

Interim Report 2005

二零零五年中期報告

 天安中國投資有限公司
TIAN AN CHINA INVESTMENTS COMPANY LIMITED

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公司資料**董事會****執行董事**

李成偉，主席
黃清海，董事總經理
馬申
勞景祐
李志剛

非執行董事

鄭慕智
楊麗琛

獨立非執行董事

鄭鑄輝
吳繼偉
魏華生
徐溯經

執行委員會

黃清海，主席
李成偉
馬申
勞景祐
李志剛

薪酬委員會

鄭鑄輝，主席
魏華生
徐溯經

審核委員會

魏華生，主席
鄭鑄輝
鄭慕智
徐溯經
楊麗琛

註冊辦事處

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CORPORATE INFORMATION**BOARD OF DIRECTORS****Executive Directors**

Patrick Lee Seng Wei, *Chairman*
Ng Qing Hai, *Managing Director*
Ma Sun
Edwin Lo King Yau
Li Chi Kong

Non-Executive Directors

Moses Cheng Mo Chi
Lisa Yang Lai Sum

Independent Non-Executive Directors

Francis J. Chang Chu Fai
Goodwin Gaw
Ngai Wah Sang
Xu Su Jing

EXECUTIVE COMMITTEE

Ng Qing Hai, *Chairman*
Patrick Lee Seng Wei
Ma Sun
Edwin Lo King Yau
Li Chi Kong

REMUNERATION COMMITTEE

Francis J. Chang Chu Fai, *Chairman*
Ngai Wah Sang
Xu Su Jing

AUDIT COMMITTEE

Ngai Wah Sang, *Chairman*
Francis J. Chang Chu Fai
Moses Cheng Mo Chi
Xu Su Jing
Lisa Yang Lai Sum

REGISTERED OFFICE

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Website : http://www.tiananchina.com





公司資料 (續)

主要銀行

香港

中國銀行(香港)有限公司
東亞銀行有限公司
中信嘉華銀行有限公司
香港上海滙豐銀行有限公司
渣打銀行(香港)有限公司
永亨銀行有限公司

中國

中國農業銀行
中國銀行
交通銀行
中國建設銀行
招商銀行
大連市商業銀行
廣東發展銀行
中國工商銀行
興業銀行
上海浦東發展銀行
深圳發展銀行

律師

萬盛國際律師事務所
胡百全律師事務所

核數師

德勤•關黃陳方會計師行

公司秘書

容綺媚

過戶登記處

秘書商業服務有限公司
香港灣仔告士打道56號
東亞銀行港灣中心地下

CORPORATE INFORMATION (continued)

PRINCIPAL BANKERS

In Hong Kong

Bank of China (Hong Kong) Limited
The Bank of East Asia, Limited
CITIC Ka Wah Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank (Hong Kong) Limited
Wing Hang Bank, Limited

In the PRC

Agricultural Bank of China
Bank of China
Bank of Communications
China Construction Bank Corporation
China Merchants Bank
Dalian City Commercial Bank
Guangdong Development Bank
Industrial and Commercial Bank of China
Industrial Bank Co., Ltd.
Shanghai Pudong Development Bank Co., Ltd.
Shenzhen Development Bank Co., Ltd.

SOLICITORS

Mallesons Stephen Jaques
P. C. Woo & Co.

AUDITORS

Deloitte Touche Tohmatsu

COMPANY SECRETARY

Cindy Yung Yee Mei

REGISTRAR

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

天安中國投資有限公司(「本公司」)之董事會(「董事會」)公佈本公司及其附屬公司(統稱「本集團」)截至二零零五年六月三十日止六個月之未經審核綜合業績如下：

The board of directors (the "Board") of Tian An China Investments Company Limited (the "Company") announces that the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30th June, 2005 were as follows:

簡明綜合利潤表

(截至二零零五年六月三十日止六個月)

CONDENSED CONSOLIDATED INCOME STATEMENT

(FOR THE SIX MONTHS ENDED 30TH JUNE, 2005)

		(未經審核) (Unaudited)		
		截至六月三十日止六個月 Six months ended 30th June,		
		二零零五年	二零零四年	
		2005	2004	
		港幣千元	港幣千元	
		HK\$'000	HK\$'000	
		(重列) (Restated)		
		附註		
		NOTES		
營業額	Turnover	4	418,296	887,221
銷售成本	Cost of sales		(308,457)	(668,322)
毛利	Gross profit		109,839	218,899
其他營運收入	Other operating income	5	44,511	30,829
呆壞賬準備	Allowance for doubtful debts		(8,097)	(1,481)
市場及分銷費用	Marketing and distribution costs		(17,066)	(13,559)
行政費用	Administrative expenses		(64,118)	(59,084)
其他營運費用	Other operating expenses		(3,257)	(11,658)
待出售物業轉撥至投資物業之公允價值收益	Fair value gain on transfer of properties held for sale to investment properties		19,528	-
投資物業公允價值之增加	Increase in fair value of investment properties		10,310	11,055
收購一間附屬公司額外權益之折讓	Discount on acquisition of additional interest in a subsidiary	6	15,873	-
融資成本	Finance costs	7	(46,420)	(37,830)
應佔聯營公司溢利及虧損	Share of profits and losses of associates		15,420	(4,088)
應佔共同控制公司溢利及虧損	Share of profits and losses of jointly controlled entities		54,938	15,155
聯營公司權益之減值虧損	Impairment loss on interests in associates	8	(17,451)	-
除稅前溢利	Profit before taxation		114,010	148,238
稅項	Taxation	9	(36,190)	(58,355)
本期間溢利	Profit for the period		77,820	89,883
以下應佔：	Attributable to:			
母公司權益持有人	Equity holders of the parent		82,997	77,840
少數股東權益	Minority interests		(5,177)	12,043
			77,820	89,883
			港仙	港仙
			HK cents	HK cents
每股盈利	Earnings per share	11		
基本	Basic		9.5	9.9
攤薄	Diluted		9.5	9.6

簡明綜合資產負債表

(二零零五年六月三十日結算)

CONDENSED CONSOLIDATED BALANCE SHEET

(AT 30TH JUNE, 2005)

			(未經審核) (Unaudited) 二零零五年 六月三十日 30th June, 2005 附註 NOTES 港幣千元 HK\$'000	(已審核) (Audited) 二零零四年 十二月三十一日 31st December, 2004 港幣千元 HK\$'000 (重列) (Restated)
非流動資產	Non-Current Assets			
物業、廠房及設備	Property, plant and equipment	12	532,751	507,982
投資物業	Investment properties	13	1,264,900	1,214,400
無形資產	Intangible asset		6,782	–
待發展物業	Properties for development		1,090,026	939,340
收購待發展物業 之按金	Deposits for acquisition of properties for development		1,717,287	1,775,050
土地使用權預付租賃款項	Prepaid lease payments on land use rights		29,477	29,766
於聯營公司之權益	Interests in associates		565,642	555,873
於共同控制公司之權益	Interests in jointly controlled entities		808,438	863,006
其他投資	Other investment		–	40,737
證券投資	Investments in securities		–	3,877
可供出售投資	Available-for-sale investments		40,412	–
少數股東欠款	Amounts due from minority shareholders		8,174	3,314
自綜合賬產生之商譽	Goodwill on consolidation		39,386	39,386
應收分期付款	Instalments receivable		43,531	92,009
			6,146,806	6,064,740
流動資產	Current Assets			
於中國之物業存貨	Inventories of properties in the PRC			
– 發展中	– under development		1,482,618	1,390,063
– 已竣工	– completed		809,542	762,256
其他存貨	Other inventories		48,470	35,476
聯營公司欠款	Amounts due from associates		4,505	–
共同控制公司欠款	Amounts due from jointly controlled entities		31,211	–
少數股東欠款	Amounts due from minority shareholders		5,287	–
應收貸款	Loans receivable		21,065	19,373
應收分期付款	Instalments receivable		44,073	8,479
貿易及其他應收賬款、 按金及預付款	Trade and other receivables, deposits and prepayments	14	502,307	639,535
土地使用權預付租賃款項	Prepaid lease payments on land use rights		718	718
證券投資	Investments in securities		–	7,860
持作買賣之投資	Investments held for trading		7,630	–
預繳稅項	Prepaid tax		46,166	14,352
用作抵押之銀行存款	Pledged deposits	19	86,992	75,647
銀行結存及現金	Bank balances and cash		350,934	451,762
			3,441,518	3,405,521
分類為待售之資產	Assets classified as held for sale	15	11,037	–
			3,452,555	3,405,521

簡明綜合資產負債表
(續)

(二零零五年六月三十日結算)

CONDENSED CONSOLIDATED BALANCE SHEET
(continued)

(AT 30TH JUNE, 2005)

			(未經審核) (Unaudited)	(已審核) (Audited)
			二零零五年 六月三十日 30th June, 2005	二零零四年 十二月三十一日 31st December, 2004
		附註 NOTES	港幣千元 HK\$'000	港幣千元 HK\$'000 (重列) (Restated)
流動負債	Current Liabilities			
貿易及其他應付賬款	Trade and other payables	16	935,529	969,729
預售樓宇按金	Pre-sale deposits		225,121	158,625
稅項負債	Tax liabilities		18,770	49,290
應付少數股東股息	Dividends payable to minority shareholders		6,871	3,986
付息借款	Interest-bearing borrowings	17	1,547,936	1,673,852
免息借款	Interest-free borrowings	17	171,899	168,085
			2,906,126	3,023,567
流動資產淨值	Net Current Assets		546,429	381,954
			6,693,235	6,446,694
股本及儲備	Capital and Reserves			
股本	Share capital		175,094	175,094
股份溢價及儲備	Share premium and reserves		4,349,618	4,267,543
母公司權益持有人應佔之權益	Equity attributable to equity holders of the parent		4,524,712	4,442,637
少數股東權益	Minority interests		429,380	461,161
權益總額	Total Equity		4,954,092	4,903,798
非流動負債	Non-Current Liabilities			
付息借款	Interest-bearing borrowings	17	737,284	528,538
免息借款	Interest-free borrowings	17	51,440	149,087
一名租戶之預收租金	Rental received in advance from a tenant		65,440	—
租戶之租金按金	Rental deposits from tenants		8,860	—
會籍債券	Membership debentures		28,980	51,485
遞延稅項負債	Deferred tax liabilities		847,139	813,786
			1,739,143	1,542,896
			6,693,235	6,446,694

**簡明綜合權益
變動表**

(截至二零零五年六
月三十日止六個月)

**CONDENSED CONSOLIDATED STATEMENT
OF CHANGES IN EQUITY**

(FOR THE SIX MONTHS ENDED 30TH JUNE, 2005)

		母公司權益持有人應佔權益 Attributable to equity holders of the parent											
		股本	股本溢價	特殊資本儲備	資本贖回儲備	匯兌浮動儲備	投資物業重估儲備	投資重估儲備	其他儲備	累計溢利	總計	少數股東權益	總計
		Share capital	Share premium account	Special capital reserve	Capital redemption reserve	Exchange equalisation reserve	Investment property revaluation reserve	Investment revaluation reserve	Other reserves	Accumulated profits	Total	Minority interests	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於二零零四年一月一日	At 1st January, 2004												
原先呈列	As originally stated	1,567,468	198,839	1,544,171	130,675	(28,754)	269,528	(23,244)	1,769	287,092	3,947,544	433,139	4,380,683
會計政策變動之影響 (附註2及3)	Effects of changes in accounting policies (notes 2 and 3)	-	-	-	-	-	(269,528)	-	-	321,037	51,509	(41,008)	10,501
重列	As restated	1,567,468	198,839	1,544,171	130,675	(28,754)	-	(23,244)	1,769	608,129	3,999,053	392,131	4,391,184
直接於權益確認之開支 - 換算海外業務 所產生之匯兌差異	Expense recognised directly in equity - Exchange differences arising on translation of foreign operations	-	-	-	-	(10)	-	-	-	-	(10)	-	(10)
本期間溢利	Profit for the period	-	-	-	-	-	-	-	-	77,840	77,840	12,043	89,883
本期間確認之收支總額	Total recognised income and expense for the period	-	-	-	-	(10)	-	-	-	77,840	77,830	12,043	89,873
行使認股權證而以溢價發行之股份	Shares issued at premium on exercise of warrants	7,725	50	-	-	-	-	-	-	-	7,775	-	7,775
少數股東之資本貢獻	Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	-	896	896
特殊資本儲備撥入累計 溢利	Transfer from special capital reserve to accumulated profits	-	-	(1,544,171)	-	-	-	-	-	1,544,171	-	-	-
股本削減之影響	Effect of reduction of share capital	(1,417,669)	-	1,417,669	-	-	-	-	-	-	-	-	-
撥入其他儲備	Transfer to other reserves	-	-	-	-	-	-	-	2,298	(2,298)	-	-	-
股息分配	Dividend appropriation	-	-	-	-	-	-	-	-	-	-	(34,750)	(34,750)
於二零零四年六月三十日	At 30th June, 2004	157,524	198,889	1,417,669	130,675	(28,764)	-	(23,244)	4,067	2,227,842	4,084,658	370,320	4,454,978
直接於權益確認之收益 - 換算海外業務 所產生之匯兌差異	Income recognised directly in equity - Exchange difference arising on translation of foreign operations	-	-	-	-	234	-	-	-	-	234	245	479
本期間溢利	Profit for the period	-	-	-	-	-	-	-	-	182,039	182,039	10,631	192,670
本期間確認之收支總額	Total recognised income and expense for the period	-	-	-	-	234	-	-	-	182,039	182,273	10,876	193,149
行使認股權證而以溢價發行之股份	Shares issued at premium on exercise of warrants	17,586	158,275	-	-	-	-	-	-	-	175,861	-	175,861
贖回股份	Shares repurchased	(16)	-	-	16	-	-	-	-	(155)	(155)	-	(155)
少數股東之資本貢獻	Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	-	4,016	4,016
因收購附屬公司而增加少數 股東權益	Minority interests assumed through acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	86,614	86,614
收購一間附屬公司額外權益導致 少數股東權益減少	Decrease in minority interests as a result of acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	-	-	-	(6,629)	(6,629)
撥入其他儲備	Transfer to other reserves	-	-	-	-	-	-	-	3,465	(3,465)	-	-	-
股息分配	Dividend appropriation	-	-	-	-	-	-	-	-	-	-	(4,036)	(4,036)
於二零零四年十二月三十一日	At 31st December, 2004	175,094	357,164	1,417,669	130,691	(28,530)	-	(23,244)	7,532	2,406,261	4,442,637	461,161	4,903,798

簡明綜合權益變動表 (續)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

(截至二零零五年六月三十日止六個月)

(FOR THE SIX MONTHS ENDED 30TH JUNE, 2005)

母公司權益持有人應佔權益
Attributable to equity holders of the parent

		母公司權益持有人應佔權益								少數股東權益		總計	
		股本溢價	特殊資本儲備	資本儲備	匯兌儲備	投資儲備	其他儲備	累計溢利	總計	Minority interests	Total		
Share capital	Share premium account	Special reserve	Capital reserve	Capital redemption reserve	Exchange equalisation reserve	Investment reserve	Other reserves	Accumulated profits	Total	Minority interests	Total		
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
於二零零五年一月一日	At 1st January, 2005	175,094	357,164	1,417,669	-	130,691	(28,530)	(23,244)	7,532	2,406,261	4,442,637	461,161	4,903,798
會計政策變動之影響 (附註2及3)	Effects of changes in accounting policies (notes 2 and 3)	-	-	-	-	-	-	-	-	(8,721)	(8,721)	14,770	6,049
重列	As restated	175,094	357,164	1,417,669	-	130,691	(28,530)	(23,244)	7,532	2,397,540	4,433,916	475,931	4,909,847
直接於權益確認之開支 - 換算海外業務 所產生之匯兌差異	Expense recognised directly in equity - Exchange differences arising on translation of foreign operations	-	-	-	-	-	(1)	-	-	-	(1)	12	11
本期間溢利	Profit for the period	-	-	-	-	-	-	-	-	82,997	82,997	(5,177)	77,820
本期間確認之收支 總額	Total recognised income and expense for the period	-	-	-	-	-	(1)	-	-	82,997	82,996	(5,165)	77,831
發行認股權證	Issue of warrants	-	-	-	7,800	-	-	-	-	-	7,800	-	7,800
少數股東之 資本貢獻	Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	-	142	142
收購一間附屬公司 額外權益導致 少數股東權益減少	Decrease in minority interests as a result of acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	-	-	-	(35,136)	(35,136)
撥入其他儲備	Transfer to other reserves	-	-	-	-	-	-	647	(647)	-	-	-	-
股息分配	Dividend appropriation	-	-	-	-	-	-	-	-	-	-	(6,392)	(6,392)
於二零零五年六月三十日	At 30th June, 2005	175,094	357,164	1,417,669	7,800	130,691	(28,531)	(23,244)	8,179	2,479,890	4,524,712	429,380	4,954,092

簡明綜合現金流動表

(截至二零零五年六月三十日止
六個月)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(FOR THE SIX MONTHS ENDED 30TH JUNE, 2005)

		(未經審核) (Unaudited)	
		截至六月三十日止六個月 Six months ended 30th June,	
		二零零五年 2005	二零零四年 2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
(用於)來自經營業務之現金淨額	Net cash (used in) from operating activities	(20,044)	362,167
用於投資業務之現金淨額	Net cash used in investing activities		
借予共同控制公司	Advances to jointly controlled entities	(11,575)	(75,573)
已收共同控制公司及 一間聯營公司股息	Dividends received from jointly controlled entities and an associate	67,473	61,321
購入物業、廠房及設備	Purchases of property, plant and equipment	(37,369)	(62,825)
投資物業之裝修費用	Renovation improvements to investment properties	-	(21,020)
出售投資物業所得款項	Proceeds from disposals of investment properties	3,894	31,534
支付於上年度收購 附屬公司之現金代價欠款	Payment of outstanding cash consideration for acquisition of subsidiaries in prior year	-	(45,561)
購入一間附屬公司之額外權益	Purchase of additional interest in a subsidiary	(19,263)	-
於一間聯營公司之資本投入	Capital contribution to an associate	(32,456)	-
其他投資現金流量	Other investing cash flows	(11,948)	(31)
		(41,244)	(112,155)
用於融資業務之現金淨額	Net cash used in financing activities		
已付利息	Interest paid	(53,467)	(74,364)
新借銀行及其他貸款	New bank and other loans	723,547	566,960
償還銀行及其他貸款	Repayment of bank and other loans	(708,344)	(391,516)
償還期票	Repayment of promissory notes	-	(155,563)
償還少數股東借款 (已包括在免息借款)	Repayment to minority shareholders (included in interest free borrowings)	(56,089)	-
其他融資現金流量	Other financing cash flows	(12,069)	14,728
		(106,422)	(39,755)
現金及現金等值項目之 (減少)增加淨額	Net (decrease) increase in cash and cash equivalents	(167,710)	210,257
期初現金及現金等值 項目	Cash and cash equivalents at the beginning of the period	437,859	242,865
外匯兌換率變動之影響	Effect of foreign exchange rate changes	11	205
期末現金及現金等值項目	Cash and cash equivalents at the end of the period	270,160	453,327
現金及現金等值項目結餘分析	Analysis of the balances of cash and cash equivalents		
銀行結存及現金	Bank balances and cash	350,934	506,368
銀行透支	Bank overdrafts	(80,774)	(53,041)
		270,160	453,327

簡明財務報表附註

(截至二零零五年六月三十日止六個月)

1. 編製準則

本簡明財務報表乃根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十六之適用披露規定及香港會計師公會頒佈之香港會計準則第34號「中期財務報告」而編製。

2. 主要會計政策

除若干物業及金融工具按適用情況以公允價值或重估值計量外，本簡明財務報表乃按歷史成本為編製基礎。

除下文所述者外，本簡明財務報表所採用之會計政策與本集團編製截至二零零四年十二月三十一日止年度財務報表所採用的一致。

於本期間，本集團首次應用香港會計師公會新頒佈之多項香港財務報告準則、香港會計準則及詮釋(下文統稱「新香港財務報告準則」)，該等準則適用於二零零五年一月一日或其後開始之會計期間。應用新香港財務報告準則導致利潤表、資產負債表及權益變動表之呈列方法有所改變，尤其是有關少數股東權益及應佔聯營公司及共同控制公司稅項之呈列方法，該等呈列方法之變動已追溯應用。採納新香港財務報告準則導致本集團會計政策在下列範疇出現變動，並對本會計期間或過往會計期間之業績編製及呈列方式構成影響。

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

(FOR THE SIX MONTHS ENDED 30TH JUNE, 2005)

1. BASIS OF PREPARATION

The condensed financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair values or revalued amounts, as appropriate.

The accounting policies used in the condensed financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st December, 2004, except as described below.

In the current period, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards ("HKFRS(s)"), Hong Kong Accounting Standards ("HKAS(s)") and Interpretations (hereinafter collectively referred to as "new HKFRSs") issued by the HKICPA that are effective for accounting periods beginning on or after 1st January, 2005. The application of the new HKFRSs has resulted in a change in the presentation of the income statement, balance sheet and the statement of changes in equity. In particular, the presentation of minority interests and share of tax of associates and jointly controlled entities have been changed. The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group's accounting policies in the following areas that have effects on how the results for the current or prior accounting periods are prepared and presented.



2. 主要會計政策 (續)

業務合併

香港財務報告準則第3號「業務合併」適用於協議日期為二零零五年一月一日或其後之業務合併。應用香港財務報告準則第3號對本集團之主要影響概述如下：

商譽

於過往期間，收購所產生之商譽將會資本化及按其估計可使用年期攤銷。本集團已採用香港財務報告準則第3號之相關過渡性條文。本集團由二零零五年一月一日起不再將有關商譽攤銷，而商譽將最少每年及於收購時之財政年度進行減值測試。於二零零五年一月一日後因收購所產生之商譽乃按成本減最初確認後之累計減值虧損(如有)計算。此項會計政策之變動，致使本期間不再計算任何商譽攤銷。二零零四年之比較數字不予重列。

於本期間，本集團亦已採用香港會計準則第21號「外匯兌換率變動之影響」，其規定商譽須以海外業務之資產及負債處理，並按每個結算日收市之兌換率換算。以往收購海外業務所產生之商譽乃按每個結算日之歷史兌換率計算。根據香港會計準則第21號之相關過渡性條文，於二零零五年一月一日前因收購產生之商譽以本集團之非貨幣性外幣項目處理。因此，並無作出任何前期調整。

本集團應佔所收購公司之可確定資產、負債及或有負債之公允價值淨額高於成本之差額(以往稱為「負商譽」)。

根據香港財務報告準則第3號，本集團應佔所收購公司之可確定資產、負債及或有負債之公允價值淨額高於收購成本之差額(「收購折讓」)應於進行收購之期間即時確認為溢利或虧損。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Business combinations

HKFRS 3 "Business Combinations" is effective for business combinations for which the agreement date is on or after 1st January, 2005. The principal effects of the application of HKFRS 3 to the Group are summarised below:

Goodwill

In previous periods, goodwill arising on acquisitions was capitalised and amortised over its estimated useful life. The Group has applied the relevant transitional provisions in HKFRS 3. The Group has discontinued amortising such goodwill from 1st January, 2005 onwards and goodwill will be tested for impairment at least annually and in the financial year in which the acquisition takes place. Goodwill arising on acquisitions after 1st January, 2005 is measured at cost less accumulated impairment losses (if any) after initial recognition. As a result of this change in accounting policy, no amortisation of goodwill has been charged in the current period. Comparative figures for 2004 have not been restated.

In the current period, the Group has also applied HKAS 21 "The Effects of Changes in Foreign Exchange Rates" which requires goodwill to be treated as assets and liabilities of the foreign operation and translated at closing rate at each balance sheet date. Previously, goodwill arising on acquisitions of foreign operations was reported at historical rate at each balance sheet date. In accordance with the relevant transitional provisions in HKAS 21, goodwill arising on acquisitions prior to 1st January, 2005 is treated as a non-monetary foreign currency item of the Group. Therefore, no prior period adjustment has been made.

Excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost (previously known as "negative goodwill").

In accordance with HKFRS 3, any excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition ("discount on acquisition") is recognised immediately in profit or loss in the period in which the acquisition takes place.

2. 主要會計政策 (續)

業務合併 (續)

所收購公司之或有負債

根據香港財務報告準則第3號，倘或有負債之公允價值能夠可靠地計量，則所收購公司之或有負債於收購當日確認。以往所收購公司之或有負債不會獨立於商譽而確認。此外，由於經修訂會計政策只應用至協議日期為二零零五年一月一日或其後之收購，故二零零四年之比較數字並未重列。

無形資產

本集團於本期內已收購採礦權作為一項無形資產。採礦權以成本減累計攤銷及任何已識別之減值虧損列示。採礦權成本乃按估計可使用年期以直線法分50年攤銷。

金融工具

香港會計準則第32號「金融工具：披露及呈列」規定作追溯應用。於二零零五年一月一日或其後開始之會計期間生效之香港會計準則第39號「金融工具：確認及計量」一般不允許按追溯基準確認、取消確認或計量金融資產及負債。實行香港會計準則第32號及香港會計準則第39號而產生之主要影響摘要如下：

金融資產及金融負債之分類及計量

本集團已就符合香港會計準則第39號之金融資產及金融負債之分類及計量，應用香港會計準則第39條之有關過渡性條文。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Business combinations (continued)

Contingent liabilities of acquirees

In accordance with HKFRS 3, contingent liabilities of an acquiree are recognised at the date of the acquisition if the fair value of the contingent liabilities can be measured reliably. Previously, contingent liabilities of acquirees were not recognised separately from goodwill. In addition, because the revised accounting policy has been applied prospectively to acquisitions for which the agreement date is on or after 1st January, 2005, comparative figures for 2004 have not been restated.

Intangible asset

The Group has acquired an intangible asset in relation to the mining right in the current period. Mining right is stated at cost less accumulated amortisation and any identified impairment loss. The cost of mining right is amortised on straight line method over the estimated useful life of 50 years.

Financial instruments

HKAS 32 "Financial Instruments: Disclosure and Presentation" requires retrospective application. HKAS 39 "Financial Instruments: Recognition and Measurement", which is effective for annual periods beginning on or after 1st January, 2005, generally does not permit to recognise, derecognise or measure financial assets and liabilities on a retrospective basis. The principal effects resulting from the implementation of HKAS 32 and HKAS 39 are summarised below:

Classification and measurement of financial assets and financial liabilities

The Group has applied the relevant transitional provisions in HKAS 39 with respect to classification and measurement of financial assets and financial liabilities that are within the scope of HKAS 39.



2. 主要會計政策 (續)

金融工具 (續)

金融資產及金融負債之分類及計量 (續)

於二零零四年十二月三十一日，本集團乃根據會計實務準則第24號之其他處理方法進行債務及股本證券之分類及計量。根據會計實務準則第24號，債務或股本證券投資乃適當地分類為「買賣證券」、「非買賣證券」或「持有至到期日投資」。「買賣證券」及「非買賣證券」均按公允價值計量。「買賣證券」之未實現損益於產生該損益之期間列為溢利或虧損。「非買賣證券」之未實現損益則作權益入賬，直至該等證券售出或決定有所減損，屆時原先確認為權益之累計損益將列入該期間之損益淨額。自二零零五年一月一日開始，本集團按香港會計準則第39號將債務及股本證券分類及計量。根據香港會計準則第39號，金融資產乃分類為「透過損益按公允價值處理之金融資產」、「可供出售之金融資產」、「貸款及應收款項」或「持有至到期日之金融資產」。分類乃視乎收購資產之目的。「透過損益按公允價值處理之金融資產」及「可供出售之金融資產」均按公允價值列賬，公允價值之變動則分別確認為損益及權益。「貸款及應收款項」及「持有至到期日之金融資產」則採用實際利率法按已攤銷成本計量。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Classification and measurement of financial assets and financial liabilities (continued)

By 31st December, 2004, the Group classified and measured its debt and equity securities in accordance with the alternative treatment of Statement of Standard Accounting Practice ("SSAP") 24. Under SSAP 24, investments in debt or equity securities are classified as "trading securities", "non-trading securities" or "held-to-maturity investments" as appropriate. Both "trading securities" and "non-trading securities" are measured at fair value. Unrealised gains or losses of "trading securities" are reported in the profit or loss for the period in which gains or losses arise. Unrealised gains or losses of "non-trading securities" are reported in equity until the securities are sold or determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the net profit or loss for that period. From 1st January, 2005 onwards, the Group classifies and measures its debt and equity securities in accordance with HKAS 39. Under HKAS 39, financial assets are classified as "financial assets at fair value through profit or loss", "available-for-sale financial assets", "loans and receivables", or "held-to-maturity financial assets". The classification depends on the purpose for which the assets are acquired. "Financial assets at fair value through profit or loss" and "available-for-sale financial assets" are carried at fair value, with changes in fair values recognised in profit or loss and equity respectively. "Loans and receivables" and "held-to-maturity financial assets" are measured at amortised cost using the effective interest method.

2. 主要會計政策 (續)

金融工具 (續)

債務及股本證券以外之金融資產及金融負債

自二零零五年一月一日開始，本集團就債務及股本證券以外之金融資產及金融負債(以往不屬於會計實務準則第24號範圍)乃按照香港會計準則第39號之規定進行分類及計量。如前所述，香港會計準則第39號將金融資產分類為「透過損益按公允價值處理之金融資產」、「可供出售之金融資產」、「貸款及應收款項」或「持有至到期日之金融資產」。金融負債一般分類為「透過損益按公允價值處理之金融負債」或「透過損益按公允價值處理之金融負債以外之其他金融負債(其他金融負債)」。「其他金融負債」以實際利率法按已攤銷成本持有。對二零零五年一月一日之資產及負債之先前賬面值作出之調整，已計入本集團之保留盈利(其對財務狀況之影響見附註3)。

取消確認

香港會計準則第39號規定，取消確認金融資產應用之準則較過往期間所採用者更為嚴格。根據香港會計準則第39號，一項金融資產僅會於該資產之現金流量合約權利到期時，或已轉讓及轉讓中之資產根據香港會計準則第39號符合資格取消確認時方予取消。混合風險及回報及控制測試之方式乃用以決定有關轉讓是否符合取消確認之資格。本集團已採用相關過渡性條文，並將經修訂之會計政策應用於二零零五年一月一日或之後轉讓之金融資產。因此，本集團並無重列於二零零五年一月一日前已取消確認之附全面追索權之應收票據。於二零零五年六月三十日，本集團並未取消確認附全面追索權之應收票據及讓售貿易應收賬款。取而代之，為數港幣33,004,000元及港幣18,868,000元之相關借款已於結算日確認。該項變動對本期間之業績概無重大影響。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets and financial liabilities other than debt and equity securities

From 1st January, 2005 onwards, the Group classifies and measures its financial assets and financial liabilities other than debt and equity securities (which were previously outside the scope of SSAP 24) in accordance with the requirements of HKAS 39. As mentioned above, financial assets under HKAS 39 are classified as “financial assets at fair value through profit or loss”, “available-for-sale financial assets”, “loans and receivables” or “held-to-maturity financial assets”. Financial liabilities are generally classified as “financial liabilities at fair value through profit or loss” or “financial liabilities other than financial liabilities at fair value through profit or loss (other financial liabilities)”. “Other financial liabilities” are carried at amortised cost using the effective interest method. An adjustment to the previous carrying amounts of assets or liabilities on 1st January, 2005 has been made to the Group’s retained earnings (see Note 3 for the financial impact).

Derecognition

HKAS 39 provides more rigorous criteria for the derecognition of financial assets than the criteria applied in previous periods. Under HKAS 39, a financial asset is derecognised, when and only when, either the contractual rights to the asset’s cash flows expire, or the asset is transferred and the transfer qualifies for derecognition in accordance with HKAS 39. The decision as to whether a transfer qualifies for derecognition is made by applying a combination of risks and rewards and control tests. The Group has applied the relevant transitional provisions and applied the revised accounting policy prospectively for transfers of financial assets on or after 1st January, 2005. As a result, the Group’s bill receivables with full recourse which were derecognised prior to 1st January, 2005 have not been restated. As at 30th June, 2005, the Group’s bills receivables and factored trade receivables with full recourse have not been derecognised. Instead, the related borrowings of HK\$33,004,000 and HK\$18,868,000 have been recognised on the balance sheet date. This change has had no material effect on the results for the current period.



2. 主要會計政策 (續)

業主自用之土地租賃權益

於過往期間，業主自用租賃土地及樓宇乃歸入物業、廠房及設備，以成本值模式計量。根據香港會計準則第17號「租賃」，土地及樓宇租賃之土地及樓宇部份應視乎租賃類別獨立入賬，除非有關租賃付款額未能可靠地分配為土地或樓宇部份，在此情況下則一概以融資租賃處理。若能就租賃付款額可靠地分配為土地或樓宇部份，於土地之租賃權益則應重新分類為經營租賃下之預付租賃款項，以成本入賬並按租賃期作直線攤銷。此項會計政策之變動已追溯應用（其對財務狀況之影響見附註3）。若未能於土地及樓宇部份之間作出可靠分配，則土地之租賃權益繼續作物業、廠房及設備入賬。

投資物業

本集團選擇根據香港會計準則第40號「投資物業」將旗下投資物業以公允價值模式入賬，此模式規定將投資物業之公允價值變動所產生之收益或虧損直接確認於有關損益產生期內之損益。在以往期間根據會計實務準則第13號之規定，投資物業以公開市值計量，重估盈餘或虧蝕撥入投資物業重估儲備或自該儲備扣除，除非該儲備結餘不足以彌補重估所產生之減值，則重估減值高出投資物業重估儲備結餘之數額自利潤表扣除。若減值已於早前自利潤表扣除而其後之重估出現升值，則升值按之前之減幅列入利潤表。本集團已應用香港會計準則第40號之相關過渡性條文，並選擇追溯應用香港會計準則第40號。比較數字因而重列（其對財務狀況之影響見附註3）。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Owner-occupied leasehold interest in land

In previous periods, owner-occupied leasehold land and buildings were included in property, plant and equipment and measured using the cost model. Under HKAS 17 "Leases", the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, the leasehold interests in land are reclassified to prepaid lease payments under operating leases, which are carried at cost and amortised over the lease term on a straight-line basis. This change in accounting policy has been applied retrospectively (see Note 3 for the financial impact). Alternatively, where the allocation between the land and buildings elements cannot be made reliably, the leasehold interests in land continue to be accounted for as property, plant and equipment.

Investment properties

The Group has elected to use the fair value model under HKAS 40 "Investment Property" to account for its investment properties which requires gains or losses arising from changes in the fair value of investment properties to be recognised directly in the profit or loss for the period in which they arise. In previous periods, investment properties under SSAP 13 were measured at open market values, with revaluation surplus or deficits credited or charged to investment property revaluation reserve unless the balance on this reserve was insufficient to cover a revaluation decrease, in which case the excess of the revaluation decrease over the balance on the investment property revaluation reserve was charged to the income statement. Where a decrease had previously been charged to the income statement and revaluation subsequently arose, that increase was credited to the income statement to the extent of the decrease previously charged. The Group has applied the relevant transitional provisions in HKAS 40 and elected to apply HKAS 40 retrospectively. Comparative figures have been restated (see Note 3 for the financial impact).

2. 主要會計政策 (續)

與投資物業有關之遞延稅項

於過往期間，根據以往之詮釋，重估投資物業所產生之遞延稅項影響乃根據出售有關物業收回之賬面值後之稅務影響作出評估。在本期間，本集團應用香港會計準則詮釋第21號「所得稅—收回經重估之不可折舊資產」，不再假設投資物業賬面值可透過出售而收回。因此，投資物業之遞延稅項影響評估按本集團預期於每一結算日有關物業可收回之數額計算。由於香港會計準則詮釋第21號並未附有任何具體過渡性條文，此項會計政策之變更已追溯應用。比較數字因而重列（其對財務狀況之影響見附註3）。

3. 會計政策改變之影響摘要

上述會計政策變動對本期間及過往期間業績之影響如下：

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Deferred taxes related to investment properties

In previous periods, deferred tax consequences in respect of revalued investment properties were assessed on the basis of the tax consequence that would follow from recovery of the carrying amount of the properties through sale in accordance with the predecessor Interpretation. In the current period, the Group has applied HKAS Interpretation 21 "Income Taxes-Recovery of Revalued Non-Depreciable Assets" which removes the presumption that the carrying amount of investment properties are to be recovered through sale. Therefore, the deferred tax consequences of the investment properties are now assessed on the basis that reflect the tax consequences that would follow from the manner in which the Group expects to recover the property at each balance sheet date. In the absence of any specific transitional provisions in HKAS Interpretation 21, this change in accounting policy has been applied retrospectively. Comparative figures have been restated (see Note 3 for the financial impact).

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

The effects of the changes in the accounting policies described above on the results for the current and prior period are as follows:

		截至六月三十日止六個月 Six months ended 30th June, 二零零五年 二零零四年 2005 2004 港幣千元 港幣千元 HK\$'000 HK\$'000	
商譽攤銷減少	Decrease in amortisation of goodwill	1,296	—
於利潤表直接確認之 收購折讓	Recognition of discount on acquisition directly in the income statement	15,873	—
最初確認金融資產公允價值 之虧損	Losses arising from initial recognition of financial assets at fair value	(1,456)	—
待出售物業轉撥至投資物業 之公允價值收益	Fair value gain on transfer of properties held for sale to investment properties	19,528	—
因公允價值變動而引致 出售投資物業虧損增加	Increase in loss on disposal of investment properties as a result of changes in fair value	—	(3,385)
投資物業公允價值 變動所產生之收益	Gains arising from changes in fair value of investment properties	35,710	32,225
與投資物業有關之遞延 稅項增加	Increase in deferred taxes relating to investment properties	(15,829)	(6,140)
本期間溢利增加	Increase in profit for the period	55,122	22,700
以下應佔：	Attributable to:		
母公司權益持有人	Equity holders of the parent	55,695	25,566
少數股東權益	Minority interests	(573)	(2,866)
		55,122	22,700

3. 會計政策改變之影響
摘要 (續)

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN
ACCOUNTING POLICIES (continued)

		截至六月三十日止六個月 Six months ended 30th June, 二零零五年 二零零四年 2005 2004 港仙 港仙 HK cents HK cents	
每股基本盈利增加	Increase in basic earnings per share	6.4	3.3
每股攤薄盈利增加	Increase in diluted earnings per share	6.4	3.2

期內溢利增加之項目按功能分類分析如下：

Analysis of increase in profit for the period by line items presented according to their function:

		截至六月三十日止六個月 Six months ended 30th June, 二零零五年 二零零四年 2005 2004 港幣千元 港幣千元 HK\$'000 HK\$'000	
其他營運收入增加	Increase in other operating income	3,646	–
行政費用增加	Increase in administrative expenses	(1,341)	–
其他營運費用減少(增加)	Decrease (increase) in other operating expenses	1,296	(3,385)
待出售物業轉撥至投資物業之公允價值收益	Fair value gain on transfer of properties held for sale to investment properties	19,528	–
投資物業之公允價值增加	Increase in fair value of investment properties	10,310	11,055
收購一間附屬公司額外權益之折讓	Discount on acquisition of additional interest in a subsidiary	15,873	–
應佔聯營公司溢利及虧損增加(減少)	Increase (decrease) in share of profits and losses of associates	7,944	(42)
應佔共同控制公司溢利及虧損增加	Increase in share of profits and losses of jointly controlled entities	11,237	17,657
融資成本增加	Increase in finance costs	(3,602)	–
稅項增加	Increase in taxation	(9,769)	(2,585)
		55,122	22,700



3. 會計政策 改變之影 響摘要 (續)

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (continued)

於二零零四年十二月三十一日及二零零五年一月一日應用新香港財務報告準則之累計影響概述如下：

The cumulative effects of the application of the new HKFRSs as at 31st December, 2004 and 1st January, 2005 are summarised below:

	於二零零四年 十二月三十一日 As at 31st December, 2004 港幣千元 HK\$'000 (原先呈列) (Originally stated)	香港 會計準則 第1號 之影響 Effect of HKAS 1 港幣千元 HK\$'000	香港 會計準則 第17號 之影響 Effect of HKAS 17 港幣千元 HK\$'000	香港 會計準則 第21號 之影響 Effect of HKAS 40 and HKAS-Int 21 港幣千元 HK\$'000	於 二零零四年 十二月 三十一日 As at 31st December, 2004 港幣千元 HK\$'000 (重列) (Restated)	香港 會計準則 第32號及 香港 會計準則 第39號 之影響 Effect of HKAS 32 and HKAS 39 港幣千元 HK\$'000 (重列) (Restated)	於 二零零五年 一月一日 As at 1st January, 2005 港幣千元 HK\$'000 (重列) (Restated)
資產負債表項目	Balance sheet items						
物業、廠房及設備	538,864	-	(30,882)	-	507,982	-	507,982
待發展物業	2,714,390	-	(1,775,050)	-	939,340	-	939,340
收購待發展物業之 按金	-	-	1,775,050	-	1,775,050	-	1,775,050
土地使用權預付 租賃款項(非流動)	-	-	29,766	-	29,766	-	29,766
於聯營公司之權益	534,920	-	-	20,953	555,873	(1,076)	554,797
於共同控制公司之權益	848,954	-	-	14,052	863,006	(19,081)	843,925
其他投資	40,737	-	-	-	40,737	(40,737)	-
證券投資(非流動)	3,877	-	-	-	3,877	(3,877)	-
可供出售投資	-	-	-	-	-	44,614	44,614
應收分期付款(非流動)	92,009	-	-	-	92,009	(13,064)	78,945
土地使用權預付 租賃款項(流動)	-	-	718	-	718	-	718
免息借款(非流動)	(149,087)	-	-	-	(149,087)	16,578	(132,509)
會籍債券	(51,485)	-	-	-	(51,485)	23,324	(28,161)
遞延稅項負債	(796,486)	-	-	(17,300)	(813,786)	(632)	(814,418)
資產及負債之影響總計	3,776,693	-	(398)	17,705	3,794,000	6,049	3,800,049
累計溢利	2,025,983	-	(398)	380,676	2,406,261	(8,721)	2,397,540
投資物業重估儲備	327,770	-	-	(327,770)	-	-	-
少數股東權益	-	496,362	-	(35,201)	461,161	14,770	475,931
權益之影響總計	2,353,753	496,362	(398)	17,705	2,867,422	6,049	2,873,471
少數股東權益	496,362	(496,362)	-	-	-	-	-

3. 會計政策改變之影響
摘要 (續)

於二零零四年一月一日應用新香港財務報告準則對本集團權益之財務影響如下：

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (continued)

The financial effects of the application of the new HKFRSs to the Group's equity at 1st January, 2004 are summarised below:

		香港 會計準則 第40號 及香港會計 準則詮釋 第21號	重列
	原先呈列 As originally stated 港幣千元 HK\$'000	HKAS 40 and HKAS-Int 21 港幣千元 HK\$'000	As restated 港幣千元 HK\$'000
累計溢利	Accumulated profits	287,092	608,129
投資物業重估儲備	Investment property revaluation reserve	269,528	-
少數股東權益	Minority interests	433,139	392,131
權益之影響總計	Total effects on equity	989,759	1,000,260

本集團並未提早應用下列已頒佈但尚未生效之新香港財務報告準則。本公司董事(「董事」)預期應用該等新香港財務報告準則對本集團之財務報表並無重大影響。

The Group has not early applied the following new HKFRSs that have been issued but are not yet effective. The directors of the Company (the "Directors") anticipate that the application of these new HKFRSs will have no material impact on the financial statements of the Group.

香港會計準則 第19號(修訂)	精算收益及虧損、 集團計劃及披露	HKAS 19 (Amendment)	Actuarial Gains and Losses, Group Plans and Disclosures
香港會計準則 第39號(修訂)	預測集團間交易之 現金流量對沖會 計處理	HKAS 39 (Amendment)	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
香港會計準則 第39號(修訂)	公允價值期權	HKAS 39 (Amendment)	The Fair Value Option
香港財務報告 準則第6號	礦產資源之勘探及 評估	HKFRS 6	Exploration for and Evaluation of Mineral Resources
香港財務報告 準則詮釋第4號	釐定一項安排是否 包含租賃	HKFRS-Int 4	Determining whether an Arrangement Contain a Lease
香港財務報告 準則詮釋 第5號	停產、復原及環境 修復基金所產生 權益之權利	HKFRS-Int 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds

4. 分類資料

於本期間，本集團之營業額主要來自在中華人民共和國（「中國」）所經營之業務，當中並不包含香港地區。本集團之營業額及分類業績按業務分佈如下：

截至二零零五年六月三十日止六個月之利潤表

4. SEGMENTAL INFORMATION

The Group's turnover for the period was derived mainly from activities carried out in the People's Republic of China (the "PRC") other than Hong Kong. An analysis of the Group's turnover and segment results by business segment is as follows:

Income statement for the six months ended 30th June, 2005

		物業發展 Property development 港幣千元 HK\$'000	物業投資 Property investment 港幣千元 HK\$'000	銷售 建築物料 Sale of construction materials 港幣千元 HK\$'000	其他營運 Other operations 港幣千元 HK\$'000	合併 Consolidated 港幣千元 HK\$'000
營業額	TURNOVER	229,069	24,965	141,454	22,808	418,296
業績	RESULTS					
分類業績	Segment results	41,454	17,798	(12,044)	(5,072)	42,136
其他營運收入	Other operating income	-	-	7,627	36,884	44,511
呆壞賬準備	Allowance for doubtful debts	-	(589)	(7,040)	(468)	(8,097)
未能分攤之企業費用	Unallocated corporate expenses					(16,738)
待出售物業轉撥至 投資物業之公允 價值收益	Fair value gain on transfer of properties held for sale to investment properties	19,528	-	-	-	19,528
投資物業 公允價值之增加	Increase in fair value of investment properties	-	10,310	-	-	10,310
收購一間附屬公司 額外權益 之折讓	Discount on acquisition of additional interest in a subsidiary					15,873
融資成本	Finance costs					(46,420)
應佔聯營公司 溢利及虧損	Share of profits and losses of associates	4,037	11,173	-	210	15,420
應佔共同控制公司 溢利及虧損	Share of profits and losses of jointly controlled entities	38,910	15,553	-	475	54,938
聯營公司權益之 減值虧損	Impairment loss on interest in an associate	(17,451)	-	-	-	(17,451)
除稅前溢利	Profit before taxation					114,010
稅項	Taxation					(36,190)
本期間溢利	Profit for the period					77,820

4. 分類資料
(續)

4. SEGMENTAL INFORMATION
(continued)

截至二零零四年六月三十日止六個月之利潤表(重列) Income statement for the six months ended 30th June, 2004 (Restated)

		物業發展 Property development 港幣千元 HK\$'000	物業投資 Property investment 港幣千元 HK\$'000	銷售 建築物料 Sale of construction materials 港幣千元 HK\$'000	其他營運 Other operations 港幣千元 HK\$'000	合併 Consolidated 港幣千元 HK\$'000
營業額	TURNOVER	669,457	11,259	199,094	7,411	887,221
業績	RESULTS					
分類業績	Segment results	128,905	(988)	32,212	(3,289)	156,840
其他營運收入	Other operating income	-	-	9,932	20,897	30,829
呆壞賬準備	Allowance for doubtful debts	-	-	(1,481)	-	(1,481)
未能分攤之企業費用	Unallocated corporate expenses					(22,242)
投資物業 公允價值之增加	Increase in fair value of investment properties	-	11,055	-	-	11,055
融資成本	Finance costs					(37,830)
應佔聯營公司 溢利及虧損	Share of profits and losses of associates	(4,251)	-	-	163	(4,088)
應佔共同控制公司 溢利及虧損	Share of profits and losses of jointly controlled entities	(3,777)	19,438	-	(506)	15,155
除稅前溢利	Profit before taxation					148,238
稅項	Taxation					(58,355)
本期間溢利	Profit for the period					89,883



5. 其他營運收入

5. OTHER OPERATING INCOME

		(未經審核)	
		(Unaudited)	
		截至六月三十日止六個月	
		Six months ended 30th June,	
		二零零五年	二零零四年
		2005	2004
		港幣千元	港幣千元
		HK\$'000	HK\$'000
銀行存款及應收款項利息收入	Interest income on bank deposits and receivables	3,788	2,426
非流動應收款項隱含利息收入	Implied interest income on non-current receivables	3,646	-
中國增值稅退回	Refund of PRC value-added tax	7,289	8,720
上市股份之股息收入	Dividend income from listed shares	-	5,760
持作買賣投資之未實現淨收益	Net unrealised gain on investments held for trading	-	20
呆壞賬準備回撥	Allowance for doubtful debts written back	-	3,302
免除過往年度已計提未付利息	Waiver of interest expenses accrued in prior years	19,420	5,692
其他收入	Other income	10,368	4,909
		44,511	30,829

6. 收購一間附屬公司
額外權益之折讓6. DISCOUNT ON ACQUISITION OF ADDITIONAL INTEREST IN
A SUBSIDIARY

於截至二零零五年六月三十日止六個月內，本集團以總現金代價港幣19,263,000元收購旗下一間附屬公司額外40%權益，因而成為本公司之全資附屬公司。該附屬公司於中國成立，從事物業發展及投資。此項收購之收購折讓為港幣15,873,000元。

During the six months ended 30th June, 2005, the Group acquired an additional 40% interest in a subsidiary for an aggregate cash consideration of HK\$19,263,000, after which it becomes a wholly-owned subsidiary of the Company. The subsidiary is established in the PRC and engaged in property development and investment. This acquisition results in a discount on acquisition of HK\$15,873,000.

7. 融資成本

7. FINANCE COSTS

		(未經審核) (Unaudited)	
		截至六月三十日止六個月 Six months ended 30th June,	
		二零零五年 2005	二零零四年 2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
利息付予	Interest on		
銀行貸款及透支	Bank loans and overdrafts	46,540	48,165
期票	Promissory notes	-	3,039
貸款票據	Loan notes	972	977
融資租賃承擔	Obligations under finance lease	1	1
於五年內全部償還之其他貸款	Other loans wholly repayable within five years	4,265	4,360
非流動應付款項隱含利息	Implied interest on non-current payables	3,602	-
		55,380	56,542
減：資本化於發展中物業金額	Less: amount capitalised on properties under development	(8,960)	(18,712)
		46,420	37,830



8. 聯營公司權益之減值虧損

8. IMPAIRMENT LOSS ON INTERESTS IN ASSOCIATES

減值虧損即調低聯營公司權益賬面值至其根據估計淨售價計算之可收回金額。

The impairment loss represents a write-down of the carrying amount of interests in associates to their recoverable amount based on the estimated net selling price.

9. 稅項

9. TAXATION

		(未經審核)	
		(Unaudited)	
		截至六月三十日止六個月	
		Six months ended 30th June,	
		二零零五年	二零零四年
		2005	2004
		港幣千元	港幣千元
		HK\$'000	HK\$'000
		(重列)	
		(Restated)	
支出包括：	The charge comprises:		
中國企業所得稅及	PRC Enterprise Income Tax and		
土地增值稅	Land Appreciation Tax		
— 本期間撥備	— current period provision	3,265	19,086
— 過往年度撥備不足 (超額撥備)	— under (over) provision in prior years	204	(405)
		3,469	18,681
遞延稅項	Deferred tax	32,721	39,674
		36,190	58,355

本集團於香港經營之公司於該兩段期間內並無任何應課稅溢利，故並無就香港利得稅作出撥備。本公司若干於中國經營之附屬公司享有稅務減免優惠。中國所得稅按其附屬公司適用稅率計算提撥。

No provision for Hong Kong Profits Tax is made as the Group companies operating in Hong Kong do not have any assessable profit for both periods. Certain of the Company's subsidiaries operating in the PRC are eligible for tax exemptions and concessions. The PRC income tax is calculated at the rates applicable to respective subsidiaries.

10. 本期間綜合收支

10. CONSOLIDATED REVENUE AND EXPENSES FOR THE PERIOD

		(未經審核) (Unaudited)	
		截至六月三十日止六個月 Six months ended 30th June,	
		二零零五年 2005	二零零四年 2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
		(重列) (Restated)	
本期間綜合溢利已扣除：	Consolidated profit for the period has been arrived at after charging:		
物業、廠房及設備折舊	Depreciation of property, plant and equipment		
自置資產	Owned assets	11,465	9,282
按融資租賃持有之資產	Assets held under finance leases	4	4
減：資本化於發展中物業金額	Less: amount capitalised on properties under development	(556)	(456)
		10,913	8,830
攤銷：	Amortisation of:		
無形資產	Intangible asset	12	-
土地使用權預付租賃款項	Prepaid lease payments on land use rights	289	-
自綜合賬目產生之商譽 (已包括在其他營運費用內)	Goodwill on consolidation (included in other operating expenses)	-	1,241
收購聯營公司及共同控制 公司產生之商譽(已包括 在其他營運費用內)	Goodwill on acquisition of associates and jointly controlled entities (included in other operating expenses)	-	91
		11,214	10,162
出售投資物業之已實現淨虧損	Net realised loss on disposal investment properties	938	7,595
持作買賣投資之未實現淨虧損	Net unrealised loss on investments held for trading	230	-
應佔聯營公司稅項(已包括在 應佔聯營公司溢利及虧損內)	Share of tax of associates (included in share of profits and losses of associates)	5,073	42
應佔共同控制公司稅項 (已包括在應佔共同控制 公司溢利及虧損內)	Share of tax of jointly controlled entities (included in share of profits and losses of jointly controlled entities)	11,086	3,513



11. 每股盈利

11. EARNINGS PER SHARE

母公司普通權益持有人應佔之每股基本及攤薄盈利乃按下列數據計算：

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the parent is based on the following data:

(未經審核)
(Unaudited)

截至六月三十日止六個月
Six months ended 30th June,
二零零五年 二零零四年
2005 2004
港幣千元 港幣千元
HK\$'000 HK\$'000
(重列)
(Restated)

盈利	Earnings		
用以計算每股基本及攤薄盈利之盈利(期內母公司權益持有人應佔之溢利)	Earnings for the purposes of basic and diluted earnings per share (profit for the period attributable to equity holders of the parent)	82,997	77,840
		截至六月三十日止六個月 Six months ended 30th June, 二零零五年 二零零四年 2005 2004	
股數	Number of shares		
用以計算每股基本盈利之普通股加權平均數	Weighted average number of ordinary shares for the purpose of basic earnings per share	875,469,918	786,598,115
潛在攤薄普通股之影響： — 認股權證	Effect of dilutive potential ordinary shares: — Warrants	—	25,352,058
用以計算每股攤薄盈利之普通股加權平均數	Weighted average number of ordinary shares for the purpose of diluted earnings per share	875,469,918	811,950,173

計算截至二零零五年六月三十日止六個月每股攤薄盈利並未假設本公司之尚未行使認股權證獲行使，因相關之行使價均高於每股之平均市場價格。

The computation of diluted earnings per share for the six months ended 30th June, 2005 does not assume the exercise of the Company's outstanding warrants as the exercise price was higher than the average market price per share.



11. 每股盈利 (續)

計算兩個期間之每股攤薄盈利並未假設一間附屬公司之尚未行使購股權獲行使，因相關之行使價均高於每股之平均市場價格。

12. 物業、廠房及設備

於截至二零零五年六月三十日止六個月內，本集團購入之物業、廠房及設備之成本值為港幣37,369,000元。

13. 投資物業

於截至二零零五年六月三十日止六個月內，

(甲) 港幣4,832,000元之投資物業已出售，而港幣45,022,000元之待出售物業被轉撥至投資物業。

(乙) 本集團之投資物業由特許測量師行普敦國際評估有限公司按二零零五年六月三十日之公開市值基準評估公允價值。所得出之投資物業公允價值港幣10,310,000元之增幅已直接於利潤表確認。

11. EARNINGS PER SHARE (continued)

The computation of diluted earnings per share for both periods does not assume the exercise of the outstanding share options of a subsidiary as the exercise price was higher than the average market price per share.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30th June, 2005, the Group acquired property, plant and equipment at a cost of HK\$37,369,000.

13. INVESTMENT PROPERTIES

During the six months ended 30th June, 2005,

(a) Investment properties of HK\$4,832,000 were disposed of and investment properties of HK\$45,022,000 were transferred from properties for sale.

(b) The Group's investment properties were fair-valued by Messrs. Norton Appraisals Limited, a firm of Chartered Surveyors, at 30th June, 2005 on an open market value basis. The resulting increase in fair value of investment properties of HK\$10,310,000 has been recognised directly in the income statement.

14. 貿易應收賬款

應收租戶之租金乃於發出發票時到期支付。本集團一般給予物業買家及其他客戶之信用期限為三十日至一百二十日。

於報告日，貿易應收賬款（包括在貿易及其他應收賬款、按金及預付款內）之賬齡分析如下：

14. TRADE RECEIVABLES

Rental receivables from tenants are payable on presentation of invoices. The Group generally allows a credit period of 30 to 120 days to property purchasers and other customers.

The following is an aged analysis of trade receivables, which are included in trade and other receivables, deposits and prepayments, at the reporting date:

		(未經審核) (Unaudited)	(已審核) (Audited)
		二零零五年 六月三十日 30th June, 2005	二零零四年 十二月三十一日 31st December, 2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
未到期	Not yet due	33,232	132,147
逾期三個月內	Overdue within 3 months	137,085	223,571
逾期四至六個月	Overdue between 4 and 6 months	74,084	42,462
逾期七至十二個月	Overdue between 7 and 12 months	41,452	25,090
逾期超過十二個月	Overdue over 12 months	11,753	15,782
		297,606	439,052





15. 待售非流動資產

於截至二零零五年六月三十日止六個月內，本集團與附屬公司之一位少數股東訂立一項出售協議，以現金代價約港幣7,613,000元出售本集團一間共同控制公司之全部51%權益。本集團亦同時與該少數股東訂立兩項收購協議，以總現金代價約港幣2,070,000元收購兩間附屬公司之額外權益。該出售及收購協議已於二零零五年四月二十七日舉行之股東特別大會上以普通決議案獲本公司股東批准，於結算日正待有關中國政府當局批准。預期有關出售及收購將於結算日後十二個月內完成。就分類報告而言，共同控制公司被分類為本集團之物業發展業務。若將上述出售及收購作整體考慮，從該兩項收購所獲得之折讓將會超逾就出售所給予之折讓，故此，並無就待售之資產確認減值虧損。

分類為待售之資產的資產如下：

15. NON-CURRENT ASSETS HELD FOR SALE

During the six months ended 30th June, 2005, the Group entered into a disposal agreement with a minority shareholder of the subsidiaries in relation to the disposal of the Group's entire 51% interest in a jointly controlled entity for a cash consideration of approximately HK\$7,613,000. At the same time, the Group also entered into two acquisition agreements with the same minority shareholder in relation to the acquisitions of the additional interests in two subsidiaries for an aggregate cash consideration of approximately HK\$2,070,000. The disposal and acquisition agreements have been approved by the Company's shareholders pursuant to an ordinary resolution at an extraordinary general meeting held on 27th April, 2005 and were pending approval from the relevant PRC government authorities at the balance sheet date. The disposal and acquisitions are expected to be completed within twelve months from the balance sheet date. The jointly controlled entity is classified in the Group's property development activity for segment reporting purpose. When considering the disposal and acquisitions as a whole, the discount on the two acquisitions will be more than compensating the discount on the disposal. Accordingly, no impairment loss has been recognised on the asset held for sale.

The assets classified as held for sale are as follows:

二零零五年
六月三十日
30th June,
2005
港幣千元
HK\$'000

於共同控制公司之權益
(分類作待售之資產)

Interest in jointly controlled entity
(as asset classified as held for sale)

11,037

16. 貿易應付賬款

於報告日，貿易應付賬款（包括在貿易及其他應付賬款內）之賬齡分析如下：

16. TRADE PAYABLES

The following is an aged analysis of trade payables, which are included in trade and other payables, at the reporting date:

		(未經審核) (Unaudited)	(已審核) (Audited)
		二零零五年 六月三十日 30th June, 2005	二零零四年 十二月三十一日 31st December, 2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
未到期	Not yet due	466,610	490,732
逾期三個月內	Overdue within 3 months	92,107	72,333
逾期四至六個月	Overdue between 4 and 6 months	4,142	8,305
逾期七至十二個月	Overdue between 7 and 12 months	7,381	54,122
逾期超過十二個月	Overdue over 12 months	121,772	120,286
		692,012	745,778

17. 借款

於截至二零零五年六月三十日止六個月內，借款淨金額減少至港幣11,003,000元。大部份該等貸款按市場利率計息及需於五年內償還。新借款用於支付中國之土地使用權、在建物業工程進度款及收購新物業項目。新借款包括應收貼現票據港幣33,004,000元及已讓售貿易應收賬款港幣18,868,000元。

17. BORROWINGS

During the six months ended 30th June, 2005, the net decrease in borrowings amounted to HK\$11,003,000. The majority of the loans are repayable within 5 years and bear interest at market rates. Proceeds from new borrowings were used to finance the payment of land use rights, progress payments for properties under development and the acquisition of new property projects in the PRC. Included in new borrowings, there were discounted bills receivable and factored trade receivables of approximately HK\$33,004,000 and HK\$18,868,000 respectively.

18. 或有負債

(甲) 於二零零五年六月三十日，
本集團有以下擔保：

18. CONTINGENT LIABILITIES

(a) At 30th June, 2005, the Group had guarantees as follows:

	(未經審核) (Unaudited) 二零零五年 六月三十日 30th June, 2005 港幣千元 HK\$'000	(已審核) (Audited) 二零零四年 十二月三十一日 31st December, 2004 港幣千元 HK\$'000
就給予共同控制公司之銀行 信貸向銀行作出擔保	66,038	75,472
就給予物業買家之按揭貸款 向銀行作出擔保	370,992	499,146
就給予第三方之銀行信貸 向銀行作出擔保	28,302	-
就給予一間物業發展附屬公司 土地使用權賣方之銀行信貸 向一間銀行作出擔保	13,016	13,016
附有追索權之貼現商業票據	-	18,208

(乙) 於截至二零零四年十二月三十一日止年度內，中國國家稅務總局於二零零四年八月二日，就加強向物業發展商徵收土地增值稅而發出國稅函[2004]第938號之公告。董事認為，在向稅務顧問和若干相關城市之稅務局諮詢後，認為位於若干城市之已竣工物業並不存在土地增值稅；而就其他城市而言，土地增值稅乃按當地稅務局評定之若干設定稅率計算。因此，財務報表內並無全額預提土地增值稅。儘管本公司未能就該等城市之政策取得書面確定，然而董事認為按國家稅務條例全額徵收土地增值稅之可能性頗低。倘全面開徵此稅，則本集團額外應佔附屬公司之土地增值稅為港幣125,264,000元(二零零四年十二月三十一日：港幣114,944,000元)及應佔共同控制公司之土地增值稅為港幣75,028,000元(二零零四年十二月三十一日：港幣60,820,000元)。

(b) During the year ended 31st December, 2004, the State Administration of Taxation of the PRC issued a circular as Guo Shui Han [2004] No.938 on 2nd August, 2004 to strengthen levy of land appreciation tax on property developers. In the opinion of the Directors, after consulting the tax consultants and the tax bureaux of certain relevant cities, land appreciation tax will not be made in respect of properties already completed in certain cities, and for other cities, land appreciation tax is calculated according to certain deemed rates assessed by the local tax bureaux. Accordingly, full provisions for land appreciation tax have not been made in the financial statements. The Company, has not, however, been able to secure written confirmation of those individual city policies, and the Directors consider that there is a low possibility that land appreciation tax might be fully levied in accordance with the rule of State Administration of Taxation. Should such levies take place, then additional land appreciation tax of subsidiaries attributable to the Group amounts to HK\$125,264,000 (31st December, 2004: HK\$114,944,000) and share of land appreciation tax of jointly controlled entities attributable to the Group amounts to HK\$75,028,000 (31st December, 2004: HK\$60,820,000).



18. 或有負債 (續)

- (丙) 若干物業買家已向本公司一間附屬公司提出法律行動，就聲稱延遲發出售予彼等之物業房產證而申索合共約港幣12,000,000元之賠償。本集團已於二零零五年初開始協助發出物業房產證，並對此項索償進行評估及在徵求法律意見後，認為無需要作出額外撥備。
- (丁) 一名先前購入深圳一項物業之買家，向本公司一間全資附屬公司提出法律訴訟，要求撤銷銷售合同及索回已付樓款約港幣49,368,000元及賠償。賬面值為港幣35,376,000元之已竣工物業存貨現由法院保管持有。本集團已提出上訴，而最高人民法院已下令重審此案件。此物業買家提出另一項法律訴訟，要求索回同一個商場另一層及地庫停車場之已付樓款以及賠償合共約港幣59,150,000元。此案件正於中國法院審理中。根據法律意見，本集團認為對於有關索償有強而有力之抗辯理據，無需要作出額外撥備。
- (戊) 一名前租客已向本集團一間共同控制公司提出法律行動，就地方政府收回物業之土地使用權而申索重新安置之賠償約港幣14,000,000元。一間全資附屬公司約值港幣7,500,000元之貿易應收賬款現由法院保管持有。此案件正在中國法院審理中。本集團相信現時乃太早作評估可能產生(如有)之責任，故於財務報表內並無對此案件作出預提。
- (己) 一間銀行向本集團一間全資附屬公司(作為授予若干物業買家按揭貸款之擔保人)提出訴訟，要求償還物業買家欠付之按揭貸款約港幣8,988,000元。本集團已對此項索償進行評估及在徵求法律意見後，認為無需要作出額外撥備。

18. CONTINGENT LIABILITIES (continued)

- (c) Certain property purchasers have taken legal action against a subsidiary of the Company and are claiming for compensation totalling approximately HK\$12,000,000 as a result of alleged late issue of title deeds of properties sold to them. The Group has started to help the issue of title deeds of properties in early 2005, and assessed the claims and obtained legal advice, and considers that no additional provision is required to be made.
- (d) A property purchaser who previously purchased a property in Shenzhen initiated legal proceedings against a wholly owned subsidiary of the Company to rescind the sale contract and claim for sales proceeds paid of approximately HK\$49,368,000 together with compensation. Inventories of completed properties with carrying value of HK\$35,376,000 are held in the custody of the court. The Group had appealed and the Supreme Court had ordered rehearing to the case. This property purchaser initiated another legal proceeding claiming for sales proceeds of another storey of the same shopping arcade and the underground car parks with the compensation amounting to approximately HK\$59,150,000. This case is under trial by the court in the PRC. Based on legal opinion, the Group considers that it has a strong defence to the claims and no additional provision is required to be made.
- (e) A former tenant has taken legal action against a jointly controlled entity of the Group claiming for resettlement compensation amounting to approximately HK\$14,000,000 due to the repossession of the property's land use rights by the local government. Trade receivable of a wholly owned subsidiary amounting to approximately HK\$7,500,000 is held in the custody of the court. The case is being tried by the court in the PRC. The Group believes that it is too early to assess the range of possible liability at this stage, if any, and no amount has been provided for such case in the financial statements.
- (f) A bank has taken legal action against a wholly owned subsidiary of the Company, which has acted as a guarantor for mortgage loans granted to certain property purchasers, claiming for the defaulted repayment amounting to approximately HK\$8,988,000. The Group has assessed the claims and obtained legal advice, and considers that no additional provision is required to be made.





18. 或有負債 (續)

(庚) 一名分判商同時控告總承建商、租戶及一間附屬公司，要求索取未付之建築費約港幣26,420,000元。該附屬公司已向總承建商及租戶悉數繳清所有建築費。此案件正於中國法院審理中。

(辛) 一名物業買家已向本公司一間附屬公司提出法律訴訟，要求索回發還予該附屬公司有關物業之已付樓款約港幣1,670,000元。本集團已對此項索償進行評估及在徵求法律意見後，認為無需要作出額外撥備。

(壬) 一名承建商同時控告本公司及其全資擁有附屬公司，要求索取有爭議的未付之建築費約港幣16,170,000元(此款項已包括在貿易應付賬款之中)。該承建商亦要求索取額外賠償約港幣9,884,000元。此案件正於中國法院審理中。該附屬公司之銀行存款結存約港幣147,000元現由法院保管持有。本集團已對此項索償進行評估及在徵求法律意見後，認為現時乃太早作評估可能產生之責任，亦無需要作出額外撥備。

(癸) 一名於中國之合營夥伴向本公司之附屬公司提出法律行動，因合營項目暫時停工對其造成損失，要求索償約港幣43,680,000元及退出合營公司。此案件正於中國法院審理中。本集團已對此項索償進行評估及在徵求法律意見後，認為現時乃太早作評估可能產生之責任，亦無需要作出額外撥備。

(甲甲) 兩名承建商控告一間附屬公司，要求索取未付之建築費及賠償合共約港幣2,900,000元。此案件正於中國法院審理中。本集團已對此項索償進行評估及在徵求法律意見後，認為現時乃太早作評估可能產生之責任，亦無需要作出額外撥備。

18. CONTINGENT LIABILITIES (continued)

(g) A sub-contractor has sued the main contractor, the tenant and a subsidiary jointly for outstanding construction cost of approximately HK\$26,420,000. The subsidiary has fully settled all construction costs with the main contractor and the tenant. The case is under trial by the court in the PRC.

(h) A property purchaser initiated legal proceeding against a subsidiary of the Company claiming for proceeds of the property returned to that subsidiary amounting to approximately HK\$1,670,000. The Group has assessed the claim and obtained legal advice, and considers that no additional provision is required to be made.

(i) A contractor has sued the Company and its wholly owned subsidiary jointly for outstanding construction costs of approximately HK\$16,170,000, which have been included in trade payable and are being disputed. The contractor also claimed for additional compensations of approximately HK\$9,884,000. The case is under trial by the court and bank deposits of this subsidiary with balances of approximately HK\$147,000 are in the custody of the court. The Group has assessed the claims and obtained legal advice, and considers that it is too early to assess the range of possible liability at this stage and no additional provision is required to be made.

(j) A joint venture partner in PRC has taken legal action against subsidiaries of the Company claiming for compensation of approximately HK\$43,680,000 and withdrawal from the joint venture due to the suspension in development of the joint venture project. This case is under trial by the court in the PRC. The Group has assessed the claim and obtained legal advice, and considers that it is too early to assess the range of possible liability at this stage and no additional provision is required to be made.

(k) Two contractors have sued a subsidiary for outstanding construction costs and compensations totalling approximately HK\$2,900,000. The case is under trial by the court in the PRC. The Group has assessed the claim and obtained legal advice, and considers that it is too early to assess the range of possible liability at this stage and no additional provision is required to be made.

19. 資產抵押

於二零零五年六月三十日，

(甲) 本集團將於上海聯合水泥股份有限公司(「上聯水泥」)綜合資產淨值港幣142,206,000元(二零零四年十二月三十一日：港幣150,579,000元)之54.7%(二零零四年十二月三十一日：54.7%)權益作為本集團獲授銀行透支信貸之抵押。上聯水泥亦將於山東聯合王晁水泥有限公司資產淨值港幣65,526,000元(二零零四年十二月三十一日：港幣67,553,000元)之95%(二零零四年十二月三十一日：95%)權益作為上聯水泥一間附屬公司獲授另一銀行信貸之抵押。

(乙) 本集團將於Tian An Land (Shanghai) Limited(「Tian An Land」)賬面值港幣292,754,000元(二零零四年十二月三十一日：港幣482,716,000元(重列))之100%(二零零四年十二月三十一日：100%)權益作為本公司獲授銀行信貸之抵押。Tian An Land之一間附屬公司分別將賬面值港幣221,842,000元(二零零四年十二月三十一日：港幣264,631,000元)之待售物業及賬面值港幣375,000,000元(二零零四年十二月三十一日：港幣320,000,000元)之投資物業作為該附屬公司獲授銀行信貸之抵押。

(丙) 本集團將銀行存款港幣86,992,000元(二零零四年十二月三十一日：港幣75,647,000元)及由若干附屬公司持有之待發展物業、發展中物業、待售物業及投資物業賬面值分別為港幣344,871,000元(二零零四年十二月三十一日：港幣270,195,000元)、港幣826,148,000元(二零零四年十二月三十一日：港幣642,027,000元)、港幣156,862,000元(二零零四年十二月三十一日：港幣107,545,000元)及港幣784,171,000元(二零零四年十二月三十一日：港幣318,770,000元)給銀行作為本集團獲授銀行信貸之抵押。

19. PLEDGED ASSETS

At 30th June, 2005,

(a) The Group's 54.7% (31st December, 2004: 54.7%) interest in Shanghai Allied Cement Limited ("SAC") with consolidated net assets of HK\$142,206,000 (31st December, 2004: HK\$150,579,000) was pledged against a bank overdraft facility granted to the Group. SAC's 95% (31st December, 2004: 95%) interest in Shandong Allied Wangchao Cement Limited with net assets of HK\$65,526,000 (31st December, 2004: HK\$67,553,000) was also pledged against another banking facility granted to a subsidiary of SAC.

(b) The Group's 100% (31st December, 2004: 100%) interest in Tian An Land (Shanghai) Limited ("Tian An Land") with carrying value of HK\$292,754,000 (31st December, 2004: HK\$482,716,000 (as restated)) was pledged against a banking facility granted to the Company. Properties for sale and investment properties held by a subsidiary of Tian An Land with carrying values of HK\$221,842,000 (31st December, 2004: HK\$264,631,000) and HK\$375,000,000 (31st December, 2004: HK\$320,000,000) respectively were pledged against a banking facility granted to that subsidiary.

(c) Bank deposits, properties for development, properties under development, properties for sale and investment properties of certain subsidiaries with carrying values of HK\$86,992,000 (31st December, 2004: HK\$75,647,000), HK\$344,871,000 (31st December, 2004: HK\$270,195,000), HK\$826,148,000 (31st December, 2004: HK\$642,027,000), HK\$156,862,000 (31st December, 2004: HK\$107,545,000) and HK\$784,171,000 (31st December, 2004: HK\$318,770,000) respectively were pledged to banks for banking facilities granted to the Group.





19. 資產抵押 (續)

(丁) 本集團將賬面值分別為港幣2,890,000元(二零零四年十二月三十一日:港幣6,551,000元)及賬面值港幣129,280,000元(二零零四年十二月三十一日:港幣122,675,000元)之待發展物業及發展中物業作為其他貸款之抵押。

(戊) 本集團將賬面值分別港幣43,197,000元(二零零四年十二月三十一日:港幣43,197,000元)及港幣52,119,000元(二零零四年十二月三十一日:港幣50,929,000元)之待發展物業及發展中物業作為貿易應付賬款之抵押,該應付賬款已結清,但尚未解除。

(己) 本集團之若干資產,按附註18(丁)、(戊)及(壬)所述,現由法院保管持有。

於二零零四年十二月三十一日,本集團將賬面值港幣205,626,000元之投資物業給銀行作為給予一貿易債權人銀行信貸之抵押。

20. 有關連人士之交易及結餘

於截至二零零五年六月三十日止六個月內,

(甲) 本集團向新鴻基有限公司(「新鴻基」)(本公司之主要股東)之一間附屬公司出售其於一間附屬公司之全部權益,現金代價約為港幣38,478,000元。

(乙) 本公司與新鴻基一間附屬公司訂立貸款協議,據此,本集團取得最多港幣100,000,000元之循環貸款,由二零零五年三月二日起為期三十六個月。該項貸款並無抵押,年息按優惠利率加一厘計算。

(丙) 本集團分別向兩位少數股東收購彼等於一間附屬公司之40%權益,詳情見附註6。

19. PLEDGED ASSETS (continued)

(d) Properties for development and properties under development with carrying values of HK\$2,890,000 (31st December, 2004: HK\$6,551,000) and HK\$129,280,000 (31st December, 2004: HK\$122,675,000) respectively were pledged against other loans.

(e) Pledges of properties for development and properties under development with carrying values of HK\$43,197,000 (31st December, 2004: HK\$43,197,000) and HK\$52,119,000 (31st December, 2004: HK\$50,929,000) respectively against a trade payable which has been settled, have not been released.

(f) Certain assets of the Group are under the custody of courts as described in note 18(d), (e), and (i).

At 31st December, 2004, investment properties with a carrying value of HK\$205,626,000 were pledged to a bank for a banking facility granted to a trade creditor.

20. RELATED PARTY TRANSACTIONS AND BALANCES

During the six months ended 30th June, 2005,

(a) The Group has disposed of its entire interest in a subsidiary to a subsidiary of Sun Hung Kai & Co. Limited ("SHK"), a substantial shareholder of the Company, for a cash consideration of approximately HK\$38,478,000.

(b) The Group has entered into a loan agreement with a subsidiary of SHK, pursuant to which a revolving credit facility up to HK\$100,000,000 was made available to the Group for a term of 36 months from 2nd March, 2005. Such revolving credit facility is unsecured and carries interest at a rate of prime rate plus 1% per annum.

(c) The Group acquired from two minority shareholders their 40% interest in a subsidiary, as described in note 6.

20. 有關連人士之交易及結餘 (續)

(丁) 本集團與附屬公司之一位少數股東就出售本集團於一間共同控制公司之全部51%權益訂立一項出售協議，並同時與該少數股東分別就收購兩間附屬公司之額外權益而訂立兩項收購協議，詳情見附註15。

(戊) 本集團與有關連人士之其他重大交易及結餘如下：

20. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(d) The Group entered into a disposal agreement with a minority shareholder of the subsidiaries in relation to the disposal of the Group's entire 51% interest in a jointly controlled entity and two acquisition agreements with the same minority shareholder in relation to the acquisitions of the additional interests in two subsidiaries respectively, as described in note 15.

(e) The Group had other material transactions and balances with related parties as follows:

(未經審核)
(Unaudited)
截至六月三十日止六個月
Six months ended 30th June,
二零零五年 二零零四年
2005 2004
港幣千元 港幣千元
HK\$'000 HK\$'000

(i) 新鴻基	(i) SHK		
– 一期票利息	– Interest on promissory notes	–	2,831
– 貸款票據利息	– Interest on loan note	967	972
– 其他貸款利息	– Interest on other loan	363	–
(ii) 新鴻基之控股股東 (與本公司有共同董事)	(ii) Controlling shareholders of SHK (and which has common directors with the Company)		
– 已付租金、物業管理及 空調費用	– Rent, property management and air-conditioning fees paid	1,069	717
– 一期票利息	– Interest on promissory notes	–	208
(iii) 少數股東	(iii) Minority shareholders		
– 水泥生產設備租金費用	– Rental expenses for cement production facilities	1,835	2,390
(iv) 本公司一位獨立非執行董事 為其合作夥伴之公司	(iv) A company of which an independent non-executive director of the Company is a partner		
– 法律及專業費用	– Legal and professional fee	1,922	703

20. 有關連人士之交易及結餘 (續)

20. RELATED PARTY TRANSACTIONS AND BALANCES
(continued)

		(未經審核) (Unaudited)	(已審核) (Audited)
		二零零五年 六月三十日 30th June, 2005	二零零四年 十二月三十一日 31st December, 2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
(v) 新鴻基	(v) SHK		
– 尚餘應付貸款票據	– Outstanding loan note payable	78,000	78,000
– 其他應付貸款， 詳見附註20(乙)	– Other loan payable, as detailed in note 20(b)	48,000	–
– 應付金額	– Amounts payable	2,463	617
(vi) 新鴻基之控股股東	(vi) Controlling shareholders of SHK		
– 應付金額	– Amounts payable	810	1,709
(vii) 本集團之共同控制公司	(vii) Jointly controlled entities of the Group		
– 共同控制公司對銀行給予 本集團之銀行信貸作出 擔保	– Guarantees provided by jointly controlled entities to banks for banking facilities granted to the Group	27,358	27,358
– 一間共同控制公司將投資 物業給銀行，作為給予 本集團之銀行信貸港幣 28,300,000元(二零零四年 十二月三十一日： 港幣47,200,000元) 之抵押	– Pledge of investment properties by a jointly controlled entity to banks for banking facilities amounting to HK\$28.3 million (31st December, 2004: HK\$47.2 million) granted to the Group	60,665	60,217
(viii) 主要管理層薪酬	(viii) Key management personnel compensation		
– 薪金及其他短期 員工福利	– Salaries and other short-term employee benefits	2,753	3,302
– 退休福利費用	– Retirement benefits costs	113	144

上述交易按有關各方商定之條款訂立。

The above transactions have been entered into on terms agreed by the parties concerned.

中期股息

董事認為保留適當水平之資金，以便充份掌握日後之業務發展機會，乃審慎之舉，故此不建議宣派中期股息（二零零四年：無）。

管理層討論及分析

業績

於回顧期間，本集團之股東應佔溢利淨額為港幣82,997,000元（二零零四年：港幣77,840,000元（重列）），較去年同期上升6.6%。營業額下降至港幣418,296,000元（二零零四年：港幣887,221,000元），即下降53%，其主要原因是期內本集團按策略預留部份商業及寫字樓作出租用途引致附屬公司之物業銷售減少，以及同期竣工總樓面減少所致。期內股東應佔溢利淨額增加來自共同控制公司之貢獻及投資物業公允價值之增加或收益。每股盈利為9.5港仙（二零零四年：9.9港仙（重列）），比去年同期下降4%。

物業發展及投資

於回顧期間，本集團錄得應佔銷售商住物業總樓面面積56,000平方米（二零零四年：120,100平方米），在建工程總樓面面積為309,300平方米（二零零四年：438,800平方米），而已竣工之商住總樓面面積為53,700平方米（二零零四年：90,550平方米）。物業發展之分類業績為港幣41,454,000元（二零零四年：港幣128,905,000元），下降68%。中國之物業銷售如上海天安中心、無錫紅山半島（三期）、常州天安別墅（一期）、深圳天安創新科技廣場（二期）及南通天安花園（二期）對本集團期內之表現作出重大貢獻。本集團同時保留若干部份之商業及寫字樓物業作出租用途，例如上海天安中心及大連天安國際大廈，令本期及未來租金收入有所增加。本集團各項目目前擁有約527萬平方米（本集團應佔總樓面面積約為363萬平方米）之土地儲備。本集團將繼續監管其土地儲備之整體發展，並於條件合適時適當地增加其土地儲備。

INTERIM DIVIDEND

The Directors consider that it is prudent to retain an appropriate level of funds to take advantage of business opportunities as and when they arise, and therefore do not intend to declare an interim dividend (2004: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS

The Group's net profit attributable to shareholders for the period under review was HK\$82,997,000 (2004: HK\$77,840,000 (restated)), representing a 6.6% increase over the previous period. The decrease in turnover to HK\$418,296,000 (2004: HK\$887,221,000), representing a decrease of 53%, was mainly due to the reduced sales of properties of the subsidiaries in this period as a result of the strategic retention of part of commercial and office properties for rental purpose, as well as the decreased completion of properties. The increase of net profit attributable to shareholders for the period was the result of contribution from jointly controlled entities and increase or gain in fair values of investment properties. Earnings per share was HK9.5 cents (2004: HK9.9 cents (restated)), representing a decrease of 4% compared to the corresponding period of last year.

Property Development and Investment

During the period under review, total sales attributable to the Group of 56,000m² GFA from residential/commercial properties were recorded (2004: 120,100m²), whereas 309,300m² GFA were under construction (2004: 438,800m²) and 53,700m² GFA residential/commercial properties were completed (2004: 90,550m²). The segment result for property development was HK\$41,454,000 (2004: HK\$128,905,000), representing a decrease of 68%. Properties sold in the PRC such as Shanghai Tian An Centre, Wuxi Redhill Peninsula (Phase 3), Changzhou Tian An Villa (Phase 1), Shenzhen Tian An New Technology Plaza (Phase 2) and Nantong Tian An Garden (Phase 2) contributed significantly to the Group during the period. The Group has also retained certain portion of commercial and office properties such as Shanghai Tian An Centre and Dalian Tian An International Tower for rental purpose so as to increase the rental income for this period and the future. The Group currently has a landbank for projects of approximately 5.27 million m² (GFA attributable to the Group is approximately 3.63 million m²). The Group will continue to monitor overall developments and suitably add to its landbank when conditions are right.



管理層討論及分析 (續)

業績 (續)

建築物料銷售

銷售建築物料之分類業績為本集團帶來港幣12,044,000元虧損(二零零四年：港幣32,212,000元利潤)。

期內虧損主要由於二零零五年上半年水泥價格持續下降以及國內原材料及煤價高企等因素影響。

財務狀況

資金流動狀況及融資

於二零零五年六月三十日，本集團致力維持流動資金在穩健之水平，財政資源組合分佈合理。本集團之銀行結餘及現金維持在超過港幣438,000,000元之水平，為本集團之日常運作提供足夠營運資金。

於二零零五年六月三十日，本集團之總借款約港幣2,509,000,000元(二零零四年十二月三十一日：港幣2,519,000,000元)，包括分別為港幣1,720,000,000元(二零零四年十二月三十一日：港幣1,842,000,000元)及港幣789,000,000元(二零零四年十二月三十一日：港幣677,000,000元)之流動負債及非流動負債。本集團之資產負債率(負債淨額除以股東權益)維持於約46%(二零零四年十二月三十一日：45%)。借款乃主要用於購置土地儲備及為在建物業融資。

約79%未償還負債將於兩年內到期。由於本集團之投資及營運乃在中國進行，故大部份銀行借款均來自中國之銀行，並以人民幣計算及歸還。同時，港元之銀行貸款相應增加，以降低利息支出。本集團銀行借款中約65%為定息借款，餘下者則為浮息借款。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

RESULTS (continued)

Sale of Construction Materials

The segment result for sale of construction materials brought loss to the Group of HK\$12,044,000 (2004: Profit of HK\$32,212,000).

The main factors causing loss for the period included the continuous decline in cement prices and that prices of domestic raw materials and coal remained at a high level in the first half of 2005.

FINANCIAL POSITION

Liquidity and Financing

As at 30th June, 2005, the Group maintained its liquidity at a healthy level with a balanced portfolio of financial resources. The total bank balances and cash reserves of the Group were maintained at over HK\$438 million, providing sufficient working capital for the daily operations of the Group.

As at 30th June, 2005, the total borrowings of the Group amounted to approximately HK\$2,509 million (31st December, 2004: HK\$2,519 million), including current liabilities and non-current liabilities of HK\$1,720 million (31st December, 2004: HK\$1,842 million) and HK\$789 million (31st December, 2004: HK\$677 million) respectively. The gearing ratio (net debt over shareholders' equity) of the Group was around 46% (31st December, 2004: 45%). The borrowings were used to finance mainly the landbank and properties under construction.

Approximately 79% of outstanding debts will expire within 2 years. Since the investments and operation of the Group are located in the PRC, most of the bank borrowings are obtained from PRC banks in Renminbi which will be repaid in the same currency. At the same time, bank borrowings in Hong Kong dollar have increased so as to lower the interest. Around 65% of the Group's bank borrowings bear interest at fixed rates while the remaining is at floating rates.

管理層討論及分析 (續)**財務狀況 (續)****資產抵押**

於二零零五年六月三十日，本集團於一間附屬公司（賬面值為港幣142,206,000元）之權益已抵押予銀行，以便本集團取得銀行透支信貸，而該附屬公司持有於一間附屬公司（賬面值為港幣65,526,000元）之權益亦已抵押予銀行，以便本集團取得另一銀行信貸。本集團於一間附屬公司（賬面值為港幣292,754,000元）之權益已抵押予銀行，以便本公司取得銀行信貸，而該附屬公司間接持有之待出售物業及投資物業賬面值分別為港幣221,842,000元及港幣375,000,000元已抵押予銀行，以便本集團取得銀行信貸。另外，港幣86,992,000元之銀行存款，賬面總值分別約港幣1,555,367,000元及港幣784,171,000元之發展物業及投資物業已抵押予銀行，以便本集團及一貿易債權人取得其他貸款及銀行信貸。資產抵押的詳情已載於簡明財務報表附註19。

或有負債

於二零零五年六月三十日，本集團就授予共同控制公司、第三方及一名向本集團一間物業發展附屬公司出售土地使用權之賣方之銀行融資，分別向有關銀行提供約港幣66,038,000元、港幣28,302,000元及港幣13,016,000元之擔保。另就物業買家獲授之按揭貸款向銀行提供共約港幣370,992,000元之擔保。本集團提供之所有擔保乃應銀行要求，並根據一般商業條款而作出。而本集團應佔附屬公司之國內或有土地增值稅約為港幣125,264,000元及應佔共同控制公司之或有土地增值稅約為港幣75,028,000元。若干附屬公司及共同控制公司被採取法律行動引起之或有負債金額分別約為港幣230,230,000元及港幣14,000,000元。本集團對此等索償進行評估並在徵求法律意見後，認為現時乃太早作評估可能產生之責任，亦無需要作出額外撥備。或有負債的詳情已載於簡明財務報表附註18。

**MANAGEMENT DISCUSSION AND ANALYSIS
(continued)****FINANCIAL POSITION (continued)****Pledge on Assets**

As at 30th June, 2005, the Group's interest in a subsidiary with carrying values of HK\$142,206,000 was pledged against bank overdraft facilities granted to the Group and interest in a subsidiary with carrying value of HK\$65,526,000 held by that subsidiary was pledged against another banking facility granted to the Group. The Group's interest in a subsidiary with a carrying value of HK\$292,754,000 was pledged against a banking facility granted to the Company and properties for sale and investment properties indirectly held by that subsidiary with carrying values of HK\$221,842,000 and HK\$375,000,000 respectively were pledged against a banking facility granted to the Group. Additionally, bank deposits of HK\$86,992,000, aggregate carrying values of development properties and investment properties of approximately HK\$1,555,367,000 and HK\$784,171,000 respectively, were pledged for other loans, banking facilities granted to the Group and a trade creditor. Details of the pledge on assets are set out in note 19 to the condensed financial statements.

Contingent Liabilities

As at 30th June, 2005, guarantees given to banks by the Group in respect of banking facilities granted to jointly controlled entities, third parties and a vendor of land use rights to a property development subsidiary were approximately HK\$66,038,000, HK\$28,302,000 and HK\$13,016,000 respectively. Guarantees given to banks in respect of mortgage loans granted to property purchasers amounted to approximately HK\$370,992,000. All the guarantees provided by the Group were requested by banks and under normal commercial terms. The contingent PRC land appreciation tax of subsidiaries attributable to the Group amounted to approximately HK\$125,264,000 and the share of contingent land appreciation tax of jointly controlled entities amounted to approximately HK\$75,028,000. Legal actions were taken against certain subsidiaries and jointly controlled entity resulting in possible contingent liabilities of approximately HK\$230,230,000 and HK\$14,000,000 respectively. The Group has assessed the claims and obtained legal advice, and considers that either it is too early to assess the range of possible liability at this stage or no additional provision is required to be made. Details of the contingent liabilities are set out in note 18 to the condensed financial statements.



管理層討論及分析 (續)

僱員

於二零零五年六月三十日，本集團（包括其附屬公司，但不包括聯營公司及共同控制公司）聘用2,780名員工，於回顧期內之員工費用約為港幣39,988,000元。本集團確保薪酬制度與市場相若，並按僱員表現發放薪金及花紅獎勵。

經濟環境簡要分析及業務應對主要措施

中國整體經濟

今年上半年中國生產總值增長9.5%，與二零零四年同期持平。房地產市場方面，上半年全國商品房平均銷售價格上漲10.1%。國家持續推出多項宏觀調控政策，包括「購買住宅在兩年以內出售，要按銷售額交納營業稅；七月十日有關部門又重申二手房交易要按增值部份徵收20%的個人所得稅。而上海市稅務局又執行針對獨立別墅的稅收政策，即從六月一日起對花園住宅徵收土地增值稅。」這些政策的出台，表面上看是為了控制房價過快上升，然而更深層次的目的是，鎖住現在持有多過一套住宅的境內外居民手中的房子，打擊炒樓，而房地產市場也隨之降溫。上海中房價指數結束長達五年的價格上升格局，預計未來將會出現價格的理性回歸；再者市場的成交結構也在發生改變，大戶型高價位住宅成交比例明顯下降，五月份單價人民幣9,000元以上的住宅成交套數下降50%。近日建設部副部長劉志峰先生稱：「中國政府近期不會再出台新的房地產市場調控措施。」但據有關統計，華東地區（包括上海、浙江及江蘇）及廣東近期的投資率及經濟增長率明顯放緩，這對房地產市場的影響值得關注和警惕。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

EMPLOYEES

As at 30th June, 2005, the Group, including its subsidiaries but excluding associates and jointly controlled entities, employed 2,780 persons. The staff costs for the period under review amounted to approximately HK\$39,988,000. The Group ensures that the remuneration packages for employees are competitive and employees are rewarded on performance related basis including salary and bonus.

BRIEF ANALYSIS OF ECONOMIC ENVIRONMENT AND THE KEY RESPONSIVE MEASURES IN OPERATIONS

PRC's Overall Economy

In the first half of the year, China's gross domestic product ("GDP") grew by 9.5%, which was about the same as the corresponding period of 2004. In the real estate market, the average price of the commodity property nationwide has increased by 10.1%. The government continued to introduce various policies of macro-economic adjustments, which included that "sales tax calculated on sales amount was imposed on residential property sold within two years of acquisition. On 10th July, relevant authorities reiterated that second-hand transactions were subject to personal income tax of 20% on the value-added portion. The Shanghai Tax Bureau also implemented tax policies against villas, requiring land appreciation tax to be paid on property of this kind with effect from 1st June". Superficially, the purpose of these policies is to control the excessive speed in price rise. In fact, they were meant to restrict those domestic and foreign residents currently owning more than one property so as to combat speculation in the property market and thus cool down the real estate market. The measures marked an end to the five-year long surge of the China Real Estate Index of Shanghai. Price is expected to return to a reasonable level in future. Furthermore, the transaction structure was also changing with the proportion of large and high price residential properties deals dropping significantly. In May, the number of transactions for residential properties of unit price over RMB9,000 reduced by 50%. Recently, Mr. Liu Zhifeng, Vice Minister of Ministry of Construction said: "The PRC government will not again push forward new regulatory measures in the real estate market in the short-term". According to relevant statistics, the investment and economic growth rates have remarkably slowed down in Eastern China (including Shanghai, Zhejiang and Jiangsu) and Guangdong recently, the impacts of which on the real estate market are worth noting and alert.

管理層討論及分析 (續)

經濟環境簡要分析及業務應對 主要措施 (續)

銀行信貸

今年一至六月廣義貨幣供應量為人民幣27.6萬億元，按年增長15.7%；狹義貨幣供應量為人民幣9.9萬億元，按年增長11.3%，兩個數據表明上半年貨幣供應偏緊，一般預期下半年中央銀行會適當增加貨幣供應量，以預防出現通貨緊縮。

市場表現

是次宏觀調控對華東地區之影響比華北及華南地區大，我們從上海、北京及深圳房價變化可見一斑。上海住宅銷售價格三月份比二月份上升2.5%，此後逐月回落，六月份下降1.2%。北京一至五月份都保持上升，六月份比五月份下降3.3%。深圳一至五月份呈現較為明顯的上升走勢，但六月份住宅均價比五月份下降2.19%。由此可見，上海受宏觀調控影響，房價回落早於其他兩市，而到六月份，三市之住宅銷售均價都比五月份下降。本集團未來在華東地區推出之項目將會減少大戶型住宅供應，別墅供應也以小戶型為主。我們將追蹤分析後續影響，並及時調整經營開發策略。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

BRIEF ANALYSIS OF ECONOMIC ENVIRONMENT AND THE KEY RESPONSIVE MEASURES IN OPERATIONS (continued)

Banking Facilities

For the first six months in this year, M2 amounted to RMB27,600 billion, representing a 15.7% year-on-year growth, while M1 amounted to RMB9,900 billion, representing a 11.3% year-on-year growth. Both figures showed that currency supply was relatively tight in the first half of the year. It is generally expected that the central bank will aptly increase the money supply in the latter half of the year to prevent deflation.

Market Performance

Eastern China has been more affected by the macro-economic adjustments than Northern China and Southern China, as evidenced by the property price changes in Shanghai, Beijing and Shenzhen. In March, prices of residential properties in Shanghai rose by 2.5% as compared to February and then steadily dropped every month, with a decline of 1.2% in June. In Beijing, prices continued to rise for the first five months but decreased by 3.3% in June as compared to May. In Shenzhen, the upward trend was more obvious from January to May, but the average prices of residential properties dropped by 2.19% in June as compared with those of May. As indicated from the above, Shanghai was affected by the macro-economic adjustments and experienced price drop earlier than the other two cities. In June, the average selling prices of the residential properties in all three cities were lower than in May. In future, the number of large residential units to be available for marketing by the Group on the projects in Eastern China will be reduced, and the supply of villas will also be mainly small ones. We will analyse and keep track of further subsequent impacts and adjust the operation and development strategy on a timely basis.



管理層討論及分析 (續)

經濟環境簡要分析及業務應對 主要措施 (續)

項目發展

華東區目前仍然是本集團之投資重點：位於上海南京西路之甲級寫字樓上海天安中心5至21層已全部售罄；大廈1至4層和地下美食城用於出租，目前除少量單位外已全部出租，租金收益理想，特別是多家「世界五百強企業」入住該大廈，使項目更顯尊貴。而22至29層則作為出售或出租用途，本集團將於下半年將下屬多個部門及華東區之辦公室搬到該大廈30層。南通天安花園(二期)、無錫紅山半島(三期)、常州新城市花園(四期)繼續為本集團作出理想貢獻。而常州天安別墅則是本集團新的利潤中心，上半年也有理想表現。深圳天安數碼城創新科技廣場(二期)也是本集團上半年最重要利潤中心之一。大連天安海景花園(三期)於六月十八日推出後，市場表現甚佳。而位於北京朝陽公園西路的北京天安豪園(前稱福華大廈)上半年在市場有理想表現，將在下半年竣工。上海天安別墅(二期)及廣州番禺節能科技園(二期)已經施工，將於下半年推出發售。上海天安豪園(前稱天安陽明山莊)已獲政府批准，預計下半年施工，明年竣工。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

BRIEF ANALYSIS OF ECONOMIC ENVIRONMENT AND THE KEY RESPONSIVE MEASURES IN OPERATIONS (continued)

Project Development

Eastern China is still the investment focus of the Group. The 5th to 21st floors of Shanghai Tian An Centre, a Grade A office building situated at Nanjing Road West, were all sold; the 1st to 4th floors and the Food Court (美食城) situated on ground floor are for rental and nearly all units have been rented out and generating substantial rental income. In particular, the prestigious stance of the building has been enhanced with many of the "Top 500 Enterprises in the World" (世界500強企業) moving in. The 22nd to 29th floors are for sale or rental purpose. A number of the Group's departments and offices in Eastern China will be relocated to the 30th floor of the building in the latter half of the year. Nantong Tian An Garden (Phase 2), Wuxi Redhill Peninsula (Phase 3), Changzhou New City Garden (Phase 4) continued to bring significant contributions to the Group. Changzhou Tian An Villa has become a new profit centre of the Group and performed very well in the first half of the year. The New Technology Plaza (Phase 2) in Shenzhen Tian An Cyber Park was also one of the most important profit centres of the Group in the first half. Dalian Tian An Seaview Garden (Phase 3) was put onto the market on 18th June and received good response. Beijing Park Apartments (formerly known as Fu Hua Building) located at Chaoyanggongyuan Road West, Beijing performed satisfactorily in the first half of the year and the construction is to be completed in the latter half of the year. The construction of Shanghai Tian An Villa (Phase 2) and Guangzhou Panyu Hi-Tech Ecological Park (Phase 2) has commenced and will be marketed for sale in the latter half of the year. Shanghai Park Apartments (formerly known as Tian An Yang Ming Resort) have been approved by the government. Construction is expected to commence in the latter half of the year and be completed next year.

管理層討論及分析 (續)**經濟環境簡要分析及業務應對
主要措施 (續)****經營概況**

期內本集團繼續堅持合理分配、簡化程序、開源節流、不斷創新、盤活資產，加強監管之策略；按照市場的需要制訂品牌建設、公共關係等方針，重點對員工加強品牌建設及公關培訓。同時，利用北京天安豪園推出銷售之際，藉天安集團獲「新地產」評為全國最具發展潛質的十強企業公司，在媒體做適當品牌宣傳。在公共關係處理上，有專人負責處理與政府部門及客戶等的關係，使本集團在得到更好的經營環境方面取得了一定成效，相信對本集團整體效益之提升收事半功倍之功效。

**展望**

此輪宏觀調控，對於經濟之中長期健康發展是有利的，而上海等地的房價前幾個月有所回落也並不完全是壞事。種種跡象表明，下半年中國經濟增長開始放緩，而房地產價格和經濟增長速度可謂息息相關。據分析，房地產投資率比中國生產總值變化的幅度一般是更大一些，因此短期內，房價有可能繼續有所回調。然而，中國在二零二零年經濟總量比二零二零年翻兩翻是既定目標，經濟將繼續看好，同時城市化的進程也在穩步推進。所以從中長期看，房價有機會恢復合理上漲，投資回報預期仍可看好。但本集團將密切關注政策對房價近期影響程度和在不同區域的影響差異。

**MANAGEMENT DISCUSSION AND ANALYSIS
(continued)****BRIEF ANALYSIS OF ECONOMIC ENVIRONMENT AND
THE KEY RESPONSIVE MEASURES IN OPERATIONS
(continued)****Operation Highlights**

During the period, the Group continued our strategy as follows: rationalise incentives, streamline procedures, cutting expenses while seeking new revenues, innovate boldly, deploy idle assets, and strengthen supervision. The Group also stressed on strengthening training to its staff for the establishment of the brand name and public relations by implementing strategies of market oriented brand-building and public relationship. At the same time, appropriate brand name promotion was made through the media at the time Beijing Park Apartments were put onto the market and when the Group was accredited by "New Real Estate" (新地產) as one of the top ten enterprises with the largest development potential in China. In the public relations aspect, personnel have been appointed to be responsible for handling the relationship with governmental departments and customers, and certain results have been achieved helping the Group to create a better operational environment, which is considered to be favourable in increasing the overall efficiency of the Group.

OUTLOOK

This series of macro-economic adjustments is beneficial to the middle and long term healthy development of the economy. The falling of the property price in the past few months in places like Shanghai is not altogether bad. Indications suggest that the economic growth in the PRC has started to slow down in the second half. Real estate prices and rate of economic growth are closely linked. According to analysis, rates of investments to real estate are generally higher than changes in PRC's GDP. Therefore, property prices may continue the falling trend in the short term. Nevertheless, as quadrupling the total economic outputs compared to 2000 in 2020 has been the established target, the economic prospect is still bullish. At the same time, the pace of urbanisation is proceeding steadily. From the medium to long term perspective, property prices may regain a reasonably rising momentum, which means that the return on investment is still expected to increase. The Group will closely monitor the recent impacts of policies on property prices and the differences between different regions.



管理層討論及分析 (續)

展望 (續)

在具體經營策略上，本集團會更加注重項目銷售策略，以爭取更佳的回報。而戶型設計上更加面向自用之高端客戶。在工程管理上，本集團工程部將注重各項目之設計、施工、質量監控；而部份大宗建材及機電設備，將利用本集團之優勢，統一招標，以求更加實惠之價格。在工程招投標方面，面向甲級優秀施工隊伍。在品牌建設方向，將全方位提高本集團成員之品牌意識，加強質量管理，輔之必要品牌宣傳，使「天安」品牌成為守信、優質、高檔、人性化的象徵。

吾等謹此對股東、客戶對本集團之支持深表謝意，對全體員工為本集團作出不懈努力致以謝意，並表示誠摯慰問。

其他資料

提供予聯屬公司之財務資助

根據上市規則第13.16條，本公司載列有關於二零零五年六月三十日提供予聯屬公司之財務資助(總額超逾本公司市值8%)之詳情。根據本公司於二零零五年六月三十日之已發行股份總數875,469,918股，以及緊接上述日期前五個營業日之平均收市價港幣2.005元計算，本公司於二零零五年六月三十日之市值約為港幣1,755,317,000元。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

OUTLOOK (continued)

With regard to specific operation strategy, the Group will increasingly focus on sales strategy to achieve better returns. Property design will be targeted to self-owned high-end customers group. For construction management, the Group's construction department will focus on the design, construction and quality control of each project. The Group will make use of its advantages and request unified tender to have more competitive pricing for some key construction materials and mechanical equipments. For construction bidding, only A Grade and outstanding construction teams will be considered. With regard to brand name building, the Group will dedicate to enhance all its staff the brand name recognition, improve quality management as well as make the necessary brand name promotion such that the "Tian An" brand name will become the symbol of credit, high quality, high-end and human-based.

We would like to take this opportunity to extend our sincere gratitude to all shareholders and customers for their support to the Group, and all our colleagues for their efforts and hard work.

OTHER INFORMATION

Financial assistance to affiliated companies

In accordance with Rule 13.16 of the Listing Rules, the Company sets out in details the aggregate financial assistance and guarantees to affiliated companies, as at 30th June, 2005, which exceed 8% of the market capitalisation of the Company. The market capitalisation of the Company as at 30th June, 2005 amounted to approximately HK\$1,755,317,000 based on the total number of 875,469,918 shares of the Company in issue as at 30th June, 2005 and the average closing price of HK\$2.005 for the five business days immediately preceding the aforesaid date.

管理層討論及分析 (續)

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

其他資料 (續)

OTHER INFORMATION (continued)

提供予聯屬公司之財務資助 (續)

Financial assistance to affiliated companies (continued)

聯屬公司名稱 Name of affiliated companies	本公司所持應佔 權益之百分比 Percentage of attributable interest held by the Company	於二零零五年 六月三十日 之財務資助及擔保 Financial assistance and guarantees as at 30th June, 2005 港幣千元 HK\$'000
深圳天安物業管理有限公司	50%	1,509 (附註1) (Note 1)
武漢天安大酒店有限公司 Wuhan Tian An Hotel Co., Ltd.	55%	38,607 (附註1) (Note 1)
深圳國貿天安物業有限公司 Shenzhen ITC Tian An Co., Ltd.	50%	17,341 (附註2) (Note 2)
常州天安房地產開發有限公司 (「常州天安」) Changzhou Tianan Real Estate Development Co., Ltd. ("Changzhou Tianan")	51%	10,439 (附註3) (Note 3)
深圳天安數碼城有限公司 Shenzhen Tian An Cyberpark Co., Ltd.	50%	28,906 (附註2) (Note 2)
上海明鴻房地產發展有限公司 (「明鴻」) Shanghai Min Hoong Real Estate Development Co., Ltd. ("Min Hoong")	不適用 (附註4) N/A (Note 4)	56,605 (附註5) (Note 5)
上海新聯誼大廈有限公司 Shanghai New Union Building Co., Ltd.	50%	60,509 (附註1) (Note 1)
賢輝發展有限公司 Jack Rock Development Limited	48.82%	39 (附註1) (Note 1)
Conesco Investment Company Limited	31.25%	2,026 (附註1) (Note 1)
安成投資有限公司 Ensen Investment Limited	30%	13,320 (附註1) (Note 1)
CBI 湖濱建設有限公司 CBI Lakeside Development Limited	39.37%	3,232 (附註1) (Note 1)
安盛置業有限公司 Bonson Properties Limited	30%	4,015 (附註1) (Note 1)
興龍投資有限公司 Hinloon Investments Limited	30%	5,736 (附註1) (Note 1)
寶俊投資有限公司 Global Smart Investment Limited	48.63%	1,961 (附註1) (Note 1)
總計： Total:		<u>244,245</u>

管理層討論及分析 (續)

其他資料 (續)

提供予聯屬公司之財務資助 (續)

附註：

1. 該等貸款乃無抵押、不計息及無固定還款期。
2. 該等數額乃應收股息。
3. 該項數額乃(i)本公司一間附屬公司所作出之約港幣1,005,000元貸款，該貸款為無抵押、不計息及無固定還款期；及(ii)本公司一間附屬公司就常州天安獲授之貸款額而作出之人民幣10,000,000元(約相等於港幣9,434,000元)擔保，而常州天安已全數動用該貸款額。
4. 本集團有權在明鴻發展物業之若干階段中分佔60%溢利。
5. 該項數額乃(i)本公司一間附屬公司所作出之約港幣1,000元貸款，該貸款為無抵押、不計息及無固定還款期；及(ii)本公司一間附屬公司就明鴻獲授之貸款額而作出之人民幣60,000,000元(約相等於港幣56,604,000元)擔保，而明鴻已全數動用該貸款額。

除上文所披露者外，於二零零五年六月三十日，本公司(或其任何附屬公司)概無向其聯屬公司提供任何其他財務資助及／或擔保。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

OTHER INFORMATION (continued)

Financial assistance to affiliated companies (continued)

Notes:

1. These advances are unsecured, non-interest bearing and have no fixed term of repayment.
2. These amounts represent dividend receivable.
3. This amount represents (i) advance by a subsidiary of the Company of approximately HK\$1,005,000 which is unsecured, non-interest bearing and has no fixed term of repayment; and (ii) guarantee of RMB10,000,000 (equivalent to approximately HK\$9,434,000) given by a subsidiary of the Company to secure the loan facilities granted to Changzhou Tianan, of which the entire amount of the facility has been utilized by Changzhou Tianan.
4. The Group is entitled to 60% of the profit share in certain phases of the development properties of Min Hoong.
5. This amount represents (i) advance by a subsidiary of the Company of approximately HK\$1,000 which is unsecured, non-interest bearing and has no fixed term of repayment; and (ii) guarantee of RMB60,000,000 (equivalent to approximately HK\$56,604,000) given by a subsidiary of the Company to secure the loan facilities granted to Min Hoong, of which the entire amount of the facility has been utilized by Min Hoong.

Save as disclosed above, there are no other financial assistance and/or guarantees given by the Company (or any of its subsidiaries) to its affiliated companies as at 30th June, 2005.



管理層討論及分析 (續)**其他資料 (續)**

提供予聯屬公司之財務資助 (續)

根據上市規則第13.22條，下列為上述聯屬公司之未經審核合併資產負債表概要，此概要編製自該等截至二零零五年六月三十日之財務報表，並已作出調整(如適用)以符合本集團之會計政策，及反映於購入該等聯屬公司時所作之公允價值調整。

**MANAGEMENT DISCUSSION AND ANALYSIS
(continued)****OTHER INFORMATION (continued)**

Financial assistance to affiliated companies (continued)

In accordance with Rule 13.22 of the Listing Rules, the following is a summary of unaudited combined balance sheet of the above affiliated companies prepared from their financial statements as at 30th June, 2005 and adjusted, where appropriate, to conform with the Group's accounting policies and to reflect the fair value adjustments upon acquisition of these affiliated companies.

		港幣千元 HK\$'000
非流動資產	Non-current assets	3,754,204
流動資產	Current assets	863,561
流動負債	Current liabilities	(974,471)
非流動負債	Non-current liabilities	(1,094,805)
淨資產	Net assets	2,548,489
本集團應佔淨資產	Net assets attributable to the Group	1,188,679



董事權益

除下文所披露者外，於二零零五年六月三十日，根據證券及期貨條例（「證券及期貨條例」）第352條須予備存之登記冊所記錄；或依據上市發行人董事進行證券交易的標準守則（「標準守則」）通知本公司及聯交所，概無董事或高級行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中擁有權益或淡倉：

(a) 本公司

董事姓名 Name of Director	權益性質 Nature of interests	持有股份及 相關股份之數目 Number of shares and underlying shares held	佔已發行 股本之百分比 Percentage to the issued share capital
馬申 Ma Sun	個人 Personal	52,125 (附註) (Note)	0.00%

附註：由馬申先生作為實益持有人所擁有之權益，全屬股份權益。

DIRECTORS' INTERESTS

Save as disclosed below, as at 30th June, 2005, none of the Directors or chief executives of the Company has any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"):

(a) The Company

董事姓名 Name of Director	權益性質 Nature of interests	持有股份及 相關股份之數目 Number of shares and underlying shares held	佔已發行 股本之百分比 Percentage to the issued share capital
馬申 Ma Sun	個人 Personal	52,125 (附註) (Note)	0.00%

Note: The interests held by Mr. Ma Sun as beneficial owner are all interests in shares.

(b) 相聯法團－上海聯合水泥股份有限公司（「上聯水泥」）

(b) Associated Corporation – Shanghai Allied Cement Limited ("SAC")

董事姓名 Name of Directors	權益性質 Nature of interests	持有股份及 相關股份之數目 Number of shares and underlying shares held	佔已發行 股本之百分比 Percentage to the issued share capital
黃清海 Ng Qing Hai	個人 Personal	4,000,000 (附註1) (Note 1)	0.54%
馬申 Ma Sun	個人 Personal	100,000 (附註2) (Note 2)	0.01%
李志剛 Li Chi Kong	個人 Personal	600,000 (附註3) (Note 3)	0.08%

董事權益 (續)

附註：

1. 由黃清海先生作為實益持有人所擁有之權益，全屬購股權之相關股份權益。
2. 由馬申先生作為實益持有人所擁有之權益，全屬股份權益。
3. 由李志剛先生作為實益持有人所擁有之權益，全屬購股權之相關股份權益。
4. 本公司董事於上聯水泥購股權之權益詳載於下文「購股權」一節中。

上述全部權益皆為好倉。於二零零五年六月三十日，根據證券及期貨條例第352條須予備存之登記冊所載，並無淡倉記錄。

購股權**(a) 本公司**

本公司之股東（「股東」）於一九九九年一月二十七日通過決議案採納購股權計劃。於截至二零零五年六月三十日止六個月內，並無根據本公司之購股權計劃授出任何購股權，於二零零五年一月一日及二零零五年六月三十日亦無任何購股權仍未行使。

(b) 上聯水泥

上聯水泥於二零零二年五月二十三日為上聯水泥及其任何附屬公司之參與者（包括董事及顧問），採納購股權計劃（「上聯水泥計劃」）。

DIRECTORS' INTERESTS (continued)

Notes:

1. The interests held by Mr. Ng Qing Hai as beneficial owner are all interests in underlying shares relating to share options.
2. The interests held by Mr. Ma Sun as beneficial owner are all interests in shares.
3. The interests held by Mr. Li Chi Kong as beneficial owner are all interests in underlying shares relating to share options.
4. The interests of the Directors of the Company in the share options of SAC are detailed in the section "Share Options" as disclosed below.

All the interests stated above represent long positions. As at 30th June, 2005, no short positions were recorded in the register required to be kept under section 352 of the SFO.

SHARE OPTIONS**(a) The Company**

The Company's share option scheme was adopted pursuant to a resolution passed by the shareholders of the Company (the "Shareholders") on 27th January, 1999. No share option was granted under the share option scheme of the Company during the six months ended 30th June, 2005, nor was there any share option outstanding as at 1st January, 2005 and 30th June, 2005.

(b) SAC

The share option scheme of SAC (the "SAC Scheme") was adopted on 23rd May, 2002 for the participants (including directors and consultants) of SAC and any of its subsidiaries.

購股權 (續)

SHARE OPTIONS (continued)

(b) 上聯水泥 (續)

(b) SAC (continued)

根據上聯水泥計劃授出及於二零零五年六月三十日仍未行使之購股權詳情載列如下：

Details of the share options granted under the SAC Scheme and the outstanding options as at 30th June, 2005 are as follows:

	授出日期 Date of grant	行使期 Exercisable period	每股行使價 Exercise price per share 港幣 HK\$	購股權數目 Number of share options			於二零零五年 六月三十日 尚未行使 Outstanding as at 30th June, 2005
				於二零零五年 一月一日 尚未行使 Outstanding as at 1st January, 2005	期內授出 Granted during the period	期內失效 Lapsed during the period	
本公司董事 Directors of the Company							
黃清海	二零零三年 七月二十八日	二零零四年 一月二十八日 至二零一三年 七月二十七日	0.70	4,000,000	-	-	4,000,000
Ng Qing Hai	28th July, 2003	28th January, 2004 to 27th July, 2013					
李志剛	二零零三年 七月二十八日	二零零四年 一月二十八日 至二零一三年 七月二十七日	0.70	600,000	-	-	600,000
Li Chi Kong	28th July, 2003	28th January, 2004 to 27th July, 2013					
上聯水泥僱員	二零零三年 七月二十八日	二零零四年 一月二十八日 至二零一三年 七月二十七日	0.70	17,100,000	-	150,000	16,950,000
Employees of SAC	28th July, 2003	28th January, 2004 to 27th July, 2013					
總計 Total				21,700,000	-	150,000	21,550,000

於回顧期內，概無根據上聯水泥計劃授出、行使或註銷任何購股權。

No share options were granted, exercised or cancelled under the SAC Scheme during the period under review.

主要股東及 其他人士之權益

根據證券及期貨條例第336條而須備存之登記冊所載，於二零零五年六月三十日，擁有本公司股份或相關股份之權益或淡倉之人士列示如下：

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

Set out below are the interests or short positions of persons in the shares or underlying shares of the Company as at 30th June, 2005 as recorded in the register required to be kept under section 336 of the SFO:

股東名稱 Name of Shareholders	持有股份及相關股份之數目 Number of shares and underlying shares held			權益總額 Total Interests	權益總額 佔已發行 股本之百分比 Percentage of total interests to the issued share capital
	個人權益 (實益持有) Personal Interests (held as beneficial owner)	法團權益 (控制公司 持有之權益) Corporate Interests (interest of controlled corporation)			
新鴻基有限公司(「新鴻基」) Sun Hung Kai & Co. Limited ("SHK")	356,570,563	68,940,040 (附註1) (Note 1)		425,510,603	48.60%
聯合地產(香港)有限公司(「聯合地產」) Allied Properties (H.K.) Limited ("APL")	–	425,510,603 (附註2) (Note 2)		425,510,603 (附註3) (Note 3)	48.60%
聯合集團有限公司(「聯合集團」) Allied Group Limited ("AGL")	–	425,510,603 (附註4) (Note 4)		425,510,603 (附註3) (Note 3)	48.60%
Lee and Lee Trust ("LL Trust")	–	425,510,603 (附註5) (Note 5)		425,510,603 (附註3) (Note 3)	48.60%
Wachovia Corporation	–	78,800,000 (附註6) (Note 6)		78,800,000	9.00%

主要股東及其他人士之權益 (續)

附註：

1. 該權益包括持有(i)新鴻基一間間接全資附屬公司新鴻基國際有限公司所持有之31,398,050股股份；及(ii)新鴻基另一間間接全資附屬公司新鴻基證券資本市場有限公司所持有之37,541,990股股份。
2. 聯合地產分別透過其直接及間接全資附屬公司AP Jade Limited及AP Emerald Limited持有新鴻基已發行股本約74.99%權益，故被視作擁有新鴻基所持有之股份之權益。
3. 此數字指新鴻基持有之同一批425,510,603股股份之權益。
4. 聯合集團持有聯合地產已發行股本約74.79%權益，故被視作擁有聯合地產所持有之股份之權益。
5. 李成輝先生、李淑慧女士及李成煌先生為全權信託LL Trust之信託人，彼等合共持有聯合集團已發行股本約39.25%權益，故被視作擁有聯合集團所持有之股份之權益。
6. 該權益為本公司78,800,000份非上市而以實物結算之認股權證而產生之本公司78,800,000股相關股份之權益。

上述全部權益皆為好倉。於二零零五年六月三十日，根據證券及期貨條例第336條須予備存之登記冊所載，並無淡倉記錄。

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS (continued)

Notes:

1. The interests include the holding of (i) 31,398,050 shares held by Sun Hung Kai International Limited, an indirect wholly owned subsidiary of SHK; and (ii) 37,541,990 shares held by Sun Hung Kai Securities Capital Markets Limited, also an indirect wholly owned subsidiary of SHK.
2. Through AP Jade Limited and AP Emerald Limited, direct and indirect wholly owned subsidiaries of APL respectively, APL owned approximately 74.99% interest in the issued share capital of SHK and was therefore deemed to have an interest in the shares in which SHK was interested.
3. The figure refers to the same interest of SHK in 425,510,603 shares.
4. AGL owned approximately 74.79% interest in the issued share capital of APL and was therefore deemed to have an interest in the shares in which APL was interested.
5. Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of the LL Trust, being a discretionary trust. They together owned approximately 39.25% interest in the issued share capital of AGL and were therefore deemed to have an interest in the shares in which AGL was interested.
6. The interest was 78,800,000 unlisted physically settled warrants of the Company giving rise to an interest in 78,800,000 underlying shares of the Company.

All the interests stated above represent long positions. As at 30th June, 2005, no short positions were recorded in the register required to be kept under section 336 of the SFO.



企業管治

企業管治常規守則

除以下偏離行為外，本公司於截至二零零五年六月三十日止六個月全期，已遵守上市規則附錄十四所載企業管治常規守則內之適用守則條文：

守則條文 A.1.7

此守則條文規定董事會應該商定程序，讓董事按合理要求，可在適當情況下尋求獨立專業意見，費用由發行人支付。

為遵守此守則條文，董事會已於二零零五年六月制定程序，讓其董事在履行職責時，可在適當情況下以合理費用尋求獨立專業意見，有關費用由本公司支付。

守則條文 A.2.1

此守則條文規定主席與行政總裁（「行政總裁」）之角色應有區分，並不應由一人同時兼任兩職。主席與行政總裁之間職責的分工應清楚界定並以書面列載。

本公司之主席為李成偉先生，彼主要負責領導董事會，而行政總裁之職務則由董事總經理黃清海先生履行，彼亦為本公司之執行董事。彼等之職責已清楚區分及以書面列載，並於二零零五年六月經董事會批准。

CORPORATE GOVERNANCE

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the applicable code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the six months ended 30th June, 2005, except for the following deviations:

Code Provision A.1.7

This code provision stipulates that there should be a procedure agreed by the board to enable directors, upon reasonable request, to seek independent professional advice in appropriate circumstances at the issuer's expense.

To comply with this code provision, the Board has established in June 2005 a procedure to enable its Directors, in the discharge of their duties, to seek independent professional advice in appropriate circumstances at a reasonable cost to be borne by the Company.

Code Provision A.2.1

This code provision stipulates that the roles of chairman and chief executive officer ("CEO") should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing.

The Chairman of the Company is Mr. Patrick Lee Seng Wei who is primarily responsible for the leadership of the Board, while the functions of a CEO are performed by the Managing Director, Mr. Ng Qing Hai who is also an Executive Director of the Company. Their responsibilities are clearly segregated and have been set out in writing and approved by the Board in June 2005.





企業管治 (續)

企業管治常規守則 (續)

守則條文A.4.1及A.4.2

守則條文A.4.1規定非執行董事之委任應有指定任期，並須接受重新選舉。守則條文A.4.2亦規定所有填補臨時空缺而獲委任之董事應在委任後之首次股東大會上接受股東選舉，而每名董事(包括有指定任期之董事)應至少每三年輪值退任一次。

於二零零五年六月二十七日前，本公司之非執行董事並無固定任期，惟須按照本公司章程細則之有關條文輪值退任。根據本公司於二零零五年五月十二日前仍然有效之章程細則，在本公司每一屆股東週年大會上，三分之一當時在任之董事(或，倘其人數並非三或三之倍數，則最接近三分之一之數目)須輪值退任，惟出任執行主席或董事總經理或行政總裁之董事於任期內毋須輪值退任。此外，任何填補空缺而獲委任之董事或為董事會新增之成員僅可任職至下屆股東週年大會為止，屆時彼可膺選連任。

為全面遵守守則條文A.4.1，本公司所有非執行董事之委任已於二零零五年六月二十七日設指定任期，直至二零零六年十二月三十一日止，惟董事之撤職或退任須受本公司章程細則之有關條文或任何其他適用法例所規限。此外，為確保能全面遵守守則條文A.4.2，本公司已於二零零五年五月十二日舉行之本公司股東週年大會上向股東建議修訂其相關章程細則，而有關修訂亦已獲股東批准。

CORPORATE GOVERNANCE (continued)

CODE ON CORPORATE GOVERNANCE PRACTICES (continued)

Code Provisions A.4.1 and A.4.2

Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election, and code provision A.4.2 stipulates that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

The Non-Executive Directors of the Company had no fixed term of office prior to 27th June, 2005, but retired from office on a rotational basis in accordance with the relevant provisions of the Company's Articles of Association. According to the Articles of Association of the Company then in effect before 12th May, 2005, at each annual general meeting of the Company, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest one-third, should retire from office by rotation, provided that no Director holding office as an executive chairman or as a managing director or as a chief executive should be subject to retirement by rotation. Further, any Director appointed to fill a casual vacancy or as an addition to the Board should hold office only until the next following annual general meeting and would then be eligible for re-election.

To fully comply with the code provision A.4.1, all Non-Executive Directors of the Company were appointed for a specific term on 27th June, 2005 which shall continue until 31st December, 2006, but subject to the relevant provisions of the Articles of Association of the Company or any other applicable laws whereby the Directors shall vacate or retire from their office. In addition, to ensure full compliance with the code provision A.4.2, relevant amendments to the Articles of Association of the Company were proposed and approved by the Shareholders at the annual general meeting of the Company held on 12th May, 2005.

企業管治 (續)**企業管治常規守則 (續)****守則條文A.5.4**

此守則條文規定董事會應就可能擁有關於發行人或其證券之未公開股價敏感資料之有關僱員買賣發行人證券事宜設定書面指引，而有關之指引內容不比於上市規則附錄十所載之標準守則寬鬆。

為遵守此守則條文，本公司已於二零零五年六月就可能擁有關於本公司或其證券之未公開股價敏感資料之本公司或其任何附屬公司之若干僱員進行證券交易而採納標準守則。

守則條文B.1.1及B.1.4

守則條文B.1.1規定須按條文所載而設立具有特定成文權責範圍之薪酬委員會。守則條文B.1.4亦規定薪酬委員會應公開其職權範圍，解釋其角色及董事會轉授予其之權力。

為遵守守則條文B.1.1，本公司已於二零零五年六月設立具有特定成文權責範圍之薪酬委員會（「薪酬委員會」），惟就該守則條文在薪酬委員會須釐定發行人之所有執行董事及高級管理人員之特定薪酬待遇之職責方面有所偏離。董事會認為，薪酬委員會僅會就執行董事（不包括高級管理人員）之薪酬待遇作出檢討（而非釐定），並僅向董事會提出建議，理由如下：

- (i) 董事會認為薪酬委員會並不適宜評估高級行政人員之表現，而有關評估程序由執行董事執行將更為有效；

CORPORATE GOVERNANCE (continued)**CODE ON CORPORATE GOVERNANCE PRACTICES (continued)****Code Provision A.5.4**

This code provision stipulates that the board should establish written guidelines on no less exacting terms than the Model Code as set out in Appendix 10 of the Listing Rules for the relevant employees, who are likely to be in possession of unpublished price sensitive information in relation to the issuer or its securities, in respect of their dealings in the securities of the issuer.

To comply with this code provision, the Company adopted in June 2005 the Model Code for securities transactions by certain employees of the Company or any of its subsidiaries who are considered to be likely in possession of unpublished price sensitive information in relation to the Company or its securities.

Code Provisions B.1.1 and B.1.4

Code provision B.1.1 stipulates the establishment of a remuneration committee with specific written terms of reference as set out in the provision, and code provision B.1.4 stipulates that the remuneration committee should make available its terms of reference, explaining its role and the authority delegated to it by the board.

In June 2005, a remuneration committee (the "Remuneration Committee") with specific written terms of reference has been established in order to comply with code provision B.1.1, but with a deviation from the code provision of the remuneration committee's responsibilities to determine the specific remuneration packages of all executive directors and senior management of an issuer. The Board considers that the Remuneration Committee should review (as opposed to determine) and make recommendations to the Board on the remuneration packages of Executive Directors only and not senior management for the following reasons:

- (i) the Board believes that the Remuneration Committee is not properly in a position to evaluate the performance of senior executives and that this evaluation process is more effectively carried out by the Executive Directors;



企業管治 (續)

企業管治常規守則 (續)

守則條文B.1.1及B.1.4 (續)

- (ii) 薪酬委員會成員僅由獨立非執行董事(「獨立非執行董事」)組成，彼等來自不同行業，具有不同背景，或會對本公司經營之行業並不完全熟悉，且並無參與本公司之日常運作，彼等對有關業界慣例及薪酬待遇之標準亦可能無直接認識。因此，薪酬委員會並不適宜釐定執行董事之薪酬；
- (iii) 執行董事必須負責監管高級管理人員，因而須有權力操控彼等之薪酬；及
- (iv) 執行董事並無理由向高級管理人員支付高於業界標準之薪酬，而由彼等釐定其薪酬待遇可減省支出，將有利於股東。

為全面遵守守則條文B.1.4，薪酬委員會之職權範圍已於二零零五年六月在本公司網站內登載。

守則條文C.3.3及C.3.4

守則條文C.3.3規定審核委員會之職權範圍須至少包括該條文所載之職責。守則條文C.3.4亦規定審核委員會應公開其職權範圍，解釋其角色及董事會轉授予其之權力。

為遵守守則條文C.3.3，本公司審核委員會(「審核委員會」)之職權範圍已於二零零五年六月作出修訂，惟就該守則條文在審核委員會之職責方面有所偏離：

- (i) 執行委聘外聘核數師提供非核數服務之政策；

CORPORATE GOVERNANCE (continued)

CODE ON CORPORATE GOVERNANCE PRACTICES (continued)

Code Provisions B.1.1 and B.1.4 (continued)

- (ii) the Remuneration Committee members only consist of Independent Non-Executive Directors (“INEDs”) who may not be industry skilled and come from differing professions and backgrounds and they are not involved in the daily operation of the Company. They may have little direct knowledge of industry practice and standard compensation packages. The Remuneration Committee is thus not in a position to properly determine the remuneration of the Executive Directors;
- (iii) the Executive Directors must be in a position to supervise and control senior management and thus must be able to control their compensation; and
- (iv) there is no reason for Executive Directors to pay senior management more than industry standards and thus the Shareholders will benefit by reducing costs in the fixing of such compensation packages.

The terms of reference of the Remuneration Committee have also been placed on the Company's website in June 2005 to ensure full compliance with the code provision B.1.4.

Code Provisions C.3.3 and C.3.4

Code provision C.3.3 stipulates that the terms of reference of the audit committee should include at least those duties as set out in the provision, and code provision C.3.4 stipulates that the audit committee should make available its terms of reference, explaining its role and the authority delegated to it by the board.

The terms of reference of the audit committee of the Company (the “Audit Committee”) have been revised in June 2005 to comply with the code provision C.3.3, but with the deviations from the code provision of the audit committee's responsibility to:

- (i) implement policy on the engagement of the external auditors to supply non-audit services;

企業管治 (續)**企業管治常規守則 (續)**

守則條文C.3.3及C.3.4 (續)

- (ii) 確保管理層已履行其職責建立有效的內部監控系統；及
- (iii) 確保內部和外聘核數師之工作得到協調，也須確保內部核數功能在發行人內部獲得足夠資源運作，並且有適當之地位。

董事會認為審核委員會應就委聘外聘核數師提供非核數服務之政策作出建議(而非執行)，理由如下：

- (i) 由董事會及其下設之委員會制定政策及作出合適之建議乃屬恰當及合適；
- (ii) 由執行董事及管理層執行該政策及建議乃屬恰當及合適之機制；及
- (iii) 獨立非執行董事並不適宜執行日常之政策及跟進工作。

此外，董事會認為審核委員會僅具備監察(而非確保)管理層已履行其職責建立有效的內部監控系統之有效能力。由於上述事宜涉及日常監控及僱用全職專家，因此審核委員會並沒有確保上述事宜獲得執行之能力。審核委員會並非確保內部和外聘核數師之工作得到協調之人選，惟其可推動上述事宜。同樣，審核委員會不可確保內部核數功能獲得足夠資源運作，惟可檢閱其是否獲得足夠資源運作。

為全面遵守守則條文C.3.4，審核委員會經修訂之職權範圍已於二零零五年六月在本公司網站內登載。

CORPORATE GOVERNANCE (continued)**CODE ON CORPORATE GOVERNANCE PRACTICES (continued)**

Code Provisions C.3.3 and C.3.4 (continued)

- (ii) ensure that management has discharged its duty to have an effective internal control system; and
- (iii) ensure coordination between the internal and external auditors, and ensure that the internal audit function is adequately resourced and has appropriate standing within the issuer.

The Board considers that the Audit Committee should recommend (as opposed to implement) the policy on the engagement of the external auditors to supply non-audit services for the following reasons:

- (i) it is proper, and appropriate for the Board and its Committees to develop policy and appropriate recommendations;
- (ii) the proper and appropriate mechanism for implementation of such policy and recommendations is through the Executive Directors and management; and
- (iii) INEDs are not in an effective position to implement policy and follow up the same on a day-to-day basis.

Further, the Board considers that the Audit Committee only possesses the effective ability to scrutinize (as opposed to ensure) whether management has discharged its duty to have an effective internal control system. The Audit Committee is not equipped to ensure that the same is in place as this would involve day-to-day supervision and the employment of permanent experts. The Audit Committee is not in a position either to ensure coordination between the internal and external auditors but it can promote the same. Similarly, the Audit Committee cannot ensure that the internal audit function is adequately resourced but it can check whether it is adequately resourced.

The revised terms of reference of the Audit Committee have been placed on the Company's website in June 2005 to ensure full compliance with the code provision C.3.4.



企業管治 (續)

企業管治常規守則 (續)

守則條文D.1.2

此守則條文規定發行人應規範賦予董事會之職能及轉授予管理層之職能，並應定期作出檢討以確保有關安排符合發行人之需要。

本公司董事會及管理層之職能已分別確立並以書面列載，且已於二零零五年六月獲董事會批准。董事會將就兩者之職能每年作一次檢討。

守則條文D.2

此守則條文規定若董事會成立委員會處理事宜，董事會應充份清楚地訂明該等委員會之職權範圍，讓有關委員會能適當地履行其職能。

為遵守此守則條文，董事會已於二零零五年六月為本公司所有董事會下設之委員會採納充份而清晰之職權範圍，讓有關委員會能適當地履行其職能。

董事進行證券交易之行為守則

本公司已採納上市規則附錄十所載之標準守則，作為其董事進行證券交易之行為準則。經本公司作出特定查詢後，所有董事確認彼等於回顧期內已完全遵守標準守則所定之標準。

CORPORATE GOVERNANCE (continued)

CODE ON CORPORATE GOVERNANCE PRACTICES (continued)

Code Provision D.1.2

This code provision stipulates that an issuer should formalise the functions reserved to the board and those delegated to the management and should review those arrangements on a periodic basis to ensure that they remain appropriate to the needs of the issuer.

The respective functions of the Board and management of the Company have been formalised and set out in writing which was approved by the Board in June 2005. The Board will review the same once a year.

Code Provision D.2

This code provision stipulates that, where board committees are established to deal with matters, the board should prescribe sufficiently clear terms of reference to enable such committees to discharge their functions properly.

To comply with this code provision, the Board has adopted in June 2005 sufficiently clear terms of reference for all the board committees of the Company to enable such committees to discharge their functions properly.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they have fully complied with the required standard as set out in the Model Code throughout the period under review.



購回、出售或贖回證券

本公司或其任何附屬公司概無於截至二零零五年六月三十日止六個月內購回、出售或贖回本公司之任何證券。

審核委員會之審閱

審核委員會連同管理層已審閱本集團所採納之會計原則及慣例，並就內部監控及財務匯報事項進行商討，包括截至二零零五年六月三十日止六個月未經審核之中期財務報告之一般審閱。審核委員會倚賴本集團外聘核數師按照香港會計師公會頒佈之標準核數準則第700號所作出之審閱結果及管理層所提交報告而進行上述審閱工作。審核委員會並無進行詳細之獨立核數審查。

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities during the six months ended 30th June, 2005.

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a general review of the unaudited interim financial report for the six months ended 30th June, 2005. In carrying out this review, the Audit Committee has relied on a review conducted by the Group's external auditors in accordance with Statement of Auditing Standards 700 issued by the HKICPA as well as obtaining reports from management. The Audit Committee has not undertaken detailed independent audit checks.



承董事會命
主席
李成偉

香港，二零零五年八月三十一日

By Order of the Board
Patrick Lee Seng Wei
Chairman

Hong Kong, 31st August, 2005