INTERIM FINANCIAL REPORT 中期報告 2006

Contents
目錄

		Page *頁次*
Financial Highlights	財務摘要	2
Corporate Information	公司資料	3-4
Managing Director's Statement	董事總經理報告	5-15
Corporate Governance & Other Information	公司管治及其他資料	16-24
Consolidated Income Statement	綜合收入報表	25
Consolidated Balance Sheet	綜合資產負債表	26-27
Consolidated Statement of Changes in Equity	綜合權益變動報表	28-29
Condensed Consolidated Cash Flow Statement	簡明綜合現金流量報表	30
Notes to the Consolidated Financial Statements	綜合財務報表附註	31-44

Financial Highlights
財務摘要

		2006 二零零六年 *HK$'m* *百萬港元*	2005 二零零五年 *HK$'m* *百萬港元*	Changes 變動
Turnover	營業額	**528**	299	77%
Profit Attributable to Equity Holders of the Company	本公司股本持有人應佔溢利	**333**	355	(6%)
Total Assets	資產總值	**6,622**	6,234	6%
Equity Attributable to Equity Holders of the Company	本公司股本持有人應佔股本	**4,304**	3,612	19%
Cash & Bank Balances	現金及銀行結餘	**799**	1,173	(32%)
Net Borrowings	借貸淨額	**399**	249	60%

Key Performance and Liquidity Indicators:	**主要營運表現及財務狀況指標：**	***HK$*** ***港元***	*HK$* *港元*	Changes 變動
Earnings Per Share	每股盈利	**0.190**	0.202	(6%)
Net Assets Per Share *(note 1)*	每股資產淨值*(附註1)*	**2.38**	2.05	16%
Projected P/E Ratio *(note 1)*	預期市盈率*(附註1)*	**5 x**	6 x	(17%)
Return on Capital Employed *(note 2)*	股本回報率*(附註2)*	**15%**	20%	(25%)
Return on Total Assets *(note 3)*	總資產回報率*(附註3)*	**10%**	11%	(9%)
Gearing Ratio *(note 4)*	借貸比率*(附註4)*	**28%**	39%	(28%)
Adjusted Gearing Ratio *(note 5)*	經調整借貸比率*(附註5)*	**9%**	7%	29%
Current Ratio *(note 6)*	流動比率*(附註6)*	**1.4 x**	1.4 x	—
Interest Coverage *(note 7)*	利息償付比率*(附註7)*	**19 x**	27 x	(30%)

Notes:

1. Based on 1,806,709,611 shares issued and fully paid as at 30 June 2006 (2005: 1,758,671,611 shares) and the market closing price of HK$2.075 (2005: HK$2.475) per share.
2. Calculated as profit for the period attributable to equity holders of the Company times two over equity attributable to equity holders of the Company.
3. Calculated as profit for the period attributable to equity holders of the Company times two over total assets.
4. Calculated as total borrowings over equity attributable to equity holders of the Company.
5. Calculated as net borrowings over equity attributable to equity holders of the Company.
6. Calculated as current assets over current liabilities.
7. Calculated as profit before finance costs and taxation over finance costs (excluding the notional interest portion in respect of convertible notes).

附註：

1. 基於二零零六年六月三十日已發行及已繳足股份1,806,709,611股(二零零五年：1,758,671,611股)及收市價每股2.075港元(二零零五年：2.475港元)計算所得。
2. 以本公司股本持有人應佔期內溢利乘以二除以本公司股本持有人應佔股本計算所得。
3. 以本公司股本持有人應佔期內溢利乘以二除以總資產計算所得。
4. 以借貸總額除以本公司股本持有人應佔股本計算所得。
5. 以借貸淨額除以本公司股本持有人應佔股本計算所得。
6. 以流動資產除以流動負債計算所得。
7. 以扣除財務費用及稅項前溢利除以財務費用(經扣除可換股票據的市場利息部份後)計算所得。

Corporate Information
公司資料

BOARD OF DIRECTORS

The board of directors of the Company (the "Board") as at the date of this interim financial report are set out below:

Executive Directors

Gao Jian Min *(Managing Director)*
Liu Tianni *(Deputy Managing Director)*
Gu Jianguo
Chen Yongcun
Chow Kwok Wai

Non-executive Directors

Chen Xiaozhou *(Chairman)*
Hui Xiao Bing *(Vice Chairman)*
Yuen Wing Shing

Independent Non-executive Directors

Kang Dian
Zhang Lu
Hung Muk Ming

AUDIT COMMITTEE

Kang Dian *(Chairman)*
Zhang Lu
Hung Muk Ming

REMUNERATION COMMITTEE

Kang Dian *(Chairman)*
Zhang Lu

COMPANY SECRETARY

Tung Tat Chiu, Michael

董事會

於本中期財務報告日期的本公司董事會(「董事會」)呈列如下：

執行董事

高建民 *(董事總經理)*
劉天倪 *(董事副總經理)*
顧建國
陳永存
周國偉

非執行董事

陳孝周 *(主席)*
惠小兵 *(副主席)*
袁永誠

獨立非執行董事

康　典
張　璐
洪木明

審核委員會

康　典 *(主席)*
張　璐
洪木明

薪酬委員會

康　典 *(主席)*
張　璐

公司秘書

佟達釗

LEGAL ADVISER TO THE COMPANY

David Lo & Partners

公司法律顧問

羅國貴律師事務所

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants

核數師

德勤．關黃陳方會計師行
執業會計師

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
The Citic Ka Wah Bank Limited

主要往來銀行

中國銀行(香港)有限公司
香港上海匯豐銀行有限公司
中信嘉華銀行有限公司

SHARE REGISTRARS & TRANSFER OFFICE

Secretaries Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong
(Tel: 29801888 Fax:28610285)

股份登記及過戶處

秘書商業服務有限公司
香港
皇后大道東28號
金鐘匯中心26樓
(電話：29801888 傳真：28610285)

REGISTERED OFFICE

Suite 4901, 49th Floor, Office Tower
Convention Plaza, 1 Harbour Road
Wanchai, Hong Kong
(Tel: 28770030 Fax: 28029506)

註冊辦事處

香港灣仔港灣道一號
會展廣場辦公大樓
49樓4901室
(電話：28770030 傳真：28029506)

COMPANY WEBSITE

http://www.silvergrant.com.hk

公司網址

http://www.silvergrant.com.hk

STOCK CODE

171

股份代號

171

Managing Director's Statement
董事總經理報告

REVIEW OF RESULTS

Turnover of the current period recorded an increase of HK$229.5 million to HK$528.4 million, representing an increment of 77%.

The increase in turnover was mainly attributable to the HK$369.1 million increase in turnover of listed securities trading and was partially reduced by the HK$143.2 million decrease in turnover of dealing in distressed assets.

The increase in turnover of listed securities trading was a result of the realization of the China Construction Bank H shares ("the CCB Shares") acquired at its IPO.

Due to the realization of the CCB Shares, the corresponding acquisition costs of the CCB Shares were recognized as direct operating expenses. This was the main reason leading to the significant increase in direct operating expenses in the current period.

The decrease in turnover of dealing in distressed assets was mainly due to the fact that turnover of dealing in distressed assets in the previous period included a performance return from the disposal of the Macau Assets amounted to HK$100.0 million. Since the Macau Assets were all disposed in the previous period, there was no such corresponding amount in the current period.

Profit for the period attributable to equity holders of the Company was HK$332.6 million. Compared to the previous period, the profit has decreased by HK$22.4 million, representing a decrease of 6%.

業績回顧

本期間之營業額錄得229,500,000港元增長至528,400,000港元，增幅77%。

營業額的增長，主要基於證券投資的營業額增加了369,100,000港元，但同時亦被處置不良資產的營業額減少143,200,000港元而抵銷部份的增幅。

上市證券買賣的營業額增加是由於套現於新股上市時購入的中國建設銀行H股(「建行股份」)股份所致。

由於套現建行股份，相應的建行股份購入成本被確認為直接經營費用。此乃導致本期間的直接經營費用大幅度增加的主要原因。

處置不良資產的營業額減少的主要原因是由於去年同期的處置不良資產的營業額中包括有一項金額為100,000,000港元來自處置澳門資產的超收分成。由於澳門資產已於去年同期全部處置完畢，因此於本期間並無錄得對應的金額。

本公司股本持有人應佔本期間的溢利為332,600,000港元。與去年同期比較，溢利減少22,400,000元，相當於減幅6%。

REVIEW OF RESULTS *(Continued)*

There were significant changes in several major profit components, which has a net effect leading to the mild decrease in profit attributable to equity holders of the Company. The changes are explained in the following paragraphs:

The gain from the realization of the CCB Shares together with the gain from other held-for-trading investments, (i.e. trading in listed securities) contributed HK$106.8 million increase to the profit. In addition, there was an increase in the fair value of listed securities amounting to HK$48.0 million. Moreover, fair value gain in investment properties also contributed HK$32.8 million increase to the profit. These major items have an effect of increasing profit for the current period by HK$187.6 million in aggregate.

The disposal of the Macau Assets was completed in 2005 and had contributed HK$100.0 million performance return to the Group in the previous period. No such performance return was recorded in the current period. Interest income generated from the Cinda Portfolio decreased by HK$43.2 million following the reduction in the amount of un-disposed distressed assets in the Cinda Portfolio. Discount on acquisition of additional equity interest in a subsidiary also decreased by HK$48.7 million. In addition, share of results of associates also decreased by HK$20.4 million due to the decrease in profit contribution from CIl Limited ("CIl"). These major items have an effect of decreasing profit for the current period by HK$212.3 million in aggregate.

業績回顧 *(續)*

由於若干主要溢利科目的重大轉變，其淨影響導致本公司股本持有人應佔溢利出現輕微下降。該等轉變的說明見下文：

套現建行股份所得的收益連帶其他持作買賣投資(亦即買賣上市證券)所得的收益合共提供106,800,000港元溢利增長。加上上市證券的公平值增加48,000,000港元。此外，投資物業的公平值增加亦為溢利貢獻32,800,000港元增長。此等主要項目的影響為本期間的溢利帶來總額187,600,000港元增長。

澳門資產的處置已於二零零五年完成，並於去年同期為本集團貢獻100,000,000港元超收分成。於本期間並無錄得任何對應的超收分成。由於信達資產包內未予處置的不良資產金額減少，來自信達資產包的利息收入減少了43,200,000港元。收購一間附屬公司額外股本權益的折讓亦減少了48,700,000港元。加上攤佔聯營公司業績因為中基建設投資有限公司(「中基」)的溢利貢獻減少的原因亦減少了20,400,000港元。此等主要項目的影響為本期間的溢利帶來總額212,300,000港元下降。

BUSINESS REVIEW & PROSPECTS

Property Investments, Development and Management

The operations of the Group's property leasing, property development and property management were relatively stable during the current period.

During the current period, the Group has increased its investment in East Gate by acquiring the remaining 4.11% equity interest from the minority shareholders of East Gate at a total consideration of HK$25.7 million. The acquisition resulted in a discount on acquisition of HK$24.7 million and was recognized as income in the current period. After the acquisition, East Gate becomes a wholly owned subsidiary of the Group.

The Group did not recognize any sales of development property during the current period. Despite the Group has commenced selling of the development properties of East Gate Metro Garden and the Group has already secured approximately HK$197.3 million contracted-sales in aggregate during the current period, the Group will only recognize sales and profit after the issuance of the relevant occupancy permits. The Board expects that total sales amount for East Gate Metro Garden will approximately be HK$423.1 million. The Group intends to complete the selling of East Gate Metro Garden units in 2006. After the completion of the sales of the East Gate Metro Garden units, the third phase, which is also the last phase of the Tiexi development project, will commence.

For the time being, the progress of the development project "Zi You Xiao Zhen" is still at the stage of demolishing and relocating the existing tenants. "Zi You Xiao Zhen" has a site area of approximately 320,000 square meters and can be developed into saleable units with gross floor area of approximately 830,000 square meters in aggregate. The Group intends to develop "Zi You Xiao Zhen" by four phases in four years' time.

The Group is also considering making investment in new development projects in Beijing including "Si He Yuan" properties.

業務回顧及展望

物業投資、發展及管理

本集團的物業租賃、物業發展及物業管理於本期內的經營維持相對穩定。

於本期間，本集團透過以總代價25,700,000港元向東環置業的少數股東購入餘下的4.11%股本權益，增加投資於東環置業。是項增持行動產生收購折讓24,700,000港元並已於本期間確認為收益。經是項增持行動後，東環置業成為本集團的全資附屬公司。

本集團於本期間沒有確認任何發展物業的銷售額。雖然本集團已開展了東環國際花園的銷售工作以及本集團於本期間已落實總額約197,300,000港元的合同銷售額，然而本集團只會在已發出相關的入住許可証後方確認銷售額及收入。董事會預期東環國際花園的總銷售金額將可達約423,100,000港元。本集團有意於二零零六年內完成銷售東環國際花園的單位。在完成銷售東環國際花園的單位後，鐵西發展項目的第三期亦即是最後一期的發展將會展開。

重建項目《自由小鎮》的進度，目前仍然處於遷拆及安置現有居民的階段。《自由小鎮》項目之地盤面積約320,000平方米並將可發展成為可供銷售單位的總建築面積約830,000平方米。本集團有意在四年時間內分開四期發展《自由小鎮》。

本集團現正考慮於北京市投資興建包括「四合院」在內的物業開發項目。

BUSINESS REVIEW & PROSPECTS *(Continued)*

Infrastructure Investments

For the current period, profit contribution from CII was HK$39.8 million (2005: HK$58.8 million). The decrease in profit contribution was mainly due to the reduction in toll fee income from road and bridge projects as a result of disposal of those road and bridge projects in the previous periods.

During the current period, CII has entered into an agreement to dispose its entire interest in Jiangxi #320 State-road project at a total consideration of RMB250.0 million (equivalent to approximately HK$238.1 million) and recognized a gain in the amount of HK$1.3 million. CII expects to receive the whole amount of the sale proceeds in the second half year.

The strategy of CII is to dispose all the road and bridge projects when opportunities arise. At 30 June 2006, CII was still holding two road and bridge projects with a total carrying value of approximately HK$150.4 million in aggregate.

The Taian Natural Gas Pipeline project

CII holds an 80% effective interest in the Taian Natural Gas Pipeline project. The carrying value of the project as at 30 June 2006 was approximately HK$90.1 million. The operation of the project was relatively stable during the current period.

During the current period, CII invested in a new energy project by investing in 泰安港新燃氣有限公司. CII holds a 74% effective interest in the project and has invested RMB74.0 million (equivalent to approximately HK$70.5 million) to the project.

業務回顧及展望 *(續)*

基礎建設投資

於本期間，中基的盈利貢獻為39,800,000港元（二零零五年：58,800,000港元）。盈利貢獻減少的主要原因是由於出售道路及橋樑項目後導致路費收入減少所致。

於本期間，中基已簽訂一項協議書，協議以總代價人民幣250,000,000元（相當於約238,100,000港元）出售其於江西320國道的全部權益，並確認一項金額為1,300,000港元的收益。中基預期可於下半年全部收取該代價款項。

中基的策略是在遇到合適機會時，全部出售其道路及橋樑項目。於二零零六年六月三十日，中基仍然持有兩個道路及橋樑項目，賬面總值約150,400,000港元。

泰安天然氣管道項目

中基持有泰安天然氣管道項目80%有效權益。該項目於二零零六年六月三十日的賬面值約為90,100,000港元。於本期間，該項目的經營維持相對穩定。

於本期間，中基透過投資泰安港新燃氣有限公司而新投資於一項能源項目。中基持有該項目74%有效權益並已就項目投入人民幣74,000,000元（相當於約70,500,000港元）。

BUSINESS REVIEW & PROSPECTS *(Continued)*

Infrastructure Investments *(Continued)*

The United East Petrochemical project

CII holds a 25% effective interest in the United East Petrochemical project. The carrying value of the project as at 30 June 2006 was approximately HK$112.6 million. For the current period, profit contribution to CII from the project was limited and the profit amounted to only HK$1.5 million.

CII is negotiating with the holding company of the local partner for a long term and secured supply of crude oil for the project's refinery business. CII has confidence to reach an agreement for the supply of the crude oil in 2006.

Financial Investments

Distressed Assets Business

The Cinda Portfolio

For the current period, the Cinda Portfolio has contributed approximately HK$46.8 million (2005: HK$90.0 million) interest income to the Group. Up to 30 June 2006, the principal amount of distressed assets in the Cinda Portfolio that has been disposed was approximately HK$20.3 billion in aggregate, representing 37.4% of the total principal amount of the Cinda Portfolio. The amount of cash recovered was approximately HK$793.4 million in aggregate. The effective cash recovery rate was approximately 3.9%.

During the current period, the total principal amount of distressed assets in the Cinda Portfolio that has been disposed was approximately HK$1.7 billion and the total amount of cash recovered was approximately HK$128.5 million. The cash recovery rate for the current period was approximately 7.6%.

業務回顧及展望 *(續)*

基礎建設投資 *(續)*

東聯化工項目

中基持有東聯化工項目25%有效權益。該項目於二零零六年六月三十日的賬面值約為112,600,000港元。於本期間，該項目僅為中基貢獻有限的溢利，溢利金額只有1,500,000港元。

中基現時正與當地合作方的控股公司進行磋商，為該項目的煉油業務落實長期並且穩定的原油供應。中基有信心於二零零六年內就該原油供應達成協議。

金融投資

不良資產業務

信達資產包

於本期間，信達資產包為本集團貢獻約46,800,000港元(二零零五年：90,000,000港元)利息收入。截至二零零六年六月三十日，累計已處置的信達資產包債權資產本金總額約達203億港元，約相當於信達資產包本金總額的37.4%。累計處置回收現金約為793,400,000港元。折算所得的現金回收率約為3.9%。

於本期間內，已處置的信達資產包債權資產本金總額約為17億港元，處置回收現金約為128,500,000港元，本期間的現金回收率約為7.6%。

BUSINESS REVIEW & PROSPECTS *(Continued)*

Financial Investments *(Continued)*

Distressed Assets Business *(Continued)*

The Cinda Portfolio (Continued)

The Board has confidence in recovering a cumulative cash amount in excess of RMB900.0 million, an amount greater than the original acquisition cost in the second half-year. The Board also has confidence in disposing all the remaining distressed assets in the Cinda Portfolio in the first half year of 2007 and achieving a very good net cash return.

The Huarong Portfolio

In January 2006, the Group completed the acquisition of a portfolio of distressed assets with a total principal amount of RMB36.4 billion (equivalent to approximately HK$35.0 billion) including booked interest ("The Huarong Portfolio") from China Huarong Asset Management Corporation ("China Huarong") at a total consideration of RMB546.6 million (equivalent to approximately HK$526.6 million).

The Huarong Portfolio comprises a total of 11,126 borrowers located in a total of 27 provinces, directly administrated municipalities and autonomies in the PRC. The Group has set a target to complete the disposal of the Huarong Portfolio in two years' time.

The Huarong Portfolio was held through a jointly controlled entity — Platinum One Limited ("POL"). POL was owned equally by Citigroup Financial Products Inc. and the Company.

POL has appointed China Huarong to serve the disposal of and collection of the Huarong Portfolio. Huarong in return is entitled to receive a management fee calculated at 10% of the cash recovered. China Huarong is also entitled to share the profit generated from the disposal of the Huarong portfolio according to a defined profit sharing scheme.

業務回顧及展望 *(續)*

金融投資 *(續)*

不良資產業務 *(續)*

信達資產包(續)

董事會有信心於下半年內完成取得累計回收現金總額逾人民幣900,000,000元，超逾原收購成本。董事會同時有信心可於二零零七年上半年內全部處置所有信達資產包項下的不良資產債權並可取得理想的淨現金回報。

華融資產包

於二零零六年一月，本集團完成從中國華融資產管理公司(「中國華融」)收購本金額為人民幣364億元(相當於350億港元)含表內利息的不良資產組合(「華融資產包」)，總代價為人民幣546,600,000元(相當於約526,600,000港元)。

華融資產包由分散於全國各地共27個省、直轄市及自治區、總數11,126個借款戶所組成。本集團已定立目標於兩年之內完成處置華融資產包。

華融資產包乃通過一間共同控制的公司－Platinum One Limited(「POL」)持有。POL由Citigroup Financial Products Inc.及本公司共同擁有。

POL已委託中國華融協助處置並回收華融資產包。中國華融有權收取按收回現金的10%計算的管理費作為報酬。中國華融同時亦有權根據一項事先協定的利潤分成機制，分享處置華融資產包所產生的利潤。

BUSINESS REVIEW & PROSPECTS *(Continued)*

Financial Investments *(Continued)*

Distressed Assets Business *(Continued)*

The Huarong Portfolio (Continued)

In the current period, POL and China Huarong focused on the preparatory and planning works for an effective disposal and collection scheme. Therefore, the disposal of the distressed assets in the Huarong Portfolio was limited.

Up to 30 June 2006, the principal amount of distressed assets in the Huarong Portfolio that has been disposed was RMB879.6 million in aggregate (equivalent to approximately HK$837.7 million), representing approximately to 4.4% of the total principal amount of the Huarong Portfolio. The cash recovered was RMB19.0 million in aggregate (equivalent to approximately HK$18.1 million). The effective cash recovery rate was approximately 2.3%.

New Distressed Asset Portfolio

The Group is currently considering the investment potential of several assets portfolios and expects to conclude at least one of them in the near future.

Other Financial Investments

The Group will utilize an appropriate portion of the temporarily idled funds to invest, on a medium-term basis, in listed securities. The Board will make judgment and will invest very selectively in listed securities with good capital appreciation potentials.

During the current period, the Group has invested RMB100.0 million (equivalent to approximately HK$96.1 million) to acquire a 12% equity interest in a Chinese medicine manufacturer known as Tong Ji Tang. The principal business of Tong Ji Tang is manufacturing of a patented drug to cure osteoporosis. Tong Ji Tang has planned to seek a listing on an appropriate overseas stock market.

業務回顧及展望 *(續)*

金融投資 *(續)*

不良資產業務 *(續)*

華融資產包(續)

於本期間內，POL與中國華融的重點工作主要著眼於準備及籌劃一個行之有效的處置回收方案。因此，華融資產包的不良資產處置工作僅屬有限。

截至二零零六年六月三十日，華融資產包已處置的不良資產的本金總額為人民幣879,600,000元(相當於約837,700,000港元)，約相等於華融資產包本金總額的4.4%。已收回的現金總額為人民幣19,000,000元(相當於約18,100,000港元)。折算所得的現金回收率約為2.3%。

新的不良資產包

本集團目前正就若干不良資產包的投資潛力作出考核並期望可於短期內落實其中最少一項。

其他金融投資

本集團將適當地利用部份臨時閒置之資金透過以中期持有的方式投資於上市證券。董事會將作出判斷並會非常選擇性地投資於具有資本增值潛力的上市證券。

於本期間，本集團已投資人民幣100,000,000元(相當於約96,100,000港元)收購一家以同濟堂名義從事中藥生產的企業的12%股份權益。同濟堂的主要業務為生產一種用於醫治骨質疏鬆的專利藥物。同濟堂已計劃於一個合適的海外證券市場尋求上市。

GROWTH STRATEGIES

The Group maintains its established strategies of making balanced investments in the Group's three core-businesses: properties, infrastructure investments and financial investments.

The recent macro-economic measures imposed by the PRC Central Government, which is mainly to cool down over-investments in fixed assets in respect of natural resources exploiting and real estate investments. In the opinion of the Board, the measures will not have significant adverse effect on the Group's business for the time being. The Group has adequate internal resources to finance its property investments and the Group's development properties are targeted for selling to the local middle-class customers. These customers are real users and are least affected by the recent measures.

However, the Board believes that these measures will continue for a certain period of time. The Board will keep their eyes open and take appropriate actions should these measures be further extended and raised.

FINANCIAL REVIEW

Exchange Exposure & Hedging

At 30 June 2006, the Group had an outstanding convertible note denominated in USD in the amount of USD52.5 million (equivalent to HK$409.5 million).

Except for the above, the Group's principal assets, liabilities, revenues and payments are denominated in HKD and RMB. Despite the recent mild appreciation of the RMB exchange rate, the Board believes that the RMB exchange rate will only appreciate by a small percentage in the foreseeable future. In addition, HKD is pledged to the USD and such currency peg is unlikely to break in the foreseeable future. In this regard, the Board believes that exposure to exchange rate fluctuations will not have material adverse effect on the Group.

發展策略

本集團維持以既定的策略均衡投資於本集團的三大核心業務：房地產、基礎建設投資及金融投資。

中國中央政府近期實施的宏觀經濟調控措施主要是冷卻關於天然資源開採以及房地產投資等方面的固定資產過度投資。董事會意見認為，現時有關調控措施將不會對本集團的業務帶來重大的負面影響。本集團有足夠的內部資源滿足房地產投資所需並且本集團的房地產發展項目的目標顧客群為當地的中等收入階層；這些顧客都是真正的使用者並且為近期的調控措施中受到最少影響的。

然而，董事會相信該等調控措施將會持續一段時間。董事會將會密切留意有關事情的發展並將於該等調控措施可能進一步擴大及加強時採取合適的對策行動。

財務回顧

匯兌風險及對沖

於二零零六年六月三十日，本集團有以美元為計價單位的可換股票據金額52,500,000美元（相當於409,500,000港元）。

除上文所述外，本集團的主要資產、負債、收入及支出都是以港元及人民幣為主。即使人民幣匯率近期曾作出輕微升值，董事會相信人民幣匯率於可預見的未來只會再升值若干百分點。此外，港元是與美元掛鈎而此項貨幣掛鈎政策於可預見的未來都不會解除。因此董事會相信因為匯率變動所引致的匯兌風險將不會對本集團產生重大負面影響。

FINANCIAL REVIEW *(Continued)*

Exchange Exposure & Hedging *(Continued)*

The Group's policy is not to engage in any speculative activity other than making appropriate arrangements for hedging purposes where the business requires. There was no hedging transaction contracted for by the Group during the current period.

Working Capital & Borrowings

The Group's total borrowings excluding convertible notes as at 30 June 2006 amounted to approximately HK$578.9 million of which approximately HK$572.6 million was short-term bank loan. The remaining was long-term mortgage loan. Over 90% of the short-term bank loan was represented by the working capital loan to East Gate and the remaining was the current portion of a long-term mortgage loan. Interest rate for the short-term bank loan was charged at floating rate and the prevailing applicable interest rate was 5.85% per annum. The interest rate for the long-term mortgage loan was charged at floating rate and the prevailing applicable interest rate was 5.88% per annum. The Group also has convertible notes with a total outstanding amount of approximately HK$619.4 million. Approximately 35% of the convertible notes were due within one year and the remaining were due after three years. The convertible notes have a coupon rate of 1.5% per annum but interest was charged to the consolidated income statement at a notional market rate of 4.48% per annum according to the Group's accounting policy adopted.

At the balance sheet date, the cash and bank balances including the restricted bank balances was HK$799.0 million. In addition, the Group has net current assets in the amount of HK$700.8 million. Moreover, the Group has unutilized banking facilities in the amount of HK$313.8 million. In this regard, the Board is confident that the working capital of the Group is adequate for daily operations and the Group has a healthy financial position.

財務回顧 *(續)*

匯兌風險及對沖 *(續)*

本集團的政策一向不鼓勵進行任何投機活動，唯因應業務需要而作出適當的對沖安排除外。本集團於本期內並無簽訂任何合同形式的對沖交易。

營運資金及借貸

本集團於二零零六年六月三十日不包括可換股票據的借貸總額約為578,900,000港元，其中約有572,600,000港元為短期銀行貸款，餘數

FINANCIAL REVIEW *(Continued)*

Working Capital & Borrowings *(Continued)*

At 30 June 2006, the Company has a convertible note with an outstanding principal amount of HK$220.0 million. The conversion price of the note is HK$2.2 per share which is higher than the market closing price of HK$2.075 at the balance sheet date. Unless the note is converted in full, any unconverted principal amount will be repayable on 23 November 2006. The Group has adequate internal resource to repay the note, if necessary.

Capital Structure

At 30 June 2006, the shareholders' fund of the Group was HK$4,303.7 million, representing an increase of HK$460.7 million or 12.0% compared to that as at 31 December 2005.

During the current period, the Company raised additional capital in the amount of HK$241.9 million from the issuance of a total number of 118,000,000 new shares at premium pursuant to the exercise of convertible note and share options, which has an effect of increasing the overall capital.

During the current period, the Company paid HK$108.4 million to shareholders of the Company as final dividend for the year 2005, which has an effect of reducing the overall capital.

Human Resources

At 30 June 2006, the Group employed approximately 1,400 employees in Hong Kong and in the PRC. The Group offers its employees competitive remuneration packages, which are consistent with the prevailing market practice. The Group's remuneration policies remain unchanged during the current period. Total staff cost for the current period was HK$26.3 million (2005: HK$20.1 million).

財務回顧 *(續)*

營運資金及借貸 *(續)*

於二零零六年六月三十日，本集團有一項未償還本金額220,000,000港元的可換股票據。該票據的換股價為每股2.2港元並且高於資產負債表日期的每股收市價2.075港元。除非該票據全數被轉換，否則任何未予轉換的本金額將需於二零零六年十一月二十三日償還。如有需要，本集團有足夠的內部資源用以償還該票據。

股本結構

於二零零六年六月三十日，本集團之股東資金為4,303,700,000港元；較二零零五年十二月三十一日的數額增加460,700,000港元，升幅為12%。

於本期間內，本公司因應可換股票據及購股權被行使而以溢價發行總數118,000,000股新股，額外籌得股本241,900,000港元，此舉有增加整體股本的影響。

於本期間內，本公司已向本公司股東支付108,400,000港元作為二零零五年末期股息，此舉有減少整體股本的影響。

人力資源

於二零零六年六月三十日，本集團於香港及中國僱用約1,400名僱員。本集團為其僱員提供一套符合市場慣例且具有競爭性的薪酬制度。本集團的薪酬政策於本期間內維持不變。本期間的總員工支出為26,260,000港元（二零零五年：20,142,000港元）。

FINANCIAL REVIEW *(Continued)*

Capital Commitments & Contingent Liabilities

The Group did not have any material capital commitment as at 30 June 2006. Moreover, the Group did not incur any new contingent liability, which is material during the current period.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2006, the Company did not repurchase any of its listed securities. Neither the Company nor any of its subsidiaries purchased or sold any of its listed securities during the current period.

APPRECIATION

On behalf of the Board, I would like to express my appreciation and gratitude to our shareholders for their supports and all the Group's employees for their hard working and dedication in carrying out their duties and in achieving the Group's business goal.

By order of the Board of
Silver Grant International Industries Limited
Gao Jian Min
Managing Director

Hong Kong, 8 September 2006

財務回顧 *(續)*

資本承擔及或然負債

本集團於二零零六年六月三十日並無任何重大的資本承擔，同時本集團於本期間內並無新做任何重大的或然負債。

購回、出售或贖回本公司的上市證券

於截至二零零六年六月三十日止六個月內，本公司並無購回任何其上市證券。於本期間內，本公司或其任何附屬公司概無購買或出售其任何上市證券。

致謝

本集團有賴各股東的鼎力支持和全體員工努力不懈的竭誠服務以達至本集團的目標，本人謹代表董事會向彼等致以深切謝意。

承董事會命
銀建國際實業有限公司
董事總經理
高建民

香港，二零零六年九月八日

Corporate Governance & Other Information
公司管治及其他資料

CORPORATE GOVERNANCE

The Company is committed to ensure high standards of corporate governance in the interests of shareholders.

The Board acknowledges their responsibilities for preparing the consolidated financial statements, which give a true and fair view of the state of affairs of the Company and of the Group on a going concern basis. In preparing the consolidated financial statements for the six months ended 30 June 2006, the Board has selected suitable accounting policies and applied them consistently and made judgments and estimates that are prudent and reasonable.

The Company has complied with all the code provisions set out in the Code on Corporate Governance Practices ("the CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities ("the Listing Rules") on The Stock Exchange of Hong Kong Limited ("the Stock Exchange") throughout the accounting period covered by the interim financial report except for CG Code provision E.1.2. CG Code provision E.1.2 stipulates that the Chairman of the Board should attend the annual general meeting. Due to the fact that the Chairman of the Board was out of town, he did not attend the annual general meeting of the Company held on 25 May 2006. The Chairman of the Board will endeavor to attend all future annual general meetings of the Company unless unexpected or special circumstances preventing him from doing so.

The Company has adopted codes of conduct regarding securities transactions by directors and by relevant employees (as defined in the CG Code) on terms no less exacting than the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("the Model Code") contained in Appendix 10 of the Listing Rules.

公司管治

為符合股東利益，本公司致力實行高水平的企業管治。

董事會確認按持續經營標準編制能真實及公平地反映本公司及本集團財務狀況的綜合財務報表乃屬其責任。在編制截至二零零六年六月三十日止六個月的綜合財務報表時，董事會採用了合適的會計政策並持續應用該等會計政策，同時亦以保守及合理的態度作出判斷及估計。

在本中期財務報告所涵蓋的會計期間內，本公司有遵守香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載《企業管治常規守則》(「管治常規守則」)內的所有守則條文，管治常規守則條文E.1.2除外。管治常規守則條文第E.1.2條要求董事會主席應出席股東週年大會。由於董事會主席身處海外緣故，他並無出席本公司於二零零六年五月二十五日召開的股東週年大會。董事會主席將竭力出席本公司於未來召開的所有股東週年大會，除非出現不可預見或特殊情況導致其未克出席。

公司就董事及有關僱員(定義見管治常規守則)進行的證券交易，已採納不遜於上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》(「標準守則」)所訂標準的行為守則。

CORPORATE GOVERNANCE *(Continued)*

On specific enquiries made, all directors have confirmed that, in respect of the accounting period covered by the interim financial report, they have complied with the required standard set out in the Model Code and the Company's code of conduct regarding directors' securities transactions.

The consolidated financial statements for the six months ended 30 June 2006 were unaudited. The Audit Committee has reviewed the consolidated financial statements for the six months ended 30 June 2006.

During the current period, on 13 February 2006, Mr. Zhu Dengshan resigned as executive director and chairman of the Board due to his retirement. On 13 February 2006, Mr. Chen Xiaozhou was appointed as executive director and was elected chairman of the Board.

After the balance sheet date, Mr. Cheung Chung Kiu resigned as executive director of the Company due to personal reason on 17 July 2006. Messrs. Chen Xiaozhou, Hui Xiao Bing and Yuen Wing Shing, the executive directors of the Company were re-designated as non-executive directors of the Company with effect from 1 September 2006.

公司管治 *(續)*

在回覆特定查詢時，所有董事均確認就本中期財務報告所涵蓋的會計期間內有遵守標準守則

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

董事購買股份或債權證的權利

Details of outstanding share options granted to the directors of the Company under the share option scheme adopted by the Company on 26 June 1995 (the "Old Scheme") and the share option scheme adopted by the Company on 27 May 2002 (the "New Scheme") and the movements of the share options during the current period are set out below:

根據本公司於一九九五年六月二十六日採納之購股權計劃(「舊計劃」)及本公司於二零零二年五月二十七日採納之購股權計劃(「新計劃」)項下授予本公司董事的尚未行使購股權詳情及該等購股權於本期間內的變動載列如下：

	Number of share options 購股權數目		
	Outstanding as at		Outstanding as at

DIRECTORS' INTEREST IN SHARES

At 30 June 2006, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which have been notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provision of the SFO), or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

Long position in the underlying shares of the Company:

Name of directors 董事姓名	Capacity 身份	Number of underlying shares 相關股份數目	Percentage of total issued share capital 佔全部已發行股本百分比
CHEN Yongcun 陳永存	Beneficial owner *(Note)* 實益擁有人 *(附註)*	7,000,000	0.39%
GAO Jian Min 高建民	Beneficial owner *(Note)* 實益擁有人 *(附註)*	5,000,000	0.28%
GU Jianguo 顧建國	Beneficial owner *(Note)* 實益擁有人 *(附註)*	2,000,000	0.11%

Notes:

These represent interests of share options granted to the directors under the Old Scheme and the New Scheme to acquire shares of the Company, further details of which are set out in the Section headed "Directors' Right to Acquire Shares or Debentures".

董事之股份權益

於二零零六年六月三十日，本公司的董事及最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例有關條文彼等已擁有或被視為已擁有的權益及淡倉)，或根據證券及期貨條例第352條須記入該條所指登記冊的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉如下：

本公司相關股份好倉的持倉情況：

附註：

此等為根據舊計劃及新計劃項下授予董事的購股權權益以認購本公司股份，其相關詳情載於「董事購買股份或債權證的權利」部份。

DIRECTORS' INTEREST IN SHARES *(Continued)*

Save as disclosed above and in the Section headed "Director's Right to Acquire Shares or Debentures" and in the Section headed "Substantial Shareholders", as at 30 June 2006, none of the directors or chief executive of the Company or any of their associates had any interest or short position in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register as required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code. None of the directors or their spouses or children under the age of 18, had been granted any right to subscribe for the equity or debt securities of the Company or any of its associated corporations, or had exercised any such right during the period.

董事之股份權益 *(續)*

除上文及在「董事購買股份或債權證的權利」部份以及在「主要股東」部份所披露者外，於二零零六年六月三十日，本公司根據證券及期貨條例第352條置存的登記冊記錄顯示本公司的董事或最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)持有任何股份、相關股份或債權證的權益或短倉或根據

SUBSTANTIAL SHAREHOLDERS

At 30 June 2006, persons other than a director or chief executive of the Company, having interest in 5% or more of the issued share capital of the Company as recorded in the register required to be kept by the Company under Section 336 of SFO were as follows:

Long positions in shares and underlying shares of the Company as at 30 June 2006:

主要股東

於二零零六年六月三十日，於本公司根據證券及期貨條例第336條規定須予置存的登記冊的記錄所顯示，本公司董事或最高行政人員以外擁有佔本公司已發行股本5%或以上權益的人士如下：

本公司股份及相關股份好倉於二零零六年六月三十日的持倉情況：

Name of substantial shareholder 主要股東名稱	Capacity 身份	Number of ordinary shares 股份數目	Underlying shares 相關股份	Total interests 權益總額	Percentage of the issued share capital 佔全部已發行股本百分比
Silver Grant International Holdings Limited	Beneficial owner 實益擁有人	141,270,022	—	141,270,022 *(Note 1)* *(附註一)*	7.82%
China Cinda Asset Management Corporation 中國信達資產管理公司	Interest of controlled corporation 受控制法團的權益	420,700,000	100,000,000 *(Note 2)* *(附註二)*	520,700,000 *(Note 3)* *(附註三)*	28.82%
Citigroup Inc.	169,450,000 shares as beneficial owner, 3,959,000 shares as approved lending agent, 150,000 shares as person having a security interest in shares and 138,813,559 underlying shares as beneficial owner 169,450,000股屬實益擁有人，3,959,000股屬核准借出代理人，150,000股屬對股份持有保證權益的人及138,813,559相關股份屬實益擁有人	173,559,000	138,813,559 *(Note 4)* *(附註四)*	312,372,559	17.29%

SUBSTANTIAL SHAREHOLDERS *(Continued)*

Notes:

1. Messrs. Gao Jian Min and Liu Tianni, both of whom are directors of the Company, each has a 30% interest in Silver Grant International Holdings Limited as at 30 June 2006.

2. This represents the interest in convertible note in the principal amount of HK$220.0 million pursuant to which a total number of 100,000,000 new shares will be issued upon full exercise of the conversion rights attaching thereto at the initial conversion price of HK$2.20 per share.

3. The following is a breakdown of the interests in shares of the Company held by China Cinda Asset Management Corporation:

Name of controlled corporation 受控制法團名稱	Name of controlling shareholder 控權股東名稱	Percentage of control 控制百分率	Total interest in shares 股份權益總數	
			Direct interest 直接權益	Indirect interest 間接權益
Well Kent International Investment Company Limited 華建國際投資有限公司	China Cinda Asset Management Corporation 中國信達資產管理公司	100%	—	520,700,000
Catic Limited	Well Kent International Investment Company Limited 華建國際投資有限公司	100%	520,700,000	—

4. This represents the interest in convertible note in the principal amount of USD52,500,000 pursuant to which a total number of 138,813,559 new shares will be issued upon full exercise of the conversion rights attaching thereto at the initial conversion price of HK$2.95 per share.

Save as disclosed above, the register required to be kept under Section 336 of the SFO showed that the Company had not been notified of any interest or short position in the shares and underlying shares of the Company as at 30 June 2006.

主要股東 *(續)*

附註：

一. 高建民先生及劉天倪先生，彼等均為本公司董事，於二零零六年六月三十日各自擁有 Silver Grant International Holdings Limited 30%權益。

二. 此為本金總額220,000,000港元的可換股票據項下的權益，據此按每股2.20港元初步換股價全面行使可換股票據所附帶的換股權後，將會發行合共100,000,000股新股份。

三. 以下為中國信達資產管理公司所持有本公司的股份權益細節：

四. 此為本金總額52,500,000美元的可換股票據項下的權益，據此按每股2.95港元初步換股價全面行使可換股票據所附帶的換股權後，將會發行合共138,813,559股新股份。

除上文所披露者外，根據證券及期貨條例第336條規定須予置存的登記冊所顯示，本公司並無接獲任何有關於二零零六年六月三十日在本公司股份及相關股份中擁有權益或短倉的申報。

SHARE OPTION SCHEMES

Movements during the current period of share options granted under the Old Scheme and the New Scheme are set out below:

購股權計劃

根據舊計劃及新計劃項下授出的購股權於本期間內的變動載列如下：

Subscription price per share 每股認購價 *HK$ 港元*	Exercisable period 可予行使期間	Number of share options 購股權數目 Outstanding at 1 January 2006 於二零零六年一月一日的未予行使	Exercised during the period 期內已行使	Outstanding at 30 June 2006 於二零零六年六月三十日的未予行使
Old Scheme 舊計劃				
0.967	09/01/1997 — 08/01/2007	15,000,000	(15,000,000)	—
0.900	27/07/1999 — 26/07/2009	2,000,000	—	2,000,000
0.535	25/07/2001 — 24/07/2011	5,000,000	(3,000,000)	2,000,000
		22,000,000	(18,000,000)	4,000,000
New Scheme 新計劃				
0.700	07/06/2002 — 06/06/2012	10,000,000	—	10,000,000
		32,000,000	(18,000,000)	14,000,000

No share option was being granted or lapsed during the current period.

於本期間內並無購股權獲授出或失效。

The weighted average closing price of the Company's shares as at the date of exercise of share options was HK$2.379.

本公司股份於購股權行使日期的加權平均收市價為2.379港元。

SHARE OPTION SCHEMES *(Continued)*

Movements during the current period of share options held by the directors included in the above table are as follows:

Subscription price per share 每股認購價 *HK$ 港元*	Exercisable period 可予行使期間	Number of share options 購股權數目 Outstanding at 1 January 2006 於二零零六年一月一日的未予行使	Exercised during the period 期內已行使	Outstanding at 30 June 2006 於二零零六年六月三十日的未予行使
Old Scheme 舊計劃				
0.967	09/01/1997 — 08/01/2007	15,000,000	(15,000,000)	—
0.900	27/07/1999 — 26/07/2009	2,000,000	—	2,000,000
0.535	25/07/2001 — 24/07/2011	2,000,000	—	2,000,000
		19,000,000	(15,000,000)	4,000,000
New Scheme 新計劃				
0.700	07/06/2002 — 06/06/2012	10,000,000	—	10,000,000
		29,000,000	(15,000,000)	14,000,000

Consolidated Income Statement
綜合收入報表

For the six months ended 30 June 2006
截至二零零六年六月三十日止六個月

		Notes 附註	(Unaudited) (未經審核) Six months ended 30 June 截至6月30日止六個月 2006 二零零六年 HK$'000 千港元	2005 二零零五年 HK$'000 千港元
Turnover	營業額	3	**528,384**	298,903
Direct operating expenses	直接經營費用		**(360,497)**	(51,797)
			167,887	247,106
Other income	其他收入	4	**90,023**	33,423
Administrative expenses	行政費用		**(56,032)**	(49,632)
Surplus on revaluation of leasehold properties	租賃物業的重估盈餘		**1,102**	8,255
Increase in fair value of investment properties	投資物業的公平值增加		**88,418**	55,630
Gain on convertible note at fair value through profit or loss	於損益表按公平值處理的可換股票據的收益		**35,412**	—
Finance costs	財務費用	5	**(24,445)**	(29,834)
Discount on acquisition of additional equity interest in a subsidiary	收購一間附屬公司額外股本權益的折讓		**24,742**	73,476
Share of results of associates	攤佔聯營公司業績		**39,532**	59,885
Share of results of jointly controlled entity	攤佔共同控制公司業績		**6,912**	—
Gain on disposal of a subsidiary	出售一間附屬公司產生的收益	6	**2,550**	—
Profit before taxation	除稅前溢利		**376,101**	398,309
Taxation	稅項	7	**(43,033)**	(40,301)
Profit for the period	期內溢利	8	**333,068**	358,008
Attributable to:	應佔：			
Equity holders of the Company	本公司股本持有人		**332,600**	354,973
Minority interests	少數股東權益		**468**	3,035
			333,068	358,008
Dividends	股息	9	**108,403**	87,934
Earnings per share	每股盈利	10		
— Basic	—			

Consolidated Balance Sheet
綜合資產負債表

As at 30 June 2006
於二零零六年六月三十日

		Notes 附註	(Unaudited) (未經審核) At 30 June 2006 於二零零六年六月三十日 HK$'000 千港元	(Audited) (經審核) At 31 December 2005 於二零零五年十二月三十一日 HK$'000 千港元
ASSETS	**資產**			
Non-current assets	**非流動資產**			
Investment properties	投資物業	*11*	**2,193,802**	2,105,385
Property, plant and equipment	物業、廠房及設備	*12*	**121,652**	122,340
Goodwill	商譽		**33,525**	33,525
Interests in associates	聯營公司權益		**1,336,911**	1,304,277
Amounts due from associates	應收聯營公司款		**225,911**	206,478
Interests in jointly controlled entity	共同控制公司權益		**30,642**	—
Available-for-sale investments	可出售投資		**98,641**	2,206
Interest in distressed assets	不良資產權益		**200,983**	204,681
Deposit paid for acquisition of investments	已付收購投資的按金		**—**	44,499
Deposit paid for acquisition of distressed assets	已付收購不良資產的按金		**—**	263,723
Deferred tax assets	遞延稅項資產	*18*	**1,336**	1,336
Other asset	其他資產		**3,428**	4,113
			4,246,831	4,292,563
Current assets	**流動資產**			
Inventories, at cost	存貨 — 成本		**134**	115
Stock of properties	物業存貨		**344,176**	323,940
Loan receivables	應收貸款		**128,850**	144,216
Interest in distressed assets	不良資產權益		**282,140**	347,301
Held-for-trading investments	持作買賣投資		**360,721**	364,030
Trade receivables	應收賬款	*13*	**7,601**	4,400
Deposits, prepayments and other receivables	按金、預付款項及其他應收款		**83,349**	72,925
Amounts due from associates	應收聯營公司款		**120,731**	24,025
Amount due from jointly controlled entity	應收共同控制公司款項		**248,362**	—
Restricted bank balances	監管戶口結餘		**334,268**	269,600
Bank balances and cash	銀行結餘及現金		**464,774**	341,540
			2,375,106	1,892,092
Assets classified as held for sale	列為持作銷售的資產		**—**	263,723
			2,375,106	2,155,815
TOTAL ASSETS	**資產總值**		**6,621,937**	6,448,378

Consolidated Balance Sheet
綜合資產負債表
As at 30 June 2006
於二零零六年六月三十日

		Notes 附註	(Unaudited) (未經審核) At 30 June 2006 於二零零六年六月三十日 HK$'000 千港元	(Audited) (經審核) At 31 December 2005 於二零零五年十二月三十一日 HK$'000 千港元
EQUITY	**股本**			
Capital and reserves	**資本及儲備**			
Share capital	股本	*14*	**361,342**	337,742
Reserves	儲備		**3,942,396**	3,505,280
Equity attributable to equity holders of the Company	本公司股本持有人應佔股本		**4,303,738**	3,843,022
Minority interests	少數股東權益		**5,686**	55,669
Total equity	**股本總值**		**4,309,424**	3,898,691
LIABILITIES	**負債**			
Non-current liabilities	**非流動負債**			
Borrowings	借貸	*16*	**6,325**	6,900
Convertible note	可換股票據		**401,869**	437,280
Deferred tax liabilities	遞延稅項負債	*18*	**230,038**	187,979
			638,232	632,159
Current liabilities	**流動負債**			
Bank overdraft	銀行透支	*16*	**—**	79,241
Trade payables	應付賬款	*15*	**35,861**	19,175
Accrued charges, rental deposits and other payables	應計費用、租務按金及其它應付款		**384,043**	369,587
Amount due to associates	應付聯營公司款		**444,164**	377,146
Accruals for management fee to holding company of a shareholder	應付一名股東的控股公司應計管理費		**14,883**	65,881
Borrowings	借貸	*16*	**572,579**	572,578
Taxation payable	應付稅項		**5,267**	5,084
Convertible note	可換股票據		**217,484**	428,836
			1,674,281	1,917,528
Total liabilities	**負債總值**		**2,312,513**	2,549,687
TOTAL EQUITY AND LIABILITIES	**股本及負債總值**		**6,621,937**	6,448,378
Net current assets	**淨流動資產**		**700,825**	238,287
Total assets less current liabilities	**資產總值減流動負債**		**4,947,656**	4,530,850

Consolidated Statement of Changes in Equity
綜合權益變動報表

For the six months ended 30 June 2006 (Unaudited)
截至二零零六年六月三十日止六個月(未經審核)

		Attributable to equity holders of the Company 本公司股本持有人應佔股本												
		Share capital 股本 HK$'000 千港元	Share premium 股份溢價 HK$'000 千港元	Convertible notes equity reserve 可換股票據股本儲備 HK$'000 千港元	Investment properties revaluation reserve 投資物業重估儲備 HK$'000 千港元	Asset revaluation reserve 資產重估儲備 HK$'000 千港元	Capital redemption reserve 資本贖回儲備 HK$'000 千港元	Negative goodwill 負商譽 HK$'000 千港元	Other reserve 其他儲備 HK$'000 千港元	Translation reserve 匯兌儲備 HK$'000 千港元	Accumulated profits 累積盈利 HK$'000 千港元	Total 合計 HK$'000 千港元	Minority interests 少數股東權益 HK$'000 千港元	Total equity 股本總額 HK$'000 千港元
At 1 January 2006	於2006年1月1日	337,742	1,957,757	20,150	–	18,887	13,992	–	605	28,938	1,464,951	3,843,022	55,669	3,898,691
Gain on valuation of buildings	重估樓宇產生的收益	–	–	–	–	1,659	–	–	–	–	–	1,659	–	1.659
Deferred tax liability arising on revaluation of buildings	重估樓宇產生的遞延稅項負債	–	–	–	–	(504)	–	–	–	–	–	(504)	–	(504)
Share of reserve of associates	攤佔聯營公司儲備	–	–	–	–	–	–	–	–	3,551	–	3,551	–	3,551
Net income recognised directly in equity	直接於股本確認的收入淨額	–	–	–	–	1,155	–	–	–	3,551	–	4,706	–	4,706
Profit for the period	期內溢利	–	–	–	–	–	–	–	–	–	332,600	332,600	468	333,068
Total recognised income and expenses for the period	期內確認的收入及支出總額	–	–	–	–	1,155	–	–	–	3,551	332,600	337,306	468	337,774
Issue of shares upon exercise of share options	行使購股權發行的股份	3,600	12,510	–	–	–	–	–	–	–	–	16,110	–	16,110
Share issue expenses	股份發行費用	–	(13)	–	–	–	–	–	–	–	–	(13)	–	(13)
Issue of shares upon exercise of convertible note	行使可換股票據發行的股份	20,000	205,791	(10,075)	–	–	–	–	–	–	–	215,716	–	215,716
Paid 2005 final dividend	付2005年末期股息	–	–	–	–	–	–	–	–	–	(108,403)	(108,403)	–	(108,403)
Acquisition of additional equity interest in a subsidiary	收購一間附屬公司的額外股本權益	–	–	–	–	–	–	–	–	–	–	–	(50,451)	(50,451)
At 30 June 2006	於2006年6月30日	361,342	2,176,045	10,075	–	20,042	13,992	–	605	32,489	1,689,148	4,303,738	5,686	4,309,424

Consolidated Statement of Changes in Equity
綜合權益變動報表

For the six months ended 30 June 2006 (Unaudited)
截至二零零六年六月三十日止六個月(未經審核)

		Attributable to equity holders of the Company 本公司股本持有人應佔股本												
		Share capital 股本 HK$'000 千港元	Share premium 股份溢價 HK$'000 千港元	Convertible notes equity reserve 可換股票據股本儲備 HK$'000 千港元	Investment properties revaluation reserve 投資物業重估儲備 HK$'000 千港元	Asset revaluation reserve 資產重估儲備 HK$'000 千港元	Capital redemption reserve 資本贖回儲備 HK$'000 千港元	Negative goodwill 負商譽 HK$'000 千港元	Other reserve 其他儲備 HK$'000 千港元	Translation reserve 匯兌儲備 HK$'000 千港元	Accumulated profits 累積盈利 HK$'000 千港元	Total 合計 HK$'000 千港元	Minority interests 少數股東權益 HK$'000 千港元	Total equity 股本總額 HK$'000 千港元
At 1 January 2005	於2005年1月1日													
as originally stated	原先呈報	351,734	1,957,757	20,150	49,823	13,763	–	12,233	605	1,994	1,075,663	3,483,722	136,180	3,619,902
Effects of changes in accounting policies:	會計政策變動的影響:	–	–	–	(49,823)	–	–	(12,233)	–	–	(81,531)	(143,587)	–	(143,587)
As restated	經重列	351,734	1,957,757	20,150	–	13,763	–	–	605	1,994	994,132	3,340,135	136,180	3,476,315
Gain on revaluation of buildings	重估樓宇產生的收益	–	–	–	–	4,965	–	–	–	–	–	4,965	–	4,965
Deferred tax liability arising on revaluation of buildings	重估樓宇產生的遞延稅項負債	–	–	–	–	(575)	–	–	–	–	–	(575)	–	(575)
Share of reserve of associates	攤佔聯營公司儲備	–	–	–	–	–	–	–	–	714	–	714	–	714
Net income recognised directly in equity	直接於股本確認的收入淨額	–	–	–	–	4,390	–	–	–	714	–	5,104	–	5,104
Profit for the period	期內溢利	–	–	–	–	–	–	–	–	–	354,973	354,973	3,035	358,008
Total recognised income and expenses for the period	期內確認的收入及支出總額	–	–	–	–	4,390	–	–	–	714	354,973	360,077	3,035	363,112
Paid 2004 final dividend	付2004年末期股息	–	–	–	–	–	–	–	–	–	(87,934)	(87,934)	–	(87,934)
Acquisition of additional equity interest in a subsidiary	收購一間附屬公司的額外股本權益	–	–	–	–	–	–	–	–	–	–	–	(86,914)	(86,914)
At 30 June 2005	於2005年6月30日	351,734	1,957,757	20,150	–	18,153	–	–	605	2,708	1,261,171	3,612,278	52,301	3,664,579

Note:

Condensed Consolidated Cash Flow Statement
簡明綜合現金流量報表

For the six months ended 30 June 2006
截至二零零六年六月三十日止六個月

		(Unaudited) (未經審核) Six months ended 30 June 截至6月30日止六個月	
		2006	2005
		二零零六年	二零零五年
		HK$'000	*HK$'000*
		千港元	*千港元*
Net cash generated from (used in) operating activities	經營業務所得(所用)現金淨額	**106,923**	(67,485)
Net cash generated from (used in) investing activities	投資業務所得(所用)現金淨額	**95,087**	(177,648)
Net cash generated from (used in) financing activities	融資業務所得(所用)現金淨額	**465**	(21,279)
Net cash and cash equivalent movement	現金及現金等值變動淨額	**202,475**	(266,412)
Cash and cash equivalent at the beginning of the period	期初的現金及現金等值	**262,299**	1,370,730
Cash and cash equivalent at the end of the period	期末的現金及現金等值	**464,774**	1,104,318

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting".

1. 編制基準

本綜合財務報表乃根據香港聯合交易所有限公司證券上市規則(「上市規則」)附錄16的適用披露規定以及香港會計準則(「會計準則」)第34號《中期財務報告》而編制。

2. PRINCIPAL ACCOUNTING POLICIES

The consolidated financial statements have been prepared under the historical cost basis except for certain properties and financial assets and liabilities, which are measured at fair values or revalued amounts, as appropriate.

The accounting policies used in the consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2005.

At 30 June 2006, the following new Hong Kong Financial Reporting Standards ("HKFRSs"), Amendments and Interpretations issued by the HKICPA were in issue but not yet effective:

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: disclosures
HK(IFRIC)-INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC)-INT 8	Scope of HKFRS 2
HK(IFRIC)-INT 9	Reassessment of Embedded Derivatives
HK(IFRIC)-INT 10	Interim Financial Reporting and Impairment

2. 主要會計政策

除若干物業及金融資產以及負債按適用情況以公平值或重估值計量外，本綜合財務報表是按歷史成本為編制基準。

本綜合財務報表所採用的會計政策與編制本集團截至二零零五年十二月三十一日止年度的財務報表一致。

於二零零六年六月三十日，下列由香港會計師公會頒佈的新訂香港財務報告準則(「財務報告準則」)、修訂本及詮釋已頒佈惟尚未生效：

會計準則第1號(修訂本)	資金披露
財務報告準則第7號	金融工具：披露
香港(國際財務報告詮釋委員會)－詮釋第7號	應用會計準則第29號惡性通貨膨漲經濟財務報告重列法
香港(國際財務報告詮釋委員會)－詮釋第8號	財務報告準則第2號的範圍
香港(國際財務報告詮釋委員會)－詮釋第9號	重估附帶衍生工具
香港(國際財務報告詮釋委員會)－詮釋第10號	中期財務報告及減值

3. TURNOVER AND SEGMENT INFORMATION
(continued)

(i) Business segments

The Group is organized into five operating divisions: distressed assets business, investments, sales of properties, property leasing and property management. These operating divisions are the basis on which the Group reports its primary segment information.

An analysis of the Group's turnover and results by business segments is as follows:

		Six months ended 30 June 2006 截至二零零六年六月三十日止六個月					
		Distressed assets business 不良資產業務 *HK$'000 千港元*	Investments 投資 *HK$'000 千港元*	Sales of properties 物業銷售 *HK$'000 千港元*	Property leasing 物業租賃 *HK$'000 千港元*	Property management 物業管理 *HK$'000 千港元*	Consolidated 綜合 *HK$'000 千港元*
Turnover	營業額	46,807	403,818	—	34,197	43,562	528,384
Results	業績						
Segment results	分類業績	46,807	128,126	(1,614)	15,160	994	189,473
Interest income	利息收入						31,636
Surplus on revaluation of leasehold properties	租賃物業的重估盈餘						1,102
Increase in fair value of investment properties	投資物業的公平值增加	—	—	—	88,418	—	88,418
Gain on convertible note at fair value through profit or loss	於損益表按公平值處理的可換股票據的收益						35,412
Unallocated corporate expenses	未予分配公司費用						aCF3e6d8n on convertible note

3. TURNOVER AND SEGMENT INFORMATION *(continued)* 3. 營業額及分類資料 *(續)*

(i) Business segments *(continued)* (i) 業務分類 *(續)*

		Six months ended 30 June 2005 截至二零零五年六月三十日止六個月					
		Distressed assets business 不良資產業務 *HK$'000 千港元*	Investments 投資 *HK$'000 千港元*	Sales of properties 物業銷售 *HK$'000 千港元*	Property leasing 物業租賃 *HK$'000 千港元*	Property management 物業管理 *HK$'000 千港元*	Consolidated 綜合 *HK$'000 千港元*
Turnover	營業額	189,958	36,640	—	30,644	41,661	298,903
Results	業績						
Segment results	分類業績	189,946	21,277	(1,685)	16,783	1,861	228,182
Interest income	利息收入						20,587
Surplus on revaluation of leasehold properties	租賃物業的重估盈餘						8,255
Increase in fair value of investment properties	投資物業的公平值增加	—	—	—	55,630	—	55,630
Unallocated corporate expenses	未予分配公司費用						(17,872)
Finance costs	財務費用						(29,834)
Discount on acquisition of additional equity interest in a subsidiary	收購一間附屬公司額外股本權益的折讓						73,476
Share of results of associates	攤佔聯營公司業績						59,885
Profit before taxation	除稅前溢利						398,309
Taxation	稅項						(40,301)
Profit for the period	期內溢利						358,008

(ii) Geographical segments (ii) 地域分類

An analysis of the Group's turnover by geographical location of customers is as follows:

本集團營業額按照客戶的地域位置劃分的分析如下：

		Turnover 營業額	
		2006 二零零六年 *HK$'000 千港元*	2005 二零零五年 *HK$'000 千港元*
Hong Kong	香港	**405,641**	38,244
The PRC	中國	**122,743**	160,659
Macau	澳門	**—**	100,000
		528,384	298,903

4. OTHER INCOME 4. 其他收入

		2006 二零零六年 *HK$'000* *千港元*	2005 二零零五年 *HK$'000* *千港元*
Change of fair value of held-for-trading investments	持作買賣投資的公平值變動	**57,313**	9,265
Interest income	利息收入	**31,636**	20,587
Commission income	佣金收入	**916**	520
Gain on disposal of investment properties	出售投資物業產生的收益	**—**	209
Bad debt recovered	壞賬收回	**—**	82
Exchange gain	匯兌收益	**—**	15
Others	其他	**158**	2,745
		90,023	33,423

5. FINANCE COSTS 5. 財務費用

		2006 二零零六年 *HK$'000* *千港元*	2005 二零零五年 *HK$'000* *千港元*
Interest on bank borrowings	銀行借款利息		
— wholly repayable within five years	— 須於五年內悉數償還	**16,411**	15,927
— not wholly repayable within five years	— 無須於五年內悉數償還	**222**	110
Interest on convertible notes wholly repayable within five years	須於五年內悉數償還的可換股票據利息	**7,812**	13,797
		24,445	29,834

6. DISPOSAL OF A SUBSIDIARY

6. 出售附屬公司

		2006 二零零六年 *HK$'000* *千港元*	2005 二零零五年 *HK$'000* *千港元*
Net assets of a subsidiary disposed of comprise:	**出售附屬公司的資產淨值包括：**		
Interest in distressed assets	不良資產權益	**263,723**	—
Amounts due to holding companies	應付控股公司款項	**(239,994)**	—
Group's share of net assets disposed	本集團應佔出售淨資產	**23,729**	—
Gain on disposal of a subsidiary	出售一間附屬公司產生的收益	**2,550**	—
Total consideration	總代價	**26,279**	—
Satisfied by:	**支付方式：**		
Cash	現金	**26,279**	—
Net cash inflow arising on disposal:	**出售附屬公司的淨現金流入：**		
Cash consideration	現金代價	**26,279**	—
		26,279	—

The subsidiary disposed during the period had no significant contribution to the Group's operating results for the current period.

於本期內出售的附屬公司對本集團於本期內的經營業績並無重大貢獻。

7. TAXATION

7. 稅項

		2006 二零零六年 *HK$'000* *千港元*	2005 二零零五年 *HK$'000* *千港元*
The charge comprises:	**稅項支出包括：**		
Subsidiaries	附屬公司		
PRC Enterprises Income Tax	中國企業所得稅	**500**	233
Deferred Taxation *(Note 18)*	遞延稅項*(附註18)*	**42,533**	40,068
Taxation attributable to the Company and subsidiaries	本公司及附屬公司所屬稅項	**43,033**	40,301

7. TAXATION *(continued)*

No provision for Hong Kong profits tax has been provided in the current period and in the previous periods since the assessable profit is wholly absorbed by tax losses brought forward.

The taxation charge of the PRC Enterprise Income Tax for the current and the previous period have been made based on the Group's estimated assessable profits calculated in accordance with the relevant income tax laws applicable to the subsidiaries in the PRC.

7. 稅項 *(續)*

由於應課稅盈利已由承前稅項虧損全數抵銷，故本期間及去年同期並無提撥任何香港所得稅支出。

本期間及去年同期的中國企業所得稅乃本集團於中國的附屬公司以估計的應課稅溢利按適用的所得稅法例計算所得的稅項支出。

8. PROFIT FOR THE PERIOD

8. 期內溢利

		2006 二零零六年 *HK$'000* *千港元*	2005 二零零五年 *HK$'000* *千港元*
Profit for the period has been arrived at after charging:	**期內溢利已扣除：**		
Auditors' remuneration	核數師酬金	**1,200**	1,042
Depreciation	折舊	**3,653**	3,266
Loss on disposal of property, plant and equipment	出售物業、廠房及設備產生的虧損	**2**	34
Repairs and maintenance fund expensed relating to the Group's investment properties in the PRC	本集團於中國的投資物業的相關維修保養支出	**686**	686
Operating lease rentals in respect of land and buildings	土地及樓宇的營運租約租金	**1,791**	626
Staff cost including directors' remuneration and the retirement benefit costs of HK$1,427,000 (2005: HK$1,032,000)	員工費用包括董事酬金及退休福利成本1,427,000港元（二零零五年：1,032,000港元）	**26,260**	20,142
Share of tax of associate (included in share of results of associates)	攤佔聯營公司稅項（已包括於攤佔聯營公司業績）	**2,293**	—
Share of tax of jointly controlled entity (included in share of results of jointly controlled entity)	攤佔共同控制公司稅項（已包括於攤佔共同控制公司業績）	**1,570**	—
And after crediting:	**並已計入：**		
Rental income under operating leases less outgoings of HK$1,501,000 (2005: HK$654,000)	營運租約的租金收入，扣除開支1,501,000港元（二零零五年：654,000港元）	**32,300**	29,990

9. DIVIDENDS

On 6 June 2006, the Company paid a dividend of HK$0.06 per share, totaling HK$108,403,000, to the shareholders as final dividend for the year ended 31 December 2005.

On 3 June 2005, the Company paid a dividend of HK$0.05 per share, totaling HK$87,934,000, to the shareholders as final dividend for the year ended 31 December 2004.

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2006 (2005: Nil).

10. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

		Six months ended 30 June 截至六月三十日止六個月	
		2006 二零零六年	2005 二零零五年
		HK$'000 千港元	*HK$'000 千港元*
Earnings:	**盈利：**		
Earnings for the purpose of basic earnings per share (profit for the	用以計算每股基本盈利的盈利		

10. EARNINGS PER SHARE *(continued)*

		Number of shares 股份數目 In thousand 千	
		2006 二零零六年	2005 二零零五年
Number of shares:	**股份數目：**		
Weighted average number of shares for the purpose of basic earnings per share	用以計算每股基本盈利之加權平均股份數目	**1,752,240**	1,758,672
Effect of dilutive potential ordinary shares from	潛在攤薄普通股之影響：		
— convertible notes	— 可換股票據	**282,460**	338,814
— share options	— 購股權	**16,351**	Ñ

14. SHARE CAPITAL

14. 股本

		Number of shares 股份數目	Nominal value 票面值 *HK$'000 千港元*
Ordinary share of HK$0.20 each	每股面值0.20港元的普通股		
Authorized:	*法定股本：*		
At 31 December 2005 and 30 June 2006	於二零零五年十二月三十一日及二零零六年六月三十日	4,000,000,000	800,000
Issued and fully paid:	*已發行及繳足股份：*		
Balance at 31 December 2005	於二零零五年十二月三十一日	1,688,709,611	337,742
Issue new shares upon exercise of share options	行使購股權發行的新股	18,000,000	3,600
Issue new shares upon exercise of convertible note	行使可換股票據發行的新股	100,000,000	20,000
At 30 June 2006	於二零零六年六月三十日	1,806,709,611	361,342

15. TRADE PAYABLES

15. 應付賬款

The following is an aged analysis of trade payables at the balance sheet date:

下述是應付賬款於結算日的賬齡分析：

		30 June 2006 二零零六年六月三十日 *HK$'000 千港元*	31 December 2005 二零零五年十二月三十一日 *HK$'000 千港元*
0 to 30 days	零至三十日	**9,629**	6,324
31 to 90 days	三十一日至九十日	**2,878**	8,428
Over 90 days	超過九十日	**23,354**	4,423
		35,861	19,175

16. BORROWINGS

The bank loans bear interest at commercial rates and are secured by certain investment properties and leasehold properties of the Group. The related obligation is repayable as follows:

16. 借貸

銀行貸款按商業利率計算利息，並以本集團若干投資物業及租賃物業作抵押。其相關還款責任的歸屬期間如下：

		30 June 2006 二零零六年六月三十日 HK$'000 千港元	31 December 2005 二零零五年十二月三十一日 HK$'000 千港元
Bank overdraft — secured	銀行透支 — 有抵押	**—**	79,241
Bank loans — secured	銀行貸款 — 有抵押	**578,904**	579,478
		578,904	658,719
Carrying amount repayable:	需於特定期間償還之賬面金額：		
On demand or within one year	應要求或一年之內	**572,579**	651,819
More than one year, but not exceeding two years	一年以上但不超過兩年	**1,150**	1,150
More than two years, but not exceeding five years	兩年以上但不超過五年	**3,450**	3,450
More than five years	五年以上	**1,725**	2,300
		578,904	658,719
Less: Amounts due within one year shown under current liabilities	*減*：於一年之內到期並列為流動負債之金額		
— Borrowings	— 借貸	**(572,579)**	(572,578)
— Bank overdraft	— 銀行透支	**—**	(79,241)
		6,325	6,900

17. PLEDGE OF ASSETS

At 30 June 2006, the Group has pledged certain investment properties and leasehold properties which have an aggregate carrying value at the balance sheet date of approximately HK$1,943,672,000 and HK$81,200,000 respectively to secure general banking facilities granted to the Group.

18. DEFERRED TAXATION

The followings are the major deferred tax assets and liabilities recognised and movements thereon during the current and prior reporting periods:

		Accelerated tax depreciation 加速稅務折舊 HK$'000 千港元	Revaluation of properties 物業重估 HK$'000 千港元	Distressed assets 不良資產 HK$'000 千港元	Tax losses 稅務虧損 HK$'000 千港元	Convertible notes 可換股票據 HK$'000 千港元	Total 總額 HK$'000 千港元
At 1 January 2005	於二零零五年一月一日	(55)	(65,128)	(32,494)	18,555	(4,054)	(83,176)
Effect of changes in accounting policies	會計政策變動的影響	—	—	(14,479)	—	—	(14,479)
A 1 January 2005, as restated	於二零零五年一月一日經重列	(55)	(65,128)	(46,973)	18,555	(4,054)	(97,655)
(Charge) credit to income for the year	於本年度收益(扣除)計入	—	(47,314)	(39,274)	(3,961)	2,100	(88,449)
Charge to equity for the year	於本年度權益扣除	—	(539)	—	—	—	(539)
At 31 December 2005	於二零零五年十二月三十一日	(55)	(112,981)	(86,247)	14,594	(1,954)	(186,643)
(Charge) credit to income for the period	於本期間收益(扣除)計入	—	(29,028)	(14,042)	—	537	(42,533)
(Charge) credit to equity for the period	於本期間權益(扣除)計入	—	(504)	—	—	978	474
At 30 June 2006	於二零零六年六月三十日	(55)	(142,513)	(100,289)	14,594	(439)	(228,702)

For the purpose of balance sheet presentation, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		30 June 2006 二零零六年六月三十日 *HK$'000 千港元*	31 December 2005 二零零五年十二月三十一日 *HK$'000 千港元*
Deferred tax assets	遞延稅項資產	**1,336**	1,336
Deferred tax liabilities	遞延稅項負債		

19. INTEREST IN COMPETITORS

During the six months ended 30 June 2006, none of the directors or the management shareholders of the Company or their respective associates had an interest in a business, which competes or may compete with the business of the Group.

19. 於競爭對手之權益

於截至二零零六年六月三十日止六個月內，並無任何本公司的董事或管理層股東或各自的聯繫人士於與本集團之業務構成競爭或可能構成競爭的其他業務擁有權益。

20. RELATED PARTY TRANSACTIONS

During the current period, the Group entered into the following transactions with related parties:

20. 關聯人士交易

於本期內，本集團與關聯人士進行下述交易：

		2006 二零零六年 *HK$'000* *千港元*	2005 二零零五年 *HK$'000* *千港元*
Property management fee income from an associate *(note a)*	收取一間聯營公司的物業管理費收入 *(附註a)*	**62**	42
Interest on convertible notes issued to shareholders *(note b)*	支付發行予股東的可換股票據利息 *(附註b)*	**7,812**	13,797
Interest income from associates *(note c)*	收取聯營公司的利息 *(附註c)*	**11,393**	—
Rental income from an associate *(note a)*	收取一間聯營公司的租金收入 *(附註a)*	**117**	97
Performance return received from a fellow subsidiary of a shareholder *(note d)*	收取一名股東的集團 附屬公司的超收分成 *(附註d)*	**—**	100,000
Consultancy fee paid to an associate *(note d)*	支付一間聯營公司的諮詢費 *(附註d)*	**—**	467

Notes:

(a) The transaction price was determined and agreed between the Group and the related parties on the basis of estimated costs incurred.

(b) Interest is charged at 1.5% and 4.48% per annum.

(c) Interest is charged based on the interest rate agreed by both parties.

(d) The transaction was carried out in accordance with the terms of relevant agreements.

Details of balances with related companies and other transactions with related parties are set out in the consolidated balance sheet.

附註：

(a) 交易之價格乃經本集團與關聯人士根據估計的成本基礎而釐定及認可。

(b) 利息以年利率1.5%及4.48%計算。

(c) 利息根據雙方協訂的利率計算。

(d) 交易乃根據相關議書的條款進行。

與關聯人士的結餘及其他交易的詳情已載於綜合資產負債表。