

2007
中期報告
Interim Report

新
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 新澤控股有限公司
New Heritage Holdings Ltd.

(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)

香港聯交所上市編號: 95 HKSE Stock Code: 95

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Corporate Information 公司資料

DIRECTORS

Executive Directors

Mr. TAOCHAIFU Choofuang (*also known as CF Tao*) (*Chairman*)
Mr. TAO Richard (*Vice Chairman*)
Mr. TAO Paul (*also known as TAOCHAIFU Porn*)
(*Managing Director*)
Mr. KONG Mui Sum Lawrence
Mr. YIM Chun Leung

Non-Executive Director

Mr. CHAN Bernard Charnwut

Independent Non-Executive Directors

Mr. WONG Gary Ka Wai
Mr. SUN Leland Li Hsun
Mr. CHAN Norman Enrique

AUDIT COMMITTEE

Mr. WONG Gary Ka Wai (*Chairman*)
Mr. SUN Leland Li Hsun
Mr. CHAN Norman Enrique

NOMINATION COMMITTEE

Mr. CHAN Norman Enrique (*Chairman*)
Mr. SUN Leland Li Hsun
Mr. TAO Paul

REMUNERATION COMMITTEE

Mr. SUN Leland Li Hsun (*Chairman*)
Mr. CHAN Norman Enrique
Mr. TAO Richard

AUTHORISED REPRESENTATIVES

Mr. YIM Chun Leung
Ms. CHAN Meily

COMPANY SECRETARY

Ms. CHAN Meily *MBA, ACS, ACIS*

QUALIFIED ACCOUNTANT

Mr. LAU Kam Kwok, Dickson *CPA*

AUDITORS

Grant Thornton

董事

執行董事

陶哲甫先生 (*別名CF Tao*) (*主席*)
陶家祈先生 (*副主席*)
陶錫祺先生 (*別名 TAOCHAIFU Porn*)
(*董事總經理*)
江森森先生
嚴振亮先生

非執行董事

陳智思先生

獨立非執行董事

王家偉先生
孫立勳先生
陳樂文先生

審核委員會

王家偉先生 (*主席*)
孫立勳先生
陳樂文先生

提名委員會

陳樂文先生 (*主席*)
孫立勳先生
陶錫祺先生

薪酬委員會

孫立勳先生 (*主席*)
陳樂文先生
陶家祈先生

授權代表

嚴振亮先生
陳美莉女士

公司秘書

陳美莉女士 *MBA, ACS, ACIS*

合資格會計師

劉金國先生 *CPA*

核數師

均富會計師行

Corporate Information (Cont'd) 公司資料 (續)

REGISTERED OFFICE

Clifton House
75 Fort Street
P.O. Box 1350 GT
George Town
Grand Cayman
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2301, 23/F
Fortis Bank Tower
77-79 Gloucester Road
Wanchai, Hong Kong

LEGAL ADVISERS

Appleby Hunter Bailhache
Grandall Legal Group (Shanghai)
Sidley Austin

PRINCIPAL BANKERS

Bank of China Limited (Suzhou Branch)
Bank of Communications Co., Ltd. Hong Kong Branch
Standard Chartered Bank (Hong Kong) Limited
The Bank of East Asia Limited
Public Bank (Hong Kong) Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Corporate Services (Cayman) Limited
Clifton House
75 Fort Street
P.O. Box 1350 GT
George Town
Grand Cayman
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited
26/F, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

HKSE STOCK CODE

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WEBSITE

www.nh-holdings.com

註冊辦事處

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P.O. Box 1350 GT
George Town
Grand Cayman
Cayman Islands

總辦事處及香港主要營業地點

香港灣仔
告士打道77-79號
華比富通大廈
23樓2301室

法律顧問

Appleby Hunter Bailhache
國浩律師集團(上海)事務所
盛德律師事務所

主要往來銀行

中國銀行股份有限公司(蘇州分行)
交通銀行股份有限公司香港分行
渣打銀行(香港)有限公司
東亞銀行有限公司
大眾銀行(香港)有限公司

主要股份過戶登記處

Appleby Corporate Services (Cayman) Limited
Clifton House
75 Fort Street
P.O. Box 1350 GT
George Town
Grand Cayman
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

香港聯交所股份代號

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公司網址

www.nh-holdings.com

Chairman's Statement

主席報告

To our Shareholders,

Results and dividend

During the six months ended 30 June 2007, the Group's turnover amounted to approximately HK\$12.8 million (2006: HK\$3.5 million). Consolidated profit attributable to equity holders of the Company was approximately HK\$18.4 million, as compared with net loss attributable to equity holders of approximately HK\$7.8 million for the same period in the previous year. Earnings per share was HK\$0.03, compared to losses per share of HK\$0.01 in the first half of 2006. The increase in turnover was primarily attributable to proceeds from property sales at Suzhou Garden Towers, which generated revenue of approximately HK\$10.2 million. The increase in consolidated profit was due to profits derived from the sales of the units at Suzhou Garden Towers, and also from the net gain on the Group's partial disposal of interests in subsidiaries during the period.

The Directors do not propose to declare an interim dividend for the period (2006: Nil).

Business Review

The Group's goal is to provide customers with total living solutions, and to further enhance its reputation and brand recognition by developing quality projects in the PRC and continually upgrading its levels of product quality, customer service, and property management. By implementing this philosophy, we have enhanced the marketability of our products, enabling us to adopt a premium pricing strategy during the period under review.

Following the success of Suzhou Garden Towers last year, the Group's recently completed high-rise apartment development with a retail podium, there has been a similar impressive customer response to the recent sales at Wuzhong Garden Court, a classical suburban lifestyle habitat. These achievements reflect the wide recognition and appreciation of the Group's branding, and also demonstrate our strength in sales and marketing in the PRC property market.

致本公司股東

業績及股息

於截至二零零七年六月三十日止六個月，本集團的營業額約為12,800,000港元（二零零六年：3,500,000港元）。本公司權益持有人應佔綜合盈利約為18,400,000港元，而上一個年度同期則錄得權益持有人應佔淨額虧損約7,800,000港元。每股盈利為0.03港元，二零零六年上半年錄得每股虧損0.01港元。營業額上升主要來自出售蘇州錦昌苑帶來約10,200,000港元的收益。綜合盈利上升則來自出售蘇州錦昌苑單位的收入和期內出售附屬公司的部分權益所錄得的淨收益。

董事會不建議派發中期股息（二零零六年：無）。

業務回顧

本集團的目標是為客戶提供全面的居住方案，並且透過於中國發展更多優質項目和繼續提升產品質素、客戶服務和物業管理，進一步提高本集團的商譽和品牌知名度。透過貫徹這個理念，本集團將可提高產品的銷路，讓我們在回顧期內能夠採用最佳定價策略。

承接蘇州錦昌苑去年的銷售佳績，本集團近期推出附設商業部份的多層式公寓的蘇州錦悅苑項目，該項目以典型郊區住宅為主題，顧客對該項目之銷售反應同樣踴躍。這些佳績反映市場廣泛接受和認同本集團的品牌，並充份展示我們於國內物業市場銷售和市場推廣上的優勢。

Chairman's Statement (Cont'd)

主席報告 (續)

In addition to the two apartment projects mentioned above, the Group is about to develop a low-density residential project in Guangfu Town in Wuzhong District, Suzhou, which will focus on semi-detached as well as town houses. Upon completion there will be a total gross floor area in excess of approximately 92,012 sq.m.. Recently, the Group also successfully added to its land bank an additional approximately 58,370 sq.m. of developable gross floor area in the Wuzhong District, a site that is zoned for commercial/office use.

Outlook

The overall success of the Group's flagship project, Suzhou Garden Villa, was demonstrated by the auspicious completion of its final phase, Suzhou Garden Towers, underlining the significant presence that the Group has established in Suzhou's medium to high-end property market. Buyers of the Group's properties have realised a premium lifestyle concept in the heart of the CBD of Suzhou New District, and clearly demonstrated new levels of consumer intelligence and Suzhou homeowners' purchasing power.

The scene of our next series of projects is the vibrant Wuzhong District. This promises to be another visionary move on the part of the Board and our business development team. Already we are seeing handsome premiums on the price points projected when we took delivery of the first site in April 2006, thanks to a healthy growth plan being implemented in the district. Strong demand for our Wuzhong residential development has resulted in over 90% of the first batch of units released to the market in May 2007 being taken up in a short space of time.

The Group subsequently acquired a second and third site in the Wuzhong District, and these are currently being carefully designed to match the needs and expectations of Wuzhong's new breed of upwardly mobile homebuyers.

The Group's business strategy is to acquire promising strategic sites in the PRC, achieve healthy profit margins, and create well-received property projects in up-and-coming neighbourhoods across Greater Suzhou.

除了上述兩個住宅項目以外，本集團將在蘇州吳中區光福鎮發展一個低密度住宅項目，主要包括雙併和聯排別墅，竣工後總樓面面積約92,012平方米。近期，本集團成功於吳中區增加土地儲備，該地塊之可發展總樓面面積約58,370平方米，劃作商業／寫字樓發展用途。

展望

蘇州錦昌苑竣工顯示集團旗艦項目蘇州錦華苑的成功，同時標誌著本集團在蘇州中高端物業市場佔有一重要席位。本集團旗下物業的買家得以在蘇州新區商業心臟地帶體現優質生活的概念，並清楚顯示蘇州置業人士的購買力和消費水平已大幅提升。

本集團全新項目系列位於繁盛的吳中區，充分反映董事會及業務發展隊伍高瞻遠矚的部署。我們於二零零六年四月投得之首幅地塊的價值已錄得可觀升幅，這全賴區內實行的穩步增長計劃行之有效。市場對本集團於吳中區的住宅發展項目需求強勁，二零零七年五月推出的首批單位，超過90%於短時間內已迅速吸納。

本集團緊隨期後收購了吳中區第二及第三幅地塊，並遵循吳中新一代置業人士越來越高的要求和期望進行設計。

本集團的業務策略是於國內購入具有潛力的地塊，維持穩健的毛利和在蘇州及毗鄰地區創造更多廣受歡迎的物業項目。

Chairman's Statement (Cont'd) 主席報告 (續)

Our growth targets and bold expansion plans in the second year after our listing would not be achievable without the further earnest cooperation with a local and China-focused strategic partner, in addition to our existing experienced institutional investor, Spinnaker Global Opportunity Fund Limited ("Spinnaker"). It is my great pleasure to declare our next strategic alliance with Asia Financial Holdings Limited ("AFH", HKSE Stock code: 662) for future cooperation at the corporate level. This alliance is a culmination of our long term association with this reputable institution, which has given AFH a good understanding of our corporate culture and has paved the way for expedient cooperation. In June 2007, an AFH subsidiary took a 9.615% stake in our own subsidiary New Heritage Development Limited as a firm vote of confidence in the value of our long-established presence in the PRC property market. In July 2007, the Group also subscribed for a convertible note in a mixed-use property project in the promising Jiading district of Shanghai under the control of an associate of AFH. In the fourth quarter of this year, AFH and its subsidiary will also be participating in a fundraising exercise on a convertible instrument that the Company proposes to issue. The welcome participation and future financial support of our strategic partners Spinnaker and AFH at both corporate and project level will greatly enhance our competitiveness in securing favourable sites and projects.

Lastly but certainly by no means least, I wish to express my sincere gratitude to my fellow Board members and the management team for their tireless efforts. Together, we have consolidated the foundations of our listed company on its second anniversary and will continue to strive for balanced growth to maximise value for our shareholders.

TAOCHAIFU Choofuang
Chairman

Hong Kong, 27 September 2007

本集團得到本地及以中國內地為市場重心之策略夥伴的衷誠合作，方可達到上市後第二年的增長和拓展計劃目標。除了現有經驗豐富的機構投資者 Spinnaker Global Opportunity Fund Limited (「Spinnaker」) 以外，本人很榮幸能夠與亞洲金融集團(控股)有限公司(「AFH」，香港聯交所上市公司股份代號：662)訂立策略聯盟，未來在企業層面加強雙方的合作。此舉有利本集團與這間著名機構的長期聯繫，可加深了解本集團的文化，為未來適合的合作機會鋪路。於二零零七年六月，AFH附屬公司購入本集團附屬公司新繼發展有限公司9.615%權益，顯示AFH對本集團於中國物業市場的長遠發展前景充滿信心。另外，本集團於二零零七年七月認購AFH聯營公司的可換股票據，以發展上海嘉定區多用途物業項目。於本年度第四季，AFH及其附屬公司將參與由本集團建議即將發行可換股票據的集資活動。本集團策略夥伴 Spinnaker 及AFH在企業及項目層面上踴躍參與及未來給予的財務支持，大大提高本集團競爭力，有助我們爭取到更多位置優越的地塊和項目。

最後，本人謹此衷心感謝董事同寅和管理層所付出的努力。本集團在上市後第二年已成功鞏固業務基礎，未來我們將致力為股東爭取最佳回報。

主席
陶哲甫

香港，二零零七年九月二十七日

Management Discussion and Analysis

管理層討論及分析

REVIEW OF OPERATIONS

During the period under review, the Group continued to explore opportunities and engage in property development and property investment business in the cities of Suzhou, Shanghai and Beijing, as well as other cities in Jiangsu Province, the PRC, constantly striving to implement its primary commercial objective of providing its customers with properties of the best value and the highest quality.

The Group continues to leverage on its proven experience, strong management expertise and insightful vision to identify and target high-potential sites and development opportunities for acquisition. The Group's enhanced financial position has enabled it to be more competitive in securing promising sites.

Land Bank

The Group's Suzhou land bank comprised a total site area of approximately 131,445 sq.m. as at 30 June 2007. On 25 July 2007, the Group successfully acquired by tender another site in the Wuzhong District, Suzhou, comprising approximately 58,370 sq.m. of developable gross floor area zoned for commercial/office use. It is expected that by December 2007 the Group will have obtained an "Assignment of the Right to Use State Land Contract" from the Suzhou Land Resources Bureau in relation to this site.

The Group continues to look to acquire promising sites at fair and reasonable values with a focus on further expansion in Jiangsu province, particularly Suzhou, and also in neighbouring Shanghai. Such sites will be acquired by tender or auction in the relevant cities. In addition, the Group continues to look for opportunities to acquire companies with distressed projects or projects to which the Group can add substantial value.

業務回顧

於回顧期內，本集團繼續在中國蘇州、上海、北京及江蘇省其他地區發掘機會，參與物業發展及物業投資活動，繼續致力落實其首要商業目標，為客戶提供物有所值和高質素的物業。

本集團憑藉其豐富經驗、強大的管理層專業知識和高瞻遠矚的目光，繼續發掘具有潛力的地塊和發展機會，以進行收購。本集團的財務狀況穩健，可提高爭取優秀地塊的競爭力。

土地儲備

於二零零七年六月三十日，本集團於蘇州的土地儲備地盤面積約達131,445平方米。於二零零七年七月二十五日，本集團成功投得蘇州吳中區另一塊地塊，其可發展總樓面面積約為58,370平方米，可作商業／寫字樓用途，預期本集團將於二零零七年十二月前取得蘇州市國土資源局就該地塊發出的「國有土地使用權出讓合同」。

本集團將集中注意力於江蘇省（尤其是蘇州）和毗鄰的上海，並繼續以公平和合理價格物色收購優秀地塊的機會。該等地塊收購行動將透過相關城市的投標或拍賣取得。此外，本集團繼續物色機會，收購擁有未完成項目或能夠令本集團賺取可觀收益的企業。

Management Discussion and Analysis (Cont'd)

管理層討論及分析 (續)

Property Development

During the period under review, the Group continued to maximise its profit margins by strategically releasing projects such as its Wuzhong Garden Court units onto the market at the best possible time. These development projects achieved high marketability and allowed the Group to adopt a premium pricing strategy, contributing to improved returns. The Group has continued to apply prudent cost control management without sacrificing product quality, and these efforts have paid off through increased returns from its projects.

The Group's appeal to strategic investors also continued with its partnering with Spinnaker in a second project in Guangfu Town, Wuzhong District of Suzhou. On 21 March 2007, a subsidiary of the Group entered into a joint venture and subscription agreement with Spinnaker and its affiliate companies to participate in the acquisition and development of the site in Guangfu.

Status of Major Projects

Wuzhong Garden Court

Construction work on the Wuzhong Garden Court project had commenced in November 2006.

The project includes residential apartments with a total gross floor area of approximately 45,500 sq.m., along with a commercial arcade covering approximately 16,500 sq.m.. The residential complex consists of nine blocks ranging from six to eleven storeys in height, a clubhouse, and an underground carpark. The commercial arcade is being planned to include restaurants and an impressive variety of retail shops which will offer residents a wide range of amenities and convenient leisure shopping opportunities.

物業發展

於回顧期內，本集團繼續策略性地在最佳時間推售項目，例如蘇州錦悅苑，以盡量提高利潤。這些發展項目十分暢銷，讓本集團可採用最佳定價策略，從而產生更高的回報。本集團已繼續運用審慎的成本控制管理，且毋須犧牲產品質素，經過一番努力後，最終成功提高項目的回報。

本集團繼續吸引策略投資者，夥拍 Spinnaker 發展蘇州吳中區光福鎮第二個項目。於二零零七年三月二十一日，本集團一間附屬公司與 Spinnaker 及其聯繫公司訂立合營企業及認購協議，參與收購和發展光福鎮一塊地塊。

主要項目的進度

錦悅苑

蘇州錦悅苑項目已於二零零六年十一月動工。

整個項目包括總樓面面積約達45,500平方米的住宅公寓，以及面積約達16,500平方米的商場。該項目的住宅公寓包括九座六至十一層高的樓宇、一個會所及地庫停車場。商場計劃設有餐廳和多元化零售商店，並提供一系列設施和便利的休閒娛樂購物機會。

Management Discussion and Analysis (Cont'd) 管理層討論及分析 (續)

The Group launched its pre-sale programme for a portion of the residential apartments in May 2007, and the sale and purchase contracts of all the pre-sold units have been signed.

Guangfu Project

Located in historic Guangfu Town in Wuzhong District, this project will have a total gross floor area of approximately 92,012 sq.m. on an approximate site area of 131,445 sq.m., and will be one of the Group's major premium projects over the next few years. It comprises low-density residential units designed in contemporary Chinese style, and will be harmoniously integrated with the natural and historical environment in which it is located.

In total the project will make up a residential complex of around 400 units. The design will be finalised shortly and construction work is expected to commence in the fourth quarter of this year.

Property Investment

The Group continues to engage in its strategy of building up a quality portfolio of investment properties with a focus on high quality tenants coupled with a high standard of property services so as to maximise the returns on investment and to realise the good potential of the sites, which have been enhanced by the quality residential units developed by the Group nearby.

SGV Plaza

SGV Plaza is a two-storey commercial arcade with a total gross floor area of approximately 11,023 sq.m.. As at 30 June 2007, SGV Plaza was 100% let. Negotiations are currently underway to let additional kiosk space in the corridors, as well as extra advertising space.

本集團於二零零七年五月預售部份住宅單位，目前所有預售單位已簽訂購買合同。

光福項目

該項目位於吳中區歷史悠久的光福鎮，地盤面積約131,445平方米，可建成的總樓面面積約92,012平方米，將成為本集團未來數年的主要頂級項目之一。這個低密度住宅單位採用現代中式設計，與週遭的自然和歷史環境融合在一起。

整個項目約有400個住宅單位，設計快將落實，預期於本年度第四季開始動工。

物業投資

本集團繼續落實建立優質投資物業組合的策略，包括高質素租賃和高水準物業服務，以盡量提高投資回報，配合本集團在鄰近發展的優質住宅單位，發揮地塊的龐大潛力。

錦華商業中心

錦華商業中心為兩層高零售商場，總樓面面積約為11,023平方米。於二零零七年六月三十日，錦華商業中心出租率達百分百，現正洽商在走廊增設攤位，以及增加廣告位。

Management Discussion and Analysis (Cont'd)

管理層討論及分析 (續)

Garden Court Plaza

Garden Court Plaza is a three-storey commercial centre located next to Suzhou Garden Court, with a total gross floor area of approximately 4,440 sq.m.. As at 30 June 2007, Garden Court Plaza was 69% let. In August 2007, the occupancy rate increased to 90% with the signing of a tenancy agreement for the whole of the second floor.

Apartments

The Group strives for better returns from its residential rental portfolio by closely monitoring and meeting the needs of its tenants, so that occupancy levels remain satisfactory. During the period under review, the Group continued to upgrade its investment property portfolio, with the aim of enhancing its leasing activities to produce good results.

As at 30 June 2007, the Group owned 28 apartments for rental purposes. Subsequent to the period ended 30 June 2007, all the remaining apartments in Suzhou Garden Villa owned by certain connected parties and proposed to be acquired by the Group as announced on 17 October 2006 were added to its investment portfolio. Currently, the Group holds a total of 102 apartments in Phases 1, 2 and 3 of Suzhou Garden Villa, which if fully let would generate total annual revenue of around RMB10 million. Apart from providing an additional source of stable and steady income, the acquisition of the apartments in Suzhou Garden Villa will further strengthen the Group's asset base.

錦麗商業中心

錦麗商業中心為三層高商業中心，鄰近蘇州錦麗苑，總樓面面積約為4,440平方米。於二零零七年六月三十日，錦麗商業中心出租率達到69%。出租率於二零零七年八月份簽訂二樓全層的租約後增至90%。

公寓

本集團透過密切監察和滿足租客要求，致力為住宅租賃組合爭取理想回報，因此，其出租率維持滿意的水平。於回顧期內，本集團繼續提升其投資物業組合，令租賃業務錄得不俗成績。

於二零零七年六月三十日，本集團擁有28間公寓單位作出租用途。於截至二零零七年六月三十日止後期間，由若干關連人士擁有及由本集團於二零零六年十月十七日公佈建議收購的蘇州錦華苑餘下公寓單位已加入投資組合內。目前，本集團持有蘇州錦華苑一、二及三期共102個公寓單位，若全部租出，每年將可帶來總收益約人民幣10,000,000元。除了增加穩定可靠的收入來源，完成收購蘇州錦華苑公寓單位將可進一步加強本集團的資產基礎。

Management Discussion and Analysis (Cont'd) 管理層討論及分析 (續)

Investment in an associate (Beijing Landmark Towers Co., Ltd.)

Beijing Landmark Towers Co., Ltd. ("BLTCL"), the Group's associate company in Beijing, holds two office towers of 23 and 28 storeys respectively, a 466-room hotel, a 248-unit serviced apartment block, and a retail arcade. During the period under review, BLTCL contributed profit of approximately HK\$9.6 million, a 13% increase over its contributed profit for the same period last year. With the forthcoming hosting of the 2008 Olympic Games in Beijing, the Group expects BLTCL to achieve ongoing growth in revenue.

Disposal of a minority interest in New Heritage Development Limited ("NHDL")

During the period under review, the Group disposed of 15 shares in NHDL, representing a 9.615% interest, for a consideration of HK\$45 million. After the deduction of relevant expenses, a gain on disposal of approximately HK\$23.3 million was generated and recognised.

FINANCIAL REVIEW

Overall Performance

For the first six months of 2007, the Group launched pre-sale booking of its development projects which represents a gross floor area of 11,505 sq. m.. The corresponding booking of this sales turnover is restricted by the international accounting standard, which only allows recognition of revenue arising from property sales when such properties are actually transferred to customers and handover confirmations have been executed. Once the sold units have been delivered to buyers in the fourth quarter of this year, the income contributed by the development project will be reported in the accounts for the full year 2007. Meanwhile, the Group's gross profit margin stood at around 46%, a level that is sustaining a sound financial structure and a healthy cash flow.

於聯營公司的投資 (北京亮馬河大廈有限公司)

本集團的聯營公司北京亮馬河大廈有限公司(「北京亮馬河」)持有兩幢分別23及28層樓高之辦公樓、466個酒店房間之酒店、248個房間之服務式公寓及零售商場。於回顧期內，北京亮馬河帶來約9,600,000港元的溢利，較去年同期的溢利貢獻增加13%。二零零八年奧運會即將在北京舉辦，本集團預期北京亮馬河的收益將持續增長。

出售於新繼發展有限公司的少數股東權益 (「新繼發展」)

於回顧期內，本集團出售15股新繼發展股份，佔9.615%權益，代價為45,000,000港元。扣除有關費用後，產生及確認出售收益約23,300,000港元。

財務回顧

整體表現

於二零零七年首六個月，本集團開始預售其發展項目，預售總建築面積為11,505平方米。然而，該銷售營業額的相應入賬受國際會計準則所限，國際會計準則僅容許該等物業實際轉讓予客戶及辦妥轉手確認後，方可確認物業銷售所得收益。本年度第四季向買家交付所出售單位後，發展項目所得收入方計入二零零七年的全年賬目。本集團毛利率維持約46%，財務架構穩健，現金流量亦十分充裕。

Management Discussion and Analysis (Cont'd)

管理層討論及分析 (續)

Operating Results

During the period under review, the Group's turnover amounted to approximately HK\$12.8 million (first half of 2006: HK\$3.5 million). This increase in turnover was attributable to the proceeds of property sales from Suzhou Garden Towers, which generated revenue of approximately HK\$10.2 million. Consolidated profit attributable to equity holders of the Company was approximately HK\$18.4 million, as compared with the net loss attributable to equity holders of HK\$7.8 million for the same period in the previous year. The increase in consolidated profit was due to the sale of units at Suzhou Garden Towers, and also from the net gain on disposal of part of the Group's interest in subsidiaries during the first half of the year. Basic earnings per share amounted to HK\$0.03, compared to losses per share of HK\$0.01 in the first half of 2006.

Liquidity, Financial Resources and Gearing

Cash and cash equivalents as at 30 June 2007 amounted to HK\$102.4 million (first half of 2006: HK\$156.2 million).

As at 30 June 2007, the Group had total borrowings of approximately HK\$171.1 million (as at 31 December 2006: HK\$45.3 million). Of these borrowings, bank borrowings amounted to approximately HK\$90 million, and loans from minority shareholders of the Group's subsidiaries amounted to approximately HK\$81.1 million. Borrowings repayable within one year amounted to approximately HK\$20 million (as at 31 December 2006: HK\$25.3 million), and the Group's gearing ratio as at 30 June 2007 was 18.8% (as at 31 December 2006: 9.8%), calculated based on the ratio of interest-bearing borrowings to total shareholder's fund.

經營業績

於回顧期間，本集團的營業額約12,800,000港元（二零零六年上半年：3,500,000港元）。營業額的升幅主要來自蘇州錦昌苑的物業銷售所得款項，產生收益約10,200,000港元。本公司股權持有人應佔綜合溢利約18,400,000港元，去年同期股權持有人應佔虧損淨額為7,800,000港元。綜合盈利上升來自上半年銷售蘇州錦昌苑的單位以及出售本集團所持有附屬公司部分權益的淨收益。每股基本盈利為0.03港元，而二零零六年上半年每股虧損為0.01港元。

流動資金、財務資源及資產負債比率

於二零零七年六月三十日，現金及現金等價物為102,400,000港元（二零零六年上半年：156,200,000港元）。

於二零零七年六月三十日，本集團的借貸總額約為171,100,000港元（二零零六年十二月三十一日：45,300,000港元），其中銀行借貸約為90,000,000港元，而本集團附屬公司的少數股東借貸約為81,100,000港元。須於一年內償還的借貸約為20,000,000港元（二零零六年十二月三十一日：25,300,000港元），而本集團於二零零七年六月三十日的負債資本比率（按付息借貸除以股東資金總額計算）為18.8%（二零零六年十二月三十一日：9.8%）。

Management Discussion and Analysis (Cont'd)

管理層討論及分析 (續)

As at 30 June 2007, the Group had current assets of approximately HK\$467.2 million (as at 31 December 2006: HK\$269.5 million) and current liabilities of approximately HK\$71.7 million (as at 31 December 2006: HK\$83.8 million). The Group had total assets and total liabilities of approximately HK\$802.1 million and HK\$249.6 million respectively, representing a debt ratio (total liabilities over total assets) of 31.1% (as at 31 December 2006: 21.7%).

Management is confident that, as opportunities for acquiring further land bank resources arise in the future which require additional funds, the Group will be able to utilise its internal reserves and obtain debt financing to meet its funding requirements. In view of its current gearing position, management also believes that the Group is in a good position to obtain further debt financing on favourable terms.

Exposure to Fluctuations in Exchange Rates and Related Hedges

The Group's monetary assets, loans and transactions are principally denominated in Hong Kong dollars, US dollars and Renminbi. During the period under review, there was no significant fluctuation in the exchange rates of the Hong Kong dollar and the US dollar. The appreciation in the currency value of the Renminbi contributed positively to the Group's bottom line. The Group did not engage in any derivative activities, and did not commit to any financial instruments to hedge its balance sheet exposure in the first half of 2007.

Charges on Assets

As at 30 June 2007, a bank loan of approximately HK\$60 million was secured by leasehold interest in land use right in properties held under development of approximately HK\$78.4 million.

於二零零七年六月三十日，本集團擁有流動資產約467,200,000港元(二零零六年十二月三十一日：269,500,000港元)及流動負債約71,700,000港元(二零零六年十二月三十一日：83,800,000港元)。本集團的總資產及總負債分別約為802,100,000港元及249,600,000港元，負債比率(總負債除以總資產)為31.1%(二零零六年十二月三十一日：21.7%)。

管理層深信，倘日後出現收購土地儲備的機會而需要額外資金，本集團能夠利用內部儲備及債務融資應付資金需求。鑒於目前本集團的負債資本比率狀況，管理層亦相信本集團具備優勢進一步取得有利的債務融資條款。

匯率波動風險及有關對沖

本集團的貨幣資產、貸款和交易主要以港元、美元及人民幣計值。於回顧期內，港元與美元的匯率並無重大波動。人民幣的幣值升值對本集團的純利有正面貢獻。本集團並無參與任何衍生工具活動，於二零零七年上半年亦無使用任何金融工具對沖資產負債表的風險。

資產抵押

於二零零七年六月三十日，銀行貸款約60,000,000港元以發展中物業土地使用權的租賃權益約78,400,000港元作為抵押。

Management Discussion and Analysis (Cont'd)

管理層討論及分析 (續)

Contingent Liabilities

As at 30 June 2007, the Group had no material contingent liabilities.

Treasury Policies and Capital Structure

The Group adopts a prudent approach with respect to treasury and funding policies, with a focus on prudent risk management and transactions that are directly related to the underlying business of the Group.

Employees

As at 30 June 2007, the Group had a staff force of 102 people. Of these, approximately 80 were stationed in the PRC, with a further 22 in Hong Kong. Remuneration of employees was in line with market trends, and commensurable with levels of pay within the industry in the PRC and Hong Kong respectively. Remuneration of the Group's employees includes basic salaries, bonuses and long-term incentives. Share options have also been granted to certain directors and employees of the Company and its subsidiary.

或然負債

於二零零七年六月三十日，本集團並無重大或然負債。

財資政策及資本結構

本集團採取審慎的財資及資本政策，並專注於審慎的風險管理及與本集團的相關業務有直接關係的交易。

僱員

於二零零七年六月三十日，本集團共有102名員工，其中約80名員工長駐中國，而香港則有22名員工。僱員的薪酬與市場趨勢一致，可分別與中國及香港業內的薪酬水平相比。本集團的僱員薪酬包括基本薪金、花紅及長期獎勵。本公司及其附屬公司之若干董事及僱員亦已獲授購股權。

Other Information 其他資料

SHARE OPTION SCHEME

Pursuant to the written resolutions of all the then shareholders passed on 14 November 2005, the Company has conditionally adopted the Share Option Scheme (“Scheme”).

Pursuant to the Scheme, the Board may, at its discretion, invite any executive or non-executive directors including independent non-executive directors or any employees (whether full-time or part-time) of the Company, its subsidiaries and associated companies; any discretionary objects of a discretionary trust established by any employees, executive or non-executive directors of each member of the Group or its associated companies; any consultants, professional and other advisers to each member of the Group or its associated companies (or persons, firms or companies proposed to be appointed for providing such services); any chief executives or substantial shareholders of the Company; any associates of any director, chief executive or substantial shareholder of the Company; and any employees (whether full-time or part-time) of substantial shareholders of the Company, provided that the Board may have absolute discretion to determine whether or not one falls within the above categories, (together, the “Participants” and each a “Participant”), to take up options (“Option(s)”) to subscribe for shares at a price determined in accordance with the paragraph below.

In determining the basis of eligibility of each Participant, the Board would take into account such factors as the Board may at its discretion consider appropriate.

The Scheme shall be valid and effective for a period of 10 years commencing on the date on which the Scheme is adopted, after which period no further options will be granted but in all other respects the provisions of the Scheme shall remain in full force and effect, and options which are granted during the life of the Scheme may continue to be exercisable in accordance with their terms of grant.

購股權計劃

根據當時全體股東於二零零五年十一月十四日通過的書面決議案，本公司已有條件採納購股權計劃（「該計劃」）。

根據該計劃，董事會可酌情邀請本公司、其附屬公司及聯營公司的任何執行或非執行董事，包括獨立非執行董事或任何僱員（不論全職或兼職）；本集團各成員公司或其聯營公司的任何僱員、執行或非執行董事所設立的全權信託的任何全權受益人；本集團各成員公司或其聯營公司的諮詢人、專業人士及其他顧問（或擬委任以提供該等服務的人士、商行或公司）；本公司任何主要行政人員或主要股東；本公司任何董事、主要行政人員或主要股東的任何聯繫人；及本公司主要股東的任何僱員（不論全職或兼職），惟董事會可全權酌情釐定有關人士是否屬於上述類別（上述人士均稱為及合稱「參與者」），以接納購股權（「購股權」），並根據下文確定的價格認購股份。

於釐定各參與者的資格標準時，董事會將考慮其可能酌情認為恰當的因素。

該計劃自獲採納日期起計有效期為十年，在限期後不會再授出購股權，惟在所有其他方面，該計劃的條文仍具有十足效力及作用，於該計劃期限內授出的購股權可按其授出條款繼續行使。

Other Information (Cont'd)

其他資料 (續)

The subscription price in respect of each share issued pursuant to the exercise of options granted hereunder shall be a price solely determined by the board of directors (the "Board") and notified to a Participant and shall be at least the highest of:

- (a) the closing price of the Shares as stated in The Stock Exchange of Hong Kong Limited's (the "Stock Exchange") daily quotations sheet on the business day on which an offer is accepted by the grantee or if such date of acceptance by the grantee is not a business day, the immediately preceding business day;
- (b) a price being the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date on which an offer is accepted by the grantee (provided that the new issue price shall be used as the closing price for any business day falling within the period before listing of the shares where the Company has been listed for less than 5 business days as at the date on which an offer is accepted by the grantee); and
- (c) the nominal value of a share.

The total number of shares, which may be issued upon exercise of all options to be granted under the Scheme and any other share option scheme of the Company shall not in aggregate exceed 10% of the total number of shares in issue on the date of commencement of dealings in the shares on the Stock Exchange, unless the Company obtains an approval from its shareholders. Options lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating such 10% limit.

On 1 June 2007, resolution regarding the refreshment of scheme mandate limit was approved by the shareholders at the annual general meeting. Further Options to subscribe up to 71,351,821 shares, representing 10% of the shares in issue as at the date of the annual general meeting can be granted by the Company.

根據本文授出的購股權獲行使而發行的每股股份的認購價，將由董事會獨自釐定及知會參與者，而認購價最低為(以最高者為準)：

- (a) 於要約獲承授人接納的營業日(或如要約獲承授人接納當日並非營業日，則為緊接該日前的營業日)香港聯合交易所有限公司(「聯交所」)日報表所報的股份收市價；
- (b) 緊接要約獲承授人接納前五個營業日聯交所日報表所報的股份平均收市價(惟倘本公司於要約獲承授人接納當日前已上市的日子數少於五個營業日，則新發行價應用作股份上市前期間任何營業日的收市價)；及
- (c) 一股股份面值。

因行使根據該計劃及本公司任何其他購股權計劃授出的所有購股權可發行的股份總數，合共不得超過股份於聯交所開始買賣當日已發行股份總數的10%，惟本公司取得股東的批准則除外。計算該10%限額並不計入根據該計劃條款已失效的購股權。

於二零零七年六月一日，更新計劃授權限額之決議案於股東週年大會獲股東批准。本公司可進一步授出可認購最多達71,351,821股股份之購股權，相當於股東週年大會當日已發行股份10%。

Other Information (Cont'd) 其他資料 (續)

Notwithstanding any other provisions of the Scheme, the maximum number of the shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of Shares in issue from time to time.

Unless approved by the shareholders, the total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding Options) in any 12-month period shall not exceed 1% of the total number of shares in issue.

Offer of an option ("Offer") shall be deemed to have been accepted by any Participant (the "Grantee") who accepts an Offer in accordance with the terms of the Scheme and the option to which the Offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the offer letter comprising acceptance of the Offer duly signed by the Grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the granting thereof is received by the Company within 14 days from the date upon which the Offer is made.

儘管該計劃另有任何規定，於行使該計劃及本公司任何其他購股權計劃的已授出但尚未行使的所有未行使購股權時，最多可發行的股份數目不得超過不時已發行股份總數的30%。

除非獲股東批准，於任何十二個月期間因行使授予每名參與者的購股權(包括已行使及尚未行使的購股權)而已發行及將予發行的股份總數，不得超過已發行股份總數的1%。

任何參與者(「承授人」)凡按照該計劃的條款接納購股權要約(「要約」)，即被視為接納要約，而當載有接納要約的要約書副本由承授人妥為簽署，並在本公司作出要約當日起14日內，接獲承授人在接納購股權時須向本公司支付1.00港元作為授出購股權的代價後，與要約有關的購股權即被視為已授出並生效。

Other Information (Cont'd)

其他資料 (續)

Details of the share options granted by the Company pursuant to the Scheme and the options outstanding as at 30 June 2007 were as follows:

根據該計劃由本公司授出之購股權及於二零零七年六月三十日仍未行使之購股權詳情如下：

	Date of grant	Exercisable Period	Number of share options				Exercise price per share
			Balance at 1 January 2007	Exercise during the period	Lapsed during the period	Balance at 30 June 2007	
	授出日期	行使期間	截至二零零七年一月一日	於期內行使	於期內失效	截至二零零七年六月三十日	每股行使價 HK\$ 港元
Executive Directors	4 April 2006	10 April 2006 to 9 April 2009	31,400,000	Nil	Nil	31,400,000	0.86
執行董事	二零零六年四月四日	二零零六年四月十日 至 二零零九年四月九日		無	無		
Employees of the Group	4 April 2006	10 April 2006 to 9 April 2009	6,116,000	Nil	1,076,000	5,040,000	0.86
本集團之僱員	二零零六年四月四日	二零零六年四月十日 至 二零零九年四月九日		無			

Note:

The fair value of the options of approximately HK\$7.6 million granted during the six months ended 30 June 2006 were determined using the Binomial Options Pricing Model. Details please refer to 2006 Annual Report.

Share options to subscribe for a total of 18,000,000 shares and 5,994,000 shares in the capital of the Company have been offered to executive directors of the Company and employees of the Group (the "Offerees") on 28 June 2007 respectively. All the Offerees have accepted the share options on 4 July 2007. Holders of the share options to subscribe for an aggregate of 23,994,000 shares can exercise the share options during the period from 4 July 2007 to 3 July 2010 at the exercise price of HK\$0.664 per share. The fair value of share options granted on 4 July 2007 will be taken into account in the second half of 2007.

附註：

截至二零零六年六月三十日止六個月，已授出約7,600,000港元之現有購股權公平值乃運用二項式期權定價模式釐定。有關詳情請參閱二零零六年年報。

本公司於二零零七年六月二十八日分別向本公司執行董事及本集團僱員(「承授人」)提出購股權要約，可認購合共18,000,000股及5,994,000股本公司股本。所有承授人已於二零零七年七月四日接納購股權。可認購合共23,994,000股股本的購股權持有人可於二零零七年七月四日至二零一零年七月三日期間行使購股權，行使價為每股0.664港元。於二零零七年七月四日授出之購股權公平值將於二零零七年下半年賬目中入賬。

Other Information (Cont'd) 其他資料 (續)

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2007, the Directors had the following interests in the shares and underlying shares of the Company which were recorded in the register required to be kept by the Company pursuant to section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Rules Governing the Listing of Securities of the Stock Exchange ("Listing Rules"):

(A) Interest in shares and underlying shares under equity derivatives of the Company

Name of Director	Long position/ Short position	Capacity	Number of Shares held	Number of underlying Shares (under equity derivatives of the Company) 相關 股份數目 (於本公司 股本衍生 工具下)	Aggregate interests	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本 概約百分比
董事姓名	好倉／淡倉	身份	所持 股份數目		權益總額	
Mr. TAOCHAIFU Choofuang	Long Position	Interests of controlled corporation	326,009,859 (Note 1)		331,809,859	40.57
陶哲甫先生	好倉	受控法團權益	(附註1)			
	Long Position	Personal interest		5,800,000 (Note 2)		
	好倉	個人權益		(附註2)		
Mr. TAO Richard	Long Position	Personal interest	6,902,369	6,400,000 (Note 2)	13,302,369	1.79
陶家祈先生	好倉	個人權益		(附註2)		
Mr. TAO Paul	Long Position	Personal interest	6,902,369	6,400,000 (Note 2)	13,302,369	1.79
陶錫祺先生	好倉	個人權益		(附註2)		

董事及主要行政人員於本公司的股份 及相關股份中擁有的權益

於二零零七年六月三十日，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條所置存的登記冊所示，董事於本公司的股份及相關股份中擁有的權益，或根據聯交所證券上市規則（「上市規則」）所載董事進行證券交易的標準守則須以其他方式知會本公司及聯交所的權益如下：

(A) 於本公司股份的權益及於股本衍生 工具下相關股份之權益

Other Information (Cont'd)

其他資料 (續)

Name of Director	Long position/ Short position	Capacity	Number of Shares held	Number of underlying Shares (under equity derivatives of the Company)	Aggregate interests	Approximate percentage of the issued share capital of the Company
董事姓名	好倉／淡倉	身份	所持 股份數目	相關 股份數目 (於本公司 股本衍生 工具下)	權益總額	佔本公司 已發行股本 概約百分比
Mr. KONG Mui Sum Lawrence 江森森先生	Long Position 好倉	Personal interest 個人權益	1,725,251	6,400,000 (Note 2) (附註2)	8,125,251	1.10
Mr. YIM Chun Leung 嚴振亮先生	Long Position 好倉	Personal interest 個人權益	838,440	6,400,000 (Note 2) (附註2)	7,238,440	0.98

Notes:

- The shares include the 13,380,657 new shares issued and allotted to Belbroughton Limited ("Belbroughton") and 42,535,093 new shares to be issued and allotted to Belbroughton pursuant to the subscription of new shares by the vendors according to the master transfer agreement dated 17 October 2006 ("Subscriptions") and entered into between certain connected persons of the Company and the Company in relation to the transfers of certain properties in Suzhou Garden Villa and the Subscriptions. Belbroughton is the legal and beneficial owner of 326,009,859 shares. Belbroughton is wholly-owned by Seal United Investments Limited ("Seal United"), the entire issued share capital of which is owned by Mr. TAOCHAIFU Choofuang ("Mr. CF Tao") and his spouse, Mrs. TAO POON Lai Yew Nancy ("Mrs. Tao") in equal proportion. Accordingly, Seal United as well as Mr. CF Tao and Mrs. Tao are deemed to be interested in 326,009,859 shares held by Belbroughton.
- Share options were granted on 4 April 2006. Details of share options granted to the Directors of the Company are set out in part (B) of this section.
- The percentage of Mr. TAO Richard, Mr. TAO Paul, Mr. KONG Mui Sum Lawrence and Mr. YIM Chun Leung does not take into account the new Shares to be issued pursuant to the Subscriptions.

附註:

- 該等股份包括根據賣方按本公司若干關連人士及本公司就轉讓蘇州錦華苑之若干物業以及認購事項而於二零零六年十月十七日訂立之物業轉讓框架協議，而已發行及配發予 Belbroughton Limited (「Belbroughton」) 之 13,380,657 股新股及將發行及配發予 Belbroughton 之 42,535,093 股新股份 (「認購事項」)。Belbroughton 為 326,009,859 股股份的合法實益擁有人。Belbroughton 乃由 Seal United Investments Limited (「Seal United」) 全資擁有，Seal United 全數已發行股本為陶哲甫先生 (「陶先生」) 及陶潘麗瑤女士 (「陶太太」) (為陶先生的配偶) 按相等比例擁有。因此，Seal United 連同陶先生及陶太太被視為於 Belbroughton 所持有之該等 326,009,859 股股份擁有權益。
- 購股權乃於二零零六年四月四日授出。授予本公司董事之購股權詳情乃載於本節(B)項下。
- 陶家祈先生、陶錫祺先生、江森森先生及嚴振亮先生的百分比並未計及根據認購事項將發行的新股。

Other Information (Cont'd)

其他資料 (續)

(B) Long position in underlying shares — share options

Under the share option scheme of the Company, share option may be granted to certain participants including the Directors and employees of the Company and its subsidiaries to subscribe for the shares of the Company. Details of share options granted to Directors of the Company are as follows:

(B) 相關股份之好倉 — 購股權

根據本公司之購股權計劃，購股權可授予若干參與人(包括董事及本公司及其附屬公司之僱員)以認購本公司之股份。授予本公司董事之購股權詳情如下：

Name of Director	Date of grant	Exercisable Period	Number of share options			Subscription price per share
			Balance at 1 January 2007	Exercised during the Period	Balance at 30 June 2007	
董事名稱	授出日期	行使期間	於二零零七年一月一日之餘額	於期內行使	於二零零七年六月三十日之餘額	每股之認購價 HK\$ 港元
Mr. TAOCHAIFU Choofuang 陶哲甫先生	4 April 2006 二零零六年四月四日	10 April 2006 to 9 April 2009 二零零六年四月十日 至 二零零九年四月九日	Nil 無	Nil 無	5,800,000	0.86
Mr. TAO Richard 陶家祈先生	4 April 2006 二零零六年四月四日	10 April 2006 to 9 April 2009 二零零六年四月十日 至 二零零九年四月九日	Nil 無	Nil 無	6,400,000	0.86
Mr. TAO Paul 陶錫祺先生	4 April 2006 二零零六年四月四日	10 April 2006 to 9 April 2009 二零零六年四月十日 至 二零零九年四月九日	Nil 無	Nil 無	6,400,000	0.86
Mr. KONG Mui Sum Lawrence 江焱森先生	4 April 2006 二零零六年四月四日	10 April 2006 to 9 April 2009 二零零六年四月十日 至 二零零九年四月九日	Nil 無	Nil 無	6,400,000	0.86
Mr. YIM Chun Leung 嚴振亮先生	4 April 2006 二零零六年四月四日	10 April 2006 to 9 April 2009 二零零六年四月十日 至 二零零九年四月九日	Nil 無	Nil 無	6,400,000	0.86

Other Information (Cont'd)

其他資料 (續)

Save as disclosed above, as at 30 June 2007, none of the Company's Directors, chief executives and their associates, had any interests or short positions in the shares and underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO.

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

The register of substantial shareholders required to be kept under section 336 of Part XV of the SFO shows that as at 30 June 2007, the Company had been notified of the following substantial shareholders' interests, being 5% or more of the Company's issued share capital:

除上文披露者外，截至二零零七年六月三十日，本公司之董事、主要行政人員或彼等之聯繫人概無於本公司或其任何相聯法團之股份及相關股份擁有任何權益或淡倉，而需按證券及期貨條例第352條予以記錄。

主要股東於本公司的股份及相關股份中擁有的權益

根據證券及期貨條例第XV部第336條須予存置的登記冊所示，於二零零七年六月三十日，本公司之主要股東(為持有本公司之發行股本的5%或以上)已通知本公司有關之權益，詳請如下：

Name of Shareholder	Long position/ Short position	Capacity	Number of Shares held	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本 概約百分比
股東名稱	好倉 / 淡倉	身份	所持股份數目	
Belbroughton Limited (Note 1) Belbroughton Limited (附註1)	Long position 好倉	Beneficial owner 實益擁有人	326,009,859	39.86
Seal United Investments Limited (Note 1) Seal United Investments Limited (附註1)	Long position 好倉	Interests of controlled corporation 受控法團權益	326,009,859	39.86
Mrs. TAO POON Lai Yew Nancy (Note 1) 陶潘麗瑤女士 (附註1)	Long position 好倉	Interests of controlled corporation 受控法團權益 Interest of spouse 配偶權益	326,009,859 5,800,000	40.57
Peeli Limited (Note 2) Peeli Limited (附註2)	Long position 好倉	Beneficial owner 實益擁有人	116,439,324	14.24
Mr. TAO Shing Pee (Notes 2&3) 陶欣伯先生 (附註2及3)	Long position 好倉	Interests of controlled corporation 受控法團權益 Beneficial owner 實益擁有人	116,439,324 34,101,460	18.41

Other Information (Cont'd)

其他資料 (續)

Name of Shareholder	Long position/ Short position	Capacity	Number of Shares held	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本 概約百分比
股東名稱	好倉／淡倉	身份	所持股份數目	
Ms. LIU Kwan Li (Notes 2&3) 劉光葵女士 (附註2及3)	Long position 好倉	Interests of controlled corporation 受控法團權益 Interest of spouse 配偶權益	116,439,324 34,101,460	18.41
Oriental Pearl International Inc. (Note 4) Oriental Pearl International Inc. (附註4)	Long position 好倉	Beneficial owner 實益擁有人	41,823,264	5.64
Mr. KINOSHITA James Hajime (Note 4) 木下一先生 (附註4)	Long position 好倉	Interests of controlled corporation 受控法團權益	41,823,264	5.64
Mrs. KINOSHITA CHEUNG Yuen Shiu Lana (Note 4) 木下張婉笑女士 (附註4)	Long position 好倉	Interests of controlled corporation 受控法團權益	41,823,264	5.64
Spinnaker Capital Limited (Note 5) Spinnaker Capital Limited (附註5)	Long position 好倉	Investment manager 投資經理	65,000,000	8.77
Spinnaker Asset Management — SAM Limited (Note 5) Spinnaker Asset Management — SAM Limited (附註5)	Long position 好倉	Investment manager 投資經理	65,000,000	8.77

Notes:

1. The shares include the 13,380,657 new shares issued and allotted to Belbroughton and 42,535,093 new shares to be issued and allotted to Belbroughton pursuant to the Subscription. Belbroughton is the legal and beneficial owner of 326,009,859 shares. Belbroughton is wholly-owned by Seal United, the entire issued share capital of which is owned by Mr. CF Tao and his spouse Mrs. Tao in equal proportion. Accordingly Seal United as well as Mr. CF Tao and Mrs. Tao are deemed to be interested in 326,009,859 shares held by Belbroughton.

附註:

1. 該等股份包括根據認購事項而已發行及配發予 Belbroughton 之 13,380,657 股新股份及將發行及配發予 Belbroughton 之 42,535,093 股新股份。Belbroughton 為 326,009,859 股股份的合法實益擁有人。Belbroughton 乃由 Seal United 全資擁有，Seal United 全數已發行股本為陶先生及其配偶陶太太按相等比例擁有。因此，Seal United 連同陶先生及陶太太被視為於 Belbroughton 所持有之該等 326,009,859 股股份擁有權益。

Other Information (Cont'd)

其他資料 (續)

- Peeli Limited is the legal and beneficial owner of 116,439,324 shares, which is owned by Mr. TAO Shing Pee and Ms. LIU Kwan Li in equal proportion. Accordingly, Mr. TAO Shing Pee and Ms. LIU Kwan Li are deemed to be interested in 116,439,324 shares. Mr. TAO Shing Pee is the brother of Mr. CF Tao.
- The shares include the 34,101,460 new shares to be issued and allotted to Mr. TAO Shing Pee pursuant to the Subscriptions.
- Oriental Pearl International Inc. is the legal and beneficial owner of 41,823,264 shares, which is owned by Mr. KINOSHITA James Hajime and Mrs. KINOSHITA CHEUNG Yuen Shiu Lana in equal proportion. Accordingly, Mr. KINOSHITA James Hajime and Mrs. KINOSHITA CHEUNG Yuen Shiu Lana, both being independent third parties, are deemed to be interested in 41,823,264 shares.
- Spinnaker Capital Limited and Spinnaker Asset Management — SAM Limited are investment managers and each of them is deemed to be interested in the shares held by Spinnaker Global Emerging Markets Fund Limited, Spinnaker Global Opportunity Fund Limited and Spinnaker Global Strategic Fund Limited, which holds approximately 4.38%, 1.84% and 2.54% interests in the shares, respectively.
- The percentage of Belbroughton, Seal United, Mrs. Tao, Peeli Limited, Mr. TAO Shing Pee and Ms LIU Kwan Li takes into account the aggregate of 76,636,553 new shares to be issued and allotted pursuant to the Subscriptions while that of Oriental Pearl International Inc., Mr. KINOSHITA James Hajime, Mrs. KINOSHITA CHEUNG Yuen Shiu Lana, Spinnaker Capital Limited and Spinnaker Asset Management — SAM Limited does not take into account the new shares to be issued and allotted pursuant to the Subscriptions.

- Peeli Limited 為 116,439,324 股股份的合法實益擁有人，其由陶欣伯先生及劉光葵女士按相等比例擁有。因此陶欣伯先生及劉光葵女士被視為於該等 116,439,324 股股份擁有權益。陶欣伯先生乃陶先生的胞兄。
- 該等股份包括根據認購事項而將發行及配發予陶欣伯先生之 34,101,460 股新股份。
- Oriental Pearl International Inc. 為 41,823,264 股股份的合法實益擁有人，其由木下一先生及木下張婉笑女士按相等比例擁有。因此，獨立第三方木下一先生及木下張婉笑女士被視為於該等 41,823,264 股股份擁有權益。
- Spinnaker Capital Limited 及 Spinnaker Asset Management — SAM Limited 為投資經理，彼等各視作於 Spinnaker Global Emerging Markets Fund Limited、Spinnaker Global Opportunity Fund Limited 及 Spinnaker Global Strategic Fund Limited 所持有之股份中享有權益，其享有權益之比率分別約為 4.38%、1.84% 及 2.54%。
- Belbroughton、Seal United、陶太太、Peeli Limited、陶欣伯先生及劉光葵女士之比率已計及合共 76,636,553 股根據認購事項將發行及配發之新股份，而 Oriental Pearl International Inc.、木下一先生、木下張婉笑女士、Spinnaker Capital Limited 及 Spinnaker Asset Management — SAM Limited 之比率並未計及根據認購事項將予發行及配發之新股份。

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the period, Mr. CF Tao, Chairman of the Company, and his family members (including Mr. TAO Richard, Vice Chairman and Mr. TAO Paul, Managing Director) are interested in certain properties in the PRC which may constitute a competing business to the Group including, 48 apartments in Suzhou Garden Villa (which form part of the Suzhou properties under the master transfer agreement entered into by certain connected parties and the Company on 17 October 2006) and two villas in Suzhou Garden Court developed by Suzhou Garden Villa Development & Management Co., Ltd. ("SGVDM"), a subsidiary of the Company.

董事於競爭業務之權益

於期內，陶先生(本公司主席)及其家庭成員(包括副主席陶家祈先生及董事總經理陶錫祺先生)乃於中國某些物業持有權益，其可能構成與本集團競爭業務，其中包括由本公司之附屬公司蘇州錦華苑建設發展管理有限公司(「錦華苑建設」)發展的錦華苑48間公寓(構成根據某些關連人士與本公司於二零零六年十月十七日簽訂之物業轉讓框架協議下的蘇州物業之一部份)及蘇州錦麗苑兩間別墅。

Other Information (Cont'd) 其他資料 (續)

Pursuant to the non-competition deed dated 16 November 2005 signed by Mr. CF Tao and his spouse ("Mr. and Mrs. Tao") in favour of the Company (the "Deed"), Mr. and Mrs. Tao have undertaken to the Company to make necessary arrangements as stated in the Deed to avoid competing the business of the Group. Details of such arrangements have already been disclosed in the prospectus of the Company dated 22 November 2005.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Company has not redeemed any of its shares during the period. Other than the issue of 27,651,021 shares (including 14,270,364 bonus shares) by the Company during the period, neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

CONNECTED TRANSACTION

During the period, the Group had the following connected transaction, certain details of which are disclosed in compliance with the requirements of the Listing Rules.

Sale and Purchase Agreement

On 11 April 2007, New Heritage Corporation Limited ("NH Corporation"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Onsite Investment Limited ("Onsite") (owned by two companies which are deemed to be controlled by associates of Mr. CHAN Bernard Charnwut, the non-executive Director of the Company). Pursuant to the sale and purchase agreement, NH Corporation agreed to sell to Onsite 15 shares (representing approximately 9.615% interest) in the capital of New Heritage Development Limited, a then wholly owned subsidiary of the Company, at the consideration of HK\$45,000,000. The transaction was approved by the shareholders at the extraordinary general meeting of the Company on 1 June 2007.

根據日期為二零零五年十一月十六日由陶先生及其配偶(「陶先生及陶太太」)簽訂之不競爭契約(「契約」)，陶先生及陶太太已向本公司承諾採取契約內訂明之必要安排以避免與本集團業務競爭。該項安排之詳情已於日期為二零零五年十一月二十二日本公司的招股章程內披露。

購回、出售或贖回上市證券

本公司於期內並無贖回本公司任何股份。除本公司於本年內發行 27,651,021 股股份(包括 14,270,364 股紅股股份)外，本公司及其附屬公司於期內並無買入或出售本公司任何股份。

關連交易

以下為本集團於期內之關連交易，其若干詳情已遵守上市規則的規定披露。

買賣協議

二零零七年四月十一日，本公司的全資附屬公司 New Heritage Corporation Limited (新澤企業有限公司) (「新澤企業」) 與 Onsite Investment Limited (「Onsite」) (由視為被本公司非執行董事陳智思先生之聯繫人控制的兩間公司擁有) 簽訂買賣協議。根據買賣協議，新澤企業同意向 Onsite 出售新繼發展有限公司(當時為本公司的全資附屬公司) 股本中 15 股股份(即約 9.615% 權益)，代價為 45,000,000 港元。該項交易獲股東於二零零七年六月一日的股東特別大會批准。

Other Information (Cont'd)

其他資料 (續)

Convertible Note Subscription Agreement

On 28 May 2007, Healthy Castle Investments Limited (“Healthy Castle”), a wholly owned subsidiary of the Company, entered into a convertible note subscription agreement with Key Apex Limited (“Key Apex”) (the shares of which are held by two companies which are deemed to be controlled by associates of Mr. CHAN Bernard Charnwut, a non-executive director of the Company) whereby Healthy Castle agreed to subscribe and Key Apex agreed to issue the US\$5,500,000 convertible note with maturity date falling on the first anniversary of the date of issue of convertible note at zero coupon. Pursuant to the terms of the convertible note, shares representing approximately 10% of the enlarged issued share capital of Key Apex as at the date of conversion will be issued by Key Apex to Healthy Castle at the conversion price of US\$1.00 per share (being the par value of each share in the capital of Key Apex) on the date which falls three days after the date when the 99% owned subsidiary established in the PRC has obtained the land use right certificate of a piece of land in Shanghai in the PRC. The balance of the principal amount of convertible note after deduction of the total conversion price will be treated as an interest-free shareholder’s loan advanced by Healthy Castle to Key Apex. The transaction was approved by the shareholders at the extraordinary general meeting of the Company on 20 June 2007.

可換股票據認購協議

二零零七年五月二十八日，本公司的全資附屬公司康堡投資有限公司（「康堡」）與凱亞有限公司（「凱亞」）（其股份由視為被本公司非執行董事陳智思先生之聯繫人控制的兩間公司持有）簽訂可換股票據認購協議，據此，康堡同意認購而凱亞同意發行5,500,000美元可換股票據，有關票據於發行可換股票息票滿一週年當日到期。根據可換股票據條款，待於中國成立且擁有99%權益的附屬公司取得中國上海一幅土地的土地使用權證日期後三日，凱亞將按換股價每股1.00美元（為凱亞每股股份面值）向康堡發行相等於凱亞於兌換日經擴大已發行股本約10%的股份。扣除總換股價後可換股票據該項本金餘額將會當作康堡給予凱亞的免息股東貸款墊款處理。該項交易已獲股東於二零零七年六月二十日的本公司股東特別大會批准。

Other Information (Cont'd) 其他資料 (續)

EXEMPT CONTINUING CONNECTED TRANSACTION

1. Fitness club agreement

In November 2004, SGVDM entered into an agreement with 上海克拉克海奇健身有限公司 (Clark Hatch Fitness Centers (Shanghai) Ltd.) ("Clark Hatch Shanghai") (Mr. TAO Paul, the Managing Director, has an indirect interest) (which was subsequently supplemented by a supplemental agreement dated 18 September 2005 made between the same parties) (collectively, the "Fitness Club Agreement"), pursuant to which SGVDM provides Clark Hatch Shanghai with the sports and fitness club premises with facilities located on the 3rd Floor, Block 11, Suzhou Garden Court (the "Club House"), and Clark Hatch Shanghai provides cleaning, maintenance, repair, operation and janitorial services for the Club House, for a term of 3 years commencing on 1 January 2005. During the term, Clark Hatch Shanghai is required to pay SGVDM a monthly rental of a sum (i) of RMB60,000 or (ii) equal to 30% of the monthly gross revenues (before taxes) received by Clark Hatch Shanghai from the operation of the Club House, whichever is higher.

In 2005, the Company applied to the Stock Exchange for and the Stock Exchange granted a waiver from strict compliance with the announcement requirement under Rule 14A.47 of the Listing Rules in respect of the transactions contemplated under the Fitness Club Agreement for the 2 years ending 31 December 2007.

獲豁免持續關連交易

1. 健身會所協議

二零零四年十一月，錦華苑建設與上海克拉克海奇健身有限公司（「上海克拉克」）（由董事總經理陶錫祺先生擁有間接權益）簽訂一份協議（該協議其後由上述協議雙方所訂立日期為二零零五年九月十八日的補充協議補充）（統稱「健身會所協議」）；據此，錦華苑建設向上海克拉克提供位於錦麗苑11座3樓的體育及健身會所物業連設施（「會所」）；而上海克拉克則為會所提供清潔、保養、維修、營運及庶務服務，由二零零五年一月一日開始，為期三年。於年期內，上海克拉克須向錦華苑建設支付月租金共(i)人民幣60,000元或(ii)相等於上海克拉克於經營會所所得每月總收益（除稅前）30%（以較高者為準）。

於二零零五年，本公司已向聯交所申請，而聯交所亦已豁免本公司截至二零零七年十二月三十一日止兩個年度各年健身會所協議項下進行的交易，須嚴格遵守上市規則第14A.47條有關申報的規定。

Other Information (Cont'd)

其他資料 (續)

2. Tenancy agreement of Hong Kong office

On 21 March 2005, New Heritage Management Limited ("NH Management") as tenant entered into a tenancy agreement with Fontwell Holdings Limited (beneficially owned by Mr. CF Tao and his family members) as landlord for the lease of Room 2301, 23rd Floor, Fortis Bank Tower, Nos.77-79 Gloucester Road, Hong Kong and Nos.117-119 Jaffe Road, Hong Kong for the use by the Group at a monthly rental of HK\$49,000, exclusive of government rates and management fees, for a term of one year commencing on 1 February 2005 and expiring on 31 January 2006. On 25 January 2006, the tenancy agreement was renewed at a monthly rental of HK\$72,000, exclusive of government rates and management fees, for a term of one year commencing on 1 February 2006 and expiring on 31 January 2007. On 25 January 2007, the tenancy agreement was further renewed at a monthly rental of HK\$78,000, exclusive of government rates and management fees, for a term of one year commencing on 1 February 2007 and expiring on 31 January 2008.

2. 香港辦事處之租賃協議

二零零五年三月二十一日，新澤管理有限公司（「新澤管理」）（作為承租人）與 Fontwell Holdings Limited（陶先生及其家庭成員最終實益擁有）（作為業主）就租賃香港告士打道77-79號及香港謝斐道117-119號華比富通大廈23樓2301室以供本集團使用而簽訂一份租賃協議，月租49,000港元，不包括政府差餉及管理費，租期由二零零五年二月一日開始，至二零零六年一月三十一日屆滿，為期一年。於二零零六年一月二十五日，該租賃協議已被續期，月租72,000港元，不包括政府差餉及管理費，租期由二零零六年二月一日開始，至二零零七年一月三十一日屆滿，為期一年。於二零零七年一月二十五日，該租賃協議已被再次續期，月租78,000港元，不包括政府差餉及管理費，租期由二零零七年二月一日開始，至二零零八年一月三十一日屆滿，為期一年。

Other Information (Cont'd) 其他資料 (續)

3. Licence agreement

On 21 March 2005, NH Management as licensee entered into a licence agreement with Fontwell Holdings Limited as licensor for obtaining the licence to use by the Group of car parking spaces nos. 28 and 51 on the 2nd Floor of Fortis Bank Tower, Nos.77-79 Gloucester Road, Hong Kong and Nos.117-119 Jaffe Road, Hong Kong at a monthly licence fee of HK\$7,000, exclusive of government rates and management fees, for a term of one year commencing from 1 February 2005 to 31 January 2006. On 25 January 2006, the above licence agreement was renewed at a monthly licence fee of HK\$7,000, exclusive of government rates and management fees, for a term of one year commencing on 1 February 2006 and expiring on 31 January 2007. On 25 January 2007, the licence agreement was further renewed at a monthly licence fee of HK\$5,000, exclusive of government rates and management fees, for a term of one year commencing from 1 February 2007 to 31 January 2008.

CORPORATE GOVERNANCE

The Company is committed to the establishment of good corporate practices and procedures. The corporate governance principles of the Company emphasise a quality board, transparency and accountability to all shareholders of the Company.

In the opinion of the Board, the Group has complied with the code provisions set out in Appendix 14, Code on Corporate Governance Practices, of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the six months ended 30 June 2007.

3. 特許協議

於二零零五年三月二十一日，新澤管理（作為特許使用人）與 Fontwell Holdings Limited（作為特許人）就領取香港告士打道 77-79 號及香港謝斐道 117-119 號華比富通大廈 2 樓第 28 及 51 號泊車位的許可證以供本集團使用而簽訂一份特許協議，許可證月費為 7,000 港元，不包括政府差餉及管理費，由二零零五年二月一日開始，至二零零六年一月三十一日屆滿，為期一年。於二零零六年一月二十五日，上述特許協議已被續期，許可證月費為 7,000 港元，不包括政府差餉及管理費，租期由二零零六年二月一日開始，至二零零七年一月三十一日屆滿，為期一年。於二零零七年一月二十五日，該特許協議已被再次續期，許可證月費為 5,000 港元，不包括政府差餉及管理費，由二零零七年二月一日開始，至二零零八年一月三十一日屆滿，為期一年。

企業管治

本公司致力建立良好之企業管治常規及程序，本公司的企業管治原則著重優秀的董事局、透明度及向本公司全體股東問責。

董事會認為，截至二零零七年六月三十日止六個月，本集團已遵守香港聯合交易所有限公司之證券上市規則附錄十四所載的《企業管治常規守則》。

Other Information (Cont'd)

其他資料 (續)

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transactions. The obligation to follow the Listing Rules are set out in the terms of the service contracts of each executive director and the letters of appointment of the non-executive director and each independent non-executive director. Having made specific enquiry of all the Directors, the Directors confirmed that they have complied with the required standard as set out in the Model Code for the six months ended 30 June 2007.

SERVICE CONTRACTS

The existing service contracts entered into by the Company and each executive directors will be expiring on 30 November 2007. On 7 September 2007, each of the executive directors has entered into a new service contract with the Company for a term of two years commencing on 1 December 2007.

REVIEW OF INTERIM FINANCIAL REPORT

The auditors of the Company, Grant Thornton have performed an independent review on the interim financial report set out on pages 31 to 58 in accordance with applicable auditing standards. On the basis of their review, which does not constitute an audit, Grant Thornton confirmed in writing that they are not aware of any material modifications that should be made to the interim financial report for the six months ended 30 June 2007. The interim results of the Group for the period ended 30 June 2007 have also been reviewed by the members of the Audit Committee before submission to the Board for approval. The Audit Committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure have been made.

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則(「標準守則」)，作為其董事進行證券交易之操守守則。各執行董事之服務合約條文及非執行董事及各獨立非執行董事之委任信件中已載有遵守上市規則之責任。經本公司向全體董事作出特定查詢後，全體董事確認，彼等於二零零七年六月三十日止六個月一直遵守標準守則所規定的標準。

服務合約

本公司與各執行董事目前已訂立的服務合約將於二零零七年十一月三十日期滿。二零零七年九月七日，各執行董事與本公司簽訂新服務合約，由二零零七年十二月一日起生效，為期兩年。

審閱中期財務報告

本公司之核數師均富會計師行已按照適用的審核準則就載於第31至58頁之中期財務報告進行獨立審閱。根據其審閱(不構成審核)的結果，均富會計師行已作出書面確認，彼等並無發現應對截至二零零七年六月三十日止六個月的中期財務報告作出任何重大修改。本集團截至二零零七年六月三十日止期間的中期業績，在提呈董事會批准前亦經審核委員會的成員審閱。審核委員會認為，該等業績的編製符合適用會計準則及規定，並已作出適當披露。

Condensed Consolidated Income Statement

簡明綜合收益表

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月		
		Notes 附註	2007 二零零七年 HK\$'000 千港元 (Unaudited) (未經審核)	2006 二零零六年 HK\$'000 千港元 (Unaudited) (未經審核) (restated) (重列)
Revenue	收益	3	12,775	3,526
Cost of sales	銷售成本		(6,897)	(2,646)
Gross profit	毛利		5,878	880
Other income	其他收入	3	24,071	1,274
Selling expenses	銷售開支		(2,777)	(1,559)
Administrative expenses	行政開支		(15,859)	(15,705)
Finance costs	融資成本	5	(3,361)	(2,643)
Share of results of associates	應佔聯營公司業績		9,584	8,473
Profit/(loss) before taxation	除稅前盈利/(虧損)	6	17,536	(9,280)
Taxation	稅項	7	(293)	1,306
Profit/(loss) for the period	期內盈利/(虧損)		17,243	(7,974)
Attributable to:	以下人士應佔：			
Equity holders of the Company	本公司權益持有人		18,352	(7,841)
Minority interests	少數股東權益		(1,109)	(133)
			17,243	(7,974)
Dividend	股息	8	—	—
Earnings/(losses) per share for profit/(loss) attributable to the equity holders of the Company during the period	期內本公司權益持有人應佔溢利/(虧損)之每股盈利/(虧損)	9		
— Basic	— 基本		HK\$0.03港元	(HK\$0.01港元)
— Diluted	— 攤薄		N/A 不適用	N/A 不適用

Condensed Consolidated Balance Sheet

簡明綜合資產負債表

as at 30 June 2007
於二零零七年六月三十日

		Notes 附註	At 30 June 2007 二零零七年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2006 二零零六年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Goodwill	商譽		37,048	37,048
Property, plant and equipment	物業、廠房及設備	10	16,065	15,442
Investment properties	投資物業		193,722	180,475
Interests in associates	聯營公司權益		88,058	97,223
			334,893	330,188
Current assets	流動資產			
Properties held under development	發展中物業		334,425	82,956
Properties held for sale	待售物業		14,509	20,109
Inventories	存貨		123	115
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項		15,499	11,087
Pledged bank deposits	有抵押銀行存款		284	25,776
Cash at banks and in hand	銀行結存及現金		102,380	129,472
			467,220	269,515
Current liabilities	流動負債			
Accounts payable	應付賬款	11	15,277	15,960
Accruals, deposits received and other payables	應計費用、已收按金及其他應付賬款		28,143	24,682
Dividend payable	應付股息		7,135	—
Provision for tax	稅項撥備		1,162	17,792
Borrowings	借貸	12	20,000	25,327
			71,717	83,761
Net current assets	流動資產淨值		395,503	185,754
Total assets less current liabilities	總資產減流動負債		730,396	515,942
Non-current liabilities	非流動負債			
Borrowings	借貸	12	151,089	20,000
Deferred taxation	遞延稅項		26,782	26,782
			177,871	46,782
Net assets	淨資產		552,525	469,160

Condensed Consolidated Balance Sheet (Cont'd)

簡明綜合資產負債表 (續)

as at 30 June 2007
於二零零七年六月三十日

		Notes	At 30 June 2007 二零零七年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2006 二零零六年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
EQUITY	權益			
Capital and reserves attributable to the equity holders of the Company	本公司權益持有人應佔股本及儲備			
Share capital	股本	13	7,412	7,135
Reserves	儲備		471,213	444,236
Proposed final dividend	擬派末期股息		—	7,135
			478,625	458,506
Minority interests	少數股東權益		73,900	10,654
Total equity	總權益		552,525	469,160

TAO Richard
陶家祈
Director
董事

TAO Paul
陶錫祺
Director
董事

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

		Unaudited six months ended 30 June 截至六月三十日止六個月未經審核										Minority interest 少數股東 權益	Total 總計
		Equity attributable to the equity holders of the Company 本公司權益持有人應佔權益											
		Share capital	Share premium	Share option reserves	Merger reserve	Hotel property, property, plant and equipment revaluation reserve	Exchange reserve	Statutory reserve	Retained profits	Proposed dividend	Sub-total		
		股本	股份溢價	購股權 儲備	合併儲備	重估儲備	匯兌儲備	法定儲備	保留盈利	擬派股息	小計		
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2007, audited	於二零零七年一月一日 經審核結餘	7,135	223,643	7,628	89,936	(2,326)	(3,989)	6,346	122,998	7,135	458,506	10,654	469,160
Translation (Net expense recognised directly in equity)	折算(於權益直接確認的 淨開支)	—	—	—	—	—	(2,053)	—	—	—	(2,053)	(777)	(2,830)
Profit for the period	期內盈利	—	—	—	—	—	—	—	18,352	—	18,352	(1,109)	17,243
Total recognised income and expense for the period	期內確認的總收入及開支	—	—	—	—	—	(2,053)	—	18,352	—	16,299	(1,886)	14,413
Transfer	轉撥	—	—	—	—	—	—	5,325	(5,059)	—	266	(266)	—
Share of associate's statutory reserve	應佔聯營公司法定儲備	—	—	—	—	—	—	2,051	(2,051)	—	—	—	—
Minority interest arising from partial disposal of interests in subsidiaries	出售部分附屬公司權益 產生之少數股東權益	—	—	—	—	—	—	—	—	—	—	49,628	49,628
Fair value adjustment on initial recognition of loans from minority shareholders (note 12(c))	首次確認少數股東貸款 之公平值調整 (附註12(c))	—	—	—	—	—	—	—	—	—	—	17,370	17,370
Dividend relating to 2006 final dividend (note 8(b))	二零零六年相關 末期股息(附註8(b))	—	—	—	—	—	—	—	—	(7,135)	(7,135)	—	(7,135)
Dividend paid to minority shareholders	已付少數股東股息	—	—	—	—	—	—	—	—	—	—	(1,600)	(1,600)
Surplus on revaluation upon transfer from property, plant and equipment to investment property	自物業、廠房及設備 轉撥至投資物業之 重估增值	—	—	—	—	2,119	—	—	—	—	2,119	—	2,119
Issue of ordinary shares (notes 13(c) and (d))	發行普通股 (附註13(c)及(d))	277	8,293	—	—	—	—	—	—	—	8,570	—	8,570
Balance at 30 June 2007	於二零零七年六月三十日結餘	7,412	231,936	7,628	89,936	(207)	(6,042)	13,722	134,240	—	478,625	73,900	552,525

Condensed Consolidated Statement of Changes in Equity (Cont'd)

簡明綜合權益變動表 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

		Unaudited six months ended 30 June 截至六月三十日止六個月未經審核										Minority interest 少數股東 權益	Total 總計
		Equity attributable to the equity holders of the Company 本公司權益持有人應佔權益											
		Share capital 股本	Share premium 股份溢價	Share option reserves 購股權 儲備	Merger reserve 合併儲備	Hotel property, property, plant and equipment revaluation reserve 重估儲備	Exchange reserve 匯兌儲備	Statutory reserve 法定儲備	Retained profits 保留盈利	Proposed dividend 擬派股息	Sub-total 小計		
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at 1 January 2006, audited	於二零零六年一月一日 經審核結餘	6,403	181,706	—	89,936	(2,326)	(17,963)	68	62,859	11,526	332,209	7,976	340,185
Translation (Net expense recognised directly in equity)	折算(於權益直接確認的 淨開支)	—	—	—	—	—	(72)	—	—	—	(72)	—	(72)
Loss for the period	期內虧損	—	—	—	—	—	—	—	(7,841)	—	(7,841)	(133)	(7,974)
Total recognised income and expense for the period	期內確認的總收入及開支	—	—	—	—	—	(72)	—	(7,841)	—	(7,913)	(133)	(8,046)
Transfer	轉撥	—	—	—	—	—	—	4,717	(4,481)	—	236	(236)	—
Share of associate's statutory reserve	應佔聯營公司法定儲備	—	—	—	—	—	—	1,561	(1,561)	—	—	—	—
Dividend relating to 2005 final dividend (note 8(b))	二零零五年相關 末期股息(附註8(b))	—	—	—	—	—	—	—	—	(11,526)	(11,526)	—	(11,526)
Dividend paid to minority shareholders	已付少數股東股息	—	—	—	—	—	—	—	—	—	—	(1,346)	(1,346)
Employee share based compensation	以股份支付的僱員酬金	—	—	7,628	—	—	—	—	—	—	7,628	—	7,628
Balance at 30 June 2006	於二零零六年六月三十日結餘	6,403	181,706	7,628	89,936	(2,326)	(18,035)	6,346	48,976	—	320,634	6,261	326,895

The merger reserve of the Group represents the excess of the nominal value of the share capital of the subsidiaries acquired pursuant to the Group's reorganisation completed on 23 June 2005 over the nominal value of the Company's shares issued in exchange therefor.

本集團的合併儲備即根據於二零零五年六月二十三日完成的集團重組所收購附屬公司股本的面值超過本公司就此發行作為交換的股份面值差額。

Condensed Consolidated Cash Flow Statement

簡明綜合現金流量表

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2007 二零零七年 HK\$'000 千港元 (Unaudited) (未經審核)	2006 二零零六年 HK\$'000 千港元 (Unaudited) (未經審核)
Net cash (used in)/generated from operating activities	經營活動(所用)/產生現金淨額	(271,008)	48,119
Net cash generated from investing activities	投資活動產生現金淨額	88,085	12,931
Net cash generated from financing activities	融資活動產生現金淨額	156,013	10,425
Effect of changes in foreign exchange rate	匯率變動的影響	(2,830)	(72)
(Decrease)/Increase in cash and cash equivalents	現金及現金等價物(減少)/增加	(29,740)	71,403
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	132,120	84,832
Cash and cash equivalents at 30 June	於六月三十日的現金及現金等價物	102,380	156,235
Analysis of cash and cash equivalents:	現金及現金等價物分析：		
Cash at banks and in hand	銀行結存及現金	102,380	171,731
Deposit pledged against bank overdrafts	就銀行透支而抵押的存款	—	17,700
Bank overdrafts	銀行透支	—	(33,196)
		102,380	156,235

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

1. BASIS OF PREPARATION 編製基準

The unaudited condensed consolidated financial statements for the six months ended 30 June 2007 (the "period") have been prepared in accordance with the 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 ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issuance on 27 September 2007.

These condensed interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 31 December 2006 ("2006 Annual Report").

截至二零零七年六月三十日止六個月（「該期間」）未經審核簡明綜合財務報表乃根據香港聯合交易所有限公司證券上市規則附錄十六的適用披露規定及香港會計師公會（「香港會計師公會」）頒佈的香港會計準則（「香港會計準則」）第34號「中期財務報告」編製。該報表經授權於二零零七年九月二十七日刊發。

此等簡明中期財務報表應與截至二零零六年十二月三十一日止年度本公司經審核財務報表（「二零零六年年報」）一併閱讀。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 主要會計政策概要

The condensed consolidated financial statements have been prepared under the historical cost basis except for investment properties and hotel properties which are stated at fair value. The accounting policies adopted are consistent with those used in the preparation of the 2006 Annual Report.

From 1 January 2007, the Group has adopted all of the new and amended Hong Kong Financial Reporting Standards ("HKFRS") issued by the HKICPA which are first effective on 1 January 2007 and relevant to the Group.

The adoption of these new and amended HKFRS did not result in significant changes to the Group's accounting policies but gave rise to additional disclosures.

簡明綜合財務報表乃按歷史成本慣例編製，惟投資物業及酒店物業則以公平值列賬。所採納的會計政策與編製二零零六年年報所採用者一致。

自二零零七年一月一日，本集團已採納所有與本集團相關並自二零零七年一月一日起生效之新訂及經修訂香港財務報告準則（「香港財務報告準則」）。

採納此等新訂及經修訂香港財務報告準則對本集團的會計政策並無重大影響，惟須增加披露資料。

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 主要會計政策概要 (續)

The Group has not early adopted the following standards or interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the adoption of such standards and interpretations will not result in material financial impact on the Group's financial statements.

本集團並無提前採納下列已頒佈但尚未生效的準則及詮釋。本公司董事預期，採納該等準則及詮釋將不會對本集團的財務報表造成任何重大變動。

HKAS 23 (Revised)	Borrowing costs ¹	香港會計準則第23號 (經修訂)	借貸成本 ¹
HKFRS 8	Operating Segments ¹	香港財務報告準則第8號	業務分部 ¹
HK(IFRIC) — Int 11	HKFRS 2 — Group and Treasury Share Transactions ²	香港(國際財務報告詮釋 委員會) — 詮釋第11號	香港財務報告準則 第2號—集團及 庫存股份交易 ²
HK(IFRIC) — Int 12	Service Concession Arrangements ³	香港(國際財務報告詮釋 委員會) — 詮釋第12號	服務特許協議 ³
HK(IFRIC) — Int 13	Customer Loyalty Programmes ⁴	香港(國際財務報告詮釋 委員會) — 詮釋第13號	客戶忠誠計劃 ⁴
HK(IFRIC) — Int 14	HKAS19 — The Limited on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ³	香港(國際財務報告詮釋 委員會) — 詮釋第14號	香港會計準則第19 號 — 具體利益 資產、最低資金 規定及其相互作用 之限制 ³

1 Effective for annual periods beginning on or after 1 January 2009

2 Effective for annual periods beginning on or after 1 March 2007

3 Effective for annual periods beginning on or after 1 January 2008

4 Effective for annual periods beginning on or after 1 July 2008

1 於二零零九年一月一日或以後開始的年度期間生效

2 於二零零七年三月一日或以後開始的年度期間生效

3 於二零零八年一月一日或以後開始的年度期間生效

4 於二零零八年七月一日或以後開始的年度期間生效

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

3. REVENUE AND OTHER INCOME 收益及其他收入

Revenue, which includes the Group's turnover and other revenue, and other income recognised during the period are as follows:

收益包括本集團於該期間確認的營業額、其他收益及其他收入如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2007 二零零七年 HK\$'000 千港元 (Unaudited) (未經審核)	2006 二零零六年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue	收益		
<u>Turnover</u>	<u>營業額</u>		
Proceeds from sale of properties held for sale	出售待售物業所得款項	10,150	—
Rental income	租金收入	2,394	609
Management fee income	管理費收入	231	2,817
		12,775	3,426
<u>Other revenue</u>	<u>其他收益</u>		
Laundry service income	洗衣服務收入	—	100
		12,775	3,526
Other income	其他收入		
Gain on partial disposal of interests in subsidiaries, net	出售部分附屬公司權益的淨收益	22,204	—
Interest income	利息收入	1,749	1,236
Others	其他	118	38
		24,071	1,274

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

4. SEGMENT INFORMATION 分部資料

Property development and investment is the only business segment of the Group throughout the period. No geographical segment analysis is presented as less than 10% of the Group's revenue and contribution to operating profit is attributable to markets located outside the People's Republic of China ("PRC") for the period. Accordingly, no separate business and geographical segment information is prepared.

物業發展及投資乃本期間本集團的唯一業務分部。由於在本期間，本集團少於10%的收益及經營盈利來自中華人民共和國（「中國」）以外的市場，故並無呈列地域分類分析。因此，並無編製任何獨立業務及地域分類資料。

5. FINANCE COSTS 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2007 二零零七年 HK\$'000 千港元 (Unaudited) (未經審核)	2006 二零零六年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest charges on:	利息費用：		
Bank loans wholly repayable within five years	須於五年內悉數償還的銀行貸款	2,050	1,881
Bank overdrafts	銀行透支	465	762
Imputed interest expense on loans from minority shareholders	少數股東貸款之應計利息開支	846	—
		3,361	2,643

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

6. PROFIT/(LOSS) BEFORE TAXATION 除稅前盈利／(虧損)

		Six months ended 30 June 截至六月三十日止六個月	
		2007 二零零七年 HK\$'000 千港元 (Unaudited) (未經審核)	2006 二零零六年 HK\$'000 千港元 (Unaudited) (未經審核)
Profit/(loss) before taxation is arrived at after charging:	除稅前盈利／(虧損)已扣除下列各項：		
Cost of properties held for sale recognised as expense	確認為開支的待售物業成本	5,718	—
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,071	797
Less: amount capitalised in properties held under development	減：撥充發展中物業資本的數額	(18)	(275)
		1,053	522
Outgoings in respect of investment properties that generated rental income during the period	有關於該期間產生租金收入之投資物業的開支	395	173
Operating lease charges in respect of land and buildings	有關土地及樓宇的經營租約費用	986	761
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	2	2
Staff costs, including directors' emoluments and retirement benefits cost	員工成本(包括董事酬金及退休福利金)	17,395	8,112
Employee share-based payment expense	以股份支付僱員開支	—	7,628
Less: amount capitalised in properties held under development	減：撥充發展中物業資本的數額	(4,105)	(2,957)
		13,290	12,783
Amount recognised as expense for retirement benefits cost	確認為退休福利金費用開支的數額	845	601
Exchange loss	滙兌虧損	10	178
and crediting:	並已計入：		
Rental income less outgoings	租金收入減開支	1,999	436

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

6. PROFIT/(LOSS) BEFORE TAXATION (Cont'd) 除稅前盈利/(虧損) (續)

Employee share-based payment expense which included in "Other operating expenses" for the period ended 30 June 2006 was restated to "Administrative expenses" to make it consistent with the classification of staff costs.

為配合員工成本的分類，截至二零零六年六月三十日止期間計入「其他經營開支」的以股份支付僱員開支已重列至「行政開支」。

7. TAXATION 稅項

		Six months ended 30 June 截至六月三十日止六個月	
		2007 二零零七年 HK\$'000 千港元 (Unaudited) (未經審核)	2006 二零零六年 HK\$'000 千港元 (Unaudited) (未經審核)
Current tax — PRC income tax	即期稅項 — 中國所得稅		
Under provision in respect of prior years	過往年度撥備不足	293	6
Deferred tax credit	遞延稅項撥回	—	(1,312)
		293	(1,306)

No Hong Kong profits tax has been provided as the Group had no estimated assessable profit for the period (six months ended 30 June 2006: Nil).

由於本集團於該期間內並無任何估計應課稅盈利，故此並無計提任何香港利得稅撥備(截至二零零六年六月三十日止六個月：無)。

PRC income tax is computed according to the relevant laws and regulations in the PRC. The applicable income tax rate was 33% for the period (six months ended 30 June 2006: 33%).

中國所得稅乃根據中國相關法規計算。該期間的適用所得稅稅率為33%(截至二零零六年六月三十日止六個月：33%)。

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

7. TAXATION (Cont'd) 稅項 (續)

Pursuant to the PRC enterprise income tax law passed by the Tenth National People's Congress on 16 March 2007, the new enterprise income tax rates for domestic and foreign enterprises are unified at 25% and will be effective from 1 January 2008. The impact of such change of enterprise income tax rate on the Group will depend on detailed pronouncements that will be subsequently issued. Since the detailed implementation measure on transitional policy of preferential tax rate granted according to current tax law and administrative regulations has not yet been announced, the Group cannot reasonably estimate the financial impact of the new tax law to the Group at this stage.

根據二零零七年三月十六日第十屆全國人民代表大會通過的中國企業所得稅法，內資及外資企業的新企業所得稅率統一為25%，自二零零八年一月一日起生效。企業所得稅率改變對本集團的影響取決於隨後發表的細則公佈。由於尚未公佈根據現行稅法及行政規則批准之優惠稅率過渡政策的具體實施細則，故目前本集團無法合理估計新稅法之財務影響。

Deferred taxations are calculated based on the balance sheet liability method using the applicable tax rates at the balance sheet date.

遞延稅項乃根據資產負債表負債法按結算日的適用稅率計算。

8. DIVIDEND 股息

(a) Dividend attributable to the period

No dividend has been paid or declared by the Company in respect of the period (six months ended 30 June 2006: Nil).

(a) 期內應佔股息

本公司並無就該期間內支付或宣派任何股息(截至二零零六年六月三十日止六個月：無)。

(b) Dividend attributable to the previous financial year, approved and paid during the period

(b) 期內已批准及支付的過往財政年度應佔股息

Six months ended 30 June
截至六月三十日止六個月

		2007 二零零七年 HK\$'000 千港元 (Unaudited) (未經審核)	2006 二零零六年 HK\$'000 千港元 (Unaudited) (未經審核)
Final dividend for the year ended 31 December 2006	截至二零零六年十二月三十一日止年度末期股息	7,135	—
Final dividend for the year ended 31 December 2005	截至二零零五年十二月三十一日止年度末期股息	—	11,526
		7,135	11,526

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

9. EARNINGS/(LOSSES) PER SHARE 每股盈利／(虧損)

The calculation of basic earnings per share is based on the profit attributable to the equity holders of the Company of approximately HK\$18,352,000 (six months ended 30 June 2006: losses of approximately HK\$7,841,000) and on weighted average of 727,936,435 (six months ended 30 June 2006: 654,591,764 (restated)) ordinary shares in issue during the period. When calculating the earnings per share amount for the six months ended 30 June 2006, the number of ordinary shares in issue was adjusted as if the bonus shares (note 13(d)) had been issued on 1 January 2006.

No diluted earnings/(losses) per share are calculated for the both of six months ended 30 June 2006 and 2007 since the exercise price of the Company's options was higher than the average market price. Diluted earnings per share for the six months ended 30 June 2007 was not presented as there was no dilutive potential shares.

每股盈利乃按本公司權益持有人應佔溢利約18,352,000港元(截至二零零六年六月三十日止六個月：虧損約7,841,000港元)及該期間內已發行普通股727,936,435股(截至二零零六年六月三十日止六個月：654,591,764股(重列))的加權平均數計算。計算截至二零零六年六月三十日止六個月的每股盈利時，已調整已發行普通股數目，猶如紅股(附註13(d))已於二零零六年一月一日發行。

由於截至二零零六年及二零零七年六月三十日止六個月期間，本公司購股權的行使價均高於平均市價，因此並無計算該兩個期間的每股攤薄盈利／(虧損)。由於截至二零零七年六月三十日止六個月期間並無具攤薄影響的潛在股份，故並無呈列該期間的每股攤薄盈利。

10. CAPITAL EXPENDITURE 資本開支

During the period, the Group incurred capital expenditure of approximately HK\$3,623,000 for property, plant and equipment (six months ended 30 June 2006: HK\$2,515,000). No significant disposal of property, plant and equipment was made during the period (six months ended 30 June 2006: Nil).

於該期間內，本集團的物業、廠房及設備資本開支約3,623,000港元(截至二零零六年六月三十日止六個月：2,515,000港元)。於該期間內並無重大物業、廠房及設備出售(截至二零零六年六月三十日止六個月：無)。

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

11. ACCOUNTS PAYABLE 應付賬款

The aging analysis of the accounts payable is as follows:

應付賬款的賬齡分析如下：

		Notes	At 30 June 2007 二零零七年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2006 二零零六年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Below 30 days	30天以內		1,154	1,205
30–60 days	30–60天		80	61
61–90 days	61–90天		153	162
91–365 days	91–365天		821	587
Over 365 days	365天以上		69	338
Rent received on behalf of landlords	代表業主收取的租金	(a)	2,277	2,353
Accrued construction cost and other project-related expenses	應計建築成本及其他 項目相關開支	(b)	13,000	13,607
			15,277	15,960

Notes:

附註：

- (a) Rent received on behalf of landlords comprised net rental received from tenants after netting off management fee charged to them for the services provided.
- (b) Included in the above amounts are construction cost and other project-related expense payable amounted to approximately HK\$13,000,000 at 30 June 2007 which was accrued based on the terms of the relevant agreements and project progress and were not due for payment at 30 June 2007 (31 December 2006: HK\$13,607,000).

- (a) 代表業主收取的租金包括向租戶收取的租金扣除就租戶提供服務而收取的管理服務費用後的淨額。
- (b) 上述款項包括於二零零七年六月三十日的應付建築成本及其他項目相關開支約13,000,000港元，為根據相關協議條款及項目進度累算，於二零零七年六月三十日尚未到期支付（二零零六年十二月三十一日：13,607,000港元）。

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

12. BORROWINGS 借貸

	Notes 附註	At 30 June 2007 二零零七年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2006 二零零六年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Borrowings wholly repayable within five years:	須於五年內悉數償還的借貸：		
Bank overdrafts	銀行透支	—	15,327
Bank loans	銀行貸款	90,000	30,000
Loans from minority shareholders	少數股東貸款	81,089	—
		171,089	45,327
Less: Current portion due within one year included under current liabilities	減：列為流動負債於一年內到期的即期部分	(20,000)	(25,327)
Non-current portion included under non-current liabilities	列為非流動負債的非即期部分	151,089	20,000
Borrowings were repayable as follows:	須於下列期間償還的借貸如下：		
Within one year	一年內		
Bank overdrafts, unsecured	無抵押銀行透支	—	101
Bank overdrafts, secured	有抵押銀行透支	—	15,226
Bank loans, unsecured	無抵押銀行貸款	20,000	10,000
In the second year	第二年		
Bank loans, unsecured	無抵押銀行貸款	10,000	10,000
In the third to fifth year	第三至五年		
Bank loans, unsecured	無抵押銀行貸款	—	10,000
Bank loans, secured	有抵押銀行貸款	60,000	—
Loans from minority shareholders	少數股東貸款	81,089	—
		171,089	45,327

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

12. BORROWINGS (Cont'd) 借貸 (續)

Notes:

- (a) Bank overdrafts as at 31 December 2006 were secured by pledge of bank deposit amounted to HK\$17,975,000.
- (b) Bank loans as at 30 June 2007 were secured by pledge of interest in a land use right in properties held for development of the Group of approximately HK\$78,449,000 (31 December 2006: Nil).
- (c) Loans from minority shareholders are initially recognised at fair value and subsequently stated at amortised cost. The principal amounts of the loans were approximately HK\$97,613,000. The fair value of the loans was calculated by reference to a market interest rate ("MIR") for an equivalent loan.

The fair value of the loans at the grant date was approximately HK\$80,243,000, which was calculated using cash flows discounted at MIR of 6.75% per annum. The residual amount of HK\$17,370,000, representing the value of capital contribution from the minority shareholders, is included in equity as minority interest.

The carrying amounts of the borrowings are denominated in the following currencies and have the following effective interest rates at the balance sheet date:

附註：

- (a) 於二零零六年十二月三十一日的銀行透支由銀行存款約17,975,000港元作抵押擔保。
- (b) 於二零零七年六月三十日的銀行貸款由本集團所持的待開發物業土地使用權約78,449,000港元(二零零六年十二月三十一日：無)作抵押擔保。
- (c) 少數股東貸款首先按公平值確認，其後按攤銷成本列賬。貸款本金額約97,613,000港元。貸款的公平值參考等額貸款之市場利率(「市場利率」)計算。

於授出日期，貸款公平值約80,243,000港元，乃根據現金流量按市場利率每年6.75%折現計算。餘額17,370,000港元(即少數股東的注資額)已計入權益列為少數股東權益。

借貸賬面值以下列貨幣計值，於結算日的實際利率如下：

		At 30 June 2007		At 31 December 2006	
		HK\$'000	Interest rate	HK\$'000	Interest rate
		千港元	per annum	千港元	per annum
		(Unaudited)	年利率	(Audited)	年利率
		(未經審核)		(經審核)	
Hong Kong dollar*	港元*	39,865	6.25%–7.00%	45,226	3.30%–6.75%
United States dollar*	美元*	71,224	6.75%	101	8.00%–8.25%
Renminbi [^]	人民幣 [^]	60,000	5.913%–6.075%	—	N/A 不適用
		171,089		45,327	

* Borrowings under fixed and floating interest rates

[^] Borrowings under fixed interest rates

* 按固定及浮動利率計息之借貸

[^] 按固定利率計息之借貸

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

13. SHARE CAPITAL 股本

	Notes 附註	At 30 June 2007 於二零零七年六月三十日		At 31 December 2006 於二零零六年十二月三十一日	
		Number of shares 股份數量	HK\$'000 千港元 (Unaudited) (未經審核)	Number of shares 股份數量	HK\$'000 千港元 (Audited) (經審核)
Authorised:	法定：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股				
At the beginning and end of the period/year	期/年初及期/年終	30,000,000,000	300,000	30,000,000,000	300,000
Issued and fully paid:	已發行及繳足：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股				
At the beginning of the period/year	期/年初	713,518,218	7,135	640,321,400	6,403
Issue of shares as 2005 scrip dividend	發行二零零五年以股代息 股份	(a) —	—	8,196,818	82
Subscription for ordinary shares	認購普通股	(b)/(c) 13,380,657	134	65,000,000	650
Issue of ordinary shares on bonus issue	以紅股方式發行普通股	(d) 14,270,364	143	—	—
At the end of the period/year	期/年終	741,169,239	7,412	713,518,218	7,135

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

13. SHARE CAPITAL (Cont'd) 股本 (續)

Notes:

- (a) On 5 July 2006, 8,196,818 ordinary shares of HK\$0.01 each were issued at a price of HK\$0.624 per ordinary share upon election by shareholders to receive shares in the Company in lieu of the 2005 final dividend pursuant to the scrip dividend scheme as detailed in a circular dated 30 May 2006.
- (b) On 28 August 2006, the Company entered into a subscription agreement with Spinnaker Global Opportunity Fund Limited ("Spinnaker"). Pursuant to which Spinnaker agreed to subscribe for 65,000,000 ordinary shares of the Company at a price of HK\$0.60 each. The subscription was completed on 20 September 2006.
- (c) Pursuant to the master transfer agreement dated 17 October 2006, details of which were described in note 14(a) to this condensed consolidated financial statements, Belbroughton Limited ("Belbroughton") subscribed for 13,380,657 ordinary shares of the Company at price of HK\$0.6405 each. The subscription was completed on 29 June 2007.
- (d) Pursuant to an ordinary resolution passed at the Annual General Meeting held on 1 June 2007, the Company approved a bonus share of 1 ordinary share per 50 ordinary shares in issue. On 11 June 2007, 14,270,364 ordinary shares of HK\$0.01 each were issued to shareholders of the Company.

On 4 June 2007, the Company offered 2006 Final Scrip Dividend Scheme ("Scheme") to shareholders who are entitled to the 2006 final dividend. Shareholders with 203,525,382 ordinary shares of the Company had selected the Scheme and the Company issued and allotted 2,750,343 scrip shares on 4 July 2007.

附註：

- (a) 於二零零六年七月五日，已向根據二零零六年五月三十日刊發的通函所載以股代息計劃選擇收取本公司股份代替二零零五年末期股息的股東按每股普通股0.624港元的價格發行8,196,818股每股面值0.01港元的普通股。
- (b) 於二零零六年八月二十八日，本公司與 Spinnaker Global Opportunity Fund Limited (「Spinnaker」) 訂立認購協議。據此，Spinnaker 同意按每股0.60港元的價格認購本公司65,000,000股普通股。該認購於二零零六年九月二十日完成。
- (c) 根據二零零六年十月十七日訂立的物業轉讓框架協議（詳情載於簡明綜合財務報表附註14(a)），Belbroughton Limited (「Belbroughton」) 按每股0.6405港元認購本公司13,380,657股普通股。認購於二零零七年六月二十九日完成。
- (d) 根據二零零七年六月一日股東週年大會通過的普通決議案，本公司同意每50股已發行普通股可獲發1股普通股作為紅股。二零零七年六月十一日，本公司股東獲發行14,270,364股每股面值0.01港元的普通股。

二零零七年六月四日，本公司向有權收取二零零六年末期股息的股東提供二零零六年度末期以股代息計劃（「計劃」）。持有本公司203,525,382股普通股的股東選擇該計劃，而本公司於二零零七年七月四日發行及配發2,750,343股代息股份。

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

14. RELATED PARTY TRANSACTIONS 關連人士交易

The following transactions were carried out with related parties:

本集團與關連人士進行以下交易：

		Six months ended 30 June 截至六月三十日止六個月	
		2007 二零零七年 HK\$'000 千港元 (Unaudited) (未經審核)	2006 二零零六年 HK\$'000 千港元 (Unaudited) (未經審核)
	Notes 附註		
Acquisition of investment properties from:	自下列人士收購投資物業：		
— Lakeside Consultants Limited	— 湖濱諮詢有限公司 (a)(i)	2,221	—
— Eastside Properties Limited	— 東方物業有限公司 (a)(ii)	2,371	—
— Lanick Group Limited	— 朗利集團有限公司 (a)(iii)	2,265	—
— Cosmopolitan Group Limited	— 世界性集團有限公司 (a)(iv)	2,345	—
Landscaping and maintenance expenses to Suzhou New Heritage Trees & Landscaping Co., Ltd. ("SNHTL")	支付予蘇州新繼園林綠化有限公司(「新繼園林綠化」)的美化及保養開支 (b)	(22)	(21)
Motor vehicle expenses to HY Automotive Holdings Limited ("HY Automotive")	支付予 HY Automotive Holdings Limited (「HY Automotive」) 的汽車費用 (c)	—	(16)
Rental expenses to Fontwell Holdings Limited ("Fontwell")	Fontwell Holdings Limited (「Fontwell」) 收取的租金開支 (c)	(498)	(364)
Building management fee expenses to Fontwell	支付予 Fontwell 的樓宇管理費用 (c)	(88)	(89)
Rental expense to Mr. Tao Richard	陶家新先生收取的租金開支 (d)	—	(158)
Rental income from 上海克拉克海奇健身有限公司 Clark Hatch Fitness Centres (Shanghai) Ltd. ("Clark Hatch")	向上海克拉克海奇健身有限公司(「克拉克海奇」) 收取的租金收入 (d)	393	346

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

14. RELATED PARTY TRANSACTIONS (Cont'd) 關連人士交易 (續)

Notes:

- (a) On 17 October 2006, the Company and certain connected parties of the Company, namely Ms. Tao Miriam, Ms. Hon Hing Tong, Patricia (spouse of Mr. Tao Paul), Mr. Tao Richard, Ms. Tao Yi Hou Mildred, Ms. Ong Ker Shing, Eastside Properties Limited, Cosmopolitan Group Limited, Lakeside Consultants Limited and Lanick Group Limited (collectively known as the "Vendors") entered into a master transfer agreement, pursuant to which the Company agreed to purchase 82 units of Suzhou Garden Villa (collectively known as the "Properties") from the Vendors at a consideration of RMB87,975,000. The consideration was determined with reference to the valuation of the properties of RMB103,500,000 as at 31 August 2006, estimated by DTZ Debenham Tie Leung Limited. The completion of acquisition of the Properties are conditional upon fulfilment of certain conditions by the Group and the Vendors on or before 31 December 2007. During the period, the Group acquired 8 units of the Properties at total consideration of approximately RMB9,202,000. Subsequent to 30 June 2007 and up to date of this report, the Group has acquired 74 units of the Properties at a consideration of approximately RMB79,135,000.

Pursuant to this master transfer agreement, the Vendors or any parties directed by the Vendors agreed to subscribe for new shares of the Company for not more than 90,017,210 ordinary shares at HK\$0.6405 each. The net proceeds from the subscription after deducting related expenses will be used as the general working capital of the Group. During the period, the Company issued 13,380,657 ordinary shares at HK\$0.01 each to Belbroughton (note 13(c)).

- (i) Mr. Tao Richard is a director of this company.
- (ii) The wife of Mr. Taochaifu Choofuang ("Mr. CF Tao") is a director of this company.
- (iii) Mr. Tao Paul is a director of this company.
- (iv) Ms. Tao Miriam, the daughter of Mr. CF Tao, has beneficial interest in this company.

附註：

- (a) 二零零六年十月十七日，本公司及本公司若干關連人士（包括陶蘊怡女士、韓慶榮女士（為陶錫祺先生配偶）、陶家祈先生、陶伊皓女士、王可欣女士、東方物業有限公司、世界性集團有限公司、湖濱諮詢有限公司及朗利集團有限公司（統稱「賣方」）訂立一項物業轉讓框架協議，據此，本公司同意向賣方購買蘇州錦華苑82個單位（統稱「該等物業」），代價為人民幣87,975,000元。該代價乃經參照戴德梁行有限公司對該等物業於二零零六年八月三十一日的估值人民幣103,500,000元釐定。收購該等物業須待本集團及賣方於二零零七年十二月三十一日或之前達成若干條件後方告完成。於該期間，本集團以總代價約人民幣9,202,000元收購該等物業的8個單位。二零零七年六月三十日後及截至本報告日期，本集團已收購該等物業中74個單位，代價約人民幣79,135,000元。

根據該物業轉讓框架協議，賣方或任何賣方指定人士同意按每股0.6405港元認購不超過90,017,210股本公司新普通股。認購所得款項淨額扣除相關開支後，將用作本集團一般營運資金。於該期間，本公司按每股0.01港元向Belbroughton發行13,380,657股普通股（附註13(c)）。

- (i) 陶家祈先生為本公司董事。
- (ii) 陶哲甫先生（「陶先生」）之妻子為本公司董事。
- (iii) 陶錫祺先生為本公司董事。
- (iv) 陶蘊怡女士為陶先生的女兒，擁有公司實益權益。

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

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14. RELATED PARTY TRANSACTIONS (Cont'd) 關連人士交易 (續)

- | | |
|---|--|
| (b) Mr. CF Tao and Mr. Tao Paul, directors of the Company, have beneficial interests in SNHTL. The charge on expenses by this related company was in accordance with the terms of the underlying agreements. | (b) 本公司董事陶哲甫先生及陶錫祺先生實益擁有新繼園林綠化的權益。該等關連公司乃根據相關協議條款收取費用。 |
| (c) Mr. CF Tao, Mr. Tao Richard and Mr. Tao Paul, directors of the Company, have beneficial interests in HY Automotive and Fontwell. The charges by these related companies were in accordance with the terms of the underlying agreements. | (c) 本公司董事陶哲甫先生、陶家祈先生及陶錫祺先生實益擁有HY Automotive及Fontwell的權益。該等關連公司乃根據相關協議條款收取費用。 |
| (d) The rental expense to Mr. Tao Richard and rental income from Clark Hatch, in which Mr. Tao Richard and Mr. Tao Paul are common directors, were in accordance with the terms of the underlying agreements. | (d) 支付予陶家祈先生之租金開支及向克拉克海奇(陶家祈先生及陶錫祺先生為共同董事)收取的租金收入均按相關協議條款作出。 |
| (e) Key management personnel compensation | (e) 主要管理人員酬金 |

The directors of the Company are of the opinion that the key management personnel were solely the directors of the Company. Remuneration paid to the Company's directors is as follows:

本公司董事認為，主要管理人員僅包括本公司董事。已付本公司董事之酬金詳情如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2007 二零零七年 HK\$'000 千港元 (Unaudited) (未經審核)	2006 二零零六年 HK\$'000 千港元 (Unaudited) (未經審核)
Salaries, allowance and other benefit in kind	薪金、津貼及其他實物利益	5,739	3,491
Employee share-based payment expenses	以股份支付僱員的開支	—	6,310
Contribution to retirement benefit scheme	退休金計劃供款	150	165
		5,889	9,966

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

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15. COMMITMENTS AND OPERATING LEASE ARRANGEMENTS 承擔及經營租賃安排

(a) Capital commitments

- (i) Capital commitments in respect of properties under development

	At 30 June 2007 二零零七年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2006 二零零六年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Contracted but not provided for 已訂約惟未撥備	46,363	73,689

(a) 資本承擔

- (i) 發展中物業的資本承擔

- (ii) Attributable share of associate's capital commitments in respect of acquisition of property, plant and equipment

	At 30 June 2007 二零零七年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2006 二零零六年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Contracted but not provided for 已訂約惟未撥備	—	1,527

- (ii) 應佔聯營公司就收購物業、廠房及設備之資本承擔

Notes to the Condensed Consolidated Financial Statements (Cont'd)

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15. COMMITMENTS AND OPERATING LEASE ARRANGEMENTS (Cont'd)

承擔及經營租賃安排 (續)

(a) Capital commitments (Cont'd)

- (iii) Capital commitments in respect of setting up a company in the PRC — Nanjing Shangming South Taiping Road Property Development Co. Ltd. (“Shangming”)

On 10 July 2006, a subsidiary of the Company entered into the share transfer and subscription agreement, the shareholders' agreement and the equity joint venture agreement in order to establish an arrangement of investment in a jointly-controlled entity incorporated in PRC (“Joint Venture”) for the development project located in Nanjing, the PRC. After the completion of the arrangement, the Group will ultimately hold 21.6% of equity interest in the Joint Venture. The contribution of the Group to the registered capital of the Joint Venture will be RMB21,600,000. The contribution must be paid within two years from the date on which the business licence of the Joint Venture is issued.

On 20 October 2006, the Joint Venture, known as Shangming, was set up. No capital had been contributed by the Company up to 30 June 2007. As at 30 June 2007, the Group had a capital commitment of RMB21,600,000 representing 21.6% of the registered capital of Shangming.

(a) 資本承擔 (續)

- (iii) 就於中國成立一家公司的資本承擔 — 南京商明太平南路置業發展有限公司(「商明」)。

於二零零六年七月十日，本公司一家附屬公司訂立股份轉讓及認購協議、股東協議及合資經營合同，以達成於一家中國合營企業(「合營企業」)的投資安排，發展一項位於中國南京的項目。安排達成後，本集團最終將持有合營企業21.6%股本權益。本集團對合營企業註冊資本的出資將為人民幣21,600,000元。出資額須於合營企業獲發營業執照當日起計兩年內繳付。

合營企業(名為商明)於二零零六年十月二十日成立。截至二零零七年六月三十日止，本公司並無作出任何出資。於二零零七年六月三十日，本集團有人民幣21,600,000元之資本承擔，相當於商明已註冊股本21.6%。

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

15. COMMITMENTS AND OPERATING LEASE ARRANGEMENTS (Cont'd)

承擔及經營租賃安排 (續)

(a) Capital commitments (Cont'd)

- (iv) Capital commitments in respect of subscription of convertible note issued by Key Apex Limited ("Key Apex")

On 28 May 2007, a subsidiary of the Company entered into a convertible note subscription agreement (the "Agreement") with Key Apex, a company in which Mr. Chan Bernard Charnwut, a non-executive director of the Company, has beneficial interest. Pursuant to the Agreement, Key Apex agreed to issue to the subsidiary the convertible note (the "Note") in the principal amount of US\$5,500,000 (equivalent to approximately HK\$42,900,000).

The Note is not transferable and will be mandatorily and automatically converted into 10% of the enlarged issued share capital of Key Apex within three days after the date when a subsidiary of Key Apex has obtained the land use right certificate of a piece of land in Jiading District, Shanghai, the PRC. The Note was subscribed by the subsidiary on 18 July 2007. Details of the Agreement were disclosed in the circular of the Company dated 20 June 2007.

(a) 資本承擔 (續)

- (iv) 就於認購凱亞有限公司(「凱亞」)發行之可換股票據的資本承擔。

二零零七年五月二十八日，本公司一家附屬公司與本公司非執行董事陳智思先生擁有實益權益的凱亞訂立可換股票據認購協議(「協議」)。根據協議，凱亞同意向該附屬公司發行本金額為5,500,000美元(相當於約42,900,000港元)之可換股票據(「票據」)。

票據不可轉讓，且於凱亞一家附屬公司取得中國上海嘉定區一幅土地之土地使用權證當日後三日內，須強制自動轉換為凱亞經擴大已發行股本的10%。該附屬公司於二零零七年七月十八日認購票據。協議詳情已於本公司二零零七年六月二十日刊發之通函中予以披露。

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

15. COMMITMENTS AND OPERATING LEASE ARRANGEMENTS (Cont'd)

承擔及經營租賃安排 (續)

(b) Operating lease arrangements

- (i) The Group had future aggregate minimum lease receipts under non-cancellable operating leases which are receivable as follows:

		At 30 June 2007 二零零七年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2006 二零零六年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Not later than one year	不超過一年	6,626	5,159
Later than one year and not later than five years	一年後及不超過五年	7,421	9,604
		14,047	14,763

The Group leases out its investment properties under operating lease arrangements which run for initial periods of less than one year to five years or expire at dates as mutually agreed between the Group and the respective tenants, without an option to renew the lease terms at the expiry date. The terms of the leases generally also require the tenants to pay security deposits.

(b) 經營租賃安排

- (i) 本集團根據不可撤銷經營租約應支付的未來最低租金費用總額如下：

本集團根據經營租賃安排出租其投資物業，初步為期少於一年至五年或於本集團與相關租戶共同協定的日期屆滿，租約並無提供於屆滿日續租的選擇權。租約條款一般亦規定租戶支付保證按金。

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

15. COMMITMENTS AND OPERATING LEASE ARRANGEMENTS (Cont'd)

承擔及經營租賃安排 (續)

(b) Operating lease arrangements (Cont'd)

- (ii) The Group had future aggregate minimum lease payments under non-cancellable operating leases which are payable as follows:

		At 30 June 2007 二零零七年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2006 二零零六年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Not later than one year	不超過一年	1,283	1,646
Later than one year and not later than five years	一年後及不超過五年	912	1,313
		2,195	2,959

The Group leases a number of properties under operating lease arrangements which run for initial periods of one to three years or expire at dates as mutually agreed between the Group and the respective landlords, without an option to renew the lease terms at the expiry date.

During the period, no contingent rentals receivable and payable was available to be recognised by the Group.

(b) 經營租約安排 (續)

- (ii) 本集團根據不可撤銷經營租約應支付的未來最低租金費用總額如下：

本集團根據經營租約安排租用多項物業，初步為期一年至三年或於本集團與相關業主共同協定的日期屆滿，惟租約並無提供於屆滿日續租的選擇權。

本期間內並無任何可供本集團確認的應收及應付或然租金。

Notes to the Condensed Consolidated Financial Statements (Cont'd)

簡明綜合財務報表附註 (續)

for the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

16. SUBSEQUENT EVENTS 結算日後事項

On 17 August 2007, the Company proposed to raise not less than approximately HK\$145.1 million and not more than approximately HK\$171.8 million before expenses by way of a rights issue of not less than 278,969,843 and not more than 330,371,300 new ordinary shares in respect of rights issue ("Rights Share") at a price of HK\$0.52 per Rights Share on the basis of three Rights Shares for every eight existing shares held on 7 September 2007. Details of the rights issue were disclosed in the announcement dated 17 August 2007 and the prospectus dated 10 September 2007.

On 10 August 2007, the Company entered into a convertible note subscription agreement (the "CN Agreement") with Asia Financial Holdings Limited ("AFH") and Asia Insurance Company, Limited ("AICL"). Mr. Chan Bernard Charnwut, a non-executive director of the Company is a director of AFH and AICL. Pursuant to the CN Agreement, AFH and AICL agreed to acquire the convertible note in sum of the principal amount of approximately HK\$75 million. Details of the agreements were disclosed in the announcement dated 17 August 2007 and the circular dated 10 September 2007.

On 31 August 2007, 76,636,553 ordinary shares of the Company were issued to Peeli Limited and Belbroughton at the price of HK\$0.6405 per share pursuant to the master transfer agreement described in note 14(a) to this condensed consolidated financial statements.

於二零零七年八月十七日，本公司擬透過供股方式，按於二零零七年九月七日每持有八股現有股份可獲發三股供股股份（「供股股份」）的基準，以每股供股股份0.52港元的價格發行不少於278,969,843股而不超過330,371,300股新普通股，籌集不少於約145,100,000港元而不超過約171,800,000港元（未扣除開支）。供股詳情已先後於二零零七年八月十七日刊發之公佈及二零零七年九月十日刊發之章程中予以披露。

於二零零七年八月十日，本公司與亞洲金融集團（控股）有限公司（「亞洲金融」）及亞洲保險有限公司（「亞洲保險」）訂立可換股票據認購協議（「換股票據協議」）。本公司非執行董事陳智思先生為亞洲金融及亞洲保險董事。根據換股票據協議，亞洲金融及亞洲保險同意認購本金總額約75,000,000港元之可換股票據。協議之詳情已先後於二零零七年八月十七日之公佈及二零零七年九月十日刊發之通函中予以披露。

於二零零七年八月三十一日，本公司根據本簡明綜合財務報表附註14(a)所述之物業轉讓框架協議以每股0.6405港元向 Peeli Limited 及 Belbroughton 發行本公司76,636,553股普通股。

Independent Review Report 獨立審核報告

Certified Public Accountants
Member of Grant Thornton International

**TO THE BOARD OF DIRECTORS OF
NEW HERITAGE HOLDINGS LTD.**

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 31 to 58 which comprise the condensed consolidated balance sheet of New Heritage Holdings Ltd. as of 30 June 2007 and the related condensed consolidated income statement, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on the interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors are responsible for the preparation and presentation of this interim financial report in accordance with HKAS 34.

Our responsibility is to express a conclusion on this interim financial report based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Grant Thornton 
均富會計師行

致新澤控股有限公司董事會

(於開曼群島註冊成立的有限公司)

緒言

吾等已審閱載於第31至58頁所載的中期財務資料。此中期財務資料包括新澤控股有限公司於二零零七年六月三十日之簡明綜合資產負債表與截至該日止六個月期間之相關簡明綜合收益表、簡明綜合權益變動表及簡明綜合現金流量表及說明附註。香港聯合交易所有限公司主板證券上市規則規定，為中期財務資料編製之報告必須符合有關上市規則及香港會計師公會（「香港會計師公會」）頒佈之香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。董事須負責根據香港會計準則第34號編製及呈列該中期財務報告。

吾等之責任是根據吾等對該等中期財務報告的審閱結果作出結論，並按照委聘之協定條款僅向作為實體之閣下報告結論，除此之外概無其他目的。本核數師不會就本報告之內容向任何其他人士負責或承擔任何責任。

Independent Review Report (Cont'd)

獨立審核報告 (續)

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report is not prepared, in all material respects, in accordance with HKAS 34.

Grant Thornton

Certified Public Accountants
13/F Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

27 September 2007

審閱範圍

吾等已根據香港會計師公會頒佈之香港審閱工作準則第2410號「公司獨立核數師對中期財務資料審閱」進行審閱。審閱中期財務資料包括主要向負責財務和會計事務之人員作出查詢，並應用分析和其他審閱程序。審閱範圍遠少於根據香港核數準則進行審核之範圍，故吾等無法保證知悉在審核中可能識別的所有重大事項。因此，吾等並不發表審核意見。

結論

按照吾等之審閱，吾等並無發現任何事項令吾等相信中期財務資料在各重大方面未有根據香港會計準則第34號編製。

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二零零七年九月二十七日

NH 新澤控股有限公司
New Heritage Holdings Ltd.

(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)

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