

## Directors' Report

### 董事會報告

The Directors present their annual report and the audited financial statements of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 31 December 2003.

#### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. Its principal subsidiaries are engaged in the design, manufacture and marketing of machines, tools and materials used in the semiconductor industry.

#### RESULTS AND APPROPRIATIONS

The Directors recommend the payment of a final dividend of HK\$0.84 (2002: HK\$0.64) per share, which together with the interim dividend of HK\$0.36 (2002: HK\$0.36) per share paid during the year, makes a total dividend for the year of HK\$1.20 (2002: HK\$1.00) per share.

Details of the results of the Group and appropriations of the Company are set out in the consolidated income statement on page 23 and the accompanying notes to the financial statements.

#### PROPERTY, PLANT AND EQUIPMENT

During the year, the Group continued to expand its manufacturing facilities. The Group acquired plant and machinery for approximately HK\$101 million and invested approximately HK\$59 million on upgrading the manufacturing, support and other facilities.

Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 16 to the financial statements.

#### SUBSIDIARIES

Details of the Company's principal subsidiaries at 31 December 2003 are set out in note 17 to the financial statements.

#### ISSUE OF SHARES

On 15 December 2003, 1,686,500 shares were issued for cash at par to certain employees pursuant to their entitlements under the Company's Employee Share Incentive Scheme.

董事會謹呈報本公司及其附屬公司(以下統稱為「本集團」)截至二零零三年十二月三十一日止年度之年度報告及經審核財務報表。

#### 主要業務

本公司乃一間投資控股公司。其主要附屬公司之業務為設計、製造及銷售半導體工業所用之器材、工具及物料。

#### 業績及分配

董事會現建議派付末期股息每股港幣0.84元(二零零二年：港幣0.64元)，連同年內已派付中期股息每股港幣0.36元(二零零二年：港幣0.36元)，是年度之全年股息每股為港幣1.20元(二零零二年：港幣1.00元)。

有關本集團業績及本公司分配之詳細資料載於第23頁綜合收益報表及隨附之財務報表附註。

#### 物業、廠房及設備

本集團於年內繼續擴展旗下生產設施。集團斥資約港幣一億零一百萬元購置機器設備，並投資約港幣五千九百萬元以提升生產、支援及其他設施。

有關上述及其他本集團於年內之物業、廠房及設備變動之詳細資料載於財務報表附註第16項。

#### 附屬公司

有關本公司於二零零三年十二月三十一日之主要附屬公司之詳細資料載於財務報表附註第17項。

#### 發行股份

於二零零三年十二月十五日，已根據僱員股份獎勵制度，按面值以現金發行1,686,500股股份予部份僱員。

**DIRECTORS**

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

*Executive Directors:*

Arthur H. del Prado, Chairman  
Lam See Pong, Patrick, Managing Director  
Fung Shu Kan, Alan

*Independent non-executive Directors:*

Orasa Livasiri  
Paulus Cornelis van den Hoek

In accordance with Article 113 of the Company's Articles of Association, Orasa Livasiri retires and, being eligible, offer herself for re-election.

The term of office for each non-executive Director is the period up to retirement by rotation in accordance with the Company's Articles of Association.

Biographical details of Directors as at the date of this report are:

Arthur H. del Prado is the Chairman of the Company and President, Chief Executive Officer and founder of ASM International N.V. ("ASM International") the holding company of the Company. He is also a director of certain subsidiaries of ASM International. Mr. del Prado currently serves on the Board of several companies, civic and non profit organizations, among which the MEDEA+ Board, the "Micro Electronics Development for European Applications" project. Arthur H. del Prado was formerly a member of the Board of Directors of: Océ van der Grinten Nederland N.V., Manufacturer of Copiers and Printers; G.T.I. Holding N.V., an Electronic Equipment and Installations company; Delft Instruments N.V., a Manufacturer of High-Technology Industrial and Defence Products; Breevast N.V., Project Development and Management; Dujat, Dutch & Japanese Trade Federation and ABN-AMRO Bank, Advisory Counsel.

Lam See Pong, Patrick, Executive Director, aged 55, is the Managing Director of the Company. Mr. Lam is also the Vice President of Asian Operations of ASM International and director of certain subsidiaries of ASM International. He has a Bachelor of Science degree in Electrical Engineering from the University of Manitoba, Canada, a Diploma in Management Studies from the University of Hong Kong, and a Master degree in Business Administration from the Chinese University of Hong Kong. He has over 30 years of experience in computer and semiconductor industry. He joined the Group in 1975 and was responsible for founding ASM's operation in Hong Kong.

**董事**

本公司是年度及截至本報告日期之董事為：

*執行董事：*

Arthur H. del Prado，主席  
林師龐，董事總經理  
馮樹根

*獨立非執行董事：*

Orasa Livasiri  
Paulus Cornelis van den Hoek

Orasa Livasiri女士根據本公司組織章程細則第一百一十三條依章告辭董事職位，而彼具資格並表示願意膺選連任。

每位非執行董事獲委任之任期需根據本公司之公司組織章程細則規定輪值告退。

截至本報告日期之董事資料：

Arthur H. del Prado，為本公司主席及本公司之控股公司ASM International N.V.（「ASM International」）總裁兼行政總裁及創辦人。彼亦是ASM International部份附屬公司董事。彼為多間公司、公共及非牟利機構之董事會及幹事會成員，其中包括MEDEA+（歐洲微電子應用發展項目）。Arthur H. del Prado曾為下列公司之董事會成員：Océ van der Grinten Nederland N.V.（複印機及打印機製造商）、G.T.I. Holding N.V.（電子設備及安裝公司）、Delft Instruments N.V.（高科技工業及國防產品製造商）、Breevast N.V.（項目開發及管理）、Dujat（荷蘭及日本貿易工聯會）及荷蘭銀行（諮詢委員會）。

林師龐（執行董事），現年五十五歲，為本公司之董事總經理。林先生亦是ASM International亞洲區副總裁及ASM International部份附屬公司董事。彼持有加拿大曼尼托巴大學電子工程學士學位、香港大學管理學文憑及香港中文大學工商管理碩士學位。林先生於電腦及半導體工業具有三十年以上經驗。彼於一九七五年加入本集團，並負責創立ASM在香港的業務。

董事會報告 (續)

**DIRECTORS (CONTINUED)**

Fung Shu Kan, Alan, Executive Director, aged 53, is the Financial Director of the Group in charge of financial planning and control. He obtained his Diploma and Master degree in Business Administration from Hong Kong Polytechnic and the University of East Asia respectively. He joined the Group in 1978 and before that he had worked for two multinational semiconductor companies for over 10 years.

Orasa Livasiri, Independent Non-executive Director, aged 48, was appointed to the Board as an Independent non-executive Director in 1994. She is a solicitor in private practice and is a partner of Messrs. Ng, Lie, Lai & Chan.

Paulus Cornelis van den Hoek, Independent non-executive Director, aged 65, was appointed to the Board as an Independent non-executive Director in 1994. He had been a partner in the law firm of Stibbe in Amsterdam since 1969. He has also been a part-time professor of corporate law at the Free University of Amsterdam since 1991 until September 1999. He is a member of the Committee for Company Law of the Dutch Ministry of Justice. From 1981 to 1984 he was President of the Netherlands Bar Association. He serves amongst other on the supervisory boards of ASM International, Ballast Nedam N.V., Buhrmann N.V., the Robeco group of companies and Euronext N.V., as an independent non-executive member.

**EMPLOYEE SHARE INCENTIVE SCHEME**

The Group has an Employee Share Incentive Scheme (the "Scheme") which is for the benefit of the Group's employees and members of management and has a life of 10 years starting from December 1989. On 25 June 1999, at an extraordinary general meeting of the Company, the shareholders approved to extend the period of the Scheme for a further term of 10 years up to 23 March 2010 and allow up to 5% of the issued share capital of the Company from time to time, excluding any shares of the Company subscribed for or purchased pursuant to the Scheme since 23 March 1990, to be subscribed for or purchased pursuant to the Scheme during the extended period.

On 18 February 2003, the Directors resolved to contribute HK\$180,000 to the Scheme, enabling the trustees of the Scheme to subscribe for a total of 1,800,000 shares in the Company for the benefit of employees and members of the management of the Group in respect of their services for the year ended 31 December 2002 upon expiration of the defined qualification period. 205,000 of these shares entitlements were allocated to certain Directors.

On 24 February 2004, the Directors resolved to contribute HK\$180,000 to the Scheme enabling the trustees of the Scheme to subscribe for a total of 1,800,000 shares in the Company for the benefit of employees and members of the management of the Group in respect of their services for the year ended 31 December 2003 upon the expiration of a defined qualification period. 205,000 of the share entitlements have been allocated to certain Directors.

**董事 (續)**

馮樹根 (執行董事)，現年五十三歲，本集團財務董事，負責財務規劃及監督。馮先生分別持有香港理工學院及東亞大學之工商管理文憑及碩士學位，馮先生於一九七八年加入本集團，之前曾在兩間國際性半導體公司工作超過十年。

Orasa Livasiri (獨立非執行董事)，現年四十八歲，於一九九四年獲委任加入董事會為獨立非執行董事。彼出任私人執業律師及為伍李黎陳律師行之合夥人。

Paulus Cornelis van den Hoek (獨立非執行董事)，現年六十五歲，於一九九四年獲委任入董事會為獨立非執行董事。彼自一九六九年出任亞姆斯特丹 Stibbe 律師行合夥人。自一九九一年起至一九九九年九月止彼亦為亞姆斯特丹 Free University 兼職教授。彼現為荷蘭司法部公司法委員會委員。彼於一九八一年至一九八四年間曾出任荷蘭律師會主席。彼現任 ASM International、Ballast Nedam N.V.、Buhrmann N.V.、Robeco 公司集團及 Euronext N.V. 各監理會成員及獨立非執行董事。

**僱員股份獎勵制度**

本集團制訂僱員股份獎勵制度，專為本集團僱員及管理階層成員之利益而設，期限為十年，於一九八九年十二月開始。於一九九九年六月二十五日舉行之公司股東特別大會上，股東批准該計劃延長十年，為期至二零一零年三月二十三日止，以及在延長期間內根據該計劃認購或購買之股份數目限額為本公司已發行股本百分之五 (不包括自一九九零年三月二十三日根據該計劃認購或購買之任何股數在內)。

董事會於二零零三年二月十八日議決向該制度供款港幣 180,000 元，以使該制度之信託人能就本集團僱員及管理階層成員截至二零零二年十二月三十一日止年度所提供之服務，於指定合格期間屆滿為其受益認購合共 1,800,000 股本公司股份。其中 205,000 股股份權利已分配予部份董事。

董事會於二零零四年二月二十四日議決向該制度供款港幣 180,000 元，以使該制度之信託人於指定合格期間屆滿時，能就本集團僱員及管理階層成員截至二零零三年十二月三十一日止年度所提供之服務，為其受益認購合共 1,800,000 股本公司股份；其中 205,000 股股份權利已分配予部份董事。