

### 董事會報告書

The Directors present their report together with the audited financial statements for the year ended 31st December, 2000.

#### PRINCIPAL ACTIVITIES

During the year, the Company acted as an investment holding company and its subsidiaries were principally engaged in property investment and development, securities investment and money lending.

#### TURNOVER AND CONTRIBUTION BY SEGMENT

The Group's turnover and contribution to profit from operations analysed by principal activities are set out in note 4 to the financial statements.

#### SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's principal subsidiaries and associates as at 31st December, 2000 are set out in notes 45 and 46 to the financial statements respectively.

#### RESULTS

The results of the Group for the year ended 31st December, 2000 are set out in the consolidated income statement on page 49.

#### DIVIDENDS

No interim dividend was paid for the year (1999: Nil). The Board has resolved not to recommend the payment of any final dividend for the year ended 31st December, 2000 (1999: Nil).

本董事會謹提呈截至二零零零年十二月三十一日止年度之董事會報告書及經審核財務報表。

#### 主要業務

於本年度內，本公司為一間投資控股公司，其附屬公司主要從事物業投資及發展、證券投資及放債。

#### 營業額及業績貢獻分析

本集團以主要業務劃分之營業額及經營溢利貢獻分析載於財務報表附註4。

#### 附屬公司及聯營公司

本公司於二零零零年十二月三十一日之主要附屬公司及聯營公司之詳情，分別載於財務報表附註45及46。

#### 業績

本集團截至二零零零年十二月三十一日止年度之業績載於第49頁之綜合收益表內。

#### 股息

本年度並無派付中期股息（一九九九年：無）。董事會已決議不派付截至二零零零年十二月三十一日止年度之任何末期股息（一九九九年：無）。

## 2000 WARRANTS

The bonus subscription warrants, namely 2000 warrants, issued for the year ending 31st December, 1998 and traded on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") would entitle the holders to subscribe for one fully-paid share of HK\$0.10 each of the Company (the "Share") at a subscription price of HK\$1.02 per Share before the close of business on 24th November, 2000. During the year, 96,258,901 units of 2000 warrant were exercised to subscribe for 96,258,901 Shares at a total subscription money of HK\$98,184,079.02 which has been used as additional working capital of the Group. The 94,756,438 units of outstanding 2000 warrant lapsed upon expiry.

Movements in 2000 warrants of the Company during the year are set out in note 33 to the financial statements.

## CONVERTIBLE BONDS

On 21st March, 2001, the Company issued convertible bonds in the aggregate principal amount of HK\$200 million bearing an interest of 3% per annum due on 20th March, 2003 (the "Convertible Bonds"), of which the principal amounts of HK\$180 million and HK\$20 million were issued to a company ultimately beneficially owned by a discretionary trust of which certain family members of Mr. Joseph Lau, Luen-hung were eligible beneficiaries and to a company wholly-owned by Mr. Thomas Lau, Luen-hung respectively.

Bondholders are entitled to convert the Convertible Bonds into Shares at HK\$1.08 each (subject to adjustment) before the close of business on the business day immediately preceding 20th March, 2003.

The Company has an overriding right to redeem the Convertible Bonds for cash instead of issuing further new Shares at a premium which can provide the bondholders an effective rate of return equal to 8% per annum (including interest of 3% per annum) for the Convertible Bonds.

The Convertible Bonds are neither be converted nor redeemed up to the date of this report.

## 二零零零年認股權證

於截至一九九八年十二月三十一日止年度發行並於香港聯合交易所有限公司（「聯交所」）買賣之紅利認股權證（即二零零零年認股權證）之持有人，均有權於二零零零年十一月二十四日辦公時間結束前以認購價每股1.02港元認購1股本公司每股面值0.10港元之繳足股份（「股份」）。於本年度內，96,258,901份二零零零年認股權證已獲行使以認購96,258,901股股份，總認購款項為98,184,079.02港元，作為本集團額外營運資金之用。94,756,438份尚未行使二零零零年認股權證於屆滿時失效。

本年度內之本公司二零零零年認股權證之變動情況載於財務報表附註33。

## 可換股債券

於二零零一年三月二十一日，本公司發行本金總額200,000,000港元於二零零三年三月二十日到期之年息3厘可換股債券（「可換股債券」），其中本金額180,000,000港元及20,000,000港元之可換股債券乃分別發行予劉鑾雄先生之若干家族成員為合資格受益人之全權信託最終實益擁有之公司及劉鑾鴻先生全資擁有之公司。

債券持有人有權於緊接二零零三年三月二十日前一個交易日之辦公時間結束前按每股1.08港元（可予調整）轉換可換股債券為股份。

本公司擁有凌駕權可向債券持有人提供相當於每年8厘（包括年息3厘）之可換股債券實際回報率之溢價，以現金贖回可換股債券，而毋須發行新增股份。

直至本報告日期，可換股債券概無獲轉換或贖回。

### 董事會報告書

#### PROPERTY AND OTHER FIXED ASSETS

Movements in property and other fixed assets during the year are set out in note 17 to the financial statements.

#### INVESTMENT PROPERTIES

During the year, the Group acquired certain leasehold properties in Hong Kong for a total consideration of approximately HK\$476,184,000 (1999: approximately HK\$832,290,000) in order to replenish the Group's operating capacity. Investment properties with an aggregate net book value of approximately HK\$2,919,000 (1999: approximately HK\$558,218,000) were disposed of during the year.

Details of these and other movements in investment properties during the year are set out in note 16 to the financial statements.

#### PRINCIPAL PROPERTIES

Details of the principal properties of the Group as at 31st December, 2000 are set out on pages 108 to 120.

#### SHARE CAPITAL

During the year, the authorised share capital of the Company was increased from HK\$230,000,000 to HK\$310,000,000 by the creation of an additional 800,000,000 Shares ranking pari passu in all respects with the existing issued and unissued Shares in the capital of the Company.

In November 2000, arrangements were made for a placement of 95,000,000 issued Shares and a subscription for 212,300,000 new Shares by Golden Game Overseas Limited and Mr. Joseph Lau, Luen-hung both at HK\$0.80 per Share representing a discount of 9.71% to the average closing prices of HK\$0.886 per Share of the ten trading days ended 22nd November, 2000. A total of approximately HK\$168 million, net of expenses, was raised for the Group for repayment of loans of the Group and for general working capital.

Movements in the share capital of the Company during the year are set out in note 32 to the financial statements.

#### 物業及其他固定資產

物業及其他固定資產於本年度內之變動情況載於財務報表附註17。

#### 投資物業

本年度內，本集團以總代價約476,184,000港元（一九九九年：約832,290,000港元）購入若干位於香港之租賃物業，以鞏固本集團之營運能力。本年度內亦出售總賬面淨值約2,919,000港元（一九九九年：約558,218,000港元）之投資物業。

上述及其他投資物業於本年度內之變動詳情載於財務報表附註16。

#### 主要物業

本集團於二零零零年十二月三十一日之主要物業詳情載於第108至第120頁內。

#### 股本

本年度內，本公司之法定股本由230,000,000港元增至310,000,000港元，額外增設800,000,000股股份。該等股份於各方面與本公司股本中現有已發行及未發行股份享有同等權益。

於二零零零年十一月，透過配售95,000,000股已發行股份，以及Golden Game Overseas Limited及劉鑾雄先生認購212,300,000股新股份（兩者均按每股股份0.80港元配售及認購，較截至二零零零年十一月二十二日止十個交易日之平均收市價每股0.886港元折讓9.71%），本集團共籌得約168,000,000港元（已扣除開支），用作償還本集團貸款及撥作一般營運資金。

本公司股本於本年度內之變動情況載於財務報表附註32內。

**RESERVES**

Movements in the reserves of the Group and the Company during the year are set out in note 34 to the financial statements.

**PRE-EMPTIVE RIGHTS**

No pre-emptive rights exist at law in Bermuda, being the jurisdiction in which the Company is incorporated.

**PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

During the year ended 31st December, 2000, the Company purchased and cancelled a total of 8,376,000 Shares on the Stock Exchange with details as follows:

| Trading Month<br>交易月份 | Number of Shares Purchased<br>購回股份數目 | Price Per Share<br>每股股份價格    |                             | Total Cash Paid<br>(before expenses)<br>所付現金總額<br>(扣除開支前) |
|-----------------------|--------------------------------------|------------------------------|-----------------------------|---|
|                       |                                      | Highest Price Paid<br>所付最高價格 | Lowest Price Paid<br>所付最低價格 |   |
|                       |                                      | HK\$<br>港元                   | HK\$<br>港元                  | HK\$<br>港元  |
| January 一月            | 6,060,000                            | 1.73                         | 1.59                        | 10,028,360  |
| May 五月                | 2,316,000                            | 0.95                         | 0.92                        | 2,152,800   |
|                       | <b>8,376,000</b>                     |                              |                             | <b>12,181,160</b>   |

The Directors considered that the aforesaid Shares were purchased at a discount to the net asset value per Share and resulted in an increase in the net asset value per Share then in issue.

Save as disclosed herein, the Company and its subsidiaries have not purchased, sold or redeemed any of the Company's listed securities.

**CHARITABLE DONATIONS**

Charitable donations made by the Group during the year amounted to HK\$679,000 (1999: HK\$1,685,000).

**儲備**

本集團及本公司於本年度內之儲備變動情況載於財務報表附註 34 內。

**優先購買權**

本公司於百慕達註冊成立，該司法轄區並無優先購買權存在。

**購買、出售或贖回上市證券**

截至二零零零年十二月三十一日止年度內，本公司於聯交所購買並註銷合共 8,376,000 股股份，詳情如下：

董事會認為上述股份乃按每股資產淨值之折讓價購入，因而令致當時已發行股份之每股資產淨值增加。

除本文所披露者外，本公司及其附屬公司概無購買、出售或贖回本公司任何上市證券。

**慈善捐款**

本集團於本年度內之慈善捐款額為 679,000 港元（一九九九年：1,685,000 港元）。

董事會報告書

**DIRECTORS**

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

Mr. Thomas Lau, Luen-hung

Mr. Joseph Lau, Luen-hung

Mr. Peter Sit, Kien-ping\*

Mr. Raymond Cheung, Yuet-man\*

\* Independent Non-Executive Director

Mr. Raymond Cheung, Yuet-man will retire from office by rotation at the forthcoming Annual General Meeting and, being eligible, will offer himself for re-election in accordance with Bye-law 111 of the Bye-laws of the Company.

**DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS**

As at 31st December, 2000, the interests of the Directors and Chief Executives of the Company in the equity and debt securities of the Company and its associated corporations as recorded in the register kept by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance") or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

**I. The Company 本公司**

| Name of Director / Chief Executive | 董事 / 主要行政人員姓名 | Number of Shares 股份數目 |                 |
|------------------------------------|---------------|-----------------------|-----------------|
| Mr. Joseph Lau, Luen-hung          | 劉鑾雄先生         |                       |                 |
| - Personal interests               | - 個人權益        | 330,344,119           |                 |
| - Other interests                  | - 其他權益        | 987,933,549           | (note a) (附註 a) |
| Total                              | 總計            | 1,318,277,668         |                 |
| Mr. Thomas Lau, Luen-hung          | 劉鑾鴻先生         |                       |                 |
| - Other interests                  | - 其他權益        | 206,379,187           | (note b) (附註 b) |
| Miss Rosaline Wong, Wing-yue       | 王穎好小姐         |                       |                 |
| - Personal interests               | - 個人權益        | 100,000               |                 |

**董事**

本年度內及直至本報告書日期止，本公司之董事芳名如下：

劉鑾鴻先生

劉鑾雄先生

薛建平先生\*

張悅文先生\*

\* 獨立非執行董事

根據本公司之公司細則第 111 條，張悅文先生將在即將舉行之股東週年大會上輪值告退，惟願膺選連任。

**董事及主要行政人員於本公司及相聯法團之證券權益**

於二零零零年十二月三十一日，本公司董事及主要行政人員於本公司及其相聯法團之股本及債務證券中之權益，按本公司根據證券（披露權益）條例（「披露權益條例」）第二十九條置存之登記冊所載或根據上市公司董事證券交易標準守則須知會本公司及聯交所者如下：

**DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS (continued)**

Notes :

- a. The 987,933,549 Shares were indirectly owned by a discretionary trust of which certain family members of Mr. Joseph Lau, Luen-hung are eligible beneficiaries.
- b. The 206,379,187 Shares were indirectly owned by another discretionary trust of which certain family members of Mr. Thomas Lau, Luen-hung are eligible beneficiaries.
- c. During the year, 50,000,000 units of 2000 warrant were exercised by Mr. Joseph Lau, Luen-hung to subscribe for 50,000,000 Shares at subscription price of HK\$1.02 per Share.

**董事及主要行政人員於本公司及相聯法團之證券權益 (續)**

附註：

- a. 該 987,933,549 股股份由一項以劉鑾雄先生之若干家族成員為合資格受益人之全權信託間接擁有。
- b. 該 206,379,187 股股份由另一項以劉鑾鴻先生之若干家族成員為合資格受益人之全權信託間接擁有。
- c. 本年度內，劉鑾雄先生行使 50,000,000 份二零零零年認股權證，以認購價每股 1.02 港元認購 50,000,000 股股份。

**II. Associated Corporations of the Company**

**本公司之相聯法團**

| Name of Associated Corporation<br>相聯法團名稱  | Name of Director<br>董事姓名  | Number of shares<br>股份數目                     | Units of warrants<br>認股權證數目                      |
|---|---|--|--|
| 1. Chi Cheung Investment Company, Limited<br>("Chi Cheung")<br>至祥置業有限公司<br>(「至祥」) | Mr. Joseph Lau, Luen-hung<br>- Corporate interests<br>劉鑾雄先生<br>- 公司權益 | 2,650,000,000<br>(notes a & d)<br>(附註 a & d) | 594,261,068<br>(notes a, b & d)<br>(附註 a, b & d) |
| 2. Evergo China Holdings Limited<br>("Evergo China")<br>(「愛美高中國」)                 | Mr. Joseph Lau, Luen-hung<br>- Corporate interests<br>劉鑾雄先生<br>- 公司權益 | 1,112,582,621<br>(note c)<br>(附註 c)          | N/A<br>不適用                                       |
| 3. The Kwong Sang Hong International Limited<br>("Kwong Sang Hong")<br>(「廣生行」)    | Mr. Joseph Lau, Luen-hung<br>- Corporate interests<br>劉鑾雄先生<br>- 公司權益 | 513,746,047<br>(note d)<br>(附註 d)            | N/A<br>不適用                                       |

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**DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS (continued)**

Notes :

- a. *These securities include direct interests in 2,044,715,460 shares and 46,957,791 units of warrants and indirect interests in 605,284,540 shares and 547,303,277 units of warrants. The indirect interests in the securities are derived from the obligation of the Company and its wholly-owned subsidiary, Billion Up Limited, to purchase or procure purchase of the shares and warrants at HK\$0.10 each and HK\$0.01 each respectively upon exercise of put options by creditors pursuant to the scheme of arrangement of Chi Cheung (the "Scheme") within 6 months from 20th November, 2000.*
- b. *The warrants were issued on 20th November, 2000 pursuant to the Scheme and every unit of the warrant gives a right to subscribe for one fully-paid share of Chi Cheung at HK\$0.10 each during the period from 21st November, 2000 to 20th November, 2003.*
- c. *Mr. Joseph Lau, Luen-hung by virtue of his 55.36% and 53.52% deemed interests in the share capital of the Company and Kwong Sang Hong as disclosed in paragraphs I and II3 above respectively, is deemed to be interested in the shares of Evergo China.*
- d. *Mr. Joseph Lau, Luen-hung by virtue of his 55.36% interest in the share capital of the Company as disclosed in paragraph I above, is deemed to be interested in the shares of Kwong Sang Hong and securities of Chi Cheung.*

Save as disclosed herein, none of the other Directors and Chief Executives of the Company had or were deemed under the SDI Ordinance to have any interest in the securities of the Company or any of its associated corporations (within the meaning of the SDI Ordinance) as at 31st December, 2000 and none of the Directors or Chief Executives of the Company nor their spouses or children under 18 years of age were granted or had exercised any right to subscribe for any securities of the Company or any of its associated corporations during the year.

**董事及主要行政人員於本公司及相聯法團之證券權益 (續)**

附註：

- a. 該等證券包括於2,044,715,460股股份及46,957,791份認股權證之直接權益，以及於605,284,540股股份及547,303,277份認股權證之間接權益。於該等證券之間接權益，乃來自本公司及其全資附屬公司Billion Up Limited，在債權人於二零零零年十一月二十日起計六個月內，根據至祥債務償還安排計劃（「計劃」）行使認沽期權時，須分別按每股股份0.10港元及每份認股權證0.01港元購入或促使購入股份及認股權證之責任。
- b. 該等認股權證於二零零零年十一月二十日根據計劃發行，每份認股權證賦予權利可於二零零零年十一月二十一日至二零零三年十一月二十日止期間內按每股0.10港元認購1股至祥繳足股份。
- c. 正如上文第I及II3段所披露，劉鑾雄先生因被視作分別擁有本公司及廣生行股本中之55.36%及53.52%權益，故被視為於愛美高中國股份中擁有權益。
- d. 正如上文第I段所披露，劉鑾雄先生因擁有本公司股本中55.36%之權益，故被視為於廣生行股份及至祥證券中擁有權益。

除本文所披露者外，於二零零零年十二月三十一日，本公司其他董事及主要行政人員依據披露權益條例概無擁有或被視為擁有本公司或其任何相聯法團（定義見披露權益條例）之證券之任何權益，並於本年度內，本公司董事或主要行政人員或彼等之配偶或十八歲以下之子女概無獲授或行使任何可認購本公司或其任何相聯法團之任何證券之權利。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE COMPANY

As at 31st December, 2000, so far as are known to the Directors, the following persons (other than a Director or Chief Executive of the Company) were recorded in the register kept by the Company under Section 16 of the SDI Ordinance as being directly or indirectly interested in 10% or more of the nominal value of the issued share capital of the Company:

### Name of Shareholder 股東名稱

## 主要股東於本公司之權益

據董事會所知，於二零零零年十二月三十一日，按本公司遵照披露權益條例第16條置存之登記冊內之記錄，除本公司之董事及主要行政人員外，直接或間接持有本公司已發行股本面值10%或以上權益之人士如下：

### Number of Shares 股份數目

|  |             |        |      |
|--|-------------|--------|------|
| Golden Game Overseas Limited                 | 987,933,549 | (note) | (附註) |
| Credit Suisse Trust Limited as trustee 作為受託人 | 987,933,549 | (note) | (附註) |

#### Note :

*Credit Suisse Trust Limited as trustee of a family trust is the holding company of Golden Game Overseas Limited and therefore was regarded as interested in the same parcel of shares held by Golden Game Overseas Limited.*

*All the above said shares are the same parcel of shares referred to in "other interests" of Mr. Joseph Lau, Luen-hung under "Directors' and Chief Executives' Interests in the Securities of the Company and Associated Corporations".*

#### 附註：

作為一項家族信託受託人之 Credit Suisse Trust Limited 乃 Golden Game Overseas Limited 之控股公司，故被視為擁有 Golden Game Overseas Limited 所持之同一批股份之權益。

所有上述股份均為「董事及主要行政人員於本公司及相聯法團之證券權益」下劉鑾雄先生之「其他權益」中所指之同一批股份。

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**DIRECTORS' INTERESTS IN COMPETING BUSINESSES**

Pursuant to Rule 8.10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), as at 31st December, 2000, the following Directors of the Company declared interests in the following companies with businesses which compete or are likely to compete, either directly or indirectly with the businesses of the Group:

**董事於競爭性業務之權益**

於二零零零年十二月三十一日，根據聯交所證券上市規則（「上市規則」）第8.10條，下列本公司董事宣布於下列與本集團業務直接或間接構成競爭或可能構成競爭之業務之公司中擁有權益：

| Name of Directors<br>董事姓名             | Name of companies<br>公司名稱                            | Nature of business<br>considered to<br>compete or likely<br>to compete with the<br>businesses of the Group<br>被認為與本集團業務<br>構成競爭或可能構成<br>競爭之業務性質 | Nature of interest of the<br>Directors in the companies<br>董事於該等公司之<br>權益性質                      |
|---------------------------------------|--|---|--|
| Mr. Joseph Lau,<br>Luen-hung<br>劉鑾雄先生 | *Chi Cheung and<br>its subsidiaries<br>至祥及其附屬公司      | Property investment and<br>development<br>物業投資及發展   | Director and having certain<br>deemed interests<br>in Chi Cheung<br>董事及於至祥擁有若干被視為<br>擁有之權益       |
|                                       | Kwong Sang Hong<br>and its subsidiaries<br>廣生行及其附屬公司 | Property investment and<br>development, securities<br>investment and money<br>lending<br>物業投資及發展、<br>證券投資及放債                                    | Director and having certain<br>deemed interests in<br>Kwong Sang Hong<br>董事及於廣生行擁有<br>若干被視為擁有之權益 |
| Mr. Thomas Lau,<br>Luen-hung<br>劉鑾鴻先生 | *Chi Cheung and<br>its subsidiaries<br>至祥及其附屬公司      | Property investment and<br>development<br>物業投資及發展   | Director<br>董事   |
|                                       | Kwong Sang Hong<br>and its subsidiaries<br>廣生行及其附屬公司 | Property investment and<br>development, securities<br>investment and money<br>lending<br>物業投資及發展、<br>證券投資及放債                                    | Director<br>董事   |

\* non wholly owned listed subsidiary of the Company  
本公司之非全資上市附屬公司

### DIRECTORS' INTERESTS IN COMPETING BUSINESSES (continued)

Mr. Joseph Lau, Luen-hung and Mr. Thomas Lau, Luen-hung are brothers (collectively the "Lau Brothers") and also have personal interests in private companies engaged in businesses consisting of property development and investment in Hong Kong, **securities investment and money lending**. As such, they are regarded as being interested in such businesses which compete or may compete with the Group. However, when compared with the dominance and size of operations of the Group, such competing businesses are immaterial.

Other than the businesses of the private companies of the Lau Brothers, the above-mentioned businesses are managed by separate publicly listed companies with independent management and administration. In this respect, coupled with the diligence of its independent non-executive directors (whose views carry significant weight in the Board's decisions) and the independent Audit Committee, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of the above companies.

Other than as disclosed above, none of the Directors are interested in any business apart from the Company's business which competes or is likely to compete, either directly or indirectly, with the Company's business.

### DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Apart from the agreements disclosed under the headings "Interests in Contracts and Connected Transactions" and "Management and Consultancy Agreement" below, there were no other contracts of significance in relation to the Company's business, to which the Company or any of the Company's subsidiaries was a party, subsisting at the end of the year or at any time during the year, and in which a Director had, whether directly or indirectly, a material interests, nor there were any other contracts of significance in relation to the Company's business between the Company or any of the Company's subsidiaries and a controlling shareholder or any of its subsidiaries.

### 董事於競爭性業務之權益 (續)

劉鑾雄先生及劉鑾鴻先生為兄弟（統稱「劉氏兄弟」），並於經營業務包括於香港從事物業發展及投資，證券投資及放債之私人公司中擁有個人權益。因此，彼等被視為於與本集團構成競爭或可能構成競爭之業務擁有權益。然而，上述競爭性業務與本集團之優勢及業務規模相比乃微不足道。

除劉氏兄弟之私人公司之業務外，上述業務乃由獨立上市公司管理，該等獨立上市公司擁有獨立管理及行政程序。就此而言，結合其對董事會決策有重大影響力之獨立非執行董事及獨立審核委員會之努力，本集團有能力獨立並按公平磋商原則從事其業務，而不受上述公司之業務所影響。

除上文所披露者外，概無董事於與本公司業務直接或間接構成競爭或可能構成競爭之任何業務（本公司業務除外）中擁有權益。

### 董事及控權股東於合約之權益

除下文「合約權益及關連交易」及「管理及顧問協議」所述之協議外，於本年底或年內任何時間本公司或本公司之任何附屬公司所訂立與本公司業務有關之重大合約中，董事概無直接或間接擁有重大權益；此外，本公司或本公司之任何附屬公司亦無與控權股東或其任何附屬公司訂立與本公司業務有關之重大合約。

### 董事會報告書

#### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Apart from the warrants held as shown under "Directors' and Chief Executives' Interests in the Securities of the Company and Associated Corporations" above, there were no other arrangements to which the Company or any of the Company's subsidiaries was a party to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate during the year.

#### INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS

1. (i) Under the terms of the Spin-off Agreement dated 28th October, 1996 entered into between the Company and Evergo China (the "Spin-off Agreement"), the Group agreed to provide Evergo China and its subsidiaries (the "Evergo China Group") with financial, managerial, administrative and accounting services as may be requested by the Evergo China Group from time to time and the Group would be reimbursed by the Evergo China Group in respect of such services at cost. For the year ended 31st December, 2000, no payment was made to the Group (1999: Nil) as the Evergo China Group did not request such services from the Group.
- (ii) Pursuant to an indemnity deed dated 28th October, 1996 entered into between the Company and Evergo China, the Group, subject to certain exceptions, agreed to indemnify the Evergo China Group in respect of any diminution in the value of the Evergo China Group and any liability arising due to, inter alia, land appreciation tax ("LAT"), PRC income tax, land costs, failure to effect tax registration and tax return filing and estate duty. As at 31st December, 2000, the indemnity in respect of the PRC income tax and LAT amounted to HK\$8,704,000 (1999: HK\$8,704,000) and HK\$23,144,000 (1999: HK\$23,144,000) respectively.

#### 購買股份或債券之安排

除上文「董事及主要行政人員於本公司及相聯法團之證券權益」列載所持有之認股權證外，本公司或本公司任何附屬公司概無於本年度內作出其他安排，以使本公司董事可藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

#### 合約權益及關連交易

1. (i) 根據本公司與愛美高中國於一九九六年十月二十八日訂立之分拆協議（「分拆協議」）之條款，本集團同意應愛美高中國及其附屬公司（「愛美高中國集團」）不時之要求為愛美高中國集團提供財務、管理、行政及會計服務，而愛美高中國集團須按成本向本集團償付該等服務之費用。截至二零零零年十二月三十一日止年度，由於愛美高中國集團並無要求本集團提供上述服務，故並無支付本集團任何款項（一九九九年：無）。
- (ii) 根據本公司與愛美高中國於一九九六年十月二十八日訂立之賠償契據，在若干例外情況之規限下，本集團同意就（其中包括）土地增值稅（「土地增值稅」）、中國所得稅、土地成本、未能進行稅務登記及報送稅務申請表及房產稅而引致愛美高中國集團產生之減值及任何負債向愛美高中國集團作出賠償保證。截至二零零零年十二月三十一日止年度，有關中國所得稅及土地增值稅之賠償分別為 8,704,000 港元（一九九九年：8,704,000 港元）及 23,144,000 港元（一九九九年：23,144,000 港元）。

## INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (continued)

(iii) The Group through its wholly-owned subsidiary, Chinese Estates, Limited (“CEL”), sub-leased to a wholly-owned subsidiary of Asian Win Realty Holdings Limited (“Asian Win”), which is a non wholly-owned subsidiary of Evergo China, Room 201 on 2nd Floor of MassMutual Tower, 38 Gloucester Road, Wanchai, Hong Kong as head office and principal place of business in Hong Kong of Asian Win and its subsidiaries by a sub-lease agreement dated 3rd March, 1999. The sub-leased premises occupy approximately 1,320 square feet and the sub-lease is on normal commercial terms for the period from 1st March, 1999 to 3rd February, 2001 at a monthly rental of HK\$39,600 and a monthly management fee of HK\$6,956.40.

(iv) The Group through CEL sub-leased to Evergo Holdings (China) Company Limited (“Evergo BVI”), a wholly-owned subsidiary of Evergo China, an office premises of approximately 1,619 square feet situate at Room 1006 on 10th Floor of MassMutual Tower as head office and principal place of business of the Evergo China Group (other than Asian Win and its subsidiaries) in Hong Kong by a sub-lease agreement dated 3rd March, 1999 on normal commercial terms for the period from 26th February, 1999 to 30th September, 2000 at a monthly rental of HK\$48,570 and a monthly management fee of HK\$8,532.13. The sub-lease was renewed for a period of 2 years from 1st October, 2000 at a monthly rental of HK\$48,570 with rent free for 3 months in 2001 and 2 months in 2002 and a monthly management fee of HK\$8,532.13 for the 3 months from October to December 2000 and HK\$9,001.64 effective from January 2001.

## 合約權益及關連交易（續）

(iii) 本集團透過其全資附屬公司華人置業有限公司（「華置」）於一九九九年三月三日訂立分租協議，分租香港灣仔告士打道38號美國萬通大廈2樓201室予愛美高中國之非全資附屬公司Asian Win Realty Holdings Limited（盛亞企業公司）（「盛亞」）之全資附屬公司作為盛亞及其附屬公司在香港之總辦事處及主要營業地點。該分租物業佔地約1,320平方呎，租賃期由一九九九年三月一日起至二零零一年二月三日止，該分租租約乃按一般商業條款訂立，月租為39,600港元，而管理費為每月6,956.40港元。

(iv) 本集團透過華置於一九九九年三月三日按一般商業條款訂立分租協議，將佔地約1,619平方呎位於美國萬通大廈10樓1006室之寫字樓分租予愛美高中國之全資附屬公司Evergo Holdings (China) Company Limited（「Evergo BVI」）作為愛美高中國集團（盛亞及其附屬公司除外）在香港之總辦事處及主要營業地點，租賃期由一九九九年二月二十六日至二零零零年九月三十日，月租為48,570港元，而管理費為每月8,532.13港元。該分租租約由二零零零年十月一日起續期兩年，月租為48,570港元，在二零零一年及二零零二年分別免租三個月及兩個月，而管理費由二零零零年十月至十二月三個月為每月8,532.13港元，由二零零一年一月起則為每月9,001.64港元。

**INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (continued)**

- (v) Evergo China executed a deed of guarantee dated 3rd July, 1997 (as supplemented and amended by a deed of confirmation dated 15th October, 1998) in favour of Hua Chiao Commercial Bank Limited ("Hua Chiao Bank") to guarantee the repayment by Asian Win of up to US\$3 million, which is in proportion to its shareholding in Asian Win, in respect of a bank loan granted to Asian Win of a principal amount of US\$5 million.

The aforesaid bank loan was reduced to a principal amount of US\$3 million and the final maturity date of the bank loan was further extended to 27th March, 2001 pursuant to the Fourth Deed of Variation and Supplement to Loan Agreement entered into between Asian Win and Hua Chiao Bank. The amount of liability of Evergo China under the aforesaid guarantee was revised to US\$1.8 million pursuant to the Third Deed of Confirmation dated 15th December, 2000 executed by Evergo China in favour of Hua Chiao Bank.

- (vi) Under the Spin-off Agreement (in the case of the Company) and the non-competition agreement (in the case of Mr. Joseph Lau, Luen-hung and Mr. Thomas Lau, Luen-hung) entered into between the said parties and Evergo China dated 28th October, 1996, the Company, Mr. Joseph Lau, Luen-hung and Mr. Thomas Lau, Luen-hung (together, the "Covenantors") have undertaken to the Evergo China Group, subject to certain qualifications set out below, not to directly or indirectly participate in, hold any right or interest in or otherwise be involved in any property project in the PRC (other than through Evergo China):
- (a) The investment in each PRC property which is below HK\$50 million and is for own use and not for immediate resale.

**合約權益及關連交易 (續)**

- (v) 愛美高中國於一九九七年七月三日向華僑商業銀行有限公司(「華僑銀行」)發出擔保契據(經一九九八年十月十五日之確認契據補充及修訂);據此,愛美高中國已同意就華僑銀行批予盛亞本金總額為5,000,000美元之銀行貸款,擔保盛亞償還最多達3,000,000美元(即其於盛亞之持股量之比例)。

上述銀行貸款已減少至本金額3,000,000美元,並根據盛亞與華僑銀行訂立之第四份修訂及補充貸款協議契據進一步延長銀行貸款之最後到期日至二零零一年三月二十七日。愛美高中國就上述保證之負債款額根據愛美高中國與華僑銀行於二零零零年十二月十五日訂立之第三份確認契據修訂為1,800,000美元。

- (vi) 根據協議各方與愛美高中國於一九九六年十月二十八日訂立之分拆協議(就本公司而言)及不競爭協議(就劉鑾雄先生及劉鑾鴻先生而言),本公司、劉鑾雄先生及劉鑾鴻先生(統稱「訂約人」)已向愛美高中國集團承諾,在下列若干限制條件之規限下,不會直接或間接參與任何中國物業項目、持有任何中國物業項目之權利或權益或以其他方式參與任何中國物業項目,惟透過愛美高中國則除外:
- (a) 每項中國物業之投資須低於50,000,000港元,並且須作自用及不會即時轉售。

## INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (continued)

- (b) The project which is rejected by the independent non-executive directors of Evergo China, provided that the reasons of rejection are properly minuted and the principal terms of the investment are disclosed.
  - (c) The investment in shares of a listed company which competes with the Evergo China Group provided that the shareholding does not exceed 15% of such listed company's issued share capital and further provided that the Covenantors are not entitled to appoint directors of that listed company to such number exceeding 15% of the total number of directors.
  - (d) The joint venture project with the attributable total investment cost is greater than 15% of the consolidated net asset value of Evergo China as shown in its latest audited balance sheet.
- (vii) Under the Spin-off Agreement, Evergo China allotted, will allot and issue, credited as fully paid, shares to the Company or its nominee (Oriental Master Ltd.) or as it may direct on the following terms:
- (a) with respect to Huangsha Station Lot E, Guangzhou ("Lot E") and Zhong Shan Building, Qingdao ("Zhong Shan Building") or any of them (together, the "Deferred Projects"), 1,693,593 shares ("Initial Shares") representing approximately 10% of the total number of shares were allotted and issued by the Evergo China Group as a capitalisation issue in respect of advances made by the Group in relation to the Deferred Projects on 15th November, 1996;

## 合約權益及關連交易 (續)

- (b) 遭愛美高中國獨立非執行董事拒絕接納之項目，而拒絕接納之理由已妥為記錄於董事會會議紀要及投資之主要條款已予披露。
  - (c) 於一家與愛美高中國集團彼此競爭之上市公司投資之股份持股量不得超過該上市公司之已發行股本15%，且訂約人不得委任多於該上市公司董事總人數15%之董事。
  - (d) 合營項目應佔總投資額須超過愛美高中國最近期之經審核資產負債表所示之愛美高中國綜合資產淨值15%。
- (vii) 根據分拆協議，愛美高中國按以下條款已配發、將配發及發行入賬列作繳足股份予本公司或其代理人(Oriental Master Ltd.)或其指定之公司：
- (a) 就廣州市地下鐵道黃沙站E地段（「E地段」）及青島市中山大廈（「中山大廈」）或其中一項（統稱「遞延項目」）而言，愛美高中國集團已配發及發行1,693,593股股份（「初期股份」），約佔股份總數10%，作為本集團於一九九六年十一月十五日就遞延項目提供墊款撥作股本發行；

**INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (continued)**

(b) up to a maximum number of 15,245,614 additional shares ("Balance Shares") representing approximately 90% of the total number of shares to be allotted and issued by the Evergo China Group as a capitalisation issue in respect of advances made by the Group in relation to the Deferred Projects provided the following conditions are fulfilled:

(1) certain outstanding matters relating to Lot E, including payment of an overdue registered capital contribution of HK\$29.2 million (representing the Evergo China Group's attributable contribution thereto) in relation to the joint venture company which holds the Evergo China Group's attributable interest in Lot E, are resolved to the satisfaction of the independent non-executive directors of Evergo China; and

(2) certain outstanding matters relating to Zhong Shan Building, including payment of an overdue registered capital contribution of US\$450,961 (equivalent to approximately HK\$3.5 million)(representing the Evergo China Group's attributable contribution thereto) in relation to the joint venture company which holds the Evergo China Group's attributable interest in Zhong Shan Building, are resolved to the satisfaction of the independent non-executive directors of Evergo China.

The conditions set out in (1) and (2) above must be fulfilled within 24 months from the date of the Spin-off Agreement.

**合約權益及關連交易 (續)**

(b) 在下列條件獲履行之情況下，配發及發行最多達15,245,614股額外股份（「其餘股份」），約佔將由愛美高中國集團配發及發行之股份總數90%，作為本集團就遞延項目提供墊款撥作股本發行：

(1) 若干關於E地段之未完成事項，包括向持有愛美高中國集團應佔E地段權益之合營公司支付已過期尚未出資之註冊資本約29,200,000港元（即愛美高中國集團應佔之出資額），已獲愛美高中國獨立非執行董事認同而獲得解決；及

(2) 若干關於中山大廈之未完成事項，包括向持有愛美高中國集團應佔中山大廈權益之合營公司支付逾期尚未出資之註冊資本450,961美元（約相等於3,500,000港元，即愛美高中國集團應佔之出資額），已獲愛美高中國獨立非執行董事認同而獲得解決。

上文(1)及(2)段所述之條件須於分拆協議日期起計24個月內達成。

**INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (continued)**

(c) if any of the conditions set out in (1) or (2) in sub-paragraph (b) above in relation to Lot E and Zhong Shan Building are not fulfilled within 24 months from the date of the Spin-off Agreement, then the number of Balance Shares will be adjusted by reference to a valuation of the relevant Deferred Project prepared by independent professional valuers and commissioned at the request of the independent non-executive directors of Evergo China, in which case:

- (1) with respect to Lot E, up to 10,594,055 Balance Shares will be allotted and issued to the Company or its nominee (Oriental Master Ltd.) or as it may direct in satisfaction of its entitlement to the balance of the shares to be allotted under the capitalisation issue in respect of advances made by the Group in relation to Lot E;
- (2) with respect to Zhong Shan Building, up to 4,651,559 Balance Shares will be allotted and issued to the Company or its nominee (Oriental Master Ltd.) or as it may direct in satisfaction of its entitlement to the balance of the shares to be allotted under the capitalisation issue in respect of advances made by the Group in relation to Zhong Shan Building;

**合約權益及關連交易 (續)**

(c) 如上文(b)分段(1)或(2)所述有關E地段及中山大廈之任何條件未能於分拆協議之日期起計24個月內履行，則其餘股份之數目將參考由獨立專業估值師進行並依照愛美高中國獨立非執行董事之要求委託進行之有關遞延項目之估值而作出調整，在此情況下：

- (1) 關於E地段，最多達10,594,055股其餘股份將配發及發行予本公司或其代理人（Oriental Master Ltd.）或其指定之人士，作為償付根據有關本集團就E地段提供墊款撥作股本發行而將予配發之應得股份餘額；
- (2) 關於中山大廈，最多達4,651,559股其餘股份將配發及發行予本公司或其代理人（Oriental Master Ltd.）或其指定之人士，作為償付根據有關本集團就中山大廈提供墊款撥作股本發行前將予配發之應得股份餘額；

**INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (continued)**

- (d) the Balance Shares determined as set out in sub-paragraphs (b) and (c) above will be allotted and issued, on the earlier of (aa) the date on which the relevant condition is satisfied or (bb) the date on which the relevant joint venture enterprises are dissolved or liquidated in accordance with the relevant laws or (cc) the date on which the independent non-executive directors of Evergo China resolve to determine the number of Balance Shares by reference to the valuation to be prepared as mentioned in sub-paragraph (c) above or, in each case, as soon as practicable thereafter;
- (e) subject to sub-paragraph (f) below, the number of shares determined by reference to the valuation to be prepared as mentioned in sub-paragraph (c) above is less than the number of Initial Shares attributable to Lot E or Zhong Shan Building, the Company will within three months following the receipt of the said valuation report, pay to Evergo China in cash a sum representing the difference between the said valuation and the amount attributable to the Initial Shares;
- (f) if the relevant valuation report as prepared by the independent professional valuers pursuant to sub-paragraph (c) above confirms that the relevant Deferred Project has no commercial value, the Company shall within three months following the receipt of the said valuation report have the option to require the Evergo China Group to assign and novate all rights to and obligations under the relevant Deferred Project to the Company subject to the payment of money as mentioned in sub-paragraph (e) above. In addition, the exercise of such option by the Company will be subject to (i) all applicable requirements of the Stock Exchange and other relevant rules and regulations and (ii) the approval by the independent non-executive directors of Evergo China. Immediately

**合約權益及關連交易 (續)**

- (d) 按上文(b)及(c)分段所述而釐定之其餘股份將於下列較早者配發及發行:(aa)有關條件達成之日或(bb)有關合營企業按照有關法例解散或清盤之日或(cc)愛美高中國獨立非執行董事參考上文(c)分段所述進行之估值後議決釐定其餘股份之數目或在各個情況下其後之盡快時間;
- (e) 在下文(f)分段之規限下,參考上文(c)分段所述而進行之估值所釐定之股份數目少於E地段或中山大廈應佔之初期股份數目,本公司將會於收訖上述估值報告之三個月內向愛美高中國以現金支付一筆相當於上述估值與初期股份應佔金額之差額;
- (f) 倘獨立專業估值師按上文(c)分段編製之有關估值報告確認有關之遞延項目並無商業價值,則本公司將於收訖上述估值報告之三個月內有權選擇要求愛美高中國集團將有關遞延項目之所有權利及責任轉讓及移交予本公司,惟須按上文(e)分段所述支付款項。此外,本公司行使該選擇權時將須(i)符合聯交所之所有適用規定及其他有關規則及規例及(ii)經由愛美高中國獨立非執行董事批准。行使該選擇權後,愛美高中國集團即享有優先選擇權,

**INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (continued)**

after the exercise of such option, the Evergo China Group will have the first right of refusal to be appointed as the project manager of the relevant Deferred Project by the Company on normal commercial terms to be agreed.

Lot E and Zhong Shan Building were classified as “Deferred Projects” in the Spin-off Agreement as it was impractical for either the Company or Evergo China to put a value on the projects at that time given the outstanding conditions set out in (b)(1) and (2) above. As at 28th October, 1998, being the second anniversary from the date of the Spin-off Agreement, the conditions remain outstanding. The independent board committee of Evergo China has reviewed the situation and resolved to defer the adjustment mechanism set out in (c) above for 24 months (“Deferral”).

On 31st March, 1999, Evergo China entered into an agreement with South Sea Development Company Limited (“South Sea”), an independent third party, for the disposal of Zhong Shan Building and other properties. The consideration was arrived at after arm’s length negotiations and an independent valuation (the “Independent Valuation”) on Zhong Shan Building was commissioned by South Sea. Given the value of Zhong Shan Building, the executive directors of Evergo China have proposed to adopt the Independent Valuation as a reference for determining any adjustment to the number of the Balance Shares to be issued by Evergo China to the Company upon completion of the disposal (the “Adoption of Third Party Independent Valuation”). Such proposal has been approved by the independent non-executive directors of Evergo China on 24th November, 1999.

**合約權益及關連交易（續）**

可獲本公司按將予協定之一般商業條款委任為有關遞延項目之項目經理。

由於本公司或愛美高中國在上文(b)(1)及(2)項條件未達成之情況下不可能在當時定出該等項目之價值，故此E地段及中山大廈在分拆協議中被列為「遞延項目」。於一九九八年十月二十八日，即分拆協議日期起計兩週年，該等條件尚未達成。愛美高中國獨立董事委員會已檢討情況，並決議將上文(c)項所載調整機制遞延24個月（「遞延」）。

於一九九九年三月三十一日，愛美高中國與獨立第三者南海發展有限公司（「南海」）就出售中山大廈及其他物業訂立一項協議。其代價乃按公平原則磋商而達成，而南海已委託獨立估值師就中山大廈進行獨立估值（「獨立估值」）。基於中山大廈之價值，愛美高中國執行董事建議採納獨立估值作為決定調整愛美高中國於出售完成時向本公司發行其餘股份數目之參考（「採納第三者獨立估值」）。該項建議已於一九九九年十一月二十四日獲愛美高中國獨立非執行董事批准。

**INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (continued)**

A supplemental agreement dated 29th December, 1999 was entered into between the Company and Evergo China pursuant to which the parties agreed to the Deferral and the Adoption of Third Party Independent Valuation. Based on the Independent Valuation, 1,581,384 shares were allotted and issued by Evergo China to Copper King Investment Limited, a wholly-owned subsidiary of the Company, on 10th January, 2000.

On 8th March, 2001, a joint venture company in which the Evergo China Group has a 33.33% interest agreed to enter into early termination agreements with Guangzhou Metro Corporation in relation to the joint venture contract and the articles of association of Guangzhou United Property Development Limited ("GUPD") respectively. GUPD is a sino-foreign co-operative joint venture formed for the development of Lot E. This deferred project will be dealt with in accordance with the terms to be agreed between the Company and Evergo China Group.

- (viii) Grandhall Secretarial Services Limited, a wholly-owned subsidiary of the Company, provides general company secretarial services to each of the subsidiaries of (i) Evergo China and (ii) Asian Win at a fee of HK\$3,500 per annum for each subsidiary. For the year ended 31st December, 2000, the aggregate payment made to the Group for the above services amounted to HK\$490,000 (1999: HK\$494,000).

The Directors expect that transactions (i) to (viii) will continue in the foreseeable future on the terms described above.

**合約權益及關連交易 (續)**

本公司與愛美高中國於一九九九年十二月二十九日訂立補充協議，據此，雙方同意遞延及採納第三者獨立估值。根據獨立估值，愛美高中國於二零零零年一月十日配發及發行1,581,384股股份予本公司之全資附屬公司 Copper King Investment Limited。

於二零零一年三月八日，愛美高中國集團擁有33.33%權益之合營公司同意與廣州市地下鐵道總公司分別就廣州捷聯房地產開發有限公司（「GUPD」）之合營合同及章程訂立提前終止協議。GUPD乃就發展E地段而成立之中外合作合營企業。該遞延項目將會根據本公司與愛美高中國集團協定之條款處理。

- (viii) 本公司之全資附屬公司均豪秘書服務有限公司以年費3,500港元（以每間附屬公司計）向(i)愛美高中國及(ii)盛亞之各間附屬公司提供一般公司秘書服務。截至二零零零年十二月三十一日止年度，就上述服務向本集團支付之總數為490,000港元（一九九九年：494,000港元）。

董事會預期第(i)至第(viii)項之交易將於可見之將來按上述條款持續進行。

## INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (continued)

The above transactions have been reviewed and confirmed by the Independent Non-executive Directors of the Company that the transactions are (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms or on terms no less favourable than terms available to (from) independent third parties; and (c) fair and reasonable so far as the Shareholders of the Company are concerned or in accordance with the terms of respective agreements governing such transactions.

2. For the year ended 31st December, 2000, the Group provided financial assistance to Dollar Union Limited ("Dollar Union") which is currently owned as to 75% by the Group and 25% by the group of Kwong Sang Hong, an associate of the Company :

- (i) Aggregate advances made by the Group to Dollar Union amounted to HK\$1,049 million (1999: HK\$987 million). The advances were unsecured, interest free and have no fixed repayment date.
- (ii) The Company issued a several guarantee dated 29th April, 1998 in favour of Land Development Corporation ("LDC") and Opalman Limited in respect of 75% of performance and fulfilment of obligations of Dollar Union under the development agreement dated 8th March, 1996.

Dollar Union was formed to develop a site of approximately 74,207 square feet bounded by Queen's Road East, Ruttonjee Hospital, Cross Street and Tai Yuen Street in Wanchai, Hong Kong ("Tai Yuen Street Project") with LDC.

Development cost of Dollar Union is funded by advances from all its shareholders in proportion to their equity interest in Dollar Union and on a several basis. As at 6th April, 2001, the aggregate advances made by the Group to Dollar Union amounted to HK\$1,060 million.

## 合約權益及關連交易 (續)

上述交易已經由本公司之獨立非執行董事審閱，而彼等已確認該等交易(a)乃於本集團一般及日常業務中進行；(b)乃按一般商業條款或不遜於提供予或提供自獨立第三者之條款進行；及(c)對本公司股東而言乃屬公平合理，並按照監管該等交易之有關協議之條款進行。

2. 截至二零零零年十二月三十一日止年度，本集團向現時由本集團及本公司聯營公司廣生行集團分別擁有75%及25%權益之金怡彩有限公司（「金怡彩」）提供財務援助：

- (i) 本集團向金怡彩提供之墊款總額為1,049,000,000港元（一九九九年：987,000,000港元）。該等墊款均為無抵押、免息及無固定還款期。
- (ii) 本公司就金怡彩履行及達成於一九九六年三月八日訂立之發展協議之75%責任向土地發展公司（「土發公司」）及Opalman Limited作出一項日期為一九九八年四月二十九日之各別擔保。

金怡彩之成立，乃為與土發公司共同發展位於香港灣仔皇后大道東、律敦治醫院、交加街及太原街所圍繞面積約74,207平方呎之地盤（「太原街項目」）。

金怡彩之發展成本乃由其全體股東按彼等各自在金怡彩之股本權益比例提供墊款撥付。於二零零一年四月六日，本集團向金怡彩提供之墊款總額為1,060,000,000港元。

**INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (continued)**

Total development cost of the Tai Yuen Street Project is estimated to be HK\$3 billion, of which HK\$1,400 million has been paid up to date. Estimated future development cost is HK\$1,600 million and the Group's share thereof is HK\$1,200 million. Future development cost to be incurred from time to time according to the progress of the Tai Yuen Street Project from now to year 2007 and will be funded by further advances from the respective shareholders of Dollar Union and/or bank borrowings.

3. On 25th August, 2000, Global Smart Ltd., a wholly-owned subsidiary of the Company, conditionally agreed to acquire from Eastern Hall Limited ("Eastern Hall") the entire issued share capital of Sunny Ocean Limited (trading in Hong Kong as Sunny Ocean Investments Limited) ("Sunny Ocean") and all the outstanding amounts due from Sunny Ocean to Eastern Hall. The principal asset of Sunny Ocean was portions of the Excelsior Plaza in Causeway Bay known as shops nos. 1 to 3, 6 to 12 on ground floor and units nos. 6 to 11 on the first floor of Yee On Building, shops nos. 21, 23 and 24 on ground floor of Chee On Building with total gross floor area of approximately 6,530 square feet.

The acquisition was approved by independent shareholders of the Company on 25th September, 2000 and was completed on 27th September, 2000. The aggregate consideration payable was approximately HK\$338 million, of which HK\$150 million was paid with the balance was payable within 6 months after completion bearing an interest rate of HIBOR. The balance payment was made by the end of the year.

Eastern Hall was 90% ultimately owned by a discretionary trust of which certain family members of Mr. Joseph Lau, Luen-hung were eligible beneficiaries and 10% ultimately owned by Mr. Thomas Lau, Luen-hung.

**合約權益及關連交易 (續)**

太原街項目之發展成本總額估計將為3,000,000,000港元。截至目前為止，經已繳付其中1,400,000,000港元，故未來之發展成本估計將為1,600,000,000港元，而本集團則承擔其中之1,200,000,000港元。未來之發展成本將會按照太原街項目之進度，於即時起至二零零七年止期間不時支付，而有關款項將會以金怡彩各股東進一步提供之墊款及/或銀行借貸撥款支付。

3. 於二零零零年八月二十五日，本公司之全資附屬公司Global Smart Ltd.同意向Eastern Hall Limited (「Eastern Hall」) 有條件購入Sunny Ocean Limited (於香港以Sunny Ocean Investments Limited之名稱經營業務) (「Sunny Ocean」) 之全部已發行股本及Sunny Ocean全部到期應付Eastern Hall之未償還款項。Sunny Ocean之主要資產為銅鑼灣怡東商場部份，包括怡安大廈地下1至3號舖及6至12號舖，一樓6至11號單位，置安大廈地下21、23及24號舖，總建築面積約為6,530平方呎。

收購事項於二零零零年九月二十五日獲本公司獨立股東批准，並於二零零零年九月二十七日完成。應付之總代價約為338,000,000港元，其中150,000,000港元已支付，餘額須於完成後六個月內支付，並享有以銀行同業拆息計算之利息。餘額已於年度底支付。

Eastern Hall之90%由劉鑾雄先生之若干家族成員為合資格受益人之全權信託最終擁有，10%由劉鑾鴻先生最終擁有。

## INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (continued)

The Directors believed that the acquisition would provide an opportunity to widen and enhance the Group's investment portfolio in retailing properties in Hong Kong and the property had a good potential for upward appreciation both in term of value and rental income.

4. On 7th February, 2001, Paul Y. Holdings Company Limited, a wholly-owned subsidiary of the Company, conditionally agreed to acquire from Overseas Crown Limited ("Overseas Crown") and Nutmeg Point Ventures Inc. ("Nutmeg") the entire issued share capital of Gold Horse Limited ("Gold Horse") and all the outstanding amounts due from Gold Horse to Overseas Crown and Nutmeg. Gold Horse was indirectly holding portions of the Excelsior Plaza in Causeway Bay known as shop no. 31 on the first floor, portions of shop no. 32 on ground to second floors of Chee On Building, portions of shop no. 32 on respective second floor of Yee On Building and Annex Land Building and certain other portions with total salable area of approximately 32,118 square feet.

The acquisition was approved by independent shareholders of the Company on 19th March, 2001 and was completed on 21st March, 2001. The aggregate consideration was approximately HK\$401 million, of which HK\$200 million was settled by the Convertible Bonds and the balance was settled in cash.

Gold Horse was 90% ultimately owned by a discretionary trust of which certain family members of Mr. Joseph Lau, Luen-hung were eligible beneficiaries and 10% ultimately owned by Mr. Thomas Lau, Luen-hung.

The Directors believed that the acquisition represented an opportunity to acquire significant property interests on favourable terms and the property had good potential for upward appreciation both in term of capital value and rental income. The consolidation of the further units acquired in 2000 was expected to give rise to enhanced scope for realising value from the property and an opportunity to rationalise operating costs in managing the overall Excelsior Plaza investment.

## 合約權益及關連交易（續）

董事相信該收購事項可提供一個擴大及加強本集團之香港零售物業投資組合之機會，且該物業在價值和租金收入方面均有相當之上升潛力。

4. 於二零零一年二月七日，本公司之全資附屬公司 Paul Y. Holdings Company Limited 同意向僑冠有限公司（「僑冠」）及 Nutmeg Point Ventures Inc.（「Nutmeg」）有條件購入 Gold Horse Limited（「Gold Horse」）全部已發行股本及 Gold Horse 欠僑冠及 Nutmeg 之全部未償還款項。Gold Horse 間接持有銅鑼灣怡東商場部份，包括置安大廈一樓31號舖，地下至二樓32號舖部份，分別位於怡安大廈及 Annex Land Building 二樓32號舖部份及若干其他部份，總可出售面積約為32,118平方呎。

該收購事項於二零零一年三月十九日獲本公司之獨立股東批准，並於二零零一年三月二十一日完成。應付之總代價約為401,000,000港元，其中200,000,000港元以可換股債券支付，餘額則以現金支付。

Gold Horse 之90%權益由以劉鑾雄先生若干家族成員為合資格受益人的全權信託最終擁有，而10%權益則由劉鑾鴻先生最終擁有。

董事相信是項收購為本公司提供機會，以理想的條款收購重大物業權益，且該物業在資本值及租金收入兩方面均具有良好之上升潛力。預期在二零零零年購入單位之基礎上再增持單位，除會提高整體物業價值外，更可提供機會藉着管理整體怡東商場之投資而更合理控制營運成本。

**INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (continued)**

5. Billion Up Limited (“Billion Up”), a wholly-owned subsidiary of the Company, entered into an agreement dated 20th November, 2000 with Chi Cheung, a non-wholly owned listed subsidiary of the Company since 20th November, 2000, in which HK\$12,226,196.80 was designated as a shareholder’s loan to Chi Cheung. This loan formed part of the consideration for Chi Cheung to acquire the shareholder’s loans of two property holding companies from the Group pursuant to the restructuring agreement with the Group on 11th April, 2000. The loan was unsecured, interest free, due and payable on 20th May, 2002.
  
6. 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 in King’s Park, Kowloon (“King’s Park Project”).

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’s 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.

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

**合約權益及關連交易（續）**

5. 本公司之全資附屬公司 Billion Up Limited (「Billion Up」) 與至祥 (至祥自二零零零年十一月二十日起為本公司非全資上市公司) 於二零零零年十一月二十日訂立協議，據此，12,226,196.80 港元被定作借予至祥之股東貸款。該項貸款乃作為至祥根據與本集團於二零零零年四月十一日訂立之重組協議，向本集團購入兩間物業持有公司之股東貸款代價之一部份。該項貸款為無抵押、免息及於二零零二年五月二十日到期償還。
  
6. 本公司於二零零零年七月十一日向銀團之代理人恆生財務有限公司提供高達 250,400,000 港元之各別擔保。該項擔保乃就借予佳誌有限公司 (「佳誌」) 作為位於九龍京士柏地盤面積 387,569 平方呎及預期可發展樓面總面積 904,176 平方呎之 8 幢豪華住宅單位 (「京士柏項目」) 之銀團貸款融資 2,504,000,000 港元項下佳誌之 10% 責任而作出。

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，是就京士柏項目成立之合營公司。擔保金額限於本集團佔佳誌之 10% 股權。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。

因本公司與新世界分別於香港一項無關連物業發展項目中擁有 70% 及 30% 權益，新世界為本公司之關連人士。

### SERVICE CONTRACTS OF DIRECTORS

None of the Directors has any 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 Regent Rich 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 overdrafts repayable within one year or on demand are shown in the balance sheet. Details of long-term secured and unsecured bank loans and floating rate notes are shown in notes 27 and 28 to the financial statements.

No interest capitalised during the year by the Group (1999: HK\$2,737,000).

### PENSION SCHEME

Details of pension scheme of the Group are shown in note 43 to the financial statements.

### MAJOR SUPPLIERS AND CUSTOMERS

For the year ended 31st December, 2000, the aggregate purchases attributable to the Group's largest supplier and the top five largest suppliers contributed approximately 46.3% and 68.7% respectively to the total purchases of the Group (1999: 22.6% and 55.2% respectively).

The Directors believe that the five largest customers of the Group accounted for less than 30% of the total turnover of the Group in the year.

One of the largest suppliers was a company 90% ultimately owned by an associate of Mr. Joseph Lau, Luen-hung and 10% ultimately owned by Mr. Thomas Lau, Luen-hung. Save as disclosed, none of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) has an interest in the share capital of any of the five largest suppliers or customers.

### 董事服務合約

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 Regent Rich 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。

### 集團借貸及撥作資本之利息

須於一年內或按通知償還之銀行貸款及透支之詳情載於資產負債表。有抵押及無抵押長期銀行貸款及浮息票據之詳情分別載於財務報表附註 27 及 28。

本集團於本年度內並無利息撥充資本（一九九九年：2,737,000 港元）。

### 退休金計劃

本集團之退休金計劃詳情載於財務報表附註 43。

### 主要供應商及客戶

截至二零零零年十二月三十一日止年度，本集團最大供應商及五大供應商應佔之購貨總額分別佔本集團之購貨總額約 46.3% 及 68.7%（一九九九年：分別為 22.6% 及 55.2%）。

董事相信本集團之五大客戶在本年度所佔本集團之營業總額少於 30%。

其中一個最大供應商為一間公司，其 90% 及 10% 權益分別由劉鑾雄先生之聯繫人士及劉鑾鴻先生最終所擁用。除所披露者外，概無董事、其聯繫人士或任何據董事會所知擁有本公司已發行股本 5% 以上之股東擁有任何五大供應商或客戶之股本權益。

### 董事會報告書

#### POST BALANCE SHEET EVENTS

Details of significant post balance sheet events of the Group are set out in note 44 to the financial statements.

#### FINANCIAL OPERATION REVIEW

Certain further information in relation to the Group's results and financial operations are shown on pages 18 to 21.

#### CODE OF BEST PRACTICE

Except that the Independent Non-executive Directors are not appointed for any specific terms as they are subject to retirement by rotation in accordance with Bye-law 111 of the Bye-laws of the Company, the Company has complied throughout the year ended 31st December, 2000 with the Code of Best Practice as set out in Appendix 14 to the Listing Rules.

#### AUDITORS

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

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

Hong Kong, 6th April, 2001

#### 結算日後事項

本集團之結算日後事項之詳情載於財務報表附註44。

#### 財務業務回顧

有關本集團業績及財務業務之若干其他資料載於第18至第21頁。

#### 最佳應用守則

除獨立非執行董事因根據本公司之公司細則第111條須輪值告退而並無獲委任任何特定年期外，本公司於截至二零零零年十二月三十一日止年度一直遵守上市規則附錄十四所載之最佳應用守則。

#### 核數師

本年度之財務報表由德勤•關黃陳方會計師行審核。該核數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，二零零一年四月六日