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## 公司資料

### 董事會

傅育寧 (主席)

諸立力

張雲昆

黃大展

張正銘

簡家宜

(諸立力先生之替任董事)

李國寶議員 \*\*

吉盈熙 \*\*

潘國濂 \*\*

崔貴生 \*

侯百發 \*

孫軍建 \*

李繼昌 \*

(李國寶議員之替任董事)

\* 非執行董事

\*\* 獨立非執行董事

### 公司秘書

Thomas Anthony, EVANS

### 保管銀行

香港友聯銀行有限公司

香港皇后大道中122-126號

招商銀行

中國廣東省深圳市深南中路2號

中國銀行香港分行

香港花園道1號中銀大廈

### 核數師

德勤•關黃陳方會計師行

香港干諾道中111號

永安中心26樓

### 法律顧問

諸立力律師行

香港九龍尖沙咀海港城

港威大廈第二座19樓

### 總辦事處及主要營業地點

香港干諾道中200號

信德中心西座1101室

### 股份過戶登記處

香港中央證券登記有限公司

香港皇后大道東183號

合和中心19樓1901-5室



**傅育寧博士**  
主席

本集團將以更加進取的  
態度積極參與高科技領  
域的投資，為股東獲取  
更佳回報。

## 主席報告

招商局中國基金有限公司及其附屬公司(以下簡稱「本集團」)，截止一九九九年十二月三十一日止年度經審核之撥備前綜合溢利為8,019,224美元，撥備後之稅後綜合溢利為2,448,100美元(折合約19,095,180港元)，較九八年減少74.58%。於一九九九年十二月三十一日每股資產淨值為0.869美元(折合約6.78港元)，與一九九八年(經送紅股調整後)的0.865美元相比，增長0.46%。

董事會建議派發末期股息，每股0.8美仙或6.23港仙。全年每股共派現金股息1.3美仙或10.11港仙。

一九九九年是亞洲及本港經濟開始顯露復甦曙光的一年。中國內地經濟雖仍然維持一定的增長，但整體仍未擺脫通貨緊縮、消費疲弱的困境。由於國內某些地區的投資環境發生變化，令本集團部份投資回收出現困難。特別是由於房地產業持續低迷，唐山陶瓷項目連年虧損，濰坊機場及安居工程等項目中方未能如約支付有關回報，因此，董事會決定為上述項目提取撥備527萬美元。

本集團之投資主要分佈於中國的基礎設施、金融服務、工業製造和房地產業。截止一九九九年底，本集團共投資於十二個非上市項目，總投資額約為7,682萬美元，佔資產淨值的64.42%；上市公司股票及債券590萬美元，佔資產淨值4.95%；現金3,354萬美元，佔資產淨值28.12%。

董事會充分注意到高新科技在新世紀全球經濟發展中所扮演的重要角色，積極參與高科技方面的投資將會為本集團構造新的利潤增長點。投資經理加強了在新經濟內高科技投資機會的研究，全年共研究了數十個高科技項目，其中一些項目的合作談判已近尾聲，可望在二零零零年內簽約。

## 主席報告

展望二零零零年，亞洲國家經濟最困難時期已經過去，本港經濟亦開始復甦。中國可望於年內加入世界貿易組織，中國投資環境不斷改善，將會促進中國經濟持續穩定的發展，亦會給本集團的投資經營活動帶來新的良機。本集團將繼續加強對現有項目管理，並且借助於自身的資金優勢，繼續尋求有良好回報的投資機會，並同時將以更加進取的態度積極參與高科技領域的投資，為股東獲取更佳回報。

最後，本人謹代表董事會同寅向為本集團作出積極貢獻和支持的投資委員會成員、投資管理公司全體員工致以衷心的謝意。本人亦將竭盡所能，率領本集團在新的世紀取得更加出色的業績。

主席

**傅育寧**

香港，二零零零年五月二十六日

## 投資經理報告



**張雲昆先生**

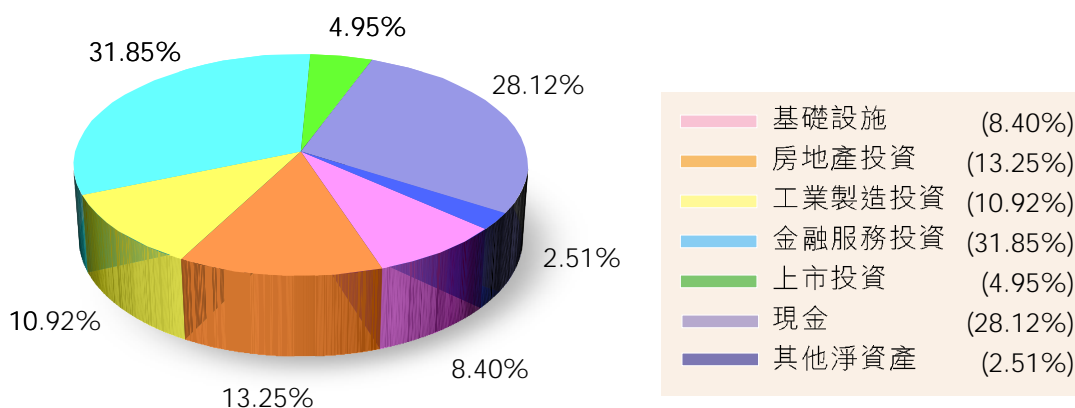
本公司投資經理 — 招商局中國投資管理有限公司 董事總經理

## 投資經理報告

截至一九九九年十二月三十一日止，招商局中國基金有限公司及其附屬公司（「本集團」）共投資總值約7,682萬美元於十二個非上市項目及總值590萬美元於上市證券。該等非上市投資項目分佈於基礎設施（佔集團資產淨值8.40%）；房地產（13.25%）；工業製造（10.92%）；及金融服務（31.85%）。

### 淨資產分佈

於一九九九年十二月三十一日



### 非上市投資回顧

以下為本集團在一九九九年內所持有的非上市投資項目：

項目名稱	地點	業務性質	帳面淨值 百萬美元	佔資產 淨值 %
<b>金融服務：</b>				
1. 招商銀行	廣東省深圳市	銀行	23.21	19.47
2. 福建興業銀行	福建省福州市	銀行	13.74	11.52
3. 興業證券股份有限公司	福建省福州市	證券	1.03	0.86
		<b>小計：</b>	<b>37.98</b>	<b>31.85</b>

## 投資經理報告

項目名稱	地點	業務性質	帳面淨值 百萬美元	佔資產 淨值%
<b>工業製造：</b>				
4. 招遠金寶電子有限公司	山東省招遠市	銅箔及覆銅板生產	8.85	7.42
5. 承德萬利鋼管有限公司	河北省承德市	鋼管生產	3.96	3.32
6. 唐山金泰陶瓷有限公司	河北省唐山市	瓷磚生產	0.21	0.18
		<b>小計：</b>	<u>13.02</u>	<u>10.92</u>
<b>基礎設施：</b>				
7. 茂名通發公路有限公司	廣東省茂名市	收費公路	10.02	8.40
8. 濰坊銀鷺航空實業有限公司	山東省濰坊市	客運機場	—*	—
		<b>小計：</b>	<u>10.02</u>	<u>8.40</u>
<b>房地產：</b>				
9. 上海招商局廣場置業有限公司	上海市	商業大廈	5.77	4.84
10. 北京龍寶大廈	北京市	公寓及寫字樓	4.98	4.18
11. 深圳文錦廣場	廣東省深圳市	商場	3.12	2.61
12. 濰坊招銀房地產開發有限公司	山東省濰坊市	廉價房	1.93	1.62
		<b>小計：</b>	<u>15.80</u>	<u>13.25</u>
		<b>總額：</b>	<u>76.82</u>	<u>64.42</u>

\* 本集團於一九九九年為該項目作全數撥備，未撥備前之帳面淨值為998,384美元。





主席傅育寧博士與本公司投資經理－招商局中國投資管理有限公司董事會成員合照。左起：簡家宜女士、張雲昆先生、黃大展博士及盧文瑩博士。

在新的世紀，我們將一如既往為  
本公司創造更加豐厚的利潤而努力。

## 投資經理報告

### **招商銀行**

招商銀行是國內第二大股份制商業銀行，規模僅次於交通銀行。在全國有230個分支機構，並已獲准在香港設立分行。該行的「一卡通」(自動櫃員卡)及「一網通」(網上銀行)服務為國內電子銀行業開創先河，在市場上廣受歡迎。

在一九九九年內，招商銀行完成了其第三次增資擴股，令註冊資本增至42億元人民幣。本集團分批共投資1,377萬美元，佔股1.62%。由於經濟疲弱及核銷壞帳力度加大，招商銀行一九九九年的淨利潤下降30%至9.75億元人民幣。截至一九九九年底，該行之總資產達1,802億元人民幣，比一九九八年底增加20%。由於經營環境仍不見改善，預期二零零零年的業績不會有明顯增長。

招商銀行的董事局正積極研究將該行股票在海內外股票市場上市各種方案。如果成事，將為本集團帶來極大裨益。以招商銀行九九年底的資產淨值計算，本集團在該行的投資已增值逾60%。

### **福建興業銀行**

福建興業銀行總行設於福州，是一間區域性之中小型股份制商業銀行。截至九九年底，該行總資產為492億元人民幣。本集團於九八年七月投資1,275萬美元，購買該行新股，持有3.2%權益。

在一九九九年，受到中央銀行連番減息的滯後效應影響，福建興業銀行的淨利潤比上年下降16%至3.13億元人民幣。但期內該行的存款及貸款增幅均遠高於全國平均水平。年底時，該行之資本充足比率保持在13.9%的高水平。

以福建興業銀行九九年底的資產淨值計算，本集團在該行的投資已增值7%。

### **興業證券股份有限公司 (「興業證券」)**

興業證券前身為福建興業銀行的證券業務部，於九四年改組為「福建興業證券公司」，成為福建興業銀行的全資子公司。於一九九九年十二月，興業證券正式完成從銀行脫鉤及擴股工作，並改用現在名稱。興業證券現有122家股東，其中福建省財政廳持有11.8%股權，為最大單一股東。本集團作為福建興業銀行股東，以103萬美元的優惠價格認購得672萬股興業證券股份，佔0.74%權益。該公司最近獲中國證監會核定為可從事包括承銷、證券代理買賣、自營證券以及投資顧問等業務在內的綜合性證券公司。

### **招遠金寶電子有限公司 (「金寶」)**

金寶成立於一九九三年，主要業務為生產及銷售銅箔和覆銅板。近年來資訊科技日趨普及，市場上電訊產品十分暢銷，電子零件的需求亦因應增加。金寶於一九九九年取得良好業績，銷售及淨利潤分別達26,957萬元人民幣及1,811萬元人民幣，比上年分別增長4%及35%。為加強產品質量和增加市場佔有率，金寶管理層正研究擴大生產高增值產品，相信會進一步提高股東的投資回報。

### **承德萬利鋼管有限公司 (「萬利」)**

萬利成立於一九九六年，本集團與承德鋼鐵集團共同投資1,429萬美元，分別佔股35%及65%。項目雖仍處試產階段，合作公司已按合作合同支付本集團首兩年回報，惟一九九九年三月到期之第三期回報，至今仍欠50%。管理層相信憑承鋼集團的支持及保證，去年逾期回報款項可望於年內歸還，同時亦預期下半年可開始正式生產。

## 投資經理報告

### **唐山金泰陶瓷有限公司 (「金泰」)**

金泰從事生產和銷售馬賽克和玻化磚。本集團投資221萬美元，佔有權益15%。由於國內房地產持續疲弱，建材生產商爭相減價促銷，金泰於一九九九年錄得嚴重虧損，流動資金嚴重短缺，令生產完全停頓。鑑於行業前景不明朗，投資經理正與合作中方洽談出售股權事宜，預期年內可達成有關協定。本集團於一九九九年為該項目作出200萬美元(約為投資總額的90%)之撥備。

### **茂名通發公路有限公司 (「通發」)**

受到國內宏觀經濟不振的影響，通發去年的過路費收入比一九九八年只微升1.3%至1,589萬元人民幣。另外，通發於一九九九年九月未有準時支付回報。經投資經理多方努力之後，全部款項已於二零零零年二月份收齊。中方合作伙伴於二零零零年三月份正式向本集團建議提前結束合作，並退回投資本金。現時正就補償方案進行談判。

本集團於一九九七年五月投資1,000萬美元於通發，佔股34.7%，合同訂定之合作年期為二十四年。

### **濰坊銀鷺航空實業有限公司 (「銀鷺」)**

本集團於一九九四年投資287.5萬美元於銀鷺，佔股31.3%。自一九九五年始，合作中方按年支付4期回報予本集團。迄今投資本金已全部收回。由於濰坊市政府已無法繼續徵收交通建設基金，合作中方從去年起缺乏足夠資金支付外方每年依合作合同規定的回報，因此提出一九九九年到期的第5期回報為最後一期，要求外方同意免收餘下回報共138萬美元。投資經理已多次接觸合作中方，設法要求中方提高最後一期回報，令該項目年回報率不低於7%。鑑於按合同全數收回的可能性低，本集團於一九九九年為此項目作出99.8萬美元之撥備。

### **上海招商廣場置業有限公司 (「置業公司」)**

置業公司於一九九四年由包括招商局集團在內的五家公司聯合設立，其主要業務是在上海市中心發展及興建招商局廣場。本集團至今投入568萬美元，佔20%權益，合營期50年。

截至一九九九年底，招商局廣場共售出或租出17,600平方米面積，佔總數的30%。隨著北幢開始拆散租售以及裙樓成功包裝為汽車配件中心，租售進度將會加快。一九九九年，置業公司錄得2,083萬元人民幣虧損。

### **北京龍寶大廈**

本集團於一九九七年七月投資498萬美元於北京龍寶大廈的公寓單位及寫字樓，總面積達5,016平方米。物業由中方負責管理並定期向本集團支付租金回報。於九九年底，該物業之出租率只有26.5%。因此，自九九年二月起，中方一直未能支付有關回報予本集團。本集團正在安排出售其權益下的有關物業。在售出之前將派一名代表參與日常物業的租售工作，務求盡快收回投資成本及回報。根據獨立評估師之估價報告，該物業在九九年底時之市值仍大幅高於本集團之帳面成本。

### **深圳文錦廣場**

文錦廣場的訴訟已拖延了三年多。案件原本已於一九九七年十二月獲得廣東省高級人民法院終審判決。但發展商不服，要求該院暫停執行並申請再審。自一九九九年七月再審正式開庭後，至今仍未有結果。本集團已聯同合作伙伴潮州城(集團)有限公司透過不同途徑催促該院盡快結案。

本集團於一九九四年透過持有35%股權的Hansen Enterprises Ltd.購入文錦廣場第三層裙樓共5,262平方米樓面。至今，根據獨立評估師之評估報告，該物業價值已下跌25%，加上多年來的訴訟費及律師費。該項投資之帳面值已減少140萬美元。

## 投資經理報告

### **濰坊招銀房地產開發有限公司 (「招銀」)**

招銀成立於一九九四年，旨在發展山東省濰坊市高新技術產業開發區內的「安居工程」。本集團投資400萬美元，佔股權18%，項目合作期為20年，根據合作合同，本集團在前十五年每年取得保證回報。惟近年來開發區住房需求減少，財政收入每況愈下，以致自一九九七年起，招銀未能依合同全數支付外方保證回報。投資經理已透過多種渠道，要求中方早日歸還到期未付之保證回報及重定日後分配回報方案。鑑於中方至今未能依約支付回報，本集團已於一九九九年為此項投資作出227萬美元之撥備。

### **上市投資回顧**

一九九九年亞太區股市普遍復甦。國企股及紅籌股則分別上升14.1%及40.7%。同期間，國內深滬兩個B股市場指數亦分別上升58%及32%。年內，本集團在上市股票的投資活動較上年度有所增加。全年計，上市股票投資扣除未實現虧損後共產生108萬美元利潤。於一九九九年底，本集團共持有各種股票和債券等，市值約為590萬美元(佔資產淨值4.95%)，主要為B股、H股和中國概念股。

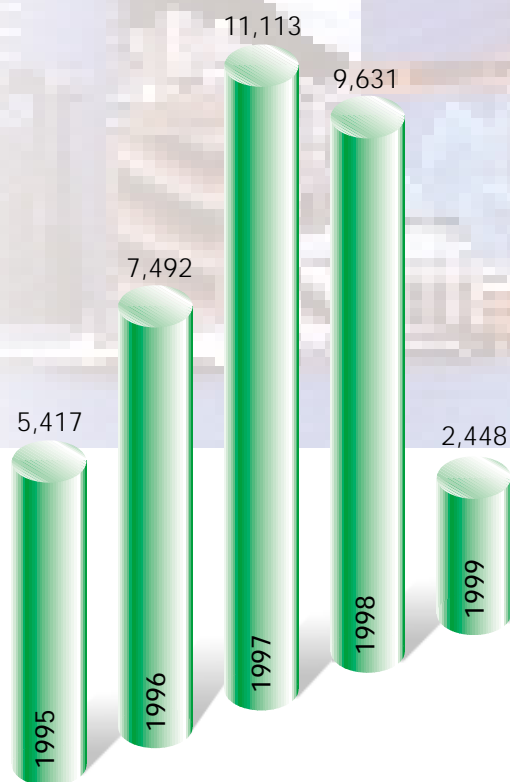
### **招商局中國投資管理有限公司**

*董事總經理*

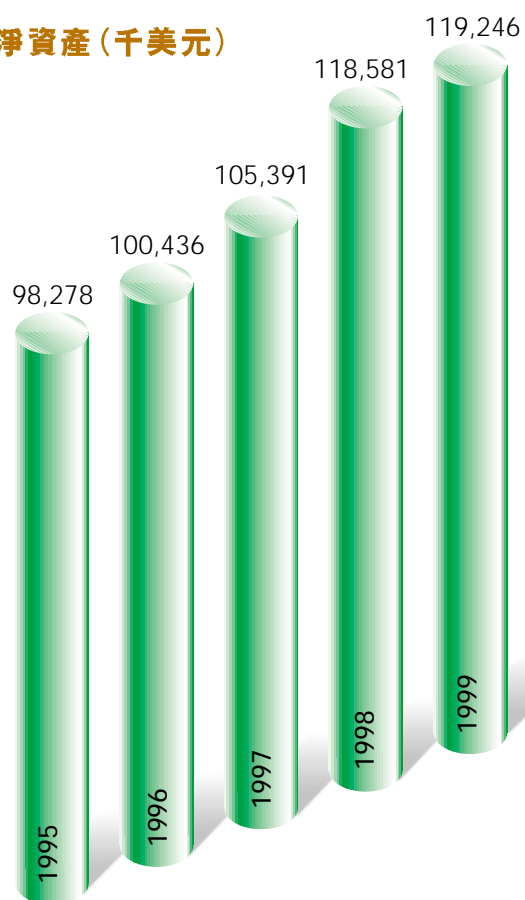
**張雲昆**

香港，二零零零年五月二十六日

## 淨利潤(千美元)



## 淨資產(千美元)



年份	淨利潤 (千美元)	淨資產 (千美元)
1995	5,417	98,278
1996	7,492	100,436
1997	11,113	105,391
1998	9,631	118,581
1999	2,448	119,246

## 董事會報告

董事會謹提呈截至一九九九年十二月三十一日止年度之年報及經審核財務報告。

### 主要業務

本公司乃一間投資控股公司，其主要附屬公司及聯營公司之業務分別載於財務報告附註29及16。

### 業務分析

本集團截至一九九九年十二月三十一日止年度按主要業務劃分之營業額及經營溢利來源分析如下：

	營業額 美元	經營溢利來源 美元
按主要業務劃分：		
來自合作企業之收入	2,957,433	2,957,433
利息收入	2,700,908	2,700,908
上市其他投資之股息收入	115,032	115,032
非上市其他投資之股息收入	2,212,495	2,212,495
	<hr/>	<hr/>
	7,985,868	7,985,868
其他收入		2,930,134
行政費用		(2,236,348)
撥備／投資虧損		(6,429,504)
經營溢利		<hr/>
		2,250,150

本集團之所有業務集中於中華人民共和國（「中國」），而且，本集團超過百分之九十之營業額及經營溢利來自中國。



## 附屬公司及聯營公司

本公司之附屬公司及聯營公司於一九九九年十二月三十一日之詳情分別載於財務報告附註29及16。

## 業績及溢利分配

本集團截至一九九九年十二月三十一日止年度之業績載於第27頁之綜合收益表。

本公司於年內向股東派發中期股息每股0.5美仙，合共派息685,728美元。董事會現建議向於二零零零年六月二十九日名列股東名冊之股東派發末期股息每股0.8美仙或6.23港仙，合共1,097,165美元，是年度餘下溢利665,207美元則予保留。

## 儲備

本集團及本公司於年內之儲備變動詳情載於財務報告附註20。

## 財務概要

本集團過去五個財政年度之業績、資產及負債概要載於第56頁。

## 股本

本公司於年內之股本變動詳情載於財務報告附註19。

於年內，已按照於一九九九年六月二十三日持有每五股普通股則獲發一股繳足股款之準則，派發紅利股份，該等紅利股份在各方面與本公司之現有已發行股份享有同等權益。

## 購買、出售或贖回本公司之股份

於年內，本公司及其任何附屬公司概無購買、出售或贖回本公司任何股份。

# 董事會報告

## 董事

下列為年內直至本報告日期為止之在任董事：

### 執行董事

傅育寧博士 (主席)	(於一九九九年一月二十六日獲委任)
諸立力先生	
張雲昆先生	
張正銘先生	
黃大展博士	(於一九九九年三月十七日獲委任)
簡家宜女士	
(諸立力先生之替任董事)	(於一九九九年五月二十日獲委任)
孫寅先生 (主席)	(於一九九九年一月二十六日辭任)
郭輝先生	(於一九九九年三月十七日辭任)

### 非執行董事

李國寶議員*	
吉盈熙先生*	
潘國濂先生*	
崔貴生先生	
侯百發先生	
孫軍建先生	(於一九九九年五月二十日獲委任)
李繼昌先生*	
(李國寶議員*之替任董事)	(於一九九九年五月十五日獲委任)
賈建平先生	(於一九九九年五月二十日辭任)

根據本公司之公司組織章程細則之規定，張正銘先生將任滿告退，惟彼願膺選連任。

\* 獨立非執行董事

## 董事會報告

各董事之履歷如下：



**傅育寧博士**，現年43歲，本公司主席，自一九九九年一月起出任本公司執行董事。彼亦為招商局中國投資管理有限公司(管理公司)之主席。傅博士現任招商局集團有限公司常務董事及總裁，並出任數家上市公司之董事，包括於香港聯交所上市之招商局國際有限公司主席及董事、香港友聯銀行董事會主席及董事。該等公司為招商局集團所控制之公司。傅博士亦為深圳交易所上市之深圳赤灣港航股份有限公司及深圳赤灣石油基地股份有限公司董事長。傅博士在英國布魯爾大學獲得海洋工程力學博士學位，其後曾在該校從事博士後的研究工作。



**諸立力先生**，現年42歲，自一九九三年六月起出任本公司執行董事。彼亦為管理公司之董事。諸先生為香港執業律師，乃諸立力律師行之首席合夥人。彼亦為積極在中國進行直接投資之第一東方投資集團之主席。諸先生曾為香港政府中央政策組之兼職成員，並為香港聯交所理事會成員以及證券及期貨事務監察委員會收購及合併委員會及顧問委員會成員。在海外機構方面，諸先生現為世界經濟論壇理事及國際商會金融及保險業務委員會副主席。諸先生畢業於倫敦大學大學學院，獲法律學位。



**張雲昆先生**，現年43歲，自一九九六年一月起出任本公司執行董事。彼亦為管理公司之董事總經理。張先生於一九八一年加入招商局集團，直接參與招商局蛇口工業區之發展工作，一九八四年調派招商局蛇口旅遊企業公司工作，稍後並獲委任為總經理。張先生持有華南師範大學經濟學碩士學位，為中國合資格之高級經濟師。

## 董事會報告



**黃大展博士**，現年41歲，自一九九九年三月起出任本公司執行董事，亦為管理公司之董事。黃博士現任招商局金融集團有限公司董事總經理及兼任招商局集團有限公司財務顧問，並出任招商局集團內多間公司之董事，其中包括：招商局金融服務有限公司、深圳市招融投資控股有限公司、國通證券有限責任公司、招商局控股(英國)有限公司、香港友聯銀行有限公司、友聯財務有限公司、友聯控股有限公司。一九九八年十二月加入招商局集團前，彼為中國南山開發集團金融投資部總經理，兼任深圳赤灣港航股份有限公司及深圳赤灣石油基地股份有限公司財務顧問。黃博士先後獲英國曼徹斯特大學經濟學碩士和經濟學博士學位。



**張正銘先生**，現年51歲，自一九九七年三月起出任本公司執行董事，於一九九六年十二月至一九九九年二月彼亦任管理公司董事。張先生於一九八二年畢業於中國山西財經學院會計系會計學專業，獲大學本科經濟學學士學位。彼於一九八四年加入招商局集團，其後獲委任為招商局蛇口工業區貿易公司之副總經理。



**簡家宜女士**(諸立力先生之替任董事)，現年42歲，自一九九九年五月起出任本公司替任董事。彼亦為管理公司之董事。簡女士現為第一東方投資集團之董事總經理，曾任職一國際性會計師事務所香港辦事處核數及商業顧問服務部之行政主管。彼為執業會計師(美國)及香港會計師公會之資深會員。簡女士畢業於美國明尼蘇達大學，並獲得商業及文學學士學位。

## 董事會報告



**李國寶博士**，現年61歲，自一九九三年六月起出任本公司獨立非執行董事。李博士為東亞銀行有限公司之主席兼行政總裁。彼亦為香港立法會議員。李博士為香港華商銀行公會有限公司之主席，亦為外匯基金諮詢委員會、銀行業諮詢委員會、土地基金諮詢委員會之成員，並擔任強制性公積金計劃管理局之非執行董事。李博士為以下國際諮議委員會成員，計有：Carlos P. Romulo Foundation for Peace and Development、戴姆勒－克萊斯勒集團、紐約聯邦儲備銀行國際資本市場顧問委員會、IBM、Lafarge、英國電能及羅爾斯、羅伊斯有限公司。彼亦為香港電訊有限公司之副主席及金寶湯公司、Chelsfield Plc.、中遠太平洋有限公司、杜鐘斯公司、香港中華煤氣有限公司、香港上海大酒店有限公司、香港按揭證券有限公司、Jones Lang LaSalle Incorporated、英國電能有限公司、香港生力啤酒廠有限公司、森那美有限公司、森那美(香港)有限公司、南華早報(集團)有限公司及維他奶國際集團有限公司之董事。



**吉盈熙先生**，現年45歲，自一九九三年六月起出任本公司獨立非執行董事。彼為招商局集團(國際)有限公司之非執行董事。吉先生為香港執業律師及公證人，乃吉盈熙律師行之東主。彼獲中華人民共和國司法部委任為公證人，亦為英格蘭、澳洲維多利亞省及新加坡等地最高法院之律師，以及澳洲特許仲裁人協會及仲裁人及調停人協會會員。在一九九五年至一九九八年期間，彼亦為香港政府根據稅務條例成立之覆核委員會成員。

## 董事會報告



**潘國濂先生**，現年56歲，自一九九三年六月起出任本公司獨立非執行董事。彼為津世企業有限公司董事總經理及港基國際銀行董事。潘先生曾為香港公用事業中華電力有限公司總經理及執行總裁，亦曾為香港聯合交易所理事會理事及立法局議員。潘先生現時為香港特別行政區推選委員會成員。彼持有電機工程碩士學位，乃特許工程師。



**崔貴生先生**，現年53歲，自一九九八年八月起出任本公司非執行董事。彼為東方有色集團有限公司(「東方有色」)董事總經理，中國有色金屬(香港)集團有限公司董事總經理以及東方鑫源(集團)有限公司執行董事及副董事長。彼為中國高級經濟師，並兼任中國中南工業大學碩士研究生導師。加入東方有色前，彼曾任珠海鑫光集團股份有限公司(深圳上市公司)執行董事總經理，珠海珠光冶金有色金屬公司執行董事總經理，中國有色金屬進出口珠海公司總經理和中國有色金屬工業供銷運輸珠海公司總經理。崔先生在進出口貿易、供銷運輸、房地產開發、工業投資、上市公司營運等方面具有逾三十年經驗。



**侯百發先生**，現年51歲，自一九九八年九月起出任本公司非執行董事。彼為淡馬錫控股(香港)有限公司高級副總裁。侯先生獲得美國夏威夷大學工商管理學士學位及工商管理碩士學位。彼擁有超過20年國際商業拓展經驗，特長於亞太區投資拓展方面。合作夥伴包括眾多亞洲企業及著名跨國機構等。



**孫軍建先生**，現年45歲，自一九九九年五月起出任本公司非執行董事。孫先生擁有豐富的銀行和投資經驗。彼現為中銀集團投資有限公司（「中銀投資」）董事和副總經理及中銀投資控制或擁有權益之多間公司之董事。



**李繼昌先生**（李國寶博士之替任董事），現年40歲，於一九九九年五月獲委任為本公司替任董事。李先生是東亞銀行之高級總經理，具有約十年專責基金管理及證券買賣之經驗。彼亦為東亞證券有限公司（為香港聯合交易所會員）之常務董事及多間資產管理公司之董事。

### 董事及主要行政人員之股份權益

各董事或主要行政人員或其聯繫人士概無擁有本公司或其任何聯營公司（見證券（公開權益）條例（「公開權益條例」）之定義）之證券權益，而各董事或主要行政人員或其配偶或18歲以下之子女於年內亦無擁有任何可認購本公司證券之權利或曾行使任何該等權利。

### 購買股份或債券之安排

於年內任何時間，本公司或其附屬公司概無參與訂立任何安排，致使本公司董事及其聯繫人士可透過購入本公司或任何其他公司之股份或債券而獲得利益。

### 董事之重大合約權益

於年終或年內任何時間，本公司或任何關連公司或附屬公司概無訂立任何本公司董事直接或間接擁有重大權益之重要合約。

# 董事會報告

## 董事之服務合約

擬於即將舉行之股東週年大會上膺選連任之董事與本集團概無訂立任何不可一年內不作補償（除法定賠償外）而可予以終止之服務合約。

## 主要股東

於一九九九年十二月三十一日，根據本公司按公開權益條例第16(1)條規定而保存之主要股東登記冊所載，下列股東持有本公司股本10%或以上之權益。

股東名稱	普通股數目
HKSCC Nominees Limited	49,050,960
HSBC (Nominees) Limited	31,296,240
招商局集團有限公司(附註)	33,989,760
招商局輪船股份有限公司(附註)	33,989,760
招商局集團(香港)有限公司(附註)	33,758,630
招商局金融集團有限公司(附註)	33,989,760
招商局金融服務有限公司(附註)	33,989,760
Good Image Limited	33,989,760

*附註：* 由於該公司持有列於其後之公司之控制性權益，故其被視作持有列於其右之股份。

## 二零零零年電腦問題

董事會充分了解二零零零年電腦問題的嚴重性。本公司一向依靠本公司的投資經理提供的電腦系統，投資經理已證實此等系統均已順利過渡千禧年及有關之高危日而且毫無干擾。所有改善二零零零年電腦問題之有關費用均由投資經理承擔。



## 公司監管

除了非執行董事並無固定之任期及在一九九九年三月十七日才成立審核委員會外，本公司在截至一九九九年十二月三十一日止年度均遵守香港聯合交易所有限公司證券上市規則附錄14所載之「最佳應用守則」。

## 投資管理協議

於香港註冊成立之招商局中國投資管理有限公司(「管理公司」)繼續擔任本公司之投資經理，負責為本公司進行上市及非上市投資。傅育寧博士、諸立力先生、張雲昆先生、黃大展博士及簡家宜女士均同時為本公司及管理公司之董事。孫寅先生及張正銘先生曾出任本公司及管理公司之董事。

投資管理協議於一九九三年七月十五日起生效，最初為期五年，此後每次固定年期期滿後即自動續約三年，除非在有關期限屆滿前六個月由董事會發出通知，或任何時候因投資經理之嚴重過失導致本公司蒙受重大虧損而經股東在股東大會上批准，董事會方可終止其委任。

## 核數師

於即將舉行之股東週年大會，將會提呈繼續委任德勤•關黃陳方會計師行為本公司核數師之決議案。

承董事會命  
主席  
**傅育寧**

香港，二零零零年五月二十六日

# 核數師報告

**Deloitte Touche  
Tohmatsu**



**Certified Public Accountants**  
26/F, Wing On Centre  
111 Crossstreet Central  
Hong Kong

**德勤·關黃陳方會計師行**  
香港中環干諾道中111號  
永安中心26樓

## 致招商局中國基金有限公司列位股東

(於香港註冊成立之有限公司)

本核數師已將刊於第27至55頁內根據香港公認之會計原則編製之財務報告審核完竣。

## 董事及核數師之責任

香港公司條例規定董事須編製能顯示真實而公正意見之財務報告。在編製該等財務報告時，董事必須貫徹採用合適之會計政策。

本核數師之責任是根據審核工作之結果，對該等財務報告作出獨立意見，並將此意見向股東呈報。

## 核數師意見之基礎

本核數師乃根據香港會計師公會所頒佈之審計準則完成是次審核工作。審核工作包括以抽樣調查方式審查與財務報告內所載各數額及披露事項有關之憑證，並包括評估董事於編製該等財務報告時所作出之各重大估計及判斷，及衡量究竟其所釐定之會計政策是否適合貴公司及貴集團之情況，貫徹地運用及有否足夠地予以披露。

本核數師計劃及進行審核工作，均以取得認為必需之資料及解釋為目標，以便能為本核數師提供充份之憑證，就該等財務報告是否存有重要之錯誤陳述，作合理之確定。於作出核數意見時，本核數師並衡量該等財務報告內所載之資料在整體上是否足夠，本核數師相信所作之審核工作已為核數意見建立合理之基礎。

## 核數師意見

本核數師認為上述財務報告足以真實而公正地顯示貴公司及貴集團於一九九九年十二月三十一日結算時之財務狀況及貴集團截至該日止年度之溢利及現金流量，並根據香港公司條例適當編製。

## 德勤·關黃陳方會計師行

香港執業會計師

香港，二零零零年五月二十六日

## 綜合收益表

截至一九九九年十二月三十一日止年度

	附註	一九九九年 美元	一九九八年 美元
營業額	4	7,985,868	8,949,687
其他收入	5	2,930,134	5,427,750
行政開支		(2,236,348)	(2,404,303)
撥備／投資虧損	6	(6,429,504)	(2,695,647)
經營溢利		2,250,150	9,277,487
財務費用		(14,323)	(11,974)
應佔聯營公司業績		318,360	450,972
稅前溢利	7	2,554,187	9,716,485
稅項	10	(106,087)	(85,422)
股東應佔溢利	11	2,448,100	9,631,063
股息	12	(1,782,893)	(2,971,488)
本年度保留溢利		665,207	6,659,575
每股盈利	13	0.018	0.070

# 綜合資產負債表

於一九九九年十二月三十一日

	附註	一九九九年 美元	一九九八年 美元
<b>非流動資產</b>			
商譽	14	1,092	1,183
於聯營公司之權益	16	17,738,293	17,892,996
合作企業	17	20,888,299	23,521,164
證券投資	18	44,088,870	40,781,497
		82,716,554	82,196,840
<b>流動資產</b>			
現金及銀行結存		33,535,162	33,663,233
抵押銀行存款		—	1,000,000
應收帳項		5,071,797	4,591,448
預付款項		26,929	18,763
可退回稅款		28,401	18,817
		38,662,289	39,292,261
<b>流動負債</b>			
應付帳項，其他應付款項及應計費用		1,003,916	787,476
短期有抵押銀行貸款		—	603,996
擬派股息		1,097,165	1,485,744
應付稅項		31,346	30,798
		2,132,427	2,908,014
<b>流動資產淨值</b>		<b>36,529,862</b>	<b>36,384,247</b>
<b>資產淨值</b>		<b>119,246,416</b>	<b>118,581,087</b>
<b>股本及儲備</b>			
股本	19	13,714,560	11,428,800
儲備	20	105,531,856	107,152,287
		119,246,416	118,581,087
<b>每股資產淨值</b>	21	<b>0.869</b>	<b>0.865</b>

董事會於二零零零年五月二十六日批准第27至55頁之財務報告並由下述董事代表簽署

主席  
傅育寧

董事  
張雲昆

## 資產負債表

於一九九九年十二月三十一日

	附註	一九九九年 美元	一九九八年 美元
<b>非流動資產</b>			
投資於附屬公司	15	75,713,949	78,329,511
證券投資	18	11,000	9,600
		<hr/>	<hr/>
		75,724,949	78,339,111
<b>流動資產</b>			
現金及銀行結存		30,493,396	31,574,997
應收帳項		791,610	594,978
預付款項		26,800	18,763
可退回稅款		28,401	18,817
		<hr/>	<hr/>
		31,340,207	32,207,555
<b>流動負債</b>			
應付帳款，其他應付款項及應計費用		637,139	761,787
欠附屬公司之款項		60,225	61,232
擬派股息		1,097,165	1,485,744
		<hr/>	<hr/>
		1,794,529	2,308,763
<b>流動資產淨值</b>			
		29,545,678	29,898,792
<b>資產淨值</b>			
		105,270,627	108,237,903
<b>股本及儲備</b>			
股本	19	13,714,560	11,428,800
儲備	20	91,556,067	96,809,103
		<hr/>	<hr/>
		105,270,627	108,237,903

董事會於二零零零年五月二十六日批准第27至55頁之財務報告並由下述董事代表簽署

主席  
傅育寧

董事  
張雲昆

## 綜合經確認盈虧報告

截至一九九九年十二月三十一日止年度

	一九九九年 美元	一九九八年 美元
折算以非美元為單位之 財務報表所產生的匯兌差額	122	(37,084)
未於收益表內確認之收益(虧損)淨額	122	(37,084)
本年度溢利	2,448,100	9,631,063
經確認收益總額	2,448,222	9,593,979
採用會計實務準則第24號會計政策 改變之影響(見附註2)		
– 增加於一九九八年一月一日的保留溢利		6,567,366

# 綜合現金流量表

截至一九九九年十二月三十一日止年度

	附註	一九九九年 美元	一九九八年 美元
<b>經營業務之現金流入淨額</b>	22	3,145,246	8,504,306
<b>投資回報及融資費用</b>			
已付股息		(2,171,472)	(5,771,544)
收取一間聯營公司之股息		412,891	335,566
已付利息		(14,323)	(10,319)
<b>投資回報及融資費用之現金流出淨額</b>		(1,772,904)	(5,446,297)
<b>稅項</b>			
已付香港利得稅		(5,631)	(60,529)
已付中國利得稅		(19,871)	(33,334)
<b>已付稅項</b>		(25,502)	(93,863)
<b>投資活動</b>			
購入上市其他投資		(16,169,233)	(2,711,326)
墊支聯營公司		(29,325)	(965,822)
出售上市其他投資所得之款項		13,102,235	1,440,623
減少(增加)抵押存款		1,000,000	(1,000,000)
出售債券所得之款項		760,000	3,187,139
合作企業已償還之資本		465,408	964,176
出售合作企業所得之款項		—	11,029,000
購入非上市其他投資		—	(5,124,501)
購入債券		—	(4,195,778)
<b>投資活動之現金(流出)流入淨額</b>		(870,915)	2,623,511
<b>融資活動前之現金流入淨額</b>		475,925	5,587,657
<b>融資活動</b>	23		
償還有抵押銀行貸款		(603,996)	—
有抵押銀行貸款		—	603,996
<b>融資活動之現金(流出)流入淨額</b>		(603,996)	603,996
<b>現金及銀行結存之(減少)增加</b>		(128,071)	6,191,653
<b>於一月一日之現金及銀行結存</b>		33,663,233	27,471,580
<b>於十二月三十一日之現金及銀行結存</b>		33,535,162	33,663,233

# **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 1999

## **1. GENERAL**

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited.

The Company acts as an investment holding company. The activities of the principal subsidiaries and associates are set out in notes 29 and 16 respectively to the financial statements.

The financial statements are expressed in United States dollars, the currency in which most of its transactions are carried out.

## **2. ADOPTION OF STATEMENTS OF STANDARD ACCOUNTING PRACTICE**

In the current year, the Company has adopted, for the first time, the following Statements of Standard Accounting Practice ("SSAPs") issued by the Hong Kong Society of Accountants:

SSAP 1 (Revised)	Presentation of financial statements
SSAP 2 (Revised)	Net profit or loss for the period, fundamental errors and changes in accounting policies
SSAP 10 (Revised)	Accounting for investments in associates
SSAP 24	Accounting for investments in securities

SSAP 1 (Revised) and 2 (Revised) are concerned with the presentation and disclosure of financial information. The presentation in the current year's financial statements has been modified in order to conform with the requirements of those Standards. Comparative amounts have been restated in order to achieve a consistent presentation.

In particular:

- additional analyses of income and expenditure have been presented; and
- items of income and expense that were separately identified on the face of the income statement as 'exceptional items' in the prior year have been reclassified within an appropriate income or cost classification.

In addition, the description of various components in the financial statements and the terminology used has been updated to reflect the terminology of the new Standards.

None of the amendments outlined above has affected the results for the current or prior periods.



## 2. ADOPTION OF STATEMENTS OF STANDARD ACCOUNTING PRACTICE

*(continued)*

SSAP 10 (Revised) has not resulted in any significant changes to the accounting treatment adopted for investments in associates and, accordingly, no prior period adjustment has been required. Disclosures presented have been modified to meet the requirements of the new Standard.

SSAP 24 has introduced a new framework for the classification of investments in securities and the adoption of the Standard has had a significant effect on the treatment adopted by the Group for its investments in securities. In adopting SSAP 24, the Group has selected the benchmark treatment for securities other than held-to-maturity securities.

Under SSAP 24, investments in securities are now classified as held-to-maturity debt securities (carried at amortised cost less provision for irrecoverable amounts), investment securities (carried at cost less impairment) and other investments (carried at fair value, with valuation movements dealt with in the income statement). In prior years, the Group's investments in securities were classified as long-term unlisted investments (carried at cost less provision for permanent diminution in value), long-term listed investments (carried at the market value) and debt securities (carried at amortised cost). The accounting treatment specified by SSAP 24 has been applied retrospectively – resulting in an increase in retained profits at 1 January 1999 of US\$9,293,684 (1998: US\$6,567,366) and an increase in profit in the current year of US\$1,138,117 (1998: increase of US\$2,726,518). Comparative amounts have been restated in line with the revised accounting policy.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain investments in securities.

The principal accounting policies which have been adopted in preparing these financial statements and which conform with accounting principles generally accepted in Hong Kong are as follows:

### ***Basis of consolidation***

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December each year.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant inter-company transactions and balances within the Group have been eliminated on consolidation.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### ***Goodwill***

Goodwill arising on consolidation represents the excess of the purchase consideration over the fair value ascribed to the Group's share of the net assets at the date of acquisition of a subsidiary and is capitalised and amortised on a straight line basis over its useful economic life, not exceeding twenty years. Negative goodwill, which represents the excess of the fair value ascribed to the Group's share of the separable net assets at the date of acquisition of a subsidiary over the purchase consideration, is credited to reserves.

On disposal of a subsidiary, the attributable amount of unamortised goodwill or negative goodwill previously credited to reserves is included in the determination of the profit or loss on disposal of the subsidiary.

### ***Interests in subsidiaries***

A subsidiary is an enterprise in which the Company, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or where the Company controls the composition of its board of directors or equivalent governing body.

Interests in subsidiaries are included in the Company's balance sheet at cost, as reduced by any impairment loss that is other than temporary.

### ***Interests in associates***

An associate is an enterprise over which the Group is in a position to exercise significant influence, including participation in financial and operating policy decisions.

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the year. In the consolidated balance sheet, interests in associates are stated at the Group's share of the net assets of the associates.

### ***Contractual joint ventures***

The Group's contractual joint venture arrangements are investments in joint ventures in which the Group receives predetermined annual returns over the terms of the joint ventures but is not entitled to share any distribution on termination of the joint ventures. Accordingly, contractual joint ventures are initially recorded at cost and reduced by subsequent capital repayment. Payments receivable each year under the joint venture agreements are apportioned between income and reduction of the carrying value of the investments so as to give a constant periodic rate of return on the investments.

### 3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### ***Investments in securities***

Investments in securities are recognised on a trade-date basis and are initially measured at cost. At subsequent reporting dates, debt securities that the Group has the expressed intention and ability to hold to maturity (held-to-maturity debt securities) are measured at amortised cost, less any impairment loss recognised to reflect irrecoverable amounts. The annual amortisation of any discount or premium on the acquisition of a held-to-maturity security is aggregated with other investment income receivable over the term of the instrument so that the revenue recognised in each period represents a constant yield on the investment.

Investments other than held-to-maturity debt securities are classified as investment securities and other investments.

Investment securities, which are securities held for an identified long-term strategic purpose, are measured at subsequent reporting dates at cost, as reduced by any impairment loss that is other than temporary.

Other investments are measured at fair value, with unrealised gains and losses included in net profit or loss for the period.

#### ***Revenue recognition***

Income from contractual joint ventures is recognised by reference to the predetermined returns so as to give a constant periodic rate of return on the net investments.

Interest income from bank deposits is accrued on a time proportion basis, by reference to the principal outstanding and at the interest rate applicable.

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

# **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 1999

## **3. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

### ***Foreign currencies***

Transactions in currencies other than United States dollars are translated into United States dollars at the rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in currencies other than United States dollars are re-translated into United States dollars at the approximate rates ruling on the balance sheet date. Gains and losses arising on exchange are dealt with in the income statement.

On consolidation, the financial statements of subsidiaries and associates expressed in currencies other than United States dollars are translated at the rates ruling at the balance sheet date. All exchange differences arising on consolidation are dealt with as movements in the exchange equalisation reserve.

### ***Taxation***

The charge for taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. Timing differences arise from the recognition for tax purposes of certain items of income and expense in a different accounting period from that in which they are recognised in the financial statements. The tax effect of timing differences, computed using the liability method, is recognised as deferred taxation in the financial statements to the extent that it is probable that a liability or asset will crystallise in the foreseeable future.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 4. TURNOVER

Turnover represents the amounts received and receivable on investments during the year as follows:

	THE GROUP	
	1999 US\$	1998 US\$
Interest income	2,700,908	3,105,059
Income from contractual joint ventures	2,957,433	3,967,678
Dividend income from listed other investments	115,032	62,877
Dividend income from unlisted other investments	2,212,495	1,814,073
	<hr/>	<hr/>
	7,985,868	8,949,687

## 5. OTHER REVENUE

	THE GROUP	
	1999 US\$	1998 US\$
Exchange gain	–	467,704
Gain on disposal of debt securities	–	404,465
Gain (loss) on disposal of listed other investments	1,788,893	(278)
Sundry income	3,124	26,855
Gain on disposal of a contractual joint venture	–	1,802,686
Unrealised holding gain on unlisted other investments	1,138,117	2,726,318
	<hr/>	<hr/>
	2,930,134	5,427,750

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 6. PROVISION/LOSS ON INVESTMENTS

	THE GROUP	
	1999	1998
	US\$	US\$
Unrealised holding loss on listed other investments	821,105	1,095,647
Provision for diminution in value of associates	–	1,600,000
Loss on disposal of debt securities	37,275	–
Provision for diminution in value of unlisted other investments	2,000,000	–
Provision for diminution in value of contractual joint ventures	3,271,124	–
Provision for diminution in value of debt securities	300,000	–
	6,429,504	2,695,647

## 7. PROFIT BEFORE TAXATION

	THE GROUP	
	1999	1998
	US\$	US\$
Profit before taxation has been arrived at after charging (crediting):		
Amortisation of goodwill	91	91
Auditors' remuneration	43,216	38,876
Net foreign exchange losses (gains)	22,756	(467,704)
Investment manager's fee	1,954,681	1,946,603
Interest expense on bank loans wholly repayable within five years	14,323	11,974
Directors' fee	30,770	37,185

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 8. DIRECTORS' EMOLUMENTS

	THE GROUP	
	1999 US\$	1998 US\$
Directors' fees		
– Executive	15,385	18,593
– Non-executive	15,385	18,592
	<hr/>	<hr/>
	30,770	37,185
Other emoluments		
– Salaries and other benefits	–	–
– Contribution to retirement benefits schemes	–	–
– Performance related incentive payment	–	–
– Incentive payment on joining	–	–
	<hr/>	<hr/>
	–	–

Emoluments paid to each director in 1999 and 1998 were less than US\$125,000.

The amounts disclosed above include directors' fees of US\$7,693 (1998: US\$9,295) payable to independent non-executive directors.

## 9. EMPLOYEES' EMOLUMENTS

The five highest paid individuals in the Group in 1999 and 1998 were all directors of the Company and details of their emoluments are included in note 8 above.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 10. TAXATION

	THE GROUP	
	1999	1998
	US\$	US\$
The charge comprises:		
Profits tax for the year		
Hong Kong	(3,953)	(8,670)
Other regions in the People's Republic of China (" PRC")	20,419	28,322
Taxation attributable to the Company and its subsidiaries	16,466	19,652
Share of taxation on results of associates		
Other regions in the PRC	89,621	65,770
	106,087	85,422

Hong Kong Profits Tax is calculated at 16% (1998: 16%) of the estimated assessable profit for the year.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

No provision for deferred taxation has been recognised in the financial statements as the amount involved is insignificant.

## 11. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

Of the Group's profit for the year of US\$2,448,100 (1998: US\$9,631,063), a loss of US\$1,184,383 (1998: profit of US\$5,178,250) has been dealt with in the financial statements of the Company.



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 12. DIVIDENDS

	THE GROUP	
	1999 US\$	1998 US\$
Ordinary shares:		
Interim, paid – US\$0.005 per share (1998: US\$0.013)	685,728	1,485,744
Final, proposed – US\$0.008 per share (1998: US\$0.013)	1,097,165	1,485,744
	<hr/> 1,782,893	<hr/> 2,971,488

## 13. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the following data:

	THE GROUP	
	1999	1998
Earnings for the purpose of basic earnings per share	US\$2,448,100	US\$9,631,063
Number of ordinary shares for the purpose of basic earnings per share	137,145,600	137,145,600

The number of ordinary shares for the purpose of basic earnings per share has been adjusted for the effects of the bonus issue on 23 June 1999. The comparative earnings per share for the corresponding year has been adjusted retrospectively.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 14. GOODWILL

	THE GROUP	
	1999 US\$	1998 US\$
AT COST		
Balance as at 1 January and 31 December	1,637	1,637
ACCUMULATED AMORTISATION		
Balance as at 1 January	454	363
Provided for the year	91	91
Balance as at 31 December	545	454
NET BOOK VALUE		
Balance as at 31 December	1,092	1,183

## 15. INVESTMENTS IN SUBSIDIARIES

	THE COMPANY	
	1999 US\$	1998 US\$
Unlisted shares, at cost less provision	10,066,348	10,066,349
Amounts due from subsidiaries	65,647,601	68,263,162
	75,713,949	78,329,511

Particulars of the principal subsidiaries at 31 December 1999 are set out in note 29.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 16. INTERESTS IN ASSOCIATES

	THE GROUP	
	1999 US\$	1998 US\$
Share of net assets	3,475,188	3,659,216
Amounts due from associates	17,863,105	17,833,780
	21,338,293	21,492,996
Less: Provision for diminution in value of investments	(3,600,000)	(3,600,000)
	17,738,293	17,892,996

As at 31 December 1999, the Group had investments in the following associates:

Name of company	Place of incorporation/ operation	Class of share held	Principal activities	Proportion of nominal value of issued capital/ registered capital held by the Group
Daily On Property Limited	HK/PRC	Ordinary	Property development	22%
Hansen Enterprises Limited	British Virgin Islands ("BVI")/PRC	Ordinary	Property investment	35%
Zhaoyuan Jinbao Electronics Co., Ltd.	PRC/PRC	N/A	Manufacturing of electronics products	30%

The financial statements of the above associates are not audited by Deloitte Touche Tohmatsu.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 17. CONTRACTUAL JOINT VENTURES

	THE GROUP	
	1999 US\$	1998 US\$
Unlisted investments		
Contributions to contractual joint ventures less capital recovered	20,888,299	23,521,164

Particulars of contractual joint ventures at 31 December 1999 are as follows:

Name	Principal activities	Expiry date of joint venture
Wei Fang Yin Yuan Aviation Industry Co., Ltd.	Airport construction and operation	4 May 2009
Weifang Zhaoyin Real Estate Development Co., Ltd.	Property development	23 June 2014
Chengde Wanli Steel Tubes Co., Ltd.	Steel tubes manufacturing	12 March 2016
Maoming Tongfa Highway Co., Ltd.	Highway construction and operation	28 February 2021
Beijing Longbao Mansion Joint Operation Project	Property investment	24 July 2000

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 18. INVESTMENTS IN SECURITIES

	<b>THE GROUP</b>					
	<b>Held to</b>		<b>Other</b>		<b>Total</b>	
	<b>maturity securities</b>		<b>investments</b>			
	<b>1999</b>	<b>1998</b>	<b>1999</b>	<b>1998</b>	<b>1999</b>	<b>1998</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Equity securities:						
Listed	-	-	5,199,710	1,164,926	5,199,710	1,164,926
Unlisted	-	-	38,189,160	38,022,981	38,189,160	38,022,981
	-	-	43,388,870	39,187,907	43,388,870	39,187,907
Debt securities:						
Listed	700,000	1,593,590	-	-	700,000	1,593,590
Unlisted	-	-	-	-	-	-
	700,000	1,593,590	-	-	700,000	1,593,590
Total:						
Listed						
Hong Kong	-	-	3,533,809	856,951	3,533,809	856,951
Elsewhere	700,000	1,593,590	1,665,901	307,975	2,365,901	1,901,565
Unlisted	-	-	38,189,160	38,022,981	38,189,160	38,022,981
	700,000	1,593,590	43,388,870	39,187,907	44,088,870	40,781,497
Market value						
of listed securities	266,643	1,489,415	5,199,710	1,164,926	5,466,353	2,654,341

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 18. INVESTMENTS IN SECURITIES (continued)

	THE COMPANY	
	Other Investments	
	1999 US\$	1998 US\$
Equity securities		
Listed	11,000	9,600
Market value of listed securities	11,000	9,600

### Note (a):

Particulars of the Group's listed investment portfolio at 31 December 1999 are as follows:

Name of securities	Principal activities	Cost US\$	Market value US\$	% of net asset value of the Group
China International Marine Containers Co., Ltd. "B" share	Manufacturing and sales of marine containers	304,524	301,100	0.25
Shandong Chenming Paper Holdings Ltd. "B" share	Manufacturing of paper	278,578	185,936	0.16
Shanghai Dazhong Transportation (Group) Co., Ltd. "B" share	Taxi operation	245,264	151,159	0.13
Shanghai Haixin Group Co., Ltd. "B" share	Plush & fannel manufacturing	272,471	177,875	0.15

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 18. INVESTMENTS IN SECURITIES *(continued)*

Name of securities	Principal activities	Cost US\$	Market value US\$	% of net asset value of the Group
Shenzhen Chiwan Wharf Holdings Ltd. "B" share	Port operations	151,037	155,028	0.13
Shenzhen China Merchants Shekou Port Co., Ltd. "B" share	Port operations	487,770	483,031	0.40
Chongqing Changan Automobile Co., Ltd. "B" share	Manufacturing of mini-vehicles	271,094	92,775	0.08
Shenzhen SEZ Real Estate & Properties (Group) Co., Ltd. "B" share	Real estate development	350,121	107,997	0.09
Beijing Yanhua Petrochemical Co., Ltd.* "H" share	Manufacturing of resin and plastics	492,498	231,615	0.19
Guangshen Railway Co. Ltd.* "H" share	Operation of railroad between Guangzhou and Shenzhen	769,791	335,843	0.28
Harbin Power Equipment Co., Ltd.* "H" share	Manufacturing of power equipment	357,709	162,131	0.14
Shanghai Petrochemical Co., Ltd.* "H" share	Manufacturing of petrochemical products	420,037	329,666	0.28
Shenyang Public Utility Holdings Ltd.* "H" share	Public utility development and operations	293,623	192,755	0.16
Zhejiang Expressway Co., Ltd.* "H" share	Toll road development and operations	93,327	45,551	0.04

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 18. INVESTMENTS IN SECURITIES (continued)

Name of securities	Principal activities	Cost US\$	Market value US\$	% of net asset value of the Group
Zhenhai Refining & Chemical Co. Ltd.* "H" share	Oil refinery	168,915	88,786	0.07
China Merchants Holdings (International) Co. Ltd.*	Ports and infrastructure	426,242	411,761	0.35
Cosco Pacific Ltd.*	Shipping	246,242	248,987	0.21
Dao Heng Bank Group Ltd.*	Banking	214,874	206,395	0.17
Guangdong Development Fund Ltd.	China direct investments	24,256	11,000	0.01
New World Cyberbase Ltd.*	High-tech investment	162,537	212,314	0.18
Shum Yip Investment Ltd.*	Property development and investment	252,709	193,013	0.16
Stone Electronics Technology Ltd.*	Manufacturing and distribution of computer and electronic products	345,393	353,857	0.30
Sun Hung Kai Properties Ltd.*	Property development	546,970	521,135	0.43
		7,175,982	5,199,710	4.36

\* Securities listed in Hong Kong



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 18. INVESTMENTS IN SECURITIES *(continued)*

### Note (b):

Particulars of the Group's unlisted investment portfolio which exceed 10% of the assets of the Group at 31 December 1999 disclosed pursuant to section 129(2) of the Companies Ordinance are as follows:

Name	Place of incorporation	Class of share capital	% of Equity held by Group
China Merchants Bank	PRC	equity	1.62%
Fujian Industrial Bank	PRC	equity	3.20%

## 19. SHARE CAPITAL

	1999 US\$	1998 US\$
Authorised:		
150,000,000 ordinary shares of US\$0.10 each	15,000,000	15,000,000
Issued and fully paid:		
114,288,000 (1998: 95,240,000) ordinary shares of US\$0.10 each	11,428,800	9,524,000
Issued by capitalisation of the share premium account ( <i>Note 24</i> )	2,285,760	1,904,800
137,145,600 (1998: 114,288,000) ordinary shares of US\$0.10 each	13,714,560	11,428,800

Pursuant to the resolution passed at the annual general meeting of the Company held on 23 June 1999:

- (a) 22,857,600 shares of US\$0.10 each were issued as bonus shares and were credited as fully paid at par to the holders of shares on the register of members at the close of business on 23 June 1999 by way of capitalisation of the sum of US\$2,285,760 standing to the credit of the share premium account of the Company.
- (b) These bonus shares issued rank *pari passu* with the existing shares in all respects.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 20. RESERVES

	Share premium US\$	Exchange reserve US\$	Retained profits US\$	Total US\$
<b>THE GROUP</b>				
At 1 January 1998				
– as originally stated	85,716,544	161,350	9,989,336	95,867,230
– prior period adjustment on adoption of SSAP 24 (Note 2)	–	–	6,567,366	6,567,366
As at 1 January 1998	85,716,544	161,350	16,556,702	102,434,596
Exchange differences on translation of financial statements of associates	–	(37,084)	–	(37,084)
Issue of bonus shares	(1,904,800)	–	–	(1,904,800)
Profit for the year, retained	–	–	6,659,575	6,659,575
As at 1 January 1999	83,811,744	124,266	23,216,277	107,152,287
Exchange differences on translation of financial statements of associates	–	122	–	122
Issue of bonus shares	(2,285,760)	–	–	(2,285,760)
Profit for the year, retained	–	–	665,207	665,207
As at 31 December 1999	81,525,984	124,388	23,881,484	105,531,856
<b>THE COMPANY</b>				
As at 1 January 1998	85,716,544	–	10,790,597	96,507,141
Issue of bonus shares	(1,904,800)	–	–	(1,904,800)
Profit for the year	–	–	5,178,250	5,178,250
Dividends	–	–	(2,971,488)	(2,971,488)
As at 1 January 1999	83,811,744	–	12,997,359	96,809,103
Issue of bonus shares	(2,285,760)	–	–	(2,285,760)
Loss for the year	–	–	(1,184,383)	(1,184,383)
Dividends	–	–	(1,782,893)	(1,782,893)
As at 31 December 1999	81,525,984	–	10,030,083	91,556,067

# **N**OTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## **20. RESERVES** *(continued)*

The retained profits of the Group as at 31 December 1999 include US\$329,532 (1998: US\$513,682) retained by associates of the Group.

The Company's reserves available for distribution to shareholders as at 31 December 1999 comprised the retained profit of US\$10,030,083 (1998: US\$12,997,359).

## **21. NET ASSET VALUE PER SHARE**

The calculation of the net asset value per share is based on the net assets of US\$119,246,416 (1998: US\$118,581,087) and 137,145,600 ordinary shares (1998: 137,145,600 ordinary shares) of US\$0.10 each in issue. The comparative net asset value per share for the corresponding year has been adjusted retrospectively for the effects of the bonus issue on 23 June 1999.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 22. RECONCILIATION OF PROFIT BEFORE TAXATION TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1999 US\$	1998 US\$
Profit before taxation	2,554,187	9,716,485
Non-cash dividend income ( <i>Note 24</i> )	(1,028,062)	–
Interest expense on bank loans	14,323	11,974
Share of results of associates	(318,360)	(450,972)
Unrealised holding gain on unlisted other investments	(1,138,117)	(2,726,318)
Gain on disposal of a contractual joint venture	–	(1,802,686)
(Gain) loss on disposal of listed other investments	(1,788,893)	278
Unrealised holding loss on listed other investments	821,105	1,095,647
Discount recognised on debt securities	(203,685)	(180,486)
Loss (gain) on disposal of debt securities	37,275	(404,465)
Amortisation of goodwill	91	91
Provision for diminution in value of associates	–	1,600,000
Provision for diminution in value of contractual joint ventures	3,271,124	–
Provision for diminution in value of unlisted other investments	2,000,000	–
Provision for diminution in value of debt securities	300,000	–
(Increase) decrease in accounts receivable and prepayments	(1,592,182)	1,593,911
Increase in accounts payable, other payables and accrued charges	216,440	50,847
Net cash inflow from operating activities	3,145,246	8,504,306

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 23. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	THE GROUP	
	1999	1998
	US\$	US\$
Balance at 1 January	603,996	-
Addition during the year	-	603,996
Repayment during the year	(603,996)	-
Balance at 31 December	-	603,996

## 24. MAJOR NON-CASH TRANSACTIONS

During the year, 22,857,600 (1998: 19,048,000) bonus shares were issued, by the capitalisation of US\$2,285,760 (1998: US\$1,904,800) of share premium account.

The subscription cost of US\$1,028,062 for shares in an unlisted other investment was settled by Fujian Industrial Bank's 1998 dividend payment.

## 25. LEASE COMMITMENTS

At 31 December 1999, the Group and the Company had no commitment under non-cancellable operating leases (1998: Nil).

## 26. COMMITMENTS

At 31 December 1999, the Group and the Company had no capital commitment not provided for in the financial statements (1998: Nil).

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 27. PLEDGE OF ASSETS

At 31 December 1999, the Group had no assets pledged (1998: pledged bank deposit of US\$1,000,000) to a bank for securing bank loan granted to the Group.

## 28. RELATED PARTY TRANSACTION

The Company has appointed China Merchants China Investment Management Limited ("CMCIM") as the investment manager for both listed and unlisted investments. The party concerned is related to the Company since the enterprise has directors in common with the Company.

During the year, management fees totalling US\$1,954,681 (1998: US\$1,946,603) were paid or payable to CMCIM, which is calculated based on a fixed percentage on the value of the Group's assets as stipulated in the Agreement. The amounts owing to CMCIM at 31 December 1999 were US\$550,299 (1998: US\$524,262).

## 29. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries at 31 December 1999, which are all wholly-owned and directly held by the Company, are as follows:

Name	Place of incorporation/ operation	Principal activities	Particulars of issued share capital
CMCDI Zhaoyuan Limited	BVI	Investment holding	1 ordinary share of US\$1 each
China Merchants Industry Development (Shenzhen) Limited*	PRC	Investment holding	Paid up capital of US\$10,000,000
Convoy Overseas Limited	BVI	Investment holding	1 ordinary share of US\$1 each
Foster Overseas Limited	BVI	Investment holding	1 ordinary share of US\$1 each

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1999

## 29. PARTICULARS OF PRINCIPAL SUBSIDIARIES *(continued)*

Name	Place of incorporation/ operation	Principal activities	Particulars of issued share capital
Head Union Development Limited	HK	Investment holding	2 ordinary shares of HK\$1 each
Ryan Pacific Limited	BVI	Investment holding	1 ordinary share of US\$1 each
Star Group Limited	HK	Investment holding	2 ordinary shares of HK\$1 each
Storey Overseas Limited	BVI	Investment holding	1 ordinary share of US\$1 each
Supertone Investment Limited	BVI	Investment holding	1 ordinary share of US\$1 each
Weaver International Limited	BVI	Investment holding	1 ordinary share of US\$1 each
Wheaton International Limited	BVI	Investment holding	1 ordinary share of US\$1 each
Woodford Pacific Limited	BVI	Investment holding	1 ordinary share of US\$1 each

The above table lists the subsidiaries of the Group which, in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

None of the subsidiaries had any loan capital subsisting at 31 December 1999 or at any time during the year.

\* *Company not audited by Deloitte Touche Tohmatsu.*

**RESULTS**

	For the year ended 31 December				
	1995 US\$	1996 US\$	1997 US\$	1998 US\$	1999 US\$
Turnover	7,269,831	6,912,927	7,294,666	8,949,687	7,985,868
Profit from operations					
after finance costs	5,128,266	7,342,343	10,903,902	9,265,513	2,235,827
Share of results of associates	320,119	212,578	365,306	450,972	318,360
Taxation	(31,286)	(63,105)	(155,977)	(85,422)	(106,087)
Profit attributable to shareholders	5,417,099	7,491,816	11,113,231	9,631,063	2,448,100

**ASSETS AND LIABILITIES**

	As at 31 December				
	1995 US\$	1996 US\$	1997 US\$	1998 US\$	1999 US\$
Total assets	102,776,407	105,893,087	110,498,195	121,489,101	121,378,843
Total liabilities	(4,498,459)	(5,456,748)	(5,106,965)	(2,908,014)	(2,132,427)
Shareholders' funds	98,277,948	100,436,339	105,391,230	118,581,087	119,246,416

The above financial summary prior to 1998 has not been adjusted to take into account the effect on the adoption of SSAP 24 as the directors considered that it is not practicable to do so.



## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Company will be held at Tang Room 1-3, 4th Floor, Hotel Furama Kempinski Hong Kong, 1 Connaught Road Central, Hong Kong on Thursday, 29 June 2000 at 4:00 p.m. for the following purposes:

1. To receive and consider the Audited Consolidated Financial Statements and the Reports of the Directors and Auditors for the year ended 31 December 1999.
2. To declare a final dividend for the year ended 31 December 1999.
3. To re-elect retiring Directors and authorise the Board of Directors to fix Directors' remuneration.
4. To re-appoint Auditors and authorise the Directors to fix their remuneration.
5. As special business to consider and, if thought fit, to pass with or without modifications the following resolutions as Ordinary Resolutions:

A. **"THAT:**

- (a) subject to paragraph (c) and pursuant to section 57B of the Companies Ordinance, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares or warrants or similar rights to subscribe for any shares in the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue, (ii) the exercise of rights of subscription under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company, (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company or (iv) any scrip dividend or similar arrangement

## NOTICE OF ANNUAL GENERAL MEETING

providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

B. **“THAT:**

- (a) subject to paragraph (b) the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

## NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate nominal amount of shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this Resolution and the said approval shall be limited accordingly; and

(c) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”

C. “**THAT** conditional upon Resolutions 5.A. and 5.B. being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in Resolution 5.B. shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to Resolution 5.A., provided that the amount of share capital repurchased by the Company shall not exceed 10 per cent. of the total nominal amount of the share capital of the Company in issue on the date of this Resolution.”

By Order of the Board

**Zhang Yun Kun**

*Executive Director*

Hong Kong, 26 May 2000

## NOTICE OF ANNUAL GENERAL MEETING

### *Notes:*

- (1) A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint not more than two proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) In order to be valid, the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a copy of such authority notarially certified, must be deposited at the Company's registered office at Room 1101, Shun Tak Centre, West Tower, 200 Connaught Road Central, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting.
- (3) The Register of Members of the Company will be closed from 26 June 2000 to 28 June 2000, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend to be approved at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's registrars, Central Registration Hong Kong Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on 23 June 2000.
- (4) At the Annual General Meeting of the Company held on 23 June 1999, Ordinary Resolutions were passed giving general mandates to Directors to repurchase shares of the Company on the Stock Exchange and to allot, issue and otherwise deal with additional shares in the capital of the Company. Under the terms of the Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange these general mandates lapse at the conclusion of the Annual General Meeting for 2000, unless renewed at that meeting. The Ordinary Resolutions sought in items 5.A. and 5.B. of this notice renew these mandates.
- (5) With reference to the Ordinary Resolutions sought in terms 5.A. and 5.B. of this notice, the Directors wish to state that they have no immediate plans to issue any new shares or repurchase any existing shares of the Company. Approval is being sought from members as a general mandate pursuant to the Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange. The Circular required by the Rules Governing the Listing of Securities on the Stock Exchange in connection with the proposed new issue and repurchase mandates will be despatched to shareholders together with the Annual Report of the Company.



**CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED**  
**招商局中國基金有限公司**

*(Incorporated in Hong Kong under the Companies Ordinance)*

**FORM OF PROXY FOR ANNUAL GENERAL MEETING TO BE HELD ON**  
**THURSDAY, 29 JUNE 2000**

No. of shares to which this Proxy relates (Note 1)	
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I/We (Note 2) \_\_\_\_\_  
of \_\_\_\_\_  
being shareholder(s) of CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED (the "Company") hereby  
appoint (Note 3) the Chairman of the Meeting or \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to attend, act and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at Tang Room 1-3, 4th Floor, Hotel Furama Kempinski Hong Kong, 1 Connaught Road Central, Hong Kong on Thursday, 29 June 2000 at 4:00 p.m. and at any adjournment thereof as hereunder indicated in respect of the Resolutions set out in the Notice of Annual General Meeting, and, if no such indication is given, as my/our proxy thinks fit.

<b>Resolutions</b>	<b>For (Note 4)</b>	<b>Against (Note 4)</b>
1. To receive and consider the Audited Consolidated Financial Statements and the Reports of the Directors and Auditors for the year ended 31 December 1999.		
2. To declare a final dividend for the year ended 31 December 1999.		
3. (i) To re-elect Mr Zhang Zheng Ming as a Director of the Company. (ii) To authorise the Board of Directors to fix Directors' remuneration.		
4. To re-appoint Messrs. Deloitte Touche Tohmatsu as Auditors and to authorise the Directors to fix their remuneration.		
5. A. To grant a general mandate to the Directors to allot shares. B. To grant a general mandate to the Directors for the repurchase of shares. C. To add the nominal amount of the shares repurchased under resolution no. 5.B. to the mandate granted to the Directors under resolution no. 5.A.		

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

Signature(s) (Note 5) \_\_\_\_\_

**NOTES:**

- (1) Please insert the number of shares registered in your name(s) to which the proxy relates. If no number is inserted, this form of proxy will be deemed to relate to all the shares in the capital of the Company registered in your name(s).
- (2) Please insert the full name(s) and address(es) in BLOCK CAPITALS.
- (3) If any proxy other than the Chairman of the Meeting is preferred, delete the words "the Chairman of the Meeting or" and insert the name and address of the proxy desired in the space provided. A member may appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company. ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE DULY INITIALLED.
- (4) IMPORTANT: IF YOU WISH TO VOTE FOR ANY RESOLUTION, PLEASE TICK IN THE BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST ANY RESOLUTION, TICK IN THE BOX MARKED "AGAINST". If you do not indicate how you wish your proxy to vote your proxy will be entitled to exercise his discretion. Your proxy will also be entitled to vote at his discretion on any resolutions properly put to the Meeting other than those referred to in the Notice convening the Meeting.
- (5) This form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must either be executed under its common seal or under the hand of an officer, attorney or other person duly authorised to sign the same.
- (6) Where there are joint registered holders of any share, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders is present at the Meeting, personally or by proxy, then one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
- (7) To be valid, this form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or other authority, must be deposited at the registered office of the Company at Room 1101, Shun Tak Center, West Tower, 200 Connaught Road Central, Hong Kong, not less than 48 hours before the time appointed for the Meeting or any adjournment thereof.



# CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED

招商局中國基金有限公司

(Incorporated in Hong Kong under the Companies Ordinance)

## Dividend Election Form

股息選擇表格

DO NOT COMPLETE AND RETURN THIS ELECTION FORM IF (I) YOU WISH TO CONTINUE TO RECEIVE THE FINAL DIVIDEND FOR THE PERIOD ENDED 31 DECEMBER 1999 IN US DOLLARS; OR (II) YOU HAD PREVIOUSLY COMPLETED AND RETURNED A DIVIDEND ELECTION FORM.

如閣下(i)擬繼續以美元收取所釐訂一九九九年末期之現金股息；或(ii)曾填妥及交回股息選擇表格，則閣下毋須填寫及交回本選擇表格。

IF YOU WISH TO ELECT TO RECEIVE THIS DIVIDEND AND ALL FUTURE DIVIDENDS IN HONG KONG DOLLARS, COMPLETE AND RETURN THIS FORM IN ACCORDANCE WITH THE INSTRUCTION BELOW NO LATER THAN 5:00 P.M. ON [•] JULY 2000.

如閣下擬以港元收取所有未來之股息，則須填妥以下表格，並最遲須於二零零零年七月●日下午五時正前根據下列指示交回本表格。

To China Merchants China Direct Investments Limited

致 招商局中國基金有限公司

Until further notice to the contrary, I/we \_\_\_\_\_ hereby authorise and request you to pay in Hong Kong Dollars all dividends that may from time to time become due and payable in cash on any shares in the Company which are now registered or which may hereafter registered in my/our name(s).

本人／吾等 \_\_\_\_\_ 茲授權及要求以港元支付現時或今後以本人／吾等名義登記之任何股份享有以現金支付一切股息，直至另行通知終止授權為止。

Compliance by the Company with this authorisation will discharge it from all liability in respect of dividends so paid.

貴公司遵照本授權行事將毋須就因此支付之股息承擔任何責任。

	Signature of Shareholder(s)*
	股東簽署*
	1. _____
	2. _____
	3. _____
	4. _____
	Tel. No. of shareholder(s)
	股東電話 _____

\* In the case of joint holders ALL must sign. In the case of a corporation, this form should be executed under its common seal or by a duly authorised representative.

\* 如為聯名持有人，則所有聯名持有人必須簽署。如為公司，本表格應蓋上公司印鑑或由正式授權代表簽署。

Completed forms must be returned to the Shares Registrars at the address shown below. Any instructions received after [包 July 2000 will not apply for the 1999 final dividend but only to subsequent dividends. All enquires regarding this form should be addressed to : Central Registration Hong Kong Limited, Room 1901-1905, 19/F., Hopewell Centre, 183 Queen Road East, Hong Kong (Telephone: 2862 8628).

填妥之表格交回下列地址之股份過戶登記處。於二零零零年七月●日後接獲之任何指示將不適用於一九九九年度末期股息，僅適用於其後之股息。如對本表格有任何疑問，可向香港中央證券登記有限公司查詢，地址為香港皇后大道東183號合和中心19樓1901-1905室(電話：2862 8628)