



LEI SHING HONG LIMITED
利星行有限公司

INTERIM REPORT 2005 中期報告

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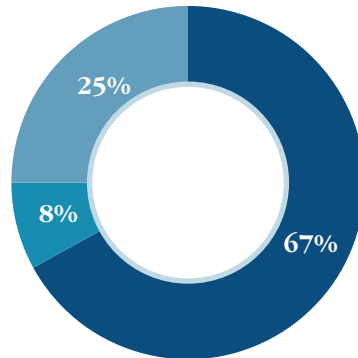
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財務摘要 Financial Highlights

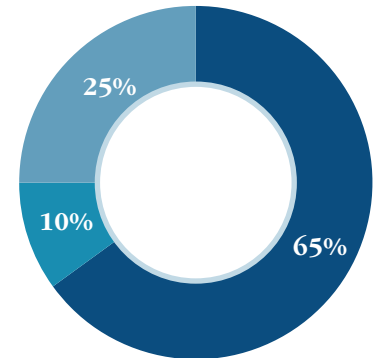
營業額以地區分析 Turnover by Geographical Area

- 中國
Mainland China
- 香港
Hong Kong
- 其他亞洲國家
Other Asian Countries

二零零五年一月至六月
January to June 2005



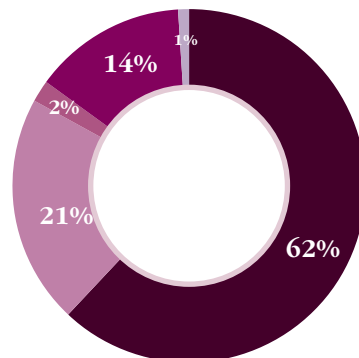
二零零四年一月至六月
January to June 2004



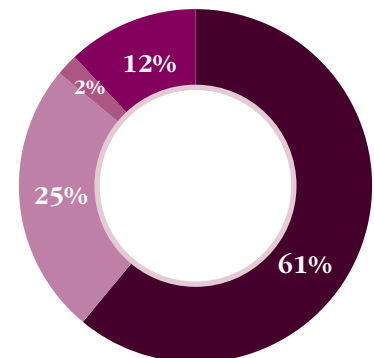
營業額以主要業務分析 Turnover by Principal Activities

- 汽車及零件貿易以及提供售後服務
Trading of motor vehicles and spare parts and provision of after-sales services
- 重型機械貿易及提供產品支援服務
Trading of heavy equipment and provision of product support services
- 物業發展及投資
Property development and investment
- 一般貿易
General trading
- 證券買賣及經紀服務
Securities trading and broking
- 外匯買賣
Trading of foreign exchange
- 借貸
Money lending
- 其他
Others

二零零五年一月至六月
January to June 2005



二零零四年一月至六月
January to June 2004



中期業績

利星行有限公司（「本公司」）董事會（「董事會」）欣然公佈本公司及附屬公司（「本集團」）截至二零零五年六月三十日止六個月期間之未經審核簡明綜合中期業績，連同比較數字載列如下。該等簡明綜合中期財務報表尚未經審核，但已由本公司審核委員會審閱。

簡明綜合損益賬

截至二零零五年六月三十日止六個月

Interim Results

The Board of Directors (the "Board") of Lei Shing Hong Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2005 together with the comparative figures as follows. These condensed consolidated interim financial statements have not been audited, but have been reviewed by the Company's audit committee.

Condensed Consolidated Profit and Loss Account

For the six months ended 30 June 2005

		截至六月三十日止六個月	
		For the six months ended 30 June	
		2005	2004
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
	附註 Notes		
營業額			
銷售貨品及服務		5,899,802	4,763,787
銷售及服務成本		<u>(5,306,536)</u>	<u>(4,328,466)</u>
毛利		593,266	435,321
其他收入及收益		55,856	60,856
銷售及分銷成本		(60,884)	(48,623)
行政開支		(253,714)	(221,628)
其他經營開支		<u>(156,115)</u>	<u>(106,076)</u>
經營業務溢利			
		178,409	119,850
財務費用		(69,812)	(31,814)
應佔共同控權合資企業溢利		–	16,146
應佔聯營公司溢利		<u>21,494</u>	<u>21,921</u>
除稅前溢利		130,091	126,103
稅項		<u>(27,758)</u>	<u>(23,620)</u>
期內溢利		102,333	102,483
應佔：			
母公司權益持有人		95,311	95,068
少數股東權益		<u>7,022</u>	<u>7,415</u>
		102,333	102,483
每股盈利			
— 基本		<u>9.04 港仙 cents</u>	<u>9.97 港仙 cents</u>
— 攤薄		<u>8.97 港仙 cents</u>	<u>9.62 港仙 cents</u>
每股股息		<u>無 Nil</u>	<u>無 Nil</u>

簡明綜合資產負債表

於二零零五年六月三十日

Condensed Consolidated Balance Sheet

30 June 2005

		六月三十日 30 June 2005 (未經審核) (Unaudited)	十二月三十一日 31 December 2004 (重列) (Restated)
	附註 Notes	千港元 HK\$'000	千港元 HK\$'000
非流動資產			
固定資產：			
物業、廠房及設備		1,095,265	1,039,824
投資物業		217,795	75,030
預付土地款		207,435	201,487
發展中物業		1,458,733	1,303,464
商譽		683,000	681,395
於聯營公司之權益		1,661,249	1,541,186
無形資產		1,500	1,650
可供出售投資	9	231,801	–
長期投資	9	–	368,114
遞延稅項資產		38,638	33,062
貸款及應收賬款	10	289,351	77,000
非流動資產總值		5,884,767	5,322,212
流動資產			
透過損益按公允值計算 之投資／短期投資			
存貨			
持有作銷售之物業			
應收賬款			
貸款及應收賬款			
預付款項、按金及其他應收款項			
抵押定期存款			
代證券客戶持有之現金			
現金及現金等值項目			
流動資產總值		5,991,716	6,231,017

簡明綜合資產負債表 (續)
於二零零五年六月三十日

Condensed Consolidated Balance Sheet (continued)
30 June 2005

		六月三十日 30 June 2005 (未經審核) (Unaudited)	十二月三十一日 31 December 2004 (重列) (Restated)
	附註 Notes	千港元 HK\$'000	千港元 HK\$'000
流動負債			
應付賬款及票據	15	1,330,414	2,193,863
應付稅項		106,998	54,988
其他應付款項及應計費用		1,596,658	552,080
附息銀行貸款及其他免息貸款			
撥備	16	2,180,687	3,245,885
		51,827	37,855
流動負債總值		5,266,584	6,084,671
流動資產淨值		725,132	146,346
總資產減流動負債		6,609,899	5,468,558
非流動負債			
附息銀行貸款			
遞延稅項負債	16	977,452	–
		203,437	199,205
非流動負債總值		1,180,889	199,205
		5,429,010	5,269,353
股本及儲備			
母公司權益持有人應佔權益			
已發行股本	17	1,060,520	1,049,520
儲備		4,120,127	3,941,615
建議末期股息		–	31,816
		5,180,647	5,022,951
少數股東權益		248,363	246,402
		5,429,010	5,269,353

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 30 June 2005

儲備

Reserves

		土地及樓宇		投資物業		認股權證 認購儲備	外匯變動 儲備	外匯變動 儲備	建議末期 股息	少數股東 權益	總額	
		普通股本	股份溢價賬	重估儲備	重估儲備							Land and buildings
		share capital	premium account	revaluation reserve	revaluation reserve	Warrant reserve	Reserve funds	fluctuation reserve	Retained earnings	Proposed final dividend	Minority interests	Total
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		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 1 January 2004	951,169	2,459,521	12,011	1,483	91,646	40,126	(97,924)	938,418	28,535	362,528	4,787,513
二零零三年已宣派末期股息	2003 final dividend declared	-	-	-	-	-	-	-	-	(28,535)	-	(28,535)
匯兌調整	Exchange adjustments	-	-	-	-	-	-	(7,129)	-	-	(413)	(7,542)
出售附屬公司時解除之 少數股東權益	Release of minority interests upon disposal of a subsidiary	-	-	-	-	-	-	-	-	-	(116,155)	(116,155)
購入附屬公司額外權益， 先前呈列為少數 股東權益	Purchase of additional interests in subsidiaries, previously accounted for as minority interests	-	-	-	-	-	-	-	-	-	(13,099)	(13,099)
少數股東權益墊付	Advancement from minority interests	-	-	-	-	-	-	-	-	-	959	959
出售附屬公司時解除之 外匯變動儲備	Release of exchange fluctuation reserve upon disposal of a subsidiary	-	-	-	-	-	-	36,408	-	-	-	36,408
出售附屬公司時解除之 儲備基金	Release of reserve funds upon disposal of a subsidiary	-	-	-	-	-	(4,082)	-	-	-	-	(4,082)
應佔附屬公司一般儲備	Share of general reserve of subsidiaries	-	-	-	-	-	5,137	-	-	-	3,484	8,621
行使認股權證	Exercise of warrants	87,199	217,997	-	-	(43,599)	-	-	-	-	-	261,597
期內溢利	Profit for the period	-	-	-	-	-	-	-	95,068	-	7,415	102,483
從保留溢利轉撥	Transfer from retained profits	-	-	-	-	-	6,457	-	(6,457)	-	-	-
於二零零四年六月三十日	At 30 June 2004	1,038,368	2,677,518*	12,011**	1,483*	48,047*	47,638*	(68,645)*	1,027,029*	-	244,719	5,028,168

簡明綜合權益變動表 (續)
截至二零零五年六月三十日止六個月

**Condensed Consolidated Statement of
Changes in Equity (continued)**
For the six months ended 30 June 2005

儲備 (續)

Reserves (continued)

		土地及樓宇		投資物業		認購權證 認購儲備	外匯變動 儲備	外匯變動 儲備	建議末期 股息	少數股東 權益	總額	
		重估儲備	重估儲備	重估儲備	重估儲備							
普通股本	股份溢價賬	Land and buildings	Investment property	Warrant	Reserve funds	Exchange reserve	Retained earnings	Proposed dividend	Minority interests	Total		
share capital	premium account	revaluation reserve	revaluation reserve	subscription reserve	(未經審核) (Unaudited)	(未經審核) (Unaudited)	(未經審核) (Unaudited)	(未經審核) (Unaudited)	(未經審核) (Unaudited)	(未經審核) (Unaudited)		
(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)		
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元		
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， 如先前呈報	At 1 January 2005 As previously reported	1,049,520	2,705,398	12,011	1,483	42,471	51,764	(5,792)	1,134,280	31,816	246,402	5,269,553
期初調整 (附註1及2)	Opening adjustment (notes 1 and 2)											
香港會計準則第40號 投資物業重估盈餘	HKAS 40 - Surplus on revaluation of investment properties	-	-	-	(1,483)	-	-	-	1,483	-	-	-
經重列	As restated	1,049,520	2,705,398	12,011	-	42,471	51,764	(5,792)	1,135,763	31,816	246,402	5,269,553
已宣派二零零四年末期股息	2004 final dividend declared	-	-	-	-	-	-	-	(31,816)	-	-	(31,816)
匯兌調整	Exchange adjustments	-	-	-	-	-	-	61,201	-	-	(762)	60,439
於附屬公司投資之少數 股東權益增加	Additions to minority interests in investment in subsidiaries	-	-	-	-	-	-	-	-	-	18,149	18,149
購入附屬公司額外權益， 先前呈列為少數股東權益	Purchase of additional interests in subsidiaries, previously accounted for as minority interests	-	-	-	-	-	-	-	-	-	(14,266)	(14,266)
償還少數股東權益	Repayment to minority interests	-	-	-	-	-	-	-	-	-	(8,182)	(8,182)
行使認股權證	Exercise of warrants	11,000	27,500	-	-	(5,500)	-	-	-	-	-	33,000
期內溢利	Profit for the period	-	-	-	-	-	-	-	95,311	-	7,022	102,333
從保留溢利轉撥	Transfer from retained profits	-	-	-	-	-	3,030	-	(3,030)	-	-	-
於二零零五年六月三十日	At 30 June 2005	1,060,520	2,732,898*	12,011**	-*	36,971*	54,794*	55,409*	1,228,044*	-	248,363	5,429,010

* 此等儲備賬組成簡明綜合資產負債表內綜合儲備4,120,127,000港元(二零零四年六月三十日:3,745,081,000港元)。

* These reserve accounts comprise the consolidated reserves of HK\$4,120,127,000 (30 June 2004: HK\$3,745,081,000) in the condensed consolidated balance sheet.

** 該金額指土地及樓宇重估儲備12,011,000港元，先前按資本儲備列賬，乃因於收購(於截至一九九八年十二月三十一日止年內進行)一間被收購公司之若干土地及樓宇之日重列至公允值而產生。

** The amount represented land and buildings revaluation reserve of HK\$12,011,000, which was previously stated as capital reserve, arising on the restatement to fair value at the date of acquisition of certain land and buildings of an acquired subsidiary, taking place in the year ended 31 December 1998.

簡明綜合現金流量表

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 30 June 2005

		截至六月三十日止六個月	
		For the six months ended 30 June	
		2005	2004
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
經營業務之現金流入／(流出)淨額	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	1,834,745	(537,135)
投資業務之現金流入／(流出)淨額	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	(968,199)	804,980
融資活動之現金流出淨額	NET CASH OUTFLOW FROM FINANCING ACTIVITIES	(171,216)	(35,963)
現金及現金等值項目之增加	INCREASE IN CASH AND CASH EQUIVALENTS	695,330	231,882
期初之現金及現金等值項目	Cash and cash equivalents at beginning of period	942,845	934,746
外幣匯率變動之淨額影響	Effect of foreign exchange rate changes, net	(2,671)	13,625
期終之現金及現金等值項目	CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,635,504	1,180,253
現金及現金等值項目結餘之分析	ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
現金及銀行結餘	Cash and bank balances	1,488,089	1,026,471
無抵押定期存款	Unpledged time deposits	197,565	191,556
銀行透支	Bank overdrafts	(50,150)	(37,774)
		1,635,504	1,180,253

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

1. 會計政策

本中期簡明綜合財務報表乃按照香港會計準則（「香港會計準則」）第34號「中期財務報告」而編製。除下列對本集團有影響並於本期間財務報表首次採用的新訂及經修訂香港財務報告準則（「香港財務報告準則」，亦包括香港會計準則及解釋公告）有關者外，編製此中期財務報表所採納之其餘會計政策與編製基準，與編製截至二零零四年十二月三十一日止年度經審核財務報表所採納者相同。

香港會計準則第1號	財務報表之列報
香港會計準則第2號	存貨
香港會計準則第7號	現金流量表
香港會計準則第8號	會計政策、會計估計變更及誤差
香港會計準則第10號	資產負債表日後事項
香港會計準則第12號	所得稅
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香港會計準則第36號	資產減值
香港會計準則第37號	準備、或然負債和或然資產
香港會計準則第38號	無形資產
香港會計準則第39號	金融工具：確認及計量

1. Accounting Policies

The condensed consolidated interim financial statements are prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”. The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are the same as those used in the audited financial statements for the year ended 31 December 2004, except in relation to the following new and revised Hong Kong Financial Reporting Standards (“HKFRSs”, which also include HKASs and Interpretations) that affect the Group and are adopted for the first time for the current period’s financial statements:

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 12	Income Taxes
HKAS 14	Segment Reporting
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 18	Revenue
HKAS 19	Employee Benefits
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 23	Borrowing Costs
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 28	Investments in Associates
HKAS 31	Investments in Joint Ventures
HKAS 32	Financial Instruments: Disclosure and Presentation
HKAS 33	Earnings Per Share
HKAS 34	Interim Financial Reporting
HKAS 36	Impairment of Assets
HKAS 37	Provisions, Contingent Liabilities and Contingent Assets
HKAS 38	Intangible Assets
HKAS 39	Financial Instruments: Recognition and Measurement

1. 會計政策 (續)

香港會計準則第40號	投資性物業
香港財務報告準則第3號	企業合併
香港解釋公告第3號	收入－發展中物業預售合約
香港解釋公告第4號	租賃－關於香港土地租賃年期之確定

採納香港會計準則第2、7、8、10、12、14、16、18、19、21、23、24、27、28、31、33、34、37、38號及香港解釋公告第4號，對本集團之會計政策及簡明綜合財務報表之計算方法並無重大影響。採納其他香港財務報告準則之影響概述如下：

(a) 香港會計準則第1號－財務報表之列報

於以往期間，倘貸款人同意於資產負債表日後及於授權刊發財務報表之前，不會因違反長期貸款協議項下之承諾而要求即時還款，該項非流動負債不會歸類為流動負債。

採納香港會計準則第1號後，即使豁免協議乃於資產負債表日後及於授權刊發財務報表之前達成，該項非流動負債亦歸類為流動負債。

會計政策之變動對簡明綜合損益賬及保留溢利並無影響。於二零零四年十二月三十一日之簡明綜合資產負債表之比較數字已予重列（附註16），以反映非流動負債項下之「附息銀行貸款」重新分類為流動負債項下之「附息銀行貸款及其他免息貸款」。

1. Accounting Policies (continued)

HKAS 40	Investment Property
HKFRS 3	Business Combinations
HK-Int 3	Revenue – Pre-completion Contracts for the Sale of Development Properties
HK-Int 4	Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases

The adoption of HKASs 2, 7, 8, 10, 12, 14, 16, 18, 19, 21, 23, 24, 27, 28, 31, 33, 34, 37, 38 and HK-Int 4 has had no material impact on the accounting policies of the Group and the methods of computation in the Group's condensed consolidated financial statements. The impact of adopting the other HKFRSs is summarised as follows:

(a) HKAS 1 – Presentation of Financial Statements

In prior periods, non-current liabilities would not become current liabilities if the lender had agreed, after the balance sheet date and before the authorisation of the financial statements for issue, not to demand immediate repayment as a consequence of the breach of an undertaking under a long-term loan agreement.

Upon the adoption of HKAS 1, non-current liabilities are classified as current liabilities even if a waiver agreement is obtained after the balance sheet date and before the authorisation of the financial statements for issue.

This change in accounting policy has had no effect on the condensed consolidated profit and loss account and retained earnings. The comparatives on the condensed consolidated balance sheet as at 31 December 2004 have been restated (note 16) to reflect a reclassification from “Interest-bearing bank borrowings” under non-current liabilities to “Interest-bearing bank borrowings and other non interest-bearing borrowing” under current liabilities.

1. 會計政策 (續)*(b) 香港會計準則第17號 - 租賃*

以前期間，自用的租入土地和樓宇以成本減去累計折舊和減值損失來計量。

採用香港會計準則第17號後，本集團對於土地和樓宇租賃的權益分別作為租入土地和租入樓宇。在租賃期末土地的所有權預期不會轉給本集團，因此本集團的租入土地屬於經營租賃，並從固定資產賬戶重分類到預付土地款，而租入樓宇仍分類為物業、廠房及設備。經營租賃下土地租賃預付款初始以成本記錄，之後在租賃期內以直線法攤銷。當租賃款無法可靠地在土地和樓宇兩部份之間進行分配時，則整個租賃款作為物業、廠房及設備的融資租賃，包括在土地和樓宇的成本中。

該會計政策的變更對簡明綜合損益賬和保留溢利沒有影響。於二零零四年十二月三十一日的簡明綜合資產負債表的比較數字已重列，以反映對租入土地的重分類。

1. Accounting Policies (continued)*(b) HKAS 17 – Leases*

In prior periods, leasehold land and buildings held for own use were stated at cost less accumulated depreciation and any impairment losses.

Upon the adoption of HKAS 17, the Group's leasehold interest in land and buildings is separated into leasehold land and leasehold buildings. The Group's leasehold land is classified as an operating lease, because the title of the land is not expected to pass to the Group by the end of the lease term, and is reclassified from fixed assets to prepaid land premiums, while leasehold buildings continue to be classified as part of property, plant and equipment. Prepaid land premiums for land lease payments under operating leases are initially stated at cost and subsequently amortised on the straight-line basis over the lease term. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

This change in accounting policy has had no effect on the condensed consolidated profit and loss account and retained earnings. The comparatives on the condensed consolidated balance sheet as at 31 December 2004 have been restated to reflect the reclassification of leasehold land.

1. 會計政策 (續)

(c) 香港會計準則第32及39號- 金融工具

(i) 金融工具之計量與披露

於以往期間，本集團之長期投資包括於非上市權益性投資及擬長期持有之信貸掛鈎票據之非買賣投資，以及會籍債券及法定存款。非上市權益性投資及信貸掛鈎票據以個別基準按其估計公允值列賬。會籍債券及法定存款則按成本減任何減值虧損列賬。本集團之短期投資指持作買賣之上市權益性證券投資，乃以個別基準按結算日市價以公允值入賬。長期投資及短期投資公允值之變更於變更發生期間分別於長期投資重估儲備及綜合損益賬中確認。

採納香港會計準則第32及39號後，本集團於非上市權益性投資及會籍債券之投資分類為可供出售投資，於信貸掛鈎票據及法定存款之投資分類為貸款及應收賬款，於上市權益性投資分類為按公允值於損益賬列賬之投資。

1. Accounting Policies (continued)

(c) HKAS 32 and HKAS 39 – Financial Instruments

(i) Measurement and Disclosure of Financial Instruments

In prior periods, the Group's long term investments comprised non-trading investments in unlisted equity investments and credit linked notes intended to be held on a long term basis, club membership debentures and statutory deposits. Unlisted equity investments and credit linked notes were stated at their estimated fair values, on an individual basis. Club membership debentures and statutory deposits were stated at cost less any impairment losses. The Group's short term investments were investments in listed equity securities held for trading purposes and were stated at their fair values on the basis of their quoted market prices at the balance sheet date, on an individual investment basis. Changes in fair values of the long term investments and short term investments were recognised in the long term investment revaluation reserve and in the consolidated profit and loss account, respectively, for the period in which they arose.

Upon the adoption of HKASs 32 and 39, the Group's investments in unlisted equity investments and club membership debentures are classified as available-for-sale investments, investments in credit linked notes and statutory deposits as loans and receivables, and listed equity investments as investments at fair value through profit or loss.

1. 會計政策 (續)**(c) 香港會計準則第32及39號- 金融工具 (續)****(i) 金融工具之計量與披露 (續)**

可供出售的投資是指那些指定為可供出售的或者沒有分類為按照香港會計準則第39號所定義的其他金融資產類別的對於上市和非上市權益性證券的非衍生性投資。在初始確認後，可供出售的投資按照公允價值計量，公允價值變動產生的損益作為權益的一個單獨的組成部分來確認，直至該投資出售，收回或轉讓，或者確定投資發生減值，在這時候，之前權益中確認的累積損益將轉入損益賬。

貸款與應收賬款為並無於活躍市場報價惟具有固定或可予釐定款項之非衍生性金融資產。當本集團直接向借款人提供款項、商品或服務且無意買賣應收賬款，則產生貸款與應收賬款。此等應收賬款計入流動資產內，惟不包括結算日起計十二個月後的到期賬款。該應收賬款概列作非流動資產。貸款及應收賬款乃按攤銷成本（使用實際利率法得出）減減值撥備計量。

按公允價值於損益賬列賬之投資乃指購入時目的主要為在短期內出售，或由管理層指定作此分類者。衍生工具若非指定為沖銷工具，則亦分類為持作買賣者。此類資產如持作買賣或預期將於結算日後十二個月內變現則分類列為流動資產。

1. Accounting Policies (continued)**(c) HKAS 32 and HKAS 39 – Financial Instruments (continued)****(i) Measurement and Disclosure of Financial Instruments (continued)**

Available-for-sale investments are those non-derivative investments in listed and unlisted equity securities that are designated as available-for-sale or are not classified in any of the other categories of financial assets as defined in HKAS 39. After initial recognition, available-for-sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the profit and loss account.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are measured at amortised cost using the effective interest method less provisions for impairment.

Investments at fair value through profit or loss are acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

1. 會計政策 (續)

(c) 香港會計準則第32及39號- 金融工具 (續)

(i) 金融工具之計量與披露 (續)

在組織化的金融市場中活躍交易的投資的公允值參考結算日收盤時市場的買入報價來確定。對於沒有活躍市場的投資，公允值由估價技術來確定。此類技術包括，採用最近的公平市場交易；參照幾乎相同的其他工具的當前市場價值；現金流量分析的折現和期權定價模型。

當非上市的權益性證券的公允值，因為(1)合理的公允值估計範圍的變動對該投資而言是重大的，或者(2)在上述範圍內的各種估計值的概率不能夠合理地確定和用於估計公允值，而不能可靠計量時，這類證券以成本計量。

在每個結算日，本集團評估是否有發生在資產初始確認之後而導致投資存在減值虧損的意向或多項事件的客觀證據（「損失事件」），並且該損失事件是否會影響預計未來現金流量的可靠估計。

1. Accounting Policies (continued)

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

(i) Measurement and Disclosure of Financial Instruments (continued)

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; and discounted cash flow analysis and option pricing models.

When the fair value of unlisted equity investments cannot be reliably measured because (1) the variability in the range of reasonable fair value estimates is significant for that investment, or (2) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost.

The Group assesses at each balance sheet date whether there is any objective evidence that an investment is impaired as a result of one or more events that occurred after the initial recognition of the assets ("loss events"), and that the loss event has an impact on the estimated future cash flows that can be reliably estimated.

1. 會計政策 (續)**(c) 香港會計準則第32及39號- 金融工具 (續)****(i) 金融工具之計量與披露 (續)**

如果可供出售投資存在減值的客觀證據，之前直接在權益中確認的累計損失應從權益中轉出，並在損益賬中確認。在損益賬中確認的損失金額應為購買成本和當前公允值之間的差額，減去可供出售投資之前在損益賬中確認的減值虧損。貸款、應收賬款及投資之減值虧損按公允值在損益賬中確認。

此會計政策之變更對簡明綜合損益賬及保留溢利並無任何影響。遵照香港會計準則第32及39號過渡性條款之規定，比較數據並未重列。

(ii) 確認及解除確認金融工具

於過往期間，附有全面追索權之應收賬款已被解除確認。本集團已於綜合財務報表內有關或然負債之附註作出適當披露（附註20）。

於採納香港會計準則第39號時，由於有關應收賬款之全部風險仍然存在，故在債務人結付應收賬款前不得解除附有全面追索權之應收賬款。應收賬款仍在資產負債表內列賬，而已收所得款項則確認為負債。當債務人結付應收賬款及有關現金轉入代理企業時，本集團會解除確認應收賬款及負債。

1. Accounting Policies (continued)**(c) HKAS 32 and HKAS 39 – Financial Instruments (continued)****(i) Measurement and Disclosure of Financial Instruments (continued)**

If there is objective evidence of impairment, for available-for-sale investments, the cumulative loss that had been recognised directly in equity shall be removed from equity and recognised in the profit and loss account. The amount of the loss recognised in the profit and loss account shall be the difference between the acquisition cost and current fair value, less any impairment loss on that available-for-sale investment previously recognised in the profit and loss account. Impairment loss is recognised in the profit and loss account for loans and receivables and investments at fair value through profit or loss.

This change in accounting policy has had no effect on the condensed consolidated profit and loss account and retained earnings. In accordance with the transitional provisions of HKASs 32 and 39, comparative amounts have not been restated.

(ii) Recognition and Derecognition of Financial Instruments

In prior periods, trade receivables factored with full recourse were derecognised. Proper note disclosures under contingent liabilities in the consolidated financial statements were made (note 20).

Upon the adoption of HKAS 39, derecognition of trade receivables factored with full recourse before the settlement of trade receivables by debtors is not allowed as all of the risks associated with the trade receivables are still retained. The trade receivables are retained on the balance sheet and the proceeds received are recognised as a liability. As and when the trade receivables are settled by debtors and the cash is passed over to the factoring entity, the trade receivables and the liability are derecognised.

1. 會計政策 (續)

(c) 香港會計準則第32及39號- 金融工具 (續)

(ii) 確認及解除確認金融工具 (續)

1. 於二零零五年六月三十日，本集團附有追索權之貼現票據為144,127,000港元。根據香港會計準則第39號，貼現應收賬款及等同數額之相關所得收入乃於二零零五年六月三十日計入本集團之「應收賬款」及「其他應付款項及應計費用」。
2. 此會計政策之變更對簡明綜合損益賬及保留溢利並無影響。根據香港會計準則第39號之過渡性條款，本集團並無重列比較數字（二零零四年十二月三十一日：282,778,000港元）。

(d) 會計準則第40號 – 投資物業

於過往期間，投資物業公允值的變動在投資物業的重估儲備中處理。如果總體重估價的減損超過總體重估價儲備的盈餘，該超出部份應記入損益賬。之後的重估價盈餘都應記入損益賬的貸方，直至抵銷之前的減損。

採納了香港會計準則第40號之後，投資物業按成本減折舊及任何減值虧損列賬。投資物業報廢或出售之任何損益在報廢或出售當年的損益賬內確認。

1. Accounting Policies (continued)

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

(ii) Recognition and Derecognition of Financial Instruments (continued)

1. As at 30 June 2005, the Group had outstanding bills of HK\$144,127,000 discounted with full recourse. Pursuant to HKAS 39, the discounted trade receivables and the related proceeds of the same amount are included in the Group's "Trade receivables" and "Sundry payables and accruals" as at 30 June 2005.
2. This change in accounting policy has had no effect on the condensed consolidated profit and loss account and retained earnings. In accordance with the transitional provisions of HKAS 39, comparative amounts have not been restated (31 December 2004: HK\$282,778,000).

(d) HKAS 40 – Investment Property

In prior periods, changes in the fair values of investment properties were dealt with as movements in the investment property revaluation reserve. If the total of this reserve was insufficient to cover a deficit, on a portfolio basis, the excess of the deficit was charged to the profit and loss account. Any subsequent revaluation surplus was credited to the profit and loss account to the extent of the deficit previously charged.

Upon the adoption of HKAS 40, investment properties were stated at cost less depreciation and any impairment losses. Any gains or losses on the retirement or disposal of an investment property are recognised in the profit and loss account in the year of the retirement or disposal.

1. 會計政策 (續)*(d) 會計準則第40號 – 投資物業 (續)*

本集團採用了香港會計準則第40號的過渡性條款，將採用該準則的影響調整保留溢利的期初餘額，而不是重列比較數字，對簡明綜合財務報表列報的較早期間追溯反映變更的影響。上述變更的影響在簡明綜合財務報表的附註2中列示。

(e) 香港財務報告準則第3號 – 企業合併及香港會計準則第36號 – 資產減值

於過往期間，對於在二零零一年一月一日以前收購產生的商譽在收購當年的綜合資本儲備中抵減，除非對收購的業務進行處置或減值，該商譽不會轉入損益賬內確認。

對於在二零零一年一月一日及之後收購產生的商譽，作為資產列示，並以直線法在其估計使用期限內攤銷，並受限於出現任何減值跡象時，應當進行減值測試。

採用了香港財務報告準則第3號和香港會計準則第36號之後，收購產生的商譽不再攤銷，而是每年進行減值測試（或在某些事項或情形的變動顯示賬面價值可能發生減值時更經常性地進行）。任何已確認之商譽減值虧損在以後期間不可以轉回。

1. Accounting Policies (continued)*(d) HKAS 40 – Investment Property (continued)*

The Group has taken advantage of the transitional provisions of HKAS 40 to adjust the effect of adopting the standard to the opening balance of retained earnings rather than restating the comparative amounts to reflect the changes retrospectively for the earlier period presented in the condensed consolidated financial statements. The effects of the above changes are summarised in note 2 to the condensed consolidated financial statements.

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

In prior periods, goodwill arising on acquisitions prior to 1 January 2001 was eliminated against consolidated capital reserve in the year of acquisition and was not recognised in the profit and loss account until disposal or impairment of the acquired business.

Goodwill arising on acquisitions on or after 1 January 2001 was capitalised and amortised on the straight-line basis over its estimated useful life and was subject to impairment testing when there was any indication of impairment.

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

1. 會計政策 (續)

- (e) 香港財務報告準則第3號－企業合併及香港會計準則第36號－資產減值 (續)

香港財務報告準則第3號的過渡性條款要求本集團在二零零五年一月一日將商譽的累計攤銷的賬面價值在商譽的成本中抵減。對於之前已在綜合資本儲備中抵減的商譽，仍在綜合資本儲備中抵減，並且當企業處置商譽相關的全部或部份業務，或當商譽相關的現金產出單位發生減值時，不應將該商譽在損益賬中確認。

上述變更之影響在簡明綜合財務報表的附註2中列示。根據香港財務報告準則第3號之過渡性條款，比較數字並無重列。

- (f) 香港解釋公告第3號－收入－發展中物業預售合約

於過往期間，當發展中物業已被預售時，估計溢利總額乃於整個建築期間攤分，以反映發展進度。按此基準，就預售部分物業確認之溢利乃參考該物業完成階段計算，但限於不可退回之已收項目進度付款。溢利乃於建築工程之進展達到可合理確定該項目之最終落成及有關估計溢利時始予確認。

於採納香港解釋公告第3號時，因發展物業完工前預售合約產生而不屬於香港會計準則第11號「建造合同」範疇之收入，乃於擁有權之絕大部分風險及回報轉移至買方時確認，惟本集團維持參與管理之程度不得涉及一般擁有權或實質控制所出售之在建物業。該等物業乃按成本值列賬。

1. Accounting Policies (continued)

- (e) HKFRS 3 – Business Combinations and HKAS 36 – Impairment of Assets (continued)

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

The effects of the above changes are summarised in note 2 to the condensed consolidated financial statements. In accordance with the transitional provisions of HKFRS 3, comparative amounts have not been restated.

- (f) HK-Int 3 – Revenue – Pre-Completion Contracts for the Sale of Development Properties

In prior periods, when properties under development have been pre-sold, the total estimated profit was apportioned over the entire period of construction to reflect the progress of the development. On this basis, profit recognised on the pre-sold portion of the properties was calculated by reference to the stage of completion of the properties, limited to the extent of non-refundable progress payments received. No profit was recognised until the construction work had progressed to the stage where the eventual completion of the project, and the estimated profit thereon, could be determined with a reasonable degree of certainty.

Upon the adoption of HK-Int 3, revenue arising from pre-completion contracts for the sale of development properties that do not fall within the scope of HKAS 11 “Construction Contracts” is recognised when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the properties under development sold. Such properties are stated at cost.

1. 會計政策 (續)

- (f) 香港解釋公告第3號－收入－
發展中物業預售合約 (續)

上述變更之影響在簡明綜合財務報表的附註2中列示。根據香港解釋公告第3號之過渡性條款，比較數字並無重列。

2. 會計政策變動之影響概要

採納香港財務報告準則後，下列賬目之期初結餘已作追溯性調整。期初調整之詳情概述如下：

- (a) 於二零零五年一月一日對權益總額之期初結餘之影響

1. Accounting Policies (continued)

- (f) HK-Int 3 – Revenue – Pre-Completion Contracts for the Sale of Development Properties (continued)

The effects of the above changes are summarised in note 2 to the condensed consolidated financial statements. In accordance with the transitional provisions of HK-Int 3, comparative amounts have not been restated.

2. Summary of the Impact of Changes in Accounting Policies

Following the adoption of the HKFRSs, the opening balances of the following accounts were adjusted retrospectively. Details of the opening adjustments are summarised as follows:

- (a) Effect on opening balance of total equity at 1 January 2005

新政策之影響 (增加／(減少))	Effect of a new policy (Increase/(decrease))	附註 Note	投資物業重估儲備	保留溢利	總額
			Investment property reevaluation reserve (未經審核) (Unaudited) 千港元 HK\$'000	Retained earnings (未經審核) (Unaudited) 千港元 HK\$'000	Total (未經審核) (Unaudited) 千港元 HK\$'000
期初調整：	Opening adjustment:				
香港會計準則第40號－ 投資物業重估盈餘	HKAS 40 – Surplus on revaluation of investment properties	1(d)	(1,483)	1,483	–
於二零零五年一月一日之 影響總額	Total effect at 1 January 2005		(1,483)	1,483	–

2. 會計政策變動之影響概要 (續)

下表概述採納新香港財務報告準則對截至二零零四及二零零五年六月三十日止六個月期間之除稅後溢利之影響。由於並無對採納香港會計準則第40號、香港財務報告準則第3號及香港解釋公告第3號作出追溯性調整，因此就截至二零零四年六月三十日止六個月期間呈列之賬目不可直接與本中期所列賬目相比較。

(b) 對截至二零零四及二零零五年六月三十日止六個月期間之除稅後溢利之影響

2. Summary of the Impact of Changes in Accounting Policies (continued)

The following table summarises the impact on profit after tax for the six months ended 30 June 2005 and 2004 upon the adoption of the new HKFRSs. As no retrospective adjustments have been made for the adoption of HKAS 40, HKFRS 3 and HK-Int 3, the amounts shown for the six months ended 30 June 2004 may not be directly comparable to the amounts shown for the current interim period.

(b) Effect on profit after tax for the six months ended 30 June 2005 and 2004

新政策之影響 (增加 / (減少))	Effect of new policies (Increase/(decrease))	附註 Notes	截至六月三十日止六個月 For the six months ended 30 June	
			2005 母公司 權益持有人 Equity holders of the parent (未經審核) (Unaudited) 千港元 HK\$'000	2004 母公司 權益持有人 Equity holders of the parent (未經審核) (Unaudited) 千港元 HK\$'000
除稅後溢利之影響： 香港會計準則第40號－ 投資物業折舊	Effect of profit after tax: HKAS 40 – Depreciation of investment properties	1(d)	(2,082)	–
香港財務報告準則第3號－ 終止攤銷因收購 附屬公司而產生之商譽	HKFRS 3 – Discontinuation of amortisation of goodwill arising from acquisition of subsidiaries	1(e)	22,379	–
終止攤銷因收購 聯營公司而產生之商譽	Discontinuation of amortisation of goodwill arising from acquisition of an associate	1(e)	8,949	–
香港解釋公告第3號－ 解除根據完工進度會計法 確認因發展物業完工前 預售合約產生之溢利	HK-Int 3 – Derecognition of the profit from pre-completion contracts for the sale of development properties under stage of completion method	1(f)	(100,000)	–
期內影響總額	Total effect for the period		<u>(70,754)</u>	<u>–</u>
對每股盈利之影響：	Effect on earnings per share:			
基本	Basic		<u>6.71 港仙 cents</u>	<u>–</u>
攤薄	Diluted		<u>6.66 港仙 cents</u>	<u>–</u>

3. 分部資料

按主要業務劃分之本集團營業額及業績分析如下：

3. Segment Information

An analysis of the Group's turnover and results by principal activities is as follows:

		營業額		業績	
		Turnover		Results	
		截至六月三十日止六個月		截至六月三十日止六個月	
		for the six months		for the six months	
		ended 30 June		ended 30 June	
		2005	2004	2005	2004
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
汽車及零件貿易以及 提供售後服務	Trading of motor vehicles and spare parts and provision of after-sales services	3,671,373	2,903,429	81,389	27,225
重型機械貿易及提供 產品支援服務	Trading of heavy equipment and provision of product support services	1,242,362	1,211,133	55,436	47,070
物業發展及投資	Property development and investment	139,843	77,408	63,335	(9,128)
一般貿易	General trading	1,496,742	2,455,100	28,556	21,553
證券買賣及經紀服務	Securities trading and broking	1,895	16,567	(17,563)	23,281
外匯買賣	Trading of foreign exchange	27,279	1,026	(34,925)	2,674
信貸	Money lending	4,788	8,405	2,021	948
其他	Others	2,671	1,794	15,807	10,109
		<u>6,586,953</u>	<u>6,674,862</u>	<u>194,056</u>	<u>123,732</u>
業務之間之抵銷	Intersegment eliminations	<u>(687,151)</u>	<u>(1,911,075)</u>	<u>(15,647)</u>	<u>(3,882)</u>
		<u><u>5,899,802</u></u>	<u><u>4,763,787</u></u>	<u><u>178,409</u></u>	<u><u>119,850</u></u>

3. 分部資料 (續)

按營業地區劃分之本集團營業額分析如下：

3. Segment Information (continued)

An analysis of the Group's turnover by geographical area of operations is as follows:

		營業額 Turnover	
		截至六月三十日止六個月 for the six months ended 30 June	
		2005 (未經審核) (Unaudited) 千港元 HK\$'000	2004 (未經審核) (Unaudited) 千港元 HK\$'000
中華人民共和國(「中國」)：	People's Republic of China ("PRC"):		
香港	Hong Kong	465,586	488,304
中國大陸	Mainland China	3,963,758	3,085,962
其他亞洲國家	Other Asian countries	1,470,458	1,189,521
		<u>5,899,802</u>	<u>4,763,787</u>

4. 經營業務溢利

本集團之經營業務溢利乃經扣除／
(計入) 下列各項：

4. Profit from Operating Activities

The Group's profit from operating activities is arrived at after
charging/(crediting) the following:

		截至六月三十日止六個月	
		For the six months ended 30 June	
		2005	2004
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
物業、廠房及設備折舊	Depreciation of property, plant and equipment	41,981	24,558
投資物業折舊	Depreciation of investment properties	2,082	–
攤銷預付地價	Amortisation of prepaid land premiums	1,837	1,465
收購附屬公司產生之商譽攤銷	Amortisation of goodwill arising from purchase of subsidiaries	–	22,983
收購聯營公司產生之商譽攤銷	Amortisation of goodwill arising from purchase of an associate	–	8,949
交易權攤銷	Amortisation of trading rights	150	150
呆賬撥備	Provision for doubtful debts	8,282	5,021
存貨撥備	Provision for inventories	2,245	661
未平倉外匯倉盤損失撥備	Provision for losses on open foreign exchange positions	32,054	–
上市投資買賣之淨虧損／(收益)	Net losses/(gains) on dealing in listed investments	7,850	(5,384)
持有作銷售物業可預見虧損撥備回撥	Write-back of provision for a foreseeable loss on properties held for sale	–	(5,469)
對短期投資重估之未變現虧損／(收益)	Unrealised losses/(gains) on revaluation of short term investments	13,997	(17,844)
上市投資之股息收入	Dividend income from listed investments	(4,627)	(4,304)
租金收入淨額	Rental income, net	(21,613)	(9,135)
利息收入	Interest income	(32,627)	(17,990)
外匯買賣淨收益	Foreign exchange trading gains, net	(26,874)	(968)
證券買賣之佣金及經紀收入	Commission and brokerage income from securities dealing	(1,680)	(4,926)
保險經紀收入	Insurance brokerage income	(404)	(466)

5. 財務費用

5. Finance Costs

		截至六月三十日止六個月	
		For the six months ended 30 June	
		2005	2004
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
須於五年內悉數歸還之貸款利息：	Interest on borrowings wholly repayable within five years:		
銀行貸款	Bank loans	51,017	20,483
信託票據貸款	Trust receipt loans	16,940	10,649
銀行透支	Bank overdrafts	1,855	1,329
		<u>69,812</u>	<u>32,461</u>
總利息	Total interest	69,812	32,461
減：利息資本化	Less: Interest capitalised	-	(647)
		<u>69,812</u>	<u>31,814</u>

6. 稅項

6. Tax

		截至六月三十日止六個月	
		For the six months ended 30 June	
		2005	2004
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
本期：	Current:		
香港	Hong Kong	11,950	7,912
其他地區	Elsewhere	17,152	15,997
遞延	Deferred	(1,344)	(289)
		<u>27,758</u>	<u>23,620</u>
期內稅項支出總額	Total tax charge for the period	27,758	23,620

香港利得稅按期內在在香港產生之估計應課稅溢利以17.5% (二零零四年：17.5%) 之稅率計提撥備。其他地區應課稅溢利之稅項乃根據本集團經營業務所在國家之現行法律、詮釋及常規，按其現行稅率計算。

Hong Kong profits tax has been provided at the rate of 17.5% (2004: 17.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

6. 稅項 (續)

為數8,245,000港元(二零零四年: 7,156,000港元)之應佔聯營公司稅項列入簡明綜合損益賬之「應佔聯營公司溢利」。

截至二零零四年六月三十日止六個月期間,為數3,373,000港元之應佔一間共同控權合資企業之稅項列入簡明綜合損益賬之「應佔共同控權合資企業溢利」。

適用本公司及其大多數附屬公司經營所在國家按法定稅率計算之除稅前溢利之稅項開支,與按本集團實際稅率計算之稅項開支之對帳,以及適用稅率(即法定稅率)與實際稅率之調節如下:

6. Tax (continued)

Share of tax attributable to associates amounting to HK\$8,245,000 (2004: HK\$7,156,000) is included in "Share of profits of associates" on the face of the condensed consolidated profit and loss account.

For the six months ended 30 June 2004, share of tax attributable to a jointly-controlled entity amounting to HK\$3,373,000 was included in "Share of profit of a jointly-controlled entity" on the face of the condensed consolidated profit and loss account.

A reconciliation of the tax expense applicable to profit before tax using the applicable rates (i.e. statutory tax rates) in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the Group's effective tax rates and a reconciliation of the applicable rates to the effective tax rates is as follows:

		截至六月三十日止六個月 For the six months ended 30 June	
		2005 (未經審核) (Unaudited) 千港元 HK\$'000	2004 (未經審核) (Unaudited) 千港元 HK\$'000
除稅前溢利	Profit before tax	130,091	126,103
按香港法定稅率計算之稅項	Tax at Hong Kong statutory tax rate	22,766	22,068
海外附屬公司、聯營公司及共同控權合資企業較高稅率15%至33%不等(二零零四年:7.5%至33%)所產生之稅務影響	Tax effect arising from higher tax rates of overseas subsidiaries, associates and a jointly-controlled entity, ranged from 15% to 33% (2004: 7.5% to 33%)	6,383	8,492
毋需課稅收入之稅務影響	Tax effect of non taxable income	(22,419)	(20,614)
不可扣稅開支之稅務影響	Tax effect on non deductible expenses	19,909	13,201
運用稅項虧損	Utilisation of tax losses	(11,070)	(4,326)
未確認之稅項虧損	Tax losses not recognised	8,352	6,665
以往期間之當期稅項調整	Adjustments in respect of current tax of previous periods	-	(42)
重估租賃物業而產生之應課稅項時差之撥回	Reversal of taxable timing difference arising on revaluation of leasehold properties	(1,408)	(2,923)
本集團若干海外投資之未匯出收益所產生應課稅時差之確認	Recognition of taxable timing difference arising on the unremitted earnings of the Group's certain overseas investments	5,245	1,099
按本集團實際稅率計算之稅項支出	Tax charge at the Group's effective rate	27,758	23,620

8. 股息

於二零零五年九月二十二日召開之董事會會議上，董事議決不向股東派發截至二零零五年六月三十日止六個月期間之中期股息（二零零四年：無）。

8. Dividend

At a meeting of the board of directors held on 22 September 2005, the directors resolved not to pay an interim dividend to shareholders for the six months ended 30 June 2005 (2004: Nil).

9. 可供出售投資／長期投資**9. Available-For-Sale Investments/Long Term Investments**

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
可供出售投資：	Available-for-sale investments:		
非上市權益性投資，按成本值	Unlisted equity investments, at cost:		
海外公司	Overseas companies	1,877	–
中國公司	PRC companies	221,956	–
		<u>223,833</u>	<u>–</u>
可轉讓會所會籍債券，按公平值	Transferable club membership debentures, at fair value	7,968	–
		<u>231,801</u>	<u>–</u>
長期投資：	Long term investments:		
非上市權益性投資，按公平值	Unlisted equity investments, at fair value:		
海外公司	Overseas companies	–	1,886
中國公司	PRC companies	–	202,133
		–	<u>204,019</u>
可轉讓會所會籍債券，按成本值	Transferable club membership debentures, at cost	–	7,905
信貸掛鈎票據，按公平值	Credit linked notes, at fair value	–	155,973
法定存款，按成本值	Statutory deposits, at cost	–	217
		<u>–</u>	<u>368,114</u>

9. 可供出售投資／長期投資
(續)

於二零零五年六月三十日之可供出售投資包括非上市權益性投資及可轉讓會所會籍債券。除到期日分別為二零零六年十月四日及二零零八年十月二十九日之77,980,000港元及77,993,000港元之信貸掛鈎票據，及每年3.8%及4.7%之票息率外，其他可供出售投資並無固定到期日或票息率。

可供出售投資項下之非上市權益性投資按按成本值列賬，因其公允值於結算日無法可靠地計量。

本集團之可供出售投資／長期投資分析如下：

9. Available-For-Sale Investments/Long Term Investments (continued)

Available-for-sale investments as at 30 June 2005 consist of unlisted equity investments and transferable club membership debentures. Except for credit linked notes of HK\$77,980,000 and HK\$77,993,000 with respective maturity dates on 4 October 2006 and 29 October 2008, and respective coupon rates of 3.8% per annum and 4.7% per annum, there is no fixed maturity date or coupon rate for the other available-for-sale investments.

Unlisted equity investments under available-for-sale investments are stated at cost because their fair values could not be reliably measured as at the balance sheet date.

An analysis of the Group's available-for-sale investments/long term investments is as follows:

	六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
於法團企業權益性投資	223,833	204,019
債務證券		
銀行及其他金融機構	-	156,190
法團企業	7,968	7,905
	231,801	368,114

9. 可供出售投資／長期投資 (續)

債務證券按結算日至合約到期日之剩餘期限分析之到期情況如下：

9. Available-For-Sale Investments/Long Term Investments (continued)

The maturity profiles of the debt securities analysed by the remaining period at the balance sheet date to the contractual maturity date are as follows:

		第三至第五年 (首尾兩年 包括在內)			五年以上	無限期	合計
	一年內或 按要求	第二年	In the third to fifth years, inclusive	Beyond five years	Undated	Total	
	Within one year or on demand	In the second year	In the third to fifth years, inclusive	Beyond five years	Undated	Total	
	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	
	千港元	千港元	千港元	千港元	千港元	千港元	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
於二零零五年 六月三十日	At 30 June 2005						
可轉讓會所 會籍債券	Transferable club membership debentures	-	-	-	-	7,968	7,968
於二零零四年 十二月三十一日	At 31 December 2004						
信貸掛鈎票據	Credit linked notes	-	77,980	77,993	-	-	155,973
可轉讓會所 會籍債券	Transferable club membership debentures	-	-	-	-	7,905	7,905
法定存款	Statutory deposits	-	-	-	-	217	217
		-	77,980	77,993	-	8,122	164,095

10. 貸款及應收賬款

10. Loans and Receivables

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
應收貸款	Loans receivable	199,940	189,510
信貸掛鈎票據	Credit linked notes	155,973	–
法定存款	Statutory deposits	222	–
長期應收賬款	Long term receivables	60,000	60,000
		416,135	249,510
減值撥備	Provisions for impairment	(10,000)	(10,000)
		406,135	239,510
歸類為流動資產之部份	Portion classified as current assets	(116,784)	(162,510)
歸類為非流動資產之部份	Portion classified as non-current assets	289,351	77,000

應收貸款以債務人提供之上市權益性投資及／或擔保人提供之個人擔保作抵押。

Loans receivable are secured by listed equity investments provided by the debtors and/or personal guarantees provided by the guarantors.

為數6,035,000港元(二零零四年十二月三十一日:4,042,000港元)之應收貸款利息已計入應收貸款餘額。剩餘貸款及應收賬款餘額並無應計利息。

Loan interest receivables of HK\$6,035,000 (31 December 2004: HK\$4,042,000) are included in the loans receivable balance. There is no accrued interest for the remaining loans and receivables balance.

本集團之貸款及應收賬款(扣除撥備)分析如下:

An analysis of the Group's loans and receivables, net of provisions, is as follows:

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
銀行及其他金融機構	Bank and other financial institution	156,195	–
公營機構	Public sector entities	31,625	35,625
法團企業	Corporate entities	218,315	203,885
		406,135	239,510

10. 貸款及應收賬款 (續)

按結算日至合約到期日之剩餘期限
分析之到期情況如下：

10. Loans and Receivables (continued)

The maturity profiles analysed by the remaining period at the
balance sheet date to the contractual maturity date are as follows:

		一年內或 按要求	第三至第五年 (首尾兩年 包括在內)	五年以上	無限期	合計
		Within one year or on demand	In the second to fifth years, inclusive	Beyond five years	Undated	Total
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於二零零五年 六月三十日	At 30 June 2005					
應收貸款	Loans receivable	116,784	41,923	31,233	-	189,940
信貸掛鈎票據	Credit linked notes	-	77,980	77,993	-	155,973
法定存款	Statutory deposits	-	-	-	222	222
長期應收賬款	Long term receivables	-	60,000	-	-	60,000
		<u>116,784</u>	<u>179,903</u>	<u>109,226</u>	<u>222</u>	<u>406,135</u>
於二零零四年 十二月三十一日	At 31 December 2004					
應收貸款	Loans receivable	162,510	8,000	9,000	-	179,510
長期應收賬款	Long term receivables	-	60,000	-	-	60,000
		<u>162,510</u>	<u>68,000</u>	<u>9,000</u>	<u>-</u>	<u>239,510</u>

11. 透過損益按公允值計算之投資／短期投資

11. Investments at Fair Value through Profit or Loss/ Short Term Investments

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
上市權益性投資，按市值：	Listed equity investments, at market value:		
香港	Hong Kong	102,439	148,703
海外	Overseas	122,399	–
		224,838	148,703

本集團透過損益按公允值計算之投資／短期投資乃於法團企業進行。

The Group's investments at fair value through profit or loss/short term investments are made in corporate entities.

12. 存貨

12. Inventories

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
汽車及零件	Motor vehicles and spare parts	808,267	2,320,648
機械及零件	Machinery and spare parts	443,817	844,308
		1,252,084	3,164,956

13. 應收賬款

13. Trade Receivables

本集團給予大部份客戶三十至六十日信貸期。由於不同業務形式，小部份客戶獲給予九十至一百五十日信貸期。本集團力求嚴格監控其未收之應收賬款，除設有信貸控制外，高層管理人員亦定期檢討過期未付之賬款，務求減低信貸風險。

The Group has granted credit to substantially all its debtors ranging from 30-60 days. Due to certain trade patterns, a minority of debtors have been given a credit period of 90-150 days. The Group seeks to maintain strict control over its outstanding receivables and has credit control to minimise credit risk. Overdue balances are reviewed regularly by senior management.

13. 應收賬款 (續)

根據到期付款日及撥備淨額之應收賬款(附註1(c)(ii))賬齡分析如下:

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
未到期	Current	1,054,225	616,023
零至三個月	0-3 months	267,928	248,080
四至六個月	4-6 months	19,572	23,672
七至十二個月	7-12 months	16,462	5,760
一年以上	Over 1 year	51,884	68,788
		1,410,071	962,323

當有客觀證據證明本集團無法按照原先的收款期限收回到期的賬款時,本集團將提取壞賬準備。

An aged analysis of trade receivables (note 1(c)(ii)), based on payment due date and net of provision, is as follows:

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
未到期	Current	1,054,225	616,023
零至三個月	0-3 months	267,928	248,080
四至六個月	4-6 months	19,572	23,672
七至十二個月	7-12 months	16,462	5,760
一年以上	Over 1 year	51,884	68,788
		1,410,071	962,323

A provision is made when there is objective evidence that the Group will not be able to collect the amounts due according to the original terms of the receivables.

14. 現金及現金等值項目、抵押定期存款及代證券客戶持有之現金

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
現金及銀行結餘	Cash and balances with banks	1,488,089	840,744
無抵押定期存款	Non-pledged time deposits	197,565	128,903
抵押定期存款	Pledged time deposits	710,456	197,407
代證券客戶持有之現金	Cash held on behalf of securities clients	3,361	4,153
		2,399,471	1,171,207

14. Cash and Cash Equivalents, Pledged Time Deposits and Cash held on behalf of Securities Clients

14. 現金及現金等值項目、抵押定期存款及代證券客戶持有之現金 (續)

按結算日至合約到期日之剩餘期限分析之到期情況如下：

14. Cash and Cash Equivalents, Pledged Time Deposits and Cash held on behalf of Securities Clients (continued)

The maturity profiles analysed by the remaining period at the balance sheet date to the contractual maturity date are as follows:

		一年內或 按要 求	第三至第五年 (首尾兩年 包括在內)	五年以上	無限期	合計
		Within one year or on demand	In the second to fifth years, inclusive	Beyond five years	Undated	Total
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於二零零五年 六月三十日	At 30 June 2005					
現金及銀行結餘	Cash and balances					
	with banks	1,488,089	-	-	-	1,488,089
無抵押定期存款	Non-pledged time deposits	197,565	-	-	-	197,565
抵押定期存款	Pledged time deposits	665,465	-	44,991	-	710,456
代證券客戶 持有之現金	Cash held on behalf of securities clients	3,361	-	-	-	3,361
		<u>2,354,480</u>	<u>-</u>	<u>44,991</u>	<u>-</u>	<u>2,399,471</u>
於二零零四年 十二月三十一日	At 31 December 2004					
現金及銀行結餘	Cash and balances					
	with banks	840,744	-	-	-	840,744
無抵押定期存款	Non-pledged time deposits	128,903	-	-	-	128,903
抵押定期存款	Pledged time deposits	166,987	-	30,420	-	197,407
代證券客戶 持有之現金	Cash held on behalf of securities clients	4,153	-	-	-	4,153
		<u>1,140,787</u>	<u>-</u>	<u>30,420</u>	<u>-</u>	<u>1,171,207</u>

15. 應付賬款及票據

根據到期付款日應付賬款及票據之賬齡分析如下：

15. Trade and Bills Payables

An aged analysis of trade and bill payables, based on payment due date, is as follows:

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
未到期	Current	1,126,919	2,124,367
零至三個月	0-3 months	197,012	56,207
四至六個月	4-6 months	3,729	11,812
七至十二個月	7-12 months	2,754	1,445
一年以上	Over 1 year	—	32
		<u>1,330,414</u>	<u>2,193,863</u>

16. 附息銀行貸款及其他免息貸款**16. Interest-Bearing Bank Borrowings and Other Non Interest-Bearing Borrowing**

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
貸款之償還期限：	Loans repayable:		
一年內或按要求	Within one year or on demand	2,180,687	3,245,885
第二年	In second year	180,265	—
第三至第五年(首尾兩年包括在內)	In the third to fifth years, inclusive	632,470	—
五年以上	Beyond five years	164,717	—
		<u>3,158,139</u>	<u>3,245,885</u>

16. 附息銀行貸款及其他免息貸款 (續)

根據香港會計準則第1號「財務報表之呈列」(附註1(a))，由於本集團於結算日未能遵守長期貸款協議項下之承諾，故本集團須將貸款重新分類為流動負債(惟本集團雖其後已獲貸款人豁免遵守該承諾及貸款人確認不會因該未遵守事件而要求即時歸還貸款)，因而，於二零零四年十二月三十一日之貸款662,483,000港元已予重列，以反映非流動負債項下之「附息銀行貸款」重新分類為流動負債項下之「附息銀行貸款及其他免息貸款」。

於二零零五年六月三十日，由於該承諾已恰當遵守，故該貸款之相關流動負債及非流動負債已按償還期列報。

17. 已發行股本

法定股本：
2,000,000,000股
每股面值1港元之普通股

已發行及繳足股份：
1,060,519,774股
(二零零四年：1,049,519,774股)
每股面值1港元之普通股

於本期間，因本公司認股權證獲行使，據此本公司按行使價每股3港元發行11,000,000股每股面值1港元之普通股，並收取總現金代價為33,000,000港元(未計費用)。已行使認股權證所附認股權證認購儲備5,500,000港元因此重新分類至股份溢價賬。

16. Interest-Bearing Bank Borrowings and Other Non Interest-Bearing Borrowing (continued)

A loan borrowing of HK\$662,483,000 as at 31 December 2004 have been restated to reflect the reclassification from “Interest-bearing bank borrowings” under non-current liabilities to “Interest-bearing bank borrowings and other non interest-bearing borrowing” under current liabilities in accordance with HKAS 1 “Presentation of Financial Statements” (note 1(a)) which requires the Group to reclassify it under current liabilities as the Group was unable to comply with an undertaking under the long-term loan agreement as at the balance sheet date notwithstanding the Group had subsequently obtained from the lender a waiver from compliance of that undertaking and the lender confirmed not to demand loan repayment due to such non-compliance incidence.

As at 30 June 2005, the related current liabilities and non-current liabilities of this loan borrowing have been presented in accordance with the repayment period because the undertaking is complied with properly.

17. Issued Capital

六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
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Authorised:		
2,000,000,000 ordinary shares of HK\$1 each	2,000,000	2,000,000
Issued and fully paid:		
1,060,519,774 (2004: 1,049,519,774) ordinary shares of HK\$1 each	1,060,520	1,049,520

During the period, 11,000,000 ordinary shares of HK\$1 each were issued for cash at an exercise price of HK\$3 per share pursuant to the exercise of the Company's warrants for a total cash consideration, before expenses, of HK\$33,000,000. The warrant subscription reserve of HK\$5,500,000 attaching to the exercised warrants was accordingly reclassified into the share premium account.

17. 已發行股本 (續)

根據本公司已發行普通股股本涉及上述變動之期內交易概要如下：

17. Issued Capital (continued)

A summary of the transactions during the period with reference to the above movement in the Company's ordinary share capital is as follows:

		已發行股份 數目 Number of shares in issue (未經審核) (Unaudited)	已發行 及繳足 Issued and fully paid (未經審核) (Unaudited) 千港元 HK\$'000	股份溢價 Share premium (未經審核) (Unaudited) 千港元 HK\$'000	合計 Total (未經審核) (Unaudited) 千港元 HK\$'000
於二零零五年一月一日	At 1 January 2005	1,049,519,774	1,049,520	2,705,398	3,754,918
已行使認股權證	Warrants exercised	11,000,000	11,000	27,500	38,500
於二零零五年六月三十日	At 30 June 2005	<u>1,060,519,774</u>	<u>1,060,520</u>	<u>2,732,898</u>	<u>3,793,418</u>

於本期間，11,000,000份認股權證獲行使，按每股3港元之價格兌換每股面值1港元之11,000,000股普通股。於二零零五年六月三十日，本公司有80,878,226份未行使之認股權證。根據本公司現時之股本結構，倘全面行使該等認股權證，則會額外發行80,878,226股每股面值1港元之普通股。

During the period, 11,000,000 warrants were exercised for 11,000,000 ordinary shares of HK\$1 each at a price of HK\$3 per share. At 30 June 2005, the Company had 80,878,226 warrants outstanding. The exercise in full of such warrants would, under the present capital structure of the Company, result in the issue of 80,878,226 additional shares of HK\$1 each.

18. 關連人士交易

已付及應付補償本集團主要管理層人員之概要如下：

18. Related Party Transactions

Compensation paid and payable to key management personnel of the Group was as follows:

		截至六月三十日止六個月 For the six months ended 30 June	
		2005 (未經審核) (Unaudited) 千港元 HK\$'000	2004 (未經審核) (Unaudited) 千港元 HK\$'000
短期僱員福利	Short term employee benefits	<u>6,789</u>	5,794
退休福利	Post-employment benefits	<u>302</u>	299
		<u>7,091</u>	<u>6,093</u>

19. 風險管理*(a) 流動資金風險*

流動資金風險指並無渠道具備有足夠資金應付本集團到期需支付之責任之風險。本集團之財政業務由總部庫務部集中監控，其職責是在不斷提供資金與靈活性運用銀行貸款之間取得平衡。因此銀行融資已備妥供或然事項之用。

(b) 信貸風險

信貸風險指因本集團其中一位客戶未能在到期時支付款項，或就權益性投資，因企業失敗而導致價值減低，所造成之經濟損失。本集團進行詳細之信貸政策、就潛在客戶進行風險分析以及與其他合夥人訂立風險分擔安排（如適用）以減輕信貸風險。

(c) 外幣風險

外幣風險指金融工具價值之損失或本集團因外幣匯率變動造成之投資損失而產生之風險。本集團以貿易政策及密切監管該等政策控制外幣貿易風險。本集團於中國有重大投資，其資產負債表（包括其以美元為面值之銀行貸款部份）可因人民幣／港元及人民幣／美元之匯率變動而有所影響。由於港元及人民幣同樣與美元掛鈎，故本集團並不預期匯率將出現重大波動。

19. Management of Risks*(a) Liquidity Risk*

Liquidity risk is the risk of not having access to sufficient funds to meet the Group's obligation as they become due. The Group's funding for treasury activities are monitored by a Central Treasury at the corporate level. Its objective is to maintain a balance between the continuity of funding and the flexibility through the use of bank loans. Banking facilities have therefore been put in place for contingency purposes.

(b) Credit Risk

Credit risk is the risk of economic loss resulting from the failure of one of the Group's customers to make payment when due or in the case of equity investments, the loss in value resulting from a corporate failure. The Group mitigates credit risk by utilising detailed credit policies, undertaking credit analysis on potential customers and where applicable, establishing risk sharing arrangements with other partners.

(c) Foreign Currency Risk

Foreign currency risk is the risk of incurring a loss in the value of a financial instrument or a loss in the Group's investments as a result of changes in foreign currency exchange rates. The Group manages its foreign currency trading risk with trading policies and close monitoring of adherence to such policies. The Group has significant investments in PRC and its balance sheet, including a portion of its bank loans denominated in USD, can be affected by movements in the RMB/HK\$ and RMB/USD exchange rates. As both the HK\$ and RMB are pegged to the USD, the Group does not expect significant movements in the exchange rates.

20. 或然負債**20. Contingent Liabilities**

	六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
附有追索權之貼現票據－附註1(c)(ii)	Bills discounted with recourse – note 1(c)(ii)	– 282,778
銀行擔保	Bank guarantees	15,501
	25,724	298,279

21. 抵押資產

於二零零五年六月三十日，本集團之短期銀行貸款526,909,000港元以外幣銀行存款659,834,000港元作為固定抵押擔保。

於二零零四年十二月三十一日，本集團之銀行貸款7,500,000港元以賬面淨值約為11,250,000港元之本集團租賃土地及樓宇作抵押。

22. 經營租約之安排*(a) 作為租賃公司*

本集團根據經營租約將其投資物業出租，租約條款一般規定租戶須繳交按金，並基於市場情況，可定期調整租金。

於二零零五年六月三十日，根據與租戶訂立之不可撤銷經營租約，本集團未來最少應收之租金如下：

21. Pledge of Assets

At 30 June 2005, the Group's short term bank loans amounting to HK\$526,909,000 were secured by fixed charges on foreign currency bank deposits of HK\$659,834,000.

At 31 December 2004, a bank loan of the Group amounting to HK\$7,500,000 was secured by the Group's leasehold land and buildings, which had an aggregate net book value of approximately HK\$11,250,000.

22. Operating Lease Arrangements*(a) As lessor*

The Group leases its investment properties under operating lease arrangements. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rental adjustments according to the then prevailing market conditions.

At 30 June 2005, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
一年內	Within one year	22,022	12,774
第二至第五年(首尾兩年包括在內)	In the second to fifth years, inclusive	40,348	26,802
		62,370	39,576

22. 經營租約之安排 (續)

(b) 作為承租公司

本集團部份辦公室物業是以經營租約租用。於二零零五年六月三十日，根據不可撤銷之經營租約，本集團未來最少須付之租金如下：

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
一年內	Within one year	27,145	52,722
第二至第五年(首尾兩年包括在內)	In the second to fifth years, inclusive	57,848	62,597
五年以上	Beyond five years	66,334	62,306
		151,327	177,625

23. 承擔

23. Commitments

		六月三十日 30 June 2005 (未經審核) (Unaudited) 千港元 HK\$'000	十二月三十一日 31 December 2004 (經審核) (Audited) 千港元 HK\$'000
(a) 資本承擔：	(a) Capital commitments:		
已訂約但未撥備	Contracted, but not provided for	971,837	756,630
已授權但未訂約	Authorised, but not contracted for	—	14,009
		971,837	770,639
(b) 金融工具：	(b) Financial instruments:		
遠期外匯合約	Foreign exchange forward contracts	407,261	—

23. 承擔 (續)

以上概述金額代表於結算日未平倉之交易量，並不代表風險金額。

24. 比較數額

由於本期內採納新訂及經修訂香港財務報告準則，故簡明綜合財務報表之若干項目之會計處理及呈列方式已作出修訂以符合新規定。

25. 中期財務報告之批准

簡明綜合中期財務報表已於二零零五年九月二十二日獲董事會批准及授權刊發。

23. Commitments (continued)

The notional amounts of these instruments indicated the volume of transactions outstanding at the balance sheet date. They did not represent amounts at risk.

24. Comparative Amounts

Due to the adoption of the new and revised HKFRSs for the current period, the accounting treatment and presentation of certain items on the condensed consolidated financial statements have been revised to comply with the new requirements.

25. Approval of the Interim Financial Report

The condensed consolidated interim financial statements were approved and authorised for issue by the board of directors on 22 September 2005.

業務回顧

汽車部

汽車部在東北亞經銷一系列高檔汽車品牌，本部門在中國經銷平治；在韓國經銷平治及保時捷；在台灣經銷平治、佳士拿、吉普車及微型轎車；以及在越南經銷平治。

回顧期間，汽車部之表現強勁。銷量在中國及韓國均增長理想，帶動營業額上升達31%。

中國

於本期間，本公司貫徹其於華北及華東地區開發銷售及售後服務網絡之策略。該策略乃本公司持續將業務重新定位為優秀經銷業務策略之一部份，受惠於汽車品牌銷售管理實施辦法推出後汽車經銷及零售業之市場增長及架構變動。現已在無錫、蘇州、寧波、南京及福州啟用新設施，業務網絡遍及30個城市。

本公司於中國之銷售數量較去年同期增長34%，反映出引入CLS等新型號及淘汰現有S-Class及M-Class型號，以備於二零零五年第三季推出新型號之策略已收到成效。

本公司一貫相信中國汽車業存在無窮商機。中國車輛銷量於過去十年之年增長率超過22%，使中國輕易成為全球增長最迅速的市場。估計其增長之走勢如經濟學人智庫所預測，即中國汽車銷量之增長數量於未來十年將接近三倍，至二零一五年達6,900,000輛。

該增長顯然主要源自於國產車輛。與此同時，本公司亦預期外國高檔品牌汽車市場呈現蓬勃發展之趨勢，繼續穩佔重要市場地位。憑藉顯赫之產品系列及品牌知名度，平治汽車勢將成為高檔品牌市場之其中一個要員。全新S-Class型號將於本年度下半年面市，預期將會提高平治之市場知名度及銷量。

OPERATIONS REVIEW

Automobile Division

The Automobile Division distributes a portfolio of premium brands in Northeast Asia. The division distributes: Mercedes-Benz in Mainland China; Mercedes-Benz and Porsche in Korea; Mercedes-Benz, Chrysler, Jeep and Smart in Taiwan; and Mercedes-Benz in Vietnam.

The Automobile Division delivered a strong performance during the period under review. Turnover increased by 31%, driven by good volume growth in both Mainland China and Korea.

Mainland China

During the period, we continued with our strategy of developing our sales and after-sales network in the Northern and Eastern regions of Mainland China. This strategy being part of our ongoing re-positioning of the business as a strong dealer business aims to capitalize on the growth in the market and changes in structure of the automobile distribution and retail industry following the introduction of the new Brand Management rules. New facilities were opened in Wuxi, Suzhou, Ningbo, Nanjing and Fuzhou and we now have a network covering 30 cities.

Our unit sales in Mainland China were up 34% over the same period of last year, reflecting the successful introduction of a new niche model, the CLS and the successful run-out of the current S-Class and M-Class models in preparation for these new model launches in the 3rd quarter of 2005.

We continue to believe that the opportunities presented by Mainland China's car industry are enormous. Chinese vehicle sales have grown at an annual rate of more than 22% over the last ten years, making Mainland China easily the fastest growing market in the world. This growth is forecast to continue with The Economist Intelligence Unit forecasting Chinese car sales to almost triple in size over the next ten years to 6.9 million units by 2015.

Whilst clearly much of this growth will be for domestic produced vehicles, we anticipate a thriving premium foreign brands' segment as continuing to represent an important market niche. With the strong product line up and brand recognition, Mercedes-Benz will be a major player in this segment. The launch of the all-new S-Class in the second half of the year is expected to boost market awareness and sales.

售後業務之營業額較去年同期增長43%，這也有利於增長本部的盈利。該增長亦反映出對汽車零件需求有所增加。

Turnover from after-sales operations increased by 43% over the corresponding period last year and made an increased contribution to the segment's profitability. The increase in this activity reflects the growth in the vehicle parts.

台灣

Taiwan

台灣汽車市場於二零零五年上半年保持兩位數之強勁增長。

The automobile market in Taiwan has sustained strong double-digit growth during the first half of 2005.

本公司之聯營進口商／經銷商台灣戴姆勒克萊斯勒股份有限公司錄得銷售數量增長達18%，其中E-Class型號平治及佳士拿為增長之主要來源。

Our associate importer/distributor company, Daimler Chrysler Taiwan Limited achieved 18% growth in volumes with the E-Class Mercedes and the Chrysler range being the main contributors.

本公司之零售業務中華賓士汽車股份有限公司（「中華賓士汽車」）之銷售數量增幅達4%，其中佳士拿雖然型號系列較少，但銷量增長強勁。

Our retail business, Capital Motors Inc. ("CMI") increased volumes by 4%, with Chrysler sales up strongly albeit from a small base.

平治汽車之經銷及零售業務則因水貨市場進口急劇增加並佔台灣平治汽車品牌總銷量約50%。

For both the distribution and retail businesses, Mercedes-Benz brand sales were adversely impacted by strong growth in gray market imports, which account for approximately 50% of the total Mercedes-Benz brand sales in Taiwan.

汽車邊際毛利下降，主要因淘汰現有平治S-Class型號以備於二零零五年第三季推出新型號。

Vehicle margins were down mainly due to the run-out of the current Mercedes-Benz S-Class in anticipation of the new model launch in the 3rd quarter of 2005.

中華賓士汽車續繼將其產品陳列室升級，藉以提升其於高檔汽車市場之品牌地位。位於台北之三個陳列室之其中兩個已經完成裝修工程。而位於民生路之另一陳列室則與位於台中的一個新「星徽理念」將於二零零五年九月完成翻新工程。

CMI continued to upgrade its showrooms in order to enhance brand positioning in the premium car segment. Renovations at two of the three showrooms in Taipei have been completed. Refurbishment at another unit in Ming Sheng Road is due to be completed in September 2005, along with a new Autohaus in Taichung.

韓國

Korea

韓國經濟表現為出口強勁但內部需求相對疲弱。然而，近期跡象顯示其內部需求有所增加。韓國入口汽車市場整體由10,660輛增長至12,930輛，較去年同期增長21%。平治汽車佔進口汽車市場之14%，其中本集團之附屬公司韓星自動車株式會社佔該平治汽車進口量達60%。

The Korean economy has been characterized by a strong export sector and relatively weak domestic demand. However, recent signs indicate a strengthening in domestic demand. The Korean import car market grew from 10,660 to 12,930, representing an increase of 21% on the corresponding period last year. Mercedes-Benz achieved a 14% share of this imported vehicle market with the Group's subsidiary, Han Sung Motors Co Ltd contributing 60% of the Mercedes-Benz volume.

本公司之銷售數量增長19%，總營業額增長16%，部份乃受惠於上年政府之減稅政策，發動機氣缸容量在2000cc及以下之進口汽車之消費稅由5%降至4%，而氣缸容量2000cc以上者則由10%降至8%，而減稅期現已延至二零零五年十二月三十一日。此外，隨著去年啟用大峙的全新陳列室，銷售數量有所上升。承著二十週年誌慶，本公司積極展開宣傳活動，銷售數量得以增加，亦提高品牌知名度及售後服務。

預期推出之平治S-Class新型號可刺激下半年之銷售數量。

樓高七層之保時捷大樓已於近日開業，並已提升品牌知名度。以上各項加上保時捷管理團隊之整固及Cayman之推出，預期均會促使保時捷汽車在韓國市場迅速增長。

越南

越南新市場之需求量持續上升，而本集團已在胡志明市開設其首家平治經銷商及一間提供銷售、零件及服務之「星徽理念」設施。本集團期望於本年度下半年錄得更高銷量。

機械部

本集團之機械部為全球其中一間最大之液壓挖掘機經銷商，經銷一系列卡特彼勒產品。

中國

營業額較二零零四年同期增長3%。增長放緩反映二零零四年宏觀經濟調控對基建發展之影響。機器銷量以單位計下跌11%，然而，受惠於市場對卡特彼勒融資一起推出之融資計劃反應良好，本公司所佔市場份額由12%改善至19%。發動機銷售額增長4%，而客戶支援收入錄得兩位數之增長，反映出機器數目增長及操作時間增加。

Our unit sales increased by 19% and overall turnover increased by 16%. This was contributed in part by a relaxation of Government policy last year through the reduction of Consumption taxes from 5% to 4% for imported cars with engine capacity of 2000 cc and below and from 10% to 8% for those over 2000 cc. This reduction has now been extended to 31 December 2005. Furthermore, sales volume increased with the opening of the new Daechi showroom last year and aggressive promotional activities being carried out this year in conjunction with our 20th Anniversary to maximize brand awareness and after sales.

The launch of the new Mercedes-Benz S-Class is expected to boost sales during the second half of the year.

The 7-storey Porsche Tower has recently been opened and is already enhancing brand recognition. This coupled with the consolidation of the Porsche management team and the launch of the Cayman is anticipated to result in significant growth for the Porsche brand in the Korean market.

Vietnam

Demand in the new market of Vietnam continued to rise and the Group has opened its first Mercedes-Benz dealership in Ho Chi Minh City with an integrated Autohaus facility, offering sales, parts and service capabilities. The Group looks forward to generating further sales in the latter part of the year.

Machinery Division

The Group's Machinery Division is one of the largest hydraulic excavator dealership in the world and distributes a wide range of Caterpillar products.

Mainland China

Total revenue increased 3% against the corresponding period in 2004. The reduced growth reflects the impact of the macro-economic controls during 2004 on infrastructure development. Machine sales were down 11% in unit terms, however our market share improved from 12% to 19% aided by the positive response from the market to the launch of a financing program in conjunction with Caterpillar finance. Engine sales increased by 4% and customer support revenues achieved double-digit growth reflecting the growth in the machine population and higher operating hours.

本公司持續加強客戶支援服務能力之策略，其於山東省濟寧市及臨沂市新建之兩個分公司現已運作。卡特彼勒之全球六西格瑪質量控制方案之執行工作進展順利，既達致高效率，又因服務質量改善而取得可觀收益。本公司將廣闊之網絡及優質之客戶服務能力視作主要競爭優勢。

台灣

本公司於台灣之機械業務於機械、電力系統及客戶服務部方面之收入增長強勁，此乃因本公司致力集中銷售策略，改善本公司服務能力，以及拓展及升級分公司網絡所致。位於善化之設施經已翻新，並已於新竹開設新辦事處及於台中購入一項物業以供擴展新設施。

踏入下半年，本公司已有大量訂單，而預期台灣政府推出之十項大型新基建將刺激來年之銷售。

地產部

本集團之地產部在北京及上海等主要中國城市從事地產開發及投資優質物業。

中國

中國物業市場因政府採取冷卻措施而開始呈現放緩跡象。二零零五年初推出之一系列措施包括於兩年內售出之中型物業收取5%至5.5%之營業稅，而持有任何年期之豪華物業皆收取此營業稅。購買多項物業之買家其獲批按揭比率亦減少。由於此等新政策，至本年第二季，於35個大城市之物業價格僅上升8%，而於二零零五年首季及二零零四年最後一季則分別為10%及11%。儘管出現放緩，中國主要城市物業市場之長遠前景看來強勁。

We continue with our strategy of strengthening our customer support capability with two new branches in Jining and Linyi in Shandong Province now in operation. The implementation of the 6 Sigma Caterpillar worldwide quality program is progressing well with both efficiency and service quality benefits being realized. We see the extensive network and high quality customer service capability as a key competitive advantage.

Taiwan

Our Machinery business in Taiwan has shown strong growth in revenues in the Machine, Power Systems and Customer Service Divisions being achieved through focused sales strategies, upgrading service capability and extending and upgrading the branch network. The Shanhua facility was renovated; a new office opened in Hsinchu and a property has been acquired for a new expanded facility in Taichung.

We go into the second half of the year with a strong order book and the 10 new major infrastructure projects being launched by the Taiwanese government are anticipated to drive sales into the next year.

Property Division

The Property Division of the Group is engaged in quality property development and investment in the major Chinese cities of Beijing and Shanghai.

Mainland China

The property market in Mainland China is starting to show signs of slowing down as a result of the Government's measures to cool down this sector. A series of measures were introduced at the beginning of 2005, including business tax ranging from 5% to 5.5% on mid-scale properties sold within two years and for luxury properties, the same tax rates apply regardless of the period held. Mortgage ratios were also decreased for buyers of multiple properties. As a result of these new policies, by the second quarter of the year, property prices in the 35 leading cities grew by only 8%, as compared to 10% in the first quarter of the year and 11% in the last quarter of 2004. Despite the slowdown, the long-term outlook for the property sector in Mainland China's major cities looks strong.

寶星園一期之市場反應熱烈，僅餘2個單位仍未售出。該項目乃位於北京之一項中型住宅發展項目，銷售對象為中等及高等收入社群。寶星園一期之806個車位已於二零零五年六月售罄。二期單位之預售情況十分理想，現已售出745個單位。本集團現正計劃發展該項目之第三期，可望於明年年中取得規劃證及動工許可證。

利星國際廣場乃本集團位於上海延安西路之大型住宅、商業及零售發展項目。該物業住宅部份之預售工作經已展開，市場反應非常熱烈，其中95%之單位已售出，僅餘11個單位尚未售出。該項目預計於本年年底正式落成，其銷售額將根據新訂香港會計準則第18號於所有權最終轉讓時計入二零零六年之賬目。

本公司於北京之一項大型商業發展投資項目之進展順利，預期地盤可於二零零六年年初動工。

考慮到地產業務之長期發展潛力，本集團致力在中國主要城市發展優質項目，並準備發展物業管理業務。

貿易部

本集團貿易部專門從事以木材為主之產品、手錶零件及化肥貿易，並於香港及新加坡設有業務基地。

貿易部之外銷增加30%，主要以木材為主之產品有所增長。

儘管中國木製品市場十分活躍，但市場競爭亦十分激烈。邊際利潤因油價高企令海運成本達致新高而受壓。木製成品價格持續疲弱，意味著圓木價格仍然呆滯。

在困難市況下，手錶零件之銷售疲弱。隨著香港迪士尼開幕及預期遊客數目增加，銷售額有望於本年度餘下期間回升。

Phase I of Starcrest, a mid-scale residential development in Beijing aimed at the middle and upper income groups, received warm market response and only two units remain unsold. In June 2005, the sale of 806 car park spaces at the Starcrest Phase I site was completed. Pre-sales for Phase II apartments have been excellent, with 745 units sold. Phase II is anticipated to be completed in the middle of 2006. The Group is in the planning stages for Phase III of the development and expects to obtain Planning Certificate and Construction Commencement Permits by the middle of next year.

“Lei Shing International Plaza” is the Group’s major residential, commercial and retail development on Yan An Xi Road in Shanghai. Pre-sales of the residential part of the property have commenced and very strong response has been recorded, with 95% sold and only 11 units remaining. Physical completion of the project is expected by the end of the year and the sales would be accounted for in 2006 on the transfer of ownership in accordance with the new HKAS 18.

With respect to our investment in a major commercial development in Beijing, progress is ongoing with the site is expected to be ready for construction work to begin in early 2006.

In consideration of the long-term growth potential of the property sector, the Group is committed to developing quality projects in Mainland China’s leading cities and is also looking to develop a property management business.

Trading Division

The Group’s Trading Division specializes in wood-based products, watch components and fertilizer trading and has operations based in Hong Kong and Singapore.

The Trading Division’s external sales increased by 30% with growth in wood-based products being the main contributor.

Although the wood products market was very active in Mainland China the market was very competitive. Margins were squeezed as escalating fuel prices brought ocean freight costs to unprecedented highs. The continuing weakness in prices for finished wood products has meant that round log prices remain stagnant.

Watch component sales were weak amidst difficult market conditions. With the opening of Hong Kong Disneyland and the expected growth in the number of tourists, it is anticipated that sales will pick up during the rest of this year.

馬來西亞方面因長期乾旱及嚴重缺乏種植勞工，上半年之肥料需求下跌。由於市場供過於求，預期需求及銷售於下半年仍然不明朗。

貿易情況受中國控制過熱經濟措施之負面影響，故預期下半年之增長較慢。貿易活動亦受油價上揚及全球普遍不穩情況而影響。東南亞之增長潛力仍然強勁，而本集團亦全力以赴發展該地區之業務。

金融投資及服務部

本集團金融投資及服務部之活動包括證券經紀、股票及外匯買賣、定期貸款及汽車融資業務。

證券經紀業務之表現因競爭加劇及恆生市場每日平均交易量下降而受負面打擊。

股票及外匯交易業務於上半年表現不佳，其業績受按市值大幅負調整而影響。

貸款組合繼續增加，上半年業績受惠於港元利率上升。

財務回顧

流動資金及資金來源

本集團之財政狀況保持良好。於二零零五年六月三十日，本集團股東權益由二零零四年十二月三十一日之5,023,000,000港元增加至5,181,000,000港元。

於二零零五年六月三十日，本集團之銀行信貸總額為7,836,000,000港元（二零零四年十二月三十一日：7,947,000,000港元），而定期貸款則達1,570,000,000港元（二零零四年十二月三十一日：1,882,000,000港元）。期內借貸減少反映營運資金（尤其是指中國之存貨）減少，惟已被因拓展業務而持續進行之投資及資本支出所抵銷。本集團具備充足財務資源及足夠銀行信貸，以應付持續營運所需，包括應付二零零五年下半年之資本支出。

Demand for fertilizers dropped in the first half of the year due to a prolonged period of drought and an acute shortage of plantation labourers in Malaysia. With considerable oversupply in the market, demand and sales are expected to remain lacklustre for the second half.

Trading conditions have been adversely impacted by Mainland China's measures to correct its overheated economy and slower growth is expected in the second half of the year. Trading activities have also been affected by the rising oil prices and general global instability. The potential for growth in South East Asia remains strong and considerable effort is being put into growing our business in this region.

Financial Investment and Services Division

The Group's Financial Investment and Services Division activity encompasses securities brokerage, share and foreign exchange trading, term loan and automobile financing.

Performance in the securities brokerage business has been adversely impacted by increased competition and by low daily average volumes for the Hang Seng market.

The share and foreign exchange trading activity had a poor first half with results impacted by significant negative mark to market adjustments.

The loan portfolio continues to grow and first half results benefited from increasing HKD interest rates.

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group's financial position remains sound. At 30 June 2005, the Group's shareholders' funds increased to HK\$5,181 million as compared to HK\$5,023 million at 31 December 2004.

At 30 June 2005, the Group's total banking facilities stood at HK\$7,836 million (31 December 2004: HK\$7,947 million) of which term loans amounted to HK\$1,570 million (31 December 2004: HK\$1,882 million). The reduction in borrowings for the period reflected a reduction in working capital, particularly on inventory in Mainland China, offset by ongoing investment and capital expenditure for business expansion. The Group has sufficient financial resources and adequate banking facilities to fund its ongoing operations, including capital expenditure in the second half of 2005.

本集團定期貸款之還款期如下：

一年內	593,000,000港元
第二年	180,000,000港元
第三年至第五年 (首尾兩年 包括在內)	632,000,000港元
五年以上	165,000,000港元

The maturity profiles of the Group's term loans are:

Within one year	HK\$593 million
In the second year	HK\$180 million
In the third to fifth years, inclusive	HK\$632 million
Beyond five years	HK\$165 million

負債比率

於二零零五年六月三十日，本集團之負債比率（總負債與股東權益之比率）為61%，較於二零零四年十二月三十一日之65%有所下降，原因是營運資金大幅減少。截至二零零五年六月三十日止期間，除利息、稅項、折舊及攤銷前溢利（包括共同控權合資企業及聯營公司業績）與財務費用之比例為3.5倍（截至二零零四年六月三十日止期間為6.8倍）。

Gearing

At 30 June 2005, the Group's gearing ratio measured on the basis of total debts to equity was 61% against 65% at 31 December 2004 with the reduction due to significant reductions in working capital. Finance costs for the period ended 30 June 2005 were covered 3.5 times by EBITDA (including the jointly-controlled entity and associates' results) as compared to 6.8 times for the period ended 30 June 2004.

股本架構

於本期間，因本公司認股權證獲行使，據此本公司按行使價每股3港元發行11,000,000股普通股每股面值1港元，並收取總現金代價為33,000,000港元（未計費用）。

Capital Structure

During the period, 11,000,000 ordinary shares of HK\$1 each were issued for cash at an exercise price of HK\$3 per share pursuant to the exercise of the Company's warrants for a total cash consideration, before expenses, of HK\$33 million.

利率及外匯風險

本集團之融資及財務活動均由總部庫務部集中監控。庫務部會整合其資產及負債以配合借貸年期。本集團亦會通過配對支出及收入之外匯貨幣及購入遠期合約，透過對沖機制（如適用）對沖匯率波動對其貿易及經銷業務之風險。

Interest Rates and Foreign Currency Exposure

The Group's financing and treasury activities are monitored by a Central Treasury at the corporate level. The Central Treasury structures to match the tenure of its borrowings with its assets and liabilities. The Group also aims to minimise its risks of currency exposure in its Trading and Distribution businesses by matching the currency of importing with the selling currency and buying forward, through hedging mechanisms, where appropriate.

展望

展望將來，本集團對其所有核心業務之前景充滿信心。繼中國政府推出之汽車品牌銷售管理實施辦法，本集團正積極將中國之汽車部業務重新定位為零售業務，並與DaimlerChrysler合作，將本集團區域經銷業務之營運轉為新總經銷商。綜觀本集團之整體汽車業務，本集團深信新推出之產品，尤其是S-Class新型號，將會提升本集團之業務表現及市場地位。

機械部於中國及台灣市場的定位均屬適當。機械部前景美好正由於其持續擴展服務網絡、透過訓練計劃及革新銷售以提升服務和提高銷售能力。

同樣，配合在主要城市之現有計劃，本集團在中國房地產市場之定位亦適當。

中國的良好經濟增長及穩定的政治環境將有利於商業投資及消費需求，在政府推行宏觀調控政策下，經濟將以更有控制的步伐增長。本集團將謹慎選擇新項目，但未來亦會在中國審慎地進行投資，尤其是汽車、地產及機械業務。

此外，本集團正於亞洲尋求擴充核心業務的機會。

對內而言，本集團定期檢討其運作程序，以便精簡、改進及提升各項系統及人力資源。本集團認為二零零五年餘下月份將充滿挑戰。董事會深信本集團具備財政及其他所需資源以應付未來的挑戰。

PROSPECTS

Looking forward the Group is optimistic on the prospects for all its core businesses. Within the Automobile Division, in Mainland China, further to the PRC Government's new Brand Management Policy, we are proactively re-positioning the business as a retail business and working closely with DaimlerChrysler on the transfer of the operations of our Regional Distribution businesses to the new General Distributor. Across all our Automobile operations we are confident that new product launches, particularly the new S-Class will enhance our performance and market position.

The Machinery Division is well positioned in both the PRC and Taiwan markets. Outlook for this Division is promising as we continue to expand our service network, enhance our service and sales capabilities with training programs and innovative sales.

Similarly, we are well positioned in the Chinese Property market with our existing projects in the major cities.

Mainland China's positive economic growth and political stability will support business investments and consumer demand, albeit at a more controlled pace with the Government's macro-economic measures in place. The Group will be cautious on new projects but will continue to invest prudently in Mainland China for the future, particularly in the automobile, property and machinery businesses.

In addition, the Group is looking at prospects within Asia for the expansion of its core businesses.

Internally, the Group conducts periodic reviews on its processes to streamline, improve and upgrade its systems and human resource. The remaining months of 2005 will prove to be challenging for the Group. The Board remains confident that the Group has the resources, financial and otherwise, to face these challenging times.

僱員政策

本集團擁有專業及優秀之員工，並向僱員提供具競爭力之薪酬組合，以吸引及保留優質僱員，此乃維持本集團持續成功發展之重要元素。本集團之政策乃確保僱員工能因應表現及公司業績獲得獎勵，而有關獎勵則具市場競爭力。本集團會衡量本集團薪酬政策，以確保它具競爭力。本集團在每年檢討薪酬時更會因應各員工之表現與貢獻發放花紅。本集團亦會提供附加福利，包括醫療保險及按僱員之選擇提供強制性公積金以外之退休福利計劃。本集團亦積極培訓及發展各階層員工，以確保員工具備必要之技術及知識專業地履行其職務。

董事於股份及相關股份之權益

於二零零五年六月三十日，各董事於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股本及相關股份中，擁有根據證券及期貨條例第352條須登記於本公司存置之登記冊或根據上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益如下：

1. 本公司普通股之好倉

EMPLOYMENT POLICY

The Group has a professional and motivated workforce. It provides competitive remuneration packages to attract and retain the high quality employees that are an important ingredient in its continuing success. The Group's policy is to ensure rewards levels are market competitive. We evaluate our remuneration policies to ensure they are competitive. As part of an annual review of remuneration, we pay a discretionary bonus that reflects the performance and contribution of each staff member. The Group also provides additional benefits including medical insurance and, if any employee so chooses, an alternative retirement benefit scheme to the Mandatory Provident Fund. The Group is also active in training and development at all levels to ensure employees have the necessary skills and knowledge to fulfill their responsibilities in a professional manner.

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 30 June 2005, the interests of the directors in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

1. Long position in ordinary shares of the Company

董事姓名 Name of director	所持有股份數目、身份及權益性質 Number of shares held, capacity and nature of interest				總計 Total	估本公司 已發行 股本百分比 Percentage of the Company's issued share capital
	直接實益 擁有 Directly beneficially owned	透過配偶或 未成年 子女持有 Through spouse or minor children	透過受控制 公司持有 Through controlled corporation	信託受益人 Beneficiary of a trust		
林宜穎 Lim Mooi Ying, Marianne	-	-	60,000	-	60,000	0.006

附註

Note

2. 本公司認股權證之好倉

2. Long position in warrants of the Company

董事姓名 Name of director	直接實益擁有 Directly beneficially owned	所持有認股權證數目、身份及權益性質 Number of warrants held, capacity and nature of interest			信託受益人 Beneficiary of a trust
		透過配偶或 未成年 子女持有 Through spouse or minor children	透過受控制 公司持有 Through controlled corporation		
林宜穎 Lim Mooi Ying, Marianne	附註 Note	-	-	12,000	-

附註：該等普通股及認股權證之公司權益由Westwood Management Limited 持有，而林宜穎女士為該公司之控權股東。

Note: The corporate interests in these shares and warrants are held through Westwood Management Limited, of which Ms Lim Mooi Ying, Marianne is a controlling shareholder.

3. 購股權計劃

3. Share option scheme

本公司於一九九七年六月二十五日採納之購股權計劃（「該計劃」）已於二零零二年六月二十四日屆滿。雖然不會根據該計劃進一步授出購股權，惟其所有條款對規管先前授出之所有購股權之行使仍然有效。該計劃之條款已於本公司之二零零四年年報中披露，本公司已根據計劃向若干董事及僱員授出購股權以認購本公司股份。截至二零零五年六月三十日止六個月期間，授出購股權之詳情及尚未行使購股權變動之概況載於下文：

The share option scheme (the "Scheme") of the Company, being adopted on 25 June 1997, expired on 24 June 2002. Despite the fact that no further options may be granted under the Scheme, all its terms will remain in force to govern the exercise of all options previously granted. The terms of the Scheme were disclosed in the Company's 2004 Annual Report. The Company has granted certain directors and employees of the Company options under the Scheme to subscribe for shares of the Company. Details of the grant of share options and a summary of the movements of the outstanding share options during the six months ended 30 June 2005 are set out below:

董事於股份及相關股份之權益 (續)

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES (continued)

3. 購股權計劃 (續)

3. Share option scheme (continued)

參與者姓名或類別 Name or category of participant	購股權數目 Number of share options			授出 購股權之日期 Date of grant of share options	購股權之行使期 Exercise period of share options	購股權行使價 Exercise price of share options 港元 HK\$	於授出日 公司之股價 Price of the Company's shares at grant date of options 港元 HK\$
	二零零五年 一月一日 At 1 January 2005	期內失效 Lapsed during the period	二零零五年 六月三十日 At 30 June 2005				
董事 Directors							
顏健生 GAN Khian Seng	500,000 200,000	-	500,000 200,000	2-8-1997 24-1-1998	1-9-1999 to 31-8-2007 31-1-2000 to 30-1-2008	5.89 6.00	7.75 7.45
楊富山太平紳士 YONG Foo San, JP	500,000 200,000	-	500,000 200,000	2-8-1997 24-1-1998	21-8-1999 to 20-8-2007 27-1-2000 to 26-1-2008	5.89 6.00	7.75 7.45
韓福客 HARMS Volker Josef Eckehard	500,000 200,000	-	500,000 200,000	2-8-1997 24-1-1998	2-8-1999 to 1-8-2007 24-1-2000 to 23-1-2008	5.89 6.00	7.75 7.45
林宜穎 LIM Mooi Ying, Marianne	500,000 200,000	-	500,000 200,000	2-8-1997 24-1-1998	2-8-1999 to 1-8-2007 27-1-2000 to 26-1-2008	5.89 6.00	7.75 7.45
	<u>2,800,000</u>	<u>-</u>	<u>2,800,000</u>				
其他僱員總額 Other employees in aggregate	3,105,000 2,146,000	-	3,105,000 2,146,000	2-8-1997 24-1-1998	(附註) (Note) (附註) (Note)	5.89 6.00	7.75 7.45
	<u>5,251,000</u>	<u>-</u>	<u>5,251,000</u>				
	<u>8,051,000</u>	<u>-</u>	<u>8,051,000</u>				

附註：授出之購股權可由持有人按計劃條款，於授出並視為接納日的第二週年起計八年內隨時行使。

Note: The granted share options may be exercised at any time during the period of eight years from the second anniversary of the date on which the share option is deemed to be granted and accepted by the holders in accordance with the provisions of the Scheme.

除上文所披露者外，於二零零五年六月三十日，概無董事在本公司或其任何相聯法團之股份或相關股份中擁有任何根據證券及期貨條例第352條規定須登記於該條所指之登記冊或任何根據標準守則須知會本公司及聯交所之權益。

Save as disclosed above, as at 30 June 2005, none of the directors had registered an interest in the shares and underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事購買股份或債券之權利

除上文「董事於股份及相關股份之權益」一節所披露者外，於本期間任何時間，董事概無透過購入授予任何董事或彼等各自配偶或未成年子女之本公司股份或債券而獲得利益之權利，亦無已由彼等行使之任何該等權利，或本公司或其任何附屬公司為任何安排致使董事於任何其他法團中獲得該等權利。

主要股東於股份及相關股份之權益

於二零零五年六月三十日，遵照證券及期貨條例第336條而保存之權益登記冊所載，下列股東於本公司已發行股本、購股權及認股權證中擁有5%或以上之權益：

好倉

名稱 Name	身份及 權益性質 Capacity and nature of interest	持有 普通股數目 Number of ordinary shares held	估本公司 已發行	持有認股 權證數目 Number of warrants held
			股份百分比 Percentage of the Company's issued share capital	
Victon Investment Limited	實益擁有人 Beneficially owned	235,282,761	22	47,056,551
Amerdale Investments Limited	實益擁有人 Beneficially owned	205,271,883	19	-

除上文所披露者及已載於上節「董事於股份及相關股份之權益」內之一位公司董事權益外，於二零零五年六月三十日，並無任何人士需按證券及期貨條例第336條所規定，而曾經登記擁有本公司股份或相關股份之權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading "Directors' interests in shares and underlying shares" above, at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 30 June 2005, the following interests of 5% or more of the issued share capital and warrants of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions

Save as disclosed above, as at 30 June 2005, no person, other than a director of the Company, whose interests are set out in the section "Directors' interests in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

購買、贖回或出售本公司上市證券

本公司或其附屬公司概無於回顧期內購買、贖回或出售本公司之上市證券。

企業管治常規守則

本公司董事認為，除以下所述之偏離外，本公司於截至二零零五年六月三十日止六個月期間均一直遵守香港聯合交易所有限公司上市規則附錄十四《企業管治常規守規》（「企業管治守則」）中列明之守則條文：

(1) 守則條文A.2.1

此守則規定董事長及行政總裁的角色應有區別，不應由一人同時兼任。

董事長與行政總裁之角色由顏健生先生同時兼任，顏先生於一九九六年二月二十二日加入本公司董事會及自二零零二年四月八日起被任命為本公司董事總經理，顏先生並全面負責本公司的整體管理工作。董事認為，由於本公司為控股公司，其附屬公司負責所有主要營運及管理工作，故此無須清楚界定董事長與行政總裁之間職責的分工。董事會相信此架構有助於建立穩健而一致的領導權，使本公司能夠迅速及有效地作出及實施各項決定。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period under review.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the directors, the Company complied with the code provisions of the Code on Corporate Governance Practices (the "Corporate Governance Code"), as set out in Appendix 14 of the Listing Rules of the Stock Exchange of Hong Kong Limited during the six months ended 30 June 2005, except for the following deviations:

(1) Code Provision A.2.1

This Code stipulates that the role of chairman and chief executive officer should be separate and should not be performed by the same individual.

The roles of the chairman and chief executive officer have been performed by Mr Gan Khian Seng ("Mr Gan"). Mr Gan joined the Board on 22 February 1996 and he has been appointed as the Managing Director of the Company since 8 April 2002. Mr Gan is in charge of the overall management of the Company. In the opinion of the directors, as the Company is a holding company with all substantial operational and managerial work performed by its subsidiaries, the division of responsibilities between the chairman and the chief executive officer is not necessary. The Board believes that this structure is conducive to strong and consistent leadership and enables the Company to make and implement decisions promptly and efficiently.

企業管治常規守則 (續)**CODE ON CORPORATE GOVERNANCE PRACTICES**

(continued)

(2) 守則條文A.4.1

此守則規定非執行董事的委任應有指定任期，並須接受重新選舉。

本公司非執行董事的任期與其他董事一樣，均無特定任期，並根據本公司之組織章程細則規定，須輪值退任並須接受重新選舉。在每一屆的股東週年大會上，當時董事人數的三份之一，若董事人數並非三或三的倍數，則取其接近者應退任。

(2) Code Provision A.4.1

This Code stipulates that non-executive directors should be appointed for a specific term and subject to re-election.

The term of office for non-executive directors are the same as for all directors, that is, no specific term and subject to retirement from office by rotation and be eligible for re-election in accordance with the provisions of the Company's articles of association. At each Annual General Meeting, 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 to one-third, shall retire from office.

(3) 守則條文B.1.1

此守則規定公司應成立薪酬委員會，並具備界定之職責範圍。

本公司於二零零五年九月二十二日之中期董事會會議通過後方始成立薪酬委員會。

(3) Code Provision B.1.1

This Code stipulates that the Company should establish a remuneration committee with specific terms of reference.

The Company has established a remuneration committee only after the Interim Board Meeting on 22 September 2005.

薪酬委員會

本公司已根據企業管治守則規定，於二零零五年九月二十二日成立薪酬委員會。薪酬委員會由兩名獨立非執行董事，馮家彬先生、萬浩邦先生及一名非執行董事楊岳明先生組成。馮家彬先生出任薪酬委員會主席。薪酬委員會之職責包括就本公司董事及高級管理人員之薪酬政策向董事會提出建議，並參照董事會不時通過之公司目標，檢討及釐定全體執行董事和高級管理人員之薪酬。

REMUNERATION COMMITTEE

A Remuneration Committee has been established by the Board of the Company on 22 September 2005 in accordance with the requirements of the Corporate Governance Code. The Remuneration Committee comprises two independent non-executive directors, namely Mr Fung Ka Pun and Mr Hubert Meier and one non-executive director, Mr Victor Yang. Mr Fung Ka Pun is the Chairman of the Remuneration Committee. The Remuneration Committee is responsible for advising the Board on the remuneration policy of the Company's directors and senior management, as well as reviewing and determining the remuneration of all executive directors and senior management with reference to the Company's objective from time to time.

提名委員會

本公司已根據企業管治守則規定於二零零五年九月二十二日成立提名委員會，提名委員會由兩名獨立非執行董事，馮家彬先生、萬浩邦先生及一名非執行董事楊岳明先生組成。馮家彬先生出任提名委員會主席。

證券交易之標準守則

本公司已採納了標準守則作為本公司有關董事買賣本公司證券的守則。根據本公司對董事作出之特定查詢，各董事於本中期報告會計期間一直遵守標準守則的規定。

結算日後事項

林光宇先生於二零零五年八月四日由本公司之執行董事改任為非執行董事。傅耀生先生於二零零五年九月二十二日獲委任為本公司之執行董事。

審核委員會

本公司董事會已成立審核委員會，以履行檢討及監察本公司財務匯報程式及內部監控之職責。審核委員會已會同管理層審閱本集團採用之會計準則及慣例，並已討論有關審核、內部監控及財務報告事項，包括審閱截至二零零五年六月三十日止六個月期間之未經審核中期財務報表。本公司審核委員會現由本公司兩位獨立非執行董事，馮家彬先生、萬浩邦先生及一位非執行董事楊岳明先生組成。馮家彬先生為審核委員會主席。

承董事會命

公司秘書

林宜穎

香港，二零零五年九月二十二日

於本報告日期，本公司之執行董事為顏健生先生、楊富山先生、韓福客先生、林宜穎女士及傅耀生先生，非執行董事為 Mr. Christopher Patrick Langley、楊岳明先生及林光宇先生，獨立非執行董事為馮家彬先生、萬浩邦先生及史亞倫先生。

NOMINATION COMMITTEE

A Nomination Committee has been established by the Board of the Company on 22 September 2005 in accordance with the requirements of the Corporate Governance Code. The Nomination Committee comprises two independent non-executive directors, namely Mr Fung Ka Pun and Mr Hubert Meier and one non-executive director, Mr Victor Yang. Mr Fung Ka Pun is the Chairman of the Nomination Committee.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, the directors have complied with the required standard set out in the Model Code throughout the accounting period covered by the interim report.

POST BALANCE SHEET EVENT

Mr Lam Kwong Yu has been re-designated from an Executive Director to a Non-Executive Director of the Company with effect from 4 August 2005. Mr Poh Yeow Kim Lawrence has been appointed as an Executive Director of the Company with effect from 22 September 2005.

AUDIT COMMITTEE

The Board of the Company has formed an Audit Committee to review and monitor the financial reporting process and internal control of the Company. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including the review of the unaudited interim financial statements for the six months ended 30 June 2005. The Audit Committee of the Company currently comprises two independent non-executive directors, Mr Fung Ka Pun and Mr Hubert Meier and one non-executive director, Mr Victor Yang. Mr Fung Ka Pun is the Chairman of the Audit Committee.

By Order of the Board

Lim Mooi Ying, Marianne

Company Secretary

Hong Kong, 22 September 2005

As at the date of this report, the Executive Directors of the Company are Mr Gan Khian Seng, Mr Yong Foo San, Mr Volker Josef Eckehard Harms, Ms Lim Mooi Ying, Marianne and Mr Poh Yeow Kim Lawrence. The Non-Executive Directors are Mr Christopher Patrick Langley, Mr Victor Yang and Mr Lam Kwong Yu. The Independent Non-Executive Directors are Mr Fung Ka Pun, Mr Hubert Meier and Mr Alan Howard Smith.

