

2003

Interim Report 中期報告



Silver Grant International Industries Limited
銀建國際實業有限公司



Corporate Information

公司資料

DIRECTORS

Zhu Dengshan (*Chairman*)
 Hui Xiao Bing (*Vice Chairman*)
 Gao Jian Min (*Managing Director*)
 Liu Tianni (*Deputy Managing Director*)
 Gu Jianguo
 Chen Yongcun
 Cheung Chung Kiu
 Yuen Wing Shing
 Yang Bin
 Kang Dian*
 Zhang Lu*

* *Independent non-executive director*

COMPANY SECRETARY

Tung Tat Chiu, Michael

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants

LAWYERS

Koo and Partners

BANKERS

Bank of China (Hong Kong) Ltd
 The Hongkong and Shanghai Banking Corporation Ltd
 The Citic Ka Wah Bank Ltd

REGISTERED OFFICE

Suite 4901, 49th Floor
 Office Tower, Covention Plaza
 1 Harbour Road, Wanchai, Hong Kong

SHARE REGISTRARS & TRANSFER OFFICE

Secretaries Limited
 Ground Floor, BEA Harbour View Centre
 56 Gloucester Road, Wanchai, Hong Kong

Website 網址 : <http://www.irasia.com/listco/hk/silvergrant>

董事

朱登山 (主席)
 惠小兵 (副主席)
 高建民 (董事總經理)
 劉天倪 (董事副總經理)
 顧建國
 陳永存
 張松橋
 袁永誠
 楊斌
 康典*
 張璐*

* 獨立非執行董事

公司秘書

佟達釗

核數師

德勤•關黃陳方會計師行
執業會計師

律師

顧愷仁律師事務所

往來銀行

中國銀行(香港)有限公司
 香港上海滙豐銀行有限公司
 中信嘉華銀行有限公司

註冊辦事處

香港灣仔港灣道一號
 會展廣場辦公大樓
 49樓4901室

股份過戶登記處

秘書商業服務有限公司
 香港灣仔告士打道56號
 東亞銀行港灣中心地下

Management Discussion and Analysis 管理討論及分析

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

FINANCIAL REVIEW

Turnover for the period has increased to HK\$127,801,000 from that of HK\$73,041,000 in the previous period, representing an increase of approximately 75%. The increase in turnover was principally a result of the significant increase (approximately 618%) in the proceeds from trading of securities of HK\$41,843,000. During the period, rental from properties leasing and properties management fee income has also increased by approximately 20% and 19% respectively. The increase in direct operating expenses was mainly due to the HK\$35,605,000 increase in cost of securities as a result of the increased securities trading activities.

Net profit for the period was HK\$61,257,000, a decrease of 13% comparing to the net profit of HK\$70,363,000 in the previous period. The decrease was due mainly to the reason that there was an exceptional gain of HK\$26,648,000 from the disposal of SilverNet Group Limited in the previous period, operating profit for the period has, apparently, increased by approximately 40% if there were no such exceptional gain. In additions, interest income has dropped by HK\$8,777,000 following the completion of the Haiyun Warehouse project in late 2002 which had contributed approximately HK\$6,500,000 interest income in the last corresponding period.

On the expenditures side, due to the reason that the operating scale of the two businesses PRC properties investment and property management has been growing, administration expenses has therefore increased by approximately 36% or HK\$9,948,000. On the other hand, finance cost for the period has decreased by approximately 45% or HK\$18,995,000 following the repayment of approximately HK\$420 million convertible bonds in August 2002 which has substantially reduced the interest payment on convertible bonds.

Profit shared from associates has also increased by 18% or HK\$8,551,000 in dollar amount. The main reason was the Group's shares of profit from Jiangxi Copper Company Limited has increased by HK\$10,743,000 during the period.

財務回顧

期內營業額從去年同期的港幣73,041,000元增加至港幣127,801,000元，增幅75%。營業額增幅主要為期內出售投資證券之收款大增港幣41,843,000元所致；期內物業租金收入及管理費收入亦分別錄得20%及19%增長。直接經營費用增加的主要因為證券投資活動大增而使到證券成本上漲了港幣35,605,000元所致。

期內稅後溢利港幣61,257,000元，較去年同期港幣70,363,000元減少13%。撇除去年因出售聯營公司銀網集團有限公司所錄得的港幣26,648,000元特殊收益，期內經營溢利實錄得約40%增長。此外，在去年同期貢獻約港幣6,500,000元利息收入的海運倉項目於二零零二年底未完工後，利息收入下降了港幣8,777,000元。

支出方面，由於國內的房地產投資以及物業管理兩項業務的經營規模不斷擴大，行政管理費用因而增加36%，相當於港幣9,948,000元。另一方面，由於本集團於二零零二年八月償還了為數約港幣4.2億元的可換股債券，因此期內的可換股債券利息支出顯著減少，使到期內之財務費用較去年同期減少45%，相當於減少港幣18,995,000元。

攤佔聯營公司溢利亦增加18%，相當於港幣8,551,000元，主要原因是本集團期內攤佔江西銅業股份有限公司之盈利增加了港幣10,743,000元所致。

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BUSINESS REVIEW AND PROSPECT

The performance of the Group's principal businesses during the period and the management strategies of those businesses are detailed below.

PRC Property Investment

During the period under review, gross rental income of East Gate Plaza achieved a growth of 23% to HK\$40,769,000 (2002: HK\$33,113,000) resulting in after tax contribution of HK\$19,713,000 (2002: HK\$17,332,000) to the Group. The rental of properties leasing has faced pressure to a certain extent in the Beijing Municipal due to increased supply. However, in the second ring road district of Beijing, the supply of service apartments of the same grading as East Gate Plaza is still limited. Competition is relatively small for the time being. Notwithstanding this, the Group has increased the competitiveness of East Gate Plaza to keep the existing tenants and to attract more quality tenants to use the units in East Gate Plaza by various effective measures such as strengthened the quality of management, enhanced the environment and raised safety level through the Group's subsidiary Beijing Yinda Property Management Limited ("Yinda").

In property development, the demolition and clearance works of the 1,500,000 square feet WangJing project has basically completed. However, due to the SARS outbreak during the period, the construction works of the WangJing project was affected to a certain extent. The Directors expect that the WangJing project will be completed by the end of 2004 or in early 2005.

業務回顧及展望

期內，本集團各主要業務的具體表現及發展策略分析於下文。

中國房地產投資

於回顧期內，東環廣場的毛租金收入錄得23%增長至港幣40,769,000元(二零零二年：港幣33,113,000元)，並為本集團貢獻稅後盈利港幣19,713,000元(二零零二年：港幣17,332,000元)。北京市的租務市場由於供應增多，出租物業的租金面對一定的壓力；唯在北京市二環路一帶，與東環廣場規格相約的服務式公寓供應仍然有限，目前的競爭還是相對較小。雖然如此，本集團已通過附屬公司北京銀達物業管理有限公司(「銀達」)加強東環廣場的管理質量、改善週邊環境以及提高安全水平等有效措施加強競爭力，以留住現有租客並同時吸引更多優質客戶租用東環廣場單位。

發展項目方面，佔地1,500,000平方尺之望京項目之拆遷工作已基本完成；可是由於期內爆發了非典型肺炎事件，望京項目的建築工程受到一定影響，董事預期望京項目將可於二零零四年末或二零零五年初完工。

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BUSINESS REVIEW AND PROSPECT

(continued)

PRC Property Investment (continued)

In property management, Yinda effectively utilized its three systems of quality control, environment control and safety control to provide international and professional management services to target customers. For the time being, Yinda has obtained ISO9001 and ISO14001 certification to signify its modernized management system and quality of services. Currently, the properties managed by Yinda includes commercial buildings, large shopping malls, service apartments and residential premises. Over 20 properties in terms of projects and exceeding 20 million square feet in terms of floor area are managed by Yinda. During the period, Yinda recorded a turnover of HK\$33,664,000 with gross profit of HK\$13,725,000 and after tax profit of HK\$1,239,000. Gross profit ratio and net profit ratio were 41% and 4% respectively. Due to the reason that Yinda is in its expansion phase, there is relatively high expenditure in term of indirect costs which has affected the net profit returns. The Group expect that when the number of properties managed by Yinda reach the scale of economy, the net profit of Yinda will growth significantly.

Beijing East Bay Investment Consultants Limited ("East Bay") is a equity joint venture with the US based RE/MAX 東灣集團 set up to engage principally in the business of property agency and property sale. The businesses of East Bay is progressing smoothly.

By incorporating the three companies, Beijing East Gate Development Co., Ltd. ("East Gate"), Yinda and East Bay, the Group can go a step forward to achieve the purpose of vertical integration to provide full-line property related services ranging from development, sales, management, leasing, agency and consultancy to extend service coverage and to enhance the coordination between various sectors for higher efficiency and effectiveness.

業務回顧及展望 (續)

中國房地產投資 (續)

物業管理方面，銀達公司有效地運用質量、環境及安全三個管理系統為目標客戶提供國際化及專業化的管理服務。銀達目前已取得ISO9001及ISO14001認證以章顯其現代化管理制度及優良服務。目前經由銀達管理的項目包括有商業樓層、大型購物商場、服務式公寓及住宅；以項目劃分，達20多個物業，以樓面面積計，所管理的樓面面積超逾2,000萬平方尺。期內銀達的營業額為港幣33,664,000元，毛利約為港幣13,725,000元，稅後盈利約港幣1,239,000元；毛盈利率及淨盈利率分別為41%及4%。由於銀達正處於擴張期，間接的行政管理費用支出相對較大，以致影響了淨盈利回報。本集團預期在銀達管理的項目到達經濟規模效益之數量時，銀達的淨盈利將會有可觀增長。

與美國RE/MAX東灣集團合資成立的北京東灣投資顧問有限公司(「東灣」)的業務以房地產代理及銷售為主。目前東灣的業務進展順利。

通過成立北京東環置業有限公司(「東環置業」)、銀達及東灣三家公司，本集團可進一步在房地產投資領域達成垂直合併策略，提供一條龍式的開發、銷售、管理、租賃、代理及顧問等與房地產相關的服務；擴大服務的覆蓋面及加強各個不同環節的協調以提高效率及效益。

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BUSINESS REVIEW AND PROSPECT

(continued)

PRC Property Investment (continued)

Regarding new projects, the Directors are now reviewing proposal to participate in the betterment and redevelopment of the Chinese Quardrangle called Siheyuan. At the same time the Directors are also considering expanding the property development business of East Gate to area other than the Beijing Municipal such as the GuangDong Province and the ShanDong Province to cope with the Group's growth strategy in respect of PRC property development.

Infrastructure Investment

The Group invests in PRC infrastructure projects through CII Limited ("CII"). During the period CII has contributed HK\$36,220,000 (2002: HK\$40,678,000) after tax profit to the Group, representing a decrease of approximately 11%.

After the disposal of the Shantou bridge and the investment in the Taian natural gas pipelines project, the one divestment and one investment strategic move, CII is still holding nine infra-structures project. At present, CII is negotiating to dispose certain bridge projects amongst which the negotiation in respect of the Zhaoqing bridge is likely to reach agreement in the second half year and will realized significant cash and reasonable returns to CII and the Group.

The strategy of CII is to dispose or gradually reduce its stake in the old projects and switch to make investments in infrastructure facilities inside major cities with focus on power supply, natural gas supply and environmental protection project, etc. At the same time, CII will endeavor to secure controlling stake in each new infrastructure project.

For the time being, CII is actively considering a number of new projects such as natural gas, power plant and water plant and will select those with good potential for investment to expand the project portfolio.

業務回顧及展望 (續)

中國房地產投資 (續)

新項目方面，董事目前現正研究投資於北京市的四合院改建、改造工程。另外董事亦正考慮把東環置業的開發業務伸延至北京市以外地區，如廣東省及山東省等地以配合本集團的中國房地產發展策略。

中國基礎建設投資

本集團透過中基投資有限公司(「中基」)參與投資中國的基礎建設項目。於回顧期內，中基為本集團貢獻稅後盈利約港幣36,220,000元(二零零二年：港幣40,678,000元)，比去年同期減少約11%。

中基在出售汕頭礮石大橋及投資泰安天然氣項目這一進一出改動後，仍然持有合共九個基建項目。目前中基正磋商出售若干大橋項目；其中出售肇慶大橋的洽談有望可於下半年達成並為中基以及本集團帶來可觀的現金回籠及理想回報。

策略上，中基將逐步出售或減持舊有的項目並轉移目標以投資於主要城市內的基礎設施如電力、供水及環保等項目為主；同時中基將致力爭取於每一個新投資的基建項目中佔有控制性股權。

新項目方面，中基正考核諸如天然氣、電廠及水廠等項目，中基將擇其優質項目作出投資以擴大項目組合。

Management Discussion and Analysis 管理討論及分析

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

BUSINESS REVIEW AND PROSPECT

(continued)

Listed Investment

Profit contribution from the associates Jiangxi Copper Company Limited ("JCCL") for the period amounted to HK\$17,126,000 (2002: HK\$6,383,000). Following the disposal of 250,000,000 H shares in JCCL after the balance sheet date which has the effect of decreasing the Group's interest in JCCL to a relative low level, the Group has, consequently, ceased to equity account for its investment in JCCL. With regards to the remaining interest in JCCL, the Group will account for the interest as a long term investment.

Explore Financial Investment

The Group's strategy is to make financial investments in area such as security investment, security brokerage, insurance, investment fund and investment banking both in Hong Kong and in China. At present, the Group has commenced business to participate in the asset disposals activities of the State-owned Assets Management Corporations and to give advise in relation to acquisition, merger and restructuring and investment in securities.

Regarding the market's focus the awaited implementation of the Qualified Domestic Institution Investors scheme ("QDII"), the Group believe that QDII may provide splendid chance for business growth. Therefore, the Director are actively considering putting in appropriate resources to participate in the QDII scheme rendering it an important element of the Group's financial investment in light of the Group's strong shareholder background and the Directors' sound financial expertise and connections.

The Directors believe that financial investments will provide a chance for rapid growth and expand the Group's source of revenue.

業務回顧及展望 (續)

上市股份投資

期內來自聯營公司江西銅業股份有限公司(「江西銅業」)的盈利貢獻約為港幣17,126,000元(二零零二年：港幣6,383,000元)。於結算日後本集團已出售250,000,000股江西銅業H股，在緊接售股後本集團於江西銅業之投資份額已減少至相對低水平，因此本集團已停止以權益法入賬處理於江西銅業的投資。至於餘下的江西銅業股份權益，本集團將以長期投資方式列賬處理。

開拓金融業務

集團策略是在香港及中國兩地投資於證券投資、證券經紀業務、保險、投資基金及投資銀行等業務。目前已展開的業務是參與國有資產管理公司的資產處理和提供收購兼併重組相關的諮詢服務及證券投資等業務。

對於近期的市場焦點，預期即將實施的認可境內機構投資者機制(「QDII」)，本集團認為長遠方面QDII可提供很大的業務發展機會，故此董事正積極研究，憑藉本集團之股東背景以及董事局各成員豐富的金融經驗與網絡，適當地投放資源於QDII方面，使其成為本集團金融業務的重要一環。

董事相信通過參與金融投資將可為本集團提供高速增長的機會及擴大本集團的收益來源。

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For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

INTERIM DIVIDEND

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

By order of the Board
GAO Jian Min
Managing Director

Hong Kong SAR, 25 September 2003

中期股息

董事不擬建議派發任何截至二零零三年六月三十日止六個月期間之中期股息(二零零二：無)。

承董事會命
高建民
董事總經理

香港特別行政區，二零零三年九月二十五日

Condensed Consolidated Income Statement

簡明綜合損益表

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

		Unaudited	
		未經審核	
		Six months ended 30 June	
		截至六月三十日止六個月	
		2003	2002
			(Restated)
		二零零三年	二零零二年
			(重列)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		Notes	
		附註	
Turnover	營業額	3	127,801
Direct operating expenses	直接經營費用		(62,770)
			73,041
			(27,892)
Other revenue	其他收益		65,031
Administrative expenses	行政管理費用		8,197
Other operating expenses	其他經營費用		(37,254)
			26,395
			(27,306)
			(2,321)
Profit from operations	經營溢利	5	33,181
Finance costs	財務費用	9	(23,602)
Other expenses	其他費用	6	—
Gain on disposal of an associate	出售聯營公司收益		(180)
Share of results of associates	攤佔聯營公司業績		—
			26,648
			56,094
			47,543
Profit before taxation	稅前溢利		65,673
Taxation	稅項	7	(3,264)
			73,331
			(1,167)
Profit after taxation	稅後溢利		62,409
Minority interest	少數股東權益		(1,152)
			72,164
			(1,801)
Net profit for the period	期內溢利淨額		61,257
			70,363
Interim dividend	中期股息		—
			—
Earnings per share	每股盈利		
Basic	基本	8	4.7 cents
			5.4 cents
Diluted	攤薄		4.6 cents
			5.3 cents

Condensed Consolidated Balance Sheet

簡明綜合資產負債表

As at 30 June 2003

於至二零零三年六月三十日

			Unaudited 未經審核 30 June 2003 二零零三年 六月三十日	Audited 經審核 31 December 2002 (Restated) 二零零二年 (重列) 十二月三十一日
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Non-current assets	非流動資產			
Investment properties	投資物業	10	1,871,414	1,871,414
Property, plant and equipment	物業、廠房及設備	10	93,693	94,713
Properties under development	在建物業		144,400	141,127
Interest in associates	於聯營公司權益		1,246,485	1,193,705
Investments in securities	證券資產		3,408	2,987
Goodwill	商譽		41,905	44,699
Negative goodwill	負商譽		(64,942)	(66,798)
Deferred tax assets	遞延稅項資產		11,581	11,084
Other assets	其他資產		7,541	8,226
Amount due from a shareholder of an associate	應收聯營公司股東款項			
— portion due after one year	— 一年後到期部份		32,500	97,500
			3,387,985	3,398,657
Current assets	流動資產			
Trade receivables	應收賬款	11	14,422	3,342
Deposits, prepayments and other receivables	按金、預付款項及其他應收賬項		24,363	41,009
Amount due from associates	聯營公司欠款		3,801	3,801
Inventories	存貨		826	1,047
Amount due from a shareholder of an associate	應收聯營公司股東款項			
— portion due within one year	— 一年內到期部份		97,500	65,000
Investments in securities	證券投資		—	17,785
Bank balances and cash	銀行結餘及現金		156,744	300,311
			297,656	432,295
Current liabilities	流動負債			
Trade payables	應付賬款	12	10,619	9,181
Accrued charge, rental deposits and other payables	應計費用、租務按金及其他應付賬項		230,200	232,969
Amount due to associates	欠聯營公司款項		314,137	361,346
Other loan	其他借款		100,000	100,000
Provision in respect of borrowings of associate	撥有關於聯營公司借款			
— due within one year	— 一年內到期		—	163,350
Taxation	稅項		743	372
Secured bank loans due within one year	有抵押銀行貸款		571,057	596,407
Secured bank overdrafts	有抵押銀行透支		51,239	—
			1,277,995	1,463,625
Net current liabilities	流動負債淨額		(980,339)	(1,031,330)
			2,407,646	2,367,327

Condensed Consolidated Balance Sheet

簡明綜合資產負債表

As at 30 June 2003

於至二零零三年六月三十日

			Unaudited 未經審核 30 June 二零零三年 六月三十日 HK\$'000 港幣千元	Audited 經審核 31 December (Restated) 二零零二年 (重列) 十二月三十一日 HK\$'000 港幣千元
Capital and reserves	資本及儲備			
Share capital	股本	13	262,444	262,444
Reserves	儲備		1,846,170	1,824,279
Shareholder's funds	股東資金		2,108,614	2,086,723
Minority interest	少數股東權益		120,282	119,130
Non-current liabilities	非流動負債			
Long term borrowings	長期借貸	14	134,476	117,200
Deferred tax liabilities	遞延稅項負債		33,015	33,015
Amount due to an associate	應付聯營公司款		11,259	11,259
			178,750	161,474
			2,407,646	2,367,327

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

		Six months ended 30 June	
		截至六月三十日止六個月	
		2003	2002
		二零零三年	二零零二年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
At beginning of the period	於期初	2,064,625	1,953,845
— as previously reported	— 以往列賬		
— adjusted on adoption of SSAP 12 (revised)	— 因採納會計實務準則第12號 (經修訂) 而作的調整	22,098	33,975
— as restated	— 經重列	2,086,723	1,987,820
Reserve realized on disposal of associate	出售聯營公司之變現儲備	—	28,298
Net profit for the period	期內淨溢利	61,257	70,363
Dividends paid during the period	期內已付股息	(39,366)	(26,244)
At the end of the period	於期末	2,108,614	2,060,237

Condensed Consolidated Cash Flow Statement

簡明綜合現金流量表

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

		Six months ended 30 June	
		截至六月三十日止六個月	
		2003	2002
		二零零三年	二零零二年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營業務所得(所用)之淨現金淨額	80,273	(31,150)
NET CASH (USED IN) FROM INVESTING ACTIVITIES	投資業務(所用)所得之現金淨額	(103,654)	173,185
NET CASH USED IN FINANCING	融資所用之現金淨額	(171,425)	(83,606)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值(減少)增加淨額	(194,806)	58,429
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	期初之現金及現金等值	300,311	174,405
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	期末之現金及現金等值	105,505	232,834
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS	現金及現金等值結存分析		
Cash and bank balances	現金及銀行存款	156,744	236,879
Bank overdraft	銀行透支	(51,239)	(4,045)
		105,505	232,834

Notes to the Condensed Consolidated Accounts

簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

1. BASIS OF PREPARATION

The condensed financial statements HAVE BEEN PREPARED in accordance with Statement of Standard Accounting Practice (“SSAP”) 25 “Interim Financial Reporting” issued by the Hong Kong Society of Accountants with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The condensed financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2002.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed financial statements have been prepared under the historical cost convention, as modified for the revaluation of land and buildings, investment properties and investments in securities.

The accounting policies adopted are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2002, except as described below.

1. 編製基準

本簡明財務報告乃根據香港會計師公會頒佈的會計實務準則(「會計實務準則」)第25號「中期財務報告」,以及香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十六有關披露之規定而編製。

本簡明財務報表應連同本集團截至二零零二年十二月三十一日止之財務報告一併參閱。

2. 主要會計政策

除了某些土地、樓宇、投資物業及投資證券是以重估價值列賬外,本集團簡明財務報表是按歷史成本為基準編製。

除下列所述以外,本簡明財務報表所採納的會計政策,與編製本集團截至二零零二年十二月三十一日止財務報告所採用者一致。

Notes to the Condensed Consolidated Accounts

簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

In the current period, the Group has adopted for the first time, the revised SSAP 12 "Income Taxes" ("SSAP 12 (Revised)"). The principal effect of the implementation of SSAP 12 (Revised) is in relation to deferred tax. SSAP 12 (Revised) required the adoption of a balance sheet liabilities method, whereby deferred tax is recognized in respect of all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, with limited exceptions. In the absence of any specific requirements in SSAP 12 (Revised), the new accounting policy has been applied retrospectively. Comparative amounts for 2002 have been restated accordingly.

The adoption of SSAP 12 (Revised) has also resulted in the initial recognition of acquired negative goodwill be adjusted and reduced to take into account the deferred tax liability in respect on the revaluation surplus of investment properties on the books of the enterprise being acquired. Accordingly, the amount of negative goodwill released to income statement in each accounting period is also reduced.

The cumulative effect of the adjustments made to the comparative amounts as a result of the adoption of SSAP12 (Revised) are summarized below.

2. 主要會計政策 (續)

本期間，本集團首次採納經修訂之會計實務準則第12號「利得稅」(「會計實務準則第12號(經修訂)」)。實施會計實務準則第12號(經修訂)之主要影響乃與遞延稅項有關。會計實務準則第12號(經修訂)規定計算遞延稅項須採納資產負債表負債法，除少數例外情況，根據財務報告內資產與負債賬面值與計算應課稅盈利所採用之相應稅基之一切暫時差異，確認作為遞延稅項。在會計實務準則第12號(經修訂)並無任何特別規定下，新會計政策已追溯應用於以往期間。二零零二年度之比較金額已相應重新呈列。

採納會計實務準則第12號(經修訂)導致首次確認的收購負商譽須予調整並減少以便反映被收購法團之賬目中有關投資物業重估增值所產生的遞延稅項負債之影響。故此每個會計期間的負商譽回撥至損益賬的金額亦須減少。

因採納會計實務準則第12號(經修訂)而對二零零二年的比較金額作出之調整的累積影響簡列如下：

Notes to the Condensed Consolidated Accounts

簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Effects on balance sheet items as at 31 December 2002:

		Negative Goodwill	Deferred tax assets	Deferred tax liabilities	Minority interest	Accumulated profits
		負商譽	遞延稅項資產	遞延稅項負債	少數股東權益	累積盈利
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		Debit (Credit)	Debit (Credit)	Debit (Credit)	Debit (Credit)	Debit (Credit)
		借方 (貸方)	借方 (貸方)	借方 (貸方)	借方 (貸方)	借方 (貸方)
As previously reported	以往列賬	(106,832)	—	—	(123,125)	(522,298)
Cumulative effect of adjustments made	調整的累積影響	40,034	11,084	(33,015)	3,995	(22,098)
Restated	重列	(66,798)	11,084	(33,015)	(119,130)	(544,396)

Effect on income statement items for the six months ended 30 June 2002:

			Negative goodwill released to income (Note)	
		Taxation 稅項	負商譽回撥至損益 (附註)	Net profit 溢利淨額
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
		Income (Expense)	Income (Expense)	Income (Expense)
		收入 (支出)	收入 (支出)	收入 (支出)
As previously reported	以往列賬	(1,797)	2,968	70,845
Cumulative effect of adjustments made	調整的累積影響	630	(1,112)	(482)
Restated	重列	(1,167)	1,856	70,363

Note: The amount was included in other revenue which has been reduced from HK\$27,507,000 to HK\$26,395,000.

附註：有關金額包括於其他收益項之內並已由港幣27,507,000元調減至港幣26,395,000元。

The Group's accounting policy for taxation following the adoption of SSAP 12 (Revised) is stated below.

本集團採納經修訂之會計實務準則第12號之會計政策詳列如下：

Notes to the Condensed Consolidated Accounts 簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Taxation

Income tax expenses represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expenses that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's liabilities for current tax is calculated using tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statement and the corresponding tax basis used in the computation of taxable profit, and is accounted for using the balance sheet liabilities method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary differences arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profits.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary differences will not receive in the foreseeable future.

2. 主要會計政策 (續)

稅項

利得稅開支指現時應付稅項計遞延稅項總額。

現時應付稅項乃按期內應課稅盈利計算。應課稅盈利不包括已撥往其他期間的應課稅收入或可扣減開支項目，亦不包括可作免稅或不可作稅項考減之項目，故與收益表所列純利不同。本集團期內稅項負債乃按於結算日已頒布或將正式頒布之稅率計算。

應付或可收回之遞延稅項乃根據財務報告內資產及負債賬面值與計算應課稅盈利所採用相應稅基之差額，以資產負債表負債法處理。遞延稅項負債一般就所有應課稅暫時差異確認，遞延稅項資產則於可扣減暫時差異有可能用以抵銷應課稅盈利時予以確認。如暫時差異由商譽(或負商譽)或由初次確認一項不影響應課稅盈利或會計盈利之交易之其他資產及負債(業務合併除外)所產生，有關資產及負債不予確認。

遞延稅項須就投資於附屬公司及聯營公司所產生應課稅暫時差異予以確認，除非本集團可控制暫時差異轉回時間，而此暫時差異在可預見的將來很可能不會轉回。

Notes to the Condensed Consolidated Accounts

簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Taxation (continued)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liabilities is settled or the asset is realized. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

2. 主要會計政策 (續)

稅項 (續)

遞延稅項資產之賬面值乃於各個結算日進行檢討，並予以相應扣減，直至並無足夠應課稅盈利可供全部或部分遞延稅項資產可予應用為止。

遞延稅項按預期適用於負債清償或資產變現期間之稅率計算。遞延稅項從收益表扣除或計入收益表，除非遞延稅項關乎直接從權益扣除或直接計入權益之項目，在該情況下遞延稅項亦於權益中處理。

遞延稅項資產及負債源自同一稅務機關所徵收之利得稅可作抵銷，本集團擬按淨額基準結算其稅項資產及負債。

Notes to the Condensed Consolidated Accounts

簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

3. TURNOVER

3. 營業額

		Six months ended 30 June	
		截至六月三十日止六個月	
		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Turnover is analyzed as follows:	營業額分析如下：		
Rental income	租金收入	45,456	38,005
Proceeds from trading of securities	買賣證券所得款項	48,613	6,770
Management fee income	管理費收入	33,664	28,212
Dividend income from listed securities	上市證券股息收入	68	54
		127,801	73,041

Notes to the Condensed Consolidated Accounts

簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

4. SEGMENT INFORMATION

For management purposes, the Group is currently organized into three operating divisions: investments, property leasing and property management. These divisions are the basis on which the Group reports its primary segment information.

By business segments:

4. 分部資料

為方便管理，本集團經營業務目前劃分為三大類：投資、物業租賃及物業管理。此等業務乃本集團呈報主要分類業務資料的基準。

按業務分部：

		For six months ended 30 June 2003 截至二零零三年六月三十日止六個月			
		Investments	Property leasing	Property management	Total
		投資	物業租賃	物業管理	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Turnover	營業額	48,681	45,456	33,664	127,801
Segment results	業績	7,679	32,527	1,239	41,445
Interest income	利息收入				4,723
Unallocated corporate expenses	未予分配行政費用				(12,987)
Profit from operations	經營溢利				33,181
Finance costs	財務費用				(23,602)
Share of results of associates	攤佔聯營公司業績				56,094
Profit before taxation	稅前溢利				65,673
Taxation	稅項				(3,264)
Profit after taxation	稅後溢利				62,409
Minority interest	少數股東權益				(1,152)
Net profit for the period	期內盈利淨額				61,257

Notes to the Condensed Consolidated Accounts

簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

4. SEGMENT INFORMATION (continued)

4. 分部資料 (續)

For six months ended 30 June 2002 (Restated)
截至二零零二年六月三十日止六個月 (重列)

		Investments 投資 HK\$'000 港幣千元	Property leasing 物業租賃 HK\$'000 港幣千元	Property management 物業管理 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Turnover	營業額	6,824	38,005	28,212	73,041
Segment results	業績	11,384	30,357	1,313	43,054
Loss on repurchase of convertible bonds	回購可換股債券產生之虧損				(980)
Interest income	利息收入				13,500
Unallocated corporate expenses	未予分配行政費用				(13,837)
Finance costs	財務費用				(42,597)
Gain on disposal of an associate	出售聯營公司收益				26,648
Share of results of associates	攤佔聯營公司業績				47,543
Profit before taxation	稅前溢利				73,331
Taxation	稅項				(1,167)
Profit after taxation	稅後溢利				72,164
Minority interest	少數股東權益				(1,801)
Net profit for the period	期內溢利淨額				70,363

By geographical markets:

按市場地域：

Six months ended 30 June
截至六月三十日止六個月

Turnover
營業額

		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Hong Kong	香港	50,246	9,006
The PRC, excluding Hong Kong	中國 (香港除外)	77,555	64,035
		127,801	73,041

Notes to the Condensed Consolidated Accounts

簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

5. PROFIT FROM OPERATIONS

5. 經營盈利

		Six months ended 30 June	
		截至六月三十日止六個月	
		2003	2002
			(Restated)
		二零零三年	二零零二年 (重列)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
<i>Profit from operations has been arrived at after charging:</i>	經營盈利已扣除：		
Depreciation	折舊	2,533	1,551
Amortization of convertible bonds issuing cost	可換股債券發行成本攤銷	—	632
Amortization of goodwill	商譽攤銷	2,793	2,793
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	—	525
<i>And after crediting:</i>	並已計入：		
Interest income	利息收入	4,723	13,500
Release to income of negative goodwill	負商譽回撥損益	1,856	1,856

6. OTHER (EXPENSES) INCOME

6. 其它(支出)收入

		Six months ended 30 June	
		截至六月三十日止六個月	
		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Profit on disposal of investment property	未變現投資證券收益	—	800
Loss on repurchase of convertible bonds	回購可換股債券產生之虧損	—	(980)
		—	(180)

Notes to the Condensed Consolidated Accounts

簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

7. TAXATION

7. 稅項

		Six months ended 30 June	
		截至六月三十日止六個月	
		2003	2002
			(Restated)
		二零零三年	二零零二年
			(重列)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
The charge comprises:	稅項包括：		
Company and subsidiaries	本公司及附屬公司		
Income tax in the PRC,	中國(除香港外)		
excluding Hong Kong	之所得稅	445	310
Share of taxation of	應佔聯營公司稅項		
associates			
Income tax in the PRC,	中國(除香港外)之所得稅	3,315	1,487
excluding Hong Kong			
		3,760	1,797
Deferred tax expenses	遞延稅項支出		
(income)	(收益)		
Current period	現時	543	(630)
Attributable to change	由稅率變動引致	(1,039)	—
in tax rate			
		(496)	(630)
		3,264	1,167

No provision for Hong Kong Profits Tax has been made, as the Group has no assessable profit for the period and the previous period. PRC income tax is calculated at the rates prevailing in the respective jurisdictions.

由於本集團於期內及去年同期並無應課稅盈利，故並無作出香港利得稅撥備。中國的所得稅乃按各司法地區的當前稅率計算。

Notes to the Condensed Consolidated Accounts

簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

8. EARNINGS PER SHARE

8. 每股盈利

		Six months ended 30 June	
		截至六月三十日止六個月	
		2003	2002
			(Restated)
		二零零三年	二零零二年 (重列)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Earnings for the purpose of basic and diluted earnings per share	用以計算每股基本及攤薄盈利之盈利	61,257	70,363
		No. of shares (in thousand)	
		股數(千)	
		2003	2002
		二零零三年	二零零二年
Weighted average number of shares for the purpose of basic earnings per share	用以計算每股基本盈利之加權平均普通股	1,312,222	1,312,222
Effect of dilutive potential ordinary shares from share options	有潛在攤薄效應發行自購股權之普通股	5,374	5,114
Weighted average number of shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利之加權平均普通股	1,317,596	1,317,336

There is no potential dilutive effect on the conversion of the outstanding convertible bonds for the period and the previous period.

可換股債券之換股對期內及去年同期之每股盈利並無構成攤薄影響。

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簡明綜合賬目附註

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9. FINANCE COST

9. 財務費用

		Six months ended 30 June	
		截至六月三十日止六個月	
		2003	2002
		二零零三	二零零二
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interest on bank loan and overdraft wholly repayable within five years	悉數於五年內償還之銀行貸款及透支利息	15,723	18,337
Interest on convertible bonds	可換股債券利息	8	14,292
Interest on provision in respect of borrowings of associate	提撥有關聯營公司借貸利息	1,550	6,546
Interest on other loan wholly repayable within five year	悉數於五年內償還之其他貸款利息	5,595	2,790
Interest on advance from an associate	聯營公司墊款利息	3,164	—
Amortization of direct issuing costs of convertible bonds	攤銷可換股債務直接發行費用	—	632
Total finance costs	財務費用總額	26,040	42,597
Less: Amount capitalized in properties under development	減：於在建物業中資本化之金額	(2,438)	—
		23,602	42,597

Notes to the Condensed Consolidated Accounts

簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

10. INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

10. 投資物業及物業、廠房及設備

		Investment properties	Property, Plant and equipment
		投資物業 HK\$'000 港幣千元	物業、 廠房及設備 HK\$'000 港幣千元
Net book value at 1 January 2003	於二零零三年一月一日 之賬面淨值	1,871,414	94,713
Additions	增加	—	1,737
Disposal	出售	—	(224)
Depreciation	折舊	—	(2,533)
Net book value at 30 June 2003	於二零零三年六月 三十日之賬面淨值	1,871,414	93,693

Notes to the Condensed Consolidated Accounts

簡明綜合賬目附註

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

11. TRADE RECEIVABLES

The Group allows an average credit period of 30 days to its trade customers.

The following is the aged analysis of trade receivables at the balance sheet date:

		Unaudited 未經審核 30 June 2003 二零零三年 六月三十日 HK\$'000 港幣千元	Audited 經審核 31 December 2002 二零零二年 十二月三十一日 HK\$'000 港幣千元
0 to 30 days	零至三十日	3,207	1,717
31 to 90 days	三十一至九十日	11,215	681
Over 90 days	超過九十日	—	944
		14,422	3,342

11. 應收賬款

本集團給與貿易客戶平均三十天信用期。

下述是應收賬款於結算日之賬齡分析：

12. TRADE PAYABLES

The following is the aged analysis trade payables at the balance sheet date:

		Unaudited 未經審核 30 June 2003 二零零三年 六月三十日 HK\$'000 港幣千元	Audited 經審核 31 December 2002 二零零二年 十二月三十一日 HK\$'000 港幣千元
0 to 30 days	零至三十日	1,515	2,956
31 to 90 days	三十一至九十日	3,175	3,003
Over 90 days	超過九十日	5,929	3,222
		10,619	9,181

12. 應付賬款

下述是應付賬款於結算日之賬齡分析：

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簡明綜合賬目附註

For six months ended 30 June 2003

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13. SHARE CAPITAL

The movements in the share capital of the Company are summarized as below.

13. 股本

本公司股本於期內之變動簡述如下。

		Number of shares 股份數目	Share capital 股本 HK\$'000 港幣千元
<i>Authorised:</i>	法定股本：		
Balance at 1 January 2002, 30 June 2002, 1 January 2003 and 30 June 2003, ordinary shares of HK\$0.2 each	每股面值0.20港元之普通股 股於2002年1月1日、 2002年6月30日、2003年 1月1日及2003年6月30日 之結餘	2,000,000,000	400,000
<i>Issued and fully paid:</i>	已發行及繳足股本：		
Balance at 1 January 2002, 30 June 2002, 1 January 2003 and 30 June 2003, ordinary shares of HK\$0.2 each	每股面值0.20港元之普通 股於2002年1月1日、 2002年6月30日、2003年 1月1日及2003年6月30日 之結餘	1,312,221,611	262,444

14. LONG TERM BORROWINGS

14. 長期借貸

		Six months ended 30 June 截至六月三十日之六個月	
		2003 二零零三年 (Unaudited) (未經審核) HK\$'000 港幣千元	2002 二零零二年 (Unaudited) (未經審核) HK\$'000 港幣千元
Bank loans	銀行貸款	588,332	596,407
Other loans	其他借款	215,640	215,640
Convertible bonds	可換股債務	1,560	1,560
		805,532	813,607
Less: Amount due within one year shown under current liabilities	減：列入流動負債並 於一年內到期的款項	(671,057)	(696,407)
		134,475	117,200
Secured	有抵押	588,332	596,407
Unsecured	無抵押	217,200	217,200
		805,532	813,607

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DIRECTORS' INTERESTS IN SHARES

As at 30th June, 2003, the interests and short positions of the directors of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (as defined in Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

Name of director	董事姓名	Number of ordinary shares (Corporate Interests) 普通股數目 (公司權益)	Underlying shares pursuant to share options 購股權相關股份	Total interest 權益總額	Percentage of total issued share capital 佔已發行股本 百分比
CHEN Yongcun	陳永存	—	7,000,000 (Note 3 附註三)	7,000,000	0.53%
CHEUNG Chung Kiu	張松橋	35,994,000 (Note 2 附註二)	—	35,994,000	2.74%
GAO Jian Min	高建民	—	20,000,000 (Note 3 附註三)	20,000,000	1.52%
GU Jianguo	顧建國	—	2,000,000 (Note 3 附註三)	2,000,000	0.15%
LIU Tianni	劉天倪	—	10,000,000 (Note 3 附註三)	10,000,000	0.76%

Notes: —

- All interests in the shares and underlying shares of equity derivatives of the Company are long positions.
- Oriental Pearl Holdings Limited, a company controlled by Oriental Pearl Trust, of which Mr. CHEUNG Chung Kiu and his family are the beneficiaries, directly holds 35,994,000 shares in the Company.

董事之股份權益

於二零零三年六月三十日，董事於本公司及其相聯法團(定義見證券及期貨條例第XV部(「證券及期貨條例」))載於本公司根據證券及期貨條例第352條規定須予置存的登記冊所示或已根據上市公司董事進行證券交易的標準守則向本公司或聯交所作出申報的股份、相關股份及債券權益及短倉如下：

附註：

- 所有於本公司股份或相關股份的權益為好倉。
- 張松橋先生及其家族成員實益擁有的 Oriental Pearl Trust 通過其控制的 Oriental Pearl Holdings Limited 直接持有本公司 35,994,000 股。

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DIRECTORS' INTERESTS IN SHARES (continued)

3. *These represents interests of options granted to the directors under the Old Option Scheme and New Option Scheme to acquire for shares of the Company, further details of which are set out in the section headed "Directors' right to acquire shares or debenture".*

Other than as disclosed above and in the section below headed "Director's right to acquire shares or debenture" and "Substantial shareholders", none of the directors of the Company held any interest or short positions in the shares, underlying shares or debenture of the Company or its associated corporations and none of the directors, or their spouses or children under the age of 18, had been granted any right to subscribe for the equity or debt securities of the Company or its associated corporations, or had exercised any such right during the period.

董事之股份權益 (續)

- 三. 此等為根據舊購股權計劃及新購股權計劃授予董事的購股權權益以認購本公司股份，有關詳情載於「董事購入股份及債券之權利」部分。

除上述所披露者及下文「董事購入股份或債券之權利」及「主要股東」兩節所披露者外，於期內，本公司之董事概無持有本公司或其聯營法團之任何股份、相關股份或債券的權益或短倉，而各董事或彼等之配偶或十八歲以下之子女，概無獲授任何可認購本公司或其聯營法團的股本或債務證券之權利或曾行使任何該等權利。

Other Information 其他資料

For six months ended 30 June 2003

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DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURE

董事購入股份或債券之權利

Movements during the period of share options granted to the directors and other employees under the Old Option Scheme and the New Option Scheme are set out below:

根據舊購股權計劃及新購股權計劃授予董事及其它僱員之購股權於期內之變動如下：

Name of director	董事姓名	Date of grant	Number of options granted	Exercisable period	Exercise price per share	Outstanding
						at 1 January 2003 and 30 June 2003
		授出日期	授出購股權數目	可予行使期間	每股行使價	於二零零三年一月一日及二零零三年六月三十日尚未行使
CHEN Yongcun	陳永存	24/07/2001	2,000,000	25/07/2001-24/07/2011	0.535	2,000,000
		07/06/2002	5,000,000	07/06/2002-06/06/2012	0.700	5,000,000
GAO Jian Min	高建民	08/01/1997	15,000,000	09/01/1997-08/01/2007	0.967	15,000,000
		07/06/2002	5,000,000	07/06/2002-06/06/2002	0.700	5,000,000
GU Jianguo	顧建國	26/07/1999	2,000,000	27/07/1999-26/07/2009	0.900	2,000,000
LIU Tianni	劉天倪	26/07/1999	2,000,000	27/07/1999-26/07/2009	0.900	2,000,000
		24/07/2001	3,000,000	25/07/2001-24/07/2011	0.535	3,000,000
		07/06/2002	5,000,000	07/06/2002-06/06/2012	0.700	5,000,000
						39,000,000
Other employees	其他僱員	08/01/1997	15,000,000	09/01/1997-08/01/2007	0.967	15,000,000
		26/07/1999	16,000,000	27/07/1999-26/07/2009	0.900	16,000,000
		24/07/2001	21,000,000	25/07/2001-24/07/2011	0.535	21,000,000
		07/06/2002	55,000,000	07/06/2002-06/06/2012	0.700	55,000,000
						107,000,000
						146,000,000

Note: No of share options were granted, exercised, lapsed or cancelled during the period

附註：期內並無任何購股權授出、獲行使、失效或取銷。

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DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURE *(continued)*

Other than as disclosed above, at no time during the period was the Company or its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debenture of, the Company or any other body corporate.

董事購入股份或債券之權利 (續)

除上文所披露者外，本公司或其附屬公司概無於期內任何時間訂立任何安排，促使本公司之董事可籍購入本公司或任何其他法人團體之股份或債券而得益。

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2003, the following shareholders were interested in 5% or more of the issued share capital of the Company as recorded in the register required to be kept by the Company under Section 336 of SFO:

主要股東

於二零零三年六月三十日，按照本公司根據證券及期貨條例第336條規定須予置存的登記冊所載，下列股東擁有本公司已發行股本5%或以上：

Name of shareholder	Capacity (Corporate interest)	Number of ordinary shares 普通股股數 (公司權益)	Percentage of issued share capital 佔已發行股份百分比
股東名稱	身份		
Silver Grant International Holdings Limited	beneficial owner	198,820,022 <i>(Note 1 附註一)</i>	15.15%
Catic Limited	beneficial owner	175,768,000 <i>(Note 1 附註二)</i>	13.39%
Maxtrack Limited	beneficial owner	113,198,400 <i>(Note 3 附註三)</i>	8.63%
Asia Like Securities Investment Limited	beneficial owner	108,600,000 <i>(Note 1 附註四)</i>	8.28%
CII Chongqing (BVI) Limited	beneficial owner	144,766,000 <i>(Note 1 附註五)</i>	11.03%

Notes:

- Messrs. Hui Xiao Bing and Gao Jian Min, both of whom are directors of the Company, each has a 30% interest in Silver Grant International Holdings Limited as at 30 June 2003.

附註:

- 惠小兵先生及高建民先生彼等均為本公司董事於二零零三年六月三十日各自擁有 Silver Grant International Holdings Limited 30%權益。

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SUBSTANTIAL SHAREHOLDERS (continued)

2. Catic Limited is a wholly-owned subsidiary of Wellkent International Investment Limited, which in turn is a wholly-owned subsidiary of China Cinda Asset Management Corporation. Accordingly, Catic Limited's interests are recorded as the interests of Well Kent International Investment Limited and China Cinda Asset Management Investment Limited.
3. Maxtrack Limited is a wholly-owned subsidiary of Well Kent International Holdings Company Limited, which in turn is a wholly-owned subsidiary of China Construction Bank. Accordingly, Maxtrack Limited's interests are recorded as the interests of Well Kent International Holdings Company Limited and China Construction Bank.
4. Asia Like Securities Investment Limited is a wholly-owned subsidiary of Everbright Investment & Management Limited, which in turn is a wholly-owned subsidiary of China Everbright Holdings Company Limited. Accordingly, Asia Like Securities Investment Limited's interests are recorded as the interests of Everbright Investment & Management Limited, China Everbright Holdings Company Limited and China Everbright Holdings Company Limited.
5. CII Chongqing (BVI) Limited is a wholly-owned subsidiary of CII Limited, which in turn is 50% owned by Silver Grant International Infra-Structure Investment Limited, which in turn is a wholly-owned subsidiary of Silver Grant International Infra-Structure Investment Limited which in turn is a wholly-owned subsidiary of the Company. Accordingly, CII Chongqing (BVI) Limited's interests are recorded as the interests of CII Limited, Silver Grant Infra-Structure Investment (BVI) Limited, Silver Grant International Infra-Structure Investment Limited and the Company.

All interests stated above represent long positions. Save as disclosed above, the register required to be kept under section 336 of the SFO showed that the Company had not been notified of any interests or short positions in the shares and underlying shares of the Company as at 30 June 2003.

主要股東 (續)

- (二) Catic Limited 為中國信達資產管理公司的全資附屬公司Well Kent International Investment Company Limited的全資附屬公司。因此Catic Limited之權益亦記錄為Well Kent International Investment Company Limited及中國信達資產管理公司權益。
- (三) Maxtrack Limited為中國建設銀行的全資附屬公司Well Kent International Holdings Limited的全資附屬公司。因此Maxtrack Limited之權益亦記錄為Well Kent International Holdings Limited及中國建設銀行的權益。
- (四) Asia Like Securities Investment Limited 為中國光大集團有限公司的全資附屬公司Everbright Investment & Management Limited的全資附屬公司。間接擁有之全資附屬公司。因此Asia Like Securities Investment Limited之權益亦記錄為Everbright Investment & Management Limited及中國光大集團有限公司的權益。
- (五) CII Chongqing (BVI) Limited為本公司的全資附屬公司Silver Grant Infra-Structure Investment (BVI) Limited的全資附屬公司銀建國際基建投資有限公司持有其50%權益之中基投資有限公司的全資附屬公司。因此CII Chongqing (BVI) Limited的權益亦記錄為中基投資有限公司、Silver Grant Infra-structure Investment (BVI) Limited、銀建國際基建投資有限公司及本公司的權益。

上述呈列的所有權益均為長倉。除上文所披露者外，根據證券及期貨條例第336條規定須予置存的登記冊所示，本公司並無接獲任何有關本公司股份及相關股份於二零零三年六月三十日的權益或短倉申報。

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PURCHASE, SALE AND REDEMPTION OF THE GROUP'S LISTED SECURITIES

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

購買、出售或贖回本集團之上市證券

期內，本公司或其任何附屬公司概無於期內購買、出售或贖回本公司之任何上市證券。

HUMAN RESOURCES

At 30 June 2003, the Group has approximately 1,450 employees of which 20 are employed in Hong Kong. The rest are employed in PRC. The employment terms offered by the Group are consistent with the prevailing market practice and is maintained at competitive levels. Year end bonuses are also granted, on a discretionary basis, to individual employee according to performance. Other employee benefits include mandatory provident fund, insurance and medical cover as well as share option scheme. Total staffing costs for the period amount to HK\$13,993,000.

The retirement protections of Hong Kong employees are achieved by implementing the MPF scheme. Retirement protections of employees in the PRC are achieved by joining the State managed retirement benefit scheme with the Group making contributions to the scheme according to the relevant laws.

人力資源

於二零零三年六月三十日，本集團之僱員人數約為1,450人，其中有20人於香港受僱聘用，其餘均於國內受僱聘用。本集團聘用員工的條件均符合聘用當地的市場情況並且具有競爭力，僱員亦可享有年終花紅但需視個別員工之表現酌情發放。其他僱員福利包括公積金、保險及醫療福利及購股權計劃。期內的員工費用支出總額約為港幣13,993,000元。

香港僱員的退休保障通過執行強制性公積金計劃達到。國內僱員方面則通過參加國家管理的退休福利計劃並根據有關法規由本集團作出供款達到。

EXCHANGE EXPOSURE AND HEDGING

The Group's principal assets, liabilities, income and expenditure are denominated in HKD and RMB. The Directors are of the opinion that the exchange exposure from fluctuations in exchange rates is limited. The Group does not take any contractual arrangement to hedge exchange exposure.

匯兌風險及對沖

本集團的主要資產、負債、收入及支出是以港幣及人民幣為單位。董事預期由匯率波動所帶來之匯兌風險是有限的。本集團概無就對沖匯兌風險執行任何合約形式的布置。

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WORKING CAPITAL AND BORROWINGS

The Group's total bank loan as at 30 June 2003 was approximately HK\$639,571,000 out of which HK\$529,907,000 are RMB denominated short-term revolving working capital loans drawn, with interest rate fixed at each drawdown, by East Gate under a long-term master facility. The Directors believe that the working capital loan can be renewed and is not repayable within one year. The rest comprises mainly mortgage loan in respect of the Group's quarter, term loan and overdraft facility utilized on the balance sheet date all of which are denominated in HKD and bear interest at floating rates.

Apart from the bank loans, the Group also has other loans, denominated in HKD, amounting to HK\$215,640,000 of which approximately 46% bear interest charged at floating rate and the remaining at fixed rate. Approximately 54% of the other loans are repayable after one year and the remaining are repayable within one year.

As at 30 June 2003, the Group still has convertible bonds of principal amount of US\$200,000 outstanding which is due repayable in August 2004. The coupon rate of the convertible bonds is 1%.

The cash and bank balances as at 30 June 2003 were approximately HK\$156,744,000. In addition, there are committed but not yet utilized banking facilities of approximately HK\$84,000,000. And the Group does not have any material capital commitment at the balance sheet date. The Directors are confident that the working capital of the Group is adequate for daily operations.

As at 30 June 2003, the gearing ratio of the Group was 33%. The net asset value per share and EPS were HK\$1.6 and HKD 5 cents respectively resulting in annualised return on capital of 6%. The interest coverage rate was 4 times.

Notes: Gearing ratio = (Interest bearing indebtedness – cash and bank balances)/Shareholders' Equity
Net asset value per share = Shareholder equity/Total number of issued shares
Return on capital = EPS/Net asset value per share
Interest coverage = Earnings before interest and taxation/Total interest expense

營運資金及借貸

本集團於二零零三年六月三十日的銀行貸款總額約港幣639,571,000元，其中有約529,907,000港元為以人民幣為單位的一項長期授信額度下由東環置業提用，利率於每次提款時固定之營運資金循環貸款。董事相信該營運資金貸款將可獲續期而無須於一年內歸還。餘下部分主要由本集團的宿舍按揭貸款、特定貸款及於結算日已提用的透支額度組成；所有貸款均以港幣為單位及以浮動利率計息。

除銀行貸款外，本集團亦有為數港幣215,640,000元以港幣為單位的其他借款，其中約有46%以浮動利率計息，其餘以固定利率計息。其他借款中有約54%於一年後到期，其餘須於一年內償還。

於二零零三年六月三十日，本集團仍然有未償還本金金額200,000美元的可換股債券，有關債券須於二零零四年八月中償還。可換股債券的票面利率為1%。

於二零零三年六月三十日的現金及銀行存款約為港幣156,744,000元。另外已經落實但未予提用的銀行授信額度約為港幣84,000,000元。同時於結算日，本集團並無任何重大的資本性開支承擔。董事相信本集團的營運資金足夠應付日常運作之需要。

本集團於二零零三年六月三十日之資本與負債比率為33%。每股淨資產值及每股盈利分別為港幣1.6元及港幣5仙，折合成股本年回報率為6%。利息償付比率為4倍。

註：資本與負債比率=(帶息負債 – 銀行存款及現金)/股東權益
每股淨資產值=淨資產值/總發行股數
股本回報率=每股盈利/每股淨資產值
利息償付比率=未計利息及稅前盈利總額/總利息支出

Other Information

其他資料

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

PLEDGE OF ASSETS

The Group has pledged its investment properties and leasehold properties which have an aggregate carrying value at the balance sheet date of approximately HK\$1,699,382,000 (31 December 2002: HK\$1,699,382,000) and HK\$61,000,000 (31 December 2002: HK\$61,000,000) respectively to secure general banking facilities granted to the Group.

資產押記

於二零零三年六月三十日，本集團已抵押賬面總值分別港幣1,699,382,000元(二零零二年十二月三十一日：港幣1,699,382,000元)及港幣61,000,000元(二零零二年十二月三十一日：港幣61,000,000元)之投資物業及租賃物業以為本集團所獲得一般銀行融資的條件。

CONTINGENT LIABILITIES

The Group has provided a guarantee in respect of a bank loan granted to a wholly-owned subsidiary of an associate amounting to approximately HK\$233,645,000 (31 December 2002: HK\$233,645,000), to the extent of 52%. The amount of the bank loan outstanding at the balance sheet date amounted to approximately HK\$233,645,000 (31 December 2002: HK\$233,645,000).

或然負債

本公司就一家聯營公司的全資附屬公司所獲得約港幣233,645,000元(二零零二年十二月三十一日：港幣233,645,000元)之銀行貸款提供最多52%份額的擔保。有關貸款於結算日之結餘金額約為港幣233,645,000元(二零零二年十二月三十一日：港幣233,645,000元)。

AUDIT COMMITTEE

The member of the Audit Committee comprise Mr. Kang Dian and Mr. Zhang Lu both being independent non-executive directors of the Company.

審核委員會

審核委員會成員由本公司的兩名獨立非執行董事康典先生及張璐先生組成。

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters of the Group. The Audit Committee has also reviewed and approved the financial statements of the period.

審核委員會連同管理層已經審閱過本集團採納使用的會計準則及實務並且就本集團的審計、內部監控及財務匯報制度等事宜進行討論。審核委員會亦已審閱了並批准了本期間的財務報告。

CORPORATE GOVERNANCE

The Group is dedicated to maintain a good framework of corporate governance with a view to be transparent, open and accountable to our shareholders. The Group endeavor to follow prevailing market practices and standards in managing businesses of the Group.

企業管治

本集團一直致力維持優良的企業管治架構以為本公司股東提供一個公開、負責和高透明度的管治政策。本集團致力遵循現行的市場慣例及標準管理本集團的業務。

Other Information

其他資料

For six months ended 30 June 2003

截至二零零三年六月三十日止六個月

POST BALANCE SHEET EVENTS

On 20 August 2003, the Group has disposed 250,000,000 H shares in Jiangxi Copper Limited held by an indirect associate to independent third party. The disposal has realized approximately HK\$206,250,000 before expenses in cash to the Group which has strengthen further the Group's financial position.

結算日後事項

於二零零三年八月二十日，本集團向一獨立第三者出售由本公司的間接聯營公司所持有的250,000,000股江西銅業H股。本集團於該項出售行動扣除費用前的套現所得約港幣206,250,000元進一步加強了本集團的財務狀況。

COMPLIANCE WITH CODE OF BEST PRACTICE

None of the directors is aware of an information that would reasonably indicate that the Company is not or was not during the period in compliance with the Code of Best Practice set out in the Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange.

遵守最佳應用守則

本公司並無任何董事知悉任何資料足以合理地指出本公司現時或在中期報告所函蓋的會計期間內任何時間未有遵守聯交所上市規則附錄14所載之最佳應用守則規定。

