

## CHAIRMAN'S STATEMENT

I am pleased to present to shareholders the interim report and condensed consolidated financial statements of ITC Corporation Limited (the "Company") and its subsidiaries (together with the Company, the "Group") for the six months ended 30th September, 2005.

## INTERIM DIVIDEND

The board of directors of the Company (the "Board") has resolved to pay an interim dividend of 1.5 cents per ordinary share for the six months ended 30th September, 2005 (2004: 1 cent) to holders of ordinary shares whose names appear on the register of holders of ordinary shares of the Company as at the close of business on 18th January, 2006. The interim dividend is expected to be paid to holders of ordinary shares of the Company by post on or around 17th February, 2006.

## CLOSE OF REGISTER OF HOLDERS OF ORDINARY SHARES

The register of holders of ordinary shares of the Company will be closed from 16th January, 2006 to 18th January, 2006, both days inclusive, during which period no ordinary share transfer shall be effected. In order to qualify for the interim dividend, all transfers of ordinary shares accompanied by the relevant share certificates must be lodged with the Company's share registrars in Hong Kong, Secretaries Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong (with effect from 3rd January, 2006, the address of Secretaries Limited will be relocated to 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong) for registration by no later than 4:00 p.m. on 13th January, 2006.

## RESULTS AND FINANCIAL HIGHLIGHTS

The results and financial position of the Group for the period under review are summarised in the table below:

Results	Notes	Six months ended		Percentage change
		30/9/2005	30/9/2004 (Restated)	
		截至九月三十日止六個月		
業績	附註	二零零五年	二零零四年 (經重列)	百分比變動
Consolidated turnover from continuing operations (HK\$'million)	a	42.8	47.3	-9.5%
持續經營業務之綜合營業額(百萬港元)				
Gross Profit (HK\$'million)	b	13.9	45.8	-69.7%
毛利(百萬港元)				
Profit (loss) attributable to equity holders (HK\$'million)	c	91.7	(3.6)	N/A
股權持有人應佔溢利(虧損)(百萬港元)				不適用
Basic earnings (loss) per ordinary share (HK cents)	c	8.6	(2.0)	N/A
每股普通股基本盈利(虧損)(港仙)				不適用

## 主席報告

本人欣然向股東提呈德祥企業集團有限公司(「本公司」)及其附屬公司(連同本公司,「本集團」)截至二零零五年九月三十日止六個月之中期報告及簡明綜合財務報表。

## 中期股息

本公司董事局(「董事局」)已決議向於二零零六年一月十八日辦公時間結束時名列本公司普通股股東名冊之普通股股東派付截至二零零五年九月三十日止六個月之中期股息每股普通股港幣1.5仙(二零零四年:港幣1仙)。中期股息預計於二零零六年二月十七日左右以郵寄方式向本公司之普通股股東派付。

## 暫停辦理普通股股東登記手續

本公司將於二零零六年一月十六日至二零零六年一月十八日(包括首尾兩日)暫停辦理本公司普通股股東登記手續,於該期間內將不會登記任何普通股股份之轉讓。如欲獲派中期股息,所有普通股過戶文件連同有關股票,最遲須於二零零六年一月十三日下午四時前交回本公司之香港股份過戶登記處秘書商業服務有限公司以供登記,地址為香港灣仔告士打道56號東亞銀行港灣中心地下(由二零零六年一月三日起,秘書商業服務有限公司之地址將遷往香港灣仔皇后大道東28號金鐘匯中心26樓)。

## 業績及財務概覽

本集團於回顧期之業績及財務狀況於下表概述:

Financial position	Note	As at 30/9/2005	As at 31/3/2005 (Restated)	Percentage change
財務狀況	附註	於二零零五年 九月三十日	於二零零五年 三月三十一日 (經重列)	百分比變動
Total assets (HK\$'million) 總資產 (百萬港元)		<b>2,224.0</b>	2,120.0	+4.9%
Equity attributable to equity holders (HK\$'million) 股權持有人應佔權益 (百萬港元)		<b>1,625.4</b>	1,519.7	+7.0%
Current ratio 流動比率	d	<b>3.43</b>	0.57	+501.8%

## Notes:

- (a) Despite the increase of turnover from treasury investment, the increase was fully offset by the decrease of turnover from property investment which was due to the exclusion of turnover from PYI Corporation Limited ("PYI") after the Group ceased to consolidate PYI as a subsidiary since October 2004.
- (b) Decrease mainly due to decrease in turnover and margin from property investment.
- (c) Increase mainly due to the increase in contribution from PYI.
- (d) Increase mainly due to the receipt of special dividend from PYI and net proceed receivable from disposal of 150 million shares of PYI.

## 附註：

- (a) 儘管庫務投資之營業額增加，但增幅被物業投資之營業額減少全數抵銷。原因是本集團自二零零四年十月以來不再綜合計算保華集團有限公司（「保華」）作為附屬公司之營業額。
- (b) 減少主要由於物業投資之營業額及利潤減少。
- (c) 增加主要由於保華之貢獻增加。
- (d) 增加主要由於收到保華之特別股息及因出售保華之150,000,000股股份而應收之所得款項淨額。

## REVIEW OF OPERATIONS

During the six months ended 30th September, 2005, the Group continued to hold significant interests, directly or indirectly, in a number of companies listed in Hong Kong, Canada, Singapore, U.S.A., Australia and Germany and other high potential unlisted investments pursuant to its long-term strategy of exploring potential investments in an aggressive, but cautious, manner and enhancing the value of its strategic investments by active participation in or close liaisons with the management of the investee companies of the Group.

## TRASY GOLD EX LIMITED ("Trasy")

After the close of the general offer in May 2005, the Group's interest in Trasy was increased to approximately 56.45%.

The principal business of the Trasy group is the provision and operation of an internet precious metals (including gold, silver, platinum and palladium) trading system known as the "Trasy System". Trasy also provides instant online precious metals quotations from the Trasy System and other market information through its website www.trasy.com.

Trasy has put in place a sustainable business plan for future growth of the business of the Trasy group. It is the objective of the Trasy group to continue, strengthen and grow its principal business of provision and operation of an internet precious metals trading system.

With the support of the Group, the Trasy group launched its new business development initiatives and procured a portfolio of new institutional users and high net-worth private clients of the Trasy System, and has demonstrated an immediate growth in trading volume on the Trasy System since August 2005. With the considerable progress that Trasy has made in strengthening its operation, it is anticipated that the business of the Trasy System will continue to grow progressively. Trasy has submitted information to update The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") on its latest development and is continuing to seek approval from the Hong Kong Stock Exchange for resumption of trading in its shares. For the six months ended 30th September, 2005, Trasy's after tax contribution to the Group was a loss of approximately HK\$2.0 million.

## 業務回顧

於截至二零零五年九月三十日止六個月，本集團繼續直接或間接持有香港、加拿大、新加坡、美國、澳洲及德國多間上市公司及其他具良好潛力的非上市投資項目之重大權益，此符合其長遠策略，即積極但審慎地開拓具潛力投資項目及透過積極參與本集團所投資公司的管理或與其管理層密切聯繫，以提昇其策略性投資項目之價值。

## 卓施金網有限公司（「卓施」）

於二零零五年五月全面收購建議結束後，本集團於卓施之權益增至約56.45%。

卓施集團之主要業務為提供並經營一個名為「卓施系統」之網上貴金屬（包括黃金、白銀、白金及鈀金）交易系統。卓施還透過其網站www.trasy.com提供網上卓施系統貴金屬即時報價及其他市場資訊。

卓施已開始實行一個有助其業務未來持續發展之業務計劃。卓施集團之目標為繼續加強及發展其主要業務，即提供及經營網上貴金屬交易系統。

在本集團支持下，卓施集團已展開其新業務發展計劃並成功引入一群機構性用戶及高淨資產私人客戶成為卓施系統之新用戶，並且由二零零五年八月起之卓施系統之交易量取得即時增長。鑑於卓施已在強化其業務運作方面有一定程度的進展，預期卓施系統業務將繼續逐步增長。卓施已向香港聯合交易所有限公司（「香港聯交所」）呈交資料以令其了解卓施之最新發展情況及將繼續尋求香港聯交所批准恢復其股份買賣。截至二零零五年九月三十日止六個月，卓施對本集團之除稅後貢獻為虧損約2,000,000港元。

## STRATEGIC INVESTMENTS

As at 30th September, 2005, in addition to Trasy, the Group had the following significant strategic investments:

### Listed strategic investments directly held

#### PYI

The PYI group now focuses on infrastructure investment in port facilities in China with two significant investments in bulk cargo port facilities in the Yangtze Delta. As at 30th September, 2005, PYI owns 65.2% of Paul Y. Engineering Group Limited ("Paul Y. Engineering") which engages in the provision of international engineering services. For the six months ended 30th September, 2005, PYI reported a consolidated profit of approximately HK\$149.3 million and its overall after tax contribution to the Group was a profit of approximately HK\$136.1 million. Due to the contribution of profit from PYI for the period which increased the carrying costs per share of PYI for the Group, the Group reported a loss of approximately HK\$25.7 million on the disposal of 150 million shares in PYI.

#### Hanny Holdings Limited ("Hanny")

The Hanny group is principally engaged in the trading of computer related products and consumer electronic products, the manufacturing, distribution and marketing of data storage media (primarily floppy disks, CD-R, CD-RW and DVD), the distribution and marketing of computer accessories and storage media drives, scanners, audio and video cassettes, minidisks, household electronic products and telecommunication accessories, and securities trading and properties trading. The Hanny group also made strategic investments in information technology, supply of household consumer products and other businesses. For the six months ended 30th September, 2005, Hanny reported a consolidated profit of approximately HK\$16.4 million and its overall after tax contribution to the Group was a profit of approximately HK\$3.4 million.

#### Burcon NutraScience Corporation ("Burcon")

Burcon is a research and development company developing a portfolio of composition, application and process patents around its plant protein extraction and purification technology. The goal of Burcon's research is to develop its patented process to utilise inexpensive oilseed meals for the production of purified plant proteins that exhibit valuable nutritional, functional or nutraceutical profiles. Burcon, in conjunction with Archer Daniels Midland, is currently focusing its efforts on developing the world's first commercial canola proteins, namely Puratein® and Supertein™ (the "Products"). Canola, recognised for its nutritional qualities, is the second-largest oilseed crop in the world after soybeans. Burcon's goal is to develop the Products to participate with soy, dairy and egg proteins in the expanding multi-billion-dollar protein ingredient market, with potential uses in prepared foods, nutritional supplements and personal care products. In December 2005, Burcon has been selected for inclusion in the TSX Venture 50™, the first ever ranking of the top 50 emerging public companies listed on the TSX Venture Exchange in Canada. For the six months ended 30th September, 2005, Burcon's after tax contribution to the Group was a loss of approximately HK\$2.0 million.

### Listed strategic investments indirectly held

#### Paul Y. Engineering

The Paul Y. Engineering group is an international engineering services group which has three core areas of operation: project management, construction management and facilities management.

## 策略性投資

於二零零五年九月三十日，除卓施外，本集團之重大策略性投資項目如下：

### 直接持有之上市策略性投資項目

#### 保華

保華集團現專注於中國基建業務及港口發展，並已擁有兩項位於長江三角洲的大宗散貨港口設施之重大投資。於二零零五年九月三十日，保華擁有保華建業集團有限公司（「保華建業」）之65.2%權益，其主營範疇為提供國際工程服務。於截至二零零五年九月三十日止六個月，保華錄得綜合溢利約149,300,000港元，其對本集團之整體除稅後貢獻為溢利約136,100,000港元。由於保華於期內之溢利貢獻增加本集團對每股保華股份之持有成本，本集團於出售保華之150,000,000股股份時錄得虧損約25,700,000港元。

#### 錦興集團有限公司（「錦興」）

錦興集團主要從事電腦相關產品及電子消費品貿易，生產、分銷及推廣資料儲存媒體產品（主要為電腦磁碟、一次性收錄光碟、可重寫光碟及數碼視象光碟），分銷及推廣電腦配件、儲存媒體驅動器、掃描器、影音盒帶、微型唱碟、家居電子產品及電訊配件，證券買賣及物業買賣。錦興集團亦在資訊科技、家居消費品供應及其他業務作出策略性投資。於截至二零零五年九月三十日止六個月，錦興錄得綜合溢利約16,400,000港元，其對本集團之整體除稅後貢獻則為溢利約3,400,000港元。

#### Burcon NutraScience Corporation（「Burcon」）

Burcon為一間研究開發公司，現正採用植物蛋白質淨化及提取技術發展一系列之合成、應用及加工專利權。Burcon研究之目標是自行開發利用廉宜之油籽粉以生產營養價值高、效能廣泛及有健康效果之淨化植物蛋白質之專利工序。Burcon目前聯同Archer Daniels Midland致力發展全球首種商用芥花籽蛋白質Puratein®及Supertein™（「有關產品」）。公認具備豐富營養價值之芥花籽為緊隨大豆之後世界第二產量最高之油籽穀物。Burcon之目標是以發展有關產品參與大豆、奶類及蛋類蛋白質在數以十億元計並不斷擴大之蛋白質成份市場，而有關產品更可用於預製食品、營養補充劑及個人護理產品。於二零零五年十二月，Burcon被選為TSX Venture 50™的公司之一，TSX Venture 50™為加拿大TSX Venture Exchange首次選出於其上市的最佳50間新興公眾公司。截至二零零五年九月三十日止六個月，Burcon對本集團之除稅後貢獻為虧損約2,000,000港元。

### 間接持有之上市策略性投資項目

#### 保華建業

保華建業集團為一家國際工程服務集團，核心業務涵蓋項目管理、建築管理及產業管理三大範疇。

**China Strategic Holdings Limited (“China Strategic”)**

China Strategic is an investment holding company. Through its subsidiaries, China Strategic is engaged in the business of manufacturing and trading of batteries and property investment and development in the Mainland; and through its associates engaged in manufacturing and marketing of tires in the Mainland and other countries abroad; and the business of providing package tours, travel and other related services, and hotel operation.

**PSC Corporation Ltd (“PSC”)**

The PSC group is principally engaged in manufacturing of food and other products, distribution of food and other fast moving consumer goods, logistics and franchising, healthcare consultancy and services, and education.

**China Enterprises Limited (“China Enterprises”)**

China Enterprises is an investment holding company. Through its subsidiaries, China Enterprises is engaged in the business of property investment and development in the Mainland; and has substantial interests in certain investment holding companies, the subsidiaries of which are principally engaged in the business of manufacturing and marketing of tires in the Mainland and other countries abroad and the business of providing package tours, travel and other related services, and hotel operation.

**MRI Holdings Limited (“MRI”)**

MRI, as an investment company, has continued to actively seek for suitable investment opportunities to meet the strategic goals of MRI.

**Intraco Limited (“Intraco”)**

The Intraco group focuses on four core businesses, which include commodities trading, projects, info-communications and the distribution of semiconductors.

**Wing On Travel (Holdings) Limited (“Wing On Travel”)**

Wing On Travel is an investment holding company. Its subsidiaries are principally engaged in the business of providing package tours, travel and other related services, and hotel operation including a hotel chain branded under the name of “Rosedale” in Hong Kong and the Mainland.

The Group’s interests in listed subsidiary and strategic investments are summarised below:

**Listed subsidiary and strategic investments directly held****中策集團有限公司 (「中策」)**

中策乃一家投資控股公司。透過其附屬公司，中策在大陸從事電池產銷及物業投資與發展；另透過其聯營公司在大陸及其他海外國家從事輪胎製造及推廣；以及從事提供旅行團、旅遊及其他相關服務和經營酒店。

**普威集團有限公司 (「普威」)**

普威集團主要從事食品及其他產品之製造、食品及其他快流消費產品之分銷、物流及特許經營、醫療保健與顧問服務以及教育。

**China Enterprises Limited (「China Enterprises」)**

China Enterprises為一間投資控股公司。透過其附屬公司，China Enterprises在大陸從事物業投資及發展業務；並於若干投資控股公司持有重大權益。該等投資控股公司之附屬公司主要從事在大陸及其他海外國家產銷輪胎之業務，以及從事提供旅行團、旅遊及其他相關服務和經營酒店。

**MRI Holdings Limited (「MRI」)**

MRI作為一間投資公司，一直積極物色投資良機，務求達致MRI策略性目標。

**新加坡國際貿易有限公司 (「新加坡國際貿易」)**

新加坡國際貿易集團集中發展四大核心業務，包括商品貿易、工程項目、資訊通信及半導體分銷。

**永安旅遊(控股)有限公司 (「永安旅遊」)**

永安旅遊為一間投資控股公司。其附屬公司主要從事提供旅行團、旅遊及其他相關服務，以及經營酒店，包括在香港及大陸以「珀麗」品牌經營之連鎖酒店。

本集團於上市附屬公司及策略性投資項目之權益概述如下：

**直接持有之上市附屬公司及策略性投資項目**

Name of investee company	Place of listing	Shareholding percentage	
		As at 30/9/2005	As at the date of this report
所投資公司之名稱	上市地點	於二零零五年九月三十日	於本報告刊發日期
Trasy 卓施	The Growth Enterprise Market of Hong Kong Stock Exchange 香港聯交所之創業板	56.5%	56.5%
PYI 保華	Hong Kong Stock Exchange 香港聯交所	38.9%	39.8%
Hanny 錦興	Hong Kong Stock Exchange 香港聯交所	20.5%	25.5%
Burcon	TSX Venture Exchange and Frankfurt Stock Exchange TSX Venture Exchange及 法蘭克福證券交易所	25.0%	25.8%



## Listed strategic investments indirectly held

## 間接持有之上市策略性投資項目

Name of investee company	Place of listing	Effective interest	
		As at 30/9/2005 於二零零五年 九月三十日	As at the date of this report 實際權益 於本報告 刊發日期
Paul Y. Engineering 保華建業	Hong Kong Stock Exchange 香港聯交所	25.4% (Note a) (附註a)	25.8% (Note a) (附註a)
China Strategic 中策	Hong Kong Stock Exchange 香港聯交所	17.5% (Note b) (附註b)	19.2% (Note b) (附註b)
PSC 普威	Singapore Exchange Securities Trading Limited 新加坡證券交易所	5.0% (Note c) (附註c)	6.4% (Note c) (附註c)
China Enterprises	OTC Bulletin Board, U.S.A. 美國場外交易議價板	9.6% (Note d) (附註d)	10.6% (Note d) (附註d)
MRI	Australian Stock Exchange 澳洲證券交易所	10.0% (Note d) (附註d)	11.0% (Note d) (附註d)
Intraco 新加坡國際貿易	Singapore Exchange Securities Trading Limited 新加坡證券交易所	1.5% (Note e) (附註e)	1.9% (Note e) (附註e)
Wing On Travel 永安旅遊	Hong Kong Stock Exchange 香港聯交所	2.7% (Note f) (附註f)	2.9% (Note f) (附註f)

## Notes:

- (a) The Group's interest is held through its direct interest in PYI.
- (b) The Group's interest is held through its direct interests in PYI and Hanny.
- (c) Other than the Group's direct interest of approximately 0.2%, the Group's interest is held through its direct interest in Hanny.
- (d) The Group's interest is held through its indirect interest in China Strategic.
- (e) The Group's interest is held through its indirect interest in PSC.
- (f) The Group's interest is held through its indirect interest in China Enterprises.

## 附註：

- (a) 本集團之權益透過其於保華之直接權益持有。
- (b) 本集團之權益透過其於保華及錦興之直接權益持有。
- (c) 除本集團約0.2%之直接權益外，本集團之權益透過其於錦興之直接權益持有。
- (d) 本集團之權益透過其於中策之間接權益持有。
- (e) 本集團之權益透過其於普威之間接權益持有。
- (f) 本集團之權益透過其於China Enterprises之間接權益持有。

## LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts a prudent funding and treasury policy with regard to its overall business operations. Cash, bank balances and deposits as at 30th September, 2005 amounted to approximately HK\$15.9 million. As at 30th September, 2005, the Group had bank borrowings of approximately HK\$81.6 million of which approximately HK\$19.1 million is repayable within one year or on demand. The convertible notes in an aggregate principal amount of HK\$164.5 million will be redeemed on 3rd March, 2006 (or the next following business day if it is not a business day) unless they are previously converted, redeemed or purchased and cancelled. The redeemable convertible preference shares with an aggregate redemption value of approximately HK\$283.0 million will be redeemed on 3rd November, 2007 (or the next following business day if it is not a business day) unless they are previously converted, redeemed or purchased and cancelled.

As at 30th September, 2005, all the Group's borrowings, except the redeemable convertible preference shares, are at floating interest rates and the Group's current ratio was 3.43.

## EXCHANGE RATE EXPOSURE

As at 30th September, 2005, approximately 19.4% of the cash, bank balances and deposits were in other currencies and only approximately 3.1% of the Group's total borrowings of approximately HK\$537.3 million was denominated in Canadian dollars. The Canadian dollars denominated borrowings are directly tied in with the Group's business in Canada.

## GEARING RATIO

The Group's gearing ratio, which was calculated using the Group's net borrowings of approximately HK\$521.4 million and the equity attributable to equity holders of approximately HK\$1,625.4 million, was 32.1% as at 30th September, 2005, as compared to 35.0% as at 31st March, 2005.

## PLEDGE OF ASSETS

As at 30th September, 2005, certain of the Group's properties with an aggregate carrying value of approximately HK\$142.3 million were pledged to banks and financial institutions to secure general facilities granted to the Group.

## CONTINGENT LIABILITIES

As at 30th September, 2005, the Group has contingent liabilities in respect of guarantee given to banks on general banking facilities granted to an associate and financial support given to the associate of approximately HK\$56 million and approximately HK\$9.3 million, respectively.

## EMPLOYEE AND REMUNERATION POLICY

As at 30th September, 2005, the Group employed a total of approximately 73 employees. The Group's remuneration package is structured with reference to the individual performance and the prevailing salary levels in the market. The Group also offers other benefits to employees including discretionary bonus, training, provident funds and medical coverage. Share option schemes are established for the eligible employees but no share option was granted during the period and there was no outstanding share options granted by the Company as at 30th September, 2005.

## 流動資金及財務資源

本集團在整體業務運作方面採取審慎理財政策。於二零零五年九月三十日，本集團之現金、銀行結餘及存款約為15,900,000港元。於二零零五年九月三十日，本集團之銀行借款約為81,600,000港元，其中須於一年內償還或按通知償還之借款約19,100,000港元。除非先前獲兌換、贖回或購買及註銷，否則本金額合共164,500,000港元之可換股票據將會在二零零六年三月三日（如當日並非辦公日，則在隨後之辦公日）贖回。除非先前獲兌換、贖回或購買及註銷，否則贖回價值合共約283,000,000港元之可贖回可換股優先股將會在二零零七年十一月三日（如當日並非辦公日，則在隨後之辦公日）贖回。

於二零零五年九月三十日，本集團之借款全部按浮動息率計息（可贖回可換股優先股除外），而本集團之流動比率為3.43。

## 匯兌風險

於二零零五年九月三十日，約19.4%之現金、銀行結餘及存款乃以其他國家貨幣為單位，而在本集團約537,300,000港元之借款總額中，僅有約3.1%乃以加拿大元為單位。該等加拿大元借款與本集團之加拿大業務有直接關連。

## 資產負債比率

按本集團之借款淨額約521,400,000港元及股權持有人應佔權益約1,625,400,000港元計算，本集團於二零零五年九月三十日之資產負債比率為32.1%，而於二零零五年三月三十一日之有關比率則為35.0%。

## 資產抵押

於二零零五年九月三十日，本集團賬面總值約142,300,000港元之若干物業已抵押予銀行及財務機構，為本集團取得一般信貸。

## 或然負債

於二零零五年九月三十日，本集團就授予一家聯營公司之一般銀行融資向銀行提供之擔保及授予該聯營公司之財政資助有分別約56,000,000港元及約9,300,000港元之或然負債。

## 僱員及酬金政策

於二零零五年九月三十日，本集團聘用共約73名僱員。員工酬金乃取決於員工之表現及市場當時之薪金水平。本集團亦提供其他福利予僱員，包括酌情花紅、培訓、公積金及醫療保障計劃。購股權計劃乃為合資格僱員設立，惟期內並無授出任何購股權及於二零零五年九月三十日，並沒有尚未行使之購股權。

## MAJOR EVENTS

### DISPOSAL OF SHARES IN PYI

In September 2005, the Company's wholly-owned subsidiary, Hollyfield Group Limited, disposed of 150 million shares of PYI at HK\$1.5 per share to more than six independent third parties through the placing agent. Immediately after such disposal, the Company's shareholding interest in PYI decreased from approximately 49.96% to approximately 38.92%.

In November 2005, the directors of the Company announced their intention to seek the approval of the holders of the ordinary shares for the possible disposal of up to 178 million shares of PYI, representing approximately 13.0% of the existing issued share capital of PYI, within 12 months of the shareholders' approval. Assuming that the maximum of 178 million shares of PYI are sold, the Group's shareholding interest in PYI will further decrease to approximately 26.8%. The disposal price of the aforesaid 178 million shares of PYI will be subject to a minimum price of HK\$1.5 per share.

### ACQUISITION OF SHARES IN HANNY

In October 2005, a wholly-owned subsidiary of the Company, Famex Investment Limited, has acquired 11 million shares of Hanny on market for a consideration of approximately HK\$44 million. After the acquisition, the Group's shareholding interest in Hanny increased from approximately 20.61% to approximately 25.48%.

## SECURITIES IN ISSUE

As a result of the issue of new ordinary shares under scrip dividend alternative scheme of the Company in November 2005, the total number of issued ordinary shares and issued redeemable convertible preference shares of the Company as at the date of this report are 1,074,761,815 and 266,952,000, respectively of HK\$0.10 each.

## OUTLOOK

Improving employment rate and continued growth in Gross Domestic Product reflecting the more entrenched economic recovery in Hong Kong. However, downside such as the persistently high oil price and the unpredictable outbreak of avian flu may impinge on the momentum of economic growth both locally and globally. Nevertheless, the Group is cautiously optimistic for its business operation in the second half of the financial year.

The Group aims to be leading diversified investment conglomerate that excels at investing in and maximizing returns of companies with high growth potential. Going forward, the Group will continue to strengthen its quality investments and build its asset value. To maintain a diversified and balanced strategic investment portfolio, the Group will continue to adopt an active yet prudent strategy in exploring investment opportunities with good potential of providing sustainable growth and returns for the Group. With sound financial management, the Group possesses a strong financial position to facilitate any future investments and expansions as well as to maintain a stable dividend payout. Barring unforeseen circumstances, the Group remains confident of its growth prospects.

## 重大事項

### 出售保華之股份

於二零零五年九月，本公司之全資附屬公司 Hollyfield Group Limited 已透過配售代理按每股 1.5 港元出售保華之 150,000,000 股股份予超過六名獨立第三方。緊隨該出售事項後，本公司於保華之股份權益由約 49.96% 減至約 38.92%。

於二零零五年十一月，本公司董事宣佈彼等擬尋求普通股股東批准於股東批准起計 12 個月內可能出售保華之最多 178,000,000 股股份（相當於保華之現有已發行股本約 13.0%）一事。假設出售保華之最多 178,000,000 股股份，本集團於保華之股份權益將進一步減至約 26.8%。上述保華之 178,000,000 股股份之出售最低價格為每股 1.5 港元。

### 收購錦興之股份

於二零零五年十月，本公司之全資附屬公司其威投資有限公司已在市場上收購錦興之 11,000,000 股股份，代價約為 44,000,000 港元。於收購事項後，本集團於錦興之股份權益由約 20.61% 增加至約 25.48%。

## 已發行之證券

由於根據本公司之以股代息方案而於二零零五年十一月發行之新普通股股份，於本報告刊發日期，本公司之已發行普通股總數及已發行可贖回可換股優先股分別為 1,074,761,815 股及 266,952,000 股（每股面值 0.10 港元）。

## 展望

就業率改善及本地生產總值持續增長，反映香港經濟復蘇之步伐更趨穩定。然而，油價持續高企及無法預計的禽流感爆發等負面因素或會對本地及全球之經濟增長動力造成障礙。故此，本集團對下半年度之業務經營持審慎樂觀態度。

本集團之目標是成為領先之多元化投資企業，擅於投資具有高增長潛力之公司，並使該等公司創造最高回報。未來，本集團將繼續強化其優質投資及建立其資產價值。為了維持多元化而均衡之策略性投資組合，本集團將於開拓具有良好潛力以為本集團帶來可持續增長及回報之投資機會時，繼續採納積極而審慎之策略。憑藉良好的財務管理，本集團擁有穩健的財務狀況，以配合日後進行之任何投資及擴展計劃，與此同時維持穩定之股息派付。撇除不可預見之情況，本集團對其未來增長前景充滿信心。

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30th September, 2005, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register of the Company required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules") were as follows:

### (a) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

Name of Director	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	No. of underlying shares (in respect of convertible notes (unlisted equity derivatives)) of the Company held	Approximate % of the issued ordinary share capital of the Company
董事姓名	身份	好倉／淡倉	所持本公司普通股數目	所持本公司之相關股份(有關可換股票據(非上市股本衍生工具))數目	佔本公司已發行普通股股本概約百分比
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note 1) 於受控制法團之權益(附註1)	Long position 好倉	359,681,910	-	33.55%
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	-	443,333,334 (Note 2) (附註2)	41.36%

#### Notes:

- Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was, in turn, wholly owned by Dr. Chan Kwok Keung, Charles. Dr. Chan Kwok Keung, Charles was deemed to be interested in 359,681,910 ordinary shares of the Company held by Galaxyway Investments Limited.
- Dr. Chan Kwok Keung, Charles owned convertible notes issued by the Company in an aggregate principal amount of HK\$133,000,000 carrying rights to convert into 443,333,334 ordinary shares of the Company at an initial conversion price of HK\$0.30 per ordinary share, subject to adjustment.

## 董事於股份、相關股份及債券之權益及淡倉

於二零零五年九月三十日，本公司董事及主要行政人員於本公司或任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第十五部)之股份、相關股份及債券中持有根據證券及期貨條例第352條須登記於本公司所保存登記冊內之權益及淡倉，或根據香港聯交所證券上市規則(「上市規則」)之上市發行人董事進行證券交易之標準守則(「標準守則」)而須另行知會本公司及香港聯交所之權益及淡倉如下：

### (a) 於本公司之股份、相關股份及債券之權益及淡倉

#### 附註：

- Galaxyway Investments Limited為Chinaview International Limited之全資附屬公司，而Chinaview International Limited則由陳國強博士全資擁有。陳國強博士被視為於Galaxyway Investments Limited所持之359,681,910股本公司普通股中擁有權益。
- 陳國強博士擁有由本公司發行本金總額為133,000,000港元之可換股票據，該等可換股票據附有可按初步換股價每股普通股0.30港元(可予調整)轉換成443,333,334股本公司普通股之權利。



**(b) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF TRASY****(b) 於卓施之股份、相關股份及債券之權益及淡倉**

Name of Director	Capacity	Long position/ Short position	No. of shares of Trasy held	Approximate % of the issued share capital of Trasy 佔卓施已發行 股本概約百分比
董事姓名	身份	好倉／淡倉	所持卓施股份數目	
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	1,568,681,139	56.45%

Note: The shares of Trasy were held by a wholly-owned subsidiary of the Company. By virtue of his deemed interests in approximately 33.55% of the issued ordinary share capital of the Company, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares.

附註：該等卓施股份由本公司之一間全資附屬公司持有。鑑於陳國強博士被視作擁有本公司已發行普通股股本約33.55%權益，故陳國強博士被視作擁有該等股份之權益。

**(c) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF PYI****(c) 於保華之股份、相關股份及債券之權益及淡倉**

Name of Director	Capacity	Long position/ Short position	No. of shares of PYI held	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of PYI held 所持保華之相關 股份(有關購股權 (非上市股本 衍生工具))數目	Approximate % of the issued share capital of PYI 佔保華 已發行 股本概約 百分比
董事姓名	身份	好倉／淡倉	所持保華 股份數目		
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	678,791,961	—	49.96%
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	11,840,896	—	0.87%
Cheung Hon Kit 張漢傑	Beneficial owner 實益擁有人	Long position 好倉	400	—	0.00%
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	—	13,000,000	0.96%
Chan Fut Yan 陳佛恩	Beneficial owner 實益擁有人	Long position 好倉	—	13,000,000	0.96%

Note: The shares of PYI were held by a wholly-owned subsidiary of the Company. By virtue of his deemed interests in approximately 33.55% of the issued ordinary share capital of the Company, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares.

附註：該等保華股份由本公司之一間全資附屬公司持有。鑑於陳國強博士被視作擁有本公司已發行普通股股本約33.55%權益，故陳國強博士被視作擁有該等股份之權益。

On 28th September, 2005, the Company had entered into a placing agreement to unconditionally dispose of 150,000,000 shares in PYI and the disposal of such shares was settled on 4th October, 2005.

於二零零五年九月二十八日，本公司已訂立一份配售協議，以無條件出售150,000,000股保華股份及出售該等股份已於二零零五年十月四日結算。

**(d) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF HANNY****(d) 於錦興之股份、相關股份及債券之權益及淡倉**

Name of Director	Capacity	Long position/ Short position	No. of shares of Hanny held	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of Hanny held 所持錦興之相關 股份(有關購股權 (非上市股本 衍生工具))數目	Approximate % of the issued share capital of Hanny 佔錦興 已發行 股本概約 百分比
董事姓名	身份	好倉／淡倉	所持錦興 股份數目		
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團 之權益(附註)	Long position 好倉	45,798,813	-	20.48%
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	-	5,600,000	2.50%
Chan Kwok Hung 陳國鴻	Beneficial owner 實益擁有人	Long position 好倉	-	3,350,000	1.50%

Note: The shares of Hanny were held by a wholly-owned subsidiary of the Company. By virtue of his deemed interests in approximately 33.55% of the issued ordinary share capital of the Company, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares.

附註：該等錦興股份由本公司之一間全資附屬公司持有。鑑於陳國強博士被視作擁有本公司已發行普通股股本約33.55%權益，故陳國強博士被視作擁有該等股份之權益。

**(e) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF BURCON****(e) 於BURCON之股份、相關股份及債券之權益及淡倉**

Name of Director	Capacity	Long position/ Short position	No. of shares of Burcon held	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of Burcon held 所持Burcon之相關 股份(有關購股權 (非上市股本衍生 工具))數目	Approximate % of the issued share capital of Burcon 佔Burcon 已發行 股本概約 百分比
董事姓名	身份	好倉／淡倉	所持Burcon 股份數目		
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	285,769	-	1.36%
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	-	61,000	0.29%

## (f) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF PAUL Y. ENGINEERING

## (f) 於保華建業之股份、相關股份及債券之權益及淡倉

Name of Director	Capacity	Long position/ Short position	No. of shares of Paul Y. Engineering held	No. of underlying shares (in respect of the unlisted equity derivatives) of Paul Y. Engineering held	Approximate % of the issued share capital of Paul Y. Engineering
董事姓名	身份	好倉／淡倉	所持保華建業 股份數目	所持保華建業之 相關股份(有關 非上市股本 衍生工具)數目	佔保華建業 已發行 股本概約 百分比
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	375,826,317	-	65.17%
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	-	100,000,000	17.34%

Note: The shares of Paul Y. Engineering were held by an indirect wholly-owned subsidiary of PYI of which a wholly-owned subsidiary of the Company owned approximately 38.92% of the issued share capital. PYI also directly held an interest in 100,000,000 underlying shares of Paul Y. Engineering by virtue of a loan facility pursuant to which convertible note(s) will be issued by Paul Y. Engineering, upon draw down of the facility, in the principal amount of the facility drawn. Such convertible notes are convertible into shares of Paul Y. Engineering at an initial conversion price of HK\$1.00 per share, up to a maximum aggregate principal amount of HK\$100,000,000. By virtue of his deemed interests in approximately 33.55% of the issued ordinary share capital of the Company, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares and underlying shares of Paul Y. Engineering.

附註：該等保華建業股份由保華(其已發行股本中約38.92%由本公司之一間全資附屬公司擁有)之一間間接全資附屬公司持有。保華因一項貸款融資之關係，亦直接持有保華建業之100,000,000股相關股份之權益。根據上述之貸款融資，保華建業在提用該筆貸款後將會發行本金額相等於所提取貸款之可換股票據。該等可換股票據可按初步換股價每股1.00港元兌換為保華建業之股份，本金總額最高為100,000,000港元。鑑於陳國強博士被視作擁有本公司已發行普通股股本約33.55%權益，故陳國強博士被視作擁有該等保華建業股份及相關股份之權益。

**(g) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF CHINA STRATEGIC****(g) 於中策之股份、相關股份及債券之權益及淡倉**

Name of Director	Capacity	Long position/ Short position	No. of shares of China Strategic held	Approximate % of the issued share capital of China Strategic
董事姓名	身份	好倉／淡倉	所持中策 股份數目	佔中策 已發行 股本概約 百分比
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團 之權益(附註)	Long position 好倉	258,819,795	29.36%

Note: The shares of China Strategic were held by a wholly-owned subsidiary of PYI of which a wholly-owned subsidiary of the Company owned approximately 38.92% of the issued share capital. By virtue of his deemed interests in approximately 33.55% of the issued ordinary share capital of the Company, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares.

PYI entered into a conditional share sale agreement for the disposal of 135,000,000 shares of China Strategic on 10th March, 2005. The disposal has not yet been completed as at 30th September, 2005.

Trasy, PYI, Hanny, Burcon, Paul Y. Engineering and China Strategic are associated corporations of the Company within the meaning of Part XV of the SFO.

Dr. Chan Kwok Keung, Charles was, by virtue of his deemed interest in approximately 33.55% of the issued ordinary share capital of the Company, deemed to be interested in the shares and underlying shares (in respect of equity derivatives), if any, of the associated corporations (within the meaning of Part XV of the SFO) of the Company held by the Group under Part XV of the SFO.

Save as disclosed above, as at 30th September, 2005, none of the directors and chief executives of the Company had any interests and short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

**DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Save as disclosed herein, at no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate, and none of the directors, chief executives or their spouse or children under the age of 18, had any right to subscribe for securities of the Company, or had exercised any such right during the period.

附註：該等中策股份由保華（其已發行股本約38.92%由本公司之一間全資附屬公司擁有）之一間全資附屬公司持有。鑑於陳國強博士被視作擁有本公司已發行普通股股本約33.55%權益，故陳國強博士被視作擁有該等股份之權益。

於二零零五年三月十日，保華訂立一份有條件股份銷售協議，以出售135,000,000股中策股份。截至二零零五年九月三十日止，出售事項尚未完成。

根據證券及期貨條例第十五部之定義，卓施、保華、錦興、Burcon、保華建業及中策乃本公司之相聯法團。

鑑於陳國強博士被視作擁有本公司已發行普通股股本約33.55%權益，故根據證券及期貨條例第十五部，陳國強博士被視作擁有本集團持有之本公司相聯法團（定義見證券及期貨條例第十五部）之股份及相關股份（有關股本衍生工具）（如有）之權益。

除上文所披露者外，於二零零五年九月三十日，本公司董事及主要行政人員概無於本公司或任何相聯法團（定義見證券及期貨條例第十五部）之股份、相關股份或債券中擁有根據證券及期貨條例第352條須登記於本公司所保存登記冊內之任何權益及淡倉，或根據標準守則而須另行知會本公司及香港聯交所之權益及淡倉。

**董事購買股份或債券之權利**

除本文所披露者外，本公司或其任何附屬公司於期內並無訂立任何安排，致使本公司董事可藉購買本公司或任何其他法人團體之股份或債務證券（包括債券）而獲益，而董事、主要行政人員或彼等之配偶或未滿十八歲之子女於期內概無擁有可認購本公司證券之任何權利，亦無行使任何該等權利。



## INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS/OTHER PERSONS RECORDED IN THE REGISTER KEPT UNDER SECTION 336 OF THE SFO

As at 30th September, 2005, so far as is known to the directors and the chief executives of the Company, the interests or short positions of substantial shareholders/other persons in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under section 336 of the SFO were as follows:

### (a) INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

根據證券及期貨條例第336條保存之登記冊所記錄之主要股東／其他人士之權益及淡倉

於二零零五年九月三十日，就本公司董事及主要行政人員所知，根據證券及期貨條例第336條保存之本公司登記冊所記錄之主要股東／其他人士於本公司之股份及相關股份之權益或淡倉如下：

### (a) 主要股東於本公司股份及相關股份之權益及淡倉

Name	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	No. of underlying shares (in respect of the unlisted equity derivatives) of the Company held	Approximate % of the issued ordinary share capital of the Company
姓名／名稱	身份	好倉／淡倉	所持本公司 普通股數目	所持本公司之相關 股份(有關非上市 股本衍生工具)數目	佔本公司 已發行普通股 股本概約百分比
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	359,681,910	-	33.55%
Chan Kwok Keung, Charles 陳國強	Beneficial owner (Note) 實益擁有人(附註)	Long position 好倉	-	443,333,334	41.36%
Chinaview International Limited	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	359,681,910	-	33.55%
Galaxyway Investments Limited	Beneficial owner (Note) 實益擁有人(附註)	Long position 好倉	359,681,910	-	33.55%
Ng Yuen Lan, Macy 伍婉蘭	Interest of spouse (Note) 配偶權益(附註)	Long position 好倉	359,681,910	-	33.55%
Ng Yuen Lan, Macy 伍婉蘭	Interest of spouse (Note) 配偶權益(附註)	Long position 好倉	-	443,333,334	41.36%

Note: Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was in turn wholly owned by Dr. Chan Kwok Keung, Charles. Ms. Ng Yuen Lan, Macy was the spouse of Dr. Chan Kwok Keung, Charles. Chinaview International Limited, Dr. Chan Kwok Keung, Charles and Ms. Ng Yuen Lan, Macy were deemed to be interested in the ordinary shares of the Company held by Galaxyway Investments Limited.

Dr. Chan Kwok Keung, Charles owned convertible notes issued by the Company in an aggregate principal amount of HK\$133,000,000 carrying rights to convert into 443,333,334 ordinary shares of the Company at an initial conversion price of HK\$0.30 per ordinary share, subject to adjustment. Ms. Ng Yuen Lan, Macy, being the spouse of Dr. Chan Kwok Keung, Charles, was deemed to be interested in the underlying shares (in respect of the convertible notes (unlisted equity derivatives)) held by Dr. Chan Kwok Keung, Charles.

附註：Galaxyway Investments Limited為Chinaview International Limited之一間全資附屬公司，而Chinaview International Limited則由陳國強博士全資擁有。伍婉蘭女士為陳國強博士之配偶。Chinaview International Limited、陳國強博士及伍婉蘭女士均被視作於由Galaxyway Investments Limited所持本公司之普通股中擁有權益。

陳國強博士擁有由本公司發行本金總額為133,000,000港元之可換股票據，該等可換股票據附有可按初步換股價每股普通股0.30港元（可予調整）轉換成443,333,334股本公司普通股之權利。伍婉蘭女士為陳國強博士之配偶，故被視作於由陳國強博士持有之相關股份（有關可換股票據（非上市股本衍生工具））中擁有權益。

## (b) INTERESTS AND SHORT POSITIONS OF OTHER PERSONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

## (b) 其他人士於本公司股份及相關股份之權益及淡倉

Name	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	No. of underlying shares (in respect of listed equity derivatives) of the Company held	Approximate % of the issued ordinary share capital of the Company
姓名／名稱	身份	好倉／淡倉	所持本公司 普通股數目	所持本公司之相關 股份(有關上市 股本衍生工具)數目	佔本公司 已發行普通股 股本概約百分比
CEF Holdings Limited ("CEF Holdings") 加拿大怡東集團有限 公司(「加怡集團」)	Interest of controlled corporations (Note) 於受控制法團之權益 (附註)	Long position 好倉	2,773,046	—	0.26%
CEF Holdings 加怡集團	Interest of controlled corporations (Note) 於受控制法團之權益 (附註)	Long position 好倉	—	213,015,153	19.87%
Canadian Imperial Bank of Commerce 加拿大帝國商業銀行	Interest of controlled corporations (Note) 於受控制法團之權益 (附註)	Long position 好倉	2,773,046	—	0.26%
Canadian Imperial Bank of Commerce 加拿大帝國商業銀行	Interest of controlled corporations (Note) 於受控制法團之權益 (附註)	Long position 好倉	—	213,015,153	19.87%
Cheung Kong (Holdings) Limited ("CKH") 長江實業(集團)有限 公司(「長實」)	Interest of controlled corporations (Note) 於受控制法團之權益 (附註)	Long position 好倉	2,773,046	—	0.26%
CKH 長實	Interest of controlled corporations (Note) 於受控制法團之權益 (附註)	Long position 好倉	—	213,015,153	19.87%
Li Ka-Shing Unity Trustee Company Limited ("TUT1")	Trustee (Note) 信託人(附註)	Long position 好倉	2,773,046	—	0.26%
TUT1	Trustee (Note) 信託人(附註)	Long position 好倉	—	213,015,153	19.87%
Li Ka-Shing Unity Trustee Corporation Limited ("TDT1")	Trustee & beneficiary of a trust (Note) 信託人及信託受益人 (附註)	Long position 好倉	2,773,046	—	0.26%
TDT1	Trustee & beneficiary of a trust (Note) 信託人及信託受益人 (附註)	Long position 好倉	—	213,015,153	19.87%
Li Ka-Shing Unity Trustcorp Limited ("TDT2")	Trustee & beneficiary of a trust (Note) 信託人及信託受益人 (附註)	Long position 好倉	2,773,046	—	0.26%
TDT2	Trustee & beneficiary of a trust (Note) 信託人及信託受益人 (附註)	Long position 好倉	—	213,015,153	19.87%

(b) INTERESTS AND SHORT POSITIONS OF OTHER PERSONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY  
(continued)

## (b) 其他人士於本公司股份及相關股份之權益及淡倉 (續)

Name	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	No. of underlying shares (in respect of listed equity derivatives) of the Company held	Approximate % of the issued ordinary share capital of the Company
姓名/名稱	身份	好倉/淡倉	所持本公司 普通股數目	所持本公司之相關 股份(有關上市 股本衍生工具)數目	佔本公司 已發行普通股 股本概約百分比
Li Ka-shing 李嘉誠	Interest of controlled corporations & founder of discretionary trusts (Note) 於受控制法團之權益 及全權信託之成立人 (附註)	Long position 好倉	2,773,046	—	0.26%
Li Ka-shing 李嘉誠	Interest of controlled corporations & founder of discretionary trusts (Note) 於受控制法團之權益 及全權信託之成立人 (附註)	Long position 好倉	—	213,015,153	19.87%
Deutsche Bank Aktiengesellschaft	Beneficial owner 實益擁有人	Long position 好倉	9,768,800	—	0.91%
Deutsche Bank Aktiengesellschaft	Security interest 抵押權益	Long position 好倉	44,170,000	—	4.12%

Note: The number of ordinary shares of the Company and underlying shares (in respect of listed equity derivatives) of the Company held by Asialand Investment Limited ("Asialand"), CEF (Capital Markets) Limited ("CEF Capital Markets") and Asian Resources Investment Limited ("Asian Resources") were 48,076,922, 164,938,231 and 2,773,046 respectively. CEF Capital Markets and Asian Resources were wholly owned by CEF Holdings. Asialand was wholly owned by CEF M B Investments Limited which was in turn wholly owned by CEF Holdings.

附註：由 Asialand Investment Limited (「Asialand」)、CEF (Capital Markets) Limited (「CEF Capital Markets」) 及亞洲投資有限公司 (「亞洲」) 所持本公司普通股及本公司之相關股份 (有關上市股本衍生工具) 數目分別為 48,076,922 股、164,938,231 股及 2,773,046 股。CEF Capital Markets 及亞洲由加怡集團全資擁有。Asialand 由 CEF M B Investments Limited 全資擁有，而 CEF M B Investments Limited 則由加怡集團全資擁有。

Each of CKH and CIBC Holdings (Cayman) Limited was entitled to exercise or control the exercise of one-third or more of the voting power at the general meetings of CEF Holdings. CIBC Holdings (Cayman) Limited was wholly owned by Canadian Imperial Bank of Commerce. CEF M B Investments Limited was deemed to be interested in ordinary shares and/or underlying shares (in respect of listed equity derivatives) of the Company held by Asialand. CEF Holdings, CIBC Holdings (Cayman) Limited and Canadian Imperial Bank of Commerce were all deemed to be interested in ordinary shares and underlying shares (in respect of listed equity derivatives) of the Company held by Asialand, CEF Capital Markets and Asian Resources.

長實及 CIBC Holdings (Cayman) Limited 各自有權在加怡集團之股東大會上行使或控制行使三分之一或以上之投票權。CIBC Holdings (Cayman) Limited 由加拿大帝國商業銀行全資擁有。CEF M B Investments Limited 被視為於由 Asialand 所持普通股及/或本公司之相關股份 (有關上市股本衍生工具) 中擁有權益。加怡集團、CIBC Holdings (Cayman) Limited 及加拿大帝國商業銀行被視為於由 Asialand、CEF Capital Markets 及亞洲所持普通股及本公司之相關股份 (有關上市股本衍生工具) 中擁有權益。

Li Ka-Shing Unity Holdings Limited, of which each of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard was interested in one-third of the entire issued share capital, owned the entire issued share capital of TUT1. TUT1 as trustee of The Li Ka-Shing Unity Trust, together with certain companies which TUT1 as trustee of The Li Ka-Shing Unity Trust was entitled to exercise or control the exercise of more than one-third of the voting power at their general meetings, held more than one-third of the issued share capital of CKH.

Li Ka-Shing Unity Holdings Limited (由李嘉誠先生、李澤鉅先生及李澤楷先生各自擁有其三分之一全部已發行股本) 擁有 TUT1 之全部已發行股本。TUT1 作為 The Li Ka-Shing Unity Trust 之信託人連同若干公司 (其中 TUT1 作為 The Li Ka-Shing Unity Trust 之信託人有權於彼等之股東大會上行使或控制行使三分之一以上之投票權) 合共持有長實三分之一以上之已發行股本。

**(b) INTERESTS AND SHORT POSITIONS OF OTHER PERSONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY**  
(continued)

Note: (continued)

In addition, Li Ka-Shing Unity Holdings Limited also owned the entire issued share capital of TDT1 as trustee of The Li Ka-Shing Unity Discretionary Trust ("DT1") and TDT2 as trustee of another discretionary trust ("DT2"). Each of TDT1 and TDT2 held units in The Li Ka-Shing Unity Trust.

By virtue of the SFO, each of Mr. Li Ka-shing being the settlor and may be regarded as a founder of each of DT1 and DT2 for the purpose of the SFO, CKH, TUT1, TDT1 and TDT2 were deemed to be interested in ordinary shares and underlying shares (in respect of listed equity derivatives) of the Company held by Asialand, CEF Capital Markets and Asian Resources.

Save as disclosed above, no other parties were recorded in the register of the Company required to be kept under section 336 of the SFO as having interests or short positions in the shares or underlying shares of the Company as at 30th September, 2005.

**DISCLOSURE PURSUANT TO RULES 13.20 AND 13.22 OF THE LISTING RULES**

The following disclosure is made by the Company pursuant to Rules 13.20 and 13.22 of the Listing Rules:

**(1) ADVANCES TO ENTITIES**

Pursuant to Rule 13.20 of the Listing Rules, the details of the advances ("Advances") to and trading balances due from the entities as at 30th September, 2005 which individually exceeded 8% of one or more of the relevant percentage ratios as set out in the Rule 14.07 of the Listing Rules are as follows:

Entities	Amount of Advances HK\$'000	Interest rate	Amount of Guarantee HK\$'000	Amount of trading balances (Note 1) HK\$'000	Total HK\$'000	Percentage of Total Assets (Note 2)	Percentage of Market Capitalisation (Note 3)
實體	貸款金額 千港元	貸款之利率	擔保額 千港元	貿易結餘金額 (附註1) 千港元	總計 千港元	佔總資產之百分比 (附註2)	佔市值之百分比 (附註3)
Hanny, its subsidiaries and affiliated companies (Notes 4 & 7) 錦興、其附屬公司及聯屬公司 (附註4及7)	123,341	Prime rate + 2% 最優惠利率加2厘	-	664	124,005	5.6%	21.0%
Wing On Travel, its subsidiaries and affiliated companies, excluding Apex Quality Group Limited ("Apex") (Notes 5 & 7) 永安旅遊、其附屬公司及聯屬公司 (不包括Apex Quality Group Limited ("Apex")) (附註5及7)	32,490	Prime rate + 2% 最優惠利率加2厘	-	-	32,490	1.5%	5.5%
Apex, its subsidiaries and its affiliated companies (Note 7) Apex、其附屬公司及其聯屬公司 (附註7)	89,347	Prime rate + 2% 最優惠利率加2厘	-	901	90,248	4.1%	15.3%
Central Town Limited ("Central Town") (Notes 6 & 8) 滙中興業有限公司(「滙中興業」) (附註6及8)	27,713	-	56,000	-	83,713	3.8%	14.2%

**(b) 其他人士於本公司股份及相關股份之權益及淡倉(續)**

附註：(續)

此外，Li Ka-Shing Unity Holdings Limited亦擁有TDT1(作為The Li Ka-Shing Unity Discretionary Trust ("DT1")之信託人)及TDT2(作為另一個全權信託("DT2")之信託人)之全部已發行股本。TDT1及TDT2各自持有The Li Ka-Shing Unity Trust之單位。

根據證券及期貨條例，李嘉誠先生(作為財產授予人以及就證券及期貨條例而言可能被視為DT1及DT2各自之成立人)、長實、TUT1、TDT1及TDT2各自被視為由Asialand、CEF Capital Markets及亞源所持普通股及本公司之相關股份(有關上市股本衍生工具)中擁有權益。

除上文所披露者外，於二零零五年九月三十日，根據證券及期貨條例第336條本公司須保存之登記冊所記錄，概無其他人士擁有本公司之股份或相關股份之權益或淡倉。

**上市規則第13.20及13.22條規定之披露**

本公司茲根據上市規則第13.20及13.22條作出以下披露：

**(1) 向實體提供貸款**

根據上市規則第13.20條，於二零零五年九月三十日，有關本集團向實體提供貸款(「貸款」)及應收實體之貿易結餘，該等貸款及結餘個別均超逾上市規則第14.07條所載之一個或以上之有關百分比比率之8%，詳情如下：



**(1) ADVANCES TO ENTITIES** (continued)

Notes:

- All of the trade balances are interest free.
- "Total Assets" means the total assets of the Group of HK\$2,224.0 million as at 30th September, 2005 according to the Group's consolidated balance sheet as at 30th September, 2005.
- "Market Capitalisation" is the average closing price of the Company as stated in the daily quotation sheets of the Hong Kong Stock Exchange for the five business days immediately preceding 30th September, 2005.
- Hanny is owned as to 20.5% by the Company as at 30th September, 2005.
- Wing On Travel owns 67.9% of Apex as at 30th September, 2005.
- Central Town is owned as to 50% by the Group.
- The Advances has been granted by the Group as of its treasury management activities.
- The Advances were made to Central Town for the acquisition of a property and for its operating expenses and the guarantee was given to a bank on the general banking facilities granted to Central Town.

The amounts are unsecured and repayable on demand.

**(2) FINANCIAL ASSISTANCE GIVEN TO AND TRADING BALANCE DUE FROM AFFILIATED COMPANIES**

Pursuant to Rule 13.22 of the Listing Rules, the pro forma combined balance sheet of the affiliated companies and the Group's attributable interest in these affiliated companies based on their latest financial statements available are presented below:

		<b>Pro forma combined balance sheet</b> HK\$'000 備考合併 資產負債表 千港元	<b>Group's attributable interest</b> HK\$'000 本集團 應佔權益 千港元
Non-current assets	非流動資產	5,406,096	1,755,051
Current assets	流動資產	5,272,085	1,570,682
Current liabilities	流動負債	(3,694,835)	(1,098,694)
Non-current liabilities	非流動負債	(1,718,612)	(610,785)
Minority interests	少數股東權益	(1,025,166)	(309,543)
		<u>4,239,568</u>	<u>1,306,711</u>

**PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the six months ended 30th September, 2005, there were no purchases, sales or redemptions by the Company, or any of its subsidiaries, of the Company's listed securities.

**(1) 向實體提供貸款 (續)**

附註：

- 貿易結餘均為免息。
- 「總資產」指參照本集團截至二零零五年九月三十日之綜合資產負債表而得出本集團截至二零零五年九月三十日之總資產為2,224,000,000港元。
- 「市值」指香港聯交所每日報價表所示緊接於二零零五年九月三十日前五個營業日之本公司股份平均收市價。
- 於二零零五年九月三十日，錦興由本公司擁有20.5%。
- 於二零零五年九月三十日，永安旅遊擁有Apex之67.9%。
- 滙中興業由本集團擁有50%。
- 貸款已由本集團作為其庫務管理活動授出。
- 貸款乃就收購一項物業並作為其營運開支授予滙中興業，而擔保乃就授予滙中興業之一般銀行信貸而提供。

該等款項為無抵押及須於要求時償還。

**(2) 給予及應收聯屬公司之財務資助及貿易結餘**

根據上市規則第13.22條，按聯屬公司最近期提供之財務報表之該等聯屬公司之備考合併資產負債表及本集團應佔此等聯屬公司之權益載列如下：

**購買、出售或贖回本公司上市證券**

於截至二零零五年九月三十日止六個月內，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市證券。

## CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has, throughout the period ended 30th September, 2005, complied with the code provisions and, where applicable, the recommended best practices of the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules except for the following deviation from code provision A.4.2 of the Code:

Under code provision A.4.2 of the Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

The rotation of directors at the annual general meeting of the Company held on 12th September, 2005 was in accordance with the Company's previous bye-laws which stipulate, inter alia, that one-third of the directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not greater than one-third) shall retire from office by rotation provided that notwithstanding anything therein, the Chairman of the Board and/or the Managing Director of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of directors to retire in each year. This deviated from the requirements of code provision A.4.2.

To fully comply with code provision A.4.2, relevant amendments to the Company's bye-laws were proposed and approved by the shareholders at the same annual general meeting of the Company, pursuant to which every director shall be subject to retirement by rotation at least once every three years at the annual general meeting in future.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the directors. All directors have confirmed, following specific enquiry by the Company, that they complied with the required standard set out in the Model Code during the six months ended 30th September, 2005.

## AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, financial reporting process and internal control matters including a review of the unaudited interim financial report for the six months ended 30th September, 2005.

The interim financial report of the Company for the six months ended 30th September, 2005 has been reviewed by the auditors, Deloitte Touche Tohmatsu in accordance with Statement of Auditing Standards 700 "Engagements to Review Interim Financial Reports" issued by the Hong Kong Institute of Certified Public Accountants and an unmodified review report is issued.

On Behalf of the Board

**Dr. Chan Kwok Keung, Charles**  
Chairman

Hong Kong, 13th December, 2005

## 企業管治常規守則

本公司已於截至二零零五年九月三十日止期間內一直遵守上市規則附錄14所載之企業管治常規守則(「守則」)之守則條文及(如適用)建議最佳守則，惟對守則第A.4.2條守則條文有以下偏離：

根據守則第A.4.2條守則條文，每名董事(包括按特定任期委任之董事)應最少每三年輪值退任一次。

於二零零五年九月十二日舉行之本公司股東週年大會上進行之董事輪值退任乃按照本公司之過往公司細則而進行，本公司之過往公司細則規定(其中包括)當時三分之一(或如董事人數並非三(3)之倍數，則以最接近但不超逾三分之一之數為準)之在任董事須輪值退任，惟不論本公司之過往公司細則所規定，本公司之董事局主席及／或董事總經理在任時毋須輪值退任或計入釐定每年須退任之董事人數內。此規定偏離第A.4.2條守則條文之規定。

為了完全遵守第A.4.2條守則條文，本公司已建議對公司細則作出有關修訂，並已獲股東於同一屆本公司股東週年大會上批准，據此日後每名董事均須最少每三年於股東週年大會上輪值退任一次。

## 董事進行證券交易之標準守則

本公司已採納上市規則附錄十的標準守則作為董事進行證券交易之標準守則。本公司向全體董事作出具體查詢後，彼等確認於截至二零零五年九月三十日止六個月內一直符合標準守則所規定之標準。

## 審核委員會

審核委員會與管理層已審閱本集團採納之會計原則及慣例，並就審計、財務申報過程及內部監控事項，包括審閱截至二零零五年九月三十日止六個月之未經審核中期財務報告作商討。

本公司截至二零零五年九月三十日止六個月之中期財務報告已經由核數師德勤•關黃陳方會計師行根據香港會計師公會頒佈之核數準則第700號「審閱中期財務報告」進行審閱，並發出無保留意見審閱報告。

代表董事局

主席  
陳國強博士

香港，二零零五年十二月十三日