

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2002.

Principal Activities

The principal activity of the Company continues to be investment holding while the principal activities of its subsidiaries are property investment, property development and management, development and management of business parks, investment in info-communications and education projects, as well as provision of technology services.

The Group's associated companies are principally engaged in property investment and investment in information-technology projects.

The Group's interest in a jointly controlled entity is principally engaged in the business of power generation.

董事局謹提呈本公司截至二零零二年十二月三十一日止年度之年報及經審核財務報告。

主要業務

本公司繼續以投資控股為主要業務，而其附屬公司之主要業務則為物業投資、物業發展及管理，商業園之開發及管理、資訊傳訊及教育項目投資，以及提供科技服務。

本集團之聯營公司主要從事物業投資及投資於資訊科技項目。

本集團持有權益之共同控制企業主要從事發電業務。

Segmental Information

The Group's turnover and contribution to operating (loss)/profit for the year by business segments and geographical segments are as follows:

By business segments:

(In HK\$'000)	Property 物業 2002	Business park 商業園 2002	Infocomm technology 資訊科技 2002	Other operations 其他業務 2002	Corporate 企業服務 2002	Group 本集團 2002
Turnover	416,199	12,338	14,761	133	-	443,431
Operating (loss)/profit	(4,055)	6,283	(40,157)	(166)	(44,370)	(82,465)

By geographical segments:

(In HK\$'000)	Turnover 營業額 2002	Operating loss 經營虧損 2002
Hong Kong	417,032	(44,473)
China	26,399	(37,992)
	443,431	(82,465)

Subsidiaries, Associated Companies and a Jointly Controlled Entity

Details of the Company's subsidiaries, associated companies and a jointly controlled entity as at 31 December 2002 are set out in notes 14, 15 and 16 to the financial statements.

Results and Appropriations

The results of the Group for the year ended 31 December 2002 are set out in the consolidated income statement on page 66 of the annual report.

No interim dividend was paid during the year. The directors have resolved not to propose any final dividend for the year ended 31 December 2002.

分部資料

年內，本集團按業務分部及地區分部劃分之營業額及經營（虧損）／溢利如下：

按業務分部劃分：

(以港幣千元為單位)

營業額

經營（虧損）／溢利

按地區分部劃分：

(以港幣千元為單位)

香港

中國

附屬公司、聯營公司及共同控制企業

本公司於二零零二年十二月三十一日之附屬公司、聯營公司及共同控制企業之詳情載於財務報告附註14、15及16。

業績及分配

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年報第66頁之綜合收益表。

年內，並無派付中期股息。董事局決議不就截至二零零二年十二月三十一日止年度派發任何末期股息。

Financial Summary

A summary of the results and assets and liabilities of the Group for the past five financial years is set out on page 17 of the annual report.

Fixed Assets

Details of movements in fixed assets of the Group during the year are set out in note 12 to the financial statements.

Major Interests in Properties

Particulars of major interests in properties held by the Group as at 31 December 2002 are set out on pages 139 to 142 of the annual report.

Borrowings and Interest Capitalised

The Group's bank and other borrowings as at 31 December 2002 and the amount of interest capitalised by the Group during the year are set out in notes 23 and 5 to the financial statements respectively.

Share Capital

Details of movements in share capital of the Company during the year are set out in note 24 to the financial statements.

Reserves

Details of movements in reserves during the year are set out in note 26 to the financial statements.

Warrants, Options or Similar Rights

Other than the employee share option scheme of the Company as explained in note 25 to the financial statements, the Company had no outstanding warrants, options or similar rights as at 31 December 2002.

Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares for the year ended 31 December 2002.

財務摘要

本集團於過去五個財政年度之業績及資產與負債概要載於年報第17頁。

固定資產

本集團固定資產於年內之變動詳情載於財務報告附註12。

主要物業權益

本集團於二零零二年十二月三十一日持有之主要物業權益詳情載於年報第139頁至第142頁。

貸款及撥充資本之利息

本集團於二零零二年十二月三十一日之銀行及其他貸款及年內本集團將利息撥充資本之數額分別載於財務報告附註23及5。

股本

本公司股本於年內之變動詳情載於財務報告附註24。

儲備

儲備於年內之變動詳情載於財務報告附註26。

認股權證、購股權或類似權利

除已於財務報告附註25說明之本公司僱員認股權計劃外，本公司於二零零二年十二月三十一日概無任何尚未行使之認股權證、購股權或類似權利。

購買、出售或贖回股份

截至二零零二年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市股份。

Directors

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

Dr. Jiang Xiaoming, Simon	(Chairman)
Ms. Chong Siak Ching	(Non-Executive Director and Deputy Chairman)
Mr. Lai Seck Khui	(Non-Executive Director and Deputy Chairman)
Mr. Alan Howard Smith J.P.	(Independent Non-Executive Director and Deputy Chairman)
Mr. Ang Ah Lay	(Managing Director appointed on 1 December 2002)
Mr. Chan Wing Ming, Charles	(Deputy Managing Director)
Mr. Kuan Michael Chao	(Changed from Executive Director to Non-Executive Director on 1 December 2002)
Mr. Kwong Che Keung, Gordon	(Independent Non-Executive Director)
Mr. Lew Syn Pau	(Non-Executive Director appointed on 20 March 2002)
Dr. Han Cheng Fong	(Non-Executive Director)
Ms. Wang Poey Foon, Angela	(Independent Non-Executive Director)
Mr. Tan Ser Ping	(Alternate Director to Ms. Chong Siak Ching)
Mr. Hui Choon Kit	(Alternate Director to Mr. Lai Seck Khui)
Mr. Goh Yong Chian, Patrick	(Alternate Director to Dr. Han Cheng Fong)
Mr. Goh Tien Jin	(Resigned as Non-Executive Director and appointed as Alternate Director to Mr. Lew Syn Pau on 20 March 2002)
Mr. Chua Tiow Chye	(Resigned on 5 October 2002)
Mr. Zheng Hongqing	(Resigned on 3 March 2003)
Mr. Ng Chi Man, Michael	(Resigned on 3 March 2003)

In accordance with Section 100 of the Company's Bye-law, Mr. Ang Ah Lay and Mr. Lew Syn Pau shall retire at the forthcoming annual general meeting. In accordance with Section 109(A) of the Company's Bye-law, Mr. Chan Wing Ming, Charles, Mr. Kuan Michael Chao and Dr. Han Cheng Fong shall retire by rotation at the forthcoming annual general meeting. All the retiring directors, being eligible, offer themselves for re-election.

董事

年內及截至本年報日期止本公司之董事如下：

蔣小明博士	(主席)
張雪倩女士	(非執行董事兼副主席)
黎錫駒先生	(非執行董事兼副主席)
Alan Howard Smith先生， 太平紳士	(獨立非執行董事兼副主席)
洪亞歷先生	(於二零零二年十二月一日 獲委任為董事總經理)
陳永明先生	(副董事總經理)
關新先生	(於二零零二年十二月一日 由執行董事 轉任非執行董事)
鄺志強先生	(獨立非執行董事)
劉信保先生	(於二零零二年三月二十日 獲委任為非執行董事)
韓禎豐博士	(非執行董事)
王培芬女士	(獨立非執行董事)
陳思評先生	(張雪倩女士之替任董事)
許遵傑先生	(黎錫駒先生之替任董事)
吳榮鏞先生	(韓禎豐博士之替任董事)
吳天仁先生	(於二零零二年三月二十日 辭任非執行董事 並獲委任為劉信保先生 之替任董事)
蔡兆才先生	(於二零零二年十月五日辭任)
鄭洪慶先生	(於二零零三年三月三日辭任)
吳志文先生	(於二零零三年三月三日辭任)

洪亞歷先生及劉信保先生將依照本公司之公司細則第100條於即將召開之股東週年大會告退。陳永明先生、關新先生及韓禎豐博士將依照本公司之公司細則第109(A)條於即將召開之股東週年大會輪值告退。所有退任董事將符合資格並願膺選連任。

Directors' Interests In Securities

(a) Interests in securities of the Company

As at 31 December 2002, the interests of the directors, chief executives and their associates in the issued share capital of the Company and its associated corporations as recorded in the register maintained under Section 29 of the Securities (Disclosure of Interests) Ordinance (“SDI Ordinance”) or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) were as follows:

Name of Director	No. of shares in the Company 本公司股份數目	董事姓名
Jiang Xiaoming, Simon	158,884,553	蔣小明
Kuan Michael Chao	28,329,430	關新
Chan Wing Ming, Charles	5,789,485	陳永明
Lai Seck Khui	1,157,897	黎錫駒
Chong Siak Ching	1,157,897	張雪倩

During the year, none of the directors and their respective spouses and children under 18 years of age had been granted any rights to subscribe for shares or debentures of the Company.

(b) Interests in options to subscribe for the Company's shares

A share option scheme for employees (including executive directors) of the Company and its subsidiaries was adopted by the Company on 10 January 2000 (the “Share Option Scheme”). During the year, no option was granted, exercised or remained outstanding under the Share Option Scheme.

Save as disclosed above, at no time during the year was the Company, its subsidiaries or its holding company a party to any arrangement to enable the directors, chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and as at 31 December 2002, none of the directors nor chief executives, nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company.

董事於證券之權益

(a) 於本公司證券之權益

於二零零二年十二月三十一日，根據遵照證券(披露權益)條例(「披露權益條例」)第二十九條所存置之登記冊所載，或須知會本公司及香港聯合交易所有限公司(「聯交所」)，有關本公司董事、主要管理人員及其聯繫人於本公司及其相聯法團之已發行股本權益如下：

董事姓名

蔣小明
關新
陳永明
黎錫駒
張雪倩

於年內，概無任何董事及其各自之配偶及年齡18歲以下子女獲授認購本公司之股份或債券之權利。

(b) 於本公司股份認購權之權益

本公司於二零零零年一月十日為本公司及其附屬公司員工(包括執行董事)採納認股權計劃(「認股權計劃」)。於年內，概無根據認股權計劃授出、行使或尚未行使之購股權。

除上文所披露外，本公司、其附屬公司或其控股公司並無於年內參與任何安排可令本公司董事、主要管理人員從購買本公司或其他法人團體之股份或債券中獲益。此外，於二零零二年十二月三十一日，概無董事或主要管理人員或其配偶或十八歲以下子女擁有任何認購本公司證券之權利。

Directors' Interests in Contracts and Connected Transactions

Save as disclosed hereunder, there was no connected transaction or contract of significance to which the Company, its subsidiaries or its holding company was a party and in which a director of the Company had a material interest, whether directly or indirectly subsisting at 31 December 2002 or at any time during the year ended 31 December 2002.

1. Billion Property Limited ("Billion"), a wholly-owned subsidiary of the Company, and China Travel Service (Holdings) Hong Kong Limited ("CTSH") entered into an agreement on 19 August 1997 and a supplemental agreement on 10 September 1997 (collectively known as "1997 Tycoon Place Agreements"), pursuant to which Billion acquired from CTSH a 90% interest in Ideal Investment Holdings Limited ("Ideal") and the remaining 10% interest in Ideal was owned by CTSH. Ideal had a one-third interest in the development project known as Tycoon Place at Wong Yue Tang, Tai Po ("Tycoon Place"). According to the 1997 Tycoon Place Agreements, CTSH undertook to finance and bear all costs attributable to Ideal in connection with the completion of Tycoon Place and if any disposal proceeds of Tycoon Place attributable to Ideal were used to discharge any liabilities of those companies which hold Tycoon Place, CTSH would pay to Billion an amount equivalent to 90% of such disposal proceeds to which Ideal would be entitled.

On 4 June 1999, Billion entered into a conditional agreement (the "1999 Tycoon Place Agreement") with CTSH pursuant to which Billion acquired from CTSH of its 10% remaining equity interest in Ideal and the related loan outstanding and owing by Ideal to CTSH. Upon completion of the 1999 Tycoon Place Agreement, Ideal had become a wholly-owned subsidiary of Billion.

董事之合約權益及關連交易

除下文所披露外，於二零零二年十二月三十一日或於截至二零零二年十二月三十一日止年度內之任何時間，本公司概無任何關連交易。此外，本公司、其附屬公司或其控股公司亦無參與訂立任何與本公司之董事直接或間接擁有重大權益之重大合同。

1. 本公司之全資附屬公司 Billion Property Limited (「Billion」) 與香港中旅(集團)有限公司(「中旅集團」)於一九九七年八月十九日訂立協議，並於一九九七年九月十日訂立補充協議(以下統稱「一九九七聚豪天下協議」)，據此，Billion向中旅集團收購其於 Ideal Investment Holdings Limited (「Ideal」) 擁有之90%權益，而 Ideal 餘下之10%權益由中旅集團擁有。Ideal 擁有位於大埔黃魚灘之聚豪天下發展項目(「聚豪天下」)三分之一權益。根據一九九七聚豪天下協議，中旅集團承諾就完成聚豪天下項目提供資金及承擔所有 Ideal 應佔之成本，倘任何 Ideal 應佔就出售聚豪天下所得之款項被用於償還該等持有聚豪天下之公司之負債，則中旅集團須向 Billion 支付相等於 Ideal 應佔出售所得款項之90%之金額。

於一九九九年六月四日，Billion與中旅集團訂立一項有條件協議(「一九九九聚豪天下協議」)，據此，Billion向中旅集團收購其於 Ideal 尚餘之10%股本權益，以及 Ideal 欠付中旅集團尚未清償之有關貸款。待完成一九九九聚豪天下協議，Ideal 成為 Billion 之全資附屬公司。

Directors' Interests in Contracts and Connected Transactions (continued)

As at 31 December 2002, a principal sum of approximately HK\$10.9 million was due and owing by CTSH to Billion pursuant to the 1997 Tycoon Place Agreements.

- On 28 September 2001, the Company received a letter of offer of shareholder's loan facility of up to HK\$25,000,000 ("1st Shareholder's Loan") from Vision Century Limited ("VCL"), the ultimate holding company of the Company. Such shareholder's loan was for the general working capital of the Company. With an interest rate of 1% per annum over Hong Kong Interbank Offered Rate ("HIBOR"), the shareholder's loan had no fixed terms of repayment. On 6 November 2001, the Company received a further letter of offer of shareholder's loan facility of up to a further HK\$25,000,000 ("2nd Shareholder's Loan") from VCL subject to the same terms as stipulated in the 1st Shareholder's Loan.

Interest expense of HK\$535,000 in respect of the shareholder's loans as mentioned above was payable to VCL by the Company during the year. The 1st Shareholder's Loan and 2nd Shareholder's Loan were repaid on 17 May 2002.

董事之合約權益及關連交易 (續)

根據一九九七聚豪天下協議，於二零零二年十二月三十一日，中旅集團所欠Billion約港幣10,900,000元之本金額已到期償還。

- 於二零零一年九月二十八日，本公司接獲本公司最終控股公司 Vision Century Limited ("VCL") 一份有關股東貸款融資達港幣25,000,000元 ("第一項股東貸款") 之要約函件。該筆股東貸款會作為本公司之一般營運資金。股東貸款之年利率為香港銀行同業拆息率 ("銀行同業拆息") 加1厘，但並未規定固定還款期。於二零零一年十一月六日，本公司接獲VCL另一份有關股東貸款融資達港幣25,000,000元 ("第二項股東貸款") 之要約函件。該筆股東貸款之條款與第一項股東貸款訂明之條款相同。

本公司於年內應付VCL上述股東貸款之利息開支為港幣535,000元。第一項股東貸款及第二項股東貸款已於二零零二年五月十七日償還。

Directors' Interests in Contracts and Connected Transactions (continued)

3. On 8 October 2001, Vision Century Real Estate Development (Dalian) Co. Ltd (formerly known as Dalian Wanguo Amenity Centre Company Limited) ("VC Dalian"), a wholly-owned subsidiary of the Company, entered into a project supervision agreement (the "PS Agreement") with JTC International Consultants (Suzhou) Co. Ltd ("JTCI (Suzhou)") whereby JTCI (Suzhou) agreed to provide certain project supervision and consultancy services relating to a development project of a property located at Xinglin Street, Zhongshan District, Dalian, Liaoning Province, China (the "Dalian Project") during a 36-month period, for a consultancy fee of RMB1,900,000 (approximately HK\$1,792,000). The consultancy fee was determined after an arm's length negotiation between the parties. If the actual supervision period is longer than 36 months, JTCI (Suzhou) will receive an additional consultancy fee for any additional services which will be calculated on the basis of time spent or may be mutually agreed between the parties as stipulated under the PS Agreement subject to a maximum cap of RMB500,000 (approximately HK\$472,000).

Besides, VC Dalian and JTCI (Suzhou) also entered into a M&E Agreement (the "M&E Agreement") whereby JTCI (Suzhou) agreed to provide certain mechanical and electrical consultancy service relating to the Dalian Project for a consultancy fee of RMB1,100,000 (approximately HK\$1,038,000). JTCI (Suzhou) is indirectly wholly-owned by JTC Corporation, a statutory board incorporated in the Republic of Singapore and wholly-owned by the government of Singapore. JTC Consultancy Services Holding Pte Ltd., a wholly-owned subsidiary of JTC Corporation, is running the operation of JTCI (Suzhou). JTC Corporation, through its wholly-owned subsidiary Ascendas Land International Pte Limited, indirectly owns 100% of Riverbook Group Limited, which in turn holds 50% of VCL, the controlling shareholder of the Company.

董事之合約權益及關連交易 (續)

3. 於二零零一年十月八日，本公司全資擁有之附屬公司威新房地產開發(大連)有限公司(前稱大連萬國娛樂中心有限公司)「威新大連」與裕廊國際顧問(蘇州)有限公司「裕廊國際(蘇州)」訂立一項項目監管協議「項目監管協議」，據此，裕廊國際(蘇州)同意於36個月期間就一項位於中國遼寧省大連中山區杏林街之物業發展項目「大連項目」提供若干項目監管及顧問服務，顧問費用為人民幣1,900,000元(約港幣1,792,000元)。顧問費乃經各訂約方按公平磋商釐定。倘實際監管期超過36個月，裕廊國際(蘇州)將可就任何額外服務收取額外顧問費，額外顧問費根據項目監管協議規定按所用時間或各訂約方均同意之基準計算，最高上限為人民幣500,000元(約港幣472,000元)。

此外，威新大連與裕廊國際(蘇州)亦訂立一項機電協議「機電協議」，據此，裕廊國際(蘇州)同意就大連項目提供若干機電顧問服務，顧問費用為人民幣1,100,000元(約港幣1,038,000元)。裕廊國際(蘇州)由裕廊集團間接全資擁有。裕廊集團乃於新加坡共和國註冊成立之法定委員會，並由新加坡政府全資擁有。裕廊集團之全資附屬公司JTC Consultancy Services Holding Pte Ltd.負責裕廊國際(蘇州)之業務。裕廊集團透過其全資附屬公司Ascendas Land International Pte Limited間接擁有Riverbook Group Limited全部權益，Riverbook Group Limited則持有本公司控股股東VCL 50%權益。

Directors' Interests in Contracts and Connected Transactions (continued)

4. On 28 March 2002, VCC iCapital Limited (formerly known as Ecapital Century Limited) ("VCC iCapital"), a wholly-owned subsidiary of the Company, entered into an acquisition agreement ("Acquisition Agreement") with CyberCity Holdings Limited ("CCH") (which was a substantial shareholder of VCL, the controlling shareholder of the Company and currently CCH is in the process of liquidation) whereby VCC iCapital conditionally acquired the entire issued share capital of CyberCity Investments Limited ("CCI") from CCH at a total consideration of HK\$140.4 million (equivalent to approximately US\$18 million) which was satisfied by way of allotment and issue of 334,285,714 new shares at HK 42 cents per share by the Company.

CCH was a connected person of the Company as defined under the Listing Rules and the Acquisition Agreement constitutes a discloseable and connected transaction for the Company and the Acquisition Agreement had obtained the approval of independent shareholders of the Company. After completion of the Acquisition Agreement, CCI became a wholly-owned subsidiary of the Company. The core businesses of CCI including (i) IT infrastructure and data center related business, (ii) education and training services, (iii) incubation and (iv) localization and business consulting services.

董事之合約權益及關連交易 (續)

4. 於二零零二年三月二十八日，本公司之全資附屬公司VCC iCapital Limited（前稱Ecapital Century Limited）（「VCCiCapital」）與賽博控股有限公司（「賽博控股」）（乃本公司控股股東VCL之前主要股東，並現正進行清盤）訂立一項收購協議（「收購協議」），據此，VCC iCapital向賽博控股有條件收購CyberCity Investments Limited（「CCI」）全部已發行股本，收購事項總代價為港幣140,400,000元（相等於約18,000,000美元），而本公司已透過配發及發行334,285,714股每股作價港幣42仙之新股償付。

根據上市規則之定義，賽博控股乃本公司之關連人士，而收購協議則屬本公司一項須予披露及關連交易，而收購協議已獲本公司獨立股東批准。收購協議完成後，CCI成為了本公司的全資附屬公司。CCI的核心業務包括(i)資訊科技基礎設施及數據中心相關業務、(ii)教育及培訓服務、(iii)企業孵化及(iv)本地化及業務諮詢服務。

Directors' Interests in Contracts and Connected Transactions (continued)

5. On 19 April 2002, Vision Business Park (TH) Limited (“Vision Business”), a wholly-owned subsidiary of the Company, and Beijing Tsinghua Science Park Construction Co. Ltd. (“Tsinghua”), entered into a conditional joint venture agreement (“JV Agreement”) for establishment of Vision Huaqing (Beijing) Development Co. Ltd. (“Vision Huaqing”) as a sino-foreign joint venture company. Pursuant to the JV Agreement, Vision Business and Tsinghua agreed to establish Vision Huaqing in China for a term of 50 years from the date of the business licence of Vision Huaqing to engage in developing, managing and operating a business park and other related business park services mainly for companies engaged in technology related businesses. The first development project of Vision Huaqing will be Plot B14 located within Phase 2 of Tsinghua Science Park. Vision Huaqing are 60% and 40% owned by Vision Business and Tsinghua respectively. The total investment of Vision Huaqing under the JV Agreement was up to RMB390 million (equivalent to approximately HK\$367 million), including the registered capital of RMB130 million (equivalent to approximately HK\$122 million). The JV Agreement constitutes a discloseable transaction of the Company under the Listing Rules.

Vision Business and Tsinghua also entered into a land development agreement for Plot B14 (“Land Development Agreement”) simultaneously with the JV Agreement. Tsinghua was responsible for the resettlement and site clearance of Plot B14 by 30 June 2002 or such other dates mutually agreed by both parties. Vision Business should procure Vision Huaqing to pay to Tsinghua the land development fee (including the costs for resettlement, site clearance and levelling and infrastructure such as connection of basic utilities), incurred by Tsinghua (the “Land Development Fee”) which was approximately RMB134 million (equivalent to approximately HK\$126 million). As Tsinghua became a substantial shareholder of Vision Huaqing, it is a connected person of the Company and the Land Development Agreement constitutes a connected transaction of the Company under the Listing Rules and the Land Development Agreement had obtained the approval of the independent shareholders of the Company.

董事之合約權益及關連交易 (續)

5. 於二零零二年四月十九日，本公司之全資附屬公司Vision Business Park (TH) Limited (「Vision Business」) 與北京清華科技園建設股份有限公司 (「清華」) 訂立一項有條件合營合同 (「合營合同」)，藉以成立一家名為威新華清 (北京) 置業發展有限公司 (「威新華清」) 之中外合營公司，根據合營合同，Vision Business 及清華同意在中國成立威新華清，為期自威新華清獲發營業執照之日起計50年，以從事開發、管理及經營商業園及提供其他有關商業園的服務，主要對象為從事科技相關業務之公司。威新華清之首個發展項目將會是位於清華科技園二期之B14地塊。威新華清將分別由Vision Business及清華各持有60%及40%權益。威新華清在合營合同下之總投資最高金額將為人民幣390,000,000元 (相等於約港幣367,000,000元)，包括註冊資本人民幣130,000,000元 (相等於約港幣122,000,000元)。根據上市規則，合營合同構成本公司一項須予披露交易。

除合營合同外，Vision Business亦同時與清華訂立一項有關B14地塊之地塊開發合同 (「地塊開發合同」)。清華負責在二零零二年六月三十日或經訂約方互相協定之其他日期前完成B14地塊之拆遷及安置。Vision Business應促使威新華清向清華支付土地開發費約為人民幣134,000,000元 (相等於約港幣126,000,000元)，以供清華進行拆遷、安置、地盤平整及基建 (如接駁基本公用設施) 之用 (「土地開發費」)。由於清華已成為威新華清之主要股東，故根據上市規則，清華乃本公司之關連人士，而地塊開發合同構成本公司之關連交易，而地塊開發合同已獲本公司之獨立股東批准。

Directors' Interests in Contracts and Connected Transactions (continued)

6. On 19 April 2002, China Land Group Limited ("CLG") and the Company entered into an exchange agreement ("Exchange Agreement"), pursuant to which the Company agreed (i) to dispose to CLG Group of the 65% equity interest in Wintime Property Developments Limited ("Wintime") owned by Continental Property Limited ("Continental"), which was a wholly-owned subsidiary of the Company, together with the shareholder's loan of approximately HK\$131 million due and owing by Wintime to the Group and the rights and benefits relating to those parts of the Villa Sapphire Property project in Hong Kong property specified in the Notional Distribution Agreement dated 5 May 2000 for a total consideration of HK\$43.2 million; (ii) to acquire from CLG Group the entire equity interest in Tenways Investments Limited ("Tenways"), which was a wholly-owned subsidiary of CLG, together with the shareholder's loan of approximately HK\$44.5 million due and owing by Tenways to CLG Group for a total consideration of HK\$43.2 million.

In respect of the Exchange Agreement, CLG is a connected person of the Company by virtue of Lead Victory Investments Limited, a wholly-owned subsidiary of CLG, being a substantial shareholder of Wintime and the Exchange Agreement constitutes a connected transaction for the Company under the Listing Rules and the Exchange Agreement had obtained the approval of the independent shareholders of the Company.

董事之合約權益及關連交易 (續)

6. 於二零零二年四月十九日，中國置地集團有限公司（「中國置地」）與本公司訂立一項交換合同（「交換合同」），據此本公司同意進行下列兩項交易：(i)向中國置地集團出售 Continental Property Limited（「Continental」，曾為本公司之全資附屬公司）在 Wintime Property Developments Limited（「Wintime」）持有之 65% 股權連同 Wintime 結欠本集團之股東貸款約港幣 131,000,000 元，以及於二零零零年五月五日訂立的名義分派合同所指香港海澄軒部分住宅單位之權利及利益，總代價為港幣 43,200,000 元；(ii)向中國置地集團收購 Tenways Investments Limited（「Tenways」）（中國置地的全資附屬公司）之全部股權連同 Tenways 結欠中國置地集團之股東貸款約港幣 44,500,000 元，總代價為港幣 43,200,000 元。

在交換合同方面，中國置地之全資附屬公司 Lead Victory Investments Limited 乃 Wintime 之主要股東，因而成為本公司之關連人士。故此，根據上市規則，此項交換合同構成本公司之關連交易。交換合同已獲本公司獨立股東批准。

Directors' Interests in Contracts and Connected Transactions (continued)

7. On 28 May 2002, the Group had completed the acquisition of the entire issued share capital of CCI from CCH. The Group has entered into various connected transactions involving CCI and its subsidiaries as follows:-

(a) Connected Transactions with Shenzhen Cursor Software Technology Co. Ltd. ("SCST")

- (i) the agency agreement and supplemental agreement dated 7 December 2001 and 25 September 2002 respectively made between CyberCity Cursor Media Co. Ltd. ("CCCM") and SCST, whereby CCCM agreed to provide exclusive agency services to SCST for a period of 20 years. During the year, no fee has been charged to SCST.
- (ii) the technical support agreement dated 13 October 2001 made between CCCM and SCST, whereby CCCM agreed to provide technical support service to SCST for a period of 10 years. During the year, a total fee of approximately HK\$85,000 was charged to SCST; and

董事之合約權益及關連交易 (續)

7. 於二零零二年五月二十八日，本集團完成向賽博控股購入CCI全部已發行股本。本集團曾訂立涉及CCI及其附屬公司之多項關連交易如下：

(a) 與深圳市智慧源軟件技術有限公司（「深圳市智慧源」）進行之關連交易

- (i) 賽博智慧源信息技術（深圳）有限公司（「賽博智慧源」）與深圳市智慧源分別於二零零一年十二月七日及二零零二年九月二十五日訂立代理協議書及補充協議，據此，賽博智慧源同意在20年期內，向深圳市智慧源提供獨家的代理服務。於年內，並無向深圳市智慧源收取費用；
- (ii) 賽博智慧源與深圳市智慧源於二零零一年十月十三日訂立之技術支援協議書，據此，賽博智慧源同意在10年期內，向深圳市智慧源提供技術支援服務。於年內，向深圳市智慧源收取一項總額為港幣85,000元之費用；及

Directors' Interests in Contracts and Connected Transactions (continued)

(a) Connected Transactions with Shenzhen Cursor Software Technology Co. Ltd. ("SCST") (continued)

- (iii) the co-operative agreement dated 13 October 2001 made between CCCM and SCST, whereby CCCM agreed to provide training funds and training related software and education services to SCST for a period of 10 years. During the year, a total fee of approximately HK\$979,000 was charged to SCST.

(Item (i), (ii) and (iii) above together called "Ongoing Connected Transactions").

The Company had been granted a conditional waiver by the Stock Exchange from strict compliance with the requirement of the Listing Rules in respect of the Ongoing Connected Transactions. The independent non-executive directors of the Company had reviewed the Ongoing Connected Transactions made during the year ended 31 December 2002 and confirmed that:

- the Ongoing Connected Transactions had been entered into in the ordinary and usual course of the Company's business;
- the Ongoing Connected Transactions had been conducted on normal commercial terms;
- the Ongoing Connected Transactions had been carried out in accordance with the terms of respective agreements; and
- the Ongoing Connected Transactions had been entered into such that the aggregate amount for the year ended 31 December 2002 did not exceed the higher of HK\$10 million and 3% of the Group's net tangible assets respectively ("Cap amount").

董事之合約權益及關連交易 (續)

(a) 與深圳市智慧源軟件技術有限公司(「深圳市智慧源」)進行之關連交易(續)

- (iii) 賽博智慧源與深圳市智慧源於二零零一年十月十三日訂立之合作協議書，據此，賽博智慧源同意在10年期內，向深圳市智慧源提供培訓費用及與培訓相關的軟件及教育服務。於年內，向深圳市智慧源收取一項總額為港幣979,000元之費用；

(以上(i)、(ii)及(iii)項統稱「持續關連交易」)。

本公司已獲聯交所有條件豁免嚴格遵守上市規則有關持續關連交易之要求。本公司獨立非執行董事已審閱於截至二零零二年十二月三十一日止年度進行之持續關連交易，並確定：

- 持續關連交易乃按本公司一般及正常業務程序進行；
- 持續關連交易乃按正常商業條款進行；
- 持續關連交易乃根據各自之協議條款進行；及
- 截至二零零二年十二月三十一日止年度之持續關連交易總額分別不超過港幣10,000,000元及本集團有形淨資產3%之較高者(「最高額」)。

Directors' Interests in Contracts and Connected Transactions (continued)

(a) Connected Transactions with Shenzhen Cursor Software Technology Co. Ltd. ("SCST") (continued)

The auditors of the Company had also confirmed to the directors of the Company that:

- the Ongoing Connected Transactions had received the approval of the Company's board of directors;
- the Ongoing Connected Transactions had been entered into in accordance with the terms of the respective agreements; and
- the Ongoing Connected transactions had been entered into such that the Cap amount had not been exceeded.

(b) Connected Transaction with Shareholders of Xiao Dong Global Technology Co. Ltd. ("XDT")

XDT, a company incorporated in China and is beneficially owned as to 33% by Dr. Jiang Xiaoming, Simon, a director of the Company, and 34% by Mr. Zhai Pu, a director of various subsidiaries of the Company, and 33% by Mr. Yang Zhaohui, a director of CyberCity Investments (SZ) Ltd., a subsidiary of the Company. Dr. Jiang Xiaoming, Simon, Mr. Zhai Pu and Mr. Yang Zhaohui (together called "Shareholders of XDT") are connected persons to the Group. On 6 December 2001, a loan agreement was made amongst Campusall Company Limited ("Campusall"), and the Shareholders of XDT, in which, Campusall agreed to provide a loan in the amount of US\$822,751 (equivalent to approximately HK\$6,417,000) to the Shareholders of XDT, who pledged all the shares of XDT to the Group as security for the loan.

By a supplemental agreement dated 5 August 2002, an interest rate of 7% per annum was charged on the loan. During the year, an interest income of HK\$267,000 was charged to the Shareholders of XDT.

董事之合約權益及關連交易 (續)

(a) 與深圳市智慧源軟件技術有限公司(「深圳市智慧源」)進行之關連交易(續)

本公司核數師亦經已向本公司董事確定：

- 持續關連交易已取得本公司董事局批准；
- 持續關連交易已根據各自之協議條款進行；及
- 持續關連交易以不超過最高額進行。

(b) 與北京曉東環宇科技有限公司(「曉東科技」)股東進行之關連交易

曉東科技是一間於中國註冊成立之公司，由蔣小明博士(本公司董事)實益擁有33%權益、翟普先生(本公司多間附屬公司之董事)實益擁有34%權益及楊朝暉先生(本公司一間附屬公司賽合投資諮詢(深圳)有限公司之董事)實益擁有33%權益。蔣小明博士、翟普先生及楊朝暉先生(統稱「曉東科技股東」)均為本集團之關連人士。曉東科技股東與Campusall Company Limited(「Campusall」)於二零零一年十二月六日訂立一項貸款協議，Campusall同意向曉東科技股東(已將所有曉東科技股份作為貸款抵押品抵押予本集團)提供一項822,751美元(約相等於港幣6,417,000元)貸款。

根據二零零二年八月五日之補充協議，所提供貸款之年利率為7%。於年內，向曉東科技股東收取一項港幣267,000元之利息收益。

Directors' Interests in Contracts and Connected Transactions (continued)

(c) Connected Transaction with Shareholders of SZ Nova Science Technology Development Co. Ltd. ("SZ Nova")

SZ Nova is owned as to 90% by Dr. Jiang Xiaoming, Simon, a director of the Company, and 10% by Mr. Chen Shulin, a director and shareholder of Nova Network Holdings Ltd ("Nova"). Dr. Jiang Xiaoming, Simon, Mr. Chen Shulin (together called "Shareholders of SZ Nova") and SZ Nova are connected persons to the Group. On 11 December 2001, a loan agreement was made amongst Jubilee Success Limited ("Jubilee"), a subsidiary of the Company, and the Shareholders of SZ Nova, in which, Jubilee agreed to provide a loan in the amount of US\$563,591 (equivalent to approximately HK\$4,396,000) to the Shareholders of SZ Nova, who pledged all the shares of SZ Nova to the Group as security for the loan.

By a supplemental agreement dated 5 August 2002, an interest of 7% per annum was charged on the loan provided. During the year, an interest income of HK\$183,000 was charged to the Shareholders of SZ Nova.

董事之合約權益及關連交易 (續)

(c) 與深圳市南凌科技發展有限公司(「深圳市南凌」)股東進行之關連交易

深圳市南凌由蔣小明博士(本公司董事)擁有90%權益及陳樹林先生(Nova Network Holdings Ltd(「南凌」)之董事兼股東)擁有10%權益。蔣小明博士、陳樹林先生(統稱「深圳市南凌股東」)及深圳市南凌均為本集團之關連人士。深圳市南凌股東與Jubilee Success Limited(「Jubilee」)(本公司附屬公司)於二零零一年十二月十一日訂立一項貸款協議，Jubilee同意向深圳市南凌股東(已將所有深圳市南凌股份作為貸款抵押品抵押予本集團)提供一項563,591美元(約相等於港幣4,396,000元)貸款。

根據二零零二年八月五日之補充協議，所提供貸款之年利率為7%。於年內，向深圳市南凌股東收取一項港幣183,000元之利息收益。

Directors' Interests in Contracts and Connected Transactions (continued)

(d) Connected Transactions with Nova and its subsidiaries ("Nova Group")

Nova is 90% beneficially owned by CCI and 8.1% by Mr. Chen Shulin, a director of Nova and 1.9% by independent parties not connected with any directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of their respective associates. Nova Network Ltd. ("Nova HK") and Century Nova Cyber Technology (Shenzhen) Co., Ltd. ("Nova Cyber") are wholly-owned subsidiaries of Nova. The connected transactions with Nova Group were conducted on normal commercial terms and details of which are set out as follows:—

- (i) on 16 July 2002, the Company and Nova Cyber entered into an agreement, under which, the Company agreed to provide fixed deposit charge and a corporate guarantee to a bank in favour of Nova Cyber to secure a loan facility from the bank. Nova Cyber agreed to pay a total guarantee fee of 5% of the secured loan amount to the Company during the continuance of the securities. During the year, Nova Cyber has utilised a loan facility of up to RMB8,000,000 (equivalent to approximately HK\$7,539,000) and a guarantee fee of HK\$108,000 was charged to Nova Cyber;
- (ii) On 23 September 2002, Nova and the Company entered into an agreement, pursuant to which the Company should advance a shareholder loan to Nova up to an amount of HK\$6,500,000 with interest at the rate of 7% per annum ("Shareholder Loan"). The Shareholder Loan was for Nova's general working capital. During the year, the amount of Shareholder Loan utilised was HK\$4,569,000 and an interest income of HK\$110,000 was charged to Nova; and

董事之合約權益及關連交易 (續)

(d) 與南凌及其附屬公司(「南凌集團」)進行之關連交易

南凌由CCI實益擁有90%權益及陳樹林先生(南凌董事)實益擁有8.1%權益及獨立人士(與本公司或其附屬公司之董事、主要管理人員或主要股東或彼等各自之聯繫人概無關連)實益擁有1.9%權益。Nova Network Ltd. (「南凌香港」)與世紀南凌數碼科技(深圳)有限公司(「世紀南凌」)均為南凌之全資附屬公司。本集團與南凌集團之關連交易乃按一般商業條款進行，有關詳情如下：

- (i) 於二零零二年七月十六日，本公司與世紀南凌訂立一項協議，據此，本公司同意為世紀南凌向一間銀行提供定期存款抵押及公司擔保，以從一間銀行取得抵押借貸備用額。世紀南凌同意於已抵押品仍然有效之時，向本公司支付一筆以所抵押貸款之5%計算之擔保費。於年內，世紀南凌已動用最高額為人民幣8,000,000元(約相等於港幣7,539,000元)之借貸備用額，而向世紀南凌收取港幣108,000元之擔保費；
- (ii) 於二零零二年九月二十三日，南凌與本公司訂立一項協議，據此，本公司須向南凌預付一筆最高額為港幣6,500,000元之股東貸款(「股東貸款」)，年利率為7%。該筆股東貸款用作為南凌之一般營運資金。於年內，已動用股東貸款數額為港幣4,569,000元，而向南凌收取港幣110,000元之利息收益；及

Directors' Interests in Contracts and Connected Transactions (continued)

(d) Connected Transactions with Nova and its subsidiaries ("Nova Group") (continued)

(iii) on 7 October 2002, the Company and Nova HK entered into an agreement, in which, the Company agreed to replace CCH to provide a corporate guarantee in favour of Trilease International Limited relating to Nova HK's liabilities under a lease of equipment taken by Nova HK of total lease amount of approximately HK\$1,700,000 (the "Guarantee") of which HK\$1,470,000 has been utilised. Nova HK agreed to pay a guarantee fee of 2.5% per annum of the guaranteed principal of the leased equipment to the Company during the continuance of the Guarantee. During the year, a guarantee fee of HK\$9,000 was charged to Nova HK.

8. On 25 September 2002, Vision Century Investments (Dalian) Limited ("VCID"), a wholly-owned subsidiary of the Company, entered into (i) Guangxia S&P Agreement with Dalian Guangxia Development Co. Ltd. ("Guangxia") pursuant to which VCID agreed to acquire from Guangxia its 10% interest of the registered capital in VC Dalian for a consideration of approximately RMB5.9 million (equivalent to approximately HK\$5.5 million); (ii) Bohai S&P Agreement with Dalian Bohai Group Co. Ltd. ("Bohai") pursuant to which VCID agreed to acquire from Bohai its 2% interest of the registered capital in VC Dalian for a consideration of RMB3 million (equivalent to approximately HK\$2.8 million). After the completion of Guangxia S&P Agreement and the Bohai S&P Agreement, VC Dalian became a wholly foreign owned company under the PRC Law and wholly-owned subsidiary of the Company. In connection with the Guangxia S&P Agreement, VC Dalian entered into the Settlement Agreement with Guangxia to settle all the outstanding amount due and owing by VC Dalian to Guangxia for a consideration of RMB3 million (equivalent to approximately HK\$2.8 million). Guangxia was a substantial shareholder of VC Dalian and a connected person of the Company under the Listing Rules. The transactions contemplated under the Guangxia S&P Agreement and the Settlement Agreement constituted connected transactions of the Company.

董事之合約權益及關連交易 (續)

(d) 與南凌及其附屬公司（「南凌集團」）進行之關連交易（續）

(iii) 於二零零二年十月七日，本公司與南凌香港訂立一項協議，本公司同意代替賽博控股就南凌香港之設備租約負債（租金總額約為港幣1,700,000元）向Trilease International Limited提供一項公司擔保（「擔保」），其中有港幣1,470,000元經已動用。南凌香港同意於擔保仍然有效之時，每年向本公司支付一筆以所擔保之租賃設備之2.5%計算之擔保費。於年內，向南凌香港收取一項港幣9,000元之擔保費。

8. 於二零零二年九月二十五日，本公司之全資附屬公司威新投資（大連）有限公司（「威新投資大連」）分別(i)與大連廣廈置業有限公司（「廣廈」）訂立廣廈轉讓協議書，據此，威新投資大連同意收購廣廈所擁有之威新大連10%註冊資本之股權，代價約為人民幣5,900,000元（約相等於港幣5,500,000元）；(ii)與大連渤海集團有限公司（「渤海」）訂立渤海轉讓協議書，據此，威新投資大連同意收購渤海所擁有之威新大連2%註冊資本之股權，代價約為人民幣3,000,000元（約相等於港幣2,800,000元）。在廣廈轉讓協議書和渤海轉讓協議書完成後，威新大連在中國法律下成為外資公司及成為本公司全資附屬公司。就廣廈轉讓協議書而言，威新大連與廣廈訂立了廣廈結算協議，以繳清威新大連尚欠廣廈的全部到期欠款，代價為人民幣3,000,000元（相等於約港幣2,800,000元）。根據上市規則，廣廈是威新大連的主要股東，並為本公司之關連人士。故此，廣廈轉讓協議書和廣廈結算協議中擬訂之交易構成本公司之關連交易。

Directors' Interests in Contracts and Connected Transactions (continued)

9. During the year, the Company, through its wholly-owned subsidiaries, advanced a total sum of approximately HK\$40,000,000 as shareholders' loan (the "Loans") to Great Project Property Limited ("GPP"), a company beneficially owned as to 65% by the Company and 35% by CTSH. CTSH is a connected person by virtue of its substantial shareholding in GPP. CTSH has defaulted in its obligation under the shareholders agreement to provide financial support to GPP in accordance with its shareholding in GPP and the Loans advanced by the Group were in excess of the Group's proportional equity interest of 65% in GPP. The Group has charged a default interest rate of approximately 5% per annum over Hong Kong prime rate on the Loans to GPP. The Loans are unsecured and are repayable on demand. During the year, an interest income of approximately HK\$2,500,000 was charged to GPP in respect of the HK\$40,000,000 loan.
10. On 28 May 2002, Campusall and the Company (the holding company of Campusall) entered into an agreement, pursuant to which the Company should advance a shareholder loan to Campusall up to an amount of US\$120,000 (equivalent to approximately HK\$936,000) with interest at the rate of 7% per annum ("Shareholder Loan"). The Shareholder Loan should be applied to the Campusall or its wholly-owned subsidiary, 8th Network China Co. Ltd ("8th Network"), for general working capital purpose. During the year, an interest income of approximately US\$4,640 (equivalent to approximately HK\$36,000) was charged to Campusall.

董事之合約權益及關連交易 (續)

9. 於年內，本公司透過其全資附屬公司向 Great Project Property Limited (「GPP」) 墊付總計約港幣40,000,000元作為股東貸款(「貸款」)，GPP由本公司及CTSH分別持有65%及35%權益。CTSH因其在GPP持有之股權，故屬關連人士。CTSH未能履行股東協議內之義務，即根據其於GPP所持股權比例向GPP提供財務支持。而本集團墊付之貸款已超過本集團於GPP之65%比例股本權益。本集團已就貸款向GPP收取高於香港最優惠利率約5%之失責利率。貸款屬非抵押貸款，並需按要求償還。於年內，本集團向GPP收取約港幣2,500,000元作為港幣40,000,000元貸款之利息收益。
10. 於二零零二年五月二十八日，Campusall與本公司(Campusall之控股公司)訂立一項協議，本公司須向Campusall墊付一筆最高額為120,000美元(約相等於港幣936,000元)之股東貸款(「股東貸款」)，年利率為7%。該筆股東貸款須作為Campusall或其全資附屬公司慧科管理諮詢有限公司(「慧科管理」)之一般營運資金用途。於年內，已向Campusall收取一項約4,640美元(約相等於港幣36,000元)之利息收益。

Directors' Interests in Contracts and Connected Transactions (continued)

11. On 29 May 2002, Vision (Shenzhen) Business Park Co., Ltd ("VSBP"), a 95% owned subsidiary of the Company, and the Company entered into an agreement, under which, the Company agreed to provide fixed deposit charge and a corporate guarantee to a bank in favour of VSBP to secure loan facilities from the bank for VSBP. VSBP agreed to pay a total guarantee fee of 5% of the secured loan amount to the Company during the continuance of the securities. During the year, the loan facilities of up to RMB73,500,000 were utilised by VSBP. A total fee of approximately RMB999,600 (equivalent to approximately HK\$942,000) was charged to VSBP during the year.

12. On 26 July 2002, 8th Network and the Company entered into an agreement, under which, the Company agreed to provide fixed deposit charge and a corporate guarantee in favour of 8th Network to secure a facility from a bank for 8th Network. 8th Network agreed to pay a total guarantee fee of 5% of the secured loan amount to the Company during the continuance of the securities. During the year, 8th Network has utilised a total loan facility of HK\$3,000,000. A total fee of approximately RMB42,500 (equivalent to approximately HK\$40,000) was charged to 8th Network.

13. As at 31 December 2002, the Company, through its wholly-owned subsidiaries, advanced a total sum of approximately HK\$138,000,000 as shareholder's loans to VSBP. VSBP is beneficially owned as to 95% by the Company and 5% by 3-9 Project Development Co., Ltd., which is an independent third party not connected with the substantial shareholders, directors and chief executives of the Company or any of its subsidiaries or their respective associates. Such shareholder's loans are for VSBP's working capital requirement. With an interest rate of 5% per annum, the shareholder's loans are repayable on demand on or before 15 July 2003. During the year, an interest income of approximately HK\$6,900,000 was charged to VSBP.

董事之合約權益及關連交易 (續)

11. 於二零零二年五月二十九日，本公司之95%附屬公司深圳威新軟件科技園有限公司（「深圳威新」）與本公司訂立一項協議，據此，本公司同意為深圳威新向一間銀行提供定期存款抵押及公司擔保，以從一間銀行取得抵押貸款備用額。深圳威新同意於抵押品仍然有效期間，向本公司支付一筆以所抵押貸款之5%計算之總擔保費。於年內，深圳威新調動最高額為人民幣73,500,000元之貸款備用額。本公司年內向深圳威新收取一項總額約人民幣999,600元（約相等於港幣942,000元）之費用。

12. 於二零零二年七月二十六日，慧科管理與本公司訂立一項協議，據此，本公司同意為慧科管理提供定期存款抵押及公司擔保，以作為慧科管理獲授予一筆銀行信貸之抵押品。慧科管理同意於抵押品仍然有效期間，向本公司支付一筆以所抵押貸款之5%計算之總擔保費。於年內，慧科管理已動用總額為港幣3,000,000元之貸款備用額。本公司已向慧科管理收取一項總額約人民幣42,500元（約相等於港幣40,000元）之費用。

13. 於二零零二年十二月三十一日，本公司透過其全資附屬公司向深圳威新墊付合共約港幣138,000,000元之股東貸款。深圳威新由本公司及三九工程開發總公司各實益擁有95%及5%權益。三九工程開發總公司為獨立第三方，與本公司或其任何附屬公司之主要股東、董事及主要行政人員或彼等各自之聯繫人概無關連。該股東貸款用作深圳威新之營運資金。股東貸款之年息率為5%，須於二零零三年七月十五日或之前按要求償還。於年內，已向深圳威新收取約港幣6,900,000元之貸款利息收益。

Directors' Interests in Contracts and Connected Transactions (continued)

14. On 8 May 2000, E-Commerce Technology Limited ("E-Commerce"), a wholly-owned subsidiary of the Company, entered into with, inter alia, Mr. Wong Lik Ping, an independent third party who was then independent and not connected to the Company, chief executive and substantial shareholder of the Company or any of its subsidiaries and their respective associates and continues to be so up to this date, the Original Agreement.

On 7 September 2000, the Company entered into the Amended Agreement with the same parties involved, whereby certain conditions of the Original Agreement were varied, which included the increase of the acquisition of interest in Maxwin Holdings Ltd. ("Maxwin") from 80% to 100%, HK\$20,000,000 of the total consideration of HK\$95,000,000 was withheld by the Company which would be released, within 2 years plus after the completion, to the vendor after certain possible deductions (e.g. shortfalls under the profit guaranteed and the differences between the completion accounts and the proforma accounts) have been made therefrom pursuant to the Amended Agreement.

In case of any shortfall for the guaranteed profits stipulated in the Original Agreement, Winnie Ventures Limited ("Winnie"), the profit guarantor, had undertaken in the Original Agreement to compensate E-Commerce in cash for such sum as provided for in the Original Agreement, failing which Winnie would be required to compensate E-Commerce by transferring to E-Commerce the shares it holds in New Digital Associates Limited ("New Digital") in such number as stipulated in the Original Agreement.

董事之合約權益及關連交易 (續)

14. 於二零零零年五月八日，本公司之全資附屬公司 E-Commerce Technology Limited (「E-Commerce」) 與 (其中包括) 獨立第三方王力平先生 (其當時獨立於本公司以及本公司及其附屬公司之主要管理人員及主要股東及彼等各自之聯繫人，與彼等概無關連，直至本日亦如是) 訂立原協議。

於二零零零年九月七日，本公司與相同訂約方訂立之經修訂協議，據此，原協議之若干條件予以變更，當中包括收購 Maxwin Holdings Ltd. (「Maxwin」) 之權益由 80% 增至 100%，而總代價港幣 95,000,000 元當中之港幣 20,000,000 元由本公司保留，待完成後最少兩年後並根據經修訂協議作出若干可能的扣減後 (例如根據盈利保證之不足額及完成賬目與備考賬目之間之差額)，才會向賣方支付。

倘若原協議規定的保證盈利有任何不足額，盈利保證人 Winnie Ventures Limited (「Winnie」) 已於原協議中承諾以現金支付原協議所規定之數額以補償 E-Commerce，如未能予以補償，Winnie 需要向 E-Commerce 轉讓其所持有並於原協議中規定之有關數目之 New Digital Associates Limited (「New Digital」) 股份，藉以補償 E-Commerce。

Directors' Interests in Contracts and Connected Transactions (continued)

Upon the expiration of the period for profit guarantee for the first year commencing from 1 September 2000 to 31 August 2001, Beijing Golden Voyage Electronic Technology Co. Ltd. was unable to achieve the required profit guarantee for the guarantee period, and in accordance with the Original Agreement and Amended Agreement, HK\$20,000,000 of the consideration which was withheld by the Company after the completion was used to deduct against the shortfall of RMB30,000,000 under the profit guaranteed in May 2002. The remaining balance of the shortfall was compensated by Winnye transferring to E-Commerce its 50% shares held in New Digital in accordance with the terms of the Original Agreement and Amended Agreement. As such, the profit guarantee provided to the Company ceased in accordance with the Original Agreement after Winnye transferred its 50% shares to E-Commerce.

董事之合約權益及關連交易 (續)

當二零零零年九月一日至二零零一年八月三十一日之首年之盈利保證期間屆滿時，北京金海航電子技術有限責任公司未能達致有關保證期之所需盈利保證，而根據原協議及經修訂協議，代價當中由本公司於完成收購後保留之港幣20,000,000元已於二零零二年五月用於扣減保證盈利下之人民幣30,000,000元不足額。而Winnye根據原協議及經修訂協議之條款，向E-Commerce轉讓其於New Digital持有之50%股份，補償不足餘額。故此，在Winnye轉讓其50%股份予E-Commerce後，本公司所獲盈利保證根據原協議予以終止。

Directors' Interests in Competing Business

The interests of directors of the Company in competing businesses required to be disclosed pursuant to the Listing Rules were as follows:-

1. Dr. Jiang Xiaoming, Simon is a director of CCH (currently in the process of liquidation), which was engaged in the businesses of investment holding and investments in information technology projects which compete or are likely to compete with the businesses of the Company.
2. Mr. Lew Syn Pau is Chairman and director of Ascendas Pte Ltd. Ascendas Pte Ltd is a developer, manager and marketer of science, business and industrial parks in Singapore, China, India and the Philippines. He is also Chairman and director of Ascendas-MGM Funds Management Limited (a fund management company involving properties principally in Singapore). His directorships in both companies are non-executive.
3. Ms. Chong Siak Ching is President/Chief Executive Officer and director of Ascendas Pte Ltd. She is also a director of various subsidiaries of Ascendas Pte Ltd namely Ascendas Investment Pte Ltd, Ascendas, Ascendas Land (Singapore) Pte Ltd, Information Technology Park Investment Pte Ltd, Ascendas Holdings (Manila) Pte Ltd, Ascendas (India) Private Limited, Ascendas (China) Pte Ltd, Singapore Suzhou Industrial Holdings Pte Ltd, L&T Infocity - Ascendas Limited, Ascendas (Korea) Pte Ltd. and Springboard ABS Specialty Company L.L.C.. Ascendas Group is a developer, manager and marketer of science, business and industrial parks in Singapore, China, India and the Philippines. She is also a director of Information Technology Park Limited, Camelray-JTCI Corporation, CCH (currently in the process of liquidation), Jurong Consultancy Holdings Pte Ltd and a member of Board of Commissioner of PT Gerbang Teknologi Cikarang that are engaged in real estate development and provision of consultancy services. She is also a director of Ascendas-MGM Funds Management Limited (a fund management company involving properties principally in Singapore).

董事於競爭業務之權益

本公司董事就上市規則規定披露之競爭性業務權益如下：

1. 蔣小明博士為賽博控股（現正進行清盤）之董事。賽博控股原從事會或可能會與本公司業務出現競爭之投資控股業務及投資資訊科技項目之業務。
2. 劉信保先生為騰飛私人有限公司之主席兼董事。騰飛私人有限公司為新加坡、中國、印度及菲律賓之科學園、商業園及工業園的開發、管理及營銷商。此外，彼亦為 Ascendas-MGM Funds Management Limited（一間以新加坡物業為主之基金管理公司）之主席兼董事。彼於該兩公司所擔任之董事職務為非執行董事。
3. 張雪倩女士為騰飛私人有限公司之總裁／行政總裁兼董事。彼亦為騰飛私人有限公司屬下多家附屬公司（即 Ascendas Investment Pte Ltd、騰飛、騰飛置地（新加坡）私人有限公司、Information Technology Park Investment Pte Ltd、Ascendas Holdings (Manila) Pte Ltd、Ascendas (India) Private Limited、騰飛（中國）私人有限公司、新加坡蘇州工業集團私人有限公司、L&T Infocity-Ascendas Limited、Ascendas (Korea) Pte Ltd. 及 Springboard ABS Specialty Company L.L.C.）之董事。騰飛集團是新加坡、中國、印度及菲律賓科學園、商業園及工業園的開發、管理和營銷商。彼亦為 Information Technology Park Limited、Camelray-JTCI Corporation、賽博控股（現正進行清盤）、Jurong Consultancy Holdings Pte Ltd 之董事，以及 PT Gerbang Teknologi Cikarang 之監理委員會成員，專責房地產發展及提供顧問服務。彼並為 Ascendas-MGM Funds Management Limited（一間以新加坡物業為主之基金管理公司）之董事。

Directors' Interests in Competing Business (continued)

4. Mr. Lai Seck Khui is a director, President and Chief Executive Officer of Times Publishing Limited ("TPL"). TPL is in the information business involved in print and electronic publishing, commercial printing, distribution, direct sales and retailing of books, partworks, directories and magazines, the distribution of recorded music, audio and video tapes and hi-fi accessories, the provision of educational programmes and the organisation of conferences and exhibitions. Headquartered in Singapore, TPL has its global network of subsidiaries and associated companies located in key centres in Southeast Asia, Hong Kong, China, Japan, Australia, Europe and the United States of America. TPL is also involved in the development and sale of educational software such as CD ROMs, as well as online educational services.
5. Dr. Han Cheng Fong is a director and Deputy Chairman of Centrepoint Properties Ltd ("Centrepoint Group") which is a property investment and development company in Singapore. The Centrepoint Group is engaged in the development and marketing of housing units, management of offices, shopping malls and serviced apartments both locally and abroad. He is also a director and managing director of Fraser and Neave Limited.
6. Mr. Kuan Michael Chao is Chairman and Director of Shanghai Technology Park Ltd, Chairman and Director of SIG Ltd., director of China Energy Investment Ltd., a director of Dajiang Real Estate Development Co., Ltd. and a director of CCH (currently in the process of liquidation) which was engaged in investment holding and project consulting, information-technology investment and real estate development, which compete or are likely to compete with the businesses of the Company.

董事於競爭業務之權益 (續)

4. 黎錫駒先生為時信集團(「時信」)之董事、總裁兼行政總裁。時信從事資訊業務，包括印刷及電子出版、商業印刷；書本、分輯出版書刊、指南及雜誌之分銷、直銷及零售；音樂、錄音及錄影帶及音響設備配件之分銷；提供教育課程及籌辦會議及展覽。時信總部設於新加坡，其擁有全球附屬公司及聯營公司網絡，分別位於東南亞、香港、中國、日本、澳洲、歐洲及美國之主要地點。時信亦有從事開發及銷售電腦唯讀光碟等教育軟件及網上教育服務。
5. 韓禎豐博士為先得坊產業有限公司(「先得坊」)之董事兼副主席，該公司為於新加坡之物業投資及發展公司。先得坊集團從事房屋單位發展及市場推廣、本地及外地辦公室、購物商場及旅館式公寓之管理。彼亦為花莎尼有限公司之董事兼董事總經理。
6. 關新先生為上海數碼城發展有限公司之主席兼董事、SIG Ltd. 之主席兼董事、China Energy Investment Ltd.、Dajiang Real Estate Development Co., Ltd. 以及賽博控股(現正進行清盤)之董事。賽博控股原從事會或可能會與本公司業務出現競爭之投資控股及項目顧問、資訊科技投資及房地產發展。

Directors' Interests in Competing Business (continued)

7. Mr. Goh Tien Jin is the Chairman of Ascendas-Xinsu Development (Suzhou) Co. Ltd. and the director of Ascendas Investment Pte Ltd., Suzhou Property Development Pte Ltd., Gasin (Suzhou) Development Property Co., Ltd and Ascendas Shanghai Co., Ltd., Singapore Suzhou Industrial Holdings Pte Ltd., Beijing Ascendas-BETIDC Development Co. Ltd., and is the Chief Executive Officer of Ascendas (China) Pte Ltd., which are engaged in businesses of property ownership and the planning, developing, marketing and management of industrial parks, science parks, business parks and related facilities, provision of development consultancy services, real estate development and investment holding.
8. Mr. Tan Ser Ping is a director of Ascendas Investment Pte Ltd, Ascendas, Ascendas Land (Singapore) Pte Ltd, Ascendas Land International Pte Ltd, Information Technology Park Investment Pte Ltd, Ascendas (China) Pte Ltd, Singapore-Cikarang Investment Pte Ltd, Karimun Investment Holdings Pte Ltd, JTCI Industrial Holdings (Bangkok) Pte Ltd, KK-JTCI (Thailand) Co., Ltd., Vietnam-Singapore Industrial Park Pte Ltd, Vietnam-Singapore Industrial Park JV Co., Ltd., Singapore Suzhou Industrial Holdings Pte Ltd, Ascendas Holdings (Manila) Pte Ltd, L&T Infocity-Ascendas Limited, Sembcorp Parks Management Pte Ltd, Ascendas (Korea) Pte Ltd., Springboard ABS Specialty Company L.L. C., Ascendas (Australia) Pte Ltd., Ascendas (Philippines) Corporation, Century Development Corporation, a member of Board of Commissioner of PT Batamindo Investment Cakrawala, PT Bintan Inti Industrial Estate Corporation, PT Batamindo Executive Village and is an alternate director to Ms. Chong Siak Ching of Information Technology Park Limited and CCH (currently in the process of liquidation), which are engaged in investment holding, real estate development and provision of consultancy services.

董事於競爭業務之權益 (續)

7. 吳天仁先生為騰飛新蘇置業(蘇州)有限公司董事長以及Ascendas Investment Pte Ltd、Suzhou Property Development Pte Ltd、嘉馨(蘇州)發展有限公司及裕廊騰飛項目管理諮詢(上海)有限公司、新加坡蘇州工業集團私人有限公司、北京騰飛博大房地產開發有限公司之董事及騰飛(中國)私人有限公司之行政總裁，該等公司之業務包括持有物業；工業園、科學園、商業園及相關設施的規劃、發展、市場推廣及管理；提供發展顧問服務、房地產發展及投資控股。
8. 陳思坪先生為Ascendas Investment Pte Ltd、騰飛、騰飛置地(新加坡)私人有限公司、Ascendas Land International Pte Ltd、Information Technology Park Investment Pte Ltd、騰飛(中國)私人有限公司、Singapore-Cikarang Investment Pte Ltd、Karimun Investment Holdings Pte Ltd、JTCI Industrial Holdings (Bangkok) Pte Ltd、KK-JTCI (Thailand) Co., Ltd.、Vietnam-Singapore Industrial Park Pte Ltd、Vietnam-Singapore Industrial Park JV Co., Ltd.、新加坡蘇州工業集團私人有限公司、Ascendas Holdings (Manila) Pte Ltd、L&T Infocity-Ascendas Limited、Sembcorp Parks Management Pte Ltd、Ascendas (Korea) Pte Ltd.、Springboard ABS Specialty Company L.L.C.、Ascendas (Australia) Pte Ltd.、Ascendas (Philippines) Corporation及世正開發股份有限公司之董事，PT Batamindo Investment Cakrawala、PT Bintan Inti Industrial Estate Corporation及PT Batamindo Executive Village之監理委員會會員，以及於從事投資控股、房地產開發及提供顧問服務之Information Technology Park Limited及賽博控股(現正進行清盤)擔任張雪倩女士之替任董事。

Directors' Interests in Competing Business (continued)

9. Mr. Goh Yong Chian, Patrick is a director of Centrepoint Group which is a property investment and development company in Singapore. The Centrepoint Group is engaged in the development and marketing of housing units; management of offices, shopping malls and serviced apartments both locally and abroad. He is also an alternate director to Dr. Han Cheng Fong of Fraser and Neave Limited.

The board of the Company is an independent entity and is independent of the abovementioned companies in which the directors cited have representations. The Group carries on its business independently and its businesses neither compete nor are likely to compete with the businesses of the abovementioned companies.

Directors' Service Contracts

Dr. Jiang Xiaoming, Simon (initial term of three years from 19 July 2001), Mr. Ang Ah Lay (no specific term) and Mr. Chan Wing Ming, Charles (no specific term) have entered into service contracts with the Company. All these service contracts will continue until determined by either party giving not less than three months' notice in writing to other party at any time (including during any such initial term). As at 31 December 2002, none of these service contracts had been terminated by either party.

None of the directors has a service contract with any member of the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

董事於競爭業務之權益 (續)

9. 吳榮鈿先生為先得坊之董事，該公司乃一間在新加坡從事物業投資及發展之公司。先得坊集團從事房屋單位發展及市場推廣；本地及外地辦公室、購物商場及旅館式公寓之管理。此外，彼亦為花莎尼有限公司之韓禎豐博士之替任董事。

本公司董事局乃一獨立體，與上述董事任職之公司概無關連。本集團獨立自主運作自己的業務及其業務不會亦不可能與上述公司之業務產生競爭。

董事之服務合約

蔣小明博士（初期任期由二零零一年七月十九日起為期三年）、洪亞歷先生（無固定任期）及陳永明先生（無固定任期）與本公司訂立服務合約。所有此等服務合約將持續生效，直至任何一方於任何時間（包括任何該等初期任期）向對方發出不少於三個月之書面通知而予以終止為止。於二零零二年十二月三十一日，概無任何一方終止此等服務合約。

概無董事與本公司之任何成員公司訂立不可於一年內無償（法定賠償除外）終止之服務合約。

Substantial Shareholders' Interest In Securities

The following corporations were recorded in the register of interests kept by the Company under section 16(1) of the SDI Ordinance or had notified the Company as having an interest of 10% or more of the issued share capital of the Company as at 31 December 2002:—

Name	Number of Shares 股份數目	股東姓名
Vision Century Limited ("VCL")	1,566,891,340	Vision Century Limited (「VCL」)
Ascendas Pte Ltd. ("Ascendas")	1,566,891,340 <i>Note</i> <i>附註</i>	騰飛私人有限公司 (「騰飛」)
Fraser and Neave Limited ("F&N")	1,566,891,340 <i>Note</i> <i>附註</i>	花莎尼有限公司 (「花莎尼」)

Note: VCL is owned as to 50% respectively by each of Ascendas and F&N. Ascendas and F&N are deemed to be interested in the 1,566,891,340 shares held by VCL due to their 50% interest in VCL respectively.

Save as disclosed above, no person has notified the Company that he has an interest amounting to 10% or more of the issued share capital of the Company.

Major Customers and Suppliers

For the year ended 31 December 2002, the five largest suppliers and the largest supplier of the Group accounted for approximately 58% and 44% of the total value of the Group's purchases respectively.

The aggregate turnover attributable to the Group's five largest customers was less than 30% of the Group's turnover.

At no time during the year did the directors, their associates or any shareholders of the Company (which to the knowledge of the directors own more than 5% of the Company's issued share capital) have any beneficial interests in these suppliers or customers referred to above.

Retirement Benefits Scheme

Details of the Group's retirement benefits scheme are set out in note 10 to the financial statements.

主要股東於證券之權益

於二零零二年十二月三十一日，根據證券(披露權益)條例第16(1)條，本公司需存置之權益名冊或已知會本公司於本公司已發行股本中擁有10%或以上權益之法團如下：

附註： VCL由騰飛及花莎尼各擁有50%權益。騰飛及花莎尼因分別於VCL擁有50%的權益，故被視作持有VCL所持的1,566,891,340股股份。

除上文所披露者外，並無任何人士知會本公司其擁有本公司已發行股本10%或以上之權益。

主要客戶及供應商

截至二零零二年十二月三十一日止年度，本集團之五大供應商及最大供應商分別佔本集團採購總額約58%及44%。

本集團五大客戶所佔總營業額少於本集團營業額的30%。

概無本公司董事、彼等之聯繫人或任何股東(指據董事所知擁有本公司5%以上已發行股本之股東)於上述之供應商或客戶中擁有任何實益權益。

退休福利計劃

本集團退休福利計劃之詳情載於財務報告附註10。

Pre-Emptive Rights

There is no provision for pre-emptive rights under the Company's Bye-laws although there are no restrictions against such rights under the laws in Bermuda.

Employee Information

As at 31 December 2002, the Company and its subsidiaries had 499 employees. Salaries of employees are maintained at competitive levels while bonuses may be granted on a discretionary basis. Other employee benefits include provident fund, insurance and medical cover, subsidised educational and training programmes as well as a share option scheme.

Compliance with the Code of Best Practice of the Listing Rules

The Company has complied throughout the year with the Code of Best Practice as set out in Appendix 14 to the Listing Rules.

Audit Committee

The written terms of reference which describe the authority and duties of the Audit Committee were adopted. The Audit Committee's principal duties include the review and supervision of the Group's financial reporting process and internal controls. The Committee comprises three independent non-executive directors, namely Mr. Alan Howard Smith, Mr. Kwong Che Keung, Gordon and Ms. Wang Poey Foon, Angela, and a non-executive director, Dr. Han Cheng Fong. Mr. Kwong Che Keung, Gordon was appointed as Chairman of the Audit Committee in August 2001. Two meetings were held during the current financial year.

優先購股權

本公司之細則中並無優先購股權之條文，而百慕達之法例亦無對此等權利之限制。

僱員資料

於二零零二年十二月三十一日，本公司及其附屬公司共僱用499名員工。僱員之薪酬維持於具競爭力之水平，而花紅則可按酌情基準授出。其他僱員福利包括強積金、保險及醫療保險、教育及培訓津貼計劃，以及認購股份計劃。

遵守上市規則最佳應用守則

本公司於年內一直遵守上市規則附錄14載列之最佳應用守則。

審核委員會

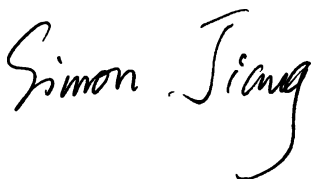
董事局已採納詳述審核委員會之權力及職責之職權範圍書。審核委員會之主要職責包括審視及監督本集團之財務報告程序及內部監控。該委員會由三位獨立非執行董事Alan Howard Smith先生、鄺志強先生、王培芬女士及一位非執行董事韓禎豐博士組成。鄺志強先生於二零零一年八月獲委任為審核委員會主席。於本財政年度內已舉行了兩次會議。

Auditors

A resolution for the re-appointment of PricewaterhouseCoopers as auditors of the Company until the conclusion of the next Annual General Meeting is to be proposed at the forth coming Annual General Meeting.

Deloitte Touche Tohmatsu were auditors of the Company for the year ended 31 December 2000 who resigned on 11 September 2001. Since their resignation, PricewaterhouseCoopers have been appointed as auditors of the Company.

On behalf of the Board



Jiang Xiaoming, Simon
Chairman

Hong Kong SAR, 12 March 2003

核數師

本公司將於應屆股東週年大會提呈決議案，再委任羅兵咸永道會計師事務所為本公司核數師，直至舉行下屆股東週年大會結束為止。

德勤·關黃陳方會計師行為本公司截至二零零零年十二月三十一日止年度之核數師，彼等已於二零零一年九月十一日辭任。自其辭任後，羅兵咸永道會計師事務所被委任為本公司之核數師。

承董事局命



主席
蔣小明

香港特別行政區，二零零三年三月十二日