



嘉利國際控股有限公司
Karrie International Holdings Limited

(於百慕達註冊成立之有限公司)
(Incorporated in Bermuda with limited liability)

透明度及
Transparency & 公司管治
Corporate Governance

專業管理 *Professional Management*

Dividend 股息

2003

Interim Report 中期報告

CORPORATE INFORMATION

Registered office

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Head office and principal place of business

10th Floor
Southeast Industrial Building
611-619 Castle Peak Road
Tsuen Wan
New Territories
Hong Kong

Web site

<http://www.karrie.com.hk>

Directors

Executive Directors:

Mr. HO Cheuk Fai (*Chairman & CEO*)
Mr. HO Cheuk Ming (*Deputy Chairman & COO*)
Mr. KWOK Wing Kin, Francis (*Deputy Chairman*)
Mr. TAM Wing Hung
Mr. LEE Shu Ki

Independent Non-executive Directors:

Mr. SO Wai Chun
Mr. LEUNG Wai Ho
Mr. CHAN Sui Sum, Raymond

Company secretary

Ms. HO Kit Man, Emily

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor
Prince's Building
Central
Hong Kong

公司資料

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及主要營業地點

香港
新界
荃灣
青山公路611-619號
東南工業大廈
10樓

網址

<http://www.karrie.com.hk>

董事

執行董事：

何焯輝先生 (主席兼行政總裁)
何卓明先生 (副主席兼營運總裁)
郭永堅先生 (副主席)
談永雄先生
李樹琪先生

獨立非執行董事：

蘇偉俊先生
梁偉浩先生
陳瑞森先生

公司秘書

何潔雯小姐

核數師

羅兵咸永道會計師事務所
執業會計師
香港
中環
太子大廈22樓

Karrie International Holdings Limited

Principal bankers

The Bank of East Asia Limited
10 Des Voeux Road Central
Hong Kong

Hang Seng Bank
83 Des Voeux Road Central
Hong Kong

The Hongkong and Shanghai
Banking Corporation Limited
Level 10
1 Queen's Road Central
Hong Kong

Mizuho Corporate Bank, Limited
17th Floor, Two Pacific Place
88 Queensway
Hong Kong

Standard Chartered Bank
Standard Chartered Bank Building
4-4A Des Voeux Road Central
Hong Kong

Principal share registrars and transfer office

Butterfield Corporate Services Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

Hong Kong branch share registrars and transfer office

Computershare Hong Kong Investor Services Limited
Rooms 1712-6, 17th Floor
Hopewell Centre
183 Queen's Road East
Hong Kong

主要往來銀行
東亞銀行有限公司
香港
德輔道中10號

恒生銀行
香港
德輔道中83號

香港上海滙豐銀行有限公司
香港
皇后大道中1號
10樓

瑞穗實業銀行
香港
金鐘道88號
太古廣場2座17樓

渣打銀行
香港
德輔道中4-4A號
渣打銀行大廈

主要股份過戶登記處

Butterfield Corporate Services Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

香港股份過戶登記分處

香港中央證券登記有限公司
香港
皇后大道東183號
合和中心
17樓1712-6室

INTERIM RESULTS

The board (the “Board”) of directors (the “Directors”) of Karrie International Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated profit and loss account of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2003 together with the comparative figures for the corresponding period in 2002, the unaudited condensed consolidated balance sheet of the Group as at 30 September 2003 together with comparative audited figures for the immediate preceding year end, the unaudited condensed consolidated cash flow statement for the six months ended 30 September 2003 together with the comparative figures for the corresponding period in 2002, and the unaudited condensed consolidated statement of changes in equity for the six months ended 30 September 2003 together with the comparative figures for the corresponding period in 2002 (collectively “Unaudited Interim Financial Report”) as follows:

中期業績

嘉利國際控股有限公司 (Karrie International Holdings Limited) (「本公司」) 董事 (「董事」) 會 (「董事會」) 謹此公布本公司及其附屬公司 (合稱「本集團」) 截至二零零三年九月三十日止六個月未經審核之簡明綜合損益表連同二零零二年同期之比較數字、於二零零三年九月三十日之未經審核之簡明綜合資產負債表連同二零零三年三月三十一日之已經審核之比較數字、截至二零零三年九月三十日止六個月未經審核之簡明綜合現金流量表連同二零零二年同期之比較數字、及截至二零零三年九月三十日止六個月未經審核之簡明綜合權益變動結算表連同二零零二年同期之比較數字 (合稱「未經審核之中期財務報告」) 如下:

Karrie International Holdings Limited

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

簡明綜合損益表

For the six months ended 30 September 2003

截至二零零三年九月三十日止六個月

**For the six months
ended 30 September
截至九月三十日止六個月**

		<i>Note</i>	2003	2002
		<i>附註</i>	二零零三年	二零零二年
			HK\$'000	HK\$'000
			千港元	千港元
			(Unaudited)	(Unaudited)
			(未經審核)	(未經審核)
Turnover	營業額	2	865,979	820,762
Cost of sales	銷售成本		(749,673)	(697,910)
Gross profit	毛利		116,306	122,852
Other revenue	其他收入	3	2,213	4,654
Distribution and selling expenses	分銷及銷售費用		(12,639)	(11,264)
General and administrative expenses	一般及行政費用	3	(55,227)	(51,773)
Profit from operations	經營溢利		50,653	64,469
Finance costs	財務成本		(4,021)	(5,114)
Profit before taxation	除稅前溢利	4	46,632	59,355
Taxation	稅項	5	(4,080)	(4,805)
Profit attributable to shareholders	股東應佔溢利		42,552	54,550
Dividends	股息	6	32,888	30,790
Earnings per share	每股溢利			
– Basic	– 基本	7	HK11.01 cents港仙	HK14.43 cents港仙
– Diluted	– 攤薄	7	HK10.57 cents港仙	HK13.92 cents港仙

CONDENSED CONSOLIDATED BALANCE SHEET

簡明綜合資產負債表

As at 30 September 2003

於二零零三年九月三十日

			As at 30 September 2003 二零零三年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2003 二零零三年 三月三十一日 HK\$'000 千港元 (As restated – Note 1) (重列 – 附註1)
NON-CURRENT ASSETS	非流動資產			
Fixed assets	固定資產	8	235,900	229,195
Investment in an associate	對聯營公司之投資		6,000	6,000
Deferred tax assets	遞延稅項資產		1,354	1,354
			243,254	236,549
CURRENT ASSETS	流動資產			
Inventories	存貨		173,879	156,304
Trade receivables	貿易應收帳款	9	237,815	267,195
Prepayments, deposits and other current assets	預付款、按金及 其他流動資產		19,204	29,950
Prepaid tax	預付稅項		1,069	257
Cash and bank deposits	現金及銀行存款		240,523	258,205
Total current assets	流動資產總值		672,490	711,911
CURRENT LIABILITIES	流動負債			
Short-term bank borrowings	短期銀行借貸		(172,423)	(206,242)
Finance lease obligations, current portion	融資租賃責任， 即期部份		(3,841)	(5,741)
Trade and bills payables	貿易應付帳款及 票據	10	(182,581)	(229,153)
Accruals and other payables	應計費用及 其他應付帳款		(101,455)	(96,162)
Receipts in advance	預收帳款		(312)	(5,054)
Taxation payable	應繳稅項		(7,982)	(5,121)
Amount due to a related company	應付關聯公司款項	3	(273)	(273)
Total current liabilities	流動負債總值		(468,867)	(547,746)

Karrie International Holdings Limited

CONDENSED CONSOLIDATED BALANCE SHEET

簡明綜合資產負債表

As at 30 September 2003

於二零零三年九月三十日

		Note 附註	As at 30 September 2003 二零零三年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2003 二零零三年 三月三十一日 HK\$'000 千港元 (As restated – Note 1) (重列 – 附註1)
Net current assets	流動資產淨值		203,623	164,165
Total assets less current liabilities	總資產減流動負債		446,877	400,714
NON-CURRENT LIABILITIES	非流動負債			
Long-term bank loans	長期銀行貸款		(65,500)	(7,500)
Finance lease obligations	融資租賃責任		(3,059)	(5,032)
Provision for long service payments	長期服務金之撥備		(12,174)	(11,814)
Deferred tax liabilities	遞延稅項負債		(11,626)	(11,626)
Total non-current liabilities	非流動負債總值		(92,359)	(35,972)
MINORITY INTERESTS	少數股東權益		(424)	(424)
Net assets	資產淨值		354,094	364,318
Representing:	代表:			
SHARE CAPITAL	股本	11	39,188	38,150
RESERVES	儲備	12	314,906	326,168
Shareholders' equity	股東權益		354,094	364,318

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

簡明綜合現金流量表

For the six months ended 30 September 2003

截至二零零三年九月三十日止六個月

		For the six months ended 30 September 截至九月三十日止六個月	
		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Profit from operations	經營溢利	50,653	64,469
Adjustments for non-cash items/ interest/tax	調整非現金項目/ 利息/稅項	9,204	7,928
Changes in working capital	營運資金之變動	(23,110)	(11,627)
Net cash inflow from operating activities	經營活動之現金流入淨額	36,747	60,770
Net cash outflow from investing activities	投資活動之現金流出淨額	(21,962)	(13,957)
Net cash outflow from financing activities	融資活動之現金流出淨額	(32,359)	(42,635)
(Decrease)/increase in cash and cash equivalents	現金及現金等值物之 (減少)/增加	(17,574)	4,178
Cash and cash equivalents, beginning of period	期初之現金及現金等值物	258,030	223,782
Cash and cash equivalents, end of period	期末之現金及現金等值物	240,456	227,960

Analysis of cash and cash equivalents:

現金等值物之分析:

		As at 30 September 2003	As at 30 September 2002
		二零零三年 九月三十日	二零零二年 九月三十日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Cash and bank deposits	現金及銀行存款	240,523	228,296
Bank overdrafts	銀行透支	(67)	(336)
		240,456	227,960

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
簡明綜合權益變動結算表

For the six months ended 30 September 2003

截至二零零三年九月三十日止六個月

		For the six months ended 30 September 截至九月三十日止六個月	
		2003 二零零三年 HK\$'000 千港元 (Unaudited) (未經審核)	2002 二零零二年 HK\$'000 千港元 (Unaudited) (未經審核)
At 1 April, as previously reported	於四月一日－上年報告	370,517	352,247
Change in accounting policy – provision for net deferred tax liabilities (Note 1)	會計政策變更 －遞延稅項負債淨額之撥備 (附註1)	(6,199)	(4,844)
At 1 April, as restated	於四月一日重列	364,318	347,403
Profit for the period	本期溢利	42,552	54,550
Final and special dividends paid	已付末期及特別股息	(61,039)	(75,387)
Prior year dividend in respect of share options exercised prior to the dividend payment date	於派息日前行使購股權而多發行股份所產生之多派往年股息	(1,538)	(454)
Issue of shares upon exercise of share options	行使購股權之股份發行	9,801	2,101
At 30 September	於九月三十日	354,094	328,213

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

1. Basis of Presentation and Preparation

The Company was incorporated in Bermuda on 6 December 1996 as an exempted company under the Companies Act 1981 of Bermuda (as amended). Its shares have been listed on the The Stock Exchange of Hong Kong Limited since 16 December 1996.

The unaudited consolidated condensed accounts are prepared in accordance with Hong Kong Statement of Standard Accounting Practice (“SSAP”) 25 – “Interim financial reporting” issued by the Hong Kong Society of Accountants (“HKSA”). The interim accounts were not audited but have been reviewed by the Group’s Audit Committee.

These condensed accounts should be read in conjunction with the annual accounts of the Group for the year ended 31 March 2003.

The accounting policies and method of computation used in the preparation of the condensed accounts are consistent with those used in the annual accounts as at and for the year ended 31 March 2003 except that the Group has changed its accounting policy with respect to deferred taxation following the adoption of SSAP 12 (revised) – “Income taxes” issued by the HKSA, which is effective for accounting period commencing on or after 1 January 2003.

In prior years, deferred taxation was provided for at the current taxation rate in respect of significant timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset was expected to be payable or recoverable in the foreseeable future. Under the SSAP 12 (revised), deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts, based on the tax rates enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

未經審核之中期財務報告附註

1. 呈報基準及會計政策

本公司於一九九六年十二月六日根據百慕達一九八一年公司法(修訂本)在百慕達註冊成立為一間獲豁免有限公司,其股份自一九九六年十二月十六日起於香港聯合交易所有限公司上市。

未經審核之簡明綜合帳目乃根據香港會計師公會頒布之會計實務準則第25號—中期財務呈報而編製。本中期帳目未經審核,但已經本集團之審核委員會審閱。

未經審核之簡明綜合帳目須連同本集團截至二零零三年三月三十一日止年度年報一併閱讀。

編製未經審核之簡明綜合帳目之會計政策及計算方法與編製於二零零三年三月三十一日及截至二零零三年三月三十一日止年度之年度帳目者一致,惟本集團已採納香港會計師公會頒布並於二零零三年一月一日或以後之會計期間生效之會計實務準則第12號(經修訂)—利得稅,故本集團已更改有關遞延稅項之會計政策。

於過往年度,本集團就計算稅項之溢利以及帳目所列之溢利之重大時差,按在可預見將來預期應付或應收之負債或資產而以現行稅率提撥遞延稅項。根據會計實務準則第12號(經修訂),遞延稅項乃利用負債法就資產與負債之稅基以及其於帳目之帳面值所產生之臨時差額,按於結算日所制訂或大致制訂之稅率悉數作撥備。遞延稅項資產僅於日後極可能出現可應用臨時差額之應課稅溢利始行確認。

Karrie International Holdings Limited

The adoption of the SSAP 12 (revised) represents a change in accounting policy which has been applied retrospectively so that the comparatives presented have been restated to conform to the changed policy. In this connection, the retained earnings at 1 April 2002 and 2003 have been reduced by HK\$3,275,000 and HK\$4,510,000 respectively while the fixed asset revaluation reserve as at 1 April 2002 and 2003 have been reduced by HK\$1,569,000 and HK\$1,689,000 respectively, which represent the unprovided net deferred tax liabilities. This change has resulted in an increase in deferred tax assets and deferred tax liabilities at 31 March 2003 by HK\$1,354,000 and HK\$7,553,000 respectively. The adoption of the SSAP 12 (revised) has no significant effect on the Group's profit attributable to shareholders for the six months ended 30 September 2002.

2. Segment information

In accordance with the Group's internal financial reporting, the Group has determined that major product segments be presented as the primary reporting format and geographical segments as the secondary reporting format.

(a) Primary segment

		Six months ended 30 September 2003 截至二零零三年九月三十日止六個月 (Unaudited) (未經審核)			
		Metal and plastic products 五金及 塑膠產品 HK\$'000 千港元	Electronic Manufacturing Services 電子組裝 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Turnover	營業額				
External	外部	452,803	413,176	-	865,979
Internal	內部	31,036	-	(31,036)	-
Segment results	分部業績	36,272	12,168	-	48,440
Other revenue	其他收入				2,213
Profit from operations	經營溢利				50,653
Finance costs	財務成本				(4,021)
Taxation	稅項				(4,080)
Profit attributable to shareholders	股東應佔溢利				42,552

採納會計實務準則第12號(經修訂)乃一項會計政策之變動,已作追溯應用,而所呈列之比較數字已重列,以配合所改變之會計政策。經此變更,於二零零二年及二零零三年四月一日之保留溢利分別減少3,275,000港元及4,510,000港元;而於二零零二年及二零零三年四月一日之固定資產重估儲備分別減少1,569,000港元及1,689,000港元,為未撥備遞延稅項負債淨額。該變更引致於二零零三年三月三十一日之遞延稅項資產及遞延稅項負債分別增加1,354,000港元及7,553,000港元。採納會計實務準則第12號(經修訂)沒有對本集團截至二零零二年九月三十日止六個月之股東應佔溢利產生重大影響。

2. 分類資料

依據本集團之內部財務報告,本集團決定以主要產品分部為基本報告格式及以地區分部為次要報告格式。

(a) 基本分部

嘉利國際控股有限公司

Six months ended 30 September 2002
截至二零零二年九月三十日止六個月
(Unaudited)
(未經審核)

		Metal and plastic products 五金及 塑膠產品 HK\$'000 千港元	Electronic Manufacturing Services 電子組裝 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Turnover	營業額				
External	外部	357,230	463,532	-	820,762
Internal	內部	40,120	-	(40,120)	-
Segment results	分部業績	41,310	18,505	-	59,815
Other revenue	其他收入				4,654
Profit from operations	經營溢利				64,469
Finance costs	財務成本				(5,114)
Taxation	稅項				(4,805)
Profit attributable to shareholders	股東應佔溢利				54,550

(b) Secondary segment

(b) 次要分部

Six months ended 30 September 2003
截至二零零三年九月三十日止六個月
(Unaudited)
(未經審核)

		Japan 日本 HK\$'000 千港元	Asia (excluding Japan) 亞洲 (日本除外) HK\$'000 千港元	North America 北美洲 HK\$'000 千港元	Western Europe 西歐 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Turnover	營業額						
External	外部	90,448	392,497	137,130	245,904	-	865,979
Internal	內部	-	17,260	-	-	(17,260)	-
Segment results	分部業績	6,513	12,823	12,546	16,558	-	48,440

Karrie International Holdings Limited

Six months ended 30 September 2002
截至二零零二年九月三十日止六個月
(Unaudited)
(未經審核)

		Japan	Asia (excluding Japan) 亞洲 (日本除外)	North America 北美洲	Western Europe 西歐	Elimination 抵銷	Total 合共
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Turnover	營業額						
External	外部	90,838	302,968	114,071	312,885	-	820,762
Internal	內部	-	26,775	-	-	(26,775)	-
Segment results	分部業績	8,783	13,040	12,204	25,788	-	59,815

Turnover and results by geographical segments are determined mainly on the basis of the location where merchandise is delivered.

按地區分部的營業額及業績是以貨品運送之目的地來決定。

3. Related party transactions

- (a) The Group had the following transactions with related parties:

3. 關連人士交易

- (a) 本集團有以下與關連人士進行之交易：

**For the six months ended
30 September
截至九月三十日止六個月**

2003	2002
二零零三年	二零零二年
HK\$'000	HK\$'000
千港元	千港元
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)

Rental income earned from Kar-Info Company Limited*	向嘉訊通有限公司收取租金*	101	101
Rental charged by Kings Lion Development Limited*	向勁獅發展有限公司支付租金*	633	633

* Kar-Info Company Limited and Kings Lion Development Limited are beneficially owned and controlled by the family of Mr. Ho Cheuk Fai, a director of the Company.

* 嘉訊通有限公司及勁獅發展有限公司均由本公司董事何焯輝先生家族實益擁有及控制。

- (b) The outstanding balance with the related company is unsecured, non-interest bearing and is without pre-determined repayment terms.

- (b) 應付關連公司之款項為無抵押，不計利息及無固定還款期。

4. Profit before taxation

Profit before taxation was determined after charging and crediting the following:

4. 除稅前溢利

除稅前溢利已扣除及計入下列各項：

		For the six months ended	
		30 September	
		截至九月三十日止六個月	
		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
After charging:	已扣除：		
Staff costs	員工成本	65,833	63,485
Depreciation of fixed assets	固定資產折舊	15,830	15,954
Interest expense on	利息支出		
– bank overdrafts and loans wholly repayable within five years	– 須於五年內全數償還之銀行透支及貸款	3,776	4,409
– finance leases	– 融資租賃	187	495
– factoring of trade receivables	– 應收帳款讓售	–	164
– others	– 其他	58	46
After crediting:	已計入：		
Net exchange gain	匯兌收益淨額	139	508
Rental income	租金收入	1,634	3,055
Interest income on bank deposits	銀行存款利息收入	579	1,528

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5. Taxation

Taxation consisted of:

Current Hong Kong profits tax	現行香港利得稅	4,080	4,805
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Hong Kong profits tax was provided at the rate of 17.5% (2002: 16%) on the estimated assessable profit arising in or derived from Hong Kong.

6. Dividends

Dividends consisted of:

Proposed interim dividend – HK8.0 cents (2002: HK8.0 cents) per share	擬派中期股息 – 每股8.0港仙 (二零零二年 – 每股8.0港仙)	31,350	30,336
Prior year dividend in respect of share options exercised prior to the dividend payment date	往年股息 – 於派息日前行使購股權而多發行股份	1,538	454
		32,888	30,790

5. 稅項

稅項包括：

For the six months ended 30 September 截至九月三十日止六個月	
2003 二零零三年 HK\$'000 千港元 (Unaudited) (未經審核)	2002 二零零二年 HK\$'000 千港元 (Unaudited) (未經審核)
4,080	4,805

香港利得稅乃根據在香港產生或源自香港之估計應課稅溢利按17.5% (二零零二年: 16%) 之稅率撥備。

6. 股息

股息包括：

For the six months ended 30 September 截至九月三十日止六個月	
2003 二零零三年 HK\$'000 千港元 (Unaudited) (未經審核)	2002 二零零二年 HK\$'000 千港元 (Unaudited) (未經審核)
31,350	30,336
1,538	454
32,888	30,790

7. Earnings per share

The calculation of earnings per share for the six months ended 30 September 2003 is based on the consolidated profit attributable to shareholders of approximately HK\$42,552,000 (2002: HK\$54,550,000) and on the weighted average number of approximately 386,535,000 shares (2002: 378,017,000 shares) in issue during the period.

The calculation of diluted earnings per share for the six months ended 30 September 2003 is based on the consolidated profit attributable to shareholders of approximately HK\$42,552,000 (2002: HK\$54,550,000) and on the weighted average number of approximately 402,485,000 shares (2002: 391,911,000 shares) in issue, after adjusting for the potential dilutive effect in respect of outstanding share options.

8. Fixed assets

Movements of fixed assets were:

7. 每股溢利

每股溢利乃按截至二零零三年九月三十日止六個月之綜合股東應佔溢利約42,552,000港元(二零零二年:54,550,000港元)及期內已發行股份之加權平均數約386,535,000股(二零零二年:378,017,000股)計算。

每股攤薄盈利乃根據截至二零零三年九月三十日止六個月之綜合股東應佔溢利約42,552,000港元(二零零二年:54,550,000港元)及已發行股份加上未行使之購股權,並就有可能攤薄之股份之影響作出調整後之加權平均數約402,485,000股(二零零二年:391,911,000股)計算。

8. 固定資產

固定資產之變動:

		30 September 2003 二零零三年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2003 二零零三年 三月三十一日 HK\$'000 千港元 (Audited) (已審核)
Cost/Valuation	成本/估值		
Beginning of period/year	期初/年初	479,634	458,557
Additions	添置	24,617	24,488
Disposals	出售	(6,486)	(3,411)
End of period/year	期末/年底	497,765	479,634
Accumulated depreciation	累積折舊		
Beginning of period/year	期初/年初	250,439	221,790
Provision for the period/year	期內/年度撥備	15,830	32,055
Disposals	出售時撥回	(4,404)	(3,406)
End of period/year	期末/年底	261,865	250,439
Net book value	帳面淨值		
End of period/year	期末/年底	235,900	229,195
Beginning of period/year	期初/年初	229,195	236,767

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9. Trade receivables

The Group grants credit periods ranging from 30 to 120 days. Aging analysis of trade receivables is as follows:

		30 September 2003 二零零三年 九月三十日 <i>HK\$'000</i> 千港元 (Unaudited) (未經審核)	31 March 2003 二零零三年 三月三十一日 <i>HK\$'000</i> 千港元 (Audited) (已審核)
0-90 days	0至90日	243,000	269,922
91-180 days	91至180日	810	1,792
181-365 days	181至365日	52	1,528
		243,862	273,242
Less: Provision for bad and doubtful debts	減：呆壞帳撥備	(6,047)	(6,047)
		237,815	267,195

10. Trade and bills payables

An aging analysis of trade and bills payables is as follows:

		30 September 2003 二零零三年 九月三十日 <i>HK\$'000</i> 千港元 (Unaudited) (未經審核)	31 March 2003 二零零三年 三月三十一日 <i>HK\$'000</i> 千港元 (Audited) (已審核)
0-90 days	0至90日	170,604	219,621
91-180 days	91至180日	4,031	2,700
181-365 days	181至365日	1,521	891
Over 365 days	365日以上	6,425	5,941
		182,581	229,153

9. 貿易應收帳款

本集團給予客戶之數期由30日至120日。貿易應收帳帳齡分析如下：

10. 貿易應付帳款及票據

貿易應付帳款及票據帳齡分析如下：

11. Share capital

11. 股本

		30 September 2003 二零零三年 九月三十日		31 March 2003 二零零三年 三月三十一日	
		Number of shares 股份數目 '000 千	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目 '000 千	Nominal value 面值 HK\$'000 千港元
		(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Audited) (已審核)	(Audited) (已審核)
Authorised (Ordinary shares of HK\$0.1 each)	法定股本 (普通股每股 面值10港仙)	800,000	80,000	800,000	80,000
Issued and fully paid (Ordinary shares of HK\$0.1 each)	已發行及已繳足股本 (普通股每股 面值10港仙)	381,496	38,150	376,936	37,694
Beginning of period/year	期初/年初	10,380	1,038	4,560	456
Issued upon exercise of share options	由於行使購股權而 發行之股份				
End of period/year	期末/年底	391,876	39,188	381,496	38,150

12. Reserves

12. 儲備

Movements of reserves were:

儲備之變動:

		Six months ended 30 September 2003 截至二零零三年九月三十日止六個月 (Unaudited) (未經審核)						
		Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Capital redemption reserve 贖回儲備 資本 HK\$'000 千港元	Fixed asset revaluation reserve 固定資產重 估儲備 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Proposed dividend 擬派股息 HK\$'000 千港元	Total 合共 HK\$'000 千港元
At 1 April 2003, as previously reported	於二零零三年 四月一日—上年報告	59,923	5,900	449	32,233	172,823	61,039	332,367
Change in accounting policy – provision for net deferred tax liabilities (Note 1)	會計政策之變更— 遞延稅項負債淨額之 撥備 (附註1)	–	–	–	(1,689)	(4,510)	–	(6,199)
At 1 April 2003, as restated	於二零零三年四月一日重列	59,923	5,900	449	30,544	168,313	61,039	326,168
Profit for the period	本期溢利	–	–	–	–	42,552	–	42,552
Final and special dividends for the year ended 31 March 2003, paid	已派截至二零零三年 三月三十一日止年度 之末期及特別股息	–	–	–	–	–	(61,039)	(61,039)
Prior year dividend in respect of share options exercised prior to the dividend payment date	於派息日前行使購股權 而多發行股份所產生 之多派往年股息	–	–	–	–	(1,538)	–	(1,538)
Interim dividend for the period, proposed	擬派本期之中期股息	–	–	–	–	(31,350)	31,350	–
Issue of shares upon exercise of share options	行使購股權之股份發行	8,763	–	–	–	–	–	8,763
At 30 September 2003	於二零零三年九月三十日	68,686	5,900	449	30,544	177,977	31,350	314,906

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		Six months ended 30 September 2002 截至二零零二年九月三十日止六個月 (Unaudited) (未經審核)							
		Share premium	Capital reserve	Capital redemption reserve	Fixed asset revaluation reserve	Retained earnings	Proposed dividend	Total	
		股份溢價	資本儲備	贖回儲備	估儲備	保留溢利	擬派股息	合共	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	
At 1 April 2002, as previously reported	於二零零二年四月一日 - 上年報告	56,843	5,900	449	32,233	143,741	75,387	314,553	
Change in accounting policy – provision for net deferred tax liabilities (Note 1)	會計政策之變更 – 遞延稅項負債淨額之撥備 (附註1)	-	-	-	(1,569)	(3,275)	-	(4,844)	
At 1 April 2002, as restated	於二零零二年四月一日重列	56,843	5,900	449	30,664	140,466	75,387	309,709	
Profit for the period	本期溢利	-	-	-	-	54,550	-	54,550	
Final and special dividends for the year ended 31 March 2002, paid	已派截至二零零二年三月三十一日止年度之末期及特別股息	-	-	-	-	-	(75,387)	(75,387)	
Prior year dividend in respect of share options exercised prior to the dividend payment date	於派息日前行使購股權而多發行股份所產生之多派往年股息	-	-	-	-	(454)	-	(454)	
Interim dividend for the period, proposed	擬派本期之中期股息	-	-	-	-	(30,336)	30,336	-	
Issue of shares upon exercise of share options	行使購股權之股份發行	1,874	-	-	-	-	-	1,874	
At 30 September 2002	於二零零二年九月三十日	58,717	5,900	449	30,664	164,226	30,336	290,292	

13. Commitments and contingent liabilities

(a) Capital commitments

The Group had the following authorised and contracted capital commitments:

13. 承擔及或然負債

(a) 資本承擔

本集團有以下已授權及簽約之資本承擔:

		30 September 2003 二零零三年九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2003 二零零三年三月三十一日 HK\$'000 千港元 (Audited) (已審核)
Construction of factory premises in Mainland China	於中國興建廠房樓宇	1,504	-
Purchase of machinery	購買機器	14,795	14,751
		16,299	14,751

(b) Operating lease commitments

The Group had lease commitments in respect of rented premises under various non-cancellable operating lease agreements extending to April 2043. The total commitments payable are analysed as follows:

		30 September	31 March
		2003	2003
		二零零三年	二零零三年
		九月三十日	三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(已審核)
Amounts payable	應付金額		
- within one year	- 一年內	2,303	2,674
- more than one year but not exceeding five years	- 多過一年但不超過五年	3,771	2,171
- over five years	- 五年以上	19,545	19,817
		25,619	24,662

(c) Other commitments

Pursuant to an agreement dated 24 October 1995, the Mainland China joint venture partner of Dongguan Yanxun Electronics Company Limited ("DYECL") waived its entitlement to share in the profit of DYECL in return for a pre-determined annual fee from 1 November 1996 to 24 May 2007. As at 30 September 2003, the Group's commitment in respect of the annual fee payable to the Mainland China joint venture partner amounted to approximately HK\$981,000 (31 March 2003: HK\$1,101,000).

(d) Contingent liabilities

Contingent liabilities not provided for in the financial report are:

		30 September	31 March
		2003	2003
		二零零三年	二零零三年
		九月三十日	三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(已審核)
Shipping guarantees	船務擔保	2,023	1,753

(b) 經營租賃承擔

本集團有多項期限至二零四三年四月關於房地產租賃之不可撤銷之經營租賃協議。總承擔分析如下：

(c) 其他承擔

根據一份於一九九五年十月二十四日簽定之協議，由一九九六年十一月一日至二零零七年五月二十四日，東莞雁訊電子有限公司（「東莞雁訊」）之合夥人放棄分享東莞雁訊溢利之權益，以換取一項預定之年費。於二零零三年九月三十日，本集團就應付予東莞雁訊之合夥人之年費承擔約981,000港元（二零零三年三月三十一日：1,101,000港元）。

(d) 或然負債

未在財務報告上撥備之或然負債：

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14. PLEDGE OF ASSETS

As at 30 September 2003, the Group's banking facilities were secured by:

- (i) mortgages over certain of the Group's land and buildings in Mainland China with a net book value of approximately HK\$17,025,000 (31 March 2003: HK\$17,225,000).
- (ii) certain of the Group's inventories held under trust receipts bank loan arrangements; and
- (iii) guarantees provided by the Company and certain of its subsidiaries.

14. 資產抵押

於二零零三年九月三十日，本集團銀行融資之抵押為：

- (i) 本集團若干位於中國之部份土地及樓宇，其帳面淨值約17,025,000港元（二零零三年三月三十一日：17,225,000港元）。
- (ii) 本集團根據信託收據銀行貸款而取得之若干存貨；及
- (iii) 本公司及若干附屬公司之公司擔保。

HIGHLIGHTS

- Turnover rose 6% to HK\$865,979,000
- Profit attributable to shareholders declined by 22% to HK\$42,552,000
- Earnings per share reduced by 24% to HK11.01 cents
- Dividend per share of HK8.0 cents

DIVIDEND

The Board declared an interim dividend of HK8.0 cents (2002: HK8.0 cents) per share for the six months ended 30 September 2003 payable in cash on or about 18 December 2003 to eligible shareholders whose names appear on the Register of Members of the Company on 11 December 2003.

MANAGEMENT DISCUSSION AND ANALYSIS**Review of Operation**

2003/2004 is the year of consolidation for the Group after achieving a 162% growth in turnover since 1999/2000 (1999/2000: HK\$661,887,000; 2002/2003: HK\$1,737,979,000). For the six months ended 30 September 2003, turnover rose only 6% to HK\$865,979,000 (2002/2003 interim: HK\$820,762,000) while profit attributable to shareholders declined by 22% to HK\$42,552,000 (2002/2003 interim: HK\$54,550,000).

During the Sars period from March to July 2003, most of our customers were not able to come to Hong Kong and China. Likewise our engineers were not able to visit overseas customers. Video-conferencing and e-mails simply could not replace vital face-to-face communication. As a result, the progress of engineering works on some production models was delayed, which in turn led to delay in

重點

- 營業額增加6%至865,979,000港元
- 股東溢利下降22%至42,552,000港元
- 每股溢利下降24%至11.01港仙
- 每股股息8.0港仙

股息

董事會議決以現金方式派發截至二零零三年九月三十日止六個月中期股息每股8.0港仙(二零零二年:8.0港仙)予所有於二零零三年十二月十一日名列於本公司股東名冊的股東。此中期股息會於或約於二零零三年十二月十八日發放予各合資格的股東。

管理層討論及分析**業務回顧**

雖然自一九九九/二零零零年度,集團的營業額增長達162%(一九九九/二零零零年度:661,887,000港元;二零零二/二零零三年度:1,737,979,000港元),但二零零三/二零零四年度將會是集團進行整固的一年。回顧截至二零零三年九月三十日止的六個月期間,集團的營業額祇輕微上升了6%至865,979,000港元(二零零二/二零零三年度同期:820,762,000港元),而股東溢利則下降22%至42,552,000港元(二零零二/二零零三年度同期:54,550,000港元)。

於二零零三年三月至七月期間,全球正面對非典型肺炎肆虐,集團許多客戶均未能抵港及中國內地,而我們各工程人員亦未能遠赴海外與客戶會面。當時我們積極透過視像會議及電子郵件,竭力在這段時間保持接觸的渠道。可惜地,這並未足以取替直接會面的主要運作模式。個別產品生產項目的前期工程進度受到延誤,引致新產品的付運押後,而未能填補因現

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launching of new products to fill up the production vacuum created by the expiry of life cycle of some of the existing products. This naturally affected the current year performance. Other than this factor, the reasons for such disappointing results were as follows:

- continued pricing pressure led to further decline of gross profit margin;
- while gross profit margin was on decline in the past years, the Group was able to use 'operating leverage' to deliver profit growth. Now with the slowdown of growth of turnover in this year of consolidation, there was no positive contribution from a huge increase in turnover to offset the reduction of gross profit margin; and
- as the Group is optimistic about future turnover growth, it has not strived to reduce cost despite the short-term reduction in profit. Instead, it has to invest additional resources for development works on new projects secured.

Metal and Plastic Business

The sales of computer casings, office automation products and video cassette housings reversed its previous decline in attaining a 27% growth to HK\$452,803,000 partly due to increase in the worldwide recovery of technology spending. The Metal and Plastic Business continued to provide the bulk of the Group's profit.

Electronic Manufacturing Services ("EMS") Business

After two years of strong growth in turnover, the EMS Business registered its first decline to HK\$413,176,000, a reduction of 11% as compared to the same period last year. This is mainly a result of fading out of some of the existing shipment models. Profit contribution declined due to reduction of sales volume and the pressure on gross profit margin.

有個別項目接近產品週期尾聲而出現的生產空檔，這自然影響了集團本年度的表現。除此之外，業績遜色亦歸因於以下各因素：

- 產品價格續受施壓，令到毛利率下降；
- 儘管過往數年毛利率一直下跌，但是我們仍能運用「營運槓桿」以達致盈利增長。然而今年集團正值整固的一年，沒有了營業額的大幅增幅以對沖毛利率的跌幅；及
- 為配合集團對未來營業額增長的樂觀預測，我們並沒有因應短期盈利下滑而收緊開支。相反地，我們投入了額外的資源為各已洽商好的項目作前期準備。

五金及塑膠業務

集團的電腦外殼、辦公室文儀產品及錄影帶外殼的銷售，在此期間因受惠於外圍經濟恢復在資訊科技上的開支，營業額由以往一直下滑的局面扭轉為有27%的增幅至452,803,000港元。五金及塑膠業務繼續為集團主要的盈利來源。

電子專業代工業務

電子專業代工業務經過兩年來高速的增長後，首度錄得輕微下跌。該期間營業額共約413,176,000港元，較去年同期減少了11%；這主要由於個別型號接近產品週期尾聲所致。利潤下跌的主要原因乃由於營售額倒退及邊際毛利率受壓。

Geographical Distribution

Shipment pattern of the Group remained very diversified with no single geographical region having more than 50% of the total turnover. Shipment to Asia (except Japan) shot passed Western Europe to become the largest market of the Group at 45% (Period to 30 September 2002: 37%) because of the recovery of the Asian economy and the change of the logistic decision of some of the customers.

Quarterly Results Announcement

In September 2003, the Group made its first quarterly results announcement. This is an important step in our constant drive to increase transparency. Despite the additional cost involved and the announcement of a profit reduction as compared to the corresponding period last year, the Directors are convinced that investors would be much better served by being kept informed of the Group's development as soon as practicable.

The Karrie's Franchise

In the long run, our effort in building up the Group's franchise in investors relationship will eventually bear fruit as investors may start to equate Karrie with corporate governance, professional management and high dividend.

PROSPECT

2003/2004 Performance

We expect the delays in engineering works and other factors would still haunt the shipment in the third quarter (October to December 2003) but business should start to pick up in the fourth quarter (January to March 2004). Overall we should have a better second half year than the first half. But we would still face a lot of challenges for the full year performance. Target for turnover growth for the financial year 2003/2004 would be less than 5%.

地域分佈

集團的付運版圖仍然遍佈世界各地，並沒有單一地區佔去集團超過50%的總營業額。隨著亞洲經濟開始復甦與及部份客戶在物流安排上的轉變，亞洲地區（除日本外）的付運量已超越西歐，於期間成為集團最大的市場，佔總營業額達45%（去年同期：37%）。

季度業績公告

在二零零三年九月，集團首次發出季度業績公告，這為我們持續增加透明度踏上了重要的一步。即使因此而需要撥出額外的資源，而且所發表的是盈利下跌訊息，但董事們深信在切實可行的情況下，儘快向投資者匯報集團最新的發展狀況，相反卻能為他們帶來更大的裨益。

「嘉利」品牌

長遠而言，我們在投資者關係上所努力營造的集團品牌，將會逐漸為集團帶來豐碩的效果；因為投資者或許已開始將「嘉利」等同於一間集優良企業管治、專業管理及高股息於一身的公司。

展望

二零零三／二零零四年度

我們預期工程項目的延誤及其他因素，仍會困擾第三季（二零零三年十月至十二月）的付運量；然而第四季（二零零四年一月至三月）將會開始出現轉機。整體而言，我們認為下半年度比上半年度應有較好的表現；惟全年業績仍需面對著甚多的挑戰。二零零三／二零零四年度的營業額增長目標會少於5%。

Karrie International Holdings Limited

We fully realize that by increasing capital expenditure and by investing further resources for development works for future projects, current year performance is going to be further affected. However, after careful deliberation, the Directors re-affirmed their belief that this is still the best course available. Undue focus on short-term result will incur a greater risk, as failure to build up the foundation for future growth would affect our commitment to customers. Taking sacrifice now may be painful but this serves the best interest for shareholders from a long-term prospective.

2004/2005 Performance & Beyond

Despite the expected disappointing current year performance, we remain positive on the future because of the confirmation of a number of new projects both from existing and new customers. In addition,

- the Board has authorized increase in capital expenditures firstly from last year's HK\$25,000,000 to HK\$50,000,000 (as announced in the 2002/2003 annual report) and then again from HK\$50,000,000 to HK\$60,000,000 (as announced in the first quarterly results announcement in 2003/2004);
- we have decided to maintain a dividend of HK8.0 cents (2002/2003 interim: HK8.0 cents) despite the 22% drop in profit as the Board is confident about the cash flow and the future; and
- the Board maintains its sales target set in the 2001/2002 annual report of doubling the turnover of 2001/2002 of HK\$1,150,000,000 billion in three years' time.

We expect profit margin will be under continuous pressure. But overall performance in 2004/2005 should be alleviated through positive leverage when the Group backs on the high growth path. Furthermore, after the current year of consolidation,

- from marketing prospective, the growth will be more balanced between the Metal and Plastic Business and the EMS Business as the Group once again successfully solved a potential customer concentration problem; and

我們亦意識到增加資本開支及投入額外資源以開發未來項目，對本年度的表現會帶來進一步的影響。不過，經過審慎的商討後，董事們重申他們的信念而認同這是目前最好的方案。過份專注短期的業績只會帶來更大風險，因為無法達致對客戶的付運承諾，只會將我們建立多年的商譽毀於一旦。為長遠的股東利益著眼，我們必須接受現時短暫的痛苦。

二零零四／二零零五年度及將來

儘管預計本年度的表現將會令人失望，但我們對未來的表現依然樂觀，因為集團已與若干現有及新的客戶，陸續在新的項目安排上得到確認。加上，

- 董事會已授權增加固定資產預算——由去年度的 25,000,000 港元增加至 50,000,000 港元（已於二零零二／二零零三年度年報中披露），隨後再由 50,000,000 港元增加至 60,000,000 港元（已於二零零三／二零零四年度第一季季度業績中披露）；
- 即使面對近 22% 的盈利下跌，董事會對集團現金流量及未來前景均充滿信心，並且已決定保持派發中期股息 8.0 港仙（去年同期：8.0 港仙）；及
- 董事會維持於二零零一／二零零二年度年報中披露——於三年內達致該年度 1,150,000,000 港元營業額的雙倍增長目標。

我們預期邊際利潤將會受到持續的壓力；不過，經過本年度的整固後，二零零四／二零零五年度的整體表現將會隨著恢復高增長所帶來的正面槓桿效應而得以舒緩：

- 從市場角度來看，這將會是一個較平衡的增長——在五金及塑膠業務與電子專業代工業務之間取得平衡，再一次成功地解決了潛在客戶過度集中的問題；及

- from a production standpoint, we also hope that by then all the productivity initiatives implemented this year will start to bear fruit, just like of what we had done in the years after the Asian Financial Crisis back in 1998.

LIQUIDITY RESOURCES

The Group continued to enjoy strong recurrent cash flow despite the drop in profit and payment of dividends. Net bank borrowing was only HK\$4,300,000 on 30 September 2003 even after the payment of final dividend of the last financial year of HK\$62,577,000 (net cash balance 31 March 2003: HK\$33,690,000). Net current ratio (after deducting cash on hand from current liabilities) was a healthy 189% as compared to 157% as at 31 March 2003 and 139% as at 30 September 2002.

However, with the increase in capital expenditures, we project that the Group will move deeper from a net cash position as at 31 March 2003 into a net bank borrowing position toward the end of the financial year. With the low cost of debt against the cost of equity, debt is the preferred financing method. A projected net gearing ratio of 20% in March 2004 is still safe from a financing standpoint. Besides, the interest coverage is 13 times based on half-yearly figure.

Such complacency may start to waver by late 2004. At that time, if everything goes according to plan, net gearing may rise even further because of the need to invest in working capital components like just-in-time inventory and accounts receivables. By then we may have to consider other financing options. Anyway, the Directors believe that this is a piece of good news, as the business should be booming if the Group has to find new financing.

In the meantime, the Directors are confident that with the cash holdings of HK\$240,523,000 and banking facilities of approximately HK\$708,400,000, the Group is able to meet its current operational and capital expenditure requirements.

- 從生產角度來看，我們亦希望本年度所推行提高生產力的改革措施在下年度能開始見到成效——就像過去集團在一九九八年亞洲金融風暴後所採取的措施一樣。

流動性資源

儘管要應付盈利下跌及支付股息派發，集團仍能處於強大現金流量所帶來的優勢。扣除上年度共62,577,000港元的末期股息後，二零零三年九月三十日的淨銀行借貸只有約4,300,000港元（二零零三年三月三十一日的淨現金結存為33,690,000港元）。淨流動比率（於流動負債減去手持現金後計算）為189%，相對二零零三年三月三十一日的157%及二零零二年九月三十日的139%，仍然是一個十分健康的比例。

然而，隨著預計固定資產開支的增加，集團將會於本年度結束時由二零零三年三月三十一日的淨現金狀況轉為淨銀行負債狀況。在現時低息的營商環境下，借貸成本遠較增加股本的成本為低；因此，我們認為前者會是較可取的融資方法。從財務立場來看，即使二零零四年三月份的預測淨銀行負債與股東比率將升至20%，這仍然是一個十分穩健的數字。此外，集團在這期間的盈利對利息支出仍能達到13倍的數字。

但到了二零零四年後期，我們對銀行融資的警覺性或需提高。若一切按計畫順利進行，那時候的淨銀行負債與股東比率會進一步增加，這因為我們將需要投入更多的營運資金於應付流動資金的需求：例如達致即時付運的存貨量及應收帳的上升等。到那時候，我們或要考慮其他融資方案。不過無論如何，董事們相信這會是一個好消息——因為只有業務開始膨脹，集團才需要尋找更多新的融資方案。

現時，集團手持現金達240,523,000港元及銀行融資額共約708,400,000港元，董事們有信心集團能夠應付目前的營運及資本開支要求。

EXCHANGE RATE EXPOSURE

All the Group's assets, liabilities and transactions are denominated either in Hong Kong dollar, US dollar or Reminbi. As the exchange rates of the Hong Kong dollar, US dollar and Reminbi were relatively stable during the period, the Group was not exposed to material exchange risk. As a further precaution, the Group always maintains an excess of US dollars assets over its US dollars liabilities.

CONTINGENT LIABILITIES

As at 30 September 2003 there was a shipping guarantee of approximately HK\$2,023,000, and the Group did not have other significant contingent liabilities.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2003, the Group employed in average 5,420 staff and workers during the period. Employees' remuneration is determined in accordance with prevailing industry practice and their performance and experience. Discretionary bonus will be awarded to employees who demonstrated good performance under a reward evaluation policy and linked up with the Group's performance. Other staff benefits include medical insurance and mandatory provident fund. Besides, two share option schemes were adopted in 1996 and 2002 respectively under which share options were/will be granted to certain employees as incentive and award for their contribution to the Group. No further options will be granted under the 1996 Share Option Scheme upon its termination on 21 May 2002.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN EQUITY, UNDERLYING EQUITY OR DEBT SECURITIES

The interests and short positions of the Directors and chief executive in the shares of the Company

匯率風險

集團所有的資產、負債及交易均以港元、美元及人民幣結算。由於港元、美元及人民幣間的匯率在這段期間相對穩定，集團並未面對重大的匯率風險。為作進一步的防禦，集團經常保存較美元負債為多的美元資產。

或然負債

本集團於二零零三年九月三十日除船務擔保約2,023,000港元外，並無其他重大的或然負債。

僱員及薪酬政策資料

於二零零三年九月三十日，集團期內平均共聘有僱員總數約5,420名。僱員薪酬一般參考市場標準及僱員表現釐定，集團並會根據公司已審核的業績透過獎賞評核政策，對有良好表現的員工發放花紅。其它員工福利包括醫療保險及強制性公積金。此外，集團設有分別於一九九六年及二零零二年採納的兩項購股權計畫，並選定若干有優秀表現及貢獻的僱員以授予購股權，惟公司不可再根據一九九六年的購股權計畫的條款授予購股權，因該計畫已於二零零二年五月二十一日終止。

董事及行政總裁於股份、相關股份及債權證的權益及淡倉

本公司各董事及行政總裁在本公司及其相聯法團（釋義見《證券及期貨條例》）（「《證券條

and any associated corporations (as defined in *the Securities and Futures Ordinance* (“*the SFO*”)) as recorded in the register maintained under Section 352 of *the SFO* or as notified to the Company and The Stock Exchange of Hong Kong Limited (“the “Stock Exchange”) pursuant to *the Model Code for Securities Transactions by Directors of Listed Companies* are as follows:

例》」) 股本中擁有並已登記於本公司按《證券條例》第三百五十二條而存置的登記冊所載的權益，或根據《上市公司董事進行證券交易的標準守則》已知會本公司及香港聯合交易所有限公司（「聯交所」）的權益及淡倉如下：

As at 30 September 2003

於二零零三年九月三十日

(A) Interests in the Company

(甲) 於本公司的權益

	Number of ordinary shares of HK\$0.10 each 每股面值十港仙的普通股數目			Number of outstanding share options 購股權數目
	Personal interests 個人權益	Family interests 家屬權益	Corporate/ Other interests 法團權益或 其他權益	
Mr. Ho Cheuk Fai 何焯輝先生	–	33,318,000 (Note 1) (附註一)	172,200,000 (Note 2) (附註二)	3,000,000
Mr. Ho Cheuk Ming 何卓明先生	3,000,000	–	172,182,780 (Note 3) (附註三)	3,700,000
Mr. Kwok Wing Kin, Francis 郭永堅先生	500,000	–	–	2,200,000
Mr. Tam Wing Hung 談永雄先生	680,000	–	–	620,000
Mr. Lee Shu Ki 李樹琪先生	1,100,000	–	–	800,000
Mr. Leung Wai Ho 梁偉浩先生	–	–	–	200,000
Ms. Ho Po Chu, Scandy 何寶珠女士	33,318,000	–	172,200,000 (Note 4) (附註四)	2,500,000

Karrie International Holdings Limited**(B) Interests in associated corporations****(乙) 於相聯法團的權益***(i) Karrie Industrial Company Limited*
嘉利產品有限公司

	Number of non-voting deferred shares of HK\$100 each 每股面值100港元的無投票權遞延股份數目				
	Personal interests 個人權益	Family interests 家屬權益	Corporate/ Other interests 法團權益或 其他權益	Total interests 合計權益	Short position 淡倉
Mr. Ho Cheuk Fai 何焯輝先生	43,000	–	–	43,000	43,000 (Note 5) (附註五)
Ms. Ho Po Chu, Scandy 何寶珠女士	7,000	–	–	7,000	7,000 (Note 5) (附註五)

(ii) Karpo Technologies Limited
嘉寶科技有限公司

	Number of non-voting deferred shares of HK\$100 each 每股面值100港元的無投票權遞延股份數目				
	Personal interests 個人權益	Family interests 家屬權益	Corporate/ Other interests 法團權益或 其他權益	Total interests 合計權益	Short position 淡倉
Mr. Ho Cheuk Fai 何焯輝先生	10,000	–	–	10,000	10,000 (Note 5) (附註五)

(iii) Karrie Industrial Holdings Limited

	Number of non-voting deferred shares of HK\$1 each 每股面值1港元的無投票權遞延股份數目				
	Personal interests 個人權益	Family interests 家屬權益	Corporate/ Other interests 法團權益或 其他權益	Total interests 合計權益	Short position 淡倉
Mr. Ho Cheuk Fai 何焯輝先生	1	–	–	1	1 (Note 5) (附註五)
Ms. Ho Po Chu, Scandy 何寶珠女士	1	–	–	1	1 (Note 5) (附註五)

Karrie International Holdings Limited

As at 27 November 2003

於二零零三年十一月二十七日

(A) Interests in the Company

(甲) 於本公司的權益

	Number of ordinary shares of HK\$0.10 each 每股面值十港仙的普通股數目			
	Personal interests 個人權益	Family interests 家屬權益	Corporate/ Other interests 法團權益或 其他權益	Number of outstanding share options 購股權數目
Mr. Ho Cheuk Fai 何焯輝先生	1,660,000	35,818,000 <i>(Note 1)</i> (附註一)	172,200,000 <i>(Note 2)</i> (附註二)	1,500,000
Mr. Ho Cheuk Ming 何卓明先生	4,000,000	–	172,182,780 <i>(Note 3)</i> (附註三)	2,700,000
Mr. Kwok Wing Kin, Francis 郭永堅先生	600,000	–	–	1,700,000
Mr. Tam Wing Hung 談永雄先生	680,000	–	–	620,000
Mr. Lee Shu Ki 李樹琪先生	1,100,000	–	–	800,000
Mr. Leung Wai Ho 梁偉浩先生	–	–	–	200,000
Ms. Ho Po Chu, Scandy 何寶珠女士	35,818,000	–	172,200,000 <i>(Note 4)</i> (附註四)	–

(B) Interests in associated corporations**(乙) 於相聯法團的權益***(i) Karrie Industrial Company Limited*
嘉利產品有限公司**Number of non-voting deferred shares of HK\$100 each**
每股面值100港元的無投票權遞延股份數目

	Personal interests	Family interests	Corporate/	Total interests	Short position
			other interests		
	個人權益	家屬權益	法團權益或 其他權益	合計權益	淡倉
Mr. Ho Cheuk Fai 何焯輝先生	43,000	–	–	43,000	43,000 (Note 5) (附註五)
Ms. Ho Po Chu, Scandy 何寶珠女士	7,000	–	–	7,000	7,000 (Note 5) (附註五)

(ii) Karpo Technologies Limited
嘉寶科技有限公司**Number of non-voting deferred shares of HK\$100 each**
每股面值100港元的無投票權遞延股份數目

	Personal interests	Family interests	Corporate/	Total interests	Short position
			other interests		
	個人權益	家屬權益	法團權益或 其他權益	合計權益	淡倉
Mr. Ho Cheuk Fai 何焯輝先生	10,000	–	–	10,000	10,000 (Note 5) (附註五)

Karrie International Holdings Limited

(iii) Karrie Industrial Holdings Limited

Number of non-voting deferred shares of HK\$1 each 每股面值1港元的無投票權遞延股份數目

	Personal interests 個人權益	Family interests 家屬權益	Corporate/ other interests 法團權益或 其他權益	Total interests 合計權益	Short position 淡倉
Mr. Ho Cheuk Fai 何焯輝先生	1	-	-	1	1 (Note 5) (附註五)
Ms. Ho Po Chu, Scandy 何寶珠女士	1	-	-	1	1 (Note 5) (附註五)

Notes:

- Mr. Ho Cheuk Fai is deemed to be interested in these Shares by virtue of the fact that his wife, Ms. Ho Po Chu, Scandy, has a personal interest in these Shares.
- 172,200,000 Shares are held by Pearl Court Company Limited ("Pearl Court") as trustee for a unit trust known as the Ho Cheuk Fai Family Trust ("HCF Trust"). Mr. Ho Cheuk Fai is deemed to be interested in these Shares through Pearl Court by virtue of his wife, Ho Po Chu, Scandy, being the only shareholder of Pearl Court and controlling one-third or more of the voting power at general meetings of Pearl Court. Mr. Ho Cheuk Fai is also deemed to be interested in these Shares by virtue of the fact that one of 10,000 units of HCF Trust is held by his wife, Ho Po Chu, Scandy, and the beneficiaries of a discretionary trust known as Ho Wai Leung Memorial Trust ("HWL Trust") (see note 3 below) which include his family members.
- These Shares are held by Pearl Court as trustee for HCF Trust. 9,999 of 10,000 units of HCF Trust are held by HSBC International Trustee Limited ("HITL") as trustee for HWL Trust. Mr. Ho Cheuk Ming is deemed to be interested in these Shares by virtue of the fact that he is one of the beneficiaries of the HWL Trust.

附註:

- 何焯輝先生因其妻子何寶珠女士在該等股份中擁有個人權益而被視為擁有該等權益。
- 172,200,000股股份由 Pearl Court Company Limited (「Pearl Court」) 以 Ho Cheuk Fai Family Trust (「HCF Trust」) 的單位信託的受託人持有。由於何焯輝先生的妻子何寶珠女士乃 Pearl Court 的唯一股東及在 Pearl Court 股東大會控制三分之一投票權，故何焯輝先生被視為透過 Pearl Court 持有該等股份。何焯輝先生亦因 HCF Trust 的 10,000 個單位中其中之一個乃由其妻子何寶珠女士持有，而 Ho Wai Leung Memorial Trust (「HWL Trust」) (見附註三) 的受益人包括其家族成員，故此被視為擁有該等股份的權益。
- 這些股份由 Pearl Court 以 HCF Trust 受託人身份持有。HCF Trust 10,000 個單位中的 9,999 個乃由 HWL Trust 的全權信託的受託人 HSBC International Trustee Limited (「HITL」) 持有。何卓明先生由於屬 HWL Trust 的受益人之一，故被視為持有該等股份。

4. Disregarding the interests of her husband, Mr. Ho Cheuk Fai, the Chairman and a Director of the Company and whose interests are separately disclosed, Ms. Ho Po Chu, Scandy, is deemed to be interested in these Shares through Pearl Court by virtue of the facts that she is the only shareholder of Pearl Court and holds one unit of the HCF Trust and that the beneficiaries of the HWL Trust includes herself and her family members.
 5. The short position is created by virtue of the grant of option in favour of Karrie International (B.V.I.) Limited to acquire these shares.
- 四、除何寶珠女士的丈夫何焯輝先生本身的權益外(該等權益因何先生為本公司主席及董事已作獨立披露),何寶珠女士為 Pearl Court 的唯一股東,其持有 HCF Trust 其中一個單位以及由於 HWL Trust 的受益人包括何寶珠女士及其家族成員,因此何寶珠女士被視為透過 Pearl Court 擁有該等股份的權益。
 - 五、有關的淡倉乃由於給予 Karrie International (B.V.I.) Limited 在該等股份上的轉讓權而產生。

Save as disclosed above and under the heading “Share Option Schemes”, none of the Directors, chief executives or their associates have any personal, family, corporate, other interests or short positions in the share capital of the Company or any of its associated corporations as defined in the SFO as at 30 September 2003 and 27 November 2003.

SHARE OPTIONS SCHEMES

The Old Scheme

The old share option scheme of the Company (the “Old Scheme”) was adopted on 27 November 1996 pursuant to which share options were granted to employees and Executive Directors of the Company or its subsidiaries. No further options can be, or have been, issued under the Old Scheme from 21 May 2002, the date of adoption of the new share option scheme of the Company (the “New Scheme”) and termination of the Old Scheme, but in all other respects the provisions of the Old Scheme remain in force and all options granted prior to its termination shall continue to be valid and exercisable in accordance therewith.

除上文及根據「購股權計畫」一節所披露外,各董事、行政總裁或其聯繫人等於二零零三年九月三十日及二零零三年十一月二十七日在本公司或其相關法團(釋義見《證券條例》)股本中無持有任何個人、家屬、法團或其他權益或淡倉。

購股權計畫

舊計畫

本公司舊有的購股權計畫(「舊計畫」)於一九九六年十一月二十七日採納。於二零零二年五月二十一日以前,本公司及其任何附屬公司的僱員及執行董事根據舊計畫的條款獲授購股權。於二零零二年五月二十一日,舊計畫已被終止及一新購股權計畫(「新計畫」)獲採納,據此,本公司不可亦未有再根據舊計畫授出購股權,惟舊計畫的任何條文仍然有效,及所有在舊計畫終止前授出的購股權會繼續有效並可據此繼續行使。

Karrie International Holdings Limited

Details of share option movements for the six months ended 30 September 2003 under the Old Scheme are as follows:

根據舊計畫於截至二零零三年九月三十日止六個月的購股權變動詳情如下：

Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 31 Mar 2003	Number of Share Options 購股權數目			Outstanding at 30 Sep 2003
							Granted during the period between 1 Apr 2003 and 30 Sep 2003	Exercised during the period between 1 Apr 2003 and 30 Sep 2003	Lapsed/cancelled during the period between 1 Apr 2003 and 30 Sep 2003	
姓名	授出日期	行使價 (HK\$) (港元)	行使期	的價格 (HK\$) (港元)	價格 (HK\$) (港元)	尚未行使 (‘000) (千)	獲授與 (‘000) (千)	行使 (‘000) (千)	失效/取消 (‘000) (千)	尚未行使 (‘000) (千)

(i) Directors/Chief Executives

董事及行政總裁

Mr. Ho Cheuk Fai 何焯輝先生	19/06/1999	0.335	19/06/1999– 30/11/2006	0.41	–	3,000	–	–	–	3,000
Mr. Ho Cheuk Ming 何卓明先生	19/06/1999	0.335	19/06/1999– 30/11/2006	0.41	2.70 (AVG平均)	7,000	–	(3,300)	–	3,700
Mr. Kwok Wing Kin, Francis 郭永堅先生	20/09/2000	0.300	31/03/2003– 30/11/2006	0.35	2.46 (AVG平均)	300	–	(300)	–	–
Mr. Tam Wing Hung 談永雄先生	20/09/2000	0.300	21/09/2001– 30/11/2006	0.35	2.85	300	–	(300)	–	–
			21/09/2002– 30/11/2006		2.85	380	–	(380)	–	–
			21/09/2003– 30/11/2006		–	520	–	–	–	520
Ms. Ho Po Chu, Scandy 何寶珠女士	19/06/1999	0.335	19/06/1999– 30/11/2006	0.41	–	2,500	–	–	–	2,500

Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 31 Mar 2003	Number of Share Options 購股權數目			Outstanding at 30 Sep 2003
							Granted during the period between 1 Apr 2003 and 30 Sep 2003	Exercised during the period between 1 Apr 2003 and 30 Sep 2003	Lapsed/cancelled during the period between 1 Apr 2003 and 30 Sep 2003	
姓名	授出日期	行使價 (HK\$) (港元)	行使期	於購股權授出日前的價格 (HK\$) (港元)	於購股權行使日的價格 (HK\$) (港元)	於二零零三年三月三十一日尚未行使	於二零零三年四月一日至九月三十日獲授與	於二零零三年四月一日至九月三十日行使	於二零零三年四月一日至九月三十日失效/取消	於二零零三年九月三十日尚未行使
						('000) (千)	('000) (千)	('000) (千)	('000) (千)	('000) (千)
(ii) Employees 員工	20/09/2000	0.300	20/09/2000– 30/11/2006	0.35	–	150	–	–	–	150
			21/09/2001– 30/11/2006		–	150	–	–	–	150
			21/09/2002– 30/11/2006		–	200	–	–	–	200
			21/09/2003– 30/11/2006		–	520	–	–	–	520

Karrie International Holdings Limited

Details of share option movements for the period between 1 October 2003 and 27 November 2003 under the Old Scheme are as follows:

根據舊計畫由二零零三年十月一日至二零零三年十一月二十七日期間的購股權變動詳情如下：

Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 30 Sep 2003	Number of Share Options 購股權數目			Outstanding at 27 Nov 2003
							Granted during the period between 1 Oct 2003 and 27 Nov 2003	Exercised during the period between 1 Oct 2003 and 27 Nov 2003	Lapsed/cancelled during the period between 1 Oct 2003 and 27 Nov 2003	
姓名	授出日期	行使價 (HK\$) (港元)	行使期	於購股權授出日前的價格 (HK\$) (港元)	於購股權行使日的價格 (HK\$) (港元)	二零零三年九月三十日尚未行使	於二零零三年十一月二十七日獲授與	於二零零三年十一月二十七日行使	於二零零三年十一月二十七日失效/取消	於二零零三年十一月二十七日尚未行使
(i) Directors/Chief Executives 董事及行政總裁										
Mr. Ho Cheuk Fai 何焯輝先生	19/06/1999	0.335	19/06/1999– 30/11/2006	0.41	2.2	3,000	–	(1,500)	–	1,500
Mr. Ho Cheuk Ming 何卓明先生	19/06/1999	0.335	19/06/1999– 30/11/2006	0.41	2.2	3,700	–	(1,000)	–	2,700
Mr. Tam Wing Hung 談永雄先生	20/09/2000	0.300	21/09/2003– 30/11/2006	0.35	–	520	–	–	–	520
Ms. Ho Po Chu, Scandy 何寶珠女士	19/06/1999	0.335	19/06/1999– 30/11/2006	0.41	2.2	2,500	–	(2,500)	–	–
(ii) Employees 員工										
	20/09/2000	0.300	20/09/2000– 30/11/2006	0.35	–	150	–	–	–	150
			21/09/2001– 30/11/2006		–	150	–	–	–	150
			21/09/2002– 30/11/2006		–	200	–	–	–	200
			21/09/2003– 30/11/2006		2.425	520	–	(520)	–	–

The New Scheme

The New Scheme was adopted on 21 May 2002 to comply with the new requirements of Chapter 17 of *the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (the “*Listing Rules*”) effective from 1 September 2001. The key terms of the New Scheme have been summarized in our 2002/2003 annual report.

Details of share option movements for the six months ended 30 September 2003 under the New Scheme are as follows:

新計畫

新計畫於二零零二年五月二十一日採納，以符合由二零零一年九月一日生效的《香港聯合交易所有限公司證券上市規則》（「《上市規則》」）第十七章的新規定。新計畫的主要條款摘要已於二零零二／二零零三年度年報刊登。

根據新計畫於截至二零零三年九月三十日止六個月的購股權變動詳情如下：

Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 31 Mar 2003	Number of Share Options			Outstanding at 30 Sep 2003
							購股權數目			
							Granted during the period between 1 Apr 2003 and 30 Sep 2003	Exercised during the period between 1 Apr 2003 and 30 Sep 2003	Lapsed/cancelled during the period between 1 Apr 2003 and 30 Sep 2003	
姓名	授出日期	行使價 (HK\$) (港元)	行使期	的價格 (HK\$) (港元)	價格 (HK\$) (港元)	尚未行使 (‘000) (千)	於 二零零三年 四月一日至 二零零三年 九月三十日 獲授與	於 二零零三年 四月一日至 二零零三年 九月三十日 行使	於 二零零三年 四月一日至 二零零三年 九月三十日 失效/ 取消	於 二零零三年 九月三十日 尚未行使 (‘000) (千)

(i) Directors/Chief Executives

董事及行政總裁

Mr. Kwok Wing Kin, Francis 郭永堅先生	22/05/2002	1.30	22/05/2002– 21/05/2012	1.30	2.81 (AVG平均)	750	-	(750)	-	-
			22/05/2003– 21/05/2012		2.85	750	-	(50)	-	700
	01/11/2002	1.65	01/01/2003– 31/10/2012	1.65	-	750	-	-	-	750
			01/01/2004– 31/10/2012		-	750	-	-	-	750
Mr. Tam Wing Hung 談永雄先生	22/05/2002	1.30	22/05/2002– 21/05/2012	1.30	-	100	-	-	-	100

Karrie International Holdings Limited

Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 31 Mar 2003	Number of Share Options 購股權數目			Outstanding at 30 Sep 2003
							Granted during the period between 1 Apr 2003 and 30 Sep 2003	Exercised during the period between 1 Apr 2003 and 30 Sep 2003	Lapsed/cancelled during the period between 1 Apr 2003 and 30 Sep 2003	
姓名	授出日期	行使價 (HK\$) (港元)	行使期	的價格 (HK\$) (港元)	價格 (HK\$) (港元)	尚未行使 (‘000) (千)	獲授與 (‘000) (千)	行使 (‘000) (千)	失效/取消 (‘000) (千)	尚未行使 (‘000) (千)
Mr. Lee Shu Ki 李樹琪先生	22/05/2002	1.30	22/05/2003– 21/05/2012	1.30	–	300	–	–	–	300
	01/11/2002	1.65	01/01/2003– 31/10/2012	1.65	2.85	300	–	(100)	–	200
			01/01/2004– 31/10/2012		–	300	–	–	–	300
Mr. Leung Wai Ho 梁偉浩先生	22/05/2002	1.30	22/05/2002 21/05/2012	1.30	–	200	–	–	–	200

(i) Directors/Chief Executives

董事及行政總裁

(ii) Other Eligible Participants

其他合資格參與者

Employees 員工	22/05/2002	1.30	22/05/2002– 21/05/2012	1.30	2.248 (AVG平均)	2,270	–	(1,950)	–	320
			22/05/2003– 21/05/2012		2.474 (AVG平均)	2,800	–	(2,000)	–	800
	01/11/2002	1.65	01/01/2003– 31/10/2012	1.65	2.698 (AVG平均)	3,900	–	(1,250)	–	2,650
			01/01/2004– 31/10/2012		–	3,950	–	–	–	3,950

Details of share option movements for the period between 1 October 2003 and 27 November 2003 under the New Scheme are as follows:

根據新計畫由二零零三年十月一日至二零零三年十一月二十七日期間的購股權變動詳情如下：

Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 30 Sep 2003	Number of Share Options 購股權數目			Outstanding at 27 Nov 2003
							Granted during the period between 1 Oct 2003 and 27 Nov 2003	Exercised during the period between 1 Oct 2003 and 27 Nov 2003	Lapsed/cancelled during the period between 1 Oct 2003 and 27 Nov 2003	
姓名	授出日期	行使價 (HK\$) (港元)	行使期	於購股權授出日的價格 (HK\$) (港元)	於購股權行使日的價格 (HK\$) (港元)	二零零三年九月三十日尚未行使 (‘000) (千)	於二零零三年十一月二十七日獲授與 (‘000) (千)	於二零零三年十一月二十七日行使 (‘000) (千)	於二零零三年十一月二十七日失效/取消 (‘000) (千)	於二零零三年十一月二十七日尚未行使 (‘000) (千)

(i) Directors/Chief Executives

董事及行政總裁

Mr. Kwok Wing Kin, Francis 郭永堅先生	22/05/2002	1.30	22/05/2003– 21/05/2012	1.30	2.325	700	–	(500)	–	200
	01/11/2002	1.65	01/01/2003– 31/10/2012	1.65	–	750	–	–	–	750
			01/01/2004– 31/10/2012		–	750	–	–	–	750
Mr. Tam Wing Hung 談永雄先生	22/05/2002	1.30	22/05/2002– 21/05/2012	1.30	–	100	–	–	–	100
Mr. Lee Shu Ki 李樹琪先生	22/05/2002	1.30	22/05/2003– 21/05/2012	1.30	–	300	–	–	–	300
	01/11/2002	1.65	01/01/2003– 31/10/2012	1.65	–	200	–	–	–	200
			01/01/2004– 31/10/2012		–	300	–	–	–	300
Mr. Leung Wai Ho 梁偉浩先生	22/05/2002	1.30	23/05/2002 21/05/2012	1.30	–	200	–	–	–	200

Karrie International Holdings Limited

Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 30 Sep 2003	Number of Share Options			Outstanding at 27 Nov 2003
							購股權數目			
							Granted during the period between 1 Oct 2003 and 27 Nov 2003	Exercised during the period between 1 Oct 2003 and 27 Nov 2003	Lapsed/cancelled during the period between 1 Oct 2003 and 27 Nov 2003	
姓名	授出日期	行使價 (HK\$) (港元)	行使期	於購股權授出日前的價格 (HK\$) (港元)	於購股權行使日的價格 (HK\$) (港元)	二零零三年九月三十日尚未行使 (千)	於二零零三年十一月二十七日獲授與 (千)	於二零零三年十一月二十七日行使 (千)	於二零零三年十一月二十七日失效/取消 (千)	於二零零三年十一月二十七日尚未行使 (千)

(ii) Other Eligible Participants

其他合資格參與者

Employees 員工	22/05/2002	1.30	22/05/2002- 21/05/2012	1.30	-	320	-	-	-	320
			22/05/2003- 21/05/2012		-	800	-	-	-	800
	01/11/2002	1.65	01/01/2003- 31/10/2012	1.65	-	2,650	-	-	-	2,650
			01/01/2004- 31/10/2012		2.2	3,950	-	(100)	-	3,850

SUBSTANTIAL SHAREHOLDERS

According to the register of interests kept by the Company under Section 336 of *the SFO*, the entities (other than a Director or chief executive of the Company) who are, directly or indirectly, interested and/or deemed to be interested in 5 per cent. or more of the nominal value or in short positions of the issued share capital of the Company are as follows:

As at 30 September 2003

主要股東

根據本公司按《證券條例》第三百三十六條存置的權益登記冊，直接或間接擁有及／或被視作擁有本公司已發行股本的面值5%或以上的權益或淡倉的實體（不包括董事及本公司的行政總裁）如下：

於二零零三年九月三十日

Name of Shareholder 股東名稱	Number of ordinary shares of HK\$0.10 each 每股面值0.1港元的普通股數目		
	Personal interests 個人權益	Corporate/ Other interests 法團權益或 其他權益	Shareholding percentage 持股百分比
Pearl Court*	–	172,200,000 (Note 1 附註一)	43.94%
HITL	–	172,556,780 (Note 2 附註二)	44.03%
HSBC Holdings plc (“HHUK”)	–	172,556,780 (Note 2 附註二)	44.03%
HSBC Bank plc (“HBP”)	–	172,556,780 (Note 2 附註二)	44.03%
Midcorp Limited (“ML”)	–	172,556,780 (Note 2 附註二)	44.03%
Griffin International Limited (“GIL”)	–	172,556,780 (Note 2 附註二)	44.03%
HSBC Europe BV (“HEB”)	–	172,556,780 (Note 2 附註二)	44.03%
HSBC Europe (Netherlands) B.V. (“HEN”)	–	172,556,780 (Note 2 附註二)	44.03%
HSBC Private Banking Holdings (Suisse) SA (“HPBHS”)	–	172,556,780 (Note 2 附註二)	44.03%
Mr. Cheah Cheng Hye 謝清海先生	–	37,638,000 (Note 3 附註三)	9.60%
Value Partners Limited (“VPL”)	–	37,638,000 (Note 3 附註三)	9.60%

Karrie International Holdings Limited

As at 27 November 2003

於二零零三年十一月二十七日
Number of ordinary shares of HK\$0.10 each
每股面值0.1港元的普通股數目

Name of Shareholder	Personal interests	Corporate/ Other interests 法團權益或 其他權益	Shareholding percentage
股東名稱	個人權益		持股百分比
Pearl Court*	–	172,200,000 (Note 1 附註一)	43.27%
HITL	–	172,556,780 (Note 2 附註二)	43.36%
HHUK	–	172,556,780 (Note 2 附註二)	43.36%
HBP	–	172,556,780 (Note 2 附註二)	43.36%
ML	–	172,556,780 (Note 2 附註二)	43.36%
GIL	–	172,556,780 (Note 2 附註二)	43.36%
HEB	–	172,556,780 (Note 2 附註二)	43.36%
HEN	–	172,556,780 (Note 2 附註二)	43.36%
HPBHS	–	172,556,780 (Note 2 附註二)	43.36%
Mr. Cheah Cheng Hye 謝清海先生		37,638,000 (Note 3 附註三)	9.46%
VPL		37,638,000 (Note 3 附註三)	9.46%

Notes:

附註:

- Pearl Court is a trustee of the HCF Trust. 一、 Pearl Court為HCF Trust的受託人。
- HITL is the trustees of the HWL Trust and other party(ies). HITL is wholly-owned subsidiary of HHUK through HBP, ML, GIL, HEB, HEN and HPBHS, which are also wholly-owned subsidiaries of HHUK. HHUK, HBP, ML, GIL, HEB, HEN and HPBHS are deemed to be interested in these shares by virtue of the interest of HITL. The interests of HITL, HBP, ML, GIL, HEB, HEN and HPBHS duplicate one another. 二、 HITL為HWL Trust及其他人士的受託人。HITL為HHUK透過HBP, ML, GIL, HEB, HEN及HPBHS(彼等亦為HHUK的全資附屬公司)而擁有的全資附屬公司。因此HHUK、HBP、ML、GIL、HEB、HEN及HPBHS透過HITL被視為擁有HITL所持有的權益。HITL、HHUK、HBP、ML、GIL、HEB、HEN及HPBHS的權益乃互相重覆。
- Mr. Cheah is deemed to be interested in these shares by virtue of the 32.53% control over VPL. 三、 謝清海先生透過擁有32.53%VPL的控制權,因此被視為擁有該等股份的權益。

* The corporate/other interests in Shares by each substantial shareholder duplicates the family interests and corporate/other interests of Mr. Ho Cheuk Fai, Mr. Ho Cheuk Ming and Ms. Ho Po Chu, Scandy, as stated in the section headed "Directors' and Chief Executive' Interests and Short Positions in Equity, Underlying Equity or Debt Securities".

* Pearl Court於股份中的權益與何焯輝先生、何卓明先生及何寶珠女士的家屬權益及法團權益／其他權益重覆，如「董事及行政總裁於股份、相關股份及債權證的權益及淡倉」一節所述。

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the period.

AUDIT COMMITTEE

According to the requirements of *the Listing Rules*, in January 1999, the Group has established an Audit Committee which now comprises three independent non-executive directors of the Company, namely Mr. So Wai Chun, Mr. Leung Wai Ho and Mr. Chan Sui Sum, Raymond. They are responsible for dealing with matters relating to audit areas, which include reviewing and supervising the financial reporting process and internal control, in order to protect the interests of the shareholders. The unaudited condensed interim report for the six months ended 30 September 2003 of the Company now reported on has been reviewed by the Audit Committee.

COMPLIANCE WITH THE CODE OF BEST PRACTICE OF THE LISTING RULES

In the opinion of the Directors, the Company was in compliance with *the Code of Best Practice* as set out in Appendix 14 of *the Listing Rules* throughout the period.

On behalf of the Board
HO CHEUK FAI
Chairman

Hong Kong, 28 November 2003

購買、出售或贖回股份

本公司及其附屬公司在期內概無購買、出售或贖回本公司任何股份。

審核委員會

遵照《上市規則》，本公司於一九九九年一月底成立審核委員會，該委員會現包括三位獨立非執行董事，分別為蘇偉俊先生、梁偉浩先生及陳瑞森先生。審核委員會負責處理審核範圍內的事宜，包括財務報表的審閱及內部監控；以保障本公司股東的利益。本公司現在提呈的截至二零零三年九月三十日止六個月的未經審核簡明中期報告已由審核委員會審閱。

遵守《最佳應用守則》

董事會認為本公司於期內一直遵守《上市規則》附錄十四內所載《最佳應用守則》的規定。

承董事會命
何焯輝
主席

香港，二零零三年十一月二十八日

(Appendix 1)
(附註一)

Dividend Policy
股息政策

We pay high and dependable dividends
高息政策，奉為圭臬

Group's policy to distribute 50% or more of its profits attributable to shareholders' as dividend
集團既定股息政策為股東應佔溢利50%或以上用作派息

Seven Years' Trend of Dividend Payment
過去7年派息資料參考

All dividend paid shown below is in HK cents per share
下列每股派發之股息全以港仙計算

	Interim Dividend 中期股息	Final Dividend 末期股息	Dividend Subtotal 股息小計	Special Interim Dividend 特別中期股息	Special Final Dividend 特別末期股息	Special Dividend Subtotal 特別股息小計	Total 合計	Dividend Payout Ratio 股息派發比率	
								(Excluding)* (不包括在內)*	(Including)# (包括在內)#
1997/98	Nil 無	1.00	1.00	Nil 無	Nil 無	Nil 無	1.00	13%	N/A 不適用
1998/99	2.00	2.00	4.00	Nil 無	Nil 無	Nil 無	4.00	58%	N/A 不適用
1999/00	2.20	2.20	4.40	Nil 無	Nil 無	Nil 無	4.40	77%	N/A 不適用
2000/01	1.10	3.80	4.90	Nil 無	6.20	6.20	11.10	69%	156%
2001/02	5.00	5.90	10.90	5.00	14.10	19.10	30.00	50%	138%
2002/03	8.00	11.00	19.00	Nil 無	5.00	5.00	24.00	60%	75%
2003/04 Δ	8.00	N/A 不適用	8.00	Nil 無	N/A 不適用	Nil 無	8.00	73%	N/A 不適用

Δ 2003/04 Interim results only
Δ 2003/04 截至中期業績止

* Excluding special dividend
* 不包括特別股息

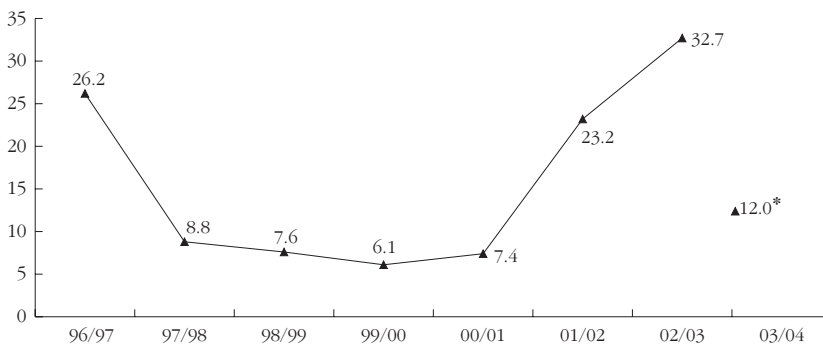
Including special dividend
包括特別股息

(Appendix 2)
(附註二)

Return on Equity Ratio
股東權益回報率

Efficient deployment of capital with Group's Target ROE at 20% or above
有效地運用集團資金，而集團之股東權益回報率目標釐定於20%或以上

Return on Equity (%)
股東權益回報率 (%)

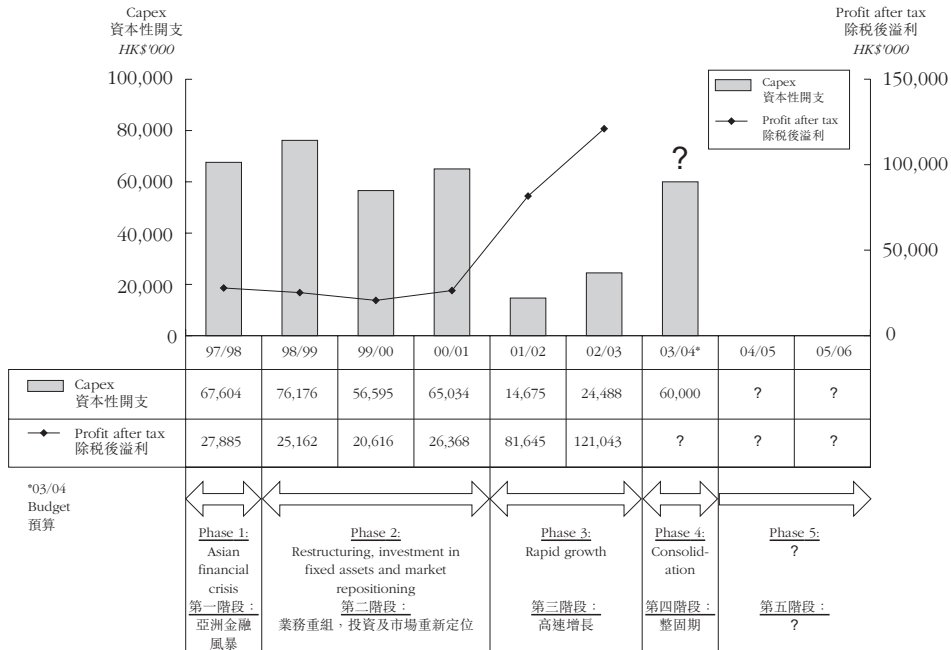


		96/97 HK\$ (m) 港幣(百萬)	97/98 HK\$ (m) 港幣(百萬)	98/99 HK\$ (m) 港幣(百萬)	99/00 HK\$ (m) 港幣(百萬)	00/01 HK\$ (m) 港幣(百萬)	01/02 HK\$ (m) 港幣(百萬)	02/03 HK\$ (m) 港幣(百萬)	03/04* HK\$ (m) 港幣(百萬)
Profit after Tax	除稅後溢利	81	28	25	21	26	82	121	43
Shareholders' Equity	股東權益	310	318	332	339	356	352	371	354
Return on Equity (%)	股東權益回報率 (%)	26.2	8.8	7.6	6.1	7.4	23.2	32.7	12.0

Remarks: * 2003/04 interim results only
備註: * 2003/04 截至中期業績止

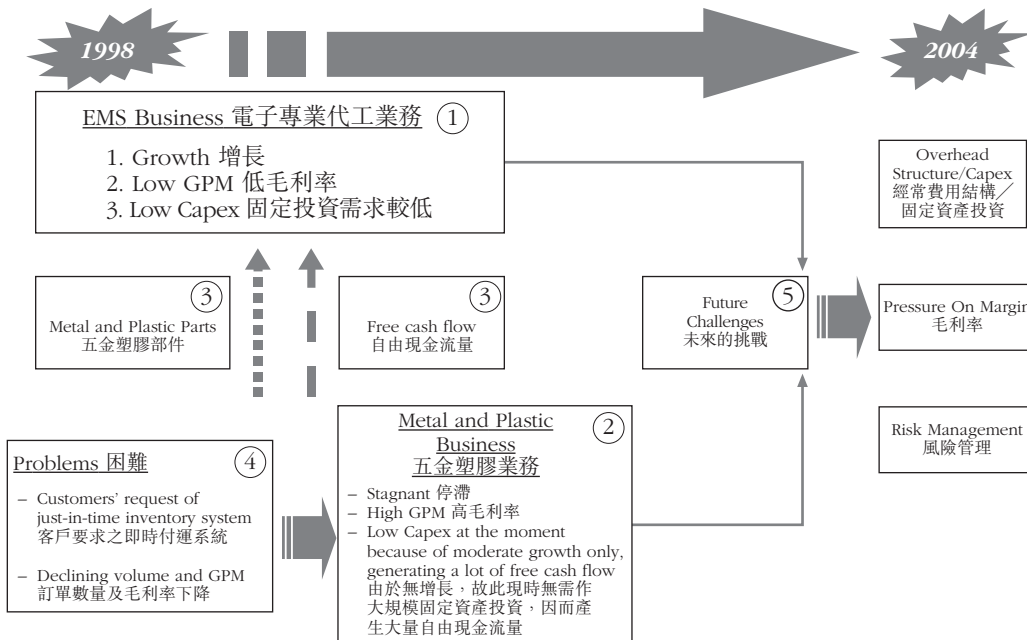
(Appendix 3)
(附註三)

Capex
資本性開支



(Appendix 4)
(附註四)

Our Business Model (A Simplified Graphic Illustration)
經營模式 (簡易圖表)



(Appendix 5)

OUR BUSINESS MODEL (EXPLANATORY NOTES)

1. Electronic Manufacturing Services (“EMS”) Business

- EMS Business grew from HK\$48,000,000 in 2000/2001, to HK\$388,216,000 in 2001/2002, and to HK\$894,356,000 in 2002/2003 or 17 times in three years.
- Normally EMS Business carries a gross profit margin of less than 10%.
- For Karrie, EMS Business does not require a large amount of capital expenditure.

2. Metal and Plastic Business

- Until recently business was stagnant showing no sign of significant growth potentials.
- However, because of the Group's prior investment in fixed assets, the Metal and Plastic Business was previously able to maintain a relative high gross profit margin of around 20%.
- With the completion of the first investment cycle and with little potential for growth, the Metal and Plastic Business previously generated a lot of free cash flow.

(附註五)

經營模式 (解說)

1. 電子專業代工業務 (EMS)

- 電子專業代工業務之銷售從二零零零／二零零一年度的48,000,000港元，躍升至二零零一／二零零二年度之388,216,000港元，而二零零二／二零零三年度則是894,356,000港元，3年間共增長了17倍。
- 一般而言電子專業代工業務的毛利率低於10%。
- 對於嘉利而言，電子專業代工業務無需大量的資本性投資。

2. 五金及塑膠業務的現況

- 直至最近業務表現未有大幅回升的跡象。
- 由於集團早已作出之固定資產投資，使五金及塑膠業務過往仍能保持約20%的毛利率。
- 由於已完成了投資階段，而增長潛力又不大，五金及塑膠業務過往能夠提供大量的自由現金流轉。

3. Interface between the Metal and Plastic Business and the EMS Business

The Metal and Plastic Business is complimentary to the EMS Business as it

- Manufactures metal and plastic parts for the EMS business.
- Generates free cash flow to support the working capital requirements of the EMS business.

4. Problems faced by the Metal & Plastic Business

- Some customers request that finished goods be shipped to overseas warehouse under the just-in-time (“JIT”) inventory system. This adds to both the financial burden and risk.
- Due to poor economic environment previously, both price and volume were under pressures.

5. Future challenges of the Metal and Plastics Business and the EMS Business

- In anticipation of the long term growth in business, to build up overhead support and to increase investment in capex but at the same time evaluating their short term impact.
- To combat continued pressure on profit margin through operating leverage and increase in productivity.
- To monitor the operating (purchasing/JIT inventory and performance), financial (receivables, liquidity mis-match and liability) and customer concentration risks.

3. 五金及塑膠業務與電子專業代工業務的融合介面

五金及塑膠業務與電子專業代工業務可說是相輔相成的，因為

- 電子專業代工業務都需要五金及塑膠的部件。
- 五金及塑膠業務產生出來的自由流轉現金可支援電子專業代工對流動資金的需要。

4. 五金塑膠業務所面對的困難

- 有些客戶要求將產品以即時供貨的形式交易，這種形式的交易加重了財務的負擔及風險。
- 鑑於當時經濟環境及高科技產品需求均表現疲弱，無論是價格與及訂單數量均有受壓。

5. 五金塑膠及電子專業代工業務面對未來管理上的挑戰

- 為迎接集團未來的業務增長，必須加強人力及其他支援，並增加固定資產投資，但同時會評估其對短期的影響。
- 利用正面營運槓桿效應及提升生產力，以抵銷毛利率不斷受壓的壓力。
- 作多方面監察包括營運風險（採購、存貨及生產風險）、財務風險（應收帳、流動資金錯配及負債風險）及客戶過份集中等風險。

(Appendix 6)

OUR BUSINESS MODEL (SPECIAL CHARACTERISTICS)

Some or all of the following characteristics apply in our dealing with customers. Such characteristics have been generalized/simplified to enable easy understanding:

1. We deal with projects, which can take one year of development and engineering works from initial project confirmation to final shipment of goods. A project's shipment cycle can run for 12 to 18 months.
2. We do not normally have a large orders backlog because the customers' adoption of either the just-in-time inventory (JIT), rolling forecast, Electronic Data Interexchange (EDI) or a combination of the above methods.
3. Usually we are the only vendor for a particular project and therefore have the obligation to ship goods to customers even if the sales volume is much higher than the initial projection.
4. Most of our customers are not retailers, but manufacturers themselves. Some of them even have factories in China. Most of the electronic components are either sourced through the customers or their designated suppliers.
5. While the metal and plastic enclosures business is an integral part of the computer and computer peripheral sector, the industry thrives only in Taiwan but not in Hong Kong.
6. Our customers are mostly multi-national companies. Thus we frequently have the situation likes project originated in Japan, components assembled in China while the final products shipped to Asia or Europe. Our definition of breakdown by market is by shipment destination but not country of origin of the customers.

(附註六)

經營模式 (特色)

以下的幾點經營特色或多或少是我們與客戶之間生意上交往時會遇到的，方便大家理解，已將下列之特色簡化表達：

1. 我們接回來的生意一般是以項目形式進行，而每個項目從開發，工程設計到起辦，至成品付運，整個過程為時約一年，而項目本身之週期為12至18個月。
2. 一般我們並無大量的實單在手，因為客戶落單以即時供貨 (JIT)，滾動式的預算表又或以電子信息交換系統 (EDI) 進行。
3. 很多時我們所負責的項目都是客戶該項目的唯一供應商，因此就算客戶突然將訂單數量增加，我們亦有責任準時付運。
4. 我們的客戶大多是廠家，而非零售商，有些更於中國設有廠房，大部份的電子零件都是客戶指定供應商又或是他們自己提供的。
5. 雖然五金塑膠外殼業務乃電腦及其週邊產品的核心部份，但這行業於台灣遠比香港盛行。
6. 我們的客戶大部份屬國際知名品牌，故很多時會出現如下情況：客戶之項目源自日本，但在中國生產，成品最終付運到亞洲及歐洲等地。而我們對於市場分佈之界定則以成品付運終點站為準，而非客戶來自那個國家。