



星島日報



中國人
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星島 SING TAO
新聞集團

星島新聞集團有限公司
SING TAO NEWS CORPORATION LIMITED

創刊一周年

頭條日報
全港No.1
銷量突破
1,269,000

運首金

Proof that
Hong Kong
is not a
one-newspaper
town.

迪士尼今開幕 舞龍助興

求要方中足滿可謂，禮大送節春皆港

億十五百碼加決 **中期報告**

INTERIM REPORT 2006

貳 零 零 陸

Condensed Consolidated Income Statement

簡明綜合收益表

For the six months ended 30 June 2006
截至二零零六年六月三十日止六個月

The Board of Directors (the “Board”) of Sing Tao News Corporation Limited (the “Company”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2006 together with the comparative figures for the corresponding period in 2005 as follows:

星島新聞集團有限公司(「本公司」)董事會(「董事會」)欣然公佈本公司及其附屬公司(「本集團」)截至二零零六年六月三十日止六個月之未經審核簡明綜合業績，連同二零零五年同期之比較數字如下：

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
		Notes	
		附註	
REVENUE	收入	2	937,336
Cost of sales	銷售成本		(722,469)
Gross profit	毛利		214,867
Other income and gains	其他收入及收益	3	66,019
Distribution costs	分銷成本		(94,499)
Administrative expenses	行政開支		(130,832)
Other expenses, net	其他開支淨額		(4,298)
Head office relocation expenses	總辦事處搬遷開支		(13,969)
Reversal of provision for a pledged time deposit	撥回已抵押定期存款之撥備		—
Gain on waiver of a payable	豁免一筆應付款項之收益	4, 13	57,416
Finance costs	融資成本	4	—
Reversal of provisions/(provisions) for amounts due from jointly-controlled entities, net	應收共同控制公司款項撥備之撥回/(撥備)淨額	5	25,238
Share of profits and losses of: Jointly-controlled entities	應佔下列公司溢利及虧損：共同控制公司		(2,056)
Associates	聯營公司		3,028
PROFIT BEFORE TAX	除稅前溢利		(1,629)
Tax	稅項	6	(18,724)
PROFIT FOR THE PERIOD	期內溢利	7	9
ATTRIBUTABLE TO:	下列人士應佔：		73,910
Equity holders of the Company	本公司股權持有人		43,464
Minority interests	少數股東權益		—
			73,910
Earnings per share — (HK cents)	每股溢利 — (港仙)		43,464
Basic	基本	8	8.27
Diluted	攤薄		4.74
DIVIDEND PER SHARE — (HK cents)	每股股息 — (港仙)	9	2.0
			1.0

Condensed Consolidated Balance Sheet

簡明綜合資產負債表

30 June 2006

二零零六年六月三十日

		Notes 附註	30 June 2006 二零零六年 六月三十日 (Unaudited) (未經審核)	31 December 2005 二零零五年 十二月三十一日
			HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備		247,437	249,390
Investment properties	投資物業		4,020	4,020
Other intangible assets	其他無形資產		17,783	18,240
Goodwill	商譽		—	—
Interests in jointly-controlled entities	於共同控制公司之權益		243,691	268,178
Interests in associates	於聯營公司之權益		28	—
Available-for-sale investments	可供出售投資	10	7,831	8,355
Deferred tax assets	遞延稅項資產		4,327	4,171
Deposits paid	已繳按金		38,509	5,368
Total non-current assets	非流動資產總額		563,626	557,722
CURRENT ASSETS	流動資產			
Inventories	存貨		66,410	117,665
Trade and bills receivables	應收賬款及票據	11	335,946	308,238
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		85,147	46,287
Financial assets at fair value through profit or loss	按公平值記入損益賬之金融資產	12	683,565	570,837
Derivative financial instruments	衍生性金融工具		1,069	584
Tax recoverable	可收回稅項		—	5,123
Pledged time deposits	已抵押定期存款	13	88,026	76,561
Cash and cash equivalents	現金及現金等值項目		136,078	238,099
Total current assets	流動資產總額		1,396,241	1,363,394
CURRENT LIABILITIES	流動負債			
Trade and bills payables	應付賬款及票據	14	82,288	132,288
Other payables and accruals	其他應付款項及應計款項		225,106	218,086
Derivative financial instruments	衍生性金融工具		16,231	4,209
Tax payable	應付稅款		77,576	76,755
Interest-bearing bank and other borrowings	計息銀行及其他借款		59,840	10,447
Total current liabilities	流動負債總額		461,041	441,785
NET CURRENT ASSETS	流動資產淨值		935,200	921,609
TOTAL ASSETS LESS CURRENT LIABILITIES	已減流動負債之資產總值		1,498,826	1,479,331
NON-CURRENT LIABILITIES	非流動負債			
Finance lease payables	融資租約應付款項		970	1,053
Provision for long service payments	長期服務金撥備		6,881	5,821
Deferred tax liabilities	遞延稅項負債		18,439	18,369
Total non-current liabilities	非流動負債總額		26,290	25,243
Net assets	淨資產值		1,472,536	1,454,088
EQUITY	股權			
Equity attributable to equity holders of the Company	本公司股權持有人應佔股權			
Issued capital	已發行股本	15	176,916	183,202
Other reserves	其他儲備		522,550	545,163
Retained earnings	保留溢利		773,070	699,112
Proposed final dividend	建議末期股息		—	26,611
			1,472,536	1,454,088
Minority interests	少數股東權益		—	—
Total equity	股權總額		1,472,536	1,454,088

Condensed Consolidated Statement of Changes In Equity

簡明綜合權益變動表

For the six months ended 30 June 2006

截至二零零六年六月三十日止六個月

		Unaudited 未經審核							Minority interest 少數 股東權益	Total 合計	
		Attributable to equity holders of the Company 本公司股權持有人應佔									
		Issued ordinary share capital 已發行 普通股股本	Share premium account 溢價賬	Contributed surplus 繳入盈餘	Capital reserve 資本儲備	Land and building revaluation reserve 土地及樓宇 重估儲備	Exchange fluctuation reserve 匯兌 波動儲備	Retained earnings 保留溢利	Proposed final dividend 建議 末期股息		
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Balance at 1 January 2006	於二零零六年一月一日結餘：	183,202	3,946	480,648	8,639	10,288	41,642	699,112	26,611	—	1,454,088
Exchange differences on translating foreign operations and net expense recognized directly in equity	直接於股本確認之 換算海外業務之滙兌 差額及開支淨額	—	—	—	—	—	5,569	—	—	—	5,569
Profit for the period	期內溢利	—	—	—	—	—	—	73,910	—	—	73,910
Total income and expense for the period	期內之收支總額	—	—	—	—	—	5,569	73,910	—	—	79,479
2005 final dividend declared	已宣派之二零零五年末期股息	—	—	—	—	—	—	48	(26,611)	—	(26,563)
Repurchase of shares	購回股份	(6,298)	(3,984)	(28,192)	—	—	—	—	—	—	(38,474)
Issue of shares	發行股份	12	38	—	—	—	—	—	—	—	50
Equity-settled share option arrangement	以股本結算之購股權安排	—	—	—	3,956	—	—	—	—	—	3,956
Balance at 30 June 2006	於二零零六年六月三十日結餘	176,916	—	452,456	12,595	10,288	47,211	773,070	—	—	1,472,536

		Unaudited 未經審核							Minority interest 少數 股東權益	Total 合計
		Attributable to equity holders of the Company 本公司股權持有人應佔								
		Issued ordinary share capital 已發行 普通股股本	Share premium account 溢價賬	Contributed surplus 繳入盈餘	Capital reserve 資本儲備	Land and building revaluation reserve 土地及 樓宇 重估儲備	Exchange fluctuation reserve 匯兌 波動儲備	Retained earnings 保留溢利		
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at 1 January 2005	於二零零五年一月一日結餘	183,454	4,504	480,648	130,414	7,954	42,775	388,061	—	1,237,810
Exchange differences on translating foreign operations and net expense recognized directly in equity	直接於股本確認之 換算海外業務之滙兌 差額及開支淨額	—	—	—	—	—	(5,095)	—	—	(5,095)
Profit for the period	期內溢利	—	—	—	—	—	—	43,464	—	43,464
Total income and expense for the period	期內之收支總額	—	—	—	—	—	(5,095)	43,464	—	38,369
Equity-settled share option arrangement	以股本結算之購股權安排	—	—	—	(75)	—	—	1,644	—	1,569
Balance at 30 June 2005	於二零零五年六月三十日結餘	183,454	4,504	480,648	130,339	7,954	37,680	433,169	—	1,277,748

Condensed Consolidated Cash Flow Statement

簡明綜合現金流量表

For the six months ended 30 June 2006
截至二零零六年六月三十日止六個月

		For the six months ended 30 June 截至六月三十日止六個月	
		2006 二零零六年 (Unaudited) (未經審核)	2005 二零零五年 (Unaudited) (未經審核)
		HK\$'000 千港元	HK\$'000 千港元
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	經營業務之現金流入／(流出)淨額	(39,470)	23,057
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	投資業務之現金流出淨額	(44,784)	(244,182)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	融資活動之現金流入／(流出)淨額	(17,658)	49,266
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目 減少淨額	(101,912)	(171,859)
Cash and cash equivalents at beginning of period	於期初之現金及現金等值項目	238,099	437,899
Effects of foreign exchange rate changes, net	匯率變動影響淨額	(109)	(1,369)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	於期終之現金及現金等值項目	136,078	264,671
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘分析		
Cash and bank balances	現金及銀行結餘	136,078	264,671

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

1. ACCOUNTING POLICIES

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

The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 December 2005, except as described below.

In the current period, the Group has applied, for the first time, a number of new standards, amendments and interpretations (hereinafter collectively referred to as “new HKFRSs”) issued by the HKICPA that are effective for accounting periods beginning on or after 1 December 2005 and 1 January 2006. The application of the new HKFRSs has had no material effect on how the results for the current and prior accounting periods are prepared and presented. Accordingly, no prior period adjustments are required.

HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures
HKAS 21 (Amendment)	The effects of change in foreign exchange rate — net investment in a foreign operation
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions
HKAS 39 (Amendment)	The fair value option
HKAS 39 & HKFRS 4 (Amendment)	Financial guarantee contracts
HKFRS 6	Exploration for and evaluation of mineral resources
HK (IFRIC) — INT 4	Determining whether an arrangement contains a lease

1. 會計政策

本簡明綜合中期財務報表乃根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄16所載之適用披露規定以及香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第34號「中期財務申報」編製。

編製本中期財務報表時所採納之會計政策及呈列基準與截至二零零五年十二月三十一日止年度全年財務業績所採用者相同，惟下列情況則除外：

於本期間，本集團首次採納香港會計師公會所頒佈之多項於二零零五年十二月一日及二零零六年一月一日或之後開始會計期間生效之新訂及經修訂香港財務報告準則及其詮釋(以下統稱「新香港財務申報準則」)。應用該等新香港財務申報準則對本集團於本會計期間及過往會計期間之業績之編製及呈列方式並無重大影響。故此，概無需要作出任何上期調整。

香港會計準則第19號 (修訂本)	精算損益、集團計劃及披露
香港會計準則第21號 (修訂本)	外匯變動之影響 — 境外業務投資淨額
香港會計準則第39號 (修訂本)	預測集團內部交易之現金流量對沖會計處理法
香港會計準則第39號 (修訂本)	公平值之選擇
香港會計準則第39號及香港財務申報準則第4號(修訂本)	財務擔保合約
香港財務申報準則第6號	礦物資源之勘探及評估
香港(國際財務報告詮釋委員會) — 詮釋第4號	釐定安排是否包括租賃

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

1. ACCOUNTING POLICIES (continued)

HK (IFRIC) — INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
HK (IFRIC) — INT 6	Liabilities arising from participating in a specific market-waste electrical and electronic equipment

The Group has not early applied the following new HKFRSs that have been issued but are not yet effective. The Company is still not yet in the position to reasonably estimate the impact that may arise on the Group's results and financial position from the application of the following new HKFRSs.

HKAS 1 (Amendments)	Capital disclosures ¹
HKFRS 7	Financial instruments: Disclosures ¹
HK(IFRIC) — INT 7	Applying the restatement approach under HKAS 29 Financial reporting in hyperinflationary economies ²
HK(IFRIC) — INT 8	Scope of HKFRS ³
HK(IFRIC) — INT 9	Reassessment of embedded derivatives ⁴

¹ Effective for annual periods beginning on or after 1 January 2007

² Effective for annual periods beginning on or after 1 March 2006

³ Effective for annual periods beginning on or after 1 May 2006

⁴ Effective for annual periods beginning on or after 1 June 2006

1. 會計政策 (續)

香港(國際財務報告 詮釋委員會) — 詮釋第5號	解除運作、復原及環境 修復基金所產生 權益之權利
香港(國際財務報告 詮釋委員會) — 詮釋第6號	參與特定市場所產生 之負債 — 廢料、 電力及電子設備

本集團並無提早採納下列該等已頒佈但仍未生效之新香港財務申報準則。本公司現時仍未處於就採納以下新香港財務申報準則對本集團業務及財務狀況之影響進行合理評估之最佳情況。

香港會計準則第1號 (修訂本)	資本披露 ¹
香港財務申報準則 第7號	金融工具：披露 ¹
香港(國際財務報告 詮釋委員會) — 詮釋第7號	根據香港會計準則 第29號惡性通貨 膨脹經濟中之財務 報告應用重列法 ²
香港(國際財務報告 詮釋委員會) — 詮釋第8號	香港財務申報準則 第2號之範圍 ³
香港(國際財務報告 詮釋委員會) — 詮釋第9號	重新評估內含衍生 工具 ⁴

¹ 於二零零七年一月一日或之後開始之年度期間生效

² 於二零零六年三月一日或之後開始之年度期間生效

³ 於二零零六年五月一日或之後開始之年度期間生效

⁴ 於二零零六年六月一日或之後開始之年度期間生效

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

2. SEGMENT INFORMATION

The Group's operating business are structured and managed separately according to the nature of their operations and the products they provide. Each of the Group's business segment represents a strategic business unit that offers products which are subject to risks and returns that are different from those of the other business segments. The following table presents revenue and results for the Group's primary segments.

2. 分類資料

本集團之經營業務按各自業務之經營性質與所提供之產品和服務獨立地構成和管理。本集團每個業務類別代表一個策略業務單位，各單位所提供之產品和服務承受與其他業務類別不同之風險與回報。下表載列本集團之基本分類之收入及業績。

		For the six months ended 30 June 截至六月三十日止六個月							
		Media 媒體 (Unaudited) (未經審核)		Trading 貿易 (Unaudited) (未經審核)		Corporate and others 公司及其他 (Unaudited) (未經審核)		Consolidated 綜合 (Unaudited) (未經審核)	
		2006 二零零六年	2005 二零零五年	2006 二零零六年	2005 二零零五年	2006 二零零六年	2005 二零零五年	2006 二零零六年	2005 二零零五年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue:	收入：								
External sales	向外客戶銷售	698,878	636,715	236,583	215,102	1,875	3,123	937,336	854,940
Inter-segment sales	分類業務間之銷售	52	172	—	—	38,232	150	—	—
Other income and gains	其他收入及收益	820	45	159	1,452	14,404	5,198	15,383	6,695
Inter-segment other income	分類業務間之其他收入	2,386	—	—	—	376	515	—	—
		702,136	636,932	236,742	216,554	54,887	8,986	952,719	861,635
Segment results	分類業績	16,980	21,348	4,423	6,088	(19,242)	(25,921)	2,161	1,515
Interest and dividend income	利息及股息收入							11,316	8,588
Unallocated gains, net	未分類收益淨額							37,780	7,899
Head office relocation expenses	總辦事處搬遷開支							(13,969)	—
Reversal of provision for a pledged time deposit	撥回已抵押定期存款之撥備							57,416	—
Gain on waiver of a payable	豁免一筆應付款項之收益							—	25,238
Finance costs	融資成本							(2,056)	(567)
Reversal of provisions/(provisions) for amounts due from jointly-controlled entities, net	應收共同控制公司款項撥備之撥回/(撥備)淨額	3,395	(1,629)	—	—	(367)	—	3,028	(1,629)
Share of profits and losses of:	應佔下列公司溢利及虧損：								
Jointly-controlled entities	共同控制公司	9,904	9,102	—	—	(28,628)	(3,005)	(18,724)	6,097
Associates	聯營公司	9	(4)	—	—	—	(2)	9	(6)
Profit before tax	除稅前溢利							76,961	47,135
Tax	稅項							(3,051)	(3,671)
Profit for the period	期內溢利							73,910	43,464

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

3. OTHER INCOME AND GAINS

3. 其他收入及收益

		For the six months ended 30 June 截至六月三十日止六個月	
		2006 二零零六年 (Unaudited) (未經審核)	2005 二零零五年 (Unaudited) (未經審核)
		HK\$'000 千港元	HK\$'000 千港元
Interest income	利息收入	8,044	6,219
Investment income	投資收入	9,504	5,157
Dividend income from listed investments	上市投資之股息收入	3,009	1,317
Dividend income from unlisted investments	非上市投資之股息收入	263	1,052
Gain on disposal of financial assets at fair value through profit and loss	出售按公平值計入損益賬之 金融資產之收益	39,320	—
Unrealized gain on changes in fair values of financial assets at fair value through profit and loss	按公平值計入損益賬之 金融資產之公平值變動 未變現收益	—	12,550
Exchange gains, net	滙兌收益淨額	5,020	—
Others	其他	859	1,538
		66,019	27,833

4. REVERSAL OF PROVISION FOR A PLEDGED TIME DEPOSIT/GAIN ON WAIVER OF A PAYABLE

4. 撥回已抵押定期存款之撥備／豁免一筆應付款項之收益

The Group entered into a joint venture contract with Shandong Sanlian Electronics and Information Co., Ltd. ("Sanlian Electronics") and another independent third party in 2000 to acquire a 40% interest in Beelink Information Science & Technology Co., Ltd. ("Beelink"). Pursuant to the joint venture contract, the Group agreed to pay a sum of RMB160 million to Sanlian Electronics in cash as consideration for Sanlian Electronics injecting certain intellectual property rights into Beelink. The Group already made part payment of RMB42.4 million up to 31 December 2004.

本集團與山東三聯電子信息有限公司(「三聯電子」)及另一名獨立第三方於二零零零年訂立一項合資經營合同，以收購百靈信息科技有限公司(「百靈」)之40%權益。根據該項合資經營合同，本集團同意向三聯電子以現金支付款項人民幣160,000,000元，作為三聯電子向百靈注入若干知識產權之代價。截至二零零四年十二月三十一日止，本集團已支付部份款項人民幣42,400,000元。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

4. REVERSAL OF PROVISION FOR A PLEDGED TIME DEPOSIT/GAIN ON WAIVER OF A PAYABLE

(continued)

During the year ended 31 December 2005, the Group entered into an agreement with Sanlian Electronics and Sanlian Group Corporation ("Sanlian Group"). Pursuant to this agreement, it was agreed that by payment of RMB30 million by the Group to Sanlian Electronics, Sanlian Electronics waived the remaining RMB87.6 million owing by the Group, constituting full settlement of the Group's payment obligations under the original joint venture contract.

In addition, as consideration for Sanlian Electronics to settle the outstanding amount owing by the Group, it was agreed that the Group will procure a loan, by way of a trust loan pledged by the Group's time deposits, to Sanlian Group in the amount of RMB60 million for a term of one year (the "Loan"). The Loan is interest-free for the first six months and will be interest-bearing at 3% per annum until repayment on 29 April 2006. The Loan is secured by a share charge over Sanlian Group's and Sanlian Electronics' interests of approximately 79.1% in aggregate in the registered capital of Shandong Economic Observer Press Co., Ltd. ("Shandong Co.").

For the year ended 31 December 2005, the directors consider that the Loan granted to Sanlian Group is an integral part of the settlement arrangement with Sanlian Electronics and the recoverability of the Loan is uncertain. Accordingly, the net gain on the waiver of the amount payable to Sanlian Electronics of HK\$24 million was calculated net of a full provision against the pledged deposits.

After due date of the Loan, the Group followed up with Sanlian Group to demand repayment and exercise of the security. At the same time, Sanlian Group was trying to dispose of its interests in Shandong Co., to a third party. For the benefit of proceeding smoothly with the disposal of Shandong Co., which is the subject of the Loan security, Sanlian Group agreed to repay a portion of the Loan from the proceeds of the disposal.

4. 撥回已抵押定期存款之撥備／豁免一筆應付款項之收益 (續)

於截至二零零五年十二月三十一日止年度，本集團與三聯電子及山東三聯集團有限責任公司（「三聯集團」）訂立一項協議。根據此項協議，本集團同意向三聯電子支付人民幣30,000,000元，而三聯電子豁免本集團所欠之餘款人民幣87,600,000元（即全數清償本集團根據原合資經營合同之付款責任）。

此外，作為三聯電子清償本集團所欠之未償金額之代價，本集團同意透過以抵押本集團之定期存款向三聯集團安排一筆為期一年之委托貸款人民幣60,000,000元（「貸款」）。該筆貸款於首六個月為免息，並於二零零六年四月二十九日償還前將以年息率3厘計息。該筆貸款乃由一項以三聯集團及三聯電子合共佔山東經濟觀察報報業有限公司（「山東經濟觀察報」）註冊資本中約79.1%權益之股份抵押所擔保。

截至二零零五年十二月三十一日止年度，董事認為，該筆向三聯集團安排之貸款構成與三聯電子訂立之債務償還協議之不可分割的一部份，而當時未能確定是否可收回該筆貸款。因此，豁免應付三聯電子款項之淨收益24,000,000港元在計算時已扣除抵押存款之全額撥備。

於該筆貸款到期日後，本集團隨之要求三聯集團償還及行使擔保。同時，三聯集團正嘗試出售其於山東經濟觀察報之權益予第三方。為確保能順利出售山東經濟觀察報，即貸款之抵押，三聯集團同意透過出售所得之收益償還貸款之一部份。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

4. REVERSAL OF PROVISION FOR A PLEDGED TIME DEPOSIT/GAIN ON WAIVER OF A PAYABLE

(continued)

Accordingly, in June 2006, the Group received RMB30 million in cash from Sanlian Group, and subsequent to the balance sheet date, the Group received another RMB23 million in cash from Sanlian Group. The directors consider that due to the unexpected disposal of Shandong Co., and Sanlian Group managed to keep their promise to repay a substantial portion of the Loan from the disposal proceeds, the amount of the full provision against the pledged deposit of HK\$57 million (RMB60 million) was therefore credited to the income statement for the period ended 30 June 2006. The Group will continue to push for repayment on the remaining RMB7 million.

5. FINANCE COSTS

4. 撥回已抵押定期存款之撥備／豁免一筆應付款項之收益 (續)

因此，於二零零六年六月，本集團收到三聯集團之現金人民幣30,000,000元，於結算日後，本集團另收到三聯集團之現金人民幣23,000,000元。董事認為由於出售山東經濟觀察報實為意料之外，及三聯集團已遵守其承諾透過出售所得收益償還該筆貸款主要部份，本集團將就已抵押存款作出之全額撥備款項57,000,000港元(人民幣60,000,000元)已計入截至二零零六年六月三十日止期間之收益表。本集團將繼續催繳餘下人民幣7,000,000元之款項。

5. 融資成本

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Interest on bank loans wholly repayable within five years	須於五年內悉數償還之 銀行貸款利息	2,010	513
Interest on finance leases	融資租約利息	46	54
		2,056	567

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

6. PROFIT BEFORE TAX

Profit before tax was determined after charging/
(crediting) the following:

6. 除稅前溢利

除稅前溢利於扣除／（計入）下列各項後釐定：

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Amortization of intangible assets	攤銷無形資產	581	589
Depreciation	折舊	15,514	19,955
Unrealized loss/(gain) on changes in fair values of derivative financial instruments and financial assets at fair value through profit or loss, net	衍生性金融工具及按公平值 記入損益賬之金融資產 公平值變動之未變現 虧損／（收益）	1,540	(12,550)
Loss/(gain) on disposal of financial assets at fair value through profit or loss	出售按公平值記入損益賬之 金融資產之虧損／（收益）	(39,320)	2,683
Loss on disposal of available-for-sale investments	出售可出售投資之虧損	—	1,969

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

7. TAX

7. 稅項

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Current	即期		
Charge for the year:	本年度扣除：		
— Hong Kong profits tax	— 香港利得稅	1,063	2,405
— PRC corporate income tax	— 中國企業所得稅	11	—
— Overseas tax	— 海外稅項	1,599	1,029
Underprovision in prior periods	過往期間之撥備不足	436	316
Deferred	遞延	(58)	(79)
Total tax charge for the period	期內扣除之稅款總額	3,051	3,671

Hong Kong profits tax has been provided at the rate of 17.5% (2005: 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.

香港利得稅乃按期內於香港產生之估計應課稅溢利以17.5%(二零零五年: 17.5%)稅率撥備。於其他地區之應課稅溢利之稅項乃按本集團有業務經營之國家之現行稅率，並按當地現行法例、詮釋及慣例計算。

8. EARNINGS PER SHARE

The calculation of basic earnings per share for the period is based on the profit attributable to equity holders of the Company of HK\$73,910,000 (six months ended 30 June 2005: HK\$43,464,000) and the weighted average of 893,802,465 (six months ended 30 June 2005: 917,267,537) ordinary shares in issue during the period, as adjusted to reflect the share consolidation during the period.

8. 每股溢利

期內之每股基本溢利乃按期內本公司股權持有人應佔溢利73,910,000港元(截至二零零五年六月三十日止六個月: 43,464,000港元)及期內已發行普通股之加權平均數893,802,465股(截至二零零五年六月三十日止六個月: 917,267,537股)計算，並已為本期間內之股份合併而作出調整計算。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

8. EARNINGS PER SHARE (continued)

The calculation of diluted earnings per share for the period is based on the profit attributable to equity holders of the Company of HK\$73,910,000 (six months ended 30 June 2005: HK\$43,464,000), as used in the basic earnings per share calculation. The weighted average number of ordinary shares used in the calculation is the 893,802,465 (six months ended 30 June 2005: 917,267,537) ordinary shares in issue during the period, as adjusted to reflect the share consolidation during the period and as used in the basic earnings per share calculation; and the weighted average of 5,038,769 (six months ended 30 June 2005: 255,938) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options during the period, as adjusted to reflect the share consolidation during the period.

9. DIVIDEND

At a meeting of the Board held on 5 September 2006, an interim dividend of HK2 cents per share was declared for the year ending 31 December 2006. This proposed dividend is not reflected as a dividend payable in these condensed financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2006.

The interim dividend declared for the year ended 31 December 2005 has been restated to reflect the share consolidation during the period ended 30 June 2006.

8. 每股溢利 (續)

期內之每股攤薄溢利乃按用於計算每股基本溢利之本公司股權持有人應佔溢利73,910,000港元(截至二零零五年六月三十日止六個月: 43,464,000港元)計算。用作計算普通股之加權平均數為期內已發行之普通股893,802,465股(截至二零零五年六月三十日止六個月: 917,267,537股), 並已為本期間內之股份合併而作出調整計算(用於計算每股基本溢利); 以及假設於期內在視為行使之所有購股權以無償形式已發行普通股之加權平均數5,038,769股(截至二零零五年六月三十日止六個月: 255,938股), 並已為本期間內之股份合併而作出調整計算。

9. 股息

本公司於二零零六年九月五日舉行之董事會會議上宣佈截至二零零六年十二月三十一日止年度派發中期股息每股2港仙。此擬派發之股息並未於本簡明財務報表中以應付股息反映, 惟將於截至二零零六年十二月三十一日止年度之保留溢利撥款中反映。

截至二零零五年十二月三十一日止年度之中期股息已重列, 以反映截至二零零六年六月三十日止期間之股份合併。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

10. AVAILABLE-FOR-SALE INVESTMENTS

10. 可出售投資

		30 June 2006 二零零六年 六月三十日 (Unaudited) (未經審核)	31 December 2005 二零零五年 十二月三十一日
		HK\$'000 千港元	HK\$'000 千港元
Listed elsewhere equity securities, at fair value	其他地方之上市股本投資， 按公平值	569	569
Unlisted equity securities, at cost	非上市股本證券，按成本	12,669	12,669
Unlisted debt securities, at fair value	非上市債務證券，按公平值	2,262	2,786
Less: Provision for impairment	減：減值撥備	(7,669)	(7,669)
		7,831	8,355

Certain unlisted equity investments are stated at cost because their fair values could not be reliably measured as at the balance sheet date.

由於若干非上市股本投資之公平值未能於結算日可靠計算，故有關項目按成本列賬。

11. TRADE AND BILLS RECEIVABLES

The Group allows an average credit period of 30 to 90 days to its trade customers. An aged analysis of trade and bills receivables, as at the balance sheet date, based on the payment due date, is as follows:

11. 應收賬款及票據

本集團向其貿易客戶給予平均30日至90日不等之信貸期。於結算日，應收賬款及票據根據款項到期日之賬齡分析載列如下：

		30 June 2006 二零零六年 六月三十日 (Unaudited) (未經審核)	31 December 2005 二零零五年 十二月三十一日
		HK\$'000 千港元	HK\$'000 千港元
Current to 30 days	即期至30日	183,948	197,808
31 — 60 days	31 — 60日	63,160	49,967
61 — 90 days	61 — 90日	48,116	30,292
91 — 120 days	91 — 120日	19,163	14,775
Over 120 days	超過120日	38,143	30,056
		352,530	322,898
Less: Provisions for bad and doubtful debts	減：呆壞賬撥備	(16,584)	(14,660)
		335,946	308,238

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

12. 按公平值記入損益賬之金融資產

	30 June	31 December
	2006	2005
	二零零六年	二零零五年
	六月三十日	十二月三十一日
	(Unaudited)	
	(未經審核)	
	HK\$'000	HK\$'000
	千港元	千港元
Listed equity securities, at market value: 上市股本證券，按市值：		
Hong Kong 香港	230,344	189,763
Elsewhere 其他地區	40,743	16,917
	271,087	206,680
Unlisted debt securities, at fair value 非上市債務證券，按公平值	370,095	205,013
Currency-linked deposits, at fair value 貨幣掛鈎存款，按公平值	30,855	134,948
Commodities, at fair value 商品，按公平值	11,528	24,196
	683,565	570,837

13. PLEDGED TIME DEPOSITS

13. 已抵押定期存款

The pledged time deposits were used to secure general banking facilities granted to the Group, a jointly-controlled entity of the Group, and Sanlian Group.

已抵押定期存款已用作本集團、一間本集團共同控制公司及三聯集團獲授一般銀行融資之擔保。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

14. TRADE AND BILLS PAYABLES

An aged analysis of trade and bills payables, as at the balance sheet date, based on the payment due date, is as follows:

14. 應付賬款及票據

於結算日，應付賬款及票據根據款項到期日之賬齡分析載列如下：

		30 June 2006 二零零六年 六月三十日 (Unaudited) (未經審核)	31 December 2005 二零零五年 十二月三十一日
		HK\$'000 千港元	HK\$'000 千港元
Current to 30 days	即期至30日	61,662	87,489
31 — 60 days	31 — 60日	15,275	36,795
61 — 90 days	61 — 90日	1,015	1,682
91 — 120 days	91 — 120日	133	230
Over 120 days	超過120日	4,203	6,092
		82,288	132,288

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

15. SHARE CAPITAL

15. 股本

		30 June 2006	31 December 2005
		二零零六年 六月三十日	二零零五年 十二月三十一日
		(Unaudited)	
		(未經審核)	
		HK\$'000	HK\$'000
		千港元	千港元
<i>Authorised:</i>	法定股本：		
2,354,256,546 ordinary shares of HK\$0.20 each upon consolidation of shares with effect from 18 May 2006 (31 December 2005: 4,708,513,092 ordinary shares of HK\$0.10 each)	2,354,256,546股每股面值0.20港元之普通股，於二零零六年五月十八日股份合併生效後之數字（二零零五年十二月三十一日：4,708,513,092股每股面值0.10港元之普通股）	470,851	470,851
1,291,486,908 5% redeemable cumulative convertible preference shares of HK\$0.10 each	1,291,486,908股每股面值0.10港元之5%累積可贖回可轉換優先股	129,149	129,149
		600,000	600,000
<i>Issued and fully paid:</i>	已發行及繳足股本：		
884,581,537 ordinary shares of HK\$0.20 each upon consolidation of shares with effect from 18 May 2006 (31 December 2005: 1,832,015,074 ordinary shares of HK\$0.10 each)	884,581,537股每股面值0.20港元之普通股，於二零零六年五月十八日股份合併生效後之數字（二零零五年十二月三十一日：1,832,015,074股每股面值0.10港元之普通股）	176,916	183,202

During the period from 1 January 2006 to 17 May 2006, the Company repurchased its own shares through the Stock Exchange totaling 61,244,000 shares for an aggregate consideration of HK\$37,578,000. The highest and lowest price per share paid by the Company for the purchase of shares during this period were HK\$0.34 and HK\$0.71, respectively.

從二零零六年一月一日至二零零六年五月十七日期間，本公司在聯交所購回其本身股份合共61,244,000股，總代價為37,578,000港元。本公司在此期間支付每股最高及最低價格分別為0.34港元及0.71港元。

On 18 May 2006, the authorized share capital of the Company has been consolidated on the basis that every two issued and unissued share of HK\$0.10 each in the share capital of the Company be consolidated into one share of HK\$0.20 each.

本公司已於二零零六年五月十八日完成法定股本合併，基準為本公司股本中每兩股每股面值0.10港元之已發行及未發行股份合併為一股每股面值0.20港元之股份。

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15. SHARE CAPITAL (continued)

During the period from 18 May 2006 to 30 June 2006, the Company further repurchased its own shares through the Stock Exchange totaling 867,000 shares for an aggregate consideration of HK\$895,000. The highest and lowest price per share paid by the Company for the purchase of shares during this period were HK\$0.88 and HK\$1.10, respectively.

All the repurchased shares were cancelled by the Company upon such repurchase and, accordingly, the issued share capital of the Company was reduced by the nominal value of these shares. The premium payable on the repurchase was charged against the share premium account and contributed surplus account.

The directors considered that, as the Company's shares are trading at a discount to the expected net asset value per share, the repurchase of shares would be beneficial to the Company.

16. SHARE OPTION SCHEME

Share options are granted to certain directors and employees. The exercise price of the granted options is equal to the highest of the closing price of the shares and the nominal value of the shares. Options are conditional on the employee completing three years' service (the vesting period). The contractual life of the options is ten years and the Group has no legal or constructive obligation to repurchase or settle the options in cash.

15. 股本 (續)

從二零零六年五月十八日至二零零六年六月三十日期間，本公司在聯交所進一步購回其本身股份合共867,000股，總代價為895,000港元。本公司在此期間支付每股最高及最低價格分別為0.88港元及1.10港元。

本公司購回股份後註銷所有被購回的股份，本公司之已發行股本亦因該等股份之面值減少而減少。購回股份應付之溢價在股份溢價賬及繳入盈餘中扣除。

董事認為由於本公司之股份以每股預期資產淨值之折讓價買賣，故購回股份對本公司有利。

16. 購股權計劃

購股權可授予若干董事及僱員。授出之購股權行使價相等於股份收市價與股份面值之較高者。購股權之條件為僱員須服務滿三年(歸屬期)。購股權之合約年期為十年，而本集團並無以現金購回或清償購股權之法律或推定責任。

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17. RELATED PARTY TRANSACTIONS

(a) Material transactions with related parties

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
News service fee income received from a jointly-controlled entity	收取共同控制公司之新聞服務費收入	7,041	6,217
Printing service and storage charges paid and payable to a jointly-controlled entity	已付及應付共同控制公司之印刷服務及倉儲費	49,821	39,328

17. 關連人士交易

(a) 與關連人士之重大交易

(b) Compensation of key management personnel of the Group

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Salaries and other short term employee benefits	薪金及其他短期僱員福利	11,945	12,582
Post-employment benefits	退休後福利	38	44
Share-based payments	以股份為基礎之付款	2,404	687
Total compensation paid to key management personnel	已付主要管理人員之薪酬總額	14,387	13,313

(b) 本集團主要管理人員之薪酬

18. APPROVAL OF THE INTERIM FINANCIAL REPORT

These condensed consolidated interim financial statements were approved and authorized for issue by the Board on 5 September 2006.

18. 批核本中期財務報告

董事會於二零零六年九月五日批核此等簡明綜合中期財務報表。

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REVIEW OF OPERATIONS

The principal activities of the Group comprise Media and Media-related operations including Newspapers, Magazines, Recruitment Media and other media-related businesses. In addition, the Group is also engaged in Trading, Broadband Content and Distribution, and E-learning and Corporate Training.

The Group recorded healthy growth in financial results during the first half of 2006. The consolidated revenue of the Group for the six months ended 30 June 2006 ("Period") increased by 9.6% to approximately HK\$937.3 million, compared with approximately HK\$854.9 million for the six months ended 30 June 2005 ("Previous Period"). The growth is mainly attributable to the contribution by the Group's free newspaper products launched in the second half of 2005. Despite the incremental costs associated with the free newspaper operations, the Group's consolidated profit attributable to equity holders for the Period increased to approximately HK\$73.9 million, or by 70%, compared with approximately HK\$43.5 million for the Previous Period. Excluding exceptional and one-off items, the Group's profit for the Period was approximately HK\$56.8 million, compared with approximately HK\$20.9 million for the Previous Period, representing an increase of 172%.

Media and Media-related Operations

The Group's Media operations recorded an increase in revenue of 9.8%, from approximately HK\$636.7 million in the Previous Period to approximately HK\$698.9 million in the Period. Operating profit declined from approximately HK\$21.3 million to approximately HK\$17.0 million, due to initial losses incurred by the Group's free newspaper operations.

Newspapers

Although the Hong Kong economy and the overall advertising market remained buoyant in the first half of 2006, the property market underwent some adjustment during this time, and related advertising spending shrank considerably. The advertising revenue of Sing Tao Daily from this category was adversely affected. However, thanks to editorial improvements which continually reinforced the newspaper's appeal among its middle-class readers, advertisements from the education,

營運回顧

本集團之主要業務為媒體與媒體相關業務，包括報章、雜誌、招聘媒體及其他媒體相關業務。此外，本集團亦從事貿易、寬頻內容與服務和遠程教育與企業培訓。

於二零零六年上半年，本集團之財務業績錄得可觀增長。截至二零零六年六月三十日止六個月（「本期內」），本集團之綜合收入為約937,300,000港元，相較於截至二零零五年六月三十日止六個月（「去年同期」）約854,900,000港元，上升9.6%。收入的增加主要有賴於本集團在二零零五年下半年推出之免費報章。儘管因開展免費報章業務而出現額外成本開支，本集團於本期內之股權持有人應佔綜合溢利仍由去年同期約43,500,000港元增加70%至約73,900,000港元。扣除特殊及一次性項目後，本集團的核心業務溢利為約56,800,000港元，相較於去年同期約20,900,000港元，增幅達172%。

媒體與媒體相關業務

本集團之媒體業務收入由去年同期約636,700,000港元增加至本期內約698,900,000港元，升幅為9.8%。由於本集團之免費報章業務仍處於開辦初期，在本期內錄得虧損，導致媒體業務之經營溢利從約21,300,000港元下降至約17,000,000港元。

報章

香港的經濟及整體廣告市場於二零零六年上半年依然活躍，但期內地產市場曾出現調整，而相關廣告開支亦顯著減少，《星島日報》於該類別之廣告收入因而受到影響。然而，由於《星島日報》不斷改善編採內容，使其持續受到中產階層讀者的擁戴，令來自教育、銀行、電訊類別之廣告量及市場份額錄得增長。在發行量方面，儘管香港收費報章發行量普遍下滑，《星島日報》於本期內之發行量仍相較去年

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banking and telecommunications sectors registered growth in volume and market share. In terms of circulation, Sing Tao Daily was able to achieve a 3.4% rise in the Period as compared with the Previous Period, in contrast to the general trend of declining circulation among paid newspapers in Hong Kong. The intensified competition in the local newspaper market has turned out to have relatively little impact on Sing Tao Daily.

The Group's free newspaper, Headline Daily, has emerged clearly as Hong Kong's number 1 free newspaper in terms of readership, distribution network as well as content coverage. Its circulation and readership are ahead of competitors by a considerable margin. According to the latest survey by Oracle Added Value Limited in May 2006, Headline Daily's readership of 1,269,000 was also of the highest quality among free newspapers in Hong Kong. Headline Daily has drawn high acclaim not only from readers but also from advertisers. During the Period, the advertising revenue of Headline Daily saw solid growth from month to month, carrying on its strong momentum since launch. In addition, the newspaper's website www.hkheadline.com was revamped during the Period to offer an integrated interactive advertising platform to maximize return to its advertising clients. Although the free newspaper operations incurred losses during the first half of the year, they are well on track to contribute positively to the Group's results in due course.

The Standard recorded stable growth in its advertising and circulation revenue during the Period. Although listed company notices still represented a major share of the newspaper's advertisements, the proportion of non-notices advertising revenue has been increasing steadily. In July 2006 the Stock Exchange announced that the abolition of paid announcements in newspapers would phase in imminently. The Standard will continue to diversify its revenue sources and improve its operational efficiency to mitigate the impact of such change.

The overseas operations of Sing Tao Daily continued to deliver satisfactory results in all major markets during the Period. Our steadfast efforts on improving the quality of our editorial products and advertising services have allowed us to achieve revenue growth. Although the high newsprint and commodity prices continued to put pressure on costs, the operations have exercised careful control on expenses and have leveraged on synergies among the Group's businesses to maintain profit margins.

同期有3.4%的升幅，足證本地報章市場劇烈的競爭對《星島日報》之影響相對輕微。

本集團之免費報章《頭條日報》已成為全港發行量第一及讀者人數最多的免費報章，派發網絡最廣，內容最多元創新。其發行量及讀者人數更以明顯差距拋離其他對手。根據艾德惠研市場研究有限公司於二零零六年五月的最新市場調查顯示，《頭條日報》的讀者人數高達1,269,000，同時讀者群亦最多最優質，冠絕香港免費報章。《頭條日報》不僅受到讀者歡迎，亦深受廣告商的支持，於本期內，《頭條日報》之廣告收入每月均錄得穩定升幅，自創刊以來一直維持強勁勢頭。此外，該報章的網站 www.hkheadline.com 於本期內亦已全面革新，為廣告客戶提供一個結合報章及互聯網優勢的宣傳平台以增加其效益。免費報章業務雖於上半年錄得虧損，但該業務已走上軌道，可望在不久的將來為本集團之業績帶來正面貢獻。

《英文虎報》於本期內在廣告及發行收入上均錄得穩健增長。儘管上市公司通告仍佔該報章廣告之主要部份，但非通告類廣告收入之比例一直穩步上揚。聯交所於二零零六年七月宣佈將於短期內實施取消在報章刊登付費通告。《英文虎報》將繼續拓闊其收入來源及改善其經營效益，以減輕該項變動所帶來之影響。

《星島日報》之海外業務於本期內繼續在所有主要市場獲得理想的業績。該業務在各地致力提升編採內容質素及廣告服務，令收入有所增長。儘管報紙紙張及原料物品價格高企繼續對成本構成壓力，但海外業務通過審慎地控制開支，並充分利用本集團旗下各業務的資源達致協同效益，以維持其溢利率。

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Magazines

The Group's Magazine business faced keen competition and a relatively stagnant advertising market during the first half of 2006. Against this background the unit achieved improvement in both revenue and profitability in the Period as compared with the Previous Period. The flagship magazine East Week continued to grow in popularity as an up-market infotainment magazine, and has attracted a high quality clientele of both readers and advertisers, with increase in average advertising page rates. East Touch has withstood the challenge from a myriad of new titles in the market, and has maintained its position in the lifestyle magazine segment. Creative advertising formats were offered to help advertisers achieve better response on their promotion activities. Whilst expanding the magazine's revenue base, this also led to increased production costs. PC Market adopted a strategy of reinforcing its market position as a professional IT magazine, by focusing on specialist content in the digital products field. Apart from gaining readers' support, it also received recognition from advertisers and increased its advertising revenue.

Recruitment Media

Hong Kong's recruitment advertising market was sluggish during the first half of 2006, especially for print advertising. The number of jobs advertised in the print media market during the Period dropped by 10% as compared with the Previous Period. Whilst JobMarket was able to maintain its share of the print market, it also grew its online recruitment business, in particular for top talents. The senior jobs website www.A-performers.com continued to gain market momentum and brand awareness. The demand for continuing education remained high and competition for the sector's advertising heightened, but EDUplus.com.hk continued to be a leading brand in the market.

Non-media Operations

Trading

Revenue at the Group's Trading unit continued to grow during the Period, and recorded a 10% increase as compared with the Previous Period. Although the growth in the PRC digital camera market in general slowed down in 2006, the Trading unit was able to gain market share through its sales and marketing efforts. On the other hand, intense competition had

雜誌

本集團之雜誌業務於二零零六年上半年面對激烈競爭及相對緩滯的雜誌廣告市場，縱然在此情況下，該業務於本期內的收入及盈利狀況仍較去年同期有所改善。旗艦雜誌《東周刊》以高品位資訊娛樂雜誌的定位持續備受市場認同，並吸引一班高素質讀者及廣告客戶，而平均廣告頁收費亦有所上升。《東 TOUCH》面對市場上大量新刊物的挑戰，依然能保持其於文化潮流雜誌中的穩固地位。該雜誌為廣告客戶不斷提供嶄新的廣告模式，除了能增加廣告的宣傳效果外，更有助拓闊《東 TOUCH》的收入基礎，但同時亦導致生產成本上升。《電腦廣場》以集中提供數碼產品範疇的專業內容為策略，鞏固其作為資訊科技界專業雜誌的市場地位。該雜誌除了贏得讀者的支持外，同時也得到廣告商的認同並從而增加其廣告收入。

招聘媒體

於二零零六年上半年，香港招聘廣告市場淡靜，尤以平面廣告為然。本期內在平面媒體市場上刊登的職位空缺數目相較去年同期下降10%。《JobMarket 求職廣場》在維持其平面媒體市場份額之同時，其網上招聘業務亦有所上升，其中尤以專職人才之招聘業務最為顯著。高級職位網站 www.A-performers.com 於市場上的發展動力及知名度亦繼續增加。市場對持續教育之需求依然殷切，縱然此廣告類別之競爭日趨激烈，但《EDUplus.com.hk》仍繼續為市場之領導品牌。

非媒體業務

貿易

本集團之貿易業務收入於本期內持續上升，相較去年同期錄得10%的增幅。儘管國內的數碼相機市場於二零零六年之增長普遍放緩，但該業務在銷售及市場推廣上所作出的努力已成功增加其市場佔有率。另一方面，由於激烈的競爭導致溢利率受壓，該業務的經營溢利由去年同期約6,100,000港元下降

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resulted in pressure on profit margins, and the unit recorded a decline in operating profit from HK\$6.1 million in the Previous Period to HK\$4.4 million in the Period. In order to compensate for the deteriorating margins, the unit will continue to leverage on its distribution network to diversify into new business areas in a prudent manner.

Broadband Content and Distribution

The Group's 40% owned Broadband Content and Distribution unit faced a challenging operating environment during the Period. Price competition from other telecommunications service providers had resulted in lower average revenue per subscriber, and the government's macroeconomic measures had also put pressure on growth in users, especially commercial customers. The unit will seek to open up new revenue sources by developing its system integration and software development business.

E-Learning and Corporate Training

During the Period, the e-learning and corporate training unit delivered satisfactory growth in financial results. The e-learning business, undertaken in co-operation with the University of International Business and Economics, had become established as the unit's core revenue and profit base. At the same time, incremental business in corporate training, such as the provision of mandarin courses to foreign enterprises in the PRC, had fuelled further growth.

PROSPECTS

The Group's expansion into the free newspaper market has proven to be strategically successful, with new advertising revenue opened up by *Headline Daily*, particularly in consumer products and services, complementing *Sing Tao Daily's* established position in property and finance advertisements. Market surveys have clearly demonstrated the free newspapers' rapidly growing share of the advertising market, and *Headline Daily* is well positioned to capture the benefits from this trend. In addition, with the interest rate cycle approaching its peak, the property market is seeing renewed vigour and increases in property-related advertising would benefit the Group in the second half. At the same time, the Magazine business continues on a positive trend.

至本期內約4,400,000港元。為彌補溢利率下滑帶來之影響，該業務將持謹慎態度，繼續善用其分銷網絡以使其業務範疇更趨多元化。

寬頻內容與服務

於本期內，本集團擁有40%股權之寬頻內容與服務業務面對嚴峻的經營環境。該業務受到其他電訊服務供應商的減價戰影響，以致其平均寬頻用戶收入下降，而政府之宏觀調控措施亦減慢了其用戶人數增長，其中尤以商業客戶為甚。該業務擬透過發展其系統集成和軟件開發業務，以開拓新的收入來源。

遠程教育與企業培訓

於本期內，遠程教育與企業培訓業務之財務業績錄得理想增長。與北京對外經濟貿易大學合辦之遠程教育事務已成為該業務之主要收入及盈利基礎。與此同時，企業培訓的業務不斷擴充，如為國內之外資企業提供普通話課程，亦為其業務發展增添動力。

展望

本集團進軍免費報章市場已證實是成功的策略，《*頭條日報*》所帶來的新廣告收入，尤其是來自消費產品及服務的廣告，有效地與《*星島日報*》於地產及金融廣告方面所確立之市場地位互相補足。市場調查明確顯示免費報章在廣告市場上的佔有率正迅速增長，而《*頭條日報*》正穩佔優勢以抓緊此趨勢帶來的商機。此外，隨著加息周期接近見頂，樓市再度活躍及地產相關廣告增加將令本集團於下半年受惠。與此同時，雜誌業務亦繼續循良好的軌道發展。

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But the months ahead are not without challenges. Market competition, high material costs and rising inflation will continue to impose pressure on operations. The Group has started the second half of 2006 with a new office location in Shaukeiwan, which represents not only an improved work environment for our staff but also increased work efficiency and cost saving opportunities. Management will be rigorous in growing revenue and controlling expenses to maximize profit for shareholders.

LIQUIDITY AND FINANCIAL RESOURCES, GEARING RATIO, CHARGES ON THE GROUP'S ASSETS

The Group maintained a strong financial position with a net cash position throughout the Period under review. As at 30 June 2006, the Group had a net cash balance (calculated with reference to the Group's cash balances and total borrowings) of approximately HK\$163 million (31 December 2005: approximately HK\$303 million).

The gearing ratio, defined as long-term borrowings to equity, was zero as at 30 June 2006 (31 December 2005: zero). As at 30 June 2006, the Group had pledged time deposits of approximately HK\$88 million (31 December 2005: approximately HK\$77 million) to secure banking facilities granted to and trust loan procured by the Group.

CAPITAL STRUCTURE, EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group adopts a prudent approach in managing its treasury function and uses different hedging methods to minimize the impact of foreign exchange fluctuations on its financial performance.

EMPLOYEES

As at 30 June 2006, the Group had approximately 2,190 employees.

The Group remunerates its employees based on individual and business performance and competitive salaries and benefits are paid to attract and retain quality staff. Other employee benefits include medical insurance, discretionary bonus, share options and provident fund schemes.

然而，下半年仍存有挑戰，市場競爭、物料成本高企及通脹上升將持續對業務經營帶來壓力。本集團之總辦公大樓已於二零零六年下半年遷至筲箕灣，此舉不僅可以改善員工的工作環境，亦有助提升工作效率及節省成本。管理層將嚴格控制開支並增加收入，以期為股東帶來最大的回報。

流動資金及財務資源、資本負債比率、本集團資產抵押

本集團於本期內維持穩健之財政狀況並有現金淨額。於二零零六年六月三十日，本集團現金結餘淨額（根據本集團現金結餘及借貸總額計算）約為163,000,000港元（二零零五年十二月三十一日：約為303,000,000港元）。

於二零零六年六月三十日，本集團之資本負債比率（即長期借貸除以股本）為零（二零零五年十二月三十一日：零）。於二零零六年六月三十日，本集團已向銀行抵押定期存款約為88,000,000港元（二零零五年十二月三十一日：約為77,000,000港元），作為本集團所獲銀行信貸及所促使之委託貸款之擔保。

資本結構、滙率波動風險

本集團採取審慎方式管理其財資運作及使用各種對沖方法以減低因外滙波動而對其財務表現造成之影響。

僱員

於二零零六年六月三十日，本集團共有約2,190名員工。

本集團根據其僱員之個人表現及其業績，向其僱員給予具競爭性之薪酬及福利，以吸引及挽留優質員工。其他僱員福利包括醫療保險、酌情花紅、認股權及公積金計劃。

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK2 cents (Previous Period: HK1 cent (as adjusted to reflect the share consolidation during the Period)) per share for the Period payable on Wednesday, 11 October 2006 to shareholders whose names appear on the register of members of the Company on Wednesday, 4 October 2006.

中期股息

董事會議決宣佈就本期內派發中期股息每股2港仙（去年同期：1港仙（已就本期內之股份合併而作出調整計算）），並於二零零六年十月十一日（星期三）派予於二零零六年十月四日（星期三）名列於本公司股東名冊內之股東。

Other Information

其他資料

DIRECTORS' INTERESTS

As at 30 June 2006, the interests and short positions of the directors of the Company (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") contained in Appendix 10 of the Listing Rules were as follows:

Long positions:

董事權益

於二零零六年六月三十日，本公司董事（「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，擁有本公司根據證券及期貨條例第352條存置之登記冊所記錄，或根據上市規則附錄10所載上市發行人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及淡倉如下：

好倉：

Number of ordinary shares held, capacity and nature of interest

所持普通股數目、身份及權益性質

Name of director	Notes	Personal interests	Corporate interests	Total	Percentage of
					the Company's issued share capital
董事姓名	附註	個人權益	公司權益	總數	佔本公司已發行股本之百分比
Mr. Ho Tsu Kwok, Charles 何柱國先生	(1)	—	426,197,500	426,197,500	48.18%
Mrs. Sy Wong Chor Fong 施黃楚芳女士	(2)	625,000	81,959,500	82,584,500	9.33%

Notes:

- (1) Of these shares, 424,948,000 and 1,249,500 shares were held by Luckman Trading Limited ("Luckman") and Yosham Limited, respectively, which were beneficially owned by Mr. Ho Tsu Kwok, Charles.
- (2) The corporate interests of 81,959,500 shares were held by Stagelight Group Limited ("Stagelight"), which was beneficially wholly-owned by Mrs. Sy Wong Chor Fong.

附註：

- (1) 該等股份當中，424,948,000股及1,249,500股分別由Luckman Trading Limited（「Luckman」）及Yosham Limited持有。該兩間公司均由何柱國先生實益擁有。
- (2) 公司權益之股份81,959,500股由Stagelight Group Limited（「Stagelight」）持有，該公司由施黃楚芳女士實益全資擁有。

On 18 May 2006, the authorized share capital of the Company has been consolidated on the basis that every two issued and unissued shares of HK\$0.1 each in the share capital of the Company be consolidated into one share of HK\$0.2 each. As a result of the consolidation, the number of shares stated above has been adjusted.

於二零零六年五月十八日，本公司之法定股本按本公司股本中每兩股每股面值0.1港元之已發行及未發行股份合併為一股每股面值0.2港元之股份為基準合併。由於股份合併，上述之股份數目已作出調整。

DIRECTORS' INTERESTS (continued)

The interests of the Directors in the shares options of the Company are separately disclosed in the section "Share Options" below.

In addition to the above, certain Directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Group solely for the purpose of complying with the minimum company membership requirements.

Save as disclosed above, as at 30 June 2006, none of the Directors had registered an interest or short position in 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.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS

As at 30 June 2006, the following interests and short positions of 5% or more of the issued share capital of the Company were recorded in the registers required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions:

Name	Notes	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
名稱	附註	身份及權益性質	所持普通股數目	
Luckman	(1)	Beneficial owner 實益擁有人	424,948,000	48.03%
Hong Kong Tobacco Company Limited ("HK Tobacco") 香港煙草有限公司(「香港煙草」)	(2)	Deemed interest 視為擁有之權益	424,948,000	48.03%
Stagelight	(3)	Beneficial owner 實益擁有人	81,959,500	9.26%
Great Diamond Developments Limited		Beneficial owner 實益擁有人	68,959,500	7.79%

董事權益 (續)

董事持有本公司購股權之權益於下文「購股權」一節內獨立披露。

除上述者外，若干董事為本集團之利益於若干附屬公司持有非實益個人股本權益，此舉僅為使公司符合最少股東要求之規定。

除上文所披露者外，於二零零六年六月三十日，概無董事擁有本公司或其任何相聯法團之股份及相關股份中之權益或淡倉而須記錄於根據證券及期貨條例第352條存置之登記冊內，或根據標準守則須知會本公司及聯交所。

主要股東及其他人士之權益

按本公司根據證券及期貨條例第336條存置之登記冊所記錄，下列人士於二零零六年六月三十日擁有本公司已發行股本5%或以上之權益及淡倉：

好倉：

Other Information

其他資料

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS (continued)

Notes:

- (1) The interests of Mr. Ho Tsu Kwok, Charles, held through a controlled corporation, duplicates to those disclosed in the section "Directors' Interests" above.
- (2) Pursuant to an option agreement dated 20 June 2001 and two supplemental agreements entered into between Luckman and HK Tobacco on 19 July 2002 and 19 July 2003, respectively, HK Tobacco was granted an option to purchase from Luckman 33,000,000 ordinary shares of the Company. Under Sections 317 and 318 of the SFO, HK Tobacco is deemed to be interested in all the 424,948,000 ordinary shares of the Company held by Luckman.
- (3) The interests of Mrs. Sy Wong Chor Fong, held through a controlled corporation, duplicates to those disclosed in the section "Directors' Interests" above.

The number of shares stated above has been adjusted as a result of the consolidation of the Company's shares as mentioned in the section "Directors' Interests" above.

Save as disclosed above, as at 30 June 2006, the Company has not been notified by any person, other than the Directors, whose interests are set out in the section "Directors' Interests" above, who has 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.

主要股東及其他人士之權益 (續)

附註：

- (1) 何柱國先生透過一家控制法團持有之權益與上文「董事權益」一節內所披露之權益相同。
- (2) 根據 Luckman 與香港煙草於二零零一年六月二十日訂立之購股權協議及分別於二零零二年七月十九日及二零零三年七月十九日訂立之兩份補充協議，香港煙草獲授購股權，可向 Luckman 收購本公司普通股 33,000,000 股。根據證券及期貨條例第 317 及 318 條，香港煙草被視為擁有 Luckman 所持有之全部 424,948,000 股本公司普通股之權益。
- (3) 施黃楚芳女士透過一家控制法團持有之權益與上文「董事權益」一節內所披露之權益相同。

上述股份數目已因上文「董事權益」一節所述之本公司股份合併而作出調整。

除上文所披露者外，於二零零六年六月三十日，按本公司根據證券及期貨條例第 336 條存置之登記冊所記錄，並無任何人士（董事除外，其權益載於上文「董事權益」一節內）知會本公司其擁有本公司股份或相關股份之權益或淡倉。

Other Information

其他資料

SHARE OPTIONS

As at 30 June 2006, details of share options granted to the directors or eligible employees under the share option schemes of the Company are as follows:

購股權

截至二零零六年六月三十日，各董事或合資格僱員根據本公司購股權計劃獲授予之購股權詳情如下：

Name or category of participant	Number of share options						At 30 June 2006 (Note 1)	Date of grant of share options	Exercise period of share options	Exercise price of share options at 17 May 2006	Adjusted exercise price of share options (Note 1)	Price of the Company's shares (Note 2)	
	At 1 January 2006	Granted	Exercised	Lapsed	Cancelled	At 17 May 2006						At grant date of options	At exercise date of options
參與者姓名或類別	於二零零六年一月一日	授出	行使	失效	註銷	於二零零六年五月十七日	於二零零六年六月三十日 (附註1)	購股權授出日期	購股權行使期	於二零零六年五月十七日之購股權行使價	經調整之購股權行使價 (附註1)	購股權授出當日	購股權行使當日
										HKS 港元	HKS 港元	HKS 港元	HKS 港元
Directors													
董事													
Under the Old Scheme:													
根據舊計劃：													
Mrs. Sy Wong Chor Fong 施黃楚芳女士	400,000	—	—	—	—	400,000	200,000	31-08-01	20-09-02 to 19-09-11	0.3528	0.7056	—	—
Mr. Yang Yiu Chong, Ronald Jeffrey 楊耀宗先生	2,700,000	—	—	—	—	2,700,000	1,350,000	31-08-01	20-09-02 to 19-09-11	0.3528	0.7056	—	—
Under the New Scheme:													
根據新計劃：													
Mr. Jia Hongping 賈紅平先生	4,000,000	—	—	—	—	4,000,000	2,000,000	28-10-05	28-10-06 to 27-10-15	0.3650	0.7300	0.7200	—
Mr. Jim Sui Hing (Note 3) 龔瑞慶先生(附註3)	6,000,000	—	—	—	—	6,000,000	3,000,000 (Note 3) (附註3)	28-10-05	28-10-06 to 27-10-15	0.3650	0.7300	0.7200	—
Mr. Lai Ting Yiu 黎廷瑤先生	4,000,000	—	—	—	—	4,000,000	2,000,000	28-10-05	28-10-06 to 27-10-15	0.3650	0.7300	0.7200	—
Mr. Lau Chung Man, Louis 劉仲文先生	6,000,000	—	—	—	—	6,000,000	3,000,000	23-05-05	23-05-06 to 22-05-15	0.3880	0.7760	0.7600	—
Mr. Lo Wing Hung 盧永雄先生	36,000,000	—	—	—	—	36,000,000	18,000,000	04-05-05	04-05-06 to 03-05-15	0.3850	0.7700	0.7700	—
Mrs. Sy Wong Chor Fong 施黃楚芳女士	754,000	—	—	—	—	754,000	377,000	28-10-05	28-10-06 to 27-10-15	0.3650	0.7300	0.7200	—
Mr. Yang Yiu Chong, Ronald Jeffrey 楊耀宗先生	2,360,000	—	—	—	—	2,360,000	1,180,000	28-10-05	28-10-06 to 27-10-15	0.3650	0.7300	0.7200	—
Other employees													
其他僱員													
In aggregate (under the Old Scheme) 合共(根據舊計劃)	6,610,000	—	(126,000)	(56,000)	—	6,428,000	3,214,000	(Note 4) (附註4)	(Note 4) (附註4)	—	(Note 4) (附註4)	—	(Note 4) (附註4)
In aggregate (under the New Scheme) 合共(根據新計劃)	37,755,000	7,400,000	—	(4,000,000)	—	41,155,000	23,577,500	(Note 5) (附註5)	(Note 5) (附註5)	—	(Note 5) (附註5)	(Note 5) (附註5)	—
Total 總數	106,579,000	7,400,000	(126,000)	(4,056,000)	—	109,797,000	54,898,500						

Other Information

其他資料

SHARE OPTIONS (continued)

SHARE OPTIONS (continued)

Notes:

1. The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital. On 18 May 2006, the authorized share capital of the Company has been consolidated on the basis that every two issued and unissued shares of HK\$0.1 each in the share capital of the Company be consolidated into one share of HK\$0.2 each. As a result of the consolidation, the number of share options and the relevant exercise prices have been adjusted.
2. The price of the Company's shares disclosed at the grant date of options is the closing price on the Stock Exchange on the trading day immediately prior to the date of offer of the grant of the options. The price of the Company's shares disclosed at the exercise date of options is the weighted average of the closing price on the Stock Exchange over all of the exercises of options within the disclosure line. As a result of the consolidation, the price of the Company's shares has been adjusted.
3. Mr. Jim Sui Hing retired as director of the Company with effect after the conclusion of the annual general meeting of the Company held on 17 May 2006. Accordingly, all share options granted to him should be categorized under "Other employees (under the New Scheme)".
4. These represent options granted to employees with exercise prices ranging from HK\$0.5640 to HK\$1.8368 per share, and an exercise period starting at the earliest on 20 October 2000 and ending at the latest on 21 March 2012. The weighted average closing price of the Company's shares immediately before the exercise date of options was HK\$1.3600 (adjusted due to consolidation of the Company's shares as mentioned in the Note 1 above) per share.
5. These represent options granted to employees with exercise prices ranging from HK\$0.7300 to HK\$0.8200 per share, and an exercise period starting at the earliest on 3 May 2006 and ending at the latest on 18 January 2016. The closing price of the Company's shares immediately before the grant date of options was HK\$0.7800 (adjusted due to consolidation of the Company's shares as mentioned in the Note 1 above) per share.

Save as disclosed above, there was no arrangement to which the Company or any of its subsidiaries was a party to enable the directors and their spouses to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

購股權 (續)

附註：

1. 購股權之行使價須就有關供股、發行紅股或本公司之股本出現類似變動而作出調整。於二零零六年五月十八日，本公司之法定股本按本公司股本中每兩股每股面值0.1港元之已發行及未發行股份合併為一股每股面值0.2港元之股份為基準合併。由於股份合併，購股權數目及相關行使價已調整。
2. 於授出購股權日期所披露之本公司股份價格為緊接提議授出購股權當日前一個交易日在聯交所之收市價。於行使購股權日期披露之本公司股份價格，乃為披露範圍內有關行使所有購股權在聯交所之加權平均收市價。由於股份合併，本公司股份價格已調整。
3. 詹瑞慶先生已退任本公司董事一職，於二零零六年五月十七日召開之本公司股東週年大會結束後生效。因此，彼獲授予之所有購股權應歸類於「其他僱員（根據新計劃）」項下。
4. 該等購股權為向僱員授出之購股權，行使價每股介乎0.5640港元至1.8368港元，行使期最早由二零零零年十月二十日開始，最遲於二零一二年三月三十一日屆滿。本公司股份於緊接購股權行使當日前之加權平均收市價為每股1.3600港元（已因上文附註1所述之本公司股份合併而調整）。
5. 該等購股權為向僱員授出之購股權，行使價每股介乎0.7300港元至0.8200港元，行使期最早由二零零六年五月三日開始，最遲於二零一六年一月十八日屆滿。本公司股份於緊接購股權授出當日前之收市價為每股0.7800港元（已因上文附註1所述之本公司股份合併而調整）。

除上文所披露者外，本公司或其任何附屬公司概無參與任何安排，使各董事及彼等之配偶可藉購入本公司或任何其他法人團體之股份或債券而獲益。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Period, the Company repurchased certain of its shares on the Stock Exchange and these shares were subsequently cancelled by the Company. Further details of these transactions are set out in note 15 to the condensed consolidated interim financial statements.

Except as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Period.

CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Listing Rules and complied with the CG Code throughout the Period with deviation from the code provision E.1.2. The Chairman of the audit committee of the Company did not attend the annual general meeting of the Company held in 2006 due to other commitments.

COMPLIANCE OF THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has made specific enquiries to all directors of the Company who have confirmed that they have complied with the required standard set out in the Model Code throughout the Period.

購買、贖回或出售本公司之上市證券

於本期內，本公司在聯交所購回其若干股份，而該等股份其後由本公司註銷。該等交易之詳細資料載於簡明綜合中期財務報表附註15。

除上文所披露者外，本公司或其任何附屬公司於期內並無購買、贖回或出售本公司任何上市證券。

企業管治

本公司於本期內已採納並遵守上市規則附錄14所載之企業管治常規守則之守則條文，當中有偏離守則條文E.1.2。本公司之審核委員會主席因有其他事務處理而未能出席本公司於二零零六年舉行之股東週年大會。

遵守董事進行證券交易之標準守則

本公司在進行具體查詢後，本公司全體董事均已確認，彼等於本期內已遵守標準守則所列明之規定標準。

Other Information

其他資料

REVIEW OF INTERIM FINANCIAL STATEMENTS

The audit committee of the Company has reviewed the unaudited condensed consolidated financial statements of the Group for the Period, including the accounting principles and accounting standards adopted by the Company, and discussed matters relating to auditing, internal controls and financial reporting.

By Order of the Board
HO Tsu Kwok, Charles
Chairman

Hong Kong, 5 September 2006

審閱中期財務報表

本公司審核委員會已審閱本集團於本期內之未經審核簡明綜合財務報表，包括本公司採納之會計原則及準則，並已討論有關審計、內部監控及財務報告之事宜。

承董事會命
主席
何柱國

香港，二零零六年九月五日

星島 SING TAO
新聞集團

星島新聞集團有限公司
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