

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW

The Group recorded profit attributable to the shareholders of HK\$1,299,753 and basic earnings per share of HK0.25 cents during the Period (profit attributable to the shareholders of HK\$13,217,959 and basic earnings per share of HK2.54 cents were recorded for the six months ended 30 September 2005).

LIQUIDITY AND FINANCIAL RESOURCES

Net cash used in operating activities was HK\$1,791,080 for the Period, compared with net cash used in operating activities of HK\$2,657,737 for the six months ended 30 September 2005. Cash and bank balances for the Period amounted to HK\$4,058,677 (for the six months ended 30 September 2005: HK\$7,972,000).

The Group's debt ratio (measured by total liabilities over total assets) and the gearing ratio (interest bearing borrowings over shareholders' funds) were 37% and 27% as at 30 June 2006, compared to 39% and 31% for the nine months ended 31 December 2005, respectively.

CAPITAL STRUCTURE OF THE GROUP

The Group's monetary assets, loan and transactions are principally denominated in Hong Kong dollars and Renminbi. Since there has been no major fluctuation in the exchange rate between Hong Kong dollars and Renminbi, the directors of the Company are of the opinion that the Group's exposure to exchange risk is insignificant.

During the Period, the Group was neither engaged in any derivative activities nor committed to any financial instruments for hedging.

The funding and treasury policies of existing subsidiaries of the Group are centrally managed and controlled by the top management of the Group in Hong Kong.

CONTINGENT LIABILITY

During the Period, the Group did not have any significant contingent liability.

財務回顧

本集團於本期間股東應佔溢利為1,299,753港元及每股基本盈利0.25港仙(二零零五年九月三十日止六個月：股東應佔溢利13,217,959港元和每股基本盈利2.54港仙)。

流動資金及財務資源

於本期間，經營業務現金流出淨額為1,791,080港元，二零零五年九月三十日止六個月，經營業務現金流出淨額則為2,657,737港元。於本期間，現金及銀行結餘為4,058,677港元(二零零五年九月三十日止六個月：7,972,000港元)。

截至二零零六年六月三十日止本集團之債務比率(負債總額除以資產總額)和資本負債比率(付息借貸除以股東資金)分別為37%和27%，而截至二零零五年十二月三十一日止九個月分別為39%和31%。

本集團之資本架構

本集團之貨幣資產、貸款及交易主要以港元及人民幣計值。由於港元與人民幣間之匯率並無重大波動，因此本公司董事認為本集團所面對之匯率風險不大。

於本期間，本集團並無從事任何衍生工具活動，亦無使用任何金融工具對沖。

本集團之現有附屬公司之資金及庫務政策均由香港之高級管理層集中管理及監控。

或然負債

於本期間，本集團並無任何重大或然負債。