

董事會報告書

Report of the Directors

董事會同寅現謹將截至二零零零年十二月三十一日止年度之報告及經審核賬目呈覽。

The directors submit their report and the audited financial statements for the year ended 31 December 2000.

主要業務

本公司之主要業務為投資控股，而主要附屬公司之業務刊載於財務報告附註三十三。

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and the activities of its principal subsidiaries are set out in note 33 to the financial statements.

業績及股息

本集團年內之業績刊載於第29頁之綜合損益表內。

RESULTS AND DIVIDENDS

The results of the Group for the year are set out in the consolidated income statement on page 29.

本公司本年度內並無派發中期股息。

No interim dividend was paid by the Company during the year.

董事會並不建議派發末期股息。

The directors do not recommend the payment of a final dividend.

按類別劃分之資料刊載於財務報告附註三十二。

Details of the segmental information are set out in note 32 to the financial statements.

物業、廠房及設備

本年內本集團及本公司物業、廠房及設備之變動情況刊載於財務報告附註十一。

PROPERTY, PLANT AND EQUIPMENT

Movement in property, plant and equipment during the year of the Group and the Company are set out in note 11 to the financial statements.

附屬公司及聯營公司

主要附屬公司及聯營公司之資料刊載於財務報告附註三十三。

SUBSIDIARIES AND ASSOCIATES

Particulars regarding the principal subsidiaries and associates are set out in note 33 to the financial statements.

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股本及可換股債券

於二零零零年一月二十六日，本公司向獨立第三方認購人Strong River Investments, Inc.及Montrose Investments Ltd.發行六百萬美元一厘可換股債券（「債券」）作為一般營運資金。發行之詳情已載於二零零零年一月二十四日致股東之通函內，是次合共籌得約港幣四千三百五十三萬六千元。本年內，其中四百九十萬美元債券被兌換為44,955,763股本公司每股面值港幣一角之繳足股份，餘下金額一百一十萬美元於二零零零年十月二十八日按照債券之條款以一百一十五萬五千美元被贖回，折合港幣九百萬零九千元。於二零零零年十二月三十一日，並無尚未處理之債券。

根據本公司控權股東兼航天科技國際集團有限公司（「CASIL」）全資附屬公司Astrotech Group Limited（「Astrotech」）與本公司於二零零零年三月七日之認購協議，本公司按每股港幣一元五角五仙以現金方式發行62,184,000股每股面值一角之股份予Astrotech，作為投資於本公司電訊及全球衛星定位系統項目之用。股份認購價相等股份於二零零零年三月六日在香港聯合交易所有限公司（「聯交所」）所報收市價每股港幣一元六角六仙折讓百分之六點六三。籌集款項扣除發行費用後合共約港幣九千五百三十四萬五千元，已用於寬帶及智能交通系統（「ITS」）業務，詳情見「所得款項用途」一節之分析。

本年內股本之變動情況刊載於財務報告附註十九。

SHARE CAPITAL AND CONVERTIBLE DEBENTURES

On 26 January 2000, the Company issued US\$6,000,000 1% convertible debentures (the “Debentures”) to Strong River Investments, Inc. and Montrose Investments Ltd. who are independent third party subscribers for the purpose of general working capital. Details of the issue were contained in a circular to shareholders dated 24 January 2000. A total of approximately HK\$43,536,000 was raised. During the year, US\$4,900,000 of the Debentures were converted into 44,955,763 fully paid shares of the Company of HK\$0.10 each and the residual amount of US\$1,100,000 was redeemed at US\$1,155,000, equivalent to HK\$9,009,000, on 28 October 2000 in accordance with the terms of the Debentures. There was no outstanding Debentures as at 31 December 2000.

Pursuant to a subscription agreement between Astrotech Group Limited (“Astrotech”), being the controlling shareholder of the Company and a wholly owned subsidiary of China Aerospace International Holdings Limited (“CASIL”), and the Company dated 7 March 2000, the Company issued 62,184,000 shares of HK\$0.10 each at HK\$1.55 per share for cash to Astrotech for the purpose of investments in relation to telecommunication and global positioning system projects of the Company. The share subscription price represented a discount of 6.63% to the closing price of HK\$1.66 per share as quoted on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 6 March 2000. A total amount of approximately HK\$95,345,000, net of issue expenses, was raised and has been employed in broadband and intelligent transportation system (“ITS”) businesses as more fully analysed under the section on “Use of Proceeds”.

Movements in share capital during the year are set out in note 19 to the financial statements.

購買、出售或贖回股份

本年內本公司及其附屬公司概無購買、出售或贖回任何本公司已發行股份。

購股權計劃

根據本公司於一九九八年七月二十三日實施之購股權計劃（「CASTEL計劃」）之條款，董事會可向任何全職僱員（包括本公司及／或其任何附屬公司之執行董事）授出購股權，按不少於股份面值及股份於購股權授出日期前五個交易日於聯交所之平均收市價80%兩者中較高者之價格認購本公司股份，惟最多不得超過本公司當時已發行股本之10%，從末有任何購股權根據CASTEL計劃而授出。

根據於一九九七年七月八日生效之CASIL購股權計劃（「CASIL計劃」）之條款，CASIL之董事會可向任何CASIL及／或其附屬公司任何全職僱員（包括本公司執行董事）授出購股權，按不少於股份面值及股份於購股權授出日期前五個交易日於聯交所之平均收市價80%兩者中較高者之價格認購CASIL股份，惟最多不得超過CASIL當時已發行股本之10%。從末有任何購股權根據CASIL計劃而授出。

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's issued shares during the year.

SHARE OPTION SCHEME

Under the terms of the Share Option Scheme of the Company (the "CASTEL Scheme") which became effective on 23 July 1998, the board of directors may offer to any full time employees, including executive directors of the Company and/or any of its subsidiaries, options to subscribe for shares in the Company at a price which is not less than the higher of the nominal value of the shares and 80% of the average of the closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of grant of the options, subject to a maximum of 10% of the issued share capital of the Company from time to time. No option under the CASTEL Scheme has ever been granted.

Under the terms of the Share Option Scheme of CASIL (the "CASIL Scheme") which became effective on 8 July 1997, the board of directors of CASIL may offer to any full time employees of CASIL, and/or any of its subsidiaries including executive directors of the Company, options to subscribe for shares in CASIL at a price which is not less than the higher of the nominal value of the shares and 80% of the average of the closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of grant of the options, subject to a maximum of 10% of the issued share capital of CASIL from time to time. No option under the CASIL Scheme has ever been granted.

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儲備

本年內本集團及本公司之儲備變動情況刊載於財務報告附註二十一。

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 21 to the financial statements.

董事會

本年內及截至本報告日期止之董事如下：

DIRECTORS

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

執行董事

Executive

王彥廣 (董事長)

Wang Yanguang (*Chairman*)

(於二零零零年五月二十三日獲委任)
(appointed on 23 May 2000)

王曉東
(副董事長
兼董事總經理)

Wang Xiaodong
(*Vice-chairman and
managing director*)

周曉雲

Zhou Xiaoyun

梁志華

Leung Che Wah

金學生

Jin Xuesheng

(於二零零零年五月二十三日獲委任)
(appointed on 23 May 2000)

陳樹康 (前董事長)

Chen Shukang (*Ex-Chairman*)

(於二零零零年五月二十三日退任)
(resigned on 23 May 2000)

非執行董事

Non-executive

吳祚欽

Wu Tso Chin

獨立非執行董事

Independent Non-executive

薛建平

Sit Kien Ping, Peter

朱世雄

Zhu Shixiong

毛關勇

Moh Kwen Yung

每位非執行董事之任期為自其獲選任日期至其依照本公司組織章程細則輪席告退止。

根據本公司組織章程細則第一一六條款規定，朱世雄先生及吳祚欽先生須於即將舉行之股東週年大會後輪席告退，惟可獲選連任。朱世雄先生已申明願意繼續接受委任。

購買股份或債券之安排

除本公司及CASIL之購股權計劃外，於本年內本公司、各附屬公司、控股公司或同系附屬公司均無參與任何安排，致令董事或其配偶或十八歲以下子女藉購買本公司或其他公司之股份或債券而獲益。

董事於合約中之利益

於年終時或本年度內任何時間，本公司、各附屬公司、控股公司或同系附屬公司均無參與任何與本公司董事直接或間接有重大利益關係之重要合約。

The term of office of the non-executive directors is from the date they were last elected to the date of their retirement by rotation in accordance with the Company's Articles of Association.

Messrs. Zhu Shixiong and Wu Tso Chin retire by rotation at the close of the forthcoming annual general meeting in accordance with Article 116 of the Company's Articles of Association and are eligible for re-election. Mr. Zhu Shixiong has offered himself for re-election.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company, its subsidiaries, its holding companies or its fellow subsidiaries a party to any arrangements to enable the directors or their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than the share option schemes of the Company and CASIL.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance to which the Company, its subsidiaries, its holding companies or its fellow subsidiaries were a party and in which a director of the Company had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the year.

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董事及主要行政人員之股份權益

於二零零零年十二月三十一日，本公司並無任何董事、主要行政人員或彼等之聯繫人士持有本公司或附屬公司或任何聯繫公司之任何實益或非實益股份而須按證券（披露權益）條例第二十九條存置於董事權益記錄冊內，又或按照上市公司董事進行證券交易之標準守則規定通知本公司及香港聯合交易所有限公司。

董事服務合約

擬於即將舉行之股東週年大會上膺選連任之董事概無與本公司或任何附屬公司簽訂任何不可由聘任公司於一年內終止而免付補償（法定補償除外）之服務合約。

退休計劃

本集團已根據香港強制性公積金計劃條例登記，並無於香港設立或參與任何其他僱員退休計劃。本集團於中華人民共和國（香港除外）（「中國內地」）之僱員，附屬公司各自遵守中國內地有關法律及條例之退休福利條文。本集團於年內有關退休計劃之成本合共為港幣十九萬五千元（一九九九年：港幣四萬四千元）。

本集團於中國內地及香港以外並無僱員。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 31 December 2000, none of the directors, chief executives or their associates have any beneficial or non-beneficial interest in the share capital of the Company or its subsidiaries or any of its associated corporation which is required to be recorded in the Register of Directors' Interests pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

DIRECTORS' SERVICE CONTRACTS

None of the directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

RETIREMENT SCHEMES

The Group has registered under the Mandatory Provident Fund Schemes Ordinance of Hong Kong and did not maintain nor participate in any other retirement schemes for employees in Hong Kong. For employees of the Group in the People's Republic of China other than Hong Kong (the "PRC"), the respective subsidiary follows the provisions on retirement benefits of the relevant laws and regulations in the PRC. Total costs of the Group in respect of retirement schemes for the year amounted to HK\$195,000 (1999: HK\$44,000).

The Group does not have employees outside the PRC and Hong Kong.

主要股東

於二零零零年十二月三十一日，按照證券（披露權益）條例第十六條（一）而設立權益登記冊內所記載有關持有本公司已發行股本百分之十或以上之股東及其所申報之權益如下：

SUBSTANTIAL SHAREHOLDERS

At 31 December 2000, the following declarations of interest by shareholders holding 10% or more of the issued share capital of the Company had been recorded in the Register of Interests pursuant to Section 16(1) of the Securities (Disclosure of Interests) Ordinance:

名稱	Name	普通股份數目 Number of shares
中國航天科技集團公司 （「CASC」）	China Aerospace Science & Technology Corporation (“CASC”)	399,244,000 (附註一) (note 1)
Jetcote Investments Limited （「Jetcote」）	Jetcote Investments Limited (“Jetcote”)	399,244,000 (附註一) (note 1)
CASIL	CASIL	399,244,000 (附註二) (note 2)
Astrotech Group Limited （「Astrotech」）	Astrotech Group Limited (“Astrotech”)	399,244,000 (附註二) (note 2)

附註：

Notes:

- (一) CASC及Jetcote同被視為擁有399,244,000股股份，原因為Jetcote及其全資附屬公司Sun King Enterprises Company Limited及Burhill Company Limited合共持CASIL約41.86%已發行股本，而Jetcote則為CASC之全資附屬公司。
- (二) Astrotech乃CASIL之全資附屬公司，CASIL因而被視為擁有Astrotech全部權益。

1. CASC and Jetcote are both deemed to be interested in 399,244,000 shares as Jetcote together with Sun King Enterprises Company and Burhill Company Limited, which are wholly owned subsidiaries of Jetcote, collectively hold approximately 41.86% of the issued share capital of CASIL, whereas Jetcote is a wholly-owned subsidiary of CASC.
2. Astrotech is a wholly owned subsidiary of CASIL which is deemed to be interested in all the shares held by Astrotech.

銀行及其他借貸

本集團之銀行及其他借貸之詳情刊載於財務報告附註二十二。

BANK AND OTHER BORROWINGS

Details of bank and other borrowings of the Group and the Company are set out in note 22 to the financial statements.

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所得款項用途

於本年度發行債券所得款項淨額約為港幣四千三百五十三萬六千元，已用作一般營運資金。

於本年度發行股份所得款項淨額為港幣九千五百三十四萬五千元，已用作以下用途：

購入寬帶業務	Acquisition of technology license	
技術授權許可証	for broadband business	\$19,500,000
購入智能交通系統業務	Acquisition of ITS business	21,000,000
寬帶業務附屬公司之	Cost of establishment and working capital	
成立費用及營運資金	of subsidiaries for broadband business	42,727,000
智能交通系統業務附屬公司之	Cost of establishment and working capital	
成立費用及營運資金	of subsidiaries for ITS business	7,938,000

所得款項淨額已按其原有用途動用，餘下結存港幣四百一十八萬元將於二零零一年按原有用途運用。

USE OF PROCEEDS

The net proceeds from the issuance of the Debentures during the year amounting to about HK\$43,536,000 had been applied as general working capital.

The net proceeds from the issuance of shares during the year amounting to HK\$95,345,000 had been applied as follows:

The net proceeds have been used according to their original purposes and the residual balance of HK\$4,180,000 will be used according to the original purposes in 2001.

優先購買權

按本公司公司組織章程細則或開曼群島法例之規定，並無任何優先購買權。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws in the Cayman Islands.

主要客戶及供應商

截至二零零零年十二月三十一日止年度，本集團五大客戶共佔本集團總營業額約百分之六十（一九九九年：百分之七十八）。本集團最大客戶佔營業額約百分之二十七（一九九九年：百分之五十一）。

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2000, turnover attributable to the five largest customers of the Group accounted for approximately 60% (1999: 78%) of the Group's consolidated turnover and the aggregate turnover attributable to the Group's largest customer accounted for approximately 27% (1999: 51%) of the Group's consolidated turnover.

截至二零零零年十二月三十一日止年度，本集團五大供應商合共佔本集團總採購額不超過百分之三十（一九九九年：百分之三十），本集團最大供應商佔本集團總採購額約百分之十七（一九九九年：百分之十）。

就董事會所知，各董事、彼等之聯繫人士或擁有本公司已發行股本5%以上之股東並無於任何五大客戶或供應商中擁有任何實益權益。

最佳應用守則

本公司於年度內一直遵守聯交所證券上市規則附錄十四最佳應用守則之規定。

關連交易

截至二零零零年十二月三十一日年度止，本集團之關連交易如下：

1. 本集團佔用其最終控股公司CASIL所擁有位於香港九龍尖沙咀東科學館道1號康宏廣場21樓之部份面積。其租金及管理費乃參照正常商業條款下承租同類物業之租金支出。本集團所支付租金及管理費金額為港幣十一萬五千元。
2. 本集團租由CASIL附屬公司所擁有的若干停車位。租金及管理費是參照正常商業條款下承租同類停車位之租金支出。租金支出總額為港幣九萬六千元。

For the year ended 31 December 2000, purchases attributable to the five largest suppliers of the Group accounted for less than 30% (1999: 30%) of the Group's total purchases and the aggregate purchases attributable to the Group's largest supplier accounted for approximately 17% (1999: 10%) of the Group's total purchases.

None of the directors, their associates or, to the best knowledge of the directors, any shareholder who owns more than 5% of the Company's issued share capital had any interests in the above five largest customers or suppliers.

CODE OF BEST PRACTICE

The Company has complied throughout the year with the Code of Best Practice as set out in Appendix 14 of the Rules Governing The Listing of Securities on the Stock Exchange.

CONNECTED TRANSACTIONS

For the year ended 31 December 2000, the Group had the following connected transactions:

1. The Group occupied certain office space on 21 Floor, Concordia Plaza, 1 Science Museum Road, Tsimshatsui East, Kowloon, Hong Kong, which is owned by CASIL, its ultimate holding company. The rent and management fees are comparable to amounts paid for similar properties by tenants occupying such premises on normal commercial terms. The rent and management fee paid by the Group amounted to HK\$115,000.
2. The Group rented certain car parking space in Hong Kong from subsidiaries of CASIL. The rent and management fees payable are comparable to amounts paid for similar car parking space by tenants occupying such car parking space on normal commercial terms. The aggregate amount of rent paid was HK\$96,000

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獨立非執行董事已審閱並確認：

The Independent Non-executive Directors have reviewed and confirmed that:

- | | |
|--|--|
| (a) 上述關連交易乃本集團於一般及日常業務過程中進行之交易； | (a) the above connected transactions have been entered into by the Group in the ordinary and usual course of business; |
| (b) 上述關連交易乃按公平磋商基準於一般商業條款下進行，倘有協議監管該等交易，則該等交易已按監管協議之條款進行，或倘並無訂立協議，則交易已按不遜於給予獨立第三者之條款而進行； | (b) the above connected transactions have been entered into on normal commercial terms and on an arm's length basis, and where there is an agreement governing such transactions, such transactions have been carried out in accordance with the terms of the agreements governing such transactions, or if there is no such agreement, the transactions have been entered into on terms no less favourable than terms available to or from independent third parties; |
| (c) 上述交易已按對股東而言屬公平而合理之條款進行；及 | (c) the above transactions have been entered into on terms that are fair and reasonable as far as the shareholders are concerned; and |
| (d) 各項交易之總額並未超過聯交所規定之最高金額。 | (d) the total value of the respective transactions did not exceed the respective maximum amount as specified by the Stock Exchange. |

應收聯營公司款項

於二零零零年十二月三十一日，應收兩家聯營公司款項，結餘為港幣二億四千六百七十七萬四千元，佔本集團資產淨值港幣三億二千二百六十八萬三千元之76.5%列賬如下：

聯營公司名稱 Name of associate		二 零 零 零 年 2000 港幣千元 HK\$'000	一 九 九 九 年 1999 港幣千元 HK\$'000
山東康威電子有限公司	Shandong Kongwei Electronics Company Limited	63,543	63,543
南方通信（惠州）實業有限公司（「南方通信」）	Southern Telecommunication Development Company Limited (“Southern Telecom”)	227,231	206,824
		290,774	270,367
呆賬撥備	Provision for doubtful debts	44,000	—
		246,774	270,367

應收款項包括以前年度於聯營公司留作一般營運資金之未支付應收股息，年內給予南方通信以提供額外營運資金之額外墊款及過往年度授予聯營公司之貿易融資貸款。該款項為無抵押、無息及已逾期。聯營公司一直面對電訊市場上之激烈競爭，並未能按原有償還期限支付結欠。董事正監察聯營公司之還款，並與聯營公司商討支付結欠之事宜。本年度已就應收款項作出港幣四千四百萬元之呆賬撥備。

AMOUNTS DUE FROM ASSOCIATES

As at 31 December 2000, the balance of amounts due from two associates, which was stated at HK\$246,774,000 and represented 76.5% of the Group's net assets of HK\$322,683,000, is analysed as follows:

The amounts due include outstanding dividends receivable for previous years which was retained in the associates as additional working capital, additional advance to Southern Telecom during the year for the purpose of providing additional working capital and trade credit facilities granted to the associates in previous years. The amounts are unsecured, non-interest bearing and overdue. The associates have faced severe competitions in the telecommunications market and have not been able to settle the outstanding balance according to the original payment schedule. The directors are monitoring the repayment by the associates and are in negotiation with the associates for settlement of the outstanding balances. A provision for doubtful debts of HK\$44,000,000 has been made on the amounts due for the year.

董事會報告書

Report of the Directors

財務資料摘要

本集團截至二零零零年十二月三十一日止三個年度各年度之綜合業績及截至一九九七年十二月三十一日止兩個年度各年度之備考合併業績，連同本集團於一九九七、一九九八、一九九九及二零零零年十二月三十一日之綜合資產及負債及於一九九六年十二月三十一日之備考合併資產及負債摘要刊載於第71及72頁內。

核數師

德勤·關黃陳方會計師行將於即將舉行之股東週年大會後退任，惟願意膺選連任。

承董事會命

董事長
王彥廣

香港，二零零一年四月二十三日

FINANCIAL SUMMARY

A summary of the Group's consolidated results for each of the three years ended 31 December 2000 and proforma combined results for each of the two years ended 31 December 1997 together with the Group's consolidated assets and liabilities as at 31 December of 1997, 1998, 1999 and 2000 and proforma combined assets and liabilities as at 31 December 1996 are set out on pages 71 and 72.

AUDITORS

Messrs. Deloitte Touche Tohmatsu will retire at the end of the forthcoming annual general meeting and, being eligible, offer themselves for re-appointment.

On behalf of the Board

WANG YANGUANG
Chairman

Hong Kong, 23 April 2001