



CHOW SANG SANG HOLDINGS INTERNATIONAL LIMITED

周生生集團國際有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock code: 116

股份代號: 116

INTERIM REPORT 2008

2008 中期報告

The Board of Directors (the "Board") of Chow Sang Sang Holdings International Limited (the "Company") is pleased to announce the unaudited interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2008. The interim financial report has been reviewed by the Audit Committee of the Board.

周生生集團國際有限公司(「本公司」)董事會欣然宣布本公司及其附屬公司(「本集團」)截至2008年6月30日止六個月之未經審核中期業績。中期財務報告已由董事會之審核委員會審閱。

FINANCIAL HIGHLIGHTS

財務摘要

		Unaudited 未經審核		
		Six months ended 30 June 截至6月30日止六個月		
		2008	2007	
		HK\$'000	HK\$'000	Change
		千港元	千港元	變動
Turnover	營業額			
Jewellery retail	珠寶零售	2,514,300	1,760,419	43%
Other businesses	其他業務	2,277,480	1,799,500	27%
		<b>4,791,780</b>	<b>3,559,919</b>	<b>35%</b>
Profit attributable to shareholders of the Company	本公司股東應佔溢利	295,270	180,110	64%
Basic earnings per share	每股基本盈利	49.1 cents 仙	29.9 cents 仙	64%
Interim dividend per share	每股中期股息	8.0 cents 仙	8.0 cents 仙	-
Dividend payout ratio	派息比率	16%	27%	
Equity attributable to shareholders of the Company	本公司股東應佔權益	3,288,267	3,634,269 <sup>^</sup>	-10%
Equity per share	每股權益	\$5.5元	\$6.0元 <sup>^</sup>	-10%

<sup>^</sup> Audited as at 31 December 2007

<sup>^</sup> 於2007年12月31日之經審核數字

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## MANAGEMENT DISCUSSION AND ANALYSIS

The first half of 2008 was eventful. Nature took its toll in China first by blanketing severe snowstorms in January over parts of the country that were not used to that kind of harsh weather, and then in May devastated with earthquakes up to 8.0 in magnitude parts of Sichuan and Gansu that were already economically disadvantaged.

As energy prices climbed and financial woes beset the US economy, stock markets across the world went on a downward slide. At the end of June, The Shanghai Stock Exchange Composite Index retreated some 50% from its high in January. Likewise the Hang Seng Index was down 21%.

In Hong Kong and in the mainland, inflation became more and more of a concern as food prices soared in tandem with energy and commodity prices.

The price of gold resumed its ascent in the second half of 2007, breaking through US\$1,000/oz. in March 2008, and stayed higher than it had been in all of 2007.

The central government further tightened its administrative controls over credit and property developments. The Renminbi quickened its appreciation against the Hong Kong dollar, adding inflationary pressure on Hong Kong.

Amid such turbulence, the Group was able to record a turnover for the six months ended on 30 June 2008 at HK\$4,792 million, 35% over that of the same period in 2007. Profit attributable to shareholders rose to HK\$295 million, a 64% increase.

### Jewellery Retail

Turnover of jewellery retail increased 43% to HK\$2,514 million, accounting for 52% of the Group's total. Operating profit grew 93% to HK\$355 million.

#### *Hong Kong & Macau*

To the total turnover of jewellery retail, Hong Kong and Macau contributed HK\$1,742 million, or 69%.

Although gold price went record high, there was no marked selling by consumers. Probably, to those who had bought in 2006 and 2007, the price was still not high enough to trigger a round of sell-off. The turnover is therefore mostly attributable to strong spending by visitors from the mainland as well as local customers, driving up by 107% (as compared with last year) purchases of jewellery pieces with unit prices of HK\$100,000 and more.

## 管理層討論及分析

2008年上半年事故頻生，中國部分地區1月份受到嚴重而反常的雪災蹂躪後，5月份四川及甘肅地區受到8.0級地震破壞，造成極大經濟損失。

燃油價格攀升，加上美國經濟步入衰退的憂慮，令環球股市下滑。於6月底，上海證券交易所綜合指數由1月份高位下跌近50%。同樣地，恒生指數亦下跌21%。

由於食品價格緊隨燃油及商品價格飆升，香港及內地通脹問題逐受關注。

2007年下半年金價重返高位，2008年3月突破每安士1,000美元，並維持在高於2007年全年的水平。

中央政府進一步收緊對信貸及房地產發展的宏調措施。人民幣兌港元的升值加快，加重香港的通脹壓力。

雖然如此，本集團截至2008年6月30日止六個月仍錄得4,792,000,000港元之營業額，較2007年同期上升35%。股東應佔溢利上升至295,000,000港元，升幅為64%。

### 珠寶零售

珠寶零售營業額增加43%至2,514,000,000港元，佔本集團總營業額52%。經營溢利增長93%至355,000,000港元。

#### *香港及澳門*

香港及澳門於本集團珠寶零售總營業額之貢獻為1,742,000,000港元，或69%。

雖然金價持續高企，但是消費者回售舊金並不顯著。或許對於在2006年及2007年購入黃金的消費者而言，金價升幅尚未達到吸引回售的水平。營業額主要來自內地旅客及本地顧客的強勁消費，購買價格在100,000港元及以上之珠寶飾品升幅(與去年比較)達107%。

## MANAGEMENT DISCUSSION AND ANALYSIS

In Mongkok, following the opening of the mega-store and the store at One Grand Tower, the shop down Nathan Road on the west side was closed when its lease expired. Another shop in Kowloon City was closed because the district is not a prime shopping area. Another mega-store was opened late in June at Park Lane Shopper's Boulevard in Tsimshatsui. This store, targeting mainland visitors, has a total area of 600 sq.m. on two floors plus a highly visible frontage.

To rally for the Beijing Olympics, "sports" was featured as the topical theme in a number of products lines: Diamond in Motion – Sports, Hello Kitty Sports and Mickey Sports. In support, a new series of images was deployed in printed and poster advertisements seen in both Hong Kong and the mainland.

Invited by the Hong Kong Heritage Museum to participate in the exhibition "Hong Kong Design Series 6: Jewellery for Life", Chow Sang Sang mounted a display that was essentially a chronological recap of its own store images, products and packaging. The aim was to reflect on Hong Kong's progress by a chronicle of the Group's own evolution.

Emphasis Jewellery in Hong Kong continued to build on its success, achieving an increase of 27% in turnover. Contributing notably to this growth was the store in New Town Plaza, Shatin, after it was moved to a larger and more visible location within the same complex. A store-in-store was opened at the Park Lane Chow Sang Sang mentioned above.

Emphasis Jewellery offered a new collection called "Token of Love", in which the pieces are laser-inscribed with pictures of the customer's choice. To raise awareness of animal rights, a programme was conducted in conjunction with the Society for the Prevention of Cruelty to Animals (Hong Kong) to promote the inscription of pictures of pets.

In Macau, some growth was registered largely because of the addition of the shop in the Venetian Macao-Resort-Hotel.

Rental expenses have gone up 30%. Capital expenditure in the period amounted to HK\$16 million, mostly incurred in opening of new shops and fitting-out of stores.

### *Mainland China*

Turnover of the mainland shops, accounting for 29% of the Group's total in jewellery retail, increased by 64% to HK\$738 million.

With the addition of the first shop in Guilin, Guangxi, the second shop in Zhongshan, Guangdong and the fourth in Qingdao, the total number of shops stood at 108 at the end of June.

## 管理層討論及分析

繼旺角旗艦店及雅蘭中心一期的分店開業後，位於彌敦道西面的分店已於租約期滿後結業。另外，由於九龍城並非首選購物區，故位於該區的分店已結束營業。另一家旗艦店已於6月底在尖沙咀柏麗購物大道開業，該店兩樓層總面積達600平方米，並擁有十分顯眼的店面，主要對象是內地旅客。

為配合北京奧運熱潮，周生生以「運動」為主題推出不同的首飾系列，包括：炫動活力Diamond in Motion – Sports、Hello Kitty Sports及Mickey Sports，並在香港及內地推出一系列新的平面廣告予以配合。

周生生應香港文化博物館之邀請，成為「香港設計系列六：生活佩飾 珠寶演繹」展覽其中一家參展商，將本集團不同年代的店舖形象、產品及包裝品重現眼前。展覽目的是透過本集團歷史和演變，反映香港的發展。

點睛品在香港的表現持續理想，營業額增長27%。位於沙田新城市廣場的分店在遷至場內另一個較大及較開揚的位置營業後，為業務帶來明顯增長。一家「店中店」已於上述柏麗大道周生生內開業。

點睛品推出名為「Token of Love」的新產品系列，以鐳射技術將顧客喜愛的照片刻鑄在產品上。為提倡保障動物權益，點睛品與香港愛護動物協會合辦推廣活動，將寵物照片刻鑄在產品上。

澳門業務亦錄得增長，主要是因為在澳門威尼斯人－度假村－酒店內增加了一家分店。

租金費用增加30%。期內資本性開支為16,000,000港元，大部分用作開設新店及店舖裝修之用。

### *中國內地*

內地分店的營業額佔本集團珠寶零售總營業額29%，上升64%至738,000,000港元。

隨著廣西桂林開設了首家分店、廣東中山增設了第二家分店及在青島開設了第四家分店後，至6月底集團在內地的分店共108家。

## MANAGEMENT DISCUSSION AND ANALYSIS

None of our staff in the affected areas sustained any injury or loss due to the earthquake. However, business in Chengdu was understandably slower than usual in the aftermath. Companies within the Group together donated RMB2.5 million to the Red Cross, and staff raised a further RMB440,000 to Red Cross for disaster relief.

In the lead up to the Olympics, getting works approved in Beijing was difficult and mobilizing for the works was almost impossible. Therefore, the opening of the shop in Sanlitun, Beijing, has been pushed back to the third quarter of 2008.

Capital expenditure during the period reached HK\$20 million, with the fitting out of new shops taking up the bulk of the spending.

### *Taiwan*

As a result of the change in the product lineup, even though turnover was lower than in the first half of 2007, breakeven was achieved due to increased sales of merchandise with higher profit margins.

### **Wholesale of Precious Metals**

Turnover for the first half increased by 26% to HK\$2,175 million and operating profits reached HK\$12 million, 3% of the Group's profit.

With gold and platinum at record heights, demand for the metals slackened. To generate more revenue, a new service was offered in which scrap platinum was bought, aggregated and sent to refineries. Trading in rare metals such as rhodium and iridium continued to provide better profit margins.

### **Securities & Futures Broking**

As our clientele consists of small traders, in a market dominated by volume traders who drove up the average daily turnover by 47% from the year before, the volume of trading in the first half of 2008 was HK\$21 billion, just the same as last year. Inflation however had made significant impact on our costs. Commission income was HK\$45 million, down 6% from the first half of 2007. Operating profits for the period was HK\$25 million, down 23% from the first half of 2007.

Expenditure was incurred as upgrades was made on our system, necessitated by the Hong Kong Exchanges and Clearing Limited's introduction of 5-digit stock codes, closing auction session changes and higher broadcast rate for data.

### **Investments**

#### *Properties*

The Group holds properties mainly for its own use as offices, jewellery shops and factory premises. For investment properties, rental income amounted to HK\$5 million, less than 1% of the Group's overall turnover.

## 管理層討論及分析

地震對災區員工並無造成傷亡，只是成都分店的業務在事故發生後增長較慢。集團內各公司共捐出2,500,000元人民幣予紅十字會，員工亦額外籌募了440,000元人民幣予紅十字會賑災。

籌備奧運令北京的裝修工程難以取得批核，工程幾乎停頓。故此，北京三里屯店只能延後至2008年第三季開業。

期內資本性開支為20,000,000港元，大部分用作開店之用。

### *台灣*

在調整貨品組合後，雖然營業額較2007年上半年低，但因銷售較高利潤的貨品增加，故收支得到平衡。

### **貴金屬批發**

上半年營業額上升26%至2,175,000,000港元，經營溢利達12,000,000港元，為集團經營溢利3%。

隨著黃金及鉑金價格上升至歷史新高，需求減緩。為增加收入，集團開展鉑金回收業務，集合購入之舊鉑金會送至提鍊商提純。稀有金屬如銨及鈹的貿易業務繼續提供良好利潤。

### **證券及期貨經紀**

在主要以大戶為主導的市場下，平均每日成交額較去年上升47%。由於集團客層以散戶為主，2008年上半年的成交額為210億港元，僅與去年相若。通脹對成本影響重大。佣金收入為45,000,000港元，較2007年上半年減少6%。期內經營溢利為25,000,000港元，較2007年上半年減少23%。

為配合香港交易及結算所有限公司推出五位數字證券代號、收市競價交易時段及提升資料播送訊息量，電腦系統已作提升，此舉令開支增加。

### **投資**

#### *物業*

本集團持有之物業大部分自用為辦公室、珠寶店及廠房。投資物業帶來之租金收入為5,000,000港元，佔本集團總營業額少於1%。

### *Shares in Hong Kong Exchanges and Clearing Limited*

Shares in Hong Kong Exchanges and Clearing Limited ("HKEC"), received as a distribution from the merger of the stock and futures exchanges in 2000, are being held by the Group as available-for-sale investments. As at 1 January 2008 and 30 June 2008, the Group held 4,953,500 shares of HKEC and the unrealized gain on the holding amounted to HK\$564 million (31 December 2007: HK\$1,093 million).

## Finance

### *Financial Position & Liquidity*

The Group centralizes funding for all its operations through the corporate treasury based in Hong Kong, which is also given the management of the Group's gold and foreign exchange holdings. This policy achieves better control of treasury operations and lower average cost of funds. As at 30 June 2008, the Group had cash and cash equivalents of HK\$231 million, and total undrawn bank loans and other credit facilities of approximately HK\$1,257 million. The Group generates strong recurring cashflow from its jewellery business.

It is the Group's policy to obtain financing on an unsecured basis as far as possible. With respect to its jewellery business, total borrowing as at 30 June 2008 amounted to HK\$363 million, which was unsecured and repayable in one year. The Group has a gearing ratio of 11%, based on total borrowing of HK\$363 million as a percentage of total shareholders' equity of HK\$3,288 million.

Bank borrowing is at a high level because of two reasons: investment in the mainland and building up of inventory of gem-set jewellery. The latter is necessitated by the increased demand of gem-set jewellery, especially diamond jewellery with larger stones.

### *Foreign Exchange Risk Management*

The Group considers its foreign currency exposure insignificant. The Group has exposure in Renminbi, New Taiwan dollar, Euro and Japanese Yen. Currency risks are managed by partly financing non-Hong Kong dollar assets with loans denominated in the relevant currency. As at 30 June 2008, total foreign currency borrowing excluding Renminbi borrowing amounted to approximately HK\$18 million (31 December 2007: HK\$8 million). Renminbi loans at the period end amounted to RMB217 million (31 December 2007: RMB219 million) and are used for the operations in Mainland China. Most of the Group's assets and liabilities, revenues and expenses are denominated in HK dollar, RMB and US dollar.

### *香港交易及結算有限公司股份*

於2000年證券及期貨交易所合併而獲分配之香港交易及結算有限公司(「港交所」)股份，本集團持作可供出售投資。於2008年1月1日及2008年6月30日，本集團持有4,953,500股港交所股份，未變現收益為564,000,000港元(2007年12月31日：1,093,000,000港元)。

## 財務

### *財務狀況及流動資金*

本集團營運資金集中由香港總公司財政部門統籌，該部門亦負責管理本集團持有之黃金及外匯。此政策令各項營運現金流量得到較佳監控，減低平均融資成本。於2008年6月30日，本集團之現金及等同現金為231,000,000港元，未動用之銀行及其他信貸額約為1,257,000,000港元。本集團之珠寶業務提供龐大的經常性現金流量。

本集團政策為盡量以無抵押方式取得融資。珠寶業務方面，於2008年6月30日之借貸總額為363,000,000港元，為無抵押及須於一年內償還的貸款。本集團之資產負債比率為11%，為貸款363,000,000港元佔股東權益3,288,000,000港元之百分比。

銀行借貸處於高水平的原因有二：投資於內地及增加珠寶鑲嵌飾品存貨。後者為配合珠寶鑲嵌飾品需求的增加，特別是高價鑽石飾品。

### *外匯風險管理*

本集團外匯風險很小，外幣風險主要在人民幣、新台幣、歐羅及日元；管理方法是以外幣債務為手上同幣資產融資。於2008年6月30日，不計人民幣之外幣借款約為18,000,000港元(2007年12月31日：8,000,000港元)。於期末，人民幣借款為217,000,000元人民幣(2007年12月31日：219,000,000元人民幣)，用於中國內地營運。集團大部分資產及負債、收入及費用均以港元、人民幣及美元結算。

## MANAGEMENT DISCUSSION AND ANALYSIS

### *Charge on Assets and Contingent Liabilities*

As at 30 June 2008, certain items of properties of the Group with a net carrying value of HK\$153 million (31 December 2007: HK\$155 million), and listed equity investments of HK\$114 million (31 December 2007: HK\$221 million) were pledged to secure banking facilities granted to certain subsidiaries of the Company.

As at 30 June 2008, the Group had no material contingent liabilities.

### **Human Resources**

At the end of June 2008, the Group had a total workforce of 3,326. The Group follows a policy of offering performance-based salary and benefit packages commensurate with the market. While discretionary bonuses may be granted on an individual basis, there is no stock option scheme in force.

Given the size of the sales team in Hong Kong, there is always a need to orientate new recruits. An “academy” has been set up in one of the shops so as to train them in a live environment before their posting. It is hoped that this better induction process will help reduce attrition of new staff, and will ease the burden of shop managers who otherwise would have to spend much more time to mentor raw recruits.

In order to promote professionalism and to motivate staff, 44 meritorious sales executives were enrolled in certificate courses on diamond. In addition, management training was arranged for mid-level administrative officers.

### **Recognition and Awards**

Chow Sang Sang was given a Gold Trusted Brand Award by the Reader's Digest magazine, the fourth time in as many years. Five sales executives were honoured by the Hong Kong Management Association in their 40<sup>th</sup> Distinguished Salesperson Award Programme. Numerous other awards and accolades were given by organizations such as Hong Kong Retail Management Association and the newspaper Sing Tao Daily.

### **Outlook**

Consumers in Hong Kong will be worried by the gloomy economic climate in the US, inflation, slow-down in the local property market and the weak stock market. However, spending by mainland visitors, showing no sign of abating in July, is likely to remain strong.

## 管理層討論及分析

### *資產抵押及或然負債*

於2008年6月30日，本集團以賬面淨值153,000,000港元（2007年12月31日：155,000,000港元）的若干物業及114,000,000港元（2007年12月31日：221,000,000港元）的上市股份投資作為抵押，為本公司若干附屬公司取得銀行信貸。

於2008年6月30日，本集團並無重大或然負債。

### **人力資源**

於2008年6月底，本集團共有3,326位僱員。集團政策乃按表現提供市場水平的薪酬及待遇組合。而酌情花紅或按個別員工表現發放，目前並無任何股權認購計劃。

顧及到香港銷售隊伍的規模，常有需要為新到職的營業員提供培訓，集團在其中一家分店成立「培訓學院」，為新員工在正式分派到分店工作前提供實地培訓。期望此項較佳的入職安排能減低新員工流失率，並減輕分店主管須花較多時間培訓新員工的負擔。

為加強專業知識及提升員工士氣，集團保送44位表現卓越的營業代表參加鑽石證書課程。除此以外，亦為中層管理人員安排管理方面的培訓。

### **認可及獎項**

周生生獲讀者文摘雜誌頒發「讀者文摘信譽品牌金獎」，為過去數年第四度獲獎。5位營業代表在香港管理專業協會主辦的「第40屆傑出推銷員選舉」中獲選為「傑出推銷員」。此外，集團亦在香港零售管理協會及星島日報等機構舉辦的活動中獲得多個獎項。

### **展望**

本港消費者將為美國經濟陰霾、通脹、地產市道下滑及證券市場疲弱而憂慮。然而，內地遊客的消費趨勢仍維持強勁，7月份並無消減跡象。

## MANAGEMENT DISCUSSION AND ANALYSIS

With the increasing dominance of the local market by mainland visitors, the Group has adopted the strategy of concentrating on areas with high tourist traffic. In July, a new shop has opened in Times Square, Causeway Bay. Later in the year, a mega-store will open in Central. In October, a store in Shamshuipo, one of the oldest in the Group, will be closed. Another smaller shop will also be closed when its lease expires. The moves will free up manpower and fiscal resources for more effective use.

In the mainland itself, aside from the Sanlitun store in Beijing, 9 shops are slated to open, some being additional shops in cities like Suzhou and Shanghai, others being the first in cities like Yangzhou. Although the economy in the mainland is subject also to inflationary pressure consumer spending on luxury items is expected to remain strong.

Barring any unforeseen upturn in the stock market, the stock and futures brokerage is not likely to repeat its stellar performance of 2007. Its computer system, which has been in use for a number of years, will receive upgrades in both hardware and software in order to enhance efficiency and service capability. Its Kowloon City branch, previously operating on the first floor of the building, has been moved to the ground floor after the space was vacated by the closure of the jewellery shop. The new street-level sales office will allow the branch to serve its relatively large customer base better.

The premises at 47 Tai Po Road, where the aforementioned Shamshuipo shop is located, is contracted to be sold in October.

In Taiwan, since the inauguration of the new government, public sentiment has been more forward looking. With cross-strait tourism finally underway, the economy there may yet receive some much needed stimuli.

The Group is cognizant of the fact that the global downturn may affect consumer spending in China and Hong Kong. Measures are being taken to control costs.

## 管理層討論及分析

隨著內地遊客成為本地市場的主導，本集團採取以遊客集中地區為分店選址的策略。7月份已在銅鑼灣時代廣場開設一新店，本年較後時間將在中環開設旗艦店。而集團其中一家開業已久的分店－深水埗分店將在10月停業。另一家較小規模的分店亦會在租約期滿後結束。此等變動可騰出人力及財政資源，使其得以更有效地運用。

在內地，除北京三里屯店外，將有9家分店陸續開業，部分為已設店城市多增的分店，如蘇州及上海，其餘則為首次設店的城市，如揚州。雖然內地經濟亦受到通脹壓力，但預期消費者在高檔次貨品的消費仍能維持強勁。

撇除未知之利好因素外，證券及期貨經紀業務料難重現2007年的表現。此業務已使用多年的電腦系統將進行硬件及軟件提升，以提高效率及服務質素。其九龍城分行原位於大廈1樓，已於地下珠寶店結業後遷至該單位營業，新的臨街辦事處讓分行可更有效地服務較寬廣的客層。

上述提及位於大埔道47號的深水埗分店物業已簽約出售，將於10月完成交易。

台灣市面氣氛自新政府上場後呈正面，落實海峽兩岸旅遊亦為當地經濟帶來刺激作用。

集團確知全球經濟下滑或會影響內地及香港消費者的消費，故已採取相應措施控制開支。



## CORPORATE GOVERNANCE

### Corporate Governance Practices

The Group recognizes the importance of transparency and accountability to stakeholders and believes good corporate governance is essential to the successful growth of the Group and the enhancement of shareholders' value. The Board will continually review and enhance its corporate governance practices to ensure that they meet stakeholders' expectation and comply with relevant standards.

The corporate governance practices adopted by the Company during the six months ended 30 June 2008 are in line with those set out in the Corporate Governance Report of the Company's Annual Report 2007 (the "2007 CG Report"). The Company has complied with the code provisions of the Code on Corporate Governance Practices contained in the Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the period under review.

### The Board and the Board Committees

As at 30 June 2008 and up to the date of this report, the composition of the Board remains the same as set out in the 2007 CG Report and consists of the following members.

Executive Directors 執行董事	Non-executive Directors 非執行董事	Independent Non-executive Directors 獨立非執行董事
Dr. CHOW Kwen Lim <i>Chairman</i> 周君廉博士 主席	Mr. CHOW Kwen Ling <i>Honorary Chairman</i> 周君令先生 名譽董事長	Mr. LEE Ka Lun 李家麟先生
Mr. Vincent CHOW Wing Shing <i>Group General Manager</i> 周永成先生 集團總經理	Mr. Stephen TING Leung Huel 丁良輝先生	Dr. CHAN Bing Fun 陳炳勳醫生
Dr. Gerald CHOW King Sing 周敬成醫生	Mr. CHUNG Pui Lam 鍾沛林先生	Mr. LO King Man 盧景文先生
Mr. Winston CHOW Wun Sing <i>Group Deputy General Manager</i> 周允成先生 集團副總經理		

The Board assumes responsibility for leadership and control of the Group and monitors management's performance. The implementation of the Group's business strategies and management of the daily business operations have been delegated to management.

## 企業管治

### 企業管治常規

本集團一向確認透明度及問責對各界相關人士之重要性，並相信良好企業管治對本集團之成功發展及提升股東價值而言不可或缺。董事會將繼續檢討及提升其企業管治常規，以確保彼等符合各界相關人士之期望及遵守有關標準。

截至2008年6月30日止六個月內，本公司採納之企業管治常規與本公司2007年年報內企業管治報告（「2007年企業管治報告」）所載者貫徹一致。於整段回顧期內，本公司已遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載企業管治常規守則之守則條文。

### 董事會及董事委員會

於2008年6月30日及截至本報告日，董事會成員與2007年企業管治報告所載者相同，並包括以下成員。

董事會負責領導及管控本集團，並監察管理層之表現。管理層負責執行本集團之業務策略及管理日常業務運作。

## CORPORATE GOVERNANCE

To reinforce independence, accountability and responsibility, the positions of the Chairman and the Group General Manager are held by separate individuals and each plays distinctive but complementary roles. Their respective responsibilities are clearly established and set out in writing.

All directors are requested to give sufficient time and attention to the affairs of the Company and they are obliged to disclose to the Company the number and nature of offices held in other public listed companies or organizations.

Three committees, namely Audit Committee, Remuneration Committee and Nomination Committee, have been established to support the Board, and their respective defined terms of reference are available at the Company's website at [www.chowsangsang.com](http://www.chowsangsang.com). All committees are chaired by an Independent Non-executive Director ("INED") with the majority of members being INEDs. The composition of the three committees remains the same as specified in the 2007 CG Report.

Up to the date of this report, the Audit Committee held two meetings and has reviewed the audit findings, internal control system, financial reporting and compliance matters of the Group, as well as the Company's Annual Report 2007 and Interim Report 2008. The Remuneration Committee met twice to review the salaries of senior management, staff bonus scheme for the year ended 31 December 2007, as well as directors' fee for the period October 2008 to September 2009. No meeting was held by the Nomination Committee during the period.

### Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as the Company's code of conduct regarding directors' securities transactions. Confirmation has been received from all Directors confirming that they have complied with the required standards set out in the Model Code during the six months ended 30 June 2008.

Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with written internal guidelines on no less exacting terms than the Model Code.

### Internal Control

The Board has the overall responsibility to ensure that adequate and effective internal controls are maintained. Policies and procedures are designed for providing reasonable assurance against material misstatement or loss and managing risks of failure in operational systems and achievement of the Group's objectives. Details of the major internal controls in place within the Group can be reference to those set out in the 2007 CG Report.

## 企業管治

為加強獨立性、問責性及責任，主席及集團總經理之職位由個別人士出任，各自擔當既獨特且配合之角色。彼等各自之職責均以書面明確訂立及載列。

全體董事均被要求付出足夠時間及精神處理本公司事務，而彼等亦須向本公司披露彼等於其他上市公司或機構所擔任之職務數目及性質。

董事會下設審核委員會、薪酬委員會及提名委員會三個委員會，以對其作出支援。各委員會之明確權責範圍已載於本公司網頁 [www.chowsangsang.com](http://www.chowsangsang.com)。各委員會均由獨立非執行董事出任主席，而大部分成員為獨立非執行董事。三個委員會之成員與2007年企業管治報告所載者相同。

截至本報告日，審核委員會已舉行兩次會議，以檢討本集團之審計結果、內部管治系統、財務報告及法規遵守事宜，並已審閱本公司2007年年報及2008年中期報告。薪酬委員會已舉行兩次會議，以檢討高級管理人員薪金、截至2007年12月31日止年度員工花紅計劃及2008年10月至2009年9月期間之董事袍金。提名委員會於期內並無舉行會議。

### 證券交易

本公司已採納上市規則附錄10所載之上市公司董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易之行為守則。本公司已得到全體董事確認，截至2008年6月30日止六個月彼等均遵守標準守則所載之規定標準。

可能擁有本集團尚未公布之股價敏感資料之有關員工，亦需遵守一套書面內部指引，其條款不比標準守則寬鬆。

### 內部管治

董事會有責任確保集團維持足夠及有效之內部管治。政策及程序乃為重大誤報或損失提供合理保障，並管理運作系統失靈及無法達成本集團目標之風險而設計。本集團現有之主要內部管治可參閱2007年企業管治報告所載者。

## CORPORATE GOVERNANCE

The Board, through the Audit Committee, has conducted a review of the Group's internal control system for the six months ended 30 June 2008, with reference to the internal audit reports and the representations made by management, and no significant control weaknesses or areas of concern are identified.

The Audit Committee and the Board are satisfied with the adequacy and effectiveness of the Group's internal control system.

### Investor Relations and Communication

The Board recognizes the importance of good communication with stakeholders. Different communication channels are established to provide financial and non-financial information to the stakeholders in a timely manner. These include publication of corporate documents, such as annual and interim report and announcement, and periodic press releases and newsletters; holding of annual general meeting; posting of corporate information, products and services as well as the Group's latest development, on its website; and regular meetings with financial analysts and fund managers.

### Corporate and Social Responsibilities

The Group is committed to delivering quality products and services to customers, offering a healthy and safety working environment to employees, maintaining a strong and sustainable financial performance to investors, and creating a positive impact in the communities where it conducts business.

Guidelines on enhancing safety consciousness and code of conduct defining the ethical standards expected of all employees, the Group's non-discriminatory employment practices and practical measures for preserving the environment, are in place and posted in the Company's Intranet, for compliance and reference by employees.

The Group continues to provide supports to the community. It contributed to the relief of victims of the earthquake in Sichuan. A sponsorship was given to support the Hong Kong Repertory Theatre to bring its production "Deling and Cixi" to the National Grand Theatre in Beijing. Funding for scholarships was given to City University of Hong Kong and Hong Kong Academy for Performing Arts.

## 企業管治

董事會透過審核委員會已檢討本集團截至2008年6月30日止六個月之內部管治系統，經參考系統稽核部提交之報告以及管理層作出之陳述，並無發現重大管治弱點或須關注之問題。

審核委員會及董事會信納本集團內部管治系統之足夠性及有效性。

### 投資者關係及傳訊

董事會確認與各界相關人士保持良好溝通之重要性。本集團透過不同傳訊渠道適時向各界相關人士提供財務及非財務資料。此等渠道包括刊發企業文件，例如年度及中期報告及公告、及定期新聞稿及通訊刊物；舉行股東週年大會；於本公司網頁刊載公司資料、產品及服務，以及本集團之最新發展；及與財務分析員及基金經理舉行定期會議。

### 企業及社會責任

本集團致力向客戶提供優質產品及服務、為員工提供健康及安全工作環境、為投資者維持強健及可持續之財務表現，並力求在本集團經營業務之社會中產生正面影響。

提升安全意識之指引及列明全體員工須具備之商業道德及行為守則、本集團之反歧視僱傭慣例及保護環境實際措施均已編製，並刊載於本公司內聯網，以供僱員遵守及參考。

本集團繼續對社會作出貢獻，並已向四川地震災民作出捐款援助，亦向香港話劇團提供贊助，以便其劇目《德齡與慈禧》於北京國家大劇院上演，並資助香港城市大學及香港演藝學院之獎學金。

CONSOLIDATED PROFIT AND LOSS ACCOUNT

綜合損益賬

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
<b>Turnover</b>	<b>營業額</b>	3	
Jewellery retail	珠寶零售	2,514,300	1,760,419
Other businesses	其他業務	2,277,480	1,799,500
		<u>4,791,780</u>	3,559,919
Cost of sales	銷售成本	<u>(3,925,935)</u>	(2,975,097)
Gross profit	毛利	865,845	584,822
Other income	其他收入	48,325	41,003
Selling and distribution costs	銷售及分銷費用	(393,285)	(299,460)
Administrative expenses	行政費用	(110,503)	(88,791)
Other gains, net	其他收益·淨值	3,158	3,385
Finance costs	財務費用	(12,389)	(13,096)
Share of profits/(losses) of associates	應佔聯營公司溢利/(虧損)	<u>(198)</u>	138
<b>Profit before tax</b>	<b>除稅前溢利</b>	4	400,953
Tax	稅項	5	<u>(95,507)</u>
<b>Profit for the period</b>	<b>期內溢利</b>		<u>305,446</u>
Attributable to:	應佔溢利:		
Shareholders of the Company	本公司股東		295,270
Minority interests	少數股東權益		<u>10,176</u>
			<u>305,446</u>
<b>Dividend</b>	<b>股息</b>	6	
Interim	中期		<u>48,154</u>
<b>Earnings per share attributable to shareholders of the Company</b>	<b>本公司股東應佔每股盈利</b>	7	
Basic	基本		<u>49.1 cents 仙</u>
			<u>29.9 cents 仙</u>

CONSOLIDATED BALANCE SHEET

綜合資產負債表

		Unaudited 未經審核 30 June 6月30日 2008 HK\$'000 千港元	Audited 經審核 31 December 12月31日 2007 HK\$'000 千港元
	Note 附註		
<b>Non-current assets</b>			
Property, plant and equipment		368,423	356,903
Investment properties		123,616	126,950
Intangible assets		271	271
Other assets		75,445	51,341
Interests in associates		11,130	11,457
Available-for-sale investments	8	580,068	1,111,922
Deferred tax assets		2,357	2,267
Total non-current assets		<b>1,161,310</b>	1,661,111
<b>Current assets</b>			
Inventories		2,424,937	2,092,366
Accounts receivable	9	198,748	211,880
Receivables arising from securities and futures broking	9	160,423	395,856
Prepayments, deposits and other receivables		63,775	55,260
Investments at fair value through profit or loss	10	11,973	13,479
Derivative financial instruments	11	6,219	4,982
Tax recoverable		723	420
Cash held on behalf of clients	12	335,153	386,666
Cash and cash equivalents	12	230,666	264,541
Total current assets		<b>3,432,617</b>	3,425,450
<b>Current liabilities</b>			
Accounts payable	13	129,432	118,062
Payables arising from securities and futures broking	13	387,434	614,080
Other payables and accruals		206,651	253,141
Derivative financial instruments	11	2,424	9,451
Interest-bearing bank borrowings		362,857	286,229
Tax payable		103,576	57,974
Total current liabilities		<b>1,192,374</b>	1,338,937
<b>Net current assets</b>		<b>2,240,243</b>	2,086,513
<b>Total assets less current liabilities</b>		<b>3,401,553</b>	3,747,624
<b>Non-current liabilities</b>			
Deferred tax liabilities		58,814	56,927
<b>Net assets</b>		<b>3,342,739</b>	3,690,697

CONSOLIDATED BALANCE SHEET

綜合資產負債表

		Unaudited 未經審核 30 June 6月30日 2008 HK\$'000 千港元	Audited 經審核 31 December 12月31日 2007 HK\$'000 千港元
<b>Equity</b>	<b>權益</b>		
Equity attributable to shareholders of the Company	本公司股東應佔權益		
Issued capital	已發行股本	150,480	150,480
Reserves	儲備	3,089,633	3,327,290
Proposed dividend	擬派股息	48,154	156,499
		<hr/>	<hr/>
Minority interests	少數股東權益	3,288,267	3,634,269
		54,472	56,428
		<hr/>	<hr/>
<b>Total equity</b>	<b>總權益</b>	<b>3,342,739</b>	<b>3,690,697</b>
		<hr/> <hr/>	<hr/> <hr/>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Attributable to shareholders of the Company		
		Issued share capital	Share premium	Leasehold land and buildings revaluation reserve
		已發行股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	租賃土地及 樓宇重估儲備 HK\$'000 千港元
<b>Unaudited</b>	<b>未經審核</b>			
At 1 January 2008	於2008年1月1日	150,480	99,724	339,471
<b>Change in equity</b>	<b>權益變動</b>			
Changes in fair value of available-for-sale investments	可供出售投資 公平價值變動	-	-	-
Exchange realignment	匯兌調整	-	-	-
Deferred tax credited to revaluation reserve	計入重估儲備之遞延稅項	-	-	2,833
Total income and expense recognized directly as change in equity	直接確認為權益變動 之總收支	-	-	2,833
Profit for the period	期內溢利	-	-	-
<b>Total income and expense for the period</b>	<b>期內總收支</b>	-	-	2,833
Dividends paid to a minority shareholder	支付予一名少數股東之股息	-	-	-
Final 2007 dividend declared	已宣派2007年末期股息	-	-	-
Interim 2008 dividend	2008年中期股息	-	-	-
At 30 June 2008	於2008年6月30日	150,480	99,724	342,304
At 1 January 2007	於2007年1月1日	150,480	99,724	339,471
<b>Change in equity</b>	<b>權益變動</b>			
Changes in fair value of available-for-sale investments	可供出售投資 公平價值變動	-	-	-
Exchange realignment	匯兌調整	-	-	-
Total income and expense recognized directly as change in equity	直接確認為權益變動 之總收支	-	-	-
Profit for the period	期內溢利	-	-	-
<b>Total income and expense for the period</b>	<b>期內總收支</b>	-	-	-
Final 2006 dividend declared	已宣派2006年末期股息	-	-	-
Interim 2007 dividend	2007年中期股息	-	-	-
At 30 June 2007	於2007年6月30日	150,480	99,724	339,471

綜合權益變動表

本公司股東應佔							
Investment revaluation reserve	Difference arising from acquisition of minority interests	Exchange fluctuation reserve	Retained profits	Proposed dividend	Total	Minority interests	Total equity
投資重估儲備	收購少數股東權益產生之差異	外匯變動儲備	保留溢利	擬派股息	合計	少數股東權益	總權益
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
1,104,718	4,897	47,561	1,730,919	156,499	3,634,269	56,428	3,690,697
(529,530)	-	-	-	-	(529,530)	-	(529,530)
-	-	41,924	-	-	41,924	2,753	44,677
-	-	-	-	-	2,833	-	2,833
(529,530)	-	41,924	-	-	(484,773)	2,753	(482,020)
-	-	-	295,270	-	295,270	10,176	305,446
(529,530)	-	41,924	295,270	-	(189,503)	12,929	(176,574)
-	-	-	-	-	-	(14,885)	(14,885)
-	-	-	-	(156,499)	(156,499)	-	(156,499)
-	-	-	(48,154)	48,154	-	-	-
<b>575,188</b>	<b>4,897</b>	<b>89,485</b>	<b>1,978,035</b>	<b>48,154</b>	<b>3,288,267</b>	<b>54,472</b>	<b>3,342,739</b>
432,776	-	19,589	1,419,294	96,307	2,557,641	44,486	2,602,127
126,067	-	-	-	-	126,067	-	126,067
-	-	11,748	-	-	11,748	1,367	13,115
126,067	-	11,748	-	-	137,815	1,367	139,182
-	-	-	180,110	-	180,110	8,523	188,633
126,067	-	11,748	180,110	-	317,925	9,890	327,815
-	-	-	-	(96,307)	(96,307)	-	(96,307)
-	-	-	(48,154)	48,154	-	-	-
<b>558,843</b>	<b>-</b>	<b>31,337</b>	<b>1,551,250</b>	<b>48,154</b>	<b>2,779,259</b>	<b>54,376</b>	<b>2,833,635</b>



## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

## 簡明綜合現金流量表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Net cash inflow/(outflow) from operating activities	經營業務之現金流入／(流出)淨額	106,887	(70,140)
Net cash outflow from investing activities	投資活動之現金流出淨額	(41,680)	(20,332)
Net cash outflow from financing activities	融資活動之現金流出淨額	(106,048)	(43,203)
<b>Net decrease in cash and cash equivalents</b>	<b>現金及等同現金之減少淨額</b>	<b>(40,841)</b>	<b>(133,675)</b>
Cash and cash equivalents at beginning of period	於期初之現金及等同現金	264,541	284,882
Effects of foreign exchange rate changes, net	外幣匯率變動影響，淨值	6,966	2,538
<b>Cash and cash equivalents at end of period</b>	<b>於期終之現金及等同現金</b>	<b>230,666</b>	<b>153,745</b>
<b>Analysis of balances of cash and cash equivalents</b>	<b>現金及等同現金結存分析</b>		
Cash and bank balances	現金及銀行存款	230,204	125,425
Non-pledged time deposits with original maturity of less than three months when acquired	存放時到期日少於三個月之無抵押定期存款	462	28,320
		<b>230,666</b>	<b>153,745</b>

**1. Basis of preparation**

This unaudited condensed consolidated interim financial report has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants, and Appendix 16 of the Listing Rules.

This interim financial report should be read in conjunction with the Annual Report 2007.

The accounting policies and basis of computation used in the preparation of this interim financial report are the same as those used in the Group’s audited financial statements for the year ended 31 December 2007.

The adoption of the new standards, amendments and interpretations which become effective for accounting periods beginning on or after 1 January 2008 have had no material impact on the Group’s results of operations and financial position.

The Group has not early applied the following new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) that have been issued but are not yet effective, in this interim financial report.

HKAS 1 (Revised)	Presentation of Financial Statements <sup>1</sup>
HKAS 23 (Revised)	Borrowing Costs <sup>1</sup>
HKAS 27 (Revised)	Consolidated and Separate Financial Statements <sup>2</sup>
HKAS 32 and HKAS 1 Amendments	Puttable Financial Instruments and Obligations Arising on Liquidation <sup>1</sup>
HKFRS 2 Amendments	Share-based Payment – Vesting Conditions and Cancellations <sup>1</sup>
HKFRS 3 (Revised)	Business Combinations <sup>2</sup>
HKFRS 8	Operating Segments <sup>1</sup>
HK(IFRIC) – Int 13	Customer Loyalty Programmes <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2009

<sup>2</sup> Effective for annual periods beginning on or after 1 July 2009

<sup>3</sup> Effective for annual periods beginning on or after 1 July 2008

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that the adoption of HKFRS 8 may result in new or amended disclosures. In respect of the remaining new and revised HKFRSs, it is not yet in a position to state whether they would have a significant impact on the Group’s results of operations and financial position.

**1. 編製基準**

本未經審核簡明綜合中期財務報告乃按照香港會計師公會頒布之香港會計準則第34號「中期財務報告」及上市規則附錄16予以編製。

本中期財務報告應與2007年年報一併閱讀。

編製本中期財務報告時採用之會計政策及計算基準與本集團截至2007年12月31日止年度之經審核財務報告所採用者一致。

採納於2008年1月1日或以後開始之會計年度已生效之新準則、修訂及詮釋對本集團經營業績及財務狀況並無重大影響。

本集團並無提早於本中期財務報告採納以下已頒布但未生效之新訂及經修訂香港財務報告準則(包括所有香港財務報告準則、香港會計準則及詮釋)。

香港會計準則第1號 (經修訂)	財務報告之呈報方式 <sup>1</sup>
香港會計準則第23號 (經修訂)	貸款成本 <sup>1</sup>
香港會計準則第27號 (經修訂)	綜合及單 – 財務報告 <sup>2</sup>
香港會計準則第32號及 香港會計準則第1號 修訂本	可認沽金融工具及清盤 時產生之責任 <sup>1</sup>
香港財務報告準則第2號 修訂本	以股份為基礎的支付 – 歸屬條件及取消 <sup>1</sup>
香港財務報告準則第3號 (經修訂)	商業合併 <sup>2</sup>
香港財務報告準則第8號 香港(國際財務報告詮釋 委員會) – 詮釋 第13號	經營分部 <sup>1</sup> 客戶忠誠計劃 <sup>3</sup>

<sup>1</sup> 於2009年1月1日或以後開始之會計年度生效

<sup>2</sup> 於2009年7月1日或以後開始之會計年度生效

<sup>3</sup> 於2008年7月1日或以後開始之會計年度生效

本集團正在評估初次應用此等新訂及經修訂香港財務報告準則之影響。至今所得結論認為，採納香港財務報告準則第8號可能引致新或修訂之披露。有關餘下之新訂及經修訂香港財務報告準則，本集團尚未能確定採納後會否對其經營業績及財務狀況構成重大影響。

## 2. Segment information

The following tables present revenue and results for the Group's business segments for the periods ended 30 June 2008 and 2007.

## 2. 分部資料

下表為本集團截至2008年及2007年6月30日止期間之業務分部收益及業績。

		Manufacture and retail of jewellery 珠寶製造 及零售 HK\$'000 千港元	Wholesale of precious metals 貴金屬 批發 HK\$'000 千港元	Securities and futures broking 證券及 期貨經紀 HK\$'000 千港元	Other businesses 其他業務 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>2008</b>							
<b>Segment revenue</b>	<b>分部收益</b>						
Sales to external customers	銷售予外界客戶	2,514,300	2,175,207	44,523	57,750	-	4,791,780
Intersegment sales	內部銷售	295,299	75,982	-	1,157	(372,438)	-
Other income from external sources	其他外界收益	16,322	-	7,714	3,798	-	27,834
Other intersegment income	其他內部收益	1,512	-	-	82	(1,594)	-
Total	總收益	<u>2,827,433</u>	<u>2,251,189</u>	<u>52,237</u>	<u>62,787</u>	<u>(374,032)</u>	<u>4,819,614</u>
<b>Segment results</b>	<b>分部業績</b>	<u>354,598</u>	<u>11,796</u>	<u>24,532</u>	<u>5,889</u>	-	<u>396,815</u>
Interest income	利息收入						3,649
Dividend income	股息收入						16,842
Unallocated expenses	未分配費用						(4,863)
Finance costs	財務費用						(11,292)
Share of losses of associates	應佔聯營公司虧損						(198)
Profit before tax	除稅前溢利						<u>400,953</u>
Tax	稅項						<u>(95,507)</u>
Profit for the period	期內溢利						<u><u>305,446</u></u>
		Manufacture and retail of jewellery 珠寶製造 及零售 HK\$'000 千港元	Wholesale of precious metals 貴金屬 批發 HK\$'000 千港元	Securities and futures broking 證券及 期貨經紀 HK\$'000 千港元	Other businesses 其他業務 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>2007</b>							
<b>Segment revenue</b>	<b>分部收益</b>						
Sales to external customers	銷售予外界客戶	1,760,419	1,722,971	47,322	29,207	-	3,559,919
Intersegment sales	內部銷售	151,543	77,719	-	844	(230,106)	-
Other income from external sources	其他外界收益	11,000	1	17,460	1,020	-	29,481
Other intersegment income	其他內部收益	1,378	-	-	54	(1,432)	-
Total	總收益	<u>1,924,340</u>	<u>1,800,691</u>	<u>64,782</u>	<u>31,125</u>	<u>(231,538)</u>	<u>3,589,400</u>
<b>Segment results</b>	<b>分部業績</b>	<u>183,705</u>	<u>7,075</u>	<u>31,854</u>	<u>2,049</u>	-	<u>224,683</u>
Interest income	利息收入						5,520
Dividend income	股息收入						6,002
Unallocated expenses	未分配費用						(4,088)
Finance costs	財務費用						(4,254)
Share of profits of associates	應佔聯營公司溢利						138
Profit before tax	除稅前溢利						<u>228,001</u>
Tax	稅項						<u>(39,368)</u>
Profit for the period	期內溢利						<u><u>188,633</u></u>

**3. Turnover**

Turnover represents the net invoiced value of goods sold, after allowances for returns, trade discounts and value-added tax; commission on securities and commodities broking and rental income earned during the period.

Revenue from the following activities has been included in turnover:

Sales of goods	貨品銷售
Commission on securities and commodities broking	證券及商品經紀佣金收入
Gross rental income	總租金收入

**3. 營業額**

營業額乃期內撇除退回、交易折扣與增值稅後售出貨品之發票淨值；證券及商品經紀佣金收入及租金收入。

以下業務之收益已包括在營業額內：

**Six months ended 30 June**

截至6月30日止六個月

2008	2007
HK\$'000	HK\$'000
千港元	千港元
4,741,245	3,507,624
45,612	48,087
4,923	4,208
<b>4,791,780</b>	<b>3,559,919</b>

**4. Profit before tax**

The Group's profit before tax is arrived at after charging/(crediting):

Write-down of inventories to net realizable value	撇銷存貨至可變現淨值
Depreciation	折舊
Minimum lease payments under operating leases for leasehold land and buildings	租賃土地及樓宇經營租約最低租賃付款
Bank interest income	銀行利息收入
Interest income from margin and other financing	孖展及其他借貸產生之利息收入
Dividend income	股息收入
Reversal of impairment of receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款減值撥回
Foreign exchange gain, net	匯兌收益·淨值
Loss/(gain) on disposal of investments at fair value through profit or loss	出售按盈虧訂定公平價值投資虧損/(收益)
Net loss on disposal of derivative financial instruments <sup>△</sup>	出售衍生金融工具淨虧損 <sup>△</sup>
Net fair value losses on investments at fair value through profit or loss	按盈虧訂定公平價值投資之公平價值淨虧損
Net fair value gains on derivative financial instruments – transactions not qualifying as hedges	衍生金融工具之公平價值淨收益— 不符合作對沖之交易
Interest expense for securities and futures broking: On bank loans and overdrafts*	證券及期貨經紀之利息支出：銀行貸款及透支*

**4. 除稅前溢利**

本集團之除稅前溢利已扣除/(計入)：

**Six months ended 30 June**

截至6月30日止六個月

2008	2007
HK\$'000	HK\$'000
千港元	千港元

-	2,255
31,330	23,891
100,352	80,316
(3,359)	(5,263)
(6,675)	(15,427)
(17,027)	(6,188)
(15)	-
(8,718)	(2,359)
32	(646)
14,130	1,233
1,513	110
(8,466)	(3,495)
1,097	8,842

<sup>△</sup> The net loss on disposal of derivative financial instruments has included the net loss on disposal of bullion contracts of HK\$16,242,000 (2007: HK\$4,207,000), which is included in "Cost of sales" on the face of the consolidated profit and loss account.

\* The balance is included in "Finance costs" on the face of the consolidated profit and loss account.

<sup>△</sup> 出售衍生金融工具淨虧損包括出售貴金屬合約淨虧損16,242,000港元(2007年：4,207,000港元)；此金額包含在綜合損益賬上「銷售成本」中。

\* 此結餘包含在綜合損益賬上「財務費用」中。

## 5. Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2007: 17.5%) on the estimated assessable profits arising in Hong Kong during the period. The decreased Hong Kong profits tax rate became effective from the year of assessment 2008/2009, and so is applicable to the assessable profits arising in Hong Kong for the whole of the period ended 30 June 2008. Taxes on profits assessable elsewhere 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.

Current – Hong Kong	本期 – 香港
Charge for the period	期內稅項
Overprovision in prior years	過往年度超額撥備
Current – Elsewhere	本期 – 其他地區
Charge for the period	期內稅項
Underprovision in prior years	過往年度撥備不足
Deferred	遞延

## 5. 稅項

香港利得稅乃按期內於香港產生之估計應課稅溢利以稅率16.5% (2007年：17.5%)撥備。減低之香港利得稅率自2008/2009課稅年度起生效，故適用於截至2008年6月30日止整個期間於香港產生之應課稅溢利。其他地區應課稅溢利之稅項乃按本集團於各營運司法權區以當地現行法則、闡釋及慣例為基礎之通用稅率計算。

## Six months ended 30 June

截至6月30日止六個月

2008 2007

HK\$'000 HK\$'000

千港元 千港元

44,291	28,173
–	(8)
32,562	11,784
14,000	–
4,654	(581)
<u>95,507</u>	<u>39,368</u>

## 6. Dividend

Interim – HK8.0 cents	中期 – 每股普通股8.0港仙
(2007: HK8.0 cents) per ordinary share	(2007年：8.0港仙)

## 6. 股息

## Six months ended 30 June

截至6月30日止六個月

2008 2007

HK\$'000 HK\$'000

千港元 千港元

48,154	48,154
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## 7. Earnings per share attributable to shareholders of the Company

The calculation of basic earnings per share is based on the profit for the period attributable to shareholders of the Company of HK\$295,270,000 (2007: HK\$180,110,000), and the weighted average number of 601,920,000 (2007: 601,920,000) ordinary shares in issue during the period.

Diluted earnings per share for the periods ended 30 June 2008 and 2007 have not been presented as no diluting events existed during these periods.

## 7. 本公司股東應佔每股盈利

每股基本盈利乃按期內本公司股東應佔溢利295,270,000港元(2007年：180,110,000港元)及期內已發行加權平均股份601,920,000股(2007年：601,920,000股)普通股計算。

由於此兩段期間並無攤薄事項，故並無呈報截至2008年及2007年6月30日止期間之每股攤薄盈利。

## 8. Available-for-sale investments

Listed equity investments in Hong Kong at market value	香港上市股份投資，按市值
Unlisted equity investments at fair value	非上市股份投資，按公平價值
Unlisted equity investments at cost	非上市股份投資，按成本
Unlisted debt security at fair value	非上市債務證券，按公平價值

An analysis of the available-for-sale investments by issuer is as follows:	按發行人劃分之可供出售投資分析如下：
Equity investments:	股份投資：
Corporate entities	企業實體
Debt security:	債務證券：
Financial institution	財務機構

The market value of the Group's listed equity investments as at the date of approval of this interim financial report was approximately HK\$494,112,000.

## 9. Accounts receivable/Receivables arising from securities and futures broking

**Jewellery retail**

The Group's sales are normally made on cash basis. Credit card receivables from financial institutions in respect of retail sales are aged within one month. There are wholesale customers who have been given credit periods ranging from 15 to 45 days.

**Wholesale of diamonds**

The Group normally grants credit periods of up to 60 days to its trade customers.

**Wholesale of precious metals**

The Group's wholesale of precious metals is normally conducted on a cash basis.

**Securities and commodities broking**

Securities deals are settled two days after the trade date, and commodities deals are normally settled on cash basis.

## 8. 可供出售投資

<b>30 June</b>	31 December
<b>6月30日</b>	12月31日
<b>2008</b>	2007
<b>HK\$'000</b>	HK\$'000
千港元	千港元

<b>564,203</b>	1,093,733
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<b>15,126</b>	15,126
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<b>739</b>	739
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<b>-</b>	2,324
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<b>15,865</b>	18,189
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<b>580,068</b>	1,111,922
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<b>580,068</b>	1,109,598
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<b>-</b>	2,324
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<b>580,068</b>	1,111,922
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於本中期財務報告批准日，本集團上市股份投資之市值約為494,112,000港元。

## 9. 應收賬款 / 證券及期貨經紀產生之應收賬款

**珠寶零售**

本集團銷售一般以現金交易。就零售而來自財務機構之應收信用卡賬款之賬齡少於一個月。現有批發客戶獲提供15至45日之除賬期。

**鑽石批發**

本集團一般向貿易客戶提供之除賬期最多為60日。

**貴金屬批發**

本集團之貴金屬批發一般以現金交易。

**證券及商品經紀**

證券買賣於交易日後兩天結算，而商品買賣一般以現金結算。

## 9. Accounts receivable/Receivables arising from securities and futures broking (continued)

## 9. 應收賬款 / 證券及期貨經紀產生之應收賬款(續)

		30 June 6月30日 2008 HK\$'000 千港元	31 December 12月31日 2007 HK\$'000 千港元
Trade and credit card receivables	應收貿易及信用卡賬款	198,770	211,902
Impairment	減值	(22)	(22)
Accounts receivable	應收賬款	198,748	211,880
Receivables arising from securities and futures broking conducted in the ordinary course of business:	在日常業務過程中證券及期貨經紀產生之應收賬款：		
Cash clients	現金客戶	101,630	270,492
Clearing houses	結算所	3,111	8,446
Loans to margin clients	孖展客戶貸款	55,775	117,026
		160,516	395,964
Impairment	減值	(93)	(108)
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款	160,423	395,856
Total accounts receivable and receivables arising from securities and futures broking	應收賬款及證券及期貨經紀產生之應收賬款總額	<u>359,171</u>	<u>607,736</u>

Apart from the receivable balances arising from securities and futures broking, the remaining balances are non-interest-bearing.

除證券及期貨經紀產生之應收賬款結餘外，其他結餘均為免息。

The ageing analysis of the accounts receivable and receivables arising from securities and futures broking, based on the due date, is as follows:

應收賬款及證券及期貨經紀產生之應收賬款根據到期日之賬齡分析如下：

		30 June 6月30日 2008 HK\$'000 千港元	31 December 12月31日 2007 HK\$'000 千港元
Not yet due	未逾期	223,413	378,159
Within 30 days past due	逾期30日內	64,416	96,973
31 to 60 days past due	逾期31至60日	7,248	13,657
61 to 90 days past due	逾期61至90日	940	1,623
Over 90 days past due	逾期超過90日	7,380	299
		303,397	490,711
Loans to margin clients*	孖展客戶貸款*	55,774	117,025
		<u>359,171</u>	<u>607,736</u>

\* Loans to margin clients are secured by the underlying pledged securities, repayable on demand and bear interest at commercial rates. No ageing analysis is disclosed as, in the opinion of the directors, an ageing analysis is not relevant in view of the nature of the business of securities margin financing. As at 30 June 2008, the total market value of securities pledged as collateral in respect of the loans to margin clients was HK\$262,948,000 (31 December 2007: HK\$468,940,000).

\* 孖展客戶貸款以相關已抵押證券作抵押，須於要求時償還及按商業條款計息。鑑於證券孖展借貸業務性質，董事認為賬齡分析作用不大，故並無披露賬齡分析。於2008年6月30日，有關孖展客戶貸款以證券抵押作抵押品之總市值為262,948,000港元(2007年12月31日：468,940,000港元)。

## 10. Investments at fair value through profit or loss

Held for trading  
Listed equity investments in Hong Kong  
at market value

持作買賣  
香港上市股份投資，按市值

The above equity investments were issued by corporate entities.

## 11. Derivative financial instruments

**Assets**  
Forward currency contracts

**Liabilities**  
Bullion contracts

The forward currency contracts and bullion contracts are stated at their fair values.

As at 30 June 2008, the aggregate notional amount of the forward currency contracts was HK\$497,790,000 (31 December 2007: HK\$470,568,000) and the aggregate contractual amount of bullion contracts was HK\$17,817,000 (31 December 2007: HK\$140,768,000).

The purpose of the above contracts entered into by the Group is to manage the Group's currency rate and bullion price exposures. Such contracts did not meet the criteria for hedge accounting.

## 12. Cash and cash equivalents/Cash held on behalf of clients

Cash and bank balances  
Non-pledged time deposits with original maturity of  
less than three months when acquired

現金及銀行存款  
存放時到期日少於三個月之  
無抵押定期存款

The Group maintains segregated trust accounts with licensed banks to hold securities and futures clients' monies arising from its normal course of business. The Group has classified the clients' monies as "Cash held on behalf of clients" under the current assets section of the consolidated balance sheet and recognized the corresponding accounts payable to respective clients on grounds that it is liable for any loss or misappropriation of the clients' monies. The Group is not allowed to use the clients' monies to settle its own obligations.

## 10. 按盈虧訂定公平價值投資

**30 June** 31 December  
**6月30日** 12月31日  
**2008** 2007  
**HK\$'000** **HK\$'000**  
**千港元** **千港元**

**11,973** **13,479**

上述股份投資由企業實體發行。

## 11. 衍生金融工具

**30 June** 31 December  
**6月30日** 12月31日  
**2008** 2007  
**HK\$'000** **HK\$'000**  
**千港元** **千港元**

**6,219** **4,982**

**2,424** **9,451**

遠期貨幣合約及貴金屬合約按其公平價值列賬。

於2008年6月30日，遠期貨幣合約之名義總額為497,790,000港元(2007年12月31日：470,568,000港元)，而貴金屬合約之合約總額為17,817,000港元(2007年12月31日：140,768,000港元)。

本集團訂立上述合約旨在管理本集團之貨幣匯率及貴金屬價格風險。該等合約並不符合對沖會計處理之條件。

## 12. 現金及等同現金/代客戶持有現金

**30 June** 31 December  
**6月30日** 12月31日  
**2008** 2007  
**HK\$'000** **HK\$'000**  
**千港元** **千港元**

**230,204** 212,899

**462** 51,642

**230,666** **264,541**

本集團於持牌銀行開設獨立信託賬戶，以存放證券及期貨客戶於正常業務過程中產生之款項。本集團已將此等客戶款項分類為綜合資產負債表內流動資產項下之「代客戶持有現金」，並根據負上客戶款項之任何損失或挪用之責任而確認為應付予相關客戶賬款。本集團不准使用客戶款項履行其本身之責任。



## 13. Accounts payable/Payables arising from securities and futures broking

## 13. 應付賬款 / 證券及期貨經紀產生之應付賬款

		30 June 6月30日 2008 HK\$'000 千港元	31 December 12月31日 2007 HK\$'000 千港元
Accounts payable	應付賬款	<u>129,432</u>	<u>118,062</u>
Payables arising from securities and futures broking conducted in the ordinary course of business:	在日常業務過程中證券及期貨經紀產生之應付賬款：		
Cash clients	現金客戶	336,032	576,581
Margin clients	孖展客戶	34,209	15,734
Clearing houses	結算所	<u>17,193</u>	<u>21,765</u>
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	<u>387,434</u>	<u>614,080</u>
Total accounts payable and payables arising from securities and futures broking	應付賬款及證券及期貨經紀產生之應付賬款總額	<u><u>516,866</u></u>	<u><u>732,142</u></u>

The ageing analysis of the accounts payable and payables arising from securities and futures broking, based on the due date, is as follows:

應付賬款及證券及期貨經紀產生之應付賬款根據到期日之賬齡分析如下：

		30 June 6月30日 2008 HK\$'000 千港元	31 December 12月31日 2007 HK\$'000 千港元
Within 30 days (including amount not yet due)	30日內(包括未到期金額)	136,819	128,381
31 to 60 days	31至60日	8,389	9,846
Over 60 days	超過60日	<u>1,417</u>	<u>1,600</u>
Cash clients accounts payable <sup>^</sup>	應付現金客戶賬款 <sup>^</sup>	146,625	139,827
Margin clients accounts payable <sup>^</sup>	應付孖展客戶賬款 <sup>^</sup>	<u>336,032</u>	<u>576,581</u>
		<u>34,209</u>	<u>15,734</u>
		<u><u>516,866</u></u>	<u><u>732,142</u></u>

<sup>^</sup> Included in the cash clients accounts payable arising from dealing in securities conducted in the ordinary course of business was an amount of approximately HK\$285,350,000 (31 December 2007: HK\$351,328,000) representing those clients' undrawn monies/excess deposits placed with the Group. As at 30 June 2008, the cash clients accounts payable included an amount of HK\$3,477,000 (31 December 2007: HK\$4,284,000) in respect of securities transactions undertaken for the accounts of certain directors. The cash clients accounts payable are repayable on demand and bear interest at commercial rates. No ageing analysis is disclosed as, in the opinion of the directors, an ageing analysis is not meaningful in view of the nature of the business of dealing in securities.

<sup>^</sup> 包括在日常業務過程中進行證券買賣產生之應付現金客戶賬款內約285,350,000港元(2007年12月31日: 351,328,000港元)為該等客戶存於本集團之未提取款項/額外繳付按金。於2008年6月30日,應付現金客戶賬款包括若干董事賬戶進行證券交易之款項3,477,000港元(2007年12月31日: 4,284,000港元)。應付現金客戶賬款須於要求時償還及按商業條款計息。鑑於證券買賣業務性質,董事認為賬齡分析意義不大,故無披露賬齡分析。

<sup>^</sup> The margin clients accounts payable are repayable on demand and bear interest at commercial rates. No ageing analysis is disclosed as, in the opinion of the directors, an ageing analysis is not relevant in view of the nature of the business of securities margin financing.

<sup>^</sup> 應付孖展客戶賬款須於要求時償還及按商業條款計息。鑑於證券孖展借貸業務性質,董事認為賬齡分析作用不大,故無披露賬齡分析。

## 14. Maturity profile of assets and liabilities

An analysis of the maturity profile of certain assets and liabilities of the Group analyzed by the remaining period as at 30 June 2008 to the contractual maturity date is as follows:

## 14. 資產及負債之到期情況

按於2008年6月30日至合約到期日之尚餘期間作出之本集團若干資產及負債到期情況分析如下：

		Repayable on demand 須按要求 償還 HK\$'000 千港元	3 months or less 3個月或 以下 HK\$'000 千港元	1 year or less but over 3 months 3個月以上 至1年 HK\$'000 千港元	5 years or less but over 1 year 1年以上 至5年 HK\$'000 千港元	After 5 years 5年以上 HK\$'000 千港元	Undated 無期限 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>As at 30 June 2008</b>	<b>於2008年6月30日</b>							
<b>Assets</b>	<b>資產</b>							
Accounts receivable	應收賬款	44,780	153,968	-	-	-	-	198,748
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款	90,978	69,445	-	-	-	-	160,423
Derivative financial instruments	衍生金融工具	-	1,187	3,775	1,257	-	-	6,219
Cash held on behalf of clients	代客戶持有現金	55,153	280,000	-	-	-	-	335,153
Cash and cash equivalents	現金及等同現金	230,204	462	-	-	-	-	230,666
		<u>421,115</u>	<u>505,062</u>	<u>3,775</u>	<u>1,257</u>	<u>-</u>	<u>-</u>	<u>931,209</u>
<b>Liabilities</b>	<b>負債</b>							
Accounts payable	應付賬款	12,444	116,988	-	-	-	-	129,432
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	319,559	67,875	-	-	-	-	387,434
Derivative financial instruments	衍生金融工具	-	-	-	-	-	2,424	2,424
Interest-bearing bank borrowings	計息銀行貸款	-	312,798	50,059	-	-	-	362,857
		<u>332,003</u>	<u>497,661</u>	<u>50,059</u>	<u>-</u>	<u>-</u>	<u>2,424</u>	<u>882,147</u>

## 14. Maturity profile of assets and liabilities (continued)

## 14. 資產及負債之到期情況(續)

	Repayable on demand 須按 要求 償還 HK\$'000 千港元	3 months or less 3個月 或 以下 HK\$'000 千港元	1 year or less but over 3 months 3個月 以上 至1年 HK\$'000 千港元	5 years or less but over 1 year 1年 以上 至5年 HK\$'000 千港元	After 5 years 5年 以上 HK\$'000 千港元	Undated 無 期限 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>As at 31 December 2007 於2007年12月31日</b>							
<b>Assets 資產</b>							
Unlisted debt security 非上市債務證券	-	-	-	2,324	-	-	2,324
Accounts receivable 應收賬款	21,102	190,778	-	-	-	-	211,880
Receivables arising from securities and futures broking 證券及期貨經紀 產生之應收賬款	170,591	225,265	-	-	-	-	395,856
Derivative financial instruments 衍生金融工具	-	1,321	2,281	1,380	-	-	4,982
Cash held on behalf of clients 代客戶持有現金	186,666	200,000	-	-	-	-	386,666
Cash and cash equivalents 現金及等同現金	212,899	51,642	-	-	-	-	264,541
	<u>591,258</u>	<u>669,006</u>	<u>2,281</u>	<u>3,704</u>	<u>-</u>	<u>-</u>	<u>1,266,249</u>
<b>Liabilities 負債</b>							
Accounts payable 應付賬款	-	118,062	-	-	-	-	118,062
Payables arising from securities and futures broking 證券及期貨經紀 產生之應付賬款	367,062	247,018	-	-	-	-	614,080
Derivative financial instruments 衍生金融工具	-	-	-	-	-	9,451	9,451
Interest-bearing bank borrowings 計息銀行貸款	-	200,894	85,335	-	-	-	286,229
	<u>367,062</u>	<u>565,974</u>	<u>85,335</u>	<u>-</u>	<u>-</u>	<u>9,451</u>	<u>1,027,822</u>

## 15. Operating lease arrangements

## (a) As lessor

The Group leases its investment properties under operating lease arrangements, with leases negotiated for terms ranging from one to three years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

As at 30 June 2008, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		30 June 6月30日 2008 HK\$'000 千港元	31 December 12月31日 2007 HK\$'000 千港元
Within one year	一年內	5,820	6,116
In the second to fifth years, inclusive	二至五年，首尾兩年包括在內	1,724	2,202
		<u>7,544</u>	<u>8,318</u>

## (b) As lessee

The Group leases certain of its office properties and retail shops under operating lease arrangements. Leases for these properties and shops are negotiated for terms ranging from one to ten years.

As at 30 June 2008, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		30 June 6月30日 2008 HK\$'000 千港元	31 December 12月31日 2007 HK\$'000 千港元
Within one year	一年內	240,686	187,841
In the second to fifth years, inclusive	二至五年，首尾兩年包括在內	499,378	311,954
After five years	五年後	30,849	38,437
		<u>770,913</u>	<u>538,232</u>

## 15. 經營租約承擔

## (a) 出租人

本集團以經營租約安排租出其投資物業，經磋商訂定租期為一至三年。租約條款一般要求租客支付保證按金及根據當時之普遍市場環境作定期租金調整。

於2008年6月30日，本集團就與租客訂定不可撤銷之經營租約的未來最低租賃應收款項總額如下：

## (b) 承租人

本集團以經營租約安排承租若干辦公室物業及零售店舖。此等物業及店舖租期經磋商訂定為期一至十年。

於2008年6月30日，本集團就不可撤銷之經營租約的未來最低租賃應付款項總額如下：

**16. Commitments**

In addition to the operating lease commitments detailed in note 15 above, the Group had the following capital commitments in respect of property, plant and equipment as at 30 June 2008:

Contracted, but not provided for	已簽訂，但未撥備
Authorized, but not contracted for	已批核，但未簽訂

**16. 承擔**

除上述附註15詳載之經營租約承擔外，本集團於2008年6月30日有以下有關物業、機器及設備之資本承擔：

30 June 6月30日 2008 HK\$'000 千港元	31 December 12月31日 2007 HK\$'000 千港元
12,239	2,810
2,570	1,379
<b>14,809</b>	<b>4,189</b>

**17. Connected and related party transactions**

The Group had the following material transactions with connected and/or related parties during the period:

**(a) Transactions with connected and/or related parties**

- (i) On 11 December 2007, a wholly-owned subsidiary of the Company renewed the sub-contracting agreement with Foshan Shunde Jinpeng Jewelry Co., Ltd. ("Jinpeng"), a company controlled by a former director of a subsidiary, for engaging Jinpeng to provide sub-contracting services for the year ending 31 December 2008. The sub-contracting fees were charged based on the product type, quantity and the level of difficulties of the manufacturing work involved and the prevailing market processing fees. Total processing fees paid/payable to Jinpeng for the period amounted to HK\$1,171,000 (2007: HK\$1,615,000).
- (ii) On 11 December 2007, certain subsidiaries of the Company renewed the purchase agreement with Shanghai Jinghua Diamond and Jewellery Co., Ltd. ("Shanghai Jinghua"), a fellow subsidiary of Qingdao Jinghua Diamond and Jewellery Co., Ltd. ("Qingdao Jinghua"), which is a 24.86% shareholder of a 70%-owned subsidiary of the Company, for purchasing polished diamonds from Shanghai Jinghua for the year ending 31 December 2008. The purchase consideration was determined based on the category, quantity and the prevailing market price of the polished diamonds. Total purchases from Shanghai Jinghua for the period amounted to HK\$22,329,000 (2007: HK\$12,375,000).

**17. 關連人士交易**

本集團於期內與關連人士進行以下重大交易：

**(a) 與關連人士進行之交易**

- (i) 於2007年12月11日，本公司一家全資附屬公司就委聘佛山市順德區金鵬珠寶首飾有限責任公司(「金鵬珠寶」)於截至2008年12月31日止一年內提供分包服務續訂分包協議。金鵬珠寶乃一家由本公司一家附屬公司一名前董事所控制之公司。分包費用乃根據產品種類、數量、涉及之製造工作之難度水平及當時加工費市價收取。期內向金鵬珠寶繳付／應付之加工費總額為1,171,000港元(2007年：1,615,000港元)。
- (ii) 於2007年12月11日，本公司若干附屬公司就向上海京華飾品有限公司(「上海京華」)於截至2008年12月31日止一年內採購打磨鑽石續訂採購協議。上海京華為青島京華飾品有限公司(「青島京華」)之同系附屬公司，青島京華則為本公司一家持有70%股權之附屬公司的一名持有24.86%股權的股東。採購代價乃根據打磨鑽石之類別、數量及當時市價釐定。期內向上海京華採購總額為22,329,000港元(2007年：12,375,000港元)。

## 17. Connected and related party transactions (continued)

## (a) Transactions with connected and/or related parties (continued)

- (iii) On 11 December 2007, a wholly-owned subsidiary of the Company renewed the sales agreement with Qingdao Jinghua and Shanghai Jinghua for selling rough diamonds and polished diamonds to Qingdao Jinghua and Shanghai Jinghua for the year ending 31 December 2008. The selling prices were determined based on the category, quantity and the prevailing market price of the diamonds. Total sales to Qingdao Jinghua and Shanghai Jinghua for the period amounted to HK\$31,188,000 (2007: HK\$711,000).
- (iv) On 11 December 2007, a wholly-owned subsidiary of the Company renewed the polishing service agreement with Qingdao Jinghua for engaging Qingdao Jinghua to provide rough diamonds polishing services for the year ending 31 December 2008. The processing fees were charged according to an agreed price list which was determined with reference to market rates. No processing fees was incurred during the period (2007: HK\$461,000).
- (v) On 1 April 2007, a wholly-owned subsidiary of the Company renewed the tenancy agreement with the respective spouses of Mr. CHOW Kwen Ling and Dr. CHOW Kwen Lim and the administrator of a late director of the Company for the lease of a retail shop for two years ending 31 March 2009, with a monthly rental of HK\$173,000. The lease rentals were determined with reference to open market rentals. Total rental paid by the Group for the period amounted to HK\$1,035,000 (2007: HK\$1,005,000).
- (vi) A wholly-owned subsidiary of the Company renewed/entered into leases with related companies, in which certain directors and their respective spouses have interests, for the lease of the Company's directors' quarters with a total monthly rental of HK\$80,000. The lease rentals were determined with reference to open market rentals. Total rentals paid by the Group for the period amounted to HK\$480,000 (2007: HK\$420,000).
- (vii) Qingdao Jinghua had provided a corporate guarantee with a maximum amount of RMB11,000,000 (approximately HK\$12,551,000) to a bank for a bank loan granted to a non-wholly-owned subsidiary of the Company for one year ended 6 April 2008. No security over the assets of the Group is granted in respect of the corporate guarantee provided.

## 17. 關連人士交易(續)

## (a) 與關連人士進行之交易(續)

- (iii) 於2007年12月11日，本公司一家全資附屬公司就向青島京華及上海京華於截至2008年12月31日止一年內銷售鑽石毛坯及打磨鑽石續訂銷售協議。售價乃根據鑽石之類別、數量及當時市價釐定。期內銷售予青島京華及上海京華之總額為31,188,000港元(2007年：711,000港元)。
- (iv) 於2007年12月11日，本公司一家全資附屬公司就委聘青島京華於截至2008年12月31日止一年內提供鑽石毛坯打磨服務續訂打磨服務協議。加工費按協定之價格表收取，價格表內收費經參考市場價格後釐定。期內並無產生加工費(2007年：461,000港元)。
- (v) 於2007年4月1日，本公司一家全資附屬公司與周君令先生及周君廉博士各自之配偶及本公司一名已故董事之遺產執行人就於截至2009年3月31日止兩年內租予本集團零售店舖續訂租約，每月租金173,000港元。租金乃參考公開市值租金釐定。本集團於期內繳付租金總額1,035,000港元(2007年：1,005,000港元)。
- (vi) 本公司一家全資附屬公司與若干董事及彼等之配偶持有權益之關連公司就租予本公司董事宿舍續訂/訂立租約，每月租金總額為80,000港元。租金乃參考公開市值租金釐定。本集團於期內繳付租金總額480,000港元(2007年：420,000港元)。
- (vii) 青島京華就授予本公司一家非全資附屬公司截至2008年4月6日止為期一年之銀行貸款，向一家銀行提供最高金額為11,000,000元人民幣(約12,551,000港元)之公司擔保。本集團並無以集團資產就所提供之公司擔保作抵押。

**17. Connected and related party transactions (continued)****(a) Transactions with connected and/or related parties (continued)**

The above transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

Balances with related parties:

Payables to Jinpeng	應付金鵬珠寶賬款
Payables to Shanghai Jinghua	應付上海京華賬款
Receivables from/(payables to) Qingdao Jinghua	應收/(應付)青島京華賬款

The receivables from/payables to related parties are unsecured, interest-free and with settlement terms of one month after billings.

**(b) Guarantees for banking facilities for a subsidiary**

The Company and a wholly-owned subsidiary of the Company have provided corporate guarantees to banks for facilities granted to a non-wholly-owned subsidiary. The utilized amount of such facilities amounted to approximately HK\$60,298,000 (31 December 2007: HK\$70,006,000). The total amount of such facilities amounted to approximately HK\$60,298,000 (31 December 2007: HK\$78,022,000).

**(c) Remuneration of key management personnel of the Group**

The aggregate amount of remuneration paid and payable to key management personnel during the period, including the amounts paid and payable to the Company's executive directors, is as follows:

Fees	袍金
Salaries and allowances	薪金及津貼
Discretionary bonuses paid and payable	已付及應付酌情花紅
Pension scheme contributions	退休金計劃供款

**17. 關連人士交易(續)****(a) 與關連人士進行之交易(續)**

上述交易按上市規則第14A章定義，亦構成持續關連交易。

關連人士賬款結餘：

<b>30 June</b>	31 December
<b>6月30日</b>	12月31日
<b>2008</b>	2007
<b>HK\$'000</b>	HK\$'000
千港元	千港元

(195)	(323)
(6,329)	(7,741)
<b>9,427</b>	<b>(156)</b>

應收/應付關連人士賬款乃無抵押、免息及於發單後一個月內還款。

**(b) 就一家附屬公司銀行信貸提供之擔保**

本公司及本公司一家全資附屬公司已就授予一家非全資附屬公司之信貸向銀行提供公司擔保。該等信貸之已動用金額約為60,298,000港元(2007年12月31日：70,006,000港元)。該信貸總額約為60,298,000港元(2007年12月31日：78,022,000港元)。

**(c) 本集團主要管理人員酬金**

期內已付及應付主要管理人員之酬金總額，包括已付及應付本公司執行董事之金額，詳列如下：

<b>Six months ended 30 June</b>	
<b>截至6月30日止六個月</b>	
<b>2008</b>	2007
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>465</b>	340
<b>7,977</b>	6,509
<b>3,725</b>	2,328
<b>343</b>	272
<b>12,510</b>	<b>9,449</b>

**18. Financial risk management objectives and policies****(a) Financial risk factors**

The Group's principal financial instruments comprise bank loans and overdrafts, and cash and bank deposits. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as accounts receivable and accounts payable, which arise directly from its operations.

The Group's overall risk management policies focus on the unpredictability of financial markets and seek to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by management under the policies approved by the Board and it identifies, evaluates and monitors financial risks in close co-operation with the Group's operating units.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity securities price risk. The Board reviews and agrees policies for managing each of these risks and they are summarized below.

*Interest rate risk*

The Group is exposed to interest rate risk due to potential changes in interest rates of interest-bearing financial assets and liabilities. Interest-bearing financial assets are mainly loans to margin clients which are mostly short-term in nature, whereas interest-bearing financial liabilities are primarily short-term bank borrowings with primarily floating interest rates which expose the Group to cash flow interest rate risk. The Group's policy is to obtain the most favourable interest rates available without increasing its foreign currency exposure.

*Foreign currency risk*

The Group has transactional currency exposures mainly arising from sales and purchases by operating units in currencies other than the units' functional currency. The Group uses foreign exchange forward contracts to manage certain of its foreign currency exposures on significant and recurring future commercial transactions mainly relating to its US dollar-denominated purchases. Hedging is only considered for firm commitments.

The Group's assets and liabilities are mainly denominated in Hong Kong dollar, Renminbi and US dollar. Currency risks are managed by partly financing non-Hong Kong dollar assets with loans denominated in the relevant currency.

**18. 財務風險管理目標及政策****(a) 財務風險因素**

本集團之主要金融工具包括銀行貸款及透支、現金及銀行存款。此等金融工具之主要用途乃為本集團之業務提供資金。本集團有若干其他財務資產及負債，如直接自其業務產生之應收賬款及應付賬款。

本集團之整體風險管理政策針對金融市場之難以預測性，並尋求減低對本集團財務表現構成之潛在不利影響。風險管理乃由管理層根據董事會批核之政策進行，而管理層與本集團之營運單位緊密合作，以識別、評估及監察財務風險。

本集團金融工具所產生之主要風險為利率風險、外匯風險、信貸風險、流動資金風險及股份證券價格風險。董事會審閱並同意下文所概述管理各項此等風險之政策。

*利率風險*

本集團由於計息財務資產及負債之利率潛在變動而承受利率風險。計息財務資產主要為孖展客戶貸款，大部分屬短期性質，而計息財務負債主要為短期銀行貸款，主要按浮動利率計息，導致本集團承受現金流量利率風險。本集團之政策乃在不增加其外匯風險之情況下爭取最有利之利率。

*外匯風險*

本集團之交易外幣風險主要來自業務單位以其功能貨幣以外之貨幣進行之買賣。本集團利用外匯遠期合約管理其重大及經常性未來商業交易之若干外幣風險，該等交易主要為以美元為單位之採購。本集團僅就確定承擔進行對沖。

本集團之資產及負債主要以港元、人民幣及美元為單位。管理外幣風險之方法為以相關貨幣為單位之債務為部分非港元資產融資。



**18. Financial risk management objectives and policies (continued)****(a) Financial risk factors (continued)***Credit risk*

The accounts and other receivables represent the Group's major exposure to the credit risk arising from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets in the consolidated balance sheet. The Group has no significant concentrations of credit risk with respect to its jewellery retail business as it has a large number of diversified customers. For accounts receivable arising from the wholesale of diamonds and precious metals, the Group trades only with recognized and creditworthy third parties and bullion banks. The Group's margin clients accounts receivable arising from the ordinary course of business of dealing in securities are secured by the underlying pledged securities. The Group seeks to maintain strict control over its outstanding receivables and has its credit control policy to minimize the credit risk. In addition, all receivable balances are monitored on an ongoing basis and overdue balances are followed up by senior management. Accordingly, the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which mainly comprise cash and cash equivalents, other receivables and derivative financial instruments, arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

*Liquidity risk*

In the management of liquidity risk, the Group monitors and maintains level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group's treasury department's responsibility is to maintain a balance between continuity of funding and flexibility through the use of banking facilities in order to meet its liquidity requirements both in the short term and long term. The Group maintains significant flexibility to respond to opportunities and events by ensuring that committed credit lines are available. All debts of the Group as at 30 June 2008 would mature in less than one year.

*Equity securities price risk*

Equity securities price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The fair values of these listed equity investments are affected by market forces and other factors. The Group is exposed to equity price risk arising from individual equity investments classified as available-for-sale investments (note 8) and trading equity investments (note 10) as at 30 June 2008. The Group's listed investments are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and are valued at quoted market prices as at the balance sheet date. The majority of the listed equity investments are held for non-trading purpose.

**(b) Fair value**

The carrying amounts of the Group's financial assets and liabilities approximated their fair values as at the balance sheet date.

**18. 財務風險管理目標及政策(續)****(a) 財務風險因素(續)***信貸風險*

應收及其他應收賬款乃本集團由於交易對手不履約而產生之主要信貸風險，最高風險相等於綜合資產負債表中此等財務資產之賬面值。由於珠寶零售業務擁有大量分散客戶，故並無重大集中之信貸風險。就鑽石及貴金屬批發產生之應收賬款，本集團僅與獲確認及有信譽之第三者及金商進行交易。本集團自日常業務中證券買賣產生之應收孖展客戶賬款以有關證券作抵押。本集團對逾期應收賬款維持嚴格控制，並設有信貸控制政策以減低信貸風險。此外，所有應收賬款結餘均受持續監察，逾期結餘由高級管理人員跟進。因此，本集團之壞賬風險並不重大。

本集團其他財務資產，主要包括現金及等同現金、其他應收賬款及衍生金融工具，其信貸風險產生自交易對手不履約，而最高風險相等於此等工具之賬面值。

*流動資金風險*

在管理流動資金風險方面，本集團監控並維持現金及等同現金於管理人員認為足夠之水平，為本集團運作提供資金及緩和現金流量波動之影響。本集團財政部門之責任為透過使用銀行信貸在資金之持續性及靈活性之間取得平衡，以配合其短期及長期流動資金需求。本集團透過確保擁有可動用之已承諾信貸額度，維持充裕靈活性以回應商機及事件。於2008年6月30日，本集團所有債項到期日均少於一年。

*股份證券價格風險*

股份證券價格風險指股份證券之公平價值因股份指數水平及個別證券價值出現變動而下跌之風險。此等上市股份投資之公平價值受市場力量及其他因素影響。本集團因於2008年6月30日被分類為可供出售投資(附註8)及買賣股份投資(附註10)之個別股份投資而承受股份價格風險。本集團之上市投資於香港聯合交易所有限公司(「聯交所」)上市，以結算日所報市價計值。大部分上市股份投資乃持作非買賣用途。

**(b) 公平價值**

於結算日，本集團財務資產及負債之賬面值與其公平價值相若。

**19. Post balance sheet events****(a) Acquisition of a property**

Subsequent to the balance sheet date, the Group entered into a contract to purchase a property located in Guangzhou at a cash consideration of RMB44 million (approximately HK\$50 million) from an independent third party. Up to the date of this report, deposits amounting to approximately RMB22 million (approximately HK\$25 million) have been paid. The total consideration is scheduled to be fully paid on or before 12 September 2008 and the property will be delivered on or before 30 March 2009.

**(b) Disposal of a property**

Subsequent to the balance sheet date, the Group entered into a sale and purchase agreement with an independent third party to dispose of a property located in Hong Kong for a cash consideration of HK\$36 million. Up to the date of this report, 10% deposit has been received. This transaction is scheduled to be completed on 30 October 2008.

**20. Approval of interim financial report**

The interim financial report was approved by the Board on 28 August 2008.

**19. 結算日後事項****(a) 購入物業**

於結算日後，本集團與一名獨立第三方訂立合約以購買一項位於廣州之物業，現金代價為44,000,000元人民幣(約50,000,000港元)。截至本報告日，已支付按金約22,000,000元人民幣(約25,000,000港元)。預期於2008年9月12日或之前全數支付總代價，而物業將於2009年3月30日或之前交付。

**(b) 出售物業**

於結算日後，本集團與一名獨立第三方訂立買賣協議以出售一項位於香港之物業，現金代價為36,000,000港元。截至本報告日，已收取其中10%按金。預期於2008年10月30日完成交易。

**20. 中期財務報告之批核**

中期財務報告於2008年8月28日經董事會批核。

## OTHER INFORMATION

## 其他資料

### Directors' interests in shares

As at 30 June 2008, the interests of the directors in the issued share capital of the Company or its associated corporations (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 pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

### Long positions:

### 董事於股份之權益

於2008年6月30日，按《證券及期貨條例》第352條本公司須予保存之名冊內所記錄，或根據標準守則必須向本公司及聯交所具報之權益，各董事於本公司或其相聯法團（定義見《證券及期貨條例》第XV部）已發行股本中之權益如下：

### 好倉：

Name of directors	董事姓名	Number of shares held 持股數目				Total	Percentage of the Company's issued share capital 佔本公司 已發行股本 百分比
		Personal interest	Family interest	Corporate interest	Trustee interest		
Mr. CHOW Kwen Ling	周君令先生	—	—	53,609,932 <sup>(1)</sup>	—	53,609,932	8.91
Dr. CHOW Kwen Lim	周君廉博士	—	—	—	137,591,595 <sup>(2)</sup>	137,591,595	22.86
Dr. CHAN Bing Fun	陳炳勳醫生	1,320,000	—	—	—	1,320,000	0.22
Mr. Vincent CHOW Wing Shing	周永成先生	—	—	—	137,591,595 <sup>(2)</sup>	137,591,595	22.86
Dr. Gerald CHOW King Sing	周敬成醫生	19,711,680	70,398 <sup>(3)</sup>	21,000,000 <sup>(3)</sup>	42,000,000 <sup>(3)</sup>	82,782,078	13.75
Mr. Winston CHOW Wun Sing	周允成先生	7,681,104	52,800 <sup>(3)</sup>	—	74,616,000 <sup>(3)</sup>	82,349,904	13.68

Please refer to the explanatory notes in the section headed "Substantial shareholders' and other persons' interests in shares and underlying shares".

請參考「主要股東及其他人士於股份及相關股份之權益」一節之附註解釋。

Save as disclosed above, as at 30 June 2008, none of the directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文披露外，於2008年6月30日，各董事概無於本公司或其任何相聯法團股份、相關股份或債券中擁有根據《證券及期貨條例》第352條規定須予以記錄或根據標準守則必須向本公司及聯交所具報之權益或淡倉。

### Directors' rights to acquire shares or debentures

At no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

### 董事購買股份或債券之權利

於期內任何時間概無授予任何董事或彼等各自之配偶或年幼子女可購入本公司股份或債券而獲益之權利；或由彼等行使任何該等權利；或由本公司或其任何附屬公司安排致令董事可於任何其他法人團體獲得該等權利。

## OTHER INFORMATION

## 其他資料

### Substantial shareholders' and other persons' interests in shares and underlying shares

As at 30 June 2008, the interests of those persons in the issued share capital of the Company as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

#### Long positions:

Name	Capacity	Number of shares held	Percentage of the Company's issued share capital
名稱	身份	持股數目	佔本公司已發行股本百分比
Everwin Company Limited	Beneficial Owner 實益持有人	120,000,000 <sup>(2)</sup>	19.94
Happy Inc.	Beneficial Owner 實益持有人	66,000,000	10.96
Happy Family Limited 快樂家庭有限公司	Beneficial Owner 實益持有人	53,609,932 <sup>(1)</sup>	8.91
Value Partners Limited	Investment Manager 投資管理人	42,816,000 <sup>(4)</sup>	7.11
Top Fit Investments Limited	Beneficial Owner 實益持有人	42,000,000 <sup>(3)</sup>	6.98
CWS Holdings Limited	Beneficial Owner 實益持有人	32,616,000 <sup>(3)</sup>	5.42

#### Notes:

- (1) 53,609,932 shares in the Company were held by Happy Family Limited, in which Mr. CHOW Kwen Ling and his spouse owned 40% of the equity interest. Mr. CHOW Kwen Ling and his spouse were deemed to have interests in the 53,609,932 shares in the Company.
- (2) 137,591,595 shares in the Company were held by a discretionary trust of which Dr. CHOW Kwen Lim and Mr. Vincent CHOW Wing Shing were among the beneficiaries. The trustee of the trust was Cititrust (Cayman) Limited, which held the interests in the Company through the following companies:

Name of companies  
公司名稱

Everwin Company Limited  
Golden Court Limited

Accordingly, Cititrust (Cayman) Limited was deemed to have interest in the 137,591,595 shares. Dr. CHOW Kwen Lim and Mr. Vincent CHOW Wing Shing, and their respective spouses, were deemed to have interests in the 137,591,595 shares in the Company.

### 主要股東及其他人士於股份及相關股份之權益

於2008年6月30日，根據《證券及期貨條例》第336條，本公司須予保存之權益名冊內記錄擁有本公司已發行股本人士之權益如下：

#### 好倉：

Number of shares held	Percentage of the Company's issued share capital
持股數目	佔本公司已發行股本百分比
120,000,000 <sup>(2)</sup>	19.94
66,000,000	10.96
53,609,932 <sup>(1)</sup>	8.91
42,816,000 <sup>(4)</sup>	7.11
42,000,000 <sup>(3)</sup>	6.98
32,616,000 <sup>(3)</sup>	5.42

#### 附註：

- (1) 快樂家庭有限公司擁有本公司53,609,932股股份，周君令先生及其配偶共同擁有快樂家庭有限公司40%之股本權益。周君令先生及其配偶被視為擁有本公司53,609,932股股份權益。
- (2) 一項全權信託擁有本公司137,591,595股股份，周君廉博士及周永成先生為其中受益人。Cititrust (Cayman) Limited為該信託之信託人，其透過下列公司擁有本公司之權益：

Number of shares held  
持股數目

120,000,000  
17,591,595

因此，Cititrust (Cayman) Limited被視為擁有137,591,595股股份權益。周君廉博士及周永成先生以及彼等各自之配偶均被視為擁有本公司137,591,595股股份權益。

## OTHER INFORMATION

- (3) 70,398 shares and 52,800 shares in the Company were held by the respective spouses of Dr. Gerald CHOW King Sing and Mr. Winston CHOW Wun Sing.

21,000,000 shares in the Company were held by Speed Star Holdings Limited, a company beneficially owned by Dr. Gerald CHOW King Sing.

42,000,000 shares in the Company were held by Top Fit Investments Limited, a company beneficially owned by a discretionary trust of which Dr. Gerald CHOW King Sing and Mr. Winston CHOW Wun Sing were the beneficiaries. The trustee of the trust was HSBC Trustee (Cook Islands) Limited and, accordingly, it was deemed to have interests in the 42,000,000 shares in the Company.

32,616,000 shares in the Company were held by CWS Holdings Limited, a company beneficially owned by a discretionary trust of which Mr. Winston CHOW Wun Sing is the founder and one of the beneficiaries. The trustee of the trust was UBS TC (Jersey) Ltd. and, accordingly, it was deemed to have interest in the 32,616,000 shares in the Company.

Accordingly, Dr. Gerald CHOW King Sing and his spouse were deemed to have interests in the 63,070,398 shares and 82,711,680 shares in the Company, respectively. Mr. Winston CHOW Wun Sing and his spouse were deemed to have interests in the 74,668,800 shares and 82,297,104 shares in the Company, respectively.

- (4) 42,816,000 shares in the Company were held by a discretionary trust of which Mr. CHEAH Cheng Hye is the founder. The trustee of the trust was Hang Seng Bank Trustee International Limited ("HSB"), which held the interests in the Company through its indirect control over Value Partners Limited.

Value Partners Limited is 100% controlled by Value Partners Group Limited ("VPGL"), which in turn is a 35.65%-controlled company of Cheah Capital Management Limited ("CCML"). CCML is 100% controlled by Cheah Company Limited ("CCL"), which in turn is a 100%-controlled company of HSB.

Accordingly, Mr. CHEAH Cheng Hye, his spouse, HSB, CCL, CCML and VPGL were interested in the 42,816,000 shares in the Company.

Save as disclosed above, as at 30 June 2008, no person, other than the directors of the Company whose interests are set out in the section "Directors' interests in shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

## 其他資料

- (3) 周敬成醫生及周允成先生各自之配偶分別擁有本公司70,398股及52,800股股份。

Speed Star Holdings Limited擁有本公司21,000,000股股份，該公司由周敬成醫生實益擁有。

Top Fit Investments Limited擁有本公司42,000,000股股份，該公司由一項全權信託實益擁有，周敬成醫生及周允成先生為該信託之受益人。HSBC Trustee (Cook Islands) Limited為該信託之信託人，因此被視為擁有本公司42,000,000股股份權益。

CWS Holdings Limited擁有本公司32,616,000股股份，該公司由一項全權信託實益擁有，周允成先生為該信託之成立人及其中一名受益人。UBS TC (Jersey) Ltd.為該信託之信託人，因此被視為擁有本公司32,616,000股股份權益。

因此，周敬成醫生及其配偶分別被視為擁有本公司63,070,398股及82,711,680股股份權益。周允成先生及其配偶分別被視為擁有本公司74,668,800股及82,297,104股股份權益。

- (4) 一項全權信託擁有本公司42,816,000股股份，謝清海先生為該信託之成立人。Hang Seng Bank Trustee International Limited (「HSB」)為該信託之信託人，透過間接控制Value Partners Limited擁有本公司之權益。

Value Partners Limited由Value Partners Group Limited (「VPGL」)全權控制，VPGL則為Cheah Capital Management Limited (「CCML」)擁有35.65%控制權之公司。CCML由Cheah Company Limited (「CCL」)全權控制，而CCL則為HSB全權控制之公司。

因此，謝清海先生、其配偶、HSB、CCL、CCML及VPGL擁有本公司42,816,000股股份權益。

除上文披露外，於2008年6月30日，除以上「董事於股份之權益」一節所載擁有權益之本公司董事外，並無其他人士於本公司股份或相關股份中登記持有根據《證券及期貨條例》第336條須予記錄之權益或淡倉。

## OTHER INFORMATION

### 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 period.

### Dividend

At the Company's annual general meeting held on 15 May 2008, the shareholders approved the final dividend of HK26.0 cents per ordinary share for the year ended 31 December 2007 to be distributed to shareholders whose names appeared on the register of members of the Company on 15 May 2008. The final dividend amounting to HK\$156,499,000 was paid on 5 June 2008.

The Board has declared an interim dividend of HK8.0 cents (2007: HK8.0 cents) per ordinary share for the six months ended 30 June 2008 payable to shareholders whose names appear on the register of members of the Company on 19 September 2008. Dividend warrants will be posted to shareholders on 25 September 2008.

### Closure of register of members

The register of members of the Company will be closed from Tuesday, 16 September 2008 to Friday, 19 September 2008, both days inclusive, during such period no transfer of shares will be registered. To ensure the entitlement to the interim dividend, shareholders are reminded to lodge their transfer documents accompanied by the relevant share certificates with the Company's branch share registrar, Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong, not later than 4:00 p.m. on Friday, 12 September 2008.

By order of the Board  
**Chow Kwen Lim**  
*Chairman*

Hong Kong, 28 August 2008

## 其他資料

### 購買、贖回或出售本公司之上市證券

期內本公司或其任何附屬公司概無購買、贖回或出售任何本公司之上市證券。

### 股息

本公司於2008年5月15日舉行之股東週年大會上，股東批准截至2007年12月31日止年度之末期股息每股普通股26.0港仙，並派發予於2008年5月15日名列於本公司股東名冊上之股東。末期股息156,499,000港元已於2008年6月5日派發。

董事會宣布派發截至2008年6月30日止六個月之中期股息每股普通股8.0港仙(2007年：8.0港仙)予於2008年9月19日名列於本公司股東名冊上之股東。股息支票將於2008年9月25日寄發予股東。

### 截止過戶

由2008年9月16日(星期二)至2008年9月19日(星期五)，首尾兩天包括在內，本公司將暫停辦理股份過戶登記手續。如欲享有獲派發中期股息權利，股東須於2008年9月12日(星期五)下午4時正前將過戶文件連同相關股票送達本公司股份過戶登記分處卓佳登捷時有限公司辦理過戶手續，地址為香港皇后大道東28號金鐘匯中心26樓。

承董事會命  
主席  
周君廉

香港，2008年8月28日