

The directors present their annual report and the audited financial statements of the Company for the year ended 31st December, 2004.

董事會提呈本公司截至二零零四年十二月三十一日止年度之週年報告及經審核財務報表。

## PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries and associates are set out in notes 17 and 18 to the financial statements respectively.

## 主要業務

本公司為一間投資控股公司，各主要附屬公司及聯營公司之業務分別載於財務報表附註17及18。

## RESULTS

Details of the Group's results for the year ended 31st December, 2004 are set out in the consolidated income statement on page 30.

## 業績

本集團截至二零零四年十二月三十一日止年度之業績詳情載於第30頁綜合收益表。

## MAJOR CUSTOMERS AND SUPPLIERS

The aggregate sales attributable to the Group's five largest customers were less than 30% of the total sales. The aggregate purchases attributable to the Group's five largest suppliers were less than 30% of the total purchases.

## 主要客戶及供應商

本集團五大客戶之銷售總額佔總銷售額少於30%，而本集團五大供應商之購買總額亦佔總購買額少於30%。

## SHARE CAPITAL

Details of movements of share capital of the Company during the year are set out in note 28 to the financial statements.

## 股本

本年內本公司股本之變動之相關資料載於財務報表附註28。

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

## 購買、出售或贖回上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

## PROPERTY, PLANT AND EQUIPMENT

During the year, property, plant and equipment with an aggregate net book value of approximately HK\$27 million were acquired as a result of acquisition of subsidiaries and approximately HK\$35 million were disposed of as a result of the disposal of interest in subsidiaries.

## 物業、廠房及設備

年內，本集團因收購附屬公司及出售附屬公司權益而分別收購及出售賬面總值約27,000,000港元及約35,000,000港元之物業、廠房及設備。

The Group incurred expenditure of approximately HK\$4 million on acquisition of property, plant and equipment.

本集團就收購物業、廠房及設備錄得支出約4,000,000港元。

Details of these and other changes in the property, plant and equipment of the Group and the Company during the year are set out in note 13 to the financial statements.

上述詳情及本集團與本公司之物業、廠房及設備於年內之其他變動詳情載於財務報表附註13。

## SUBSIDIARIES AND ASSOCIATES

In March 2004, the Group entered into a conditional agreement to acquire 80% interest of the issued share capital of and the shareholder's loan to Talent Cosmos Limited for the consideration of HK\$30 million. Talent Cosmos Limited is an investment holding company and its subsidiaries are principally engaged in the manufacturing and trading of batteries products.

In March 2004, the Company and Cheung Tai Hong (B.V.I.) Limited ("CTH"), a company incorporated in the British Virgin Islands and is a wholly-owned subsidiary of Cheung Tai Hong Holdings Limited ("CTHH") whose shares are listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"), entered into a conditional sale and purchase agreement pursuant to which CTH agreed to acquire from the Group the entire equity interest in Tung Fong Hung Investment Limited for a consideration of HK\$42 million. The consideration were settled as to HK\$6.5 million by the issue of the promissory note by CTHH and as to HK\$35.5 million in cash.

In March 2004, Pacific Century Premium Development Limited ("PCPD", formerly known as Dong Fang Gas Holdings Limited whose shares are listed on the Hong Kong Stock Exchange), a then 43.06% owned associate of the Group, entered into agreements with PCCW Limited ("PCCW", a company whose shares are listed on the Hong Kong Stock Exchange) to acquire various property interests from PCCW for a consideration of approximately HK\$6,557 million which was satisfied by the issue of new shares and convertible notes by PCPD to PCCW or as it may direct. The above transaction was completed in May 2004 and the Group's interest in PCPD was decreased from 43.06% to 2.83% and PCPD ceased to be an associate of the Group accordingly. The Group further disposed of all its 2.83% interest in PCPD and no interest in PCPD was held by the Group as at 31st December, 2004.

In September 2004, the Group disposed of approximately 12.88% interest in Apex Quality Group Limited ("Apex"), a then 22.65% owned associate of the Group, for a consideration of approximately HK\$10 million. The Group's interest in Apex was decreased from 22.65% to 9.77% and Apex ceased to be an associate of the Group accordingly.

## 附屬公司及聯營公司

於二零零四年三月，本集團訂立一項有條件協議，以30,000,000港元代價收購才宇有限公司80%已發行股本及其借入之股東貸款。才宇有限公司為一家投資控股公司，其附屬公司主要從事電池產品製造及銷售業務。

於二零零四年三月，本公司與Cheung Tai Hong (B.V.I.) Limited (「CTH」，於英屬處女群島註冊成立之公司兼為香港聯合交易所有限公司(「香港聯交所」)上市公司祥泰行集團有限公司(「祥泰行」)之全資附屬公司)訂立一項有條件買賣協議，據此，CTH同意向本集團收購Tung Fong Hung Investment Limited全部股本權益，代價為42,000,000港元。代價中之6,500,000港元由祥泰行發行承付票之方式結付，另35,500,000港元則以現金結付。

於二零零四年三月，本集團當時持有43.06%之聯營公司盈科大衍地產發展有限公司(「盈大地產」，前稱東方燃氣集團有限公司，其股份於香港聯交所上市)與電訊盈科有限公司(「電訊盈科」，其股份於香港聯交所上市)訂立多份協議，以向電訊盈科收購若干物業權益，代價約6,557,000,000港元，其支付方式為盈大地產向電訊盈科(或按其指示)發行新股份及可換股票據。上述交易於二零零四年五月完成，而本集團於盈大地產之權益由43.06%減至2.83%，因此盈大地產不再為本集團聯營公司。本集團進一步出售其全部2.83%盈大地產權益，於二零零四年十二月三十一日，本集團並無持有盈大地產任何權益。

於二零零四年九月，本集團出售本集團當時持有22.65%之聯營公司Apex Quality Group Limited (「Apex」)約12.88%之權益，代價約10,000,000港元。本集團於Apex之權益由22.65%減至9.77%，因此Apex不再為本集團之聯營公司。

In October and November, 2004, the Group converted approximately HK\$100 million convertible notes of Wing On Travel (Holdings) Limited ("Wing On Travel") into ordinary shares of HK\$0.01 each of Wing On Travel at conversion price of HK\$0.020 per share. Certain convertible notes holders also converted their convertible notes of Wing On Travel into ordinary shares of HK\$0.01 each of Wing On Travel at conversion price of HK\$0.020 per share. The interest in Wing On Travel held by the Group was accordingly increased from approximately 32.21% to approximately 38.16% upon the conversion of the convertible notes into shares of HK\$0.01 each in Wing On Travel by the Group and other convertible note holders. The Group also disposed of approximately 7.88% interest in Wing On Travel for a consideration of approximately HK\$45 million and the interest in Wing On Travel held by the Group was decreased to approximately 30.28%.

On 30th November, 2004, the Group entered into two placing and subscription agreements with Wing On Travel and placing agent pursuant to which the placing agent agreed to place 6,000 million ordinary shares of HK\$0.01 each of Wing On Travel on behalf of the Group at the price of HK\$0.028 per share and the Group would subscribe up to 6,000 million new ordinary shares of Wing On Travel at HK\$0.028 per share. The placing of 6,000 million ordinary shares of HK\$0.01 each of Wing On Travel and subscription of 3,660 million new ordinary shares of HK\$0.01 each of Wing On Travel were completed in December, 2004 and the Group's interest in Wing On Travel was decreased to approximately 19.58% as at 31st December, 2004. The Group further subscribed 2,340 million new ordinary shares of Wing On Travel in January, 2005 and the Group's interest in Wing On Travel was increased to 25.02% subsequent to 31st December, 2004.

Details of principal subsidiaries and associates of the Company at 31st December, 2004 are set out in notes 17 and 18 to the financial statements respectively.

於二零零四年十月及十一月，本集團將約100,000,000港元之永安旅遊(控股)有限公司(「永安旅遊」)可換股票據按換股價每股0.020港元兌換為永安旅遊每股面值0.01港元之普通股。部分可換股票據持有人亦將彼等之永安旅遊可換股票據按換股價每股0.020港元兌換為永安旅遊每股面值0.01港元之普通股。據此，在本集團及其他可換股票據持有人將可換股票據兌換為永安旅遊每股面值0.01港元之股份後，本公司於永安旅遊所持權益由約32.21%增至約38.16%。本集團亦已出售約7.88%永安旅遊權益，代價約45,000,000港元，而本集團於永安旅遊所持權益已減至約30.28%。

於二零零四年十一月三十日，本集團與永安旅遊及配售代理訂立兩份配售及認購協議，據此，配售代理同意代表本集團配售6,000,000,000股每股面值0.01港元之永安旅遊普通股，每股作價0.028港元；而本集團將按每股0.028港元之價格認購最多6,000,000,000股永安旅遊新普通股。配售6,000,000,000股每股面值0.01港元之永安旅遊普通股及認購3,660,000,000股每股面值0.01港元之永安旅遊新普通股已於二零零四年十二月完成。於二零零四年十二月三十一日，本集團於永安旅遊之權益減至約19.58%。本集團於二零零五年一月另外認購2,340,000,000股永安旅遊新普通股，而本集團於永安旅遊之權益在二零零四年十二月三十一日後增至25.02%。

本公司主要附屬公司及聯營公司於二零零四年十二月三十一日之詳情分別載於財務報表附註17及18。

## DIRECTORS' REPORT 董事會報告書

### DIRECTORS

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

#### *Executive directors:*

Dr. Chan Kwok Keung, Charles  
*Chairman and Chief Executive Officer*

Dr. Yap, Allan  
*Vice-Chairman*

Ms. Chau Mei Wah, Rosanna

Ms. Chan Ling, Eva

Mr. Li Bo  
(appointed on 7th January, 2005)

Mr. Li Wa Kin  
*Deputy Managing Director*  
(resigned on 23rd December, 2004)

Alternate director to Dr. Chan Kwok Keung, Charles:

Mr. Chan Kwok Hung

Alternate director to Dr. Yap, Allan:

Mr. Lui Siu Tsuen, Richard

#### *Independent non-executive directors:*

Mr. David Edwin Bussmann

Mr. Wong King Lam, Joseph  
(appointed on 30th September, 2004)

Mr. Sin Chi Fai  
(appointed on 19th January, 2005)

Ms. Fung Wan Yiu, Agnes  
(resigned on 19th January, 2005)

### 董事會

年內及直至本報告編製日期為止之本公司董事會成員為：

#### *執行董事：*

陳國強博士  
*主席兼行政總裁*

Yap, Allan博士  
*副主席*

周美華女士

陳玲女士

李波先生  
(於二零零五年一月七日獲委任)

李華健先生  
*副董事總經理*  
(於二零零四年十二月二十三日辭任)

陳國強博士之替任董事：

陳國鴻先生

Yap, Allan博士之替任董事：

呂兆泉先生

#### *獨立非執行董事：*

卜思問先生

黃景霖先生  
(於二零零四年九月三十日獲委任)

冼志輝先生  
(於二零零五年一月十九日獲委任)

馮蘊瑤女士  
(於二零零五年一月十九日辭任)

In accordance with Article 116 of the Company's Articles of Association, Ms. Chau Mei Wah, Rosanna and Mr. David Edwin Bussmann retire at the forthcoming annual general meeting by rotation. In addition, in accordance with Article 99 of the Company's Articles of Association, Mr. Li Bo, Mr. Wong King Lam, Joseph and Mr. Sin Chi Fai who were appointed during the period from the last annual general meeting to the date of this report, retires at the forthcoming Annual General Meeting. All retiring directors, being eligible, offer themselves for re-election.

根據本公司之公司章程細則第116條，周美華女士及卜思問先生須於應屆股東週年大會輪值告退。此外，根據本公司之公司章程細則第99條，由上屆股東週年大會至本報告日期止期間獲委任之李波先生、黃景霖先生及冼志輝先生於應屆股東週年大會告退。所有退任董事均合資格並願意膺選連任。



The directors proposed for re-election at the forthcoming Annual General Meeting do not have any service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

The term of office of each non-executive director is the period up to the retirement by rotation in accordance with the Company's Articles of Association.

### BRIEF DETAILS IN RESPECT OF DIRECTORS AND SENIOR MANAGEMENT STAFF

**Dr. Chan Kwok Keung, Charles**, aged 50, is the chairman and chief executive officer of the Company. Dr. Chan holds an honorary degree of Doctor of Laws and a bachelor's degree in civil engineering and has over 25 years' international corporate management experience in the construction and property sectors as well as in strategic investments. He joined the Company in 2000. Dr. Chan is also the chairman of ITC Corporation Limited, Paul Y. – ITC Construction Holdings Limited, Hanny Holdings Limited, companies whose shares are listed on the Hong Kong Stock Exchange.

**Dr. Yap, Allan**, aged 49, is the vice chairman of the Company. He obtained the honorary degree of Doctor of Laws and has over 23 years' experience in finance, investment and banking. Dr. Yap joined the Company in 2000. He is the managing director of Hanny Holdings Limited and the chairman and chief executive officer of China Enterprises Limited, a company whose shares are traded on the OTC Bulletin Board in the United States of America and Burcon NutraScience Corporation, a company whose shares are listed on the TSX Venture Exchange and the Frankfurt Stock Exchange. He is an executive director of Wing On Travel (Holdings) Limited, a company whose shares are listed on the Hong Kong Stock Exchange. Dr. Yap is also an executive chairman of PSC Corporation Ltd. and Intraco Limited, both public listed companies in Singapore and the chairman of MRI Holdings Limited, a company whose shares are listed on the Australian Stock Exchange.

**Ms. Chau Mei Wah, Rosanna**, aged 50, is an executive director of the Company. She has over 25 years' experience in international corporate management and finance. Ms. Chau holds a bachelor's degree and a master's degree in commerce and is a member of the Hong Kong Institute of Certified Public Accountants, the CPA Australia and the Certified General Accountants' Association of Canada. She joined the Company in 2000. Ms. Chau is the managing director of ITC Corporation Limited and an executive director of Paul Y. – ITC Construction Holdings Limited. She is also a director of Burcon NutraScience Corporation.

擬於應屆股東週年大會上膺選連任之董事概無與本集團訂立本集團不可於一年內免付賠償（法定賠償除外）而終止之服務合約。

各非執行董事之任期為截至根據本公司之公司章程細則須輪值退任止期間。

### 董事及高級管理層之資料簡介

**陳國強博士**，現年50歲，為本公司主席兼行政總裁。陳博士持有法律榮譽博士學位及土木工程學士學位，在建築業、地產業及策略投資方面積逾25年國際企業管理經驗。彼於二零零零年加入本公司。陳博士亦為德祥企業集團有限公司、保華德祥建築集團有限公司及錦興集團有限公司（該等公司之股份均在香港聯交所上市）之主席。

**Yap, Allan博士**，現年49歲，為本公司副主席。彼持有法律榮譽博士學位，並於金融、投資及銀行方面積逾23年經驗。Yap博士於二零零零年加入本公司。彼為錦興集團有限公司之董事總經理及China Enterprises Limited（其股份於美國場外交易議價板買賣）及Burcon NutraScience Corporation（其股份在TSX Venture Exchange及法蘭克福證券交易所上市）之主席兼行政總裁。彼為永安旅遊（控股）有限公司（其股份於香港聯交所上市之公司）之執行董事。Yap博士亦為新加坡上市公司普威集團有限公司及新加坡國際貿易有限公司之執行主席，並為MRI Holdings Limited（其股份於澳洲證券交易所上市）之主席。

**周美華女士**，現年50歲，為本公司執行董事。彼於國際企業管理及財務方面積逾25年經驗。周女士持有商業學士及碩士學位，並為香港會計師公會會員、澳洲會計師公會會員及加拿大公認會計師協會會員。彼於二零零零年加入本公司。周女士為德祥企業集團有限公司之董事總經理及保華德祥建築集團有限公司之執行董事。彼亦為Burcon NutraScience Corporation之董事。

## DIRECTORS' REPORT 董事會報告書

**Ms. Chan Ling, Eva**, aged 39, is an executive director of the Company. Ms. Chan has 17 years' experience in auditing, accounting and finance in both international accounting firms and listed companies. She is a member of the Institute of Chartered Accountants in Australia, a fellow member of the Association of Chartered Certified Accountants and also a member of the Hong Kong Institute of Certified Public Accountants. Ms. Chan joined the Company in 1996. She is the deputy chairman of China Enterprises Limited and a director of MRI Holdings Limited. Ms. Chan is also a director of major subsidiaries of Wing On Travel (Holdings) Limited.

**Mr. Li Bo**, aged 33, an executive director of the Company since January 2005. He graduated from Beijing Foreign Studies University with bachelor's degree. Mr. Li has financial management experience in a textile company, management experience in public company and experience in the field of M&A business. Mr. Li has served a Hi-tech company in the PRC, meanwhile involved in managing a subsidiary listed as an A-share company, and preparing listing procedure of that Hi-tech company on Hong Kong stock market. Mr. Li had served governmental departments with experience of dealing with diplomatic affairs. Mr. Li had engaged in the research of capital markets and privatisation of countries in transition. Mr. Li had also worked at the representative office in Beijing for an US securities company, providing consulting advisory services for Chinese clients intending to go public in the USA.

**Mr. David Edwin Bussmann**, aged 51, has been appointed an independent non-executive director of the Company since February 2000. Mr. Bussmann has more than 20 years experience in the investment and finance field, and is very familiar with investment issues related to China, as well as sectors such as technology, real estate, and direct investment. He previously worked at Salomon Brothers, Citibank, Bank of America and Prudential Asia. Mr. Bussmann is also an independent non-executive director of China Enterprises Limited.

**Mr. Sin Chi Fai**, aged 45, is an independent non-executive director of the Company since January 2005. Mr. Sin obtained a diploma in Banking from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University). He has over 10 years' experience in banking field and has 10 years' sales and marketing experience in information technology industries. Mr. Sin is a director and a shareholder of a Singapore company engaged in the distribution of data storage media and computer related products in Asian countries. Mr. Sin is also an independent non-executive director of Wing On Travel (Holdings) Limited and Capital Estate Limited.

**陳玲女士**，現年39歲，為本公司執行董事。陳女士於國際會計師行及上市公司具17年核數、會計及財務之經驗。彼為澳洲特許會計師公會會員、英國特許公認會計師公會資深會員及香港會計師公會會員。陳女士於一九九六年加入本公司。彼為China Enterprises Limited之副主席及MRI Holdings Limited之董事。陳女士亦為永安旅遊(控股)有限公司旗下主要附屬公司之董事。

**李波先生**，現年33歲，自二零零五年一月起出任本公司執行董事。彼畢業於北京外國語大學，持有學士學位。李先生具有紡織公司財務管理經驗、上市公司管理經驗以及兼併及收購業務範疇之經驗。李先生曾於中國高科技公司任職，其間參與管理一間上市作為A股公司之附屬公司，並籌備該高科技公司在香港上市工作。李先生曾在政府部門任職，具有處理外交事務的經驗。李先生曾從事研究轉型國家之資本市場和企業私有化過程。李先生亦曾在美國證券公司設於北京之代表辦事處工作，負責為擬於美國上市的中國客戶提供顧問諮詢服務。

**卜思問先生**，現年51歲，自二零零零年二月出任為本公司獨立非執行董事。卜先生於投資及金融界擁有逾20年經驗，非常熟悉有關中國之投資事宜，尤其對科技、房地產及直接投資等行業亦有深入了解。彼曾於所羅門兄弟、花旗銀行、美國亞洲銀行及Prudential Asia工作。卜先生亦為China Enterprises Limited之獨立非執行董事。

**冼志輝先生**，現年45歲，自二零零五年一月起出任為本公司獨立非執行董事。冼先生於香港理工學院(現稱為香港理工大學)獲取銀行系之文憑。彼於銀行業積逾10年經驗及於資訊科技業擁有10年銷售及市場推廣之經驗。冼先生為一間於亞洲國家從事分銷數據儲存媒體及與電腦相關產品之新加坡公司之董事及股東。冼先生亦為永安旅遊(控股)有限公司及冠中地產有限公司之獨立非執行董事。

**Mr. Wong King Lam, Joseph**, aged 52, is an independent non-executive director of the Company since September 2004. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He has more than 24 years' extensive experience in auditing, corporate and financial management with a number of companies in different business sectors which include an international accounting firm and a local listed company. Mr. Wong is currently the chief executive officer of a renowned automobile services company in Hong Kong. Mr. Wong is also an independent non-executive director of Hanny Holdings Limited, Tungtex (Holdings) Company Limited and Wing On Travel (Holdings) Limited.

**Mr. Chan Kwok Hung**, aged 46, has been appointed an alternate director to Dr. Chan Kwok Kueng, Charles of the Company since July 2001. He holds a diploma in arts and has over 21 years' experience in trading business in the People's Republic of China. Mr. Chan is an executive director of ITC Corporation Limited and Hanny Holdings Limited. He is the younger brother of Dr. Chan Kwok Keung, Charles, the chairman and chief executive officer of the Company.

**Mr. Lui Siu Tsuen, Richard**, aged 49, has been appointed an alternate director to Dr. Yap, Allan of the Company since July 2001. He is a qualified accountant and has over 25 years of accounting, financial and corporate management experience. He has held senior positions in an international accounting firm and various private and public listed companies. Mr. Lui is the deputy managing director of Hanny Holdings Limited. He is also an executive director of Wing On Travel (Holdings) Limited and PSC Corporation Ltd.

**Ms. Law, Dorothy**, aged 35, is a director of China Enterprises Limited. She received her Bachelor of Commerce and Bachelor of Laws degrees from the University of British Columbia in Canada. Ms. Law is a Barrister and Solicitor licensed to practice law in British Columbia and has also been admitted as a Solicitor of the High Court of Hong Kong. Ms. Law is also a director of Burcon NutraScience Corporation and corporate counsel of Hanny Holdings Limited.

**Ms. Cheung Sze Man, Sharen**, aged 34, joined the group as Financial Controller in September 2002. She holds a Bachelor of Commerce degree and Bachelor of Arts degree from the University of Auckland in New Zealand, and is a member of both the Hong Kong Institute of Certified Public Accountants and CPA Australia. Prior to joining the group, Ms Cheung has worked in Hong Kong and overseas, and has accumulated diversified experience in audit and financial management in both private and public companies. She is also a director of MRI Holdings Limited.

**黃景霖先生**，現年52歲，自二零零四年九月起出任為本公司獨立非執行董事。彼為英國特許公認會計師公會及香港會計師公會之資深會員。彼於多間不同業務範疇之公司，其中包括一間國際會計師行及一間本港上市公司，積逾24年審計、企業及財務管理之豐富經驗。黃先生現為一間香港著名汽車服務公司之行政總裁。黃先生亦為錦興集團有限公司、同得仕（集團）有限公司及永安旅遊（控股）有限公司之獨立非執行董事。

**陳國鴻先生**，現年46歲，自二零零一年七月獲委任為陳國強博士之替任董事。陳先生持有文學文憑，在中華人民共和國貿易經營方面積逾21年經驗。陳先生為德祥企業集團有限公司及錦興集團有限公司之執行董事。彼為本公司主席兼行政總裁陳國強博士之胞弟。

**呂兆泉先生**，現年49歲，自二零零一年七月獲委任為Yap博士之替任董事。彼為專業會計師，以及於會計、財務及企業管理方面積逾25年經驗。彼曾在一家國際會計師行及多間私人機構及上市公司擔任高職。呂先生為錦興集團有限公司之副董事總經理，彼亦為永安旅遊（控股）有限公司及普威集團有限公司之執行董事。

**Law, Dorothy女士**，現年35歲，為China Enterprises Limited之董事。彼持有加拿大英屬哥倫比亞大學商業學士學位及法律學士學位。彼為英屬哥倫比亞省之執業大律師及律師，亦為香港高等法院之認可律師。彼亦為Burcon NutraScience Corporation之董事及錦興集團有限公司之公司律師。

**張詩敏女士**，現年34歲，於二零零二年九月加入本集團擔任財務總監。彼持有紐西蘭University of Auckland商業學士學位及文學士學位，且為香港會計師公會會員及澳洲執業會計師。加入本集團前，張女士曾於本港及海外工作，並於私人公司及上市公司累積核數及財務管理等方面經驗。彼亦為MRI Holdings Limited之董事。



## DIRECTORS' REPORT 董事會報告書

### DIRECTOR'S INTERESTS IN SHARES

As at 31st December, 2004, the interests of the directors of the Company and their associates in the share, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance) as recorded in the register required to be kept by the Company pursuant to section 352 of the Securities and Futures Ordinance or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

#### Long positions

##### (i) The Company

Name of director 董事姓名	Capacity 性質	Number of ordinary shares held (Note 1) 所持普通股數目 (附註1)	Approximate shareholding percentage 概約持股百分比
Dr. Chan Kwok Keung, Charles (Note 2) 陳國強博士 (附註2)	Interest held by controlled corporation 持有控股公司權益	258,819,795	29.36%

##### (ii) Associated corporation

Name of director 董事姓名	Name of associated corporation 相關法團名稱	Capacity 性質	Number of ordinary shares held 所持普通股 數目	Approximate shareholding percentage 概約持股 百分比
Dr. Chan Kwok Keung, Charles 陳國強博士	Wing On Travel 永安旅遊	Beneficial owner 實益擁有人	17,280,000 (Note 3) (附註3)	0.05%

### 董事於股份之權益

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352條存置之登記冊所示或根據上市公司董事進行證券交易的標準守則本公司及香港聯交所所獲知會，本公司董事及彼等之聯繫人士於本公司及其相關法團（按證券及期貨條例第十五部之涵義）之股份、相關股份及債券中擁有之權益如下：

#### 好倉

##### (i) 本公司

##### (ii) 相關法團



Notes:

1. Share(s) of HK\$0.10 each in the capital of the Company.
2. Dr. Chan Kwok Keung, Charles is deemed to be interested in 258,819,795 shares of the Company held by Calisan Developments Limited ("Calisan") by virtue of his interest in Chinaview International Limited ("Chinaview") which has a controlling interest in Calisan. Details of which are disclosed under the heading "Substantial Shareholders".
3. Share(s) of HK\$0.01 each in the capital of Wing On Travel.

Save as disclosed above, as at 31st December, 2004, none of the Company's directors or their associates had any interests or short positions in the shares, underlying shares of the Company or any of its associated corporations.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

The Company

A summary of the movements of share options under the 2002 Scheme during the year ended 31st December, 2004 were as follows:

附註：

1. 本公司股本中每股面值0.10港元之股份。
2. 陳國強博士由於擁有Chinaview International Limited(「Chinaview」)而擁有Calisan Developments Limited(「Calisan」)之控股權益，故被視為擁有由Calisan所持有之258,819,795股本公司股份。有關詳情載於「主要股東」一節。
3. 永安旅遊股本中每股面值0.01港元之股份。

除上文披露者外，於二零零四年十二月三十一日，本公司董事或彼等之聯繫人士於本公司或其任何相關法團之股份及相關股份中，概無擁有任何權益或短倉。

董事購買股份或債券之權利

本公司

二零零二年計劃項下之購股權於截至二零零四年十二月三十一日止年度內之變動概述如下：

Date of grant	Exercisable period	Exercise price	Number of shares under option			
			Outstanding at 1.1.2004	Granted during the year	Exercised during the year	Outstanding at 31.12.2004
授出日期	行使期	行使價 HK\$ 港幣元	於二零零四年一月一日 尚未行使	年內授出	年內獲行使	於二零零四年十二月三十一日 尚未行使
Employees 僱員						
8.1.2004 二零零四年一月八日	8.1.2004 to 7.1.2009 二零零四年一月八日至 二零零九年一月七日	0.1776	-	25,000,000	(25,000,000)	-

## DIRECTORS' REPORT 董事會報告書

Consideration was received by the Company in respect of the options granted during the year was insignificant.

The closing price of the Company's shares immediately before the options granted on 8th January, 2004 was HK\$0.178.

The weighted average closing prices of the Company's shares immediately before dates of exercise by the employees were HK\$0.3940, HK\$0.4003, HK\$0.4505, HK\$0.4698 and HK\$0.4753 respectively.

The directors are of the view that the value of the theoretical value of the options granted during the year depends on a number of variables which are either difficult to ascertain or can only be ascertained on a number of theoretical basis and speculative assumptions. Accordingly, the directors of the Company believed that any calculation of the value of the options will not be meaningful and may be misleading to shareholders in the circumstances.

Particulars of the Company's share option schemes are set out in note 30 to the financial statements.

As at 31st December, 2004, there were no shares available for issue under the Company's share option schemes.

### *China Enterprises Limited*

Details of the share option scheme of China Enterprises Limited are set out in note 30 to the financial statements.

At no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt debentures (including debentures), of the Company or any other body corporate and neither the directors nor their chief executives, nor any of their spouses or children under the age of 18, had any rights to subscribe for the equity or debt debentures of the Company, or had exercised any such rights.

## DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract of significance, to which the Company, its holding company, fellow subsidiaries or subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

本公司就年內所授出購股權收取之代價低微。

緊接購股權於二零零四年一月八日授出前，本公司股份之收市價為0.178港元。

緊接僱員行使前各日，本公司股份之加權平均收市價分別為0.3940港元、0.4003港元、0.4505港元、0.4698港元及0.4753港元。

董事認為年內授出之購股權之理論價值乃視乎多項變數而定，而該等變數乃難以確定或只能在多項理論基準及推斷式假設下確定。有鑑於此，本公司董事相信任何購股權價值之計算均無意義，甚至可能誤導股東。

本公司購股權計劃之詳情載於財務報表附註30。

於二零零四年十二月三十一日，概無根據本公司購股權計劃可予發行之股份。

### *China Enterprises Limited*

China Enterprises Limited之購股權計劃之詳情載於財務報表附註30。

年內任何時間，本公司及其任何附屬公司均概無訂立任何安排，致使本公司董事可藉因收購本公司或任何其他法團之股份或債券（包括債權證）而取得利益，而董事或彼等之首席遺囑執行人或任何配偶或18歲以下子女亦概無權利認購本公司股本或債券或行使該等權利。

## 董事之重大合約權益

本公司、其控股公司、同系附屬公司或附屬公司並無訂立與本公司董事於當中直接或間接擁有重大利益且於年結日或年內任何時間仍然生效之重大合約。

DIRECTORS' INTERESTS IN COMPETING BUSINESSES 董事於競爭業務之權益

The interests of Directors in competing businesses during the year 年內，董事於競爭業務中擁有須根據上市規則 required to be disclosed pursuant to Rule 8.10 of the Listing Rules were 第8.10條予以披露之權益如下： as follows:

Name of Director 董事姓名	Name of Company 公司名稱	Nature of competing business 競爭業務性質	Nature of interest 權益性質
Dr. Chan Kwok Keung, Charles 陳國強博士	Paul Y. – ITC Construction Holdings Limited (“Paul Y. ITC”) and its subsidiaries 保華德祥建築集團有限公司(「保華德祥」)及其附屬公司	Property development and investment in the PRC 於中國之物業發展及投資	Substantial shareholder and chairman of Paul Y. – ITC 保華德祥之主要股東及主席
	Hanny Holdings Limited (“Hanny”) and its subsidiaries 錦興集團有限公司(「錦興」)及其附屬公司		Substantial shareholder, chairman and executive director of Hanny 錦興之主要股東、主席及執行董事
Dr. Yap, Allan Yap, Allan博士	Hanny and its subsidiaries 錦興及其附屬公司	Property development and investment in the PRC 於中國之物業發展及投資	Managing director of Hanny 錦興之董事總經理
	Wing On Travel and its subsidiaries 永安旅遊及其附屬公司	Property Investment in the PRC 於中國之物業投資	Executive director of Wing On Travel 永安旅遊之執行董事
Ms. Chau Mei Wah, Rosanna 周美華女士	Paul Y. – ITC and its subsidiaries 保華德祥及其附屬公司	Property development and investment in the PRC 於中國之物業發展及投資	Director of Paul Y. – ITC 保華德祥之董事
Ms. Chan Ling, Eva 陳玲女士	Wing On Travel and its subsidiaries 永安旅遊及其附屬公司	Property investment in the PRC 於中國之物業投資	Director of subsidiaries of Wing On Travel 永安旅遊附屬公司之董事
Mr. Chan Kwok Hung 陳國鴻先生	Hanny and its subsidiaries 錦興及其附屬公司	Property development and investment in the PRC 於中國之物業發展及投資	Executive director of Hanny 錦興之執行董事
Mr. Lui Siu Tsuen, Richard 呂兆泉先生	Wing On Travel and its subsidiaries 永安旅遊及其附屬公司	Property investment in the PRC 於中國之物業投資	Executive director of Wing On Travel 永安旅遊之執行董事
	Hanny and its subsidiaries 錦興及其附屬公司	Property investment and development in the PRC 於中國之物業投資及發展	Deputy managing director of Hanny 錦興之副董事總經理



# DIRECTORS' REPORT 董事會報告書

## SUBSTANTIAL SHAREHOLDERS

The register of substantial shareholders maintained by the Company pursuant to Section 336 of the Securities and Future Ordinance shows that as at 31st December, 2004 the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

### Long positions

## 主要股東

按照本公司根據證券及期貨條例第336條規定須予保存之主要股東登記冊所載，於二零零四年十二月三十一日，下列股東知會本公司其擁有本公司已發行股本有關權益：

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Name	Capacity	Notes	Number of shares	Approximate shareholding percentage
名稱	性質	附註	股份數目	概約持股百分比
Calisan	Beneficial owner 實益擁有人	1	258,819,795	29.36%
Great Decision Limited	Interests held by controlled corporation 持有控股公司權益	1	258,819,795	29.36%
Paul Y. – ITC Investments Group Limited	Interests held by controlled corporation 持有控股公司權益	1	258,819,795	29.36%
Paul Y. – ITC 保華德祥	Interests held by controlled corporation 持有控股公司權益	1	258,819,795	29.36%
Hollyfield Group Limited	Interests held by controlled corporation 持有控股公司權益	1	258,819,795	29.36%
ITC Investment Holdings Limited	Interests held by controlled corporation 持有控股公司權益	1	258,819,795	29.36%
ITC Corporation Limited 德祥企業集團有限公司	Interests held by controlled corporation 持有控股公司權益	1	258,819,795	29.36%
Galaxyway Investments Limited	Interests held by controlled corporation 持有控股公司權益	1	258,819,795	29.36%
Chinaview	Interests held by controlled corporation 持有控股公司權益	1	258,819,795	29.36%
Dr. Chan Kwok Keung, Charles 陳國強博士	Interests held by controlled corporation 持有控股公司權益	1	258,819,795	29.36%
Ms. Ng Yuen Lan, Macy 伍婉蘭女士	Interests held by family 持有家族權益	2	258,819,795	29.36%
Well Orient Limited 威倫有限公司	Beneficial owner 實益擁有人	3	258,819,794	29.36%
Powervote Technology Limited	Interests held by controlled corporation 持有控股公司權益	3	258,819,794	29.36%
Hanny Magnetics (B.V.I.) Limited	Interests held by controlled corporation 持有控股公司權益	3	258,819,794	29.36%
Hanny 錦興	Interests held by controlled corporation 持有控股公司權益	3	258,819,794	29.36%

## Note:

1. Dr. Chan Kwok Keung, Charles owns the entire interest of Chinaview which in turn owns the entire interest in Galaxyway Investments Limited ("Galaxyway"). Galaxyway owns more than one-third of the entire issued ordinary share capital of ITC Corporation Limited ("ITC"). ITC owns the entire interest of ITC Investment Holdings Limited ("ITC Investment") which owns the entire interest of Hollyfield Group Limited ("Hollyfield"). Hollyfield owns more than one-third of the entire issued share capital of Paul Y. – ITC. Paul Y. – ITC owns the entire interest of Paul Y. – ITC Investments Group Limited ("PYITCIG"), PYITCIG owns the entire interest in Great Decision Limited ("GDL") which in turn owns the entire interest in Calisan. Accordingly, GDL, PYITCIG, Paul Y. – ITC, Hollyfield, ITC Investment, ITC, Galaxyway, Chinaview and Dr. Chan Kwok Keung, Charles were deemed to be interested in 258,819,795 shares of the Company which are held by Calisan.
2. Ms. Ng Yuen Lan, Macy is a spouse of Dr. Chan Kwok Keung, Charles and deemed to be interest in 258,819,795 shares of the Company held by Calisan.
3. Well Orient Limited ("WOL") is wholly-owned by Powervote Technology Limited ("PTL") which is in turn owned by Hanny Magnetics (B.V.I.) Limited ("Hanny Magnetics"). Hanny Magnetics is wholly-owned by Hanny. PTL, Hanny Magnetics, Hanny were deemed to be interested in 258,819,794 shares of the Company which are held by WOL.

Save as disclosed above, the Company had not been notified of any other interests or short position in shares and underlying shares of the Company pursuant to section 336 of the Securities and Future Ordinance which representing 5 percent or more in the issued share capital of the Company as at 31st December, 2004.

## THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the year, the Company adopted the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as its own code of conduct regarding directors; securities transactions. Based on specific enquiry of all the directors of the Company, the directors complied throughout the year in review with the required standards as set out in the Model Code.

## 附註：

1. 陳國強博士擁有 Chinaview 全部權益，而 Chinaview 擁有 Galaxyway Investments Limited (「Galaxyway」) 全部權益。Galaxyway 擁有德祥企業集團有限公司 (「德祥企業」) 超過三分之一已發行普通股本。德祥企業擁有 ITC Investment Holdings Limited (「ITC Investment」) 之全部權益，而 ITC Investment 則擁有 Hollyfield Group Limited (「Hollyfield」) 之全部權益。Hollyfield 擁有保華德祥超過三分之一已發行股本。保華德祥擁有 Paul Y. – ITC Investments Group Limited (「PYITCIG」) 之全部權益。PYITCIG 擁有 Great Decision Limited (「GDL」) 全部權益，GDL 則擁有 Calisan 之全部權益。因此，GDL、PYITCIG、保華德祥、Hollyfield、ITC Investment、德祥企業、Galaxyway、Chinaview 及陳國強博士被視為於 Calisan 所持有之 258,819,795 股本公司股份中擁有權益。
2. 伍婉蘭女士為陳國強博士之配偶，被視作於 Calisan 持有之 258,819,795 股本公司股份中擁有權益。
3. 威倫有限公司 (「威倫」) 由 Powervote Technology Limited (「PTL」) 全資擁有，而 PTL 由 Hanny Magnetics (B.V.I.) Limited (「Hanny Magnetics」) 全資擁有。Hanny Magnetics 由錦興全資擁有。PTL、Hanny Magnetics 及錦興被視為於威倫所持有之 258,819,794 股本公司股份中擁有權益。

除上文披露者外，於二零零四年十二月三十一日，根據證券及期貨條例第336條，本公司並不知悉有任何人士於本公司之股份及相關股份中擁有佔本公司已發行股本5%或以上之任何其他權益或短倉。

## 董事進行證券交易之標準守則

年內，本集團採納香港聯合交易所有限公司證券上市規則 (「上市規則」) 附錄10所載上市公司董事進行證券交易之標準守則 (「標準守則」) 作為其本身有關董事進行證券交易之標準守則。根據向本公司全體董事作出之特訂查詢所示，董事於回顧年度內均一直遵守標準守則內所載之標準。

## DIRECTORS' REPORT 董事會報告書

### CODE OF BEST PRACTICE

The Company has complied with the Code of Best Practice (the "Code") as set out in Appendix 14 of the Listing Rules throughout the year, except that the non-executive directors of the Company are not appointed for specific terms as required by the Code but they are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Company's Articles of Association.

### PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year, neither the Company nor any of the subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### POST BALANCE SHEET EVENT

Details of the significant post balance sheet events are set out in note 41 to the financial statements.

### CONTINUING DISCLOSURE OBLIGATION

(1) As at 31st December, 2004, the financial assistance given to the Company's affiliated companies by the Group to Wing On Travel and its subsidiaries ("Wing On Group") aggregated to approximately HK\$165.97 million, representing more than 8% of the Company's market capitalization of approximately HK\$477.82 million as at 31st December, 2004 (the "Market Capitalization").

### 最佳應用守則

本公司於年內一直遵守上市規則附錄14所載之最佳應用守則(「守則」)，惟本公司非執行董事並非根據守則之規定以指定任期委任，而須根據本公司之章程細則在股東週年大會上輪值告退及膺選連任。

### 購買、出售或贖回股份

本公司及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。

### 結算日後事項

於結算日後之重大事項詳情載於財務報表附註41。

### 持續披露責任

(1) 於二零零四年十二月三十一日，本集團給予本公司聯屬公司永安旅遊及其附屬公司(「永安集團」)之財務資助合共約為165,970,000港元，佔本公司於二零零四年十二月三十一日之市值約477,820,000港元(「市值」)超過8%。



Details of financial assistance given to the Company's affiliated companies as at 31st December, 2004:

於二零零四年十二月三十一日，給予本公司聯屬公司之財務資助詳情如下：

Affiliated company	Group's interest	Principal Advances	Interest Rate	Note
	(%)	(million)	Per annum	
聯屬公司	本集團所佔權益	所墊付之本金額	年息率	附註
	(%)	(百萬)		
Wing On Group	19.58	HK\$32.20	Prime + 2%	1
永安集團		港幣32.20元	最優惠利率加兩厘	
		HK\$53.10	Prime	2
		港幣53.10元	最優惠利率	
		HK\$74.70	Prime	3
		港幣74.70元	最優惠利率	
		Rmb5.54	6%	1
		人民幣5.54元	六厘	
		Rmb0.59	Nil	4
		人民幣0.59元	無	

Notes:

附註：

1. The advances are unsecured and repayable on 2nd January, 2006.

1. 墊款乃無抵押及須於二零零六年一月二日償還。

2. The advance is unsecured and repayable on 29th January, 2005.

2. 墊款乃無抵押及須於二零零五年一月二十九日償還。

3. The advance is unsecured and matured on 9th June, 2005.

3. 墊款乃無抵押及於二零零五年六月九日到期。

4. The advance is unsecured, interest free and has no fixed term of repayment.

4. 墊款乃無抵押、免息及無固定還款期。

(2) As at 31st December, 2004, the guarantee of HK\$30 million were given for banking facilities granted by the Company to Jean-Marie Pharmacal Co., Limited, an affiliated company of Tung Fong Hung Investment Limited, a former wholly-owned subsidiary of the Company.

(2) 於二零零四年十二月三十一日，本集團就授予Tung Fong Hung Investment Limited (本公司之前度全資附屬公司)之聯屬公司正美藥品有限公司之銀行信貸提供30,000,000港元之擔保。

## DIRECTORS' REPORT 董事會報告書

(3) Pursuant to Rule 13.22 of the Listing Rule, the financial information of the affiliated companies and the Group's attributable interest in these affiliated companies based on their financial position as at 31st December, 2004 are present below:

(3) 根據上市規則第13.22條，於二零零四年十二月三十一日，聯屬公司之財務資料，以及按彼等之財務狀況，本集團於該等聯屬公司之應佔權益呈列如下：

		<b>Consolidated financial position as at 31st December, 2004</b> 於二零零四年十二月三十一日之綜合財務狀況 (HK\$'000) (港幣千元)	<b>The Group's attributable interest</b> 本集團之應佔權益 (HK\$'000) (港幣千元)
Non-current assets	非流動資產	2,037,951	399,030
Current assets	流動資產	564,490	110,527
Current liabilities	流動負債	(581,588)	(113,875)
Non-Current Liabilities	非流動負債	(1,075,940)	(210,669)
Minority interests	少數股東權益	(312,171)	(61,123)
Net assets	資產淨值	<u>632,742</u>	<u>123,890</u>

### AUDITORS

A resolution will be submitted to the Annual General Meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

**Dr. Chan Kwok Keung, Charles**  
CHAIRMAN

28 Hong Kong  
26th April, 2005

### 核數師

有關重新委聘德勤•關黃陳方會計師行連任本公司核數師之決議案將在本公司之股東週年大會上提呈。

代表董事會

主席  
陳國強博士

香港  
二零零五年四月二十六日