

1. PRINCIPAL ACCOUNTING POLICIES

These unaudited interim condensed consolidated financial statements have been prepared in accordance with Statement of Standard Accounting Practice (“SSAP”) 25 “Interim financial reporting” issued by the Hong Kong Society of Accountants and Appendix 16 of the Rules Governing the Listing of Securities in The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The accounting policies and basis of preparation used in the preparation of these interim financial statements are the same as those used in the Group’s audited financial statements for the year ended 31 December 2001, except the following new / revised SSAPs have been adopted for the first time in the preparation of the current period’s condensed consolidated financial statements:

- SSAP 1 (Revised) : “Presentation of financial statements”
- 會計實務準則第1號（經修訂） : 「財務報告之呈報方式」
- SSAP 11 (Revised) : “Foreign currency translation”
- 會計實務準則第11號（經修訂） : 「外幣換算」
- SSAP 15 (Revised) : “Cash flow statements”
- 會計實務準則第15號（經修訂） : 「現金流量報表」
- SSAP 34 : “Employee benefits”
- 會計實務準則第34號 : 「僱員福利」

A summary of their major effects is as follows:

SSAP 1 (Revised) “Presentation of financial statements” prescribes the basis for the presentation of financial statements and sets out guidelines for their structure and minimum requirements for the content thereof. The main revision to this SSAP is to change the requirements from presenting a statement of recognised gains and losses to a statement of changes in equity. The condensed consolidated statement of changes in equity for the current interim period and the comparative figures have been presented in accordance with the revised SSAP.

SSAP 11 (Revised) “Foreign currency translation” prescribes the basis for the translation of foreign currency transactions and financial statements. The main revision to this SSAP is that the profit and loss account of subsidiaries and associates operating in Mainland China and overseas are translated at an average rate for the period on consolidation, rather than translated at the applicable rates of exchange ruling at the balance sheet date as was previously required. This revised SSAP has had no major impact on these interim condensed consolidated financial statements.

SSAP 15 (Revised) “Cash flow statements” prescribes the provision of information about the historical changes in cash and cash equivalents by means of a cash flow statement which classifies cash flow during the period into operating, investing and financing activities. The condensed consolidated cash flow statement for the current interim period and the comparative figures have been presented in accordance with the revised SSAP.

SSAP 34 “Employee benefits” prescribes the accounting treatment and disclosures for employee benefits. This SSAP has had no major impact on these interim condensed consolidated financial statements.

1. 主要會計政策

此等未經審核中期簡明綜合財務報告乃按照香港會計師公會頒布之香港會計實務準則（「會計實務準則」）第25號「中期財務報告」及香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十六予以編製。

此等中期財務報告所採用之會計政策及編製基準與本集團截至2001年12月31日止年度之經審核財務報告所採用的一致，除了下列在編製本期間之簡明綜合財務報告時首次採用之新訂／經修訂會計實務準則：

其主要影響概述如下：

會計實務準則第1號（經修訂）「財務報告之呈報方式」規定財務報告之呈報基準及列出其結構之指引及內容之最低要求。此項會計實務準則之主要修訂，是將呈報確認損益表之規定改為呈報權益變動表。本中期報告期間之簡明綜合權益變動表及比較數字已根據該項經修訂會計實務準則之規定呈報。

會計實務準則第11號（經修訂）「外幣換算」規定外幣交易及財務報告之滙兌基準。此項會計實務準則之主要修訂，是於綜合賬目時，在內地及海外經營之附屬公司及聯營公司之損益表按期內之平均兌換率滙兌，而非如過往規定般按結算日之適用兌換率滙兌。此項經修訂會計實務準則對此等中期簡明綜合財務報告並無構成主要影響。

會計實務準則第15號（經修訂）「現金流量報表」規定須透過現金流量表，提供有關現金及等同現金之過往變動資料，而現金流量表把期內之現金流量歸類為營運、投資及融資活動。本中期報告期間之簡明綜合現金流量表及比較數字已根據經修訂會計實務準則之規則呈報。

會計實務準則第34號「僱員福利」規定僱員福利之會計處理及披露事項。此項會計實務準則對此等中期簡明綜合財務報告並無構成主要影響。

2. SEGMENT INFORMATION

The analysis of the Group's revenue and results for the period by business segments are as follows:

		Manufacture and retail of jewellery 珠寶製造及零售		Wholesale of precious metals 貴金屬批發		Securities broking and investments 證券經紀及投資		Eliminations 對銷		Consolidated 綜合	
		2002 HK\$'000 千港元	2001 HK\$'000 千港元	2002 HK\$'000 千港元	2001 HK\$'000 千港元	2002 HK\$'000 千港元	2001 HK\$'000 千港元	2002 HK\$'000 千港元	2001 HK\$'000 千港元	2002 HK\$'000 千港元	2001 HK\$'000 千港元
Segment revenue:	分部收益:										
Sales to external customers	銷售予外界客戶	968,372	939,436	1,330,628	1,591,266	15,266	18,464	—	—	2,314,266	2,549,166
Intersegment sales	內部銷售	28,762	12,059	65,234	118,914	358	229	(94,354)	(131,202)	—	—
Other revenue from external sources	其他外界收益	6,953	7,629	4	22	1,684	1,525	—	—	8,641	9,176
Intersegment other revenue	內部其他收益	1,799	3,311	—	—	2,495	2,783	(4,294)	(6,094)	—	—
Total	總收益	1,005,886	962,435	1,395,866	1,710,202	19,803	23,001	(98,648)	(137,296)	2,322,907	2,558,342
Segment results	分部業績	53,061	22,015	2,896	2,088	(3,786)	(2,395)	—	—	52,171	21,708
Interest income	利息收入									2,594	5,392
Dividend income	股息收入									1,778	1,526
Unallocated expenses	未分配費用									(2,999)	(2,457)
Profit from operating activities	經營業務所得溢利									53,544	26,169
Finance costs	財務費用									(485)	(2,978)
Share of profits of associates	應佔聯營公司溢利									245	1,042
Profit before tax	除稅前溢利									53,304	24,233
Tax	稅項									(12,833)	(6,878)
Profit before minority interests	未計少數股東權益前溢利									40,471	17,355
Minority interests	少數股東權益									(167)	(196)
Net profit from ordinary activities attributable to shareholders	股東應佔日常業務溢利									40,304	17,159

No geographical analysis is presented as over 90% of the Group's revenue and results are derived from activities in Hong Kong.

本集團90%以上之收入及業績均來自香港業務，因此不提供地區性分析。

3. PROFIT FROM OPERATING ACTIVITIES

Profit from operating activities is arrived at after charging / crediting :

	Six months ended 30 June 截至6月30日止六個月		
	2002 HK\$'000 千港元	2001 HK\$'000 千港元	
Depreciation and amortisation	折舊及攤銷	23,668	26,224
Operating lease rentals on land and buildings	土地及樓宇營業租約租金	48,004	47,279
Unrealised loss on revaluation of short term listed investments	重估短期上市投資之未變現虧損	2,489	—
Stocks written off	存貨撇值	3,374	—
Dividend income	股息收入	1,778	1,526
Interest income	利息收入	2,594	5,392

3. 經營業務所得溢利

經營業務所得溢利已扣除／計入：

4. TAX

Hong Kong profits tax has been provided at the rate of 16% (2001: 16%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Group :	集團 :
Provision for tax in respect of profit for the period	就期內溢利作出之稅項準備
Hong Kong	香港
Elsewhere	其他地區
Share of tax attributable to associates	應佔聯營公司稅項
Tax charge for the period	期內稅項

5. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the net profit attributable to shareholders for the period of HK\$40,304,000 (2001: HK\$17,159,000) and the 440,000,000 (2001: 440,000,000) ordinary shares in issue during the period.

Diluted earnings per share for the periods ended 30 June 2002 and 2001 have not been disclosed as no diluting events existed during these periods.

6. ACCOUNTS RECEIVABLE

The Group's sales are normally on cash basis. Credit is offered to customers following the Group's defined credit policy.

The ageing analysis of accounts receivable is as follows:

Current to 30 days	現在至30日
31 to 60 days	31日至60日
Over 60 days	超過60日
Margin clients accounts receivable*	應收孖展客戶賬款*

* The margin client receivables are secured by the underlying pledged securities, repayable on demand and bear interest at commercial rates. No ageing analysis is disclosed as, in the opinion of the directors, an ageing analysis is not relevant in view of the nature of the business of securities margin financing.

4. 稅項

香港利得稅乃按期內於香港產生之估計應課稅溢利以稅率16% (2001年: 16%) 撥備。其他地區之應課利得稅乃按集團營運地區以現行法則、闡釋及慣例為基礎之通用稅率計算。

Six months ended 30 June	
截至6月30日止六個月	
2002	2001
HK\$'000	HK\$'000
千港元	千港元
12,282	5,737
546	997
12,828	6,734
5	144
12,833	6,878

5. 每股盈利

每股基本盈利乃按本期股東應佔溢利40,304,000港元 (2001年: 17,159,000港元) 及本公司期內已發行股份440,000,000 (2001年: 440,000,000) 普通股計算。

由於期內並無攤薄事項，故並無披露截至2002年及2001年6月30日止期間之每股攤薄盈利。

6. 應收賬款

本集團銷售一般以現金交易。客戶之授信乃根據本集團明確信貸政策。

應收賬款之賬齡分析如下：

30 June	31 December
6月30日	12月31日
2002	2001
HK\$'000	HK\$'000
千港元	千港元
77,571	64,730
4,630	4,895
113	98
82,314	69,723
27,685	19,025
109,999	88,748

* 應收孖展客戶賬款以其證券作抵押，須於要求時償還及按商業條款計息。鑑於證券孖展借貸業務性質，賬齡分析作用不大，董事認為無需披露賬齡分析。

7. ACCOUNTS PAYABLE

The ageing analysis of accounts payable is as follows:

Current to 30 days	現在至30日
31 to 60 days	31日至60日
Over 60 days	超過60日
Cash clients accounts payable*	應付現金客戶賬款#
Margin clients accounts payable*	應付孖展客戶賬款*

Included in cash clients accounts payable arising from the ordinary course of business of dealing in securities is an amount of approximately HK\$67,634,000 (2001: HK\$60,369,000) representing these client's undrawn monies / excess deposits placed with the Group. The balances are repayable on demand. No ageing analysis is disclosed as, in the opinion of the directors, an ageing analysis is not meaningful in view of the nature of the business of dealing in securities.

* The margin client payables are repayable on demand and bear interest at commercial rates. No ageing analysis is disclosed as, in the opinion of the directors, an ageing analysis is not relevant in view of the nature of the business of securities margin financing.

8. CONTINGENT LIABILITIES

As at 30 June 2002, the Company has provided guarantees to the extent of US\$77 million (31 December 2001 : US\$77 million) in respect of gold trading facilities granted to subsidiaries. In addition, corporate guarantees to the extent of HK\$279 million (31 December 2001 : HK\$256 million) have also been provided by the Company to secure the general banking facilities of certain subsidiaries. The amounts drawn against the gold trading facilities and general banking facilities at 30 June 2002 amounted to HK\$23,989,000 (31 December 2001 : HK\$6,944,000) and HK\$8,392,000 (31 December 2001 : Nil) respectively.

9. COMPARATIVE AMOUNTS

During the six months ended 31 December 2001, the Group reclassified certain expenses incurred on the retail outlets from administrative expenses to selling and distribution costs. The comparative amounts of the selling and distribution costs and the administrative expenses have been restated to conform with the current period's presentation.

7. 應付賬款

應付賬款之賬齡分析如下：

30 June	31 December
6月30日	12月31日
2002	2001
HK\$'000	HK\$'000
千港元	千港元
21,643	42,398
958	2,277
2,067	5,057
24,668	49,732
88,595	81,208
8,476	13,223
121,739	144,163

在日常業務之證券買賣所產生應付現金客戶之賬款，包括約為67,634,000港元(2001: 60,369,000港元)存置於本集團該等客戶之未動用款項／超額按金。結餘須於要求時償還。鑑於證券買賣業務性質，賬齡分析作用不大，董事認為無需披露賬齡分析。

* 應付孖展客戶賬款須於要求時償還及按商業條款計息。鑑於證券孖展借貸業務性質，賬齡分析作用不大，董事認為無需披露賬齡分析。

8. 或然負債

於2002年6月30日，本公司為其附屬公司所獲黃金買賣信貸提供77,000,000美元(2001年12月31日：77,000,000美元)之擔保。此外，本公司亦為若干附屬公司所獲一般銀行信貸作出279,000,000港元(2001年12月31日：256,000,000港元)之擔保。於2002年6月30日，已使用之黃金買賣信貸及一般銀行信貸分別為23,989,000港元(2001年12月31日：6,944,000港元)及8,392,000港元(2001年12月31日：零港元)。

9. 比較數字

截至2001年12月31日止六個月期間，本集團從行政費用中調撥若干有關零售費用往銷售及分銷費用。銷售及分銷費用及行政費用之比較數額已重新分類，以符合本期間之呈報方式。