

We are pleased to present the interim financial report which comprises the consolidated profit and loss account, condensed consolidated cash flow statement and consolidated statement of recognised gains and losses of the Company, its subsidiaries and associated companies (the “Group”) for the six months ended 30 June 2001 and the consolidated balance sheet of the Group as at 30 June 2001, all of which are unaudited, together with the comparative figures in 2000. The interim financial report has been reviewed by the Company’s audit committee and, in accordance with Statement of Auditing Standard 700 “Engagements to review interim financial reports” issued by the Hong Kong Society of Accountants, by the Company’s auditors.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

		Six months ended 30 June	
		2001	2000
	Note	HK\$'000	HK\$'000
Turnover	2	13,599,685	10,267,606
Cost of Sales		(12,393,346)	(9,262,171)
Gross profit		1,206,339	1,005,435
Other revenues		71,144	74,749
Selling expenses		(252,596)	(191,616)
Merchandising expenses		(645,825)	(517,586)
Administrative expenses		(97,779)	(87,741)
Provision for investment		(10,759)	(5,790)
Operating profit	2&3	270,524	277,451
Interest income		70,426	54,357
Interest expenses		(6,273)	(10,829)
Share of profits less losses of associated companies		7,458	7,964
Profit before taxation		342,135	328,943
Taxation	4	(27,418)	(29,605)
Profit after taxation		314,717	299,338
Minority interests		23,421	(5,530)
Profit attributable to shareholders		338,138	293,808
Interim dividend	5	229,775	192,318
Basic earnings per share	6	11.8 cents	11.1 cents