

Report of the Directors 董事會報告書

The Directors herein submit their report together with the audited financial statements for the year ended 31 December 2003.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its subsidiaries are set out in note 29 to the financial statements.

SEGMENT INFORMATION

An analysis of the performance of the Group by principal activities is set out in note 5 to the financial statements. No geographical analysis is shown as the turnover and loss from operations of the Group are all derived from activities in the People's Republic of China ("PRC").

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2003 and the affairs of the Company and of the Group are set out in the financial statements on pages 24 to 25.

No dividend was recommended for the year.

RESERVES

Movements in reserves during the year are set out in note 23 to the financial statements.

DONATIONS

No donations were made to charities by the Group during the year.

FIXED ASSETS

Movements in fixed assets during the year are set out in note 12 to the financial statements.

INVESTMENT PROPERTIES

Movements in investment properties including pledge of assets during the year are set out in note 13 to the financial statements. Particulars of investment properties of the Group are set out on page 20.

董事會謹提呈截至二零零三年十二月三十一日止年度之董事會報告書及經審核財務報表。

主要業務

本公司為一間投資控股公司，其附屬公司之業務載列於財務報表附註29。

分類資料

本集團以主要業務分類之業務分析載列於財務報表附註5。由於本集團之營業額及經營虧損全由中華人民共和國（「中國」）業務所得，因此並無載列以地域劃分之分析。

業績及分配

本集團截至二零零三年十二月三十一日止年度之業績及本公司與本集團之財務狀況載列於財務報表 24 至 25 頁。

本年度不建議派發股息。

儲備

本年度之儲備變動載列於財務報表附註23。

慈善捐款

本年度本集團沒有任何慈善捐款。

固定資產

本年度之固定資產變動載列於財務報表附註12。

投資物業

本年度之投資物業，包括資產按揭載列於財務報表附註13。本集團之投資物業資料載列於第20頁。

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PROPERTIES HELD FOR/UNDER DEVELOPMENT

Movements in properties held for/under development during the year are set out in note 14 to the financial statements. Particulars of properties held for/under development of the Group are set out on pages 48 and 49.

SHARE CAPITAL

Details of share capital of the Company are set out in note 21 to the financial statements.

BORROWINGS AND INTEREST CAPITALISED

Details of borrowings are set out in note 19 to the financial statements.

No borrowing cost was capitalised in respect of property development projects during the year.

MAJOR CUSTOMERS AND SUPPLIERS

The information of turnover and purchases attributable to the major customers and suppliers of the Group for the year is as follows:

Turnover	銷售
The largest customer	最大客戶
Five largest customers in aggregate	五大客戶總額
Purchases	採購
The largest supplier	最大供應商
Five largest suppliers in aggregate	五大供應商總額

None of the directors and their associates, or any shareholder (who to the best knowledge of the directors, own more than 5% of the Company's share capital) had interest in the above customers and suppliers at any time during the year.

持有作發展／發展中物業

本年度之持有作發展／發展中物業載列於財務報表附註14。本集團之持有作發展／發展中物業資料載列於第48及49頁。

股本

本公司之股本詳載於財務報表附註21。

借貸及撥作資本之利息

本集團之借貸詳載於財務報表附註19。

本年內並無物業發展項目之利息撥作資本。

主要客戶及供應商

本集團主要客戶及供應商於本年度佔本集團銷售及採購之詳情如下：

	2003 二零零三年 %	2002 二零零二年 %
The largest customer	9	23
Five largest customers in aggregate	36	53
The largest supplier	66	37
Five largest suppliers in aggregate	71	96

概無本公司董事及其聯繫人士，或任何股東（據董事所知擁有本公司5%以上之股本）於本年度任何時間擁有上述客戶及供應商任何權益。

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SUBSIDIARIES

Particulars of subsidiaries of the Company as at 31 December 2003 are set out in note 29 to the financial statements.

DIRECTORS

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

Tong Shi Jun, <i>Chairman</i>	
Zhang Jian, <i>Deputy Chairman</i>	
Zhao Lishen	(appointed on 25 April 2003)
Chiu Kong	(appointed on 7 May 2003)
Huang Ling	(appointed on 7 May 2003)
Zhu Jun	(appointed on 7 May 2003)
Chen Song Sheng*	
Chang Ling*	

* *Independent Non-executive Director*

Mr. Zhang Jian and Mr. Zhao Lishen retire from office at the forthcoming Annual General Meeting in accordance with Bye-laws No. 87 of the Company, being eligible, offer themselves for re-election.

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Tong Shi Jun, aged 47, is the Chairman of the Company. Mr. Tong has long been engaging in construction investments and project management in the PRC, and with extensive management experience. He has excellent performance in export and import trading business in the recent ten years. Mr. Tong joined the Group in March 2002.

Zhang Jian, aged 74, is the Deputy Chairman of the Company, mainly responsible for project developments in the PRC. Mr. Zhang is a senior engineer and has long been engaging in the management of construction investments in the PRC. He has extensive experience in the management of construction planning and development. Mr. Zhang joined the Group in March 2002.

附屬公司

本公司於二零零三年十二月三十一日之附屬公司資料載列於財務報表附註29。

董事

本年度及截至本報告日期止，本公司之董事為：

佟世均 (主席)	
張健 (副主席)	
趙立申	(於二零零三年四月二十五日獲委任)
趙鋼	(於二零零三年五月七日獲委任)
黃玲	(於二零零三年五月七日獲委任)
朱軍	(於二零零三年五月七日獲委任)
陳頌聲*	
張玲*	

* *獨立非執行董事*

根據本公司之章程細則第87條，張健先生及趙立申先生於即將召開之股東週年大會上告退，惟願意膺選連任。

董事及高級管理人員資料

執行董事

佟世均，47歲，本公司主席。佟先生長期從事中國建設投資和建設項目管理工作，具豐富管理經驗。彼近十年從事之進出口貿易工作成績卓著。佟先生於二零零二年三月加入本集團。

張健，74歲，本公司副主席，主要負責中國發展項目。張先生為高級工程師，長期從事中國建設投資管理工作。彼於建設規劃發展具有豐富管理經驗。張先生於二零零二年三月加入本集團。

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Zhao Lishen, aged 33, responsible for the whole management of Great China, PRC of the Group. Mr. Zhao graduated from ZhongNan University at Economics and Law (中南財經政法大學). He has long been engaging in the banking investment and the enterprise management of major corporation for a number of years. He has extensive understanding and cumulate experience in group management. Mr. Zhao joined the Group in April 2003.

Chiu Kong, aged 45, has long been engaging in export and import trading business as well as electrommunication investments in mainland. He joined the Group in June 2002 and is mainly responsible for the administration of the Hong Kong Office.

Huang Ling, aged 29, mainly responsible for capital financing. She graduated from Guangdong Foreign Trade University (廣東外貿大學) with a Bachelor of Economics degree. She has engaged in international accounting of bank with certain experience in financing. Miss Huang joined the Group in February 2003.

Zhu Jun, aged 33, mainly responsible for personnel management. She had worked in group logistics property administration of South China University of Technology. Miss Zhu joined the Group in February 2003.

Independent Non-executive Directors

Chen Song Sheng, aged 68, has been a non-executive of the Company since February 2001. Mr. Chen graduated from the University of Zhongshan in the PRC and he stayed to work after. He had been the Deputy Head of the Department of Chinese in the University of Zhongshan and held his professorship in the University of Macau since 1991. Mr. Chen is also director and chairman of several Chinese cultural organisations.

Chang Ling, aged 49, has been a non-executive director of the Company since February 2001. Md. Chang, a graduate of Chinese medicine, was a nurse and anesthetist in the Nanhai City People's Hospital. She is currently a director of an investment company and a trading company.

趙立申，33歲，主要負責集團中國區域的整體管理。趙先生畢業于中南財經政法大學，長期以來從事投資銀行以及大型企業管理工作，對集團企業的營運管理有著較為深入的理解及豐富的經驗積累。趙先生於二零零三年四月加入本集團。

趙鋼，45歲。趙先生長期從事進出口貿易生意及國內電子通信投資工作。彼於二零零二年六月加入本集團，主要負責本集團香港公司行政管理工作。

黃玲，29歲，主要負責財務資金運作。黃小姐畢業於廣東外貿大學，持有經濟學士學位，曾從事銀行國際業務會計工作，有一定的財務工作經驗。黃小姐於二零零三年二月加入本集團。

朱軍，33歲，主要負責人事管理。朱小姐曾任職華南理工大學後勤產業集團行政管理工作。朱小姐於二零零三年二月加入本集團。

獨立非執行董事

陳頌聲，68歲，於二零零一年二月出任本公司非執行董事。陳先生畢業於中國中山大學，畢業後留校任教。彼曾出任中山大學中文系副主任，並自一九九一年出任澳門大學教授。陳先生亦為多個推廣中國文化組織之會長及主席。

張玲，49歲，於二零零一年二月出任本公司非執行董事。張女士自中醫學院畢業後，於南海市人民醫院任職護士及麻醉師。彼現時為一投資公司及一貿易公司之董事。

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Senior Management

In addition to the executive directors listed above, the Company has the following members on its management team:

Yin Cheng Zheng, aged 34, Assistant Financial Controller of the Group's Guangzhou office, responsible for financial management and control. He graduated from ZhongNan University at Economics and Law. Mr. Yin has been engaging in banking investment as well as in accounting management and finance control for many years. He has extensive experience in group finance management. Mr. Yin joined the Group in March 2003.

Chen Wei Wen, aged 37, is a site engineer of the Group. Mr. Chen graduated from Guangzhou University and has been working as a civil engineer for over 10 years. He joined the Group in 1993 and is responsible for site and construction works of the property projects. Before joining the Group, he was responsible for supervision of the construction progress in a construction company in Guangzhou.

Wang Jian Yong, aged 41, structural audit engineer of the Group. Mr. Wang graduated from Guangzhou Jinan University and has over 16 years' experience in construction industry. He joined the Group in 1994.

DIRECTORS' INTERESTS IN SHARES

As at 31 December 2003, none of the directors and chief executive of the Company had, under Part XV of the Securities and Futures Ordinance, nor were they taken to or deemed to have under such provisions of the Securities and Futures Ordinance, any interests in the shares of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance) or any interests which are required to be entered into the register kept by the Company pursuant to section 352 of the Securities and Futures Ordinance or any interests which are required to be notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules.

ARRANGEMENT TO PURCHASE SHARES

Under the share option scheme, the Directors may, at their discretion, offer an option to any director or employee of the Company or any subsidiary to subscribe for shares of the Company, subject to the terms and conditions of the share option scheme.

No option was granted to or exercised under the share option scheme during the year.

高級管理人員

除上所列的執行董事外，本公司的高級管理人員如下：

尹承政，34歲，本公司助理財務總監，負責集團財務管理與控制事務。尹先生畢業於中南財經政法大學，多年來從事投資銀行以及財務管理工作，有著豐富的集團財務管理經驗。尹先生於二零零三年三月加入本集團。

陳偉文，37歲，本集團之地盤工程師。陳先生於廣州大學畢業，具逾十年土木工程師經驗。彼於一九九三年加入本集團，負責物業項目之地盤及建築工程。於加入本集團前，彼在廣州一建築公司負責監管建築工序。

王健勇，41歲，本集團之結構核算工程師。王先生於廣州暨南大學畢業，在建築業工作逾十六年。彼於一九九四年加入本集團。

董事於股份或債券之權益

於二零零三年十二月三十一日，概無本公司董事及主要行政人員根據證券及期貨條例第XV部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)的股份中擁有(或根據證券及期貨條例的有關規定被認為或被視作擁有)任何權益，或任何必須列入本公司根據證券及期貨條例第三百五十二條予以存置的登記冊內的權益，或任何根據上市規則所載上市公司董事進行證券交易的標準守則必須向本公司及香港聯合交易所有限公司申報的權益。

購入股份之安排

根據購股權計劃，董事可酌情按照購股權計劃之條文及細則授予本公司或其任何附屬公司之任何董事或僱員購股權認購本公司股份。

本年內概無根據購股權計劃授出或行使任何購股權。

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Save as disclosed above, at no time during the year was the Company or its subsidiaries a party to any arrangements to enable the directors or the chief executives of the Company, or their spouses or children under the age of 18, to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party, and in which any director had a material interest, subsisted at the end of the year or at any time during the year.

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2003, according to the register of interests kept by the Company under section 336 of Securities and Futures Ordinance, and so far as was known to the directors or chief executive of the Company, the following persons had an interest or short position in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the Securities and Futures Ordinance:

除上文所披露者外，於本年內本公司或其任何附屬公司概無參與任何安排，致使本公司董事或主要行政人員、或彼等各自之配偶或其十八歲以下之子女可藉購入本公司或任何其他公司之股份或債券而得益。

董事於合約之權益

於本年內任何時間，概無任何董事於本公司或其任何附屬公司所訂立之重大合約中擁有重大權益。

主要股東

於二零零三年十二月三十一日，根據本公司按證券及期貨條例第336條存置之權益登記冊所示及據董事或本公司行政總裁所知，除董事或本公司行政總裁外，下列人士於股份或相關股份擁有須根據證券及期貨條例第十五部第2及3部分條文向本公司披露之權益或淡倉。

Name of Shareholders 股東名稱	Number of ordinary shares 普通股股份數量	Percentage of issued share capital 佔已發行股本百分比
Great Capital Holdings Limited ("GCH")	453,712,000 <i>Note (1) 附註(1)</i>	33.36%
Sinowin Enterprises Limited	405,280,000 <i>Note (2) 附註(2)</i>	29.80%
China International Trust and Investment Corporation	93,286,000 <i>Note (3) 附註(3)</i>	6.86%
CITIC International Financial Holdings Limited	93,286,000 <i>Note (3) 附註(3)</i>	6.86%
Campiche Management Limited	68,205,210	5.02%

Notes:

- (1) GCH had pledged a total of 288,712,000 shares of the Company to secure banking facilities for the group companies of GCH.
- (2) A total of 405,280,000 shares of the Company had been charged to Guangdong Assets Management Limited and Guangdong Investment Limited, pending to release upon the settlement in full of a sale and purchase agreement.
- (3) The interests of China International Trust and Investment Corporation in the Company duplicates those of CITIC International Financial Holdings Limited.

附註：

- (1) GCH持有本公司之288,712,000股股份已作抵押，以取得其集團公司之銀行信貸。
- (2) 405,280,000股股份已抵押予粵海資產管理有限公司及粵海投資有限公司，並於雙方之股權買賣協議完成後予以解除。
- (3) China International Trust and Investment Corporation 於本公司之權益與CITIC International Financial Holdings Limited於本公司之權益為同一份權益。

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Save as disclosed above, so far as are known to the directors, the Company has not been notified of any interest in the issued share capital of the Company required to be recorded under section 336 of the Securities and Futures Ordinance as at 31 December 2003.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws or the law in Bermuda.

SERVICE CONTRACTS

None of the directors 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 within one year without payment of compensation other than statutory compensation.

MANAGEMENT DISCUSSION AND ANALYSIS

A management discussion and analysis of the Group's annual results is shown on pages 11.

PENSION SCHEME

Particulars of pension scheme of the Group are set out in note 26 to the financial statements.

PURCHASE, SALE OR REDEMPTION OF SHARES

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

AUDIT COMMITTEE

The audit committee was established in 1999 in accordance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules. The committee comprises two independent non-executive directors of the Company. The audit committee has reviewed with management the interim and annual financial statements of the Group for the year.

除上文所披露外，就董事所知，於二零零三年十二月三十一日，本公司並無接獲其他須按證券及期貨條例第三百三十六條予以登記之本公司已發行股本權益之通知。

優先購買權

本公司之章程細則或百慕達法例概無優先購買權之條款。

服務合約

於即將召開之股東週年大會膺選連任之董事並無與本公司或其任何附屬公司訂立任何服務合約規定一年內終止合約時須作出賠償（法定賠償除外）。

管理層討論及分析

本年度之管理層討論及分析列於第11頁。

公積金計劃


本集團之公積金計劃資料載列於財務報表附註26。

購買、出售或贖回股份

本年內概無本公司或其任何附屬公司購買、出售或贖回本公司之任何股份。

審核委員會

根據上市規則附錄十四最佳應用守則，審核委員會於一九九九年成立。審核委員會成員包括兩位獨立非執行董事。審核委員會與管理層已審閱本集團本年度之中期及全年財務報告。



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CODE OF BEST PRACTICE

None of the directors is aware of any information that would reasonably indicate that the Company is not, or was not, in compliance with Appendix 14 of the Listing Rules during the year except that the independent non-executive directors are not appointed for a specific term as recommended.

AUDITORS

Charles Chan, Ip & Fung CPA Ltd. was appointed as auditors of the Company in January 2004 to fill the vacancy left by the resignation of RSM Nelson Wheeler.

A resolution for re-appointment of Charles Chan, Ip & Fung CPA Ltd as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By Order of the Board
Tong Shi Jun
Chairman

Hong Kong, 27 April 2004

最佳應用守則

除沒有訂明非執行董事之任期外，概無董事知悉任何足以合理指出於本年內未有遵守上市規則附錄十四之資料。

核數師

於二零零四年一月，陳葉馮會計師事務所有限公司獲委任為本公司核數師，以填補羅申美會計師行辭任而出現的空缺。

即將召開之股東週年大會，將提呈一項決議案續聘陳葉馮會計師事務所有限公司為本公司核數師。

承董事會命
主席
佟世均

香港，二零零四年四月二十七日