

董事會報告書

董事會同寅呈覽本公司及其附屬公司（「本集團」）由二零零一年九月二十日（註冊成立日期）至二零零二年三月三十一日期間之首份報告及經審核財務報表。

公司重組及本公司股份在香港聯合交易所有限公司（「聯交所」）主板上市

本公司根據開曼群島公司法（二零零一年第二修訂版）第二十二章於二零零一年九月二十日在開曼群島註冊成立為有限公司。根據為籌備本公司之股份在聯交所上市而進行之公司重組（「公司重組」），本公司於二零零一年十二月二十四日成為本集團之控股公司。有關公司重組詳情載於本公司於二零零一年十二月三十一日刊發的章程附錄四「公司重組」一段。

本公司之股份已由二零零二年一月十日起在聯交所上市。

本公司及其附屬公司以往為HKR International Limited（「興業國際」）（一家在聯交所上市之公司）之全資附屬公司。上述公司重組完成後，興業國際將本公司之若干股份分派予其股東。本公司現為興業國際擁有百分之四十九之聯營公司。

主要業務

本公司為一家投資控股公司，其附屬公司之主要業務載於財務報表附註38。

Report of the Directors

The directors present their first report and the audited financial statements of the Company and its subsidiaries (the "Group") for the period from 20 September 2001 (date of incorporation) to 31 March 2002.

Corporate Reorganisation and Listing of the Company's Shares on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange")

The Company was incorporated in the Cayman Islands with limited liability on 20 September 2001 under the Companies Law (2001 Second Revision) Chapter 22 of the Cayman Islands. Pursuant to a corporate reorganisation ("Corporate Reorganisation") in preparation for the listing of the Company's shares on the Stock Exchange, the Company became the holding company of the Group on 24 December 2001. Details of the Corporate Reorganisation are set out in the paragraph headed "Corporate Reorganisation" in appendix IV of the prospectus of the Company dated 31 December 2001.

The shares of the Company have been listed on the Stock Exchange since 10 January 2002.

The Company and its subsidiaries were formerly wholly owned subsidiaries of HKR International Limited ("HKR International"), a company listed on the Stock Exchange. After completion of the Corporate Reorganisation mentioned above, HKR International distributed certain of the Company's shares to its shareholders. The Company is now a 49% associate of HKR International.

Principal Activities

The Company acts as an investment holding company. The principal activities of its subsidiaries are set out in note 38 to the financial statements.

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更改名稱

根據本公司當時之唯一股東之書面決議案，由二零零一年十一月六日起，本公之名稱由Hanison Holdings Limited改為Hanison Construction Holdings Limited (興勝創建控股有限公司)。

業績及分配

本集團截至於二零零二年三月三十一日止年度之業績載於年報第61頁之綜合收益表。

一間附屬公司於公司重組前曾向其當時之股東興業國際一間附屬公司宣派及派付中期股息為港幣三千萬元。再者，本集團一間聯營公司亦於公司重組前向其當時股東之一興業國際之附屬公司宣派及派付中期股息為港幣二百五十萬元。

董事不建議派付末期股息。

財務概要

本集團截至二零零二年三月三十一日止四年各年之業績及資產與負債之概要載於年報第115頁。

物業、廠房及設備

本集團物業、廠房及設備於本年度內之變動詳情，載於財務報表附註13。

Report of the Directors

Change of Name

Pursuant to a written resolution of the then sole shareholder of the Company, the Company changed its name from Hanison Holdings Limited to Hanison Construction Holdings Limited with effect from 6 November 2001.

Results and Appropriations

The results of the Group for the year ended 31 March 2002 are set out in the consolidated income statement on page 61 of the annual report.

An interim dividend amounting to HK\$30,000,000 was declared and paid before the Corporate Reorganisation by a subsidiary to a subsidiary of HKR International, its then shareholder. Moreover, the associate of the Group also declared and paid an interim dividend amounting to HK\$2,500,000 before the Corporate Reorganisation to a subsidiary of HKR International, one of the then shareholders of that associate.

The directors do not recommend the payment of a final dividend.

Financial Summary

A summary of the results and assets and liabilities of the Group for each of the four years ended 31 March 2002 is set out on page 115 of the annual report.

Property, Plant and Equipment

Details of the movements during the year in the property, plant and equipment of the Group are set out in note 13 to the financial statements.

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持作投資之物業

本集團之投資物業詳情載於財務報表附註12及年報第116頁。

股本

本公司法定、已發行及繳足股本於本期間內變動之詳情載於財務報表附註27。

買賣或贖回上市證券

於本期間，本公司或其任何附屬公司並無買賣或贖回本公司任何上市證券。

購股權計劃

本公司現時之購股權計劃（「該計劃」）於二零零二年一月三日獲採納，於二零零二年一月九日生效。有關聯交所證券上市規則（「上市規則」）規定之該計劃之詳情載列如下：

該計劃概要

(a) 該計劃之目的

為向根據該計劃獲授購股權以認購本公司普通股（「股份」）之參與者，提供收購本公司資本權益之機會，並鼓勵參與者為本公司及其股東之整體利益，提高本公司及其股份之價值而努力。

Report of the Directors

Property Held for Investment Purpose

Details of the investment property of the Group are set out in note 12 to the financial statements and on page 116 of the annual report.

Share Capital

Details of movements in the authorised, issued and fully paid share capital of the Company during the period are set out in note 27 to the financial statements.

Purchase, Sale or Redemption of Listed Securities

During the period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Share Option Scheme

The Company's existing share option scheme (the "Scheme") was adopted on 3 January 2002 and became effective on 9 January 2002. Particulars of the Scheme as required under the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") are set out below:

Summary of the Scheme

(a) Purpose of the Scheme

To provide the participants who have been granted options under the Scheme to subscribe for ordinary shares in the Company ("Shares") with the opportunity to acquire proprietary interest in the Company and to encourage them to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its shareholders as a whole.

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購股權計劃 (續)

(b) 該計劃之參與者

本公司所有董事(包括獨立非執行董事)、本公司、其附屬公司及／或聯繫人之全職僱員及顧問符合參與該計劃之資格。

(c) 可供發行之股份數目上限

在根據該計劃及本公司任何其他計劃授出及尚可行使之一切尚未行使購股權獲行使而可發行之股份總數不得超過本公司不時已發行股份百分之三十之規限下，該計劃可供發行的股份總數為28,367,108股(佔緊隨本公司股份在聯交所上市後本公司已發行股本之百分之十)。

(d) 各參與者之購股權配額上限

- (a) 除非經本公司股東另外批准，否則於任何十二個月期間，因根據該計劃或本公司採納之任何其他購股權計劃向各參與者授出之購股權(包括已行使及未行使購股權)獲行使而發行及可予發行之股份總數，不得超過已發行股份之百分之一。

Report of the Directors

Share Option Scheme (continued)

(b) Participants of the Scheme

All directors of the Company (including independent non-executive directors), full-time employees and consultants of the Company, its subsidiaries, and/or its associates are eligible to participate in the Scheme.

(c) Maximum number of shares available for issuance

Subject to the condition that the total number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Company must not exceed 30% of the shares of the Company in issue from time to time, a total of 28,367,108 Shares is available for issue under the Scheme which represents 10% of the issued share capital of the Company immediately upon the listing of Shares on the Stock Exchange.

(d) Maximum entitlement of each participant

- (a) The total number of Shares issued and to be issued upon exercise of the option granted to each participant (including both exercised and unexercised options) under the Scheme or any other share option schemes adopted by the Company in any 12-month period must not exceed 1% of the Shares in issue unless otherwise approved by shareholders of the Company.

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購股權計劃 (續)

(d) 各參與者之購股權配額上限 (續)

- (b) 倘向本公司之主要股東或獨立非執行董事或其各自之聯繫人(定義見上市規則第1.01條)授出購股權，會導致於截至授出日期(包括該日)止任何十二個月期間向該人士已授出及將授出之一切購股權獲行使而發行及可發行之股份：

- (i) 合共佔已發行股份百分之零點一以上；及
- (ii) 總值超過五百萬港元(乃根據本購股權於授出日期發出；股份之收市價計算)，

授出該項購股權須取得本公司股東(並非本公司之關連人士(定義見上市規則))事先批准。

(e) 根據購股權必須認購之股份之期限

由授出購股權之日起十年期間(或董事會或董事委員會指定之較短期間)。

Report of the Directors

Share Option Scheme (continued)

(d) Maximum entitlement of each participant (continued)

- (b) Where any grant of options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates (as defined in rule 1.01 of the Listing Rules), would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted to such person in any 12-month period up to and including the date of the grant:

- (i) representing in aggregate over 0.1% of the Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the Shares on date of grant in excess of HK\$5 million,

such grant of option shall be subject to prior approval of the shareholders of the Company who are not connected persons of the Company as defined in the Listing Rules.

(e) Period within which the Shares must be taken up under an option

Within ten years from the date on which option is granted or such shorter period as the Board of Directors or the relevant committee thereof may specify.

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購股權計劃 (續)

(f) 購股權於可予行使前之最短持有期間 (如有)

於授出購股權之時，董事會或有關董事委員會必須指定購股權於可予行使前之最短持有及／或達致表現目標期間 (如有)。

購股權於授出時之授出條款所訂明之最短持有及／或達致表現目標期間 (如有) 後任何時間可予行使。

(g) 於接納購股權時應付之款項及必須付款之期間

由建議授出購股權之日起十四日內須支付港幣一元。

(h) 釐定購股權行使價之基準

購股權之行使價必須不低於下列三者之最高者：

- (i) 聯交所於授出日期發出之每日報價表所述之股份收市價 (該日必須為營業日)；
- (ii) 聯交所於緊接授出日期前五個聯交所營業日發出之每日報價表所述之股份平均收市價；及
- (iii) 股份於授出日期之面值。

Report of the Directors

Share Option Scheme (continued)

(f) Minimum period, if any, for which an option must be held before it can be exercised

At the time of granting an option, the Board of Directors or the relevant committee thereof must specify the minimum period(s) and/or achievement of performance targets, if any, for which an option must be held before it can be exercised.

Options may be exercised at any time after the minimum periods of time held, and/or achievement of performance targets, if any, specified in the terms of grant at the time of grants.

(g) Amount payable upon acceptance of the option and the period within which the payment must be made

HK\$1.00 shall be paid within 14 days from the offer date of the option.

(h) Basis of determining exercise price of the option

The exercise price of the option shall be no less than the higher of:

- (i) the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant, which must be a business day;
- (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five Stock Exchange business days immediately preceding the date of grant; and
- (iii) the nominal value of a Share on the date of grant.

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購股權計劃 (續)

(i) 該計劃之餘下年限

除非根據該計劃條款予以終止，否則該計劃之有效年限為十年，將於二零一二年一月三日屆滿。

本公司於該計劃獲採納起期間並無授出任何購股權。

董事

自註冊成立日期至本報告日期，本公司董事為：

主席兼非執行董事：

查懋聲 (於二零零一年十一月六日獲委任)

執行董事：

王世濤 (董事總經理) (於二零零一年九月二十日獲委任)

戴世豪 (總經理) (於二零零一年十一月六日獲委任)

沈大馨 (於二零零一年十一月六日獲委任)

林澤宇 (於二零零一年十一月六日獲委任)

非執行董事：

查懋德 (於二零零一年十一月六日獲委任)

查耀中 (於二零零一年十一月六日獲委任)

Report of the Directors

Share Option Scheme (continued)

(i) Remaining life of the Scheme

The Scheme has a life of 10 years and will expire on 3 January 2012 unless otherwise terminated in accordance with the terms of the Scheme.

No option was granted by the Company during the period since the adoption of the Scheme.

Directors

The directors of the Company since its date of incorporation and up to the date of this report were:

Chairman and non-executive director:

Cha Mou Sing, Payson (appointed on 6 November 2001)

Executive directors:

Wong Sue Toa, Stewart (Managing Director) (appointed on 20 September 2001)

Tai Sai Ho (appointed on 6 November 2001)
(General Manager)

Shen Tai Hing (appointed on 6 November 2001)

Lam Chat Yu (appointed on 6 November 2001)

Non-executive directors:

Cha Mou Daid, Johnson (appointed on 6 November 2001)

Cha Yiu Chung, Benjamin (appointed on 6 November 2001)

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董事 (續)

獨立非執行董事:

孫大倫 (於二零零一年十一月二十日
獲委任)
陳伯佐 (於二零零一年十一月六日
獲委任)

按照本公司之公司組織章程細則規定，全體董事須於即將舉行之股東週年大會上告退，惟合符資格，願膺選連任。

各獨立非執行董事之委任年期由各個委任日期起至二零零二年即將舉行之本公司股東週年大會之日止，並合資格膺選連任。

於即將舉行之股東週年大會上建議膺選連任之董事，概無與本公司或其任何附屬公司訂立不可於一年內在免付賠償之情況下(法定賠償除外)由本集團終止之服務合約。

董事及高級管理層履歷

董事

查懋聲先生，五十九歲，本公司主席兼非執行董事。彼於一九八九年加入本集團，在物業發展方面積逾三十年經驗。彼亦為興業國際之副主席，並兼任多間香港及海外公眾及私人公司之董事。彼為中國人民政治協商會議全國委員會委員。

Report of the Directors

Directors (continued)

Independent non-executive directors:

Sun Tai Lun (appointed on 20 November 2001)
Chan Pak Joe (appointed on 6 November 2001)

In accordance with the provisions of the Company's Articles of Association, all directors will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

Each of the independent non-executive directors was appointed for a term from their respective dates of appointment to the forthcoming annual general meeting of the Company in 2002 and thereafter is eligible for re-election.

None of the directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Biographical Details of Directors and Senior Management

Directors

Cha Mou Sing, Payson, aged 59, is the chairman and a non-executive Director of the Company. He joined the Group in 1989 and has over 30 years of experience in property development. He is also the deputy chairman of HKR International and a director of a number of public and private companies in Hong Kong and overseas. He is a member of the National Committee of the Chinese People's Political Consultative Conference.

董事會報告書

董事及高級管理層履歷 (續)

王世濤先生，五十六歲，本公司董事總經理，於一九八九年加入本集團。加入本集團前，彼曾為數間上市公司之董事，彼於二零零一年十二月辭任前一直為興業國際之董事。彼在建築及房地產界之經驗豐富，持有美國聖地牙哥國立大學科學學士學位及美國Carnegie-Mellon University土木工程科碩士學位。

查懋德先生，五十歲，於二零零一年十一月獲委任為非執行董事。彼在美國加利福尼亞州矽谷之創業基金方面擁有逾二十年經驗。彼為Charter Venture Capital之創辦及總合夥人。查先生目前為名力集團之董事總經理，亦為多間香港及海外公眾及私人公司之董事，該等公司包括興業國際、中國國際金融有限公司及上海商業銀行。彼亦積極參與多間以科技、保健及教育為主之非牟利組織，包括求是科技基金會、裘槎基金會、德育關注小組、UCSF Foundation及Mathematical Sciences Research Institute。彼持有美國士丹福大學商學院工商管理碩士學位及美國Carnegie Mellon University之理學士學位。查先生為查懋聲先生之胞弟。

Report of the Directors

Biographical Details of Directors and Senior Management (*continued*)

Wong Sue Toa, Stewart, aged 56, is the managing director of the Company and joined the Group in 1989. Before he joined the Group, he was a director for several listed companies and was also a director of HKR International until his resignation in December 2001. He has extensive experience in the construction and real estate fields. He holds a bachelor degree in science from San Diego State University and a master degree of science in civil engineering from Carnegie-Mellon University in the United States of America.

Cha Mou Daid, Johnson, aged 50, was appointed a non-executive Director in November 2001. He has over 20 years of venture capital experience in Silicon Valley, California, the United States of America where he is a founding and general partner of Charter Venture Capital. Mr. Cha is currently the managing director of The Mingly Corporation Ltd. and is also a director of a number of public and private companies in Hong Kong and overseas, including HKR International, China International Capital Corporation Limited, and Shanghai Commercial Bank, Limited. He is also active in a number of non-profit organisations focused on technology, healthcare and education, including the Qiu Shi Foundation, Croucher Foundation, Moral Education Concern Group, UCSF Foundation, and the Mathematical Sciences Research Institute. He holds a master degree in business administration from the Stanford Graduate School of Business, the United States of America, and a bachelor of science degree from Carnegie Mellon University, the United States of America. Mr. Cha is a brother of Mr. Cha Mou Sing, Payson.

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董事及高級管理層履歷 (續)

查耀中先生，二十八歲，非執行董事，於二零零一年十一月加入本集團。彼由一九九五年至一九九九年任職文華東方酒店集團之業務發展主任，具備酒店及商業房地產發展方面之經驗。彼取得Middleburg College國際政治及經濟系學士學位，並取得美國士丹福大學商學院之工商管理碩士學位。查先生為查懋聲先生之侄兒。

陳伯佐先生，四十九歲，於二零零一年十一月獲委任為獨立非執行董事。彼於過去二十五年為陸海通有限公司之執行董事。陳先生為中國清華大學「勵志助學金」之創辦人及香港房屋協會審核委員會委員。彼亦曾為中華基督教青年會之董事。

林澤宇博士，五十歲，執行董事。彼於二零零一年十一月加入本集團，在科技界之投資方面積逾二十年經驗，包括十五年在美國加利福尼亞州矽谷之投資經驗及七年在亞洲之投資經驗。林博士在美國麻省理工學院The Sloan School取得管理學博士學位。加入本集團前，林博士曾任美國C.M. Capital Corporation副總裁，專門投資於美國之軟件合營公司及上市科技公司。

Report of the Directors

Biographical Details of Directors and Senior Management (continued)

Cha Yiu Chung, Benjamin, aged 28, is a non-executive Director and joined the Group in November 2001. He obtained his experience in hotel and commercial real estate development as a business development executive with Mandarin Oriental Hotel Group from 1995 to 1999. He holds a bachelor degree in international politics and economics from Middlebury College and a master degree in business administration from the Stanford Graduate School of Business in the United States of America. Mr. Cha is a nephew of Mr. Cha Mou Sing, Payson.

Chan Pak Joe, aged 49, was appointed an independent non-executive Director in November 2001. He has been an executive director of The Luk Hoi Tong Company Limited for over 25 years. Mr. Chan is the founder of the "Li Zhi Bursary" in Tsinghua University in the PRC and a committee member of the audit committee of the Housing Society. He was also a director of the Chinese Youth Men's Christian Association.

Lam Chat Yu, aged 50, is an executive Director. He joined the Group in November 2001 and has more than 20 years of investment experience in the technology sector, including 15 years in Silicon Valley, California, the United States of America and seven years in Asia. Dr. Lam earned his doctorate in management from The Sloan School, Massachusetts Institute of Technology. Prior to joining the Group, Dr. Lam was a vice president at C.M. Capital Corporation in the United States of America, where he specialised in software venture companies and listed technology companies in the United States of America.

董事會報告書

董事及高級管理層履歷 (續)

沈大馨先生，六十歲，於二零零一年十一月獲委任為執行董事。彼由一九九四年起直至二零零一年十二月辭任為止一直為興業國際之董事。沈先生自一九九二年以來一直為興勝建築有限公司之董事。彼於製造業積逾三十五年經驗，並於建造及建築材料業擁有逾三十年經驗。沈先生於美國匹茲堡大學取得其碩士學位，自一九九八起為香港紡織業諮詢委員會委員。

孫大倫博士，五十一歲，於二零零一年十一月獲委任為獨立非執行董事。彼為中港照相器材集團有限公司(其股份在聯交所上市)之主席兼董事總經理，於攝影產品業擁有二十五年經驗。孫博士取得美國奧克拉荷馬州大學之藥劑學士學位及取得美國Southern California University for Professional Studies工商管理哲學博士學位。彼自一九九九年為香港公益金之副贊助人、香港明天更好基金之信託人、平等機會委員會二零零零年至二零零二年之委員及嶺南大學校董會成員。孫博士於一九九九年獲頒授銅紫荊星章。

Report of the Directors

Biographical Details of Directors and Senior Management (continued)

Shen Tai Hing, aged 60 was appointed an executive Director in November 2001. He has been a director of HKR International since 1994 until his resignation in December 2001. Mr. Shen has been a director of Hanison Construction Company Limited since 1992. He has over 35 years of experience in the manufacturing field and over 30 years of experience in the building and building materials industries. Mr. Shen obtained his master degree from the University of Pittsburgh in the United States of America. He has been a member of the Textiles Advisory Board of Hong Kong since 1998.

Sun Tai Lun, aged 51, was appointed an independent non-executive Director in November 2001. He is the chairman and managing director of China-Hongkong Photo Products Holdings Limited, whose shares are listed on the Stock Exchange, and has 25 years of experience in the photographic products industry. Dr. Sun holds a bachelor degree in pharmacy from the University of Oklahoma, the United States of America, and a doctorate degree of philosophy in business administration from Southern California University for Professional Studies, the United States of America. He is the vice patron of the Community Chest of Hong Kong since 1999, a trustee of The Better Hong Kong Foundation, a member of Equal Opportunities Commission from 2000 to 2002 and a council member of the Lingnan University. Dr. Sun was awarded the Bronze Bauhinia Star in 1999.

董事會報告書

董事及高級管理層履歷 (續)

戴世豪先生，五十歲，本集團執行董事兼總經理。戴先生於一九八九年加入本集團，在香港公營及私人樓宇及土木工程業積逾二十六年經驗。彼持有澳門亞洲國際公開大學工商管理學碩士學位、澳洲新南威爾斯大學建築管理學碩士學位及台灣國立成功大學土木工程學士學位。戴先生乃The Australian Institute of Building之資深會員及香港營造師學會之會員。

高級管理層

周嘉峰先生，三十三歲，本集團建築部高級經理。周先生於一九九八年加入本集團。彼專長於香港物業發展、投資及項目管理及推廣。彼持有香港理工大學土地管理學士學位。周先生已向香港測量師註冊管理局註冊為註冊專業測量師(產業測量)。彼亦為英國皇家特許測量師學會會員、英國仲裁學會會員及香港測量師學會會員。

祝健麟先生，五十一歲，本集團建築部屬下規劃及工料測量部高級建築經理，自一九八九年加入本集團。彼在香港公營及私人樓宇及土木工程業之規劃、估算、投標及工料測量方面積逾二十五年經驗。祝先生持有土木工程學士學位。

Report of the Directors

Biographical Details of Directors and Senior Management (*continued*)

Tai Sai Ho, aged 50, is an executive Director and the general manager of the Group. Mr. Tai joined the Group in 1989 and has over 26 years of experience in public and private sectors of the building and civil engineering industries in Hong Kong. He holds a master degree in business administration from Asia International Open University in Macau, a master degree in construction management from University of New South Wales in Australia and a bachelor degree in civil engineering from National Cheng Kung University in Taiwan. Mr. Tai is a fellow of The Australian Institute of Building (FAIB) and a member of the Hong Kong Institute of Construction Managers (MHKICM).

Senior Management

Chow Ka Fung, Matthew, aged 33, is a senior manager in the construction division of the Group. Mr. Chow joined the Group in 1998. He specialises in property development, investment, project management and marketing in Hong Kong. He holds a bachelor degree in land management from The Hong Kong Polytechnic University. Mr. Chow is a Registered Professional Surveyor (General Practice) under the Surveyor Registration Board (RPS). He is also a member of the Royal Institution of Chartered Surveyors (MRICS), a member of the Chartered Institute of Arbitrators (MCIArb) and an associate member of Hong Kong Institute of Surveyors (AHKIS).

Chuk Kin Lun, aged 51, is the senior construction manager of the planning and quantity surveying department in the construction division of the Group and has been with the Group since 1989. He has over 25 years of experience in planning, estimating, tendering and quantity surveying in the public and private sectors of the building and civil engineering industries in Hong Kong. Mr. Chuk holds a bachelor degree in civil engineering.

董事會報告書

董事及高級管理層履歷 (續)

何志棠先生，三十七歲，本集團總工料測量師。何先生於一九九八年加入本集團，在工料測量顧問及建築合約方面累積十四年經驗。彼持有香港理工大學工料測量專業文憑。彼已向香港測量師註冊管理局註冊為註冊專業測量師(工料測量)，並為英國皇家特許測量師學會會員及香港測量師學會會員。

韓式民先生，四十二歲，本集團建築材料部高級經理。韓先生積逾多年建築材料銷售及市場推廣經驗。彼於一九九七年加入本集團，負責推廣及採購建築材料，以及建築材料部之培訓計劃。

梁永康先生，五十歲，本集團高級經理。梁先生負責環保產品開發、貨倉、建造機器及設備管理，以及廢物管制。彼於一九九九年加入本集團，於建築物流業方面擁有二十年經驗。梁先生持有香港中文大學工商管理學士學位，並為英國特許屋宇經理學會之資深會員及香港地產行政學會之會員。

Report of the Directors

Biographical Details of Directors and Senior Management (*continued*)

Ho Chi Tong, Tom, aged 37, is the chief quantity surveyor of the Group. Mr. Ho joined the Group in 1998 and has 14 years of experience in quantity surveying consultancy and construction contracting. He holds a professional diploma in quantity surveying from The Hong Kong Polytechnic University. He is a Registered Professional Surveyor (QS) under Surveyor Registration Board (RPS) and a member of The Royal Institution of Chartered Surveyors (MRICS) and an associate member of Hong Kong Institute of Surveyors (AHKIS).

Hon Sik Man, Danny, aged 42, is a senior manager in the building materials division of the Group. Mr. Hon has many years of sales and marketing experience in the field of building materials. He joined the Group in 1997 and is responsible for the marketing and sourcing of building materials and the building materials division's training program.

Leung Wing Hong, Clarence, aged 50, is a senior manager of the Group. Mr. Leung is responsible for the development of environmental products and the management of warehouses, construction plant and equipment and waste control. He joined the Group in 1999 and has 20 years of construction logistic experience. Mr. Leung holds a bachelor degree in business administration from the Chinese University of Hong Kong and is a fellow member of the Chartered Institute of Housing and a member of the Hong Kong Institute of Real Estate Administration.

董事會報告書

董事及高級管理層履歷 (續)

老啓昌先生，五十一歲，本集團公司秘書兼財務總監。老先生於一九九六年加入本集團，在多個行業之財務及會計方面累積二十五年經驗。彼持有澳洲Edith Cowan University會計學商業學士學位及工商管理學碩士學位。老先生為澳洲執業會計師公會會員、英國財務會計師公會會員、香港會計師公會資深會員及國際會計師協會之資深會員。

倫添浩先生，四十三歲，於一九九零年加入本集團，現任本集團建築部屬下合約管理部高級項目經理。倫先生在建築界累積十八年經驗。彼持有香港理工大學建築工藝及管理學院士及高級文憑。彼為英國特許建造學會及香港營造師學會之會員，並為勞工處註冊安全主任。

莫國城先生，五十七歲，本集團建築部高級合約經理。彼於二零零一年加入本集團，在香港、中國及澳洲工料測量及項目管理方面累積共三十五年經驗。彼持有澳門東亞大學工商管理學碩士學位。莫先生為英國皇家特許測量師學會及香港測量師學會資深會員。

Report of the Directors

Biographical Details of Directors and Senior Management (*continued*)

Lo Kai Cheong, Casey, aged 51, is the company secretary and the financial controller of the Group. Mr. Lo joined the Group in 1996 and has 25 years of finance and accounting experience in various industries. He holds a bachelor of business degree in accounting and a master degree in business administration from Edith Cowan University in Australia. Mr. Lo is a member of the Australian Society of CPAs (CPA (Aust)), an associate member of the Institute of Financial Accountants (AFA), and a fellowship member of Hong Kong Society of Accountants (FHKSA) and Association of International Accountants (FAIA).

Lun Tim Ho, aged 43, joined the Group in 1990 and is a senior project manager of the contract administration department in the construction division of the Group. Mr. Lun has 18 years of experience in the construction field. He holds a higher diploma and associateship in the building technology and management from The Hong Kong Polytechnic University. He is a member of The Chartered Institute of Building (MCIOB) and Hong Kong Institute of Construction Managers (MHKICM) and a safety officer registered with the Labour Department.

Mok Kwok Sing, Bill, aged 57, is a senior contracts manager in the construction division of the Group. He joined the Group in 2001 and has an aggregate of 35 years of experience in quantity surveying and project management in Hong Kong, the PRC and Australia. He holds a master degree in business administration from University of East Asia in Macau. Mr. Mok is a fellow of The Royal Institution of Chartered Surveyors (FRICS) and Hong Kong Institute of Surveyors (FHKIS).

董事會報告書

董事及高級管理層履歷 (續)

黃漢威先生，四十二歲，本集團裝飾及維修部高級經理。彼於二零零零年加入本集團前，在裝飾及維修業務累積二十三年經驗。彼持有香港理工大學建築工藝及管理學院士及香港公開大學工商管理研究生證書。彼為國際設施管理協會、香港營造師學會、英國特許管理學會、英國特許建造學會之會員。

袁卓銑先生，四十二歲，本集團建築部屬下合約管理部高級項目經理。彼於一九八九年加入本集團，在香港公營及私營樓宇及土木工程業累積了二十年經驗。彼持有香港理工大學之管理進修文憑、建造學進修證書及結構工程學高級證書。

可換股證券、購股權、認股權證或類似權利

除上文所述之購股權計劃外，本公司於二零零二年三月三十一日並無任何尚未行使之可換股證券、購股權、認股權證或類似權利。本期間內並無發行或行使任何其他可換股證券、購股權、認股權證或類似權利。

Report of the Directors

Biographical Details of Directors and Senior Management (continued)

Wong Hon Wai, Albert, aged 42, is a senior manager in the interior and renovation division of the Group. He had gained 23 years of experience in the interior and renovation business prior to joining the Group in 2000. He holds an associateship in Building Technology and Management from The Hong Kong Polytechnic University and post graduate certificate in Business Administration in Hong Kong Open University. He is a member of the International Facility Management Association (MIFMA), the Hong Kong Institute of Construction Managers (MHKICM), The Chartered Management Institute (MCMI) and The Chartered Institute of Building (MCI OB).

Yuen Cheuk Kong, aged 42, is a senior project manager of the contract administration department in the construction division of the Group. He joined the Group in 1989 and has 20 years of experience in the public and private sectors of the building and civil engineering industries in Hong Kong. He holds a diploma in management studies, a post-experience certificate in building studies and a higher certificate in structural engineering from The Hong Kong Polytechnic University.

Convertible Securities, Options, Warrants or Similar Rights

Other than the share option scheme as described above, the Company had no outstanding convertible securities, options, warrants or similar rights as at 31 March 2002 and there has been no issue or exercise of any convertible securities, options, warrants or similar rights during the period.

董事會報告書

董事之證券權益

於二零零二年三月三十一日，根據證券(披露權益)條例(「披露權益條例」)第29條之規定本公司須予存置之登記冊內所載錄有關本公司各董事及行政總裁及其聯繫人於本公司及其相聯法團(「證券」及「相聯法團」等詞語定義見披露權益條例)之權益如下：

於股份之權益

		普通股數目				
		Number of ordinary shares				
		個人權益	家族權益	公司權益	其他權益	股份總數
		Personal	Family	Corporate	Other	Total no.
姓名	Name	interests	interests	interests	interests	of Shares
查懋聲	Cha Mou Sing, Payson	294,107	—	328,075*	—	622,182
王世濤	Wong Sue Toa, Stewart	65,854	—	50,010*	—	115,864
戴世豪	Tai Sai Ho	1,200	—	—	—	1,200
沈大馨	Shen Tai Hing	5,250	—	—	—	5,250

* 根據披露權益條例，該等股份由一間有關董事被視為擁有權益之公司持有。

除上文所披露者外，於二零零二年三月三十一日，概無董事及行政總裁及其聯繫人，於本公司或其相聯法團(定義見披露權益條例)之證券中，擁有須登記於根據披露權益條例第29條規定存置之登記冊及須知會本公司與聯交所之個人、家族、公司或其他權益。

Report of the Directors

Directors' Interests in Securities

As at 31 March 2002, the interests of the directors and chief executives and their associates in the securities of the Company and its associated corporations ("securities" and "associated corporations" as defined in the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance")) as recorded in the register maintained by the Company pursuant to Section 29 of the SDI Ordinance were as follows:

Interests in the Shares

普通股數目				
Number of ordinary shares				
個人權益	家族權益	公司權益	其他權益	股份總數
Personal	Family	Corporate	Other	Total no.
interests	interests	interests	interests	of Shares
294,107	—	328,075*	—	622,182
65,854	—	50,010*	—	115,864
1,200	—	—	—	1,200
5,250	—	—	—	5,250

* The shares are held by a corporation in which the relevant director is deemed to be interested under the SDI Ordinance.

Save as disclosed above, none of the directors and chief executives and their associates had any personal, family, corporate or other interests in the securities of the Company or any of its associated corporations as defined in the SDI Ordinance as recorded in the register as at 31 March 2002 maintained under Section 29 of the SDI Ordinance, and which had to be notified to the Company and the Stock Exchange.

董事會報告書

購買股份或公司債券之安排

本公司若干董事為興業國際之股東，於興業國際向其股東分派若干股份時，曾收取興業國際分派之本公司股份。於二零零二年三月三十一日，該等董事所收取之股份數目及其於之股權載列於上文「董事之證券權益」一節。

查懋聲先生、王世濤先生、戴世豪先生及沈大馨先生均為本公司董事。查懋聲先生於整段期間均為興業國際之管理人員，而直至二零零一年十二月前，王世濤先生、戴世豪先生及沈大馨先生為興業國際之管理人員。彼等持有根據興業國際之行政人員優先認股計劃授出可認購興業國際股份之認股權。

有關該等董事於二零零二年三月三十一日所持之尚未行使興業國際認股權詳情如下：

董事姓名	Name of director	授出日期 Date of grant	行使期間 Exercise period	興業國際 認股權	
				每股 行使價 Exercise price per share 港元 HK\$	股份數目 Number of option shares in HKR International
查懋聲	Cha Mou Sing, Payson	19.5.1997	19.5.1998 - 18.5.2002	7.38	5,500,000
王世濤	Wong Sue Toa, Stewart	21.5.1997	21.5.1998 - 20.5.2002	7.59	288,200
戴世豪	Tai Sai Ho	21.5.1997	21.5.1998 - 20.5.2002	7.59	151,800
沈大馨	Shen Tai Hing	21.5.1997	21.5.1998 - 20.5.2002	7.59	220,000

除上文所披露者外，於期內任何時間，本公司、其任何附屬公司並無作為任何安排之訂約，以令本公司董事透過收購本公司或任何其他公司之股份或債務證券（包括公司債券）之方式取得利益，而亦無董事或其配偶或未滿十八歲之子女擁有可認購本公司證券之權利或於期內曾行使該種權利。

Report of the Directors

Arrangements to Purchase Shares or Debentures

Certain directors of the Company are shareholders of HKR International and received distribution of the Shares from HKR International at the time when HKR International distributed certain of the Shares to its shareholders. The number of Shares received by these directors and their shareholdings in the Company as at 31 March 2002 are set out in the section "Directors' interests in securities" above.

Messrs. Cha Mou Sing, Payson, Wong Sue Toa, Stewart, Tai Sai Ho and Shen Tai Hing, all of whom are directors of the Company. Cha Mou Sing, Payson was an officer of HKR International throughout the period, while Wong Sue Toa, Stewart, Tai Sai Ho and Shen Tai Hing were officers of HKR International until December 2001. They hold options granted under the executive share option scheme of HKR International to subscribe for shares in HKR International.

Details of outstanding share options of HKR International held by these directors as at 31 March 2002 are as follows:

授出日期 Date of grant	行使期間 Exercise period	興業國際 認股權	
		每股 行使價 Exercise price per share 港元 HK\$	股份數目 Number of option shares in HKR International
19.5.1997	19.5.1998 - 18.5.2002	7.38	5,500,000
21.5.1997	21.5.1998 - 20.5.2002	7.59	288,200
21.5.1997	21.5.1998 - 20.5.2002	7.59	151,800
21.5.1997	21.5.1998 - 20.5.2002	7.59	220,000

Saved as disclosed above, at no time during the period was the Company, or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate and none of the directors, or their spouses or children under the age of 18, had any rights to subscribe for securities of the Company, or had exercised any such rights during the period.

董事會報告書

董事於競爭業務中之權益

概無本公司董事於本集團業務以外且是與本集團業務競爭或可能存在競爭之任何部份業務中擁有權益。

主要股東

於二零零二年三月三十一日，除上文所披露關於董事之權益外，披露權益條例第16(1)條規定存置之主要股東名冊，本公司獲知會有下列直接或間接佔本公司已發行股本百分之十或以上之權益：

名稱	Name	股份數目 Number of Shares	概約持股量 Approximate percentage of holding
Great Wisdom Holdings Limited (附註1)	Great Wisdom Holdings Limited (Note 1)	138,998,833	49.0%
興業國際 (附註1)	HKR International (Note 1)	138,999,013	49.0%
LBJ Regents Limited (附註2)	LBJ Regents Limited (Note 2)	211,670,286	74.6%

附註：

- (1) Great Wisdom Holdings Limited乃興業國際之全資附屬公司，因此，根據披露權益條例，興業國際被視為於Great Wisdom Holdings Limited所持之138,998,833股股份中擁有權益。
- (2) 該等股份權益包括由興業國際所持有之138,999,013股股份。LBJ Regents Limited乃百分之五十點六七之興業國際股份之持有人，而根據披露權益條例，LBJ Regents Limited被視為於興業國際所持有之138,999,013股股份中擁有權益。LBJ Regents乃若干不可撤回全權信託之信託人，該等信託之全權受益人為查氏家族(定義見下文)成員。

除上文所披露者外，本公司並不知悉，於二零零二年三月三十一日有任何佔本公司已發行股本百分之十或以上之其他權益。

Report of the Directors

Directors' Interests in Competing Business

None of the directors of the Company is interested in any business apart from the Group's businesses, which competes or is likely to compete either directly or indirectly, with business of the Group.

Substantial Shareholders

As at 31 March 2002, in addition to those interests as disclosed above in respect of the directors, the Company had been notified of the following interests, being 10% or more in the issued share capital of the Company, directly or indirectly according to the register of substantial shareholders required to be maintained under section 16(1) of the SDI Ordinance,:

- (1) Great Wisdom Holdings Limited is a wholly-owned subsidiary of HKR International and therefore HKR International is deemed to be interested in the 138,998,833 shares held by Great Wisdom Holdings Limited in accordance with the SDI Ordinance.
- (2) These share interests include 138,999,013 shares held by HKR International. LBJ Regents Limited is the holder of 50.67% of shares in HKR International and pursuant to the SDI Ordinance, LBJ Regents Limited is deemed to be interested in the 138,999,013 shares held by HKR International. LBJ Regents Limited is the trustee of certain irrevocable discretionary trusts of which members of the Cha Family (as defined hereunder) are among the discretionary objects.

Other than as disclosed above, the Company has not been notified of any other interests representing 10% or more of the Company's issued share capital as at 31 March 2002.

董事會報告書

董事於合約及關連交易中之權益

於本年度，本集團與興業國際及查氏家族(就此而言包括查濟民先生(興業國際創辦人兼主席)、王查美龍女士(查濟民先生之女兒)、查懋聲先生、查懋成先生及查懋德先生(三人為查濟民先生之兒子)及其各自之聯繫人(不包括(視情況而定)興業國際))(兩者皆為本公司之主要股東)及其各自之聯繫人(定義見上市規則)進行下列若干交易：

建築交易：

本集團曾與興業國際及其聯繫人就關於在香港建築不同類型樓宇及結構進行交易。本集團於截至二零零二年三月三十一日止年度確認之建築工程收入為港幣四億七千五百一十二萬四千元。

維修交易：

- (a) 本集團與興業國際及其聯繫人就維修、保養及改動其若干發展項目訂立協議。於截至二零零二年三月三十一日止年度，就上述持續合約而確認之裝飾及維修收入為港幣六百一十二萬九千元。

Report of the Directors

Directors' Interests in Contracts and Connected Transactions

During the year, the Group entered into certain transactions with HKR International and the Cha Family (comprising for this purpose Mr. Cha Chi Ming, the founder and the chairman of HKR International, Ms. Wong May Lung, Madeline (being a daughter of Mr. Cha Chi Ming), Mr. Cha Mou Sing, Payson, Mr. Cha Mou Zing, Victor and Mr. Cha Mou Daid, Johnson (being the sons of Mr. Cha Chi Ming), together with their respective associates, excluding, as the case may be, HKR International), both of which are substantial shareholders of the Company, and their respective associates as defined in the Listing Rules, as follows:

Construction transactions:

The transactions were entered between the Group and HKR International and its associates in relation to the construction of various buildings and structures in Hong Kong. The total construction income recognised by the Group during the year ended 31 March 2002 amounted to HK\$475,124,000.

Renovation transactions:

- (a) The Group has entered into agreements with HKR International and its associates for the renovation, maintenance and modification of certain of its developments. The total interior and renovation income recognised in respect of the above on-going contracts during the year ended 31 March 2002 amounted to HK\$6,229,000.

董事會報告書

董事於合約及關連交易中之權益 (續)

(b) 本集團與查氏家族之一名聯繫人 CDW Building Limited 訂立兩項協議。其中一項協議於二零零一年二月十七日訂立，乃關於由協議訂立日期起計一年期間為 CDW Building Limited 擁有之一項物業進行一般維修工程，該協議於一年期屆滿後可自動續約；而另一項協議於二零零一年十二月二十八日訂立，乃關於上述物業在協定範圍內之維修、改動及加建工程。於截至二零零二年三月三十一日止年度，就以上第一項協議所確認之維修總收入為港幣一百四十四萬元，而由於維修工程於二零零二年三月三十一日尚未開始，因此於年內並無確認第二項協議之收入。

由於上述交易將按持續基準進行，嚴格遵守上市規則第十四章對該等關連交易之規定（「規定」）乃不設實際。本公司為此申請豁免，並獲有條件授出就上述交易（「關連交易」）嚴格遵守規定之豁免。

Report of the Directors

Directors' Interests in Contracts and Connected Transactions (*continued*)

(b) The Group has also entered into two agreements with an associate of the Cha Family, CDW Building Limited. Of the two agreements, one was entered into on 17 February 2001 concerning the renovation work of a general nature for a property owned by CDW Building Limited for a term of one year commencing from the date of the agreement and renewable automatically upon expiry thereon, whereas the other one was entered into on 28 December 2001 relating to an agreed scope of renovation, alternation and additional works in respect of the entire aforesaid property. The total renovation income recognised under the first aforesaid agreement during the year ended 31 March 2002 amounted to HK\$1,440,000 and there was no income recognised under the second agreement during the year as the renovation work has not yet commenced as at 31 March 2002.

As the above transactions will be conducted on an ongoing basis, it is considered that strict compliance with the relevant requirements relating to such connected transactions under Chapter 14 of the Listing Rules ("Requirements") would be impractical. On application by the Company, the Company has been granted a conditional waiver from strict compliance with the Requirements in respect of the aforesaid transactions ("Connected Transactions").

董事會報告書

董事於合約及關連交易中之權益 (續)

本公司董事(包括獨立非執行董事)已審閱上述關連交易，經考慮本公司核數師為遵守授出豁免而須發出之函件內所載之據實調查結果後，董事確認：

- (a) 關連交易是：
- (i) 於本集團日常及一般業務過程內進行；
 - (ii) 按一般商業條款(或按本公司整體股東而言屬公平且合理之條款)進行；及
 - (iii) 根據有關合約之條款進行。
- (b) 就各項關連交易而言，其總額不超過如下文所列於截至二零零二年三月三十一日止年度所設定各自有關類別之上限金額(「上限金額」)：

交易類別	Type of transactions	截至二零零二年 三月三十一日止年度之上限金額 Cap Amounts for the year ended 31 March 2002 港幣(元) HK\$
建築工程	Construction	550,000,000
維修工程	Renovation	
— 與興業國際及其聯繫人	- with HKR International and its associates	10,000,000
— 與CDW Building Limited	- with CDW Building Limited	3,000,000

Report of the Directors

Directors' Interests in Contracts and Connected Transactions (continued)

The directors, including the independent non-executive directors of the Company, have reviewed the Connected Transactions described above and, having considered the letter from the Company's auditors in respect of the factual findings on the Connected Transactions in compliance with the waiver granted, confirmed that:

- (a) The Connected Transactions were:
- (i) carried out in the ordinary and usual course of business of the Group;
 - (ii) conducted on normal commercial terms (or on a fair and reasonable basis so far as the shareholders of the Company as a whole are concerned); and
 - (iii) conducted in accordance with the terms of the relevant contracts.
- (b) In respect of each of the Connected Transactions, the aggregate amount of Connected Transactions within each such category for the year ended 31 March 2002 of the Company did not exceed the relevant cap amounts (the "Cap Amounts") stated below:

Type of transactions	截至二零零二年 三月三十一日止年度之上限金額 Cap Amounts for the year ended 31 March 2002 港幣(元) HK\$
Construction	550,000,000
Renovation	
- with HKR International and its associates	10,000,000
- with CDW Building Limited	3,000,000

董事會報告書

董事於合約及關連交易中之權益 (續)

除上文所披露者外，本公司或其任何附屬公司概無訂立本公司董事於其中直接或間接擁有重大權益而於本期間完結之日或本期間內任何時間仍然生效之任何協議。

主要客戶及供應商

於本年度，本集團之五大客戶佔本集團營業額約百分之八十九，而最大客戶(乃興業國際之附屬公司)佔本集團總營業額約百分之七十四。除上文所披露者外，於截至二零零二年三月三十一日止財政年度，概無董事、其各自之聯繫人、或就董事所知擁有本公司股本百分之五以上之任何股東於本集團之五大客戶中擁有任何權益。

本集團五大供應商佔本年度本集團採購總額百分之三十以下。

退休福利計劃

隨着於二零零零年十二月一日香港實行強制性公積金計劃，本集團已設立根據職業退休計劃條例註冊之定額供款計劃「職業退休計劃」，並已獲豁免遵守強制性公積金計劃條例「強積金條例」之規定。

Report of the Directors

Directors' Interests in Contracts and Connected Transactions (continued)

Saved as disclosed above, no contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period.

Major Customers and Suppliers

During the year, the five largest customers of the Group accounted for about 89% of the turnover of the Group and the largest customer, which is a subsidiary of HKR International, accounted for about 74% of the total turnover. Save as disclosed above, none of the directors, their respective associates, or any shareholders (which to the knowledge of the directors own more than 5% of the Company's share capital) has any interest in any of the five largest customers of the Group for the financial year ended 31 March 2002.

The five largest suppliers of the Group in aggregate accounted for less than 30% of the total purchases of the Group for the year.

Retirement Benefits Schemes

With the implementation of Mandatory Provident Fund Scheme in Hong Kong on 1 December 2000, the Group has maintained the defined contribution scheme registered under the Occupational Retirement Schemes Ordinance ("ORSO Scheme") and has obtained an exemption satisfying the requirements of the Mandatory Provident Fund Schemes Ordinance ("MPFO").

董事會報告書

退休福利計劃 (續)

為遵照強積金條例，已經設立具自願性供款之強制性公積金計劃。職業退休計劃之現有成員擁有一次機會選擇獲豁免強制性公積金之職業退休計劃或強制性公積金計劃。在於二零零零年十二月一日開始實行強制性公積金計劃後，新僱員必須加入強制性公積金計劃。

本集團嚴格遵守強積金條例，向其僱員作出強制性供款。有關退休福利計劃供款詳情載於財務報表附註37。

結算日後事項

結算日後，本集團於二零零二年五月以代價港幣二千七百二十五萬元購入一項物業。該物業主要供本集團自用。

公司監管

於二零零二年一月十日股份在聯交所上市後，本公司已經遵守上市規則附錄十四所載之最佳應用守則。

審核委員會

本公司於二零零一年十二月二十一日成立審核委員會，並已遵照上市規則附錄十四所載之最佳應用守則制定書面職權範圍。審核委員會之主要職責是審核及監察本集團之財務呈報程序及內部監控系統。

審核委員會共有兩名成員，均為獨立非執行董事，分別為孫大倫博士及陳伯佐先生。孫大倫博士獲委任為審核委員會之主席。

Report of the Directors

Retirement Benefits Schemes (continued)

To comply with MPFO, a Mandatory Provident Fund Scheme with voluntary contributions has been established. Existing ORSO Scheme members have been given a one-off choice on the MPF Exempted ORSO Scheme and the MPF Scheme. New employees must join MPF Scheme when it commenced on 1 December 2000.

The Group strictly complies with the Mandatory Provident Fund Ordinance in making mandatory contributions for its staff. Details of charges relating to the retirement benefits schemes are set out in note 37 to the financial statements.

Post Balance Sheet Event

Subsequent to the balance sheet date, the Group acquired a property at a consideration of HK\$27,250,000 in May 2002. This property is principally for the Group's own use.

Corporate Governance

The Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules following the listing of the Shares on the Stock Exchange on 10 January 2002.

Audit Committee

The Company established an audit committee on 21 December 2001 with written terms of reference in compliance with the Code of Best Practice as set out in Appendix 14 to the Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group.

The audit committee has two members, being the independent non-executive directors, namely, Dr. Sun Tai Lun and Mr. Chan Pak Joe. Dr. Sun Tai Lun has been appointed the chairman of the audit committee.

董事會報告書

股份優先認購權

本公司之組織章程細則或開曼群島法例並無有關股份優先認購權之條文，規定本公司須按比例向現有股東發售新股。

核數師

於本期間，德勤•關黃陳方會計師行已獲委任為本公司之核數師。於本公司之股東週年大會上，將提呈一項決議案以重新委任其為核數師。

承董事會命

On behalf of the Board

王世濤

Wong Sue Toa, Stewart

董事總經理

Managing Director

二零零二年六月二十一日

21 June 2002

Report of the Directors

Pre-Emptive Rights

There are no provision for pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on pro-rata basis to existing shareholders.

Auditors

Messrs. Deloitte Touche Tohmatsu were appointed as auditors of the Company during the period. A resolution will be proposed at the annual general meeting of the Company to re-appoint them as auditors.