

REPORT OF THE DIRECTORS

董事會報告

The directors submit their report together with the audited accounts for the year ended 31st December 2001.

董事會謹提呈董事會報告及本公司與本集團截至二零零一年十二月三十一日止年度之經審核帳目。

Principal activities and geographical analysis of operations

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in note 29 to the accounts.

An analysis of the Group's performance for the year by business and geographical segments is set out in note 3 to the accounts.

Results and dividends

The results of the Group for the year are set out in the consolidated profit and loss account on page 104.

The directors do not recommend the payment of a dividend.

主要業務及經營之地區分析

本公司之主要業務為控股投資。各附屬公司之業務已載列於帳目附註 29。

本集團於本年度按業務及地區劃分之業績分析載列於帳目附註 3。

業績及股息

本集團於本年度之業績載列於第104頁之綜合損益表。

董事會不建議派發股息。

Five year financial summary

The consolidated results, and assets and liabilities of the Group for the last five financial years, as extracted from the 2000 published annual report, restated and reclassified as appropriate, are summarised below:

五年之財政摘要

摘錄自二零零零年已公布年報及經適當重列與重新分類後，本集團過去五個財政年度之綜合業績與資產及負債概述如下：

Results 業績

		2001 HK\$'000 二零零一年 千港元	2000 HK\$'000 (Restated) 二零零零年 千港元 (重新列帳)	1999 HK\$'000 (Restated) 一九九九年 千港元 (重新列帳)	1998 HK\$'000 (Restated) 一九九八年 千港元 (重新列帳)	1997 HK\$'000 (Restated) 一九九七年 千港元 (重新列帳)
Turnover	營業額	65,048	43,715	280,763	879,022	4,126,162
(Loss)/profit before taxation	除稅前之(虧損) 溢利	(34,513)	(197,138)	(495,108)	(53,943)	41,320
Taxation	稅項	—	—	—	—	(23)
Minority interests	少數股東權益	2,741	2,133	—	(37)	(86,597)
Preference dividends	優先股股息	(9,601)	(8,283)	(3,627)	(6,233)	(5,638)
Loss attributable to ordinary shareholders	普通股股東應佔虧損	(41,373)	(203,288)	(498,735)	(60,213)	(50,938)
Assets and liabilities	資產及負債					
Fixed assets	固定資產	72,143	24,061	30,254	—	—
Intangible assets	無形資產	18,961	26,445	98,745	1,819	1,877
Investments	投資	55,280	35,000	3,609	364,488	411,137
Other non-current assets	其他非流動資產	62,288	64,922	80,914	2	2
Net current assets	流動資產淨額	128,574	151,783	80,796	43,461	16,797
		337,246	302,211	294,318	409,770	429,813
Shareholders' equity	股東權益	214,193	176,417	166,263	409,641	429,721
Minority interests	少數股東權益	123,053	125,794	128,055	129	92
		337,246	302,211	294,318	409,770	429,813

Five year financial summary (Continued)

The loss attributable to ordinary shareholders for the two years ended 31st December 2000 and 1999 and the shareholders' equity as at the respective balance sheet dates have been restated as a result of the revision in the accounting policies due to change in accounting standards for intangible assets on the adoption of SSAP 29 by the Group in 2001.

Fixed assets

Details of the movements in fixed assets of the Group and of the Company are set out in note 11 to the accounts.

Share capital

Details of the movements in the share capital of the Company are set out in note 20 to the accounts.

Share options

Pursuant to a ten-year share option scheme of the Company adopted on 12th May 1999, the board of directors of the Company may grant options to eligible employees of the Group, including executive directors, to subscribe for shares in the Company. The subscription price is the higher of the nominal value of the Company's shares and 80% of the average of the closing prices of the Company's shares on The Stock Exchange of Hong Kong Limited ("SEHK") for the five trading days immediately preceding the offer of the option. The maximum number of shares in respect of which options may be granted under the scheme is limited to 10% of the number of issued shares of the Company from time to time. In addition, no eligible employee may be granted an option or options which the number of options would exceed 25% of the aggregate number of total options granted from time to time.

During this year, no share options were granted by the Company (2000: 10,700,000). Since there were no options granted during the year, it is not necessary to disclose the value of share options granted.

五年之財政摘要 (續)

截至一九九九年十二月三十一日止及截至二零零零年十二月三十一日止兩個年度之普通股股東應佔虧損，以及於各結算日之股東權益均由於本集團於二零零一年採用會計準則第29號致令無形資產之會計政策出現變動而重新列帳。

固定資產

本集團及本公司固定資產之變動詳情分別載列於帳目附註 11。

股本

本公司之股本變動詳情載列於帳目附註 20。

購股權

根據本公司於一九九九年五月十二日採納之十年期購股權計劃，本公司董事會可對本集團之合資格僱員(包括執行董事)授出購股權以認購本公司股份。認購價以本公司股份之面值及緊接購股權授出日期前五個營業日本公司股份在香港聯合交易所有限公司("香港聯交所")之平均收市價之80%之較高者為準。根據購股權計劃授出之股份最高數目以本公司當時已發行股份數目之10%為限。此外，合資格僱員獲授購股權之數目不得超過當時授出購股權總數之25%。

本公司於年內並無授出購股權(二零零零年：10,700,000份)。由於在年內並無授出購股權，因此並無購股權價值予以披露。

Share options (Continued)

There were 3,550,000 (2000: 5,650,000) share options lapsed during the year resulting from the resignation of certain employees to whom the options were granted.

The exercise in full of the share options, under present capital structure of the Company, would result in the issue of 21,034,000 (2000: 24,784,000) additional ordinary shares, and details of which are described below.

Date of share options granted	10th September 1999
Exercise price	HK\$2.25
Exercise period	1st January 2000 – 31st December 2002

購股權 (續)

由於若干獲授購股權之僱員離職，年內有3,550,000份(二零零零年：5,650,000份)購股權失效。

在本公司現行之資本結構下，悉數行使購股權將導致額外發行21,034,000股(二零零零年：24,784,000股)普通股，有關詳情載列如下：

購股權授出日期	一九九九年九月十日
行使價	2.25港元
行使期	二零零零年一月一日至 二零零二年十二月三十一日

		Outstanding options as at 1st January 2001 於二零零一年一月一日 未獲行使之購股權數目	Options exercised during the year 年內獲行使之 購股權數目	Options lapsed during the year 年內失效之 購股權數目	Options lapsed during the year 年內失效之 購股權數目	Outstanding options as at 31st December 2001 於二零零一年十二月 三十一日未獲行使之購股權數目	Weighted average closing price (Note) 收市價之加權平均 價格(附註)
Held by directors	董事持有	7,634,000	—	—	—	7,634,000	—
Held by employees	僱員持有	6,450,000	(200,000)	(3,550,000)	(3,550,000)	2,700,000	HK\$2.925
Total	總計	14,084,000	(200,000)	(3,550,000)	(3,550,000)	10,334,000	

Date of share options granted	6th March 2000	購股權授出日期	二零零零年三月六日
Exercise price	HK\$9.89	行使價	9.89港元
Exercise period	7th March 2000 – 6th March 2003	行使期	二零零零年三月七日至 二零零三年三月六日

		Outstanding options as at 1st January 2001 於二零零一年一月一日 未獲行使之購股權數目	Options exercised during the year 年內獲行使之 購股權數目	Options lapsed during the year 年內失效之 購股權數目	Options lapsed during the year 年內失效之 購股權數目	Outstanding options as at 31st December 2001 於二零零一年十二月 三十一日未獲行使之購股權數目	Weighted average closing price (Note) 收市價之加權平均 價格(附註)
Held by a director	一位董事持有	2,500,000	—	—	—	2,500,000	—
Held by employees	僱員持有	—	—	—	—	—	—
Total	總計	2,500,000	—	—	—	2,500,000	

Share options (Continued)

Date of share options granted	1st September 2000
Exercise price	HK\$2.62
Exercise period	1st January 2001 – 31st December 2003

購股權 (續)

購股權授出日期	二零零零年九月一日
行使價	2.62港元
行使期	二零零一年一月一日至 二零零三年十二月三十一日

		Outstanding options as at 1st January 2001 於二零零一年一月一日 未獲行使之購股權數目	Options exercised during the year 年內獲行使之 購股權數目	Options lapsed during the year 年內失效之 購股權數目	Options lapsed during the year 年內失效之 購股權數目	Outstanding options as at 31st December 2001 於二零零一年十二月 三十一日未獲行使之購股權數目	Weighted average closing price (Note) 收市價之加權平均 價格(附註)
Held by directors	董事持有	—	—	—	—	—	港元
Held by employees	僱員持有	2,300,000	—	—	2,300,000	—	
Total	總計	2,300,000	—	—	2,300,000	—	

Date of share options granted	2nd November 2000
Exercise price	HK\$1.50
Exercise period	1st January 2001 – 31st December 2003

購股權授出日期	二零零零年十一月二日
行使價	1.50港元
行使期	二零零一年一月一日至 二零零三年十二月三十一日

		Outstanding options as at 1st January 2001 於二零零一年一月一日 未獲行使之購股權數目	Options exercised during the year 年內獲行使之 購股權數目	Options lapsed during the year 年內失效之 購股權數目	Options lapsed during the year 年內失效之 購股權數目	Outstanding options as at 31st December 2001 於二零零一年十二月 三十一日未獲行使之購股權數目	Weighted average closing price (Note) 收市價之加權平均 價格(附註)
Held by directors	董事持有	—	—	—	—	—	港元
Held by employees	僱員持有	5,900,000	—	—	5,900,000	—	
Total	總計	5,900,000	—	—	5,900,000	—	

Note:

The price represents the weighted average closing price of the securities immediately before the dates on which the options were exercised.

附註：

該價格乃緊接購股權獲行使日期前證券收市價之加權平均價格。

Share options (Continued)

On 23rd August 2001, SEHK announced amendments to Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"), which came into effect on 1st September 2001. Under the transitional arrangements stipulated in the amended Chapter 17 of the Listing Rules, options already granted before 1st September 2001 are not affected by the amended rules and the Group may have to alter the terms of the existing share option scheme, or adopt a new share option scheme before further options will be granted. To comply with the amendments to the Listing Rules and the announcement of the SEHK, the directors intend to terminate the existing share option scheme and to adopt a new share option scheme.

Reserves/(deficit)

Movements in the reserves/(deficit) of the Group and of the Company during the year are set out in note 22 to the accounts.

Distributable reserves

The distributable reserves of the Company as at 31st December 2001, calculated under the Companies Act 1981 of Bermuda (as amended) and the Company's bye-laws, amounted in total to HK\$100,208,000 (2000: Nil).

Major suppliers and major customers

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

Purchases

- the largest supplier	19%
- five largest suppliers combined	46%

Sales

- the largest customer	61%
- five largest customers combined	75%

None of the directors, their associates or any shareholders (which to the knowledge of the directors own more than 5% of the Company's issued share capital) had an interest in the major suppliers or customers noted above.

購股權 (續)

於二零零一年八月二十三日，香港聯交所宣佈修訂香港聯合交易所有限公司證券上市規則（「上市規則」）第17章，修訂於二零零一年九月一日開始生效。根據經修訂後之上市規則第17章訂定之過渡性安排，於二零零一年九月一日前已授出之購股權不受經修訂之規則影響。若要進一步授出購股權，本集團需變動現有購股權計劃條款，或採納一項新購股權計劃。為遵守上市規則之修訂及香港聯交所之公佈，董事擬終止現有購股權計劃，以採納一項新購股權計劃。

儲備/(虧絀)

本集團及本公司於本年度之儲備/(虧絀)之變動詳情分別載列於帳目附註22。

可供分派之儲備

根據百慕達1981年公司法(修訂版)及公司章程細則計算，本公司於二零零一年十二月三十一日之本公司並無可供分派之儲備總額達100,208,000港元(二零零零年：無)。

主要供應商及主要客戶

本集團主要供應商及主要客戶之採購額與銷售額佔本年總額百分比如下：

採購

-最大供應商	19%
-五位最大供應商總額	46%

銷售

-最大客戶	61%
-五位最大客戶總額	75%

概無任何董事、彼等之聯繫人士或就董事所知任何擁有本公司已發行股本5%以上之股東，上述主要供應商或客戶擁有任何權益。

Directors

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

Executive directors

Mr. Ko Chun Shun, Johnson
Mr. Lui Pan, Terry
Ms. Cheung Sum Yu, Fiona *

Non-executive directors

Mr. Ronald Richard Budacz
Mr. Shaw Sun Kan
Mr. Jerry Sze (appointed on 18th October 2001)

Independent non-executive directors

Mr. Chu Hon Pong
Mr. Liu Tsun Kie

* Ms. Cheung Sum Yu, Fiona has changed her name from Cheung Hiu Ching, Fiona with effect from 5th January 2001.

In accordance with Articles 98 and 104 of the Company's bye-laws, Mr. Lui Pan, Terry, Mr. Ronald Richard Budacz and Mr. Jerry Sze will retire, and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Under the terms of their appointment, the independent non-executive directors are not appointed for specific terms but are subject to retirement by rotation in accordance with the Company's bye-laws.

董事

於本年度及截至本報告日期之董事如下：

執行董事

高振順先生
呂品先生
張心瑜女士*

非執行董事

Ronald Richard Budacz先生
蕭宇成先生
Jerry Sze先生(於二零零一年十月十八日獲委任)

獨立非執行董事

朱漢邦先生
劉俊基先生

* 張曉靜女士已於二零零一年一月五日起改名為張心瑜。

根據本公司章程細則第98及104條，呂品先生、Ronald Richard Budacz先生及Jerry Sze先生將於應屆股東周年大會上告退，並符合資格願膺選連任。

根據本公司章程細則，在獨立非執行董事的委任條款下，獨立非執行董事在指定任期屆滿後將不再獲委任，輪流告退。

Brief biographical details of directors and senior management 董事及高級管理人員之履歷簡介

Name 姓名	Age 年齡	Position held 職位	Number of years of service 服務年期	Business experience 商業履歷
Directors 董事				
Mr. Ko Chun Shun, Johnson 高振順先生	50	Chairman and Executive Director 主席兼執行董事	3	International trading, direct investment and financial services 國際貿易、直接投資及金融服務
Mr. Lui Pan, Terry 呂品先生	47	Chief Executive Officer and Executive Director 行政總裁兼執行董事	3	Engineering and marketing 工程及市場推廣
Ms. Cheung Sum Yu, Fiona 張心瑜女士	38	Executive Director 執行董事	4	Marketing, manufacturing and distribution operations 市場推廣、製造及分銷業務
Mr. Ronald Richard Budacz	56	Non-executive Director 非執行董事	3	Engineering, quality control, materials management, manufacturing and marketing 工程、品質管理、物料管理、 製造及市場推廣
Mr. Shaw Sun Kan 蕭宇成先生	37	Non-executive Director 非執行董事	2	Direct investment 直接投資
Mr. Jerry Sze (appointed on 18th October 2001) (於二零零一年十月十八日獲委任)	41	Non-executive Director 非執行董事	1	Direct investment 直接投資
Mr. Chu Hon Pong 朱漢邦先生	52	Independent Non-executive Director 獨立非執行董事	2	Direct investment 直接投資
Mr. Liu Tsun Kie 劉俊基先生	51	Independent Non-executive Director 獨立非執行董事	2	Engineering and corporate finance 工程及企業融資

Brief biographical details of directors and senior management (Continued) 董事及高級管理人員之履歷簡介 (續)

Name 姓名	Age 年齡	Position held 職位	Number of years of service 服務年期	Business experience 商業履歷
Senior Management Staff 高級管理人員				
Ms. Chiu Lai Kuen, Susanna 趙麗娟女士	41	Chief Operating Officer 營運總裁	2	Information technology, media and operations management 資訊科技、傳媒及營運管理
Mr. Sam Wong 黃植良先生	41	Chief Financial Officer 財務總裁	1	Investment banking and finance 投資銀行及融資
Ms. Chan Ping 陳萍女士	44	Senior Vice President – China Operations 高級副總裁 – 中國業務	1	China operations and marketing 中國業務及市場推廣
Ms. Margaret Pozzo De Somma 栢小莉女士	34	Senior Vice President – Investor Relations 高級副總裁 – 投資管理	1	Investment banking and fund management 投資銀行及基金管理
Mr. Ho Te Hwai, Cecil 賀德懷先生	41	Company Secretary 公司秘書	3	Accounting and finance 會計及財務

Directors' service contracts

None of the directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

Directors' interest in contracts

Except as disclosed under the section "Directors' interests in equity or debt securities" and in note 25(a) to the accounts in respect of the compensation income from an intermediate holding company which is controlled by Mr. Ko Chun Shun, Johnson, no contracts of significance in relation to the Group's business to which the Company, its fellow subsidiaries or its holding companies was a party and in which a director 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.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

Connected transactions

Save as disclosed in note 25(a) to the accounts in respect of the compensation income from an intermediate holding company, there were no other transactions which need to be disclosed as connected transactions in accordance with the requirements of the Listing Rules.

Directors' interests in equity or debt securities

At 31st December 2001, the interests of the directors and chief executive in the shares and options of the Company and its associated corporations (within the meaning of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance"), as recorded in the register maintained by the Company under Section 29 of the SDI Ordinance or as notified to the Company were as follows:

董事服務合約

擬於應屆股東周年大會上膺選連任之董事，概無與本公司訂立本公司不可於一年內免付補償（法定補償除外）而終止之服務合約。

董事之合約權益

除於以下董事於股本及債券之權益並於帳目附註25(a)內詳述來自一間由高振順先生（「高先生」）控制之中間控股公司之賠償收入外，於結算日或年內任何時間，本公司、共同系附屬公司或其控股公司既無簽訂任何涉及本集團之業務而本公司之董事直接或間接在其中擁有重大權益之重要合約。

管理合約

本年度內概無訂立或存在任何涉及本公司整體或部分重要業務之管理及行政之合約。

關連交易

除帳目附註25(a)內詳述來自一間居中控股公司之賠償收入外，概無任何其他交易須遵照上市規則之規定作為關連交易予以披露。

董事於股本及債券之權益

於二零零一年十二月三十一日，本公司根據證券(披露權益)條例(「披露權益」條例)第29條規定而設立之登記冊所顯示或根據本公司接獲之通知，各董事及執行總裁於本公司及其聯繫公司(定義見「披露權益」條例)之股份及購股權之權益如下：

Directors' interests in equity or debt securities (Continued)

(a) Ordinary shares of HK\$0.10 each in the Company

Name 姓名		Notes 附註	Number of shares 股份數目		
			Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益
Mr. Ko Chun Shun, Johnson	高振順先生	(i)	343,000	—	158,357,940
Ms. Cheung Sum Yu, Fiona	張心瑜女士	(ii)	3,316,000	—	10,001,140
Mr. Lui Pan, Terry	呂品先生		198,000	—	—

董事於股本及債券之權益 (續)

(a) 本公司每股面值0.10港元之普通股

(b) Convertible non-voting cumulative preference shares of HK\$1.50 each in the Company

(b) 本公司每股面值1.50港元之無投票權累計優先股

Name 姓名		Note 附註	Number of shares 股份數目		
			Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益
Mr. Ko Chun Shun, Johnson	高振順先生	(iii)	—	2,000,000	—

Directors' interests in equity or debt securities (Continued)

(c) Ordinary shares of HK\$0.18 each in Universal Appliances Limited ("UAL"), an intermediate holding company

董事於股本及債券之權益 (續)

(c) 中間控股公司友利電訊工業有限公司 ("友利")每股面值0.18港元之普通股

Name 姓名	Note 附註	Number of shares 股份數目		
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益
Mr. Ko Chun Shun, Johnson 高振順先生	(iv)	18,640,000	—	1,000,437,150

Notes:

(i) 118,403,418 ordinary shares in the Company are directly held by Prime Pacific International Limited ("Prime Pacific"), which is owned as to 67% and 33% by Gold Pagoda Incorporated ("Gold Pagoda") and Prime Gold International Limited ("Prime Gold"), respectively.

Prime Gold is owned as to 82.45% by Kwan Wing Holdings Limited ("Kwan Wing"), a company incorporated in the British Virgin Islands and wholly owned by Mr. Ko Chun Shun, Johnson ("Mr. Ko").

Gold Pagoda is a wholly owned subsidiary of UAL which in turn is controlled by Mr. Ko.

31,032,522 ordinary shares in the Company are held directly by UAL.

2,956,000 ordinary shares in the Company are held by All Mark Limited, a wholly owned subsidiary of UAL.

1,600,000 and 1,222,000 ordinary shares in the Company are held by Peninsula Resources Limited and First Gain International Limited, respectively. Both companies are wholly owned by Mr. Ko.

3,144,000 ordinary shares in the Company are held by Kwan Wing.

附註:

(i) 本公司118,403,418股普通股由Prime Pacific International Limited (「Prime Pacific」)持有，而該公司67%及33%權益分別由Gold Pagoda Incorporated (「Gold Pagoda」)及Prime Gold International Limited (「Prime Gold」)擁有。

Kwan Wing Holdings Limited (「Kwan Wing」)持有Prime Gold之82.45%權益。Kwan Wing為於英屬處女群島註冊成立之公司，並由高振順先生(「高先生」)全資擁有。

Gold Pagoda為友利全資附屬公司，而高先生擁有友利控制權。

友利直接持有本公司31,032,522普通股。

All Mark Limited為友利之全資附屬公司，並持有本公司2,956,000股普通股。

高先生全資擁有之Peninsula Resources Limited及First Gain International Limited分別持有本公司1,600,000股及1,222,000股普通股。

Kwan Wing 持有本公司3,144,000股普通股。

Directors' interests in equity or debt securities (Continued)

- (ii) These shares are held by Gallium International Limited, which in turn is wholly owned by Creative World International Limited, a company wholly owned by Ms. Cheung Sum Yu, Fiona.
- (iii) 2,000,000 non-voting cumulative preference shares of the Company are held by Ms. Cheung Yat Kwan, who is the spouse of Mr. Ko.
- (iv) Kwan Wing and Techral Holdings Limited ("Techral") beneficially owned 360,399,000 and 640,038,150 ordinary shares of UAL, respectively. Kwan Wing has 96% beneficial interest in Techral.
- (d) Million Way Enterprises Limited, a wholly owned subsidiary of UAL, holds US\$15,000,000 preference shares issued by DVN (Group) Limited, a wholly owned subsidiary of the Company. These preference shares are exchangeable to approximately 24,786,780 ordinary shares of the Company upon conversion and are subject to adjustment.

董事於股本及債券之權益 (續)

- (ii) 該等股份由Creative World International Limited之全資附屬公司Gallium International Limited所持有，而張心瑜女士則全資擁有Creative World International Limited。
- (iii) 2,000,000股無投票權累計優先股由高先生之配偶張逸君女士持有。
- (iv) Kwan Wing及Techral Holdings Limited(「Techral」)分別於友利實益擁有360,399,000及640,038,150股普通股。Kwan Wing則擁有Techral 96%實際權益。
- (d) 友利之全資附屬公司Million Way Enterprises Limited也持有本公司全資附屬公司DVN (Group) Limited發行之總值15,000,000美元優先股。該等優先股可於兌換日兌換大約24,786,780股本公司普通股，或會作出調整。

Directors' interests in equity or debt securities (Continued)

(e) Rights to acquire ordinary shares of the Company

Details of the share options granted to certain directors during the year are as follows:

董事於股本及債券之權益 (續)

(e) 收購本公司普通股之權利

年內授於若干董事之購股權詳情如下：

Directors 董事	Date of share options granted 授出購股權日期	Number of share options outstanding as at 1st January 2001 於二零零一年 一月一日尚未行 使之購股權數目	Number of share options granted during the year 年內授出購 股權數目	Number of share options exercised/ lapsed during the year 年內已行使/ 失效之購 股權數目	Number of share options outstanding as at 31st December 2001 於二零零一年 十二月三十一日 尚未行使之 購股權數目	Exercise period 行使期	Exercise price per share HK\$ 每股行使價 港元
Mr. Ko Chun Shun, Johnson 高振順先生	10/9/1999	2,450,000	—	—	2,450,000	1/1/2000 - 31/12/2002	2.25
Mr. Lui Pan, Terry 呂品先生	10/9/1999	2,750,000	—	—	2,750,000	1/1/2000 - 31/12/2002	2.25
	6/3/2000	2,500,000	—	—	2,500,000	7/3/2000 - 6/3/2003	9.89
Ms. Cheung Sum Yu, Fiona 張心瑜女士	10/9/1999	1,634,000	—	—	1,634,000	1/1/2000 - 31/12/2002	2.25
Mr. Ronald Richard Budacz	10/9/1999	800,000	—	—	800,000	1/1/2000 - 31/12/2002	2.25

Directors' interests in equity or debt securities (Continued)

(f) Rights to acquire ordinary shares of UAL, an intermediate holding company

UAL also adopted a share option scheme on 4th August 1999. The details of the share options of UAL granted to certain directors of the Company to subscribe for shares of UAL are as follows:

董事於股本及債券之權益 (續)

(f) 收購中間控股公司友利普通股之權利

友利亦於一九九九年八月四日採納購股權計劃。友利授予本公司若干董事購股權以認購友利股份之詳情如下：

Directors 董事	Date of share options granted 授出購股權日期	Number of share options outstanding as at 1st January 2001 於二零零一年 一月一日尚未行 使之購股權數目	Number of share options granted during the year 年內授出購 股權數目	Number of share options exercised/ lapsed during the year 年內已行使/ 失效之購 股權數目	Number of share options outstanding as at 31st December 2001 於二零零一年 十二月三十一日 尚未行使之 購股權數目	Exercise period 行使期	Exercise price per share HK\$ 每股行使價 港元
Mr. Ko Chun Shun, Johnson 高振順先生	2/10/1999	18,000,000	—	—	18,000,000	1/1/2000 - 31/12/2002	0.26
Mr. Lui Pan, Terry 呂品先生	2/10/1999	9,000,000	—	—	9,000,000	1/1/2000 - 31/12/2002	0.26
	6/3/2000	25,000,000	—	—	25,000,000	7/3/2000 - 6/3/2003	0.31
Ms. Cheung Sum Yu, Fiona 張心瑜女士	2/10/1999	4,000,000	—	—	4,000,000	1/1/2000 - 31/12/2002	0.26

Directors' interests in equity or debt securities (Continued)

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

Save as disclosed above, at no time during the year, the directors and chief executive (including their spouse and children under 18 years of age) had any interest in, or had been granted or exercised, any rights to subscribe for shares in the Company and its associated corporations (within the meaning of the SDI Ordinance).

Substantial shareholders

At 31st December 2001, save as disclosed under the section "Directors' interests in equity or debt securities" above, no other person had registered an interest of 10% or more in the issued share capital of the Company that would be required to be recorded under Section 16(1) of the SDI Ordinance.

Purchase, redemption or sale of listed securities

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

Compliance with the Code of Best Practice of the Listing Rules

Throughout the year, the Company was in compliance with the Code of Best Practice as set out in the Listing Rules.

Independent non-executive directors are not appointed for a specific term as all of the directors, excluding the executive chairman and the managing director, and without limitation to non-executive directors, are subject to retirement by rotation and re-election at the annual general meeting in accordance with the bye-laws of the Company.

Pre-emptive rights

There are no provisions for pre-emptive rights under the Company's bye-laws or there was no restriction against such rights under the laws of Bermuda.

董事於股本及債券之權益 (續)

除上文所披露者外，本公司、其附屬公司、同系附屬公司及其控股公司概無於本年度訂立任何安排，致令本公司董事透過購買本公司或任何其他法團之股份或債券而權益。

除上文披露者外，董事及行政總裁(包括彼等各自之配偶及18歲以下子女)概無於本年度內在本公司及其聯營公司(披露權益條例所賦予之涵義)擁有任何權益，或被授予或已行使任何權利以認購本公司或其聯營公司之股份。

主要股東

於二零零一年十二月三十一日，除上文「董事於股票及債券之權益」所披露者外，概無任何其他人士於本公司已發行股本中持有10%或以上權益，並根據披露權益條例第16(1)節規定應予以記錄。

購買上市證券之安排

本公司於本年度並無贖回本公司任何股份。本公司及各附屬公司於本年度概無購買或出售本公司任何股份。

上市規則最佳應用守則之遵守

本公司於本年度內一直遵守上市規則所載之最佳應用守則。

獨立非執行董事並無特定任期。全體董事(惟不包括執行主席及董事總經理，非執行董事亦不在此限)須根據本公司章程細則於股東周年大會上輪流告退，亦可膺選連任。

優先購買權

本公司組織章程細則內並無有關優先購買權之規定，百慕達法例亦無對該等權利作出限制。

Audit committee

The Company established an audit committee in 1999 in accordance with paragraph 14 of the Code of Best Practice. The written terms of reference which describe the authority and duties of the Audit Committee were prepared and adopted with reference to "A Guide for The Formation of An Audit Committee" published by the Hong Kong Society of Accountants.

The Audit Committee provides an important link between the Board and the Company's auditors in matters coming within the scope of the Group audit. The Committee comprises one non-executive director, Mr. Shaw Sun Kan and two independent non-executive directors, namely Mr. Chu Hon Pong and Mr. Liu Tsun Kie. Two meetings were held during the current year.

Subsequent events

Details of the subsequent events of the Group and of the Company are set out in note 26 to the accounts.

Auditors

Ernst & Young retired and PricewaterhouseCoopers were appointed as auditors of the Company at the annual general meeting held on 27th June 2001. Apart from this, there have been no other changes of auditors in the past three years. The accounts have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

Ko Chun Shun, Johnson
Chairman

Hong Kong
26th April 2002

審核委員會

本公司已根據最佳應用守則第14段於一九九九年成立審核委員會。闡述審核委員會權力及職責之書面職權範圍及條款，乃經參考香港會計師公會所發出之「審核委員會成立指引」而編製及採納。

審核委員會為董事會及本公司核數師在集團審核事宜方面提供一個重要聯繫。審核委員會由一位非執行董事蕭宇成先生及兩位獨立非執行董事朱漢邦先生及劉俊基先生組成。於年內曾舉行兩次會議。

結算日後事項

本集團及本公司之結算日後事項之詳情載於帳目附註26。

核數師

安永會計師事務所任滿告退，羅兵咸永道會計師事務所於二零零一年六月二十七日舉行之股東周年大會上獲委任為本公司核數師。除此之外，過往三年核數師概無任何其他變動。羅兵咸永道會計師事務所已審核本年報帳目，任滿告退，並符合資格願膺選連任本公司之核數師。

承董事會命

高振順
主席

香港
二零零二年四月二十六日