

## DIRECTORS' REPORT

### INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (cont'd)

Modern City was holding "Chic Castle" of President Commercial Centre, Mongkok, Kowloon with a total gross floor area of 19,797 square feet yielding a total rental income of about HK\$8.1 million (2002: HK\$9.5 million) for the year ended 31st December, 2003. As at 29th March, 2004, the aggregate advances made by the Group to Modern City amounted to HK\$59 million.

8. For the year ended 31st December, 2003, the Group further provided financial assistance to Conduit Road Development Limited ("CR Development") which was currently owned as to 70% by the Group:

(i) Aggregate advances made by the Group to CR Development amounted to HK\$48 million (2002 : HK\$46 million). The advances were unsecured, interest free and had no fixed repayment date.

(ii) On 31st October, 2002, the Company executed a several guarantee (including a funding undertaking and a completion guarantee) in favour of Standard Chartered Bank as agent of syndicated bankers in respect of 70% of liabilities and obligation of CR Development under a loan facility of up to HK\$350 million granted to CR Development.

CR Development was holding a residential development at 55 Conduit Road, Hong Kong. Development cost of CR Development was funded by advances from both of its shareholders in proportion to their equity interests in CR Development. As at 29th March, 2004, the aggregate advances made by the Group to CR Development amounted to HK\$50 million.

9. The Company executed on 11th July, 2000 a several guarantee of up to an amount of HK\$250.4 million in favour of Hang Seng Finance Limited as agent of syndicated bankers in respect of 10% obligations of Grace Sign Limited ("Grace Sign") under a syndicated loan facility of HK\$2,504 million to Grace Sign for a development project of site area of 387,569 square feet with a total development potential of 904,176 square feet gross floor area comprising 8 blocks of luxurious residential units at Parc Palais in King's Park, Kowloon ("King's Park Project").

## 董事會報告書

### 合約權益及關連交易 (續)

新城鎮持有位於九龍旺角總統商業大廈之「Chic之堡」，總樓面面積為19,797平方呎，於截至二零零三年十二月三十一日止年度提供租金收入總額約8,100,000港元（二零零二年：9,500,000港元）。於二零零四年三月二十九日，本集團向新城鎮提供之墊款總額達59,000,000港元。

8. 於截至二零零三年十二月三十一日止年度，本集團再向擁有70%權益之干德道發展有限公司（「干德道發展」）提供財政援助：

(i) 本集團向干德道發展提供墊款總額達48,000,000港元（二零零二年：46,000,000港元）。該等墊款為無抵押、免息及無固定還款期。

(ii) 於二零零二年十月三十一日，本公司就干德道發展所借最高達350,000,000港元貸款融資之70%負債及責任向銀團代理人渣打銀行提供一項各別擔保（包括出資承諾及完成擔保）。

干德道發展持有位於香港干德道55號之住宅發展項目。干德道發展之發展成本乃由其股東按彼等所持干德道發展股本權益之比例提供之墊款撥付。於二零零四年三月二十九日，本集團向干德道發展提供之墊款總額達50,000,000港元。

9. 本公司於二零零零年七月十一日向銀團代理人恒生財務有限公司提供最高達250,400,000港元之各別擔保。該項擔保乃為佳誌有限公司（「佳誌」）因位於九龍京士柏地盤面積達387,569平方呎而可供發展總樓面面積達904,176平方呎之8座豪華住宅單位之發展項目君頤峰（「京士柏項目」）所借之2,504,000,000港元銀團貸款融資之10%責任而作出。

## DIRECTORS' REPORT

### INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (cont'd)

Grace Sign, which was indirectly owned as to 10% by the Company and was indirectly owned as to 30% by New World Development Company Limited ("New World"), was a joint venture company formed in order to undertake the King's Park Project. The amount of the guarantee was limited to the Group 10% equity interest in Grace Sign. The terms of the loan facility were under normal commercial terms and were agreed on an arm's length basis and were within the normal course of business. The loan facility was fully repaid on 15th March, 2004.

By virtue of 70% interests of the Company and 30% interests of New World in a property development in Hong Kong, New World was a connected person of the Company.

10. On 26th June, 2002, the Company's indirect wholly-owned subsidiary, Evergo China Holdings Limited ("Evergo China") and Golden Beam Investment Ltd. ("Golden Beam") had entered into a deed of counter-guarantee ("Counter-Guarantee") in favour of New World China Land Limited ("NWCL") in respect of a guarantee (the "Guarantee") given by NWCL on 10th August, 2001 in favour of Bank of Communications, Changning Sub-branch in Shanghai, the PRC (the "Bank") in proportion to the 35% shareholdings of Golden Beam in Grand Make International Limited ("Grand Make").

Grand Make was interested in 99% of the registered capital of Shanghai New World Huai Hai Property Development Co., Ltd. (the "PRC JV") whose principal activity was real property development. NWCL had given the Guarantee in respect of the obligation of the PRC JV under a loan facility (the "Facility") up to an aggregate amount of RMB800,000,000, together with interests, legal fees and other expenses up to a maximum of RMB820,000,000.

## 董事會報告書

### 合約權益及關連交易 (續)

佳誌分別由本公司及新世界發展有限公司(「新世界」)間接擁有10%及30%權益,乃為進行京士柏項目成立之合營公司。擔保金額以本集團佔佳誌之10%股權為限。貸款融資之條款按一般商業條款及公平原則磋商協定,屬一般業務範圍之內。該筆貸款融資已於二零零四年三月十五日悉數償還。

由於本公司及新世界分別於香港一項物業發展項目持有70%及30%權益,故新世界為本公司之關連人士。

10. 於二零零二年六月二十六日,本公司之間接全資附屬公司Evergo China Holdings Limited(「愛美高中國」)與Golden Beam Investment Ltd.(「Golden Beam」)訂立一項按Golden Beam佔Grand Make International Limited(「Grand Make」)之35%股權比例向New World China Land Limited(「新世界中國地產」)作出之反擔保契據(「反擔保」)。該項反擔保乃為新世界中國地產於二零零一年八月十日向交通銀行中國上海分行長寧支行(「該銀行」)提供之擔保(「擔保」)而作出。

Grand Make佔有上海新世界淮海物業發展有限公司(「中國合營公司」)註冊資本之99%權益,而中國合營公司之主要業務為房地產發展。新世界中國地產已就中國合營公司所借總額最高達人民幣800,000,000元之貸款融資(「該融資」)之責任作出擔保,連同利息、律師費及其他支出最多達人民幣820,000,000元。

## DIRECTORS' REPORT

### INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (cont'd)

Under the Counter-Guarantee, Golden Beam has to reimburse NWCL any payment made by it under the Guarantee in the specified proportion of 35%; to pay NWCL a guarantee fee of 0.25% per annum in respect of the 35% of the actual outstanding amount of the Facility; and to indemnify NWCL against all reasonable costs and expenses properly incurred by NWCL in the execution or performance of the terms and conditions of the Counter-Guarantee. In addition, Evergo China guarantees the obligations of Golden Beam under the Counter-Guarantee.

By virtue of 70% interest of the Company and 30% interest of New World Development Company Limited in a property development in Hong Kong. New World Development Company Limited and its associate, NWCL were connected parties of the Company.

11. Boria Enterprises Limited (“Boria”), Great King Limited (“Great King”) and Gold Concept Limited (“Gold Concept”) were three indirect wholly-owned subsidiaries of G-Prop (Holdings) Limited (“G-Prop”), a non-wholly owned listed subsidiary of the Company. Boria owned the 1st, 3rd, 4th, 5th, 7th, 8th, 9th, 10th, 11th floors and car parking space number 25 on the ground floor of Chung Kiu Godown Building, numbers 63-71 Lei Muk Road, Kwai Chung, New Territories, Hong Kong (“Godown Property”). Great King owned the shop G on the ground floor (including the cockloft thereof), the whole of 1st, 2nd, and 3rd floors of Golden Hall Building, numbers 49-63 Castle Peak Road, Yuen Long, New Territories, Hong Kong (“Golden Hall Property I”). Gold Concept owned flats A and B on the 4th floor and roofs A and B of Golden Hall Building, numbers 49-63 Castle Peak Road, Yuen Long, New Territories, Hong Kong (“Golden Hall Property II”) (collectively the “Properties”). On 2nd August, 2002, the three subsidiaries of G-Prop entered into a management agreement with Chase Master Company Limited (“Chase Master”), an indirect wholly-owned subsidiary of the Company, pursuant to which Chase Master was appointed as manager and leasing agent of the Properties from 2nd August, 2002 to 1st of August, 2005 at a monthly fee of HK\$45,000 plus 5.5% of the aggregate monthly rental income of Properties.

## 董事會報告書

### 合約權益及關連交易 (續)

根據反擔保，Golden Beam 須向新世界中國地產按指定比例 35% 付還新世界中國地產根據擔保所支付之款項；就該融資實際未償還數額之 35% 向新世界中國地產支付每年 0.25% 之擔保費；以及向新世界中國地產賠償其因執行或履行反擔保之條款及條件而恰當支付之所有合理費用及支出。此外，愛美高中國擔保 Golden Beam 履行其根據反擔保之責任。

由於本公司及新世界分別於香港一項物業發展項目持有 70% 及 30% 權益，故新世界及其聯繫公司新世界中國地產為本公司關連人士。

11. 博永企業有限公司（「博永」）、東帝有限公司（「東帝」）及金朗有限公司（「金朗」）為本公司之非全資上市附屬公司金匡企業有限公司（「金匡」）三間間接全資附屬公司。博永擁有香港新界葵涌梨木道 63-71 號中僑貨倉大廈 1 樓、3 樓、4 樓、5 樓、7 樓、8 樓、9 樓、10 樓、11 樓及地下 25 號停車位（「貨倉物業」）。東帝擁有香港新界元朗青山道 49-63 號金豪大廈地下 G 舖（包括閣樓）及 1 樓、2 樓及 3 樓全層（「金豪物業一」）。金朗擁有香港新界元朗青山道 49-63 號金豪大廈 4 樓 A 及 B 室及天台 A 及 B 單位（「金豪物業二」）（統稱「該等物業」）。於二零零二年八月二日，該三間金匡附屬公司與本公司之間接全資附屬公司翠權有限公司（「翠權」）訂立管理協議，據此，翠權獲委任為該等物業由二零零二年八月二日至二零零五年八月一日期間之管理人及租務代理，每月費用為 45,000 港元另加該等物業每月租金收入總額之 5.5%。

## DIRECTORS' REPORT

### INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (cont'd)

12. On 28th March, 2002, each of Great King and Gold Concept entered into a facility letter ("Mortgage Loan Agreements") with Oriental Ford Finance Limited ("Oriental Ford"), an indirect wholly-owned subsidiary of the Company, pursuant to which Oriental Ford agreed to provide mortgage loan facilities of up to the HK\$23,917,359.40 and HK\$1,449,536.94 respectively to Great King and Gold Concept. The mortgage loan facilities are secured by the mortgage deeds on the Golden Hall Property I and Golden Hall Property II. Interest were payable at such rate as announced or applied by the Standard Chartered Bank, Hong Kong Branch (or such other bank as Oriental Ford may from time to time select in its absolute discretion) from time to time as its prime interest rate in Hong Kong for lending of Hong Kong Dollars to its prime customers. The amounts which have been advanced under the Mortgage Loan Agreements are repayable by 97 successive monthly instalments of HK\$301,679.29 and HK\$18,283.59 each respectively (subject to adjustment). The amounts of HK\$22,716,046.74 and HK\$1,358,526.01 (the "Mortgage Loans"), inclusive of both principal and interests, was owed respectively by Great King and Gold Concept to Oriental Ford as at 27th July, 2003 under the Mortgage Loan Agreements.

On 4th September, 2003, Oriental Ford entered into supplement agreements with Great King and Gold Concept respectively, pursuant to which Oriental Ford agreed to reschedule the repayment for the Mortgage Loans due from Great King and Gold Concept. Interest accrued on the Mortgage Loans in accordance with the original terms of the Mortgage Loan Agreements from and inclusive of 28th July, 2003 up to and including 3rd December, 2003 was paid on 29th December, 2003. From and inclusive of 4th December, 2003, the entire amount of the Mortgage Loans continued to carry interests at the prime rate as set out in the Mortgage Loan Agreements as if they were new advances made by Oriental Ford to Great King and Gold Concept on 4th December, 2003. The Mortgage Loans together with interests to be accrued thereon would be repaid by Great King and Gold Concept by way of 204 successive monthly instalments of HK\$165,521.67 and HK\$9,898.97 each respectively (subject to adjustment).

## 董事會報告書

### 合約權益及關連交易 (續)

12. 於二零零二年三月二十八日，東帝及金朗各與本公司之間接全資附屬公司律豐財務有限公司（「律豐財務」）訂立貸款通知書（「按揭貸款協議」），據此，律豐財務同意向東帝及金朗分別提供最多可至 23,917,359.40 港元及 1,449,536.94 港元之按揭信貸。按揭信貸乃以金豪物業一及金豪物業二作抵押。利息乃按渣打銀行香港分行（或律豐財務不時全權指定之其他銀行）不時向其優惠客戶就港元貸款公布或應用之香港最優惠利率計算。根據按揭貸款協議墊付之金額須分別連續 97 個月按月分期償還 301,679.29 港元及 18,283.59 港元（可予調整）。於二零零三年七月二十七日，東帝及金朗根據按揭貸款協議結欠律豐財務之金額（各包括本金及利息）分別為 22,716,046.74 港元及 1,358,526.01 港元（「按揭貸款」）。

於二零零三年九月四日，律豐財務與東帝及金朗分別訂立補充協議，據此，律豐財務同意重新訂立東帝及金朗結欠之按揭貸款之償還方式。根據按揭貸款協議之原有條款由二零零三年七月二十八日（包括該日）起至二零零三年十二月三日（包括該日）累計之按揭貸款利息已於二零零三年十二月二十九日支付。由二零零三年十二月四日起（包括該日），按揭貸款之全部金額將繼續以按揭貸款協議所述之最優惠利率計息，猶如該等金額為律豐財務於二零零三年十二月四日向東帝及金朗提供之新墊款。東帝及金朗須連續 204 個月按月分期償還按揭貸款連同累計利息，每期分別還款 165,521.67 港元及 9,898.97 港元（可予調整）。

## DIRECTORS' REPORT

### INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (cont'd)

13. For the year ended 31st December, 2003, the Group further provided financial assistance to Direct Win Development Limited (“Direct Win”) which was currently owned as to 33 $\frac{1}{3}$ % by the Group:

- (i) Aggregate advances made by the Group to Direct Win amounted to HK\$96.6 million (2002: HK\$95.8 million). The advances were unsecured, interest free and had no fixed repayment date.
- (ii) On 9th May, 2003, the Company executed a several guarantee (including a funding agreement and a subordination deed) in favour of Bank of East Asia, Limited as agent of syndicated bankers in respect of 33 $\frac{1}{3}$ % of liabilities and obligation of Direct Win under a loan facility of up to HK\$785 million granted to Direct Win.

Direct Win was holding a residential development at Junction of Cornwall Street and Tat Chee Avenue. Development cost of Direct Win was funded by advances from its shareholders in proportion to their equity interests in Direct Win. As at 29th March, 2004, the aggregate advances made by the Group to Direct Win amounted to HK\$96.6 million.

14. For the year ended 31st December, 2003, the Group further provided financial assistance to Ocean Strong Industrial Limited (“Ocean Strong”) which was currently owned as to 50% by the Group:

- (i) Aggregate advances made by the Group to Ocean Strong amounted to HK\$456.2 million (2002: HK\$443.2 million). The advances were unsecured, interest free and had no fixed repayment date.
- (ii) On 5th August, 1999, the Company executed a several guarantee (including a funding agreement) in favour of Bank of China (Hong Kong) Limited (formerly known as Kincheng Banking Corporation) in respect of 50% of liabilities and obligation of Ocean Strong under a loan facility of up to HK\$480.5 million granted to Ocean Strong.

## 董事會報告書

### 合約權益及關連交易 (續)

13. 於截至二零零三年十二月三十一日止年度，本集團向目前由本集團擁有 33 $\frac{1}{3}$ % 權益之勝榮發展有限公司（「勝榮」）進一步提供財政援助：

- (i) 本集團向勝榮提供之墊款總額達 96,600,000 港元（二零零二年：95,800,000 港元）。該等墊款為無抵押、免息及無固定還款期。
- (ii) 於二零零三年五月九日，本公司向銀團代理人東亞銀行提供各別擔保（包括出資協議及從屬契據）。該項擔保乃為勝榮所借最高達 785,000,000 港元貸款融資之 33 $\frac{1}{3}$ % 負債及責任而作出。

勝榮持有位於歌和老街及達之路交界之住宅發展項目。勝榮之發展成本乃由其股東按彼等各自在勝榮之股本權益比例提供墊款撥付。於二零零四年三月二十九日，本集團向勝榮提供之墊款總額為 96,600,000 港元。

14. 於截至二零零三年十二月三十一日止年度，本集團向目前由本集團擁有 50% 權益之海康實業有限公司（「海康」）進一步提供財政援助：

- (i) 本集團向海康提供之墊款總額達 456,200,000 港元（二零零二年：443,200,000 港元）。該等墊款為無抵押、免息及無固定還款期。
- (ii) 於一九九九年八月五日，本公司向中國銀行（香港）有限公司（前稱金城銀行）提供各別擔保（包括出資協議）。該項擔保乃為海康所借最高達 480,500,000 港元貸款融資之 50% 負債及責任而作出。

## DIRECTORS' REPORT

### INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (cont'd)

Ocean Strong was holding a residential development at Shiu Fai Terrace, Stubbs Road. Development cost of Ocean Strong was funded by advances from its shareholders in proportion to their equity interests in Ocean Strong. As at 29th March, 2004, the aggregate advances made by the Group to Ocean Strong amounted to HK\$350.4 million.

### SERVICE CONTRACTS OF DIRECTORS

Except the service contracts entered into between Chinese Estates, Limited ("CEL"), a wholly-owned subsidiary of the Company and each of Mr. Joseph Lau, Luen-hung and Mr. Thomas Lau, Luen-hung respectively on 8th December, 2003 with effect from 1st January, 2004, none of the Directors has a service contract with the Company or any of its subsidiaries not terminable by the employing company within one year without payment of compensation (other than statutory compensation).

### MANAGEMENT AND CONSULTANCY AGREEMENT

During the year, there existed a consultancy agreement with Goldking Ltd., a company controlled by Mr. Joseph Lau, Luen-hung and Mr. Thomas Lau, Luen-hung.

### GROUP BORROWINGS AND INTEREST CAPITALISED

Details of bank loans and other loans repayable within one year or on demand are shown in the consolidated balance sheet. Details of long-term secured bank loans and other loans are shown in note 34 to the financial statements.

Interest capitalised during the year by the Group amounted to HK\$18,099,000 (2002: HK\$3,284,000).

### PENSION SCHEME

The Group operates two pension schemes :

- (1) the provident fund scheme as defined in the Occupational Retirement Schemes Ordinance, Chapter 426 of the laws of Hong Kong, (the "Scheme"); and
- (2) the provident fund scheme as defined in the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the laws of Hong Kong (the "MPF Scheme").

## 董事會報告書

### 合約權益及關連交易 (續)

海康持有位於司徒拔道肇輝臺之住宅發展項目。海康之發展成本乃由其股東按彼等各自在海康之股本權益比例提供墊款撥付。於二零零四年三月二十九日，本集團向海康提供之墊款總額為 350,400,000 港元。

### 董事服務合約

除本公司之全資附屬公司華人置業有限公司（「華置」）於二零零三年十二月八日分別與劉鑾雄先生及劉鑾鴻先生訂立一份由二零零四年一月一日生效之服務合約外，本公司或其任何附屬公司並無與董事簽訂任何一年內若由僱用公司終止合約時須作出賠償（法定賠償除外）之服務合約。

### 管理及顧問協議

本集團於本年度內與 Goldking Ltd. 訂立一份顧問協議，該公司乃由劉鑾雄先生及劉鑾鴻先生控制。

### 集團借貸及撥充資本之利息

須於一年內或按通知償還之銀行貸款及其他貸款之詳情載於綜合資產負債表。有抵押長期銀行貸款及其他貸款之詳情載於財務報表附註 34。

本集團於本年度撥充資本之利息為 18,099,000 港元（二零零二年：3,284,000 港元）。

### 退休金計劃

本集團推行兩項退休金計劃：

1. 香港法例第 426 章職業退休計劃條例所界定之公積金計劃（「公積金計劃」）；及
2. 香港法例第 485 章強制性公積金計劃條例所界定之公積金計劃（「強積金計劃」）。

## DIRECTORS' REPORT

### PENSION SCHEME (cont'd)

Both the Scheme and the MPF Scheme were defined contribution schemes and the assets of both schemes were managed by their respective trustees accordingly.

The Scheme was available to the Group's full-time permanent staff employed in Hong Kong on or before 1st August, 2000. Contributions to the Scheme were made by the Group at 5%, 7.5% or 10% based on the staff's basic salary depending on the length of service. Staff members were entitled to 100% of the Group's contributions together with accrued returns after completing 10 years of service or more, or attaining the retirement age, or were entitled at a reduced scale between 30% to 90% of the Group's contributions after completing a period of service of at least 3 years but less than 10 years. The Scheme allowed any forfeited contributions (made by the Group for any staff member who subsequently left the Scheme prior to vesting fully in such contributions) to be used by the Group to offset the current level of contributions of the Group.

The MPF Scheme was available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions were made by the Group at 5% based on the staff's relevant income. The maximum relevant income for contribution purpose is HK\$20,000 per month. Staff members were entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefits were required by law to be preserved until the retirement age of 65.

In order to provide similar benefits to those who joined the MPF Scheme and the Scheme, the Group provided an additional portion (the "Top-up Portion") for those who joined the MPF Scheme. The purpose of the Top-up Portion is to match up the benefits of the MPF Scheme with that of the Scheme by providing those staff under the MPF Scheme with basic salary over HK\$20,000 and/or years of service over 5. Contributions to the Top-up Portion were made by the Group at 5%, 7.5% or 10% of staff's basic salary less the Group's mandatory contribution under the MPF as mentioned above.

The Group's cost for the schemes charged to income statement for the year ended 31st December, 2003 amounted to HK\$6,213,000 (2002 : HK\$3,384,000). In addition, an amount of forfeited employer's contributions for the Scheme amounted to HK\$631,000 (2002 : HK\$692,000) was utilised towards reducing the Group's contributions during the year.

## 董事會報告書

### 退休金計劃(續)

公積金計劃及強積金計劃均為定額供款計劃，該等計劃之資產乃由各自之受託人管理。

公積金計劃可供於二零零零年八月一日或之前在香港受僱之本集團全職長期僱員參加。本集團乃根據僱員之基本薪金按其服務年期，作出5%、7.5%或10%之供款。僱員於服務滿10年或以上或到退休年齡時可取得100%本集團供款連同應計回報，而服務年期滿3年但不足10年之僱員則可按遞減比例取得30%至90%本集團供款。公積金計劃容許本集團將任何已沒收供款（即本集團就任何可獲得全部供款前退出公積金計劃之僱員而作出之供款）用以抵銷本集團現有之供款水平。

強積金計劃可供所有18至64歲受僱於香港最少60日之本集團僱員參加。本集團根據僱員之有關入息作出5%之供款。就供款而言，有關入息上限為每月20,000港元。不論其於本集團之服務年期，僱員均可取得100%本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡65歲方可領取。

為了向參加強積金計劃及公積金計劃之僱員提供相近之福利，本集團為參加強積金計劃之僱員提供額外部份（「補足部份」）。補足部份之目的是向基本月薪逾20,000港元及/或服務年期逾5年之僱員提供與公積金計劃相近之福利。本集團將根據僱員基本薪金之5%、7.5%或10%減本集團根據上述強積金計劃作出之強制性供款而作出補足部份之供款。

本集團於截至二零零三年十二月三十一日止年度就該等計劃於收益表扣除之費用為6,213,000港元（二零零二年：3,384,000港元）。此外，就公積金計劃之已沒收僱主供款631,000港元（二零零二年：692,000港元）已於本年度內用作削減本集團之供款。

## DIRECTORS' REPORT

### MAJOR SUPPLIERS AND CUSTOMERS

During the year, the aggregate amount of purchases and turnover attributable to the Group's five largest suppliers and customers represented less than 30% of the total purchases and turnover of the Group respectively.

### AUDITORS

The financial statements for the Year were audited by Messrs. Deloitte Touche Tohmatsu who would retire at the conclusion of the forthcoming Annual General Meeting, and being eligible, offer themselves for re-appointment.

On behalf of the Board  
**Thomas Lau, Luen-hung**  
*Chairman*

Hong Kong, 29th March, 2004

## 董事會報告書

### 主要供應商及客戶

年內，本集團五大供應商及客戶應佔之購貨及營業總額均佔本集團之購貨及營業總額少於30%。

### 核數師

本年度之財務報表由德勤•關黃陳方會計師行審核。該會計師行將於即將舉行之股東週年大會結束時任滿告退，惟願膺聘連任。

代表董事會  
主席  
劉鑾鴻

香港，二零零四年三月二十九日