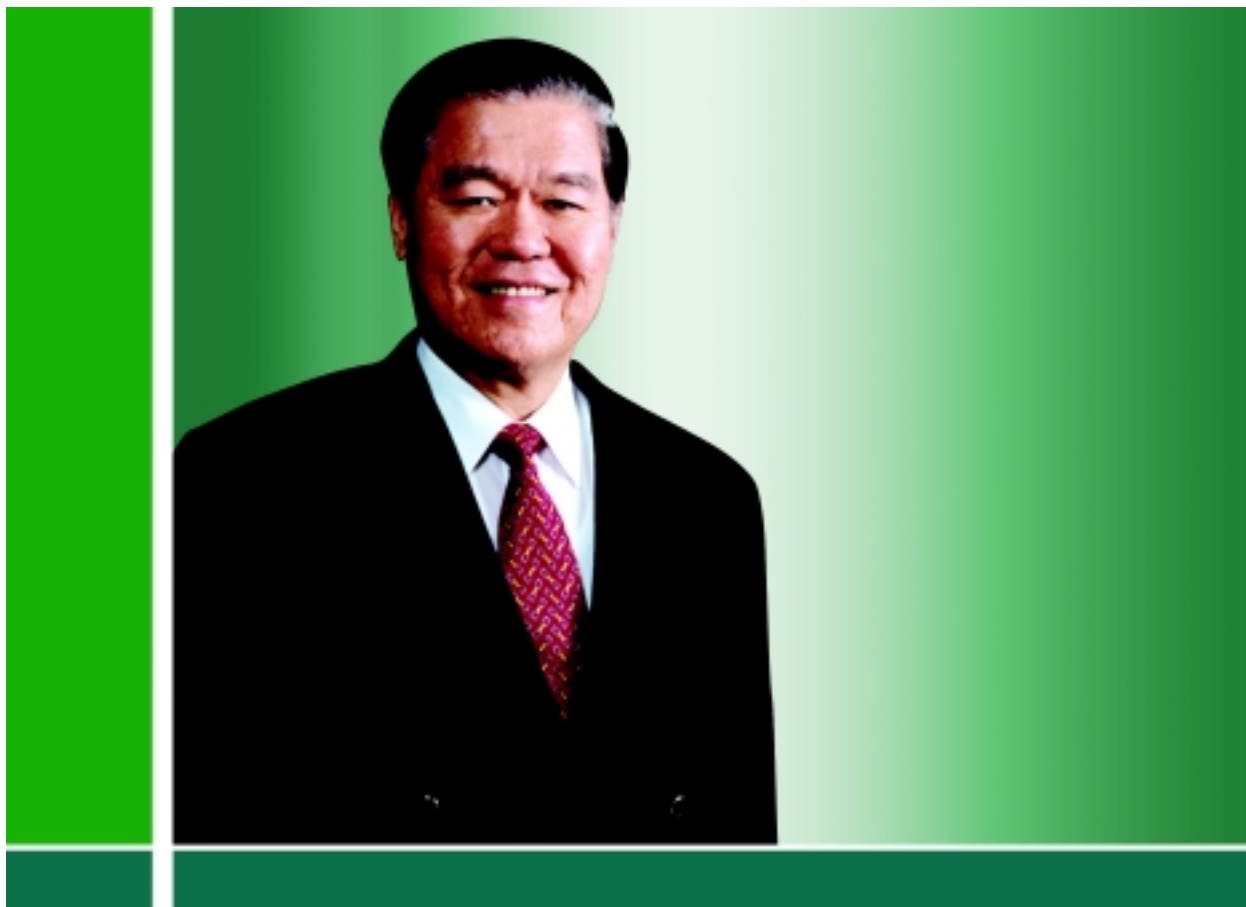


# 主席報告書 CHAIRMAN'S STATEMENT



Hong Kong Construction (Holdings) Limited (the "Company") and its subsidiaries (the "Group") began an entirely new era in its history during 2004, following the successful implementation of a debt transfer and exchange agreement between its bank creditors and floating rate notes ("FRN") holders and Creator Holdings Limited ("Creator") in the early of 2004.

A new senior management team took over the leadership of the Group, giving it a more dynamic and professional business style. The main direction of this new senior management team has been to build on the Group's long and extensive experience and excellent track record in the construction industry and property investment, in order to channel its capabilities in new directions that will create greater value for its shareholders. At the same time, the Group's administrative and corporate governance systems were further enhanced. All these efforts have begun to produce good results, as shown by the improved profit achieved in 2004.

香港建設(控股)有限公司(「本公司」)及其附屬公司(「本集團」)於二零零四年初與債權銀行、浮息票據(「浮息票據」)持有人及創達集團有限公司(「創達」)順利達成債務轉讓及交換協議，令本集團在二零零四年開展嶄新的一頁。

新高級管理層接掌本集團後，經營風格更顯朝氣，管理方式也更見專業。本集團歷史悠久，經驗豐富，多年來在建築業和物業投資方面表現超卓，新高級管理層將繼往開來，在原有基礎上開拓業務新方向，為股東創造更大回報。此外，本集團的行政和企業管治制度亦得以提升，二零零四年的溢利有所改善，足證公司上下努力已見成效。

As of 31st December 2004, the Group had contracts in hand with a total value of HK\$2.8 billion, (excluding the shares of its joint-venture partners). It substantially completed two construction contracts for residential developments in Hong Kong during 2004, while proceeding with major construction contracts for the Shenzhen Convention and Exhibition Centre and the National Grand Theatre in Beijing. In addition, the Group provided construction contract management services for the Zhuhai Hot Spring Resort Project and the Thames Town Project, Songjiang, Shanghai. It also maintained its property investment portfolio in Shenzhen, Guangzhou and Beijing, as well as its long-term investment interest in The Peninsula Palace Hotel in Beijing.

In terms of administration and corporate governance, the Group established a legal department to safeguard its contractual and other interests. It also instituted more-stringent financial controls over payments and the collection of receivables. It aimed to comply with various rules and regulations as a listed company.

## OUTLOOK

The Group foresees many opportunities to extend the scope of its operations during the coming months. It will actively participate in bidding for new construction projects that are expected to arise in Hong Kong and Macau during 2005. In doing so, it will benefit from the restoration of its licence to participate in large-scale public works projects in Hong Kong during 2004.

In Mainland China, the Group will leverage on the competitive edge created by the success of its wholly owned subsidiary, Hong Kong Construction (Shenzhen) Limited, in becoming the first foreign-owned company to receive the licence of "Main Contractor for Building Construction – Special Grade" and "Main Contractor for Municipal Public Work – First Grade (for roads, bridges and tunnels in city areas)" from the Ministry of Construction. The higher benchmarks established by the Chinese Government for the operations of foreign firms in major construction projects will also give it a considerable advantage over its competitors.

本集團於截至二零零四年十二月三十一日止的手頭合約總值2,800,000,000港元(不包括合營夥伴分佔部分)。在二零零四年內,集團在本港的兩個住宅發展項目建築工程已大致完成,並繼續深圳會議展覽中心及北京國家大劇院的大型承包合同。此外,本集團還為珠海溫泉渡假村項目及上海松江泰晤士小鎮項目提供建築合同管理服務。集團仍然於深圳、廣州及北京的物業投資項目中擁有權益,另亦於北京王府飯店持有長線投資權益。

在行政和企業管治方面,本集團成立了一個法律部門,專責保障其合約及其他利益。同時,本集團又在付款及收賬制度上厲行更嚴謹的財務控制措施。集團目標是遵守作為一家上市公司規定的法規條例。

## 展望

在未來數月裡,本集團預見市場將有不少擴展業務的良機。集團將積極競投二零零五年港澳兩地的新建築項目,藉此發揮二零零四年重新獲准參與香港大型公營工程項目所帶來的優勢。

在中國內地,集團全資附屬公司香港建設(深圳)有限公司成為首家獲國家建設部頒發「房屋建築工程施工總承包特級」及「市政公用工程施工總承包壹級(限城市道路、橋樑及隧道工程)」兩項資質的外資公司,加上近期內地政府提高了外資公司經營大型建設項目的指標,凡此種種,皆為本集團創造了勝人一籌的競爭優勢。

China's ongoing economic growth will continue to fuel greater demand for high-quality construction projects of every kind. The Group will energetically compete for these, as well as the major projects required for the Beijing Olympics in 2008 and the 2010 World Expo in Shanghai.

At the same time, the Group will concentrate on opportunities for investment, construction and management of developments in China's second-tier cities, where it expects to see the greatest scope for profit in the coming years.

It will also continue to diversify the range of its business activities to include infrastructure projects, such as tolls roads, power stations and other projects. One example of these is its decision to invest in a toll road in Guilin, Southwest China, on a Build-Operate-Transfer ("BOT") basis. It will also become actively involved in electricity-generating projects that use renewable energy resources, such as its recent acquisition of a shareholding in a wind-power generating station in Heilongjiang Province, Northeast China.

At the same time, the Group's senior management team will leverage on its unique network of business contacts that span China, Indonesia, and Southeast Asia, as this has the potential to create a high degree of synergy in the coming years.

In conclusion, the Group underwent a considerable turnaround in 2004. It is now positioned to use its considerable expertise to engage in a wider range of business opportunities, which will create a brighter future for all its stakeholders.

I would like to thank my fellow Directors, shareholders, business associates and clients of the Group, for their strong support during the past year. I would also like to express my deep appreciation to our employees for their loyalty and hard work. These factors have enabled us to surmount many difficulties and open a new chapter in the Group's long and distinguished history.

**OEI Tjie Goan**

*Chairman*

7th April 2005

中國經濟穩步增長，帶動各類優質建築項目需求飆升。本集團將積極競投二零零八年北京奧運會以及二零零一年上海世界博覽會所需的大型項目。

本集團亦將致力在中國二線城市物色項目投資、建設及管理的機遇。集團預期，日後這些二線城市勢必成為最豐厚的溢利來源。

此外，集團還會繼續拓展業務範疇，包括收費公路、發電廠及其他基建項目，其中一個顯著例子是決定以「建設－營運－轉讓」方式在中國西南部的桂林興建收費公路。本集團亦會積極參與再生能源的發電項目，最近便收購了中國東北黑龍江省一家風力發電廠的股權。

與此同時，本集團擁有獨一無二的業務網絡，遍及中國、印尼及東南亞各地，因此高級管理層可利用這個網絡，在未來數年間創造更大的協同效益。

總括而言，經過二零零四年的重大改革後，本集團現已部署妥當，可充分發揮本身的專業知識，發掘更多元化的業務良機，創造更美好的前景。

本人謹此感謝各位董事、本集團股東、業務夥伴和客戶過去一年來鼎力支持。此外，本公司僱員竭誠盡力，本人深表謝意。憑著各人努力，我們克服了重重難關，為本集團的歷史揭開新一頁。

主席

黃志源

二零零五年四月七日