



REPORT OF THE DIRECTORS

董事會報告

The Board of the Company is pleased to present its report together with this annual report and the audited financial statements of CHC Greater China and its subsidiaries for the year ended 31 December 2003.

GROUP REORGANISATION

In preparation for the listing of the Company's shares on the Main Board of the Stock Exchange, the Group underwent reorganisation of its structure. The Company was incorporated on 10 June 2003 as an exempted company with limited liability in the Cayman Islands. Upon completion of the reorganisation, the Company became the holding company of the other companies comprising the Group on 26 November 2003. Details of the group reorganisation were set out in the prospectus of the Company dated 2 December 2003 (the "Prospectus").

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding whereas the principal activities of its subsidiaries are mining of limestone and production and sales of cement and cement products as well as exploration and sales of clay.

Details of the principal activities of the subsidiaries as at 31 December 2003 are set out in note 33 to the financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2003 are set out in the consolidated income statement on page 46.

The Board does not recommend the payment of any dividend in respect of the year ended 31 December 2003.

本公司董事會欣然向股東提呈董事會報告及嘉泥中國及附屬公司截至二零零三年十二月三十一日止的年度報告及經審核財務報表。

集團重組

本公司為籌備其股份於聯交所主板上市而重整本集團之架構，本公司在二零零三年六月十日，於開曼群島註冊成立為一家有限責任公司。重組完成後，本公司成為本集團之控股公司。集團重組的詳情於本公司二零零三年十二月二日刊發的招股章程（「招股章程」）內。

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為開採石灰石、生產及銷售水泥及水泥產品，以及開採銷售黏土。

有關其附屬公司於二零零三年十二月三十一日的主要業務詳情載於財務報表附註33。

業績及股息

本集團截至二零零三年十二月三十一日止年度的業績載於第46頁的合併損益。

董事會建議不派付截止二零零三年十二月三十一日止年度的股息。



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USE OF PROCEEDS FROM INITIAL PUBLIC OFFERING (“IPO”)

The shares issued by the Company were listed on the Main Board of the Stock Exchange on 12 December 2003 (the “Listing Date”). Net proceeds (after deducting the related costs) amounted to approximately US\$44,023,000. Since the proceeds were received at a time approaching year-end, whereas arrangements would have to be conducted on foreign exchange transfer, no proceeds from the listing were applied by the Group during the year.

The proceeds have been placed with commercial banks in Hong Kong for future use as set out in the Group’s prospectus. The Group does not envisage any circumstances that may lead to any material alteration to the proposed use of net proceeds of the IPO.

SUMMARY FINANCIAL INFORMATION

A summary on the results and assets and liabilities of the Group for the last four financial years is set out on page 4.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 15 to the financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Group for the year ended 31 December 2003 are set out in note 18 to the financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company and the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

RESERVES

Details of movements in the reserves of the Group for the year ended 31 December 2003 are set out in note 19 to the financial statements.

首次公募發行取得資金的使用

二零零三年十二月十二日（「上市日」），本公司發行的股份在聯交所之主板上市。在扣除相關費用後，募集到資金淨額約為44,023,000美元。由於接近年結，加上外匯轉撥安排需時，因此本集團在年內尚未使用首次公開募集發行取得的資金。

資金已存放於香港的商業銀行，並會於未來按招股書所述的集資用途使用。本集團預計並無任何導致首次公開招股取得資金計劃用途產生重大變化的情況會發生。

財務資料概要

本集團過往四個財政年度的業績與資產、負債概要載於第4頁。

物業、廠房及設備

本集團年內物業、廠房及設備的變動詳情載於財務報表附註15。

股本

本集團截止二零零三年十二月三十一日止年度的股本變動變動載於財務報告附註18。

優先購買權

本公司的組織章程細則或開曼群島法例並無有關本公司須向現有股東按比例發售新股的優先購買權規定。

儲備

本集團截止二零零三年十二月三十一日止年度的儲備變動載於財務報告附註19。

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BANK BORROWINGS

Details of the Group's bank borrowing, for the year ended 31 December 2003 are set out in note 24 to the financial statements.

DIRECTORS

The Directors of the Company during the year and as at the date of this report have been as follows:

Executive Directors:

Mr. WANG Chien Kuo, Robert (Chairman)
Mr. LAN Jen Kuei, Konrad (Vice Chairman)
Mr. CHANG Kang Lung, Jason
Ms. WANG Li Shin, Elizabeth

Non-executive Directors:

Mr. CHANG Yung Ping, Johnny
Mr. CHANG An Ping, Nelson
Mr. MAR Shaw Hsiang

Independent Non-executive Directors:

Ms. CHEN Meei Ling, Shelly (Chairlady of the Audit Committee)
Mr. Davin A. MACKENZIE
Mr. ZHUGE Pei Zhi
Mr. WU Chun Ming

In accordance with Article 95 and Article 112 of the Company's articles of association, Mr. Chang An Ping, Nelson, Mr. Mar Shaw Hsiang, Mr. Davin A. Mackenzie, Mr. Zhuge Pei Zhi and Mr. Wu Chun Ming will retire from office at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election.

銀行借款

本集團截止二零零三年十二月三十一日止年度的貸款詳情載列於財務報表附註24。

董事

年內及截止本報告刊發日期止，於本公司擔任董事職務的人士如下：

執行董事：

王健國先生(董事長)
藍箴規先生(副董事長)
張剛綸先生
王立心女士

非執行董事：

張永平先生
張安平先生
馬紹祥先生

獨立非執行董事：

陳美玲女士(審核委員會主席)
Davin A. MACKENZIE先生
諸葛培智先生
吳俊民先生

根據本公司之公司細則第95及112條規定，張安平先生、馬紹祥先生、Davin A. Mackenzie先生、諸葛培智先生及吳俊民先生須於應屆股東週年大會告退，惟彼等有資格膺選連任，並願意膺選連任。

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BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT OFFICERS

Biographical details of the directors and the senior management officers of the Company are set out in the section headed “Directors and Senior Management Profile” in the annual report.

DIRECTORS’ SERVICE CONTRACTS

1) *Executive Directors*

On 26 November 2003, each of Mr. Wang Chien Kuo, Robert, Mr. Lan Jen Kuei, Konrad, Mr. Chang Kang Lung, Jason and Ms. Wang Li Shin, Elizabeth entered into a service contract with the Company for an initial term of three years commencing from 12 December 2003, and will continue thereafter for a successive term of one year until terminated by either party with the giving of notice in writing for not less than three months to the other party. Each of the executive Directors is entitled to a fee of HK\$150,000 per annum, subject to an annual increment of not more than 10% after one year of service at the discretion of the Board. Each of the executive Directors is also entitled to remuneration as the chairman, vice-chairman, chief executive officer or executive director of the Company, as the case may be. Each of executive Directors shall receive remuneration on the basis of thirteen months for a year.

In addition, each of the executive Directors is entitled to a discretionary management bonus after one year of service provided that the aggregate amount of the bonuses payable to all the executive Directors for any financial year of the Company may not exceed 3% of the audited combined or consolidated net profit of the Group (after taxation and minority interests and payment of such bonus) and the profit before the payment of the bonuses to all executive Directors shall exceed US\$14,600,000. Each executive Director shall also be re-imbursed all reasonable expenses incurred by him during his term of office and the normal course of operation of the Company.

董事及高級管理人員簡歷

本公司董事及高級管理人員的簡歷詳情載於年度報告中「董事及高級管理人員簡歷」一節。

董事服務合約

1) *執行董事*

王建国先生、藍箴規先生、張剛綸先生及王立心女士各自於二零零三年十一月二十六日與本公司訂定由二零零三年十二月十二日起初步為期三年的服務合同，並可隨後續期一年，直至任何一方向另一方發出不少於三個月的書面通知予以終止為止。每名執行董事各自均可獲取董事袍金，金額為每年150,000港元，並可於服務一年後由董事會酌情決定作出年度加薪，惟其增幅以每年不超過10%為限。各執行董事亦有權獲取擔任本公司董事長、副董事長、行政總裁或執行董事（視情況而定）的酬金。各執行董事按一年十三個月的基準金獲發酬金。

各執行董事亦可於服務一年後獲發酌定管理花紅，惟本公司於任何財政年度應付所有執行董事的花紅總額，不得超過於本公司的該財政年度的本集團經審計合併或綜合純利的3%（扣除稅項及少數股東權益及支付該等花紅），且在支付全體執行董事花紅前的溢利必須超過14,600,000美元。各執行董事亦可憑證獲在任職期間或就本公司的業務正當產生的所有合理開支。

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Apart from the fees and remuneration payable by the Company, each of Mr. Wang Chien Kuo, Robert, Mr. Chang Kang Lung, Jason and Ms. Wang Li Shin, Elizabeth is entitled to a remuneration from Jingyang Cement as to RMB11,200, RMB8,400 and RMB7,000 per month respectively on the basis of 13 months for a year.

2) *Non-executive Directors*

The non-executive Directors have been appointed for a term of one year until the conclusion of forthcoming annual general meeting. The Company intends to pay a director's fee of HK\$100,000 per annum to each of the non-executive Directors.

3) *Independent Non-executive Directors*

The independent non-executive Directors have been appointed for a term of one year until the conclusion of forthcoming annual general meeting. The Company intends to pay a director's fee of HK\$80,000 per annum to each of the independent non-executive Directors.

DIRECTORS' REMUNERATION

Details of the Directors' remuneration are set out in note 6 to the financial statements.

CONNECTED TRANSACTIONS

Details of the connected transactions for the year ended 31 December 2003 are set out in note 32 to the financial statements. Details of each of the connected transactions are set out in the section headed "Connected Transactions" in the Prospectus.

除本公司支付的袍金及薪酬外，王建國先生、張剛綸先生及王立心女士分別有權從京陽水泥按一年十三個月的基準收取每月酬金人民幣11,200元、人民幣8,400元及人民幣7,000元。

2) *非執行董事*

獲委任之非執行董事年期為一年，其任期至即將舉行的股東週年大會截止。本公司有意向各非執行董事支付袍金為每年100,000港元。

3) *獨立非執行董事*

獲委任之獨立非執行董事的年期為一年，其任期至即將舉行的股東週年大會截止，並應於該大會上膺選連任。本公司有意向各獨立非執行董事支付袍金為每年80,000港元。

董事酬金

董事酬金情況載於財務報告附註6。

關連交易

截止二零零三年十二月三十一日止年度之關連交易，詳情載於財務報表附註32，有關各關連交易之詳情載於本公司於二零零三年十二月二日刊登之招股章程「關連交易」一節。



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DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Save as disclosed in the section headed "Relationship with CHC" in the Prospectus, during the year and as at the date of this report, none of the Directors and controlling shareholder of the Company had any interest in business which competes or may compete with the Group's business under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Connected Transactions" in the Prospectus and note 32 to the financial statements, none of the directors of the Group had a material interest, either directly or indirectly, in any significant contract entered into by the Group or any of its subsidiaries at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

There is no contract entered into by the Group relating to its management and administration or subsisting during the year which is substantial to the entire or any part of the business for the Company.

董事於競爭業務擁有的權益

除招股章程內「與嘉新水泥的關係」一節所披露者外，於年內及截至本報告日期止，按聯交所證券上市規則（「上市規則」）規定，本公司之董事及控股股東無與本集團業務有所競爭或可能競爭之業務中持有權益。

董事於重大合約擁有的權益

除於招股章程內「關連交易」一節及財務報表附註32所披露者外，本集團董事在本集團或其任何附屬公司於年終或年內任何時間已訂立之重大合約中，概無擁有直接或間接之重要權益。

管理合約

本年度內，本集團並無就其對本公司之整體業務或任何重要業務之管理或行政工作簽訂或存在任何合約。

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INTERESTS AND SHORT POSITIONS OF THE DIRECTORS IN THE SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2003, the interests or short positions held by the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which would be required to be notified to the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO, or which would be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or otherwise notified to the Company and the Stock Exchange pursuant to the Listing Rules were as follows:

董事於本公司及其相聯法團之股份權益及淡倉

於二零零三年十二月三十一日，本公司董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉，或記載於本公司按證券及期貨條例第352條須置存之登記冊內的權益或淡倉，或上市規則須知會本公司及聯交所的權益或淡倉如下：

Name of director 董事姓名	Name of associated corporation 相聯法團名稱	Personal interest 個人權益	Family interest 家族權益	Number of ordinary shares (long positions) 普通股股份數目（好倉）		Approximate percentage of issued share capital 估已發行 股本之 概約百分比 (%)
				Total number of shares 股份數目 合共		
WANG Chien Kuo, Robert 王建國	Chia Hsin Cement Corporation 嘉新水泥股份有限公司	358,811	21,108,875	21,467,686		3.07
	Tong Yang Chia Hsin International Corporation 嘉新國際股份有限公司	194,168	14,002	208,170		0.12
	Chia Hsin Construction and Development Corp. 嘉泥建設開發股份有限公司	4,863,088	1,285,200	6,148,288		12.37
LAN Jen Kuei, Konrad 藍箴規	Chia Hsin Cement Corporation 嘉新水泥股份有限公司	64,000	—	64,000		0.01
CHANG Kang Lung, Jason 張剛綸	Tong Yang Chia Hsin International Corporation 嘉新國際股份有限公司	869,180	—	869,180		0.51
	Chia Hsin Construction and Development Corp. 嘉泥建設開發股份有限公司	638,400	—	638,400		1.28

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Name of directors 董事姓名	Name of associated corporations 相聯法團名稱	Number of ordinary shares (long positions) 普通股股份數目 (好倉)			Approximate percentage of issued share capital 估已發行 股本之 概約百分比 (%)
		Personal interests 個人權益	Family interests 家族權益	Total number of shares 股份數目 合共	
WANG Li Shin, Elizabeth 王立心	Chia Hsin Cement Corporation 嘉新水泥股份有限公司	40,000	—	40,000	0.01
	Chia Hsin Construction and Development Corp. 嘉泥建設開發股份有限公司	387,000	—	387,000	0.78
CHANG Yung Ping, Johnny 張永平	Chia Hsin Pacific Limited	107,738	—	107,738	0.48
	Chia Hsin Cement Corporation 嘉新水泥股份有限公司	28,554,062	—	28,554,062	4.08
	Tong Yang Chia Hsin International Corporation 嘉新國際股份有限公司	380,781	—	380,781	0.22
CHANG An Ping, Nelson 張安平	Chia Hsin Construction and Development Corp. 嘉泥建設開發股份有限公司	8,169,600	—	8,169,600	16.43
	Chia Hsin Cement Corporation 嘉新水泥股份有限公司	2,295,527	202,640	2,498,167	0.36
	Tong Yang Chia Hsin International Corporation 嘉新國際股份有限公司	197,381	—	197,381	0.12
	Chia Hsin Construction and Development Corp. 嘉泥建設開發股份有限公司	288	—	288	0.00
MAR Shaw Hsiang 馬紹祥	Chia Hsin Cement Corporation 嘉新水泥股份有限公司	—	2,867,632	2,867,632	0.41

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Save as those referred to above, as at 31 December 2003, certain Directors of the Company held certain shares in the Company's subsidiaries as the non-beneficial owners in compliance with the minimum requirement on the number of shareholders for the Company.

Save as disclosed above, as at 31 December 2003, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO, or which would be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or otherwise notified to the Company and the Stock Exchange pursuant to the Listing Rules.

INTERESTS AND SHORT POSITIONS OF THE SUBSTANTIAL SHAREHOLDERS IN THE SHARES OF THE COMPANY

So far as the Directors or the chief executives of the Company are aware of, as at 31 December 2003, the shareholders, other than the Directors or the chief executives of the Company, who had an interest or short positions in the shares or the underlying shares of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 in Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein, were as follows:

除上述以外，於二零零三年十二月三十一日，若干本公司董事以非實益擁有人身份持有若干本公司附屬公司之股份，完全為遵守公司股東成員之最低要求。

除上文所披露者外，於二零零三年十二月三十一日，本公司各董事或最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉，或記載於本公司按證券及期貨條例第352條須置存之登記冊內的權益或淡倉，或根據上市規則須知會本公司及聯交所的權益或淡倉。

主要股東於本公司之股份權益及淡倉

就本公司董事或最高行政人員所知，於二零零三年十二月三十一日，於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露或記載於本公司按證券及期貨條例第336條須置存之登記冊內的權益或淡倉之股東(本公司董事或最高行政人員除外)如下：

股東名稱	Nature of interests 權益性質	Number of ordinary shares (long positions) 普通股數目 (好倉)	Approximate percentage of issued share capital 佔已發行股本之概約百分比 (%)
Chia Hsin Pacific Limited ("CHPL") (note) (附註)	beneficially owned 實質擁有	814,000,000	71.22
Chia Hsin Cement Corporation (note) 嘉新水泥股份有限公司 (「嘉新水泥」) (附註)	interests held by controlled corporations 受控法團所持權益	814,000,000	71.22

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Note: CHPL is owned as to approximately 69.7% by CHC, the ultimate controlling company of the Company, as to approximately 24.2% by Tong Yang Chia Hsin International Corporation (a 87.2% owned subsidiary of CHC), as approximately 4.2% by CHC Holdings Inc. (a wholly-owned subsidiary of CHC), as to approximately 1.2% by Chia Hsin RMC Corporation (a company owned as to 13.7% by CHC), as to approximately 0.5% by Mr. Chang Yung Ping, Johnny, a non-executive Director and as to approximately 0.2% by Sung-Ju Investment Corporation.

Save as disclosed above, as at 31 December 2003, no party had notified the Company that he/it had an interest or short positions in the shares or the underlying shares of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

SHARE OPTION SCHEME

For the year ended 31 December 2003, no share options were granted, exercised or cancelled by the Company under the share option scheme. Details of the share option scheme are set out in note 30 to the financial statements.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the period from the Listing Date to 31 December 2003.

NUMBER AND REMUNERATION OF EMPLOYEES

At 31 December 2003, the Group had approximately 609 full-time employees. The Group recognises the importance of human resources to its success. Remuneration is maintained at competitive levels. Other staff benefits provided by the Group include mandatory provident fund, insurance and performance related commission.

附註： CHPL分別由本公司最終控股公司嘉新水泥持有約69.7%權益、嘉新國際股份有限公司(嘉新水泥持有87.2%權益的附屬公司)持有約24.2%權益、嘉新水泥的全資附屬公司CHC Holdings Inc.持有約4.2%權益、嘉利實業股份有限公司(嘉新水泥持有13.7%權益的公司)持有約1.2%權益、非執行董事張永平先生持有約0.5%權益及松佐投資有限公司持有約0.2%權益。

除上文所披露者外，於二零零三年十二月三十一日，概無任何人士(本公司董事或最高行政人員除外)曾知會本公司擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露或記載於本公司按證券及期貨條例第336條須置存之登記冊內的本公司股份或相關股份之權益或淡倉。

購股權計劃

截止二零零三年十二月三十一日止年度，本公司並無根據任何購股權計劃授予、履行或註銷任何購股權，詳情載於財務報表附註30。

購買、出售或贖回上市證券

從上市日至二零零三年十二月三十一日止期間，本公司或其任何附屬公司概無購買、出售或贖回任何本公司之上市證券。

僱員人數與酬金

於二零零三年十二月三十一日，本集團約有609名全職僱員。本集團認同人力資源對其成就的重要性。酬金水平維持於一個有競爭力的水平。本集團為員工提供的其他福利包括強制性公積金、保險及按表現計算的佣金。

REPORT OF THE DIRECTORS

董事會報告

EMPLOYEES' RETIREMENT BENEFIT SCHEME

Details of the employees' retirement benefit scheme for the year ended 31 December 2003 are set out in note 31 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2003, the largest customer of the Group accounted for approximately 12% of the total turnover of the Group whereas the five largest customers of the Group accounted for approximately 31% of the total turnover of the Group.

For the year ended 31 December 2003, the largest supplier of the Group accounted for approximately 29% of the total purchases of the Group whereas the five largest suppliers accounted for approximately 62% of the total purchases of the Group.

During the period under review, Shanghai Chia Hsin Ganghui Company Limited ("Ganghui") was the largest customer of the Group. Ganghui is an indirect wholly-owned subsidiary of CHPL and a connected person (as defined in the Listing Rules) of the Group.

Other than Ganghui, none of the Directors and their associates (as defined in the Listing Rules) or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's share capital) has an interest in the five largest customers and five largest suppliers.

MAJOR LITIGATION

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

CODE OF BEST PRACTICE

In the opinion of the Board, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules throughout the accounting period as reviewed in this annual report.

僱員退休福利計劃

本集團截止二零零三年十二月三十一日止年度的退休計劃詳情載於財務報表附註31。

主要客戶及供應商

截至二零零三年十二月三十一日止年度，本集團最大客戶佔本集團營業額約12%，而本集團五大客戶則合佔本集團的營業額約31%。

截至二零零三年十二月三十一日止年度的最大供應商佔本集團採購總額約29%，而五大供應商合佔本集團年內的採購總額約62%。

於記錄期間內，上海嘉新港輝有限公司（簡稱「港輝」）是本集團的最大客戶。港輝是CHPL的間接全資附屬公司，屬本集團的關聯人事（定義見上市規則）。

除港輝外，董事及其聯繫人（定義見上市規則）及就董事所知擁有本公司股本5%以上之股東概無擁有本集團五大客戶及五大供應商之任何權益。

重大訴訟

本年內本集團概無重大訴訟或仲裁事項。

最佳應用守則

董事會認為，本公司於本年報之會計期內已遵守上市規則附錄14所載之最佳應用守則之規定。



REPORT OF THE DIRECTORS 董事會報告

AUDIT COMMITTEE

The audit committee of the Company has four independent non-executive Directors, namely Ms. Chen Meei Ling, Shelly, Mr. Davin A. Mackenzie, Mr. Zhuge Pei Zhi and Mr. Wu Chun Ming.

AUDITORS

The accounts have been audited by Deloitte Touche Tohmatsu who will retire and, being eligible, offer themselves for re-appointment.

By Order of the Board
Wang Chien Kuo, Robert
Chairman

15 March 2004

審核委員會

本公司之審核委員會成員包括四名獨立非執行董事陳美玲女士、Davin A. Mackenzie先生、諸葛培智先生和吳俊民先生。

核數師

本帳目已經由德勤關黃陳方會計師行所審核，該核數師任滿告退，惟符合資格並願受聘連任。

承董事會命
主席
王建國

二零零四年三月十五日