

管理層評論及分析

期內重大事件

本集團於二零零二年一月十七日完成出售（「出售」）本公司當時之銀行附屬公司香港華人銀行有限公司（「華人銀行」，連同其附屬公司，統稱「華人銀行集團」）之全部權益，總代價為4,200,000,000港元，較緊接出售前華人銀行綜合資產淨值高出約30%。出售導致虧損10,500,000港元。然而，計及回撥往年於儲備中對銷之商譽827,000,000港元後，出售使本集團之資產淨值大幅增加817,000,000港元。

於出售後，本公司於二零零二年一月二十八日作出特別中期分派合共約2,000,000,000港元，相當於每股1.45港元。連同於二零零二年六月十四日作出之末期分派每股0.03港元，本公司在二零零二年上半年作出之分派合共為每股1.48港元。

期內業績

二零零一年七月全面撤銷利率管制後，小型銀行更難於維持其競爭力。面對更為激烈之競爭，疲弱之貸款需求，加上貸款資產質素逐漸變壞，香港銀行之經營環境較去年同期更為困難。

MANAGEMENT DISCUSSION AND ANALYSIS

Significant events during the period

On 17th January, 2002, the Group completed the disposal (the "Disposal") of its entire interest in The Hongkong Chinese Bank, Limited ("HKCB", together with its subsidiaries, the "HKCB Group"), then a banking subsidiary of the Company, for an aggregate consideration of HK\$4.2 billion, representing a premium of approximately 30 per cent. over the consolidated net assets of HKCB immediately prior to the Disposal. The Disposal resulted in a loss of HK\$10.5 million. However, after taking into account the release of goodwill of HK\$827 million previously eliminated against reserves, the Disposal gave rise to a significant increase in the Group's net assets by HK\$817 million.

Following the Disposal, a special interim distribution totalling approximately HK\$2.0 billion, equivalent to HK\$1.45 per share, was made on 28th January, 2002. Together with the final distribution of HK\$0.03 per share made on 14th June, 2002, the Company paid out a total distribution of HK\$1.48 per share in the first half of 2002.

Results for the period

The full deregulation of interest rates in July 2001 made it harder for smaller banks to remain competitive. Facing stiffer competition, stagnant loan demand and deteriorating loan asset quality, the operating environment for banks in Hong Kong was much more difficult compared with the corresponding period last year.

管理層評論及分析 (續)**MANAGEMENT DISCUSSION AND ANALYSIS (continued)****期內業績 (續)****Results for the period (continued)**

出售使本集團在適當時候能以可觀之溢價變現其投資。然而，本地股票市場不景氣令本集團之企業融資、證券經紀及基金管理業務蒙受不利之影響。因此，截至二零零二年六月三十日止六個月，本集團錄得股東應佔虧損淨額11,700,000港元（二零零一年一扣除華人銀行集團之溢利貢獻後，為溢利9,700,000港元）。

The Disposal enabled the Group to realise its investment at an attractive premium at an appropriate time. However, the downturn in the local stock markets has adversely affected the Group's corporate finance, securities brokerage and fund management businesses. As a result, the Group recorded a net loss attributable to shareholders of HK\$11.7 million for the six months ended 30th June, 2002 (2001 — profit of HK\$9.7 million after excluding the profit contribution from the HKCB Group).

本集團期內繼續從事各項金融服務業務，並把握時機將業務擴展至收益較高之投資項目。扣除華人銀行集團相關之營業額後，期內總營業額上升38%至119,000,000港元（二零零一年重列 — 86,100,000港元），其中財務及證券投資業務佔51%（二零零一年 — 14%）、企業融資及證券經紀業務佔25%（二零零一年 — 44%）及保險業務佔20%（二零零一年 — 29%）。財務及證券投資業務帶來之收入貢獻淨額達25,700,000港元（二零零一年 — 14,300,000港元）。企業融資及證券經紀業務和保險業務引致之虧損淨額分別為5,700,000港元（二零零一年 — 收入3,800,000港元）及300,000港元（二零零一年 — 收入500,000港元）。期內列入其他分部業績包括來自基金管理業務之虧損撥備16,500,000港元（二零零一年 — 8,100,000港元）。

During the period, the Group continued to engage in various financial services businesses and took opportunities to diversify into better yielding investments. After excluding turnover relating to the HKCB Group, it can be seen that total turnover for the period increased 38 per cent. to HK\$119 million (2001 restated — HK\$86.1 million), of which 51 per cent. (2001 — 14 per cent.) was attributable to treasury and securities investments, 25 per cent. (2001 — 44 per cent.) to corporate finance and securities broking businesses and 20 per cent. (2001 — 29 per cent.) to insurance business. Net income contribution from treasury and securities investments amounted to HK\$25.7 million (2001 — HK\$14.3 million). Net loss incurred by corporate finance and securities broking businesses and insurance business amounted to HK\$5.7 million (2001 — income of HK\$3.8 million) and HK\$0.3 million (2001 — income of HK\$0.5 million), respectively. Included in the other segment results during the period was a provision for loss arisen from fund management activities of HK\$16.5 million (2001 — HK\$8.1 million).

管理層評論及分析 (續)**MANAGEMENT DISCUSSION AND ANALYSIS (continued)****資產總值及資產淨值****Total assets and net asset value**

於二零零二年六月三十日，資產總值下跌1,200,000,000港元至3,400,000,000港元（二零零一年十二月三十一日—4,600,000,000港元），而本集團之資產淨值亦下跌1,200,000,000港元至2,900,000,000港元（二零零一年十二月三十一日—4,100,000,000港元），主要原因為上文所述於期內派付特別中期分派約2,000,000,000港元，以及因出售令資產淨值增加800,000,000港元所致。於二零零二年六月三十日，每股綜合資產淨值為2.15港元（二零零一年十二月三十一日—1.54港元，經調整以扣除二零零二年上半年之總分派每股1.48港元）。由於本集團所持有之資產主要以港元及美元計值，因此滙兌風險甚微。

Total assets dropped HK\$1.2 billion to stand at HK\$3.4 billion as at 30th June, 2002 (31st December, 2001 — HK\$4.6 billion) and correspondingly net asset value of the Group also dropped HK\$1.2 billion to HK\$2.9 billion (31st December, 2001 — HK\$4.1 billion). This was mainly due to the combined effect of the abovementioned payment of the special interim distribution during the period of approximately HK\$2.0 billion and the increase in net assets from the Disposal of HK\$0.8 billion. As at 30th June, 2002, consolidated net asset value per share stood at HK\$2.15 (31st December, 2001 — HK\$1.54, adjusted to exclude the total distributions payment of HK\$1.48 per share during the first half of 2002). As assets held by the Group were mostly denominated in Hong Kong dollars and United States dollars, the exposure to exchange rate risk was minimal.

流動資金比率及資本負債比率**Liquidity ratio and gearing ratio**

本集團期內之財務狀況更為鞏固。於二零零二年六月底，流動比率維持在相當穩健之水平，達6.5:1（二零零一年十二月三十一日—2.4:1），持有之存款證及現金及銀行結餘總額為2,600,000,000港元（二零零一年十二月三十一日—800,000,000港元）。

The Group's financial position was strengthened over the period. As at the end of June 2002, current ratio stood at a very healthy level of 6.5:1 (31st December, 2001 — 2.4:1) with the aggregate of certificates of deposit held and cash and bank balances amounted to HK\$2.6 billion (31st December, 2001 — HK\$0.8 billion).

管理層評論及分析 (續)**MANAGEMENT DISCUSSION AND ANALYSIS (continued)****流動資金比率及資本負債比率
(續)****Liquidity ratio and gearing ratio (continued)**

本集團於期末之資本負債比率(借貸總額與股東資金之比率)極低,僅為1.0%(二零零一年十二月三十一日 — 1.7%)。於二零零二年六月三十日,本集團之借貸總額(不包括銀行業務相關之債務)為30,000,000港元,此乃本集團證券及商品經紀業務客戶之孖展賬戶以若干抵押品作為抵押之銀行貸款,該等抵押品於二零零二年六月三十日所報之市價總值為91,800,000港元。相對本集團於二零零一年十二月三十一日尚未償還之銀行貸款69,000,000港元則為無抵押貸款。所有銀行貸款均以港元計算,須於一年內還款,並以浮動利率計息。

Gearing ratio (total borrowing to shareholders' funds) of the Group is extremely low and stood at 1.0 per cent. at end of the period (31st December, 2001 — 1.7 per cent.). Total borrowing (excluding liabilities relating to banking operations) of the Group as at 30th June, 2002 amounted to HK\$30 million. This was a bank loan which was secured by certain collateral of the clients of the Group placed on margin accounts with the Group's securities and commodities brokerage business. These collateral have an aggregate quoted market value of HK\$91.8 million as at 30th June, 2002. In comparison, the outstanding bank loan of the Group as at 31st December, 2001 of HK\$69 million was unsecured. All bank loans were denominated in Hong Kong dollars, repayable within one year and carried interest at floating rates.

於二零零二年六月三十日,本集團之資產並無抵押(二零零一年十二月三十一日 — 無)。除銀行業務應佔者外,本集團於二零零二年六月底並無尚未償還之重大資本承擔或或然負債(二零零一年十二月三十一日 — 無)。

As at 30th June, 2002, there were no charges on the Group's assets (31st December, 2001 — Nil). Other than those attributable to banking operations, the Group had no material capital commitments or contingent liabilities outstanding as at the end of June 2002 (31st December, 2001 — Nil).

會計政策之變動**Changes in accounting policies**

於出售後,本集團不再遵照載於香港金融管理局發出之監管政策手冊「本地註冊認可機構披露財務資料」之披露規定。本集團之損益賬、資產負債表及現金流動表因該變動而須重列,以符合本期間之呈列方式,詳情載於中期財務報告書附註1。

Following the Disposal, the Group no longer follows the disclosure requirements as set out in the Supervisory Policy Manual "Financial Disclosure by Locally Incorporated Authorized Institutions" issued by the Hong Kong Monetary Authority. This change resulted in the restatement of the Group's profit and loss account, balance sheet and cash flow statement to conform with the current period's presentation with details as set out in Note 1 to the interim financial statements.

管理層評論及分析 (續)

會計政策之變動 (續)

此外，由於採納香港會計師公會所發出之全新或經修訂之會計準則，故本集團之若干會計政策和披露守則已有所變動，詳情載於中期財務報告書附註3。

本集團之業績或資產淨值並無因此而受到重大影響。

僱員與薪酬

於二零零二年六月三十日，本集團共有約140名僱員。期內之僱員總成本為36,800,000港元（二零零一年 — 113,000,000港元）。本集團為其僱員提供具競爭力之薪酬方案。

展望

在經濟衰退之陰霾下，盈利前景依然黯淡。面對這樣具挑戰性之環境，本集團將繼續尋求擴展其收入來源，並致力提高資產回報。於出售後，本集團一直物色金融服務相關之各項商機。本集團已完成收購澳門持牌信貸機構富利銀行（「富利銀行」）之85%股權。於二零零二年八月，富利銀行取得澳門一般及人壽保險產品中介人牌照。本集團亦收購了從事基金管理及其提供投資顧問與諮詢服務之公司ImPac Asset Management (Holdings) Ltd. 之85%股權。憑藉雄厚和穩健之狀況，本集團正處於極佳位置，積極並謹慎地在區內發掘金融服務相關行業之投資機會。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Changes in accounting policies (continued)

In addition, certain accounting policies of the Group and disclosure practices were changed as a result of the adoption of the new or revised accounting standards issued by the Hong Kong Society of Accountants with details as set out in Note 3 to the interim financial statements.

These had no material impact on the results nor net asset value of the Group.

Staff and remuneration

The Group had approximately 140 employees as at 30th June, 2002. Total staff costs incurred during the period amounted to HK\$36.8 million (2001 — HK\$113 million). The Group offers competitive remuneration packages to its employees.

Outlook

With the recessionary haze clinging on the economy, the outlook for profitability remains weak. In response to the challenging environment, the Group will continue to seek to diversify its income sources and enhance its asset returns. Following the Disposal, the Group has been seeking various business opportunities in the financial services-related sectors. The Group has completed the acquisition of 85 per cent. equity interest in Finibanco (Macau), S.A.R.L. ("Finibanco"), a licensed credit institution in Macau. In August 2002, Finibanco was granted a license to act as intermediary for general and life insurance products in Macau. The Group has also acquired 85 per cent. equity interest in ImPac Asset Management (Holdings) Ltd., a company engaged in fund management and the provision of investment advisory and consultancy services. With its strong and healthy financial position, the Group is well placed to actively but prudently explore investment opportunities in the financial services-related sectors in the region.