

The Directors of the Company are pleased to present their Report together with the audited consolidated financial statements of the Company and its subsidiaries (altogether the “Group”) for the year ended 31st December, 2002 and the Auditors’ Report thereon.

### PRINCIPAL ACTIVITIES

The principal activities of the Group for the year were property development and investment, hospitality and leisure activities, manufacturing of PVC pipes, securities trading and investment holding.

During the year, the Company acted as an investment holding company while the principal activities and other particulars of the principal subsidiaries of the Company are listed in Note 30 to the financial statements on pages 109 to 113.

### RESULTS AND APPROPRIATIONS

Details of the Group’s results for the year ended 31st December, 2002 are set out on pages 49 to 115. An analysis of the turnover and contribution to trading results of the Group by business segments is set out in Note 3 to the financial statements on pages 68 to 71 while no geographical analysis is presented as the Group’s operations were principally situated in mainland China.

No interim dividend was paid during the year (2001: Nil).

The Directors of the Company do not recommend the payment of a final dividend for the year ended 31st December, 2002 (2001: Nil).

The Directors of the Company recommend that the retained earnings of the Group as at 31st December, 2002 amounting to approximately HK\$964,554,000 are to be carried forward. Other movements in reserves of the Group and of the Company during the year are shown in Note 20 to the financial statements on pages 92 to 95.

本公司董事局同寅欣然向各股東提呈本報告書，連同本公司及其附屬公司（統稱「本集團」）截至二零零二年十二月三十一日止年度之經審核綜合賬項及核數師報告書。

### 主要業務

本集團於本年度內主要經營物業發展及投資、款客及消閒業務、膠管製造、證券買賣及投資控股。

本公司於本年度內作為一間投資控股公司，而本公司各主要附屬公司之主要業務及其他詳情載於第109至第113頁賬項附註30。

### 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詳情載於第49至第115頁。按業務分類對本集團之營業額及所佔經營業績之分析載於第68至第71頁賬項附註3。由於本集團之業務主要分佈中國內地，故未呈列經營地區分析資料。

年內並無派付中期股息（二零零一年：無）。

本公司董事局不建議就截至二零零二年十二月三十一日止年度派付末期股息（二零零一年：無）。

本公司董事局建議將本集團於二零零二年十二月三十一日為數約964,554,000港元之保留盈利滾存至下年度。年內本集團及本公司之其他儲備變動載於第92至第95頁賬項附註20。

## MAJOR CUSTOMERS AND SUPPLIERS

Of the turnover of the Group for the year, less than 30% was attributable to the Group's five largest customers.

During the year, the Group had no suppliers whose goods or services were specific to the business of the Group and which were not readily available from alternative sources, and less than 30% of the Group purchases were attributable to the Group's five largest suppliers.

## DONATIONS

During the year ended 31st December, 2002, the Group donated HK\$273,000 to charitable and other causes.

## FIXED ASSETS

During the year ended 31st December, 2002, the Group acquired fixed assets amounting to approximately HK\$7,924,000 and disposed of and wrote off assets with an aggregate net book value of approximately HK\$8,982,000.

Movements in fixed assets of the Group during the year are shown in the Consolidated Cash Flow Statement on pages 54 to 56 and in Note 11 to the financial statements on pages 78 to 79.

A schedule of the principal properties held by the Group, either under development and/or for sale or investment purposes, is set out on pages 119 to 128.

## 主要客戶及供應商

在本集團於本年度之營業額中，其前五大客戶所佔之比率不足30%。

年度內，本集團並無供應商提供的商品或服務為本集團業務特別所需，及不能由其他來源輕易替代，與及本集團前五大供應商共佔本集團採購中不足30%。

## 捐款

於截至二零零二年十二月三十一日止年度內，本集團捐款273,000港元作慈善及其他用途。

## 固定資產

於截至二零零二年十二月三十一日止年度內，本集團購入為數約7,924,000港元之固定資產，及出售和撇銷賬面總淨值約8,982,000港元之資產。

本集團於年內之固定資產變動情況載於第54至第56頁綜合現金變動表及第78至第79頁賬項附註11。

一項列有本集團持有之主要物業(作發展及/或出售或投資用途)之附表載於第119至第128頁。

### BORROWINGS AND DEBENTURES

Details of bank loans and other borrowings of the Group and of the Company as at 31st December, 2002 are set out in Notes 16(b) and 18(e) to the financial statements on pages 84 and 89 respectively.

No debentures of any class were issued by the Company or any of its subsidiaries, or were in issue at any time during the year.

Interest expenses of HK\$4,948,000 attributable to properties under development were capitalised by the Group during the year.

### SHARE CAPITAL

During the year under review, the Company did not issue any new shares in the capital.

As at 31st December, 2002, 1,084,749,112 shares of HK\$0.50 each in the Company's capital were in issue.

Details of the share capital of the Company are set out in Note 19 to the financial statements on pages 89 to 91.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31st December, 2002, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed securities.

### 借貸及債券

本集團及本公司在二零零二年十二月三十一日之銀行貸款及其他借貸之詳情分別載於第84及第89頁賬項附註16(b)及18(e)。

本公司或其任何附屬公司於年內任何時間概無發行或已發行任何類別之債券。

於本年度內本集團將發展中物業所佔為數4,948,000港元之利息支出資本化。

### 股本

本公司於回顧年度內並無發行任何新股份。

於二零零二年十二月三十一日，本公司股本中共有1,084,749,112股每股面值0.50港元之已發行股份。

本公司股本之詳情載於第89至第91頁賬項附註19。

### 購買、出售或贖回上市證券

於截至二零零二年十二月三十一日止年度內，本公司或其任何附屬公司並無購買、出售或贖回任何本公司之上市證券。

**PRE-EMPTIVE RIGHTS**

There are no provisions for pre-emptive rights under the Memorandum and Articles of Association of the Company and the Companies Law of the Cayman Islands.

**DIRECTORS**

The Directors of the Company as at the date of this Report and those who were in office during the year are:

**Name of Directors**

Mr Tung Yu Jeh (*Chairman*)

Madam Hsu Feng (*Managing Director*)

Mr Lee Yu Tien

Mr Sun Tao Tsun

Mr Sung Tze Chun

Mr Chuang Hsiao Chen

Mr Tong Albert

Madam Tung Wai Yee (*Independent Non-Executive Director*)

Mr Lu Yao-Tsu (*Independent Non-Executive Director*)

A profile of the above Directors of the Company is shown on pages 25 to 26.

Information relating to emoluments paid to the Company's Directors during the year is set out in Note 6 to the financial statements on pages 74 and 75.

**優先購買權**

本公司之《公司組織章程大綱及細則》，與及《開曼群島公司法》並無有關優先購買權之條文。

**董事**

於本報告書刊發之日及於本年度內在任之本公司董事局成員如下：

**董事姓名**

全玉潔先生 (*主席*)

徐 楓女士 (*董事總經理*)

李玉田先生

孫道存先生

宋四君先生

莊然真先生

湯子同先生

董慧儀女士 (*獨立非執行董事*)

陸耀祖先生 (*獨立非執行董事*)

上述本公司各董事之簡介載於第25至第26頁。

有關於年度內支付予本公司董事之酬金之資料載於第74及第75頁賬項附註6。

All Directors of the Company, including the independent non-executive Directors, are subject to retirement by rotation at annual general meetings of the Company in accordance with Article 116 of the Articles of Association of the Company. Article 116 provides that at each annual general meeting one-third of the Directors of the Company for the time being (or if their number is not three or a multiple of three, then the number nearest to one-third), who have been longest in office since their last election, shall retire from office and shall be eligible for re-election.

Pursuant to Article 116 of the Articles of Association of the Company, Mr Sun Tao Tsun, Mr Sung Tze Chun and Mr Tung Yu Jeh will retire by rotation at the forthcoming annual general meeting. Being eligible, they offer themselves for re-election.

None of the Directors of the Company proposed for re-election at the forthcoming annual general meeting have an unexpired service contract with the Company or any of its subsidiaries, which is not determinable by the employing company within one year without payment of compensation (other than statutory compensation).

## DIRECTORS' INTERESTS IN SECURITIES

As at 31st December, 2002, the beneficial interests of the Directors of the Company in the securities of the Company or of its associated corporations (within the meaning of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance")) and in any right to subscribe for securities of the Company, which had to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") or which were required, pursuant to Section 29 of the SDI Ordinance, to be entered in the register referred to therein (including interests which they were deemed or taken to have under Section 31 or Part I of the Schedule of the SDI Ordinance), were as follows:

根據本公司之《公司組織章程細則》第116條之規定，本公司所有董事（包括獨立非執行董事）均須於本公司之股東週年大會上依章輪值退任。第116條細則規定，於每屆股東週年大會上，本公司當時三份之一之董事或（若董事之數目並非三人或三之倍數）最接近三份之一數目之董事（自上次獲選連任董事以來任期最長者）將須依章退任並均可膺選後連任。

根據本公司之《公司組織章程細則》第116條之規定，孫道存先生、宋四君先生及全玉潔先生將於應屆股東週年大會上依章輪值退任，惟有資格並願意膺選後連任。

獲提名在應屆股東週年大會上連任之本公司董事與本公司或其任何附屬公司之間並無服務合約為尚未屆滿，且聘用公司於一年內不作出賠償（法定賠償例外）則不得終止者。

## 董事之證券權益

於二零零二年十二月三十一日，本公司各董事於本公司或其相聯法團（按《證券（披露權益）條例》（「《披露權益條例》」）之定義詮釋）之證券或任何可認購本公司證券之權利中，須遵照香港聯合交易所有限公司（「聯交所」）之《證券上市規則》（「《上市規則》」）知會本公司及聯交所之實益權益，或須遵照《披露權益條例》第29條列入該條例所述之登記名冊之實益權益（包括根據《披露權益條例》第31條或附表第一部被視為或假設持有之權益）如下：

## THE COMPANY – Shares of HK\$0.50 each

## 本公司 – 每股面值0.50港元之股份

Name of Directors	董事姓名	Number of shares in the Company 於本公司之股份數目			
		Personal Interests 個人權益	Family Interests 家屬權益	Corporate Interests 公司權益	Other Interests 其他權益
Mr Tung Yu Jeh	全玉潔先生	Nil 無	Nil 無	Nil 無 (A)	Nil 無
Madam Hsu Feng	徐 楓女士	26,116,000	163,599,015 (B)	Nil 無 (C)	73,412,230 (D)
Mr Lee Yu Tien	李玉田先生	Nil 無	Nil 無	Nil 無	Nil 無
Mr Sun Tao Tsun	孫道存先生	Nil 無	Nil 無	Nil 無 (A)	Nil 無
Mr Sung Tze Chun	宋四君先生	974,000	Nil 無	Nil 無 (C)	Nil 無
Mr Chuang Hsiao Chen	莊然真先生	Nil 無	Nil 無	Nil 無	9,500,000 (E)
Mr Tong Albert	湯子同先生	Nil 無	Nil 無	Nil 無 (C)	9,500,000 (F)
Madam Tung Wai Yee	董慧儀女士	Nil 無	Nil 無	Nil 無 (C)	Nil 無
Mr Lu Yao-Tsu	陸耀祖先生	Nil 無	Nil 無	Nil 無	Nil 無

## Notes:

## 附註：

(A) The following companies, being private companies incorporated in the British Virgin Islands and ultimately controlled by Pacific Electric Wire & Cable Co., Limited (“PEWC”, a listed company in Taiwan), beneficially held an aggregate of 306,545,800 shares in the Company as at 31st December, 2002:

(A) 下列公司 (均為於英屬處女群島註冊成立之私人公司，並最終由一間台灣之上市公司 – 太平洋電線電纜股份有限公司 (「太電」) 所控制) 於二零零二年十二月三十一日實益持有本公司之股份共306,545,800股：

Name of companies 公司名稱	Number of shares held 持有股份數目
Austway Services Limited	64,625,000
Berger Systems Limited	13,810,500
Elan Investments Limited	189,541,000
Montford Limited	22,619,300
Top Target Limited	15,950,000
	306,545,800

The entire interest in those 306,545,800 shares in the Company was disposed of to a company wholly owned by Mr Tong Cun Lin on 10th April, 2003. Before the disposal, those shares have been pledged as security in favour of a financial institution.

該等306,545,800股本公司股份之全部權益已於二零零三年四月十日出售予一間由湯君年先生全資擁有之公司。在出售前，該等股份已抵押予一間財務機構。

Mr Tung Yu Jeh and Mr Sun Tao Tsun are the honorary chairman and the chairman of PEWC respectively.

- (B) The 163,599,015 shares were beneficially held and/or were deemed, pursuant to the SDI Ordinance, to be held by Mr Tong Cun Lin, husband of Madam Hsu Feng.

After the acquisition of 306,545,800 shares in the Company from subsidiaries of PEWC on 10th April, 2003, Mr Tong holds beneficially and/or is deemed, pursuant to the Securities and Futures Ordinance, to have interest in an aggregate of 470,144,815 shares in the Company.

- (C) The following companies, being private companies incorporated in Hong Kong and wholly-owned subsidiaries of Rivera (Holdings) Limited (“RHL”) (a listed company in Hong Kong), beneficially held an aggregate of 160,088,465 shares in the Company:

Name of companies 公司名稱	Number of shares held 持有股份數目
Forty Enterprises Company Limited 富義企業有限公司	13,081,788
Shine Trip Limited (“Shine Trip”) 瑞展有限公司 (「瑞展」)	147,006,677
	160,088,465

Amongst those said shares held by Shine Trip, 133,233,285 shares were covered by a warrant instrument executed by Shine Trip which entitled the holder thereto to purchase those shares on or before 5th May, 2003 (“Warrant”).

As at 31st December, 2002, Madam Hsu Feng, Mr Sung Tze Chun, Mr Tong Albert and Madam Tung Wai Yee were directors of RHL of which Mr Sung Tze Chun was also a substantial shareholder pursuant to the SDI Ordinance.

Madam Tung Wai Yee resigned as a director of RHL on 28th January, 2003 and Mr Sung Tze Chun ceased to be a substantial shareholder of RHL on 14th February, 2003 when all the shares deemed to be held by him in RHL were disposed of.

- (D) Mr Tong Cun Lin and Madam Hsu Feng held 70,312,230 Warrants and 3,100,000 Warrants respectively.

仝玉潔先生及孫道存先生分別為太電之名譽董事長及董事長。

- (B) 該163,599,015股股份乃由徐楓女士之丈夫湯君年先生實益持有及／或根據《披露權益條例》被視為持有。

在二零零三年四月十日向太電之附屬公司購入本公司股份306,545,800股後，湯先生實益持有及／或根據《證券及期貨條例》被視為持有本公司股份共470,144,815股之權益。

- (C) 下列公司（均為於香港註冊成立之私人公司，並為於香港上市之川河集團有限公司（「川河」）之全資附屬公司）實益持有本公司之股份共160,088,465股之權益：

在上述由瑞展所持有之股份中，133,233,285股股份受一份由瑞展簽立之認股權證契據所規範，認股權證賦予其持有人權利可於二零零三年五月五日或之前購買該等股份（「認股權證」）。

於二零零二年十二月三十一日，徐楓女士、宋四君先生、湯子同先生及董慧儀女士為川河之董事，宋四君先生根據《披露權益條例》亦為該公司之主要股東。

董慧儀女士於二零零三年一月二十八日請辭川河董事一職。於二零零三年二月十四日，所有被視為由宋四君先生所持有之川河股份皆被出售，自此彼不再為川河之主要股東。

- (D) 湯君年先生及徐楓女士分別持有70,312,230份及3,100,000份認股權證。

(E) Mr Chuang Hsiao Chen was granted an option under the share option scheme of the Company which entitled him to subscribe for 9,500,000 shares of the Company at a subscription price of HK\$0.61 per share on or before 21st October, 2005.

(F) Mr Tong Albert was granted an option under the share option scheme of the Company which entitled him to subscribe for 9,500,000 shares of the Company at a subscription price of HK\$0.61 per share on or before 21st October, 2005.

Save as disclosed above, none of the Directors of the Company and their associates had any interest in the securities of the Company or of any of its associated corporations as at 31st December, 2002, or was granted any right to subscribe for securities of the Company or exercised such right during the year under review, which had to be notified to the Company and the Stock Exchange pursuant to the Listing Rules or which were required, pursuant to Section 29 of the SDI Ordinance, to be entered in the register referred to therein (including interests which they were deemed or taken to have under Section 31 or Part I of the Schedule of the SDI Ordinance).

## SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Scheme”) on 29th May, 2002. The Scheme fully complies with Chapter 17 of the Listing Rules and the major terms of which are as follows:

### Purpose of the Scheme

The purpose of the Scheme is to provide incentives or rewards to selected persons for their contribution to the Group or any entity in which the Group holds any equity interest (the “Invested Entity”).

(E) 根據本公司之購股權計劃，莊然真先生獲授予一份購股權，據此，彼可於二零零五年十月二十一日或以前，以每股0.61港元之認購價認購9,500,000股本公司股份。

(F) 根據本公司之購股權計劃，湯子同先生獲授予一份購股權，據此，彼可於二零零五年十月二十一日或以前，以每股0.61港元之認購價認購9,500,000股本公司股份。

除上文所披露者外，於二零零二年十二月三十一日，本公司各董事及其聯繫人士於本公司或其任何相聯法團之證券中概無擁有任何權益，及在回顧年度內不曾獲授予或行使任何可認購本公司之證券之權利，而該等權益或權利為須遵照《上市規則》知會本公司及聯交所者，或須遵照《披露權益條例》第29條登記於該條例所述之登記名冊者（包括根據《披露權益條例》第31條或附表第一部被視為或假設持有之權益）。

## 購股權計劃

本公司股東於二零零二年五月二十九日採納一項購股權計劃（「該計劃」），該計劃完全符合《上市規則》第17章之規定，其主要條款如下：

### 該計劃的目的

該計劃的目的為就經甄選之人士對本集團或本集團持有任何股權之任何機構（「所投資機構」）之貢獻作出獎勵或回報。



**Participants of the Scheme**

The participants of the Scheme include:

- (i) any employee or proposed employee (whether full time or part time) of any member of the Group or any Invested Entity, including any executive director of any member of the Group or any Invested Entity; or
- (ii) any non-executive director (including independent non-executive director) of any member of the Group or any Invested Entity; or
- (iii) any adviser, consultant, customer and supplier of goods or services to any member of the Group or any Invested Entity who have contributed or will contribute to the Group; or
- (iv) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity.

**The maximum number of shares available for issue**

The maximum number of shares of the Company in respect of which options may be granted under the Scheme must not exceed 108,474,911 shares, being 10% of the total number of shares of the Company in issue as at the date of adoption of the Scheme, unless shareholders' approval of the Company has been obtained.

**Maximum entitlement of each Participant**

The total number of shares of the Company issued and to be issued upon exercise of the options granted and to be granted to each participant or grantee (including exercised and outstanding options) in any 12-month period up to the date of grant shall not exceed 1% of the shares of the Company in issue at the date of grant (the "Individual Limit"). Any further grant of options in excess of the Individual Limit must be subject to shareholders' approval in general meeting with such participant or grantee and his or her associates abstaining from voting.

**該計劃之參與者**

該計劃之參與者包括：

- (i) 本集團任何成員公司或任何所投資機構之任何僱員或準僱員（不論全職或兼職），包括本集團任何成員公司或任何所投資機構之任何執行董事；或
- (ii) 本集團任何成員公司或任何所投資機構之任何非執行董事（包括獨立非執行董事）；或
- (iii) 曾經或將會對本集團作出貢獻之任何諮詢人、顧問、客戶或向本集團任何成員公司或所投資機構提供貨物或服務之供應商；或
- (iv) 本集團任何成員公司或任何所投資機構之股東，或本集團任何成員公司或任何所投資機構所發行任何證券之持有人。

**可予發行股份之數目上限**

除非獲得本公司股東之批准，根據該計劃可授出之購股權而發行之本公司股份總數合共不得超過108,474,911股，即該計劃採納當日本公司已發行股份總數之10%。

**每位參與者可獲授權之上限**

每位參與者或承授人在截至授出購股權當日止任何十二個月內，因行使獲授或將獲授之購股權（包括已行使及未行使者）而發行及將發行之本公司股份總數，不得超過授出購股權當日之本公司已發行股份數目之1%（「個別上限」）。倘向參與者再行授出超逾個別上限之購股權，則須經股東在股東大會批准，而有關參與者或承授人及其聯繫人士均不得投票。

**Exercise period of an option**

An option may be exercised at any time during a period as the Board of Directors of the Company (the “Board”) may determine which shall not be more than 10 years commencing from the date of grant of the option.

**Minimum period for which an option must be held before it can be exercised**

Save as determined by the Board and provided in the offer of the relevant options, there is no minimum period for which an option must be held before an option can be exercised under the Scheme.

**Payment on acceptance of an option**

The acceptance of an offer of the grant of an option must be made within 28 days from the date on which such offer is made with a non-refundable payment of HK\$1 from the grantee to the Company by way of consideration for the grant thereof.

**Basis of determining the subscription price**

The subscription price per share of the Company in respect of any option granted under the Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of :

- (i) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the date of offer of the option, which must be a business day;
- (ii) the average of the closing prices of the shares as stated in the Stock Exchange’s daily quotations sheets on the 5 business days immediately preceding the date of offer of the option; and
- (iii) the nominal value of the share on the date of offer.

**購股權之行使期間**

購股權可於本公司董事局(「董事局」)釐定之期間內隨時行使，惟該期間不得自授出購股權日期起計超過10年。

**購股權行之前必須持有的最短期限**

除董事局另有決定或根據有關購股權授出時所規定，根據該計劃，並無設有購股權行之前必須持有的最短期限。

**接納購股權時之付款**

承授人須於授出購股權之日起計28日內，接納購股權，並向本公司支付1港元，作為獲授購股權之代價，此款項將不可退回。

**認購價之釐定基準**

根據該計劃所授出任何購股權之每股本公司股份之認購價將由董事局全權釐定，惟該認購價不得低於下列三者之最高者：

- (i) 授出購股權當日(必須為營業日)在聯交所每日報價表所列股份之收市價；
- (ii) 截至授出購股權日期前5個營業日在聯交所每日報價表所列股份之平均收市價；及
- (iii) 於授出購股權當日之股份面值。

**Remaining life of the Scheme**

Subject to earlier termination by the Company in general meeting or by the Board, the Scheme shall be valid and effective till 28th May, 2012. After the expiry of such valid period, no further options will be offered or granted but in all other respects the provisions of the Scheme shall remain in full force and effect.

Since the adoption of the Scheme, the Company has granted options once on 22nd October, 2002. All options granted and accepted can be exercised in whole or in part within 3 years from the date of grant, thereafter the relevant options will expire.

The following shows the outstanding positions of the Directors of the Company and employees of the Group as at 31st December, 2002 with respect to their options granted under the Scheme:

**該計劃尚餘之有效期**

倘本公司並無在股東大會提早終止或董事局並無提早終止該計劃，則該計劃將有效至二零一二年五月二十八日止。於該有效期限屆滿後將不會再行授出購股權，惟該計劃之條款在各方面將仍全面有效。

自採納該計劃以來，本公司曾於二零零二年十月二十二日授出購股權。所有授出及獲接受之購股權可於授出日起三年內全部或部份地行使，其後，有關之購股權將失效。

以下為本公司董事及本集團僱員於二零零二年十二月三十一日根據該計劃而獲授予之購股權數目結餘情況：

Name of Grantees	Date of grant	Exercise price	Number of Options 購股權數目				Balance as at 31.12.2002 於2002年 12月31日 之結餘
			Balance as at 1.1.2002 於2002年 1月1日 之結餘	Granted during the year 於年內授出	Exercised during the year 於年內行使	Cancelled/ Lapsed during the year 於年內 註銷/失效	
1. Directors 董事							
Mr Chuang Hsiao Chen 莊然真先生	22.10.02	0.61	—	9,500,000	—	—	9,500,000
Mr Tong Albert 湯子同先生	22.10.02	0.61	—	9,500,000	—	—	9,500,000
2. Employees 僱員	22.10.02	0.61	—	19,000,000	—	—	19,000,000
Total 總數			—	38,000,000	—	—	38,000,000

Save as disclosed above, no other options were outstanding, granted, exercised, cancelled or lapsed under the Scheme at any time during the year.

除上文披露者外，於年內任何時間，並無其他尚未行使之購股權，或根據該計劃授出、行使、註銷或失效之購股權。

Pursuant to Rule 17.08 of the Listing Rules, a valuation of the options granted under the Scheme during the year ended 31st December, 2002 was calculated based on Black-Scholes option pricing model\* and the values of those options granted to the respective parties at the date of grant, that is, 22nd October, 2002 and at the year end date are as follows:

根據《上市規則》第17.08條，已按照柏力克－舒爾斯期權定價模式\*計算於二零零二年十二月三十一日止年度內根據該計劃授出之購股權之價值。授予有關人士之購股權於二零零二年十月二十二日（即授出日期）及年結日時之價值如下：

Name of Grantees 承授人名稱	Number of Options granted on 22.10.2002 於2002年10月22日 授出之購股權數目	Option Value as at 22.10.2002 於2002年10月22日 之購股權價值 (HK\$) (港元)	Option Value as at 31.12.2002 於2002年12月31日 之購股權價值 (HK\$) (港元)
	1. Directors 董事		
Mr Chuang Hsiao Chen 莊然真先生	9,500,000	1,900,000	2,660,000
Mr Tong Albert 湯子同先生	9,500,000	1,900,000	2,660,000
2. Employees 僱員	19,000,000	3,800,000	5,320,000
Total 總數	<u>38,000,000</u>	<u>7,600,000</u>	<u>10,640,000</u>

The closing price of the shares of the Company immediately before the date on which the options were granted was HK\$0.61.

本公司股份於購股權授出日之前一日的收市價為0.61港元。

According to the Black-Scholes option pricing model\*, the total value of the options granted under the Scheme on 22nd October, 2002 was estimated at HK\$7,600,000 as at that day with the following variables and assumptions:

- (1) *Risk-free Rate*  
3.15%, being the approximate average yield of 3-year Exchange Fund Notes traded between May and October 2002.
- (2) *Expected Volatility*  
44.72%, being the volatility of the daily closing price of the shares of the Company from 23rd October, 2001 to 22nd October, 2002.
- (3) *Expected Dividend*  
No dividend is assumed because the Company did not pay dividend over the past five years.
- (4) *Expected Life of the Options*  
36 months, being the period between October 2002 and October 2005 with the following assumptions:
  - (i) There is no material difference between the expected volatility over the expected life of the options and the historical volatility of the shares of the Company as in item (2) above; and
  - (ii) There is no material difference between the expected dividend growth rate over the expected life of the options and the historical dividend growth rate of the Company as in item (3) above.

按照柏力克－舒爾斯期權定價模式\*及採用以下之假設數據計算，根據該計劃於二零零二年十月二十二日授出之購股權於當日之總值估計為7,600,000港元：

- (1) *無風險利率*  
3.15%，為二零零二年五月至十月交易的三年期外匯基金票據的大約平均收息率。
- (2) *預期波幅*  
44.72%，為本公司股份自二零零一年十月二十三日至二零零二年十月二十二日的每日收市價的波幅率。
- (3) *預期股息*  
由於本公司在過去五年並無派付股息，故並無假設股息。
- (4) *購股權的預期有效年期*  
36個月，即由二零零二年十月至二零零五年十月之間，及採用以下之假設計算：
  - (i) 購股權於預期有效期內的預期波幅與本公司如上述第(2)項所列的過往股價之波幅並沒有重大的分別；及
  - (ii) 購股權於預期有效期內的預期股息增長率與本公司如上述第(3)項所列的過往股息增長率並沒有重大的分別。

According to the Black-Scholes option pricing model\*, the total value of the options granted under the Scheme on 22nd October, 2002 was estimated at HK\$10,640,000 as at 31st December, 2002 with the following variables and assumptions:

- (1) *Risk-free Rate*  
2.74%, being the approximate average yield of 3-year Exchange Fund Notes traded between July and December 2002.
- (2) *Expected Volatility*  
42.76%, being the volatility of the daily closing price of the shares of the Company from 2nd January, 2002 to 31st December, 2002.
- (3) *Expected Dividend*  
No dividend is assumed because the Company did not pay dividend over the past five years.
- (4) *Expected Life of the Options*  
34 months, being the period between January 2003 and October 2005 with the following assumptions:
  - (i) There is no material difference between the expected volatility over the expected life of the options and the historical volatility of the shares of the Company as in item (2) above; and
  - (ii) There is no material difference between the expected dividend growth rate over the expected life of the options and the historical dividend growth rate of the Company as in item (3) above.

按照柏力克－舒爾斯期權定價模式\*及採用以下之假設數據計算，根據該計劃於二零零二年十月二十二日授出之購股權於二零零二年十二月三十一日之總值估計為10,640,000港元。

- (1) *無風險利率*  
2.74%，為二零零二年七月至十二月交易的三年期外匯基金票據的大約平均收息率。
- (2) *預期波幅*  
42.76%，為本公司股份自二零零二年一月二日至二零零二年十二月三十一日的每日收市價的波幅率。
- (3) *預期股息*  
由於本公司過去五年並無派付股息，故並無假設股息。
- (4) *購股權的預期有效年期*  
34個月，即由二零零三年一月至二零零五年十月之間，及採用以下之假設計算：
  - (i) 購股權於預期有效期內的預期波幅與本公司如上述第(2)項所列的過往股價之波幅並沒有重大的分別；及
  - (ii) 購股權於預期有效期內的預期股息增長率與本公司如上述第(3)項所列的過往股息增長率並沒有重大的分別。

All the options forfeited before expiry of the option period will be treated as lapsed options which will not be counted for the purpose of calculating the number of shares available to be issued under the Scheme.

Apart from the Scheme, at no time during the year nor at the end of the year ended 31st December, 2002 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or of any other body corporate.

\* *Note:* The Black-Scholes option pricing model (the “Model”) was developed to estimate the fair value of publicly traded options that have no vesting restriction and are fully transferable. The Model is only one of the commonly used models to estimate the fair value of an option. The estimated value of an option varies with different variables of certain subjective assumptions. Any change in the variables so adopted may materially affect the estimation of the fair value of an option.

## DIRECTORS’ INTEREST IN COMPETING BUSINESS

During the year and up to the date of this Report, the Directors who are considered to have interests in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group, other than those businesses where the Directors have been appointed/ were appointed as directors to represent the interests of the Company and/or the Group, pursuant to the Listing Rules are set out below:

Madam Hsu Feng, Mr Sung Tze Chun and Mr Tong Albert are directors of Rivera (Holdings) Limited (“RHL”). The chairman of the board of directors of RHL, Mr Tong Cun Lin, is husband of Madam Hsu Feng and father of Mr Tong Albert and became a substantial shareholder of RHL on 14th February, 2003.

所有在到期前被沒收的購股權均當作失效購股權處理，有關購股權的數目不會重新納入該計劃可予發行的股份數目內。

除該計劃外，於截至二零零二年十二月三十一日止年度內任何時間或年度終結日，本公司或其任何附屬公司概無參與任何安排，致使本公司董事可透過認購本公司或其他任何法人團體之股份或債券而獲益。

\* *附註：* 柏力克－舒爾斯期權定價模式（「該模式」）的設計旨在評估並無授出限制且可以自由轉讓之公開買賣期權的合理價值。該模式只為眾多普遍使用的期權定價模式中的一種。期權的估計價值視乎若干主觀假定之不同數據而有所不同。任何主觀假定之數據倘出現變動，將會對期權之合理價值之估計造成重大的影響。

## 董事在競爭業務之權益

在年度內及截至本報告書刊發之日，根據《上市規則》，本公司董事除因已獲委任為董事或獲委任為董事以代表本公司及／或本集團權益之業務外，被視為於與本集團之業務直接或間接地構成競爭或可能構成競爭之業務中擁有權益如下：

徐楓女士、宋四君先生及湯子同先生為川河集團有限公司（「川河」）之董事，而川河之董事局主席湯君年先生為徐楓女士之丈夫及為湯子同先生之父親，彼亦自二零零三年二月十四日起成為川河之主要股東。

RHL has started to be engaged in property investment and development in Zhangjiang Hi-Tech Park, Pudong, Shanghai, China since 2002. In this regard, Madam Hsu Feng, Mr Sung Tze Chun and Mr Tong Albert are regarded to be interested in such competing business (the “Excluded Business”) of the Group.

RHL is also a listed company in Hong Kong and the Excluded Business is managed by independent management and administration. As the Board is independent of the board of RHL and the independent non-executive Directors of the Company will help monitoring the operation of the Group, the Group is capable of carrying on its business independent of, and at an arm’s length from, the Excluded Business.

### SIGNIFICANT CONTRACTS

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31st December, 2002.

### PENSION SCHEMES

The Company participates in a pension scheme, which was registered under the Mandatory Provident Fund Schemes Ordinance (the “MPF Ordinance”), for all its employees in Hong Kong. The scheme is a defined contribution scheme effective from December 2000 and is funded by contributions from employer and employees according to the provisions of the MPF Ordinance. Should there be employer’s voluntary contributions to the scheme, forfeited contributions in this nature can be applied to reduce the amount of future voluntary contributions payable by the employer.

During the year under review, the total amount contributed by the Company to the scheme and charged to the income statement amounted to approximately HK\$233,000 (2001: approximately HK\$230,000) and no contributions were forfeited.

川河自二零零二年起開始於中國上海浦東張江高科技園區經營物業投資及發展。因此，徐楓女士、宋四君先生及湯子同先生被視為於本集團構成競爭之業務（「除外業務」）中佔有權益。

川河亦為一家在香港上市之公司，而除外業務由獨立管理層及行政架構所管理。由於本公司董事局獨立於川河之董事局及本公司之獨立非執行董事能協助監察本集團之營運，因此本集團及除外業務定能基於各自利益，獨立經營其本身業務。

### 重大合約

於年度終結日或截至二零零二年十二月三十一日止年度內任何時間，本公司或其任何附屬公司概無訂立任何本公司董事直接或間接地擁有重大權益之重大合約。

### 退休金計劃

本公司為其所有於香港之僱員參與了一項於《強制性公積金計劃條例》（「《強積金條例》」）下註冊之退休金計劃。該退休金計劃為界定供款計劃並由二零零零年十二月起生效。該計劃乃根據《強積金條例》之條款由僱主及僱員作出供款。如僱主對該計劃作出自願性之供款，則此性質之已被沒收之供款可用作抵銷僱主將來應付而未付之自願性供款款額。

於回顧年度內，本公司對該計劃作出之供款及計入利潤表之款項總額約達233,000港元（二零零一年：約230,000港元），且並無已被沒收之供款。



**SUBSTANTIAL SHAREHOLDERS' INTERESTS**

As at 31st December, 2002, the following shareholders were interested in 10% or more of the total issued share capital of the Company as recorded in the Register of Substantial Shareholders' Interests kept by the Company under Section 16(1) of the SDI Ordinance and pursuant to the provisions of the Listing Rules:

**主要股東權益**

根據本公司遵照《披露權益條例》第16(1)條之規定須予保存之主要股東權益登記名冊所記錄及遵照《上市規則》之條文，下列股東於二零零二年十二月三十一日擁有本公司全部已發行股本中10%或以上權益：

Name of substantial shareholders	Number of shares held (proportion to the total issued share capital of the Company)
主要股東名稱	持有股份數目 (佔本公司全部已發行股本之百分比)
Pacific Electric Wire & Cable Co., Limited 太平洋電線電纜股份有限公司 (a)	306,545,800 (28.26%)
Tai Ho Investment Co. Ltd. (a)	306,545,800 (28.26%)
Moon View Ventures Limited (a)	306,545,800 (28.26%)
Blinco Enterprises Limited (a)	306,545,800 (28.26%)
Pacific USA Holdings Corp. (a)	306,545,800 (28.26%)
Montford Limited (a & b)	306,545,800 (28.26%)
Swiss Reinsurance Company (a)	306,545,800 (28.26%)
Swiss Re America Holding Corporation (a)	306,545,800 (28.26%)
Swiss Re Financial Products Corporation (a)	306,545,800 (28.26%)
Elan Investments Limited (b)	189,541,000 (17.47%)
Mr Tong Cun Lin 湯君年先生 (c)	163,599,015 (15.08%)
Rivera (Holdings) Limited 川河集團有限公司 (d)	160,088,465 (14.76%)
Shine Trip Limited 瑞展有限公司 (d)	147,006,677 (13.55%)

## Notes:

- (a) The references to 306,545,800 shares related to the same block of shares in the Company which was beneficially held by Montford Limited (“Montford”) and its subsidiaries, Pacific Electric Wire & Cable Co., Limited, Tai Ho Investment Co. Ltd., Moon View Ventures Limited, Blinco Enterprises Limited and Pacific USA Holdings Corp. were deemed to be interested in such 306,545,800 shares as a result of Section 8 of the SDI Ordinance in consideration of their shareholding interest in Montford.

Besides, all those 306,545,800 shares of the Company were pledged as security in favour of Swiss Re Financial Products Corporation (“SRFP”) and for the purpose of the SDI Ordinance, SRFP was interested in those shares. Swiss Reinsurance Company and Swiss Re America Holding Corporation were also deemed to be interested in those shares by virtue of Section 8 of the SDI Ordinance in view of their interest in SRFP.

Details of the interests in the aforesaid 306,545,800 shares are set out in Note (A) to the paragraph headed “Directors’ Interests in Securities” in this Report.

- (b) Since Elan Investments Limited (“Elan”) is a wholly-owned subsidiary of Montford, hence, pursuant to Section 8 of the SDI Ordinance, the total number of shares shown under the name of Montford included, inter alia, the entire interest held by Elan declared above.
- (c) Mr Tong Cun Lin acquired further interest in the shares of the Company after 31st December, 2002 and details thereof are set out in Note (B) to the paragraph headed “Directors’ Interests in Securities” in this Report.

## 附註：

- (a) 上述所提及之306,545,800股股份乃指本公司股本中之同一批股份。該等股份由Montford Limited (「Montford」) 及其附屬公司實益持有。鑑於太平洋電線電纜股份有限公司、Tai Ho Investment Co. Ltd.、Moon View Ventures Limited、Blinco Enterprises Limited及Pacific USA Holdings Corp.於Montford之股本權益，根據《披露權益條例》第8條，該等公司被視作持有該306,545,800股股份之權益。

此外，該306,545,800股本公司股份已全部抵押予Swiss Re Financial Products Corporation (「SRFP」) 作為擔保，而就《披露權益條例》而言，SRFP持有該等股份權益。由於Swiss Reinsurance Company及Swiss Re America Holding Corporation持有SRFP之權益，根據《披露權益條例》第8條，彼等亦被視作持有該等股份之權益。

有關上述306,545,800股股份之權益詳情載於本報告書內標題為「董事之證券權益」一節之附註(A)內。

- (b) 由於Elan Investments Limited (「Elan」) 為Montford之全資附屬公司，因此根據《披露權益條例》第8條之規定，列於Montford名下之股份總數中已包括上述Elan所申報持有之全部股份權益。
- (c) 湯君年先生在二零零二年十二月三十一日後增購本公司股份權益，有關詳情載於本報告書內標題為「董事之證券權益」一節之附註(B)內。

- (d) Shine Trip Limited is a wholly-owned subsidiary of Rivera (Holdings) Limited (“RHL”) and the interest of Shine Trip Limited therefore constituted a part of the total interests of RHL as declared above pursuant to Section 8 of the SDI Ordinance.

Details of the interests taken to be held by RHL under the SDI Ordinance are set out in Note (C) to the paragraph headed “Directors’ Interests in Securities” in this Report.

Save for the above interests, the Directors of the Company are not aware of any person being interested in at least 10% of the total issued share capital of the Company as at 31st December, 2002.

### MANAGEMENT CONTRACTS

No contracts for the management and administration of the whole or any substantial part of any business of the Company were entered into or subsisted during the year ended 31st December, 2002.

### FINANCIAL SUMMARY

A summary of the results and financial position of the Group for the preceding five financial years is set out on pages 130 to 131.

### AUDITORS

The financial statements for the year have been audited by Messrs Deloitte Touche Tohmatsu who were the Auditors of the Company for the preceding three financial years.

They will retire at the conclusion of the forthcoming annual general meeting of the Company and, being eligible, offer themselves for re-appointment.

- (d) 瑞展有限公司為川河集團有限公司(「川河」)旗下之全資附屬公司，因此根據《披露權益條例》第8條之規定，瑞展有限公司所擁有之權益乃構成上述川河所申報之權益總數之一部份。

川河根據《披露權益條例》被假設持有之權益詳情載列於本報告書內標題為「董事之證券權益」一節之附註(C)內。

除上述權益外，據本公司董事局所知，於二零零二年十二月三十一日，概無任何人士擁有本公司全部已發行股本中至少10%權益。

### 管理合約

於截至二零零二年十二月三十一日止年度內，本公司概無訂立或存在任何涉及管理和處理本公司全部或任何重大部份業務之合約。

### 財務概要

本集團過往五個財政年度之業績及財務狀況概要載於第130至第131頁。

### 核數師

本年度賬項由德勤•關黃陳方會計師行審核，該會計師行為本公司於過往三個財政年度之核數師。

該會計師行將於本公司應屆之股東週年大會散會時退任，惟合資格並願意在膺選後連任。

## CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with the Code of Best Practice set out in Appendix 14 to the Listing Rules throughout the year ended 31st December, 2002.

An Audit Committee has already been set up by the Directors and is now composed of Madam Tung Wai Yee and Mr Lu Yao-Tsu, both of whom are independent non-executive Directors of the Company. The Committee held regular meetings to review and supervise the Group's financial reporting process and internal controls together with the Auditors.

On behalf of the Board

**Hsu Feng**

*Managing Director*

Hong Kong, 15th April, 2003

## 公司管治

董事局認為，本公司於截至二零零二年十二月三十一日止年度內一直遵守《上市規則》附錄十四所載之《最佳應用守則》。

董事局已成立一個審核委員會，委員會成員現包括董慧儀女士及陸耀祖先生，兩位皆為本公司之獨立非執行董事。委員會並定期與核數師舉行會議，以審查及監察本集團之財務申報程序及內部監控運作。

代表  
董事局  
董事總經理  
**徐楓**

香港，二零零三年四月十五日