

# Chairman's Statement

## BUSINESS REVIEW

### Results

The Group's turnover for the six months ended 30 September 2003 increased by 51% to HK\$157M (2002: HK\$104M) whilst net profit after tax amounted to HK\$5.1M (2002: loss of HK\$15.1M). The Group's gross profit ratio increased to 25% for the six months ended 30 September 2003 (2002: 23%). The increase in turnover was primarily due to the completion of certain large-scaled contracts, the largest of which was the works at Kowloon Shangri-la Hotel in Hong Kong. In addition, the Group's strategy to switch its emphasis from the Hong Kong and Mainland China interior fitting-out markets into overseas markets which produced furniture supply contracts for the Group for various international hotel chains that were completed during the period under review.

### Operations

Hong Kong and Mainland China continued to be the principal markets of the Group over the first six months of the year and accounted for approximately 54% (2002: 71%) of the Group's turnover. Owing to an increase of furniture supply contracts in the overseas market, in particular, the US market, a substantial increase in turnover was recorded in this geographical sector which amounted to 39% (2002: 12%) of the Group's turnover.

During the period under review, the Group completed interior fitting-out projects and/or supply of furniture for the Kowloon Shangri-la Hotel (Phase II & III), a large residence at Hong Lok Yuen, Hong Kong, Four Seasons Hotel – Whistler, Canada and the Renaissance Hotel – Aruba. Shop fixtures were supplied to several Ermenegildo Zegna stores in Mainland China and to several Swatch stores in Australia and Taiwan. The Group also undertook the project to supply the Louis Vuitton Store in Guangzhou, Mainland China.

Projects currently in progress include large residential projects at Big Wave Road and Stafford Road in Hong Kong, furniture supply contracts for Hilton Hotel, Long Beach, USA, Hard Rock Hotel, Tampa, and Hyatt Hotel, Newporter, USA and shop fixtures project for a Salvatore Ferragamo store in Taipei.

## OUTLOOK

The Group's focus on diversifying its markets and products over the last two years helped it return to profitability in the first half of this financial year. However, the future is now clouded by the possibility of prohibitive tariffs on bedroom furniture exported to the United States. No results will be known from the current anti-dumping hearings in Washington D.C. for at least two months but hospitality clients in the U.S. are already delaying orders for fear of having to pay these tariffs should they place orders for deliveries more than 8 to 10 weeks beyond the order date.

In light of this development, the Group is expediting efforts to develop the European market. Prospects in that region have improved due to the strength of the Euro which makes the Group's products more attractively priced within the European Union. In October, the company established a small office in Paris to develop business in the French speaking areas of Europe and North Africa. This office will work in conjunction with the Copenhagen office to provide better coverage of the region.

The Group will continue to rigidly control expenses and will reduce costs wherever possible. It will continue to pursue business in new markets. For these reasons, we feel the Group will deliver promising results for the full year.

## APPRECIATION

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

## TSANG CHI HUNG

*Chairman*

Hong Kong, 8 December 2003

## 業務回顧

### 業績

截至二零零三年九月三十日止六個月，本集團之營業額為1.57億港元（二零零二年：1.04億港元），較去年同期增加51%，稅後純利為510萬港元（二零零二年：淨虧損1,510萬港元）。截至二零零三年九月三十日止六個月的毛利率增加至25%（二零零二年：23%）。營業額之增加，其基本原因是由於部份大型工程，其中包括最大的九龍香格里拉酒店的翻新項目，均告完工。此外，本集團亦逐步實行去年所定下之策略方針，將香港及中國內地之室內裝飾工程業務市場轉移至其他海外市場，並為集團取得多份國際連鎖性酒店之傢俬供應合約，而該等合約於本期內亦已完工。

### 業務

香港及中國內地本年度首六個月仍為本集團的主要市場，合共佔集團總營業額約54%（二零零二年：71%）。因傢俬供應合約於海外市場，特別是美國市場的增加，使營業額在此地區錄得顯著增長，達本集團營業額的39%（二零零二年：12%）。

回顧過去半年，本集團參與並完成了的室內裝飾工程及／或傢俬供應項目包括：九龍香格里拉酒店（第二及三期）的翻新項目、香港康樂園的大型住宅項目、加拿大Whistler的四季酒店、阿魯巴的萬麗酒店。此外，本集團亦為Ermenegildo Zegna位於中國內地的數間店舖、Swatch位於澳洲及台灣的數間店舖，及Louis Vuitton位於中國內地廣州的店舖，提供店舖傢俬裝置供應。

至於目前仍在進行中的室內裝飾工程項目包括：香港大浪灣住宅項目、香港士他弗道住宅項目；而仍在進行的傢俬供應項目包括：美國Long Beach的希爾頓酒店、美國Tampa的Hard Rock Hotel、美國Newporter的凱悅酒店，及為台北Salvatore Ferragamo提供店舖傢俬裝置供應。

### 展望

本集團於過去兩年致力拓展多元化的市場及產品，已幫助本集團於本期內轉虧為盈。但出口至美國之睡房傢俬有可能被徵收懲罰性關稅，令前景不明朗。雖然華盛頓現時之反傾銷聆訊於兩個月內應未有結果，但美國之酒店客戶已將需要超過八至十星期付運的訂單推遲，以防需要繳付關稅。

因上述之發展情況，本集團現加速發展歐洲市場。歐元的強勢改善了該地區的前景，亦令本集團產品的價格在歐盟內更加吸引。在本年十月，本公司在巴黎設立小型辦事處以拓展在歐洲及北非洲法語地區的業務。此辦事處會與哥本哈根的辦事處共同兼顧區內更大的覆蓋範圍。

本集團將會繼續嚴格地控制支出及盡量削減成本，並繼續在新市場發展業務，基於此等理由，董事會對本集團全年業績充滿希望。

### 致謝

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

主席  
曾志雄

香港，二零零三年十二月八日

# Management Discussion and Analysis

The following comments should be read in conjunction with the condensed financial statements of Decca Holdings Limited and the related notes of the accounts.

## REVIEW OF RESULTS

During the period under review, the Group's turnover increased by 51% to HK\$157M (2002: HK\$104M) whilst net profit after tax amounted to HK\$5.1M (2002: a loss of HK\$15.1M). The Group's gross profit ratio increased to 25% (2002: 23%).

The increase in turnover was primarily due to the completion of certain large-scaled contracts, the largest of which was the works at the Kowloon Shangri-la Hotel in Hong Kong. In addition, the Group's strategy to switch its emphasis from the Hong Kong and Mainland China interior fitting-out markets into overseas markets which produced furniture supply contracts for the Group for various international chains that were completed during the period under review.

Hong Kong and Mainland China continued to be the principal markets of the Group over the first six months of the year and accounted for approximately 54% (2002: 71%) of the Group's turnover. Owing to an increase of furniture supply contracts in the overseas market, in particular, the U.S. market, a substantial increase in turnover was recorded in this geographical sector which amounted to 39% (2002: 12%) of the Group's turnover.

Net profit after tax amounted to HK\$5.1M was recorded during this period. It was mainly due to the increase in turnover especially in the furniture supply business and the tight control on the distribution costs and administrative expenses of the Group.

During the period under review, the Group completed interior fitting out projects and/or supply of furniture for the Kowloon Shangri-la Hotel (Phase II & III), a large residence at Hong Lok Yuen, Hong Kong, Four Seasons Hotel – Whistler, Canada and the Renaissance Hotel – Aruba. Shop fixtures were supplied to several Ermenegildo Zegna stores in Mainland China and to several Swatch stores in Australia and Taiwan. The Group also undertook the project to supply the Louis Vuitton Store in Guangzhou, Mainland China.

Projects currently in progress include large residential projects at Big Wave Bay and Stafford Road in Hong Kong, furniture supply contracts for Hilton Hotel, Long Beach, USA, Hard Rock Hotel, Tampa and Hyatt Hotel, Newporter, USA and shop fixtures project for a Salvatore Ferragamo store in Taipei.

下列之意見應與達藝控股有限公司之簡明財務報表及有關之附註一併閱讀。

## 業績回顧

回顧過去半年，本集團之營業額為1.57億港元(二零零二年：1.04億港元)，較去年同期增加51%，稅後純利為510萬港元(二零零二年：淨虧損1,510萬港元)。集團的毛利率增加至25%(二零零二年：23%)。

營業額之增加主要由於部份大型工程，其中包括最大的九龍香格里拉酒店的翻新項目，均告完工。此外，本集團亦逐步實行去年所定下之策略方針，將香港及中國內地之室內裝飾工程業務市場轉移至其他海外市場，並為集團取得多份國際連鎖性酒店之傢俬供應合約，而該等合約於本期內亦已完工。

香港及中國內地本年度首六個月仍為本集團的主要市場，合共佔集團總營業額約54%(二零零二年：71%)。因傢俬供應合約於海外市場，特別是美國市場的增加，使營業額在此地區錄得顯著增長，達本集團營業額的39%(二零零二年：12%)。

稅後純利於本期內錄得510萬港元，主要由於營業額，特別是傢俬供應業務之增加及嚴格控制集團的分銷成本與行政開支。

回顧過去半年，本集團參與並完成了的室內裝飾工程及／或傢俬供應項目包括：九龍香格里拉酒店(第二及三期)的翻新項目、香港康樂園的大型住宅項目、加拿大Whistler的四季酒店、阿魯巴的萬麗酒店。此外，本集團亦為Ermenegildo Zegna位於中國內地的數間店舖、Swatch位於澳洲及台灣的數間店舖，及Louis Vuitton位於中國內地廣州的店舖，提供店舖傢俬裝置供應。

至於目前仍在進行中的室內裝飾工程項目包括：香港大浪灣住宅項目、香港士他弗道住宅項目；而仍在進行的傢俬供應項目包括：美國Long Beach的希爾頓酒店、美國Tampa的Hard Rock Hotel、美國Newporter的凱悅酒店，及為台北Salvatore Ferragamo提供店舖傢俬裝置供應。

# Management Discussion and Analysis

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group continued a cautious policy towards its financial structure. As at 30 September 2003, total bank borrowings amounted to HK\$42.9M (31 March 2003: HK\$56.3M). Finance costs were maintained at a low level of HK\$1.4M (30 September 2002: HK\$1.3M) representing 1% (30 September 2002: 1%) of the Group's turnover. The Board believes that the Group's available banking facilities and its bank balances should provide the Group with sufficient financial resources for its operations and future development.

There is no seasonality borrowing requirements. The Group's funding requirements to certain extent depend on the value of the contracts awarded to the Group by its customers. The bank borrowings include bank loans and overdrafts amounted to HK\$42.9M (31 March 2003: HK\$56.3M) would mature within one year or on demand. Having taken into account of the Group's net worth of HK\$186.0M, such borrowing level is considered as prudent.

The Group generally finances its operations with internally generated resources and credit facilities provided by banks in Hong Kong. Subsidiaries in Mainland China also obtain short-term credit facilities from banks in Mainland China for working capital purpose.

The borrowings are mainly in Hong Kong dollars and Renminbi which will be matched by the inflow of funds from the Group's projects in Hong Kong and Mainland China. The Group's cash holding is mainly denominated in Hong Kong dollars.

The interest rates of the Group's borrowings are usually floating in nature.

## GEARING RATIO AND FOREIGN EXCHANGE EXPOSURE

As at 30 September 2003, the gearing ratio (total borrowings/net assets) improved to 0.25 (31 March 2003: 0.34). Comparing the net assets of HK\$186.0M with the total borrowings of HK\$47.0M, the Board considered that such gearing ratio was acceptable. As the Group's revenue and expenses were mainly in Hong Kong dollars, Renminbi and US dollars and its cash holding was denominated in Hong Kong dollars, foreign exchange exposure of the Group was minimal as long as the policy of the Government of HKSAR to link the Hong Kong dollars to the US dollars remained in effect. Renminbi's exchange rate remained stable as China also would like to maintain a stable exchange rate between Hong Kong dollars and Renminbi which would be beneficial to Hong Kong's economy.

## CHARGE ON ASSETS AND CONTINGENT LIABILITIES

As at 30 September 2003, part of land and buildings owned by the Group and situated in Mainland China with a net book value of approximately HK\$7.5M (31 March 2003: HK\$7.7M) were pledged with a bank to secure a loan granted to the Group. There were contingent liabilities in respect of counter-guarantees, amounting to approximately HK\$3.2M (31 March 2003: HK\$7.0M) which were given by a subsidiary in favour of certain financial institutions against liabilities of these parties arising from non-compliance of the terms of interior building works being undertaken by the subsidiary.

## 流動資金、財務資源及資本結構

本集團的財政狀況繼續秉承穩健審慎理財的哲學，截至二零零三年九月三十日止，銀行貸款總額為4,290萬港元(二零零三年三月三十一日：5,630萬港元)，財務成本維持在140萬港元(二零零二年九月三十日：130萬港元)的較低水平，相當於集團營業額的1%(二零零二年九月三十日：1%)。董事會相信，本集團充裕的銀行備用信貸額度及持有的現金，足以為集團的營運及將來發展提供足夠的財政資源。

本集團並無季節性的貸款要求。本集團所需之資金在某程度上乃按本集團從客戶所接獲之工程的價格而定。銀行借款包括銀行貸款及透支共4,290萬港元(二零零三年三月三十一日：5,630萬港元)乃一年內或即時通知到期的貸款。如以本集團資產淨值1.86億港元比較，此貸款水平屬於穩健。

本集團一般透過內部資金與香港銀行給予之信貸融資提供其業務運作所需資金。位於中國內地之附屬公司從中國內地之銀行取得短期信貸融資作為營運資金用途。

貸款以港元及人民幣為主，本集團以香港及中國內地之工程所得的資金收入相配。本集團所持有之現金主要以港元為基礎。

本集團大部份貸款之息率通常是浮動的。

## 資產負債比率及外匯風險

截至二零零三年九月三十日止，資產負債比率(總借貸額/資產淨值)為0.25(二零零三年三月三十一日：0.34)。如以資產淨值1.86億港元與總借貸額0.47億港元比較，董事會認為此資產負債比率可以接受。本集團主要以港元，人民幣及美元賺取收益及支付費用，所持有的現金主要以港元為基礎。鑑於香港特區政府仍然實施港元與美元掛鈎之政策，故此本集團之外匯風險甚低。人民幣匯率保持穩定，此乃中國希望維持港元與人民幣之間的穩定匯率，使香港的經濟得益。

## 資產抵押及或然負債

截至二零零三年九月三十日止，本集團位於中國內地的部份土地及樓宇之賬面淨值約為750萬港元(二零零三年三月三十一日：770萬港元)。該土地及樓宇已抵押給一家銀行，作為給予本集團貸款之抵押。另外有保證之或然負債總額約為320萬港元(二零零三年三月三十一日：700萬港元)，此乃本集團給予金融機構，用以承擔如未能依據室內裝飾工程合約條文而引發之責任。

# Management Discussion and Analysis

## SIGNIFICANT INVESTMENTS HELD AND MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

There was no significant investments or disposals of subsidiaries in the year.

## EMPLOYEES

As at 30 September 2003, the Group employed 97, 869 and 5 staff in Hong Kong, Mainland China and Singapore respectively (31 March 2003: 103, 835 and 4 respectively). The Group remunerated its employees based on their performance, working experience and the prevailing market conditions. Bonus may be given to staff of outstanding performance on a discretionary basis. For the primary purpose of retaining high calibre executives and employees, share options may be granted to eligible employees. Other employee benefits include mandatory provident fund and training programs.

## CORPORATE GOVERNANCE

The Audit Committee, which was comprised of two Independent Non-executive Directors, met once since the last AGM to review and discuss the Group's interim results and other audit and internal control issues with the external auditors.

In the opinion of the Directors, the Company has complied throughout the period with the Code of Best Practice as set out by the Stock Exchange in Appendix 14 to the Listing Rules.

## OUTLOOK

The Group's focus on diversifying its markets and products over the last two years helped it return to profitability in the first half of this financial year. However, the future is now clouded by the possibility of prohibitive tariffs on bedroom furniture exported to the United States. No results will be known from the current anti-dumping hearings in Washington D.C. for at least two months but hospitality clients in the U.S. are already delaying orders for fear of having to pay these tariffs should they place orders for deliveries more than 8 to 10 weeks beyond the order date.

In light of this development, the Group is expediting efforts to develop the European market. Prospects in that region have improved due to the strength of the Euro which makes the Group's products more attractively priced within the European Union. In October, the company established a small office in Paris to develop business in the French speaking areas of Europe and North Africa. This office will work in conjunction with the Copenhagen office to provide better coverage of the region.

The Group will continue to rigidly control expenses and will reduce costs wherever possible. It will continue to pursue business in new markets. For these reasons, we feel the Group will deliver promising results for the full year.

## 持有重大投資及附屬公司之重大收購及出售

本年內並無重大投資或出售附屬公司。

## 僱員

截至二零零三年九月三十日止，本集團於香港、中國內地及新加坡所僱用的員工數目分別為97、869及5人（二零零三年三月三十一日：103、835及4人）。本集團根據僱員之表現，工作經驗及現時市場情況釐定彼等之薪酬。對表現傑出的僱員可酌情發放花紅。購股權主要是為保留優秀行政人員及員工而設立，可授予合資格之僱員。其他僱員福利包括強制性公積金及培訓計劃。

## 公司管治

由兩位獨立非執行董事組成的審核委員會自上一屆股東週年大會以來，共召開了一次會議，並與公司獨立核數師討論及審議了集團的中期財務業績，以及內部監控與審核有關事宜。

董事會認為，於本期內，本公司一直遵守聯交所上市規則附錄十四所載之最佳應用守則。

## 展望

本集團於過去兩年致力拓展多元化的市場及產品，已幫助本集團於本期內轉虧為盈。但出口至美國之睡房傢俬有可能被徵收懲罰性關稅，令前景不明朗。雖然華盛頓現時之反傾銷聆訊於兩個月內應未有結果，但美國之酒店客戶已將需要超過八至十星期付運的訂單推遲，以防需要繳付關稅。

因上述之發展情況，本集團現加速發展歐洲市場。歐元的強勢改善了該地區的前景，亦令本集團產品的價格在歐盟內更加吸引。在本年十月，本公司在巴黎設立小型辦事處以拓展在歐洲及北非洲法語地區的業務。此辦事處會與哥本哈根的辦事處共同兼顧區內更大的覆蓋範圍。

本集團將會繼續嚴格地控制支出及盡量削減成本，並繼續在新市場發展業務，基於此等理由，董事會對本集團全年業績充滿希望。



# Management Report

## DIRECTORS' INTERESTS IN SHARES

As at 30 September 2003, the interests of the directors and of their associates in the issued share capital of the Company as recorded in the register kept by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance") were as follows:

### (a) Interests in the Company's shares

Name of director	Number of shares of HK\$0.10 each		
	Personal interests	Family interests	Corporate interests
Mr. Tsang Chi Hung	9,920,827	–	112,511,670 <i>(note 1)</i>
Mr. Liu Hoo Kuen	8,707,481	–	–
Ms. Kwan Yau Choi	9,920,827	–	112,511,670 <i>(note 1)</i>
Ms. Fung Sau Mui	750,000	–	–
Mr. Tai Wing Wah	750,000	–	–
Mr. Wong Kam Hong	589,995	–	–
Mr. Richard Warren Herbst	589,995	–	–
Mr. Lok Wai Kiang, Paul	–	500,000 <i>(note 2)</i>	–

Notes:

1. Mr. Tsang Chi Hung and his wife Ms. Kwan Yau Choi own 348 shares and 347 shares of US\$1 each respectively of Peasedow Enterprises Limited respectively, representing 35% each of the issued share capital of that company, which in turn owns 112,511,670 shares of the Company.
2. These shares are held in the name of Ms. Lok Zee Pui Pui, Teresa, the wife of Mr. Lok Wai Kiang, Paul and Mr. Lok Wai Kiang, Paul is deemed to be interested in those shares as family interests.

### (b) Personal interests in shares of Decca Limited

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

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

Apart from the above, none of the directors held office at 30 September 2003 had any beneficial or non-beneficial personal, family, corporate or other interests in the issued share capital of the Company and its associated corporations (within the meaning of the SDI Ordinance) at that date.

## 董事權益

於二零零三年九月三十日，根據本公司依照《證券(披露權益)條例》(「披露權益條例」)第29條編存之登記冊所載，各董事及其有關連人士所佔本公司股本之實益權益如下：

### (a) 於本公司股份中之權益

董事姓名	每股面值0.10港元之普通股		
	個人權益	家族權益	公司權益
曾志雄先生	9,920,827	—	112,511,670 (附註1)
廖浩權先生	8,707,481	—	—
關有彩女士	9,920,827	—	112,511,670 (附註1)
馮秀梅女士	750,000	—	—
戴永華先生	750,000	—	—
黃錦康先生	589,995	—	—
Richard Warren Herbst先生	589,995	—	—
駱偉強先生	—	500,000 (附註2)	—

附註：

1. 曾志雄先生及其妻子關有彩女士分別持有Peasedow Enterprises Limited 348股及347股，每股美金1元的股份，即各佔該公司35%的股本，而該公司則持有本公司112,511,670股份。
2. 該等股份以駱偉強先生之妻子駱徐培培女士名義持有，而駱偉強先生則被視為以家族權益擁有該等股份。

### (b) 於達藝室內工程有限公司股份中之個人權益

	每股面值100港元 無投票權之遞延股份	
	個人權益	公司權益
曾志雄先生	—	48,650股
廖浩權先生	—	42,700股
關有彩女士	—	48,650股

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

除上文所披露外，於二零零三年九月三十日，本公司之董事並無於本公司或其任何相聯法團(定義見披露權益條例)之股本中實益或非實益擁有任何個人、家族、公司或其他權益。

# Management Report

## DIRECTORS' INTERESTS IN CONTRACTS

During the six months ended 30 September 2003, the Group paid rental of HK\$1,051,894 to Golden Life Investment Limited ("Golden Life") in respect of the Group's office premises, showrooms and warehouses. Mr. Tsang Chi Hung, Ms Kwan Yau Choi and Mr Liu Hoo Kuen are directors and shareholders of Golden Life. As at 30 September 2003, the amount due to Golden Life was nil.

Apart from the above, no other contract of significance to which the Company, its holding company or any of its subsidiaries was a party and in which a director of the Company had a material interest subsisted at the end of 30 September 2003 or at any time during these six months period.

## SHARE OPTION SCHEME

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

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

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

<b>Name</b>	<b>Exercise price per share option</b> HK\$	<b>Number of share options outstanding at 1 April 2003 and 30 September 2003</b>
Directors:		
Mr. Tsang Chi Hung	0.80	1,000,000
Mr. Liu Hoo Kuen	0.80	1,000,000
Ms. Kwan Yau Choi	0.80	1,000,000
Ms. Fung Sau Mui	0.80	500,000
Mr. Tai Wing Wah	0.80	500,000
Mr. Wong Kam Hong	0.80	500,000
Mr. Richard Warren Herbst	0.80	500,000
		<hr/>
		5,000,000
		<hr/>

There was no movement in the Company's share options during the period.

## 董事之合約權益

於截至二零零三年九月三十日止六個月期間內，本集團付予精威投資有限公司(「精威」)之辦公室物業、陳列室及貨倉之租金為1,051,894港元。曾志雄先生、關有彩女士及廖浩權先生均為精威之董事及股東。於二零零三年九月三十日，本集團並無欠精威款項。

除上述以外，於二零零三年九月三十日或於截至此日之六個月期間內，董事並無於本公司、其控股公司或其任何附屬公司訂立而對本公司業務屬重大之任何合約中擁有實際權益。

## 購股權計劃

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

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

本期內之購股權變動如下：

姓名	每股 購股權 行使價 港元	於二零零三年 四月一日及 於二零零三年 九月三十日之 未行使購 股權數量
董事：		
曾志雄先生	0.80	1,000,000
廖浩權先生	0.80	1,000,000
關有彩女士	0.80	1,000,000
馮秀梅女士	0.80	500,000
戴永華先生	0.80	500,000
黃錦康先生	0.80	500,000
Richard Warren Herbst先生	0.80	500,000
		5,000,000

本公司之購股權於期內沒有變動。

# Management Report

## **DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Save for disclosed above in "share option scheme", at no time during the period was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the period.

## **SUBSTANTIAL SHAREHOLDERS**

Save for disclosed above in "directors' interests in shares", the Company has not been notified of any interest in the share capital of the Company as at 30 September 2003 which is required to be recorded in the register as required to be kept under section 16(1) of the SDI Ordinance.

## **RELATED PARTY TRANSACTIONS**

On 1 December 2002, the Group entered into two tenancy agreements with Golden Life. Details of the transactions during the period were set out in "Directors' Interests in Contracts" above.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2003.

## **INTERIM DIVIDEND**

The Directors have declared no interim dividend (2002: Nil) per share for the six months ended 30 September 2003.

## **AUDIT COMMITTEE AND INDEPENDENT REVIEW BY EXTERNAL AUDITORS**

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

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

## **COMPLIANCE WITH THE CODE OF BEST PRACTICE**

None of the Directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30 September 2003, in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

## 董事購買股份及債券安排

除上述披露之購股權計劃外，本公司、其控股公司或其任何附屬公司均沒有在本期內訂立任何安排，致使本公司董事、其配偶或其十八歲以下之子女可以透過收購本公司或任何其他法人公司的股份或債券而獲益。

## 主要股東

除上文「董事權益」所披露者外，於二零零三年九月三十日，本公司從未接獲有關於本公司之股本中擁有之權益須根據披露權益條例第16(1)條予以記錄之通知。

## 有關連人士交易

於二零零二年十二月一日，本集團與精威簽訂兩項租賃協議。在此期間之交易詳情已記載於上述之「董事之合約權益」中。

## 購買、出售或贖回上市證券

截至二零零三年九月三十日止六個月內，本公司及其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

## 中期股息

董事會宣佈不派發截至二零零三年九月三十日止半年度中期股息（二零零二年：不派發股息）。

## 審核委員會及獨立核數師審閱

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

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

## 遵守最佳應用守則

並無董事知悉任何足以合理指出本公司目前或在截至二零零三年九月三十日止之六個月內的任何時候未有遵守上市規則附錄十四所載列之最佳應用守則行事。

# Independent Review Report

## **TO THE BOARD OF DIRECTORS OF DECCA HOLDINGS LIMITED**

(incorporated in Bermuda with limited liability)

### **INTRODUCTION**

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

### **DIRECTORS' RESPONSIBILITIES**

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

It is our responsibility to form an independent conclusion, based on our review, on the interim financial report, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### **REVIEW WORK PERFORMED**

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

### **REVIEW CONCLUSION**

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 30 September 2003.

## **DELOITTE TOUCHE TOHMATSU**

Certified Public Accountants

Hong Kong, 8 December 2003

## 致達藝控股有限公司董事會

(於百慕達註冊成立之有限公司)

### 引言

本核數師行受 貴公司委托審閱載於第18至第39頁之中期財務報告。

### 董事之責任

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

本行的責任是根據本行審閱工作的結果，對該等中期財務報告表達獨立意見，及按本行同意之聘約條款，只向作為法人團體的股東報告，並不可用作其他用途。本行概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

### 審閱工作

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

### 審閱結論

根據本行審閱(並不構成審核工作)的結果，本行並不察覺須對截至二零零三年九月三十日止六個月的中期財務報告作出任何重大的修改。

## 德勤•關黃陳方會計師行

執業會計師

香港，二零零三年十二月八日



# Condensed Financial Statements

## CONDENSED CONSOLIDATED INCOME STATEMENT

for the six months ended 30 September 2003

	Notes	Six months ended 30 September	
		2003 HK\$'000 (unaudited)	2002 HK\$'000 (unaudited)
Turnover	3	<b>156,978</b>	104,092
Cost of sales		<b>(118,273)</b>	(80,083)
Gross profit		<b>38,705</b>	24,009
Other operating income		<b>1,084</b>	354
Distribution costs		<b>(3,956)</b>	(5,004)
Administrative expenses		<b>(27,196)</b>	(33,124)
Allowance for bad and doubtful debts		<b>(2,200)</b>	–
Profit (loss) from operations	4	<b>6,437</b>	(13,765)
Finance costs	5	<b>(1,376)</b>	(1,331)
Profit (loss) before taxation		<b>5,061</b>	(15,096)
Taxation	6	–	–
Net profit (loss) for the period		<b>5,061</b>	(15,096)
Dividend		–	–
Earning (loss) per share	7		
– Basic		<b>2.53 cents</b>	(7.55) cents
– Diluted		<b>2.53 cents</b>	(7.51) cents

# 簡明財務報表

## 簡明綜合損益賬

截至二零零三年九月三十日止六個月

	附註	截至九月三十日止六個月	
		二零零三年 千港元 (未經審核)	二零零二年 千港元 (未經審核)
營業額	3	156,978	104,092
銷售成本		<u>(118,273)</u>	<u>(80,083)</u>
毛利		38,705	24,009
其他經營收益		1,084	354
分銷成本		(3,956)	(5,004)
行政開支		(27,196)	(33,124)
呆壞賬準備		<u>(2,200)</u>	<u>—</u>
經營溢利(虧損)	4	6,437	(13,765)
財務成本	5	<u>(1,376)</u>	<u>(1,331)</u>
除稅前溢利(虧損)		5,061	(15,096)
稅項	6	<u>—</u>	<u>—</u>
本期內之純利(淨虧損)		<u>5,061</u>	<u>(15,096)</u>
股息		<u>—</u>	<u>—</u>
每股盈利(虧損)	7		
— 基本		<u>2.53仙</u>	<u>(7.55) 仙</u>
— 攤薄		<u>2.53仙</u>	<u>(7.51) 仙</u>

# Condensed Financial Statements

## CONDENSED CONSOLIDATED BALANCE SHEET

at 30 September 2003

	Notes	30.9.2003 HK\$'000 (unaudited)	31.3.2003 HK\$'000 (audited)
<b>Non-current assets</b>			
Property, plant and equipment	8	102,733	109,215
Investment securities		1,203	1,203
Interest in an associate		1,414	–
		<u>105,350</u>	<u>110,418</u>
<b>Current assets</b>			
Inventories		43,115	45,371
Amounts due from customers for contract work	9	17,042	64,667
Amount due from an investee company	10	32,985	8,450
Trade debtors	11	54,249	37,735
Other debtors, deposits and prepayments		5,845	10,446
Tax recoverable		1,893	1,893
Bank balances and cash		33,922	12,614
		<u>189,051</u>	<u>181,176</u>
<b>Current liabilities</b>			
Amounts due to customers for contract work	9	771	1,318
Trade creditors	12	12,439	12,388
Other creditors and accruals		47,838	34,707
Obligations under finance leases			
– due within one year		2,486	4,393
Taxation		6	6
Bank borrowings – due within one year		42,906	56,305
		<u>106,446</u>	<u>109,117</u>
<b>Net current assets</b>		<u>82,605</u>	<u>72,059</u>
		<u>187,955</u>	<u>182,477</u>

# 簡明財務報表

## 簡明綜合資產負債表

於二零零三年九月三十日

	附註	二零零三年 九月三十日 千港元 (未經審核)	二零零三年 三月三十一日 千港元 (經審核)
<b>非流動資產</b>			
物業、廠房及設備	8	102,733	109,215
投資證券		1,203	1,203
聯營公司權益		1,414	—
		<u>105,350</u>	<u>110,418</u>
<b>流動資產</b>			
存貨		43,115	45,371
應收客戶之建造合約款項	9	17,042	64,667
應收被投資公司賬項	10	32,985	8,450
應收貿易賬項	11	54,249	37,735
其他應收賬項，按金及預付款項		5,845	10,446
稅項回撥		1,893	1,893
銀行結存及現金		33,922	12,614
		<u>189,051</u>	<u>181,176</u>
<b>流動負債</b>			
應付客戶之建造合約款項	9	771	1,318
應付貿易賬項	12	12,439	12,388
其他應付賬項及應計費用		47,838	34,707
租購合約承擔：			
一年內到期償還		2,486	4,393
稅項		6	6
銀行貸款：一年內到期償還		42,906	56,305
		<u>106,446</u>	<u>109,117</u>
<b>流動資產淨值</b>		<u>82,605</u>	<u>72,059</u>
		<u>187,955</u>	<u>182,477</u>

# Condensed Financial Statements

## CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

at 30 September 2003

	<b>30.9.2003</b> <b>HK\$'000</b> <b>(unaudited)</b>	31.3.2003 HK\$'000 (audited)
<b>Capital and reserves</b>		
Share capital	20,000	20,000
Reserves	<u>165,985</u>	<u>160,924</u>
<b>Total capital and reserves</b>	<u>185,985</u>	<u>180,924</u>
<b>Non-current liabilities</b>		
Deferred taxation	389	389
Obligations under finance leases – due after one year	<u>1,581</u>	<u>1,164</u>
	<u>1,970</u>	<u>1,553</u>
	<u>187,955</u>	<u>182,477</u>

Approved by the Board of Directors on 8 December, 2003.

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

# 簡明財務報表

## 簡明綜合資產負債表(續)

於二零零三年九月三十日

	二零零三年 九月三十日 千港元 (未經審核)	二零零三年 三月三十一日 千港元 (經審核)
<b>資本及儲備</b>		
股本	20,000	20,000
儲備	<u>165,985</u>	<u>160,924</u>
<b>總資本及儲備</b>	<u>185,985</u>	<u>180,924</u>
<b>非流動負債</b>		
遞延稅項	389	389
租購合約承擔： 一年後到期償還	<u>1,581</u>	<u>1,164</u>
	<u>1,970</u>	<u>1,553</u>
	<u>187,955</u>	<u>182,477</u>

董事會於二零零三年十二月八日核准

曾志雄 主席  
廖浩權 副主席

# Condensed Financial Statements

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2003

	<b>Total equity</b> HK\$'000 (unaudited)
At 1 April 2002	250,061
Loss for the period	<u>(15,096)</u>
At 30 September 2002	234,965
Loss for the period	<u>(54,041)</u>
At 31 March 2003	180,924
Profit for the period	<u>5,061</u>
At 30 September 2003	<u>185,985</u>

## 簡明綜合權益變動表

截至二零零三年九月三十日止六個月

	<b>權益 總額</b> 千港元 (未經審核)
於二零零二年四月一日	250,061
該期虧損	<u>(15,096)</u>
於二零零二年九月三十日	234,965
該期虧損	<u>(54,041)</u>
於二零零三年三月三十一日	180,924
本期溢利	<u>5,061</u>
於二零零三年九月三十日	<u>185,985</u>



# Condensed Financial Statements

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30 September 2003

	Six months ended 30 September	
	2003	2002
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Net cash from (used in) operating activities	41,098	(955)
Net cash used in investing activities	(2,019)	(904)
Net cash (used in) from financing activities	(6,783)	5,493
	<hr/>	<hr/>
Net increase in cash and cash equivalents	32,296	3,634
Cash and cash equivalents as the beginning of the period	(251)	7,550
	<hr/>	<hr/>
Cash and cash equivalents at the end of the period	32,045	11,184
	<hr/>	<hr/>
Analysis of balances of cash and cash equivalents:		
Bank balances and cash	33,922	17,000
Bank overdrafts	(1,877)	(5,816)
	<hr/>	<hr/>
	32,045	11,184
	<hr/>	<hr/>

# 簡明財務報表

## 簡明綜合現金流量表

截至二零零三年九月三十日止六個月

	截至九月三十日止六個月	
	二零零三年 千港元 (未經審核)	二零零二年 千港元 (未經審核)
經營業務所得(使用)現金淨額	41,098	(955)
投資業務使用現金淨額	(2,019)	(904)
融資業務(使用)所得現金淨額	(6,783)	5,493
現金及現金等值項目淨增加	32,296	3,634
期初之現金及現金等值項目	(251)	7,550
期末之現金及現金等值項目	32,045	11,184
現金及現金等值項目結存之分析：		
銀行結存及現金	33,922	17,000
銀行透支	(1,877)	(5,816)
	32,045	11,184

# Notes on the Accounts

## 1. BASIS OF PREPARATION

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

## 2. PRINCIPAL ACCOUNTING POLICIES

The condensed financial statements have been prepared under the historical cost convention and the accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2003, except as described below.

In the current period, the Group has adopted, for the first time, Statement of Standard Accounting Practice ("SSAP") 12 (Revised) "Income Taxes" issued by the Hong Kong Society of Accountants. The adoption of this SSAP has had no material effect on the results for the current or prior accounting periods. Accordingly, no prior period adjustment has been made.

### Income taxes

In the current interim period, the Group has adopted SSAP 12 (Revised) "Income Taxes". The principal effect of the implementation of SSAP 12 (Revised) is in relation to deferred tax. In previous years, partial provision was made for deferred tax using the income statement liability method, i.e. 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 amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, with limited exceptions.

## 1. 編製基準

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

## 2. 主要會計政策

簡明綜合財務報表乃按照歷史成本法編製，而所採用的會計政策，除下列另有說明外，亦與截至二零零三年三月三十一日止年度之財務報表所採用者一致。

本集團於期內首次採用香港會計師公會所頒佈的會計實務準則（「會計實務準則」）第12號（經修訂）「所得稅」。由於採納該會計實務準則並無對現在及前期之業績有重大影響，故此，並不需作前期調整。

### 所得稅

本集團已於本期內採納會計實務準則第12號（經修訂）「所得稅」。實行會計實務準則第12號（經修訂）之主要影響涉及遞延稅項。於過往年度，本集團採用收益表負債法就遞延稅項作出部份撥備，即就所產生時差確認負債，惟不包括於可見將來預期不會逆轉之時差。會計實務準則第12號（經修訂）規定須採用資產負債表負債法，據此就財務報表之資產及負債之賬面值與用作計算應課稅溢利之相應稅基間之所有臨時差額確認為遞延稅項，而僅有少數情況可屬例外。

# Notes on the Accounts

## 3. SEGMENT INFORMATION

### *Business Segments*

	Six months ended 30 September			
	2003		2002	
	Consolidated turnover HK\$'000	Contribution to operating profit (loss) HK\$'000	Consolidated turnover HK\$'000	Contribution to operating loss HK\$'000
Sales of furniture and fixtures	89,081	16,947	61,277	(1,631)
Interior building works	67,897	(11,594)	42,815	(12,488)
Total	<u>156,978</u>	<u>5,353</u>	<u>104,092</u>	<u>(14,119)</u>
Other operating income		1,084		354
Other group expenses		(1,376)		(1,331)
		<u>5,061</u>		<u>(15,096)</u>

## 4. PROFIT (LOSS) FROM OPERATIONS

Profit (loss) from operations has been arrived at after charging (crediting):

	Six months ended 30 September	
	2003 HK\$'000	2002 HK\$'000
Depreciation and amortisation	8,751	9,866
(Gain) loss on disposal of property, plant and equipment	(158)	5
Interest income	(82)	(64)
	<u>(82)</u>	<u>(64)</u>

### 3. 業務及地區劃分資料

業務劃分

	截至九月三十日止六個月			
	二零零三年		二零零二年	
	綜合 營業額 千港元	經營業務 溢利(虧損) 千港元	綜合 營業額 千港元	經營業務 虧損 千港元
傢俬及裝置銷售	89,081	16,947	61,277	(1,631)
室內裝飾工程	67,897	(11,594)	42,815	(12,488)
合計	<u>156,978</u>	<u>5,353</u>	<u>104,092</u>	<u>(14,119)</u>
其他經營收益		1,084		354
其他集團開支		(1,376)		(1,331)
		<u>5,061</u>		<u>(15,096)</u>

### 4. 經營溢利(虧損)

經營溢利(虧損)已扣除(計入)下列項目：

	截至九月三十日止六個月	
	二零零三年 千港元	二零零二年 千港元
折舊及攤分	8,751	9,866
出售物業、廠房及設備之(利益)虧損	(158)	5
利息收入	(82)	(64)
	<u>8,511</u>	<u>9,807</u>

# Notes on the Accounts

## 5. FINANCE COSTS

	Six months ended 30 September	
	2003 HK\$'000	2002 HK\$'000
Interest on:		
Bank borrowings wholly repayable within five years	1,174	887
Obligations under finance leases	202	444
	1,376	1,331

## 6. TAXATION

No tax is payable on the profit for the six months ended 30 September 2003 arising in Hong Kong since the assessable profit is wholly absorbed by tax losses brought forward.

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

## 7. EARNING (LOSS) PER SHARE

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

	Six months ended 30 September	
	2003 HK\$'000	2002 HK\$'000
<i>Earning (loss)</i>		
Earning (loss) for the purposes of basic and diluted earning (loss) per share	5,061	(15,096)
<i>Number of shares</i>	'000	'000
Weighted average number of ordinary shares for the purpose of basic earning (loss) per share	200,000	200,000
Effect of dilutive share options	–	1,101
Weighted average number of ordinary shares for the purpose of diluted earning (loss) per share	200,000	201,101

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares.

## 5. 財務成本

	截至九月三十日止六個月	
	二零零三年 千港元	二零零二年 千港元
於五年內到期之銀行貸款利息	1,174	887
租購合約承擔之財務費用	202	444
	<u>1,376</u>	<u>1,331</u>

## 6. 稅項

截至二零零三年九月三十日止之六個月雖有溢利，但因應評稅溢利可全部由以往未用之稅務虧損抵銷，故不需要繳付利得稅。

由於本集團於截至二零零二年九月三十日止六個月內出現稅務虧損，故此並無在簡明財務報表中就香港利得稅作出撥備。

## 7. 每股盈利(虧損)

每股基本及攤薄盈利(虧損)乃根據以下數據計算：

	截至九月三十日止六個月	
	二零零三年 千港元	二零零二年 千港元
<u>盈利(虧損)</u>		
盈利(虧損)用以計算每股基本及攤薄盈利(虧損)	<u>5,061</u>	<u>(15,096)</u>
<u>股份數量</u>		
用以計算每股基本盈利(虧損)之加權平均股份數量	200,000	200,000
股份認購權之攤薄效果	—	1,101
用以計算每股攤薄盈利(虧損)之加權平均股份數量	<u>200,000</u>	<u>201,101</u>

每股攤薄盈利之計算沒有假設本公司之購股權會被行使，因此等購股權之行使價已超過每股的市場平均價。



# Notes on the Accounts

## 8. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK\$2,534,000 on additions in respect of the Group's property, plant and equipment.

## 9 AMOUNTS DUE FROM CUSTOMERS FOR CONTRACT WORK

	<b>30.9.2003</b>	31.3.2003
	<b>HK\$'000</b>	HK\$'000
Contracts in progress at the balance sheet date		
Contract costs incurred plus recognised profits less recognised losses	<b>98,424</b>	300,482
Less: Progress billings	<b>(82,153)</b>	(237,133)
	<b>16,271</b>	63,349
Analysed for reporting purposes as:		
Due from customers included in current assets	<b>17,042</b>	64,667
Due to customers included in current liabilities	<b>(771)</b>	(1,318)
	<b>16,271</b>	63,349

At 30 September 2003, there were approximately HK\$5,844,000 (31.3.2003: HK\$14,082,000) retention monies held by customers for contract works performed and there were no advances received from customers for contract work performed.

## 10. AMOUNT DUE FROM AN INVESTEE COMPANY

The amount is arose from trade and an aged analysis of the balance at the reporting date is as follows:

	<b>30.9.2003</b>	31.3.2003
	<b>HK\$'000</b>	HK\$'000
0-90 days	<b>27,402</b>	6,391
>90 days	<b>5,583</b>	2,059
	<b>32,985</b>	8,450

The credit term granted to the investee company is 45 days. The amounts are unsecured and interest-free.

## 8. 物業、廠房及設備之變動

本期內，本集團用於添置物業、廠房及設備的費用約為2,534,000港元。

## 9. 應收客戶之建造合約款項

	二零零三年 九月三十日 千港元	二零零三年 三月三十一日 千港元
於結算日之在建中合約工程		
合約成本加已確認溢利及減已確認虧損	98,424	300,482
減：按進度付款項	<u>(82,153)</u>	<u>(237,133)</u>
	<u>16,271</u>	<u>63,349</u>
作報告之用的分析如下：		
應收客戶款項已包括在流動資產內	17,042	64,667
應付客戶款項已包括在流動負債內	<u>(771)</u>	<u>(1,318)</u>
	<u>16,271</u>	<u>63,349</u>

於二零零三年九月三十日，客戶就合約工程而持有保固金約為5,844,000港元(二零零三年三月三十一日：14,082,000港元)，而本集團並無從客戶就合約工程而收取預付款項。

## 10. 應收被投資公司賬項

由貿易引起之賬項於結算日之分析如下：

	二零零三年 九月三十日 千港元	二零零三年 三月三十一日 千港元
零至九十日	27,402	6,391
九十日以上	<u>5,583</u>	<u>2,059</u>
	<u>32,985</u>	<u>8,450</u>

給予被投資公司之賒欠期為四十五天。此等為無抵押及免息之賬項。

# Notes on the Accounts

## 11. TRADE DEBTORS

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

	<b>30.9.2003</b>	31.3.2003
	<b>HK\$'000</b>	HK\$'000
0-90 days	<b>40,038</b>	15,336
>90 days	<b>14,211</b>	22,399
	<b><u>54,249</u></b>	<u>37,735</u>

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

## 12. TRADE CREDITORS

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

	<b>30.9.2003</b>	31.3.2003
	<b>HK\$'000</b>	HK\$'000
0-90 days	<b>9,878</b>	6,120
>90 days	<b>2,561</b>	6,268
	<b><u>12,439</u></b>	<u>12,388</u>

## 13. SHARE CAPITAL

Ordinary shares of HK\$0.10 each, issued and fully paid:

	<b>Number of shares</b>	<b>Value</b>
		HK\$'000
At 1 April 2003 and 30 September 2003	<b><u>200,000,000</u></b>	<u>20,000</u>

## 11. 應收貿易賬項

於結算日之應收貿易賬項分析如下：

	二零零三年 九月三十日 千港元	二零零三年 三月三十一日 千港元
零至九十日	40,038	15,336
九十日以上	<u>14,211</u>	<u>22,399</u>
	<u>54,249</u>	<u>37,735</u>

貿易款項於發單後三十天內繳付。

## 12. 應付貿易賬項

於結算日之應付貿易賬項分析如下：

	二零零三年 九月三十日 千港元	二零零三年 三月三十一日 千港元
零至九十日	9,878	6,120
九十日以上	<u>2,561</u>	<u>6,268</u>
	<u>12,439</u>	<u>12,388</u>

## 13. 股本

	股票數量	面值 千港元
每股面值港幣一角之普通股，已發行及全數繳付：		
於二零零三年四月一日及二零零三年九月三十日	<u>200,000,000</u>	<u>20,000</u>

# Notes on the Accounts

## 14. RESERVES

	Share premium account HK\$'000	Contributed surplus HK\$'000	Capital reserves HK\$'000	Translation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
<u>The Group</u>						
At 1 April 2002	47,640	18,865	8,662	149	154,745	230,061
Loss for the period	—	—	—	—	(15,096)	(15,096)
At 30 September 2002	47,640	18,865	8,662	149	139,649	214,965
Loss for the period	—	—	—	—	(54,041)	(54,041)
At 31 March 2003	47,640	18,865	8,662	149	85,608	160,924
Profit for the period	—	—	—	—	5,061	5,061
At 30 September 2003	47,640	18,865	8,662	149	90,669	165,985

## 15. PLEDGE OF ASSETS

At 30 September 2003, land and buildings of the Group situated in the Mainland China with net book value of approximately HK\$7,453,000 (31.3.2003: HK\$7,692,000) were pledged with a bank to secure a loan granted to the Group.

## 16. CONTINGENT LIABILITIES

At 30 September 2003, there were contingent liabilities in respect of counter-guarantees, amounting to approximately HK\$3,241,000 (31.3.2003: HK\$6,979,000) which were given by a subsidiary in favour of certain banks and insurance companies against any liabilities of these parties arising from non-compliance of the terms of interior building works being undertaken by the subsidiary.

## 14. 儲備

	股票溢價 千港元	繳入盈餘 千港元	資本儲備 千港元	外匯兌換 儲備 千港元	滾存溢利 千港元	總額 千港元
本集團						
於二零零二年四月一日	47,640	18,865	8,662	149	154,745	230,061
該期虧損	—	—	—	—	(15,096)	(15,096)
於二零零二年九月三十日	47,640	18,865	8,662	149	139,649	214,965
該期虧損	—	—	—	—	(54,041)	(54,041)
於二零零三年三月三十一日	47,640	18,865	8,662	149	85,608	160,924
本期溢利	—	—	—	—	5,061	5,061
於二零零三年九月三十日	47,640	18,865	8,662	149	90,669	165,985

## 15. 資產抵押

於二零零三年九月三十日，本集團位於中國內地之土地及樓宇，其淨賬面值約為7,453,000港元（二零零三年三月三十一日：7,692,000港元），已抵押給一間銀行，作為給予本集團貸款之抵押。

## 16. 或然負債

於二零零三年九月三十日，有保證之或然負債約為3,241,000港元（二零零三年三月三十一日：6,979,000港元），此乃由附屬公司給予銀行及保險公司，用以承擔因未能依據室內裝飾工程之條文而引發之負債。