

The board of directors (the "Board") of ITC Corporation Limited (the "Company") presents the interim financial report and condensed financial statements of the Company and its subsidiaries (the "Group") for the six months ended 30th September, 2002.

INTERIM DIVIDEND

On the basis of the accounts, the Board has resolved not to pay interim dividend for the six months ended 30th September, 2002 (2001: 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

The results of the Group during the six months ended 30th September, 2002 are summarised below:

- Consolidated turnover was HK\$13.7 million, a decrease of 41.7% as compared to the last corresponding period of HK\$23.5 million. The decrease in turnover was mainly due to the decrease in interest income resulting from the drop in interest rate.
- Loss from operations was HK\$3.5 million, as compared with the profit of HK\$10.6 million for the last corresponding period mainly due to the impairment loss recognised on investment securities.
- Loss for the period increased to HK\$99.2 million, as compared to the loss of HK\$7.0 million for the last corresponding period mainly due to the impairment loss recognised on investment securities and share of losses of associates.
- Basic loss per ordinary share for the period was HK\$0.172 (2001: loss per share of HK\$0.028).
- Current ratio was 0.37, a decrease of 19.6% as compared to 0.46 as at 31st March, 2002.
- Total assets of the Group decreased by 3.8% to HK\$2,035.3 million and shareholders' funds decreased by 6.6% to HK\$1,391.0 million, as compared with the total assets and shareholders' funds as at 31st March, 2002.

德祥企業集團有限公司(「本公司」)董事局(「董事局」)提呈本公司及其附屬公司(「本集團」)截至二零零二年九月三十日止六個月之中期財務報告及簡明財務報表。

中期股息

基於會計帳目，董事局議決就截至二零零二年九月三十日止六個月不派付中期股息(二零零一年：無)。

267,980,000股強制性可換股累積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

於截至二零零二年九月三十日止六個月，本集團之業績概述如下：

- 綜合營業額為13,700,000港元，較去年同期之23,500,000港元減少41.7%。營業額下降之主因是利率下降致利息收入減少。
- 經營業務所得虧損為3,500,000港元，而去年同期則為溢利10,600,000港元，主要因為來自己確認之投資證券折損。
- 期內虧損增至99,200,000港元，去年同期則為虧損7,000,000港元，主因來自己確認之投資證券折損及攤佔聯營公司之虧損。
- 期內之每股普通股基本虧損為0.172港元(二零零一年：每股虧損0.028港元)。
- 流動資產與流動負債比率為0.37，較二零零二年三月三十一日之0.46下降19.6%。
- 與於二零零二年三月三十一日之總資產及股東資金比較，本集團之總資產下降3.8%，降至2,035,300,000港元，而股東資金則下降6.6%，降至1,391,000,000港元。