



MIN XIN HOLDINGS LIMITED

閩信集團有限公司

(Stock Code: 222) (股份代號: 222)



二零零六年中期報告
INTERIM REPORT 2006

閩信集團有限公司(「本公司」)董事局謹將本公司及其附屬公司(「本集團」)截至2006年6月30日止上半年度未經審核之綜合業績報告如下：

The Board of Directors of Min Xin Holdings Limited (the “Company”) hereby announces the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30th June 2006 as follows:

簡明綜合損益表

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

截至2006年6月30日止6個月

For the six months ended 30th June 2006

		未經審核 Unaudited 截至6月30日止6個月 Six months ended 30th June		
		2006 港元 HK\$	2005 港元 HK\$	
	註釋 Notes			
營業額	Turnover	5	<u>48,315,085</u>	<u>35,009,088</u>
收益總額	Total revenues	5	<u>52,498,362</u>	<u>34,254,013</u>
保險業務產生的賠償淨額及佣金費用	Net insurance claims incurred and commission expenses incurred on insurance business		(17,789,353)	(17,034,647)
員工成本	Staff costs		(11,635,631)	(11,618,328)
折舊及攤銷	Depreciation and amortisation		(1,266,077)	(763,440)
應收貸款減值	Impairment of loan receivable	11	(8,373,100)	-
其他營業開支	Other operating expenses		(10,641,377)	(8,147,661)
營業開支總額	Total operating expenses		<u>(49,705,538)</u>	<u>(37,564,076)</u>
營業溢利／(虧損)	Operating profit / (loss)		2,792,824	(3,310,063)
融資成本	Finance costs		(4,461,366)	(794,813)
應佔共同控制實體業績	Share of results of jointly controlled entities	9	45,981,022	43,046,188
應佔聯營公司業績	Share of results of associates		2,040,447	(3,336,289)
除稅前溢利	Profit before taxation		46,352,927	35,605,023
所得稅支出	Income tax expense	6	(549,833)	(147,007)
本期溢利	Profit for the period		<u>45,803,094</u>	<u>35,458,016</u>
股東應佔溢利／(虧損)	Profit / (loss) attributable to			
本公司權益持有人	Equity holders of the Company		46,950,217	36,471,508
少數股東權益	Minority interest		(1,147,123)	(1,013,492)
本期溢利	Profit for the period		<u>45,803,094</u>	<u>35,458,016</u>
			港仙	港仙
			HK CENTS	HK CENTS
期內本公司權益持有人應佔溢利之每股基本盈利	Basic earnings per share for profit attributable to the equity holders of the Company for the period	7	<u>10.22</u>	<u>7.94</u>

簡明綜合資產負債表

CONDENSED CONSOLIDATED BALANCE SHEET

2006年6月30日結算

As at 30th June 2006

			未經審核 Unaudited 6月30日 30th June 2006 港元 HK\$	經審核 Audited 12月31日 31st December 2005 港元 HK\$
		註釋 Notes		
非流動資產	Non-current assets			
物業、機器及設備	Property, plant and equipment	8	7,822,338	8,838,153
投資物業	Investment properties	8	70,122,922	68,721,326
租賃土地及土地使用權	Leasehold land and land use rights	8	18,483,325	18,627,613
共同控制實體	Jointly controlled entities	9	651,863,246	622,897,968
聯營公司	Associates		60,534,183	58,345,028
可供出售金融資產	Available-for-sale financial assets	10	421,750,350	359,348,550
遞延所得稅資產	Deferred income tax assets		521,647	549,915
			1,231,098,011	1,137,328,553
流動資產	Current assets			
應收貸款	Loan receivable	11	48,273,900	56,647,000
土地使用權	Land use rights	21	–	68,285,833
遞延取得成本	Deferred acquisition costs		13,715,410	13,445,240
應收保費	Premium receivable	12	12,524,124	12,610,565
再保險資產	Reinsurance assets		13,397,771	10,935,189
應收—共同控制實體股息	Dividend receivable from a jointly controlled entity		21,641,915	–
其他應收賬款	Other debtors		1,950,535	3,776,136
可收回稅項	Taxation recoverable		41,394	33,183
預付款及按金	Prepayment and deposits		1,013,344	1,374,037
持至到期日債券，非上市	Held-to-maturity debt securities, unlisted		6,000,155	11,001,370
按公平值透過損益列賬的金融資產 —持作買賣的上市股權證券	Financial assets at fair value through profit or loss – listed equity securities held for trading		2,839,628	8,706,383
現金及銀行結存	Cash and bank balances	13	331,845,472	300,375,758
			453,243,648	487,190,694

簡明綜合資產負債表(續)

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

2006年6月30日結算

As at 30th June 2006

			未經審核 Unaudited 6月30日 30th June 2006 港元 HK\$	經審核 Audited 12月31日 31st December 2005 港元 HK\$
		註釋 Notes		
流動負債	Current liabilities			
保險合約	Insurance contracts		88,244,955	92,632,612
保險責任	Insurance liabilities	14	8,022,332	5,637,532
其他應付賬款及應計費用	Other creditors and accruals	15	30,838,023	25,282,091
已收按金	Deposits received	16	14,733,262	14,449,848
短期墊款	Short term advances	17	–	27,392,019
銀行貸款即期部份	Current portion of bank borrowings	18	23,910,402	23,896,784
應付稅項	Taxation payable		60,545	20,668
應付股息	Dividend payable		13,782,860	–
			<u>179,592,379</u>	<u>189,311,554</u>
流動資產淨值	Net current assets		<u>273,651,269</u>	<u>297,879,140</u>
總資產減流動負債	Total assets less current liabilities		<u>1,504,749,280</u>	<u>1,435,207,693</u>
非流動負債	Non-current liabilities			
銀行貸款	Bank borrowings	18	79,848,610	95,810,298
遞延所得稅負債	Deferred income tax liabilities		680,510	198,822
			<u>80,529,120</u>	<u>96,009,120</u>
資產淨值	Net assets		<u>1,424,220,160</u>	<u>1,339,198,573</u>
股本	Share capital		459,428,656	459,428,656
其他儲備金	Other reserves		925,494,908	821,892,144
保留溢利	Retained profits			
擬派末期股息	Proposed final dividend		–	13,782,860
其他	Others		39,296,596	29,731,752
			<u>39,296,596</u>	<u>29,731,752</u>
本公司權益持有人應佔	Total equity attributable to equity holders			
權益總額	of the Company		<u>1,424,220,160</u>	<u>1,324,835,412</u>
少數股東權益	Minority interest		–	14,363,161
權益總額	Total equity		<u>1,424,220,160</u>	<u>1,339,198,573</u>

簡明綜合權益變動表

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至2006年6月30日止6個月 For the six months ended 30th June 2006

未經審核
Unaudited

	Attributable to the equity holders of the Company												
	其他儲備金												
	股本	股份溢價	資本贖回儲備金	法定儲備金	普通股儲備金	資本儲備金	投資重估儲備金	外匯折算儲備金	小計	保留溢利	合計	少數股東權益	股東權益總額
Share capital	Share premium	Capital redemption reserve	Statutory reserve	General reserve	Capital reserve	Investment revaluation reserve	Exchange translation reserve	Sub-total	Retained profits	Total	Minority interest	Total equity	
港元	港元	港元	港元	港元	港元	港元	港元	港元	港元	港元	港元	港元	
HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	
於2006年1月1日	459,428,656	384,620,414	47,086,000	43,378,133	82,017,559	211,601,422	45,902,661	7,286,555	821,892,144	43,514,612	1,324,835,412	14,363,161	1,339,198,573
可供出售金融資產公平值變動	-	-	-	-	-	-	-	-	-	-	-	-	-
共同控制實體持有可供出售金融資產公平值變動	-	-	-	-	-	-	62,401,800	-	62,401,800	-	62,401,800	-	62,401,800
共同控制實體出售可供出售金融資產	-	-	-	-	-	-	5,604,608	-	5,604,608	-	5,604,608	-	5,604,608
確認應計稅項負債	-	-	-	-	-	-	(1,461,077)	-	(1,461,077)	-	(1,461,077)	-	(1,461,077)
出售一間附屬公司	-	-	-	-	-	-	(4,621,853)	-	(4,621,853)	-	(4,621,853)	-	(4,621,853)
換算海外附屬公司、聯營公司及共同控制實體的財務報表所產生的匯兌差額	-	-	-	-	-	-	(1,007,856)	(1,007,856)	(1,007,856)	-	(1,007,856)	-	(1,007,856)
直接權益賬簿之收益淨額	-	-	-	-	23,420	-	61,923,478	4,270,493	66,217,391	46,950,217	194,369	66,411,760	
本期溢利/(虧損)	-	-	-	-	-	23,420	-	4,270,493	66,217,391	46,950,217	(1,147,123)	45,803,084	
本期確認之收益淨額	-	-	-	-	23,420	-	61,923,478	4,270,493	66,217,391	46,950,217	(952,754)	112,214,854	
出售一間附屬公司	-	-	-	-	(1,446,664)	3,888,479	-	-	2,441,815	(2,441,815)	(13,410,407)	(13,410,407)	
股息	-	-	-	-	-	-	-	-	-	(13,782,860)	-	(13,782,860)	
儲備金調撥	-	-	-	7,025,774	27,917,764	-	-	-	34,943,538	(34,943,538)	-	-	
於2006年6月30日	459,428,656	384,620,414	47,086,000	50,403,907	108,512,099	215,489,901	107,825,539	11,557,048	925,494,903	39,296,596	1,424,220,160	-	1,424,220,160

簡明綜合權益變動表(續)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

截至2006年6月30日止6個月 For the six months ended 30th June 2006

	本公司權益持有人應佔											經審核 Audited	
	Attributable to the equity holders of the Company										Other reserves		
	股本 Share capital 港元 HK\$	股份溢價 Share premium 港元 HK\$	資本贖回儲備金 Capital redemption reserve 港元 HK\$	法定儲備金 Statutory reserve 港元 HK\$	普通儲備金 General reserve 港元 HK\$	資本儲備金 Capital reserve 港元 HK\$	投資重估儲備金 Investment revaluation reserve 港元 HK\$	外匯折算儲備金 Exchange transition reserve 港元 HK\$	小計 Sub-total 港元 HK\$	保留溢利 Retained profits 港元 HK\$	合計 Total 港元 HK\$	少數股東權益 Minority interest 港元 HK\$	股東權益總額 Total equity 港元 HK\$
於2005年1月1日	459,428,656	384,820,414	47,086,000	38,287,638	61,217,599	134,427,785	14,255,940	316,988	660,211,994	86,719,456	1,226,360,106	16,481,244	1,242,841,350
可供出售金融資產公平值變動	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in fair value of available-for-sale financial assets	-	-	-	-	-	-	-	-	-	-	-	-	-
共同控制實體持有可供出售金融資產公平值變動	-	-	-	-	-	-	20,658,484	-	20,658,484	-	20,658,484	-	20,658,484
Change in fair value of available-for-sale financial assets held by a jointly controlled entity	-	-	-	-	-	-	20,658,484	-	20,658,484	-	20,658,484	-	20,658,484
確認遞延稅項負債	-	-	-	-	-	-	13,561,080	-	13,561,080	-	13,561,080	-	13,561,080
Deferred tax liabilities recognised	-	-	-	-	-	-	13,561,080	-	13,561,080	-	13,561,080	-	13,561,080
換算外附屬公司、聯營公司及共同控制實體的財務報表所產生的匯兌差額	-	-	-	-	-	-	(2,031,234)	-	(2,031,234)	-	(2,031,234)	-	(2,031,234)
Exchange differences arising on translation of the financial statements of foreign subsidiaries, associates and jointly controlled entities	-	-	-	-	-	-	(2,031,234)	-	(2,031,234)	-	(2,031,234)	-	(2,031,234)
直接於權益確認之收益淨額	-	-	-	-	-	-	-	(740,327)	(740,327)	-	(740,327)	(5,265)	(745,592)
Net gain recognised directly in equity	-	-	-	-	-	-	-	(740,327)	(740,327)	-	(740,327)	(5,265)	(745,592)
本期溢利/(虧損)	-	-	-	-	-	-	32,188,330	(740,327)	31,448,003	-	31,448,003	(5,265)	31,442,738
Profit/(loss) for the period	-	-	-	-	-	-	32,188,330	(740,327)	31,448,003	-	31,448,003	(5,265)	31,442,738
本期確認之收益淨額	-	-	-	-	-	-	32,188,330	(740,327)	31,448,003	36,471,508	36,471,508	(1,013,492)	35,458,016
Net gain recognised for the period	-	-	-	-	-	-	32,188,330	(740,327)	31,448,003	36,471,508	36,471,508	(1,013,492)	35,458,016
儲備金調撥	-	-	-	4,937,421	19,604,163	73,500,000	-	-	98,041,584	(98,041,584)	-	-	-
Transfer of reserves	-	-	-	4,937,421	19,604,163	73,500,000	-	-	98,041,584	(98,041,584)	-	-	-
於2005年6月30日	459,428,656	384,820,414	47,086,000	43,225,079	80,821,762	207,927,785	46,443,870	(423,329)	803,701,681	25,149,380	1,234,279,617	15,462,487	1,309,742,104
At 30th June 2005	459,428,656	384,820,414	47,086,000	43,225,079	80,821,762	207,927,785	46,443,870	(423,329)	803,701,681	25,149,380	1,234,279,617	15,462,487	1,309,742,104
可供出售金融資產公平值變動	-	-	-	-	-	-	(16,350,864)	-	(16,350,864)	-	(16,350,864)	-	(16,350,864)
Change in fair value of available-for-sale financial assets	-	-	-	-	-	-	(16,350,864)	-	(16,350,864)	-	(16,350,864)	-	(16,350,864)
共同控制實體持有可供出售金融資產公平值變動	-	-	-	-	-	-	(541,809)	-	(541,809)	-	(541,809)	-	(541,809)
Change in fair value of available-for-sale financial assets held by a jointly controlled entity	-	-	-	-	-	-	(541,809)	-	(541,809)	-	(541,809)	-	(541,809)
確認遞延稅項負債	-	-	-	-	-	-	21,288,401	-	21,288,401	-	21,288,401	-	21,288,401
Deferred tax liabilities recognised	-	-	-	-	-	-	21,288,401	-	21,288,401	-	21,288,401	-	21,288,401
換算外附屬公司、聯營公司及共同控制實體的財務報表所產生的匯兌差額	-	-	-	-	-	-	(5,459,346)	-	(5,459,346)	-	(5,459,346)	-	(5,459,346)
Exchange differences arising on translation of the financial statements of foreign subsidiaries, associates and jointly controlled entities	-	-	-	-	-	-	(5,459,346)	-	(5,459,346)	-	(5,459,346)	-	(5,459,346)
直接於權益確認之收益淨額	-	-	-	-	-	134	-	7,709,884	7,719,974	-	7,719,974	389,234	8,109,208
Net gain recognised directly in equity	-	-	-	-	-	134	-	7,709,884	7,719,974	-	7,719,974	389,234	8,109,208
本期溢利/(虧損)	-	-	-	-	-	-	(541,809)	7,709,884	7,178,165	-	7,178,165	389,234	7,567,399
Profit/(loss) for the period	-	-	-	-	-	-	(541,809)	7,709,884	7,178,165	-	7,178,165	389,234	7,567,399
本期確認之收益淨額	-	-	-	-	-	-	(541,809)	7,709,884	7,178,165	23,377,630	23,377,630	(1,488,560)	21,889,070
Net gain recognised for the period	-	-	-	-	-	-	(541,809)	7,709,884	7,178,165	23,377,630	23,377,630	(1,488,560)	21,889,070
儲備金調撥	-	-	-	153,054	1,185,573	3,673,771	-	-	5,012,398	(5,012,398)	-	-	-
Transfer of reserves	-	-	-	153,054	1,185,573	3,673,771	-	-	5,012,398	(5,012,398)	-	-	-
於2005年12月31日	459,428,656	384,820,414	47,086,000	43,378,133	82,017,559	211,601,422	45,902,061	7,286,655	821,892,144	43,514,612	1,324,835,412	14,363,161	1,339,198,573
At 31st December 2005	459,428,656	384,820,414	47,086,000	43,378,133	82,017,559	211,601,422	45,902,061	7,286,655	821,892,144	43,514,612	1,324,835,412	14,363,161	1,339,198,573

簡明綜合現金流量表

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

截至2006年6月30日止6個月

For the six months ended 30th June 2006

		未經審核 Unaudited	
		截至6月30日止6個月 Six months ended 30th June	
		2006	2005
		港元	港元
		HK\$	HK\$
	註釋 Notes		
經營業務現金流入／(流出)淨額	Net cash inflow / (outflow) from operating activities	1,616,894	(646,057)
投資活動現金流入／(流出)淨額	Net cash inflow / (outflow) from investing activities	28,464,597	(283,455,105)
融資現金(流出)／流入淨額	Net cash (outflow) / inflow from financing	(155,967)	82,662,208
現金及現金等價物增加／(減少)	Increase / (decrease) in cash and cash equivalents	29,925,524	(201,438,954)
1月1日結存之現金及現金等價物	Cash and cash equivalents at 1st January	278,907,182	414,212,500
現金及現金等價物匯兌收益／(虧損)	Exchange gains / (losses) on cash and cash equivalents	1,544,190	(38,591)
6月30日結存之現金及現金等價物	Cash and cash equivalents at 30th June	<u>310,376,896</u>	<u>212,734,955</u>
現金及現金等價物結餘分析	Analysis of the balances of cash and cash equivalents		
現金及銀行結存	Cash and bank balances	13 331,845,472	234,701,756
減：根據保險業監管機構規定而存放之銀行存款	Less: Bank deposits placed pursuant to insurance regulatory requirements	13 (21,468,576)	(21,966,801)
		<u>310,376,896</u>	<u>212,734,955</u>

簡明綜合中期賬目註釋

NOTES TO THE CONDENSED CONSOLIDATED INTERIM ACCOUNTS

1 一般資料

本公司為一家有限公司，在香港註冊成立。註冊地址為香港中環紅棉路8號東昌大廈17樓。本公司的股份在香港聯合交易所有限公司主板上市。

本未經審核簡明綜合中期賬目經於2006年9月26日獲董事局批准刊發。

2 編制基準及會計政策

本公司的未經審核簡明綜合中期賬目是根據香港會計師公會頒布的香港會計準則（「香港會計準則」）第34號「中期財務報告」編制。

本未經審核簡明綜合中期賬目應與2005年年報一併閱讀。

編制本未經審核簡明綜合中期賬目所採用之會計政策與編制2005年年報所採用的一致，惟本集團首次採納下列香港會計師公會頒布的會計準則、修訂及詮釋（以下統稱為「新香港財務報告準則」），此等新香港財務報告準則於2006年1月1日或以後開始的會計期間生效。

— 香港會計準則 海外業務的淨投資
第21號（修訂）

— 香港會計準則 公平值期權
第39號（修訂）

— 香港會計準則 財務擔保合約
第39號及
香港財務報告
準則第4號（修訂）

— 香港（國際財務報
告詮釋委員會）
— 詮釋第4號 釐定一項安排是否
包含租賃

1 General information

The Company is a limited liability company incorporated in Hong Kong. The address of its registered office is 17th Floor, Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong. The Company is listed on the Main Board of the Stock Exchange of Hong Kong Limited.

These unaudited condensed consolidated accounts have been approved for issue by the Board of Directors on 26th September 2006.

2 Basis of preparation and accounting policies

The unaudited condensed consolidated interim accounts of the Company have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

These unaudited condensed consolidated interim accounts should be read in conjunction with the 2005 annual report.

The accounting policies adopted in the preparation of these unaudited condensed consolidated interim accounts are consistent with those used in the 2005 annual report, except that the Group has applied, for the first time, the following 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 1st January 2006.

– Amendment to HKAS 21 Net Investment in a Foreign Operation

– Amendment to HKAS 39 The Fair Value Option

– Amendments to HKAS 39 Financial Guarantee Contracts
& HKFRS 4

– HK(IFRIC) – Int 4 Determining whether an arrangement
contains a lease

2 編制基準及會計政策(續)

採納上述新香港財務報告準則對本集團編制及呈報本期及過往期間之財務報表並沒有任何重大影響。本集團會計政策改變之影響概括如下：

- 香港會計準則第21號(修訂)「海外業務的淨投資」規定構成申報實體之海外業務淨投資中的貨幣項目所產生的匯兌差額需於初始時於綜合財務報表中確認為權益的獨立組成項目。其應用時不會考慮貨幣項目的幣種及貨幣項目是否產生自與申報實體或申報實體的任何附屬公司的某一交易。
- 香港會計準則第39號(修訂)「公平值期權」更改按公平值透過損益列賬的金融工具之定義，并限制指定金融工具作為此種類別的能力。
- 香港會計準則第39號及香港財務報告準則第4號(修訂)「財務擔保合約」規定已作出之財務擔保(該等實體以往宣稱為保險合約者除外)初步按公平值確認，其後則按下列兩者之較高者計算：(a)已收取及遞延相關費用之未攤銷結餘；及(b)須於結算日繳付之承擔開支。
- 香港(國際財務報告詮釋委員會)－詮釋第4號「釐定一項安排是否包含租賃」規定實體根據已訂立安排的內容，評估該項安排是否為或包含租賃。

2 Basis of preparation and accounting policies (Continued)

The adoption of the above new HKFRSs did not have any material impact on how the financial statements of the Group are prepared and presented for the current or prior accounting periods. The impact of the changes in the Group's accounting policies are summarised as below:

- Amendment to HKAS 21 “Net investment in a Foreign Operation” requires exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation to be recognised initially in a separate component of equity in the consolidated financial statements. It applies irrespective of the currency of the monetary item and of whether the monetary item results from a transaction with the reporting entity or any of its subsidiaries.
- Amendment to HKAS 39 “The Fair Value Option” changes the definition of financial instruments classified at fair value through profit or loss and restricts the ability to designate financial instruments as part of this category.
- Amendments to HKAS 39 and HKFRS 4 “Financial Guarantee Contracts” requires issued financial guarantees, other than those previously asserted by the entity to be insurance contracts, to be initially recognised at their fair value, and subsequently measured at the higher of (a) the unamortized balance of the related fees received and deferred, and (b) the expenditure required to settle the commitment at the balance sheet date.
- HK(IFRIC) – Int 4 “Determining whether an arrangement contains a lease” requires an entity to assess whether an arrangement it has entered into is, or contains, a lease based on the substance of the arrangement.

2 編制基準及會計政策(續)

本集團並未有提早採納以下已頒布但尚未生效的新準則、修訂及詮釋：

— 香港會計準則第1號(修訂)	財務報表之呈列—資本項目的披露
— 香港財務報告準則第7號	金融工具：披露
— 香港(國際財務報告詮釋委員會)—詮釋第7號	採用香港會計準則第29號「惡性通貨膨脹經濟中的財務報告」之重列處理法
— 香港(國際財務報告詮釋委員會)—詮釋第8號	香港財務報告準則第2號之範圍
— 香港(國際財務報告詮釋委員會)—詮釋第9號	嵌入式衍生工具之重估

本集團正評估此等新香港財務報告準則，初步結論認為，採納以上準則對本集團的財務業績或狀況不太可能產生重大影響。

2 Basis of preparation and accounting policies (Continued)

The Group has not early adopted the following new standards, amendments and interpretations that have been issued but are not yet effective:

— Amendment to HKAS 1	Presentation of Financial Statements – Capital Disclosures
— HKFRS 7	Financial Instruments: Disclosures
— HK(IFRIC) – Int 7	Applying the Restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
— HK(IFRIC) – Int 8	Scope of HKFRS 2
— HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives

The Group is assessing the impact of these new HKFRSs and has preliminarily concluded that the adoption of these standards is unlikely to have a significant impact on the Group's financial results or position.

3 財務風險管理

本集團所有財務風險管理的目標及政策均與2005年年報披露的一致。

4 關鍵會計估計及判斷

編制財務資料需要使用若干關鍵會計估計。這亦需要管理層在應用本公司會計政策過程中行使其判斷。雖然此等估計是根據管理層對當時情況及活動所知而作出，但實際結果可能有別於此等估計。就此而言，管理層相信需要作出判斷的關鍵會計政策為評估可供出售金融資產、衍生工具、投資物業、貸款及墊款的減值撥備以及所得稅的撥備。

編制本未經審核簡明綜合中期賬目所應用的估計及假設與2005年年報採用的一致，惟於計算減值虧損時對應收貸款的估計回收金額及現金流時間有所改變(註釋11)。

5 營業額及分部資料

本集團主要從事金融服務、物業發展及投資、收費公路投資、工業儀表生產及投資控股業務。

本集團的營業額指毛保費收入、保險經紀佣金收入、可供出售金融資產股息收入、利息收入、租金收入及管理費收入。

3 Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the 2005 annual report.

4 Critical accounting estimates and judgements

The preparation of financial information requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. In this regard, management believes that the critical accounting policies where judgement is necessarily applied are those which relate to valuation of available-for-sale financial assets, derivatives, investment properties, impairment allowances for loans and advances and provision for income taxes.

The estimates and assumptions applied in the preparation of the unaudited condensed consolidated interim accounts are consistent with those used in the 2005 annual report, except for the change in the estimated amount and timing of the cash flows from recovering the loan receivable in the impairment loss calculation (Note 11).

5 Turnover and segmental information

The Group is principally engaged in financial services, property development and investment, toll road investment, industrial instrument manufacturing and investment holding businesses.

The Group's turnover represents gross insurance premiums, insurance brokerage commission, dividend income from available-for-sale financial assets, interest income, rental income and management fee income.

5 營業額及分部資料(續)

本期內入賬的主要類別收入如下：

5 Turnover and segmental information (Continued)

The amount of each significant category of revenue recognised during the period is as follows:

		截至6月30日止6個月	
		Six months ended 30th June	
		2006	2005
		港元	港元
		HK\$	HK\$
營業額	Turnover		
毛保費收入	Gross insurance premiums	25,529,131	27,754,007
保險經紀佣金收入	Insurance brokerage commission	722,760	921,757
可供出售金融資產股息收入	Dividend income from available-for-sale financial assets	14,805,874	–
銀行存款利息收入	Interest income from bank deposits	4,491,159	4,122,863
投資物業租金收入	Rental income from investment properties	2,706,161	1,916,161
管理費收入	Management fee income	60,000	294,300
		48,315,085	35,009,088
未滿期保費變動	Movement in unearned insurance premiums	2,084,396	194,670
再保費分出及再保險人應佔未滿期保費變動	Reinsurance premiums ceded and reinsurers' share of movement in unearned insurance premiums	(3,712,737)	(4,371,986)
其他收益—淨額	Other gains – net		
持作買賣的上市股權證券股息收入	Dividend income from listed equity securities held for trading	57,062	186,697
持至到期日非上市債券利息收入	Interest income from unlisted held-to-maturity debt securities	116,983	124,901
按公平值透過損益列賬的上市股權證券公平值收益	Fair value gains on listed equity securities measured at fair value through profit or loss	751,187	193
投資物業重估公平值收益(註釋8)	Fair value gains on revaluation of investment properties (Note 8)	1,401,596	3,058,689
出售一附屬公司收益(註釋21)	Gain on disposal of a subsidiary (Note 21)	1,979,110	–
匯兌收益淨額	Net exchange gains	1,453,423	12,268
其他	Others	52,257	39,493
		5,811,618	3,422,241
收益總額	Total revenues	52,498,362	34,254,013

5 營業額及分部資料(續)

本集團就其業務及地區的分部編制分部資料。本集團採用業務分部資料為基本報告形式以符合本集團內部財務資料的匯報形式。

業務分部

本集團經營以下主要業務分部：

- 金融服務 — 承保一般保險業務、保險經紀、投資於銀行業務及買賣證券以賺取短期利潤
- 物業發展及投資 — 發展及銷售住宅物業、出租投資物業賺取租金，以及投資物業以從物業長期增值中賺取盈利
- 收費公路投資 — 投資於中國內地收費公路項目
- 工業儀表生產 — 投資於數字儀表生產商及分銷商
- 投資控股及其他 — 投資於其他策略性投資及其他作收入及資本增值的資產

5 Turnover and segmental information (Continued)

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is presented as the primary reporting format pursuant to the Group's internal financial reporting system.

Business segments

The Group's activities comprise the following major business segments:

- Financial services — underwriting of general insurance, insurance brokerage, investing in banking business and trading in securities for short term profit
- Property development and investment — development and sale of residential properties, leasing of investment properties for rentals and investing in properties to gain from the long term appreciation in their values
- Toll road investment — investing in toll road projects in Mainland China
- Industrial instrument manufacturing — investing in manufacturers and distributors of digital instruments
- Investment holding and others — investing in strategic investments and other assets for income and capital appreciation purposes

5 營業額及分部資料 (續)

5 Turnover and segmental information (Continued)

業務分部 (續)

Business segments (Continued)

	金融服務		物業發展及投資		收費公路投資		工業業表生產		投資控股及其他		未分配項目		綜合	
	2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$
營業額	29,255,660	30,687,000	1,131,888	367,935	-	-	17,927,537	3,954,153	-	-	-	-	48,315,065	35,009,088
未清對保單變動淨額 及再保費分出	(1,628,341)	(4,177,316)	-	-	-	-	-	-	-	-	-	-	(1,628,341)	(4,177,316)
其他收益 - 淨額	1,778,598	2,718,897	2,610,773	695,067	-	-	1,422,247	18,277	-	-	-	-	5,811,618	3,422,241
收益總額	29,405,917	29,228,581	3,742,661	1,063,002	-	-	19,349,784	3,972,430	-	-	-	-	52,498,382	34,254,013
分部業績	(3,049,467)	5,650,485	1,926,772	(868,641)	-	-	18,316,756	2,997,980	-	-	(14,401,237)	(11,089,887)	17,194,061	7,779,824
總部開支	-	-	-	-	-	-	-	-	-	-	-	-	(14,401,237)	(11,089,887)
營業溢利 / (虧損)	(3,049,467)	5,650,485	1,926,772	(868,641)	-	-	18,316,756	2,997,980	-	-	(14,401,237)	(11,089,887)	2,792,824	(3,310,063)
Finance costs	-	-	-	-	-	-	-	-	-	-	-	-	(4,461,366)	(794,813)
應佔共同控制實體業績	44,091,855	41,677,164	-	-	2,082,106	(3,284,627)	1,889,167	1,369,024	(41,659)	-	-	-	45,981,022	43,046,188
應佔聯營公司業績	-	-	-	-	-	-	-	-	(51,662)	-	-	-	2,040,447	(3,336,289)
除稅前溢利	41,042,388	47,327,649	1,926,772	(868,641)	2,082,106	(3,284,627)	1,889,167	1,369,024	2,946,318	(18,862,603)	(11,894,700)	46,352,927	35,605,023	
所得稅支出	8,373,100	-	-	-	-	-	-	-	-	-	-	-	(549,833)	(147,007)
本節溢利	112,067	121,330	549,984	168,673	-	-	301,418	319,011	-	302,608	154,363	-	1,266,077	763,440
折舊及攤銷	-	-	-	-	-	-	-	-	-	-	-	-	-	-
應收貸款減值	-	-	-	-	-	-	-	-	-	-	-	-	-	-
於2006年6月30日 / 2005年12月31日	238,975,414	230,738,751	22,736,261	92,813,547	-	-	687,382,491	597,580,053	-	21,850,064	22,163,900	-	950,094,166	921,112,351
分部資產	-	-	-	-	-	-	-	-	-	-	-	-	-	-
公司資產	-	-	-	-	-	-	-	-	-	-	-	-	-	-
投資共同控制實體	622,915,019	596,050,083	-	-	-	-	28,948,227	26,847,885	-	-	-	-	651,863,246	622,887,988
投資聯營公司	-	-	-	-	50,141,247	48,028,009	-	-	10,392,936	-	-	-	60,534,183	58,345,028
資產總值	862,890,433	826,788,834	22,736,261	92,813,547	50,141,247	48,028,009	697,775,427	607,877,072	21,850,064	22,163,900	1,684,341,659	1,624,519,247		
分部負債	101,945,561	103,592,121	142,841	7,220,252	-	-	19,753,337	8,281,723	-	138,279,760	166,226,578	-	121,841,739	119,094,036
未分配負債	-	-	-	-	-	-	-	-	-	-	-	-	-	-
負債總值	101,945,561	103,592,121	142,841	7,220,252	-	-	19,753,337	8,281,723	-	138,279,760	166,226,578	-	121,841,739	119,094,036
本節資本開支	238,720	424,692	-	27,672	-	-	27,060	2,030,313	-	-	-	-	265,780	2,542,667

5 營業額及分部資料(續)

5 Turnover and segmental information (Continued)

地區分部

Geographical segments

		香港		中國內地		澳門		綜合	
		Hong Kong		Mainland China		Macau		Consolidated	
		2006	2005	2006	2005	2006	2005	2006	2005
		港元	港元	港元	港元	港元	港元	港元	港元
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
截至6月30日止6個月 Six months ended 30th June									
營業額	Turnover	27,571,573	28,106,054	17,337,564	2,317,809	3,405,948	4,585,225	48,315,085	35,009,088
未滿期保費變動淨額 及再保費分出	Movement in net unearned insurance premiums and reinsurance premiums ceded	(484,372)	(3,134,185)	-	-	(1,143,969)	(1,043,131)	(1,628,341)	(4,177,316)
其他收益 – 淨額	Other gains – net	1,880,191	2,735,437	3,887,350	672,224	44,077	14,580	5,811,618	3,422,241
收益總額	Total revenues	28,967,392	27,707,306	21,224,914	2,990,033	2,306,056	3,556,674	52,498,362	34,254,013
營業溢利/(虧損)	Operating profit / (loss)	(7,807,955)	(4,470,141)	9,501,012	(197,659)	1,099,767	1,357,737	2,792,824	(3,310,063)
於2006年6月30日/ 2005年12月31日 At 30th June 2006/ 31st December 2005									
分部資產	Segment assets	221,955,986	223,068,883	687,715,198	672,853,497	40,422,982	25,189,971	950,094,166	921,112,351
公司資產	Corporate assets	21,065,530	21,369,308	784,534	794,592	-	-	21,850,064	22,163,900
投資共同控制實體	Investments in jointly controlled entities	-	-	651,863,246	622,897,968	-	-	651,863,246	622,897,968
投資聯營公司	Investments in associates	-	-	60,534,183	58,345,028	-	-	60,534,183	58,345,028
資產總值	Total assets	243,021,516	244,438,191	1,400,897,161	1,354,891,085	40,422,982	25,189,971	1,684,341,659	1,624,519,247
本期資本開支	Capital expenditure incurred for the period	202,111	2,500,986	2,118	41,681	61,551	-	265,780	2,542,667

6 所得稅支出

香港利得稅乃按照期內估計應課稅溢利依稅率17.5% (2005年：17.5%) 提撥準備。中國內地及澳門盈利之稅款則按照期內估計應課稅溢利依中國內地及澳門之現行稅率計算。

在簡明綜合損益表支銷之稅項如下：

當期稅項
香港利得稅
中國內地及澳門稅項

遞延稅項
暫時差異的產生及轉回

7 每股基本盈利

每股基本盈利是根據本公司截至2006年6月30日止6個月普通股權益持有人應佔溢利港幣46,950,217元(2005年：港幣36,471,508元)及期內已發行股份之加權平均數459,428,656(2005年：459,428,656)股計算。

本集團期內及過往期間並無已發行具攤薄潛力之普通股，因此本賬目並無呈報每股攤薄盈利的資料。

6 Income tax expense

Hong Kong profits tax has been provided at the rate of 17.5% (2005: 17.5%) on the estimated assessable profit for the period. Taxation on Mainland China and Macau profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in Mainland China and Macau.

The amount of taxation charged to the condensed consolidated profit and loss account represents:

	截至6月30日止6個月	
	Six months ended 30th June	
	2006	2005
	港元	港元
	HK\$	HK\$
Current tax		
Hong Kong profits tax	39,877	–
Mainland China and Macau taxation	–	11,620
	<u>39,877</u>	<u>11,620</u>
Deferred tax		
Relating to the origination and reversal of temporary differences	509,956	135,387
	<u>549,833</u>	<u>147,007</u>

7 Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity holders of the Company for the six months ended 30th June 2006 of HK\$46,950,217 (2005: HK\$36,471,508) and the weighted average of 459,428,656 (2005: 459,428,656) ordinary shares in issue during the period.

The Group has no dilutive potential ordinary shares in issue during the current and prior periods and therefore no diluted earnings per share information is presented in these accounts.

8 資本開支

8 Capital expenditure

		物業、機器 及設備 Property, plant and equipment 港元 HK\$	投資物業 Investment properties 港元 HK\$	租賃土地及 土地使用權 Leasehold land and land use rights 港元 HK\$	總額 Total 港元 HK\$
截至2005年6月30日 止6個月及 2005年12月31日	Six months ended 30th June 2005 and 31st December 2005				
2005年1月1日之 期初賬面淨值	Opening net book amount at 1st January 2005	8,395,892	64,722,163	19,099,639	92,217,694
增添	Additions	2,249,288	–	–	2,249,288
重置	Reclassification	–	–	69,275,483	69,275,483
出售	Disposals	(296,652)	–	–	(296,652)
折舊及攤銷	Depreciation and amortisation	(610,351)	–	(153,089)	(763,440)
重估	Revaluation	–	3,058,689	–	3,058,689
匯兌盈虧	Translation differences	(677)	–	(1,598,818)	(1,599,495)
2005年6月30日 之期末賬面淨值	Closing net book value at 30th June 2005	9,737,500	67,780,852	86,623,215	164,141,567
增添	Additions	293,379	–	–	293,379
出售	Disposals	(408,019)	–	(216,131)	(624,150)
折舊及攤銷	Depreciation and amortisation	(821,414)	–	(1,107,723)	(1,929,137)
重估	Revaluation	–	940,474	–	940,474
匯兌盈虧	Translation differences	36,707	–	1,614,085	1,650,792
2005年12月31日之 期末賬面淨值	Closing net book value at 31st December 2005	<u>8,838,153</u>	<u>68,721,326</u>	<u>86,913,446</u>	<u>164,472,925</u>
截至2006年6月30日 止6個月	Six months ended 30th June 2006				
2006年1月1日之 期初賬面淨值	Opening net book amount at 1st January 2006	8,838,153	68,721,326	86,913,446	164,472,925
增添	Additions	265,780	–	–	265,780
出售／出售一附屬公司	Disposals / Disposal of a subsidiary	(590,882)	–	(68,304,388)	(68,895,270)
折舊及攤銷	Depreciation and amortisation	(704,547)	–	(561,530)	(1,266,077)
重估	Revaluation	–	1,401,596	–	1,401,596
匯兌盈虧	Translation differences	13,834	–	435,797	449,631
2006年6月30日之 期末賬面淨值	Closing net book value at 30th June 2006	<u>7,822,338</u>	<u>70,122,922</u>	<u>18,483,325</u>	<u>96,428,585</u>

9 共同控制實體

於2006年6月30日，本集團於共同控制實體之投資主要包括持有廈門國際銀行36.75%之股權。本集團之投資包括應佔此等共同控制實體之資產淨值及應收取此等共同控制實體之欠款列出如下：

9 Jointly controlled entities

At 30th June 2006, investments in jointly controlled entities mainly represent the Group's 36.75% interest in Xiamen International Bank. The Group's investments comprising its share of these jointly controlled entities' net assets and balances due from them are set out below:

		廈門國際銀行 Xiamen International Bank 港元 HK\$	其他 Others 港元 HK\$	總額 Total 港元 HK\$
截至2005年6月30日止6個月 及2005年12月31日		Six months ended 30th June 2005 and 31st December 2005		
2005年1月1日， 已扣除減值虧損	At 1st January 2005, net of impairment losses	511,720,599	22,518,971	534,239,570
應佔期內淨溢利	Share of net profit for the period	41,677,164	1,369,024	43,046,188
投資重估儲備金增加	Increase in investment revaluation reserve	11,529,846	–	11,529,846
匯兌差額	Translation differences	–	(6,817)	(6,817)
2005年6月30日	At 30th June 2005	564,927,609	23,881,178	588,808,787
應佔期內淨溢利	Share of net profit for the period	28,045,678	2,611,642	30,657,320
期內宣派股息	Dividend declared during the period	(18,669,000)	–	(18,669,000)
投資重估儲備金增加	Increase in investment revaluation reserve	15,809,055	–	15,809,055
匯兌差額	Translation differences	5,936,741	355,065	6,291,806
2005年12月31日	At 31st December 2005	<u>596,050,083</u>	<u>26,847,885</u>	<u>622,897,968</u>
截至2006年6月30日止6個月		Six months ended 30th June 2006		
2006年1月1日， 已扣除減值虧損	At 1st January 2006, net of impairment losses	596,050,083	26,847,885	622,897,968
應佔期內淨溢利	Share of net profit for the period	44,091,855	1,889,167	45,981,022
期內宣派股息	Dividend declared during the period	(21,641,915)	–	(21,641,915)
投資重估儲備金減少	Decrease in investment revaluation reserve	(478,322)	–	(478,322)
匯兌差額	Translation differences	4,893,318	211,175	5,104,493
2006年6月30日	At 30th June 2006	<u>622,915,019</u>	<u>28,948,227</u>	<u>651,863,246</u>

10 可供出售金融資產

收購成本
於投資重估儲備金記賬
之公平值收益

公平值

可供出售金融資產乃本集團持有華能國際電力股份有限公司(「華能」)108,000,000股(「華能股份」)之投資，華能為一間於中華人民共和國(「中國」)註冊成立之公司，其股份於上海及香港之證券交易所上市。

本集團持有的華能股份以往為非流通法人股。於2006年3月8日，華能公布股權分置改革方案(「股改方案」)，將非流通法人股股權分置改革為上市流通A股。本集團所持股份已於上海證券交易所A股市場上市，但在2007年4月19日前不能交易。

本集團外聘一專業估值師就華能股份截至2006年6月30日之公平值作出估值。有關估值乃參考華能於上海證券交易所上市的股價及反映上述限售條件的華能股份的估計折扣率而得出。根據估值結果，於2006年6月30日，本集團投資於華能股份之重估值為人民幣43,400萬元(相等於約港幣42,180萬元)，額外的公平值收益港幣6,240萬元於期內在投資重估儲備金內入賬。

10 Available-for-sale financial assets

	6月30日 30th June 2006 港元 HK\$	12月31日 31st December 2005 港元 HK\$
收購成本	355,040,930	355,040,930
於投資重估儲備金記賬 之公平值收益	66,709,420	4,307,620
公平值	<u>421,750,350</u>	<u>359,348,550</u>

The available-for-sale financial assets represent the Group's investment in 108,000,000 shares ("Huaneng Shares") of Huaneng Power International, Inc. ("Huaneng"), a company incorporated in the People's Republic of China ("PRC") with shares listed on the stock exchanges of Shanghai and Hong Kong.

The Huaneng shares held by the Group were previously non-circulating legal person shares. On 8th March 2006, Huaneng announced a share reform proposal (the "Proposal") to convert the non-circulating legal person shares into listed and circulating A Shares. The shares held by the Group were listed on the A Share market of the Shanghai Stock Exchange but are not tradable until 19th April 2007.

The Group has appointed an external professional valuer to estimate the fair value of the Huaneng Shares at 30th June 2006. Reference was made to the listed share price of Huaneng on the Shanghai Stock Exchange and the estimated discount rate to reflect the aforementioned selling restrictions of Huaneng Shares. Based on the valuation result, the Group's investment in Huaneng Shares was revalued to RMB434 million (equivalent to approximately HK\$421.8 million) as at 30th June 2006 and an additional fair value gain of HK\$62.4 million was recognised in the investment revaluation reserve during the period.

11 應收貸款

貸款予一無關連公司
減: 減值虧損

上述貸款以中國福州市一幢大廈其中部份單位提供抵押。由於借款人未能於原定還款期限清還貸款，本公司於2001年向借款人提出法律訴訟。於2001年1月26日，法院判令確認本公司對該大廈抵押單位有止贖的權利。

本公司自2001年起已採取各項措施以變現抵押物業。於2006年1月，本集團成功透過福建省高級人民法院執行的公開拍賣將抵押物業變現。於2006年7月，本集團已從福建省高級人民法院收到拍賣代價之部份款項人民幣4,500萬元(相等於約港幣4,370萬元)。

根據該應收貸款的修訂估計回收金額及現金流時間，本期間為該項貸款提撥額外減值虧損港幣8,373,100元。

11 Loan receivable

	6月30日 30th June 2006 港元 HK\$	12月31日 31st December 2005 港元 HK\$
Advance to an unrelated company	64,500,000	64,500,000
Less: Impairment losses	(16,226,100)	(7,853,000)
	<u>48,273,900</u>	<u>56,647,000</u>

The advance is secured by certain units of a building in Fuzhou, Mainland China. In 2001, the Company took legal action against the borrower for settlement of the advance which was not repaid as originally scheduled. On 26th January 2001, a court order was granted to confirm the Company's right to foreclose on the secured units of the building held as collateral.

The Company has undertaken various steps in order to realise the property collateral since 2001. In January 2006, the Group has successfully realised the property collateral through a public auction executed by the Fujian Provincial High Court. In July 2006, the Group has received a partial payment of the auction proceeds of RMB45 million (equivalent to approximately HK\$43.7 million) from the Fujian Provincial High Court.

Based on the revised estimated amount and timing of the cash flows from recovering the loan receivable, an additional impairment loss of HK\$8,373,100 was made against the advance in the current period.

12 應收保費

應收保費大部份之信貸期限一般由90天至120天不等。應收保費之信貸條款(包括是否需要由第三者出具擔保)由高級管理人員決定。

於2006年6月30日，應收保費的賬齡分析(按發票日期)如下：

30日內
31至60日
61至90日
超過 90日

12 Premium receivable

The credit period for the majority of insurance debtors normally ranges from 90 to 120 days. The credit terms of insurance debtors, including whether guarantees from third parties are required, are determined by senior management.

At 30th June 2006, the ageing analysis of the insurance debtors by invoice date was as follows:

	6月30日 30th June 2006 港元 HK\$	12月31日 31st December 2005 港元 HK\$
Within 30 days	3,456,077	2,525,094
31 - 60 days	4,061,612	3,993,562
61 - 90 days	2,382,421	2,820,574
Over 90 days	2,624,014	3,271,335
	<u>12,524,124</u>	<u>12,610,565</u>

13 現金及銀行結存

此現金及銀行結存包括結存於中國內地若干銀行之存款人民幣152,062,957元(折算港幣147,770,980元)(2005年12月31日：人民幣141,021,908元，折算港幣135,497,375元)。

根據香港保監處之規定，受其監管的一間附屬公司需經常將為數不少於港幣1,600萬元(2005年12月31日：港幣1,600萬元)之資金撥為銀行存款。該附屬公司亦維持港幣5,468,576元(2005年12月31日：港幣5,468,576元)之銀行存款以符合澳門《保險活動管制法例》之若干規定。

13 Cash and bank balances

Included in cash and bank balances are deposits of RMB152,062,957 (equivalent to HK\$147,770,980) placed with certain banks in Mainland China (31st December 2005: RMB141,021,908, equivalent to HK\$135,497,375).

Pursuant to the requirements from The Commissioner of Insurance in Hong Kong, a subsidiary maintains at all times a portion of its funds, being not less than HK\$16 million (31st December 2005: HK\$16 million), in bank deposits. The subsidiary has also maintained a bank deposit of HK\$5,468,576 (31st December 2005: HK\$5,468,576) for fulfilling certain requirements under the Macau Insurance Ordinance.

14 保險責任

於2006年6月30日，保險責任的賬齡分析(按發票日期)如下：

30日內
31至60日
61至90日
超過 90日

14 Insurance liabilities

At 30th June 2006, the ageing analysis of the insurance liabilities by invoice date was as follows:

	6月30日 30th June 2006 港元 HK\$	12月31日 31st December 2005 港元 HK\$
Within 30 days	1,347,465	1,454,968
31 - 60 days	1,355,800	1,477,788
61 - 90 days	925,030	995,139
Over 90 days	4,394,037	1,709,637
	<u>8,022,332</u>	<u>5,637,532</u>

15 其他應付賬款及應計費用

於2006年6月30日，餘額包括一筆應付本集團主要股東福建投資企業集團公司(「福建投資企業」)的款項港幣1,860萬元。該款項為無抵押、免息及須於要求時償還，乃本集團於去年收購華能股份投資的應付代價(註釋10)。

15 Other creditors and accruals

As at 30th June 2006, the balance included an amount of HK\$18.6 million payable to the Group's substantial shareholder, Fujian Investment & Enterprise Holdings Corporation ("FIEC"). The amount is unsecured, interest free and repayable on demand and represents the consideration payable by the Group for acquiring the investment in Huaneng Shares (Note 10) last year.

16 已收按金

此款項乃本集團於2005年代一聯營公司，Promise Good Limited(「PGL」)，收取一潛在買家人民幣1,500萬元的按金，作為其預期出售於中國之收費公路投資。

於2006年3月，PGL與該潛在買家簽訂協議出售有關收費公路投資。按金乃出售代價的一部分，為免息並須於PGL要求時由本公司償還予PGL。

於2006年6月30日後，本集團代PGL收取額外代價人民幣1,500萬元(相等於約港幣1,460萬元)。

16 Deposits received

The balance represents the deposits of RMB15 million received from a potential buyer on behalf of an associate, Promise Good Limited ("PGL"), in relation to its contemplated disposal of the toll road investments in Mainland China in 2005.

In March 2006, PGL has executed an agreement with the potential buyer to dispose of the toll road investments. The deposits, which form part of the consideration for the disposal, are interest-free and repayable by the Company to PGL on the latter's demand.

Subsequent to 30th June 2006, the Group has received additional consideration of RMB15 million (equivalent to approximately HK\$14.6 million) on behalf of PGL.

17 短期墊款

短期墊款乃本集團一間前非全資附屬公司，濟南太平洋房地產開發有限公司（「濟南太平洋」）之借款，如下：

其少數股東之貸款 (a)

第三者之貸款 (b)

(a) 貸款以人民幣為單位，提供作為流動資金之用。此等貸款皆無抵押，須於要求時償還，利息按年利率6厘計算。本集團於期內出售其於濟南太平洋之權益時不再確認上述貸款（註釋21）。

(b) 貸款以人民幣為單位，由兩間中國內地非金融機構提供，以購入一幅土地之土地使用權。此等貸款皆無抵押，須於要求時償還，利息按年利率5.22厘至6厘計算。人民幣1,700萬元之貸款已於期內償還，貸款餘額則在本集團於期內出售其於濟南太平洋之權益時不再確認（註釋21）。

17 Short term advances

The short term advances represent loans borrowed by a former non-wholly owned subsidiary of the Group, Jinan Pacific Real Estate Development Co., Ltd. ("Jinan Pacific"), as follows:

	6月30日 30th June 2006 港元 HK\$	12月31日 31st December 2005 港元 HK\$
Loans from a minority shareholder (a)	-	8,638,427
Loans from third parties (b)	-	18,753,592
	<u>-</u>	<u>27,392,019</u>

(a) The loans were denominated in RMB and were advanced for working capital requirements. They were unsecured, repayable on demand and interest bearing at 6% per annum. The loans were derecognised as a result of the Group's disposal of its interests in Jinan Pacific during the period (Note 21).

(b) The loans were denominated in RMB and were advanced from two non-financial institutions in Mainland China for financing the acquisition of the land use rights of a parcel of land. The loans were unsecured, repayable on demand and interest bearing at 5.22% to 6% per annum. A loan of RMB17 million was repaid during the period and the balance was derecognised as a result of the Group's disposal of its interests in Jinan Pacific during the period (Note 21).

18 銀行貸款

銀行貸款，有抵押
減：包括在流動負債內之
一年內到期的款項

銀行貸款以港元為單位，並以本集團其中一項物業（包括租賃土地部份）作抵押，該物業於2006年6月30日之賬面淨值為港幣1,420萬元（2005年12月31日：港幣1,440萬元）。

銀行貸款到期日如下：

第一年內
多於一年但於兩年內

多於兩年但於五年內

銀行貸款利息按香港銀行同業拆息加息差計算及於結算日的實際年利率為6.22厘。

18 Bank borrowings

	6月30日 30th June 2006 港元 HK\$	12月31日 31st December 2005 港元 HK\$
Bank loans, secured	103,759,012	119,707,082
Less: Amounts due within one year included under current liabilities	(23,910,402)	(23,896,784)
	<u>79,848,610</u>	<u>95,810,298</u>

These bank loans are denominated in Hong Kong Dollars and secured by one of the properties (including the leasehold land component) of the Group with a net book value of HK\$14.2 million as at 30th June 2006 (31st December 2005: HK\$14.4 million).

The maturity profile of the bank loans is as follows:

	6月30日 30th June 2006 港元 HK\$	12月31日 31st December 2005 港元 HK\$
Within 1 year	23,910,402	23,896,784
More than 1 year but within 2 years	23,930,219	23,917,789
More than 2 years but within 5 years	55,918,391	71,892,509
	<u>103,759,012</u>	<u>119,707,082</u>

The bank loans bear interest at a spread over Hong Kong Interbank Offered Rate and the effective interest rate at the balance sheet date was 6.22% per annum.

19 或然負債

於2005年12月31日，本集團一間前非全資附屬公司，濟南太平洋，尚有未償還擔保人民幣787,500元（折算港幣756,650元），此乃其為若干於中國內地購買其物業的買家取得按揭貸款而向銀行出具之擔保。於2006年6月30日，本集團因於期內出售濟南太平洋而不再承受這些或然負債。

20 資本承擔

物業、機器及設備

已簽約但未撥備

未計入上述之集團攤佔共同控制實體之資本承擔如下：

已簽約但未撥備

19 Contingent liabilities

At 31st December 2005, a former non-wholly owned subsidiary of the Group, Jinan Pacific, had outstanding guarantees of RMB787,500 (equivalent to HK\$756,650) granted in favour of the banks which provided mortgage loan facilities to buyers to acquire properties in Mainland China from it. As at 30th June 2006, the Group was no longer exposed to these contingent liabilities as a result of its disposal of Jinan Pacific during the period.

20 Capital commitments

	6月30日 30th June 2006 港元 HK\$	12月31日 31st December 2005 港元 HK\$
For property, plant and equipment		
Contracted but not provided for	<u>161,111</u>	<u>159,295</u>
The Group's share of capital commitments of the jointly controlled entities not included above is as follows:		
Contracted but not provided for	<u>490,700</u>	<u>2,424,381</u>

21 出售一附屬公司

21 Sale of a subsidiary

		截至6月30日止6個月	
		Six months ended 30th June	
		2006	2005
		港元	港元
		HK\$	HK\$
資產淨值	Net assets		
物業、機器及設備	Property, plant and equipment	574,651	—
土地使用權	Land use rights	68,304,388	—
其他應收賬款	Other debtors	1,531,795	—
預付款及按金	Prepayment and deposits	24,410	—
現金及銀行結存	Cash and bank balances	165,659	—
其他應付賬款及應計費用	Other creditors and accruals	(6,123,187)	—
短期墊款	Short term advances	(43,225,627)	—
		21,252,089	—
少數股東權益	Minority interest	(13,307,226)	—
出售資產淨值	Net assets disposed of	7,944,863	—
出售撥回之外匯折算儲備金	Exchange translation reserve released on disposal	(1,007,856)	—
		6,937,007	—
出售收益	Gain on disposal	1,979,110	—
		8,916,117	—
出售之現金流入	Cash inflow on disposal		
現金收益	Cash proceeds	9,746,217	—
已付交易成本	Transaction costs paid	(830,100)	—
		8,916,117	—
出售附屬公司之現金及現金等價物	Cash and cash equivalents in subsidiary disposed of	(165,659)	—
		8,750,458	—

於2006年2月16日，本集團與一獨立第三者訂立協議，出售其於濟南太平洋房地產開發有限公司的全部51%股權，現金代價為人民幣1,010萬元（相等於約港幣970萬元）。有關出售須待有關政府和監管機關的批准程序完備後方告完成，有關程序於2006年6月完成。本集團在出售完成後確認收益港幣198萬元（註釋5）。

On 16th February 2006, the Group entered into an agreement to dispose of its entire 51% equity interest in Jinan Pacific Real Estate Development Co., Ltd. to an independent third party for a cash consideration of RMB10.1 million (equivalent to approximately HK\$9.7 million). The disposal was subject to the completion of the relevant governmental and regulatory approval process, which was completed in June 2006. A gain of HK\$1.98 million (Note 5) was recognised by the Group on the completion of the disposal.

22 有關連人士交易

為編制本未經審核簡明綜合中期賬目，如本集團有能力(直接或間接)控制有關人士或對其財務及經營決策行使重大影響力，或反之亦然，或如本集團及有關人士受到共同控制或共同影響，皆視為與本集團有關連。有關連人士可以為個人(即主要管理人員、主要股東及/或其直系親屬成員)或其他實體，以及包括受本集團有關連人士重大影響的實體，這等有關連人士為個別人士。

除於本賬目註釋15、16、17及19披露關於有關連人士交易外，集團在正常業務範圍內進行之重要有關連人士交易摘要如下：

- (a) 於2006年6月30日，本集團結存於共同控制金融機構之存款合計港幣164,415,671元(2005年12月31日：港幣159,350,297元)。此等存款的利息以一般商業利率計算，於2006年6月30日止6個月，本集團由此所產生的利息收入為港幣1,820,266元(2005年6月30日止6個月：港幣2,836,529元)。
- (b) 於2006年6月30日，本集團給予一共同控制實體貸款港幣16,333,670元(2005年12月31日：港幣16,333,670元)。此款項為本集團對該共同控制實體之投資，並且為無抵押、免息及無限定還款期。
- (c) 於2006年6月30日，本集團給予聯營公司之貸款為港幣54,730,545元(2005年12月31日：港幣54,699,413元)，此等貸款為無抵押、免息及無限定還款期。此等貸款為本集團對該等聯營公司之投資。

22 Related party transactions

For the purposes of these unaudited condensed consolidated interim accounts, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals.

In addition to those disclosed in notes 15, 16, 17 and 19 to the accounts, significant related party transactions which were carried out in the normal course of the Group's business are as follows:

- (a) As of 30th June 2006, the Group had deposits with jointly controlled financial institutions totalling HK\$164,415,671 (31st December 2005: HK\$159,350,297). The deposits carry interest at normal commercial rates and have generated interest income of HK\$1,820,266 (Six months ended 30th June 2005: HK\$2,836,529) to the Group for the six months ended 30th June 2006.
- (b) As of 30th June 2006, the Group had a loan advanced to a jointly controlled entity of HK\$16,333,670 (31st December 2005: HK\$16,333,670). This balance represents the Group's investments in that jointly controlled entity and is unsecured, interest free and has no fixed repayment terms.
- (c) As of 30th June 2006, the Group had loans to associates of HK\$54,730,545 (31st December 2005: HK\$54,699,413) which are unsecured, interest free and have no fixed repayment terms. These loans represent the Group's investments in those associates.

22 有關連人士交易 (續)

- (d) 於2005年12月31日，本集團及一間前非全資附屬公司，濟南太平洋，之少數股東分別向濟南太平洋提供貸款人民幣700萬元及人民幣880萬元，作為流動資金。有關貸款皆無抵押，利息按年利率6厘計算。除了人民幣880萬元之貸款並無限定還款期外，人民幣700萬元之貸款須於2005年12月31日償還。本集團提供的貸款已於期內償還，而該少數股東提供的貸款，在本集團出售其於濟南太平洋之權益時不再確認(註釋21)。
- (e) 期內本集團的一間附屬公司就一共同控制實體轉介而取得毛保費收入扣除佣金後的業務合計港幣2,526,009元(2005年6月30日止6個月：港幣2,584,889元)。此等由本集團承保之保單與本集團收取其他第三者客戶之費用及簽訂之合同無異。
- (f) 本公司向主要股東貴信有限公司支付管理費港幣940,000元(2005年6月30日止6個月：港幣940,000元)，作為其根據一份管理協議提供一些管理服務，包括提供董事予本公司董事局之費用。
- (g) 主要管理人員
高級行政人員截至2006年及2005年6月30日止6個月之酬金如下：

22 Related party transactions (Continued)

- (d) As of 31st December 2005, the Group and the minority shareholder of a former non-wholly owned subsidiary, Jinan Pacific, had provided advances of RMB7 million and RMB8.8 million respectively to Jinan Pacific for working capital purposes. The loans were unsecured, bearing interest at 6% per annum. Except for the loan of RMB8.8 million which had no fixed repayment terms, the remaining loan of RMB7 million was repayable on 31st December 2005. The loans provided by the Group were repaid during the period and the loans provided by the minority shareholder were derecognised as a result of the Group's disposal of its interests in Jinan Pacific during the period (Note 21).
- (e) Gross insurance premium less commission paid totalling HK\$2,526,009 (Six months ended 30th June 2005: HK\$2,584,889) was derived from business referred to a subsidiary by a jointly controlled entity during the period. Those insurance policies underwritten by the Group were contracted at prices and terms not less favourable than those contracted with other third party customers of the Group.
- (f) An amount of HK\$940,000 (Six months ended 30th June 2005: HK\$940,000) was paid to Vigour Fine Company Limited, a substantial shareholder of the Company, for the provision of certain management services which include the provision of directors to the board of directors of the Company pursuant to a management agreement.
- (g) Key management personnel
The senior executives' emolument for the six months ended 30th June 2006 and 2005 are detailed as follows:

	截至6月30日止6個月	
	Six months ended 30th June	
	2006	2005
	港元	港元
	HK\$	HK\$
酬金		
薪俸、房屋及其他津貼、 及實物利益	477,219	365,000
退休福利計劃供款	2,972,391	3,182,628
	36,000	36,000
	3,485,610	3,583,628

中期股息

董事局議決不派發截至二零零六年六月三十日止上半年度之中期股息(二零零五年：無)。

整體業績

回顧期內，集團投資的華能國際電力股份有限公司股份首次錄得股息收入港幣1,481萬元及確認一筆應收貸款之減值虧損港幣837萬元，令本集團的未經審核股東應佔綜合溢利比二零零五年同期上升28.7%，錄得截至二零零六年六月三十日止六個月的未經審核股東應佔綜合溢利港幣4,695萬元，每股盈利10.22仙，去年同期為港幣3,647萬元，每股盈利7.94仙。

業務回顧

銀行業務

集團持有36.75%權益的主要投資項目廈門國際銀行於截至二零零六年六月三十日止六個月的業績保持平穩及良好的勢頭，按香港財務報告準則要求編制之廈門國際銀行綜合淨利潤達人民幣12,416萬元，比較二零零五年同期的綜合淨利潤人民幣12,082萬元增長2.8%。回顧期內，廈門國際銀行推出各種組合型產品以及個性化方案，已初步形成了鮮明的經營特色及業務拓展策略，力求獲取可持續的高回報回饋股東及客戶。

保險業務

本集團全資附屬公司閩信保險有限公司(「閩信保險」)，在二零零六年上半年錄得稅後利潤港幣461萬元，與去年同期的水平相若。

INTERIM DIVIDEND

The Directors have resolved that no interim dividend be declared for the half year ended 30th June 2006 (2005: Nil).

OVERALL RESULTS

During the period under review, with the recognition of the dividend income of HK\$14.81 million from the Group's investment in the shares of Huaneng Power International, Inc. for the first time and the impairment loss of HK\$8.37 million against a loan receivable, the Group recorded an unaudited consolidated profit attributable to shareholders of HK\$46.95 million with earnings per share of 10.22 cents, an increase of 28.7% from HK\$36.47 million with earnings per share of 7.94 cents for the same period in 2005.

BUSINESS REVIEW

Banking Business

The Group's major investment, a 36.75% interest in Xiamen International Bank, continued to maintain its steady and sound momentum for the six months ended 30th June 2006. Xiamen International Bank's consolidated net profit under the requirements of the Hong Kong Financial Reporting Standards went up by 2.8% to RMB124.16 million from RMB120.82 million for the same period in 2005. During the period under review, Xiamen International Bank introduced various portfolio products and tailor-made solutions to their customers to address their specific needs. The Bank has therefore created a distinguishable operation and business strategy in order to achieve a sustained high return for its shareholders and customers.

Insurance Business

Min Xin Insurance Company Limited ("MXIC"), the Group's wholly-owned subsidiary, achieved a net profit after tax of HK\$4.61 million for the first half of 2006, which is at a consistent level for the same period of 2005.

儘管在回顧期內市場上的競爭依然激烈，管理層相信閩信保險的目標業務，如汽車保險和海外家傭綜合保險，在下半年仍有增長的空間。

物業發展及投資

集團持有51%權益的附屬公司在山東省濟南市的房地產投資項目（「濟南太平洋」）於截至二零零六年六月三十日止六個月錄得稅後虧損人民幣242萬元，而去年同期則錄得稅後虧損人民幣220萬元。集團於期內獲得股東批准出售濟南太平洋，並已於二零零六年六月完成交易，錄得出售收益港幣198萬元。

集團持有位於福建省福州市的二層投資物業已全數出租，為集團帶來穩定的租金收入。於截至二零零六年六月三十日止六個月錄得租金收入人民幣121萬元，比去年同期的人民幣38萬元增長211.2%。

收費公路投資

集團間接持有21%權益的安徽省馬鞍山段收費公路於回顧期內的路費收入上升20.7%，錄得人民幣2,539萬元，去年同期為人民幣2,103萬元。

集團持有40%權益的聯營公司於期內與其國內附屬公司的合作方簽訂協議，以人民幣7,000萬元出售其所持有的浙江省奉化段收費公路的所有權益。截至本報告日止，集團已代該聯營公司收取出售代價人民幣3,000萬元。

Despite the fact that market competition remained keen during the period under review, the management of MXIC are confident that there is still room for growth within the target market segments, namely, motor and overseas helpers' insurance in the second half of the year.

Property Development and Investment

The Group's 51% owned property development subsidiary in Jinan, Shandong Province ("Jinan Pacific"), recorded a loss after taxation of RMB2.42 million for the six months ended 30th June 2006 as compared to a loss after taxation of RMB2.20 million for the same period in 2005. The Group obtained approval from its shareholders to dispose of its equity interest in Jinan Pacific during the period under review. The disposal was completed in June 2006 and the Group recorded a gain on disposal of HK\$1.98 million in the period.

Two floors of the investment properties of the Group in Fuzhou have been leased, generating a steady rental income for the Group. For the six months ended 30th June 2006, the Group recorded a rental income of RMB1.21 million, representing an increase of 211.2% from RMB0.38 million of the corresponding period last year.

Toll Road Investments

The Group's toll road investment in Maanshan, Anhui Province, of which the Group has an indirect 21% interest, reported a revenue of RMB25.39 million during the period under review, an increase of 20.7% from RMB21.03 million for the same period last year.

During the period under review, the Group's 40% owned associated company entered into an agreement with its joint venture partner of its subsidiary company in Mainland China to dispose of its equity interest in the toll roads in Fenghua, Zhejiang Province at a consideration of RMB70 million. Up to the date of this report, the Group has already received RMB30 million on behalf of this associated company for the disposal.

高新技術項目

集團所投資的閩信昌暉投資有限公司(「閩信昌暉」)於國內的工業用數字儀表生產業務，期內保持良好的增長勢頭。於截至二零零六年六月三十日止六個月錄得稅後利潤港幣472萬元，比較二零零五年同期的稅後利潤港幣342萬元上升38.0%。閩信昌暉將透過科技創新，不斷提高產品檔次，拓展產品系列，力爭行業的龍頭地位。

於華能國際電力股份有限公司的投資

華能國際電力股份有限公司(「華能」)的股份已於期內完成股權分置改革。集團所持的1.08億華能股份(「華能股份」)將於二零零七年四月十九日於上海證券交易所自由流通。根據獨立評估師的評估結果，於二零零六年六月三十日華能股份的公允值為港幣42,175萬元，錄得重估增值港幣6,671萬元。集團於期內錄得股息收入港幣1,481萬元。於二零零六年八月十六日，華能公布按中國會計準則編制的截至二零零六年六月三十日止六個月的業績，每股收益人民幣0.16元，比去年同期增長23.1%。

財務回顧

於回顧期內，集團的財務狀況保持在健康的水準。按已發行股本459,428,656股(二零零五年十二月三十一日：459,428,656股)計算，於二零零六年六月三十日，本公司權益持有人攤佔每股資產淨值港幣3.10元(二零零五年十二月三十一日：港幣2.88元)。於二零零六年六月三十日，流動資產及流動負債分別為港幣45,324萬元(二零零五年十二月三十一日：港幣48,719萬元)及港幣17,959萬元(二零零五年十二月三十一日：港幣18,931萬元)，流動比率為2.5倍(二零零五年十二月三十一日：2.6倍)。

High-Tech Investments

Min Faith Investments Limited ("Min Faith"), an investment of the Group engaging in the manufacturing of industrial digital instruments in Mainland China, has maintained its growth momentum during the period under review. For the six months ended 30th June 2006, it recorded a profit after tax of HK\$4.72 million, an increase of 38.0% from the profit after tax of HK\$3.42 million for the same period in 2005. Min Faith will strive to be the industry leader through its technical innovation, continuous product upgrading and expansion of product lines.

Investment in Huaneng Power International, Inc.

Huaneng Power International, Inc. ("Huaneng") has completed its share reform during the period under review. The 108,000,000 shares of Huaneng held by the Group ("Huaneng Shares") will be freely tradable on the Shanghai Stock Exchange on 19th April 2007. According to the valuation result of an independent valuer, the fair value of Huaneng Shares was HK\$421.75 million as at 30th June 2006, thus posting a revaluation gain of HK\$66.71 million to the reserve of the Group. During the period under review, the Group recorded a dividend income of HK\$14.81 million from Huaneng. On 16th August 2006, Huaneng announced its results under the PRC Accounting Standards for the six months ended 30th June 2006, with earnings per share of RMB0.16, which represents an increase of 23.1% as compared with the same period last year.

FINANCIAL REVIEW

The Group maintained a healthy financial position during the period under review. Based on 459,428,656 shares in issue (31st December 2005: 459,428,656 shares), the net asset value per share attributable to equity holders of the Company was HK\$3.10 (31st December 2005: HK\$2.88) at 30th June 2006. As at 30th June 2006, the current assets and current liabilities were HK\$453.24 million (31st December 2005: HK\$487.19 million) and HK\$179.59 million (31st December 2005: HK\$189.31 million) respectively with a current ratio of 2.5 (31st December 2005: 2.6).

於二零零六年六月三十日，集團的五年期浮動利率銀行貸款餘額港幣10,400萬元(二零零五年十二月三十一日：港幣12,000萬元)以集團一項物業(包括租賃土地部份)作抵押，截至二零零六年六月三十日該物業之賬面淨值為港幣1,420萬元(二零零五年十二月三十一日：港幣1,440萬元)。除此以外，集團的一間非全資附屬公司濟南太平洋於二零零五年十二月三十一日尚有固定利率短期墊款港幣2,739萬元，該短期墊款已於期內於出售濟南太平洋後不再確認；於二零零六年六月三十日，資本負債比率(總借貸除以資產淨值)為7.3%(二零零五年十二月三十一日：11.0%)。

於二零零六年六月三十日，集團之銀行存款為港幣33,185萬元(二零零五年十二月三十一日：港幣30,038萬元)，其中包括存放於中國內地若干銀行之款項人民幣15,206萬元(等值港幣14,777萬元)(二零零五年十二月三十一日：人民幣14,102萬元，等值港幣13,550萬元)。

集團的資產、負債及收支項目主要以港幣、人民幣及美元為計算單位。自二零零五年人民幣匯率形成機制改革後，人民幣對多種主要貨幣(包括美元及港元)的匯率穩步上升。由於集團持有人民幣淨貨幣，致使集團於截至二零零六年六月三十日止六個月錄得賬面匯兌收益約港幣145萬元。除此以外，集團預期不會面對重大的外匯匯率波動風險。

As at 30th June 2006, the Group had a 5-year floating rate bank loan with an outstanding balance of HK\$104 million (31st December 2005: HK\$120 million). The bank loan is secured by a property (including the leasehold land component) of the Group with a net book value of HK\$14.2 million (31st December 2005: HK\$14.4 million) as at 30th June 2006. In addition, as at 31st December 2005, the Group's non-wholly owned subsidiary, Jinan Pacific, had fixed rate short term advances amounting to HK\$27.39 million, which were derecognized after the Group's disposal of Jinan Pacific during the period under review. The gearing ratio of the Group (total borrowings divided by total net assets) as at 30th June 2006 was 7.3% (31st December 2005: 11.0%).

As at 30th June 2006, bank deposits of the Group amounted to HK\$331.85 million (31st December 2005: HK\$300.38 million) which included deposits of RMB152.06 million (equivalent to HK\$147.77 million) placed with certain banks in Mainland China (31st December 2005: RMB141.02 million, equivalent to HK\$135.50 million).

The Group's assets, liabilities and receipts and payments are primarily denominated in Hong Kong Dollars, Renminbi and United States Dollars. Since the commencement of the reform of Renminbi exchange rate adjustment mechanism in 2005, the exchange rate of Renminbi against various major currencies (including United States Dollars and Hong Kong Dollars) has increased steadily. The Group's net monetary assets denominated in Renminbi has resulted in foreign currency translation gain of approximately HK\$1.45 million recorded by the Group for the six months ended 30th June 2006. Apart from the change in Renminbi exchange rate, the Group anticipates that it will not face material risks arising from foreign exchange rates fluctuation.

或然負債

於二零零五年十二月三十一日，集團持有的濟南太平洋為若干於中國內地購買其物業之買家取得按揭貸款而出具擔保人民幣79萬元（等值港幣76萬元）；有關擔保將在有關銀行取得該物業之法定所有權後獲得解除。該等擔保已於期內於出售濟南太平洋後不再確認。

僱員及薪酬政策

於二零零六年六月三十日，本集團共有53名僱員。僱員的薪酬以個別僱員的表現及資歷釐定。本集團亦為僱員提供其他福利，包括退休及醫療福利。

未來展望

展望下半年，雖然國家的宏觀調控政策不斷的推陳出新，但經濟基本因素依然良好，中國全年經濟增長相信將維持雙位數字增長，加上金融業即將於年底全面開放，在這些有利因素帶動下，董事會對集團的業務發展前景充滿信心，相信將為股東締造佳績。

CONTINGENT LIABILITIES

As at 31st December 2005, Jinan Pacific issued guarantees amounting to RMB0.79 million (equivalent to HK\$0.76 million) for mortgage loan facilities obtained by certain buyers for acquiring properties from it. Such guarantees were to be released upon receipt of the titles deeds of the properties by the relevant banks. The Group is no longer obligated to the terms of these guarantees after its disposal of Jinan Pacific during the period under review.

EMPLOYEES AND REMUNERATION POLICY

As at 30th June 2006, the Group had 53 employees. The remuneration of the employees is based on individual merits and experience. The Group also provides other benefits to the employees including retirement benefits and medical scheme.

PROSPECTS

Looking ahead into the second half of the year, although Mainland China will continue to implement macroeconomic adjustment policies, it is believed that the fundamental economic factors of Mainland China will remain sound and the economic growth there will maintain a double digit growth for the year. In view of the above and coupled with the opening of the financial services industry in Mainland China at the end of the year, the Directors are confident of the outlook of the Group's business and believe that the Group will generate favourable return to the shareholders.

董事於本公司及其相聯法團證券的權益及淡倉

於二零零六年六月三十日，本公司董事及行政總裁在本公司及其相聯法團（按證券及期貨條例（「證券及期貨條例」）第XV部所指的定義）的股份、相關股份及債券中擁有根據證券及期貨條例第352條須予備存的登記冊所記錄或根據上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉如下：

DIRECTORS' INTERESTS AND SHORT POSITIONS IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30th June 2006, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (“Model Code”) were as follows:

於本公司普通股份之好倉

Long Positions in Ordinary Shares of the Company

董事姓名	權益性質	持有股份數量	概約持股百分比
Name of Director	Nature of interests	Number of shares held	Approximate percentage of shareholding
葉啟明	個人權益	666,000	0.14%
Ip Kai Ming	Personal interest		

除上文所披露者外，於二零零六年六月三十日，本公司董事及行政總裁概無在本公司或其任何相聯法團（按證券及期貨條例第XV部所指的定義）的股份、相關股份或債券中擁有任何須根據證券及期貨條例第352條須予備存的登記冊所記錄或根據標準守則須知會本公司及聯交所之權益或淡倉；而本公司之董事或彼等之配偶或18歲以下之子女於期內亦無持有任何權利以認購本公司的證券或已行使該等權利。

Save as disclosed above, as at 30th June 2006, none of the directors and chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code; and none of the directors or the spouses, or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the period.

主要股東在本公司股份及相關股份中擁有的權益及淡倉

於二零零六年六月三十日，本公司根據證券及期貨條例第336條而備存的登記冊，載錄下列公司擁有本公司的權益(按照該條例所定義者)如下：

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

The register maintained by the Company pursuant to section 336 of the SFO recorded that, as at 30th June 2006, the following corporations had interests (as defined in the SFO) in the Company:

公司名稱 Name of Corporation	註釋 Notes	持有股份數量 Number of shares held	概約持股百分比 Approximate percentage of shareholding
Samba Limited (“Samba”)		144,885,000	31.54%
Papilio Inc.	1	169,125,000	36.81%
貴信有限公司(「貴信」) Vigour Fine Company Limited (“Vigour Fine”)	1	192,764,600	41.96%
福建投資企業集團公司(「福建投資企業」) Fujian Investment & Holdings Corporation (“FIEC”)	2	192,764,600	41.96%

註釋：

1. 作為Samba之主要股東，Papilio Inc. 及貴信被視為擁有Samba於本公司所持144,885,000股之權益。
2. 作為貴信之控權股東，福建投資企業被視為擁有貴信於本公司所持192,764,600股之權益。

Notes:

1. Papilio Inc. and Vigour Fine both were the substantial shareholders of Samba and were deemed to be interested in Samba's shareholding in the Company of 144,885,000 shares.
2. FIEC was deemed to be interested in Vigour Fine's interest of 192,764,600 shares in the Company by virtue of its controlling interests in Vigour Fine.

上述全部權益皆為本公司普通股股份之好倉。於二零零六年六月三十日，本公司按證券及期貨條例第336條而設置之登記冊內並無任何淡倉記錄。

All the interests stated above represent long positions in the ordinary shares of the Company. As at 30th June 2006, no short positions were recorded in the register maintained by the Company under section 336 of the SFO.

購入、出售或贖回股份

本公司於期內並無贖回任何本身之股份。另本公司或各附屬公司於期內亦無購入或出售任何本公司之股份。

審核委員會

本公司審核委員會已經與管理層審閱本集團所採用的會計原則及方法，並討論有關內部監控及財務匯報事宜，包括審閱截至二零零六年六月三十日止六個月之未經審核中期賬目。

公司管治

董事認為，除以下所披露者外，本公司於截至二零零六年六月三十日止六個月內已遵守上市規則附錄十四所載之企業管治常規守則：

1. 非執行董事並無特定之任期，惟須按本公司之組織章程細則在本公司之股東週年大會上輪值告退及膺選連任。
2. 本公司之組織章程細則並無規定董事最少每三年輪值告退一次。

然而，本公司在二零零六年六月十六日舉行的股東週年大會上，已通過一項特別決議案修訂本公司組織章程細則，使每名董事（包括以特定任期的委任或本公司的主席或董事總經理）均須最少每三年輪值告退一次。

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed with management the accounting principles and practices adopted by the Group, and discussed internal controls and financial reporting matters including a review of the unaudited interim accounts for the six months ended 30th June 2006.

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules for the six months ended 30th June 2006 except that:

1. the Non-executive Directors have not been appointed for any specific terms as they are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's Articles of Association.
2. the Directors have not been required by the Company's Articles of Association to retire by rotation at least every three years.

However, at the annual general meeting of the Company held on 16th June 2006, a special resolution was passed to amend the Company's Articles of Association to the effect that every Director (including those appointed for a specific term or holding office as Chairman or Managing Director) shall be subject to retirement by rotation at least once every three years.

遵守標準守則

本公司已採納一套自行制定關於董事進行證券交易的操守準則，其條款不低於標準守則所載的規定。經向本公司所有董事進行具體查詢後，各董事均確認其已遵守及並無違反標準守則所規定的標準及本公司有關董事進行證券交易的操守準則。

承董事局命
主席
丁仕達

香港，二零零六年九月二十六日

COMPLIANCE WITH MODEL CODE

The Company has adopted its own code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code. Specific enquiry has been made to all the directors of the Company who confirmed that they have complied with the required standard set out in the Model Code and the Company's code of conduct regarding directors' securities transactions.

By Order of the Board
Ding Shi Da
Chairman

Hong Kong, 26th September 2006