

董事會報告

董事會欣然提呈本公司及其附屬公司(「本集團」)截至二零零零年十二月三十一日止年度之週年報告及經審核財務報表。

主要業務

本集團從事生產及銷售十鈴輕型商用車、皮卡車、多功能汽車、小型客車和汽車零件及部件。所有本集團生產設備均座落在中華人民共和國(「中國」)。本集團之絕大部份銷售亦在中國發生。本年度內，本集團亦有向日本出口銷售，惟其金額低於本集團全年營業額1%。

有關本公司於二零零零年十二月三十一日附屬公司之詳情載於財務報表附註16。

業績及分配

有關本集團本年度內業績及本公司分配之詳情載於年報第31頁之綜合損益表及附屬的財務報表附註。董事建議派發末期股息每股人民幣0.10元予於二零零一年五月二十三日名列本公司股東名冊之股東。

財務摘要

本集團截至二零零零年十二月三十一日止五個年度之業績摘要及本集團於二零零零年、一九九九年、一九九八年、一九九七年及一九九六年十二月三十一日之資產及負債摘要載於年報第74頁。

DIRECTORS' REPORT

The directors have pleasure in presenting their annual report and audited financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2000.

PRINCIPAL ACTIVITIES

The Group is engaged in the production and sale of Isuzu light-duty trucks, pickup trucks, multi-purposes vehicles, minibuses and automobile parts and accessories. All of the production facilities of the Group are located in the People's Republic of China ("PRC") and substantially all of the sales of the Group are also made in the PRC. The Group has made an export sales to Japan during the year which accounted for less than 1% of the Group's turnover for the year.

Details of the Company's subsidiaries as at 31st December, 2000 are set out in note 16 to the financial statements.

RESULTS AND APPROPRIATIONS

Details of the results of the Group and appropriations of the Company during the year are set out in the consolidated income statement on page 31 of the annual report and the accompanying notes to the financial statements. The directors recommend the payment of a final dividend of RMB0.10 per share to the shareholders whose names appear on the register of shareholders on 23rd May, 2001.

FINANCIAL SUMMARY

A summary of the results of the Group for the five years ended 31st December, 2000 and the assets and liabilities of the Group as at 31st December, 1996, 1997, 1998, 1999 and 2000 are set out on page 74 of the annual report.

董事會報告

股本

有關本公司之股本及購股權詳情分別載於財務報表附註21及22。

儲備

有關本集團及本公司本年度內儲備之變動詳情載於財務報表附註23。

物業、機器與設備

本集團於本年度內添置物業、機器及設備約人民幣2.62億元，以用作擴充生產設施。有關本集團及本公司物業、機器與設備之變動詳情載於財務報表附註14。

董事及監事

於本年度內及本報告截至日之本公司董事及監事之名單如下：

執行董事：

吳雲，董事長
高建民
內海純
宋振遠
劉光明
潘勇
樂華強

DIRECTORS' REPORT

SHARE CAPITAL

Details of share capital and share options of the Company are set out in notes 21 and 22 to the financial statements respectively.

RESERVES

Details of movements in reserves of the Group and the Company during the year are set out in note 23 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group incurred approximately RMB262 million on acquisition of property, plant and equipment for expansion of its production facilities. Details of movements in property, plant and equipment of the Group and the Company during the year are set out in note 14 to the financial statements.

DIRECTORS AND SUPERVISORS

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

Executive directors:

Wu Yun, Chairman
Gao Jianmin
Utsumi Jun
Song Zhenyuan
Liu Guangming
Pan Yong
Yue Huaqiang

董事會報告

DIRECTORS' REPORT

董事及監事(續)

DIRECTORS AND SUPERVISORS (Cont'd)

獨立非執行董事：

Independent non-executive directors:

龍濤
宋小江

Long Tao
Song Xiaojiang

監事：

Supervisors:

劉琦
周紅
馮嘉陵

Liu Qi
Zhou Hong
Feng Jialing

所有在任董事均與本公司於二零零零年六月八日更新為期三年的服務合約。

All directors have renewed their service contracts with the Company for a term of three years commencing on 8th June, 2000.

按本公司章程的條例，董事長和其他董事任期為三年，自授任或連選之日起計，可連選連任。所有在任董事服務年期在股東週年大會召開前均未到期，因此繼續留任。

In accordance with the provision of the Company's Articles of Association, the term of office of the Chairman and other directors shall be three years renewable upon re-appointment or re-election. None of the directors' terms of office will expire at the forthcoming annual general meeting and all directors continue in office.

按中國公司法，監事任期亦為三年，可連選連任。所有在任監事服務年期在股東週年大會召開前均未到期，因此繼續留任。

In accordance with the provisions of the Companies Law in the PRC, the term of office of supervisors shall also be three years and renewable upon re-appointment or re-election. None of the supervisors' terms of office will expire at the forthcoming annual general meeting and all supervisors continue in office.

無任何董事或監事與本公司或其附屬公司訂有若於一年內本集團如終止即須作出賠償(法定賠償除外)之服務合約。

None of the directors or supervisors has a service contract with the Company or its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

董事會報告

董事、監事及行政總裁之股份權益

於本年度內，本公司之董事、監事、行政總裁，或其聯繫人概無於本公司或其任何聯繫公司(定義見香港證券(公開權益)條例)之證券中擁有權益。各董事、監事、行政總裁，或其配偶或其18歲以下之子女，概無持有可認購本公司證券之權利，或已行使任何該項權利。

股東人數及主要股東

記錄於二零零零年十二月三十一日本公司股東名冊上的股東總數為195名。

於二零零零年十二月三十一日，根據香港證券(公開權益)條例第16(1)條所保存之主要股東名冊記錄以下股東佔本公司已發行股本10%或以上之權益：

名稱

慶鈴汽車(集團)有限公司
(「慶鈴集團」)
(於中華人民共和國註冊
之國營企業)

DIRECTORS' REPORT

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

During the year, none of the directors, supervisors, chief executives, or their associates, held an interest in the securities of the Company, or any of its associated corporations as defined in the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance") of Hong Kong, and none of the directors, supervisors, chief executives, or their spouse or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

NUMBER OF SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS

As at 31st December, 2000, there were 195 shareholders recorded in the register of shareholders of the Company.

As at 31st December, 2000, the register of substantial shareholders, maintained under Section 16(1) of the SDI Ordinance of Hong Kong, showed that the following shareholder had an interest representing 10% or more of the Company's issued share capital:

名稱	Name	Number of shares	持有發行股本之百分比 % of issued share capital held
慶鈴汽車(集團)有限公司 (「慶鈴集團」) (於中華人民共和國註冊 之國營企業)	慶鈴汽車(集團)有限公司 (「Qingling Group」) (a state-owned enterprise established in the PRC)	1,020,000,000 內資股 Domestic Shares	50.94%

董事會報告

購入股份或債券之權利

本公司、其附屬公司、其最終控股公司或同系附屬公司概無於本年度內任何時間訂立任何安排，使本公司之董事、監事及行政總裁可藉此購入本公司或任何其他法人團體之股份或債券而得益。

董事及監事之合約權益

本公司、其附屬公司、其最終控股公司或同系附屬公司於結算日或本年度內任何時間概無簽訂任何董事及監事於其中擁有直接或間接重大利益關係之重要合約。

與股東之合約

於本年度內，本集團與慶鈴集團及其聯繫人，及五十鈴汽車有限公司（「五十鈴」）均有交易。慶鈴集團及五十鈴分別於二零零零年十二月三十一日持有本公司發行股本之50.94%及7.34%。此等交易之詳情如下：

與慶鈴集團及其聯繫人等之重要交易

DIRECTORS' REPORT

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company, its subsidiaries, its ultimate holding company or fellow subsidiaries, a party to any arrangements to enable the directors, supervisors and chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS

No contract of significance to which the Company, its subsidiaries, its ultimate holding company or fellow subsidiaries, was a party and in which a director or supervisor of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

CONTRACTS WITH SHAREHOLDERS

During the year, the Group had transactions with Qingling Group and its associates and Isuzu Motors Limited ("Isuzu"). Qingling Group and Isuzu held 50.94% and 7.34% of the issued share capital of the Company respectively as at 31st December, 2000. Details of these transactions are as follows:

Significant transactions with Qingling Group and its associates

董事會報告

DIRECTORS' REPORT

與股東之合約(續)

在本公司載入財務報表附註1所述之重組時，本集團與慶鈴集團已簽訂一份有關提供服務給慶鈴集團及由慶鈴集團向本集團提供服務之服務協議書。除此以外，本集團與慶鈴集團也簽訂一份有關慶鈴集團向本集團提供為本集團生產所需之若干零部件與配件之零部件供應協議書。於二零零零年八月二十一日，本公司與慶鈴集團簽訂一份關於本公司向慶鈴集團租用倉庫之租約。此租約為期二年，而每年之租金費用約人民幣5,830,000元。在同日，本公司與慶鈴集團亦簽訂另外一份關於本公司出租若干模具及夾具設備予慶鈴集團之租約。該租約為期一年，而每年之租金等於本公司所發生之折舊額。於本年度內與慶鈴集團之交易詳情載於財務報表附註31(1)。

本年度內，本公司與數間慶鈴集團擁有權益之中外合資公司發生交易。這些公司包括重慶慶鈴鑄造有限公司(慶鈴集團及五十鈴分別擁有40.3%及36.2%權益)，重慶慶鈴鍛造有限公司(慶鈴集團及五十鈴分別擁有55%及28.8%權益)，重慶慶鈴車橋有限公司(慶鈴集團及五十鈴分別擁有49.6%及25%權益)，重慶慶鈴日發座椅有限公司(慶鈴集團及五十鈴分別擁有50.8%及3%權益)，重慶慶鈴塑料有限公司(慶鈴集團及五十鈴分別擁有53.2%及25%權益)及重慶慶鈴鑄鋁有限公司(慶鈴集團及五十鈴分別擁有58.4%及25%權益)。有關此等交易詳情載於財務報表附註31(2)至31(7)。

CONTRACTS WITH SHAREHOLDERS (Cont'd)

At the time of reorganisation of the Company as described in note 1 to the financial statements, the Group had entered into a service agreement in relation to the provision of services to Qingling Group and vice versa. In addition, the Group had also entered into a parts supply agreement with Qingling Group whereby Qingling Group agreed to provide the Group with certain parts and components produced by Qingling Group and which are required in the production processes of the Group. On 21st August, 2000, the Company entered into a rental agreement with Qingling Group whereby Qingling Group agreed to let two warehouses in Chongqing to the Company for a period of two years. The annual rental expense is approximately RMB5,830,000. On the same date, the Company also entered into a rental agreement with Qingling Group whereby the Company agreed to rent certain moulds and tooling equipment to Qingling Group for a period of one year. The monthly rental was calculated based on the actual depreciation cost incurred by the Company. Details of transactions with Qingling Group during the year are set out in note 31(a) to the financial statements.

During the year, the Company also had certain transactions with sino-foreign joint venture companies in which Qingling Group has certain interest. These companies include 重慶慶鈴鑄造有限公司 (in which Qingling Group and Isuzu have 40.3% and 36.2% interest respectively), 重慶慶鈴鍛造有限公司 (in which Qingling Group and Isuzu have 55% and 28.8% interest respectively), 重慶慶鈴車橋有限公司 (in which Qingling Group and Isuzu have 49.6% and 25% interest respectively), 重慶慶鈴日發座椅有限公司 (in which Qingling Group and Isuzu have 50.8% and 3% interest respectively), 重慶慶鈴塑料有限公司 (in which Qingling Group and Isuzu have 53.2% and 25% interest respectively) and 重慶慶鈴鑄鋁有限公司 (in which Qingling Group and Isuzu have 58.4% and 25% interest respectively). Details of these transactions are set out in notes 31(b) to 31(g) to the financial statements respectively.

董事會報告

與股東之合約(續)

與慶鈴集團無關之本公司獨立非執行董事已察閱及確認以上交易是按照監管此等交易的協議內條款進行，如無有關協議，則按不遜於獨立第三者可得/給予的條款進行，並在本集團一般正常業務下進行。

與五十鈴之重要交易

於本年度內與五十鈴發生之交易詳情如下：

銷售貨車及其它車輛產生
之應付提成費
銷售貨車
已付及應付技術轉讓費

另外，五十鈴亦透過某日本貿易公司供應零件及部件予本集團，該等交易乃按照日本一般正常商業程序進行。於本年度內該等交易詳情如下：

供應零件及部件
供應機器及設備

除上述外，本集團有相當部份之交易乃與其它中國國營企業進行。該等交易乃按照與中國有關機構商訂之條款進行。

DIRECTORS' REPORT

CONTRACTS WITH SHAREHOLDERS (Cont'd)

Independent non-executive directors of the Company, who are not connected with Qingling Group, have reviewed and confirmed that the above transactions had been conducted in accordance with the terms of the relevant agreements governing these transactions or, if there is no such agreement, on terms being no less favourable than those terms available to/from independent third parties and in the ordinary and normal course of business of the Group.

Significant transactions with Isuzu

Details of transactions with Isuzu during the year are as follows:

人民幣千元
RMB'000

Royalties payable on sale of trucks and other vehicles	39,677
Sales of trucks	38,952
Technical transfer fee paid and payable	62,891

Isuzu also supplies plant and equipment and parts and components to the Group through a Japanese trading company in accordance with normal commercial practices in Japan. Details of such transactions during the year are as follows:

人民幣千元
RMB'000

Supply of parts and components	1,598,636
Supply of plant and equipment	175,036

Other than the above, a significant portion of transactions undertaken by the Group have been effected with other state-owned enterprises in the PRC and on such terms as have been determined with the relevant PRC authorities.

董事會報告

五大供應商及經銷商

於二零零零年十二月三十一日止年度內，本集團的前五大供應商佔總採購額66.7%，而最大供應商佔總採購額53.2%。兩間慶鈴集團之聯營公司與及五十鈴透過其供應零件及部件予本集團的某日本貿易公司均屬本集團之五大供應商。與慶鈴集團及其聯系人等及五十鈴之交易詳情載於上文「與股東之合約」一節內披露。除上述披露外，於二零零零年十二月三十一日止年度內，本公司董事及監事，其聯繫人或任何股東(據董事會所知擁有5%或以上本公司之股本者)，並沒有擁有本集團五大供應商任何權益。

於二零零零年十二月三十一日止年度內，本集團的前五大經銷商佔總銷售額34.6%，最大經銷商佔總銷售額13.4%，於二零零零年十二月三十一日止年度內，本公司董事及監事，其聯繫人及任何股東(據董事會所知擁有5%或以上本公司之股本者)，並沒有擁有本集團五大經銷商任何權益。

可換股證券、購股權、認股權證或類似權利

有關可換股債券之詳情載於財務報表附註24。

除上述可換股債券及於財務報表附註22所解釋的購股權外，在截至二零零零年十二月三十一日止，本公司並無發行任何可換股證券、購股權、認股權證或類似權利。

DIRECTORS' REPORT

FIVE LARGEST SUPPLIERS AND CUSTOMERS

For the year ended 31st December, 2000, the five largest suppliers accounted for 66.7% of the total purchases of the Group. The largest supplier accounted for 53.2% of the total purchases. Two of Qingling Group's associates and the Japanese trading company through which Isuzu channels its supply of parts and components to the Group are included in the five largest suppliers of the Group. Details of transactions with Qingling Group's associates and with Isuzu are set out in the section "Contracts with Shareholders" above. Other than disclosed above, the Company's directors and supervisors, their associates or any shareholders (which to the knowledge of the directors own more than 5% of the Company's share capital), did not have any interests in the Group's five largest suppliers for the year ended 31st December, 2000.

For the year ended 31st December, 2000, the five largest customers of the Group accounted for 34.6% of the total sales. The largest customer accounted for 13.4% of the total sales. The Company's directors and supervisors, their associates and any shareholders (which to the knowledge of the directors own more than 5% of the Company's issued share capital), did not have any interests in the Group's five largest customers for the year ended 31st December, 2000.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

Details of convertible bonds are set out in note 24 to the financial statements.

Other than the convertible bonds as explained above and the share option as explained in note 22 to the financial statements, the Company had not issued any convertible securities, options, warrants or similar rights up to 31st December, 2000.

董事會報告

購買、出售或贖回本公司之上市證券

本公司及其附屬公司於本年度內並無購買、出售、贖回或註銷本公司之上市證券。

優先購股權

本公司之公司組織章程並無有關優先購股權之條款。

最佳應用守則

本公司尚未根據香港聯合交易所有限公司證券上市規則附錄14之最佳應用守則(「最佳應用守則」)之第14段，成立一個旨在檢討及監察本公司的財務匯報程序及內部控制的審核委員會(「審核委員會」)。自本公司成立以來，本公司的組織架構內已設立一個職能與審核委員會相近的監事會，所不同的為本公司監事會成員由三人組成(其中一人須為本公司員工)，並由股東大會選出、罷免及向股東大會負責，而審核委員會的成員則由公司的非執行董事選任。

除此以外，本公司在截至二零零零年十二月三十一日止年度內均遵守最佳應用守則。

DIRECTORS' REPORT

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

There were no purchase, sale, redemption or cancellation of the Company's listed securities by the Company and its subsidiaries during the year.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association.

CODE OF BEST PRACTICE

The Company has not established an audit committee (the "Audit Committee") to review and supervise the Company's financial reporting process and internal controls pursuant to paragraph 14 of the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Code of Best Practice"). Since its establishment, the Company's organisational structure has, in lieu, a Supervisory Committee which carries out functions similar to that of an Audit Committee, the differences being that the Company's Supervisory Committee comprises three representatives (one of which shall be an employee of the Company) who are elected and can be removed by shareholders in general meeting and are responsible to report to shareholders in general meeting, whereas an Audit Committee is appointed amongst the non-executive directors of a company.

Except for the above, the Company has complied throughout the year ended 31st December, 2000 with the Code of Best Practice.

董事會報告

DIRECTORS' REPORT

核數師

在最近三個會計年度，滬江德勤會計師事務所及德勤•關黃陳方會計師行分別為本公司之國內及境外核數師。

有關續聘滬江德勤會計師事務所及德勤•關黃陳方會計師行之決議案將於本公司之股東週年大會上提呈。

承董事會命

吳雲
董事長

重慶，二零零一年四月二十日

AUDITORS

Messrs. Deloitte Touche Tohmatsu Shanghai Certified Public Accountants Ltd. and Messrs. Deloitte Touche Tohmatsu have acted as auditors of the Company for PRC and international reporting purposes respectively for the past three financial years.

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu Shanghai Certified Public Accountants Ltd. and Messrs. Deloitte Touche Tohmatsu.

On behalf of the Board

WU YUN
Chairman

Chongqing, 20th April, 2001