

2007-2008 Interim Report

二零零七至二零零八年度
中期報告書



Alfresco dining at
Pierside, Royal Pacific Hotel



Nicholini's, Conrad Hotel



信和酒店(集團)有限公司
Sino Hotels (Holdings) Limited

This interim report (“Interim Report”) (in both English and Chinese versions) has been posted on the Company’s website at <http://www.sino.com>. Shareholders who have chosen to rely on copies of the Corporate Communications (including but not limited to annual report, summary financial report (where applicable), interim report, summary interim report (where applicable), notice of meeting, listing document, circular and proxy form) posted on the Company’s website in lieu of any or all the printed copies thereof may request the printed copy of the Interim Report.

Shareholders who have chosen to receive the Corporate Communications using electronic means through the Company’s website and who for any reason have difficulty in receiving or gaining access to the Interim Report posted on the Company’s website will promptly upon request be sent the Interim Report in printed form free of charge.

Shareholders may at any time choose to change their choice of language and means of receipt (i.e. in printed form or by electronic means through the Company’s website) of all future Corporate Communications from the Company by giving reasonable notice in writing to the Company’s Principal Registrars, Tricor Friendly Limited, 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong.

此中期報告書（「中期報告書」）（英文及中文版）已於本公司網站<http://www.sino.com> 登載。凡選擇依賴在本公司網站上登載之公司通訊（其中包括但不限於年報、財務摘要報告（如適用）、中期報告書、中期摘要報告（如適用）、會議通告、上市文件、通函及代表委任表格）以代替任何或所有印刷本之股東，均可要求索取中期報告書之印刷本。

凡選擇以透過本公司網站之電子方式收取公司通訊之股東，如因任何理由於接收或獲准瀏覽於本公司網站登載之中期報告書時遇有困難，可於提出要求下即獲免費發送中期報告書印刷本。

股東可隨時以書面通知本公司主要股票登記處，卓佳準誠有限公司，地址為香港皇后大道東28號金鐘匯中心26樓，以更改日後收取公司通訊的語言版本及收取方式（印刷方式或以透過本公司網站之電子方式）之選擇。

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CORPORATE INFORMATION

Board of Directors

Robert Ng Chee Siong, Chairman
Ronald Joseph Arculli, GBS, CVO, OBE, JP[#]
Gilbert Lui Wing Kwong[#]
Peter Wong Man Kong, BBS, JP*
Adrian David Li Man-kiu*
Steven Ong Kay Eng*
Thomas Tang Wing Yung
Daryl Ng Win Kong

([#] Non-executive Directors)

(^{*} Independent Non-executive Directors)

Audit Committee

Adrian David Li Man-kiu, Chairman
Gilbert Lui Wing Kwong
Peter Wong Man Kong, BBS, JP
Steven Ong Kay Eng

Remuneration Committee

Daryl Ng Win Kong, Chairman
Peter Wong Man Kong, BBS, JP
Adrian David Li Man-kiu

Authorized Representatives

Robert Ng Chee Siong
Eric Ip Sai Kwong

Secretary

Eric Ip Sai Kwong

Auditor

Deloitte Touche Tohmatsu
Certified Public Accountants, Hong Kong

Solicitors

Baker & McKenzie, Hong Kong
Clifford Chance, Hong Kong
Maples and Calder, Cayman Islands

Shareholders' Calendar

Closure of Register of Members	14th April, 2008 to 16th April, 2008 (both dates inclusive)
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Last Date for lodging scrip dividend election forms	7th May, 2008 4:30 p.m.
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Interim Dividend Payable	HK2.6 cents per share 16th May, 2008
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Principal Bankers

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking
Corporation Limited
Mizuho Corporate Bank, Ltd.
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Sumitomo Mitsui Banking Corporation
Hang Seng Bank Limited

Investor Relations Contact

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E-mail : info@sino.com

Registered Office

Ugland House,
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Cayman Islands,
British West Indies

Principal Registrars

Tricor Friendly Limited
26th Floor, Tesbury Centre,
28 Queen's Road East,
Hong Kong
Telephone : (852) 2980 1333
Fax : (852) 2861 1465

Listing Information

Stock Code	1221
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CHAIRMAN'S STATEMENT

I am pleased to present my interim report to the shareholders.

INTERIM RESULTS

The Group's unaudited consolidated net profit attributable to shareholders for the six months ended 31st December, 2007 increased significantly by 69.2% to HK\$65.6 million compared with HK\$38.7 million in the corresponding period last year. The turnover of the Group increased to HK\$116.1 million from HK\$104.5 million in the corresponding period last year. Earnings per share for the period was 7.7 cents (2006: 4.6 cents).

The results for the interim period ended 31st December, 2007 reflect the adoption of all Hong Kong Financial Reporting Standards applicable to the Group that are effective for the accounting period.

DIVIDEND

The Directors have declared an interim dividend of 2.6 cents per share payable on 16th May, 2008 to shareholders whose names appear on the Register of Members of the Company on 16th April, 2008.

The interim dividend will be payable in cash but shareholders will be given the option of electing to receive the interim dividend in the form of new shares in lieu of cash in respect of part or all of such dividend. The new shares to be issued pursuant to the scrip dividend scheme are subject to their listing being granted by the Listing Committee of The Stock Exchange of Hong Kong Limited.

A circular containing details of the scrip dividend scheme will be despatched to shareholders together with the form of election for the scrip dividend on or about 24th April, 2008. It is expected that the interim dividend warrants and share certificates will be despatched to shareholders on or about 16th May, 2008.

The unaudited interim results have been reviewed by the Company's auditors, Deloitte Touche Tohmatsu.

REVIEW OF OPERATIONS

The tourism industry in Hong Kong registered encouraging growth in 2007 with the total number of visitor arrivals in Hong Kong for 2007 exceeding 28.1 million, representing an increase of 11.6% compared with that of 2006. Both long-haul and short-haul market segments achieved good growth. Total expenditure associated with the inbound tourism was over HK\$130 billion, close to 10% above the HK\$119 billion recorded in 2006. Economic activity remained strong, and with the HKSAR Government's efforts to promote Hong Kong as a MICE (Meeting, Incentive, Convention, Exhibition) destination, business travel continued to grow favourably in 2007. In January 2008, the Hong Kong Tourism Board announced that Hong Kong had won the Best MICE City Award by CEI Asia Pacific Magazine, which confirmed the recognition that Hong Kong's conference capabilities and quality of services have gained overseas.

Occupancy rates for City Garden Hotel, Royal Pacific Hotel & Towers and Conrad Hong Kong for the six months ended 31st December, 2007 were 92.4%, 85.1% and 82.6% respectively compared with 91.4%, 84.5% and 78.5% respectively for the corresponding period in 2006.

The turnover of City Garden Hotel, Royal Pacific Hotel & Towers and Conrad Hong Kong during the interim period was HK\$107.8 million, HK\$151.9 million and HK\$360.7 million respectively compared with HK\$97.1 million, HK\$137.8 million and HK\$329.2 million for the corresponding period in 2006.

CHAIRMAN'S STATEMENT *(Continued)*

REVIEW OF OPERATIONS *(Continued)*

The Group aims to provide and maintain the highest standards of customer service. Management will continue to improve the quality of its products and services to ensure customer satisfaction and brand enhancement.

Finance

As at 31st December, 2007, the Group's gearing ratio, expressed as a percentage of bank and other borrowings net of cash and bank balances over shareholders' equity, was at approximately 11.8%. Of the total borrowings, 14.5% was repayable within one year and the remaining repayable after one year. The Group, including the attributable shares of its associates, held cash resources of approximately HK\$268.4 million, comprising cash on hand of approximately HK\$138.4 million together with committed undrawn facilities of approximately HK\$130.0 million.

There was no material change in foreign currency borrowings and the capital structure of the Group for the interim period ended 31st December, 2007. Foreign exchange exposure is kept at a minimal level. The majority of the Group's borrowings are subject to floating interest rates.

As at 31st December, 2007, the Group did not record any material changes in contingent liabilities since the previous financial year ended 30th June, 2007.

Other than the above mentioned, there was no material change from the information published in the report and accounts for the year ended 30th June, 2007.

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

The Group recognises that long-term shareholder value can best be optimised by operating and performing in a socially responsible manner. Corporate integrity, ethics, governance and citizenship are important to the Group's daily operations and management. As a committed and responsible corporate citizen, the Group has been working closely with different charitable organisations to support various community services for the needy, and with environmental conservation groups to promote a better environment and healthy living.

EMPLOYEE PROGRAMMES

Employees are the paramount asset of our Group, and their contribution and commitment is essential to our success. As such, we continue to place significant importance on staff retention, recognition, training and development. We believe our staff development initiatives can further improve enthusiasm, commitment and a sense of belonging.

The Sino Group Customer Covenant is cascading to every level of the hotel. Driven by our guiding principle of "customer comes first", we aim to truly understand the needs of every customer. As such, employees are given the opportunity to acquire new knowledge and skills by participating in various in-house and external training courses. Customer service training, language courses and grooming workshops all focus on enhancing valuable employee skills.

CHAIRMAN'S STATEMENT *(Continued)*

EMPLOYEE PROGRAMMES *(Continued)*

The Group continuously carries out the Sino Excellence Programme, which aims to understand customers' needs and further improve our services. In addition, the Group conducted an Employee Satisfaction Survey and established three award schemes namely "Employee of the Quarter", "Employee of the Year" and "Manager of the Year" to recognise and retain outstanding employees. We further encourage outstanding employees to undergo structured training programmes to equip them to be future leaders of our Hotel Group.

The Group will continue to encourage management and employees to participate in local community and charitable initiatives. The safety and protection of customers, employees and the surrounding environment are emphasised in all aspects of our business.

INDUSTRY OUTLOOK AND PROSPECTS

International tourism grew impressively in 2007 with tourist arrivals reaching nearly 900 million, a record level that exceeds the expectations of the World Tourism Organisation (UNWTO). This better-than-expected result substantiates the fact that the world tourism industry is on a path to sustainable growth.

China's economic prosperity plays a key role in the development of the tourism industry in Hong Kong as does the economic and social ties between Hong Kong and Mainland China. The growing affluence of many people in Mainland China has led to a rise in demand for leisure and family travel with a positive long term impact on Hong Kong's economy. Trade activities between Mainland China and Hong Kong is expected to increase, stimulating further business travel and demand for conferences, exhibitions and corporate events. The appreciation of the Renminbi has strengthened the purchasing power of Chinese travellers which will further encourage their desire to spend. The economic benefits derived from the Individual Visit Scheme offered by 49 cities on the Mainland suggest a long lasting positive effect on Hong Kong's economy. Visitors travelling on the Scheme have grown strongly and are expected to increase further.

In view of these trends, the HKSAR Government has taken steps to promote exhibitions and conventions, cultural tourism and multi-destination travel to various cities close to Hong Kong. The HKSAR Government's strenuous efforts to make Hong Kong a more visitor-friendly city have shown good results. Government's policy and initiatives involving identifying, developing and upgrading visitor attractions, enhancing transportation infrastructure, conserving and revitalising historic buildings and public facilities, promoting art and culture, upholding service quality and developing a courteous culture will all help to advance the industry and make Hong Kong a tourism and events capital. In addition to the ongoing initiatives to promote tourism and hospitality businesses in Hong Kong, the recently announced 2008-09 HKSAR Government's Budget proposing to allocate extra government spending for its overseas marketing network and to waive the Hotel Accommodation Tax are positive to the growth of the hotel industry in Hong Kong. Together with the development of a new cruise terminal at Kai Tak, Hong Kong will enhance its appeal and attract more high value-added travellers. The 2008 Olympic Games in Beijing, the 2008 Olympic Equestrian Events and the 2009 East Asian Games will further make Hong Kong a focus of world attention.

CHAIRMAN'S STATEMENT *(Continued)*

INDUSTRY OUTLOOK AND PROSPECTS *(Continued)*

The Group emphasises market positioning and brand enhancement for its hotels. Management makes continuous efforts to strengthen the competitiveness of the Group's hotels. The Group has carried out an asset enhancement programme to renovate the guest rooms and facilities of all of its hotels on an ongoing basis. The programme will make our hotels more appealing to our discerning guests. It also improves operational efficiency and optimises earnings.

A plan to renovate the last phase of the guest rooms in City Garden Hotel has already been rolled out. A number of rooms are now under renovation and are expected to be completed in 2008.

With regard to Conrad Hong Kong, following the completion of the guest room renovation programme, a revamp of Nicholini's restaurant and Pacific Bar was also completed in October 2007. A continuing asset enhancement renovation programme is in place aiming to offer customers enjoyable and comfortable stays with the hotel.

The Royal Pacific Hotel & Towers completed the renovation of a number of its guest rooms with the remaining guest rooms to be renovated by phases. A new restaurant, Satay Inn, was opened during the interim period, providing another choice of fine Asian cuisine to discerning diners and our hotel guests. The renovation of the Pierside restaurant and bar was completed in November 2007, providing a brand new stylish waterfront restaurant and bar as well as offering a spectacular 180-degree sunset view of Victoria Harbour overlooking Hong Kong Island and West Kowloon. It is also an ideal venue for private and company parties and watching festive fireworks.

Looking forward, economic growth in the region and Mainland China are the main drivers for a healthy growth of the tourism, hospitality and retail industries in Hong Kong. The Directors are confident in the medium to long term prospects of the Group.

STAFF AND MANAGEMENT

On behalf of the Board, I would like to take this opportunity to express my sincere appreciation to all our staff for their commitment, dedication and continuing support. I would also like to express my gratitude to my fellow Directors for their guidance and wise counsel.

Robert NG Chee Siong
Chairman

Hong Kong, 18th March, 2008

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 31st December, 2007

		Six months ended	
		31st December,	31st December,
		2007	2006
		HK\$	HK\$
<i>NOTES</i>		(Unaudited)	(Unaudited)
Turnover	3	116,145,069	104,571,578
Direct costs		(30,430,962)	(27,988,182)
Marketing costs		(3,965,056)	(4,112,955)
Administrative expenses		(9,939,006)	(9,713,295)
Other expenses		(29,938,984)	(30,117,514)
Finance income	4	2,147,760	2,022,473
Finance costs	5	(20,214,960)	(22,173,874)
Net finance costs		(18,067,200)	(20,151,401)
Share of results of associates		47,771,378	30,396,294
Profit before taxation	6	71,575,239	42,884,525
Income tax expense	7	(5,965,242)	(4,098,008)
Profit for the period		<u>65,609,997</u>	<u>38,786,517</u>
Dividend	8	<u>23,790,597</u>	<u>21,888,152</u>
Earnings per share – basic	9	<u>7.72 cents</u>	<u>4.61 cents</u>

CONDENSED CONSOLIDATED BALANCE SHEET

At 31st December, 2007

		31st December, 2007 HK\$ (Unaudited)	30th June, 2007 HK\$ (Audited)
	<i>NOTES</i>		
NON-CURRENT ASSETS			
Property, plant and equipment	10	343,640,024	347,916,851
Prepaid lease payments – non-current		1,234,948,503	1,246,057,485
Interests in associates	11	1,137,556,497	1,089,785,119
Available-for-sale financial assets	15	719,172,417	722,333,008
Pledged fixed deposit	15	1,526,535	1,493,370
		<u>3,436,843,976</u>	<u>3,407,585,833</u>
CURRENT ASSETS			
Hotel inventories		448,510	423,728
Trade and other receivables	12	14,418,045	8,480,423
Prepaid lease payments – current		22,217,964	22,217,964
Amounts due from associates		223,080,242	221,303,581
Bank balances and cash		41,344,444	43,747,262
		<u>301,509,205</u>	<u>296,172,958</u>
CURRENT LIABILITIES			
Trade and other payables	13	20,443,451	16,467,635
Amount due to an associate		72,879	75,999
Tax payable		10,420,339	5,827,806
Bank loans and other borrowings		56,169,668	56,169,668
		<u>87,106,337</u>	<u>78,541,108</u>
NET CURRENT ASSETS		<u>214,402,868</u>	<u>217,631,850</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,651,246,844</u>	<u>3,625,217,683</u>
CAPITAL AND RESERVES			
Share capital		854,453,974	849,664,182
Reserves		2,042,280,416	1,988,540,086
		<u>2,896,734,390</u>	<u>2,838,204,268</u>
NON-CURRENT LIABILITIES			
Bank loans and other borrowings		330,870,790	373,877,065
Amount due to an associate		420,156,735	410,207,492
Deferred taxation		3,484,929	2,928,858
		<u>754,512,454</u>	<u>787,013,415</u>
		<u>3,651,246,844</u>	<u>3,625,217,683</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31st December, 2007

	Share capital HK\$	Share premium HK\$	Investment revaluation reserve HK\$	Distributable reserve HK\$	Retained profits (accumulated losses) HK\$	Total HK\$
At 1st July, 2006 (audited)	841,852,008	135,996,864	52,248,578	1,514,342,941	(60,978,486)	2,483,461,905
Gain on fair value changes of available-for-sale financial assets recognised directly in equity	–	–	234,847,974	–	–	234,847,974
Profit for the period	–	–	–	–	38,786,517	38,786,517
Total recognised income for the period	–	–	234,847,974	–	38,786,517	273,634,491
Shares issued pursuant to scrip dividend scheme for final dividend in respect of the year ended 30th June, 2006	4,219,322	16,944,798	–	–	–	21,164,120
Share issue expenses	–	(108,912)	–	–	–	(108,912)
Dividend	–	–	–	(21,888,152)	–	(21,888,152)
At 31st December, 2006 (unaudited)	846,071,330	152,832,750	287,096,552	1,492,454,789	(22,191,969)	2,756,263,452
Gain on fair value changes of available-for-sale financial assets recognised directly in equity	–	–	35,793,520	–	–	35,793,520
Profit for the period	–	–	–	–	46,899,887	46,899,887
Total recognised income for the period	–	–	35,793,520	–	46,899,887	82,693,407
Shares issued pursuant to scrip dividend scheme for interim dividend in respect of the year ended 30th June, 2007	3,592,852	16,117,537	–	–	–	19,710,389
Share issue expenses	–	(157,269)	–	–	–	(157,269)
Dividend	–	–	–	(20,305,711)	–	(20,305,711)
At 30th June, 2007 (audited)	849,664,182	168,793,018	322,890,072	1,472,149,078	24,707,918	2,838,204,268
Loss on fair value changes of available-for-sale financial assets recognised directly in equity	–	–	(6,296,624)	–	–	(6,296,624)
Profit for the period	–	–	–	–	65,609,997	65,609,997
Total recognised income (expense) for the period	–	–	(6,296,624)	–	65,609,997	59,313,373
Shares issued pursuant to scrip dividend scheme for final dividend in respect of the year ended 30th June, 2007	4,789,792	18,335,324	–	–	–	23,125,116
Share issue expenses	–	(117,770)	–	–	–	(117,770)
Dividend	–	–	–	(23,790,597)	–	(23,790,597)
At 31st December, 2007 (unaudited)	854,453,974	187,010,572	316,593,448	1,448,358,481	90,317,915	2,896,734,390

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 31st December, 2007

	Six months ended	
	31st December, 2007 HK\$ (Unaudited)	31st December, 2006 HK\$ (Unaudited)
Net cash from operating activities	51,554,391	41,959,898
Net cash (used in) from investing activities	(994,263)	746,397
Net cash used in financing activities		
Repayments of bank loans and other borrowings	(44,000,000)	(304,937,018)
New other borrowings raised	573,725	–
Advance from an associate	9,949,243	294,750,000
Other financing cash flows	(19,485,914)	(19,675,153)
	<u>(52,962,946)</u>	<u>(29,862,171)</u>
Net (decrease) increase in cash and cash equivalents	(2,402,818)	12,844,124
Cash and cash equivalents at the beginning of the period	<u>43,747,262</u>	<u>25,805,125</u>
Cash and cash equivalents at the end of the period, represented by bank balances and cash	<u>41,344,444</u>	<u>38,649,249</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31st December, 2007

1. BASIS OF PREPARATION

The condensed consolidated financial statements 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 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

2. PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the annual financial statements of the Company and its subsidiaries (the “Group”) for the year ended 30th June, 2007.

In the current interim period, the Group has applied, for the first time, the following new standard, amendment and interpretations (“new HKFRSs”) issued by the HKICPA, which are effective for the Group’s financial year beginning 1st July, 2007.

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment
HK(IFRIC) – Int 11	HKFRS 2: Group and Treasury Share Transactions

The adoption of these new HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the following new and revised standards or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKFRS 8	Operating Segments ¹
HK(IFRIC) – Int 12	Service Concession Arrangements ²
HK(IFRIC) – Int 13	Customer Loyalty Programmes ³
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ²

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

² Effective for annual periods beginning on or after 1st January, 2008

³ Effective for annual periods beginning on or after 1st July, 2008

The Directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the results and the financial position of the Group.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 31st December, 2007

3. SEGMENT INFORMATION

Business segments

For management purposes, the Group is currently organised into four operating divisions - hotel operations, club operations, investment holding and hotel management services. These operating divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Hotel operations	– own and operate a hotel
Club operations	– operate a club
Investment holding	– investments in available-for-sale financial assets
Hotel management services	– provide hotel management services

Segment information about these businesses is presented below.

For the six months ended 31st December, 2007

	Hotel operations <i>HK\$</i>	Club operations <i>HK\$</i>	Investment holding <i>HK\$</i>	Hotel management services <i>HK\$</i>	Consolidated <i>HK\$</i>
TURNOVER	<u>107,846,447</u>	<u>4,173,329</u>	<u>3,136,033</u>	<u>989,260</u>	<u>116,145,069</u>
RESULT					
Segment result	<u>39,463,876</u>	<u>863,932</u>	<u>3,133,642</u>	<u>989,260</u>	44,450,710
Unallocated corporate expenses					(2,579,649)
Finance income					2,147,760
Finance costs					(20,214,960)
Share of results of associates					<u>47,771,378</u>
Profit before taxation					71,575,239
Income tax expense					<u>(5,965,242)</u>
Profit for the period					<u>65,609,997</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 31st December, 2007

3. SEGMENT INFORMATION *(Continued)*

Business segments *(Continued)*

For the six months ended 31st December, 2006

	Hotel operations <i>HK\$</i>	Club operations <i>HK\$</i>	Investment holding <i>HK\$</i>	Hotel management services <i>HK\$</i>	Consolidated <i>HK\$</i>
TURNOVER	<u>97,138,052</u>	<u>3,866,278</u>	<u>2,577,988</u>	<u>989,260</u>	<u>104,571,578</u>
RESULT					
Segment result	<u>31,369,749</u>	<u>703,077</u>	<u>2,576,023</u>	<u>989,260</u>	35,638,109
Unallocated corporate expenses					(2,998,477)
Finance income					2,022,473
Finance costs					(22,173,874)
Share of results of associates					<u>30,396,294</u>
Profit before taxation					42,884,525
Income tax expense					<u>(4,098,008)</u>
Profit for the period					<u>38,786,517</u>

4. FINANCE INCOME

	Six months ended	
	31st December, 2007 <i>HK\$</i>	31st December, 2006 <i>HK\$</i>
Interest income on:		
Advance to an associate	1,669,982	1,494,732
Bank deposits	477,778	467,441
Others	<u>—</u>	<u>60,300</u>
	<u>2,147,760</u>	<u>2,022,473</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 31st December, 2007

5. FINANCE COSTS

	Six months ended	
	31st December, 2007 HK\$	31st December, 2006 HK\$
Interest and other finance costs on:		
Bank loans wholly repayable within five years	10,175,436	16,417,100
Advance from an associate	9,949,243	5,499,545
Other unsecured loans	90,281	257,229
	<u>20,214,960</u>	<u>22,173,874</u>

6. PROFIT BEFORE TAXATION

	Six months ended	
	31st December, 2007 HK\$	31st December, 2006 HK\$
Profit before taxation has been arrived at after charging:		
Cost of hotel inventories recognised as an expense	6,829,882	5,821,271
Depreciation of property, plant and equipment	5,609,024	5,956,752
Release of prepaid lease payments	11,108,982	11,108,982

7. INCOME TAX EXPENSE

	Six months ended	
	31st December, 2007 HK\$	31st December, 2006 HK\$
The charge comprises:		
Taxation attributable to the Company and its subsidiaries		
Hong Kong Profits Tax		
Current period	5,409,171	3,665,474
Underprovision in prior periods	—	49
	<u>5,409,171</u>	<u>3,665,523</u>
Deferred taxation	556,071	432,485
	<u>5,965,242</u>	<u>4,098,008</u>

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 31st December, 2007

8. DIVIDEND

	Six months ended	
	31st December, 2007 HK\$	31st December, 2006 HK\$
Final dividend for the year ended 30th June, 2007:		
HK2.8 cents (<i>year ended 30th June, 2006: HK2.6 cents</i>) per share	<u>23,790,597</u>	<u>21,888,152</u>

The Directors determined that an interim dividend for the six months ended 31st December, 2007 of HK2.6 cents (*six months ended 31st December, 2006: HK2.4 cents*) per share would be paid to the shareholders of the Company whose names appear in the Register of Members on 16th April, 2008.

9. EARNINGS PER SHARE – BASIC

The calculation of basic earnings per share is based on the profit for the period of HK\$65,609,997 (*six months ended 31st December, 2006: HK\$38,786,517*) and on the weighted average number of 850,132,749 (*six months ended 31st December, 2006: 842,241,837*) shares in issue during the period.

10. ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31st December, 2007, the Group spent approximately HK\$1,332,000 (*six months ended 31st December, 2006: HK\$806,000*) on property, plant and equipment.

11. INTERESTS IN ASSOCIATES

	31st December, 2007 HK\$	30th June, 2007 HK\$
Cost of unlisted investments in associates	1,062,961,933	1,062,961,933
Deemed capital contribution to an associate	603,000	603,000
Share of post acquisition profits, net of dividends received	<u>73,991,564</u>	<u>26,220,186</u>
	<u>1,137,556,497</u>	<u>1,089,785,119</u>

Included in the cost of investments in associates is goodwill of HK\$186,513,404 (*30th June, 2007: HK\$186,513,404*) arising on acquisitions of associates in prior years.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 31st December, 2007

11. INTERESTS IN ASSOCIATES (Continued)

The Inland Revenue Department (the “IRD”) initiated tax inquiries for the years of assessment 1994/95 to 2002/03 on a wholly-owned subsidiary, Bestown Property Limited (“Bestown”), of the Group’s associate, Asian Glory Limited. Notices of assessments for additional tax in an aggregate amount of approximately HK\$133,062,000 were issued to Bestown for the years under review and objections were properly lodged with the IRD by Bestown. The Commissioner of Inland Revenue (“CIR”) issued written determinations on 16 October 2006 in relation to Bestown’s objection. Bestown has lodged appeals against the CIR’s determinations to the Board of Review and the appeal is scheduled to be heard in July 2008. The effective share of the additional tax attributable to the Group as at 31st December, 2007 is estimated to be approximately HK\$33,265,000 (30th June, 2007: HK\$33,265,000). In the opinion of the management of Bestown, it is their intention to vigorously contest the relevant assessments issued by the IRD. As the ultimate outcome of the tax inquiries cannot presently be determined by the management of Bestown with an acceptable degree of reliability, and accordingly, no provision for any liabilities that may result has been made in the financial statements of Bestown.

The Directors of the Company have taken note of the above matters and have made due inquiries. Nothing has come to the attention of the Board of Directors of the Company which indicates that there has been material subsequent development or change in status in respect of the above matters.

12. TRADE AND OTHER RECEIVABLES

The Group maintains a defined credit policy. An aged analysis of trade receivables is as follows:

	31st December, 2007 HK\$	30th June, 2007 HK\$
Trade receivables		
0-30 days	8,137,628	5,285,912
31-60 days	2,109,719	1,330,676
61-90 days	385,956	508,360
	10,633,303	7,124,948
Other receivables	3,784,742	1,355,475
	14,418,045	8,480,423

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 31st December, 2007

13. TRADE AND OTHER PAYABLES

An aged analysis of trade payables is as follows:

	31st December,	30th June,
	2007	2007
	HK\$	HK\$
Trade payables		
0-30 days	6,008,225	4,252,227
31-60 days	346,835	246,331
61-90 days	153,987	63,208
	6,509,047	4,561,766
Other payables	13,934,404	11,905,869
	20,443,451	16,467,635

14. CONTINGENT LIABILITIES

Other than as disclosed in note 11, at the balance sheet date, the Group had no contingent liabilities.

15. PLEDGE OF ASSETS

- (a) At 31st December, 2007, the Group has pledged its hotel properties and prepaid lease payments having carrying amounts of HK\$317,654,975 (*30th June, 2007: HK\$320,461,941*) and HK\$1,257,166,467 (*30th June, 2007: HK\$1,268,275,449*) respectively, available-for-sale financial assets at fair value of HK\$420,174,630 (*30th June, 2007: HK\$423,376,474*) and pledged by way of floating charges in other assets of HK\$78,694,547 (*30th June, 2007: HK\$74,725,998*) to banks to secure loan facilities granted to the Group;
- (b) The Group has pledged its time deposit of HK\$1,526,535 (*30th June, 2007: HK\$1,493,370*) to secure a letter of guarantee issuance facility; and
- (c) The investments in certain subsidiaries of the Company have been pledged to banks or financial institutions to secure loan facilities granted to the Group.

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Monday, 14th April, 2008 to Wednesday, 16th April, 2008, both dates inclusive, during which period no transfer of shares will be effected. The record date for the interim dividend is at the close of business on Wednesday, 16th April, 2008.

In order to qualify for the interim dividend, shareholders should ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's Principal Registrars, Tricor Friendly Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Friday, 11th April, 2008.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the interim period.

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31st December, 2007, the interests and short positions held by the Directors in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company under Section 352 of the SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), were as follows:

Long Positions in Shares of the Company

Name of Directors	Number of Ordinary Shares	Capacity and Nature of Interest	% of Issued Share Capital
Mr. Robert Ng Chee Siong	913,134	Beneficial owner of 230,161 shares and spouse interest in 682,973 shares	0.10%
The Honourable Ronald Joseph Arculli, GBS, CVO, OBE, JP	282,167	Beneficial owner	0.03%
Mr. Gilbert Lui Wing Kwong	—	—	—
Mr. Peter Wong Man Kong, BBS, JP	—	—	—
Mr. Adrian David Li Man-kiu	—	—	—
Mr. Steven Ong Kay Eng	—	—	—
Mr. Thomas Tang Wing Yung	—	—	—
Mr. Daryl Ng Win Kong	—	—	—

Save as disclosed above, as at 31st December, 2007, none of the Directors had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations which were recorded in the register required to be kept by the Company under Section 352 of the SFO or required to be notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER SHAREHOLDERS' INTERESTS

As at 31st December, 2007, the interests and short positions of the substantial shareholders and other shareholders in the shares and underlying shares of the Company as recorded in the register kept under Section 336 of Part XV of the SFO were as follows:

Long Positions in Shares of the Company

Name of Substantial Shareholders	Number of Ordinary Shares	Capacity and Nature of Interest	% of Issued Share Capital
Mr. Ng Teng Fong	401,415,699 <i>(Note 1)</i>	Beneficial owner of 35,316,146 shares, spouse interest in 979,799 shares and interest of controlled corporations in 365,119,754 shares	46.97%
Tamworth Investment Limited	142,426,804 <i>(Note 2)</i>	Beneficial owner	16.66%
Strathallan Investment Limited	95,912,346 <i>(Note 2)</i>	Beneficial owner	11.22%
Name of Other Shareholders	Number of Ordinary Shares	Capacity and Nature of Interest	% of Issued Share Capital
Solid Capital Holdings Limited	83,087,978 <i>(Note 3)</i>	Security interest in 82,725,739 shares and beneficial owner of 362,239 shares	9.72%
Nippomo Limited	47,450,406 <i>(Note 2)</i>	Beneficial owner	5.55%

Notes:

1. *As regards 365,119,754 shares held by controlled corporations:*
 - (a) *363,483,781 shares were held through companies which were 100% controlled by Mr. Ng Teng Fong – 35,213,005 shares by Fanlight Investment Limited, 15,222,298 shares by Karaganda Investments Inc., 47,450,406 shares by Nippomo Limited, 1,383,960 shares by Orient Creation Limited, 95,912,346 shares by Strathallan Investment Limited, 4,124,703 shares by Strong Investments Limited, 142,426,804 shares by Tamworth Investment Limited and 21,750,259 shares by Transpire Investment Limited; and*
 - (b) *1,635,973 shares were held through wholly-owned subsidiaries of Tsim Sha Tsui Properties Limited, in which Mr. Ng Teng Fong had a 71.75% control.*
2. *The interests of Nippomo Limited, Strathallan Investment Limited and Tamworth Investment Limited were duplicated in the interests of Mr. Ng Teng Fong.*
3. *19,889 shares were held by Meadow Gate Company Limited which is 70% controlled by Solid Capital Holdings Limited.*

Save as disclosed above and so far as the Directors of the Company are aware of, as at 31st December, 2007, no other person had an interest or short position in the shares and underlying shares of the Company which were recorded in the register required to be kept under Section 336 of the SFO, or was otherwise a substantial shareholder of the Company.

COMPLIANCE COMMITTEE

The Company set up its Compliance Committee on 30th August, 2004 with written terms of reference to enhance the corporate governance of the Group. The Committee has dual reporting lines. A principal reporting line is to the Board. A secondary reporting line is to the Audit Committee. The existing Committee comprises the Executive Directors, the two Heads of Legal and Company Secretarial Departments, Group General Manager (Hotel), the Chief Financial Officer, Head of Internal Audit Department, department heads and the Compliance Officer. The Committee holds bi-monthly regular meetings to review and make recommendations to the Board and the Audit Committee on the Group's corporate governance issues and Listing Rules compliance matters.

AUDIT COMMITTEE

The Company set up its Audit Committee on 16th September, 1998. The Committee reports to the Board and has held regular meetings since its establishment to review and make recommendations to improve the Group's financial reporting process and internal controls. The Committee comprises Mr. Adrian David Li Man-kiu (Committee Chairman), Mr. Peter Wong Man Kong, BBS, JP and Mr. Steven Ong Kay Eng, all of whom are Independent Non-executive Directors, and Mr. Gilbert Lui Wing Kwong, a Non-executive Director.

In the first quarter of 2008, the Audit Committee has reviewed the accounting policies and practices adopted by the Group and the interim report for the six months ended 31st December, 2007.

REMUNERATION COMMITTEE

The Company established its Remuneration Committee on 23rd June, 2005 with written terms of reference. The Committee comprises three members with the Independent Non-executive Directors constituting the majority of the Committee. The Chairman of the Committee is the Executive Director, Mr. Daryl Ng Win Kong and two other members are the Independent Non-executive Directors, namely Mr. Peter Wong Man Kong, BBS, JP and Mr. Adrian David Li Man-kiu.

The Remuneration Committee is responsible for, inter alia, making recommendations to the Board on the Company's emolument policy and structure for Directors and senior management and on the establishment of a formal and transparent procedure for developing such policy and structure. In arriving at its recommendations, the Committee will consult with the Chairman and take into consideration factors including but not limited to salaries paid by comparable companies, employment conditions elsewhere in the Company and its subsidiaries and desirability of performance-based remuneration. The Committee would meet at least annually to make recommendations to the Board on the Group's emolument policy including the remuneration of Directors and senior management.

CODES FOR DEALING IN THE COMPANY'S SECURITIES

The Company has adopted its code for dealing in the Company's securities by Directors (the "Company Code") on terms no less exacting than the required standard set out in the Model Code of the Listing Rules. The Company has made specific enquiries of all Directors who confirmed compliance with the required standard set out in the Company Code during the six months ended 31st December, 2007.

The Company has also adopted a code for dealing in the Company's securities by relevant employees, who are likely to be in possession of unpublished price-sensitive information in relation to the securities of the Company, on no less exacting terms than the Model Code.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

During the six months ended 31st December, 2007, the Company has complied with all code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules, except that there was no separation of the roles of the chairman and the chief executive officer, both of the roles are currently undertaken by the Chairman of the Board.

The Board is of the view that the current management structure has been effective in facilitating the Company's operation and business development and that necessary checks and balances consistent with sound corporate governance practices are in place. The implementation of strategies and policies of the Board and the operation of each business unit is overseen and monitored by designated responsible Executive Director. The Board found that the current arrangement had worked effectively in enabling it to discharge its responsibilities satisfactorily. In addition, the three Independent Non-executive Directors have contributed valuable independent views and proposals for the Board's deliberation and decisions. The Board will review the management structure regularly to ensure it continues to meet these objectives and is in line with the industry practices.

By Order of the Board
Eric IP Sai Kwong
Secretary

Hong Kong, 18th March, 2008

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



TO THE BOARD OF DIRECTORS OF SINO HOTELS (HOLDINGS) LIMITED

Introduction

We have reviewed the interim financial information set out on pages 8 to 18, which comprises the condensed consolidated balance sheet of Sino Hotels (Holdings) Limited as of 31st December, 2007 and the related condensed consolidated income statement, statement of changes in equity and cash flow statement for the six-month period then ended and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information 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.

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 Hong Kong Institute of Certified Public Accountants. A review of interim financial information 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 information is not prepared, in all material respects, in accordance with HKAS34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

18th March, 2008

公司資料

董事會

黃志祥 (主席)
夏佳理，GBS, CVO, OBE, JP[#]
呂榮光[#]
王敏剛，BBS, JP^{*}
李民橋^{*}
王繼榮^{*}
鄧永鏞
黃永光

([#] 非執行董事)

(^{*} 獨立非執行董事)

審核委員會

李民橋 (主席)
呂榮光
王敏剛，BBS, JP
王繼榮

薪酬委員會

黃永光 (主席)
王敏剛，BBS, JP
李民橋

法定代表

黃志祥
葉世光

秘書

葉世光

核數師

德勤•關黃陳方會計師行
香港執業會計師

律師

麥堅時律師行，香港
高偉紳律師行，香港
Maples and Calder，開曼群島

股東時間表

截止過戶日期 二零零八年四月十四日至
二零零八年四月十六日
(首尾兩天包括在內)

遞交以股代息 二零零八年五月七日
選擇表格之最後日期 下午四時三十分

中期股息 每股二點六港仙
派發日期 二零零八年五月十六日

主要銀行

中國銀行(香港)有限公司
香港上海滙豐銀行有限公司
瑞穗實業銀行
三菱東京UFJ銀行
三井住友銀行
恒生銀行有限公司

投資者聯絡方法

如有任何查詢，請聯絡：
總經理(企業財務部)
電話：(852) 2734 8312
圖文傳真：(852) 2369 1236
電子郵件：investorrelations@sino.com

主要辦事處

香港九龍尖沙咀梳士巴利道
尖沙咀中心12字樓
電話：(852) 2721 8388
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國際互聯網址：<http://www.sino.com>
電子郵件：info@sino.com

註冊辦事處

Ugland House,
P.O. Box 309,
George Town, Grand Cayman,
Cayman Islands,
British West Indies

主要股票登記處

卓佳準誠有限公司
香港皇后大道東28號
金鐘匯中心26樓
電話：(852) 2980 1333
圖文傳真：(852) 2861 1465

上市資料

股份代號 1221

主席報告

本人謹向股東提交中期報告。

中期業績

截至二零零七年十二月三十一日止六個月內，集團錄得未經審核之股東應佔綜合純利為六千五百六十萬港元，較去年同期之三千八百七十萬港元，顯著上升達百分之六十九點二。集團之營業額由去年同期之一億零四百五十萬港元，上升至一億一千六百一十萬港元。期內每股盈利為七點七仙（二零零六：四點六仙）。

截至二零零七年十二月三十一日止之中期業績乃集團採納於會計年度生效的《香港財務報告準則》，並以其中適用於本公司的準則而編製。

股息

董事會建議於二零零八年五月十六日派發中期息每股二點六仙，給予在二零零八年四月十六日名列於本公司股東名冊之股東。

中期股息將以現金方式派發予股東，惟股東將有權選擇部份或全部收取新發行之股份代替以現金方式收取中期股息。依據此項以股代息計劃所發行之新股，須待香港聯合交易所有限公司上市委員會批准上市買賣，方可作實。

載有關於以股代息計劃詳情之通函及選擇以股代息之表格，將約於二零零八年四月二十四日寄予各股東。預計中期股息單及股票將約於二零零八年五月十六日發送給股東。

此未經審核之中期業績經由本公司之核數師，德勤•關黃陳方會計師行審閱。

業務回顧

二零零七年本港旅遊業增長令人鼓舞，訪港旅客逾二千八百一十萬人次，較二零零六年同期上升百分之十一點六。長途及短途地區旅客均錄得可觀增長。與入境旅遊相關的總開支上升至逾一千三百億港元，較二零零六年同期之一千一百九十億港元，增幅接近百分之十。本港經濟活動持續強勁，加上香港特區政府致力將香港打造為會議、展覽、企業會議及獎勵旅遊（MICE）之都，因此二零零七年商務旅遊增長持續理想。二零零八年一月，香港旅遊發展局宣佈本港以其會議支援能力及優質服務贏得海外認同及肯定，榮獲《CEI Asia Pacific》雜誌選為「亞太區最佳MICE城市」。

截至二零零七年十二月三十一日止六個月內，城市花園酒店、皇家太平洋酒店及港麗酒店之入住率分別為百分之九十二點四、百分之八十五點一及百分之八十二點六；而二零零六年同期之入住率則分別為百分之九十一點四、百分之八十四點五及百分之七十八點五。

中期年度內，城市花園酒店、皇家太平洋酒店及港麗酒店之營業額分別為一億零七百八十萬港元、一億五千一百九十萬港元及三億六千零七十萬港元；二零零六同期之營業額則分別為九千七百一十萬港元、一億三千七百八十萬港元及三億二千九百二十萬港元。

主席報告 (續)

業務回顧 (續)

集團致力提供並保持最高質素的客戶服務。管理層不斷提升設施及服務質素，務求令顧客稱心滿意及提升品牌形象。

財務

二零零七年十二月三十一日止，集團的資本負債比率按淨債項與股東權益比率計算約為百分之十一點八。集團貸款總額中，百分之十四點五於一年內償還，其餘則於一年後償還。集團包括所佔聯營公司擁有現金資源約二億六千八百四十萬港元，其中包括手頭現金約一億三千八百四十萬港元及可動用之未提取信貸約一億三千萬港元。

截至二零零七年十二月三十一日止中期年度內，集團在外匯貸款及資本結構上沒有錄得重大轉變。外匯風險亦維持於低水平。集團大部份借貸均以浮息為基礎。

於二零零七年十二月三十一日，集團較去年截至二零零七年六月三十日止之財政年度，在或然負債方面沒有錄得任何重大轉變。

除上述事項外，其他資料對比二零零七年六月三十日止之年報並無任何其他重大轉變。

社會關係及環境保護責任

集團認為要達致股東長遠利益，必須履行社會責任。故此，集團於日常運作及管理上，尤其重視企業誠信、道德操守、良好管治及公民責任。作為一個具承擔、盡責任的企業公民，集團與多個慈善機構緊密合作，為有需要的團體舉辦不同社區活動，更與環保團體攜手合作，推廣環保及健康生活。

僱員計劃

員工乃集團的重要資產。集團之成功全賴各員工的付出和承擔。故此，我們十分重視對員工之挽留、嘉許、培訓及發展，並深信以上行動可進一步培養員工對工作的熱誠、使命感及歸屬感。

酒店各層面已全面落實「信和集團對顧客的承諾」。集團的宗旨是「以客為尊」，我們透過內部培訓及校外進修課程，向員工提供學習新知識及技能的機會，確保員工能真正明白每位顧客的需要。客戶服務訓練課程、語言課程，以及儀態工作坊均以集中提升員工之技能。

主席報告 (續)

僱員計劃 (續)

集團持續舉辦「信和集團旗下酒店優質服務計劃」以確保員工了解顧客的需要及進一步改善我們的服務。此外，集團推行「員工滿意度調查」及舉辦了三項獎勵計劃，分別為「季度最佳員工獎」、「全年最佳員工獎」及「全年最佳經理獎」，以嘉許及挽留表現傑出的員工。集團進一步鼓勵傑出員工持續進修，裝備自己成為集團未來的新領袖。

集團將繼續鼓勵管理層及員工參與社區事務及義工服務。集團亦十分重視保障顧客和僱員之安全，以及保護周邊環境。

前景及展望

二零零七年度的環球旅遊業增長耀目，旅遊人數接近九億人次之歷史高位，超過世界旅遊組織(UNWTO)的預測，顯示全球旅遊業的業務正持續增長。

中國與香港之間的經濟及社會聯繫十分緊密，因此中國的經濟繁榮對於香港旅遊業發展十分重要。中國內地富裕階層人數不斷上升，悠閒旅遊及家庭旅遊之需求穩步上揚，為香港經濟帶來正面及長遠的影響。中國內地及香港之間的貿易活動料將日益頻繁，刺激商業旅遊及對會議、展覽和企業活動之需求。人民幣兌主要貨幣升值加強了中國旅客的購買力，刺激他們的消費意欲。個人遊計劃覆蓋四十九個內地城市，將為香港帶來經濟裨益，預料對香港經濟有深遠及正面影響。透過計劃到訪香港之內地旅客增長步伐強勁，預期將進一步增加。

面對眼前利好形勢，香港特區政府採取一系列措施，包括推廣展覽及企業會議旅遊、文化旅遊及與一些鄰近香港的城市合作之「一程多站」式旅遊。香港特區政府致力改善香港旅遊環境，以吸引更多遊客，成效顯著。政府推行的多項政策及措施，如新增、發展及改善旅遊景點、提升公共交通設施、保留及復修歷史建築物和公共設施、推廣藝術及文化、保持優質服務水平，以及建立謙恭有禮的文化等，將有助提升整體旅遊業和將香港塑造為一個旅遊及活動之都。除了上述持續推廣香港旅遊及酒店服務業的措施外，近日公布的二零零八至零九財政年度政府財政預算案中，建議預留額外政府開支在海外宣傳香港，以及免收酒店房租稅，均對香港酒店業增長有正面作用。加上在啟德機場興建新郵輪碼頭，將有助提高香港的吸引力及吸納高消費旅客群。二零零八年北京奧運會、二零零八年奧運馬術比賽及二零零九年東亞運動會將令香港成為世界焦點。

主席報告 (續)

前景及展望 (續)

集團十分重視旗下酒店的市場定位及品牌提升。管理層致力加強集團酒店的競爭力。集團持續推行資產增值計劃，不斷翻新酒店客房及各項設施。計劃不單有助提升顧客的滿意度，吸引更多賓客，同時提升了整體營運效率及集團收益。

城市花園酒店最後一期客房翻新工程已經展開，預計整項工程於二零零八年完成。

港麗酒店客房之翻新工程已經完成，意寧谷餐廳及寶絲吧亦已於二零零七年十月完成翻新工作。酒店將繼續為資產增值，進行翻新工程，為賓客帶來更愉快、更舒適的入住體驗。

皇家太平洋酒店已經完成了部份客房之翻新工作，將分階段翻新餘下之客房。新餐飲場地沙嗲軒已於中期年度開幕，為食客及酒店賓客提供另一類亞洲美食餐飲選擇。堤岸酒吧餐廳已於二零零七年十一月完成翻新工程，變身為一家別具品味的海濱酒吧餐廳，坐擁一百八十度維多利亞港日落全景，眺望港島及西九龍兩岸。堤岸亦是舉行公司私人派對和欣賞煙花的理想據點。

展望未來，香港及中國內地的經濟增長乃本港旅遊業、服務業及零售業健康增長的主要動力。董事會對集團的中長期發展前景充滿信心。

員工與管理層

本人謹藉此機會代表董事會，衷心感謝各員工對集團的承擔、貢獻及支持。本人亦對董事會同寅的指導及睿智建議，深致謝意。

主席
黃志祥

香港，二零零八年三月十八日

精簡綜合收益表

截至二零零七年十二月三十一日止六個月

	附註	六個月止	
		二零零七年	二零零六年
		十二月三十一日	十二月三十一日
		港元	港元
		(未經審核)	(未經審核)
營業額	3	116,145,069	104,571,578
直接成本		(30,430,962)	(27,988,182)
營銷成本		(3,965,056)	(4,112,955)
行政費用		(9,939,006)	(9,713,295)
其他費用		(29,938,984)	(30,117,514)
財務收益	4	2,147,760	2,022,473
財務成本	5	(20,214,960)	(22,173,874)
財務成本淨額		(18,067,200)	(20,151,401)
應佔聯營公司業績		47,771,378	30,396,294
除稅前溢利	6	71,575,239	42,884,525
所得稅支出	7	(5,965,242)	(4,098,008)
本期溢利		65,609,997	38,786,517
股息	8	23,790,597	21,888,152
每股盈利－基本	9	7.72仙	4.61仙

精簡綜合資產負債表

於二零零七年十二月三十一日

	附註	二零零七年 十二月三十一日 港元 (未經審核)	二零零七年 六月三十日 港元 (經審核)
非流動資產			
物業、廠房及設備	10	343,640,024	347,916,851
預付土地租賃款項 — 非流動		1,234,948,503	1,246,057,485
投資聯營公司權益	11	1,137,556,497	1,089,785,119
可出售金融資產	15	719,172,417	722,333,008
已抵押定期存款	15	1,526,535	1,493,370
		<u>3,436,843,976</u>	<u>3,407,585,833</u>
流動資產			
酒店存貨		448,510	423,728
應收貿易賬款及其他應收賬款	12	14,418,045	8,480,423
預付土地租賃款項 — 流動		22,217,964	22,217,964
應收聯營公司款項		223,080,242	221,303,581
銀行存款及現金		41,344,444	43,747,262
		<u>301,509,205</u>	<u>296,172,958</u>
流動負債			
應付貿易賬款及其他應付賬款	13	20,443,451	16,467,635
應付聯營公司款項		72,879	75,999
應付稅項		10,420,339	5,827,806
銀行貸款及其他借貸		56,169,668	56,169,668
		<u>87,106,337</u>	<u>78,541,108</u>
流動資產淨額		<u>214,402,868</u>	<u>217,631,850</u>
總資產減流動負債		<u>3,651,246,844</u>	<u>3,625,217,683</u>
資本及儲備			
股本		854,453,974	849,664,182
儲備		2,042,280,416	1,988,540,086
		<u>2,896,734,390</u>	<u>2,838,204,268</u>
非流動負債			
銀行貸款及其他借貸		330,870,790	373,877,065
應付聯營公司款項		420,156,735	410,207,492
遞延稅項		3,484,929	2,928,858
		<u>754,512,454</u>	<u>787,013,415</u>
		<u>3,651,246,844</u>	<u>3,625,217,683</u>

精簡綜合股東權益變動表

截至二零零七年十二月三十一日止六個月

	股本 港元	股份溢價 港元	投資重估 儲備 港元	可分派儲備 港元	保留溢利 (累計虧損) 港元	合計 港元
於二零零六年七月一日(經審核) 可出售金融資產之公平值	841,852,008	135,996,864	52,248,578	1,514,342,941	(60,978,486)	2,483,461,905
之收益變動於權益直接確認	—	—	234,847,974	—	—	234,847,974
本期溢利	—	—	—	—	38,786,517	38,786,517
本期確認總收益	—	—	234,847,974	—	38,786,517	273,634,491
根據二零零六年 六月三十日年度末期息之 以股代息方案所發行之股份	4,219,322	16,944,798	—	—	—	21,164,120
發行股份費用	—	(108,912)	—	—	—	(108,912)
股息	—	—	—	(21,888,152)	—	(21,888,152)
於二零零六年十二月三十一日 (未經審核) 可出售金融資產之公平值	846,071,330	152,832,750	287,096,552	1,492,454,789	(22,191,969)	2,756,263,452
之收益變動於權益直接確認	—	—	35,793,520	—	—	35,793,520
本期溢利	—	—	—	—	46,899,887	46,899,887
本期確認總收益	—	—	35,793,520	—	46,899,887	82,693,407
根據二零零七年 六月三十日年度中期息之 以股代息方案所發行之股份	3,592,852	16,117,537	—	—	—	19,710,389
發行股份費用	—	(157,269)	—	—	—	(157,269)
股息	—	—	—	(20,305,711)	—	(20,305,711)
於二零零七年六月三十日 (經審核) 可出售金融資產之公平值	849,664,182	168,793,018	322,890,072	1,472,149,078	24,707,918	2,838,204,268
之虧損變動於權益直接確認	—	—	(6,296,624)	—	—	(6,296,624)
本期溢利	—	—	—	—	65,609,997	65,609,997
本期確認總收益(支出)	—	—	(6,296,624)	—	65,609,997	59,313,373
根據二零零七年 六月三十日年度末期息之 以股代息方案所發行之股份	4,789,792	18,335,324	—	—	—	23,125,116
發行股份費用	—	(117,770)	—	—	—	(117,770)
股息	—	—	—	(23,790,597)	—	(23,790,597)
於二零零七年十二月三十一日 (未經審核)	854,453,974	187,010,572	316,593,448	1,448,358,481	90,317,915	2,896,734,390

精簡綜合現金流量表

截至二零零七年十二月三十一日止六個月

	六個月止	
	二零零七年 十二月三十一日 港元 (未經審核)	二零零六年 十二月三十一日 港元 (未經審核)
經營業務之所得現金淨額	51,554,391	41,959,898
投資業務之(所用)所得現金淨額	(994,263)	746,397
融資業務之所用現金淨額		
償還銀行貸款及其他借貸	(44,000,000)	(304,937,018)
新增其他借貸	573,725	—
聯營公司貸款	9,949,243	294,750,000
其他融資流量	(19,485,914)	(19,675,153)
	(52,962,946)	(29,862,171)
現金及現金等價物之(減少)增加淨額	(2,402,818)	12,844,124
期初之現金及現金等價物	43,747,262	25,805,125
期末之現金及現金等價物 代表銀行存款及現金	41,344,444	38,649,249

精簡綜合財務報告書附註

截至二零零七年十二月三十一日止六個月

1. 編製基準

本精簡綜合財務報告書乃遵照香港聯合交易所有限公司證券上市規則附錄16內適用之披露規定及香港會計師公會頒佈之香港會計準則第34號中期財務報告之規定編製。

2. 主要會計政策

除若干金融工具以公平值計量外，本精簡財務綜合報告書乃根據過往採用之成本慣例編製。

編製此精簡綜合財務報告書所採用之會計政策與本公司及其附屬公司（「集團」）截至二零零七年六月三十日止年度之財務報告書所採用的均屬一致。

本中期期間，集團首次採用下列由香港會計師公會頒佈於集團二零零七年七月一日開始之財政年度生效之新準則、修訂及詮釋（「新香港財務報告準則」）。

香港會計準則第1號(修訂)	資本披露
香港財務報告準則第7號	金融工具「披露」
香港(國際財務報告準則詮釋委員會) — 詮釋第10號	中期財務報告及減值
香港(國際財務報告準則詮釋委員會) — 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」

採納此等新香港財務報告準則對集團於本會計期間及以往會計期間之業績及財務狀況並無構成重大影響。因此，並無確認任何前期調整。

集團並未有提前採用下列已頒佈但尚未生效之新準則、經修訂及詮釋。

香港會計準則第1號(經修訂)	財務報告書呈列 ¹
香港會計準則第23號(經修訂)	借貸成本 ¹
香港財務報告準則第8號	營運分部 ¹
香港(國際財務報告準則詮釋委員會) — 詮釋第12號	服務經營權安排 ²
香港(國際財務報告準則詮釋委員會) — 詮釋第13號	客戶忠誠計劃 ³
香港(國際財務報告準則詮釋委員會) — 詮釋第14號	香港會計準則第19號「界定福利資產之限制、 最低資金要求及其相互關係」 ²

¹ 於二零零九年一月一日或之後開始之年度期間生效。

² 於二零零八年一月一日或之後開始之年度期間生效。

³ 於二零零八年七月一日或之後開始之年度期間生效。

本公司董事預期採用此等準則或詮釋對集團之業績及財務狀況將不會構成重大影響。

精簡綜合財務報告書附註 (續)

截至二零零七年十二月三十一日止六個月

3. 分部資料

業務分部

作為管理用途，本集團現由四個業務分部組成－酒店經營、會所經營、投資控股及酒店管理服務。此等分部為本集團報告書主要分部資料之基準。

主要業務包括：

酒店經營	－	持有及經營一間酒店
會所經營	－	經營一間會所
投資控股	－	可出售金融資產投資
酒店管理服務	－	提供酒店管理服務

關於此等業務之分部資料列報如下：

截至二零零七年十二月三十一日止六個月

	酒店經營 港元	會所經營 港元	投資控股 港元	酒店 管理服務 港元	綜合 港元
營業額	<u>107,846,447</u>	<u>4,173,329</u>	<u>3,136,033</u>	<u>989,260</u>	<u>116,145,069</u>
業績					
分部業績	<u>39,463,876</u>	<u>863,932</u>	<u>3,133,642</u>	<u>989,260</u>	<u>44,450,710</u>
未分配企業支出					(2,579,649)
財務收益					2,147,760
財務成本					(20,214,960)
應佔聯營公司業績					<u>47,771,378</u>
除稅前溢利					<u>71,575,239</u>
所得稅支出					<u>(5,965,242)</u>
本期溢利					<u>65,609,997</u>

精簡綜合財務報告書附註 (續)

截至二零零七年十二月三十一日止六個月

3. 分部資料 (續)

業務分部 (續)

截至二零零六年十二月三十一日止六個月

	酒店經營 港元	會所經營 港元	投資控股 港元	酒店 管理服務 港元	綜合 港元
營業額	<u>97,138,052</u>	<u>3,866,278</u>	<u>2,577,988</u>	<u>989,260</u>	<u>104,571,578</u>
業績					
分部業績	<u>31,369,749</u>	<u>703,077</u>	<u>2,576,023</u>	<u>989,260</u>	<u>35,638,109</u>
未分配企業支出					(2,998,477)
財務收益					2,022,473
財務成本					(22,173,874)
應佔聯營公司業績					<u>30,396,294</u>
除稅前溢利					42,884,525
所得稅支出					<u>(4,098,008)</u>
本期溢利					<u>38,786,517</u>

4. 財務收益

	六個月止	
	二零零七年 十二月三十一日 港元	二零零六年 十二月三十一日 港元
利息收益：		
一聯營公司借款	1,669,982	1,494,732
銀行存款	477,778	467,441
其他	<u>—</u>	<u>60,300</u>
	<u>2,147,760</u>	<u>2,022,473</u>

精簡綜合財務報告書附註 (續)

截至二零零七年十二月三十一日止六個月

5. 財務成本

	六個月止	
	二零零七年 十二月三十一日 港元	二零零六年 十二月三十一日 港元
利息及其他財務成本：		
須於五年內全數償還之銀行貸款	10,175,436	16,417,100
一聯營公司貸款	9,949,243	5,499,545
其他無抵押貸款	90,281	257,229
	<u>20,214,960</u>	<u>22,173,874</u>

6. 除稅前溢利

	六個月止	
	二零零七年 十二月三十一日 港元	二零零六年 十二月三十一日 港元
除稅前溢利已扣除：		
撥入費用之酒店存貨成本	6,829,882	5,821,271
物業、廠房及設備之折舊	5,609,024	5,956,752
預付土地租賃款項之攤銷	11,108,982	11,108,982

7. 所得稅支出

	六個月止	
	二零零七年 十二月三十一日 港元	二零零六年 十二月三十一日 港元
扣除包括：		
公司及附屬公司應佔稅項		
香港利得稅		
本期	5,409,171	3,665,474
以往期間之不足撥備	—	49
	<u>5,409,171</u>	<u>3,665,523</u>
遞延稅項	556,071	432,485
	<u>5,965,242</u>	<u>4,098,008</u>

香港利得稅乃根據管理層對全年財政年度最佳估計之加權平均每年所得稅率確認。

精簡綜合財務報告書附註 (續)

截至二零零七年十二月三十一日止六個月

8. 股息

六個月止	
二零零七年	二零零六年
十二月三十一日	十二月三十一日
港元	港元

截至二零零七年六月三十日止年度末期股息：

每股2.8港仙 (二零零六年六月三十日止年度：2.6港仙) 23,790,597 21,888,152

董事會宣佈派發截至二零零七年十二月三十一日止六個月之中期股息每股2.6港仙 (二零零六年十二月三十一日止六個月：2.4港仙) 予二零零八年四月十六日名列在本公司股東名冊內之股東。

9. 每股盈利－基本

每股基本盈利乃根據本期溢利65,609,997港元 (二零零六年十二月三十一日止六個月：38,786,517港元) 及期內已發行股數之加權平均數850,132,749 (二零零六年十二月三十一日止六個月：842,241,837) 股計算。

10. 物業、廠房及設備增添

集團截至二零零七年十二月三十一日止六個月用於物業、廠房及設備開支約為1,332,000港元 (二零零六年十二月三十一日止六個月：806,000港元)。

11. 投資聯營公司權益

	二零零七年 十二月三十一日 港元	二零零七年 六月三十日 港元
非上市投資聯營公司成本值	1,062,961,933	1,062,961,933
聯營公司注資	603,000	603,000
應佔收購後溢利，經扣除已收股息	73,991,564	26,220,186
	<u>1,137,556,497</u>	<u>1,089,785,119</u>

投資聯營公司之成本已包括以往年度收購聯營公司而產生之商譽為186,513,404港元 (二零零七年六月三十日：186,513,404港元)。

精簡綜合財務報告書附註 (續)

截至二零零七年十二月三十一日止六個月

11. 投資聯營公司權益 (續)

稅務局(「稅局」)向集團之聯營公司—Asian Glory Limited之全資擁有附屬公司—百騰置業有限公司(「百騰」)就課稅年度一九九四年／九五年至二零零二年／零三年作出稅務查詢。稅局就有關年度向百騰發出之補加評稅通知總額約為133,062,000港元，而百騰向稅局提出反對。稅務局局長(「稅局長」)於二零零六年十月十六日對百騰之反對發出書面裁定。百騰反對稅局長之裁定並已向稅務上訴委員會提出上訴，而上訴將排期於二零零八年七月進行。於二零零七年十二月三十一日，集團之實質應佔補加稅款估計約為33,265,000港元(二零零七年六月三十日：33,265,000港元)。百騰管理層對稅局發出之有關評稅打算作出強烈抗辯，並認為現階段無法準確預測最終之查詢結果。故此，百騰之財務報告書未對此作出撥備。

本公司董事會知悉上述事件並作深入查詢。本公司董事會認為並無顯示上述事件之情況有任何最新重大進展或改變。

12. 應收貿易賬款及其他應收賬款

集團有一套既定信貸之政策，應收貿易賬款之賬齡分析如下：

	二零零七年 十二月三十一日 港元	二零零七年 六月三十日 港元
應收貿易賬款		
零至三十日	8,137,628	5,285,912
三十一日至六十日	2,109,719	1,330,676
六十一日至九十日	385,956	508,360
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	10,633,303	7,124,948
其他應收賬款	3,784,742	1,355,475
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	14,418,045	8,480,423
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精簡綜合財務報告書附註 (續)

截至二零零七年十二月三十一日止六個月

13. 應付貿易賬款及其他應付賬款

應付貿易賬款之賬齡分析如下：

	二零零七年 十二月三十一日 港元	二零零七年 六月三十日 港元
應付貿易賬款		
零至三十日	6,008,225	4,252,227
三十一日至六十日	346,835	246,331
六十一日至九十日	153,987	63,208
	<hr/>	<hr/>
	6,509,047	4,561,766
其他應付賬款	13,934,404	11,905,869
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	20,443,451	16,467,635

14. 或然負債

除附註11所述外，於資產負債表結算日，集團並無或然負債。

15. 資產按揭

- (a) 於二零零七年十二月三十一日，集團以酒店物業及預付土地租賃款項賬面值分別為317,654,975港元(二零零七年六月三十日：320,461,941港元)及1,257,166,467港元(二零零七年六月三十日：1,268,275,449港元)、可出售金融資產之公平值420,174,630港元(二零零七年六月三十日：423,376,474港元)作抵押和其他資產78,694,547港元(二零零七年六月三十日：74,725,998港元)作流動抵押予銀行而取得長期貸款；
- (b) 集團以一定期存款1,526,535港元(二零零七年六月三十日：1,493,370港元)作抵押而取得銀行保證書；及
- (c) 集團以若干本公司之附屬公司投資作抵押予銀行或財務機構而取得貸款。

暫停辦理股份過戶登記手續

本公司將由二零零八年四月十四日(星期一)至二零零八年四月十六日(星期三)，首尾兩天包括在內，暫停辦理股份過戶登記手續。二零零八年四月十六日(星期三)辦公時間結束時為中期股息之記錄日期。

要取得獲派發中期股息之資格，各股東最遲須於二零零八年四月十一日(星期五)下午四時三十分前，將所有股份過戶文件連同有關股票送達本公司之主要股票登記處——卓佳準誠有限公司，地址為香港皇后大道東28號金鐘匯中心26樓，辦理登記手續。

購買、售賣或贖回本公司之上市證券

本公司及其各附屬公司於本中期年度內並無購買、售賣或贖回本公司之任何上市證券。

董事所持有本公司及其相聯法團之股份及債權證

根據證券及期貨條例(「證券條例」)第XV部第352條規定備存的登記冊記載，或依據載於香港聯合交易所有限公司證券上市規則(「上市規則」)內上市公司董事進行證券交易的標準守則(「標準守則」)，通知本公司及香港聯合交易所有限公司，董事於二零零七年十二月三十一日在本公司及證券條例下所指相聯法團的股份、相關股份及債權證中擁有的權益及淡倉載列如下：

本公司股份之好倉

董事姓名	普通股數目	身份及權益類別	所佔已發行股份百分比
黃志祥先生	913,134	230,161股為實益擁有 及682,973股為配偶權益	0.10%
夏佳理議員，GBS, CVO, OBE, JP	282,167	實益擁有人	0.03%
呂榮光先生	—	—	—
王敏剛先生，BBS, JP	—	—	—
李民橋先生	—	—	—
王繼榮先生	—	—	—
鄧永鏞先生	—	—	—
黃永光先生	—	—	—

除上文所披露者外，於二零零七年十二月三十一日，概無董事於本公司或任何相聯法團之股份、相關股份及債權證中，擁有或視作擁有任何權益或淡倉，並載於本公司依據證券條例第352條規定備存之登記冊內，或根據標準守則須知會本公司及香港聯合交易所有限公司。

主要股東及其他股東權益

於二零零七年十二月三十一日，下列主要股東及其他股東於本公司股份及相關股份中，擁有須根據證券條例第XV部第336條所存置之登記冊內的權益及淡倉載列如下：

本公司股份之好倉

主要股東姓名	普通股數目	身份及權益類別	所佔已發行股份百分比
黃廷方先生	401,415,699 (附註 1)	35,316,146股為實益擁有， 979,799股為配偶權益及 365,119,754股為受控法團權益	46.97%
Tamworth Investment Limited	142,426,804 (附註 2)	實益擁有人	16.66%
Strathallan Investment Limited	95,912,346 (附註 2)	實益擁有人	11.22%
其他股東姓名	普通股數目	身份及權益類別	所佔已發行股份百分比
堅固資本控股有限公司	83,087,978 (附註 3)	82,725,739股為保證權益 及362,239股為實益擁有	9.72%
Nippomo Limited	47,450,406 (附註 2)	實益擁有人	5.55%

附註：

- 關於受控法團所持之365,119,754股：
 - 363,483,781股由黃廷方先生100%控權之公司所持有－35,213,005股由Fanlight Investment Limited持有，15,222,298股由Karaganda Investments Inc.持有，47,450,406股由Nippomo Limited持有，1,383,960股由Orient Creation Limited持有，95,912,346股由Strathallan Investment Limited持有，4,124,703股由Strong Investments Limited持有，142,426,804股由Tamworth Investment Limited持有及21,750,259股由Transpire Investment Limited持有；及
 - 1,635,973股由黃廷方先生控權71.75%之尖沙咀置業集團有限公司全資附屬公司所持有。
- Nippomo Limited、Strathallan Investment Limited及Tamworth Investment Limited所擁有之股份權益，於黃廷方先生股份權益內是重複的。
- 19,889股由堅固資本控股有限公司擁有70%股份權益之Meadow Gate Company Limited所持有。

除上文所披露者外，據本公司董事所知，於二零零七年十二月三十一日概無其他人士於本公司之股份及相關股份中擁有任何權益或淡倉，並載於本公司依據證券條例第336條規定備存之登記冊內，或是本公司之主要股東。

遵守規章委員會

為加強本集團之企業管治，本公司於二零零四年八月三十日，成立遵守規章委員會。委員會設有兩種匯報機制，主要匯報機制是向董事會匯報，而次要匯報機制則向審核委員會匯報。現時的委員會成員包括執行董事、法律及公司秘書部門兩名主管、集團總經理(酒店)、財務總裁、內部審核部門主管、各部門主管及遵守規章主任。委員會每兩個月舉行定期會議，檢討本集團之企業管治及遵守上市規則事宜，並向董事會及審核委員會提交有關建議。

審核委員會

本公司於一九九八年九月十六日成立審核委員會。委員會須向董事會負責，自成立以來定期舉行會議，檢討本集團之財務申報程序及內部監控，並提供改善建議。現時委員會成員包括獨立非執行董事李民橋先生(委員會主席)、王敏剛先生，BBS, JP及王繼榮先生，及非執行董事呂榮光先生。

於二零零八年第一季度內，審核委員會已審閱本集團採納之會計政策及實務準則及截至二零零七年十二月三十一日止六個月之中期報告書。

薪酬委員會

本公司已於二零零五年六月二十三日成立薪酬委員會並採納其職權範圍。委員會由三位成員組成，以獨立非執行董事佔大多數。委員會主席為執行董事黃永光先生，其餘兩位成員為獨立非執行董事王敏剛先生，BBS, JP及李民橋先生。

薪酬委員會須就本公司董事及高級管理層的全體薪酬政策及架構，及就制訂該政策及架構而建立之正規及具透明度的程序，向董事會提交建議。制訂其建議時，委員會將諮詢主席，考慮的因素包括但不限於同類公司支付的薪酬、集團內其他職位的僱用條件及應否按表現釐訂薪酬。委員會將每年最少舉行一次會議，就集團之薪酬政策(包括董事及高級管理層之薪酬)向董事會提出建議。

證券交易守則

本公司已採納一套不低於上市規則所載標準守則所訂標準的董事證券交易守則(「本公司守則」)。本公司已向全體董事作出特定查詢，全體董事已確認，彼等已於截至二零零七年十二月三十一日止六個月內，遵守本公司守則規定之標準。

本公司亦已採納一套不低於標準守則所訂標準的僱員買賣公司證券守則，適用於可能擁有與本公司證券有關而未經公佈的股價敏感資料之有關僱員。

企業管治常規守則之遵守

本公司於截至二零零七年十二月三十一日止六個月內，已遵守載於上市規則附錄十四之所有企業管治常規守則條文，惟主席及行政總裁的角色(現時均由董事會主席擔任)並無區分。

董事會認為現行的管理架構一直有助促進本公司之營運及業務發展，而且具備良好企業管理常規之必要監控及制衡機制。董事會的策略及政策之執行，以及每一業務單元之營運，均由獲委派之執行董事所監督及檢測。董事會認為現行安排一直有效地協助其完滿履行職責。此外，三位獨立非執行董事，亦一直貢獻寶貴的獨立觀點及建議，供董事會考慮及決策。董事會將定期檢討管理架構，確保其一直符合目標並與業內常規看齊。

承董事會命
秘書
葉世光

香港，二零零八年三月十八日



致信和酒店(集團)有限公司董事會

緒言

本行已審閱載於第29頁至39頁的中期財務資料，當中載有信和酒店(集團)有限公司於二零零七年十二月三十一日之簡明綜合資產負債表，以及截至該日止六個月期間之相關簡明綜合收益表、確認收支表及現金流量表以及若干附註解釋。根據香港聯合交易所有限公司主板證券上市規則規定，編製中期財務資料報告須遵照其項下相關條文規定及香港會計師公會頒佈之香港會計準則第34條「中期財務報告」。董事之責任為根據香港會計準則第34號編製及呈列中期財務資料。本行之責任乃根據本行之審閱結果就中期財務資料提出結論，並按照與本行協定之聘用條款，僅向閣下全體報告。除此以外，本報告不可作其他用途。本行概不就本報告的內容對任何其他人士負責或承擔法律責任。

審閱範圍

本行已根據香港會計師公會頒佈之《香港審閱委聘準則》第2410號「實體獨立核數師對中期財務資料之審閱」進行審閱。審閱中期財務資料主要包括向負責財務及會計事務之人士作出查詢，並應用分析性及其他審閱程序。審閱範圍遠少於根據香港核數準則進行審核之範圍，故本行未能保證本行將知悉在審核中可能發現之所有重大事項。因此，本行不會發表審核意見。

結論

根據本行審閱，本行並無發現任何事項致使本行相信中期財務資料未有於各重大方面根據香港會計準則第34號編製。

德勤•關黃陳方會計師行

執業會計師

香港

二零零八年三月十八日

