

董事會謹此提呈彼等截至二零零四年十二月三十一日止年度的年報及本公司經審核財務報表。

主要業務

本公司為投資控股公司，其附屬公司的主要業務載於財務報表附註37。

業績

本集團截至二零零四年十二月三十一日止年度業績載於第64頁的綜合收入報表內。

股本

本公司股本於年內的變動詳情載於財務報表附註24。

儲備

本集團及本公司於年內之儲備變動，分別載於第68頁的綜合股本權益變動表及財務報表附註26。

分配

董事建議派付首次及末期股息每股2.50港仙。

銀行貸款及其他借貸

本集團及本公司於二零零四年十二月三十一日的銀行貸款及其他借貸詳情載於財務報表附註22。

財務概要

本集團過去五個財政期間的財務概要載於第129至130頁。

固定資產

本集團於年內的固定資產變動詳情載於財務報表附註12。

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

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in Note 37 to the financial statements.

RESULTS

The results of the Group for the year ended 31st December, 2004 are set out in the consolidated income statement on page 64.

SHARE CAPITAL

Details of the changes in share capital of the Company during the year are set out in Note 24 to the financial statements.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 68 and Note 26 to the financial statements respectively.

APPROPRIATIONS

The Directors recommend the payment of a first and final dividend of 2.50 HK cents per share.

BANK LOANS AND OTHER BORROWINGS

The particulars of bank loans and other borrowings of the Group and the Company as at 31st December, 2004 are set out in Note 22 to the financial statements.

FINANCIAL SUMMARY

A financial summary of the Group for the last five financial periods is set out on pages 129 to 130.

FIXED ASSETS

Details of the movements in the fixed assets of the Group during the year are set out in Note 12 to the financial statements.

無形資產

本集團於年內的商譽、負商譽及技術知識變動詳情分別載於財務報表附註14、15及18。

主要客戶及供應商

截至二零零四年十二月三十一日止年度，本集團五大客戶合佔本集團營業總額約32%，而本集團最大客戶則佔本集團營業總額約14%。

截至二零零四年十二月三十一日止年度，本集團五大供應商合佔本集團採購總額25%，而最大供應商則佔本集團採購總額6%。

董事、彼等的聯繫人士或任何據董事所知擁有本公司股本5%以上的股東概無擁有本集團五大客戶或供應商的任何權益。

INTANGIBLE ASSETS

Details of the movements in the goodwill, negative goodwill and technical know-how of the Group during the year are set out in Notes 14, 15 and 18 respectively to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31st December, 2004, the aggregate turnover attributable to the five largest customers accounted for 32% and the Group's largest customer accounted for 14% of the Group's total turnover respectively.

For the year ended 31st December, 2004, the aggregate purchases attributable to the five largest suppliers accounted for 25% and the largest supplier accounted for 6% of the Group's total purchase respectively.

None of the Directors, their associates or any shareholders (which to the knowledge of the Directors owns more than 5% of the Company's share capital) has any interest in any of the Group's five largest customers or suppliers.

董事及服務合約

本公司於年內及直至本報告刊發當日的董事為：

執行董事：

宋 林先生
朱金坤先生
王添根先生
戴振華先生
王國平先生
俞 宇先生
俞 敏先生

非執行董事：

寧高寧先生 (於二零零四年十二月
三十日辭任)
陳 朗先生

獨立非執行董事：

黃得勝先生
陸志昌先生
高秉強教授

本公司已接獲各獨立非執行董事根據上市規則第3.13條作出年度確認，確認其於本公司之獨立性，且本公司仍認為該等董事為本公司獨立人士。

按照本公司的公司細則第110(A)條，宋林先生、朱金坤先生、王國平先生及俞宇先生須輪值退任；上述所有退任董事均符合資格並願意膺選連任。其餘董事則繼續留任。

概無任何董事，包括擬於即將舉行的股東週年大會膺選連任的董事與本公司或其任何附屬公司訂有本集團不可於一年內毋須補償（法例規定之補償除外）而終止的服務合約。

非執行董事（包括獨立非執行董事）的任期須受本公司的公司細則輪席退任規定所規限。

董事所佔之合約權益

本公司或其附屬公司或其控股公司或其同系附屬公司並無訂有於本財政年度內或完結時仍然生效而本公司董事於其中直接或間接擁有重大權益的重大合約。

DIRECTORS AND SERVICE CONTRACTS

The Directors of the Company during the year and up to the date of this report are:

Executive Directors:

Mr. Song Lin
Mr. Zhu Jinkun
Mr. Ong Thiam Kin
Mr. Dai Zhenhua
Mr. Wang Guoping
Mr. Yu Yu
Mr. Yu Min

Non-executive Directors:

Mr. Ning Gaoning (resigned on 30th December, 2004)
Mr. Chen Lang

Independent Non-executive Directors:

Mr. Wong Tak Shing
Mr. Luk Chi Cheong
Professor Ko Ping Keung

The Company has received annual confirmation from each Independent Non-executive Director with each confirming his independence to the Company pursuant to Rule 3.13 of the Listing Rules and the Company still considers that such Directors are independent of the Company.

In accordance with Clause 110(A) of the Company's Bye-laws, Messrs. Song Lin, Zhu Jinkun, Wang Guoping and Yu Yu retire by rotation. All the above retiring Directors, being eligible, offer themselves for re-election. The remaining Directors shall remain in office.

None of Directors, including Directors proposed for re-election at the forthcoming annual general meeting, has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The term of office for each of the Non-executive Director including Independent Non-executive Director is the period up to his retirement by rotation in accordance with the Company's Bye-laws.

DIRECTORS' INTERESTS IN CONTRACTS

There was no contract of significance (to which the Company or its subsidiary or its holding company or its fellow subsidiary was a party) subsisting during or at the end of the financial year in which a Director of the Company is or was materially interested, either directly or indirectly.

董事所佔之證券權益

於二零零四年十二月三十一日，董事及本公司行政總裁於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份及相關股份中，擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及淡倉），或根據證券及期貨條例第352條須記入該條所指登記冊的權益或淡倉，或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所的權益或淡倉如下：

(a) 於本公司的權益

DIRECTORS' INTEREST IN SECURITIES

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

(a) Interests in the Company

				於二零零四年 十二月三十一日 所佔權益總額 百分比 ² Aggregate ² percentage of interest as at 31st December, 2004
董事姓名 Name of Directors	好倉／淡倉 Long position/ Short position	股份數目 Number of shares	購股權數目 ¹ Number of ¹ share options	
宋 林先生 Mr. Song Lin	好倉 Long position	3,600,000	8,900,000	0.47
朱金坤先生 Mr. Zhu Jinkun	好倉 Long position	2,250,000	6,100,000	0.32
	好倉 Long position	160,000 ³	—	
王添根先生 Mr. Ong Thiam Kin	好倉 Long position	1,000,000	4,500,000	0.21
戴振華先生 Mr. Dai Zhenhua	好倉 Long position	1,400,000	4,600,000	0.23
王國平先生 Mr. Wang Guoping	好倉 Long position	—	4,000,000	0.15
俞 宇先生 Mr. Yu Yu	好倉 Long position	—	4,000,000	0.15
	好倉 Long position	60,000 ⁴	—	
俞 敏先生 Mr. Yu Min	好倉 Long position	—	2,200,000	0.08
陳 朗先生 Mr. Chen Lang	好倉 Long position	1,500,000	6,000,000	0.30
	好倉 Long position	500,000 ⁵	—	
陸志昌先生 Mr. Luk Chi Cheong	好倉 Long position	—	900,000	0.03
黃得勝先生 Mr. Wong Tak Shing	好倉 Long position	—	500,000	0.02
高秉強先生 Mr. Ko Ping Keung	好倉 Long position	—	900,000	0.03

附註：

1. 購股權數目指「購股權計劃」一節已授出購股權所涉及之本公司相關股份數目。
2. 此為於二零零四年十二月三十一日所持股份及相關股份好倉總額佔本公司已發行股本總額百分比。
3. 朱金坤先生透過其配偶的權益被視為擁有160,000股普通股的權益。
4. 俞宇先生透過其配偶的權益被視為擁有60,000股普通股的權益。
5. 陳朗先生透過其配偶的權益被視為擁有500,000股普通股的權益。
6. 除附註3、4及5另有註明者外，本文所披露權益現由各董事以實益擁有人身份持有。

Notes:

1. The number of share options refers to the number of underlying shares of the Company covered by the share options granted under the section headed "Share Option Schemes".
2. This represents the percentage of aggregate long position in shares and underlying shares to the total issued share capital of the Company as at 31st December, 2004.
3. Mr. Zhu Jinkun was deemed to be interested in the 160,000 ordinary shares through the interests of his spouse.
4. Mr. Yu Yu was deemed to be interested in the 60,000 ordinary shares through the interests of his spouse.
5. Mr. Chen Lang was deemed to be interested in the 500,000 ordinary shares through the interests of his spouse.
6. Save as otherwise specified under note 3, 4 and 5, interests disclosed hereunder are being held by each director in his capacity as beneficial owner.

(b) 於本公司相聯法團華潤創業有限公司（「華創」）已發行普通股及根據購股權計劃已授出購股權的權益：

(b) Interests in issued ordinary shares and share options granted under the share option schemes of China Resources Enterprise, Limited ("CRE"), an associated corporation of the Company:

董事姓名 Name of Directors	好倉／淡倉 Long position/ Short position	股份數目 Number of shares	購股權數目 ¹ Number of ¹ share options	每股行使價 港元 Exercise Price per share HK\$	授出日期 Date of grant	於二零零四年 十二月三十一日 所佔權益總額 百分比 ² Aggregate ² percentage of interest as at 31st December, 2004
宋 林先生 Mr. Song Lin	好倉 Long position	—	2,000,000	7.17	07/02/2002 ³	0.23
		—	2,500,000	9.72	14/01/2004 ³	
		200,000 ⁷	200,000 ⁷	7.19	20/06/2000 ³	
朱金坤先生 Mr. Zhu Jinkun	好倉 Long position	—	150,000 ⁸	7.40	19/04/2002 ⁴	0.03
		—	150,000 ⁸	9.72	14/01/2004 ⁵	
		—	300,000 ⁸	10.35	04/10/2004 ³	
陳 朗先生 Mr. Chen Lang	好倉 Long position	—	1,500,000	6.29	14/04/2003 ⁶	0.11
		—	800,000	9.15	25/05/2004 ³	

附註：

1. 購股權數目指購股權所涉及的華創相關股份數目。
2. 此為於二零零四年十二月三十一日所持華創股份及相關股份好倉總額佔華創已發行股本總額百分比。
3. 購股權可於有關購股權授出日期起計10年內行使。
4. 購股權可分為三批，分別自二零零二年四月十九日、二零零三年及二零零四年一月一日起至二零一二年四月十八日止期間予以行使。
5. 購股權可分為四批，分別自二零零四年一月十四日、二零零五年、二零零六年及二零零七年一月一日起至二零一四年一月十三日止期間予以行使。
6. 購股權可分為四批，分別自二零零三年四月十四日、二零零四年、二零零五年及二零零六年一月一日起至二零一三年四月十三日止期間予以行使。
7. 宋林先生透過其配偶的權益被視為擁有200,000股普通股及200,000股相關股份的權益。
8. 朱金坤先生透過其配偶的權益被視為擁有相關股份的權益。
9. 除附註7及8另有註明者外，本文所披露權益現由各董事以實益擁有人身份持有。
10. 於各情況下，須於接納所獲授購股權時支付1.00港元。

Notes:

1. The number of share options refers to the number of underlying shares of CRE covered by the share options.
2. This represents the percentage of aggregate long position in shares and underlying shares of CRE to the total issued share capital of CRE as at 31st December, 2004.
3. The share options are exercisable within a period of 10 years from the date of grant of the relevant options.
4. The share options are exercisable in 3 tranches, from 19th April, 2002 and from 1st January, 2003 and 2004 to 18th April, 2012.
5. The share options are exercisable in 4 tranches, from 14th January, 2004 and from 1st January, 2005, 2006 and 2007 to 13th January, 2014.
6. The share options are exercisable in 4 tranches, from 14th April, 2003 and from 1st January, 2004, 2005 and 2006 to 13th April, 2013.
7. Mr. Song Lin was deemed to be interested in the 200,000 ordinary shares and 200,000 underlying shares through the interests of his spouse.
8. Mr. Zhu Jinkun was deemed to be interested in the underlying shares through the interests of his spouse.
9. Save as otherwise specified in note 7 and 8, interests disclosed hereunder are being held by each director in his capacity as beneficial owner.
10. In each case, HK\$1.00 is payable upon acceptance of the options granted.

(c) 於本公司相聯法團華潤電力控股有限公司（「華潤電力」）已發行普通股及根據購股權計劃已授出購股權的權益：

(c) Interests in issued ordinary shares and share options granted under the share option scheme of China Resources Power Holdings Company Limited (“CRP”), an associated corporation of the Company:

董事姓名 Name of Directors	好倉／淡倉 Long position/ Short position	股份數目 Number of shares	購股權數目 ¹ Number of ¹ share options	每股行使價 港元 Exercise Price per share HK\$	授出日期 ² Date of grant ²	於二零零四年 十二月三十一日 所佔權益總額 百分比 ³ Aggregate ³ percentage of interest as at 31st December, 2004
宋 林先生 Mr. Song Lin	好倉 Long position	—	2,000,000	2.8	12/11/2003	0.05
朱金坤先生 Mr. Zhu Jinkun	好倉 Long position	—	500,000	2.8	12/11/2003	0.01
王添根先生 Mr. Ong Thiam Kin	好倉 Long position	—	250,000	2.8	12/11/2003	0.01
戴振華先生 Mr. Dai Zhenhua	好倉 Long position	—	450,000	2.8	12/11/2003	0.01
王國平先生 Mr. Wang Guoping	好倉 Long position	—	450,000	2.8	12/11/2003	0.01
俞 宇先生 Mr. Yu Yu	好倉 Long position	—	250,000	2.8	12/11/2003	0.01
陳 朗先生 Mr. Chen Lang	好倉 Long position	—	500,000	2.8	12/11/2003	0.03
	好倉 Long position	100,000 ⁴	400,000 ⁴	2.8	12/11/2003	

附註：

Notes:

1. 購股權數目指購股權所涉及的華潤電力相關股份數目。
2. 購股權可分為五批，分別自二零零四年、二零零五年、二零零六年、二零零七年及二零零八年十月六日起至二零一三年十月五日止期間予以行使。
3. 此為於二零零四年十二月三十一日所持華潤電力股份及相關股份好倉總額佔華潤電力已發行股本總額百分比。
4. 陳朗先生透過其配偶的權益被視為擁有100,000股普通股及400,000股相關股份的權益。
5. 除附註4另有註明者外，本文所披露權益現由各董事以實益擁有人身份持有。
6. 於各情況下，須於接納所獲授購股權時支付1.00港元。

1. The number of share options refers to the number of underlying shares of CRP covered by the share options.
2. The options are exercisable in 5 tranches, from 6th October, 2004, 2005, 2006, 2007 and 2008 to 5th October, 2013.
3. This represents the percentage of aggregate long position in shares and underlying shares of CRP to the total issued share capital of CRP as at 31st December, 2004.
4. Mr. Chen Lang was deemed to be interested in the 100,000 ordinary shares and 400,000 underlying shares through the interests of his spouse.
5. Save as otherwise specified in note 4, interests disclosed hereunder are being held by each director in his capacity as beneficial owner.
6. In each case, HK\$1.00 is payable upon acceptance of the options granted.

除上文披露者外，於二零零四年十二月三十一日，董事或本公司行政總裁或彼等任何聯繫人士概無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）的股份、相關股份及債券中，擁有任何根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及淡倉），或根據證券及期貨條例第352條須記入該條所述登記冊，或根據上市規則所載上市公司董事進行證券交易的標準守則須知會本公司及聯交所的權益及淡倉。

購股權計劃

舊購股權計劃旨在促進參與者對本公司的承擔及鼓勵參與者盡心效力本公司。參與者為本公司或其任何附屬公司的僱員（包括執行董事）。由於舊購股權計劃已被終止，換言之不會再根據舊購股權計劃發行任何購股權，除此以外，舊購股權計劃的其他所有方面的條文均仍然有效。每名參與者可享有的最高權益不得超過根據舊購股權計劃可予授出購股權所發行股份的最高股數的25%。根據購股權須接納股份的期限不得遲於授出購股權之日起計十年。並無規定購股權於行使前必須持有的最短期限。購股權授出後二十八日內須予接納，並須於接納時繳付1.00港元。認購價為下列兩者中之較高者：(i)股份面值；及(ii)緊接購股權授出之日前五個交易日股份在聯交所的平均收市價的80%。

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

SHARE OPTION SCHEMES

The purpose of the Old Share Option Scheme is to promote commitment by its participants and to encourage its participants to perform their best for the Company. The participants are the employees (including executive directors) of the Company or any of its subsidiary. As the Old Share Option Scheme has been terminated, no more option can be issued pursuant to the Old Share Option Scheme but in all other respects the provisions of the Old Share Option Scheme shall remain in force. The maximum entitlement of each participant shall not exceed 25% of the maximum number of Shares in respect of which options may be granted under the Old Share Option Scheme. The period within which the Shares must be taken up under an option shall not be later than 10 years from the date the option is granted. There is no minimum period for which an option must be held before it can be exercised. HK\$1.00 is payable on acceptance of the option within 28 days from its date of grant. The subscription price is the higher of (i) the nominal value of a Share and (ii) 80% of the average of the closing prices of the Share on the Stock Exchange on the five trading days immediately preceding the date of grant of the options.

新購股權計劃旨在促進參與者的專注及鼓勵參與者盡心效力本集團，以助本集團達致目標。參與者為由董事會全權決定的本集團任何成員公司的任何董事（或任何建議被委任為董事者）和僱員；由本集團任何成員公司的任何僱員或董事成立的全權信託的任何全權信託對象；本集團任何成員公司的任何業務顧問、業務夥伴、專業和其他顧問的任何行政人員或僱員（或任何建議被委任為行政人員或僱員者）；本集團任何成員公司的任何主要股東；本公司董事或主要股東的任何聯繫人士；以及本公司主要股東的任何僱員或該等主要股東的附屬公司或聯營公司的任何僱員。

本年報刊發當日，根據新購股權計劃，可供發行的股份為131,648,226股，佔本公司已發行股本約4.96%。每名參與者可享有的最高權益，乃以任何十二個月期間內行使授予各參與者的購股權（包括已行使、已註銷和尚未行使者）而已發行及將予發行的股份總數為限，即不得超過已發行股份總數的1%。

根據購股權須接納股份的期限不得遲於授出購股權之日起計十年。並無規定購股權於行使前必須持有的最短期限。購股權授出後二十八日內須予接納，並須於接納時繳付1.00港元。認購價為下列三者中之最高者：(i)購股權授出當日股份在聯交所每日報價表所報的收市價；(ii)緊接購股權授出之日前五個營業日股份在聯交所每日報價表所報的平均收市價；及(iii)股份面值。新購股權計劃由二零零一年十一月二十六日起生效，為期十年。二零一一年十一月二十五日後將不會再根據新購股權計劃進一步授出任何購股權。

The purpose of the New Share Option Scheme is to promote dedication by its participants and to encourage its participants to perform their best in achieving the goals of the Group. The participants are any director (or any persons proposed to be appointed as such) and employee of each member of the Group; any discretionary object of a discretionary trust established by any employee or director of each member of the Group; any executive or employee of any business consultant, business partner, professional and other advisers to each member of the Group (or any persons proposed to be appointed as such); any substantial shareholder of each member of Group; any associates of director or substantial shareholder of the Company; and any employee of the Company's substantial shareholder or any employee of such substantial shareholder's subsidiaries or associated companies, as absolutely determined by the Board.

As at the date of the annual report, the total number of Shares available for issue pursuant to the New Share Option Scheme was 131,648,226, representing about 4.96% of the issued share capital of the Company. The maximum entitlement for any one participant is that the total number of Shares issued and to be issued upon exercise of the Options granted to each participant (including both exercised, cancelled and outstanding Options) in any 12-month period shall not exceed 1% of the total number of Shares in issue.

The period within which the Shares must be taken up under an option shall not be later than 10 years from the date the option is granted. There is no minimum period for which an option must be held before it can be exercised. HK\$1.00 is payable on acceptance of the option within 28 days from its date of grant. The subscription price is the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, (ii) a price being the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheet on the 5 business days immediately preceding the date of grant and (iii) the nominal value of a Share. The New Share Option Scheme is valid for 10 years from 26th November, 2001. No further options may be granted pursuant to the New Share Option Scheme after 25th November, 2011.

Directors' Report

董事會報告書

(a) 董事購買股份之權利

於二零零四年十二月三十一日，董事於根據本公司的購股權計劃授出的購股權中擁有下列個人權益：

(a) Directors' right to acquire shares

As at 31st December, 2004, the Directors who had personal interests in respect of options granted under the share option schemes of the Company are as follows:-

董事姓名 Name of Directors	授出日期 Date of grant	購股權數目 Number of share options						於二零零四年 十二月三十一日 尚未行使 Outstanding as at 31st December, 2004
		每股行使價 港元 Exercise Price per share HK\$	於二零零四年 一月一日 尚未行使 Outstanding as at 1st January, 2004	於年內授出 Granted during the year	於年內行使 Exercised during the year	於年內註銷 Cancelled during the year	於年內失效 Lapsed during the year	
宋林先生 Mr. Song Lin	21/09/2000 ¹	0.590	6,900,000	-	-	-	-	6,900,000
	13/01/2004 ¹²	0.906	-	2,000,000	-	-	-	2,000,000
俞敏先生 Mr. Yu Min	21/09/2000 ²	0.590	1,000,000	-	-	-	-	1,000,000
	22/05/2002 ⁷	0.920	500,000	-	-	-	-	500,000
	09/04/2003 ¹¹	0.479	200,000	-	-	-	-	200,000
	13/01/2004 ¹³	0.906	-	500,000	-	-	-	500,000
朱金坤先生 Mr. Zhu Jinkun	25/04/2001 ³	0.547	3,000,000	-	2,000,000	-	-	1,000,000
	02/10/2002 ⁹	0.570	800,000	-	-	-	-	800,000
	09/04/2003 ¹¹	0.479	4,200,000	-	1,400,000	-	-	2,800,000
	13/01/2004 ¹²	0.906	-	1,500,000	-	-	-	1,500,000
戴振華先生 Mr. Dai Zhenhua	25/04/2001 ³	0.547	3,000,000	-	1,400,000	-	-	1,600,000
	22/05/2002 ⁷	0.920	1,000,000	-	-	-	-	1,000,000
	09/04/2003 ¹¹	0.479	1,000,000	-	-	-	-	1,000,000
	13/01/2004 ¹³	0.906	-	1,000,000	-	-	-	1,000,000
王添根先生 Mr. Ong Thiam Kin	25/04/2001 ³	0.547	2,000,000	-	-	-	-	2,000,000
	02/10/2002 ⁹	0.570	1,000,000	-	-	-	-	1,000,000
	09/04/2003 ¹¹	0.479	500,000	-	-	-	-	500,000
	13/01/2004 ¹³	0.906	-	1,000,000	-	-	-	1,000,000
陳朗先生 Mr. Chen Lang	04/12/2001 ⁴	0.790	6,000,000	-	-	-	-	6,000,000
	02/10/2002 ⁸	0.570	1,500,000	-	1,500,000	-	-	-
俞宇先生 Mr. Yu Yu	04/12/2001 ⁵	0.790	1,500,000	-	-	-	-	1,500,000
	02/10/2002 ⁹	0.570	1,000,000	-	-	-	-	1,000,000
	09/04/2003 ¹¹	0.479	500,000	-	-	-	-	500,000
	13/01/2004 ¹³	0.906	-	1,000,000	-	-	-	1,000,000

Directors' Report

董事會報告書

董事姓名	授出日期	購股權數目						於二零零四年 十二月三十一日 尚未行使
		每股 行使價 港元	於二零零四年 一月一日 尚未行使	於年內授出	於年內行使	於年內註銷	於年內失效	
Name of Directors	Date of grant	Exercise Price per share HK\$	Outstanding as at 1st January, 2004	Granted during the year	Exercised during the year	Cancelled during the year	Lapsed during the year	Outstanding as at 31st December, 2004
寧高寧先生 * Mr. Ning Gaoning*	02/10/2002 ⁸	0.570	2,000,000	—	—	—	—	2,000,000
	09/04/2003 ¹⁰	0.479	1,000,000	—	—	—	—	1,000,000
高秉強先生 Mr. Ko Ping Keung	22/05/2002 ⁶	0.920	500,000	—	—	—	—	500,000
	09/04/2003 ¹⁰	0.479	200,000	—	—	—	—	200,000
	13/01/2004 ¹²	0.906	—	200,000	—	—	—	200,000
黃得勝先生 Mr. Wong Tak Shing	22/05/2002 ⁶	0.920	300,000	—	—	—	—	300,000
	02/10/2002 ⁸	0.570	200,000	—	200,000	—	—	—
	09/04/2003 ¹⁰	0.479	200,000	—	200,000	—	—	—
	13/01/2004 ¹²	0.906	—	200,000	—	—	—	200,000
陸志昌先生 Mr. Luk Chi Cheong	22/05/2002 ⁶	0.920	300,000	—	—	—	—	300,000
	02/10/2002 ⁸	0.570	200,000	—	—	—	—	200,000
	09/04/2003 ¹⁰	0.479	200,000	—	—	—	—	200,000
	13/01/2004 ¹²	0.906	—	200,000	—	—	—	200,000
王國平先生 Mr. Wang Guoping	09/04/2003 ¹¹	0.479	3,000,000	—	—	—	—	3,000,000
	13/01/2004 ¹³	0.906	—	1,000,000	—	—	—	1,000,000

附註：

- 購股權可自二零零零年九月二十一日起至二零一零年九月二十日止期間予以行使。
- 購股權可分為三批，分別自二零零一年、二零零二年及二零零三年九月二十一日起至二零一零年九月二十日止期間予以行使。
- 購股權可分為三批，分別自二零零二年、二零零三年及二零零四年四月二十五日起至二零一一年四月二十四日止期間予以行使。緊接購股權獲行使之日前股份的加權平均收市價為1.173港元。

Notes:

- The period during which the options may be exercised is from 21st September, 2000 to 20th September, 2010.
- The exercisable period is divided into 3 tranches exercisable during the periods from 21st September, 2001, 2002 and 2003 to 20th September, 2010.
- The exercisable period is divided into 3 tranches exercisable during the periods from 25th April, 2002, 2003 and 2004 to 24th April, 2011. The weighted average closing price of the shares immediately before the date on which the options were exercised was HK\$1.173.

4. 購股權可自二零零一年十二月四日起至二零零一年十二月三日止期間予以行使。
5. 購股權可分為三批，分別自二零零二年、二零零三年及二零零四年十二月三日起至二零零一年十二月三日止期間予以行使。
6. 購股權可自二零零二年五月二十二日起至二零一二年五月二十一日止期間予以行使。
7. 購股權可分為三批，分別自二零零三年、二零零四年及二零零五年五月二十二日起至二零一二年五月二十一日止期間予以行使。
8. 購股權可自二零零二年十月二日起至二零一二年十月一日止期間予以行使。緊接購股權獲行使之日前股份的加權平均收市價為1.194港元。
9. 購股權可分為三批，分別自二零零三年、二零零四年及二零零五年十月二日起至二零一二年十月一日止期間予以行使。
10. 購股權可自二零零三年四月九日起至二零一三年四月八日止期間予以行使。緊接購股權獲行使之日前股份的加權平均收市價為0.986港元。
11. 購股權可分為三批，分別自二零零四年、二零零五年及二零零六年四月九日起至二零一三年四月八日止期間予以行使。緊接購股權獲行使之日前股份的加權平均收市價為0.986港元。
12. 購股權可自二零零四年一月十三日起至二零一四年一月十二日止期間予以行使。緊接購股權授出日期之前一日（即二零零四年一月十二日）股份的收市價為0.90港元。
13. 購股權可分為三批，分別自二零零五年、二零零六年及二零零七年一月十三日起至二零一四年一月十二日止期間予以行使。緊接購股權授出日期之前一日（即二零零四年一月十二日）股份的收市價為0.90港元。
14. 於各情況下，須於接納所獲授購股權時支付1.00港元。
4. The exercisable period during which the options may be exercised is from 4th December, 2001 to 3rd December, 2011.
5. The exercisable period is divided into 3 tranches exercisable during the periods from 3rd December, 2002, 2003 and 2004 to 3rd December, 2011.
6. The exercisable period during which the options may be exercised is from 22nd May, 2002 to 21st May, 2012.
7. The exercisable period is divided into 3 tranches exercisable during the period from 22nd May, 2003, 2004 and 2005 to 21st May, 2012.
8. The exercisable period during which the options may be exercised is from 2nd October, 2002 to 1st October, 2012. The weighted average closing price of the shares immediately before the date on which the options were exercised was HK\$1.194.
9. The exercisable period is divided into 3 tranches exercisable during the periods from 2nd October, 2003, 2004 and 2005 to 1st October, 2012.
10. The exercisable period during which the options may be exercised is from 9th April, 2003 to 8th April, 2013. The weighted average closing price of the shares immediately before the date on which the options were exercised was HK\$0.986.
11. The exercisable period is divided into 3 tranches exercisable during the periods from 9th April, 2004, 2005 and 2006 to 8th April, 2013. The weighted average closing price of the shares immediately before the date on which the options were exercised was HK\$0.986.
12. The exercisable period during which the options may be exercised from 13th January, 2004 to 12th January, 2014. The closing price of shares immediately before the date of grant (ie. 12th January, 2004) was HK\$0.90.
13. The exercisable period is divided into 3 tranches exercisable during the periods from 13th January, 2005, 2006 and 2007 to 12th January, 2014. The closing price of shares immediately before the date of grant (ie. 12th January, 2004) was HK\$0.90.
14. In each case, HK\$1.00 is payable upon acceptance of the options granted.

* 寧高寧先生於二零零四年十二月三十日辭任。

* Mr. Ning Gaoning resigned on 30th December, 2004.

(b) 僱員及其他參與者購買股份之權利

- (i) 年內，根據舊購股權計劃有關本集團僱員（不包括本公司董事）的購股權變動概述如下：

(b) Employees and other participants' right to acquire shares

- (i) A summary of the movements of the share options in relation to the employees (excluding Directors of the Company) of the Group under the Old Share Option Scheme during the year is as follows:—

授出日期 Date of grant	每股行使價 Exercise Price per share HK\$	購股權數目 Number of share options		於年內授出 Granted during the year	於年內行使 Exercised during the year	於年內註銷 Cancelled during the year	於年內失效 Lapsed during the year	Outstanding as at 31st December, 2004
		於二零零四年 一月一日 尚未行使 Outstanding as at 1st January, 2004	於二零零四年 十二月三十一日 尚未行使 Outstanding as at 31st December, 2004					
21/09/2000 ¹	0.590	6,700,000	—	4,800,000	—	—	—	1,900,000
25/04/2001 ²	0.547	20,050,000	—	4,250,000	—	3,000,000	—	12,800,000
		26,750,000	—	9,050,000	—	3,000,000	—	14,700,000

附註：

- 授出的購股權分為三期賦予，可自二零零一年、二零零二年及二零零三年九月二十一日起至二零一零年九月二十日止期間予以行使。緊接購股權獲行使之日前股份的加權平均收市價為1.146港元。
- 授出的購股權分為三期賦予，可自二零零二年、二零零三年及二零零四年四月二十五日起至二零一一年四月二十四日止期間予以行使。緊接購股權獲行使之日前股份的加權平均收市價為1.005港元。

Notes:

- The options granted are vested in 3 tranches and exercisable from 21st September, 2001, 2002 and 2003 to 20th September, 2010. The weighted average closing price of the shares immediately before the date on which the options were exercised was HK\$1.146.
- The options granted are vested in 3 tranches and exercisable from 25th April, 2002, 2003 and 2004 to 24th April, 2011. The weighted average closing price of the shares immediately before the date on which the options were exercised was HK\$1.005.

(ii) 年內，根據新購股權計劃有關本集團僱員（不包括本公司董事）與業務夥伴的購股權變動概述如下：

(ii) A summary of the movements of the share options in relation to the employees (other than Directors of the Company) and business partner of the Group under the New Share Option Scheme during the year is as follows:—

購股權數目							
Number of share options							
		於二零零四年 一月一日					於二零零四年 十二月三十一日
	每股行使價	尚未行使					尚未行使
	港元	Outstanding	於年內授出	於年內行使	於年內註銷	於年內失效	Outstanding
	Exercise Price	as at	Granted	Exercised	Cancelled	Lapsed	as at
授出日期	per share	1st January,	during	during	during	during	31st December,
Date of grant	HK\$	2004	the year	the year	the year	the year	2004
04/12/2001 ¹	0.790	7,260,000	—	240,000	—	—	7,020,000
02/10/2002 ²	0.570	16,302,000	—	4,116,000	—	500,000	11,686,000
09/04/2003 ³	0.479	29,700,000	—	2,670,000	—	250,000	26,780,000
03/11/2003 ⁴	0.800	500,000	—	—	—	—	500,000
13/01/2004 ⁵	0.906	—	21,600,000	—	—	360,000	21,240,000
07/12/2004 ⁶	0.910	—	800,000	—	—	—	800,000
		53,762,000	22,400,000	7,026,000	—	1,110,000	68,026,000

附註：

- 僱員獲授的購股權分為三期賦予，可自二零零二年、二零零三年及二零零四年十二月三日起至二零一一年十二月三日止期間予以行使。業務夥伴獲授的購股權總數為6,000,000份，已全部隨即賦予，並可於二零一一年十二月三日或以前予以行使。業務夥伴獲授的6,000,000份購股權全部均仍未行使。緊接購股權獲行使之日前股份的加權平均收市價為1.220港元。
- 購股權分為三期賦予，可自二零零三年、二零零四年及二零零五年十月二日起至二零一二年十月一日止期間予以行使。緊接購股權獲行使之日前股份的加權平均收市價為1.030港元。

Notes:

- The options granted to employees are vested in 3 tranches and exercisable on 3rd December, 2002, 2003 and 2004 to 3rd December, 2011. The total number of options granted to business partner are 6,000,000 and vested immediately and exercisable on or before 3rd December, 2011. All the 6,000,000 options granted to the business partner are still outstanding. The weighted average closing price of the shares immediately before the date on which the options were exercised was HK\$1.220.
- The options are vested in 3 tranches and exercisable on 2nd October, 2003, 2004 and 2005 to 1st October, 2012. The weighted average closing price of the shares immediately before the date on which the options were exercised was HK\$1.030.

3. 購股權分為三期賦予，可自二零零四年、二零零五年及二零零六年四月九日起至二零一三年四月八日止期間予以行使。緊接購股權獲行使之日前股份的加權平均收市價為0.896港元。

4. 購股權分為三期賦予，可自二零零四年、二零零五年及二零零六年十一月三日起至二零一三年十一月二日止期間予以行使。

5. 購股權分為三期賦予，可自二零零五年、二零零六年及二零零七年一月十三日起至二零一四年一月十二日止期間予以行使。緊接購股權授出日期之前一日（即二零零四年一月十二日）股份的收市價為0.900港元。

6. 購股權分為三期賦予，可自二零零五年、二零零六年及二零零七年十二月七日起至二零一四年十二月六日止期間予以行使。緊接購股權授出日期之前一日（即二零零四年十二月六日）股份的收市價為0.920港元。

3. The options are vested in 3 tranches and exercisable on 9th April, 2004, 2005 and 2006 to 8th April, 2013. The weighted average closing price of the shares immediately before the date on which the options were exercised was HK\$0.896.

4. The options are vested in 3 tranches and exercisable on 3rd November, 2004, 2005 and 2006 to 2nd November, 2013.

5. The options are vested in 3 tranches and exercisable on 13th January, 2005, 2006 and 2007 to 12th January, 2014. The closing price of shares immediately before the date of grant (ie. 12th January, 2004) was HK\$0.900.

6. The options are vested in 3 tranches and exercisable on 7th December, 2005, 2006 and 2007 to 6th December, 2014. The closing price of shares immediately before the date of grant (ie. 6th December, 2004) was HK\$0.920.

(iii) 年內，根據新購股權計劃有關主要股東及其附屬公司和聯營公司僱員（不包括本集團僱員和本公司董事）的購股權變動概述如下：

(iii) A summary of the movements of the share options in relation to the employees of substantial shareholder and its subsidiaries and associated companies (other than employees of the Group and Directors of the Company) under the New Share Option Scheme during the year is as follows:—

授出日期 Date of grant	每股行使價 Exercise Price per share HK\$	購股權數目 Number of share options					於二零零四年 十二月三十一日 尚未行使 Outstanding as at 31st December, 2004
		於二零零四年 一月一日 尚未行使 Outstanding as at 1st January, 2004	於年內授出 Granted during the year	於年內行使 Exercised during the year	於年內註銷 Cancelled during the year	於年內失效 Lapsed during the year	
09/04/2002	0.82	29,040,000	—	1,406,000	—	18,000	27,616,000
		29,040,000	—	1,406,000	—	18,000	27,616,000

附註：

1. 購股權分為全部隨即賦予，可自二零零二年四月九日起至二零一二年四月八日止期間予以行使，或分為四期賦予，可自二零零二年四月九日、二零零三年、二零零四年及二零零五年一月一日起至二零一二年四月八日止期間予以行使。緊接購股權獲行使之日前股份的加權平均收市價為1.099港元。

董事認為不適宜披露年內授出購股權的價值，原因為購股權之任何估值均受若干主觀及不肯定的假設所規限。基於上述理由，董事相信，計算本公司購股權價值的意義不大，且會誤導股東。

融資協議

於二零零四年九月十六日，本公司全資附屬公司 CRL Finance Limited（「CRL Finance」，作為借款人）及本公司（作為CRL Finance之擔保人）與多家銀行訂立融資協議（「第二份融資協議」）。據此，CRL Finance獲授一項金額最多達500,000,000港元3年期循環信貸／定期貸款備用額。CRL Finance可把上述貸款備用額用於其本身及／或本公司之一般企業用途。上述貸款備用額為無抵押及計息貸款，任何結欠金額須於融資協議日期後滿三十六個月之日悉數償還。

融資協議載有一項條款，規定本公司須促使華潤（集團）有限公司（「華潤集團」）（由於其當時實益擁有本公司全部已發行股本約73.54%，故根據上市規則，其為本公司之控股股東）繼續作為本公司全部已發行股本之大多數實益擁有人，以及繼續擁有本公司之管理控制權（「有關華潤集團之特定履約責任」）。

Notes:

1. The options are either vested immediately and exercisable from 9th April, 2002 to 8th April, 2012 or vested in 4 tranches and exercisable on 9th April, 2002, 1st January, 2003, 2004 and 2005 to 8th April, 2012. The weighted average closing price of the shares immediately before the date on which the options were exercised was HK\$1.099.

The Directors consider that it is not appropriate to disclose the value of the share options granted during the year because any valuation of the options would be subject to a number of assumptions that would be subjective and uncertain. Owing to the reason set out above, the Directors believe that any calculation of the value of the Company's share options would not be meaningful and would be misleading to the shareholders.

FACILITY AGREEMENTS

On 16th September, 2004, CRL Finance Limited（“CRL Finance”），a wholly owned subsidiary of the Company, as borrower and the Company as guarantor for CRL Finance entered into a facility agreement (the “2nd Facility Agreement”) with certain banks in which a 3-year revolving credit/term loan facility of up to HK\$500 million was granted to CRL Finance for its and/or the Company's general corporate purposes. The loan facility is unsecured and interest bearing with any outstanding amounts to be repaid in full on the date falling thirty-six months after the date of the Facility Agreement.

The Facility Agreement contains a term which requires the Company to procure China Resources (Holdings) Company Limited（“CRH”），who was then beneficially interested in about 73.54% of the entire issued share capital of the Company and is therefore a controlling shareholder of the Company under the Listing Rules, to remain the majority beneficial owner of the entire issued share capital of the Company and shall maintain management control over the Company (the “Specific Performance Obligation on CRH”).

於二零零二年十二月十日，本公司（作為借款人）與多家銀行訂立融資協議（「第一份融資協議」）。據此，本公司獲授一項金額最多達800,000,000港元之5年期循環信貸／定期貸款備用額。是項融資協議亦同樣訂明上述有關華潤集團之特定履約責任。華潤集團當時亦為本公司控股股東，實益擁有本公司全部已發行股本約74.16%。上述貸款備用額為無抵押及計息貸款，結欠金額須分期償還，而最後一期還款須於二零零二年十二月十日後滿六十個月之日償還。

就第一份融資協議及第二份融資協議而言，如有關華潤集團之特定履約責任不獲履行，即作違約事項處理，而此或會導致借款銀行分別限令第一份融資協議及第二份融資協議項下之全數或部分貸款（連同累計利息）即時到期支付。

關連交易

A. 以下為本公司一家附屬公司與一名關連人士所訂立的交易。交易詳情載列如下：

設備購買合同

於二零零四年七月六日，沈陽華潤三洋壓縮機有限公司（「沈陽華潤三洋」）與三洋電機株式會社（「三洋電機」）和豐田通商株式會社（「豐田通商」）訂立設備購買合同，據此，三洋電機和豐田通商（作為賣方）向沈陽華潤三洋出售三條生產線，以製造15F及20F系列旋轉式壓縮機產品。三洋電機是本公司附屬公司沈陽華潤三洋的主要股東，屬本公司的關連人士，故是項交易亦屬關連交易。除豐田通商於沈陽華潤三洋及本公司另一家附屬公司沈陽盛潤三洋壓縮機有限公司（「沈陽盛潤三洋」）之2%權益外，豐田通商與本集團或其關連人士概無關連，亦非上市規則所界定本公司的關連人士（附註1）。

On 10th December, 2002, the Company as borrower has entered into a facility agreement (the 1st Facility Agreement) with certain banks in which the Company was granted a 5-year revolving credit/term loan facility of up to HK\$800 million and the facility agreement contains the same Specific Performance Obligation on CRH, who was then also a controlling shareholder and beneficially interested in about 74.16% of the entire issued share capital of the Company. The loan facility is unsecured, interest bearing and repayable by instalments, the last of which will fall due on the date falling on sixty months after 10th December, 2002.

In respect of the 1st Facility Agreement and 2nd Facility Agreement, it will be an event of default if there is a breach of the Specific Performance Obligation on CRH, which may lead to the lending banks to demand all or part of the loans, together with accrued interest, to be immediately due and payable under respectively the 1st Facility Agreement and the 2nd Facility Agreement.

CONNECTED TRANSACTIONS

A. The following transaction was between a subsidiary of the Company and a connected person. Details of the transaction are set out herein below:—

Equipment Purchase Contract

On 6th July, 2004, China Resources (Shenyang) Sanyo Compressor Co. Ltd. (“CR Shenyang Sanyo”) entered into an Equipment Purchase Contract with Sanyo Electric Co., Ltd. (“Sanyo Electric”) and Toyota Tsusho Corporation (“Toyota Tsusho”) in which Sanyo Electric and Toyota Tsusho as vendors sold to CR Shenyang Sanyo three production lines for the manufacture of 15F and 20F series rotary compressors products. Sanyo Electric is a substantial shareholder of CR Shenyang Sanyo, which is a subsidiary of the Company. Sanyo Electric is a connected person of the Company and the transaction was therefore a connected transaction. Save for its 2% interests in CR Shenyang Sanyo and Shenyang Shengrun Sanyo Compressor Co. Ltd. (“CR Shengrun Sanyo”), another subsidiary of the Company, Toyota Tsusho is not connected with the Group or its connected person and is not a connected person of the Company as defined under the Listing Rules (Note 1).

代價為4,414,860,000日圓（約319,635,864港元），乃經公平磋商後按一般商業條款釐定。代價包括按一般商業條款釐定的安裝費用495,000,000日圓（約35,838,000港元），將參照（其中包括）設備購買合同所載的交貨安排，預期自二零零四年七月底起至二零零五年十二月期間以現金分期支付。是項交易後，沈陽華潤三洋與沈陽盛潤三洋兩者合共的年產量將由現在約3,000,000台增至約6,000,000台。

B. 持續關連交易

年內，本集團成員公司曾與關連人士訂立持續關連交易，詳情於下文概述。獨立非執行董事已審閱持續關連交易，並確認該等持續關連交易乃：

- (i) 於本集團一般和日常業務過程中訂立；
- (ii) 按一般商業條款訂立，或倘並無足夠可資比較交易以判斷該等交易是否按一般商業條款訂立，則以不遜於本集團提供予或獲自（如適用）獨立第三方的條款，及按公平原則而釐定；
- (iii) 遵照管轄各項交易的有關協議；
- (iv) 按公平合理的條款而訂立，並符合股東整體利益；及
- (v) 不超逾先前作出的有關公佈的有關金額上限。

The consideration, which was negotiated on arms-length basis and on normal commercial terms, is JPY4,414,860,000 (about HK\$319,635,864). The consideration, which includes an installation costs of JPY495,000,000 (about HK\$35,838,000) (which is based on normal commercial terms), are to be satisfied by cash installments by reference to, inter alia, the delivery schedule laid down in the Equipment Purchase Contract, which is expected to be from end of July 2004 to December 2005. As a result of the transaction, the annual production capacity of CR Shenyang Sanyo and CR Shengrun Sanyo combined will increase from the present level of about 3,000,000 units up to about 6,000,000 units.

B. ON-GOING CONNECTED TRANSACTIONS

During the year, members of the Group have entered into on-going connected transactions with connected persons, details of which are summarised herein below. The independent non-executive Directors have reviewed the on-going connected transactions and confirmed that the on-going connected transactions have been entered into:-

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties and on arm's length basis;
- (iii) in accordance with the relevant agreement governing them;
- (iv) on terms that are fair and reasonable and in the interest of the shareholders as a whole; and
- (v) without exceeding the relevant cap disclosed in previous relevant announcements.

上述持續關連交易詳情概述如下：

(i) 關連人士提供予本集團成員公司的貨品和服務。

(a) 與沈陽華潤三洋及沈陽盛潤三洋有關

性質

(1) 沈陽華潤三洋及沈陽盛潤三洋向三洋電機採購生產所需物料。

(2) 沈陽華潤三洋及沈陽盛潤三洋根據多份技術協議及兩份日期同為二零零一年十月二十二日的技術轉讓合同，就使用三洋電機技術製造各種壓縮機產品應付予三洋電機的專利權費。

(3) 沈陽華潤三洋根據於二零零三年九月三十日訂立的技術特許協議，就使用三洋電機的技術製造C-R20F系列不同型號壓縮機產品應付予三洋電機的專利權費。

Details of the above-mentioned on-going connected transactions are summarised as follow:-

(i) Goods and services provided by connected persons to members of the Group.

(a) In relation to CR Shenyang Sanyo and CR Shengrun Sanyo

Nature

千港元
HK\$'000

(1) Purchase of materials by CR Shenyang Sanyo and CR Shengrun Sanyo from Sanyo Electric required in their production. 10,703

(2) Royalties payable to Sanyo Electric by CR Shenyang Sanyo and CR Shengrun Sanyo pursuant to various technology agreements and two technology transfer contracts both dated 22nd October, 2001 for use of Sanyo Electric's technologies for the manufacture of different types of compressor products. 11,109

(3) Royalties payable to Sanyo Electric by CR Shenyang Sanyo pursuant to a technology licence agreement dated 30th September, 2003 for use of Sanyo Electric's technologies for the manufacture of different models of C-R20F series compressor products. Nil

性質	Nature	千港元 HK\$'000
(4) 根據沈陽華潤三洋與三洋電機於二零零四年七月六日訂立的技術特許協議及沈陽盛潤三洋與三洋電機於二零零四年七月六日訂立的技術特許協議，就向三洋電機取得若干生產先進不同型號壓縮機產品的技術使用權應付予三洋電機的專利權費。(附註2)	(4) Royalties payable to Sanyo Electric pursuant to the technology licence agreement dated 6th July, 2004 entered into between CR Shenyang Sanyo and Sanyo Electric and the technology licence agreement dated 6th July, 2004 between CR Shengrun Sanyo and Sanyo Electric for obtaining from Sanyo Electric the right to use certain technologies to produce different models of advanced compressor products. (Note 2)	Nil 零
(5) 沈陽華潤三洋及沈陽盛潤三洋根據於二零零二年四月十六日訂立的商標特許協議，就使用三洋電機的「三洋」及「Sanyo」商標應付予三洋電機的特許權費。	(5) Licence fee payable to Sanyo Electric by CR Shenyang Sanyo and CR Shengrun Sanyo pursuant to a trademark licence agreement dated 16th April, 2002 for use of Sanyo Electric's trademarks “三洋” and “Sanyo”.	1,336
(6) 沈陽華潤三洋與沈陽盛潤三洋根據於二零零四年七月六日訂立的商標特許協議，就於前者的壓縮機產品使用三洋電機的「三洋」及「Sanyo」商標應付予三洋電機的特許權費。(附註3)	(6) Licence fee payable by CR Shenyang Sanyo and CR Shengrun Sanyo to Sanyo Electric for use of Sanyo Electric's trademarks “三洋” and “Sanyo” in the formers' compressor products pursuant to the trademark licence agreement dated 6th July, 2004. (Note 3)	Nil 零

(b) 與本公司有關

根據本公司與華潤物業管理有限公司（「華潤物業管理」）日期為二零零三年三月二十一日的租賃協議，本公司就租用香港灣仔港灣道26號華潤大廈40樓4003-06室以用作本公司主要營業地點，應付予華潤物業管理的租金（附註4）

(ii) 本集團成員公司提供予關連人士的貨品和服務。

與本集團壓縮機業務有關

性質

(1) 由沈陽華潤三洋及沈陽盛潤三洋出售空調壓縮機予沈陽三洋空調有限公司和廣東三洋空調器有限公司（附註5）

(2) 沈陽華潤三洋及沈陽盛潤三洋根據於二零零三年六月十一日訂立的銷售協議向三洋電機銷售C-R15F及C-R20F系列旋轉壓縮機產品

(3) 沈陽華潤三洋根據於二零零三年六月十一日訂立的銷售協議向三洋電機銷售C-R25F及C-R33F系列旋轉壓縮機產品

(b) In relation to the Company

Rental payable to China Resources Property Management Limited (“CRPML”) pursuant to a tenancy agreement dated 21st March, 2003 between the Company and CRPML for renting Rooms 4003-06 on 40/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong, which is used as the principal place of business of the Company (Note 4)

(ii) Goods and services provided by member of the Group to connected person.

In relation to Compressor Business of the Group

Nature

	千港元 HK\$'000
(1) Sale of air-conditioner compressors to Shenyang Sanyo Air Conditioning Limited and Guangdong Sanyo Air Conditioning Limited by CR Shenyang Sanyo and CR Shengrun Sanyo (Note 5)	20,311
(2) Sale of C-R15F and C-R20F series rotary compressor products to Sanyo Electric by CR Shenyang Sanyo and CR Shengrun Sanyo pursuant to a sales agreement dated 11th June, 2003	440
(3) Sale of C-R25F and C-R33F series rotary compressor products to Sanyo Electric by CR Shenyang Sanyo pursuant to a sales agreement dated 11th June, 2003	86,657

附註：

1. 三洋電機為沈陽華潤三洋和沈陽盛潤三洋的主要股東，而本公司分別於該兩家公司擁有63.75%股權。
2. 於二零零四年七月六日訂立的兩份技術特許協議取代之前由沈陽華潤三洋、沈陽盛潤三洋與三洋電機訂立的所有技術特許協議。由於該兩份技術特許協議在中國的註冊手續仍在進行中，故該等協議尚未生效。
3. 於二零零四年七月六日訂立的商標特許協議取代之前由相同訂約方於二零零二年四月十六日訂立的商標特許協議。由於二零零四年七月六日訂立的商標特許協議在中國的註冊手續仍在進行中，故該協議尚未生效。
4. 華潤物業管理由本公司控股股東華潤（集團）有限公司間接全資擁有。根據上市規則第14A.33條，是項持續關連交易獲豁免遵守申報、公佈及取得獨立股東批准的規定。
5. 由於三洋電機是沈陽三洋空調有限公司和廣東三洋空調器有限公司的控股股東，故該兩家公司均為三洋電機的聯繫人士。

Notes:

1. Sanyo Electric is a substantial shareholder of both CR Shenyang Sanyo and CR Shengrun Sanyo, in both of which the Company owns a 63.75% equity interest.
2. The two technology licence agreements dated 6th July, 2004 replace all previous technology licence agreements among CR Shenyang Sanyo, CR Shengrun Sanyo and Sanyo Electric. The two technology licence agreements are not yet operative as the registration process of them in the PRC is still underway.
3. The trademark licence agreement dated 6th July, 2004 replaces the previous trademark licence agreement dated 16th April, 2002 among the same parties. The trademark licence agreement dated 6th July, 2004 is not yet operative as the registration process of this agreement in PRC is still underway.
4. CRPML is indirectly wholly owned by China Resources (Holdings) Company Limited, which is a controlling shareholder of the Company. Pursuant to 14A.33 of the Listing Rules, this ongoing connected transaction is exempted from reporting, announcement and independent shareholders' approval requirements.
5. Both Shenyang Sanyo Air Conditioning Limited and Guangdong Sanyo Air Conditioning Limited are associates of Sanyo Electric as Sanyo Electric is a controlling shareholder of both of them.

主要股東

於二零零四年十二月三十一日，下列人士（並非董事或本公司行政總裁）於本公司股份及相關股份中，擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司披露的權益或淡倉，或記錄於本公司遵照證券及期貨條例第336條存置之股東名冊的權益或淡倉：

SUBSTANTIAL SHAREHOLDERS

As at 31st December, 2004, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO or which were recorded in the register maintained by the Company pursuant to section 336 of the SFO:

				於二零零四年 十二月三十一日 所持股份的好倉 總額佔本公司已 發行股本的百分比 Percentage of aggregate long position in shares to the issued share capital of the Company as at 31st December, 2004
股東名稱 Name of Shareholder	身份 Capacity	權益性質 Nature of Interests	股份數目 Number of Shares	
Gold Touch Enterprises Inc. ("Gold Touch")	實益擁有人 Beneficial Owner	實益權益 Beneficial Interest	297,229,604	11.23
Waterside Holdings Limited ("Waterside")	實益擁有人 Beneficial Owner	實益權益 Beneficial Interest	535,347,743	20.22
Splendid Time Investments Inc. ("Splendid Time")	實益擁有人 Beneficial Owner	實益權益 Beneficial Interest	1,109,688,810	41.91
華潤(集團)有限公司 ("華潤集團") China Resources (Holdings) Company Limited ("CRH")	受控制公司的權益 Interest of Controlled Corporation	公司權益 Corporate Interest	1,942,266,157	73.36
CRC Bluesky Limited ("CRC Bluesky")	受控制公司的權益 Interest of Controlled Corporation	公司權益 Corporate Interest	1,942,266,157	73.36
華潤股份有限公司 ("華潤股份") China Resources Co., Limited ("CRCL")	受控制公司的權益 Interest of Controlled Corporation	公司權益 Corporate Interest	1,942,266,157	73.36
中國華潤總公司("中國華潤") China Resources National Corp. ("CRN")	受控制公司的權益 Interest of Controlled Corporation	公司權益 Corporate Interest	1,942,266,157	73.36

Gold Touch、Waterside及Splendid Time分別直接持有本公司297,229,604股、535,347,743股及1,109,688,810股股份。Gold Touch、Waterside及Splendid Time均為華潤集團全資附屬公司，而華潤集團則為CRC Bluesky全資附屬公司。CRC Bluesky為華潤股份全資附屬公司，而華潤股份的99.98%權益由中國華潤擁有。中國華潤被視為擁有1,942,266,157股股份的權益。

除上文披露者外，於二零零四年十二月三十一日，概無任何其他人士於本公司的股份及相關股份中，擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司披露的權益或淡倉，或記錄於本公司遵照證券及期貨條例第336條存置的股東名冊的權益或淡倉。

購買、出售或贖回本公司的上市證券

年內，本公司曾在聯交所購買其本身股份，詳情如下：

Gold Touch, Waterside and Splendid Time each directly holds 297,229,604 shares, 535,347,743 shares and 1,109,688,810 shares respectively in the Company. Gold Touch, Waterside and Splendid Time are wholly owned subsidiaries of CRH, which in turn is a wholly owned subsidiary of CRC Bluesky. CRC Bluesky is a wholly owned subsidiary of CRCL, which in turn is 99.98% owned by CRN. CRN is deemed to have interest in 1,942,266,157 shares.

Save as disclosed above, as at 31st December, 2004, no other person had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register kept by the Company under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year, the Company purchased its own shares on the Stock Exchange. Details are as follows:

購回日期 Date of repurchase	購回 股份數目 Number of shares repurchased	所支付的 每股最高價 Highest price paid per share 港元 HK\$	所支付的 每股最低價 Lowest price paid per share 港元 HK\$	所支付的 總代價 Aggregate consideration paid 港元 HK\$
17/05/2004	50,000	0.67	0.67	33,500

所購回股份隨後已註銷，而本公司的已發行股本亦相應撤減所購回股份的面值，共計為5,000港元。

The repurchased shares were subsequently cancelled and accordingly, the issued share capital of the Company was reduced by the nominal value thereof and the nominal value of shares repurchased amounted to HK\$5,000.

除上文披露者外，本公司或其任何附屬公司概無於年內購買、出售或贖回本公司任何上市證券。

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

優先購買權

雖然百慕達法例並無任何對優先購買權之限制，惟本公司之公司細則並無為此等權利作出規定。

企業管治

本集團一直致力維持一個優良可靠的企業管治架構，以期就本集團管理方針和方向為本公司股東提供一個公開、負責和具透明度的架構。展望未來，本集團將會繼續加強其企業管治政策，以確保有關政策與現行慣例和準則相符，不負各股東對本集團的期望。

根據上市規則有關企業管治的最新規定，本公司已採納上市規則附錄14所載企業管治常規守則（「守則」）的強制性規定。審核委員會及薪酬委員會的職權範圍已作出修訂，以反映守則項下的最新強制性規定。本公司亦已成立提名委員會，並採納與守則項下建議職權範圍相近的職權範圍。

審核委員會

審核委員會成員計有黃得勝先生、陸志昌先生及高秉強教授，彼等均為本公司獨立非執行董事。委員會協助董事會就本集團的財務申報過程、內部監控與風險管理系統和內部核數職務的效率提供獨立客觀的審閱，旨在提升董事會的問責度、透明度和客觀性。

審核委員會已經與管理層人員及本公司核數師共同審閱本集團採納的會計原則及慣例，並已就本集團的核數、內部監控及財務申報事宜（包括年內的財務報表）進行討論。

PRE-EMPTIVE RIGHTS

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

CORPORATE GOVERNANCE

The Group is dedicated to maintaining a good credible framework of corporate governance with a view to being transparent, open and accountable to our shareholders as regards to the principles under which the Group is managed and directed. Going forward, the Group will continue to strengthen its corporate governance policies to ensure that they remain consistent with the prevailing practices and standards, which the shareholders would expect of us.

Pursuant to the latest requirements of the Listing Rules on Corporate Governance, the Company has adopted the mandatory provisions of the Code on Corporate Governance Practices (the "Code") which are set out in Appendix 14 to the Listing Rules. The terms of reference of both the Audit Committee and Remuneration Committee have been revised to reflect the latest mandatory requirements under the Code. The Company has also established a Nomination Committee and adopted its terms of reference similar to those recommended under the Code.

Audit Committee

The members of the Audit Committee comprise Mr. Wong Tak Shing, Mr. Luk Chi Cheong and Professor Ko Ping Keung, all of them are independent non-executive Directors of the Company. The Committee assists the Board in providing an independent and objective review of the effectiveness of the financial reporting process, internal control and risk management system as well as internal audit function of the Group. It primarily aims to increase the Board's accountability, transparency and objectivity.

The Audit Committee has reviewed with the management and the Company's auditors the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the financial statements for the year.

薪酬委員會

薪酬委員會成員包括三名獨立非執行董事及兩名執行董事朱金坤先生及王添根先生，而黃得勝先生為薪酬委員會主席。薪酬委員會的職責為（其中包括）就本集團有關董事與高級管理層人員酬金政策及架構向董事會提供建議，並參考董事會不時議決的公司目標及目的，檢討及批准按表現釐定的薪酬。

提名委員會

提名委員會成員包括三名獨立非執行董事及一名執行董事朱金坤先生，而高秉強教授為提名委員會主席。提名委員會的主要目的為協助董事會就委任新董事加入董事會制定正式、經審慎考慮及具透明度的程序。提名委員會之職責亦包括（其中包括）定期檢討董事會架構、規模及組成，並就任何建議更改向董事會提供意見。

遵守最佳應用守則及標準守則

本公司在年內一直遵守聯交所上市規則附錄14所載最佳應用守則之規定。

本公司已採納上市規則附錄10所載標準守則為董事進行證券交易之行為守則（「守則」）。經向全體董事作出特定查詢後，本公司確認，全體董事均已遵守守則所載規定標準。

Remuneration Committee

The members of the Remuneration Committee comprise all three independent non-executive directors and two executive directors namely, Mr. Zhu Jinkun and Mr. Ong Thiam Kin. Mr. Wong Tak Shing is the Chairman of the Remuneration Committee. The duties of the Remuneration Committee, among others, are to make recommendations to the Board on the Group's policy and structure for the remuneration of Directors and senior management and to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time.

Nomination Committee

The members of the Nomination Committee comprise all three independent non-executive Directors and one executive Director namely, Mr. Zhu Jinkun. Professor Ko Ping Keung is the Chairman of the Nomination Committee. The primary objective of the Nomination Committee is to assist the Board in establishing a formal, considered and transparent procedure for the appointment of new directors to the Board. The Nomination Committee's duties would also include, among others, the review of the structure, size and composition of the Board on a regular basis and make recommendations to the Board regarding any proposed changes.

COMPLIANCE WITH THE CODE OF BEST PRACTICE AND MODEL CODE

The Company has throughout the year complied with the Code of Best Practice as was then set out in Appendix 14 of the Listing Rules of the Stock Exchange.

The Company has adopted the Model Code set out in Appendix 10 to Listing Rules as the code of conduct regarding securities transactions by the Directors (the "Code"). Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Code.

公眾持股量

根據本公司的公開資料顯示及就其董事所知，於本報告日期，根據上市規則規定，本公司公眾持股量達不少於本公司已發行股份25%之足夠水平。

核數師

本年度的財務報表已經由德勤•關黃陳方會計師行審核。將於本公司應屆股東週年大會提呈決議案，續聘德勤•關黃陳方會計師行為本公司核數師。

董事會任命

華潤勵致有限公司

主席

宋林

香港，二零零五年三月十五日

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

AUDITORS

The financial statements for the year have been audited by Messrs Deloitte Touche Tohmatsu. A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Messrs Deloitte Touche Tohmatsu as the auditors of the Company.

On behalf of the Board

SONG LIN

CHAIRMAN

CHINA RESOURCES LOGIC LIMITED

Hong Kong, 15th March, 2005