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德祥企業集團有限公司  
(於百慕達註冊成立之有限公司)

ITC Corporation Limited  
(Incorporated in Bermuda with limited liability)

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## CHAIRMAN'S STATEMENT

I am pleased to present to shareholders the interim report and condensed financial statements of ITC Corporation Limited (the "Company") and its subsidiaries (together with the Company, the "Group") for the six months ended 30th September, 2003.

## INTERIM DIVIDEND

On the basis of the accounts, the board of directors of the Company (the "Board") has resolved not to pay interim dividend for the six months ended 30th September, 2003 (2002: NIL).

Preference share dividend on the 267,980,000 compulsorily convertible cumulative preference shares at HK\$0.069 per share per annum has not been accrued for the period under review.

## BUSINESS REVIEW AND OUTLOOK

### RESULTS AND FINANCIAL HIGHLIGHTS

During the six months ended 30th September, 2003, there are significant fluctuations on the results of the Group mainly because the Group started to consolidate Paul Y. - ITC Construction Holdings Limited ("Paul Y. - ITC") as a subsidiary in the accounts of the Group instead of sharing its results as an associate using the equity accounting method for the corresponding period in 2002 after the close of a voluntary conditional cash offer by the Group in December 2002.

The results and financial position of the Group for the period under review are summarised in the table below:

## 主席報告

本人欣然向股東提呈德祥企業集團有限公司（「本公司」）及其附屬公司（連同本公司，「本集團」）截至二零零三年九月三十日止六個月之中期業績報告及簡明財務報表。

## 中期股息

基於會計帳目，本公司之董事局（「董事局」）議決就截至二零零三年九月三十日止六個月不派付任何中期股息（二零零二年：無）。

267,980,000股強制性可換股累積優先股之優先股股息每股每年0.069港元並未於所回顧之期間累計。

## 業務回顧及展望

### 業績及財務概覽

於截至二零零三年九月三十日止六個月內，本集團之業績出現重大變化，主要由於本集團於二零零二年十二月提出之自願有條件現金收購建議結束後，本集團開始於本集團之會計賬目內，將保華德祥建築集團有限公司（「保華德祥」）綜合計算為附屬公司，而並非如二零零二年同期採用權益會計法將其作為聯營公司而攤佔其業績。

本集團於回顧期之業績及財務狀況於下表概述：

Results	Notes	Six months ended 30th September,		Percentage change
		2003 截至九月三十日 止六個月	2002	
業績	附註	二零零三年	二零零二年	百分比變動
Consolidated turnover (HK\$'million) 綜合營業額 (百萬港元)	a	1,698.4	13.7	+12,274%
Profit from operations (HK\$'million) 經營業務所得溢利 (百萬港元)	b	29.0	13.3	+118%
Profit (loss) for the period (HK\$'million) 期內溢利 (虧損) (百萬港元)	c	47.6	(101.4)	N.A. 不適用
Basic earnings (loss) per ordinary share (HK cents) 每股普通股基本盈利 (虧損) (港仙)	c	6.1	(17.5)	N.A. 不適用
Financial position		As at 30th September, 2003 於二零零三年 九月三十日	As at 31st March, 2003 於二零零三年 三月三十一日	Percentage change
財務狀況				百分比變動
Total assets (HK\$'million) 總資產 (百萬港元)		5,105.9	4,851.2	+5%
Shareholders' funds (HK\$'million) 股東資金 (百萬港元)	d	1,288.7	1,205.2	+7%
Current ratio 流動比率		1.29	1.32	-2%

Notes:

- (a) Increased mainly due to the consolidation of Paul Y. - ITC as subsidiary after the close of the cash offer.
- (b) Increased mainly due to the amortisation of negative goodwill and gain on disposal of listed investments.
- (c) Increased mainly due to the share of results of Downer EDI Limited by Paul Y. - ITC.
- (d) Increased mainly due to the profit for the period and increase of share of translation reserve of associates.

The following proforma income statement has been prepared for reference on the basis as if Paul Y. - ITC was consolidated as a subsidiary for the six months ended 30th September, 2002.

附註：

- (a) 增加主要由於在現金收購建議結束後綜合計算保華德祥為附屬公司。
- (b) 增加主要由於負商譽攤銷及出售上市投資之收益。
- (c) 增加主要由於保華德祥攤佔 Downer EDI Limited 之業績。
- (d) 增加主要由於期內所產生之溢利及攤佔聯營公司之匯兌儲備之增加。

以下備考收入報表乃參照倘保華德祥已於截至二零零二年九月三十日止六個月綜合計算為附屬公司之基準編製。

		(Unaudited) Six months ended 30th September,	
		2003 HK\$'000	2002 HK\$'000 (Proforma)
		(未經審核)	
		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 (備考)
Turnover	營業額	1,698,387	2,004,107
Cost of sales	銷售成本	<u>(1,646,834)</u>	<u>(1,938,231)</u>
Gross profit	毛利	51,553	65,876
Other operating income	其他經營收入	51,097	22,676
Administrative expenses	行政開支	<u>(73,648)</u>	<u>(108,760)</u>
Profit (loss) from operations	經營業務所得溢利(虧損)	29,002	(20,208)
Finance costs	財務成本	(21,388)	(33,013)
Investment expenses – net	投資開支 – 淨額	(4,123)	(36,670)
Impairment loss on investment properties	投資物業折損	(15,700)	(16,000)
Allowance for amount due from an associate	應收一間聯營公司款項撥備	(2,424)	-
Loss on dilution of interests in subsidiaries and associates	攤薄附屬公司及聯營公司權益所致之虧損	(3,134)	(3,748)
Share of results of associates	攤佔聯營公司業績	129,325	9,902
Share of results of jointly controlled entities	攤佔共同控制機構業績	<u>7,974</u>	<u>3,280</u>
Profit (loss) before taxation	除稅前溢利(虧損)	119,532	(96,457)
Taxation	稅項	<u>(56,691)</u>	<u>(26,009)</u>
Profit (loss) before minority interests	未計少數股東權益前溢利(虧損)	62,841	(122,466)
Minority interests	少數股東權益	<u>(15,200)</u>	<u>21,093</u>
Profit (loss) for the period	期內溢利(虧損)	<u><u>47,641</u></u>	<u><u>(101,373)</u></u>

## REVIEW OF OPERATIONS

### Paul Y. - ITC

The Paul Y. - ITC group's principal business includes, building construction, civil engineering, specialist works, property investment as well as manufacturing and trading of construction materials. As at 30th September, 2003, Paul Y. - ITC holds 35.3% interest in Downer EDI Limited and also 31.2% interest in China Strategic Holdings Limited.

Construction sector output in Hong Kong has been declining for a few years due to reducing capital expenditure by both public and private sectors. This has led to severe competition and eroded the Paul Y. - ITC group's gross margin. Consequently the contracting division as well as the construction material division experienced losses in operation. As the Paul Y. - ITC group's work-on-hand is now on an uptrend, gross margin is expected to improve.

During the period, the Paul Y. - ITC group secured new contracts with an aggregate value of approximately HK\$1,799 million, of which some HK\$938 million and some HK\$861 million came from public sector and private sector respectively. The new contracts comprised some HK\$555 million of building construction contracts, some HK\$938 million of civil engineering contracts and some HK\$306 million of specialist works.

As at 30th September, 2003, contracts on hand and the value of work remaining of the Paul Y. - ITC group were HK\$11,792 million and HK\$5,263 million, respectively. The profile of contracts on hand as at 30th September, 2003 is as follows:

## 業務回顧

### 保華德祥

保華德祥集團之主要業務包括樓宇建築工程、土木工程、專項工程、物業投資、建築材料製造及貿易。於二零零三年九月三十日，保華德祥持有 Downer EDI Limited 之 35.3% 權益及中策集團有限公司之 31.2% 權益。

由於公營及私營機構皆縮減資本開支，香港之建築行業產值於過去數年因而不斷下跌，並導致競爭加劇及使保華德祥集團之毛利率受損。因此，建築部門及建築材料部門均錄得經營虧損。由於保華德祥集團所持之工程數目正在增加，故預期毛利率將有所改善。

於本期間內，保華德祥集團取得總值 1,799,000,000 港元之新工程合約，其中約 938,000,000 港元及 861,000,000 港元分別來自公營機構及私營機構。該等新工程合約包括約 555,000,000 港元之樓宇建築工程合約、約 938,000,000 港元之土木工程合約及約 306,000,000 港元之專項工程合約。

於二零零三年九月三十日，保華德祥集團持有之工程合約及餘下工程價值分別為 11,792,000,000 港元及 5,263,000,000 港元。於二零零三年九月三十日，持有工程合約之資料如下：

		Value of contracts on hand as at 30th September, 2003 HK\$'million 於二零零三年 九月三十日 持有工程合約價值 百萬港元	Value of work remaining as at 30th September, 2003 HK\$'million 於二零零三年 九月三十日 餘下工程價值 百萬港元
Building construction	樓宇建築工程	8,603	3,665
Civil engineering	土木工程	2,021	1,077
Specialist works	專項工程	1,168	521
		<u>11,792</u>	<u>5,263</u>

Subsequent to the period end, the Paul Y. - ITC group secured further new contracts with an aggregate attributable value of approximately HK\$1,349 million including two hotel development construction contracts of some HK\$1,168 million.

For property operation, the Group's investment property portfolio included Paul Y. Centre, the Group's headquarter in Kwun Tong, In-Zone, a shopping arcade in Wanchai and certain investment properties in the Mainland (being the People's Republic of China and, for the purpose of this report, excluding Hong Kong and Macau).

在本期間結束後，保華德祥集團新取合約應佔總值約 1,349,000,000 港元，包括兩項價值約 1,168,000,000 港元之酒店發展建築工程合約。

在物業業務方面，本集團之投資物業組合包括本集團位於觀塘之總部保華企業中心、國泰新城（一間位於灣仔之商場）及位於國內（就本報告而言，即中華人民共和國，不包括香港及澳門）之若干投資物業。

The overall rental rates of the investment properties had been reduced and the occupancy rate was maintained at a level of around 92% and 72% for Paul Y. Centre and In-Zone at the period end respectively.

For the six months ended 30th September, 2003, Paul Y. - ITC reported a consolidated profit for the period of HK\$29.9 million and its overall after tax contribution to the Group was a profit of HK\$27.7 million.

### Strategic Investments

During the six months ended 30th September, 2003, the Group continued to hold significant interests, both directly or indirectly, in a number of companies listed in Hong Kong, Canada, Australia, New Zealand, Singapore, Germany and the United States ("U.S.A.") and also high potential unlisted investments pursuant to its long term strategy of exploring potential investments and enhancing the value of its strategic investments by active participation in or close liaisons with the management of the companies invested by the Group. As at 30th September, 2003, the Group had the following strategic investments:

#### Listed strategic investments directly held

##### Hanny Holdings Limited ("Hanny")

Hanny is an investment holding company and the Hanny group is principally engaged in the trading of computer related products and consumer electronic products which comprise the manufacture, distribution and marketing of data storage media (primarily floppy disks, CD-R, CD-RW and DVD); the distribution and marketing of computer accessories, storage media drives, scanners, audio and video cassettes, minidisks, household electronic products and telecommunication accessories; and securities trading. The Hanny group also made strategic investments in information technology, Internet-related, supply of household consumer products and other businesses. For the six months ended 30th September, 2003, Hanny reported a consolidated profit for the period of HK\$10.1 million and its after tax contribution to the Group was a profit of HK\$2.8 million.

##### Burcon NutraScience Corporation ("Burcon")

Burcon is a research and development company developing a portfolio of composition, application and process patents around its plant protein extraction and purification technology. The goal of Burcon's research is to develop its patented process to utilize inexpensive oilseed meals for the production of purified plant proteins that exhibit valuable nutritional, functional or nutraceutical profiles. Burcon is currently focusing its efforts on developing the world's first commercial canola proteins, namely Puratein® and Supertein™ (the "Products"). Canola, recognised for its nutritional qualities, is Canada's largest oilseed crop and the second-largest oilseed crop in the world after soybeans. Burcon's goal is to develop the Products to participate with soy, dairy and egg proteins in the expanding multi-billion-dollar protein ingredient market, with potential uses in prepared foods, nutritional supplements and personal care products. For the six months ended 30th September, 2003, Burcon's after tax contribution to the Group was a loss of HK\$1.8 million.

儘管期內投資物業之整體租金已經下調，但於本期間結束時，保華企業中心及國泰新域之佔用率仍分別維持在約92%及72%之水平。

截至二零零三年九月三十日止六個月，保華德祥錄得之期內綜合溢利為29,900,000港元，其整體對本集團之除稅後貢獻則為溢利27,700,000港元。

### 策略性投資

於截至二零零三年九月三十日止六個月內，本集團繼續直接或間接持有於香港、加拿大、澳洲、紐西蘭、新加坡、德國及美利堅合眾國（「美國」）之上市公司及具優厚增長潛力之非上市投資項目之重大權益，以貫徹其物色具潛力投資項目之長遠策略，並透過積極參與管理本集團所投資公司或與有關公司之管理層緊密聯繫以提高本集團之策略性投資項目之價值。於二零零三年九月三十日，本集團之策略性投資項目如下：

#### 直接持有之上市策略性投資項目

##### 錦興集團有限公司（「錦興」）

錦興乃一家投資控股公司，而錦興集團主要從事電腦相關產品及電子消費品質易，包括生產、分銷及推廣資料儲存媒體產品（主要為軟磁碟、收錄光碟、重寫光碟及數碼視象光碟）、分銷及推廣電腦配件、儲存媒體驅動器、掃描器、影音盒帶、迷你光碟、家居電子產品及電訊配件，以及證券買賣。錦興集團亦在資訊科技、互聯網相關業務、供應家居消費品及其他業務作出策略性投資。於截至二零零三年九月三十日止六個月，錦興錄得之期內綜合溢利為10,100,000港元，其對本集團之除稅後貢獻則為溢利2,800,000港元。

##### Burcon NutraScience Corporation（「Burcon」）

Burcon為研究開發公司，現正採用植物蛋白質淨化及提取技術發展一系列之合成、應用及加工專利權。Burcon研究之目標是自行開發利用廉宜之油籽粉以生產營養價值高、效能廣泛及有健康效果之淨化植物蛋白質之專利工序。Burcon目前致力發展全球首種商用芥花籽蛋白質 Puratein®及 Supertein™（「有關產品」）。公認具備豐富營養價值之油菜籽為加拿大產量最高之油籽穀物及緊隨大豆之後世界第二產量最高之油籽穀物。Burcon之目標是以發展有關產品參與大豆、奶類及蛋類蛋白質在數以十億元計並不斷擴大之蛋白質成份市場，而有關產品更可用於預製食品、營養補充劑及個人護理產品。截至二零零三年九月三十日止六個月，Burcon對本集團之除稅後貢獻為虧損1,800,000港元。



*Star East Holdings Limited ("Star East")*

Star East is principally engaged in entertainment-related businesses including the production, distribution and licensing of movies, television drama series, documentary and infotainment programmes; the franchising and operation of theme restaurants under the brand names "Planet Hollywood" and "Star East" in Asia Pacific region; strategic investment in M Channel Corporation Limited; talent management, music production, event production and marketing and property investment. For the six months ended 30th September, 2003, Star East reported a consolidated loss of HK\$15.0 million and its after tax contribution to the Group was a loss of HK\$3.8 million.

*M Channel Corporation Limited ("M Channel")*

M Channel is principally engaged in the out-of-home audio and video media business through the platform of approximately 1,000 public light buses and approximately 160 fixed locations (including those within Watson's the Chemist and fast food chain stores) in Hong Kong and approximately 1,100 public buses in Guangzhou and Harbin. For the period under review, an impairment loss of HK\$3.6 million was recognised by the Group on its investment in M Channel.

*Downer EDI Limited ("Downer")*

Downer provides comprehensive engineering and infrastructure management services to the public and private power, rail, road, telecommunications, mining and minerals processing sectors in Australia, New Zealand, Asia and the Pacific. Its business consists of four main principal activities namely Downer Engineering (engineering division), Works Infrastructure (infrastructure division), Roche Mining (mining division), and EDI Rail (rail division) that have common core competencies. These core competencies include value-adding skills in design, project and facilities management, operations and maintenance to provide clients with single source solutions.

*China Strategic Holdings Limited ("China Strategic")*

China Strategic is an investment holding company and the subsidiaries of which are principally engaged in the business of manufacturing, retailing and distribution of Chinese medicine and western pharmaceuticals mainly under the brand name of "Tung Fong Hung" and "Jean-Marie"; and investment in infrastructure projects.

**Listed strategic investments indirectly held**

*Provisions Suppliers Corporation Limited ("PSC")*

The PSC group has diversified interests ranging from retailing to manufacturing of food and non-food items. The subsidiaries of PSC are principally engaged in the manufacturing of food and non-food items; the supply of agency products to supermarkets, hotels, institutions and provision shops; the marketing and supply of provisions and food and non-food products; the marketing and distribution of chemical products; healthcare consultancy and hospital management, hospitality business, logistics and education. The PSC group also manages a well established network of franchise stores and possesses various brand names.

*China Enterprises Limited ("China Enterprises")*

China Enterprises has substantial interests in certain investment holding companies, the subsidiaries of which are principally engaged in the business of manufacturing and marketing of tires in the Mainland and other countries abroad and the business of providing package tours, travel and other related services.

*東方魅力集團有限公司 ("東方魅力")*

東方魅力主要經營與娛樂事業相關之業務，包括製作、發行電影、電視連續劇、記錄片及資訊娛樂節目以及授出有關之專利權業務；在亞太區特許經營及營運「Planet Hollywood」及「Star East」主題餐廳；於流動廣告有限公司之策略性投資；才藝管理、音樂製作、盛會籌辦及推廣以及物業投資。截至二零零三年九月三十日止六個月，東方魅力錄得之綜合虧損為15,000,000港元，其對本集團之除稅後貢獻則為虧損3,800,000港元。

*流動廣告有限公司 ("流動廣告")*

流動廣告主要透過在香港約1,000輛公共小巴及在約160個固定地點(包括在屈臣氏及各快餐連鎖店)及在廣州及哈爾濱約1,100輛公共車輛從事戶外影音媒體業務。於回顧期間，本集團已就其於流動廣告之投資確認3,600,000港元之折損。

*Downer EDI Limited ("Downer")*

Downer為澳洲、紐西蘭、亞洲及太平洋地區之公營及私營電力、鐵路、公路、電訊、礦務及礦物加工行業提供全面之工程及基建管理服務。該公司業務由四項主要分支業務組成，包括Downer Engineering(工程部門)、Works Infrastructure(基建部門)、Roche Mining(採礦部門)及EDI Rail(鐵路部門)之核心業務均極具競爭力。該等核心業務競爭力包括於設計、項目及設施管理、營運及保養等之增值技能，為客戶提供單一來源之解決方案。

*中策集團有限公司 ("中策")*

中策乃一家投資控股公司，而其附屬公司則主要從事中藥及西藥之生產、零售及分銷(以「東方紅」及「正美」品牌為主)；以及於基建項目之投資。

**間接持有之上市策略性投資項目**

*普威聯營有限公司 ("普威聯營")*

普威聯營集團之業務範圍廣泛，經營零售以至食品及非食品項目製造業務。普威聯營之附屬公司主要從事食品及非食品項目製造業務；向超級市場、酒店、機構及糧食店舖供應代理產品；推廣及供應糧食及食品及非食品產品；推廣及分銷化工產品；保健諮詢及醫院管理、款待業務、物流及教育。普威聯營集團亦管理一個完善之特許經營權店舖網絡並擁有多個品牌。

*China Enterprises Limited ("China Enterprises")*

China Enterprises於若干投資控股公司持有重大權益。該等公司之附屬公司之主要業務為在國內及其他海外國家生產及銷售輪胎，並從事提供旅遊團、旅遊及其他相關服務之業務。

*MRI Holdings Limited ("MRI")*

Given of the substantial financial resources, MRI has continued to investigate investment opportunities and has culminated in an investment in an integrated fruit growing, packing and export operation based in the southwest of Western Australia by way of a convertible note.

*Dong Fang Gas Holdings Limited ("Dong Fang Gas")*

In addition to its existing businesses in the manufacturing and the trading of building materials and the trading of marketable securities and derivatives, the Dong Fang Gas group has shown its dedication to the energy-related businesses by acquiring certain interests in a company which has been engaged in the business of natural gas supply, storage and related services with a view to realise the premium market in this sector.

*Wing On Travel (Holdings) Limited ("Wing On Travel") (formerly Ananda Wing On Travel (Holdings) Limited)*

Wing On Travel group is principally engaged in the provision of package tours, travel and other related services and also has a substantial interest in a hotel chain branded under the name of "Rosedale" in the Mainland and Hong Kong and is one of the most experienced and largest local travel agency. Wing On Travel is a well-known expert in the travel industry having extensive experience in marketing and promoting tour business with far-reaching global network and connections in tour operation.

The Group's interests in listed subsidiary and strategic investments are summarised below:

**Listed subsidiary and strategic investments directly held**

*MRI Holdings Limited ("MRI")*

由於坐擁龐大財務資源，MRI不斷物色策略投資機會，並已透過可換股票據方式，投資於西澳洲西南部一項綜合鮮果種植、包裝及出口業務。

*東方燃氣集團有限公司 ("東方燃氣")*

除從事現有之建築材料製造及貿易、買賣有價證券及衍生金融工具等業務外，東方燃氣集團已透過收購一家從事天然氣供應、儲存及相關服務業務之公司之若干權益，致力發展其天然氣業務，期望能夠在有關市場得到美好收穫。

*永安旅遊(控股)有限公司 ("永安旅遊") (前稱 辰達永安旅遊(控股)有限公司)*

永安旅遊集團主要從事提供旅遊團、旅遊及其他相關業務，亦擁有在國內及香港以「珀麗」名稱經營之連鎖酒店之重大權益。永安旅遊為其中一間最富經驗及最大規模的本地旅行社之一，並為旅遊行業之專家，於推廣及宣傳旅遊業務方面擁有豐富經驗，且在旅遊營運方面擁有無遠弗屆之全球網絡及聯繫。

本集團於上市附屬公司及策略性投資項目之權益概述如下：

**直接持有之上市附屬公司及策略性投資項目**

Shareholding percentage		股權百份比	
Name of investee company	Place of listing	As at 30th September, 2003 於二零零三年九月三十日	As at the date of this report 於本報告刊登日期
所投資公司之名稱	上市地點		
Paul Y. - ITC 保華德祥	Hong Kong Stock Exchange 香港聯交所	63.9%	64.3%
Hanny 錦興	Hong Kong Stock Exchange 香港聯交所	28.3%	28.6%
Burcon	TSX Venture Exchange and Frankfurt Stock Exchange TSX Venture Exchange及 法蘭克福證券交易所	25.1%	25.1%
Star East 東方魅力	Hong Kong Stock Exchange 香港聯交所	26.1%	19.2%
M Channel 流動廣告	The Growth Enterprise Market of Hong Kong Stock Exchange 香港聯交所創業板	27.1% <i>Effective interest</i> (Note a) 實際權益 (附註a)	25.2% <i>Effective interest</i> (Note a) 實際權益 (附註a)
Downer	Australian Stock Exchange and New Zealand Stock Exchange 澳洲證券交易所及 新西蘭證券交易所	22.6% <i>Effective interest</i> (Note b) 實際權益 (附註b)	13.7% <i>Effective interest</i> (Note b) 實際權益 (附註b)
China Strategic 中策	Hong Kong Stock Exchange 香港聯交所	28.7% <i>Effective interest</i> (Note c) 實際權益 (附註c)	29.0% <i>Effective interest</i> (Note c) 實際權益 (附註c)



Listed strategic investments indirectly held

間接持有之上市策略性投資項目

Name of investee company 所投資公司之名稱	Place of listing 上市地點	Effective interest 實際權益	
		As at 30th September, 2003 於二零零三年九月三十日	As at the date of this report 於本報告刊發日期
PSC 普威聯營	Singapore Exchange Securities Trading Limited 新加坡證券交易所	7.8% (Note d) (附註d)	7.9% (Note d) (附註d)
China Enterprises	OTC Bulletin Board, U.S.A. 美國場外交易議價板	15.9% (Note e) (附註e)	16.0% (Note e) (附註e)
MRI	Australian Stock Exchange 澳洲證券交易所	16.5% (Note e) (附註e)	16.6% (Note e) (附註e)
Dong Fang Gas 東方燃氣	Hong Kong Stock Exchange 香港聯交所	12.4% (Note e) (附註e)	12.5% (Note e) (附註e)
Wing On Travel 永安旅遊	Hong Kong Stock Exchange 香港聯交所	5.1% (Note f) (附註f)	5.2% (Note f) (附註f)

Notes:

- (a) The effective interest of the Group represents its direct interest of 18.8% and indirect interest held through the Group's direct interest in Star East and effective interest in China Strategic.
- (b) The Group's interest is held through its direct interest in Paul Y. - ITC.
- (c) The Group's interest is held through its direct interests in Paul Y. - ITC and Hanny.
- (d) The Group's interest is held through its direct interest in Hanny.
- (e) The Group's interest is held through its effective interest in China Strategic.
- (f) The Group's interest is held through its indirect interest in China Enterprises.

附註：

- (a) 本集團之權益乃指其18.8%直接權益及透過本集團於東方魅力之直接權益及中策之實際權益而持有之實際權益。
- (b) 本集團之權益透過其於保華德祥之直接權益持有。
- (c) 本集團之權益透過其於保華德祥及錦興之直接權益持有。
- (d) 本集團之權益透過其於錦興之直接權益持有。
- (e) 本集團之權益透過其於中策之實際權益持有。
- (f) 本集團之權益透過其於China Enterprises之間接權益持有。

LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts a prudent funding and treasury policy with regard to its overall business operations. A variety of credit facilities is maintained to meet its working capital requirements. Cash, bank balances and deposits as at 30th September, 2003 amounted to approximately HK\$284.1 million. As at 30th September, 2003, the Group had bank borrowings of approximately HK\$811.4 million and other loans of approximately HK\$139.8 million of which HK\$159.2 million and HK\$139.8 million, respectively, are repayable within one year or on demand. The convertible notes in an aggregate principal amounts of HK\$392.5 million will be redeemed on 3rd March, 2006 (or the next following business day if it is not a business day) unless previously converted, redeemed or purchased and cancelled.

流動資金及財務資源

本集團在整體業務運作方面採取審慎理財政策。本集團維持多項可供隨時提用之信貸以應付營運資金需求。於二零零三年九月三十日，本集團之現金、銀行結餘及存款約為284,100,000港元。於二零零三年九月三十日，本集團之銀行借款約為811,400,000港元，而其他貸款則約為139,800,000港元，其中須於一年內償還或按通知償還之部份分別約159,200,000港元及約139,800,000港元。除非先前獲兌換、贖回或購買及註銷，否則本金額合共392,500,000港元之可換股票據將會在二零零六年三月三日（如當日並非辦公日，則在隨後之辦公日）贖回。

Approximately 95.5% of the Group's borrowings are at floating interest rates and the Group's current ratio was 1.29 as at 30th September, 2003.

#### EXCHANGE RATE EXPOSURE

As at 30th September, 2003, approximately 9.8% of the cash, bank balances and deposits were in other currencies and only 0.9% of the Group's total borrowings of HK\$1,343.0 million was denominated in Canadian dollars. The Canadian dollars denominated borrowings are directly tied in with the Group's business in Canada.

#### GEARING RATIO

The Group's gearing ratio, which was calculated using the Group's net borrowings of HK\$1,058.9 million and the shareholders' funds of HK\$1,288.7 million, was 82.2% as at 30th September, 2003 as compared to 91.2% as at 31st March, 2003.

#### PLEDGE OF ASSETS

As at 30th September, 2003, certain of the Group's properties, investment in an associate, investment securities and debtors with an aggregate carrying value of approximately HK\$1,289.4 million and its benefits under certain construction contracts and the interests in certain issued shares of subsidiaries of the Company were pledged to banks and financial institutions to secure general facilities granted to the Group.

#### CONTINGENT LIABILITIES

As at 30th September, 2003, the Group has contingent liabilities in respect of outstanding performance bonds on construction contracts and financial support given to an investee company of HK\$769.2 million and HK\$1.2 million, respectively.

#### EMPLOYEE AND REMUNERATION POLICY

As at 30th September, 2003, the Group employed a total of approximately 1,300 employees. The Group recruits and promotes individuals based on merit and their development potentials for the positions offered. Remuneration package is determined with reference to their performance and the prevailing salary levels in the market. The Group also offers other benefits to employees including training, provident funds and medical coverage. Share option schemes are also established for the eligible employees but no share option was granted during the period.

在本集團之借款中，約95.5%乃按浮動息率計息。於二零零三年九月三十日，本集團之流動比率為1.29。

#### 匯兌風險

於二零零三年九月三十日，約9.8%之現金、銀行結餘及存款乃以其他國家貨幣為單位，而在本集團1,343,000,000港元之借款總額中，僅有0.9%乃以加拿大元為單位。該等加拿大元借款與本集團之加拿大業務有直接關連。

#### 資產負債比率

按本集團之借款淨額1,058,900,000港元及股東資金1,288,700,000港元計算，本集團於二零零三年九月三十日之資產負債比率為82.2%，而於二零零三年三月三十一日之有關比率則為91.2%。

#### 資產抵押

於二零零三年九月三十日，本集團賬面總值約1,289,400,000港元之若干物業、聯營公司投資、投資證券及應收賬款，以及其於若干建築工程之利益及於本公司之附屬公司之若干已發行股份權益均已抵押予銀行及財務機構，為本集團取得一般信貸。

#### 或然負債

於二零零三年九月三十日，本集團就仍然有效之建築合約履約擔保書及向一間所投資公司提供財政支援之或然負債分別有約769,200,000港元及1,200,000港元。

#### 僱員及酬金政策

於二零零三年九月三十日，本集團聘用約共1,300名僱員。本集團乃按個別人士出任職位之能力及發展潛力招聘及晉升員工。員工酬金乃取決於員工之表現及市場當時之薪金水平。本集團亦提供其他福利予僱員，包括培訓、公積金及醫療保障計劃。購股權計劃乃為合資格僱員設立，惟期內並無授出任何購股權。

## MAJOR EVENTS

### *Making of cash offers to acquire all the issued shares in, and warrants of, China Strategic by Paul Y. - ITC and Hanny*

In July 2003, the Company, Paul Y. - ITC and Hanny jointly announced that Paul Y. - ITC and Hanny would make a voluntary conditional general cash offer for the shares and share warrants of China Strategic, other than those owned by Paul Y. - ITC and Hanny and parties acting in concert with them, and to cancel all the outstanding share options of China Strategic. Upon the closure of the offer in September 2003, the Group, through Paul Y. - ITC, holds approximately, 31.2% interest in shares in China Strategic and as a result, China Strategic becomes an associate of the Group.

### *Placing of Downer ordinary shares*

Subsequent to the period end, Paul Y. - ITC has arranged for placing of in aggregate of 28.75 million Downer ordinary shares (adjusted by the consolidation of four ordinary shares in Downer into one Downer ordinary share on 28th November, 2003) to independent third parties which raised, before tax and expenses, approximately A\$104.1 million (approximately HK\$587.8 million). In addition, the preference shareholders of Downer have exercised their rights to convert the preference shares to 32.5 million Downer ordinary shares. As a result of the placing and dilution due to the conversion of preference shares, the shareholding of Paul Y. - ITC in Downer has decreased to 21.3% as at the date of this report.

## SECURITIES IN ISSUE

As at the date of this report, the total number of issued ordinary shares of the Company is 630,960,774.

## OUTLOOK

During the period under review, the devastating outbreak of Severe Acute Respiratory Syndrome have dampened the Hong Kong economy. Although there are signs of improvement after July, the overall rehabilitation of economy has still yet to be confirmed. Nevertheless, the Closer Economic Partnership Arrangement ("CEPA") between the Mainland and Hong Kong are expected to be able to spur overseas investment in Hong Kong and drive economic recovery. With the persistent high growth in Mainland's GDP, Hong Kong should be able to benefit from the arrangements. The Group will focus more on the Mainland and believes that CEPA can provide the Group an alternative way for exploring the market in the Mainland. The Group will build on its existing assets base with stringent cost control measures so as to maintain a sound financial management and pursue its long-term strategy under a prudent investment and development policy to explore high potential investments and attractive business opportunities. The Group will remain confident to meet future challenges by taking advantage of the new opportunities lying ahead with its strong financial foundation and diversified investment portfolio.

## 重大事項

### *由保華德祥及錦興就收購中策之全部已發行股份及認股權證而提出之現金收購建議*

於二零零三年七月，本公司、保華德祥與錦興聯合公佈，保華德祥及錦興將會提出一項自願有條件全面現金收購建議，收購中策之股份及認股權證（不包括保華德祥與錦興及與其行動一致之人士擁有之有關股份及認股權證），並註銷全部尚未行使之購股權。當該等收購建議於二零零三年九月結束時，本集團透過保華德祥持有中策股份約31.2%權益，因此中策成為本集團之聯營公司。

### *配售 Downer 普通股*

於本期間結束後，保華德祥已安排配售合共 28,750,000 股 Downer 普通股（就於二零零三年十一月二十八日將由四股 Downer 之普通股合併為一股 Downer 普通股作出調整）予獨立第三者，並籌措（未計稅項及開支）約 104,100,000 澳元（約 587,800,000 港元）。此外，Downer 之優先股股東亦行使彼等之權利將優先股轉換為 32,500,000 股 Downer 普通股。因進行配售加上持有人行使優先股轉換權造成攤薄影響，保華德祥於 Downer 之股權已減少至本報告日期之 21.3%。

## 已發行之證券

於本報告刊登日期，本公司之已發行普通股總數為 630,960,774 股。

## 展望

於回顧期間內，嚴重急性呼吸系統綜合症爆發，對香港經濟造成沉重打擊。雖然有跡象顯示七月後之經濟情況已有所改善，但經濟能否全面復甦目前尚未能確定。然而，預期國內與香港兩地訂立之更緊密經貿關係安排（「更緊密經貿關係安排」）將會鼓勵外地對香港投資及振興香港經濟。隨著國內之生產總值持續高增長，香港應能受惠於此安排。本集團將會更加專注於發展國內業務，亦相信更緊密經貿關係安排能為本集團提供另一種開拓國內市場之渠道。本集團將於其資產基礎上發展，採取嚴謹之成本控制措施，維持穩健之理財政策，以及根據審慎之投資及發展政策，實現其物色優厚潛力投資項目及理想商機之長遠策略。本集團仍然深信配合其雄厚財務基礎及多元化投資組合，本集團將可迎接未來之挑戰及掌握日後出現之商機。

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30th September, 2003, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register of the Company required to be kept under section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") in the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules") were as follow:

### (a) Interests and short positions in shares and underlying shares and debentures of the Company

## 董事於股份、相關股份及債券之權益及淡倉

於二零零三年九月三十日，本公司董事及主要行政人員於本公司或任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第十五部）之股份、相關股份及債券中持有根據證券及期貨條例第352條須登記於本公司所保存登記冊內之權益及淡倉，或根據香港聯合交易所有限公司（「香港聯交所」）證券上市規則（「上市規則」）之上市公司董事進行證券交易之標準守則（「標準守則」）而須另行知會本公司及香港聯交所之權益及淡倉如下：

### (a) 於本公司之股份及相關股份及債券之權益及淡倉

Name of director	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	No. of underlying shares (in respect of convertible notes (unlisted equity derivatives)) of the Company held	Approximate % of the issued ordinary share capital of the Company
董事姓名	身份	好倉／淡倉	所持本公司 普通股數目	所持本公司之相關 股份（有關可換股 票據（非上市股本 衍生工具））數目	佔本公司 已發行 普通股股本 概約百分比
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note 1) 於受控制法團 之權益 (附註1)	Long position 好倉	219,681,911	-	34.82%
	Beneficial owner 實益擁有人	Long position 好倉	-	833,333,333 (Note 2) (附註2)	132.07%

Notes:

- Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was, in turn, wholly owned by Dr. Chan Kwok Keung, Charles. Dr. Chan Kwok Keung, Charles was deemed to be interested in 219,681,911 ordinary shares held by Galaxyway Investments Limited.
- Dr. Chan Kwok Keung, Charles owned convertible notes issued by the Company in the principal amount of HK\$250,000,000 carrying rights to convert into 833,333,333 ordinary shares of the Company at an initial conversion price of HK\$0.30 per share, subject to adjustment. Out of the aforesaid convertible notes of HK\$250,000,000, HK\$120,000,000 convertible notes (representing 400,000,000 underlying shares) were pledged.

附註：

- Galaxyway Investments Limited為Chinaview International Limited之全資附屬公司，而Chinaview International Limited則由陳國強博士全資擁有。陳國強博士被視為於Galaxyway Investments Limited所持之219,681,911股普通股中擁有權益。
- 陳國強博士擁有由本公司發行本金額為250,000,000港元之可換股票據，附有可按初步換股價每股0.30港元（可予調整）轉換成833,333,333股本公司普通股之權利。於上述250,000,000港元之可換股票據中，其中120,000,000港元之可換股票據（相當於400,000,000股相關股份）已抵押。

(b) Interests and short positions in shares, underlying shares and debentures of Paul Y. - ITC

(b) 於保華德祥之股份、相關股份及債券之權益及淡倉

Name of director	Capacity	Long position/ Short position	No. of shares of Paul Y. - ITC held 所持保華德祥 股份數目	Approximate % of the issued share capital of Paul Y. - ITC 佔保華德祥已發行 股本概約百分比
董事姓名	身份	好倉／淡倉		
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	685,220,227	63.88%
	Beneficial owner 實益擁有人	Long position 好倉	11,318,000	1.06%
Cheung Hon Kit 張漢傑	Beneficial owner 實益擁有人	Long position 好倉	400	0.00%

Note: The shares were held by a wholly-owned subsidiary of the Company. By virtue of his deemed interests in approximately 34.82% of the issued ordinary share capital of the Company, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares. Out of the aforesaid 685,220,227 shares, 685,202,227 shares were pledged.

附註：該等股份由本公司之一間全資附屬公司持有。鑑於陳國強博士被視作擁有本公司已發行普通股股本約34.82%權益，故陳國強博士被視作擁有該等股份之權益。於上述之685,220,227股股份中，685,202,227股股份已抵押。

(c) Interests and short positions in shares, underlying shares and debentures of Hanny

(c) 於錦興之股份、相關股份及債券之權益及淡倉

Name of director	Capacity	Long position/ Short position	No. of shares of Hanny held 所持錦興 股份數目	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of Hanny held 所持錦興之相關 股份(有關購股權 (非上市股本 衍生工具))數目	Approximate % of the issued share capital of Hanny 佔錦興 已發行 股本概約 百分比
董事姓名	身份	好倉／淡倉			
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團 之權益(附註)	Long position 好倉	45,298,813	-	28.26%
	Beneficial owner 實益擁有人	Long position 好倉	-	4,000,000	2.49%
Chan Kwok Hung 陳國鴻	Beneficial owner 實益擁有人	Long position 好倉	-	1,750,000	1.09%

Note: The shares were held by a wholly-owned subsidiary of the Company. By virtue of his deemed interests in approximately 34.82% of the issued ordinary share capital of the Company, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares.

附註：該等股份由本公司之一間全資附屬公司持有。鑑於陳國強博士被視作擁有本公司已發行普通股股本約34.82%權益，故陳國強博士被視作擁有該等股份之權益。

(d) Interests and short positions in shares, underlying shares and debentures of Burcon

(d) 於Burcon之股份、相關股份及債券之權益及淡倉

Name of director	Capacity	Long position/ Short position	No. of shares of Burcon held	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of Burcon held	Approximate % of the issued share capital of Burcon
董事姓名	身份	好倉 / 淡倉	所持 Burcon 股份數目	所持 Burcon 之相關 股份 (有關購股權 (非上市股本衍生 工具)) 數目	佔 Burcon 已發行 股本概約 百分比
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	280,000	-	1.82%
	Beneficial owner 實益擁有人	Long position 好倉	-	40,000	0.26%

(e) Interests and short positions in shares, underlying shares and debentures of Star East

(e) 於東方魅力之股份、相關股份及債券之權益及淡倉

Name of director	Capacity	Long position/ Short position	No. of shares of Star East held	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of Star East held	Approximate % of the issued share capital of Star East
董事姓名	身份	好倉 / 淡倉	所持東方魅力 股份數目	所持東方魅力之相關 股份 (有關購股權 (非上市股本 衍生工具)) 數目	佔東方魅力 已發行 股本概約 百分比
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團 之權益 (附註)	Long position 好倉	1,135,082,479	-	26.09%
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	-	3,000,000	0.07%
Wong Kun To 黃勤道	Beneficial owner 實益擁有人	Long position 好倉	-	39,000,000	0.90%

Note: The shares were held by a wholly-owned subsidiary of the Company. By virtue of his deemed interests in approximately 34.82% of the issued ordinary share capital of the Company, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares.

附註：該等股份由本公司之一間全資附屬公司持有。鑑於陳國強博士被視作擁有本公司已發行普通股股本約34.82%權益，故陳國強博士被視作擁有該等股份之權益。



(f) Interests and short positions in shares, underlying shares and debentures of China Strategic

(f) 於中策之股份、相關股份及債券之權益及淡倉

Name of director	Capacity	Long position/ Short position	No. of shares of China Strategic held	No. of underlying shares (in respect of the warrants (listed equity derivatives)) of China Strategic held	Approximate % of the issued share capital of China Strategic
董事姓名	身份	好倉／淡倉	所持中策 股份數目	所持中策之相關 股份(有關認股權證 (上市股本 衍生工具))數目	佔中策 已發行 股本概約 百分比
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團 之權益(附註)	Long position 好倉	258,819,795	-	31.20%
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團 之權益(附註)	Long position 好倉	-	24,142,950	2.91%

Note: The shares and warrants were held by a wholly-owned subsidiary of Paul Y. - ITC, of which a wholly-owned subsidiary of the Company owned approximately 63.88% of the issued share capital of Paul Y. - ITC. By virtue of his deemed interests in approximately 34.82% of the issued ordinary share capital of the Company, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares and warrants.

附註：該等股份及認股權證由保華德祥之一間全資附屬公司持有，而本公司之一間全資附屬公司擁有保華德祥已發行股本約63.88%權益。鑑於陳國強博士被視作擁有本公司已發行普通股股本約34.82%權益，故陳國強博士被視作擁有該等股份及認股權證之權益。

Paul Y. - ITC, Hanny, Burcon, Star East and China Strategic are associated corporations, within the meaning of Part XV of the SFO, of the Company.

根據證券及期貨條例第十五部之定義，保華德祥、錦興、Burcon、東方魅力及中策乃本公司之相聯法團。

Dr. Chan Kwok Keung, Charles was, by virtue of his deemed interest in approximately 34.82% of the issued ordinary share capital of the Company, deemed to be interested in the shares and underlying shares (in respect of equity derivatives), if any, of associated corporations (within the meaning of the Part XV of the SFO) of the Company held by the Group under the Part XV of the SFO.

鑑於陳國強博士被視作擁有本公司已發行普通股股本約34.82%權益，故根據證券及期貨條例第十五部，陳國強博士被視作擁有本集團持有之本公司相聯法團(定義見證券及期貨條例第十五部)之股份及相關股份(有關股本衍生工具)(如有)之權益。

Save as disclosed above, as at 30th September, 2003, none of the directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零零三年九月三十日，本公司董事或主要行政人員概無於本公司或任何相聯法團(定義見證券及期貨條例第十五部)之股份、相關股份或債券中擁有根據證券及期貨條例第352條須登記於本公司所保存登記冊內之任何權益或淡倉，或根據標準守則而須另行知會本公司及香港聯交所之權益或淡倉。

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

### (a) Share options of the Company

As at 30th September, 2003, there were no outstanding share options granted by the Company pursuant to the share option scheme of the Company adopted on 16th January, 2002. No share options were granted, exercised, cancelled or lapsed during the period.

## 董事購買股份或債券之權利

### (a) 本公司之購股權

於二零零三年九月三十日，本公司並無根據本公司於二零零二年一月十六日採納之購股權計劃授出任何尚未行使之購股權。期內亦無任何購股權授出、行使、註銷或作廢。

**(b) Share options of Paul Y. - ITC**

The following table discloses movements in the share options of Paul Y. - ITC during the period:

Name of director 董事姓名	Date of grant 授出日期	Exercise price per share 每股行使價 HK\$ 港元	Number of shares in Paul Y. - ITC to be issued upon exercise of share options 在購股權行使時將予發行之保華德祥股份數目		
			At 1.4.2003 於二零零三年 四月一日	Lapsed during the period 期內作廢	At 30.9.2003 於二零零三年 九月三十日
Lau Ko Yuen, Tom 劉高原	17th December, 1999 一九九九年十二月十七日	0.5552	5,000,000	(5,000,000)	-
Chau Mei Wah, Rosanna 周美華	17th December, 1999 一九九九年十二月十七日	0.5552	6,100,000	(6,100,000)	-
Chan Fut Yan 陳佛恩	17th December, 1999 一九九九年十二月十七日	0.5552	5,000,000	(5,000,000)	-
			<u>16,100,000</u>	<u>(16,100,000)</u>	<u>-</u>

**(b) 保華德祥之購股權**

下表披露期內保華德祥購股權之變動詳情：

Save as disclosed herein, at no time during the period was the 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 debt securities including debentures of, the Company or any other body corporate, and none of the directors, chief executives or their spouse or children under the age of 18, had any right to subscribe for securities of the Company, or had exercised any such right during the period.

除本文所披露者外，本公司或其任何附屬公司於期內並無訂立任何安排，致使本公司董事可藉購買本公司或任何其他法人團體之股份或債務證券(包括債券)而獲益，而董事、主要行政人員或彼等之配偶或未滿十八歲之子女於期內概無擁有可認購本公司證券之任何權利，亦無行使任何該等權利。

**INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS/OTHER PERSONS RECORDED IN THE REGISTER KEPT UNDER SECTION 336 OF THE SFO**

As at 30th September, 2003, so far as is known to the directors and the chief executive of the Company, the interests or short positions of substantial shareholders/other persons in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under section 336 of the SFO:

**根據證券及期貨條例第336條  
保存之登記冊所記錄之主要股東/  
其他人士之權益及淡倉**

於二零零三年九月三十日，就本公司董事及主要行政人員所知，根據證券及期貨條例第336條保存之本公司登記冊所記錄之主要股東/其他人士於本公司之股份及相關股份之權益或淡倉：

**(a) Interests and short positions of substantial shareholders in shares and underlying shares of the Company**

**(a) 主要股東於本公司股份及相關股份之權益及淡倉**

Name 姓名/名稱	Capacity 身份	Long position/ Short position 好倉/淡倉	No. of ordinary shares of the Company held 所持本公司 普通股數目	No. of underlying shares (in respect of unlisted equity derivatives) of the Company held 所持本公司之相關 股份(有關非上市 股本衍生工具)數目	Approximate % of the issued ordinary share capital of the Company 佔本公司 已發行普通股 股本概約百分比
Chan Kwok Keung, Charles 陳國強	Note 附註	Interest of controlled corporation 於受控制法團之權益	219,681,911	-	34.82%
Chan Kwok Keung, Charles 陳國強	Note 附註	Beneficial owner 實益擁有人	-	833,333,333	132.07%

(a) Interests and short positions of substantial shareholders in shares and underlying shares of the Company (Continued)

(a) 主要股東於本公司股份及相關股份之權益及淡倉 (續)

Name	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	No. of underlying shares (in respect of unlisted equity derivatives) of the Company held	Approximate % of the issued ordinary share capital of the Company	
姓名／名稱	身份	好倉／淡倉	所持本公司 普通股數目	所持本公司之相關 股份(有關非上市 股本衍生工具)數目	佔本公司 已發行普通股 股本概約百分比	
Chinaview International Limited	Note 附註	Interest of controlled corporation 於受控制法團之權益	Long position 好倉	219,681,911	-	34.82%
Galaxyway Investments Limited	Note 附註	Beneficial owner 實益擁有人	Long position 好倉	219,681,911	-	34.82%
Ng Yuen Lan, Macy 伍婉蘭	Note 附註	Interest of spouse 配偶權益	Long position 好倉	219,681,911	-	34.82%
Ng Yuen Lan, Macy 伍婉蘭	Note 附註	Interest of spouse 配偶權益	Long position 好倉	-	833,333,333	132.07%

Note: Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was in turn wholly owned by Dr. Chan Kwok Keung, Charles. Ms. Ng Yuen Lan, Macy was the spouse of Dr. Chan Kwok Keung, Charles. Chinaview International Limited, Dr. Chan Kwok Keung, Charles and Ms. Ng Yuen Lan, Macy were deemed to be interested in the ordinary shares held by Galaxyway Investments Limited.

Dr. Chan Kwok Keung, Charles owned convertible notes issued by the Company in the principal amount of HK\$250,000,000 carrying rights to convert into 833,333,333 ordinary shares of the Company at an initial conversion price of HK\$0.30 per share, subject to adjustment. Ms. Ng Yuen Lan, Macy, being the spouse of Dr. Chan Kwok Keung, Charles, was deemed to be interested in the underlying shares (in respect of the convertible notes (unlisted equity derivatives)) held by Dr. Chan Kwok Keung, Charles. Out of the aforesaid convertible notes in the principal amount of HK\$250,000,000, HK\$120,000,000 convertible notes (representing 400,000,000 underlying shares) were pledged.

附註：Galaxyway Investments Limited為Chinaview International Limited之一間全資附屬公司，而Chinaview International Limited則由陳國強博士全資擁有。伍婉蘭女士為陳國強博士之配偶。Chinaview International Limited、陳國強博士及伍婉蘭女士均被視作於由Galaxyway Investments Limited所持之普通股股份中擁有權益。

陳國強博士擁有由本公司發行本金額為250,000,000港元之可換股票據，附有可按初步換股價每股0.30港元(可予調整)轉換成833,333,333股本公司普通股之權利。伍婉蘭女士為陳國強博士之配偶，故被視作於由陳國強博士持有之相關股份(有關可換股票據(非上市股本衍生工具))中擁有權益。於上述本金額為250,000,000港元之可換股票據中，120,000,000港元之可換股票據(相當於400,000,000股相關股份)已抵押。

(b) Interests and short positions of other persons in shares and underlying shares of the Company

(b) 其他人士於本公司股份及相關股份之權益及淡倉

Name	Notes	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	No. of underlying shares (in respect of unlisted equity derivatives) of the Company held	Approximate % of the issued ordinary share capital of the Company
姓名／名稱	附註	身份	好倉／淡倉	所持本公司 普通股數目	所持本公司之相關 股份(有關非上市 股本衍生工具)數目	佔本公司 已發行普通股 股本概約百分比
Tai Fook Finance Company Limited 大福財務有限公司		Security interest 保證權益	Long position 好倉	-	400,000,000	63.40%
Tai Fook (BVI) Limited	1	Interest of controlled corporation 於受控制法團之權益	Long position 好倉	-	400,000,000	63.40%
Tai Fook Securities Group Limited 大福證券集團有限公司	1	Interest of controlled corporation 於受控制法團之權益	Long position 好倉	-	400,000,000	63.40%

(b) Interests and short positions of other persons in shares and underlying shares of the Company (Continued)

(b) 其他人士於本公司股份及相關股份之權益及淡倉 (續)

Name	Notes	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	No. of underlying shares (in respect of unlisted equity derivatives) of the Company held	Approximate % of the issued ordinary share capital of the Company
姓名/名稱	附註	身份	好倉/淡倉	所持本公司 普通股數目	所持本公司之相關 股份(有關非上市 股本衍生工具)數目	佔本公司 已發行普通股 股本概約百分比
Leung Choi Yin 梁彩燕		Beneficial owner 實益擁有人	Long position 好倉	7,720,000	-	1.22%
Leung Choi Yin 梁彩燕		Beneficial owner 實益擁有人	Long position 好倉	-	66,666,666	10.57%
Cheng Hairong 成海榮	2	Interest of controlled corporation 於受控制法團之權益	Long position 好倉	1,000,000	-	0.16%
Cheng Hairong 成海榮	2	Interest of controlled corporation 於受控制法團之權益	Long position 好倉	-	33,333,332	5.28%
Yang Yan 楊燕	2	Interest of spouse 配偶權益	Long position 好倉	1,000,000	-	0.16%
Yang Yan 楊燕	2	Interest of spouse 配偶權益	Long position 好倉	-	33,333,332	5.28%
Gold Device Ltd.		Beneficial owner 實益擁有人	Long position 好倉	-	80,000,000	12.68%
Wang Yung-tyng 王榮廷	3	Interest of controlled corporation 於受控制法團之權益	Long position 好倉	-	80,000,000	12.68%
Bookman Properties Limited		Beneficial owner 實益擁有人	Long position 好倉	-	66,666,666	10.57%
Yugang Enterprises Limited	4	Interest of controlled corporation 於受控制法團之權益	Long position 好倉	-	66,666,666	10.57%
Yugang International (BVI) Limited	4	Interest of controlled corporation 於受控制法團之權益	Long position 好倉	-	66,666,666	10.57%
Yugang International Limited	4	Interest of controlled corporation 於受控制法團之權益	Long position 好倉	-	66,666,666	10.57%
Chongqing Industrial Limited	4	Interest of controlled corporation 於受控制法團之權益	Long position 好倉	-	66,666,666	10.57%
Palin Holdings Limited	4	Interest of controlled corporation/ trustee of a trust 於受控制法團之權益/ 信託之受託人	Long position 好倉	-	66,666,666	10.57%
Cheung Chung Kiu 張松橋	5	Interest of controlled corporation/ founder of a trust 於受控制法團之權益/ 信託之創辦人	Long position 好倉	-	66,666,666	10.57%
Million Dollar Trading Limited		Beneficial owner 實益擁有人	Long position 好倉	-	33,333,333	5.28%

(b) Interests and short positions of other persons in shares and underlying shares of the Company (Continued)

(b) 其他人士於本公司股份及相關股份之權益及淡倉(續)

Name	Notes	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	No. of underlying shares (in respect of unlisted equity derivatives) of the Company held	Approximate % of the issued ordinary share capital of the Company
姓名/名稱	附註	身份	好倉/淡倉	所持本公司 普通股數目	所持本公司之相關 股份(有關非上市 股本衍生工具)數目	佔本公司 已發行普通股 股本概約百分比
New World CyberBase Limited 新世界數碼基地有限公司	6	Interest of controlled corporation 於受控制法團之權益	Long position 好倉	-	33,333,333	5.28%
Halluck Limited		Beneficial owner 實益擁有人	Long position 好倉	-	33,333,333	5.28%
Ho Hau Hay, Hamilton 何厚滸	7	Interest of controlled corporation 於受控制法團之權益	Long position 好倉	-	33,333,333	5.28%
Grand Ocean Investments Limited		Beneficial owner 實益擁有人	Long position 好倉	-	66,666,666	10.57%
Chang Wa Shan 曾華山	8	Beneficial owner 實益擁有人	Long position 好倉	2,320,000	-	0.36%
Chang Wa Shan 曾華山	8	Interest of controlled corporation/ Interest of spouse 於受控制法團之權益/ 配偶權益	Long position 好倉	-	66,666,666	10.57%
Cheung Wing Har, Linda 張永霞	8	Interest of spouse 配偶權益	Long position 好倉	2,320,000	-	0.36%
Cheung Wing Har, Linda 張永霞	8	Interest of controlled corporation/ Interest of spouse 於受控制法團之權益/ 配偶權益	Long position 好倉	-	66,666,666	10.57%

Notes:

- Tai Fook Finance Company Limited had interests in underlying shares (in respect of the unlisted equity derivatives) as security interests.  
  
Tai Fook Finance Company Limited was a wholly-owned subsidiary of Tai Fook (BVI) Limited which was in turn wholly owned by Tai Fook Securities Group Limited. Tai Fook (BVI) Limited and Tai Fook Securities Group Limited were deemed to have security interests in the underlying shares interested by Tai Fook Finance Company Limited.
- Gladstone Rise Limited and Attractive Futures Limited, both were wholly owned by Mr. Cheng Hairong, held ordinary shares and underlying shares (in respect of the unlisted equity derivatives). Mr. Cheng Hairong and Ms. Yang Yan, the spouse of Mr. Cheng Hairong, were deemed to be interested in these ordinary shares and underlying shares held by Gladstone Rise Limited and Attractive Futures Limited.
- Gold Device Ltd. was wholly owned by Mr. Wang Yung-tyng. Mr. Wang Yung-tyng was deemed to be interested in the underlying shares (in respect of the unlisted equity derivatives) held by Gold Device Ltd..

附註:

- 大福財務有限公司於相關股份(有關非上市股本衍生工具)中擁有權益作為保證權益。  
  
大福財務有限公司為Tai Fook (BVI) Limited之全資附屬公司,而Tai Fook (BVI) Limited則由大福證券集團有限公司全資擁有。Tai Fook (BVI) Limited及大福證券集團有限公司均被視為於大福財務有限公司於相關股份中擁有權益作為保證權益。
- 由成海榮先生全資擁有之Gladstone Rise Limited及Attractive Futures Limited持有普通股股份及相關股份(有關非上市股本衍生工具)。成海榮先生及其配偶楊燕女士被視為於Gladstone Rise Limited及Attractive Futures Limited所持之該等普通股及相關股份中擁有權益。
- Gold Device Ltd.由王榮廷先生全資擁有。王榮廷先生被視為於Gold Device Ltd.所持之相關股份(有關非上市股本衍生工具)中擁有權益。



**(b) Interests and short positions of other persons in shares and underlying shares of the Company (Continued)**

4. The underlying shares (in respect of the unlisted equity derivatives) refer to the same block of underlying shares beneficially owned by Bookman Properties Limited with the same particulars as disclosed under the interests of Mr. Cheung Chung Kiu as shown in note 5 below.
5. Mr. Cheung Chung Kiu was deemed to be interested in the underlying shares (in respect of the unlisted equity derivatives) in the Company by virtue of his indirect shareholding interest in Bookman Properties Limited which owned these underlying shares. Bookman Properties Limited was a wholly-owned subsidiary of Yugang Enterprises Limited. Yugang Enterprises Limited was a wholly-owned subsidiary of Yugang International (B.V.I.) Limited, which was, in turn, a wholly-owned subsidiary of Yugang International Limited. Chongqing Industrial Limited owned 37.79% of the issued share capital of Yugang International Limited. Chongqing Industrial Limited was controlled by a discretionary trust. Mr. Cheung Chung Kiu is the founder of the said discretionary trust and Palin Holdings Limited which is controlled by Mr. Cheung Chung Kiu is the trustee of the said discretionary trust.
6. Million Dollar Trading Limited was a wholly-owned subsidiary of New World CyberBase Limited. New World CyberBase Limited was deemed to be interested in the underlying shares (in respect of the unlisted equity derivatives) held by Million Dollar Trading Limited.
7. Halluck Limited was wholly owned by Mr. Ho Hau Hay, Hamilton. Mr. Ho Hau Hay, Hamilton was deemed to be interested in the underlying shares (in respect of the unlisted equity derivatives) held by Halluck Limited.
8. Grand Ocean Investments Limited was owned as to 50% by Ms. Cheung Wing Har, Linda and as to 50% by Mr. Chang Wa Shan, the spouse of Ms. Cheung Wing Har, Linda. Mr. Chang Wa Shan and Ms. Cheung Wing Har, Linda were deemed to be interested in the underlying shares (in respect of the unlisted equity derivatives) held by Grand Ocean Investments Limited. Ms. Cheung Wing Har, Linda was deemed to be interested in the ordinary shares held by Mr. Chang Wa Shan.

Save as disclosed above, no other parties were recorded in the register of the Company required to be kept under section 336 of the SFO as having interests or short positions in the shares or underlying shares of the Company as at 30th September, 2003.

**(b) 其他人士於本公司股份及相關股份之權益及淡倉 (續)**

4. 該等相關股份(有關非上市股本衍生工具)乃指由Bookman Properties Limited實益擁有之同一批相關股份,有關資料與下文附註5所載就張松橋先生之權益所披露資料相同。
5. 鑑於張松橋先生被視作於持有此等相關股份之Bookman Properties Limited擁有間接股權權益,故張松橋先生被視作擁有該等相關股份(有關非上市股本衍生工具)之權益。Bookman Properties Limited為Yugang Enterprises Limited之一間全資附屬公司,而Yugang Enterprises Limited則為Yugang International (B.V.I.) Limited之一間全資附屬公司,而Yugang International (B.V.I.) Limited則為Yugang International Limited之全資附屬公司。Chongqing Industrial Limited擁有Yugang International Limited已發行股本之37.79%權益。Chongqing Industrial Limited由一個全權信託控制。張松橋先生乃上述全權信託之創辦人,而由張松橋先生控制之Palin Holdings Limited乃上述全權信託之受託人。
6. Million Dollar Trading Limited為新世界數碼基地有限公司之全資附屬公司。新世界數碼基地有限公司被視為於Million Dollar Trading Limited所持之相關股份(有關非上市股本衍生工具)中擁有權益。
7. Halluck Limited由何厚浹先生全資擁有。何厚浹先生被視為於Halluck Limited所持之相關股份(有關非上市股本衍生工具)中擁有權益。
8. Grand Ocean Investments Limited由張永霞女士及張永霞女士之配偶曾華山先生各自分別擁有50%及50%權益。曾華山先生及張永霞女士均被視為於Grand Ocean Investments Limited所持之相關股份(有關非上市股本衍生工具)中擁有權益。張永霞女士被視作於曾華山先生所持之普通股股份中擁有權益。

除上文所披露者外,於二零零三年九月三十日,根據證券及期貨條例第336條本公司須保存之登記冊所記錄,概無其他人士擁有本公司之股份或相關股份之權益或淡倉。



## DISCLOSURE UNDER PRACTICE NOTE 19 TO THE LISTING RULES (“PN19”)

Pursuant to paragraph 3.10 of PN19, the proforma combined balance sheet of the affiliated companies and the Group’s attributable interest in these affiliated companies based on their latest financial statements available are presented below:

		Proforma combined balance sheet HK\$'000 備考合併資產負債表 千港元	Group's attributable interest HK\$'000 本集團應佔權益 千港元
Non-current assets	非流動資產	7,984,132	2,684,666
Current assets	流動資產	8,882,840	3,031,513
Current liabilities	流動負債	(5,732,529)	(1,970,252)
Non-current liabilities	非流動負債	(3,701,681)	(1,287,336)
		7,432,762	2,458,591

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30th September, 2003, there were no purchases, sales or redemptions by the Company, or any of its subsidiaries, of the Company's listed securities.

## CODE OF BEST PRACTICE

None of the directors is aware of information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30th September, 2003, in compliance with the Code of Best Practice as set out in Appendix 14 to the Listing Rules, except that the independent non-executive directors of the Company are not appointed for a specific term as they are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Bye-laws.

## AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, financial reporting process and internal control matters including a review of the unaudited interim financial report for the six months ended 30th September, 2003.

The interim financial report of the Company for the six months ended 30th September, 2003 has been reviewed by the auditors, Deloitte Touche Tohmatsu in accordance with the Statement of Auditing Standards 700 "Engagements to Review Interim Financial Reports" issued by the Hong Kong Society of Accountants and an unqualified review report is issued.

On Behalf of the Board

**Dr. Chan Kwok Keung, Charles**  
Chairman

Hong Kong, 19th December, 2003

## 根據上市規則應用指引第19項 （「應用指引第19項」）作出之披露

根據應用指引第19項第3.10段，按聯屬公司最近期提供之財務報表編製之該等聯屬公司之備考合併資產負債表及本集團應佔此等聯屬公司之權益載列如下：

## 購買、出售或贖回本公司上市證券

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

## 最佳應用守則

各董事概無知悉任何資料，足以合理地顯示本公司現時或於截至二零零三年九月三十日止六個月內之任何時間，未有遵守上市規則附錄十四所載之最佳應用守則，惟本公司獨立非執行董事並無指定任期，而根據本公司之公司細則，彼等須在本公司之股東週年大會上輪值退任及膺選連任。

## 審核委員會

審核委員會與管理層已審閱本集團採納之會計原則及慣例，並就審計、財務申報過程及內部監控事項，包括審閱截至二零零三年九月三十日止六個月之未經審核中期財務報告作商討。

本公司截至二零零三年九月三十日止六個月之未經審核財務報告已經由核數師德勤·關黃陳方會計師行根據香港會計師公會頒佈之核數準則第700號「審閱中期財務報告之委聘」進行審閱，並發出無保留意見審閱報告。

代表董事局

主席  
陳國強博士

香港，二零零三年十二月十九日

## INDEPENDENT REVIEW REPORT

# 德勤·關黃陳方會計師行

Certified Public Accountants  
26/F Wing On Centre  
111 Connaught Road Central  
Hong Kong

香港中環干諾道中111號  
永安中心26樓

# Deloitte Touche Tohmatsu

### TO THE BOARD OF DIRECTORS OF ITC CORPORATION 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 21 to 31.

#### 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 No. 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 30th September, 2003.

**Deloitte Touche Tohmatsu**  
Certified Public Accountants

Hong Kong, 19th December, 2003

## 獨立審閱報告

### 致德祥企業集團有限公司董事會

(於百慕達註冊成立之有限公司)

#### 緒言

本核數師行已根據 貴公司之指示審閱載於第21至第31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根據香港會計師公會頒佈之會計實務準則第25號「中期財務報告」及有關規定編製。編製中期財務報告乃董事之責任，並已由彼等審批。

本行之責任是根據審閱之結果，對中期財務報告出具獨立結論，並按照雙方所協定之應聘書條款僅向整體董事會報告，除此之外本報告別無其他目的。本行不會就本報告之內容向任何其他人士負上或承擔任何責任。

#### 審閱工作

本行之審閱工作乃根據香港會計師公會頒佈之《核數準則》第700號「審閱中期財務報告」進行。審閱工作主要包括向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，並據此評估所採納之會計政策及列報形式是否一致及貫徹地運用(除非已另作披露)。審閱工作並不包括審計程序(如測試監控系統及核實資產、負債及交易活動)。由於審閱之工作範圍較審計工作少，因此只能提供較審計工作為低之確定程度，故本行不會對中期財務報告作出審計意見。

#### 審閱結論

根據本行審閱(並不構成審計工作)之結果，本行並不察覺須對截至二零零三年九月三十日止六個月之中期財務報告作出任何重大修改。

**德勤·關黃陳方會計師行**  
執業會計師

香港，二零零三年十二月十九日

## CONDENSED CONSOLIDATED INCOME STATEMENT 簡明綜合收入報表

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2003 截至二零零三年九月三十日止六個月

		(Unaudited)	
		Six months ended	
		30th September,	
		2003	2002
		HK\$'000	HK\$'000
		(As restated)	
		(未經審核)	
		截至九月三十日止六個月	
		二零零三年	二零零二年
		千港元	千港元
		(經重列)	
	Notes		
	附註		
Turnover	3	1,698,387	13,725
Cost of sales		<u>(1,646,834)</u>	<u>(2,898)</u>
Gross profit		51,553	10,827
Other operating income		51,097	21,675
Administrative expenses		<u>(73,648)</u>	<u>(19,206)</u>
Profit from operations	4	29,002	13,296
Finance costs		<u>(21,388)</u>	<u>(17,461)</u>
Investment expenses – net	5	(4,123)	(16,812)
Impairment loss on investment properties		<u>(15,700)</u>	–
Allowance for amount due from an associate		<u>(2,424)</u>	–
Loss on dilution of interests in subsidiaries and associates		<u>(3,134)</u>	–
Share of results of associates		129,325	(67,863)
Share of results of jointly controlled entities		<u>7,974</u>	–
Profit (loss) before taxation		119,532	(88,840)
Taxation	6	<u>(56,691)</u>	<u>(12,533)</u>
Profit (loss) before minority interests		62,841	(101,373)
Minority interests		<u>(15,200)</u>	–
Profit (loss) for the period		<u>47,641</u>	<u>(101,373)</u>
Earnings (loss) per share			
Basic (cents)	7	<u>6.1</u>	<u>(17.5)</u>
Diluted (cents)		<u>2.3</u>	<u>(17.7)</u>

## CONDENSED CONSOLIDATED BALANCE SHEET 簡明綜合資產負債表

AT 30TH SEPTEMBER, 2003 於二零零三年九月三十日

			(Unaudited) 30th September, 2003 HK\$'000	(Audited) 31st March, 2003 HK\$'000 (As restated) (經審核) 二零零三年 三月三十一日 千港元 (經重列)
	Notes			
	附註			
<b>Non-current assets</b>		<b>非流動資產</b>		
Investment properties	8	投資物業	536,304	572,608
Property, plant and equipment	8	物業、機械及設備	454,022	489,331
Negative goodwill		負商譽	(394,445)	(423,474)
Interests in associates and jointly controlled entities	9	聯營公司及共同控制機構權益	2,165,422	1,363,370
Investments in securities		證券投資	20,094	676,092
Convertible notes receivable	10	應收可換股票據	-	17,500
Deferred tax assets		遞延稅項資產	2,132	4,165
			<u>2,783,529</u>	<u>2,699,592</u>
<b>Current assets</b>		<b>流動資產</b>		
Amounts due from customers for contract works		應收客戶合約工程款項	244,778	200,934
Debtors, deposits and prepayments	11	應收賬款、訂金及預付款項	1,192,074	1,079,351
Investments in securities		證券投資	26,352	26,527
Short term bank deposits, bank balances and cash		短期銀行存款、銀行結存及現金	284,124	241,189
Other current assets		其他流動資產	575,021	603,611
			<u>2,322,349</u>	<u>2,151,612</u>
<b>Current liabilities</b>		<b>流動負債</b>		
Amounts due to customers for contract works		應付客戶合約工程款項	557,989	494,855
Creditors and accrued expenses	12	應付賬款及應計開支	857,458	797,355
Bank borrowings – due within one year		一年內到期之銀行借款	159,197	167,853
Other loans – due within one year		一年內到期之其他貸款	139,817	77,317
Other current liabilities		其他流動負債	80,875	86,823
			<u>1,795,336</u>	<u>1,624,203</u>
<b>Net current assets</b>		<b>流動資產淨值</b>	<u>527,013</u>	<u>527,409</u>
<b>Total assets less current liabilities</b>		<b>總資產減流動負債</b>	<u>3,310,542</u>	<u>3,227,001</u>
<b>Minority interests</b>		<b>少數股東權益</b>	<u>905,119</u>	<u>863,395</u>
<b>Non-current liabilities</b>		<b>非流動負債</b>		
Convertible notes		可換股票據	391,731	391,799
Bank borrowings – due after one year		一年後到期之銀行借款	652,225	637,175
Other loans – due after one year		一年後到期之其他貸款	-	66,500
Provision for long service payments		長期服務金撥備	1,727	1,727
Deferred tax liabilities		遞延稅項負債	71,000	61,165
			<u>1,116,683</u>	<u>1,158,366</u>
			<u>1,288,740</u>	<u>1,205,240</u>
<b>Capital and reserves</b>		<b>股本及儲備</b>		
Share capital		股本	89,894	89,894
Reserves		儲備	1,198,846	1,115,346
			<u>1,288,740</u>	<u>1,205,240</u>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 簡明綜合權益變動表

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2003 截至二零零三年九月三十日止六個月

		(Unaudited)								
		Share capital	Share premium	Contributed surplus	Capital redemption reserve	Properties revaluation reserve	Translation reserve	Goodwill reserve	Accumulated losses	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		股本	股份溢價	實繳盈餘	贖回儲備	物業重估儲備	滙兌儲備	商譽儲備	累積虧損	總額
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1st April, 2002	於二零零二年四月一日									
- as originally stated	- 原先呈列	89,894	205,222	2,092,234	908	-	(21,851)	(139,650)	(737,323)	1,489,434
- prior period adjustment	- 前期調整	-	-	-	-	-	-	-	(18,191)	(18,191)
	(附註2)									
At 1st April, 2002	於二零零二年四月一日	89,894	205,222	2,092,234	908	-	(21,851)	(139,650)	(755,514)	1,471,243
(as restated)	(經重列)									
Exchange differences arising from translation of overseas operations	換算海外業務產生之匯兌差額	-	-	-	-	-	84	-	-	84
Share of post-acquisition reserve movements of associates	攤估聯營公司收購後儲備變動	-	-	-	-	-	(6,266)	-	-	(6,266)
Net loss not recognised in the condensed consolidated income statement	未於簡明綜合收入報表確認之虧損淨額	-	-	-	-	-	(6,182)	-	-	(6,182)
Share of post-acquisition reserve movements of associates	攤估聯營公司收購後儲備變動	-	-	-	-	-	-	6,931	-	6,931
Loss for the period	期內虧損	-	-	-	-	-	-	-	(101,373)	(101,373)
At 30th September, 2002	於二零零二年九月三十日	89,894	205,222	2,092,234	908	-	(28,033)	(132,719)	(856,887)	1,370,619
Exchange differences arising from translation of overseas operations	換算海外業務產生之匯兌差額	-	-	-	-	-	34,503	-	-	34,503
Share of post-acquisition reserve movements of associates	攤估聯營公司收購後儲備變動	-	-	-	-	-	22,276	-	-	22,276
Surplus arising on revaluation of land and buildings	因重估土地及樓宇所產生之盈餘	-	-	-	-	805	-	-	-	805
Net gain not recognised in the condensed consolidated income statement	未於簡明綜合收入報表確認之收益淨額	-	-	-	-	805	56,779	-	-	57,584
Share of post-acquisition reserve movements of associates	攤估聯營公司收購後儲備變動	-	-	-	-	-	-	34,188	-	34,188
Loss for the period	期內虧損	-	-	-	-	-	-	-	(257,151)	(257,151)
At 31st March, 2003	於二零零三年三月三十一日	89,894	205,222	2,092,234	908	805	28,746	(98,531)	(1,114,038)	1,205,240
Exchange differences arising from translation of overseas operations	換算海外業務產生之匯兌差額	-	-	-	-	-	33,065	-	-	33,065
Share of post-acquisition reserve movements of associates	攤估聯營公司收購後儲備變動	-	-	-	-	-	1,948	-	-	1,948
Net gain not recognised in the condensed consolidated income statement	未於簡明綜合收入報表確認之收益淨額	-	-	-	-	-	35,013	-	-	35,013
Reserve movements arising on reduction of interests in subsidiaries and associates	減持附屬公司及聯營公司權益產生之儲備變動	-	-	-	-	(3)	(204)	1,053	-	846
Profit for the period	期內溢利	-	-	-	-	-	-	-	47,641	47,641
At 30th September, 2003	於二零零三年九月三十日	89,894	205,222	2,092,234	908	802	63,555	(97,478)	(1,066,397)	1,288,740

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT 簡明綜合現金流量表

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2003 截至二零零三年九月三十日止六個月

		(Unaudited) Six months ended 30th September,	
		2003 HK\$'000	2002 HK\$'000
		(未經審核)	
		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
Net cash from (used in) operating activities	經營業務所得(動用)之現金淨額	69,182	(44,078)
Net cash used in investing activities	投資業務動用之現金淨額	(18,174)	(32,036)
Net cash used in financing activities	融資業務動用之現金淨額	<u>(31,763)</u>	<u>(15,392)</u>
Net increase (decrease) in cash and cash equivalents	現金與現金等值項目增加(減少)淨額	19,245	(91,506)
Cash and cash equivalents at beginning of the period	期初現金與現金等值項目	195,654	76,874
Effect of foreign exchange rate changes	匯率變動影響	<u>(806)</u>	<u>(91)</u>
Cash and cash equivalents at end of the period	期終現金與現金等值項目	<u>214,093</u>	<u>(14,723)</u>
Analysis of the balances of cash and cash equivalents	現金與現金等值項目結存分析		
Short term bank deposits, bank balances and cash	短期銀行存款、銀行結餘及現金	284,124	7,641
Bank overdrafts	銀行透支	<u>(70,031)</u>	<u>(22,364)</u>
		<u>214,093</u>	<u>(14,723)</u>



## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2003

### 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" issued by the Hong Kong Society of Accountants.

### 2. PRINCIPAL ACCOUNTING POLICIES

The condensed financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain properties and investment 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 31st March, 2003, except for the adoption of SSAP 12 (Revised) "Income Taxes". The principal effect of the implementation of SSAP 12 (Revised) is in relation to deferred taxation. In previous years, partial provision was made for deferred taxation using the income statement liability method, i.e. a liability was recognised in respect of all 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 taxation is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxation profit, with limited exceptions. In the absence of any specific transitional requirements in SSAP 12 (Revised), the new accounting policy has been applied retrospectively. Comparative amounts for 2002 have been restated accordingly. As a result of this change in policy, the opening accumulated losses at 1st April, 2003 have been increased by HK\$21,307,000 (1st April, 2002: HK\$18,191,000). The profit for the six months ended 30th September, 2003 has been decreased by HK\$9,130,000 (the loss for the six months ended 30th September, 2002 has been increased by HK\$2,167,000).

## 簡明財務報表附註

截至二零零三年九月三十日止六個月

### 1. 編製基準

簡明財務報表乃根據香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十六有關披露之規定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」之規定而編製。

### 2. 主要會計政策

簡明財務報表乃根據歷史成本法編製，惟已就若干物業及證券投資之重估作出修訂。

除採納會計實務準則第12號(經修訂)「所得稅」外，所採納之會計政策乃與編製本集團截至二零零三年三月三十一日止年度之全年財務報表所採納者相符。落實會計實務準則第12號(經修訂)之主要影響乃涉及遞延稅項。於過往年度，本集團以收入報表負債法就遞延稅項作出部份撥備，即就所產生一切時差確認負債，惟該等時差預期不會於可見將來撥回者除外。會計實務準則第12號(經修訂)規定採用資產負債表負債法，據此須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遞延稅項，而僅有少數情況可屬例外。由於會計實務準則第12號(經修訂)並無任何具體過渡規定，故該項新會計政策已作出追溯應用。因此，二零零二年之比較數字已重新呈列。由於該項會計政策變動，於二零零三年四月一日之期初累積虧損已增加21,307,000港元(二零零二年四月一日：18,191,000港元)。截至二零零三年九月三十日止六個月之溢利已減少9,130,000港元(截至二零零二年九月三十日止六個月虧損已增加2,167,000港元)。



4. PROFIT FROM OPERATIONS

4. 經營業務所得溢利

		Six months ended 30th September,	
		2003	2002
		HK\$'000	HK\$'000
		截至九月三十日止六個月	
		二零零三年	二零零二年
		千港元	千港元
Profit from operations has been arrived at after charging:	經營業務所得溢利已扣除：		
Depreciation and amortisation of property, plant and equipment	物業、機械及設備之折舊及攤銷	32,229	947
Less: Amount capitalised in respect of contracts in progress	減：撥作在建合約工程資本之數額	(956)	-
		<u>31,273</u>	<u>947</u>
and after crediting:	並已計及：		
Gain on disposal of property, plant and equipment	出售物業、機械及設備之收益	2,805	-
Gain on disposal of listed investments	出售上市投資之收益	23,088	617
Amortisation of negative goodwill (included in other operating income)	負商譽攤銷 (列入其他經營收入)	27,584	-
		<u>27,584</u>	<u>-</u>

5. INVESTMENT EXPENSES - NET

5. 投資開支 - 淨額

		Six months ended 30th September,	
		2003	2002
		HK\$'000	HK\$'000
		截至九月三十日止六個月	
		二零零三年	二零零二年
		千港元	千港元
(Loss) gain on disposal of investment properties	出售投資物業之 (虧損) 收益	(526)	1
Impairment loss on investment securities	投資證券折損	(3,597)	(16,813)
		<u>(4,123)</u>	<u>(16,812)</u>

6. TAXATION

6. 稅項

		Six months ended 30th September,	
		2003	2002
		HK\$'000	HK\$'000
		截至九月三十日止六個月	
		二零零三年	二零零二年
		千港元	千港元
The charge comprises:	稅項支出包括：		
Hong Kong Profits Tax	香港利得稅		
Overprovision in previous periods	過往期間超額撥備	(11)	-
Overseas taxation	海外稅項	3,322	-
Share of tax on results of associates	攤佔聯營公司業績之稅項	41,511	12,533
		<u>44,822</u>	<u>12,533</u>
Deferred taxation	遞延稅項	11,869	-
		<u>56,691</u>	<u>12,533</u>

Hong Kong Profits Tax is calculated at the rate of 17.5% (2002: 16%) of the estimated assessable profits derived from Hong Kong for the period.

Overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

Deferred taxation has been provided for on temporary differences arising during the period.

香港利得稅乃根據本期間源自香港之估計應課稅溢利按稅率17.5%(二零零二年：16%)計算。

海外稅項根據有關司法權區之現行稅率計算。

遞延稅項已就本期間內產生之臨時差異作出撥備。

7. EARNINGS (LOSS) PER SHARE

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

7. 每股盈利(虧損)

每股基本及攤薄盈利(虧損)乃按以下資料計算：

		Six months ended 30th September,	
		2003 HK\$'000	2002 HK\$'000 (As restated)
		二零零三年 千港元	二零零二年 千港元 (經重列)
Profit (loss) for the period	期內溢利(虧損)	47,641	(101,373)
Dividend for preference shares	優先股股息	(9,245)	(9,245)
Profit (loss) for the purposes of basic earnings (loss) per share	計算每股基本盈利 (虧損)之溢利(虧損)	<u>38,396</u>	(110,618)
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之效應：		
Adjustment to the share of results of subsidiaries based on dilution of their earnings per share	攤佔附屬公司業績須按其 攤薄後每股盈利作出之調整	(3,426)	-
Adjustment to the share of results of associates based on dilution of their earnings per share	攤佔聯營公司業績須按其 攤薄後每股盈利作出之調整	-	(1,325)
Interest on convertible notes	可換股票據之利息	9,839	-
Unamortised deferred expenditure on issuance of convertible notes	發行可換股票據之未攤 銷遞延支出	(769)	-
Profit (loss) for the purposes of diluted earnings (loss) per share	計算每股攤薄盈利 (虧損)之溢利(虧損)	<u>44,040</u>	(111,943)
		Number of shares 股份數目	Number of shares 股份數目
Weighted average number of ordinary shares for the purposes of basic earnings (loss) per share	計算每股基本盈利(虧損) 之普通股加權 平均數	630,960,774	630,960,774
Effect of dilutive potential ordinary shares: Convertible notes	潛在攤薄普通股之效應： 可換股票據	<u>1,308,333,333</u>	-
Weighted average number of ordinary shares for the purposes of diluted earnings (loss) per share	計算每股攤薄 盈利(虧損)之普通股 加權平均數	<u>1,939,294,107</u>	630,960,774

8. INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK\$5,311,000 (2002: HK\$1,908,000) on property, plant and equipment to expand and upgrade its operating capacity. The Group also disposed of investment properties and property, plant and equipment with an aggregate carrying value of approximately HK\$21,804,000 (2002: HK\$1,125,000) and HK\$9,992,000 (2002: HK\$575,000) respectively.

Certain investment properties at 30th September, 2003 were revalued by the directors by reference to the valuations made by an independent professional valuer.

8. 投資物業及物業、機械及設備

於本期間內，本集團動用約5,311,000港元(二零零二年：1,908,000港元)購入物業、機械及設備，以擴大及提升其經營能力。本集團亦分別出售賬面總值約21,804,000港元(二零零二年：1,125,000港元)及約9,992,000港元(二零零二年：575,000港元)之投資物業及物業、機械及設備。

若干投資物業於二零零三年九月三十日之價值已經由董事參考由獨立專業估值師作出之估值後作出重估。

**9. INTERESTS IN ASSOCIATES AND JOINTLY CONTROLLED ENTITIES**

During the six months ended 30th September, 2003, the Group's equity interest through Paul Y. - ITC in China Strategic Holdings Limited, which is listed in Hong Kong, increased from 14.55% to 31.20%. Accordingly, the investment has been reclassified from investments in securities to interests in associates during the period.

Downer EDI Limited ("Downer"), one of the principal associates of Paul Y. - ITC, became an associate of the Group upon consolidation of Paul Y. - ITC since December 2002. Downer is listed in Australia and New Zealand and its financial year end date is 30th June. Only published financial information of Downer will be available and used by the Group in applying the equity method. Accordingly, the Group's share of results of Downer for the current period is calculated based on the results of Downer for the six months from 1st January, 2003 to 30th June, 2003.

Paul Y. - ITC has not accounted for its share of losses of an associate amounting to approximately HK\$123,711,000 (31st March, 2003: HK\$123,711,000) as those losses, which arise on a contract, are recoverable in full under guarantees provided by an ex-shareholder of the associate. Paul Y. - ITC instigated a court action against the ex-shareholder to recover the losses together with interest and other expenses incurred. The directors of Paul Y. - ITC, having taken legal advice, believe that the suit is valid and the losses can be fully recovered from the ex-shareholder.

**10. CONVERTIBLE NOTES RECEIVABLE**

During the period, the convertible notes were converted at the specified price into shares of a company whose shares are listed in Hong Kong.

**11. DEBTORS, DEPOSITS AND PREPAYMENTS**

The following is an aged analysis of trade debtors:

		30th September, 2003	31st March, 2003
		HK\$'000	HK\$'000
		二零零三年 九月三十日	二零零三年 三月三十一日
		千港元	千港元
Trade debtors	應收貿易賬款		
0 – 30 days	0–30日	447,637	400,424
31 – 60 days	31–60日	12,930	5,724
61 – 90 days	61–90日	206	5,224
Over 90 days	超過90日	72,601	70,739
		<u>533,374</u>	482,111
Other debtors, deposits and prepayments	其他應收賬款、 訂金及預付款項	658,700	597,240
		<u>1,192,074</u>	<u>1,079,351</u>

The Group's credit terms for contracting business are negotiated with, and entered into under, normal commercial terms with its trade customers. Trade debtors arising from property leasing business are payable monthly in advance and the credit terms granted by the Group to other trade debtors normally range from 30 days to 90 days.

**9. 聯營公司及共同控制機構權益**

截至二零零三年九月三十日止六個月，本集團透過保華德祥於中策集團有限公司(於香港上市之公司)之股份權益由14.55%增加至31.20%。因此，該項投資已於本期間內由證券投資重新分類為聯營公司權益。

保華德祥之主要聯營公司之一Downer EDI Limited(「Downer」)自二零零二年十二月綜合保華德祥之賬目起成為本集團之聯營公司。Downer於澳洲及紐西蘭上市，而其財政年度年結日為六月三十日。本集團於採用權益會計法入賬時，僅能取用Downer之已刊發之二零零三年一月一日至二零零三年六月三十日六個月之財務資料。

保華德祥並無計入其所攤佔聯營公司之虧損約123,711,000港元(二零零三年三月三十一日：123,711,000港元)，乃由於因合約產生之該等虧損可根據該聯營公司之前股東提供之擔保而全數收回。保華德祥已向該名前股東提出法律訴訟，以收回所產生之虧損及利息及其他開支。保華德祥之董事在聽取法律意見後，相信提出該訴訟乃可以成立，並可自該名前股東全數收回有關虧損。

**10. 應收可換票據**

於本期間內，可換股票據已按指定價格轉換成一間香港上市公司之股份。

**11. 應收賬款、訂金及預付款項**

應收貿易賬款之賬齡分析如下：

本集團合約承包業務之信貸期乃與其貿易客戶按正常商業條款磋商及訂立。物業租賃業務之應收賬款須按月預付，而本集團就其他應收貿易賬款授出之信貸期一般由30日至90日不等。

12. CREDITORS AND ACCRUED EXPENSES

The following is an aged analysis of trade creditors:

		30th September, 2003 HK\$'000 二零零三年 九月三十日 千港元	31st March, 2003 HK\$'000 二零零三年 三月三十一日 千港元
Trade creditors	應付貿易賬款		
0 – 30 days	0–30日	302,921	273,309
31 – 60 days	31–60日	35,701	24,780
61 – 90 days	61–90日	3,855	9,342
Over 90 days	超過90日	<u>26,321</u>	<u>19,556</u>
		<b>368,798</b>	326,987
Other creditors and accrued expenses	其他應付賬款及應計開支	<u>488,660</u>	<u>470,368</u>
		<b>857,458</b>	<b>797,355</b>

12. 應付賬款及應計開支

應付貿易賬款之賬齡分析如下：

13. CONTINGENT LIABILITIES

		30th September, 2003 HK\$'000 二零零三年 九月三十日 千港元	31st March, 2003 HK\$'000 二零零三年 三月三十一日 千港元
Outstanding performance bonds in respect of construction contracts	仍然有效之建築合約 履約擔保書	769,183	740,529
Guarantees given to banks and financial institutions in respect of general banking facilities granted to an associate	為一間聯營公司借取一般 銀行信貸而向銀行 及財務機構 作出之擔保	-	2,419
Financial support given to an investee company	向一間所投資公司提供之 財政支援	<u>1,200</u>	<u>4,355</u>
		<b>770,383</b>	<b>747,303</b>

13. 或然負債

In addition to the above, and in the normal course of business, the Group has received claims for damages and injuries relating to its contracting business. No provision has been made for these claims as they are either covered by insurance or will be indemnified by other parties.

除上述者外及於正常業務過程中，本集團收到有關於建築業務中損毀及受傷之索償通知。本集團並未就此等索償撥出準備，因此等索償可由保險賠償或他方賠償。

14. COMMITMENTS

		30th September, 2003 HK\$'000 二零零三年 九月三十日 千港元	31st March, 2003 HK\$'000 二零零三年 三月三十一日 千港元
Capital expenditure contracted for but not provided in the financial statements in respect of:	已訂約但未於 財務報表撥備 之資本支出：		
- subscription of new shares of an associate	- 認購一間聯營公司 新股份	-	20,000
- acquisition of an associate	- 收購一間聯營公司	<u>24,429</u>	<u>36,660</u>
		<b>24,429</b>	<b>56,660</b>

14. 承擔



15. TRANSACTIONS WITH RELATED PARTIES

During the period, the Group had transactions with the following related parties, details of which are as follows:

15. 與有關連人士之交易

期內，本集團與以下有關連人士進行之交易詳情如下：

		Six months ended 30th September,	
		2003 HK\$'000	2002 HK\$'000
		二零零三年 千港元	二零零二年 千港元
<b>Associates and jointly controlled entities:</b>			
Sales of building materials by the Group (note a)	聯營公司及共同控制機構： 本集團銷售建築材料 (附註a)	-	499
Purchase of concrete products by the Group (note a)	本集團購買混凝土產品 (附註a)	70	-
Dividend income	股息收入	44,883	-
Rentals and related building management fee charged by the Group (notes b & c)	本集團收取租金及相關物業管理費 (附註b及c)	3,068	-
Service fees charged by the Group (note c)	本集團收取服務費 (附註c)	601	373
Subcontracting fees charged to the Group (note d)	本集團支付分承包費 (附註d)	52,385	-
Construction works charged by the Group (note d)	本集團收取建築工程款項 (附註d)	449	-
Interest income received (note e)	已收利息 (附註e)	10,308	4,252
Consulting and handling fees charged by the Group (note c)	本集團收取顧問及手續費 (附註c)	72	-
<b>Directors or companies controlled by directors:</b>			
Interest payable on convertible notes issued by the Group (note f)	董事或董事控制之公司： 本集團發行之可換股票據之應付利息 (附註f)	6,267	6,424
Interest paid by the Group (note f)	本集團支付利息 (附註f)	1,651	-
<b>Related companies:</b>			
Rentals and related building management fee charged by the Group (notes b & c)	關連公司： 本集團收取租金及相關物業管理費 (附註b及c)	3,716	-
Interest income received (note e)	已收利息收入 (附註e)	8,448	1,433
Subcontracting fees charged by the Group (note d)	本集團收取分承包費 (附註d)	1,611	-
Purchase of medicine and health products by the Group (note a)	本集團購買醫藥保健品 (附註a)	455	85
Service fees charged to the Group (note c)	本集團支付服務費 (附註c)	59	129

Notes:

- (a) The transactions were carried out by reference to the prevailing market price for comparable transactions or were carried out in accordance with the negotiated parties.
- (b) Rentals were charged at the pre-agreed fixed monthly amounts.
- (c) Building management fee, service fee, consulting and handling fees were charged at the pre-agreed rates.
- (d) Construction works and subcontracting fees were charged at market price or, where no market price was available, at terms determined and agreed by both parties.
- (e) Interest was charged at commercial rates.
- (f) Interest was charged at the best lending rate of Hong Kong Dollar quoted by The Hongkong and Shanghai Banking Corporation Limited.

Related companies are companies in which the Group has either indirect beneficial interests or has common directors.

16. POST BALANCE SHEET EVENT

- (a) Subsequent to the balance sheet date, Paul Y. - ITC group disposed of an aggregate of approximately 29 million Downer ordinary shares (adjusted from 115 million ordinary shares in Downer as a result of consolidation of 4 ordinary shares in Downer into 1 Downer ordinary share in November 2003) to independent third parties for a total consideration of approximately A\$104 million (equivalent to approximately HK\$588 million). As a result of the disposal, Paul Y. - ITC group's shareholding in Downer decreased to 21.3%.
- (b) On 6th November, 2003, Star East Holdings Limited ("Star East") entered into a subscription agreement with one of its substantial shareholder for the subscription of 1,575,000,000 shares of Star East at a price of HK\$0.04 per share. Upon the completion of the subscription agreement on 19th December, 2003, the Group's interests in Star East has been decreased from 26.1% to 19.2%.

附註：

- (a) 該等交易乃參照同類交易當時之市價或根據磋商各方協定之價格進行。
- (b) 租金按預定之固定每月租金徵收。
- (c) 物業管理費用、服務費、顧問及手續費按預定費用徵收。
- (d) 建築工程及分承包費乃根據市價或(倘無市價可供參考)雙方決定及同意之條款收取。
- (e) 利息乃按商業息率收取。
- (f) 利息乃按香港上海滙豐銀行有限公司所報之港元最優惠利率收取。

關連公司乃本集團擁有間接實益權益或有共同董事之公司。

16. 結算日後事項

- (a) 結算日後，保華德祥集團向獨立第三者出售合共約29,000,000股Downer普通股(已按115,000,000股Downer之普通股於二零零三年十一月進行四股合一之股份合併而作出調整)，以取得總代價約104,000,000澳元(相等於約588,000,000港元)。因出售事項關係，保華德祥集團持有之Downer股權減至21.3%。
- (b) 於二零零三年十一月六日，東方魅力集團有限公司(「東方魅力」)已與其一位主要股東訂立認購協議，按每股0.04港元認購東方魅力之1,575,000,000股股份。當認購協議於二零零三年十二月十九日完成後，本集團於東方魅力之權益已由26.1%減少至19.2%。

*stareast* 東方魅力

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