



### FINANCIAL REVIEW

The Group's financial position remained sound over the year. In May 2002, the Company enlarged its capital base by way of placing and top-up subscription of 600,000,000 shares as set out below under the heading of Material Acquisitions and Investments. As at 31 December 2002, the Group's net asset value surpassed HK\$399,435,000 (2001: HK\$290,500,000); current ratio (total current assets: total current liabilities) stayed basically unchanged at 1.45 times (2001: 1.48 times); total bank balances and time deposits amounted to HK\$185,953,000 (2001: HK\$184,635,000) whilst total borrowings, which in line with the increased business activities reached HK\$70,511,000 (2001: HK\$29,457,000), remained at a healthy level on an overall basis. On the basis that gearing ratio is defined as the ratio of net borrowings (total borrowings less total bank balances and time deposits) to shareholders' equity, the Group was practically debt-free as at 31 December 2001 and 2002.

### 財務回顧

本集團之財務狀況於年內維持穩健。於二零零二年五月本公司透過配售及認購600,000,000股擴大股本基礎(詳見下述的重大收購及投資);截至二零零二年十二月三十一日,本集團之資產淨值突破399,435,000港元(二零零一年:290,500,000港元);流動比率(即流動資產總額與流動負債總額之比率)1.45倍基本上保持不變(二零零一年:1.48倍),銀行結存及定期存款總數高達185,953,000港元(二零零一年:184,635,000港元);總借貸由於業務大幅攀升亦相應增加至70,511,000港元(二零零一年:29,457,000港元),但整體而言亦處於一健康之水平。在負債比率按淨借貸(總借貸減銀行結存及定期存款)與股東權益計算的基準上,本集團於二零零一年十二月三十一日及二零零二年十二月三十一日基本沒有實質負債。

The maturity profile of the Group's borrowings is as follows:

Within one year or on demand	一年內或即期
In the second year	第二年

Certain assets of the Group with an aggregate net carrying value of HK\$110,763,000 (2001: HK\$82,850,000) have been pledged to banks to secure banking facilities granted to the Group. Far East Aluminium obtained further support from its banks and total banking facilities granted have increased significantly to HK\$171,000,000 as at 31 December 2002 (2001: HK\$91,000,000) by the addition of HK\$80,000,000. This has strengthened Far East Aluminium's ability to issue letters of credit and surety bonds in undertaking further new contracts.

Since the Group's bank borrowings in Hong Kong are calculated on the basis of floating interest rate, the continued decline in Hong Kong interest rate since 2001 has reduced cost of Hong Kong dollar borrowings to the Group, and correspondingly the interest income earned by the Group from its Hong Kong dollar deposits. Whilst the bank borrowings of Hangzhou Sealand are at fixed interest rate, its steady and recurrent income from the sale of electricity and steam power helps meet the interest cost arising from borrowings at fixed interest rate.

The Group continues to adopt prudent treasury policy. The Group's deposits and borrowings are mainly denominated in Hong Kong dollar or the local currency of the area in which the relevant subsidiary operates. Furthermore, the Group has during the year converted part of its pledged Hong Kong

本集團之借貸償還期如下：

31 December 2002 HK\$'000 二零零二年 十二月 三十一日 千港元	31 December 2001 HK\$'000 二零零一年 十二月 三十一日 千港元
70,511	26,373
—	3,084
<b>70,511</b>	<b>29,457</b>

本集團的若干資產總賬面淨值110,763,000港元(二零零一年：82,850,000港元)已抵押予銀行作為對本集團信貸之擔保。遠東鋁質進一步取得銀行的支持，截至二零零二年十二月三十一日，銀行信貸總額大幅增加80,000,000港元至171,000,000港元(二零零一年：91,000,000港元)，大大提升遠東鋁質出具信用証及履約保證函的能力，有利承接更多新工程。

基於本集團在香港之銀行信貸以浮動利率計算，自二零零一年香港銀行利率不繼下滑有利減輕港元信貸成本，同時本集團從香港存款賺取的利息收入亦跟隨減少。至於在國內經營業務的杭州海聯的人民幣銀行信貸是以定息計算，但其來自銷售電力和蒸汽的穩定及經常性收入有助應付定息信貸帶來的利息負擔。

本集團繼續採取穩健之財庫政策；本集團的大部份存款及借貸以港元或有關附屬公司之當地經營業務之貨幣作為貨幣單位；此外，本集團於年內將

dollar deposits into US dollar capital guaranteed funds and certificates of deposit totalling US\$2,900,000 (HK\$22,624,000) (2001: nil). Whilst capital investments being preserved, this move affords the Group a better chance to enjoy relatively higher investment returns on a long run, and at the same time helps reduce the exposure the Group may face in relation to foreign exchange fluctuations. Currently, the Group has not engaged in any hedging activity.

### MATERIAL ACQUISITIONS AND INVESTMENTS

The Group entered into the following agreements on 28 May 2002:

- (a) CATIC Helicopter Development (Shenzhen) Limited (“CATIC Helicopter”), a wholly-owned subsidiary of the Company and a company established in Mainland China, pursuant to an income assignment agreement (the “Income Assignment Agreement”), agreed to acquire from China National Aero-Technology Import & Export Corporation (“CATIC”), the ultimate controlling shareholder of the Company, an 80% interest in CATIC’s net income in relation to Project EC120 at a consideration of RMB40,000,000. Project EC120 is a jointly controlled operation established in October 1992 by Eurocopter S.A., ST Aero and CATIC under which they co-operate to develop, manufacture and globally distribute the multi-purpose EC120 helicopters. The Income Assignment Agreement was completed on 17 October 2002 and the consideration of RMB40,000,000 (HK\$37,735,000) has been paid to CATIC. Pursuant to the Income Assignment Agreement, CATIC warranted that the amount actually received by CATIC Helicopter in accordance with the Income Assignment



**EC120 Helicopter**  
EC120型號直升機

部份作為信貸擔保已抵押予銀行的港元存款轉投以美元為單位的保本基金及存款證總數達2,900,000美元(22,624,000港元)(二零零一年：無)，此舉可令本集團在保本的基礎上，在長遠來說有機會取得較佳的投資回報，同時亦有助減低本集團可能承受的匯率波動風險。本集團目前並沒有進行任何外幣對沖活動。

### 重大收購及投資

本集團於二零零二年五月二十八日訂立以下協議：

- (a) 本公司之一家於國內成立之全資附屬公司中航技直升機技術服務(深圳)有限公司(「中航技直升機」)按收入轉讓協議(「收入轉讓協議」)同意以代價人民幣40,000,000元向本公司之最終控股股東中國航空技術進出口總公司(「中航技總公司」)收購中航技總公司的項目EC120之淨收入80%權益。項目EC120是一項於一九九二年十月成立之共同控制項目，由Eurocopter S.A.、ST Aero與中航技總公司合作開發、製造及全球經銷EC120型號之多用途直升機。收入轉讓協議已於二零零二年十月十七日完成，而有關代價人民幣40,000,000元(37,735,000港元)已向中航技總公司支付。按收入轉讓協議，中航技總公司保證分別截至二零零二年及二零零三年十二月三十一日止兩個年度中航技直升機按收入轉

Agreement for each of the two years ending 31 December 2002 and 2003 will not be less than RMB6,500,000. The net income of CATIC in relation to Project EC120 for the year ended 31 December 2002 amounted to RMB8,242,000 and the Group's share thereof at 80% is RMB6,593,500 (HK\$6,280,000) which has been received by CATIC Helicopter on 17 March 2003. The independent non-executive directors of the Company are of the view that the profit warranty for the year ended 31 December 2002 on the basis set out above has been met.

- (b) CATIC General Aviation Holdings Ltd. ("CATIC GA"), a wholly-owned subsidiary of the Company, entered into a capital injection agreement (the "Capital Injection Agreement") with CATIC and China Siwei Surveying & Mapping Technology Corporation ("China Siwei"). Pursuant to the Capital Injection Agreement, CATIC GA agreed to contribute HK\$26,500,000 to CATIC Siwei Co., Ltd ("CATIC Siwei"), representing 40% of the registered capital of CATIC Siwei as enlarged. The unaudited net asset value of CATIC Siwei, as revalued by the Company, for the purpose of determining the amount of CATIC GA's capital contribution to CATIC Siwei was adjusted from RMB42,080,000 as at 31 December 2001 to RMB39,950,000 as at 30 September 2002. Accordingly, when CATIC GA, CATIC and China Siwei entered into the relevant joint venture contract and articles of association of CATIC Siwei pursuant to the Capital Injection Agreement, the amount of CATIC GA's capital contribution to CATIC Siwei was adjusted from the original amount of HK\$26,500,000 to HK\$25,111,000 whilst CATIC GA's reduced capital contribution relative to the then enlarged unaudited net asset value of CATIC Siwei remained unchanged at 40%. The capital injection was completed on 17 January 2003. CATIC Siwei has a term of 15 years from 8 January 2003 to 7 January 2018 and is principally engaged in the provision of aerophotographic services.

讓協議實際收取之金額不低於人民幣6,500,000元。中航技總公司就項目EC120截至二零零二年十二月三十一日止年度之淨收入為人民幣8,242,000元；按80%計算，中航技直升機分佔的金額為人民幣6,593,500元（6,280,000港元），並於二零零三年三月十七日已收到該筆款項。本公司之獨立非執行董事認為截至二零零二年十二月三十一日止年度的淨收入保證按上述的基準經已達到。

- (b) 本公司之全資附屬公司CATIC General Aviation Holdings Ltd. (「CATIC GA」)與中航技總公司及中國四維測繪技術總公司(「中國四維」)簽訂注資協議(「注資協議」)，同意以26,500,000港元注資入四維航空遙感有限公司(「四維遙感」)，佔四維遙感經擴大註冊資本40%。按本公司對四維遙感之資產重估，其用以釐定CATIC GA作出注資金額的未經審核資產淨值已經由二零零一年十二月三十一日人民幣42,080,000元調整至二零零二年九月三十日人民幣39,950,000元。因此，當CATIC GA、中航技總公司及中國四維根據注資協議訂立有關合資經營合同及四維遙感之公司章程細則時，CATIC GA向四維遙感注資的金額由原來的26,500,000港元調低至25,111,000港元，但CATIC GA經調低的注資金額佔四維遙感當時經擴大後之未經審核資產淨值的40%則維持不變。該項注資行動已於二零零三年一月十七日完成。四維遙感主要的業務是提供空中攝影服務，其經營年期由二零零三年一月八日至二零一八年一月七日止為期十五年。

(c) The Company entered into an equity joint venture agreement (the “Equity Joint Venture Agreement”) with China Siwei, CATIC Siwei and two other companies. Pursuant to the Equity Joint Venture Agreement, they agreed to set up an equity joint venture to be engaged in utilizing geographical information system and global positioning system technologies to manufacture location-based navigation products and provide related services. The equity joint venture named China Nav-Info Co., Ltd. (“China Nav-Info”) was established on 3 December 2002 with a term of 10 years from 3 December 2002 to 2 December 2012. Pursuant to the Equity Joint Venture Agreement, the Company has contributed RMB5,900,000 (HK\$5,567,000) into China Nav-Info, representing 20% of its registered capital.

(d) CATIC GA, pursuant to an equity joint venture agreement entered into with CATIC, agreed to establish an equity joint venture to be engaged in aircraft leasing and related services, and to contribute, in accordance with its 49% interest in the registered capital of the equity joint venture, HK\$24,500,000 into the equity joint venture. The Company is of the view that currently the prospect of aircraft leasing market in the Mainland is not as promising as previously expected. Therefore, CATIC GA and CATIC entered into an agreement on 27 January 2003 to terminate the relevant equity joint venture agreement so as to reduce the investment risk and their respective obligations and liabilities have thereupon ceased.

Tacko International Limited, the controlling shareholder of the Company, pursuant to the Placing Agreement and the Subscription Agreement both dated 28 May 2002, placed, and subsequently subscribed for, 600,000,000 shares in the Company at the same placing price and subscription price of HK\$0.16 per share. A net proceeds of HK\$93,228,000 was raised for the Company for the purpose of providing the necessary funding for the completion of all of the four transactions mentioned above. As at 31 December 2002, HK\$39,759,000 (including related professional fees) and

(c) 本公司與中國四維、四維遙感及另外兩間公司簽訂合資經營企業協議（「合資經營企業協議」），同意成立合資經營企業，利用全球衛星定位系統及地理資訊系統技術生產定位導航產品及提供相關服務。該名為北京四維圖新導航信息技術有限公司（「北京四維」）之合資經營企業，已於二零零二年十二月三日成立，其經營年期由二零零二年十二月三日至二零一二年十二月二日止為期十年。按合資經營企業協議，本公司已向北京四維注入人民幣5,900,000元（5,567,000港元），佔其註冊資本20%。

(d) CATIC GA按與中航技總公司簽訂的合資經營企業協議，同意成立合資經營企業，從事提供飛機租賃及相關的服務及向該合資經營企業注入24,500,000港元，佔該合資經營企業註冊資本49%。由於本公司認為目前國內飛機租賃市場之前景並未如早前預期般理想，因此，CATIC GA及中航技總公司已經於二零零三年一月二十七日訂立協議終止有關合資經營企業協議，藉此減低投資風險，而各自就該項協議之承擔及責任亦告終止。

本公司之控權股東Tacko International Limited按二零零二年五月二十八日分別簽訂的配售協議及認購協議，以每股0.16港元相同的配售價及認購價先後配售及認購本公司之股份600,000,000股，為本公司集資淨額約93,228,000港元，就完成上述所有四項交易提供所需的資金。截至二零零二年十二月三十一日，分別39,759,000港元（包括有關專業費用）

HK\$5,567,000 have been utilized to finance the acquisition of 80% interest in the net income in relation to Project EC120 set out in (a) above and the capital contribution into China Nav-Info set out in (c) above, respectively. Subsequent to 31 December 2002, HK\$25,111,000 has also been utilized to fund the capital injection into CATIC Siwei set out in (b) above. Since the agreement to set up the equity joint venture set out in (d) above was terminated, the balance of HK\$22,791,000 has been used to provide working capital for the Group.

Details regarding the four transactions as well as the placing and subscription mentioned above are set out in the announcements of the Company dated 30 May, 26 August, 29 November 2002 and 30 January 2003 and the circular dated 20 June 2002 issued by the Company.

#### EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2002, the Group had 910 employees (2001: 670). The increase in the workforce was to meet the business needs. The Group will regularly review the remuneration and benefits for the staff in view of the changes in market conditions and the performance of the employees. In addition to basic salary, employees also enjoy other benefits including employee retirement scheme, training programmes, medical and life insurances and discretionary incentive bonus scheme. The Company also has share option scheme to enable its employees to share the success of the Group.

及5,567,000港元已用於收購上述(a)項EC120淨收入80%權益及(c)項投入北京四維註冊資本的資金；二零零二年十二月三十一日後，25,111,000港元亦已用於投入上述(b)項四維遙感注資項目；由於上述(d)項之合資經營企業協議已告終止，餘下之金額22,791,000港元已撥作本集團的一般營運資金。

有關上述四項交易及配售和認購之詳情，請參閱本公司於二零零二年五月三十日、八月二十六日、十一月二十九日及二零零三年一月三十日發出之通告及本公司於二零零二年六月二十日刊發之通函。

#### 僱員及薪酬政策

截至二零零二年十二月三十一日，本集團之員工總人數為910名(二零零一年：670名)，人數之增加主要是配合業務上之需要。本集團會定期就有關行業之市場變化及僱員的表現檢討員工薪酬及福利。除支付基本薪金外，員工亦享有其他福利包括員工公積金計劃、培訓計劃、醫療及人壽保險和酌情性獎勵花紅計劃。本公司亦設有購股權計劃，讓員工可分享本集團之成果。