

中國工商銀行(亞洲)有限公司(「本銀行」)董事會謹此提呈本銀行及本集團(本銀行連同其附屬公司統稱「本集團」)截至二零零二年十二月三十一日止年度之年報及經審核賬目。

主要業務及分部業務分析

本銀行之主要業務為提供銀行、財務及其他相關服務，而各附屬公司之主要業務則載於賬目附註24。

本集團於本年度按業務種類及市場劃分之業績分析載於賬目附註37。

業績及分派

本集團截至二零零二年十二月三十一日止年度之業績載於第59頁之綜合損益表。

董事已宣派並於二零零二年九月二十七日派發每股普通股及每股可轉換優先股0.10港元之中期股息，股息總額為82,659,000港元。

董事建議派發每股普通股及每股可轉換優先股0.25港元之末期股息，股息總額為206,648,000港元。

捐款

本集團於本年度內之慈善及其他捐款總額為39,000港元。

固定資產

本集團及本銀行之固定資產變動詳情載於賬目附註26。

股本及借入資本

本銀行之股本變動詳情載於賬目附註33。

按賬目附註33所詳述，於二零零二年五月二十一日，最終控股公司中國工商銀行(「中國工商銀行」)持有之93,055,000股現有普通股已配售予獨立投資者，而最終控股公司已以每股8.16港元之配售價認購相同數目之每股面值為2.00港元之新普通股，每股溢價6.16港元。該等股份與現有股份享有同等地位。

The Directors of Industrial and Commercial Bank of China (Asia) Limited (the "Bank") have pleasure in submitting their annual report together with the audited accounts of the Bank and the Group (the Bank together with its subsidiaries hereinafter referred to as the "Group") for the year ended 31st December 2002.

PRINCIPAL ACTIVITIES AND SEGMENTAL ANALYSIS OF OPERATIONS

The principal activities of the Bank are the provision of banking, financial and other related services. The principal activities of the subsidiaries are shown in Note 24 to the accounts.

An analysis of the Group's performance for the year by business and geographical segments is set out in Note 37 to the accounts.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st December 2002 are set out in the consolidated profit and loss account on page 59.

The Directors have declared an interim dividend of HK\$0.10 per ordinary and convertible preference share, totalling HK\$82,659,000 which was paid on 27th September 2002.

The Directors recommend the payment of a final dividend of HK\$0.25 per ordinary and convertible preference share, totalling HK\$206,648,000.

DONATIONS

During the year, the Group made charitable and other donations amounting to HK\$39,000.

FIXED ASSETS

Details of the movements in fixed assets of the Group and of the Bank are set out in Note 26 to the accounts.

SHARE CAPITAL AND LOAN CAPITAL

Details of the movements in share capital of the Bank are set out in Note 33 to the accounts.

As explained in further detail in Note 33 to the accounts, on 21st May 2002, 93,055,000 existing ordinary shares held by The Industrial and Commercial Bank of China ("ICBC"), the ultimate holding company, were placed to independent investors and same number of new ordinary shares of HK\$2.00 each were subscribed by the ultimate holding company at a placing price of HK\$8.16 each which represented a premium of HK\$6.16 each. These shares rank pari passu with the existing shares.

股本及借入資本 (續)

董事認為，上述配售乃為本銀行及其附屬公司日後之業務發展募集股本、及擴闊本銀行股東基礎和資金基礎之良機。配售所得收益已用作本銀行之一般營運資金。本銀行並無特別投資計劃。

本銀行亦於年內發行合共2,045,916,000港元之後償浮息票據，有關票據之詳情載於賬目附註32。

儲備

本集團及本銀行之儲備於年內之變動詳情載於賬目附註34。

可供分派儲備

本銀行於二零零二年十二月三十一日根據香港公司條例第79B條計算之可供分派儲備為924,292,000港元。

五年財務摘要

以下為本集團過去五個財政年度之業績、資產及負債概要。

SHARE CAPITAL AND LOAN CAPITAL (Continued)

The Directors consider that the placing represented a good opportunity to raise equity capital for the future business development of the Bank and its subsidiaries and to broaden the shareholder base and capital base of the Bank. The proceeds were used by the Bank as general working capital. The Bank has no specific investment plans.

The Bank has also issued subordinated floating rate notes totalling HK\$2,045,916,000 during the year. Further details of these notes are set out in Note 32 to the accounts.

RESERVES

Movements in the reserves of the Group and of the Bank during the year are set out in Note 34 to the accounts.

DISTRIBUTABLE RESERVES

Distributable reserves of the Bank at 31st December 2002, calculated under section 79B of the Hong Kong Companies Ordinance, amounted to HK\$924,292,000.

FIVE YEARS FINANCIAL SUMMARY

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

		2002 千港元 HK\$'000	2001 千港元 HK\$'000	2000 千港元 HK\$'000	1999 千港元 HK\$'000	1998 千港元 HK\$'000
業績	Results					
股東應佔 溢利/(虧損)	Profit/(loss) attributable to shareholders	482,429	330,412	150,063	(545,010)	32,957
資產及負債	Assets and liabilities					
資產總額	Total assets	62,261,989	43,497,229	20,656,987	19,158,247	21,464,943
負債總額	Total liabilities	53,055,912	37,217,910	18,073,674	16,728,550	19,048,902
資本來源	Capital resources	9,206,077	6,279,319	2,583,313	2,429,697	2,416,041
		62,261,989	43,497,229	20,656,987	19,158,247	21,464,943

購買、出售或贖回本銀行上市證券

本銀行於年內概無贖回任何上市證券，而本銀行及各附屬公司於年內亦無買賣本銀行之上市證券。

董事會

本銀行董事會於本年度及直至本報告刊發日期之成員如下：

姜建清博士 (主席)

王麗麗女士 (於二零零二年十二月十六日獲委任為副主席暨董事)

朱琦先生 (董事總經理暨行政總裁)

陳愛平先生 (於二零零二年十二月十六日獲委任)

趙京芬女士

郭鍵雄先生 (於二零零二年九月二十日獲委任)

王于漸教授，S.B.S.，太平紳士*

馮華健先生，資深大律師*

徐耀華先生*

陳志強先生 (於二零零二年八月一日辭任)

喬維明先生 (於二零零二年九月十四日辭任)

李禮輝博士 (於二零零二年十一月十二日辭任副主席暨董事)

* 獨立非執行董事

根據本銀行之組織章程細則第93條，王麗麗女士、陳愛平先生及郭鍵雄先生將退任，而根據本銀行之組織章程細則第94(1)及94(2)條規定，姜建清博士將依章輪值告退。所有退任董事願意於應屆股東週年大會上膺選連任。

王于漸教授，S.B.S.，太平紳士、馮華健先生，資深大律師及徐耀華先生作為本銀行獨立非執行董事之任期將如本銀行之組織章程細則第94(1)及94(2)之條規定於須依章輪值告退時終止。

董事之服務合約

擬於應屆股東週年大會上膺選連任之董事與本銀行概無訂立或擬訂立於一年內屆滿或終止而須予支付賠償 (一般法定賠償除外) 之服務合約。

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

During the year, the Bank has not redeemed any of its listed securities. Neither the Bank nor any of its subsidiaries has purchased or sold any of the Bank's listed securities.

DIRECTORS

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

Dr. Jiang Jianqing (Chairman)

Ms. Wang Lili (appointed as Vice Chairman and Director on 16th December 2002)

Mr. Zhu Qi (Managing Director and Chief Executive Officer)

Mr. Chen Aiping (appointed on 16th December 2002)

Ms. Zhao Jingfen

Mr. Kwok Kin Hung (appointed on 20th September 2002)

Professor Wong Yue Chim, Richard, S.B.S. JP*

Mr. Fung, Daniel Richard, SC*

Mr. Tsui Yiu Wa, Alec*

Mr. Chan Chi Keung, Chris (resigned on 1st August 2002)

Mr. Kiu Wai Ming (resigned on 14th September 2002)

Dr. Li Lihui (resigned as Vice-Chairman and Director on 12th November 2002)

* Independent Non-Executive Directors

Ms. Wang Lili, Mr. Chen Aiping and Mr. Kwok Kin Hung retire in accordance with Article 93 of the Bank's Articles of Association and Dr. Jiang Jianqing retires by rotation at the forthcoming annual general meeting in accordance with Articles 94(1) and 94(2) of the Bank's Articles of Association. All retiring Directors, being eligible, offer themselves for re-election.

The terms of appointments of the Bank's Independent Non-Executive Directors, being Professor Wong Yue Chim, Richard, S.B.S. JP, Mr. Fung, Daniel Richard, SC and Mr. Tsui Yiu Wa, Alec, will expire when they are required to retire by rotation in accordance with Articles 94(1) and 94(2) of the Bank's Articles of Association.

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has any existing or proposed service contract with the Bank which is not expiring or terminable within one year without payment of compensation, other than statutory compensation.

董事之合約權益

本銀行、其控股公司、附屬公司或同系附屬公司並無參與訂立於本年度結算日或本年度任何時間內生效而本銀行董事直接或間接擁有重大權益之重大合約。

持續關連交易

年內及於一般業務過程中，本集團曾進行董事認為根據香港聯合交易所有限公司證券上市規則（「上市規則」）屬關連交易之多宗交易。該等與中國工商銀行及同系附屬公司進行之交易之詳情如下：

1. 銀行同業借貸交易

於最終控股公司及同系附屬公司存放銀行同業存款及向彼等提供銀行同業貸款，乃本銀行日常業務之一部分。於二零零二年十二月三十一日，本銀行於最終控股公司及同系附屬公司之銀行同業存款約為8,900,628,000港元（二零零一年：1,667,003,000港元）。二零零二年，該等存款及貸款應計之利息收入約為38,298,000港元（二零零一年：19,782,000港元）。

於二零零二年十二月三十一日，最終控股公司及同系附屬公司於本銀行存放之銀行同業存款約為11,507,647,000港元（二零零一年：6,293,676,000港元）。此項結餘包括一筆為數2,105,676,000港元（二零零一年：233,928,000港元）之款項，乃最終控股公司於二零零零年七月授予本銀行作營運資金用途之備用信貸6,000,000,000港元（二零零一年：6,000,000,000港元）中已被動用之數額。二零零二年，該等存款應計之利息支出約為153,044,000港元（二零零一年：200,733,000港元）。

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Bank or any of its holding company, subsidiaries, or fellow subsidiaries was a party and in which a director of the Bank had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

ONGOING CONNECTED TRANSACTIONS

During the year and in the normal course of business, the Group entered into a number of transactions which in the opinion of the Directors constitute connected transactions under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The details of these transactions with ICBC and the fellow subsidiaries are as follows:

1. Inter-bank lending and borrowing transactions

As part of the Bank's day-to-day business, inter-bank deposits are placed with, and inter-bank loans are made to, the ultimate holding company and fellow subsidiaries. Approximately HK\$8,900,628,000 (2001: HK\$1,667,003,000) of inter-bank deposits were placed by the Bank to the ultimate holding company and fellow subsidiaries as at 31st December 2002. The interest income attributable to these placements and loans in 2002 was approximately HK\$38,298,000 (2001: HK\$19,782,000).

Approximately HK\$11,507,647,000 (2001: HK\$6,293,676,000) of inter-bank deposits were placed with the Bank by the ultimate holding company and fellow subsidiaries as at 31st December 2002. Included in this balance is an amount of HK\$2,105,676,000 (2001: 233,928,000) representing utilisation of a standby credit facility of HK\$6,000,000,000 (2001: HK\$6,000,000,000) granted by the ultimate holding company to the Bank in July 2000 for working capital purposes. The interest expense attributable to these deposits in 2002 was approximately HK\$153,044,000 (2001: HK\$200,733,000).

持續關連交易 (續)**2. 衍生工具交易**

本銀行按背對背基準與最終控股公司訂立多宗利率掉期，以對沖本銀行向最終控股公司收購之若干資產。

本銀行亦已就資產負債表及／或利率風險管理之目的或因應客戶要求，與最終控股公司及同系附屬公司進行多宗衍生工具交易，包括利率掉期及各類期權合約。

於二零零二年十二月三十一日，本銀行與最終控股公司及同系附屬公司進行之尚未平倉衍生工具交易名義數值約為8,427,159,000港元（二零零一年：7,052,449,000港元）。二零零二年，該等交易之應計利息收入及支出分別約為307,313,000港元（二零零一年：175,749,000港元）及345,375,000港元（二零零一年：193,353,000港元）。該等交易於二零零二年之應計期權溢價支出淨額約為782,000港元（二零零一年：無）。

3. 外匯交易

本銀行亦已就外匯風險管理的目的及因應客戶要求，按與上述衍生工具交易類似之方式，與最終控股公司及同系附屬公司訂立外匯合約。於二零零二年十二月三十一日，本銀行與最終控股公司及同系附屬公司進行之未完成外匯交易（包括現貨、遠期及掉期交易）之名義數值總額約為8,154,000,000港元（二零零一年：6,514,671,000港元）。

ONGOING CONNECTED TRANSACTIONS (Continued)**2. Derivatives transactions**

The Bank has entered into interest rate swaps on a back-to-back basis with the ultimate holding company for hedging against certain assets acquired by the Bank from the ultimate holding company.

The Bank also enters into various derivatives transactions with the ultimate holding company and fellow subsidiaries, including interest rate swaps and various types of options contracts, for the purpose of balance sheet and/or interest rate risk management or as a result of customer-driven transactions.

The total notional amount of the outstanding derivatives transactions between the Bank and the ultimate holding company and fellow subsidiaries as at 31st December 2002 was approximately HK\$8,427,159,000 (2001: HK\$7,052,449,000). The interest income and expenses attributable to these transactions in 2002 were approximately HK\$307,313,000 (2001: HK\$175,749,000) and HK\$345,375,000 (2001: HK\$193,353,000) respectively. In 2002, net option premium expense attributable to these transactions in 2002 was approximately HK\$782,000 (2001: HK\$Nil).

3. Foreign exchange transactions

The Bank also enters into foreign exchange contracts with the ultimate holding company and fellow subsidiaries in response to foreign exchange risk management and customer-driven transactions in a similar fashion as mentioned above for derivatives transactions. The total notional amount of the outstanding foreign exchange transactions with the ultimate holding company and fellow subsidiaries as at 31st December 2002, including spot, forward and swap transactions, was approximately HK\$8,154,000,000 (2001: HK\$6,514,671,000).

持續關連交易 (續)

4. 銀行同業資本市場交易

本銀行與最終控股公司及同系附屬公司訂立以下各類交易：

- (a) 在一手及二手市場與最終控股公司及同系附屬公司買賣債券(由獨立第三者、最終控股公司或同系附屬公司發行)；及
- (b) 代表最終控股公司及同系附屬公司買賣債券。

二零零二年，本銀行於一手及二手市場向最終控股公司及同系附屬公司購買之債券約為749,529,000港元(二零零一年：無)，售予最終控股公司及同系附屬公司之債券約為2,548,323,000港元(二零零一年：無)。

5. 資本市場交易

本銀行與最終控股公司之香港分行(「分行」)、最終控股公司及同系附屬公司訂立各類資本市場交易，其中包括安排、參與／從屬參與銀團貸款、買賣貸款(包括銀團貸款)權益、認購及／或發行債券及節稅型融資。二零零二年，本銀行向分行、最終控股公司及同系附屬公司出售之貸款(包括銀團貸款)權益約為7,940,249,000港元(二零零一年：無)，購買之分行貸款(包括銀團貸款)權益約為1,451,000,000港元(二零零一年：1,697,000,000港元)。二零零二年，本銀行就上述交易向分行支付或收取之費用數額不大(二零零一年：無)。

本銀行已發行(由最終控股公司認購)面值為700,000,000港元(二零零一年：無)之定息存款證。二零零二年，該等存款證之應計利息支出約為13,304,000港元(二零零一年：無)。

此外，本銀行已於二零零二年發行後償浮息票據合共2,045,916,000港元(二零零一年：1,208,628,000港元)，並由最終控股公司悉數認購。該等票據於二零零二年之應計利息支出約為38,263,000港元(二零零一年：10,496,000港元)。

ONGOING CONNECTED TRANSACTIONS (Continued)

4. Inter-bank capital markets transactions

The Bank enters into the following types of transactions with the ultimate holding company and fellow subsidiaries:

- (a) buying and selling debt securities (either issued by independent third parties, the ultimate holding company or fellow subsidiaries) from and to the ultimate holding company and fellow subsidiaries in the primary and secondary markets; and
- (b) buying and selling debt securities on behalf of the ultimate holding company and fellow subsidiaries.

Approximately HK\$749,529,000 (2001: HK\$Nil) of debt securities were purchased from the ultimate holding company and fellow subsidiaries and approximately HK\$2,548,323,000 (2001: HK\$Nil) of debt securities were sold to the ultimate holding company and fellow subsidiaries, in primary and secondary markets in 2002.

5. Capital markets transactions

The Bank has entered into various capital markets transactions with the Hong Kong branch of the ultimate holding company (the "Branch"), the ultimate holding company and fellow subsidiaries, which include arranging of, participation/sub-participation in syndicated loans, acquiring and disposing of interests in loans including syndicated loans, subscription and/or issuance of debt securities and tax efficient financing. Approximately HK\$7,940,249,000 (2001: HK\$Nil) of the Bank's interest in loans including syndicated loans were disposed to the Branch, the ultimate holding company and fellow subsidiaries and approximately HK\$1,451,000,000 (2001: HK\$1,697,000,000) of the Branch's interest in loans including syndicated loans were purchased by the Bank in 2002. Immaterial fee attributable to the above transactions was paid to or received from the Branch in 2002 (2001: HK\$Nil).

The Bank has issued and subscribed by the ultimate holding company fixed rate certificates of deposit with nominal value of HK\$700,000,000 (2001: HK\$Nil). The interest expense attributable to these certificates of deposit in 2002 was approximately HK\$13,304,000 (2001: HK\$Nil).

In addition, the Bank has issued subordinated floating rate notes totalling HK\$2,045,916,000 (2001: HK\$1,208,628,000) in 2002 and were fully subscribed by the ultimate holding company. The interest expense attributable to these notes in 2002 was approximately HK\$38,263,000 (2001: HK\$10,496,000).

持續關連交易 (續)**6. 信用證買斷交易**

本銀行只就有信用狀保證之匯票，與其他銀行(包括最終控股公司)進行信用證買斷交易，藉此買賣若干貿易融資產品之權益。二零零二年，源自最終控股公司之該等交易所應計之收入不大(二零零一年：無)。

7. 管理服務及物業支出

本銀行與最終控股公司及分行訂立以下各類協議：

- (a) 向分行提供會計及預算、內部審核、市場推廣及後台清算及結算等服務；及
- (b) 就分行之信用咭業務提供管理、行政及市場推廣等服務；及
- (c) 接受最終控股公司提供之銀行網絡、系統及電腦操作等服務；及
- (d) 使用分行所租用之部分樓面面積。

於二零零二年，本銀行就上文(a)及(b)向分行收取之總服務費收入約為4,545,000港元(二零零一年：2,250,000港元)，而就上文(c)向最終控股公司支付之服務費支出則約為3,502,000港元(二零零一年：無)。於二零零二年，本銀行向分行支付之總物業支出約為5,926,000港元(二零零一年：3,095,000港元)。

聯交所已於二零零二年三月、二零零二年十二月及二零零三年二月授出三項有條件豁免，批准本銀行與其最終控股公司及同系附屬公司進行之關連交易毋須遵守上市規則之披露及股東批准規定。

ONGOING CONNECTED TRANSACTIONS (Continued)**6. Forfeiting Transactions**

The Bank enters into forfeiting transactions with other banks, including the ultimate holding company, to buy and sell interests in certain trade finance products only in relation to bills of exchange secured under letters of credit. Immaterial fee income attributable to these transactions was received from the ultimate holding company in 2002 (2001: HK\$Nil).

7. Management services and premises expenses

The Bank enters into the following types of agreements with the ultimate holding company and the Branch:

- (a) providing services such as accounting and budgeting, internal audit, marketing and back office settlement and clearing to the Branch; and
- (b) providing services such as management, administrative and marketing functions in respect of credit card business of the Branch; and
- (c) receiving services such as the Bank's network, system and computer operations from the ultimate holding company; and
- (d) using a portion of floor area rented by the Branch.

The total service fee incomes received from the Branch in respect of (a) & (b) above in 2002 was approximately HK\$4,545,000 (2001: HK\$2,250,000). The service fee expenses paid to the ultimate holding company in respect of (c) above in 2002 was approximately HK\$3,502,000 (2001: HK\$Nil). The total premises expense paid to the Branch in 2002 was approximately HK\$5,926,000 (2001: HK\$3,095,000).

Three conditional waivers for disclosure and shareholders' approval requirements for connected transactions between the Bank, its ultimate holding company and the fellow subsidiaries under the Listing Rules have been granted by the Stock Exchange in March 2002, December 2002 and February 2003.

持續關連交易 (續)

7. 管理服務及物業支出 (續)

獨立非執行董事已審閱該等獲聯交所授出之三項有條件豁免所涉及之關連交易，並確認該等交易乃以下列方式進行：

- (1) 該等交易乃：
- (i) 由本銀行在一般及日常業務過程中訂立；
 - (ii) 按公平基準(如適用)訂立；
 - (iii) (a)按正常商業條款；或(b)如無可資比較之交易以判斷該等交易是否按正常商業條款訂立，則按對本銀行及獨立股東而言屬公平合理之條款進行；及
 - (iv) (a)按規管該等交易之協議條款；或(b)(倘無上述協議)按不遜於給予獨立第三者或獲獨立第三者授予之條款(如適用)訂立。
- (2) 各相關類別之關連交易之年度總值並未超過年度上限或指定限額(如適用)。

本銀行已接獲核數師於二零零三年三月四日發出之函件，函件確認(i)該等交易已經董事批准；(ii)該等交易乃按照符合本銀行有關價格及/或定價政策(已於年報作出披露)之價格訂立；(iii)該等交易乃遵照規管該等交易之有關協議條款訂立；(iv)該等交易之年度總值並未超過有關年度上限或指定限額(如適用)；及(v)上文7(c)段所指之交易乃按不遜於給予其他獨立第三者或獲其他獨立第三者授予之條款(如適用)訂立。

ONGOING CONNECTED TRANSACTIONS (Continued)

7. Management services and premises expenses (Continued)

The independent non-executive directors have reviewed and confirmed that the connected transactions to which three conditional waivers have been granted by the Stock Exchange were conducted in the following manner:

- (1) Such transactions were:
- (i) entered into by the Bank in the ordinary and usual course of its business;
 - (ii) entered into on an arm's length basis, as applicable;
 - (iii) conducted either (a) on normal commercial terms; or (b) if there are no sufficient comparable transactions to judge whether they are on normal commercial terms, on terms that are fair and reasonable so far as the Bank and the independent shareholders are concerned; and
 - (iv) entered into either (a) in accordance with the terms of the agreements governing such transactions; or (b) (where there are no such agreements) on terms that are no less favourable than those available to or from independent third parties, as applicable.
- (2) The annual aggregate value of each of the relevant categories of the connected transactions had not exceeded the annual upper limit or specified threshold, as applicable.

A letter dated 4th March 2003 was received from the auditors of the Bank confirming that (i) the transactions received the approval of the Directors; (ii) the transactions had been entered into at amounts in accordance with the relevant prices and/or pricing policies of the Bank as disclosed in the annual report; (iii) the transactions had been entered into in accordance with the terms of the relevant agreements governing such transactions; (iv) the annual aggregate value of the transactions had not exceeded the relevant annual upper limits or specified threshold, as applicable; and (v) the transactions as specified in 7(c) above had been entered into on terms no less favourable than terms available to or from other independent third parties, as applicable.

董事之股份或債券權益

二零零二年十二月三十一日，根據本銀行按證券(披露權益)條例(「披露權益條例」)第29條存置之登記冊所示或本銀行所獲通知，各董事及行政總裁所擁有本銀行及其聯營公司(定義見披露權益條例)股份、認股權證及購股權之權益如下：

本銀行每股面值2港元之普通股

DIRECTORS' INTEREST IN EQUITY OR DEBT SECURITIES

At 31st December 2002, the interests of the Directors and Chief Executive in the shares, warrants and options of the Bank and its associated corporations (within the meaning of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance")), as recorded in the register maintained by the Bank under Section 29 of the SDI Ordinance or as notified to the Bank were as follows:

Ordinary shares of HK\$2 each in the Bank

		股份數目	
		個人權益	合計
		Personal interests	Total
朱琦先生	Mr. Zhu Qi	50,000	50,000

董事收購股份之權利

本銀行、其控股公司、各附屬公司或各同系附屬公司於年內任何時間概無訂立任何安排，致使本銀行董事可藉收購本銀行或任何其他法人團體之股份或債券而獲益。

DIRECTORS' RIGHTS TO ACQUIRE SHARES

At no time during the year was the Bank or any of its holding company, subsidiaries, or fellow subsidiaries a party to any arrangement to enable the Directors of the Bank to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate.

主要股東

除上文披露之董事權益外，於二零零二年十二月三十一日，根據本銀行按披露權益條例第16(1)條設立之主要股東登記冊所示，本銀行得悉下列主要股東持有本銀行10%或以上已發行股本。

SUBSTANTIAL SHAREHOLDERS

The register of substantial shareholders maintained under section 16(1) of the SDI Ordinance shows that as at 31st December 2002, the Bank had been notified of the following substantial shareholder's interests, being 10% or more of the Bank's issued share capital. These interests are in addition to those disclosed above in respect of the Directors.

股東名稱

中國工商銀行

Name of shareholder

The Industrial and Commercial Bank of China

**股份數目
Number of shares**

398,489,478股普通股
398,489,478 ordinary shares
202,219,218股可轉換優先股
202,219,218 convertible preference shares

管理合約

年內並無訂立或訂有任何涉及本銀行全部或大部份業務之管理及行政合約。

MANAGEMENT CONTRACTS

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

主要客戶

本集團本年度最大五名客戶佔本集團之利息收入及其他營運收入總和少於30%。

MAJOR CUSTOMERS

During the year, the five largest customers of the Group accounted for less than 30% of the total of interest income and other operating income of the Group.

遵照上市規則最佳應用守則

董事會認為，本集團於本年度一直遵守上市規則附錄十四所列之最佳應用守則，惟非執行董事及獨立非執行董事並無特定任期，但須根據本銀行之組織章程細則於股東週年大會上輪值告退及膺選連任。

遵照「本地註冊認可機構披露財務資料」指引

本銀行已全面遵守香港金融管理局於二零零二年十一月八日頒佈之「本地註冊認可機構披露財務資料」監管政策手冊所載之披露規定。

審核委員會

關於審核委員會之權力及職責之明文規定乃參考香港會計師公會頒佈之「成立審核委員會之指引」而訂立。

審核委員會為董事會與本銀行核數師就本集團核數事宜之重要聯繫。此外，審核委員會亦負責評估本銀行之外部及內部核數事宜、內部監控及風險評估。委員會成員包括非執行董事陳愛平先生及王于漸教授，S.B.S.，太平紳士、馮華健先生，資深大律師及徐耀華先生三位獨立非執行董事。於本財政年度，審核委員會曾分別舉行三次會議。

董事於競爭性業務之權益

以下為根據上市規則第8.10(2)段須予披露之資料：

陳愛平先生為廈門國際銀行及工商東亞金融控股有限公司之董事。

郭鍵雄先生為分行之副總經理。

核數師

賬目由羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所將任滿告退，惟符合資格並願重選連任。

承董事會命
姜建清博士
主席

香港，二零零三年三月四日

COMPLIANCE WITH THE CODE OF BEST PRACTICE OF THE LISTING RULES

In the opinion of the Directors, the Group has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules throughout the year, except that the Non-Executive Directors and the Independent Non-Executive Directors are not appointed for specific terms but are subject to retirement by rotation and re-election at annual general meeting in accordance with the Bank's Articles of Association.

COMPLIANCE WITH THE GUIDELINE ON "FINANCIAL DISCLOSURE BY LOCALLY INCORPORATED AUTHORIZED INSTITUTIONS"

The Bank has fully complied with the disclosure requirements as set out in the Supervisory Policy Manual entitled "Financial Disclosure by Locally Incorporated Authorized Institutions" issued by the Hong Kong Monetary Authority on 8th November 2002.

AUDIT COMMITTEE

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 Bank's auditors in matters coming within the scope of the Group audit. It also reviews the effectiveness of both the external and internal audit and of internal controls and risk evaluation. The Committee comprises Mr. Chen Aiping, Non-Executive Director and the three Independent Non-Executive Directors, namely Professor Wong Yue Chim, Richard, S.B.S., JP, Mr. Fung, Daniel Richard, SC and Mr. Tsui Yiu Wa, Alec. Three meetings were held during the current financial year.

DIRECTORS' INTEREST IN COMPETING BUSINESS

Set out below is information disclosed pursuant to paragraph 8.10(2) of the Listing Rules:

Mr. Chen Aiping is the Director of Xiamen International Bank and ICEA Finance Holdings Limited.

Mr. Kwok Kin Hung is the Deputy General Manger of the Branch.

AUDITORS

The accounts have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board
Dr. Jiang Jianqing
Chairman

Hong Kong, 4th March 2003