

The directors of the Company (the "Directors" or the "Board") are pleased to present to the shareholders their report together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2013 (the "Year").

PRINCIPAL ACTIVITIES

During the Year, the Company acted as an investment holding company and its subsidiaries were principally engaged in property investment and development, brokerage, securities investment, money lending and cosmetics distribution and trading.

OPERATING SEGMENTS INFORMATION

The Group's revenue and contribution to profit for the Year from operations analysed by principal activities are set out in Notes 7 and 8 to the consolidated financial statements.

SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's principal subsidiaries and associates as at 31st December, 2013 are set out in Notes 52 and 53 to the consolidated financial statements respectively.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of comprehensive income on pages 79 and 80.

The Board had declared an interim dividend of HK20 cents per share (2012: HK1 cent per share) and a special interim dividend of HK\$1.3 per share (2012: HK\$1 per share). The Board resolved to recommend the payment of a final dividend of HK50 cents per share (2012: HK20 cents per share) for the Year.

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five years is set out on pages 242 and 243.

PRINCIPAL PROPERTIES

Details of the principal properties of the Group as at 31st December, 2013 are set out on pages 244 to 252.

PROPERTIES AND OTHER FIXED ASSETS

Movements in properties and other fixed assets during the Year are set out in Note 23 to the consolidated financial statements.

本公司董事（「董事」或「董事會」）欣然向股東提呈董事會報告書連同本公司及其附屬公司（「本集團」）截至二零一三年十二月三十一日止年度（「本年度」）之經審核綜合財務報表。

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、經紀服務、證券投資、放債及化妝品分銷及貿易業務。

營運分類資料

本集團以主要業務劃分之收益及本年度經營溢利分析載於綜合財務報表附註7及8。

附屬公司及聯營公司

本公司於二零一三年十二月三十一日之主要附屬公司及聯營公司之詳情，分別載於綜合財務報表附註52及53。

業績及分配

本集團於本年度之業績載於第79及第80頁之綜合全面收益報表內。

董事會已派付中期股息每股20港仙（二零一二年：每股1港仙）及特別中期股息每股1.3港元（二零一二年：每股1港元）。董事會議決建議派付本年度之末期股息每股50港仙（二零一二年：每股20港仙）。

財務概要

本集團過去五年之業績、資產及負債概要載於第242及第243頁。

主要物業

本集團於二零一三年十二月三十一日之主要物業詳情載於第244至第252頁。

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綜合財務報表附註23。

INVESTMENT PROPERTIES

During the Year, the Group did not acquire any leasehold properties (2012: Nil). Investment properties with an aggregate carrying amounts of approximately HK\$1,053,823,000 (2012: HK\$102,750,000) were disposed of during the Year.

Details of the above and other movements in investment properties during the Year are set out in Note 22 to the consolidated financial statements.

SHARE CAPITAL

Movements in the share capital of the Company during the Year are set out in Note 41 to the consolidated financial statements.

RESERVES

Movements in the reserves of the Group during the Year are set out on pages 84 to 87.

As at 31st December, 2013, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda (as amended), amounted of approximately HK\$7,361,485,000 (2012: HK\$6,126,029,000).

GROUP BORROWINGS AND INTEREST CAPITALISED

Details of bank loans and other loans repayable within one year or on demand and long-term secured bank loans and other loans are shown in Note 39 to the consolidated financial statements.

Interest capitalised during the Year by the Group amounted to HK\$134,229,000 (2012: HK\$117,072,000).

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist under the laws of Bermuda, being the jurisdiction in which the Company is incorporated.

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

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

投資物業

於本年度內，本集團並無購入任何租賃物業（二零一二年：無）。本集團於本年度內亦出售總賬面值約1,053,823,000港元（二零一二年：102,750,000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綜合財務報表附註22。

股本

本公司之股本於本年度內之變動情況載於綜合財務報表附註41。

儲備

本集團之儲備於本年度內之變動情況載於第84至第87頁內。

於二零一三年十二月三十一日，根據百慕達一九八一年公司法（經修訂）之規定所計算，本公司可供分派之儲備約為7,361,485,000港元（二零一二年：6,126,029,000港元）。

集團借貸及撥充資本化之利息

須於一年內或按通知償還之銀行貸款及其他貸款之詳情及有抵押的長期銀行貸款及其他貸款之詳情載於綜合財務報表附註39。

本集團於本年度撥充資本化之利息為134,229,000港元（二零一二年：117,072,000港元）。

優先購買權

本公司於百慕達註冊成立，該司法管轄區之法律並無存在優先購買權。

購買、出售或贖回本公司之上市證券

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

CHARITABLE DONATIONS

Charitable donations made by the Group during the Year amounted to HK\$35,956,000 (2012: HK\$33,411,000).

MAJOR CUSTOMERS AND SUPPLIERS

The five largest customers of the Group amounted to less than 30% of the total turnover to the Group during the Year.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers accounted for approximately 11% and 32% of the Group's total purchases for the Year respectively.

At no time during the Year did a Director, an associate of a Director or a shareholder of the Company (which to the knowledge of the Directors own more than 5% of the Company's share capital) have an interest in any of the Group's five largest suppliers.

DIRECTORS

The Directors during the Year and up to the date of this directors' report were:—

Executive Directors:

Mr. Joseph Lau, Luen-hung (*Chairman and Chief Executive Officer*)*
Ms. Chan, Sze-wan
Mr. Lam, Kwong-wai
Ms. Lui, Lai-kwan

Non-executive Directors:

Mr. Lau, Ming-wai (*Vice Chairman*)*
Ms. Amy Lau, Yuk-wai

Independent Non-executive Directors:

Mr. Chan, Kwok-wai
Ms. Phillis Loh, Lai-ping
Mr. Ma, Tsz-chun

Mr. Chan, Kwok-wai, Ms. Phillis Loh, Lai-ping and Mr. Ma, Tsz-chun will retire from office by rotation at the forthcoming annual general meeting pursuant to Bye-law 111 of the Bye-laws of the Company, all being eligible and offer themselves for re-election.

Notes:

- * Resigned as Executive Director, Chairman and Chief Executive Officer after date of this annual report (with effect from 14th March, 2014).
- * Re-designated from Non-executive Director to Executive Director, appointed as Chairman and Acting Chief Executive Officer after date of this annual report (with effect from 14th March, 2014).

慈善捐款

本集團於本年度內之慈善捐款額為35,956,000港元（二零一二年：33,411,000港元）。

主要客戶及供應商

本集團五大客戶於本年度內佔本集團之營業總額少於30%。

本年度本集團之最大供應商及五大供應商之累計購貨總額分別約佔本集團購貨總額之11%及32%。

董事、董事之聯繫人或本公司股東（據董事所知擁有本公司股本超過5%）概無於本年度內任何時候於本集團五大供應商之中擁有權益。

董事

於本年度內及直至本董事會報告書日期止，董事為：—

執行董事：

劉鑾雄先生（*主席及行政總裁*）*
陳詩韻女士
林光蔚先生
呂麗君女士

非執行董事：

劉鳴煒先生（*副主席*）*
劉玉慧女士

獨立非執行董事：

陳國偉先生
羅麗萍女士
馬時俊先生

根據本公司之公司細則第111條，陳國偉先生、羅麗萍女士及馬時俊先生將在即將舉行之股東週年大會上輪席告退為董事，彼等均合資格及願意膺選連任。

附註：

- * 於本年報日期後，辭任執行董事、主席及行政總裁職務（於二零一四年三月十四日起生效）。
- * 於本年報日期後，由非執行董事調任為執行董事，獲委任為主席及署理行政總裁（於二零一四年三月十四日起生效）。



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

董事及最高行政人員於本公司及相聯法團之證券權益

As at 31st December, 2013, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company as recorded in the register kept by the Company pursuant to section 352 of the Securities and Futures Ordinance (the "SFO") or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Appendix 10 of Model Code for Securities Transactions by Directors of Listed Issuers contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:—

於二零一三年十二月三十一日，董事及最高行政人員於本公司之股份、相關股份及債券中擁有之權益及淡倉，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條備存之登記冊所載或根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十所載之《上市發行人董事進行證券交易的標準守則》知會本公司及聯交所如下：—

Name of Directors 董事姓名	Number of Shares Held 所持股份數目	Note 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Joseph Lau, Luen-hung ("Mr. Joseph Lau") 劉鑾雄（「劉鑾雄先生」）	1,430,700,768	*	Founder and beneficiary of trust 信託創立人及受益人	74.99%
Lau, Ming-wai ("Mr. MW Lau") 劉鳴煒（「劉鳴煒先生」）	1,430,700,768	*	Beneficiary of trust 信託受益人	74.99%
Lui, Lai-kwan ("Ms. Lui") 呂麗君（「呂女士」）	1,430,700,768	*	Interest of children under 18 未滿18歲的子女的權益	74.99%

Note:

* These shares were indirectly owned by a discretionary trust of which Mr. Joseph Lau was the founder. Mr. Joseph Lau, Mr. MW Lau, the children of Ms. Lui and certain other family members of Mr. Joseph Lau were eligible beneficiaries of that trust.

附註：

* 該等股份由一項酌情信託間接擁有。劉鑾雄先生為該信託之創立人。劉鑾雄先生、劉鳴煒先生、呂女士的子女及劉鑾雄先生之若干其他家族成員則為該信託之合資格受益人。

All the interests stated above represent long positions. The percentage shown was the number of shares the relevant Directors were interested in expressed as a percentage of the number of issued shares as at 31st December, 2013.

上述所有權益均為好倉。所顯示的百分比為本公司有關董事於二零一三年十二月三十一日所擁有之股份數目佔已發行股份數目之百分比。

Save as disclosed above, none of the other Directors and chief executives of the Company had or were deemed under the SFO to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 31st December, 2013.

除上文所披露者外，於二零一三年十二月三十一日，其他董事或最高行政人員概無擁有或根據證券及期貨條例被視為擁有本公司或其任何相聯法團（定義見證券及期貨條例第XV部所指的相聯法團）之股份、相關股份或債券之任何權益或淡倉。

During the Year, none of the Directors and 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.

於本年度內，董事或最高行政人員以及彼等之配偶或十八歲以下之子女概無獲授予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 SECURITIES OF THE COMPANY

主要股東於本公司之證券權益

As at 31st December, 2013, so far as are known to any Directors or chief executives of the Company, the following parties (other than Directors or chief executives of the Company) were recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified to the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:—

據董事及最高行政人員所知悉，於二零一三年十二月三十一日，本公司根據證券及期貨條例第336條須備存之登記冊所載錄或另行知會本公司，直接或間接擁有或被視為擁有本公司已發行股本5%或以上權益之人士（董事或最高行政人員除外）如下：—

Name of Substantial Shareholders 主要股東名稱	Number of Shares Held 所持股份數目	Note 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Alto Trust Limited	1,430,700,768	#	Trustee and interest in controlled corporation 信託人及於受控制公司之權益	74.99%
Solar Bright Ltd.	1,430,700,768	#	Beneficiary of a trust and interest in controlled corporation 一項信託之受益人及於受控制公司之權益	74.99%
Global King (PTC) Ltd.	1,199,715,948	#	Trustee 信託人	62.89%
Joseph Lau Luen Hung Investments Limited	230,984,820	#	Beneficial owner 實益擁有人	12.10%

Note:

* Alto Trust Limited as trustee of a discretionary trust held the entire issued share capital of Solar Bright Ltd. and therefore was regarded as interested in the same parcel of shares held by Solar Bright Ltd.. Solar Bright Ltd. held the entire issued share capital of Global King (PTC) Ltd. and all issued units in a unit trust of which Global King (PTC) Ltd. was the trustee and therefore was regarded as interested in the same parcel of shares held by Global King (PTC) Ltd. as trustee of the unit trust. Solar Bright Ltd. also held the entire issued share capital of Joseph Lau Luen Hung Investments Limited and therefore was also regarded as interested in the same parcel of shares held by Joseph Lau Luen Hung Investments Limited. As such, the 1,430,700,768 shares of the Company in which Solar Bright Ltd. was deemed to be interested represented the aggregate of the 1,199,715,948 shares and 230,984,820 shares of the Company held by Global King (PTC) Ltd. and Joseph Lau Luen Hung Investments Limited respectively, which was referred to in the interests of Mr. Joseph Lau and Mr. MW Lau as well as the interests of children under 18 of Ms. Lui as disclosed under "Directors' and Chief Executives' Interests in the Securities of the Company and Associated Corporations".

附註：

* Alto Trust Limited (作為一項酌情信託之信託人) 持有Solar Bright Ltd.之全部已發行股本，故被視為擁有Solar Bright Ltd.所持有之同一批股份之權益。Solar Bright Ltd.持有Global King (PTC) Ltd.之全部已發行股本以及一項以Global King (PTC) Ltd.為信託人之單位信託基金之全部已發行單位，故被視為擁有Global King (PTC) Ltd. (作為該單位信託基金之信託人) 所持有之同一批股份之權益。Solar Bright Ltd.亦持有Joseph Lau Luen Hung Investments Limited之全部已發行股本，故被視為擁有Joseph Lau Luen Hung Investments Limited所持有之同一批股份之權益。因此，Solar Bright Ltd.被視為擁有1,430,700,768股本公司股份(分別由Global King (PTC) Ltd.所持有之1,199,715,948股及Joseph Lau Luen Hung Investments Limited所持有之230,984,820股本公司股份合計而成)。上述股份為「董事及最高行政人員於本公司及相聯法團之證券權益」項下所披露劉鑾雄先生、劉鳴煒先生及呂女士之未滿18歲的子女的權益中所指之權益。

All the interests stated above represent long positions. As at 31st December, 2013, no short positions were recorded in the register kept by the Company under section 336 of the SFO.

上述所有權益均為好倉。於二零一三年十二月三十一日，根據本公司按證券及期貨條例第336條備存之登記冊所載概無任何淡倉。



DIRECTORS' INTERESTS IN COMPETING BUSINESSES

董事於競爭性業務之權益

During the Year, the following Directors declared their interests in the following companies with businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group:—

於本年度內，以下董事申報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 董事姓名	Name of Companies 公司名稱	Nature of Business Considered to Compete or Likely to Compete with the Businesses of the Group 被認為與本集團業務構成競爭 或可能構成競爭之業務性質	Nature of Interest of the Directors in the Companies 董事於該等公司 之權益性質
Mr. Joseph Lau 劉鑾雄先生	Chi Cheung Investment Company, Limited ("Chi Cheung" * now known as LT Holdings Limited ("LT")) and its subsidiaries 至祥置業有限公司 (「至祥」*現稱勒泰控股有限公司 (「勒泰」))及其附屬公司	Property investment and development 物業投資及發展	Having certain deemed interests in Chi Cheung and was a director of certain subsidiaries of Chi Cheung 被視為擁有至祥若干權益及為至祥之若干附屬公司之董事
Mr. MW Lau 劉鳴煒先生	Chi Cheung* and its subsidiaries 至祥*及其附屬公司	Property investment and development 物業投資及發展	Having certain deemed interests in Chi Cheung 被視為擁有至祥若干權益
Ms. Lui 呂女士	Chi Cheung* and its subsidiaries 至祥*及其附屬公司	Property investment and development 物業投資及發展	Having certain deemed interests in Chi Cheung 被視為擁有至祥若干權益
Mr. Lam, Kwong-wai 林光蔚先生	Chi Cheung* and its subsidiaries 至祥*及其附屬公司 LT 勒泰 G-Prop (Holdings) Limited (now known as Common Splendor International Health Industry Group Limited) 金匡企業有限公司 (現稱同佳國際健康產業集團有限公司)	Property investment and development 物業投資及發展 Securities investments 證券投資 Property investment 物業投資	Director of certain subsidiaries of Chi Cheung (till 27th February, 2013) 為至祥之若干附屬公司之董事 (至二零一三年二月二十七日止) Non-executive director (since 7th February, 2013) 非執行董事 (由二零一三年二月七日起) Non-executive director (till 7th March, 2013) 非執行董事 (至二零一三年三月七日止)

* listed subsidiary of the Company (from 1st January, 2013 to 5th February, 2013) and was disposed to an independent third party on 6th February, 2013

* 本公司之上市附屬公司(由二零一三年一月一日至二零一三年二月五日)，於二零一三年二月六日出售予獨立第三方

DIRECTORS' INTERESTS IN COMPETING BUSINESSES (Cont'd)

The above-mentioned businesses were managed by separate publicly listed companies with independent management. The respective board composition of such listed companies are different and separate. In this respect, coupled with the diligence of its Independent Non-executive Directors ("INED(s)") and the independent audit committee, the Group was capable of carrying on its businesses independently of, and at arm's length from, the businesses of the above companies.

Other than the businesses of the listed companies mentioned above, Mr. Joseph Lau, Mr. MW Lau and Ms. Lui had personal interests in private companies engaged in property investment business while Mr. Joseph Lau and Mr. MW Lau had personal interests in private companies engaged in securities investment business. Mr. Joseph Lau also had personal interests in private companies engaged in money lending business. As such, they were regarded as being interested in such businesses, which competed or might compete with the Group. However, when compared with the dominance and size of operations of the Group, such competing businesses were immaterial.

In addition, Mr. Joseph Lau had through certain private companies wholly-owned by him (of which Mr. Joseph Lau and/or Mr. MW Lau was/were director(s) of such companies during the Year) acquired the retail shops of York Place, Excelsior Plaza (include Laforet) and Southorn Centre (also known as Wanchai Computer Centre) (the "Private Properties") from the Group in July and August 2010. The Group, in accordance with the term of the respective sale and purchase agreements of the said acquisitions, provided three-year after-sale free leasing agency and management services in respect of the Private Properties, commenced from the respective completion dates of the said acquisitions and ended in July and August 2013 respectively. There was potential leasing competition for existing and prospective tenancies between the Private Properties and investment properties held by the Group. In order to manage such potential leasing competition, Mr. Joseph Lau had provided certain undertakings and the Company had agreed with the Stock Exchange to implement certain measures for monitoring the compliance of such undertakings. Details of such undertakings and monitoring measures were set out in the circular of the Company dated 18th June, 2010. The INEDs of the Company had carried out an annual review on the compliance of the said undertakings and monitoring measures and confirmed that such undertakings and monitoring measures were duly complied with and considered adequate monitoring measures were in place to avoid the potential leasing competition during the period under review in 2013.

董事於競爭性業務之權益 (續)

上述業務乃由獨立上市公司管理，該等上市公司擁有獨立管理層。該等上市公司董事會之組成各有不同及均為獨立。就此而言，結合其獨立非執行董事（「獨立非執行董事」）及獨立審核委員會之努力，本集團能獨立地並按公平磋商原則從事其業務。

除上述上市公司之業務外，劉鑾雄先生、劉鳴煒先生及呂女士於經營物業投資業務之私人公司中擁有個人權益，而劉鑾雄先生及劉鳴煒先生於經營證券投資業務之私人公司中擁有個人權益。劉鑾雄先生亦於經營放債業務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中擁有權益。然而，此等競爭性業務與本集團之優勢及業務規模相比乃微不足道。

此外，於二零一零年七月及八月，劉鑾雄先生透過若干全資擁有私人公司（劉鑾雄先生及／或劉鳴煒先生於本年度為該等公司之董事）向本集團購入 York Place、怡東商場（包括東角 Laforet）及修頓中心（亦稱灣仔電腦城）之若干零售商舖（「該等私人物業」）。本集團自上述相關購入事項完成日起，根據該等購入事項之各買賣協議之條款，就該等私人物業提供為期三年之免費租賃代理及管理售後服務，並分別於二零一三年七月及八月結束。該等私人物業與本集團持有之投資物業之間存在現時及未來租約之潛在租賃競爭。為處理該等潛在租賃競爭，劉鑾雄先生已提供若干承諾，而本公司亦已向聯交所同意就監察該等承諾之遵守情況實施若干措施。有關該等承諾及監察措施之詳情已載於本公司日期為二零一零年六月十八日之通函內。本公司之獨立非執行董事已就上述承諾及監察措施之遵守情況進行年度檢討，並確認於2013年之檢討期間，已遵守該等承諾及監察措施，並認為本公司已採取充足的監察措施以避免潛在租賃競爭。



DIRECTORS' INTERESTS IN COMPETING BUSINESSES (Cont'd)

The Directors are aware of their fiduciary duties and will act honestly and in good faith in the interests of the Company and will avoid any potential conflicts of interest and duty. The Company comprises three INEDs and all of them are audit committee members of the Company, so that the interest of its shareholders can be adequately represented.

Other than as disclosed above, none of the Directors were interested in any businesses apart from the Company's businesses, which competed or was likely to compete, either directly or indirectly, with the Company's businesses.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

There were no arrangements to which the Company or any of the Company's subsidiaries was a party to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate during the Year.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed below and apart from the agreements disclosed under the heading "Connected Transactions" below, there were no other contracts of significance in relation to the Company's businesses, 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 interest, nor there were any other contracts of significance in relation to the Company's businesses between the Company or any of the Company's subsidiaries and a controlling shareholder or any of its subsidiaries.

On 22nd September, 2011, Chi Cheung (now known as LT) as lender, Longman Limited (an indirect wholly-owned subsidiary of the Company) as borrower and the Company as guarantor entered into a loan agreement in relation to a three-year revolving facility of up to HK\$900 million, commenced from 3rd November, 2011 and ending on 2nd November, 2014. A total sum of HK\$900 million was drawn by Longman Limited since 3rd November, 2011. In January 2013, Longman Limited repaid the principal amount of HK\$490 million and the interest accrued thereon in connection with the disposal of Chi Cheung group by the Group. Details of the disposal have been included in "Other Information and Events After the Reporting Period" under Chairman's Statement of this annual report. In October 2013, Longman Limited had repaid HK\$410 million outstanding balance of the loan with the interest accrued thereon.

董事於競爭性業務之權益 (續)

董事知悉其誠信責任，將會秉誠行事以符合本公司之利益，並避免任何潛在利益及責任衝突。本公司之獨立非執行董事共三名，全部均為審核委員會成員，故足以代表其股東之利益。

除上文所披露者外，概無董事在本公司業務以外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中擁有權益。

購買股份或債券之安排

本公司或本公司之任何附屬公司概無於本年度內作出安排，以使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。

董事及控權股東於合約之權益

除下文所披露者及於下述「關連交易」一節所述之協議外，於年結時或本年度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其他重大合約。

於二零一一年九月二十二日，至祥（現稱為勒泰）作為貸方，Longman Limited（本公司之間接全資擁有附屬公司）作為借方與本公司作為擔保人簽訂一份由二零一一年十一月三日起至二零一四年十一月二日屆滿，有關最多900,000,000港元為期三年之循環貸款融資的貸款協議。由二零一一年十一月三日起，Longman Limited借取總數900,000,000港元。在二零一三年一月，Longman Limited就有關本集團出售至祥集團償還本金490,000,000港元及其應計之利息。有關出售之詳情已載於本年報主席報告書中「其他資料及報告期末後事項」一節內。在二零一三年十月，Longman Limited已償還未償還貸款餘款410,000,000港元及其應計之利息。

CONNECTED TRANSACTIONS

Connected Transactions

- (1) On 6th February, 2013, Ms. Chan, Hoi-wan entered into a preliminary sale and purchase agreement (the "1st Agreement") in respect of the purchase of a residential unit of One WanChai (the Group's property held for sale) at a consideration of HK\$22,708,000. Completion took place on 5th April, 2013.

As Ms. Chan, Hoi-wan was an associate of Mr. Joseph Lau and also a sister of Ms. Chan, Sze-wan (an Executive Director), Ms. Chan, Hoi-wan was a connected person of the Company. Hence, the transaction contemplated under the 1st Agreement constituted a connected transaction of the Company. As the applicable percentage ratios in respect of the transaction contemplated under the 1st Agreement were less than 0.1% on a standalone basis and, when aggregated with the previous connected transactions (which have already been disclosed by way of announcement on 8th March, 2012) were less than 5%, the connected transaction was exempted from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. A voluntary announcement in respect of the said transaction was made on 6th February, 2013.

- (2) On 13th August, 2013, a purchaser entered into a preliminary sale and purchase agreement (the "2nd Agreement") in respect of the purchase of a residential unit of One WanChai at a consideration of HK\$17,963,000. Completion took place on 2nd September, 2013.

As the purchaser is the mother of Ms. Lui (an Executive Director and an associate of Mr. Joseph Lau), the purchaser was therefore a connected person of the Company. Hence, the transaction contemplated under the 2nd Agreement constituted a connected transaction of the Company. As the applicable percentage ratios in respect of the transaction contemplated under the 2nd Agreement were less than 0.1% on a standalone basis and, when aggregated with the previous connected transaction completed within 12 months (i.e. connected transaction of the Company regarding disposal of a residential property of One WanChai to Ms. Chan, Hoi-wan as mentioned in (1) above) were more than 0.1% but less than 5%, the connected transaction was subject to the reporting and announcement requirements but was exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules. An announcement in respect of the said transaction was made on 13th August, 2013.

關連交易

關連交易

- (1) 於二零一三年二月六日，陳凱韻女士訂立一份臨時買賣協議（「第一協議」），以購買壹環（本集團持作出售之物業）一個住宅單位，代價為22,708,000港元。交易已於二零一三年四月五日完成。

由於陳凱韻女士為劉鑾雄先生之聯繫人，並為執行董事陳詩韻女士之胞妹，故陳凱韻女士為本公司之關連人士。因此，第一協議項下擬進行之交易構成本公司之關連交易。由於第一協議項下擬進行之交易的適用百分比率以單獨計算低於0.1%，若與先前的關連交易（已於二零一二年三月八日透過公布披露）合計則低於5%，該關連交易獲豁免遵守上市規則第14A章之申報、公布及獨立股東批准之規定。有關該交易之自願性公布已於二零一三年二月六日發出。

- (2) 於二零一三年八月十三日，買方訂立一份臨時買賣協議（「第二協議」），以購買壹環一個住宅單位，代價為17,963,000港元。交易已於二零一三年九月二日完成。

由於買方為呂女士（執行董事及劉鑾雄先生之聯繫人）之母，故買方為本公司之關連人士。因此，第二協議項下擬進行之交易構成本公司之關連交易。由於第二協議項下擬進行之交易的適用百分比率以單獨計算低於0.1%，若與先前於十二個月內完成之關連交易（即上述(1)有關出售壹環一個住宅單位予陳凱韻女士之本公司關連交易）合計則高於0.1%但低於5%，故該關連交易僅須遵守上市規則第14A章有關申報及公布之規定，獲取獨立股東批准之規定則獲豁免。有關該交易之公布已於二零一三年八月十三日發出。



CONNECTED TRANSACTIONS (Cont'd)

Connected Transactions (Cont'd)

- (3) On 19th February, 2014, two purchasers entered into a preliminary sale and purchase agreement (the "3rd Agreement") in respect of the purchase of a residential unit together with a car parking space and a motorcycle parking space of One WanChai at a consideration of HK\$51,205,346. Completion shall take place on or before 22nd April, 2014.

As the purchasers are the father and elder brother of Ms. Lui (an Executive Director and an associate of Mr. Joseph Lau), the purchasers were therefore connected persons of the Company. Hence, the transaction contemplated under the 3rd Agreement constituted a connected transaction of the Company. As the applicable percentage ratios in respect of the transaction contemplated under the 3rd Agreement either on a standalone basis, or when aggregated with the previous transactions completed within 12 months (i.e. connected transactions of the Company regarding the disposal of residential properties of One WanChai to Ms. Chan, Hoi-wan and the mother of Ms. Lui, as mentioned in (1) and (2) above respectively) were both more than 0.1% but less than 5%, the connected transaction was subject to the reporting and announcement requirements but was exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules. An announcement in respect of the said transaction was made on 19th February, 2014.

Continuing Connected Transactions

- (1) In July and August 2010, the Group had disposed, inter alia, Excelsior Plaza, Laforet and Southorn Centre to the private companies wholly-owned by Mr. Joseph Lau (the "Disposal Transactions").

Subsequent to the completion of the Disposal Transactions, Perfect World Company Limited, the Company's indirect wholly-owned subsidiary, had in accordance with the term of the respective sale and purchase agreements of the Disposal Transactions, entered into the following agreements for a term of three years:—

- (i) property management agreement dated 27th July, 2010 (expired on 26th July, 2013) with Sunny Ocean Limited regarding the provision of property management services to Excelsior Plaza (the "1st Property Management Agreement");
- (ii) property management agreement dated 20th August, 2010 (expired on 19th August, 2013) with Viewide Properties Limited regarding the provision of property management services to Laforet (the "2nd Property Management Agreement"); and

關連交易 (續)

關連交易 (續)

- (3) 於二零一四年二月十九日，兩名買方訂立一份臨時買賣協議（「第三協議」），以購買壹環一個住宅單位連同一個私家車車位及一個電單車車位，代價為51,205,346港元。交易將於二零一四年四月二十二日或之前完成。

由於買方為呂女士（執行董事及劉鑾雄先生之聯繫人）之父及胞兄，故買方為本公司之關連人士。因此，第三協議項下擬進行之交易構成本公司之關連交易。由於第三協議項下擬進行之交易的適用百分比率在單獨計算時或與先前於十二個月內完成之交易（即分別於上文(1)及(2)所述，有關出售壹環住宅單位予陳凱韻女士及呂女士之母之本公司關連交易）合計時均高於0.1%但低於5%，因此，該關連交易僅須遵守上市規則第14A章有關申報及公布之規定，獲取獨立股東批准之規定則獲豁免。有關該交易之公布已於二零一四年二月十九日發出。

持續關連交易

- (1) 於二零一零年七月及八月，本集團已出售，其中包括，怡東商場、東角Laforet及修頓中心予由劉鑾雄先生全資擁有之私人公司（「該等出售交易」）。

該等出售交易完成後，忠信物業管理有限公司（本公司之間接全資擁有附屬公司）已根據該等出售交易之各買賣協議內之條款訂立以下為期三年之協議：—

- (i) 就有關提供物業管理服務予怡東商場，與Sunny Ocean Limited於二零一零年七月二十七日（於二零一三年七月二十六日到期）訂立物業管理協議（「第一物業管理協議」）；
- (ii) 就有關提供物業管理服務予東角Laforet，與Viewide Properties Limited於二零一零年八月二十日（於二零一三年八月十九日到期）訂立物業管理協議（「第二物業管理協議」）；及

CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

(1) (Cont'd)

- (iii) property management agreement dated 20th August, 2010 (expired on 19th August, 2013) with Baharica Limited regarding the provision of property management services to Southorn Centre (the "3rd Property Management Agreement")

(collectively the "Property Management Agreements").

The caps for the period from 1st January, 2013 to the date of expiry of each of the 1st Property Management Agreement, the 2nd Property Management Agreement and the 3rd Property Management Agreement were approximately HK\$567,123, HK\$7,594,521 and HK\$5,063,014 respectively, after pro-rata adjustment as required under the announcement dated 18th May, 2010 (the "Adjusted Caps").

Sunny Ocean Limited, Viewide Properties Limited and Baharica Limited were associates of Mr. Joseph Lau upon completion of the Disposal Transactions, therefore the entering into of the Property Management Agreements constituted continuing connected transactions for the Company under the Listing Rules. As the applicable percentage ratios for the aggregate of the expected annual caps of the subject continuing connected transactions as required under Chapter 14A of the Listing Rules were less than 5%, the subject continuing connected transactions were only subject to the reporting, announcement and annual review requirements but exempted from the independent shareholders' approval requirement.

Having reviewed the subject continuing connected transactions, the INEDs of the Company, pursuant to Chapter 14A of the Listing Rules on the requirement to carry out an annual review on the continuing connected transactions, confirmed that the transactions were made in the ordinary and usual course of business of the Company, on normal commercial terms and in accordance with the Property Management Agreements governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

關連交易 (續)

持續關連交易 (續)

(1) (續)

- (iii) 就有關提供物業管理服務予修頓中心，與Baharica Limited於二零一零年八月二十日（於二零一三年八月十九日到期）訂立物業管理協議（「第三物業管理協議」）

（統稱「該等物業管理協議」）。

由二零一三年一月一日至第一物業管理協議、第二物業管理協議及第三物業管理協議各自之屆滿日期期間，根據二零一零年五月十八日之公布所規定按比例調整後之上限分別約為567,123港元、7,594,521港元及5,063,014港元（「經調整上限」）。

於該等出售交易完成後，Sunny Ocean Limited、Viewide Properties Limited及Baharica Limited成為劉鑾雄先生之聯繫人，因此，根據上市規則，訂立該等物業管理協議構成本公司之持續關連交易。由於上市規則第14A章之規定上述持續關連交易之總計預期年度上限之適用百分比率少於5%，故上述持續關連交易僅須遵守有關申報、公布及年度檢討之規定，而獲豁免有關獨立股東批准之規定。

本公司之獨立非執行董事根據上市規則第14A章之規定就持續關連交易進行年度檢討，在檢討上述持續關連交易後，確認該等交易屬本公司之日常業務，按照一般商業條款及根據有關該等物業管理協議條款進行，該等條款屬公平合理，且符合本公司股東之整體利益。



CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

(1) (Cont'd)

The auditors of the Company, pursuant to Chapter 14A of the Listing Rules, confirmed in their letter made in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants (collectively the "HKICPA Guidelines") that the subject continuing connected transactions had received the approval of the Board, were in accordance with the pricing policies of the Company, had been entered into in accordance with the Property Management Agreements and had not exceeded the Adjusted Caps.

Potential Leasing Competition

As mentioned in "Directors' Interests in Competing Businesses" section of this directors' report, subsequent to the completion of the Disposal Transactions, there was potential leasing competition for existing and prospective tenancies between the Private Properties, being properties owned by Mr. Joseph Lau, and the investment properties held by the Group.

In the course of carrying out an annual review on the subject continuing connected transactions, the INEDs of the Company had also carried out a review on the compliance of the undertakings in respect of the said potential leasing competition provided by Mr. Joseph Lau and the corresponding monitoring measures implemented by the Company, and confirmed that such undertakings and monitoring measures were duly complied with and considered adequate monitoring measures were in place to avoid the potential leasing competition during the period under review in 2013.

關連交易 (續)

持續關連交易 (續)

(1) (續)

本公司之核數師已按照香港會計師公會所頒布之香港核證工作準則3000「歷史財務信息審計或審閱以外的鑒證業務」，以及參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」（統稱「香港會計師公會準則」），於其根據上市規則第14A章發出之信件中，確認上述持續關連交易已經由董事會批准、並按照本公司之定價政策及根據該等物業管理協議進行、且無超逾經調整上限。

潛在租賃競爭

誠如於本董事會報告書中「董事於競爭性業務之權益」一節所述，於該等出售交易完成後，該等私人物業（即由劉鑾雄先生持有之物業）與本集團持有之投資物業之間存在現時及未來租約之潛在租賃競爭。

本公司之獨立非執行董事在就上述持續關連交易進行年度檢討之過程中，亦就劉鑾雄先生對於上述潛在租賃競爭所作出之承諾以及本公司實施之相應監察措施之遵守情況進行檢討，並確認於2013年之檢討期間，已遵守該等承諾及監察措施，亦認為本公司已採取充足的監察措施以避免潛在租賃競爭。

CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

- (2) On 14th December, 2012, Chinese Estates, Limited, a direct wholly-owned subsidiary of the Company, entered into a contract for services with Mr. Joseph Lau in respect of the provision of the property, household and other management and maintenance services in relation to the properties and related assets and such other assets of a nature normally requiring management service, maintenance service or other similar services which are beneficially owned by or are held by entities beneficially owned by Mr. Joseph Lau and/or his associates and related parties, commenced on 1st January, 2013 and ending on 31st December, 2015 (the "2013-2015 Contract"). The annual caps of the service charges payable by Mr. Joseph Lau to Chinese Estates, Limited under the 2013-2015 Contract for each of the three financial years – 31st December, 2013, 31st December, 2014 and 31st December, 2015, were set at HK\$15 million (the "2013-2015 Caps") as disclosed in the Company's announcement dated 14th December, 2012.

Mr. Joseph Lau, being an Executive Director, the Chairman and the Chief Executive Officer, and a substantial shareholder of the Company was a connected person of the Company and hence the 2013-2015 Contract and the transactions contemplated thereunder constituted continuing connected transactions for the Company under the Listing Rules. The applicable percentage ratios of the 2013-2015 Caps pursuant to Chapter 14A of the Listing Rules exceeded 0.1% but were expected to be less than 5%, hence the 2013-2015 Contract and the 2013-2015 Caps were only subject to the reporting, announcement and annual review requirements but exempted from the independent shareholders' approval requirement.

Having reviewed the subject continuing connected transactions, the INEDs of the Company, pursuant to Chapter 14A of the Listing Rules on the requirement to carry out an annual review on the continuing connected transactions, confirmed that the transactions were made in the ordinary and usual course of business of the Company (other than those in relation to household management and maintenance services), on normal commercial terms and in accordance with the 2013-2015 Contract governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company, pursuant to Chapter 14A of the Listing Rules, confirmed in their letter made in accordance with the HKICPA Guidelines that the subject continuing connected transactions had received the approval of the Board, were in accordance with the pricing policies of the Company, had been entered into in accordance with the 2013-2015 Contract and had not exceeded the 2013-2015 Caps disclosed in the said announcement made on 14th December, 2012.

關連交易 (續)

持續關連交易 (續)

- (2) 於二零一二年十二月十四日，華人置業有限公司（本公司之直接全資擁有附屬公司）與劉鑾雄先生訂立一份服務合約，內容有關就劉鑾雄先生及／或其聯繫人及相關人士實益擁有或由彼等實益擁有之實體持有之物業及相關資產，以及通常需要管理服務、保養服務或其他類似服務之其他資產提供之物業、家居及其他管理及保養服務，於二零一三年一月一日開始生效，直至二零一五年十二月三十一日止（「2013-2015合約」）。誠如本公司於二零一二年十二月十四日之公布所披露，劉鑾雄先生根據2013-2015合約應付予華人置業有限公司之服務費於三個財政年度（即二零一三年十二月三十一日、二零一四年十二月三十一日及二零一五年十二月三十一日）各年之年度上限均定為15,000,000港元（「2013-2015年度上限」）。

劉鑾雄先生作為本公司之執行董事、主席兼行政總裁以及主要股東，屬本公司之關連人士。因此，根據上市規則，2013-2015合約及據此擬進行之交易構成本公司之持續關連交易。根據上市規則第14A章，2013-2015年度上限之適用百分比率超過0.1%，惟預期將少於5%，因此，2013-2015合約及2013-2015年度上限僅須遵守申報、公布及年度檢討之規定，獲取獨立股東批准之規定則獲豁免。

本公司之獨立非執行董事根據上市規則第14A章之規定就持續關連交易進行年度檢討，在檢討上述持續關連交易後，確認該等交易屬本公司之日常業務（涉及家居管理及保養服務除外），按照一般商業條款及根據2013-2015合約條款進行，該等條款屬公平合理，且符合本公司股東之整體利益。

本公司之核數師已按照香港會計師公會準則，於其根據上市規則第14A章發出之信件中，確認上述持續關連交易已經由董事會批准，並按照本公司之定價政策及根據2013-2015合約進行，且無超逾於二零一二年十二月十四日之公布所披露之2013-2015年度上限。



CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

- (3) On 15th July, 2013, Chinese Estates, Limited entered into a contract for services with Mr. Joseph Lau regarding the provision of (i) property management services (including matters relating to the management, operation, servicing, maintenance and repair of properties), (ii) leasing administration services (including matters relating to dealing with tenants, rent collection and taking legal actions but excluding any services in relation to the referral of potential tenants and the negotiation with existing and/or potential tenants regarding terms of lease of properties), and (iii) general administration services (including without limitation accounting, recruitment, human resources administration works, taxation, marketing and information technology services) to commercial properties beneficially owned by Mr. Joseph Lau and/or his associates for a term of three years commencing from 15th July, 2013 to 14th July, 2016 (the "Contract").

The cap of the service charges payable by Mr. Joseph Lau to Chinese Estates, Limited for the period from 15th July, 2013 to 31st December, 2013 under the Contract was set at HK\$12,898,629 (the "Cap") as disclosed in the Company's announcement dated 15th July, 2013.

Mr. Joseph Lau, being an Executive Director, the Chairman and the Chief Executive Officer, and a substantial shareholder of the Company was a connected person of the Company and hence the Contract and the transactions contemplated thereunder constituted continuing connected transactions for the Company under the Listing Rules. As the applicable percentage ratios for the expected annual caps for the transactions contemplated under the Contract, whether on standalone basis or when aggregated with the 2013-2015 Caps of the 2013-2015 Contract as mentioned in (2) above, were less than 5%, the Contract and the annual caps were only subject to the reporting, announcement and annual review requirements but exempted from the independent shareholders' approval requirement pursuant to Chapter 14A of the Listing Rules.

關連交易 (續)

持續關連交易 (續)

- (3) 於二零一三年七月十五日，華人置業有限公司與劉鑾雄先生訂立一份為期三年的服務合約，內容有關就劉鑾雄先生及／或其聯繫人實益擁有之商用物業提供(i)物業管理服務(包括該等物業之管理、營運、服務、保養及維修相關之事宜)、(ii)租務行政服務(包括處理租客之往來、收租及就該等物業之租務採取法律行動等相關事宜，但不包括有關轉介潛在租戶以及與現有租戶及／或潛在租戶協商有關物業之租賃條款之任何服務)、及(iii)一般行政服務(包括但不限於會計、招聘、人力資源行政工作、稅務、市場推廣及資訊技術服務)，於二零一三年七月十五日開始生效，直至二零一六年七月十四日止(「該合約」)。

誠如本公司於二零一三年七月十五日之公布所披露，劉鑾雄先生根據該合約，於二零一三年七月十五日至二零一三年十二月三十一日期間應付予華人置業有限公司之服務費之上限定為12,898,629港元(「該上限」)。

劉鑾雄先生作為本公司之執行董事、主席兼行政總裁以及主要股東，屬本公司之關連人士。因此，根據上市規則，該合約及據此擬進行之交易構成本公司之持續關連交易。由於該合約項下擬進行之交易之預期年度上限之適用百分比率(不論單獨或與上述(2)有關2013-2015合約之2013-2015年度上限合併計算)少於5%，故該合約及有關年度上限僅須遵守根據上市規則第14A章有關申報、公布及年度檢討之規定，獲取獨立股東批准之規定則獲豁免。

CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

(3) (Cont'd)

Having reviewed the subject continuing connected transactions, the INEDs of the Company, pursuant to Chapter 14A of the Listing Rules on the requirement to carry out an annual review on the continuing connected transactions, confirmed that the transactions were made in the ordinary and usual course of business of the Company (other than general administration services), on normal commercial terms and in accordance with the Contract governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company, pursuant to Chapter 14A of the Listing Rules, confirmed in their letter made in accordance with the HKICPA Guidelines that the subject continuing connected transactions had received the approval of the Board, were in accordance with the pricing policies of the Company, had been entered into in accordance with the Contract and had not exceeded the Cap disclosed in the said announcement made on 15th July, 2013.

Save as aforesaid, there were no other discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules during the Year and up to the date of this directors' report.

Save as aforesaid, none of the "Material Related Party Transactions" as disclosed in Note 51 to the consolidated financial statements for the Year constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules.

To the extent of the above "Material Related Party Transactions" constituted connected transaction as defined in the Listing Rules, the Company had complied with the relevant requirements under Chapter 14A of the Listing Rules during the Year.

SERVICE CONTRACTS OF DIRECTORS

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

關連交易 (續)

持續關連交易 (續)

(3) (續)

本公司之獨立非執行董事根據上市規則第14A章之規定就持續關連交易進行年度檢討，在檢討上述持續關連交易後，確認該等交易屬本公司之日常業務（一般行政服務除外），按照一般商業條款及根據該合約條款進行，該等條款屬公平合理，且符合本公司股東之整體利益。

本公司之核數師已按照香港會計師公會準則，於其根據上市規則第14A章發出之信件中，確認上述持續關連交易已經由董事會批准，並按照本公司之定價政策及根據該合約進行，且無超逾於二零一三年七月十五日之公布所披露之該上限。

除上文所述外，根據上市規則，本公司於本年度內及截至本董事會報告書日期概無其他須予披露之不獲豁免關連交易或不獲豁免持續關連交易。

除上文所述外，根據上市規則，本年度綜合財務報表內附註51所披露之「重大關連人士交易」並無構成須予披露之不獲豁免關連交易或不獲豁免持續關連交易。

就上述「重大關連人士交易」構成根據上市規則所界定之關連交易，本公司已於本年度內遵守上市規則第14A章的有關規定。

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主終止合約時須作出賠償（法定賠償除外）之服務合約。



RETIREMENT BENEFIT SCHEMES

The Group operates two retirement benefit schemes:-

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

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

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

The MPF Scheme is available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions are made by the Group at 5% based on the staff's relevant income. The maximum relevant income for contribution purpose is HK\$25,000 per month. Staff members are entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefits are required by law to be preserved until the retirement age of 65.

In order to provide similar benefits to those who joined the MPF Scheme and the ORSO Scheme, the Group provided an additional portion (the "Top-up Portion") for those who joined the MPF Scheme. The purpose of the Top-up Portion is to match up the benefits of the MPF Scheme with that of the ORSO Scheme by providing those staff under the MPF Scheme with basic salary over HK\$25,000 and/or years of service over 5. Contributions to the Top-up Portion are made by the Group at 5%, 7.5% or 10% of the staff's basic salary less the Group's mandatory contribution under the MPF Scheme as mentioned above.

退休福利計劃

本集團推行兩項退休福利計劃：-

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

職業退休計劃及強積金計劃均為界定供款計劃，該等計劃之資產乃由各自之受託人管理。

職業退休計劃可供於二零零零年十二月一日前在香港受僱之本集團全職長期僱員參加。本集團乃根據僱員之基本薪金按其服務年期，作出5%、7.5%或10%之供款。僱員服務滿10年或以上或到退休年齡時方可取得100%本集團供款連同應計回報，而服務年期滿3年但不足10年之僱員則可按遞減比例取得30%至90%本集團供款。職業退休計劃容許本集團將任何已沒收供款（即本集團就任何可獲得全部供款前退出職業退休計劃之僱員而作出之供款）用以抵銷本集團現有之供款水平。

強積金計劃可供所有18至64歲受僱於香港最少60日之本集團僱員參加。本集團根據僱員之有關入息作出5%之供款。就供款而言，有關入息上限為每月25,000港元。不論其於本集團之服務年期，僱員均可取得100%本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡65歲方可領取。

為了向參加強積金計劃及職業退休計劃之僱員提供相近之福利，本集團為參加強積金計劃之僱員提供額外部分（「補足部分」）。補足部分旨在向基本月薪逾25,000港元及／或服務年期逾5年，參加強積金計劃之僱員提供與職業退休計劃相近之福利。本集團將根據僱員基本薪金之5%、7.5%或10%減本集團根據上述強積金計劃作出之強制性供款而作出補足部分之供款。

RETIREMENT BENEFIT SCHEMES (Cont'd)

The Group's total cost for the schemes charged to consolidated statement of comprehensive income for the year ended 31st December, 2013 amounted to approximately HK\$9,869,000 (2012: HK\$9,524,000). In addition, an amount of forfeited employer's contributions for the schemes amounted to approximately HK\$674,000 (2012: HK\$726,000) was utilised towards reducing the Group's contributions during the Year and the balance available to reduce future contributions amounted to approximately HK\$402,000 (2012: HK\$58,000).

SHARE AWARD SCHEME

A share award scheme (the "Share Award Scheme") was adopted by the shareholders of the Company at the special general meeting held on 14th January, 2009 (the "Adoption Date"). The Share Award Scheme is a long-term incentive arrangement for the selected employees. The purpose of the Share Award Scheme is to recognise and reward certain employees of the Group for their contributions to the Group and to give long-term incentives for retaining them for the continued operations and development of the Group. It also intends to attract suitable professional recruits to join the Group and to assist in the further development of the Group.

The Board may from time to time, at its absolute discretion and subject to such terms and conditions as it may think fit (including the basis of eligibility of each employee determined by the Board from time to time), after having taken into account recommendations made by members of the Group and assessment of individual performance pursuant to internal appraisal system, select an employee for participation in the Share Award Scheme as a Selected Employee ("Selected Employee") and determine the number of shares which may be awarded to such Selected Employee pursuant to the terms of the Share Award Scheme ("Awarded Share(s)"). A Selected Employee shall qualify to be allotted and issued the Awarded Shares after all the qualifying conditions have been fulfilled, unless otherwise determined by the Board at its discretion.

The issue price for each Awarded Share shall, subject to the terms of the Share Award Scheme, be an amount equal to its nominal value and shall be paid or satisfied in cash by the relevant member of the Group engaging the Selected Employee or, if payment by the relevant member of the Group engaging the Selected Employee is not permitted under applicable law, any member of the Group, upon the allotment and issue of the Awarded Shares.

退休福利計劃 (續)

本集團於截至二零一三年十二月三十一日止年度就該等計劃於綜合全面收益報表扣除之費用總額約為9,869,000港元(二零一二年: 9,524,000港元)。此外,本集團就該等計劃已沒收之僱主供款約為674,000港元(二零一二年: 726,000港元),並已於本年度內用作削減供款,餘額約402,000港元(二零一二年: 58,000港元)可用作減少未來供款。

股份獎勵計劃

股份獎勵計劃(「股份獎勵計劃」)已獲本公司股東於二零零九年一月十四日(「採納日期」)舉行之股東特別大會上採納。股份獎勵計劃乃為經甄選僱員而設之長期獎勵安排,旨在向為本集團作出貢獻之若干僱員給予肯定及回報,並作為吸引其留效本集團,繼續為本集團之營運及發展而努力之長期獎勵。此計劃亦有助於吸引合適之專業人士加盟本集團及協助本集團進一步發展。

經考慮本集團成員公司作出之推薦建議及根據內部評估制度評估個別人士之表現後,董事會可不時全權酌情及根據其認為合適之條款及條件(包括董事會不時釐定每名僱員之合資格基準),甄選僱員成為經甄選僱員(「經甄選僱員」)參與股份獎勵計劃,並根據股份獎勵計劃之條款釐定每名經甄選僱員可獲之獎勵股份數目(「獎勵股份」)。除董事會另有酌情釐定外,經甄選僱員於達成所有合資格條件後,將合資格獲發行及配發獎勵股份。

每股獎勵股份之發行價將受限於股份獎勵計劃之條款,並相等於其面值,且由聘用經甄選僱員之本集團相關成員公司於發行及配發獎勵股份時以現金支付或償付,或倘聘用經甄選僱員之本集團相關成員公司根據適用法律不得作出付款,則由本集團任何成員公司以現金支付或償付。



SHARE AWARD SCHEME (Cont'd)

The total number of shares which may be issued in response to the Share Award Scheme and any other incentive or option schemes of the Company (if any) shall not in aggregate exceed 207,775,007, being 10% of the total number of shares in issue on the Adoption Date and represents approximately 10.89% of the total number of shares in issue at the date of this directors' report. No granting of Awarded Shares was made for the Year.

The maximum number of Awarded Shares to be granted to each Selected Employee under the Share Award Scheme in any 12-month period shall not exceed in aggregate 1% of the shares in issue as at the date of such grant.

Subject to any early termination pursuant to the terms of the Share Award Scheme, the Share Award Scheme shall be valid and effective for a period of 10 years commencing from the Adoption Date (i.e. until 13th January, 2019). As at the date of this directors' report, the remaining life of the Share Award Scheme is less than 5 years.

Details of the Share Award Scheme were set out in the circular of the Company dated 23rd December, 2008.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company had maintained the prescribed amount of public float during the Year and up to the date of this annual report as required under the Listing Rules.

AUDITORS

The consolidated financial statements for the Year were audited by HLB Hodgson Impey Cheng Limited ("HLB") who would retire at the conclusion of the forthcoming annual general meeting, and being eligible, offer themselves for re-appointment. A resolution will be proposed to the shareholders at the forthcoming annual general meeting to re-appoint HLB as the auditors of the Company.

There have been no other changes of auditors in the past three years except for the reorganisation of Messrs HLB Hodgson Impey Cheng to HLB in March 2012.

On behalf of the Board
Joseph Lau, Luen-hung
 Chairman

Hong Kong, 6th March, 2014

股份獎勵計劃 (續)

於股份獎勵計劃將可能發行之股份，連同於根據本公司所有其他獎勵或認股權計劃（如有）將可能發行之股份，總數合共不得超過207,775,007股（即於採納日期已發行股份之10%），相當於截至本董事會報告書日期之已發行股份約10.89%。本集團於本年度內並無授出任何獎勵股份。

根據股份獎勵計劃授予每位經甄選僱員之獎勵股份之最高數目於任何十二個月期間內合共不得超過有關授出日期已發行股份之1%。

除股份獎勵計劃中任何有關提早終止之條款外，股份獎勵計劃將由採納日期起計十年期間有效及生效（即至二零一九年一月十三日止）。於本董事會報告書日期，股份獎勵計劃尚剩餘之有效期為少於五年。

有關股份獎勵計劃之詳情已刊載於本公司日期為二零零八年十二月二十三日之通函內。

公眾持股量

根據本公司得悉的公開資料及董事所知悉，本公司於本年度內及截至本年報日期已按上市規則規定維持指定數額之公眾持股量。

核數師

本年度之綜合財務報表由國衛會計師事務所有限公司（「國衛」）審核。該會計師行將於即將舉行之股東週年大會結束時任滿告退，惟合資格並願意膺聘連任。於即將舉行之股東週年大會上，將就續聘國衛為本公司核數師向股東提呈一項決議案。

除於二零一二年三月國衛會計師事務所重組為國衛外，本公司在過去三年間並無更換其他核數師。

代表董事會
 主席
劉鑾雄

香港，二零一四年三月六日