



**United Metals
Holdings Limited**
科鑄技術集團有限公司

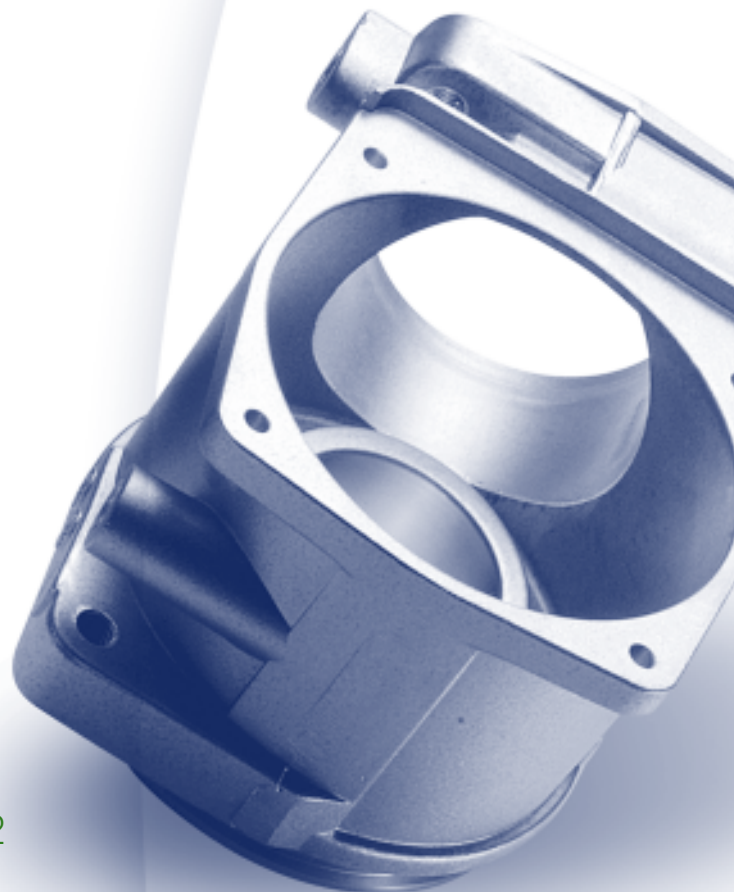
Stock Code 股份代號 : 2302

INTERIM REPORT 2006
二零零六年中期報告



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United Metals Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Board of Directors

Executive Directors

Thomas Lau, Luen-hung (*Chairman*)
Tsang Chiu Wai
Kong Cheuk Luen, Trevor

Independent Non-executive Directors

Lee Tho Siem
Wang Jianguo
Loke Yu alias Loke Hoi Lam

Non-executive Director

Wong Wing Sing

Audit Committee

Lee Tho Siem
Wang Jianguo
Loke Yu alias Loke Hoi Lam
Wong Wing Sing

Remuneration Committee

Kong Cheuk Luen, Trevor (*Chairman*)
Lee Tho Siem
Wang Jianguo

Company Secretary

Siu Po Sim, Katherine

Qualified Accountant

Shea Chun Lok

Registered Office

P.O. Box 309GT
Ugland House
South Church Street
Grand Cayman
Cayman Islands

科鑄技術集團有限公司*

(於開曼群島註冊成立之有限公司)

董事會

執行董事

劉鑾鴻 (*主席*)
曾昭偉
江爵媛

獨立非執行董事

李多森
王建國
陸海林

非執行董事

黃永勝

審核委員會

李多森
王建國
陸海林
黃永勝

薪酬委員會

江爵媛 (*主席*)
李多森
王建國

公司秘書

蕭寶輝

合資格會計師

佘俊樂

註冊辦事處

P.O. Box 309GT
Ugland House
South Church Street
Grand Cayman
Cayman Islands

* For identification purpose only

* 僅供識別

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Corporate Website

www.unitedmetals.com.hk

Share Listing and Stock Code

The Stock Exchange of Hong Kong Limited
Stock Code: 2302

Solicitors

Sit, Fung, Kwong & Shum

Auditors

Deloitte Touche Tohmatsu

Principal Bankers

Hang Seng Bank Limited
Standard Chartered Bank (Hong Kong) Limited

Hong Kong Share Registrar and Transfer Office (Branch Registrar)

Computershare Hong Kong
Investor Services Limited
46th Floor
Hopewell Centre, 183 Queen's Road East
Hong Kong

Cayman Islands Share Registrar and Transfer office (Registrar)

Butterfield Bank (Cayman) Limited
Butterfield House
68 Fort Street
Grand Cayman
Cayman Islands

總辦事處及主要營業地點

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荔枝角道838號勵豐中心
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公司網址

www.unitedmetals.com.hk

股份上市及股份編號

香港聯合交易所有限公司
股份編號:2302

律師

薛馮鄭岑律師行

核數師

德勤•關黃陳方會計師行

主要往來銀行

恒生銀行有限公司
渣打銀行(香港)有限公司

香港股份過戶登記處(分處)

香港中央證券登記有限公司
香港
皇后大道東183號合和中心
46樓

開曼群島股份過戶登記處(總處)

Butterfield Bank (Cayman) Limited
Butterfield House
68 Fort Street
Grand Cayman
Cayman Islands



Market Overview

The first half of 2006 was a period of robust expansion to the die-casting industry. World economic growth remained buoyant, particularly in North America and the People's Republic of China (The "PRC"), and underlying consumption of end-use metal products remained strong. According to the National Statistics Bureau, PRC's GDP increased by 10.9% in the first half of 2006, and it is anticipated that the growth will sustain the decade. It is widely expected that this growth will drive global demand of die-casting products.

The usage of aluminium in die-casting has become more and more popular, owing to its lightness, lower price and durable characteristics. It has become the top choice metal for transportation, beverage cans and other packaging, and building constructions. According to the *London Metal Exchange*, the PRC's aluminium production has maintained a year-on-year growth of over 15% since the first half of 2005, and the rising trend is expected to continue.

Intense competition in the international market has led to cuts in price and margins, making manufacturers to seek for die-casters and die-casting products of the most competitive price. Die-casters are shifting their production bases to the PRC, further intensifying the robust growth in demand. In order to survive in such market conditions, die-casters around the world have to apply various business strategies to cope with different challenges, and die-casting services providers with fully vertically-integrated production facilities will benefit from the vast business opportunities.

In the first half of 2006, although the PRC's government is taking steps to cool its economy and reduce investment in aluminum and luxury housing, investment is still required for infrastructure and transportation, which leads to bring minimal impact to the die casting.

Business Review

For the six months ended 30th June, 2006, United Metals Holdings Limited (the "Company" or "United Metals") and its subsidiaries (the "Group") recorded an increase in turnover by 37.6% over the same period last year to approximately HK\$112,836,000. Gross profit increased by 18.0% to HK\$16,343,000 when compared with the same period last year. Although the raw material cost surged during the period under review, the Group adopted stringent cost and quality control policy with an aim to maintain the profit margin.

市場概覽

二零零六年上半年壓鑄業進入蓬勃發展期。全球經濟增長勢頭持續，尤以北美及中華人民共和國（「中國」）為甚，相關最終金屬產品之耗用量亦維持強勁。根據國家統計局資料顯示，中國本地生產總值於二零零六年上半年增長10.9%，並預測將會於未來十年持續增長。現時普遍預期有關增長將帶動全球壓鑄產品之需求。

由於鋁材具備輕巧、價廉及耐用之特性，故此於壓鑄生產中使用日見普遍，並成為運輸、飲品罐及其他包裝以至樓宇建築之首選金屬。根據倫敦金屬交易所資料顯示，中國鋁材生產量自二零零五年上半年起每年維持超過15%增長，預期增長趨勢將會持續。

國際市場競爭激烈導致價格及利潤下跌，促使製造商物色最具價格競爭力之壓鑄件及壓鑄產品生產商。各壓鑄件生產商將其生產基地遷移國內，進一步加速需求增長。為於該等市況下求存，全球各地壓鑄件生產商採取不同業務策略，以應付不同挑戰，而擁有全面縱向整合生產設施的壓鑄服務供應商可望於龐大商機中獲益。

於二零零六年上半年，儘管中國政府採取措施冷卻經濟及削減鋁材及豪宅投資，惟仍需作出興建基建及運輸項目方面的投資，故此對壓鑄業之影響不大。

業務回顧

截至二零零六年六月三十日止六個月，科鑄技術集團有限公司（「本公司」或「科鑄」）及其附屬公司（「本集團」）營業額較去年同期增長37.6%至約港幣112,836,000元。毛利較去年同期增加18.0%至港幣16,343,000元。儘管原料成本於回顧期內急升，本集團已採取嚴緊成本及品質控制措施維持邊際利潤。

Business Review *(continued)*

Net profit for the period increased by 4.4% to HK\$6,303,000 when compared with the same period last year. The extent of growth was relatively lower than that of turnover, which was due to the upsurge of labour cost and the rise of the minimum wages in the PRC. In addition, the appreciation of the Renminbi (“RMB”) also put pressure on manufacturing costs. To maximize the business growth over the long term, the Group applied the strategy of providing quality products of premium quality at competitive prices, which lowered the profit margin of the Group, yet maintaining a high sales volume. The gross profit margin of the Group maintained at a healthy level of 14.5%, which is comparable to the 16.9% in the same period in 2005.

Operational Review

Product Capacity

The Group currently maintains its productivity at approximately 305 tons of raw material per month as a result of the implementation of high sales volume strategy. During the period under review, the Group added several numbers of Computerized Numerical Control (“CNC”) machines in order to enhance its production capacity and improve its operational efficiency.

As the demand for automotive parts die-casting services continues to rise, and the Group has captured this opportunity in the construction of production facilities strategically located in Shanghai. Phase 1 of the facilities has planned to commence operations in the first half of 2007, as the Group spent more time on construction and the purchase of advanced machineries. The Group expects it will provide a steady income source in the long run. The heavy tonnage machines of the facilities have also provided the ability to produce larger die-cast parts, widening the variety of the products provided by the Group.

Sales Volume of Various Metal Products

In the first half of 2006, aluminium parts continues to be the core profit contributor of the Group, accounting for approximately 89.7% of the Group's total sales volume. Other major metallic products include zinc and magnesium, which accounted for approximately 6.7% and 3.2% of the Group's total sales volume respectively.

業務回顧 *(續)*

期內溢利淨額較去年同期增加4.4%至港幣6,303,000元。由於國內提高最低工資、人工成本上漲、溢利淨額增長幅度因而低於營業額。此外，人民幣（「人民幣」）升值亦對製造成本構成壓力。為盡量擴大長遠業務增長，本集團採取以具競爭力價格提供優質產品之策略，此舉雖然令利潤減少，但可保持高銷量。本集團毛利率維持於14.5%之穩健水平，二零零五年同期則為16.9%。

營運回顧

生產力

自推行高銷量策略後，本集團之生產力維持於現時每月約305噸原料之水平。回顧期內，本集團添置多台電腦數控（「CNC」）機器，藉此提升生產力及改善營運效率。

隨著汽車部件壓鑄服務需求日增，本集團已把握機會，配合策略於上海興建生產廠房。由於本集團花費較多時間興建及購置先進機器，第一期廠房計劃於二零零七年上半年投產。預期該廠房長遠將為本集團提供穩定收入來源。本集團亦可採用廠房之重型噸位機器生產較大型壓鑄部件，擴大所提供產品種類。

各種金屬產品之銷售量

於二零零六年上半年，鋁材零件繼續為本集團核心利潤貢獻來源，佔本集團總銷售量約89.7%。其他主要金屬產品（包括鋅及鎂）分別佔本集團總銷售量約6.7%及3.2%。



Operational Review (continued)

Established, Diversified and Extendable Client Base

The Group offers leading manufacturers of various industrial sectors around the world with choice and diversity, aiming to satisfy their ever-changing needs. For the six months ended 30th June, 2006, automotives and related products accounted for 43.8% of turnover, followed by industrial household appliances which accounted for 29.3%. Communication and electronic appliances accounted for 17.2%, and other products made up to 9.7%.

The Group's client base mainly consists of overseas manufacturers spanning across different parts of the world, of which clients from Europe and the United States make up 26.3% and 27.0% respectively of the Group's entire customer base.

Under such competitive market environments, United Metals has been able to maintain close relationship with its clients. The Group currently has over 70 clients and 2 major source of income: mould design and production and production of die casting parts. During the period, mould design and production increased by 33.8%, accounting for approximately 7.0% of the Group's turnover. Orders for existing die-cast products also increased by 38.0% in the period under review.

Future Strategies

Looking ahead, the PRC market is expected to maintain robust growth and demand. According to the *London Metal Exchange*, world aluminium consumption will exceed 30 million tonnes by the end of 2006, with PRC consuming up to 20% of the world's primary aluminium. Capitalizing on the geographical advantage of its production facilities strategically located in Shanghai, the Group has fully prepared itself for future business development. While die-cast products for automotive production are anticipated to be the key growth driver of the industry, the Group will also put focus on alternative products such as manufacturer components and parts.

With the new production base in Shanghai which will commence operation in the first half of 2007, the Group is in the progress of negotiation with potential customers and the result was satisfactory.

The Group will further strengthen its vast and diverse client base. Having solidified its market position in the PRC die-cast industry, the Group is well prepared to achieve equal success in other parts of the world. The Group is dedicated to become the vertically-integrated die caster of the global market, and be an essential and indispensable die casting partner of both domestic and international manufacturers in the PRC.

營運回顧 (續)

客戶基礎極具規模且多元化擴展

本集團為全球各個工業領域之領先製造商提供不同選擇及多元化服務，迎合客戶不斷變化之需求。截至二零零六年六月三十日止六個月，汽車及相關產品佔營業額43.8%，而工業家電則佔29.3%。通訊及電器佔17.2%，而其他產品則最多佔9.7%。

本集團之客戶基礎主要由世界各地之海外製造商組成，當中來自歐洲及美國之客戶分別佔本集團整體客戶基礎之26.3%及27.0%。

在競爭如此劇烈的環境下，科鑄仍能與客戶維持緊密關係。本集團現時擁有超過70名客戶及兩個主要收入來源：模具設計及生產以及生產壓鑄部件。期內，模具設計及生產增加33.8%，佔本集團營業額約7.0%。回顧期內，現有壓鑄產品訂單亦增加38.0%。

未來策略

展望未來，預期中國市場之增長及需求將維持強勁。根據倫敦金屬交易所資料顯示，於二零零六年底，全球鋁材耗用量將超過30,000,000噸，而中國之耗用量將佔全球基本鋁材多達20%。憑藉於上海興建生產廠房的地理優勢，本集團已就未來業務發展作好全面準備。汽車生產用之壓鑄產品預期為業內之主要增長動力，本集團亦將會專注在另類產品如製造商配件及零部件上。

位於上海之新生產基地將於二零零七年上半年投產，本集團正與潛在客戶進行磋商，結果令人滿意。

本集團將進一步加強其龐大多元化客戶基礎。經鞏固於中國壓鑄業之市場地位後，本集團已準備就緒，在世界各地爭取同樣佳績。本集團矢志成為全球市場之縱向整合壓鑄件生產商，以及中國國內及國際製造商不可或缺之重要壓鑄夥伴。

Human Resources Management

As at 30th June, 2006, the Group employed approximately 2,350 full-time employees. The Group's remuneration package is determined with reference to the experience and qualifications of the individual's performance. The Group also ensures that all employees are provided with adequate training and continued professional opportunities according to their needs.

Liquidity and Financial Resources

As at 30th June, 2006, total bank borrowings was HK\$22,786,000 (at 31st December, 2005: HK\$4,700,000), of which HK\$2,883,000 (at 31st December, 2005: HK\$2,640,000) would be due within one year and HK\$19,903,000 (at 31st December, 2005: HK\$2,060,000) would be due after one year. The bank borrowings are denominated in Hong Kong dollars ("HKD") and United States dollars ("USD") and bear interest at rates calculated with reference to Hong Kong Interbank Offered Rate ("HIBOR") plus basis and London Interbank Offered Rate ("LIBOR") plus basis.

The Group had a net current assets amounting to HK\$100,573,000 (at 31st December, 2005: HK\$72,050,000) and a current liabilities of HK\$38,113,000 as at 30th June, 2006 (at 31st December, 2005: HK\$33,312,000). Stock turnover days decrease to 72 days as at 30th June, 2006 from 77 days as at 31st December, 2005. Debtors' turnover days was decreased from 88 days as at 31st December, 2005 to 86 days as at 30th June, 2006.

Capital expenditures on plant and equipment and leasehold improvements totaled HK\$16,969,000 (2005: HK\$18,913,000) in 2006, of which HK\$11,597,000 (2005: HK\$ 3,461,000) was related to the construction cost of the new manufacturing plant situated in Shanghai, PRC. Furthermore, HK\$39,935,000 (at 31st December, 2005: HK\$41,667,000) was committed as at 30th June, 2006 to purchase additional property, plant and equipment.

Net cash generated from operations amounted to HK\$6,390,000. The Group's cash on hand and bank balances increased from HK\$18,134,000 as at 31st December, 2005 to HK\$40,280,000 as at 30th June, 2006. The increase was mainly a result of the raising of new bank loan and shareholder's loan.

人力資源管理

於二零零六年六月三十日，本集團僱用約2,350名全職員工。本集團之薪酬方案乃參考個別員工之經驗、資歷及表現而定。本集團亦確保全體員工獲提供足夠培訓以及符合個別需要之持續專業機會。

流動資金及財務資源

於二零零六年六月三十日，銀行貸款總額為港幣22,786,000元（於二零零五年十二月三十一日：港幣4,700,000元），其中港幣2,883,000元（於二零零五年十二月三十一日：港幣2,640,000元）將於一年內到期，而港幣19,903,000元（於二零零五年十二月三十一日：港幣2,060,000元）則將於一年後到期。銀行貸款以港幣及美元結算，參考香港銀行同業拆息加指定息率以及倫敦銀行同業拆息加指定息率計息。

於二零零六年六月三十日，本集團流動資產淨值為港幣100,573,000元（於二零零五年十二月三十一日：港幣72,050,000元），流動負債為港幣38,113,000元（於二零零五年十二月三十一日：港幣33,312,000元）。存貨週轉期由二零零五年十二月三十一日之77天減少至二零零六年六月三十日之72天。應收賬款收款期亦由二零零五年十二月三十一日之88天減少至二零零六年六月三十日之86天。

二零零六年之廠房及設備以及租賃物業裝修之資本開支合共港幣16,969,000元（二零零五年：港幣18,913,000元），當中港幣11,597,000元（二零零五年：港幣3,461,000元）與位於中國上海之新生產廠房之興建成本有關。此外，於二零零六年六月三十日，增購物業、廠房及機器設備之承擔為港幣39,935,000元（於二零零五年十二月三十一日：港幣41,667,000元）。

經營業務所得現金淨額為港幣6,390,000元。本集團之手頭現金及銀行結餘由二零零五年十二月三十一日之港幣18,134,000元增加至二零零六年六月三十日之港幣40,280,000元，主要由於籌集新造銀行貸款及股東貸款所致。



Liquidity and Financial Resources (continued)

Total shareholders' funds increased from HK\$175,354,000 as at 31st December, 2005 to HK\$181,649,000 as at 30th June, 2006, as a result of HK\$6,303,000 of the current period profit being retained.

As at 30th June, 2006, the gearing ratio, in terms of total debts to total assets, increased to 0.29 (at 31st December, 2005: 0.17).

Acquisitions and Disposals of Subsidiaries and Associated Companies

There were no material acquisitions and disposals of subsidiaries and associated companies for the six months ended 30th June, 2006.

Exposure to Foreign Exchange Risk

The Group's income and expenditure of raw materials, manufacturing cost and borrowings are mainly denominated in USD, HKD and RMB. Fluctuations of the exchange rates of RMB against foreign currencies could affect the operating costs of the Group. Currencies other than RMB were relatively stable during the period, the Group did not expose to significant foreign exchange risk. The Group currently does not have a foreign currency hedging policy. However, management will continue to monitor foreign exchange exposure and will take prudence measure to minimize the currency translation risk. The Group will consider hedging significant foreign currency exposure should the need arise.

Capital Structure

There has been no significant change in the capital structure of the Group since 31st December, 2005.

Charge on Assets

There was no charge on the Group's assets during the six months ended 30th June, 2006 (at 31st December, 2005: Nil).

Contingent Liabilities

The Company has given guarantee to banks in respect of general facilities granted to its subsidiaries. The extent of such facilities utilized by the subsidiaries as at 30th June, 2006 amounted to approximately HK\$22,786,000 (at 31st December, 2005: HK\$4,700,000).

流動資金及財務資源 (續)

股東資金總額由二零零五年十二月三十一日之港幣175,354,000元增加至二零零六年六月三十日之港幣181,649,000元，乃由於保留本期間溢利港幣6,303,000元所致。

於二零零六年六月三十日，資產負債比率（按負債總額相對資產總值計算）增加至0.29（於二零零五年十二月三十一日：0.17）。

收購及出售附屬公司及聯營公司

截至二零零六年六月三十日止六個月，本集團並無任何重大收購或出售附屬公司及聯營公司。

外匯風險承擔

本集團之收入、原材料開支、製造成本及借貸主要以美元、港幣及人民幣列值。人民幣兌外幣匯率波動對本集團經營成本可構成影響。人民幣以外之貨幣於期內相對穩定，本集團並無面對重大外匯風險。本集團現時並無外幣對沖政策。然而，管理層將繼續監察外匯風險，並採取審慎措施減低匯兌風險。本集團將於認為必要時考慮就重大外幣風險進行對沖安排。

資本結構

本集團之資本結構自二零零五年十二月三十一日以來並無重大變動。

資產抵押

截至二零零六年六月三十日止六個月，本集團並無抵押任何資產（於二零零五年十二月三十一日：無）。

或然負債

本公司已就其附屬公司所獲授一般融資向銀行作出擔保。於二零零六年六月三十日，有關附屬公司已動用部分該等融資，為數約港幣22,786,000元（於二零零五年十二月三十一日：港幣4,700,000元）。

Directors' and Chief Executives' Interests in Shares and Underlying Shares

As at 30th June, 2006, the interests of the directors and the chief executives and their associates in the shares and underlying shares 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 maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

Long positions

Ordinary shares of HK\$0.01 each of the Company

董事及主要行政人員於股份及相關股份之權益

於二零零六年六月三十日，董事及主要行政人員以及彼等之聯繫人士於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部分）之股份及相關股份中，擁有本公司根據證券及期貨條例第352條規定存置之登記冊所記錄之權益，或根據上市公司董事進行證券交易的標準守則已知會本公司及香港聯合交易所有限公司（「聯交所」）的權益如下：

好倉

本公司每股面值港幣0.01元之普通股

Name of director 董事姓名	Capacity 身分	Number of issued ordinary shares held 所持已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Thomas Lau, Luen-hung 劉鑾鴻	Held by controlled corporation (Note i) 由受控制公司持有 (附註i)	69,468,000	31.58%
Tsang Chiu Wai 曾昭偉	Held by controlled corporation (Note ii) 由受控制公司持有 (附註ii)	62,292,000	28.31%
Kong Cheuk Luen, Trevor 江爵媛	Held by controlled corporation (Note iii) 由受控制公司持有 (附註iii)	31,716,000	14.42%
		163,476,000	74.31%



Directors' and Chief Executives' Interests in Shares and Underlying Shares (continued)

Notes:

- (i) These securities are registered in the name of and beneficially owned by Shine Top Limited, a company incorporated in the British Virgin Islands. The entire issued share capital of Shine Top Limited is beneficially owned by Mr. Thomas Lau, Luen-hung. Accordingly, Mr. Thomas Lau, Luen-hung is deemed to be interested in 69,468,000 shares held by Shine Top Limited under the SFO.
- (ii) These securities are registered in the name of and beneficially owned by Standard Beyond Limited, a company incorporated in the British Virgin Islands. The entire issued share capital of Standard Beyond Limited is beneficially owned by Mr. Tsang Chiu Wai. Accordingly, Mr. Tsang Chiu Wai is deemed to be interested in 62,292,000 shares held by Standard Beyond Limited under the SFO.
- (iii) These securities are registered in the name of and beneficially owned by Absolute Above Limited, a company incorporated in the British Virgin Islands. The entire issued share capital of Absolute Above Limited is beneficially owned by Mr. Kong Cheuk Luen, Trevor. Accordingly, Mr. Kong Cheuk Luen, Trevor is deemed to be interested in 31,716,000 shares held by Absolute Above Limited under the SFO.

Other than as disclosed above, none of the directors, chief executives, nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 30th June, 2006.

Share Options

The Company's share option scheme (the "Scheme") was adopted for a period of ten years commencing from 11th December, 2002 pursuant to a written resolution of all shareholders passed on 11th December, 2002. Particulars of the Scheme have been summarized in the 2005 Annual Report of the Company.

Up to the date of approval of this interim report, no options have been granted under the Scheme.

董事及主要行政人員於股份及相關股份之權益 (續)

附註:

- (i) 該等證券乃以在英屬處女群島註冊成立之Shine Top Limited的名義登記，並由該公司實益擁有。Shine Top Limited全部已發行股本均由劉鑾鴻先生實益擁有。據此，根據證券及期貨條例，劉鑾鴻先生被視作於Shine Top Limited所持有69,468,000股股份中擁有權益。
- (ii) 該等證券乃以在英屬處女群島註冊成立之Standard Beyond Limited的名義登記，並由該公司實益擁有。Standard Beyond Limited全部已發行股本均由曾昭偉先生實益擁有。據此，根據證券及期貨條例，曾昭偉先生被視作於Standard Beyond Limited所持有62,292,000股股份中擁有權益。
- (iii) 該等證券乃以在英屬處女群島註冊成立之Absolute Above Limited的名義登記，並由該公司實益擁有。Absolute Above Limited全部已發行股本均由江爵媛先生實益擁有。據此，根據證券及期貨條例，江爵媛先生被視作於Absolute Above Limited所持有31,716,000股股份中擁有權益。

除上文披露者外，於二零零六年六月三十日，董事、主要行政人員或彼等任何聯繫人士概無於本公司或其任何相聯法團任何股份、相關股份或債券中，擁有任何權益或淡倉。

購股權

根據全體股東於二零零二年十二月十一日通過的書面決議案，本公司所採納的購股權計劃（「該計劃」），由二零零二年十二月十一日起計為期十年。計劃詳情摘要載於本公司二零零五年年報內。

截至批准本中期報告日期止，概無根據該計劃授出任何購股權。

Arrangements to Purchase Shares or Debentures

Other than as disclosed under the section headed “Share Options”, at no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Substantial Shareholders

Other than as disclosed under the section headed “Directors’ and Chief Executives’ Interests in Shares and Underlying Shares”, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO discloses no person as having a notifiable interest or short position in the issued share capital of the Company as at 30th June, 2006.

Interim Dividend

The Board of Directors of the Company (the “Board”) does not recommend the payment of an interim dividend for the six months ended 30th June, 2006 (six months ended 30th June, 2005: Nil).

Purchase, Sale or Redemption of the Company’s Listed Shares

During the six months ended 30th June, 2006, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed shares.

購入股份或債券之安排

除上文「購股權」一節披露者外，本公司或其任何附屬公司於期內任何時間概無訂立任何安排，令本公司董事可藉購入本公司或任何其他法人團體之股份或債券而取得利益。

主要股東

除「董事及主要行政人員於股份及相關股份之權益」一節披露者外，按照本公司根據證券及期貨條例第336條規定存置之主要股東登記冊所披露，於二零零六年六月三十日，概無任何人士在本公司已發行股本中擁有須具報權益或淡倉。

中期股息

本公司董事會（「董事會」）不建議就截至二零零六年六月三十日止六個月派發中期股息（截至二零零五年六月三十日止六個月：無）。

購買、出售或贖回本公司上市股份

於截至二零零六年六月三十日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市股份。



Code on Corporate Governance Practices

The Company has complied with the code provisions laid down in the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange throughout the six months ended 30th June, 2006, except that (i) for code provision E.1.2., the Chairman, Mr. Thomas Lau, Luen-hung, was unable to attend the Company’s annual general meeting on 12th June, 2006 due to other commitment, and (ii) for code provision A.4.1, in respect of service term of non-executive directors where non-executive directors are required to be appointed for a specific term and be subject to re-election.

Under the provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. The current non-executive director and independent non-executive directors of the Company are not appointed for a specific term. However, all non-executive directors of the Company are subject to retirement by rotation and re-election in accordance with the Company’s Articles of Association. As such, the Company considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those in the CG Code. The Company will also amend its Articles of Association to specify that every director shall be subject to retirement by rotation at least once every three year in due course.

Model Code for Securities Transactions by Directors

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in Appendix 10 Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) of the Listing Rules. Having made specific enquiry of all directors, all directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by directors adopted by the Company.

企業管治常規守則

本公司於截至二零零六年六月三十日止六個月內一直遵守聯交所證券上市規則（「上市規則」）附錄14所載企業管治常規守則（「管治守則」）所訂守則條文，惟以下除外：(i)就守則條文第E.1.2條，主席劉鑾鴻先生因其他事務未能出席本公司於二零零六年六月十二日舉行之股東週年大會；及(ii)就守則條文第A.4.1條，有關非執行董事之服務任期，委任非執行董事須列明指定任期及須予重選。

根據守則條文第A.4.1條，非執行董事須按指定任期委任，並須重選。本公司現任非執行董事及獨立非執行董事並無指定任期。然而，根據本公司之公司組織章程細則，本公司全體非執行董事均須輪值退任及重選。因此，本公司認為，已採取足夠措施確保本公司之企業管治常規守則不較管治守則所載者寬鬆。本公司亦將於適當時候修訂其組織章程細則，以訂明各董事須每三年最少輪值退任一次。

董事進行證券交易的標準守則

本公司已就董事進行證券交易採納一套不寬鬆於上市規則附錄10所載上市公司董事進行證券交易的標準守則（「標準守則」）所規定標準的操守準則。向全體董事作出明確查詢後，全體董事確認已遵守標準守則及本公司就董事進行證券交易所採納的操守準則所載之標準規定。

Audit Committee

An audit committee has been established by the Company for the purpose of reviewing and providing supervision on the financial reporting process and internal control of the Group. The audit committee comprises three independent non-executive directors and one non-executive director. The present members are Mr. Lee Tho Siem, Mr. Wang Jianguo, Dr. Loke Yu alias Loke Hoi Lam and Mr. Wong Wing Sing. The Group's interim reports for the six months ended 30th June, 2006 as well as the accounting principles and practices have been reviewed by the audit committee.

Remuneration Committee

In accordance with the requirements of the CG Code, a remuneration committee has been established by the Company to consider the remuneration of directors of the Company. The remuneration committee comprises two independent non-executive directors namely Mr. Lee Tho Siem and Mr. Wang Jianguo and one executive director namely Mr. Kong Cheuk Luen, Trevor. Mr. Kong Cheuk Luen, Trevor is the chairman of the remuneration committee.

Appreciation

The Board would like to take this opportunity to thank our shareholders, the management and our staff members for their dedication and support.

On behalf of the Board

Thomas Lau, Luen-hung

Chairman

Hong Kong, 1st September, 2006

審核委員會

本公司已成立審核委員會，負責審閱及監管本集團的財務報告程序及內部監控。審核委員會由三名獨立非執行董事及一名非執行董事組成。審核委員會現時成員包括李多森先生、王建國先生、陸海林博士及黃永勝先生。本集團截至二零零六年六月三十日止六個月的中期報告連同會計準則及處理方法已經審核委員會審閱。

薪酬委員會

本公司已根據企業管治守則的規定成立薪酬委員會，以釐定本公司董事酬金。薪酬委員會由兩名獨立非執行董事李多森先生及王建國先生以及一名執行董事江爵煖先生組成。江爵煖先生為薪酬委員會主席。

致謝

董事會謹藉此機會向股東、管理人員及全體員工之不懈努力及鼎力支持表示謝意。

代表董事會

劉鑾鴻

主席

香港，二零零六年九月一日

Condensed Consolidated Income Statement 簡明綜合收益表

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



The Board of the Company is pleased to announce the unaudited condensed consolidated results of the Group for the six months ended 30th June, 2006, together with comparative figures for the corresponding period, as follows:

本公司董事會欣然宣佈本集團截至二零零六年六月三十日止六個月的未經審核簡明綜合業績，連同同期比較數據載列如下：

		Six months ended 30th June,		
		截至六月三十日止六個月		
		2006	2005	
		二零零六年	二零零五年	
		HK\$'000	HK\$'000	
		港幣千元	港幣千元	
		(unaudited)	(unaudited)	
		(未經審核)	(未經審核)	
		<i>Notes</i>		
		<i>附註</i>		
Revenue	收益	3	112,836	82,008
Cost of sales	銷售成本		(96,493)	(68,158)
14 Gross profit	毛利		16,343	13,850
Other income	其他收入		543	314
Selling and distribution expenses	銷售及分銷開支		(3,628)	(2,636)
Administrative expenses	行政開支		(6,144)	(5,053)
Other expenses	其他開支		(272)	(162)
Finance costs	融資成本	4	(272)	(130)
Profit before taxation	除稅前溢利	5	6,570	6,183
Income tax expense	所得稅開支	6	(267)	(143)
Profit for the period	期內溢利		6,303	6,040
Interim dividend	中期股息	7	-	-
Earnings per share – basic	每股盈利 – 基本	8	2.86 cents 仙	2.75 cents 仙

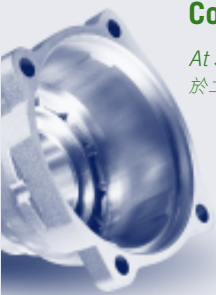
Condensed Consolidated Balance Sheet 簡明綜合資產負債表

At 30th June, 2006
於二零零六年六月三十日

			At 30th June, 2006 於二零零六年 六月三十日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31st December, 2005 於二零零五年 十二月三十一日 HK\$'000 港幣千元 (audited) (經審核)
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	9	99,737	89,946
Prepaid lease payments	預付租賃款項		6,351	6,418
Goodwill	商譽		685	685
Available-for-sale investments	可供出售投資		1,379	1,386
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備已付之訂金		7,536	7,867
			115,688	106,302
Current assets	流動資產			
Inventories	存貨		40,168	35,668
Trade and other receivables	應收貿易賬款及其他應收款項	10	58,012	50,872
Prepaid lease payments	預付租賃款項		133	133
Investments held for trading	持作買賣投資		93	461
Taxation recoverable	可收回稅項		-	94
Bank balances and cash	銀行結餘及現金		40,280	18,134
			138,686	105,362
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及其他應付款項	11	34,777	30,313
Taxation payable	應付稅項		453	359
Unsecured bank loans – due within one year	無抵押銀行貸款 – 一年內到期		2,883	2,640
			38,113	33,312
Net current assets	流動資產淨值		100,573	72,050
Total assets less current liabilities	總資產減流動負債		216,261	178,352

Condensed Consolidated Balance Sheet 簡明綜合資產負債表 (Continued 續)

At 30th June, 2006
於二零零六年六月三十日



			At 30th June, 2006 於二零零六年 六月三十日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31st December, 2005 於二零零五年 十二月三十一日 HK\$'000 港幣千元 (audited) (經審核)
		Notes 附註		
Non-current liabilities	非流動負債			
Loan from shareholder	股東貸款		14,000	–
Unsecured bank loans – due after one year	無抵押銀行貸款—一年後到期		19,903	2,060
Deferred tax liabilities	遞延稅項負債	12	709	938
			34,612	2,998
			181,649	175,354
Capital and reserves	股本及儲備			
Share capital	股本	13	2,200	2,200
Reserves	儲備		179,449	173,154
Equity attributable to equity holders of the Company	母公司權益持有人應佔權益		181,649	175,354

Condensed Consolidated Statement of Changes in Equity 簡明綜合資本變動表

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

		Share capital	Share premium	Investments revaluation reserve	Non-distributable reserve	Merger reserve	General reserve fund	Accumulated profits	Total
		股本	股份溢價	投資重估儲備	非可供分派儲備	合併儲備	一般儲備基金	累計溢利	合共
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		(Note 13) (附註13)							
At 1st January, 2005	於二零零五年一月一日	2,200	39,352	(51)	16,584	127	5,845	101,031	165,088
Loss on fair value changes of available-for-sale investments recognised directly in equity	直接於股本確認之可供出售投資公平值變動虧損	-	-	(48)	-	-	-	-	(48)
Profit for the period	期內溢利	-	-	-	-	-	-	6,040	6,040
Total recognised expense and income for the period	期內已確認開支及收入總額	-	-	(48)	-	-	-	6,040	5,992
At 30th June, 2005	於二零零五年六月三十日	2,200	39,352	(99)	16,584	127	5,845	107,071	171,080
Loss on fair value changes of available-for-sale investments recognised directly in equity	直接於股本確認之可供出售投資公平值變動虧損	-	-	(15)	-	-	-	-	(15)
Profit for the period	期內溢利	-	-	-	-	-	-	4,289	4,289
Total recognised expense and income for the period	期內已確認開支及收入總額	-	-	(15)	-	-	-	4,289	4,274
Transfer	轉撥	-	-	-	-	-	294	(294)	-
At 31st December, 2005	於二零零五年十二月三十一日	2,200	39,352	(114)	16,584	127	6,139	111,066	175,354
Loss on fair value changes of available-for-sale investments recognised directly in equity	直接於股本確認之可供出售投資公平值變動虧損	-	-	(8)	-	-	-	-	(8)
Profit for the period	期內溢利	-	-	-	-	-	-	6,303	6,303
Total recognised expense and income for the period	期內已確認開支及收入總額	-	-	(8)	-	-	-	6,303	6,295
At 30th June, 2006	於二零零六年六月三十日	2,200	39,352	(122)	16,584	127	6,139	117,369	181,649

Condensed Consolidated Cash Flow Statement 簡明綜合現金流量表

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



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		Six months ended 30th June, 截至六月三十日止六個月	
		2006 二零零六年 HK\$'000 港幣千元 (unaudited) (未經審核)	2005 二零零五年 HK\$'000 港幣千元 (unaudited) (未經審核)
Net cash from/(used in) operating activities	來自／(用作)經營業務的現金淨額	6,390	(7,019)
Net cash used in investing activities	用作投資活動的現金淨額	(16,058)	(3,377)
Net cash from/(used in) financing activities	來自／(用作)融資活動的現金淨額	31,814	(2,783)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加／(減少)淨額	22,146	(13,179)
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	18,134	36,671
Cash and cash equivalents at end of the period	期終之現金及現金等價物	40,280	23,492
Analysis of the balances of cash and cash equivalents	現金及現金等價物之結餘分析		
Bank balances and cash	銀行結餘及現金	40,280	23,492

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

1. Basis of Preparation

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

2. Principal Accounting Policies

The unaudited 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 unaudited condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31st December, 2005 except as described below.

1. 編製基準

未經審核簡明綜合財務報表已根據聯交所上市規則附錄16的適用披露規定及香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」編製。

2. 主要會計政策

除若干金融工具按公平值計量外，未經審核簡明綜合財務報表乃按歷史成本編製。

除以下所述者外，編製未經審核簡明綜合財務報表採納的會計政策與本集團於截至二零零五年十二月三十一日止年度之年度財務報表所採納者一致。



2. Principal Accounting Policies (continued)

In the current interim period, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards, amendments and interpretations (new “HKFRSs”) issued by the HKICPA, which are either effective for accounting periods beginning on or after 1st December, 2005 or 1st January, 2006. The adoption of these new HKFRSs had no material effect on how the results for the current and prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures
HKAS 21 (Amendment)	The effects of change in foreign exchange rate – net investment in a foreign operation
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions
HKAS 39 (Amendment)	The fair value option
HKAS 39 & HKFRS 4 (Amendment)	Financial guarantee contracts
HKFRS 6	Exploration for and evaluation of mineral resources
HK(IFRIC)-INT 4	Determining whether an arrangement contains a lease
HK(IFRIC)-INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
HK(IFRIC)-INT 6	Liabilities arising from participating in a specific market-waste electrical and electronic equipment

2. 主要會計政策 (續)

於本中期期間，本集團首次採納多項由香港會計師公會頒佈而於二零零五年十二月一日或二零零六年一月一日或之後開始之會計期間生效的新訂香港財務報告準則、修訂及詮釋（新「香港財務報告準則」）。採納該等新訂香港財務報告準則對編製及呈列本會計期間及過往會計期間業績並無重大影響，因此毋須就過往期間之業績作出調整。

香港會計準則第19號 (修訂本)	精算收益及虧損、集團計劃及披露
香港會計準則第21號 (修訂本)	匯率變動影響－海外業務的投資淨額
香港會計準則第39號 (修訂本)	預測集團內部交易的現金流量對沖會計處理
香港會計準則第39號 (修訂本)	選擇以公平值列賬
香港會計準則第39號及香港財務報告準則第4號 (修訂本)	財務擔保合約
香港財務報告準則第6號	礦產資源勘探及評估
香港 (國際財務報告詮釋委員會)－詮釋第4號	釐定安排是否包括租賃
香港 (國際財務報告詮釋委員會)－詮釋第5號	終止運作、復原及環境修復基金所產生權益的權利
香港 (國際財務報告詮釋委員會)－詮釋第6號	參與特定市場產生之責任－廢棄電力及電子設備

2. Principal Accounting Policies (continued)

The Group has not early applied the following new standards, amendments or interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the adoption of these new HKFRSs, in future period will have no material impact on the financial position of the Group.

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

¹ Effective for annual periods beginning on or after 1st January, 2007.

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

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

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

2. 主要會計政策 (續)

本集團並無提早應用下列已頒佈但尚未生效的新訂準則、修訂或詮釋。本公司董事預期於日後期間採納該等新香港財務報告準則將不會對本集團財務狀況構成重大影響。

香港會計準則第1號 (修訂本)	資本披露 ¹
香港財務報告準則第7號 香港(國際財務報告詮釋委員會)－詮釋第7號	金融工具：披露 ¹ 應用香港會計準則第29號嚴重通脹經濟之財務報告法項下重列法 ²
香港(國際財務報告詮釋委員會)－詮釋第8號	香港財務報告準則第2號之範圍 ³
香港(國際財務報告詮釋委員會)－詮釋第9號	重估內含衍生工具 ⁴

¹ 於二零零七年一月一日或以後開始之年度期間生效。

² 於二零零六年三月一日或以後開始之年度期間生效。

³ 於二零零六年五月一日或以後開始之年度期間生效。

⁴ 於二零零六年六月一日或以後開始之年度期間生效。



3. Revenue and Segmental Information

Revenue represents the gross amount received and receivable for goods sold, net of returns, to outsiders during the period.

Business Segments

For management purposes, the Group's business is currently organized into four operating divisions which are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

- Aluminium parts – sale of aluminium die casting parts manufactured and processed by the Group.
- Zinc parts – sale of zinc die casting parts manufactured and processed by the Group and zinc die casting parts purchased from suppliers but processed by the Group.
- Magnesium parts – sale of magnesium die casting parts manufactured and processed by the Group.
- Others – sale of screw machined brass parts and other casting purchased from suppliers but processed by the Group.

3. 收益及分部資料

收益指期內向外界客戶已收及應收銷貨總額，並經扣除退貨。

業務分部

就管理而言，本集團的業務目前分為四個營運單位，乃本集團呈報其主要分部資料的基準。

主要業務如下：

- 鋁部件 – 銷售本集團所製造及加工的鋁壓鑄部件。
- 鋅部件 – 銷售本集團所製造及加工的鋅壓鑄部件，以及銷售向供應商採購但由本集團加工的鋅壓鑄部件。
- 鎂部件 – 銷售本集團所製造及加工的鎂壓鑄部件。
- 其他 – 銷售向供應商採購但由本集團加工的螺絲機械黃銅部件及其他鑄件。

3. Revenue and Segmental Information (continued)

Business Segments (continued)

3. 收益及分部資料 (續)

業務分部 (續)

		Revenue		Segment Results	
		Six months ended 30th June,		Six months ended 30th June,	
		收益		業績分部	
		截至六月三十日止六個月		截至六月三十日止六個月	
		2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Aluminum parts	鋁部件	101,222	74,905	6,506	6,092
Zinc parts	鋅部件	7,594	5,156	422	435
Magnesium parts	鎂部件	3,628	1,872	289	88
Others	其他	392	75	15	4
		112,836	82,008	7,232	6,619
Income from available-for-sale investments	可供出售投資之收入			15	15
Expenses from investments held for trading	持作買賣投資之開支			(33)	(42)
Interest income	利息收入			106	37
Finance costs	融資成本			(272)	(130)
Unallocated corporate expenses	未分配公司開支			(478)	(316)
Profit before taxation	除稅前溢利			6,570	6,183
Income tax expense	所得稅開支			(267)	(143)
Profit for the period	期內溢利			6,303	6,040



3. Revenue and Segmental Information (continued)

Geographical Segments

The Group's revenue and contribution to profit for the period, analysed by geographical markets are as follows:

3. 收益及分部資料 (續)

地區分部

按地區市場分析的本集團收益及期內溢利貢獻如下:

		Revenue		Segment Results	
		Six months ended 30th June,		Six months ended 30th June,	
		收益		業績分部	
		截至六月三十日止六個月		截至六月三十日止六個月	
		2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
The People's Republic of China (the "PRC") including Hong Kong	中華人民共和國 (「中國」) 包括香港	41,199	33,920	2,605	2,851
North America	北美洲	30,497	21,180	1,896	1,614
Europe	歐洲	29,710	22,715	1,951	1,851
South East Asia	東南亞	11,430	4,193	780	303
		112,836	82,008	7,232	6,619
Income from available-for-sale investments	可供出售投資之收入			15	15
Expenses from investments held for trading	持作買賣投資之開支			(33)	(42)
Interest income	利息收入			106	37
Finance costs	融資成本			(272)	(130)
Unallocated corporate expenses	未分配公司開支			(478)	(316)
Profit before taxation	除稅前溢利			6,570	6,183
Income tax expense	所得稅開支			(267)	(143)
Profit for the period	期內溢利			6,303	6,040

4. Finance Costs

4. 融資成本

Six months ended 30th June,
截至六月三十日止六個月

		2006 二零零六年 HK\$'000 港幣千元 (unaudited) (未經審核)	2005 二零零五年 HK\$'000 港幣千元 (unaudited) (未經審核)
Interest on bank loans repayment within five years	須於五年內償還銀行貸款之利息	116	130
Interest on shareholder's loans repayment	償還股東貸款之利息	156	-
		272	130

5. Profit before Taxation

5. 除稅前溢利

Six months ended 30th June,
截至六月三十日止六個月

		2006 二零零六年 HK\$'000 港幣千元 (unaudited) (未經審核)	2005 二零零五年 HK\$'000 港幣千元 (unaudited) (未經審核)
Profit before taxation has been arrived at after charging/(crediting):	除稅前溢利經扣除/(計入)：		
Depreciation	折舊	6,921	6,323
Gain on disposal of investments held for trading	出售持作買賣投資之收益	(17)	-
Dividend income from unlisted available-for-sale investments	非上市可供出售投資之股息收入	(15)	(15)
Loss on investments at fair value through profit or loss	按公平值列賬及計入溢利或虧損之投資虧損	50	42
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	199	-



6. Income Tax Expense

6. 所得稅開支

Six months ended 30th June,
截至六月三十日止六個月

		2006 二零零六年 HK\$'000 港幣千元 (unaudited) (未經審核)	2005 二零零五年 HK\$'000 港幣千元 (unaudited) (未經審核)
Current tax:	本期稅項		
Hong Kong	香港	154	107
Other Jurisdictions	其他司法權區	342	409
Deferred tax	遞延稅項	(229)	(373)
		267	143

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Hong Kong Profits Tax is calculated at 17.5% (2005: 17.5%) of the estimated assessable profit for the six months ended 30th June, 2006.

香港利得稅乃按截至二零零六年六月三十日止六個月的估計應課稅溢利以17.5% (二零零五年: 17.5%) 稅率計算。

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

其他司法權區的稅項乃根據各司法權區現行稅率計算。

Pursuant to the relevant laws and regulations in the PRC, Dongguan United Metal Products Co., Ltd. ("Dongguan United"), United Metal Products (Shanghai) Co., Ltd. ("United Shanghai") and United Castings (Dongguan) Co., Ltd. ("United Castings") are entitled to exemption from the PRC enterprise income tax for two years commencing from their first profit-making year of operation and thereafter, they are entitled to 50% relief from the PRC enterprise income tax for the following three years. The reduced tax rate for the relief period is 12.0%.

根據中國有關法律及法規，東莞鏗利五金制品有限公司(「東莞鏗利」)、科鑄金屬制品(上海)有限公司(「科鑄上海」)及東莞科鑄金屬制品有限公司(「東莞科鑄」)於首個營運獲利年度起兩年期間獲豁免繳納中國企業所得稅，並可於其後三年獲減免50%中國企業所得稅。寬免期間的減免稅率為12.0%。

Dongguan United's first profit-making year is the year of 1999. Accordingly, tax relief expired in the year of 2003 and the tax rate thereafter is 24.0%.

東莞鏗利的首個獲利年度為一九九九年。因此，稅項寬免已於二零零三年屆滿，其後稅率為24.0%。

No provision for taxation has been made for United Shanghai and United Castings as these two companies had no assessable profit for the six months ended 30th June, 2006.

由於科鑄上海及東莞科鑄於截至二零零六年六月三十日止六個月並無應課稅溢利，故並無就該兩家公司作出稅項撥備。

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized.

遞延稅項按預計於償還負債或變現資產期間內適用之稅率計算。

7. Interim Dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30th June, 2006 (six months ended 30th June, 2005: Nil).

8. Earnings per Share

The calculation of the basic earnings per share for the period is based on the following data:

		Six months ended 30th June, 截至六月三十日止六個月	
		2006 二零零六年 HK\$'000 港幣千元 (unaudited) (未經審核)	2005 二零零五年 HK\$'000 港幣千元 (unaudited) (未經審核)
Earnings for the purpose of basic earnings per share	計算每股基本盈利的盈利	6,303	6,040
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利的加權平均普通股數	220,000,000	220,000,000

No diluted earnings per share has been presented for the six months ended 30th June, 2005 and 2006 as there were no potential dilutive ordinary shares in existence for the periods.

董事會不建議就截至二零零六年六月三十日止六個月派發中期股息(截至二零零五年六月三十日止六個月:無)。

7. 中期股息

8. 每股盈利

有關本期間的每股基本盈利乃根據下列數據計算:

由於截至二零零五年及二零零六年六月三十日止六個月期間內，並無潛在攤薄效應的普通股股份，故並無呈列上述期間之每股攤薄盈利。

9. Additions to/Disposal of Property, Plant and Equipment

During the six months ended 30th June, 2006, the Group spent approximately HK\$3,844,000 (six months ended 30th June, 2005: HK\$3,330,000) on additions to manufacturing plant and equipment in the PRC, in order to upgrade its manufacturing capabilities. Besides, the Group disposed of certain plant and machinery with a carrying amount of HK\$257,000 (six months ended 30th June, 2005: Nil) for proceeds of HK\$58,000, resulting in a loss on disposal of HK\$199,000.

9. 物業、廠房及設備添置／出售

於截至二零零六年六月三十日止六個月，本集團動用約港幣3,844,000元(截至二零零五年六月三十日止六個月:港幣3,330,000元)添置中國廠房之生產機器及設備，以提升其生產能力。此外，本集團出售若干賬面值為港幣257,000元之廠房及機器(截至二零零五年六月三十日止六個月:無)，所得款項為港幣58,000元，導致出售虧損港幣199,000元。



10. Trade and Other Receivables

The Group generally allows a credit period of 30 to 90 days to its trade customers. An aged analysis of trade receivables at the balance sheet date is as follows:

10. 應收貿易賬款及其他應收款項

本集團一般給予其貿易客戶30至90日的信貸期。於結算日的應收貿易賬款的賬齡分析如下：

		At 30th June, 2006 於二零零六年 六月三十日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31st December, 2005 於二零零五年 十二月三十一日 HK\$'000 港幣千元 (audited) (經審核)
Trade receivables:	應收貿易賬款：		
Not yet due	尚未逾期	34,712	24,023
Overdue 1 to 30 days	逾期1日至30日	12,086	13,111
Overdue 31 to 60 days	逾期31日至60日	3,697	6,261
Overdue 61 to 90 days	逾期61日至90日	1,290	479
Overdue 91 to 120 days	逾期91日至120日	567	336
Overdue more than 120 days	逾期超過120日	820	634
		53,172	44,844
Other receivables:	其他應收款項：		
Deposits paid	已付訂金	4,058	3,502
Prepayments	預付款項	516	226
Others	其他	266	2,300
		4,840	6,028
		58,012	50,872

11. Trade and Other Payables

An aged analysis of trade payables at the balance sheet date is as follows:

11. 應付貿易賬款及其他應付款項

於結算日應付貿易賬款的賬齡分析如下：

		At 30th June, 2006 於二零零六年 六月三十日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31st December, 2005 於二零零五年 十二月三十一日 HK\$'000 港幣千元 (audited) (經審核)
Trade payables:	應付貿易賬款：		
Not yet due	尚未逾期	9,459	4,513
Overdue 1 to 30 days	逾期1日至30日	1,960	1,809
Overdue 31 to 60 days	逾期31日至60日	409	87
Overdue 61 to 90 days	逾期61日至90日	114	1
Overdue 91 to 120 days	逾期91日至120日	165	32
Overdue more than 120 days	逾期超過120日	11	153
		12,118	6,595
Other payables:	其他應付款項：		
Accruals	應計欠款	16,807	17,395
Deposits received	已收訂金	5,650	6,323
Others	其他	202	-
		22,659	23,718
		34,777	30,313



12. Deferred Taxation

The following are the major deferred tax liabilities and assets recognized and movements thereon during the current and prior reporting periods:

12. 遞延稅項

已確認之主要遞延稅項負債與資產及於現行及以往申報期間變動如下：

		Accelerated tax depreciation	Tax losses	Total
		加速稅項折舊	稅務虧損	合共
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
		(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)
At 1st January, 2005	於二零零五年一月一日	2,980	(2,087)	893
Credited to the condensed consolidated income statement for the period	計入期內簡明綜合收益表	(121)	(252)	(373)
At 30th June, 2005	於二零零五年六月三十日	2,859	(2,339)	520
Charged to the condensed consolidated income statement for the period	扣除期內簡明綜合收益表	100	318	418
At 31st December, 2005	於二零零五年 十二月三十一日	2,959	(2,021)	938
Credited to the condensed consolidated income statement for the period	計入期內簡明綜合收益表	(111)	(118)	(229)
At 30th June, 2006	於二零零六年六月三十日	2,848	(2,139)	709

13. Share Capital

13. 股本

		At 30th June, 2006 於二零零六年 六月三十日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31st December, 2005 於二零零五年 十二月三十一日 HK\$'000 港幣千元 (audited) (經審核)
Authorised:	法定:		
1,000,000,000 ordinary shares of HK\$0.01 each	1,000,000,000股每股面值 港幣0.01元的普通股	10,000	10,000
Issued and fully paid:	已發行及繳足:		
220,000,000 ordinary shares of HK\$0.01 each	220,000,000股每股面值 港幣0.01元的普通股	2,200	2,200

14. Capital Commitments

14. 資本承擔

		At 30th June, 2006 於二零零六年 六月三十日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31st December, 2005 於二零零五年 十二月三十一日 HK\$'000 港幣千元 (audited) (經審核)
Capital expenditure in respect of acquisition of property, plant and equipment	就收購物業、廠房及設備 的資本開支		
Contracted for but not provided in the financial statements	已訂約但未於財務 報表撥備	39,935	7,629
Authorised but not contracted for	已批准但未訂約	-	34,038



15. Operating Lease Commitments

At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

Within one year	一年內
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)
Over five years	五年以上

15. 經營租賃承擔

於結算日，本集團根據不可撤銷經營租賃，於下列年期到期支付的未來最少應付租金總額如下：

	At 30th June, 2006 於二零零六年 六月三十日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31st December, 2005 於二零零五年 十二月三十一日 HK\$'000 港幣千元 (audited) (經審核)
	3,508	2,814
	8,730	9,259
	2,522	4,451
	14,760	16,524

Operating lease payments represent rentals payable by the Group for certain of its office premises and factory land and buildings. The average lease term is 13 years. Rentals are fixed and no arrangements have been entered into for contingent rental payments.

經營租賃款項指本集團就其若干辦公室物業以及廠房土地及樓宇應付的租金。平均租賃年期為13年。租金乃固定且無就或然租金付款訂立任何安排。

16. Contingent Liabilities

The Company has given guarantee to banks in respect of general facilities granted to its subsidiaries. The extent of such facilities utilized by the subsidiaries as at 30th June, 2006 amounted to approximately HK\$22,786,000 (at 31st December, 2005: HK\$4,700,000).

16. 或然負債

本公司已就其附屬公司獲授一般融資向銀行作出擔保。於二零零六年六月三十日，有關附屬公司已動用部分該等融資為數約港幣22,786,000元（於二零零五年十二月三十一日：港幣4,700,000元）。

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