

董事會謹將截至二零零二年十二月三十一日止年度之報告書及經審核之帳項呈奉各股東閱覽。

主要業務

本公司之主要業務為地產發展、投資及投資控股。部份附屬公司之主要業務載於帳項附註31(a)。

主要客戶及供應商

本集團五大客戶及五大供應商分佔本集團年內總銷售額及總採購額均不足百分之三十。

附屬公司

本公司之主要附屬公司資料載於帳項附註31(a)。

集團盈利

本集團截至二零零二年十二月三十一日止年度之盈利與本公司及本集團於二零零二年十二月三十一日之財務狀況刊於本報告書第32至第89頁之帳項內。

股息

中期股息每股五仙已於二零零二年十月十六日派發。董事會現建議派發結至二零零二年十二月三十一日止年度之末期股息，每股二十仙。

捐款

本集團於本年度內共捐款四萬零八百元作慈善用途。

固定資產

年內固定資產變動情形載於帳項附註12。

The directors have pleasure in submitting their annual report together with the audited statement of accounts for the year ended 31 December 2002.

PRINCIPAL ACTIVITIES

The principal activities of the Company are property development and investment and the holding of investments. The principal activities of certain of its subsidiary companies are set out in note 31(a) on the accounts.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, less than 30% of the Group's sales and less than 30% of the Group's purchases were attributable to the Group's five largest customers and five largest suppliers respectively.

SUBSIDIARY COMPANIES

Particulars of the principal subsidiary companies of the Company are set out in note 31(a) on the accounts.

GROUP PROFIT

The profit of the Group for the year ended 31 December 2002 and the state of affairs of the Company and of the Group at that date are set out in the accounts on pages 32 to 89.

DIVIDENDS

An interim dividend of $\$5$ per share was paid on 16 October 2002. The directors now recommend that a final dividend of $\$20$ per share be paid in respect of the year ended 31 December 2002.

DONATIONS

Charitable donations made by the Group during the year amounted to $\$40,800$.

FIXED ASSETS

Movements in fixed assets during the year are set out in note 12 on the accounts.

股本

年內股本變動情形載於帳項附註24。

儲備金

年內儲備金變動情形載於帳項附註25。

董事酬金

依照香港公司條例第161條及香港聯合交易所有限公司證券上市規則（「上市規則」）之上市協議第9(1)(q)節而披露之董事酬金資料載於帳項附註6(a)。

董事

本年度及至本報告日期之本公司董事如下：

柯為湘先生
Keith Alan Holman先生
吳志文女士
黎家輝先生
譚希仲先生
楊國光先生
周湛榮先生
司徒振中先生
陸恭正先生
李國星先生
伍兆燦先生
(二零零二年二月七日辭任)
余樹泉先生
(二零零二年二月七日辭任)
吳雷覺珍女士
(二零零二年二月七日辭任)
余雷覺雲女士
(二零零二年二月七日辭任)
鄧日榮先生
(二零零二年二月七日辭任)
伍大慰先生
(二零零二年二月七日辭任)
雷羅慧洪女士
(二零零二年二月七日辭任)

SHARE CAPITAL

Movements in share capital during the year are set out in note 24 on the accounts.

RESERVES

Movements in reserves during the year are set out in note 25 on the accounts.

DIRECTORS' REMUNERATION

Particulars of the directors' remuneration disclosed pursuant to Section 161 of the Hong Kong Companies Ordinance and Paragraph 9(1)(q) of the Listing Agreement of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") are set out in note 6(a) on the accounts.

DIRECTORS

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

Mr Or Wai Sheun
Mr Keith Alan Holman
Ms Ng Chi Man
Mr Lai Ka Fai
Mr Tam Hee Chung
Mr Yeung Kwok Kwong
Mr Chau Cham Son
Mr Seto Gin Chung, John
Mr Lok Kung Chin, Hardy
Mr Li Kwok Sing, Aubrey
Mr Ng Siu Chan
(Resigned on 7 February 2002)
Mr Yu Shu Chuen
(Resigned on 7 February 2002)
Mrs Ng Louey Kwok Chun, Phyllis
(Resigned on 7 February 2002)
Mrs Yu Louey Kwok Won, Carol Wilma
(Resigned on 7 February 2002)
Mr Tang Yat Sun, Richard
(Resigned on 7 February 2002)
Mr Wu-Chang Guillermo
(Resigned on 7 February 2002)
Mrs Louey Wai Hung, Kathryn
(Resigned on 7 February 2002)

雷禮權先生
(二零零二年二月七日辭任)
伍永漢先生
(二零零二年二月七日辭任)
劉少賢先生
(二零零二年四月一日辭任)
余啟超先生
(二零零二年二月七日辭任)
伍啟華先生
(二零零二年二月七日辭任)
余銳超先生
(二零零二年二月七日辭任)
余淦超先生
(二零零二年二月七日辭任)
羅旭瑞先生
(二零零二年二月七日辭任)

Mr Louey Lai Kuen, William
(Resigned on 7 February 2002)
Mr Ng Anthony
(Resigned on 7 February 2002)
Mr Lau Siu Yin
(Resigned on 1 April 2002)
Mr Yu Kai Chiu, David
(Resigned on 7 February 2002)
Mr Ng Kai Wah, Peter
(Resigned on 7 February 2002)
Mr Yu Yui Chiu
(Resigned on 7 February 2002)
Mr Yu Kam Chiu
(Resigned on 7 February 2002)
Mr Lo Yuk Sui
(Resigned on 7 February 2002)

根據本公司組織章程第105條，周湛樂先生、Keith Alan Holman先生及吳志文女士於將召開之股東週年大會任期屆滿，依章告退，但得候選連任。

In accordance with article 105 of the Articles of Association of the Company, Mr Chau Cham Son, Mr Keith Alan Holman and Ms Ng Chi Man will retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

董事之股份權益

於二零零二年十二月三十一日，根據董事所佔股份權益登記冊記錄，董事擁有本公司已發行股本之權益如下：

DIRECTORS' INTERESTS IN SHARES

As at 31 December 2002, the interests of directors in the issued share capital of the Company as recorded in the register of directors' share interests was as follows:

董事姓名 Name of Director		每股港幣一角之股份 Shares of HK\$0.10 each		股份總數 Total No. of Shares
		個人權益 Personal Interests	公司權益 Corporate Interests	
柯為湘	Or Wai Sheun	352,838,083 (附註1) (Note 1)	185,000 (附註2) (Note 2)	353,023,083
吳志文	Ng Chi Man	352,838,083 (附註3) (Note 3)	—	352,838,083
黎家輝	Lai Ka Fai	200,000	—	200,000
譚希仲	Tam Hee Chung	500,000	320,000 (附註4) (Note 4)	820,000
楊國光	Yeung Kwok Kwong	100,000	—	100,000

附註：

1. Intellinsight Holdings Limited 持有352,838,083股股份由柯氏家族信託(全權託管對象包括柯為湘先生及其家族成員)全資擁有。此等股份與吳志文女士所披露之權益屬相同權益。
2. China Dragon Limited持有185,000股股份並由柯為湘先生全資擁有。
3. 吳志文女士為柯為湘先生之配偶，彼透過於柯氏家族信託之權益擁有352,838,083股股份。此等股份與柯為湘先生所披露之個人權益屬相同權益。
4. 320,000股由一公司持有，而譚希仲先生於該公司之股東大會上可行使或控制行使三分之一或以上之投票權，或該公司之董事慣常按照譚希仲先生之指示行事。

購股權計劃

為鼓勵本集團僱員對本公司的成功作出貢獻，本公司於二零零零年六月十九日採納一購股權計劃。據此可授購股權予集團僱員(包括執行董事)認購本公司股份。

該購股權計劃由二零零零年六月十九日起十年期間有效。購股權行使之期限將由購股權計劃之管理人決定，惟無論如何該期限不得超過授予購股權後十年。

獲授購股權之人士如接納購股權，須於購股權授出後二十八天內繳付一元予本公司。於二零零一年九月一日前授出之購股權行使價乃由購股權計劃管理人釐定，並不會少於緊接授出購股權日期前五個交易日平均收市價百分之八十或股份面值，以較高者為準。根據購股權計劃授予之購股權可認購之股份數目上限不可超過批准計劃當日本公司已發行股本之百分之十(不包括任何根據計劃之條款

Notes:

1. Intellinsight Holdings Limited held 352,838,083 shares and is ultimately wholly-owned by a family trust of the Or family, the beneficiary objects of which include Mr Or Wai Sheun and his family members. These shares represented the same interest as disclosed by Ms Ng Chi Man.
2. China Dragon Limited held 185,000 shares and is wholly-owned by Mr Or Wai Sheun.
3. Ms Ng Chi Man is the spouse of Mr Or Wai Sheun. Ms Ng is interested in 352,838,083 shares through her interest in a family trust of the Or family. These shares represented the same personal interest as disclosed by Mr Or Wai Sheun.
4. 320,000 shares were owned by a company where Mr Tam Hee Chung is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of such corporation or where the directors of such corporation are accustomed to act in accordance with the directions or instructions of Mr Tam Hee Chung.

SHARE OPTION SCHEME

In order to provide employees of the Group with incentives to contribute to the success of the Company, the Company adopted a share option scheme on 19 June 2000 whereby options may be granted to employees including the executive directors of the Group to subscribe for shares of the Company.

The scheme will remain valid for a period of 10 years commencing on 19 June 2000. The period during which an option may be exercised will be determined by the Administrators of the scheme, save that no option may be exercised later than 10 years after it has been granted.

\$1.00 is payable by each grantee to the Company on acceptance of an option which must be taken up within 28 days from the date of grant. For options granted before 1 September 2001, the exercise price was determined by the Administrators of the scheme and should not be less than 80% of the average of the closing prices of the shares on The Stock Exchange of Hong Kong Limited for the five trading days immediately preceding the date of the offer of the options or the nominal value of the shares, whichever is higher. The maximum number of shares in respect of which options may be granted under the share option scheme may not exceed 10% of the issued share capital of the Company as at the

失效之購股權)。計劃中仍可予發行的股份數目為34,326,785股，於年報日佔已發行股本百分之七點一。

於二零零二年度內，本公司董事及僱員擁有以下於二零零零年十二月十八日(當日每股市值為三點二元)授出之購股權，而董事及僱員可於二零零四年一月一日至二零零八年十二月三十一日期間以每股三元之行使價認購本公司股份：

date of approval of the scheme, excluding any options lapsed in accordance with the terms of the scheme. Options in respect of 34,326,785 shares, representing about 7.1% of the issued share capital at the date of this report, are available for issue under the scheme.

During the year ended 31 December 2002, the directors and employees of the Company had the following interests in options granted on 18 December 2000 (market value per share was \$3.2) to subscribe for shares of the Company from 1 January 2004 to 31 December 2008 at a price of \$3.00 per share:

		於二零零二年 一月一日 尚未行使之購股權 將予認購之股份數目 No. of shares to be subscribed for under the options outstanding at 1 January 2002	於二零零二年 十二月三十一日 尚未行使之購股權 將予認購之股份數目 No. of shares to be subscribed for under the options outstanding at 31 December 2002
董事	Directors		
雷禮權 (附註1)	Louey Lai Kuen, William (Note 1)	3,000,000	—
伍永漢 (附註2)	Ng Anthony (Note 2)	3,000,000	—
劉少賢 (附註3)	Lau Siu Yin (Note 3)	3,000,000	—
僱員	Employees	5,050,000	—
總額	Total	14,050,000	—

附註：

- 雷禮權先生於二零零二年二月七日辭任為董事。
- 伍永漢先生於二零零二年二月七日辭任為董事。
- 劉少賢先生於二零零二年四月一日辭任為董事。

Notes:

- Mr Louey Lai Kuen, William resigned as a director of the Company on 7 February 2002.
- Mr Ng Anthony resigned as a director of the Company on 7 February 2002.
- Mr Lau Siu Yin resigned as a director of the Company on 1 April 2002.

所有可認購合共14,050,000股股份之尚未行使購股權於Intellinsight Holdings Limited提出之無條件現金收購建議中以每股五十八仙退還，並於二零零二年一月撤銷。自此，本公司並無授予其他購股權。

All the formerly outstanding share options for a total of 14,050,000 shares were surrendered at a price of \$0.58 per share during the unconditional cash offer made by Intellinsight Holdings Limited and cancelled in January 2002. Since then, no further options have been granted.

除上述外，本公司、其任何控股公司、附屬公司或同集團附屬公司並未於回顧期間內作出任何安排，使董事或任何彼等之配偶或十八歲以下子女可藉收購本公司或其他公司之股份或債券以獲得利益。

由於上市規則第17章於二零零一年九月一日生效之各項修訂，如獲股東於二零零三年五月二十一日召開之股東特別大會批准，本公司將會終止現有購股權計劃並採納一新購股權計劃，其詳細資料已刊載於另一股東通函內。

授予之購股權不會於財務報表中確認，直至購股權已獲行使為止。

主要股東

於二零零二年十二月三十一日，根據本公司遵照證券(公開權益)條例第16(1)條所設存之登記冊記錄，持有本公司已發行股本百分之十或以上之主要股東如下：

Save as disclosed above, at no time during the year was the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors or any of their spouses or children under eighteen years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Due to changes made to Chapter 17 of the Listing Rules on 1 September 2001, the Company will, subject to the approval by the shareholders at an extraordinary general meeting to be held on 21 May 2003, terminate the operation of the scheme and implement a new share option scheme details of which are set out in a separate circular to shareholders.

Share options granted are not recognized in the financial statements until they are exercised.

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2002, the following were substantial shareholders holding 10% or more of the issued share capital of the Company as recorded in the Company's register kept under S16(1) of the Securities (Disclosure of Interests) Ordinance:

股東姓名 Name of Shareholder	持有股份數目 Number of Shares Held	所佔已發行股份 總數之百分比 Percentage of Total Issued Shares	附註 Note
滙豐控股有限公司 HSBC Holdings plc	353,933,433	73.16%	1
HSBC Bank plc	353,933,433	73.16%	1
Midcorp Limited	353,933,433	73.16%	1
Griffin International Limited	353,933,433	73.16%	1
HSBC Europe BV	353,933,433	73.16%	1
HSBC Europe (Netherlands) BV	353,933,433	73.16%	1
HSBC Private Banking Holdings (Suisse) SA	353,933,433	73.16%	1
滙豐國際信託有限公司 HSBC International Trustee Limited	353,933,433	73.16%	1
The Or Family Trustee Limited Inc	352,838,083	72.94%	1 & 2
Polytec Holdings International Limited	352,838,083	72.94%	1 & 2
Intellinsight Holdings Limited	352,838,083	72.94%	1 & 2

附註：

1. 由於HSBC Bank plc、Midcorp Limited、Griffin International Limited、HSBC Europe BV、HSBC Europe (Netherlands) BV、HSBC Private Banking Holdings (Suisse) SA及滙豐國際信託有限公司乃滙豐控股有限公司之全資附屬公司，故該八間公司之353,933,433股股份乃重疊計算。本公司獲知會滙豐集團所披露之權益包括The Or Family Trustee Limited Inc、Polytec Holdings International Limited及Intellinsight Holdings Limited披露之352,838,083股股份。
2. Intellinsight Holdings Limited為Polytec Holdings International Limited之全資附屬公司，而Polytec Holdings International Limited乃由若干受益人為柯為湘先生及其家族成員之信託全資擁有。該等信託之受託人為The Or Family Trustee Limited Inc及滙豐國際信託有限公司。

董事於合約上之利益及關連交易

於二零零二年三月十一日本公司與Polytec Holdings International Limited (「Polytec」) 訂立一買賣協議，以八億五千七百一十萬元之總代價向Polytec直接及間接收購五間擁有一物業權益組合之全資附屬公司之全部已發行股本及某些股東貸款。

上述物業權益組合包括主要用作住宅發展，位於(i) 香港堅尼地城北街12號，(ii) 新界元朗唐人新村第一及二期，(iii) 九龍九龍城太子道377號之地盤，及九龍彩虹牛池灣一個房地產項目之獨家發展權。

由於Polytec同時為本公司控股股東Intellinsight Holdings Limited之控股公司，及由若干受益人為本公司主席柯為湘先生與其家族成員之信託全資擁有，故根據上市規則除屬須予披露之交易外，亦構成本公司之關連交易。該項交易詳情已載於二零零二年三月二十八日致股東之通函內，並根據上市規

Notes:

1. 353,933,433 shares are duplicated amongst the eight companies of the HSBC Group, as HSBC Bank plc, Midcorp Limited, Griffin International Limited, HSBC Europe BV, HSBC Europe (Netherlands) BV, HSBC Private Banking Holdings (Suisse) SA and HSBC International Trustee Limited are wholly-owned subsidiaries of HSBC Holdings plc. The interest disclosed by the HSBC Group includes the 352,838,083 shares disclosed by The Or Family Trustee Limited Inc, Polytec Holdings International Limited and Intellinsight Holdings Limited.
2. Intellinsight Holdings Limited is a wholly-owned subsidiary of Polytec Holdings International Limited, which is in turn wholly-owned by certain trusts of which Mr Or Wai Sheun and his family members are beneficiaries. The trustees of the trusts are The Or Family Trustee Limited Inc and HSBC International Trustee Limited.

DIRECTORS' INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS

On 11 March 2002, the Company entered into a sale and purchase agreement with Polytec Holdings International Limited ("Polytec") to acquire directly and indirectly from Polytec the entire issued share capital together with certain shareholders' loans of five wholly-owned subsidiaries of Polytec which owned a portfolio of property interests at an aggregate consideration of \$857.1 million.

The portfolio of property interests mentioned above included sites for primarily residential development at (i) 12 North Street, Kennedy Town, Hong Kong; (ii) Tong Yan San Tsuen, Yuen Long, the New Territories, Phases I and II; (iii) 377 Prince Edward Road, Kowloon City, Kowloon; and the exclusive right to develop a property at Ngau Chi Wan, Choi Hung, Kowloon.

Polytec, whilst being the holding company of Intellinsight Holdings Limited, a controlling shareholder of the Company, is ultimately wholly-owned by certain trusts of which Mr Or Wai Sheun, the Chairman of the Company and his family members are beneficiaries. As such, the acquisition, as well as being a discloseable transaction, constituted a connected transaction for the Company for the purposes of the Listing Rules. The transaction as detailed in a circular issued by the Company on 28 March 2002 was approved by independent

則於二零零二年四月十五日之股東特別大會中獲獨立股東批准。

除上述披露者外，於本年度任何時間內，本公司、其任何附屬公司、控股公司或同集團附屬公司並未參與簽訂其他重要合約，使本公司任何董事得以享有重大利益。

董事之服務合約

擬於即將舉行之股東週年大會上候選連任之董事概無與本公司或其任何附屬公司訂立本集團不可於一年內毋須作出賠償(除法定賠償外)而終止之服務合約。

非執行董事須受本公司組織章程輪值告退之規定所規限。

購買、出售或贖回股份

本公司或其任何附屬公司於年中並無購買、出售或贖回本公司之股份。

銀行及其他貸款

本公司及本集團於二零零二年十二月三十一日之銀行及其他貸款狀況載於帳項附註15及23。

撥充成本之利息

本集團於年內撥充成本之利息數額載於帳項附註4。

五年財務摘要

本集團於過去五個財政年度之業績及資產負債，概要地載於本年報第16至第17頁。

物業

本集團物業資料載於本年報第91至第96頁。

shareholders at an extraordinary general meeting held on 15 April 2002 pursuant to the Listing Rules.

Save as disclosed above, no other contracts of significance to which the Company, any of its subsidiaries, holding companies or fellow subsidiaries was a party and in which a director had a material interest subsisted at any time during the year.

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has an unexpired service contract with the Company or any subsidiaries which is not determinable within one year without payment of compensation, other than statutory compensation.

Non-executive directors are subject to retirement by rotation as required by the Company's Articles of Association.

PURCHASE, SALE OR REDEMPTION OF SHARES

There was no purchase, sale or redemption by the Company, or any of its subsidiary companies, of the Company's shares during the year.

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Company and of the Group as at 31 December 2002 are set out in notes 15 and 23 on the accounts.

INTEREST CAPITALIZED

The amount of interest capitalized by the Group during the year is set out in note 4 on the accounts.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 16 to 17 of the annual report.

PROPERTIES

Particulars of properties of the Group are shown on pages 91 to 96 of the annual report.

退休計劃

本集團所設之退休計劃資料載於帳項附註32。

遵守最佳應用守則

並無任何董事知悉有任何資料足以合理地指出本公司於年中任何時間，曾不遵守上市規則中附錄14所列出之最佳應用守則之規定。

審核委員會

根據上市規則規定於一九九八年九月成立之審核委員會成員包括李國星先生(主席)、司徒振中先生、陸恭正先生及楊國光先生。審核委員會於每年四月及九月開會以考慮本集團之年報及中期報告及對本集團之財政匯報程序、運作與內部監控作出審查。

核數師

畢馬威會計師事務所任滿告退，惟願應聘連任。在即將召開之股東週年大會上將提呈議案，議決續聘畢馬威會計師事務所為本公司之核數師。

承董事會命
主席
柯為湘

香港，二零零三年四月九日

RETIREMENT SCHEMES

Particulars of the retirement schemes operated by the Group are set out in note 32 on the accounts.

COMPLIANCE WITH THE CODE OF BEST PRACTICE

No director is aware of any information that would reasonably indicate that the Company was not in compliance with the Code of Best Practice, as set out in Appendix 14 of the Listing Rules, at any time during the year.

AUDIT COMMITTEE

The Audit Committee, which was established in September 1998 in pursuance of the requirements of the Listing Rules, comprises of Mr Li Kwok Sing, Aubrey (Chairman), Mr Seto Gin Chung, John, Mr Lok Kung Chin, Hardy and Mr Yeung Kwok Kwong. The audit committee met in April and September every year to consider the Group's annual and interim results and to review the effectiveness of the Group's financial reporting process as well as operational and internal controls.

AUDITORS

KPMG retire and, being eligible, offer themselves for reappointment. A resolution for the reappointment of KPMG as auditors of the Company is to be proposed at the forthcoming annual general meeting.

By Order of the Board
Or Wai Sheun
Chairman

Hong Kong, 9 April 2003