



中信嘉華銀行
CITIC
KA WAH
BANK

二零零二年度中期報告
2002 INTERIM REPORT

融合實力 發揮優勢

Integrating Strengths
Maximizing Potential

目錄

Contents

綜合損益賬 *	2	Consolidated Income Statement*
綜合權益變動表 *	4	Consolidated Statement of Changes in Equity*
綜合資產負債表 *	5	Consolidated Balance Sheet*
簡明綜合現金流量表 *	7	Condensed Consolidated Cash Flow Statement*
財務報表附註 *	8	Notes to the Interim Financial Report*
補充財務資料 *	32	Supplementary Financial Information*
補充資料	44	Supplementary Information
獨立審閱報告	50	Independent Review Report
管理層討論和分析	51	Management Discussion and Analysis

* 未經審核

*Unaudited

中 信嘉華銀行有限公司(「本行」)董事會欣然宣佈，本行及本集團附屬公司(統稱「本集團」)截至二零零二年六月三十日止六個月未經審核的中期業績，本集團於該日的財政狀況及其比較數字：

The Board of Directors of CITIC Ka Wah Bank Limited (the 'Bank') is pleased to announce the unaudited consolidated results of the Bank and its subsidiaries (the 'Group') for the six months ended 30 June 2002 and the Group's state of affairs as at that date together with the comparative figures as follows:

綜合損益賬

未經審核

Consolidated Income Statement

Unaudited

本集團 The Group

截至六月三十日止六個月 Six months ended 30 June

		附註 Note	二零零二年 未經審核 2002 Unaudited 港幣千元 HK\$'000	二零零一年 未經審核 2001 Unaudited 港幣千元 HK\$'000	變化 Variance %
利息收入	Interest income		1,549,137	1,850,175	(16.27)
利息支出	Interest expense		(695,238)	(1,268,773)	(45.20)
淨利息收入	Net interest income		853,899	581,402	46.87
費用及佣金收入	Fees and commission income		188,091	177,512	5.96
費用及佣金支出	Fees and commission expense		(25,326)	(10,714)	136.38
其他收入	Other revenue		10,442	6,476	61.24
其他經營收入	Other operating income	3 (a)	78,249	92,050	(14.99)
非利息收入	Non-interest income		251,456	265,324	(5.23)
經營收入	Total operating income	2	1,105,355	846,726	30.54
經營支出	Operating expenses	3 (b)	(530,892)	(335,920)	58.04
未計準備前經營溢利	Operating profit before provisions		574,463	510,806	12.46
呆壞賬準備	Charge for bad and doubtful debts		(210,968)	(142,552)	47.99
經營溢利	Operating profit		363,495	368,254	(1.29)

綜合損益賬

未經審核 (續)

Consolidated Income Statement

Unaudited (cont'd)

本集團 The Group
截至六月三十日止六個月 Six months ended 30 June

		附註 Note	二零零二年 未經審核 2002 Unaudited 港幣千元 HK\$'000	二零零一年 未經審核 2001 Unaudited 港幣千元 HK\$'000	變化 Variance %
出售有形固定資產淨(虧損) ／溢利	Net (loss)/profit on disposal of tangible fixed assets		(151)	4,999	
出售附屬公司及聯營公司溢利	Net profit on disposal of subsidiaries and associates		27,303	0	
所佔聯營公司溢利	Share of profits of associates		7,995	0	
持有至到期證券及投資證券準備	Provision on held-to-maturity securities and investment securities		(2,073)	(11,178)	
正常業務的除稅前溢利	Profit from ordinary activities before taxation	2	396,569	362,075	9.53
正常業務溢利應繳稅項	Tax on profit from ordinary activities	4	(19,258)	(33,206)	(42.00)
正常業務之除稅後溢利	Profit from ordinary activities after taxation		377,311	328,869	14.73
少數股東權益	Minority interests		(1,403)	(22,358)	(93.72)
股東應佔溢利	Profit attributable to shareholders		375,908	306,511	22.64
宣派每股中期股息港幣三仙 (二零零一年：港幣三仙)	Interim dividends declared HK\$0.03 (2001: HK\$0.03) per share	5	90,956	77,859	
每股盈利	Earnings per share				
— 基本	— Basic	6 (a)	12.46¢	11.52¢	
— 攤薄	— Diluted	6 (b)	12.45¢	11.51¢	

綜合權益變動表

未經審核

Consolidated Statement of Changes in Equity

Unaudited

本集團 The Group

		二零零二年六月三十日 As at 30 June 2002							
		股本	股份溢價	投資物業 重估儲備	其他物業 重估儲備	資本儲備	一般儲備	匯兌差額 儲備	保留溢利
		Share capital 港幣千元 HK\$'000	Share premium 港幣千元 HK\$'000	Investment property revaluation reserve 港幣千元 HK\$'000	Other property revaluation reserve 港幣千元 HK\$'000	Capital reserve 港幣千元 HK\$'000	General reserve 港幣千元 HK\$'000	Exchange revaluation reserve 港幣千元 HK\$'000	Retained profits 港幣千元 HK\$'000
於二零零二年一月一日	At 1 January 2002	2,595,511	1,426,213	151	11,945	37,500	100,000	321	2,082,036
匯兌差額	Exchange difference	0	0	0	0	0	0	2	0
未在損益賬內確認的 溢利淨額	Net gains not recognised in the income statement	0	0	0	0	0	0	2	0
期間內根據購股權計劃 發行的新股	Share issued under option scheme during the period	3,783	2,886	0	0	0	0	0	0
根據供股發行的新股	Share issued on rights issue	432,585	287,000	0	0	0	0	0	0
期間內已派股息	Dividends payment	0	0	0	0	0	0	0	(75,753)
期間內溢利	Profit for the period	0	0	0	0	0	0	0	375,908
於二零零二年六月三十日	At 30 June 2002	3,031,879	1,716,099	151	11,945	37,500	100,000	323	2,382,191

本集團 The Group

		二零零一年六月三十日 As at 30 June 2001							
		股本	股份溢價	投資物業 重估儲備	其他物業 重估儲備	資本儲備	一般儲備	匯兌差額 儲備	保留溢利
		Share capital 港幣千元 HK\$'000	Share premium 港幣千元 HK\$'000	Investment property revaluation reserve 港幣千元 HK\$'000	Other property revaluation reserve 港幣千元 HK\$'000	Capital reserve 港幣千元 HK\$'000	General reserve 港幣千元 HK\$'000	Exchange revaluation reserve 港幣千元 HK\$'000	Retained profits 港幣千元 HK\$'000
於二零零一年一月一日	At 1 January 2001	2,594,861	1,425,542	0	11,945	37,500	100,000	322	1,543,267
— 如前匯報	— as previously reported	0	0	0	0	0	0	0	129,743
— 以前年度股息的調整	— prior year adjustment in respect of dividends	0	0	0	0	0	0	0	129,743
— 重報	— as restated	2,594,861	1,425,542	0	11,945	37,500	100,000	322	1,673,010
期間內根據購股權計劃 發行的新股	Share issued under option scheme during the period	450	492	0	0	0	0	0	0
期間內已派股息	Dividends payment	0	0	0	0	0	0	0	(129,743)
期間內溢利	Profit for the period	0	0	0	0	0	0	0	306,511
於二零零一年六月三十日	At 30 June 2001	2,595,311	1,426,034	0	11,945	37,500	100,000	322	1,849,778

綜合資產負債表

未經審核

Consolidated Balance Sheet

Unaudited

本集團 The Group

			二零零二年 六月三十日 未經審核 As at 30 June 2002 Unaudited 港幣千元 HK\$'000	二零零一年 十二月三十一日 經審核 As at 31 December 2001 Audited 港幣千元 HK\$'000
	附註 Note			
資產		Assets		
現金及短期資金	7	Cash and short-term funds	8,007,376	6,910,498
一至十二個月到期的銀行及 其他財務機構存款		Placements with banks and other financial institutions maturing between one and twelve months	164,880	0
貿易票據減準備		Trade bills less provisions	318,209	223,932
存款證	9	Certificates of deposit	1,658,389	2,948,033
其他證券投資	10	Other investments in securities	2,241,921	1,494,101
客戶貸款及其他賬項減準備		Advances to customers and other accounts less provisions	44,045,763	33,701,258
持有至到期證券及投資證券		Held-to-maturity securities and investment securities	17,939,920	13,014,873
聯營公司權益		Interests in associates	355,202	120,499
商譽		Goodwill	1,300,403	0
有形固定資產		Tangible fixed assets	1,768,444	1,014,107
資產總值		Total assets	77,800,507	59,427,301
負債		Liabilities		
銀行及其他財務機構的 存款及結存		Deposits and balances of banks and other financial institutions	1,384,999	3,132,145
客戶活期、定期、儲蓄及 其他存款		Current, fixed, savings and other deposits of customers	57,421,626	42,514,182
已發行存款證	15	Certificates of deposit issued	6,361,276	3,493,904
已發行債務證券	16	Issued debt securities	0	373,371
其他賬項及準備		Other accounts and provisions	1,062,346	1,118,079
負債總額		Total liabilities	66,230,247	50,631,681

未經審核 (續)

Unaudited (cont'd)

本集團 The Group

二零零二年 六月三十日 未經審核 As at 30 June 2002 Unaudited 港幣千元 HK\$'000	二零零一年 十二月三十一日 經審核 As at 31 December 2001 Audited 港幣千元 HK\$'000
3,031,879	2,595,511
4,248,209	3,658,166
7,280,088	6,253,677
0	201,849
4,290,172	2,340,094
11,570,260	8,795,620
77,800,507	59,427,301

資金來源	Capital resources
股本	Share capital
儲備	Reserves
股東資金	Shareholders' funds
少數股東權益	Minority interests
債務資本	Loan capital
資金來源總額	Total capital resources
負債及資金來源總額	Total liabilities and capital resources

簡明綜合現金流量表

未經審核

Condensed Consolidated Cash Flow Statement

Unaudited

本集團 The Group

截至六月三十日止六個月 Six months ended 30 June

		二零零二年 未經審核 2002 Unaudited 港幣千元 HK\$'000	二零零一年 重報 未經審核 2001 Restated Unaudited 港幣千元 HK\$'000
經營業務現金(流出)／流入淨額	Net cash (outflow)/inflow from operating activities	(180,085)	1,748,558
投資業務現金流出淨額	Net cash outflow from investing activities	(457,749)	(5,596,573)
融資活動前的現金流出淨額	Net cash outflow before financing	(637,834)	(3,848,015)
融資活動現金流入淨額	Net cash inflow from financing	2,302,961	942
現金及現金等值項目淨增加／(減少)	Increase/(decrease) in cash and cash equivalents	1,665,127	(3,847,073)
於一月一日的現金及現金等值項目	Cash and cash equivalents at 1 January	6,139,059	10,702,295
於六月三十日的現金及現金等值項目	Cash and cash equivalents at 30 June	7,804,186	6,855,222

(一) 編制基礎

本中期財務報告乃根據香港聯合交易所有限公司(「聯交所」)主板上市規則的規定，並完全符合香港金融管理局(「金管局」)所發出之《本地註冊認可機構披露中期財務資料》指引及香港會計師公會頒佈的《會計實務準則》第25號——「中期財務報告」編制而成。

本中期財務報告乃未經審核惟已由畢馬威會計師事務所根據香港會計師公會頒佈的《核數準則》第700號——「中期財務報表的審閱」進行審閱。而畢馬威會計師事務所致董事局的獨立審閱報告刊於第50頁。

本中期財務報告內所載截至二零零一年十二月三十一日止財政年度的財務資料並不構成本行於該財政年度之法定賬項，但資料則來自該等賬項，截至二零零一年十二月三十一日止年度之法定賬項(核數師已於二零零二年二月二十八日發出的報告內表示無保留之意見)可於本行的註冊辦事處索取。

本行於二零零一年十月三十一日與香港華人銀行集團有限公司達成買賣協議，就收購香港華人銀行有限公司(「華人銀行」)之全部已發行股本，總代價為港幣4,200,000,000元，包括現金代價港幣3,360,000,000元，另加本金金額港幣840,000,000元之存款證。華人銀行為一間香港註冊持牌銀行。收購已於二零零二年一月十七日完成，而華人銀行亦已成為本行之全資擁有附屬公司，其業績已合併入本行未經審核綜合賬項內。合併所產生之商譽總額達港幣1,333,000,000元。而商譽將以直線法不超過二十年年限在賬內攤銷。

(1) BASIS OF PREPARATION

The Interim Financial Report has been prepared in accordance with the requirements of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited ('the Stock Exchange'), and fully complied with the recommendations in the Guideline on 'Interim Financial Disclosure by Locally Incorporated Authorised Institutions' issued by the Hong Kong Monetary Authority ('HKMA') and Statement of Standard Accounting Practice ('SSAP') 25 'Interim Financial Reporting' issued by the Hong Kong Society of Accountants ('HKSA').

The Interim Financial Report is unaudited, but has been reviewed by KPMG in accordance with Statement of Auditing Standards 700 'Engagements to Review Interim Financial Reports', issued by the HKSA. KPMG's Independent Review Report to the Board of Directors is included on page 50.

The financial information relating to the financial year ended 31 December 2001 included in the Interim Financial Report does not constitute the Bank's statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2001 are available from the Bank's registered office. The external auditors expressed an unqualified opinion on those financial statements in their report dated 28 February 2002.

On 31 October 2001, the Bank entered into a Sale and Purchase Agreement with The HKCB Bank Holding Company Limited to acquire the entire issued share capital of The Hongkong Chinese Bank, Limited ('HKCB') for an aggregate consideration of HK\$4,200,000,000 comprising cash consideration of HK\$3,360,000,000 plus HK\$840,000,000 in principal amount of Certificate of Deposit. HKCB is a licensed bank incorporated in Hong Kong. The acquisition was completed on 17 January 2002. HKCB has become a wholly-owned subsidiary of the Bank thereafter and its results have been consolidated into these unaudited Interim Financial Statements. Goodwill amounting to HK\$1,333,000,000 was created on consolidation and is to be amortised in not more than 20 years on a straight-line basis.

(一) 編制基礎 (續)

本行於二零零二年二月四日重組集團內二間非全資附屬公司——嘉華金融有限公司(「嘉華金融」)及嘉佳證券有限公司(「嘉佳」)的股權架構。新成立中間控股公司名為中信資本市場控股有限公司(「中信資本市場」)，目的為承接嘉華金融及嘉佳全部已發行股本。本行與最終控股公司——中國國際信托投資公司(「北京中信」)分別間接持有中信資本市場51%及49%的股權。此重組是透過股份轉讓，不涉及任何現金代價。

除於二零零二年一月一日生效，就本行採用之經修訂《會計實務準則》第一號——(財務報告之呈報)及《會計實務準則》第十五號(現金流量表)外，本中期財務報告是按照二零零一年度法定財務報告所採用的會計政策而編制。根據經修訂《會計實務準則》第一號，綜合權益變動表已編制以取代以前呈報的綜合已確認損益表。簡明綜合現金流量表的格式是根據修訂《會計實務準則》第十五號而改變。而修訂《會計實務準則》第十五號下的現金等值項目不包括非即時償還的銀行存款，就此項比較數字已重報，以符合同期之呈報。

(1) BASIS OF PREPARATION (cont'd)

On 4 February 2002, the Bank reorganised the shareholding structures of its two non-wholly owned subsidiaries, Ka Wah Capital Limited ('KWC') and Cargary Securities Limited ('CS'). A new intermediate holding company, namely CITIC Capital Markets Holdings Limited ('CCMH'), was formed to take up the entire issued share capital of KWC and CS. CCMH is 51% indirectly owned by the Bank and 49% indirectly owned by the Bank's ultimate holding company, China International Trust and Investment Corporation ('CITIC'). The reorganisation was implemented by way of share transfer and no cash consideration was involved.

This Interim Financial Report is prepared on a basis consistent with the accounting policies adopted in the 2001 statutory financial statements, except that with effect from 1 January 2002, the Bank adopted the revised SSAP 1 'Presentation of Financial Statements' and revised SSAP 15 'Cash Flow Statements'. According to the revised SSAP 1, a Consolidated Statement of Changes in Equity was prepared to replace the Consolidated Statement of Recognised Gains and Losses that was previously reported. The format of the Condensed Consolidated Cash Flow Statement was changed in accordance with the revised SSAP 15. In addition, cash equivalents under the revised SSAP 15 do not include deposits of other banks which are not repayable on demand. The comparative figures were restated to conform with current period presentation.

(二) 分部資料

(a) 按地區劃分

(2) SEGMENTAL INFORMATION

(a) By geographical area

香港
中國
美國
減：集團內部項目

Hong Kong
Mainland China
United States of America
Less: Intra-group items

本集團 The Group			
截至六月三十日止六個月 Six months ended 30 June			
二零零二年 溢利*	二零零一年 溢利／(虧損)*	二零零二年 經營收入	二零零一年 經營收入
2002	2001	2002	2001
Profit*	Profit/(Loss)*	Operating	Operating
港幣千元	港幣千元	income	income
HK\$'000	HK\$'000	港幣千元	港幣千元
HK\$'000	HK\$'000	HK\$'000	HK\$'000
1,051,787	926,748	1,740,948	1,395,642
225	(368)	800	2
4,835	15,703	23,645	36,246
(660,278)	(580,008)	(660,038)	(585,164)
396,569	362,075	1,105,355	846,726

* 這是指正常業務的除稅前溢利

* Profit from ordinary activities before taxation

上述有關地區分析的資料已按附屬公司或聯營公司的主要營業地點劃分，倘屬本行，則以負責匯報業績或將資產記賬的分行地點劃分。

The above geographical analysis has been classified by the location of the principal operations of the subsidiaries or associates, in case of the Bank itself, of the location of the branches responsible for reporting the results or booking the assets.

財務報表附註

未經審核 (續)

Notes to the Interim Financial Report

Unaudited (cont'd)

(二) 分部資料 (續)

(b) 按業務劃分

(2) SEGMENTAL INFORMATION (cont'd)

(b) By class of business

本集團 The Group
截至六月三十日止六個月 Six months ended 30 June

		二零零二年 溢利/(虧損)* 2002 Profit/(Loss)* 港幣千元 HK\$'000	二零零一年 溢利* 2001 Profit* 港幣千元 HK\$'000	二零零二年 經營收入 2002 Operating income 港幣千元 HK\$'000	二零零一年 經營收入 2001 Operating income 港幣千元 HK\$'000
零售銀行	Retail banking	52,818	63,523	467,011	303,871
商業銀行	Corporate banking	129,225	81,116	359,066	267,333
投資銀行	Investment banking	5,174	37,059	22,275	68,576
財資業務	Treasury	259,201	143,490	310,585	158,970
其他業務	Unallocated	(49,849)	36,887	108,435	180,786
減：集團內部項目	Less: Intra-group items	0	0	(162,017)	(132,810)
		396,569	362,075	1,105,355	846,726

* 這是指正常業務的除稅前溢利

* Profit from ordinary activities before taxation

(三) (a) 其他經營收入

(3) (a) Other operating income

本集團 The Group
截至六月三十日止六個月
Six months ended 30 June

		二零零二年 2002 港幣千元 HK\$'000	二零零一年 2001 港幣千元 HK\$'000
其他證券投資淨收益	Net gain on other investments in securities	27,894	42,555
外匯買賣淨收益	Net gain arising from dealing in foreign currencies	7,192	12,629
其他交易活動淨(虧損)/收益	Net (loss)/gain arising from other dealing activities	(9,615)	4,636
其他	Others	52,778	32,230
		78,249	92,050

(b) 經營支出

經營支出包括折舊額達港幣51,862,000元
(二零零一年：港幣33,685,000元)。

(b) Operating expenses

Operating expenses included depreciation amounting to HK\$51,862,000 (2001: HK\$33,685,000).

財務報表附註

未經審核(續)

Notes to the Interim Financial Report

Unaudited (cont'd)

(四) 稅項

綜合損益賬內列報的稅項為:

期內香港利得稅準備
海外稅項
所佔聯營公司稅項

香港利得稅準備按照截至二零零二年六月三十日止估計應課稅溢利以稅率16%(二零零一年:16%)計算。海外分行、附屬公司及聯營公司的稅款,則按照業務經營地區的現行稅率計算。

由於在可預見將來並無重大時差可影響應付債務,因此並無提撥任何遞延稅項準備。

(五) 中期股息

於二零零二年六月三十日後,董事會宣佈派發以下中期股息,而並未在中期業績報告中作出準備。

宣派中期股息每股港幣三仙
(二零零一年:港幣三仙)

(4) TAXATION

Taxation in the consolidated income statement represents:

Provision for Hong Kong Profits Tax for the period
Overseas taxation
Share of associates' taxation

The provision for Hong Kong Profits Tax is calculated at 16% (2001: 16%) of the estimated assessable profits for the six months ended 30 June 2002. Taxation for overseas branches, subsidiaries and associates are similarly charged at the appropriate current rates of taxation ruling in the countries in which they operate.

No provision for deferred tax is made as there are no material timing differences which would result in a liability payable in the foreseeable future.

(5) INTERIM DIVIDENDS

The following dividends were declared by the Board of Directors after 30 June 2002 and have not been provided for in the Interim Financial Report.

Interim dividends declared of HK\$0.03
(2001: HK\$0.03) per share

本集團 The Group
截至六月三十日止六個月
Six months ended 30 June

二零零二年 2002 港幣千元 HK\$'000	二零零一年 2001 港幣千元 HK\$'000
16,902	32,458
1,153	748
1,203	0
19,258	33,206

本集團 The Group
截至六月三十日止六個月
Six months ended 30 June

二零零二年 2002 港幣千元 HK\$'000	二零零一年 2001 港幣千元 HK\$'000
90,956	77,859

(六) 基本及攤薄每股盈利

(a) 截至二零零二年六月三十日止六個月的每股基本盈利是按照股東應佔溢利港幣375,908,000元(二零零一年：港幣306,511,000元)及期內已發行普通股的加權平均數3,017,076,639股(二零零一年重報：2,659,605,002股)計算。二零零一年之股份加權平均數已就二零零二年一月七日的供股效應作調整。

(b) 截至二零零二年六月三十日止六個月的每股攤薄盈利是按照股東應佔溢利港幣375,908,000元(二零零一年：港幣306,511,000元)及就所有潛在攤薄普通股的影響作出調整後的普通股加權平均數3,020,368,832普通股(二零零一年重報：2,662,935,296股)計算。二零零一年之股份加權平均數已就二零零二年一月七日的供股效應作調整。

(6) BASIC AND DILUTED EARNINGS PER SHARE

(a) The calculation of basic earnings per share for the six months ended 30 June 2002 is based on profit attributable to shareholders of HK\$375,908,000 (2001: HK\$306,511,000) and on the weighted average of 3,017,076,639 (2001 restated: 2,659,605,002) ordinary shares in issue during the period. The weighted average numbers of shares outstanding for 2001 have been adjusted for the effects of the rights issue on 7 January 2002.

(b) The calculation of diluted earnings per share for the six months ended 30 June 2002 is based on profit attributable to shareholders of HK\$375,908,000 (2001: HK\$306,511,000) and on the weighted average of 3,020,368,832 (2001 restated: 2,662,935,296) ordinary shares after adjusting for the effects of all dilutive potential ordinary shares. The weighted average numbers of shares outstanding for 2001 have been adjusted for the effects of the rights issue on 7 January 2002.

(七) 現金及短期資金

(7) CASH AND SHORT-TERM FUNDS

本集團 The Group

	二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
現金及於銀行和其他財務機構的結存		
	Cash and balances with banks and other financial institutions	764,451 477,225
即期及短期通知存款	Money at call and short notice	6,019,994 5,296,503
國庫券(包括外匯基金票據)	Treasury bills (including Exchange Fund Bills)	1,222,931 1,136,770
	8,007,376	6,910,498

(a) 即期及短期通知存款是指一個月內到期的存款。

(a) Money at call and short notice represents deposits of up to a maximum of one month maturity.

(七) 現金及短期資金 (續)

(b) 國庫券(包括外匯基金票據)的分析如下：

(7) CASH AND SHORT-TERM FUNDS (cont'd)

(b) The analysis of treasury bills (including Exchange Fund Bills) is as follows:

		本集團 The Group	
		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
持有至到期證券	Held-to-maturity securities		
— 非上市	– unlisted	824,976	497,379
其他證券投資	Other investments in securities		
— 非上市	– unlisted	397,955	639,391
		1,222,931	1,136,770
發行自：	Issued by:		
中央政府及中央銀行	Central governments and central banks	1,222,931	1,136,770
上述國庫券按資產負債表結算日至合約到期日剩餘期間分析的到期情況如下：		The maturity profile of treasury bills included above and analysed by the remaining period at the balance sheet date to the contractual maturity date is as follows:	

		本集團 The Group	
		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
3個月內但毋須在要求時償還	3 months or less but not repayable on demand	129,975	399,032
3個月至1年	1 year or less but over 3 months	1,092,956	737,738
		1,222,931	1,136,770

(八) 一至十二個月到期的銀行及其他財務機構存款

銀行及其他財務機構存款按資產負債表結算日至合約到期日剩餘期間分析的到期情況如下：

(8) PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS MATURING BETWEEN ONE AND TWELVE MONTHS

The maturity profile of placements with banks and other financial institutions analysed by the remaining period at the balance sheet date to the contractual maturity date is as follows:

本集團 The Group

	二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
1個月至3個月	164,880	0
3 months or less but over 1 month		

(九) 存款證

存款證按資產負債表結算日至合約到期日剩餘期間分析的到期情況如下：

(9) CERTIFICATES OF DEPOSIT

The maturity profile of certificates of deposit analysed by the remaining period at the balance sheet date to the contractual maturity date is as follows:

本集團 The Group

	二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
3個月內但毋須在要求時償還	814,944	1,041,802
3個月至1年	212,951	1,642,194
1年至5年	630,494	264,037
3 months or less but not repayable on demand		
1 year or less but over 3 months		
5 years or less but over 1 year		
	1,658,389	2,948,033

(十) 其他證券投資

(10) OTHER INVESTMENTS IN SECURITIES

		本集團 The Group	
		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
債務證券	Debt securities		
於香港上市 — 市值	Listed in Hong Kong at market value	57,486	14,849
於香港以外地區上市 — 市值	Listed outside Hong Kong at market value	944,451	918,361
非上市	Unlisted	980,161	460,622
		1,982,098	1,393,832
股票證券	Equity securities		
於香港上市 — 市值	Listed in Hong Kong at market value	14,100	5,766
於香港以外地區上市 — 市值	Listed outside Hong Kong at market value	1,470	7,742
非上市	Unlisted	210,464	86,761
		226,034	100,269
投資基金	Investment Fund		
非上市	Unlisted	33,789	0
總計	Total	2,241,921	1,494,101
發行自：	Issued by:		
銀行及其他財務機構	Banks and other financial institutions	1,546,078	1,065,859
法人公司	Corporate entities	439,183	94,882
公營機構	Public sector entities	222,871	333,360
其他	Others	33,789	0
		2,241,921	1,494,101

(十) 其他證券投資(續)

上述的債務證券按資產負債表結算日至合約到期日剩餘期間分析的到期情況如下：

(10) OTHER INVESTMENTS IN SECURITIES (cont'd)

The maturity profile of debt securities included above and analysed by the remaining period at the balance sheet date to the contractual maturity date is as follows:

本集團 The Group

		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
1年至5年	5 years or less but over 1 year	1,760,741	884,861
5年之後	After 5 years	215,965	508,971
不定期	Undated	5,392	0
		1,982,098	1,393,832

(十一) 客戶貸款及其他賬項減準備

(11) ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS LESS PROVISIONS

本集團 The Group

		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
客戶貸款	Advances to customers	43,275,144	32,454,727
銀行及其他財務機構貸款	Advances to banks and other financial institutions	134,470	95,692
應計利息及其他賬項	Accrued interest and other accounts	1,705,019	1,825,697
呆壞賬準備	Provision for bad and doubtful debts		
— 特別	— Specific	(607,274)	(305,980)
— 一般	— General	(461,596)	(368,878)
		44,045,763	33,701,258

(十一) 客戶貸款及其他賬項減準備
(續)

(a) 上述的客戶貸款按資產負債表結算日至合約到期日剩餘期間分析的到期情況如下：

(11) ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS LESS
PROVISIONS (cont'd)

(a) The maturity profile of advances to customers included above and analysed by the remaining period at the balance sheet date to the contractual maturity date is as follows:

		本集團 The Group	
		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
須在要求時償還	Repayable on demand	2,083,278	2,674,651
3個月內但毋須在要求時償還	3 months or less but not repayable on demand	4,810,752	3,041,732
3個月至1年	1 year or less but over 3 months	4,709,870	4,204,068
1年至5年	5 years or less but over 1 year	14,982,404	12,017,351
5年後	After 5 years	14,448,784	10,058,532
不定期	Undated	2,240,056	458,393
		43,275,144	32,454,727

(b) 上述的銀行及其他財務機構貸款按資產負債表結算日至合約到期日剩餘期間分析的到期情況如下：

(b) The maturity profile of advances to banks and other financial institutions included above and analysed by the remaining period at the balance sheet date to the contractual maturity date is as follows:

		本集團 The Group	
		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
須在要求時償還	Repayable on demand	8,128	0
3個月內但毋須在要求時償還	3 months or less but not repayable on demand	1,560	0
3個月至1年	1 year or less but over 3 months	26,897	0
1年至5年	5 years or less but over 1 year	97,885	95,692
		134,470	95,692

(十一) 客戶貸款及其他賬項減準備
(續)

(c) 利息懸賬貸款

(11) ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS LESS
PROVISIONS (cont'd)

(c) Loans on which interest is placed in suspense

本集團 The Group

		利息懸賬總貸款額		利息懸賬 貸款抵押 品金額	就利息懸賬 貸款作出的 特別準備	懸賬利息
		Total amount of loans on which interest is placed in suspense		Pledge amount for loans on which interest is placed in suspense	Specific provisions in respect of loans on which interest is placed in suspense	Amount of interest placed in suspense
		港幣千元 HK\$'000		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
		%				
二零零二年六月三十日	As at 30 June 2002	2,678,971	6.19	1,617,899	590,900	244,638
二零零一年十二月三十一日	As at 31 December 2001	1,471,876	4.54	908,838	278,263	168,227

* 佔總客戶貸款額

* Based on total advances to customers

於二零零二年六月三十日及二零零一年十二月三十一日，本集團貸予銀行及其他金融機構的款項中，沒有利息懸賬貸款或已停止累計利息貸款，亦沒有就該等貸款作出特別準備。

There were no advances to banks and other financial institutions on which interest is being placed in suspense or on which interest accrual has ceased as at 30 June 2002 and 31 December 2001, nor were there any specific provisions made for them on these two days.

(十二) 持有至到期證券及投資證券

(12) HELD-TO-MATURITY SECURITIES AND INVESTMENT SECURITIES

		本集團 The Group	
		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
持有至到期證券 — 債務證券	Held-to-maturity securities – debt securities		
於香港上市	Listed in Hong Kong	457,602	358,559
於香港以外地區上市	Listed outside Hong Kong	4,804,842	4,335,392
		5,262,444	4,693,951
非上市	Unlisted	12,700,749	8,324,923
		17,963,193	13,018,874
投資證券 — 債務證券	Investment securities – debt securities		
非上市	Unlisted	16,007	8,101
投資證券 — 股票證券	Investment securities – equity securities		
非上市	Unlisted	24,059	9,801
		18,003,259	13,036,776
減值準備	Provision for diminution in value		
持有至到期證券 — 債務證券	Held-to-maturity securities – debt securities	(63,339)	(21,903)
總計	Total	17,939,920	13,014,873
發行自：	Issued by:		
中央政府及中央銀行	Central governments and central banks	341,015	147,969
銀行及其他財務機構	Banks and other financial institutions	8,476,842	6,528,505
法人公司	Corporate entities	8,757,799	6,060,049
公營機構	Public sector entities	399,338	294,152
其他	Others	28,265	6,101
		18,003,259	13,036,776
上市證券市值	Market value of listed securities		
債務證券	Debt securities	5,391,564	4,818,494

(十二) 持有至到期證券及投資證券
(續)

上述債務證券按資產負債表結算日至合約到期日剩餘期間分析的到期情況如下：

(12) HELD-TO-MATURITY SECURITIES AND INVESTMENT SECURITIES
(cont'd)

The maturity profile of debt securities included above and analysed by the remaining period at the balance sheet date to the contractual maturity date is as follows:

本集團 The Group

		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
3個月內但毋須在要求時償還	3 months or less but not repayable on demand	727,152	850,009
3個月至1年	1 year or less but over 3 months	375,591	2,274,505
1年至5年	5 years or less but over 1 year	11,046,955	4,038,274
5年後	After 5 years	786,358	5,790,831
不定期	Undated	5,043,144	73,356
		17,979,200	13,026,975

(十三) 銀行及其他財務機構的存款及結存

(13) DEPOSITS AND BALANCES OF BANKS AND OTHER FINANCIAL INSTITUTIONS

本集團 The Group

		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
須在要求時償還	Repayable on demand	251,086	65,779
商定到期日或通知期的 剩餘期間：	With agreed maturity dates or periods of notice, by remaining maturity:		
3個月內但毋須在要求時償還	3 months or less but not repayable on demand	1,133,913	3,066,366
		1,384,999	3,132,145

財務報表附註

未經審核(續)

Notes to the Interim Financial Report

Unaudited (cont'd)

(十四) 客戶活期、定期、儲蓄及其他存款

(14) CURRENT, FIXED, SAVINGS AND OTHER DEPOSITS OF CUSTOMERS

		本集團 The Group	
		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
須在要求時償還	Repayable on demand	8,948,266	6,576,888
商定到期日或通知期的	With agreed maturity dates or periods of notice,		
剩餘期間：	by remaining maturity:		
3個月內但毋須在要求時償還	3 months or less but not repayable on demand	44,238,867	33,560,893
3個月至1年	1 year or less but over 3 months	4,207,263	2,355,517
1年至5年	5 years or less but over 1 year	27,230	20,884
		57,421,626	42,514,182

(十五) 已發行存款證

(15) CERTIFICATES OF DEPOSIT ISSUED

		本集團 The Group	
		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
商定到期日或通知期的	With agreed maturity dates or periods of notice,		
剩餘期間：	by remaining maturity:		
3個月內但毋須在要求時償還	3 months or less but not repayable on demand	198,987	135,799
3個月至1年	1 year or less but over 3 months	2,755,517	1,036,863
1年至5年	5 years or less but over 1 year	3,406,772	2,321,242
		6,361,276	3,493,904

財務報表附註

未經審核(續)

Notes to the Interim Financial Report

Unaudited (cont'd)

(十六) 已發行債務證券

(16) ISSUED DEBT SECURITIES

本集團 The Group

按持有人意願在商定到期日
或以前可贖回的剩餘期間：

3個月至1年

With agreed maturity dates or earlier redeemable
dates at the holders' option, by remaining
maturity:

1 year or less but over 3 months

二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
0	373,371
0	373,371

(十七) 儲備

(17) RESERVES

本集團 The Group

於二零零二年 一月一日	At 1 January 2002
期間內供股股份溢價	Share premium on rights issue
期間內根據購股權 計劃發行的 新股溢價	Share premium on shares issued under option scheme during the period
匯兌差額	Exchange difference
期間內已派股息	Dividends payment
期間內溢利	Profit for the period

於二零零二年 六月三十日	At 30 June 2002
-----------------	-----------------

二零零二年六月三十日 As at 30 June 2002							
股份溢價	投資物業 重估儲備	其他物業 重估儲備	資本儲備	一般儲備	匯兌差額 儲備	保留溢利	總額
Share premium	Investment property revaluation reserve	Other property revaluation reserve	Capital reserve	General reserve	Exchange revaluation reserve	Retained profits	Total
港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
1,426,213	151	11,945	37,500	100,000	321	2,082,036	3,658,166
287,000	0	0	0	0	0	0	287,000
2,886	0	0	0	0	0	0	2,886
0	0	0	0	0	2	0	2
0	0	0	0	0	0	(75,753)	(75,753)
0	0	0	0	0	0	375,908	375,908
1,716,099	151	11,945	37,500	100,000	323	2,382,191	4,248,209

財務報表附註

未經審核(續)

Notes to the Interim Financial Report

Unaudited (cont'd)

(十七) 儲備 (續)

(17) RESERVES (cont'd)

本集團 The Group

		二零零一年十二月三十一日 As at 31 December 2001						
		股份溢價	投資物業 重估儲備	其他物業 重估儲備	資本儲備	一般儲備	匯兌差額 儲備	保留溢利
		Investment property Share premium 港幣千元 HK\$'000	revaluation reserve 港幣千元 HK\$'000	Other property revaluation reserve 港幣千元 HK\$'000	Capital reserve 港幣千元 HK\$'000	General reserve 港幣千元 HK\$'000	Exchange revaluation reserve 港幣千元 HK\$'000	Retained profits 港幣千元 HK\$'000
								總額 Total 港幣千元 HK\$'000
於二零零一年 一月一日	At 1 January 2001							
如前匯報	As previously reported	1,425,542	0	11,945	37,500	100,000	322	1,543,267
以前年度股息 的調整	Prior year adjustment in respect of dividends	0	0	0	0	0	0	129,743
重報	As restated	1,425,542	0	11,945	37,500	100,000	322	1,673,010
本年度根據購股權 計劃發行的 新股溢價	Share premium on shares issued under option scheme during the year	671	0	0	0	0	0	671
投資物業重估盈餘	Revaluation surplus on investment properties	0	151	0	0	0	0	151
匯兌差額	Exchange difference	0	0	0	0	0	(1)	(1)
本年度已派股息	Dividends approved in respect of the previous year	0	0	0	0	0	0	(129,743)
本年度溢利	Profit for the year	0	0	0	0	0	0	616,628
本年度宣派股息	Dividends declared for the year	0	0	0	0	0	0	(77,859)
於二零零一年 十二月三十一日	At 31 December 2001	1,426,213	151	11,945	37,500	100,000	321	2,082,036

股份溢價賬的應用受香港《公司條例》第48B條所管轄。

The application of the share premium account is governed by section 48B of the Hong Kong Companies Ordinance.

(十八) 資產負債表外風險

(a) 或有負債及承擔

以下是每類主要或有負債及承擔合約金額概要：

直接信貸代替品
與交易有關的或有項目
與貿易有關的或有項目
其他
其他承擔：
 原到期日在一年以下或
 可無條件撤銷
 原到期日在一年或以上

(18) OFF-BALANCE SHEET EXPOSURES

(a) Contingent liabilities and commitments

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments:

本集團 The Group

	二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
Direct credit substitutes	1,449,947	1,696,088
Transaction-related contingencies	82,520	39,365
Trade-related contingencies	1,368,995	1,047,237
Others	329,874	0
Other commitments:		
with an original maturity of under 1 year		
or which are unconditionally cancellable	13,305,306	8,247,308
with an original maturity of 1 year and over	1,105,068	271,258
	17,641,710	11,301,256

(十八) 資產負債表外風險 (續)

(b) 衍生工具

衍生工具是指根據一項或多項基本資產或指數的價值來釐定其價值的財務合約。

以下是本集團各種主要衍生工具的名義金額概要：

(18) OFF-BALANCE SHEET EXPOSURES (cont'd)

(b) Derivatives

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or indices.

The following is a summary of the notional amounts of each significant type of derivatives entered into by:

本集團 The Group

		二零零二年六月三十日 As at 30 June 2002			二零零一年十二月三十一日 As at 31 December 2001		
		交易 Trading 港幣千元 HK\$'000	對沖 Hedging 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000	交易 Trading 港幣千元 HK\$'000	對沖 Hedging 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
匯率合約	Exchange rate contracts						
遠期／期貨	Forwards/Futures	1,349,269	31,452	1,380,721	292,271	1,397,797	1,690,068
掉期	Swaps	82,817,898	9,224,746	92,042,644	0	105,852,873	105,852,873
利率合約	Interest rate contracts						
掉期	Swaps	1,240,250	9,197,538	10,437,788	0	10,994,794	10,994,794
股票合約	Equity contracts						
期權	Options	4,440	0	4,440	33,840	7,696	41,536
		85,411,857	18,453,736	103,865,593	326,111	118,253,160	118,579,271

(十八) 資產負債表外風險 (續)

(c) 上述資產負債表外風險的重置成本及信貸風險加權金額(未計入雙邊淨額安排的影響)如下：

(18) OFF-BALANCE SHEET EXPOSURES (cont'd)

(c) The replacement costs and credit risk weighted amounts of the above off-balance sheet exposures are as follows. These amounts do not take into account the effects of bilateral netting arrangements.

本集團 The Group

	二零零二年六月三十日 As at 30 June 2002		二零零一年十二月三十一日 As at 31 December 2001	
	重置成本 Replacement cost 港幣千元 HK\$'000	信貸風險 加權金額 Credit risk weighted amount 港幣千元 HK\$'000	重置成本 Replacement cost 港幣千元 HK\$'000	信貸風險 加權金額 Credit risk weighted amount 港幣千元 HK\$'000
或有負債及承擔				
Contingent liabilities and commitments	不適用 N/A	1,617,129	不適用 N/A	1,246,090
匯率合約	141,831	233,144	231,642	261,706
利率合約	315,777	104,809	256,673	63,909
股票合約	0	133	3,661	2,002
	457,608	1,955,215	491,976	1,573,707

(十九) 用作銷售及回購的資產

本集團用作銷售及回購交易的資產詳列如下：

(19) ASSETS SUBJECT TO SALE AND REPURCHASE TRANSACTIONS

The following assets are subject to sale and repurchase transactions:

本集團 The Group

	二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
包括在持有至到期證券及 投資證券	275,429	2,272,387
Included in held-to-maturity securities and investment securities		

(十九) 用作銷售及回購的資產 (續)

本集團用作銷售及回購交易的負債詳列如下：

包括在銀行及其他財務機構的
存款及結存

(二十) 重大關連人士交易

期間內，本集團在其日常業務過程中與其最終控股公司及最終控股公司的附屬公司進行了多項交易，其中特別包括貸款、接受及存放於同業之存款、參與銀團貸款、往來銀行交易和外匯交易。這些交易的合約是按照每次交易時的相關市場利率定價，並根據與提供給本集團其他交易另一方及客戶相同的條款進行。董事會認為，這些交易是按正常商業條款進行。

(19) ASSETS SUBJECT TO SALE AND REPURCHASE TRANSACTIONS (cont'd)

The following liabilities are subject to sale and repurchase transactions:

Included in deposits and balances of banks and other financial institutions

本集團 The Group

二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
275,429	2,272,387

(20) MATERIAL RELATED PARTY TRANSACTIONS

During the period, the Group entered into a number of transactions with its ultimate holding company and the ultimate holding company's subsidiaries, in the ordinary course of its banking business including, inter alia, lending, the acceptance and placement of interbank deposits, participation in loan syndicates, correspondent banking transactions and foreign exchange transactions. The contracts were priced based on relevant market rates at the time of each transaction, and were under the same terms as those available to other counterparties and of customers of the Group. In the opinion of the directors, these transactions were conducted on normal commercial terms.

財務報表附註

未經審核(續)

Notes to the Interim Financial Report

Unaudited (cont'd)

(二十) 重大關連人士交易 (續)

期間內，有關連人士交易的收支及於二零零二年六月三十日之結欠資料如下：

(a) 收入／(支出)

利息收入

利息支出

淨利息支出

(b) 最終控股公司

(20) MATERIAL RELATED PARTY TRANSACTIONS (cont'd)

Information relating to income and expense from related party transactions during the period and balances outstanding as at 30 June 2002 is set out below:

(a) Income/(expense)

Interest income

Interest expense

Net interest expense

(b) Ultimate holding company

本集團 The Group
截至六月三十日止六個月
Six months ended 30 June

二零零二年 2002 港幣千元 HK\$'000	二零零一年 2001 港幣千元 HK\$'000
1,036	4,893
(7,681)	(146,047)
(6,645)	(141,154)

本集團 The Group

客戶貸款及其他賬項減準備

客戶活期、定期、儲蓄及其他存款

其他賬項及準備

Advances to customers and
other accounts less provisions

Current, fixed, savings and
other deposits of customers
Other accounts and provisions

二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
117,832	117,124
117,832	117,124
1,250,841	1,324,232
1,464	2,943
1,252,305	1,327,175

(二十) 重大關連人士交易 (續)

(c) 最終控股公司的附屬公司及聯營公司

(20) MATERIAL RELATED PARTY TRANSACTIONS (cont'd)

(c) Subsidiaries and associates of the ultimate holding company

		本集團 The Group	
		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
客戶貸款及其他賬項減準備	Advances to customers and other accounts less provisions	80,903	62,407
		本集團 The Group	
		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
銀行及其他財務機構的存款及結存	Deposits and balances of banks and other financial institutions	82,628	122,647
客戶活期、定期、儲蓄及其他存款	Current, fixed, savings and other deposits of customers	695,326	111,028
其他賬項及準備	Other accounts and provisions	84,348	3,508
		862,302	237,183

(二十) 重大關連人士交易 (續)

(d) 本行於二零零二年三月十四日與北京中信、北京中信全資附屬公司 True Worth Investments Limited (「True Worth」)、中信泰富有限公司(「中信泰富」)、本行全資附屬公司 Dramatic Year Limited (「Dramatic Year」)、中信泰富之附屬公司 Forever Glory Holdings Ltd (「Forever Glory」) 及中信資本市場達成股份轉讓及認購協議。就此協議，Forever Glory 同意認購中信資本市場新發股份，現金代價為港幣499,591,837元，而 Dramatic Year 亦同意以現金代價港幣10,408,163元出售中信資本市場股份予 Forever Glory。當交易完成後，True Worth、Dramatic Year 及 Forever Glory 將分別持有25%、25%及50%的中信資本市場已發行之股本。股份轉讓及認購已於二零零二年五月二十七日完成。

以往，聯營公司的業績是按已收及應收股息記入綜合損益賬內，惟上述股息須屬截至或早於董事會核准本集團及本行財務報表期間。由於董事會認為聯營公司業績及儲備對本集團影響不大，故並未以權益法列入綜合財務報表內。但是，經上述所提及之股份轉讓及認購後，嘉華金融及嘉佳成為本行的聯營公司，董事會認為其業績對本集團有重大影響，因此從二零零二年五月二十七日開始，即是股份轉讓及認購日，此聯營公司的業績已按權益法入賬。

(e) 本行最終控股公司的一家附屬公司在最終控股公司於國內的另一家附屬銀行開立了港元及人民幣賬戶，以吸取本集團國內借款人的還款。這些賬戶於二零零二年六月底的數額為港幣118,000,000元(二零零一年年底：港幣138,000,000元)是由該附屬公司以信託方式代本行持有而沒有任何負擔。

(f) 本行的附屬公司於中信證券股份有限公司(「中信證券」)開立了一個證券賬戶，並委託中大投資管理有限公司(「中大投資」)為該賬戶的投資經理，以便投資於中國證券及資本市場。這兩家公司均為本行最終控股公司的附屬公司。應付中大投資的費用收入是以每年分享溢利基準計算。於二零零二年六月底，此賬戶結餘為港幣29,000,000元(二零零一年年底：港幣29,000,000元)。

(20) MATERIAL RELATED PARTY TRANSACTIONS (cont'd)

(d) On 14 March 2002, the Bank entered into a Share Transfer and Subscription Agreement with CITIC, True Worth Investments Limited ('True Worth') (a wholly-owned subsidiary of CITIC), CITIC Pacific Limited ('CITIC Pacific'), Dramatic Year Limited ('Dramatic Year') (a wholly-owned subsidiary of the Bank), Forever Glory Holdings Ltd ('Forever Glory') (a subsidiary of CITIC Pacific) and CCMH. Under this agreement, Forever Glory agreed to subscribe for new shares in CCMH for cash consideration of HK\$499,591,837 and Dramatic Year agreed to sell the shares in CCMH to Forever Glory for cash consideration of HK\$10,408,163. Upon completion of the transaction, True Worth, Dramatic Year and Forever Glory will hold 25%, 25% and 50% of the issued share capital of CCMH respectively. The share transfer and subscription was completed on 27 May 2002.

Previously, the results of the associates were included in the consolidated income statement to the extent of dividends received and receivable, providing the dividends were in respect of a period ending on or before the financial statements of the Group and the Bank have been approved by the directors. The results and reserves of the associates were not equity accounted for in the consolidated financial statements as they were considered by the directors to be immaterial to the Group. However, after the share transfer and the subscription mentioned above, KWC and CS have become the associates of the Bank and the directors considered that the results of the associates are material to the Group. These associates' results have been equity accounted for with effect from 27 May 2002, being the date the share transfer and the subscription were completed.

(e) A subsidiary of the ultimate holding company has opened Hong Kong dollar and Renminbi bank accounts in another subsidiary bank of the ultimate holding company in the PRC to receive repayments from the Group's borrowers located in the PRC. The balances of these accounts, which amounted to HK\$118,000,000 (31 December 2001: HK\$138,000,000) at 30 June 2002, were held in trust on behalf of the Bank free of any encumbrances.

(f) A subsidiary of the Bank has opened a security account in CITIC Securities Company Limited ('CSCL') and has appointed China Prime Investment Management Company Limited ('CPIMCL') as the investment manager of the account to invest in the PRC's equity and capital markets. Both CSCL and CPIMCL are subsidiaries of the Bank's ultimate holding company. Fee income payable to CPIMCL was calculated on a profit sharing basis annually. As at 30 June 2002, the account has an outstanding balance of HK\$29,000,000 (31 December 2001: HK\$29,000,000).

補充財務資料

未經審核

Supplementary Financial Information

Unaudited

(一) 財務狀況摘要

(1) SUMMARY OF FINANCIAL POSITION

本集團 The Group

		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 六月三十日 As at 30 June 2001 港幣千元 HK\$'000	變化 Variance %	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000	變化 Variance %
貸款和預付款	Loans and advances	43,731,306	33,114,992	32.06	32,777,554	33.42
貸款虧損準備	Loans loss provision	1,072,353	925,989	15.81	678,061	58.15
資產總值	Total assets	77,800,507	59,067,359	31.71	59,427,301	30.92
利息收益資產總值	Total interest earning assets	72,695,459	56,099,341	29.58	56,557,764	28.53
存款總額	Total deposits	63,782,902	50,198,612	27.06	46,381,457	37.52
股東資金	Shareholders' funds	7,280,088	6,020,890	20.91	6,253,677	16.41
財務比率	Financial ratios					
資本充足比率	Capital adequacy					
— 未經調整*	– unadjusted*	19.64%	15.12%		20.81%	
資本充足比率	Capital adequacy					
— 調整後**	– adjusted**	18.89%	14.69%		20.11%	
平均流動資金比率*	Average liquidity*	45.86%	52.21%		51.19%	
貸款對存款	Loans to deposits	68.56%	65.97%		70.67%	
貸款對資產總值	Loans to total assets	56.21%	56.06%		55.16%	
一般準備覆蓋比率	General provision coverage	1.04%	1.11%		1.14%	
物業貸款比率	Property lending	45.95%	47.72%		45.55%	
成本對收入比率	Cost to income	48.03%	39.67%		42.43%	
資產回報	Return on assets	1.10%	1.14%		1.10%	
股東資金回報	Return on shareholders' funds	11.11%	10.33%		10.19%	

* 未經調整資本充足比率及平均流動資金比率是根據金管局為監管目的所規定，按覆蓋本行及其若干財務附屬公司的合併基礎計算，並且符合《銀行業條例》第三附表及第四附表的基準。

** 調整後資本充足比率的計算，是根據金管局發出的指引《就市場風險維持充足資本》，計入在結算日的市場風險。所根據的綜合基準與未經調整資本充足比率所根據的相同。

* The capital adequacy ratio and the average liquidity ratio are computed on the consolidated basis covering the Bank and certain of its financial subsidiaries as required by the HKMA for its regulatory purposes, and are in accordance with the Third Schedule and the Fourth Schedule to the Hong Kong Banking Ordinance respectively.

** The adjusted capital adequacy ratio which takes into account market risks as at the balance sheet date is computed in accordance with the Guideline 'Maintenance of Adequate Capital Against Market Risks' issued by the HKMA and on the same consolidated basis as for unadjusted capital adequacy ratio.

補充財務資料

未經審核 (續)

Supplementary Financial Information

Unaudited (cont'd)

(二) 扣除減項後資本基礎

(2) CAPITAL BASE AFTER DEDUCTIONS

本集團 The Group

		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
核心資本	Core capital		
實繳普通股本	Paid up ordinary share capital	3,031,879	2,595,511
股份溢價	Share premium	1,716,099	1,426,213
儲備	Reserves	2,186,159	2,045,377
少數股東權益	Minority interests	0	92,760
減：商譽	Deduct: Goodwill	(1,300,403)	0
核心資本總額	Total core capital	5,633,734	6,159,861
合格補助資本	Eligible supplementary capital		
土地及土地權益重估儲備	Reserves on revaluation of land and interests in land	11,945	11,945
呆賬一般準備	General provisions for doubtful debts	446,897	371,102
永久後償債項	Perpetual subordinated debt	1,950,078	0
有期後償債項	Term subordinated debt	2,340,094	2,340,094
合格補助資本總額	Total eligible supplementary capital	4,749,014	2,723,141
扣除減項前總資本基礎	Total capital base before deductions	10,382,748	8,883,002
總資本基礎減項	Deductions from total capital base	(194,209)	(199,733)
扣除減項後總資本基礎	Total capital base after deductions	10,188,539	8,683,269

補充財務資料

未經審核 (續)

Supplementary Financial Information

Unaudited (cont'd)

(三) 客戶貸款 — 按行業分類

(3) ADVANCES TO CUSTOMERS – BY INDUSTRY SECTORS

本集團 The Group

		二零零二年六月三十日		二零零一年十二月三十一日		變化
		As at 30 June 2002		As at 31 December 2001		Variance
		港幣千元	佔合計	港幣千元	佔合計	
		HK\$'000	%	HK\$'000	%	%
用於香港的貸款	Loans for use in Hong Kong					
工商及金融界	Industrial, commercial and financial					
— 物業發展	– property development	426,811	0.99	394,281	1.21	8.25
— 物業投資	– property investment	5,342,512	12.35	3,260,385	10.05	63.86
— 金融界	– financial concerns	1,743,460	4.03	1,368,391	4.22	27.41
— 股票經紀	– stockbrokers	57,120	0.13	16,058	0.05	
— 批發及零售貿易	– wholesale and retail trade	1,979,840	4.58	2,017,801	6.22	(1.88)
— 製造業	– manufacturing	3,559,090	8.22	2,906,121	8.95	22.47
— 運輸及運輸設備	– transport and transport equipment	4,940,994	11.42	3,694,141	11.38	33.75
— 其他	– others	3,708,107	8.57	2,793,213	8.61	32.75
個人	Individuals					
— 購入「居者有其屋計劃」及「私人發展商參與興建居屋計劃」單位的貸款	– loans for the purchase of flats under the Home Ownership Scheme and Private Sector Participation Scheme	38,076	0.09	14,919	0.05	
— 購買其他住宅物業的貸款	– loans for the purchase of other residential properties	13,624,606	31.48	10,490,479	32.32	29.88
— 信用卡貸款	– credit card advances	316,272	0.73	41,691	0.13	
— 其他	– others	1,744,329	4.03	1,330,647	4.10	31.09
貿易融資	Trade finance	2,996,371	6.92	1,564,905	4.82	91.47
用於香港以外地方的貸款	Loans for use outside Hong Kong	2,797,556	6.46	2,561,695	7.89	9.21
合計	Total	43,275,144	100.00	32,454,727	100.00	33.34

補充財務資料

未經審核 (續)

Supplementary Financial Information

Unaudited (cont'd)

(四) 分部資料

(4) SEGMENTAL INFORMATION

本集團 The Group

		二零零二年六月三十日 As at 30 June 2002			二零零一年十二月三十一日 As at 31 December 2001		
		總資產 Total assets 港幣千元 HK\$'000	總負債 Total liabilities 港幣千元 HK\$'000	或有負債 Contingent liabilities 港幣千元 HK\$'000	總資產 Total assets 港幣千元 HK\$'000	總負債 Total liabilities 港幣千元 HK\$'000	或有負債 Contingent liabilities 港幣千元 HK\$'000
香港	Hong Kong	88,299,488	71,930,513	16,890,609	58,092,046	49,338,120	10,627,753
中國	Mainland China	44,206	6	0	32,614	32,824	0
美國	United States of America	1,944,131	1,748,472	751,101	3,385,335	3,167,326	673,503
減：集團內部項目	Less: Intra-group items	(12,487,318)	(7,448,744)	0	(2,082,694)	(1,906,589)	0
		77,800,507	66,230,247	17,641,710	59,427,301	50,631,681	11,301,256

The above geographical analysis has been classified by the location of the principal operations of the subsidiaries or associates, in case of the Bank itself, of the location of the branches responsible for reporting the results or booking the assets.

本集團 The Group

		二零零二年六月三十日 As at 30 June 2002			二零零一年十二月三十一日 As at 31 December 2001		
		客戶貸款 Advances to customers 港幣千元 HK\$'000	逾期貸款 Overdue loans 港幣千元 HK\$'000	不履行貸款 Non- performing loans 港幣千元 HK\$'000	客戶貸款 Advances to customers 港幣千元 HK\$'000	逾期貸款 Overdue loans 港幣千元 HK\$'000	不履行貸款 Non- performing loans 港幣千元 HK\$'000
香港	Hong Kong	36,106,439	2,459,311	2,204,994	23,549,074	1,164,956	1,151,172
中國	Mainland China	5,970,189	426,088	439,318	7,510,586	492,490	307,793
美國	United States of America	1,071,678	21	22	1,377,585	12,904	12,911
其他	Others	126,838	34,637	34,637	17,482	0	0
		43,275,144	2,920,057	2,678,971	32,454,727	1,670,350	1,471,876

上述有關地區分析的資料已按交易對手所在地劃分。風險轉移已考慮在內。整體而言，如果交易另一方與債權擔保方位於不同國家，或者交易另一方是一家銀行的海外分行，就會出現這種風險轉移。

The above geographical analysis has been classified by the location of the counterparties after taking into account any transfer of risk. In general, such transfer of risk takes place if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country.

補充財務資料

未經審核 (續)

Supplementary Financial Information

Unaudited (cont'd)

(五) 逾期貸款

(5) OVERDUE LOANS AND ADVANCES

本集團 The Group

		二零零二年六月三十日 As at 30 June 2002					
逾期貸款總額 已扣除懸賬利息		銀行持有的 逾期貸款 抵押品金額	有抵押的 逾期貸款 數額	無抵押的 逾期貸款 數額	就逾期貸款 而作出的 特別準備		
		Amount of collateral held in respect of	Amount of secured balance	Amount of unsecured balance	Amount of specific provisions made against overdue advances to customers		
Overdue gross advances to customers (net of suspended interest)		overdue advances to customers	of secured balance	of unsecured balance	overdue advances to customers		
港幣千元		港幣千元	港幣千元	港幣千元	港幣千元		
HK\$'000	%*	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
逾期	Overdue for						
— 三個月至六個月	– 6 months or less but over 3 months	367,171	0.85	645,089	252,096	115,075	47,563
— 六個月至一年	– 1 year or less but over 6 months	640,415	1.48	389,476	365,675	274,740	104,123
— 一年以上	– over 1 year	1,912,471	4.42	1,420,223	1,208,381	704,090	391,131
合計	Total	2,920,057	6.75	2,454,788	1,826,152	1,093,905	542,817

本集團 The Group

		二零零一年十二月三十一日		As at 31 December 2001			
		逾期貸款總額 已扣除懸賬利息		銀行持有的 逾期貸款 抵押品金額	有抵押的 逾期貸款 數額	無抵押的 逾期貸款 數額	就逾期貸款 而作出的 特別準備
				Amount of collateral held in respect of overdue advances to customers	Amount of secured balance	Amount of unsecured balance	Amount of specific provisions made against overdue advances to customers
		港幣千元		港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	% *	HK\$'000	HK\$'000	HK\$'000	HK\$'000
逾期	Overdue for						
一 三個月至六個月	– 6 months or less but over 3 months	114,202	0.35	85,434	57,697	56,505	19,305
一 六個月至一年	– 1 year or less but over 6 months	357,341	1.10	424,189	275,925	81,416	52,991
一 一年以上	– over 1 year	1,198,807	3.70	841,029	738,677	460,130	197,933
合計	Total	1,670,350	5.15	1,350,652	1,072,299	598,051	270,229

* 佔總客戶貸款額

* Based on total advances to customers

補充財務資料

未經審核 (續)

Supplementary Financial Information

Unaudited (cont'd)

(五) 逾期貸款 (續)

於二零零二年六月三十日及二零零一年十二月三十一日，本集團貸予銀行及其他金融機構的款項中，沒有逾期三個月或以上的貸款。

(5) OVERDUE LOANS AND ADVANCES (cont'd)

There were no advances to banks and other financial institutions which were overdue for over 3 months as at 30 June 2002 and 31 December 2001.

(六) 逾期貸款及利息懸賬貸款之對賬表

(6) RECONCILIATION OF OVERDUE LOANS AND ADVANCES TO LOANS ON WHICH INTEREST IS PLACED IN SUSPENSE

本集團 The Group

		二零零二年 六月三十日 As at 30 June 2002 港幣千元 HK\$'000	二零零一年 十二月三十一日 As at 31 December 2001 港幣千元 HK\$'000
逾期三個月以上的客戶貸款	Advances to customers overdue for more than 3 months	2,920,057	1,670,350
減：逾期三個月以上 但仍累計利息	Less: Amount overdue for more than 3 months and on which interest is still being accrued	(372,145)	(260,969)
加：逾期三個月或以下但 利息已撥入暫記賬或 已停止累計利息	Add: Amount overdue for 3 months or less and on which interest is being placed in suspense or on which interest accrual has ceased	94,726	4,311
加：經重組貸款但利息 已撥入暫記賬或 已停止累計利息	Add: Rescheduled advances on which interest is being placed in suspense or on which interest accrual has ceased	23,698	51,624
加：未逾期但利息已撥入 暫記賬或已停止 累計利息	Add: Amount not overdue and on which interest is being placed in suspense or on which interest accrual has ceased	12,635	6,560
利息撥入暫記賬或已停止 累計利息的貸款	Advances to customers on which interest is being placed in suspense or on which interest accrual has ceased	2,678,971	1,471,876

補充財務資料

未經審核 (續)

Supplementary Financial Information

Unaudited (cont'd)

(七) 其他逾期資產

(7) OTHER OVERDUE ASSETS

本集團 The Group

		二零零二年六月三十日		二零零一年十二月三十一日	
		As at 30 June 2002		As at 31 December 2001	
		計息	其他資產*	計息	其他資產*
		Accrued	Other	Accrued	Other
		interest	assets*	interest	assets*
		港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
其他資產逾期達	Other assets overdue for				
— 3個月至6個月	– 6 months or less but				
	over 3 months	719	144	1,758	0
— 6個月至1年	– 1 year or less but over	1,024	0	12,658	2,826
	6 months				
— 1年以上	– Over 1 year	27,825	39,482	41,735	0
合計	Total	29,568	39,626	56,151	2,826

* 其他資產指貿易票據、其他證券投資及持有至到期之證券

* Other assets refer to trade bills, other investments in securities and held-to-maturity securities.

(八) 重定還款期貸款

(8) RESCHEDULED LOANS

本集團 The Group

		二零零二年六月三十日		二零零一年十二月三十一日	
		As at 30 June 2002		As at 31 December 2001	
		港幣千元	%*	港幣千元	%*
		HK\$'000	%*	HK\$'000	%*
重定還款期貸款	Rescheduled loans	70,947	0.16	89,665	0.28

* 佔總客戶貸款額

* Based on total advances to customers

於二零零二年六月三十日及二零零一年十二月三十一日，本集團貸予銀行及其他金融機構的款項中，並無重組貸款。

There were no advances to banks and other financial institutions which were rescheduled as at 30 June 2002 and 31 December 2001.

補充財務資料

未經審核 (續)

Supplementary Financial Information

Unaudited (cont'd)

(九) 貨幣風險

本集團來自買賣盤、非買賣及結構性匯盤的匯率風險的資料披露如下。向金管局申報的期貨盤淨額是按照該局的外匯盤申報表(MA(BS)6)中所載的方式計算。

(9) CURRENCY RISK

The information concerning the foreign currency exposures of the Group arising from trading, non-trading and structural positions are disclosed as follows. The net options position reported is calculated in accordance with the methods set out in the banking return 'Foreign Currency Position' (MA(BS)6) submitted to the HKMA.

本集團 The Group

		二零零二年六月三十日 As at 30 June 2002			二零零一年十二月三十一日 As at 31 December 2001		
		美元 US dollars	人民幣 Renminbi	總計 Total	美元 US dollars	人民幣 Renminbi	總計 Total
相等於港幣千元	Equivalent in HK\$'000						
現貨資產	Spot assets	26,316,214	483,182	26,799,396	20,604,336	333,179	20,937,515
現貨負債	Spot liabilities	(24,895,048)	(61,901)	(24,956,949)	(21,250,359)	(9,836)	(21,260,195)
遠期買入	Forward purchases	61,061,661	0	61,061,661	61,313,741	0	61,313,741
遠期賣出	Forward sales	(59,114,705)	0	(59,114,705)	(58,781,329)	0	(58,781,329)
長倉淨額	Net long position	3,368,122	421,281	3,789,403	1,886,389	323,343	2,209,732

(十) 跨境債權

(10) CROSS-BORDER CLAIMS

		銀行及 其他財務機構 Banks and other financial institutions 港幣千元 HK'000	公營機構 Public sector entities 港幣千元 HK'000	其他 Others 港幣千元 HK'000	總額 Total 港幣千元 HK'000
於二零零二年六月三十日	As at 30 June 2002				
1. 香港以外亞太區	1. Asia and Pacific excluding Hong Kong of which Australia of which Mainland China	5,919,174 2,879,887 1,576,914	202,012 0 202,012	6,854,164 0 6,475,910	12,975,350 2,879,887 8,254,836
2. 西歐	2. Western Europe	10,534,614	0	4,303,328	14,837,942
其中德國	of which Germany	2,813,761	0	546,365	3,360,126
其中英國	of which United Kingdom	2,511,278	0	1,253,849	3,765,127

補充財務資料

未經審核 (續)

Supplementary Financial Information

Unaudited (cont'd)

(十) 跨境債權 (續)

於二零零一年十二月三十一日

1. 香港以外亞太區

其中澳洲

其中中國

2. 西歐

其中德國

其中英國

(10) CROSS-BORDER CLAIMS (cont'd)

	銀行及 其他財務機構 Banks and other financial institutions 港幣千元 HK'000	公營機構 Public sector entities 港幣千元 HK'000	其他 Others 港幣千元 HK'000	總額 Total 港幣千元 HK'000
As at 31 December 2001				
1. Asia and Pacific excluding Hong Kong	4,065,400	153,687	1,785,290	6,004,377
of which Australia	1,656,043	0	0	1,656,043
of which Mainland China	1,662,188	153,687	1,510,783	3,326,658
2. Western Europe	9,162,848	0	3,878,748	13,041,596
of which Germany	2,387,371	0	392,774	2,780,145
of which United Kingdom	3,579,340	0	1,376,473	4,955,813

跨境債權資料披露了最終風險所在的國外交易另一方的風險。在考慮了任何風險轉移後按交易另一方所在地計算。整體而言，如果交易另一方與債權擔保方位於不同的國家，或者交易另一方是一家銀行的海外分行，就會出現這種風險轉移。

The information of cross-border claims discloses exposures to foreign counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account any transfer of risk. In general, such transfer of risk takes place if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country.

(十一) 風險管理

本集團已對信貸風險、資金流動性、資本及市場風險的管理與監察制定了政策和程序，並由董事會定期進行檢討，我們的內部核數師亦會作出定期審計，評定出現主要風險地方的管理措施是否充足及有效，而且確保本集團遵從內部的政策及程序。

(11) RISK MANAGEMENT

The Group has established policies and procedures for the control and monitoring of credit risk, liquidity, capital and market risk, which are reviewed regularly by the Board of Directors. Our internal auditors also perform regular audits to assess the adequacy and effectiveness of controls for major risk areas and to ensure compliance with the policies and procedures.

(a) 信貸風險管理

信貸風險的出現是因為交易另一方可能違反合約。本集團從事的借貸、貿易融資、庫務、衍生工具及其他業務均存在信貸風險。

(a) Credit risk management

Credit risk arises from the possibility that the counterparty in a transaction may default. It arises from the lending, trade finance, treasury, derivatives and other activities undertaken by the Group.

本集團經董事會核准的信貸政策手冊界定了信貸核准結構及核准權限的授予、信貸擴張的標準、信貸的核准及監管程序、內部信貸風險評級制度、貸款分類制度和提撥準備政策，也參考了香港《銀行業條例》的規定以及金管局不時頒佈的指引。

The Group's credit policy manual, which was approved by the Board of Directors, defines the credit approval hierarchy and delegation of approval authority, the credit extension criteria, the credit approval and monitoring processes, the internal credit risk rating system, the loan classification system and provisioning policy. It also takes into account the requirements of the Hong Kong Banking Ordinance and the guidelines issued by the HKMA from time to time.

補充財務資料

未經審核 (續)

(十一) 風險管理 (續)

(a) 信貸風險管理 (續)

信貸風險管理職能獨立於業務單位，由信貸委員會監督，該委員會的成員包括行政總裁、集團信貸主管及其他高級管理人員。

通過評估交易另一方的信譽及還款能力、為交易另一方及行業制定信貸限額，並在適當時要求取得抵押品的做法，本集團在管理信貸風險上採取了保守的方針。管理層會定期監察和控制個別及信貸組合的實際信貸風險和限額。本集團的政策是不把重大無保證風險集中於個別的交易方或行業。

按行業劃分的客戶貸款分析於上文之未經審核補充財務資料附註(三)內作出披露。

列賬於資產負債表上項目的信貸風險為原有價值，而衍生工具的信貸風險為正重置成本。衍生工具的信貸風險於財務報表附註(十八)內作出披露。

(b) 流動資金管理

本集團妥善管理流動資金，以確保符合所有監管要求和法定的流動資金比率。更重要的是，本集團為了確保無論在正常或緊急的情況下，均具備足夠的資金應付客戶的承諾。除定期發行長期存款證外，本行亦作回購協議安排，以增加本行流動資金。而本行更採用積極的流動資金管理方針。

(c) 資本管理

本集團的政策是維持一個雄厚的資本基礎以支持本集團的業務發展，並符合法定的資本充足比率。如上述未經審核補充財務資料附註(一)所披露，本集團於二零零二年六月三十日未經調整及已調整的資本充足比率分別為19.64%及18.89%，均遠高於法定最低比率。

本集團的資金是根據各營業部門所承擔的風險分配予本行各個不同的業務。根據金管局的規定，若干財務附屬公司須接受金管局在資本要求規限方面的監管。

Supplementary Financial Information

Unaudited (cont'd)

(11) RISK MANAGEMENT (cont'd)

(a) Credit risk management (cont'd)

The credit risk management function is independent of business units and is overseen by the Credit Committee which comprises the Chief Executive Officer, Group Credit Head and other members of senior management.

The Group manages its credit risk within a conservative framework by evaluating the creditworthiness and repayment capability of counterparties, setting credit limits for counterparties and industry sectors, and obtaining collateral where appropriate. Actual credit exposures and limits are regularly monitored and controlled at both individual and portfolio level. The Group's policy is not to have significant unwarranted concentrations of exposure to individual counterparties or industry sectors.

An analysis of advances to customers by industry sectors is disclosed in note (3) of unaudited supplementary financial information.

Unlike on-balance sheet instruments, where the credit risk is generally represented by the principal value, the credit risk for derivatives is the positive replacement cost. The credit risk exposure for derivative is disclosed in note (18) of notes to the Interim Financial Report.

(b) Liquidity management

The Group manages its liquidity in order to meet all regulatory requirements and comply with the statutory liquidity ratio. More importantly, the Group must be able to meet all customer claims in both normal and emergency circumstances. Besides issuing long-dated certificates of deposit regularly, the Group has also arranged re-purchase agreement facilities in order to enhance its liquidity. The Group adopts a proactive approach towards managing liquidity.

(c) Capital management

The Group's policy is to maintain a strong capital base to support the development of the Group's business and to meet the statutory capital adequacy ratio. As disclosed in note (1) of unaudited supplementary financial information, the Group's unadjusted capital adequacy ratio and adjusted capital adequacy ratio of 19.64% and 18.89% respectively as at 30 June 2002 are well above the statutory minimum ratio.

Capital is allocated to the various activities of the Bank depending on the risk taken by each business division. Certain financial subsidiaries, as specified by the HKMA, are subject to the HKMA's capital requirements for its regulatory supervision purposes.

補充財務資料

未經審核（續）

Supplementary Financial Information

Unaudited (cont'd)

(十一) 風險管理（續）

(d) 市場風險管理

本集團經已設置了新的財資系統作功能上分析，以達到有效管理市場風險。

當本集團在外匯市場、利率市場、證券及股票市場持倉，市場風險會隨之出現。這些持倉主要是執行客戶指令、專有買賣及對沖。

本集團的最大市場風險是由資產負債委員會訂立。這些風險須定期受到監控，並須向管理層匯報。

上半年，來自財資部交易活動平均每天交易收入為港幣104,342元，標準偏差為港幣2,246,508元。

本集團的交易收入分析如下：

(11) RISK MANAGEMENT (cont'd)

(d) Market risk management

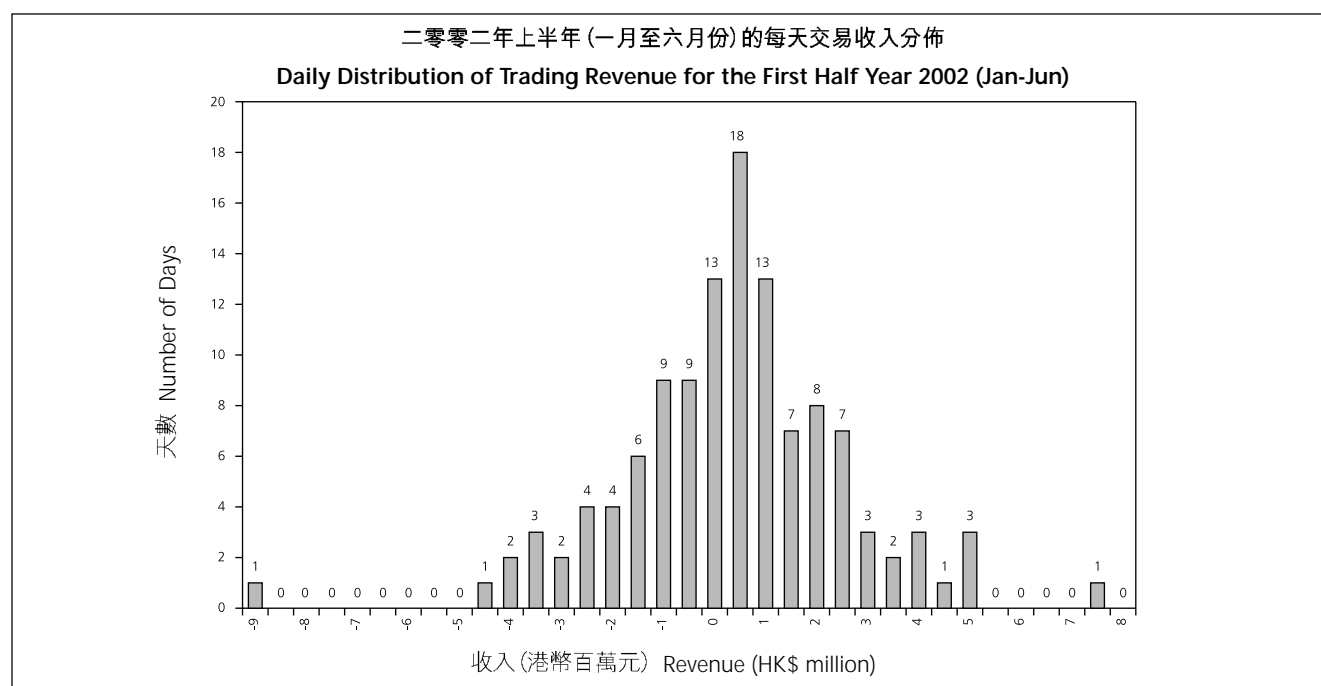
Equipped with the analytical functionality provided by the new treasury system, the Group has been managing its market risk effectively.

Market risk ensues once the Group takes positions in markets such as foreign exchange, interest rates, securities and equities. Such positions are driven by execution of customer orders, proprietary trading and hedging.

The Group's maximum market risk exposures are set by the Assets and Liabilities Committee ('ALCO'). Exposures are monitored and reported to the management regularly.

The average daily revenue generated from the treasury's trading activities for the half year was HK\$104,342 and the standard deviation was HK\$2,246,508.

An analysis of the Group's trading revenue is shown below:



從圖中所見，以單日計，最大虧損為港幣9,424,751元，而120天中有54天出現虧損。最頻密每天收入介乎港幣23,203元至港幣500,000元，共出現18次。最高每天收入為港幣7,247,051元。

This shows a maximum daily loss of HK\$9,424,751 with 54 out of 120 days showing losses. The most frequent result was a daily revenue of HK\$23,203 to HK\$500,000 with 18 occurrences. The highest daily revenue was HK\$7,247,051.

(十一) 風險管理 (續)

(d) 市場風險管理 (續)

外匯風險管理

本集團的外匯風險來自持外匯盤倉、商業交易、投資外匯證券及海外分行。所有外匯持倉由財資部按額度管理，有關額度須獲資產負債委員會批准。期內，於交易賬目內之平均每日外匯交易虧損為港幣38,755元。

利率風險管理

本集團的利率風險出現於銀行賬目及交易賬目中。前者的風險按每月情況由資產負債委員會作檢討，而後者則按每天市價計算。上半年，於交易賬目內之平均每日收入為港幣143,097元。

股票價格風險管理

於二零零二年首六個月，本行並無參與任何股票交易活動。

(11) RISK MANAGEMENT (cont'd)

(d) Market risk management (cont'd)

Foreign Exchange Risk Management

The Group's foreign exchange risk stems from foreign exchange position taking, commercial dealing, investment in foreign currency securities and overseas branches. All foreign exchange positions are managed by the treasury department within limits approved by the ALCO. The average daily foreign exchange trading loss for the period was HK\$38,755.

Interest Rate Risk Management

The Group's interest rate risk exists in both the bank book and the trading book. While the risk entailed in the former is reviewed by the ALCO on a monthly basis, the latter is marked to market daily. The average daily revenue incurred in the trading book for the period was HK\$143,097.

Equity Price Risk Management

During the first six months of 2002, the Group has undertaken no trading activity in equity.

中期股息

董事會欣然宣佈派發中期股息每股港幣三仙（二零零一年：港幣三仙）。中期股息將於二零零二年九月十六日（星期一）派發予於二零零二年九月十二日（星期四）在股東名冊上已登記之股東。

暫停股份登記日期

由二零零二年九月九日（星期一）至二零零二年九月十二日（星期四），首尾兩天在內，本行將暫停辦理股份過戶登記手續。如欲獲發上述中期股息者，必須於二零零二年九月六日（星期五）下午四時正前，將股份過戶文件連同有關的股票送達本行的股份登記處「香港中央證券登記有限公司」，地址為香港皇后大道東一八三號合和中心十七樓一七一一至一七一六室，以便辦理股份過戶手續。

董事權益

本行按證券（披露權益）條例（「該條例」）第二十九條規定而設的董事權益登記冊，記錄有關本行董事於二零零二年六月三十日實益擁有本行的股本權益如下：

INTERIM DIVIDENDS

The Board of Directors are pleased to declare an interim dividend of HK\$0.03 (2001: HK\$0.03) per share. The interim dividends will be paid on Monday, 16 September 2002 to all shareholders whose names are on the Register of Members of the Bank on Thursday, 12 September 2002.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Bank will be closed from Monday, 9 September 2002 to Thursday, 12 September 2002, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividends, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged for registration with the Bank's Share Registrar, Computershare Hong Kong Investor Services Limited (formerly known as Central Registration Hong Kong Limited), at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on Friday, 6 September 2002.

DIRECTORS' INTERESTS

At 30 June 2002, the beneficial interests of the directors in the share capital of the Bank as recorded in the register maintained under Section 29 of the Securities (Disclosure of Interests) Ordinance (the 'SDIO') were as follows:

董事姓名 Name of directors	每股面值港幣一元的普通股 Ordinary Shares of HK\$1.00 each			
	個人權益 Personal interests	家族權益 Family interests	其他權益 Other interests	總權益 Total interests
林思顯博士 Dr. Daniel H Lam	183,970	118,089	—	302,059
陳許多琳女士 Mrs. Chan Hui Dor Lam Doreen	—	—	2,074,689	2,074,689
江紹智先生 Mr. Kong Siu Chee Kenneth	—	—	2,074,689	2,074,689
盧永逸先生 Mr. Lo Wing Yat Kelvin	—	—	2,074,689	2,074,689
趙盛彪先生 Mr. Zhao Shengbiao	1,400,000	—	614,114	2,014,114

董事權益 (續)

高級行政人員購股權計劃

本行目前有一項高級行政人員購股權計劃 (「購股權計劃」)，據此，本行合資格的高級行政人員 (包括執行董事) 均獲賦予購股權，以認購本行股份。該項購股權計劃於一九九五年三月三十日採納。購股權的行使價由董事會釐定，並以股份的面值和股份於截至賦予日期前五個營業日在聯交所錄得的平均收市價的80%兩者中的較高數額為準。

根據購股權計劃賦予的購股權可認購的股份總數，不得超過本行已發行股本的10%；但按照購股權計劃行使購股權所配發及發行的股份則除外。

於二零零二年六月三十日，本行董事及僱員根據本行的購股權計劃獲賦予下列購股權，以認購本行股份 (於二零零二年六月二十八日的每股收市價為港幣2.275元)。購股權持有人可就每個購股權認購一股本行股份。

DIRECTORS' INTERESTS (cont'd)

Senior Executive Share Option Scheme

A Senior Executive Share Option Scheme (the 'Option Scheme') is maintained by the Bank, under which eligible senior executives (including executive directors) of the Bank were granted share options for subscription of shares of the Bank. The Option Scheme was adopted on 30 March 1995. The exercise price of options was determined by the Board and was the higher of the nominal value of the shares and 80% of the average of the closing prices of the shares on the Stock Exchange for the five business days immediately preceding the date of the grant.

The maximum number of shares in respect of which options may be granted under the Option Scheme may not exceed 10% of the issued share capital of the Bank from time to time, excluding any shares which have been duly allotted and issued pursuant to the exercise of any option granted under the Option Scheme.

At 30 June 2002, the directors and employees of the Bank had the following interests in options to subscribe for shares of the Bank (market value per share at 28 June 2002 was HK\$2.275) granted pursuant to the Option Scheme of the Bank. Each option gives the holder the right to subscribe for one share.

	於二零零二年 一月一日 未行使的 購股權數目	於二零零二年 六月三十日 未行使的 購股權數目	賦予日期	可行使 購股權期間	於此六個月 期間內行使 購股權購入 的股份數目	於此六個月 期間內到期的 購股權	行使購股權時 的每股行使價 (港幣)	加權平均 收市價 (註三) (港幣)
	No. of options outstanding as at 01/01/2002	No. of options outstanding as at 30/06/2002	Date granted	Period during which options exercisable	No. of shares acquired on exercise of options during the period	No. of options lapsed during the period	Price per share on exercise of options (HK\$)	Weighted average closing price (Note 3) (HK\$)
陳許多琳女士 Mrs. Chan Hui Dor Lam	2,000,000	2,000,000	17/08/1999	20/04/2000- 29/03/2005	-	-	*2.217	-
Doreen	-	*74,689	28/02/2002	28/02/2002- 29/03/2005	-	-	2.217	-
江紹智先生 Mr. Kong Siu Chee	2,000,000	2,000,000	17/08/1999	18/05/2001- 29/03/2005	-	-	*2.217	-
Kenneth	-	*74,689	28/02/2002	28/02/2002- 29/03/2005	-	-	2.217	-
盧永逸先生 Mr. Lo Wing Yat	2,000,000	2,000,000	17/08/1999	31/10/1999- 29/03/2005	-	-	*2.217	-
Kelvin	-	*74,689	28/02/2002	28/02/2002- 29/03/2005	-	-	2.217	-

董事權益 (續)

高級行政人員購股權計劃 (續)

DIRECTORS' INTERESTS (cont'd)

Senior Executive Share Option Scheme (cont'd)

	於二零零二年 一月一日 未行使的 購股權數目	於二零零二年 六月三十日 未行使的 購股權數目	賦予日期	可行使 購股權期間	於此六個月 期間內行使 購股權購入 的股份數目	於此六個月 期間內到期的 購股權	行使購股權時 的每股行使價 (港幣)	加權平均 收市價 (註三) (港幣)
	No. of options outstanding as at 01/01/2002	No. of options outstanding as at 30/06/2002	Date granted	Period during which options exercisable	No. of shares acquired on exercise of options during the period	No. of options lapsed during the period	Price per share on exercise of options (HK\$)	Weighted average closing price (Note 3) (HK\$)
趙盛彪先生	87,000	87,000	10/04/1996	11/04/1996- 29/03/2005	—	—	1.00	—
Mr. Zhao Shengbiao	210,875	210,875	08/05/1997	09/05/1997- 29/03/2005	—	—	1.00	—
	316,239	316,239	06/05/1998	07/05/1998- 29/03/2005	—	—	1.00	—
僱員總計	200,000	200,000	30/03/1995	30/03/1995- 29/03/2005	—	—	1.00	—
Aggregate total of employees	37,000	37,000	10/04/1996	11/04/1996- 29/03/2005	—	—	1.00	—
	42,125	42,125	08/05/1997	09/05/1997- 29/03/2005	—	—	1.00	—
	73,689	73,689	06/05/1998	07/05/1998- 29/03/2005	—	—	1.00	—
	1,200,000	1,050,000	16/04/1999	06/08/1999- 29/03/2005	150,000	—	*1.62	2.542
	—	*44,813	28/02/2002	28/02/2002- 29/03/2005	—	—	1.62	—
	3,000,000	—	17/08/1999	24/02/2000- 05/01/2002	—	3,000,000	2.30	—
	1,000,000	—	17/08/1999	11/02/2000- 01/01/2002	—	1,000,000	2.30	—
	2,700,000	—	17/08/1999	24/02/2000- 31/03/2002	750,000	1,950,000	*2.217	2.483
	—	—	28/02/2002	28/02/2002- 31/03/2002	—	*100,830	2.217	—
	4,200,000	4,200,000	17/08/1999	01/04/2000- 29/03/2005	—	—	*2.217	—
	—	*156,846	28/02/2002	28/02/2002- 29/03/2005	—	—	2.217	—
	2,000,000	1,500,000	29/02/2000	18/01/2002- 31/12/2002	500,000	—	*1.97	2.575
	—	*74,689	28/02/2002	28/02/2002- 31/12/2002	—	—	1.97	—

董事權益 (續)

高級行政人員購股權計劃 (續)

DIRECTORS' INTERESTS (cont'd)

Senior Executive Share Option Scheme (cont'd)

	於二零零二年 一月一日 未行使的 購股權數目	於二零零二年 六月三十日 未行使的 購股權數目	賦予日期	可行使 購股權期間	於此六個月 期間內行使 購股權購入 的股份數目	於此六個月 期間內到期 的購股權	行使購股權時 的每股行使價 (港幣)	加權平均 收市價 (註三) (港幣)
	No. of options outstanding as at 01/01/2002	No. of options outstanding as at 30/06/2002	Date granted	Period during which options exercisable	No. of shares acquired on exercise of options during the period	No. of options lapsed during the period	Price per share on exercise of options (HK\$)	Weighted average closing price (Note 3) (HK\$)
僱員總計 (續)	1,000,000	900,000	16/03/2000	16/03/2001-	100,000	—	*1.828	2.675
Aggregate total of employees				29/03/2005				
(cont'd)	—	*37,344	28/02/2002	28/02/2002-	—	—	1.828	—
	1,700,000	1,700,000	28/03/2000	31/03/2000-	—	—	*1.758	—
	—	*63,485	28/02/2002	28/02/2002-	—	—	1.758	—
	2,000,000	—	19/05/2000	26/04/2002-	2,000,000	—	*1.513	2.663
	—	—	28/02/2002	28/02/2002-	*74,688	—	1.513	2.663
	1,000,000	1,000,000	27/06/2000	05/06/2002-	—	—	*1.681	—
	—	*37,344	28/02/2002	28/02/2002-	—	—	1.681	—
	700,000	500,000	10/08/2000	11/08/2001-	200,000	—	*2.198	2.600
	—	*18,672	28/02/2002	28/02/2002-	*7,469	—	2.198	2.600
	200,000	200,000	23/08/2000	24/08/2001-	—	—	*2.213	—
	—	*7,469	28/02/2002	28/02/2002-	—	—	2.213	—
	2,300,000	2,300,000	05/12/2000	22/10/2001-	—	—	*1.747	—
	—	*85,891	28/02/2002	28/02/2002-	—	—	1.747	—
	300,000	300,000	26/03/2001	27/03/2002-	—	—	*1.758	—
	—	*11,203	28/02/2002	28/02/2002-	—	—	1.758	—
				29/03/2005				

補充資料

(續)

董事權益 (續)

高級行政人員購股權計劃 (續)

註：

(一) 所有在到期前遭沒收的購股權均當作失效購股權處理，即是將有關購股權的數目重新納入有關的購股權計劃可予發行的股份數目內。

(二) 本行股份於二零零二年二月二十八日授出購股權之前一天的收市價為港幣2.425元。

(三) 這代表本行購股權行使日期前的股份加權平均收市價。

(四) *為反映二零零二年一月七日本行發行六供一供股後的攤薄影響，某部份購股權持有人所持有的購股權，無論在行使價或可認購本行普通股的數目上，均已作相應的調整。

所賦予的購股權在行使後方可於財務報表確認。根據二項式期權定價模型，購股權於二零零二年上半年賦予當日的價值為港幣0.64元。計算加權平均值所用的假設如下：

無風險利率	4.245%
預計期限(年)	2.58
波幅	33.50%
預計每股股息	港幣0.03元

二項式期權定價模型需要運用非常主觀的假設(包括預計股價波幅)。由於本行購股權的特性與買賣期權的特性截然不同，而且各項主觀假設的變化均會對估計公平價值構成嚴重的影響，故二項式期權定價模型不一定能可靠地計算購股權的公平價值。

除上述者外，本行其他董事或聯繫人士於二零零二年六月三十日並無持有任何本行或其聯營機構(該條例所指的聯營機構)的實益權益。

Supplementary Information

(cont'd)

DIRECTORS' INTERESTS (cont'd)

Senior Executive Share Option Scheme (cont'd)

Notes:

1. All the options lapsed before expiry of the options will be added back to the number of shares available to be issued under the Option Scheme.
2. The closing price of the shares of the Bank immediately before the date on which the options were granted on 28 February 2002 was HK\$2.425.
3. This represents the weighted average closing price of the shares of the Bank immediately before the dates on which the options were exercised.
4. *Subsequent to the one for six Rights Issue of the Bank on 7 January 2002, the exercise prices were adjusted while options to subscribe for additional Ordinary Shares of the Bank were granted to certain existing option holders as adjustments made to their existing options to reflect the dilution effect of the Rights Issue.

The share options granted are not recognised in the financial statements until they are exercised. The value per option granted during the period estimated at the date of grant using the Binomial option pricing model was HK\$0.64. The weighted average assumptions used are as follows:

Risk-free interest rate	4.245%
Expected life (in years)	2.58
Volatility	33.50%
Expected dividend per share	HK\$0.03

The Binomial option pricing model requires input of highly subjective assumptions, including the expected stock price volatility. Because the Bank's share options have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimate, the Binomial option pricing model does not necessarily provide a reliable measure of the fair value of the share options.

Save as mentioned above, none of the directors of the Bank or their associates had any beneficial interests in the share capital of the Bank and its associated companies (as defined in the SDIO) as at 30 June 2002.

主要股東

根據本行按該條例第十六(一)條規定而設立的主要股東權益登記冊所載，中國國際信託投資公司於二零零二年六月三十日實益擁有本行1,667,840,076股每股面值港幣一元的普通股，約佔當時本行已發行股本55.01%。

本行董事所得的資料顯示，除上述者外，並無任何人士於二零零二年六月三十日直接或間接擁有百分之十或以上(按面值計算)本行任何等級而可在任何情況下在本行或其聯營機構(該條例所指之聯營機構)的股東大會上擁有投票權的股份。

購買、出售或贖回本行的上市證券

本行於此半年期間並無贖回任何本身的上市證券。二零零二年一月，本行當時的附屬公司嘉佳證券有限公司曾就本行六供一供股，以認購價每股港幣1.68元認購本行合共553,897股供股股份。該等供股股份已於二零零二年一月期間在聯交所出售，作價每股在港幣1.97元至港幣2.075元之間。除上述者外，本行及各附屬公司於此半年期間均無購入或出售本行的上市證券。

遵守《最佳應用守則》

除本行對獨立非執行董事的委任並無具體的規定，以及本行正在籌組審計委員會以完全符合聯交所頒佈的《上市規則》附錄十四第十四段的《最佳應用守則》規定外，本行於二零零二年六月三十日止六個月期間內均遵守該《最佳應用守則》的規定。

SUBSTANTIAL SHAREHOLDER

At 30 June 2002, the Register of Substantial Shareholders maintained under Section 16(1) of the SDIO shows that China International Trust and Investment Corporation beneficially owned 1,667,840,076 Ordinary Shares of HK\$1.00 each in the share capital of the Bank representing approximately 55.01% of the then issued share capital of the Bank.

Save as disclosed, there was no person known to the directors who at 30 June 2002 was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Bank or any of its associated companies (as defined in the SDIO).

PURCHASE, SALE OR REDEMPTION OF THE BANK'S LISTED SECURITIES

The Bank has not redeemed any of its listed securities during this interim period. In January 2002, Cargary Securities Limited (the then subsidiary of the Bank), subscribed 553,897 rights shares of the Bank at the subscription price of HK\$1.68 per share pursuant to the 1 for 6 Rights Issue of the Bank. The shares were subsequently sold on the Stock Exchange at the price range of HK\$1.97 to HK\$2.075 per share in January 2002. Save as mentioned above, neither the Bank nor any of its subsidiaries has purchased or sold any of the Bank's listed securities during this interim period.

COMPLIANCE WITH THE CODE OF BEST PRACTICE

The Bank has complied throughout the six months ended 30 June 2002 with the Code of Best Practice as set out in Appendix 14 of the Listing Rules of the Stock Exchange, except that there is no specific term for the appointment of independent non-executive directors and that the Bank is in the process of forming an Audit Committee in order to comply fully with paragraph 14 of the aforementioned Code.



致中信嘉華銀行有限公司董事會

引言

本核數師(以下簡稱「我們」)已審閱貴行刊載於第2頁至第31頁的中期財務報告。

董事的責任

根據《香港聯合交易所有限公司證券上市規則》(「上市規則」)，上市公司必須以符合上市規則中相關的規定及香港會計師公會所頒佈的《會計實務準則》第25號——「中期財務報告」的規定編制中期財務報告。中期財務報告由董事負責，並由董事核准通過。

審閱工作

我們是按照香港會計師公會所頒佈的《核數準則》第700號——「中期財務報告的審閱」進行審閱。審閱工作主要包括向集團管理層作出查詢及分析中期財務報告、評估財務報告中會計政策是否貫徹運用及賬項編列是否一致，惟賬項中另有說明的特別情況則除外。審閱工作並不包括控制測試及資產、負債和交易驗證等審核程序。由於審閱的範圍遠較審核小，所給予的保證程度也較審核低，因此，我們不會對中期財務報告發表審核意見。

結論

根據這項不構成審核的審閱工作，我們並沒有察覺截至二零零二年六月三十日止六個月的中期財務報告需要作出任何重大的修訂。

畢馬威會計師事務所

執業會計師

香港，二零零二年八月十五日

TO THE BOARD OF DIRECTORS OF CITIC KA WAH BANK LIMITED

INTRODUCTION

We have been instructed by the Bank to review the Interim Financial Report set out on pages 2 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 the relevant provisions thereof and Statement of Standard Accounting Practice 25 'Interim Financial Reporting' issued by the Hong Kong Society of Accountants. The Interim Financial Report is the responsibility of, and has been approved by, the directors.

REVIEW WORK PERFORMED

We conducted our review in accordance with Statement of Auditing Standards 700 'Engagements to Review Interim Financial Reports' issued by the Hong Kong Society of Accountants. A review consists principally of making enquiries of 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 30 June 2002.

KPMG

Certified Public Accountants

Hong Kong, 15 August 2002

(一) 經營情況

踏入二零零二年，本港經濟持續疲弱，信貸需求仍然放緩。本行堅持「創新、調整、發展」的方針，一方面繼續開拓高收益業務，在困難的經營環境下，維持盈利增長的動力；另一方面積極進行與香港華人銀行（「華銀」）的整合和集團的重組，為未來發展作好準備。

(二) 業績表現

本行在今年一月十七日完成收購華銀，截至今年六月三十日止的二零零二年度中期業績及財務狀況均已作綜合處理。

(a) 上半年盈利上升逾兩成*(i) 中信嘉華及華銀盈利*

雖然銀行業經營環境仍然困難，但上半年本行股東應佔溢利增加六千九百萬港元至三億七千六百萬港元，較去年同期上升22.6%。

收購華銀的交易在今年一月正式完成後，本行委任多位高層至華銀，開拓業務發展機會，並開始一系列整合工作，令華銀業績較二零零一年下半年大幅改善，上半年華銀為本行帶來約三千萬港元貢獻。與此同時，中信嘉華本身業務亦在淨利息收入的帶動下顯著增長，淨溢利較去年同期錄得逾兩成的升幅。

(ii) 淨利息收入

本行上半年的淨利息收入達八億五千四百萬港元，較去年同期大幅增加46.9%，主要是因為總貸款較去年同期上升32.1%，加上上半年淨息差較二零零一年上半年擴闊25點子至2.39%，推動淨利息收入上升。同時，財資部因應利率走勢進行對沖，投資優質定息證券，亦帶來可觀利息收入。

(1) REVIEW OF OPERATIONS

In 2002, Hong Kong's economy continued to experience difficulties while the demand for loans remained weak. Operating under this challenging environment, the Bank firmly adhered to the guiding principles of 'Innovation, Restructuring and Further Growth'. On one hand, the Bank continued to develop high yield businesses to sustain earnings growth. On the other hand, significant progress has been made in terms of the integration with The Hongkong Chinese Bank, Limited ('HKCB') and the re-organization of the Group structure which will pave the way for future growth.

(2) BUSINESS PERFORMANCE

The Bank completed the acquisition of HKCB on 17 January 2002. The results and financial position for the six months ended 30 June 2002 are presented on a consolidated basis.

(a) Earnings increased by over 20% in the first half of 2002*(i) CITIC Ka Wah Bank & HKCB earnings*

Despite the continued difficult operating environment for the banking industry, the Bank's net profit attributable to shareholders increased by HK\$69 million, or 22.6%, to HK\$376 million in the first half of 2002.

Following the completion of the acquisition of HKCB in January 2002, the Bank appointed a number of senior executives to HKCB to drive business development and to integrate the business and operations of the two banks. As a result, the performance of HKCB improved considerably compared to the second half of 2001. HKCB's contribution to the Bank amounted to approximately HK\$30 million in the first half of 2002. At the same time, driven by the increase in net interest income, the Bank's own businesses also recorded significant growth, registering a net profit increase of over 20%.

(ii) Net interest income

In the first half of 2002, the Bank's net interest income surged by 46.9% to HK\$854 million over the corresponding period of 2001, mainly due to a 32.1% increase in total loans. In addition, net interest margin increased by 25 basis points to 2.39%. In view of the interest rate scenario, the Treasury Department hedged its portfolio by investing in high quality fixed income securities which led to a substantial increase in interest income.

(二) 業績表現 (續)

(a) 上半年盈利上升逾兩成 (續)

(iii) 非利息收入

另一方面，上半年非利息收入較去年同期下跌5.2%至二億五千一百萬港元。主要是財資部因應市場環境，選擇性地對沖投資組合，令投資證券的利潤減少，但利息收入貢獻大幅增加。與此同時，投資市場環境欠佳，使投資銀行費用及證券佣金收入下降，加上本行在今年五月將嘉華金融及嘉佳證券的持股比例由五成一減至兩成半，此舉亦會影響會計賬目的處理，令非利息收入減少。但值得注意的是，投資理財服務在過去錄得非常優異的表現，銷售保證基金及保險所帶來的費用收入共達四千三百萬港元，分別較去年同期大幅增加68%及5.6倍，去年底成立的信用咭業務亦帶來可觀的非利息收入。未來非利息收入的增長動力預期來自投資理財、信用咭及銀團貸款業務，本行亦將繼續開拓更多的非利息收入渠道。

(iv) 經營支出

上半年本行的經營支出（計及商譽攤銷後）上升58.0%至五億三千一百萬港元。但若扣除華銀有關的項目，包括整合開支、華銀的經營支出及商譽攤銷支出，本行的支出只有溫和增長，主要來自信用咭業務推廣、員工及資訊科技開支、攤銷發行後債票據及集團架構重組費用。計及商譽支出後本行成本對收入比率為48.0%。

(v) 呆壞賬準備

由於二零零二年上半年業績表現理想，而本港經濟情況仍未樂觀，本行採取了更審慎的撥備政策，將呆壞賬準備增加48.0%至二億一千一百萬港元。

(2) BUSINESS PERFORMANCE (cont'd)

(a) Earnings increased by over 20% in the first half of 2002 (cont'd)

(iii) Non-interest income

The Bank's non-interest income declined by 5.2% to HK\$251 million against the same period of last year. This was mainly due to the effect of hedging our treasury portfolio, which resulted in lower investment income but much higher interest income contribution. Brokerage fees and commission income from Investment Banking recorded a drop due to the lackluster stock market. In addition, the Bank reduced its interests in Ka Wah Capital Limited and Cargary Securities Limited from 51% to 25% in May resulting in their contributions no longer being consolidated at the subsidiary level. However, it is worth mentioning that the Bank's wealth management business registered strong growth. During the period, the Bank recorded HK\$43 million in fee income from the distribution of guaranteed funds and Bancassurance, representing a substantial increase of 68% and 5.6 times respectively compared to the same period of last year. The credit card division, established at the end of 2001, also contributed to the Bank's fee income. Although wealth management, credit card, and syndicated loans are expected to be the key drivers for fee income growth in the future, the Bank will continue to explore new non-interest income avenues.

(iv) Operating expenses

In the first half of 2002, operating costs after goodwill increased by 58.0% to HK\$531 million. However, if HKCB related items, such as integration costs, operating costs and goodwill amortization, were excluded, the increase in the Bank's operating costs was moderate. The increase in the Bank's operating costs was attributable to credit card promotion expenses, staff costs, information technology expenses, amortization expenses for the subordinated debt issuance and costs relating to the Group restructuring. After taking into account of the goodwill amortization, the Bank's cost-to-income ratio stood at 48.0%.

(v) Charge for bad and doubtful debts

In view of the satisfactory results for the first half of 2002, the Bank has decided to increase its charge for bad and doubtful debts by 48.0% to HK\$211 million after considering the difficult outlook of the local economy.

(二) 業績表現 (續)

(b) 致力提升資產素質

(i) 資產、貸款及存款規模

計及華銀的資產後，本行上半年的總資產約為七百七十八億港元，較中信嘉華二零零一年上半年的五百九十一億港元增加約一百八十七億港元，增幅為31.7%。上半年總貸款及總存款則約四百三十七億港元及六百三十八億港元，分別較去年同期上升 32.1%及 27.1%。

(ii) 資產素質指標

雖然本港經濟仍然疲弱，個人破產數字持續上升，但由於本行密切監控資產素質，在審批及控制信貸風險方面非常嚴格，故多項資產素質指標都處於甚佳水平。例如去年新推出的信用咭業務，全年撇賬率估計僅為4.9%，遠較市場平均數為低，租購及租賃貸款撇賬率則為0.6%。

(iii) 信貸政策及程序

本行一直致力提升資產素質，今年已就140%負資產轉按計劃及企業客戶外匯合約等新增業務，引入新的信貸政策和程序。同時並著力加強華銀各項業務的信貸風險管理及審批程序，以與中信嘉華沿用的信貸政策看齊，相信未來有關資產素質指標會大幅提升。

(iv) 問題貸款

問題貸款方面，今年上半年中信嘉華與華銀共解決問題貸款五億零六百萬港元。截至六月底，特定貸款金額為二十九億港元，佔總貸款6.7%，覆蓋率為86.0%，不良貸款比率則為6.2%。本行已將中信嘉華銀行的八億八千六百萬港元不良貸款及以物代債資產轉移至資產管理公司，隨著集團架構的重組完成，銀行業務的資產素質將會提升，不良貸款比率會進一步下降。

(2) BUSINESS PERFORMANCE (cont'd)

(b) Strive to enhance asset quality

(i) Loans, deposits, and asset size

Combining the assets of HKCB, the Bank's total assets reached HK\$77.8 billion in the first half of 2002, an increase of HK\$18.7 billion, or 31.7%, versus 2001 first half figure of HK\$59.1 billion. Total loans and deposits reached HK\$43.7 billion and HK\$63.8 billion respectively, representing an increase of 32.1% and 27.1% respectively from the same period of last year.

(ii) Asset quality indicators

Despite the challenging economic environment and the continued increase in the number of personal bankruptcy cases, the Bank's asset quality indicators remained at healthy levels. This was due to the close monitoring and stringent control of asset quality as well as the application of tightened credit approval and credit risk management measures. For instance, the credit card operation, which was established at the end of 2001, is expected to record a charge-off ratio of 4.9% for the full-year 2002, which is below the industry average. The charge-off ratio for Hire Purchase and Leasing was 0.6%.

(iii) Credit policies and approval procedures

The Bank strives to enhance its asset quality by introducing new credit policies and approval procedures for new businesses such as the 140% negative equity mortgage re-financing service and foreign exchange contracts for corporate customers. At the same time, the Bank has made tremendous efforts in strengthening HKCB's credit risk management and approval procedures with a view to aligning them with those of the Bank. HKCB's asset quality indicators are expected to show significant improvement in the future.

(iv) Problem loans

In the first half of 2002, the Bank resolved HK\$506 million problem loans. As at the end of June 2002, the classified exposure stood at HK\$2.9 billion, equivalent to 6.7% of total loans. Coverage ratio stood at 86.0%, while the non-performing loan ratio was 6.2%. The Bank has assigned HK\$886 million worth of non-performing loans and assets recovered from debt-to-asset swap to its asset management company. Following the completion of the Group restructuring, the Bank's asset quality will be further enhanced while the NPL ratio is expected to decline further.

(二) 業績表現 (續)

(b) 致力提升資產素質 (續)

(v) 資本管理

至於資本管理方面，本行在一月成功供股集資七億二千六百萬港元，二月成功發行六億港元浮息存款證，並在五月發行日本以外的首宗亞洲「永久上層第二類資本票據」，總值二億五千萬美元，華銀亦於六月發行八億港元「三百六十四日浮息存款證」，進一步加強資本充足比率和配合未來業務發展。

(vi) 財務狀況

在審慎的財資管理及信貸監控下，本行的財務狀況維持良好。於二零零二年六月底，未經調整資本充足比率為19.6%，貸存比率為68.6%，貸款對資產總值比率為56.2%，平均流動資金比率為45.9%。

資產素質指標：

特定分類貸款比率
不良貸款比率
未經調整資本充足比率
貸存比率
貸款對資產總值比率
平均流動資金比率

(2) BUSINESS PERFORMANCE (cont'd)

(b) Strive to enhance asset quality (cont'd)

(v) Capital management

On the capital management front, in January 2002, the Bank successfully raised HK\$726 million through a rights issue. In February 2002, the Bank launched HK\$600 million floating rate certificates of deposit. In May 2002, the Bank successfully issued US\$250 million perpetual subordinated guaranteed notes, the first-ever perpetual Upper Tier II Capital Security in Asia (ex-Japan). HKCB also issued HK\$800 million 364-day floating rate certificates of deposit in June 2002 to further enhance its capital base for future business development.

(vi) Financial position

Under prudent treasury management and stringent credit control, the Bank's financial position remained strong. As at the end of June, the unadjusted capital adequacy ratio was 19.6%; the loans to deposits ratio was 68.6%; the loans to total assets ratio was 56.2%; and the average liquidity ratio was 45.9%.

Asset Quality Indicators:

	二零零二年 六月底 綜合指標 Consolidated Indicators as at 30 June 2002	二零零一年 十二月底 中信嘉華指標 CKWB Indicators as at 31 December 2001	二零零零年 十二月底 中信嘉華指標 CKWB Indicators as at 31 December 2000
Classified Exposure	6.7%	5.5%	6.3%
NPL	6.2%	4.5%	4.8%
Capital Adequacy (unadjusted)	19.6%	20.8%	17.1%
Loans to Deposits	68.6%	70.7%	67.4%
Loans to Total Assets	56.2%	55.2%	57.9%
Average Liquidity	45.9%	51.2%	42.1%

(c) 業務持續擴展

本行在二零零二年上半年繼續推出嶄新產品和服務。

(c) Continued business development

During the first half of 2002, the Bank launched a series of new products and services.

管理層討論和分析

(續)

(二) 業績表現 (續)

(c) 業務持續擴展 (續)

二零零二年上半年推出的產品和服務：

一月 January	<ul style="list-style-type: none">「中小企設備及器材貸款」計劃 'SME Business Installation and Equipment Loan Scheme'信用咭「好好用分期」交稅計劃 Credit Card 'Interest Free Flexi-Installment' Tax Loan Plan配售香港按揭證券公司零售債券 Acted as Placing Bank for HKMC's Retail Bonds永明「靈活錦囊」壽險計劃 'Sun Savers' life insurance service
三月 March	<ul style="list-style-type: none">「B2B Exchange」系統服務 Official launch of 'B2B Exchange' service「Internet Cash Management」網上資金管理新增服務，包括戶口交易記錄查詢、停止支付支票、繳費及多項轉賬服務 Launch of additional 'Internet Cash Management' services including Account Transaction History Enquiry, Stop Cheque Payment, Bill Payment and Transfer Payment永明「財富投資壽險計劃」 Sun Life FORTUNE Guaranteed Interest Fund
四月 April	<ul style="list-style-type: none">「樂居保」家居財物保障計劃 'Homeplus' Comprehensive Home Contents Cover配售地鐵有限公司零售債券 Acted as Placing Bank for MTRC's Retail Bonds
五月 May	<ul style="list-style-type: none">全港首創「140%負資產轉按」計劃 First-in-Market Mortgage Refinancing Service of up to 140% of Current Market Value「以禮相待」定期存款優惠計劃 Bonanza Deposit Campaign投資理財系統服務 Financial Needs Analysis配售香港按揭證券公司零售債券 Acted as Placing Bank for HKMC's Retail Bonds
六月 June	<ul style="list-style-type: none">企業客戶外匯合約產品 Treasury Product for Corporate Customers – FX Contract永明「助子成才教育基金」計劃 'Sun Educational Fund Builder'

(i) 信用咭業務

去年十一月本行推出的首張信用咭「CITIC Ka Wah VISA」成績超越預期，其創新及獨特的價值方案，為本行吸納八萬位客戶，應收賬二億港元，本行目標是於年底發行超過十萬張信用咭，應收賬則期望可錄得一倍增長。

Management Discussion and Analysis

(cont'd)

(2) BUSINESS PERFORMANCE (cont'd)

(c) Continued business development (cont'd)

Products and services launched during the first half of 2002:

January	<ul style="list-style-type: none">'SME Business Installation and Equipment Loan Scheme'Credit Card 'Interest Free Flexi-Installment' Tax Loan PlanActed as Placing Bank for HKMC's Retail Bonds'Sun Savers' life insurance service
March	<ul style="list-style-type: none">Official launch of 'B2B Exchange' serviceLaunch of additional 'Internet Cash Management' services including Account Transaction History Enquiry, Stop Cheque Payment, Bill Payment and Transfer PaymentSun Life FORTUNE Guaranteed Interest Fund
April	<ul style="list-style-type: none">'Homeplus' Comprehensive Home Contents CoverActed as Placing Bank for MTRC's Retail Bonds
May	<ul style="list-style-type: none">First-in-Market Mortgage Refinancing Service of up to 140% of Current Market ValueBonanza Deposit CampaignFinancial Needs AnalysisActed as Placing Bank for HKMC's Retail Bonds
June	<ul style="list-style-type: none">Treasury Product for Corporate Customers – FX Contract'Sun Educational Fund Builder'

(i) Credit card

CITIC Ka Wah VISA, the Bank's first credit card launched in November 2001, achieved better than expected results. Its innovative value propositions attracted 80,000 new customers, and credit card receivables reached HK\$200 million. The Bank's goal is to increase the number of cards issued to over 100,000 by the end of this year, and receivables are expected to be doubled.

管理層討論和分析

(續)

(二) 業績表現 (續)

(c) 業務持續擴展 (續)

(ii) 中國業務

本行在年初成立中國業務部，透過與中信公司其他機構的協同合作，致力發展國內的零售銀行、企業銀行及財資業務。

零售銀行業務方面，本行已與中信實業銀行在港的子公司共組合資公司，並在過去數月做了大量的工作，包括完成在北京、上海、廣州及深圳四大城市的市場調查及草擬首個業務計劃，現正籌備架構組織及人手編排。本行將與中信實業銀行簽訂合作協議，未來主要充當顧問與管理的角色，提供有關信用卡業務的技術及諮詢服務，預期明年上半年可推出首張人民幣信用卡。此外，本行過去亦與中信實業銀行及中信証券合作在深圳、上海及杭州舉行投資研討會，開發國內個人理財服務市場，同時並積極研究發展國內按揭貸款。

至於國內企業銀行業務，本行在二零零零年初已開始為企業客戶安排人民幣借貸，主要是透過轉介方式，由中信實業銀行提供借貸和產品服務，有關服務一直保持增長，今年上半年更錄得雙位數字的升幅。

財資業務方面，本行已與中信實業銀行開展美元清算業務，同時正研究透過中信實業銀行，與中信信託投資有限責任公司發展外幣資金管理服務。

(iii) 銀團貸款業務

本行在今年三月成立企業銀行銀團貸款部，以加強為企業客戶籌組銀團貸款的能力。企業銀行銀團貸款部成立至今已成功擔任三宗銀團貸款的獨家安排行，分別是遠東發展有限公司的二千萬美元銀團貸款、東亞科技(香港)有限公司的二億港元銀團貸款及勝獅貨櫃企業有限公司的二千萬美元銀團貸款。

Management Discussion and Analysis

(cont'd)

(2) BUSINESS PERFORMANCE (cont'd)

(c) Continued business development (cont'd)

(ii) China banking

At the beginning of 2002, the Bank established a China Banking Department to develop retail banking, corporate banking, and treasury businesses in the Mainland in collaboration with the CITIC group of companies.

In terms of retail banking, the Bank formed a joint venture with a Hong Kong subsidiary of CITIC Industrial Bank to develop credit card business in the Mainland. Substantial amount of work had been completed in the past few months, including the completion of market research in Beijing, Shanghai, Guangzhou, and Shenzhen. A business plan has been drafted while the planning of organization structure and staffing is in progress. The Bank intends to sign an agreement with CITIC Industrial Bank of which the Bank will assume an advisory and management role in providing a range of technical and consulting services relating to credit card operations. The first RMB credit card is scheduled for launch in the first half of 2003. In addition, the Bank conducted a number of investment seminars in Shenzhen, Shanghai, and Hangzhou in collaboration with CITIC Industrial Bank and CITIC Securities to develop wealth management services. The Bank is also actively exploring residential mortgage lending opportunities in the Mainland.

On corporate banking, the Bank has been offering corporate customers with RMB loans through CITIC Industrial Bank since the beginning of 2000. The business has been growing steadily with a double-digit growth in business volume recorded in the first half of 2002.

On treasury, the Bank has started to provide US dollar clearing services for CITIC Industrial Bank's branches. In the future, the Bank plans to collaborate with CITIC Trust & Investment Co Limited to develop foreign currency fund management services through CITIC Industrial Bank.

(iii) Loan syndication

In March this year, the Bank established a Syndication Desk under the Corporate Banking Group to strengthen the Bank's capabilities in this area. Since inception, the Bank has been the sole arranger for three syndicated term loan facilities, namely Far East Consortium International Limited (US\$20 million), Eastern Asia Technology (HK) Limited (HK\$200 million), and Singamas Container Holdings Limited (US\$20 million).

(二) 業績表現 (續)

(c) 業務持續擴展 (續)

(iv) 140%負資產轉按計劃

在五月推出的全港首創140%負資產轉按計劃，引來社會極大的正面迴響，大舉提升本行的企業形象。負資產轉按計劃的收益較一般樓宇按揭高達一厘，同時為本行提供額外的非利息收入。至目前為止，本行共批出八百五十宗負資產貸款申請，涉及金額達十四億港元。

(v) 台灣業務

本行正積極與多間台灣銀行建立合作關係，今年內會簽訂合作意向書，發展中港台業務，本行將與中信實業銀行合作為台商的內地業務提供港元及外幣的貸款、匯款及貿易融資服務。

(三) 與香港華人銀行整合進展

(a) 整合計劃

本行一月十七日完成收購華銀後，開展了一系列的整合計劃，首階段的整合已在六月三十日完成，預期在年底前兩行將完全整合。

(i) 管理架構

為了加強兩行的管理架構，以及促進和確保兩行能順利和有效地整合，本行在四月十五日宣佈委任陳許多琳替任行政總裁為華銀董事總經理兼行政總裁，並委任李永鴻先生為華銀副董事長兼兩行行政總裁顧問及整合委員會總監。此外，本行亦委任多位高層至華銀，並為華銀百多位員工提供產品銷售培訓，以開拓及推動未來業務發展。

(ii) 客戶

與華銀整合後，本行客戶數目預期可增加兩成。

(iii) 產品及服務

本行已統一所有市務活動的管理，並一直進行產品及服務方面的整合。

(2) BUSINESS PERFORMANCE (cont'd)

(c) Continued business development (cont'd)

(iv) 140% mortgage refinancing service

In May 2002, the Bank introduced the first-in-market 140% mortgage refinancing service targeting homeowners in negative equity (the '140% Program'). Since introduction, the 140% Program has received tremendous positive responses and helped boost the Bank's image in the marketplace. The interest margin of the 140% Program is, on average, approximately 100 basis points higher than those of ordinary residential mortgages. It also helped generate additional fee income for the Bank. To date, the Bank has approved 850 applications, equivalent to HK\$1.4 billion, under the 140% Program.

(v) Taiwan market

The Bank is seeking to establish co-operative relationships with a number of banks in Taiwan. To this end, the Bank plans to enter into a memorandum of understanding with these banks for the development of banking businesses in the Greater China region. Through CITIC Industrial Bank, the Bank also seeks to provide Taiwanese companies with businesses in the Mainland HK dollar and foreign currency lending facilities, remittance, and trade finance services.

(3) PROGRESS OF THE INTEGRATION WITH THE HONGKONG CHINESE BANK, LIMITED

(a) Integration project

Following the acquisition of HKCB on 17 January 2002, the Bank commenced the first phase of the integration, which was completed on 30 June 2002. The entire integration is scheduled for completion before the end of this year.

(i) Management structure

In order to strengthen the management structure of both the Bank and HKCB and to ensure a smooth and seamless integration, the Bank appointed its Alternate Chief Executive Officer, Mrs. Doreen Chan, as the Managing Director and Chief Executive of HKCB on 15 April 2002. The Bank also appointed Mr. Raymond Lee as Vice Chairman of HKCB, Advisor to the Chief Executive Officers of the two banks and Director of the Integration Committee. In addition, the Bank has seconded a number of senior executives to HKCB and provided product training to over 100 HKCB's staff with a view to driving future business development.

(ii) Customers

The Bank's total number of customers is expected to increase by 20% after integration.

(iii) Products and services

The Bank has aligned the management of all marketing activities. The alignment of products and services has been ongoing.

(三) 與香港華人銀行整合進展 (續)

(a) 整合計劃 (續)

(iv) 銷售及分銷

為了推動未來業務發展，本行已為華銀設立銷售獎勵計劃及銷售目標，並劃一兩行客戶各項收費。現時中信嘉華及華銀在本港共有四十一間分行及八間財務公司分行，收購華銀前兩行分行及財務公司分行總數分別為五十間及十七間。未來將進一步透過遷移、合併和開設新行來重整分行網絡，以提高分行網絡的分銷效益。

(v) 員工

兩行重疊的職位已透過培訓及資源調配等方法處理。截至今年六月底兩行員工人數合共為一千四百四十人，較去年十二月底減少一百四十人，主要為自然流失。以兩行總資產七百七十八億港元計，目前的員工人數合適，未來將會保持在這水平。

(vi) 營運

大部份後勤部門已完成整合，並於同一辦公室運作，各主要部門的政策及程序亦已統一。

(vii) 資訊科技

關於兩行系統的接合，本行已聘請國際商業機器 (IBM) 為獨立顧問，專責確保系統的素質，目標是於今年年底前完成接合。

(viii) 風險管理

大部份有關風險管理的整合工作已經完成。

(b) 協同效益

收購帶來的協同效益在上半年已初步呈現，錄得四千三百萬港元，七成來自成本減省，三成為收益的增加。預期下半年的協同效益會進一步上升一點六倍至一億一千一百萬港元，全年協同效益可達一億五千四百萬港元。本行更預期協同效益將於二零零三年全面反映。

(3) PROGRESS OF THE INTEGRATION WITH THE HONGKONG CHINESE BANK, LIMITED (cont'd)

(a) Integration project (cont'd)

(iv) Sales and distribution

The Bank has set sales targets and sales incentive schemes to promote sales effort at HKCB. The alignment of customer's scale of fee charges has been completed. At present, the Bank and HKCB have a total of 41 retail branches and 8 finance branches compared to 50 retail branches and 17 finance branches before the acquisition. In the future, the Bank will continue to upgrade the efficiency of its branch network through branch relocation, merger, and opening of new branches.

(v) People

The Bank has removed job duplications through training and staff redeployment. As at 30 June 2002, the combined total headcount of the Bank and HKCB was 1,440, representing a reduction of 140 staff since 2001 year-end. A majority of the staff turnover came from voluntary resignations. Given the two banks' combined assets at HK\$77.8 billion, the Bank considers the present staffing level to be appropriate and plans to maintain the number of headcount at this level going forward.

(vi) Operations

The Bank has completed the physical integration of a majority of back office operations. The alignment of major departmental policies and procedures has been completed.

(vii) Technology

IBM was appointed as the IT consultant on quality assurance. Full system conversion is scheduled to take place before the end of 2002.

(viii) Risk management

A majority of the integration tasks relating to risk management has been completed.

(b) Synergies

In the first half of 2002, the Bank recorded synergies amounting to HK\$43 million, approximately 70% of which came from cost savings and 30% from increased revenues. For the second half of 2002, the Bank projects a 1.6 times increase in synergies to HK\$111 million compared to the first half, and to reach HK\$154 million for 2002. The Bank expects the effect of synergies to be fully reflected in 2003.

(四) 重組集團架構進展

本行在今年二月宣佈重組成「中信國際金融控股有限公司」，統領商業銀行、投資銀行及資產管理三項業務，透過深化專業管理，提升集團的綜合競爭能力。

(a) 投資銀行業務

重組投資銀行業務是集團重組架構的第一步。本行已於二月成立中信資本市場控股有限公司（「中信資本」），全資擁有嘉華金融及嘉佳證券，並在五月為「中信資本」引入新股東中信泰富，現時中信公司與本行各持有「中信資本」兩成半股權，其餘五成由中信泰富持有，未來「中信資本」將與本行及中信証券保持緊密合作，專注於建立為主攻中國的投資銀行。短期內將以「中信資本」的品牌推出首隻保證基金，並透過本行網絡進行分銷。

(b) 商業銀行業務

《中信嘉華銀行有限公司（合併）草案》已於七月十二日順利獲立法會通過，並於七月十九日在憲報刊登，成為《中信嘉華銀行有限公司（合併）條例》。本行將先向金管局申請撤銷中信嘉華的銀行牌照，在董事會訂定的合併日，中信嘉華原來之銀行業務將轉移至華銀，華銀會易名為「中信嘉華銀行有限公司」，繼續經營兩行整合後的銀行業務；而中信嘉華將成為一間金融控股公司，並更名為「中信國際金融控股有限公司」，全資擁有整合後的「中信嘉華銀行有限公司」及其他金融有關業務，同時繼續在港交所上市。

(c) 資產管理業務

本行已將中信嘉華銀行的八億八千六百萬港元不良貸款及以物代債資產轉移至嘉華資產管理公司，該公司過去在處理問題貸款及盤活資產方面已累積了豐富專業經驗，現時會致力於盤活現有的不良資產，中期計劃是透過直接投資或合資公司，投資基金管理業務，並會考慮開拓中國資產的管理業務。資產管理業務有很大的發展空間，相信可於二零零三年底開始為本行帶來盈利貢獻。

(4) PROGRESS OF THE GROUP'S RE-ORGANIZATION

In February 2002, the Bank announced the formation of CITIC International Financial Holdings Limited under which the Bank's operations will be divided into 3 distinct business lines, namely commercial banking, investment banking, and asset management, to increase the Group's overall competitiveness.

(a) Investment Banking

In February 2002, the Bank restructured its investment banking operations by forming CITIC Capital Markets Holdings Limited ('CITIC Capital') as the holding company of Cargary Securities Limited and Ka Wah Capital Limited. In May 2002, CITIC Pacific Limited ('CITIC Pacific') became a shareholder of CITIC Capital. At present, the Bank and CITIC each owns 25% of CITIC Capital with the remaining 50% owned by CITIC Pacific. CITIC Capital's future plan is to build a closer relationship with the Bank and CITIC Securities, and to focus on the development of investment banking business in the Mainland. CITIC Capital will shortly roll out its first guaranteed fund for distribution through the Bank's network.

(b) Commercial Banking

On 12 July 2002, the passage of the CITIC Ka Wah Bank Limited (Merger) Bill took place at the Legislative Council and, as a result, the CITIC Ka Wah Bank Limited (Merger) Ordinance was enacted and published in the Government Gazette on 19 July 2002. The Bank intends to apply to the Hong Kong Monetary Authority for the revocation of CITIC Ka Wah Bank's banking licence, and on a day to be appointed by the Board, CITIC Ka Wah Bank will transfer its banking businesses to HKCB. HKCB will change its name to CITIC Ka Wah Bank Limited and continue to operate the integrated banking businesses, while CITIC Ka Wah Bank will change its name to CITIC International Financial Holdings Limited. This will become the holding company of CITIC Ka Wah Bank Limited and other finance-related businesses, and shall maintain its listing on the Hong Kong Stock Exchange.

(c) Asset Management

In the first half of 2002, Ka Wah Assets Management Limited ('KWAM') completed the sub-participation of HK\$886 million worth of non-performing loans and assets recovered from debt-to-asset swap from CITIC Ka Wah Bank. Leveraging on its solid experience in the recovery of problem loans, KWAM's core business will focus on the management and recovery of non-performing loans. In the medium term, KWAM plans to develop fund management businesses through venture capital or direct investments as well as exploring China-related assets management. The Bank anticipates KWAM will start to bring in positive contributions by the end of 2003.

(五) 未來工作及展望

本行下半年會進一步完善及擴大產品系列，嚴格控制成本開支，繼續提升資產素質，加強與中信公司的其他金融機構如中信實業銀行及中信証券等的業務合作，積極開拓區內業務發展，特別是台灣方面的商機，同時並會致力在今年底前完成本行與華銀的整合及集團重組工作，以提升本行綜合競爭能力，向著成為香港、內地及亞洲卓越金融集團的目標邁進。

承董事會命
中信嘉華銀行有限公司
常振明
董事、總裁兼行政總裁

香港，二零零二年八月十五日

(5) FUTURE OUTLOOK

For the second half of 2002, the Bank intends to expand and enhance its product range, continue to maintain a tight control on operating costs, and seek continued improvement on asset quality. The Bank will also aim at fostering closer relationships with other financial institutions within the CITIC Group such as CITIC Industrial Bank and CITIC Securities, and will also actively explore business opportunities in the region, particularly the Taiwan market. Above all, the Bank is committed to accomplishing the HKCB integration and the Group re-organization before the end of this year, which will enable it to increase its competitiveness in the marketplace and to progress towards its goal of becoming a premier financial group in Hong Kong, the Mainland and the region.

By Order of the Board
CITIC KA WAH BANK LIMITED
Chang Zhenming
Director, President and Chief Executive Officer

Hong Kong, 15 August 2002



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