

A large, stylized graphic of a globe is positioned on the left side of the page. It consists of several concentric, curved lines that form a partial view of a sphere, rendered in a light gray color against the background.

Global China Group Holdings Limited

泛華集團控股有限公司

INTERIM REPORT 2003 中期報告

Condensed Consolidated Profit and Loss Account 簡明綜合損益表

For the six months ended 30 June 2003 截至二零零三年六月三十日止六個月

The Board of Directors (the "Board") of Global China Group Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2003 together with the comparative figures for the corresponding period in 2002 as follows:

泛華集團控股有限公司(「本公司」)之董事會(「董事會」)謹此提呈本公司及其附屬公司(「本集團」)截至二零零三年六月三十日止六個月之未經審核簡明綜合業績，連同二零零二年同期之比較數字如下：

			Six months ended 30 June 2003 截至二零零三年 六月三十日 止六個月 Unaudited 未經審核 HK\$'000 千港元	Six months ended 30 June 2002 截至二零零二年 六月三十日 止六個月 Unaudited and restated 未經審核及重列 HK\$'000 千港元
		Notes 附註		
TURNOVER	營業額	3	564,785	591,743
Cost of sales	銷售成本		(355,912)	(375,824)
Gross profit	毛利		208,873	215,919
Other revenue and gains	其他收入及收益	4	38,597	7,602
Distribution costs	分銷成本		(79,836)	(77,805)
Administrative expenses	行政開支		(144,270)	(163,026)
Other operating expenses, net	其他經營開支淨額		(6,010)	(14,417)
Gain on disposal of discontinued operations	出售已終止業務收益	5	–	207,312
PROFIT FROM OPERATING ACTIVITIES	經營業務溢利	6	17,354	175,585
Finance costs	融資成本		(271)	(941)
Reversal of impairment of interests in jointly-controlled entities, net	共同控制公司權益減值撥回淨額	7	75,689	–
Provisions for amounts due from jointly-controlled entities and associates	應收共同控制公司及聯營公司款項撥備		(6,766)	(5,378)
Loss on disposal of an associate	出售一間聯營公司之虧損		(2,980)	–
Share of profits and losses of:	應佔下列公司溢利及虧損：			
Jointly-controlled entities	共同控制公司		(67,107)	(8,333)
Associates	聯營公司		32,708	(667)
PROFIT BEFORE TAX	除稅前溢利		48,627	160,266
Tax	稅項	8	(19,355)	(13,081)
PROFIT BEFORE MINORITY INTERESTS	未計少數股東權益前溢利		29,272	147,185
Minority interests	少數股東權益		1,906	(31,855)
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔日常業務溢利淨額		31,178	115,330
Earnings per share – (HK cents)	每股盈利 – (港仙)	9		
Basic	基本		1.71	7.84
Diluted	攤薄		1.71	N/A

Condensed Consolidated Balance Sheet 簡明綜合資產負債表

30 June 2003 於二零零三年六月三十日

		30 June 2003 二零零三年 六月三十日 Unaudited 未經審核 HK\$'000 千港元	31 December 2002 二零零二年 十二月三十一日 Audited and restated 經審核及重列 HK\$'000 千港元
	Notes 附註		
NON-CURRENT ASSETS	非流動資產		
Fixed assets	固定資產	341,018	385,134
Intangible assets	無形資產	21,119	15,150
Goodwill:	商譽：		
Goodwill	商譽	6,854	—
Negative goodwill	負商譽	(133,635)	(136,649)
Interests in jointly-controlled entities	於共同控制公司之權益	336,862	235,360
Interests in associates	於聯營公司之權益	(261)	12,792
Long term investments	長期投資	53,572	7,060
Other investments	其他投資	1,154	1,468
Deferred tax assets	遞延稅項資產	3,603	775
		630,286	521,090
CURRENT ASSETS	流動資產		
Inventories	存貨	39,661	27,369
Short term investments	短期投資	22,255	22,344
Trade and bills receivables	應收貿易賬款及票據	167,671	171,212
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	85,289	48,533
Pledged time deposits	已抵押定期存款	38,640	28,392
Cash and cash equivalents	現金及現金等值項目	535,104	759,005
		888,620	1,056,855
CURRENT LIABILITIES	流動負債		
Trade and bills payables	應付貿易賬款及票據	54,056	74,631
Other payables and accruals	其他應付款項及應計費用	144,038	129,993
Tax payable	應付稅項	67,916	66,008
Interest-bearing bank borrowings	附息銀行借貸	12,410	9,675
Deferred income	遞延收入	2,398	4,917
Finance lease payables	應付融資租約	181	142
		280,999	285,366
NET CURRENT ASSETS	流動資產淨值	607,621	771,489
TOTAL ASSETS LESS CURRENT LIABILITIES	已減流動負債之資產總值	1,237,907	1,292,579
NON-CURRENT LIABILITIES	非流動負債		
Finance lease payables	應付融資租約	698	642
Other payables	其他應付款項	109,906	109,907
Provision for long service payments	長期服務金撥備	4,051	2,673
Deferred tax liabilities	遞延稅項負債	37,517	35,198
Deferred income	遞延收入	—	16,225
		152,172	164,645
MINORITY INTERESTS	少數股東權益	(1,386)	(8,710)
		1,084,349	1,119,224
CAPITAL AND RESERVES	資本及儲備		
Issued capital	已發行股本	183,125	253,577
Reserves	儲備	901,224	865,647
		1,084,349	1,119,224

Condensed Consolidated Statement of Changes in Equity 簡明綜合股權變動表

		For the six months ended 30 June 2003 截至二零零三年六月三十日止六個月								
	Notes 附註	Issued ordinary share capital 已發行 普通股本 HK\$'000 千港元 Unaudited 未經審核	Issued preference share capital 已發行 優先股股本 HK\$'000 千港元 Unaudited 未經審核	Share premium account 股份溢價賬 HK\$'000 千港元 Unaudited 未經審核	Contributed surplus 實繳盈餘 HK\$'000 千港元 Unaudited 未經審核	Capital reserve 資本儲備 HK\$'000 千港元 Unaudited 未經審核 and restated 及重列	Exchange fluctuation reserve 匯率波動 儲備 HK\$'000 千港元 Unaudited 未經審核	Land and buildings revaluation reserve 土地及樓宇 重估儲備 HK\$'000 千港元 Unaudited 未經審核	Retained profits/ Accumulated losses 保留溢利/ (累計虧損) HK\$'000 千港元 Unaudited 未經審核 and restated 及重列	Total 合計 HK\$'000 千港元 Unaudited 未經審核 and restated 及重列
Balance at 1 January 2003, as previously stated	二零零三年一月一日 結餘，按先前所列	181,809	71,768	964,360	9,899	147,720	(3,633)	12,171	(230,447)	1,153,647
Change in accounting policy – provision for deferred tax	更改會計政策 – 遞延稅項撥備	2	-	-	-	(26,862)	-	-	(7,561)	(34,423)
Balance at 1 January 2003, as restated	二零零三年一月一日 結餘，重列	181,809	71,768	964,360	9,899	120,858	(3,633)	12,171	(238,008)	1,119,224
Redemption of preference shares	贖回優先股	-	(71,768)	-	-	-	-	-	-	(71,768)
Issue of ordinary shares	發行普通股	1,316	-	3,357	-	-	-	-	-	4,673
Reduction of share premium to offset the accumulated losses and increase the contributed surplus	削減股份溢價以抵銷 累計虧損及增加 實繳盈餘	-	-	(964,361)	488,930	-	-	-	475,431	-
Realization of capital reserve on disposal of an associate	出售一間聯營公司時 變現資本儲備	-	-	-	-	2,984	-	-	-	2,984
Revaluation reserve released on disposal of properties	出售物業時解除之 重估儲備	-	-	-	-	-	-	(6,338)	-	(6,338)
Distribution of HK1 cent per share	每股1港仙之分派	10	-	-	(18,181)	-	-	-	-	(18,181)
Exchange realignment	匯兌調整	-	-	-	-	-	22,577	-	-	22,577
Net profit for the period	期間純利	-	-	-	-	-	-	-	31,178	31,178
		183,125	-	3,356	480,648	123,842	18,944	5,833	268,601	1,084,349
		For the six months ended 30 June 2002 截至二零零二年六月三十日止六個月								
	Note 附註	Issued ordinary share capital 已發行 普通股本 HK\$'000 千港元 Unaudited 未經審核	Issued preference Share capital 已發行 優先股股本 HK\$'000 千港元 Unaudited 未經審核	Share premium account 股份溢價賬 HK\$'000 千港元 Unaudited 未經審核	Contributed surplus 實繳盈餘 HK\$'000 千港元 Unaudited 未經審核	Capital reserve 資本儲備 HK\$'000 千港元 Unaudited 未經審核 and restated 及重列	Exchange fluctuation reserve 匯率波動 儲備 HK\$'000 千港元 Unaudited 未經審核	Land and buildings revaluation reserve 土地及樓宇 重估儲備 HK\$'000 千港元 Unaudited 未經審核	Accumulated losses 累計虧損 HK\$'000 千港元 Unaudited 未經審核 and restated 及重列	Total 合計 HK\$'000 千港元 Unaudited 未經審核 and restated 及重列
Balance at 1 January 2002, as previously stated	二零零二年一月一日 結餘，按先前所列	147,035	74,068	832,748	9,899	231,933	(7,191)	2,569	(392,905)	898,156
Change in accounting policy – provision for deferred tax	更改會計政策 – 遞延稅項撥備	2	-	-	-	(26,862)	-	-	(687)	(27,549)
Balance at 1 January 2002, as restated	二零零二年一月一日 結餘，重列	147,035	74,068	832,748	9,899	205,071	(7,191)	2,569	(393,592)	870,607
Exchange realignments	匯兌調整	-	-	-	-	-	(2,881)	-	-	(2,881)
Realization of capital reserve on disposal of subsidiaries	出售附屬公司時 變現資本儲備	-	-	-	-	(57,199)	-	-	-	(57,199)
Net Profit for the period (as restated)	期間溢利淨額(重列)	-	-	-	-	-	-	-	115,330	115,330
At 30 June 2002	二零零二年六月三十日	147,035	74,068	832,748	9,899	147,872	(10,072)	2,569	(278,262)	925,857

Condensed Consolidated Cash Flow Statement 簡明綜合現金流量表

For the six months ended 30 June 2003 截至二零零三年六月三十日

		Six months ended 30 June 2003 截至二零零三年 六月三十日 止六個月 Unaudited 未經審核 HK\$'000 千港元	Six months ended 30 June 2002 截至二零零二年 六月三十日 止六個月 Unaudited 未經審核 HK\$'000 千港元
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	經營業務之現金流入／(流出)淨額	(50,098)	5,046
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	投資業務之現金流入／(流出)淨額	(79,583)	344,578
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	融資活動之現金流入／(流出)淨額	(101,519)	(16,708)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加／(減少)	(231,200)	332,916
Cash and cash equivalents at beginning of period	期初之現金及現金等值項目	759,005	285,683
Effects of foreign exchange rate changes, net	匯率變動影響淨額	7,299	3,045
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期終之現金及現金等值項目	535,104	621,644
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘分析		
Cash and bank balances	現金及銀行結餘	535,104	623,095
Bank overdrafts	銀行透支	-	(1,451)
		535,104	621,644

1. BASIS OF PRESENTATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with Statement of Standard Accounting Practice (“SSAP”) 25 – Interim financial reporting, issued by the Hong Kong Society of Accountants (“HKSA”) and Appendix 16 of the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”).

The unaudited condensed consolidated financial statements should be read in conjunction with the annual financial statements of the Group as at and for the year ended 31 December 2002.

2. ACCOUNTING POLICIES

The accounting policies and method of computation used in the preparation of the condensed consolidated financial statements are consistent with those used in the annual financial statements as at and for the year ended 31 December 2002, except that the Group has changed its accounting policy with respect to deferred tax following the adoption of SSAP 12 (Revised) – Income taxes, issued by the HKSA, which is effective for accounting period commencing on or after 1 January 2003.

1. 呈報基準

未經審核簡明綜合中期財務報表乃根據香港會計師公會（「會計師公會」）頒佈之會計實務準則第25號「中期財務報告」及香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄16之規定編製。

未經審核簡明綜合財務報表須與本集團截至二零零二年十二月三十一日止年度之全年財務報表一併閱讀。

2. 會計政策

本集團編製簡明綜合財務報表時所採納之會計政策及計算方法與本集團截至二零零二年十二月三十一日止年度之全年財務報表所採納者一致，惟本集團於採納由會計師公會頒佈，並於二零零三年一月一日或其後開始之會計期間生效之會計實務準則第12號（經修訂）「所得稅」後，已更改有關遞延稅項之會計政策。

2. ACCOUNTING POLICIES (continued)

SSAP 12 (Revised) prescribes the basis for accounting for income taxes payable or recoverable, arising from the taxable profit or loss for the current period (current tax); and income taxes payable or recoverable in future periods, principally arising from taxable and deductible temporary differences and the carry forward of unused tax losses (deferred tax). In prior years, deferred tax liability was provided for, using the income statement liability method, at the current tax rate in respect of all significant timing differences between profit as computed for tax purposes and profit as stated in the financial statements to the extent that the liability will crystallize in the foreseeable future, whereas a deferred tax asset is not recognized until its realization is assured beyond reasonable doubt. Under SSAP 12 (Revised), deferred tax is provided in full, using the balance sheet liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, based on the tax rates enacted or substantively enacted at the balance sheet date, with limited exceptions.

The adoption of SSAP 12 (Revised) represents a change in accounting policy, which has been applied retrospectively so that the comparative figures presented have been restated to conform to the changed policy. The change in accounting policy has resulted in an increase in the Group's deferred tax liabilities as at 30 June 2003 and 31 December 2002 by HK\$37,517,000 and HK\$35,198,000, respectively, and an increase in the Group's deferred tax assets as at 30 June 2003 and 31 December 2002 by HK\$3,603,000 and HK\$775,000, respectively. As a consequence, the Group's net profit attributable to shareholders for the period ended 30 June 2002 has been increased by HK\$132,000, the Group's capital reserve at 1 January 2003 and 2002 has been decreased by HK\$26,862,000, and the consolidated accumulated losses at 1 January 2003 and 2002 have been increased by HK\$7,561,000 and HK\$687,000, respectively.

2. 會計政策 (續)

會計實務準則第12號(經修訂)規定有關由本期間之應課稅溢利或虧損(本期稅項)所產生之應付或可收回所得稅,以及主要由應課稅及可扣稅暫時差額及承前未使用稅項虧損所產生日後期間應付或可收回所得稅(遞延稅項)之會計基準。於過往年度,遞延稅項負債採用損益表負債法,就溢利在稅務處理上及載列於財務報表時出現之所有重大時差按現行稅率提撥準備,而撥備數額以將於可見將來作實之負債為限,惟遞延稅項資產僅會在合理保證可變現時方會確認。根據會計實務準則第12號(經修訂),除少數例外情況外,遞延稅項乃使用資產負債表負債法,根據結算日之稅率就資產及負債之稅基與財務報表所列賬面值所產生之所有暫時差額作出全數撥備。

採納會計實務準則第12號(經修訂)指更改一直具追溯力之會計政策,重列已呈列之比較數字,以符合政策之變更。更改會計政策使本集團於二零零三年六月三十日及二零零二年十二月三十一日之遞延稅項負債分別增加37,517,000港元及35,198,000港元,亦使本集團於二零零三年六月三十日及二零零二年十二月三十一日之遞延稅項資產分別增加3,603,000港元及775,000港元。結果,本集團截至二零零二年六月三十日止期間之股東應佔溢利淨額增加132,000港元,於二零零三年及二零零二年一月一日本集團之資本儲備減少26,862,000港元,而於二零零三年及二零零二年一月一日之綜合累計虧損則分別增加7,561,000港元及687,000港元。

3. SEGMENTAL INFORMATION

The revenue and results of the Group for the six months ended 30 June 2003 and 30 June 2002, analyzed by (a) primary reporting basis – by business segments and (b) secondary reporting basis – by geographical segments, are as follows:

(a) Business segments

	Media 媒體		Human Capital Management 人力資本管理		Trading 貿易		Commercial printing (Discontinued operations) 商業印刷(已終止業務)		Corporate and others 公司及其他		Eliminations 撇銷		Consolidated 綜合 Unaudited and restated 未經審核及重列	
	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核
	Period ended 30 June 2003 截至 二零零三年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2002 截至 二零零二年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2003 截至 二零零三年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2002 截至 二零零二年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2003 截至 二零零三年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2002 截至 二零零二年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2003 截至 二零零三年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2002 截至 二零零二年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2003 截至 二零零三年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2002 截至 二零零二年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2003 截至 二零零三年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2002 截至 二零零二年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2003 截至 二零零三年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2002 截至 二零零二年 六月三十日 止期間 HK\$'000 千港元
Segment revenue:	分類收益:													
Sales to external customers	430,063	390,724	16,263	17,241	68,301	52,168	-	101,177	50,158	30,433	-	-	564,785	591,743
Intersegment sales	4,291	5,048	82	-	-	-	-	2,422	-	3,158	(4,373)	(10,628)	-	-
Other revenue and gains	4,076	-	1	-	1,701	1,916	-	-	23,405	212	-	-	29,183	2,128
Intersegment other revenue	612	-	-	-	-	-	-	-	5,387	-	(5,999)	-	-	-
Total	439,042	395,772	16,346	17,241	70,002	54,084	-	103,599	78,950	33,803	(10,372)	(10,628)	593,968	593,871
Segment results	784	(1,514)	(2,279)	2,271	3,711	3,125	-	5,478	5,724	(46,561)	-	-	7,940	(37,201)
Interest and dividend income	利息及股息收入													
Unallocated gains	未分類收益													
Gain on disposal of discontinued operations	出售已終止業務之收益													
Profit from operating activities	經營溢利													
Finance costs	融資成本													
Reversal of impairment of interests in jointly-controlled entities, net	撥回共同控制公司之權益 減值淨額													
Provisions for amounts due from jointly- controlled entities and associates	應收共同控制公司及 聯營公司款項撥備													
Loss on disposal of an associate	出售一間聯營公司虧損													
Share of profits and losses of:	應佔下列公司溢利及虧損:													
Jointly-controlled entities	5,132	7,145	(516)	-	-	-	-	(71,723)	(15,478)	-	-	-	(67,107)	(8,333)
Associates	-	-	-	-	(27)	(35)	-	-	32,735	(632)	-	-	32,708	(667)
Profit before tax	除稅前溢利													
Tax	稅項													
Profit before minority interests	未計少數股東權益前溢利													
Minority interests	少數股東權益													
Net profit from ordinary activities attributable to shareholders	股東應佔日常業務溢利 淨額													

3. 分類資料

本集團截至二零零三年六月三十日及二零零二年六月三十日止六個月之收益及業績按(a)主要呈報基準—業務分類及(b)次要呈報基準—地區分類分析如下:

(a) 業務分類

3. SEGMENTAL INFORMATION (continued)

3. 分類資料 (續)

(b) Geographical segments

(b) 地區分類

	Hong Kong and PRC 香港及中國 Unaudited 未經審核		North America 北美 Unaudited 未經審核		Australia, New Zealand, and Europe 澳洲、新西蘭及歐洲 Unaudited 未經審核		Eliminations 撇銷 Unaudited 未經審核		Consolidated 綜合 Unaudited 未經審核	
	Period ended 30 June 2003 截至 二零零三年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2002 截至 二零零二年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2003 截至 二零零三年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2002 截至 二零零二年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2003 截至 二零零三年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2002 截至 二零零二年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2003 截至 二零零三年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2002 截至 二零零二年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2003 截至 二零零三年 六月三十日 止期間 HK\$'000 千港元	Period ended 30 June 2002 截至 二零零二年 六月三十日 止期間 HK\$'000 千港元
Segment revenue:	分類收益：									
Sales to external customers	349,189	353,176	162,834	181,359	52,762	57,208	-	-	564,785	591,743
Other revenue	27,150	2,128	1,492	-	541	-	-	-	29,183	2,128
	376,339	355,304	164,326	181,359	53,303	57,208	-	-	593,968	593,871
Segment results	(18,848)	(35,079)	12,770	(4,151)	14,018	2,029	-	-	7,940	(37,201)

4. OTHER REVENUE AND GAINS

4. 其他收入及收益

		Six months ended	Six months ended
		30 June 2003	30 June 2002
		截至二零零三年	截至二零零二年
		六月三十日	六月三十日
		止六個月	止六個月
		Unaudited	Unaudited
		未經審核	未經審核
		HK\$'000	HK\$'000
		千港元	千港元
Interest income	利息收入	6,539	3,381
Dividend income from listed investments	來自上市投資之股息收入	630	1,084
Dividend income from unlisted investments	來自非上市投資之股息收入	1,315	-
Rental income	租金收入	3,284	209
Gain on disposal of short term investments	出售短期投資之收益	250	1,009
Unrealized gain on changes in fair values of short term investments	短期投資公平值變動之未變現收益	680	-
Recognition of deferred income	遞延收入之確認	16,233	983
Recognition of negative goodwill	負商譽之確認	4,079	-
Others	其他	5,587	936
		38,597	7,602

5. DISCONTINUED OPERATIONS

On 25 January 2002, the Group entered into a sale and purchase agreement with an independent third party to dispose of its entire interests in Roman Enterprises Holdings Limited and Super Grand Holdings Limited, which together held the Group's entire interests in South China Printing Company (1988) Limited, Noble World Printing Company Limited, Roman Financial Press Limited, Valiant Packaging (Holdings) Limited and their subsidiaries (collectively referred to as the "Disposed Assets"), for an adjusted consideration of approximately HK\$388,808,000. The Disposed Assets were principally engaged in the provision of commercial printing and financial printing services in Hong Kong and overseas. The disposal was completed on 19 April 2002.

In the period ended 30 June 2002, a gain on disposal of the Disposed Assets of approximately HK\$207,312,000 was recorded by the Group upon the completion of the above disposal and there were no tax expenses arising from the disposal.

The segment information of the Disposed Assets has been disclosed under the "Commercial printing" segment in note 3 above.

5. 已終止業務

本集團於二零零二年一月二十五日與獨立第三者訂立買賣協議，以經調整代價約388,808,000港元出售於Roman Enterprises Holdings Limited及Super Grand Holdings Limited之全部權益，該兩間公司共同持有本集團於南華印刷(一九八八)有限公司、卓越印刷有限公司、洛文財經印刷有限公司、Valiant Packaging (Holdings) Limited及彼等附屬公司之全部權益(合稱「已出售資產」)。已出售資產主要在香港與海外提供商業印刷及財經印刷服務。出售已於二零零二年四月十九日完成。

截至二零零二年六月三十日止期間，本集團於完成出售上述已出售資產後所得收益約為207,312,000港元，而出售並無產生任何稅項開支。

已出售資產之分類資料已於上文附註3「商業印刷」分類中作出披露。

5. DISCONTINUED OPERATIONS (continued)

The turnover, other revenue, expenses, profit from ordinary activities and tax expenses attributable to the Disposed Assets for the period from 1 January 2002 to 19 April 2002 (date of completion of disposal) were as follows:

5. 已終止業務 (續)

由二零零二年一月一日至二零零二年四月十九日(完成出售當日)期間，已出售資產應佔之營業額、其他收益、開支、日常業務溢利及稅項開支如下：

		Period ended 19 April 2002 截至二零零二年 四月十九日止期間
		Audited 經審核 HK\$'000 千港元
Turnover	營業額	101,177
Other revenue	其他收益	138
Expenses	開支	(91,349)
Profit from ordinary activities	日常業務溢利	9,966
Tax expenses	稅項開支	(496)

6. PROFIT FROM OPERATING ACTIVITIES

The Group's profit from operating activities is arrived after charging/(crediting):

6. 經營業務溢利

本集團之經營業務溢利已扣除／(計入)下列各項：

		Six months ended 30 June 2003 截至二零零三年 六月三十日 止六個月 Unaudited 未經審核 HK\$'000 千港元	Six months ended 30 June 2002 截至二零零二年 六月三十日 止六個月 Unaudited 未經審核 HK\$'000 千港元
Amortization of goodwill	商譽攤銷	196	3,053
Amortization of intangible assets	無形資產攤銷	523	575
Depreciation	折舊	17,148	20,403
Gain on disposal of fixed assets, net	出售固定資產收益淨額	(18,736)	(2,141)
Loss/(gain) on changes in fair value of short term investments, net	短期投資公平值變動所 產生之虧損／(收益)淨額	(680)	2,596
Minimum leases payments under operating leases:	下列經營租賃項目之 最低租金：		
Land and buildings	土地及樓宇	4,989	6,277
Other equipments	其他設備	-	132
Gain on disposal of discontinued operations	出售已終止業務收益	-	(207,312)
Gain on disposal of short term investments	出售短期投資收益	(250)	(1,009)
Recognition of deferred income	遞延收入之確認	(16,233)	(983)
Recognition of negative goodwill	負商譽之確認	(4,079)	-

7. REVERSAL OF IMPAIRMENT OF INTERESTS IN JOINTLY-CONTROLLED ENTITIES, NET

The Group has an interest in Singdeer Joint Venture, which owns a hotel in Toronto, the Colony Hotel. On 10 February 2003, Singdeer Investments Limited, bare trustee of Singdeer Joint Venture, entered into a conditional sale and purchase agreement with an independent third party to dispose of the hotel for a consideration of approximately HK\$366.6 million (C\$67.6 million). Upon the disposal, the previous impairment provision of approximately HK\$78.4 million (C\$14.46 million) made for the investment in this joint venture was written back in the current period.

7. 共同控制公司權益減值撥回淨額

本集團擁有 Singdeer Joint Venture (於多倫多擁有酒店－Colony Hotel) 之權益。二零零三年二月十日，Singdeer Joint Venture 之唯一受託人 Singdeer Investments Limited 與獨立第三者訂立有條件買賣協議，以約 366,600,000 港元 (67,600,000 加元) 之代價出售該酒店。出售後，先前就該合營公司投資所作出約 78,400,000 港元 (14,460,000 加元) 之減值撥備已於本期間撥回。

8. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (period ended 30 June 2002: 16%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

8. 稅項

香港利得稅乃按本期間於香港產生之估計應課稅溢利，以17.5%（截至二零零二年六月三十日止期間：16%）稅率撥備。於其他國家地區之應課稅溢利之稅項，乃按本集團經營業務國家之現行稅率，根據當地現行法例、詮釋及慣例計算。

		Six months ended 30 June 2003 截至二零零三年 六月三十日 止六個月 未經審核 HK\$'000 千港元	Six months ended 30 June 2002 截至二零零二年 六月三十日 止六個月 Unaudited and restated 未經審核及重列 HK\$'000 千港元
The People's Republic of China:	中華人民共和國：		
Hong Kong	香港	3,995	1,017
Elsewhere	國內其他地區	114	58
Elsewhere	其他地區	9,399	9,147
Under/(Over) provision in prior years	過往年度撥備不足／(超額撥備)	3,149	(7)
Deferred tax	遞延稅項	(24)	(200)
		16,633	10,015
Share of tax attributable to:	應佔共同控制公司稅項		
Jointly-controlled entities		2,722	3,066
Tax charge for the period	本期間稅項支出	19,355	13,081

9. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the net profit from ordinary activities attributable to shareholders for the period of HK\$31,178,000 (period ended 30 June 2002: HK\$115,330,000, as restated) and the weighted average of 1,818,158,404 (period ended 30 June 2002: 1,470,345,273) ordinary shares in issue during the period.

The calculation of diluted earnings per share for the period ended 30 June 2003 is based on the net profit attributable to shareholders for the period of HK\$31,178,000, as used in the basic earnings per share calculation. The weighted average number of ordinary shares used in the calculation is the 1,818,158,404 ordinary shares in issue during the period, as used in the basic earnings per share calculation and the weighted average of 590,402 ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options during the period.

The diluted earnings per share for the period ended 30 June 2002 has not been presented as there was no dilutive effect on the basic earnings per share during the period ended 30 June 2002. The conversion of the outstanding share options would have an anti-dilutive effect on the basic earnings per share for the period ended 30 June 2002.

9. 每股盈利

每股基本盈利乃按本期間股東應佔日常業務溢利淨額31,178,000港元(截至二零零二年六月三十日止期間:重列為115,330,000港元)及本期間已發行普通股之加權平均數1,818,158,404股(截至二零零二年六月三十日止期間:1,470,345,273股)計算。

截至二零零三年六月三十日止期間之每股攤薄盈利乃按用作計算每股基本盈利之本期間股東應佔溢利淨額31,178,000港元計算。用作計算之普通股加權平均數為用作計算每股基本盈利之1,818,158,404股期內已發行之普通股及期內假設行使全部購股權而無償發行之普通股加權平均數590,402股。

由於截至二零零二年六月三十日止期間之每股基本盈利並無攤薄之影響,故並無呈列該期間之每股攤薄盈利。兌換尚未行使之購股權對截至二零零二年六月三十日止期間之每股基本盈利具有反攤薄影響。

10. DISTRIBUTION

On 24 April 2003, the Board proposed a distribution of HK\$0.01 per share to the shareholders of the Company (the "Distribution"). The Distribution was approved by the Company's shareholders at the special general meeting held on 24 June 2003. Accordingly, the Distribution of HK\$0.01 per share was payable to the shareholders whose names appear on the register of members of the Company as at 24 June 2003 and the cheques in relation to the Distribution were dispatched to the shareholders on 27 June 2003.

10. 分派

董事會於二零零三年四月二十四日建議向本公司股東派發每股0.01港元(「分派」)。分派已於二零零三年六月二十四日舉行之股東特別大會上經本公司股東批准。因此，每股0.01港元之分派已支付予二零零三年六月二十四日名列本公司股東名冊之股東，而有關分派之支票已於二零零三年六月二十七日寄發予股東。

11. INVESTMENTS

11. 投資

Long term investments, at cost

長期投資，按成本值

		30 June 2003	31 December 2002
		二零零三年 六月三十日	二零零二年 十二月三十一日
		Unaudited	Audited
		未經審核	經審核
		HK\$'000	HK\$'000
		千港元	千港元
Listed equity investments:	上市股本投資：		
Hong Kong	香港	—	—
Elsewhere	其他地區	872	872
		872	872
Less: Provision for impairment	減：減值撥備	(304)	(304)
		568	568
Unlisted equity investments	非上市股本投資	4,999	4,999
Unlisted debt investments	非上市債務證券投資	50,155	3,820
		55,154	8,819
Less: Provision for impairment	減：減值撥備	(2,150)	(2,327)
		53,004	6,492
		53,572	7,060
Market value of listed equity investments included above at cost less impairment	以上按成本列值之 上市股本投資 市值減減值	568	568

11. INVESTMENTS (continued)

11. 投資 (續)

Short term investments, at fair value

短期投資，按公平值

		30 June 2003	31 December 2002
		二零零三年 六月三十日	二零零二年 十二月三十一日
		Unaudited	Audited
		未經審核	經審核
		HK\$'000	HK\$'000
		千港元	千港元
Listed equity investments:	上市股本投資：		
Hong Kong	香港	21,370	21,371
Elsewhere	其他地區	885	973
		22,255	22,344
Market value of listed investments	上市投資市值	22,255	22,344

12. TRADE AND BILLS RECEIVABLES

The Group allows an average credit period of 30 to 90 days to its trade customers. An aged analysis of trade and bills receivables, as at 30 June 2003, based on the payment due date, is as follows:

		30 June 2003	31 December 2002
		二零零三年 六月三十日	二零零二年 十二月三十一日
		Unaudited	Audited
		未經審核	經審核
		HK\$'000	HK\$'000
		千港元	千港元
Current to 30 days	即期至30日	131,901	133,371
31 – 60 days	31至60日	19,810	21,967
61 – 90 days	61至90日	8,658	11,350
91 – 120 days	91至120日	6,471	3,774
Over 120 days	120日以上	10,556	6,826
		177,396	177,288
Less: Provisions for bad and doubtful debts	減：呆壞賬撥備	(9,725)	(6,076)
		167,671	171,212

13. PLEDGED TIME DEPOSITS

The pledged time deposits were used to secure general banking facilities granted to the Group and a jointly-controlled entity.

12. 應收貿易賬款及票據

本集團給予貿易客戶平均30至90日之信貸期。於二零零三年六月三十日按付款到期日劃分之應收賬款及票據之賬齡分析如下：

13. 已抵押定期存款

已抵押定期存款乃用作本集團及一間共同控制公司所獲一般銀行信貸之擔保。

14. TRADE AND BILLS PAYABLES

An aged analysis of trade and bills payables, as at 30 June 2003, based on the payment due date, is as follows:

14. 應付貿易賬款及票據

於二零零三年六月三十日按付款到期日劃分之應付賬款及票據之賬齡分析如下：

		30 June 2003	31 December 2002
		二零零三年 六月三十日	二零零二年 十二月三十一日
		Unaudited	Audited
		未經審核	經審核
		HK\$'000	HK\$'000
		千港元	千港元
Current to 30 days	即期至30日	50,845	58,412
31 – 60 days	31至60日	595	3,515
61 – 90 days	61至90日	171	1,145
91 – 120 days	91至120日	332	225
Over 120 days	120日以上	2,113	11,334
		54,056	74,631

15. SHARE CAPITAL

15. 股本

		30 June 2003	31 December 2002
		二零零三年 六月三十日	二零零二年 十二月三十一日
		Unaudited	Audited
		未經審核	經審核
		HK\$'000	HK\$'000
		千港元	千港元
<i>Authorised:</i>	法定：		
4,708,513,092 ordinary shares of HK\$0.10 each	4,708,513,092股每股面值 0.10港元之普通股	470,851	470,851
1,291,486,908 5% redeemable cumulative convertible preference shares of HK\$0.10 each	1,291,486,908股每股面值 0.10港元之5%累計 可贖回可兌換優先股	129,149	129,149
		600,000	600,000
<i>Issued and fully paid:</i>	已發行及繳足：		
1,831,250,074 (31 December 2002: 1,818,086,074) ordinary shares of HK\$0.10 each	1,831,250,074股 (二零零二年十二月三十一日： 1,818,086,074股)每股面值 0.10港元之普通股	183,125	181,809
<i>Issued and partly paid:</i>	已發行及繳付部份股本：		
31 December 2002: 1,123,486,908 5% redeemable cumulative convertible preference shares of HK\$0.10 each	二零零二年十二月三十一日： 1,123,486,908股每股 面值0.10港元之5%累計 可贖回可兌換優先股	-	71,768
		183,125	253,577

15. SHARE CAPITAL (continued)**(a) Ordinary shares**

On 30 June 2003, the Company issued 13,164,000 new ordinary shares of HK\$0.10 each at issue price of HK\$0.355 per ordinary share for an aggregate consideration of HK\$4,673,200, for the purpose of acquiring the remaining 4.33% equity interests in China Touch Magazine Group (BVI) Limited (“China Touch”) then held by the minority shareholders of China Touch. Upon completion, China Touch became a wholly-owned subsidiary of the Company.

(b) Preference shares

On 2 January 2003, the Company received a redemption notice from Luckman Trading Limited (“Luckman”), requiring the Company to redeem all the outstanding preference shares in issue of the Company registered in the name of Luckman at a redemption price of HK\$0.06388 per preference share, being its partly paid up capital. All of the outstanding preference shares were redeemed on 2 January 2003.

15. 股本 (續)**(a) 普通股**

二零零三年六月三十日，本公司以每股普通股0.355港元之發行價發行13,164,000股每股面值0.10港元之新普通股，總代價為4,673,200港元，以收購China Touch Magazine Group (BVI) Limited (「China Touch」) 之少數股東當時所持有China Touch餘下4.33%權益。完成收購後，China Touch成為本公司之全資附屬公司。

(b) 優先股

二零零三年一月二日，本公司收到Luckman Trading Limited (「Luckman」) 之贖回通知，要求本公司按每股優先股0.06388港元之贖回價(相等於部份已繳股本)贖回全部以Luckman名義登記之本公司已發行而未贖回之優先股。所有未贖回優先股已於二零零三年一月二日贖回。

16. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the period:

16. 關連人士交易

除財務報表其他部份所詳述之交易及結餘外，本集團於本期間與關連人士有以下重大交易：

			Six months ended 30 June 2003 截至二零零三年 六月三十日 止六個月 Unaudited 未經審核 HK\$'000 千港元	Six months ended 30 June 2002 截至二零零二年 六月三十日 止六個月 Unaudited 未經審核 HK\$'000 千港元
		Notes 附註		
Rental income received from an associate	來自一間聯營公司之 已收租金收入	(i)	38	75
News service fee income received from a jointly-controlled entity	來自一間共同控制公司之 已收新聞服務費收入	(ii)	4,580	4,000
Printing service charges paid and payable to a jointly-controlled entity	已付及應付一間共同控制 公司之印刷服務費用	(iii)	29,092	25,117
Reimbursement of expenses paid on behalf of the Company to an affiliate of the Company's controlling shareholder	向本公司之控股股東之 一間聯屬公司償還代 本公司支付之開支	(iv)	764	504

Notes:

- (i) The rental income was determined between the parties with reference to the prevailing market price.
- (ii) The news service fee was charged on an annual fixed amount basis pursuant to the news service agreement.
- (iii) The printing service was charged on a cost plus mark-up basis pursuant to the printing agreement.
- (iv) The reimbursement of expenses was made at cost.

附註：

- (i) 租金收入由有關各方參考現行市價釐定。
- (ii) 新聞服務費根據新聞服務協議每年定額收費。
- (iii) 印刷服務按印務協議收取成本連同溢利。
- (iv) 償還之開支按成本收費。

17. CONTINGENT LIABILITIES

17. 或然負債

			Group		Company	
			本集團		本公司	
			30 June	31 December	30 June	31 December
			2003	2002	2003	2002
			二零零三年	二零零二年	二零零三年	二零零二年
			六月三十日	十二月三十一日	六月三十日	十二月三十一日
			Unaudited	Audited	Unaudited	Audited
			未經審核	經審核	未經審核	經審核
	Notes		HK\$'000	HK\$'000	HK\$'000	HK\$'000
	附註		千港元	千港元	千港元	千港元
Guarantees for banking facilities granted to subsidiaries	附屬公司獲授銀行信貸之擔保	(a)	-	-	58,650	68,650
Guarantees for banking facilities granted to a jointly-controlled entity	共同控制公司獲授銀行信貸之擔保	(b)	15,000	15,000	-	-
Several guarantees for banking facilities granted to a jointly-controlled entity	共同控制公司獲授銀行信貸之各項擔保	(c)	-	63,471	-	-
			15,000	78,471	58,650	68,650

Notes:

- (a) At 30 June 2003, the Company had outstanding corporate guarantees of approximately HK\$58,650,000 (31 December 2002: HK\$68,650,000) issued in favor of banks to secure general banking facilities granted to its subsidiaries. These subsidiaries had not utilized any of the facilities as at 30 June 2003 (31 December 2002: Nil).
- (b) At 30 June 2003, the Group had outstanding corporate guarantees of approximately HK\$15,000,000 (31 December 2002: HK\$15,000,000) issued in favor of a bank to secure general banking facilities granted to a jointly-controlled entity. The facilities were also secured by certain of the Group's cash deposits amounting to HK\$18,720,000 (US\$2,400,000). The jointly-controlled entity had fully utilized the facilities as at 30 June 2003.

附註：

- (a) 於二零零三年六月三十日，本公司就其附屬公司獲授之一般銀行信貸向多間銀行發出之公司擔保約58,650,000港元（二零零二年十二月三十一日：68,650,000港元）。該等附屬公司於二零零三年六月三十日尚未動用任何信貸（二零零二年十二月三十一日：無）。
- (b) 於二零零三年六月三十日，本集團就共同控制公司獲授之一般銀行信貸向一間銀行發出之公司擔保約15,000,000港元（二零零二年十二月三十一日：15,000,000港元）。該等信貸亦以本集團若干現金存款18,720,000港元（2,400,000美元）作抵押。共同控制公司已於二零零三年六月三十日全數動用該等信貸。

17. CONTINGENT LIABILITIES (continued)

(c) At 31 December 2002, the Group had given several guarantees in favor of a bank to secure 50% of the credit facilities granted to, and utilized by, a jointly-controlled entity in Canada. As at 31 December 2002, the Group's proportionate share of such utilized credit facilities was approximately HK\$63,471,000.

18. CAPITAL COMMITMENTS**17. 或然負債 (續)**

(c) 於二零零二年十二月三十一日，本集團已就其位於加拿大之一間共同控制公司獲授及已動用之備用信貸向一間銀行發出多項擔保，抵押50%之備用額。於二零零二年十二月三十一日，本集團按比例應佔該等已動用之備用信貸約63,471,000港元。

18. 資本承擔

		30 June 2003	31 December 2002
		二零零三年	二零零二年
		六月三十日	十二月三十一日
		Unaudited	Audited
		未經審核	經審核
		HK\$'000	HK\$'000
		千港元	千港元
Contracted for	已訂約	20,462	60,678
Authorized, but not contracted for	已批准但未訂約	24,740	494
		45,202	61,172

In addition, the Group's share of jointly-controlled entities' own capital commitments which are not included in the above, was as follows:

此外，上文並未包括之本集團應佔共同控制公司本身之資本承擔如下：

		30 June 2003	31 December 2002
		二零零三年	二零零二年
		六月三十日	十二月三十一日
		Unaudited	Audited
		未經審核	經審核
		HK\$'000	HK\$'000
		千港元	千港元
Contracted, but not provided for	已訂約但未撥備	1,094	3,367

19. COMPARATIVE FIGURES

As explained in note 2 to the condensed consolidated financial statements, due to the adoption of SSAP 12 (Revised) during the current period, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain prior period adjustments have been made and certain comparative figures have been reclassified to conform with the current period's presentation.

20. APPROVAL OF INTERIM FINANCIAL STATEMENTS

The unaudited condensed consolidated interim financial statements were approved and authorized for issue by the Board on 18 September 2003.

19. 比較數字

按上文附註2所述，由於本期間採納會計實務準則第12號(經修訂)，故此已修訂財務報表中若干項目及結餘之會計處理方法及呈報方式，以遵守新規定。因此，財務報表已作出若干前期調整，而若干比較數字經已重新呈列，以符合本期間之呈報方式。

20. 批准中期財務報表

董事會已於二零零三年九月十八日批准及授權公佈未經審核簡明綜合中期財務報表。

REVIEW OF OPERATIONS

The principal activities of the Group comprised of Media, Human Capital Management, Broadband Content and Distribution, and Trading.

The Group faced a challenging business environment in the first half of 2003 amidst uncertainties generated by the war in Iraq and the outbreak of SARS. Nonetheless, the performance of respective business units was encouraging.

The consolidated turnover of the Group for the six months ended 30 June 2003 amounted to HK\$564.8 million, a moderate 4.6% decline as compared to HK\$591.7 million for the six months ended 30 June 2002. The decline in turnover was attributable to the discontinuation of the Group's disposed commercial printing operations in the first half of 2002. If discontinued operations were excluded, the consolidated turnover of the Group rose by approximately 15%.

Without taking into account the financial impact of those non-operational items and from disposal of non-core assets, operating loss narrowed significantly from approximately HK\$33.6 million for the previous period to approximately HK\$21 million for the period.

Profit attributable to shareholders was HK\$31.2 million. Earnings per share for the period were HK1.71 cents.

營運回顧

本集團的主要業務為：媒體、人力資本管理、寬頻內容服務以及貿易。

在今年首六個月內，本集團雖然受到伊拉克戰爭和沙士疫症的影響而面臨嚴峻的商業經營環境，但各個業務的表現仍然令人鼓舞。

本集團截至二零零三年六月三十日止六個月之綜合營業額為564,800,000港元，相較二零零二年六月三十日止六個月之591,700,000港元，錄得4.6%下調，營業額之減少主要為原有的商業印刷業務已於前期內售出。若不計入已終止的業務，本集團之營業額則上升約15%。

在撇除非經常性項目及出售非核心資產之收益／虧損後，本期間的經營虧損約為21,000,000港元，相對前期約33,600,000港元，大幅收窄。

本期間股東應佔溢利為31,200,000港元。每股盈利為1.71港仙。

Media Operations

The business activities of the Group's Media Operations comprise of publishing of newspapers and magazines, publication of books and print media distribution in the PRC. The Media Operations achieved profitability on the back of a 10.9% increase in revenue to HK\$439 million despite the local business environment was very challenging.

The respectable performance was attributable to the Group's Newspaper Unit which comprises of the publishing of Sing Tao Daily and The Standard. During the period, it actively explored new customers and introduced innovative advertising packages to mitigate the negative impact on advertising revenue caused by the unprecedented economic downturn in the territory. As a result of the measures adopted by the Group, both Sing Tao Daily and The Standard achieved satisfactory growth in the first quarter until the outbreak of SARS. Circulation revenue rose as successful revamp of editorial content and design layout of Sing Tao Daily, in particular the major facelift of its Sunday Features, lifted readership and circulation.

Sing Tao Daily also actively established news exchange collaborations with renowned newsmakers in the region with an aim to expanding domestic and overseas readership base through the provision of home news to the global readers.

The overseas operations of Sing Tao Daily performed within expectations during the period. With 16 overseas editions widely distributed in North America, Europe and Australia, the geographical diversification of Sing Tao Daily helped minimize the negative impact arising from SARS in Hong Kong.

媒體出版與服務

媒體業務主要包括報章、雜誌、圖書出版及國內平面媒體發行服務。儘管本港經營環境在過去六個月內持續低迷，本集團的媒體業務仍然錄得10.9%增長，本期間之營業額為439,000,000港元，主要受惠自報章部（包括《星島日報》和《英文虎報》）的理想業績表現。

本期間內，《星島日報》和《英文虎報》的廣告收入在第一季度取得穩定的增長。其後因沙士疫症肆虐香港，報章部積極開拓顧客群及創新廣告配套，致力抵銷疫症對報章廣告收入的衝擊。另外，內容和版面設計的徹底革新，特別是星期日副刊版，令《星島日報》讀者人數和銷量收入同時上升。

在本期間內，為了擴大本地及海外讀者市場，《星島日報》積極與知名傳媒機構合作，推動內容交流互換，以便為全球華人讀者提供家鄉新聞。

此外，星島海外版業務亦表現不俗。隨著旗下十六個海外版分別在北美洲、歐洲及澳洲廣泛發行，《星島日報》跨地域多元化發展的優勢部分抵銷了沙士疫症對本地報章業務帶來的負面影響。

The Magazine Unit also made solid progress during the period. It continued to expand its portfolio with an aim to establishing a platform for advertisers to target different reader groups. The launching of Eastweek is expected to further strengthen its market position.

The newly established Book Publication Unit published around 100 book titles during the period. It covers a spectrum of genres ranging from learning and education, travel, parenting and lifestyle. In addition to the Hong Kong market, the titles are also distributed in Greater China and overseas markets. Several strategic partnerships were established with prestigious publishing houses in the PRC during the period to undertake copyright trading.

The Group's Print Media Distribution business in the PRC progressed steadily. As the first foreign enterprise to be granted the right to enter into this market, the Group was very prudent to ensure that its first-mover advantage would be fully achieved. As such, a series of in-depth market research and analyses, and careful selection of appropriate business partners were undertaken during the period.

Human Capital Management

The adverse economic climate and the lingering effect of SARS had a negative impact on the Group's Human Capital Management Unit ("HCM"), whose core businesses focus on recruitment media, continuing education and corporate training. Revenue derived from HCM amounted to HK\$16.3 million, registering a decline of 5.2% over the previous period. An operating loss of HK\$2.3 million was recorded for the period.

雜誌部亦在本期間內取得進展。此業務在過去六個月內不斷推出新產品，以期擴大雜誌產品的讀者覆蓋面，從而為廣告商建立更完善的產品銷售平台。香港資訊娛樂雜誌《東周刊》的推出相信能進一步鞏固其市場地位。

期間，本集團新成立的圖書出版部共推出超過100本新書，包括一系列的教育、旅遊、親子及生活資訊書籍，並計劃將發行網絡拓展至大中華及海外市場。在本期間內，圖書出版部與國內知名出版商建立策略夥伴關係，致力發展版權貿易。

本集團的國內平面媒體發行業務也同時取得穩定的發展。作為首家獲得中國新聞出版總署特別批准的外資企業，本集團在期間進行連串深入的市場研究與分析，並審慎選擇合作夥伴，以掌握準確形勢，早著先機。

人力資本管理業務

本集團的人力資本管理業務以招聘媒體、持續教育及企業培訓為核心。回顧過去六個月，此業務的整體表現受到非典疫症和經濟不景氣的正面衝擊，整體營業額錄得16,300,000港元，較前期下調5.2%。經營虧損為2,300,000港元。

Recruitment Media

In light of the poor business sentiment, the flagship recruitment magazine JobMarket expanded its business to target continuing education sector – a strategic move in response to the depressed employment market in Hong Kong. A new booklet-size monthly education guide Education Plus, offering a riveting account of latest market updates, is being bundled with JobMarket. The introduction of Education Plus is complemented by a newly launched website, www.eduplus.com.hk, which helped to broaden the service and readership base of JobMarket and brought additional revenue source for the title.

During the period, JobMarket has successfully extended its presence to Beijing through its sister magazine, Good Jobs. It is a weekly recruitment magazine, which offers talent recruitment and advertising services targeting white-collar workers. With JobMarket and Good Jobs, the Group is in a position to offer its customers cross-border recruitment advertising services, which is a market yet to be explored by its competitors.

Corporate Training

During the period, the combat-SARS measures in the PRC had affected the regular business activities in Beijing where most of the daily classes and training sessions were put on hold. The corporate training sessions of HCM hence could not be carried out as planned. Nonetheless, the web-based distant learning university eUIBE registered an encouraging growth in student enrollment during the period.

招聘媒體

旗艦招聘雜誌《求職廣場》基於本港招聘市場持續萎靡而在期間內重新調整市場定位。該雜誌自年初開始，新增了有關持續教育的內容，隨刊更附送月冊《進修指南》，為讀者帶來最新的人力市場資訊。為了使《求職廣場》得以開拓其服務及讀者層面，教育網站www.eduplus.com.hk同時推出，並為之帶來額外的收入來源。

另一方面，《求職廣場》亦透過其同系雜誌《好工作》而成功打入國內市場。該雜誌乃北京首份提供人才招聘及廣告服務的周刊，主攻內地白領階級。藉助《求職廣場》及《好工作》，集團得以為顧客提供跨域招聘廣告服務，較其競爭者率先進駐這個尚未開發的市場。

企業培訓

非典型肺炎在亞洲地區引起的連鎖反應令人力資本管理業務，特別是在國內的運作，受到無可避免的影響。在疫症爆發期間，北京實施了連串抗炎預防措施，當地的主要經濟活動被迫延期或暫停，以致集團旗下的培訓課程無法如期舉行。然而，網上遠程大學的收生率則取得理想的增長。

Broadband Content and Distribution

During the period, satisfactory progress had been made by Beelink Information Science and Technology Company Limited (“Beelink”) in its development of broadband content and distribution. The broadband subscribers base of Beelink reached 54,000 by the end of the period, a double-fold increase as compared to that of the previous period. Currently, Beelink is the dominant broadband service provider in Jinan, Shandong in the PRC.

In conjunction with its broadband services, the joint venture is also involved in providing system development services to local corporations. During the period, the company secured several contracts with a number of key municipal governments in Shandong. The services provided for the government range from the construction of government online portals, IT infrastructure to office automation applications etc, all these have made Beelink a leading e-government and e-business system and service provider in the city. To open up new revenue streams, Beelink is also expanding its value added services to short messaging and games etc.

Trading

Revenue derived from the distribution of photographic products amounted to approximately HK\$70 million during the period, a significant growth of 29.4% over the previous period. The satisfactory performance was largely attributable to the launching of new models and effective foreign exchange hedging measures. Operating profit for the period increased by 18.7% to HK\$3.7 million.

寬頻內容與服務

在本期間內，專責提供寬頻內容及相關服務的「百靈信息科技有限公司」（「百靈信息」）在中國山東省濟南市的發展理想，其寬頻服務客戶更升至54,000戶，比去年同時期顯著增加一倍，成為當地領先的寬頻服務供應商。

除了為企業用戶提供系統開發工程服務外，百靈信息亦與省內其他多個主要市政府簽訂多項合作協議，發展網上政府服務平台、建立資訊基礎設施及開發辦公室自動化應用軟件等，令百靈信息成為區內領先的電子政府及電子商貿服務供應商。同時，公司正積極拓展流動電話短訊和遊戲等增值服務，使收入來源更趨多元化。

貿易

於本期間內，分銷攝影產品之收益約為70,000,000港元，較去年同期大幅上升29.4%。收益增長主要受惠自攝影產品新型號的推出以及有效之外匯對沖措施。經營溢利增長18.7%至3,700,000港元。

PROSPECTS

The first half of 2003 presented the Group with unprecedented challenges. The Media Operations, the core business of the Group, have made steady progress in implementing and achieving the Group's clearly defined long-term objective – to become a leading multimedia content provider serving global Chinese communities. The establishment of strategic alliances with reputable newsmakers and publishers in the Greater China region will further enhance the Group's competitive edge to secure a strong position in the global Chinese markets.

To realize the Group's objective, the huge China market cannot be ignored. The provision of professional media services in the PRC is thus adopted as the Group's development strategy to venture this market. On 1 August 2003, the joint venture with People's Daily Press began to roll out its services. The commencement of the operation will lay a solid foundation for the Group to grasp the enormous opportunities in media industry in the PRC, and to serve as a springboard for other subsidiaries within the Group to penetrate the market.

In addition, the Group will continue to develop different distribution outlets to further realize its 'Central Kitchen' strategy. A Content Sales Unit has been established to undertake the centralization and dissemination of proprietary contents generated from the Group's various publishing arms.

展望

二零零三年首六個月，儘管本集團面臨突如其來的各項挑戰，媒體業務作為集團的核心業務之一，在這期間仍然取得穩定的增長。在本期間內，媒體業務積極與大中華地區知名的傳媒機構及出版商建立策略聯盟關係，進一步鞏固集團的競爭優勢，逐步落實其成為全球華人地區領先的內容供應商的長遠目標。

為達至其業務理想和目標，龐大的中國市場成為不可忽視的發展地區。本集團對內地的發展策略，以提供專業化的媒體服務為主。二零零三年八月一日，本集團與人民日報社合資的聯營企業正式開展平面媒體發行服務。此業務的啟動，將為本集團進駐國內媒體市場提供穩固的基礎，並成為旗下各個附屬業務進軍國內的主要跳板。

此外，本集團也將繼續開拓不同的發行渠道以進一步實現其「中央廚房」的策略。本集團已成立了一內容銷售部門，專責集中整理集團旗下各個業務所製作的優質內容再轉售給客戶。

Although there are signs of economic pick up domestically with the help of the implementation of stimulus packages by the government, the performance of the Group in the second half will depend largely on the speed and the sustainability of the economic recovery in the territory. The Group will hence continue to adopt a prudent approach in executing its development plans, and will remain focused on implementing stringent cost control measures and creating synergies among all its businesses. Given the Group's strong financial position, coupled with a more focused organizational structure, the Group is well positioned to pursue opportunities for growth as they arise.

LIQUIDITY AND FINANCIAL RESOURCES

The Group maintained a strong financial position and was in a net cash position throughout the period under review. As at 30 June 2003, the Group had a net cash of approximately HK\$561.3 million (31 December 2002: HK\$777.7 million) after those significant cash outflow events, which had happened during the period under review. One of these was the Company had received a redemption notice from Luckman Trading Limited, the major shareholder of the Company, requiring the Company to redeem its preference shares in January, approximately HK\$71.8 million was subsequently paid out. The other one was the Group had invested approximately HK\$96 million into a joint venture with People's Daily Press in Beijing.

The Group's gearing ratio, defined as long-term borrowings to equity, was zero as at 30 June 2003 and 31 December 2002.

本集團對於未來的展望仍然保持審慎樂觀的態度。受到政府一系列振興經濟措施的正面刺激，本地經濟近來已見復蘇跡象，但集團下半年的業績仍視乎復蘇的速度與持久性。因此，本集團在執行其發展方案時將採取謹慎的態度，繼續實行嚴格的成本控制措施，同時致力加強業務間的協同效益。這一系列措施，配合穩健的財政狀況及高度集中的業務架構，本集團已整裝待發，為日後經濟重上軌道後湧現的無窮商機做好周全準備。

流動資金及財務資源

本集團於整個回顧期內維持穩健之財政狀況並有現金淨額。於回顧期內發生多項重大之現金流出事項後，本集團於二零零三年六月三十日有現金淨額約561,300,000港元(二零零二年十二月三十一日：777,700,000港元)。其中一項為本公司於一月接獲本公司主要股東Luckman Trading Limited要求本公司贖回其持有之優先股之通知，本公司為此支付約71,800,000港元。此外本集團亦於期間投資約96,000,000港元，與人民日報合作經營北京一間合營公司。

本集團於二零零三年六月三十日及二零零二年十二月三十一日之負債資產比率(即長期借貸除以股本)為零。

The Group adopts a prudent approach to manage its liquidity and treasury function with an aim to maintaining sufficient cash to support the Group's operations and to maximizing the returns without taking undue risks.

The Group had pledged time deposits of approximately HK\$38.6 million (31 December 2002: HK\$28.4 million) to banks to secure banking facilities granted to subsidiaries and a joint venture in Shandong.

EMPLOYEES

As at 30 June 2003, the Group had a total of approximately 1,900 employees.

The Group adopts a prudent human resources policy to ensure that while managing an efficient cost base, it will be able to attract and retain quality staff. Apart from basic salaries, the Group provides its staff with various fringe benefits such as medical insurance, discretionary bonus, share options and contribution to mandatory provident fund.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2003 (2002: Nil).

本集團審慎管理流動資金及庫務，務求維持充足現金支持本集團之營運及在沒有過度風險下取得最大回報。

本集團已向銀行抵押定期存款約38,600,000港元(二零零二年十二月三十一日：28,400,000港元)，作為附屬公司及山東一間合營公司所獲銀行信貸之擔保。

僱員

於二零零三年六月三十日，本集團共有約1,900名僱員。

本集團採取審慎之人力資源政策，以確保管理符合成本效益之餘，亦可吸引及挽留優秀員工。除基本薪金外，本集團亦向員工提供醫療保險、不定額花紅、購股權及強制性公積金供款等多項福利。

中期股息

董事會議決不會就截至二零零三年六月三十日止六個月宣派任何中期股息(二零零二年：無)。

DIRECTORS' INTEREST IN SHARES

At 30 June 2003, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) as recorded in the register kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the “Model Code”) contained in the Listing Rules were as follows:

Long positions in shares of the Company:**董事所持股份權益**

於二零零三年六月三十日，本公司董事及主要行政人員於本公司或任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中，擁有根據證券及期貨條例第352條存置之登記冊所記錄或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(「標準守則」)須知會本公司及聯交所之權益或淡倉如下：

本公司股份之好倉：

Name of directors 董事姓名			Number of ordinary shares held 所持普通股數目			
			Personal interests 個人權益	Corporate interests 公司權益	Total 總數	Percentage of Shareholding 持股百分比
Mr. Ho Tsu Kwok, Charles	何柱國先生	(1)	–	810,895,000	810,895,000	44.28%
Mr. Ho Kwok Fai, Morris	何國輝先生		13,164,000	–	13,164,000	0.72%
Mrs. Sy Wong Chor Fong	施黃楚芳女士	(2)	1,250,000	163,919,000	165,169,000	9.02%
Mr. Wong Wai Ming	黃偉明先生		442,000	–	442,000	0.02%

Notes:

- (1) Of these shares, 808,396,000 shares are held by Luckman Trading Limited and 2,499,000 shares are held by Yosham Limited. Both of these companies are wholly owned by Mr. Ho Tsu Kwok, Charles.
- (2) The corporate interests of 163,919,000 shares are held by Stagelight Group Limited, which is owned as to approximately 50.91% by Mrs. Sy Wong Chor Fong and approximately 49.09% by her family members.

Save as disclosed above, none of the directors or chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

- (1) 該等股份當中，808,396,000股由Luckman Trading Limited持有，而2,499,000股則由Yosham Limited持有。該兩間公司均由何柱國先生全資擁有。
- (2) 163,919,000股之公司權益由Stagelight Group Limited持有，而該公司則由施黃楚芳女士及其家庭成員分別擁有約50.91%及49.09%權益。

除上文所披露者外，本公司董事或主要行政人員於本公司或任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中概無擁有或被視為擁有根據證券及期貨條例第352條存置之登記冊所記錄或根據標準守則須知會本公司及聯交所之權益或淡倉。

SHARE OPTIONS

購股權

As at 30 June 2003, details of share options granted to the directors or eligible employees under the share option schemes of the Company are as follows:

於二零零三年六月三十日，各董事及合資格僱員根據本公司購股權計劃獲授之購股權詳情如下：

Name or category of participant	Number of Share Options 購股權數目			Outstanding at 30/6/2003	Date of Grant	Exercise Period	Exercise Price HK\$	
	Outstanding at 1/1/2003	Granted	Lapsed					Exercised
參與者之姓名 或類別	於二零零三年 一月一日 尚未行使	授出	已失效	已行使	於二零零三年 六月三十日 尚未行使	授出日期	行使期	行使價 港元
Directors 董事								
Mr. Jia Hong Ping, Michael 賈紅平先生	3,500,000	-	-	-	3,500,000	23-10-00 二零零零年 十月二十三日	01-12-00 to 23-10-10 二零零零年十二月一日至 二零一零年十月二十三日	0.8704
Mrs. Sy Wong Chor Fong 施黃楚芳女士	754,000	-	-	-	754,000	23-10-00 二零零零年 十月二十三日	24-10-00 to 23-10-10 二零零零年十月二十四日至 二零一零年十月二十三日	0.8704
	400,000	-	-	-	400,000	31-08-01 二零零一年 八月三十一日	20-09-02 to 19-09-11 二零零二年九月二十日至 二零一一年九月十九日	0.3528
Mr. Wong Wai Ming 黃偉明先生	30,000,000	-	-	-	30,000,000	23-10-00 二零零零年 十月二十三日	24-10-00 to 23-10-10 二零零零年十月二十四日至 二零一零年十月二十三日	0.8704
	6,000,000	-	-	-	6,000,000	31-08-01 二零零一年 八月三十一日	20-09-02 to 19-09-11 二零零二年九月二十日至 二零一一年九月十九日	0.3528
Mr. Yang Yiu Chong, Ronald Jeffrey 楊耀宗先生	1,960,000	-	-	-	1,960,000	24-09-00 二零零零年 九月二十四日	25-09-00 to 24-09-10 二零零零年九月二十五日至 二零一零年九月二十四日	0.9184
	2,700,000	-	-	-	2,700,000	31-08-01 二零零一年 八月三十一日	20-09-02 to 19-09-11 二零零二年九月二十日至 二零一一年九月十九日	0.3528
Other Participants 其他參與者								
Employees (Note) 僱員(附註)	17,718,000	-	3,268,000	-	14,450,000			
Total 合共	63,032,000	-	3,268,000	-	59,764,000			

Note: These represent options granted to employees with exercise prices ranging from HK\$0.282 to HK\$0.9184, exercise period starting on the earliest on 20 October 2000 and ending on the latest on 2 June 2012.

Save as disclosed above, there was no arrangement to which the Company or any of its subsidiaries was a party to enable the directors and their spouses to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS

At 30 June 2003, the following persons (other than the directors or chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Long positions in shares of the Company:

Name 名稱			Number of shares held 所持股份數目	Percentage of Shareholding 持股百分比
Luckman Trading Limited ("Luckman")	Luckman Trading Limited ("Luckman")	(1)	808,396,000	44.14%
Hong Kong Tobacco Company Limited ("HK Tobacco")	香港煙草有限公司 ("香港煙草")	(2)	808,396,000	44.14%
Stagelight Group Limited	Stagelight Group Limited	(3)	163,919,000	8.95%
Great Diamond Developments Limited	Great Diamond Developments Limited		137,919,000	7.53%

附註：該等購股權為僱員所獲授行使價介乎0.282港元至0.9184港元之購股權，行使期最早由二零零零年十月二十日開始，最遲於二零一二年六月二日屆滿。

除上文所披露者外，本公司或其任何附屬公司概無參與任何安排，使各董事及彼等之配偶可藉購入本公司或任何其他法人團體之股份或債券而獲益。

主要股東

按本公司根據證券及期貨條例第336條存置之登記冊所紀錄，下列人士(本公司董事或主要行政人員除外)於二零零三年六月三十日擁有本公司股份或相關股份之權益或淡倉：

本公司股份之好倉：

Notes:

- (1) Duplicate with the interests disclosed by Mr. Ho Tsu Kwok, Charles under the section "Directors' Interests in Shares" above.
- (2) Pursuant to an option agreement dated 20 June 2001 and a supplemental agreement dated 19 July 2002 entered into between Luckman and HK Tobacco, HK Tobacco was granted an option to purchase from Luckman 66,000,000 ordinary shares of the Company. Under sections 317 and 318 of the SFO, HK Tobacco is deemed to be interested in all the 808,396,000 ordinary shares of the Company held by Luckman.
- (3) Duplicate with the interests disclosed by Mrs. Sy Wong Chor Fong under the section "Directors' Interests in Shares" above.

Save as disclosed above, no other person (other than the directors or chief executives of the Company) had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

CODE OF BEST PRACTICE

In the opinion of the Board, the Company had complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules throughout the period, except that the non-executive directors of the Company are not appointed for specific terms as they are subject to retirement by rotation at the annual general meeting in accordance with the Company's bye-laws.

附註：

- (1) 此乃何柱國先生於上文「董事所持股份權益」一節披露之相同權益。
- (2) 根據Luckman與香港煙草分別於二零零一年六月二十日及二零零二年七月十九日訂立之購股權協議及補充協議，香港煙草獲授購股權，可向Luckman收購66,000,000股本公司普通股。根據證券及期貨條例第317及318條，香港煙草被視為擁有Luckman所持有之全部808,396,000股本公司普通股之權益。
- (3) 此乃施黃楚芳女士於上文「董事所持股份權益」一節披露之相同權益。

除上文所披露者外，按本公司根據證券及期貨條例第336條存置之登記冊所紀錄，並無任何人士(本公司董事或主要行政人員除外)擁有本公司股份或相關股份之權益或淡倉。

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於期間並無購買、出售或贖回本公司任何上市證券。

最佳應用守則

董事會認為，本公司於本期間內一直遵守上市規則附錄14所載之最佳應用守則，惟本公司之非執行董事並無固定任期，而須根據本公司之公司細則，於股東週年大會上輪流告退。

REVIEW OF INTERIM FINANCIAL STATEMENTS

The audit committee has reviewed with the management of the Company the accounting principles and accounting standards, and discussed matters relating to auditing, internal controls and financial reporting, including unaudited condensed consolidated financial statements for the six months ended 30 June 2003.

By Order of the Board
HO Tsu Kwok, Charles
Chairman

Hong Kong, 18 September 2003

審閱中期財務報表

審核委員會與本公司管理層已審閱會計原則及準則，並已討論有關審計、內部監管及財務報告之事宜，當中包括截至二零零三年六月三十日止六個月之未經審核簡明綜合財務報表。

承董事會命
主席
何柱國

香港，二零零三年九月十八日