

4 | CHAIRMAN'S STATEMENT 主席報告書

DIVIDENDS

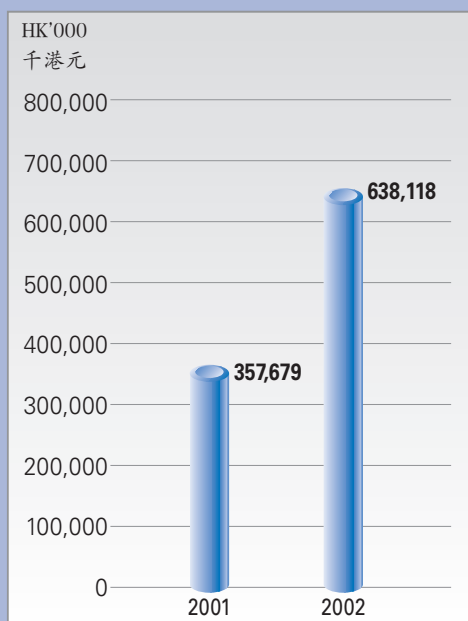
No interim dividend was paid for the six months ended 30 June 2002 (2001: nil). The directors do not recommend the payment of a final dividend for the year ended 31 December 2002 (2001: nil).

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 6 May 2003 to 13 May 2003 both days inclusive, during which period no transfer of shares will be registered.

In order to qualify for attending the annual general meeting to be held on 13 May 2003, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited at 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on 5 May 2003.

Total turnover
總營業額



Mr. Yang Chunshu, *Chairman*
楊春澍先生，主席

股息

截至二零零二年六月三十日止六個月並無派付任何中期股息(二零零一年：無)。董事會並不建議派付截至二零零二年十二月三十一日止年度之末期股息(二零零一年：無)。

暫停辦理股東登記

本公司將於二零零三年五月六日至二零零三年五月十三日期間暫停辦理股東登記，期間不會登記任何股份轉讓。

股東如欲符合出席將於二零零三年五月十三日舉行的股東週年大會之資格，必須於二零零三年五月五日下午四時正前將所有過戶文件及有關股票送交本公司之香港股份過戶登記分處香港中央證券登記有限公司，地址為香港皇后大道東183號合和中心17樓。



Mr. Wang Xinyan, Deputy Chairman

汪鑫炎先生，副主席

BUSINESS REVIEW

In 2002, the Group's principal businesses, the facade contracting works as well as the generation and sale of electricity and steam power, have both performed satisfactorily and their combined total turnover has increased by 77% to HK\$631,838,000 from HK\$357,679,000 for 2001. During the year under review, profit margin of facade contracting works continued to come under pressure from intensified competition in the market and difficult operating environment whilst the production costs of electricity and steam power remained high in the face of soaring coal prices. However, given substantial increase in turnover, the level of gross profit was able to sustain a steady growth.

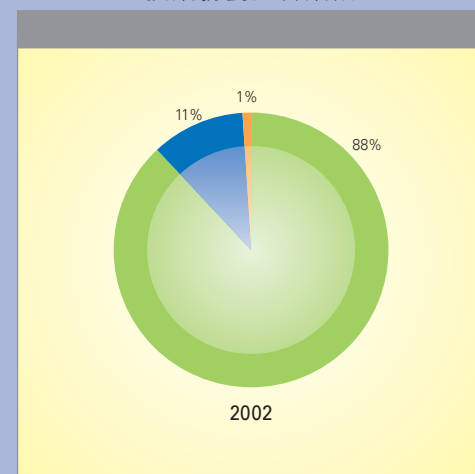
Moreover, as set out below under the heading of Material Acquisitions and Investments, the acquisition of the 80% interest in the net income in relation to Project EC120, which was completed on 17 October 2002, has provided additional profit contribution of HK\$6,280,000 to the Group for the current year. In 2002, the Group has returned to profit with net profit attributable to shareholders amounting to HK\$15,322,000 (2001: net loss attributable to shareholders of HK\$69,320,000). Earnings per share was HK\$0.45 cent (2001: loss per share of HK\$2.34 cents).

業務回顧

於二零零二年度，本集團在大廈外牆裝飾工程及生產和銷售電力及蒸汽主要業務上均取得理想表現而兩者之總營業額大幅增加至631,838,000港元，與二零零一年度357,679,000港元比較增幅高達77%。在回顧年內，大廈外牆裝飾工程合約的邊際利潤在競爭激烈之市場環境及艱苦經營情況下持續受壓；與此同時，電力及蒸汽生產成本由於煤價不斷攀升而高企不下。但基於營業額大幅增長，毛利之水平得以保持平穩發展。

此外，收購項目EC120淨收入80%權益（詳見下述的重大收購及投資）之交易已於二零零二年十月十七日完成，在本年度為本集團提供額外盈利貢獻6,280,000港元。於二零零二年本集團轉虧為盈，股東應佔溢利達15,322,000港元（二零零一年：股東應佔虧損69,320,000港元），每股盈利為0.45港仙（二零零一年：每股虧損2.34港仙）。

Turnover by Segments
按業務劃分營業額



Facade contracting works (大廈外牆裝飾工程) | Generation and sale of electricity and steam power (生產及銷售電力及蒸汽) | Aero-technology (航空技術)

Facade contracting works

Far East Aluminium Works Company Limited (“Far East Aluminium”), a wholly-owned subsidiary of the Company, given its practical approach and customers-orientated market positioning, has secured new contracts valued in excess of HK\$560,000,000 during 2002 (2001: HK\$510,000,000) including the following major projects:

1. Cyberport Development Contract C5 Hotel
2. Urban Renewal Authority Project K2, Site A – Office Tower & Site B – Hotel Tower
3. Buildings 7 & 8, Science Park, Phase 1C, Pak Shek Kok
4. Urban Renewal Authority Project K2, Site A – Atrium and Retail Area
5. TWTL No. 404, Area 40, Route Twisk, Tsuen Wan
6. Building 9, Science Park, Phase 1C, Pak Shek Kok
7. 110 Luwan, Shanghai
8. Kowloon Station Development – Package 3 Site C at KIL 11080, Kowloon

As at 31 December 2002, Far East Aluminium's outstanding contracts in hand had an aggregate remaining value in excess of HK\$817,000,000 (2001: HK\$780,000,000). Besides, Far East Aluminium has secured three further contracts since 1 January 2003:

1. Building 6, Science Park, Phase 1C, Pak Shek Kok
2. Urban Renewal Authority Project K2 Podium, Site A – Office Tower Base & Site B – Hotel Lobby
3. Tsing Yi Hotels, TYTL 140

大廈外牆裝飾工程

本公司之全資附屬公司遠東鋁質工程有限公司(「遠東鋁質」)抱着一向的踏實態度及以客為專之市場定位，在二零零二年取得總值超過560,000,000港元(二零零一年：510,000,000港元)之新合約，計有以下各項之重大工程：

1. 數碼港合約C5酒店
2. 旺角土地重建K2地盤A辦公大樓及地盤B酒店大樓
3. 白石角科學園第一期C，7及8號樓
4. 旺角土地重建K2地盤A中庭及零售區部份
5. 荃灣荃錦公路荃灣市地段404號，地區40
6. 白石角科學園第一期C，9號樓
7. 上海市盧灣區110地塊商辦綜合樓
8. 九龍站三期地盤C，九龍內地段11080號

截至二零零二年十二月三十一日，遠東鋁質之手頭未完成工程合約價值餘額逾817,000,000港元(二零零一年：780,000,000港元)。此外，遠東鋁質自二零零三年一月一日後，更取得以下三項新合約：

1. 白石角科學園第一期C，6號樓
2. 旺角土地重建K2裙樓地盤A辦公樓低層及地盤B酒店大堂
3. 青衣市地段140號青衣酒店



Far East Aluminium's new fabrication centre in Shenzhen

遠東鋁質在深圳的新加工中心

In recent years, Far East Aluminium invested substantial human resources and capital expenditure in enhancing its project management and quality control and has achieved remarkable results. In October 2001, Far East Aluminium was awarded the ISO9001:2000 certification and hence its competitive edge in the market has been significantly improved. To meet the needs of long term business growth, Far East Aluminium's new fabrication centre in Shenzhen became operational in early 2003. The new fabrication facility occupies a site of 450,000 square feet and has four production lines equipped with precision automated machines and thus production efficiency and quality of products are greatly enhanced.

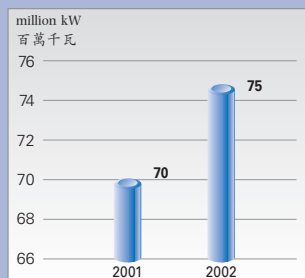
遠東鋁質近年致力在項目管理及品質控制方面投入大量人力資源及資本開支，並取得卓越成就。遠東鋁質於二零零一年十月取得ISO9001：2000年版國際品質認證證書，進一步提升其市場的競爭能力。為應付長遠業務發展之需要，遠東鋁質在深圳的新加工中心於二零零三年初正式投入生產。新加工中心佔地450,000平方呎，具備四條生產線，設有精密自動化機器，大大提升生產效率及製品之質量。

Sale of electricity and steam power

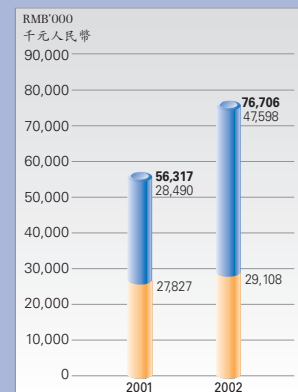
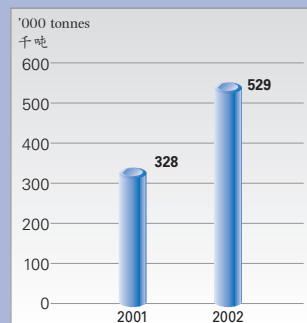
銷售電力及蒸汽收入

steam power 蒸汽
electricity 電力

Electricity production volume
發電量



Steam power production volume
蒸汽產量





Hangzhou Sealand Power Plant

杭州海聯熱電廠

Generation and sale of electricity and steam power

During the year under review, Hangzhou Sealand recorded substantial increase in its turnover due to the notably higher sales in steam power. Following the implementation of the policy on unified steam supply by the Hangzhou local government, the demand for steam power in the region has been increasing. During the current year, Hangzhou Sealand has invested capital expenditure of RMB4,567,000 in the construction of generators, supply structures and associated facilities for the purpose of increasing its production capacity of steam power. Hangzhou Sealand will closely monitor the future consumption of steam power in the region in order to make further capital investments when required to expand its steam power production facility and to improve production efficiency to cater for further business development.

Vigorous efforts made by Hangzhou Sealand in enhancing its management over production and environmental conservation have come to fruition. Recently in January 2003, Hangzhou Sealand was accredited with the ISO9001:2000 certification in respect of electricity generation and steam supply and ISO14001:1996 certification in respect of environmental management on electricity generation and steam supply.

PROSPECTS

During the year under review, the Group has taken a very first step forward in furtherance of its objective of developing into an aero-technology based diversified enterprise. The above three aero-technology related ventures have been completed. The acquisition of 80% interest in the net income in relation to Project EC120 has already provided the Group in 2002 with another source of income whilst the Group will endeavor to seek returns from the other two investments in the near term.

生產及銷售電力及蒸汽

在回顧年內，杭州海聯的總營業額在蒸汽銷售強勁增長帶動下錄得可觀的增幅。杭州當地政府的聯片供熱政策實施以來，區內對蒸汽的需求不斷上升。杭州海聯於本年內已投入人民幣4,567,000元擴建鍋爐，熱網及相關之設施，提高蒸汽生產量，並密切留意日後區內對蒸汽的持續需求，以便需要時進一步投入更多資本開支，擴充蒸汽生產設備，增強生產能力及效率配合未來業務之增長。

杭州海聯在生產及環境保護管理方面所作出的重大努力取得成果。近期於二零零三年一月，杭州海聯獲授國際品質認證包括ISO9001：2000年版發電及供熱蒸汽之生產及ISO14001：1996年版就發電及供熱蒸汽之生產的環境管理。

前景

在回顧年內，本集團朝向發展成一家以航空技術為主導之多元化企業已邁進第一步；上述與航空技術有關之三個項目經已落實，其中收購項目EC120淨收入80%權益已在二零零二年度為本集團提供一額外收入來源，本集團亦期望短期內在另外兩項投資爭取回報。

As to the facade contracting works, Far East Aluminium, given its solid market position together with its substantial contracts in hand and competitive project costing, will provide a strong base for the steady growth of the Group.

In terms of operation, Hangzhou Sealand has stabilized over the year and its business outlook will benefit from the policy of the local government on unified steam supply which is expected to promote even greater demand for steam power in the region.

Building upon the solid foundation afforded by facade contracting works and generation and sale of electricity and steam power, the Group by way of its investments into the aero-technology sector has successfully broadened its earning base. In the pursuit of its business development strategy, the Group will focus further investments on the areas from aero-technology to aviation products and co-operation in optimizing its earning power.

APPRECIATION

I would like to take this opportunity to express my appreciation to my fellow directors and all our staff for their support, hard work and dedication over the past year.

By Order of the Board

Yang Chunshu
Chairman

Hong Kong, 28 March 2003

在大廈外牆裝飾工程業務上，遠東鋁質以其在市場穩固的地位，加上手頭重大合約價值及具競爭力的工程成本，為本集團之平穩發展提供一個良好的基礎。

杭州海聯於過去一年在業務上已穩定下來，預期當地政府聯片供熱政策進一步推動區內對蒸汽之需求，有利拓展業績上之發展空間。

在大廈外牆裝飾工程及電力及蒸汽銷售業務穩定的平台上，本集團透過落實上述與航空技術有關之投資已成功擴闊本集團的盈利基礎。在貫徹業務發展策略定位方面，本集團將致力以拓展航空技術包括航空產品及產業合作領域為主導，進一步擴大本集團在航空業務的投資及優化盈利能力。

致謝

本人謹此向各董事及全體職員過去一年所作出之重大貢獻、努力不懈及盡忠職守表示深切謝意。

承董事會命

主席
楊春澍

香港，二零零三年三月二十八日