

BUSINESS REVIEW

Results

The Group's turnover for the six months ended 30 September 2002 decreased by 58% to HK\$104.0M (2001: HK\$246.0M), whilst net loss after tax amounted to HK\$15.1M (2001: net profit of HK\$10.6M). However, the Group's gross profit ratio was increased to 23% for the six months ended 30 September 2002 (2001: 20%). The adverse economic conditions which have continued to exist over the past 12 months have meant that many hotel projects have been delayed or cancelled. The depressed state of the Hong Kong property market has reduced the number of office expansions and other renovation projects. Those projects which have gone forward attracted many bidders and led to contracts being signed at rate below normal time and material costs. The Group made a decision to be cautiously selective in the Hong Kong interior fit-out market and to focus on overseas markets where margins are better and the Group has a cost advantage.

Operations

Hong Kong and Mainland China continued to be the principal markets for the Group over the first six months of the year and accounted for approximately 71% (2001: 88%) of the Group's turnover.

During the period under review, the Group completed interior fitting-out projects in Hong Kong at the Harbour Plaza Hotel – Hung Hom, the Grand Stanford Inter-Continental Hotel – Tsim Sha Tsui and The Summit – Stubbs Road. Shop fixtures were supplied to several Ermenegildo Zegna stores in Australia, South Korea and Indonesia. The Group undertook the project to supply the Louis Vuitton store in Macau and to supply architectural woodwork for a large private residence in Ohio, USA through its partner, Imperial Woodworking Company.

Other projects currently in progress include renovation works for the Kowloon Shangri-La Hotel, a large residential project on Deep Water Bay and various mock-up rooms in connection with the new Disneyland Theme Park in Hong Kong and a project for the Sun Hotel in Tokyo, Japan.

During the first six months, the Group opened an office in Atlanta, Georgia, USA, in order to increase its activities in the hospitality industry in the USA. This office has already had a positive result by landing major supply contracts for furniture to The Venetian Hotel – Las Vegas, The Marriott Marquis – New York City, The Renaissance Vinoy Resort – Florida and most recently a global contract to supply furniture to the Starwood Group.

業績回顧

業績

截至二零零二年九月三十日止六個月，本集團之營業額為港幣1.04億元(二零零一年：港幣 2.46億元)，較去年同期減少58%。而稅後淨虧損為港幣1,510萬元(二零零一年：淨純利港幣1,060萬元)。截至二零零二年九月三十日止六個月的毛利率反增加至23%(二零零一年：20%)。鑑於過去一年的經濟環境持續萎縮，許多酒店項目已暫緩或取消，導致規模較大的裝修及樓宇翻新工程項目大受影響。與此同時，市場的競爭對手紛紛以較低的價格競投，導致合約均以低於成本價投得。本集團仍將繼續保持一貫審慎且進取的態度，一方面，選擇性地參與該等室內裝修工程項目，務求維持合理收益；另一方面，本集團亦積極拓展海外市場，藉以維持最佳的盈利增長。

業務

香港及中國內地於期內仍為本集團的主要市場，合共佔集團總營業額約71%(二零零一年：88%)。

回顧過去半年，本集團參與並在香港完成了的工程項目包括：九龍紅磡海逸酒店、九龍尖沙咀嘉福酒店、香港司徒拔道御風。此外，本集團亦為 Ermenegildo Zegna 位於澳洲、南韓及印尼的店舖，及 Louis Vuitton 位於澳門的店舖，提供店舖傢俱及裝飾供應。此外，集團透過其合夥人 Imperial Woodworking Company，於美國俄亥俄州為一大型私人住宅物業提供室內建築裝飾木工製品。

至於目前仍在進行之主要工程項目包括：九龍香格里拉酒店的翻新項目、香港深水灣的大型住宅項目、香港大嶼山迪士尼渡假酒店的樣板房，以及日本東京神田太陽酒店的項目。

期內，本集團為進一步拓展在美國市場的酒店服務行業，於美國喬治亞州亞特蘭大開設一辦事處，並已承接若干大型項目工程訂單。此外，本集團亦為美國拉斯維加斯的 Venetian Hotel、紐約市的 Marriott Marquis，以及佛羅里達州的 Renaissance Vinoy Resort 提供主要傢俬供應合約。另外，本集團近期更接獲來自 Starwood Group 的全球傢俬供應合約。

FINANCE

The Group continued a cautious policy towards its financial structure with total borrowings from financial institutions amounted to HK\$48.6M (31/3/2002: HK\$48.3M). Having taken into account of the Group's net worth of HK\$235.0M, such borrowing level is considered as prudent. Financial costs was maintained at a low level of HK\$1.3M (30/9/2001: HK\$1.5M) representing 1.3% of the Group's turnover. Net current assets stood at HK\$122.0M.

As at 30 September 2002, land and building of the Group situated in the Mainland China with net book value of approximately HK\$7.9M (31/3/2002: HK\$8.2M) were pledged with a bank to secure a loan granted to the Group.

As at 30 September 2002, there were contingent liabilities in respect of counter-guarantees, amounting to approximately HK\$1.4M (31/3/2002: HK\$6.9M) which were given by a subsidiary in favour of certain financial institutions against liabilities of these parties arising from non-compliance of terms of interior building works being undertaken by the subsidiary.

OUTLOOK

Most predictions indicate the current depressed global economic environment will extend well into 2003. The Board therefore has taken a number of actions to strengthen the Group's financial conditions and to return it to profitability:-

- the Group has taken rigorous measures to reduce its operating expenses. This will continue over the next 18 months;
- the Group has adopted a more selective approach in taking on interior fit-out projects by ensuring that these projects will meet the minimum profit criteria;
- the Group has opened an office in the USA. Sizeable contracts have already been signed and the indication is that this market will most probably become the largest single market for the Group within two years;
- the Group has also opened a liaison office in Copenhagen, Denmark to track hospitality business. This office has also identified several projects which the Group is very well placed to win. Although the European market is not expected to be as large as the US market, the Group feels it will contribute significantly to the Group's results;
- the Group has introduced a new residential line named "Bolier & Co." in the US market at High Point, North Carolina. Initial orders are very promising and plans are underway to introduce an extended offering at High Point in April next year; and

財務

本集團繼續秉承審慎理財的哲學，期末金融機構貸款總額約為港幣4,860萬元（二零零二年三月三十一日：港幣4,830萬元），以本集團港幣2.35億元的資產淨值來衡量，該等借貸水平仍屬審慎、保守。財務成本維持在港幣130萬元（二零零一年九月三十日：港幣150萬元）的較低水平，佔集團營業額的1.3%。淨流動資產則為港幣1.22億元。

於二零零二年九月三十日，位於中國內地的土地及樓宇，賬面淨值約為港幣790萬元（二零零二年三月三十一日：港幣820萬元），已抵押給一家銀行，作為給予本集團貸款之抵押。

於二零零二年九月三十日，本集團給予貸款融資機構之或然負債總額為港幣140萬元（二零零二年三月三十一日：港幣690萬元）。該等金額乃附屬公司給予貸款融資機構用以承擔如未能依據室內裝飾工程合約條文而引發之責任。

展望

根據一般經濟數據預測，疲弱的環球經濟將持續至二零零三年。董事會已實行多項積極進取之應變措施，努力鞏固集團的經濟狀況，以達至轉虧為盈：—

- 對於降低整體營運開支方面，本集團將繼續於未來十八個月實施嚴格的監控量度基制；
- 為確保室內裝修工程項目達到最基本的盈利回報，本集團將審慎地選擇該等工程項目；
- 本集團已於美國開設辦事處，且不少大規模工程合約均已簽訂，此足以顯示該市場極有可能在兩年內成為集團的最大單一市場；
- 本集團於丹麥哥本哈根開設聯絡辦事處，藉以吸納更多的商機。本集團有機會爭取到其中幾個工程項目。儘管歐洲市場的發展速度尚未趕及美國市場，本集團仍深信該市場將會為集團的盈利作出重大貢獻；
- 本集團期內於美國北卡羅萊納州的High Point 推出以「Bolier & Co.」為品牌的高檔傢俬系列。市場對該等系列反應熱烈，且已接獲若干數量之供應訂單。有見及此，本集團現正計劃於明年四月份，進一步推介此品牌的其他相關產品；

Chairman's Statement

OUTLOOK (Continued)

- the Group will continue to promote its shop fixture business. New contract has been completed for Giorgio Armani. A new contract for SWATCH is currently being negotiated. In addition to that, the Group has made detailed presentations in Europe to a number of other high-end brands which look very promising.

The Board believes that with its new focus away from the interior fit-out business and toward diversified markets overseas, the Group will emerge from the current economic slump in Asia in a stronger position less dependant on local conditions. Although the second half of this year may not reflect the full benefit of the change in focus, the 2003/2004 fiscal year appears very positive.

INTERIM DIVIDEND

The Directors have declared no interim dividend (2001: 1.5 cents) per share for the six months ended 30 September 2002.

AUDIT COMMITTEE AND INDEPENDENT REVIEW BY EXTERNAL AUDITORS

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters.

The Group's external auditors, Deloitte Touche Tohmatsu, have been instructed to review the interim financial report. On the basis of their review, they are not aware of any material modifications that should be made to the interim financial report for the period.

COMPLIANCE WITH THE CODE OF BEST PRACTICE

None of the Directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30 September 2002, in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

APPRECIATION

The Board would like to extend its gratitude to all shareholders and customers for their trust and support, as well as to all staff of the Group for their endless efforts and contributions to the achievements of the Group.

TSANG CHI HUNG

Chairman

Hong Kong, 9 December 2002

展望(續)

- 在店舖裝飾市場方面，本集團仍然積極進行各種推廣活動。期內已完成Giorgio Armani工程項目。集團現正與另一大型連鎖店SWATCH磋商其店舖裝飾工程。此外，集團亦已在歐洲向多間高檔連鎖店進行詳細的業務推介，並且獲得相當高之評價。

董事會深信，本集團必須分散其業務焦點，由以往專責承接室內裝飾工程項目，轉移至發展多元化的海外市場業務。然而，面對著嚴峻及激烈的亞洲營商環境，本集團將可突圍而出，繼續保持強勢及減少依賴本地市場。儘管集團所實行的新策略，未必能於下半年的業績充份反映出來，惟董事會對二零零三年／二零零四年之財政年度充滿信心。

中期股息

董事會宣佈不派發截至二零零二年九月三十日止半年度中期股息(二零零一年：每股1.5港仙)。

審核委員會及獨立核數師審閱

審核委員會與管理層已回顧本集團採納之會計原則及實務準則，並商討內部監控及財務呈報事宜。

本集團委聘的獨立核數師德勤•關黃陳方會計師行對中期業績報告進行了審閱，並無發現任何需予對中期業績報告作出修改的地方。

遵守最佳應用守則

並無董事知悉任何足以合理指出本公司目前或在截至二零零二年九月三十日止之六個月內的任何時候未有遵守上市規則附錄十四所載列之最佳應用守則行事。

致謝

藉此機會，董事會謹向所有股東及客戶給予的信賴和支持，及本集團全體員工的努力不懈和貢獻致以衷心的謝意。

曾志雄

主席

香港，二零零二年十二月九日

DIRECTORS' INTERESTS IN SHARES

As at 30 September 2002, the interests of the directors and of their associates in the issued share capital of the Company as recorded in the register kept by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance") were as follows:

(a) Interests in the Company's shares

Name of director	Number of shares of HK\$0.10 each		
	Personal interests	Family interests	Corporate interests
Mr. Tsang Chi Hung	9,920,827	9,920,827 (note 2)	112,511,670 (note 1)
Mr. Liu Hoo Kuen	8,707,481	-	-
Ms. Kwan Yau Choi	9,920,827	9,920,827 (note 3)	112,511,670 (note 1)
Ms. Fung Sau Mui	750,000	-	-
Mr. Tai Wing Wah	750,000	-	-
Mr. Wong Kam Hong	589,995	-	-
Mr. Richard Warren Herbst	589,995	-	-

Notes:

1. Mr. Tsang Chi Hung and Ms. Kwan Yau Choi are substantial shareholders of Peasedow Enterprises Limited which beneficially held 112,511,670 shares of the Company.
2. These shares are held in the name of Ms. Kwan Yau Choi, the wife of Mr. Tsang Chi Hung and Mr. Tsang Chi Hung is deemed to be interested in those shares as family interests.
3. These shares are held in the name of Mr. Tsang Chi Hung, the husband of Ms. Kwan Yau Choi and Ms. Kwan Yau Choi is deemed to be interested in those shares as family interests.

董事權益

於二零零二年九月三十日，根據本公司依照《證券(披露權益)條例》(「披露權益條例」)第29條編存之登記冊所載，各董事及其有關連人士所佔本公司股本之實益權益如下：

(a) 於本公司股份中之權益

董事姓名	每股面值0.10港元之普通股		
	個人權益	家族權益	公司權益
曾志雄先生	9,920,827	9,920,827 (附註2)	112,511,670 (附註1)
廖浩權先生	8,707,481	—	—
關有彩女士	9,920,827	9,920,827 (附註3)	112,511,670 (附註1)
馮秀梅女士	750,000	—	—
戴永華先生	750,000	—	—
黃錦康先生	589,995	—	—
Richard Warren Herbst先生	589,995	—	—

附註：

1. 曾志雄先生及關有彩女士為Peasedow Enterprises Limited之主要股東，而該公司則持有本公司112,511,670股股份。
2. 該等股份以曾志雄先生之妻子關有彩女士之名義持有，而曾志雄先生則被視為以家族權益擁有該等股份。
3. 該等股份以關有彩女士之丈夫曾志雄先生之名義持有，而關有彩女士則被視為以家族權益擁有該等股份。

DIRECTORS' INTERESTS IN SHARES (Continued)

(b) Personal interests in shares of Decca Limited

	Non-voting deferred shares of HK\$100 each
Mr. Tsang Chi Hung	48,650
Mr. Liu Hoo Kuen	42,700
Ms. Kwan Yau Choi	48,650

In addition, Mr. Tsang Chi Hung and Mr. Liu Hoo Kuen hold one share each in certain subsidiaries of the Company on trust for the benefit of the Group.

Apart from the above, none of the directors held office at 30 September 2002 had any beneficial or non-beneficial personal, family, corporate or other interests in the issued share capital of the Company and its associated corporations (within the meaning of the SDI Ordinance) at that date.

DIRECTORS' INTERESTS IN CONTRACTS

During the six months ended 30 September 2002, the Group paid rental of HK\$1,357,470 to Golden Life Investment Limited ("Golden Life") in respect of the Group's office premises, showrooms and warehouses. Mr. Tsang Chi Hung, Ms Kwan Yau Choi and Mr Liu Hoo Kuen are directors and shareholders of Golden Life. As at 30 September 2002, the amount due to Golden Life was nil.

Apart from the above, no other contract of significance to which the Company, its holding company or any of its subsidiaries was a party and in which a director of the Company had a material interest subsisted at the end of 30 September 2002 or at any time during these six months period.

SHARE OPTION SCHEME

Under the Company's Share Option Scheme, the directors of the Company may, at their discretion, invite employees, including directors, of any member in the Group, to take up options to subscribe for shares not exceeding 10% of the issued share capital of the Company.

On 31 August 2001, options were granted under the Scheme to subscribe for 5,000,000 ordinary shares of the Company at any time between 1 September 2002 to 31 August 2007 at an exercise price of HK\$0.8 per share option. The closing price of shares immediately before the date of grant of options was HK\$1.0.

董事權益 (續)

(b) 於達藝室內工程有限公司股份中之個人權益

**每股面值100港元
無投票權之遞延股份**

曾志雄先生	48,650股
廖浩權先生	42,700股
關有彩女士	48,650股

此外，曾志雄先生及廖浩權先生各自以本集團之利益持有本公司之若干附屬公司中1股股份。

除上文所披露外，於二零零二年九月三十日，本公司之董事並無於本公司或其任何相聯法團(定義見披露權益條例)之股本中實益或非實益擁有任何個人、家族、公司或其他權益。

董事之合約權益

於截至二零零二年九月三十日止六個月期間內，本集團付予精威投資有限公司(「精威」)之辦公室物業、陳列室及貨倉之租金為1,357,470港元。曾志雄先生、關有彩女士及廖浩權先生均為精威之董事及股東。於二零零二年九月三十日，本集團並無欠精威款項。

除上述以外，於二零零二年九月三十日或於截至此日之六個月期間內，董事並無於本公司、其控股公司或其任何附屬公司訂立而對本公司業務屬重大之任何合約中擁有實際權益。

購股權計劃

根據本公司之購股權計劃，董事會可全權酌情邀請本集團僱員，包括董事，接納購股權，以認購不多於本公司已發行股本之10%股份。

於二零零一年八月三十一日，本公司根據購股權計劃授出5,000,000普通股之購股權，可以每股0.8港元於二零零二年九月一日至二零零七年八月三十一日期間行使購股權，授出購股權當日前之收市價為每股1.0港元。

Management Report

SHARE OPTION SCHEME (Continued)

Details of movement of share options during the period are as follows:

Name	Exercise price per share option HK\$	Number of share options outstanding at 1 April 2002	Share options granted during the period	Number of options outstanding at 30 September 2002
Directors:				
Mr. Tsang Chi Hung	0.80	1,000,000	-	1,000,000
Mr. Liu Hoo Kuen	0.80	1,000,000	-	1,000,000
Ms. Kwan Yau Choi	0.80	1,000,000	-	1,000,000
Ms. Fung Sau Mui	0.80	500,000	-	500,000
Mr. Tai Wing Wah	0.80	500,000	-	500,000
Mr. Wong Kam Hong	0.80	500,000	-	500,000
Mr. Richard Warren Herbst	0.80	500,000	-	500,000
		<u>5,000,000</u>	<u>-</u>	<u>5,000,000</u>

SUBSTANTIAL SHAREHOLDERS

The Company has been notified of the following interests in the Company's issued shares at 30 September 2002 amounting to 10% or more of the shares in issue:

	Number of shares held	Percentage of total issued shares
Peasedow Enterprises Limited	112,511,670	56.26

Note: The interest of Peasedow Enterprises Limited disclosed above has been included in the interests disclosed by Mr. Tsang Chi Hung and Ms. Kwan Yau Choi.

Save for disclosed above the Company has not been notified of any interest in the share capital of the Company as at 30 September 2002 which is required to be recorded in the register as required to be kept under section 16(1) of the SDI Ordinance.

購股權計劃(續)

本期內之購股權變動如下：

姓名	每股 購股權 行使價 港元	於二零零二年	本期授出 之購股權	於二零零二年
		四月一日之 未行使購 股權數量		九月三十日之 未行使 購股權數量
董事：				
曾志雄先生	0.80	1,000,000	—	1,000,000
廖浩權先生	0.80	1,000,000	—	1,000,000
關有彩女士	0.80	1,000,000	—	1,000,000
馮秀梅女士	0.80	500,000	—	500,000
戴永華先生	0.80	500,000	—	500,000
黃錦康先生	0.80	500,000	—	500,000
Richard Warren Herbst先生	0.80	500,000	—	500,000
		5,000,000	—	5,000,000

主要股東

於二零零二年九月三十日，本公司已接獲有關下列持有本公司已發行股本10%或以上權益之通知：

	所持股份數目	佔已發行股份 百分比
Peasedow Enterprises Limited	112,511,670	56.26

附註：上述所披露之Peasedow Enterprises Limited持有之權益已包括在曾志雄先生及關有彩女士之已披露權益內。

除上文所披露者外，於二零零二年九月三十日，本公司從未接獲有關於本公司之股本中擁有之權益須根據披露權益條例第16(1)條予以記錄之通知。

RELATED PARTY TRANSACTIONS

On 21 February 2000, the Group entered into two tenancy agreements with Golden Life. Details of the transactions during the period were set out in "Directors' Interests in Contracts" above.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2002.

有關連人士交易

於二零零零年二月二十一日，本集團與精威簽訂兩項租賃協議。在此期間之交易詳情已記載於上述之「董事之合約權益」中。

購買、出售或贖回上市證券

截至二零零二年九月三十日止六個月內，本公司及其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

Independent Review Report

TO THE BOARD OF DIRECTORS OF DECCA HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

INTRODUCTION

We have been instructed by the Company to review the interim financial report set out on pages 18 to 39.

DIRECTORS' RESPONSIBILITIES

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with Statement of Standard Accounting Practice No. 25 "Interim Financial Reporting" issued by the Hong Kong Society of Accountants and the relevant provisions thereof. The interim financial report is the responsibility of, and has been approved by, the directors.

REVIEW WORK PERFORMED

We conducted our review in accordance with Statement of Auditing Standards 700 "Engagements to Review Interim Financial Reports" issued by the Hong Kong Society of Accountants. A review consists principally of making enquiries of group management and applying analytical procedures to the interim financial report and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the interim financial report.

REVIEW CONCLUSION

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 30 September 2002.

DELOITTE TOUCHE TOHMATSU

Certified Public Accountants

Hong Kong, 9 December 2002

致達藝控股有限公司董事會

(於百慕達註冊成立之有限公司)

引言

本核數師行受 貴公司委托審閱載於第18至第39頁之中期財務報告。

董事之責任

香港聯合交易所有限公司證券上市規則規定，中期財務報告須按照香港會計師公會頒佈的《會計實務準則》第25號「中期財務報告」及其他有關規定編製。編製中期財務報告是董事的責任，並經董事通過。

審閱工作

本行的審閱工作是按照香港會計師公會頒佈的《核數準則》第700號「審閱中期財務報告」進行的。審閱範圍主要包括對集團管理層作出查詢及運用分析性程序對中期財務報告作出分析，並據此評估所採用的會計政策及列報形式是否一致及貫徹地運用(除非已在中期財務報告內另作披露)。審閱工作並不包括審核程序(如測試內部監控系統和核實資產、負債及交易活動)。由於審閱的工作範圍遠較審核工作少，因此祇能提供較審核工作為低的確定程度。所以，本行不會對中期財務報告作出審核意見。

審閱結論

根據本行審閱(並不構成審核工作)的結果，本行並不察覺須對截至二零零二年九月三十日止六個月的中期財務報告作出任何重大的修改。

德勤•關黃陳方會計師行

執業會計師

香港，二零零二年十二月九日

Financial Statements

CONDENSED CONSOLIDATED INCOME STATEMENT

for the six months ended 30 September 2002

	Notes	Six months ended 30 September	
		2002 (unaudited) HK\$'000	2001 (unaudited) HK\$'000
Turnover	3	104,092	245,964
Cost of sales		(80,083)	(196,380)
Gross profit		24,009	49,584
Other revenue		354	1,030
Distribution costs		(5,004)	(6,214)
Administrative expenses		(33,124)	(30,269)
(Loss) profit from operations	4	(13,765)	14,131
Finance costs	5	(1,331)	(1,499)
(Loss) profit before taxation		(15,096)	12,632
Taxation	6	-	(2,021)
Net (loss) profit for the period		(15,096)	10,611
Dividend	7	-	3,000
(Loss) earning per share	8		
- Basic		(7.55) cents	5.31 cents
- Diluted		(7.51) cents	5.30 cents

簡明綜合損益賬

截至二零零二年九月三十日止六個月

	附註	截至九月三十日止六個月	
		二零零二年 (未經審核) 千港元	二零零一年 (未經審核) 千港元
營業額	3	104,092	245,964
銷售成本		(80,083)	(196,380)
毛利		24,009	49,584
其他收益		354	1,030
分銷成本		(5,004)	(6,214)
行政開支		(33,124)	(30,269)
經營(虧損)溢利	4	(13,765)	14,131
財務成本	5	(1,331)	(1,499)
除稅前(虧損)溢利		(15,096)	12,632
稅項	6	—	(2,021)
本期內之淨(虧損)純利		(15,096)	10,611
股息	7	—	3,000
每股(虧損)盈利	8		
— 基本		(7.55) 仙	5.31 仙
— 攤薄		(7.51) 仙	5.30 仙

Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEET

at 30 September 2002

	Notes	30.9.2002 HK\$'000 (unaudited)	31.3.2002 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	9	<u>116,974</u>	<u>125,941</u>
Current assets			
Inventories		40,445	38,990
Amounts due from customers for contract work	10	99,281	90,110
Trade debtors	11	41,271	62,412
Other debtors, deposits and prepayments		16,134	16,786
Tax recoverable		1,328	1,328
Bank balances and cash		<u>17,000</u>	<u>19,905</u>
		<u>215,459</u>	<u>229,531</u>
Current liabilities			
Amounts due to customers for contract work	10	1,879	2,153
Trade creditors	12	8,860	10,595
Other creditors and accruals		36,792	43,011
Obligations under finance leases			
– due within one year		6,505	7,438
Taxation		681	681
Bank borrowings – due within one year		<u>38,588</u>	<u>33,442</u>
		<u>93,305</u>	<u>97,320</u>
Net current assets		<u>122,154</u>	<u>132,211</u>
		<u>239,128</u>	<u>258,152</u>

簡明綜合資產負債表

於二零零二年九月三十日

	附註	二零零二年 九月三十日 (未經審核) 千港元	二零零二年 三月三十一日 (經審核) 千港元
非流動資產			
物業、廠房及設備	9	116,974	125,941
流動資產			
存貨		40,445	38,990
應收客戶之建造合約款項	10	99,281	90,110
應收貿易賬項	11	41,271	62,412
其他應收賬項，按金及預付款項		16,134	16,786
稅項回撥		1,328	1,328
銀行結存及現金		17,000	19,905
		215,459	229,531
流動負債			
應付客戶之建造合約款項	10	1,879	2,153
應付貿易賬項	12	8,860	10,595
其他應付賬項及應計費用		36,792	43,011
租購合約承擔：			
一年內到期償還		6,505	7,438
稅項		681	681
銀行貸款：一年內到期償還		38,588	33,442
		93,305	97,320
流動資產淨值		122,154	132,211
		239,128	258,152

Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

at 30 September 2002

	30.9.2002 HK\$'000 (unaudited)	31.3.2002 HK\$'000 (audited)
Capital and reserves		
Share capital	20,000	20,000
Reserves	214,965	230,061
Total capital and reserves	234,965	250,061
Non-current liabilities		
Bank borrowings – due after one year	912	1,872
Deferred taxation	661	661
Obligations under finance leases –due after one year	2,590	5,558
	4,163	8,091
	239,128	258,152

Approved by the Board of Directors on 9 December, 2002.

Tsang Chi Hung *Chairman*
Liu Hoo Kuen *Deputy chairman*

簡明綜合資產負債表(續)

於二零零二年九月三十日

	二零零二年 九月三十日 (未經審核) 千港元	二零零二年 三月三十一日 (經審核) 千港元
資本及儲備		
股本	20,000	20,000
儲備	214,965	230,061
	<hr/>	<hr/>
總資本及儲備	234,965	250,061
	<hr/>	<hr/>
非流動負債		
銀行貸款：一年後到期償還	912	1,872
遞延稅項	661	661
租購合約承擔：		
一年後到期償還	2,590	5,558
	<hr/>	<hr/>
	4,163	8,091
	<hr/>	<hr/>
	239,128	258,152
	<hr/>	<hr/>

董事會於二零零二年十二月九日核准

曾志雄 主席
 廖浩權 副主席

Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2002

	Share capital	Share premium account	Contributed surplus	Dividend reserve	Capital reserve	Translation reserve	Retained profits	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2001	20,000	47,640	18,865	2,400	8,662	1,125	151,780	250,472
Profit for the period	-	-	-	-	-	-	10,611	10,611
Dividend proposed	-	-	-	3,000	-	-	(3,000)	-
Dividend paid	-	-	-	(2,400)	-	-	-	(2,400)
Exchange difference on translation of overseas subsidiaries	-	-	-	-	-	(849)	-	(849)
At 30 September 2001	20,000	47,640	18,865	3,000	8,662	276	159,391	257,834
Loss for the period	-	-	-	-	-	-	(4,646)	(4,646)
Dividend paid	-	-	-	(3,000)	-	-	-	(3,000)
Exchange difference on translation of overseas subsidiaries	-	-	-	-	-	(127)	-	(127)
At 31 March 2002	20,000	47,640	18,865	-	8,662	149	154,745	250,061
Loss for the period	-	-	-	-	-	-	(15,096)	(15,096)
At 30 September 2002	20,000	47,640	18,865	-	8,662	149	139,649	234,965

簡明綜合權益變動表

截至二零零二年九月三十日止六個月

	股本	股票溢價	繳入盈餘	股息儲備	資本儲備	外匯兌換儲備	滾存溢利	總額
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
於二零零一年四月一日	20,000	47,640	18,865	2,400	8,662	1,125	151,780	250,472
該期溢利	—	—	—	—	—	—	10,611	10,611
建議股息	—	—	—	3,000	—	—	(3,000)	—
已派發股息	—	—	—	(2,400)	—	—	—	(2,400)
海外公司								
匯兌差額	—	—	—	—	—	(849)	—	(849)
於二零零一年九月三十日	20,000	47,640	18,865	3,000	8,662	276	159,391	257,834
該期虧損	—	—	—	—	—	—	(4,646)	(4,646)
已派發股息	—	—	—	(3,000)	—	—	—	(3,000)
海外公司								
匯兌差額	—	—	—	—	—	(127)	—	(127)
於二零零二年三月三十一日	20,000	47,640	18,865	—	8,662	149	154,745	250,061
本期虧損	—	—	—	—	—	—	(15,096)	(15,096)
於二零零二年九月三十日	20,000	47,640	18,865	—	8,662	149	139,649	234,965

Financial Statements

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30 September 2002

	Six months ended 30 September	
	2002	2001
	(unaudited)	(unaudited)
Net cash (used in) from operating activities	(955)	16,648
Net cash used in investing activities	(904)	(7,414)
Net cash from (used in) financing activities	5,493	(2,316)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	3,634	6,918
Cash and cash equivalents as the beginning of the period	7,550	29,306
	<hr/>	<hr/>
Cash and cash equivalents at the end of the period	11,184	36,224
	<hr/>	<hr/>
Analysis of balances of cash and cash equivalents:		
Bank balances and cash	17,000	42,487
Bank overdrafts	(5,816)	(6,263)
	<hr/>	<hr/>
	11,184	36,224
	<hr/>	<hr/>

簡明綜合現金流量表

截至二零零二年九月三十日止六個月

	截至九月三十日止六個月	
	二零零二年 (未經審核) 千港元	二零零一年 (未經審核) 千港元
經營業務(使用)所得現金淨額	(955)	16,648
投資業務使用現金淨額	(904)	(7,414)
融資業務所得(使用)現金淨額	5,493	(2,316)
	<hr/>	<hr/>
現金及現金等值項目淨增加	3,634	6,918
期初之現金及現金等值項目	7,550	29,306
	<hr/>	<hr/>
期末之現金及現金等值項目	11,184	36,224
	<hr/>	<hr/>
現金及現金等值項目結存之分析：		
銀行結存及現金	17,000	42,487
銀行透支	(5,816)	(6,263)
	<hr/>	<hr/>
	11,184	36,224
	<hr/>	<hr/>

1. BASIS OF PREPARATION

The condensed financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with Statement of Standard Accounting Practice ("SSAP") No.25 "Interim Financial Reporting".

2. PRINCIPAL ACCOUNTING POLICIES

The condensed financial statements have been prepared under the historical cost convention and the accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2002, except as described below.

In the current period, the Group has adopted, for the first time, a number of new and revised Statements of Standard Accounting Practice ("SSAP"s) issued by the Hong Kong Society of Accountants. The adoption of these SSAPs has resulted in a change in the format of presentation of the condensed consolidated cash flow statement and the condensed consolidated statement of changes in equity, but has had no material effect on the results for the current or prior accounting periods. Accordingly, no prior period adjustment has been made.

Foreign currencies

The revisions to SSAP 11 "Foreign Currency Translation" have eliminated the choice of translating the income statements of overseas subsidiaries at the closing rate for the period. They are now required to be translated at an average rate. Accordingly, on consolidation, the assets and liabilities of the Group's subsidiaries are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognized as income or as expenses in the period in which the subsidiary is disposed of. This change in accounting policy has not had any material effect on the results for the current or prior accounting periods.

Cash flow statements

In the current period, the Group has adopted SSAP 15 (Revised) "Cash Flow Statements". Under SSAP 15 (Revised), cash flows are classified under three headings - operating, investing and financing, rather than the previous five headings. Interest and dividends, which were previously presented under a separate heading, are classified as operating cash flows. Cash flows arising from taxes on income are classified as operating activities, unless they can be separately identified with investing or financing activities.

1. 編製基準

簡明綜合財務報表乃根據香港聯合交易所有限公司之證券上市規則（「上市規則」）附錄十六披露要求及香港會計師公會頒佈之會計實務準則（「會計實務準則」）第25條「中期財務報告」而編製。

2. 主要會計政策

簡明綜合財務報表乃按照歷史成本法編製，而所採用的會計政策，除下列另有說明外，亦與截至二零二零年三月三十一日止年度之財務報表所採用者一致。

本集團於期內首次採用香港會計師公會所頒佈新的及經修訂後的會計實務準則（「會計實務準則」）。由於採納該等會計實務準則，因此對簡明綜合現金流量表及簡明綜合權益變動表之編排作出更改，但此等更改並無對現在及前期之業績有重大影響，故此，並不需作前期調整。

外幣

會計實務準則第11條「外幣換算」經修訂後，已取消本集團按期內結算日的匯率換算海外附屬公司收入報表的選擇。該等報表現時須以平均匯率換算。因此，於綜合賬目時，本集團附屬公司的資產與負債乃按結算日當日的匯率換算。本期間的收支項目乃按平均匯率換算。匯兌差額（如有）則列為權益，並撥入本集團匯兌儲備內。該等匯兌差額於出售附屬公司時確認為收入或開支。此項會計政策的變動，並無對本期或去年同期的業績造成重大影響。

現金流量表

期內本集團採納會計實務準則第15條「現金流量表」（經修訂）。現金流量乃分為三類 — 經營、投資及融資，而並非以往的五類。過往以不同類別分開呈列的利息和股息，則歸類為經營現金流量。收入所產生的稅項的現金流量乃分類列為經營活動，除非可分開確認為投資或融資活動。

Notes on the Accounts

3. SEGMENT INFORMATION

Business Segments

	Six months ended 30 September 2002		Six months ended 30 September 2001	
	Consolidated turnover	Contribution to operating loss	Consolidated turnover	Contribution to operating profit
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Sales of furniture and fixtures	61,277	(1,631)	104,455	10,762
Interior building works	42,815	(12,488)	141,509	2,339
Total	104,092	(14,119)	245,964	13,101
Other revenue		354		1,030
Other group expenses		(1,331)		(3,520)
		(15,096)		10,611

4. (LOSS) PROFIT FROM OPERATIONS

(Loss) profit from operations has been arrived at after charging (crediting):

	Six months ended 30 September	
	2002	2001
	HK\$'000	HK\$'000
Depreciation and amortisation	9,866	9,181
Loss on disposal of property, plant and equipment	5	-
Interest income	(64)	(220)

3. 業務及地區劃分資料

業務劃分

	截至九月三十日止六個月			
	二零零二年		二零零一年	
	綜合 營業額	經營業務 虧損	綜合 營業額	經營業務 溢利
	千港元	千港元	千港元	千港元
傢俬及裝置銷售	61,277	(1,631)	104,455	10,762
室內裝飾工程	42,815	(12,488)	141,509	2,339
合計	104,092	(14,119)	245,964	13,101
其他收益		354		1,030
其他集團開支		(1,331)		(3,520)
		(15,096)		10,611

4. 經營(虧損)溢利

經營(虧損)溢利已扣除(計入)下列項目：

	截至九月三十日止六個月	
	二零零二年	二零零一年
	千港元	千港元
折舊及攤分	9,866	9,181
出售物業、廠房及設備之虧損	5	—
利息收入	(64)	(220)

Notes on the Accounts

5. FINANCE COSTS

	Six months ended 30 September	
	2002 HK\$'000	2001 HK\$'000
Interest on:		
Bank borrowings wholly repayable within five years	887	802
Obligations under finance leases	444	697
	<u>1,331</u>	<u>1,499</u>

6. TAXATION

No provision for Hong Kong Profits Tax has been made in financial statements as the Group incurred a tax loss for the six months ended 30 September 2002.

Hong Kong Profits Tax was calculated at 16% of the estimated assessable profit for the six months ended 30 September 2001.

7. DIVIDEND

	Six months ended 30 September	
	2002 HK\$'000	2001 HK\$'000
Interim dividend of nil (1.4.2001 – 30.9.2001: 1.5 cents) per share	-	3,000

5. 財務成本

	截至九月三十日止六個月	
	二零零二年 千港元	二零零一年 千港元
於五年內到期之銀行貸款利息	887	802
租購合約承擔之財務費用	444	697
	<u>1,331</u>	<u>1,499</u>

6. 稅項

由於本集團於截至二零零二年九月三十日止六個月出現稅務虧損，故此在財務報表中並無就香港利得稅作出撥備。

香港利得稅準備乃根據截至二零零一年九月三十日止六個月之盈利按稅率16%計算。

7. 股息

	截至九月三十日止六個月	
	二零零二年 千港元	二零零一年 千港元
無中期股息(二零零一年四月一日至 二零零一年九月三十日：每股1.5港仙)	—	3,000
	<u>—</u>	<u>3,000</u>

Notes on the Accounts

8. (LOSS) EARNING PER SHARE

The calculation of the basic and diluted (loss) earning per share is based on the following data:

	Six months ended 30 September	
	2002	2001
	HK\$'000	HK\$'000
<i>(Loss) earning</i>		
(Loss) earning for the purposes of basic and diluted (loss) earning per share	(15,096)	10,611
<i>Number of shares</i>	'000	'000
Weighted average number of ordinary shares for the purpose of basic (loss) earning per share	200,000	200,000
Effect of dilutive share options	1,101	167
Weighted average number of ordinary shares for the purpose of diluted (loss) earning per share	201,101	200,167

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK\$904,000 on additions in respect of the Group's property, plant and equipment.

8. 每股(虧損)盈利

每股基本及攤薄(虧損)盈利乃根據以下數據計算：

	截至九月三十日止六個月	
	二零零二年 千港元	二零零一年 千港元
<u>(虧損)盈利</u>		
用以計算每股基本及 攤薄(虧損)盈利	(15,096)	10,611
<u>股份數量</u>	千股	千股
用以計算每股基本(虧損)盈利之 加權平均股份數量	200,000	200,000
股份認購權之攤薄效果	1,101	167
用以計算每股攤薄(虧損)盈利之 加權平均股份數量	201,101	200,167

9. 物業、廠房及設備之變動

本期內，本集團用於添置物業、廠房及設備的費用約為904,000港元。

Notes on the Accounts

10. AMOUNTS DUE FROM CUSTOMERS FOR CONTRACT WORK

	30.9.2002	31.3.2002
	HK\$'000	HK\$'000
Contracts in progress at the balance sheet date		
Contract costs incurred plus recognised profits less recognised losses	311,603	246,865
Less: Progress billings	(214,201)	(158,908)
	97,402	87,957
Analysed for reporting purposes as:		
Due from customers included in current assets	99,281	90,110
Due to customers included in current liabilities	(1,879)	(2,153)
	97,402	87,957

At 30 September 2002, there were approximately HK\$15,561,000 (31.3.2002: HK\$15,561,000) retention monies held by customers for contract works performed and there were no advances received from customers for contract work performed.

11. TRADE DEBTORS

The following is an aged analysis of trade debtors at the reporting date:

	30.9.2002	31.3.2002
	HK\$'000	HK\$'000
0-90 days	12,456	43,278
>90 days	28,815	19,134
	41,271	62,412

Debts are due within 30 days from the date of billing.

10. 應收客戶之建造合約款項

	二零零二年 九月三十日 千港元	二零零二年 三月三十一日 千港元
於結算日之在建中合約工程		
合約成本加已確認溢利及減已確認虧損	311,603	246,865
減：按進度付款項	(214,201)	(158,908)
	97,402	87,957
作報告之用的分析如下：		
應收客戶款項已包括在流動資產內	99,281	90,110
應付客戶款項已包括在流動負債內	(1,879)	(2,153)
	97,402	87,957

於二零零二年九月三十日，客戶就合約工程而持有保固金約為15,561,000港元（二零零二年三月三十一日：15,561,000港元），而本集團在上述兩期並無從客戶就合約工程而收取預付款項。

11. 應收貿易賬項

於結算日之應收貿易賬項分析如下：

	二零零二年 九月三十日 千港元	二零零二年 三月三十一日 千港元
零至九十日	12,456	43,278
九十日以上	28,815	19,134
	41,271	62,412

貿易款項於發單後三十天內繳付。

Notes on the Accounts

12. TRADE CREDITORS

The following is an aged analysis of trade creditors at the reporting date:

	30.9.2002 HK\$'000	31.3.2002 HK\$'000
0-90 days	5,706	6,917
>90 days	3,154	3,678
	<u>8,860</u>	<u>10,595</u>

13. PLEDGE OF ASSETS

At 30 September 2002, land and buildings of the Group situated in the Mainland China with net book value of approximately HK\$7,921,000 (31.3.2002: HK\$8,177,000) were pledged with a bank to secure a loan granted to the Group.

14. CONTINGENT LIABILITIES

At 30 September 2002, there were contingent liabilities in respect of counter-guarantees, amounting to approximately HK\$1,364,000 (31.3.2002: HK\$6,874,000) which were given by a subsidiary in favour of certain banks and insurance companies against any liabilities of these parties arising from non-compliance of the terms of interior building works being undertaken by the subsidiary.

12. 應付貿易賬項

於結算日之應付貿易賬項分析如下：

	二零零二年 九月三十日 千港元	二零零二年 三月三十一日 千港元
零至九十日	5,706	6,917
九十日以上	3,154	3,678
	<u>8,860</u>	<u>10,595</u>

13. 資產抵押

於二零零二年九月三十日，本集團用作銀行貸款抵押之中國內地之土地及樓宇，其淨賬面值為7,921,000港元(二零零二年三月三十一日：8,177,000港元)。

14. 或然負債

於二零零二年九月三十日，有保證之或然負債約為1,364,000港元(二零零二年三月三十一日：6,874,000港元)，此乃由附屬公司給予銀行及保險公司，用以承擔因未能依據室內裝飾工程之條文而引發之負債。