

The Directors of the Company 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 during the year were property development and investment, and investment holding.

During the year, the Company acted as an investment holding company while the principal activities and other particulars of the Company’s principal subsidiaries are listed out in Note 16 to the financial statements on pages 69 to 70.

RESULTS AND APPROPRIATIONS

Details of the Group’s results for the year ended 31st December, 2002 are set out on pages 43 to 86. As the Group’s operation was attributable to the property development and investment located in Macau and Shanghai, no analysis on business segment is presented. An analysis by geographical segments is set out in Note 5 to the financial statements on pages 59 to 60.

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).

Movements in reserves of the Group and of the Company during the year are shown in Note 25 to the financial statements on pages 79 to 81.

本公司董事局同寅謹向股東提呈本報告書與及本公司和其附屬公司(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

本集團在年內主要經營物業發展及投資，與及投資控股。

本公司在年內作為一間投資控股公司，而其
主要附屬公司之主要業務及其他資料載於第
69至第70頁賬項附註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詳情載於第43至第86頁。由於本集團之業務均為位於澳門及上海之物業發展及投資，故並無呈列按業務分類之分析，而按經營地區之分析載於第59至第60頁賬項附註5。

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派發截至二零零二年十二月三十一日止年度之末期股息(二零零一年：無)。

本集團及本公司年內之儲備變動載於第79至第81頁賬項附註25。

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.

DONATIONS

No donations for charitable or other purposes were made by the Group during the year.

FIXED ASSETS

During the year ended 31st December, 2002, the Group acquired fixed assets amounting to approximately HK\$35,000 and disposed of and wrote off assets with an aggregate net book value of approximately HK\$1,743,000.

Movements in fixed assets of the Group and of the Company during the year are shown in Note 15 to the financial statements on page 67.

A schedule of the principal properties held by the Group, either under development and/or for sale, is set out on pages 87 and 88.

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 23 and 26(d) to the financial statements on pages 77 and 83 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\$91,000 attributable to properties under development were capitalised by the Group during the year.

主要客戶及供應商

本集團前五大客戶佔本集團年內的營業額不足30%。

於年內，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。

捐款

年內本集團並無為慈善或其他用途作出捐款。

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35,000港元之固定資產，及出售和撇銷賬面總淨值約1,743,000港元之資產。

在年內本集團及本公司之固定資產之變動情況載於第67頁賬項附註15。

一項列有本集團持有之主要物業(作發展及/或出售用途)之附表載於第87及第88頁。

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77及第83頁賬項附註23及26(d)。

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91,000港元之利息支出資本化。

SHARE CAPITAL

During the year under review, in order to enlarge the capital base of the Company and to provide the necessary financial resources to allow the Company to participate in property development projects in mainland China, the Company allotted and issued an aggregate of 1,268,091,085 new ordinary shares of HK\$0.05 each, details of which are as follows:

In May 2002, a total of 268,091,085 ordinary shares were issued and allotted to Best Central Developments Limited at a subscription price of HK\$0.20 per share for a total consideration of approximately HK\$53.62 million pursuant to a subscription agreement dated 2nd February, 2002. The net proceeds of the subscription was used to satisfy the consideration for the acquisition of a further 32.75% interest in the registered capital of a subsidiary incorporated in mainland China, namely 上海大道置業有限公司 and to pay for part of the total outstanding land premium for a residential site acquired by the Group in mainland China.

In September 2002, an aggregate of 1,000,000,000 ordinary shares were issued and allotted, at a subscription price of HK\$0.25 per share for a total consideration of HK\$250 million pursuant to subscription agreements dated 18th July, 2002, as to 511,864,322 shares to Best Central Developments Limited, 255,676,326 shares to Cosmos Success Development Limited and 232,459,352 shares to Shum Yip Investment & Development Company Limited. The net proceeds of the subscription was mainly used to satisfy the consideration for the acquisition of a 37% interest in the registered capital of a sino-foreign equity joint venture incorporated in mainland China, namely Shanghai Zhangjiang Micro-electronics Port Co. Ltd. (上海張江微電子港有限公司) and the remaining balance was used as the general working capital of the Group.

The market closing prices of the Company's shares on 1st February, 2002 and 28th June, 2002, being last trading days before the execution of the subscription agreements, were HK\$0.215 and HK\$0.345 respectively.

股本

於回顧年度內，為了擴大大公司之資產基礎，並為本公司參與中國內地之物業發展項目提供所需資金，本公司發行及配發一共1,268,091,085股每股面值0.05港元之新普通股，詳情如下：

於二零零二年五月，本公司根據二零零二年二月二日訂定之《認購協議》，以每股0.20港元之認購價發行及配發合共268,091,085股普通股予Best Central Developments Limited，代價總額約為53,620,000港元。認購所得款項之淨額已用作支付進一步收購一間於中國內地成立之子公司，名為上海大道置業有限公司之32.75%註冊資本權益；及支付本集團在中國內地購入之住宅用地之部份地價。

於二零零二年九月，本公司根據二零零二年七月十八日訂定之《認購協議》，以認購價每股0.25港元發行及配發合共1,000,000,000股普通股，分別以511,864,322股予Best Central Developments Limited，255,676,326股予國勝發展有限公司及232,459,352股予深業投資發展有限公司，代價總額約為250,000,000港元。認購所得款項淨額主要用作支付收購一間於中國內地成立之中外合資企業，名為上海張江微電子港有限公司之37%註冊資本權益，其餘部份已用作本集團之一般營運資金。

本公司股份於二零零二年二月一日及二零零二年六月二十八日（即簽立《認購協議》前一個交易日）之收市價分別為0.215港元及0.345港元。

As at 31st December, 2002, 2,608,546,511 ordinary shares of HK\$0.05 each in the capital of the Company were in issue.

於二零零二年十二月三十一日，本公司股本中共有2,608,546,511股每股面值0.05港元之已發行普通股份。

Details of the share capital of the Company are shown in Note 24 to the financial statements on pages 77 to 78.

本公司之股本詳情載於第77至第78頁賬項附註24。

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.

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。

DIRECTORS

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

董事

於本報告書刊發之日及於年內在任之本公司董事局成員如下：

Name of Directors

Mr Tong Cun Lin (*Chairman*)
 Madam Hsu Feng
 Mr Sung Tze Chun
 Mr Ji Jie Ping (appointed on 11th November, 2002)

Mr Tung Ming-Hsun
 Mr Tong Albert
 Mr Liang Jung-chi
 (*Independent Non-Executive Director*)
 Ms Hou Chun (appointed on 28th January, 2003)
 (*Independent Non-Executive Director*)
 Madam Tung Wai Yee (resigned on 28th January, 2003)
 (*Independent Non-Executive Director*)

董事姓名

湯君年先生 (*主席*)
 徐 楓女士
 宋四君先生
 季界平先生 (於二零零二年十一月十一日獲委任)

董明遜先生
 湯子同先生
 梁榮基先生
 (*獨立非執行董事*)
 郝 君小姐 (於二零零三年一月二十八日獲委任)
 (*獨立非執行董事*)
 董慧儀女士 (於二零零三年一月二十八日辭任)
 (*獨立非執行董事*)

A profile of the existing Directors of the Company is shown on pages 20 to 21.

本公司現任董事之簡介載於第20至第21頁。

Information relating to emoluments paid to the Company's Directors during the year is set out in Note 9 to the financial statements on page 63.

Pursuant to Article 73 of the Company's Articles of Association, Mr Ji Jie Ping and Ms Hou Chun, being Directors appointed by the Board of Directors of the Company ("Board"), shall hold office only until the next following annual general meeting of the Company after their appointments and will therefore retire at the forthcoming annual general meeting. Being eligible, they offer themselves for re-election.

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 the Company's Articles of Association. Articles 77 to 79 provide that at each annual general meeting one-third of the Directors for the time being shall retire from office and the Directors to retire in every year shall be those who have been longest in office since their last election and shall be eligible for re-election. In this connection, Mr Tung Ming-Hsun and Mr Liang Jung-chi will retire by rotation at the forthcoming annual general meeting of the Company and, being eligible, 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).

有關本公司於本年度支付董事之酬金之資料載於第63頁賬項附註9。

根據本公司之《公司組織章程細則》第73條之規定，季界平先生及郝君小姐乃獲本公司董事局（「董事局」）委任為董事，其任期在獲委任後之來屆股東週年大會上屆滿；故彼等將於應屆股東週年大會上退任，惟合資格並願意在膺選後連任。

根據本公司之《公司組織章程細則》，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輪值告退。第77至第79條細則規定，於每屆股東週年大會上，當時三分之一之董事須依章退任；而每年退任之董事須為自其上次膺選擔任董事以來任期最長者；退任董事均可在膺選後連任。據此，董明遜先生及梁榮基先生將於本公司應屆股東週年大會上依章輪值退任，惟合資格並願意在膺選後連任。

於應屆股東週年大會上獲提名連任之本公司董事與本公司或其任何附屬公司並無服務合約尚未屆滿，且聘用公司於一年內不作出賠償（法定賠償除外）則不得終止者。

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:

(1) the Company :

Shares of HK\$0.05 each

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 Tong Cun Lin (A)	湯君年先生(A)	199,109,220 (B)	Nil 無	Nil 無(C)	Nil 無
Madam Hsu Feng (A)	徐 楓女士(A)	31,000,000	Nil 無	Nil 無	Nil 無
Mr Sung Tze Chun	宋四君先生	Nil 無	Nil 無	270,692,942(D)	Nil 無
Mr Ji Jie Ping	季界平先生	200,000	Nil 無	Nil 無	Nil 無
Mr Tung Ming-Hsun	董明遜先生	Nil 無	Nil 無	Nil 無	Nil 無
Mr Tong Albert (A)	湯子同先生(A)	Nil 無	Nil 無	Nil 無	Nil 無
Mr Liang Jung-chi	梁榮基先生	Nil 無	Nil 無	Nil 無	Nil 無
Madam Tung Wai Yee (E)	董慧儀女士(E)	Nil 無	Nil 無	Nil 無	Nil 無

董事之證券權益

於二零零二年十二月三十一日，本公司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）之證券及任何可認購本公司證券之權利中，須按照香港聯合交易所有限公司（「聯交所」）《證券上市規則》（「上市規則」）之規定知會本公司及聯交所之實益權益，或遵照《披露權益條例》第29條須登記於該條例所述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作或當作擁有之權益）如下：

(1) 本公司：

每股面值0.05 港元之股份

(2) the Company's associated corporation:

Tomson Group Limited ("TGL")

Shares of HK\$0.50 each

(2) 本公司之相聯法團：

湯臣集團有限公司(「湯臣集團」)

每股面值0.50港元之股份

Name of Directors	董事姓名	Number of shares in TGL 於湯臣集團之股份數目			
		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 Tong Cun Lin (A)	湯君年先生(A)	65,934,750	Nil 無	97,664,265 (C)&(F)	70,312,230 (G)
Madam Hsu Feng (A)	徐楓女士(A)	26,116,000	Nil 無	Nil 無	3,100,000 (G)
Mr Sung Tze Chun	宋四君先生	974,000	Nil 無	Nil 無	Nil 無
Mr Ji Jie Ping	季界平先生	Nil 無	Nil 無	Nil 無	Nil 無
Mr Tung Ming-Hsun	董明遜先生	Nil 無	Nil 無	Nil 無	Nil 無
Mr Tong Albert (A)	湯子同先生(A)	Nil 無	Nil 無	Nil 無	9,500,000 (H)
Mr Liang Jung-chi	梁榮基先生	Nil 無	Nil 無	Nil 無	Nil 無
Madam Tung Wai Yee (E)	董慧儀女士(E)	Nil 無	Nil 無	Nil 無	Nil 無

Notes:

- (A) Mr Tong Cun Lin and Madam Hsu Feng are husband and wife and Mr Tong Albert is their son.
- (B) On 14th February, 2003, Mr Tong Cun Lin acquired 270,692,942 shares in the Company from Peace Forest Limited. Hence the total number of shares in the Company held by him as at the date of this Report is 469,802,162.
- (C) On 10th April, 2003, Mr Tong Cun Lin acquired through his wholly-owned company an interest in 306,545,800 shares in the capital of TGL. Therefore, he has a corporate interest in respect of those shares since then.

After the aforesaid acquisition, Mr Tong controls the exercise of more than one-third of voting power at general meetings of TGL, hence he is deemed to be interested in 255,676,326 shares in the Company held by a wholly-owned subsidiary of TGL.

附註：

- (A) 湯君年先生與徐楓女士為夫婦，而湯子同先生為彼等之兒子。
- (B) 於二零零三年二月十四日，湯君年先生向和茵有限公司購入本公司股份270,692,942股，因此，湯先生於本報告書刊發之日一共持有本公司股份469,802,162股。
- (C) 於二零零三年四月十日，湯君年先生透過一間彼全資擁有之公司購入306,545,800股湯臣集團股本中之股份，因此由該日起，彼在該等股份上持有一項公司權益。

購入上述股份後，湯先生控制湯臣集團股東大會上三分之一以上投票權之行使權，因此，湯先生被視為在湯臣集團之一家全資附屬公司於本公司持有之255,676,326股股份中擁有權益。

- (D) The 270,692,942 shares in the Company were beneficially held by Peace Forest Limited. Mr Sung Tze Chun is a director and a substantial shareholder of Peace Forest Limited controlling the exercise of more than one-third of voting power at its general meetings and hence Mr Sung was deemed to be interested in such shares pursuant to Section 8 of the SDI Ordinance. After Peace Forest Limited disposed of its entire interest in those 270,692,942 shares in the Company to Mr Tong Cun Lin on 14th February, 2003, Mr Sung was no longer deemed to be interested in those shares.
- (E) Madam Tung Wai Yee has resigned as Director of the Company with effect from 28th January, 2003.
- (F) The 97,664,265 shares in TGL were held by E-Shares Investments Limited, a company wholly owned by Mr Tong Cun Lin.
- (G) Mr Tong Cun Lin and Madam Hsu Feng respectively held 70,312,230 warrants and 3,100,000 warrants issued by Shine Trip Limited, a wholly-owned subsidiary of the Company. The warrants entitle them to purchase from Shine Trip Limited issued shares of TGL at HK\$0.75 per share on or before 5th May, 2003.
- (H) Mr Tong Albert was granted an option under the share option scheme of TGL which entitles him to subscribe for 9,500,000 shares of TGL at a subscription price of HK\$0.61 per share on or before 21st October, 2005.
- (D) 上述本公司股份270,692,942股乃由和茵有限公司實益持有。宋四君先生乃和茵有限公司之董事及主要股東，控制該公司股東大會上三分之一以上投票權之行使權，因此，根據《披露權益條例》第8條，宋先生被視為持有該等股份之權益。於二零零三年二月十四日，和茵有限公司將其於本公司持有之270,692,942股股份之所有權益出售後，宋先生亦因此不再被視為持有該等股份權益。
- (E) 董慧儀女士已由二零零三年一月二十八日起辭去本公司董事一職。
- (F) 該97,664,265股湯臣集團股份由E-Shares Investments Limited持有，該公司由湯君年先生全資擁有。
- (G) 湯君年先生及徐楓女士分別持有由本公司之全資附屬公司瑞展有限公司發行之70,312,230份及3,100,000份認股權證。該等認股權證賦予彼等權利，於二零零三年五月五日或之前，以每股0.75港元之價格向瑞展有限公司購買湯臣集團之已發行股份。
- (H) 根據湯臣集團購股權計劃，湯子同先生獲授予一項購股權，可於二零零五年十月二十一日或之前以認購價每股0.61港元認購湯臣集團9,500,000股股份。

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 new share option scheme (“New Scheme”) on 29th May, 2002 and the employee share option scheme adopted by the Company on 24th September, 1997 (“Previous Scheme”) was then terminated. During the year ended 31st December, 2002, no options were granted, exercised, cancelled or lapsed under the New Scheme or the Previous Scheme. In addition, there was no outstanding option under either the New Scheme or the Previous Scheme at the beginning and at the end of the year under review. The New Scheme fully complies with Chapter 17 of the Listing Rules and the major terms of the New Scheme are as follows:

Purpose

The purpose of the New 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 (“Invested Entity”).

除上文所披露者外，於二零零二年十二月三十一日，本公司董事及其任何聯繫人士於本公司或其任何相聯法團之證券中概無擁有權益，彼等於回顧年度內亦不曾獲授予任何可認購本公司證券之權利或行使該權利，而該等權益或權利為須根據《上市規則》知會本公司及聯交所者，或根據《披露權益條例》第29條須登記於該條例所述登記名冊者（包括根據《披露權益條例》第31條或附表第一部被視作或當作擁有之權益）。

購股權計劃

本公司於二零零二年五月二十九日採納一項新購股權計劃（「新計劃」），而本公司於一九九七年九月二十四日採納之僱員優先購股權計劃（「前計劃」）隨之而終止。於截至二零零二年十二月三十一日止年度內，沒有任何於新計劃或前計劃下獲授予、行使、取消或失效之購股權。此外，於回顧年度開始時及年度終結日均沒有在新計劃或前計劃下授出但尚未獲行使之購股權。新計劃完全符合《上市規則》第十七章之規定，新計劃之主要條文如下：

目的

新計劃之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

The participants of the New 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 customer and supplier of goods or services to any member of the Group or any Invested Entity who have contributed to the Group; or
- (iv) any adviser or consultant of any member of the Group or any Invested Entity who provides business advice and business consultancy service to any member of the Group or any Invested Entity; or
- (v) 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 New Scheme must not exceed 160,854,651 shares, being 10% of the total number of shares of the Company in issue as at the date of adoption of the New Scheme, unless shareholders' approval of the Company has been obtained.

參與者

新計劃之參與者包括：

- (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)，包括本集團之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) 曾經對本集團作出貢獻之任何客戶或向本集團任何成員公司或任何所投資機構提供貨物或服務之供應商；或
- (iv) 向本集團任何成員公司或任何所投資機構提供業務諮詢及業務顧問服務之本集團任何成員公司或任何所投資機構之諮詢人或顧問；或
- (v) 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。

可發行股份之最高限額

除非獲本公司股東之批准，根據新計劃可獲授出之購股權而發行之本公司股份最高限額合共不得超過160,854,651股，即新計劃採納之日本公司之已發行股份總數之10%。

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 (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 and his or her associates abstaining from voting.

Exercise period of options

An option may be exercised at any time during a period as 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 it can be exercised.

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.

每名參與者可獲授權之上限

每名參與者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，而有關參與者及其聯繫人士均不得投票。

購股權之行使期間

購股權可於董事局釐定之期間隨時行使，惟該期間不得自授出購股權日期起計超過10年。

購股權行使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，並無設有購股權行使之前必須持有的最短期限。

接納購股權時之繳款

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。

Basis of determining the subscription price

The subscription price of a share of the Company in respect of any option 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 grant 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 grant of the option; and
- (iii) the nominal value of the share on the date of grant.

Remaining life of the Scheme

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

Apart from the New Scheme and the Previous Scheme, at no time during the year nor at the end of the year, 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.

認購價之釐定基準

根據新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以下三者之最高者：

- (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) 股份於授予購股權當日之面值。

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新計劃，新計劃將有效至二零一二年五月二十八日止，於有效期限屆滿後將不會再行授出購股權，惟新計劃之條款在各方面將仍全面有效。

除新計劃及前計劃外，於本年度內任何時間或年度終結日時，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。

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 TGL. The Chairman of the Board, Mr Tong Cun Lin is a substantial shareholder of TGL. One of the principal businesses of TGL and its subsidiaries has been property development and investment in Shanghai, in particular Pudong, for years, it may compete with the property development projects of the Group in Zhangjiang Hi-Tech Park, Pudong, Shanghai. In this regard, Mr Tong Cun Lin, 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.

TGL 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 TGL and the independent non-executive Directors of the Company would 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.

董事在競爭業務之權益

於本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湯臣集團之董事。本公司董事局主席湯君年先生為湯臣集團之主要股東。湯臣集團及其附屬公司多年來從事之主要業務中，其中一項為於上海（尤其是浦東）從事房地產發展及投資事務，此與本集團於上海浦東張江高科技園區之房地產發展項目可能構成競爭。因此，湯君年先生、徐楓女士、宋四君先生及湯子同先生被視為在本集團之競爭業務（「除外業務」）中佔有權益。

湯臣集團亦是一家在香港上市之公司，而除外業務由獨立之管理層及行政架構所管理。本公司董事局獨立於湯臣集團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，故本集團與除外業務定能基於各自利益獨立經營其本身業務。

SIGNIFICANT CONTRACTS

- (1) The Company has, through Shine Trip Limited (“Shine Trip”), a wholly-owned subsidiary of the Company, raised approximately HK\$20.11 million before expenses by issuing 134,045,542 warrants (“Warrants”) by way of an open offer (“Open Offer”) to all qualifying shareholders of the Company (“Qualifying Shareholders”), on the basis of one Warrant for every ten shares held in the Company on 10th April, 2002, at an issue price of HK\$0.15 per Warrant. A deed poll (“Deed Poll”) was executed by Shine Trip on 6th May, 2002 constituting the Warrants. The Warrants are freely transferable but are not listed on the Stock Exchange or any other stock exchange.

Mr Tong Cun Lin and Madam Hsu Feng were allotted a total of 73,412,230 Warrants on 6th May, 2002, which represented approximately 54.8% of the total number of Warrants issued under the Open Offer. Each Warrant entitles the holder to purchase one share in the capital of TGL at an exercise price of HK\$0.75 (subject to adjustment as prescribed in the Deed Poll) at any time during the period commencing from 12:00 noon on 6th May, 2002 to 12:00 noon on 5th May, 2003 (subject to adjustment as prescribed in the Deed Poll).

重大合約

- (1) 本公司透過其全資附屬公司瑞展有限公司(「瑞展」)，以公開發售方式(「公開發售」)向本公司合資格股東發行了134,045,542份認股權證(「認股權證」)，以籌集約20,110,000港元(未扣開支)。基準為於二零零二年四月十日每持有10股本公司股份可獲配發1份認股權證，每份認股權證之發行價為0.15港元。一份構成認股權證之《認股權證契據》(「契據」)由瑞展於二零零二年五月六日簽署。認股權證可自由轉讓，但不在聯交所或任何其他證券交易所上市。

湯君年先生及徐楓女士於二零零二年五月六日共獲配發73,412,230份認股權證，佔公開發售之認股權證總數約54.8%。每份認股權證賦予其持有人權利，可於二零零二年五月六日正午十二時起至二零零三年五月五日正午十二時止(可按《契據》所述予以調整)期間內，按每股湯臣集團股份0.75港元之價格(可按《契據》所述予以調整)購買1股湯臣集團之股份。

(2) Mr Tong Cun Lin had an interest in an agreement made on 9th April, 2002 between (a) Shine Trip, (b) E-Shares Investments Limited (“the Underwriter”), a company wholly owned by Mr Tong Cun Lin, as underwriter, and (c) Mr Tong Cun Lin as guarantor (the “Underwriting Agreement”). Pursuant to the Underwriting Agreement, the Underwriter agreed to underwrite the balance of any Warrants not taken up by Qualifying Shareholders under the assured allotment or by way of excess applications upon closing of the Open Offer on 26th April, 2002, being not more than 114,234,620 Warrants and Mr Tong unconditionally and irrevocably guaranteed to Shine Trip the due and punctual performance by the Underwriter of all its obligations under the Underwriting Agreement and all agreements which have subsequently been entered into pursuant thereto.

(3) Mr Tong Cun Lin had an interest in a subscription agreement (the “Subscription Agreement”) made on 18th July, 2002 between (a) the Company and (b) Cosmos Success Development Limited (“Cosmos Success”), a wholly-owned subsidiary of TGL of which Mr Tong Cun Lin is a substantial shareholder. Madam Hsu Feng and Mr Tong Albert, executive directors of TGL, are the wife and son of Mr Tong Cun Lin respectively.

Pursuant to the Subscription Agreement and upon the approval of the Company’s shareholders at an extraordinary general meeting held on 25th September, 2002, Cosmos Success were allotted 255,676,326 shares of the Company, representing 9.8% of the issued share capital of the Company as at the date of this Report, at a subscription price of HK\$0.25 per share on 30th September, 2002.

(2) 湯君年先生於一份日期為二零零二年四月九日由(a)瑞展、(b)作為包銷商之E-Shares Investments Limited (「包銷商」，一間為湯君年先生全資擁有之公司)及湯君年先生作為擔保人簽訂之協議(「《包銷協議》」)中擁有權益。根據《包銷協議》，包銷商同意於二零零二年四月二十六日包銷任何於前述之公開發售截止時未獲合資格股東認購彼等獲保證配發或透過超額認購方式申請認購之其餘認股權證，最多不超過114,234,620份認股權證，湯君年先生亦無條件及不可撤回地向瑞展保證，包銷商將妥善履行其根據《包銷協議》及其後據此而可能訂立之協議之所有責任。

(3) 湯君年先生於日期為二零零二年七月十八日由(a)本公司及(b)國勝發展有限公司(「國勝」，湯臣集團之全資附屬公司)簽訂之一份認購協議(「《認購協議》」)中擁有權益。湯君年先生為湯臣集團之主要股東。徐楓女士及湯子同先生(湯臣集團之執行董事)分別為湯君年先生之妻子及兒子。

根據《認購協議》及在二零零二年九月二十五日舉行之股東特別大會上獲得股東之批准，國勝於二零零二年九月三十日以0.25港元之認購價獲配發共255,676,326股本公司股份，佔本公司於本報告書刊發之日之已發行股本9.8%。

Save as disclosed above, 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 during or at the end of the year.

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 November 2002 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\$1,000 (2001: Nil) and no contributions were forfeited.

除上述披露者外，於年內或年度終結日時，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要合約。

退休金計劃

本公司為其所有於香港之僱員參與了一個於《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二零零二年十一月起生效。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為1,000港元（二零零一年：無），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:

Name of substantial shareholders	Number of shares held (proportion to the total issued share capital of the Company)
主要股東名稱	所持之股份數目 (佔本公司全部已發行股本之百分比)
Best Central Developments Limited (1)	779,955,407 (29.90%)
Dalton Group U.S.A. Inc. (1)	779,955,407 (29.90%)
Ms Chen Shiya 陳式姪女士 (1)	779,955,407 (29.90%)
Peace Forest Limited 和茵有限公司 (2)	270,692,942 (10.38%)
Mr Sung Tze Chun 宋四君先生 (2)	270,692,942 (10.38%)

Notes:

- (1) The 779,955,407 shares related to the same block of shares in the Company which was beneficially held by Best Central Developments Limited ("Best Central"). Since Best Central is a wholly-owned subsidiary of Dalton Group U.S.A. Inc. ("Dalton") which was in turn wholly owned by Ms Chen Shiya, both Dalton and Ms Chen Shiya were deemed to be interested in such shares, pursuant to Section 8 of the SDI Ordinance, as at 31st December, 2002.

On 17th March, 2003, Ms Chen Shiya sold the entire issued share capital of Dalton to Hypon Group Limited which is an indirect subsidiary of Shanghai Zhangjiang (Group) Co., Ltd. Since then, Ms Chen Shiya ceased to have interests in the issued capital of the Company while Hypon Group Limited together with its holding companies became a 29.9% single largest shareholder of the Company.

主要股東權益

根據本公司遵照《披露權益條例》第16(1)條之規定予以保存之主要股東權益登記名冊之記錄，以及遵照《上市規則》之條文規定，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	所持之股份數目 (佔本公司全部已發行股本之百分比)
Best Central Developments Limited (1)	779,955,407 (29.90%)
Dalton Group U.S.A. Inc. (1)	779,955,407 (29.90%)
Ms Chen Shiya 陳式姪女士 (1)	779,955,407 (29.90%)
Peace Forest Limited 和茵有限公司 (2)	270,692,942 (10.38%)
Mr Sung Tze Chun 宋四君先生 (2)	270,692,942 (10.38%)

附註：

- (1) 上述之779,955,407股乃指本公司股本中之同一批股份。該等股份由Best Central Developments Limited (「Best Central」) 實益持有。由於Best Central為Dalton Group U.S.A. Inc. (「Dalton」) 之全資附屬公司，而Dalton為陳式姪女士全資擁有，根據《披露權益條例》第8條，Dalton及陳式姪女士被視為於二零零二年十二月三十一日持有該等股份之權益。

於二零零三年三月十七日，陳式姪女士將Dalton之全部已發行股本出售予Hypon Group Limited，該公司為上海張江(集團)有限公司之間接附屬公司。自此，陳式姪女士不再擁有本公司已發行股本之任何權益，而Hypon Group Limited及其控股公司成為持有本公司29.9%股份權益之單一最大股東。

- (2) The 270,692,942 shares related to the same block of shares in the Company which was beneficially held by Peace Forest Limited. Mr Sung Tze Chun is a director and a substantial shareholder of Peace Forest Limited controlling the exercise of more than one-third of voting power at its general meetings and hence Mr Sung was deemed to be interested in such shares, pursuant to Section 8 of the SDI Ordinance, as at 31st December, 2002.

Details of the change in the interests held by Peace Forest Limited and Mr Sung are set out in Note (D) 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 90 to 91.

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.

- (2) 上述之270,692,942股乃指本公司股本中之同一批股份。該等股份由和茵有限公司實益持有。宋四君先生乃和茵有限公司之董事及主要股東，控制該公司股東大會上三分之一以上投票權之行使權。因此，根據《披露權益條例》第8條，宋先生被視為於二零零二年十二月三十一日持有該等股份之權益。

和茵有限公司及宋先生所持權益變動之詳情載於本報告書內標題為「董事之證券權益」一節之附註(D)內。

據本公司董事局所知，除上述權益外，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

在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90至第91頁。

核數師

本年度的賬項由德勤•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 to review and supervise the Group's financial reporting process and internal controls. As at 31st December, 2002, the Committee was composed of the independent non-executive Directors of the Company, Madam Tung Wai Yee and Mr Liang Jung-chi, and held regular meetings to review the results of the Group together with the Auditors.

Upon the resignation of Madam Tung Wai Yee as an independent non-executive Director on 28th January, 2003, Ms Hou Chun, an independent non-executive Director, was appointed as the chairman of the Audit Committee.

On behalf of the Board

Sung Tze Chun

Executive 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，負責審查及監察本集團之財務申報程序及內部監控運作。於二零零二年十二月三十一日之委員會成員為本公司之獨立非執行董事董慧儀女士及梁榮基先生。審核委員會定期與核數師舉行會議，以審查本集團業績。

繼董慧儀女士於二零零三年一月二十八日請辭獨立非執行董事一職後，本公司之獨立非執行董事郝君小姐獲委任為審核委員會主席。

代表
董事局
執行董事
宋四君

香港，二零零三年四月十五日