



Chairman's Statement

主席報告書

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In 2004, the Company and its subsidiaries (the "Group") endeavoured to develop their businesses and improve its corporate governance. The Group's Hong Kong operations maintained its steady growth pace in business development and recorded an increase in profits. China Everbright Bank Company Limited ("Everbright Bank") continued to improve its corporate governance and achieved steady growth in all lines of business, and recorded an increase in operating profit before provisions. However affected by the deterioration in assets quality and the increase in provisioning rates, Everbright Bank incurred a considerable loss in 2004 according to accounting principles generally accepted in Hong Kong. Everbright Securities Company Limited ("Everbright Securities") made appropriate adjustments to its business model and developed new products to cope with the adverse securities market environment but still, recorded a loss. As a result, the Group recorded an after tax loss of approximately HK\$215 million.



二零零四年，本公司及附屬公司（「本集團」）努力完善公司治理，積極發展各項業務。本集團香港業務穩健拓展，盈利增長。中國光大銀行股份有限公司（「光大銀行」）不斷改善公司治理，各項業務保持平穩發展，撥備前經營利潤增長，受資產質量下降及各項撥備比

例提高的影響，按香港普遍採納之會計原則出現較大金額的虧損。光大證券有限責任公司（「光大證券」）合理調整業務模式，努力開拓創新，沉著應對低迷市況仍錄得虧損。綜合上述因素，於回顧年度本集團錄得稅後虧損約港幣2.15億元。

In 2005, the Group will continue to develop its financial services business in Mainland China and Hong Kong, and will make its best efforts to overcome various difficulties, maintain its market position and improve its assets quality with a view to enhancing the return to shareholders. Everbright Bank will further improve corporate governance, streamline the business structure and strictly control the associated risks and the operating costs. We are given to understand that Everbright Bank may complete its capital increase led by the relevant government authority so as to improve its capital adequacy ratio. We believe, through prudent risk management, strict cost control and innovative products, Everbright Securities will enhance its competitiveness. It is expected that the Group's Hong Kong operation will have steady development in the areas of direct investment, investment banking and asset management. The brokerage business will constitute a steady profit source for the Group.

二零零五年，本集團將繼續專注在內地和香港發展金融服務業，努力克服各種困難，穩固市場地位，改善資產質量，提高股東回報。光大銀行將進一步完善公司治理，優化業務結構，強化風險和成本控制，並有望在政府有關部門主導下完成增資擴股，改善資本充足率。光大證券將通過審慎的風險管理、嚴格的成本控制和積極的業務創新，提高競爭力。本集團香港業務在直接投資、投資銀行和資產管理領域也將保持穩健發展，經紀業務將繼續保持穩定的盈利能力。

CHAIRMAN'S STATEMENT *(continued)*

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The Group will leverage off its cross-border financial networks, large customer base and strong brand recognition to develop its Hong Kong operation and actively support the development of Everbright Bank and Everbright Securities.

Finally I take this opportunity to express my gratitude for the support and contribution of our customers, shareholders, the members of the Board, the management and the staff of the Group. I believe, through our teamwork, the Group as a whole will make steady and positive progress in 2005.

Wang Mingquan

Chairman

Hong Kong 21st April 2005

本集團將充分利用貫通內地和香港的綜合金融服務網絡、豐富的客戶資源和良好的品牌形象，在穩定香港業務的同時積極支持光大銀行和光大證券加快發展。

本人謹向本集團的客戶、股東、董事會成員、管理層及全體員工在過去一年對本集團的支持及貢獻表示感謝。本人相信，通過我們的共同努力，二零零五年本集團的業務一定會實現穩定、良性的全面發展。

王明權

主席

香港，二零零五年四月二十一日