

董事會報告書

董事會同寅欣然呈覽截至二零零二年三月三十一日止年度，本公司及其附屬公司（以下統稱「本集團」）之週年報告及經審核財務報表予本公司股東。

主要業務

本公司之主要業務為投資控股，其主要附屬公司、聯營公司及合營公司之主要業務載於第56頁。

分項資料

詳細分項資料載於財務報表附註5。

業績及分配

本集團截止二零零二年三月三十一日止年度之業績及本公司分配之詳情，載於第49頁之綜合收益表及有關之財務報表附註內。

於二零零二年一月，本公司藉向股東以實物分派方式分派 Hanison Construction Holdings Limited（「興勝創建」）之51%股本權益，將由8家公司組成並從事建築相關業務之子集團分拆。分派比例為每持有8股本公司股份獲派1股興勝創建股份。

本公司董事會建議不派發截至二零零二年三月三十一日止年度之末期股息。

五年財務概要

本集團最近五個財務年度之業績及資產負債之概要載於第130頁。

投資物業與物業、廠房及設備

本集團及本公司投資物業與物業、廠房及設備於本年度內之變動詳情，分別載於財務報表附註18及19。

待發展／發展中、出售及投資等用途之物業

本集團待發展／發展中物業於本年度內之變動詳情載於財務報表附註20。

待發展／發展中、出售及投資等用途之主要物業摘要載列於第131頁至第144頁。

股本

本年度內本公司之股本並無任何變動。

儲備

本公司及本集團之儲備於本年度內之變動詳情載於財務報表附註34。

Directors' Report

The directors have pleasure in submitting to shareholders their annual report and the audited financial statements of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 31 March 2002.

Principal Activities

The principal activity of the Company is investment holding and the activities of its principal subsidiaries, associates and jointly controlled entities are shown on page 56.

Segment Information

Details of segment information are set out in note 5 to the financial statements.

Results and Appropriations

Details of the results of the Group and appropriations of the Company for the year ended 31 March 2002 are set out in the consolidated income statement on page 49 and the accompanying notes to the financial statements.

In January 2002, the Company spun off the construction related business comprising a sub-group of 8 companies by distribution in specie of its 51% equity interest in Hanison Construction Holdings Limited ("HCHL") to its shareholders in the distribution ratio of 1 share in HCHL for every 8 shares held in the Company.

The Directors of the Company has resolved not to recommend the payment of a final dividend for the year ended 31 March 2002.

Five-year Financial Summary

A summary of the results and assets and liabilities of the Group for the past five financial years is set out on page 130.

Investment Properties and Property, Plant and Equipment

Details of changes during the year in the investment properties and property, plant and equipment of the Group and of the Company are set out in notes 18 and 19 to the financial statements respectively.

Properties Held for/under Development, Sale and Investment Purposes

Details of changes during the year in properties held for/under development of the Group are set out in note 20 to the financial statements.

A summary of major properties held for/under development, sale and investment purposes is set out on pages 131 to 144.

Share Capital

There were no changes in the share capital of the Company during the year.

Reserves

Details of movements during the year in the reserves of the Company and of the Group are shown in note 34 to the financial statements.



董事會報告書

董事

本公司於本年度內及截至本報告書日期之董事會成員如下：

查濟民 (主席)
查懋聲 (副主席)
查懋成 (董事總經理)
夏佳理 (獨立非執行董事)
鄭家純 (獨立非執行董事)
查懋德
張昌明 (於二零零一年九月二十一日委任)
鍾心田 (同是查懋聲之替代董事)
何柏貞
王查美龍
沈大馨 (於二零零一年十二月十五日辭任董事
及伍小貞之替代董事)
王世濤 (於二零零一年十二月十五日辭任)
伍小貞 (於二零零二年一月一日辭任)

按照本公司之公司組織章程細則第116條之規定，查濟民先生、鍾心田先生及夏佳理先生須輪席告退，惟彼等符合資格，願膺選連任。按照本公司之公司組織章程細則第99條之規定，張昌明先生之任期將於即將舉行之股東週年大會屆滿，惟彼符合資格，願膺選連任。所有餘下董事均繼續留任。

即將於二零零二年八月二日舉行之股東週年大會上膺選連任之董事，既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。

各獨立非執行董事之任期，按照本公司之公司組織章程細則規定，為須輪席告退為止。

管理合約

本公司於本年度內既無訂立或存在任何整體或任何主要業務部分之管理或行政合約。

Directors' Report

Directors

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

CHA Chi Ming (Chairman)
CHA Mou Sing Payson (Deputy Chairman)
CHA Mou Zing Victor (Managing Director)
Ronald Joseph ARCULLI (Independent Non-executive Director)
CHENG Kar Shun Henry (Independent Non-executive Director)
CHA Mou Daid Johnson
CHEUNG Tseung Ming (appointed on 21 September 2001)
CHUNG Sam Tin Abraham (also alternate to CHA Mou Sing Payson)
HO Pak Ching Loretta
WONG May Lung Madeline
SHEN Tai Hing (resigned as director and alternate to
WU Shao Ching Veronica on 15 December 2001)
WONG Sue Toa Stewart (resigned on 15 December 2001)
WU Shao Ching Veronica (resigned on 1 January 2002)

In accordance with Article 116 of the Company's Articles of Association, Mr CHA Chi Ming, Mr CHUNG Sam Tin Abraham and Mr Ronald Joseph ARCULLI shall retire from office by rotation and, being eligible, offer themselves for re-election. In accordance with Article 99 of the Company's Articles of Association, Mr CHEUNG Tseung Ming shall hold office until the forthcoming annual general meeting, and being eligible, offers himself for re-election. All other remaining directors continue in office.

None of the director offering themselves for re-election at the forthcoming annual general meeting to be held on 2 August 2002 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).

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

Management Contract

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

董事會報告書

董事及高級管理人員履歷

I 董事

查濟民，主席 (88歲)

查先生為本公司之創辦人，自一九八九年起擔任本集團之主席。查先生在物業發展方面積逾25年經驗，在紡織工業方面更積逾65年經驗，並獲頒授工商管理學榮譽博士及社會科學榮譽博士學位。

查懋聲，太平紳士，副主席 (59歲)

查先生於二零零一年九月獲委任為本集團之副主席，查先生在物業發展方面積逾30年經驗。彼現任中國人民政治協商會議全國委員會之委員。查懋聲先生為查濟民先生之兒子。

查懋成，董事總經理 (52歲)

查先生自一九八九年起獲委任為董事及於二零零一年九月獲委任為本集團之董事總經理。查先生負責本集團業務之整體及日常管理工作。其參與紡織製造及西非洲及亞洲之房地產業務逾15年。查懋成先生為查濟民先生之兒子。

查懋德 (50歲)

查先生自一九八九年起獲委任。彼在美國從事投資管理及財務策劃業務積逾25年經驗。查懋德先生為查濟民先生之兒子。

張昌明 (60歲)

於二零零一年九月獲委任為董事。張先生為HKR Asia-Pacific Pte Ltd之董事，負責管理本公司於亞太區之附屬公司及投資。彼為英國結構及土木工程師學會之會員，亦是澳洲會計師公會之高級會員。

鍾心田，公司秘書 (56歲)

鍾先生自一九九四年起獲委任為董事，並於二零零一年獲委任為公司秘書，負責本集團之財務及企業服務事宜。鍾先生為一名執業會計師，亦是香港會計師公會會員。彼於財務管理及香港之物業發展積逾20年經驗。

何柏貞 (55歲)

何女士自一九九四年起獲委任。彼負責本集團之房地產業務。何女士為英國特許屋宇經理學會香港分會之會員。彼於物業發展方面積逾30年經驗。

王查美龍 (62歲)

王女士自一九八九年起獲委任。彼亦擔任多家香港及海外公眾及私人公司之董事，其中包括於香港聯合交易所有限公司上市之漢國置業有限公司及建業實業有限公司。王查美龍女士為查濟民先生之女兒。

Directors' Report

Biographical Details of Directors and Senior Management

I Director

CHA Chi Ming, Chairman (Age 88)

Founder of the Company and chairman of the Group since 1989, Mr CHA has over 25 years' experience in property development and more than 65 years' experience in the textile industry. He is an Honorary Doctor of Business Administration and an Honorary Doctor of Social Science.

CHA Mou Sing Payson, JP, Deputy Chairman (Age 59)

Appointed as the deputy chairman of the Group in September 2001, Mr CHA has over 30 years' experience in property development. He is a member of The National Committee of the Chinese People's Political Consultative Conference. He is a son of Mr CHA Chi Ming.

CHA Mou Zing Victor, Managing Director (Age 52)

Director since 1989 and appointed as managing director of the Group in September 2001, Mr CHA is responsible for the overall and day to day management of the Group. He has been involved in the textile manufacturing and real estates business in West Africa and Asia for over 15 years. He is a son of Mr CHA Chi Ming.

CHA Mou Daid Johnson (Age 50)

Appointed since 1989, Mr CHA has over 25 years' experience in investment management and financial planning business in the United States. He is a son of Mr CHA Chi Ming.

CHEUNG Tseung Ming (Age 60)

Appointed as director in September 2001, Mr CHEUNG is the resident director of HKR Asia-Pacific Pte Ltd and responsible for the management of the Company's subsidiaries and investments in Asia-Pacific region. He is a member of the Institute of Structural and Civil Engineers in the United Kingdom and a certified practising accountant of the CPA Australia.

CHUNG Sam Tin Abraham, Company Secretary (Age 56)

Appointed as director since 1994 and as company secretary in 2001, Mr CHUNG is responsible for the Group's financial and corporate affairs. Mr CHUNG is a certified public accountant and member of the Hong Kong Society of Accountants. He has over 20 years' experience in financial management and property development in Hong Kong.

HO Pak Ching Loretta (Age 55)

Appointed since 1994, Ms HO is responsible for the Group's real estate business. She is a fellow of the Chartered Institute of Housing, Hong Kong Branch. She has over 30 years' experience in property development.

WONG May Lung Madeline (Age 62)

Appointed since 1989, Ms WONG is also a director in a number of public and private companies in Hong Kong and overseas, including Hon Kwok Land Investment Company, Limited and Chinney Investments, Limited which are listed on The Stock Exchange of Hong Kong Limited. She is a daughter of Mr CHA Chi Ming.



董事會報告書

Directors' Report

董事及高級管理人員履歷一續

II 獨立非執行董事

夏佳理，太平紳士 (63歲)

夏先生自一九八九年起獲委任為董事，並由一九九四年起獲委任為獨立非執行董事。夏先生為夏佳理律師事務所之資深合夥人，亦擔任香港及全球多家公眾上市及私人公司之董事。

鄭家純 (55歲)

自一九八九年起獲委任為董事，並由一九九四年起獲委任為獨立非執行董事。鄭先生為新世界發展有限公司之董事總經理，兼任香港多間公眾及私人公司之董事。

III 高級管理人員

陳子明 (45歲)

陳先生於一九八零年加入本集團，現時擔任發展及市場部之總經理。陳先生於物業發展、房地產銷售及市場推廣積累逾20年經驗。

陳家良 (46歲)

陳先生於一九八八年加入本集團，現時擔任本集團項目發展部總經理。彼擁有土木工程學位及工商管理碩士學位。

陳銳麟 (64歲)

陳先生於一九九九年加入本集團，擔任負責愉景灣屋苑管理之愉景灣服務管理有限公司董事及總經理。陳先生為香港特別行政區政府之註冊專業房屋事務經理，於物業管理方面擁有43年經驗。

Rolando P GOSIENGFAO (52歲)

於二零零零年加入本集團。GOSIENGFAO先生為本集團策略投資組高級總經理並負責管理GenRx集團之保健業務及英陶集團之潔具業務。其於商業及投資銀行業務方面積累逾20年經驗。

Michael Gerald KEEGAN (54歲)

於一九九四年加入本集團。彼現任英陶潔具有限公司董事總經理兼法人代表。彼為英國材料學會之資深會員及持有英國管理學文憑。彼於國際浴室產品行業積累逾29年之經驗。

II Independent non-executive director

Ronald Joseph ARCULLI, JP (Age 63)

Director since 1989 and appointed as independent non-executive director in 1994, Mr ARCULLI is the managing partner of Arculli and Associates, a firm of solicitors in Hong Kong, and a director of several public listed and private companies in Hong Kong and worldwide.

CHENG Kar Shun Henry (Age 55)

Director since 1989 and appointed as independent non-executive director in 1994, Mr CHENG is the managing director of New World Development Company Limited and a director of a number of public and private companies in Hong Kong.

III Senior Management

CHAN Chi Ming (Age 45)

Joined the Group in 1980, Mr CHAN is the general manager of development and marketing division. He has over 20 years' experience in property development, sales and marketing of real estate.

CHAN Ka Leung (Age 46)

Joined the Group in 1988, Mr CHAN is the general manager of the Group's projects division. He holds a degree in Civil Engineering and a Master degree in Business Administration.

CHAN Yui Loon Edward (Age 64)

Joined the Group in 1999, Mr CHAN is a director and general manager of Discovery Bay Services Management Limited, the estate manager of Discovery Bay. He is a Registered Professional Housing Manager of the Government of Hong Kong Special Administrative Region, with 43 years' experience in property management.

Rolando P GOSIENGFAO (Age 52)

Joined the Group in 2000, Mr GOSIENGFAO is the senior general manager of the Strategic Investments unit and responsible for overseeing the GenRx Group of healthcare business and the Imperial Group of bathroom products. He has over 20 years' experience in commercial and investment banking business.

Michael Gerald KEEGAN (Age 54)

Joined the Group in 1994, Mr KEEGAN is the managing director and legal representative of Imperial Bathroom Products Ltd. He is a fellow of the Institute of Materials (UK) and holds a Diploma in Management Studies (UK). He has over 29 years' experience in the international bathroom products industry.

董事會報告書

董事及高級管理人員履歷 – 續

III 高級管理人員 – 續

鄧滿華 (48歲)

於一九八五年加入本集團。鄧先生為項目發展科高級總經理並負責中國之物業發展。彼為香港建築師學會會員、香港註冊建築師認可人士及註冊建築師。

杜顯寧 (59歲)

於一九七九年加入本集團。杜先生為本集團交通運輸科及會所管理科之總經理，負責監督愉景灣海陸路運輸、隧道及會所之營運。杜先生自一九九七年獲委任為Asia Pacific Golf Confederation (A.P.G.C.)之秘書長。

王羅桂華 (53歲)

於一九九八年加入本集團。王太為本集團於中華人民共和國提供物業管理服務之投資公司—華聯興業有限公司之董事總經理。彼為香港房屋經理學會及其他專業組織之會員。加入本集團之前，王太曾在多家大型公司擔任行政職位。

附註： 上述之董事及高級管理人員亦兼任本公司附屬公司、聯營公司及／或合營公司之董事職務。

可換股證券、認購權、認股權證或類似權利

除下文所述之行政人員優先認股計劃及認股權計劃外，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、認購權、認股權證或類似權利。除分別於「認股權計劃」一節內所述尚未行使之認股權於年內之變動外，本年度內並無發行或行使任何其他可換股證券、認購權、認股權證或其他類似權利。

Directors' Report

Biographical Details of Directors and Senior Management – continued

III Senior Management – continued

TANG Moon Wah (Age 48)

Joined the Group in 1985, Mr TANG is the senior general manager of the Group's projects division and responsible for property development in the People's Republic of China. He is a member of the Hong Kong Institute of Architects, an Authorised Person and a Registered Architect.

TO Hin Ling Bertram Jr (Age 59)

Joined the Group in 1979, Mr TO is the general manager of the Group's transportation and recreation divisions and responsible for overseeing the operation of transport, tunnel and clubs in Discovery Bay. He has been appointed as Secretary General of Asia Pacific Golf Confederation (A.P.G.C.) since 1997.

WONG LAW Kwai Wah Karen (Age 53)

Joined the Group in 1998, Mrs WONG is the managing director of Asia Asset Property Services Limited, the property management services arm in the People's Republic of China. She is a member of the Hong Kong Institute of Housing and other professional bodies. Prior to joining the Group, she held executive positions in leading firms in the field.

Note: the above members of directors and senior management hold various directorships in the Company's subsidiaries, associates and/or jointly controlled entities.

Convertible Securities, Options, Warrants or Similar Rights

Other than the executive share option schemes and the share option scheme described below, the Company had no outstanding convertible securities, options, warrants or similar rights at 31 March 2002. There has been no issue or exercise of any convertible securities, options, warrants or similar rights during the year except those movements during the year on the outstanding share options of the Company as described in the section headed "Share Option Scheme".



Directors' Interests in Securities

At 31 March 2002, the interests of the directors, if any, in the equity or debt securities of the Company and its associated corporation (within the meaning of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance")) as recorded in the register required to be kept under Section 29 of the SDI Ordinance or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

(1) Interests in the Company

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董事會報告書

董事之證券權益－續

(2) 相聯法團之權益

Hanison Construction Holdings Limited

董事 Director

查濟民	CHA Chi Ming
查懋聲	CHA Mou Sing Payson
鍾心田	CHUNG Sam Tin Abraham
何柏貞	HO Pak Ching Loretta

獨立非執行董事 Independent non-executive director

夏佳理	Ronald Joseph ARCULLI
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* 於二零零二年五月十三日修訂。

(a) 有關股份為劉璧如女士個人擁有，劉璧如女士乃查濟民先生之妻子。

(b) 該等股份由一家公司持有，根據披露權益條例，該名有關董事被視為擁有相關之權益。

(c) 有關股份由多項不可撤回全權信託所持有，查濟民先生或其聯繫人士為該等信託列內之受益人。

除上文所列者外，若干董事以代理人名義持有本公司部份附屬公司股本中之非實益權益，主要目的是為該等附屬公司湊足法定之最低股東數目。

除上文所披露者外，於二零零二年三月三十一日，既無本公司董事或彼等之聯繫人士，於本公司或其相聯法團之股本或債務證券中，擁有須根據披露權益條例第28條或標準守則知會本公司及聯交所，或須登記於披露權益條例第29條規定存置之名冊內之權益。

Directors' Report

Directors' Interests in Securities – continued

(2) Interests in associated corporation

Hanison Construction Holdings Limited

普通股數目

Number of ordinary shares

個人權益 Personal interests	家族權益 Family interests	公司權益 Corporate interests	其他權益 Other interests
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–	16,250 *(a)	9,050,632 (b)	63,620,641 (c)
294,107	–	328,075 (b)	–
33,758	–	–	–
6,803	–	–	–

30,184	–	–	–
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* As amended on 13 May 2002.

(a) The shares are beneficially held by Ms LIU Bie Ju, the wife of Mr CHA Chi Ming.

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

(c) The shares are held by irrevocable discretionary trusts, of which Mr CHA Chi Ming or its associates are among the beneficiaries.

In addition to the above, certain directors hold non-beneficial interests in the share capital of some of the subsidiaries of the Company as nominee shareholders, mainly for the purpose of complying with the statutory requirement for a minimum number of shareholders for those subsidiaries.

Save as disclosed above, at 31 March 2002, none of the directors of the Company or their associates had any interest in the equity or debt securities of the Company or of any of its associated corporations which had to be notified to the Company and the Stock Exchange pursuant to Section 28 of the SDI Ordinance or to the Model Code or which were required pursuant to Section 29 of the SDI Ordinance to be entered in the register referred therein.



董事會報告書

董事於競爭業務中之權益

於本年度內，本公司董事於與本集團業務直接或間接競爭或可能存在競爭之業務中，擁有須根據聯交所證券上市規則（「上市規則」）作出披露之權益如下：

王查美龍女士為建業實業有限公司（「建業實業」）及漢國置業有限公司（「漢國置業」）之董事，該兩家公司之集團業務均涉及物業發展、物業投資及建築。因此，王女士被認為於該等與本集團業務競爭之業務中擁有權益。建業實業及漢國置業均於聯交所上市。

除上文所披露者外，既無本公司董事於本集團業務以外與本集團業務直接或間接競爭或可能存在競爭之任何業務中擁有權益。

認股權計劃

本公司現時之認股權計劃（「二零零二年計劃」）已於二零零二年一月三日採納並於二零零二年一月十八日生效。根據上市規則之規定有關二零零二年計劃之詳情載列如下：

I 二零零二年計劃之摘要

(a) 二零零二年計劃之目的

為根據二零零二年計劃已獲授認購權以認購本公司股份（「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。

(b) 二零零二年計劃之參與者

所有本公司、其附屬公司及／或其聯營公司之董事（包括獨立非執行董事）、全職僱員及顧問均符合參與二零零二年計劃之資格。

(c) 最多可予發行股份之數目

根據二零零二年計劃於本年報日期（即二零零二年六月二十一日）可予發行之股份總數為115,737,802股，即為於該日已發行股份之百分之十。

Directors' Report

Directors' Interests in Competing Business

During the year, the interests of directors of the Company in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group as required to be disclosed pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were set out as follows:-

Ms WONG May Lung Madeline is a director of each of Chinney Investments, Limited ("Chinney") and Hon Kwok Land Investment Company, Limited ("Hon Kwok") whose groups' businesses consist of property development, property investment and construction. In this respect, Ms WONG is regarded to be interested in such competing businesses of the Group. Chinney and Hon Kwok are listed on the Stock Exchange.

Save as disclosed above, 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 businesses of the Group.

Share Option Scheme

The Company's existing share option scheme (the "2002 Scheme") was adopted on 3 January 2002 and became effective on 18 January 2002. Particulars of the 2002 Scheme as required under the Listing Rules are set out below:

I Summary of the 2002 Scheme

(a) Purpose of the 2002 Scheme

To provide the participants who have been granted options under the 2002 Scheme to subscribe for ordinary shares in the Company ("Shares") with the opportunity to acquire proprietary interests 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.

(b) Participants of the 2002 Scheme

All directors (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 2002 Scheme.

(c) Maximum number of Shares available for issuance

A total of 115,737,802 Shares is available for issue under the 2002 Scheme which represents 10% of the issued share capital of the Company as at the date of Annual Report (i.e. 21 June 2002).

董事會報告書

認股權計劃－續

I 二零零二年計劃之摘要－續

(d) 每名參與者可獲權益上限

除獲本公司股東另行批准外，根據二零零二年計劃或本公司於任何十二個月期間採納之任何其他購股權計劃授予各參與者之認購權（包括已行使及尚未行使認購權）而已發行及將予發行之股份總數不得超過已發行股份之百分之一。

(e) 可根據認購權認購股份之期限

賦予認購權之日起計十年或董事會或有關之委員會於授出認購權時所指定的較短期限。

(f) 認購權行使前必須持有的最短期限（如有）

於授出認購權時，董事會或有關之委員會必須指明認購權於可予行使前必須持有之最短期限（如有）。

(g) 接納認購權須付金額及付款的期限

須於發出認購權建議十四日內繳付1港元。

(h) 認購權行使價的釐定基準

認購權之行使價必須不低於下列所述之較高者：

(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（當日需為交易日）；

(ii) 聯交所於緊接授出日期前五個聯交所交易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。

(i) 二零零二年計劃餘下之年期

除根據二零零二年計劃另行結束外，二零零二年計劃之有效年期為十年並於二零一二年一月三日屆滿。

Directors' Report

Share Option Scheme – continued

I Summary of the 2002 Scheme – continued

(d) Maximum entitlement of each participant

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 2002 Scheme or any other share option scheme adopted by the Company in any 12-month period must not exceed 1% of the Shares in issue unless otherwise approved by the shareholders of the Company.

(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 will specify at the time of grant.

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

(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 the 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.

(i) Remaining life of the 2002 Scheme

The 2002 Scheme has a life of 10 years and will expire on 3 January 2012 unless otherwise terminated in accordance with the terms of the 2002 Scheme.

董事會報告書

Directors' Report

認股權計劃－續

II 已授出認購權之詳情

根據本公司於一九八九年採納之認股計劃（「一九八九年計劃」）（該計劃於一九九七年十一月二十九日失效但其尚未行使之認購權直至二零零二年五月屆滿期限前仍然生效）授予本公司董事之詳情載列於「董事認購股份或債券之權利」一節內。

根據於一九九七年採納之本公司行政人員優先認股計劃並無授出任何認購權。該計劃已被取消及被二零零二年計劃所取代。根據二零零二年計劃並無授出任何認購權。

根據一九八九年計劃已授予當時根據勞工法例被視為「持續性合約」的僱傭合約聘請的僱員（包括所有獲授予認購權之董事）於二零零二年三月三十一日止年度內之尚未行使認購權之詳情及於年內之變動如下：

授出日期 Date of Grant	於二零零一年 四月一日 認股權可認購 本公司股份數目 No. of option shares in the Company as at 1 April 2001
19/5/1997	5,500,000
21/5/1997	3,410,000
	<u>8,910,000</u>

* 可於四年內以直線方式每年行使25%，或以遞增方式每年行使10-40%。

根據一九八九年計劃授出認購權之持有限制為由授出日期起計一年。除上述披露者外，於截止二零零二年三月三十一日止年度內並無認購權被取消及無於授出認購權時授予根據上市規則17.07條內所指的任何其他類別的參與者。

Share Option Scheme – continued

II Details of options granted

Details of options granted to directors of the Company under the Company's share option scheme adopted in 1989 ("1989 Scheme") (which scheme ceased to have effect on 29 November 1997 but the outstanding options thereunder remained valid until their expiries in May 2002) are set out in the section headed "Directors' Right to Acquire Shares or Debentures".

No options were granted under the Company's executive share option scheme adopted in 1997 in which the said scheme was terminated and replaced by the 2002 Scheme. No options were granted under the 2002 Scheme.

Particulars and movements during the year ended 31 March 2002 of the outstanding options which were granted under the 1989 Scheme to the employees (including all those directors of the Company in which options were granted) working under employment contracts that are regarded as "continuous contracts" for the purpose of the Employment Ordinance at the time of grant were as follows:

本財務年度 內註銷之 認股權 No. of option shares lapsed during the financial year	於二零零二年 三月三十一日 認股權可認購 本公司股份數目 No. of option shares in the Company as at 31 March 2002	行使期* Exercise period*	每股行使價 Exercise price per share 港元 HK\$
–	5,500,000	19/5/1998 to 18/5/2002	7.38
(110,000)	3,300,000	21/5/1998 to 20/5/2002	7.59
<u>(110,000)</u>	<u>8,800,000</u>		

* exercisable either on a linear scale of 25% per year or on an ascending scale of 10-40% per year over the four years' period.

The vesting period for the options granted under the 1989 Scheme is one year from the relevant date of grant. Save as disclosed above, no option was cancelled during the year ended 31 March 2002 and no option was granted to any other categories of participants as stated in rule 17.07 of the Listing Rules at the time of granting such option.

董事會報告書

Directors' Report

董事認購股份或債券之權利

於二零零二年三月三十一日，本公司根據一九八九年計劃授予本公司董事可認購本公司股份並登記於根據披露權益條例第29條規定存置之名冊內之尚未行使認股權詳情如下：

董事姓名	Name of director	授出日期 Date of grant	行使期* Exercise period*	每股行使價	認股權可 認購本公司 股份數目 Number of options shares in the Company
				Exercise price per share 港元 HK\$	
查懋聲	CHA Mou Sing Payson	19/5/1997	19/5/1998 to 18/5/2002	7.38	5,500,000
查懋成	CHA Mou Zing Victor	21/5/1997	21/5/1998 to 20/5/2002	7.59	550,000
何柏貞	HO Pak Ching Loretta	21/5/1997	21/5/1998 to 20/5/2002	7.59	550,000

* 可於四年內以直線方式每年行使25%，或以遞增方式每年行使10—40%。

* exercisable either on a linear scale of 25% per year or on an ascending scale of 10 – 40% per year over the four years' period.

本公司於本年度內並無根據本公司之認股計劃，向本公司董事發行任何認股權，亦無本公司董事根據本公司之認股計劃行使任何認股權。上述尚未行使之認股權分別於二零零二年五月十九日及二十一日註銷。

There has been no issue to, or exercise by, the directors of the Company of share options under the Company's share option schemes during the year. The above outstanding options lapsed on 19 and 21 May 2002 respectively.

除上文所披露者外，本公司或其任何附屬公司於本年內任何時間並無作為任何安排之參與方，致使本公司董事藉購入本公司或任何其他法人團體之股本或債券而獲益。上述之認股權乃根據一九八九年計劃，以零代價授出。

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. The above options were granted at nil consideration under the 1989 Scheme.

董事於合約及關連交易中之權益

(I) 獨家市場推廣及租賃協議

本公司之全資附屬公司香港興業管理有限公司（前稱「興勝管理有限公司」）（「香港興業管理」），與本公司主席查濟民先生之聯繫人士CDW Building Limited（「CDW Company」），於二零零零年八月十日簽訂一項獨家市場推廣及租賃協議。據此，香港興業管理獲委任為CDW Company（其為中國染廠大廈（一幢位於香港荃灣之27層高工業大廈）之業主）之獨家市場推廣及租賃代理，為中國染廠大廈提供租賃、市場推廣及其他服務，協議由簽訂日期起計為期一年，於屆滿時自動續期，直至及除非遭終止為止。

Directors' Interests in Contracts and Connected Transactions

(I) Sole marketing and leasing agreement

A sole marketing and leasing agreement dated 10 August 2000 was entered into between HKR Management Limited (Formerly "Hanison Management Limited") ("HKR Management"), a wholly-owned subsidiary of the Company, and CDW Building Limited ("CDW Company"), an associate of Mr CHA Chi Ming, the Chairman of the Company, in which HKR Management was appointed as the sole marketing and leasing agent of CDW Company (which is the leasehold owner of CDW Building, a 27-storey industrial building located at Tsuen Wan, Hong Kong) providing leasing, marketing and other services thereto for the CDW Building for a term of one year commencing from the date of the agreement and renewable automatically upon expiry thereof until and unless otherwise terminated.



董事會報告書

Directors' Report

董事於合約及關連交易中之權益－續

(I) 獨家市場推廣及租賃協議－續

該獨家市場推廣及租賃協議於二零零一年十月被終止。

截至二零零二年三月三十一日止年度，本集團向 CDW Company 收取之市場推廣及租賃代理服務費為 1.0 百萬港元。

(II) 經修訂參與協議

如去年度所述，本公司之全資附屬公司 Broad Base International Limited (「Broad Base」) 於二零零零年十一月九日與查濟民先生之聯繫人士 Cagen Holdings Limited (「Cagen」) 及 Mingly Global Holdings Limited (「Mingly Global」) 訂立了一項經修訂參與協議，委任 Cagen 為(其中包括)一筆由 Broad Base 於一九九四年已交予 Cagen 原本數額為 1 億美元之保留組合(經 Broad Base 於二零零零年十一月九日出售其於一項私人、長期創業基金及槓桿式收購基金組合(構成原本基金之一部份))(「保留基金」)之管理人。委任期為一固定期間並於二零零六年十二月三十一日屆滿。

上述交易於二零零一年一月二日召開之股東特別大會上經股東正式批准。

Cagen 於經修訂參與協議可享有之參與權益如下：

(a) 相等於保留基金 1% 之管理人附帶權益(附註)。

(b) 保留基金每年產生之收益 10% 之獎勵附帶權益，惟該收益必須超出保留基金按最近期 180 日美國國庫債券息率加 1 厘計算之金額(附註)。

附註：根據經修訂參與協議於任何一年應付予 Cagen 之總管理人附帶權益及獎勵附帶權益不得超出最近期年報所披露本集團之有形資產賬面淨值之 3%。

截至二零零二年三月三十一日止年度，支付予 Cagen 之參與權益為 11.8 百萬港元。本年度並無應付予 Cagen 之獎勵附帶權益。

Directors' Interests in Contracts and Connected Transactions – continued

(I) Sole marketing and leasing agreement – continued

The sole marketing and leasing agreement was terminated in October 2001.

The marketing and leasing agency service fee received by the Group from CDW Company during the year ended 31 March 2002 amounted to HK\$1.0 million.

(II) Revised participation agreement

As reported last year, Broad Base International Limited (「Broad Base」), a wholly-owned subsidiary of the Company, has, on 9 November 2000, entered into a Revised Participation Agreement with Cagen Holdings Limited (「Cagen」) and Mingly Global Holdings Limited (「Mingly Global」), both of Cagen and Mingly Global are associates of Mr CHA Chi Ming, for appointing Cagen as the manager, inter alia, of the retained portfolio of a fund in the original amount of US\$100 million placed by Broad Base with Cagen in 1994 (the 「Retained Fund」) (after the disposal of Broad Base's interests in a portfolio of private, long-term venture capital and leveraged buy-out funds which formed part of the fund originally on 9 November 2000). The term of appointment is for a fixed period expiring on 31 December 2006.

The above transactions were duly approved by the shareholders at the Extraordinary General Meeting of the Company on 2 January 2001.

Cagen is entitled to participation interest under the Revised Participation Agreement as follows:

(a) a manager's carried interest equal to 1% of the value of the Retained Fund (note).

(b) an incentive carried interest equals to 10% of the gain generated by the Retained Fund for each year provided that such gain exceeds an amount which the Retained Fund would have gained at the rate of the last quoted 180 days US Treasury Bill rate plus 1% (note).

Note: The aggregate manager's carried interest and incentive carried interest payable to Cagen under the Revised Participation Agreement for any one year shall not exceed an amount calculated by reference to 3% of the book value of the net tangible assets of the Group as disclosed in the immediate preceding year's annual report.

The participation interest payable to Cagen for the year ended 31 March 2002 amount to HK\$11.8 million. No incentive carried interest was payable to Cagen for the year.

董事會報告書

董事於合約及關連交易中之權益－續

(III) 維修、翻新及保養協議

本公司於分拆(定義見下文)以前之全資附屬公司興勝室內及維修有限公司(「興勝室內」)與CDW Company於二零零一年二月十七日簽訂一項維修、翻新及保養協議。據此，興勝室內獲委任為非獨家承建商，承包中國染廠大廈若干維修、翻新及保養工程，由簽訂協議日期起為期一年，於屆滿時自動續期。

隨着以實物分派興勝創建(其集團公司包括但不限於興勝室內)股份之特別股息以備興勝創建於二零零二年一月在聯交所獨立上市(「分拆」)，上述之交易根據上市規則不再被界定為本公司之關連交易。

於本年度分拆以前，興勝室內向CDW Company收取維修、翻新及保養項目之監督及承包費為0.9百萬港元。

(IV) 建築交易及裝修交易

於分拆以前，本公司及興勝創建及／或彼等各自之聯繫人士(視情況而定)已訂立及預期將訂立關於(a)多項建築項目(「建築交易」)；及(b)多項室內設計及裝修項目(「裝修交易」)之合同，以備興勝創建及／或其聯繫人士提供該等服務。緊隨於分拆後，興勝創建及／或其之聯繫人士成為查濟民先生之聯繫人士，該等交易並不再屬於根據上市規則所規定關連交易須披露或批准之例外情況。

因預期分拆，上述之交易於二零零二年一月三日召開之股東特別大會上經股東正式批准。

截至二零零二年三月三十一日止年度，建築交易及裝修交易之交易總額分別為475.1百萬港元及6.2百萬港元。

因上述第(II)至(IV)項交易將按持續基準進行，然而，嚴格遵守上市規則第14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。

本公司董事(包括獨立非執行董事)已審閱上述之關連交易，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：

Directors' Report

Directors' Interests in Contracts and Connected Transactions – continued

(III) Repairs, renovation and maintenance agreement

A repairs, renovation and maintenance agreement dated 17 February 2001 was entered into between Hanison Interior & Renovation Limited ("Hanison Interior"), a wholly-owned subsidiary of the Company prior to the Spin-off (as defined hereunder), and CDW Company, in which Hanison Interior was appointed as the non-exclusive contractor to perform certain repairs, renovation and maintenance works on CDW Building for a term of one year commencing from the date of agreement and renewable automatically upon expiry thereof.

Following the special dividend effected through distribution in specie of shares in HCHL (where its group's companies comprise, inter alia, Hanison Interior) for the purpose of separate listing of HCHL on the Stock Exchange in January 2002 ("Spin-off"), the above transaction ceased to be classified as connected transaction for the Company under the Listing Rules.

Supervision and contractor fee on repairs, renovation and maintenance projects received by Hanison Interior from CDW Company for the year prior to the Spin-off amount to HK\$0.9 million.

(IV) Construction transactions and renovation transactions

Prior to the Spin-off, the Company and HCHL and/or their respective associates (as the case maybe) entered or anticipated to enter into contracts in relation to (a) various construction projects ("Construction Transactions"); and (b) various interior and renovation projects ("Renovation Transactions") for services rendered by HCHL and/or its associates. Immediately after the Spin-off, HCHL and/or its associates became associates of Mr CHA Chi Ming and these transactions will no longer fall within the exceptions for disclosure or approval requirements in respect of connected transactions as provided under the Listing Rules.

In anticipation of the Spin-off, the above transactions were duly approved by the shareholders at the Extraordinary General Meeting of the Company on 3 January 2002.

The aggregate transaction value in respect of each of the Construction Transactions and Renovation Transactions for the year ended 31 March 2002 amounted to HK\$475.1 million and HK\$6.2 million respectively.

As the above transactions (II) to (IV) 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, it was granted conditional waivers from strict compliance with the Requirements in respect of the aforesaid transactions ("Connected Transactions").

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:

董事會報告書

Directors' Report

董事於合約及關連交易中之權益－續

Directors' Interests in Contracts and Connected Transactions – continued

(A) 關連交易是：

- (i) 於本集團日常及一般業務過程內進行；
- (ii) 按一般商業條款或不遜於給予獨立第三者（或由獨立第三者給予）之條款進行；
- (iii) 按規管此等關連交易之協議所訂立之條款進行；及
- (iv) 對本公司股東而言屬公平合理。

(B) 各項關連交易不超過如下文所列各自有關類別於截至二零零二年三月三十一日止年度所設定之上限金額（「上限金額」）：

(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 terms no less favourable than terms available to (or from) independent third parties;
- (iii) entered into in accordance with the terms of the relevant agreement governing the Connected Transactions; and
- (iv) on a fair and reasonable basis so far as the shareholders of the Company are concerned.

(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:

交易編號(如上所列)

Transaction no. (as listed above)

I

上限金額

Cap amount

本公司不時之最新經審核綜合有形資產淨值3%(或按上市規則而作出調整)
3% of the latest audited consolidated net tangible assets (or adjusted in accordance with the Listing Rules) of the Company from time to time

II

本公司不時之最新經審核綜合有形資產淨值3%(或按上市規則而作出調整)
3% of the latest audited consolidated net tangible assets (or adjusted in accordance with the Listing Rules) of the Company from time to time

III

本公司不時之最新經審核綜合有形資產淨值3%(或按上市規則而作出調整)
3% of the latest audited consolidated net tangible assets (or adjusted in accordance with the Listing Rules) of the Company from time to time

IV

建築交易

Construction Transactions

HK\$550,000,000

裝修交易

Renovation Transactions

HK\$10,000,000

董事會報告書

董事於合約及關連交易中之權益－續

如上年度所述，本公司之全資附屬公司D.B.Properties Inc. (「DBPI」)與Castro Valley Properties, Inc. (「CVPI」)同意終止一份有關合作發展位於美國加利福尼亞州聖大克拉拉縣名為The Castro Valley Ranch之物業之認購權協議。CVPI同意將首年認購權費償還予DBPI，有關之詳情已載列於財務報表附註26(b)。CVPI乃一項信託之聯繫人，該信託之全權託管對象包括本公司主席查濟民先生。

除上文所披露者外，本公司或其任何附屬公司既無訂立董事於其中直接或間接擁有重大權益而於結算日或本年度內任何時間仍然生效之任何重大合約。

主要股東

於二零零二年三月三十一日，按披露權益條例第16(1)條存置之登記冊之記錄，除上述披露有關各董事之權益外，本公司不知悉任何其他人士持有本公司已發行股本10%或以上之權益。

捐款

本年度內，本集團之慈善及其他捐款合共約為3.8百萬港元。

人力資源

於本年度內，本集團已進行一系列成本及架構的檢討，重新調配人力資源及組織架構以改善營運能力，務求在市場上保持競爭力。

於二零零二年三月三十一日，本集團在香港及海外的僱員總數約為2,400名(於二零零一年三月三十一日：約為2,500名)。

本集團旨在確保薪酬及福利政策的計劃及執行與公平貫徹的原則相符，並按表現及市場情況付酬。

本集團更致力於人力資源之栽培，並透過提供內部培訓計劃和為其僱員提供對外培訓課程的資助，從而不斷努力提升僱員的知識及技能，以配合現時及未來之業務增長。

於二零零二年一月，本集團採納了一項新購股權計劃，該購股權計劃之參與者包括但不限於本集團之全職僱員。於授出購股權，僱員有權認購本公司之股份。於採納購股權計劃後，並沒有授出購股權。

購買、出售或贖回上市證券

本公司或其任何附屬公司於年內既無購入、贖回或出售任何本公司之上市證券。

Directors' Report

Directors' Interests in Contracts and Connected Transactions – continued

As reported last year, D.B. Properties Inc. ("DBPI"), a wholly-owned subsidiary of the Company, and Castro Valley Properties Inc. ("CVPI") have agreed to terminate an option agreement in a joint development project known as The Castro Valley Ranch in Santa Clara County, California, United States of America. CVPI has agreed to repay to DBPI the initial fee previously paid, details of which are set out in note 26(b) to the financial statements. CVPI is an associate of a trust, the discretionary objects of which include Mr CHA Chi Ming, the Chairman of the Company.

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

Substantial Shareholders

At 31 March 2002, the register maintained under section 16(1) of the SDI Ordinance shows that, other than the interests disclosed above in respect of the directors, the Company has not been notified of any interests representing 10% or more of the Company's issued share capital.

Donations

During the year, the Group made charitable and other donations amounting to approximately HK\$3.8 million.

Human Resources

During the year, the Group has undergone a series of cost and structure reviews to realign the workforce and its organisation to improve its operational capabilities in order to stay competitive in the market.

At 31 March 2002, the total number of employees of the Group was approximately 2,400 in Hong Kong and overseas (at 31 March 2001: approximately 2,500).

The Group ensures the design and implementation of the remuneration policy is consistent with the general principles of fairness and consistency, pay for performance and market competitiveness.

The Group invests in people and strives to continually develop employees' skills and competencies for the current and future growth by providing internal training programmes and external course sponsorship to its staff.

In January 2002, the Group adopted a new share option scheme, the participants of which include, inter alia, full-time employees of the Group. Upon granting, employees shall have rights to subscribe for shares in the Company. No option has yet been granted since its adoption.

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.



董事會報告書

主要客戶及供應商

本集團五大客戶共佔本集團營業總額30%以下。

本集團五大供應商佔本集團採購總額30%以下。

股份優先認購權

本公司之公司組織章程細則並無有關股份優先認購權之條文，而開曼群島之法例亦無限制此等權利。

最佳應用守則

董事會認為，本公司於截至二零零二年三月三十一日止年度內已遵守上市規則附錄14所載之最佳應用守則。

審核委員會

董事會之審核委員會於一九九八年七月成立，目前由兩位獨立非執行董事鄭家純先生（主席）及夏佳理先生組成。委員會於年內開會三次，就其發現向董事會提出建議。委員會之主要職責包括檢討及監管本集團之財務呈報進度及內部控制制度。

遵照上市規則應用指引第19項作出之披露

於二零零二年三月三十一日，本集團向Tung Chung Station Development Company Limited（「TCSDDL」）墊支合共2,199.8百萬港元（未計算一項1,367.8百萬港元之撥備，相等於本集團應佔東涌項目之減值虧損部份），並就TCSDDL之銀行融資提供擔保12.4億港元，即為本集團為TCSDDL之銀行融資40億港元提供之個別性擔保。於二零零二年三月三十一日，TCSDDL已動用之銀行融資為3,040.0百萬港元。

隨着於二零零一年九月增購TCSDDL之1%權益，其現為本集團佔31%權益之聯營公司。TCSDDL承辦發展香港大嶼山東涌站上蓋第二期發展項目。本集團按於TCSDDL之股權比例，以後償股東貸款之方式向TCSDDL授出該筆墊款，為TCSDDL提供營運資本所需資金。該筆墊款為無抵押、年息按香港銀行同業拆息加2.0厘至2.5厘計算，且無固定還款期，該筆墊款連應計利息於TCSDDL償還上文所述之銀行融資後償還。

此外，於二零零二年三月三十一日，本集團亦向若干聯屬公司墊款合共102.5百萬港元。

於二零零二年三月三十一日，本集團為這些聯屬公司提供之墊款及作出之擔保合共為3,542.3百萬港元，相等於本集團於二零零二年三月三十一日之綜合有形資產淨值6,270.9百萬港元之56.5%。

Directors' Report

Major Customers and Suppliers

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

The aggregate purchases attributable to the Group's five largest suppliers were less than 30% of the total value of the Group's purchases.

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's Articles of Association although there are no restriction against such rights under the laws in the Cayman Islands.

Code of Best Practice

In the opinion of the directors, the Company has complied throughout the year ended 31 March 2002 with the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

Audit Committee

The Audit Committee of the Board has been established since July 1998 and currently comprises two independent non-executive directors, Mr CHENG Kar Shen Henry (Chairman) and Mr Ronald Joseph ARCULLI. The Committee met 3 times in the year and made its recommendations to the Board on its findings. Its main duties include the review and supervision of the Group's financial reporting process and internal control systems.

Disclosures under Practice Note 19 of the Listing Rules

At 31 March 2002, the Group advanced to Tung Chung Station Development Company Limited（「TCSDDL」），an aggregate amount of HK\$2,199.8 million (before a provision of HK\$1,367.8 million, representing the Group's attributable share of impairment losses of Tung Chung Project of the Group) and a guarantee of HK\$1,240.0 million was provided by the Group in respect of TCSDDL's banking facilities, representing the several guarantee by the Group in respect of TCSDDL's banking facilities of HK\$4,000.0 million. The amount of banking facilities utilised by TCSDDL at 31 March 2002 amounted to HK\$3,040.0 million.

Following a further acquisition of 1% interest in TCSDDL in September 2001, it becomes a 31% owned associate of the Group. TCSDDL is engaged in the development of Tung Chung Station Package II Project in Lantau Island, Hong Kong. The advances were provided by the Group in the form of subordinated shareholders' loans in proportion to the Company's shareholding interest in TCSDDL, for the purpose of funding the capital working requirements of TCSDDL. The advances are unsecured, bear interest at the rate of HIBOR plus 2.0% to 2.5% per annum and have no fixed term of repayment. The advances together with the accrued interest thereon are subordinated to the banks providing the banking facilities to TCSDDL as mentioned above.

In addition, the Group also advanced to several affiliated companies at an aggregate amount of HK\$102.5 million at 31 March 2002.

At 31 March 2002, the aggregate amount of advances provided to, and guarantee given for these affiliated companies by the Group, amounted to HK\$3,542.3 million and represented 56.5% of the consolidated net tangible assets of the Group of HK\$6,270.9 million at 31 March 2002.

董事會報告書

Directors' Report

遵照上市規則應用指引第19項作出之披露 – 續

於二零零二年三月三十一日，此等聯屬公司之備考合併資產負債表及本集團應佔此等聯屬公司之權益概列如下：

Disclosures under Practice Note 19 of the Listing Rules – continued

A proforma combined balance sheet of these affiliated companies and the Group's attributable interest in these affiliated companies at 31 March 2002 were as follows:

		備考合併資產負債表 Proforma combined balance sheet	本集團應佔權益 Group's attributable interest
		百萬港元 HK\$'M	百萬港元 HK\$'M
非流動資產	Non-current assets	8,764.2	2,747.5
流動資產	Current assets	63.5	20.6
流動負債	Current liabilities	(211.9)	(78.1)
流動負債淨值	Net current liabilities	(148.4)	(57.5)
非流動負債	Non-current liabilities	(12,735.7)	(3,971.4)
股東虧損	Shareholders' deficits	(4,119.9)	(1,281.4)

核數師

本公司將於股東週年大會上提呈建議續聘德勤•關黃陳方會計師行為本公司核數師之決議案。

Auditors

A resolution will be proposed to the annual general meeting to re-appoint Messrs Deloitte Touche Tohmatsu as auditors of the Company.

承董事會命

On behalf of the Board

董事總經理
查懋成

CHA Mou Zing Victor
Managing Director

二零零二年六月二十一日

21 June 2002