

# Report of the Directors

## 董事局報告書

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

本董事局謹提呈截至二零零零年十二月三十一日止年度之董事局報告書連同已審核財務報告。

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries are set out in note 32 to the financial statements.

### 主要業務

本公司為一間投資控股公司，其主要成員公司及其業務載於財務報告附註32。

### SEGMENTAL INFORMATION

An analysis of the Group's turnover and contribution to loss from operations is as follows:

### 劃分資料

本集團的營業額及經營虧損貢獻載列如下：

		Turnover		Contribution to loss from operations	
		營業額		經營虧損貢獻	
		2000	1999	2000	1999
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
By activity	由業務所得				
Property sales	物業出售	105,067	80,902	(32,158)	(7,986)
Property rental	物業出租	33,630	92,593	13,280	36,860
		<u>138,697</u>	<u>173,495</u>	<u>(18,878)</u>	<u>28,874</u>
Other expenses net of other revenue	其他費用扣除 其他收益			(23,678)	(1,130,736)
				<u>(42,556)</u>	<u>(1,101,862)</u>

No geographical analysis is shown as all the Group's turnover and loss from operations are derived from activities in the PRC.

由於本集團的營業額及經營虧損乃全由中國業務所得，因此並無載列以地域劃分的分析。

### RESULTS AND APPROPRIATIONS

The results of the Group and the state of the Group's and the Company's affairs are set out in the financial statements on pages 30 to 36.

### 業績及分配

本集團的業績及本公司及本集團的財務狀況列載於財務報告30至36頁。

No dividend was proposed and paid in respect of the current financial year.

本年度不派發任何股息。

## RESERVES

Movements in reserves of the Group and the Company during the year are set out in note 22 to the financial statements.

## DONATIONS

No donations were made to charities by the Group during the year.

## FIXED ASSETS

Details of movements in fixed assets of the Group during the year are set out in note 11 to the financial statements.

## INVESTMENT PROPERTIES

Details of movements in investment properties of the Group during the year are set out in note 12 to the financial statements; whereas particulars of major investment properties of the Group are set out on page 25.

## PROPERTIES HELD FOR/UNDER DEVELOPMENT

Details of movements in properties held for/under development of the Group during the year are set out in note 13 to the financial statements; whereas particulars of major properties held for/under development of the Group are set out on pages 25 to 26.

## SHARE CAPITAL

Details of the share capital of the Company are set out in note 21 to the financial statements.

## BORROWINGS AND INTEREST CAPITALISED

Details of the Group's borrowings are set out in note 18 to the financial statements.

During the year, no borrowing costs is capitalised by the Group in respect of property development projects.

## SUBSIDIARIES

Details of the Company's principal subsidiaries at 31 December 2000 are set out in note 32 to the financial statements.

## 儲備

本集團與本公司於年內儲備之變動情況載於財務報告附註22。

## 慈善捐款

本年度本集團沒有任何慈善捐款。

## 固定資產

本集團於年內之固定資產變動詳情載於財務報告附註11。

## 投資物業

本集團於年內之投資物業變動詳情載於財務報告附註12，而本集團重大投資物業資料載於第25頁。

## 持有作發展 / 發展中物業

本集團於年內持有作發展/發展中物業變動詳情載於財務報告附註13，而本集團持有作發展/發展中物業資料載於第25至26頁。

## 股本

本公司之股本詳情載於財務報告附註21。

## 借貸及撥作資本之利息

本集團之借貸載於財務報告附註18。

本集團於年內並無撥作資本的利息。

## 附屬公司

於二零零零年十二月三十一日，本公司主要附屬公司資料載於財務報告附註32。

## FINANCIAL SUMMARY

A summary of the results and assets and liabilities of the Group for the last five financial years is set out on page 4.

## DIRECTORS

The directors who held office during the year and up to the date of this report were:

Tsang Hin Cho	Acting Chairman
Wong Sze Sze	(appointed on 7 May 2001)
Yang Si	(appointed on 1 June 2001)
Chen Song Sheng*	(appointed on 28 February 2001)
Chang Ling *	(appointed on 28 February 2001)
Chang Wei Jeng	(appointed on 7 May 2001 and resigned on 29 May 2001)
Wong Wah	(resigned on 20 April 2001)
Wong Siu Mui	(resigned on 20 April 2001)
Hung Hin Cheung, Dominic	(resigned on 9 September 2000)
Li Wai Man*	(resigned on 24 May 2000)
Zhang Yonglin*	(resigned on 24 March 2000)
Du, Richeng	(resigned on 8 March 2000)

\* *Independent non-executive directors*

In accordance with Bye-Laws 86(2) and 87 of the Company, all existing directors retire, and, being eligible, offer themselves for re-election.

## 財務概要

本集團過去五個財政年度之業績，資產及負債之概要載於第4頁。

## 董事

本公司於本年度及直至本報告編製日期為止之在位董事如下：

曾憲藻	署理主席
黃思思	(於二零零一年 五月七日獲委任)
楊思	(於二零零一年 六月一日獲委任)
陳頌聲*	(於二零零一年 二月二十八日獲委任)
張玲*	(於二零零一年 二月二十八日獲委任)
張維正	(於二零零一年 五月七日獲委任及 於二零零一年 五月二十九日辭任))
黃華	(於二零零一年 四月二十日辭任)
王小梅	(於二零零一年 四月二十日辭任)
孔憲章	(於二零零零年 九月九日辭任)
李偉文*	(於二零零零年 五月二十四日辭任)
張永霖*	(於二零零零年 三月二十四日辭任)
杜日成	(於二零零零年 三月八日辭任)

\* *獨立非執行董事*

根據本公司之公司細則第86(2)及87條，所有仍然在任之董事全部告退，惟彼等願膺選連任。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### Executive Directors

**Wong Wah**, aged 46, the founder of Nam Fong International Group. He has been the Chairman and President since the incorporation of the Company. Mr. Wong graduated from Guangzhou Foreign Trade Institute in 1978 and has a number of years of extensive experience in trading, hotel and shopping arcade operations and property development. He is an Honoured Professor of Guangzhou Foreign Trade Institute. He is a member of The Youth Union of the PRC, and a member of the Guangdong Provincial Committee and the vice-chairman of Meizhou Municipal Committee of The Chinese People's Political Consultative Conference. He is also a Guangzhou Honoured Citizen, Meizhou Honoured Citizen and Shaoguan Honoured Citizen. Mr. Wong is a director of Great Capital Holdings Limited, a substantial shareholder of the Company. Mr. Wong resigned in April 2001.

**Wong Siu Mui**, aged 44, the spouse of Mr. Wong. She joined the Group in 1986 and has since been responsible for all finance and accounting, personnel and administration matters of the Group. Madam Wong is a director of Great Capital Holdings Limited, a substantial shareholder of the Company. Madam Wong resigned in April 2001.

**Tsang Hin Cho** (Acting Chairman), aged 50, the head of the Group's project development business in Guangzhou. He has over 15 years of experience in international trade, finance and property investment. He started an import and export business in 1982 and was involved in investment of property development in 1990. Mr. Tsang joined the Group in 1992 and has since been responsible for the development of projects in the PRC. Mr. Tsang was appointed as Acting Chairman in May 2001.

**Wong Sze Sze**, aged 19, the daughter of Mr. Wong Wah and Madam Wong Siu Mui. She joined the Group in May 2001 and is responsible for the overall coordination and administration of the Hong Kong office. She was educated in Singapore with majoring in Information Technology.

### 董事、高級管理人員資料

#### 執行董事

**黃華**，46歲，是南方國際集團創辦人，自公司註冊成立以來一直擔任本公司董事長兼總裁。黃先生於一九七八年畢業於廣州外貿學院，有多年從事貿易、酒店、商場、物業發展的豐富經驗，被廣州外貿學院聘為榮譽教授。黃先生是中國青聯委員、中國人民政治協商會議(政協)廣東省委員會委員兼政協梅州市委員會副主席，亦是廣州市榮譽市民、梅州市榮譽市民及韶關市榮譽市民。黃先生乃公司主要股東Great Capital Holdings Ltd.的董事。黃先生於二零零一年四月呈辭。

**王小梅**，44歲，黃華先生之配偶，於一九八六年加入本集團，自此負責本集團所有財務、會計、人事及行政事宜。王女士乃公司主要股東Great Capital Holdings Ltd.的董事。王女士於二零零一年四月呈辭。

**曾憲藻**，署理主席，50歲，在國際貿易、財務及物業投資方面積逾十五年經驗。彼於一九八二年起從事出、入口貿易生意，於一九九零年參與投資發展物業。曾先生於一九九二年加入本集團，負責在中國之發展項目，並為本集團在廣州發展項目之主管。曾先生於二零零一年五月獲委任為署理主席。

**黃思思**，19歲，黃華先生及王小梅女士的千金，於二零零一年五月加入本集團，負責香港集團公司行政及協調工作，彼於新加坡肄業，主修資訊科技。

**Yang Si**, aged 47, was the assistant to general manager when he joined the Group in 1996. He graduated from the University of Zhongshan in the PRC. He has over 20 years of experience in international trade and has extensive experience in the management of Sino-foreign co-operative and equity joint ventures. Mr. Yang was appointed as executive director in June 2001.

#### **Independent Non-Executive Directors**

**Chen Song Sheng**, aged 65, was appointed as non-executive director in February 2001. Mr. Chen worked with the University of Zhongshan in the PRC, where he graduated. He had been Deputy Head of the Department of Chinese in the University of Zhongshan. He holds his professorship in the University of Macau since 1991. Mr. Chen also holds a number of directorships with several Chinese cultural organisations.

**Chang Ling**, aged 46, was appointed as non-executive director in February 2001. Ms. Chang, a graduate of Chinese medicine, was employed as the nurse and anesthetist in the Nanhai City People's Hospital. She is currently a director of an investment company and a trading company.

#### **Senior Management**

In addition to the executive directors listed above, the Company has the following members on its senior management team:-

#### **Hong Kong**

**Ngan Sai Chung**, aged 41, Deputy General Manager - Finance & Accounts of the Group. He graduated from National Chengchi University of Taiwan with a Bachelor of Business Administration degree. He also holds Master degrees in Economics, Engineering and Accounting from the University of York, University of Warwick in the U.K. and the University of Science and Technology of Hong Kong respectively. He has over 15 years of experience in accounting and financial management and is a fellow of the Institute of Financial Accountants and member of the Chartered Institute of Secretaries and Administrators of the U.K. Mr. Ngan joined the Group in 1996 and was appointed as Company Secretary in September 2000.

**楊思**，47歲，於一九九六年加入本集團為總經理助理。彼於廣州中山大學畢業，擁有超過20年之國際貿易經驗，在中外合作經營企業及合資企業之管理方面亦具豐富經驗。楊先生於二零零一年六月獲委任為執行董事。

#### **獨立非執行董事**

**陳頌聲**，65歲，於二零零一年二月出任為本公司非執行董事，陳先生畢業於中國中山大學，畢業後留校任教，他曾出任中山大學中文系副主任，自一九九一年起出任澳門大學教授。陳先生亦為眾多推廣中國文化之組織出任會長及主席等職位。

**張玲**，46歲，於二零零一年二月出任為本公司非執行董事，張女士自中醫學院畢業後，於南海市人民醫院任職護士及麻醉師，彼現同任兩間投資及貿易公司的董事。

#### **高級管理人員**

除上所列的執行董事外，本公司的高級管理人員如下：

#### **香港**

**顏世忠**，41歲，本集團之財務部副總經理。彼畢業於台灣國立政治大學，持有企業管理學士學位。彼亦獲英國約克大學、華威大學及香港科技大學分別頒授經濟、工程及會計學碩士學位。彼於會計及財務管理方面擁有逾十五年經驗。彼為英國財務會計師公會之資深會員及特許秘書及行政人員公會會員。顏先生於一九九六年加入本集團及於二零零零年九月被委任為公司秘書。

## China

**Siu Hung**, aged 52, Financial Controller of the Group's Guangzhou office. She graduated from Guangzhou Institute of Foreign Languages and has over 20 years of experience in the field of finance. Prior to joining the Group in 1990, she worked in the accounting and finance department of a major hotel in Guangzhou.

**Hu Yongxian**, aged 33, Site Engineer of the Group's Guangzhou office since 1993. He graduated from South China University of Technology and is a civil engineer with 9 years of working experience in the construction industry. He joined the Group in 1993.

**Chen Weiwen**, aged 34, Site Engineer of the Group's Guangzhou office. He graduated from Guangzhou University and has been working as a civil engineer for over 10 years. He joined the Group in 1993 and is responsible for foundation and construction work of the Group's projects. Before joining the Group, he was responsible for the supervision of the construction progress in a construction company in Guangzhou.

**Wang Jianyong**, aged 38, Structural Audit Engineer of the Group's Guangzhou office. He graduated from Guangzhou Jinan University and has over 15 years of working experience in the construction industry. He joined the Group in 1994.

## DIRECTORS' INTERESTS IN SECURITIES

### (1) Shares

As at 31 December 2000, the interests of the directors in the shares of the Company, as recorded in the register maintained under Section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance") were as follows:

Name of directors	董事姓名	Number of ordinary shares
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Wong Wah	黃華	456,436,000
Wong Siu Mui	王小梅	456,436,000

The relevant directors are deemed to be interested in these shares as beneficiaries of a discretionary trust holding the above shares.

## 中國

**蕭紅**，52歲，本集團廣州辦事處之財務總監，於廣州外國語學院大學畢業，從事財務工作積逾二十年經驗。於一九九零年加入本集團之前，彼於廣州一大型酒店之會計及財務部工作。

**胡永先**，33歲，自一九九三年起為本集團廣州辦事處之地盤工程師，華南工業學院畢業，現為土木工程師，具九年建築業之工作經驗。胡先生於一九九三年加入本集團。

**陳偉文**，34歲，本集團廣州辦事處之地盤工程師，廣州大學畢業，現為土木工程師，具十年以上工作經驗。彼於一九九三年加入本集團，負責本集團項目之地盤及建築工程。於加入本集團之前，彼負責監管一間在廣州之建築公司之建築工序。

**王健勇**，38歲，本集團廣州辦事處之結構核算工程師，廣州暨南大學畢業，具十五年建築業之工作經驗。彼於一九九四年加入本集團。

## 董事所持之證券利益

### (1) 股份

於二零零零年十二月三十一日，董事所擁有本公司之股本權益而已登記在本公司遵照證券(披露權益)條例(「披露權益條例」)第二十九條置存之登記冊如下：

Name of directors	董事姓名	Number of ordinary shares
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Name of directors	董事姓名	Number of ordinary shares
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Wong Wah	黃華	456,436,000
Wong Siu Mui	王小梅	456,436,000

Wong Wah	黃華	456,436,000
Wong Siu Mui	王小梅	456,436,000

有關董事被視為擁有此等股份乃因彼等為持有上述股份之一個單位信託之受益人。

**(2) Options**

Details of share options granted to certain directors of the Company, pursuant to the Company's share option scheme set out in note 21(b) to the financial statements, are as follows:

Name of directors	董事	Number of options 認購股權 股份數目	Date of grant 授予日期	Expiry date 屆滿日期	Exercise price 行使價 HK\$ 港元	Market value at date of grant
						of options 授予股權日 之市值 HK\$ 港元
Wong Wah	黃華	10,000,000	25/7/1997	24/7/2003	3.20	3.375
Wong Siu Mui	王小梅	10,000,000	25/7/1997	24/7/2003	3.20	3.375
Tsang Hin Cho	曾憲藻	4,000,000	25/7/1997	24/7/2003	3.20	3.375
Hung Hin Cheung, Dominic	孔憲章	3,000,000	25/7/1997	24/7/2003	3.20	3.375

Save as disclosed above, at no time during the year was the Company or its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

As at 31 December 2000, other than under the share option scheme pursuant to which options have been granted to certain directors, none of the directors or their spouses or children under 18 years of age had been granted any right to subscribe for any shares of the Company.

Save as disclosed above, none of the directors had any other interest in the shares of the Company which had been entered in the register kept by the Company pursuant to Section 29 of the SDI Ordinance.

No options were exercised and 23,000,000 share options were lapsed upon the resignations of directors up to the date of this report.

**(2) 認購股權**

載於財務報告附註21(b)有關本公司之認購股權計劃內，授予董事之認購股權數目如下：

除上述者外，於年內任何時間本公司或其附屬公司概無作出任何安排，致使本公司之董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

於二零零零年十二月三十一日，除根據認購股權計劃內授予部份董事之認購股權外，概無董事或其配偶或其十八歲以下之子女獲授予權力認購本公司任何股份。

除上述所披露者外，概無董事擁有根據披露權益條例第二十九條置存之登記冊並已登記之其他權益。

截至本報告日止，並無認購股權已行使及合共23,000,000股認購股權因董事離職而註銷。

## DIRECTORS' INTERESTS IN CONTRACTS

- (1) During the year, the Company and its subsidiaries have entered into various contracts (as listed out in note 26 to the financial statements) with companies in which each of Mr. Wong Wah and Madam Wong Siu Mui had a material direct shareholding interest. In the opinion of the independent non-executive directors of the Company, these transactions were carried out on normal commercial terms and in the ordinary course of business.
- (2) Save as disclosed above, no contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party, and in which any director had a material interest, subsisted at the end of the year or at any time during the year.

## SUBSTANTIAL SHAREHOLDERS

As at 31 December 2000, as far as the directors are aware, the interests of the substantial shareholders in the shares of the Company were as follows:

### Name of shareholders

#### 股東名稱

### Number of shares

#### 股份數目

Great Capital Holdings Limited ("GCH") Note (1) 附註 1	456,436,000
Guangdong Investment Limited ("GDI") Note (2) 粵海投資有限公司(「粵海投資」) 附註2	136,000,000
Guangdong Enterprises (Holdings) Limited ("GDE") Note (3) 粵海企業(集團)有限公司(「粵海企業」) 附註3	443,882,000

#### Note:

- (1) The shares in which GCH are shown to be interested are also included in the shares in which the former directors, Mr. Wong Wah and Madam Wong Siu Mui, are shown to be interested.
- (2) GDI is the controlling shareholder of Yue Sheung Finance Limited which holds 20,000,000 shares in the Company. GDI directly holds 116,000,000 shares in the Company.

## 董事於合約之權益

- (1) 於年內，本公司及其附屬公司分別與黃華先生及王小梅女士擁有重大直接或間接股份權益之公司訂立多項合約(見財務報告附註26所列)。據本公司獨立非執行董事之意見，此等交易乃按日常業務程序進行。
- (2) 除上述者外，於年內任何時間，任何董事概無於本公司或其附屬公司所訂立與本集團業務有關之重大合約中擁有重大權益。

## 股本之主要權益

於二零零零年十二月三十一日，以董事局所知，主要股東在本公司股份中之權益如下：

#### 附註：

- (1) GCH所擁有之股份亦包括在前董事黃華先生與王小梅女士所擁有之股份內。
- (2) 粵海投資乃持有本公司20,000,000股股份之粵昇財務有限公司之控股股東。粵海投資直接持有本公司116,000,000股股份。



(3) GDE is the controlling shareholder of GDI which beneficially holds 136,000,000 shares in the Company. GDE directly holds 303,936,000 shares and indirectly holds 3,946,000 shares through Guangdong Credit Limited ("GCL") in the Company. In February 2001, the Company was informed that all the shares held by GDE have been transferred to Guangdong Assets Management Limited ("GAM"). The ultimate controlling shareholder of GDI, GCL and GAM is Guangdong Yue Gang Investment Holdings Company Limited.

On 16 May 2000, the Company was informed by GCH that a total of 291,436,000 shares of the Company had been pledged to secure the banking facilities for their private group of companies.

Save as disclosed above, at 31 December 2000, the Company had not been notified of any interest (other than that of the directors as disclosed above) amounting to 10% or more of the issued share capital of the Company required to be disclosed pursuant to the SDI Ordinance.

#### **PRE-EMPTIVE RIGHTS**

There is no provision for pre-emptive rights under the Company's Bye-Laws or the law in Bermuda.

#### **SERVICE AND MANAGEMENT CONTRACTS**

There is no service contract, which is not determinable by the Company within one year without payment of compensation (other than statutory compensation), in respect of any director proposed for re-election at the forthcoming annual general meeting.

Details of contracts of significance for the provision of services by related parties are set out in note 26 to the financial statements.

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

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

(3) 粵海企業乃實益持有本公司136,000,000股股份之粵海投資之控股股東。粵海企業直接持有本公司303,936,000股股份及透過粵海財務投資有限公司(「粵海財務」)間接持有本公司3,946,000股股份。於二零零一年二月，本公司獲知會粵海企業所持有本公司的股份已轉入粵海資產管理有限公司(「粵海資產」)。而廣東粵港投資控股有限公司為粵海投資、粵海財務及粵海資產的控股股東。

於二零零零年五月十六日，GCH知會本公司其持有本公司股份中之291,436,000股已作抵押，以取得其私人集團公司的銀行貸款。

除上述所披露者外，於二零零零年十二月三十一日，本公司並未接獲有關任何持有根據公開權益條例規定而須申報之本公司已發行股本10%或以上權益人士(除以上所述之董事外)之通知。

#### **優先購買權**

本公司組織章程細則或百慕達法例概無優先購買權之條款。

#### **服務及管理合約**

被提名於下屆股東週年大會膺選連任之董事並無簽訂任何一年內若由本公司終止合約時須作出賠償(法定賠償除外)之服務合約。

由有關連公司提供服務的重要合約詳情載於財務報告附註26。

#### **購買、出售或贖回本公司之上市證券**

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市證券。

## MAJOR CUSTOMERS AND SUPPLIERS

The percentage of turnover and purchases attributable to the Group's major customers and suppliers for the year are as follows:

Turnover:	銷售：
The largest customer	最大客戶
Five largest customers combined	五大客戶合計
Purchases:	採購：
The largest supplier	最大供應商
Five largest suppliers combined	五大供應商合計

None of the directors and their associates or any shareholder (who to the best knowledge of the directors, own more than 5% of the Company's share capital), had interest in the above customers and suppliers at any time during the year.

## PENSION SCHEME

Particulars of the Group's pension scheme are set out in note 28 to the financial statements.

## POST BALANCE SHEET EVENTS

Details of material post balance sheet events are set out in note 30 to the financial statements.

## AUDIT COMMITTEE

The Company has established an audit committee in 1999 with written terms of reference based on the guidelines set out in "A Guide for The Formation of An Audit Committee" published by the Hong Kong Society of Accountants.

The primary duties of the audit committee are to review and supervise the financial reporting process and internal control procedures of the Group. The audit committee comprised Mr. Zhang Yonglin, independent non-executive director, Madam Wong Siu Mui and Mr. Ngan Sai Chung.

## 主要客戶及供應商

本集團之主要客戶及供應商於年內佔集團之銷售及採購百分比如下：

	2000 %	1999 %
The largest customer	40	17
Five largest customers combined	56	24
The largest supplier	13	18
Five largest suppliers combined	38	43

本公司董事及其聯繫人等或根據董事所知擁有本公司逾5%股本之股東於本年度任何時間概無於上述客戶及供應商持有任何權益。

## 僱員公積金計劃

本集團的僱員公積金資料載列於財務報告附註28。

## 結算日後事項

結算日後重大事項的資料載於財務報告附註30。

## 審核委員會

本公司於一九九九年依據香港會計師公會編製的「成立審核委員會指引」成立一審核委員會，並已列出其職權範圍。

審核委員會的主要職責為檢討及監察本集團的財務匯報及內部監控程序，審核委員會成員包括獨立非執行董事張永霖先生，王小梅女士及顏世忠先生。

## Report of the Directors

### 董事局報告書

Mr. Zhang Yonglin resigned during the year and Madam Wong Siu Mui resigned subsequent to the balance sheet date. Mr. Chen Song Sheng and Ms. Chang Ling, independent non-executive directors, joined the audit committee in February 2001.

#### CODE OF BEST PRACTICE

The Code of Best Practice has been complied with by the Company throughout the year ended 31 December 2000 except that non-executive directors were not appointed for a specific term as recommended under the Listing Rules in Appendix 14 Guidelines.

#### AUDITORS

RSM Nelson Wheeler retire, and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of RSM Nelson Wheeler will be put at the forthcoming Annual General Meeting.

On behalf of the board

**Tsang Hin Cho**  
*Acting Chairman*

Hong Kong, 28 June 2001

張永霖先生及王小梅女士相繼辭任。於二零零一年二月，獨立非執行董事陳頌聲先生及張玲女士獲委任為審核委員會委員。

#### 最佳應用守則

於二零零零年十二月三十一日止整年內，除非執行董事沒有遵照香港聯合交易所有限公司證券上市規則附錄十四所建議於一段既定期間獲委任外，本公司已遵行最佳應用守則。

#### 核數師

本公司將於股東週年大會提呈續聘退任核數師羅申美會計師行之決議案。

承董事局命

署理主席  
**曾憲藻**

香港，二零零一年六月二十八日