

主席報告

CHAIRMAN'S STATEMENT

業績

本集團截至二零零二年六月三十日止六個月之未經審核綜合營業額及股東應佔溢利分別為港幣12,933,200,000元及港幣720,100,000元，較去年同期分別上升7.2%及下跌8.6%。然而，撇除二零零一年上半年出售了瀋陽華潤三洋壓縮機有限公司之25.5%股權所得之溢利港幣59,100,000元後，本集團截至二零零二年六月三十日止六個月之股東應佔溢利僅下跌1.2%。按加權平均股數基準計算的本集團每股盈利為港幣0.35元，而二零零一年上半年則為港幣0.39元。

中期股息

董事已宣派截至二零零二年十二月三十一日止年度之中期股息，每股港幣9仙（二零零一年：港幣8仙），合共約港幣186,700,000元（二零零一年：港幣161,100,000元），予於二零零二年十月七日名列於本公司股東名冊之股東。中期股息將於二零零二年十一月一日或前後派付。

暫停辦理股份過戶登記

本公司將於二零零二年十月七日至二零零二年十月十一日期間（包括首尾兩天）暫停辦理股份過戶登記。為符合獲派中期股息之資格，所有填妥之過戶表格連同有關股票，必須於二零零二年十月四日下午四時正前交回本公司之股份過戶登記處——標準證券登記有限公司，地址為香港干諾道中111號永安中心5樓。

RESULTS

The Group's unaudited consolidated turnover and profit attributable to shareholders for the six months ended 30th June 2002 amounted to HK\$12,933.2 million and HK\$720.1 million respectively, representing an increase of 7.2% and a decrease of 8.6% over the same period of last year. Excluding the profit of HK\$59.1 million from the disposal of a 25.5% stake in China Resources (Shenyang) Sanyo Compressor Co., Ltd. in the first half of 2001, profit attributable to shareholders declined only by 1.2% for the six months ended 30th June 2002. Earnings per share for the Group, based on weighted average number of shares, was HK\$0.35 compared with HK\$0.39 in the first half of 2001.

INTERIM DIVIDEND

The Directors have declared an interim dividend for the year ending 31st December 2002 of HK9 cents per share (2001: HK8 cents) totalling approximately HK\$186.7 million (2001: HK\$161.1 million) to shareholders, whose names appear on the register of members of the Company on 7th October 2002. The interim dividend will be payable on or about 1st November 2002.

CLOSURE OF REGISTER

The Register of Members will be closed from 7th October 2002 to 11th October 2002, both days inclusive. In order to qualify for the interim dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged into the share registrars of the Company, Standard Registrars Limited, 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong not later than 4:00 p.m. on 4th October 2002.

管理層討論與分析

業務回顧

石油及化學品經銷

本集團石油及化學品業務主要在中港兩地推廣及經銷石油產品、石油氣產品及化學產品。截至二零零二年六月三十日止六個月，營業額為港幣4,558,000,000元，較去年同期下跌11.5%。二零零二年上半年末計公司總部利息及費用前純利為港幣181,200,000元，較二零零一年上半年增長接近100%。本業務之表現與國際油價走勢及有效的存貨成本管理息息相關。雖然本業務之營業額有所下跌，但由於毛利率的提升及有效的市場推廣策略，反而取得更佳盈利。

石油及石油氣業務會向全球主要石油供應商採購煉油及石油氣產品，並將產品銷售予批發代理商及直銷客戶，包括船公司、巴士公司、航空公司、公用事業機構以及香港特別行政區政府（「香港政府」）。本業務亦透過於香港的19個石油及石油氣汽車加油站，以及於中國內地的22個石油汽車加油站經銷其產品。截至二零零二年六月三十日止六個月，石油業務營業額為港幣3,515,200,000元，較去年同期下跌13.8%。雖然石油產品總銷售量下降及售價下調，但透過有效的存貨成本控制措施，本業務大部份產品的毛利仍得以提升。本集團預期二零零二年下半年的石油需求將維持於現有水平。倘若石油輸出國組織維持其目前的

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Operations

Petroleum and Chemical Distribution

The Group's petroleum and chemical operation is engaged principally in the marketing and distribution of petroleum, LPG and chemical products in Hong Kong and the Chinese Mainland. For the six months ended 30th June 2002, turnover amounted to HK\$4,558.0 million, representing a decrease of 11.5% over the same period of last year. Net profit before corporate interest and expenses for the first half of 2002 amounted to HK\$181.2 million, showing an increase close to 100% over that of last year. The performance of the operation relates closely to the international oil price trend and effective inventory cost management. Despite the decline in turnover, the operation has been able to achieve a higher profit due to improved profit margins and effective marketing strategies.

The petroleum and gas operation sells and distributes the refined oil and LPG products purchased from the world's major oil suppliers to wholesale agents and direct account customers including shipping companies, bus companies, airline, public utilities companies and the Government of the Hong Kong Special Administration Region ("the Hong Kong Government"). It also distributes its products through 19 petrol and LPG stations in Hong Kong and 22 petrol stations in the Chinese Mainland. For the six months ended 30th June 2002, turnover for the petroleum operation amounted to HK\$3,515.2 million, representing a decrease of 13.8% over the same period last year. Despite the decrease in overall sales volume and fall in selling prices for the petroleum, the operation has been able to enhance the gross margins for most of its products through effective inventory cost control. The Group anticipates the current level of demand for petroleum to sustain in the second half of 2002. In the event oil production for OPEC remains at its present low level and tension in

低產量水平，以及中東局勢持續緊張，則國際油價可能上升。

香港的石油及石油氣汽車加油站在銷售量方面較去年同期錄得51.4%之顯著升幅。由於香港政府引入環保石油氣的士令到使用石油氣之車輛數目上升，以及加設了2個石油氣加油站之緣故，集團之石油氣加油站之石油氣銷售量較去年同期勁升超過80%。

化學品業務負責石油副產品、有機及無機化學品的市場推廣及經銷，於二零零二年上半年有賴中國內地的強大需求和更有效的經銷網絡，本業務表現出色。截至二零零二年六月三十日止六個月，本業務錄得營業額港幣438,000,000元，較去年同期上升40.8%，並相對去年同期轉虧為盈，錄得經營溢利港幣22,500,000元。

零售

本集團零售業務截至二零零二年六月三十日止六個月錄得營業額達港幣2,637,800,000元，較去年同期增加39.3%，並相對去年同期之淨虧損港幣6,100,000元轉虧為盈，錄得未計公司總部利息及費用前純利為港幣16,800,000元。

the Middle East continues, international oil prices are likely to escalate.

Petrol and LPG stations in Hong Kong have experienced a remarkable increase of 51.4% in sales volume over the same period of last year. Sales volume for LPG sold at own stations soared by over 80% over last year due to the increasing number of LPG operated vehicles as a result of the introduction of environmental friendly LPG taxis by the Hong Kong Government and an addition of 2 new LPG stations.

The chemical operation, which markets and distributes petroleum by-products, organic and inorganic chemicals, enjoyed a good performance in the first half of 2002 due to strong demand in the Chinese Mainland and improved distribution network. For the six months to June 2002, the operation reported a turnover of HK\$438.0 million, up 40.8% against the same period of last year and an operating profit of HK\$22.5 million, as compared to an operating loss last year.

Retail

The Group's retail segment reported a turnover of HK\$2,637.8 million, up 39.3% over the same period of last year and a net profit before corporate interest and expenses of HK\$16.8 million as compared to a net loss of HK\$6.1 million for the same period last year.

超級市場

截至二零零二年六月三十日止六個月，超級市場業務錄得營業額港幣1,665,200,000元，較去年同期增加55.3%。於二零零二年六月底，香港與中國內地合共有450間自營連鎖店及特許經營店，相對去年同期的店舖數目為333間。與本集團策略一致，增長主要來自中國內地。在回顧期間，中國內地的店舖數目由265間增加至379間。鑑於中國內地的零售增幅顯著，本集團對其超級市場業務於二零零二年下半年的持續增長表示樂觀。

為了貫徹轉型為零售主導的經銷公司之策略方向，本集團已於二零零二年七月以人民幣372,000,000元的代價，向中國華潤總公司（「中國華潤」）收購了廣東省內最大型的大賣場營運商——華潤萬佳超級市場有限公司（「華潤萬佳」）（前稱萬佳百貨股份有限公司）的65%股權。華潤萬佳和本集團現有連鎖式超級市場的合併營運，使本集團成為按銷售額計廣東省內最大型的零售商，並將擔當實踐集團零售大計的先鋒。

品牌時尚產品經銷

本集團在中國內地之時尚品牌產品經銷業務保持平穩增長。二零零二年上半年，已就指定城市訂立協議經銷3項新品牌產品，使現有品牌總數增加至19項。截至二零零二年六月三十日止六個月，營業額增加30.0%至港幣399,400,000元，未計公司總部利息及費用前純利為

Supermarket

The supermarket operation reported a turnover of HK\$1,665.2 million for the six months ended 30th June 2002, representing an increase of 55.3% over the same period last year. There were 450 self-operated and franchised stores in Hong Kong and the Chinese Mainland as at end of June 2002, compared with 333 for the same period last year. Consistent with the Group's strategy, growth mainly came from the Chinese Mainland. For the period under review, the number of stores in the Chinese Mainland grew from 265 to 379. Based on the remarkable retail growth for the Chinese Mainland, the Group has reasons to be optimistic for sustainable growth of its supermarket operations in the second half of 2002.

In keeping up with its strategic direction to transform into a retail-led distribution company, the Group acquired in July 2002 from China Resources National Corporation ("CRNC") of 65% equity interests in China Resources Vanguard Supermarket Company Limited ("China Resources Vanguard") (previously China Vanguard Super Department Company Limited), the largest hypermarket operator in Guangdong province at a consideration of RMB372 million. The combined operations of China Resources Vanguard and the existing supermarket chain of the Group enable the Group to become the largest retailer in Guangdong province in terms of sales and to spearhead the execution of our retailing plan.

Brand-fashion distribution

The Group's brand-fashion distribution business in the Chinese Mainland continues its stable growth. Agreements were signed for 3 new brands during the first half of 2002 for designated cities, making a total of 19 brands to-date. For the six months ended 30th June 2002, turnover rose 30.0% to HK\$399.4 million while net profit before corporate interest and expenses amounted to HK\$6.5 million. Substantial start up costs were incurred for brand development. As at

6,500,000元。進行品牌開發而產生了大量開辦費用。於二零零二年六月三十日，本集團共有727間自營及特許經營店舖，相對於二零零一年六月三十日只有520間。本集團正加強力度，透過開設更多新店舖及壯大經銷網絡，積極落實業務拓展計劃，期望帶來更佳溢利。

香港零售

本集團作為業內最大型營運商之一，擁有以華潤百貨及中藝為名之9間百貨公司，所有店舖均位於香港之主要商業及購物區。於二零零二年六月底，未計設於華潤百貨內之店舖，本集團合共經營11間以「華潤堂」為名之獨立門店，銷售各類中成藥產品。於二零零二年上半年，位於灣仔及尖沙咀之中藝店舖已經過重新裝修，而中環華潤百貨已於本年度三月結業。儘管本地經濟疲弱，本集團零售店舖之營業額仍較二零零一年上半年增長11.5%達港幣573,200,000元。業務表現令人滿意乃由於奏效之市場推廣活動，以及部份店舖進行結業及裝修清貨之營業額比預期更為理想。預期二零零二年下半年，高失業率與經濟低迷之陰霾仍會繼續籠罩香港零售業。

食品加工及經銷

二零零二年上半年，本集團之食品加工及經銷業務錄得港幣2,388,600,000元營業額，較去年同期下降16.3%。消費不振及年初時取消出口至香港之冷凍肉食配額的獨家代理權均導致收益減少。本集團透過審慎之市場策略以及增加直接向外

30th June 2002, the Group had 727 self-operated and franchised boutiques, compared with about 520 boutiques as at 30th June 2001. The Group is pushing ahead with its expansion plan through opening new shops and growing its distribution network with a view to improve profit.

Hong Kong Retail

The Group, being one of the largest operators in its field, owns a chain of 9 department stores under the household name of CRC Store and Chinese Arts & Craft Stores ("CAC Stores") located in the prime business and shopping districts of Hong Kong. Excluding stores within CRC Stores, the Group also operates 11 stores as of end of June 2002 under the brand name of "CRC Medichall" to sell Chinese drugs and medicines. In the first half of 2002, the CAC stores at Wanchai and Star House have been refurbished while the CRC Store at Central was closed for business in March this year. Despite the weak local economy, the Group's retail stores still achieved an 11.5% of turnover growth over the first half of 2001 to HK\$573.2 million. The satisfactory performance was due to effective marketing campaigns and higher-than-expected closure and renovation sales for some of the stores. High unemployment and slow economy will continue to adversely affect the retail sector in Hong Kong for the second half of 2002.

Food Processing and Distribution

For the first half of 2002, the Group's food processing and distribution segment reported a turnover of HK\$2,388.6 million, representing a decrease of 16.3% over that of last year. The weak consumption and lifting of the quota on frozen meats export to Hong Kong early this year have led to the decline in revenue. Through prudent marketing strategy and increased direct sourcing of foreign and Chinese

地及中國內地採購肉食產品，將冷凍肉食之毛利率大幅提升5.8個百分點。在回顧期間，未計公司總部利息及費用前純利達港幣171,600,000元。在剔除主要由於二零零一年私有化後股息分派港幣1,300,000,000元後而導致利息收入淨額下跌港幣43,100,000元，期內純利相對去年同期僅輕微下跌3.2%。

二零零二年上半年，食品經銷業務經營溢利較去年同期下跌13.4%。此乃由於二零零一年上半年曾爆發禽流感及暫停進口泰國凍肉，導致對生豬需求異常殷切，因而產生本期經營溢利下跌之錯覺。二零零二年上半年，由於本集團致力開發和推出全新產品、加強銷售力度以及增加新客戶數目，使食品經銷業務之雜貨及其他食品經銷之營業額及經營溢利，分別較去年同期錄得13.7%以及6.9%之升幅。

食品生產及加工業務之雪糕生產環節表現甚佳。有關業績全賴本集團不斷投入資源擴充產品種類、提升銷售推廣及加快市場拓展。在回顧期間，雪糕業務的營業額相對去年同期增加23.3%，而經營溢利則大幅躍升34.1%。然而，由於供應至歐洲市場之南美鮮蝦供應商之競爭及日本市場消費下跌，食品生產及加工業務於二零零二年上半年之經營溢利較去年同期減少23.1%。

在回顧期間，儘管屠場之屠宰量及其他業務之收益稍有回落，但經營溢利仍因效率提高及更有效之成本控制措施而較去年同期增加8.7%。

Mainland meat products, the Group has improved the gross profit margin of frozen meats substantially by 5.8 percentage points. Net profit before corporate interest and expenses for the period under review amounted to HK\$171.6 million. Excluding the decrease in net interest income of HK\$43.1 million arising mainly from the post-privatisation dividend pay-out of HK\$1,300 million in 2001, the net profit only fell slightly by 3.2% compared to the same period last year.

Operating profit for the food distribution for the first half of 2002 was 13.4% below that of last year. The decline was distorted by the exceptionally high demand in the first half of 2001 for live pigs, triggered by the outbreak of bird flu and suspension of chilled meat from Thailand. The grocery and other food products within the food distribution operation reported an increase of 13.7% in turnover and 6.9% in operating profit for the first half of 2002 over last year, due to efforts taken by the Group to develop and launch new products, strengthen its sales force and increase the number of new customers.

The ice-cream business under the food production and processing operation performed well. Such results are attributable to the Group's continuous efforts to expand the product range, enhance sales promotion and accelerate market exploration. For the period under review, turnover of ice-cream business rose 23.3% and operating profit jumped 34.1% compared to that of last year. However, due to competition from South American prawn suppliers to European market and the declining consumption in the Japanese market, operating profit for the food production and processing operation for the first half of 2002 fell by 23.1% when compared to last year.

Due to enhanced efficiency and effective cost control, abattoir and other operations reported an 8.7% increase in operating profit for the period under review over that of last year, despite a slight decline in slaughtering volume and revenue.

飲品

本集團飲品業務於二零零二年首六個月之營業額為港幣1,845,600,000元，較去年同期增加63.2%。二零零二年上半年末計公司總部利息及費用前純利為港幣41,600,000元，較二零零一年同期下跌13.5%，主要是由於利息開支較高及進行全國性品牌廣告宣傳的費用所致。

啤酒及淨化水業務於二零零二年上半年之銷量分別約達1,129,000千升及123,000千升，分別較去年同期增加73.4%及17.1%。啤酒業務增長強勁主要有賴本集團藉著收購釀酒廠而擴充其中國內地市場份額的計劃。撇除由於新收購釀酒廠而造成的增長，瀋陽、大連、吉林、安徽、天津以及鞍山釀酒廠的銷量約有5.4%的合併內涵增長。連同本集團於本年度四月新收購位於武漢市的另一間釀酒廠，合共有27間釀酒廠，合併生產能力達每年3,700,000千升。本集團於新釀酒廠融入現有業務後將改善資源分配，從而提升釀酒業務的業績表現。

紡織

二零零二年一月，本集團向華潤(集團)有限公司收購其紡織品製造及經銷業務，代價約為港幣940,000,000元。

紡織業務自一九五零年代後期開展以來，已成為中國內地出口紡織紗線及紡織品往外國之最大出口商之一。本身已建立的紡織品經銷網絡將有利本集團壯

Beverage

The Group's beverage segment reported a turnover of HK\$1,845.6 million for the first 6 months of 2002, representing an increase of 63.2% over that of last year. Net profit before corporate interest and expenses for the first half of 2002 amounted to HK\$41.6 million, representing a 13.5% decline over the same period of 2001 mostly attributable to higher interest expenses and advertising costs for national brand.

Sales volume for beer and purified water for the first half of 2002 amounted to approximately 1,129,000 kilolitres and 123,000 kilolitres respectively, showing an increase of 73.4% and an increase of 17.1% over the same period last year. The strong growth for beer was attributable to the Group's plan to expand its market presence in the Chinese Mainland through acquisition of breweries. Ignoring the growth for the newly acquired breweries, breweries at Shenyang, Dalian, Jilin, Anhui, Tianjin and Anshan have contributed a combined organic growth of about 5.4% in sales volume. One additional brewery in Wuhan City was acquired by the Group in April this year, bringing the total number of breweries to 27 and a combined annual production capacity of 3,700,000 kilolitres. The Group will rationalise the allocation of resources on integration of the new breweries with the existing operation, thereby improving the bottom line of the brewery segment.

Textile

In January 2002, the Group acquired from China Resources (Holdings) Company Limited its textile manufacturing and distribution operations, at a consideration of approximately HK\$940 million.

The textile business was established in the late 1950s and is now one of the largest players in the Chinese Mainland's export of textile yarn and fabrics to overseas. The distribution network thus far established will benefit the Group as a whole in advancing the Group's retail and

大中港兩地之零售及經銷業務。於二零零二年五月，已完成收購山東紡織品製造業務之少數股權。

由收購起計截至二零零二年六月為止的五個月，本集團的新紡織業務已分別錄得營業額為港幣999,500,000元及未計公司總部利息及費用前純利為港幣43,200,000元。由於季節性因素、棉花價格相對較高、來自美國的需求減少以及配額成本急升等因素的影響，本集團的新紡織業務於截至二零零二年首六個月的表現顯得較為遜色。本集團預期聖誕節訂單將有助改善二零零二年下半年的表現。

物業

本集團物業業務錄得營業額為港幣302,700,000元及未計公司總部利息及費用前純利為港幣140,900,000元，去年同期則分別錄得港幣727,200,000元及港幣249,100,000元。與去年同期數字之差額乃由於貫徹本集團減少物業發展業務之策略，務求更專注發展其核心業務。

物業發展

本集團物業發展業務，其中包括灝景灣項目55%的權益，於二零零二年上半年錄得營業額及未計公司總部利息及費用前純利分別為港幣66,100,000元（二零零一年：港幣498,300,000元）及港幣9,900,000元（二零零一年：港幣102,500,000元）。該發展項目已告完成，大部份住宅單位

distribution businesses in both Hong Kong and the Chinese Mainland. The acquisitions of minority equity stake for textile manufacturing operation at Shangdong have been completed in May 2002.

For the five months to June 2002 since acquisition, the Group's new textile segment reported a turnover of HK\$999.5 million and a net profit before corporate interest and expenses of HK\$43.2 million. The performance in the first six months of 2002 was low due to seasonality, relatively high cotton prices, weakened demand from the United States and surge in quota costs. The Group anticipates improved performance in the second half of 2002 with the arrival of Christmas orders for the period.

Property

The Group's property segment reported a turnover of HK\$302.7 million and a net profit before corporate interest and expenses of HK\$140.9 million as compared to last year of HK\$727.2 million and HK\$249.1 million respectively. The change to last year was due to the reduction in property development business consistent with the Group's strategy to focus on its core businesses.

Property development

The Group's Hong Kong property development segment, which comprises its 55% interest in the Villa Esplanada project, recorded a turnover of HK\$66.1 million (2001: HK\$498.3 million) and a net profit before corporate interest and expenses of HK\$9.9 million (2001: HK\$102.5 million) for first half of 2002. The development has been completed with all residential units substantially sold in prior years. As

已於以往年度內售出。於二零零二年六月底，僅餘3個住宅單位尚待認購；500個停車位之中已售出204個。

收租物業

本集團的收租物業業務包括貨倉及冷倉、倉庫、零售舖位、商用及工業物業，錄得營業額港幣236,600,000元，較二零零一年上半年增加3.4%。二零零二年上半年未計公司總部利息及費用前純利為港幣131,000,000元，比對去年同期的數字為港幣146,600,000元。

本集團零售物業之總樓面面積約有398,000平方呎，該等物業均位於香港的黃金地段，包括銅鑼灣、旺角、尖沙咀及荃灣。於二零零二年六月，大部份零售舖位均已租出。本集團持作工業、商用及住宅用途之收租物業之總樓面面積約有954,000平方呎，上述物業連同零售物業於二零零二年上半年為本集團帶來之租金收入總額為港幣148,600,000元。

本集團是香港經營貨倉及冷倉倉庫業務的主要公司之一，於自置物業內營運的倉庫業務的總樓面面積約達1,550,000平方呎。由於經濟持續疲弱，故貨倉及冷倉倉庫使用率由去年同期的88%及85%分別下跌至本年的85%及82%。儘管競爭加劇及需求偏低，本業務於二零零二年上半年仍有平穩表現，營業額及純利分別錄得港幣88,100,000元（二零零一年：港幣82,300,000元）及港幣27,000,000元（二零零一年：港幣30,200,000元）。

at end of June 2002, only 3 residential units were left unsold. Of the 500 car parks, 204 have been sold as at end of June 2002.

Rental Properties

The Group's rental properties segment, which comprises godown, cold storage warehouses, retail stores, office and industrial premises, reported a turnover of HK\$236.6 million, representing an increase of 3.4% over the first half of 2001. Net profit before corporate interest and expenses amounted to HK\$131.0 million for the first half of 2002 as compared to HK\$146.6 million over the same period of last year.

The Group's retail properties, which are situated in the prime districts in Hong Kong including Causeway Bay, Mongkok, Tsimshatsui and Tsuen Wan, have a total floor area of approximately 398,000 square feet. As of June 2002, most retail properties were leased out. The Group's rental properties held for industrial, office and residential use, has a total floor area of approximately 954,000 square feet, which together with retail properties have contributed a total rental income of HK\$148.6 million in the first half of 2002.

The Group is one of the major godown and cold storage operators in Hong Kong with a total floor area of 1,550,000 square feet, operating at its own properties. Due to the poor economy, occupancy rates for godown and cold storage operations fell from last year's 88% and 85% to this year's 85% and 82% respectively. Despite the growing competition and low demands, the operation still reported a stable performance in turnover of HK\$88.1 million (2001: HK\$82.3 million) and net profit of HK\$27.0 million (2001: HK\$30.2 million) for the first half of 2002.

投資及其他

本集團其他投資業務錄得的營業額為港幣 272,600,000 元（二零零一年：港幣 380,200,000 元），未計公司總部利息及費用前純利為港幣 188,600,000 元（二零零一年：港幣 296,700,000 元）。撇除出售資產所得收入港幣 59,100,000 元以外，本回顧期間之溢利比去年同期減少 20.6%。

貨櫃碼頭

本集團擁有 10% 權益的 HIT Investments Limited 錄得令人滿意的吞吐量與盈利增長。整體而言，為深圳及華南製造業基地服務的香港及鹽田深水港業務，錄得合計吞吐量增長 18% 和未計利息及稅項前盈利增長 10%。在香港，香港國際貨櫃碼頭與聯營公司 COSCO-HIT 錄得合計吞吐量增長 4%，未計利息及稅項前盈利則下跌 4%，兩者皆由於鹽田碼頭錄得吞吐量增長 56% 和未計利息及稅項前盈利增長 58% 而得以抵銷。

建築物料

本集團之建築物料業務主要是生產和經銷預拌混凝土，該業務於截至二零零二年六月止六個月錄得的營業額及未計公司總部利息及費用前純利分別為港幣 218,700,000 元及港幣 35,200,000 元，較去年同期分別減少 35.1% 及 51.0%。由於本港樓市仍未全面復蘇，故建築物料之需求仍然偏低。在回顧期間，政府基建工程項目亦相對不多。預期二零零二年下半年，預拌混凝土售價仍會飽受下調壓

Investments and others

The Group's other investments segment reported a turnover of HK\$272.6 million (2001: HK\$380.2 million) and a net profit before corporate interest and expenses of HK\$188.6 million (2001: HK\$296.7 million). Excluding the asset disposal income of HK\$59.1 million, profit for the period under review fell by 20.6%.

Container Terminal

HIT Investments Limited, in which the Group has 10% interest, reported satisfactory growth in throughput and earnings. Overall, Hong Kong and Yantian deepwater port operations, which together serve the Shenzhen and Southern China manufacturing basin, reported combined throughput growth of 18% and an EBIT growth of 10%. In Hong Kong, Hong Kong International Terminals and COSCO-HIT, an associated company, reported a 4% increase in combined throughput but a 4% decline in EBIT, both of which was offset by Yantian Terminal's 56% growth in throughput and a 58% growth in EBIT.

Building Materials

The Group's building materials segment is engaged principally in the manufacturing and distribution of ready mixed concrete. Turnover and net profit before corporate interest and expenses for the six months ended June 2002 amounted to HK\$218.7 million and HK\$35.2 million respectively, representing a decrease of 35.1% and 51.0% over the same period of last year. Demand for construction materials is low as local property market has yet to fully recover. Relatively fewer government infrastructure projects were available for the period under review. Downward pressure on concrete selling prices is expected to stay in the second half of 2002. In a bid to maintain the profit margin,

力。為了保持毛利率，本集團已採取積極措施控制物料成本及減低開支，同時亦考慮進軍中國市場。

資金及融資

本集團集中處理所有盈餘儲備及營運資金需求，藉以有效監控資金運作，並降低平均資金成本。本集團仍然主要利用充盈的經營業務之現金流入、股本及銀行借貸，為業務和資本結構融資。

於二零零二年四月悉數償還175,000,000美元浮息票據後，本集團於二零零二年六月三十日之借貸承擔為港幣6,543,700,000元，其中港幣1,540,200,000元將於一年內到期，港幣4,887,100,000元將於二至五年內到期，以及港幣116,400,000元將於五年後到期。本集團於二零零二年六月三十日的綜合現金達港幣6,157,300,000元。以本集團的借貸淨額比對股東資金及少數股東權益計算，本集團的淨負債比率仍然偏低，約為2.4%。根據該標準，本集團擁有充盈的財務資源，足以應付於可見未來的重大投資計劃。

本集團大部份的資產均以港元、美元及人民幣訂值。於二零零二年六月三十日，本集團約有48.7%和29.3%之現金及現金等值分別以港元和美元訂值，其餘則主要以人民幣訂值。於二零零二年六月三十日，本集團之借貸中有47.1%以港元訂值、37.9%以美元訂值及14.7%以人民幣訂值。除零息保證可換股債券外，

the Group has taken active steps to control the materials costs and to trim down overhead. The Group is also considering expanding the operations into the China market.

Capital and Funding

The Group centralizes surplus fund and funding requirements for all its operations to achieve better treasury operational control and lower average cost of funds. The Group continues to finance its operations and capital structure principally by strong recurring cash inflow from operating activities, equity capital and bank borrowings.

After full repayment of the Floating Rate Notes of US\$175 million in April 2002, the Group's committed borrowings as at 30th June 2002 was HK\$6,543.7 million with HK\$1,540.2 million payable within 1 year, HK\$4,887.1 million within 2 to 5 years and HK\$116.4 million over 5 years. The Group's consolidated cash as of 30th June 2002 amounted to HK\$6,157.3 million. Calculated on the basis of the Group's net borrowings over shareholders' funds and minority interests, the Group's net gearing ratio remained low at approximately 2.4%. On that basis, the Group has adequate financial resources to cope with its future plans for its material investments in the foreseeable future.

The Group has a substantial portion of its assets denominated in Hong Kong dollars, U.S. dollars and Renminbi. As of 30th June 2002, the Group has 48.7% of its cash and cash equivalent denominated in Hong Kong dollars and 29.3% in U.S. dollars with the remainder largely held in Renminbi. As of 30th June 2002, the Group has 47.1% of its borrowings denominated in Hong Kong dollars, 37.9% in U.S. dollars and 14.7% in Renminbi. Except for the zero coupon convertible guaranteed bonds, the majority of the Group's borrowings are subject

本集團大部份借貸均為浮息借貸。於二零零二年六月三十日，本集團概無外幣合同、掉期利息或貨幣或其他財務衍生工具的重大風險。

於二零零二年六月三十日結算日，本集團將資產淨值為港幣933,500,000元（二零零一年十二月：港幣654,000,000元）之固定資產質押，以擔保為數港幣589,800,000元（二零零一年十二月：港幣438,300,000元）之短期貸款及長期貸款港幣37,600,000元（二零零一年十二月：港幣37,600,000元）。

資本承擔

於二零零二年六月三十日，本集團有港幣334,600,000元之尚未履行之資本承擔，將由內部資源融資。

或然負債

於二零零二年六月三十日，本集團並無任何重大或然負債。

僱員

於二零零二年六月三十日，除聯營公司以外，本集團僱用約65,000人，其中約59,000人在中國內地僱用，其餘主要駐守香港。本集團僱員按其工作性質、個人表現及市場情況收取薪酬，附以花紅形式支付的獎勵計劃。股東已於二零零二

to floating interest rates. As of 30th June 2002, the Group had no material exposure to foreign exchange contracts, interest or currency swaps or other financial derivatives.

At the balance sheet date of 30th June 2002, the Group has pledged its fixed assets with a net asset value of HK\$933.5 million (December 2001: HK\$654.0 million) to secure short-term loans in the sum of HK\$589.8 million (December 2001: HK\$438.3 million) and long-term loans in the sum of HK\$37.6 million (December 2001: HK\$37.6 million).

Capital Commitments

As at 30th June 2002, the Group's outstanding capital commitments which will be funded by internal resources, amounted to HK\$334.6 million.

Contingent Liabilities

As at 30th June 2002, the Group has no material contingencies.

Employees

As at 30th June 2002, excluding associated companies, the Group employs approximately 65,000 people, of which approximately 59,000 are employed in the Chinese Mainland, with the remaining predominantly in Hong Kong. The Group's employees are remunerated according to the nature of job, individual performance and market trends with built-in merit components, paid in the form of bonuses. A

年一月三十一日舉行之大會上批准以新購股權計劃取代舊計劃，有關詳情已載述於本集團二零零一年年報內。

前景

過去數年，本集團全力為經銷業務創造新動力，並減低對香港物業發展業務的依賴。根據本集團於二零零零年六月公佈的重組計劃，本集團已完成石油及化學品經銷業務、紡織業務之收購，以及將五豐行有限公司私有化。期內亦已出售非核心資產，包括所持有的華潤置地有限公司、華潤勵致有限公司及香港華人有限公司（前稱香港華人銀行集團有限公司）的權益。今天，我們過往付出的努力已漸見成果，二零零二年上半年集團盈利穩定，而來自本地物業發展項目——灝景灣的溢利亦已差不多全部入賬。展望未來，本集團將專注利用在中國內地的零售業務進一步帶動未來增長，並預期取得更穩定的經常溢利。

成功收購華潤萬佳是實踐本集團零售大計的重要一步。本集團希望在中國內地的零售總營業額透過業務本身的內涵增長及進行收購，可於未來五年達到人民幣500億元。按照本集團重點發展的首兩項業務模式——大賣場及超級廣場，將可加快開設新超級市場的速度。現正研究第三項業務模式，即主要銷售本集團自有品牌產品的折扣店。因此，我們預期未來數年來自本集團超級市場的營業額將會大幅增長。

new share option scheme to replace the old one was approved by the shareholders in the general meeting on 31st January 2002. Details of the scheme are described in the Group's 2001 annual report.

Prospects

Over the past few years, the Group has made strenuous efforts to create a driver for its distribution businesses while reducing its reliance on the property development sector in Hong Kong. Pursuant to the restructuring plan announced in June 2000, the Group has completed the acquisition of the petroleum and chemical distribution operation and the textile operation as well as privatisation of Ng Fung Hong Limited. Non-core assets, including stakes in China Resources Land Limited, China Resources Logic Limited and HONGKONG CHINESE LIMITED (previously HKCB Bank Holding Company Limited), were disposed. Today, our efforts are gradually paid off as evident from the earnings stability in the first half of 2002 with profit from our local development project, Villa Esplanada, already exhausted. Looking forward, the Group will focus on using retail businesses in the Chinese Mainland to drive future growth thus earnings are expected to be more recurrent.

The successful acquisition of China Resources Vanguard is an important step to implement our retailing plan. The Group aims to achieve a total retailing turnover of RMB50 billion in the Chinese Mainland in five years' time through organic growth as well as by acquisition. Supermarket store opening will accelerate with initial focus on two strategic formats — hypermarket and superstore. A third store format, discount store which sells mainly our own private labels, is also under study. Accordingly, we anticipate rising significance of our supermarket turnover in the coming years.

為了把握內地經濟的強勁表現及中國加入世界貿易組織之商機，本集團已拓展中國內地的投資。於回顧期間內，來自中國內地的營業額及除稅前溢利所佔比例分別增加至40%及25%，而二零零一年上半年的數字分別為31%及22%。

香港持續通縮加上美國經濟復蘇步伐不穩，本集團將會繼續受到考驗。然而，本集團已採取審慎的成本控制措施並致力提升營運效率，加上目前資產負債狀況非常良好以及現有業務的現金流量穩定，本集團現正處於有利位置捕捉未來各種商機。我們將進而強化管理職能及提高透明度，讓投資者可透徹評估集團的重組計劃進度。除未能預見的情況外，董事有信心本集團業績可於二零零二年下半年持續報捷。

公司管治

自二零零一年底以來，發生多宗國際公司管治事件，動搖了投資者對公司管治標準、道德操守及會計守則的信心。本集團一如以往，向股東承諾會在各方面施行一級的公司管治。為進一步加強其獨立、問責及職能水平，本集團主席與董事總經理之職位一向由不同人士擔任，本集團將於本年底成立薪酬檢討委員會，並會委任獨立董事出任委員會主席。本集團亦會於本財政年度下一季開始，刊發自發性質的季度業績公告。昂首向前，本集團將繼續在營運及發展中進一步提高其公司管治水準及透明度。

To capitalise on the strong performance of the mainland economy and opportunities brought by China's accession to the World Trade Organisation, the Group has expanded its investments in the mainland. During the period under review, the proportion of turnover and profit before tax from the Chinese Mainland increased to 40% and 25% respectively. This compares with 31% and 22% respectively in the first half of 2001.

The deflationary environment in Hong Kong and uncertain pace of economic recovery in the US will continue to post challenges to the Group. However, prudent measures to control cost and enhance operating efficiency have been implemented. Coupled with our strong balance sheet and steady cashflow from the existing businesses, the Group is well positioned to capture the opportunities ahead. We will further strengthen our management functions and improve transparency so that investors can clearly measure the progress of our restructuring plan. Barring any foreseen circumstances, the Directors are confident that the Group will continue to report satisfactory results to its shareholders in the remainder of this year.

CORPORATE GOVERNANCE

Since late 2001, several global corporate events have shaken investors' confidence in the standards of corporate governance, ethical behaviour and accounting discipline. The Group remains committed to ensure that shareholders receive excellent corporate governance in all aspects. In order to reinforce independence, accountability and responsibility, the role of the Group's chairman has always been separated from that of the Group's managing director and the Group will establish a remuneration committee chaired by an independent director later this year. The Group will also commence the announcement of its quarterly results on a voluntary basis starting the next quarter of this financial year. Going forward, the Group will continue to further improve its standards of corporate governance and transparency in its operations and development.

投資者關係

本集團為鞏固與投資者之關係，已由二零零二年二月起成立專責小組，負責適時及有效率地與海內外之新聞媒體、分析員及投資者進行溝通聯繫。除此以外，為使投資者對集團各項業務有更深入全面的認識，我們在回顧期間舉行了多次公司巡訪及投資者訪問團。本集團亦於二零零二年六月舉行了首次非融資的路演，超過140名來自全球各地的投資者有機會與高級管理層直接進行熱烈討論。本集團將繼續竭盡全力，通過主動與投資者及傳媒進行對話、積極參與業內主要之會議與研討會，從而加強與投資者的溝通聯繫。

致謝

本人謹藉此機會代表董事局向本集團全體員工之不懈努力、摯誠投入致以最深謝意。

承董事局命

寧高寧

主席

二零零二年九月四日

INVESTOR RELATIONS

To strengthen the Group's relations with investors, a designated team has been established since February 2002 to facilitate timely and effective communication with the press, analysts and investors locally and abroad. Apart from that, in order to provide investors with a comprehensive perspective of our businesses, a number of company visits and investors' tours were organized during the period under review. The Group's first non-deal roadshow also took place during June 2002, where over 140 investors from all over the world were able to have direct and keen discussions with the senior management. The Group will continue its best efforts and commitment to strengthen its communication with investors via taking the initiative in frequent dialogues with investors and the media as well as active participation in key industry conferences and forums.

APPRECIATION

On behalf of the Board of Directors, I would also like to take this opportunity to express my sincere thanks to all the Group's employees for their continuous support and dedicated services.

By order of the Board

Ning Gaoning

Chairman

4th September 2002