

### 1. BASIS OF PREPARATION

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

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2005.

The HKICPA has issued a number of amended Hong Kong Financial Reporting Standards (“HKFRSs”), amended Hong Kong Accounting Standards (“HKASs”) and new Interpretations, which are effective for accounting periods beginning on or after 1 December 2005 or 1 January 2006. The Group has adopted the following amended HKFRS, amended HKASs and new Interpretation issued up to 30 June 2006 which are pertinent to its operations and relevant to these interim financial statements.

HKAS 39 (Amendment)	The Fair Value Option
HKAS 39 & HKFRS 4 (Amendments)	Financial Guarantee Contracts
HKFRS-Int 4	Determining whether an Arrangement contains a Lease

### 1. 編制基準

本未經審核簡明綜合財務報表是根據香港聯合交易所有限公司證券上市規則附錄16內適用的披露規定及遵照由香港會計師公會頒布的香港會計準則34號「中期財務報告」而編制。

### 2. 重要會計政策概要

除若干物業及財務票據以公平值計量外，本未經審核簡明綜合財務報表是按歷史成本常規法而編製。

本簡明綜合財務報表所採用的會計政策，與集團編製截至2005年12月31日止年度財務報表所採用者符合一致。

香港會計師公會已頒布多項經修訂香港財務報告準則（「HKFRSs」）、經修訂香港會計準則（「HKASs」）、及新詮釋，於2005年12月1日或2006年1月1日或以後開始的會計期間生效。集團已採納以下截至2006年6月30日前所頒布並對集團的營運及本中期財務報表有關的經修訂HKFRS、經修訂HKASs、及新詮釋。

HKAS 39 (經修訂)	公平值選擇權
HKAS 39及HKFRS 4 (經修訂)	財務擔保合約
HKFRS-Int 4	釐訂安排是否包含租賃

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The adoption of the above amended HKFRS, amended HKASs and new Interpretation had no material effect on how the results for the current and prior accounting periods are prepared and presented.

The Group has not early applied the following new and amended HKFRS, HKAS and Interpretation that have been issued but are not yet effective. The Directors anticipate that the application of these HKFRS, HKAS and Interpretation will have no material impact on the results and the financial position of the Group.

HKAS 1 (Amendment)	Capital Disclosures <sup>1</sup>
HKFRS 7	Financial Instruments: Disclosures <sup>1</sup>
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2007.

<sup>2</sup> Effective for annual periods beginning on or after 1 June 2006.

## 3. RESTATEMENT AND RECLASSIFICATION OF 2005 INTERIM COMPARATIVES

Following publication of the 2005 interim report, the Group kept under review the presentation of items in accordance with HKFRSs having regard to subsequent interpretation and emerging consensus on the restatement adjustment related to fair value of loan notes, and restatement adjustment and reclassification of share of results of associated companies.

As a result, the Group changed the presentation of certain items in the 2005 annual report from that adopted as at 30 June 2005.

## 2. 重要會計政策概要 (續)

採納以上經修訂HKFRS、經修訂HKASs、及新詮釋，對編制及呈列本期及以往會計期度的結果並無重大影響。

集團並無提早採納以下已頒布但未生效的新或經修訂HKFRS、HKAS、及詮釋。董事預期採納該等HKFRS、HKAS、及新詮釋，對集團的業績及財務狀況將無重大影響。

HKAS 1 (經修訂)	資本披露 <sup>1</sup>
HKFRS 7	財務票據：披露 <sup>1</sup>
HK(IFRIC)-Int 9	重估內在衍生工具 <sup>2</sup>

<sup>1</sup> 於2007年1月1日或其後開始的年度生效。

<sup>2</sup> 於2006年6月1日或其後開始的年度生效。

## 3. 重列及重新分類2005年中期比較數字

自2005年中期報告刊發後，對貸款票據公平值的重列調整及對所佔聯營公司的重列調整和重新分類，集團考慮到其後的詮釋及逐步達致之共識，一直根據HKFRSs檢討各項目的呈列方式。

結果，集團於2005年年報中改變若干於2005年6月30日所採納的呈列方式。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

### 3. RESTATEMENT AND RECLASSIFICATION OF 2005 INTERIM COMPARATIVES (Continued)

Accordingly, the presentation of the comparative information in respect of the six months ended 30 June 2005 which appears in these interim financial statements has been changed from the information published in the 2005 interim report.

The June 2005 comparative figures of certain items in the income statement have been restated where relevant and to conform to the method of computation of the current period as follows:

### 3. 重列及重新分類2005年中期比較數字(續)

因此，有關截至2005年6月30日六個月的比較資料之呈列方式，由2005年中期報告所載的方式變更為本中期財務報表所載的方式。

為符合本期的計算方式，於2005年6月收益賬之比較數字中有若干項目已予以重列如下：

		As reported on 30.6.2005 呈列於 30.6.2005 HK\$'000 千港元	Restatement and reclassification 重列及 重新分類 HK\$'000 千港元	As restated 重列 HK\$'000 千港元
Other expenses	其他費用	(19,948)	(4,981)	(24,929)
Finance costs	融資成本	(9,253)	(7,606)	(16,859)
Share of results of associated companies	所佔聯營 公司業績	92,327	(10,480)	81,847
Profit for the period	本期溢利	216,509	(23,067)	193,442
Profit attributable to the equity holders of the Company	本公司股東 應佔溢利	215,646	(23,067)	192,579
Basic earnings per share (HK cents)	每股基本盈利 (港仙)	17.3	(1.8)	15.5

## 4. SEGMENT INFORMATION

Business segments have been used as a primary reporting format and no geographical segment analysis is presented as most of the Group's major business activities are conducted in Hong Kong.

## 4. 分項資料

業務分項是作為主要呈報形式，由於集團主要業務活動大部分在香港經營，故並無呈列經營地域的分項分析。

		Revenue		Segment results	
		Six months ended		Six months ended	
		收益		分項業績	
		六個月結算至		六個月結算至	
		30.6.2006	30.6.2005	30.6.2006	30.6.2005
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
					(restated)
					(重列)
Securities broking and dealing	證券經紀及買賣	214,733	126,302	64,958	22,224
Leveraged forex, bullion, commodities and futures	槓桿式外匯、黃金、商品及期貨	118,884	71,457	33,588	7,383
Margin finance and other financing services	證券放款及其他金融服務	137,438	77,723	39,151	26,922
Term loans	有期借款	17,560	14,206	9,904	8,956
Corporate finance and others	企業融資及其他	115,671	90,523	69,169	64,872
		<b>604,286</b>	<b>380,211</b>	<b>216,770</b>	<b>130,357</b>
Unallocated item	未能分攤項目			<b>(80,784)</b>	–
				<b>135,986</b>	<b>130,357</b>
Share of results	所佔業績				
– Associated companies	– 聯營公司			<b>71,033</b>	81,847
– Jointly controlled entities	– 共同控制公司			<b>(18)</b>	2
				<b>207,001</b>	<b>212,206</b>

**5. NET LOSS ON DEEMED DISPOSAL OF LISTED ASSOCIATED COMPANIES**      **5. 視作出售上市聯營公司虧損淨額**

		Six months ended 六個月結算至	
		30.6.2006 HK\$'000 千港元	30.6.2005 HK\$'000 千港元
Loss on deemed disposal of listed associated companies resulted from the following:	視作出售上市聯營公司虧損由以下項目引致：		
(a) – Exercise of unlisted warrants of a listed associated company conferring rights to subscribe for up to 78,800,000 new shares by a subscriber	(a) – 由一認購人行使一間上市聯營公司之非上市認股權證，賦予其權利認購多達 78,800,000 股新股	67,905	–
– Share placing and top-up subscription of new shares by the listed associated company in April 2006	– 該上市聯營公司於 2006 年 4 月之配售股份及補充認購新股份	12,965	–
(b) Exercise of warrants and share options by another listed associated company	(b) 另一上市聯營公司的認股權證及購股權被行使	(86)	–
		<u>80,784</u>	<u>–</u>

**6. IMPAIRMENT LOSS OF AN AVAILABLE-FOR-SALE INVESTMENT**      **6. 可供出售投資減值虧損**

It represents the impairment loss of HK\$58,203,000 (2005: Nil) provided by the Group relating to the Group's 12.5% interest in a Kuala Lumpur hotels project after the Court of Final Appeal delivered its decision, dismissing the Group's final appeal. The details of the litigation have been disclosed in the contingent liabilities of the 2005 annual report of the Company.

此為在最終上訴法院作出判決駁回集團最終上訴後，集團就其於吉隆坡酒店項目 12.5% 權益所作之減值虧損撥備 58,203,000 港元 (2005 年：無)。該訴訟之詳情已披露於本公司 2005 年年報之或然負債中。

## 7. PROFIT BEFORE TAXATION

## 7. 除稅前溢利

		Six months ended 六個月結算至	
		30.6.2006 HK\$'000 千港元	30.6.2005 HK\$'000 千港元
Profit before taxation is stated after crediting (charging) the following:	除稅前溢利已計入 (扣除) 以下項目：		
Dividends from listed investments	上市投資股息	8,952	8,543
Dividends from unlisted investments	非上市投資股息	3,278	17,692
Interest income	利息收入	138,363	73,749
Interest expenses	利息費用	(50,903)	(16,491)
Interest accrued on outstanding advances to an investee company	未付一間投資公司墊款的應計利息	(9,294)	-
Repayment of interest in respect of litigation with New World Development Company Limited pursuant to Court of Appeal Judgment	根據上訴法院裁決就與新世界發展有限公司訴訟所獲得的利息退還	-	14,011
Increase in fair value of investment properties	投資物業公平值增加	9,500	10,000
Amortization of leasehold interests in land	攤銷租賃土地權益	(777)	(814)
Amortization of intangible assets	攤銷無形資產	(1,946)	(1,840)
Impairment loss of intangible assets	無形資產減值虧損	(1,071)	(236)
Depreciation	折舊		
- Owned property and equipment	- 自置物業及設備	(7,473)	(8,743)
- Leased equipment	- 租賃設備	-	(42)
Discount on acquisition of associated companies	購入聯營公司的折讓	9,011	-
Impairment loss of an associated company	一間聯營公司減值虧損	-	(4,981)
Net profit (loss) on disposal of equipment	出售設備溢利 (虧損) 淨額	1	(277)
Net loss on disposal of an investment property	出售一所投資物業虧損淨額	(140)	-
Net profit on disposal of a jointly controlled entity	出售一間共同控制公司溢利淨額	-	1,219
Net profit on disposal of available-for-sale investments	出售可供出售投資溢利淨額	68,604	2,951
Impairment loss of trade and other receivables written back	經營及其他應收賬減值虧損撥回	1,516	12,898
Impairment loss of trade and other receivables	經營及其他應收賬減值虧損	(610)	(19,527)
Net realized profit on derivatives	衍生工具已兌現溢利淨額	9,508	10,635
Net unrealized profit (loss) on derivatives	衍生工具未兌現溢利 (虧損) 淨額	6,406	(1,358)
Net profit on dealing in leveraged foreign currencies	槓桿式外匯買賣溢利淨額	4,131	2,817
Net profit on other dealing activities	其他買賣活動溢利淨額	17,725	2,306
Net realized profit on trading in equity securities	經營股權證券已兌現溢利淨額	11,271	1,970
Net unrealized profit (loss) on trading in equity securities	經營股權證券未兌現溢利 (虧損) 淨額	7,405	(1,780)

8. TAXATION

		Six months ended 六個月結算至	
		30.6.2006 HK\$'000 千港元	30.6.2005 HK\$'000 千港元
Current tax	當期稅項		
Hong Kong	香港	24,545	12,000
Other jurisdictions	其他司法地區	553	209
		<b>25,098</b>	12,209
Deferred tax	遞延稅項		
Current period	本期	3,599	6,555
		<b>28,697</b>	18,764

Hong Kong profits tax is calculated at the rate of 17.5% (2005: 17.5%) on the estimated assessable profits for the period. Taxation arising in other jurisdictions is calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in the relevant jurisdictions.

香港利得稅乃按照本期估計應課稅溢利按稅率17.5% (2005年：17.5%) 計算。其他司法地區的稅款，則按照本期估計應課稅溢利，按集團經營業務有關司法地區的現行稅率計算。

9. DIVIDEND

		Six months ended 六個月結算至	
		30.6.2006 HK\$'000 千港元	30.6.2005 HK\$'000 千港元
Interim dividend of HK5 cents per share (2005: HK2.5 cents per share)	中期股息每股派 5 港仙 (2005 年：每股派 2.5 港仙)	74,686	31,143

The amount of the interim dividend for the six months ended 30 June 2006 has been calculated by reference to 1,493,724,356 shares in issue at 12 September 2006.

截至2006年6月30日六個月的中期股息數額，是依照於2006年9月12日的已發行股份1,493,724,356股而計算。

During the period, the Company paid dividend of HK\$118,342,000 (2005: HK\$74,742,000), representing proposed 2005 final dividend of HK9.5 cents per share (2005: proposed 2004 final dividend of HK2 cents per share and proposed special dividend of HK4 cents per share).

本公司於期內支付118,342,000港元股息 (2005年：74,742,000港元)，為擬派2005年末期股息每股9.5港仙 (2005年：擬派2004年末期股息每股2港仙及擬派特別股息每股4港仙)。

## 10. EARNINGS PER SHARE

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

## 10. 每股盈利

本公司股東應佔之每股基本及攤薄盈利乃按下列計算：

		Six months ended 六個月結算至	
		30.6.2006 HK\$'000 千港元	30.6.2005 HK\$'000 千港元
<b>Earnings</b>	<b>盈利</b>		
Earnings for the purposes of basic earnings per share (profit for the period attributable to equity holders of the Company)	用以計算每股基本盈利之盈利（本公司股東應佔本期溢利）	178,026	192,579
Effect of dilutive potential ordinary shares:	潛在攤薄普通股的影響：		
Adjustment to the share of results of associated companies based on dilution of their earnings per share	就聯營公司每股攤薄盈利對所佔其業績的調整	(1,252)	—
Earnings for the purposes of diluted earnings per share	用以計算每股攤薄盈利之盈利	176,774	192,579
		'000 千股	'000 千股
<b>Number of shares</b>	<b>股數</b>		
Weighted average number of ordinary shares for the purposes of basic earnings per share	用以計算每股基本盈利的普通股加權平均股數	1,245,703	1,245,703
Effect of dilutive potential ordinary shares:	潛在攤薄普通股的影響：		
Warrants	認股權證	1,007	—
Weighted average number of ordinary shares for the purposes of diluted earnings per share	用以計算每股攤薄盈利的普通股加權平均股數	1,246,710	1,245,703



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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Sun Hung Kai &amp; Co. Limited 新鴻基有限公司 Interim Report 2006 中期報告

### 11. AVAILABLE-FOR-SALE INVESTMENTS

### 11. 可供出售投資

		30.6.2006	31.12.2005
		HK\$'000	HK\$'000
		千港元	千港元
<hr/>			
Listed equity investments issued by corporate entities, at fair value	由企業發行的上市股權投資，按公平值		
– Listed in Hong Kong	– 在香港上市	657,986	530,543
– Listed outside Hong Kong	– 在香港以外上市	6,872	4,444
		<hr/>	<hr/>
		664,858	534,987
Unlisted equity investments issued by corporate entities, at fair value	由企業發行的非上市股權投資，按公平值		
		780,381	458,152
		<hr/>	<hr/>
		1,445,239	993,139
		<hr/>	<hr/>

### 12. LOANS AND RECEIVABLES

### 12. 貸款及應收賬

		30.6.2006	31.12.2005
		HK\$'000	HK\$'000
		千港元	千港元
<hr/>			
Loan note of a listed associated company	一間上市聯營公司的貸款票據	78,000	78,000
Amounts due from investee companies *	投資公司欠賬 *	6,663	124,687
		<hr/>	<hr/>
		84,663	202,687
Less: impairment	減：減值	(1,447)	(1,447)
		<hr/>	<hr/>
		83,216	201,240
Long term portion of other receivables	其他應收賬的長期部分	926	1,066
		<hr/>	<hr/>
		84,142	202,306
		<hr/>	<hr/>

\* A sum totalling HK\$118,003,000 for the interest in the Kuala Lumpur hotels project was derecognized and then recognized as an available-for-sale investment after the Court of Final Appeal delivered its decision, dismissing the Group's final appeal.

\* 在最終上訴法院作出判決駁回集團最終上訴後，數目共值118,003,000港元的吉隆坡酒店項目權益已停止確認，然後確認為可供出售投資。

## 13. TRADE AND OTHER RECEIVABLES

## 13. 經營及其他應收賬

		30.6.2006		31.12.2005	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Trade receivables	經營應收賬				
Accounts receivable from exchanges, brokers and clients	交易所、經紀及客戶應收賬	839,723		800,873	
Less: impairment	減：減值	(5,748)		(6,184)	
			833,975		794,689
Secured term loans	有抵押有期借款	270,723		166,967	
Term loans due from a listed associated company	一間上市聯營公司所欠有期借款	-		245,000	
Less: impairment	減：減值	(24,928)		(35,331)	
			245,795		376,636
			1,079,770		1,171,325
Margin loans	證券放款	1,452,870		1,440,396	
Less: impairment	減：減值	(108,684)		(147,111)	
			1,344,186		1,293,285
			2,423,956		2,464,610
Amount due from listed associated companies	上市聯營公司欠賬		6,361		7,357
Current portion of leasehold interests in land	於一年內到期的租賃土地權益		1,554		1,664
Interest receivables	應收利息		3,510		3,730
Other accounts receivable, deposits and prepayments	其他應收賬、按金及預付費用		183,274		123,569
			2,618,655		2,600,930
Less: long term portion of other accounts receivable	減：其他應收賬的長期部分		(926)		(1,066)
			2,617,729		2,599,864

**13. TRADE AND OTHER RECEIVABLES**  
(Continued)

The aging analysis of the trade receivables excluding margin loans is as follows. No aging analysis on margin clients' receivables is disclosed as, in the opinion of the Directors, an aging analysis is not meaningful in view of the nature of the business of securities margin financing.

		<b>30.6.2006</b>	31.12.2005
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Current	即期	<b>1,043,117</b>	1,148,875
31-60 days	31-60 天	<b>4,368</b>	10,314
61-90 days	61-90 天	<b>4,193</b>	1,320
Over 90 days	90 天以上	<b>58,768</b>	52,331
		<b>1,110,446</b>	1,212,840
Less: impairment	減：減值	<b>(30,676)</b>	(41,515)
		<b>1,079,770</b>	1,171,325

There were listed securities, unlisted securities and properties of clients held as collateral against secured margin loans and term loans. The fair value of the listed securities as at 30 June 2006 was HK\$8,205,080,000 (2005: HK\$6,272,527,000).

Trade receivables, margin loans and secured term loans are reviewed and approved by either Credit and Risks Management Committee or the Executive Committee. For those secured margin or term loans, clients are normally required to provide additional margin or securities as collateral whenever there are any shortfalls in their accounts.

**13. 經營及其他應收賬 (續)**

以下為不包括證券放款的經營應收賬賬齡分析。不披露證券放款客戶應收賬的賬齡分析，是由於考慮到證券放款融資業務的性質，董事們認為其賬齡分析並無意義。

集團持有客戶上市證券、非上市證券及物業作為有抵押證券放款及有抵押有期借款之抵押品。於2006年6月30日，此等上市證券的公平值為8,205,080,000港元(2005年：6,272,527,000港元)。

經營應收賬、證券放款及有抵押有期借款由信貸及風險管理委員會或執行委員會批閱。至於有抵押證券放款或有期借款，當客戶戶口抵押不足時，一般要求客戶增加按金或抵押品以應付不足之數。

## 14. HELD FOR TRADING INVESTMENTS

## 14. 持作買賣投資

		<b>30.6.2006</b>	31.12.2005
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Equity securities listed in Hong Kong, at fair value	在香港上市的股權證券，按公平值		
– Issued by corporate entities	– 由企業發行	37,064	32,396
– Issued by banks	– 由銀行發行	60,091	20,654
– Issued by public utility entities	– 由公營機構發行	33	33
		<b>97,188</b>	53,083
Equity securities listed outside Hong Kong, at fair value	在香港以外上市的股權證券，按公平值		
– Issued by corporate entities	– 由企業發行	2,080	2,534
– Issued by bank	– 由銀行發行	–	87
		<b>2,080</b>	2,621
Equity securities in unlisted investment funds outside Hong Kong, at fair value	在香港以外非上市投資基金的股權證券，按公平值		
– Issued by corporate entities	– 由企業發行	219,572	119,292
Warrants and options listed in Hong Kong, at fair value	在香港上市的認股權證及股票期權，按公平值	9,267	3,508
Other held for trading investments, at fair value	其他持作買賣投資，按公平值	568	478
		<b>328,675</b>	178,982

15. CASH AND CASH EQUIVALENTS

15. 現金及現金等價物

		30.6.2006 HK\$'000 千港元	31.12.2005 HK\$'000 千港元
Bank balances and cash	銀行結存及現金	392,548	320,492
Fixed deposits with banks	銀行定期存款	110,121	95,212
Treasury bills	國庫券	7,676	7,680
		<b>510,345</b>	<b>423,384</b>

The Group maintains trust and segregated accounts with licensed banks to hold clients' deposits arising from normal business transactions. At 30 June 2006, trust and segregated accounts not otherwise dealt with in these financial statements totalled HK\$2,534,273,000 (2005: HK\$2,130,593,000).

集團於持牌銀行設有信託及獨立賬戶，為經營日常業務所需而持有客戶存款。於2006年6月30日，本財務報表並未包括的信託及獨立賬戶共2,534,273,000港元(2005年：2,130,593,000港元)。

16. BANK BORROWINGS DUE WITHIN ONE YEAR

16. 於一年內到期的銀行借款

		30.6.2006 HK\$'000 千港元	31.12.2005 HK\$'000 千港元
Bank loans	銀行借款		
– Secured	– 有抵押	208,534	225,000
– Unsecured	– 無抵押	80,000	30,000
		<b>288,534</b>	<b>255,000</b>
Bank overdrafts	銀行透支		
– Secured	– 有抵押	44,970	79,925
– Unsecured	– 無抵押	5,000	–
		<b>49,970</b>	<b>79,925</b>
Current portion of long term bank loans	一年內到期的長期銀行借款	7,883	7,621
		<b>346,387</b>	<b>342,546</b>

## 17. TRADE AND OTHER PAYABLES

## 17. 經營及其他應付賬

		30.6.2006	31.12.2005
		HK\$'000	HK\$'000
		千港元	千港元
Trade payables	經營應付賬		
Accounts payable to exchanges, brokers and clients	交易所、經紀及客戶應付賬	865,368	787,288
Other accounts payable and accruals	其他應付賬及應付費用	294,391	176,829
Amounts due to investee companies	投資公司貸賬	445	2,464
		<b>1,160,204</b>	<b>966,581</b>

The aging analysis of the trade payables is as follows:

經營應付賬的賬齡分析如下：

		30.6.2006	31.12.2005
		HK\$'000	HK\$'000
		千港元	千港元
Current	即期	836,303	781,824
31-60 days	31-60 天	2,434	1,800
61-90 days	61-90 天	14,476	258
Over 90 days	90 天以上	12,155	3,406
		<b>865,368</b>	<b>787,288</b>

18. SHARE CAPITAL

18. 股本

		Number of shares 股份數目		Share capital 股本	
		30.6.2006 '000 千股	31.12.2005 '000 千股	30.6.2006 HK\$'000 千港元	31.12.2005 HK\$'000 千港元
Ordinary shares of HK\$0.2 each	普通股每股 0.2 港元				
Authorized:	法定股本：				
Balance brought forward and carried forward	結存承上及轉下	15,000,000	15,000,000	3,000,000	3,000,000
Issued and fully paid:	發行及繳足股本：				
Balance brought forward	結存承上	1,245,703	1,245,703	249,141	249,141
Exercise of warrants	行使認股權證	11	—	2	—
Balance carried forward	結存轉下	1,245,714	1,245,703	249,143	249,141

On 25 May 2006, the Company issued 249,140,631 warrants on the basis of one warrant for every five existing shares of the Company held by the shareholders (“2009 Warrants”). The holders of 2009 Warrants are entitled to subscribe at any time during 1 June 2006 to 31 May 2009 for fully paid shares at an initial subscription price HK\$6 per share (subject to adjustment). In June 2006, 10,400 new shares of HK\$0.2 each were issued upon the exercise of 10,400 units of 2009 Warrants. As at 30 June 2006, 249,130,231 units of 2009 Warrants remained outstanding.

於2006年5月25日，本公司按股東持有每五股本公司現有股份配發一份認股權證（「2009認股權證」）之基準共配發249,140,631份認股權證。2009認股權證賦予其持有人權利，可於2006年6月1日至2009年5月31日期間之任何時間內，以初步認購價每股6港元（可予調整），認購繳足股款的股份。於2006年6月，由於10,400份之2009認股權證之行使而發行10,400股每股0.2港元之新股份。於2006年6月30日餘下的2009認股權證為249,130,231份。

## 19. RESERVES

## 19. 儲備

		Six months ended 六個月結算至	
		30.6.2006 HK\$'000 千港元	30.6.2005 HK\$'000 千港元
<b>Special capital reserve arising from adjustment of nominal value of shares</b>	<b>由調整股份面值而產生之特別資本儲備</b>		
Balance as at 1 January and 30 June	1月1日及6月30日結存	–	930,026
<b>Share premium account</b>	<b>股份溢價賬</b>		
Balance as at 1 January	1月1日結存	1,124,703	1,124,703
Exercise of warrants	行使認股權證	61	–
Balance as at 30 June	6月30日結存	1,124,764	1,124,703
<b>Capital redemption reserve</b>	<b>資本贖回儲備</b>		
Balance as at 1 January and 30 June	1月1日及6月30日結存	51,704	51,704
<b>Exchange reserve</b>	<b>匯兌儲備</b>		
Balance as at 1 January	1月1日結存	(359)	(26,826)
Translation of the accounts of overseas subsidiaries, associated companies and jointly controlled entities	海外附屬公司、聯營公司及共同控制公司賬目折算	170	(106)
Release on deemed disposal of an associated company	視作出售一間聯營公司時撥回	(5,777)	–
Release on disposal of a jointly controlled entity	出售一間共同控制公司時撥回	–	(10)
Deferred tax	遞延稅項	165	(48)
Associated companies	聯營公司	14,017	–
Balance as at 30 June	6月30日結存	8,216	(26,990)
<b>Balance carried forward to next page</b>	<b>結存轉記下頁</b>	1,184,684	2,079,443



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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### 19. RESERVES (Continued)

### 19. 儲備 (續)

		Six months ended 六個月結算至	
		30.6.2006 HK\$'000 千港元	30.6.2005 HK\$'000 千港元
<b>Balance brought forward from previous page</b>	<b>結存轉承上頁</b>	<b>1,184,684</b>	<b>2,079,443</b>
<b>Investment property revaluation reserve</b>	<b>投資物業重估儲備</b>		
Balance as at 1 January, as previously reported	1月1日結存，按以往列賬	-	151,158
Share of prior year adjustments of an associated company	所佔一間聯營公司前期調整	-	25,615
As restated	重列	-	176,773
Share of adjustments to opening of associated companies upon adoption of HKAS 40	所佔聯營公司於採納HKAS 40時的期初調整	-	(176,773)
Balance as at 30 June	6月30日結存	-	-
<b>Investment revaluation reserve</b>	<b>投資重估儲備</b>		
Balance as at 1 January	1月1日結存	633,736	308,920
Adjustment to opening on adoption of HKASs 32 and 39	於採納HKASs 32及39時的期初調整	-	(2,096)
Gains on fair value changes of available-for-sale investments	可供出售投資公平值變動的收益	462,472	115,742
Deferred tax	遞延稅項	(70)	99
Release on deemed disposal of an associated company	視作出售一間聯營公司時撥回	(609)	-
Release on disposal of available-for-sale investments	出售可供出售投資時撥回	(57,183)	(2,897)
Associated companies	聯營公司	886	(5,758)
Balance as at 30 June	6月30日結存	1,039,232	414,010
<b>Capital reserves</b>	<b>資本儲備</b>		
Balance as at 1 January	1月1日結存	6,434	3,744
Transfer (to) from retained earnings by associated companies	聯營公司轉撥 (至) 自保留溢利	(32)	314
Release on deemed disposal of an associated company	視作出售一間聯營公司時撥回	(4,307)	-
Associated companies	聯營公司	17	3,792
Balance as at 30 June	6月30日結存	2,112	7,850
<b>Balance carried forward to next page</b>	<b>結存轉記下頁</b>	<b>2,226,028</b>	<b>2,501,303</b>

## 19. RESERVES (Continued)

## 19. 儲備 (續)

		Six months ended 六個月結算至	
		30.6.2006 HK\$'000 千港元	30.6.2005 HK\$'000 千港元
<b>Balance brought forward from previous page</b>	<b>結存轉承 上頁</b>	<b>2,226,028</b>	<b>2,501,303</b>
<b>Retained earnings</b>	<b>保留溢利</b>		
Balance as at 1 January, as previously reported	1月1日結存，按以往列賬	<b>3,657,178</b>	2,146,452
Prior year adjustments	前期調整		
– Adoption of HKASs 16 and 17	– 採納 HKASs 16 及 17	–	(2,049)
– Adoption of HKAS-Int 21	– 採納 HKAS-Int 21	–	109
– Share of associated companies	– 所佔聯營公司	–	(45,708)
As restated	重列	<b>3,657,178</b>	2,098,804
Adjustments to opening retained earnings	期初保留溢利調整		
– Adoption of HKASs 32 and 39	– 採納 HKASs 32 及 39	–	14,878
– Adoption of HKFRS 3	– 採納 HKFRS 3	–	175,877
– Share of associated companies	– 所佔聯營公司	–	184,071
		<b>3,657,178</b>	2,473,630
Profit attributable to equity holders of the Company	本公司股東 應佔溢利	<b>178,026</b>	192,579
Transfer to proposed dividends	轉撥至擬派股息	<b>(74,686)</b>	(31,143)
Transfer from (to) capital reserve by associated companies	聯營公司轉撥自 (至) 資本儲備	<b>32</b>	(314)
Balance as at 30 June	6月30日結存	<b>3,760,550</b>	2,634,752
<b>Proposed dividends</b>	<b>擬派股息</b>		
Balance as at 1 January	1月1日結存	<b>118,342</b>	74,742
Dividends proposed	擬派股息	<b>74,686</b>	31,143
Dividends paid	股息支付	<b>(118,342)</b>	(74,742)
Balance as at 30 June	6月30日結存	<b>74,686</b>	31,143
<b>Total balance as at 30 June</b>	<b>6月30日結存總數</b>	<b>6,061,264</b>	5,167,198

20. MINORITY INTERESTS

20. 少數股東權益

		Six months ended 六個月結算至	
		30.6.2006 HK\$'000 千港元	30.6.2005 HK\$'000 千港元
Balance as at 1 January	1月1日結存	369	(494)
Profit attributable to minority interests	少數股東權益應佔溢利	278	863
Dividend paid to minority interests	付予少數股東權益股息	(245)	-
Balance as at 30 June	6月30日結存	<u>402</u>	<u>369</u>

21. LOAN NOTES

21. 貸款票據

		30.6.2006 HK\$'000 千港元	31.12.2005 HK\$'000 千港元
<b>Principal</b>	<b>本金</b>		
Balance brought forward	結存承上	69,637	129,637
Repayment and cancellation	還款及註銷	-	(60,000)
		<u>69,637</u>	<u>69,637</u>
<b>Difference using the effective interest method</b>	<b>使用實際利息法的差額</b>		
Balance brought forward	結存承上	(5,385)	-
Adjustment to the opening on the adoption of HKAS 39	於採納 HKAS 39 的期初調整	-	(14,077)
Interest expense	利息費用	1,185	8,692
		<u>(4,200)</u>	<u>(5,385)</u>
		<u>65,437</u>	<u>64,252</u>

The loan notes bear interest at 4% per annum and the principal of the loan notes is due for repayment on 7 March 2008. The effective interest rate is 7.9% per annum.

貸款票據附有年利率4%利息，貸款票據本金額於2008年3月7日到期償還。實際利息為年利率7.9%。

**22. BANK AND OTHER BORROWINGS DUE AFTER ONE YEAR**      **22. 一年後到期的銀行及其他借款**

		30.6.2006 HK\$'000 千港元	31.12.2005 HK\$'000 千港元
Secured bank loans	有抵押銀行借款	46,601	50,367
Advance from a minority equity holder	來自少數股東借款	917	974
		<u>47,518</u>	<u>51,341</u>
Less: current portion of secured bank loans	減：一年內到期的有抵押銀行借款	(7,883)	(7,621)
		<u>39,635</u>	<u>43,720</u>

**23. COMMITMENTS****23. 承擔****(a) Capital commitments****(a) 資本承擔**

		30.6.2006 HK\$'000 千港元	31.12.2005 HK\$'000 千港元
Contracted but not provided for	已簽約但未在賬目中作出準備者	2,626	29,628
Authorized but not contracted for	已批准但未簽約者	2,283	2,259
		<u>4,909</u>	<u>31,887</u>

**(b) Commitments under operating leases****(b) 營運租約承擔**

At the balance sheet date, the Group had commitments for future aggregate minimum lease payments under non-cancellable operating leases which fall due as follows:

於結算日，集團根據不可撤銷營運租約，而須於未來支付的最低租賃付款期限如下：

		30.6.2006 HK\$'000 千港元	31.12.2005 HK\$'000 千港元
Within one year	一年內	25,172	17,115
In the second to fifth years inclusive	包括在第二至第五年	12,456	14,802
		<u>37,628</u>	<u>31,917</u>

### 24. CONTINGENT LIABILITIES

- (a) At the balance sheet date, the Group had guarantees as follows:

		30.6.2006 HK\$'000 千港元	31.12.2005 HK\$'000 千港元
Indemnities on banking guarantees made available to a clearing house and regulatory body	對給予一間結算所及監管機構的銀行保證所作的擔保	5,540	5,540
Other guarantees	其他保證	8,152	7,084
		<b>13,692</b>	<b>12,624</b>

- (b) On 4 February 2004, Sun Tai Cheung Credits Limited (“STCC”) and Sun Hung Kai Investment Services Limited (“SHKIS”), both indirect wholly-owned subsidiaries of the Company, were served with a writ including a statement of claim (“200/2004”) by Shanghai Finance Holdings Limited (“Shanghai Finance”), claiming, inter alia, an order that the sale of the shares in Shun Loong Holdings Limited (“Shun Loong Shares”) by STCC as assignee to SHKIS (at a consideration of HK\$36,500,000 subject to additional amounts in a total sum not exceeding HK\$15,700,000 which might have been payable one year from the date of completion under certain conditions) pursuant to a sale and purchase agreement dated 25 June 2003 be set aside, or alternatively, as against STCC, damages and an account as to the money obtained by STCC in respect of the Shun Loong Shares. The writ is being vigorously defended. STCC and SHKIS were properly advised at all times during the transaction and believe that the claim is not soundly based. STCC and SHKIS have applied to have the claim struck out. The proceedings have now been stayed until further order of the court.

### 24. 或然負債

- (a) 於結算日，集團有以下保證：

		30.6.2006 HK\$'000 千港元	31.12.2005 HK\$'000 千港元
Indemnities on banking guarantees made available to a clearing house and regulatory body	對給予一間結算所及監管機構的銀行保證所作的擔保	5,540	5,540
Other guarantees	其他保證	8,152	7,084
		<b>13,692</b>	<b>12,624</b>

- (b) 於2004年2月4日，Shanghai Finance Holdings Limited (「Shanghai Finance」) 向同為本公司間接全資附屬公司新泰昌授信有限公司 (「新泰昌授信」) 及新鴻基投資服務有限公司 (「新鴻基投資」) 發出附有申索陳述書之令狀 (「200/2004」)，要求 (其中包括) 撤銷新泰昌授信 (作為受讓人) 根據日期為2003年6月25日之買賣協議向新鴻基投資所出售順隆集團有限公司之股份 (「順隆股份」) (作價36,500,000港元，在若干條件規則下，將會於完成日期一年後額外支付不超過15,700,000港元之款項)，或要求新泰昌授信給予損害賠償以及申索新泰昌授信就順隆股份所獲取之金額。集團正極力對此項索償作出抗辯。新泰昌授信及新鴻基投資在交易期間一直按適當專業建議行事，並深信有關索償理據不足。新泰昌授信及新鴻基投資已申請剔除此宗索償。有關司法程序現正暫停辦理，直至法院另行頒令為止。

**24. CONTINGENT LIABILITIES (Continued)**

(c) In June 2006, the Company received notice of a 2001 order made by the Hubei Province Higher Peoples Court in China freezing US\$3 million of funds of Sun Hung Kai Securities Limited (“SHKS”) (or assets of equivalent value) pursuant to which SHKS’s shares in Chang Zhou Power Development Company Limited in China (the “Shares”) (worth US\$3 million) were subsequently frozen. SHKS had sold the Shares in 1998. Pursuant to a further agreement in 2001, SHKS received indemnities and waivers as to any potential liability. The Company will further investigate the matter but at this stage it does not consider that it is appropriate to make any provision in the circumstances. It will make a final decision once its investigation has been completed.

**24. 或然負債 (續)**

(c) 於2006年6月，本公司接獲中國湖北省高級人民法院發出的2001年判令的通知，判令凍結新鴻基證券有限公司(「新鴻基證券」)達3百萬美元的資金(或等同值的資產)，據此，新鴻基證券於中國長州電力發展有限公司的股份(「股份」)(價值3百萬美元)其後亦遭受凍結。新鴻基證券已於1998年出售該等股份。根據另一份2001年的協議，新鴻基證券就任何潛在責任已取得彌償和寬免。本公司將會作出進一步調查，但認為現階段並不適宜作出任何撥備，待調查完成後將作出最終決定。

**25. MATURITY PROFILE OF ASSETS AND LIABILITIES**

		As at 30 June 2006 於2006年6月30日					
		Within 3 months	3 months to 1 year	1 year to 5 years	After 5 years	On demand	Total
		三個月內	三個月 至一年	一年至 五年	五年後	即時還款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
<b>Assets</b>	<b>資產</b>						
Loan note of a listed associated company in loans and receivables	於貸款及應收賬的一間上市聯營公司貸款票據	-	-	78,000	-	-	78,000
Fixed deposits with banks	銀行定期存款	110,121	-	-	-	-	110,121
Treasury bills	國庫券	7,676	-	-	-	-	7,676
Term loans	有期借款	43,200	161,462	-	-	41,133	245,795
<b>Liabilities</b>	<b>負債</b>						
Short-term bank loans and overdrafts	短期銀行借款及透支	338,504	-	-	-	-	338,504
Loan notes	貸款票據	-	-	65,437	-	-	65,437
Long term bank loans	長期銀行借款	1,903	5,980	38,718	-	-	46,601

25. MATURITY PROFILE OF ASSETS AND LIABILITIES (Continued) 25. 資產及負債到期分析 (續)

		As at 31 December 2005 於 2005 年 12 月 31 日					
		Within 3 months	3 months to 1 year	1 year to 5 years	After 5 years	On demand	Total
		三個月內	三個月 至一年	一年至 五年	五年後	即時還款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
<b>Assets</b>	<b>資產</b>						
Term loan due from a listed associated company	一間上市聯營公司所欠有期借款	245,000	-	-	-	-	245,000
Loan note of a listed associated company in loans and receivables	於貸款及應收賬的一間上市聯營公司貸款票據	-	-	78,000	-	-	78,000
Fixed deposits with banks	銀行定期存款	95,212	-	-	-	-	95,212
Treasury bills	國庫券	7,680	-	-	-	-	7,680
Term loans	有期借款	66,200	3,200	-	-	62,236	131,636
<b>Liabilities</b>	<b>負債</b>						
Short-term bank loans and overdrafts	短期銀行借款及透支	334,925	-	-	-	-	334,925
Loan notes	貸款票據	-	-	64,252	-	-	64,252
Long term bank loans	長期銀行借款	1,885	5,736	42,746	-	-	50,367

The above tables only list out the assets and liabilities which have a term of maturity. Overdue assets are reported as on demand.

上表只列出有期限的資產及負債，過期而未償還的資產列為即時還款。

**26. FINANCIAL RISK MANAGEMENT**

The Group's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and interest-rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group has established policies and procedures for risk management which are reviewed regularly by the management and the Credit & Risks Management Committee (the "CRM"), which reports to the Executive Committee of the Board of Directors, to ensure the proper monitoring and control of all major risks arising from the Group's activities at all times. The Group's Internal Audit and Compliance department ("IAC") (which reports independently to the non-executive Chairman and the Audit Committee) also performs regular reviews to supplement the various internal control measures adopted by the management and various divisions within the Group, to ensure compliance with policies and procedures.

**(a) Market Risk****(i) Trading Risk**

Market risk arises from trading activities, including market-making and proprietary trading. Trading activities across the Group are subject to limits approved by the CRM. The Group's Trading Risk Control Unit ("TRCU") independently monitors and reports the positions, risks and profit and loss ("P&L") of its proprietary trading activities involving derivatives, leveraged foreign exchange and bullion. In addition to the TRCU, part of the Group's proprietary trading exposure is closely monitored by the Credit department. Proprietary trading exposures are measured on both a "mark-to-market" and a "mark-to-fair" basis, and "maximum loss" and "position" limits are used. Value at Risk (VaR) and stress-tests are also used in the assessment of risk. These are approaches that assist in the quantification of risk by combining the size of a position and the extent of a potential market movement into a potential impact on P&L.

**26. 金融風險管理**

集團經營活動面對各種金融風險，包括市場風險、信貸風險、流動資金風險和利率風險。集團整體的風險管理是關注不可預測的金融市場和尋求將其對集團財務造成的潛在不利影響減至最低。

集團已設立風險管理的政策及程序，並由向董事會執行委員會匯報的管理層及信貸及風險管理委員會（「信貸風險委員會」）定期進行檢討，以確保於任何時候因集團業務而產生之所有主要風險得以受到適當監控。除管理層及個別部門採取各項內部監控措施外，集團的稽核及法規監核部（「稽核部」）（一個向非執行主席及審核委員會獨立匯報的部門）亦會定期查核，從而確保該等政策及程序得以遵守。

**(a) 市場風險****(i) 買賣風險**

市場風險來自買賣活動，包括營造市場活動及自營買賣活動。集團之買賣活動須受信貸風險委員會審批之限額限制。集團之買賣風險監控小組（「買賣風險監控小組」）負責獨立監察及匯報涉及衍生工具、槓桿式外匯及黃金之自營買賣狀況、風險、利潤及虧損（「損益」）。除買賣風險監控小組外，信貸部亦會密切監察集團之部分自營買賣風險。自營買賣風險按「市場價格」及「公平價格」計算風險，並設定「虧蝕上限」及「持倉」限額。此外，評估風險時亦會使用風險值及壓力測試，結合持倉之規模及潛在市場變化對損益產生之潛在影響，以協助量化風險。



**26. FINANCIAL RISK MANAGEMENT (Continued)**

**(a) Market Risk (Continued)**

**(i) Trading Risk (Continued)**

The Group's various proprietary trading positions and P&L are reported daily to senior management for review. The Group's IAC also performs audits to supplement the above controls to ensure compliance with the established market risk limits and guidelines.

**(ii) Foreign Exchange Risk**

Foreign exchange risk is the risk to earnings or capital arising from movements of foreign exchange rates.

The Group's foreign exchange risk primarily arises from currency exposures originating from its leveraged foreign exchange business or purchases of foreign securities on behalf of clients. Foreign exchange risk is managed and monitored by the relevant department under the limits approved by the Group's Board or Executive Committee. In relation to our leveraged foreign exchange activity, our position is that of a market-maker, and accordingly our risk is our open currency positions which are subject to management approved limits and are monitored and reported daily. The other possible risk is primarily a derivative foreign exchange risk for a client who does not or cannot meet margin calls following any period of substantial currency turbulence. Our principal lending operations are carried out in local currency to obviate foreign exchange risk. Accordingly, the Group has no significant exposure to foreign exchange fluctuations on loan assets.

**26. 金融風險管理 (續)**

**(a) 市場風險 (續)**

**(i) 買賣風險 (續)**

集團各項自營買賣活動持倉狀況及損益，均每日匯報予高級管理層以供審閱。集團之稽核部亦會作出審核，以補充上述監控措施，確保遵從集團既訂之市場風險限額及指引。

**(ii) 外匯風險**

外匯風險乃外幣匯率變動對盈利或資本造成之風險。

集團之外匯風險主要來自其槓桿外匯或代客購買海外證券之業務。外匯風險由有關部門按集團董事會或執行委員會所批准之限額作出管理及監察。就槓桿外匯業務而言，由於集團乃擔任莊家之位置，因此，外幣未平倉合約（須受由管理層審批之限額限制，並須每日受其監控及向其匯報）會存在外匯風險。另外，倘客戶在經歷重大匯率波動後未能或無法填補保證金額，亦可能對集團造成衍生外匯風險。集團主要之貸款業務仍以本地貨幣進行，以減低外匯風險，故此，集團之貸款資產並無承受重大外匯風險。

**26. FINANCIAL RISK MANAGEMENT (Continued) 26. 金融風險管理 (續)****(b) Credit Risk**

Credit risk arises from a number of areas. These include the possibility that a customer or counter-party in a transaction may default during the settlement process. It also arises from lending, settlement, treasury, market-making, derivatives, proprietary trading, and other activities undertaken by the Group.

The Group's credit manual sets out in detail the credit approval and monitoring procedures, which are established in accordance with sound business practices, the requirements and provisions of the relevant ordinances, and where applicable, the codes or guidelines issued by the Securities and Futures Commission.

Day-to-day credit management is performed by the Credit department with reference to the aforementioned criteria including creditworthiness, collateral pledged, and risk concentration of the counter-parties. Decisions made daily by the Credit department are reported and reviewed by the Executive Directors and senior management of the Group and by the CRM at its regular meetings.

**(c) Liquidity Risk**

The Group manages its liquidity position to ensure the Group maintains a prudent and adequate liquidity ratio, in strict accordance with statutory requirements. This is achieved by the management, comprising the Executive Directors, the Director of Banking & Treasury, the Chief Financial Officer and relevant senior managers monitoring the liquidity position of the Group on a daily basis to ensure the availability of sufficient liquid funds to meet all obligations and compliance with the statutory requirements such as the Financial Resources Rules applying to various licensed subsidiaries.

**(b) 信貸風險**

導致信貸風險的成因眾多，包括客戶或交易對手有可能在交收過程中出現違約，信貸風險亦可能來自放款、交收、庫務、作價買賣、衍生產品、自營買賣，以及其他集團所從事之活動。

集團之信貸政策指引詳列批准信貸及監管程序。該等程序乃按照專業守則、有關條例之規定以及證券及期貨事務監察委員會發出之有關守則或指引而訂定。

日常信貸管理由信貸部負責。信貸部會就交易對手之信譽、抵押品及風險分布作出批核。並由集團之執行董事及高級管理層每日審閱，而信貸風險委員會亦於定期例會中作出檢討。

**(c) 流動資金風險**

集團監管其流動資金狀況，確保有審慎而充裕之流動資金比率，以遵守有關之法定要求。管理層包括執行董事、財務及資金總監、財務總監及有關高層管理人員每日均監察集團之流動資金狀況，以符合法定要求(如適用於集團多間持牌附屬公司的財務資源條例)。

## 26. FINANCIAL RISK MANAGEMENT (Continued) 26. 金融風險管理 (續)

### (d) Interest Rate Risk

Interest rate risk primarily results from timing differences in the re-pricing of interest bearing assets, liabilities and commitments. The Group's interest rate risk exposure arises mainly from margin financing and other lending activities undertaken. The Group has the legal capacity to quickly recall such loans or re-price its margin loans to an appropriate level. Its interest-sensitive positions can readily be identified. Interest rates paid by the Group are managed by the Finance department with the aim of maximizing the spread of interest consistent with liquidity and funding obligations.

The exposure of the Group's material fixed-rate assets and liabilities to fair value interest rate risks and their contractual maturity dates are as follows:

### (d) 利率風險

利率風險主要由就附有利息之資產、負債及承擔重新定價之時差所引致。集團的利率風險主要來自證券放款及其他貸款業務。集團可法定要求借款人即時償還貸款，或重訂證券放款之息率至適當水平。集團亦可容易地確定其在提供貸款時所承受之利率風險水平。集團所支付之利率乃由財務部管理，以盡量令息差符合資金之流動性及需求。

以下為集團面對公平利息率風險的重大固定利息資產及負債，以及其協定的到期日：

	Interest rate per annum 利息年利率	Within					More than		Total 總額
		1 year 一年內	In year 2 於第二年	In year 3 於第三年	In year 4 於第四年	In year 5 於第五年	5 years 五年以上		
		HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	
<b>At 30 June 2006</b>	<b>於 2006 年 6 月 30 日</b>								
Fixed deposits with banks	銀行定期存款	3.3% - 5.38%	110,121	-	-	-	-	110,121	
Treasury bills	國庫券	4.64%	7,676	-	-	-	-	7,676	
Loan note due from a listed associated company	一間上市聯營公司所欠貸款票據	2.5%	-	-	78,000	-	-	78,000	
Bank loans	銀行借款	4.93% - 6.41%	(288,534)	-	-	-	-	(288,534)	
Loan notes	貸款票據	4%	-	(65,437)	-	-	-	(65,437)	
<b>At 31 December 2005</b>	<b>於 2005 年 12 月 31 日</b>								
Fixed deposits with banks	銀行定期存款	0.28% - 7.25%	95,212	-	-	-	-	95,212	
Treasury bills	國庫券	3.78%	7,680	-	-	-	-	7,680	
Loan note due from a listed associated company	一間上市聯營公司所欠貸款票據	2.5%	-	-	78,000	-	-	78,000	
Bank loans	銀行借款	4.85% - 5.35%	(255,000)	-	-	-	-	(255,000)	
Loan notes	貸款票據	4%	-	-	(64,252)	-	-	(64,252)	

**26. FINANCIAL RISK MANAGEMENT (Continued) 26. 金融風險管理 (續)****(d) Interest Rate Risk (Continued)**

The exposure of the Group's material floating rate assets and liabilities to cash flow interest rate risks and their contractual maturity dates are as follows:

**(d) 利率風險 (續)**

以下為集團面對現金流量利息息率風險的重大浮動利息資產及負債，以及其協定的到期日：

	Interest rate per annum 利息年利率	Within					More than		Total 總額
		1 year 一年內	In year 2 於第二年	In year 3 於第三年	In year 4 於第四年	In year 5 於第五年	5 years 五年以上		
		HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元		
<b>At 30 June 2006</b>	<b>於 2006 年 6 月 30 日</b>								
Margin loans*	證券放款*	5.75% – 23.14%	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	1,344,186
Term loans	有期借款	7.44% – 26.82%	245,795	-	-	-	-	-	245,795
Bank overdrafts	銀行透支	4.4% – 8.25%	(49,970)	-	-	-	-	-	(49,970)
Secured long term bank loans	有抵押長期銀行借款	5.52% – 6.25%	(7,883)	(8,325)	(8,828)	(4,485)	(17,080)	-	(46,601)
<b>At 31 December 2005</b>	<b>於 2005 年 12 月 31 日</b>								
Margin loans*	證券放款*	7.00% – 30.00%	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	1,293,285
Term loans	有期借款	7.00% – 26.82%	376,636	-	-	-	-	-	376,636
Bank overdrafts	銀行透支	4.85% – 8.50%	(79,925)	-	-	-	-	-	(79,925)
Secured long term bank loans	有抵押長期銀行借款	5.20% – 5.75%	(7,621)	(8,195)	(8,463)	(7,848)	(18,240)	-	(50,367)

\* No aging analysis on the margin loans is disclosed as, in the opinion of the Directors, an aging analysis is not meaningful in view of the nature of the business of securities margin financing.

\* 不披露證券放款客戶應收賬的賬齡分析，是由於考慮到證券放款融資業務的性質，董事們認為其賬齡分析並無意義。

### 27. EVENTS AFTER THE BALANCE SHEET DATE 27. 結算日以後之事項

(a) The Group entered into an option agreement with CLSA Capital Limited (“CLSA”) on 3 April 2006 and a supplemental letter with CLSA on 18 May 2006 for the conditional grant of an option by CLSA to the Group at a consideration of HK\$11,101,000. The option entitles the Group to require CLSA:

- to sell 34,156,666 shares in Quality HealthCare Asia Limited (“QHA”) at an aggregate exercise price of HK\$99,908,000, and
- to exercise warrants leading to the subscription of 7,056,232 shares in QHA upon the Group paying the subscription price of HK\$2.46 per share and then to transfer to the Group the resultant QHA shares.

Details of the transaction were contained in a circular to the shareholders of the Company dated 29 June 2006. This conditional grant of the option was completed on 21 July 2006. If the Group exercises the option, it is required to make a general offer for all the issued shares of QHA not already owned by the Group.

(b) As announced in the joint announcements of Allied Group Limited (“AGL”), Allied Properties (H.K.) Limited (“APL”) and the Company on 17 and 18 May 2006, 169,000,000 new shares (first placing and subscription) and 79,000,000 new shares (second placing and subscription) of the Company would be subscribed by AP Emerald Limited, a wholly-owned subsidiary of APL, at net proceeds of approximately HK\$1,685,500,000. The subscription of 248,000,000 new shares at the subscription price of HK\$7.00 per shares was completed on 10 August 2006.

(a) 集團與CLSA Capital Limited (「CLSA」)於2006年4月3日訂立一項認購權協議，及於2006年5月18日訂立補充函件，作為CLSA以11,101,000港元代價向集團有條件授予認購權。該認購權使集團可要求CLSA作出以下事項：

- 按行使價合共99,908,000港元出售34,156,666股卓健亞洲有限公司(「卓健」)股份；及
- 於集團支付每股2.46港元認購價後，可行使認股權證認購7,056,232股卓健股份，並轉讓所得卓健股份予集團。

此交易之詳情已刊載於2006年6月29日給予本公司股東的通函中。該有條件授予認購權已於2006年7月21日完成。若集團行使該認購權，將需要作出全面收購所有非集團已持有的卓健已發行股份。

(b) 根據聯合集團有限公司(「聯合集團」)、聯合地產(香港)有限公司(「聯合地產」)、及本公司於2006年5月17日及18日之聯合公布，AP Emerald Limited(聯合地產之一間全資附屬公司)會認購本公司169,000,000股新股(第一次配售及認購事項)及79,000,000股新股(第二次配售及認購事項)，所得款項淨額約為1,685,500,000港元。該等以每股7.00港元認購價所認購248,000,000股新股已於2006年8月10日完成。

**27. EVENTS AFTER THE BALANCE SHEET DATE (Continued)**      **27. 結算日以後之事項 (續)**

- (c) On 13 June 2006, the Group entered into an agreement with AGL and AG Capital Holding Limited (a wholly-owned subsidiary of AGL) for the purchase of the entire issued share capital of UAF Holdings Limited (“UAF Holdings”) and the assignment of shareholder’s loan advanced to UAF Holdings of HK\$39,590,000. Details of the transaction were contained in a circular to the shareholders of the Company dated 30 June 2006.

The transaction was completed on 24 August 2006. The aggregate consideration of HK\$4,328,000,000 is settled as follows:

- HK\$628,000,000 in cash on completion,
- HK\$900,000,000 to be paid at any time on or before 31 December 2006 bearing interest at 1% above Hong Kong Interbank Offered Rate (“HIBOR”) per annum, and
- three year bonds with a principal amount of HK\$2,800,000,000 (bearing interest at the rate of 1% above HIBOR per annum).

Upon the completion of the transaction, the management is in the process to carry out valuation on the UAF Holdings’ identifiable net assets to determine the goodwill arising from the transaction.

- (c) 於2006年6月13日，集團與聯合集團及AG Capital Holding Limited (聯合集團之一間全資附屬公司) 訂立協議，收購UAF Holdings Limited (「UAF Holdings」) 全部已發行股本，及轉讓貸予UAF Holdings的39,590,000港元股東墊款。此交易之詳情已刊載於2006年6月30日給予本公司股東的通函中。

此交易已於2006年8月24日完成，總代價4,328,000,000港元以以下方式償付：

- 於完成日繳付628,000,000港元現金；
- 於2006年12月31日或之前任何時間內支付900,000,000港元，附有利息按香港銀行同業拆息年利率加1%計算；及
- 本金額為2,800,000,000港元之三年債券(附有利息按香港銀行同業拆息年利率加1%計算)。

於交易完成後，管理層對UAF Holdings的可識別淨資產進行重估，以釐定此交易所引致的商譽。