



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)

(Stock Code : 0152)

(股份代號 : 0152)



WORKING ACROSS BOUNDARIES

Interim Report 2006 中期報告



2	公司資料	Corporate Information
4	集團簡介	Corporate Profile
6	財務摘要	Financial Highlights
8	管理層討論及分析	Management Discussion and Analysis
36	核數師獨立審閱報告	Auditors' Independent Review Report
38	簡明綜合資產負債表	Condensed Consolidated Balance Sheet
40	簡明綜合損益表	Condensed Consolidated Income Statement
41	簡明綜合權益變動表	Condensed Consolidated Statement of Changes in Equity
42	簡明綜合現金流量表	Condensed Consolidated Cash Flow Statement
43	簡明綜合財務資料附註	Notes to Condensed Consolidated Financial Information
65	其他資料	Supplementary Information

公司資料

CORPORATE INFORMATION

董事會

執行董事：

郭原 (主席)

李景奇 (總裁)

劉軍

非執行董事：

杜志強

張化橋

獨立非執行董事：

梁銘源

丁迅

聶潤榮

審核委員會

梁銘源 (主席)

丁迅

聶潤榮

提名委員會

丁迅 (主席)

梁銘源

李景奇

薪酬委員會

丁迅 (主席)

梁銘源

李景奇

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

BOARD OF DIRECTORS

Executive Directors:

Guo Yuan (*Chairman*)

Li Jing Qi (*Chief Executive Officer*)

Liu Jun

Non-Executive Directors:

To Chi Keung, Simon

Zhang Hua Qiao

Independent Non-Executive Directors:

Leung Ming Yuen, Simon

Ding Xun

Nip Yun Wing

AUDIT COMMITTEE

Leung Ming Yuen, Simon (*Chairman*)

Ding Xun

Nip Yun Wing

NOMINATION COMMITTEE

Ding Xun (*Chairman*)

Leung Ming Yuen, Simon

Li Jing Qi

REMUNERATION COMMITTEE

Ding Xun (*Chairman*)

Leung Ming Yuen, Simon

Li Jing Qi

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

網頁

<http://www.szihl.com>

股份代號

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
廣東發展銀行
(中國境內銀行)
荷蘭合作銀行，香港分行
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
香港皇后大道東二十八號
金鐘匯中心二十六樓

HOME PAGE

<http://www.szihl.com>

STOCK CODE

0152

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
Guangdong Development Bank
(PRC Domestic Bank)
Rabobank International, Hong Kong Branch
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
26th Floor, Tesbury Centre
28 Queen's Road East, Hong Kong

集團簡介

CORPORATE PROFILE

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、其聯營公司及其共同控制實體公司，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41.93%。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6.97%。

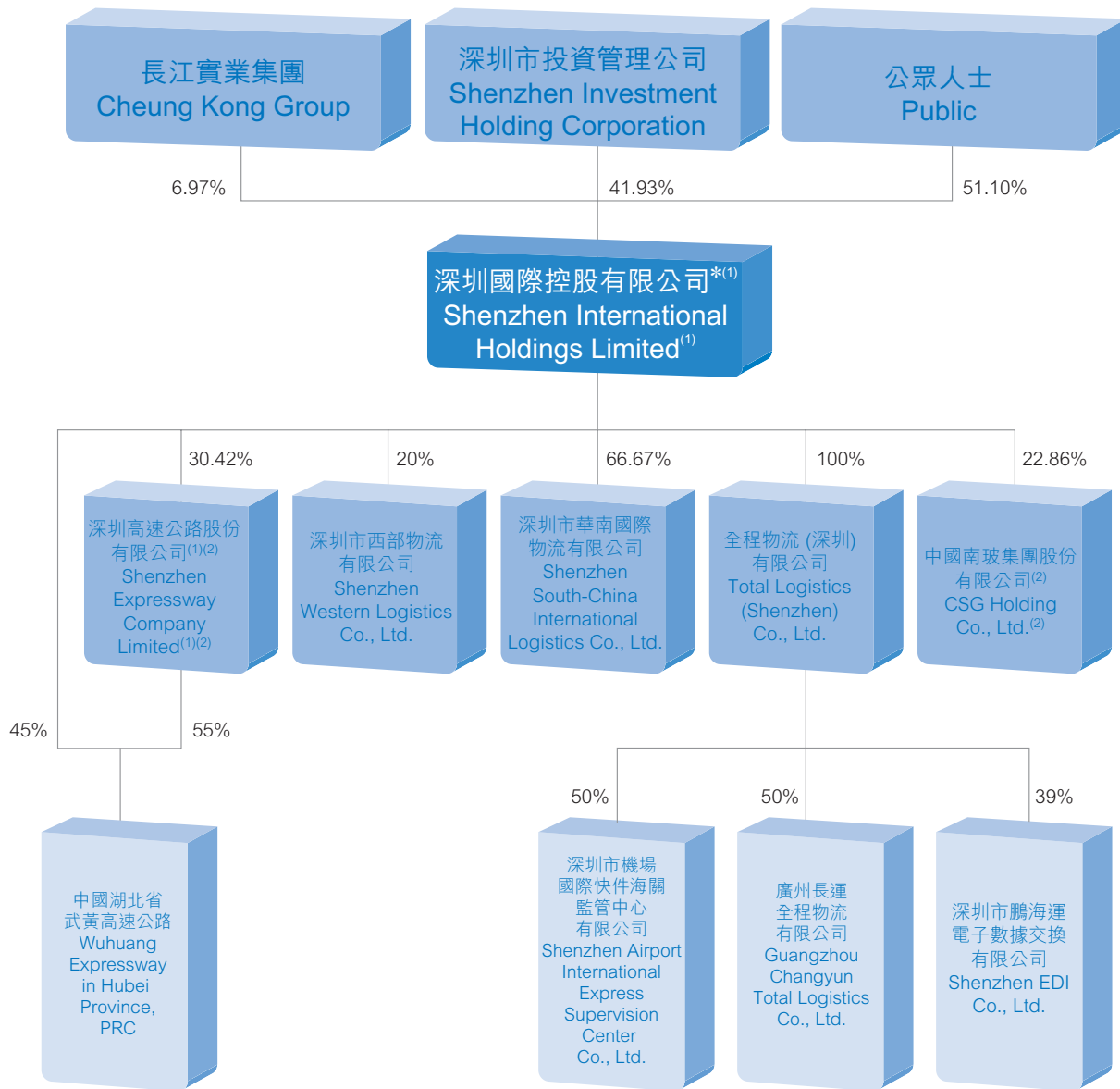
在深圳市政府的大力支持下，本集團將秉承已確立的長期發展策略，通過重組、購併及業務拓展，積極介入物流業的四個重大部份，包括基礎設施、運力體系、物流和配套服務以及物流信息服務，完善物流網絡的構建和設施的建設，逐步與客戶及其供應鏈夥伴形成長期戰略合作夥伴關係，建立集團的核心競爭能力。

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, associates and jointly controlled entities, 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 41.93% 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 6.97% of the issued share capital of the Company.

With the strong support 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.

集團簡介 CORPORATE PROFILE



* 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

財務摘要

FINANCIAL HIGHLIGHTS

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

		二零零六年 2006 港幣百萬元 HK\$ million	二零零五年 2005 港幣百萬元 HK\$ million
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	The Company, subsidiaries and jointly-controlled entities Share of associates	187 486	135 377
經營盈利	Operating profit	673	512
除稅前盈利	Profit before income tax	46	45
股東應佔盈利	Profit attributable to shareholders	134	134
每股基本盈利(港幣仙)	Basic earnings per share (HK cents)	129 1.12	133 1.16

		二零零六年 六月三十日 30 June 2006 港幣百萬元 HK\$ million	二零零五年 十二月三十一日 31 December 2005 港幣百萬元 HK\$ million
財務狀況	Financial Position		
總資產值	Total assets	5,115	4,468
淨資產值	Net assets	3,309	3,172
資產負債率	Debt asset ratio	35%	29%
淨借貸與股東權益比率	Ratio of net borrowings to shareholders' equity	18%	21%
每股淨資產(港幣元)	Net assets per share (HK dollar)	0.29	0.28

按主要業務分析之營業額及除稅前盈利

ANALYSIS OF TURNOVER AND PROFIT BEFORE INCOME TAX BY PRINCIPAL ACTIVITIES

截至六月三十日止六個月
(港幣百萬元)

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 The 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 profit of associates		除稅前盈利 Profit before income tax	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
物流及相關業務	Logistics and related business	187	135	172	129	359	264	44	41	77	62	121	103		
投資控股	Investment holding	-	-	-	-	-	-	2	4	-	-	2	4		
製造業務	Manufacturing business	-	-	314	248	314	248	-	-	41	34	41	34		
		187	135	486	377	673	512	46	45	118	96	164	141		
財務成本	Finance costs													(30)	(7)
除稅前盈利	Profit before income tax													134	134

僅供參考
For reference only

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

業績回顧

截至二零零六年六月三十日止六個月（「本期間」），本集團之營業額，連同本集團應佔聯營公司之營業額，總額為港幣6.73億元（二零零五年：港幣5.12億元），較去年同期上升31%。於本期間，本集團來自物流及相關業務的營業額為港幣1.87億元（二零零五年：港幣1.35億元），較去年同期增長39%，本集團的股東應佔盈利為港幣1.29億元（二零零五年：港幣1.33億元），撇除去年同期撥呆壞帳約港幣1,800萬元的一次性收益影響，本期間的股東應佔盈利較去年同期增長約12%。每股基本盈利為港幣1.12仙（二零零五年：港幣1.16仙）。

本集團的物流業務在本期間取得良好的增長業績，深圳市華南國際物流有限公司（「華南物流」）於本期間的營業額錄得大幅增長，較去年同期增長約1.3倍，更實現了轉虧為盈，錄得港幣300萬元的盈利（二零零五年：虧損港幣149萬元）。而去年八月份收購的武黃高速45%權益，為本集團帶來可觀的主營業務收入及盈利，於本期間的貢獻分別為港幣6,544萬元及港幣2,630萬元。

本集團的主要聯營公司深圳高速公路股份有限公司（「深圳高速」）於本期間的營業額大幅增長36%，股東應佔盈利為港幣2.57億元（二零零五年：港幣2.06億元），較去年同期上升25%，本集團應佔部份為港幣7,708萬元。另一家主要聯營公司中國南玻集團股份有限公司（「南玻集團」）的營業額較去年同期增長27%，股東應佔盈利為港幣1.46億元（二零零五年：港幣1.46億元），與去年同期一致，本集團應佔部份為港幣3,345萬元。

REVIEW OF RESULTS

For the six months ended 30 June 2006 (the "Period"), turnover of the Group, together with the Group's share of turnover of associates, amounted to HK\$673 million (2005: HK\$512 million), representing an increase of 31% over the corresponding period of 2005. During the Period, the Group's turnover contributed by the logistics and related business was HK\$187 million (2005: HK\$135 million), representing an increase of 39% over the corresponding period of 2005. Profit attributable to shareholders of the Group was HK\$129 million (2005: HK\$133 million). Excluding the effect of a one-off profit arising from the write-back of provisions for bad and doubtful debts in the corresponding period of 2005 of HK\$18 million, profit attributable to shareholders of the Group for the Period recorded an increase of 12% over the corresponding period of 2005. Basic earnings per share of the Group was HK cents 1.12 (2005: HK cents 1.16).

During the Period, the logistics business of the Group achieved good progress in its results. Shenzhen South-China International Logistics Co., Ltd. ("South-China Logistics") recorded a remarkable increase in turnover of 1.3 times over the corresponding period of 2005. It also turned losses around and recorded a profit of HK\$3 million (2005: a loss of HK\$1.49 million). The acquisition of 45% interests in Wuhuang Expressway in August 2005 contributed considerable revenue to the core business and profit to the Group, among which, HK\$65.44 million and HK\$26.30 million were attributable to the Group during the Period respectively.

During the Period, a major associate of the Group, Shenzhen Expressway Company Limited ("Shenzhen Expressway") recorded a remarkable increase of 36% in turnover. Profit attributable to shareholders was HK\$257 million (2005: HK\$206 million), representing an increase of 25% over the corresponding period of 2005. The Group's share amounted to HK\$77.08 million. Another major associate of the Group, CSG Holding Co., Ltd. ("CSG") recorded an increase in turnover of 27% over the corresponding period of 2005 and a profit attributable to shareholders of HK\$146 million (2005: HK\$146 million), which was consistent with that of 2005, out of which HK\$33.45 million was attributable to the Group.

把握利好時機，為集團籌集額外資金

於二零零六年一月，本公司簽訂一項認購協議，發行本金額為港幣6億元、換股價為每股港幣0.341元並將於二零一一年到期的零息可換股債券，該債券已於二零零六年二月二十四日正式發行予國際的獨立投資人士或機構投資者。本集團把握了股票市場於二零零六年年初的利好情況籌集額外資金，作為未來投資於優質物流基建項目及營運資金的用途，不但得以加強本集團的財務能力及擴闊其資本基礎，並可以進一步擴大本公司的股東層面，藉此引入更多大型機構及策略性投資者，為本集團創造更大的效益。於二零零六年四月，部份債券持有人已將本金額為港幣4,600萬元的零息可換股債券轉換為134,897,359股本公司的普通股股份。

TO RAISE ADDITIONAL FUNDS FOR THE GROUP BY CAPITALISING ON FAVOURABLE OPPORTUNITIES

In January 2006, the Company entered into a subscription agreement, whereby the Company issued zero coupon convertible bonds due 2011 with an aggregate principal amount of HK\$600 million and a conversion price of HK\$0.341 per share. The bonds were officially issued to international independent investors and institutional investors on 24 February 2006. The Group has taken advantages of the encouraging performance of the equity market at the beginning of 2006 to raise additional funds for the investment in quality logistics infrastructure projects in the future and for working capital purposes. This will strengthen the financial capacity and expand the capital base of the Group. Moreover, the Company's shareholder coverage will also be further enlarged, thus attracting more sizable institutional and strategic investors to bring about maximum benefits for the Group. In April 2006, certain bondholders converted a principal amount of HK\$46 million of the zero coupon convertible bonds into 134,897,359 ordinary shares in the Company.

參與股權分置改革，體現深圳市政府的大力支持

本集團根據中國政府機構頒佈的有關規則及規例的要求，於二零零五年十二月底至本期間內，參與了兩家主要聯營公司並在國內上市的深圳高速及南玻集團的股權分置改革方案。股權分置改革是中國政府在金融市場管理方面的一項重要舉措，上市公司及其股東都必須參與，因此，本集團作為深圳高速及南玻集團的單一最大非流通股股東，必須參與兩家上市公司的股權分置改革，並按本集團所持的股權比例承擔對價。深圳市政府通過統籌安排，使本集團原來需要支付的對價由深圳市政府的直屬機構直接承擔，使本集團因支付對價所產生的資產流失大幅縮減，避免了約港幣1.54億元的巨額虧損，不僅體現了深圳市政府對本集團的大力支持，同時使得本公司的全體股東可以分享旗下上市公司股權分置改革帶來的直接利益。

PARTICIPATION IN SHARE SEGREGATION REFORM SCHEME IN THE PRC AND SHENZHEN MUNICIPAL GOVERNMENT'S SUPPORT TO THE GROUP

Pursuant to the relevant rules and regulations issued by the PRC authorities, the Group, from the end of December 2005 to the end of the Period, participated in the share segregation reform schemes of Shenzhen Expressway and CSG, two major associates of the Group whose shares are listed in the PRC. The share segregation reform is an important measure taken by the PRC government in managing the financial market. Listed companies and their respective shareholders shall participate and as such, the Group, being the single largest non-listed share shareholder of Shenzhen Expressway and CSG, must participate in the share segregation reforms of the two listed companies and to pay consideration in accordance with the Group's shareholdings in the two companies. The Shenzhen Municipal Government has made arrangements so that the consideration, which was originally payable by the Group, had been borne by organisations which were directly supervised by the Shenzhen Municipal Government instead. These help to reduce significantly the asset losses resulting from the Group's participation in the share segregation reforms of Shenzhen Expressway and CSG and avoid substantial loss of approximately HK\$154 million. These arrangements not only materialised the Shenzhen Municipal Government's strong support for the Group, but also enabled all shareholders of the Company to share the direct benefits resulting from the share segregation reform of the Group's listed investment.

按深圳市政府的安排，本集團在參與深圳高速股權分置改革的同時，僅須支付名義代價，無須轉讓所持有的任何深圳高速股份，由深圳市政府的直屬機構代替本集團轉讓股份予深圳高速的 A 股股東。深圳高速的股權分置改革方案已於二零零六年二月底完成。南玻集團的股權分置改革方案已獲得所有必需的批准並已於二零零六年五月底完成。為支持本集團參與南玻集團股權分置改革，深圳市政府安排深圳市國有資產監督委員會（「深圳市國資委」）向本集團支付一筆現金，作為對本集團的一項資助，使本集團因參與南玻集團股改方案支付對價而產生的資產流失，僅約為港幣 40.8 萬元。

According to the directions of the Shenzhen Municipal Government, the Group, by paying only a nominal consideration, was able to participate in the share segregation reform of Shenzhen Expressway without the need to transfer any shares in Shenzhen Expressway. An organisation which was directly supervised by the Shenzhen Municipal Government has transferred, on behalf of the Group, the shares to holders of A shares in Shenzhen Expressway. The share segregation reform scheme of Shenzhen Expressway was completed at the end of February 2006. The share segregation reform scheme of CSG has obtained all necessary approvals and was completed at the end of May 2006. To support the Group to participate in the share segregation reform of CSG, the Shenzhen Municipal Government had made an arrangement that Shenzhen Municipal State-owned Assets Supervision and Administration Commission (“Shenzhen SASAC”) paid to the Group an amount in cash and as a subsidy to the Group. As a result, the total asset losses, resulting from the payment of the consideration by the Group for participating in the share segregation reform scheme of CSG, only amounted to approximately HK\$408,000.

中國A股市場股權分置改革的快速推進，意味着多年來困擾國內證券市場健康發展的制度性缺陷逐步得到解決，市場預期趨向明朗，上市公司的綜合質量也有望逐步提高，通過資本市場進行融資、購併的渠道也更加順暢，投資價值也將獲得提升。隨着深圳高速及南玻集團均已完成股權分置改革，本集團所持的股權將可自二零零七年五月底以後逐步於證券交易所流通，這將有利於本集團所持股權的投資價值得以提升，也有利於本集團未來資產及業務構架的整合和提升。

提高物流資產盈利能力，實現物流資源優化配置

深圳市規劃在二零一零年基本建成分工明確、合作緊密的七大現代物流園區，繼續建設和完善現代物流業資訊平台。到二零一零年，深圳將投資約人民幣1,030億元以用於現代物流設施及相關基礎性建設，實現年物流產業增加值約人民幣822億元，港口吞吐量及集裝箱吞吐量將分別達到3.6億噸及2,600萬標準箱，較二零零五年分別增長約1.3倍及61%。

The rapid development of the share segregation reform in the A share market in the PRC indicates that the systemic defects impeding the healthy development of the domestic stock market in the PRC for years have been gradually solved. Market anticipations are becoming more certain. The quality of consolidation of listed companies is expected to be improved gradually, channels for financing and acquisitions and mergers through the capital market have become more efficient, and the investment value of which will also be enhanced. As the share segregation reform schemes of Shenzhen Expressway and CSG have been completed, the shares held by the Group will gradually be tradable in the stock exchange after the end of May 2007. This will contribute to enhance the investment value of the Group's shareholdings, and will facilitate the integration and enhancement of the Group's assets and business structure in the future.

TO ENHANCE THE PROFITABILITY OF LOGISTICS ASSETS AND OPTIMISE THE ALLOCATION OF LOGISTICS RESOURCES

The Shenzhen Municipal Government plans to complete the construction of seven major modern logistics districts with clear distinctive functions and close cooperation by 2010, as part of its efforts to build and improve its modern logistics information platform. By 2010, Shenzhen will have invested approximately RMB103,000 million in the construction of modern logistics facilities and related infrastructures with an aim to achieve an annual increase in value in the logistics industry of approximately RMB82,200 million; and port throughput and container throughput will reach 360 million tons and 26 million TEUs, representing an increase of approximately 1.3 times and 61% over those of 2005 respectively.

展望未來，本集團將秉承一貫的發展戰略，通過重組、購併及業務拓展，完善網絡佈局，以取得資產的最大利用效率和增益能力，同時，將以深圳及周邊地區為業務發展的根本，並尋找其他區域內有關高速公路、物流資產及業務的併購與整合機會，尋求地域與業務間的緊密聯繫，並依託相關物流基礎資源開發較為全面、高端的物流增值服務，提高物流各類資產的盈利能力。

深圳市於二零零六年七月啟動了全市事業單位的改革，超過300家資產淨值合共約人民幣80億元的市屬企業及事業單位被劃轉到深圳市國資委，當中包括若干優質高速公路與物流基建項目，業務與本集團主營物流業務相符。本集團將積極把握這一增持物流資源的契機，通過收購基建資產及介入深圳市其他物流園區的快速發展，務求分享區域經濟增長帶來的資源價值提升及資產回報增長。本集團於物流園區的兩大投資重點華南物流及深圳市西部物流有限公司（「西部物流」）的發展勢頭良好，未來前景喜人，本集團正積極部署加大對兩家公司的投資，以加強對物流園業務的控制。此外，為進一步集中資源於主營物流業務，本集團將會尋找適當機會，以合適的代價，逐步減少非核心業務的投資，以使本集團能將資源作最具效益的調配，進一步提升物流及相關業務為本集團帶來的資產回報及資源增值能力。

Looking forward, the Group will stick to its established development strategies to perfect the layout of its logistics networks through restructuring, merger and acquisition and business expansion so as to achieve the maximum utilisation and profitability of its assets. Meanwhile, the Group will take Shenzhen and its surrounding areas as its base for business development, seek opportunities in other area for merger and acquisition and integration of expressways, logistics assets and business, intensify the connections among business and areas. Moreover, the Group intends to develop more comprehensive and high-end value added logistics services by making use of such logistics infrastructure resources and improve the profitability of logistics assets.

The Shenzhen Municipal Government has launched a reform of all business units owned by government departments in Shenzhen City since July 2006. As a result, over 300 such state-owned business units with a total net asset value of approximately RMB8,000 million have been transferred to Shenzhen SASAC, including certain premium expressways and logistics infrastructure projects whose business are similar to the core logistics business of the Group. The Group will actively seize the opportunities to increase its logistics resources so as to capitalise on the appreciation of resources and the growth of asset returns resulting from the growth of regional economy by acquiring infrastructure assets and participating in the rapid development of other logistics districts in Shenzhen. The development trend and prospects of South-China Logistics and Shenzhen Western Logistics Co., Ltd. ("Shenzhen Western Logistics"), the two key investments of the Group in the logistics districts, are remarkable. The Group is making active efforts to increase its investments in these two companies to strengthen the control over the business in the logistics districts. In addition, with a view to further concentrate resources on its core logistics business, the Group will identify suitable opportunities to reduce gradually its investments in non-core business at a proper consideration so that the Group will be able to deploy its resources in the most efficient way and further enhance the return of assets and the added value of resources brought by the logistics and relevant business.

本集團的管理層了解到與投資者建立並維持良好關係的重要性，除了藉着股東會議與股東及投資者溝通外，本集團今後將投放更多資源於投資者關係方面，以建立更多有效的溝通渠道，使股東及投資者對本集團的業務及前景等各方面有更深入的认识，進一步增加本集團的透明度。

本公司董事會於二零零六年八月十五日分別委任郭原先生及李景奇先生為董事會主席及總裁。郭原先生對國有資產的重組整合、資源管理及法律專業方面擁有豐富的經驗，而李景奇先生對本集團的整體運作及戰略發展目標均非常熟悉，此等有利條件將可加快本集團的進一步資產整合，為繼續實現併購優質物流基建項目的戰略發展目標帶來良好的效果，進一步提升本公司整體盈利。

The management of the Group is fully aware of the importance to establish and maintain a good relationship with investors. Therefore, in addition to communicating with shareholders and investors at general meetings, the Group will put more resources in the area of investor relations so as to build more effective communication channels for shareholders and investors, enabling them to have a whole picture of the Group's business and prospects and further enhancing the transparency of the Group.

Mr. Guo Yuan and Mr. Li Jing Qi were appointed as the Chairman and the Chief Executive Officer by the board of directors of the Company on 15 August 2006 respectively. Mr. Guo Yuan is experienced in reorganisation and resource management of stated-owned assets and in the legal profession and Mr. Li Jing Qi has extensive experience in the overall operation as well as the strategic and development objectives of the Group. These will further facilitate the asset reorganisation of the Group and bring about positive effect on the realisation of strategic and development objectives through merger and acquisition of high quality logistics infrastructure projects, thus further enhancing the overall profitability of the Group.

主要業務之經營情況分析

物流及相關業務

物流園

華南物流

本集團重點投資開發並持有66.67%權益的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七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，以海關監管的經營模式，重點發展中港兩地跨境集裝箱運輸業務，並將作為國際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的物流中心。

二零零六年是華南物流實施規模化經營的第一年，在經營空箱堆場和開展保稅及監管倉儲業務的同時，華南物流還新開通了進出口轉關接駁業務，經營收入較去年同期有較大幅度的增長，主營業務收入為港幣2,016萬元(二零零五年：港幣864萬元)，大幅增長1.3倍，並實現了轉虧為盈的目標，錄得盈利港幣300萬元(二零零五年：虧損港幣149萬元)。

ANALYSIS OF MAJOR BUSINESS OPERATIONS

Logistics and Related Business

Logistics Districts

South-China Logistics

South-China Logistics, a key investment and development project with 66.67% interest held by the Group, is principally engaged in the development, construction, operation and management of South China International Logistics Centre ("SILC"), one of the seven major logistics districts in Shenzhen. SILC enjoys overwhelming advantages in terms of its geographic location and information technology and focuses on the development of cross border container transportation business between the PRC and Hong Kong with an operating model under the supervision of customs authorities. SILC will become one of the major sections of the international logistics supply chain with the functions of export supervision, bonded warehouse and international import/export freight forwarding agency, thus serving the domestic market of the Pearl River Delta and overseas markets.

This year is the first year in which South-China Logistics operates with scale. While operating the unloaded-container depot business as well as developing the bonded warehouse and regulated warehouse business, South-China Logistics launched the customs transferring and transiting business for import and export goods. Its operating revenue recorded a significant increase when compared with the corresponding period of 2005 in which it recorded a turnover of approximately HK\$20.16 million (2005: HK\$8.64 million), representing a significant increase of 1.3 times and became profitable with a profit of HK\$3 million (2005: loss of HK\$1.49 million) from its core business.

為提高深港兩地跨境運輸的通關效率，降低運輸成本及使物流過程更為可靠，在深圳海關與香港海關的大力支持下，華南物流於二零零六年五月三十日正式開通了「綠色通道」，並進入測試運行階段。華南物流與一家於香港具領導地位的貨櫃碼頭營運商合作構建的「綠色通道」是一條經陸路連接珠三角東部與香港的跨境拖運通道，目的在華南國際物流中心與皇崗口岸之間建立一條提供一次過清關服務的「綠色通道」，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。

首期「綠色通道」將在皇崗口岸至華南國際物流中心之間進行，隨後將伸延至香港貨櫃碼頭。「綠色通道」的運作方式主要是將皇崗的口岸功能後移，在華南國際物流中心辦理所有出入境報關、報檢手續，使跨境貨車可於皇崗口岸及落馬洲口岸免停免檢。進口貨物在香港葵涌貨櫃碼頭辦理所有海關手續後，啟動GPS和電子關鎖等設備，在落馬洲快速通關通過皇崗進入深圳，直接運抵華南國際物流中心辦理進口手續；而出口的大陸貨物在華南國際物流中心的港關辦理出口手續後，同樣通過GPS及電子關鎖等監管技術，實現快速通關到香港。「綠色通道」通過「點對點」通關模式，可以大大提高通關效率，緩解口岸過境壓力，最終通過實現香港碼頭到華南國際物流中心集裝箱的「重去重回」，節省企業的通關及運輸成本，加快香港碼頭的吞吐量，實現兩地雙贏。華南國際物流中心作為深圳市政府規劃的口岸型物流園區，將借助「綠色通道」的開通，更好地發揮物流樞紐作用，使深港間的貨物運輸更加便捷快速及降低成本。當深港物流「綠色通道」完成測試運行後，將會逐步全面正式開通，屆時必可大大促進深港兩地物流業的快速發展。

With the strong support of customs authorities of Shenzhen and Hong Kong, South-China Logistics has officially launched the “Green Lane” and put it into pilot run on 30 May 2006, aiming at enhancing the efficiency of customs clearance procedures of Shenzhen-Hong Kong cross border transportation and reducing transportation costs as well as enhancing the reliability of logistics processes. The Green Lane, jointly constructed by South-China Logistics and a leading container terminal operator in Hong Kong, is a cross border haul passage linking the eastern part of the Pearl River Delta region and Hong Kong via land transportation, aiming at establishing a “Green Lane” between SILC and Huanggang checkpoint in order to provide one-stop customs clearance service, thus diverting the customs clearing procedures away from the busy border checkpoint and speeding up the land traffic flows between Hong Kong and the Mainland.

The first stage of “Green Lane” will be available between Huanggang checkpoint and SILC and will then be extended to container terminals in Hong Kong. The “Green Lane” mainly aims at diverting all functions of Huanggang checkpoint to SILC, including all procedures concerning customs declaration and inspection declaration, thus enabling cross-border trucks to pass Huanggang checkpoint and Lok Ma Chau checkpoint without stopping for inspection. With respect to import goods, GPS and electronic gateway will be initiated when all customs procedures are completed at Kwai Chung Container Terminals in Hong Kong and import goods will then be able to go through Huanggang checkpoint and Lok Ma Chau checkpoint for direct transportation to SILC where all procedures for importation will be completed. Export goods from the Mainland, upon completion of export procedures with customs authorities stationed in SILC, can also arrive at Hong Kong quickly by utilising the same supervision technology, such as GPS and electronic gateway. The “Green Lane” is able to enhance the efficiency of customs clearance procedures and alleviate the cross-boundary pressure at the checkpoints through a “point to point” customs clearance model. With the realisation of “loaded-in and loaded-out” for containers from Hong Kong terminals to SILC, the ultimate goal is to save clearance and transportation costs for enterprises, increase throughput of Hong Kong terminals so as to achieve a win-win situation. With the opening of the “Green Lane”, SILC, as a logistics district with features of a checkpoint planned by the Shenzhen Municipal Government, will better perform its role as a logistics hub and enable the cargo transportation between Shenzhen and Hong Kong to be more convenient and rapid at an even lower cost. Upon completion of the pilot run, the “Green Lane” will be launched gradually. With the full operation of the “Green Lane”, the rapid development of the logistics industry in Shenzhen and Hong Kong will be significantly facilitated.

華南物流隨着去年底起正式開展了保稅及監管倉儲業務，於二零零六年上半年，倉庫的面積增加近3萬平方米，知名的物流與倉儲公司陸續進駐華南國際物流中心，參與保稅、監管倉儲業務，四棟倉庫合共約4.5萬平方米的可用面積全部出租，倉儲業務收入逐月增加。

隨着深圳海關決定將皇崗口岸的轉關接駁功能全部遷移到華南國際物流中心進行，華南物流於二零零六年四月十七日開展了轉關接駁業務。華南國際物流中心提供兩種接駁服務，分別為進口接駁服務及出口接駁服務。進口接駁服務即運載接駁貨物的來往粵港車輛在皇崗以直轉方式轉關到華南國際物流中心，在華南國際物流中心接駁場內，進口貨物由來往粵港車輛接駁到國內車輛上的同時，在場內的梅林海關辦理該批貨物轉關到指運地海關手續。出口接駁服務即發貨人或其代理人在啟運地海關辦理出口貨物第一程轉關手續，在華南國際物流中心接駁場內，出口貨物由國內車輛接駁到來往粵港車輛的同時，梅林海關在場內辦理該批貨物第二程轉關手續，手續完畢後，車輛及貨物直接通過皇崗口岸出關。華南物流在報關、裝卸、施封、交費、結算等運作流程，均做到了令客戶滿意，新增轉關接駁業務也給華南物流帶來了新的收益，華南物流將進一步研究興建永久性接駁場的規劃，以適應未來業務發展的需求及提高效率，務求在接駁業務領域繼續領跑。

South-China Logistics launched the bonded warehouse and regulated warehouse business at the end of 2005. In the first half of 2006, the area of its warehouses increased by approximately 30,000 square metres. An increasing number of famous logistics and warehousing companies have stationed in SILC to participate in bonded and regulated warehousing business. As a result, four warehouse buildings with a total usable area of approximately 45,000 square metres was fully occupied by tenants, and the turnover of the warehouse business increased month by month.

As the customs authorities in Shenzhen determined to relocate all the customs transferring and transiting functions of Huanggang checkpoint to SILC, South-China Logistics launched the customs transferring and transiting business on 17 April 2006. SILC offers two kinds of transiting services, namely import transiting services and export transiting services. Import transiting services mean that the vehicles commuting between Guangdong Province and Hong Kong with transiting cargo will be directly diverted to SILC upon arrival at Huanggang, and in the transiting station of SILC, when the imported cargo is being transited from vehicles commuting between Guangdong Province and Hong Kong to domestic vehicles, the procedures in respect of transferring the said cargo to the designated destination will be handled by Meilin Customs stationed in SILC. Export transiting services mean that the shipper or its agents complete the customs transferring procedures for the first trip of exported cargoes with customs authorities at the port from which the said cargoes are shipped, and in the transiting station of SILC, when the exported cargo is transited from domestic vehicles to vehicles commuting between Guangdong Province and Hong Kong, the customs transferring procedures for the second trip of the said cargoes will be handled by Meilin Customs stationed in SILC. Upon completion of procedures, the vehicles and cargoes are entitled to pass Huanggang checkpoint directly. The customers are satisfied with the operating process of South-China Logistics, including customs declaration, loading and unloading, sealing, fee-payment and settlement. In addition, the newly launched customs transferring and transiting business also generates new contributions to South-China Logistics. South-China Logistics will further study the plan of constructing a permanent transit platform to meet the requirements of future business development and improve efficiency, seeking to maintain its leadership in the transiting business.

於二零零六年下半年，華南物流將全面啟動「綠色通道」業務、推廣拓寬客戶渠道、協調海關及國檢部門同步配合，以及實現「綠色通道」到香港碼頭的全方位銜接。同時，華南物流將積極抓緊兩個兩層高新倉庫的建設工程，倉庫建成後將進一步擴大華南國際物流中心的倉庫面積，為引進更多客戶提供有利條件。

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、經營及管理深圳七大物流園區之一的西部物流園區。西部物流將發揮項目用地臨近西部港區及靠近深港第四條陸路跨境通道「西部通道」的第一個貨運出口的地利條件，結合自身的地理優勢和市場環境，以依託西部港區及服務西部通道的物流中心為發展定位，確立建設「深港國際物流園」的發展戰略。

西部物流於本期間錄得營業額港幣2,329萬元（二零零五年：港幣1,589萬元），增長47%，盈利約港幣721萬元（二零零五年：港幣525萬元），主要來自空箱堆存及倉儲的租金收入，本集團應佔盈利約港幣144萬元（二零零五年：港幣105萬元）。於本期間，西部物流一方面維持現有業務的穩定發展，另一方面積極按計劃開始籌劃建設物流園區內的主體物流項目，首期倉庫項目擬建設一棟兩層的框架結構倉庫，預計建築面積約3.7萬平方米，目前倉庫建設的前期工作正在進行中，預計二零零六年十月份可以正式動工，約於二零零七年第四季度完成並投入使用。

In the second half of 2006, South-China Logistics will develop and promote the “Green Lane” business with full strength as well as broaden its customer base, coordinate with customs and inspection and quarantine authorities and realise the full connection of the “Green Lane” to Hong Kong terminals. Meanwhile, South-China Logistics will focus on the construction of the two 2-storey new warehouses. Upon completion of the warehouse buildings, the warehouse area of SILC will be further expanded, thus providing favourable conditions to solicit more customers.

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 seven major logistics districts in Shenzhen. Shenzhen Western Logistics will take advantages of the prime geographical location of the project site, namely its proximity to the western ports and the first transportation exit of the fourth Shenzhen-Hong Kong cross-border corridor, the “Western Corridor”, and will make use of its geographical advantages and the market environment. Accordingly, Shenzhen Western Logistics will position itself as a logistics centre focusing on western ports and serving logistics centres in Shenzhen-Hong Kong Western Corridor, thereby reaffirming the development strategy of establishing the “International Logistics District of Shenzhen and Hong Kong”.

During the Period, Shenzhen Western Logistics recorded a turnover of HK\$23.29 million (2005: HK\$15.89 million), representing an increase of 47%, and a profit of approximately HK\$7.21 million (2005: HK\$5.25 million). Such profit was mainly derived from the rental income of the unloaded-container depot business and warehouses. Profit attributable to the Group was approximately HK\$1.44 million (2005: HK\$1.05 million). During the Period, Shenzhen Western Logistics maintained a stable development of its existing business, as well as actively engaged in planning for the construction of major part of the logistics project in the logistics district as planned. For the first phase of the warehouse project, it is proposed to build a 2-storey warehouse building with framework structure with an estimated gross floor area of approximately 37,000 square metres. At present, preparatory work of the warehouse construction is in progress, and the project is expected to formally commence in October 2006, and will be completed and put into operation by the fourth quarter of 2007.

於二零零六年上半年，西部物流辦理土地手續的進展順利，所有與土地有關的重大問題基本上已解決，並已於二零零六年八月份繳納地價款，下一步將與國土部門簽定土地出讓合同，逐步完成土地手續的辦理。此外，為配合倉庫建成後業務的開展，西部物流已向海關申請開展保稅倉、監管倉業務並已獲得批准。西部物流於本期間各項工作均按計劃有條不紊地開展，並取得了較好的成果。

西部物流將繼續投入「深港國際物流園」的各項建設工作，目標為結合高效通關模式和成本領先優勢，提供深港兩地的海運、空運、陸運跨境貨物集散、流通加工、配送、轉運、信息等物流增值服務。

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」)

機場快件中心是本集團與深圳市機場股份有限公司一起參與投資並各自持有50%權益的共同控制實體公司。機場快件中心是深圳市七大物流園區之一航空物流園區的重要項目之一，負責經營管理位於深圳機場的國際快件海關監管中心，為海關、檢驗檢疫和快件企業提供關務協調服務、設備、設施及配套的相關服務、現場查驗輔助服務、倉儲服務及信息服務。

In the first half of 2006, Shenzhen Western Logistics was progressing well in respect of land acquiring procedures. All major issues related to land acquisition were settled, and the land premium was paid up in August 2006. Therefore, the next step will be the execution of land transfer agreement with relevant land departments and procedures related to land acquisition will be completed consequently. In addition, in order to support the launch of the warehouse business upon completion of warehouse buildings, Shenzhen Western Logistics has applied to the customs authorities for licenses of bonded warehouses and regulated warehouses business, and all necessary approvals have been granted. During the Period, all the work of Shenzhen Western Logistics has been executed in an orderly way as scheduled, thereby bringing about encouraging results.

Shenzhen Western Logistics will continue to carry out all construction work of “International Logistics District of Shenzhen and Hong Kong” for the purpose of integrating an efficient clearance model with competitive costs to provide value-added logistics services to Shenzhen and Hong Kong, namely collection and distribution of cross-border cargoes for sea, air and land transportation, circulation processing, ancillary transportation, transiting transportation and information.

Shenzhen Airport International Express Supervision Center Co., Ltd. (“Airport Express Center”)

Airport Express Center is a jointly controlled entity invested by the Group and Shenzhen Airport Co., Ltd. The Group and Shenzhen Airport Co., Ltd. hold 50% interest respectively. Airport Express Center is a major project of Airport Logistics District which is one of the seven major logistics districts in Shenzhen. It is engaged in the operation and management of International Express Supervision Center in Shenzhen Airport, providing customs coordination services, equipment, facilities and related services, on-site inspection supplementary services, warehouse services and information services to customs authorities, entry-exit inspection and quarantine authorities and express cargo enterprises.

於本期間，機場快件中心的營業額及股東應佔盈利分別為港幣2,351萬元(二零零五年：港幣2,280萬元)及港幣999萬元(二零零五年：港幣963萬元)，分別較去年同期上升3%及4%，機場快件中心於本期間累計處理快件達7.68萬噸(二零零五年：7.79萬噸)。儘管行業競爭激烈，機場快件中心於二零零六年第一季度受惠於國家進出口貿易的持續增長以及良好的通關環境，業務取得了良好的增長，整體快件業務量比去年第一季度增長16%，但自二零零六年四月中旬以來，受到海關在快件監管政策、查驗模式、清關有效作業時間上作出了調整，機場快件中心於第二季度的業務量比去年第二季度下降了14%。出口快件業務量出現大幅下滑，進口快件業務量增長逐漸放緩，由於前者佔機場快件中心總業務量75%以上，因此，此次政策的調整對機場快件中心整體業務量造成了較大衝擊。

面對上述情況，機場快件中心正在積極尋求相應對策，不斷提高服務質量，努力減少政策調整對其業務的影響，力爭實現全年預算的目標。

收費公路

武黃高速

本集團持有45%權益的武黃高速全長70.3公里，是一條連接湖北省武漢至黃石的重要骨幹線，也是滬蓉國道(上海—成都)的重要組成部分，武黃高速其餘的55%權益由深圳高速持有，本集團按45%的股權比例，合併武黃高速的損益及其資產與負債。

During the Period, the turnover and profit attributable to shareholders of Airport Express Center amounted to HK\$23.51 million (2005: HK\$22.8 million) and HK\$9.99 million (2005: HK\$9.63 million) respectively, representing respective increases of 3% and 4% over the corresponding period of 2005. During the Period, the accumulated express cargo volume handled by Airport Express Center was 76,800 tons in total (2005: 77,900 tons). Despite the increasingly intense competition in the industry, Airport Express Center has been benefited from the sustained growth of import and export trade of the PRC and the satisfactory customs clearance environment, thus the business volume recorded a satisfactory increase in the first quarter of 2006, and the overall express cargo volume registered an increase of 16% over the first quarter of 2005. However, the express cargo regulations, the inspection model and the actual operating hours of clearance procedures conducted by customs authorities have been altered since mid April 2006. The express cargo volume of Airport Express Center for the second quarter has been suffered accordingly, recording a decrease of 14% when compared with the second quarter of 2005. The export express cargo volume decreased significantly, and the growth rate of import express cargo volume had slowed down. As the former attributes over 75% of the total express cargo volume of Airport Express Center, the adjustment of the policies adversely affected the overall express cargo volume of Airport Express Center.

Facing the above situation, Airport Express Center is trying its best to solve the problem and constantly improving its service quality so as to minimise the effect of policy adjustments on its business and to make every effort to achieve the annual budget goal as planned.

Toll Highways

Wuhuang Expressway

Wuhuang Expressway, 45% interest of which is held by the Group, with a total length of 70.3 kilometres, is a major highway trunk connecting Wuhan City and Huangshi City in Hubei Province and constitutes a major part of the Hulong National Highway (Shanghai-Chengdu). The remaining 55% interest of Wuhuang Expressway is owned by Shenzhen Expressway. The 45% share of results and assets and liabilities of Wuhuang Expressway were proportionally consolidated to the Group.

於本期間，武黃高速的主營業務收入及盈利分別為港幣1.45億元及港幣7,441萬元，較去年同期增長18%及33%；本集團應佔部份分別為港幣6,544萬元及港幣2,630萬元，武黃高速上半年的日均路費收入及日均混合車流量為港幣80.3萬元及23,143輛次，分別較去年同期增長18%及0.4%，日均路費收入增長18%較本集團收購時預計的二零零六年全年收入增長10%為高。

隨着二零零六年三月，武黃高速的武東管理站遷往新址，收費車道由原來六個增加至十五個，使原來高峰期間武東站前擁堵的車流成為了歷史，不但節省了車輛排隊等待時間，而且進一步提高武黃高速公路的競爭力及服務水平。

二零零六年四月一日，湖北省所有高速公路開始實施計重收費。對載貨類車輛實行按重量收取通行費的方式，按照公平合理的原則，解決在以往按車型收費方式下存在的車輛「大噸小標」問題，超限超載車輛的超額收費收入納入了武黃高速路費收入中。實施計重收費在治理高速公路超限超載的同時也給高速公路的路費收入帶來可觀的增長。

During the Period, Wuhuang Expressway recorded a turnover of HK\$145 million and a profit of HK\$74.41 million respectively, representing respective increases of 18% and 33% over the corresponding period of 2005, among which, HK\$65.44 million and HK\$26.30 million were attributable to the Group. Wuhuang Expressway recorded an average daily toll revenue of HK\$803,000 and an average daily mixed traffic volume of 23,143 vehicles respectively in the first half of 2006, representing increases of 18% and 0.4% over the corresponding period of 2005 respectively. The increase in the average daily toll revenue of 18% is more than the forecasted increase in total toll revenue for the year 2006 of 10% made by the Group upon the acquisition of Wuhuang Expressway.

In March 2006, Wudong toll station of Wuhuang Expressway was relocated to a new site. Toll stations increased from 6 to 15, thereby eliminating the traffic congestion appeared in front of Wudong station during peak hours. The increase of toll lanes not only saved the queuing time for vehicles, but also further enhanced the competitiveness and service quality of Wuhuang Expressway.

On 1 April 2006, all the expressways in Hubei Province began to implement the “toll by weight” policy. Vehicles loaded with cargoes were charged toll fee according to their category previously. However, based on the principles of fairness and reasonableness, vehicles loaded with cargoes have been levied toll fee against their actual loading since then. As a result, the problem of “understated loading for lower toll fee” was solved and extra toll paid by overloaded vehicles has been included into the toll revenue of Wuhuang Expressway. The implementation of this new “toll by weight” charging mechanism is able to impose strict control on issues arising from overloaded vehicles and overloading as well as bring about a considerable growth towards the toll revenue of the expressways.

武黃高速路費收入及車流量情況

Toll Revenue and Traffic Flow of Wuhuang Expressway

時期	Period	二零零六年 2006	二零零五年 2005	增加/ (減少) Increase/ (Decrease) %
路費收入 (港幣百萬元)	Toll Revenue (HK\$ million)			
一至三月	January to March	66.154	59.169	11.8
四至六月	April to June	79.267	64.106	23.7
一至六月合計	Total from January to June	145.421	123.275	18.0
車流量 (千輛)	Traffic Flow (thousand vehicles)			
一至三月	January to March	2,147	2,047	4.9
四至六月	April to June	2,042	2,125	(3.9)
一至六月合計	Total from January to June	4,189	4,172	0.4

武黃高速實行計重收費前，第一季度的路費收入較去年同期增長11.8%，而第二季度的路費收入較去年同期增長23.7%，並較第一季度的路費收入增長20%。在實施新的收費方式和收費標準後，計重收費對治理超限運輸起到了明顯的遏止作用，雖然第二季度的車流量較去年同期下降3.9%，但六月份車流量下降的幅度(1.7%)已較四月份(9%)有所好轉，顯示了社會對載貨車輛計重收費這一收費方式的變化逐步適應。總體而言，武黃高速實施計重收費後增長的收入，彌補了車流量減少的收入。

Before the implementation of the new “toll by weight” charging mechanism, the toll revenue of Wuhuang Expressway in the first quarter of 2006 is higher than that of the corresponding period of 2005 by 11.8%. Whereas the toll revenue of Wuhuang Expressway of the second quarter of 2006 is higher than that of the corresponding period of 2005 by 23.7% and also represented an increase of 20% when compared with the first quarter of 2006. With the implementation of the new charging mechanism and scale under the policy of charging toll fee against actual loading, the overloading issue has been suppressed significantly. Although the traffic flow of the second quarter was lower than that of the corresponding period of 2005 by 3.9%, the dropping rate of the traffic flow of June 2006 (1.7%) was lower than that of April 2006 (9%), suggesting that the general public has gradually adapted to the new charging mechanism. In conclusion, after the implementation of the new “toll by weight” charging mechanism, the increase in toll revenue of Wuhuang Expressway compensated for the decrease in income resulting from the decrease in traffic flow.

二零零六年下半年，漢孝高速公路及荊東高速公路將連入湖北省高速公路網。漢孝高速公路是湖北省高等級公路網規劃「五縱、三橫、一環」主骨架中的主要一環，也是國家規劃的西部大開發「八大通道」之一的銀(川)武(漢)通道重要組成部分。銀川至武漢的高速公路是國家實施西部大開發戰略重大基礎設施建設項目之一，是中國實施經濟發展從東部向西部轉移和發展戰略的需要，武黃高速作為東西部間連接的紐帶，屆時車流量勢必會因它的建成而增長。荊東高速公路建成後，將與襄荊高速、宜黃高速等週邊路網連成一體，成為湖北省連接湖南的一條主要通道，荊東高速公路的建成也必定會帶來湖南及沿線車輛從荊東高速公路進入湖北省高速路網而行駛武黃高速。

展望二零零六年下半年，武黃高速在計重收費的新形勢下，路費收入將有望繼續保持良好增長，在中國經濟持續快速發展的同時，武黃高速作為滬蓉國道主幹線的交通大動脈，必定將發揮越來越重要的作用。

In the second half of 2006, Hanxiao Expressway and Jingdong Expressway will be incorporated into the expressway network in Hubei Province. Hanxiao Expressway is the main ring road in the skeleton of the high quality highway network plan in Hubei Province referred to as "Five Vertical Running Highways, Three Horizontal Running Highways and One Ring Highway". Besides, Hanxiao Expressway is also an integral section of Yin (Chuan) Wu (Han) Corridor which is one of the "Eight Corridors" of the focused development plan of western China as stipulated by the PRC. The expressway from Yinchuan to Wuhan is one of the important infrastructure construction projects for the strategic development plan of western China as implemented by the PRC, and is necessary for shifting the focus of economic development from eastern to western part of China for strategic purposes. Wuhuang Expressway, as a trunk route connecting eastern and western part of China, will be benefited upon the completion of the Hanxiao Expressway which will definitely increase its traffic flow. Upon the completion of Jingdong Expressway, it will join together with Xiangjing Expressway, Yihuang Expressway and surrounding traffic networks, forming a trunk route running between Hubei Province and Hunan Province. Also, the completion of Jingdong Expressway will certainly divert vehicles from its feeding roads and Hunan Province to Jingdong Expressway and the expressway network in Hubei Province, and to Wuhuang Expressway finally.

Looking forward to the second half year of 2006, with the new development brought about by the new "toll by weight" charging mechanism, the toll revenue of Wuhuang Expressway is likely to sustain a sound growth. With the rapid economic development of China, Wuhuang Expressway, as a main section of the trunk route of Hurong National Highway, shall play a more important role in the future.

深圳高速

本集團持有30.42%權益的主要聯營公司深圳高速的主營業務為從事中國收費公路及道路的投資、建設及經營管理。目前，深圳高速經營和投資的收費公路項目共十八個，其中，已營運項目十四個共計197.3公里，在建項目四個共計172.3公里，分佈在深圳、廣東省及中國其他省份。深圳高速於本期間的營業額為港幣5.12億元(二零零五年：港幣3.77億元)，較去年同期上升36%，股東應佔盈利為港幣2.57億元(二零零五年：港幣2.06億元)，比去年同期上升25%，本集團所佔部份為港幣7,708萬元(二零零五年：港幣6,186萬元)。於本期間，受惠於中國經濟的持續繁榮、區域經濟的不斷融合以及逐步形成的高速公路網絡，深圳高速各主要收費公路的車流量和收入繼續保持穩健的增長態勢。此外，由於武黃高速於本期間為深圳高速帶來新增的收入貢獻，使深圳高速整體路費收入較去年同期相比錄得快速增長。

Shenzhen Expressway

Shenzhen Expressway, a major associate of which the Group has 30.42% interest, is mainly engaged in the investment, construction, operation and management of toll highways in China. At present, Shenzhen Expressway has operated and invested in 18 toll highway projects and 14 of which, with a total length of 197.3 kilometres, are in operation while the remaining 4, with a total length of 172.3 kilometres, are under construction. These projects are located throughout Shenzhen, Guangdong Province and other provinces in China. During the Period, Shenzhen Expressway recorded a turnover of HK\$512 million (2005: HK\$377 million), representing an increase of 36% over the corresponding period of 2005, profit attributable to shareholders amounted to HK\$257 million (2005: HK\$206 million), representing an increase of 25% when compared with that of 2005, of which the Group's share was HK\$77.08 million (2005: HK\$61.86 million). During the Period, driven by the sustained economic prosperity in the PRC, constant integration of regional economies and gradual formation of expressway networks, the traffic flow and the toll revenue of various major toll highways of Shenzhen Expressway continued to maintain a steady growth. In addition, Shenzhen Expressway recorded a fast growth in its overall toll revenue as compared to the corresponding period of 2005 owing to the additional revenue contribution from Wuhuang Expressway during the Period.

深圳高速位於深圳的收費公路於本期間的日均混合車流量和路費收入的平均增幅分別約為37%及24%，剔除水官延長段及鹽排高速（分別於二零零五年十月及二零零六年五月開始收費）的影響後，其增長幅度約為23%和15%。周邊地區經濟與汽車擁有量的持續增長，仍是收費公路保持良好經營表現的基礎。二零零六年上半年，隨著龍大高速、常虎高速以及南坪項目（一期）的開通，行走機荷高速和梅觀高速的大型車輛增長速度放緩，因此該等路段收入的增長幅度較車流量的增長幅度為低。而水官延長段和南坪項目（一期）的通車，使水官高速的增幅持續保持在平均增幅水平之上，體現出局部路網形成後產生的拉動作用。除路網效應外，收費公路周邊物流園區的發展對公路的營運表現也會產生較大的影響。例如，連接深圳華南國際物流中心和香港碼頭的綠色通道在二零零六年五月進入試運行階段後，對機荷東段和梅觀高速的表現起到不小的促進作用。深圳高速持有100%權益的鹽排高速已於二零零六年五月中建成通車，自通車運營以來其經營表現在逐步提升。為吸引車輛使用鹽排高速，深圳高速自六月底開始逐步推出一系列的營銷措施，目前已取得了初步成效。七月份該路段的日均混合車流量和日均路費收入分別增長至11,270輛次及港幣13.4萬元，而八月份前半個月更達到約23,233輛次及港幣27.8萬元。預期隨著營銷措施的進一步推廣以及其與周邊路網連接的完善，鹽排高速的經營將會有理想的表現，並對機荷高速和梅觀高速的營運產生積極影響。

During the Period, the average growth rate of the average daily mixed traffic flow and the toll revenue of Shenzhen Expressway's toll highways located in Shenzhen were 37% and 24% respectively. Excluding the impact of Shuiguan Extension and Yanpai Expressway (commenced charging of toll fees since October 2005 and May 2006 respectively), the growth rates are approximately 23% and 15% respectively. The persistent growth of the economy and vehicle ownership of nearby areas remain a base for maintaining a sound operating performance of toll highways. In the first half of 2006, with the opening of Longda Expressway, Changhu Expressway and Nanping Project (Phase I), the growth in the number of heavy vehicles travelling on Jihe Expressway and Meiguan Expressway has slowed down. Accordingly, the rate of growth in toll revenue of these expressways was lower than the rate of growth in traffic flow. However, with the operation of Shuiguan Extension and Nanping Project (Phase I), the growth rate of Shuiguan Expressway has been able to maintain at an above-average level, which was driven by the partial formation of local traffic network. Apart from the effect of traffic network, the operating results of toll highways may also be affected by the development of logistics districts located along the toll highways. For example, with the pilot run of the "Green Lane" linking SILC in Shenzhen and container terminals in Hong Kong commencing in May 2006, the performance of Jihe Expressway (Eastern Section) and Meiguan Expressway has been stimulated as a result. The performance of Yanpai Expressway, 100% interest of which is held by Shenzhen Expressway, has been gradually improving since its completion and operation in mid May 2006. In order to attract more vehicles to Yanpai Expressway, Shenzhen Expressway has launched a series of marketing initiatives since the end of June 2006 and these initiatives have proven to be effective. The average daily mixed traffic flow and average daily toll revenue of the expressway increased to approximately 11,270 vehicles and HK\$134,000 respectively in July, and even reached approximately 23,233 vehicles and HK\$278,000 in the first half of August. It is anticipated that with the adoption of further marketing initiatives and with an improvement of the expressway's linkage to the peripheral traffic network, Yanpai Expressway will perform satisfactorily and will have a positive impact on the operation of Jihe Expressway and Meiguan Expressway.

深圳高速為了增強對持有56.28%權益的清連項目的控制權，促使清連一級公路改造為高速公路的改建工程能順利及有效地進行，於二零零六年二月八日，深圳高速以人民幣4.84億元的價格進一步收購清連公路20.09%的權益。上述收購事項已於二零零六年六月十二日獲得深圳高速的獨立股東於股東大會上的批准，相關的股權變更手續正在辦理之中，預計將在下半年完成。收購完成後，深圳高速所持有的清連公路權益將由原來的56.28%增加至76.37%，擁有清連項目的廣東清連公路發展有限公司也將由深圳高速的聯營公司變更為附屬公司，其經營業績將合併入深圳高速財務報表。此次收購，不但降低了深圳高速於清連項目的平均投資成本，而且還將有利於深圳高速進一步提升資產規模、擴大盈利基礎。

深圳高速集團現階段正在建設的四項收費公路項目包括南光高速、鹽壩(C段)、廣州西二環以及清連一級公路改造為高速公路的改建工程。預計到二零零八年底，上述項目將會陸續建成通車，屆時深圳高速投入營運的高速公路里程數將較目前增加一倍以上。

面對機遇和挑戰並存的外部環境，深圳高速將繼續堅持主業和發展方向，充分發揮現有優勢，並將採取審慎的態度，持續評估和檢討深圳高速集團所面對的財務、市場和經營等方面的風險，並制訂相應的防範措施，以實現快速、穩健的增長。

In order to enhance the control over Qinglian project, 56.28% interest of which is held by Shenzhen Expressway, so as to promote a smoother and more efficient reconstruction of Qinglian Class 1 Highway into an expressway, Shenzhen Expressway acquired a further 20.09% interest in Qinglian Highway for a consideration of RMB484 million on 8 February 2006. The acquisition has been approved by independent shareholders of Shenzhen Expressway at a general meeting held on 12 June 2006 and procedures regarding the change in ownership of equity interest are in progress and are expected to be completed by the second half of 2006. Upon completion of the acquisition, the equity interest of Qinglian Highway held by Shenzhen Expressway will increase from 56.28% to 76.37%, and Guangdong Qinglian Highway Development Company Limited, which owns Qinglian project, will become a subsidiary instead of an associate of Shenzhen Expressway. As a result, its operating results will be consolidated into the financial statements of Shenzhen Expressway. The acquisition not only reduces the average investment cost of Qinglian Project paid by Shenzhen Expressway, but will also help Shenzhen Expressway to further expand its asset scale and enlarge its profit base.

Currently, Shenzhen Expressway Group is undertaking 4 toll highway projects, including Nanguang Expressway, Yanba (Section C), Guangzhou Western Second Ring Expressway and the reconstruction of Qinglian Class 1 Highway into an expressway. It is expected that all the above projects will be completed and put into operation by the end of 2008, by then the total mileage of highways will double that currently operated by Shenzhen Expressway.

To cope with the external environment with opportunities and challenges, Shenzhen Expressway will remain committed to its principal operations and development directions, fully capitalise on its existing competitive advantages and continue to evaluate and review the financial, market and operational risks confronting itself in a prudent way. Besides, Shenzhen Expressway will formulate certain preventive measures in order to achieve a rapid and solid growth.

其他物流業務

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9,587萬元(二零零五年：港幣9,373萬元)，較去年同期上升2.3%。二零零六年上半年，面對燃油價格持續上漲，造成物流成本持續上升，加上全國部份省市實施計重收費，造成整個公路貨運市場運力短缺、價格暴漲種種壓力，全程物流在穩定及發展原有物流業務的基礎上，不斷加強自身物流能力的建設、繼續優化其業務結構與發展優質客戶。全程物流一方面做好對供應商的管理與營運質量監控，達到進一步優化自身的業務流程、降低業務成本；另一方面積極與客戶就價格調整進行溝通，對下半年的合同價格，按市場實際情況進行重新調整。

全程物流將於二零零六年下半年完成以港幣3,825萬元收購中信物流飛馳有限公司(「中信飛馳」)43%股本權益。中信飛馳自二零零三年年底成立至今主要是為中海殼牌石油化工有限公司(「中海殼牌」)南海石化項目的前期建設做配套物流服務，但隨着二零零六年三月底中海殼牌項目的正式投產，中信飛馳憑藉自身物流運作優勢繼續保持了與中海殼牌物流業務合作關係，成為其投產後物流運輸業務的主要運營合作夥伴之一，經營業績將穩步提升。

Other Logistics 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\$95.87 million (2005: HK\$93.73 million), representing an increase of 2.3% over the corresponding period of 2005. In the first half of 2006, the soaring fuel prices continuously increased the costs in logistics industry and the implementation in certain cities and provinces of the new charging mechanism whereby toll fees were charged against actual loading, resulting in a price surge and an inadequate capacity in the market of cargo transportation by land. Confronting these difficulties, Total Logistics continued to expand its logistics capacity, optimise its business structure and identify premium customers in the market while stabilising and developing its existing logistics business. Total Logistics further streamlined its operational mechanism and reduced its operating costs by maintaining a reasonable management on its suppliers and a stringent control over its operational quality. On the other hand, Total Logistics took an active role to contact its customers for price negotiation so as to adjust the contractual prices for the second half of 2006 in line with the actual market conditions.

Total Logistics will complete the acquisition of 43% equity interest in Citic Logistics Fritz Co., Ltd. ("Citic Logistics Fritz") at a consideration of HK\$38.25 million in the second half of 2006. Since its establishment in the end of 2003 to date, Citic Logistics Fritz has been mainly engaged in the provision of ancillary logistics services for the preliminary construction works of Nanhai Petrochemical Project of CNOOC and Shell Petrochemicals Company Limited ("CSPC"). This project has been put into operation at the end of March 2006 and Citic Logistics Fritz has been able to maintain its cooperative relationship with CSPC in logistics business by capitalising on its strengths in logistics operation, and has since then become one of the major cooperative partners of CSPC for providing logistics services. As a result, the operating results of Citic Logistics Fritz will improve steadily.

隨著中國石化產品需求的迅速增長，化工項目工程建設、產品運輸、倉儲等業務需求給物流企業創造了新的發展空間，全程物流即時把握機遇，於二零零六年六月，開展了在南京化學工業區唯一指定倉儲用地—長蘆片區購置約10萬平方米土地以用於建設石化物流中心，並成立全資的南京聯合全程物流有限公司，為區內的企業提供石化物流及相關服務的計劃，項目投資總額為人民幣2,800萬元，預計於二零零七年年中建成。開展南京化工物流項目，可促使全程物流參與有巨大發展潛力的化工物流市場。預期將對本集團物流產業的可持續發展起到重要的推動作用。全程物流於下半年將繼續全力推進其他具發展潛力的物流稀缺資源的建設項目的調研、可行性研究以及項目談判工作，包括積極發掘在珠江三角洲地區相對稀缺的基建資源及物流用地，以建設物流中心，以進一步拓展及提升全程物流在珠三角地區的物流能力及網絡。

As the demand for petrochemicals in the PRC grows rapidly, demand from such sectors as the construction of chemical projects and transportation and warehousing of products has brought about ample opportunities for the development of logistics enterprises. In view of this, Total Logistics commenced its plan in June 2006 by acquiring a piece of land with a site area of approximately 100,000 square metres in Changlu District, which is the only area designated for warehousing purposes in Nanjing Chemical Industrial Park, for the establishment of a petrochemical logistics centre. Total Logistics also established a wholly-owned subsidiary 南京聯合全程物流有限公司 (Nanjing United Total Logistics Co., Ltd.) to provide petrochemical logistics and related services for enterprises located within the district. This project is expected to be completed in mid 2007 with a total investment of RMB28 million. The commencement of petrochemical logistics project in Nanjing will enable Total Logistics to participate in the petrochemical logistics market with huge growth potential and is expected to be the key to the sustainable development of the Group's logistics business. In the second half of 2006, Total Logistics will continue to exert itself to the research, feasibility studies and negotiations for construction projects of scarce logistics resources with potential for development, including making active endeavours to acquire relatively scarce infrastructure resources and land for logistics purposes for the establishment of logistics centres in the Pearl River Delta region. As a result, Total Logistics will be able to further reinforce and improve its logistics capacity and networks in the Pearl River Delta region.

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。二零零六年上半年，在中國電子口岸平台不斷推廣和介入、海關通關政策多次調整的情況下，鵬海運通過進一步提高經營管理水平、不斷提升和改善服務質量、積極開拓新的應用系統與服務項目，繼續鞏固和擴大現有業務市場佔有率，並取得了良好的經營成果。鵬海運於本期間的主營業務營業額為港幣1,217萬元(二零零五年：港幣1,032萬元)，較去年同期上升18%，利潤為港幣104萬元(二零零五年：港幣48萬元)，較去年增長1.2倍。鵬海運為改變單純開發面向政府部門平臺應用的局面，於二零零六年積極尋找面向企業為服務對象的市場化的項目，並將重點開發「海商網項目」，為船公司、集裝箱碼頭等客戶直接提供海運作業、通關應用系統及信息增值服務。

全程物流持有股權的深圳航空有限責任公司(「深圳航空」)儘管面對行業的激烈競爭及航油價格上調等不利條件下，二零零五年仍能保持盈利的狀況，但因面對各項的風險因素及業務上的需要，深圳航空並沒有於二零零六年派發股東分紅(二零零五年：港幣2,664萬元)。

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, 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. In the first half of 2006, in view of the increasing popularity and continuous introduction of the China Electronic Port Platform and the frequent adjustments to the policy of customs clearance, Shenzhen EDI continued to consolidate and enlarge the market share of its existing business by further enhancing its operation and management level, constantly enhancing and improving its service quality and actively exploring new application systems and services, and has been able to achieve remarkable operating results. During the Period, Shenzhen EDI recorded a turnover of HK\$12.17 million (2005: HK\$10.32 million) and a profit of HK\$1.04 million (2005: HK\$480,000), representing respective increases of 18% and 1.2 times over the corresponding period of 2005. In order to alter the practice of developing products solely for application in platforms of government departments, Shenzhen EDI has made active efforts in 2006 to solicit commercial projects targeting at various enterprises, and will focus on the development of the "Maritime Merchant Network Project" to directly provide such customers as shippers and container terminals with ocean shipping operations, customs clearance application systems and information value-added services.

Notwithstanding the unfavourable market conditions, including the intense competition within the sector and the soaring price of jet fuel, Shenzhen Airlines Co., Ltd. ("Shenzhen Airlines"), equity interests of which is held by Total Logistics, has been able to maintain a profit-making position in 2005. However, in order to cope with all kinds of risk factors and to satisfy needs for its operations, Shenzhen Airlines did not declare any dividend to its shareholders in 2006 (2005: HK\$26.64 million).

製造業務

南玻集團

本集團的主要聯營公司南玻集團的主營業務為研製、生產及銷售高級浮法玻璃及其他玻璃製品，包括工程及建築玻璃、信息技術產品用精細玻璃、汽車玻璃及太陽能光伏產品等，南玻集團亦從事生產及銷售新型電子元器件及結構陶瓷產品。

於本期間，南玻集團錄得營業額港幣12.26億元（二零零五年：港幣9.5億元），較去年同期增長29%，股東應佔盈利為港幣1.46億元（二零零五年：港幣1.46億元），與去年同期一致。於本期間，儘管受行業衝擊較為嚴重的浮法玻璃產業於上半年對南玻集團的利潤貢獻與去年同期相比大幅下降，但由於南玻集團的三大產業浮法玻璃、工程及汽車玻璃、精細玻璃及微電子產業發揮互補優勢，成功抵禦了單一產業帶來的經營風險，二零零六年上半年的利潤總額與去年同期保持一致，在行業中一枝獨秀。

於二零零六年上半年，南玻集團把握了國家頒佈節能政策及能源價格不斷上漲的市場契機，加大了節能產品的開發及市場開拓的力度，工程及汽車玻璃產業的利潤錄得港幣7,980萬元，較去年同期大幅增長1.8倍，創造了歷史最高水平。而南玻集團的精細玻璃產業保持了較強的盈利能力，對南玻集團的利潤貢獻也越來越舉足輕重，於二零零六年上半年，精細玻璃及微電子產業實現盈利港幣4,869萬元，佔南玻集團盈利總額33%。面對浮法玻璃市場供求失衡、燃油及原材料價格居高不下及產品價格持續低迷，南玻集團的浮法玻璃產業於第一季受到嚴峻的考驗；踏入第二季度，隨著浮法玻璃市場復蘇以及成都浮法玻璃生產線的順利投產，浮法玻璃產業的業績穩步回升。

Manufacturing Business

CSG

CSG, a principal associate of the Group, is principally engaged in the development, production and sales of high-end floating glass and other glass products, including architectural glass and construction glass, delicacy glass for information technology products, automotive glass and solar energy photovoltaic products. CSG is also engaged in the production and sales of latest electronic components and structural ceramics products.

During the Period, CSG recorded a turnover of HK\$1,226 million (2005: HK\$950 million), representing an increase of 29% over the corresponding period of 2005, and a profit attributable to shareholders of HK\$146 million (2005: HK\$146 million), which is the same as that of 2005. During the Period, notwithstanding the fact that the contribution of the floating glass business to the profit of CSG was substantially lower than that of the corresponding period of 2005 due to the adverse situation of the floating glass industry, CSG was able to resist the operational risk inherent in relying on a single sector by virtue of the complementary advantages of its three major products, namely floating glass, architectural and automotive glass as well as delicacy glass and micro-electronics business. As a result, CSG was able to maintain the same level of profit for the first half of 2006 with the corresponding period of 2005 and outperformed its competitors in the industry.

In the first half of 2006, capitalised on the potential market brought about by the energy saving policy promulgated by the PRC and the soaring energy price, CSG strengthened the development of energy-saving products and the marketing activities, thereby generating a record high profit of HK\$79.80 million from the architectural and automotive glass business. The said profit represented a substantial increase of 1.8 times over the corresponding period of 2005. The delicacy glass business of CSG maintained a strong profitability, playing an important role in profit contribution to CSG. In the first half of 2006, the delicacy glass and microelectronics business realised a profit of HK\$48.69 million, accounting for 33% of the total profit of CSG. In view of the unbalanced market supply and demand, persistent high prices for fuel and raw material and continuous low product prices, the floating glass business of CSG experienced extreme difficulties in the first quarter of 2006. However, in the second quarter of 2006, the results of the floating glass business improved steadily due to the recovery of the market in the floating glass industry and the full operation of Chengdu floating glass production lines.

面對全球能源供應日益短缺，價格不斷上漲，南玻集團制定了全面進軍太陽能光伏產業的計劃。其中太陽能光伏超白電子玻璃項目設立於東莞綠色能源產業園內，投產後可年產太陽能光伏超白電子玻璃7.9萬餘噸，預計將於二零零六年年底投產。南玻集團正在積極籌備太陽能光伏電池項目，將建設一條年產能為25兆瓦的太陽能光伏電池生產線，預計可於二零零七年中期投產。此外，南玻集團亦已順利開展太陽能光伏產業鏈中最關鍵的多晶硅原材料項目，該項目設立於湖北省宜昌經濟技術開發區，擬分期投資建設產能為4,500至5,000噸多晶硅材料的生產基地。目前該項目已與俄羅斯國家稀有金屬研究院正式簽訂了技術轉讓協議，並被湖北省列為十一五規劃中的三個重點項目之一。隨著上述項目的陸續建成及投產，太陽能光伏產業將會成為南玻集團未來的支柱產業之一，並將成為南玻集團未來利潤持續增長強而有力的支撐。

CSG has formulated a comprehensive plan to enter into the solar energy photovoltaic sector to cope with the pressing problem of global shortage of power supply and soaring energy cost. Accordingly, the solar energy photovoltaic super white electronic glass project has been established in Dongguan Green Energy Industrial Park. Upon full operation, it is able to produce over 79,000 tons of solar energy photovoltaic super white electronic glass per year. The project is expected to be put into production at the end of 2006. CSG is actively preparing a solar energy photovoltaic battery project, and will establish a solar energy photovoltaic battery production line with an annual production capability of 25 megawatts. It is expected that the project will be put into production in mid 2007. In addition, CSG has also successfully launched the project for multicrystalline silicon raw materials, which is an essential part in the chain of production of solar energy photovoltaic business. The project has been established in Yichang Economic and Technological Development Zone in Hubei Province. CSG plans to invest and establish a production base with a capacity of 4,500 to 5,000 tons of multicrystalline silicon raw materials by phases. Currently, CSG has entered into an official technology transfer agreement with Russian National Institute of Rare Metal in respect of the project and the project has been classified as one of the top three projects of the 11th Five-Year Plan by Hubei Province. With completion and full operation of the above projects, the solar energy photovoltaic business will become one of the pillar business of CSG and a concurrent and reliable source for the income growth of CSG in the future.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

財務狀況

FINANCIAL POSITION

		二零零六年 六月三十日 30 June 2006 HK\$ million 港幣百萬元	二零零五年 十二月三十一日 31 December 2005 HK\$ million 港幣百萬元	增加/ (減少) Increase/ (Decrease) %
總資產	Total Assets	5,115	4,468	14
流動資產	Current Assets	1,142	438	161
流動負債	Current Liabilities	439	424	4
流動資產淨值	Net Current Assets	703	14	4,921
淨資產值	Net Assets	3,309	3,172	4
發行股數(百萬股)	Issued Share Capital (million shares)	11,534	11,355	2
每股淨資產(港幣元)	Net Assets per Share (HK\$)	0.29	0.28	4
現金及現金等價物	Cash and Cash Equivalents	882	262	237
銀行貸款及債務工具	Bank Loans and Debt Instruments	1,475	921	60
資產負債率	Debt Asset Ratio	35%	29%	6 ^Δ

Δ 百分點之轉變
change in percentage point

本集團於二零零六年一月與摩根大通證券有限公司(作為牽頭經辦人)訂立認購協議，由本集團發行本金總額為港幣6億元的零息可換股債券，準備為經挑選的中國物流基建項目的收購商機隨時提供資金。該港幣6億元的零息可換股債券在賬目上作為債務工具處理，因此，於二零零六年六月三十日，本集團之銀行貸款及債務工具較二零零五年十二月三十一日增加60%。於二零零六年六月三十日，發行可換股債券所得的現金淨額尚未使用，並存放於高信貸評級及流動性強的貨幣基金，作為本集團的現金及現金等價物，並使本集團的總資產、流動資產等各項指標均較二零零五年十二月三十一日有所增加。

The Group entered into a subscription agreement with J.P. Morgan Securities Limited (as the Lead Manager) in January 2006 whereby the Group issued zero coupon convertible bonds with an aggregate principal amount of HK\$600 million to provide funds for potential acquisition opportunities of selected logistics infrastructure projects in the PRC. For accounting purposes, the zero coupon convertible bonds with an aggregate principal amount of HK\$600 million are regarded as debt instruments. Accordingly, the Group's bank loans and debt instruments as at 30 June 2006 are higher than those as at 31 December 2005 by 60%. As at 30 June 2006, the net proceeds received from the issue of the convertible bonds has not been utilised and has been deposited with monetary funds with high credit ratings and liquidity and was regarded as cash and cash equivalents of the Group. As a result, there were increases in certain of the ratios of the Group including total assets, current assets and the like when compared with those of 31 December 2005.

於二零零六年六月三十日，本集團銀行貸款總額為港幣6.18億元(二零零五年十二月三十一日：港幣6.1億元)，分別有49%、8%及43%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5.49億元是以港幣為償還貨幣單位，港幣1,050萬元以美元為償還貨幣單位，借貸餘額是以人民幣為償還貨幣單位的國內銀行貸款。本集團已為旗下約港幣3億元的貸款訂立利率調期合約，以減低息率上升之風險。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及定期償還銀行貸款。中國人民銀行於本年三月兩次重申將繼續執行穩健的貨幣政策，因此本集團的匯兌風險相對較低。

As at 30 June 2006, bank loans of the Group amounted to HK\$618 million (31 December 2005: HK\$610 million) in total, of which 49%, 8% and 43% were due for repayment within one year, the second year and the third year or after respectively. Approximately HK\$549 million of the bank loans are repayable in Hong Kong dollars and HK\$10.50 million are repayable in US dollars, and the remaining balances are borrowings from banks in the PRC repayable in Renminbi. The Group has entered into interest rate swap contract for approximately HK\$300 million of its loans to reduce the risk arising from increasing interest rates. The Group's cash inflow is primarily denominated in Renminbi and the cash outflow denominated in Hong Kong dollars mainly comprises cash dividend payment to shareholders and scheduled repayments of bank loans. In March 2006, the People's Bank of China reaffirmed twice that it would stick to a stable monetary policy and thus, the Group's exposure to exchange risk is relatively low.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

於二零零六年六月三十日，本集團的淨借貸與股東權益比率如下：

As at 30 June 2006, the ratio of net borrowings to shareholders' equity of the Group was as follows:

		二零零六年 六月三十日 30 June 2006 港幣百萬元 HK\$ million	二零零五年 十二月三十一日 31 December 2005 港幣百萬元 HK\$ million
總資產	Total Assets	5,115	4,468
股東權益	Shareholders' Equity	3,309	3,172
現金及現金等價物	Cash and Cash Equivalents	882	262
銀行貸款	Bank Loans		
短期銀行貸款	Short Term Bank Loans	274	231
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	32	32
長期銀行貸款	Long Term Bank Loans	312	347
債務工具	Debt Instruments	857	311
銀行貸款及債務工具	Bank Loans and Debt Instruments	1,475	921
借貸淨額	Net Borrowings	593	659
資產負債率	Debt Asset Ratio	35%	29%
淨借貸與股東權益比率	Ratio of Net Borrowings to Shareholders' Equity	18%	21%

本集團的淨借貸與股東權益比率由二零零五年十二月三十一日之21%下降至二零零六年六月三十日之18%，主要是由於本期間內淨借貸減少及股東權益增加。本期間內本集團經營活動及投資活動皆呈淨現金流入，使淨借貸減少，而部分可換股債券港幣4,600萬元，按換股價每股港幣0.341元轉換為本公司普通股，使股東權益有所增加。有關本集團於二零零六年六月三十日之或有項目的詳情，請參閱簡明綜合財務資料附註二十。

The Group's ratio of net borrowings to shareholders' equity decreased from 21% as at 31 December 2005 to 18% as at 30 June 2006. This was mainly attributable to the decrease of net borrowings and the increase in shareholders' equity for the Period. During the Period, a net cash inflow has been recorded in operating activities and investment activities of the Group, thus decreasing the net borrowings. On the other hand, certain convertible bonds, amounting to HK\$46 million, have been converted into ordinary shares of the Company at a conversion price of HK\$0.341 per share, thereby increasing shareholders' equity. For details of the Group's contingent liabilities as at 30 June 2006, please refer to note 20 to the condensed consolidated financial information.

於二零零六年六月三十日，本集團的可動用現金及備用銀行信貸額共約港幣12.23億元，而已使用的信貸額為港幣6.18億元。本集團目前財務狀況良好，並繼續尋找優質的投資機會，以儘量利用現有之財務資源及融資能力，並不時檢討現時的資本結構，降低資金成本方案，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。

於二零零六年六月三十日，本集團共聘有524名員工，當中20人在香港服務，主要為管理及財務人員；另有504名在國內服務，主要為物流方面的員工，約佔486人。

As at 30 June 2006, the Group has cash in hand and standing banking facilities of approximately HK\$1,223 million and the utilised banking facilities amounted to HK\$618 million. The Group enjoys a solid financial position and will continue to identify quality investment opportunities to make full use of its existing financial resources and its financing capability. The Group also reviews its existing capital structure from time to time and considers plans to lower its funding costs so as to further increase the overall returns for its 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 2006, the Group had 524 employees in total, comprising 20 employees in Hong Kong, the majority of them were management and finance personnel, and 504 employees in the PRC, approximately 486 of them served in the logistics and related business.

核數師獨立審閱報告 AUDITORS' INDEPENDENT REVIEW REPORT



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獨立審閱報告
致Shenzhen International Holdings Limited
董事會
(於百慕達註冊成立的有限公司)

INDEPENDENT REVIEW REPORT
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38至64頁所載的中期財務資料。

INTRODUCTION

We have been instructed by the Company to review the interim financial information set out on pages 38 to 64.

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，中期財務資料的編製須符合香港會計師公會頒佈的香港會計準則第34號「中期財務報告」及其相關規定。董事須對中期財務資料負責，而該資料亦已經董事會批准。

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 information 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 information is the responsibility of, and has been approved by, the directors.

本所之責任是根據審閱之結果，對中期財務資料出具獨立結論，並按照雙方所協定的應聘書條款僅向整體董事會報告，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 information 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.

核數師獨立審閱報告 AUDITORS' INDEPENDENT REVIEW REPORT

已執行的審閱工作

本所已按照香港會計師公會所頒佈的核數準則第700號「審閱中期財務報告的聘用」進行審閱工作。審閱工作主要包括向集團管理層作出查詢，及對中期財務資料進行分析程序，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資料發表審計意見。

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二零零六年六月三十日止六個月的中期財務資料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，二零零六年九月一日

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 information 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 information.

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 information for the six months ended 30 June 2006.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 1 September 2006

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)

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
	附註 Note		
資產	ASSETS		
非流動資產	Non-current assets		
物業、廠房及設備	Property, plant and equipment	5	364,490
投資物業	Investment properties	5	19,230
租賃土地及土地使用權	Leasehold land and land use rights	5	144,031
在建工程	Construction in progress	5	7,991
無形資產	Intangible assets	5	640,145
於聯營公司之權益	Interests in associates		2,587,360
可供出售之金融資產	Available-for-sale financial assets		165,956
衍生金融工具	Derivative financial instruments		5,700
其他非流動資產	Other non-current assets		38,630
		3,973,533	4,030,042
流動資產	Current assets		
發展中物業	Property under development	6	53,846
業務及其他應收款	Trade and other receivables	7	199,776
已抵押銀行存款	Pledged bank deposits		5,912
現金及現金等價物	Cash and cash equivalents	8	882,080
			1,141,614
總資產	Total assets		5,115,147
權益	EQUITY		
本公司股權	Capital and reserves		
持有人應佔	attributable to the		
資本及儲備	Company's equity holders		
資本	Share capital	9	1,758,936
其他儲備	Other reserves	10	129,840
保留盈餘	Retained earnings		
— 建議中期／	— Proposed interim/		
末期股息	final dividend		—
— 其他	— Others		62,464
			1,346,834
			3,235,610
少數股東權益	Minority interest		3,099,577
			72,986
總權益	Total equity		3,308,596

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)

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
	附註 Note		
負債	LIABILITIES		
非流動負債	Non-current liabilities		
貸款	Borrowings 12	311,995	347,246
可換股票據及 可換股債券	Convertible note and convertible bonds 13	856,660	311,035
遞延所得稅負債	Deferred income tax liabilities	68,957	71,090
遞延收入	Deferred income	110,408	123,782
少數股東借款	Amount due to a minority shareholder	19,231	19,231
		1,367,251	872,384
流動負債	Current liabilities		
業務及其他應付款	Trade and other payables 11	128,156	142,212
應付稅項	Tax payable	4,900	19,099
貸款	Borrowings 12	306,244	262,953
		439,300	424,264
總負債	Total liabilities	1,806,551	1,296,648
總權益及負債	Total equity and liabilities	5,115,147	4,468,494
流動資產淨值	Net current assets	702,314	14,188
總資產減流動負債	Total assets less current liabilities	4,675,847	4,044,230

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	
		二零零六年 2006 (未經審核) (Unaudited)	二零零五年 2005 (未經審核) (Unaudited)
	附註 Note		
營業額	Turnover	4	187,104
銷售成本	Cost of sales		(132,711)
毛利	Gross profit		54,393
其他收益－淨額	Other gains-net	14	32,558
銷售及市場推廣成本	Selling and marketing costs		(7,601)
管理費用	Administrative expenses		(32,838)
其他經營費用	Other operating expenses	15	(408)
經營盈利	Operating profit	4	46,104
財務成本	Finance costs	16	(30,378)
應佔聯營公司盈利	Share of profit of associates		117,816
除稅前盈利	Profit before income tax		133,542
稅項	Income tax expense	17	(4,640)
期內純利	Profit for the period		128,902
應佔期內純利：	Attributable to:		
本公司股權持有人	Equity holders of the Company		128,185
少數股東權益	Minority interest		717
			128,902
期內本公司 股權持有人 應佔每股 盈利 (以每股港仙計)	Earnings per share for profit attributable to the equity holders of the Company during the period (expressed in HK cents per share)		
－基本	－ Basic	18	1.12
－攤薄	－ Diluted	18	1.02
			(不適用) N/A

簡明綜合權益變動表

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至二零零六年六月三十日止六個月 For the six months ended 30 June 2006
(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)				
		本公司股權持有人應佔 Attributable to equity holders of the Company			少數 股東權益 Minority interest	合計 Total
	附註 Note	資本 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，重新列賬	Balance at 1 January 2005, as restated	1,719,030	84,531	1,009,772	71,164	2,884,497
公允價值調整	Fair value adjustment					
– 可供出售之 金融資產	– available-for-sale financial assets	–	(34,711)	–	–	(34,711)
貨幣匯兌差額	Currency translation differences	–	104	–	–	104
期內純利	Profit for the period	–	–	132,989	(285)	132,704
僱員購股權	Employee share options					
– 提供服務之價值	– value of services provided	9	694	–	–	694
二零零四年股息	Dividend relating to 2004	–	–	(57,164)	–	(57,164)
於二零零五年 六月三十日結餘	Balance at 30 June 2005	1,719,724	49,924	1,085,597	70,879	2,926,124
於二零零六年 一月一日結餘	Balance at 1 January 2006	1,700,428	117,066	1,282,083	72,269	3,171,846
行使購股權	Exercise of share options	12,323	–	–	–	12,323
可換股債券換股	Conversion of convertible bonds	44,509	–	–	–	44,509
僱員購股權	Employee share options					
– 提供服務之價值	– value of services provided	9	1,676	–	–	1,676
公允價值調整	Fair value adjustment					
– 可供出售之 金融資產	– available-for-sale financial assets	–	7,675	–	–	7,675
出售可供出售之 金融資產	Disposal of available-for-sale financial assets	–	(156)	–	–	(156)
貨幣匯兌差額	Currency translation differences	–	898	–	–	898
期內純利	Profit for the period	–	–	128,185	717	128,902
衍生金融工具 儲備	Fair value reserve – derivative financial instruments	–	4,357	–	–	4,357
二零零五年股息	Dividend relating to 2005	–	–	(63,434)	–	(63,434)
於二零零六年 六月三十日結餘	Balance at 30 June 2006	1,758,936	129,840	1,346,834	72,986	3,308,596

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)

		截至六月三十日止六個月 Six months ended 30 June	
		二零零六年 2006 (未經審核) (Unaudited)	二零零五年 2005 (未經審核) (Unaudited)
經營活動之現金流入淨額	Net cash inflow from operating activities	1,365	27,967
投資活動之現金流入淨額	Net cash inflow from investing activities	86,104	216,476
融資活動之現金流入／ (流出)淨額	Net cash inflow/(outflow) from financing activities	532,991	(13,235)
現金及現金等價物之 增加淨額	Net increase in cash and cash equivalents	620,460	231,208
一月一日之現金及 現金等價物	Cash and cash equivalents at 1 January	261,620	234,467
六月三十日之現金及 現金等價物	Cash and cash equivalents at 30 June	882,080	465,675
現金及現金等價物之 結餘分析	Analysis of balances of cash and cash equivalents		
銀行及庫存現金	Cash at bank and in hand	362,919	381,368
短期銀行存款	Short-term bank deposits	19,231	84,307
貨幣市場基金	Money market funds	499,930	—
		882,080	465,675

1. 一般資料

Shenzhen International Holdings Limited (深圳國際控股有限公司) (「本公司」) 為投資控股公司，截至二零零六年六月三十日止六個月(「本期間」)，本公司、其附屬公司及共同控制實體公司(「本集團」)及聯營公司經營之主要業務如下：

- 物流及相關業務；
- 投資控股；及
- 製造業務。

本公司為一間於百慕達註冊成立之有限公司。本公司之註冊地址為Bank of Bermuda Building, 6 Front Street, Hamilton HM11, Bermuda。

本公司股份於香港聯合交易所有限公司(「聯交所」)上市。本簡明綜合中期財務資料已由董事會在二零零六年九月一日批准刊發。

2. 編制基準

本期間的簡明綜合中期財務資料已根據香港會計準則第34號「中期財務報告」編制。本簡明綜合中期財務資料應結合截至二零零五年十二月三十一日止之年度財務報表一併閱讀。

1. GENERAL INFORMATION

Shenzhen International Holdings Limited (the “Company”) is an investment holding company. During the six months ended 30 June 2006 (the “Period”), the Company, its subsidiaries and jointly controlled entities (the “Group”) and its associates were engaged in the following principal activities:

- Logistics and related business;
- Investment holding; and
- Manufacturing business.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Bank of Bermuda Building, 6 Front Street, Hamilton HM11, Bermuda.

The Company is listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The condensed consolidated interim financial information has been approved for issue by the Board of Directors on 1 September 2006.

2. BASIS OF PREPARATION

The condensed consolidated interim financial information for the Period has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2005.

3. 會計政策

編制本簡明綜合中期財務資料所採納的會計政策與截至二零零五年十二月三十一日止年度的年度財務報表的會計政策一致。惟下列於二零零六年一月一日或之後開始的會計期間生效的新準則、對準則的修訂和詮釋除外：

香港會計準則第19號的修訂

Amendment to HKAS 19

香港會計準則第21號的修訂

Amendment to HKAS 21

香港會計準則第39號的修訂

Amendment to HKAS 39

香港會計準則第39號的修訂

Amendment to HKAS 39

香港會計準則第39號及香港財務報告準則第4號的修訂

Amendment to HKAS 39 and HKFRS 4

香港財務報告準則第6號

HKFRS 6

香港(國際報告詮釋委員會)詮釋第4號

HK(IFRIC)-Int 4

香港(國際報告詮釋委員會)詮釋第5號

HK(IFRIC)-Int 5

香港(國際報告詮釋委員會)詮釋第6號

HK(IFRIC)-Int 6

本集團採用對香港會計準則第19號的修訂、第21號的修訂、第39號的修訂及香港財務報告準則第4號的修訂、香港財務報告準則第6號及香港(國際報告詮釋委員會)詮釋第4號、第5號及第6號並未造成會計政策之重大變更。

3. ACCOUNTING POLICIES

The accounting policies used in the preparation of the condensed consolidated interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2005 except for the following new standards, amendments to standards and interpretations which are effective for accounting periods beginning on or after 1 January 2006:

精算盈虧、集體界定福利計劃及披露

Actuarial gains and losses, group plans and disclosures

海外業務的淨投資

Net investment in a foreign operation

預測集團間交易的現金流量對沖會計處理

Cash flow hedge accounting of forecast intragroup transactions

公平值期權

The fair value option

財務擔保合約

Financial guarantee contracts

礦產資源的開採和評估

Exploration for and evaluation of mineral resources

釐定一項安排是否包括租賃

Determining whether an arrangement contains a lease

對拆卸、復原及環境復修基金權益的權利

Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds

參予特殊市場—電氣及電子設備廢料—產生的負債(此詮釋自二零零五年十二月一日或以後開始的會計期間生效)

Liabilities arising from participating in a specific market – waste electrical and electronic equipment (this interpretation is effective for accounting periods beginning on or after 1 December 2005)

The adoption of amendments to HKASs 19, 21, 39 and HKFRS 4, HKFRS 6 and HK(IFRIC)-Int 4, 5, and 6 did not result in significant changes to the Group's accounting policies.

3. 會計政策 (續)

以下為已頒佈但並未於截至二零零六年十二月三十一日止之年度生效，而本集團亦未予以提早採用新準則、對準則的修訂和詮釋：

香港會計準則第1號修訂
Amendment to HKAS 1
香港財務報告準則第7號
HKFRS 7
香港(國際報告詮釋委員會)詮釋第7號
HK(IFRIC)-Int 7
香港(國際報告詮釋委員會)詮釋第8號
HK(IFRIC)-Int 8
香港(國際報告詮釋委員會)詮釋第9號
HK(IFRIC)-Int 9

本集團正就預期首次應用此等新準則、對準則的修訂和詮釋之影響進行評估，但未能指出此等新準則、對準則的修訂和詮釋對於本集團之經營業績及財務狀況是否造成重大影響。

4. 分部資料

本期間，本集團及聯營公司之三個主要業務分部遍及中華人民共和國(「中國」)及香港：

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

3. ACCOUNTING POLICIES (continued)

The following new standards, amendments to standards and interpretations have been issued but are not yet effective for the year ending 31 December 2006 and have not been early adopted by the Group:

資本披露
Capital disclosures
金融工具：披露
Financial instruments: Disclosures
應用香港會計準則第29號下的重列法
Applying the restatement approach under HKAS 29
香港財務報告準則第2號的範圍
Scope of HKFRS 2
重新評估嵌入式衍生工具
Reassessment of embedded derivatives

The Group is in the process of assessing the impact of these new standards, amendments to standards and interpretations and is not yet in a position to state the potential impact all these new standards, amendments to standards and interpretations would have on its results of operations and financial position.

4. SEGMENT INFORMATION

During the Period, the Group and its associates are organised into three main business segments in the People's Republic of China (the "PRC") and Hong Kong:

- (1) Logistics and related business;
- (2) Investment holding; and
- (3) Manufacturing business.

簡明綜合財務資料附註

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(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. 分部資料 (續)

本期間及截至二零零五年六月三十日止六個月，分部營業額及分部業績如下：

4. SEGMENT INFORMATION (continued)

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

		分部營業額			分部業績		
		Segment turnover			Segment results		
		截至六月三十日止六個月			截至六月三十日止六個月		
		Six months ended 30 June			Six months ended 30 June		
		二零零六年			二零零五年		
		2006			2005		
		(未經審核)			(未經審核)		
		(Unaudited)			(Unaudited)		
		應佔聯營			應佔聯營		
		公司部份 [#]			公司部份 [#]		
		本集團	Share of	合計 [#]	本集團	Share of	合計 [#]
		The Group	associates [#]	Total [#]	The Group	associates [#]	Total [#]
按主要業務劃分	By principal activities						
物流及相關業務	Logistics and related business	187,104	171,545	358,649	135,441	129,305	264,746
投資控股	Investment holding	-	-	-	-	-	-
製造業務	Manufacturing business	-	314,379	314,379	-	247,586	247,586
		187,104	485,924	673,028	135,441	376,891	512,332
按主要地區劃分	By geographical areas						
香港	Hong Kong	-	-	-	-	-	-
中國	PRC	187,104	485,924	673,028	135,441	376,891	512,332
		187,104	485,924	673,028	135,441	376,891	512,332

僅供參考

For reference only

5. 資本性開支

5. CAPITAL EXPENDITURE

		(未經審核) (Unaudited)							
		無形資產 Intangible assets			投資物業 Investment properties		物業、廠房 及設備 Property, plant and equipment	租賃土地及 土地使用權 Leasehold land and land use rights	在建工程 Construction in progress
		商譽 Goodwill	收費公路 經營權 Toll road operating right	合計 Total					
二零零六年一月一日	Net book amount as at 1 January 2006	8,137	651,533	659,670	19,230	305,585	145,774	54,362	
賬面淨值									
添置	Additions	-	-	-	-	9,799	-	12,036	
出售	Disposals	-	-	-	-	(1,442)	(246)	-	
轉移	Transfers	-	-	-	-	58,407	-	(58,407)	
折舊/攤銷	Depreciation/amortisation charge	-	(19,525)	(19,525)	-	(7,859)	(1,497)	-	
二零零六年六月三十日	Net book amount as at 30 June 2006	8,137	632,008	640,145	19,230	364,490	144,031	7,991	
賬面淨值									

6. 發展中物業

6. PROPERTY UNDER DEVELOPMENT

發展中物業包括土地使用權港幣46,210,000元及相關資本支出港幣7,636,000元。

Property under development represented the land use rights of HK\$46,210,000 and related capital expenditure of HK\$7,636,000.

簡明綜合財務資料附註

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(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. 業務及其他應收款

7. TRADE AND OTHER RECEIVABLES

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
業務應收款	Trade receivables	64,190	61,727
減：應收款減值撥備	Less: Provision for impairment of receivables	(2,028)	(1,902)
業務應收款 — 淨額	Trade receivables – net	62,162	59,825
深圳市國資委之 現金補助 (附註15)	Cash subsidy from Shenzhen State-owned Assets Supervision and Administration Commission (Note15)	84,288	–
出售投資物業應收 之款項	Receivables from disposal of investment properties	1,923	1,923
其他應收款	Other receivables	51,403	56,446
		199,776	118,194

業務應收款之信貸期通常為30至120日，於二零零六年六月三十日及二零零五年十二月三十一日業務應收款的賬齡如下：

Trade receivables generally have credit terms of 30 to 120 days. As at 30 June 2006 and 31 December 2005, the ageing analysis of the trade receivables was as follows:

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
0–90日	0 – 90 days	38,357	43,718
91–180日	91 – 180 days	9,878	12,650
181–365日	181 – 365 days	13,477	980
超過365日	Over 365 days	2,478	4,379
		64,190	61,727

8. 現金及現金等價物

現金及現金等價物包括現金、銀行通知存款及原到期日為三個月或以下的其他短期高度流動性投資(包括貨幣市場基金)。

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments (including money market funds) with original maturities of three months or less.

9. 資本

9. SHARE CAPITAL

		(未經審核) (Unaudited)			
		已發行股數 (千位) Number of issued shares (thousands)	普通股股本 Ordinary shares capital	股本溢價 Share premium	總額 Total
二零零五年一月一日	At 1 January 2005	11,432,812	1,143,281	575,749	1,719,030
僱員購股權 — 提供服務之價值	Employee share option – value of services provided	–	–	694	694
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
二零零六年一月一日	At 1 January 2006	11,355,052	1,135,505	564,923	1,700,428
行使購股權	Exercise of share options	43,700	4,370	7,953	12,323
可換股債券換股 (附註13)	Conversion of the convertible bonds (Note 13)	134,897	13,490	31,019	44,509
僱員購股權 — 提供服務之價值	Employee share option – value of services provided	–	–	1,676	1,676
二零零六年六月三十日	At 30 June 2006	11,533,649	1,153,365	605,571	1,758,936

普通股的法定數目總額為200億股(二零零五年十二月三十一日：200億股)，每股面值港幣0.1元(二零零五年十二月三十一日：每股港幣0.1元)，所有已發行股份已全數繳足。

The total authorised number of ordinary shares is 20,000 million shares (31 December 2005: 20,000 million shares) with a par value of HK\$0.1 per share (31 December 2005: HK\$0.1 per share). All issued shares were fully paid.

簡明綜合財務資料附註

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(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. 資本 (續)

購股權 (續)

授予部份董事及僱員之購股權並沒有附帶任何條件及可立即行使。

有關購股權數量變更及有關之加權平均行使價如下：

9. SHARE CAPITAL (continued)

Share options (continued)

Share options granted to certain directors and employees are unconditional and vested immediately.

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

		截至二零零六年 六月三十日止六個月 Six months ended 30 June 2006 (未經審核) (Unaudited)		二零零五年 十二月三十一日止年度 Year ended 31 December 2005 (經審核) (Audited)	
		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 (千位) (thousands)	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 (千位) (thousands)
期/年初	At the beginning of the period/year	0.282	295,500	-	-
授予	Granted	0.376	40,000	0.282	296,600
行使	Exercised	0.282	(43,700)	-	-
失效	Lapsed	-	-	0.282	(1,100)
期/年末	At the end of the period/year	0.295	291,800	0.282	295,500

於二零零六年五月二日，40,000,000股購股權以每股行使價港幣0.376元授予一位董事。

所有於二零零六年六月三十日尚未行使之購股權可予以行使，其中40,000,000股購股權將於二零一一年四月二十五日到期，餘額將於二零一零年一月十一日到期。

On 2 May 2006, 40 million share options with an exercise price of HK\$0.376 were granted to a director.

All share options outstanding as at 30 June 2006 are exercisable. Out of which, 40 million share options will be expired on 25 April 2011, the rest will be expired on 11 January 2010.

9. 資本 (續)

購股權 (續)

本期間授予的期權公平價值於採用Black-Scholes期權定價模型計算後為港幣0.0419元。有關之計算根據下列假設確定，授予日港幣0.375元之股票價格，行使價港幣0.376元，預期波幅2.5968%，預期年限五年，預期股息率為1.4667%及無風險年利率4.08%。按照預期股價回報的標準差而計量的波動幅度，根據過去一年統計分析所得之每日股價計算。

本期間，港幣4,600萬元零息可換股債券按換股價每股港幣0.341元，轉換為134,897,359股普通股。因此，股本及股本溢價分別增加港幣13,490,000元及港幣31,019,000元。

9. SHARE CAPITAL (continued)

Share options (continued)

The fair value of options granted during the Period determined using the Black-Scholes valuation model was HK\$0.0419. The significant inputs into the model were share price of HK\$0.375 at the grant date, exercise price at HK\$0.376, the expected volatility of the share price of 2.5968%, expected life of options of 5 years, expected dividend paid out rate of 1.4667% and annual risk-free interest rate of 4.08%. 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.

During the Period, zero coupon convertible bonds with a principal amount of HK\$46,000,000 were converted into 134,897,359 ordinary shares at a conversion price of HK\$0.341. The Group's share capital and share premium were increased by HK\$13,490,000 and HK\$31,019,000 respectively.

簡明綜合財務資料附註

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(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. 其他儲備

10. OTHER RESERVES

		(未經審核)								
		(Unaudited)								
		可換股票據 權益部份	公允價值 儲備	儲備基金	資本儲備	商譽儲備	對沖儲備	折算調整	繳入盈餘	合計
		Equity component of convertible note	Fair value reserve	Reserve funds	Capital reserve	Goodwill reserve	Hedging reserve	Translation	Contributed surplus	Total
於二零零五年	Balance at									
一月一日結餘	1 January 2005	56,405	-	114,110	58,794	(159,583)	-	1,800	13,005	84,531
貨幣匯兌差額	Currency translation differences	-	-	-	-	-	-	104	-	104
公允價值虧損	Fair value losses									
—可供出售之 金融資產	— available-for-sale financial assets	-	(34,711)	-	-	-	-	-	-	(34,711)
於二零零五年	Balance at									
六月三十日結餘	30 June 2005	56,405	(34,711)	114,110	58,794	(159,583)	-	1,904	13,005	49,924
二零零六年	Balance at									
一月一日結餘	1 January 2006	56,405	(24,147)	124,715	58,794	(159,583)	1,343	46,534	13,005	117,066
公允價值盈利	Fair value gains									
—可供出售之 金融資產	— available-for-sale financial assets	-	7,675	-	-	-	-	-	-	7,675
出售可供出售之 金融資產	Disposal of available-for-sale financial assets	-	(156)	-	-	-	-	-	-	(156)
匯兌差額	Currency translation differences	-	-	-	-	-	-	898	-	898
衍生金融工具	Derivative financial instruments	-	-	-	-	-	4,357	-	-	4,357
於二零零六年	Balance at									
六月三十日結餘	30 June 2006	56,405	(16,628)	124,715	58,794	(159,583)	5,700	47,432	13,005	129,840

11. 業務及其他應付款

11. TRADE AND OTHER PAYABLES

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
業務應付款	Trade payables	27,035	27,821
在建工程應付款	Payable for construction in progress	24,625	24,469
收購共同控制實體公司 權益之應付代價款	Payable for the acquisition of a jointly controlled entity	24,939	24,939
其他	Others	51,557	64,983
		128,156	142,212

於二零零六年六月三十日及二零零五年十二月三十一日，業務應付款之賬齡分析如下：

As at 30 June 2006 and 31 December 2005, the ageing analysis of the trade payables was as follows:

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
0-90日	0 - 90 days	20,761	23,509
91-180日	91 - 180 days	3,800	2,355
181-365日	181 - 365 days	1,949	1,444
超過365日	Over 365 days	525	513
		27,035	27,821

簡明綜合財務資料附註

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(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. 貸款

12. BORROWINGS

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
非流動	Non-current	311,995	347,246
流動	Current	306,244	262,953
		618,239	610,199

港幣303,602,000元的銀行貸款以本集團的一間共同控制實體公司Jade Emperor Limited 的股權作抵押。

Bank borrowings of HK\$303,602,000 were secured by the Group's equity interest in Jade Emperor Limited, a jointly controlled entity of the Group.

貸款到期日如下：

The maturity of the borrowings is as follows:

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
一年內	Within 1 year	306,244	262,953
一年至兩年	Between 1 and 2 years	46,397	89,728
二年至五年	Between 2 and 5 years	264,565	256,994
五年內全數償還	Wholly repayable within 5 years	617,206	609,675
五年以上	Over 5 years	1,033	524
		618,239	610,199

短期貸款及長期貸款之賬面值與公允價值相近。

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

12. 貸款 (續)

12. BORROWINGS (continued)

貸款的賬面金額以下列貨幣為單位：

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

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
港幣	Hong Kong dollar	548,602	513,810
人民幣	RMB	59,135	84,725
美元	US dollar	10,502	11,664
		618,239	610,199

本集團有下列未提取貸款融資：

The Group has the following undrawn banking facilities:

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
浮息	Floating rate		
— 一年內到期	— expiring within one year	100,796	195,000
— 一年以上到期	— expiring beyond one year	125,000	90,000
		225,796	285,000
定息	Fixed rate		
— 一年內到期	— expiring within one year	109,231	80,577
		335,027	365,577

簡明綜合財務資料附註

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(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. 可換股票據及可換股債券

本集團分別於二零零二年八月一日發行面值港幣330,000,000元之可贖回及不帶息可換股票據，及於二零零六年二月二十四日發行面值港幣600,000,000元之零票面利率的可換股債券，總面值為港幣930,000,000元。

面值港幣330,000,000元的可換股票據是發行予本公司主要股東深圳市投資管理公司(「深圳投資」)，有關之換股價為每股港幣0.365元，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。

面值港幣600,000,000元的可換股債券是由摩根大通證券有限公司支付或促使認購者認購及支付，有關之換股價為每股港幣0.341元，有效期為由發行日起計五年內及於二零一一年二月二十四日到期。

可換股票據有關負債部份之公允價值，利用市場上等同之非轉換債券之利率計算。剩餘金額屬於股權部份之價值，已包括在股東權益之其他儲備上(附註10)。

本期間發行的可換股債券的初始確認如下：

於二零零六年二月二十四日	Face value of the convertible bonds issued	
可換股債券之面值	on 24 February 2006	600,000
交易費用	Transaction costs	(23,937)
於二零零六年二月二十四日	Liability component on initial recognition	
初始確認的負債	at 24 February 2006	576,063

13. CONVERTIBLE NOTE AND CONVERTIBLE BONDS

The Group issued a redeemable non-interest bearing convertible note with face value of HK\$330,000,000 and zero coupon convertible bonds with face value of HK\$600,000,000 on 1 August 2002 and 24 February 2006 respectively. The total face value of these note and bonds is HK\$930,000,000.

The convertible note with face value of HK\$330,000,000 was issued to the Company's major shareholder, Shenzhen Investment Holding Corporation ("SIHC"), 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 convertible bonds with face value of HK\$600,000,000 were paid by J.P. Morgan Securities Ltd. or subscribers procured by J.P. Morgan Securities Ltd., carrying rights to convert into ordinary shares of the Company at HK\$0.341 each. The convertible bonds have a term of five years from the date of issue and will be matured on 24 February 2011.

The fair value of the liability component of 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 as other reserves (Note10).

The initial recognition of convertible bonds issued during the Period is calculated as follows:

13. 可換股票據及可換股債券 (續)

由於可換股債券的持有人要求兌換股份時，本公司有權選擇以現金結算或者交付股份，本期間發行的可換股債券確認為金融負債。

以現金結算之款額(視情況而定)指以下兩項之乘積：(i)因行使有關轉換權而應予交付之股份數目，且就此而言本公司已選擇以現金結算，及(ii)於緊隨本公司向行使轉換權之可換股債券持有人發出通告通知其本公司選擇以現金結算當日後十個交易日內，股份在聯交所之每日收市價之算術平均數。

可換股票據及債券的負債部份變動如下：

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
一月一日負債部份	Liability component at 1 January	311,035	299,591
增加	Additions	576,063	—
轉換為普通股 (附註9)	Conversion into ordinary shares (Note 9)	(44,509)	—
		842,589	299,591
利息費用	Interest expense	14,071	11,444
負債部份	Liability component	856,660	311,035

有關票據及債券之利息利用實際利率法，將負債部份以實際利率3.82%及4.84%分別計算。

13. CONVERTIBLE NOTE AND CONVERTIBLE BONDS
(continued)

As the Company may elect to settle in cash and/or deliver shares when the holders of the convertible bonds exercise the conversion right, the convertible bonds issued during the Period are recognised as a financial liability.

The amount settled in cash (as the case may be) means the product of (i) the number of shares otherwise deliverable upon exercise of the relevant conversion right and in respect of which the Company has elected to settle in cash and (ii) the arithmetic average of the closing price of shares on the Stock Exchange for each day during the ten trading days immediately after the date on which the Company delivers a notice to the holder of the convertible bond exercising the conversion right notifying the latter of the Company's election to settle in cash.

Movements in liability components of convertible note and bonds are analysed as follows:

Interest expense on the note and bonds is calculated using the effective interest method by applying the effective interest rate of 3.82% and 4.84% respectively to the liability components.

簡明綜合財務資料附註

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(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. 其他收益 — 淨額

14. OTHER GAINS – NET

		截至六月三十日止六個月 Six months ended 30 June	
		二零零六年 2006 (未經審核) (Unaudited)	二零零五年 2005 (未經審核) (Unaudited)
銀行結餘之利息收入	Interest income on bank balances	3,387	1,272
其他利息收入	Other interest income	7,702	607
遞延政府補貼撥入 損益表	Deferred government grants recognised in income statement	13,373	13,373
應收賬款減值回撥	Write-back of provision for impairment of receivables	-	17,885
其他	Others	8,096	2,310
		32,558	35,447

15. 其他經營費用

15. OTHER OPERATING EXPENSES

於二零零六年五月二十四日，本集團的主要聯營公司中國南玻集團股份有限公司（「南玻集團」）股權分置改革（「南玻股改」）完成後，本集團因轉讓所持有南玻非流通股份予南玻集團A股股東而產生的出售損失約港幣84,696,000元，深圳市國有資產監督管理委員會同意向本集團支付一筆約港幣84,288,000元（附註7）的現金以補償本集團因南玻股改帶來之損失，故此南玻股改對本集團的淨資產減少及出售損失數額為港幣408,000元。

On 24 May 2006, a major associate of the Group, CSG Holding Co., Ltd. ("CSG") completed its share segregation reform scheme (the "CSG Share Reform"). The Group has incurred a loss on disposal of approximately HK\$84,696,000 as a result of transferring its portion of non-listed shares to the A share shareholders of CSG. However, Shenzhen Municipal State-owned Assets Supervision and Administration Commission agreed to pay the Group a cash amount of HK\$84,288,000 (Note 7) to compensate the loss incurred due to the CSG Share Reform. Therefore, the reduction of net assets and the loss on disposal of the Group arising from the CSG Share Reform were HK\$408,000.

15. 其他經營費用 (續)

於二零零六年二月二十八日，本集團的主要聯營公司深圳高速公路有限公司（「深高速」）的股權分置改革（「深高速股改」）完成。於二零零五年十二月，本集團之附屬公司新通產實業開發（深圳）有限公司（「新通產」）與深高速另一非流通股股東深圳市深廣惠公路開發總公司（「深廣惠」）達成協議，據此深廣惠代替新通產轉讓非流通股股份予深高速A股股東。於深高速股改完成後，本集團持有深高速的股權維持不變，並避免了因需要把部份所持有的深高速股份轉讓予A股股東而產生的出售虧損約港幣7,000萬元。

15. OTHER OPERATING EXPENSES (continued)

On 28 February 2006, a major associate of the Group, Shenzhen Expressway Company Limited (“Shenzhen Expressway”) completed its share segregation reform scheme (the “SZE Share Reform”). In December 2005, Xin Tong Chan Development (Shenzhen) Co., Ltd. (“Xin Tong Chan”), a subsidiary of the Group, and another Shenzhen Expressway’s non-listed shareholder, Shenzhen Shen Guang Hui Highway Development Company (“Shen Guang Hui”), entered into an agreement. Pursuant to which, Shen Guang Hui would transfer on behalf of Xin Tong Chan its portion of non-listed shares to the ‘A’ share shareholders. As a result, upon completion of the SZE Share Reform, the Group’s shareholding in Shenzhen Expressway remained unchanged and avoided a loss on disposal of approximately HK\$70,000,000 if the Group had to transfer its portion of non-listed shares to the ‘A’ share shareholders.

16. 財務成本

16. FINANCE COSTS

		截至六月三十日止六個月 Six months ended 30 June	
		二零零六年 2006 (未經審核) (Unaudited)	二零零五年 2005 (未經審核) (Unaudited)
利息費用：	Interest expense:		
— 銀行貸款	— bank borrowings	16,307	1,317
— 可換股票據	— convertible note	5,848	5,633
— 可換股債券	— convertible bonds	8,223	—
		30,378	6,950

簡明綜合財務資料附註

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(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. 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。

17. INCOME TAX EXPENSE

No Hong Kong profits tax has 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.

		截至六月三十日止六個月 Six months ended 30 June	
		二零零六年 2006 (未經審核) (Unaudited)	二零零五年 2005 (未經審核) (Unaudited)
本期間利得稅	Current income tax		
— 香港以外地區	— Outside Hong Kong	6,773	1,148
遞延所得稅	Deferred income tax	(2,133)	—
以前年度超額撥備	Over provisions in prior years	—	(122)
		4,640	1,026

本期間，有關分擔聯營公司之稅項為港幣19,298,000元(截至二零零五年六月三十日止六個月：港幣17,563,000元)已計入損益表之應佔聯營公司盈利。

Share of associates' income tax for the Period of HK\$19,298,000 (six months ended 30 June 2005: HK\$17,563,000) is included in share of profit of associates in the income statement.

18. 每股盈利

基本

每股基本盈利乃根據本集團本期間之本公司股權持有人應佔盈利除當時已發行之加權平均普通股股數。

18. EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average 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	
		二零零六年 2006 (未經審核) (Unaudited)	二零零五年 2005 (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	128,185	132,989
已發行之加權平均普通股(千位)	Weighted average number of ordinary shares in issue (thousands)	11,428,399	–
已發行之普通股(千位)	Number of ordinary shares in issue (thousands)	–	11,432,812
每股基本盈利(每股港仙)	Basic earnings per share (HK cents per share)	1.12	1.16

攤薄

每股攤薄盈利乃以假設所有可攤薄的潛在普通股被兌換後的已發行普通股的加權平均股數計算。本公司有兩類可攤薄的潛在普通股：可換股票據／債券及購股權。可換股票據／債券假設被兌換為普通股，而淨盈利經調整以對銷利息費用減稅務影響。至於購股權，根據未行使購股權所附的認購權的貨幣價值，確定按公允價值（確定為本公司股份的平均期間市價）可購入的股份數目。按以上方式計算的股份數目，與假設購股權行使而應已發行的股份數目作比較。

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: convertible note/bonds and share options. The convertible note/bonds are assumed to have been converted into ordinary shares and the net profit is adjusted to eliminate the interest expense less the tax effect. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares during the period) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the share options are exercised.

簡明綜合財務資料附註

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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(All amounts in HK dollar thousands unless otherwise stated)

18. 每股盈利 (續)

攤薄 (續)

		截至二零零六年 六月三十日止六個月 Six months ended 30 June 2006 (未經審核) (Unaudited)
本公司權益持有人應佔盈利	Profit attributable to equity holders of the Company	128,185
可換股票據／債券利息費用	Interest expense on convertible note/bonds	14,071
用以確定每股攤薄盈利的盈利	Profit used to determine diluted earnings per share	142,256
已發行普通股的加權 平均數 (千位)	Weighted average number of ordinary shares in issue (thousands)	11,428,399
調整：	Adjustments for:	
— 購股權 (千位)	— share options (thousands)	33,744
— 假設可換股票據／ 債券被兌換 (千位)	— assumed conversion of convertible note/bonds (thousands)	2,528,743
計算每股攤薄盈利的普通股 的加權平均數 (千位)	Weighted average number of ordinary shares for diluted earnings per share (thousands)	13,990,886
每股攤薄盈利 (每股港仙)	Diluted earnings per share (HK cents per share)	1.02

由於截至二零零五年六月三十日止六個月內並沒有潛在攤薄影響之股份，因此並未列示截至二零零五年六月三十日止每股攤薄盈利。

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

19. 股息

董事會決議不派發本期間之中期股息 (二零零五年：無)。二零零五年度分配予本公司股東的末期股息每股港幣0.0055元，合共港幣63,434,000元，於二零零六年六月二日支付。

19. DIVIDENDS

The Board of Directors has resolved not to declare an interim dividend in respect of the Period (2005: Nil). A 2005 final dividend of HK\$0.0055 per ordinary share, totalling HK\$63,434,000, was paid on 2 June 2006.

20. 或有負債

於二零零六年六月三十日，未計入之或有負債如下：

20. CONTINGENT LIABILITIES

At 30 June 2006, contingent liabilities not provided for were as follows:

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
提供銀行融資 之企業擔保	Corporate guarantees for banking facilities provided to		
– 聯營公司	– Associates	165,784	240,752
– 共同控制實體公司	– A jointly-controlled entity	30,288	35,481
– 第三方	– A third party	5,385	4,792
		201,457	281,025

21. 資本承擔

於結算日有以下未計入之資本承擔：

21. CAPITAL COMMITMENTS

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

		二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
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	1,132	28,815
已簽訂但未計入	Contracted but not provided for	28,000	–
		29,132	28,815

簡明綜合財務資料附註

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(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. 關聯人士交易

深圳投資共計直接及間接擁有本公司41.93%股權，深圳投資是本公司之主要股東。

除本財務資料其他部份披露之交易及結餘外，於本期間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11,960,000元（截至二零零五年六月三十日止六個月：港幣10,520,000元）。

ii) 期末結餘

22. RELATED PARTY TRANSACTIONS

SIHC directly and indirectly owns 41.93% of the Company's shares. SIHC is the major shareholder of the Company.

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

i) Services provided to associates

During the Period, the income from the logistic services rendered by the Group to two associates, CSG and Tianjin CSG Architectural Glass Company Limited ("Tianjin CSG"), amounted to HK\$11,960,000 (six months ended 30 June 2005: HK\$10,520,000).

ii) Period-end balances

	二零零六年 六月三十日 30 June 2006 (未經審核) (Unaudited)	二零零五年 十二月三十一日 31 December 2005 (經審核) (Audited)
應收關聯人士賬款		
聯營公司：		
— 南玻集團	5,467	3,000
— 天津南玻	9,385	6,526
	14,852	9,526

購買、贖回或出售本公司的上市證券

於截至二零零六年六月三十日止六個月（「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。

於二零零六年六月三十日，根據證券及期貨條例第352條規定本公司須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

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 2006 (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 2006, 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 the ordinary shares of the Company

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
李黑虎先生 Mr. Li Hei Hu	35,000,000	實益擁有人 beneficial owner	個人 personal	0.30%
陳 潮先生 Mr. Chen Chao	27,000,000	實益擁有人 beneficial owner	個人 personal	0.23%
李景奇先生 Mr. Li Jing Qi	20,000,000	實益擁有人 beneficial owner	個人 personal	0.17%
劉 軍先生 Mr. Liu Jun	19,000,000	實益擁有人 beneficial owner	個人 personal	0.16%

董事於證券的權益 (續)

除上文及下一節的「購股權計劃」所披露者外，於二零零六年六月三十日，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條規定本公司須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。

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。

由董事會釐定的合資格參與本計劃者包括 (a)本公司及其附屬公司的任何全職僱員；(b)本公司、其附屬公司、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。

DIRECTORS' INTERESTS IN SECURITIES (continued)

Save as disclosed above and in the section headed "SHARE OPTION SCHEME" below, as at 30 June 2006, 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.

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.

Eligible participants of the Scheme include person being (a) any full-time employee of the Company and its subsidiaries, (b) any director (including executive, non-executive or independent non-executive directors) of the Company, its subsidiaries, associates and jointly-controlled entities 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 derivatives)				於二零零六年六月三十日 As at 30 June 2006	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\$	本公司的股份價格*** Share price of the Company***	
	於二零零六年一月一日 As at 1 January 2006	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					於購股權授出日期 As at the date of grant of share options 港幣元 HK\$	於購股權行使日期 As at the date of exercise of share options 港幣元 HK\$
董事 Directors										
李黑虎先生 Mr. 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	不適用 N/A
陳潮先生 Mr. 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	不適用 N/A
李景奇先生 Mr. 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	不適用 N/A
喬剛先生 Mr. 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	0.376
劉軍先生 Mr. 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	不適用 N/A
杜志強先生 Mr. 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	不適用 N/A
張化橋先生 Mr. Zhang Hua Qiao	-	40,000,000	-	-	40,000,000	二零零六年五月二日 2 May 2006	二零零六年五月二日至二零零一年四月二十五日 2 May 2006 to 25 April 2011	0.376	0.365	不適用 N/A
	185,000,000	40,000,000	20,000,000	-	205,000,000					
其他僱員 Other employees										
合計 In aggregate	110,500,000	-	23,700,000	-	86,800,000	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	0.379
	295,500,000	40,000,000	43,700,000	-	291,800,000					

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。而所披露的購股權行使日期的本公司股份價格，則為於緊接所披露類別的購股權獲行使當日前一日之加權平均收市價。

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167.6萬元，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，請見簡明綜合財務資料附註九。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 was subject to adjustment in the case of rights, 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. The share price of the Company disclosed as at the date of the exercise of the share options was the weighted average closing price of the shares immediately before the date on which the share options with the disclosure category were exercised.

In accordance with the requirements under the Hong Kong Financial Reporting Standard 2 "Share-based payment", the cost of approximately HK\$1.676 million 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 the exercise of 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 are lapsed or cancelled prior to 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 9 to the condensed consolidated financial information. Such option pricing model requires certain input of subjective assumptions. Any changes in the subjective input assumptions may materially affect the estimation of the fair value of the share options.

主要股東於股份的權益

於二零零六年六月三十日，根據證券及期貨條例第336條規定本公司須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

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 June 2006, 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 the 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)	4,836,363,636	–	受控制公司 的權益 interest of controlled corporation	41.93%
深圳投資 – 附註 (2) SIHC – Note (2)	–	904,109,589	實益擁有人 beneficial owner	7.84%
Ultrarich International Limited (「Ultrarich」)	4,836,363,636	–	實益擁有人 beneficial owner	41.93%

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。
- (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。於二零零六年六月三十日，深圳投資尚未行使可換股票據。上述可換股票據為非上市的實物結算股本衍生工具。

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.
- (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 2006, SIHC has not exercised any conversion rights of the convertible note. The aforesaid convertible note was unlisted and was a physically settled equity derivative.

主要股東於股份的權益 (續)

除上文所披露者外，於二零零六年六月三十日，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條規定本公司須備存的登記冊內。

其他人士於股份的權益

於二零零六年六月三十日，根據證券及期貨條例第336條規定本公司須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

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES (continued)

Save as disclosed above, as at 30 June 2006, 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.

OTHER PERSONS' INTERESTS IN SHARES

As at 30 June 2006, the interests and short positions of other persons who had interests and short positions in the shares and underlying shares of the Company, which are required to be recorded in the register kept by the Company under section 336 of the SFO are set out below:

Long positions in the 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
李嘉誠先生 — 附註(1)及(2) Mr. 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	6.97%
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	6.97%
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	6.97%
Li Ka-Shing Unity Trustee Company Limited (「TUT1」) — 附註(1)及(2) — Notes (1)&(2)	803,485,000	信託人 trustee	6.97%
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	6.97%

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，於二零零六年六月三十日，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條規定本公司須備存的登記冊內。

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 2006, 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

為符合股東利益，董事會致力實行高水平的企業管治。本公司採納的企業管治原則著重一個高效率的董事會、健全的內部監控，以及對股東的透明度和問責性。

上市規則附錄十四「企業管治常規守則」（「企業管治守則」）訂明良好企業管治的原則及分兩層次的有關建議：(a)守則條文；及(b)建議最佳常規。根據本公司二零零五年年報內企業管治報告的披露，本公司已應用企業管治守則的原則，並已全面符合企業管治守則所有守則條文及若干建議最佳常規。於本期間內，本公司一直遵守載於企業管治守則的所有守則條文及應用若干建議最佳常規。

CORPORATE GOVERNANCE

The board of directors is committed to maintain a high standard of corporate governance in the best interests of the shareholders. The corporate governance principles adopted by the Company emphasise a highly efficient board of directors, sound internal control and the transparency and accountability to all shareholders.

The Code on Corporate Governance Practices (the “CG Code”) as set out in the Appendix 14 of the Listing Rules stipulates the principles of good corporate governance and two levels of recommendations: (a) Code Provisions; and (b) Recommended Best Practices. As disclosed in the Corporate Governance Report contained in the Company’s 2005 annual report, the Company has applied the principles under the CG Code, and has been in full compliance with all the Code Provisions and certain Recommended Best Practices as set out in the CG Code. Throughout the Period, the Company has been in full compliance with all the Code Provisions and certain Recommended Best Practices as set out in the CG Code.

董事會

於本報告日期，董事會由八名董事組成，當中包括三名執行董事及五名非執行董事（其中三名為獨立非執行董事）。於本期間，董事會曾舉行三次會議，下表列示各董事會成員出席會議的詳情：

Board of Directors

As at the date of this report, the board of directors comprises eight directors, three executive directors and five non-executive directors, three of whom are independent non-executive directors. The board of directors held three meetings during the Period and the attendance details of each member of the board of directors are set out below:

		出席次數／ 會議次數 Meetings attended/held	出席率 Attendance Rate
執行董事		Executive directors	
郭原先生(主席) (於二零零六年八月十五日獲委任)	Mr. Guo Yuan (Chairman) (appointed on 15 August 2006)	不適用 N/A	不適用 N/A
李景奇先生(總裁)	Mr. Li Jing Qi (Chief Executive Officer)	3/3	100%
劉軍先生	Mr. Liu Jun	3/3	100%
李黑虎先生(於二零零六年八月十五日辭任)	Mr. Li Hei Hu (resigned on 15 August 2006)	3/3	100%
陳潮先生(於二零零六年八月十五日辭任)	Mr. Chen Chao (resigned on 15 August 2006)	2/3	66.7%
喬剛先生(於二零零六年八月十五日辭任)	Mr. Qiao Gang (resigned on 15 August 2006)	3/3	100%
非執行董事		Non-executive directors	
杜志強先生	Mr. To Chi Keung, Simon	3/3	100%
張化橋先生 (於二零零六年四月二十六日獲委任)	Mr. Zhang Hua Qiao (appointed on 26 April 2006)	1/1	100%
獨立非執行董事		Independent non-executive directors	
梁銘源先生	Mr. Leung Ming Yuen, Simon	3/3	100%
丁迅先生	Mr. Ding Xun	2/3	66.7%
聶潤榮先生	Mr. Nip Yun Wing	3/3	100%

董事會於本期間曾舉行三次會議，會議的議題包括下列事項：

The board of directors held three meetings during the Period in which the following matters were discussed:

- | | |
|---|--|
| (1) 審批中國南玻集團股份有限公司股權分置改革方案及本集團與深圳市國有資產監督管理委員會的相關協議； | (1) to consider and approve the share segregation reform scheme of CSG Holding Co., Ltd. and the relevant agreement between the Group and Shenzhen Municipal State-owned Assets Supervision and Administration Commission; |
| (2) 審批二零零五年度全年業績；及 | (2) to consider and approve 2005 annual results; and |
| (3) 審閱二零零六年第一季度業績及業務發展情況。 | (3) to review the results and business development of the first quarter of 2006. |

提名委員會

本公司的提名委員會於二零零三年十二月成立，由三位成員組成，其中兩位為獨立非執行董事。提名委員會的成員為丁迅先生(主席)、梁銘源先生及李景奇先生。於本期間，提名委員會曾舉行兩次會議，各委員會成員的會議出席率均為100%。

提名委員會於本期間曾舉行兩次會議，就需於二零零六年股東週年大會上輪值告退的董事的工作作出評估及建議，以及審議委任張化橋先生為本公司非執行董事的建議。

薪酬委員會

薪酬委員會於二零零三年十二月成立，由三位成員組成，其中兩位為獨立非執行董事。薪酬委員會的成員為丁迅先生(主席)、梁銘源先生及李景奇先生。於本期間，薪酬委員會曾舉行兩次會議，各委員會成員的會議出席率均為100%。

薪酬委員會於本期間曾舉行兩次會議，目的為討論及檢討高管人員的薪酬方案及薪酬機制，以及審議本公司與新委任的非執行董事張化橋先生訂立的服務合約及其薪酬待遇。

審核委員會

審核委員會於一九九五年成立。由三位獨立非執行董事組成，分別為梁銘源先生(主席)、丁迅先生及聶潤榮先生。於制定及採納審核委員會的職權範圍書時，董事會已參照香港會計師公會頒佈的「成立審核委員會指引」。

Nomination Committee

The Nomination Committee of the Company was established in December 2003 and consists of three members, two of whom are independent non-executive directors. Members of the Nomination Committee include Mr. Ding Xun (Chairman), Mr. Leung Ming Yuen, Simon and Mr. Li Jing Qi. The Nomination Committee held two meetings during the Period and the attendance rate of each member of the committee was 100%.

The Nomination Committee held two meetings during the Period for evaluation and recommendation as to the performance of the directors who were subject to retirements by rotation at the 2006 annual general meeting and review the proposal on the appointment of Mr. Zhang Hua Qiao as a non-executive director of the Company.

Remuneration Committee

The Remuneration Committee was established in December 2003 and consists of three members, two of whom are independent non-executive directors. Members of the Remuneration Committee include Mr. Ding Xun (Chairman), Mr. Leung Ming Yuen, Simon and Mr. Li Jing Qi. The Remuneration Committee held two meetings during the Period and the attendance rate of each member of the committee was 100%.

The Remuneration Committee held two meetings during the Period for discussion and review the remuneration scheme and remuneration mechanism of the senior management and to review the service contract between the Company and Mr. Zhang Hua Qiao, the newly appointed non-executive director, and the remuneration package of Mr. Zhang.

Audit Committee

The Audit Committee was established in 1995. The Audit Committee consists of three independent non-executive directors, namely Mr. Leung Ming Yuen, Simon (Chairman), Mr. Ding Xun and Mr. Nip Yun Wing. In establishing and adopting the terms of reference of the Audit Committee, the board of directors had regard to the "Guide for the Formation of an Audit Committee" issued by the Hong Kong Institute of Certified Public Accountants.

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。於本期間內，審核委員會舉行了兩次會議。

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. Two Audit Committee meetings were held during the Period.

		出席次數／ 會議次數 Meetings attended/held	出席率 Attendance Rate
梁銘源先生 (主席)	Mr. Leung Ming Yuen, Simon (Chairman)	2/2	100%
丁 迅先生	Mr. Ding Xun	1/2	50%
聶潤榮先生	Mr. Nip Yun Wing	2/2	100%

於本期間，審核委員會曾舉行兩次會議，與管理層及核數師一起討論及審閱二零零五年度全年業績，並同意財務報告所披露的有關資料已屬完備、準確及公正後，提呈予董事會審批；以及審議本集團所採用的主要會計政策。

The Audit Committee held two meetings during the Period together with the management and the auditors to discuss and review the annual results for 2005 and agree the related disclosure in the financial statements were complete, accurate and fair and to submit the same to the board of directors for approval as well as to consider the principal accounting policies adopted by the Group.

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二零零六年度中期財務報告。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，以審閱本集團截至二零零六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36及37頁。

The Company has engaged PricewaterhouseCoopers, the Auditors of the Company, to assist the Audit Committee to review the unaudited 2006 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 2006. The Auditors' independent review report is set out on pages 36 and 37.

董事及有關僱員進行證券交易的標準守則

董事會已就本集團有關董事及有關僱員進行本公司的證券交易，採納一套行為守則（「行為守則」），該守則的條款較上市規則所載的標準守則所要求的標準嚴謹。有關僱員包括本公司任何因其職務或僱員關係而可能會擁有關於本集團的未公開股價敏感資料的僱員，又或本公司附屬公司的此等董事或僱員。

根據本公司向董事作出的特定查詢，所有董事於本期間內均一直遵守標準守則所規定的標準及行為守則。

Model Code for Securities Transactions by Directors and Relevant Employees

The board of directors adopted a code of conduct (the “Code of Conduct”) in respect of securities transactions of the Company by relevant directors and employees of the Group on terms more stringent than those set out in the Model Code under the Listing Rules. The relevant employees include any employees of the Company or directors or employees of subsidiaries of the Company who, as a result of their office or employment, is likely to be in possession of unpublished price sensitive information in relation to the Group.

The Company, having made specific enquiry to the directors, confirms that all directors have complied with the standards set out in the Model Code and the Code of Conduct at all times throughout the Period.



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)