

董事會報告書

Report of the Directors

董事會欣然將本公司與本集團截至二零零二年十二月三十一日止年度之報告及經審核財務報表呈交股東閱覽。

主要業務

本公司之主要業務為投資控股，主要附屬公司及聯營公司之業務刊載於第76頁至第78頁。

本集團之分類資料刊載於財務報表附註5內。

集團溢利

本集團截至二零零二年十二月三十一日止年度之溢利刊載於第38頁之綜合收益表內。

股息

董事會建議宣派末期股息每股港幣2.7仙(2001年：港幣1.2仙)，合共港幣約4,061萬元。末期股息將於二零零三年七月四日向二零零三年六月二十七日名列本公司股東名冊的股東支付。

物業、廠房及設備

本年度內物業、廠房及設備之變動情況刊載於財務報表附註14。

物業

本集團之主要物業概要刊載於第3頁至第11頁。

股本

本年度內股本之變動情況刊載於財務報表附註27。

The directors have pleasure in submitting to shareholders their report and audited financial statements of the Company and the Group for the year ended 31st December, 2002.

Principal Activities

The principal activities of the Company is investment holding and the activities of its principal subsidiaries and associates are shown on page 76 to 78.

The segment information of the Group is set out in note 5 to the financial statements.

Group Profit

The consolidated income statement set out on page 38 shows the Group's profit for the year ended 31st December, 2002.

Dividends

The directors recommend the declaration of a final dividend of HK2.7 cents (2001: HK1.2 cents) per share amounting to approximately HK\$40.61 million payable on 4th July, 2003 to shareholders whose names appear on the Register of Members of the Company on 27th June, 2003.

Property, Plant and Equipment

Movements in property, plant and equipment during the year are set out in note 14 to the financial statements.

Properties

A schedule of the principal properties of the Group is set out on pages 3 to 11.

Share Capital

Movements in share capital during the year are set out in note 27 to the financial statements.

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儲備

本年度內本公司與本集團儲備之變動情況刊載於財務報表附註28。

董事

本年度內以及於本報告書日期董事如下：

主席

寧高寧先生

董事總經理

王 印先生

執行董事

閻 飈先生

劉百成先生

鍾 義先生

郭 鈞先生

(於二零零二年十一月十五日辭任)

陳 鷹先生(於二零零三年三月六日獲委任)

陳 凱先生(於二零零三年三月六日獲委任)

唐 勇先生(於二零零三年三月六日獲委任)

何正榮先生(於二零零三年三月六日獲委任)

非執行董事

姜智宏先生

(於二零零三年三月六日重新任命為

非執行董事)

任志強先生

徐小魯先生(於二零零二年九月六日辭任)

霍保樂先生

獨立非執行董事

黃廣志先生

王 石先生

Reserves

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

Directors

The directors who held office during the year and at the date of this report are:

Chairman

Mr. Ning Gaoning

Managing Director

Mr. Wang Yin

Executive Directors

Mr. Yan Biao

Mr. Lau Pak Shing

Mr. Zhong Yi

Mr. Guo Jun (resigned on 15th November, 2002)

Mr. Chen Ying (appointed on 6th March, 2003)

Mr. Chen Kai (appointed on 6th March, 2003)

Mr. Tang Yong (appointed on 6th March, 2003)

Mr. He Zheng Rong (appointed on 6th March, 2003)

Non-Executive Directors

Mr. Keung Chi Wang, Ralph

(re-designated as Non-Executive Director on 6th March, 2003)

Mr. Ren Zhi Qiang

Mr. Xu Xiao Lu (resigned on 6th September, 2002)

Mr. Paul Wolansky

Independent Non-Executive Directors

Mr. Wong Kong Chi

Mr. Wang Shi

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根據本公司組織章程第九十九條和第一一六條，姜智宏先生、霍保樂先生、黃廣志先生、陳鷹先生、陳凱先生、唐勇先生、何正榮先生均須於應屆之股東週年大會中退任，惟具資格並願膺選連任。

董事及高層管理人員簡歷

董事及高層管理人員簡歷刊載於第19頁至第24頁。

購股權計劃

本公司設有一項購股權計劃，旨在加強參與者對本公司之承擔，以及努力實踐本公司之目標。於回顧期內，本公司設立了兩個購股權計劃，即「新計劃」和「舊計劃」。

舊計劃指持續至二零零二年一月三十一日的購股權計劃，並已於二零零二年一月三十一日終止。舊計劃之合資格參與者為本公司及其附屬公司之僱員(包括董事在內)。舊計劃准許授出之購股權在行使時，已發行及可予發行之股份以及向每位參與者授出之購股權最多不超過二零零一年九月一日前適用之上市規則准許的上限。購股權的行使價由董事會完全酌情釐定，但不得超過二零零一年九月一日前適用之上市規則准許之折讓上限。

According to Articles 99 and 116 of the Articles of Association of the Company, Mr. Keung Chi Wang, Ralph, Mr. Paul Wolansky, Mr. Wong Kong Chi, Mr. Chen Ying, Mr. Chen Kai, Mr. Tang Yong and Mr. He Zheng Rong shall retire at the forthcoming Annual General Meeting, and are eligible and willing to offer themselves for re-election.

Biographical Details of Directors and Senior Management

Biographical details of the Directors and senior management are set out on pages 19 to 24.

Share Option Schemes

The Company operates share option schemes for the purpose of promoting additional commitment and dedication to the objectives of the Company by the participants. During the period under review, the Company operates two share option schemes, namely the “Old Scheme” and “New Scheme”.

The Old Scheme refers to the share option scheme which subsisted until 31st January, 2002 and was terminated on 31st January, 2002. Eligible participants of the Old Scheme were the employees of the Company and its subsidiaries (including the directors of the Company). The maximum number of shares issued and permitted to be issued on the exercise of options under the Old Scheme and to be granted to each participant does not exceed the maximum limit as permitted by the Listing Rules applicable before 1st September, 2001. The exercise price of the share options is determinable at the entire discretion of the board of directors, but will not exceed the maximum discount permitted by the Listing Rules applicable prior to 1st September, 2001.

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新計劃乃指股東於二零零二年一月三十一日之股東大會上批准之購股權計劃，該計劃於二零一二年一月三十一日屆滿。本公司董事局可向合資格參與者授出購股權，該等合資格參與者包括本集團之執行或非執行董事、由本集團之任何僱員、執行或非執行董事所設立的酌情信託之信託體、本集團之專家顧問、專業顧問及其他顧問之行政人員和僱員、本公司行政總裁或主要股東、本集團之聯營公司、本公司之董事、行政總裁或主要股東的聯繫人、及主要股東的僱員。

在當時有效的上市規則的規定下，購股權的行使價由董事會完全酌情釐定。兩個計劃的每個參與者可獲之最高數目(包括授予董事，行政總裁或主要股東或彼等各自之任何聯繫人之購股權)相當於當時實行的上市規則所准許的上限。截止本報告發出當日為止，根據新計劃可發行之股份總數達59,270,000股，佔本公司已發行股本之3.9%。

兩個計劃的承授人可於授出購股權之要約提出二十八天內，支付港幣1元之象徵式代價後接納要約。

下述於二零零二年一月三十一日或以後授出之購股權乃根據新計劃發行，其餘為根據舊計劃發行。根據新舊計劃授出之購股權有效期均為授出之日起計十年。此等購股權一般可於其授予之日起隨時全部行使或於其授予之日起每年可予行使其25%至50%。

The New Scheme refers to the share option scheme which was approved by the shareholders in the Extra-ordinary General Meeting held on 31st January, 2002 and shall expire on 31st January, 2012. The board of directors of the Company may grant options to eligible participants including executive or non-executive directors of the Group, any discretionary object of a discretionary trust established by any employee, executive or non-executive directors of the Group, any executives and employees of consultants, professional and other advisors to the Group, chief executive, substantial shareholder of the Company, associated companies of the Group, associates of director, chief executive and substantial shareholder of the Company, and employees of substantial shareholder.

Subject to the requirements of the prevailing Listing Rules, the exercise price of share options shall be determined by the board of directors at its absolute discretion. The maximum entitlement of each participant under the schemes (including options to be granted to the directors, chief executive or substantial shareholder of the Company, or any of their respective associates) is equal to the maximum limit permitted under the prevailing Listing Rules. As at the date of this report, the total number of shares available for issue under the New Scheme is 59,270,000 shares and represents 3.9% of the issued share capital of the Company.

The offer of a grant of share options under both schemes may be accepted within 28 days from the date of the offer upon the payment of a nominal consideration of HK\$1 in total by the grantee.

Share options disclosed below and granted on or after 31st January, 2002 are issued under the New Scheme while the remaining options are under the Old Scheme. Share options granted under the Old Scheme and the New Scheme are vested for a period of 10 years after the date of grant. Those share options are generally either entirely immediately exercisable from the date of grant or between 25% and 50% of them will be exercisable in each calendar year after the date of grant.

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董事認為不適宜列出期內授出購股權之價值。原因為購股權普遍接納的定價模式一般只適用於可轉讓的購股權，而本公司之購股權乃屬不允許轉讓。此外，普通接納定價模式的部分參數只可從過往統計資料中得出，而本公司無法提供足夠過往資料作為估計本公司購股權價值所用的可靠數字。基於上述理由，本公司認為計算所授出購股權價值的意義不大，且會誤導股東。

除下文所披露者外，於本年度內，本公司之董事，行政總裁，主要股東或彼等各自之聯繫人及主要股東之僱員，均未曾獲授、行使其他購股權，同時並無其他購股權根據有關購股權計劃之條款而注銷或失效。

The directors do not consider it to be appropriate to state the value of all share options granted under the schemes during the period. It is because the generally accepted option pricing models are applicable to options that are transferable but those of the Company are not. In addition, certain parameters for the generally accepted option pricing models are only derivable from previous statistics and the Company is unable to provide sufficient historic information to generate reliable inputs for the valuation of the share options. Based on the above reasons, the Company believes that the valuation of the share options would not be meaningful and could mislead shareholders.

Save as disclosed below, no other share options have been granted, exercised, cancelled or lapsed in accordance with the terms of the relevant share option scheme during the year in relation to each of the directors, chief executive, substantial shareholder of the Company or their respective associates and employees of substantial shareholder.

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(甲) 董事

於二零零二年十二月三十一日，下列董事持有根據本公司之新舊購股權計劃而可認購股份之購股權權益：

(a) Directors

As at 31st December, 2002, the following directors had interests in options to subscribe for shares under both of the new and/or the old share option schemes of the Company:

姓名	Name	授出日期 Date of grant	行使價格 Exercise price 港幣元 HK\$	二零零二年 一月一日		二零零二年 十二月 三十一日		與已授出 購股權有關 之本公司 股份價格 ¹ Price of Company's shares for options granted ¹ 港幣元 HK\$	與已行使 購股權有關 之本公司 股份價格 Price of Company's shares for options exercised 港幣元 HK\$
				尚未行使之 購股權數目 Number of options outstanding as at 1/1/2002	年內授出之 購股權數目 Number of options granted during the year	年內行使之 購股權數目 Number of options exercised during the year	尚未行使之 購股權數目 Number of options outstanding as at 31/12/2002		
寧高寧	Ning Gaoning	27/6/1997	4.592	2,500,000	—	—	2,500,000	—	—
		20/7/2000	0.99	2,500,000	—	—	2,500,000	—	—
王印	Wang Yin	1/3/2002	1.61	—	4,800,000	—	4,800,000	1.58	—
閻颯	Yan Biao	27/6/1997	4.592	2,300,000	—	—	2,300,000	—	—
		20/7/2000	0.99	2,400,000	—	—	2,400,000	—	—
姜智宏	Keung Chi Wang, Ralph	27/6/1997	4.592	2,000,000	—	—	2,000,000	—	—
		20/7/2000	0.99	1,300,000	—	—	1,300,000	—	—
鍾義	Zhong Yi	20/7/2000	0.99	2,000,000	—	—	2,000,000	—	—
陳鷹 (於2003年3月6日 獲委任)	Chen Ying (appointed on 6 March, 2003)	4/3/2002	1.59	—	120,000	—	120,000	1.58	—
		15/4/2002	1.61	—	1,600,000	—	1,600,000	1.58	—
陳凱 (於2003年3月6日 獲委任)	Chen Kai (appointed on 6 March, 2003)	1/3/2002	1.61	—	1,200,000	—	1,200,000	1.58	—
唐勇 (於2003年3月6日 獲委任)	Tang Yong (appointed on 6 March, 2003)	1/3/2002	1.61	—	1,200,000	—	1,200,000	1.58	—
何正榮 (於2003年3月6日 獲委任)	He Zheng Rong (appointed on 6 March, 2003)	1/3/2002	1.61	—	1,200,000	—	1,200,000	1.58	—
郭鈞 (於2002年11月15日 辭任)	Guo Jun (resigned on 15 November, 2002)	20/7/2000	0.99	2,000,000	—	—	2,000,000	—	—
任志強	Ren Zhi Qiang	27/6/1997	4.592	2,400,000	—	—	2,400,000	—	—
		20/7/2000	0.99	1,400,000	—	—	1,400,000	—	—

- 就已授出購股權所披露之本公司股份價格，為各購股權授出日期前一個交易日股份於香港聯合交易所有限公司之收市價。

- The price of the Company's shares disclosed for options granted is the closing price quoted on The Stock Exchange of Hong Kong Limited on the trading day before the date of the grant of the respective options.

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(乙) 僱員及其他參與者

以下是本公司向本集團僱員(不包括董事)及其他參與者授出的購股權的詳情:

(b) Employees and other participants

Details of options granted to employees (other than directors) of the Group and other participants by the Company are set out below:

授出日期 Date of grant	行使價格 Exercise Price 港幣元 HK\$	二零零二年	二零零二年	二零零二年	二零零二年	與已授出	與已行使
		一月一日 尚未行使之 購股權數目 Number of options outstanding as at 1/1/2002	年內授予之 購股權數目 Number of options granted during the year	年內行使之 購股權數目 Number of options exercised during the year	年內失效之 購股權數目 Number of options lapsed during the year	十二月 三十一日 尚未行使之 購股權數目 Number of options outstanding as at 31/12/2002	購股權有關 之本公司 股份價格 ¹ Price of Company's shares for options granted ¹ 港幣元 HK\$
27/6/1997	4.592	26,100,000	—	—	15,042,000	11,058,000	—
20/7/2000	0.99	5,440,000	—	1,148,000	—	4,292,000	1.60
1/3/2000	1.61	—	3,800,000	—	—	3,800,000	1.58
4/3/2000	1.59	—	28,050,000	—	—	28,050,000	1.58
15/4/2000	1.61	—	3,700,000	—	—	3,700,000	1.58
7/10/2000	0.96	—	13,600,000	—	—	13,600,000	0.90

1. 就已授出購股權所披露之本公司股份價格，為各購股權授出日期前一個交易日股份於香港聯合交易所之收市價。
2. 就已行使購股權所披露之本公司股份價格，為購股權行使日期前一個交易日股份於香港聯合交易所收市價之加權平均數。

1. The price of the Company's shares disclosed for options granted is the closing price quoted on The Stock Exchange of Hong Kong Limited on the trading day before the date of grant of the respective options.
2. The price of the Company's shares disclosed for the exercise of options is the weighted average of the closing prices quoted on The Stock Exchange of Hong Kong Limited on the trading day before the date of exercises of options.

董事購買股份或債券之權益

於二零零二年十二月三十一日，董事根據本公司及其相聯法團(定義見披露權益條例)的購股權計劃所授出的購股權中擁有下列個人權益:

1. 根據本公司購股權計劃授出之購股權已經於上文「購股權計劃」一節內載列;

Directors' Rights to Purchase Shares or Debentures

As at 31st December, 2002, directors who had personal interests in respect of share options granted under the share option schemes of the Company and its associated corporation (within the meaning of SDI Ordinance) are as follows:

1. share options granted under the share option scheme of the Company were set out in the section "Share Option Scheme" above;

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2. 根據相聯法團華潤創業有限公司之購股權計劃所授出的購股權：

2. share options granted under the share option scheme of the Company's associated corporation, China Resources Enterprises, Limited:

姓名	Name	授出日期 Date of grant	行使價格 Exercise price 港幣元 HK\$	二零零二年	年內授予之	年內行使之	年內註銷之	二零零二年
				一月一日 尚未行使之 購股權數目 Number of options outstanding as at 1/1/2002	購股權數目 Number of options granted during the year	購股權數目 Number of options exercised during the year	購股權數目 Number of options cancelled during the year	十二月 三十一日 尚未行使之 購股權數目 Number of options outstanding as at 31/12/2002 港幣元 HK\$
寧高寧	Ning Gaoning	11/5/1996	3.856	3,300,000	—	3,300,000	—	—
		17/11/1997	14.3	1,200,000	—	—	1,200,000	—
		20/6/2000	7.19	3,300,000	—	—	—	3,300,000
閻 颺	Yan Biao	7/02/2002	7.17	—	1,200,000	—	—	1,200,000
		11/5/1996	3.856	1,700,000	—	1,700,000	—	—
		17/11/1997	14.3	1,000,000	—	—	1,000,000	—
姜智宏	Keung Chi Wang, Ralph	20/6/2000	7.19	3,000,000	—	—	—	3,000,000
		7/02/2002	7.17	—	1,000,000	—	—	1,000,000
		17/11/1997	14.3	500,000	—	—	500,000	—
劉百成	Lau Pak Shing	20/6/2000	7.19	1,400,000	—	—	—	1,400,000
		7/02/2002	7.17	—	500,000	—	—	500,000
		17/11/1997	14.3	500,000	—	—	500,000	—
鍾 義	Zhong Yi	20/6/2000	7.19	1,000,000	—	—	—	1,000,000
		7/02/2002	7.17	—	500,000	—	—	500,000
		11/5/1996	3.856	80,000	—	80,000	—	—
陳 鷹	Chen Ying	20/6/2000	7.19	1,500,000	—	—	—	1,500,000
		3/5/2002	7.35	—	100,000	—	—	100,000

3. 根據相聯法團華潤勵致有限公司之購股權計劃所授出的購股權：

3. share options granted under the share option scheme of the Company's associated corporation, China Resources Logic Limited:

姓名	Name	授出日期 Date of grant	行使價格 Exercise price 港幣元 HK\$	二零零二年	年內授予之	年內行使之	年內註銷之	二零零二年
				一月一日 尚未行使之 購股權數目 Number of options outstanding as at 1/1/2002	購股權數目 Number of options granted during the year	購股權數目 Number of options exercised during the year	購股權數目 Number of options cancelled during the year	十二月 三十一日 尚未行使之 購股權數目 Number of option outstanding as at 31/12/2002 港幣元 HK\$
寧高寧	Ning Gaoning	22/5/2002	0.92	—	1,000,000	—	—	1,000,000
		2/10/2002	0.57	—	2,000,000	—	—	2,000,000
陳 鷹	Chen Ying	9/4/2002	0.82	—	120,000	—	—	120,000

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董事之證券權益

除上述者外，於二零零二年十二月三十一日概無本公司董事、行政要員或彼等之聯繫人士擁有根據證券(披露權益)條例第29條須登記於董事權益登記冊內，或根據上市公司董事進行證券交易之標準守則而須知會本公司和香港聯合交易所有限公司之本公司或其任何相聯法團之任何實益或非實益股本權益。

董事之服務合約

於二零零二年十二月三十一日，董事概無與本公司或其任何附屬公司簽訂任何不可於一年內免付補償(法定補償除外)而予以終止之服務合約。

董事之合約權益

於年結日時或本年度內任何時間，並無任何本公司董事在本公司或其附屬公司之任何重大合約上直接或間接擁有任何重大權益。

主要股東

於二零零二年十二月三十一日，按照本公司根據證券(披露權益)條例第16(1)條保存之權益登記冊所記錄，申報擁有本公司已發行股本10%或以上權益之股東載列如下：

Directors' Interests in Securities

Apart from the foregoing, as at 31st December, 2002, none of the directors, chief executives or their associates had any beneficial or non-beneficial interest in the share capital of the Company or any of its associated corporation which is required to be recorded in the Register of Directors' Interests pursuant to Section 29 of the Securities (Disclosure of Interest) Ordinance or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

Directors' Service Contracts

As at 31st December, 2002, none of the Directors has any service contract with the Company or any its subsidiaries which is not terminable by the employing company within one year without payment of compensation other than statutory compensation.

Directors' Interests in Contracts

No contracts of significance to which the Company or its subsidiaries were a party and in which a directors of the Company had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the year.

Substantial Shareholders

As at 31st December, 2002, the following declarations of interests by shareholders holding 10% or more of the issued share capital of the Company have been recorded in the Register of Interests kept pursuant to Section 16(1) of the Securities (Disclosure of Interest) Ordinance:

股東名稱	Name of shareholders	所持股份數目 No. of shares held
Finetex International Limited (「Finetex」)	Finetex International Limited ("Finetex")	661,500,000
華潤(集團)有限公司 (「華潤集團」)(附註)	China Resources (Holdings) Company Limited ("CRH") (Note)	751,738,000
中國華潤總公司 (「中國華潤」)(附註)	China Resources National Corp. ("CRN") (Note)	751,738,000

董事會報告書

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附註：

中國華潤總公司為華潤(集團)有限公司之控股公司，而華潤(集團)有限公司則為 Finetex 之唯一股東。因此，中國華潤總公司與華潤(集團)有限公司兩者均被視為擁有華潤置地有限公司(「華潤置地」) 661,500,000 股股份之權益。除此，華潤(集團)有限公司在本年度內亦直接從市場上購入另外 90,238,000 股股份，因此，中國華潤總公司與華潤(集團)有限公司兩者均被視為擁有華潤置地 751,738,000 股股份之權益。

除上文所述者外，概無任何人士擁有任何須按披露權益條例第 16(1) 條記錄於權益登記冊內之本公司已發行股本權益。

附屬公司及聯營公司

各附屬公司及聯營公司之詳細資料刊載於第 76 頁至第 78 頁。

關連交易

1. 2002年9月6日，華潤曙光房地產開發有限公司與華潤建築有限公司簽定三份建築工程協定，總代價港幣 107,169,442 元，該代價乃經過雙方公平協商後釐定。由於華潤曙光房地產開發有限公司是華潤置地(北京)股份有限公司的全資附屬公司，由本公司間接持有 70.4%，而華潤建築則由中國華潤總公司擁有 99.6%，且中國華潤總公司乃透過其全資附屬公司華潤(集團)有限公司擁有本公司 48.8% (此持股比例為交易當時的比例)，所以各建築工程協定構成本公司的關聯交易。

Note:

CRN is the holding company of CRH which, in turn, is the sole shareholder of Finetex. Therefore both CRN and CRH are deemed to be interested in 661,500,000 shares in China Resources Land Limited ("CRL"). Besides, CRH had acquired an additional 90,238,000 shares of CRL directly in the open market during the year. Thus, CRN and CRH are deemed to be interested in an aggregate of 751,738,000 shares in CRL.

Save as aforesaid, no person who had registered any interest in the issued share capital of the Company which is required to be recorded in the Register of Interests kept pursuant to Section 16(1) of the SDI Ordinance.

Subsidiaries and Associates

Particulars regarding the subsidiaries and associates are set out on pages 76 to 78.

Connected Transactions

1. On 6th September, 2002, China Resources Shuguang Real Estate Development Co., Ltd. ("CR Shuguang") entered into three construction agreements with China Resources Construction Company Limited ("CR Construction") for a total consideration of HK\$107,169,442 which was determined after arm's length negotiation between the said parties. As CR Shuguang is a wholly-owned subsidiary of China Resources Land (Beijing) Company Limited ("CRLBJ") and is currently indirectly owned as to 70.4% by the Company, and CR Construction is owned as to 99.6% by CRN, which, in turn, has a 48.8% interest (at the time of the transaction) in the Company via its wholly-owned subsidiary, CRH, the construction agreements constitute connected transactions of the Company.

董事會報告書

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2. 2002年10月23日，本公司給予華潤置地(北京)股份有限公司貸款14,500,000美元，年期一年，以年息5.2%厘計息。貸款條件乃經過雙方公平協商，並參考中國同類貸款的現行息率後確定，並經過中國國家外匯管理局北京市局的批准。由於本公司與華潤(集團)有限公司(本公司之控股股東)分別擁有華潤置地(北京)股份有限公司70.4%及21.5%之股權，故根據上市規則，該筆貸款構成本公司的一項關聯交易。

2. On 23rd October, 2002, the Company extended a loan of US\$14,500,000 to CRLBJ for one year term with an interest rate of 5.2% per annum. The terms of the loans were entered into by the said parties after arm's length negotiation, with reference to the prevailing interest rates charged for similar loans made in China and were approved by the Beijing Bureau of the State Administration of Foreign Exchange of the PRC. Since CRLBJ is owned as to 70.4% and 21.5% by the Company and CRH (the controlling shareholder of the Company) respectively, the loan constitutes a connected transaction for the Company under the Listing Rules.

購買、出售或贖回上市證券

本公司或其附屬公司於年內概無購買、出售或贖回本公司任何上市證券(不論是否在香港聯合交易所有限公司或其他證券交易所進行)。

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities (whether on The Stock Exchange of Hong Kong Limited or otherwise) during the year.

企業管治

公司致力與高水準的企業管治，年內一直遵守各項法定及非法定要求，包括公司條例，上市規則和披露權益條例。

Corporate Governance

The Company is dedicated to maintaining a high level of corporate governance. During the year, it has complied with all statutory and non-statutory requirements, including the Companies Ordinance, the Listing Rules and the SDI Ordinance.

最佳應用守則

本公司在本年度整段期間內一直遵守香港聯合交易所有限公司證券上市規則附錄十四之規定，唯一例外情況為非執行董事須輪值告退，而非以指定之任期委任。

Code of Best Practice

The Company has complied throughout the year with Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, with the exception that non-executive directors have no set term of office but retire from office on a rotational basis.

主要客戶及供應商

本年度內，本集團之五大供應商及客戶共佔本集團少於30%之採購額及銷售額。

Major Customers and Suppliers

During the year, the Group's five largest suppliers and customers together accounted for less than 30% of the Group's purchases and sales respectively.

董事會報告書

Report of the Directors

五年財務概要

本集團過往五個財政年度之業績及資產負債概要刊載於第79頁。

優先購買權

本公司之公司組織章程細則並無有關優先購買權之任何規定，而開曼群島法例亦無有關該權利之任何限制。

審核委員會

審核委員會成員為黃廣志先生，王石先生，彼等均為本公司的獨立非執行董事。

審核委員會已經與管理層人員及本公司核數師共同審閱本集團採納的會計原則及慣例，並已就本集團的核數、內部監控及財務申報事宜(包括審閱期內的財務報表)進行討論。

核數師

德勤•關黃陳方會計師行將於應屆股東週年大會結束時任滿告退，並具資格備聘再任。

代表董事會

主席

寧高寧

香港，二零零三年四月十七日

Five Year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 79.

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Company's Articles of Association and there are no restrictions against such rights under the laws in the Cayman Island.

Audit Committee

The members of the audit committee comprise Mr. Wong Kong Chi and Mr. Wang Shi, both being Independent Non-Executive Directors of the Company.

The audit committee has reviewed, together with the management and the Company's auditors, the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the financial statements for the year.

Auditors

Messrs. Deloitte Touche Tohmatsu will retire at the end of the forthcoming Annual General Meeting and is eligible for re-appointment.

On behalf of the board

Ning Gaoning

Chairman

Hong Kong, 17th April, 2003