual units of the sold properties. Shanghai Hopson is owned as to 40% by GD Zhujiang and 60% by Shanghai Zhujiang Investment Limited which is in turn owned as to 60% by GD Zhujiang and 40% by GZ Construction. Shanghai Hopson is a subsidiary of GD Zhujiang which

- (iii) 委任物業管理公司－廣東康景物業服務有限公司（「康景」）

由二零零三年一月一日起計三年期間，本集團可委任康景以管理本集團位於廣州及廣東省南部的未出售物業單位，並按照向已出售物業單位業主徵收的管理費收取管理費。根據二零零四年三月三十一日前具有效力的上市規則第14章，由於廣東珠江物業管理公司（廣東珠江的全資附屬公司）持有康景10%權益，故康景乃本公司的關連人士。於截至二零零四年十二月三十一日止年度已付／應付康景的管理費約為323,000港元（二零零三年：4,196,000港元）。

於二零零四年一月十九日，本集團向廣東珠江物業管理公司收購康景餘下10%權益，代價為人民幣467,000元。康景因此成為本公司的全資附屬公司。於二零零四年一月十九日之後，本公司與康景之任何交易均獲豁免遵守上市規則的披露或股東批准要求。

- (iv) 委任物業管理公司－北京珠江世紀物業管理有限公司（「北京世紀」）

由二零零三年一月一日起計三年期間，本集團可委任北京世紀以管理本集團位於北京及天津的未出售物業單位，並按照向已出售物業單位業主徵收的管理費收取管理費。北京世紀由北京珠江房地產開發有限公司（「北京珠江」）及珠江總承包分別擁有80%及20%股權；而北京珠江則由廣東珠江及珠江總承包分別擁有60%及40%權益。因此，根據上市規則，北京世紀為本公司之「關連人士」。於截至二零零四年十二月三十一日止年度已付／應付北京世紀的管理費約為4,907,000港元（二零零三年：1,926,000港元）。

- (v) 委任物業管理公司－上海合生物業管理有限公司（「上海合生」）

由二零零四年一月一日起計兩年期間，本集團可委任上海合生以管理本集團位於上海之未出售物業單位，並按照向已出售物業單位業主徵收之管理費收取管理費。上海合生分別由廣東珠江及上海珠江投資有限公司擁有40%及60%之權益，而上海珠江投資有限公司則分別由廣東珠江及珠江總承包擁有60%及40%之權益。上海合生為廣東珠江之附屬

is a connected person of the Company under the Listing Rules. Accordingly, Shanghai Hopson constitutes a connected person of the Company under the Listing Rules. During the year ended 31st December 2004, management fees paid/payable to Shanghai Hopson amounted to approximately HK\$116,000 (2003: Nil).

The independent non-executive Directors have reviewed the above transactions and confirmed that:

- (i) a. the above transactions have been conducted at arm's length between the parties on normal commercial terms and in the ordinary and usual course of the business of the Group, and are fair and reasonable so far as the shareholders of the Company are concerned;
- b. the above transactions have been carried out on terms no less favourable than terms available from independent third parties;
- c. the disclosure provided herein in respect of the details of the above transactions is in compliance with Rule 14.25 (1)(A) to (D) of the Listing Rules in force prior to 31st March 2004;
- (ii) during the year ended 31st December 2004, construction fees paid/payable to GZ Construction amounted to approximately HK\$792,000,000 (2003: HK\$1,250,000,000), which has not exceeded the annual construction fees paid/payable to GZ Construction in respect of the year concerned as permitted under the said waiver from the Stock Exchange;
- (iii) during the year ended 31st December 2004, construction fees paid/payable to Hanjiang amounted to approximately HK\$1,298,000,000 (2003: HK\$882,000,000), which has not exceeded the annual construction fees paid/payable to Hanjiang in respect of the year concerned as permitted under the said waiver from the Stock Exchange;
- (iv) during the year ended 31st December 2004, management fees paid/payable to Esteem amounted to approximately HK\$323,000 (2003: HK\$4,196,000), which has not exceeded the annual management fees paid/payable to Esteem in respect of the year concerned as permitted under the said waiver from the Stock Exchange; and

公司，根據上市規則廣東珠江為本公司之關連人士。因此，根據上市規則，上海合生為本公司之關連人士。於截至二零零四年十二月三十一日止年度已付／應付上海合生之管理費約為116,000港元（二零零三年：零）。

獨立非執行董事已審閱上述交易，並確認：

- (i) a. 上述交易已由訂約各方按公平磋商原則、並以一般商業條款，及於本集團日常業務範圍內進行，對本公司股東而言乃屬公平合理；
- b. 上述交易乃按不遜於獨立第三方可提供的條款進行；
- c. 本文就上述交易細節所提供的披露，乃根據二零零四年三月三十一日前具有效力的上市規則第14.25(1)(A)至(D)條而作出；
- (ii) 於截至二零零四年十二月三十一日止年度內已付／應付珠江總承包的建築費用約為792,000,000港元（二零零三年：1,250,000,000港元），並未超過根據聯交所授予的上述豁免所批准於有關年度可向珠江總承包支付／應付的全年建築費用限額；
- (iii) 於截至二零零四年十二月三十一日止年度內，已付／應付韓江的管理費約為1,298,000,000港元（二零零三年：882,000,000港元），並未超過根據聯交所授予的上述豁免所批准於有關年度可向韓江支付／應付的全年管理費限額；
- (iv) 於截至二零零四年十二月三十一日止年度內，已付／應付康景的管理費約為323,000港元（二零零三年：4,196,000港元），並未超過根據聯交所授予的上述豁免所批准於有關年度可向康景支付／應付的全年管理費限額；及

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- (v) during the year ended 31st December 2004, management fees paid/payable to Beijing Century amounted to approximately HK\$4,907,000 (2003: HK\$1,926,000), which has not exceeded the annual management fees paid/payable to Beijing Century in respect of the year concerned as permitted under the said waiver from the Stock Exchange.
- (vi) during the year ended 31st December 2004, management fees paid/payable to Shanghai Hopson amounted to approximately HK\$116,000 (2003: Nil), which has not exceeded the annual management fees paid/payable to Shanghai Hopson in respect of the year concerned as permitted under the said waiver from the Stock Exchange.

The auditors of the Company have reviewed the above transactions and confirmed that the transactions:

- (1) have received approval from the Board of Directors; and
- (2) have been entered into in accordance with the terms of the agreement governing the transactions.

Save as disclosed in Note 4 to the accompanying accounts, no other contracts of significance in relation to the Company's business to which the Company or any of its subsidiaries, associated company, jointly controlled entity or holding company was a party and in which any of the Company's Directors had a material interest, subsisted at the end of the year or at any time during the year.

## CONNECTED TRANSACTIONS

During the year ended 31st December 2004, the Group entered into the following connected transactions:

- (i) Acquisition of the respective interests of GD Zhujiang and its subsidiaries ("Zhujiang Group") in certain non-wholly owned subsidiaries of the Group

- (v) 於截至二零零四年十二月三十一日止年度內，已付／應付北京世紀的管理費約為4,907,000港元（二零零三年：1,926,000港元），並未超過根據聯交所授予的上述豁免所批准於有關年度可向北京世紀支付／應付的全年管理費限額。
- (vi) 於截至二零零四年十二月三十一日止年度內，已付／應付上海合生之管理費約為116,000港元（二零零三年：零），並未超過根據聯交所授予之上述豁免所批准於有關年度可向上海合生支付／應付之全年管理費限額。

本公司核數師已審閱上述交易，並確認該等交易：

- (1) 已獲董事會批准；及
- (2) 根據該等交易協議之條款進行。

除於隨附之賬目附註4所披露外，本公司的董事概無於本年度年終或年內任何時間，在本公司或其任何附屬公司、聯營公司、共同控制實體或控股公司所訂立任何與本公司業務有關的其他重大合約中持有重大權益。

## 關連交易

於截至二零零四年十二月三十一日止年度，本集團訂立下列關連交易：

- (i) 收購廣東珠江及其附屬公司（「珠江集團」）於本集團若干非全資附屬公司之有關權益

GD Zhujiang, being a substantial shareholder of certain subsidiaries of the Company, has granted the Group a first right of refusal to invest in and jointly develop any property development projects in the PRC in which GD Zhujiang has or may have development rights. As Zhujiang Group is desirous of disposing its minority interests in certain subsidiaries of the Company in order to refocus on and strengthen its own business activities, and in view of the growth in the residential property markets in Guangzhou and Beijing, together with the potential positive earnings impact on the Group, on 23rd June 2004, the Group entered into an agreement to acquire Zhujiang Group's interests in certain non-wholly owned subsidiaries of the Group at a total consideration of approximately RMB351.1 million as follows:

本公司若干附屬公司之主要股東廣東珠江向本集團授出優先購股權以投資及共同發展廣東珠江擁有或可能擁有發展權之中國物業發展項目。由於珠江集團欲出售其於本公司若干附屬公司之少數股東權益，務求再度專注及壯大其本身之業務，並鑑於廣州及北京住宅物業市場之增長，以及對本集團之潛在盈利正面影響，本集團於二零零四年六月二十三日簽訂協議收購珠江集團於本集團若干非全資附屬公司之權益，代價總額約人民幣351,100,000元，並載列如下：

	Name of non-wholly owned subsidiaries	非全資附屬公司之名稱	Percentage of equity interests acquired 收購股本權益之百分比	Resulting percentage of equity interests held by the Group 本集團持有股本權益之百分比	Consideration 代價  (RMB million) (人民幣百萬元)
1.	Guangdong Huajingxincheng Real Estate Limited	廣東華景新城房地產有限公司	10%	100%	36.8
2.	Guangdong Hopson Yuehua Real Estate Limited	廣東合生越華房地產有限公司	10%	100%	-
3.	Guangdong Hopson Lejing Real Estate Limited	廣東合生樂景房地產有限公司	25.5%	100%	35.4
4.	Guangdong New Tai An Real Estate Limited	廣東新泰安房地產有限公司	48%	100%	3
5.	Guangzhou Hopson Yijing Real Estate Limited	廣州合生逸景房地產有限公司	34.5%	99.5%	36.3
6.	Guangdong Huanan New City Real Estate Limited	廣東華南新城房地產有限公司	39%	99%	113.6
7.	Beijing Hopson Lu Zhou Real Estate Development Limited	北京合生綠洲房地產開發有限公司	30%	100%	62.3
8.	Beijing Hopson Beifang Real Estate Development Limited	北京合生北方房地產開發有限公司	30%	100%	32.0
9.	Beijing Hopson Yujing Real Estate Development Limited	北京合生愉景房地產開發有限公司	30%	100%	31.7

The above transactions were completed as of 31st December 2004.

上述交易已於二零零四年十二月三十一日完成。



## REPORT OF THE DIRECTORS 董事會報告

- (ii) Acquisition of 59.5% equity interest of Guangzhou Zhujiang Qiaodao Real Estate Limited (“Qiaodao”) from GD Zhujiang and Guangzhou Shanlian Hua Qiao Real Estate Limited (“Shanlian”).

In view of the encouraging economic condition, the growth in the property values in Guangzhou, and the increase in demand for good quality commodity properties in Guangzhou, the Directors consider that Regal Riviera, the development project held by Qiaodao, will have a good sale potential and thus will have a positive impact on the profits of the Group in the long term. As such, on 23rd June 2004, the Group entered into an agreement to acquire 29.5% equity interest from GD Zhujiang and 30% equity interest from Shanlian at a total consideration of approximately RMB 496.9 million.

The acquisition was conditional upon the finalisation of the business registration procedures in mainland China and is expected to be completed during the first half of 2005.

- (iii) The Group entered into a conditional Cooperation Agreement and a conditional Internal Sub-Contract with Shanghai Hungkang North Bridge Property Company Limited (“Shanghai Hungkang”) in connection with the development of the piece of land located in Minxing District of Shanghai comprising approximately 1,196.52 mu. (the “Lot”) via Shanghai Lung Meng Company Limited (“Shanghai Lung Meng”), a non wholly-owned subsidiary of the Company.

In order to facilitate the transfer of the 25 per cent interest of Shanghai Hungkang in Shanghai Lung Meng to Chia Lung Group Company Limited (“Chia Lung”) and Prestige Dragon Development Limited (“Prestige”), both companies are effectively wholly-owned by the Company, on 31st May 2004, the Group entered into a conditional Cooperation Agreement and a conditional Internal Sub-Contract with Shanghai Hungkang.

Pursuant to the conditional Cooperation Agreement, Chia Lung, Prestige and Shanghai Hungkang, being all joint venture partners of Shanghai Lung Meng, agree to change the mode of their co-investment and cooperation in the joint venture company such that instead of contributing to 25 per cent of the registered capital and sharing 25 per cent of the profits of Shanghai Lung Meng, Shanghai Hungkang shall be solely responsible for the development of and be solely entitled to the profit generated from the piece of land located at Qin No.1 Jiefang No.160 Huaping Jiedao of the Lot comprising approximately 300 mu. (the “Carved-out Land”) and shall not share any of the profit or loss of Shanghai Lung Meng. The Carved-out Land shall be transferred by Shanghai Lung Meng to Shanghai Hungkang by way of asset distribution when 25 per cent of the total investment for the development of the Carved-out Land has

- (ii) 向廣東珠江及廣州三聯華僑房產有限公司 (「三聯」) 收購廣州珠江僑都房地產有限公司 (「僑都」) 之股本權益59.5%

鑑於經濟狀況利好，廣州之樓價增長及對廣州優質商品物業之需求上升，董事認為僑都持有之發展項目珠江帝景甚具銷售潛力，長遠而言將對本集團溢利帶來正面影響。因此，本集團於二零零四年六月二十三日簽訂協議向廣東珠江及三聯分別收購29.5%及30%之股本權益，代價總額約人民幣496,900,000元。

收購須待於中國大陸完成商業登記程序後方可進行，有關程序預計於二零零五年上半年完成。

- (iii) 本集團就通過本公司非全資附屬公司上海龍盟有限公司 (「上海龍盟」) 發展位於上海市閔行區之一幅土地 (約1,196.52畝，「該地段」)，與上海紅康北橋房地產有限公司 (「上海紅康」) 簽訂一份合作協議 (附帶條件) 及一份內部分包合約 (附帶條件)。

為使向本公司全資附屬公司佳龍集團有限公司 (「佳龍」) 及譽龍發展有限公司 (「譽龍」) 轉撥上海紅康於上海龍盟之25%權益，本集團於二零零四年五月三十一日與上海紅康簽訂一份合作協議 (附帶條件) 及一份內部分包合約 (附帶條件)。

根據合作協議 (附帶條件)，佳龍、譽龍及上海紅康作為上海龍盟合營夥伴，彼等同意更改彼等於合營公司的共同投資及合作的模式，致使上海紅康須對開發位於該地段之華坪街道160號街坊1丘之共約300畝之土地 (「所劃定土地」) 負全責，並全權享有所劃定土地產生的溢利，及不承擔上海龍盟的任何盈虧，以代替就上海龍盟註冊資本出資25%及分享上海龍盟25%之溢利。當開發所劃定土地之總投資額25%已作出，所劃定土地將以資產分配方式，自上海龍盟轉讓至上海紅康。當所劃定土地自上海龍盟轉至上海紅康後，上海紅康將以人民幣一元之象徵式代價轉讓其於上海龍盟之25%權益予佳龍及譽

been incurred. Upon transfer of the Carved-out Land from Shanghai Lung Meng to Shanghai Hungkang, the latter shall transfer its 25 per cent interest in Shanghai Lung Meng to Chia Lung and Prestige at the nominal consideration of RMB1. Shanghai Hungkang shall reimburse Chia Lung and Prestige for 25 per cent of the relocation expenses and development costs incurred by Shanghai Lung Meng in respect of the Lot up to 30th September 2003.

Pursuant to the Internal Sub-Contract, Shanghai Lung Meng agrees to appoint Shanghai Hungkang to undertake site clearance and demolition works in respect of the Carved-out Land at no consideration.

Upon the Cooperation Agreement and Internal Sub-Contract becoming unconditional, the Group will enter into a Termination Agreement with Shanghai Hungkang to terminate the Share Transfer Agreement entered into among Chia Lung, Prestige and Shanghai Hungkang on 6th August 2002 for the transfer of Shanghai Hungkang's 25 per cent interest in Shanghai Lung Meng to Chia Lung and Prestige and to mutually release each other from further obligations thereunder.

## DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors who held office during the year and up to the date of this report were:

### EXECUTIVE DIRECTORS

Mr. Chu Mang Yee (*Chairman*)  
 Mr. Xiang Bin (*Deputy Chairman*)  
 Mr. Au Wai Kin  
 Mr. Chen Chang Ying  
 Mr. Cheung Fong Wing  
 (*Retired on 24th May 2004*)  
 Ms. Xiao Yan Xia

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yuen Pak Yiu, Philip  
 Mr. Lee Tsung Hei, David  
 Mr. Wong Shing Kay, Oliver

All Directors except Mr. Chu Mang Yee is subject to retirement by rotation at annual general meetings of the Company in accordance with the Company's Bye-laws. In accordance with the Company's Bye-laws, Mr. Au Wai Kin and Ms. Xiao Yan Xia retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

None of the Directors has a service contract with the Company or any of its subsidiaries which is not terminable within one year without payment of compensation other than statutory compensation.

龍。上海紅康須償付佳龍及譽龍有關上海龍盟就有關該地段截至二零零三年九月三十日所負擔之遷移及開發費用的25%。

根據內部分包合約(附帶條件)，上海龍盟同意以零代價委派上海紅康負責所劃定土地的地盤清理及拆卸工程。

當合作協議及內部分包合約成為無條件後，本集團將與上海紅康訂立終止協議，以終止佳龍、譽龍及上海紅康於二零零二年八月六日就向佳龍及譽龍轉讓上海紅康於上海龍盟之25%權益簽訂之股份轉讓協議，並共同解除各方在協議下各自的進一步責任。

## 董事及董事服務合約

本年度內及直至本報告刊發日期在任的董事如下：

### 執行董事

朱孟依先生(主席)  
 項斌先生(副主席)  
 歐偉建先生  
 陳長纓先生  
 張芳榮先生  
 (於二零零四年五月二十四日退任)  
 蕭燕霞女士

### 獨立非執行董事

阮北耀先生  
 李頌熹先生  
 黃承基先生

全體董事(朱孟依先生除外)須根據本公司的公司細則於本公司股東週年大會上輪值退任。根據本公司的公司細則，歐偉建先生及蕭燕霞女士須輪值退任，惟彼合資格且願意於應屆股東週年大會上膺選連任。

所有董事概無與本公司或其任何附屬公司訂立於一年內不作賠償(法定賠償除外)即不可終止的服務合同。

# REPORT OF THE DIRECTORS 董事會報告

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31st December 2004, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company and the Stock Exchange, were as follows:

### (1) LONG POSITIONS IN SHARES

		Number of shares of the Company 本公司股份數目				Total 合計	Percentage of shares outstanding 佔已發行 股份百分比
		Personal interests 個人權益	Family interests 家屬權益	Corporate interests 公司權益	Other interests 其他權益		
Name of directors	董事姓名						
Mr. Chu Mang Yee (a)	朱孟依先生(a)	-	-	637,500,000	-	637,500,000	63.56%
Mr. Au Wai Kin (b)	歐偉建先生(b)	-	-	37,500,000	-	37,500,000	3.74%
Mr. Xiang Bin	項斌先生	1,000,000	-	-	-	1,000,000	0.10%
Ms. Xiao Yan Xia	蕭燕霞女士	100,000	-	-	-	100,000	0.01%

#### Notes -

- Mr. Chu Mang Yee held 637,500,000 shares of the Company through Sounda Properties Limited, a company wholly-owned by him, and HKSCC Nominees Limited.
- Mr. Au Wai Kin held 37,500,000 shares of the Company through a company wholly-owned and controlled by him.

## 董事及行政總裁於股份、相關股份及債券擁有之權益及淡倉

於二零零四年十二月三十一日，本公司董事及行政總裁根據證券及期貨條例（「證券及期貨條例」）第XV部第7及第8分部已知會本公司及聯交所其於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份，相關股份及債券中擁有之權益或淡倉（包括根據證券及期貨條例之該等規定被認為或視作擁有之權益或淡倉），或必須列入根據證券及期貨條例第352條予以存置之登記冊內，或根據上市發行人董事進行證券交易的標準守則必須知會本公司及聯交所之權益或淡倉載列如下：

### (1) 於股份之好倉

#### 附註一

- 朱孟依先生透過其全資擁有的新達置業有限公司及香港中央結算（代理人）有限公司持有本公司637,500,000股股份。
- 歐偉建先生透過其全資擁有及控制的公司持有本公司37,500,000股股份。

**(2) LONG POSITIONS IN SHARE OPTIONS**

Pursuant to the share option scheme adopted by the Company on 4th April 1998 (the "Old Scheme"), Mr. Xiang Bin, an Executive Director of the Company, was granted share options on 30th April 2002 to subscribe for the shares of the Company at HK\$1.17 per share, details of which as at 31st December 2004 are stated as follows:

Date of grant	授出日期	Exercise price per share 每股行使價	Exercise period 行使期	Number of share options 購股權數目				
				Beginning of year 年初	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	End of year 年終
30th April 2002	二零零二年四月三十日	HK\$1.17港元	30th April 2002 to 29th April 2007 二零零二年四月三十日 至二零零七年四月二十九日	1,000,000	-	1,000,000	-	-
				1,000,000	-	1,000,000	-	-

The weighted average closing price of the Company's shares immediately before the date on which the share options were exercised was HK\$2.38.

Save as disclosed above, as at 31st December 2004, none of the Directors, chief executives of the Company and their respective associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company and the Stock Exchange.

Apart from the foregoing, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or any of their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, and no Directors or chief executives or their respective spouses or children under 18 years of age had been granted any right to subscribe for equity or debt securities of the Company nor exercised any such right.

**(2) 於購股權之好倉**

根據本公司於一九九八年四月四日採納之購股權計劃(「舊計劃」)，本公司執行董事項斌先生於二零零二年四月三十日獲授予購股權，可以每股1.17港元認購本公司股份。於二零零四年十二月三十一日之詳情如下：

Beginning of year 年初	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	End of year 年終
1,000,000	-	1,000,000	-	-
1,000,000	-	1,000,000	-	-

緊接購股權行使前本公司股份的加權平均收市價為2.38港元。

除上文所披露者外，於二零零四年十二月三十一日，本公司董事，行政總裁或彼等之聯繫人概無擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所有關於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中任何個人、家族、公司或其他權益或淡倉(包括根據證券及期貨條例之該等規定被認為或視作擁有之權益或淡倉)，或必須列入根據證券及期貨條例第352條予以存置之登記冊內，或根據上市發行人董事進行證券交易的標準守則必須知會本公司及聯交所之任何個人、家族、公司或其他權益或淡倉。

除上述者外，於年內任何時間，本公司及其任何附屬公司並無訂立任何安排，以使董事或彼等之任何配偶或十八歲以下之子女有權透過購買本公司或任何其他法人團體之股份或債券而從中獲益，以及概無董事或行政總裁或彼等各自之配偶或十八歲以下之子女已獲授任何權利以認購本公司股份或債務證券或已行使該等權利。

# REPORT OF THE DIRECTORS 董事會報告

## SUBSTANTIAL SHAREHOLDERS

Other than interests disclosed in the section headed "Directors' and chief executives' interests and short positions in shares, underlying shares and debentures" above, as at 31st December 2004, according to the register of interests kept by the Company under section 336 of the SFO, the following entity has interests or short positions in the shares of the Company which fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

Name of shareholders	股東名稱	Capacity and nature of interests 身份及權益性質	Number of issued shares (long position) 已發行股份 數目(好倉)	Percentage of shares outstanding 佔已發行 股份百分比
Sounda Properties Limited	新達置業有限公司	Beneficial owner 實益擁有人	637,500,000	63.56%

Save as disclosed above, as at 31st December 2004, the Directors are not aware of any other persons who have interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

## INFORMATION ON SHARE OPTION SCHEME

On 4th November 2002, the Company adopted a new Share Option Scheme (the "New Scheme") which is in compliance with Chapter 17 of the Listing Rules. No option shares have been granted under the New Scheme since its adoption. No share options granted under the Old Scheme, which was terminated on 4th November 2002 upon the adoption of the New Scheme, were cancelled or lapsed during the year under review. As at 31st December 2004, there were no options outstanding under the Old Scheme. Details of the share options granted under the Old Scheme and exercised by an Executive Director of the Company are set out above under the paragraph headed "Long positions in share options" under the section headed "Directors' and chief executives' interests and short positions in shares, underlying shares and debentures".

The following is a summary of the New Scheme disclosed in accordance with the Listing Rules:

- Purpose of the New Scheme

As recognition of the contribution of the participants by granting options to them as incentives or rewards.

## 主要股東

除上文「董事及行政總裁於股份、相關股份及債券擁有之權益及淡倉」一節所披露之權益外，於二零零四年十二月三十一日，按本公司根據證券及期貨條例第336條須存置之登記冊之記錄，下列實體於本公司股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉：

除上文所披露者外，於二零零四年十二月三十一日，就董事所知，概無任何其他人士於本公司或任何聯營公司(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉。

## 購股權計劃的資料

於二零零二年十一月四日，本公司採納一項新購股權計劃(「新計劃」)，該計劃符合上市規則第17章之規定。自新計劃採納後，概無根據新計劃授出任何購股權。概無根據舊計劃(於二零零二年十一月四日於採納新計劃後予以終止)授出之購股權於回顧年度被註銷或失效。於二零零四年十二月三十一日概無根據舊計劃授予之購股權尚未行使。根據舊計劃授出之購股權及本公司一位執行董事行使有關購股權之詳情載於上文「董事及行政總裁於股份、相關股份及債券擁有之權益及淡倉」一節之「於購股權之好倉」一段。

根據上市規則就新計劃所作披露概述如下：

- 新計劃目的

向參與者授予購股權以表揚彼等之貢獻，並以此激勵並回饋彼等之努力

- |  |  |   |   |
|--|--|---|---|
| 2. Participants of the New Scheme  | Any executive, employee, director (including non-executive director and independent non-executive director), consultant, adviser and/or agent of the company or any of its subsidiaries.   | 2. 新計劃的參與者                                | 本公司或其任何附屬公司的行政人員、僱員、董事(包括非執行董事及獨立非執行董事)、專家顧問、顧問及/或代理人   |
| 3. Total number of shares available for issue under the New Scheme and percentage of issued share capital as at 18th April 2005  | 100,300,000 shares unless shareholders' approval has been obtained pursuant to the terms of the New Scheme (approximately 10% of issued share capital)   | 3. 根據新計劃可發行股份總數及於二零零五年四月十八日佔已發行股本百分比      | 除非已依照新計劃條款取得股東批准，否則為100,300,000股(約佔已發行股本的10%)   |
| 4. Maximum entitlement of each participant under the New Scheme  | The total number of shares issued and to be issued upon the exercise of share options already granted or to be granted to each participant (including both exercised and outstanding share options) in the 12-month period up to and including the date of grant shall not exceed 1% of the issued share capital as at the date of grant. Any grant of further options above this limit shall be subject to certain requirements as stipulated in the rules of the New Scheme. | 4. 每位參與者根據新計劃可認購的最高數額                     | 每名計劃參與者行使已授予或將授予之購股權獲配發或將獲配發之股份總數目(包括已行使及尚未行使之購股權)，於授予之日前十二個月期間(包括授予當日)，不得超逾於授出日期已發行股本1%。再授予任何超逾此限額的購股權須受新計劃規則內訂明的若干規定所規限 |
| 5. The period within which the shares must be taken up under an option   | Commencing on the date of grant of an option and expiring at 5:00 p.m. on the earlier of the business day preceding the fifth anniversary thereof and the business day preceding the tenth anniversary of the date on which the New Scheme was adopted.  | 5. 根據購股權須認購股份的期限                          | 自購股權授出日期起至該授出日期的五週年的前一個營業日或至採納新計劃日期的十週年的前一個營業日(以較早者為準)下午五時正屆滿   |
| 6. The minimum period for which an option must be held before it can be exercised  | Completion of half year's full-time services with the Company or a subsidiary.   | 6. 須於行使前持有購股權的最短期限                        | 於本公司或一間附屬公司完成半年全職服務   |
| 7. The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be paid | Nil  | 7. 申請或接納購股權的應付金額以及付款或通知付款的期限或償還申請購股權貸款的期限 | 無   |

# REPORT OF THE DIRECTORS 董事會報告

- |  |  |             |   |
|--|--|-------------|---|
| 8. The basis of determining the exercise price | The exercise price is determined by the board of Directors and shall at least be the highest of:<br><br>a. the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of offer of the relevant options;<br><br>b. the average closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of offer of the relevant options; and<br><br>c. the nominal value of the Company's shares | 8. 釐定行使價的基準 | 行使價由董事會釐定，最低須為以下的最高者：<br><br>a. 於有關提供購股權當日本公司股份於聯交所每日報價表的收市價；<br><br>b. 於緊接提供有關購股權當日之前五個營業日本公司股份於聯交所每日報價表的平均收市價；及<br><br>c. 本公司股份面值 |
| 9. The remaining life of the New Scheme        | The Scheme was adopted on 4th November 2002 and will expire at 5:00 p.m. on the business day immediately preceding the tenth anniversary thereof   | 9. 新計劃的剩餘期限 | 計劃於二零零二年十一月四日採納，至緊接十週年前的一個營業日下午五時正終止  |

## FOREIGN EXCHANGE FLUCTUATIONS

The Group earns revenue and incurs costs and expenses mainly in Renminbi. The Group experienced no significant foreign exchange movement and the Directors do not anticipate any significant foreign exchange loss as a result of changes in exchange rate between Hong Kong dollars and Renminbi in the foreseeable future.

## MANAGEMENT CONTRACT

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

## EMPLOYEES

As at 31st December 2004, the Group, excluding its associate and jointly controlled entity, employed a total of 3,596 (2003: 2,859) staff, the majority of which were employed in mainland China. Employees' costs (including Directors' emoluments) amounted to HK\$144 million (2003: HK\$119 million).

The remuneration policies remained the same as revealed in the Annual Report for the year ended 31st December 2003.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted the code of conduct regarding securities transactions by directors as set out in Appendix 10 to the Listing Rules during the year under review and all Directors have complied with the required standard of dealings set out therein.

## 外匯波動

本集團之收入、成本及開支均主要以人民幣計算。本集團並無經歷任何重大外匯波動，而董事預計於可見之未來亦不會因港元與人民幣之匯率出現變動而產生任何重大外匯虧損。

## 管理合約

年內，就本公司整體或任何重要環節業務方面並無訂立或存在管理及行政合約。

## 僱員

於二零零四年十二月三十一日，本集團（不包括其聯營公司及共同控制實體）之僱員合共3,596人（二零零三年：2,859人），其中大多數為中國內地僱員。僱員成本（包括董事酬金）達144,000,000港元（二零零三年：119,000,000港元）。

薪酬政策與截至二零零三年十二月三十一日止年度之年報所披露者相同。

## 董事證券交易標準守則

本公司於回顧年度內，採納了上市規則附錄十所載有關董事證券交易之操守準則，而所有董事已遵守其規定之交易標準。

## CODE OF BEST PRACTICE

None of the Directors of the Company is aware of any information which would indicate that the Company is not, or was not in compliance with the Code of Best Practice (the "Code") as set out in Appendix 14 to the Listing Rules at any time during the year ended 31st December 2004, except that the independent non-executive Directors of the Company are not appointed for specific terms. However, all Directors except the Chairman and the Managing Director are subject to retirement by rotation at annual general meetings of the Company in accordance with the Company's Bye-laws. In the opinion of the Directors, this meets the objective of the Code.

## PURCHASE, REDEMPTION AND SALE OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the year ended 31st December 2004.

## AUDIT COMMITTEE

The Company's audit committee is composed of all the three independent non-executive Directors of the Company. The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the audited consolidated accounts for the year ended 31st December 2004 with the Directors.

The audit committee met eight times during 2004. Mr. Yuen Pak Yiu, Philip and Mr. Lee Tsung Hei, David each attended all eight meetings and Mr. Wong Shing Kay, Oliver attended seven meetings.

All members of the audit committee received HK\$70,000 each as Directors' remuneration for the year ended 31st December 2004.

## SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, the Directors confirm that the Company has maintained during the year under review the amount of public float as required under the Listing Rules.

## SUBSEQUENT EVENT

On 8th March 2005, the Group entered into two land transfer agreements with Beijing Jin Yu Jia Ye Real Estate Development Company, an independent third party, for the acquisition of the land use rights of two land sites located at Guang Qu Men Wai Da Street, Chaoyang District, Beijing, comprising a site area of approximately 43,000 sq.m. at a consideration of approximately RMB511 million (approximately HK\$482 million).

## 最佳應用守則

本公司董事認為，除並無設定本公司獨立非執行董事之特定委任期限外，概無任何資料顯示本公司於截至二零零四年十二月三十一日止年度內任何時間並無或從無遵守上市規則附錄十四所載之最佳應用守則（「守則」）。然而，除主席及董事總經理外，其他董事須根據本公司之公司細則於本公司之股東週年大會上輪值退任。董事認為，此安排符合守則之目標。

## 購買、贖回及出售本公司之上市證券

於截至二零零四年十二月三十一日止年度，本公司及其任何附屬公司概無購入、贖回或出售本公司任何上市證券。

## 審核委員會

本公司之審核委員會由本公司之所有三名獨立非執行董事組成。審核委員會已與管理層審閱本集團所採納之會計原則及慣例，並已商討有關內部控制及財務報告事宜，包括與董事審閱截至二零零四年十二月三十一日止年度之經審核綜合賬目。

於二零零四年，審核委員會召開了八次會議，阮北耀先生、李頌熹先生各出席所有八次會議，而黃承基先生則出席了七次會議。

於截至二零零四年十二月三十一日止年度，各審核委員會成員均獲得70,000港元作為董事酬金。

## 公眾持股量的足夠性

根據本公司能夠取得之資料及董事之知情範圍以內，董事確認，本公司於回顧年度內公眾持股量維持在上市規則所規定之數量。

## 結算日後事項

於二零零五年三月八日，本集團就收購兩塊位於北京朝陽區廣渠門外大街之地塊（佔地面積約43,000平方米），與一名獨立第三者北京金隅嘉業房地產開發公司簽訂兩份土地轉讓協議，代價約人民幣511,000,000元（約482,000,000港元）。



# REPORT OF THE DIRECTORS 董事會報告

## AUDITORS

The accounts were audited by Messrs. PricewaterhouseCoopers. A resolution for the re-appointment of Messrs. PricewaterhouseCoopers as the Company's auditors for the ensuing year is to be proposed at the forthcoming annual general meeting.

On behalf of the Board of Directors,

### **CHU MANG YEE**

*Chairman*

Hong Kong, 18th April 2005

## 核數師

賬目由羅兵咸永道會計師事務所審核。將於應屆股東週年大會上提呈重新委任羅兵咸永道會計師事務所為本公司來年之核數師之決議案。

代表董事會

主席

朱孟依

香港，二零零五年四月十八日