

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2003.

Principal Activities

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

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

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

董事局謹提呈本公司截至二零零三年十二月三十一日止年度之年報及經審核財務報告。

主要業務

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

本集團之聯營公司主要從事物業投資及投資於資訊科技項目。

本集團之共同控制企業主要從事發電業務。

Segmental Information

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

By business segments:

	Property 物業	Business park 商業園	Infocomm technology 資訊科技	Other operations 其他業務	Corporate 企業服務	Group 本集團
(In HK\$'000)	2003	2003	2003	2003	2003	2003
Turnover	162,392	11,621	10,976	–	–	184,989
Operating loss	38,653	14,268	26,417	369	46,761	126,468

By geographical segments:

	Turnover 營業額	Operating loss 經營虧損
(In HK\$'000)	2003	2003
Hong Kong	83,262	44,111
China	101,727	82,357
	184,989	126,468

Subsidiaries, Associated Companies and a Jointly Controlled Entity

Details of the Company's subsidiaries, associated companies and a jointly controlled entity as at 31 December 2003 are set out in notes 14, 15 and 16 to the financial statements.

Results and Appropriations

The results of the Group for the year ended 31 December 2003 are set out in the consolidated income statement on page 71 of the annual report.

No interim dividend was paid during the year. The directors have resolved not to propose any final dividend for the year ended 31 December 2003.

分部資料

年內，本集團按業務分部及地區分部劃分之營業額及經營虧損如下：

按業務分部劃分：

(以港幣千元為單位)

營業額

經營虧損

按地區分部劃分：

(以港幣千元為單位)

香港

中國

附屬公司、聯營公司及共同控制企業

本公司於二零零三年十二月三十一日之附屬公司、聯營公司及共同控制企業之詳情載於財務報告附註14、15及16。

業績及分配

本集團截至二零零三年十二月三十一日止年度之業績載於年報第71頁之綜合收益表。

年內，並無派付中期股息。董事局決議不就截至二零零三年十二月三十一日止年度派發任何末期股息。

Financial Summary

A summary of the results and assets and liabilities of the Group for the past five financial years is set out on page 20 of the annual report.

Fixed Assets

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

Major Interests in Properties

Particulars of major interests in properties held by the Group as at 31 December 2003 are set out on pages 143 to 146 of the annual report.

Borrowings and Interest Capitalised

The Group's bank and other borrowings as at 31 December 2003 and the amount of interest capitalised by the Group during the year are set out in notes 22 and 5 to the financial statements respectively.

Share Capital

Details of movements in share capital of the Company during the year are set out in note 23 to the financial statements.

Reserves

Details of movements in reserves during the year are set out in note 25 to the financial statements.

Warrants, Options or Similar Rights

Other than the employee share option scheme of the Company as explained in note 24 to the financial statements, the Company had no outstanding warrants, options or similar rights as at 31 December 2003.

Purchase, Sale or Redemption of Listed Securities of the Company

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

財務摘要

本集團於過去五個財政年度之業績及資產與負債概要載於年報第20頁。

固定資產

本集團固定資產於年內之變動詳情載於財務報告附註12。

主要物業權益

本集團於二零零三年十二月三十一日持有之主要物業權益詳情載於年報第143頁至第146頁。

貸款及撥充資本之利息

本集團於二零零三年十二月三十一日之銀行及其他貸款及年內本集團將利息撥充資本之數額分別載於財務報告附註22及5。

股本

本公司股本於年內之變動詳情載於財務報告附註23。

儲備

儲備於年內之變動詳情載於財務報告附註25。

認股權證、認股權或類似權利

除已於財務報告附註24說明之本公司僱員認股權計劃外，本公司於二零零三年十二月三十一日概無任何尚未行使之認股權證、認股權或類似權利。

購買、出售或贖回本公司之上市證券

於年內，本公司或其任何附屬公司概無於香港聯合交易所有限公司（「聯交所」）購買、出售或贖回本公司之上市證券。

Directors

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

Executive Directors:

Mr. Ang Ah Lay	(Appointed as Chief Executive Officer on 16 October 2003)
Dr. Jiang Xiaoming, Simon	(Resigned as Chairman and Executive Director on 16 October 2003)
Mr. Chan Wing Ming, Charles	(Resigned as Deputy Managing Director on 16 October 2003)

Non-executive Directors:

Dr. Han Cheng Fong	(Appointed as Chairman on 16 October 2003)
Ms. Chong Siak Ching	(Deputy Chairman)
Mr. Lai Seck Khui	(Deputy Chairman)
Mr. Lew Syn Pau	
Mr. Kuan Michael Chao	(Resigned on 16 October 2003)
Mr. Zheng Hongqing	(Resigned on 3 March 2003)
Mr. Goh Yong Chian, Patrick	(Alternate to Dr. Han Cheng Fong)
Mr. Tan Ser Ping	(Alternate to Ms. Chong Siak Ching)
Mr. Hui Choon Kit	(Alternate to Mr. Lai Seck Khui)
Mr. Goh Toh Sim	(Appointed as Alternate Director to Mr. Lew Syn Pau on 27 January 2004)
Mr. Goh Tien Jin	(Resigned as Alternate Director to Mr. Lew Syn Pau on 27 January 2004)
Mr. Ng Chi Man, Michael	(Resigned as Alternate Director to Mr. Zheng Hongqing on 3 March 2003)

Independent Non-executive Directors:

Mr. Alan Howard Smith, J.P.	(Deputy Chairman)
Mr. Kwong Che Keung, Gordon	
Ms. Wang Poey Foon, Angela	

董事

年內及截至本年報日期止本公司之董事如下：

執行董事：

洪亞歷先生	(於二零零三年十月十六日獲委任為行政總裁)
蔣小明博士	(於二零零三年十月十六日辭任主席兼執行董事)
陳永明先生	(於二零零三年十月十六日辭任副董事總經理)

非執行董事：

韓禎豐博士	(於二零零三年十月十六日獲委任為主席)
張雪倩女士	(副主席)
黎錫駒先生	(副主席)
劉信保先生	
關新先生	(於二零零三年十月十六日辭任)
鄭洪慶先生	(於二零零三年三月三日辭任)
吳榮細先生	(韓禎豐博士之替任董事)
陳思評先生	(張雪倩女士之替任董事)
許遵傑先生	(黎錫駒先生之替任董事)
吳多深先生	(於二零零四年一月二十七日獲委任為劉信保先生之替任董事)
吳天仁先生	(於二零零四年一月二十七日辭任劉信保先生之替任董事)
吳志文先生	(於二零零三年三月三日辭任鄭洪慶先生之替任董事)

獨立非執行董事：

Alan Howard Smith先生，太平紳士	(副主席)
鄭志強先生	
王培芬女士	

Directors (continued)

In accordance with bye-law 109(A) of the bye-laws of the Company, Ms. Chong Siak Ching, Ms. Wang Poey Foon, Angela and Mr. Kwong Che Keung, Gordon will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting of the Company.

The independent non-executive directors of the Company are not appointed for specific term and are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the bye-laws of the Company.

Share Option Scheme

On 20 May 2003, the share option scheme adopted by the Company on 10 January 2000 (the "Old Share Option Scheme") was terminated and a new share option scheme (the "New Share Option Scheme") was adopted by the Company to comply with the new amendments to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") in respect of share option schemes of a listed company. As a result, the Company would no longer grant any further options under the Old Share Option Scheme. No share option was granted under the Old Share Option Scheme since the date of its adoption. As at 31 December 2003, there were 20,065,000 share options outstanding under the New Share Option Scheme.

The purpose of the New Share Option Scheme is to attract and retain the best quality personnel for the development of the Company's businesses, to provide additional incentives to employees, consultants, agents, representatives, advisers, suppliers of goods or services, customers, contractors, business allies and joint venture partners, and to promote the long term financial success of the Company by aligning the interests of option holders to shareholders.

董事 (續)

張雪倩女士、王培芬女士及鄭志強先生將依照本公司之公司細則第109(A)條於即將召開之本公司股東週年大會輪值告退，惟符合資格並願膺選連任。

本公司之獨立非執行董事並無特定任期，惟須依照本公司之公司細則於本公司之股東週年大會上輪值告退並膺選連任。

認股權計劃

於二零零三年五月二十日，本公司終止其於二零零零年一月十日採納之認股權計劃（「舊認股權計劃」），並採納新認股權計劃（「新認股權計劃」）以符合聯交所證券上市規則（「上市規則」）有關上市公司認股權計劃之新修訂規定。據此，本公司不會再根據舊認股權計劃進一步授出任何認股權。自舊認股權計劃採納日期以來，本公司並無根據舊認股權計劃授出任何認股權。於二零零三年十二月三十一日，新認股權計劃項下尚未行使之認股權共20,065,000份。

新認股權計劃旨在吸引及挽留優秀人才，協力發展本公司業務；向僱員、專家顧問、代理、代表、專業顧問、貨品及服務供應商、客戶、承辦商、業務夥伴及合營夥伴提供額外獎勵，以及透過令認股權持有人的利益與股東利益一致，促進本公司長遠達致財政上之成功。

Share Option Scheme (continued)

Eligible participants of the New Share Option Scheme include (i) any employee or any proposed employee (including an officer or director (whether executive or non-executive) or alternate director of the Company or any affiliate) or any legal or financial consultant, agent, representative or legal or financial adviser of the Company or any affiliate; or (ii) any person who provides goods or services to the Company or any affiliate; or (iii) any customer or contractor of the Company or any affiliate; or (iv) any business ally or joint venture partner of the Company or any affiliate.

The New Share Option Scheme became effective on 20 May 2003 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date onwards.

Pursuant to the New Share Option Scheme, the maximum number of shares in respect of which options may be granted is such number of shares, when aggregated with shares subject to any other share option scheme(s) of the Company, must not exceed 10% of the issued share capital of the Company as at the date of adoption of the New Share Option Scheme. The maximum number of shares issuable upon exercise of the options granted under the New Share Option Scheme and any other share option scheme(s) of the Company (whether exercised or outstanding options) to each eligible participant in any 12-month period must not exceed 1% of the shares of the Company in issue as at the date of grant. Any further grant of share options to any eligible participant who in aggregate has over 1% of the shares of the Company in issue shall be subject to the issue of a circular by the Company and the shareholders' approval of the Company at a general meeting with the relevant eligible participant and his/her associates abstaining from voting.

認股權計劃 (續)

新認股權計劃之合資格參與人包括(i)本公司或任何聯屬公司之任何僱員或任何準僱員(包括本公司或任何聯屬公司之職員或董事(不論執行董事或非執行董事)或替任董事)或本公司或任何聯屬公司之任何法律或財務專家顧問、代理、代表或法律或財務專業顧問；或(ii)向本公司或任何聯屬公司提供貨品或服務之任何人士；或(iii)本公司或任何聯屬公司之任何客戶或承包商；或(iv)本公司或任何聯屬公司之任何業務夥伴或合營夥伴。

新認股權計劃於二零零三年五月二十日生效，除非另行撤銷或修訂，否則將於該日起計十年內一直生效。

根據新認股權計劃，可予授出認股權項下之股份數目上限加上本公司任何其他認股權計劃項下之股份數目總和，不得超過於採納新認股權計劃當日本公司已發行股本之10%。而向每名合資格參與者於任何12個月期間根據新認股權計劃及本公司任何其他認股權計劃授出可行使認股權(無論已行使或未行使之認股權)而發行股份之最高數目，不得超過本公司於授出日期已發行股份之1%。如欲進一步授出認股權予任何合資格參與者而總數超過本公司已發行股份1%限額，則須待本公司刊發通函並尋求本公司股東在股東大會上批准，而有關合資格參與者及其聯繫人須放棄投票，方可作實。

Share Option Scheme (continued)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their respective associates, are subject to the approval in advance by the independent non-executive directors of the Company, excluding the independent non-executive director(s) of the Company who is/are the grantee(s) of the options. In addition, any share option granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their respective associates, in excess of 0.1% of the shares of the Company in issue as at the date of grant or with an aggregate value (based on the closing price of the Company's shares as at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to the issue of a circular by the Company and the approval of the shareholders of the Company in advance at a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the Board, and commences on a specified date and ends on a date which is not later than 10 years from the date of grant of the share options.

The exercise price of the share options is determinable by the Board, but shall not be less than the highest of (i) the closing price of the Company's shares as stated in the daily quotation sheet of the Stock Exchange on the date of grant, which must be a trading day; (ii) the average closing prices of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of a Company's share.

認股權計劃 (續)

向本公司董事、最高行政人員或主要股東或彼等各自之任何聯繫人授出認股權，須獲本公司獨立非執行董事（惟本身亦為認股權承授人之本公司獨立非執行董事除外）事先批准後方可作實。此外，向本公司主要股東或獨立非執行董事或彼等各自之任何聯繫人所授出之任何認股權如於任何十二個月期間內超過本公司於授出日期已發行股份0.1%或總值超過港幣5,000,000元（根據本公司股份於授出日期之收市價計算），須待本公司刊發通函並尋求本公司股東在股東大會上批准後，方可作實。

授出認股權之建議可於建議日期起計28日內由承授人支付象徵式總代價港幣1元後接納。授出之認股權之行使期由董事局決定，由指定之日期開始至終止該日不得超過授出認股權日期起計十年。

認股權之行使價由董事局釐定，惟該價格不得低於下列各項中之最高者：(i)本公司股份於授出日期（必須為交易日）在聯交所發出之日報表所列之收市價；(ii)本公司股份於緊接授出日期前五個交易日於聯交所發出之日報表所列之平均收市價；及(iii)本公司股份之面值。

Share Option Scheme (continued)

Details of the movements of the share options under the New Share Option Scheme during the year were as follows:

認股權計劃 (續)

新認股權計劃下之認股權於年內之變動詳情如下：

Name or category of participant	Number of share options 認股權數目					Date of grant of share options	Exercise period of share options (Note 1)	Exercise price per share option [#] HK\$
	As at 20/5/2003 (Date of adoption)	Granted during the period	Exercised during the period	Lapsed/Cancelled during the period	Outstanding as at 31/12/2003			
參與者之姓名或類別	於二零零三年五月二十日 (採納日期)	於期內授出	於期內行使	於期內失效/註銷	於二零零三年十二月三十一日 尚未行使	認股權授出日期	認股權行使期(附註1)	每份認股權之行使價 港元
Directors 董事								
Dr. Han Cheng Fong [#] 韓禎豐博士 [#]	-	1,500,000	-	-	1,500,000	31/12/2003	31/12/2004 – 30/12/2013	0.1706
Ms. Chong Siak Ching [#] 張雪倩女士 [#]	-	1,000,000	-	-	1,000,000	31/12/2003	31/12/2004 – 30/12/2013	0.1706
Mr. Lai Seck Khui [#] 黎錫駒先生 [#]	-	1,000,000	-	-	1,000,000	31/12/2003	31/12/2004 – 30/12/2013	0.1706
Mr. Alan Howard Smith J.P. ^{**} Alan Howard Smith先生，太平紳士 ^{**}	-	1,000,000	-	-	1,000,000	31/12/2003	31/12/2004 – 30/12/2013	0.1706
Mr. Ang Ah Lay 洪亞歷先生	-	2,500,000	-	-	2,500,000	31/12/2003	31/12/2004 – 30/12/2013	0.1706
Mr. Lew Syn Pau [#] 劉信保先生 [#]	-	1,000,000	-	-	1,000,000	31/12/2003	31/12/2004 – 30/12/2013	0.1706
Mr. Kwong Che Keung, Gordon ^{**} 鄭志強先生 ^{**}	-	1,000,000	-	-	1,000,000	31/12/2003	31/12/2004 – 30/12/2013	0.1706
Ms. Wang Poey Foon, Angela ^{**} 王培芬女士 ^{**}	-	1,000,000	-	-	1,000,000	31/12/2003	31/12/2004 – 30/12/2013	0.1706
	-	10,000,000	-	-	10,000,000			
Other employees 其他僱員								
In aggregate 合共	-	10,065,000	-	-	10,065,000	31/12/2003	31/12/2004 – 30/12/2013	0.1706
	-	20,065,000	-	-	20,065,000			

[#] Non-executive Director

^{**} Independent Non-executive Director

^{##} The Company's closing share price on the day (30/12/2003) immediately before the grant date of share options was HK\$0.1720 (Note 2)

[#] 非執行董事

^{**} 獨立非執行董事

^{##} 本公司緊隨授出認股權日期前當日(二零零三年十二月三十日)之股份收市價為港幣0.1720元(附註2)

Share Option Scheme (continued)

Notes:

1. The vesting period of the share options is in the following manner:

Vesting Schedule	Percentage of shares over which an option is exercisable (%)
Before the first anniversary of the date of grant	Nil
On or after the first but before the second anniversary of the date of grant	25
On or after the second but before the third anniversary of the date of grant	25
On or after the third but before the fourth anniversary of the date of grant	25
On or after the fourth anniversary of the date of grant	25

In relation to the share option, if the eligible participant, during any of the periods specified above, exercises that share options for such number of shares which, in aggregate, represents less than the number of shares for which the eligible participant may exercise in respect of such period, the balance of the shares comprised in that option for which the eligible participant could have exercised (but did not exercise) in that period shall be carried forward and added to the number of shares which the eligible participant may exercise in the next succeeding period or periods.

2. The price of the Company's shares as at the date of grant of the share options is the closing price of the Company's shares as listed on the Stock Exchange on the trading day immediately prior to the date of grant of the share options.

The financial impact of the share options granted is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the profit and loss account or balance sheet for their cost. Upon exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are lapsed or cancelled prior to their exercise date are deleted from the register of outstanding options.

認股權計劃 (續)

附註：

1. 認股權之歸屬期如下：

歸屬時間表	股份佔可行使 認股權之百分比 (%)
授出日期之一周年前	無
授出日期之一周年或之後但兩周年前	25
授出日期之兩周年或之後但三周年前	25
授出日期之三周年或之後但四周年前	25
授出日期之四周年或之後	25

就認股權而言，倘合資格參與者於上述任何指定期間行使該等股份數目之認股權合共少於合資格參與者在該期間可行使之股份數目，則合資格參與者於該期間可行使(但未行使)之該認股權股份數目差額將結轉及納入合資格參與者於下一個隨後期間可行使之股份數目中。

2. 本公司股份於認股權授出日期之價格乃是本公司股份於緊隨認股權授出日期前於交易日在聯交所上市之收市價。

授出認股權之財務影響將不會於本公司或本集團之資產負債表內列賬，直至認股權獲行使為止，其費用亦不會於損益表或資產負債表內列賬。因行使認股權而發行之股份，均以股份面值列入本公司之額外股本，而每股行使價高於股份面值之部分，將於本公司之股份溢價賬內列賬。行使日期到期前失效或被註銷之認股權將於尚未行使認股權登記名冊上刪除。

Share Option Scheme (continued)

The directors of the Company do not consider it appropriate to disclose a theoretical value of the share options granted because a number of factors crucial for the valuation cannot be determined. Accordingly, any valuation of the options based on various speculative assumptions would not be meaningful, but would be misleading to the shareholders of the Company.

Directors' Interests

As at 31 December 2003, the following directors and the chief executive of the Company and/or any of their respective associates had the following interests or deemed interests in the long and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") under the Listing Rules:

(a) Long position in the shares of the Company:

Name of director	Approximate number of ordinary shares beneficially held	Nature of interest	Approximate percentage of total shareholding
董事姓名	實益持有之普通股概約數目	權益類別	佔股權總額之概約百分比 (%)
Ms. Chong Siak Ching# 張雪倩女士#	1,157,897	Personal 個人	0.04
Mr. Lai Seck Khui# 黎錫駒先生#	1,157,897	Personal 個人	0.04

Non-executive Director

認股權計劃 (續)

本公司董事認為並不適宜披露授出認股權之理論價值，此乃由於多項對估值之關鍵性因素未能確定。因此，任何根據各種猜測性假設而作出對認股權之估值並無意義，並會對本公司股東構成誤導。

董事之權益

於二零零三年十二月三十一日，本公司董事及最高行政人員及／或彼等各自之任何聯繫人於或被視作於本公司或其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之本公司股份、相關股份及債權證中持有根據證券及期貨條例第352條記錄於本公司須存置之登記冊之好倉及淡倉權益；或根據證券及期貨條例第XV部或根據上市規則之上市公司董事進行證券交易的標準守則（「標準守則」）須另行知會本公司及聯交所之好倉及淡倉權益如下：

(a) 於本公司股份之好倉：

非執行董事

Directors' Interests (continued)**董事之權益 (續)**

(b) Long position in the underlying shares of equity derivatives of the Company:

(b) 於本公司股本衍生工具中相關股份之好倉：

Share options in the Company

本公司之認股權

Name of director	Date of grant of share options	Exercise period of share options	Exercise price	Number of share options outstanding	Number of total underlying shares	Approximate percentage of total shareholding
			per share option			
			HK\$	尚未行使		(%)
董事姓名	認股權授出日期	認股權行使期	每份認股權之行使價	認股權數目	相關股份總數	佔股權總額之概約百分比
			港元			(%)
Dr. Han Cheng Fong # 韓禎豐博士#	31/12/2003	31/12/2004 – 30/12/2013	0.1706	1,500,000	1,500,000	0.05
Ms. Chong Siak Ching # 張雪倩女士#	31/12/2003	31/12/2004 – 30/12/2013	0.1706	1,000,000	1,000,000	0.04
Mr. Lai Seck Khui # 黎錫駒先生#	31/12/2003	31/12/2004 – 30/12/2013	0.1706	1,000,000	1,000,000	0.04
Mr. Alan Howard Smith J.P. ** Alan Howard Smith先生，太平紳士**	31/12/2003	31/12/2004 – 30/12/2013	0.1706	1,000,000	1,000,000	0.04
Mr. Ang Ah Lay 洪亞歷先生	31/12/2003	31/12/2004 – 30/12/2013	0.1706	2,500,000	2,500,000	0.09
Mr. Lew Syn Pau # 劉信保先生#	31/12/2003	31/12/2004 – 30/12/2013	0.1706	1,000,000	1,000,000	0.04
Mr. Kwong Che Keung, Gordon ** 鄭志強先生**	31/12/2003	31/12/2004 – 30/12/2013	0.1706	1,000,000	1,000,000	0.04
Ms. Wang Poey Foon, Angela ** 王培芬女士**	31/12/2003	31/12/2004 – 30/12/2013	0.1706	1,000,000	1,000,000	0.04

Non-executive Director

非執行董事

** Independent Non-executive Director

** 獨立非執行董事

Directors' Interests (continued)

Save as disclosed above, as at 31 December 2003, none of the directors and the chief executive of the Company and/or any of their respective associates had any interest or deemed interest in the long and short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code.

Substantial Shareholders' Interests

As at 31 December 2003, the following persons (other than the directors or the chief executive of the Company) had an interest in the following long position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Long position in the shares of the Company:

Name of shareholder	Notes	Nature	Number of ordinary shares held	Approximate percentage of total shareholding
股東姓名／名稱	附註	性質	持有普通股數目	佔股權總額之概約百分比 (%)
Ascendas Pte Ltd. 騰飛私人有限公司	1	Corporate 公司	1,566,891,340	55.25
Ascendas Land International Pte Ltd.	2	Corporate 公司	1,566,891,340	55.25
Riverbook Group Limited	3	Corporate 公司	1,566,891,340	55.25
Fraser and Neave Limited 花莎尼有限公司	4	Corporate 公司	1,566,891,340	55.25
Fraser and Neave Investments (Hong Kong) Limited	5	Corporate 公司	1,566,891,340	55.25
Vision Century Limited		Corporate 公司	1,566,891,340	55.25
Mr. Ng Poh Meng ("Mr. Ng") 黃寶明先生 (「黃先生」)	6	Personal, Family and Corporate 個人、家族及公司	177,890,551	6.27
Ms. Ng Lee Ngo ("Mrs. Ng") 吳麗娥女士 (「黃太太」)	6	Personal, Family and Corporate 個人、家族及公司	177,890,551	6.27
Dr. Jiang Xiaoming, Simon 蔣小明博士		Personal 個人	158,884,553	5.60

董事之權益 (續)

除上文所披露外，於二零零三年十二月三十一日，本公司董事及最高行政人員及／或彼等各自之任何聯繫人概無於或被視作於本公司或其任何相聯法團（證券及期貨條例第XV部）之本公司股份、相關股份及債權證中持有根據證券及期貨條例第352條記錄於本公司須存置之登記冊之任何好倉及淡倉權益；或根據證券及期貨條例第XV部或標準守則須另行知會本公司及聯交所之好倉及淡倉權益。

主要股東之權益

於二零零三年十二月三十一日，以下人士（本公司董事或最高行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第336條記錄於本公司須存置之登記冊之好倉權益如下：

於本公司股份之好倉：

Substantial Shareholders' Interests (continued)

Notes:

1. The interest disclosed comprised 1,566,891,340 shares beneficially owned by Ascendas Land International Pte Ltd. through the subsidiaries as disclosed in notes 2 and 3 below. Ascendas Land International Pte Ltd. is a wholly-owned subsidiary of Ascendas Pte Ltd.
2. The interest disclosed comprised 1,566,891,340 shares beneficially owned by Riverbook Group Limited through Vision Century Limited. Riverbook Group Limited is a wholly-owned subsidiary of Ascendas Land International Pte Ltd.
3. The interest disclosed comprised 1,566,891,340 shares held by Vision Century Limited, which is 50% owned by Riverbook Group Limited.
4. The interest disclosed comprised 1,566,891,340 shares beneficially owned by Fraser and Neave Investments (Hong Kong) Limited through Vision Century Limited. Fraser and Neave Investments (Hong Kong) Limited is a wholly-owned subsidiary of Fraser and Neave Limited.
5. The interest disclosed comprised 1,566,891,340 shares held by Vision Century Limited, which is 50% owned by Fraser and Neave Investments (Hong Kong) Limited.
6. The interest disclosed comprised 34,764,697 shares held by Mr. Ng, 11,578,969 shares held by Mrs. Ng, 125,757,400 shares held by Newmark Capital Holdings Limited ("Newmark") and 5,789,485 shares held by Global Capital Ventures Limited ("Global"). Under the provisions of Part XV of the SFO, Mr. Ng was deemed to control or have an interest in Newmark and Global. Mr. Ng was also deemed to have an interest in the shares owned by his wife, Mrs. Ng, and vice versa. Mrs. Ng held 50% of the entire issued share capital of Newmark in trust for Mr. Ng and Mrs. Ng was otherwise not deemed to have an interest in Newmark.

主要股東之權益 (續)

附註：

1. 所披露之權益包括由 Ascendas Land International Pte Ltd. 透過下文附註2及3所披露之附屬公司實益擁有之1,566,891,340股股份。Ascendas Land International Pte Ltd. 乃騰飛私人有限公司之全資附屬公司。
2. 所披露之權益包括由 Riverbook Group Limited 透過 Vision Century Limited 實益擁有之1,566,891,340股股份。Riverbook Group Limited 乃 Ascendas Land International Pte Ltd. 之全資附屬公司。
3. 所披露之權益包括由 Vision Century Limited 持有之1,566,891,340股股份。Vision Century Limited 由 Riverbook Group Limited 擁有50%權益。
4. 所披露之權益包括由 Fraser and Neave Investments (Hong Kong) Limited 透過 Vision Century Limited 實益擁有之1,566,891,340股股份。Fraser and Neave Investments (Hong Kong) Limited 乃花莎尼有限公司之全資附屬公司。
5. 所披露之權益包括由 Vision Century Limited 持有之1,566,891,340股股份。Vision Century Limited 由 Fraser and Neave Investments (Hong Kong) Limited 擁有50%權益。
6. 所披露之權益包括分別由黃先生、黃太太、Newmark Capital Holdings Limited (「Newmark」) 及 Global Capital Ventures Limited (「Global」) 持有之34,764,697股、11,578,969股、125,757,400股及5,789,485股股份。根據證券及期貨條例第XV部條文規定，黃先生被視作控制或擁有 Newmark 及 Global 之權益。黃先生亦被視為擁有其妻子黃太太所持股份之權益，反之亦然。黃太太持有 Newmark 全部已發行股本之50%，該等股份乃代黃先生託管，故黃太太並無擁有 Newmark 之股份權益。

Substantial Shareholders' Interests (continued)

Save as disclosed above, as at 31 December 2003, no other person (other than the directors or the chief executive of the Company) had an interest in the long and short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

Directors' Interests in Contracts and Connected Transactions

Save as disclosed hereunder, there was no connected transaction or contract of significance to which the Company, its subsidiaries or its holding company was a party and in which a director of the Company had a material interest, whether directly or indirectly subsisting at 31 December 2003 or at any time during the year ended 31 December 2003.

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

主要股東之權益(續)

除上文所披露外，於二零零三年十二月三十一日，概無其他人士(本公司董事或最高行政人員除外)於本公司股份或相關股份中擁有根據證券及期貨條例第336條記錄於本公司須存置之登記冊之好倉及淡倉權益。

董事之合約權益及關連交易

除下文所披露外，於二零零三年十二月三十一日或於截至二零零三年十二月三十一日止年度內之任何時間，本公司概無任何關連交易。此外，本公司、其附屬公司或其控股公司亦無參與訂立任何與本公司之董事直接或間接擁有重大權益之重大合同。

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

Directors' Interests in Contracts and Connected Transactions (continued)

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

2. On 28 May 2002, the Group had completed the acquisition of the entire issued share capital of CyberCity Investments Limited ("CCI") from CyberCity Holdings Limited ("CCH"). The Group has entered into various connected transactions involving CCI and its subsidiaries as follows:—

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

- (i) the technical support agreement dated 13 October 2001 made between CyberCity Cursor Media Co. Ltd. ("CCCM") and SCST, whereby CCCM agreed to provide technical support service to SCST for a period of 10 years. During the year, a total fee of approximately HK\$73,000 was charged to SCST;

董事之合約權益及關連交易 (續)

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

2. 於二零零二年五月二十八日，本集團完成向賽博控股有限公司(「賽博控股」)購入CyberCity Investments Limited(「CCI」)全部已發行股本。本集團曾訂立涉及CCI及其附屬公司之多項關連交易如下：

(a) 與深圳市智慧源軟件技術有限公司(「深圳市智慧源」)進行之關連交易

- (i) 賽博智慧源信息技術(深圳)有限公司(「賽博智慧源」)與深圳市智慧源於二零零一年十月十三日訂立之技術支援協議書，據此，賽博智慧源同意在10年期內，向深圳市智慧源提供技術支援服務。於年內，向深圳市智慧源收取一項總額為港幣73,000元之費用：

Directors' Interests in Contracts and Connected Transactions (continued)

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

- (ii) the co-operative agreement dated 13 October 2001 made between CCCM and SCST, whereby CCCM agreed to provide training funds and training related software and education services to SCST for a period of 10 years. During the year, a total fee of approximately HK\$87,000 was charged to SCST; and
- (iii) the agency agreement and supplemental agreement dated 7 December 2001 and 25 September 2002 respectively made between CCCM and SCST, whereby CCCM agreed to provide exclusive agency services to SCST for a period of 20 years. During the year, no fee has been charged to SCST.

(Item 2(a)(i), (ii) and (iii) above together called "Ongoing Connected Transactions").

The Company had been granted a conditional waiver by the Stock Exchange from strict compliance with the requirement of the Listing Rules in respect of the Ongoing Connected Transactions. The independent non-executive directors of the Company had reviewed the Ongoing Connected Transactions made during the year ended 31 December 2003 and confirmed that:

- the Ongoing Connected Transactions had been entered into in the ordinary and usual course of the Company's business;

董事之合約權益及關連交易 (續)

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

- (ii) 賽博智慧源與深圳市智慧源於二零零一年十月十三日訂立之合作協議書，據此，賽博智慧源同意在10年期內，向深圳市智慧源提供培訓費用及與培訓相關的軟件及教育服務。於年內，向深圳市智慧源收取一項總額約為港幣87,000元之費用；及
- (iii) 賽博智慧源與深圳市智慧源分別於二零零一年十二月七日及二零零二年九月二十五日訂立代理協議書及補充協議，據此，賽博智慧源同意在20年期內，向深圳市智慧源提供獨家的代理服務。於年內，並無向深圳市智慧源收取費用；

(以上2(a)(i)、(ii)及(iii)項統稱「持續關連交易」)。

本公司已獲聯交所所有條件豁免嚴格遵守上市規則有關持續關連交易之要求。本公司獨立非執行董事已審閱於截至二零零三年十二月三十一日止年度進行之持續關連交易，並確定：

- 持續關連交易乃按本公司一般及正常業務程序進行；

Directors' Interests in Contracts and Connected Transactions (continued)

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

- the Ongoing Connected Transactions had been conducted on normal commercial terms;
- the Ongoing Connected Transactions had been carried out in accordance with the terms of respective agreements; and
- the Ongoing Connected Transactions had been entered into such that the aggregate amount for the year ended 31 December 2003 did not exceed the higher of HK\$10 million and 3% of the Group's net tangible assets respectively ("Cap Amount").

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

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

董事之合約權益及關連交易 (續)

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

- 持續關連交易乃按正常商業條款進行；
- 持續關連交易乃根據各自之協議條款進行；及
- 截至二零零三年十二月三十一日止年度之持續關連交易總額分別不超過港幣10,000,000元及本集團有形淨資產3%之較高者(「上限金額」)。

本公司核數師亦經已向本公司董事確認：

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

Directors' Interests in Contracts and Connected Transactions (continued)

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

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

By a supplemental agreement dated 5 August 2002, an interest rate of 7% per annum was charged on the loan. During the year, an interest income of HK\$447,000 was charged to the Shareholders of XDT.

董事之合約權益及關連交易 (續)

(b) 與北京曉東環宇科技有限公司 (「曉東科技」) 股東進行之關連交易

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

根據二零零二年八月五日之補充協議，所提供貸款之年利率為7%。於年內，向曉東科技股東收取一項港幣447,000元之利息收益。

Directors' Interests in Contracts and Connected Transactions (continued)

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

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

By a supplemental agreement dated 5 August 2002, an interest of 7% per annum was charged on the loan provided. During the year, an interest income of HK\$306,000 was charged to the Shareholders of SZ Nova.

董事之合約權益及關連交易 (續)

(c) 與深圳市南凌科技發展有限公司(「深圳市南凌」)股東進行之關連交易

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

根據二零零二年八月五日之補充協議，所提供貸款之年利率為7%。於年內，向深圳市南凌股東收取一項港幣306,000元之利息收益。

Directors' Interests in Contracts and Connected Transactions (continued)

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

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

- (i) on 16 July 2002, the Company and Nova Cyber entered into an agreement, under which, the Company agreed to provide fixed deposit charge and a corporate guarantee to a bank in favour of Nova Cyber to secure a loan facility from the bank. Nova Cyber agreed to pay a total guarantee fee of 5% of the secured loan amount to the Company during the continuance of the securities. During the year, Nova Cyber has utilised a loan facility of up to RMB8,000,000 (equivalent to approximately HK\$7,492,000) and a guarantee fee of HK\$375,000 was charged to Nova Cyber;

董事之合約權益及關連交易 (續)

(d) 與南凌及其附屬公司(「南凌集團」)進行之關連交易

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

- (i) 於二零零二年七月十六日，本公司與世紀南凌訂立一項協議，據此，本公司同意為世紀南凌向一間銀行提供定期存款抵押及公司擔保，以從一間銀行取得抵押借貸備用額。世紀南凌同意於已抵押品仍然有效之時，向本公司支付一筆以所抵押貸款之5%計算之擔保費。於年內，世紀南凌已動用最高額為人民幣8,000,000元(約相等於港幣7,492,000元)之借貸備用額，而向世紀南凌收取港幣375,000元之擔保費；

Directors' Interests in Contracts and Connected Transactions (continued)

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

(ii) On 23 September 2002, Nova and the Company entered into an agreement, pursuant to which the Company should advance a shareholder loan to Nova up to an amount of HK\$6,500,000 with interest at the rate of 7% per annum ("Shareholder Loan"). The Shareholder Loan was for Nova's general working capital. During the year, the amount of Shareholder Loan utilised was HK\$6,445,000 and an interest income of HK\$415,000 was charged to Nova; and

(iii) on 7 October 2002, the Company and Nova HK entered into an agreement, in which, the Company agreed to replace CCH to provide a corporate guarantee in favour of Trilease International Limited relating to Nova HK's liabilities under a lease of equipment taken by Nova HK of total lease amount of approximately HK\$1,700,000 (the "Guarantee") of which HK\$711,000 has been utilised. Nova HK agreed to pay a guarantee fee of 2.5% per annum of the guaranteed principal of the leased equipment to the Company during the continuance of the Guarantee. During the year, a guarantee fee of HK\$27,000 was charged to Nova HK.

3. On 28 May 2002, Campusall and the Company (the holding company of Campusall) entered into an agreement, pursuant to which the Company should advance a shareholder loan to Campusall up to an amount of US\$120,000 (equivalent to approximately HK\$936,000) with interest at the rate of 7% per annum ("Shareholder Loan"). The Shareholder Loan should be applied to the Campusall or its wholly-owned subsidiary, 8th Network China Co Ltd. ("8th Network"), for general working capital purpose. During the year, an interest income of approximately US\$8,000 (equivalent to approximately HK\$65,000) was charged to Campusall.

董事之合約權益及關連交易 (續)

(d) 與南凌及其附屬公司 (「南凌集團」) 進行之關連交易 (續)

(ii) 於二零零二年九月二十三日，南凌與本公司訂立一項協議，據此，本公司須向南凌墊付一筆最高額為港幣6,500,000元之股東貸款 (「股東貸款」)，年利率為7%。該筆股東貸款用作南凌之一般營運資金。於年內，已動用股東貸款數額為港幣6,445,000元，而向南凌收取港幣415,000元之利息收益；及

(iii) 於二零零二年十月七日，本公司與南凌香港訂立一項協議，本公司同意代替賽博控股就南凌香港之設備租約負債 (租金總額約為港幣1,700,000元) 向 Trilease International Limited 提供一項公司擔保 (「擔保」)，其中經已動用港幣711,000元。南凌香港同意於擔保仍然有效之時，每年向本公司支付一筆以所擔保之租賃設備之2.5%計算之擔保費。於年內，向南凌香港收取一項港幣27,000元之擔保費。

3. 於二零零二年五月二十八日，Campusall 與本公司 (Campusall 之控股公司) 訂立一項協議，本公司須向 Campusall 墊付一筆最高額為 120,000 美元 (約相等於港幣 936,000 元) 之股東貸款 (「股東貸款」)，年利率為 7%。該筆股東貸款須作為 Campusall 或其全資附屬公司慧科管理諮詢有限公司 (「慧科管理」) 之一般營運資金用途。於年內，已向 Campusall 收取一項約 8,000 美元 (約相等於港幣 65,000 元) 之利息收益。

Directors' Interests in Contracts and Connected Transactions (continued)

4. On 29 May 2002, Vision (Shenzhen) Business Park Co., Ltd. ("VSBP"), a 95% owned subsidiary of the Company, and the Company entered into an agreement, under which, the Company agreed to provide fixed deposit charge and a corporate guarantee to a bank in favour of VSBP to secure loan facilities from the bank for VSBP. VSBP agreed to pay a total guarantee fee of 5% of the secured loan amount to the Company during the continuance of the securities. During the year, the loan facilities of up to RMB19,500,000 were utilised by VSBP. A total fee of approximately RMB1,238,000 (equivalent to approximately HK\$1,160,000) was charged to VSBP during the year.

5. On 26 July 2002, 8th Network and the Company entered into an agreement, under which, the Company agreed to provide fixed deposit charge and a corporate guarantee in favour of 8th Network to secure a facility from a bank for 8th Network. 8th Network agreed to pay a total guarantee fee of 5% of the secured loan amount to the Company during the continuance of the securities. During the year, 8th Network has utilised a total loan facility of RMB4,000,000. A total fee of approximately RMB178,000 (equivalent to approximately HK\$167,000) was charged to 8th Network.

董事之合約權益及關連交易 (續)

4. 於二零零二年五月二十九日，本公司之95%附屬公司深圳威新軟件科技園有限公司（「深圳威新」）與本公司訂立一項協議，據此，本公司同意為深圳威新向一間銀行提供定期存款抵押及公司擔保，以從一間銀行取得抵押貸款備用額。深圳威新同意於抵押品仍然有效期間，向本公司支付一筆以所抵押貸款之5%計算之總擔保費。於年內，深圳威新已動用貸款備用額為人民幣19,500,000元。本公司已於年內向深圳威新收取一項總額約人民幣1,238,000元（約相等於港幣1,160,000元）之費用。

5. 於二零零二年七月二十六日，慧科管理與本公司訂立一項協議，據此，本公司同意為慧科管理提供定期存款抵押及公司擔保，以作為慧科管理獲授予一筆銀行信貸之抵押品。慧科管理同意於抵押品仍然有效期間，向本公司支付一筆以所抵押貸款之5%計算之總擔保費。於年內，慧科管理已動用總貸款備用額為人民幣4,000,000元。本公司已向慧科管理收取一項總額約人民幣178,000元（約相等於港幣167,000元）之費用。

Directors' Interests in Contracts and Connected Transactions (continued)

6. As at 31 December 2003, the Company, through its wholly-owned subsidiaries, advanced a total sum of approximately HK\$138,000,000 as shareholder's loans to VSBP. VSBP is beneficially owned as to 95% by the Company and 5% by 3-9 Project Development Co., Ltd., which is an independent third party not connected with the substantial shareholders, directors and chief executives of the Company or any of its subsidiaries or their respective associates. Such shareholder's loans are for VSBP's working capital requirement. With an interest rate of 5% per annum, the shareholder's loans are repayable on demand on or before 15 July 2006. During the year, an interest income of approximately HK\$6,915,000 was charged to VSBP.
7. During the year, the Company, through its wholly-owned subsidiaries, advanced a total sum of approximately HK\$43,447,000 as shareholders' loan ("Shareholder Loan") to Great Project Property Limited ("Great Project"), a company then beneficially owned as to 65% by the Company and 35% by China Travel Services (Holdings) Hong Kong Limited ("China Travel"). China Travel has defaulted in its obligation under the shareholders agreement to provide financial support to Great Project in accordance with its shareholding in Great Project and the Shareholder Loan advanced by the Group were in excess of the Group's proportional equity interest of 65% in Great Project. The Group has charged interest rate of approximately 5% per annum over Hong Kong prime rate. The Shareholder Loan are unsecured and are repayable on demand. During the year, an interest income of approximately HK\$293,000 was charged to Great Project.

董事之合約權益及關連交易 (續)

6. 於二零零三年十二月三十一日，本公司透過其全資附屬公司向深圳威新墊付合共約港幣138,000,000元之股東貸款。深圳威新由本公司及三九工程開發總公司各實益擁有95%及5%權益。三九工程開發總公司為獨立第三方，與本公司或其任何附屬公司之主要股東、董事及最高行政人員或彼等各自之聯繫人概無關連。該股東貸款用作深圳威新之營運資金。股東貸款之年息率為5%，須於二零零六年七月十五日或之前按要求償還。於年內，已向深圳威新收取約港幣6,915,000元之貸款利息收益。
7. 於年內，本公司透過其全資附屬公司向大捷物業有限公司（「大捷物業」）墊付總計約港幣43,447,000元作為股東貸款（「股東貸款」），大捷物業當時由本公司及中旅（集團）有限公司（「中旅集團」）分別持有65%及35%權益。中旅集團未能履行股東協議內之義務，即根據其於大捷物業所持股權比例向大捷物業提供財務支持。而本集團墊付之股東貸款已超過本集團於大捷物業之65%比例股本權益。本集團已收取高於香港最優惠利率約5%利率。股東貸款屬非抵押貸款，並需按要求償還。於年內，本集團向大捷物業收取約港幣293,000元利息收益。

Directors' Interests in Contracts and Connected Transactions (continued)

8. On 13 January 2003, the Company entered into an agreement with China Travel by which the Company had agreed to conditionally acquire from China Travel its 35% interests in Great Project for a total cash consideration of HK\$63.9 million payable in three installments. The consideration was determined at arm's length negotiations between the parties, with reference to the face value of the aggregate amount of shareholder's loan advanced by China Travel to Great Project, which loans are interest-free and has no fixed term of repayment and as at 31 October 2002 amounted to HK\$77.2 million ("Shareholder Loan") and China Travel's attributable interests in the unaudited consolidated net deficit of Great Project as at the same date. The consideration represented approximately 6% discount to HK\$68 million, which represented the aggregate amount of Shareholder Loan of HK\$77.2 million after adjusting China Travel's 35% share of loss on the unaudited consolidated net deficit of Great Project of HK\$9.2 million as at 31 October 2002.

China Travel is a connected person of the Company by virtue of it being a substantial shareholder of Great Project.

董事之合約權益及關連交易 (續)

8. 於二零零三年一月十三日，本公司與香港中旅訂立協議，據此本公司同意有條件收購中旅集團於大捷物業之35%權益，總現金代價為港幣63,900,000元，分三期支付。代價乃經各訂約方按公平磋商釐定，並已參考於二零零二年十月三十一日中旅集團墊付予大捷物業之免息、無固定還款期之股東貸款總額港幣77,200,000元（「股東貸款」），以及中旅集團於同日應佔大捷物業未經審核綜合虧拙淨額之權益。代價為港幣63,900,000元，較股東貸款總額港幣77,200,000元減去中旅集團於二零零二年十月三十一日應佔大捷物業35%之未經審核綜合虧損之淨額（即港幣9,200,000元）後所得的港幣68,000,000元有大約6%的折讓。

中旅集團因其乃大捷物業之主要股東而成為本公司之關連人士。

Directors' Interests in Contracts and Connected Transactions (continued)

9. On 7 May 2003, the Company entered into various connected transactions pursuant to a Marketing Agency Agreement with Ascendas Services Pte Ltd. ("Ascendas Services") dated 7 May 2003, a Co-operative Agreement with SZ Nova dated 7 May 2003 and a Marketing Arrangement Agreement with SZ Nova dated 7 May 2003.

- (a) Under the Marketing Agency Agreement, Ascendas Services will provide non-exclusive marketing agency services to Vision Business Park Marketing Services Ltd. in respect of marketing and solicitation of customers both inside and outside the PRC for the units in the ready built facilities and built-to-suit facilities to the business parks (the "Units") for a term of 36 months from the date of the Marketing Agency Agreement. Ascendas Services is an indirect wholly-owned subsidiary of Ascendas. As such, Ascendas Services is a connected person of the Company under the Listing Rules.

董事之合約權益及關連交易 (續)

9. 於二零零三年五月七日，本公司根據與 Ascendas Services Pte Ltd. (「Ascendas Services」) 於二零零三年五月七日訂立之市場推廣代理協議以及與深圳市南凌於二零零三年五月七日分別訂立之合作協議及市場推廣安排協議而進行多項關連交易。

- (a) 根據市場推廣代理協議，Ascendas Services將向威新市場推廣服務有限公司提供有關在商業園內之現成標準廠房及定制廠房及有關設施之單位(「單位」)於中國境內外客戶之市場推廣及推銷之非獨家市場推廣代理服務，自市場推廣代理協議日期起計為期36個月。Ascendas Services乃騰飛之間接全資附屬公司，因此，根據上市規則，Ascendas Services乃屬本公司之關連人士。

Directors' Interests in Contracts and Connected Transactions (continued)

- (b) Under the Co-operative Agreement, both Nova Cyber and SZ Nova will co-operate to provide integrated enterprise networking services to customers in the cities and provinces of, including but not limited to, Beijing, Shanghai, Zhejiang and Jiangsu for an initial term of 3 years from the date of the Co-operative Agreement. Under the Marketing Arrangement Agreement, Nova Cyber will provide exclusive business development support and sales marketing services of system integration solutions to SZ Nova for an initial term of 3 years from the date of the Marketing Arrangement Agreement.

The transactions set out in 9(a) and (b) above were defined as "Ongoing Connected Transactions".

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

- the Ongoing Connected Transactions had been entered into in the ordinary and usual course of business of the Group;

董事之合約權益及關連交易 (續)

- (b) 根據合作協議，世紀南凌及深圳市南凌將合作向多個省市如(包括但不限於)北京、上海、浙江及江蘇等客戶提供綜合企業網絡服務，自合作協議日期起計初步為期三年。根據市場推廣安排協議，世紀南凌將向深圳市南凌提供系統集成解決方案之獨家業務發展支援及銷售市場推廣服務，自市場推廣安排協議日期起計初步為期三年。

上文9(a)及(b)所載之交易已界定為「持續關連交易」。

本公司已獲聯交所授予有條件豁免，免除嚴格遵守上市規則有關持續關連交易之規定。本公司之獨立非執行董事已審閱持續關連交易，並確認：

- 持續關連交易乃於本集團之日常及一般業務過程中訂立；

Directors' Interests in Contracts and Connected Transactions (continued)

- the Ongoing Connected Transactions had been conducted on normal commercial terms;
- the Ongoing Connected Transactions had been carried out in accordance with the terms of respective agreements; and
- the Ongoing Connected Transactions had been entered into such that the aggregate amount of each of the Ongoing Connected Transactions for the year ended 31 December 2003 did not exceed the higher of HK\$10 million or 3% of the net tangible assets value of the Group respectively ("Cap Amount").

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

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

董事之合約權益及關連交易 (續)

- 持續關連交易乃按一般商業條款進行；
- 持續關連交易乃根據各自之協議條款進行；及
- 本集團截至二零零三年十二月三十一日止年度之各項持續關連交易之總額分別不超過港幣10,000,000元或本集團有形資產淨值之3%之較高者（「上限金額」）。

本公司之核數師亦經已向本公司董事確認：

- 持續關連交易已獲得本公司董事會之批准；
- 持續關連交易乃根據各自之協議條款進行；及
- 持續關連交易以不超過上限金額進行。

Directors' Interests in Contracts and Connected Transactions (continued)

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

Vision Business and Tsinghua also entered into a land development agreement for Plot B14 ("Land Development Agreement") simultaneously with the JV Agreement. Tsinghua was responsible for the resettlement and site clearance of Plot B14 by 30 June 2002 or such other dates mutually agreed by both parties. Vision Business should procure Vision Huaqing to pay to Tsinghua the land development fee (including the costs for resettlement, site clearance and levelling and infrastructure such as connection of basic utilities), incurred by Tsinghua (the "Land Development Fee") which was approximately RMB134 million (equivalent to approximately HK\$126 million).

On 14 July 2003, the Company through its subsidiaries, Vision Business and Vision Huaqing, respectively entered into a Supplemental JV Agreement and a Supplemental Land Development Agreement with Tsinghua, pursuant to which certain terms in the JV Agreement and the Land Development Agreement entered into on 19 April 2002 have been amended accordingly.

董事之合約權益及關連交易 (續)

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

除合營合同外，Vision Business亦同時與清華訂立一項有關B14地塊之地塊開發合同(「地塊開發合同」)。清華負責在二零零二年六月三十日或經訂約方互相協定之其他日期前完成B14地塊之拆遷及安置。Vision Business應促使威新華清向清華支付土地開發費約為人民幣134,000,000元(相等於約港幣126,000,000元)，以支付清華進行拆遷、安置、地盤平整及基建(如接駁基本公用設施)之用(「土地開發費」)。

於二零零三年七月十四日，本公司已透過其附屬公司Vision Business及威新華清分別與清華訂立合營補充合同及地塊開發補充合同，據此，於二零零二年四月十九日訂立之合營合同及地塊開發合同內之若干條款已作出相應修訂。

Directors' Interests in Contracts and Connected Transactions (continued)

Pursuant to the Supplemental JV Agreement, the financing commitments of both Vision Business and Tsinghua by way of shareholders' loan will be reduced to RMB30 million (equivalent to approximately HK\$28 million) and RMB20 million (equivalent to approximately HK\$19 million) respectively. The remaining amount of RMB210 million (equivalent to approximately HK\$198 million) is intended to be financed by way of external financings to be obtained by Vision Huaqing.

Vision Huaqing will replace Vision Business as the party to sign the Supplemental Land Development Agreement with Tsinghua. Pursuant to the Supplemental Land Development Agreement, (a) both parties mutually agreed to postpone the resettlement and site clearance of Plot B14 to 30 January 2003 and the deadline for completion of the project development would be postponed to a later date mutually agreed by both parties; and (b) the payment schedule of the outstanding amount of RMB82 million (equivalent to approximately HK\$77 million) would be changed, whereby the payments of the 1st and 2nd installments were deferred to 1 February 2003 and as for the 3rd installment, RMB20 million would be used to offset against the shareholder's loan of RMB20 million to be provided by Tsinghua under the Supplemental JV Agreement and the remaining amount would be payable 5 days before the execution of any bank financing agreements by Vision Huaqing should Vision Huaqing successfully arrange external financings.

董事之合約權益及關連交易 (續)

根據合營補充合同，Vision Business 及清華以股東貸款方式之融資承擔將分別減至人民幣 30,000,000 元（相等於約港幣 28,000,000 元）及人民幣 20,000,000 元（相等於約港幣 19,000,000 元）。餘款人民幣 210,000,000 元（相等於約港幣 198,000,000 元）擬以威新華清將取得之對外融資撥付。

威新華清將取代 Vision Business 作為與清華訂立地塊開發補充合同之簽署方。根據地塊開發補充合同，(a) 經訂約雙方同意延遲拆遷及安置 B14 地塊至二零零三年一月三十日，而項目開發之完工期限亦將押後至經訂約雙方互相協定之較後日期；及 (b) 尚未支付之人民幣 82,000,000 元（相等於約港幣 77,000,000 元）之付款時間表將更改，第一及第二期之付款已遞延至二零零三年二月一日，而第三期付款人民幣 20,000,000 元將根據合營補充合同用於抵銷清華提供之股東貸款人民幣 20,000,000 元。倘威新華清成功安排對外融資，則餘款須於威新華清簽訂任何銀行融資合同前 5 日支付。

Directors' Interests in Contracts and Connected Transactions (continued)

As a result of the reduction in the shareholders' loan commitment to be provided by Vision Business from approximately RMB123 million to RMB30 million under the Supplemental JV Agreement, the Company would free up approximately RMB93 million (equivalent to approximately HK\$88 million) of the net proceeds raised in the Rights Issue to be used as general working capital of the Group. Pursuant to the Supplemental Land Development Agreement, Vision Huaqing would be granted additional time for project master planning and design work and the payment of the Land Development Fee to Tsinghua would be postponed to be in line with the delay in resettlement and site clearance. Accordingly, the Company will be benefited from improved financial performance of Vision Huaqing in operating a better designed business park.

Directors' Interests in Competing Business

The following directors of the Company are considered to have interests in business which compete or are likely to compete, either directly or indirectly, with the business of the Group pursuant to the Listing Rules:

Dr. Han Cheng Fong is a Director and Deputy Chairman of Centrepont Properties Limited ("Centrepont Group") which is a property investment and development company in Singapore. The Centrepont Group is engaged in the development and marketing of housing units, management of offices, shopping malls and serviced apartments both locally and abroad. He is also a Director and Managing Director of Fraser and Neave Limited.

董事之合約權益及關連交易 (續)

鑑於 Vision Business 根據合營補充合同將會提供之股東貸款承擔由約人民幣 123,000,000 元減至人民幣 30,000,000 元，本公司供股所得款項淨額將多出約人民幣 93,000,000 元 (相等於約港幣 88,000,000 元) 以用作本集團一般營運資金。根據地塊開發補充合同，威新華清將可獲得額外時間進行項目大綱規劃及設計工程，而向清華支付之地塊開發費用將按拆遷及安置押後而延遲。故此，本公司將受益於威新華清因商業園之經營規劃更完善而改善之財務表現。

董事於競爭業務之權益

本公司下列董事根據上市規則被視為與本集團業務存有或可能存有直接或間接競爭之業務中擁有權益：

韓禎豐博士為先得坊產業有限公司 (「先得坊集團」) 之董事兼副主席，該公司為於新加坡之物業投資及發展公司。先得坊集團從事房屋單位發展及市場推廣、本地及外地辦公室、購物商場及旅館式公寓之管理。彼亦為花莎尼有限公司之董事兼董事總經理。

Directors' Interests in Competing Business (continued)

Ms. Chong Siak Ching is President/Chief Executive Officer and Director of Ascendas. She is also a Director of various subsidiaries including Ascendas-MGM Funds Management Limited (a fund management company involving properties principally in Singapore). Ascendas Group is a developer, manager and marketer of science, business and industrial parks in Singapore, China, India and the Philippines.

Mr. Lai Seck Khui is a Director, President and Chief Executive Officer of Times Publishing Limited ("TPL"). TPL is in the information business involved in print and electronic publishing, commercial printing, distribution, direct sales and retailing of books, partworks, directories and magazines, the distribution of recorded music, audio and video tapes and hi-fi accessories, the provision of educational programmes and the organisation of conferences and exhibitions. Headquartered in Singapore, TPL has its global network of subsidiaries and associated companies located in key centres in Southeast Asia, Hong Kong, China, Japan, Australia, Europe and the United States of America. TPL is also involved in the development and sale of educational software such as CD ROMs, as well as online educational services.

Mr. Lew Syn Pau is the Chairman and a Director of Ascendas. Ascendas is a developer, manager and marketer of science, business and industrial parks in Singapore, China, India and the Philippines. He is also the Chairman and a Director of Ascendas-MGM Funds Management Limited (a fund management company involving properties principally in Singapore). His directorships in both companies are non-executive.

董事於競爭業務之權益 (續)

張雪倩女士為騰飛之總裁／行政總裁兼董事。彼亦為騰飛屬下多家附屬公司包括Ascendas-MGM Funds Management Limited (一間以新加坡物業為主之基金管理公司)之董事。騰飛集團是新加坡、中國、印度及菲律賓科學園、商業園及工業園的開發、管理和營銷商。

黎錫駒先生為時信出版有限公司(「時信」)之董事、總裁兼行政總裁。時信從事資訊業務，包括印刷及電子出版、商業印刷；書本、分輯出版書刊、指南及雜誌之分銷、直銷及零售；音樂、錄音及錄影帶及音響設備配件之分銷；提供教育課程及籌辦會議及展覽。時信總部設於新加坡，其擁有全球附屬公司及聯營公司網絡，分別位於東南亞、香港、中國、日本、澳洲、歐洲及美國之主要地點。時信亦有從事開發及銷售電腦唯讀光碟等教育軟件及網上教育服務。

劉信保先生為騰飛之主席兼董事。騰飛為新加坡、中國、印度及菲律賓之科學園、商業園及工業園的開發、管理及營銷商。此外，彼亦為Ascendas-MGM Funds Management Limited (一間以新加坡物業為主之基金管理公司)之主席兼董事。彼於該兩公司所擔任之董事職務為非執行董事。

Directors' Interests in Competing Business (continued)

Mr. Goh Yong Chian, Patrick is a Director of Centrepoint Group which is a property investment and development company in Singapore. He is also an Alternate Director to Dr. Han Cheng Fong of Fraser and Neave Limited.

Mr. Tan Ser Ping is a Director of Ascendas (India) Private Limited, Ascendas Funds Management (Australia) Pty Limited, Ascendas Investment Pte Ltd., Ascendas, Ascendas Land (Singapore) Pte Ltd., Ascendas Land International Pte Ltd., Information Technology Park Investment Pte Ltd., Ascendas (China) Pte Ltd., Singapore-Cikarang Investment Pte Ltd., Karimun Investment Holdings Pte Ltd., JTCI Industrial Holdings (Bangkok) Pte Ltd., KK-JTCI (Thailand) Co., Ltd., Vietnam-Singapore Industrial Park Pte Ltd., Vietnam-Singapore Industrial Park JV Co., Ltd., Singapore Suzhou Industrial Holdings Pte Ltd., Ascendas Holdings (Manila) Pte Ltd., Sembcorp Parks Management Pte Ltd., Ascendas (Korea) Pte Ltd., Springboard ABS Specialty Company L.L.C., Ascendas (Australia) Pte Ltd., Ascendas (Philippines) Corporation, Century Development Corporation, a member of Board of Commissioner of PT Batamindo Investment Cakrawala, PT Bintan Inti Industrial Estate Corporation, PT Batamindo Executive Village and is an Alternate Director to Ms. Chong Siak Ching and Mr. Lew Syn Pau in Vision Century Limited, an Alternate Director to Ms. Chong Siak Ching in Information Technology Park Limited, which are engaged in investment holding, real estate development and provision of consultancy services.

董事於競爭業務之權益 (續)

吳榮鈿先生為先得坊集團之董事，該公司乃一間在新加坡從物業投資及發展之公司。此外，彼於花莎尼有限公司亦為韓禎豐博士之替任董事。

陳思評先生為Ascendas (India) Private Limited、Ascendas Funds Management (Australia) Pty Limited、Ascendas Investment Pte Ltd.、騰飛、騰飛置地(新加坡)私人有限公司、Ascendas Land International Pte Ltd.、Information Technology Park Investment Pte Ltd.、騰飛(中國)私人有限公司、Singapore-Cikarang Investment Pte Ltd.、Karimun Investment Holdings Pte Ltd.、JTCI Industrial Holdings (Bangkok) Pte Ltd.、KK-JTCI (Thailand) Co., Ltd.、Vietnam-Singapore Industrial Park Pte Ltd.、Vietnam-Singapore Industrial Park JV Co., Ltd.、新加坡蘇州工業集團私人有限公司、Ascendas Holdings (Manila) Pte Ltd.、Sembcorp Parks Management Pte Ltd.、Ascendas (Korea) Pte Ltd.、Springboard ABS Specialty Company L.L.C.、Ascendas (Australia) Pte Ltd.、Ascendas (Philippines) Corporation及世正開發股份有限公司之董事，PT Batamindo Investment Cakrawala、PT Bintan Inti Industrial Estate Corporation及PT Batamindo Executive Village之監理委員會會員，以及於Vision Century Limited擔任張雪倩女士及劉信保先生之替任董事，及於Information Technology Park Limited擔任張雪倩女士之替任董事，該公司乃從事投資控股、房地產開發及提供顧問服務。

Directors' Interests in Competing Business (continued)

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

Directors' Service Contracts

Mr. Ang Ah Lay had entered into service contract with the Company with no specific term and the service contract will continue until determined by either party giving not less than six months' notice in writing to other party at any time (including during any such initial term). As at 31 December 2003, no contract had been terminated by either party.

During the year, no director had a service contract with any member of the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Major Customers and Suppliers

For the year ended 31 December 2003, the five largest suppliers and the largest supplier of the Group accounted for approximately 70% and 35% of the total value of the Group's purchases respectively.

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

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

Retirement Benefits Scheme

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

董事於競爭業務之權益 (續)

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

董事之服務合約

洪亞歷先生與本公司訂立無固定任期之服務合約，並將持續生效，直至任何一方於任何時間(包括任何該等初期任期)向對方發出不少於六個月之書面通知而予以終止為止。於二零零三年十二月三十一日，概無任何一方終止服務合約。

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

主要客戶及供應商

截至二零零三年十二月三十一日止年度，本集團之五大供應商及最大供應商分別佔本集團約70%及35%。

本集團五大客戶所佔總營業額少於本集團營業額的30%。

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

退休福利計劃

本集團退休福利計劃之詳情載於財務報告附註10。

Pre-Emptive Rights

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

Employee Information

As at 31 December 2003, the Company and its subsidiaries had 404 employees. Salaries of employees are maintained at competitive levels while bonuses may be granted on a discretionary basis. Other employee benefits include provident fund, insurance and medical cover, subsidised educational and training programmes as well as a share option scheme.

Compliance with the Code of Best Practice of the Listing Rules

In the opinion of the Board, the Company has complied with the Code of Best Practice (the "Code") as set out in Appendix 14 of the Listing Rules throughout the accounting period covered by the annual report of the Company, except that the independent non-executive directors of the Company are not appointed for specific term as required by paragraph 7 of the Code, but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the bye-laws of the Company.

Audit Committee

Pursuant to the requirements of the Listing Rules, the Company has established an Audit Committee comprising a non-executive director and three independent non-executive directors of the Company. A set of written terms of reference, which described the authority and duties of the Audit Committee, was adopted by the Board.

The Audit Committee is answerable to the Board and the principal duties of the Audit Committee include the review and supervision of the Group's financial reporting process and internal controls. The Audit Committee had reviewed, together with the management of the Company, the accounting principles and practices adopted by the Group and had discussed auditing, internal controls and financial reporting matters, including the audited consolidated financial statements of the Group for the year ended 31 December 2003.

優先認股權

本公司之細則中並無優先認股權之條文，而百慕達之法例亦無對此等權利之限制。

僱員資料

於二零零三年十二月三十一日，本公司及其附屬公司共僱用404名員工。僱員之薪酬維持於具競爭力之水平，而花紅則可按酌情基準授出。其他僱員福利包括強積金、保險及醫療保險、教育及培訓津貼計劃，以及認購權計劃。

遵守上市規則最佳應用守則

董事局認為，本公司於本公司年報之會計期間內一直遵守上市規則附錄14所載之最佳應用守則（「守則」），惟根據守則第7段規定，本公司之獨立非執行董事並無固定任期，惟須按照本公司細則於股東週年大會上輪值告退及膺選連任。

審核委員會

根據上市規則規定，本公司已成立審核委員會，由本公司一位非執行董事及三位獨立非執行董事組成。董事局已採納詳述審核委員會之權力及職責之職權範圍書。

審核委員會乃向董事會負責，其主要職責包括審閱及監督本集團之財務報告程序及內部監控。審核委員會已聯同本公司管理層已審閱本集團所採納之會計政策及慣例，並就審核、內部監控及財務報表等事宜（包括本集團截至二零零三年十二月三十一日止年度之經審核綜合財務報告）進行磋商。

Remuneration Committee

The Company has established a Remuneration Committee comprising one independent non-executive director and two non-executive directors. A set of written terms of reference, which described the authority and duties of the Remuneration Committee, was adopted by the Board on 11 October 2002.

The Remuneration Committee's objectives are to establish and maintain an appropriate and competitive level of remuneration to attract, retain and motivate directors and key executives to run the Company successfully. The Remuneration Committee will ensure that the remuneration policies and systems of the Group support the Group's objectives and strategies.

The remuneration details of directors during the year are set out on page 99 of this report.

Auditors

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

On behalf of the Board



Dr. Han Cheng Fong

Chairman

Hong Kong, 16 March 2004

酬金委員會

本公司已成立由一名獨立非執行董事及兩名非執行董事組成之酬金委員會。董事局已於二零零二年十月十一日採納詳述酬金委員會權力及職責之職權範圍書。

酬金委員會之宗旨為建立及維持適當及具競爭力之薪酬水平，以吸引、挽留及鼓勵董事及行政要員，藉此帶領本公司邁向成功。酬金委員會將確保本集團的酬金政策及制度均支持本集團之目標及策略。

年內董事之酬金詳情載於年報第99頁。

核數師

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

代表董事局



韓禎豐博士

主席

香港，二零零四年三月十六日