

### 主要業務

本公司及其附屬公司（「本集團」）在2000年12月20日資產重組之前的主營業務為化工基礎原料生產業務，在資產重組之後的主營業務轉為環保業務和城市基礎設施。本公司是天津市從事環保產業和基礎設施的唯一一家境外上市公司。

### 財務概要

按中國會計規則編製之本集團以往五年業績及資產負債概要載於本年報第12頁。

按香港會計原則編製之本集團以往五年業績及資產負債概要載於本年報第14頁。

### 業績與分配

按照中國會計規則和香港會計原則編製之本集團截至2005年12月31日止年度的業績和利潤分配分別載於本年報第131頁及第132頁之利潤及利潤分配表內及第190頁之綜合損益表內。

以下為按主要業務劃分之本集團營業額及減去財務費用後的經營盈利（根據香港會計原則編製）之分析：

### Principal Activities

Prior to the asset exchange took place on 20th December, 2000, the principal activity of the Company and its subsidiaries (the "Group") was the manufacturing of chemical raw materials. Following the completion of asset exchange, the principal activities of the Company have been changed to environmental protection and urban infrastructure construction. The Company is the only company in the Tianjin City engaged in environmental protection and urban infrastructure construction that is listed in overseas.

### Financial Summary

A summary of the Group's results and assets and liabilities for the last five years prepared under PRC GAAP is set out on page 12 of the annual report.

A summary of the Group's results and assets and liabilities for the last five years prepared under HK GAAP is set out on page 14 of the annual report.

### Results and Appropriations

The results and profit appropriation of the Group for the year ended 31st December, 2005 as prepared in accordance with PRC GAAP and HK GAAP are set out in the profit and loss account and the profit appropriation statement on pages 131 and 132, and the consolidated profit and loss account on page 190 of this annual report, respectively.

An analysis of the Group's turnover and contribution to operating profit after finance costs by principal activities (based on the accounts prepared under HK GAAP) is as follows:

		Turnover 營業額		Operating profit before taxation (including finance costs) 除稅前經營盈利貢獻 (包括財務費用)	
		2005 人民幣千元 RMB'000	2004 人民幣千元 RMB'000 經重列 Restated	2005 人民幣千元 RMB'000	2004 人民幣千元 RMB'000 經重列 Restated
污水處理及污水處理廠建設	Sewage water processing and construction of sewage water treatment plants	504,539	647,517	313,252	475,331
道路及收費站	Road and toll stations	61,699	63,646	44,941	44,057
建築材料	Construction materials	1,775	2,574	(5,151)	(2,908)
中水處理	Water recycling	12,482	—	(6,397)	—
未分部	Unallocated	—	—	7,552	—
合計	Total	<u>580,495</u>	<u>713,737</u>	<u>354,197</u>	<u>516,480</u>

## 股息

董事會並無宣佈派發中期股息（2004年：無）。董事會建議派付截至2005年12月31日止年度之末期股息（含稅）每10股人民幣0.40元（2004年：每10股人民幣1元）。

## Dividends

The Directors did not declare an interim dividend (2004: nil). They recommend the payment of a final dividend (tax included) of RMB0.40 per 10 Shares for the year ended 31st December, 2005 (2004: RMB1 per 10 shares).

## 股本變動情況

### 1. 本公司股份變動情況表：

本報告期內本公司無送股或內部職工股上市的情形。本公司總股本和股本結構之變化如下：

## Details of Share Capital of the Company

### (1) Table of changes in share capital of the Company:

During the reporting period, the Company has not issued any bonus Shares, or listed any employee Shares. The changes in the structure of the Company's share capital and the number of Shares in issue are set out below:

股本變動前 Beginning of the year (股) (Shares)	比例 Percentage (%)	配股 Share placement (股) (Shares)	送股 Bonus issue (股) (Shares)	本年變動增加/(減少) Increase/(decrease) during the year			小計 Sub-total (股) (Shares)	股本 變動後 End of the year (股) (Shares)	比例 Percentage (%)
				公積金 轉股 Transfer of surplus to capital (股) (Shares)	增發 Share issue (股) (Shares)	其他 Others (股) (Shares)			
一、 尚未流通股份 A. Non-circulating Shares									
1. 發起人股份其中： 1. Promoter Shares comprising:									
國家擁有股份 State Shares	839,020,000	63.08	—	—	—	—	839,020,000	63.05	
境內法人持有股份 Domestic legal persons Shares	38,485,000	2.90	—	—	—	—	38,485,000	2.90	
尚未流通股份合計 Sub-total	877,505,000	65.98	—	—	—	—	877,505,000	65.95	
二、 已上市流通股份 B. Circulating Shares									
1. 人民幣普通股 1. RMB ordinary Shares									
112,495,000	8.46	—	—	—	—	658,058	658,058	113,153,058	8.50
2. 境外上市的外資股 2. Non-domestic listed foreign currency Shares									
340,000,000	25.56	—	—	—	—	—	—	340,000,000	25.55
已流通股份合計 Sub-total	452,495,000	34.02	—	—	—	658,058	658,058	453,153,058	34.05
三、 股份總數 C. Total	1,330,000,000	100	—	—	—	658,058	658,058	1,330,658,058	100

## 股本變動情況 (續)

## (2) 股票發行與上市情況

## 1. 前三年歷次股票發行情況

本公司經中國證監會(證監發行字[2004]100號)文件核准,於2004年7月1日發行人民幣12億元A股可轉換公司債券,並於2004年7月19日在上海證券交易所掛牌交易,轉債期限5年,轉股期為2005年7月1日至2009年6月30日。《發行A股可轉債券募集說明書》、《發行公告》和《上市公告書》已分別刊登於2004年6月26日和7月10日的《中國證券報》、《上海證券報》及上海證券交易所網站。

## Details of Share Capital of the Company (Continued)

## (2) Issue and listing of Shares:

## 1. Issue of Shares in the recent past three years

As approved by CSRC under document Zheng Jian Fa Xing Zi [2004] No. 100, the Company issued RMB1,200 million A Shares Convertible Bonds on 1st July, 2004, which were listed and commenced dealings on the SSE on 19th July, 2004. The A Share Convertible Bonds have a convertible term of 5 years from 1st July, 2005 to 30th June, 2009. The "Prospectus for the Issuance of A Share Convertible Bonds", the "Notice of Issue" and the "Notice of Listing" have been published on the China Securities Journal on 26th June, 2004, Shanghai Securities on 10th July, 2004 and the website of the SSE.

單位:股 幣種:人民幣  
Unit: Share Currency: RMB

種類 Category	發行日期 Issue Date	發行價格 Issue Price (元) (RMB)	發行數量 Issue Amount (元) (RMB)	上市日期 Listing Date	獲准上市 交易數量 Amount Allowed for Listing (元) (RMB)	交易 終止日期 Date for Termination of Transaction
A股可轉換公司債券 A Share Convertible Bonds	2004年 7月1日 1st July, 2004	100	1,200,000,000	2004年 7月1日 1st July, 2004	1,200,000,000	2009年 6月30日 30th June, 2009

2. 公司股份總數及結構的變動情況

本公司 A 股可轉換公司債券於 2005 年 7 月 1 日進入轉股期。由於 2005 年 8 月 5 日至 2005 年 8 月 11 日進行 A 股可轉債券回售，此次共有 8,239,020 張 A 股可轉債券的持有人進行回售。截止 2005 年 12 月 30 日收盤，已有人民幣 4,001,000 元本公司發行的「A 股可轉債券」換成本公司的 A 股股票「創業環保」(600874)；2005 年累計轉股股數為 658,058 股，佔本公司總股本的 0.049%；尚有人民幣 372,097,000 元的「A 股可轉債券」未轉股。

截止本報告期末，本公司總股本為 1,330,658,058 股。

3. 回售 A 股可轉債

有關回售 A 股可轉債，請參見本年報 25 頁。

4. 現存的內部職工股情況

本報告期末公司無內部職工股。

2. Changes in the total number and structure of Shares

The Company's A Share Convertible Bonds conversion period commenced from 1st July, 2005, and holders of 8,239,020 A Share Convertible Bonds holders exercised their redemption right during the period from 5th August, 2005 to 11th August, 2005. As at 30th December, 2005, 40,010 A Share Convertible Bonds were converted into the Company's A Shares "Tianjin Capital" (600874). As at 31st December, 2005, the accumulated numbers of Shares converted was 658,058 A Shares, representing 0.049% of the Company's total issued share capital while 3,720,970 A Share Convertible Bonds amounting to RMB372,097,000 remained outstanding.

As at 31st December, 2005, the total number of issued share capital of the Company is 1,330,658,058 Shares.

3. Redemption of A Share Convertible Bonds

Details of redemption of A Share Convertible Bonds, please refer to page 25 of this annual report.

4. Existing internal employee Shares

There was no internal employee Shares during the reporting period.

**股東情況介紹**

1. 於本報告期末即 2005 年 12 月 31 日，本公司股東總數為 33,026 戶，流通 H 股股東 110 戶。
2. 於 2005 年 12 月 31 日持有本公司 5% 以上（包含 5%）股份之股東及前 10 名最大股東持股情況
  - (1) 持有本公司 5% 以上（含 5%）的股東有天津市政投資有限公司（「天津市政」）一名，其持有本公司國有股 839,020,000 股，約佔總股本的 63.05%，為本公司的第一大股東（「控股股東」），本報告期內，其所持股票有質押或凍結的情況，詳情列載於本年報第 269 頁。

**Details of Shareholders**

1. The total number of Shareholders as at 31st December, 2005 is 33,026, and 110 Shareholders of H circulating Shares.
2. As at 31st December, 2005, the Shareholders who had interests in more than 5% (5% inclusive) of the total issued share capital and the top ten Shareholders were as follows
  - (1) Only TMICL, who has interests in more than 5% (5% inclusive) of the total issued share capital of the Company holding 839,020,000 Shares, representing approximately 63.05% of the Company's issued share capitals and is the Company's largest Shareholder (i.e. the controlling Shareholder). During the reporting period, TMICL had pledged or frozen of the Company's Shares, details of which are set out in page 269 of this annual report.

股東情況介紹 (續)

前 10 名最大股東持股情況

Details of Shareholders (Continued)

The top ten Shareholders

名次 No.	股東名稱 Name of Shareholders	股東性質 Type of Shareholders	所佔 比例(%) Percentage to total Share capital of the Company (%)	年末 持股數量 Number of Shares held at the end of the year (股) (Shares)	年度內增減 Increase(+)/ Decrease (-) during the year	股份類別 (已流通 或未流通) Class (circulating/ non-circulating)	持有 非流通股 數量 Number of non-circulating Shares (股) (Shares)	質押或 凍結的 股份數量 Number of Shares pledged or frozen (股) (Shares)
1	天津市政投資有限公司 TMICL	國有股 State Shares	63.05	839,020,000	無 Nil	未流通 Non-circulating	839,020,000	215,400,000
2	香港中央結算(代理人)有限公司 HKSCC Nominees Limited	外資股 Foreign Shares	25.32	336,960,900	增加 386,000 +386,000	已流通 Circulating	0	未知 Unknown
3	瀋陽鐵路局經濟發展總公司 Shengyang Railway Bureau Economy Development Co., Ltd.	其他 Others	0.26	3,500,000	無 Nil	未流通 Non-circulating	3,500,000	未知 Unknown
4	中國華電電站裝備工程(集團)總公司 China Huadian Power Plant Equipment Engineering Co., Ltd.	其他 Others	0.14	1,866,858	增加 19,000 +19,000	已流通 Circulating	0	未知 Unknown
5	中國銀河證券有限責任公司 Galaxy Securities	其他 Others	0.11	1,500,000	無 Nil	未流通 Non-circulating	1,500,000	未知 Unknown
6	中國工商銀行-博時精選股票證券投資基金 Industrial and Commercial Bank of China - Boshi Industrial Securities Investment Fund	其他 Others	0.10	1,304,700	未知 Unknown	已流通 Circulating	0	未知 Unknown
7	長沙海晟科貿有限公司 Changsha Hai Sheng Technology and Trade Company	其他 Others	0.08	1,001,000	增加 1,000 +1,000	部分流通、 部分未流通 Partial circulating and partial non-circulating	1,000,000	未知 Unknown
8	國泰天證 Guotai Tian Zheng	其他 Others	0.08	1,000,000	無 Nil	未流通 Non-circulating	1,000,000	未知 Unknown
9	中國航空結算中心 China Air Clearing Center	其他 Others	0.08	1,000,000	無 Nil	未流通 Non-circulating	1,000,000	未知 Unknown
10	中國建設銀行天津市分行津宏支行 Jinhong Sub-branch, Tianjin Branch of China Construction Bank	其他 Others	0.08	1,000,000	無 Nil	未流通 Non-circulating	1,000,000	未知 Unknown

**股東情況介紹 (續)**

## (2) 前 10 名最大股東持股情況

*附註：*

1. 根據香港中央結算(代理人)有限公司(HKSCC NOMINEES LIMITED)提供的股東名冊，其持有之 H 股股份乃代表多個客戶所持有。
2. 前十名股東均不是本公司的戰略投資者。

## (3) 十大股東相關情況

本公司第 1 名股東與第 2 名至第 10 名股東之間非關聯關係或一致行動人，第 2 名至第 10 名股東之間未知是否存在關聯關係。

**Details of Shareholders (Continued)**

## (2) The top ten Shareholders were as follows:

*Notes:*

1. Pursuant to the register of the Shareholders as provided by the HKSCC Nominees Limited, H Shares were held on behalf of various clients' accounts.
2. The top ten Shareholders were not strategic investors of the Company.

## (3) The relationship of top ten Shareholders

There is no relationship and no parties acting in concert between the largest Shareholder and the 2nd to 10th largest Shareholders. However, it is not certain whether there are any such relationships among the 2nd to 10th largest Shareholders.

**股東情況介紹 (續)**

3. 本公司控股股東情況介紹

(1) 控股股東情況

控股股東 天津市政投資  
名稱： 有限公司

法定 馬白玉女士  
代表人：

註冊 人民幣  
資本： 1,820,000,000 元

成立日期： 1998 年 1 月 20 日

經營範圍：以自有資金對城市基礎設施、公路設施及配套設施進行投資、建設、經營及管理；房地產開發及經營、租賃；物業管理；以自有資金對銀河公園進行投資及管理；設備租賃（汽車除外）；自營和代理各類商品及技術的進出口業務（國家限定公司經營或禁止公司經營的商品和技術除外）（以上範圍內國家有專營專項規定的按規定辦理）。

**Details of Shareholders (Continued)**

3. Controlling Shareholder of the Company

(1) Description of the controlling Shareholder

Name of the controlling Shareholder: TMICL

Legal representative: Ms. Ma Baiyu

Registered Capital: RMB1,820,000,000

Date of incorporation: 20th January, 1998

Scope of operation: The investment, construction, operation and management of city infrastructure, road construction and auxiliary facilities with internal funds; development, operation and leasing of real estates; property management; investment and management in Yin He Park with internal funds; leasing of facilities (motor vehicles are excluded); import and export business of self-manufacturing and distribution of various commodities and technologies (commodities and technologies restricted by the State for trading or prohibited for trading are excluded) (in accordance with the State regulations for specific projects and operations).



**股東情況介紹 (續)**

## 3. 本公司控股股東情況介紹 (續)

## (2) 實際控制人情況

公司名稱：天津市市政工程局

法人代表：孫增印先生

主要經營 涉及道路、公路、橋  
業務或 樑、排水、地下鐵  
管理 路、工程設計、污水  
活動： 處理、房地產、服務  
業等多個行業。

天津市政投資有限公司的業務受天津市市政工程局監控。天津市市政工程局是天津市政府下設的主管全市市政、公路建設和管理的一級局，現任局長為孫增印先生。

## (3) 控股股東及實際控制人變更情況

本報告期內本公司控股股東及實際控制人沒有發生變化。

**Details of Shareholders (Continued)**

## 3. Controlling Shareholder of the Company (Continued)

## (2) Description of the beneficial controller

Company name: Tianjin Urban Construction Bureau

Legal representative: Mr. Sun Zhengyin

Major operations or management activities: industries involving roads, highways, bridges, sewage, subway trains, construction design, sewage water treatment, real estate and services industry etc.

The business of TMICL is under supervision control of Tianjin Urban Construction Bureau of the Tianjin Municipality. Tianjin Urban Construction Bureau of the Tianjin Municipality is the first class bureau in charge of municipality, highway construction and management of the city. The current bureau head is Mr. Sun Zengyin.

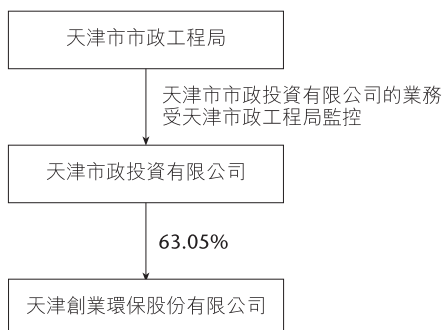
## (3) Change in the controlling Shareholder and its beneficial holder.

During the reporting period, there was no change in the controlling Shareholder and its beneficial holder.

股東情況介紹 (續)

3. 本公司控股股東情況介紹 (續)

(4) 公司與實際控制人之間的產權及控制關係的方框圖



4. 其他持股10% (含10%) 以上的法人股東情況

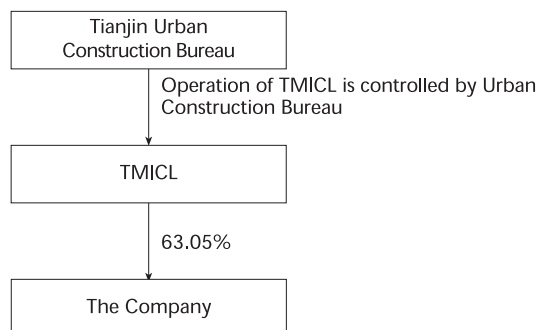
本報告期內本公司沒有其他持股10% (含10%) 以上的法人股東。

5. 於2005年12月31日, 本公司前10名流通股股東持股情況

Details of Shareholders (Continued)

3. Controlling Shareholder of the Company (Continued)

(4) Flowchart on the shareholding interests and relationship of control between the Company and its beneficial holder



4. Other legal persons who had interests in more than 10% of the total issued share capital of the Company

During the reporting period, there was no other legal persons who had interests in more than 10% of the total issued share capital of the Company.

5. As at 31st December, 2005, the top ten Shareholders of the Company's circulating Shares were as follows

名次 No.	股東名稱 Name of Shareholders	年末持有流通股股數 Number of circulating Shares held at the end of the year	股份類別 Type of Shares
1	香港中央結算 (代理人) 有限公司 HKSCC Nominees Limited	336,960,900	境外上市外資股
2	中國華電電站裝備工程 (集團) 總公司 China Huadian Power Equipment Engineering Co., Ltd.	1,866,858	H Shares 人民幣普通股
3	中國工商銀行-博時精選股票證券投資基金 Industrial and Commercial Bank of China - Boshi Industrial Securities Investment Fund	1,304,700	A Shares 人民幣普通股
4	中國建設銀行-國泰金馬穩健回報證券投資基金 China Construction Bank - Guotai Jimma Soild Securities Investment Fund	800,000	A Shares 人民幣普通股
5	HSBC NOMINEES (HONG KONG) LIMITED HSBC Nominees (HK) Limited	656,000	境外上市外資股 H Shares
6	顧正信 Gu Zhengxin	462,000	人民幣普通股 A Shares
7	林延秋 Lin Yanqiu	430,300	人民幣普通股 A Shares
8	王鵬 Wang Peng	384,600	人民幣普通股 A Shares
9	田卉莘 Tian Huishen	383,868	人民幣普通股 A Shares
10	申銀萬國-花旗-UBS LIMITED Shen Yin Wan Guo Securities Co., Ltd. - CITI-UBS Limited	378,370	人民幣普通股 A Shares

**股東情況介紹 (續)**

5. 於2005年12月31日，本公司前10名流通股股東持股情況 (續)

附註：

1. 第1名至第10名股東之間未知是否存在關聯關係。
2. 前十名流通股股東和前十名股東之間未知是否存在關聯關係。

6. 公眾持股量

根據已公布資料及據董事所知，於本報告日期，本公司已按照上市規則維持規定的公眾持股量。

**Details of Shareholders (Continued)**

5. As at 31st December, 2005, the top ten Shareholders of the Company's circulating Shares were as follows (Continued)

Notes:

1. It is not certain whether there are any such relationships among the 1st to 10th largest Shareholders holding listed Shares.
2. It is not certain whether there are any such relationships among the top ten Shareholders holding listed Shares and the top ten Shareholders holding circulating Shares.

6. Public float

On the basis of publicised information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules as at the date of this annual report.

股東情況介紹 (續)

7. 董事、監事及主要行政人員於本公司或其任何相聯法團的股份、有關股份及債券中的權益及短倉

於 2005 年 12 月 31 日，本公司各董事、監事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第 XV 部份）的股份、有關股份及債券中，根據證券及期貨條例第 XV 部份第 7 及 8 分部須知會本公司及聯交所的權益及短倉，或根據證券及期貨條例第 352 條須記入所述登記冊內的權益及短倉，或根據上市規則附錄 10 須知會本公司及聯交所的權益及短倉如下：

Details of Shareholders (Continued)

7. Directors', Supervisors' and the Company's chief executives' interests or short positions in the shares, underlying shares and debentures of the Company or any associated corporations.

As at 31st December, 2005, the interests and short positions of the Directors, Supervisors (as if the requirements applicable to the Directors under the SFO had applied to the Supervisors) and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Appendix 10 to the Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange were as follows:

姓名 Name	本公司／ 相聯法團名稱 The Company/name of associated corporation	持有身份 Capacity	證券數目及類別 (附註) Number and class of securities (Note 1)	估本公司／ 相聯法團全部 已發行股本的 概約百分比 Approximate percentage in the entire issued share capital of the Company/ associated corporation
<b>董事</b> Director				
王占英 Wang Zhanying	本公司 The Company	實益擁有人 Beneficial owner	5,000 股內資股 (L) 5,000 domestic Shares (L)	0.00038% 0.00038%
<b>監事</b> Supervisor				
聶有壯 Nie Youzhuang	本公司 The Company	實益擁有人 Beneficial owner	700 股內資股 (L) 700 domestic Shares (L)	0.000053% 0.000053%

## 股東情況介紹 (續)

附註：

1. 英文字母「L」表示於本公司或其相聯法團的股份及有關股份中的權益。

除本報告所披露外，概無任何本公司董事或行政總裁於二零零五年十二月三十一日，擁有任何本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第 XV 部份）的股份、有關股份及債券中，根據證券及期貨條例第 XV 部份第 7 及 8 分部須知會本公司及聯交所的權益及短倉，或根據證券及期貨條例第 352 條須記入所述登記冊內的權益及短倉，或根據上市規則附錄 10 須知會本公司及聯交所的權益及短倉。

8. 主要股東及其他人士於本公司股份及有關股份中的權益及短倉

於 2005 年 12 月 31 日，根據本公司按照證券及期貨條例第 336 條存置的登記冊記錄，下列人士及實體（本公司董事、監事或行政總裁除外）於本公司股份及有關股份中擁有權益或淡倉：

股東姓名／名稱 Name of Shareholder	身份 Capacity	證券數目及類別 (附註 1) Number and class of securities (Note 1)	佔有關證券類別 的概約百分比 Approximate percentage in the relevant class of securities	佔本公司全部 已發行股本的 概約百分比 Approximate percentage in the entire issued share capital of the Company
天津市政投資有限公司 TMICL	實益擁有人 Beneficial owner	839,020,000 股國家股 (L) 839,020,000 State Shares (L)	84.69%	63.05%
ISIS Assets Management Plc.	投資經理人 Investment Manager	17,286,000 股 H 股 (L) 17,286,000 H Shares (L)	5.08%	1.30%

附註：

1. 英文字母「L」表示有關實體於本公司股份中的權益。

## Details of Shareholders (Continued)

Note:

1. The letter "L" represents the interests in the share and underlying shares of the Company or its associated corporations.

Save as disclosed above, none of the Directors, the Supervisors or chief executives of the Company, who, as at 31st December, 2005, had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO), which would have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Appendix 10 to the Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange.

8. Substantial Shareholders' and other persons' interests and short positions in the shares and underlying shares of the Company

As at 31st December, 2005, the following person or entities, other than a Director, Supervisor or chief executive of the Company, had an interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

### 股東情況介紹 (續)

除本報告所披露外，概無任何人士（本公司董事或行政總裁除外）於二零零五年十二月三十一日，根據本公司按照證券及期貨條例第336條存置的登記冊記錄，於本公司股份及有關股份中擁有權益或淡倉。

### 可轉換公司債券情況

#### 1. 轉債發行情況

本公司經中國證監會（證監發行字[2004]100號）文件核准，於2004年7月1日發行人民幣12億元A股可轉換公司債券，並於2004年7月19日在上海證券交易所掛牌交易，轉債期限5年，轉股期為2005年7月1日至2009年6月30日。《發行A股可轉債募集說明書》、《發行公告》和《上市公告書》已分別刊登於2004年6月26日和7月10日的《中國證券報》、《上海證券報》及上海證券交易所網站。

#### 2. 本報告期轉債持有人情況

本公司期末轉債持有人數：1,232戶

### Details of Shareholders (Continued)

Save as disclosed above, there is no person (other than a Directors, Supervisors or chief executive of the Company) who, as at 31st December, 2005, had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

### A Share Convertible Bonds of the Company

#### 1. Issue of the A Share Convertible Bonds

As approved by CSRC under document Zheng Jian Fa Xing Zi [2004] No. 100, the Company issued RMB1,200 million A Shares Convertible Bonds on 1st July, 2004, which were listed and commenced dealings on the SSE on 19th July, 2004. The A Share Convertible Bonds have a convertible term of 5 years from 1st July, 2005 to 30th June, 2009. The "Prospectus for the issuance of the A Share Convertible Bonds", the "Notice of Issue" and the "Notice of Listing" have been published on the China Securities Journal on 26th June, 2004, Shanghai Securities on 10th July, 2004 and the website of the SSE.

#### 2. Holders of the A Share Convertible Bonds during the reporting period

Number of holders of the Company's A Share Convertible Bonds as at the end of the reporting period: 1,232

## 可轉換公司債券情況 (續)

## 2. 本報告期轉債持有人情況 (續)

本公司前十名轉債持有人情況如下：

## A Share Convertible Bonds of the Company (Continued)

## 2. Holders of the A Share Convertible Bonds during the reporting period (Continued)

Top ten holders of the Company's A Share Convertible Bonds:

單位：人民幣元

Unit: RMB

持有比例 %  
Approximate  
percentage  
of the total  
number of  
A Share  
Convertible  
Bonds  
%

## 可轉換公司債券持有人名稱

Holders of the Company's  
A Share Convertible Bonds期末持債數量  
Amounts held  
at the end  
of the period

中油財務有限責任公司	China Petroleum Finance Co., Ltd.	98,674,000	26.52
交通銀行－華安寶利配置證券投資基金	Bank of Communications — Hua An Bao Li Securities Investment Fund	37,718,000	10.14
中國工商銀行－國聯安德盛小盤精選證券投資基金	ICBC — GTJA Allianz Desheng Small Scale Securities Investment Fund	25,697,000	6.91
申銀萬國－滙豐－SOCIETE GENERALE	Shen Yin Wan Guo Securities Co., Ltd — HSBC — SOCIETE GENERALE	23,356,000	6.28
中國銀行－嘉實服務增值行業證券投資基金	Bank of China — Jiashi Service Increment Industries Security Investment Fund	21,017,000	5.65
天津市政投資有限公司	TMICL	20,880,000	5.61
寶鋼集團財務有限責任公司	BAOSTEEL Finance Co., Ltd.	19,038,000	5.12
中信證券股份有限公司－中國銀行股份有限公司－中信證券避險共贏集合資產管理計劃	CITIC Securities Co., Ltd. — Bank of China Co., Ltd. — CITIC Securities Assets Management	13,364,000	3.59
中國平安保險（集團）股份有限公司	Ping An Insurance (Group) Company of China, Ltd.	13,073,000	3.51
中國工商銀行－德盛穩健證券投資基金	ICBC — Desheng Solid Securities Investment Fund	11,053,000	2.97

## 3. 本報告期轉債變動情況

## 3. Changes in the A Share Convertible Bonds during the reporting period

	本次變動前 Prior to the current changes (RMB)	本次變動增減 Increase/reduction in the current changes			本次變動後 After the current changes (RMB)
		轉股 converted (RMB)	贖回 redeemed (RMB)	回售 resold (RMB)	
可轉換公司債券	A Share Convertible Bonds 1,200,000,000	4,001,000	0	823,902,000	372,097,000

### 可轉換公司債券情況 (續)

#### 4. 本報告期轉債累計轉股情況

截止本報告期末，已有人民幣4,001,000元的本公司發行的可轉換債券轉成公司股票，轉股數為658,058股，累計轉股數為658,058股，佔轉股前本公司已發行股份總數的0.049%；尚有人民幣372,097,000元的轉債未轉股，佔轉債發行總量的31.01%。

#### 5. 轉股價格歷次調整情況

1. 公司實施2004年度每10股派發現金人民幣1.00元的分配方案後，根據發行A股可轉債券募集說明書中轉股價格調整的有關規定，A股可轉債券的轉股價格從2005年7月28日起由原來的每股人民幣7.70元調整為每股人民幣7.60元。(詳見2005年7月22日，《上海證券報》、香港《文匯報》和《The Standard》；中國證監會指定國際互聯網網址：<http://www.sse.com.cn>，香港聯交所之互聯網網址：<http://www.hkex.com.hk>)。

### A Share Convertible Bonds of the Company (Continued)

#### 4. Aggregated conversion of the A Share Convertible Bonds during the reporting period

As at the end of this reporting period, A Share Convertible Bonds amounting to RMB4,001,000 issued by the Company have been converted into Shares of the Company. The number of Shares converted was 658,058 Shares and the accumulated number of Shares converted was 658,058 Shares, representing 0.049% of the total number of Shares issued by the Company before conversion. There were A Share Convertible Bonds amounting to RMB372,097,000 which have not been converted into Shares, representing 31.01% of the total number of A Share Convertible Bonds.

#### 5. Adjustments in the conversion prices of the A Share Convertible Bonds

1. Following the implementation of the distribution plan of distributing RMB1.00 in cash for each 10 shares in 2004, pursuant to the relevant provisions in respect of conversion price adjustments under the "Prospectus for the issuance of A Share Convertible Bonds, the conversion price of A Share Convertible Bonds will be adjusted from RMB7.70 per Share to RMB7.60 per Share. (For details, please see the Shanghai Securities, the Hong Kong Wen Wei Pao and The Standard in Hong Kong on 22nd July, 2005; the Internet website designated by the CSRC: <http://www.sse.com.cn>, the Internet website of the Hong Kong Stock Exchange: <http://www.hkex.com.hk>.)



**可轉換公司債券情況 (續)**

## 5. 轉股價格歷次調整情況 (續)

2. 鑒於本公司可轉換債券自2005年7月1日進入轉股期至2005年7月28日已滿20個交易日，而由於市場持續低迷，致使本公司A股股價一直低於轉股價格的80%，因此按照《發行A股可轉債券募集說明書》中有關轉股價格特別向下修正條款的規定，經本公司董事會審議決定將當期轉股價格向下修正20%，即由人民幣7.60元修正為人民幣6.08元。根據募集說明書轉股價格調整的有關規定，本公司於2005年8月1日調整轉股價格，調整後的轉股價格為人民幣6.08元。(詳見2005年7月29日，《上海證券報》、香港《文匯報》和《The Standard》；中國證監會指定國際互聯網網址：<http://www.sse.com.cn>，香港聯交所之互聯網網址：<http://www.hkex.com.hk>)。

截止本報告期末，轉債的最新轉股價格為人民幣6.08元。

## 6. 轉債的擔保人

本公司轉債的擔保人是中國建設銀行天津分行。

**A Share Convertible Bonds of the Company (Continued)**

## 5. Adjustments in the conversion prices of the A Share Convertible Bonds (Continued)

2. As 20 trading days have elapsed since the A Share Convertible Bonds of the Company have entered the conversion period since 1st July, 2005 until 28th July, 2005 and a continued downturn in the market, the price of A Shares of the Company has been lower than 70% of the conversion price. Therefore, pursuant to the provision of special downward revision of the conversion price as set out in the "Prospectus for the issuance of the A Share Convertible Bonds" (the "Prospectus"), the Board, after consideration, decided to revise the current conversion price downward by 20% from RMB7.60 to RMB6.08. Pursuant to the relevant provisions in respect of conversion price adjustments as set out in the Prospectus, the Company adjusted the conversion price of the A Share Convertible Bonds on 1st August, 2005. The adjusted conversion price of the A Share Convertible Bonds was RMB6.08. (For details, please see the Shanghai Securities Post, Hong Kong Wen Wei Pao and The Standard in Hong Kong on 29th July, 2005; the Internet website designated by the CSRC: <http://www.sse.com.cn>, the Internet website of the Hong Kong Stock Exchange: <http://www.hkex.com.hk>.)

As at the end of this reporting period, the latest conversion price of A Share Convertible Bonds was RMB6.08.

## 6. The guarantor of the A Share Convertible Bonds

The guarantor of the A Share Convertible Bonds was the Tianjin Branch of China Construction Bank.

可轉換公司債券情況 (續)

7. 轉債其他情況說明

本公司A股可轉換公司債券於2005年7月1日進入轉股期。自2005年7月1日至2005年7月28日連續20個交易日，本公司A股股票收盤價格低於當期轉股價格的70%。根據《發行A股可轉債券募集說明書》約定，本公司分別於2005年7月29日、8月2日、8月4日在《上海證券報》、香港《文匯報》和《The Standard》上刊登「A股可轉債券」(代碼：110874)回售公告。「A股可轉債券」回售申報期已於2005年8月11日上海證券交易所收市後結束。本次「A股可轉債券」回售申報期內，共有8,239,020張A股可轉債券被回售。本公司已根據回售申報數量將回售資金足額劃至中國證券登記結算有限責任公司上海分公司指定帳戶，並委託中國證券登記結算有限責任公司上海分公司代為支付，2005年8月16日，回售資金已經支付完畢。本次A股可轉債券回售導致了本公司年內財務費用增加人民幣16,478,040元。對因本次A股可轉債券回售所導致的資金缺口，本公司將安排相應的銀行貸款進行彌補，也將造成本公司財務成本的提高。

A Share Convertible Bonds of the Company (Continued)

7. Other situation of the A Share Convertible Bonds

The A Share Convertible Bonds of the Company have entered the conversion period on 1st July, 2005. During the 20 trading days between 1st July, 2005 and 28th July, 2005, the closing price of the Company's A Shares was lower than 70% of the current conversion price. Pursuant to the arrangement as set out in the "Prospectus for the issuance of A Share Convertible Bonds", the Company published announcements on the redemption of the A Share Convertible Bonds (Code: 110874) in the Shanghai Securities Post, Hong Kong Wen Wei Pao and The Standard in Hong Kong on 29th July, 2005, 2nd August, 2005 and 4th August, 2005 respectively. The redemption reporting period for the A Share Convertible Bonds has ended following the closing of the SSE on 11th August, 2005. During this redemption reporting period for the A Share Convertible Bonds, a total of 8,239,020 the A Share Convertible Bonds were sold back. The Company has transferred all proceeds for the redemption to the designated account of the Shanghai branch of Shanghai Securities Depository and Clearing Corporation Limited based on redemption reporting amount, and instructed the Shanghai branch of Shanghai Securities Depository and Clearing Corporation Limited to pay on its behalf. On 16th August, 2005, all proceeds for the redemption were paid. The redemption of the A Share Convertible Bonds led to an increase of RMB16,478,040 in the finance costs incurred by the Company during the year. As for the shortage of funds caused by the redemption of the A Share Convertible Bonds, the Company will arrange to cover this with corresponding bank loans, which will also increase the finance costs incurred by the Company.

**可轉換公司債券情況 (續)**

## 7. 轉債其他情況說明 (續)

本次回售結束後，本公司 A 股可轉債券餘額 3,760,980 張，按照截止本報告期末的轉股價格人民幣 6.08 元/股計算，將可轉換成本公司流通 A 股約 6,186 萬股，較回售前以 12,000,000 張計算的可轉換成本公司流通 A 股約 19,737 萬股有較大幅度減少，減少比例約為 69%。根據《上市公司發行可轉換公司債券實施辦法》及《上海證券交易所股票上市規則》，未回售的「A 股可轉債券」將繼續在上海證券交易所交易。

**本公司管理層和員工情況**

## 1. 董事、監事、高級管理人員情況

## (1) 董事、監事、高級管理人員基本情況

姓名 Name	性別 Gender	職務 Position	年齡 Age	任期起止日期 Term	年初持股數 Shareholding at the beginning of the year	年末持股數 Shareholding at the end of the year	報告期內從公司領取的報酬總額 (人民幣：千元) (稅後) Total remuneration received from the Company during the reporting period (RMB'000) (after tax)
馬白玉 Ma Baiyu	女 F	董事長 Chairman	44	2003.12.20-2006.12.19	0	0	127
安品東 An Pindong	男 M	董事 Director	38	2003.12.20-2006.12.19	0	0	88
顧啟峰 Gu Qifeng	男 M	董事及總經理 Director and General Manager	40	2003.12.20-2006.12.19	0	0	354
王占英 Wang Zhanying	男 M	董事 Director	51	2003.12.20-2006.12.19	5,000	5,000	88
譚兆甫 Tan Zhaofu	男 M	董事 Director	51	2003.12.20-2006.12.19	0	0	88
付亞娜 Fu Yana	女 F	董事、副總經理及董事會秘書 Director, Deputy General Manager and Company Secretary	35	2003.12.20-2006.12.19	0	0	294
王翔飛 Wang Xiangfei	男 M	獨立非執行董事 Independent non-executive Director	55	2005.04.16-2006.12.19	0	0	184
高宗澤 Gao Zongze	男 M	獨立非執行董事 Independent non-executive Director	67	2005.04.16-2006.12.19	0	0	177

**A Share Convertible Bonds of the Company (Continued)**

## 7. Other situation of the A Share Convertible Bonds (Continued)

Upon completion of the redemption, the Company has remaining 3,760,980 A Share Convertible Bonds. Based on the conversion price of RMB6.08 per Share as at the end of this reporting period, these can be converted into approximately 61.86 million negotiable A Shares of the Company, representing a sharp decrease of approximately 69% as compared with approximately 197.37 million negotiable A Shares converted based on 12,000,000 A Share Convertible Bonds before the redemption. Pursuant to the "Regulations governing the Implementation of the Issuance of A Share Convertible Bonds by Listing Companies" and the "Rules governing the Listing of Shares on the SSE", A Share Convertible Bonds not resold will continue to be traded on the SSE.

**Company's Management Structure and Employees' Information**

## 1. Directors, supervisors and senior management of the Company

## (1) Details of Directors, Supervisors and senior management of the Company

報告期內從公司領取的報酬總額  
(人民幣：千元)  
(稅後)  
Total remuneration received from the Company during the reporting period (RMB'000) (after tax)

本公司管理層和員工情況 (續)

Company's Management Structure and Employees' Information (Continued)

1. 董事、監事、高級管理人員情況 (續)

1. Directors, Supervisors and senior management of the Company (Continued)

(1) 董事、監事、高級管理人員基本情況 (續)

(1) Details of Directors, Supervisors and senior management of the Company (Continued)

姓名 Name	性別 Gender	職務 Position	年齡 Age	任期起止日期 Term	年初持股數 Shareholding at the beginning of the year	年末持股數 Shareholding at the end of the year	報告期內從公司領取的報酬總額 (人民幣：千元) (稅後) Total remuneration received from the Company during the reporting period (RMB'000) (after tax)
高寶明 Ko Poming	男 M	獨立非執行董事 Independent non-executive Director	48	2003.12.20-2006.12.19	0	0	184
張文輝 Zhang Wenhui	男 M	監事會主席 Chairman of Supervisory Committee	51	2003.12.20-2006.12.19	0	0	88
張明起 Zhang Mingqi	男 M	監事 Supervisor	49	2004.09.19-2007.09.18	0	0	129
聶有壯 Nie Youzhuang	男 M	監事 Supervisor	37	2003.12.20-2006.12.19	700	700	139
文秋利 Wen Qiuli	男 M	監事 Supervisor	39	2003.12.20-2006.12.19	0	0	123
侯曉儉 Hou Xiaojian	女 F	監事 Supervisor	41	2003.12.20-2006.12.19	0	0	138
徐志勇 Xu Zhi Yong	男 M	監事 Supervisor	35	2005.10.16-2008.10.15	0	0	109
陳銀杏 Chen Yinxiang	女 F	總會計師 Chief Accountant	32	2005.2.22-2008.2.21	0	0	194
郭輝 Guo Hui	男 M	總經濟師 Chief Economist	32	2005.2.22-2008.2.21	0	0	194
羅連芳 Luo Lianfang	男 M	副總經理 Deputy General Manager	58	2003.12.20-2006.12.19	0	0	226
林文波 Lin Wenbo	男 M	副總經理 Deputy General Manager	49	2003.12.20-2006.12.19	0	0	230
朱雁伯 Zhu Yanbo	男 M	副總經理 Deputy General Manager	58	2003.12.20-2006.12.19	0	0	228
劉文亞 Liu Wenya	男 M	副總經理 Deputy General Manager	48	2003.12.20-2006.12.19	0	0	227
王宏仁 Wang Hongren	男 M	副總經理 Deputy General Manager	61	2003.12.20-2006.12.19	0	0	224
鄧彪 Deng Biao	男 M	總工程師 Chief Engineer	40	2003.12.20-2006.12.19	0	0	210

## 本公司管理層和員工情況 (續)

## Company's Management Structure and Employees' Information (Continued)

## 1. 董事、監事、高級管理人員情況 (續)

## 1. Directors, Supervisors and senior management of the Company (Continued)

## (1) 董事、監事、高級管理人員基本情況 (續)

## (1) Details of Directors, Supervisors and senior management of the Company (Continued)

姓名 Name	性別 Gender	職務 Position	年齡 Age	任期起止日期 Term	年初持股數 Shareholding at the beginning of the year	年末持股數 Shareholding at the end of the year	報告期內從 公司領取的 報酬總額 (人民幣：千元) (稅後) Total remuneration received from the Company during the reporting period (RMB'000) (after tax)
葉沛森 Ip Pui Sum	男 M	董事會秘書 (香港) Company Secretary in Hong Kong	47	2003.12.20-2006.12.19	0	0	96
杜惠琴 To Wai Kum	女 F	全職合資格會計師 Full-time Qualified Accountant	43	2004.12.16-2005.12.31	0	0	84
合計 Total							4,223

本公司管理層和員工情況 (續)

Company's Management Structure and Employees' Information (Continued)

1. 董事、監事、高級管理人員情況 (續)

1. Directors, Supervisors and senior management of the Company (Continued)

(2) 在股東單位任職情況

(2) Positions held at the Shareholder's entity

姓名 Name	股東單位名稱 Name of the Shareholders'	擔任的職務 Positions held	任期起始日期 Commencement of employment	是否領取報酬津貼 Any remuneration, allowance received
馬白玉 Ma Baiyu	市政投資 TMICL	董事長 Chairman	2003.11.21	否 No
安品東 An Pindong	市政投資 TMICL	總經理 General Manager	2005.2.22	是 Yes
張文輝 Zhang Wenhui	市政投資 TMICL	總支書記 Chief Party Committee Secretary	2003.10.22	是 Yes

在股東單位任職情況的說明：

Description on the positions held at the Shareholder's entity:

除以上任職外，本公司董事、監事和高級管理人員均不在控股股東擔任董事以外的任何職務。

Save as the above duties, the Directors, Supervisors and senior management of the Company did not take up any non-director positions for the controlling Shareholder.

2. 在其他單位任職情況

2. Positions held at other entities

姓名 Name	其他單位名稱 Name of the other entities	擔任的職務 Positions held	是否領取報酬津貼 Any remuneration, allowance received
馬白玉 Ma Baiyu	天津市政工程局 Tianjin Urban Construction Bureau	總經濟師 Chief Economist	是 Yes

在其他單位任職情況的說明：

Explanation on the positions held at other entities:

除以上任職外，本公司部分董事、監事和高級管理人員在本公司控股子公司和參股資公司任職。

Apart from the above positions, some of the Directors, Supervisors and senior management also held positions in the Company's subsidiaries.

**本公司管理層和員工情況 (續)**

## 3. 董事、監事、高級管理人員報酬情況

- (1) 董事、監事、高級管理人員報酬的決策程序：本公司董事、監事的報酬依據本公司股東大會審議通過的董事、監事服務協議和公司的經營績效確定其報酬。本公司高級管理人員根據其經營和管理業績以及所承擔的責任、風險確定其收入，實行「年薪制」，並由公司績效考核工作組通過年終績效考核確定其績效年薪。
- (2) 董事、監事及高級管理人員報酬確定依據：本公司董事、監事及高級管理人員的報酬根據生產經營任務及其日常工作完成情況發放，並根據年度經營目標和績效指標的完成情況和考核結果兌現年薪。
- (3) 本公司並無在本會計年度內支付董事、監事、高級管理人員及員工房屋津貼、其他津貼及非現金利息以及花紅，亦無為促使董事、監事及高級管理人員加盟或補償董事因失去董事、監事、高級管理人員及員工職位而支付的款項。本公司無董事、監事及高級管理人員放棄或同意放棄任何薪酬安排；本公司亦無為董事、監事、高管人員提供任何貸款，除薪酬外，本公司董事、監事和高管也沒有其從他合約中獲得其他利益。於報告期內就本公司全部業務或其中重要部份訂立任何管理及行政合約。本公司並無一些董事或監事在本會計年度內仍然或曾經直接或間接擁有重大權益的重大合同。

**Company's Management Structure and Employees' Information (Continued)**

## 3. Remunerations of Directors, Supervisors and senior management of the Company

- (1) The procedures for determining the remuneration of the Directors, Supervisors and the senior management of the Company: the remuneration of the Directors and Supervisors will be determined in accordance with the service agreements entered into with the Directors and Supervisors as approved in the Company's general meetings and the Company's operating results. A system of annual income was implemented and the income of the senior management officers was based on their operational and management result performance, responsible duties and risk exposure. Their performance-based annual income was determined by the appraisal division of the Company upon year-end appraisal arrangement.
- (2) The basis for determining the remuneration of the Directors, Supervisors and the senior management of the Company: the remuneration of the Company's Directors, Supervisors and the senior management will be distributed in accordance with the achievements in production and operation and the usual management activities. The annual package will be determined upon the achievement of annual operating targets and performance indicators and performance appraisal results.
- (3) During the reporting period, the Company did not pay any housing allowance, other allowance and benefits in kind and bonus to Directors, Supervisors, senior management and staff, and make any payment to them as an inducement to join the Company or as compensation for loss of office of Directors, Supervisors, senior management and staff. None of the Directors and Supervisors of the Company waived or agreed to waive any emoluments. The Company has not provided any loans to Directors, Supervisors or senior management. Apart from remuneration, the Directors, Supervisors and senior management of the Company have not derived other benefits from other contracts. No Directors, Supervisors and their associates or any Shareholders are interested in the major suppliers and customers. No contract of significance subsisting during or at the end of the financial year in which the Directors or Supervisors was materially interested, either directly or indirectly.

本公司管理層和員工情況 (續)

- (4) 本公司會計年度內，獲最高薪酬的五位人士的退休金供款資料如下：

姓名 Name	退休金供款 (人民幣元) Contribution to retirement benefit scheme (RMB)
顧啟峰 Gu Qifeng	10,560
付亞娜 Fu Yana	10,560
林文波 Lin Wenbo	10,560
朱雁伯 Zhu Yanbo	10,560
劉文亞 Liu Wenya	10,560

註：

- (1) 本公司其他董事並未從公司獲得退休金供款；
- (2) 以上五位人士基本薪酬均在港元100萬以內，有關本公司於報告期內發出的報酬總額的詳細情況，請參見本董事會報告書中的本公司管理層和員工情況

- (5) 概無董事及監事與本公司訂立不可由本公司於一年內終止而毋須支付賠償(法定賠償除外)的服務合約。

4. 本報告期內董事、監事、高級管理人員變動情況及原因

姓名 Name	擔任的職務 Title	離任原因 Reasons for leaving
陳玉曉 Chan Yuk Hiu	全職合資格會計師 Full time qualified accountant	個人原因 Personal reason
安品東 An Pindong	財務總監 Chief accountant	工作調動原因 Job position reallocation
王暉 Wang Hui	公司監事 Supervisor	工作調動原因 Job position reallocation

聘任或解聘公司高級管理人員的情況：

1. 根據本公司第三屆董事會第十一次會議決議，同意陳玉曉先生因個人原因辭去本公司全職合資格會計師職務，並聘任杜惠琴女士擔任本公司全職合資格會計師。

Company's Management Structure and Employees' Information (Continued)

- (4) Pension contribution: During the accounting period, the contributions made to the pension scheme for the highest paid individuals by the Company are as follows:

Notes:

- (1) Other Directors or Supervisors of the Company have not received any pension contributions from the Company;
- (2) The basic remuneration for the above persons is less than HK\$1 million. For details of the total remuneration paid by the Company during the reporting period, please refer to "Company's Management Structure and Employee's Information" in the Directors' Report.

- (5) None of the Directors and Supervisors has entered into a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

4. Change of Directors, Supervisors and senior management officers of the Company during the reporting period and the reasons for the change

Recruitment or removal of the Company's senior management of the Company

In the eleventh meeting of the Third Board of the Company, it was approved that Mr. Chan Yuk Hiu resigned from the position of the Company's full time qualified accountant due to personal reasons, and Ms. To Wai Kum was appointed as the Company's full time qualified accountant.



**本公司管理層和員工情況 (續)**

2. 根據本公司第三屆董事會第十二次會議決議，同意安品東先生因工作調動原因申請辭去本公司總會計師職務，並聘任陳銀杏女士為公司總會計師，聘任郭輝先生為公司總經濟師，任期自2005年2月22日起至2008年2月21日。
3. 根據本公司2005年10月16日職工代表大會決議，同意王暉先生因工作調動原因辭去本公司監事職務，並聘任徐志勇先生為本公司監事，任期自2005年10月16日起至2008年10月15日。

## 5. 本公司員工和薪酬政策情況

2005年度員工工資支出總額為人民幣20,516,000元。截止報告期末，公司在職員工為481人，需承擔費用的離退休職工為0人。本公司員工中有各種專業職稱的人數為232人，佔員工總數的48.23%，其中高級職稱50人、中級職稱67人、初級職稱115人，本公司擁有國際企業與國際投資、環境工程、道路橋樑、工程管理等專業的高級人才，各個層次的專業結構合理。

本公司對於管理層根據其管理技能、完成的管理工作內容、承擔的管理責任風險以及所創造的經濟效益確定其收入，實行「薪點制」工資。對於操作層根據其技能水平、勞動強度和難度以及企業完成產值與經濟效益情況確定其收入，實行「崗位技能工資」。

**Company's Management Structure and Employees' Information (Continued)**

In the twelfth meeting of the Third Board of the Company, it was approved that Mr. An Pindong resigned from the position of the Company's chief accountant due to job reallocation. Ms. Chen Yinxing was appointed as the Company's chief accountant, and Mr. Guo Hui was appointed as the Company's chief economist, with terms from 22nd February, 2005 to 21st February, 2008.

Pursuant to the resolution in the Company's staff representative meeting held on 16th October, 2005, the resignation of Mr. Wang Hui from his office as the Company's supervisor due to reallocation of position was accepted, and Mr. Xu Zhiyong was appointed as the Company's supervisor for a term from 16th October, 2005 to 15th October, 2008.

5. *An overview of the Company's staff and emolument policy*

The total remuneration expenses paid to the staff for the year 2005 is RMB 20,516,000. As at the end of the reporting period, the Company has 481 staff, with zero resignations or retirements which required payments. Of the Company's staff, there were 232 persons with professional positions, representing 48.23% of the total staff, including 50 persons with senior positions, 67 persons with medium positions, and 115 persons with junior positions. The Company has senior expertise with international enterprise and investment exposures, environment engineering, road and bridge, engineering management professional qualification, and the professional structures in the various levels were reasonable.

In respect of the senior management, the Company implements "Salary Point System" to ascertain the salaries based on the managing skills of the management, contents of the management works completed, the management obligation risks undertaken and the economic efficiency created. In respect of the operation staff, the Company implements "Salary by post and skills" to ascertain the salaries basing on the level of skill, strength and difficulty of labour and production values and economic efficiency of the enterprise.

本公司管理層和員工情況 (續)

Company's Management Structure and Employees' Information (Continued)

(1) 員工的專業構成：

行政人員  
財務人員  
技術人員  
污水處理廠及其他員工

Administration  
Finance  
Technical  
Operating staff at sewage water treatment plants and others

84 人  
21 人  
151 人  
225 人

(2) 員工的教育程度：

研究生  
本科  
大專  
高中或以下

Postgraduate  
University  
Post-secondary  
Secondary or below

19 人  
169 人  
155 人  
138 人

6. 員工福利計劃

根據國務院《關於建立統一的企業職工基本養老保險制度的決定》國發[1997]26號，本公司建立了企業職工基本養老保險制度。由本公司為職工繳納的基本養老保險比例為職工工資總額的 20%，職工個人繳納基本養老保險的比例為個人工資的 8%。本公司在報告期內記入損益表的退休金費用總額為人民幣 274 萬元。

6. Staff benefit scheme

Pursuant to "Decision of the State Council on Establishing a Unified Basic Old Age Insurance System for Enterprises Employees" Guo Fa [1997] No.26, the Company has established a basic old age insurance system for enterprises employees. The contribution made by the Company for the basic old age insurance is 20% of the total salaries of staff and that made by staff is 8% of their individual salary. Total pension costs charged to the profit and loss account during the reporting period was RMB2,740,000.

## 關連交易

於本報告期內，本公司有以下持續關連交易：

### 1. 銷售商品勞務的重大關聯交易

- (1) 本公司污水處理業務是按照於2000年10月10日與排水公司簽訂的《污水處理委託協議》執行的。根據該協議，本公司東郊及紀庄子污水處理廠將按協議中訂明的計價公式釐定的價格向排水公司（為本公司之關連人士由於排水公司及天津市政投資有限公司均由天津市政工程局管轄，而天津市政投資有限公司為本公司之控股股東，實益擁有本公司已發行股本合共63.65%）提供污水處理服務。排水公司是在中國成立的國有企業，並受天津市政工程局監控。計價公式可令污水處理業務全面彌補實際的經營成本，包括固定資產的折舊及攤銷（但不包括利息開支及外匯損益）和賺取按污水處理業務相關固定資產（定義見協議）的每月平均賬面淨值的年度平均數計算的15%回報，以及獲得節省成本或當實際處理量超過協議規定的最低處理量時的獎勵計價調整。公司在報告期內處理污水1.31億立方米，根據與排水公司的《污水處理委託協議》獲得人民幣2.53億元的污水處理服務費。

以上持續關聯交易已經依照香港聯交所《上市規則》第十四章A有關持續關聯交易的要求申請了豁免，有效期截至2006年12月31日。

## Connected transactions

During the reporting period, the Company has the following ongoing connected transactions:

### 1. Major connected transactions in respect of the sales of goods and services

- (1) The Company's sewage water treatment business has been operated pursuant to the "Sewage Water Processing Agreement" entered into with TSC on 10th October, 2000. Under such agreement, the Company's Dongjiao sewage water treatment plant and Jizhuangzi sewage water treatment plant will provide sewage water treatment services for TSC (who is a connected person of the Company since TSC and TMICL are all under the supervisory control of the Tianjin Urban Construction Bureau and TMICL is the controlling shareholder of the Company and beneficially owns an aggregate of approximately 63.05% of the issued share capital of the Company), in accordance with the price determined based on the price calculation formula stipulated in the Sewage Water Processing Agreement. TSC is a State-owned enterprise established in the PRC and is subject to regulation by the Tianjin Urban Construction Bureau. The price determination formula allows the actual operating costs to be covered in full by sewage water treatment operations, including the depreciation and amortization of fixed assets (but excluding interest expenses and exchange gains and losses) and a return of 15% calculated based on the annual average of the monthly average net book value of the relevant fixed assets (as defined in the Sewage Water Processing Agreement) of the sewage treatment operations, and cost saving or an incentive price adjustment when the actual treatment volume exceeds the minimum treatment volume provided in the agreement. During the reporting period, the Company processed 131 million cubic metres sewage water and received service fees for sewage water treatment of RMB253 million under the "Sewage Water Processing Agreement" with TSC.

Application for a waiver effective until 31st December, 2006 has been made in respect of the above continuing connected transactions pursuant to the requirement of continuing connected transactions as set out in Chapter 14A of the Listing Rules of the Hong Kong Stock Exchange.

關連交易 (續)

1. 銷售商品勞務的重大關聯交易 (續)
  - (2) 根據本公司於2001年9月24日與排水公司簽訂的一份《污水處理(擴建)在建工程收費協議》(「建設收費協議」),本公司承擔建設咸陽路污水處理廠、紀庄子污水處理廠(擴建)和北倉污水處理廠(「三個污水處理廠在建工程」)並投入在建工程所需之資金。根據該協議,在上述三個污水處理廠在建工程建設期間,排水公司同意支付而本公司同意收取建設費用,作為鼓勵本公司承擔建設該三個污水處理廠在建工程之報酬。建設收費總額為每座污水處理廠在其建設期間(從2001年9月24日起至污水處理廠完成投入使用止)各年度/期間的估計所需建設成本的簡單平均數的23.7%之總和。據此計算,本公司就建設該三個污水處理廠在建工程項目可收取之建設費用總額約為人民幣11.7億元。按照建設收費協議,排水公司應每月根據本公司編撰的有關各項目當月之估計完成百分比向本公司預支建設費用,然後在每季度結束時,根據獨立測量師或工程師對已完成工程量之核定作出相應調整。同時,根據該協議,該三個污水處理廠在建工程投入經營後,本公司和排水公司的權利義務關係將按照《污水處理委託協議》執行。根據上述協議,在報告期內,北倉污水處理廠在建工程、咸陽路污水處理廠在建工程及紀庄子污水處理廠(擴建)在建工程在協議期內實際完成工程工作量人民幣4.74億元,根據《污水處理(擴建)在建工程的收費協議》獲得收入人民幣2.53億元。

Connected transactions (Continued)

1. Major connected transactions in respect of the sales of goods and services (Continued)
  - (2) Pursuant to the Sewage Water Plants Fee Agreement entered into with TSC on 24th September, 2001, the Company has undertaken the construction of Xianyang sewage water treatment plant, expansion of Jizhuangzi sewage treatment plant and Beicang sewage water treatment plant (the "Sewage Water Treatment Plants") and will contribute the capital required for the Sewage Water Treatment Plants. Pursuant to the Sewage Water Plants Fee Agreement, during the construction period of the Sewage Water Treatment Plants TSC agrees to pay and the Company agrees to receive a fees in order to provide incentives and compensate the Company in constructing the Sewage Water Treatment Plants. The fees paid under the Sewage Water Plants Fee Agreement are the sum of 23.7% of the simple averages balances of the estimated construction costs of each sewage water treatment plant for each year/period during the construction period (from 24th September, 2001 to the completion and commissioning of the Sewage Water Treatment Plants). Based on this calculation, the fees charged by the Company for the construction of the Sewage Water Treatment Plants are approximately RMB1.17 billion. Pursuant to these arrangements, TSC shall pay the fees to the Company on a monthly basis based on the estimated completion percentages in respect of all items for the month prepared by the Company, and make corresponding adjustments according to verifications made by independent surveyors or engineers on the works volume completed. Meanwhile, pursuant to the Sewage Water Plants Fee Agreement, after the Sewage Water Treatment Plants come into operation, the relationship in respect of rights and obligations between the Company and TSC will be governed pursuant to the "Sewage Water Processing Agreement". Pursuant to the Sewage Water Plants Fee Agreement, during the reporting period, the actual works completed for Beicang sewage water treatment plant, Xianyang sewage water treatment plant and the expansion of Jizhuangzi water sewage treatment plant amounted to RMB474 million. Pursuant to the "Sewage Water Plants Fee Agreement", the Company received an income of RMB253 million.

**關連交易 (續)**

## 1. 銷售商品勞務的重大關聯交易 (續)

根據公司聘請的獨立工程評估師的《項目投資評價報告》，以上三個在建工程的概算總額為人民幣2,620,767,100元，截至2005年12月31日實際完成投資人民幣2,020,206,100元，未完成工程投資預計人民幣373,281,800元，預計工程建設成本人民幣2,393,489,300元，預計節約工程投資人民幣227,277,700元。按照《在建工程收費協議》計算，從2006年1月1日起至三個在建工程竣工手續完成，剩餘的建設管理費總額共計人民幣175,886,439元。

以上關聯交易已經依照香港聯交所《上市規則》第十四章A有關持續關聯交易的要求申請了豁免，有效期截至2006年12月31日。

- (3) 本公司已經於2006年3月20日，與排水公司簽署《污水處理臨時服務協議》，詳細情況請參見董事長報告書——本集團主營業務經營情況的說明和3月21日發佈的《上海證券報》、香港《文匯報》和《The Standard》。

**管理合約**

本公司並無於年內就本公司全部業務或其中重要部分訂立任何管理及行政合約，亦不存在任何此等合約。

**Connected transactions (Continued)**

## 1. Major connected transactions in respect of the sales of goods and services (Continued)

Pursuant to the "Report on Project Investment Evaluation" by the independent project appraiser appointed by the Company, as at 31st December, 2005, the actual investment completed were RMB2,020,206,100. Uncompleted project investment was estimated to be RMB373,281,800. The estimated project construction cost was RMB2,393,489,300. The estimated project investment saved was RMB227,277,700. According to the calculation based on the "Sewage Water Plants Fee Agreement", from 1st January, 2006 until the completion of the procedure for the completion of three constructions in progress, the remaining total fees amounted to RMB175,886,439.

Application for a waiver, effective until 31st December, 2006 has been made in respect of the above connected transactions pursuant to the requirement of continuing connected transactions as set out in Chapter 14A of the Listing Rules of the Hong Kong Stock Exchange.

- (3) The Company entered into the "Sewage Water Processing Interim Service Agreement" with TSC on 20th March, 2006. For details of such agreements, please refer to the section headed "Operation of the Company's key business" in the Chairman's Statement of the annual report, and the Shanghai Securities, Hong Kong Wen Wei Po and The Standard dated 21st March, 2006.

**Management Contracts**

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

## 主要供應商及客戶

以下為主要供應商及客戶應佔本集團採購額及銷售額之百分比：

本集團最大供應商應佔採購百分比  
 本集團五名最大供應商應佔採購百分比  
 本集團最大客戶應佔銷售百分比  
 本集團五名最大客戶應佔銷售百分比

## Major Suppliers and Customers

The percentage of the Group's purchases and sales attributable to major suppliers and customers are as follows:

		2005 %	2004 %
Percentage of purchases attributable to the Group's largest supplier		9.17	63
Percentage of purchase attributable to the Group's 5 largest suppliers		22.83	82
Percentage of sales attributable to the Group's largest customer		82.70	88
Percentage of sales attributable to the Group 5 largest customers		97.53	90

本公司之董事、監事或股東概無擁有本集團供應商或客戶之股本權益。而本集團最大客戶排水公司乃受控於天津市市政工程局。

None of the Directors, Supervisors and their respective associates or Shareholders of the Company has interests in the share capital of the Group's five largest suppliers or customers. The largest customer of the Group, TSC, is under the supervisory control of the Tianjin Urban Construction Bureau of the Tianjin Municipality.

## 優先購買權

根據本公司之公司章程，並無有關優先購買權之規定，而中國法律並無有關此方面的權利限制。

## Pre-emptive Rights

There is no provision for pre-emptive rights under the Articles of Association and there was no restriction against such rights under the laws of the PRC.

## 五年財務概要

本集團過去五個財政年度的業績及資產與負債概要載於本報告第 12 頁至 14 頁。

## Five years financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 12 to 14 of this annual report.

## 買賣或贖回本公司之股份

本報告期內，除進行回售合共 8,239,020 張 A 股可轉債券（詳情列載於本年報的第 25 頁），本公司或其任何附屬公司概無購買、出售及贖回任何本公司的股份。

## Sale and Purchase or Redemption of Securities of the Company

During the year under review, save for the redemption of 8,239,020 A Share Convertible Bonds (details of which are set out in page 25 of this annual report), the Company and its subsidiaries did not purchase, sell or redeem any listed securities of the Company.

## 董事進行證券交易的標準守則

本公司已採納一套應用守則，其要求不低於上市規則附錄十有關董事進行證券交易的標準守則。於報告期間，全體董事均遵循有關董事進行證券交易的標準守則。

## Model Code for securities transactions by the directors

The Company has adopted a code of practice ("Model Code") with standards not lower than those prescribed in Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules for securities transactions conducted by the Directors. During the reporting period, all Directors have complied with the Model Code in relation to securities transactions conducted by the Directors.

**最佳應用守則 (註)**

本公司董事會於2001年7月31日批准本公司按香港聯合交易所有限公司之上市規則附錄十四之「最佳應用守則」(註)之第十四段，成立一個旨在檢討及監察本公司的財務匯報程序及內部控制的審核委員會(「審核委員會」)。現在之審核委員會成員由董事會獨立非執行董事王翔飛先生、高宗澤先生及高寶明先生組成。該委員會最近召開之會議乃審議本公司年內之業績。董事概無知曉任何有合理跡象顯示本公司在現時或在本期間任何時間內未有遵守最佳應用守則的資料。

註：《上市規則》附錄十四《最佳應用守則》已於二零零五年一月一日被新的附錄十四《企業管治常規守則》取代。

**訴訟或仲裁**

本報告期內，本公司無重大訴訟、仲裁事項。

**審計師**

賬目經由中國註冊會計師普華永道中天會計師事務所有限公司及香港執業會計師羅兵咸永道會計師事務所審核。普華永道中天會計師事務所有限公司及羅兵咸永道會計師事務所依章任滿退任，但提出繼續分別受聘為本公司之國內審計師和國際核數師。

承董事會命

**馬白玉**

董事長

中國 天津

2006年4月20日

**Code of Best Practice\***

On 31st July, 2001, the Board approved the establishment of the Audit Committee to review and supervise the Company's financial reporting process and internal controls pursuant to paragraph 14 of the Code of Best Practice\* as set out in Appendix 14 to the Listing Rules. The present Audit Committee comprises three independent non-executive Directors, Messrs. Wang Xiang Fei, Gao Zong Ze and Ko Poming. A meeting of such Audit Committee had recently been held for reviewing the result of the Company for the current year. None of the Directors is aware of any information that would reasonably indicate that the Company is not or was not, for any part of the period, in compliance with the Code of Best Practice.

\*Note: The "Code of Best Practice" under Appendix 14 to the Listing Rules was replaced by the "Code on Corporate Governance Practices" under the new Appendix 14 to the Listing Rules on 1st January, 2005.

**Major Litigation**

The Group did not engage in any litigation or arbitration of material importance during the year.

**Auditors**

The accounts have been audited by PricewaterhouseCoopers Zhong Tian Certified Public Accountants Co., Ltd., Certified Public Accountants, the PRC and PricewaterhouseCoopers, Certified Public Accountants, Hong Kong. PricewaterhouseCoopers Zhong Tian Certified Public Accountants Co., Ltd. and PricewaterhouseCoopers shall retire according to the Article of Association, however, they both offer themselves for re-appointment as the Company's domestic and international auditors respectively.

By order of the Board

**Ma Baiyu**

Chairman

Tianjin, the PRC

20th April, 2006