

“building a competitive platform”

中期報告
interim
report
2005



Shenzhen International Holdings Limited

深圳國際控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

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董事

執行董事：

李黑虎 (主席)
陳 潮 (副主席兼總裁)
李景奇
喬 剛
劉 軍

非執行董事：

杜志強

獨立非執行董事：

梁銘源
丁 迅
聶潤榮

公司秘書

謝日康

總辦事處及主要營業地點

香港
九龍
尖沙咀東部
科學館道一號
康宏廣場
南座
22樓2206-2208室

註冊辦事處

Bank of Bermuda Building
6 Front Street
Hamilton HM11
Bermuda

網頁

<http://www.szihl.com>

股份代號

0152

BOARD OF DIRECTORS

Executive Directors:

Li Hei Hu (Chairman)
Chen Chao (Vice-Chairman and Chief Executive)
Li Jing Qi
Qiao Gang
Liu Jun

Non-Executive Director:

To Chi Keung, Simon

Independent Non-Executive Directors:

Leung Ming Yuen, Simon
Ding Xun
Nip Yun Wing

COMPANY SECRETARY

Tse Yat Hong

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Rooms 2206-2208, 22nd Floor
Greenfield Tower
Concordia Plaza
No. 1 Science Museum Road
Tsimshatsui East
Kowloon
Hong Kong

REGISTERED OFFICE

Bank of Bermuda Building
6 Front Street
Hamilton HM11
Bermuda

HOME PAGE

<http://www.szihl.com>

STOCK CODE

0152

核數師

羅兵咸永道會計師事務所
香港執業會計師

法律顧問

龍炳坤、楊永安律師行暨瑞德律師事務所
(香港法律顧問)
廣東君言律師事務所
(中國法律顧問)

主要往來銀行

中國銀行，澳門分行
東亞銀行
東京三菱銀行，香港分行
中國建設銀行，香港分行
招商銀行
中信嘉華銀行
德國商業銀行，香港分行
大新銀行
恒生銀行
中國工商銀行(亞洲)
廣東發展銀行
(中國境內銀行)
深圳市商業銀行
(中國境內銀行)
法國興業亞洲有限公司
永亨銀行
永隆銀行，深圳分行

主要股份過戶登記處

The Bank of Bermuda Limited
Bank of Bermuda Building
6 Front Street
Hamilton HM11
Bermuda

香港股份過戶登記分處

登捷時有限公司
香港
灣仔
告士打道五十六號
東亞銀行港灣中心
地下

AUDITORS

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

LEGAL ADVISERS

Loong & Yeung, Solicitors in association with Rodyk & Davidson
(Hong Kong Legal Adviser)
Guangdong Junyan Law Firm
(PRC Legal Adviser)

PRINCIPAL BANKERS

Bank of China, Macau Branch
The Bank of East Asia
The Bank of Tokyo-Mitsubishi, Hong Kong Branch
China Construction Bank, Hong Kong Branch
China Merchants Bank
CITIC Ka Wah Bank
Commerzbank AG, Hong Kong Branch
Dah Sing Bank
Hang Seng Bank
ICBC (Asia)
Guangdong Development Bank
(PRC Domestic Bank)
Shenzhen Commercial Bank
(PRC Domestic Bank)
Société Générale Asia
Wing Hang Bank
Wing Lung Bank, Shenzhen Branch

PRINCIPAL SHARE REGISTRAR

The Bank of Bermuda Limited
Bank of Bermuda Building
6 Front Street
Hamilton HM11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR

Tengis Limited
Ground Floor
Bank of East Asia Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

Shenzhen International Holdings Limited (深圳國際控股有限公司*) (「本公司」) 為一家於百慕達註冊成立的有限公司，並在香港聯合交易所主板上市，主要業務為投資控股。本集團，包括本公司、其附屬公司及其聯營公司，主要從事提供全程物流及運輸配套服務，以及相關資產及項目的投資、經營及管理。

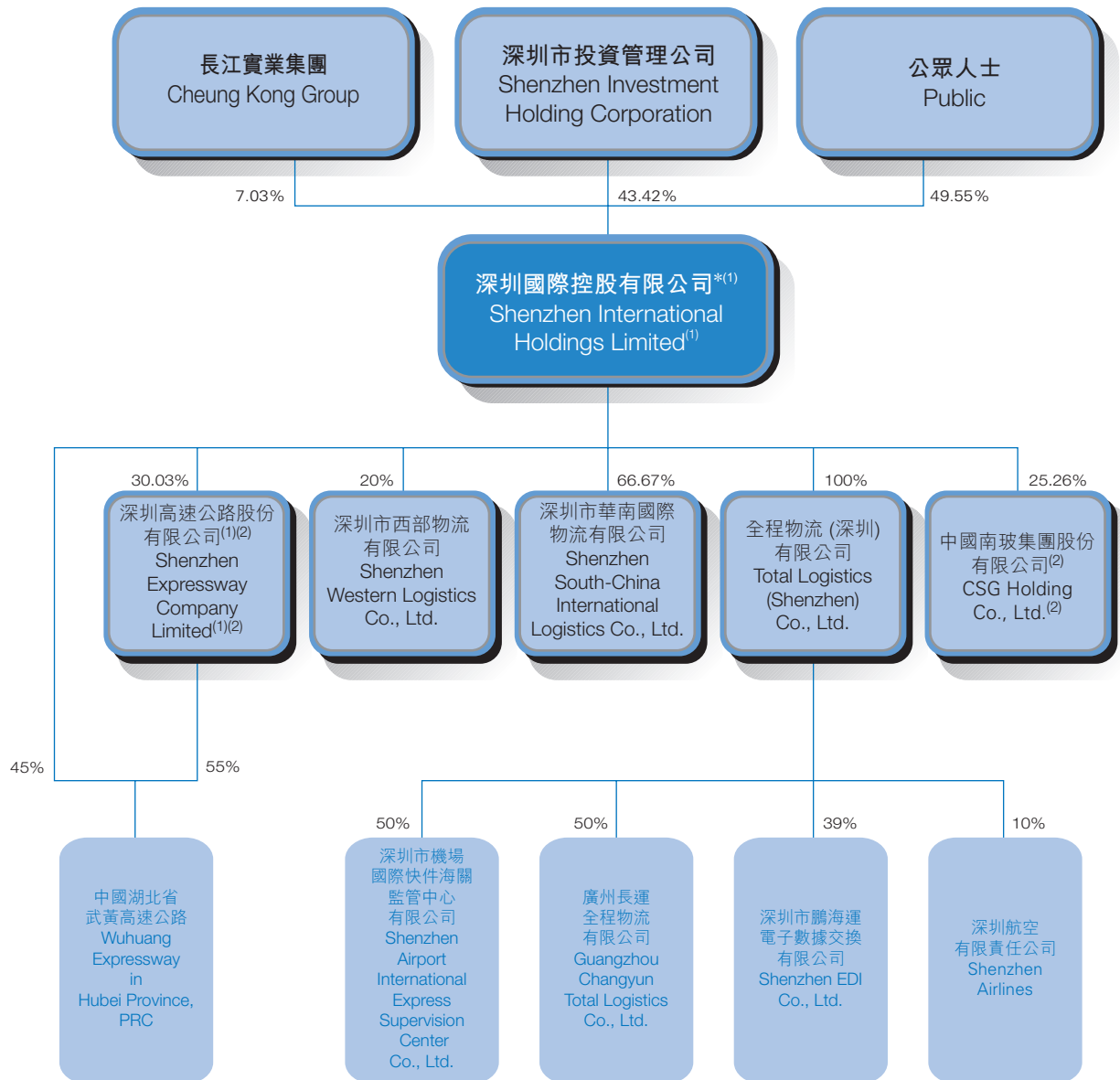
本公司的控股股東深圳市投資管理公司為深圳市政府授權的投資機構，持有本公司已發行股本約43.42%。本公司的第二大股東為長江實業集團，持有本公司已發行股本的7.03%。

在深圳市政府的強力支持、協助下，本集團將秉承已確立的長期發展策略，通過重組、購併及業務拓展，積極介入物流業的四個重大部分，包括基礎設施、運力體系、物流和配套服務以及物流信息服務，完善物流網絡的構建和設施的建設，逐步與客戶及其供應鏈夥伴形成長期戰略合作夥伴關係，建立集團的核心競爭能力，通過專業化發展，確立在物流市場中的定位，建立以空港、海港、陸路物流資源及基建類項目為主幹，物流信息平台和供應鏈管理技術為支持的業務體系架構。

Shenzhen International Holdings Limited (the “Company”) is a company incorporated in Bermuda with limited liability and is listed on the main board of the Stock Exchange of Hong Kong. Its principal activity is investment holding. The Group, comprising the Company, its subsidiaries and associates, is principally engaged in the provision of total logistics and transportation ancillary services as well as investment, operation and management of related assets and projects.

Shenzhen Investment Holding Corporation, the controlling shareholder of the Company holding approximately 43.42% of the issued share capital of the Company, is an investment holding institution empowered by the Shenzhen Municipal Government. The second largest shareholder of the Company is Cheung Kong Group which holds 7.03% of the issued share capital of the Company.

With the strong support and assistance of the Shenzhen Municipal Government, the Group will stick to its established and long-term development strategy which is to secure a foothold in the four major sectors of the logistics industry, namely infrastructure, transportation systems, logistics and ancillary services as well as logistics information services, through restructuring and business development as well as merger and acquisition and will aim at continuously perfecting the organisation of logistics networks and the construction of facilities so as to gradually form a long term strategic co-operative partnership with its customers and partners in the supply chain, thereby strengthening the core competitive edges of the Group. With the process of professionalisation, the Group is able to secure its position in the logistics market and establish a business system equipped with airports, harbours and land logistics resources and infrastructure projects and supported by logistics information platforms and supply chain management techniques.



* 僅供識別之用
For identification purpose only

(1) 香港上市公司
Listed company in Hong Kong

(2) 中國上市公司
Listed company in the PRC

截至六月三十日止六個月
For the six months
ended 30 June

| | |
|--------------|--------------------------------------|
| 二零零五年 | 二零零四年 |
| 2005 | 2004 |
| 港幣百萬元 | 港幣百萬元 |
| HK\$ million | HK\$ million (重新列賬) (Restated) |

| 業績 | Results | | |
|-----------------------------------|---|-------------|-------------|
| 營業額 | Turnover | | |
| 本公司、附屬公司及 共同控制實體公司 所佔聯營公司部份 | Company, subsidiaries and jointly-controlled entities Share of associates | 135 377 | 126 307 |
| | | <u>512</u> | <u>433</u> |
| 經營業務盈利 | Operating profit | 45 | 41 |
| 除稅前盈利 | Profit before taxation | 134 | 142 |
| 股東應佔盈利 | Profit attributable to shareholders | 133 | 141 |
| 每股盈利 (港幣仙) | Earnings per share (HK cents) | <u>1.16</u> | <u>1.25</u> |

| | |
|--------------|--------------------------------------|
| 二零零五年 | 二零零四年 |
| 六月三十日 | 十二月三十一日 |
| As at | As at |
| 30 June | 31 December |
| 2005 | 2004 |
| 港幣百萬元 | 港幣百萬元 |
| HK\$ million | HK\$ million (重新列賬) (Restated) |

| 財務狀況 | Financial Position | | |
|-------------|---|-------|-------|
| 總資產值 | Total assets | 3,652 | 3,420 |
| 淨資產值 | Net assets | 2,926 | 2,716 |
| 淨現金 | Net cash | 325 | 141 |
| 淨現金與股東權益比率 | Ratio of net cash to shareholders' equity | 11% | 5% |
| 每股淨資產 (港幣元) | Net assets per share (HK dollar) | 0.26 | 0.24 |

按主要業務分析之營業額及
除稅前盈利
截至六月三十日止六個月
(港幣百萬元)

ANALYSIS OF TURNOVER AND
PROFIT BEFORE TAXATION BY PRINCIPAL ACTIVITIES
For the six months ended 30 June
(HK\$ million)

| | | 營業額 Turnover | | | | | | | | | | | | | |
|---------------|--|--|-----------------------|-----------------------|-----------------------|--|-----------------------|-----------------------|-----------------------|---|-----------------------|--|-----------------------|------------------------------------|-----------------------|
| | | 本公司、 附屬公司及 共同控制實體公司 Company, subsidiaries and jointly- controlled entities | | | | 應佔聯營公司 部份# Share of associates# | | 合計# Total# | | 經營盈利之貢獻 Contribution to operating profit | | 應佔聯營公司 盈利 Share of associates | | 除稅前盈利 Profit before taxation | |
| | | 二 零 零 五 年 | 二 零 零 四 年 | 二 零 零 五 年 | 二 零 零 四 年 | 二 零 零 五 年 | 二 零 零 四 年 | 二 零 零 五 年 | 二 零 零 四 年 | 二 零 零 五 年 | 二 零 零 四 年 | 二 零 零 五 年 | 二 零 零 四 年 | 二 零 零 五 年 | 二 零 零 四 年 |
| | | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| | | | 重新 列賬 Restated | | 重新 列賬 Restated | | 重新 列賬 Restated | | 重新 列賬 Restated | | 重新 列賬 Restated | | 重新 列賬 Restated | | 重新 列賬 Restated |
| 物流及 相關業務 | Logistics and related business | 135 | 110 | 129 | 102 | 264 | 212 | 41 | 41 | 62 | 61 | 103 | 102 | | |
| 物業投資 | Property investment | — | 16 | — | — | — | 16 | — | 10 | — | — | — | 10 | | |
| 投資控股 | Investment holding | — | — | — | — | — | — | 4 | (10) | — | — | 4 | (10) | | |
| 高科技相關 製造業務 | High-tech related manufacturing business | — | — | 248 | 205 | 248 | 205 | — | — | 34 | 42 | 34 | 42 | | |
| | | 135 | 126 | 377 | 307 | 512 | 433 | 45 | 41 | 96 | 103 | 141 | 144 | | |
| 財務成本 | Finance costs | | | | | | | | | | | | | (7) | (2) |
| 除稅前盈利 | Profit before taxation | | | | | | | | | | | 134 | 142 | | |

僅供參考
For reference only

業績回顧

物流業務營業額增長穩定

截至二零零五年六月三十日止六個月（「本期間」），本集團及共同控制實體公司未經審核之營業額，連同本集團應佔聯營公司之營業額，總額為港幣5.12億元（二零零四年：港幣4.33億元），較去年同期上升18%。於本期間，本集團來自物流及相關業務的營業額為港幣1.35億元（二零零四年：港幣1.1億元），較去年同期穩定增長23%。於本期間，本集團的股東應佔盈利為港幣1.33億元（二零零四年：港幣1.41億元）。每股基本盈利為港幣1.16仙（二零零四年：港幣1.25仙）。

本集團的兩家主要聯營公司深圳高速公路股份有限公司（「深圳高速」）及中國南玻集團股份有限公司（「南玻集團」）於本期間的營業額錄得穩定的增長，分別較去年增長25%及18%。深圳高速的股東應佔盈利為港幣2.06億元（二零零四年：港幣1.97億元），較去年同期上升5%；南玻集團的股東應佔盈利為港幣1.46億元（二零零四年：港幣1.77億元），較去年同期下跌18%。於本期間，南玻集團受到國家繼續實行宏觀調控政策，且對房地產業進一步加大了調控力度，市場需求相對疲弱，致使產品銷售價格普遍回落，加上國際原油價格屢創新高，導致生產成本快速上升，因此，南玻集團的利潤較去年同期下跌。

本集團按新的香港會計準則第39號「金融工具：確認及計量」及香港財務報告準則第3號「企業合併」的規定，將本集團於二零零四年年底的負商譽港幣1.38億元一次性於二零零五年一月一日轉至保留盈餘，按此，本集團於去年同期可確認的負商譽攤銷收入港幣1,800萬元從本期間開始不再出現；同時根據香港會計準則第39號的要求，本集團需於本期間就已發行的免息可換股票據計提有效利息共港幣560萬元，並確認為當期財務費用。撇除上述因素對本集團盈利的影響後作比較，本集團的股東應佔盈利實質較去年上升12%。

REVIEW OF RESULTS

Stable Growth in Turnover of Logistics Business

For the six months ended 30 June 2005 (the "Period"), the unaudited turnover of the Group and jointly-controlled entities, together with the Group's share of turnover of associates, amounted to HK\$512 million (2004: HK\$433 million), representing an increase of 18% over the corresponding period of 2004. During the Period, the Group's turnover contributed by the logistics and related business were HK\$135 million (2004: HK\$110 million), representing a stable growth of 23% over the corresponding period of 2004. During the Period, profit attributable to shareholders of the Group was HK\$133 million (2004: HK\$141 million), and basic earnings per share was HK cents 1.16 (2004: HK cents 1.25).

During the Period, the two major associates of the Group, namely Shenzhen Expressway Company Limited ("Shenzhen Expressway") and CSG Holding Co., Ltd. ("CSG") recorded stable increases in turnover of 25% and 18% over those of 2004 respectively. Profit attributable to shareholders of Shenzhen Expressway was HK\$206 million (2004: HK\$197 million), representing an increase of 5% over that of 2004. Profit attributable to shareholders of CSG was HK\$146 million (2004: HK\$177 million), representing a decrease of 18% over that of 2004. During the Period, the PRC government continued to implement macroeconomic control measures and further tightened control over the real estate industry, resulting in a relatively weak market demand and a general drop of selling price. Moreover, the international crude oil price recorded new highs successively and resulted in a rapid growth of production cost. As a result, profit of CSG decreased when compared with that of 2004.

In compliance with the new Hong Kong Accounting Standard ("HKAS") 39 "Financial instruments: Recognition and Measurement" and Hong Kong Financial Reporting Standard ("HKFRS") 3 "Business Combinations", the Group has transferred its negative goodwill of HK\$138 million as at the end of 2004 to retained earnings in one lump sum on 1 January 2005. Accordingly, income from the amortisation of negative goodwill of HK\$18 million as was recognisable in the corresponding period of last year of the Group ceased to exist. In compliance with HKAS 39, the Group is required to make a provision of HK\$5.6 million in aggregate for effective interest of the non-interest bearing convertible note in issue, and recognised it as finance cost for the current period. Excluding the effect of the above factors on the Group's profit, the Group's profit attributable to shareholders actually increased by 12% as compared to that of 2004.

於期內的重重大投資

本集團與深圳高速於二零零五年三月十九日及七月十二日分別簽訂一項收購協議及一項補充協議，以總代價約港幣11.88億元共同收購位於中國湖北省的武黃高速公路的100%權益，武黃高速公路全長70.3公里，是一條以瀝青鋪設的雙向四車道高速公路，由武漢市至黃石市，沿途經過鄂州市。武黃高速公路的經營權為期25年至二零二二年九月二十二日。本集團所付代價約為港幣5.35億元，佔45%權益，其餘55%權益由深圳高速集團持有，是項收購已於二零零五年八月五日完成。截至二零零五年七月三十一日止七個月，武黃高速公路的營業額及經營盈利均較原預算增長5%，預期武黃高速公路於二零零五年全年錄得的營業額及經營盈利將較二零零四年有可觀增幅。武黃高速公路將為本集團帶來可觀收益，本集團的資產規模和盈利基礎將得以進一步強化。

集團業務發展前景及方向

深圳港口於二零零五年上半年的集裝箱吞吐量增勢迅猛，達743萬標準箱，比去年同期增長約23%。專家預計深圳港口於二零零五年的全年集裝箱吞吐量將達1,600萬標準箱。同期深圳的貨物總吞吐量達7,300萬噸，增長約16%，其中外貿貨運吞吐量達5,000萬噸，增長21%。統計資料顯示出深圳市物流產業良好的發展態勢，總體經濟環境及物流業務需求增長為本集團在物流產業方面的發展提供了優良的條件。

Major Investments during the Period

The Group and Shenzhen Expressway entered into an acquisition agreement and a supplemental agreement with other third parties on 19 March and 12 July 2005 respectively for a joint acquisition of 100% interest of Wuhuang Expressway which is situated in Hubei Province, PRC for a total consideration of approximately HK\$1,188 million. Wuhuang Expressway is an asphalt-paved, dual four-lane expressway that runs from Wuhan City to Huangshi City via E'zhou City with total length of 70.3 kilometres. The operating right of Wuhuang Expressway runs for a term of 25 years and will expire on 22 September 2022. The Group owns a 45% interest for a consideration of approximately HK\$535 million, and the remaining 55% interest is owned by Shenzhen Expressway Group. The acquisition was completed on 5 August 2005. For the seven months ended 31 July 2005, both the turnover and operating profit of Wuhuang Expressway have increased more than those expected during the same period by 5%. It is expected that Wuhuang Expressway will record a considerable increase in turnover and operating profit for the year 2005 as compared with that of 2004. Wuhuang Expressway will contribute considerably towards the turnover of the Group and further strengthen the Group's asset base and profitability.

FUTURE OUTLOOK OF THE GROUP'S BUSINESS

In the first half of 2005, the container throughput of Shenzhen ports sharply increased to 7.43 million TEUs, representing an increase of approximately 23% over the corresponding period of 2004. Experts expect that the container throughput of Shenzhen port will reach 16 million TEUs for the full year in 2005. During the Period, the total cargo throughput in Shenzhen increased by approximately 16% to 73 million tons, of which foreign trade cargo throughput increased by 21% to 50 million tons. Statistics data illustrated a good momentum of the development of logistics industry in Shenzhen. The overall economic environment and increasing demand for logistics services have provided an ideal condition for the development of the Group's logistics business.

二零零五年，深圳市提出將重點培養八大產業集團，其中物流產業集團位列第二。深圳市國資委提出要通過對全市的交通、道路、航運、物流資源進行全面整合，打造在國際資本市場上有影響力的物流產業集團。本集團將積極配合深圳市國資委的經濟佈局戰略規劃，積極介入、審慎評估各類資源及投資機會，為進一步提高企業核心競爭力而努力。

國務院主導下的股權分置改革目前正在進行試點運作，有關政策和指導細則尚未全部出台。由於股權分置改革將涉及到本集團的主要聯營公司，管理層一直在關注事態發展，有關政策對本集團的影響正在商討和評估階段。

根據本集團的財務狀況及掌控的資源特性，本集團在二零零五年下半年仍會以既定戰略為指導，將發展重點側重於與物流相關及較成熟的基建項目上，並對現有物流基建項目的營運加大深度開發和精度管理。隨著深圳市國有經濟八大產業集團的成立，管理層正積極思考及評估日後的發展戰略，加快考量物流園區的營運與盈利狀況，爭取機遇以實現本集團業務的進一步拓展。

In 2005, Shenzhen Municipal Government proposed that it would focus its efforts in cultivating eight backbone industry groups, with logistics industry group ranking the second in priority. The State-Owned Assets Supervision and Administration Commission of Shenzhen proposed to establish an internationally reputable logistics industry group through comprehensive integration of the city's resources of transport, road, air transport and logistics. The Group will positively coordinate with the strategic economic layout of the State-Owned Assets Supervision and Administration Commission of Shenzhen, and actively involve itself in it and cautiously assess all kinds of resources and investment opportunities, and strive for further enhancement of the Group's core business competitiveness.

The equity division reform guided by the State Council is currently in pilot stage, and all the policies and guidance details have not been released. The management is paying close attention to the development of the reform as it will involve the major associates of the Group. The impact of the relevant policies on the Group is now under discussion and assessment.

According to the Group's financial position and nature of the resources under its control, the Group will continue focusing on logistics related and relatively mature infrastructure projects and strengthen in-depth development and management of the operation of the existing logistics infrastructure projects upon the guidance of established strategies in the second half of 2005. With the establishment of the eight state-owned backbone industry groups in Shenzhen, the management is aggressively deliberating and assessing future development strategy, facilitating to measure the operating position and profit condition of logistics districts and striving to capture opportunities for further expansion of the Group's business.

主要業務之經營情況分析

物流及相關業務

全程物流(深圳)有限公司(「全程物流」)

於本期間，本集團的全資附屬公司全程物流的營業額為港幣9,373萬元(二零零四年：港幣8,510萬元)，較去年同期上升10%，為本集團帶來除稅後盈利港幣2,930萬元(二零零四年：港幣1,804萬元)，較去年同期上升62%，全程物流的主營業務收入持續增長，主要由於自去年度不斷加強重點客戶的業務拓展工作，以及集中力量於有較大發展前景及業務量的客戶的成果。全程物流在去年業務結構調整取得明顯成效的基礎上，二零零五年上半年對效益不佳且缺乏發展潛力的項目進行了一系列調整工作，包括通過對合同價格的重新商談、倉庫租賃方式的調整、虧損業務的逐步退出等，使本期間的盈利水平進一步提高。全程物流在深化業務結構調整的同時，對其業務結構進行優化，對每個業務形式進行分析研究，使每個業務細節得到全面提升和改進，務求進一步提升在市場中的競爭力。

全程物流於本期間面對廣州新機場及香港機場空運運力比往年迅猛增長、中國對美紡織品出口量一度減少、以及機場包板業務的成本大幅增長等嚴峻空運市場環境，及時調整其空運業務發展規劃，改變空運業務傳統、單一的運作模式，積極尋求有實力的香港及國內代理進行業務合作，有效推進新航線的空運代理業務，為旺季空運業務取得較大利潤空間打下了良好基礎。

ANALYSIS OF MAJOR BUSINESS OPERATIONS

Logistics and Related Business

Total Logistics (Shenzhen) Co., Ltd. ("Total Logistics")

During the Period, Total Logistics, a wholly-owned subsidiary of the Group, recorded a turnover of HK\$93.73 million (2004: HK\$85.10 million), representing an increase of 10% over the corresponding period of 2004. Total Logistics recorded a profit after taxation of HK\$29.30 million (2004: HK\$18.04 million), representing an increase of 62% over the corresponding period of 2004. Total Logistics maintained successive growth in revenue from its core business which was mainly attributable to its continuous efforts in strengthening business expansion of key customers since 2004, as well as its successes in concentrating on developing customers with promising growth potential and trade volume. Based on the remarkable result from business restructuring in 2004, Total Logistics made a series of adjustment against the projects with unsatisfactory performance and limited development potential in the first half of 2005, including re-negotiation of contract prices, adjustment to forms of warehouse leases, gradual withdrawal of loss-making businesses, etc., rendering a further increase in profitability for the Period. While deepening adjustment to business structure, Total Logistics also optimised its business structure by analysing and studying each mode of business to comprehensively upgrade and improve each business sector, striving to further enhance its market competitiveness.

To cope with the stringent market condition of the air transport industry during the Period, such as the surge of air transport capacity of the new airport in Guangzhou and Hong Kong Airport compared with the past years, the reduction of Chinese textiles export to the United States and the sharp rise in cost of airport chartered cargo space business, Total Logistics timely adjusted its planning for air transport business development. By changing the traditional and single operation mode of its air transport business, seeking business cooperation with capable Hong Kong and domestic forwarders as well as effectively promoting new air routes in respect of freight forwarding business, Total Logistics has laid a solid foundation for achieving substantial profit of its air transport business during the high season.

二零零五年下半年，全程物流在進一步提高效率的前提下，將積極尋求優質及有較大發展空間的業務夥伴進行合作，加大資源性項目的投入；同時，將致力為客戶提供切合其特定需要的特色物流服務，打造企業核心競爭力。

全程物流持有50%權益的深圳市機場國際快件海關監管中心有限公司(「機場快件中心」)於本期間的營業額及股東應佔盈利分別為港幣2,280萬元(二零零四年：港幣1,977萬元)及港幣963萬元(二零零四年：港幣655萬元)，分別較去年同期上升15%及47%，主要由於機場快件中心積極針對出口紡織品徵稅、自動許可證及電子數據交換收費問題與相關單位進行溝通協調，在新的政策環境下爭取了一個較為穩定、順暢的通關環境，同時，通過強化管理，服務水平進一步提升，與珠三角地區其他監管中心相比，仍具有較強的競爭力。

於本期間，機場快件中心累計處理快件達7.79萬噸(二零零四年：6.76萬噸)，較去年同期增長15%，總體營運情況理想。但隨著下半年常平和廣州新白雲機場的快件中心相繼啟用，預期屆時部分市場份額將被分流，加上快件網上申報開始收費，紡織品暫行管理辦法執行等不利因素，機場快件中心將積極採取相應對策，爭取實現總體貨量穩步增長的目標。

In the second half of 2005, on the premise of further enhancement of efficiency, Total Logistics will endeavor to identify business partners with good quality and development potential for cooperation and will enlarge the investment in resourceful projects. Meanwhile, it will provide customers with tailor-made logistics services catering for their particular requirements so as to establish competitiveness for its core business.

During the Period, turnover and profit attributable to shareholders of Shenzhen Airport International Express Supervision Center Co., Ltd. ("Airport Express Center"), 50% interest of which is held by Total Logistics, amounted to HK\$22.80 million (2004: HK\$19.77 million) and HK\$9.63 million (2004: HK\$6.55 million) respectively, representing respective increases of 15% and 47% over the corresponding period of 2004. This was mainly attributable to the active communication and coordination by Airport Express Center with the relevant departments relating to levy tax on exported textile products, automatic licence and electronic data exchange charges, thus resulting in a relatively stable and unhindered environment for cargo clearance under the implementation of new policies. Meanwhile, through strengthened management control, Airport Express Center uplifted its service standard which renders stronger competitive edge when compared with other express cargo supervision centres in the Pearl River Delta region.

During the Period, the accumulated express cargo volume handled by Airport Express Center was 77,900 tons (2004: 67,600 tons), representing an increase of 15% over the corresponding period in 2004, and the overall operation of Airport Express Center is satisfactory. However, with successive commencement of operation of the express centres of both Changping and Guangzhou Baiyun International Airport in the second half of 2005, which is then expected to divert certain business volume, coupled with other unfavourable factors such as the imposition of charges for online express cargoes declaration and the implementation of provisional measures for administration of textile products, Airport Express Center will actively adopt corresponding measures aiming to achieve a stable growth in the overall cargo volume.

全程物流持有39%權益的深圳市鵬海運電子數據交換有限公司(「鵬海運」)是深圳市政府、深圳海關、深圳出入境檢驗檢疫局、深圳海事局授權的提供電子資料交換、傳輸和增值資訊共用服務的機構，為政府部門、物流企業、製造業、商貿企業提供實用、共用的資訊網路綜合應用服務。鵬海運於本期間的主營業務營業額為港幣1,032萬元(二零零四年：港幣799萬元)，較去年同期上升29%。主要由於鵬海運在市場競爭日趨激烈的經營環境下，採取了有效措施以加大市場營銷力度，以及不斷開發和疊加增值應用項目，確保了良好的經濟收益。今年以來，鵬海運面對同業競爭日趨激烈以及海關的若干政策改變等種種不利因素，導致部份業務收入下降，但通過加強經營管理，不斷提升及改善服務質量，開拓具有效益的應用系統與服務等措施，鵬海運成功鞏固了現有市場佔有率並取得新增收入來源。

全程物流持有10%權益的深圳航空有限責任公司(「深圳航空」)，於本期間錄得持續上升的經營收入，但由於航油價格的大幅攀升，造成國內航空公司虧損，在行業整體虧損的大環境下，於本期間，深圳航空雖然利潤下降，但繼續保持盈利。深圳航空於本期間利潤下降除受到航油價格的上漲以及受到市場競爭對手的壓力而降低了票價水平外，亦隨著本身規模的擴大，人工成本增加及一些在建工程開始計提折舊等因素影響。二零零五年下半年，深圳航空將新增4架飛機，並將不斷完善目前的航綫網絡佈局，開通新的城市航綫及增加已有航綫的航班密度，努力實現全年銷售收入及盈利繼續增長的目標。

Shenzhen EDI Co., Ltd. (“Shenzhen EDI”), 39% interest of which is held by Total Logistics, is an entity authorised by the Shenzhen Municipal Government, Shenzhen Customs, Shenzhen Entry-Exit Inspection and Quarantine Bureau and Shenzhen Maritime Safety Administration to provide electronic information exchange and transmission and value-added information sharing services. It provides useful information sharing network integrated application services to various government departments, logistics companies, manufacturers and trading companies. During the Period, Shenzhen EDI recorded a turnover from its principal activities of HK\$10.32 million (2004: HK\$7.99 million), representing an increase of 29% over the corresponding period of 2004. This was mainly attributable to the effective measures taken by Shenzhen EDI to cope with the intense competition in the market, these included the increase of its marketing efforts and continuously developing and upgrading value-added services to enhance its economic efficiency. Since the beginning of 2005, Shenzhen EDI has been facing various drawbacks such as increasingly intensive competition from its peers and changes of certain customs policies, thus resulting in a decrease of revenue from certain of its businesses. However, by strengthening operation and management, constantly enhancing and improving its service quality as well as exploring effective application systems and services, Shenzhen EDI managed to consolidate its existing market share and obtain additional revenue sources.

Shenzhen Airlines Co., Ltd. (“Shenzhen Airlines”), 10% interest of which is held by Total Logistics, sustained an increase in its turnover during the Period. As prices of jet fuels increased substantially, domestic airlines in general recorded losses and in such a circumstance of overall losses of the airline industry, Shenzhen Airlines was able to record a profit, though with a decrease in amount, during the Period. Other than the surge in prices of jet fuels and pressure exerted by market competitors which caused a decrease in its airfare and led to a decrease in profit during the Period, Shenzhen Airlines was also affected by its expansion with increases in labour cost and depreciation charge for certain projects under construction. In the second half of 2005, Shenzhen Airlines will acquire 4 more aircrafts and constantly improve the current layout of the air routes network, launch new air routes for cities and increase flight frequency of the existing routes, with an aim to strive for a continuous increase in turnover and profit for 2005.

深圳市華南國際物流有限公司(「華南物流」)

本集團重點投資開發並持有66.67%權益的附屬公司華南物流的主要業務為開發、建設、經營及管理深圳市規劃的六大物流園區之一的華南國際物流中心。華南國際物流中心擁有卓越的地理和信息優勢，以全新的海關監管國際貨運中轉中心的經營模式，發展重點的跨境集裝箱運輸業務，並將作為國際全程物流供應鏈的中心環節之一，面向珠江三角洲的內地市場和海外市場，具備出口監管功能、保稅功能和國際進出口貨運代理權，為具備多功能的自動化、智能化、現代化公共型物流中心。

二零零五年上半年，華南物流在空箱堆場業務的基礎上，正式開展了保稅、監管倉儲業務，向綜合營運的目標邁出了第一步。於本期間，華南物流分別錄得主營業務收入約港幣864萬元(二零零四年：港幣259萬元)，而虧損則降低至約港幣149萬元(二零零四年：虧損港幣495萬元)，業務進展情況良好，主要受惠於深圳港口上半年集裝箱吞吐量增長，需求量上升，加上華南立交橋的開通、國家檢疫及海關部門進駐等硬件和軟件服務設施的優化，為客戶提供便捷的服務，增加了華南物流對客戶的吸引力，堆場業務因而增長迅速。

Shenzhen South-China International Logistics Co., Ltd. ("South-China Logistics")

South-China Logistics, a key investment and development project and a 66.67% owned subsidiary of the Group, is principally engaged in the development, construction, operation and management of South China International Logistics Centre, one of the six major logistics districts in Shenzhen City. South China International Logistics Centre enjoys overwhelming advantages in terms of geographic location and information technology and focuses on the development of cross border container transportation business with a brand new operating model of an international cargo transit centre under the supervision of customs authorities. South China International Logistics Centre will become one of the major sections of international logistics supply chain and will serve the domestic market of the Pearl River Delta and overseas markets. With the functions of export supervision, bonded warehouse and international import/export freight forwarding, South China International Logistics Centre will become an automatic, intelligent and modern public multifunctional logistics centre.

In the first half of 2005, based on its unloaded-container depot business, South-China Logistics officially launched bonded warehouses and regulated warehouses business, which marked the first step towards its target of integrated operation. During the Period, South-China Logistics recorded a turnover of approximately HK\$8.64 million (2004: HK\$2.59 million) and a decrease of operating loss to HK\$1.49 million (2004: loss of HK\$4.95 million), witnessed notable operating results. This was mainly attributable to the growth of container throughput in Shenzhen ports in the first half of 2005 and resulted in increasing demand. In addition, the start using of South-China Flyover and the optimisation of service facilities of both hardwares and softwares including the entry of government departments, such as Inspection and Quarantine Department and Customs, provided customers with convenient services. All these have increased the appeal of South-China Logistics to customers and resulted in a rapid growth of its depot business.

二零零五年下半年，隨著保稅倉與監管倉開始正式經營、國檢及海關相繼的進駐，將為華南物流開展國際物流業務提供便利，此外，經深圳市國稅局及海關的批准，華南國際物流中心已獲批於下半年起正式實施「出口監管倉入倉退稅」政策，隨著入倉退稅政策獲批，將對華南物流的出口監管倉業務帶來極大的正面影響。華南物流正積極協調深圳海關、市政府及省政府，加快完成海關總署對「保稅物流中心」的報批手續。另一方面，華南物流正與現代貨箱碼頭合作構建一條經陸路連接珠三角東部與香港的拖運通道，目的在華南國際物流中心與皇崗口岸之間建立一條「綠色通道」以提供一次過的清關服務。新服務將海關手續移離繁忙的邊境口岸，加快兩地的陸路交通流量，將對整個業界帶來裨益。屆時，華南物流將利用已經建成的重箱堆場及保稅、監管倉，進一步開展進出境重箱業務。

華南物流於二零零五年下半年將繼續以「保稅物流中心」為功能定位，以「內陸物流港」為市場定位，充分利用政府政策的優勢，實現經營上的綜合營運。鑒於華南物流具備良好的業務發展基礎以及優厚的發展潛力及盈利能力，本集團正考慮繼續加大對華南物流的投資，積極推動華南國際物流中心的建設，使其成為深圳市領先的多功能智能化物流中心。

In the second half of 2005, with the official launch of bonded warehouses and regulated warehouses and the successive entry of Inspection and Quarantine Department and Customs, it will facilitate South-China Logistics to conduct international logistics business. Furthermore, Shenzhen Municipal office of the State Administration of Taxation and Customs have approved South China International Logistics Centre to officially implement the policy of “tax rebate for goods stored in regulated warehouse for exportation” in the second half of 2005. The approval of this policy will have a positive impact on South-China Logistics’ business of regulated warehouse for exportation. South-China Logistics is actively coordinating with Shenzhen Customs, Shenzhen Municipal Government and the Government of Guangdong Province to facilitate the completion of the approval procedures of the Customs General Administration for the “Bonded Logistics Centre”. On the other hand, South-China Logistics is cooperating with Modern Terminal in constructing a haul passage linking the eastern part of the Pearl River Delta region and Hong Kong via land, with an aim to establish a “Green Passage” between the South-China International Logistics Centre and the Huanggang Port in order to provide one-stop customs clearance service. With the new service, the customs clearance can be diverted away from the busy border port, thus speeding up the land traffic flows between Hong Kong and the Mainland and will be beneficial to the industry as a whole. By then, South-China Logistics will expand its cross-border loaded containers handling business with the help of its established loaded container yards, bonded warehouses and regulated warehouses.

In the second half of 2005, capitalising on the advantages accorded by the government policies, South-China Logistics will continue to achieve integrated operations through its functional positioning as a “Bonded Logistics Centre” and market positioning as an “Inland Logistics Port”. In view of the good business development foundation, great development potential and profitability of South-China Logistics, the Group is considering to increasing further its investment in South-China Logistics in order to foster the construction of the South China International Logistics Centre which will then become an intelligent and multi-functional logistics centre with a leading position in Shenzhen City.

深圳市西部物流有限公司(「西部物流」)

本集團持有20%權益的西部物流成立的目的是為開發、建設、經營及管理深圳六大物流園區之一的西部物流園區，其主要的經營業務包括港口及陸路散雜貨集散、集裝箱中轉、堆存、拆拼、海關查檢、轉運和配送等服務。

西部物流自成立以來開展了倉儲、集裝箱堆場、土地出租等項目的經營，於本期間錄得盈利約港幣525萬元(二零零四年：港幣939萬元)，主要來自倉儲的租金收入，本集團應佔盈利約港幣105萬元(二零零四年：港幣189萬元)。

西部物流參與投資的深圳市平方汽車園區有限公司於二零零四年三月成立，西部物流投資人民幣7,000萬元並佔35%股權，項目規劃佔地100萬平方米，深圳市平方汽車園區有限公司的成立目的，主要為投資建設一個華南地區規模最大、並能夠有效輻射珠江三角洲地區的汽車物流園，現正處於投資建設初期。自二零零四年年底，深圳市平方汽車園區有限公司已就土地使用權、營運的商業模式，市場調研和市場推介等逐步開展了工作。

Shenzhen Western Logistics Co., Ltd. (“Shenzhen Western Logistics”)

Shenzhen Western Logistics, 20% interest of which is held by the Group, was incorporated for the purpose of developing, constructing, operating and managing Western Port Logistics District, being one of the six major logistics districts in Shenzhen City. Its principal operations include collection and distribution of bulk and miscellaneous cargoes from sea and land, containers transferring, storage, loading and unloading, customs inspection as well as transiting and ancillary transportation services.

Shenzhen Western Logistics commenced the operation of warehouse, container depot and land rental businesses since its incorporation. During the Period, a profit of approximately HK\$5.25 million (2004: HK\$9.39 million) was recorded and was mainly derived from warehouse rental. The Group shared a profit of approximately HK\$1.05 million (2004: HK\$1.89 million).

Shenzhen Grand Autopark Company Limited, an investment of Shenzhen Western Logistics, was incorporated in March 2004. Shenzhen Western Logistics' investment amounted to RMB70 million and owned a 35% equity interest. The project will cover a site area of one million square metres. Shenzhen Grand Autopark Company Limited was established for the purpose of investing in a motor vehicles logistics district which will be the largest within the South China region and will also cover the entire Pearl River Delta region. The investment and construction of the motor vehicles logistics district is at a preliminary stage. Since the end of 2004, Shenzhen Grand Autopark Company Limited has commenced its work on, among others, land use rights, business mode of operations, market research and marketing.

深圳高速

本集團持有30.03%股本權益的主要聯營公司深圳高速，於本期間的營業額為港幣3.77億元(二零零四年：港幣3.02億元)，較去年同期上升25%，股東應佔盈利為港幣2.06億元(二零零四年：港幣1.97億元)，比去年同期上升5%，本集團所佔部份為港幣6,186萬元(二零零四年：港幣5,916萬元)。在珠三角地區經濟強勁增長以及CEPA和泛珠三角經濟圈逐步落實的帶動下，汽車擁有量劇增、商貿往來及貨物運輸持續蓬勃發展等因素成為深圳高速的收費公路業務增長的動力。但隨著車流量的增長，收費車道與收費人員的數量相應增加，導致員工成本上漲，加上，於本期間新增的全省聯網收費結算服務費及新項目的業務開發費用，造成深圳高速的營業收入比經營盈利的上升幅度大。

Shenzhen Expressway

Shenzhen Expressway, a principal associate of which the Group has 30.03% interest, recorded a turnover of HK\$377 million (2004: HK\$302 million) during the Period, representing an increase of 25% over that of 2004. Profit attributable to shareholders amounted to HK\$206 million (2004: HK\$197 million), representing an increase of 5% when compared with the corresponding period of 2004, of which the Group's share was HK\$61.86 million (2004: HK\$59.16 million). The surging vehicle ownership, strong demand for business travel and cargo transportation, which were driven by the robust economic growth in the Pearl River Delta region and the gradual implementation of CEPA as well as the formation of Pan Pearl River Delta Economic Zone, have become the major driving forces of the expanding toll roads operations of Shenzhen Expressway. However, as the increase in traffic volume also led to a corresponding increase in the numbers of toll stations and toll collection staff, and thus resulted in rising in staff cost. This coupled with the settlement service charges for the new inter-road network toll collection system of Guangdong Province during the Period and the increase in business expenses on new projects, thus the growth rate of turnover of Shenzhen Expressway was higher than that of its operating profit.

二零零五年上半年，深圳高速經營和投資的收費公路承接去年的增長態勢，車流量與路費收入繼續高速增長，平均增幅分別為28%及25%。於本期間內，梅觀高速的車流量和路費收入繼續保持高速穩定的增長，香港、深圳及東莞等地的商貿往來和居民出行需求，為梅觀高速交通流量的增長提供了強勁的動力。來往深圳市區與周邊地區的小汽車為機荷高速提供了最主要的車流量，而道路沿線的物流園區和貿易中心城的發展，也進一步刺激了機荷高速車流量的增長。深圳高速持有40%權益的水官高速的車流量受惠於龍崗大工業區的快速發展及深圳周邊衛星城鎮的人口與物流的快速增長，比去年同期上升達24%。隨著本年七月，位於水官高速和深圳市區內清水河、筍崗兩大倉儲區之間的水官延長段通車，連接了水官高速、布龍公路和即將建成的南坪快速幹道，勢必對水官高速車流量的增長產生積極的影響。

於本期間內，深圳高速對外投資取得重大進展。於二零零五年二月，深圳高速以人民幣18.39億元收購清連公路56.28%權益，清連公路全長超過200公里，是珠江三角洲地區與廣東省中北部地區和湖南省及內地聯繫的一條重要通道；深圳高速於二零零五年三月，與本集團共同簽訂協議以收購位於湖北省的武黃高速公路100%權益。上述兩條公路的地理位置優越，具有良好的發展潛力，為深圳高速未來盈利的持續增長打下良好的基礎。

During the first half of 2005, the operation and investment in toll highway of Shenzhen Expressway inherited the growth momentum from 2004 and achieved rapid increases in both traffic flow and toll revenue, scoring average growth rates of 28% and 25% respectively. During the Period, traffic volume and toll revenue of Meiguan Expressway sustained rapid and steady increase and the increase of the traffic volume of Meiguan Expressway was strongly driven by the trade and commerce and people's traveling needs between Hong Kong, Shenzhen and Dongguan. The small vehicles commuting between Shenzhen and its surrounding areas accounted for the largest share of the traffic volume of Jihe Expressway, while the construction of logistics parks and trade centres along the expressway provides further driving forces to the increase of the traffic volume of Jihe Expressway. Traffic volume of Shuiguan Expressway, 40% of which is owned by Shenzhen Expressway, increased by 24% over the corresponding period of 2004 and benefited from the rapid development of Longgang Industrial Zone and the fast-growing population and logistics activities in the satellite counties and towns surrounding Shenzhen. Subsequent to the Shuiguan Extension, located between Shuiguan Expressway and the two major warehouses at Qingshuihe and Sungang in downtown Shenzhen, was put to operation in July 2005, it will inevitably have a positive effect on the increase of the traffic volume of Shuiguan Expressway as it links up Shuiguan Expressway, Bulong Expressway and the to-be-completed Nanping Freeway.

During the Period, Shenzhen Expressway made significant achievements in its investment. In February 2005, Shenzhen Expressway acquired 56.28% interest in Qinglian Highway at a consideration of RMB1,839 million. Qinglian Highway, with its full length over 200 kilometres, serves as an essential corridor to link up Pearl River Delta region and the central and northern parts of Guangdong Province, Hunan Province and other central districts. In March 2005, Shenzhen Expressway and the Group entered into an agreement for the joint acquisition of 100% interest in Wuhuang Expressway in Hubei Province. Given the prime geographical locations, the aforementioned highway and expressway have great development potentials and will pave the foundation for sustainable future growth in earnings of Shenzhen Expressway.

在未來兩至三年，深圳高速需負責鹽排高速、南光高速、鹽壩(C段)的建設以及清連公路的高速化改造，其公路建造業務規模將較大。面對材料價格波動、徵地拆遷難度增大及設計變更等因素致使上述的建設項目可能面臨建造成本上升、工期延後以及質量受到影響等風險，深圳高速已制訂了一系列的管理制度與風險管理措施，以降低可能帶來的影響，同時，深圳高速還通過簽訂適當的保險合約和工程施工合約，將相關風險合理、有效地轉移。展望未來，深圳高速將充分發揮在公路投資、建設、營運管理和創新等方面的優勢，堅持以收費公路為主業，繼續提高盈利能力，以更加良好的業績回報股東。

In the next two to three years, the scale of expressway constructing business of Shenzhen Expressway will be larger as it will be in charge of the construction of Yanpai Expressway, Nanguang Expressway and Yanba (section C), as well as the reconstruction of Qinglian Highway into an expressway. Facing the risks that the above constructing projects might be confronted with, including the increase in cost of construction, delay in work schedule and quality being affected, which are caused by factors such as volatile prices of raw materials, increasing difficulties in land confiscation and resettlement and changes in designs, Shenzhen Expressway has formulated a series of management systems and risk management measures to reduce the possible impacts. Meanwhile, Shenzhen Expressway has also reasonably and effectively transferred these risks by signing appropriate insurance contracts and work implementation contracts. Looking forward, Shenzhen Expressway will be able to reward its shareholders with better returns through its persistence of having toll road as its principal business and its ability in sustaining profitability by taking full advantages in investment, construction, operating management and innovation in toll road.

高科技相關製造業務

南玻集團

本集團的主要聯營公司南玻集團於本期間的營業額及股東應佔盈利分別為港幣9.5億元（二零零四年：港幣8.02億元）及港幣1.46億元（二零零四年：港幣1.77億元），較去年同期增長18%及下降18%。於本期間，國家繼續實行宏觀調控政策，且對房地產業進一步加大了調控力度，市場需求相對疲弱，致使銷售價格普遍回落，加上國際原油價格屢創新高，導致生產成本快速上升，因此，南玻集團第一季度的利潤與去年同期相比有較大減幅，但進入第二季度，南玻集團調整經營策略，採取了相應的措施包括進一步增加高附加值和特種產品的比例，以保持競爭優勢和價格水平；加大市場營銷力度，擴大產銷規模；努力進行技術改良，採取有效措施以降低能源消耗成本；強化生產管理，提高產成品率等，取得了明顯的成效，使第二季度的業績穩步回升。

面對玻璃生產業的激烈競爭，新產品、高附加值產品佔銷售收入的比重成為企業長遠發展的重要指標。針對南玻集團目前這一比重仍然偏低的情況，南玻集團正努力推動技術進步並加快新產品的研發，分別成立了浮法玻璃、工程玻璃、精細玻璃三個研發中心，將研發資源有效整合在一起，大大加強了各類產品的研發力量，並考慮擬按銷售收入的一定比例提取研發經費，保障研發工作的長遠規劃和持續性，以鞏固及擴大南玻集團的競爭優勢。

High-Tech Related Manufacturing Business

CSG

During the Period, CSG, a principal associate of the Group, recorded a turnover of HK\$950 million (2004: HK\$802 million) and profit attributable to shareholders of HK\$146 million (2004: HK\$177 million), representing an increase of 18% and a decrease of 18% respectively over the corresponding period of 2004. During the Period, the PRC government continued to implement macroeconomic control measures and further tightened control over the real estate industry, resulting in a relatively weak market demand and a general drop of selling price of the products of CSG. Moreover, the international crude oil price recorded new highs successively and resulted in a rapid growth of production cost. As a result, profit of CSG decreased tremendously in the first quarter compared with the corresponding period of 2004, but in the second quarter, CSG adjusted its operating strategies and adopted corresponding measures, including the increase of the proportion of high value-added and specific products to maintain competitive edges and price level; strengthening of marketing efforts and enlarging of production and distribution scale; endeavoring to improving technical level and adopting effective measures to reduce the cost of energy consumption; reinforcing production management and enhancing rate of finished products, etc. All these measures have brought in remarkable effects and enabled the results in the second quarter to increase steadily.

Given the severe competition within the glass manufacturing industry, the weight of new products and high value-added products in turnover has become an important indicator for the long-term development of an enterprise. As this proportion in CSG is still low, CSG is making great efforts to improve its technical level and speed up the research and development of new products, for which it has established three development centres, namely, floating glass, architectural glass and delicacy glass, to effectively consolidate its resources for research and development, which significantly strengthens the R&D capacity for various products. Furthermore, CSG is planning to reserve a certain percentage from its sales revenue as the funds for research and development so as to ensure the long-term planning and sustainability of research and development as well as to further consolidate and enhance the competitive edges of CSG.

儘管二零零五年下半年的市場環境不太樂觀，但南玻集團將通過進一步調整產品結構，加大市場營銷力度，穩定產銷規模和盈利水平，加強研發力量及加快推出新產品等措施，牢牢抓住下半年工程玻璃傳統市場旺季的有利時機。

南玻集團與本集團分別持有75%及25%權益的天津南玻工程玻璃有限公司（「天津南玻」）於本期間的營業額及盈利分別為港幣7,110萬元（二零零四年：港幣3,126萬元）及港幣630萬元（二零零四年：港幣569萬元），本集團應佔盈利為港幣158萬元（二零零四年：港幣142萬元）。天津南玻於下半年已開展較大型的工程合同的工作，其中包括北京電視台及首都機場的改造工程，預計天津南玻本年度的全年業績將較二零零四年出現可觀的增長。為了應付天津南玻不斷擴大及持續上升的業務需求，本集團及南玻集團於第二季度分別按持股比例增資合共人民幣4,000萬元，致使天津南玻的總註冊資本由人民幣1.38億元增加至人民幣1.78億元。

Although the market environment is not favourable in the second half of 2005, CSG will seize the great opportunity of traditional market high season of architectural glass in the second half of the year by further adjusting its product structures, strengthening marketing efforts, stabilising production and distribution scale and profitability, reinforcing research and development capacity and speeding up the launch of new products.

During the Period, the turnover and profit of Tianjin CSG Architectural Glass Co., Ltd. ("Tianjin CSG"), which is owned by CSG as to 75% and the Group as to 25%, were HK\$71.10 million (2004: HK\$31.26 million) and HK\$6.30 million (2004: HK\$5.69 million) respectively, and the profit attributable to the Group was HK\$1.58 million (2004: HK\$1.42 million). Tianjin CSG has commenced the large-scale works contemplated in its project contracts in the second half of the year, including the renovation projects of Beijing TV Station and Capital Airport and it is expected that the final results of Tianjin CSG for the current year will be substantially increased as compared with that of 2004. In order to satisfy the increasing and continuously expanding business demands of Tianjin CSG, the Group and CSG made an additional capital injection of RMB40 million in total into Tianjin CSG in proportion of their shareholdings in the second quarter and as a result, the total registered capital of Tianjin CSG increased from RMB138 million to RMB178 million.

財務狀況

FINANCIAL POSITION

| | | 二零零五年 六月三十日 30 June 2005 港幣百萬元 HK\$ million | 二零零四年 十二月三十一日 31 December 2004 港幣百萬元 HK\$ million | 增加／ (減少) Increase/ (Decrease) % |
|---------------|--|--|--|---|
| 總資產 | Total Assets | 3,652 | 3,420 | 7 |
| 流動資產 | Current Assets | 662 | 588 | 13 |
| 流動負債 | Current Liabilities | 223 | 159 | 40 |
| 流動資產淨值 | Net Current Assets | 439 | 429 | 2 |
| 有形資產淨值 | Net Tangible Assets | 2,918 | 2,846 | 3 |
| 淨資產值 | Net Assets | 2,926 | 2,716 | 8 |
| 發行股數 (百萬股) | Issued Share Capital (million shares) | 11,433 | 11,433 | — |
| 每股淨資產 (港幣元) | Net Assets Per Share (HK dollar) | 0.26 | 0.24 | 8 |
| 現金及現金等額 | Cash and Cash Equivalents | 471 | 243 | 94 |
| 銀行貸款 | Bank Loans | 146 | 102 | 43 |
| 淨現金 | Net Cash | 325 | 141 | 130 |

於二零零五年六月三十日，本集團之流動資產及現金及現金等額分別較二零零四年十二月三十一日上升13%及94%，而銀行貸款為港幣1.46億元，較二零零四年十二月三十一日港幣1.02億元上升43%，貸款上升主要因為港元貸款的增加及用於支付收購武黃項目的首期代價。本集團的淨現金為港幣3.25億元，較二零零四年十二月三十一日港幣1.41億元上升1.3倍，淨現金的增加主要由於收取聯營公司及其他投資的現金分紅，顯示本集團現金十分充裕及有較強的融資能力投資於較大型的物流相關項目。

於二零零五年六月三十日，本集團的總資產及淨資產值分別上升7%及8%，除了於本期間所得的淨利潤外，最主要是本集團為符合新的香港財務報告準則第3號「企業合併」的規定，將負商譽約港幣1.38億元轉撥至保留盈餘當中，因此大幅增加了本集團的總資產及淨資產值。

As at 30 June 2005, the Group's current assets and cash and cash equivalents increased by 13% and 94% respectively when compared with those as at 31 December 2004. Bank loans were HK\$146 million representing an increase of 43% over that of HK\$102 million as at 31 December 2004. The increase in bank loans was mainly due to the increase in Hong Kong dollars' borrowings and was used for the payment of initial deposit for the acquisition of Wuhuang Expressway. The Group's net cash was HK\$325 million and increased by 1.3 times as compared with HK\$141 million as at 31 December 2004. The increase in net cash was mainly attributable to the cash dividend received from associates and other investments, suggesting that the Group has abundant cash and has strong fund raising ability to invest in major logistics related projects.

As at 30 June 2005, total assets and net assets of the Group increased by 7% and 8% respectively. The increases in total assets and net assets were attributable by the net profit earned during the Period and the transfer of negative goodwill of approximately HK\$138 million to retained earnings in compliance with the new HKFRS 3 "Business Combinations".

於二零零五年六月三十日，本集團銀行貸款總額為港幣1.46億元(二零零四年十二月三十一日：港幣1.02億元)，分別有43%、52%及5%於一年內，第二年，以及第三年或以後到期償還。此等借貸中約有港幣1.33億元是以港幣為償還貨幣單位的銀行貸款，借貸餘額是以人民幣為償還貨幣單位的國內銀行貸款。本集團的現金收入主要以人民幣為主，而以港幣為貨幣單位的現金支出主要為股東的現金分紅。人民幣於七月底升值約2%，同時與一籃子貨幣掛鈎，短期而言，人民幣與港幣的匯率將出現相對穩定的局面，因此本集團的滙兌風險較低。本集團將不時檢討及監察外滙兌換及利率波動的風險，並於有需要時訂立適當的遠期及利率調期合約，以對沖有關風險。

於二零零五年六月三十日，本集團的股東權益及淨現金比率如下：

As at 30 June 2005, bank loans of the Group amounted to HK\$146 million (31 December 2004: HK\$102 million), of which 43%, 52% and 5% were due for repayment within one year, the second year and the third year or thereafter respectively. Approximately HK\$133 million of the bank loans are repayable in Hong Kong dollars and the remaining balances are borrowings from banks in the PRC repayable in Renminbi. The Group's cash income is primarily denominated in Renminbi, and the cash expenditure denominated in Hong Kong dollars mainly comprises cash dividend payment to the shareholders. As Renminbi appreciated by approximately 2% at the end of July and was linked to a basket of currencies, in a short run, the exchange rate between Renminbi and Hong Kong dollars will be relatively stable and the Group's foreign exchange exposure is therefore minimal. The Group will review and monitor from time to time the risks relating to foreign exchange and fluctuation in interest rate, and will enter into appropriate forward and interest rate swap contracts to hedge the related risks when necessary.

As at 30 June 2005, the ratio of net cash to shareholders' equity of the Group was as follows:

| | | 二零零五年 六月三十日 30 June 2005 港幣百萬元 HK\$ million | 二零零四年 十二月三十一日 31 December 2004 港幣百萬元 HK\$ million |
|---------------------|---|--|--|
| 股東權益 | Shareholders' equity | 2,926 | 2,716 |
| 現金及現金等額 | Cash and cash equivalents | 471 | 243 |
| 借貸總額 | Total borrowings | | |
| 短期銀行貸款 | Short term bank loans | 98 | 50 |
| 於一年內到期償還 的長期銀行貸款 | Long term bank loans due for repayment within one year | 2 | 2 |
| 長期銀行貸款 | Long term bank loans | 46 | 50 |
| 借貸總額 | Total borrowings | 146 | 102 |
| 淨現金 | Net cash | 325 | 141 |
| 淨現金與 股東權益比率 | Ratio of net cash to shareholders' equity | 11% | 5% |

本集團的淨現金與股東權益比率由二零零四年十二月三十一日之5%上升至二零零五年六月三十日之11%，主要是由於本期間內本集團呈淨現金流入，而有關現金流入主要來自聯營公司及其他投資的現金股息。有關本集團於二零零五年六月三十日之或有負債的詳情，請參閱簡明綜合財務報表附註二十二。

於二零零五年六月三十日，本集團的可動用現金及備用銀行信貸額共約港幣10億元，但已使用的信貸額只有港幣1.46億元，具備良好的財務狀況。本集團已於二零零五年七月二十八日取得銀團貸款港幣3.5億元用以支付收購武黃高速公路經營權項目的部份代價。本集團將不時檢討現時的資本結構，研究較低的資金成本方案，使整體股東回報獲得進一步提升。

人力資源

本公司管理層一直視人力資源為本集團重要資產及獲取盈利的重要一環，因此重視吸納人才、獎勵優秀員工及培訓專才。本集團員工的薪酬按個別員工之資歷、能力及工作表現，並參考市場趨勢釐定，以達致公允及能夠吸納人才和留效優秀員工的目的。員工之薪酬包括薪金、醫療津貼、住院計劃及強制性公積金退休福利計劃。為鼓勵及獎勵員工，本集團設有年度考核制度，以檢討員工的薪酬及評估員工年內的工作表現，作為發放年終獎金的基準；對本集團業績及業務發展有貢獻的合資格員工更可根據本公司購股權計劃，獲授購股權以認購本公司股份。本集團亦為旗下員工提供專業培訓，鼓勵員工持續進修及自我增值。

於二零零五年六月三十日，本集團共聘有557名員工，當中20人在香港服務，主要為管理及財務人員；另有537名在國內服務，主要為物流方面的員工，約佔375人。

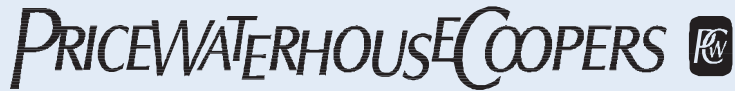
The Group's ratio of net cash to shareholders' equity increased from 5% as at 31 December 2004 to 11% as at 30 June 2005 and was mainly attributable to net cash inflow of the Group during the Period, while relevant cash inflow was mainly received from cash dividend paid by associates and other investments. For details of the Group's contingent liabilities as at 30 June 2005, please refer to note 22 to the Condensed Consolidated Financial Statements.

As at 30 June 2005, the Group has cash in hand and standing banking facilities of approximately HK\$1,000 million and the utilised banking facilities only amounted to HK\$146 million, is in a solid financial position. The Group has obtained a term loan of HK\$350 million on 28 July 2005 to finance part of the consideration for the acquisition of the operating right of Wuhuang Expressway. The Group will review its existing capital structure from time to time and consider funding plans with a lower cost so as to further increase the overall return for the shareholders.

HUMAN RESOURCE

The management of the Company considers human resource as an invaluable asset and a key factor to the profitability of the Group, and recruiting talents, rewarding staff with outstanding performance and providing professional training are all essential to the success of the Company. In order to attract talents and retain competent staff and to be impartial, employees' remuneration packages are determined according to their qualification, competency and performance, and also by reference to market terms. The remuneration packages of staff include salary payments, medical subsidies, hospitalisation scheme and mandatory provident fund retirement benefit scheme. In order to encourage and reward staff, the Group operates an annual appraisal system to review the salary of employees and assess their performance during the year, upon which the basis of payment of year-end bonus will be determined. In addition, eligible employees contributed to the results and business development of the Group may be granted options to acquire shares in the Company pursuant to the share option scheme of the Company. The Group also provides professional trainings to employees to encourage them to continue studies and equip themselves.

As at 30 June 2005, the Group had 557 employees in total, comprising 20 employees in Hong Kong, the majority of them were management and finance personnel, and 537 employees in the PRC, approximately 375 of them served in the logistics and related business.



羅兵咸永道會計師事務所

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致SHENZHEN INTERNATIONAL
HOLDINGS LIMITED董事會
(於百慕達註冊成立的有限公司)

TO THE BOARD OF DIRECTORS OF
SHENZHEN INTERNATIONAL HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

引言

本所已按 貴公司指示，審閱第27至70頁所載的中期財務報表。

INTRODUCTION

We have been instructed by the Company to review the interim financial statements set out on pages 27 to 70.

董事及核數師各自之責任

香港聯合交易所有限公司證券上市規則規定，中期財務報表的編製須符合香港會計師公會頒布的香港會計準則第34號「中期財務報告」及其相關規定。董事須對中期財務報表負責，而該報告亦已經董事會批准。

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited require the preparation of interim financial statements to be in compliance with Hong Kong Accounting Standard 34 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the relevant provisions thereof. The interim financial statements are the responsibility of, and have been approved by, the directors.

本所之責任是根據審閱之結果，對中期財務報表出具獨立結論，並按照雙方所協議的應聘書條款向整體董事會報告，除此之外本報告別無其他目的，本所不會就本報告的內容向任何其他人士負上或承擔任何責任。

It is our responsibility to form an independent conclusion, based on our review, on the interim financial statements and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

已執行的審閱工作

本所已按照香港會計師公會所頒布的核數準則第700號「審閱中期財務報告的委聘」進行審閱工作。審閱工作主要包括向集團管理層作出查詢，及對中期財務報表進行分析程式，然後根據結果評估 貴公司之會計政策及呈報方式是否貫徹應用（惟已另作披露則除外）。審閱工作並不包括監控測試及核證資產、負債及交易等審計程式。由於審閱的範圍遠較審計為小，故所提供的保證程度較審計為低。因此，本所不會對中期財務報表發表審計意見。

審閱結論

按照本所審閱的結果，但此審閱並不作為審計之一部份，本所並無發現任何須在截至二零零五年六月三十日止六個月的中期財務報表作出重大修訂之事項。

羅兵咸永道會計師事務所
執業會計師

香港，二零零五年八月三十一日

REVIEW WORK PERFORMED

We conducted our review in accordance with Statement of Auditing Standard 700 "Engagements to review interim financial reports" issued by the HKICPA. A review consists principally of making enquiries of group management and applying analytical procedures to the interim financial statements 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 statements.

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 statements for the six months ended 30 June 2005.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 31 August 2005

簡明綜合損益表

Condensed Consolidated Income Statement

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

| | | 截至六月三十日止六個月 | | |
|------------------|--|--------------------------|----------------|----------|
| | | Six months ended 30 June | | |
| | | 二零零五年 | 二零零四年 | |
| | | 2005 | 2004 | |
| | | (未經審核) | (重新列賬) | |
| | | (Unaudited) | (Restated) | |
| | | (未經審核) | (未經審核) | |
| | | (Unaudited) | (Unaudited) | |
| 營業額 | Turnover | 3 | 135,441 | 125,805 |
| 銷售成本 | Cost of sales | | (86,940) | (78,588) |
| 毛利總額 | Gross profit | | 48,501 | 47,217 |
| 其他收益－淨值 | Other gains – net | 17 | 35,447 | 28,299 |
| 銷售及市場推廣成本 | Selling and marketing costs | | (6,877) | (6,792) |
| 管理費用 | Administrative expenses | | (32,780) | (27,831) |
| 經營業務之盈利 | Operating profit | | 44,291 | 40,893 |
| 財務成本 | Finance costs | 18 | (6,950) | (1,656) |
| 應佔聯營公司盈利 | Share of profits of associates | | 96,389 | 103,311 |
| 除稅前盈利 | Profit before income tax | | 133,730 | 142,548 |
| 稅項 | Income tax expenses | 19 | (1,026) | (955) |
| 期內純利 | Profit for the period | | 132,704 | 141,593 |
| 應佔期內純利： | Attributable to: | | | |
| 本公司股權持有人 | Equity holders of the Company | | 132,989 | 141,415 |
| 少數股東權益 | Minority interest | | (285) | 178 |
| | | | 132,704 | 141,593 |
| 每股盈利－公司股權 | Earnings per share for profit | | | |
| 持有人應佔期內純利 | attributable to the equity | | | |
| (每股港仙) | holders of the Company | | | |
| | during the period (HK cents per share) | | | |
| －基本 | – Basic | 20 | 1.16 | 1.25 |
| －攤薄 | – Diluted | 20 | 不適用 N/A | 不適用 N/A |

簡明綜合資產負債表

Condensed Consolidated Balance Sheet

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

| | | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 (重新列賬) (Restated) |
|-----------------------------|---|-------------|--|---|
| | | 附註 Notes | | |
| 資產 | ASSETS | | | |
| 非流動資產 | Non-current assets | | | |
| 物業、廠房及設備 | Property, plant and equipment | 4 | 293,138 | 250,303 |
| 投資物業 | Investment properties | 4 | 13,160 | 11,000 |
| 租賃土地及土地使用權 | Leasehold land and land use rights | 4 | 118,572 | 120,886 |
| 在建工程 | Construction in progress | 4 | 17,701 | 42,904 |
| 無形資產 | Intangible assets | 4 | 8,061 | (130,230) |
| 於聯營公司之權益 | Interests in associates | | 2,321,025 | 2,320,260 |
| 可供出售之金融資產 | Available-for-sale financial assets | 5 | 181,327 | — |
| 投資證券 | Investment securities | 6 | — | 216,594 |
| 其他非流動資產 | Other non-current assets | 7 | 37,509 | — |
| | | | <u>2,990,493</u> | <u>2,831,717</u> |
| 流動資產 | Current assets | | | |
| 發展中物業 | Property under development | 8 | 52,641 | — |
| 應收賬款及其他應收款 | Trade and other receivables | 9 | 137,622 | 345,443 |
| 其他投資 | Other Investments | | — | 69 |
| 已抵押銀行存款 | Pledged bank deposits | | 5,749 | 8,487 |
| 現金及現金等價物 | Cash and cash equivalents | | 465,675 | 234,467 |
| | | | <u>661,687</u> | <u>588,466</u> |
| 總資產 | Total assets | | <u>3,652,180</u> | <u>3,420,183</u> |
| 權益 | EQUITY | | | |
| 本公司股權持有人 應佔資本及儲備 | Capital and reserves attributable to the equity holders of the Company | | | |
| 股本 | Share capital | 10 | 1,719,724 | 1,719,030 |
| 其他儲備 | Other reserves | 11 | 49,924 | 28,126 |
| 保留盈餘 | Retained earnings | | | |
| — 建議末期股息 | - Proposed final dividend | | — | 57,164 |
| — 其他 | - Others | | 1,085,597 | 840,314 |
| | | | <u>2,855,245</u> | <u>2,644,634</u> |
| 少數股東權益 | Minority interest | | <u>70,879</u> | <u>71,164</u> |
| 總權益 | Total equity | | <u>2,926,124</u> | <u>2,715,798</u> |

簡明綜合資產負債表 Condensed Consolidated Balance Sheet

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

| | | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 (重新列賬) (Restated) |
|-----------------|--|-------------|--|---|
| | | 附註 Notes | | |
| 負債 | LIABILITIES | | | |
| 非流動負債 | Non-current liabilities | | | |
| 計息貸款 | Interest-bearing borrowings | 13 | 45,618 | 49,689 |
| 可換股票據 | Convertible note | 14 | 305,224 | 330,000 |
| 遞延收入 | Deferred income | 15 | 133,733 | 147,106 |
| 少數股東借款 | Amount due to a minority shareholder | 16 | 18,860 | 18,860 |
| | | | <u>503,435</u> | <u>545,655</u> |
| 流動負債 | Current liabilities | | | |
| 應付賬款及其他應付款 | Trade and other payables | 12 | 107,272 | 90,150 |
| 應付稅項 | Taxation payable | | 15,164 | 16,395 |
| 計息貸款 | Interest-bearing borrowings | 13 | 100,185 | 52,185 |
| | | | <u>222,621</u> | <u>158,730</u> |
| 總負債 | Total liabilities | | <u>726,056</u> | <u>704,385</u> |
| 總權益及負債 | Total equity and liabilities | | <u>3,652,180</u> | <u>3,420,183</u> |
| 流動資產淨值 | Net current assets | | <u>439,066</u> | <u>429,736</u> |
| 總資產減流動負債 | Total assets less current liabilities | | <u>3,429,559</u> | <u>3,261,453</u> |

簡明綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

| | | (未經審核) (Unaudited) | | | | |
|--------------|--|--|---------------------------|------------------------------|------------------------------------|------------------|
| | | 可供公司股權持有人 分配的權益 Attributable to equity holders of the Company | | | 少數 股東權益 Minority Interest | 合計 Total |
| | 附註 Notes | 股本 Share capital | 其他儲備 Other reserves | 保留盈餘 Retained earnings | | |
| 於二零零四年一月一日結餘 | Balance at 1 January 2004, | | | | | |
| · 如前呈報為權益 | as previously reported as equity | 1,659,884 | (48,294) | 710,584 | — | 2,322,174 |
| 聯營公司變更會計 | Effect on changes in accounting | — | — | (15,734) | — | (15,734) |
| 政策的影響 | policies of an associate | | | | | |
| 於二零零四年一月一日結餘 | Balance at 1 January 2004, | | | | | |
| · 如前單獨列報為 | as previously separately reported as | — | — | — | 3,841 | 3,841 |
| 少數股東權益 | minority interest | | | | | |
| 於二零零四年一月一日 | Balance at 1 January 2004, | 1,659,884 | (48,294) | 694,850 | 3,841 | 2,310,281 |
| 結餘，重新列賬 | as restated | | | | | |
| 貨幣折算差額 | Currency translation differences | — | 77 | — | — | 77 |
| 期內純利 | Profit for the period | — | — | 141,415 | 178 | 141,593 |
| 僱員購股權—發行股份 | Employee share options – proceeds from | | | | | |
| 所得款項 | shares issued | 59,146 | — | — | — | 59,146 |
| 二零零三年股息 | Dividend relating to 2003 | — | — | (45,731) | — | (45,731) |
| 於二零零四年六月三十日 | Balance at 30 June 2004, | 1,719,030 | (48,217) | 790,534 | 4,019 | 2,465,366 |
| 結餘，重新列賬 | as restated | | | | | |

簡明綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

| | | (未經審核) | | | | |
|-------------|-------------|--|---------------------------|------------------------------|----------------------|------------------|
| | | (Unaudited) | | | | |
| | | 可供公司股權持有人 分配的權益 | | | 少數 股東權益 | 合計 |
| | | Attributable to equity holders of the Company | | | Minority Interest | Total |
| | 附註 Notes | 股本 Share capital | 其他儲備 Other reserves | 保留盈餘 Retained earnings | | |
| 於二零零五年一月一日 | | | | | | |
| 結餘，如前呈報為權益 | | | | | | |
| 聯營公司變更會計 | | | | | | |
| 政策的影響 | 2(a)(v) | — | — | (20,074) | — | (20,074) |
| 於二零零五年一月一日 | | | | | | |
| 結餘，重新列賬 | | | | | | |
| 於二零零五年一月一日 | | | | | | |
| 結餘，如前單獨列報為 | | | | | | |
| 少數股東權益 | | — | — | — | 71,164 | 71,164 |
| 採納香港財務報告準則 | | | | | | |
| 第3號之期初調整 | 2(a)(iii) | — | — | 138,291 | — | 138,291 |
| 採納香港會計準則 | | | | | | |
| 第32號之期初調整 | 2(a)(iv) | — | 56,405 | (25,996) | — | 30,409 |
| 於二零零五年一月一日 | | | | | | |
| 結餘，重新列賬 | | <u>1,719,030</u> | <u>84,531</u> | <u>1,009,772</u> | <u>71,164</u> | <u>2,884,497</u> |
| 公允價值調整—可供出售 | | | | | | |
| 之金融資產 | 2(a)(iv) | — | (34,711) | — | — | (34,711) |
| 貨幣折算差額 | | — | 104 | — | — | 104 |
| 期內純利 | | — | — | 132,989 | (285) | 132,704 |
| 僱員購股權—提供服務 | | | | | | |
| 之價值 | 10 | 694 | — | — | — | 694 |
| 二零零四年股息 | | — | — | (57,164) | — | (57,164) |
| 於二零零五年 | | | | | | |
| 六月三十日結餘 | | <u>1,719,724</u> | <u>49,924</u> | <u>1,085,597</u> | <u>70,879</u> | <u>2,926,124</u> |

簡明綜合現金流量表

Condensed Consolidated Cash Flow Statement

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

(未經審核)

(Unaudited)

截至六月三十日止六個月

Six months ended 30 June

| | | 二零零五年 2005 | 二零零四年 2004 (重新列賬) (Restated) |
|-----------------------|--|----------------|---------------------------------------|
| 經營活動之現金流入／(流出)淨額 | Net cash inflow/(outflow) from operating activities | 27,967 | (55,209) |
| 投資活動之現金流入淨額 | Net cash inflow from investing activities | 216,476 | 125,672 |
| 融資活動之現金流出淨額 | Net cash outflow from financing activities | (13,235) | (13,058) |
| 現金及現金等價物之增加淨額 | Net increase in cash and cash equivalents | 231,208 | 57,405 |
| 一月一日之現金及現金等價物 | Cash and cash equivalents at 1 January | 234,467 | 177,062 |
| 六月三十日之現金及現金等價物 | Cash and cash equivalents at 30 June | 465,675 | 234,467 |
| 現金及現金等價物之結餘分析 | Analysis of balances of cash and cash equivalents | | |
| 銀行存款及現金 | Cash at bank and in hand | 381,368 | 95,978 |
| 短期銀行存款 | Short term bank deposits | 84,307 | 138,489 |
| | | 465,675 | 234,467 |

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

1. 編製基準

未經審核之簡明綜合財務報表乃根據香港會計師公會頒佈之香港會計準則第34號－「中期財務報告」編製。

本簡明綜合財務報表應結合二零零四年之年度財務報表一併閱讀。

編製此簡明綜合財務報表所採用之會計政策及計算方法與編製截至二零零四年十二月三十一日止年度之財務報表相同，惟本集團於本期間採納了於二零零五年一月一日起或以後會計期間開始生效的新頒佈或經修訂的香港財務報告準則及香港會計準則（「新香港財務報告準則」）而相應變更了若干會計政策。

本中期財務報表乃根據截止此報告編製時已頒佈並生效之新香港財務報告準則及解釋而編製。對於將於二零零五年十二月三十一日適用之新香港財務報告準則及解釋，包括可選擇性應用的，於編製此中期財務報表時並不能確定。

1. BASIS OF PREPARATION

These unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants.

These condensed consolidated financial statements should be read in conjunction with the 2004 annual financial statements.

The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2004 except that the Group has changed certain of its accounting policies following its adoption of new/revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (“new HKFRS”) which are effective for accounting periods commencing on or after 1 January 2005.

These interim financial statements have been prepared in accordance with those new HKFRS and interpretations issued and effective as at the time of preparing these interim financial statements. The new HKFRS and interpretations that will be applicable at 31 December 2005, including those that will be applicable on an optional basis, are not known with certainty at the time of preparing these interim financial statements.

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

2. 會計政策的變更

(a) 採納新香港財務報告準則的影響

於二零零五年，本集團採納了下列與本集團經營相關的新香港財務報告準則。二零零四年的對比資料已根據相關要求重新列賬。

香港會計準則第1號
HKAS 1
香港會計準則第2號
HKAS 2
香港會計準則第7號
HKAS 7
香港會計準則第8號
HKAS 8
香港會計準則第10號
HKAS 10
香港會計準則第12號
HKAS 12
香港會計準則第14號
HKAS 14
香港會計準則第16號
HKAS 16
香港會計準則第17號
HKAS 17
香港會計準則第18號
HKAS 18
香港會計準則第19號
HKAS 19
香港會計準則第20號
HKAS 20
香港會計準則第21號
HKAS 21
香港會計準則第23號
HKAS 23
香港會計準則第24號
HKAS 24
香港會計準則第27號
HKAS 27
香港會計準則第28號
HKAS 28

財務報表的列報
Presentation of Financial Statements
存貨
Inventories
現金流量表
Cash Flow Statements
會計政策、會計估計的變更及錯誤
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關聯方披露
Related Party Disclosures
綜合及獨立財務報表
Consolidated and Separate Financial Statements
聯營公司投資
Investments in Associates

2. CHANGES IN ACCOUNTING POLICIES

(a) Effect of adopting new HKFRS

In 2005, the Group adopted the new HKFRS below, which are relevant to its operations. The 2004 comparatives have been restated as required, in accordance with the relevant requirements.

簡明綜合財務報表附註 Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

2. 會計政策的變更(續)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(a) 採納新香港財務報告準則的影響 (續)

(a) Effect of adopting new HKFRS (continued)

| | |
|------------------------|--|
| 香港會計準則第31號 HKAS 31 | 於合營公司的權益 Interests in Joint Ventures |
| 香港會計準則第32號 HKAS 32 | 金融工具：披露及列報 Financial Instruments: Disclosures and Presentation |
| 香港會計準則第33號 HKAS 33 | 每股盈利 Earnings Per Share |
| 香港會計準則第34號 HKAS 34 | 中期財務報告 Interim Financial Reporting |
| 香港會計準則第36號 HKAS 36 | 資產減值 Impairment of Assets |
| 香港會計準則第37號 HKAS 37 | 撥備、或有負債及或有資產 Provisions, Contingent Liabilities and Contingent Assets |
| 香港會計準則第38號 HKAS 38 | 無形資產 Intangible Assets |
| 香港會計準則第39號 HKAS 39 | 金融工具：確認及計量 Financial Instruments: Recognition and Measurement |
| 香港會計準則第40號 HKAS 40 | 投資物業 Investment Property |
| 香港財務報告準則第2號 HKFRS 2 | 以股份為基礎的支付 Share-based Payments |
| 香港財務報告準則第3號 HKFRS 3 | 企業合併 Business Combinations |

採納新頒佈或經修訂的香港會計準則第1、2、7、8、10、12、14、16、18、19、20、21、23、24、27、28、33、34及37號並未對本集團的會計政策造成實質性影響。概要如下：

- 香港會計準則第1號對少數股東權益、應佔聯營公司稅後業績的列報及其他披露有影響。
- 香港會計準則第2、7、8、10、12、14、16、18、19、20、23、27、28、33、34及37號對本集團的會計政策沒有重大影響。

The adoption of new or revised HKASs 1, 2, 7, 8, 10, 12, 14, 16, 18, 19, 20, 21, 23, 24, 27, 28, 33, 34 and 37 did not result in substantial changes to the Group's accounting policies. In summary:

- HKAS 1 has affected the presentation of minority interest, share of net after-tax results of associates and other disclosures.
- HKASs 2, 7, 8, 10, 12, 14, 16, 18, 19, 20, 23, 27, 28, 33, 34 and 37 had no material effect on the Group's policies.

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

2. 會計政策的變更 (續)

(a) 採納新香港財務報告準則的影響 (續)

- 香港會計準則第21號對本集團的會計政策沒有重大影響。各合併實體的功能貨幣已根據該經修訂準則的指引作出重新評價。本集團的功能貨幣為人民幣，列報貨幣為港幣。
- 香港會計準則第24號對關聯方的確定及部分其他關聯方披露有影響。

採納經修訂之香港會計準則第17號導致會計政策變更，對租賃土地及土地使用權從物業、廠房及設備重分類至經營租賃。對租賃土地及土地使用權的預付租賃款在租賃期限內按照直線法在損益表中列支，若有減值，減值在損益表中列支。於過往年度，如適用，租賃土地及土地使用權乃按照公允價值或成本減去累計折舊及任何累計減值(若有)後處理。

本集團根據香港會計準則第31號「於合營公司的權益」，採納比例合併法對其共同控制實體公司權益進行處理。於過往年度，本集團對共同控制實體公司權益採用權益法處理。根據香港會計準則第31號採納比例合併法乃屬會計政策變更。

2. CHANGES IN ACCOUNTING POLICIES (continued)

(a) Effect of adopting new HKFRS (continued)

- HKAS 21 had no material effect on the Group's policy. The functional currency of each of the consolidated entities has been re-evaluated based on the guidance to the revised standard. The Group has considered the functional currency is Renminbi ("RMB") while the presentation currency for the Group is Hong Kong Dollars.
- HKAS 24 has affected the identification of related parties and some other related-party disclosures.

The adoption of revised HKAS 17 has resulted in a change in the accounting policy relating to the reclassification of leasehold land and land use right from property, plant and equipment to operating leases. The up-front prepayments made for the leasehold land and land use rights are expensed in the income statement on a straight-line basis over the period of the lease or where there is impairment, the impairment is expensed in the income statement. In prior years, the leasehold land and land use rights was accounted for at fair value or cost less accumulated depreciation and accumulated impairment, if any.

The Group adopted the proportionate consolidation under HKAS 31 "Interests in Joint Ventures" to account for its interests in jointly-controlled entities. In prior years, the Group's interests in jointly-controlled entities were accounted for by the equity method. The adoption of the proportionate consolidation approach under HKAS 31 represents a change in accounting policy.

2. 會計政策的變更(續)

(a) 採納新香港財務報告準則的影響(續)

採納香港會計準則第32號及第39號導致可供出售之金融資產的分類產生會計政策變更和有關可換股票據及應付少數股東借款的計量的改變。已發行的可換股票據在初始確認時分成負債和權益兩部分，其中負債部分按公允價值確認，權益部分為發行所得款項與負債部分公允價值之差額。於初始確認後，負債部分按攤餘成本計量。

本公司董事認為該等新會計準則對應付少數股東借款的影響不重要，因此未對本集團財務報表進行調整。

採納經修訂之香港會計準則第40號導致投資物業會計政策的變更，投資物業公允價值的變動在損益表中確認為其他收入。於過往年度，公允價值的增加貸記投資物業重估儲備，公允價值的減少首先抵消先前的增值(按物業組合基準計算)，其後則在損益表內作為費用扣除。

採納經修訂之香港財務報告準則第2號導致有關以股份為基礎的支付會計政策變更。二零零四年十二月三十一日以前，提供給僱員的購股權不在損益表中作為費用扣除。從二零零五年一月一日起，本集團將購股權的成本在損益表中作為費用扣除。

採納經修訂之香港財務報告準則第3號、香港會計準則第36號及香港會計準則第38號導致對商譽及負商譽會計政策的變更。

2. CHANGES IN ACCOUNTING POLICIES (continued)

(a) Effect of adopting new HKFRS (continued)

The adoption of HKAS 32 and HKAS 39 has resulted in a change in the accounting policy relating to the classification of available-for-sale financial assets and the measurement of convertible note and amount due to a minority shareholder. Convertible notes issued are split into liability and equity components at initial recognition by recognising the liability component at fair value and attributing to the equity component the difference between the proceeds from the issue and the fair value of the liability component. The liability component is subsequently carried at amortised cost.

The impact of applying the new standard on amount due to a minority shareholder was assumed to be insignificant by the Directors of the Company to the Group's financial statements and no adjustment has been made.

The adoption of revised HKAS 40 has resulted in a change in the accounting policy of which the changes in fair values are recorded in the income statement as part of other income. In prior years, the increases in fair value were credited to the investment properties revaluation reserve. Decreases in fair value were first set off against increases on earlier valuations on a portfolio basis and thereafter expensed in the income statement.

The adoption of revised Hong Kong Financial Reporting Standard ("HKFRS") 2 has resulted in a change in the accounting policy for share-based payments. Until 31 December 2004, the provision of share options to employees did not result in an expense in the income statement. Effective on 1 January 2005, the Group expenses the cost of share options in the income statement.

The adoption of revised HKFRS 3, HKAS 36 and HKAS 38 results in a change in the accounting policies for goodwill and negative goodwill.

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

2. 會計政策的變更 (續)

(a) 採納新香港財務報告準則的影響 (續)

二零零四年十二月三十一日以前，商譽：

- 以不超過二十年按直線法攤銷；及
- 於每個資產負債表日作減值跡象評估。

二零零四年十二月三十一日以前，負商譽：

- 如負商譽屬可預計之未來虧損及費用，並可於收購計劃中辨認及可靠地量度，且不包括於收購日之可辨認負債，則當該等虧損及費用確認時，該部份之負商譽於綜合損益表中確認為收入；及
- 如負商譽不屬於可辨認之未來虧損及收購計劃費用，則負商譽以不超過購入非貨幣性資產之公允價值為限，按該等資產餘下之加權平均可使用年期，以不超過二十年於綜合損益表中確認。如負商譽超過收購非貨幣性資產之公允價值，則即時於綜合損益表中確認為收入。

2. CHANGES IN ACCOUNTING POLICIES (continued)

(a) Effect of adopting new HKFRS (continued)

Until 31 December 2004, goodwill was:

- Amortised on a straight-line basis over a period not exceeding 20 years; and
- Assessed for an indication of impairment at each balance sheet date.

Until 31 December 2004, negative goodwill was:

- To the extent that negative goodwill related to expectations of future losses and expenses that are identified in the acquisition plan and that can be measured reliably, but which were not included in the identified liabilities as at the date of acquisition, that portion of negative goodwill is recognised as income in the consolidated income statement; and
- To the extent that negative goodwill does not related to identifiable expected future losses and expenses as at the date of acquisition, negative goodwill, not exceeding the fair values of the non-monetary assets acquired, is recognised in the consolidated income statement over the remaining weighted average useful life of the non-monetary assets acquired of not exceeding 20 years. The amount any negative goodwill in excess of the fair values of the acquired non-monetary assets is recognised as income in the consolidated income statement immediately.

2. 會計政策的變更(續)

(a) 採納新香港財務報告準則的影響(續)

根據香港財務報告準則第3號的相關條款：

- 本集團從二零零五年一月一日起停止商譽的攤銷；
- 二零零四年十二月三十一日商譽的累計攤銷相應沖減其成本；
- 由二零零五年十二月三十一日年度起，於每年及於減值跡象出現時對商譽進行減值測試；
- 於二零零五年一月一日，負商譽終止確認並作為二零零五年期初保留盈餘的調整；及
- 對於協議日期在二零零五年一月一日或之後的企業合併，若收購成本低於所獲得附屬公司的淨資產的公允價值，則差額部分直接在損益表中確認。

所有會計政策已依據各準則的過渡性規定作出變更。除下列所載外，本集團採納的所有準則均需追溯應用：

- 香港會計準則第16號－對於資產置換交易所取得的物業、廠房及設備項目的初始計量按公允價值處理，僅適用於未來交易；
- 香港會計準則第21號－對作為國外經營的商譽和公允價值調整按未來適用法處理；

2. CHANGES IN ACCOUNTING POLICIES (continued)

(a) Effect of adopting new HKFRS (continued)

In accordance with the provisions of HKFRS 3:

- The Group ceased amortisation of goodwill from 1 January 2005;
- Accumulated amortisation as at 31 December 2004 has been eliminated with a corresponding decrease in the cost of goodwill;
- From the year ending 31 December 2005 onwards, goodwill is tested annually for impairment, as well as when there is indication of impairment;
- Negative goodwill is derecognised at 1 January 2005 with a corresponding adjustment to the opening retained earnings of 2005; and
- In respect of business combination for which the agreement date is on or after 1 January 2005, if the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

All changes in the accounting policies have been made in accordance with the transitional provisions in the respective standards. All standards adopted by the Group require retrospective application other than:

- HKAS 16 – the initial measurement of an item of property, plant and equipment acquired in an exchange of assets transaction is accounted at fair value prospectively only to future transactions;
- HKAS 21 – prospective accounting for goodwill and fair value adjustments as part of foreign operations;

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

2. 會計政策的變更 (續)

(a) 採納新香港財務報告準則的影響 (續)

- 香港會計準則第39號 – 不允許根據此準則對金融資產及負債的確認、終止確認及計量作追溯應用。本集團之前採用會計實務準則第24號「投資證券會計」處理投資證券及處理二零零四年對比資料。會計實務準則第24號及香港會計準則第39號之會計差異調整於二零零五年一月一日進行確定及確認；
- 香港會計準則第40號 – 由於本集團一直採用公允價值模式，因此本集團無需重列對比資料，任何調整包括對投資物業重估增值的重分類應計入二零零五年一月一日之保留盈餘中；
- 香港財務報告準則第2號 – 僅對二零零二年十一月七日或之後授予的但於二零零五年一月一日尚未獲取的員工購股權進行追溯應用；及
- 香港財務報告準則第3號 – 在採納日以後適用。

2. CHANGES IN ACCOUNTING POLICIES (continued)

(a) Effect of adopting new HKFRS (continued)

- HKAS 39 – does not permit to recognise, derecognise and measure financial assets and liabilities in accordance with this standard on a retrospective basis. The Group applied the previous SSAP 24 “Accounting for investments in securities” to investments in securities for the 2004 comparative information. The adjustments required for the accounting differences between SSAP 24 and HKAS 39 are determined and recognised at 1 January 2005;
- HKAS 40 – since the Group has adopted the fair value model, there is no requirement for the Group to restate the comparative information, any adjustment should be made to the retained earnings as at 1 January 2005, including the reclassification of any amount held in revaluation surplus for investment property;
- HKFRS 2 – only retrospective application for all share options granted after 7 November 2002 and not vested at 1 January 2005; and
- HKFRS 3 – prospectively after the adoption date.

簡明綜合財務報表附註 Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

2. 會計政策的變更 (續)

(a) 採納新香港財務報告準則的影響 (續)

- (i) 採納經修訂香港會計準則第17號導致：

| | | 二零零五年 六月三十日 30 June 2005 | 二零零四年 十二月三十一日 31 December 2004 |
|------------------|---|-----------------------------------|---|
| 物業、廠房和 設備減少 | Decrease in property, plant and equipment | 118,572 | 120,886 |
| 租賃土地及 土地使用權增加 | Increase in leasehold land and land use rights | 118,572 | 120,886 |

採納香港會計準則第17號只對有關餘額的重分類有影響，對累計折舊並沒有任何重大影響。

The adoption of HKAS 17 only affects the balance on reclassification, no significant change on the accumulated depreciation.

- (ii) 採納香港會計準則第31號導致：

| | | 二零零五年 六月三十日 30 June 2005 | 二零零四年 十二月三十一日 31 December 2004 |
|------------------|--|-----------------------------------|---|
| 共同控制實體公司 權益減少 | Decrease in interest in jointly-controlled entities | 42,723 | 47,338 |
| 其他非流動 資產增加 | Increase in other non-current assets | 23,504 | 24,414 |
| 流動資產增加 | Increase in current assets | 24,011 | 27,080 |
| 流動負債增加 | Increase in current liabilities | 4,792 | 4,156 |

- (ii) The adoption of HKAS 31 resulted in:

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

2. 會計政策的變更 (續)

(a) 採納新香港財務報告準則的影響 (續)

- (ii) 採納香港會計準則第31號導致：(續)

| | | 截至六月三十日止六個月 Six months ended 30 June | |
|--------------------|--|---|---------------|
| | | 二零零五年 2005 | 二零零四年 2004 |
| 應佔共同控制 實體公司盈利減少 | Decrease in share of profits of jointly-controlled entities | 4,815 | 1,303 |
| 收入增加 | Increase in income | 11,403 | 11,178 |
| 費用增加 | Increase in expenses | 6,588 | 9,875 |

因採納香港會計準則第31號對保留盈餘不產生影響。

There was no impact on retained earnings from the adoption of HKAS 31.

- (iii) 採納香港財務報告準則第3號而回撥之負商譽導致二零零五年一月一日之無形資產增加港幣138,291,000元及相應增加二零零五年一月一日之期初保留盈餘港幣138,291,000元。

- (iii) The adoption of HKFRS 3 resulted in an increase in intangible assets at 1 January 2005 by HK\$138,291,000 and a corresponding increase in opening retained earnings at 1 January 2005 by HK\$138,291,000 to account for the balance of negative goodwill.

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(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

2. 會計政策的變更 (續)

(a) 採納新香港財務報告準則的影響 (續)

- (iv) 採納香港會計準則第32號導致二零零五年一月一日期初保留盈餘減少港幣25,996,000元及於二零零五年一月一日之期初其他儲備增加港幣56,405,000元。對二零零五年六月三十日之資產負債表及截至二零零五年六月三十日止六個月的損益表的調整列示如下：

2. CHANGES IN ACCOUNTING POLICIES (continued)

(a) Effect of adopting new HKFRS (continued)

- (iv) The adoption of HKAS 32 resulted in a decrease in opening retained earnings at 1 January 2005 by HK\$25,996,000 and an increase in opening other reserves at 1 January 2005 by HK\$56,405,000. The details of the adjustments to the balance sheet at 30 June 2005 and income statement for the six months ended 30 June 2005 are as follows:

| | | 二零零五年 六月三十日 As at 30 June 2005 |
|----------------------------------|---|--|
| 可供出售之金融 資產減少 | Decrease in available-for-sale financial assets | 34,711 |
| 可換股票據減少 | Decrease in convertible note | 24,776 |
| 其他儲備增加－可換 股票據之權益部分 (附註11) | Increase in other reserves – equity component of convertible note (note 11) | 56,405 |
| 其他儲備減少－重估 可供出售之金融資產 (附註11) | Decrease in other reserves – revaluation on available-for-sale financial assets (note 11) | 34,711 |
| 保留盈餘減少 | Decrease in retained earnings | 31,629 |
| | | 截至 二零零五年 六月三十日 止六個月 For the six months ended 30 June 2005 |
| 財務成本增加 | Increase in finance costs | 5,633 |

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(All amounts in HK dollar thousands unless otherwise stated)

2. 會計政策的變更 (續)

(a) 採納新香港財務報告準則的影響 (續)

- (v) 本集團的聯營公司深圳高速公路股份有限公司因採納新香港財務報告準則導致追溯調整。由於該等調整導致本集團於聯營公司之權益及保留盈餘於二零零四年一月一日減少港幣15,734,000元及於二零零四年十二月三十一日減少20,074,000元。

(b) 新會計政策

除下列所載外，編製截至二零零五年六月三十日止六個月的簡明綜合財務報表所採用的會計政策與二零零四年度財務報表附註3所載的會計政策一致：

2.1 投資

自二零零四年一月一日至二零零四年十二月三十一日止：

本集團將其除投資於附屬公司、聯營公司及共同控制實體公司以外的投資分類為投資證券及其他投資。

(a) 投資證券

包括上市及非上市股本證券之投資證券擬長期持有，將根據個別投資按原值扣除減值損失後列示。

(b) 其他投資

其他投資按個別投資項目以公允價值列示。有關公允價值之變動所導致之損益於其出現之期間撥入或扣除於當期損益表內。

2. CHANGES IN ACCOUNTING POLICIES (continued)

(a) Effect of adopting new HKFRS (continued)

- (v) The retrospective adjustments representing the effect of adoption of new HKFRS by an associate, Shenzhen Expressway Company Limited, have resulted in the decrease in interests in associates and retained earnings of the Group by HK\$15,734,000 at 1 January 2004 and HK\$20,074,000 at 31 December 2004.

(b) New accounting policies

The accounting policies used for the condensed consolidated financial statements for the six months ended 30 June 2005 are the same as those set out in note 3 to the 2004 annual financial statements except for the following:

2.1 Investments

From 1 January 2004 to 31 December 2004:

The Group classified its investments in securities, other than subsidiaries, associates and jointly-controlled entities, as investment securities and other investments.

(a) Investment securities

Investment securities included listed and unlisted equity securities, intended to be held for a continuing strategic on long-term purpose, are stated at cost less impairment losses, on an individual basis.

(b) Other investments

Other investments are stated at fair values on an individual investment basis. The gains or losses arising from changes in their respective fair value are credited or charged to income statement for the period in which they arise.

2. 會計政策的變更(續)

2.1 投資(續)

自二零零五年一月一日起：

本集團將其投資分為以下類別：通過損益表而以公允價值計量的金融資產、貸款與應收賬款、持有到期的投資及可供出售之金融資產。分類視乎購入投資時之目的而定。管理層須於初次確認時為投資分類並於每個報告日期重新評估此等分類。

(a) 通過損益表而以公允價值計量的金融資產

此類別分為兩個子類別：持有並作買賣用途及獲取時已確定按公允價值計量並通過損益表處理之金融資產。倘購入之主要目的為在短期內出售或經管理層確定，則該項金融資產將歸類於此類別。衍生工具亦歸屬此類別，除非彼等已被指定用作對沖用途。倘此類別之資產乃持作買賣用途或預期將於結算日起計十二個月內變現，則視為流動資產。於本年度，本集團並無持有此類別投資。

2. CHANGES IN ACCOUNTING POLICIES (continued)

2.1 Investments (continued)

From 1 January 2005 onward:

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, borrowings and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

(a) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date. During the period, the Group did not hold any investment in this category.

2. 會計政策的變更 (續)

2.1 投資 (續)

(b) 貸款與應收賬款

貸款與應收賬款為無公開市場惟具有固定或既定金額的非衍生金融資產。當本集團直接提供金錢或服務給顧客時，沒有意圖買賣有關應收賬款時發生，彼等包括於流動資產內，惟不包括到期日為自結算日起逾十二個月者，否則概列作非流動資產。貸款及應收賬款已計入資產負債表之應收賬款及其他應收款內(附註9)。

(c) 持有到期的投資

持有到期的投資為具有固定或既定款項和固定到期日，本集團管理層準備且能夠持有至到期日的非衍生金融工具。

(d) 可供出售之金融資產

可供出售之金融資產為無法歸類於其他類別的非衍生金融資產。除非管理層準備於報表日十二個月內出售該投資，否則概列作為非流動資產。

2. CHANGES IN ACCOUNTING POLICIES (continued)

2.1 Investments (continued)

(b) Borrowings and receivables

Borrowings and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet (Note 9).

(c) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

(d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

2. 會計政策的變更 (續)

2.1 投資 (續)

(d) 可供出售之金融資產 (續)

購買或出售投資於交易日確認，交易日為本集團承諾購買或出售該資產之日。對所有非按公允價值計量並通過損益表處理之金融資產，按其公允價值加交易成本作初次確認。當本集團從該投資接收現金之權利過期，或本集團將與該資產所有權相關的風險及報酬充分轉讓後，該投資將不再被確認。

可供出售之金融資產和按公允價值計量並通過損益表處理之金融資產將以公允價值列示。貸款與應收賬項及持有到期投資按有效利率法以攤餘成本列示。當按公允價值計量並通過損益表處理之金融資產的公允價值發生變化時，產生的實現或未實現之損益於產生期間在損益表列示。歸類於買賣投資的非貨幣性有價證券之公允價值變化產生的未實現損益確認為權益。當該等有價證券被出售或減值時，累計公允價值之調整列示於損益表中投資有價證券之收益或損失。

2. CHANGES IN ACCOUNTING POLICIES (continued)

2.1 Investments (continued)

(d) Available-for-sale financial assets (continued)

Purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains or losses from investment securities.

2. 會計政策的變更 (續)

2.1 投資 (續)

(d) 可供出售之金融資產 (續)

有報價的投資其公允價值按現時市價確定。對沒有公開市場的金融資產或非上市證券，本集團運用估值技術確定其公允價值。彼等技術包括利用近期的公允交易，參考實質上相同的其他工具，貼現現金流量分析以及適合發行人特定情形的期權定價模型。

本集團在每個資產負債表日根據客觀證據評估個別或群組的金融資產是否出現減值。對分類為可供出售之權益證券，當其公允價值已呈現重大且持續下跌至低於其成本時，考慮其是否出現減值。若可供出售之金融資產出現上述證據時，收購成本與當前公允價值的差額扣除已於前期損益表中確認之減值虧損的累計損失，於權益中扣除，並於當期損益表中確認。於損益表中確認的權益工具減值虧損將不會從損益表中轉回。

2. CHANGES IN ACCOUNTING POLICIES (continued)

2.1 Investments (continued)

(d) Available-for-sale financial assets (continued)

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

2. 會計政策的變更(續)

2.2 應收賬款及其他應收款

應收賬款及其他應收款始初以公允價值入賬，其後以有效利率計算攤餘成本扣除減值準備後入賬。若已有足夠證據證明本集團無法根據最初條款收回應收賬款及其他應收款，則應計提應收賬款及其他應收款的減值準備。減值準備的金額為該項資產賬面值與按照實際利率折現之預計未來現金流之差額。減值準備於損益表中予以確認。

2.3 股本

普通股股份作為權益列示。

發行新股或購股權直接有關的成本於扣除稅項後於權益中作為發行所得的減項列示。

2. CHANGES IN ACCOUNTING POLICIES (continued)

2.2 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

2.3 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

2. 會計政策的變更 (續)

2.4 貸款

貸款始初按公允價值扣減交易成本確認。交易費用指直接歸屬於收購、發行或出售金融資產或金融負債有關的成本，包括支付給代理商、顧問、經紀商和交易商的手續費和佣金，監管機構、證券交易所徵收的款項及交易稅項。於初始確認後，貸款以攤餘成本列示，扣減交易費用後的所得與到期償還價值之間的差額，以有效利率法於借貸期間內於損益表確認。

可換股票據的負債部分的公允價值按同類非換股票據的市場利率確定，並以攤餘成本列示為負債直至該等票據被轉換或者到期。剩餘的發行所得款項作為可轉換權扣除稅項的影響後計入股東權益。

除本集團有不受約束的權力將負債的結算遞延至資產負債表日後至少12個月外，貸款均被列為流動負債。

2. CHANGES IN ACCOUNTING POLICIES (continued)

2.4 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

The fair value of the liability portion of a convertible note is determined using a market interest rate for an equivalent non-convertible note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the note. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2. 會計政策的變更(續)

2.5 以股份為基礎的支付

本集團執行以股份為基礎、以權益結算之報酬計畫。換取已授予購股權的僱員勞務以公允價值確認為費用。既定期間之費用總額參考授出之購股權的公允價值剔除非市場的既定條件(例如利潤及銷售增長目標)。非市場的既定條件已考慮在預期行使的股份數額的假設當中。於每個資產負債表日，本集團會修訂預期行使之股份數額，對於最初預計修訂的影響(若有)計入損益表，並在剩餘的既定期間做出相應調整。

行使購股權時，收到的款項扣除任何可直接歸屬的交易成本後貸計股本(面值)及股份溢價。

2.6 公允價值的估計

可於公開市場交易之金融工具的公允價值(例如可供出售之證券)根據資產負債表日之市場報價確定。

沒有公開市場交易之金融工具公允價值(例如櫃檯交易的衍生工具)通過估值方法確定。本集團採用一系列方法，以資產負債表日已存在之市場條件為基礎作出假設。同類金融工具的市場報價或經紀商報價用於長期債務公允價值之確定。其他估值方法，例如預計現金流量貼現方法，用於其他金融工具之公允價值確定。

2. CHANGES IN ACCOUNTING POLICIES (continued)

2.5 Share-based payment

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the Group revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2.6 Fair value estimation

The fair value of financial instruments traded in active markets (such as available-for-sale securities) is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

2. 會計政策的變更 (續)

2.6 公允價值的估計 (續)

應收及應付賬款的名義價值減去預計信貸調整被認為相等於其公允價值。金融資產及負債的公允價值作為披露目的，是根據類似金融工具具有的現時市場利率對未來合同約定的現金流量貼現而估計。

3. 分部資料

截至二零零五年六月三十日，本集團之三個業務分部遍及中國及香港：

- (1) 物流及相關業務；
- (2) 投資控股；及
- (3) 高科技相關製造業務。

2. CHANGES IN ACCOUNTING POLICIES (continued)

2.6 Fair value estimation (continued)

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

3. SEGMENT INFORMATION

As at 30 June 2005, the Group is organised on a nationwide basis in the PRC and Hong Kong into three business segments:

- (1) Logistics and related business;
- (2) Investment holding; and
- (3) High-tech related manufacturing business.

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(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

3. 分部資料 (續)

截至二零零五年六月三十日及二零零四年六月三十日，本集團之分部營業額及分部業績如下：

3. SEGMENT INFORMATION (continued)

The segment turnover and segment results for the six months ended 30 June 2005 and 2004 are as follows:

| | | 分部營業額 Segment turnover 截至六月三十日止六個月 Six months ended 30 June | | | 分部業績 Segment results 截至六月三十日止六個月 Six months ended 30 June | | | | |
|----------------|--|---|--|---------------------------------------|---|--|---------------------------------------|--|---------------|
| | | 二零零五年 2005 (未經審核) (Unaudited) | | | 二零零四年 2004 (重新列賬) (Restated) (未經審核) (Unaudited) | | | 二零零四年 2004 (重新列賬) (Restated) (未經審核) (Unaudited) | |
| | | 本公司、 附屬公司及 共同控制 實體公司 Company, subsidiaries and a jointly- controlled entity | 應佔聯營 公司部份 [#] Share of associates [#] | 合計 [#] Total [#] | 本公司、 附屬公司及 共同控制 實體公司 Company, subsidiaries and jointly- controlled entities | 應佔聯營 公司部份 [#] Share of associates [#] | 合計 [#] Total [#] | | |
| 按主要業務劃分 | By principal activities | | | | | | | | |
| 物流及相關業務 | Logistics and related business | 135,441 | 129,305 | 264,746 | 110,023 | 101,929 | 211,952 | 40,786 | 40,741 |
| 物業投資 | Property investment | — | — | — | 15,782 | — | 15,782 | — | 9,910 |
| 投資控股 | Investment holding | — | — | — | — | — | — | 3,505 | (9,758) |
| 高科技相關製造業務 | High-tech related manufacturing business | — | 247,586 | 247,586 | — | 205,387 | 205,387 | — | — |
| | | 135,441 | 376,891 | 512,332 | 125,805 | 307,316 | 433,121 | 44,291 | 40,893 |
| 按主要地區劃分 | By geographical areas | | | | | | | | |
| 香港 | Hong Kong | — | — | — | — | — | — | (10,881) | (9,758) |
| 中國 | PRC | 135,441 | 376,891 | 512,332 | 125,805 | 307,316 | 433,121 | 55,172 | 50,651 |
| | | 135,441 | 376,891 | 512,332 | 125,805 | 307,316 | 433,121 | 44,291 | 40,893 |

僅供參考
For reference only

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

4. 資本性開支

4. CAPITAL EXPENDITURE

| | 無形資產 Intangible assets | | | 投資物業 Investment properties (未經審核) (Unaudited) | 物業、 廠房及設備 | 租賃地價款 | 在建工程 |
|------------|---|---|--------------------------------------|--|--|--|--|
| | 商譽 Goodwill (未經審核) (Unaudited) | 負商譽 Negative goodwill (未經審核) (Unaudited) | 合計 Total (未經審核) (Unaudited) | | Property, plant and equipment (未經審核) (Unaudited) | Leasehold land payments (未經審核) (Unaudited) | Construction in progress (未經審核) (Unaudited) |
| 二零零五年一月一日 | Net book value as | | | | | | |
| 賬面淨值 | 8,061 | (138,291) | (130,230) | 11,000 | 250,303 | 120,886 | 42,904 |
| 添置 | — | — | — | — | 14,127 | — | 13,529 |
| 出售 | — | — | — | — | (925) | — | (62) |
| 轉移 | — | — | — | 2,160 | 36,510 | — | (38,670) |
| 轉撥負商譽 | — | 138,291 | 138,291 | — | — | — | — |
| 折舊／攤銷 | — | — | — | — | (6,877) | (2,314) | — |
| 二零零五年六月三十日 | Net book value as | | | | | | |
| 賬面淨值 | 8,061 | — | 8,061 | 13,160 | 293,138 | 118,572 | 17,701 |

5. 可供出售之金融資產

5. AVAILABLE-FOR-SALE FINANCIAL ASSETS

| | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) |
|------------------------|---|---|
| 期初數 | Beginning of the period | — |
| 投資證券重新分類 | Reclassification from investment securities | 216,594 |
| 減少 | Decrease | (556) |
| 公允價值調整轉至其他儲備 (附註11) | Fair value adjustment transfer to other reserves (Note 11) | (34,711) |
| 期末數 | End of the period | 181,327 |

簡明綜合財務報表附註 Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

5. 可供出售之金融資產 (續)

可供出售之金融資產包括如下：

5. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(continued)

Available-for-sale financial assets include the following:

| | | 二零零五年 六月三十日 As at 30 June 2005 (未經審核) (Unaudited) |
|--------------------|--|--|
| 上市證券： | Listed securities: | |
| －股本證券－香港 | - Equity securities - Hong Kong | 39,988 |
| 非上市證券： | Unlisted securities | |
| －於非公開市場交易 之股本證券 | - Equity securities traded on inactive market | 141,339 |
| | | 181,327 |
| 上市證券之市價 | Market value of listed securities | 39,988 |

6. 投資證券

6. INVESTMENT SECURITIES

二零零四年
十二月三十一日
As at 31 December
2004

| | | |
|---------|-----------------------------------|----------------|
| 股本證券： | Equity securities: | |
| 香港上市 | Listed in Hong Kong | 74,699 |
| 非上市股本證券 | Unlisted equity securities | 141,895 |
| | | 216,594 |
| 上市證券之市價 | Market value of listed securities | 51,707 |

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

7. 其他非流動資產

於本期間，本集團之附屬公司全程物流(深圳)有限公司，與中信物流有限公司(「中信物流」)簽訂股權轉讓協議，以人民幣39,775,000元的代價收購中信物流飛馳有限公司43%的股權。至二零零五年六月三十日止，有關之收購尚未完成，因此將已支付人民幣32,000,000元之款項分類為其他非流動資產，收購代價的餘額人民幣7,775,000元(港幣7,332,000元)已包括於其他應付款當中。

8. 發展中物業

發展中物業包括土地使用權港幣45,176,000元及相關資本支出港幣7,465,000元。

9. 應收賬款及其他應收款

7. OTHER NON-CURRENT ASSETS

During the period, Total Logistics (Shenzhen) Co., Ltd., a subsidiary of the Group, entered into an agreement with Zhongxin Logistics Co., Ltd. ("Zhongxin Logistics") to acquire 43% of equity interest in Zhongxin Feichi Logistics Co., Ltd. at a consideration of RMB39,775,000. As at 30 June 2005, the acquisition was not yet completed and therefore the prepayment of RMB32,000,000 was captured as Other non-current assets. The remaining balance of the consideration of RMB7,775,000 (HK\$7,332,000) is included in Other payables.

8. PROPERTY UNDER DEVELOPMENT

Property under development represent the land use right of HK\$45,176,000 and related capital expenditure of HK\$7,465,000.

9. TRADE AND OTHER RECEIVABLES

| | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 (重新列賬) (Restated) |
|--------------------|--|--|---|
| 應收賬款 | Trade receivables | 58,526 | 47,925 |
| 減：呆壞賬之準備 | Less: provision for impairment of receivables | (2,022) | (2,057) |
| 應收賬款淨值 | Trade receivables – net | 56,504 | 45,868 |
| 應收已出售投資物業賬款 | Receivable from disposal of investment property | 25,311 | 225,198 |
| 預付款、其他應收款 及訂金 | Prepayments, other receivables and deposits | 42,343 | 73,138 |
| 關聯人士應收賬款 (附註24) | Receivables from related parties (Note 24) | 13,464 | 1,239 |
| | | 137,622 | 345,443 |

簡明綜合財務報表附註 Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

9. 應收賬款及其他應收款 (續)

本集團給予顧客之信貸期一般為30至120日不等，於二零零五年六月三十日及二零零四年十二月三十一日，本集團應收賬款之賬齡分析如下：

9. TRADE AND OTHER RECEIVABLES (continued)

The Group's credit terms granted to the customers are usually 30 to 120 days. As at 30 June 2005 and 31 December 2004, the ageing analysis of the trade receivables was as follows:

| | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 (重新列賬) (Restated) |
|----------|----------------|--|---|
| 0-90日 | 0 - 90 days | 39,045 | 37,435 |
| 91-180日 | 91 - 180 days | 12,422 | 6,512 |
| 181-365日 | 181 - 365 days | 3,960 | 2,134 |
| 超過365日 | Over 365 days | 3,099 | 1,844 |
| | | 58,526 | 47,925 |

10. 股本

10. SHARE CAPITAL

| | | 已發行股數 Number of issued shares (千股) (thousand shares) | 普通股股本 Ordinary shares capital | 股本溢價 Share premium | 合計 Total |
|--------------------------------------|--|--|--|--------------------------|-------------|
| 二零零四年 一月一日結餘 | At 1 January 2004 | 11,217,212 | 1,121,721 | 538,163 | 1,659,884 |
| 僱員購股權計劃 －行使購股權 | Employee share option scheme – proceeds from shares issued | 215,600 | 21,560 | 37,586 | 59,146 |
| 至二零零四年 六月三十日/ 二零零四年 十二月三十一日 | At 30 June 2004/ 31 December 2004 | 11,432,812 | 1,143,281 | 575,749 | 1,719,030 |
| 僱員購股權計劃 －提供服務之價值 | Employee share option scheme – value of services provided | — | — | 694 | 694 |
| 至二零零五年 六月三十日 | At 30 June 2005 | 11,432,812 | 1,143,281 | 576,443 | 1,719,724 |

10. 股本 (續)

本公司之法定股本為200億股(二零零四年十二月三十一日：200億股)，每股面值港幣0.1元(二零零四年十二月三十一日：每股港幣0.1元)，已發行及繳足股本11,432,811,626股(二零零四年十二月三十一日：11,432,811,626股)。

購股權

授予部份董事及僱員之購股權並沒有附加任何條件。

有關購股權數量變更及有關之加權平均行使價如下：

10. SHARE CAPITAL (continued)

Total number of authorised ordinary shares of the Company is 20,000 million shares (31 December 2004: 20,000 million shares) with a par value of HK\$0.1 per share (31 December 2004: HK\$0.1 per share). Issued and fully paid shares are 11,432,811,626 shares (31 December 2004: 11,432,811,626 shares).

Share options

Share options granted to certain directors and employees are unconditional.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

| | | 截至二零零五年六月三十日 止六個月 Six months ended 30 June 2005 | | 截至二零零四年十二月三十一日 止年度 Year ended 31 December 2004 | |
|----|------------------|---|---|---|---|
| | | 平均行使價 Average exercise price (每股港元計) (HK\$ per share) | 購股權數量 Number of share options (千股) (thousand shares) | 平均行使價 Average exercise price (每股港元計) (HK\$ per share) | 購股權數量 Number of share options (千股) (thousand shares) |
| 期初 | At the Beginning | — | — | 0.278 | 231,000 |
| 授予 | Granted | 0.282 | 296,600 | — | — |
| 行使 | Exercised | — | — | 0.274 | (215,600) |
| 失效 | Lapsed | — | — | 0.336 | (15,400) |
| 期末 | At the end | | 296,600 | | — |

於二零零五年一月十九日，296,600,000股購股權以每股行使價港幣0.282元授予部份董事及僱員。

所有於二零零五年六月三十日尚未行使之購股權可予以行使及將於二零一零年一月十一日失效。

On 19 January 2005, 296,600,000 share options with an exercise price of HK\$0.282 per share were granted to certain directors and employees.

All share options outstanding as at 30 June 2005 are exercisable and will be expired on 11 January 2010.

簡明綜合財務報表附註 Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

10. 股本 (續)

購股權 (續)

於截至二零零五年六月三十日止六個月期間授予的購股權公允價值於採用Black-Scholes期權定價模型計算後為每股港幣0.00234元。有關之計算根據下列假設確定，授予日港幣0.28元之股票價格，行使價港幣0.282元，預期波幅2.8568%，預期年限五年，預期股息率為1.7857%及無風險年利率1.02%，預期波幅根據過去一年統計分析所得之每日股價計算。

10. SHARE CAPITAL (continued)

Share options (continued)

The fair value of each share option granted during the six months ended 30 June 2005 determined using the Black-Scholes valuation model was HK\$0.00234. The significant inputs into the model were share price of HK\$0.28 at the grant date, exercise price at HK\$0.282, standard deviation of expected share price returns of 2.8568%, expected life of options of 5 years, expected dividend paid out rate of 1.7857% and annual risk-free interest rate of 1.02%. The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of daily share prices over the last year.

11. 其他儲備

11. OTHER RESERVES

| | | 可供出售之 金融資產 | 儲備基金 | 資本儲備 | 商譽儲備 | 折算調整 | 繳入盈餘 | 合計 | |
|---------------------------------------|---|------------------------------|--|------------------|--------------------|---------------------|-------------|------------------------|----------|
| | | 可換股票據 Convertible note | Available-for- sale financial assets | Reserve funds | Capital reserve | Goodwill reserve | Translation | Contributed surplus | Total |
| 於二零零四年 一月一日結餘 | Balance at 1 January 2004 | — | — | 108,011 | 2,919 | (173,908) | 1,679 | 13,005 | (48,294) |
| 貨幣折算差額 | Currency translation differences | — | — | — | — | — | 77 | — | 77 |
| 於二零零四年 六月三十日結餘 | Balance at 30 June 2004 | — | — | 108,011 | 2,919 | (173,908) | 1,756 | 13,005 | (48,217) |
| 出售部份聯營公司 權益轉出 | Release of reserves upon the disposal of a portion of interests in an associate | — | — | (692) | — | 14,325 | 148 | — | 13,781 |
| 貨幣折算差額 | Currency translation differences | — | — | — | — | — | (104) | — | (104) |
| 由保留盈餘轉至 儲備基金 | Transfer from retained earnings to reserve funds | — | — | 6,791 | — | — | — | — | 6,791 |
| 由保留盈餘轉至 資本儲備 | Transfer from retained earnings to capital reserve | — | — | — | 55,875 | — | — | — | 55,875 |
| 於二零零四年 十二月三十一日/ 二零零五年 一月一日結餘 | Balance at 31 December 2004/ 1 January 2005 | — | — | 114,110 | 58,794 | (159,583) | 1,800 | 13,005 | 28,126 |
| 可換股票據—股權部份 | Convertible note – equity component | 56,405 | — | — | — | — | — | — | 56,405 |
| 公允價值調整 | Fair value adjustment | — | (34,711) | — | — | — | — | — | (34,711) |
| 貨幣折算差額 | Currency translation differences | — | — | — | — | — | 104 | — | 104 |
| 於二零零五年 六月三十日結餘 | Balance at 30 June 2005 | 56,405 | (34,711) | 114,110 | 58,794 | (159,583) | 1,904 | 13,005 | 49,924 |

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

12. 應付賬款及其他應付款

12. TRADE AND OTHER PAYABLES

| | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 (重新列賬) (Restated) |
|-------------|---|--|---|
| 應付賬款 | Trade payables | 22,213 | 20,509 |
| 應付中信物流(附註7) | Payable to Zhongxin Logistics (Note 7) | 7,332 | — |
| 其他應付稅款 | Other taxes payables | 386 | 3,525 |
| 其他應付款 | Other payables | 72,688 | 60,038 |
| 預提費用 | Accrued expenses | 4,653 | 6,078 |
| | | <u>107,272</u> | <u>90,150</u> |

至二零零五年六月三十日及二零零四年十二月三十一日，應付賬款之賬齡分析如下：

At 30 June 2005 and 31 December 2004, the ageing analysis of the trade payables was as follows:

| | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 (重新列賬) (Restated) |
|----------|----------------|--|---|
| 0-90日 | 0 - 90 days | 20,691 | 19,406 |
| 91-180日 | 91 - 180 days | 733 | 729 |
| 181-365日 | 181 - 365 days | 508 | 205 |
| 超過365日 | Over 365 days | 281 | 169 |
| | | <u>22,213</u> | <u>20,509</u> |

簡明綜合財務報表附註 Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

13. 計息貸款

13. INTEREST-BEARING BORROWINGS

| | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 |
|------------|--|--|---|
| 非即期 | Non-current | | |
| 銀行貸款－無抵押 | Bank borrowings - unsecured | <u>45,618</u> | <u>49,689</u> |
| 即期 | Current | | |
| 銀行貸款－無抵押 | Bank borrowings - unsecured | <u>100,185</u> | <u>52,185</u> |
| | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 |
| 貸款之還款期如下： | The maturity of borrowings is as follows: | | |
| 一年內 | Within 1 year | 100,185 | 52,185 |
| 一年至兩年 | Between 1 and 2 years | 37,185 | 40,185 |
| 二年至五年 | Between 2 and 5 years | <u>6,556</u> | <u>6,556</u> |
| 五年內到期 | Wholly repayable within 5 years | 143,926 | 98,926 |
| 超過五年 | Over 5 years | <u>1,877</u> | <u>2,948</u> |
| | | <u>145,803</u> | <u>101,874</u> |

有關非即期銀行貸款之賬面值及公允價值分析如下：

The carrying amounts and fair value of the non-current borrowings are as follows:

| | | 賬面值 Carrying amounts | | 公允價值 Fair values | |
|------|-----------------|-----------------------------------|---|-----------------------------------|---|
| | | 二零零五年 六月三十日 30 June 2005 | 二零零四年 十二月三十一日 31 December 2004 | 二零零五年 六月三十日 30 June 2005 | 二零零四年 十二月三十一日 31 December 2004 |
| 銀行貸款 | Bank borrowings | 45,618 | 49,689 | 45,618 | 49,689 |

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

13. 計息貸款 (續)

公允價值是將估計未來現金流量以借貸息率每年2.5% (二零零四年十二月三十一日：每年1.74%) 的貼現率計算得出。

短期貸款及長期貸款之賬面值跟公允價值相近。

貸款之賬面值以下列貨幣記賬：

| | |
|-----|-----|
| 港幣 | HKD |
| 人民幣 | RMB |

本集團尚有下列未動用之貸款額度

| | |
|----------|----------------------------|
| 浮動息率 | Floating rate |
| — 一年內到期 | — expiring within one year |
| — 超過一年到期 | — expiring beyond one year |
| — 沒有註明期限 | — unspecified |
| 固定息率 | Fixed rate |
| — 一年內到期 | — expiring with one year |

13. INTEREST-BEARING BORROWINGS (continued)

The fair values are based on cash flows discounted using a rate based on the borrowings rate of 2.5% p.a. (31 December 2004: 1.74% p.a.).

The carrying amounts of short-term and long-term borrowings approximate their fair values.

The carrying amounts of the borrowings are denominated in the following currencies:

| | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 |
|-----|--|---|
| 港幣 | 133,000 | 88,000 |
| 人民幣 | 12,803 | 13,874 |
| | <u>145,803</u> | <u>101,874</u> |

The Group has the following undrawn borrowing facilities:

| | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 |
|----------|--|---|
| 浮動息率 | | |
| — 一年內到期 | 427,216 | 375,940 |
| — 超過一年到期 | 25,000 | 60,000 |
| — 沒有註明期限 | 62,000 | 102,000 |
| 固定息率 | | |
| — 一年內到期 | 41,965 | 28,195 |
| | <u>556,181</u> | <u>566,135</u> |

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

14. 可換股票據

於二零零二年八月一日，本公司發行共計面值港幣330,000,000元之可贖回及不帶息之可換股票據給控股股東深圳市投資管理公司，有關之換股價為每股港幣0.365元，有關之可換股票據有效期為由發行日起計五年內及於二零零七年七月三十一日到期。

本集團追溯採用香港會計準則第32條(附註2(a)(iv))，有關負債部份及股權轉換部份之公允價值於發行時分開計算。

有關負債部份之公允價值，包括在可轉換票據當中，利用市場上同等之非轉換債券之利率計算。剩餘金額屬於權益部份之價值，已包括在股東權益之其他儲備上(附註11)。

在資產負債表中列示為可換股票據之計算如下：

| | | |
|-------------|--|----------|
| 於二零零二年八月一日 | Face value of convertible note issued | |
| 發行之可換股票據之面值 | on 1 August 2002 | 330,000 |
| 權益部份 | Equity component | (56,405) |
| 於二零零二年八月一日 | Liability component on initial recognition | |
| 初始確認為負債部份 | at 1 August 2002 | 273,595 |
| 於二零零五年一月一日 | Liability component at 1 January 2005 | 299,591 |
| 負債部份 | | |
| 利息費用(附註18) | Interest expense (Note 18) | 5,633 |
| 於二零零五年六月三十日 | Liability component at 30 June 2005 | 305,224 |
| 負債部份 | | |

有關票據之利息費用利用有效利率按每年3.82%計算負債部份。

14. CONVERTIBLE NOTE

On 1 August 2002, the Company issued to its controlling shareholder, Shenzhen Investment Holding Corporation ("SIHC"), a redeemable non-interest bearing convertible note with a face value of HK\$330,000,000 carrying rights to convert into ordinary shares of the Company at HK\$0.365 each. The convertible note has a term of five years from the date of issue and will be matured on 31 July 2007.

The Group adopted HKAS 32 retrospectively (Note 2(a)(iv)). The fair values of the liability component and the equity conversion component were calculated retrospectively at issuance of the note.

The fair value of the liability component, included in the convertible note, was calculated using a market interest rate for an equivalent non-convertible bond. The residual amount, representing the value of the equity conversion component, is included in shareholders' equity in other reserves (Note 11).

The convertible note recognised in the balance sheet is calculated as follows:

| | | |
|-------------|--|----------|
| 於二零零二年八月一日 | Face value of convertible note issued | |
| 發行之可換股票據之面值 | on 1 August 2002 | 330,000 |
| 權益部份 | Equity component | (56,405) |
| 於二零零二年八月一日 | Liability component on initial recognition | |
| 初始確認為負債部份 | at 1 August 2002 | 273,595 |
| 於二零零五年一月一日 | Liability component at 1 January 2005 | 299,591 |
| 負債部份 | | |
| 利息費用(附註18) | Interest expense (Note 18) | 5,633 |
| 於二零零五年六月三十日 | Liability component at 30 June 2005 | 305,224 |
| 負債部份 | | |

Interest expense on the note is calculated using the effective interest method by applying the effective interest rate of 3.82% p.a. to the liability component.

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

15. 遞延收入

15. DEFERRED INCOME

| | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 |
|-------------|---|--|---|
| 期初賬面淨值 | Opening net book value | 147,106 | 166,980 |
| 撥入損益表(附註17) | Recognised in income statement (Note 17) | (13,373) | (19,874) |
| 期末賬面淨值 | Closing net book value | 133,733 | 147,106 |

遞延收入是指中國當地有關政府機構授予之款項，用於已落實之物流有關項目上，並配合擬補貼之成本所需之期間在損益表以系統方式確認。

Deferred income represents the amount granted by PRC local government authorities, which is applied to designated logistics projects and recognised in the income statements on a systematic basis over the period necessary to match with the cost intended to be subsidised.

16. 少數股東借款

少數股東借款代表由本集團之附屬公司—深圳市華南國際物流有限公司之少數股東借予之貸款，有關貸款為無抵押、免息及不用一年內償還。

16. AMOUNT DUE TO A MINORITY SHAREHOLDER

The amount due to a minority shareholder represents loans granted to Shenzhen South-China International Logistics Co., Ltd., a subsidiary of the Group, by a minority shareholder. The amount is unsecured, interest-free and not repayable within one year.

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

17. 其他收益－淨額

17. OTHER GAINS - NET

| | | 截至六月三十日止六個月 Six months ended 30 June | |
|---------------------------|--|---|--|
| | | 二零零五年 2005 (未經審核) (Unaudited) | 二零零四年 2004 (未經審核) (Unaudited) |
| 銀行結餘之利息收入 | Interest income on bank balances | 1,272 | 393 |
| 其他利息收入 | Other interest income | 607 | — |
| 遞延政府補貼 撥入損益表 (附註15) | Deferred government grants recognised in income statements (Note 15) | 13,373 | 7,482 |
| 負商譽確認為收入 | Negative goodwill recognised as income | — | 17,896 |
| 應收賬款減值回撥 | Write-back of provision for impairment of receivables | 17,885 | — |
| 其他 | Others | 2,310 | 2,528 |
| | | 35,447 | 28,299 |

18. 財務成本

18. FINANCE COSTS

| | | 截至六月三十日止六個月 Six months ended 30 June | |
|--------|--------------------|---|--|
| | | 二零零五年 2005 (未經審核) (Unaudited) | 二零零四年 2004 (未經審核) (Unaudited) |
| 利息費用： | Interest expense: | | |
| －銀行貸款 | - bank borrowings | 1,317 | 1,656 |
| －可換股票據 | - convertible note | 5,633 | — |
| | | 6,950 | 1,656 |

19. 稅項

由於本集團於本期間內於香港並無產生任何應課稅盈利，故並無就香港利得稅作出準備。香港以外地區之應課稅盈利，乃根據本集團經營業務所在地現有之有關法規詮釋及守則為準；按有關地區之現行稅率計算。

由於並無任何可產生遞延稅項之重大短暫時差，故並無就本集團及本公司遞延稅項作出撥備。

19. INCOME TAX EXPENSE

Hong Kong profits tax has not been provided as the Group did not generate any assessable profits in Hong Kong during the period. Taxes on overseas profits have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Deferred tax has not been provided for the Group and the Company as there were no significant temporary differences giving rise to deferred tax.

截至六月三十日止六個月 Six months ended 30 June

| | | 二零零五年 2005 (未經審核) (Unaudited) | 二零零四年 2004 (未經審核) (Unaudited) |
|---------|--------------------------------|--|--|
| 本年度利得稅 | Current income tax | | |
| — 香港以外 | - Outside Hong Kong | 1,148 | 955 |
| 上年度超額撥備 | Over provisions in prior years | (122) | — |
| | | <u>1,026</u> | <u>955</u> |

截至二零零五年六月三十日止六個月，應佔聯營公司之稅項為港幣17,563,000元（二零零四年：港幣14,152,000元），並已計入損益表之應佔聯營公司盈利。

Share of associates' taxation for the six months ended 30 June 2005 of HK\$17,563,000 (2004: HK\$14,152,000) are included in the income statement as share of profits of associates.

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

20. 每股盈利

每股基本盈利

每股基本盈利乃根據本期間之本公司股權持有人應佔盈利除期內已發行之普通股股數。

20. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the number of ordinary shares in issue during the period.

| | | 截至六月三十日止六個月 Six months ended 30 June | |
|-----------------|---|---|--|
| | | 二零零五年 2005 (未經審核) (Unaudited) | 二零零四年 2004 (未經審核) (Unaudited) |
| 本公司股權持有人應佔盈利 | Profit attributable to equity holders of the Company | 132,989 | 141,415 |
| 已發行之加權平均普通股(千股) | Weighted average number of ordinary shares in issue (thousand shares) | — | 11,318,378 |
| 已發行之普通股(千股) | Number of ordinary shares in issue (thousand shares) | 11,432,812 | — |
| 每股基本盈利(每股港仙) | Basic earnings per share (HK cents per share) | 1.16 | 1.25 |

每股攤薄盈利

由於截至二零零五年六月三十日六個月內並沒有潛在攤薄影響之股份，因此並未列示每股攤薄盈利。

Diluted earnings per share

No dilutive earnings per share is presented as there is no potential dilutive ordinary shares outstanding during the six months ended 30 June 2005.

21. 中期股息

董事會決議不派發截至二零零五年六月三十日止六個月之中期股息(二零零四年：無)。

21. INTERIM DIVIDEND

The board of directors has resolved not to declare an interim dividend in respect of the six months ended 30 June 2005 (2004: Nil).

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

22. 或有負債

於二零零五年六月三十日，未計入財務報表之或有負債如下：

| | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 |
|-----------------|---|--|---|
| 提供銀行融資之 企業擔保 | Corporate guarantees for bank facilities utilised by | | |
| — 聯營公司 | - Associates | 49,358 | 54,603 |
| — 共同控制實體公司 | - A jointly-controlled entity | — | 11,316 |
| — 第三方 | - A third party | 4,715 | 4,715 |
| | | <u>54,073</u> | <u>70,634</u> |

22. CONTINGENT LIABILITIES

At 30 June 2005, contingent liabilities not provided for in the financial statements were as follows:

23. 資本承擔

於結算日有以下未計入之資本承擔：

| | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 |
|---------------------------|---|--|---|
| 物業、廠房及設備 已簽訂但未計入 投資 | Property, plant and equipment Contracted but not provided for Investments | 111,922 | 34,598 |
| 已簽訂但未計入 | Contracted but not provided for | 567,419 | — |
| | | <u>679,341</u> | <u>34,598</u> |

23. CAPITAL COMMITMENTS

Capital expenditure at the balance sheet date but not yet incurred is as follows:

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

(除特別註明外，所有金額均以港幣千元為單位)

(All amounts in HK dollar thousands unless otherwise stated)

24. 關聯人士交易

本集團由深圳市投資管理公司(於中華人民共和國成立)控制，共計直接及間接擁有本公司43.42%股權。深圳市投資管理公司是本公司之最終控股公司及主要股東。

除本財務報表披露之交易及結餘外，於本期間內本集團與關聯人士之重要交易如下：

i) 向聯營公司提供之服務

於本期間，本集團向兩間聯營公司中國南玻集團股份有限公司(「南玻集團」)及天津南玻工程玻璃有限公司(「天津南玻」)提供物流服務所得收入為港幣10,520,000元(二零零四年：港幣7,580,000元)。服務收入乃按成本加上利潤計算。

ii) 期末結餘

24. RELATED-PARTY TRANSACTIONS

The Group is controlled by SIHC (incorporated in the People's Republic of China), which directly and indirectly owns 43.42% of the Company's shares. SIHC is considered to be the ultimate holding company and a substantial shareholder of the Company.

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group had the following material transactions with related parties during the period:

i) Services provided to associates

During the period, the income from logistic services rendered by the Group to two associates, CSG Holdings Co., Ltd. ("CSG") and Tianjin CSG Architectural Glass Company Limited ("Tianjin CSG"), amounted to HK\$10,520,000 (2004: HK\$7,580,000). The services income provided were charged on a cost plus basis.

ii) Period-end balances

| | | 二零零五年 六月三十日 30 June 2005 (未經審核) (Unaudited) | 二零零四年 十二月三十一日 31 December 2004 |
|----------|----------------------------------|--|---|
| 應收關聯人士賬款 | Receivables from related parties | | |
| 聯營公司： | Associates: | | |
| — 南玻集團 | - CSG | 9,500 | 1,239 |
| — 天津南玻 | - Tianjin CSG | 3,964 | — |
| | | <u>13,464</u> | <u>1,239</u> |

25. 結算日後事項

於二零零五年三月十九日及二零零五年七月十二日，本公司及本公司之全資附屬公司輝輪投資有限公司簽訂一項收購協議及一份補充協議，以港幣534,789,683元為代價收購一間於開曼群島註冊成立之有限公司—Jade Emperor Limited（「JEL」）之45%股權，JEL的唯一業務為間接擁有及經營位於中國湖北省的武黃高速公路，由一九九七年九月二十三日至二零二二年九月二十二日共計二十五年之經營權。根據有關收購協議及補充協議，有關之收購已於二零零五年八月五日完成。

25. EVENTS AFTER THE BALANCE SHEET DATE

On 19 March 2005 and 12 July 2005, the Company and its wholly-owned subsidiary, Flywheel Investments Limited, entered into an acquisition agreement and a supplemental agreement respectively to acquire a 45% shareholding in Jade Emperor Limited (“JEL”), a company incorporated in the Cayman Islands with limited liability, for a consideration of HK\$534,789,683. The sole business of JEL is the indirect ownership and operation of Wuhuang Expressway in Hubei Province, PRC for a period of 25 years commencing on 23 September 1997 and expiring on 22 September 2022. In accordance with the terms and provisions of the acquisition agreement and the supplemental agreement, the acquisition has been completed on 5 August 2005.

購買、贖回或出售本公司的上市證券

於截至二零零五年六月三十日止六個月（「本期間」）內，本公司或其任何附屬公司概無購買、贖回或出售本公司的任何上市證券。

董事於證券的權益

董事所持本公司購股權的權益於下文「購股權計劃」一節中另行披露。

於二零零五年六月三十日，根據證券及期貨條例第352條規定本公司需備存的登記冊所記錄或依據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）所載的上市發行人董事進行證券交易的標準守則（「標準守則」），本公司各董事及主要行政人員須知會本公司及聯交所彼等於本公司或任何本公司相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證的權益及淡倉載列如下：

於本公司普通股的好倉

| 董事名稱 Name of Directors | 所持普通股數目 Number of ordinary shares held | 身份 Capacity | 權益性質 Nature of Interest | 約佔本公司已發行股本的百分比 Approximate % of issued share capital of the Company |
|----------------------------|---|---------------------------|----------------------------|--|
| 李黑虎 Li Hei Hu | 35,000,000 | 實益擁有人 beneficial owner | 個人 personal | 0.31% |
| 陳潮 Chen Chao | 30,000,000 | 實益擁有人 beneficial owner | 個人 personal | 0.26% |
| 李景奇 Li Jing Qi | 30,000,000 | 實益擁有人 beneficial owner | 個人 personal | 0.26% |
| 劉軍 Liu Jun | 25,000,000 | 實益擁有人 beneficial owner | 個人 personal | 0.22% |
| 杜志強 To Chi Keung, Simon | 15,000,000 | 實益擁有人 beneficial owner | 個人 personal | 0.13% |

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2005 (the "Period").

DIRECTORS' INTERESTS IN SECURITIES

The interests of the directors in the share options of the Company are separately disclosed in the section headed "SHARE OPTION SCHEME" below.

As at 30 June 2005, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

Long positions in ordinary shares of the Company

董事於證券的權益 (續)

於相聯法團股份的好倉

深圳高速公路股份有限公司(「深圳高速」)

DIRECTORS' INTERESTS IN SECURITIES (continued)

Long position in shares of an associated corporation

Shenzhen Expressway Company Limited (“Shenzhen Expressway”)

| 董事名稱 Name of Director | 所持 H 股數目 Number of H shares held | 身份 Capacity | 權益性質 Nature of Interest | 約佔深圳高速 已發行股本的百分比 Approximate % of issued share capital of Shenzhen Expressway |
|--------------------------|--|---------------------------|-------------------------------|---|
| 劉 軍 Liu Jun | 100,000 | 實益擁有人 beneficial owner | 個人 personal | 0.01% |

除上文及下一節的「購股權計劃」所披露者外，於二零零五年六月三十日，本公司的董事或主要行政人員概無其他須根據證券及期貨條例第352條規定本公司需備存的登記冊所記錄或依據標準守則彼等須知會本公司及聯交所於本公司及任何本公司相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債權證中的權益或淡倉。

Save as disclosed above and in the section headed “SHARE OPTION SCHEME” below, as at 30 June 2005, none of the directors or chief executives of the Company had any interests or short positions in 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 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.

購股權計劃

本公司已於二零零四年四月三十日舉行的股東特別大會上採納了一項購股權計劃(「本計劃」)。本計劃的有效期由二零零四年四月三十日起計十年，是一項股份獎勵計劃，旨在嘉許及推動對本集團的長遠發展及盈利能力作出重要貢獻的合資格參與人士。

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Scheme”) at a special general meeting held on 30 April 2004. The Scheme is valid and effective for a period of 10 years commencing on 30 April 2004 and is a share incentive scheme to reward and motivate the eligible participants whose contributions are important to the long-term growth and profitability of the Group.

由董事會釐定的合資格參與本計劃者包括 (a)本集團的任何全職僱員；(b)本集團、聯營公司及共同控制實體公司的任何董事(包括執行、非執行或獨立非執行董事)；或(c)本公司的任何主要股東。

Eligible participants of the Scheme include person being (a) any full-time employee of the Group, (b) any director (including executive, non-executive or independent non-executive directors) of the Group, associates and jointly-controlled entities of the Group or (c) any substantial shareholder of the Company, to be determined by the board of directors.

購股權計劃 (續)

SHARE OPTION SCHEME (continued)

下表載列於本期間內根據本計劃獲授出的購股權及變動的詳情：

The following table lists the details of the share options granted under the Scheme and their movements during the Period:

| 參與人士的姓名及類別 Name and category of participants | 非上市購股權數目 (實物結算股本衍生工具) Number of unlisted share options (physically settled equity derivative) | | | | | 購股權 | | 本公司的股份價格*** Share price of the Company*** | |
|---|--|-------------------------------------|---------------------------------------|---|-----------------------------------|---|---|--|---|
| | 於二零零五年一月一日 As at 1 January 2005 | 本期間內授出 Granted during the Period | 本期間內行使 Exercised during the Period | 本期間內註銷/失效 Cancelled/lapsed during the Period | 於二零零五年六月三十日 As at 30 June 2005 | 購股權授出日期* Date of grant of share options* | 購股權行使期 Exercise period of share options | 購股權行使價** Exercise price of share options** 港幣元 HK\$ | 於購股權授出日期 As at the date of grant of share options 港幣元 HK\$ |
| 董事 Directors | | | | | | | | | |
| 李黑虎 Li Hei Hu | — | 45,000,000 | — | — | 45,000,000 | 二零零五年一月十九日 19 January 2005 | 二零零五年一月十九日至二零零一年一月十一日 19 January 2005 to 11 January 2010 | 0.282 | 0.285 |
| 陳潮 Chen Chao | — | 40,000,000 | — | — | 40,000,000 | 二零零五年一月十九日 19 January 2005 | 二零零五年一月十九日至二零零一年一月十一日 19 January 2005 to 11 January 2010 | 0.282 | 0.285 |
| 李景奇 Li Jing Qi | — | 35,000,000 | — | — | 35,000,000 | 二零零五年一月十九日 19 January 2005 | 二零零五年一月十九日至二零零一年一月十一日 19 January 2005 to 11 January 2010 | 0.282 | 0.285 |
| 喬剛 Qiao Gang | — | 20,000,000 | — | — | 20,000,000 | 二零零五年一月十九日 19 January 2005 | 二零零五年一月十九日至二零零一年一月十一日 19 January 2005 to 11 January 2010 | 0.282 | 0.285 |
| 劉軍 Liu Jun | — | 30,000,000 | — | — | 30,000,000 | 二零零五年一月十九日 19 January 2005 | 二零零五年一月十九日至二零零一年一月十一日 19 January 2005 to 11 January 2010 | 0.282 | 0.285 |
| 杜志強 To Chi Keung, Simon | — | 15,000,000 | — | — | 15,000,000 | 二零零五年一月十九日 19 January 2005 | 二零零五年一月十九日至二零零一年一月十一日 19 January 2005 to 11 January 2010 | 0.282 | 0.285 |
| | — | 185,000,000 | — | — | 185,000,000 | | | | |
| 其他僱員 Other employees | | | | | | | | | |
| 合計 In aggregate | — | 111,600,000 | — | — | 111,600,000 | 二零零五年一月十九日 19 January 2005 | 二零零五年一月十九日至二零零一年一月十一日 19 January 2005 to 11 January 2010 | 0.282 | 0.285 |
| | — | 296,600,000 | — | — | 296,600,000 | | | | |

購股權計劃 (續)

- * 根據本計劃，購股權並沒有授權期。
- ** 如進行供股、發行紅股或本公司股本有任何類似的變動，購股權的行使價可予調整。
- *** 所披露的購股權授出日期的本公司股份價格，為其於緊接購股權授出日期前的交易日於聯交所所報的收市價。

於本期間內概無任何購股權根據本計劃獲行使、註銷或失效。

本集團已按照香港財務報告準則第2號「以股份為基礎的支付」的規定，於本期間內，就本公司授出的購股權計提購股權成本約港幣69.4萬元，並已於簡明綜合損益表中確認。於購股權獲行使時，本公司將因而發行的股份按股份面值記錄為新增股本，而每股行使價超逾股份面值的款額，本公司將其記錄於股份溢價賬中。於行使期屆滿前失效或作廢的購股權，將從尚未行使購股權登記冊中刪除。

就估算本公司於本期間內向合資格參與人士授出的購股權的公允價值所採用的模式及重要假設的詳情，請見簡明綜合財務報表附註十。該購股權定價模式須視乎若干主觀的假設數據。任何主觀假設數據倘出現任何變動均會對購股權之公允價值的估算造成重大影響。

SHARE OPTION SCHEME (continued)

- * Under the Scheme, there is no vesting period of the share options.
- ** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- *** The share price of the Company disclosed as at the date of the grant of the share options was the closing price as quoted on the Stock Exchange of the trading day immediately prior to the date of the grant of the share options.

During the Period, no share options were exercised, cancelled or lapsed under the Scheme.

In accordance with the requirements under the Hong Kong Financial Reporting Standard 2 "Share-based Payments", the cost of approximately HK\$694,000 in respect of the share options granted by the Company during the Period was recognised in the condensed consolidated income statement of the Group. Upon exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Share options which lapse or are cancelled prior to the expiration of their exercise date are deleted from the register of outstanding share options.

The details of the model and significant assumptions used to estimate the fair value of share options granted by the Company to the eligible participants during the Period are set out in note 10 to the condensed consolidated financial statements. Such option pricing model requires input of subjective assumptions. Any changes in the subjective input assumptions may materially affect the estimation of the fair value of a share option.

主要股東於股份的權益

於二零零五年六月三十日，根據證券及期貨條例第336條規定本公司需備存的登記冊所記錄，本公司各主要股東（不包括董事或主要行政人員）於本公司的股份及相關股份的權益及淡倉載列如下：

於本公司普通股及相關股份的好倉

| 股東名稱 Name of shareholders | 所持 普通股數目 Number of ordinary shares held | 所持相關 股份數目 Number of underlying shares held | 身份 Capacity | 約佔本公司 已發行股本 的百分比 Approximate % of issued share capital of the Company |
|---|---|--|--|--|
| 深圳市投資管理公司 （「深圳投資」）－ 附註(1) Shenzhen Investment Holding Corporation (“SIHC”) – Note(1) | 4,963,684,042 | — | 受控制公司的權益 interest of controlled corporations | 43.42% |
| 深圳投資－ 附註(2) SIHC – Note (2) | — | 904,109,589 | 實益擁有人 beneficial owner | 7.91% |
| Ultrarich International Limited (“Ultrarich”) | 4,836,363,636 | — | 實益擁有人 beneficial owner | 42.30% |

附註：

- (1) Ultrarich 為深圳投資的全資附屬公司，故深圳投資被視作持有上文所披露Ultrarich 持有的4,836,363,636股股份。深圳投資持有的其餘股份權益乃由深圳投資另一全資附屬公司持有。
- (2) 深圳投資持有本公司發行面額港幣330,000,000元免利息的可換股票據，該可換股票據可按原定換股價每股港幣0.365元(可加以調整)轉換為904,109,589股本公司的普通股。於二零零五年六月三十日，深圳投資尚未行使該可換股票據。上述可換股票據為非上市的實物結算股本衍生工具。

除上文所披露者外，於二零零五年六月三十日，本公司並無獲悉尚有任何本公司主要股東（不包括董事或主要行政人員）持有本公司的股份及相關股份的權益或淡倉，而須登記於根據證券及期貨條例第336條規定本公司需備存的登記冊內。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 June 2005, the interests and short positions of the substantial shareholders, other than directors or chief executives of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO are set out below:

Long positions in ordinary shares and underlying shares of the Company

| 股東名稱 Name of shareholders | 所持 普通股數目 Number of ordinary shares held | 所持相關 股份數目 Number of underlying shares held | 身份 Capacity | 約佔本公司 已發行股本 的百分比 Approximate % of issued share capital of the Company |
|---|---|--|--|--|
| 深圳市投資管理公司 （「深圳投資」）－ 附註(1) Shenzhen Investment Holding Corporation (“SIHC”) – Note(1) | 4,963,684,042 | — | 受控制公司的權益 interest of controlled corporations | 43.42% |
| 深圳投資－ 附註(2) SIHC – Note (2) | — | 904,109,589 | 實益擁有人 beneficial owner | 7.91% |
| Ultrarich International Limited (“Ultrarich”) | 4,836,363,636 | — | 實益擁有人 beneficial owner | 42.30% |

Notes:

- (1) Ultrarich is a wholly-owned subsidiary of SIHC and accordingly SIHC was deemed to be interested in the 4,836,363,636 shares owned by Ultrarich as disclosed above. The balance of the shares in which SIHC was interested, were owned by another wholly-owned subsidiary of SIHC.
- (2) SIHC owns a non-interest bearing convertible note issued by the Company with a principal amount of HK\$330,000,000 carrying rights to convert into 904,109,589 ordinary shares of the Company at an initial conversion price of HK\$0.365 per share, subject to adjustment. As at 30 June 2005, SIHC has not exercised any conversion rights of the convertible note. The aforesaid convertible note was unlisted and physically settled equity derivative.

Save as disclosed above, as at 30 June 2005, the Company had not been notified by any substantial shareholders, other than directors or chief executives of the Company, who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

其他人士於股份的權益

於二零零五年六月三十日，根據證券及期貨條例第336條規定本公司需備存的登記冊所記錄，其他人士於本公司的股份及相關股份的權益及淡倉載列如下：

於本公司普通股的好倉

OTHER PERSONS' INTERESTS IN SHARES

As at 30 June 2005, the interests and short positions of other persons in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO are set out below :

Long positions in ordinary shares of the Company

| 股東名稱 Name of shareholders | 所持普通股數目 Number of ordinary shares held | 身份 Capacity | 約佔本公司 已發行股本 的百分比 Approximate % of issued share capital of the Company |
|---|---|--|--|
| 李嘉誠 – 附註(1)及(2) Li Ka Shing – Notes (1)&(2) | 803,485,000 | 全權信託的成立人及受控制公司的權益 founder of discretionary trusts and interest of controlled corporations | 7.03% |
| Li Ka-Shing Unity Trustee Corporation Limited (“TDT1”) – 附註(1)及(2) – Notes (1)&(2) | 803,485,000 | 信託人及信託受益人 trustee and beneficiary of a trust | 7.03% |
| Li Ka-Shing Unity Trustcorp Limited (“TDT2”) – 附註(1)及(2) – Notes (1)&(2) | 803,485,000 | 信託人及信託受益人 trustee and beneficiary of a trust | 7.03% |
| Li Ka-Shing Unity Trustee Company Limited (“TUT1”) – 附註(1)及(2) – Notes (1)&(2) | 803,485,000 | 信託人 trustee | 7.03% |
| 長江實業（集團）有限公司 （「長實」） – 附註(1)及(2) Cheung Kong (Holdings) Limited (“CKH”) – Notes (1)&(2) | 803,485,000 | 受控制公司的權益 interest of controlled corporations | 7.03% |

其他人士於股份的權益 (續)

附註：

- (1) 該等本公司的股份包括：
- (a) 由Starcom Venture Limited (「Starcom」) 持有的266,835,000股股份，而Starcom為長實全資擁有的附屬公司Cheung Kong Investment Company Limited的全資附屬公司；及
- (b) 由 Campsie Developments Limited (「Campsie」) 持有的536,650,000股股份，而Campsie為和記黃埔有限公司 (「和黃」) 全資擁有的附屬公司Hutchison International Limited的全資附屬公司。
- (2) 李嘉誠先生、李澤鉅先生及李澤楷先生各自持有Li Ka-Shing Unity Holdings Limited (「Unity Holdings」) 三分之一已發行股本，而該公司則持有TUT1的全部已發行股本。TUT1以The Li Ka-Shing Unity Trust (「UT1」) 信託人的身份，連同若干公司合共持有長實三分之一以上的已發行股本，而TUT1以UT1信託人的身份有權在該等公司的股東大會上行使或控制行使三分之一以上的投票權。長實的若干附屬公司有權在和黃的股東大會上行使或控制行使三分之一以上的投票權。

此外，Unity Holdings亦持有TDT1 (The Li Ka-Shing Unity Discretionary Trust (「DT1」) 的信託人) 以及TDT2 (另一項全權信託 (「DT2」) 的信託人) 的全部已發行股本。TDT1及TDT2均持有UT1的信託單位。

根據證券及期貨條例，李嘉誠先生 (身為財產授予人以及就證券及期貨條例而言可能被視為DT1及DT2的成立人)、TDT1、TDT2、TUT1及長實均被視為持有由Starcom及Campsie所持有的合共803,485,000股本公司股份的權益。

除上文所披露者外，於二零零五年六月三十日，本公司並無獲悉尚有任何其他人士持有本公司的股份及相關股份的權益或淡倉，而須登記於根據證券及期貨條例第336條規定本公司需備存的登記冊內。

OTHER PERSONS' INTERESTS IN SHARES (continued)

Notes:

- (1) Such shares in the Company comprise:
- (a) The 266,835,000 shares held by Starcom Venture Limited ("Starcom"), a wholly-owned subsidiary of Cheung Kong Investment Company Limited, which in turn is a wholly-owned subsidiary of CKH; and
- (b) The 536,650,000 shares held by Campsie Developments Limited ("Campsie"), a wholly-owned subsidiary of Hutchison International Limited, which in turn is a wholly-owned subsidiary of Hutchison Whampoa Limited ("HWL").
- (2) Li Ka-Shing Unity Holdings Limited ("Unity Holdings"), of which each of Mr. Li Ka-Shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard is interested in one-third of the entire issued share capital, owns the entire issued share capital of TUT1. TUT1 as trustee of The Li Ka-Shing Unity Trust ("UT1"), together with certain companies which TUT1 as trustee of UT1 is entitled to exercise or control the exercise of more than one-third of the voting power at their general meetings, hold more than one-third of the issued share capital of CKH. Certain subsidiaries of CKH are entitled to exercise or control the exercise of more than one-third of the voting power at the general meetings of HWL.

In addition, Unity Holdings also owns the entire issued share capital of TDT1 as trustee of The Li Ka-Shing Unity Discretionary Trust ("DT1") and TDT2 as trustee of another discretionary trust ("DT2"). Each of TDT1 and TDT2 holds units in UT1.

By virtue of the SFO, each of Mr. Li Ka-Shing (being the settlor and may be regarded as a founder of DT1 and DT2 for the purpose of the SFO), TDT1, TDT2, TUT1 and CKH is deemed to be interested in the aggregate 803,485,000 shares of the Company held by Starcom and Campsie.

Save as disclosed above, as at 30 June 2005, the Company had not been notified by any other persons who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

企業管治常規守則

於本期間，本公司除下文所披露者外已遵從載於上市規則附錄十四企業管治常規守則（「守則」）中的全部守則條文：

守則條文第A.2.1條

此守則條文規定主席與行政總裁之間職責的分工應清楚界定並以書面列載。本公司已以書面列載主席及行政總裁的職責及清楚界定兩者的分工，並已於二零零五年八月三十一日舉行的董事會獲本公司董事批准及正式採納。

守則條文第A.5.4條

守則條文第A.5.4條規定董事會應就有關僱員買賣上市公司證券事宜設定書面指引，指引內容應該不比標準守則寬鬆。本公司已設定有關的書面指引，並已於二零零五年八月三十一日舉行的董事會獲本公司董事批准及正式採納有關僱員進行證券交易的守則。

守則條文第D.1.1條

守則條文第D.1.1條規定當董事會將其管理及行政功能方面的權力授權予管理層時，必須同時就管理層的權力，給予清晰的指引。本公司已就董事會轄下成立的執行董事委員會（委員會由全體執行董事組成，根據董事會的授權處理本集團的日常業務運作）設定執行董事委員會職權範圍書，就其職責權力範圍及責任等作出明確規定，並已於二零零五年八月三十一日舉行的董事會獲本公司董事批准及正式採納。

由二零零五年八月三十一日起，本公司已遵循守則內所有的守則條文。

CODE ON CORPORATE GOVERNANCE PRACTICES

During the Period, the Company has complied with all the code provisions in the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules, except with the details disclosed below :

Code A.2.1

This code provision stipulates that the division of responsibilities between the chairman and the chief executive officer should be clearly established and set out in writing. The Company has clearly defined the division of duties and responsibilities between the chairman and the chief executive officer in writing, which was approved and adopted by the board of directors of the Company in the meeting held on 31 August 2005.

Code A.5.4

Code A.5.4 stipulates that the board of directors should establish written guidelines on no less exacting terms than the Model Code for relevant employees in respect of their dealings in the securities of the Company. The Company has established a model code for the relevant employees in respect of their dealings in the securities of the Company and the relevant code was approved and adopted by the board of directors of the Company in the meeting held on 31 August 2005.

Code D.1.1

Code D.1.1 stipulates that when the board of directors delegates aspects of its management and administration functions to the management, it must at the same time give clear directions as to the powers of the management. The board of directors of the Company established an Executive Board Committee, which consists of all executive directors, to handle all matters concerning the daily operation of the Company in accordance with the board's authorisation. The Company has established terms of reference for the Executive Board Committee which prescribed clearly the scope of function, authority and duties of the committee and it was approved and adopted by the board of directors of the Company in the meeting held on 31 August 2005.

The Company has complied with all the code provisions set out in the Code since 31 August 2005.

標準守則

本公司已採納一套有關董事進行證券交易的行為守則，該守則的條款不低於標準守則所要求的標準。本公司各董事於本期間內一直遵守標準守則。

審核委員會

本公司的審核委員會於一九九五年成立。於制定及採納審核委員會的職權範圍書時，董事已參照香港會計師公會頒佈的「成立審核委員會指引」及由聯交所頒佈的守則。

審核委員會就集團審計範圍內的事項擔任董事會與本公司核數師之間的重要橋樑。審核委員會亦負責審核及監察集團的財務匯報及檢討公司外部審核工作，以及內部監控與風險評估等方面的效能。審核委員會由三位獨立非執行董事組成，成員包括梁銘源先生（主席）、丁迅先生及聶潤榮先生。於本期間內，審核委員會舉行了兩次會議。

本公司委託本公司核數師羅兵咸永道會計師事務所協助審核委員會審閱本集團的未經審核二零零五年度中期財務報告。審核委員會已於董事會審批中期財務報告前與本公司核數師舉行會議，以審閱本集團截至二零零五年六月三十日止六個月的中期業績。核數師的獨立審閱報告已載於第二十五及二十六頁。

MODEL CODE

The Company has adopted a code of conduct regarding securities transactions by the directors of the Company on terms no less exacting than the required standard set out in the Model Code. The directors of the Company have complied with the Model Code during the Period.

AUDIT COMMITTEE

The Company established the Audit Committee in 1995. In establishing and adopting the terms of reference of the Audit Committee, the directors have had regard to the “Guide for the Formation of an Audit Committee” issued by the Hong Kong Institute of Certified Public Accountants and the Code issued by the Stock Exchange.

The Audit Committee performs the key link between the board of directors and the Auditors of the Company in respect of the audit works of the Group. The Audit Committee is also responsible for the review and supervision of the financial reporting of the Group as well as the review of the efficiency of the external audit works, internal control and risk evaluation of the Company. The Audit Committee comprises three independent non-executive directors, namely Mr. Leung Ming Yuen, Simon (Chairman), Mr. Ding Xun and Mr. Nip Yun Wing. Two Audit Committee meetings were held during the Period.

The Company has engaged PricewaterhouseCoopers, the Auditors of the Company, to assist the Audit Committee to review the unaudited 2005 interim financial statements of the Group. Before the date of approval of the interim financial statements by the board of directors, a meeting of the Audit Committee had been held with the Auditors of the Company for reviewing the interim results of the Group for the six months ended 30 June 2005. The Auditors' independent review report is set out on pages 25 and 26.

薪酬委員會及提名委員會

為進一步加強本集團的內部監控制度及持續提升本集團的企業管治水平，以確保集團資產能有效運用及增值，使股東的利益得到更佳保障，董事會已於二零零三年十二月分別成立了薪酬委員會及提名委員會。

薪酬委員會的主要職能為設立正規而透明的程序及政策，以制定董事的薪酬；而提名委員會的職能則為確保本公司委任合適的董事及使董事連任的程序更具透明度。兩個委員會的成員相同，均由兩位獨立非執行董事及一位執行董事組成，成員包括丁迅先生（主席）、梁銘源先生及李景奇先生。於本期間內，薪酬委員會及提名委員會分別舉行了兩次及一次會議。

REMUNERATION COMMITTEE AND NOMINATION COMMITTEE

To further strengthen the internal control system and continuously improve the standard of corporate governance of the Group so as to ensure an efficient deployment and added value of the Group's assets, thereby provide comprehensive protection to shareholders' interests, the board of directors established the Remuneration Committee and the Nomination Committee in December 2003 respectively.

The Remuneration Committee is responsible for the formulation of formal and transparent procedures and policies for the determination of directors' remuneration. The Nomination Committee is responsible for the appointment of suitable directors of the Company and to ensure the transparency of the re-election procedures of directors. The two committees comprise the same members (two independent non-executive directors and an executive director), namely, Mr. Ding Xun (Chairman), Mr. Leung Ming Yuen, Simon and Mr. Li Jing Qi. During the Period, two and one meetings were held by the Remuneration Committee and Nomination Committee respectively.



Shenzhen International Holdings Limited

深圳國際控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)