

Interim Report **2003**

中期報告



利星行有限公司

Lei Shing Hong Limited

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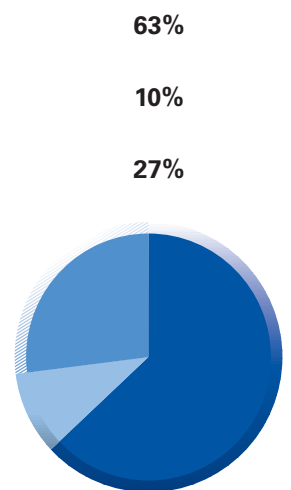
財務摘要 Financial Highlights

營業額之地區分析

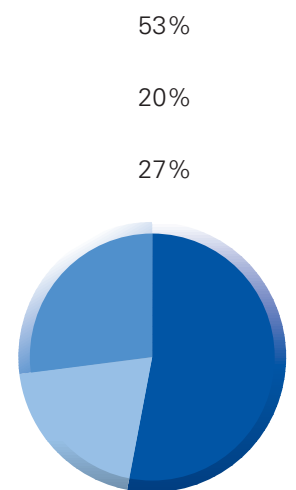
Turnover by Geographical Area

- 中國大陸
Mainland China
- 香港
Hong Kong
- 其他亞洲地區
Other Asian Countries

二零零三年一月至六月
January to June 2003



二零零二年一月至六月
January to June 2002

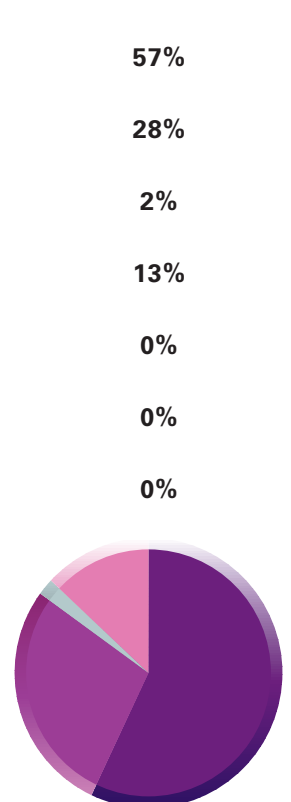


營業額之主要業務分析

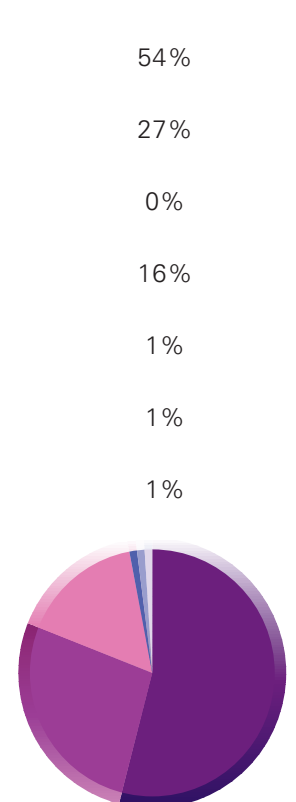
Turnover by Principal Activities

- 汽車及零件貿易
Trading of motor vehicles and spare parts
- 重型機械貿易
Trading of heavy equipment
- 物業發展及投資
Property development and investment
- 一般貿易及服務
General trading & services
- 證券買賣及經紀服務
Securities trading and broking
- 外匯買賣
Trading of foreign exchange
- 其他
Others

二零零三年一月至六月
January to June 2003



二零零二年一月至六月
January to June 2002



中期業績

利星行有限公司(「本公司」)董事會(「董事會」)欣然公佈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比較數字如下。此中期財務報表雖未經審核，惟已經由本公司之審核委員會審閱。

簡明綜合損益賬

截至二零零三年六月三十日止六個月

Interim Results

The Board of Directors (the "Board") of Lei Shing Hong 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 as follows. These interim financial statements have not been audited, but have been reviewed by the Company's audit committee.

Condensed Consolidated Profit and Loss Account

For the six months ended 30 June 2003

(以千港元為單位)	(In HK\$ thousands)	附註 Notes	2003 (未經審核) (Unaudited)	2002 (未經審核) (Unaudited) (附註 19) (Note 19)
營業額	Turnover	2	4,333,358	2,715,310
銷售貨品及服務成本	Cost of sales and services		(3,899,051)	(2,296,043)
毛利	Gross profit		434,307	419,267
其他收入及收益	Other revenue and gains		78,010	58,871
銷售及分銷成本	Selling and distribution costs		(44,440)	(72,638)
行政開支	Administrative expenses		(148,591)	(147,006)
其他經營開支	Other operating expenses		(128,777)	(128,510)
經營溢利	Profit from operating activities	2, 3	190,509	129,984
財務費用	Finance costs	4	(42,996)	(38,970)
應佔溢利減虧損： 共同控權合資企業 聯營公司	Share of profits less losses of: A jointly-controlled entity Associates		8,760	40,263
			343	35,742
除稅前溢利	Profit before Tax		156,616	167,019
稅項	Tax	5	(48,572)	(30,120)
未計少數股東權益前溢利	Profit before minority interests		108,044	136,899
少數股東權益	Minority interests		(4,865)	(26,204)
股東應佔日常業務溢利淨額	Net profit from ordinary activities attributable to shareholders		103,179	110,695
每股盈利	Earnings per share	6		
— 基本	— Basic		10.85港仙 cents	11.64港仙 cents
— 攤薄	— Diluted		10.37港仙 cents	11.08港仙 cents
股息	Dividend	7	無 Nil	無 Nil

簡明綜合權益變動報表

截至二零零三年六月三十日止六個月

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2003

		普通股 股本 Ordinary share capital (未經審核) (Unaudited)	股份 溢價賬 Share premium account (未經審核) (Unaudited)	資本儲備 Capital reserve (未經審核) (Unaudited)	投資物業 重估儲備 Investment property revaluation reserve (未經審核) (Unaudited)	認股權證 認購儲備 Warrant subscription reserve (未經審核) (Unaudited)	儲備基金 Reserve funds (未經審核) (Unaudited)	外匯 變動儲備 Exchange fluctuation reserve (未經審核) (Unaudited)	保留溢利 Retained profits (未經審核) (Unaudited)	撥派 末期股息 Proposed final dividend (未經審核) (Unaudited)	合計 Total (未經審核) (Unaudited)
(以千港元為單位)	(In HK\$ thousands)										
於二零零三年一月一日	At 1 January 2003										
以往列報	As previously reported	951,169	2,459,521	12,743	2,317	91,646	26,135	(174,065)	725,423	28,535	4,123,424
按會計實務準則第12號 「利得稅」之規定作前期調整	Prior year adjustments: SSAP 12 "Income taxes"	-	-	-	(834)	-	-	1,684	28,439	-	29,289
重列	As restated	951,169	2,459,521	12,743	1,483	91,646	26,135	(172,381)	753,862	28,535	4,152,713
二零零二年宣派之末期股息	2002 final dividend declared	-	-	-	-	-	-	-	-	(28,535)	(28,535)
滙兌調整	Exchange adjustments	-	-	-	-	-	-	73,232	-	-	73,232
應佔聯營公司之一般儲備	Share of general reserve of associates	-	-	-	-	-	(163)	-	-	-	(163)
期內溢利	Profit for the period	-	-	-	-	-	-	-	103,179	-	103,179
轉自保留溢利	Transfer from retained profits	-	-	-	-	-	2,559	-	(2,559)	-	-
於二零零三年六月三十日	At 30 June 2003	951,169	2,459,521	12,743	1,483	91,646	28,531	(99,149)	854,482	-	4,300,426
於二零零二年一月一日	At 1 January 2002										
以往列報	As previously reported	951,165	2,459,512	12,743	2,317	91,648	16,215	(318,930)	574,709	28,535	3,817,914
按會計實務準則第12號 「利得稅」之規定作前期調整	Prior year adjustments: SSAP 12 "Income taxes"	-	-	-	(834)	-	-	5,001	(19,163)	-	(14,996)
重列	As restated	951,165	2,459,512	12,743	1,483	91,648	16,215	(313,929)	555,546	28,535	3,802,918
二零零一年宣派之末期股息	2001 final dividend declared	-	-	-	-	-	-	-	-	(28,535)	(28,535)
滙兌調整	Exchange adjustments	-	-	-	-	-	-	120,975	-	-	120,975
應佔聯營公司之一般儲備	Share of general reserve of associates	-	-	-	-	-	112	-	-	-	112
行使認股權證	Exercise of warrants	4	9	-	-	(2)	-	-	-	-	11
期內溢利	Profit for the period	-	-	-	-	-	-	-	110,695	-	110,695
於二零零二年六月三十日	At 30 June 2002	951,169	2,459,521	12,743	1,483	91,646	16,327	(192,954)	666,241	-	4,006,176

簡明綜合資產負債表
二零零三年六月三十日

Condensed Consolidated Balance Sheet
30 June 2003

(以千港元為單位)	(In HK\$ thousands)	附註 Notes	六月三十日 30 June 2003 (未經審核) (Unaudited)	十二月三十一日 31 December 2002 (未經審核) (Unaudited) (附註 19) (Note 19)
非流動資產	Non-current assets			
固定資產	Fixed assets		770,751	729,057
發展中物業	Properties under development		1,292,341	1,251,994
投資物業	Investment properties		72,389	71,084
商譽	Goodwill		759,547	730,332
於共同控股合資企業之權益	Interest in a jointly-controlled entity		220,401	227,898
於聯營公司之權益	Interests in associates		1,517,333	1,536,921
無形資產	Intangible asset		2,100	2,250
長期投資	Long term investments		76,121	55,098
遞延稅項資產	Deferred tax assets		24,161	24,324
應收貸款	Loans receivable		125,000	125,000
			4,860,144	4,753,958
流動資產	Current assets			
短期投資	Short term investments		430,446	412,744
存貨	Inventories	8	1,007,729	1,245,870
持有作出售物業	Properties held for sale	9	256,837	331,169
應收賬款	Trade receivables	10	563,446	619,749
應收貸款	Loans receivable		252,125	250,991
其他應收款項	Other receivables		224,648	204,072
抵押定期存款	Pledged time deposits		767,997	728,077
代證券客戶持有之現金	Cash held on behalf of securities clients		3,325	2,714
現金及現金等值項目	Cash and cash equivalents		631,698	488,200
			4,138,251	4,283,586
流動負債	Current liabilities			
應付賬款及票據	Trade and bills payables	11	353,040	857,355
應付稅項	Tax payable		62,208	52,315
其他應付賬項及應計費用	Other payables and accruals		570,918	408,886
付息銀行貸款及其他免息貸款	Interest-bearing bank borrowings and other non interest-bearing borrowing		2,596,689	2,321,425
撥備	Provisions		44,848	48,382
			3,627,703	3,688,363
流動資產淨值	Net current assets		510,548	595,223
總資產減流動負債	Total assets less current liabilities		5,370,692	5,349,181
非流動負債	Non-current liabilities			
付息銀行貸款	Interest-bearing bank borrowings		558,875	683,720
遞延稅項負債	Deferred tax liabilities		185,220	181,982
			744,095	865,702
			4,626,597	4,483,479
少數股東權益	Minority interests		326,171	330,766
			4,300,426	4,152,713
股本及儲備	Capital and reserves			
已發行股本	Issued capital	12	951,169	951,169
儲備	Reserves		3,349,257	3,173,009
擬派發末期股息	Proposed final dividend		-	28,535
			4,300,426	4,152,713

簡明綜合現金流量表

截至二零零三年六月三十日止六個月

Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2003

(以千港元為單位)	(In HK\$ thousands)	2003 (未經審核) (Unaudited)	2002 (未經審核) (Unaudited)
經營業務產生之現金 流入淨額	Net cash inflow from operating activities	194,494	16,742
投資業務之現金(流出)／ 流入淨額	Net cash (outflow)/inflow from investing activities	(108,809)	256,889
融資活動之現金流入淨額	Net cash inflow from financing activities	89,707	8,808
現金及現金等值項目之增加	Increase in cash and cash equivalents	175,392	282,439
期初之現金及現金等值項目	Cash and cash equivalents at beginning of period	447,472	360,311
外幣匯率變動之淨額影響	Effect of foreign exchange rate changes, net	1,235	(5,907)
期終之現金及現金等值項目	Cash and cash equivalents at end of period	624,099	636,843
現金及現金等值項目 結餘之分析	Analysis of balances of cash and cash equivalents		
現金及銀行結餘	Cash and bank balances	557,806	301,638
無抵押定期存款	Unpledged time deposits	73,892	422,170
銀行透支	Bank overdrafts	(7,599)	(86,965)
		624,099	636,843

簡明綜合財務報表附註

1. 編製基準及會計政策

此未經審核之簡明綜合中期財務報表乃根據香港會計師公會頒佈的香港會計實務準則（「會計實務準則」）第25號「中期財務報告」而編製。

除下文披露者外，編製此簡明綜合中期財務報表所採用之會計政策及編製基準，與本集團截至二零零二年十二月三十一日止年度經審核財務報表所採用者一致。

以下經修訂之會計實務準則及其詮釋乃首次用以編製本期簡明綜合中期財務報表：

- 會計實務準則第12號（修訂本）：
「所得稅」
- 詮釋第20號：
「所得稅－經重估不用折舊資產之收回」
- 詮釋第21號：
「所得稅－企業或其股東稅務狀況之改變」

Notes to Condensed Consolidated Financial Statements

1. Basis of Preparation and Accounting Policies

The unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Statement of Standard Accounting Practice (“SSAP”) No. 25, “Interim Financial Reporting”, issued by the Hong Kong Society of Accountants.

The accounting policies and basis of preparation used in the preparation of these condensed consolidated interim financial statements are the same as those used in the audited financial statements for the year ended 31 December 2002 except as disclosed below.

The following revised SSAP and interpretations are effective for the first time in the preparation of the current period’s condensed consolidated interim financial statements:

- SSAP 12 (Revised):
“Income taxes”
- Interpretation 20:
“Income taxes – Recovery of revalued non-depreciable assets”
- Interpretation 21:
“Income taxes – Changes in the tax status of an enterprise or its shareholders”

1. 編製基準及會計政策 (續)

採納此等會計實務準則及詮釋對本集團財務報表所採用之會計政策及披露之金額主要影響概述如下：

會計實務準則第12號(修訂本)就所得稅之會計處理方法及披露作出規定。採納此項經修訂會計實務準則之主要影響為遞延稅項。在以往期間，遞延稅項乃按收益表負債法就時間差異作出部份之撥備，對在可見將來預期不會實現，因時間差異而產生之遞延稅項，則不作撥備。會計實務準則第12號(修訂本)規定採用資產負債表負債法，除在少數例外情況下，遞延稅項乃就未經審核簡明綜合中期財務報表上之資產及負債之賬面淨值與其相應用以計算當期應課稅溢利之稅基金額不同產生之暫時性差異，須全數予以確認為遞延稅項。由於會計實務準則並無訂明任何過渡性之要求，新的會計準則已作前期調整法作追溯性處理，去年同期之若干比較數字亦因應該變動已被重列。

因此，於二零零二年及二零零三年一月一日之期初保留盈利已分別減少1千9百萬港元及增加2千8百萬港元。截至二零零二年六月三十日止六個月期間之溢利增加1千9百萬港元。由於對本集團之投資物業進行重估，於二零零二年及二零零三年一月一日，投資物業重估儲備已減少83萬4千港元，並列作遞延稅項負債之撥備不足。於二零零二年十二月三十一日之遞延稅項資產及遞延稅項負債之比較數字經已分別重列為2千4百萬港元及1億8千2百萬港元。

1. Basis of Preparation and Accounting Policies (continued)

The major effects on the Group's accounting policies and on the amounts disclosed in these financial statements of adopting these SSAP and Interpretations are summarised as follows:

SSAP 12 (Revised) prescribes the accounting treatment and disclosures for income taxes. The principal effect of the adoption of this revised SSAP is in relation to deferred tax. In previous years, partial provision was made for deferred tax using the income statement liability method under which a liability was recognised in respect of timing differences arising, except where those timing differences were not expected to reverse in the foreseeable future. SSAP 12 (Revised) requires the adoption of a balance sheet liability method, whereby deferred tax is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities in the unaudited condensed consolidated interim financial statements and the corresponding tax bases used in the computation of taxable profit, with limited exceptions. In the absence of any specific transitional requirements in the SSAP, the new accounting policy has been applied retrospectively so that certain comparative amounts have been restated to conform with the changed policy.

Accordingly, the opening retained earnings at 1 January 2002 and 2003 have been decreased by HK\$19 million and increased by HK\$28 million, respectively. The profit for the six months ended 30 June 2002 has been increased by HK\$19 million. The opening investment property revaluation reserve at 1 January 2002 and 2003 has been decreased by HK\$834,000 which represented the under-provision of the deferred tax liabilities as a result of the revaluation of the Group's investment property. The comparative amount in respect of deferred tax assets and deferred tax liabilities as at 31 December 2002 has also been restated at HK\$24 million and HK\$182 million, respectively.

2. 分類資料

按主要業務，本集團營業額及經營溢利之貢獻分析如下：

2. Segment Information

An analysis of the Group's turnover and contribution to profit from operating activities by principal activity is as follows:

截至六月三十日止六個月 (以千港元為單位)	Six months ended 30 June (In HK\$ thousands)	營業額 Turnover		經營溢利之貢獻 Contribution to profit from operating activities	
		2003 (未經審核) (Unaudited)	2002 (未經審核) (Unaudited)	2003 (未經審核) (Unaudited)	2002 (未經審核) (Unaudited)
汽車及零件貿易	Trading of motor vehicles and spare parts	2,473,159	1,454,171	104,934	82,198
重型機械貿易	Trading of heavy equipment	1,219,258	754,771	62,223	39,170
物業發展及投資	Property development and investment	90,921	-	(6,013)	(55,962)
一般貿易及服務	General trading and services	1,822,074	1,527,340	26,583	23,213
證券買賣及經紀服務	Securities broking and trading	6,256	14,390	2,302	34,542
外匯買賣	Trading of foreign exchange	(19,788)	29,525	(10,968)	10,506
其他	Others	12,456	11,753	28,538	3,428
		5,604,336	3,791,950	207,599	137,095
業務之間的抵銷	Intersegment eliminations	(1,270,978)	(1,076,640)	(17,090)	(7,111)
		4,333,358	2,715,310	190,509	129,984

按營業地區，本集團營業額之貢獻分析如下：

An analysis of the Group's turnover by geographical area of operations is as follows:

截至六月三十日止六個月 (以千港元為單位)	Six months ended 30 June (In HK\$ thousands)	營業額 Turnover	
		2003 (未經審核) (Unaudited)	2002 (未經審核) (Unaudited)
中華人民共和國：	People's Republic of China:		
香港	Hong Kong	409,367	540,628
中國大陸	Mainland China	2,746,979	1,432,314
其他亞洲國家	Other Asian countries	1,177,012	742,368
		4,333,358	2,715,310

3. 經營溢利

本集團經營溢利經扣除／
(計入)：

3. Profit from Operating Activities

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

截至六月三十日止六個月 (以千港元為單位)	Six months ended 30 June (In HK\$ thousands)	2003 (未經審核) (Unaudited)	2002 (未經審核) (Unaudited)
折舊	Depreciation	25,678	19,286
商譽攤銷	Amortisation of goodwill	32,180	23,907
交易權攤銷	Amortisation of trading rights	150	150
呆壞賬撥備	Provision for doubtful debts	4,507	4,353
銷售緩慢存貨撥備	Provision for slow-moving inventories	273	217
持有作銷售物業可預見虧損 (撥備回撥)／撥備	(Write back of provision)/provision for foreseeable loss on properties held for sale	(11,524)	52,721
對短期投資重估之 未變現收益	Unrealised gains on revaluation of short term investments	(5,560)	(27,064)
上市證券之股息收入	Dividend income from listed investments	(1,390)	(950)
租金收入淨額	Rental income, net	(8,417)	(6,346)
利息收入	Interest income	(17,616)	(22,062)
上市證券買賣之淨收益	Net gains on dealing in listed investments	(2,478)	(11,133)

4. 財務費用

4. Finance Costs

六月三十日止六個月 (以千港元為單位)	Six months ended 30 June (In HK\$ thousands)	2003 (未經審核) (Unaudited)	2002 (未經審核) (Unaudited)
須於五年內悉數歸還 之貸款利息：	Interest on borrowings wholly repayable within five years:		
銀行貸款	Bank loans	22,337	22,776
信託票據貸款	Trust receipt loans	22,677	15,762
銀行透支	Bank overdrafts	963	3,657
		45,977	42,195
減：利息資本化	Less: Interest capitalised	(2,981)	(3,225)
		42,996	38,970

5. 稅項

5. Tax

截至六月三十日止六個月 (以千港元為單位)	Six months ended 30 June (In HK\$ thousands)	2003 (未經審核) (Unaudited)	2002 (未經審核) (Unaudited) (Note 19) (附註 19)
本年度：	Current tax:		
香港	Hong Kong	2,003	406
其他地區	Elsewhere	44,581	34,481
		46,584	34,887
遞延稅項：	Deferred tax:		
本年度	Current year	(846)	(13,518)
因稅率增加引致之遞延稅項	Attributable to increase in tax rate	(440)	–
		(1,286)	(13,518)
本公司及其附屬公司 之稅項	Tax attributable to the Company and its subsidiaries	45,298	21,369
應佔一間共同控權合資企業之稅項	Share of tax attributable to a jointly-controlled entity	1,019	8,809
應佔聯營公司之稅項	Share of tax attributable to associates	2,255	(58)
		48,572	30,120

香港利得稅按期內在香港產生之估計應課稅溢利以17.5% (二零零二年：16%) 之稅率計提撥備。其他地區應課稅溢利之稅項乃根據本集團經營業務所在國家之現行法律、詮釋及常規，按其現行稅率計算。

Hong Kong profits tax has been provided at the rate of 17.5% (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.

5. 稅項 (續)

遞延稅項以結算日實施或實際有效稅率計算，以負債法就資產及負債的評稅基準與其於賬目內的賬面值之間的暫時差異，作出全數準備。於二零零三年三月，香港政府公佈利得稅率由16%增加至17.5%，並適用於本集團之香港業務。該等稅率已經由立法會於二零零三年七月通過，本集團採用已增加之稅率作編製本集團二零零三年簡明綜合中期財務報表。

期內稅項開支與簡明綜合損益表之除稅前溢利對賬如下：

六月三十日止六個月 (以千港元為單位)	Six months ended 30 June (In HK\$ thousands)	2003 (未經審核) (Unaudited)	2002 (未經審核) (Unaudited)
除稅前溢利	Profit before tax	156,616	167,019
香港利得稅稅率為17.5% (二零零二年：16%)	Hong Kong profits tax rate of 17.5% (2002: 16%)	27,408	26,723
適用於海外附屬公司及 聯營公司其較高之實際 稅率部分引致之稅項影響	Tax effect arising from higher tax rates of overseas subsidiaries and associates	13,705	19,195
計算應課稅溢利時不可扣稅 淨開支／(毋須繳稅淨收入) 之稅務影響	Tax effect arising from net expenses/ (income) that is not deductible/ (taxable) in determining taxable profits	3,671	(11,418)
因香港利得稅稅率增加對 期初遞延稅項之影響	Effect on opening deferred tax resulting from increase in Hong Kong profits tax rates	(440)	—
運用稅項虧損	Utilisation of tax losses	6,067	2,491
以前並未確認之稅項虧損	Tax losses not previously recognised	—	(15,042)
並無確認之稅項虧損	Tax losses not recognised	10,613	11,020
因重估租賃物業而引致之 應課稅項時差之轉回	Reversal of taxable timing difference arising on revaluation of leasehold properties	(4,745)	—
集團之若干海外投資尚 未匯出溢利而引致之 應課稅項時差之轉回	Reversal of taxable timing difference arising on the unremitted earnings of the Group's certain overseas investments	(7,707)	(2,849)
期內稅項開支	Tax charge for the period	48,572	30,120

5. Tax (continued)

Deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. In March 2003, the Hong Kong Government announced an increase in the profits tax rate applicable to the Group's operations in Hong Kong from 16% to 17.5%, which was passed by the Legislative Council in July 2003. The increase is taken into account in the preparation of the Group's 2003 condensed consolidated interim financial statements.

The tax charge for the period can be reconciled to the profit before tax per the condensed consolidated profit and loss account as follows:

6. 每股盈利

截至二零零三年六月三十日止六個月之每股基本及攤薄盈利乃根據以下數據計算：

6. Earnings Per Share

The calculations of basic and diluted earnings per share for the six months ended 30 June 2003 are based on the following data:

截至六月三十日止六個月 (以千港元為單位)	Six months ended 30 June (In HK\$ thousands)	2003 (未經審核) (Unaudited)	2002 (未經審核) (Unaudited) <i>(Note 19)</i>
盈利	Earnings		
用作計算每股基本及攤薄盈利之本期股東應佔溢利	Net profit attributable to shareholders for the period for the purpose of basic and diluted earnings per share calculations	103,179	110,695
		股份數目 Number of shares	
		2003 (未經審核) (Unaudited)	2002 (未經審核) (Unaudited)
股份	Shares		
用作計算每股基本盈利之本期已發行普通股加權平均股數	Weighted average number of ordinary shares in issue during the period used in basic earnings per share calculation	951,168,826	951,168,546
設定期內無償下行使所有認股權證而發行之普通股之加權平均股數	Weighted average number of ordinary shares: Assumed issued at no consideration on deemed exercise of all warrants outstanding during the period	44,033,990	48,075,479
用作計算每股攤薄盈利的普通股加權平均股數	Weighted average number of ordinary shares used in diluted earnings per share calculation	995,202,816	999,244,025

7. 股息

於二零零三年九月十八日召開之董事會會議上，董事建議不派發截至二零零三年六月三十日止六個月之中期股息（二零零二年：無）。

7. Dividend

At a meeting of the Board of Directors held on 18 September 2003, the directors did not recommend the payment of an interim dividend for the six months ended 30 June 2003 (2002: Nil).

8. 存貨

8. Inventories

(以千港元為單位)	(In HK\$ thousands)	六月三十日 30 June 2003 (未經審核) (Unaudited)	十二月三十一日 31 December 2002 (經審核) (Audited)
汽車及零件	Motor vehicles and spare parts	845,238	1,111,045
機械及零件	Machinery and spare parts	162,491	134,825
		1,007,729	1,245,870

9. 持有作出售物業

9. Properties Held for Sale

(以千港元為單位)	(In HK\$ thousands)	六月三十日 30 June 2003 (未經審核) (Unaudited)	十二月三十一日 31 December 2002 (經審核) (Audited)
持有作出售物業，按成本值	Properties held for sale, at cost	274,749	360,605
可預見虧損之撥備	Provision for foreseeable loss	(17,912)	(29,436)
		256,837	331,169

10. 應收賬款

10. Trade Receivables

本集團給予大部份客戶三十至六十日信貸期，而基於不同的業務形式，小部份客戶獲給予九十至一百五十日信貸期。本集團嚴格監控其未收之應收賬款，除設有信貸控制，高層管理人員定期檢討過期未付之賬項，務求減低信貸風險。

The Group has granted credit to substantially all its debtors ranging from 30–60 days. Due to certain trade patterns, a minority of debtors have been given a credit period of 90–150 days. The Group seeks to maintain strict control over its outstanding receivables and has credit control to minimise credit risk. Overdue balances are reviewed regularly by senior management.

10. 應收賬款(續)

根據到期付款日之應收賬款賬齡扣除呆壞賬撥備之分析如下：

10. Trade Receivables (continued)

The aged analysis of trade receivables, based on payment due date and net of provision for doubtful debts, is as follows:

(以千港元為單位)	(In HK\$ thousands)	六月三十日 30 June 2003 (未經審核) (Unaudited)	十二月三十一日 31 December 2002 (經審核) (Audited)
未到期	Current	402,525	516,414
零至三個月	0 – 3 months	93,267	95,561
四至六個月	4 – 6 months	52,210	5,157
七至十二個月	7 – 12 months	13,914	–
逾一年	Over 1 year	1,530	2,617
		563,446	619,749

11. 應付賬款及票據

根據到期付款日之應付賬款及票據之賬齡分析如下：

11. Trade and Bills Payables

The aged analysis of trade and bills payables, based on payment due date, is as follows:

(以千港元為單位)	(In HK\$ thousands)	六月三十日 30 June 2003 (未經審核) (Unaudited)	十二月三十一日 31 December 2002 (經審核) (Audited)
未到期	Current	270,355	844,891
零至三個月	0 – 3 months	57,405	3,351
四至六個月	4 – 6 months	25,280	9,113
		353,040	857,355

12. 已發行股本

12. Issued Capital

(以千港元為單位)	(In HK\$ thousands)	六月三十日 30 June 2003 (未經審核) (Unaudited)	十二月三十一日 31 December 2002 (經審核) (Audited)
法定股本： 2,000,000,000股每股 面值1港元普通股	Authorised: 2,000,000,000 ordinary shares of HK\$1 each	2,000,000	2,000,000
已發行及繳足股份： 每股面值1港元普通股951,168,826 股(二零零二年：951,168,826股)	Issued and fully paid: 951,168,826 (2002: 951,168,826) ordinary shares of HK\$1 each	951,169	951,169

13. 或然負債

13. Contingent Liabilities

於二零零三年六月三十日，本集團附有追索權之貼現票據及代替支付按金而作出銀行擔保之或然負債分別為7億7千5百萬港元(二零零二年十二月三十一日：2億4千2百萬港元)及7百萬港元(二零零二年十二月三十一日：9百萬港元)。

At 30 June 2003, the Group had contingent liabilities in respect of bills discounted with recourse and bank guarantees given in lieu of deposit payments, amounting to HK\$775 million (31 December 2002: HK\$242 million) and HK\$7 million (31 December 2002: HK\$9 million), respectively.

14. 抵押資產

14. Pledge of Assets

於二零零三年六月三十日，本集團之短期銀行貸款6億9千3百萬港元(二零零二年十二月三十一日：6億6千7百萬港元)，以銀行外幣存款7億6千7百萬港元(二零零二年十二月三十一日：7億2千8百萬港元)作為固定抵押擔保。本集團持有一幅價值1千1百萬港元(二零零二年十二月三十一日：1千1百萬港元)之土地用作抵押7百萬港元(二零零二年十二月三十一日：7百萬港元)之銀行貸款。

At 30 June 2003, the Group's short term bank loans amounting to HK\$693 million (31 December 2002: HK\$667 million) were secured by fixed charges on foreign currency bank deposits of HK\$767 million (31 December 2002: HK\$728 million). A piece of land of HK\$11 million (31 December 2002: HK\$11 million) held by the Group was pledged to secure a bank borrowing of HK\$7 million (31 December 2002: HK\$7 million).

15. 承擔

15. Commitments

(a) 資本承擔

(a) Capital commitments

(以千港元為單位)	(In HK\$ thousands)	六月三十日 30 June 2003 (未經審核) (Unaudited)	十二月三十一日 31 December 2002 (經審核) (Audited)
已訂約	Contracted for	575,796	494,313
已授權但未訂約	Authorised, but not contracted for	36,862	77,797
		612,658	572,110

(b) 財務衍生工具

(b) Financial derivatives

(以千港元為單位)	(In HK\$ thousands)	六月三十日 30 June 2003 (未經審核) (Unaudited)	十二月三十一日 31 December 2002 (經審核) (Audited)
遠期外匯合約	Forward foreign exchange contracts	155,143	36,745
售出之貨幣期權	Currency options written	414,500	77,990
		569,643	114,735

此等工具之面值乃指於結算日尚未進行交易之金額，而非需面對風險之數額。

The notional amounts of these instruments indicate the volume of transactions outstanding at the balance sheet date. They do not represent amounts at risk.

16. 經營租約之安排

16. Operating Lease Arrangements

(a) 作為租賃公司

(a) As lessor

本集團根據經營租約把其投資物業出租，租約期為一至五年，租約條款一般包括租戶須繳交按金，並基於市場情況，可定期調整租金。

The Group leases its investment properties under operating lease arrangements, with leases negotiated for terms ranging from 1 to 5 years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

16. 經營租約之安排 (續)

(a) 作為租賃公司 (續)

於結算日，根據與租戶訂立之不可撤銷經營租約，本集團未來最少應收之租金如下：

(以千港元為單位)	(In HK\$ thousands)	六月三十日 30 June 2003 (未經審核) (Unaudited)	十二月三十一日 31 December 2002 (經審核) (Audited)
一年內	Within one year	12,652	14,619
第二至第五年 (包括首尾兩年)	In the second to fifth years, inclusive	15,877	6,354
		28,529	20,973

(b) 作為承租公司

本集團部份辦公室物業是以經營租約租用，租約期為一至二十四年。

於結算日，根據不可撤銷之經營租約，本集團未來最少須付之租金如下：

(以千港元為單位)	(In HK\$ thousands)	六月三十日 30 June 2003 (未經審核) (Unaudited)	十二月三十一日 31 December 2002 (經審核) (Audited)
一年內	Within one year	26,356	13,681
第二至第五年 (包括首尾兩年)	In the second to fifth years, inclusive	45,602	28,110
五年以上	Beyond five years	45,691	22,928
		117,649	64,719

16. Operating Lease Arrangements (continued)

(a) As lessor (continued)

At the balance sheet date, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

(b) As lessee

The Group leases certain of its office properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from 1 to 24 years.

At the balance sheet date, the Group had total future minimum payments under non-cancellable operating leases falling due as follows:

17. 關連人士交易

本集團一間提供金融服務之全資附屬公司，按一般正常之商業條件，提供貸款予一位前任董事之關連人士。該名董事已於二零零二年七月九日辭任。截至二零零二年六月三十日止六個月，本集團向關連人士收取之利息收入為60萬1千港元。

18. 結算日後事項

於二零零三年七月四日，本集團與一名獨立第三方訂立一項買賣協議，出售一間附屬公司，作價為1億9千萬港元。出售事項於同日完成，並帶來除稅前收益約7百萬港元。

19. 比較數字

如上文附註1所詳述，由於在本期採納經修訂之會計實務準則，財務報表內若干項目及結餘之會計處理方法及呈列方式已作出修訂，以符合新規定。因此，已作出若干上年度調整及重列若干比較數字，以符合本期之呈列方式。

17. Related Party Transactions

A wholly-owned subsidiary of the Group which is involved in the financial services business provided advances to related parties of an ex-director of the Company in the ordinary and normal course of business of that subsidiary on commercial terms. The director resigned on 9 July 2002. During the six months ended 30 June 2002, the Group received interest income amounted to HK\$601,000 from the related parties.

18. Post Balance Sheet Event

On 4 July 2003, the Group entered into a sale and purchase agreement with an independent third party to dispose of a subsidiary for a consideration of HK\$190 million. The disposal was completed on the same date and resulted in a gain on disposal before tax of approximately HK\$7 million.

19. Comparative Amounts

As further explained in note 1 above, due to the adoption of a revised SSAP 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 year adjustments have been made and certain comparative amounts have been restated to conform with the current period's presentation.

業務回顧

汽車部

本集團汽車部於期內的營業額較上年同期增加70%。儘管台灣需求保持穩定，而中國及韓國對高檔汽車的需求總體上升，由於期內歐元對亞洲貨幣表現持續升值，令歐洲汽車之競爭力相對降低。非典型肺炎（嚴重急性呼吸系統綜合症）爆發亦影響二零零三年上半年之汽車銷售。

繼中國加入世貿（世界貿易組織）後，汽車業於二零零三年已連續第二年獲進一步調低入口關稅。引擎容量在3公升或以下的汽車之入口關稅由43.8%調低至38.2%，而引擎容量超過3公升之汽車入口關稅則由50.7%調低至43%。於二零零三年四月，本集團位於上海之多功能旗艦大廈已開始施工將用作陳列其高檔品牌產品。

在預測全年國家經濟增長達7%之推動下，中國於非典型肺炎過後，於二零零三年下半年的總體表現應有所改善。本集團將進一步利用其競爭優勢—完善之汽車代理網絡，致力提高員工之生產力及效率，從而增加銷售額及服務網絡。

在韓國，儘管本集團面臨日本品牌帶來的增加競爭，年內起表現強勁。本集團在韓國已有四間陳列室，並將於下一年度再增設一間，而一間維修中心設施正在興建中。韓國之保時捷銷售額正以可接受水平不斷增長。本集團已計劃在漢城開設一間專用維修中心。

Operational Review

Automobile Division

Turnover of the Automobile Division of the Group increased by 70% for the period under review as compared to that of previous year. Despite the steady demand in Taiwan and the overall growing demand for luxury cars in China and Korea, the continued appreciation of the Euro against Asian currencies during current period rendered European cars less competitive. Also affecting revenues was the SARS (Severe Acute Respiratory Syndrome) outbreak, which adversely affected vehicle sales during the first half of 2003.

Following China's accession to the WTO (World Trade Organization), 2003 marked the second consecutive year of further tariff rate reductions for the automobile industry. Tariff for vehicles with engine capacity of 3 litres and below was reduced from 43.8% to 38.2% and those with engine capacity of over 3 litres was reduced from 50.7% to 43%. In April 2003, construction commenced on the Group's new multi-function flagship building in Shanghai for showcasing our premium brand products.

Overall in China, the second half of 2003 should reflect an improved post-SARS performance helped by a full-year national economic growth forecast of 7%. The Group will further leverage its competitive advantage — based on a well-established network of dealerships — with a commitment to increase staff productivity and efficiency towards enhancing its sales and service networks.

In Korea, the year commenced strongly, although the Group experienced increased competition from Japanese brands. With four showrooms already in Korea, the Group is committed to opening another showroom next year, while a workshop facility is currently under construction. Porsche sales are growing at acceptable levels in Korea and the Group has plans for a dedicated workshop in Seoul.

致力推動及刺激國內消費，韓國政府於七月下調消費稅。高檔汽車的稅率由14%調低至10%。然而，由於消費者於五月及六月押後購置高檔汽車以等待預期之減稅，因而抵銷了該公佈之利好效果。而韓國向下調整國內生產總值，由二零零三年年初之3.4%下調至1.9%，減稅措施構成短期之抵銷影響。

展望未來，各地區之汽車業務將繼續成為本集團之主要增長帶動者。隨著歐元波動風險減少及受非典型肺炎影響地區之經濟持續復甦，本集團對此行業抱審慎樂觀態度。

本集團在台灣透過其聯營公司中華賓士汽車股份有限公司（「CMI」）及台灣戴姆勒克萊斯股份有限公司（「DCT」），經銷平治產品戴姆勒克萊斯勒品牌，包括克萊斯勒、微型轎車及吉普車。於二零零三年上半年，台灣經濟及汽車業受兩大事件所影響。

首先，爆發非典型肺炎均對經濟及公眾信心造成不利影響，因此，台灣國內生產總值預測已調整至1.8%（二零零二年：平均3.6%）。

其次，歐元飆升導致DCT三次上調平治汽車價格，以致於二零零二年十月至二零零三年五月期間整體接近15%。

In an effort to stimulate domestic consumption, the Korean government introduced a consumption tax reduction in July. For the luxury car segment, the tax was reduced to 10% from 14%. The positive effect of this announcement was negated, however, by consumers holding off luxury car purchases in May and June while awaiting the expected tax reduction to come into effect. Further short-term negation of this tax reduction may result from Korea's downward revised GDP (Gross Domestic Product), from 3.4% at the beginning of 2003, to 1.9%.

Looking ahead, the Automobile business in all territories will remain the key growth driver for the Group. With exposure to Euro fluctuation minimised, and continued economic recovery from SARS-affected areas, the Group is cautiously optimistic with respect to this sector.

In Taiwan, the Group distributes Mercedes Benz products and DaimlerChrysler brands including Chrysler and Smart through its associate Capital Motors Inc. ("CMI"). In addition, the Group's joint venture with DaimlerChrysler AG, DaimlerChrysler Taiwan Limited ("DCT") distributes a series of DaimlerChrysler brands including Chrysler, Smart and Jeep. The first half of 2003 featured two significant events that affected the Taiwanese economy and car industry.

Firstly, the SARS outbreak had an adverse effect on both the economy and public confidence. As a result, the forecast GDP for Taiwan was revised to 1.8% (year 2002: 3.6% average).

Secondly, the strong Euro surge resulted in DCT adjusting upward the price of Mercedes Benz cars three times, representing an overall increase of nearly 15% from October 2002 to May 2003.

展望將來，隨著歐元幣值已有穩定跡象，本集團對平治銷售額將會上揚持審慎樂觀態度。克萊斯勒增長趨勢已趨穩定，此乃積極促銷及獲CMI加盟為汽車代理之直接成果，公眾對品牌（尤其是售後服務）之信心更勝以往。

機械部

於本年度上半年，本集團機械部之營業額按價值計算增加62%。

此乃由於政府及私營部門在基建及建造工程上之支出增加。此外，本集團所在經營地區內存在機械老化之利好情況，管理層合理預期有關情況將增加對水力挖掘機部件及服務之需求。

鑑於預期未來競爭加劇，本集團已在指定之經銷地區內發展分公司網絡，並計劃在二零零三年年底前在浙江省增設兩間分公司，以進一步擴大其銷售及產品支援覆蓋範圍。管理層將會增加資源透過持續培訓計劃加強培訓本集團員工。本集團亦計劃在整個組織內實施系統化的新方法措施，以精簡其工序及服務。

地產部

增加了具競爭力之住宅單位湧現北京市場，加上二零零三年第二季（正值銷售旺季之開始）爆發非典型肺炎，均對位於首都的寶星園第一期之物業銷售造成不利影響。寶星園是一項分為三期的物業項目，面積合共約400,000平方米。

Looking ahead, factoring in the recent signs of a stabilising Euro, the Group is cautiously optimistic that Mercedes Benz sales will pick up with public confidence in an improved island economy. And Chrysler has shown a steady growth trend, a direct result of aggressive promotions and the inclusion of CMI as a dealer, which has boosted public confidence in the brand, particularly with after-sales service.

Machinery Division

During first half of the year, turnover of the Group's Machinery Division increased by 62% in value terms.

This result was due to increased government and private-sector spending in the areas of infrastructure and construction. Furthermore, there exists a favorable situation of an aging machinery population in the Group's territory, which management reasonably expects will result in increased demand for hydraulic excavator parts and services.

Foreseeing increasing competition in the future, the Group has developed a branch network within its designated territory, and plans to set up an additional two branches in Zhejiang Province before end of 2003 to further augment both sales and product support coverage there. As well, management will intensify its efforts in developing Lei Shing Hong staff through continuous training programs. The Group also plans to implement systematic new methodology measures throughout the organisation in order to streamline its processes and services.

Property Division

An increasing and competitive influx of residential units into Beijing, combined with the SARS outbreak during the second quarter of 2003 (which arrived at the beginning of the peak sales period), adversely affected property sales of Starcrest Phase I in the capital city. Starcrest is a three-phase project totaling approximately 400,000 square meters.

正面指標實現為北京市住房資金管理中心於二零零三年六月至八月期間將最高貸款上限由人民幣30萬元調高至人民幣40萬元，作為刺激非典型肺炎期後之銷售。其他指標包括住宅面積達120平方米或以上，其物業稅亦由2%減至1.5%。然而，政府打擊高檔房地產市場之措施，引致更多影響發展商的法規。現時銀行融資貸款將於樓宇竣工後，才可發放予此等發展商及一般消費者。

於二零零三年下半年，本集團集中為第一期增值，第一期於上半年僅錄得單位數銷售數量，與預算中之雙位數量有差別。新增值措施包括優化質量、新激勵計劃，加大媒體意識及加強以「物有所值」為題之市場推廣活動。社區設施項目包括學校、超級市場及商場式零售店舖及由一間享譽國際的公司管理會所，皆已納入第二期之規劃。於二零零三年年底施工之第二期將為此項目定位價值帶來可觀附加值。與此同時，本集團業已制定以駐外人員(尤以韓國人及日本人為主)為置業目標之進取型市場推廣策略。

本集團亦正考慮通過裝修大型公寓訂立租賃協議，為不斷增加之駐外人員市場提供服務。本集團於七月四日售出廈門一幅局部開發地皮。

Positive indicators materialised in the form of increased maximum loan ceilings from RMB300,000 to RMB400,000 was granted by the Housing Fund Society from June to August 2003 to boost sales of post-SARS performance. Other indicator include reductions in property tax from 2% to 1.5% for properties with flat of 120 square meters and above. Additionally, time and costs for processing of bank loans have been reduced. However, government measures to curb China's high-end properties have resulted in more stringent regulations on developers. Buildings must now be completed before bank financing loan can be released to these developers and to customers in general.

For the second half of 2003, the group is focused on adding value to Phase I, which in the first half year experienced single digit sales as opposed to budgeted double-digit totals. New value measures include maximising quality enhancements, adding perks, new incentive schemes, increasing media awareness activities, and introducing marketing efforts along a "value for money" theme. Communal facilities, including a school, supermarket, retail shops designed around an arcade concept, and an internationally managed club have been included in the master plan for Phase II. The launch of Phase II in late 2003 should provide significant added value to the project identity and brand value. As well, an aggressive marketing strategy targeting expatriate buyers, in particular Koreans and Japanese, has been developed.

The Group is also considering entering leasing agreements through renovating larger apartments to service the growing expatriate market. On 4 July, the Group sold a partially developed parcel of land in Xiamen .

貿易部

本集團貿易部之營業額較二零零二年同期上升19%。

貿易業務繼續受到全球經濟停滯不前的影響，加上不穩定因素、美伊戰爭及其戰後餘殃皆令商品價格疲軟。

本集團預測木材行業競爭激烈及價格疲弱趨勢將會持續一段時間。肥料營業額表現理想，超逾去年及二零零三年之同期預算，其主要原因為價格穩定及購買國馬來西亞經濟呈現總體改善。儘管美國經濟復甦及聖誕銷售旺季之刺激，本集團在香港之手錶零件業務營業額較去年同期下跌22%。

儘管大部分國家調低二零零三年全年國內生產總值預測及全球經濟復甦前景未明朗，本集團之貿易部繼續於本年度帶來溢利。

金融投資及服務部

外匯市場的波動影響本集團金融投資及服務部的業績。該等業績因美伊戰爭帶來之若干不穩定因素及全球整體經濟疲弱影響而進一步惡化，而香港及周邊國家爆發非典型性肺炎更令情況惡化。

二零零三年上半年整體營業額收縮。於二零零三年上半年，全球股票市場普遍呆滯，本集團之買賣活動正反映了此種趨勢。香港股票市場於本年五月及六月之成交額因中國大陸投資者將可在香港進行股票投資之消息所帶動而上升。

Trading Division

The Group's Trading Division reported a 19% increase in turnover compared with the same period in 2002.

Trading activities continued to be adversely affected by a generally turbulent global economy, fuelled by uncertainties and weak commodity prices resulting from the US-Iraq war and its aftermath.

Competition in the timber sector was strong, with prices remaining weak, a trend the Group foresees likely to continue in the medium term. Fertiliser's turnover outperformed last year's corresponding period and the 2003 budget, mainly due to a steady agricultural commodity price and a general improvement in the economy of the consuming country, Malaysia. Turnover of the Group's watch component business in Hong Kong was down 22% compared to the same period last year, although a US recovery and a good Christmas season could help boost the transaction volume.

Despite most of countries revising downward their GDP forecasts for full-year 2003, and the potential fragility of a tentative global recovery, the Group's Trading Division should be profitable for the year.

Financial Investment and Services Division

A volatile foreign exchange market impacted results of the Group's Financial Investment and Services Division. These results were further exacerbated by uncertainties resulting from the US-Iraq war and a generally weak global economy. Compounding this situation was the SARS outbreak in Hong Kong and neighboring countries.

Overall turnover was contracted in the first half of year 2003. Global stock markets were generally sluggish in the first half of 2003, and the Group's trading activities reflected this trend. Turnover of the Hong Kong stock market in May and June was boosted by news that investors from Mainland China will be able to invest in the Hong Kong Shares.

憑藉控股公司之雄厚財政支持，管理層正致力實施多項行動以提高融資服務市場的佔有率。包括透過採用買賣盤傳遞系統(ORS)提供網上交易服務、參與分包及增加高質素銷售員工之數目。

財務回顧

流動資金及資本來源

本集團之財政狀況保持穩健。股東資金由二零零二年十二月三十一日之41億5千3百萬港元增加至二零零三年六月三十日之43億港元。本集團所經營之業務帶來營運現金收入，並備有充裕之銀行信貸以作為持續營運業務資金，包括應付二零零三年度之資本支出。

本集團之定期貸款償還期如下：

一年內	7億2百萬港元
第二年	3億3千7百萬港元
第三至第五年(首尾 兩年包括在內)	2億2千2百萬港元

資產負債比率

本集團之資產負債比率(長期債務與股東權益)為13.0%，而二零零二年十二月三十一日則為16.5%。截至二零零三年六月三十日止期間，經營溢利與財務費用比例為4.4倍，而二零零二年十二月三十一日止年度則為3.4倍。

Leveraging the strong financial backing from its holding company, management is focused on increasing its market share in the financial services area by implementing a number of initiatives. These include providing Internet trade through the adoption of an Order Routing System (ORS), participating in sub-underwriting, and boosting its number of sales staff.

Financial Review

Liquidity and Financial Resources

The Group's financial position remains strong. Shareholders' funds increased to HK\$4,300 million as at 30 June 2003 from HK\$4,153 million as at 31 December 2002. The Group has a positive cash flow from operations and sufficient bank facilities to fund its ongoing businesses, including capital expenditure in year 2003.

The maturity profiles of the Group's term loans are:

Within one year	HK\$702 million
In the second year	HK\$337 million
In the third to fifth years, inclusive	HK\$222 million

Gearing

The Group has a gearing ratio (long term debt to equity) of 13.0%, compared to 16.5% as at 31 December 2002. Profit from operating activities covers 4.4 times over finance costs for the current interim period ended 30 June 2003, compared to 3.4 times for the year ended 31 December 2002.

利率及外匯風險

本集團資金運用反映每項業務之資本架構。各項融資及庫務業務均於企業層面由財務部集中監控。本集團重組貸款到期日以配合其資產及負債狀況，並管控其有關利率水平及前景之利率風險。本集團亦會在適當之情況下透過購買遠期合約之方式（以對沖機制）以減低外匯風險。

業務展望

展望未來，各地區之汽車業務將繼續成為本集團之主要增長帶動者。隨著歐元波動風險減少及受非典影響地區之經濟持續復甦，本集團對此行業抱審慎樂觀態度。

於二零零三年六月與卡特彼勒公司簽訂之一項聯營物流協議，進一步鞏固本集團與其長期合作伙伴的關係，本集團預期機械業務全年將錄得理想業績。該協議容許本集團將業務範圍擴大至中國及亞太地區增長迅速之物流行業。

在中短期內中國的房地產前景應有改進。隨著寶星園第二期項目於本年稍後動工，地產部亦計劃於二零零三年後期在上海發展面積達78,000平方米之住宅及商業項目。

Interest Rates and Foreign Currency Exposure

The Group's funding reflects the capital structure of each business. All its financing and treasury activities are monitored by a Central Treasury at the corporate level. The Group structures to match the tenure of its borrowing with its assets and liabilities and manages its interest rates exposure in relation to the interest rates level and outlook. The Group also aims to minimize its risks of currency exposure by buying forward, through hedging mechanisms, where appropriate.

Prospects

Looking ahead, the Automobile business in all territories will remain the key growth driver for the Group. With exposure to Euro fluctuations minimised, and continued economic recovery from SARS-affected areas, the Group is cautiously optimistic with respect to this sector.

The Machinery business is forecast to experience good full-year results, with the Group's long-term partnership with Caterpillar Inc. further underpinned by a joint-venture logistics agreement signed in June 2003. The agreement allows the Group to expand into the fast-growing logistics industry in China and the Asia Pacific region.

An improving property picture in China should emerge over the short to medium term. Along with the Starcrest Phase II starting construction later this year, the Property Division is also to begin the development of a 78,000 square meter residential and commercial project in Shanghai in late 2003.

貿易業務方面，本集團預期對木材產品(尤其熱帶木材)之需求於二零零三年下半年將會持續。本集團相信，肥料業務將因馬來西亞棕櫚油生產商之持續強大需求而增加。

金融投資及服務部正計劃更新前線交易系統。

僱員政策

本集團僱員政策採納所在行業或國家之最佳標準，以吸納、推動及保留優秀員工。同時，更定期按各國不同行業情況衡量本集團薪酬及獎勵計劃，以確保本集團的薪酬政策與本身經營所在地的市場一致。

Within its Trading business, the Group foresees continued demand for timber products, particularly tropical wood, in the second half of 2003. The Group believes that fertilisers business will be boosted by continued strong demand from Malaysian palm oil producers.

The Financial Investment and Services Division plans to upgrade its front line trading system.

Employment Policy

The Group's remuneration policy applies best industry/country standards to attract, motivate and keep a quality work force. We constantly measure our remuneration and reward scheme within and across industries in various countries to ensure that the Group's remuneration policy is in line with the industries and markets in which we operate.

董事於股份及相關股份之權益 Directors' Interests in Shares and Underlying Shares

於二零零三年六月三十日，本公司根據證券及期貨條例第352條而保存之登記冊所載，各董事及其聯繫人士於本公司或其相聯法團（定義見證券及期貨條例第XV部）之股份及相關股份之權益如下：

At 30 June 2003, the interests of the directors and their associates in the shares and underlying shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register required to be kept by the Company under Section 352 of the SFO are set out as follows:

1. 股本

1. Share capital

持有每股面值1港元之普通股數目

Number of ordinary shares of HK\$1 each held

董事名稱	Name of director	個人權益	家族權益	公司權益	總數
		Personal interests	Family interests	Corporate interests	
林宜穎 (附註一)	Lim Mooi Ying, Marianne (note 1)	-	-	60,000	60,000

2. 認股權證

2. Warrants

持有認股權證之數目

Number of warrants held

董事名稱	Name of director	個人權益	家族權益	公司權益	總數
		Personal interests	Family interests	Corporate interests	
林宜穎 (附註一)	Lim Mooi Ying, Marianne (note 1)	-	-	12,000	12,000

3. 購股權

本公司於一九九七年六月二十五日採納之購股權計劃（「該計劃」）已於二零零二年六月二十四日屆滿。雖然不會根據該計劃進一步授出購股權，惟其所有條款對規管先前提出之所有購股權之行使仍然有效。該計劃之條款已於二零零二年之年報中披露，本公司已根據該計劃向若干董事及僱員授出購股權以認購本公司股份。截至二零零三年六月三十日止六個月，授出購股權之詳情及尚未行使購股權變動之概況載於下文。

3. Share options

The share option scheme ("the Scheme") of the Company being adopted on 25 June 1997 has expired on 24 June 2002. Despite the fact that no further options may be granted under the Scheme, all its terms will remain in force to govern the exercise of all the options previously granted. The terms of the Scheme were disclosed in the 2002 Annual Report. The Company has granted certain directors and employees of the Company options under the Scheme to subscribe for shares of the Company. Details of the grant of share options and a summary of the movements of the outstanding share options during the six months ended 30 June 2003 are set out below.

參與者 姓名或類別 Name or category of participant	購股權數目 Number of share options			授出購股權日期 Date of grant of share options	購股權行使年期 Exercisable period of share options	購股權行使價 Exercise price of share options 港元 HK\$	授出日 公司之股價 Price of Company's shares at grant date of options 港元 HK\$	
	二零零三年 一月一日 At 1 January 2003	期內 逾期失效 Lapsed during the period	二零零三年 六月三十日 At 30 June 2003					
董事	Directors							
顏健生	GAN Khian Seng	500,000	-	500,000	2-8-1997	1-9-1999 to 31-8-2007	5.89	7.75
		200,000	-	200,000	24-1-1998	31-1-2000 to 30-1-2008	6.00	7.45
楊富山太平紳士	YONG Foo San, JP	500,000	-	500,000	2-8-1997	21-8-1999 to 20-8-2007	5.89	7.75
		200,000	-	200,000	24-1-1998	27-1-2000 to 26-1-2008	6.00	7.45
韓福容	HARMS Volker Josef Eckeard	500,000	-	500,000	2-8-1997	2-8-1999 to 1-8-2007	5.89	7.75
		200,000	-	200,000	24-1-1998	24-1-2000 to 23-1-2008	6.00	7.45
林宜穎	LIM Mooi Ying, Marianne	500,000	-	500,000	2-8-1997	2-8-1999 to 1-8-2007	5.89	7.75
		200,000	-	200,000	24-1-1998	27-1-2000 to 26-1-2008	6.00	7.45
		2,800,000	-	2,800,000				
連續合約僱員	Continuous contract employees							
總額	In aggregate	3,675,000	(500,000)	3,175,000	2-8-1997	(附註二) (Note 2)	5.89	7.75
		2,456,000	(200,000)	2,256,000	24-1-1998	(附註二) (Note 2)	6.00	7.45
		6,131,000	(700,000)	5,431,000				
		8,931,000	(700,000)	8,231,000				

附註一： Westwood Management Limited持有60,000股普通股及12,000份認股權證，而林宜穎女士為該公司之控股股東。

Note 1: The interests in 60,000 ordinary shares and 12,000 warrants are held through Westwood Management Limited, of which Ms Lim Mooi Ying, Marianne is a controlling shareholder.

附註二： 授出之購股權可由持有人按該計劃規定，於授出並視為接納日的第二週年起計八年內隨時行使。

Note 2: The granted share options may be exercised at any time during the period of eight years from the second anniversary of the date on which the share option is deemed to be granted and accepted by the holders in accordance with the provisions of the Scheme.

除本中期報告披露者外，於二零零三年六月三十日，董事或彼等之任何聯繫人士概無於本公司或其任何相聯法團之任何股份、相關股份及債權證中擁有須登記於證券及期貨條例第352條所置存之登記冊或須根據上市公司董事證券交易標準守則而須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益或淡倉。

Save as disclosed herein, as at 30 June 2003, none of the Directors or any of their associates had any interests or short positions in any of the shares, underlying shares and debentures of the Company or any of its associated corporations that is required to be recorded and kept in the register in accordance with section 352 of the SFO, any interests required to be notified to the Company and The Stock Exchange of Hong Kong Limited ("the Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

主要股東權益

於二零零三年六月三十日，按證券及期貨條例第336條而置存之登記冊所載，下列股東擁有本公司已發行股本面值5%或以上之權益：

Substantial Shareholders' Interests

At 30 June 2003, the following shareholders were interested in 5% or more of the nominal value of issued equity share capital of the Company as recorded in the register required to be kept under section 336 of the SFO:

名稱	Name	於相關股本之權益			佔已發行股本之比重 Percentage of issued share capital
		持有之股份數目 Number of shares held	認股權證數目 Number of warrants held	總數 Total	
Victon Investment Limited	Victon Investment Limited	235,282,761	47,056,551	282,339,312	30
Amerdale Investments Limited	Amerdale Investments Limited	170,062,075	35,209,808	205,271,883	22

除上述披露者外，於二零零三年六月三十日，並無本公司之股份或相關股份之其他權益或淡倉須按證券及期貨條例第336條所規定置存於登記冊。

Save as disclosed above, no other interest or short position in the shares or underlying shares of the Company were recorded in the register required to be kept under section 336 of the SFO as at 30 June 2003.

結算日後事項

本集團之重要結算日後事項之詳情載於此等中期業績附註18。

於二零零三年七月四日，本集團與一名獨立第三方訂立一項買賣協議，出售一間附屬公司，作價為1億9千萬港元。出售事項於同日完成，並帶來除稅前收益約7百萬港元。

購買、出售或贖回上市證券

本公司或其任何附屬公司概無於回顧期內購買、出售或贖回本公司之任何上市證券。

審核委員會

審核委員會已會同管理層審閱本集團採用之會計準則及慣例，並已討論有關審核、內部監控及財務報告事項，包括審閱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中期財務報表。

Post Balance Sheet Event

Details of the significant post balance sheet event of the Group are set out in note 18 to these interim results.

On 4 July 2003, the Group entered into a sale and purchase agreement with an independent third party to dispose of a subsidiary for a consideration of HK\$190 million. The disposal was completed on the same date and resulted in a gain on disposal before tax of approximately HK\$7 million.

Purchase, Sale or Redemption of Listed Securities

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

Audit Committee

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including the review of the unaudited condensed consolidated interim financial statements for the six months ended 30 June 2003.

最佳應用守則

本公司獨立非執行董事因根據本公司之章程細則須輪換卸任及重選。除以上所述外，就董事目前所知，並無資料合理地顯示本公司於截至二零零三年六月三十日止六個月期間任何時候曾不遵守聯交所證券上市規則附錄十四之規定。

承董事會命

公司秘書
林宜穎

香港，二零零三年九月十八日

Code of Best Practice

None of the directors of the Company is aware of any information which would reasonably indicate that the Company is not, or was not, in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange at any time during the six months ended 30 June 2003 except that the independent non-executive directors are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Company's articles of association.

By Order of the Board

Lim Mooi Ying, Marianne
Company Secretary

Hong Kong, 18 September, 2003