

董事會報告書 / Report of the Directors

董事會現提呈香港藥業集團有限公司（「本公司」）及其附屬公司（「本集團」）截至二零零一年三月三十一日止年度之董事會報告及經審核財務報表。

更改公司名稱

根據二零零零年九月二十五日通過之特別決議案，本公司之名稱已由「N P H International Holdings Limited」更改為「Hong Kong Pharmaceutical Holdings Limited」，新名稱於二零零零年十月三日生效。

主要業務

於年內本公司之主要業務為投資控股。各附屬公司主要從事零售及批發中藥及其他藥物、健康產品及海味、物業投資及提供中醫診療服務。

於本報告書之日期，本集團之附屬公司主要業務，除上文所述外，還包括在中國進行基因工程制藥及轉基因動物制藥的科研生產、銷售及在香港經營藥品連鎖零售網絡。

各主要附屬公司之主要業務載於財務報表附註14。

The directors herein present their report and the audited financial statements of Hong Kong Pharmaceutical Holdings Limited (the “Company”) and its subsidiaries (the “Group”) for the year ended 31 March 2001.

Change of company name

Pursuant to a special resolution passed on 25 September 2000, the name of the Company was changed from “N P H International Holdings Limited” to “Hong Kong Pharmaceutical Holdings Limited”. The new name became effective on 3 October 2000.

Principal activities

During the year, the principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the wholesale and retail of Chinese and other medicines, health products and dried seafoods, property investment and provision of Chinese clinical services.

At the date of this report, the principal activities of the subsidiaries of the Group include, in addition to the above mentioned, scientific research, manufacture and sale of genetically engineered and transgenic animal-produced pharmaceutical products in China and medicine retail distribution operations in Hong Kong.

The principal activities of its principal subsidiaries are set out in note 14 to the financial statements.



董事會報告書 / Report of the Directors

分類資料

本集團截至二零零一年三月三十一日止年度按主要業務及經營地區劃分之營業額及經營溢利／（虧損）之貢獻分析如下：

Segmental information

An analysis of the Group's turnover and contribution to profit/(loss) from operating activities by principal activity and geographical area of operations for the year ended 31 March 2001 is as follows:

		營業額 Turnover		經營溢利／ （虧損）之貢獻 Contribution to profit/(loss) from operating activities	
		2001	2000	2001	2000
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
按業務劃分：	By activity:				
零售及批發中藥及其他 藥物、健康產品及海味	Wholesale and retail of Chinese and other medicines, health products and dried seafoods	35,963	25,040	(8,986)	(3,751)
物業投資—租金收入	Property investment – rental income	2,597	2,526	2,286	2,165
提供中醫診療服務	Provision of Chinese clinical services	446	–	(1,292)	–
其他	Others	–	–	(3,075)	3,718
		39,006	27,566	(11,067)	2,132
按地區劃分：	By geographical area:				
中華人民共和國：	People's Republic of China:				
香港特別行政區	Hong Kong	38,982	27,566	(10,918)	2,148
其他地區	Elsewhere	24	–	(149)	(16)
		39,006	27,566	(11,067)	2,132

業績及股息

本集團於截至二零零一年三月三十一日止年度之虧損及本公司與本集團於該日之業務狀況載於第25至77頁之財務報表內。

董事不建議於年內派發任何股息。

Results and dividends

The Group's loss for the year ended 31 March 2001 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 25 to 77.

The directors do not recommend the payment of any dividend for the year.

董事會報告書 / Report of the Directors

財務資料摘要

摘錄自經審核財務報表，並已適當地分類之過去五個財政年度本集團之業績公布、資產與負債摘要載於年報第80頁。該摘要並非經審核財務報表之一部份。

固定資產及投資物業

本集團之固定資產及投資物業之變動詳情載於財務報表附註12。本集團投資物業之詳情載於年報第78及79頁。該摘要並非經審核財務報表之一部份。

附屬公司

本公司各主要附屬公司之詳情載於財務報表附註14。

銀行貸款、透支及其他借款

本公司及本集團之銀行貸款、透支及其他借款及本集團之租購合約應付款項之詳情載於財務報表附註24至26。

資本化之利息

本年內並無利息被資本化。

股本及購股權

本公司於年內之股本及購股權變動詳情及其原因載於財務報表附註27。

可換股票據

本公司可換股票據之詳情載於財務報表附註25。

Summary financial information

A summary of the published results and of the assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements and reclassified as appropriate, is set out on page 80 of the annual report. This summary is not part of the audited financial statements.

Fixed assets and investment properties

Details of movements in the fixed assets and investment properties of the Group are set out in note 12 to the financial statements. Further particulars of the Group's investment properties are set out on pages 78 and 79 of the annual report. This summary is not part of the audited financial statements.

Subsidiaries

Particulars of the Company's principal subsidiaries are set out in note 14 to the financial statements.

Bank loans, overdrafts and other borrowings

Details of the bank loans, overdrafts and other borrowings of the Company and the Group and the hire purchase contract payables of the Group are set out in notes 24 to 26 to the financial statements.

Interest capitalised

No interest was capitalised during the year.

Share capital and share options

Details of movements in the Company's share capital and share options during the year, together with the reasons therefor, are set out in note 27 to the financial statements.

Convertible notes

Details of the Company's convertible notes are set out in note 25 to the financial statements.



董事會報告書 / Report of the Directors

優先認股權

本公司之公司細則及百慕達法例中均無有關優先認股權之條款，規定本公司須按比例向現有股東發行新股。

Pre-emptive rights

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

購買、出售或贖回本公司上市證券

除本公司之主要股東Hong Tau Investment Ltd之全資附屬公司，Tin Ming Management Limited，於二零零零年四月以每股0.10港元認購800,000,000股新股及於二零零零年四月及九月，本公司分別以每股0.10港元及0.60港元配售200,000,000股及134,000,000股新股予獨立投資者，本公司或其附屬公司並無於年內購買、出售或贖回本公司任何上市證券。

Purchase, sale or redemption of listed securities of the Company

Other than the subscription of 800 million new shares at a price of HK\$0.10 per share in April 2000 by Tin Ming Management Limited, a wholly owned subsidiary of Hong Tau Investment Ltd., the substantial shareholder of the Company, and the placement of 200 million new shares at a price of HK\$0.10 per share and 134 million new shares at a price of HK\$0.60 per share to independent investors in April and September 2000, respectively, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

儲備

本公司及本集團於年內之儲備變動詳情載於財務報表附註28。

Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 28 to the financial statements.

可分派儲備

於二零零一年三月三十一日，根據百慕達一九八一年公司法（經修訂）之條款計算本公司並無儲備供現金分派及／或資產分派。

Distributable reserves

At 31 March 2001, the Company had no reserves available for cash distribution and/or distribution in specie calculated in accordance with the provisions of the Companies Act 1981 of Bermuda (as amended).

此外，本公司之股份溢價賬為140,382,000港元，可以繳足紅股之方式作分派。

In addition, the Company's share premium account, in the amount of HK\$140,382,000, may be distributed in the form of fully paid bonus shares.

董事會報告書 / Report of the Directors

主要客戶及供應商

於回顧年度，本集團五大客戶之營業額佔年內總營業額少於30%。

本集團五大供應商之採購額佔年內總採購額45%，其中最大供應商佔16%。

本公司各董事、彼等之聯繫人士或任何股東（根據董事所知擁有本公司已發行股本5%以上者）概無擁有本集團五大供應商任何實益權益。

董事

本公司於年內之董事如下：

執行董事

孫曉路先生
黃淑云女士
朱均先生
趙大可先生

獨立非執行董事

吳永鏗先生
彭澤棠先生

根據本公司之公司細則第87條，趙大可先生於即將舉行之股東週年大會輪值退任，惟彼願膺選連任。

獨立非執行董事並無固定任期，惟跟執行董事一樣須根據本公司之公司細則規定退任。

Major customers and suppliers

In the year under review, sales to the Group's five largest customers accounted for less than 30% of the total sales for the year.

Purchases from the Group's five largest suppliers accounted for 45% of the total purchases for the year and purchases from the largest supplier included therein accounted for 16%.

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest suppliers.

Directors

The directors of the Company during the year were:

Executive directors

Mr. Sun Hiu Lu
Ms. Huang Shuyun
Mr. Chu Kwan
Mr. Zhao Dake

Independent non-executive directors

Mr. Ng Wing Hang
Mr. Pang Chak Tong, Laurence

In accordance with article 87 of the Company's bye-laws, Mr. Zhao Dake will retire by rotation and, being eligible, will offer himself for re-election at the forthcoming annual general meeting.

The independent non-executive directors do not have specific terms of appointment but are subject to retirement on the same basis as the executive directors as required by the Company's bye-laws.



董事會報告書 / Report of the Directors

董事及高級管理人員履歷

本公司之董事及本集團之高級管理人員之履歷載於年報第7至10頁。

Directors and senior management biographies

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 7 to 10 of the annual report.

董事酬金及五名最高薪人士

本集團之董事酬金及五名最高薪人士之詳情分別載於財務報表附註7及8。

Remuneration of directors and five highest paid individuals

Details of the remuneration of the directors and of the five highest paid individuals in the Group are set out in notes 7 and 8 to the financial statements, respectively.

董事服務合約

擬在即將舉行之股東週年大會膺選連任之董事，概無與本公司訂立本公司須作補償（法定賠償除外）方可於一年內終止之服務合約。

Directors' service contracts

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

董事於合約之權益

各董事並無在本公司或其任何附屬公司、其控股公司或其同集團附屬公司訂立，且與本集團業務有關之重大合約中，擁有任何重大權益。

Directors' interests in contracts

No director had a material interest in any contract of significance to the business of the Group to which the Company, its subsidiaries, its holding companies or its fellow subsidiaries was a party during the year.

董事會報告書 / Report of the Directors

董事於股份之權益

於二零零一年三月三十一日，根據證券（披露權益）條例（「披露權益條例」）第29條存置之登記名冊，董事於本公司或其聯營公司股本中擁有之權益如下：

本公司之普通股

董事姓名	Name of Director
孫曉路先生	Mr. Sun Hiu Lu
朱均先生	Mr. Chu Kwan

附註：Hong Tau Investment Ltd.（「Hong Tau」）透過其全資附屬公司 Victory Hunter Holdings Limited（「Victory Hunter」）（其持有23,400,000股本公司股份）及 Tin Ming Management Limited（「Tin Ming」）合共持有823,400,000股本公司股份。

Hong Tau的51%權益由 Welcome Success Worldwide Ltd.（「Welcome Success」）（本公司二位董事，孫曉路先生及朱均先生分別持有其50%權益）持有，49%權益由濱港財務有限公司（「濱港」）持有。黑龍江經濟開發集團公司（「黑龍江」）持有濱港80%權益。

因此，Hong Tau、Welcome Success、孫曉路先生、朱均先生、濱港及黑龍江分別被視為擁有 Victory Hunter 及 Tin Ming 合共所持之823,400,000股本公司股份。

董事於本公司購股權之權益另外載於「董事購買股份之權利」一節內。

除上文所披露者外，於二零零一年三月三十一日，各董事或其聯繫人士於本公司或其任何聯營公司（定義見披露權益條例）之股本中並無擁有任何個人、家族、公司或其他權益。

Directors' interests in shares

As at 31 March 2001, the interests of the directors in the share capital of the Company or its associated corporations as recorded in the register maintained by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance") were as follows:

Ordinary shares of the Company

持有之股份數目及權益性質 Number of shares held and nature of interest

個人權益 Personal Interests	公司權益 Corporate Interests
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附註 Note	—	823,400,000
附註 Note	—	823,400,000

Note: Hong Tau Investment Ltd. ("Hong Tau"), through its wholly owned subsidiaries, Victory Hunter Holdings Limited ("Victory Hunter") (which holds 23,400,000 shares of the Company) and Tin Ming Management Limited ("Tin Ming") holds an aggregate number of 823,400,000 shares of the Company.

Hong Tau is owned as to 51% by Welcome Success Worldwide Ltd. ("Welcome Success") (which is owned equally as to 50% by each of two directors of the Company, Mr. Sun Hiu Lu and Mr. Chu Kwan), and as to 49% by H.H.K. Finance Company Limited ("HHK"). Heilongjiang Economic Development Corp. ("Heilongjiang") owns 80% interest in HHK.

Accordingly, each of Hong Tau, Welcome Success, Mr. Sun Hiu Lu, Mr. Chu Kwan, HHK and Heilongjiang is deemed to be interested in 823,400,000 shares of the Company held by Victory Hunter and Tin Ming.

The interests of the directors in the share options of the Company are separately disclosed in the Section "Directors' rights to acquire shares".

Save as disclosed above, none of the directors or their associates had any personal, family, corporate or other interest in the share capital of the Company or any of its associated corporations as defined in the SDI Ordinance as at 31 March 2001.



董事會報告書 / Report of the Directors

董事購買股份之權利

根據本公司之購股權計劃，本公司向若干董事授出本公司普通股之購股權，詳情如下：

Directors' rights to acquire shares

Pursuant to the Company's share option scheme, the Company granted options on the Company's ordinary shares in favour of certain directors, the summary details of which are as follows:

董事姓名	Name of director	於二零零一年 三月三十一日之				購股權之 行使價 Exercise price of share options 港元 HK\$	
		經調整 之購股權數目 Adjusted number of share options	於年內授予 之購股權數目 Number of share options granted during the year	於年內作廢 之購股權數目 Number of share options lapsed during the year	購股權數目 Number of share options at 31 March 2001		
		購股權之 行使期 Exercise period of share options					
黃淑云女士	Ms. Huang Shuyun	2,000,000	—	(2,000,000)	—	30-10-1997 to 29-10-2000	3.35
		—	25,000,000	—	25,000,000	16-5-2000 to 15-5-2003	0.639
		—	2,000,000	—	2,000,000	30-10-2000 to 29-10-2003	0.460
朱均先生	Mr. Chu Kwan	1,000,000	—	(1,000,000)	—	30-10-1997 to 29-10-2000	3.35
		800,000	—	(800,000)	—	24-3-1998 to 23-3-2001	1.50
		—	25,200,000	—	25,200,000	16-5-2000 to 15-5-2003	0.639
		—	1,000,000	—	1,000,000	30-10-2000 to 29-10-2003	0.460
孫曉路先生	Mr. Sun Hiu Lu	—	27,000,000	—	27,000,000	16-5-2000 to 15-5-2003	0.639
趙大可先生	Mr. Zhao Dake	—	27,000,000	—	27,000,000	16-5-2000 to 15-5-2003	0.639
		3,800,000	107,200,000	(3,800,000)	107,200,000		
附註1 Note 1							

附註 1：於二零零零年四月二十六日，本集團進行股本重組把每股面值0.10港元之股份削減至0.02港元及把每五股面值0.02港元合併為每股0.10港元之合併股份。基於股份合併，按已授出之購股權而可能發行本公司股本中之股份數量（「發行股份」）及於行使已授出之購股權賦予之行使權利應支付之行使價（「行使價」）而作出若干調整。

Note 1: On 26 April 2000, the Group underwent a capital restructuring whereby the par value of each ordinary share of HK\$0.10 was reduced to HK\$0.02 and every five ordinary shares of HK\$0.02 each were consolidated into one consolidated ordinary share of HK\$0.10. As a result of the share consolidation, certain adjustments were made to the number of shares in the share capital of the Company which may be issued under the share options granted (the "Issuable Shares") and exercise prices payable on exercise of the exercisable rights attaching to the share options granted (the "Exercise Prices").

董事會報告書 / Report of the Directors

董事購買股份之權利 (續)

遵照於一九九七年九月二十二日採納之本公司購股權計劃之條款計算，發行股份及行使價已作出調整如下：

Directors' rights to acquire shares (continued)

Based on the calculation, which is in accordance with the terms and conditions of the share option scheme of the Company adopted on 22 September 1997, the Issuable Shares and the Exercise Prices were adjusted as follows:

董事姓名	Name of director	於二零零零年 三月三十一日 原有之購股權數目	於二零零零年 四月二十六日 經調整之購股權數目	購股權之行使期 Exercise period of share options	經調整 購股權之行使價 Adjusted exercise price of share options 港元 HK\$
		Original number of share options at 31 March 2000	Adjusted number of share options at 26 April 2000		
黃淑云女士	Ms. Huang Shuyun	10,000,000	2,000,000	30-10-1997 to 29-10-2000	3.35
朱 均先生	Mr. Chu Kwan	5,000,000	1,000,000	30-10-1997 to 29-10-2000	3.35
		4,000,000	800,000	24-3-1998 to 23-3-2001	1.50
		19,000,000	3,800,000		

附註 2：董事並無於年內行使購股權。

Note 2: No share options were exercised by the directors during the year.

除上文所披露者外，於年內本公司、其控股公司或其任何附屬公司及其同集團附屬公司概無參與訂立任何安排，致使本公司之董事、彼等各自之配偶或未滿18歲之子女可藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

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

本公司購股權計劃之詳情載於財務報表附註27。

Further details of the Company's share option scheme are set out in note 27 to the financial statements.



董事會報告書 / Report of the Directors

主要股東

於二零零一年三月三十一日，根據披露權益條例第16(1)條本公司須予存置之權益登記冊所記錄，下列股東持有本公司10%或以上之股本：

股東名稱		所持股份數目		
		直接權益	認算權益	百分比
Name of Shareholder		Direct interest	Deemed interest	%
Victory Hunter	附註 Note	23,400,000	—	19
Tin Ming	附註 Note	800,000,000	—	64

附註：Hong Tau 透過其全資附屬公司 Victory Hunter (其持有23,400,000股本公司股份) 及 Tin Ming 合共持有823,400,000股本公司股份。

Hong Tau的51%權益由Welcome Success (本公司二位董事，孫曉路先生及朱均先生分別持有其50%權益) 持有，49%權益由濱港持有。黑龍江持有濱港80%權益。

因此，Hong Tau、Welcome Success、孫曉路先生、朱均先生、濱港及黑龍江分別被視為擁有 Victory Hunter 及 Tin Ming 合共所持之823,400,000股本公司股份。

除上文披露者外，並無任何人士 (其權益已於上文「董事於股份之權益」一節載列之本公司董事除外) 於本公司股本中持有須根據公開權益條例第16(1)條之規定予以登記之權益。

結算日後之事項

本集團於結算日後之重大事項之詳情載於財務報表附註 33。

Substantial shareholders

As at 31 March 2001, the following interests of 10% or more of the share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 16(1) of the SDI Ordinance:

	所持股份數目		
	Number of shares held		
	直接權益	認算權益	百分比
	Direct interest	Deemed interest	%
附註 <i>Note</i>	23,400,000	—	19
附註 <i>Note</i>	800,000,000	—	64

Note: Hong Tau, through its wholly owned subsidiaries, Victory Hunter (which holds 23,400,000 shares of the Company) and Tin Ming holds an aggregate number of 823,400,000 shares of the Company.

Hong Tau is owned as to 51% by Welcome Success (which is owned equally as to 50% by each of two directors of the Company, Mr. Sun Hiu Lu and Mr. Chu Kwan), and as to 49% by HHK. Heilongjiang owns 80% interest in HHK.

Accordingly, each of Hong Tau, Welcome Success, Mr. Sun Hiu Lu, Mr. Chu Kwan, HHK and Heilongjiang is deemed to be interested in 823,400,000 shares of the Company held by Victory Hunter and Tin Ming.

Save as disclosed above, no person, other than the directors of the Company, whose interests are set out in the Section "Directors' interests in shares" above, had registered an interest in the share capital of the Company that was required to be recorded pursuant to Section 16(1) of the SDI Ordinance.

Post balance sheet events

Details of the significant post balance sheet events of the Group are set out in note 33 to the financial statements.

董事會報告書 / Report of the Directors

退休金計劃

本集團退休金計劃及年內自損益賬扣除之僱主退休金費用之詳情分別載於財務報表附註3及5。

Pension scheme

Details of the pension scheme of the Group and the employer's pension costs charged to the profit and loss account for the year are set out in notes 3 and 5 to the financial statements, respectively.

給予一間公司之貸款

於二零零一年三月三十一日，本集團借予華財集團（控股）有限公司某些附屬公司（「債務人」）之貸款合共約為77,600,000港元連同其應計利息約6,262,000港元。該項貸款並無抵押，按年息12%或港元最優惠利率加3%計算，並從一九九八年十二月／一九九九年一月逾期未還。本集團已於二零零零年十月向債務人發出傳訊令狀，於二零零零年十一月債務人被判敗訴，據此，債務人被頒令需支付合共約103,034,000港元連同利息予本集團。本集團已就全部貸款及其應收利息於一九九九年三月三十一日作全數撥備。

Advance to an entity

As at 31 March 2001, the Group had advanced an aggregate sum of approximately HK\$77,600,000 plus accrued interest thereon of approximately HK\$6,262,000 to certain subsidiaries of Golden Sino (Holdings) Limited (the "Debtors"). The advances are unsecured, bear interest at 12% per annum or Hong Kong dollar prime rate plus 3% per annum and have been overdue since December 1998/January 1999. The Group had issued writs of summons to the Debtors in October 2000 and in November 2000, judgements were delivered against the Debtors under which the Debtors were ordered to pay to the Group the sum of approximately HK\$103,034,000 plus interest. The Group made full provision against the entire loan and interest receivable thereon in the year ended 31 March 1999.

控股股東抵押之本公司股份

於二零零零年二月二十九日，一家銀行（「該銀行」）與本公司訂立重組協議，據此，（其中包括）該銀行同意授予本集團一筆定期貸款額，本金總額約為46,000,000港元。作為重組安排之一部分，該銀行於二零零零年三月二十九日與Tin Ming, Hong Tau之全資附屬公司，訂立貸款協議（「貸款協議」）。該重組安排另外規定，倘Tin Ming於本公司之持股量（根據貸款協議抵押予該銀行作為抵押品）降低於本公司已發行股份總數之51%，則將視為已發生違約事件。在此情況下，該銀行可宣佈根據本公司與該銀行簽訂之任何重組文件（「重組文件」）之任何應付款項已即時到期並須予支付，而該等款項須據此即時到期支付。根據重組文件，於二零零零年

Pledge of shares of the Company by the controlling shareholder

On 29 February 2000, a bank (the "Bank") entered into a restructuring agreement with the Company under which, among other things, the Bank agreed to grant a term loan facility of an aggregate principal amount of approximately HK\$46 million to the Group. As part and partial of the restructuring arrangement, the Bank entered into a loan agreement with Tin Ming, a wholly owned subsidiary of Hong Tau, on 29 March 2000 (the "Loan Agreement"). The restructuring agreement further provides that if Tin Ming's shareholdings in the Company that are charged to the Bank as security under the Loan Agreement fall below 51% of the total issued shares of the Company, an event of default will be deemed to have arisen. In such an event, the Bank may declare any sums payable under any of the restructuring documents between the Company and the Bank (the "Restructuring Documents") to have become immediately due and payable, whereupon the same shall become immediately due and payable.



董事會報告書 / Report of the Directors

四月二十七日之貸款總額約為46,000,000港元。
根據重組文件，貸款年期最長為六年。

The aggregate level of facilities under the Restructuring Documents as at 27 April 2000 is approximately HK\$46 million. The maximum life of the facilities under the Restructuring Documents is 6 years.

最佳應用守則

董事認為，除本公司之獨立非執行董事並無固定任期，須根據本公司之公司細則規定，於本公司之股東週年大會上輪值告退及重選外，本公司於本年報有關會計年度一直遵守香港聯合交易所有限公司上市規則（「上市規則」）附錄14所載之最佳應用守則。

Code of Best Practice

In the opinion of the directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules of The Stock Exchange of Hong Kong Limited (“Listing Rules”) throughout the accounting period covered by the Annual Report, except that the independent non-executive directors of the Company are not appointed for specific terms and are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provision of the Company’s bye-laws.

審核委員會

遵從上市規則附錄14經修訂之最佳應用守則。本公司於一九九八年十二月一日成立審核委員會及以書面列出其職權範圍，目的為審查及監察本集團之財務匯報程序及內部監控運作。該委員會由兩名獨立非執行董事組成。

Audit Committee

To comply with the revised Code of Best Practice as set out in Appendix 14 of the Listing Rules, on 1 December 1998, the Company set up an audit committee with written terms of reference for the purpose of reviewing and providing supervision of the financial reporting process and internal controls of the Group. The committee comprises two independent non-executive directors.

核數師

安永會計師事務所任滿告退，因此，於即將舉行之股東週年大會上將提呈決議案，續聘其為本公司之核數師。

Auditors

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

承董事會命

ON BEHALF OF THE BOARD OF DIRECTORS

主席
孫曉路

Sun Hiu Lu
Chairman

香港
二零零一年七月二十六日

Hong Kong
26 July 2001