

2005/06

INTERIM
REPORT
中期報告書



南順(香港)有限公司
Lam Soon (Hong Kong) Limited

For The Six Months Ended 31 December 2005
截至2005年12月31日止6個月

SUMMARY OF RESULTS

The Board of Directors of Lam Soon (Hong Kong) Limited is pleased to present the unaudited consolidated interim results of the Group for the six months ended 31 December 2005.

During the period, the Group's consolidated sales revenue was HK\$1,191 million, an increase of 7% over the corresponding period last year.

Consolidated profit attributable to shareholders of the Company also increased to HK\$56 million from HK\$40 million, representing an increase of 42%.

Basic earnings per share increased by 42% over the corresponding period last year to HK\$0.23.

The better performance was due mainly to the improvement in the PRC market, the achievements in promoting core brands, and the continuous enhancement in operational efficiency of the Group.

INTERIM DIVIDEND

The Board of Directors has resolved to declare an interim dividend of HK\$0.06 per share amounting to a total of HK\$14.6 million (2004: interim dividend of HK\$0.06 per share, amounting to HK\$14.6 million) for the financial year ending 30 June 2006, which will be payable on Wednesday, 22 March 2006 to shareholders whose names appear in the Register of Members of the Company on Tuesday, 21 March 2006.

BUSINESS REVIEW AND OUTLOOK

Improvement in the PRC market

The Group is focusing on the PRC as its principal market for sustainable long-term growth. A series of initiatives has been undertaken to strengthen our core brands and penetration into the premium segments in the PRC market. This has already resulted in promising improvement during the period.

業績概要

南順(香港)有限公司董事會欣然宣佈本集團截至二零零五年十二月三十一日止六個月之未經審核綜合中期業績。

於期內，本集團之綜合銷售收入為港幣1,191,000,000元，較去年同期增加7%。

本公司股東應佔之綜合溢利亦由港幣40,000,000元增加至港幣56,000,000元，升幅達42%。

每股基本盈利較去年同期上升42%至港幣0.23元。

業績表現理想主要是由於中國國內的市場不斷發展，以及本集團核心品牌的成功推廣和營運效率持續提升所致。

中期股息

董事會議決宣派截至二零零六年六月三十日止財政年度之中期股息每股港幣0.06元合共港幣14,600,000元(二零零四年：中期股息每股港幣0.06元合共港幣14,600,000元)。中期股息將於二零零六年三月二十二日(星期三)派付予於二零零六年三月二十一日(星期二)名列本公司股東名冊之股東。

業務回顧及展望

中國國內市場之發展

本集團把重點放於中國國內作為主要之市場從而達至可持續長遠增長之目的。本集團已推出一連串計劃，以鞏固其核心品牌及打入中國國內高品質市場，因此本集團於期內之業績大有進步。

BUSINESS REVIEW AND OUTLOOK *(continued)*

Improvement in the PRC market *(continued)*

The PRC retail market continues to look robust with rising average household income and living standard. A number of giant supermarket and restaurant chains have already established footholds in the PRC. This presents more market opportunities for us and the Group will continue to expand and reinforce distribution of its core brands focusing on major PRC cities, namely Shenzhen, Guangzhou, Shanghai and Beijing.

Achievements of the Core Brands

The Group is the only group in Hong Kong that has been granted six Hong Kong Top Brand Awards ("Top Brands Awards") by The Chinese Manufacturers' Association of Hong Kong.

All of the six Hong Kong Top Brands (including "Knife" Brand cooking oil, "AXE" Brand detergent products, "Red Lantern" Brand cooking oil, "Golden Statue" Brand bread flour, "American Roses" Brand soft flour and "Labour" Brand detergent products) have an overall increase of 8% in sales volume as compared with that of the corresponding period last year.

The Group will continue to dedicate its efforts and resources on the development of its core brands and market penetration to enhance its market sustainability and operation leverage.

Enhancement of Operational Efficiency

The Group has accomplished continuous enhancement of its operational efficiency. This is considered one of the most important competitive advantages of the Group. While the Group's gross profit margin maintained at 17% during the period, the ratio of its operating expenses to sales revenue was reduced to 11% from 12% of the corresponding period last year. The Group's profit after taxation per employee also improved by 50% to HK\$33,000.

業務回顧及展望 *(續)*

中國國內市場之發展 *(續)*

隨著平均家庭收入及生活質素不斷上升，中國國內零售市場持續表現強勁。不少大型連鎖超級市場及餐廳已踏足中國國內市場，為我們帶來更多商機。本集團將繼續擴充及強化核心品牌之分銷網，並將重點放在中國國內各大主要城市，包括深圳、廣州、上海及北京。

核心品牌之成就

本集團是香港唯一榮獲香港中華廠商聯合會頒發六個香港名牌(「香港名牌」)之集團。

該六個品牌(包括「刀嘜」食用油、「斧頭牌」清潔用品、「紅燈牌」食用油、「金像牌」麵粉、「美玫牌」麵粉及「勞工牌」清潔用品)之總體銷量較去年同期上升8%。

本集團將會繼續努力，並將資源投放於發展其核心品牌和增加市場滲透率，以優化其市場之持續增長能力和營運協同效應。

提升營運效率

本集團之營運效率持續提升，此為本集團其中一項最重要的競爭優勢。本集團於期內之毛利率維持於17%，營運開支佔銷售收入之比例由去年同期之12%減少至11%。本集團平均每名僱員可帶來除稅後溢利港幣33,000元上升50%。

BUSINESS REVIEW AND OUTLOOK *(continued)*

業務回顧及展望 *(續)*

Review of Operations

營運回顧

During the period, encouraging results were achieved across all business segments of the Group. Growth in their operating profits contributed to an overall increase of 23% to HK\$75 million, as compared with HK\$61 million of the corresponding period last year.

本集團之所有業務分部於期內皆錄得可觀業績，該等業務分部之經營溢利增長，令整體經營溢利較去年同期之港幣61,000,000元上升23%至港幣75,000,000元。

Food Segment

食品分部

Benefiting from the stable raw material prices and the effective management in product mix and operational efficiency, the food segment in the PRC recorded an increase of 44% in its operating profit to reach HK\$33 million.

受惠於原材料價格穩定及產品組合和營運效率之有效管理，中國國內食品分部之經營溢利上升44%至港幣33,000,000元。

During the period, “Knife” and “Golden Statue” brands maintained their leading positions in their respective segments in Southern China through continuous commitment in high quality assurance. The total sales volume of “Knife” and “Golden Statue” brands rose by 10% and 13% respectively.

於期內，「刀嘜」及「金像牌」致力維持其產品質素，各於南中國國內之產品分部保持領導地位。「刀嘜」及「金像牌」品牌產品之總銷售量分別上升10%及13%。

Detergent Segment

清潔用品分部

Riding on the Group’s successful branding strategy, strengthened sales and distribution networks, and increasing consumer’s acceptance of our premium brands, the detergent segment in the PRC achieved 44% growth in its sales revenue to reach HK\$52 million. The total sales volume of the “AXE” and “Labour” brands rose by 27% and 35% respectively.

本集團之成功品牌戰略、穩固銷售及分銷網絡，加上消費者對我們之名牌接受程度日增，令中國國內清潔用品分部之銷售收入上升44%至港幣52,000,000元。「斧頭牌」及「勞工牌」品牌產品之總銷售量分別上升27%及35%。

During the period, “AXE” brand floor cleanser was one of the top 5 brands in the PRC. “AXE” fabric softener was also one of the top five brands in key PRC cities, including Shenzhen and Guangzhou.

於期內，「斧頭牌」地板清潔劑為中國國內五大名牌之一。「斧頭牌」衣物柔順劑亦為中國國內主要城市(包括深圳及廣州)之五大名牌之一。

Packaging Segment

包裝產品分部

The packaging business managed to raise both its sales revenue and operating profit by 27% and 12% respectively, to reach HK\$400 million and HK\$35 million respectively during the period. The business benefited from the strong demand for its easy-open-ends (“EOE”) and aluminum cans in Taiwan and notably in the PRC, and from the continuous enhancement of its operational efficiency.

包裝業務之銷售收入及經營溢利於期內分別上升27%及12%分別至港幣400,000,000元及35,000,000元。此業務受惠於台灣，特別是中國國內對「易拉蓋」及鋁罐之龐大需求以及營運效率之持續提升。

BUSINESS REVIEW AND OUTLOOK *(continued)*

Review of Operations *(continued)*

Packaging Segment (continued)

As Beijing moves towards the year 2008 Olympic Games, the growth in demand for EOE and other packaged convenience food and beverages in the PRC is anticipated. Additional EOE production capacities are being acquired to enable the Group to meet the increasing demand.

Distribution Segment

In the midst of intensive competition in the Hong Kong market, the distribution segment maintained its sales revenue at HK\$181 million, and improved its operating profit slightly to HK\$27 million. During the period, the segment continued to focus on the enhancement of its operational efficiency and marketing capabilities to meet the demand growth from the rising number of PRC visitors to Hong Kong.

Outlook

The economic growth in the PRC, Hong Kong and Taiwan had been conducive to the Group's business during the period. Consumers are increasingly becoming more health conscious and inclined to use premium products for healthy living. The Group maintains its growth momentum by effective branding strategy, commitment in quality, continuous enhancement in operational efficiency and well-established distribution network.

Looking forward, leveraging on these competitive advantages, the Group will work towards stronger synergy across business segments to take full advantage of the market potentials and dynamics to achieve higher productivity and better profit margins.

業務回顧及展望 *(續)*

營運回顧 *(續)*

包裝產品分部 (續)

由於北京二零零八年奧運會舉行在即，中國國內對易拉蓋及其他方便包裝食品及飲品之需求將會增加。本集團正購入更多易拉蓋生產設施，以滿足不斷上升之需求。

產品分銷分部

香港市場競爭激烈，產品分銷分部之銷售收入維持於港幣181,000,000元，經營溢利輕微上升至港幣27,000,000元。於期內，此分部繼續集中提升營運效率及市場推廣能力，以滿足日益增多來自中國國內的旅客之需求。

展望

中國國內、香港及台灣於期內之經濟增長有裨益於本集團之業務。消費者日益注重健康，而且傾向使用高品質產品以保障家人生活健康。本集團以有效之品牌戰略、品質承諾、營運效率之持續提升及完善之分銷網絡維持業務增長。

展望將來，本集團深信憑藉這種競爭優勢可為各業務分部帶來更大的協同效益，充分利用市場潛力及力量以達至更高生產力和更大邊際利潤。

FINANCIAL REVIEW

The Group continued its prudent treasury policies in managing its cash and financing activities. In pursuance of such policies, financing and funding activities were generally centralised and managed at corporate level where the funding efficiency amongst the operating units was enhanced. The business operations of the local operating units were financed by their respective internally generated cashflows.

Debt maturity profile of the Group as at 31 December 2005 was as follows:

財務回顧

本集團繼續執行謹慎的財務政策以管理現金及融資活動。根據有關政策，融資活動一般由集團集中管理，使不同經營單位的融資效率得以提升。各地不同經營單位均以其內部產生之流動現金提供營運所需資金。

本集團於二零零五年十二月三十一日的債務還款期分析如下：

		At 31 December 2005 於二零零五年 十二月三十一日 HK\$'000 港幣千元	At 30 June 2005 於二零零五年 六月三十日 HK\$'000 港幣千元
Repayable within 1 year	一年內償還	156,689	225,486
Repayable after 1 year, but within 2 years	於一年後至兩年內償還	16,900	36,100
Repayable after 2 years, but within 5 years	於兩年後至五年內償還	-	2,600
Total	總額	173,589	264,186

The Group continued to maintain a healthy balance sheet with total net assets of HK\$1,070 million as at 31 December 2005 (30 June 2005: HK\$1,020 million). The Group's gearing ratio (net borrowings (net of cash and cash equivalents) to shareholders' equity) was further reduced to 0.4% as at 31 December 2005 (30 June 2005: 3.0%), with net borrowings of HK\$4 million (30 June 2005: HK\$28 million) and shareholders' equity of HK\$989 million (30 June 2005: HK\$940 million). The Group's borrowings carried interest at floating rates, and the majority were denominated in Hong Kong Dollars and US Dollars.

本集團繼續保持健全之資產負債情況，於二零零五年十二月三十一日，本集團的總淨資產達港幣1,070,000,000元(二零零五年六月三十日：港幣1,020,000,000元)。而本集團之負債比率進一步改善至二零零五年十二月三十一日的0.4%(二零零五年六月三十日：3.0%)，此乃根據借貸淨額(已扣除現金及現金等值物)之港幣4,000,000元(二零零五年六月三十日：港幣28,000,000元)及股東權益港幣989,000,000元(二零零五年六月三十日：港幣940,000,000元)計算。本集團債務按浮動利率計算利息，及大部份債務為港幣和美元。

FINANCIAL REVIEW *(continued)*

As at 31 December 2005, the Group had sufficient financial resources to discharge its debts and finance its daily operations and capital expenditure.

The majority of the Group's costs and revenues were denominated in Renminbi, Taiwan Dollars or US Dollars and forward foreign exchange contracts were used where appropriate to manage the Group's currency exposures. The Directors considered the impact of the foreign exchange exposure to be minimal.

Charges on Group Assets

As at 31 December 2005, the amount of the Group's assets comprising property, plant and equipment, and bank deposits, pledged as security for liabilities was HK\$66 million (30 June 2005: HK\$71 million).

EMPLOYEES, TRAINING AND REMUNERATION POLICY

As at 31 December 2005, there were approximately 1,860 employees in the Group (30 June 2005: 1,800). As an equal opportunity employer, employees are remunerated according to the nature of their duties and responsibilities and the prevailing market conditions. Annual increment and year-end performance bonus mechanism were incorporated in the Group's remuneration policy to reward, motivate and retain individuals for their contributions to the Group. Total staff costs for the period was approximately HK\$93 million (2004: HK\$86 million).

Pursuant to the provisions of Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Company operates a share option scheme adopted in the annual general meeting of the Company on 23 May 2003 (the "New Share Option Scheme") for granting of options over newly issued shares of the Company to eligible participants. No option was granted under the New Share Option Scheme during the period and there was no option previously granted that remained outstanding as at 31 December 2005.

財務回顧 (續)

於二零零五年十二月三十一日，本集團具備充足之財務資源用作償還債務及支付日常營運及資本支出。

本集團的成本及收入大部份為人民幣、新台幣或美元。本集團會適當地使用遠期外匯合約管理貨幣兌換率波動之風險。董事認為有關之貨幣兌換率波動之風險極為輕微。

本集團資產之抵押

於二零零五年十二月三十一日，本集團為負債作出抵押之資產(包括物業、廠房及設備，及銀行存款)金額為港幣66,000,000元(二零零五年六月三十日：港幣71,000,000元)。

僱員、培訓及薪酬政策

於二零零五年十二月三十一日，本集團旗下員工約1,860人(二零零五年六月三十日：1,800人)。作為提供平等機會之僱主，員工薪酬乃按其工作性質和市況而釐定，並於增薪評估及年終獎金內設有表現評估部份，以推動及獎勵員工對集團之貢獻及挽留人才。於期內職工成本總額約港幣93,000,000元(二零零四年：港幣86,000,000元)。

於二零零三年五月二十三日股東批准之購股權計劃(「新購股權計劃」)乃依照香港聯合交易所有限公司證券上市規則第十七章的規定可向合資格之參與人士授出認購本公司新發行股份之購股權。於期內，本公司並無授出任何依照新購股權計劃授出之購股權，並於二零零五年十二月三十一日並無已授出而尚未行使之購股權。

**CONDENSED CONSOLIDATED INCOME
STATEMENT (UNAUDITED)**

簡明綜合收益表(未經審核)

		Six months ended 31 December		
		截至十二月三十一日止六個月		
		2005	2004	
		二零零五年	二零零四年	
			(Restated)	
			(重列)	
		<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		<i>附註</i>	<i>港幣千元</i>	<i>港幣千元</i>
Turnover	營業額	3	1,191,472	1,116,023
Cost of sales	銷售成本		(989,633)	(923,114)
Gross profit	毛利		201,839	192,909
Other income	其他收入		9,151	7,080
Selling and distribution expenses	銷售及分銷費用		(82,549)	(85,482)
Administrative expenses	行政費用		(45,251)	(47,432)
Other operating expenses	其他經營費用		(8,174)	(5,910)
Profit from operations	經營業務溢利	3	75,016	61,165
Net interest expenses	淨利息支出		(4,345)	(2,219)
Reversal of provision for Group restructuring costs	集團重組費用 準備撥回		-	6,540
Release of negative goodwill	負商譽的變現		-	4,988
Operating profit	經營溢利	4	70,671	70,474
Share of profits/(losses) of a jointly controlled entity	應佔共同控制個體 的溢利／(虧損)		1,058	(2,813)
Profit from ordinary activities before taxation	除稅前日常業務 的溢利		71,729	67,661
Taxation	稅項	5	(10,650)	(24,588)
Profit for the period	期間溢利		61,079	43,073
Attributable to:	可歸屬於：			
Shareholders of the Company	股東應佔溢利		56,178	39,684
Minority interests	少數股東權益		4,901	3,389
Profit for the period	期間溢利		61,079	43,073
Dividend – interim declared after the balance sheet date	股息 – 結算日後 擬派中期股息	6	14,601	14,601
Earnings per share (HK\$)	每股盈利(港元)			
Basic	基本	7	0.23	0.16

CONDENSED CONSOLIDATED BALANCE
SHEET (UNAUDITED)

簡明綜合資產負債表(未經審核)

			At 31 December 2005 於二零零五年 十二月三十一日	At 30 June 2005 於二零零五年 六月三十日 (Restated) (重列)
	Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
NON-CURRENT ASSETS				
				719,231
Fixed assets	8	696,590		
Leasehold land		91,983		92,588
Trademarks		7,353		11,034
Negative goodwill		–		(16,015)
Interests in associated companies		24,581		24,581
Interests in a jointly controlled entity		58,447		57,389
Available-for-sale investments		788		827
Loan receivable		7,217		9,638
Deferred tax assets		12,250		12,123
		899,209		911,396
CURRENT ASSETS				
				279,366
Inventories	9	273,312		
Debtors, deposits and prepayments				319,075
	10	368,527		
Bills receivable		8,660		–
Loan receivable		3,937		2,752
Amount due from a jointly controlled entity		13,115		7,264
Derivative financial instruments		17		–
Deposits with financial institutions – pledged		5,981		773
Cash and bank balances		163,128		235,585
		836,677		844,815
CURRENT LIABILITIES				
				225,486
Bank loans		156,689		
Creditors, deposits received and accruals	11	317,449		338,666
Bills payable		56,185		22,437
Tax payable		72,295		65,555
Other current liabilities		28,484		28,341
		631,102		680,485
NET CURRENT ASSETS		205,575		164,330
TOTAL ASSETS LESS CURRENT LIABILITIES		1,104,784		1,075,726

CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED) *(continued)*

簡明綜合資產負債表(未經審核)
(續)

		At	
		31 December 2005	30 June 2005
		於二零零五年 十二月三十一日	於二零零五年 六月三十日 (Restated) (重列)
		Notes	HK\$'000
		附註	港幣千元
NON-CURRENT LIABILITIES	非流動負債		
Bank loans	銀行貸款		38,700
Employee benefit obligations	僱員福利負債		4,269
Deferred tax liabilities	遞延稅項負債		4,951
Other non-current liabilities	其他非流動負債		8,232
			34,597
NET ASSETS	淨資產		1,070,187
			1,019,574
CAPITAL AND RESERVES	資金及儲備		
Share capital	股本	12	243,354
Reserves	儲備	13	745,209
Equity attributable to shareholders	股東應佔權益		988,563
			940,071
MINORITY INTERESTS	少數股東權益		81,624
			79,503
TOTAL EQUITY	權益總額		1,070,187
			1,019,574

**CONDENSED CONSOLIDATED CASH FLOW
STATEMENT (UNAUDITED)****簡明綜合現金流量表(未經審核)**

		Six months ended 31 December	
		截至十二月三十一日止六個月	
		2005	2004
		二零零五年	二零零四年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Net cash from operating activities	經營業務的現金流入淨額	38,697	94,740
Net cash used in investing activities	投資活動的現金所用淨額	(2,396)	(3,807)
Net cash used in financing activities	融資活動的現金所用淨額	(107,681)	(25,392)
(Decrease)/Increase in cash and cash equivalents	現金及現金等值物的 (減少)／增加	(71,380)	65,541
Cash and cash equivalents at 1 July	於七月一日現金及現金等值物	235,585	197,458
Effect of foreign exchange rate changes	匯率變動的影響	(1,077)	614
Cash and cash equivalents at 31 December	於十二月三十一日現金及現金等值物	163,128	263,613

**CONDENSED CONSOLIDATED STATEMENT
OF CHANGES IN EQUITY (UNAUDITED)**

簡明綜合權益變動表(未經審核)

		Attributable to shareholders of the Company 股東應佔權益 HK\$'000 港幣千元	Minority interests 少數股東權益 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Total equity as at 1 July 2005, as previously reported	於二零零五年七月一日之 權益總額，如前呈列	940,071	79,503	1,019,574
Effect of adopting new accounting standards	採納新會計準則 之影響	16,053	-	16,053
Total equity as at 1 July 2005, as restated	於二零零五年七月一日之 權益總額，經重列	956,124	79,503	1,035,627
Available-for-sale investments: Net valuation losses taken to equity	可供出售的投資： 在權益直接確認之 重估淨虧損	(2)	-	(2)
Exchange differences arising on translation of foreign operations	因換算海外業務 而產生之匯兌差額	(6,702)	(2,780)	(9,482)
Net losses recognised directly in equity	在權益直接確認 之淨虧損	(6,704)	(2,780)	(9,484)
Profit for the period	期間溢利	56,178	4,901	61,079
Total recognised net gain for the period	期間確認之總淨溢利	49,474	2,121	51,595
Dividend paid	已付股息	(17,035)	-	(17,035)
Total equity as at 31 December 2005	二零零五年十二月 三十一日之權益總額	988,563	81,624	1,070,187
Total equity as at 1 July 2004	二零零四年七月一日 之權益總額	871,667	67,055	938,722
Exchange differences arising on translation of foreign operations	因換算海外業務而產生 之匯兌差額	6,503	2,312	8,815
Net gains recognised directly in equity	在權益直接確認 之淨溢利	6,503	2,312	8,815
Profit for the period	期間溢利	39,684	3,389	43,073
Total equity as at 31 December 2004	二零零四年十二月 三十一日之權益總額	917,854	72,756	990,610

Notes:

1. Basis of preparation and accounting policies

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are consistent with those adopted in the financial statements for the period from 1 January 2004 to 30 June 2005, except that the Group has changed certain accounting policies following the adoption of new and revised Hong Kong Financial Reporting Standards ("HKFRSs") and Hong Kong Accounting Standards ("HKASs") (collectively the "HKFRS") which are effective for accounting periods commencing on or after 1 January 2005. The changes to the Group's accounting policies and the effect of adopting these new standards are set out in the Note 2 below.

2. Changes in accounting policies

The adoption of the new/revised HKFRS that necessitates material changes in the accounting policies or presentation of the Group are summarised as follows:

(a) HKAS 1 – Presentation of Financial Statements**(i) Minority interests**

In prior periods, minority interests at the balance sheet date were presented in the consolidated balance sheet separately from liabilities and as deduction from net assets. Minority interests in the results of the Group for the period were also separately presented in the income statement as a deduction before arriving at the profit attributable to shareholders.

With effect from 1 July 2005, in order to comply with HKAS 1 and HKAS 27, minority interests at the balance sheet date are presented in the consolidated balance sheet within equity, separately from the equity attributable to shareholders of the Company; and minority interests in the results of the Group for the period are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the period.

附註：

1. 編製基準及會計政策

本未經審核簡明綜合財務報表乃按照香港會計師公會頒布之香港會計準則第34號「中期財務報告」及香港聯合交易所有限公司之證券上市規則而編製。除因為採納於二零零五年一月一日或之後開始之會計期間生效之新增及經修訂之香港財務報告準則及香港會計準則(統稱「香港財務報告準則」)而更改若干會計政策外，編製此等中期賬目所採用之會計政策及編製基準與從二零零四年一月一日起至二零零五年六月三十日止之賬目所採用者一致。本集團會計政策之變動及因採納新準則的影響簡述如賬目附註2。

2. 會計政策變動

採納新增及經修訂之香港財務報告準則在會計政策及賬目呈列方面所引致之重大變動簡述如下：

(a) 香港會計準則第1號－「財務報表之呈列」**(i) 少數股東權益**

在過往期間，於結算日的少數股東權益是在綜合資產負債表內與負債分開呈報，並列作資產淨值的減項。少數股東所佔本集團年內業績的權益亦會在損益表內分開呈報，並列作計算股東應佔溢利前作出的扣減。

由二零零五年七月一日起，為了符合香港會計準則第1號及香港會計準則第27號的規定，於結算日的少數股東權益在綜合資產負債表的權益項中與公司股東應佔權益分開呈報；而少數股東所佔本集團期內業績的權益則在綜合收益表內分配期內溢利或虧損總額。

2. Changes in accounting policies (continued)

(a) HKAS 1 – Presentation of Financial Statements (continued)

(i) Minority interests (continued)

The presentation of minority interests in the consolidated balance sheet, income statement and statement of changes in equity for the comparative period has been restated accordingly.

(ii) Share of profits/(losses) of jointly controlled entity

In prior periods, the Group's share of taxation of jointly controlled entity accounted for using equity method was included as part of the Group's taxation in the consolidated income statement. With effect from 1 July 2005, in accordance with the implementation guidance in HKAS 1, the Group has changed the presentation and includes the share of taxation of jointly controlled entity accounted for using equity method in the shares of profit or loss in the consolidated income statement. These changes in presentation have been applied retrospectively with comparatives restated.

As a result of this new presentation, the Group's share of profits of a jointly controlled entity has increased by HK\$19,000 (2004: losses decreased by HK\$540,000), and the Group's taxation has increased by the same amount accordingly. There is no net effect on net assets in either period.

(b) HKAS 17 – Leases

The adoption of HKAS 17 "Leases" has resulted in a change in accounting policy relating to leasehold land which was previously carried at cost or valuation less accumulated depreciation and impairment as fixed assets. In accordance with the provisions of HKAS 17, the leasehold land is regarded as operating leases and the lease premium and other costs for acquiring the leasehold land are amortised over the lease terms of the leases.

This change in accounting policy has had no impact on the consolidated income statement and revenue reserve. The comparatives on the consolidated balance sheet have been restated to reflect the reclassification of leasehold land.

2. 會計政策變動(續)

(a) 香港會計準則第1號－「財務報表之呈列」(續)

(i) 少數股東權益(續)

於比較期間在綜合資產負債表、收益表及權益變動表內呈報的少數股東權益已就此作出重報。

(ii) 應佔共同控制個體的溢利／(虧損)

在過往期間，本集團已將因採用會計權益法產生之所佔共同控制個體之稅項包括在本集團之綜合收益表中之稅項內。從二零零五年七月一日起，根據香港會計準則第1號內之執行指引，本集團已改變呈列方式並將因採用會計權益法產生之所佔共同控制個體之稅項包括在綜合收益表中之應佔共同控制個體的溢利／(虧損)內。此有關呈列方式改變需要追溯至以往年度，並就此已重列比較數目。

為配合此新呈列方式，本集團之應佔共同控制個體的溢利增加港幣19,000元(2004：虧損減少港幣540,000元)及本集團之稅項因應增加相同金額。本期及去年同期之淨資產並未受影響。

(b) 香港會計準則第17號－「租賃」

採納香港會計準則第17號「租賃」引致租賃土地之會計政策有所改變。以往列為固定資產之租賃土地是按成本或估值減累計折舊及減值列賬。根據香港會計準則第17號之規定，租賃土地被視為營業租賃，地價及其有關之成本會按租約期限攤銷。

此會計政策變動對集團之綜合收益表及收益儲備並無重大影響。去年同期之綜合資產負債表已為反映租賃土地之分類而作出重述。

2. Changes in accounting policies (continued)**(c) HKAS 32 and HKAS 39 – Financial Instruments**

The adoption of HKAS 32 “Financial Instruments: Disclosure and Presentation” and 39 “Financial Instruments: Recognition and Measurement”, has resulted in changes in accounting policies for recognition, measurement, derecognition and disclosure of financial instruments. Until 30 June 2005, investments of the Group were classified into investment securities and club debentures which were stated at cost less any identified impairment loss.

In accordance with provisions of HKAS 39, investments are classified into available-for-sale investments, investments at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the investments are held. Available-for-sale investments are carried at fair value with any changes in fair value recognised in the investment revaluation reserve. Investments at fair value through profit and loss are carried at fair value with any changes in fair value recognised in the income statement. Loans and receivables are carried at amortised cost less any provision for impairment.

(i) Available-for-sale investments

In prior periods, the Group classified its investments in equity securities and club debentures as investment securities and club debentures respectively which were held for non-trading purposes and were stated at cost less any identified impairment loss.

Upon the adoption of HKASs 32 and 39, these financial investments are classified as available-for-sale investments.

(ii) Receivables with recourse

In prior periods, the Group followed the principles under the replaced accounting standard SSAP 28 “Provisions, Contingent Liabilities and Contingent Assets” and disclosed such type of transactions as contingent liabilities.

Upon the adoption of HKAS 39, where an entity sells a portfolio of receivables with recourse, that portfolio should be accounted for as assets against collateralised borrowings.

As at 30 June 2005, the Group sold to the banks its bills receivable with recourse, which amounted to HK\$34,061,000.

2. 會計政策變動(續)**(c) 香港會計準則第32號及39號－「金融票據」**

採納香港會計準則第32號「金融票據：披露及呈列」及香港會計準則第39號「金融工具：確認及計量」對確認、計量、終止確認及披露金融票據之會計政策有所改變。在二零零五年六月三十日之前，本集團之投資分為投資證券及會所債券，按成本減任何可識別的減值虧損列賬。

根據香港會計準則第39號之規定，投資項目按其持有之目的被劃分為可供出售的投資、按公平值列賬而其變動計入損益表的投資、貸款及應收款項。可供出售的投資按公平值列賬，其公平值之變動概在投資重估儲備內確認。按公平值列賬而其變動計入損益表的投資按公平值列賬，其公平值之變動概撥入收益表。貸款及應收款項則按攤銷成本減任何減值準備列賬。

(i) 可供出售的投資

在過往期間，本集團分別將投資於股本證券及會所債券視為證券投資及會所債券，該等證券投資和會所債券乃視為持有作非買賣用途和以成本扣除任何可識別的減值虧損列賬。

採納了香港會計準則第32號及39號之後，該等財務投資列作可供出售的投資。

(ii) 有追索權的應收款項

在過往期間，本集團按已被取代的會計實務準則第28號「撥備、或然負債及或然資產」的原則而將該等交易披露作或然負債。

採納了香港會計準則第39號之後，一個實體如出售一籃子有追索權的應收款項，該等應收款項必須作為資產與有抵押借貸入賬。

於二零零五年六月三十日，本集團向銀行出售有追索權之應收票據，總值港幣34,061,000元。

2. Changes in accounting policies (continued)

(c) HKAS 32 and HKAS 39 – Financial Instruments (continued)

(iii) Derivative financial instruments

Upon the adoption of HKAS 39, all derivatives that are within the scope of HKAS 39 are required to be carried at fair value at each balance sheet regardless of whether they are deemed as held for trading or designated as effective hedging instruments. Under HKAS 39, derivatives are deemed as financial assets or financial liabilities at fair value through profit and loss, unless they qualify and are designated as effective hedging instruments. For derivatives that are deemed for trading, changes in fair value of such derivatives are recognised in income statement for the period they arise.

(d) HKFRS 3 – Business Combinations and HKAS 36 – Impairment of Assets

In prior periods, goodwill or negative goodwill arising on acquisitions prior to 1 January 2001 was taken to reserves in the year of acquisition and was not recognised in the income statement until disposal or impairment of the acquired business.

Goodwill arising on acquisitions on or after 1 January 2001 was capitalised and amortised on a straight-line basis over its estimated useful life of not exceeding twenty years and was subject to impairment testing when there was any indication of impairment. Negative goodwill was carried in the balance sheet and was recognised in the consolidated income statement on a systematic basis over the weighted average useful life of the acquired depreciable/amortisable assets, except to the extent it related to expectations of future losses and expenses that were identified in the income in the consolidated income statement when the future losses and expenses were recognised.

Upon the adoption of HKFRS 3 and HKAS 36, goodwill arising on acquisitions is no longer amortised but subject to an annual impairment review (or more frequently if events or changes in circumstances indicate that the carrying value may be impaired). Any impairment losses recognised for goodwill is not reversed in a subsequent period.

2. 會計政策變動(續)

(c) 香港會計準則第32號及39號－「金融票據」(續)

(iii) 衍生財務工具

採納了香港會計準則第39號之後，香港會計準則第39號範圍內之所有衍生工具，不論視為持有作買賣用途或指定用作有效對沖工具，均須於每個結算日以公平值列賬。根據香港會計準則第39號，衍生工具均視為按公平價值列賬而其變動計入損益表的財務資產或財務負債，合資格並指定用作有效對沖工具者除外。對於視為持有作買賣用途的全部衍生工具，公平值變動應於產生溢利或虧損之會計期間內確認。

(d) 香港財務報告準則第3號－業務合併及香港會計準則第36號－資產減值

在過往期間，對於在二零零一年一月一日以前收購產生的商譽或負商譽在收購當年的儲備抵減，除非對收購的業務進行處置或減值，該商譽／負商譽不會轉入收益表中確認。

對於在二零零一年一月一日或之後收購產生的商譽，作為資產列示，按不超過二十年之估計使用期限以直線法攤銷，並且當有任何減值跡象時進行減值測試。負商譽在資產負債表中列示，並且除預計未來損失和費用有關的部份外，其餘部份在取得的可辨認應折舊／攤銷資產的加權平均剩餘年限內按系統的方法在綜合收益表中確認。對於前述與預計未來損失和費用有關的部份，在未來損失和費用確認時，在綜合收益表中確認為收益。

採納了香港財務報告準則第3號及香港會計準則第36號之後，收購產生的商譽不再攤銷，而是每年進行減值測試(或在某些事項或情形的變動顯示賬面價值可能發生減值時更頻繁地進行)。任何已確認之商譽減值損失在以後期間不可以轉回。

2. Changes in accounting policies (continued)**(d) HKFRS 3 – Business Combinations and HKAS 36 – Impairment of Assets (continued)**

Any excess of the Group's interest in the net fair value of the acquirees' identifiable assets, liabilities and contingent liabilities over the cost of the acquisitions of subsidiaries and associates (previously referred to as "negative goodwill"), after reassessment, is recognised immediately in the income statement.

The transitional provisions of HKFRS 3 have required the Group to eliminate at 1 July 2005 the carrying amounts of accumulated amortisation with a corresponding entry to the cost of goodwill and to derecognise the carrying amounts of negative goodwill against revenue reserve. Goodwill previously eliminated against consolidated capital reserve remains eliminated against consolidated capital reserve and is not recognised in the income statement when all or part of the business to which the goodwill related is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

All relevant changes in the accounting policies have been made in accordance with the provisions of the respective standards, which require retrospective application to prior year comparatives other than:

HKFRS 3 – prospectively after 1 July 2005

HKAS 39:

- to recognise all derivatives at fair value in the balance sheet on 1 July 2005 and adjust the balance to revenue reserve;
- to redesignate all investments into available-for-sale investments and loans and receivables on 1 July 2005; and
- to remeasure those financial assets that should be measured at fair value and those that should be measured at amortised cost and adjust the balance to revenue reserve at 1 July 2005.

Due to the adoption of the HKFRS during the period, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain comparative amounts have been reclassified to conform with the current period's presentation.

2. 會計政策變動(續)**(d) 香港財務報告準則第3號－業務合併及香港會計準則第36號－資產減值(續)**

本集團在被購買方的可辨認資產、負債和或有負債的公平價值中所佔權益超過購買子公司和聯營公司成本的差額(前稱「負商譽」)，在重新評估後，立即在收益表中確認。

香港財務報告準則第3號的過渡性條款要求本集團在二零零五年七月一日將商譽的累計攤銷的賬面價值在商譽的成本中抵減，並且終止確認負商譽的賬面價值，將其轉入收益儲備。對於之前在綜合資本儲備中抵減的商譽，仍在綜合資本儲備中抵減，並且當企業處置商譽相關的全部或部份業務，或當商譽相關的現金產出單元發生減值時，不應將該商譽在收益表中確認。

除以下兩項外，所有因應各項會計準則在會計政策方面所作之變動需要追溯至以往年度之比較數字：

香港財務報告－從二零零五年七月
準則第3號 一日之後應用

香港會計準則第39號：

- 於二零零五年七月一日將資產負債表上所有衍生產品按公平值確認，並將有關結餘於收益儲備內調整；
- 於二零零五年七月一日將所有投資項目重新歸類為可供出售的投資及貸款及應收款項；及
- 重新計量應按公平值及應按攤銷成本計量之財務資產，並將有關結餘於二零零五年七月一日之收益儲備內調整。

由於期內採納了香港財務報告準則，故在財務報表內，若干項目及結餘款額之會計處理法及呈報方式已經修訂以配合該等新規定。因此，已經就此重列若干比較數目，以配合本年度之呈報方式。

2. Changes in accounting policies (continued)

The effects of the above changes on the profit attributable to shareholders of the Company, the various balance sheet items and closing equity attributable to shareholders of the Company are summarised below:

2. 會計政策變動(續)

此等會計政策變動對於股東應佔溢利、各項資產負債表項目及股東應佔權益期末數之影響簡述如下：

		HKAS 17 香港 會計準則 第17號 HK\$'000 港幣千元	HKAS 32 & 39 香港會計 準則第32號 及39號 HK\$'000 港幣千元	HKFRS 3 香港財務 報告準則 第3號 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
For the six months ended 31 December 2005	截至二零零五年 十二月三十一日 止六個月				
Increase in other income	其他收入增加	—	17	—	17
Decrease in release of negative goodwill	負商譽的變現 之減少	—	—	(4,988)	(4,988)
Increase/(Decrease) in profit attributable to shareholders of the Company	股東應佔溢利之 增加/(減少)	—	17	(4,988)	(4,971)
Decrease in earnings per share (HK\$)	每股盈利之減少， 港元計	—	—	(0.02)	(0.02)
As at 31 December 2005 Increase/(Decrease) in assets	於二零零五年 十二月三十一日 資產之增加/(減少)				
Fixed assets	固定資產	(91,983)	—	—	(91,983)
Leasehold land	租賃土地	91,983	—	—	91,983
Negative goodwill	負商譽	—	—	16,015	16,015
Available-for-sale investments	可供出售的投資	—	788	—	788
Investment securities	證券投資	—	(67)	—	(67)
Club debentures	會所債券	—	(685)	—	(685)
Derivative financial instruments	衍生財務工具	—	17	—	17
Bills receivable	應收票據	—	8,564	—	8,564
		—	8,617	16,015	24,632
Increase in liability Bank loans	負債之增加 銀行貸款	—	8,564	—	8,564
Increase in equity attributable to shareholders of the Company	股東應佔權益 之增加				
Investment revaluation reserve	投資重估儲備	—	36	—	36
Revenue reserve	收益儲備	—	17	16,015	16,032
		—	53	16,015	16,068

2. Changes in accounting policies (continued)

2. 會計政策變動(續)

		HKAS 17 香港 會計準則 第17號 HK\$'000 港幣千元	HKAS 32 & 39 香港會計 準則第32號 及39號 HK\$'000 港幣千元	HKFRS 3 香港財務 報告準則 第3號 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
As at 30 June 2005	於二零零五年六月三十日				
Increase/(Decrease) in assets	資產之增加/(減少)				
Fixed assets	固定資產	(92,588)	—	—	(92,588)
Leasehold land	租賃土地	92,588	—	—	92,588
		—	—	—	—

3. Segmental information

3. 分部資料

The Company is an investment holding company and the Group principally operates in four business segments as described below. The analysis of the Group's turnover and contribution to profit from operations by business segment is as follows:

本公司為一間投資控股公司，而本集團主要經營以下四個業務分部。本集團之營業額與對經營業務溢利之貢獻，按業務分部而劃分的分析列述如下：

Business segment:	業務分部：	Turnover 營業額		Profit/(loss) from operations 經營業務溢利/(虧損)	
		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
		Six months ended 31 December 截至十二月三十一日止六個月			
Food	食品	557,826	582,353	33,190	23,011
Detergent	清潔用品	52,194	36,380	1,692	(77)
Packaging	包裝產品	399,608	313,730	35,182	31,451
Distribution	產品分銷	180,821	182,433	26,798	26,554
Others	其他	1,023	1,127	(21,846)	(19,774)
		1,191,472	1,116,023	75,016	61,165

4. Operating profit

Operating profit is arrived at after charging/(crediting):

		Six months ended 31 December	
		截至十二月三十一日止六個月	
		2005	2004
		二零零五年	二零零四年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Depreciation and amortisation	折舊及攤銷	32,830	39,698
Loss/(Gain) on disposal of fixed assets	出售固定資產的虧損／(溢利)	316	(62)

5. Taxation

The taxation charge/(credit) is made up as follows:

		Six months ended 31 December	
		截至十二月三十一日止六個月	
		2005	2004
		二零零五年	二零零四年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
The Group	集團		
Hong Kong taxation	香港稅項	2,339	23,400
Overseas taxation	海外稅項	8,398	1,729
Deferred taxation	遞延稅項	(87)	(541)
		10,650	24,588

Notes:

- (i) Hong Kong profits tax has been provided for at the rate of 17.5% (2004: 17.5%) on the respective estimated assessable profits of companies within the Group operating in Hong Kong during the period.

Included in last corresponding period, a provision was made for tax disputes with the Inland Revenue Department.

- (ii) Overseas taxation represents tax charge on the estimated taxable profits of certain subsidiaries operating in the PRC and Taiwan, calculated at rates prevailing in the respective regions.

Certain subsidiaries operating in the PRC are subject to income tax rates ranging from 15% to 27% (2004: 15% to 27%).

Subsidiaries operating in Taiwan are subject to income tax at a maximum rate of 25% (2004: 25%).

- (iii) Share of jointly controlled entity's taxation credit for the six months ended 31 December 2005 of HK\$19,000 (2004: HK\$540,000) are included in the share of profits/(losses) of a jointly controlled entity under the new HKAS 1's requirement.

4. 經營溢利

經營溢利已扣除／(計入)下列各項：

5. 稅項

稅項支出／(計入)如下：

		Six months ended 31 December	
		截至十二月三十一日止六個月	
		2005	2004
		二零零五年	二零零四年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Notes			
附註			

附註：

- (i) 本集團於香港運作之公司之利得稅準備乃根據期內估計應課稅溢利按稅率17.5%(二零零四年：17.5%)計算。

在去年同期間，本集團已為與香港稅務局產生之稅務糾紛作出有關撥備。

- (ii) 海外稅項指於中國國內及於台灣經營之若干附屬公司就估計應課稅溢利按兩地當時各自之稅率計算的稅項支出。

於中國境內營業之若干附屬公司，其所得稅稅率為15%至27%(二零零四年：15%至27%)。

於台灣境內營業之附屬公司，其所得稅稅率最高為25%(二零零四年：25%)。

- (iii) 為符合香港會計準則第1號之規定，截至二零零五年十二月三十一日止之所佔共同控制個體之稅項計入為港幣19,000元(二零零四年：港幣540,000元)並已包括在應佔共同控制個體的溢利／(虧損)內。

6. Dividend**6. 股息**

Six months ended
31 December
截至十二月三十一日止六個月
2005 **2004**
二零零五年 二零零四年
HK\$'000 **HK\$'000**
港幣千元 港幣千元

Proposed interim dividend of HK\$0.06 per share (2004: HK\$0.06 per share)	擬派發之中期股息：每股港幣六仙 (二零零四年：每股港幣六仙)	14,601	14,601
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7. Earnings per share**7. 每股盈利**

The calculation of basic earnings per share is based on the profit attributable to shareholders of HK\$56,178,000 (2004: HK\$39,684,000) and the weighted average number of 243,354,165 (2004: 243,354,165) ordinary shares in issue during the period.

每股基本盈利乃根據股東應佔溢利港幣56,178,000元(二零零四年：港幣39,684,000元)及本公司於期內已發行普通股之加權平均數243,354,165股(二零零四年：243,354,165股)計算。

No diluted earnings per share for the six months ended 31 December 2005 is presented because there were no dilutive potential ordinary shares outstanding during the period.

由於期內並無已發行具攤薄影響之潛在普通股，因此未有呈列截至二零零五年十二月三十一日止六個月之每股攤薄後之盈利。

8. Fixed assets**8. 固定資產**

During the period, the Group acquired items of property, plant and machinery with a cost of HK\$6 million (2004: HK\$3 million). Items of property, plant and machinery with a net book value of HK\$2 million were disposed of, resulting in a loss on disposal of HK\$0.3 million (2004 comparative figures for assets disposal are insignificant).

於期內，本集團購入物業、廠房及機器之成本為港幣6,000,000元(二零零四年：港幣3,000,000元)。本集團出售物業、廠房及機器之賬面淨值為港幣2,000,000元，導致出售資產虧損為港幣300,000元(就出售資產之二零零四年可比較數字並不重大)。

9. Inventories**9. 存貨**

During the period, an inventory provision of HK\$0.6 million (2004: HK\$1.6 million) was charged to consolidated income statement in order to state the inventories at the lower of their cost or estimated net realisable value.

於期內，因存貨以成本及估計可變現淨值之較低者列賬而導致存貨撥備為港幣600,000元(二零零四年：港幣1,600,000元)並已在綜合收益表扣除。

10. Debtors, deposits and prepayments

The ageing analysis of trade debtors (net of provisions for bad and doubtful debts) is as follows:

		(Unaudited) (未經審核)	(Audited) (經審核)
		At 31 December 2005 於二零零五年 十二月三十一日	At 30 June 2005 於二零零五年 六月三十日
		HK\$'000 港幣千元	HK\$'000 港幣千元
0 – 3 months	零至三個月	179,095	165,227
4 – 6 months	四至六個月	1,199	2,336
Total trade debtors	應收賬款總額	180,294	167,563
Deposits and prepayments	按金及預付款	188,233	151,512
		368,527	319,075

The credit terms given to customers vary and are generally based on the financial strengths of individual customers. In order to effectively manage the credit risks associated with trade debtors, credit evaluations of customers are performed periodically.

給予顧客之信貸條款各異，一般按個別顧客之財政狀況衡量。為更有效地管理與應收賬款相關之信貸風險，本集團均定期進行顧客信用評估。

11. Creditors, deposits received and accruals

The ageing analysis of trade creditors is as follows:

		(Unaudited) (未經審核)	(Audited) (經審核)
		At 31 December 2005 於二零零五年 十二月三十一日	At 30 June 2005 於二零零五年 六月三十日
		HK\$'000 港幣千元	HK\$'000 港幣千元
0 – 3 months	零至三個月	172,631	214,001
4 – 6 months	四至六個月	10,818	19,800
Over 6 months	六個月以上	2,732	665
Total trade creditors	應付賬款總額	186,181	234,466
Deposits received and accruals	已收按金及應付費用	131,268	104,200
		317,449	338,666

10. 應收賬款、按金及預付款

應收賬款(已扣除呆壞賬準備)賬齡分析如下：

11. 應付賬款、已收按金及應付費用

應付賬款賬齡分析如下：

12. Share capital

12. 股本

		(Unaudited) (未經審核)	(Audited) (經審核)
		At 31 December 2005 於二零零五年 十二月三十一日 HK\$'000 港幣千元	At 30 June 2005 於二零零五年 六月三十日 HK\$'000 港幣千元
<i>Authorised:</i>	法定股本：		
300,000,000 shares of HK\$1 each	300,000,000股每股港幣1元	300,000	300,000
<i>Issued and fully paid:</i>	已發行及已繳足股本：		
243,354,165 shares of HK\$1 each	243,354,165股每股港幣1元	243,354	243,354

13. Reserves

13. 儲備

		Share premium	Capital reserve	Property revaluation reserve	Investment revaluation reserve	Exchange reserve	General reserve	Revenue reserve	Total
		股份溢價 HK\$'000 港幣千元	資本儲備 HK\$'000 港幣千元	物業 重估儲備 HK\$'000 港幣千元	投資 重估儲備 HK\$'000 港幣千元	外匯儲備 HK\$'000 港幣千元	一般儲備 HK\$'000 港幣千元	收益儲備 HK\$'000 港幣千元	合計 HK\$'000 港幣千元
At 1 July 2005, as previously reported	於二零零五年 七月一日， 如前呈列	429,423	41,222	29,360	-	(23,135)	50,000	169,847	696,717
Effect of adopting new accounting standards	採納新會計準則 之影響	-	-	-	38	-	-	16,015	16,053
At 1 July 2005, as restated	於二零零五年七月 一日，經重列	429,423	41,222	29,360	38	(23,135)	50,000	185,862	712,770
Change in fair value	公平值之變動	-	-	-	(2)	-	-	-	(2)
Exchange revaluation	匯兌折算	-	-	-	-	(6,702)	-	-	(6,702)
Profit attributable to shareholders of the Company	股東應佔溢利	-	-	-	-	-	-	56,178	56,178
2004/05 final dividend paid	已派二零零四/ 零五年末期股息	-	-	-	-	-	-	(17,035)	(17,035)
At 31 December 2005	於二零零五年 十二月三十一日	429,423	41,222	29,360	36	(29,837)	50,000	225,005	745,209

14. Contingent liabilities

- (a) As at 31 December 2005, the Company had contingent liabilities in respect of guarantees given by the Company to banks to secure banking facilities granted to certain subsidiaries of which the amount utilised by the subsidiaries amounted to HK\$58,182,000 (30 June 2005: HK\$70,410,000).
- (b) As at 31 December 2005, the Group had contingent liabilities in respect of several guarantees given to banks to secure banking facilities of a jointly controlled entity to the extent of HK\$25,338,000 (30 June 2005: HK\$18,853,000).

15. Commitments

- (a) The Group had the following commitment not provided for in the financial statements at the balance sheet date:

	(Unaudited) (未經審核)	(Audited) (經審核)
	At 31 December 2005 於二零零五年 十二月三十一日 HK\$'000 港幣千元	At 30 June 2005 於二零零五年 六月三十日 HK\$'000 港幣千元
Authorised capital expenditure and contracted for	4,495	399

- (b) As at 31 December 2005, the Group committed to supply 40.7 million (30 June 2005: 97.9 million) aluminum cans to a customer in Taiwan at a fixed price. Such commitment was covered by a bank guarantee issued to the customer, which amounted to approximately HK\$1,821,000 (30 June 2005: HK\$5,722,000).
- (c) As at 31 December 2005, the Group had several non-cancelable purchase orders for certain materials with its suppliers with an amount of HK\$115,963,000 (30 June 2005: HK\$132,728,000).

14. 或然負債

- (a) 於二零零五年十二月三十一日，本公司的或然負債為本公司向銀行提出的擔保，以便若干附屬公司取得銀行信貸額。而有關附屬公司已動用之信貸金額共港幣58,182,000元(二零零五年六月三十日：港幣70,410,000元)。
- (b) 於二零零五年十二月三十一日，本集團的或然負債為多項由本集團向銀行提出的擔保，以便有關共同控制個體取得銀行信貸額共港幣25,338,000元(二零零五年六月三十日：港幣18,853,000元)。

15. 承擔項目

- (a) 本集團在結算日有以下資本承擔未反映在財務報表中：

- (b) 於二零零五年十二月三十一日，本集團與一台灣客戶簽定合約，以固定價格供應40,700,000片(二零零五年六月三十日：97,900,000片)鋁罐。本集團就是項合約向有關客戶提出銀行擔保，而擔保金額約為港幣1,821,000元(二零零五年六月三十日：港幣5,722,000元)。
- (c) 於二零零五年十二月三十一日，本集團與供應商訂立數張不可取消的採購訂單，金額為港幣115,963,000元(二零零五年六月三十日：港幣132,728,000元)。

16. Related party transactions

The Group had the following material transactions with its related parties during the period:

16. 有關連人士的交易

於本期間，本集團有以下重大的有關連人士的交易：

Related party 有關連人士	Nature of transactions 交易性質	Notes 附註	Six months ended 31 December 截至十二月三十一日止六個月	
			2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Jointly controlled entity 共同控制個體	Purchases of small package oil 購買小包裝食油	(i)	1,371	3,263
	Sales of aroma oil 香味油銷售	(ii)	42,513	43,397
	Bottling and refinery income of small package oil 小包裝食油裝罐及精煉收入	(iii)	16,807	20,111
	Management fee income 管理費收入	(iii)	2,000	2,000
GIMC Limited ("GIMC")	Royalties received for the use of trademarks 商標使用版權費收入	(iv)	5,001	5,547
	Management fee expenses 管理費支出	(v)	2,459	2,011

Notes:

- (i) Purchases of small package oil were carried out at cost plus a percentage of profit mark-up.
- (ii) Sales of aroma oil were made with reference to the market price.
- (iii) Bottling and refinery income of small package oil and management fee income were determined on the basis of the cost and the amount of services performed by the Group.
- (iv) Under the trademark licence agreement, the royalties received for the use of the trademarks are calculated based on a percentage as may be agreed between the parties from time to time of the gross sales value of licensed products sold by the licensee within Hong Kong and Macau.

附註：

- (i) 購買小包裝食油是以成本加利潤百分率作價進行。
- (ii) 香味油銷售是均按照市場價格進行。
- (iii) 小包裝食油裝罐及精煉收入及管理費收入均以有關成本及本集團所提供的服務而釐定。
- (iv) 商標使用版權費收入是根據商標租用合同，以商標使用者在香港及澳門銷售可使用商標產品的總銷售金額按已訂百分率徵收。此已訂百分率可在雙方同意下定期更改。

16. Related party transactions (continued)

Notes: (continued)

- (v) GIMC is an indirect wholly-owned subsidiary of Hong Leong Company (Malaysia) Berhad ("HLCM") and by virtue of the Securities and Futures Ordinance, a substantial shareholder of the Company, which is deemed to be interested in 73.11% of share capital in the Company. A service agreement (the "Original GIMC Services Agreement") and a supplemental service agreement (the "Supplemental GIMC Services Agreement") were entered into between the Company and GIMC Limited ("GIMC") on 27 June 2003 and 17 January 2006 respectively. A summary of the terms of the Original GIMC Services Agreement and as amended and supplemented by the Supplemental GIMC Services Agreement (together, the "GIMC Services Agreement") is as follows:
- (a) GIMC would provide the Company with services including the overview of the Group's strategies and planning, oversight of investment and financial management disciplines, treasury and risk management and development, development of quality and productivity programmes, guidance in respect of operating practices and procedures, and overview of planning and development of management information systems;
- (b) The Company would render to GIMC service fees, subject to an annual cap of HK\$10,000,000 (the "Annual Cap"), comprising a monthly charge of HK\$50,000 (or such other amount as may be agreed from time to time between GIMC and the Company) and an annual fee equal to 3 per cent. of the annual consolidated profits before tax of the Company for each of the three financial years ending 30 June 2006, 30 June 2007 and 30 June 2008; and
- (c) the term of the GIMC Services Agreement is for a term of three years commenced on 1 July 2005 and may be renewed thereafter for a consecutive term of three years by the Company serving written notice to GIMC at least three months prior to the expiration of the current terms, subject to GIMC's agreement to such renewal.

In the event that the aggregate service fees payable by the Company to HLCM or any of its associated companies for the provision of similar services, if any, exceeded the Annual Cap during any of the three financial years ending 30 June 2006, 30 June 2007 and 30 June 2008, the Company would be required to re-comply with the Listing Rules and be subject to strict compliance with the disclosure requirement therein; and GIMC would have the right to terminate the GIMC Services Agreement immediately.

16. 有關連人士的交易(續)

附註：(續)

- (v) GIMC是Hong Leong Company (Malaysia) Berhad ("HLCM")的間接全資附屬公司，根據《證券及期貨條例》，為本公司之主要股東，並被視作持有73.11%本公司股份之權益。本公司與GIMC Limited ("GIMC")於二零零三年六月二十七日及二零零六年一月十七日分別訂立一份服務協議("原GIMC服務協議")及一份補充服務協議("GIMC補充服務協議")。下文為經GIMC補充服務協議修訂及補充之原GIMC服務協議(統稱"GIMC服務協議")之條款摘要：
- (a) GIMC將為本公司提供的服務包括概觀本公司之策略及規劃、監察投資及財務管理等紀律、財資及風險管理及發展、質素及生產力的發展計劃、有關經營慣例及程序之諮詢及概觀資訊管理的規劃及發展；
- (b) 本公司將支付予GIMC的服務費用包括月費50,000港元(或GIMC與本公司不時可能同意之其他金額)以及相等於各年(即截至二零零六年六月三十日、二零零七年六月三十日及二零零八年六月三十日止三個財政年度)每年除稅前綜合溢利之3%之年費，惟須受各年應付之年度上限10,000,000港元(「年度上限」)所規限；及
- (c) GIMC服務協議由二零零五年七月一日起生效為期三年，並可於其協議屆滿前給予GIMC不少於三個月通知以重續該協議三年，惟該等重續須獲得GIMC同意。

本公司若於各年(即截至二零零六年六月三十日、二零零七年六月三十日及二零零八年六月三十日止三個財政年度)須就HLCM或其任何聯營公司所提供類似服務(如有)所應付之服務費用超過年度上限，本公司將須重新遵守上市規則並須嚴格遵守其中之公佈規定，而GIMC將有權即時終止GIMC服務協議。

REVIEW BY BOARD AUDIT COMMITTEE

The unaudited interim results for six months ended 31 December 2005 have been reviewed with no disagreement by the Board Audit Committee of the Company. The information in these interim results does not constitute statutory accounts.

CONTINUING OBLIGATION

Details of advances given to and guarantees given for banking facilities granted to an affiliated company as at 31 December 2005, which in aggregate exceeded the relevant percentage ratio of 8% under Rules 13.13 and 13.16 of the Listing Rules, are as follows:

Affiliated company 聯屬公司	Percentage of equity held by the Group 本集團所持 權益百分比	Balance of advances 貸款結餘 HK\$'000 港幣千元	Guarantees given 提供之擔保 HK\$'000 港幣千元	Extent of guaranteed facilities utilised 已動用之 擔保融資額 HK\$'000 港幣千元	Aggregate of advances and guarantees given 貸款及提供 擔保總額 HK\$'000 港幣千元
Evergreen Oils & Fats Limited	50	13,115	77,000	25,338	90,115

Evergreen Oils & Fats Limited is a 50:50 jointly controlled entity of the Group and an independent third party. The advances are trade receivables arising from the ordinary course of business of the Group and are unsecured, interest-free and repayable on demand.

董事會審核委員會之審閱

截至二零零五年十二月三十一日止六個月之未經審核中期業績，經已由本公司之董事會審核委員會作出審閱並沒有不同意。該等中期業績之資料並不屬於法定賬目。

持續責任

於二零零五年十二月三十一日向聯屬公司提供有關之貸款及就聯屬公司獲授銀行融資所提供之擔保，其總金額超過上市規則第13.13條及第13.16條規定之有關百分比8%，詳列如下：

Evergreen Oils & Fats Limited乃本集團與一獨立第三者各佔一半股份之共同控制個體。有關貸款乃從本集團日常及一般業務過程中衍生及無抵押，免息及沒有固定還款期之應收賬款。

CONTINUING OBLIGATION *(continued)*

持續責任 *(續)*

Pursuant to the continuing disclosure requirements under Rule 13.22 of the Listing Rules, the proforma combined balance sheet of the affiliated company and the attributable interest of the Group in the affiliated company as at 31 December 2005 are disclosed as follows:

根據上市規則第13.22條之持續披露責任，於二零零五年十二月三十一日，聯屬公司之備考合併資產負債表及本集團在聯屬公司中應佔的權益之披露如下：

(a) Proforma combined balance sheet of Evergreen Oils & Fats Limited

(a) Evergreen Oils & Fats Limited之備考合併資產負債表

(Unaudited)

(未經審核)

At 31 December 2005

於二零零五年十二月三十一日

HK\$'000

港幣千元

Non-current assets	非流動資產	19,170
Current assets	流動資產	220,982
Current liabilities	流動負債	(121,988)
Non-current liabilities	非流動負債	(1,270)
Net assets	淨資產	116,894

(b) Attributable interest of the Group

(b) 本集團應佔權益

(Unaudited)

(未經審核)

At 31 December 2005

於二零零五年十二月三十一日

HK\$'000

港幣千元

Share of net assets	應佔淨資產	58,447
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DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2005, the directors have the following interests or short positions in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("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 Companies ("Model Code") in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"):

(A) The Company

Interest in shares/underlying shares

Name of director 董事姓名	Nature of interest 權益性質	Number of shares/underlying shares held 持有股份／ 相關股份數目	Notes 附註	Total 總計	Approximate percentage of total issued share capital of the Company 佔本公司已發行 股本的百分率
WHANG Tar Choung 黃大椿	Personal 個人	5,337,637			
	Family 家族	4,222,534			
	Persons acting in concert 一致行動人仕	168,354,476	(a) & (b)	177,914,647	73.11%
NG Ping Kin, Peter 伍秉堅	Personal 個人	100,000		100,000	0.04%
WHANG Sun Tze 黃上哲	Personal 個人	27,123,743			
	Corporate 公司	19,326	(c)		
	Persons acting in concert 一致行動人仕	150,790,035	(a) & (d)	177,933,104	73.12%

董事於股份、相關股份及債券之 權益

於二零零五年十二月三十一日，各董事於本公司或其任何聯營公司(定義見證券及期貨條例第十五部)擁有須根據證券及期貨條例(「證券及期貨條例」)第352條規定而設之登記名冊中所載之股份，有關股本中之淡倉股份，相關股份及債券之權益及根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」)內之上市公司董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所之權益如下：

(A) 本公司

持有股份／相關股份之權益

**DIRECTORS' INTERESTS IN SHARES,
UNDERLYING SHARES AND DEBENTURES**

(continued)

**董事於股份、相關股份及債券之
權益 (續)**

(A) The Company (continued)

(A) 本公司 (續)

Interest in shares/underlying shares (continued)

持有股份／相關股份之權益 (續)

Name of director 董事姓名	Nature of interest 權益性質	Number of shares/underlying shares held 持有股份／ 相關股份數目	Notes 附註	Total 總計	Approximate percentage of total issued share capital of the Company 佔本公司已發行 股本的百分率
LO Kwong Chi, Clement 羅廣志	Personal 個人	373,754		373,754	0.15%
KWEK Leng Hai 郭令海	Personal 個人	2,300,000		2,300,000	0.95%
TAN Lim Heng 陳林興	Personal 個人	274,000		274,000	0.11%
James ENG Jr. 英正生	Personal 個人	619,000		619,000	0.25%
HO King Cheung 何景祥	Personal 個人	30,690		30,690	0.01%
YONG Weng Chye 楊榮財	Personal 個人	132,000		132,000	0.05%

**DIRECTORS' INTERESTS IN SHARES,
UNDERLYING SHARES AND DEBENTURES***(continued)***董事於股份、相關股份及債券之
權益 (續)****(B) Associated corporations****(B) 聯營公司***(i) Interests in shares/underlying shares**(i) 股份／相關股份之權益*

Name of associated corporations 聯營公司名稱	Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份／ 相關股份數目	Notes 附註	Total 總計	Approximate percentage of total issued share capital of associated corporations 佔聯營公司已發 行股本的百分率
Hong Leong Company (Malaysia) Berhad	KWEK Leng Hai 郭令海	Personal 個人	400,500		400,500	2.50%
M.C. Packaging Offshore Limited	NG Ping Kin, Peter 伍秉堅	Personal 個人	3,000		3,000	0.36%
Guoco Group Limited 國浩集團有限公司	KWEK Leng Hai 郭令海	Personal 個人	3,670,775		3,670,775	1.12%
	TAN Lim Heng 陳林興	Personal 個人	559,230		559,230	0.17%
	James ENG Jr. 英正生	Personal 個人	565,443		565,443	0.17%
	TSANG Cho Tai 曾祖泰	Personal 個人	1,000		1,000	0.00%

**DIRECTORS' INTERESTS IN SHARES,
UNDERLYING SHARES AND DEBENTURES**

(continued)

**董事於股份、相關股份及債券之
權益 (續)**

(B) Associated corporations (continued)

(B) 聯營公司 (續)

(i) *Interests in shares/underlying shares (continued)*

(i) *股份／相關股份之權益 (續)*

Name of associated corporations 聯營公司名稱	Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份／ 相關股份數目	Notes 附註	Total 總計	Approximate percentage of total issued share capital of associated corporations 佔聯營公司已發 行股本的百分率
GuocoLand Limited 國浩房地產有限公司	WHANG Tar Choung 黃大椿	Personal 個人	12,500		12,500	0.00%
	WHANG Sun Tze 黃上哲	Family 家族	66,600		66,600	0.01%
	KWEK Leng Hai 郭令海	Personal 個人	19,851,140		19,851,140	2.98%
	TAN Lim Heng 陳林興	Personal 個人	1,000,000		1,000,000	0.15%
	James ENG Jr. 英正生	Personal 個人	200,000		200,000	0.03%
	TSANG Cho Tai 曾祖泰	Personal 個人	200,000		200,000	0.03%
Hong Leong Bank Berhad	WHANG Sun Tze 黃上哲	Family 家族	129,000		129,000	0.01%
	KWEK Leng Hai 郭令海	Personal 個人	3,955,700		3,955,700	0.26%

**DIRECTORS' INTERESTS IN SHARES,
UNDERLYING SHARES AND DEBENTURES***(continued)***董事於股份、相關股份及債券之
權益 (續)****(B) Associated corporations (continued)****(B) 聯營公司 (續)***(i) Interests in shares/underlying shares (continued)**(i) 股份／相關股份之權益 (續)*

Name of associated corporations 聯營公司名稱	Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份／ 相關股份數目	Notes 附註	Total 總計	Approximate percentage of total issued share capital of associated corporations 佔聯營公司已發 行股本的百分率
Hong Leong Credit Berhad ("HLCB")	WHANG Sun Tze 黃上哲	Family 家族	534,092		534,092	0.05%
	KWEK Leng Hai 郭令海	Personal 個人	2,316,800	(e)	2,316,800	0.22%
	TAN Lim Heng 陳林興	Personal 個人	245,700		245,700	0.02%
Hong Leong Industries Berhad ("HLI")	WHANG Sun Tze 黃上哲	Family 家族	105,600		105,600	0.05%
	KWEK Leng Hai 郭令海	Personal 個人	215,312	(f)	215,312	0.10%
GuocoLand (Malaysia) Berhad (formerly known as Hong Leong Properties Berhad)	KWEK Leng Hai 郭令海	Personal 個人	226,800		226,800	0.03%
	TAN Lim Heng 陳林興	Personal 個人	73,710		73,710	0.01%
Hume Industries (Malaysia) Berhad	WHANG Sun Tze 黃上哲	Family 家族	12,667		12,667	0.01%
HLG Capital Berhad	KWEK Leng Hai 郭令海	Personal 個人	500,000		500,000	0.41%

**DIRECTORS' INTERESTS IN SHARES,
UNDERLYING SHARES AND DEBENTURES**

**董事於股份、相關股份及債券之
權益 (續)**

(continued)

(B) Associated corporations (continued)

(B) 聯營公司 (續)

(ii) *Interests in debentures*

(ii) *債券權益*

Name of associated corporation 聯營公司名稱	Name of director 董事姓名	Nature of interest 權益性質	Amount of debentures held 債券金額 MYR 馬來西亞元	Total 總計 MYR 馬來西亞元
Hong Leong Industries Berhad	KWEK Leng Hai 郭令海	Personal 個人	165,000	165,000

Notes:

附註：

- (a) The total interests disclosed herein represent the interests in 177,914,647 ordinary shares of the Company which the respective parties held by virtue of Section 317 of the SFO in relation to the interests in shares pursuant to the shareholders' agreement and the supplemental agreement both dated 27 May 1997 entered into by Guoinvest International Limited ("Guoinvest") and, inter alia, Dr. WHANG Sun Tze (alias: WHANG Siong Tiat), Mr. WHANG Tar Choung, Madam TEO Joo Yee, T.C. Whang & Company (Private) Limited ("T.C. & Co.") and Raven Investment Company Limited ("Raven") and the Novation Agreement dated 5 September 2003 entered into by Guoinvest, GuoLine International Limited (a sister subsidiary of Guoinvest), Dr. WHANG Sun Tze (alias: WHANG Siong Tiat), Mr. WHANG Tar Choung, Madam TEO Joo Yee, T.C. & Co. and Raven.
- (a) 本文所披露之總權益代表本公司 177,914,647 股之普通股，權益包括下述有關各方根據證券及期貨條例第 317 條之規定，Guoinvest International Limited (「Guoinvest」) 及黃上哲博士、黃大椿先生、張如意女士、T.C. Whang & Company (Private) Limited (「T.C. & Co.」) 及利宏投資有限公司 (「利宏」) 根據於一九九七年五月二十七日簽訂之股東協議及補充協議及 Guoinvest、GuoLine International Limited (「Guoinvest 之姊妹附屬公司」)、黃上哲博士、黃大椿先生、張如意女士、T.C. & Co. 及利宏根據二零零三年九月五日所簽訂之約務更改合同所持有之權益。
- (b) The interests of person acting in concert disclosed represent the deemed interests of Mr. WHANG Tar Choung in 168,354,476 ordinary shares in the Company referred to in Note (a) above.
- (b) 所披露之一致行動人仕權益代表上文附註 (a) 所述由黃大椿先生持有本公司 168,354,476 股普通股之被視為擁有之權益。
- (c) The interests disclosed represent the corporate interests of Dr. WHANG Sun Tze in 18,457 ordinary shares and 869 ordinary shares in the Company held by SGR Investment Company Limited ("SGR") and T.C. & Co. respectively. Dr. WHANG Sun Tze holds 35.41% and 59.52% interests in SGR and T.C. & Co. respectively.
- (c) 所披露之權益代表黃上哲博士透過 SGR Investment Company Limited (「SGR」) 及 T.C. & Co. 分別持有本公司 18,457 股普通股及 869 股普通股之權益。黃上哲博士在 SGR 及 T.C. & Co. 分別持有 35.41% 及 59.52% 之股份權益。

**DIRECTORS' INTERESTS IN SHARES,
UNDERLYING SHARES AND DEBENTURES***(continued)**Notes: (continued)*

- (d) The interests of person acting in concert disclosed represent the deemed interests of Dr. WHANG Sun Tze in 150,790,035 ordinary shares in the Company referred to in Note (a) above.
- (e) The interests of Mr. KWEK Leng Hai represent the interests in 2,156,000 ordinary shares of HLCB and 160,800 underlying shares of listed physically settled options issued by HLCB.
- (f) The interests of Mr. KWEK Leng Hai represent the interests in 163,200 ordinary shares of HLI and 52,112 underlying shares of listed physically settled options issued by HLI.

All the interests disclosed in sections (A) and (B) above represent long position in the ordinary shares of the Company or associated corporations save as otherwise specified in the notes above.

Save as disclosed herein, as at 31 December 2005, none of the directors of the Company has any interests or short positions in any shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

**董事於股份、相關股份及債券之
權益 (續)***附註：(續)*

- (d) 所披露之一致行動人仕權益代表上文附註(a)所述由黃上哲博士持有本公司150,790,035股普通股之被視為擁有之權益。
- (e) 郭令海先生持有之權益代表2,156,000股HLCB普通股及160,800股HLCB發行之上市實物交收之期權之相關股份。
- (f) 郭令海先生持有之權益代表163,200股HLI普通股及52,112股HLI發行之上市實物交收之期權之相關股份。

所有於上述(A)及(B)部所披露之權益皆代表持有本公司或聯營公司之好倉普通股股份。於上文另述者除外。

除本文所披露者外，於二零零五年十二月三十一日概無任何本公司董事於本公司或其任何聯營公司(定義見證券及期貨條例第十五部)擁有須根據證券及期貨條例第352條規定而設之登記名冊中所載之股份，有關股本中之淡倉股份，相關股份及債券及根據標準守則須知會本公司及聯交所之權益。

SHARE OPTIONS

The share option scheme adopted by the Company on 26 May 2000 was terminated on 23 May 2003 but without prejudice to any share options previously granted prior to such termination. As at 31 December 2005, there was no outstanding share option granted pursuant to the share option scheme.

On 23 May 2003, in order to comply with the new requirements of Chapter 17 of the Listing Rules, a new share option scheme of the Company (the "New Share Option Scheme") was adopted. No option was granted under the New Share Option Scheme during the period ended 31 December 2005.

Saved as disclosed herein, at no time during the period ended 31 December 2005 was the Company or any of its subsidiaries, holding company or fellow subsidiaries a party to any arrangement which would enable the directors and their spouses and children under eighteen years of age to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

購股權

二零零零年五月二十六日採納之購股權計劃於二零零三年五月二十三日終止，但不會影響於終止前所授出之購股權。於二零零五年十二月三十一日，並沒有根據購股權計劃而授出之購股權。

於二零零三年五月二十三日，為符合上市條例第十七章之新規定，公司一項新購股權計劃（「新購股權計劃」）已獲採納。於二零零五年十二月三十一日期內，並無根據新購股權計劃而授出任何購股權。

除上列者外，於二零零五年十二月三十一日期內，本公司或其附屬公司、控股公司或其附屬公司並無簽訂任何協議，使董事、其配偶及其不超過十八歲之子女可透過購買本公司或任何其他公司之股份或債券而獲得利益。

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS IN SHARES**主要股東及其他個人之持股權益**

As at 31 December 2005, so far as it is known to the directors, the following persons (other than a director) have 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 pursuant to Section 336 of the SFO:

於二零零五年十二月三十一日，就董事所知，根據證券及期貨條例第336條規定而設之登記名冊中所載，下列人士(董事除外)持有股份，有關股本中之淡倉股份或相關股份之權益：

Name of shareholder 股東名稱	Number of shares held 持有之股份數目	Notes 附註	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本的百分率
Raven Investment Company Limited ("Raven") 利宏投資有限公司(「利宏」)	177,914,647	(A)+(B)	73.11%
T.C. Whang & Company (Private) Limited ("T.C. & Co.")	177,914,647	(A)+(C)	73.11%
TEO Joo Yee 張如意	177,914,647	(A)+(D)	73.11%
Hong Leong Company (Malaysia) Berhad ("HLCM")	177,914,647	(A)+(E)+(F)	73.11%
QUEK Leng Chan ("QLC") 郭令燦	177,914,647	(A)+(E)+(F)	73.11%
HL Holdings Sdn Bhd ("HLH")	177,914,647	(A)+(E)+(F)	73.11%
Hong Leong Investment Holdings Pte Limited ("HLIH")	177,914,647	(A)+(E)+(F)	73.11%
Kwek Holdings Pte Limited ("KH")	177,914,647	(A)+(E)+(F)	73.11%
Davos Investment Holdings Private Limited ("Davos")	177,914,647	(A)+(E)+(F)	73.11%
Kwek Leng Kee ("KLK")	177,914,647	(A)+(E)+(F)	73.11%

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS IN SHARES (continued)

主要股東及其他個人之持股權益 (續)

Notes:

附註：

- (A) The total interests disclosed herein represent the interests in 177,914,647 ordinary shares of the Company which the respective parties held by virtue of Section 317 of the SFO in relation to the interests in shares pursuant to the shareholders' agreement and the supplemental agreement both dated 27 May 1997 entered into by Guoinvest International Limited ("Guoinvest") and, inter alia, Dr. WHANG Sun Tze (alias: WHANG Siong Tiat), Mr. WHANG Tar Choung, Madam TEO Joo Yee, T.C. & Co. and Raven and the Novation Agreement dated 5 September 2003 entered into by Guoinvest, GuoLine International Limited ("GuoLine") (a sister subsidiary of Guoinvest), Dr. WHANG Sun Tze (alias: WHANG Siong Tiat), Mr. WHANG Tar Choung, Madam TEO Joo Yee, T.C. & Co. and Raven.
- (B) The interests disclosed comprise (i) own interest of Raven in 1,221,205 ordinary shares in the Company and (ii) the deemed interest in 176,693,442 ordinary shares in the Company held by other parties referred to in Note (A) above.
- (C) The interests disclosed comprise (i) own interest of T.C. & Co. in 869 ordinary shares in the Company and (ii) the deemed interest in 177,913,778 ordinary shares in the Company held by other parties referred to in Note (A) above.
- (D) The interests disclosed comprise (i) own interest of Madam TEO Joo Yee in 4,222,534 ordinary shares in the Company and (ii) the deemed interest in 173,692,113 ordinary shares in the Company held by other parties referred to in Note (A) above.
- (E) The interests disclosed comprise (i) the corporate interests in 140,008,659 ordinary shares in the Company held through GuoLine and (ii) the deemed interest in 37,905,988 ordinary shares in the Company held by other parties referred to in Note (A) above.
- (F) Both Guoinvest and GuoLine are wholly-owned subsidiaries of GuoLine Capital Assets Limited which in turn is a wholly-owned subsidiary of HLCM. HLCM is held as to 49.11% and 34.49% by HLH and HLIH respectively. HLH is wholly-owned by QLC. KLK holds 41.92% interest in Davos which in turn holds 33.59% interest in HLIH and KH holds 49% interest in HLIH.
- (A) 本文所披露之總權益代表本公司177,914,647股之普通股，權益包括下述有關各方根據證券及期貨條例第317條之規定，Guoinvest International Limited (「Guoinvest」) 及黃上哲博士、黃大椿先生、張如意女士、T.C. & Co. 及利宏根據於一九九七年五月二十七日簽訂之股東協議及補充協議及Guoinvest、GuoLine International Limited (「GuoLine」) (Guoinvest之姊妹附屬公司)、黃上哲博士、黃大椿先生、張如意女士、T.C. & Co. 及利宏根據二零零三年九月五日所簽訂之約務更改合同所持有之權益。
- (B) 所披露之權益包括(i)利宏本身於本公司1,221,205股普通股之權益及(ii)上文附註(A)所述由其他人仕持有之本公司176,693,442股普通股之被視為擁有之權益。
- (C) 所披露之權益包括(i)T.C. & Co. 本身於本公司869股普通股之權益及(ii)上文附註(A)所述於本公司177,913,778股普通股之被視為擁有之權益。
- (D) 所披露之權益包括(i)張如意女士本身於本公司4,222,534股普通股之權益及(ii)上文附註(A)所述由其他人仕持有之本公司173,692,113股普通股之被視為擁有之權益。
- (E) 所披露之權益包括(i)透過GuoLine持有於本公司140,008,659股普通股之權益及(ii)上文附註(A)所述由其他人仕持有之本公司37,905,988股普通股之被視為擁有之權益。
- (F) Guoinvest及GuoLine均為GuoLine Capital Assets Limited之全資附屬公司，後者為HLCM之全資附屬公司。HLH及HLIH分別持有49.11%及34.49% HLCM之權益。HLH為QLC之全資附屬公司。KLK持有41.92% Davos之股權而Davos則持有HLIH 33.59%之股權，而KH持有HLIH 49%之股權。

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS IN SHARES *(continued)*

All the interests disclosed under this section represent long position in the ordinary shares of the Company.

Save as disclosed herein and so far it is known to the directors, as at 31 December 2005, no other person (other than a director) has an interest or a short position in the shares and underlying shares in the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

CORPORATE GOVERNANCE

Code on Corporate Governance Practices

During the period, the Company had complied with the relevant provisions set out in the Code on Corporate Governance Practices (the "CGP Code") based on the principles set out in Appendix 14 to the Listing Rules, save for the following:

- the non-executive directors were not appointed for a specific term. However, they are subject to retirement by rotation and re-election at the annual general meetings of the Company pursuant to the Articles of Association of the Company. As such, the Company considers that such provisions are sufficient to meet the underlying objectives of the relevant provisions of the CGP Code.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as the code of conduct regarding directors' securities transactions.

Having made specific enquiry of all directors of the Company, they have complied with the required standard set out in the Model Code for the period.

主要股東及其他個人之持股權益 (續)

此部份之所有權益皆代表持有本公司好倉普通股股份。

除本文所披露外以及就董事所知，根據證券及期貨條例第336條規定而設之登記冊顯示，於二零零五年十二月三十一日，並無其他人仕(董事除外)持有股份及有關股本中淡倉股份及相關股份之權益。

企業管治

企業管治常規守則

於期內，本公司一直按上市規則附錄14之原則，遵守企業管治常規守則(「企業管治守則」)所載之有關條文，惟下列除外：

- 非執行董事並無特定任期，但須根據本公司之公司細則規定於本公司股東週年大會上輪值告退。因此，本公司認為該等條文足以符合企業管治常規守則有關條文之相關目標。

董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載之上市公司董事進行證券交易的標準守則(「標準守則」)，作為董事進行證券交易之操守守則。

已向本公司所有董事作出特別諮詢，彼等於期內一直遵守標準守則規定之標準。

CORPORATE GOVERNANCE *(continued)*

Board Audit Committee

The Board Audit Committee (BAC) comprises Messrs. NG Ping Kin, Peter (Chairman), LO Kwong Chi, Clement, TSANG Cho Tai and DING Wai Chuen, three of whom are independent non-executive directors. The Board Audit Committee intends to meet quarterly to assist the Board in providing an independent review on the completeness, accuracy and fairness of the financial statements of the Group, as well as the efficiency and effectiveness of the Group's internal controls. In addition, the Board Audit Committee has reviewed with management the accounting policies and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the unaudited consolidated financial statements of the Group for the period ended 31 December 2005.

The terms of reference of the BAC were revised to align with the provisions of the CGP Code.

Remuneration Committee

The Board of Directors has set up a Remuneration Committee with written terms of reference with effect from 1 July 2005. The Remuneration Committee comprises Messrs. KWEK Leng Hai (Chairman), LO Kwong Chi, Clement and DING Wai Chuen, two of whom are independent non-executive directors.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

The Company had not redeemed, neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed shares during the period ended 31 December 2005.

企業管治 (續)

董事會審核委員會

董事會審核委員會由伍秉堅先生(主席)、羅廣志先生、曾祖泰先生及丁偉銓先生組成，其中三位為獨立非執行董事。董事會審核委員會擬每季舉行一次會議以協助董事會獨立檢討本集團財務報表的完整性、準確性和公正程度以及本集團營運與內部監控的效率及效益。董事會審核委員會已連同管理層檢討本集團所採納之會計政策及實務，以及商討審計，內部監控及財務申報事宜，並已包括審閱本集團截至二零零五年十二月三十一日止期內未經審核中期財務報表。

董事會審核委員會之職權範圍已獲修訂，以與企業管治守則條文一致。

薪酬委員會

董事會已成立薪酬委員會，並已制訂其書面職權範圍，由二零零五年七月一日起生效。薪酬委員會由郭令海先生(主席)、羅廣志先生及丁偉銓先生組成，其中兩位為獨立非執行董事。

購買、出售或贖回本公司之上市證券

於截至二零零五年十二月三十一日止期內本公司並無贖回，及本公司或其任何附屬公司概無購買或出售本公司任何上市證券。

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Thursday, 16 March 2006 to Tuesday, 21 March 2006, both days inclusive, during which period, no transfer of shares will be registered.

In order to qualify for the interim dividend, all share transfers accompanied by the requisite share certificates must be lodged with the Company's Share Registrars and Transfer Office, Hongkong Managers and Secretaries Limited, Citicorp Center, 26th Floor, 18 Whitfield Road, Causeway Bay, Hong Kong, not later than 4:00 p.m. on Wednesday, 15 March 2006.

APPRECIATION

The Board of Directors would like to express its sincere appreciation to its bankers, suppliers, customers and shareholders for their continued support to the Group. The Board of Directors also wishes to thank the Group's management and staff for achieving major progress in our businesses and their dedication and commitment for improving our product quality for the market.

By Order of the Board
WHANG Tar Choung
Chairman

Hong Kong, 28 February 2006

暫停辦理股份過戶登記手續

本公司將由二零零六年三月十六日(星期四)至二零零六年三月二十一日(星期二)(首尾兩天包括在內)期內暫停辦理股份過戶登記手續。

如欲符合資格獲派中期股息，所有股份過戶文件連同有關之股票必須於二零零六年三月十五日(星期三)下午四時前送達本公司之股份過戶登記處香港經理秘書有限公司，地址為香港銅鑼灣威非路道18號萬國寶通中心26樓。

鳴謝

董事會同寅對一直給予本集團支持的銀行、供應商、顧客及股東，致以最由衷的感謝。同時董事會同寅亦感謝本集團的管理層及員工，對核心業務之進展所付出之努力及對改善提供予市場之產品品質所作出的貢獻及承諾。

承董事會命
主席
黃大椿

香港，二零零六年二月二十八日