



新鴻基有限公司

SUN HUNG KAI & CO. LIMITED

(Stock Code 股份代號 : 86)



二零一一年年報
Annual Report 2011





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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Lee Seng Huang
(Group Executive Chairman)
 William Leung Wing Cheung
 Joseph Tong Tang
 Peter Anthony Curry

Non-Executive Directors

Goh Joo Chuan
 Leung Pak To
 Ming Cheng
 Roy Kuan
 Ho Chi Kit *(alternate to Roy Kuan)*

Independent Non-Executive Directors

David Craig Bartlett
 Alan Stephen Jones
 Carlisle Caldwell Procter
 Peter Wong Man Kong

EXECUTIVE COMMITTEE

Lee Seng Huang *(Chairman)*
 William Leung Wing Cheung
 Joseph Tong Tang
 Peter Anthony Curry

NOMINATION COMMITTEE

Lee Seng Huang *(Chairman)*
 David Craig Bartlett
 Alan Stephen Jones
 Carlisle Caldwell Procter
 Peter Wong Man Kong
 Roy Kuan
 Ho Chi Kit *(alternate to Roy Kuan)*

REMUNERATION COMMITTEE

Peter Wong Man Kong *(Chairman)*
 David Craig Bartlett
 Alan Stephen Jones
 Carlisle Caldwell Procter
 Roy Kuan
 Ho Chi Kit *(alternate to Roy Kuan)*

AUDIT COMMITTEE

Alan Stephen Jones *(Chairman)*
 David Craig Bartlett
 Carlisle Caldwell Procter
 Peter Wong Man Kong
 Roy Kuan
 Ho Chi Kit *(alternate to Roy Kuan)*

RISK MANAGEMENT COMMITTEE

Lee Seng Huang *(Chairman)*
 Joseph Tong Tang *(Alternate Chairman)*
 William Leung Wing Cheung
 Peter Anthony Curry
 Thomas Bennington Hulme
 Roy Kuan
 Ho Chi Kit *(alternate to Roy Kuan)*
 Leung Tung Yip
 Kevin Tai Yiu Kuen

COMPANY SECRETARY

Hester Wong Lam Chun

AUDITOR

Deloitte Touche Tohmatsu

SOLICITORS

Clifford Chance
 Linklaters
 Mallesons Stephen Jaques
 P.C. Woo & Co.

BANKERS

Standard Chartered Bank
 (Hong Kong) Limited
 CITIC Bank International Limited
 Oversea-Chinese Banking
 Corporation Limited,
 Hong Kong Branch
 Industrial and Commercial Bank of
 China (Asia) Limited
 China Construction Bank (Asia)
 Corporation Limited
 DBS Bank (Hong Kong) Limited
 The Bank of East Asia, Limited
 The Bank of New York Mellon
 Fubon Bank (Hong Kong) Limited
 Public Bank (Hong Kong) Limited
 Bank of China (Hong Kong) Limited
 Chong Hing Bank Limited
 Wing Hang Bank, Limited
 KBC Bank, N.V., Hong Kong Branch
 The Hongkong and Shanghai
 Banking Corporation Limited

REGISTRAR

Tricor Secretaries Limited
 26th Floor, Tesbury Centre
 28 Queen's Road East
 Wanchai, Hong Kong

REGISTERED OFFICE

42nd Floor, The Lee Gardens
 33 Hysan Avenue
 Causeway Bay
 Hong Kong

WEBSITES

www.shkco.com
www.shkf.com
www.shkfg.com
www.shkdirect.com
www.shkprivate.com
www.shkfinance.com.hk
www.uaf.com.hk
www.uaeasycash.cn

Corporate Profile

Sun Hung Kai & Co. Limited

(the "Company", together with its subsidiaries, also known as the "Group") is one of the leading financial institutions in Hong Kong with its foundation dating back to 1969. Listed on The Stock Exchange of Hong Kong Limited in 1983 (Stock Code: 86), the Company, through its subsidiaries, including Sun Hung Kai Financial Limited and United Asia Finance Limited, offers customised financial solutions for retail, corporate and institutional clients.

Operating under Sun Hung Kai Financial Limited and UAF Holdings Limited, the Company has five core business segments, which are

- Wealth Management and Brokerage,
- Capital Markets,
- Asset Management,
- Consumer Finance and
- Principal Investments.

It has an extensive branch and office network of more than 120 locations in Hong Kong, Mainland China and Macau. As of 31 December 2011, the Company has more than HK\$12 billion in shareholders equity.

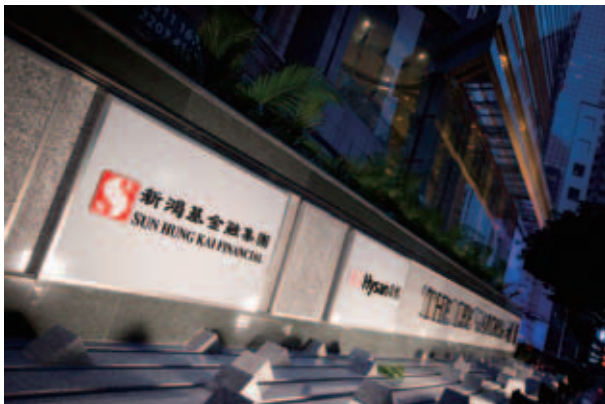
For over 40 years, we have always put our customers first. Our dedicated professional staff, with years of experience and an enviable track record in the financial industry, are always striving to provide investment

and financial services that meet the needs of our customers.

To keep pace with the ever-changing financial environment, in recent years the Group has actively formed alliances with a number of significant local and international companies, with the objective of expanding our business and providing diversified products to satisfy the needs of our wide range of customers.

The success of the Group is based not only on its sound strategic business model, but also on our five important guiding principles: Excellence, Integrity, Innovation, Prudence and Professionalism, in which each plays a crucial role in ensuring the Group's continued growth.

As we grow our business, we never lose sight of our role as a responsible corporate citizen. We have set up Sun Hung Kai Financial Foundation to formalise our community involvement. The Foundation focuses on several key areas such as investor education, community healthcare and environmental protection. Progress has been made on greening of our operations, with the launch of "Going Green" drives including Toner-save, Power-save and Paper-save programmes. We expect more environmentally friendly programmes to be rolled out in the coming year as part of our Corporate Social Responsibility ("CSR") mission.



Corporate Milestones



1969

Sun Hung Kai & Co. was formed by Mr. Fung King Hey, Mr. Kwok Tak Seng and Mr. Lee Shau Kee. In 1973, Sun Hung Kai Securities Limited ("SHKS") was incorporated.

1983

Sun Hung Kai & Co. Limited (the "Company") was formed and listed on the Hong Kong Stock Exchange.

1991

Sun Hung Kai Investment Services Limited ("SHKIS") became one of the first underwriters and approved overseas agents in the Shanghai and Shenzhen Stock Exchanges.

1993

SHKIS was approved as a B-share seat holder of the Shanghai and Shenzhen Stock Exchanges.

1996

Allied Properties (H.K.) Limited ("APL"), via its wholly-owned subsidiary acquired the Fung family's equity interest in the Company.

1997

SHKIS was approved as a Foreign Share Broker and Lead Underwriter by the China Securities Regulatory Commission.

Corporate Milestones

SHKOnline.com was launched and was among the first batch of brokers offering straight-through Internet-based order processing.	2000
The Company diversified its operations by establishing wealth management and alternative investment businesses.	2002
Sun Hung Kai International Bank [Brunei] Limited was officially opened, and the equity interest of APL in the Company increased to approximately 74.99% (currently stands at approximately 53.51%).	2004
The Company entered the consumer finance area by acquiring UAF Holdings Limited, and built its Mainland China strategy through a JV with Zhe Jiang Province Yongan Futures Broker Company Limited.	2006
The Company entered a strategic partnership with Dubai Investment Group through a placement of 166 million shares.	2007
The Company formally opened its flagship SHK Wealth Management Centre in Hong Kong.	2009
The Company relocated its business units to The Lee Gardens in Causeway Bay. The Company formed strategic alliances with CVC Capital Partners and Macquarie FX Investments Pty Limited, a subsidiary of Macquarie Bank Limited.	2010
SHK Private, a signature account of the Company, was established to provide customised wealth management services to high-net-worth clients. The Company formed strategic alliance with Look's Asset Management Limited.	
SHKS was renamed as Sun Hung Kai Financial Limited effective 1 December 2011 to align the corporate name with its Sun Hung Kai Financial brand.	2011



Financial Highlights

KEY DATA

(HK\$ Million)	2011	2010	change
Revenue	3,593.2	3,064.1	17%
Operating earnings	1,546.0	1,359.0	14%
Profit attributable to owners of the company	1,032.4	1,087.0	-5%
Per Share Data (HK Cents)			
Earnings per share	48.8	56.8	
Dividend per share	20.0	229.3	
Book value per share	5.7	6.4	
Financial Ratios			
Return on assets	4.6%	5.4%	
Return on equity	8.5%	9.6%	
Gearing	55.3%	45.2%	

SHARE INFORMATION

	2011	2010
No. of shares in issue at year end (million)	2,109.4	1,775.4
Weighted average number of shares (million)	2,113.7	1,914.0
Earnings per share (HK cents)	48.8	56.8
Dividend per share (HK cents)	20.0	229.3
– Final	10.0	18.0
– Interim	10.0	10.0
– Special	–	201.3
Share price (HK\$)		
– High	6.93	8.68
– Low	3.80	4.02
– Close	4.08	5.63
Market capitalization (HK\$ million)	8,606.4	9,995.5

Financial Highlights

REVENUE ANALYSIS

(HK\$ Million)	2011	2010	change
Revenue	3,593.2	3,064.1	17%
<i>Breakdown by Geography</i>			
– Hong Kong	3,044.2	2,817.7	8%
– Mainland China and others	549.0	246.4	123%
<i>Breakdown by Type</i>			
– Interest income	2,760.3	2,098.4	32%
– Brokerage, commission and service income	767.5	899.4	-15%
– Fees received from fund management	33.9	45.8	-26%
– Others	31.5	20.5	54%

INCOME STATEMENT ANALYSIS

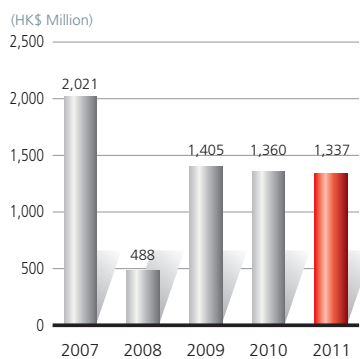
(HK\$ Million)	2011	2010	change
Revenue	3,593.2	3,064.1	17%
Operating expenses	(1,702.4)	(1,479.9)	15%
<i>As % of revenue ("cost to income")</i>	47%	48%	
– Brokerage and commission expenses	(214.4)	(219.0)	-2%
– Direct cost and operating expenses	(260.1)	(296.4)	-12%
– Administrative expenses	(1,218.4)	(949.5)	28%
– Other expenses	(9.5)	(15.0)	-37%
Finance costs	(160.3)	(115.6)	39%
Operating Earnings Before Bad and Doubtful Debts	1,730.5	1,468.6	18%
Bad and doubtful debts	(184.5)	(109.6)	68%
Operating Earnings	1,546.0	1,359.0	14%
Other income	224.3	45.8	} -70%
Net exchange (loss) gain	(46.0)	10.7	
Net (loss) gain on financial instruments	(132.3)	121.2	
Loss on disposal of a listed associate	–	(159.3)	
Associates	17.1	210.1	
Jointly controlled entities	6.2	5.0	
Profit Before Taxation	1,615.3	1,592.5	1%
Taxation	(278.8)	(233.0)	20%
Non-controlling interests	(304.1)	(272.5)	12%
Profit Attributable to Owners of the Company	1,032.4	1,087.0	-5%

Financial Highlights

STATEMENT OF FINANCIAL POSITION HIGHLIGHTS

(HK\$ Million)	2011	2010	change
Total loans and advances to customers:	12,797.9	10,549.6	21%
– Margin loans	4,277.0	4,436.5	-4%
– Secured term loans	964.8	648.6	49%
– Consumer finance loans	7,556.1	5,464.5	38%
Total borrowings	6,682.8	5,132.4	30%
– Current	2,923.5	2,492.1	17%
– Long term	3,759.3	2,640.3	42%
Cash, deposits and cash equivalents	2,736.0	2,510.1	9%
Total assets	22,494.4	20,151.3	12%
Shareholders' equity	12,087.5	11,365.2	6%

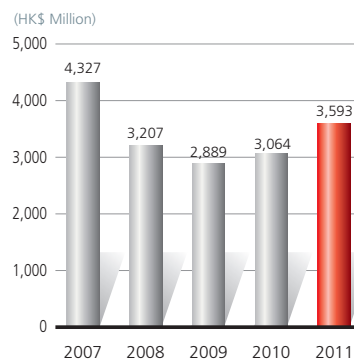
Profit after Taxation



Basic Earnings per Share



Revenue



Share of Revenue of Different Segments in 2011



Financial Highlights

FIVE-YEAR FINANCIAL SUMMARY

(HK\$ Million)	For the year ended 31 December				2011
	2007 (Note a)	2008 (Note a)	2009 (Note a & c)	2010 (Note a & c)	
RESULTS					
Revenue	4,326.7	3,207.3	2,889.3	3,064.1	3,593.2
Profit attributable to owners of the Company	1,897.6	346.5	1,258.4	1,087.0	1,032.4
Retained profits carried forward	5,232.4	5,350.9	6,150.7	3,200.2	3,757.2

(HK\$ Million)	At 31 December				2011
	2007	2008 (Note b)	2009 (Note b & c)	2010 (Note c)	
ASSETS AND LIABILITIES					
Current assets	10,919.6	9,129.9	10,141.0	13,016.1	14,230.6
Total assets	21,816.7	19,438.2	20,877.3	20,151.3	22,494.4
Current liabilities	2,960.8	3,493.6	5,493.6	4,047.6	4,115.2
Total liabilities	7,793.3	6,410.9	6,462.9	6,923.2	8,091.4

Notes:

- (a) The comparative figures of revenue in 2007 to 2010 have been restated to conform to the reclassification of net gain (loss) on financial instruments from revenue to a separate item in the consolidated income statement taken place in 2011.
- (b) The comparative figures of assets and liabilities in 2008 and 2009 have been restated as a result of the adoption of the amendment to HKAS 17 "Lease" and Hong Kong Interpretation 5 "Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause" in 2010.
- (c) The comparative figures of profit attributable to owners of the Company, retained profits carried forward, current liabilities and total liabilities in 2009 and 2010 have been restated as a result of the adoption of the amendment to HKAS 12 "Deferred Tax: Recovery of Underlying Assets" and the reclassification of accrued interest expenses under trade and other payables to respective financial liabilities in 2011.

Letter to our Shareholders



Dear Shareholders,

It gives me pleasure to report that Sun Hung Kai & Co. Limited (the "Company", with its subsidiaries, the "Group"), achieved another solid set of overall results for the year ended 31 December 2011, despite having to operate in a relatively difficult global environment. The past year was characterised by some very challenging circumstances. The slow US economic recovery and subsequent downgrade of its credit rating; Europe's ongoing debt crisis; and the catastrophic Japanese earthquake; all contributed to the uncertainty. Against this backdrop, the Group performed well, with its solid balance sheet and diversified revenue streams.

The Group recorded a profit before tax of HK\$1,615.3 million (2010: HK\$1,592.5 million). Profit attributable to owners of the Company amounted to HK\$1,032.4 million (2010: HK\$1,087.0 million), and earnings per share was HK48.8 cents (2010: HK56.8 cents). The Board has recommended a final dividend of HK10 cents per share (2010: HK18 cents). Together with the interim dividend of HK10 cents per share, total dividends for the year will be HK20 cents (2010: HK\$2.293*), which is consistent with our dividend payout policy of distributing at least 30% of our net operating profits.

Mr. Lee Seng Huang
Group Executive Chairman

Letter to our Shareholders

A highlight of the year was the record result posted by our Consumer Finance business – United Asia Finance Limited (UAF). UAF continued to build its branch network locally and, particularly, in Mainland China, with its market share augmented by the Group's push into the second mortgage business under the SHK Finance brand.

UAF's ongoing expansion into Mainland China continued to gain momentum. Its branch network there surpassed that of Hong Kong with 54 branches in the Mainland, compared with 45 in Hong Kong, at the end of 2011. Its Mainland China business now accounts for 15% of overall Group revenue. UAF is well positioned for further growth as the Chinese economy continues to build up its domestic consumption base.

Our Wealth Management and Brokerage operation in 2011 also performed remarkably well, and it is satisfying to see the growth in our margin lending business alleviating the drop in commission income. Importantly, we remain committed in our vision to become a leading independent wealth management firm.

We invested further in our infrastructure and product platforms, recently launching "SHKF eMO!", an award-winning mobile platform targeting our clients who prefer to invest on a self-directed basis. This initiative follows a series of other product developments including SHK Private, and SHK MasterChoice Discretionary Portfolio Management Services. We have also continued to develop our alliance with EK Immigration Consulting Limited to provide services for participants in Hong Kong's Capital Investment Entrant Scheme.

The Group's Capital Markets division continued to produce solid results in 2011. Its strengthened capabilities allowed us to make significant progress in tapping the small and medium corporate segments in Hong Kong and Mainland China, despite a more subdued fund raising environment in the market.

I would like to emphasise that all this could not have been accomplished without our people. In this regard, we have strengthened our senior management and continued our efforts in attracting, nurturing

and developing talent across the Group. In order to upgrade our operational efficiency, governance, and to aid in staff retention, we launched our "Talent Leadership Development Programme" last year to invest in and develop our top prospects and bring up the next generation of leaders in our organisation.

It is pleasing to see our efforts both in terms of business development as well as talent development being recognised by the industry and wider community. This year, we continued to add to our collection of awards, by achieving the *Sing Tao* Excellent Services Brand Award 2011 – Securities Firm; *CAPITAL Magazine's* "The 12th CAPITAL Outstanding Enterprise Award" and "CAPITAL Merits of Achievements in Banking and Finance". In addition, I am proud that we have been named as a Caring Company by the Hong Kong Council of Social Services for the 10th consecutive year.

While the economic uncertainty that dogged 2011 remains, there are more reasons to be optimistic in the coming year. The Group's diversified mix of businesses, strong balance sheet and adherence to our core values of *Excellence, Integrity, Innovation, Prudence and Professionalism*, makes us well placed to face the challenges in 2012. I would like to take this opportunity to thank all our stakeholders, business partners, valued customers and last but not least, each of my 3,541 dedicated colleagues, who have been essential to the Group's success over the past year.



Lee Seng Huang
Group Executive Chairman

Hong Kong, 26 March 2012

* Total dividends for 2010 included the special dividend of HK\$2.01 per share from the disposal of the Group's interest in Tian An China Investments Company Limited.

Management Discussion and Analysis

BUSINESS REVIEW

For the year ended 31 December 2011, the Group's profit attributable to the shareholders was HK\$1,032.4 million (2010: HK\$1,087.0 million), while earnings per share was HK48.8 cents (2010: HK56.8 cents).

The Group's operating earnings before tax, which is profit before tax excluding other income, net loss from valuation changes to financial instruments, net exchange loss (discussed below), share of results of associates and jointly controlled entities, increased by a satisfying 14% during 2011 to HK\$1,546.0 million.

The board recommended a final dividend of HK10 cents per share, together with the interim dividend of HK10 cents making a total of HK20 cents per share for the year.

When viewing these results we must keep in mind that 2011 was a very challenging year for financial services globally. During the period under review, global markets suffered from weak U.S. economic growth, Europe's ongoing debt crisis and the Japanese earthquake. This already precarious situation was exacerbated by Standard and Poor's downgrading of the U.S.'s AAA credit rating and Europe's debt crisis extending from Greece into Spain and Italy. Global stock markets plunged as funds moved away from equities, with emerging markets generally underperforming the developed markets.

In Mainland China, the People's Bank of China raised the required-reserves ratio (RRR) for banks six times in 2011 and raised deposit and lending rates three times in an effort to cool the overheating economy and tame inflation, before eventually reducing the RRR in December. Gross domestic product growth settled at 9.2% for the year, below the 2010 figure of 10.4%. Equity markets performed poorly during 2011 with the Shanghai Composite Index falling 21.7%, while in Hong Kong the Hang Seng Index was down 20% for the year.



Management Discussion and Analysis



Despite the uncertain global market, the Group's balanced and diversified mix of businesses and clientele enabled us to steer through the volatility and deliver a solid performance in the year 2011.



Our loan businesses include Consumer Finance operating under UA Finance (UAF), margin lending as well as structured finance had a very strong year with total interest income across the Group increasing by 32%. This was driven by the expansion of UAF branches across Mainland China, as well as strong demand for funds from our corporate customers in an environment where liquidity generally tightened. The increase in revenue from our lending businesses offset weaker performance in our fee driven businesses, where retail investment customers have largely stayed on the sidelines in a volatile market.

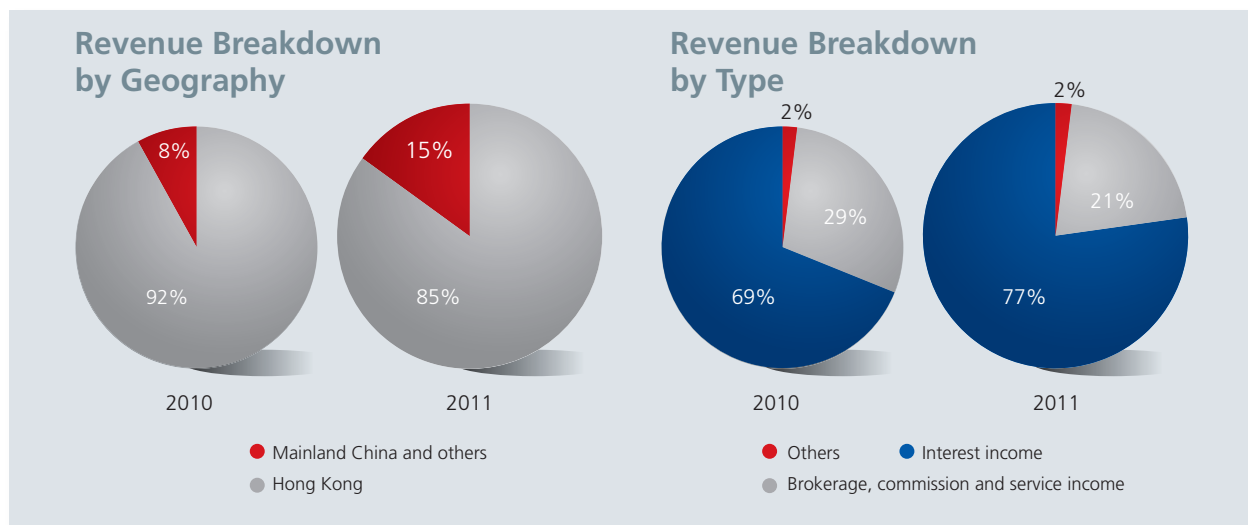


Notwithstanding the challenging market conditions encountered during 2011 the Group continued to strengthen its business platforms. In our Consumer Finance segment, UAF's branch network in Mainland China has achieved a real milestone, surpassing the total number of Hong Kong branches for the first time with 54 branches spread across eight cities including a new branch in Beijing which commenced operations in November 2011. UAF now has a solid foundation and geographical reach in Mainland China as we continue our nationwide rollout plan.

In terms of the Sun Hung Kai Financial business (which comprises Wealth Management and Brokerage, Capital Markets and Asset Management), we continued in our endeavour to transform the Group into one of the leading independent wealth management firms in Asia.



RESULTS ANALYSIS



The Group's revenue increased by 17% during the year to HK\$3,593.2 million.

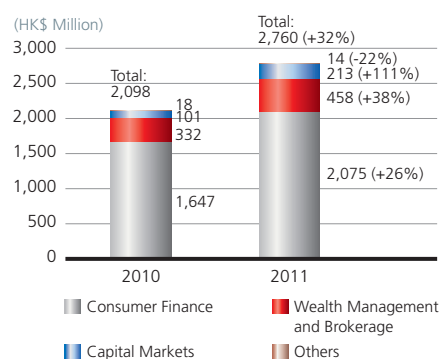
The key driver for this increase was the 32% growth in total interest income, which accounted for 77% of total revenue. Total loans and advances to customers (including consumer finance loans, margin loans as well as secured term loans in the structured finance business) amounted to HK\$12.8 billion at the end of 2011, up from HK\$10.5 billion in 2010.

Revenue from Mainland China increased by 122% to HK\$547.0 million, accounting for 15% of the Group's revenue. This reflects mainly revenue from the Consumer Finance business in Mainland China.

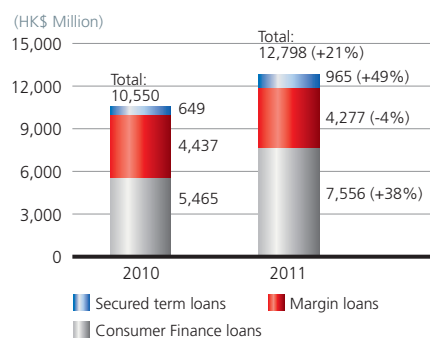
Net loss from valuation changes to financial instruments for 2011 amounted to HK\$132.3 million (2010: profit of HK\$121.2 million), reflecting mark to market valuation losses in the Asset Management and Capital Markets business. This amount was offset by another non-cash item, a HK\$192.6 million gain from the revaluation of investment properties, which is classified as Other Income.

Net foreign exchange losses of HK\$46.0 million were also incurred, mainly from the Consumer Finance business, reflecting the devaluation of the HK/US dollar against the Renminbi ("RMB"), as UAF's Mainland China subsidiaries converted their capital into RMB in the loan underwriting process. It is worth noting that there is a corresponding appreciation of the RMB denominated loans shown as an increase in reserves on the Statement of Financial Position.

Total Interest Income



Loan Books



Management Discussion and Analysis

WEALTH MANAGEMENT AND BROKERAGE



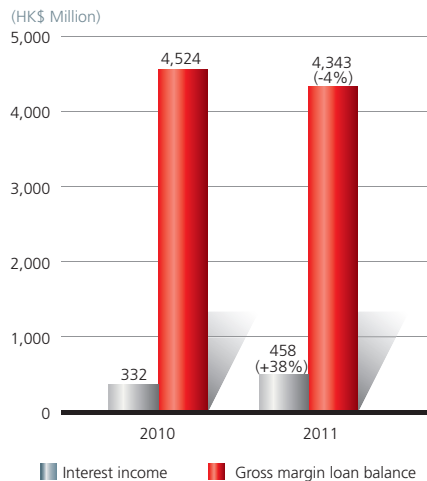
A one-stop investment platform with independent financial advisory services is provided to create wealth for clients across all market segments.

We offer one of the broadest ranges of wealth management products in Hong Kong, covering securities, structured products, futures, options, commodities, foreign exchange, and discretionary portfolio management services, mutual funds and insurance.

A customer-developed new mobile trading application, "SHKF eMO!", was launched in 2011 for clients to seize investment opportunities on the go.

We are also the leading provider of margin financing in Hong Kong, with a loan book of over HK\$4 billion at the end of 2011.

(HK\$ Million)	2011	2010	change
Revenue	1,082.5	1,034.3	4.7%
– Interest income	458.2	331.8	38.1%
– Fee based income and other revenue	624.3	702.5	-11.1%
Operating costs	(716.6)	(738.6)	-3.0%
<i>Cost to income (% Revenue)</i>	66.2%	71.4%	
Bad and doubtful debts	(20.0)	(1.6)	
Finance costs	(9.0)	(13.3)	
Operating Earnings	336.9	280.8	20.0%
Other income	2.0	1.5	
Exchange gain	7.6	0.1	
Net gain on financial instruments	9.6	12.9	
Jointly controlled entities	3.0	2.0	
Pre-tax Contribution	359.1	297.3	20.8%



The segment's revenue was HK\$1,082.5 million and contribution to pre-tax profit was HK\$359.1 million, representing a 5% and 21% increase respectively over 2010. The increase was driven by the Group's margin lending business, which benefited from a market environment where liquidity was tight.

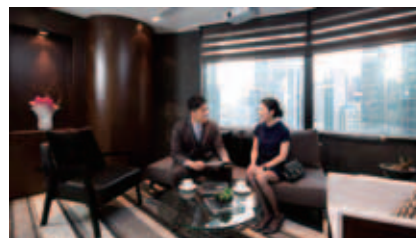
Management Discussion and Analysis

Total interest income under this segment amounted to HK\$458.2 million, a 38% year on year increase. The Group's margin loan balance closed at HK\$4.3 billion at the end of 2011, slightly lower than in 2010 — although average balances were higher than the year before. As the market deteriorated in the last quarter of the year, some of our customers sought to reduce risk in their positions and repaid their margin loans. However, overall, the Group benefited from improved pricing on its aggregate loan book with the corporate customers, and demand remaining relatively healthy.

Whilst our margin loan business performed well in a market where liquidity was tighter, on the fee income side, it was a difficult period for all players in the market. Revenue from the segment excluding interest income declined by 11%. Retail customers, who form the core of the Group's customer base, have largely stayed on the sidelines in this volatile market, especially in the second half of 2011 when the Hang Seng Index hit a low of 16,170. Secondary trading of Hong Kong equities accounted for over 40% of total commissions.

In this environment, our strategy to grow this business segment remains to continue a gradual transformation into a leading wealth management firm. SHK Private was launched, together with new products such as the SHK MasterChoice Discretionary Portfolio Management Services and the alliance with EK Immigration Consulting to promote CIES (the Capital Investment Entrant Scheme). In November, a new mobile trading platform was launched. The platform, "SHKF eMO!", is now targeting our self-directed trading client base.

Although these new initiatives were impacted by adverse market conditions, particularly in the latter part of the year, the increase in customers bodes well for the business as the market situation normalises. For instance, client assets under management in our CIES accounts increased by 98%. Almost 200 new accounts were opened under the scheme, and with HK\$10 million to be deposited for accounts under the revised scheme requirements, there should be good future revenue opportunities.



Management Discussion and Analysis

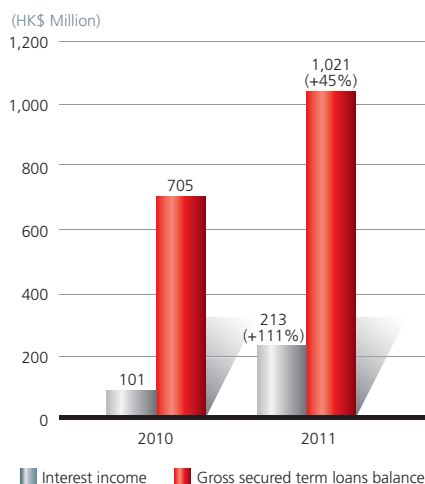
CAPITAL MARKETS



The Capital Markets segment covers corporate finance, structured lending, equity capital markets, and corporate and institutional sales business.

Equity and debt fund raising solutions are offered to both corporate and institutional clients.

(HK\$ Million)	2011	2010	change
Revenue	328.2	255.1	28.7%
– Interest and fee incomes from lending activities	213.4	101.3	110.7%
– Fee based income and other revenue	114.8	153.8	-25.4%
Operating Costs	(87.2)	(68.7)	26.9%
Cost to income (% Revenue)	26.6%	26.9%	
Finance costs	(0.2)	(1.1)	
Operating Earnings	240.8	185.3	30.0%
Other income	3.6	—	
Exchange (loss) gain	(0.6)	1.0	
Net (loss) gain on financial instruments	(94.3)	71.8	
Pre-tax Contribution	149.5	258.1	-42.1%



In 2011, the HKEx retained its status for the third year in a row as the world's top ranked exchange for initial public offering ("IPO") equity funds raised. However, fund raising activity levels were generally lower. A total of 101 companies listed directly on the main board or transferred from the Growth Enterprise Market, slightly lower than 2010. Total equity funds raised (including post – IPO fund raising) declined by 43% to HK\$488 billion.

International listings played an important role in 2011 and accounted for 52% of IPO funds raised, including companies such as Glencore International plc, Prada SpA and Samsonite International. Around 36% of all funds raised were attributed to mainland Chinese enterprises, while Hong Kong companies accounted for 12%. The year also saw the listing of Hong Kong's first single-investment trust, HKT Trust, as well as the city's first ever RMB-denominated REIT, Huixian REIT.

The Group's Capital Markets division continued to deliver positive results in 2011 while strengthening its capabilities in the Hong Kong and Mainland China's small to mid cap corporate segments. Revenue was HK\$328.2 million, an increase of 29% compared with 2010. Pre-tax contribution was HK\$149.5 million (2010: HK\$258.1 million). The drop is attributable to a net loss of HK\$94.3 million from financial instruments, which represent unrealised mark-to-market losses on positions resulting from underwriting activities during the year. In 2010, we had a gain of HK\$71.8 million from our structured loans' equity linked component. Operating earnings from this segment (which excludes this as well as other income and exchange impact) saw an increase of 30% during 2011.

In 2011, Sun Hung Kai Financial concluded 20 IPO related transactions and 19 secondary placements. In these transactions we acted either as sponsor or principal book runner in five IPOs. Our team also completed a RMB100 million dim sum convertible bond offering which was the first of its kind in the market.

Our unique "debt plus equity" one-stop-shop funding model achieved positive results with corporate clients as we were able to provide funding solutions for them in an environment with tight liquidity. Our structured finance business continued to grow in 2011. As of the end of 2011, the Group's total structured finance loan balance stood at HK\$964.8 million, compared with HK\$648.6 million at the end of 2010. Interest income from this segment surged by 111% to HK\$213.4 million. At the same time, we participated in a diverse portfolio of Mainland China based investment projects with an IPO exit target within two years – these should bring future advisory opportunities.

Management Discussion and Analysis

ASSET MANAGEMENT



As an Asia hedge fund incubation and seeding platform, we distribute best-of-breed hedge funds through the wholesale distribution channel and a strategic alliance with alternative fund managers.

Our discretionary portfolio management services provide affluent clients with highly customised investment portfolios.

Assets under management of HK\$2.29 billion was recorded at the end of 2011.

The Group's Asset Management segment recorded a loss of HK\$42.7 million (2010: HK\$13.5 million profit). These results included a HK\$53.3 million unrealised mark-to-market valuation adjustment from our strategic investments into affiliated funds. The total assets under management (including affiliated funds) as at 31 December 2011 amounted to HK\$2.29 billion.

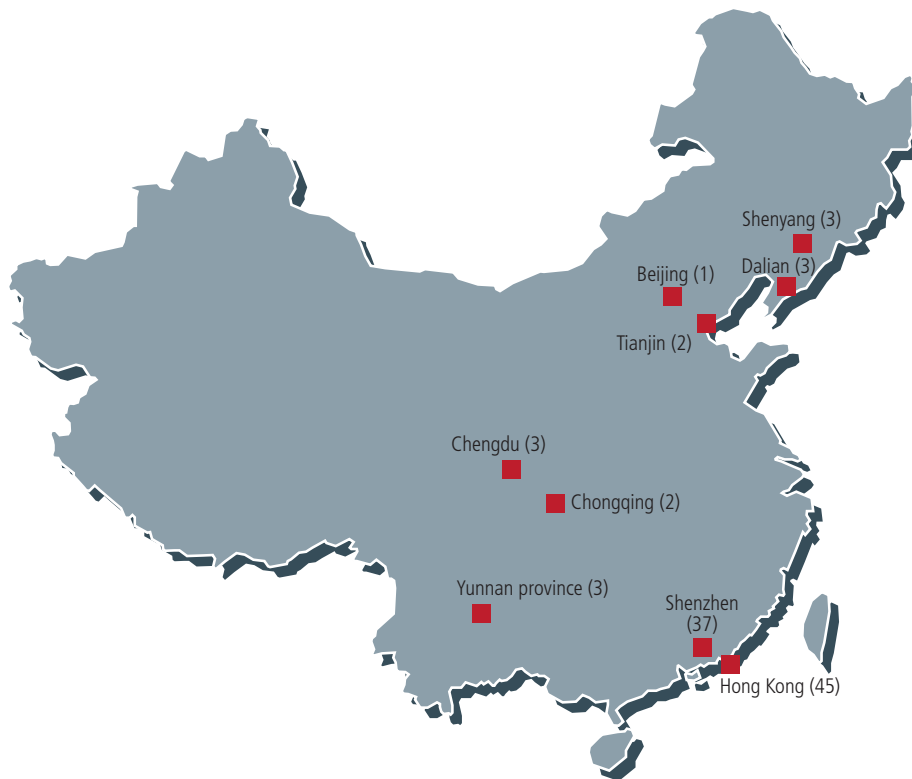
2011 was very difficult for the asset management industry in general. The MSCI World index posted a negative performance of 9.41%, whilst the MSCI AC Asia Pacific Ex Japan funds index shed 19.34%. However, 2012 has commenced on a positive note.

The Group's strategic objective is to build its funds platform through tie-ups and alliances with counterparties that will boost our growth as well as build our expertise in the sector. Amongst new initiatives, Sun Hung Kai Financial launched the SHK MasterChoice Discretionary Portfolio Management Services in May 2011 with Look's Asset Management as the investment advisor. The service combines SHK Fund Management's investment portfolio management expertise with the professional advice of Look's Asset Management to customise investment portfolios for our clients.

For 2012, we will seek to introduce additional investment products and services tailored for a diversified internal and external investor base throughout Asia Pacific and, particularly, from the Greater China region. Priority goes to identifying and proposing best-in-class investment strategies and products to add to our discretionary and non-discretionary investment solutions. In the course of the year, the Group will also seek to further scale the SHK CIES offering, by making use of the Asset Management platform to align with our Wealth Management & Brokerage businesses.

CONSUMER FINANCE

UAF Branch Network (number of branches in each city)



We own 58% of United Asia Finance (UAF), which is a market leading consumer finance company in Hong Kong focusing on unsecured personal loans and mortgage loans.

Loans operation in Mainland China was started in 2007 with the loan balance accounting for 20% of UAF's total.

A branch network of 99 in Hong Kong, Shenzhen, Yunnan province, Chongqing, Chengdu, Tianjin, Dalian, Shenyang and Beijing has been established.

Our total loan size reached HK\$8 billion at the end of 2011.

Management Discussion and Analysis

(HK\$ Million)	2011	2010	change
Revenue	2,084.3	1,659.5	25.6%
Finance costs	(120.4)	(72.1)	67.0%
	1,963.9	1,587.4	23.7%
Operating costs	(684.2)	(502.7)	36.1%
<i>Cost to income</i>	32.8%	30.3%	
Operating Earnings — Before bad and doubtful debts	1,279.7	1,084.7	18.0%
Bad and doubtful debts	(164.5)	(108.6)	51.5%
Operating Earnings — Excluding acquisition cost	1,115.2	976.1	14.3%
Finance costs (acquisition loan)	(25.6)	(24.2)	
Amortisation and impairment of intangible assets	(174.4)	(175.7)	
Operating earnings	915.2	776.2	17.9%
Other income	0.7	0.5	
Exchange loss	(61.6)	(25.5)	
Pre-tax Contribution to the Group	854.3	751.2	13.7%

CONSUMER FINANCE LOAN BOOK – MOVEMENTS OF IMPAIRMENT ALLOWANCE

(HK\$ Million)	2011	2010	change
Beginning balance	(458.7)	(567.5)	
Amounts deducted directly from loans and advances to consumer finance customers (“write-off”)	273.3	274.6	-0.5%
Recoveries of amount previously deducted directly from loans and advances to consumer finance customers (“recoveries”)	(54.4)	(56.5)	-3.7%
Exchange adjustments	(1.4)	(0.7)	
Amounts recognised in consolidated income statement	(164.5)	(108.6)	51.5%
Ending Balance	(405.7)	(458.7)	-11.6%
<i>As % of gross loans</i>	5.1%	7.7%	

Management Discussion and Analysis

Operating through our 58% owned subsidiary UAF, the Group's Consumer Finance business had a strong year. Revenue grew by 26% to HK\$2,084.3 million, with a pre-tax contribution of HK\$854.3 million, an increase of 14%.

Included in the results was an amortisation charge of intangible assets of HK\$174.4 million incurred from the Group's acquisition of UAF six years ago. At the end of 2011, the balance of this amortisable intangible asset is down to HK\$39.2 million; it will be a much reduced cost item to the Group after this year.

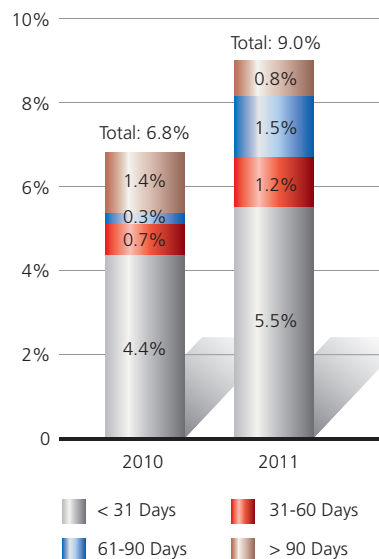
Total impairment charges, which included bad debts written off, movement to impairment allowance and bad debts recovered, increased to HK\$164.5 million (2010: HK\$108.6 million), mainly reflecting the result of an increase in the loan portfolio balance over the year. Bad debts written off net of recovery were 2.8% of gross loans, improving from 3.7% last year. This reflects the Group's prudent risk management, as well as an increase in the proportion of mortgage loans in the Hong Kong portfolio.

The devaluation of the HK/US dollars against the RMB during the year led to a foreign exchange loss of HK\$61.6 million (2010: HK\$25.5 million) incurred by the conversion of HK/US dollars standing on the capital accounts of the Mainland China subsidiaries which arises from capital injection in HK/US currency, into RMB in the loan underwriting process. The corresponding HK dollar appreciation of the RMB denominated loans, on the other hand, was translated into increased reserves on the Statement of Financial Position. Finance costs amounted to HK\$146.0 million. This amount included HK\$25.6 million incurred in the Group's borrowings that funded the acquisition of UAF. UAF's general operating expenses were in line with the growth in turnover.

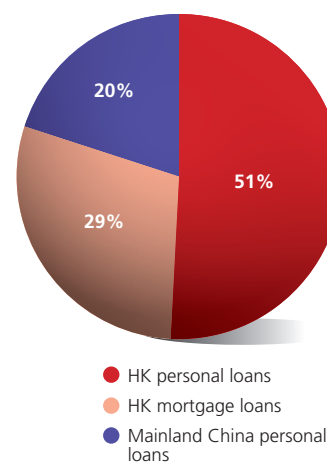
The gross loan balance at year end increased significantly by 34% to HK\$8 billion. This was driven by a 24% increase in the Hong Kong portfolio, and a doubling of the loan balance in Mainland China.

Delinquency Analysis

Amounts past due as a % of gross loans



Breakdown of Loan Book



Management Discussion and Analysis

A look at UAF's loan businesses in Hong Kong shows that they have reaped the benefits of robust consumption spending and a strong labour market. Our loan businesses in Hong Kong grew at a healthy pace during the year especially when examining the success of the mortgage business under "SHK Finance" brand, which was launched in the last quarter of 2010. The mortgage business of UAF grew impressively, benefiting from increased demand under a tightened mortgage financing environment from banks. Mortgage products increased to 36% of UAF's Hong Kong loan book, up from 25% in 2010.

UAF also reached an important milestone whereby the size of our Mainland China branch network has surpassed that of Hong Kong. Although the bulk of the business remains in Hong Kong, UAF's total branch network expanded to 99 outlets at the end of 2011, consisting of 54 in Mainland China and 45 in Hong Kong. UAF added nine more branches in Shenzhen, two in Shenyang, one in Chongqing, one in Tianjin, and two in Chengdu. Three branches were in operation since business launch respectively in Yunnan, and Dalian in 2011, and the loan business was launched in Beijing at the end of 2011. Results from the newly opened locations have all been highly encouraging. As a proportion of our total consumer finance loans, the Mainland China market has increased from 13% in 2010 to 20% by the end of 2011.

Looking ahead in 2012, UAF will continue to grow its sales capabilities in Mainland China by expanding its network coverage in provinces with newly acquired lending licences. The latest has been granted in Wuhan, with a launch scheduled in the first half of 2012. In the meantime UAF will explore money lending ventures in other Mainland cities with strategic growth potential. In Hong Kong, UAF continues to launch more loan programmes and advertising campaigns in order to reach our target customers, competing for a greater market share utilising its strong sales and distribution platform.



PRINCIPAL INVESTMENTS



The major fixed assets and investments of the Group include SHKF's previous office space in Admiralty Centre, where 27,000 out of 32,000 square feet saleable area is classified as investment property.

The Group's capital has been invested in a variety of businesses and transactions, including stakes in small and medium enterprises in Mainland China, infrastructure, private equity investments and proprietary trading.

We manage a portfolio of listed and un-listed investments to create synergies and business opportunities with the other segments of the Group.

Principal Investments contributed HK\$295.1 million to the Group's pre-tax profit, an increase from HK\$272.4 million in 2010. A HK\$192.6 million gain was recorded from the revaluation of the Group's investment property portfolio. This major asset in our portfolio consists of Sun Hung Kai Financial's previous office premises in Admiralty whereby 27,000 out of 32,000 square feet of the space we own is classified as investment property following our office move. The gain offsets the reduced contribution from associates, subsequent to the Tian An China Investments Company Limited restructuring in 2010.

Regarding the Group's managed portfolio of public and private investments, our strategy is to focus on investments that can generate attractive returns, and at the same time deliver synergies with other business lines we offer. At the end of 2011, we also signed an agreement to dispose of our interest in a Malaysia hotel. The Group will record a profit of over HK\$80 million from this disposal in our 2012 accounts, realising approximately HK\$175 million in cash. We will keep monitoring our legacy investments and seek to realise them at the right price.

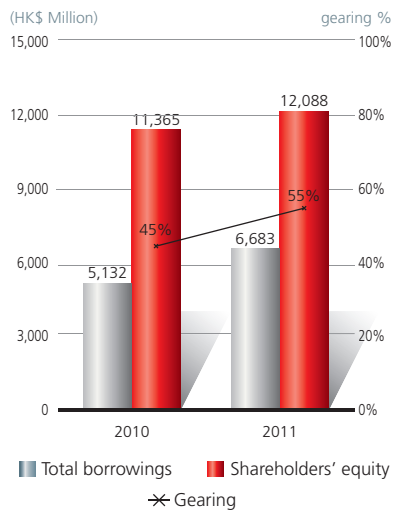
OUTLOOK FOR 2012

With the European sovereign debt crisis still some way from resolution, the general outlook remains uncertain. However, monetary conditions globally remain generally easy, and in Mainland China the reserve requirement ratio was adjusted downwards in December 2011.

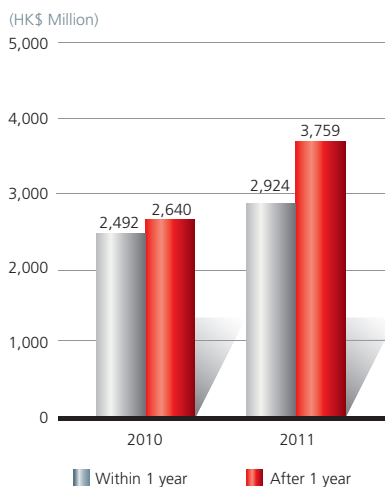
There have been some positive responses to these developments, including a recovery of the Hang Seng Index which has stabilised to a range of 20,000 to 21,000. With the gradual stabilisation of the financial markets as well as the Group's balanced mix of businesses, we will continue to pursue strategies that can deliver sustainable long term growth.

Management Discussion and Analysis

Gearing



Maturity Profile of Borrowings



FINANCIAL REVIEW

Financial Resources and Gearing Ratio

As at 31 December 2011, the equity attributable to owners of the Company amounted to HK\$12,087.5 million, representing an increase of HK\$722.3 million or approximately 6% from 31 December 2010.

The Group continued to maintain a strong cash position and had short-term bank deposits, bank balances and cash amounting to HK\$2,736.0 million (at 31 December 2010: HK\$2,510.1 million). The Group's total bank and other borrowings, amount due to an associate of a holding company, loans due to fellow subsidiaries and bonds amounted to HK\$6,682.8 million (at 31 December 2010: HK\$5,132.4 million). Of this, HK\$2,923.5 million is repayable within one year and HK\$3,759.3 million is repayable after one year (at 31 December 2010: HK\$2,492.1 million and HK\$2,640.3 million respectively).

The Group's liquidity, as demonstrated by the current ratio (current assets/current liabilities) increased to 3.5 times as at 31 December 2011 (at 31 December 2010: 3.2 times).

The Group's gearing ratio (calculated on the basis of the Group's total bank and other borrowings, amount due to an associate of a holding company, loans due to fellow subsidiaries and bonds over the equity attributable to owners of the Company) was approximately 55% as at 31 December 2011 (at 31 December 2010: approximately 45%).

Capital Structure, Bank Borrowings and Exposure to Fluctuations in Exchange Rates

During the year, the Trustee of the SHK Employee Ownership Scheme ("EOS") acquired 2.6 million shares of the Company for shares awarded under the scheme through purchases on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company issued 3.4 million shares under the 2010 final and 2011 interim scrip dividend schemes. Upon the conversion in August 2011 of all outstanding mandatory convertible notes, the Company issued 341.6 million shares. The Company repurchased 11.0 million shares during the year for a total consideration (including expenses) of HK\$44.2 million. Details regarding share capital are set out in Note 41 to the consolidated financial statements.

Other than the bonds, secured instalment loans or borrowings repayable over one year — as shown in Notes 43 and 35 to the consolidated financial statements — the Group's bank and other borrowings and loans due to fellow subsidiaries were on a short-term basis and in HK dollars and Renminbi as of 31 December 2011. They were charged at floating interest rates. There are no known seasonal factors in the Group's borrowing profiles.

The Group is required to maintain foreign currency exposure to cater for its present and potential investment activities and recurring operating activities, which means it is subject to some exchange rate exposure. The Group closely monitors the risks that this strategy involves.

Material Acquisitions and Disposals of Subsidiaries, Associates and Jointly Controlled Entities

There were no material acquisitions or disposals of subsidiaries, associates or jointly controlled entities during the year.

Segment Information

Detailed segment information in respect of the revenue and profit or loss is shown in Note 7 to the consolidated financial statements.

Charges on Group Assets

Listed shares held by the Group with an aggregate value of HK\$125.9 million were pledged for bank loans and overdrafts. Properties of the Group with a total book value of HK\$668.9 million were pledged by subsidiaries to banks for instalment loans granted to them with a total outstanding balance of HK\$146.1 million as at 31 December 2011.

Contingent Liabilities

Details regarding the contingent liabilities are set out in Note 47 to the consolidated financial statements.

Management Discussion and Analysis



HUMAN RESOURCES AND TRAINING

As at 31 December 2011, the Group's headcount stood at 3,541 (including Investment Consultants), representing an approximate increase of 39.4% as compared with 31 December 2010. The bulk of the increase stemmed from UAF's business expansion in Mainland China (including the opening of 22 branches in Mainland China in 2011). Staff costs (including Directors' emoluments), contributions to retirement benefit schemes and expenses recognised for the EOS amounted to approximately HK\$653.8 million (2010: HK\$488.8 million).

The Group operates different compensation schemes to reflect different job roles within the organisation. For sales staff and investment consultants, the package may consist of a base pay and commission/bonus/incentive or alternatively, may consist of commission/incentive. For non-sales staff, the compensation comprises either a base salary with discretionary bonus/share-based incentive or base salary, as appropriate.

Under the EOS, which was formally adopted on 18 December 2007, selected employees or directors of the Group (the "Selected Grantees") were awarded shares of the Company. Following management's recommendation, a total of 1,803,000 shares were granted to the Selected Grantees from April 2011 to November 2011, subject to various terms including, amongst other things, the vesting scale whereby awarded shares will vest and become unrestricted over a three-year period. As at 31 December 2011, the outstanding awarded shares under the EOS (excluding shares awarded, but subsequently forfeited) amounted to 2,735,000, out of which 341,000 shares were awarded to Directors.

The Group is committed to developing our people through talent development initiatives, upgrading skills and expertise of our people for the achievement of personal career goals and business results. In addition, a wide range of quality in-house training and development programmes are conducted with frontline sales and back office staff to enhance people development and promote staff retention.



LITIGATION

- (a) On 14 October 2008, a writ of summons was issued by Sun Hung Kai Investment Services Limited (“SHKIS”) in the High Court of Hong Kong against Quality Prince Limited, Allglobe Holdings Limited, the Personal Representative of the Estate of Lam Sai Wing, Chan Yam Fai Jane (“Ms. Chan”) and Ng Yee Mei (“Ms. Ng”), seeking recovery of (a) the sum of HK\$50,932,876.64; (b) interest; (c) legal costs; and (d) further and/or other relief. Having sold collateral for the partial recovery of the amounts owing, SHKIS filed a Statement of Claim in the High Court of Hong Kong on 24 October 2008 claiming (a) the sum of HK\$36,030,376.64; (b) interest; (c) legal costs; and (d) further and/or other relief. Summary judgment against all the defendants was granted by Master C Chan on 25 May 2009, but judgment with respect to Ms. Chan and Ms. Ng only was overturned on appeal by the judgment of Suffiad J dated 7 August 2009. SHKIS’ appeal of that judgment to the Court of Appeal was heard on 6 May 2010, and was dismissed. The trial will be heard on a date to be fixed.
- (b) Details of proceedings relating to Chang Zhou Power Development Company Limited, a Mainland PRC joint venture, are set out in Note 47 to the consolidated financial statements.

MANAGEMENT OF RISKS

Strong Risk Management Awareness

The Group adopts a comprehensive risk management framework. Risk management policies and procedures are regularly reviewed and updated to react to changes of market conditions and the Group’s business strategy. The Risk Management Committee (“RMC”), a standing committee reporting to the Board of Directors, supervises and scrutinises risk-related policies necessary for monitoring and controlling of the major risks, spelt out here, arising from the Group’s business activities, external changing risks and regulatory environment.

Management Discussion and Analysis

Financial Risk Management

The Group's financial risk management covers the areas of market risk (defined as risk that affects the value of our portfolio and comprises of equity, interest rate and foreign exchange risk), credit risk and liquidity risk. These are further discussed and outlined in Note 56 to the consolidated financial statements.

Operational Risk Management

Operational risk is defined as the risk of losses resulting from inadequate or failed internal processes, people, systems or from external events. The Group extends operational risk to cover potential losses arising from legal and compliance breaches. Operational risk is reduced and controlled through establishing robust internal controls, clear lines of responsibility, proper segregation of duties and effective internal reporting and contingency planning. It is our corporate culture that the business and operating line management are fully aware of and responsible for managing operational risks of their business units on a day-to-day basis. There are monitoring and reviews conducted by Compliance and Internal Audit which act independently and report regularly to the Group's senior management and, as appropriate, the Audit Committee of the Board.

Reputational Risk Management

Reputational risk is the risk related to the trustworthiness of a business. Loss of trust can result in declines in the customer base, revenue erosion, costly litigation and destruction of shareholder value and damage to the Company's reputation as a whole. The Group manages reputational risks through sound corporate governance practices. Group employees and sales personnel are provided with comprehensive training; operating procedures manuals are regularly updated; and the responsibilities and duties of staff are properly segregated. The internal control functions report directly to the Group Chief Financial Officer who in turn reports to the Group Executive Chairman, and the Audit Committee.



Profiles of Directors and Senior Management

BOARD OF DIRECTORS



Back row (from left to right): William Leung Wing Cheung, David Craig Bartlett, Goh Joo Chuan, Leung Pak To, Joseph Tong Tang, Peter Anthony Curry

Front row (from left to right): Ho Chi Kit, Peter Wong Man Kong, Lee Seng Huang, Carlisle Caldwell Procter, Alan Stephen Jones

Ming Cheng and Roy Kuan are also Board members.

Profiles of Directors and Senior Management

EXECUTIVE DIRECTORS

Lee Seng Huang, aged 37, was appointed as an Executive Director and has been the Group's Executive Chairman of the Company since 1 January 2007. He was educated at the University of Sydney in Australia and has wide ranging financial services and real estate investment experience in the Asian region. He has previously served, in various capacities, on the board of directors of Lippo Limited and Lippo China Resources Limited in Hong Kong, Auric Pacific Group Limited in Singapore as well as the Export and Industry Bank, Inc. in the Philippines. He is currently the executive chairman of Mulpha International Berhad (a Malaysian listed conglomerate with operations in Southeast Asia, Australia and Mainland China) as well as Mulpha Australia Limited, and the non-executive chairman of FKP Property Group, a leading property developer listed on the Australian Securities Exchange ("ASX"). He is also a non-executive director of Ambrian Capital PLC, a company listed on the Alternative Investment Market of the London Stock Exchange and non-executive director of Mudajaya Group Berhad, a company listed on the Bursa Malaysia Securities Berhad. Mr. Lee is a trustee of Lee and Lee Trust, a discretionary trust owning a controlling interest in the issued share capital of Allied Group Limited ("AGL"), a holding company of the Company, through its interest in Allied Properties (H.K.) Limited ("APL"). Both AGL and APL are companies listed on the Stock Exchange.

William Leung Wing Cheung, *BBS, JP*, aged 57, was appointed an Executive Director of the Company on 26 March 2012. He was appointed as Group Deputy Chief Executive Officer of the Company and Chief Executive Officer of Sun Hung Kai Financial Limited on 1 January 2012. Mr. Leung has over 30 years of experience in the banking and financial services industry. He joined Hang Seng Bank Limited ("HS Bank") in 1994 as Assistant General Manager and

Head of Credit Card Centre until his resignation in August 2011 with HS Bank as Executive Director and Head of Personal Banking. Prior to joining HS Bank, he had worked with American Express International Inc., Standard Chartered Bank in Hong Kong, Visa International and MasterCard International in Sydney. He was also a non-executive director of HSBC China Dragon Fund until his resignation in August 2011. Mr. Leung was educated at the Hong Kong Baptist University and obtained a Diploma of Arts in English Language and Literature in 1978. He was appointed Justice of the Peace in July 2005 and honoured with a Bronze Bauhinia Star by the Hong Kong Special Administrative Region ("HKSAR") Government in July 2009. Mr. Leung also holds directorships in various subsidiaries of the Company.

Joseph Tong Tang, aged 52, was appointed an Executive Director of the Company on 4 December 2003 and was the Group Chief Operating Officer of the Company from 1 December 2004 to 31 December 2006. Mr. Tong is currently the Chief Executive Officer of the Capital Markets and Institutional Brokerage. He has over 27 years of experience in the financial services industry, and previously held senior positions with a number of international banks and financial institutions, including ABN AMRO Bank, CCIC Finance Limited, Bain & Co. Securities Limited and Bali International Finance Limited. Mr. Tong has a Bachelor's Degree in Social Sciences from the University of Hong Kong and a Master's Degree in Business Administration from the Chinese University of Hong Kong, and is a fellow member of the Association of Chartered Certified Accountants. Mr. Tong is also an Independent Director of Jih Sun Financial Holding Co., Ltd (and two of its subsidiaries), the shares of which are listed on the Gre Tai Securities Market (GTSM) in Taiwan. Mr. Tong also holds directorships in various subsidiaries of the Company.

Peter Anthony Curry, aged 59, was appointed as an Executive Director of the Company on 1 January 2011. He joined the Company as the Group Chief Financial Officer in November 2010. He graduated from the University of New South Wales with a Bachelor Degree of Commerce in 1974 and a Bachelor Degree of Laws in 1976. He became a chartered accountant and a barrister (non-practising) in Australia in 1978. He was elected as a Fellow of The Institute of Directors in Australia in 1989. In 2002, he completed the PS 146 Compliance Program organised by Securities Institute in Australia. Mr. Curry has over 36 years of business experience. He joined Peat Marwick Mitchell (now known as KPMG) in Australia in 1974 upon graduation and worked as Tax Partner in 1983. Since that time he has worked in different listed and unlisted companies in Australia as executive director/managing director specialising in natural resources, corporate finance, mergers and acquisitions etc. Since 1995 Mr. Curry has been a director and shareholder in a corporate advisory firm which holds an Australian Financial Services licence. He has been involved in a range of public and private capital raisings, initial public offering related services and providing corporate and financial advisory services in relation to a range of business transactions including a wide range of mining projects. Mr. Curry is currently a non-executive director of Ormil Energy Limited and an alternate director of Mount Gibson Iron Limited ("Mount Gibson"), both of which are listed on the ASX, and also a non-executive director of APAC Resources Limited, a company listed on the Stock Exchange. He was previously also a non-executive director of Forest Enterprises Australia Limited which was removed from official listing on ASX in August 2010. Mr. Curry also holds directorships in various subsidiaries of the Company.

NON-EXECUTIVE DIRECTORS

Goh Joo Chuan, aged 51, was appointed a Non-Executive Director of the Company on 19 November 2009. Mr. Goh graduated from the University of Chicago where he obtained his Bachelor of Arts with Honors and Master of Arts in International Finance. Mr. Goh joined the Dubai Group as its Chief Investment Officer in November 2008 and is now head of Treasury for Dubai Holdings. As at the date of this report, Dubai Ventures L.L.C ("Dubai Ventures") and Dubai Ventures Group Limited ("DVGL"), both subsidiaries of the Dubai Group, together own approximately 7.84% of the issued share capital of the Company. Mr. Goh has over 27 years of experience in several major areas of the banking industry, including management of financial institutions, consumer banking, Islamic banking, treasury management, risk management, e-commerce, structuring, sales, distribution and trading, change management and private equity work. He was key to managing Citibank's Asian exposure during the Asian Crisis. Prior to joining the Dubai Group, Mr. Goh was the director of Treasury for Guangdong Development Bank, China. Mr. Goh has served with several leading regional and international institutions including the Saudi American Bank and Samba Group in Riyadh, Citibank, Chase Manhattan Bank and The Monetary Authority of Singapore. Mr. Goh is currently on the board of Oman National Investment Corporation Holding, a company listed on the Muscat SM Abu Dhabi Securities Exchange. He is also a director of Dubai Ventures Group Sdn. Bhd., Sino Emirates Chemicals Ltd and Tael One Partners Ltd.

Leung Pak To, aged 57, was appointed a Non-Executive Director of the Company on 13 July 2010. He has over 30 years of experience in investment banking, in particular, the field of corporate finance involving capital raising, mergers and acquisitions, corporate restructuring and reorganisation, investments

Profiles of Directors and Senior Management

and other general finance advisory activities in Hong Kong and Mainland China. Mr. Leung is currently a Managing Partner and the Chairman (Greater China) of CVC Asia Pacific Ltd (“CVC AP”), the adviser to the investment funds which ultimately own Asia Financial Services Company Limited (“AFSCL”). As at the date of this report, AFSCL holds 341,600,000 shares of the Company and HK\$427,000,000 in face value of warrants exercisable to subscribe for shares of the Company (the “Warrants”). Mr. Leung is the Chairman of Luminary Capital Limited, a non-executive director and the Chairman of Imagi International Holdings Limited and an independent non-executive director of Shanghai Industrial Holdings Limited, both are listed on the Stock Exchange. Mr. Leung was a non-executive director of Zhuhai Zhongfu Enterprise Co., Ltd. (“Zhuhai Zhongfu”), a company listed on the Shenzhen Stock Exchange, from 8 November 2007 to 28 April 2010. During June 2001 and July 2006, Mr. Leung was Chairman of Citigroup Global Markets in Asia. Prior to Citigroup, he was Chief Executive and Vice Chairman of BNP Paribas Peregrine Ltd. Mr. Leung holds an MBA and an undergraduate degree from the University of Toronto in Canada.

Ming Cheng, aged 43, was appointed a Non-Executive Director of the Company on 27 July 2009. Mr. Ming is currently a director of Goldlex Limited. Effective April 2009, Mr. Ming is the managing director of Primus Financial Holdings Limited with overall management responsibility for all financial functions of this asset management company. From February 2004 to 2009, he was the chief financial officer of Paragon International Inc. which runs 20 hotels located throughout the USA and has a real estate investment portfolio. Prior to that, Mr. Ming served in a number of commercial enterprises including Aster Gem & Jewelry, ONDA Technologies Inc. and Guangzhou Foreign Capital Enterprises Material Import & Export Company.

Mr. Ming received a Master’s of Science, with honors, from South of China Normal University in Guangzhou, the PRC in 1993.

Roy Kuan, aged 45, was appointed an alternate to Mr. Ho Chi Kit on 13 July 2010 and re-designated as a Non-Executive Director of the Company on 1 January 2011. He is a Managing Partner and Head of Asia of CVC AP. As at the date of this report, AFSCL holds 341,600,000 shares of the Company and the Warrants. Mr. Kuan has worked at CVC AP and its predecessor firms since 1996. Over that period, he has completed or signed 27 investments in Greater China, Korea, Japan, and Southeast Asia. He served on the board of directors in 17 of these companies. Mr. Kuan holds a BA from Georgetown University and an MBA from the Wharton School University of Pennsylvania. Mr. Kuan was a director of Zhuhai Zhongfu from 8 November 2007 to 20 October 2008. Since 1 April 2010, Mr. Kuan had served as a Commissioner of PT Matahari Department Stores Tbk in Indonesia.

Ho Chi Kit, aged 49, was appointed a Non-Executive Director of the Company on 13 July 2010 and re-designated as an Alternate Director to Mr. Roy Kuan on 1 January 2011. He is a Partner of CVC AP. As at the date of this report, AFSCL holds 341,600,000 shares of the Company and the Warrants. Mr. Ho holds a B.S. (Honours) in Computer Science from the University of Manitoba and an MBA from the University of British Columbia. He is also a Chartered Financial Analyst. Mr. Ho has been with CVC AP since 1999 and is currently responsible for CVC Capital Partners’ investment activities in Hong Kong and Mainland China. Prior to CVC AP, Mr. Ho was an investment director of Citicorp Everbright China Fund where he actively led the fund’s investments in China. Prior to that, he was the associate investment director

of Citicorp Capital Asia Limited and assisted in building a regional investment portfolio for Citicorp in Asia. He was previously a non-executive director of Hung Hing Printing Group Limited until August 2011. Mr. Ho is currently the vice chairman of Zhuhai Zhongfu. He is also a director of two of the Group's subsidiaries.

INDEPENDENT NON-EXECUTIVE DIRECTORS

David Craig Bartlett, aged 46, was appointed an Independent Non-Executive Director of the Company on 26 November 1999. Mr. Bartlett graduated with honours in law from Exeter University in the United Kingdom in 1988 and subsequently qualified as a solicitor in England & Wales, The Republic of Ireland and the HKSAR. A former partner of the international law firm Clyde & Co., he regularly acted for and advised the Company and its subsidiaries before leaving private practice for a career in industry. Now based primarily in Europe, he is also an independent non-executive director of both AGL and APL, holding companies of the Company.

Alan Stephen Jones, aged 69, was appointed an Independent Non-Executive Director of the Company on 3 January 2006. Mr. Jones, a chartered accountant, has extensive experience in management, administration, accounting, property development, carpark management, finance and trading, and has been involved in successful mergers and acquisitions of a number of public companies in Australia and internationally. He is also an independent non-executive director of each of AGL and APL, the holding companies of the Company, and the shares of which are listed on the Stock Exchange. Mr. Jones is also a non-executive director of Mount Gibson and a non-executive chairman of Air Change International Limited (formerly known as IFC Capital Limited), both are listed on the ASX, as well as a non-executive director of Mulpha Australia Limited. He was previously an independent non-executive director of APAC Resources Limited.

Carlisle Caldwell Procter, aged 71, was appointed an Independent Non-Executive Director of the Company on 30 September 2004. Mr. Procter graduated from the University of Sydney, Australia with a Bachelor's Degree and a Master's Degree in Economics. He is a Fellow of the Financial Services Institute of Australasia (FFin.). Based in Australia, Mr. Procter worked at the Reserve Bank of Australia for over 30 years, holding various senior management positions. Since leaving the Bank, he has worked as a consultant to the International Monetary Fund (IMF) and the Asian Development Bank (ADB), and has also undertaken private consulting work in the Philippines, Indonesia and Papua New Guinea in the areas of bank supervision, anti-money laundering and corporate governance respectively. Mr. Procter is currently a non-executive director of Bank South Pacific Limited, a company listed on the Port Moresby Stock Exchange, a non-executive director of Tanami Gold NL, a company listed on the ASX, and an independent non-executive director of Allied Overseas Limited, a company listed on the Stock Exchange.

Peter Wong Man Kong, *BBS, JP*, aged 63, was appointed an Independent Non-Executive Director of the Company on 30 May 2001. Mr. Wong graduated from the University of California at Berkeley, U.S.A. with a Bachelor of Science Degree in Mechanical Engineering (Naval Architecture). He is the chairman of M.K. Corporation Limited and North West Development Limited. He is also a non-executive director of Hong Kong Ferry (Holdings) Company Limited and New Times Energy Corporation Limited, an independent non-executive director of China Travel International Investment Hong Kong Limited, Far East Consortium International Limited, Glorious Sun Enterprises Limited, Chinney Investments, Limited and Sino Hotels (Holdings) Limited, all being companies listed on the Stock Exchange. Mr. Wong is a Deputy of the 11th National People's Congress of the PRC.

Profiles of Directors and Senior Management

SENIOR MANAGEMENT



Akihiro Nagahara, aged 71, is the Managing Director and CEO of United Asia Finance Limited and a director of various subsidiaries of the Company. He holds a law degree from the National Taiwan University and a Master's Degree from the Graduate School in Law of the National Hitotsubashi University of Japan, where he also completed his doctorate courses. He is an acknowledged expert in the consumer finance business in Hong Kong and is credited with the successful establishment of Public Finance Limited (formerly known as JCG Finance Company, Limited). He is also the Chairman of The Hong Kong S.A.R. Licensed Money Lenders Association Limited, a position he has held since its establishment in 1999, which is the only industry representative association of licensed money lenders in Hong Kong.



Leung Tung Yip, aged 56, joined the Group in December 2010. Mr. Leung is the Chief Financial Officer of Sun Hung Kai Financial Limited and a director of various subsidiaries of the Company. He has worked in senior finance roles for more than 20 years in Hong Kong and Australia. Prior to joining the Group, he was the Chief Financial Officer, Greater China of the Royal Bank of Scotland, Hong Kong Branch and has worked at Indosuez W I Carr Securities Limited, Smith New Court (Far East) Limited, Merrill Lynch (Australia) Pty Limited. Mr. Leung graduated from the University of Hong Kong with a Bachelor Degree of Social Sciences and is an associate member of the Institute of Chartered Accountants in England and Wales.



Profiles of Directors and Senior Management



Kevin Tai Yiu Kuen, aged 45, joined the Group in July 2000. Mr. Tai has held a number of senior positions across various business functions within the Group and is presently the Chief Operating Officer, Wealth Management & Brokerage and a director of various subsidiaries of the Company. He has more than 20 years' experience in the financial services industry. Prior to joining the Group, Mr. Tai was Head of Settlement at CLSA Limited. Before that, Mr. Tai was Vice President of Regional Middle Office for Global Equities at J.P. Morgan Securities (Asia Pacific) Limited.



Rizal Wijono, aged 42, joined the Group in June 2008. Mr. Wijono is the Managing Director of SHK Fund Management Limited ("SHKFM") and a director of various subsidiaries of the Company. He carries full management responsibility for SHKFM's asset management business. Mr. Wijono has over 18 years' experience in the financial services industry in Asia. Prior to joining the Group, he was Regional Director – Head of Product Strategy and Services at Deutsche Asset Management Asia Pacific Ltd. in Singapore. Before that he spent nine years with ING Investment Management Asia Pacific (HK) Ltd. ("ING") in a variety of positions with exposure to product development, wholesale, and institutional sales, business management and establishing ING's investment management businesses across ten countries in Asia. In his last role, he was a member of ING's Executive Committee responsible for wholesale sales and business development across Asia. Before ING, he was the Head of Private Banking for Dharmala Investment Management Services Ltd and helped Belgian Bank set up a Euro-desk for its international client base. Mr. Wijono is proficient in six languages which include Dutch, French, German, English, Bahasa and Chinese Putonghua. Mr. Wijono is a graduate of the University of Antwerp (Belgium) with a Bachelor Degree in Applied Business Economics and holds a Management Degree (equivalent to an MBA) from the Xavier Institute of Management, India.

Corporate Governance Report

The Company is committed to maintaining a high standard of corporate governance within a sensible framework, with an emphasis on the principles of integrity, transparency, accountability and equity. The Board of Directors believes that good corporate governance is essential to the success of the Company and to the enhancement of shareholder value.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the light of the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange, the Board has reviewed the corporate governance practices of the Company.

The Company has applied the principles of, and complied with, the applicable code provisions of the CG Code throughout the year ended 31 December 2011, except for certain deviations as specified. The reasons for such deviations are explained below.

The Board reviews its current corporate governance practices at least annually, and makes appropriate changes if considered necessary.

THE BOARD

The Board currently comprises 12 members, with four Executive Directors, four Non-Executive Directors (and one Alternate Director) and four Independent Non-Executive Directors ("INEDs"):

Executive Directors:	Lee Seng Huang (<i>Group Executive Chairman</i>) William Leung Wing Cheung (<i>appointed on 26 March 2012</i>) Joseph Tong Tang Peter Anthony Curry
Non-Executive Directors:	Goh Joo Chuan Leung Pak To Ming Cheng Roy Kuan Ho Chi Kit (<i>alternate to Roy Kuan</i>)
Independent Non-Executive Directors:	David Craig Bartlett Alan Stephen Jones Carlisle Caldow Procter Peter Wong Man Kong

The brief biographical details of the Directors are set out in the Profiles of Directors and Senior Management on pages 30 to 36.



During the year, the Non-Executive Directors (four of whom were independent) provided the Group with a wide range of expertise and experience. Their active participation in the Board and Committee meetings brought independent judgment on issues relating to the Group's strategy, performance and management process, at the same time taking into account the interests of all shareholders.

Throughout the year, and up to the date of this report, the Company has four INEDs representing one-third of the Board. Two of the four INEDs have the appropriate professional qualifications or accounting or related financial management expertise specified under Rule 3.10 of the Listing Rules. The Board has received from each INED an annual confirmation of his independence and considers that all the INEDs are independent in accordance with the guidelines set out in Rule 3.13 of the Listing Rules.

The Board meets regularly to discuss the overall strategy as well as the operation and financial performance of the Group, in addition to meetings for reviewing and approving the Group's annual and interim results and other ad hoc matters which need to be dealt with by the Board. The chief financial officer and other relevant senior executives are invited to attend Board meetings to make presentations and answer the Board's enquiries.

During the year, six Board meetings were held and the attendance of each Director at the Board meetings is set out as follows:

	Number of Board meetings attended/held
Executive Directors:	
Lee Seng Huang	6/6
Joseph Tong Tang	6/6
Peter Anthony Curry	6/6
Non-Executive Directors:	
Goh Joh Chuan	6/6
Leung Pak To	5/6
Ming Cheng	2/6
Roy Kuan	6/6
Ho Chi Kit (<i>alternate to Roy Kuan</i>)	2*/6
Patrick Lee Seng Wei <i>(resigned on 30 September 2011)</i>	2/5**
Independent Non-Executive Directors:	
David Craig Bartlett	5/6
Alan Stephen Jones	6/6
Carlisle Caldow Procter	6/6
Peter Wong Man Kong	4/6

* Mr. Ho Chi Kit attended the meetings as observer

** Only five Board meetings were held prior to the resignation of Mr. Patrick Lee Seng Wei

Corporate Governance Report

The Board has reserved for its decision or consideration matters covering mainly the Group's overall strategy, annual operating budget, annual and interim financial results, recommendations on Directors' appointment or re-appointment, material contracts and transactions as well as other significant policy and financial matters. The Board has delegated the daily operation and administration matters to the executive management under the instruction/supervision of the Executive Committee which has its specific written terms of reference. The respective functions of the Board and management of the Company have been formalised and set out in writing. The Board reviews these procedures from time to time to ensure that they are consistent with the existing rules and regulations.

Regular Board meetings of each year are scheduled in advance to facilitate maximum attendance of Directors. Normally meeting notice of at least 14 days is given so as to allow time for all Directors to list items on the agenda for discussions. The Company Secretary assists the Chairman in preparing the agenda for meetings, and ensures all applicable rules and regulations are complied with. The agenda and the accompanying Board papers are normally sent to all Directors at least three days prior to the proposed Board meeting (and as soon as practicable for other Board meetings). Draft minutes of each Board meeting are circulated to all Directors for their comments before being tabled at the following Board meeting for approval. Minutes of meetings are kept by the Company Secretary and are open for inspection at any reasonable time on reasonable notice by any Director.

According to current Board practice, if a substantial shareholder or a Director has a conflict of interest in which it is determined to be material by the Board, the matter cannot be dealt with by a written resolution of the Board but must be dealt with by the Board at a duly convened Board meeting. The Articles of Association of the Company ("Articles") stipulate that save for the exceptions as provided therein, a Director shall abstain from voting and not be counted in the quorum on any resolution of the Board approving any contract or arrangement in which such Director or any of his associate(s) has a material interest. The Board will also follow rules stipulated in the Listing Rules in this regard.

Every Director is entitled to have access to Board papers and related materials and has access to the advice and services of the Company Secretary. The Board and each Director also have separate and independent access to the Company's senior management. Directors will be updated timely on major developments of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices. In addition, a written procedure has been established since June 2005 to enable the Directors, in the discharge of their duties, to seek independent professional advice in appropriate circumstances at a reasonable cost to be borne by the Company.

ROLES OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer (“CEO”) should be separate and performed by different individuals. Under the current organisational structure of the Company, the functions of a CEO are performed by the Group Executive Chairman, Mr. Lee Seng Huang, in conjunction with the other three Executive Directors, Mr. Joseph Tong Tang, Mr. Peter Anthony Curry and Mr. William Leung Wing Cheung. The Group Executive Chairman oversees the Group’s principal investments, as well as the Group’s interest in UAF whose day-to-day management lies with its designated Managing Director. Mr. Joseph Tong acts as the CEO of Capital Markets and Institutional Brokerage and Mr. Peter Curry oversees the management of the corporate administrative functions, including finance and budget, internal audit, compliance and risk management. Mr. William Leung leads the overall business of Sun Hung Kai Financial Limited.

The Board believes that this structure spreads the workload that would otherwise be borne by an individual CEO, allowing the growing businesses of the Group to be overseen by appropriately qualified and experienced senior executives in those fields. Furthermore, it enhances communications and speeds up decision-making processes across the Company. The Board also considers that this structure will not impair the balance of power and authority between the Board

and management of the Company. An appropriate balance can be maintained by the operation of the Board, which holds at least four regular meetings a year to discuss the business and operational issues of the Group.

The Group Executive Chairman is responsible for the leadership of the Board, ensuring all key and appropriate issues are discussed by the Board in a timely and constructive manner; all Directors are properly briefed on issues arising at Board meetings, and that the Directors receive in a timely manner, adequate information is accurate, clear, complete and reliable.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

In June 2005, the Board established and adopted a written nomination procedure (the “Nomination Procedure”) specifying the process and criteria for the selection and recommendation of candidates for directorships of the Company. The Chairman of the Board shall, based on those criteria as set out in the Nomination Procedure (including appropriate experience, personal skills and time commitment, among others), identify and recommend the proposed candidate to the Board for approval. The Nomination Procedure also provides for the filling of a vacancy for the Chairman of the Board, where a recommendation of the proposed candidate shall be made by the Executive Committee.

Corporate Governance Report

New Directors, upon appointment, will be given an induction package containing all key applicable regulations and Listing Rules requirements, as well as guidelines on the responsibilities and obligations to be observed by a Director. The package will also include the latest published financial reports of the Company and the documentation for the corporate governance practices adopted by the Board. Senior management will subsequently conduct such briefings as necessary to give the new Directors more detailed information on the Group's businesses and activities. Directors will be continuously updated on any major developments of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices.

All Non-Executive Directors (including INEDs) of the Company were appointed for a specific term, and are subject to the relevant provisions of the Articles or any other applicable laws whereby the Directors shall vacate or retire from their office but eligible for re-election. All Non-Executive Directors have been re-appointed for two years from 1 January 2011.

According to the Articles, any Director appointed to fill a casual vacancy shall hold office until the Company's next following general meeting and shall be eligible for re-election. Any Director appointed as an addition to the Board shall also hold office only until the next following Annual General Meeting ("AGM") of the Company and shall be eligible for re-election at that meeting. Further, at each AGM of the Company, one-third of the Directors for the time being (or such number nearest to but not less than one-third) shall retire from office by rotation. Every Director shall be subject to retirement by rotation at least once every three years.

BOARD COMMITTEES

The Remuneration Committee, Audit Committee and Executive Committee are all long established. Each of the Committees has its specific written terms of reference. Copies of minutes of all meetings and resolutions of the Committees, which are kept by the Company Secretary, are circulated to all Board members, and the Committees are required to report back to the Board on their decisions and recommendations where appropriate. The procedures and arrangements for a Board meeting, as mentioned above, have been adopted for Committee meetings so far as practicable.

In January 2007, the Board established the Risk Management Committee with specific written terms of reference. Copies of all minutes of meetings of and resolutions passed by the Risk Management Committee, which will be kept by the secretary of the Committee, are presented to the Board at its regular meetings. The Committee reports to the Board any material incidents or developments impacting on risk or internal control and the corresponding actions taken.

Remuneration Committee

The Remuneration Committee has been established since April 1985 and currently consists of four INEDs and one Non-Executive Director, including Messrs. Peter Wong Man Kong (*Chairman of the Committee*), David Craig Bartlett, Alan Stephen Jones, Carlisle Caldwell Procter and Roy Kuan (*with Ho Chi Kit as his alternate*). The Remuneration Committee is provided with sufficient resources to discharge its duties and, when necessary, has access to independent professional advice in accordance with the Company's policy.

Major roles and functions of the Remuneration Committee are:

- (i) to review and recommend to the Board the remuneration policy and packages of the Directors and, where appropriate, to consult the Chairman about the Committee's proposals relating to the remuneration of other Executive Directors;
- (ii) to review and recommend performance-based remuneration by reference to corporate goals and objectives approved by the Board from time to time;
- (iii) to review and recommend the compensation payable to Executive Directors relating to any loss or termination of their office or appointment;
- (iv) to review and recommend compensation arrangements relating to dismissal or removal of Directors for misconduct; and
- (v) to ensure that no Director is involved in deciding his own remuneration.

The terms of reference of the Remuneration Committee of the Company are in line with the code provisions B.1.3 of the CG Code, but with a deviation from the code provision of the Remuneration Committee's responsibilities to determine the specific remuneration packages of all Executive Directors and senior management of a listed company. The Board considers that the Remuneration Committee of the Company should review (as opposed to determine

under the code provision) and make recommendations to the Board on the remuneration packages of Executive Directors only and not senior management for the following reasons:

- (i) the Board believes that the Remuneration Committee is not in a proper position to evaluate the performance of senior executives and that this evaluation process is more effectively carried out by the Executive Directors;
- (ii) a majority of the Remuneration Committee members are INEDs who come from different professions and backgrounds, and they are not involved in the daily operation of the Company. They may have little direct knowledge of industry practice and standard compensation packages. The Remuneration Committee is thus not in a position to properly determine the remuneration of the Executive Directors;
- (iii) the Executive Directors must be in a position to supervise and control senior management and thus must be able to determine their compensation; and
- (iv) there is no reason for Executive Directors to pay senior management more than industry standards and thus shareholders will benefit by reducing costs in the fixing of such compensation packages.

The terms of reference of the Remuneration Committee is available on the website of the Company.

Corporate Governance Report

The Remuneration Committee shall meet at least once a year in accordance with its Terms of Reference. One Committee meeting was held in 2011 and the attendance of each member at the meeting is set out as follows:

	Number of Committee meeting attended/held
Committee members:	
Peter Wong Man Kong (<i>Chairman</i>)	1/1
David Craig Bartlett	1/1
Alan Stephen Jones	1/1
Carlisle Caldwell Procter	1/1
Roy Kuan	1/1
Ho Chi Kit (<i>alternate to Roy Kuan</i>)	N/A

In 2011, the Remuneration Committee performed work as summarised below:

- (i) reviewed the policy and structure for the remuneration of Directors;
- (ii) reviewed the remuneration packages of the Executive Directors and recommended an increase in the monthly salary of Mr. Lee Seng Huang and Mr. Joseph Tong commencing from the year 2011 for the Board's approval; and
- (iii) reviewed and recommended the Executive Directors' bonuses for the year ended 31 December 2010 for the Board's approval; and
- (iv) reviewed the remuneration of all Directors (including the INEDs) and consultancy fees of the INEDs and recommended to the Board of an increase to the consultancy fee of INEDs commencing from the year 2011.

Each Director will be entitled to a fee which is to be proposed for shareholders' approval at the AGM of the Company. Further remuneration payable to Directors (including any consultancy fees to the INEDs) for their additional responsibilities and services will be determined according to their respective contractual terms under their employment contracts or service contracts as approved by the Board on the recommendation of the Remuneration Committee. Details of the Directors' remuneration are set out in note 9 to the consolidated financial statements. Details of the Group's staff remuneration policy are also set out in the "Human Resources and Training" section in the Management Discussion and Analysis on page 27.

Subsequent to the balance sheet date, a Committee Meeting was held to review the policy and structure of the Directors' remuneration; the remuneration packages of the Executive Directors; and consultancy fees of the INEDs. The Committee recommended to the Board of (i) the payment of the following discretionary bonuses for the year 2011 to the three Executive Directors:

- HK\$8,250,000 in cash to Mr. Lee Seng Huang;
- HK\$2,250,000 in cash and such number of shares of the Company to be awarded under the EOS equivalent of HK\$1,500,000 to Mr. Joseph Tong Tang; and
- HK\$2,250,000 in cash and such number of shares of the Company to be awarded under the EOS equivalent to HK\$1,500,000 to Mr. Peter Anthony Curry;

(ii) an increase of 2.5% to the monthly salary of the above three Executive Directors commencing from the year 2012; and (iii) an increase of around 3% to the consultancy fee of INEDs commencing from the year 2012. The Board subsequently approved these recommendations put forward by the Remuneration Committee.

For the purpose of Rule 13.51B(1) of the Listing Rules, amount for the monthly rental-related expenses which form part of the emoluments of Mr. Lee Seng Huang and are varying in nature have changed.

Audit Committee

The Audit Committee has been established since April 1985 and currently consists of four INEDs and one Non-Executive Director. To retain independence and objectivity, the Audit Committee is chaired by an INED who possesses appropriate professional qualifications or accounting or related financial management expertise. The current members of the Audit Committee are Messrs. Alan Stephen Jones (Chairman of the Committee), David Craig Bartlett, Carlisle Caldwell Procter, Peter Wong Man Kong and Roy Kuan (with Ho Chi Kit as his alternate). The Audit Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice according to the Company's policy when necessary.

Major roles and functions of the Audit Committee are:

- (i) to consider and recommend to the Board the appointment, re-appointment and removal of the external auditor, to approve the remuneration and terms of engagement of the external auditor, and address any questions of resignation or dismissal of such auditor;
- (ii) to consider and discuss with the external auditor the nature and scope of each year's audit;
- (iii) to review and monitor the external auditor's independence and objectivity;
- (iv) to review the interim and annual financial statements before submission to the Board;

- (v) to discuss any problems and reservations arising from the interim review and final audit, and any other matters the external auditor may wish to discuss;
- (vi) to review the external auditor's management letters and management's response;
- (vii) to review the Group's financial controls, internal control and risk management systems;
- (viii) to review the internal audit plan, promote co-ordination between the internal and external auditors, and review whether the internal audit function is adequately resourced and has appropriate standing within the Group; and
- (ix) to consider any matters arising from internal audit's investigations and management's responses.

The terms of reference of the Audit Committee of the Company is revised from time to time to comply with the code provisions, in particular code C.3.3 of the CG Code, but with deviations from the code provision regarding the Audit Committee's responsibilities to:

- (i) implement policy on the engagement of the external auditor to supply non-audit services;
- (ii) ensure that management has discharged its duty to have an effective internal control system;
- (iii) ensure co-ordination between the internal and external auditors; and
- (iv) ensure that the internal audit function is adequately resourced and has appropriate standing within the listed company.

Corporate Governance Report

The Board considers that:

- (i) the Audit Committee of the Company should recommend (as opposed to implement) the policy on the engagement of the external auditor to supply non-audit services for the following reasons:
- it is more proper and appropriate for the Board and its Committees to develop policy and make appropriate recommendations;
 - the proper and appropriate mechanism for implementation of such policy and recommendations is through the Executive Directors and management; and
 - INEDs are not in an effective position to implement policy and follow up the same on a day-to-day basis.
- (ii) the Audit Committee only possesses the effective ability to scrutinise (as opposed to ensure) whether management has discharged its duty to have an effective internal control system. The Committee is not equipped to ensure that the same is in place, as this would involve day-to-day supervision and the employment of permanent experts.
- (iii) the Audit Committee is not in a position to ensure co-ordination between the internal and external auditors, but it can promote the same.
- (iv) the Committee cannot ensure that the internal audit function is adequately resourced but it can review whether it is adequately resourced, and recommend the correction of any identified deficiency.

The terms of reference of the Audit Committee is available on the website of the Company.

The Audit Committee shall meet at least three times a year in accordance with its terms of reference. Three meetings were held in 2011 and the attendance of each member at these meetings is set out as follows:

	Number of Committee meetings attended/held
Committee members:	
Alan Stephen Jones (<i>Chairman</i>)	3/3
David Craig Bartlett	3/3
Carlisle Caldwell Procter	3/3
Peter Wong Man Kong	3/3
Roy Kuan	3/3
Ho Chi Kit (<i>alternate to Roy Kuan</i>)	N/A

Apart from Committee meetings, the Audit Committee would also deal with matters by way of circulation, when necessary. In 2011, the Audit Committee performed the work as summarised below:

- (i) considered and approved the terms of engagement and fees proposed by the external auditor regarding the final audit of the Group for the year ended 31 December 2010 and the interim review for the six months ended 30 June 2011;
- (ii) reviewed the reports from the external auditor, management representation letters and management's responses in relation to the final audit of the Group for the year ended 31 December 2010 and for the interim review for the six months ended 30 June 2011;

- (iii) reviewed the financial reports for the year ended 31 December 2010 and for the six months ended 30 June 2011 and recommended the same for the Board's approval;
- (iv) reviewed the progress of the implementation of recommendations for improvements in the internal control system of the Group made by an external consultant on a business division of the Group and reviewed the risk assessment performed by the Risk Management Committee for the year ended 31 December 2010;
- (v) reviewed the audit planning memorandum for the year ended 31 December 2011 submitted by the Internal Audit Department; and
- (vi) reviewed the lists of audit reports issued by the Internal Audit Department and discussed the risk and internal control issues of the Group.

Executive Committee

The Executive Committee has been established since November 1983 and currently consists of four Executive Directors, being Messrs. Lee Seng Huang (Chairman of the Committee), William Leung Wing Cheung, Joseph Tong Tang and Peter Anthony Curry. The Executive Committee is vested with all the general powers of management and control of the activities of the Group, save for those matters which are reserved for the Board's decision and approval pursuant to the written terms of reference of the Executive Committee.

The Executive Committee is mainly responsible for undertaking and supervising the day-to-day management of the Company, and is empowered, subject to the general policies adopted by the Board:

- (i) to formulate and implement policies for the business activities, internal control and administration of the Group; and
- (ii) to plan and decide on strategies to be adopted for the business activities of the Group.

Risk Management Committee

The Risk Management Committee ("RMC" or the "Committee") was established in January 2007, and currently consists of four Executive Directors, being Messrs. Lee Seng Huang (Chairman of the Committee), Joseph Tong Tang (Alternate Chairman of the Committee), William Leung Wing Cheung (appointed on 22 March 2012) and Peter Anthony Curry, one Non-Executive Director being Mr. Roy Kuan (*with Ho Chi Kit as his alternate*) and three other members from the Company's management.

The major roles and functions of the RMC are:

- (i) to analyse and define risks likely to be encountered by the Group in the various aspects of its operation;
- (ii) to ensure through appropriate mechanisms including committee(s) and divisional/department heads, where applicable, the review, assessment, recording and monitoring of the various risks which may be encountered by the Group and the effectiveness of the Group's system of internal controls, including but without limiting the financial, operational and compliance controls and risk management functions;

Corporate Governance Report

- (iii) to act as a provider of assurance (in conjunction with the Group's Internal Audit and Compliance departments and the Group's external auditor) to the Board in its annual review of:
- (a) the changes in the nature and extent of significant risks likely to be encountered by the Group since the last annual review, and the Group's ability to respond to such changes in its business activities and external environment;
- (b) the scope and quality of management's ongoing monitoring of risks and system of internal controls;
- (c) the adequacy of the extent, and frequency of the communication relating to results of monitoring to the Board such that both the Board and the Audit Committee are able to develop a cumulative assessment of the state of control undertaken across the Group and the effectiveness in which risk is being managed;
- (d) any major incident that poses substantial risk and/or loss exposure to the Group, whether actual loss is incurred or not; in the event of likely or actual violations of the Code of Conduct or applicable laws, regulations, regulatory guidelines/codes; significant internal policy, operational or technological failures; and any other significant events that may expose the Group to substantial reputational risk;
- (e) the effectiveness of the Group's processes relating to financial reporting and Listing Rules compliance; and
- (f) all other relevant issues appropriate to risk identification and management and internal control issues.

The terms of reference of the RMC was adopted by the Board in January 2006 and several updates had been made on the same since then.

The RMC meets quarterly, unless as otherwise directed by the Chairman of the RMC. Throughout the financial year of 2011, a total of four meetings were held. The attendance of each member is set out as follows:

	Number of RMC meetings attended/held
Committee members:	
Lee Seng Huang (<i>Chairman</i>)	4/4
Joseph Tong Tang (<i>Alternate Chairman</i>)	4/4
Thomas Bennington Hulme	3/4
Kevin Tai Yiu Kuen	4/4
Roy Kuan	2 [*] /4
Ho Chi Kit (<i>alternate to Roy Kuan</i>)	2/4
Peter Anthony Curry	4/4
Leung Tung Yip	4/4
Tony Leung King Yuen	3/4
<i>(resigned on 31 October 2011)</i>	

* One of these Committee meetings was attended by a representative duly appointed by Mr. Roy Kuan.

During the financial year of 2011, the RMC performed and monitored the followings:

- (i) Review and update the terms of reference of RMC.
- (ii) Command an Independent Internal Control Review by a major professional firm to enhance and improve securities business controls;
- (iii) Review the legal and compliance issues and requirements arising from businesses activities and regulatory issues;
- (iv) Determine the feasible market risk monitoring and reporting approaches;
- (v) Controlling and reviewing the annual Responsibility Statement regarding Risk, Compliance and Internal Control Procedures for the Financial Year ended 31 December 2010; and
- (vi) Review and regular update important risk mitigating measures and controlling parameters e.g. Business Continuity Plan, Risk Limits.

CODES FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following specified enquiries being made by the Company, that they have complied with the required standard as set out in the Model Code.

To comply with the code provision A.5.4 of the CG Code, the Company has also adopted the Model Code, to regulate dealings in the securities of the Company by certain employees of the Company or any of its subsidiaries who are considered to be likely in possession of unpublished price sensitive information in relation to the Company or its securities.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibility for preparing, with support from the Finance Department, the financial statements of the Group. In preparing the financial statements for the year ended 31 December 2011, the accounting principles generally accepted in Hong Kong have been adopted and the requirements of the Hong Kong Financial Reporting Standards (which also include Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance have been complied with. The Directors believe that they have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent and reasonable, and ensured the financial statements are prepared on a "going concern" basis.

The reporting responsibilities of the Company's external auditor, Messrs. Deloitte Touche Tohmatsu ("Deloitte"), are set out in the Independent Auditor's Report on pages 128 and 129.

Corporate Governance Report

External Auditor's Remuneration

During the year and up to the date of this report, the remuneration paid to the Company's external auditor, Deloitte, is set out as follows:

	Fees paid HK\$ million
Services rendered for the Group	
Audit services	6.7
Non-audit services (taxation and other professional services)	3.4
Total	10.1

INTERNAL CONTROL

The Board is responsible to ensure that the Group maintains sound and effective internal controls to safeguard the Group's corporate interests.

The Group continues to strengthen its internal control framework to provide reasonable, but not absolute, assurance against material misstatement or loss; to manage prudently, but not completely eliminate, the risk of system failure; to assist achieving the Group's objectives. In addition to safeguarding the Group's corporate interests, the internal control framework provides a basis for the maintenance of proper accounting records and to comply with relevant laws and regulations.

Systems and procedures are in place to identify, measure, manage and control the risks arising from different business and functional activities. Risk control limits are established and approved according

to the appropriate authorisation hierarchy. More detailed discussions of the policies and procedures for managing major types of risk the Group are included in the "Management of Risks" section in the Management Discussion and Analysis; and in Note 56 to the consolidated financial statements – Financial Risk Management (financial risks including market risk, credit risk, liquidity risk, equity risk, interest rate risk and foreign exchange risk).

The Group's three independent control functions, namely Internal Audit, Compliance and Risk Control; in conjunction with the RMC, play an important role in providing assurance to the Board and management that a sound internal control system is being adopted, implemented and maintained, relevant regulatory requirements have been complied with.

Internal Audit provides an independent and objective assurance and internal consultancy services to improve the Group's operations. It assists the Group in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the Group's process on risk management, control and governance. Risk-based audit plan is formulated to ensure a systematic coverage of all the Group's operations. Independent reviews of different business and functional operations and activities are conducted in accordance with the audit plan with resources focusing on areas with higher risk. Ad hoc reviews are also conducted on areas of concern identified. Reports published by Internal Audit are issued to the Chairman, the Audit Committee, relevant senior management and division/department heads.

Compliance assists management to fulfil its responsibilities to maintain effective and appropriate compliance policies, guidelines, procedures to ensure that the regulatory rules and regulations as well as internal policies and procedures of the Group are complied with. It carries out ad-hoc and regular reviews to monitor the Group's regulated activities. Compliance is an independent function reporting to the Group Chief Financial Officer. The Head of Compliance acts as the Group's designated Complaint Officer and Money Laundering Reporting Officer.

Risk Control is an independent function co-ordinated by the Chief Financial Officer of Sun Hung Kai Financial Limited reporting directly to the Group Chief Financial Officer. It carries out independent assessment of different risk exposures. Its functions include formulation and review of risk management policies and procedures, provides input on risk management framework, such as setting various types of limits. Reviews are conducted on new products, processes, services and systems, to ensure that policies and procedures are constantly updated in accordance with risk-related changes in the operating environment.

Each year, the Group conducts a self-assessment of the effectiveness of its internal control systems covering all major areas such as front-office, compliance, finance and operations. This self-assessment is conducted with the purpose of assessing and documenting key risks to enable control framework improvement. The assessment is performed by the divisions and co-ordinated by the Chief Financial Officer of Sun Hung Kai Financial Limited. The results and findings are reported to the Risk Management Committee, Audit Committee and the Board.

In addition to this annual self-assessment, the Group engaged external consultants in 2011 to perform independent reviews covering a significant part of the Group's operations.

The Board, through the Audit Committee, reviewed the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting functions, along with their training programmes and budget in accordance with the Listing Rules' requirements. The RMC, Audit Committee and the Board reviewed the effectiveness of the internal control systems of the Group and fulfilled the requirement of the CG Code regarding internal control systems in general.

COMMUNICATION WITH SHAREHOLDERS

The Board recognises the importance of strong communication with our shareholders. Information in relation to the Group is disseminated to shareholders in a timely manner through a number of formal channels, which include interim and annual reports, announcements and circulars. Such published documents, together with the latest corporate information and news, are also made available on the Company's website.

The Company's AGM is a valuable forum for the Board to communicate directly with the shareholders. The Chairman actively participates at the AGM and chairs the meeting to answer any questions from the shareholders. The Chairmen of the Audit Committee and Remuneration Committee, or in their absence, another member of the respective committees or failing that their respective duly appointed delegate,

Corporate Governance Report

are also available to answer questions at the AGM. The chairman of any independent board committee formed as necessary or pursuant to the Listing Rules (or if no such chairman is appointed, at least a member of the independent board committee) will also be available to answer questions at any general meeting of the shareholders to approve a connected transaction or any other transaction that is subject to independent shareholders' approval.

Separate resolutions are proposed at the general meetings for each substantial issue, including the re-election of retiring Directors.

Notice of meetings to shareholders is to be sent in the case of AGM at least 20 clear business days before the meeting and to be sent at least 10 clear business days in case of all other general meetings. An explanation of the detailed procedures of conducting a poll is provided to the shareholders at the commencement of the meeting. The Chairman answers questions from shareholders regarding voting by way of a poll. The poll results of the resolutions are thereafter published in the manner prescribed under the requirements of the Listing Rules.

CORPORATE GOVERNANCE ENHANCEMENT

On 22 March 2012, the Board adopted a revised set of Corporate Governance documentation to be effected on 1 April 2012 which is in line with the new code provisions of the CG Code (the "New CG Code") effective on even date. In summary, the Company, while adopting the code provisions in the New CG Code, has made enhancement in the following major areas:

- the Board has adopted a corporate governance policy which sets out the overall corporate governance values of the Company;
- a Nomination Committee would be set up with a majority of its members being INEDs; and
- a Shareholders Communication Policy by which shareholders and other stakeholders of the Company can communicate with the Company and the Board has been adopted.

Enhancing corporate governance is not simply a matter of applying and complying with the CG Code of the Stock Exchange, but about promoting and developing an ethical and healthy corporate culture. We will continue to review, and where appropriate, improve our current practices on the basis of our experience, regulatory changes and developments. Any views and suggestions from our shareholders to promote and improve our transparency are also welcome.

On behalf of the Board



Lee Seng Huang
Group Executive Chairman

Hong Kong, 26 March 2012

Directors' Report

The directors of the Company (the "Directors") are pleased to present the Annual Report and audited consolidated financial statements of the Company and the Group for the year ended 31 December 2011.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's principal subsidiaries, principal associates and jointly controlled entities are set out in Notes 50, 51 and 52 to the consolidated financial statements respectively. Details and respective analysis of the main business segments of the Group during the year are set out in Note 7 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2011 are set out in the Consolidated Income Statement. An interim dividend of HK10 cents per share was paid to shareholders on 19 October 2011. The Directors recommended the declaration of a final dividend of HK10 cents per share to shareholders of the Company, making a total dividend for the year 2011 of HK20 cents per share. The final dividend will be paid in the form of scrip, with the shareholders being given an option to elect cash in respect of part or all of such dividend. A circular giving full details of the scrip dividend proposal and a form of election will be sent to the shareholders of the Company in due course.

PROPERTY AND EQUIPMENT

Movements in property and equipment during 2011 are detailed in Note 20 to the consolidated financial statements.

CHARITABLE DONATIONS

The total donations made by the Group for charitable purposes during the year amounted to HK\$3,099,000.

SHARE CAPITAL

Details of the movements in share capital of the Company during the year are set out in Note 41 to the consolidated financial statements.

RESERVES

Details of the movements in reserves during the year are set out in the Consolidated Statement of Changes in Equity.

DIRECTORS

The Board of Directors during the year and up to the date of this report comprises:

Executive Directors

Lee Seng Huang (*Group Executive Chairman*)

William Leung Wing Cheung

(appointed on 26 March 2012)

Joseph Tong Tang

Peter Anthony Curry

Non-Executive Directors

Goh Joo Chuan

Leung Pak To

Ming Cheng

Roy Kuan

Ho Chi Kit (*alternate to Roy Kuan*)

Fevzi Timucin Engin

(resigned on 17 March 2011)

Josefh Kamal Eskandar

(alternate to Fevzi Timucin Engin and ceased to act as such on 17 March 2011)

Patrick Lee Seng Wei

(resigned on 30 September 2011)

Independent Non-Executive Directors

David Craig Bartlett

Alan Stephen Jones

Carlisle Caldwell Procter

Peter Wong Man Kong

In accordance with Article 94 of the Company's Articles of Association, a new Director appointed to fill a casual vacancy shall hold office only until the next following general meeting and a new Director appointed as an addition to the Board shall hold office only until the next following Annual General Meeting ("AGM") of the Company. Besides, one-third of the Directors for the time being shall be subject to retirement by rotation, and eligible for re-election, at each AGM in accordance with Article 103 of the Company's Articles of Association.

Accordingly, pursuant to Article 94, Mr. William Leung Wing Cheung shall hold office until the forthcoming AGM and, being eligible, offer himself for re-election. And pursuant to Article 103, Messrs. Lee Seng Huang, Ming Cheng, David Craig Bartlett and Peter Wong Man Kong, Directors being the longest in office since their last election, will retire at the forthcoming AGM. Except for Mr. Ming Cheng who decided not to offer himself for re-election due to his other business commitment, all other three retiring Directors being eligible, offer themselves for election at the AGM.

DIRECTORS' INTERESTS

As at 31 December 2011, the interests of Directors in the shares of the Company (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 under Section 352 of the SFO were as follows:

(a) Interests in the Shares and underlying Shares

Directors	Capacity	Number of Shares and underlying Shares	Approximate % of the issued share capital
Lee Seng Huang	Interests of controlled corporation <i>(Note 1)</i>	1,128,363,302 <i>(Note 2)</i>	53.49%
Joseph Tong Tang	Beneficiary of trust	236,000 <i>(Note 3(a))</i>	0.011%
	Beneficial owner	170,000 <i>(Note 3(b))</i>	0.008%
Peter Anthony Curry	Beneficiary of trust	105,000 <i>(Note 4(a))</i>	0.004%
	Beneficial owner	12,000 <i>(Note 4(b))</i>	0.001%

Notes:

1. Mr. Lee Seng Huang, Director, together with Mr. Lee Seng Hui and Ms. Lee Su Hwei are the trustees of Lee and Lee Trust, being a discretionary trust. Lee and Lee Trust together with Mr. Lee Seng Hui indirectly owned approximately 56.76% interest in the issued share capital of Allied Group Limited ("AGL") and was therefore deemed to have interests in the Shares of the Company in which AGL was interested.
 2. This refers to the interest in 1,128,363,302 Shares.
 3. (a) These include the deemed interests in:
 - (i) 22,000 unvested Shares out of the total of 66,000 Shares granted to and accepted by Mr. Joseph Tong Tang on 6 May 2009 under the EOS. Such awarded Shares are subject to a vesting scale in tranches whereby one-third of the Shares thereof (i.e. 22,000 Shares) was vested and became unrestricted from 15 April 2010; another one-third thereof was vested and became unrestricted from 15 April 2011; and the remaining one-third thereof shall be vested and become unrestricted from 15 April 2012;
 - (ii) 52,000 unvested Shares out of the total of 78,000 Shares granted to Mr. Tong on 5 May 2010 under the EOS and accepted by him on 10 May 2010. Such awarded Shares are subject to a vesting scale in tranches whereby one-third of the Shares thereof (i.e. 26,000 Shares) was vested and became unrestricted from 15 April 2011; another one-third thereof shall be vested and become unrestricted from 15 April 2012; and the remaining one-third thereof shall be vested and become unrestricted from 15 April 2013; and
 - (iii) 162,000 Shares granted to Mr. Tong on 13 April 2011 under the EOS and accepted by him on 19 April 2011. Such awarded Shares are subject to a vesting scale in tranches whereby one-third of the Shares thereof shall be vested and become unrestricted from 15 April 2012; another one-third thereof shall be vested and become unrestricted from 15 April 2013; and the remaining one-third thereof shall be vested and become unrestricted from 15 April 2014.
 4. (a) These include the deemed interests in:
 - (i) 24,000 unvested Shares out of the total of 36,000 Shares granted to and accepted by Mr. Peter Anthony Curry under the EOS according to an offer letter dated 29 October 2010. Such awarded Shares are subject to a vesting scale in tranches whereby one-third of the Shares thereof was vested and became unrestricted from 1 November 2011; another one-third thereof shall be vested and become unrestricted from 1 November 2012; and the remaining one-third thereof shall be vested and become unrestricted from 1 November 2013; and
 - (ii) 81,000 Shares granted to Mr. Curry on 13 April 2011 under the EOS and accepted by him on 19 April 2011. Such awarded Shares are subject to a vesting scale in tranches whereby one-third of the Shares thereof shall be vested and become unrestricted from 15 April 2012; another one-third thereof shall be vested and become unrestricted from 15 April 2013; and the remaining one-third thereof shall be vested and become unrestricted from 15 April 2014.
- (b) This represents 170,000 Shares out of the 205,000 Shares granted under the EOS that were vested and became unrestricted.
- (b) This represents the Shares granted to Mr. Curry under the EOS that were vested and became unrestricted.

Directors' Report

(b) Interests in the shares, underlying shares and debentures of associated corporations

Directors	Associated corporations	Capacity	Number of shares and underlying Shares	Approximate % of the relevant issued share capital
Lee Seng Huang (Note 1)	AGL	Trustee (other than a bare trustee) (Note 2)	115,976,492	56.75%
	Allied Properties (H.K.) Limited ("APL")	Interests of controlled corporation (Note 3)	6,036,371,254 (Note 4)	81.95%
	Allied Overseas Limited ("AOL")	Interests of controlled corporation (Note 5)	178,042,931 (Note 6)	86.02%
	SHK Hong Kong Industries Limited ("SHK HK Ind")	Interests of controlled corporation (Note 7)	2,953,509,606 (Note 8)	71.83%
Joseph Tong Tang	APL	Beneficial owner	120,951 (Note 9)	0.001%

Notes:

- Mr. Lee Seng Huang, by virtue of his interests in AGL and APL, was deemed to be interested in the shares of the subsidiaries of AGL (including SHK HK Ind, a listed subsidiary of AGL) and APL (including AOL, a listed subsidiary of APL), which are associated corporations of the Company as defined under the SFO.

A waiver application was submitted to The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for exemption from disclosure of Mr. Lee's deemed interests in the shares of such associated corporations of the Company in this report, and the waiver was granted by the Stock Exchange on 24 February 2012.
- Mr. Lee Seng Huang is one of the trustees of Lee and Lee Trust, being a discretionary trust which indirectly owned 115,976,492 shares of AGL.
- This refers to the same interests held directly or indirectly by AGL in APL.
- These include interests in (i) 5,030,365,045 shares of APL; and (ii) listed physically settled warrants of APL giving rise to an interest in 1,006,006,209 underlying shares of APL. The warrants of APL entitle the holders thereof to subscribe at any time during the period from 13 June 2011 to 13 June 2016 (both days inclusive) for fully paid shares of APL at an initial subscription price of HK\$2 per share (subject to adjustments).
- This refers to the same interests held indirectly by APL in AOL.
- These include interests in (i) 149,165,776 shares of AOL; and (ii) listed physically settled warrants of AOL giving rise to an interest in 28,877,155 underlying shares of AOL. The warrants of AOL entitle the holders thereof to subscribe at any time during the period from 4 March 2011 to 4 March 2016 (both days inclusive) for fully paid shares of AOL at an initial subscription price of HK\$5 per share (subject to adjustments).
- This refers to the same interests held indirectly by AGL in SHK HK Ind.
- This refers to the interest in 2,953,509,606 shares of SHK HK Ind.
- These include interests in (i) 100,793 shares of APL; and (ii) listed physically settled warrants of APL giving rise to an interest in 20,158 underlying shares of APL. The warrants of APL entitle the holders thereof to subscribe at any time during the period from 13 June 2011 to 13 June 2016 (both days inclusive) for fully paid shares of APL at an initial subscription price of HK\$2 per share (subject to adjustments).

All interests stated above represent long positions. As at 31 December 2011, none of the Directors held any short positions in the Shares, underlying shares of equity derivatives or debentures of the Company.

Save as disclosed above, as at 31 December 2011, neither the Directors nor the chief executive of the Company had any interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

SHK EMPLOYEE OWNERSHIP SCHEME

On 18 December 2007 (the "Adoption Date"), the Company adopted the SHK Employee Ownership Scheme (the "EOS") to recognise the contributions by any employee or director ("Selected Grantees") of the Company and its subsidiaries (the "Group") and to provide them with long-term incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

A Committee comprising senior management of the Company has been formed, with the power and authority delegated by the Board, to administer the EOS. An independent trustee ("Trustee") has been appointed for the administration of the EOS. Under the EOS, Selected Grantees are to be awarded Shares which have been purchased by the Trustee at the cost of the Company and be held in trust for the Selected Grantees until the end of each vesting period. Upon the management's recommendation, the number of Shares awarded to the Selected Grantees (other than a Director) shall be determined, with the vesting dates for various tranches, by the committee. Any shares awarded under the EOS to a Selected Grantee who is

a Director shall be subject to the Board's approval following a recommendation from the Remuneration Committee of the Board.

Subject to the terms thereof, the EOS shall be valid and effective for an initial term of five years commencing on 18 December 2007 and automatically extended for another three subsequent terms of five years each unless otherwise terminated. The maximum number of Shares which can be awarded under the EOS and to a Selected Grantee throughout its duration are limited to 5 per cent (i.e. 83,989,452 Shares) and 1 per cent (i.e. 16,797,890 Shares) of the Company's shares in issue as at the Adoption Date.

During the year, a total of 1,803,000 Shares (2010: 1,182,000 Shares) were awarded to the Selected Grantees subject to various terms including, amongst other things, vesting scales whereby awarded shares will vest and become unrestricted over a three-year period. A total of 1,538,000 Shares (2010: 1,254,000 Shares) were vested during the year.

Since its adoption, a total of 8,033,000 Shares have been awarded up to the date of this report, representing about 0.48 per cent of the issued share capital of the Company as at the Adoption Date. As at 31 December 2011, the outstanding awarded Shares under the EOS (excluding Shares awarded, but subsequently forfeited) amounted to 2,735,000 Shares.

ARRANGEMENT FOR THE ACQUISITION OF SHARES OR DEBENTURES

During the year and as at 31 December 2011, none of the Directors had any personal interests in the options to subscribe for shares in the Company's holding company, AGL, granted under the share option scheme of the said company.

Other than the EOS, at no time during the year was the Company, or any of its subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at 31 December 2011, the following shareholders had interests in the Shares and underlying Shares as recorded in the register required to be kept under Section 336 of the SFO (the "SFO Register"):

Shareholders	Capacity	Number of Shares and underlying Shares	Approximate % of the issued share capital
APL	Interests of controlled corporation (Note 1)	1,128,363,302 (Note 2)	53.49%
AGL	Interests of controlled corporation (Note 3)	1,128,363,302 (Note 4)	53.49%
Lee and Lee Trust	Interests of controlled corporation (Note 5)	1,128,363,302 (Note 4)	53.49%
Dubai Ventures L.L.C ("Dubai Ventures")	Beneficial owner	166,000,000 (Note 6)	7.84%
Dubai Ventures Group (L.L.C) ("DVG")	Interests of controlled corporation (Note 7)	166,000,000 (Note 8)	7.84%
Dubai Group (L.L.C) ("Dubai Group")	Interests of controlled corporation (Note 9)	166,000,000 (Note 8)	7.84%
Dubai Holding Investments Group LLC ("DHIG")	Interests of controlled corporation (Note 10)	166,000,000 (Note 8)	7.84%
Dubai Holding (L.L.C) ("Dubai Holding")	Interests of controlled corporation (Note 11)	166,000,000 (Note 8)	7.84%
Dubai Group Limited ("DGL")	Interests of controlled corporation (Note 12)	166,000,000 (Note 8)	7.84%
HH Mohammed Bin Rashid Al Maktoum	Interests of controlled corporation (Note 13)	166,000,000 (Note 8)	7.84%
Penta Investment Advisers Limited ("Penta")	Investment manager	126,262,788 (Note 14)	5.97%
Asia Financial Services Holdings Limited ("AFSH")	Interests of controlled corporation (Note 15)	409,920,000 (Note 18)	19.36%
Asia Financial Services Group Limited ("AFSG")	Interests of controlled corporation (Note 16)	409,920,000 (Note 18)	19.36%
CVC Capital Partners Asia III Limited ("CVC Capital")	Interests of controlled corporation (Note 17)	409,920,000 (Note 18)	19.36%

Notes:

1. The interests were held by AP Emerald Limited ("AP Emerald"), a wholly-owned subsidiary of AP Jade Limited which in turn was a wholly-owned subsidiary of APL. APL was therefore deemed to have interests in the Shares in which AP Emerald was interested.
2. This represents an interest in 1,128,363,302 Shares held by APL through AP Emerald.
3. AGL owned approximately 68.29% interest in the issued share capital of APL and was therefore deemed to have interests in the Shares in which APL was interested.
4. This refers to the same interests in 1,128,363,302 Shares held by AP Emerald.
5. Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang (a Director) are the trustees of Lee and Lee Trust, being a discretionary trust. They together owned approximately 56.76% interest in the issued share capital of AGL (inclusive of Mr. Lee Seng Hui's personal interest) and were therefore deemed to have interests in the Shares in which AGL was interested.
6. This represents an interest in 166,000,000 Shares.
7. DVG owned a 99% interest in the issued share capital of Dubai Ventures and was therefore deemed to have an interest in the Shares in which Dubai Ventures was interested.
8. This refers to the interests in 166,000,000 Shares held by Dubai Ventures.
9. Dubai Group owned a 99% interest in the issued share capital of DVG and was therefore deemed to have an interest in the Shares in which DVG was interested.
10. DHIG owned a 51% interest in the issued share capital of Dubai Group and was therefore deemed to have an interest in the Shares in which Dubai Group was interested.
11. Dubai Holding owned approximately a 99.66% interest in the issued share capital of DHIG and was therefore deemed to have an interest in the Shares in which DHIG was interested.
12. DGL owned a 49% interest in the issued share capital of Dubai Group. DGL was therefore deemed to have interests in the Shares in which Dubai Group was interested.
13. HH Mohammed Bin Rashid Al Maktoum owned approximately a 97.40% interest in the issued share capital of Dubai Holding and was therefore deemed to have interests in the Shares in which Dubai Holding was interested.
14. This includes interests in (i) 70,122,824 Shares; and (ii) unlisted cash settled derivatives of the Company giving rise to an interest in 56,139,964 underlying Shares.
15. This represents an interest through a wholly-owned subsidiary namely Asia Financial Services Company Limited ("AFSC").
16. This represents an interest through two of its subsidiaries, Asia Financial Services Holdings Limited and AFSC.
17. CVC Capital, through a wholly-owned subsidiary, owns 88% interest in AFSG and is therefore deemed to have interest in the Shares and underlying Shares in which AFSG was interested.
18. This represents the interests in (i) 341,600,000 Shares; and (ii) the deemed interest in the underlying Shares arising from the HK\$427,000,000 in face value of Warrants issued by the Company to AFSC pursuant to a Subscription Agreement dated 22 April 2010.

Save as disclosed above, the afore-mentioned interests represent long positions and as at 31 December 2011, no short positions were recorded in the SFO Register of the Company.

Save as disclosed above, as at 31 December 2011, the Directors are not aware of any other persons who have interests or short positions in the Shares, underlying shares of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would require to be disclosed to the Company pursuant to Part XV of the SFO.

CONTINUING CONNECTED TRANSACTIONS

(1) Sharing of Management Services Agreement for three years from 2011 to 2013

As disclosed in the announcement of the Company dated 31 January 2011, and in its Annual Report for the year 2010, a Renewed Sharing of Management Services Agreement was entered into between the Company and AGL on 31 January 2011 (the "Renewed Services Agreement") to extend the term of the Sharing of Management Services Agreement dated 31 January 2008 for a period of three years from 1 January 2011 to 31 December 2013, in relation to the provision of management, consultancy, strategic and business advice services (the "Management Services") by the senior management and selected staff of AGL (the "AGL Management Staff") to the Company and its subsidiaries, and the reimbursement of costs payable to AGL. Pursuant to the Renewed Services Agreement, the aggregate amount payable to AGL for the three respective financial years ending 31 December 2013 shall not exceed HK\$3.24 million, HK\$3.63 million and HK\$4.08 million respectively. The total amount paid to AGL for the year ended 31 December 2011 was HK\$3.24 million.

(2) Insurance Brokerage Services Agreements for two years from 2011 to 2012

As disclosed in the announcement of the Company dated 31 January 2011 and in the 2010 Annual Report, Sun Hung Kai Insurance Consultants Limited ("SHK Insurance"), a wholly-owned subsidiary of the Company, entered into an insurance brokerage services agreement with each of AGL, APL, AOL, Tian An China

Investments Company Limited ("TACI") (an associated company of APL) and Yu Ming Investment Management Limited ("YMIM") (an indirect wholly-owned subsidiary of AGL) on 31 January 2011 (the "Insurance Brokerage Services Agreements") whereby SHK Insurance would provide packaged insurance brokerage services to the AGL Group, APL Group, AOL Group, TACI Group (as defined in the said announcement) and YMIM for two years from 1 January 2011 to 31 December 2012 by assisting them in procuring insurance policies to be taken out with third party insurers ("Insurance Services") in accordance with the terms of the Insurance Brokerage Services Agreements. The maximum aggregate amount payable by AGL Group, APL Group, AOL Group, TACI Group and YMIM under the Insurance Brokerage Services Agreements for the two financial years ending 31 December 2012 shall be:

	2011 <i>HK\$ million</i>	2012 <i>HK\$ million</i>
AGL Group	0.8	0.88
APL Group	1.2	1.32
AOL Group	1.5	1.65
TACI Group	4.0	4.4
YMIM	0.144	0.16

The total amount paid by the AGL Group, APL Group, AOL Group, TACI Group and YMIM to SHK Insurance for the year ended 31 December 2011 under the Insurance Brokerage Services Agreements were approximately HK\$0.54 million, HK\$1.0 million, HK\$1.14 million, HK\$1.37 million and HK\$0.11 million respectively.

Given that APL is a substantial shareholder of the Company; and AGL, AOL, TACI and YMIM are all associates of APL under the definition of the Listing Rules, each of AGL, APL, AOL, TACI and YMIM and their respective associates is regarded as a connected person of the Company under the Listing Rules. As such, the entering into of the Renewed Services Agreement and the Insurance Brokerage Services Agreements constituted continuing connected transactions for the Company (the "Continuing Connected Transactions") under Rule 14A.34 of the Listing Rules. In accordance with the requirements of Rules 14A.45 and 14A.46 of the Listing Rules, details of the said two Continuing Connected Transactions are included in this report.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the Continuing Connected Transactions. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

Pursuant to Rule 14A.37 of the Listing Rules, the Independent Non-Executive Directors of the Company, being Messrs. David Craig Bartlett, Alan Stephen Jones, Carlisle Caldwell Procter and Peter Wong Man Kong, reviewed the above Continuing Connected Transactions and confirmed that they were entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms; and
- (iii) in accordance with the Renewed Services Agreement and the Insurance Brokerage Services Agreements governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

In the opinion of the Board of Directors, the Continuing Connected Transactions were entered into in the manners stated above.

CONNECTED TRANSACTION

Underwriting Agreement

On 29 December 2011, an Underwriting Agreement (the "Underwriting Agreement") was entered into, among others, between Sun Hung Kai Investment Services Limited ("SHKIS") (a wholly-owned subsidiary of the Company), TACI and Allied Cement Holdings Limited ("Allied Cement") (an indirect wholly-owned subsidiary of TACI as at the date of the Underwriting Agreement, an indirect non-wholly owned subsidiary of TACI as at the date of this Report) pursuant to which,

SHKIS agreed to subscribed or procure subscribers for, on the terms and conditions of the Underwriting Agreement and the Prospectus, all the Offer Shares at the Offer Price (the "Transaction").

Detailed information of the Transaction was disclosed in the announcement jointly issued by the Company and TACI dated 29 December 2011 (the "Announcement"). Capitalised terms used herein shall have the same meanings defined in the Announcement.

As at the date of the Announcement, SHKIS was an indirect wholly-owned subsidiary of the Company which in turn was owned as to approximately 53.48% by APL. APL was a controlling shareholder holding approximately 46.85% of the issued share capital of TACI and thus a connected person of TACI. The entering into of the Underwriting Agreement constituted a connected transaction for the Company. Pursuant to Rule 14A.45 of the Listing Rules, details of the Transaction are included in this Annual Report.

BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

Particulars of bank loans, overdrafts and other borrowings of the Group are set out in Note 35 to the consolidated financial statements.

SUBSIDIARIES

Particulars regarding the principal subsidiaries are set out in Note 50 to the consolidated financial statements.

INTEREST CAPITALISED

No interest was capitalised by the Group during the year.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 37 to 51.

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming AGM has an unexpired service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year and up to the date of this report, save as disclosed below, none of the Directors (not being the Independent Non-Executive Directors) are considered to have interests in the businesses listed below which compete or are likely to compete with the businesses of the Group pursuant to the Listing Rules:

1. Mr. Lee Seng Huang is one of the trustees of Lee and Lee Trust which is a deemed substantial shareholder of each of AGL, APL and TACI which, through their subsidiaries, are partly engaged in the businesses as follows:
 - AGL, through certain of its subsidiaries, is partly engaged in the businesses of money lending and property investment;

- APL, through certain of its subsidiaries, is partly engaged in the businesses of money lending and property investment; and
 - TACI, through certain of its subsidiaries, is partly engaged in the businesses of money lending and property investment.
2. Mr. Peter Anthony Curry is a director of Ormil Energy Limited and APAC Resources Limited and an alternate director of Mount Gibson Iron Limited which, through certain of its subsidiaries, are partly involved in the investment and/or trading in listed securities in the resources and related industries.
 3. Mr. Leung Pak To is the chairman of Luminary Capital Limited which carries out Type 6 licensed activity (advising on corporate finance) in Hong Kong.
 4. Mr. Patrick Lee Seng Wei (a former Director resigned on 30 September 2011) is a director of TACI, which, through certain of its subsidiaries, is partly engaged in the businesses of money lending and property investment.

Although the abovementioned Directors have competing interests in other companies by virtue of their respective common directorship, they will fulfil their fiduciary duties in order to ensure that they will act in the best interests of the shareholders and the Company as a whole at all times. Hence the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of such companies.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance to which the Company or any of its subsidiary companies was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of its Directors as at the date of this report, the Company has maintained sufficient public float as required under the Listing Rules.

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate sales attributable to the Group's five largest customers accounted for less than 30% of the total turnover for the year.

Also, the aggregate purchases attributable to the Group's five largest suppliers taken together were less than 30% of the Group's total purchases for the year.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year ended 31 December 2011, the Company repurchased a total of 11,087,000 Shares on the Stock Exchange at an aggregate consideration (before expenses) of HK\$44,421,080. All the repurchased Shares were subsequently cancelled.

Particulars of the repurchases are as follows:

Month	Number of Shares repurchased	Purchase price		Aggregate consideration (before expenses) (HK\$)
		Highest (HK\$)	Lowest (HK\$)	
June	49,000	5.600	5.560	274,140
July	358,000	5.600	5.450	1,988,000
October	3,135,000	4.350	4.100	12,882,600
November	2,750,000	4.180	4.000	11,229,290
December	4,795,000	4.090	3.725	18,047,050
	11,087,000			44,421,080

The repurchases were made for the benefit of the Company and its shareholders as a whole with a view to enhancing the earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities during the year ended 31 December 2011.

AUDITOR

The consolidated financial statements have been audited by Messrs. Deloitte Touche Tohmatsu who will retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board



Lee Seng Huang

Group Executive Chairman

Hong Kong, 26 March 2012



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公司資料

董事會

執行董事

李成煌(集團執行主席)
梁永祥
唐登
Peter Anthony Curry

非執行董事

吳裕泉
梁伯韜
明程
Roy Kuan(管文浩)
何志傑(Roy Kuan(管文浩)之
替任董事)

獨立非執行董事

白禮德
Alan Stephen Jones
Carlisle Caldwell Procter
王敏剛

執行委員會

李成煌(主席)
梁永祥
唐登
Peter Anthony Curry

提名委員會

李成煌(主席)
白禮德
Alan Stephen Jones
Carlisle Caldwell Procter
王敏剛
Roy Kuan(管文浩)
何志傑(Roy Kuan(管文浩)之
替任委員會成員)

薪酬委員會

王敏剛(主席)
白禮德
Alan Stephen Jones
Carlisle Caldwell Procter
Roy Kuan(管文浩)
何志傑(Roy Kuan(管文浩)之
替任委員會成員)

審核委員會

Alan Stephen Jones(主席)
白禮德
Carlisle Caldwell Procter
王敏剛
Roy Kuan(管文浩)
何志傑(Roy Kuan(管文浩)之
替任委員會成員)

風險管理委員會

李成煌(主席)
唐登(替任主席)
梁永祥
Peter Anthony Curry
韓滔文
Roy Kuan(管文浩)
何志傑(Roy Kuan(管文浩)之
替任委員會成員)

梁桐業
戴耀權

公司秘書

黃霖春

核數師

德勤 • 關黃陳方會計師行

律師

高偉紳律師行
年利達律師事務所
萬盛國際律師事務所
胡百全律師事務所

銀行

渣打銀行(香港)有限公司
中信銀行國際有限公司
華僑銀行·香港分行
中國工商銀行(亞洲)有限公司
中國建設銀行(亞洲)股份有限公司
星展銀行(香港)有限公司
東亞銀行有限公司
紐約梅隆銀行
富邦銀行(香港)有限公司
大眾銀行(香港)有限公司
中國銀行(香港)有限公司
創興銀行有限公司
永亨銀行有限公司
比利時聯合銀行·香港分行
香港上海匯豐銀行有限公司

過戶登記處

卓佳秘書商務有限公司
香港灣仔皇后大道東28號
金鐘匯中心26樓

註冊辦事處

香港銅鑼灣
希慎道33號
利園42樓

網址

www.shkco.com
www.shkf.com
www.shkfg.com
www.shkdirect.com
www.shkprivate.com
www.shkfinance.com.hk
www.uaf.com.hk
www.uaeasycash.cn

公司簡介

新鴻基有限公司（「本公司」，連同其附屬公司統稱「集團」）建基於1969年，乃香港具領導地位的金融機構之一。本公司於1983年在香港聯合交易所有限公司上市（股份代號：86），透過其附屬公司包括新鴻基金融有限公司及亞洲聯合財務有限公司，為零售、企業及機構客戶裁設金融方案。

本公司透過新鴻基金融有限公司及UAF Holdings Limited經營，五項核心業務包括：

- 財富管理及經紀業務；
- 資本市場業務；
- 資產管理；
- 私人財務；及
- 主要投資。

本公司的分行及辦事處遍佈香港、中國內地及澳門約120個地點。截至2011年12月31日，本公司股東權益逾120億港元。

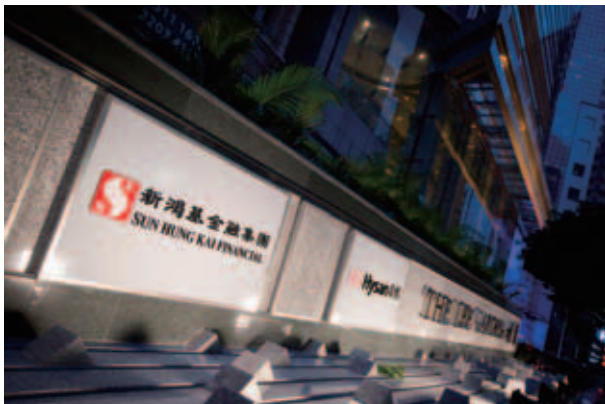
集團紮根香港40多年，一直恪守「以心待客」的業務方針。憑藉在金融行業的豐富經驗及過往佳績，我們的專

業人員一直致力為客戶提供切合其需要的投資及金融服務。

為緊貼不斷轉變的金融環境，集團近年積極與多間本港及國際知名公司締結策略聯盟，旨在擴大集團業務及提供多元化產品以滿足廣大客戶的需要。

集團的成就不僅依靠其完善的策略性業務模式，還建基於集團五項核心價值：卓越、誠信、創新、謹慎及專業，此等原則對集團的持續增長亦非常關鍵。

在發展業務的同時，集團亦時刻不忘履行其企業社會責任。我們成立了「新鴻基金融慈善基金」，以積極參與社區活動。該慈善基金專注於投資者教育、社區保健及環境保護等範疇。我們亦推出了「Going Green 綠化生活行動」，當中包括省墨、省電、省紙的計劃，使集團的營運更趨環保。我們預期未來一年將會推出更多環保活動，以實踐集團的社會責任。



公司里程碑



1969

馮景禧先生、郭得勝先生及李兆基先生創立新鴻基公司。於1973年，新鴻基證券有限公司(「新鴻基證券」)成立。

1983

新鴻基有限公司(「本公司」)正式成立並於香港聯合交易所上市。

1991

新鴻基投資服務有限公司(「新鴻基投資服務」)率先申請成為上海及深圳證券交易所之首批包銷商及核准海外代理人。

1993

新鴻基投資服務分別在上海及深圳證券交易所獲得B股交易席位。

1996

聯合地產(香港)有限公司(「聯合地產」)透過其全資附屬公司從馮氏家族收購本公司。

1997

新鴻基投資服務獲中國證券監督管理委員會批准為外資股份經紀商及主承銷商。

公司里程碑

「鴻財網」正式成立，是首批提供「一站式」網上股票買賣服務之證券行之一。	2000
公司成立財富管理業務及另類投資業務，開展多元化運作。	2002
Sun Hung Kai International Bank [Brunei] Limited 正式開業。聯合地產於本公司的股權增至約 74.99% (現持股量約 53.51%)。	2004
公司擴充私人財務業務，收購 UAF Holdings Limited，並與浙江省永安期貨經紀有限公司在香港成立合資公司，進一步拓展中國大陸市場。	2006
公司透過配售 1.66 億新股予 Dubai Investment Group，與其建立策略合作關係。	2007
公司於香港正式開設新鴻基財富管理中心旗艦店。	2009
公司遷至銅鑼灣利園，並分別與 CVC Capital Partners 及麥格理銀行的附屬公司 Macquarie FX Investments Pty Limited 締結策略聯盟。	2010
公司的旗艦品牌「新鴻基尊尚資本管理」正式推出，為高資產值客戶提供個人化的財富管理服務。本公司並與陸東資產管理有限公司締結策略聯盟。	
新鴻基證券於 2011 年 12 月 1 日起正式更名為「新鴻基金融有限公司」，以配合其「新鴻基金融集團」品牌策略。	2011



財務摘要

主要數據

(百萬港元)	2011	2010	變動
收益	3,593.2	3,064.1	17%
經營盈利	1,546.0	1,359.0	14%
本公司股東應佔溢利	1,032.4	1,087.0	-5%
每股數據(港仙)			
每股盈利	48.8	56.8	
每股股息	20.0	229.3	
每股賬面值	5.7	6.4	
財務比率			
資產回報	4.6%	5.4%	
權益回報	8.5%	9.6%	
資本與負債比率	55.3%	45.2%	

股份資料

	2011	2010
年末的已發行股份數目(百萬股)	2,109.4	1,775.4
股份加權平均數(百萬股)	2,113.7	1,914.0
每股盈利(港仙)	48.8	56.8
每股股息(港仙)	20.0	229.3
- 末期	10.0	18.0
- 中期	10.0	10.0
- 特別	-	201.3
股份價格(港元)		
- 高	6.93	8.68
- 低	3.80	4.02
- 收市	4.08	5.63
市值(百萬港元)	8,606.4	9,995.5

財務摘要

收益分析

(百萬港元)	2011	2010	變動
收益	3,593.2	3,064.1	17%
按地區分析			
– 香港	3,044.2	2,817.7	8%
– 中國大陸及其他	549.0	246.4	123%
按類型分析			
– 利息收入	2,760.3	2,098.4	32%
– 經紀佣金、其他佣金與服務收益	767.5	899.4	-15%
– 管理基金所得收費	33.9	45.8	-26%
– 其他	31.5	20.5	54%

收益賬分析

(百萬港元)	2011	2010	變動
收益	3,593.2	3,064.1	17%
經營費用	(1,702.4)	(1,479.9)	15%
佔收益的% (「成本收入比率」)	47%	48%	
– 經紀及佣金費用	(214.4)	(219.0)	-2%
– 直接成本及經營費用	(260.1)	(296.4)	-12%
– 管理費用	(1,218.4)	(949.5)	28%
– 其他費用	(9.5)	(15.0)	-37%
融資成本	(160.3)	(115.6)	39%
扣除呆壞賬前經營盈利	1,730.5	1,468.6	18%
呆壞賬	(184.5)	(109.6)	68%
經營盈利	1,546.0	1,359.0	14%
其他收入	224.3	45.8	} -70%
淨匯兌(虧損)收益	(46.0)	10.7	
財務工具(虧損)收益淨額	(132.3)	121.2	
出售一間上市聯營公司虧損	-	(159.3)	
聯營公司	17.1	210.1	
共同控制公司	6.2	5.0	
除稅前溢利	1,615.3	1,592.5	1%
稅項	(278.8)	(233.0)	20%
非控股權益	(304.1)	(272.5)	12%
本公司股東應佔溢利	1,032.4	1,087.0	-5%

財務摘要

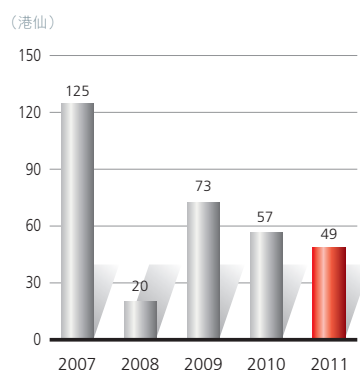
財務狀況表摘要

(百萬港元)	2011	2010	變動
總客戶貸款及墊款：	12,797.9	10,549.6	21%
– 證券放款	4,277.0	4,436.5	-4%
– 有抵押有期借款	964.8	648.6	49%
– 私人財務貸款	7,556.1	5,464.5	38%
總借款	6,682.8	5,132.4	30%
– 流動	2,923.5	2,492.1	17%
– 長期	3,759.3	2,640.3	42%
現金、存款及現金等價物	2,736.0	2,510.1	9%
總資產	22,494.4	20,151.3	12%
股東權益	12,087.5	11,365.2	6%

除稅後溢利



每股基本盈利

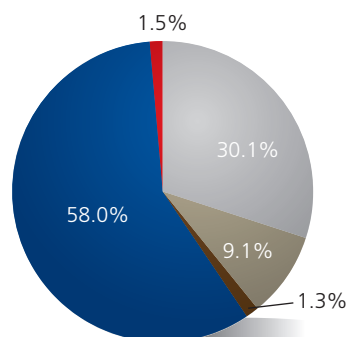


收益

2011年各分項
所佔收益

● 財富管理及經紀業務
● 資產管理
● 私人財務

● 資本市場
● 主要投資



財務摘要

五年財務概要

(百萬港元)	截至12月31日止年度				2011
	2007 (附註a)	2008 (附註a)	2009 (附註a及c)	2010 (附註a及c)	
業績					
收益	4,326.7	3,207.3	2,889.3	3,064.1	3,593.2
本公司股東應佔溢利	1,897.6	346.5	1,258.4	1,087.0	1,032.4
保留溢利結轉	5,232.4	5,350.9	6,150.7	3,200.2	3,757.2

(百萬港元)	於12月31日				2011
	2007	2008 (附註b)	2009 (附註b及c)	2010 (附註c)	
資產及負債					
流動資產	10,919.6	9,129.9	10,141.0	13,016.1	14,230.6
總資產	21,816.7	19,438.2	20,877.3	20,151.3	22,494.4
流動負債	2,960.8	3,493.6	5,493.6	4,047.6	4,115.2
總負債	7,793.3	6,410.9	6,462.9	6,923.2	8,091.4

附註：

- (a) 為符合於2011年重新分類於收益內之財務工具收益(虧損)淨額至綜合收益賬的獨立項目，由2007年至2010年收益之比較數字已予以重列。
- (b) 於2010年就採納HKAS 17「租賃」之修正及採納香港詮釋第5號「財務報表之呈列 – 借款人對載有按要求還款條款之有期貨款之分類」，於2008年及2009年資產與負債之比較數字因而重列。
- (c) 於2011年就採納HKAS 12「遞延稅項：相關資產收回」及重新分類於經營及其他應付賬內之應付利息費用至有關財務負債，本公司股東應佔溢利、保留溢利結轉、流動負債及總負債於2009年及2010年之比較數字因而重列。

致股東的信



親愛的股東：

本人欣然報告，新鴻基有限公司（「本公司」，連同其附屬公司統稱「集團」）在截至2011年12月31日止的年度，縱然全球營商環境相對艱難，集團仍再次錄得理想的整體業績。過去一年，我們面對一些極具挑戰的情況：美國經濟復甦放緩，其後信用評級更被下調，歐債危機持續及日本大地震等，這些事件均增加了市場的不確定性。在此環境下，集團憑藉穩健的資產負債和多元化的收入來源，取得佳績。

集團錄得除稅前溢利1,615.3百萬港元（2010年：1,592.5百萬港元）。本公司股東應佔溢利為1,032.4百萬港元（2010年：1,087.0百萬港元），每股盈利為48.8港仙（2010年：56.8港仙）。董事會建議派發末期股息每股10港仙（2010年：18港仙）。連同中期股息每股10港仙，本年度共派發股息每股20港仙（2010年：2.293港元*），符合我們分派經營溢利淨額至少30%的派息政策。

李成煌先生
集團執行主席

致股東的信

本年度最突出的是集團的私人財務業務 — 亞洲聯合財務有限公司(「亞洲聯合財務」)錄得創紀錄的業績。亞洲聯合財務不斷在本港，尤其是國內建立其分行網絡，加上集團以新鴻基財務的品牌提供物業二按業務，其市場佔有率不斷擴大。

亞洲聯合財務一直致力擴張國內市場的策略繼續取得佳績，當地的分行數目已超過香港的分行總數。於2011年底，亞洲聯合財務在內地及香港的分行數目分別為54家和45家。其國內業務現時佔集團整體收益約15%。亞洲聯合財務具備優秀條件，可隨著中國經濟持續發展其內需基礎，進一步增長。

於2011年，我們的財富管理及經紀業務表現亦相當理想。對於證券放款業務的增長，降低了佣金收入的減少，我們感到滿意。更重要的是，我們堅守一貫目標，致力成為領先的獨立財富管理公司。

我們進一步投資於基礎設施和產品平台，最近推出並獲獎的流動平台「SHKF eMO!」，以喜愛自主投資的客戶為對象。我們推出一系列其他產品，包括「新鴻基尊尚資本管理」(「SHK Private」)及新鴻基「名智」全權委託投資組合管理服務等。我們亦繼續與景鴻移民顧問有限公司合作，為參與香港資本投資者入境計劃的人士提供服務。

於2011年，集團的資本市場業務繼續取得穩健的業績。隨著該業務實力增強，我們在市場較疲弱的集資環境下，依然能在香港及中國內地的中小企業市場，取得顯著的進展。

我相信，沒有我們的人才，集團不能取得上述的佳績。因此，我們增強了高級管理層的質素，同時致力吸納、培育及發展集團各部門的人才。為了提升營運效率與管

治水平，並挽留員工，我們在去年推出了「領導人才發展計劃」，投資及栽培我們的高質素人才，並培育集團的新一代領導層。

我們在業務發展和人才培訓方面作出的努力，受到業界以至社會大眾的肯定。今年，我們再次榮獲《星島日報》的「星鑽服務品牌獎2011 — 證券公司」以及《資本雜誌》的「第十二屆資本傑出企業成就獎」及「資本卓越銀行及金融大獎」等殊榮。此外，我們亦獲得香港社會服務聯會連續十年授予「商界展關懷」美譽，本人引以為傲。

縱使困擾2011年的經濟不確定因素仍然存在，我們對未來一年的前景仍較樂觀。集團的業務組合多元化、資產負債狀況穩健，加上我們堅守卓越、誠信、創新、謹慎及專業的核心價值，我們具備有利條件應付2012年的挑戰。本人謹藉此機會感謝在過去一年對集團取得成功不可或缺的所有股東、業務夥伴、尊貴客戶以及3,541位恪盡職守的同事。



李成煌
集團執行主席

香港，2012年3月26日

* 2010年的股息總額包括出售集團於天安中國投資有限公司的權益而派發每股等值2.01港元的特別股息。

管理層討論及分析

業務概覽

截至2011年12月31日止年度，集團股東應佔溢利為1,032.4百萬港元（2010年：1,087.0百萬港元），每股盈利為48.8港仙（2010年：56.8港仙）。

集團除稅前經營盈利，是指除稅前溢利減除其他收入、財務工具估值變動的虧損淨額、淨匯兌虧損（如下述）、於聯營公司及共同控制公司業績。此項盈利於2011年上升14%至1,546.0百萬港元，令人滿意。

董事會建議派發末期股息每股10港仙，連同中期股息每股10港仙，本年度合共派發股息每股20港仙。

2011年對環球金融服務業而言是挑戰重重。回顧期內，環球市場受美國疲弱的經濟增長、歐洲持續的債務危機及日本地震等因素影響。標普下調美國AAA信用評級，以及由希臘蔓延至西班牙和意大利的歐債危機，令原本已不穩的局勢惡化。資金流出股票市場，導致環球股市下滑，而新興市場的表現普遍落後於已發展市場。

在國內，中國人民銀行在2011年六次上調銀行存款準備金率，並三次上調存貸款利率，為過熱的經濟降溫以及抑制通脹，其後終於在12月下調存款準備金率。本年度的國內生產總值增長率為9.2%，低於2010年的10.4%。2011年股市表現不佳，年內上證綜合指數下跌21.7%，香港恒生指數則全年下跌20%。



管理層討論及分析



儘管環球市場不明朗，集團平衡且多元化的業務和客戶組合讓我們能抗衡反覆不定的環境，在2011年取得穩健的表現。

本年度，集團的貸款業務包括以亞洲聯合財務營運的私人財務、證券放款及結構性融資，均錄得相當強勁的業績，使集團利息收入總額增長32%，刺激增長的因素是亞洲聯合財務在全中國內地開設更多分行，以及在資金流動性普遍緊縮的環境下，集團的企業客戶對資金需求殷切。由於市況波動，零售投資客戶大多抱觀望態度，致使我們從服務費帶動的業務表現較差，而我們貸款業務的收益增長正好抵銷了此方面的疲弱業績。

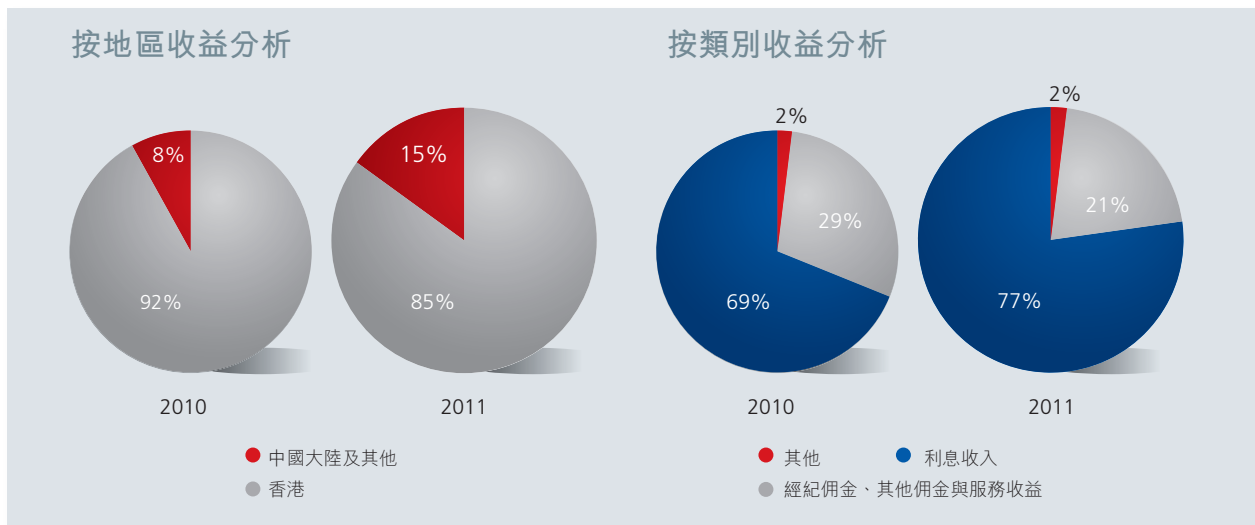


儘管年內市況充滿挑戰，集團於2011年繼續加強其業務平台。在私人財務業務方面，亞洲聯合財務在國內的分行網絡發展邁進另一里程碑，數目首次超過香港分行總數，在國內八個城市擁有54家分行，包括於2011年11月投入服務的北京新分行。隨著我們繼續推展全國性的發展計劃，亞洲聯合財務成功在國內奠定穩固的業務基礎和地域發展。



就新鴻基金融的業務(包括財富管理及經紀業務、資本市場及資產管理)而言，我們繼續致力將集團轉型為亞洲領先的獨立財富管理公司之一。

業績分析



年內，集團收益增加17%至3,593.2百萬港元。

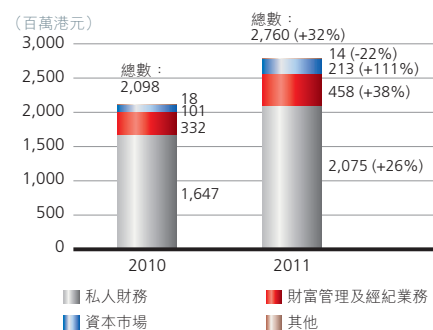
帶動收益增加的主要因素是利息收入總額增長32%，佔總收益的77%。客戶貸款及墊款總額（包括私人財務貸款、證券放款以及結構性融資業務的有抵押有期借款）由2010年的105億港元，上升至2011年底的128億港元。

來自國內的收益增加122%至547.0百萬港元，佔集團收益的15%，反映主要來自國內私人財務業務的收益。

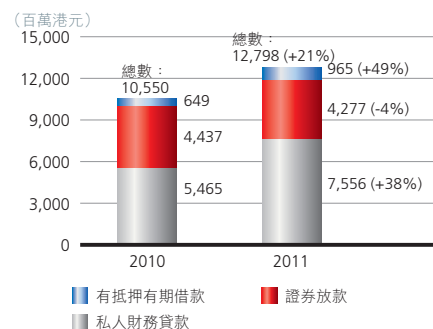
2011年來自財務工具估值變動的虧損淨額為132.3百萬港元（2010年：溢利121.2百萬港元），反映資產管理及資本市場業務按市場價格計算的估值虧損。此數額則被另一非現金項目——投資物業錄得的重估收益192.6百萬港元（分類為其他收入）所抵銷。

集團亦出現淨匯兌虧損46.0百萬港元，主要來自私人財務業務，反映港元/美元兌換人民幣貶值，因亞洲聯合財務的國內附屬公司在貸款承銷的過程中將其資本轉換為人民幣。值得注意的是，以人民幣計價的貸款所帶來相應的升值其後均在財務狀況表以增加儲備的方式入賬。

總利息收入



放款賬



管理層討論及分析

財富管理及經紀業務



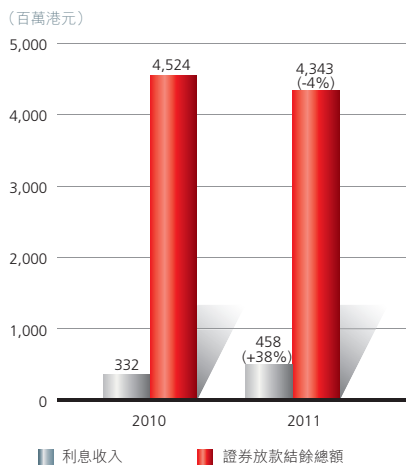
提供獨立財務顧問服務之一站式投資平台，主要為不同市場的客戶創造財富。

我們在香港提供種類最齊全的財富管理產品，包括證券、結構性產品、期貨、期權、商品、外匯及全權委託投資組合管理服務、互惠基金及保險。

於2011年推出客戶主導開發的全新流動交易應用程式「SHKF eMO!」，讓客戶輕鬆捉緊投資機遇。

我們亦是香港證券放款的主要提供者，於2011年底的貸款賬超過40億港元。

(百萬港元)	2011	2010	變動
收益	1,082.5	1,034.3	4.7%
– 利息收入	458.2	331.8	38.1%
– 費用收入及其他收益	624.3	702.5	-11.1%
經營成本	(716.6)	(738.6)	-3.0%
成本收入比率(收益%)	66.2%	71.4%	
呆壞賬	(20.0)	(1.6)	
融資成本	(9.0)	(13.3)	
經營盈利	336.9	280.8	20.0%
其他收入	2.0	1.5	
匯兌收益	7.6	0.1	
財務工具收益淨額	9.6	12.9	
共同控制公司	3.0	2.0	
除稅前貢獻	359.1	297.3	20.8%



此業務的收益及除稅前溢利貢獻分別為1,082.5百萬港元及359.1百萬港元，較2010年分別增加5%及21%。集團證券放款業務受惠於資金流動緊縮的市場環境，因而帶動此業績增長。

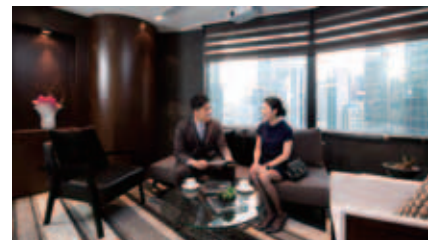
管理層討論及分析

此業務的利息收入總額為458.2百萬港元，按年上升38%。於2011年底，集團證券放款結餘為43億港元，略低於2010年的水平，但平均結餘則高於去年。由於本年度最後一季市況轉差，部分客戶設法降低持倉風險並償還證券放款。整體而言，集團企業客戶整體貸款賬的息率改善，需求亦保持相對穩健，集團因而受惠。

儘管我們的證券放款業務在資金流動緊縮的市場中表現理想，在費用收入方面，對業內所有營運者來說，均是個艱難的時期。撇除利息收入，來自此業務的收益下跌11%。零售客戶為集團客戶群的核心部分，大多對此反覆不定的市況抱觀望態度，尤其當恒生指數在2011年下半年跌至16,170點的低位。香港股票買賣佣金佔總佣金收入超過40%。

在此環境下，我們貫徹此業務的增長策略，繼續逐步轉型為領先的財富管理公司。集團推出「新鴻基尊尚資本管理」(「SHK Private」)，以及新鴻基「名智」全權委託投資組合管理服務等新產品，並與景鴻移民顧問有限公司合作推廣資本投資者入境計劃。在11月更推出以自主交易的客戶群為對象的全新「SHKF eMO!」流動交易平台。

雖然上述新措施受到不利的環境，尤其是下半年的市況影響，但客戶的增加有利於市況回穩後的業務表現。例如，由資本投資者入境計劃賬戶所管理的客戶資產增加了98%。在此計劃開設的新賬戶有近200個，經修訂的計劃要求規定各賬戶存入1,000萬港元，這將帶來未來豐富的收益機會。



管理層討論及分析

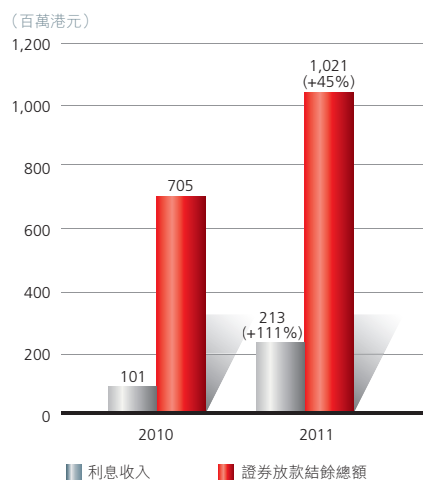
資本市場



資本市場分項涵蓋企業財務、結構性融資、股票資本市場，以及企業及機構銷售業務。

主要向企業及機構客戶提供股本及債務集資方案。

(百萬港元)	2011	2010	變動
收益	328.2	255.1	28.7%
– 貸款活動利息及費用收入	213.4	101.3	110.7%
– 費用收入及其他收益	114.8	153.8	-25.4%
經營成本	(87.2)	(68.7)	26.9%
成本收入比率(收益%)	26.6%	26.9%	
融資成本	(0.2)	(1.1)	
經營盈利	240.8	185.3	30.0%
其他收入	3.6	—	
匯兌(虧損)收益	(0.6)	1.0	
財務工具(虧損)收益淨額	(94.3)	71.8	
除稅前貢獻	149.5	258.1	-42.1%



於2011年，港交所的首次公開招股股本集資額連續三年排行全球第一。然而，集資活動普遍較淡靜。合共101間公司直接在主板上市或由創業板轉板，數目略少於2010年。股本集資總額(包括首次公開招股後集資)下跌43%至4,880億港元。

於2011年，國際上市對香港市場十分重要，佔首次公開招股集資額的52%，當中包括嘉能可國際、普拉達及新秀麗國際等公司。集資總額中約36%來自國內企業，香港公司則佔12%。香港首個單一投資信託香港電訊信託以及香港首個人民幣計價房地產投資信託基金匯賢產業信託亦於本年度上市。

管理層討論及分析

集團資本市場部於2011年繼續錄得理想業績，同時增強其於中港兩地中小型企業融資市場的地位。此業務收益為328.2百萬港元，較2010年上升29%。除稅前貢獻為149.5百萬港元(2010年：258.1百萬港元)。下跌的原因乃來自財務工具的虧損淨額94.3百萬港元，乃年內包銷活動產生的持倉按市場價格計算的未兌現虧損。於2010年，我們於結構性融資業務中，股票掛鈎部分錄得收益71.8百萬港元。於2011年，來自此業務的經營盈利(撇除這以及其他收入及匯兌影響)上升30%。

於2011年，新鴻基金融完成了20宗首次公開招股相關活動及19項第二市場股份配售活動。在這些交易中，我們在5項首次公開招股項目中擔任保薦人或主要賬簿管理人。我們的團隊亦發行了市場上首隻為數人民幣1億元的點心可換股債券。

由於我們能夠在資金流動緊縮的環境下為企業客戶提供融資方案，故我們獨特的「債務加股本」一站式融資模式錄得理想業績。我們的結構性融資業務於2011年持續增長。在2011年底，集團結構性借款結餘總額為964.8百萬港元，於2010年底則為648.6百萬港元。來自此業務的利息收入飆升111%至213.4百萬港元。同時，我們參與多個擬於兩年內進行首次公開招股的中國投資項目，相信會帶來未來擔任財務顧問的機會。

管理層討論及分析

資產管理



作為亞洲對沖基金籌劃及種子平台，我們透過批發分銷渠道及與另類基金經理建立策略性聯盟，分銷最佳對沖基金。

我們的全權委託投資組合管理服務為較富裕客戶度身訂造投資組合。

於2011年底錄得管理資產22.9億港元。

集團資產管理業務錄得虧損42.7百萬港元(2010年：13.5百萬港元溢利)。有關業績已計入我們對聯屬基金所作策略投資按市場價格計算的未兌現估值調整53.3百萬港元。於2011年12月31日，集團的管理資產總額(包括聯屬基金)為22.9億港元。

2011年對整體資產管理行業來說是困難的一年。摩根士丹利資本國際世界指數錄得負9.41%的表現，而摩根士丹利資本國際亞太區(不包括日本)指數下瀉19.34%。然而，踏入2012年，各指數表現回復向好。

集團的策略目標，是致力與有助促進集團增長的夥伴作合作及聯盟，以建立其基金平台及累積有關此業務的專業知識。在這些新措施中，新鴻基金融於2011年5月成立新鴻基「名智」全權委託投資組合管理服務，由陸東資產管理擔任投資顧問。該服務結合了新鴻基投資管理的投資組合管理專業知識和陸東資產管理的專業意見，為客戶裁設投資組合。

於2012年，我們將致力推出專為亞太區內外的多元化投資者客戶群，尤其是大中華地區的投資者而設的投資產品及服務。集團優先識別並建議最佳的投資策略及產品，以補充我們的全權委託及非全權委託投資方案。年內，集團亦透過利用資產管理平台，致力進一步增加新鴻基資本投資者入境計劃的產品種類，以配合我們的財富管理及經紀業務。

私人財務

亞洲聯合財務分行網絡(於每個城市內的分行數目)



我們擁有亞洲聯合財務的58%股權，亞洲聯合財務為香港市場的主要私人財務公司，專門提供無抵押私人貸款及物業貸款。

中國內地貸款業務於2007年開始，貸款結餘佔亞洲聯合財務貸款總額的20%。

在香港、深圳、雲南省、重慶、成都、天津、大連、瀋陽及北京等地建立的分行網絡達99家分行。

於2011年底，我們的貸款總額達至80億港元。

管理層討論及分析

(百萬港元)	2011	2010	變動
收益	2,084.3	1,659.5	25.6%
融資成本	(120.4)	(72.1)	67.0%
	1,963.9	1,587.4	23.7%
經營成本	(684.2)	(502.7)	36.1%
成本收入比率	32.8%	30.3%	
經營盈利 — 除呆壞賬前	1,279.7	1,084.7	18.0%
呆壞賬	(164.5)	(108.6)	51.5%
經營盈利 — 不包括購入成本	1,115.2	976.1	14.3%
融資成本(收購貸款)	(25.6)	(24.2)	
無形資產攤銷及減值	(174.4)	(175.7)	
經營盈利	915.2	776.2	17.9%
其他收入	0.7	0.5	
匯兌虧損	(61.6)	(25.5)	
對集團的除稅前貢獻	854.3	751.2	13.7%

私人財務貸款賬 — 減值撥備變動

(百萬港元)	2011	2010	變動
期初結餘	(458.7)	(567.5)	
直接從私人財務客戶貸款及墊款中扣除數額(「撇銷」)	273.3	274.6	-0.5%
收回先前直接從私人財務客戶貸款及墊款中扣除數額(「收回數額」)	(54.4)	(56.5)	-3.7%
匯兌調整	(1.4)	(0.7)	
於綜合收益賬確認數額	(164.5)	(108.6)	51.5%
期末結餘	(405.7)	(458.7)	-11.6%
佔借款總額%	5.1%	7.7%	

管理層討論及分析

透過擁有 58% 股權的附屬公司亞洲聯合財務，集團的私人財務業務在過去一年表現強勁。收益增長 26% 至 2,084.3 百萬港元，除稅前貢獻為 854.3 百萬港元，增加 14%。

業績計及集團於六年前收購亞洲聯合財務而產生為數 174.4 百萬港元的無形資產攤銷支出。於 2011 年底，此可攤銷無形資產結餘下跌至 39.2 百萬港元；今年後，此集團成本將進一步下降。

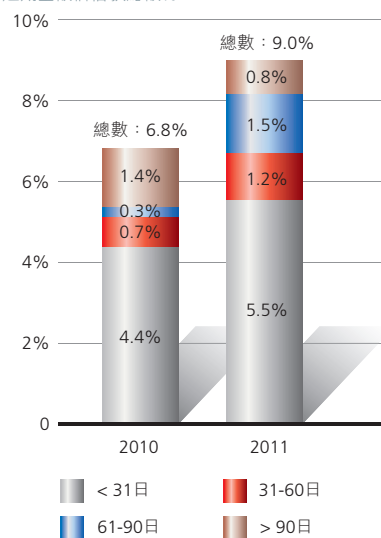
減值支出總額（包括撇銷壞賬、減值撥備變動及收回壞賬）增加至 164.5 百萬港元（2010 年：108.6 百萬港元），主要反映年內貸款組合結餘增加的結果。撇銷壞賬（扣除收回數額）佔借款總額的百分比由去年 3.7% 下降至 2.8%，反映集團審慎管理風險，以及香港貸款組合中物業貸款比重上升。

因港元／美元於年內兌換人民幣貶值，在貸款承銷的過程中因港元／美元注資而記於國內附屬公司資本賬的港元／美元金額轉換為人民幣，因而產生的匯兌虧損 61.6 百萬港元（2010 年：25.5 百萬港元）。另一方面，人民幣貸款的相應港元升值則使財務狀況表的儲備增加。融資成本為 146.0 百萬港元。此金額計及因融資收購亞洲聯合財務的集團所借出的 25.6 百萬港元。亞洲聯合財務的一般經營費用與營業額增長一致。

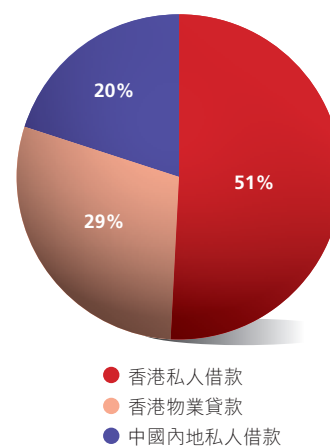
年底的借款結餘總額大幅增加 34% 至 80 億港元，此乃由於香港貸款組合上升 24%，以及中國內地的借款結餘倍增所帶動。

拖欠率分析

逾期金額佔借款總額%



放款賬分析



管理層討論及分析

亞洲聯合財務的香港貸款業務受惠於強勁消費力及穩健的勞工市場。年內，我們的香港貸款業務穩健增長，特別是2010年最後一季推出「新鴻基財務」品牌下的按揭業務取得成功。在銀行按揭融資緊縮的環境下，需求增加，刺激亞洲聯合財務的按揭業務錄得可觀增長。按揭產品佔亞洲聯合財務香港貸款賬的比率由2010年的25%上升至36%。

亞洲聯合財務亦發展至重要的里程碑，縱使大部分業務仍在香港，國內分行數目已超過香港分行總數。2011年底分行總數擴張至99家分行，其中54家位於國內，45家位於香港。亞洲聯合財務在深圳新增九家分行、瀋陽兩家、重慶一家、天津一家及成都兩家。隨著雲南及大連的業務於2011年推出，三家分行已於各地投入服務，於2011年底在北京亦推出了貸款業務。新增分行的業績均令人相當鼓舞。國內市場佔私人財務貸款總額的比重由2010年的13%上升至2011年底的20%。

展望2012年，亞洲聯合財務將繼續透過在新取得貸款牌照的省份擴大其網絡覆蓋範圍，增強其國內之銷售實力。亞洲聯合財務最新獲授在武漢經營貸款業務的貸款牌照，並計劃於2012年上半年在當地推出業務。同時，亞洲聯合財務將研究在其他具有策略增長潛力的內地城市開創貸款業務。在香港，亞洲聯合財務繼續推出更多貸款計劃及廣告活動，藉以接觸目標客戶，利用其強大的銷售及分銷平台爭取更大的市場佔有率。

主要投資



集團的主要固定資產及投資包括新鴻基金融以往位於海富中心的辦公室物業，實用面積 32,000 平方呎當中，27,000 平方呎已分類為投資物業。

集團資本投資於多種業務及交易，包括於中國內地中小企及基礎建設的權益、私募股權投資及自營買賣。

我們管理上市及非上市投資組合，與集團的其他業務產生協同效益並創造商機。

主要投資為集團帶來 295.1 百萬港元的除稅前溢利，較 2010 年的 272.4 百萬港元為多。集團的投資物業組合錄得重估收益 192.6 百萬港元。組合中的主要資產包括新鴻基金融以往位於金鐘的辦公室物業，我們自置面積 32,000 平方呎的辦公室，當中 27,000 平方呎已在我們的辦公室搬遷後分類為投資物業。此收益抵銷了自 2010 年天安中國投資有限公司進行重組後，聯營公司貢獻的減少。

至於集團管理的上市及私人投資組合，我們的策略是專注於可帶來可觀回報，並同時為我們的其他業務範疇帶來協同效益的投資。於 2011 年底，我們亦簽訂協議，出售一家於馬來西亞的酒店的權益，集團將於 2012 年賬目錄得出售溢利超過 80 百萬港元，兌現現金約 175 百萬港元。我們將繼續監察各項現有投資，並會以合適的價格兌現。

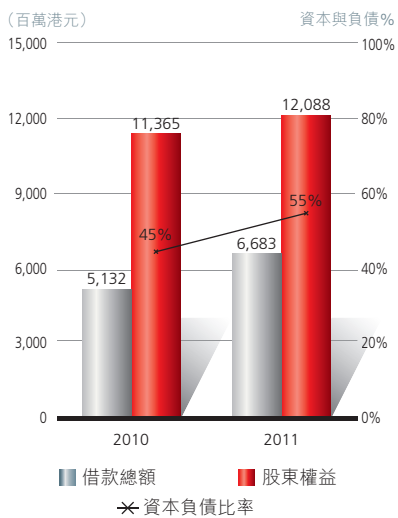
2012 年前景

歐洲主權債務危機尚未解決，整體前景仍不明朗。然而，世界各地的銀根普遍放鬆。國內更於 2011 年 12 月下調存款準備金率。

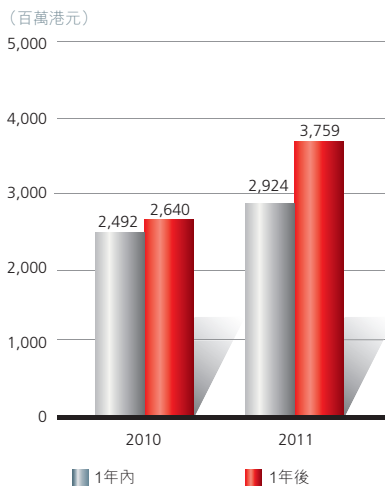
金融市場對這些變化的反應正面，包括恒生指數回升，企穩 20,000 至 21,000 點水平之間。鑑於金融市場逐步回穩，以及集團業務組合平衡，我們將繼續採取策略，致力保持長遠增長。

管理層討論及分析

資本與負債



借款到期分析



財政回顧

財政資源及資本與負債比率

於2011年12月31日，本公司股東應佔權益為12,087.5百萬港元，較2010年12月31日增加722.3百萬港元，或約6%。

集團繼續持有充裕的現金，其短期銀行存款、銀行結存及現金合共為2,736.0百萬港元(於2010年12月31日：2,510.1百萬港元)。集團的銀行及其他借款、控股公司之一間聯營公司貸賬、同系附屬公司的貸款及債券合共為6,682.8百萬港元(於2010年12月31日：5,132.4百萬港元)。其中須於一年內償還的款項為2,923.5百萬港元，而須於一年後償還的款項為3,759.3百萬港元(於2010年12月31日：分別為2,492.1百萬港元及2,640.3百萬港元)。

於2011年12月31日，顯示集團流動性的流動資產比率(流動資產相對流動負債)上升至3.5倍(於2010年12月31日：3.2倍)。

集團的資本與負債比率(按集團的銀行及其他借款、控股公司之一間聯營公司貸賬、同系附屬公司的貸款及債券的總額相對本公司股東應佔權益計算)，於2011年12月31日約為55%(於2010年12月31日：約45%)。

資本結構、銀行貸款及匯率浮動風險

年內，新鴻基僱員股份擁有計劃(「僱員股份計劃」)的受託人就計劃的授予股份透過香港聯合交易所有限公司(「聯交所」)購入2.6百萬股本公司股份。本公司亦就2010年末期股息及2011年中期股息以股代息計劃發行3.4百萬股股份。於2011年8月轉換所有未贖回強制性可換股票據後，本公司發行341.6百萬股股份。本公司於年內回購11.0百萬股股份，包括費用的總代價為44.2百萬港元。有關股本的詳情刊載於綜合財務報表附註41內。

管理層討論及分析

除了債券、有抵押分期借款或於一年後到期還款的借款(刊載於綜合財務報表附註43及35內)外，集團於2011年12月31日的銀行及其他借款及同系附屬公司的貸款為港元和人民幣短期貸款，並根據浮動利率計算。集團的借款組合並不受任何已知的季節性因素所影響。

為應付目前及日後的投資活動，以及日常營運活動所需，集團需持有外匯結餘，即集團須面對若干的匯兌風險。集團將會密切監察此策略涉及的風險。

附屬公司、聯營公司及共同控制公司的重大收購及出售

集團於年內並無有關附屬公司、聯營公司或共同控制公司的重大收購或出售。

分項資料

有關收益及損益的分項資料詳情刊載於綜合財務報表附註7內。

集團資產押記

集團有總值125.9百萬港元的上市公司股份為銀行貸款及透支而抵押。集團的附屬公司亦將其賬面總值668.9百萬港元的物業抵押予銀行，作為給予分期貸款的抵押，該等貸款於2011年12月31日的未償還總結餘為146.1百萬港元。

或然負債

有關或然負債的詳情刊載於綜合財務報表附註47內。

管理層討論及分析



人力資源及培訓

於2011年12月31日，集團旗下人數為3,541人(包括投資顧問)，與2010年12月31日相比增加約39.4%，主要由於亞洲聯合財務擴大其在中國內地的業務(包括於2011年在中國內地開設了22家分行)所致。僱員成本(包括董事酬金)、退休福利計劃供款及就僱員股份計劃的開支合共約653.8百萬港元(2010年：488.8百萬港元)。

集團根據不同工作崗位訂立不同薪酬福利制度。營銷僱員及投資顧問的薪酬／酬金包括底薪及佣金／花紅／獎金，或包括佣金／獎金。而非營銷的僱員的薪酬則按合適情況為底薪連同酌情發放的花紅／以股份派發的獎勵，或僅有底薪。

根據於2007年12月18日正式採納的僱員股份計劃，被挑選的集團僱員或董事(「獲選承授人」)可獲獎授本公司股份。根據管理層的建議，集團於2011年4月至2011年11月期間授出合共1,803,000股股份予獲選承授人，該等獎授股份受制於多項條件，其中包括獎授股份將於三年期間內歸屬及不受限制。截至2011年12月31日止，在僱員股份計劃下已獎授的股份為2,735,000股(不包括已獎授但其後放棄的股份)，當中341,000股股份乃獎授予董事們。

集團致力透過人才發展項目加強僱員競爭力，提升其技能及專業知識，以達到個人事業目標和取得業務成績。此外，集團亦為前線銷售人員及後勤僱員提供優質內部培訓及發展課程，以培訓及挽留人才。

訴訟

- (a) 於2008年10月14日，新鴻基投資服務有限公司(「新鴻基投資服務」)於香港高等法院向Quality Prince Limited、Allglobe Holdings Limited及林世榮的遺產代理人、陳吟揮(「陳女士」)及伍綺媚(「伍女士」)發出傳訊令狀，以尋求收回(a)總額50,932,876.64港元；(b)利息；(c)訴訟費；及(d)額外及／或其他濟助。在出售抵押品收回部分欠款後，新鴻基投資服務於2008年10月24日向香港高等法院存檔一份申索陳述書，以索償(a) 36,030,376.64港元；(b)利息；(c)訴訟費；及(d)額外及／或其他濟助。陳爵聆案官於2009年5月25日已作出判處所有被告人敗訴的簡易判決，但其後石輝法官於2009年8月7日判陳女士及伍女士上訴成功並推翻原先對陳女士及伍女士的簡易判決。新鴻基投資服務就該判決向上訴法庭提出的上訴已於2010年5月6日進行聆訊，惟已被駁回。有關審訊日期將另行確定。
- (b) 有關長州電力發展有限公司(一家中國內地的合資企業)之法律程序詳情刊載於綜合財務報表附註47內。

風險管理

強大風險管理意識

集團採用綜合風險管理制度，集團定期檢討及更新其風險管理的政策及程序，以反映市況及集團業務策略的變化。風險管理委員會乃常務委員會，直接向董事會匯報，負責監督及檢查必要風險相關政策，以監察及控制集團業務、外部變動及監管環境所產生之主要風險。

管理層討論及分析

金融風險管理

集團的金融風險管理包括市場風險(即影響投資組合價值的風險，包括股本、利率及外匯風險)、信貸風險及流動資金風險，並於綜合財務報表附註 56 內進一步論述及說明。

營運風險管理

營運風險指因內部程序、人為制度不足或失當或外在事件而導致損失的風險。集團亦擴大營運風險的範圍，包括因違反法律及法規而導致潛在損失的風險。集團透過建設其健全的內部監控，清晰的職權範圍、恰當的職務分工、有效的匯報機制及業務應變計劃減少及控制營運風險。各級業務及營運管理層全面知悉及負責日常管理與彼等業務單位有關的營運風險乃集團的企業文化。此過程包括由獨立運作及定期向集團高級管理層以及適時向董事會審核委員會匯報的法規監核部及稽核部進行的監察及檢討。

商譽風險管理

商譽風險指與業務可靠性有關的風險。信譽損失可削弱客戶基礎、減少收益、引起代價高昂的訴訟、損害股東價值，同時亦可破壞本公司的整體商譽。集團透過完善的企業管治常規管理商譽風險。集團全體僱員及銷售人員獲提供全面的員工培訓，及時更新主要營運守則，恰當地把員工職務分工。內部監控部門直接向集團首席財務官匯報，而後者則向集團執行主席及審核委員會匯報。

董事及高級管理層之簡介

董事會



後排(由左至右)：梁永祥，白禮德，吳裕泉，梁伯韜，唐登，Peter Anthony Curry

前排(由左至右)：何志傑，王敏剛，李成煌，Carlisle Caldwell Procter，Alan Stephen Jones

明程及 Roy Kuan (管文浩) 亦為董事會成員。

董事及高級管理層之簡介

執行董事

李成煌，37歲，於2007年1月1日開始為本公司執行董事及集團之執行主席。彼於澳洲悉尼大學接受教育，並在亞洲地區的金融服務及地產投資擁有廣泛經驗。彼曾出任不同公司的董事職務，包括香港力寶有限公司及力寶華潤有限公司、新加坡 Auric Pacific Group Limited 及菲律賓 Export and Industry Bank, Inc. 之董事會。彼現分別為 Mulpha International Berhad (一家於馬來西亞上市之企業集團，業務遍及東南亞、澳洲及中國大陸) 及 Mulpha Australia Limited 之執行主席以及 FKP Property Group (一個具有領導地位之地產發展商，於澳洲證券交易所(「澳洲交易所」)上市) 之非執行主席。彼亦為 Ambrian Capital PLC (一家於倫敦證券交易所的另類投資市場上市之公司) 及為 Mudajaya Group Berhad (一家於馬來西亞證券交易所上市之公司) 之非執行董事。李先生為全權信託 Lee and Lee Trust 的一位信託人，該信託擁有聯合集團有限公司(「聯合集團」) 之已發行股本的控股權益，而聯合集團透過其於聯合地產(香港)有限公司(「聯合地產」) 之權益為本公司之控股公司。聯合集團及聯合地產均為於聯交所上市之公司。

梁永祥 (BBS, JP)，57歲，於2012年3月26日獲委任為本公司執行董事，彼於2012年1月1日已獲委任為本公司的集團副行政總裁及新鴻基金融有限公司的行政總

裁。梁先生擁有超過30年銀行及金融業務的經驗。彼於1994年加入恒生銀行有限公司(「恒生銀行」) 擔任助理總經理和信用卡中心主管，直至彼在2011年8月辭任恒生銀行職務，其時為執行董事及個人銀行業務主管。在加入恒生銀行以前，彼曾任職於美國運通國際集團、香港渣打銀行、悉尼 Visa 國際組織和萬事達卡國際組織。彼亦曾為滙豐中國翔龍基金之非執行董事，直至於2011年8月辭任。梁先生曾就讀於香港浸會大學，並在1978年獲得英國語文及文學藝術文憑。彼於2005年7月及2009年7月分別獲任命為太平紳士及榮獲香港特別行政區(「香港特區」) 政府頒發銅紫荊星章。梁先生亦為本公司不同附屬公司的董事。

唐登，52歲，於2003年12月4日獲委任為本公司執行董事，並從2004年12月1日至2006年12月31日出任集團營運總監一職。唐先生現為本公司資本市場及機構經紀業務的行政總裁。彼在金融服務業擁有逾27年經驗，曾在若干國際銀行及金融機構擔任高級職位，包括荷蘭銀行、中芝興業財務有限公司、Bain & Co. Securities Limited 及百達利財務有限公司。唐先生持有香港大學社會科學學士學位及香港中文大學工商管理碩士學位，並為特許公認會計師公會之資深會員。唐先生亦為日盛金融控股股份有限公司(及其兩家附屬公司) 之獨立董事，該公司之股份於台灣證券櫃檯買賣中心上櫃。唐先生亦為本公司不同附屬公司的董事。

董事及高級管理層之簡介

Peter Anthony Curry，59歲，於2011年1月1日獲委任為本公司之執行董事，並於2010年11月加入為本公司之集團首席財務官。彼於1974年於新南威爾斯大學畢業，並獲得商科學士學位，及於1976年獲得法律學士學位。彼於1978年成為澳洲特許會計師及大律師(非執業)，並於1989年獲選為澳洲董事學會的資深會員。彼亦於2002年完成由澳洲證券學會舉辦之PS 146合規課程。Curry先生擁有超過36年營商經驗。畢業後，彼於1974年加入澳洲Peat Marwick Mitchell(現稱為KPMG)及於1983年成為稅務合夥人。其後，彼曾於澳洲多家上市及非上市公司出任執行董事／董事總經理，專注於天然資源、企業融資、收購及合併等範疇。自1995年，Curry先生為一家持有澳洲財務服務牌照之企業顧問公司之董事及股東。彼曾參與一系列之公開及私人資本籌募、首次公開招股相關之服務及就各類商業交易包括各種礦業項目提供企業及財務顧問服務。Curry先生現時為Ormil Energy Limited之非執行董事及Mount Gibson Iron Limited(「Mount Gibson」)(兩家公司均於澳洲交易所上市)之替任董事，亦擔任亞太資源有限公司(一家於聯交所上市之公司)之非執行董事。彼亦曾為已於2010年8月被除去澳洲交易所上市資格的Forest Enterprises Australia Limited之非執行董事。Curry先生亦為本公司不同附屬公司的董事。

非執行董事

吳裕泉，51歲，於2009年11月19日獲委任為本公司非執行董事。吳先生畢業於芝加哥大學並獲頒授文學士榮譽學位及國際財務文學碩士學位。吳先生於2008年11月加入Dubai Group成為其投資總監，現為Dubai Holdings庫務部主管。於本報告日期，Dubai Ventures L.L.C(「Dubai Ventures」)與Dubai Ventures Group Limited(「DVGL」)(均為Dubai Group之附屬公司)合共有本公司約7.84%之已發行股本。吳先生於銀行業的多個主要範疇擁有逾27年經驗，包括金融機構、零售銀行、伊斯蘭銀行業務之管理、庫務管理、風險管理、電子商貿、業務設計、銷售、分銷及貿易、應變管理及私人股本工作。在亞洲金融危機期間，彼在花旗銀行亞洲業務風險管理上擔當著重要角色。加入Dubai Group前，吳先生是中國廣東開發銀行庫務部董事。吳先生亦曾於數間主要區域及國際性機構任職，包括沙特美國銀行及利雅德的桑巴集團(Samba Group)、花旗銀行、美國大通銀行及新加坡金融管理局。吳先生現時為Oman National Investment Corporation Holding(一家於Muscat SM阿布達比證券交易所上市之公司)董事會成員。彼亦為Dubai Ventures Group Sdn. Bhd.、Sino Emirates Chemicals Ltd及Tael One Partners Ltd之董事。

梁伯韜，57歲，於2010年7月13日獲委任為本公司非執行董事。彼投身投資銀行界逾30年，對香港及中國大陸之企業融資行業，包括集資、併購、公司重整及改組、投資及其他一般財務顧問活動尤為熟悉。梁先生現任CVC Asia Pacific Ltd(「CVC AP」)管理合伙人及

董事及高級管理層之簡介

主席(大中華區)，而CVC AP為最終擁有Asia Financial Services Company Limited(「AFSCL」)之投資基金之顧問。於本報告日期，AFSCL持有本公司341,600,000股股份及面值為427,000,000港元之認股權證(可認購本公司普通股)(「認股權證」)。此外，梁先生為佑星資本有限公司之主席、意馬國際控股有限公司之非執行董事及主席及上海實業控股有限公司之獨立非執行董事(兩家均於聯交所上市之公司)。梁先生於2007年11月8日至2010年4月28日期間出任珠海中富實業有限公司(「珠海中富」)(一家於深圳證券交易所上市之公司)之非執行董事。於2001年6月至2006年7月期間，梁先生曾出任Citigroup Global Markets之亞洲區主席。於加盟花旗集團之前，彼曾出任法國巴黎百富勤有限公司之行政總裁兼副主席。梁先生持有加拿大多倫多大學之工商管理碩士及學士學位。

明程，43歲，於2009年7月27日獲委任為本公司非執行董事。明先生現為Goldlex Limited之董事。自2009年4月起，明先生為Primus Financial Holdings Limited之董事總經理，負責該資產管理公司之整體財務管理。於2004年2月至2009年期間，彼為Paragon International Inc.之財務總監，該公司經營遍布於美國的20家酒店及房地產投資組合。在此之前，明先生曾任職多家商業機構，包括Aster Gem & Jewelry、ONDA Technologies Inc.及Guangzhou Foreign Capital

Enterprises Material Import & Export Company。明先生於1993年取得中國廣州華南師範大學頒發之榮譽理學碩士學位。

Roy Kuan (管文浩)，45歲，於2010年7月13日獲委任為何志傑先生之替任人，並於2011年1月1日調任為本公司之非執行董事。彼為CVC AP之管理合夥人及亞洲業務主管。於本報告日期，AFSCL持有本公司341,600,000股之股份及認股權證。Kuan先生自1996年起一直任職於CVC AP及其前身公司。於該期間，彼於大中華區、韓國、日本及東南亞完成或簽訂27項投資。彼曾於其中17家公司之董事會任職。Kuan先生持有喬治城大學頒發之文學士學位以及賓夕法尼亞大學華頓學院頒發之工商管理碩士學位。Kuan先生於2007年11月8日至2008年10月20日期間出任珠海中富之董事。自2010年4月1日起，Kuan先生擔任為印尼PT Matahari Department Stores Tbk之委員。

何志傑，49歲，於2010年7月13日獲委任為本公司之非執行董事，並於2011年1月1日調任為Roy Kuan(管文浩)先生之替任董事。彼為CVC AP之合夥人。於本報告日期，AFSCL持有本公司341,600,000股之股份及認股權證。何先生持有曼尼托巴大學電腦科學榮譽學士學位及英屬哥倫比亞大學工商管理碩士學位。彼亦為特許財務分析師。何先生自1999年起一直任職於CVC AP，現在負責CVC Capital Partners於香港及中國大陸之投資活動。於加盟CVC AP之前，何先生曾任花旗光大中國基金之投資總監，彼帶領該基金積極於中國進行投資。

董事及高級管理層之簡介

在此之前，彼曾擔任花旗亞洲企業投資有限公司之聯席投資總監，並協助建立花旗於亞洲之區域投資組合。彼曾擔任鴻興印刷集團有限公司之非執行董事，直至2011年8月為止。何先生現任珠海中富之副主席。彼亦為集團其中兩家附屬公司之董事。

獨立非執行董事

白禮德，46歲，於1999年11月26日獲委任為本公司獨立非執行董事。彼於1988年畢業於英國愛塞特大學，取得法律榮譽學位，其後亦取得英格蘭及威爾斯、愛爾蘭共和國以及香港特區律師資格。彼在停止私人執業以發展其事業前，曾為國際律師事務所其禮律師行之合夥人，經常為本公司及其附屬公司提供法律服務及意見。白禮德先生現主要居於歐洲，並為本公司之控股公司聯合集團及聯合地產之獨立非執行董事。

Alan Stephen Jones，69歲，於2006年1月3日獲委任為本公司獨立非執行董事。Jones先生為特許會計師，於管理、行政、會計、地產發展、停車場管理、金融及貿易業務等方面具有豐富經驗，並曾參與多宗澳洲及國際上市公司成功合併及收購的活動。彼亦為本公司之控股公司聯合集團及聯合地產之獨立非執行董事，兩家公司之股份均於聯交所上市。Jones先生亦為Mount Gibson之非執行董事及Air Change International Limited（前稱IFC Capital Limited）之非執行主席（兩者均於澳洲交易所上市）以及Mulpha Australia Limited之非執行董事。彼曾為亞太資源有限公司之獨立非執行董事。

Carlisle Caldwell Procter，71歲，於2004年9月30日獲委任為本公司獨立非執行董事。Procter先生畢業於澳洲雪梨大學，獲經濟學學士及碩士學位。彼亦為Financial Services Institute of Australasia (FFin.)之資深會員。Procter先生居於澳洲，在Reserve Bank of Australia工作逾30年，曾任該銀行多個高級管理職位。離任該銀行後，彼曾任國際貨幣基金組織(IMF)及亞洲開發銀行(ADB)之顧問，亦在菲律賓、印尼及巴布亞新畿內亞分別就銀行監管、反洗黑錢及企業管治方面擔任私人顧問工作。Procter先生現為Bank South Pacific Limited（一家於莫爾茲比港證券交易所上市之公司）之非執行董事、Tanami Gold NL（一家於澳洲交易所上市之公司）之非執行董事及Allied Overseas Limited（一家於聯交所上市之公司）之獨立非執行董事。

王敏剛 (BBS, JP)，63歲，於2001年5月30日獲委任為本公司獨立非執行董事。王先生畢業於美國加州柏克萊大學，並取得機械工程學士(船舶設計)學位。彼為剛毅(集團)有限公司及西北拓展有限公司之董事長。彼亦為香港小輪(集團)有限公司及新時代能源有限公司之非執行董事、香港中旅國際投資有限公司、Far East Consortium International Limited、旭日企業有限公司、建業實業有限公司及信和酒店(集團)有限公司之獨立非執行董事，上述公司均為於聯交所上市之公司。王先生為中國第十一屆全國人民代表大會代表。

董事及高級管理層之簡介

高級管理層



長原彰弘，71歲，為亞洲聯合財務有限公司之董事總經理及行政總裁，以及本公司不同附屬公司的董事。彼持有台灣國立大學法律學位及日本國立一橋大學法學院碩士學位，並於該大學完成其博士課程。彼為香港知名私人財務專家，並因成功創辦大眾財務有限公司(前稱日本信用保證財務有限公司)而備受讚譽。彼亦為香港持牌放債人公會有限公司自1999年成立至今之主席，而該公司為香港持牌放債人之唯一業界代表機構。



梁桐業，56歲，2010年12月加入集團。梁先生為新鴻基金融有限公司之首席財務官，以及本公司不同附屬公司的董事。彼曾在香港及澳洲擔任多個高級財務職位逾20年。加入集團前，彼曾為皇家蘇格蘭銀行香港分行之大中華區首席財務官，並曾任職於惠嘉證券有限公司、兆富證券(遠東)有限公司及澳洲美林證券有限公司。梁先生畢業於香港大學並持有社會科學學士學位，彼亦為英格蘭及威爾斯特許會計師公會之會員。

董事及高級管理層之簡介



戴耀權，45歲，2000年7月加入集團。戴先生曾於集團的不同業務擔任多個重要職位，現為財富管理及經紀業務之營運總監及本公司不同附屬公司的董事。彼於金融服務業擁有逾20年之經驗。加入集團前，戴先生曾出任里昂證券有限公司之營運部主管。在此之前，戴先生為J.P. Morgan Securities (Asia Pacific) Limited 環球證券市場部門亞太區副總裁。



黃日昌，42歲，2008年6月加入集團。黃先生為新鴻基投資管理有限公司(「新鴻基投資管理」)之董事總經理及本公司不同附屬公司的董事，彼於新鴻基投資管理負責全面管理資產管理業務。黃先生於亞洲金融服務業擁有逾18年的經驗。加入集團之前，彼為新加坡德意志資產管理亞太區之區域總監，為產品策略及服務主管。而之前他曾於ING Investment Management Asia Pacific (HK) Ltd. (「ING」) 工作達九年，出任多個不同職位，涉獵產品開發、批發及機構銷售與業務管理，以及在亞洲十個國家為ING建立投資管理業務。彼最後於ING出任執行委員會成員，負責亞洲區批發銷售及業務發展。而在加入ING之前，他曾於Dharmala Investment Management Services Ltd 擔任私人銀行主管一職，並曾協助華比銀行成立國際客戶資料庫之歐洲分部。黃先生精通六國語言，包括荷蘭文、法文、德文、英文、印尼文及普通話。黃先生畢業於比利時安特惠普大學，取得應用商業經濟學士學位，並持有印度 Xavier Institute of Management 頒授的管理學位(相等於工商管理碩士)。

企業管治報告

本公司致力在切合實際之範圍內維持高水平之企業管治，強調誠信、高透明度、問責性及公平的原則。董事會相信優良之企業管治對本公司之成功及提升股東價值至為重要。

企業管治常規守則

根據聯交所證券上市規則(「上市規則」)附錄 14 所載之企業管治常規守則(「企業管治守則」)，董事會已檢討本公司之企業管治常規。

除特別列載之若干偏離行為外，於截至 2011 年 12 月 31 日止年度，本公司已應用企業管治守則之原則及遵守適用之守則條文。該等偏離行為之原因已在下文闡明。

董事會每年最少檢討現行之企業管治常規一次，並在認為需要時作出適當更改。

董事會

目前，董事會由 12 名董事組成，包括 4 名執行董事、4 名非執行董事(及一名替任董事)及 4 名獨立非執行董事：

執行董事： 李成煌(集團執行主席)
梁永祥
(於 2012 年 3 月 26 日獲委任)
唐登
Peter Anthony Curry

非執行董事： 吳裕泉
梁伯韜
明程
Roy Kuan(管文浩)
何志傑(Roy Kuan(管文浩)之替任人)

獨立非執行董事： 白禮德
Alan Stephen Jones
Carlisle Caldwell Procter
王敏剛

各董事之簡明個人資料載於第 94 至 100 頁「董事及高級管理層之簡介」內。

企業管治報告

年內，非執行董事(四名為獨立非執行董事)為集團提供廣泛之專業知識及經驗。透過積極參與董事會及委員會會議，彼等在考慮全體股東利益的同時，對集團之策略、表現及管理程序等事宜亦提供獨立判斷。

年內，以及直至本報告日期止，本公司之四名獨立非執行董事佔董事會人數三分之一。四名獨立非執行董事中，兩名具備上市規則第3.10條所列的適當專業資格或會計或相關財務管理專長。董事會已接獲每名獨立非執行董事有關其獨立性之年度確認書，並認為所有獨立非執行董事根據上市規則第3.13條所載指引均具備獨立性。

除就審閱及批准集團之全年及中期業績及其他須由董事會處理之臨時事項而召開董事會會議外，董事會亦定期舉行會議以討論集團之整體策略及營運以及財務表現。首席財務官及其他有關高級行政人員均會被邀請出席董事會會議以作簡報及解答董事會提問。

董事會於年內共舉行6次會議，有關董事於董事會之出席率詳列如下：

	出席／已舉行的董事會會議次數
執行董事：	
李成煌	6/6
唐登	6/6
Peter Anthony Curry	6/6
非執行董事：	
吳裕泉	6/6
梁伯韜	5/6
明程	2/6
Roy Kuan (管文浩)	6/6
何志傑(Roy Kuan (管文浩)之替任人)	2 [*] /6
李成偉(於2011年9月30日辭任)	2/5 ^{**}
獨立非執行董事：	
白禮德	5/6
Alan Stephen Jones	6/6
Carlisle Caldow Procter	6/6
王敏剛	4/6

* 何志傑先生列席該等會議

** 於李成偉先生辭任前僅舉行五次董事會會議

企業管治報告

需經董事會決定或考慮之事宜包括集團整體策略、全年營運預算、全年及中期財務業績、董事委任或重選之建議、重大合約及交易，以及其他重大政策及財務等事宜。董事會已把日常營運及行政事務委派予行政管理人員，並由具明確之書面職權範圍的執行委員會指示／監督。董事會及本公司管理層之職能已分別確立並以書面列載。董事會時常檢討以上程序以確保符合現行的規則及規例。

每年的董事會定期會議的舉行日期是預先編定的，以促使最多董事出席會議。召開董事會會議一般會給予所有董事不少於十四天之會議通知，讓彼等能有時間提出商討事項以列入會議議程內。公司秘書協助主席擬備會議議程，並確保所有適用之規則及規例已遵守。議程及隨附之董事會文件一般在董事會定期會議舉行日期不少於三天前(其他董事會會議則在儘快切實時間內)送呈予所有董事。每份董事會會議記錄之草稿將先供所有董事傳閱審評方提交於下次的董事會會議審批。所有會議記錄均由公司秘書保存，並在給予合理通知的情況下供任何董事在任何合理時間內查閱。

根據董事會現行慣例，倘主要股東或董事在將予考慮之事項中存在董事會認為屬重大之利益衝突，該事項則不可以董事會書面決議案處理而必須透過召開董事會會議處理。根據本公司之組織章程細則(「細則」)規定，除當中所述之例外情況外，董事或其任何聯繫人士若在將被審批之任何合約或安排上擁有重大權益，該名董事在會議上須放棄投票及不會被計算於該決議案之法定人數內。董事會就此方面亦遵守上市規則訂明的規定。

每名董事有權查閱董事會文件及相關資料，及可向公司秘書尋求意見及服務。董事會及各董事亦可個別及獨立地接觸本公司之高級管理層。董事將不時取得上市規則及其他適用監管規定的最新資料，以確保彼等遵守及秉持良好之企業管治常規。此外，就各董事在履行其職務期間在適當情況下尋求獨立專業意見而產生的有關合理費用由本公司承擔的書面程序已於2005年6月制訂。

主席及行政總裁之角色

企業管治守則條文 A.2.1 規定主席及行政總裁之角色應有所區分及不應由同一人出任。根據本公司當前之組織架構，行政總裁之職能由集團執行主席李成煌先生聯同另外三名執行董事唐登先生、Peter Anthony Curry 先生及梁永祥先生履行。集團執行主席監察集團之主要投資以及集團於亞洲聯合財務之權益，而其日常工作則由其指定之董事總經理履行。唐先生則擔任資本市場及機構經紀業務之行政總裁，而企業行政管理，包括財務和預算、內部審計、法規和風險管理由 Peter Curry 先生主管。梁永祥先生領導新鴻基金融有限公司的整體業務。

董事會相信，此架構將原應由單一行政總裁承擔之工作量分散，讓集團迅速發展之業務由稱職且於相關事務上具資深經驗之高級行政人員管理。此舉可加強本公司之內部溝通及加快決策過程。董事會亦認為此架構不會損害本公司董事會與管理層之間的權力和授權的平衡。董

事會每年舉行最少四次定期會議以討論集團之業務及營運事宜，故透過董事會之運作，可適當地保持權力和授權的平衡。

集團執行主席負責領導董事會，確保董事會及時就所有重要及適用政策事宜上作適時及建設性討論；所有董事於董事會會議上之提問獲合適簡報，以及董事適時充分獲得準確、清晰、完整及可靠之資料。

董事之委任及重選

於 2005 年 6 月，董事會設立並採納一套以書面列載之提名程序（「該提名程序」），具體列明本公司董事候選人之推薦程序及挑選準則，根據該提名程序之準則，其中包括相關資歷、個人專長及可投放時間，董事會主席將齊選並向董事會推薦董事人選以予批准。該提名程序已列明倘填補董事會主席空缺時，則獲提名人選須由執行委員會推薦。

新任董事在獲委任時將給予一套就任資料文件，當中載有所有主要適用之規例及上市規則規定，以及董事應履行責任之有關指引。資料文件亦包括本公司最新刊發之財務報告及董事會所採納並錄載之企業管治常規。其後在需要時，高級管理層將向新任董事提供簡報，使彼可獲悉有關集團業務及運作之更詳細資料。本公司將會不斷地提供董事有關上市規則的主要發展資訊及其他相關規例以確保良好企業管治能得以遵守及維持。

所有本公司非執行董事(包括獨立非執行董事)之任期皆為特定期限，惟其離任或退任(可重選連任)需按細則之有關條文或任何其他適用法例所規限。所有非執行董事已由2011年1月1日起再獲續任兩年。

根據細則，任何獲委任以填補臨時空缺之董事的任期須僅至本公司下次股東大會，惟可於該會上重選。任何獲委任以作董事會新增成員之董事任期亦僅至本公司的來屆週年股東大會(「週年股東大會」)，惟屆時彼可於該大會上膺選連任。此外，在本公司每屆週年股東大會上，當時在任董事之三分之一(或最接近但不少於三分之一之數目)須輪值退任，每名董事須最少每三年輪值退任一次。

董事委員會

薪酬委員會、審核委員會及執行委員會成立已久，上述各委員會之權責範圍均以書面具體列明。所有該等委員會之會議記錄及決議案由公司秘書保存，副本則提供予所有董事會成員傳閱，而各委員會需向董事會匯報其議決及合適的建議。如上文所述，董事會會議之程序及安排已於可行的情況下在委員會會議上被採納。

於2007年1月，董事會成立風險管理委員會，並書面列明其具體權責範圍。風險管理委員會之所有會議記錄及通過之決議案均由委員會秘書保存，其副本則在董事會定期會議上提呈。風險管理委員會需向董事會匯報影響風險或內部監控事宜的任何重大事件或發展以及經採取的相關措施。

薪酬委員會

薪酬委員會自1985年4月經已成立，目前由四名獨立非執行董事及一名非執行董事組成，包括王敏剛先生(委員會主席)、白禮德先生、Alan Stephen Jones先生、Carlisle Caldow Procter先生及Roy Kuan(管文浩)先生(何志傑為其替任人)。薪酬委員會獲提供充裕資源以履行其職務，並可在有需要時按本公司政策尋求獨立專業意見。

薪酬委員會之主要角色及職能如下：

- (i) 檢討並向董事會建議董事之薪酬政策及待遇，並於合適時就委員會對其他執行董事薪酬之建議諮詢主席；
- (ii) 透過參照董事會不時批准之公司目標，檢討並建議按表現而釐定之薪酬；
- (iii) 就有關執行董事喪失或終止其職務或委任而應付予彼等的賠償或薪酬作出檢討及建議；
- (iv) 檢討並建議因董事行為失當而解僱或罷免的有關賠償安排；及
- (v) 確保概無董事參與釐定其本身之薪酬。

本公司薪酬委員會之權責範圍與遵守企業管治守則之守則條文B.1.3一致，惟就該守則條文在薪酬委員會須釐定上市公司所有執行董事及高級管理層之具體薪酬待遇之職責方面有所偏離。董事會認為，本公司薪酬委員會僅

會就執行董事(不包括高級管理層)之薪酬待遇作出檢討(而非根據守則條文釐定)，並僅向董事會作出建議，理由如下：

- (i) 董事會相信薪酬委員會並不適宜評估高級行政人員之表現，而有關評估程序由執行董事負責則更為有效；
- (ii) 薪酬委員會的大部分成員為獨立非執行董事，彼等來自不同行業、具有不同背景，且其並無參與本公司之日常運作。彼等對有關業界慣例及薪酬待遇之標準亦可能有較少認識。故此，薪酬委員會並不適宜釐定執行董事之薪酬；
- (iii) 執行董事必須負責指導及監督高級管理層，因而必須有權力釐定彼等之薪酬；及
- (iv) 執行董事並無理由向高級管理層支付高於業界標準之薪酬，而由彼等釐定其薪酬待遇可減省支出，將有利於股東。

薪酬委員會之職權範圍已於本公司之網站內登載。

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根據其職權範圍，薪酬委員會每年須最少舉行一次會議。於2011年舉行一次委員會會議，各成員之出席率如下：

出席／已舉行的委員會會議次數

委員會成員：

王敏剛(主席)	1/1
白禮德	1/1
Alan Stephen Jones	1/1
Carlisle Caldow Procter	1/1
Roy Kuan (管文浩)	1/1
何志傑(Roy Kuan (管文浩)之替任人)	不適用

於2011年，薪酬委員會已履行之工作概述如下：

- (i) 檢討董事之薪酬政策及架構；
- (ii) 檢討執行董事之薪酬待遇並建議董事會批准由2011年起上調李成煌先生及唐登先生之月薪；
- (iii) 檢討及向董事會提出批准截至2010年12月31日止年度之執行董事花紅的建議；及
- (iv) 檢討所有董事(包括獨立非執行董事)之薪酬及獨立非執行董事的顧問費用，及向董事會提出由2011年開始起上調獨立非執行董事的顧問費用的建議；

每名董事將獲經由股東在本公司週年股東大會上批准之建議袍金。董事就彼等其他職責與服務而獲領取的薪酬(包括獨立非執行董事之任何顧問費用)將在薪酬委員會向董事會提出建議並獲批准後按有關董事各自之僱員合約或服務合約內之條款而釐定。董事薪酬之詳情載於綜合財務報表附註9內。集團之僱員薪酬政策詳情亦載於第91頁的管理層討論及分析「人力資源及培訓」一節內。

委員會於結算日後舉行會議檢討董事之薪酬政策及結構；執行董事之薪酬待遇；及獨立非執行董事之顧問費用。委員會向董事會建議(i)向三名執行董事支付下列2011年度之酌情花紅：

- 向李成煌先生支付現金8,250,000港元；
- 向唐登先生支付現金2,250,000港元及根據僱員股份計劃向彼授出等值1,500,000港元的本公司股份數目；及
- 向Peter Anthony Curry先生支付現金2,250,000港元及根據僱員股份計劃向彼授出等值1,500,000港元的本公司股份數目；

(ii)由2012年起，將以上三名執行董事之月薪增加2.5%；及(iii)由2012年起，將獨立非執行董事之顧問費用增加約3%。董事會其後批准薪酬委員會提出的該等建議。

就上市規則第 13.51B(1) 條而言，作為李成煌先生酬金的一部份的每月租金相關支出(為不時變動的費用)亦有所變更。

審核委員會

審核委員會自 1985 年 4 月成立，目前由四名獨立非執行董事及一名非執行董事組成。為保持獨立性及客觀性，審核委員會由一名擁有合適專業資格或會計或相關財務管理專長之獨立非執行董事擔任主席。審核委員會現時的成員為 Alan Stephen Jones 先生(委員會主席)、白禮德先生、Carlisle Caldwell Procter 先生、王敏剛先生及 Roy Kuan(管文浩)先生(何志傑為其替任人)。審核委員會獲提供充裕資源以履行其職務，並可按本公司之政策在有需要時尋求獨立專業意見。

審核委員會之主要角色及職能如下：

- (i) 考慮外聘核數師之委任、重選及罷免，並向董事會提出建議；審批外聘核數師之薪酬及委聘條款；及處理任何有關該核數師辭任或辭退該核數師之問題；
- (ii) 考慮及與外聘核數師討論每年之年度審核之性質及範疇；
- (iii) 檢討及監察外聘核數師之獨立性及客觀性；
- (iv) 在提交中期及全年財務報表予董事會前先行審議該等報表；

- (v) 商議就中期審閱及年終審核而產生之任何問題及保留事項，及外聘核數師擬商討之其他任何事宜；
- (vi) 審議外聘核數師致管理層函件及管理層之相關回應；
- (vii) 檢討集團之財務監控、內部監控及風險管理系統；
- (viii) 審議內部審核計劃，推動內部與外聘核數師之工作協調，並檢討內部稽核功能是否獲得足夠資源運作，並在集團具有適當地位；及
- (ix) 考慮從內部稽核調查衍生的事項，以及管理層之回應。

本公司審核委員會之職權範圍不時作出修訂，以遵守企業管治守則之守則條文，特別是守則條文 C.3.3，惟審核委員會之職責在該守則條文下有如下偏離：

- (i) 執行委聘外聘核數師提供非核數服務之政策；
- (ii) 確保管理層已履行其職責建立有效之內部監控系統；
- (iii) 確保內部與外聘核數師之工作得到協調；及
- (iv) 內部稽核功能在上市公司中獲得足夠資源運作，並具有適當之地位。

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董事會認為：

- (i) 本公司審核委員會應就委聘外聘核數師提供非核數服務之政策作出建議(而非執行)，理由如下：
- 由董事會及其委員會制訂政策及作出合適之建議乃屬恰當及合適；
 - 由執行董事及管理層執行該政策及建議乃屬恰當及合適之機制；及
 - 獨立非執行董事並不適宜執行日常之政策及跟進工作。
- (ii) 審核委員會僅為監察(而非確保)管理層是否已履行其職責以建立有效的內部監控系統。這些乃涉及日常監督及僱用全職之專業人員，而審核委員會並沒有有關配備以確保上述事宜得以執行。
- (iii) 審核委員會亦不適宜確保內部與外聘核數師之工作得到協調，惟其可推動上述事宜。
- (iv) 審核委員會不能確保內部稽核功能獲得足夠資源運作，惟可檢討其是否獲得足夠資源運作，並就任何不足之處提出建議。

審核委員會之職權範圍已於本公司之網站內登載。

根據職權範圍，審核委員會每年須至少舉行3次會議。於2011年，委員會舉行了3次會議，各成員之出席率如下：

出席／已舉行的委員會會議次數

委員會成員：

Alan Stephen Jones (主席)	3/3
白禮德	3/3
Carlisle Caldwell Procter	3/3
王敏剛	3/3
Roy Kuan (管文浩)	3/3
何志傑 (Roy Kuan (管文浩)之替任人)	不適用

除透過委員會會議外，如有需要，審核委員會亦以傳閱文件方式處理委員會事宜。審核委員會在2011年已履行之工作概述如下：

- (i) 就集團截至2010年12月31日止年度之年終審核以及截至2011年6月30日止六個月之中期審閱報告，考慮及批准外聘核數師之委聘條款及建議費用；
- (ii) 審議外聘核數師就集團截至2010年12月31日止年度之年終核數及截至2011年6月30日止六個月之中期審閱之報告、管理層聲明函件及管理層之回應；

- (iii) 審議及向董事會提出建議，以批准截至2010年12月31日止年度及截至2011年6月30日止六個月之財務報告；
- (iv) 檢討外部顧問就改進集團一個業務分部之內部監控系統所提出建議之落實進度，並審議風險管理委員會就截至2010年12月31日止年度進行之風險評估；
- (v) 審議截至2011年12月31日止年度由稽核部提交之審核計劃；及
- (vi) 審議由稽核部提交之審核報告及討論集團之風險與內部監控事宜。

執行委員會

執行委員會自1983年11月經已成立，目前由四名執行董事組成，包括李成煌先生(委員會主席)、梁永祥先生、唐登先生及Peter Anthony Curry先生。執行委員會獲授予關於集團業務的所有一般管理及監控權，惟根據執行委員會之書面職權範圍須留待董事會決定及批准之該等事宜除外。

執行委員會主要負責處理及監察本公司之日常管理事務，並在董事會採納之一般決策規限下有權：

- (i) 制訂及執行有關集團之商業活動、內部監控及行政之政策；及
- (ii) 就集團商業活動規劃及決定將予採納之策略。

風險管理委員會

風險管理委員會(「風險管理委員會」或「委員會」)於2007年1月成立，現時成員包括四名執行董事李成煌先生(委員會主席)、唐登先生(委員會替任主席)、梁永祥先生(於2012年3月22日獲委任)及Peter Anthony Curry先生，一名非執行董事Roy Kuan(管文浩)先生(何志傑為其替任人)以及本公司另外三名管理人員。

風險管理委員會之主要角色及職能為：

- (i) 就集團在其業務中的不同範疇可能面對的風險作出分析及界定；
- (ii) 確保通過適用機制(包括委員會及分部／部門主管)檢討、評估、記錄及監控集團可能遇到的各種風險及集團之內部監控系統之效用，包括但不限於財務、營運及法規監控以及風險管理職能；

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- (iii) 在年度檢討中(連同集團之稽核部及法規監核部與集團之外聘核數師)就下列事項向董事會提供保證：
- (a) 自上次年度檢討後，集團有機會遇到風險性質和程度之轉變，以及集團具備應付其業務活動及外在環境轉變之能力；
- (b) 管理層持續監察風險及內部監控系統之工作範圍及質素；
- (c) 向董事會傳達風險監控結果之充足性、其範圍及次數，讓董事會及審核委員會對集團進行之監控情況及風險管理之效用作出累積評估；
- (d) 任何對集團造成重大風險及／或虧損風險(不論是否已招致實際虧損)之重大事件，其可能或實際違反行為守則或適用法律、規例、監管指引／守則、重大內部政策、引致營運或技術故障；及任何能令集團承受重大商譽風險之其他重大事件；
- (e) 集團就財務報告及遵守上市規則方面之程序之效力；及
- (f) 風險識別及管理適用之所有其他相關事宜及內部監控事宜。

董事會已於2006年1月採納風險管理委員會之職權範圍，並於其後作出若干更新。

除非風險管理委員會主席另有指示，風險管理委員會每季度召開一次會議。於2011年財政年度，該委員會共舉行了四次會議，各成員之出席率載列如下：

	出席／已舉行 風險管理委員會 會議次數
委員會成員：	
李成煌(主席)	4/4
唐登(替任主席)	4/4
韓滔文	3/4
戴耀權	4/4
Roy Kuan(管文浩)	2*/4
何志傑(Roy Kuan(管文浩)之替任人)	2/4
Peter Anthony Curry	4/4
梁桐業	4/4
梁景源(於2011年10月31日辭任)	3/4

* 其中一次有關委員會會議由Roy Kuan(管文浩)先生之正式授權代表出席。

於2011年財政年度，風險管理委員會所進行及監察之事項如下：

- (i) 審閱及更新風險管理委員會之職權範圍；
- (ii) 由一家主要專業公司執行獨立內部監控檢討，以加強及改善證券業務之控制；
- (iii) 審閱業務活動及規管事宜產生之法律及法規監核事宜及規例；
- (iv) 決定可行之市場風險監控及報告方案；
- (v) 控制及審閱截至2010年12月31日止財政年度有關風險、合規及內部控制程序的年度責任聲明；及
- (vi) 審閱及定期更新重要風險緩解措施及控制參數，如業務連續性計劃、風險限額。

董事及相關僱員進行證券交易之守則

本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則（「標準守則」），作為其董事進行證券交易之行為守則。經本公司作出特定查詢後，所有董事已確認彼等已遵照標準守則所載之規定標準。

為遵守企業管治守則之守則條文A.5.4，本公司已就若干被認為可能擁有關本公司或其證券之未公開股價敏感資料之本公司或其任何附屬公司之僱員進行本公司證券之交易採納標準守則以作監管。

問責性及審核

財務報告

於財務部之協助下，董事確認彼等編制集團財務報表之責任。截至2011年12月31日止年度之財務報表已採用香港普遍接納之會計原則，並已遵守香港會計師公會頒佈之香港財務報告準則（當中亦包括香港會計準則及詮釋）以及香港公司條例之披露規定。董事認為所選擇的會計政策適當並且貫徹應用，而所作之判斷及估計審慎合理，亦確保按「持續經營」基準編制財務報表。

本公司外聘核數師德勤•關黃陳方會計師行（「德勤」）之匯報責任載於第128及129頁的獨立核數師報告內。

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外聘核數師之酬金

於年內及截至本報告日期止，已支付予本公司外聘核數師德勤之酬金載列如下：

	已支付之費用 百萬港元
為集團提供之服務	
核數服務	6.7
非核數服務(稅項及其他專業服務)	3.4
合計	10.1

內部監控

董事會負責確保集團維持健全而有效之內部監控，藉以保障集團之企業權益。

集團繼續加強內部監控架構，以就防止重大錯誤陳述或損失提供合理(但非絕對)之保證；審慎管理(但非完全消除)系統失誤之風險；以及協助集團達成目標。除保障集團之企業權益外，內部監控架構確保備存妥善之會計記錄及遵守有關法例及規例。

集團亦已備妥系統及程序，以識別、衡量、管理及監控不同業務及職能所產生之風險。風險管理限度經已設立並已根據適當授權級別獲得批准。有關集團所面對之主

要類別風險之管理政策及程序載於管理層討論及分析中的「風險管理」一節內有更詳細論述及已於綜合財務報表附註56中的「財務風險管理」內(金融風險包括市場風險、信貸風險、流動資金風險、股票風險、利率風險及外匯風險)。

集團之三個獨立監控分部，分別是稽核部、法規監核部及風險管理部，結合風險管理委員會的職能，在採納、執行及維持穩健的內部監控系統向董事會及管理層提供保證中擔任重要角色。相關監管規定已遵從。

稽核部提供獨立及客觀的保證及內部顧問服務以改善集團運作，並透過引進系統性及嚴格紀律方式評估及改善集團風險管理、監控及管治過程，藉以協助集團達成目標。風險稽核計劃之訂立是為了確保集團所有營運均獲系統性包涵。不同業務及功能營運及活動按照稽核計劃進行獨立檢討，並將資源集中在高風險範疇。已識別之需注意範疇亦會進行特別檢討。稽核部刊發之報告將向主席、審核委員會、相關高級管理層及分部／部門主管發放。

法規監核部協助管理層履行其職責，維持有效及合適法規監核政策、指引、程序，以確保規則及規例以及集團內部政策及程序得到遵守。該部展開特別及定期檢討以監察集團的受規管活動。法規監核部是一個向集團首席財務官匯報的獨立職能。法規監核部之主管兼任集團之指定投訴主任及反洗黑錢報告主任。

風險管理部具有獨立職能由新鴻金融有限公司首席財務官協調，直接向集團首席財務官匯報。該部就各種風險展開獨立評估。其職能包括制訂及檢討風險管理政策及程序，就風險管理框架提供意見，如釐定各種類的限額。對新產品、程序、服務及系統進行檢討，以確保政策及程序會因應在營商環境的風險相關之變動而進行定期更新。

集團每年均會對其內部監控系統之效率進行自我評估，涵蓋所有重要範疇，包括前線部門、法規監核、財務及營運方面。這些自行檢討旨在評估及記錄主要風險，以實行監控框架之改善工作。有關評估由各分部履行，並由新鴻金融有限公司首席財務官負責統籌。調查結果及發現均向風險管理委員會、審核委員會及董事會匯報。

除了此週年自行評估之外，集團亦於2011年聘請外部顧問，對涵蓋集團大部份業務營運進行獨立檢討。

董事會已根據上市規則之規定透過審核委員會檢討本公司會計及財務匯報職能人員的資源、資格及經驗，以至彼等的培訓計劃及預算是否充足。風險管理委員會、審核委員會及董事會已檢討集團內部監控系統的有效性並已全面履行企業管治守則中有關內部監控系統的相關規定。

與股東之溝通

董事會認同與股東保持良好溝通之重要性。有關集團之資料(包括中期報告及年報、公佈及通函等)乃按時透過多種正式途徑向股東傳達。該等刊發文件，以及公司的最新資料及消息均可在本公司的網站內查閱。

本公司週年股東大會提供予董事會與股東直接溝通之寶貴機會。主席積極參與週年股東大會並主持該會以回答股東的任何提問。審核委員會及薪酬委員會之主席(或倘彼等未能親身出席，則各委員會之另一成員或倘並無其

企業管治報告

他成員，則彼等各自正式委任之受委人)亦出席週年股東大會以回答提問。任何按上市規則須予成立之任何獨立董事委員會之主席(或倘無委任該主席，則至少一名獨立董事委員會成員)亦會出席任何就批准關連交易或任何其他須獲獨立股東批准之交易而召開之股東大會，以回答提問。

在大會上提出的每項重大決議案均透過獨立決議案提議，其中包括董事重選退任之事項。

在召開週年股東大會時，有關的通告於大會舉行日期至少20個營業日前寄發予股東；而就所有其他股東大會而言，有關通告則在大會舉行日期至少10個營業日前寄發予全體股東。以股數投票方式進行表決的詳細程序於會議開始時向股東解釋。大會主席將回答有關以股數投票方式的任何提問。而以股數投票之決議之結果其後將按上市規則之規定刊發。

提升企業管治水平

於2012年3月22日，董事會已採納一套將於2012年4月1日生效之企業管治文件，其符合於同日生效之企業管治守則新訂守則條文(「新訂企業管治守則」)。總括而言，本公司在採納新訂企業管治守則之同時亦提升以下主要範疇：

- 董事會已採納企業管治政策，其載有本公司之整體企業管治價值；
- 將成立提名委員會，其大部份成員為獨立非執行董事；及
- 採納股東通訊政策，以便股東及其他權益人與本公司及董事會進行溝通。

提升企業管治水平並非僅為應用及遵守聯交所之企業管治守則，乃為推動及發展具道德與健全之企業文化。吾等將按經驗、監管條例之變動及發展，不斷檢討並適時改善本公司之現行常規。本公司歡迎股東提供任何意見及建議以提高及增加公司之透明度。

承董事會命



李成煌
集團執行主席

香港，2012年3月26日

董事會報告

本公司董事(「董事」)同寅欣然將本公司及集團截至2011年12月31日止年度之週年報告及已審核之綜合財務報表呈覽。

主要業務

本公司主要業務為控股投資。本公司主要附屬公司、主要聯營公司及共同控制公司之主要業務分別載列於綜合財務報表附註50、51及52內。本年度集團之主要業務分項資料詳載於綜合財務報表附註7內。

業績及溢利分配

集團截至2011年12月31日止年度之業績詳載於綜合收益賬內。本公司已於2011年10月19日派發中期股息每股10港仙予股東。董事建議派發末期股息每股10港仙予本公司股東，至2011年度全年派發之股息合共每股20港仙。末期股息將以股代息方式派發，股東可就部份或全部股息選擇收取現金。載有是項以股代息計劃詳情之通函連同有關選擇表格將在適當時候寄予本公司各股東。

物業及設備

2011年度之物業及設備變動詳情載於綜合財務報表附註20內。

慈善捐款

本年度集團慈善捐款合共3,099,000港元。

股本

本公司年內股本變動之詳情載於綜合財務報表附註41內。

儲備

年內儲備變動之詳情載於綜合權益變動表。

董事會報告

董事

本年度及截至本報告日期為止，董事會之成員如下：

執行董事

李成煌(集團執行主席)

梁永祥

(於2012年3月26日獲委任)

唐登

Peter Anthony Curry

非執行董事

吳裕泉

梁伯韜

明程

Roy Kuan (管文浩)

何志傑(為Roy Kuan (管文浩)之替任董事)

Fevzi Timucin Engin

(於2011年3月17日辭任)

Josefh Kamal Eskandar

(於2011年3月17日停任為Fevzi Timucin Engin之替任董事)

李成偉

(於2011年9月30日辭任)

獨立非執行董事

白禮德

Alan Stephen Jones

Carlisle Caldow Procter

王敏剛

依照本公司章程細則第94條，獲委任以填補臨時空缺之新任董事僅可任職至下屆股東大會為止，而額外委任的新董事則僅可任職至下屆週年股東大會(「週年股東大會」)為止。此外，根據本公司章程細則第103條，本公司當時在任三分一數目的董事亦須於每屆週年股東大會上輪值退任，惟彼等可於該會上膺選連任。

據此，根據細則第94條，梁永祥先生的任期將於應屆週年股東大會上屆滿，並膺選連任。而根據細則第103條，李成煌先生、明程先生、白禮德先生及王敏剛先生(彼等為自上次獲選以來在任最長之董事)將於應屆週年股東大會上退任。除明程先生因須處理其他業務而決定不膺選連任外，另外三名退任董事均於週年股東大會上膺選連任。

董事所持權益

於2011年12月31日，根據證券及期貨條例(「證券期貨條例」)第352條規定所存放之登記冊，董事於本公司之股份(「股份」)及其相聯法團(釋義見證券期貨條例第XV部)之股份，及其各自之相關股份及債券中擁有以下權益：

(a) 於本公司股份及相關股份之權益

董事	身份	股份及相關股份數目	佔已發行股本之概約百分比
李成煌	受控法團之權益(附註1)	1,128,363,302 (附註2)	53.49%
唐登	信託受益人	236,000 (附註3(a))	0.011%
	實益擁有人	170,000 (附註3(b))	0.008%
Peter Anthony Curry	信託受益人	105,000 (附註4(a))	0.004%
	實益擁有人	12,000 (附註4(b))	0.001%

附註：

- 李成煌先生(董事)，與李成輝先生及李淑慧小姐為全權信託 Lee and Lee Trust 的信託人。Lee and Lee Trust 連同李成輝先生間接持有聯合集團有限公司(「聯合集團」)已發行股本約56.76%權益，彼因此被視作擁有聯合集團所持本公司股份之權益。
- 此乃於本公司1,128,363,302股股份之權益。
- (a) 此被視作擁有之權益包括：
 - 根據僱員股份計劃於2009年5月6日授予唐登先生並獲彼接納合共66,000股股份中未被歸屬的22,000股本公司股份。該等已獎授的股份根據歸屬比例，三分之一的股份(即22,000股股份)從2010年4月15日起被歸屬及變成不受限制；及另外三分之一從2011年4月15日被歸屬及變成不受限制；餘下三分之一從2012年4月15日起將被歸屬及變成不受限制；
 - 根據僱員股份計劃於2010年5月5日授予唐先生並於2010年5月10日獲彼接納合共78,000股股份中未被歸屬的52,000股本公司股份。該等已獎授的股份根據歸屬比例，三分之一的股份(即26,000股股份)從2011年4月15日被歸屬及變成不受限制；另外三分之一從2012年4月15日起將被歸屬及變成不受限制；餘下三分之一從2013年4月15日起將被歸屬及變成不受限制；及
 - 根據僱員股份計劃於2011年4月13日授予唐先生並於2011年4月19日獲彼接納的162,000股本公司股份。該等已獎授的股份根據歸屬比例，三分之一的股份從2012年4月
- (b) 此為根據僱員股份計劃授予並已被歸屬及變成不受限制的205,000股股份中的170,000股股份。
- (a) 此被視作擁有之權益包括：
 - 根據日期為2010年10月29日的要約函件在僱員股份計劃下授予Peter Anthony Curry先生並獲彼接納合共36,000股股份中未被歸屬的24,000股股份。該等已獎授的股份根據歸屬比例，其中三分之一的股份從2011年11月1日起被歸屬及變成不受限制；另外三分之一從2012年11月1日起將被歸屬及變成不受限制；及餘下三分之一從2013年11月1日起將被歸屬及變成不受限制；及
 - 根據僱員股份計劃於2011年4月13日授予Curry先生並於2011年4月19日獲彼接納的81,000股本公司股份。該等已獎授的股份根據歸屬比例，其中三分之一的股份從2012年4月15日起將被歸屬及變成不受限制；另外三分之一從2013年4月15日起將被歸屬及變成不受限制；及餘下三分之一從2014年4月15日起將被歸屬及變成不受限制。
- (b) 此為根據僱員股份計劃授予並已被歸屬及變成不受限制的本公司股份。

董事會報告

(b) 於相聯法團股份、相關股份及債券之權益

董事	相聯法團	身份	股份及相關 股份數目	佔有關已發行股本 之概約百分比
李成煌 (附註1)	聯合集團	信託人(非被動信託人) (附註2)	115,976,492	56.75%
	聯合地產(香港)有限公司 (「聯合地產」)	受控法團之權益(附註3)	6,036,371,254 (附註4)	81.95%
	Allied Overseas Limited (「AOL」)	受控法團之權益(附註5)	178,042,931 (附註6)	86.02%
	新工投資有限公司 (「新工投資」)	受控法團之權益(附註7)	2,953,509,606 (附註8)	71.83%
唐登	聯合地產	實益擁有人	120,951 (附註9)	0.001%

附註：

- 基於李成煌先生於聯合集團及聯合地產之權益，彼被視作擁有聯合集團(包括新工投資 — 聯合集團之上市附屬公司)及聯合地產(包括AOL — 聯合地產之上市附屬公司)之附屬公司之股份權益，而根據證券期貨條例之定義，該等附屬公司乃本公司之相聯法團。

本公司已向香港聯合交易所有限公司(「聯交所」)提交一項豁免申請，以豁免於本報告內披露李先生被視作於本公司此等相聯法團之股份權益，而聯交所已於2012年2月24日授予該豁免。
- 李成煌先生為全權信託Lee and Lee Trust之信託人之一，該信託間接持有115,976,492股聯合集團股份。
- 此為聯合集團於聯合地產直接或間接持有之相同權益。
- 此包括(i)於聯合地產的5,030,365,045股股份；及(ii)可產生1,006,006,209股聯合地產相關股份權益之以實物交收之聯合地產上市認股權證之權益。聯合地產之認股權證賦予其持有人權利，可於2011年6月13日至2016年6月13日(包括首尾兩天)期間之任何時間內以最初每股2港元之認購價認購聯合地產繳足股款之股份(受修改約束)。
- 此為聯合地產於AOL間接持有之相同的權益。
- 此包括(i)於AOL的149,165,776股股份；及(ii)可產生28,877,155股AOL相關股份權益之以實物交收之AOL上市認股權證之權益。AOL之認股權證賦予其持有人權利於2011年3月4日至2016年3月4日(包括首尾兩天)期間之任何時間內以最初每股5港元之認購價認購AOL繳足股款之股份(受修改約束)。
- 此為聯合集團於新工投資間接持有之相同的權益。
- 此為於2,953,509,606股新工投資股份之權益。
- 此包括(i)於聯合地產的100,793股股份；及(ii)可產生20,158股聯合地產相關股份權益之以實物交收之聯合地產上市認股權證之權益。聯合地產之認股權證賦予其持有人權利，可於2011年6月13日至2016年6月13日(包括首尾兩天)期間之任何時間內以最初每股2港元之認購價認購聯合地產繳足股款之股份(受修改約束)。

董事會報告

上述所有權益均屬長倉。於2011年12月31日，概無董事持有任何本公司股份、股票衍生工具之相關股份或債券之淡倉。

除上文所披露外，於2011年12月31日，本公司各董事或高級行政人員概無於本公司或其任何相聯法團(釋義見證券期貨條例第XV部)之股份、相關股份或債券中擁有須記錄於證券期貨條例第352條所規定存放之登記冊內或根據上市發行人董事進行證券交易的聯交所證券上市規則(「上市規則」)附錄10所載之標準守則須另行知會本公司及聯交所之任何權益或淡倉。

新鴻基僱員股份擁有計劃

本公司於2007年12月18日(「採納日期」)採納新鴻基僱員股份擁有計劃(「僱員股份計劃」)以表揚本公司及其附屬公司(「本集團」)之任何僱員或董事(「獲選承授人」)的貢獻，並給予長期鼓勵，讓他們繼續為本集團的持續營運及發展效力，同時吸引合適的人才入職，進一步推動本集團的發展。

董事會已授權一個由本公司高級管理人員組成的委員會以管理僱員股份計劃。亦委任一獨立受託人(「受託人」)管理僱員股份計劃。根據僱員股份計劃，獲選承授人可獲授予本公司股份，該等股份由受託人購入(涉及款項由本公司支付)並以信託形式替獲選承授人持有直至每個歸屬期完結為止。根據管理層的建議，委員會將決定獲選承授人(董事除外)獲授的股份數目以及不同批別的歸屬期。倘根據僱員股份計劃向身為董事的獲選承授人授予

任何股份，必須經由董事會的薪酬委員會建議後，由董事會批准方可作實。

除非根據該僱員股份計劃的條款而終止，否則按條款概述該僱員股份計劃由2007年12月18日起計的首個五年期間有效，之後每五年再分別自動續期三次。根據僱員股份計劃於其有效期內可授予本公司的股份總數以及可授予每名獲選承授人的股份數目分別不得多於於採納日期本公司已發行股份的5%(即83,989,452股股份)及1%(即16,797,890股股份)。

年內，已獎授獲選承授人的股份合共1,803,000股股份(2010年：1,182,000股股份)，該等股份需受僱員股份計劃的條例規管，其中包括獎授股份將按三年期間被歸屬及不受限制。而年內已歸屬的股份則合共為1,538,000股股份(2010年：1,254,000股股份)。

由採納日期起及截至本報告日期，合共獎授了8,033,000股股份，佔於採納日期本公司已發行股本約0.48%。截至2011年12月31日止，在僱員股份計劃下已獎授的股份為2,735,000股(不包括已獎授但其後作廢的股份)。

購買股份或債券之安排

於本年度內及截至2011年12月31日，概無董事於本公司之控股公司聯合集團的購股權計劃所授出的購股權中擁有任何個人權益。

除了僱員股份計劃，本公司或其任何附屬公司於年內並無參與任何安排，使董事可藉收購本公司或任何其他法人團體之股份或債券而獲益。

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主要股東及其他人士所持權益

於2011年12月31日，根據證券期貨條例第336條規定所存放之登記冊（「證券期貨條例登記冊」），持有本公司股份及相關股份權益之股東如下：

股東	身份	股份及相關 股份數目	佔已發行股本 之概約百分比
聯合地產	受控法團之權益(附註1)	1,128,363,302 (附註2)	53.49%
聯合集團	受控法團之權益(附註3)	1,128,363,302 (附註4)	53.49%
Lee and Lee Trust	受控法團之權益(附註5)	1,128,363,302 (附註4)	53.49%
Dubai Ventures L.L.C (「Dubai Ventures」)	實益擁有人	166,000,000 (附註6)	7.84%
Dubai Ventures Group (L.L.C) (「DVG」)	受控法團之權益(附註7)	166,000,000 (附註8)	7.84%
Dubai Group (L.L.C) (「Dubai Group」)	受控法團之權益(附註9)	166,000,000 (附註8)	7.84%
Dubai Holding Investments Group LLC (「DHIG」)	受控法團之權益(附註10)	166,000,000 (附註8)	7.84%
Dubai Holding (L.L.C) (「Dubai Holding」)	受控法團之權益(附註11)	166,000,000 (附註8)	7.84%
Dubai Group Limited (「DGL」)	受控法團之權益(附註12)	166,000,000 (附註8)	7.84%
HH Mohammed Bin Rashid Al Maktoum	受控法團之權益(附註13)	166,000,000 (附註8)	7.84%
Penta Investment Advisers Limited (「Penta」)	投資經理	126,262,788 (附註14)	5.97%
Asia Financial Services Holdings Limited (「AFSH」)	受控法團之權益(附註15)	409,920,000 (附註18)	19.36%
Asia Financial Services Group Limited (「AFSG」)	受控法團之權益(附註16)	409,920,000 (附註18)	19.36%
CVC Capital Partners Asia III Limited (「CVC Capital」)	受控法團之權益(附註17)	409,920,000 (附註18)	19.36%

董事會報告

附註：

1. 該等權益由 AP Jade Limited 之全資附屬公司 AP Emerald Limited (「AP Emerald」) 持有，而 AP Jade Limited 則為聯合地產之全資附屬公司，因此，聯合地產被視作擁有 AP Emerald 所持有之本公司股份之權益。
2. 此為聯合地產透過 AP Emerald 持有 1,128,363,302 股本公司股份之權益。
3. 聯合集團持有聯合地產已發行股本約 68.29% 權益，因此被視作擁有聯合地產所持有之本公司股份之權益。
4. 此為由 AP Emerald 持有 1,128,363,302 股本公司股份之相同權益。
5. 李成輝先生、李淑慧小姐及李成煌先生(董事)為全權信託 Lee and Lee Trust 之信託人，彼等合共擁有聯合集團已發行股本約 56.76% 之權益(包括李成輝先生之個人權益)，因此被視作擁有聯合集團所持有之本公司股份之權益。
6. 此為本公司 166,000,000 股本公司股份之權益。
7. DVG 擁有 Dubai Ventures 已發行股本 99% 權益，因此被視作擁有 Dubai Ventures 所持有本公司股份之權益。
8. 此為由 Dubai Ventures 持有之 166,000,000 股本公司股份之權益。
9. Dubai Group 擁有 DVG 已發行股本 99% 權益，因此被視作擁有 DVG 所持有本公司股份之權益。
10. DHIG 擁有 Dubai Group 已發行股本 51% 權益，因此被視作擁有 Dubai Group 所持有本公司股份之權益。
11. Dubai Holding 擁有 DHIG 已發行股本約 99.66% 權益，因此被視作擁有 DHIG 所持有本公司股份之權益。
12. DGL 擁有 Dubai Group 已發行股本 49% 權益，因此被視作擁有 Dubai Group 所持有本公司股份之權益。
13. HH Mohammed Bin Rashid Al Maktoum 擁有 Dubai Holding 已發行股本約 97.40% 權益，因此被視作擁有 Dubai Holding 所持有本公司股份之權益。
14. 此包括 (i) 70,122,824 股本公司股份；及 (ii) 可產生 56,139,964 股本公司相關股份權益之本公司非上市以現金交收之衍生工具之權益。
15. 此為透過全資附屬公司 Asia Financial Services Company Limited (「AFSC」) 擁有之權益。
16. 此為透過其兩間附屬公司 Asia Financial Services Holdings Limited 及 Asia Financial Services Company Limited (「AFSC」) 擁有之權益。
17. CVC Capital 透過一間全資附屬公司擁有 AFSG 之 88% 權益，因此被視作擁有 AFSG 所持有之本公司股份及相關股份之權益。
18. 此包括 (i) 341,600,000 股股份；及 (ii) 被視作擁有根據於 2010 年 4 月 22 日訂立之認購協議本公司發行予 AFSC 面值 427,000,000 港元之認股權證中的相關股份權益。

除上文所披露外，上述所有權益均屬長倉。於 2011 年 12 月 31 日，根據本公司之證券期貨條例登記冊所載，並無淡倉記錄。

除上文所披露外，於 2011 年 12 月 31 日，本公司董事並不獲悉其他人士於本公司或任何相聯法團(定義見證券期貨條例第 XV 部)之股份、相關股份中擁有根據證券期貨條例第 XV 部之規定須作出披露之權益或淡倉。

持續關連交易

(1) 2011至2013年三年的管理服務分攤協議

承如本公司於2011年1月31日之公佈及2010年之年報中所披露，就聯合集團之高級管理層及特選僱員(「聯合集團管理人員」)向本公司及其附屬公司提供之管理、顧問、策略性及業務建議之服務(「管理服務」)及償付聯合集團有關成本，於2011年1月31日本公司與聯合集團重新訂立管理服務分攤協議(「續訂服務協議」)，以延長雙方於2008年1月31日所訂立之管理服務分攤協議之年期，延長期為2011年1月1日起至2013年12月31日止為期三年。根據續訂服務協議，於截止2013年12月31日止之三個年財政年度，本公司向聯合集團所支付之總額將分別不超過3,240,000港元、3,630,000港元及4,080,000港元。於截止2011年12月31日止年度，本公司向聯合集團支付總額3,240,000港元。

(2) 2011至2012年兩年的保險經紀服務協議

承如本公司於2011年1月31日之公佈及2010年之年報中所披露，於2011年1月31日，本公司之全資附屬公司新鴻基保險顧問有限公司(「新鴻基保險」)分別與聯合集團、聯合地產、AOL、天安中國投資有限公司(「天安中國」)(為聯合地產之聯營公司)及禹銘投資管理有限公司(「禹銘」)(為聯合集團之間接全資附屬公司)訂立保險經紀服務協議

(「保險經紀服務協議」)。根據保險經紀服務協議的條款，新鴻基保險將分別向聯合集團系公司、聯合地產集團、AOL集團、天安中國集團(定義見上述公佈)及禹銘提供整套保險經紀服務並協助其各自獲得由第三方承保人提供之保單(「保險服務」)，由2011年1月1日起至2012年12月31日止，為期兩年。根據保險經紀服務協議，於截止2012年12月31日止之兩個財政年度，聯合集團系公司、聯合地產集團、AOL集團、天安中國集團及禹銘各自之須付之最高總額如下：

	2011 百萬港元	2012 百萬港元
聯合集團系公司	0.8	0.88
聯合地產集團	1.2	1.32
AOL集團	1.5	1.65
天安中國集團	4.0	4.4
禹銘	0.144	0.16

於截至2011年12月31日止年度，根據保險經紀服務協議，聯合集團系公司、聯合地產集團、AOL集團、天安中國集團及禹銘各自向新鴻基保險所支付之總額分別約為540,000港元、1,000,000港元、1,140,000港元、1,370,000港元及110,000港元。

鑑於聯合地產為本公司之主要股東，而根據上市規則，聯合集團、AOL、天安中國及禹銘則為聯合地產之聯繫人，故聯合集團、聯合地產、AOL、天安中國及禹銘以及彼等之聯繫人均視為本公司之關連人士。因此，根據上市規則第14A.34條，續訂服務協議及保險經紀服務協議的簽訂均構成本公司之持續關連交易（「持續關連交易」）。而根據上市規則第14A.45條及14A.46條規定，該兩項持續關連交易之詳情均列載於本報告中。

本公司核數師已獲聘就根據香港會計師公會頒佈的香港核證工作準則第3000號「審核或審閱歷史財務資料以外的核證工作」及參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」報告之本集團的持續關連交易。核數師已發出其無保留意見之函件（載有其對持續關連交易的發現及結論）。本公司已將核數師函件副本送呈聯交所。

根據上市規則第14A.37條，本公司之獨立非執行董事白禮德先生、Alan Stephen Jones先生、Carlisle Caldwell Procter先生及王敏剛先生已審閱及確認上述之持續關連交易乃：

- (i) 於集團日常及一般業務過程中所訂立；
- (ii) 按照一般商業條款進行；及
- (iii) 按規管該交易之續訂服務協議及保險經紀服務協議之條款進行，而交易條款乃屬公平合理，且符合本公司股東之整體利益。

董事會認為，該等持續關連交易乃按上述方式訂立。

關連交易

包銷協議

於2011年12月29日，新鴻基投資服務有限公司（「新鴻基投資」）（本公司之全資附屬公司）、天安中國及聯合水泥控股有限公司（「聯合水泥」）（於包銷協議日期為天安

中國之間接全資附屬公司，於本報告日期為天安中國之間接非全資附屬公司)訂立(其中包括)包銷協議。據此，新鴻基投資同意根據包銷協議及招股章程之條款及條件按發售價認購或促使認購人認購全部發售股份(「交易事項」)。

交易事項之詳細資料已於本公司及天安中國於2011年12月29日聯合刊發之公佈(「該公佈」)披露。本報告所使用詞彙具有該公佈所界定之相同涵義。

於該公佈日期，新鴻基投資為本公司之間接全資附屬公司，而本公司則由聯合地產擁有約53.48%。聯合地產為天安中國之控股股東，持有其已發行股本約46.85%，因此為天安中國之關連人士。訂立包銷協議構成本公司之關連交易。根據上市規則第14A.45條，交易事項之詳情載於本年報。

銀行借款、透支及其他借款

集團之銀行借款、透支及其他借款詳情載於綜合財務報表附註35內。

附屬公司

主要附屬公司之詳情載於綜合財務報表附註50內。

撥作資本之利息

本年度集團並無撥作資本之利息。

企業管治

本公司致力維持高水平之企業管治常規。有關本公司所採納之企業管治常規之資料，載於第101至115頁之「企業管治報告」內。

董事服務合約

擬於應屆週年股東大會上膺選連任之董事概無與集團訂立其不可於一年內毋須賠償(法定賠償除外)而可予以終止之未到期服務合約。

董事於競爭性業務之利益

於年內及截至本報告日期止，除下文所披露外，根據上市規則，概無董事(獨立非執行董事除外)被視為於與集團之業務構成競爭或可能構成競爭之業務中擁有利益：

1. 李成煌先生為Lee and Lee Trust信託人之一，該信託被視為聯合集團、聯合地產及天安中國之主要股東，該等公司透過其附屬公司部份從事以下業務：
 - 聯合集團透過其若干附屬公司部份從事借貸及物業投資業務；

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- 聯合地產透過其若干附屬公司部份從事借貸及物業投資業務；及
 - 天安中國透過其若干附屬公司部份從事借貸及物業投資業務。
2. Peter Anthony Curry 先生為 Ormil Energy Limited 及亞太資源有限公司之董事以及 Mount Gibson Iron Limited 之替任董事，透過其若干附屬公司部份從事投資及／或能源及相關行業之上市證券買賣。
 3. 梁伯韜先生為佑星資本有限公司之主席，該公司於香港進行第6類受規管活動(就企業融資提供意見)。
 4. 李成偉先生(於2011年9月30日辭任之前任董事)為天安中國之董事，透過其若干附屬公司部份從事借貸及物業投資之業務。

上述董事雖因彼等各自同時於其他公司出任董事而持有競爭性權益，彼等仍會履行名下之受信責任，以確保彼等於任何時候均以股東及本公司之整體最佳利益行事。故此，本集團能在公平的情況下於該等公司之業務中獨立地經營其本身業務。

董事於合約上之利益

本公司或其任何附屬公司在本年度終結或於年內任何時間，並無參與本公司董事直接或間接擁有重大利益之重要合約。

公眾持股量

按本報告日期本公司可以得悉之公開資料所示及據董事所知悉，本公司已維持上市規則所規定之公眾持股量。

主要客戶及供應商

集團五位最大客戶所佔之總銷售額，少於本年度營業總額之30%。

同時，集團五位最大供應商所佔之總採購額，少於本年度集團總採購額之30%。

購買、出售或贖回證券

於截至2011年12月31日止年度內，本公司於聯交所合共回購11,087,000股股份，總代價(未計入開支前)為44,421,080港元。全部回購的股份經已註銷。

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回購的細節如下：

月份	回購股份數目	購買價		總代價 (未計入開支前) (港元)
		最高 (港元)	最低 (港元)	
六月	49,000	5.600	5.560	274,140
七月	358,000	5.600	5.450	1,988,000
十月	3,135,000	4.350	4.100	12,882,600
十一月	2,750,000	4.180	4.000	11,229,290
十二月	4,795,000	4.090	3.725	18,047,050
	11,087,000			44,421,080

該等回購可提高本公司每股盈利，乃有利於本公司及其股東的整體利益。

除上文所披露外，本公司或其任何附屬公司於截至2011年12月31日止年度內概無購買、出售或贖回本公司任何上市證券。

核數師

綜合財務報表已由德勤•關黃陳方會計師行審核完竣，彼等將遵章告退，惟願意接受重聘。

承董事會命



李成煌

集團執行主席

香港，2012年3月26日

Independent Auditor's Report

獨立核數師報告

Deloitte.

德勤

TO THE MEMBERS OF SUN HUNG KAI & CO. LIMITED
(incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Sun Hung Kai & Co. Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 130 to 271, which comprise the consolidated and Company statements of financial position as at 31 December 2011, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致新鴻基有限公司各位股東
(於香港註冊成立的有限公司)

本核數師行已完成審核載於第130頁至第271頁新鴻基有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)之綜合財務報表，包括於二零一一年十二月三十一日之綜合及貴公司之財務狀況表、及截至該日止年度之綜合收益賬、綜合全面收益賬、綜合權益變動表及綜合現金流動表，以及主要會計政策摘要及其他解釋附註。

董事對綜合財務報表的責任

貴公司董事有責任根據香港會計師公會頒佈之香港財務報告準則及香港公司條例，編製真實與公平之綜合財務報表，而董事必須確保採用有關內部控制，以使編製綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

本行的責任是根據本行審核工作的結果，對該等綜合財務報表表達意見，並根據香港公司條例第141條謹向貴公司整體股東作出報告，除此之外，本報告別無其他用途。本行並不就本報告之內容向任何其他人士負上責任或承擔責任。本行根據香港會計師公會頒佈的香港核數準則進行審核工作。該等準則規定本行須遵守道德規範，並規劃及執行審核，以合理確定有關綜合財務報表是否並無存在重大錯誤陳述。

Independent Auditor's Report 獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2011, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong, 26 March 2012

審核工作包括執程序以取得有關綜合財務報表所載數額及披露事項之審核憑證。所採用之程序乃視乎核數師之判斷而定，包括評估財務報表重大錯誤陳述(無論因詐騙或錯誤所致)之風險。在評估該等風險時，核數師認為有關實體編製真實公平之綜合財務報表的內部監控，旨在制定於該等情況下之合適審核程序，而非就實體內部監控是否有效發表意見。審核工作亦包括評估所用會計政策的適用性及董事作出會計估計之合理性，以及評估綜合財務報表之整體呈列。

本行相信，本行已取得充份及適當之審核憑證，作為本行審核意見的基礎。

意見

本行認為上述的綜合財務報表根據香港財務報告準則真實與公平地反映 貴公司及 貴集團於二零一一年十二月三十一日之財政狀況及 貴集團於截至該日止年度之溢利及現金流量，並已按照香港公司條例妥善編製。

德勤 • 關黃陳方會計師行
執業會計師
香港，2012年3月26日

Consolidated Income Statement

綜合收益賬

For the year ended 31 December 2011
截至2011年12月31日止年度

		Notes 附註	2011 HK\$ Million 百萬港元	2010 Restated 重列 HK\$ Million 百萬港元
Revenue (turnover)	收益(營業額)	6	3,593.2	3,064.1
Other income	其他收入	8	224.3	45.8
Total income	總收益		3,817.5	3,109.9
Brokerage and commission expenses	經紀及佣金費用		(214.4)	(219.0)
Direct cost and operating expenses	直接成本及經營費用		(260.1)	(296.4)
Administrative expenses	管理費用		(1,218.4)	(949.5)
Net (loss) gain on financial instruments	財務工具(虧損)收益 淨額	11	(132.3)	121.2
Net exchange gain or loss	淨匯兌損益		(46.0)	10.7
Bad and doubtful debts	呆壞賬	12	(184.5)	(109.6)
Finance costs	融資成本	13	(160.3)	(115.6)
Other expenses	其他費用		(9.5)	(15.0)
Loss on disposal of a listed associate	出售一上市聯營公司虧損		1,592.0	1,536.7
Share of results of associates	所佔聯營公司業績		—	(159.3)
Share of results of jointly controlled entities	所佔共同控制公司 業績		17.1	210.1
			6.2	5.0
Profit before taxation	除稅前溢利	14	1,615.3	1,592.5
Taxation	稅項	15	(278.8)	(233.0)
Profit for the year	是年度溢利		1,336.5	1,359.5
Profit attributable to:	應佔溢利：			
— Owners of the Company	— 本公司股東		1,032.4	1,087.0
— Non-controlling interests	— 非控股權益		304.1	272.5
			1,336.5	1,359.5
Earnings per share	每股盈利	17		
— Basic (HK cents)	— 基本(港仙)		48.8	56.8
— Diluted (HK cents)	— 攤薄(港仙)		48.8	56.8

Consolidated Statement of Comprehensive Income

綜合全面收益賬

For the year ended 31 December 2011
截至2011年12月31日止年度

		2011	2010
		HK\$ Million	Restated
		百萬港元	重列
			HK\$ Million
			百萬港元
Profit for the year	是年度溢利	1,336.5	1,359.5
Other comprehensive income	其他全面收益		
Available-for-sale investments	可供出售投資		
— Net fair value changes during the year	— 是年度公平值變動淨額	(19.2)	12.2
— Reclassification adjustment to profit or loss on disposal	— 於出售時撥至收益賬的重新分類調整	(4.3)	(2.1)
		(23.5)	10.1
Exchange differences arising on translating foreign operations	折算海外業務的匯兌差額	109.3	48.1
Reclassification adjustment to profit or loss on liquidation of subsidiaries	於清算附屬公司時撥至收益賬的重新分類調整	—	(6.7)
Reclassification adjustment to profit or loss on disposal of a listed associate	於出售一上市聯營公司時撥至收益賬的重新分類調整	—	(320.5)
Reclassification adjustment to profit or loss on liquidation of a jointly controlled entity	於清算一共同控制公司時撥至收益賬的重新分類調整	(0.3)	—
Revaluation gain on properties transferred from property and equipment to investment properties	於轉撥物業自物業及設備至投資物業的重估收益	146.0	137.5
Share of other comprehensive income (expenses) of associates	所佔聯營公司其他全面收益(支出)	0.1	(2.1)
Deferred tax relating to components of other comprehensive income	其他全面收益組成部分之有關遞延稅項	—	(2.1)
Other comprehensive income (expenses) for the year, net of tax	扣除稅項後之是年度其他全面收益(支出)	231.6	(135.7)
Total comprehensive income for the year	是年度全面收益總額	1,568.1	1,223.8
Total comprehensive income attributable to:	應佔全面收益總額：		
— Owners of the Company	— 本公司股東	1,220.4	933.7
— Non-controlling interests	— 非控股權益	347.7	290.1
		1,568.1	1,223.8

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2011
於 2011 年 12 月 31 日

			31/12/2011	31/12/2010	1/1/2010
		Notes	HK\$ Million	Restated	Restated
		附註	百萬港元	重列	重列
				百萬港元	百萬港元
Non-current Assets	非流動資產				
Investment properties	投資物業	18	714.0	288.4	130.1
Leasehold interests in land	租賃土地權益	19	10.0	10.0	13.0
Property and equipment	物業及設備	20	220.6	274.6	248.7
Intangible assets	無形資產	21	1,023.5	1,186.7	1,354.3
Goodwill	商譽	22	2,384.0	2,384.0	2,384.0
Interest in associates	聯營公司權益	25	56.7	56.6	4,185.2
Interest in jointly controlled entities	共同控制公司權益	26	122.1	116.4	72.0
Available-for-sale investments	可供出售投資	27	316.2	292.1	286.2
Statutory deposits	法定按金		26.9	50.8	36.0
Deferred tax assets	遞延稅項資產	28	92.7	94.1	100.5
Amounts due from associates	聯營公司欠賬	30	51.3	56.2	56.1
Loans and advances to consumer finance customers	私人財務客戶貸款及墊款	31	2,972.6	2,291.9	1,870.2
Deposits for acquisition of property and equipment and other receivables	購買物業及設備之按金及其他應收賬		36.5	33.4	—
Financial assets at fair value through profit or loss	透過收益賬按公平值列賬的財務資產	32	236.7	—	—
			8,263.8	7,135.2	10,736.3
Current Assets	流動資產				
Amounts due from associates	聯營公司欠賬	30	12.5	14.1	3.0
Loans and advances to consumer finance customers	私人財務客戶貸款及墊款	31	4,583.5	3,172.6	2,524.2
Financial assets at fair value through profit or loss	透過收益賬按公平值列賬的財務資產	32	536.0	641.5	677.6
Trade and other receivables	經營及其他應收賬	33	6,345.7	6,676.4	5,587.2
Amount due from a fellow subsidiary	同系附屬公司欠賬		—	—	0.7
Taxation recoverable	應收稅項		16.9	1.4	2.3
Cash, deposits and cash equivalents	現金、存款及現金等價物	34	2,736.0	2,510.1	1,346.0
			14,230.6	13,016.1	10,141.0
Current Liabilities	流動負債				
Bank and other borrowings	銀行及其他借款	35	(1,646.4)	(1,695.7)	(2,242.7)
Trade and other payables	經營及其他應付賬	36	(1,023.7)	(1,358.8)	(1,547.0)
Financial liabilities at fair value through profit or loss	透過收益賬按公平值列賬的財務負債	37	(14.9)	(6.3)	(36.1)
Mandatory convertible notes	強制性可換股票據	38	—	(32.6)	—
Amount due to an associate of a holding company	控股公司之聯營公司貸賬	39	(24.7)	—	—
Amounts due to fellow subsidiaries and a holding company	同系附屬公司及控股公司貸賬	39	(1,256.2)	(767.8)	(1,573.1)
Amounts due to associates	聯營公司貸賬	39	(2.2)	(8.4)	(8.1)
Provisions	準備	40	(46.5)	(72.9)	(12.4)
Taxation payable	應付稅項		(100.6)	(105.1)	(74.2)
			(4,115.2)	(4,047.6)	(5,493.6)
Net Current Assets	流動資產淨值		10,115.4	8,968.5	4,647.4
Total Assets less Current Liabilities	總資產減流動負債		18,379.2	16,103.7	15,383.7

Consolidated Statement of Financial Position
綜合財務狀況表At 31 December 2011
於2011年12月31日

			31/12/2011	31/12/2010	1/1/2010
				Restated	Restated
				重列	重列
		Notes	HK\$ Million	HK\$ Million	HK\$ Million
		附註	百萬港元	百萬港元	百萬港元
Capital and Reserves	資本及儲備				
Share capital	股本	41	421.9	355.1	350.4
Reserves	儲備		11,665.6	11,010.1	12,320.3
Equity attributable to owners of the Company	本公司股東應佔權益		12,087.5	11,365.2	12,670.7
Non-controlling interests	非控股權益		2,315.5	1,862.9	1,743.7
Total Equity	權益總額		14,403.0	13,228.1	14,414.4
Non-current Liabilities	非流動負債				
Deferred tax liabilities	遞延稅項負債	28	204.6	224.0	250.7
Bank and other borrowings	銀行及其他借款	35	3,203.5	2,044.8	209.9
Mandatory convertible notes	強制性可換股票據	38	—	45.9	—
Amount due to an associate of a holding company	控股公司之聯營公司 貸賬	39	—	47.2	—
Provisions	準備	40	12.3	11.3	6.0
Bonds	債券	43	555.8	502.4	502.7
			3,976.2	2,875.6	969.3
			18,379.2	16,103.7	15,383.7

The consolidated financial statements on pages 130 to 271 were approved and authorised for issue by the Board of Directors on 26 March 2012 and are signed on its behalf by:

第130頁至第271頁的綜合財務報表經董事會於2012年3月26日批准及授權刊發，並由下列董事代表簽署：

Lee Seng Huang

李成煌
Director
董事

Peter Anthony Curry

Director
董事

Statement of Financial Position

財務狀況表

At 31 December 2011
於 2011 年 12 月 31 日

		Notes 附註	31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Non-current Assets	非流動資產			
Intangible assets	無形資產	21	1.1	1.1
Interest in subsidiaries	附屬公司權益	24	3,990.9	4,290.4
Deferred tax assets	遞延稅項資產	28	—	0.4
Amounts due from subsidiaries	附屬公司欠賬	29	6,253.0	3,869.2
Amounts due from associates	聯營公司欠賬	30	54.4	59.2
			10,299.4	8,220.3
Current Assets	流動資產			
Trade and other receivables	經營及其他應收賬		0.3	—
Amounts due from subsidiaries	附屬公司欠賬	29	684.4	—
Amounts due from associates	聯營公司欠賬	30	0.9	0.8
Cash, deposits and cash equivalents	現金、存款及現金等價物	34	1.4	1.1
			687.0	1.9
Current Liabilities	流動負債			
Amounts due to subsidiaries	附屬公司貸賬	29	(111.0)	(240.6)
Trade and other payables	經營及其他應付賬		(5.7)	(6.1)
Amount due to a holding company	控股公司貸賬		(0.8)	(0.9)
Financial liabilities at fair value through profit or loss	透過收益賬按公平值列賬的財務負債	37	(0.6)	(4.6)
Mandatory convertible notes	強制性可換股票據	38	—	(32.6)
Taxation payable	應付稅項		(2.8)	—
			(120.9)	(284.8)
Net Current Assets (Liabilities)	流動資產(負債)淨額		566.1	(282.9)
Total Assets less Current Liabilities	總資產減流動負債		10,865.5	7,937.4
Capital and Reserves	資本及儲備			
Share capital	股本	41	421.9	355.1
Reserves	儲備	44	10,443.6	7,536.4
Equity attributable to owners of the Company	本公司股東應佔權益		10,865.5	7,891.5
Non-current Liability	非流動負債			
Mandatory convertible notes	強制性可換股票據	38	—	45.9
			10,865.5	7,937.4

Lee Seng Huang
李成煌
Director
董事

Peter Anthony Curry
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2011
截至2011年12月31日止年度

		Attributable to owners of the Company 本公司股東應佔													
		Share capital	Share premium	Capital redemption reserve	Equity element of convertible notes and warrants	Shares held for Employee Ownership Scheme	Employee share-based compensation reserve	Exchange reserve	Re-valuation reserve	Capital reserves	Retained earnings	Dividend reserve	Non-controlling interests	Total equity	
		股本	股份溢價	儲備	可換股票據及認股權證	股份為僱員計劃持有	儲備	匯兌儲備	重估儲備	資本儲備	保留溢利	股息儲備	總額	權益總額	
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	
		Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	
At 1 January 2011	於2011年1月1日	355.1	5,438.0	58.3	1,616.5	(23.7)	10.3	10.8	379.5	0.6	3,200.2	319.6	11,365.2	1,862.9	13,228.1
Profit for the year	是年度溢利	—	—	—	—	—	—	—	—	—	1,032.4	—	1,032.4	304.1	1,336.5
Other comprehensive income (expenses) for the year (Note 42)	是年度其他全面收益(支出) (附註42)	—	—	—	—	—	—	65.4	122.5	0.2	(0.1)	—	188.0	43.6	231.6
Total comprehensive income (expenses) for the year	是年度全面收益(支出)總額	—	—	—	—	—	—	65.4	122.5	0.2	1,032.3	—	1,220.4	347.7	1,568.1
Recognition of equity-settled share-based payments	確認從權益支付的以股份結算支出	—	—	—	—	—	9.0	—	—	—	—	—	9.0	—	9.0
Purchase of shares held for the SHK Employee Ownership Scheme	為新鴻基僱員股份擁有計劃而購入的股份	—	—	—	—	(14.7)	—	—	—	—	—	—	(14.7)	—	(14.7)
Vesting of shares of the SHK Employee Ownership Scheme	新鴻基僱員股份擁有計劃的股份歸屬	—	—	—	—	18.8	(10.2)	—	—	—	(8.6)	—	—	—	—
Final dividend paid	支付末期股息	—	—	—	—	—	—	—	—	—	—	(313.2)	(313.2)	—	(313.2)
Interim dividend declared	宣告中期股息	—	—	—	—	—	—	—	—	—	(211.7)	211.7	—	—	—
Interim dividend paid	支付中期股息	—	—	—	—	—	—	—	—	—	—	(199.7)	(199.7)	—	(199.7)
Shares issued for scrip dividends	就以股代息所發行的股份	0.7	17.7	—	—	—	—	—	—	—	—	(18.4)	—	—	—
Shares repurchased and cancelled	回購及註銷股份	(2.2)	—	2.2	—	—	—	—	—	—	—	(44.2)	—	(44.2)	(44.2)
Conversion of mandatory convertible notes	轉換強制性可換股票據	68.3	1,555.3	—	(1,558.9)	—	—	—	—	—	—	—	64.7	—	64.7
Proposed final dividend	擬派末期股息	—	—	—	—	—	—	—	—	—	(210.8)	210.8	—	—	—
Formation of new subsidiaries	成立新附屬公司	—	—	—	—	—	—	—	—	—	—	—	—	122.4	122.4
Dividends paid to non-controlling interests	支付股息予非控股權益	—	—	—	—	—	—	—	—	—	—	—	—	(17.5)	(17.5)
At 31 December 2011	於2011年12月31日	421.9	7,011.0	60.5	57.6	(19.6)	9.1	76.2	502.0	0.8	3,757.2	210.8	12,087.5	2,315.5	14,403.0

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2011
截至2011年12月31日止年度

		Attributable to owners of the Company 本公司股東應佔													
		Share capital	Share premium	Capital redemption reserve	Equity element of convertible notes and warrants	Shares held for Employee Ownership Scheme	Employee share-based compensation reserve	Exchange reserve	Re-valuation reserve	Capital reserves	Retained earnings	Dividend reserve	Total	Non-controlling interests	Total equity
		股本	股份溢價	資本贖回儲備	可換股票據及認股權證的權益部份	為僱員股份計劃持有的股份	以股份支付的僱員酬金儲備	匯兌儲備	重估儲備	資本儲備	保留溢利	股息儲備	總額	非控股權益	權益總額
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million	Million
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
At 1 January 2010, as previously stated	於2010年1月1日，按以往列賬	350.4	5,306.2	57.6	—	(28.0)	9.0	321.3	245.1	(21.4)	6,163.4	279.8	12,683.4	1,744.7	14,428.1
Effect on changes in accounting policies (Note 2)	會計政策改變之影響 (附註2)	—	—	—	—	—	—	—	—	—	(12.7)	—	(12.7)	(1.0)	(13.7)
As restated	重列	350.4	5,306.2	57.6	—	(28.0)	9.0	321.3	245.1	(21.4)	6,150.7	279.8	12,670.7	1,743.7	14,414.4
Profit for the year	是年度溢利	—	—	—	—	—	—	—	—	—	1,087.0	—	1,087.0	272.5	1,359.5
Other comprehensive income (expenses) for the year (Note 42)	是年度其他全面收益(支出) (附註42)	—	—	—	—	—	—	(310.5)	134.4	22.0	0.8	—	(153.3)	17.6	(135.7)
Total comprehensive income (expenses) for the year	是年度全面收益(支出)總額	—	—	—	—	—	—	(310.5)	134.4	22.0	1,087.8	—	933.7	290.1	1,223.8
Recognition of equity-settled share-based payments	確認從權益支付的以股份結算支出	—	—	—	—	—	9.2	—	—	—	—	—	9.2	—	9.2
Purchase of shares held for the SHK Employee Ownership Scheme	為新鴻基僱員股份擁有計劃而購入的股份	—	—	—	—	(3.6)	—	—	—	—	—	—	(3.6)	—	(3.6)
Vesting of shares of the SHK Employee Ownership Scheme	新鴻基僱員股份擁有計劃的股份歸屬	—	—	—	—	7.9	(7.9)	—	—	—	—	—	—	—	—
Adjustment to 2009 final dividend	調整2009年末期股息	—	—	—	—	—	—	—	—	—	(0.5)	0.5	—	—	—
Special dividend	特別股息	—	—	—	—	—	—	—	—	—	(3,527.0)	3,527.0	—	—	—
Distribution in specie	實物分派	—	—	—	—	—	—	—	—	—	—	(3,807.3)	(3,807.3)	—	(3,807.3)
Interim dividend declared	宣告中期股息	—	—	—	—	—	—	—	—	—	(174.9)	174.9	—	—	—
Interim dividend paid	支付中期股息	—	—	—	—	—	—	—	—	—	—	(174.9)	(174.9)	—	(174.9)
Shares issued for scrip dividends	就以股代息所發行的股份	5.4	131.8	—	—	—	—	—	—	—	—	—	137.2	—	137.2
Shares repurchased and cancelled	回購及註銷股份	(0.7)	—	0.7	—	—	—	—	—	—	—	—	(16.3)	—	(16.3)
Issue of mandatory convertible notes and warrants	發行強制性可換股票據及認股權證	—	—	—	1,616.5	—	—	—	—	—	—	—	1,616.5	—	1,616.5
Proposed final dividend	擬派末期股息	—	—	—	—	—	—	—	—	—	(319.6)	319.6	—	—	—
Dividends paid to non-controlling interests	支付股息予非控股權益	—	—	—	—	—	—	—	—	—	—	—	—	(170.9)	(170.9)
At 31 December 2010	於2010年12月31日	355.1	5,438.0	58.3	1,616.5	(23.7)	10.3	10.8	379.5	0.6	3,200.2	319.6	11,365.2	1,862.9	13,228.1

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2011
截至2011年12月31日止年度

	Notes 附註	2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
OPERATING ACTIVITIES	經營活動		
Profit before taxation	除稅前溢利	1,615.3	1,592.5
Adjustments for:	調整項目：		
— Share of results of associates	— 所佔聯營公司業績	(17.1)	(210.1)
— Share of results of jointly controlled entities	— 所佔共同控制公司業績	(6.2)	(5.0)
— Dividend income	— 股息收入	(14.1)	(10.3)
— Interest income	— 利息收入	(2,760.3)	(2,098.4)
— Profit on disposal of a subsidiary	— 出售附屬公司溢利	—	(29.3)
— Profit on liquidation of subsidiaries	— 清算附屬公司溢利	—	(3.7)
— Loss on disposal of a listed associate	— 出售一上市聯營公司虧損	—	159.3
— Profit on disposal of an associate	— 出售聯營公司溢利	(13.4)	—
— Profit on disposal of available-for-sale investments	— 出售可供出售投資溢利	(5.2)	(2.1)
— Reversal of impairment loss on interest in associates	— 聯營公司權益減值虧損撥回	—	(0.2)
— Bad and doubtful debts	— 呆壞賬	184.5	109.6
— Increase in fair value of investment properties	— 投資物業公平值增加	(192.6)	(5.3)
— Impairment loss on intangible assets	— 無形資產的減值虧損	—	1.0
— Impairment loss on available-for-sale investments	— 可供出售投資的減值虧損	0.5	—
— Impairment loss on amounts due from associates	— 聯營公司欠賬的減值虧損	4.9	0.3
— Fair value loss (gain) on financial instruments	— 財務工具的公平值虧損(收益)	202.1	(4.2)
— Amortisation of leasehold interests in land	— 攤銷租賃土地權益	0.4	0.4
— Amortisation of intangible assets	— 攤銷無形資產	198.9	186.1
— Depreciation of property and equipment	— 物業及設備折舊	49.4	40.9
— Expenses recognised for the SHK Employee Ownership Scheme	— 就新鴻基僱員股份擁有計劃所確認的費用	9.0	9.2
— Interest expenses	— 利息費用	155.8	107.6
— Net loss on disposal of equipment and intangible assets	— 出售設備及無形資產的虧損淨額	4.1	3.7
— Exchange difference	— 匯兌差額	61.1	23.6
Operating cash flows before movements in working capital	流動資本變動前的經營現金流量	(522.9)	(134.4)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2011
截至2011年12月31日止年度

	Notes 附註	2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Increase in loans and advances to consumer finance customers	私人財務客戶貸款及墊款增加	(2,165.6)	(1,126.6)
Decrease (increase) in trade and other receivables	經營及其他應收賬減少(增加)	304.7	(1,089.4)
(Increase) decrease in financial assets at fair value through profit or loss	透過收益賬按公平值列賬的財務資產(增加)減少	(348.4)	41.8
Decrease in amount due from fellow subsidiaries	同系附屬公司欠賬減少	—	0.7
Decrease in trade and other payables	經營及其他應付賬減少	(332.2)	(186.0)
Increase (decrease) in financial liabilities at fair value through profit or loss	透過收益賬按公平值列賬的財務負債增加(減少)	8.6	(31.4)
Decrease in amounts due to fellow subsidiaries and a holding company	同系附屬公司及控股公司貨賬減少	(0.2)	(0.2)
(Decrease) increase in provisions	準備(減少)增加	(16.8)	54.7
Cash used in operations	經營所用現金	(3,072.8)	(2,470.8)
Interest received	已收利息	2,721.5	2,061.3
Dividends received from held for trading investments	已收持作買賣投資股息	5.0	4.6
Interest paid	已付利息	(147.4)	(110.0)
Taxation paid	稅項繳付	(317.6)	(222.2)
NET CASH USED IN OPERATING ACTIVITIES	於經營活動所用現金淨額	(811.3)	(737.1)
INVESTING ACTIVITIES	投資活動		
Purchase of property and equipment	購入物業及設備	(67.1)	(66.0)
Purchase of intangible assets	購入無形資產	(34.0)	(19.5)
Disposal of a subsidiary	出售附屬公司	—	39.6
Liquidation of subsidiaries	清算附屬公司	—	(11.8)
Repayment of amount due from associates	聯營公司欠賬的還款	—	2.1
Dividends received from associates	收取聯營公司股息	13.7	47.5
Expenses paid for disposal of a listed associate	出售一上市聯營公司所付費用	—	(2.9)
Proceeds on disposal of an associate	出售聯營公司所得款項	13.4	—
Capital injection to a jointly controlled entity	注入共同控制公司股本	—	(0.2)
Repayment of amount due to a jointly controlled entity	償還共同控制公司貸款	—	(52.0)
Liquidation of a jointly controlled entity	清算共同控制公司	1.0	—
Dividends received from available-for-sale investments	收取可供出售投資股息	4.9	5.7
Purchase of available-for-sale investments	購入可供出售投資	(52.9)	(6.8)
Proceeds on disposal of available-for-sale investments	出售可供出售投資所得款項	10.0	7.4
Net refund (payment) of statutory deposits	法定按金退款(付款)淨額	24.0	(14.8)
Payment of deposits for acquisition of equipment	購買設備所付按金	(16.2)	(20.4)
Purchase of long-term financial assets designated as at fair value through profit or loss	購入選定為透過收益賬按公平值列賬的長期財務資產	(44.9)	—
Fixed deposits with banks placed	設立銀行定期存款	(653.5)	(282.4)
NET CASH USED IN INVESTING ACTIVITIES	於投資活動所用現金淨額	(801.6)	(374.5)

Consolidated Statement of Cash Flows
綜合現金流量表For the year ended 31 December 2011
截至2011年12月31日止年度

		Notes 附註	2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
FINANCING ACTIVITIES	融資活動			
Dividends paid	股息支付		(512.9)	(37.7)
Dividends to non-controlling interests	付予非控股權益之股息		(17.4)	(171.3)
Capital contribution by non-controlling interests	非控股權益注入股本		122.4	—
Net short-term bank and other borrowings raised (repaid)	提取(償還)短期銀行及其他借款淨額		10.5	(925.7)
New long-term bank and other loans raised	提取新長期銀行及其他借款		1,139.7	2,177.1
Repayment of long-term bank loans	償還長期銀行借款		(17.3)	(15.6)
Issue of bonds	發行債券		591.0	—
Repayment of bonds	償還債券		(500.0)	—
Short-term loans due to fellow subsidiaries raised	提取所欠同系附屬公司短期貸款		600.0	—
Short-term loans due to fellow subsidiaries repaid	償還所欠同系附屬公司短期貸款		(112.7)	(802.8)
Loan due to an associate of a holding company raised	提取控股公司之聯營公司貸款		—	47.1
Loan due to an associate of a holding company repaid	償還控股公司之聯營公司貸款		(24.1)	—
Purchase of shares for the SHK Employee Ownership Scheme	就新鴻基僱員股份擁有計劃所購入的股份		(14.7)	(3.6)
Shares repurchased and cancelled	回購及註銷股份		(44.2)	(16.3)
Proceeds from issue of mandatory convertible notes and warrants	發行強制性可換股票據及認股權證所得款項		—	1,708.0
NET CASH FROM FINANCING ACTIVITIES	於融資活動所得現金淨額		1,220.3	1,959.2
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)增加淨額		(392.6)	847.6
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於1月1日的現金及現金等價物		2,177.7	1,328.0
Effect of foreign exchange rate changes	外幣匯率變動的影響		10.0	2.1
			1,795.1	2,177.7
CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented by	於12月31日的現金及現金等價物			
Cash and cash equivalents	現金及現金等價物	34	1,795.1	2,227.7
Bank overdrafts	銀行透支	35	—	(50.0)
			1,795.1	2,177.7

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
截至2011年12月31日止年度

1. GENERAL

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited. Its parent is AP Emerald Limited. Its ultimate holding company is Allied Group Limited, a public limited company which is listed and incorporated in Hong Kong. The ultimate controlling party of the Company is the trustees of Lee and Lee Trust. The address of the principal place of business of the trustees of Lee and Lee Trust is 24/F, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong. The address of the registered office of the Company is disclosed in the Corporate Information of the Annual Report. The principal place of business of the Company is in Hong Kong.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

The principal activity of the Company is to act as an investment holding company and the principal activities of its major subsidiaries are disclosed in Note 50.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied a number of new and revised Standards, Amendments to Standards and Interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Except as described below, the adoption of the new and revised HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

1. 簡介

本公司為一間在香港註冊成立的公眾有限公司，其股本於香港聯合交易所有限公司上市。其母公司為AP Emerald Limited，最終控股公司為在香港成立及上市之公眾有限公司聯合集團有限公司，而本公司最終控制方為Lee and Lee Trust的受託人，其主要營業地點的地址為香港灣仔告士打道138號聯合鹿島大廈24樓。本公司註冊辦事處地址於本年報公司資料一節中披露。本公司主要經營地區在香港。

本財務報表以港元呈列，港元亦是本公司的功能貨幣。

本公司主要業務是作為控股投資公司，其主要附屬公司的主要業務於附註50中披露。

2. 採用新及經修訂的香港財務報告準則

於本年度，集團已應用多項由香港會計師公會頒佈的新增及經修訂準則、準則修正及詮釋(統稱「新增及經修訂HKFRSs」)。除以下所述以外，採納新增及經修訂HKFRSs對本會計期度或過往會計期度之集團綜合財務報表並無重大影響。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011
截至2011年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

HKAS 24 (Revised) Related Party Disclosures

HKAS 24 (as revised in 2009) has changed the definition of a related party. The application of the revised definition of related party set out in HKAS 24 (as revised in 2009) in the current year has resulted in the identification of related parties that were not identified as related parties under the previous Standard. Specifically, associates of the Company's ultimate holding company and its subsidiaries are treated as related parties of the Group under the revised Standard whilst such entities were not treated as related parties of the Group under the previous Standard. The related party disclosures set out in Note 39 to the consolidated financial statements have been changed to reflect the application of the revised Standard. Changes have been applied retrospectively.

HKAS 12 (Amendment) Deferred Tax: Recovery of Underlying Assets

The amendments to HKAS 12 provide an exception to the general principles in HKAS 12 that the measurement of deferred tax assets and deferred tax liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset. Specifically, under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 Investment Property are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

2. 採用新及經修訂的香港財務報告準則(續)

HKAS 24 (經修訂)有關連人士之披露

HKAS 24(2009年經修訂)對有關連人士的定義作出更改。於本年度應用HKAS 24(2009年經修訂)所載對有關連人士的經修訂定義導致根據過往準則未獲識別之有關連人士現識別為有關連人士。具體而言，根據經修訂準則，本公司最終控股公司及其附屬公司的聯營公司被視為集團的有關連人士，而根據過往準則，該等實體並無被視為集團的有關連人士。綜合財務報表附註39所載的有關連人士披露事項已作出更改，以反映應用經修訂準則。有關更改已追溯應用。

HKAS 12 (經修正)遞延稅項：相關資產收回

HKAS 12之修正提供有關HKAS 12一般原則的例外情況，訂明遞延稅項資產及遞延稅項負債的計量應反映實體預期收回資產的賬面值的方式所帶來的稅務後果。具體而言，根據該等修正，為計量遞延稅項，根據HKAS 40投資物業採用公平值模式計量的投資物業被假定為透過銷售收回，除非此假定在若干情況下被駁回。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011
截至2011年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

HKAS 12 (Amendment) Deferred Tax: Recovery of Underlying Assets (continued)

In current year, the Company has adopted the amendments to HKAS 12 retrospectively in advance of its mandatory effective date (i.e. from 1 January 2012). The adoption resulted in a change in accounting policy in the current year regarding the measurement of deferred tax of investment properties of the Group. The adoption of the amendments resulted in a decrease in the current year's taxation of HK\$27.9 million, an increase in other comprehensive income for the year of HK\$23.3 million and an increase in basic and diluted earnings per share of HK1.3 cents. The adjustments to prior periods are as follows:

2. 採用新及經修訂的香港財務報告準則(續)

HKAS 12 (經修正)遞延稅項：相關資產收回(續)

於本年度，集團已在HKAS 12之修正的強制生效日期(即2012年1月1日)前追溯採納該等修正。採納該等修正導致本年度有關計量集團投資物業遞延稅項的會計政策改變。採納該等修正導致是年度稅項減少27.9百萬港元、是年度其他全面收益增加23.3百萬港元，以及每股基本及攤薄盈利增加1.3港仙。對過往期間作出的調整如下：

		As previously reported 按以往列賬 HK\$ Million 百萬港元	Adjustments 調整 HK\$ Million 百萬港元	As restated 重列 HK\$ Million 百萬港元
Consolidated income statement for the year ended 31 December 2010	截至2010年12月31日之綜合收益賬			
— Taxation	— 稅項	(232.3)	(0.7)	(233.0)
— Profit for the year	— 是年度溢利	1,360.2	(0.7)	1,359.5
— Profit attributable to owners of the Company	— 本公司股東應佔溢利	1,087.7	(0.7)	1,087.0
— Basic earnings per share (HK cents)	— 每股基本盈利(港仙)	56.8	—	56.8
— Diluted earnings per share (HK cents)	— 每股攤薄盈利(港仙)	56.8	—	56.8
Consolidated statement of financial position as at 1 January 2010	於2010年1月1日之綜合財務狀況表			
— Deferred tax liabilities	— 遞延稅項負債	(237.0)	(13.7)	(250.7)
— Retained earnings	— 保留溢利	(6,163.4)	12.7	(6,150.7)
— Non-controlling interests	— 非控股權益	(1,744.7)	1.0	(1,743.7)
Consolidated statement of financial position as at 31 December 2010	於2010年12月31日之綜合財務狀況表			
— Deferred tax liabilities	— 遞延稅項負債	(229.2)	5.2	(224.0)
— Exchange reserve	— 匯兌儲備	(11.3)	0.5	(10.8)
— Revaluation reserve	— 重估儲備	(359.4)	(20.1)	(379.5)
— Retained earnings	— 保留溢利	(3,213.6)	13.4	(3,200.2)
— Non-controlling interests	— 非控股權益	(1,863.9)	1.0	(1,862.9)

Notes to the Consolidated Financial Statements
綜合財務報表附註For the year ended 31 December 2011
截至2011年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

New and revised Standards and Interpretations in issue but not yet effective

The Group has not early applied the following new and revised standards and amendments that have been issued but are not yet effective, and are relevant to the operations of the Group.

HKAS 1 (Amendment)	Presentation of Items of Other Comprehensive Income ¹
HKAS 27 (2011)	Separate Financial Statements ²
HKAS 28 (2011)	Investments in Associates and Joint Ventures ²
HKAS 32 (Amendment)	Offsetting Financial Assets and Financial Liabilities ³
HKFRS 7 (Amendment)	Disclosures — Offsetting Financial Assets and Financial Liabilities ² Mandatory Effective Date of HKFRS 9 and Transition Disclosures ⁴
HKFRS 9	Financial Instruments ⁴
HKFRS 10	Consolidated Financial Statements ²
HKFRS 11	Joint Arrangements ²
HKFRS 12	Disclosure of Interests in Other Entities ²
HKFRS 13	Fair Value Measurement ²

¹ Effective for annual periods beginning on or after 1 July 2012² Effective for annual periods beginning on or after 1 January 2013³ Effective for annual periods beginning on or after 1 January 2014⁴ Effective for annual periods beginning on or after 1 January 2015

The amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that will be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis.

2. 採用新及經修訂的香港財務報告準則(續)

已頒佈但未生效之新及經修訂準則和詮釋

集團並無提早應用以下已頒佈但未生效並對集團營運有關的新或經修訂準則或修正。

HKAS 1 (經修正)	其他全面收益項目之呈列 ¹
HKAS 27 (2011年)	獨立財務報表 ²
HKAS 28 (2011年)	於聯營公司及合營公司之投資 ²
HKAS 32 (經修正)	抵銷財務資產及財務負債 ³
HKFRS 7 (經修正)	披露 — 抵銷財務資產及財務負債 ² HKFRS 9之強制生效日期及過渡披露 ⁴
HKFRS 9	財務工具 ⁴
HKFRS 10	綜合財務報表 ²
HKFRS 11	合營安排 ²
HKFRS 12	披露於其他實體之權益 ²
HKFRS 13	公平值計量 ²

¹ 於2012年7月1日或其後開始的年度生效² 於2013年1月1日或其後開始的年度生效³ 於2014年1月1日或其後開始的年度生效⁴ 於2015年1月1日或其後開始的年度生效

HKAS 1之修正規定其他全面收益部份須作出額外披露，致使其他全面收益項目歸類為兩個類別：(a)其後不會重新分類至損益的項目；及(b)其後將在符合特定條件時重新分類至損益的項目。其他全面收益項目的所得稅須按同一基準分配。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011
截至2011年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

New and revised Standards and Interpretations in issue but not yet effective (continued)

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

The amendments to HKAS 32 clarify existing application issues relating to the offsetting requirements. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of set-off” and “simultaneous realisation and settlement”.

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 “Financial Instruments: Recognition and Measurement” are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, an entity may make an irrevocable election to present changes in fair value of equity investments in other comprehensive income, with only dividend income recognised in profit or loss. The application of HKFRS 9 might affect the measurement of the Group’s financial assets. The management is still in the process of assessing the impact of adoption of HKFRS 9.

2. 採用新及經修訂的香港財務報告準則(續)

已頒佈但未生效之新及經修訂準則和詮釋(續)

HKAS 1之修正於2012年7月1日或其後開始的年度生效。該等修正於未來會計期間應用時，其他全面收益項目之呈列將相應地作出修改。

HKAS 32之修正闡明現時與抵銷規定有關的應用問題。具體而言，該等修正闡明「目前擁有可合法強制執行的抵銷權」及「同時變現及結算」的定義。

於2009年頒佈的HKFRS 9引入有關財務資產分類及計量的新規定。於2010年修正的HKFRS 9包括財務負債分類及計量以及取消確認的規定。

根據HKFRS 9，在HKAS 39「財務工具：確認及計量」範圍內確認的所有財務資產，其後按攤銷成本或公平值計量。特別是，在以收取合約現金流量為目的之業務模式內持有的債務投資，以及純粹為支付本金及未償還本金的利息而擁有合約現金流量的債務投資，一般於其後會計期間結算日按攤銷成本計量。所有其他債務投資及股票投資，則於其後會計期間結算日按其公平值計量。此外，任何實體均可以不撤銷選擇在其他全面收益中呈列股權投資的公平值變動，並僅在損益中確認股息收入。應用HKFRS 9可能會對集團財務資產之計量產生影響。管理層仍在評估採納HKFRS 9的影響。

Notes to the Consolidated Financial Statements
綜合財務報表附註For the year ended 31 December 2011
截至2011年12月31日止年度**2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)**

New and revised Standards and Interpretations in issue but not yet effective (continued)

In June 2011, a package of five Standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five Standards are described below.

HKFRS 10 replaces the parts of HKAS 27 “Consolidated and Separate Financial Statements” that deal with consolidated financial statements. HK(SIC) — Int 12 “Consolidation — Special Purpose Entities” has been withdrawn upon the issuance of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor’s returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 “Interests in Joint Ventures”. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK(SIC) — Int 13 “Jointly Controlled Entities — Non-monetary Contributions by Venturers” has been withdrawn upon the issuance of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities are currently under HKAS 31 accounted for using the equity method of accounting.

2. 採用新及經修訂的香港財務報告準則(續)

已頒佈但未生效之新及經修訂準則和詮釋(續)

於2011年6月，香港會計師公會就綜合賬目、合營安排、聯營公司及披露頒佈一套五項之準則，包括HKFRS 10、HKFRS 11、HKFRS 12、HKAS 27(2011年經修訂)及HKAS 28(2011年經修訂)。

此五項準則主要規定載述如下。

HKFRS 10取代HKAS 27「綜合及獨立財務報表」有關處理綜合財務報表的部份。HK(SIC) — Int 12「綜合賬目 — 特殊目的公司」已於HKFRS 10頒佈後撤銷。根據HKFRS 10，只有一個綜合賬目基準，即控制權。此外，HKFRS 10包括控制權的新定義，其中包含三個元素：(a)有權控制投資對象，(b)需面對或有權獲得投資對象營運所得浮動回報，及(c)有能力運用權力予投資對象以影響投資者回報金額。HKFRS 10已就複雜情況的處理方法加入詳細指引。

HKFRS 11取代HKAS 31「於合營公司之權益」。HKFRS 11訂明兩個或以上團體擁有共同控制權的合營安排之分類方式。HK(SIC) — Int 13「共同控制公司 — 合資控制者之非貨幣性投入」已於HKFRS 11頒佈後撤銷。根據HKFRS 11，合營安排分類為合營業務或合營公司，視乎參與安排各方的權利與義務而定。相反，根據HKAS 31共有三種不同的聯營安排：共同控制公司、共同控制資產及共同控制業務。

此外，HKFRS 11所指的合營公司須採用權益法入賬，而HKAS 31所指的共同控制公司現在是採用權益法入賬。

Notes to the Consolidated Financial Statements 綜合財務報表附註

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截至2011年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

New and revised Standards and Interpretations in issue but not yet effective (continued)

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

These five standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

The Directors anticipate that these five standards will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013. The application of these five standards may have impact on amounts reported in the consolidated financial statements. However, the Directors have not yet performed a detailed analysis of the impact of the application of these Standards and hence have not yet quantified the extent of the impact.

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those required in the current standards.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

2. 採用新及經修訂的香港財務報告準則(續)

已頒佈但未生效之新及經修訂準則和詮釋(續)

HKFRS 12是一項披露準則，對於附屬公司、合營安排、聯營公司及／或非綜合入賬的結構性實體中擁有權益的實體適用。一般而言，HKFRS 12的披露規定較現行準則的規定更為廣泛。

此五項準則於2013年1月1日或其後開始的年度生效。該等準則可提前應用，惟此五項準則須全部同時提前應用。

董事預期，此五項準則將於集團於2013年1月1日開始的年度的綜合財務報表採納。應用此五項準則可能會對綜合財務報表所呈報的金額造成影響。然而，董事尚未對應用此等準則的影響進行詳細分析，故尚未量化有關影響程度。

HKFRS 13確立對公平值計量及披露公平值計量的單一指引。該準則界定公平值，確立計量公平值的框架，以及規定對公平值計量作出披露。HKFRS 13的範圍廣泛；除指定情況外，該準則適用於其他HKFRSs規定或准許公平值計量及披露公平值計量的財務工具項目及非財務工具項目。一般而言，HKFRS 13的披露規定較現行準則更為廣泛。

HKFRS 13於2013年1月1日或其後開始的年度生效，並可提前應用。

Notes to the Consolidated Financial Statements
綜合財務報表附註For the year ended 31 December 2011
截至2011年12月31日止年度**2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)**

New and revised Standards and Interpretations in issue but not yet effective (continued)

The Directors anticipate that HKFRS 13 will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013 and that the application of the new Standard may affect the amounts reported in the financial statements and result in more extensive disclosures in the financial statements.

The Directors anticipate that the application of the other new and revised standards and amendments will have no material impact on the results and the financial position of the Group.

3. RESTATEMENT OF COMPARATIVES

In addition to the restatements arising from the change of accounting policy as stated in Note 2 above, the Group has made the following reclassification of comparatives in its consolidated financial statements.

In prior years, the net gain or loss on financial instruments ("Net Gain or Loss") were classified under revenue. The net exchange gain and net exchange loss were classified under other income and other expenses respectively. In the current year, the Directors have determined that the Net Gain or Loss and the net exchange gain and loss are classified as two separate items in the consolidated income statement. Accordingly, the comparatives of the consolidated income statement are restated: — Net Gain or Loss of HK\$121.2 million and net exchange gain of HK\$10.7 million were reclassified out of revenue and other income respectively.

In the current year, accrued interest expense of the Group as at 31 December 2010 amounting to HK\$14.3 million (1/1/2010: HK\$10.8 million) which was included in trade and other payables in prior years was reclassified to respective financial liabilities. In consistent with the current presentation, which is considered to be more appropriate, the comparatives of bank and other borrowings, amount due to an associate of a holding company, amounts due to fellow subsidiaries and bonds were restated.

2. 採用新及經修訂的香港財務報告準則(續)

已頒佈但未生效之新及經修訂準則和詮釋(續)

董事預期，HKFRS 13將於集團於2013年1月1日開始的年度的綜合財務報表採納，而應用新訂準則可能對財務報表所呈報的金額造成影響，並引致於財務報表作出更廣泛披露。

董事預期採納其他新及經修訂準則和修正對集團的業績及財務狀況將無重大影響。

3. 重列比較數字

除上述附註2中所載就會計政策改變所引致之重列外，集團亦有以下於綜合財務報表中之比較數字重新分類。

於往年，財務工具所產生之淨溢利或淨虧損(「淨損益」)是分類於收益內，匯兌淨收益或淨虧損是分別分類於其他收入或其他費用內。本公司董事於本年度決定將該淨損益及匯兌淨收益或淨虧損以兩獨立項目分類於綜合收益賬中，於綜合收益賬的比較數字因而重列：分別於收益及其他收入撥出121.2百萬港元之淨損益及10.7百萬港元之匯兌淨收益。

集團於2010年12月31日應付利息費用14.3百萬港元(2010年1月1日：10.8百萬港元)於以往年度是包括於經營及其他應付賬內，於本年是重新分類至有關財務負債中。為符合此較為合適之本年度呈列方式，銀行及其他借款、控股公司之聯營公司貸賬、同系附屬公司貸賬及債券之比較數字因而重列。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011
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3. RESTATEMENT OF COMPARATIVES (CONTINUED)

In the current year in segment information, the Group has renamed the Corporate Finance segment to Capital Markets segment, changed the bases of cost allocation and reorganised certain components of segments. The comparatives of the segment information are restated. Further details of the restatement are disclosed in Note 7.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the financial statements include the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair value, as explained in the accounting policies set out below.

(b) Basis of preparation and consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries and the Group's interest in associates and jointly controlled entities. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal, as appropriate.

All intra-group transactions, balances, income and expenses within the Group are eliminated on consolidation.

3. 重列比較數字(續)

集團於本年度分項資料中將企業融資分項更名為資本市場分項、改變成本分配基準以及重組分項中若干組合，分項資料之比較數字因而重列，進一步詳情於附註7披露。

4. 重要會計政策

(a) 遵例聲明

本財務報表是根據香港會計師公會頒佈的香港財務報告準則而編制。此外，本財務報表亦包括香港聯合交易所有限公司證券上市規則及香港公司條例的有關披露要求。

除若干於以下會計政策說明的物業及財務工具以公平值計量外，本財務報表按歷史成本常規法而編制。

(b) 編制及綜合賬目的基準

本綜合財務報表包括本公司及其附屬公司、集團於聯營公司和共同控制公司的權益。於年中購入或出售的附屬公司，其業績是從收購生效日起計，及至出售生效日止，計入綜合收益賬中。

集團內公司間的所有交易、結餘、收入及支出均於綜合賬目中對銷。

Notes to the Consolidated Financial Statements
綜合財務報表附註For the year ended 31 December 2011
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(CONTINUED)

(c) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in the consolidated income statement as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income Taxes” and HKAS 19 “Employee Benefits” respectively;
- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree’s share-based payment transactions with share-based payment transactions of the Group are measured in accordance with HKFRS 2 “Share-based Payment” at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” are measured in accordance with that Standard.

4. 重要會計政策(續)

(c) 業務合併

收購業務採用收購法入賬。業務合併中所轉讓代價乃按公平值計量，而該公平值則按集團所轉讓之資產、集團對被收購公司前擁有人所產生之負債及集團為換取被收購公司之控制權而發行之股本權益於收購日期之公平值總額計算。有關收購之成本一般於產生時在綜合收益賬中確認。

於收購日期，可識別之所收購資產及所承擔負債乃於收購日期按公平值確認，惟以下情況除外：

- 遞延稅項資產或負債及與僱員福利安排相關之負債或資產分別按 HKAS 12「所得稅」及 HKAS 19「僱員福利」確認及計量；
- 與被收購公司以股份支付交易有關之負債或權益工具，或用以取代被收購公司之以股份支付交易而出現之集團以股份支付交易有關之負債或權益工具，乃於收購日期按 HKFRS 2「以股份為基礎之付款」計量；及
- 根據 HKFRS 5「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產(或出售組合)，是根據該準則計量。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Business combinations (continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in the consolidated income statement as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in the consolidated income statement. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to the consolidated income statement where such treatment would be appropriate if that interest were disposed of.

4. 重要會計政策(續)

(c) 業務合併(續)

所轉讓之代價、被收購公司的任何非控股權益、及收購方先前持有被收購公司任何股權公平值之總和，若是超出於收購日期可識別之所收購資產及所承擔負債之淨額，超出之數為商譽。倘經過重新評估後，可識別之所收購資產與所承擔負債於收購日期之淨額，是高於轉讓之代價、被收購公司的任何非控股權益、及收購方先前持有被收購公司任何股權公平值之總和，該差額會即時於綜合收益賬內確認為議價收購收益。

屬現時擁有權權益且於清盤時賦予持有人權利按比例分佔實體資產淨值之非控股權益，按非控股權益比例而應佔被收購公司所確認之可識別資產淨值計量。

倘業務合併分階段完成，則集團先前持有於被收購公司之股權會按收購日期（即集團獲得控制權當日）之公平值重新計量，而所產生之任何收益或虧損，則於綜合損益賬中確認。就被收購公司權益而在收購日期前於其他全面收益賬所確認之數額，會重新分類至綜合損益賬（倘若有關處理方法是適用於權益出售）。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Goodwill

Goodwill arising on acquisition is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

Goodwill is tested for impairment annually, and whenever there is an indication that the cash-generating unit to which the goodwill relates may be impaired. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

On disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the profit or loss on disposal.

(e) Interest in subsidiaries

A subsidiary (including special purpose entities) is an entity over which the Group has the power to govern the financial and operating policies and is generally accompanied by a shareholding of more than one half of the voting rights so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

4. 重要會計政策(續)

(d) 商譽

因收購所產生之商譽最初作為資產按成本值確認，其後則按成本值減任何累積減值虧損。

商譽每年有檢查有否減值，凡有減值之跡象，或當與商譽有關之該個現金產生單位可能會被削減價值時檢查。就檢查有否減值而言，商譽會被撥入現金產生單位一同考慮。

出售附屬公司時，商譽應佔之數額包括在計算出售損益之中。

(e) 附屬公司權益

附屬公司(包括特別用途公司)乃集團有權在整體上掌管其財務及經營政策並一般持有過半數投票權之實體，藉此從其業務中取得利益。在估量集團是否可控制某實體時，會考慮是否有潛在目前可行使或可轉換之投票權。

集團於附屬公司之權益變動如不導致集團喪失對其控制權，將作為股權交易列賬。調整非控股權益之金額與所支付或所收取之代價公平值間之差額，會直接計入權益並歸屬為本公司股東。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Interest in subsidiaries (continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Where certain assets of the subsidiary are measured at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the accumulated amounts in equity are accounted for as if the Company had directly disposed of the related assets.

Investments in subsidiaries are included in the Company's statement of financial position at cost less impairment. The results of subsidiaries are accounted for by the Company on the basis of dividends received or receivable.

(f) Interest in associates

An associate is a company not being a subsidiary or a joint venture, in which the Group has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Interest in associates is accounted for in the consolidated financial statements under the equity method and is initially recognised at cost. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognised immediately in the consolidated income statement.

4. 重要會計政策(續)

(e) 附屬公司權益(續)

倘集團失去對附屬公司之控制權，則出售產生之損益會按以下兩者之差額計算，(i)所收代價之公平值及任何保留權益之公平值，(ii)該附屬公司之資產(包括商譽)及負債以及任何非控股權益先前之賬面值。倘附屬公司之若干資產按重估值或公平值計量，而相關累計損益已於其他全面收益中確認並於權益中累加，該等在權益中累加之數額會按猶如本公司直接出售相關資產般入賬。

附屬公司投資按成本值減去減值在本公司之財務狀況表入賬。本公司對附屬公司之業績按已收或應收股息計算。

(f) 聯營公司權益

聯營公司為附屬公司及合營企業以外，集團對其有相當影響力但並非有控制權之公司，一般持有20%至50%之間的投票權之股權。

聯營公司權益乃採用權益法在綜合財務報表中入賬，起初以成本值確認。集團於購入時所佔之可識別資產及負債公平值淨額若是超出購入成本，則任何超出之數在經過重新評估後立即於綜合收益賬中確認。

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綜合財務報表附註For the year ended 31 December 2011
截至2011年12月31日止年度4. SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(f) Interest in associates (continued)

The Group's share of its associates' post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in reserves is recognised in the reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. In the consolidated statement of financial position, interest in associates comprises the Group's share of the net assets plus goodwill identified on acquisition (net of any accumulated impairment losses).

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including its investment cost and other long-term interests, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Upon disposal of an associate that results in the Group losing significant influence over that associate, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with HKAS 39. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When the Group transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

4. 重要會計政策(續)

(f) 聯營公司權益(續)

集團所佔聯營公司收購後損益於綜合收益賬確認，其所佔收購後儲備變動則於儲備確認，收購後累積變動在投資之賬面值中調整。在綜合財務狀況表上，聯營公司權益為集團所佔淨資產以及收購時已識別之商譽(扣除任何累積減值虧損)。

當集團所佔聯營公司之虧損等於或超出其於聯營公司之權益(包括其投資成本及其他長期權益)時，除非集團已代聯營公司作出承擔或付款，否則集團不會另外確認虧損。

倘出售聯營公司會導致集團失去對該聯營公司之重大影響力，則任何保留之投資會按當日之公平值計量，而該公平值是作為根據 HKAS 39 所稱之財務資產首次確認公平值。屬於保留在該聯營公司權益之先前賬面值與其公平值之間之差額，乃計入出售該聯營公司之損益。此外，集團就該聯營公司而先前在其他全面收益所確認之所有金額，是以直接出售相關資產或負債所要求之方式入賬。

當集團與其聯營公司有交易往來時，有關損益以集團於該聯營公司之權益為限而抵銷。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Interest in associates (continued)

In the Company's statement of financial position, the interest in associates is stated at cost less impairment. The results of associates are accounted by the Company on the basis of dividends received or receivable.

(g) Interest in joint ventures

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and over which none of the participating parties has unilateral control.

A joint venture arrangement which involves the establishment of a separate entity in which each venturer has an interest is referred to as a jointly controlled entity.

The Group's interest in its jointly controlled entities is accounted for by the equity method, whereby its interest in the jointly controlled entities is initially recorded at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the jointly controlled entities. The Group's share of post-acquisition results of the jointly controlled entities is included in the consolidated income statement. In the consolidated statement of financial position, interest in jointly controlled entities comprises the Group's share of the net assets plus goodwill identified on acquisition (net of any accumulated impairment losses).

Where the Group transacts with its jointly controlled entities, unrealised profits and losses are eliminated to the extent of the Group's interest in the jointly controlled entities.

4. 重要會計政策(續)

(f) 聯營公司權益(續)

在本公司之財務狀況表中，聯營公司權益按成本值減去減值入賬。本公司按已收及應收股息對聯營公司之業績入賬。

(g) 合營企業權益

合營企業為一項合同安排，集團及其他人士進行之經濟活動由合營各方共同控制，任何一方均沒有絕對控制權。

由合營者成立一間各自擁有權益的獨立企業的合營安排視為共同控制公司。

集團於共同控制公司之權益以權益法計算，於共同控制公司權益最初以成本值入賬，其後按收購後集團應佔共同控制公司淨資產之變動調整。集團應佔共同控制公司之收購後業績計入綜合收益賬中。在綜合財務狀況表上，共同控制公司權益為集團所佔淨資產以及收購時已識別之商譽(扣除任何累積減值虧損)。

如集團與其共同控制公司有交易往來時，未兌現損益以集團於共同控制公司之權益為限而抵銷。

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截至2011年12月31日止年度**4. SIGNIFICANT ACCOUNTING POLICIES**
(CONTINUED)**(h) Investment properties**

The Group's investment properties are properties which are held for long-term rental yields or for capital appreciation or both. Investment properties are initially measured at cost including all transaction costs. Subsequent to initial recognition they are stated at fair value based on an independent professional valuation at the end of each reporting period. Any revaluation increase or decrease arising from the revaluation of investment properties is recognised in the consolidated income statement in the year in which it arises.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement in the year in which the item is derecognised.

(i) Leasehold interests in land

Leasehold interests in land are classified as operating leases and presented as "leasehold interests in land" in the statement of financial position when all the risks and rewards incidental to ownership are not substantially transferred to the Group. Leasehold interests in land are amortised in the consolidated income statement on a straight-line basis over the period of the lease or when there is impairment, the impairment is expensed in the consolidated income statement.

4. 重要會計政策(續)**(h) 投資物業**

集團之投資物業乃指持作賺取長期租金收益及／或資本增值。投資物業最初以成本值(包括交易成本)計值入賬，其後按獨立專業估值師所評定於每一結算日之公平值入賬。重估投資物業所產生之增值或減值乃於產生之年度在綜合收益賬中確認。

投資物業於出售時、當永久地不再使用時、或當出售時預期將不會產生未來經濟利益時，取消確認。取消確認該資產時所產生的任何收益或虧損(按該資產出售所得款項及賬面值的差額計算)，於該項目取消確認的年度內計入綜合收益賬。

(i) 有租契土地權益

當擁有權的相當風險及回報並未轉移予集團，有租契土地權益是分類為營運租賃，於財務狀況表內列為「有租契土地權益」。預付租賃支出是按租期以直線攤分法於綜合收益賬支銷，或當有減值時，將減值於綜合收益賬支銷。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Property and equipment

Property and equipment include buildings and leasehold land (classified as finance lease) held by the Group for its own use. All property and equipment are stated at cost, less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated using the straight-line method to write off the cost of each asset to its residual value over its estimated useful life as follows:

Property	—	shorter of the estimated useful life and the remaining lease term of land
Furniture and equipment	—	10% to 33% per annum

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

If an item of property included in "property and equipment" becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in the revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to retained earnings.

4. 重要會計政策(續)

(j) 物業及設備

物業及設備包括集團持有作為自用的樓宇及租賃土地(當分類為融資租賃時)。所有物業及設備按成本值減其後之折舊及減值入賬。成本包括直接與購置有關之支出。

折舊以直線攤分法在以下資產之估計可用年期內計算，以沖銷資產之成本值，直至剩餘價值為止。

物業	—	估計可用年期或土地租契尚餘年期之較短者
傢俬及設備	—	每年10%至33%

資產之剩餘價值及可用年期在適當時候於結算日評估及調整。若資產之賬面值大於其估計可收回數額，則立即將資產之賬面值削減至可收回數額。

當有證據表明一項包括在「物業及設備」之物業完結其自用用途而轉變為投資物業，則該項目於轉讓日之賬面值與其公平值之任何差額於其他全面收益中確認並於資產重估儲備中累加。於其後該資產出售或廢棄時，有關重估儲備將直接撥至保留盈利。

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綜合財務報表附註For the year ended 31 December 2011
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(CONTINUED)**(j) Property and equipment (continued)**

For a transfer from an investment property carried at fair value to owner-occupied property, the property's deemed cost for subsequent accounting is its fair value at the date of change in use.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in the consolidated income statement.

(k) Intangible assets**(i) Exchange participation rights and club membership**

They comprise:

- the eligibility right to trade through The Stock Exchange of Hong Kong Limited, Hong Kong Futures Exchange Limited and other Exchanges; and
- the eligibility right to use the facilities of various clubs.

The exchange participation rights are considered by the management of the Group as having an indefinite useful life because they are expected to contribute net cash flows indefinitely. The management also considers that the club membership does not have a finite useful life. They are both carried at cost less any impairment losses and are tested for impairment annually by comparing their recoverable amounts with their carrying amounts. Useful lives are also examined on an annual basis and adjustments where applicable are made on a prospective basis.

4. 重要會計政策(續)**(j) 物業及設備(續)**

對於由按公平值列賬之投資物業轉為業主自用物業，該物業在變更用途當日之公平值是被視為隨後會計處理上之成本。

當物業及設備於出售時、或當繼續使用時預期將不會產生未來經濟利益，將被取消確認。出售損益通過出售所得與賬面值相比較後確定，然後計入綜合收益賬。

(k) 無形資產**(i) 交易所參與權及會所會籍**

包括：

- 通過香港聯合交易所有限公司、香港期貨交易所有限公司及其他交易所進行交易之資格權；及
- 使用多個會所之資格權。

集團管理層視交易所參與權為沒有特定之使用期限，因為交易所參與權預期會不斷帶來淨現金流入。管理層亦認為會所會籍沒有有限的使用期限。交易所參與權與會所會籍以成本值減去減值虧損入賬。每年對其可收回價值和賬面值加以比較，以檢查有否減值。可用年期亦每年進行檢查，並以非追溯應用方式作出適當之調整。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011
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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Intangible assets (continued)

(ii) Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line method.

Costs associated with developing or maintaining computer software are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognised as assets are amortised from the dates when the software becomes available for use using the straight-line method.

(iii) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair value can be measured reliably. Such intangible assets are measured at their fair value at the acquisition date.

4. 重要會計政策(續)

(k) 無形資產(續)

(ii) 電腦軟件

購進之電腦軟件許可權按購進軟件及使其投入使用所涉及之成本進行資本化，並以直線攤分法攤銷。

開發或保養電腦軟件之成本於產生時支銷。對於可認定為集團所控制，且有可能帶來高於成本之效益超過一年之獨特軟件，將直接與其製造有關之成本入賬列為無形資產。直接成本包括軟件開發人員費用及適當之一部分管理費用。

電腦軟件開發成本入賬列為資產，並由軟件可供使用之日起按直線攤分法攤銷。

(iii) 於業務合併中所收購的無形資產

業務合併中所收購之無形資產倘符合無形資產之定義及其公平值能夠可靠地計量，則與商譽分開確定及確認。該等無形資產以收購日的公平值計量。

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綜合財務報表附註For the year ended 31 December 2011
截至2011年12月31日止年度**4. SIGNIFICANT ACCOUNTING POLICIES**
(CONTINUED)

(k) Intangible assets (continued)

(iii) Intangible assets acquired in a business combination (continued)

Subsequent to initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Intangible assets with indefinite lives are carried at cost less any impairment losses and are tested for impairment annually by comparing their recoverable amount with their carrying amount.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

(l) Investments/financial assets

(i) Classification

Financial assets of the Group are classified under the following categories:

“Financial assets at fair value through profit or loss”

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in the held for trading category if acquired principally for the purpose of selling in the short-term. All derivative financial assets are also categorised as held for trading unless they are designated as effective hedging instruments.

4. 重要會計政策(續)

(k) 無形資產(續)

(iii) 於業務合併中所收購的無形資產(續)

於初步確認後，有限定可用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬。有限定可用年期之無形資產按其估計可使用年期以直線攤分法予以攤銷。沒有特定使用期限的無形資產是以原值減減值虧損入賬，每年比較其可收回數值及賬面值作為減值檢查。

取消確認無形資產的損益，以出售所得款項淨額與資產賬面值之間的差額計算，並在取消確認資產時於綜合收益賬中確認。

(l) 投資／財務資產

(i) 分類

集團之財務資產歸為以下類別：

「透過收益賬按公平值列賬的財務資產」

此類別另分兩類：持作買賣的財務資產及起初選定為按透過收益賬按公平值列賬的財務資產。所購入之財務資產如主要作短期出售，即歸入持作買賣類別。除非衍生財務資產乃實際對沖票據，否則一律歸類為持作買賣。

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For the year ended 31 December 2011
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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Investments/financial assets (continued)

(i) Classification (continued)

“Available-for-sale investments”

This category comprises financial assets, which are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments. They include both listed and unlisted investments which are stated at fair value, except for those equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured whereby they are measured at cost.

“Loans and receivables”

This category includes trade receivables, bank balances, loans and other receivables. They arise when the Group provides money, goods or services directly to clients or brokers with no intention of trading the receivables. For those secured margin or term loans, clients are normally required to provide additional margin or securities as collateral whenever there are any shortfalls in their accounts.

(ii) Recognition and initial measurement

Purchases and sales of investments are recognised on trade date, which is the date that the Group enters into a contract to purchase or sell the asset. Financial assets at fair value through profit or loss are initially recognised at fair value with transaction costs recognised as expenses in the consolidated income statement. Financial assets which are not financial assets at fair value through profit or loss are initially recognised at fair value plus transaction costs.

4. 重要會計政策(續)

(I) 投資／財務資產(續)

(i) 分類(續)

「可供出售投資」

此類別由非衍生工具之財務資產所組成，是選定為可供出售投資，或並非分類為透過收益賬按公平值列賬的財務資產、貸款及應收賬或持至到期投資。此財務資產包括上市及非上市投資，均按公平值入賬，但如屬沒有活躍買賣市場報價且公平值不能可靠計算之股權投資，則以成本值計算。

「貸款及應收賬」

此類別包括經營應收賬、銀行結存、貸款及其他應收賬。應收賬乃集團直接向客戶或經紀提供之資金、產品或服務而無意對應收款進行買賣。至於有抵押證券放款或有期借款，當客戶戶口抵押不足時，一般要求客戶增加按金或抵押品以應付不足之數。

(ii) 確認及最初計值

購買及出售投資於交易當日確認，即於集團進行交易購買或出售資產之當日入賬。透過收益賬按公平值列賬的財務資產，最初按公平值入賬確認，其交易費用在綜合收益賬入賬，確認為支出。並非透過收益賬按公平值列賬的財務資產最初按公平值加交易費用入賬確認。

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綜合財務報表附註For the year ended 31 December 2011
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(CONTINUED)

(I) Investments/financial assets (continued)

(iii) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iv) Subsequent measurement

“Financial assets at fair value through profit or loss”

Investments under this category are subsequently re-measured to fair value at the end of the reporting period until the assets are derecognised. Unrealised gains and losses arising from changes in the fair value are included in the consolidated income statement in the period in which they occur. Upon disposal, the difference between the net sale proceeds and the carrying amount is included in the consolidated income statement.

“Available-for-sale investments”

Available-for-sale investments are carried at fair value. Unrealised gains and losses arising from changes in the fair value of investments classified as available-for-sale are recognised in the investment revaluation reserve. When the securities are sold, the difference between the net sale proceeds and the carrying amount, and the accumulated fair value adjustments in the investment revaluation reserve are treated as gains or losses on disposal.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of each reporting period subsequent to initial recognition.

4. 重要會計政策(續)

(I) 投資／財務資產(續)

(iii) 停止確認

當集團從財務資產獲得現金流量之權利已屆滿或已轉讓，或者集團已轉讓所有權利的所有實質風險及回報時，便會停止確認財務資產。

(iv) 其後計值

「透過收益賬按公平值列賬的財務資產」

此投資類別其後在結算日以公平值再計值，直至資產被停止確認為止。公平值變動所產生之未兌現損益記錄在發生期間之綜合收益賬。投資出售後，所得淨額與賬面值之差額記錄在綜合收益賬。

「可供出售投資」

可供出售投資按公平值入賬。歸類為可供出售之投資，其公平值變動所產生之未兌現損益，均在投資重估儲備確認。證券出售後，所得淨額與賬面值之差額，以及投資重估儲備之累積公平值調整，均作為出售收益或虧損處理。

如可供出售投資是沒有活躍買賣市場報價且公平值不能可靠計算之股權投資，於初次確認後每一結算日，以成本值減已確定之減值虧損計量。

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For the year ended 31 December 2011
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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Investments/financial assets (continued)

(iv) Subsequent measurement (continued)

"Loans and receivables"

Loans and receivables are carried at amortised cost using the effective interest method, less impairment losses, if any.

(v) Fair value measurement principles

Fair values of quoted investments are based on bid prices. For unlisted securities or financial assets without an active market, the Group establishes the fair value by using appropriate valuation techniques including the use of recent arm's length transactions, reference to other investments that are substantially the same, discounted cash flow analysis and option pricing models.

(vi) Impairment

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the securities below their cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale investments, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the consolidated income statement) is removed from equity and recognised in the consolidated income statement. Impairment losses recognised in the consolidated income statement on equity investments are not reversed through the consolidated income statement.

4. 重要會計政策(續)

(I) 投資／財務資產(續)

(iv) 其後計值(續)

「貸款及應收賬」

貸款及應收賬以實際利率法按攤銷後成本減任何減值虧損入賬。

(v) 公平值計值原則

掛牌投資之公平值以買入價為準。對於沒有活躍市場之非上市證券或財務資產，集團以適當之估值方法確定其公平值，包括採用近期之正常交易，參考其他大致相同之投資、現金流量折現分析、及期權定價模式等。

(vi) 減值

集團在每一結算日評估是否有客觀憑據證明某一或某一組財務資產有減值。對於歸類為可供出售之股權證券，在決定證券有否減值時，考慮到證券之公平值是否顯著或長期低於其成本值。可供出售投資如有此方面之憑據，累積損失(即以購入成本與當時公平值之差額減去之前就該財務資產在綜合收益賬確認之任何減值虧損之計算結果)從權益撇除並於綜合收益賬確認。就股權投資在綜合收益賬確認之減值虧損不會通過綜合收益賬撥回。

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(CONTINUED)

(I) Investments/financial assets (continued)

(vi) Impairment (continued)

Each receivable that is individually significant is reviewed for indication of impairment at the end of each reporting period. Loans and receivables that are individually not significant and are assessed not to be impaired individually are reviewed at the end of each reporting period on a collective portfolio basis.

Individual impairment allowance applies to securities margin financing and secured term loans which are individually significant or have objective evidence of impairment. In assessing the individual impairment, management estimates the present value of future cash flows which are expected to be received, taking into account the borrower's financial situation and the net realisable value of the underlying collateral or guarantees in favour of the Group. Each impaired asset is assessed on its merits and the impairment allowance is measured as the difference between the loan's carrying amount and the present value of the estimated future cash flows discounted at the loan's original effective interest rate.

Collective impairment allowances cover credit losses inherent in portfolios of loans receivable and other accounts with similar economic and credit risk characteristics where objective evidence for individual impaired items cannot be identified. In assessing the collective impairment, management makes assumptions both to define the way the Group assesses inherent losses and to determine the required input parameters, based on historical loss experience and current economic conditions. Changes in the carrying amount of the allowance account are recognised in consolidated income statement.

4. 重要會計政策(續)

(I) 投資／財務資產(續)

(vi) 減值(續)

凡是大額的應收賬均於結算日逐一審查有否減值的跡象。經評估並無減值的非大額貸款及應收賬於結算日集成組合審查。

個別減值準備適用於個別重要或具備客觀減值憑據之證券放款及有抵押有期借款。在評估個別減值時，管理層估計預期收取之未來現金流量之現值，並考慮借款人之財務狀況及向集團作出相關之抵押品及擔保之可變現淨值。每項已減值資產乃根據其具體情況評估及按貸款之賬面值與按貸款以原有實際利率折現之估計未來現金流量現值之差額計算減值準備。

綜合減值準備涵蓋具有相若經濟及風險特性的應收貸款組合和其他賬戶的內在信貸虧損，而且並不能以客觀憑據識別個別項目的減值。在評估綜合減值準備時，管理層作出假定，以根據歷史虧損經驗及現行經濟狀況界定集團評估內在虧損之方式及釐定所需輸入參數。準備戶口賬面值之變動是於綜合收益賬確認。

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For the year ended 31 December 2011
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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances, short-term time deposits and treasury bills. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(n) Financial liabilities

Financial liabilities for trading purposes are generally classified as "financial liabilities at fair value through profit or loss" which are recognised initially at fair value. At the end of each reporting period, subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in the consolidated income statement in the period in which they arise. Other financial liabilities including loans, bank borrowings and overdrafts, bonds, trade and other payables, which are recognised initially at fair value, are subsequently measured at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in the consolidated income statement.

(o) Share capital

Ordinary shares of the Company are classified as equity.

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised in equity. Repurchased shares that are not subsequently cancelled are classified as treasury shares and presented as a deduction from total equity.

4. 重要會計政策(續)

(m) 現金及現金等價物

現金及現金等價物為庫存現金、銀行結餘、短期定期存款及國庫券。就現金流量表而言，按通知償還並屬於集團現金管理一部分之銀行透支，同為現金及現金等價物之組成部分。

(n) 財務負債

持作買賣的財務負債一般歸類為「透過收益賬按公平值列賬的財務負債」，最初以公平值確認。於最初確認後之每個結算日，透過收益賬按公平值列賬的財務負債，按公平值計值，公平值之變動在發生之期間直接於綜合收益賬確認。其他財務負債包括貸款、銀行借款及透支、債券、經營及其他應付賬，最初以公平值確認，其後以實際利率法按攤銷後成本計值。

財務負債是當有關合約中特定責任獲解除、取消或逾期時取消確認。取消確認的財務負債，以其賬面值與已付或應付代價的差額，於綜合收益賬中確認。

(o) 股本

本公司的普通股歸類為權益。

購回確認為權益之股本時，所支付之代價(包括直接應佔費用)於權益確認。購回但其後並無註銷之股份歸類為庫存股份，入賬從總權益扣除。

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(CONTINUED)

(o) Share capital (continued)

Dividend distribution to the Company's owners is recognised as a liability in the period in which the dividends are approved by the shareholders.

Where the shares of the Company ("Awarded Shares") are purchased under the SHK Employee Ownership Scheme, the consideration paid, including any directly attributable incremental costs, is presented as "Shares held for Employee Ownership Scheme" and deducted from equity. When the Awarded Shares are transferred to the awardees upon vesting, the related costs of the Awarded Shares represented by the fair value at the grant date, are eliminated against the employee share-based compensation reserve (Note 4(w)).

Other equity instruments issued by the Company are recorded as the proceeds received, net of direct issue costs. Derivatives that are settled by the exchange of a fixed amount of cash or other financial assets for a fixed number of the Company's own equity instruments are classified as equity.

(p) Convertible notes

Convertible notes issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component regarding the fixed interest payment during the life of the convertible notes is estimated using the discounted cash flow method. This amount is recorded as a liability and measured at amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

4. 重要會計政策(續)

(o) 股本(續)

派發予本公司股東之股息於獲得股東批准時確認為負債。

就新鴻基僱員股份擁有計劃而購入的本公司股份(「授予股份」)所付出之代價(包括直接應佔增值成本)，是呈列為「為僱員股份擁有計劃持有股份」，並於權益中扣除。當授予股份於歸屬期期滿時轉讓予授予人，該授予股份有關的成本(即授予日之公平值)是與以股份支付的僱員酬金儲備對銷(附註4(w))。

其他由本公司發行的權益票據是以扣減直接發行成本後所收的代價入賬。以定量現金或其他財務資產換取本公司本身的定量權益票據之衍生工具是歸類為權益。

(p) 可換股票據

本公司發行之可換股票據乃根據所訂立合約安排之本質及財務負債與股本權益之定義分類為財務負債及股權工具。倘換股權之結算將以固定金額之現金或其他財務資產來換取固定數目之本公司股權工具，則分類為股權工具。

負債部分是有關可換股票據於期內所付固定利息，於發行日之公平值是以其折現現金流估算。該金額按攤銷成本基準以實際利率法計量並列為負債，直至轉換日或該工具到期註銷為止。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Convertible notes (continued)

The equity portion of the convertible notes is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. The equity portion is not subsequently remeasured at subsequent reporting dates.

(q) Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, if it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated income statement net of any reimbursement.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4. 重要會計政策(續)

(p) 可換股票據(續)

可換股票據之股權部分是以整個復合工具之公平值減去負債部分而釐定，股權部分於以後報告日將不會重新計量。

(q) 準備及或然負債

當集團因過去事件導致現時有法律或推定債務，同時有可能因需要支付該債務而流失資源，且該債務可以可靠地估計時，則對此確認為準備。即使集團預期部分或全部準備可以償還，但仍需十分確定方可確認為獨立資產。任何有關準備之支出在綜合收益賬中扣除任何償還後入賬。

或然負債乃因過往事件而產生之可能責任，而其存在是由一宗或多宗不確定未來事件之出現而確認，該等事件並非集團所能完全控制。或然負債亦可能是因為過往事件引致之現有責任，但由於可能不需要消耗經濟資源，或承擔金額未能可靠衡量，而未有入賬。

或然負債不會被確認，但會在綜合財務報表附註中披露。當流失之可能性有所變化而很可能流失時，或然負債便會確認為準備。

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(CONTINUED)

(r) Impairment of non-financial assets

Goodwill and intangible assets that have indefinite useful lives are not subject to amortisation, and are tested at least annually for impairment and reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units) if an impairment test cannot be performed for an individual asset. An impairment loss is recognised immediately as an expense.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated income statement.

(s) Taxation

Taxation comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

4. 重要會計政策(續)

(r) 非財務資產減值

沒有特定使用期限之商譽及無形資產無需攤銷，但至少每年檢查有否減值，而每當情況有變或有事件顯示賬面值可能不可收回，亦需評估有否減值。需要折舊及攤銷之資產每當情況有變或有事件顯示賬面值可能不可收回亦需評估有否減值。減值虧損按資產之賬面值高於其可收回數額之差額確認。可收回數額乃資產之公平值減出售費用，或使用價值，以較高者為準。倘若無法對個別資產檢查有否資產減值，則於存在可分開識別現金流(產生現金單位)之最低水平上將資產集合，從而評估有否減值。減值虧損是立即確認為費用。

當減值虧損於以後撥回時，有關資產(或產生現金單位)之賬面值是增加至重訂之估計可收回值，但增加後之賬面值不能超過假若該資產(或產生現金單位)於往年從未有減值虧損之賬面值。減值虧損撥回立即於綜合收益賬中確認。

(s) 稅項

稅項包括當期及遞延稅項。

當期稅項乃指預期當年就應課稅收入須繳付之稅金(採用結算日已實施或大體上已實施之稅率計算)及就以往各年對應付稅項作出之任何調整。

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For the year ended 31 December 2011
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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Taxation (continued)

Deferred tax is provided in full, using the liability method at the reporting date, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the assets realised. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in the consolidated income statement, except when it relates to items recognised in equity, in which case the deferred tax is also dealt with in equity.

(t) Foreign currencies

Transactions in currencies other than the functional currency of the respective group entities (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions.

At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period.

4. 重要會計政策(續)

(s) 稅項(續)

遞延稅項採用於結算日之負債法，就資產負債之稅基與它們在財務報表內之賬面值兩者之短暫差額作全數撥備。遞延稅項資產乃就有可能將未來應課稅溢利與可動用之短暫差額抵銷而確認。

投資於附屬公司、聯營公司及合營企業之權益所引致之應課稅短暫差額是確認為遞延稅項負債，惟若集團可控制短暫差額之逆轉，以及短暫差額可能不會於可見將來逆轉者除外。

遞延稅項乃按在負債償付或資產變現期內預期適用之稅率計算。遞延稅項資產與負債之計量，是反映集團於結算日根據預期收回或償還其資產與負債賬面值之方式所引致的稅務影響。遞延稅項在綜合收益賬中加入或減去，但當涉及直接在權益確認之賬項時，遞延稅項亦在權益中處理。

(t) 外幣換算

以外幣(即有關集團成員之非功能貨幣)為單位之各項交易均按照交易當日之匯率折算入賬。

於每個結算日以外幣計算之貨幣資產與負債以結算日之匯率折算為港元。

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(CONTINUED)

(t) Foreign currencies (continued)

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Foreign exchange gains and losses arising on the settlement of monetary items, and on the retranslation of monetary items, are included in net profit or loss for the period, except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

On consolidation, the assets and liabilities of the Group's foreign operations are translated to Hong Kong dollars at exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising, if any, are classified as equity and transferred to the Group's exchange reserve. Such translation differences are recognised as income or expenses in the period in which the operation is disposed of.

(u) Borrowing costs

Interest expenses directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to prepare for its intended use or sale are capitalised as part of the cost of the asset.

All other borrowing costs are recognised on a time apportionment basis, taking into account the principal and the effective interest rates. They are charged to the consolidated income statement in the year in which they are incurred.

4. 重要會計政策(續)

(t) 外幣換算(續)

以外幣計算並按公平值入賬之非貨幣項目，按照確定公平值當日之匯率折算。計量遞延稅項負債或資產是反映出集團於結算日預期。支付貨幣項目及折算貨幣項目所產生之匯兌收益及虧損計入期內損益，但如因非貨幣項目產生匯兌差額，而此項目的損益是直接於權益確認，則此匯兌差額亦直接於權益確認。

綜合賬目時，集團的海外業務之資產與負債乃按結算日之匯率折算為港元。收支項目按年平均匯率折算。任何匯兌差額歸類為權益並轉撥至集團匯兌儲備。此等折算差額乃於業務被出售之期間確認為收入或開支。

(u) 借貸成本

凡與購入、建設或製造需一段長時間方可達成目的用途或出售之資產所直接產生的利息支出，均資本化為該資產之部分成本。

其他所有借貸成本乃經計及本金、實際利率以時間攤分法確認，並於發生之年內在綜合收益賬支銷。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

“The Group as lessor”

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

“The Group as lessee”

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the consolidated income statement.

Rentals payable under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

4. 重要會計政策(續)

(v) 租賃

當租賃條款已轉移擁有權的相當風險及回報予承租人時，該租賃歸類為融資租賃，其他則歸類為營運租賃。

「集團作為出租人」

承租人於融資租賃項目下之貸賬乃按集團於租賃之淨投資額入賬列為應收賬。融資租賃收益分配到各會計期間，以反映集團就租賃尚有淨投資之定期回報率。

營運租賃之租金收入按有關租賃期以直線攤分法確認。

「集團作為承租人」

於融資租賃項目下持有之資產乃於租約開始時按其公平值或最低租賃付款之現值兩者中之較低者入賬確認為集團資產。對出租人之相應債務包括在財務狀況表，列為融資租賃債務。租賃付款細分為財務費用及租賃債務扣減額，從而達到一個負債餘額固定息率。財務費用直接在綜合收益賬支銷。

應付營運租賃之租金按有關租期以直線攤分法在綜合收益賬中支銷。作為鼓勵簽訂營運租約之優惠亦按租期以直線攤分法分攤。

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(CONTINUED)**(w) Employee benefits**

The Group operates defined contribution retirement schemes, the assets of which are held in independently administrated funds. The Group's contributions to the defined contribution retirement schemes are expensed as the employees have rendered their services entitling them to the contributions and are reduced by contributions forfeited, if applicable, by those employees who leave the schemes prior to vesting fully in the contributions.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

The Group recognises a liability and an expense for bonuses and profit-sharing, where appropriate, based on approved formulas that take into consideration the profit attributable to the Group after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

For shares of the Company ("Awarded Shares") granted under the SHK Employee Ownership Scheme, the fair value of the employee services received is determined by reference to the fair value of Awarded Shares granted at the grant date and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (employee share-based compensation reserve). At the end of each reporting period, the Group revises its estimates of the number of Awarded Shares that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in the consolidated income statement, with a corresponding adjustment to the employee share-based compensation reserve.

4. 重要會計政策(續)**(w) 僱員福利**

集團營運之界定供款退休計劃，該等計劃資產由獨立管理之基金持有。當僱員提供可獲供款的服務時，集團對界定供款退休計劃所作供款是作為費用支銷，僱員在全數取得既得利益前退出計劃而被沒收之僱主供款(在適用時)是用作扣減此供款。

僱員享有之年假在僱員應得時確認。集團為截至結算日止僱員已提供之服務而產生之年假之估計負債作出撥備。

集團按經核准之公式對花紅及利潤分享(於適用時)確認為負債及支出，該等公式計及經若干調整後之集團應佔溢利。倘若涉及合約義務或過往習慣所產生之推定義務，則集團會確認為準備。

有關新鴻基僱員股份擁有計劃而授予的本公司股份(「授予股份」)，釐訂來自僱員服務的公平值是參照授予股份於授予日的公平值。該公平值以直線攤分法於歸屬期支銷，並對應增加權益(以股份支付的僱員酬金儲備)。於每一結算日，集團重訂授予股份於最終歸屬時的預期股數所作的估計，重訂估計的任何影響是於綜合收益賬確認，並相應調整以股份支付的僱員酬金儲備。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related tax. Income is recognised in the consolidated income statement on the following basis:

- (i) Commission income is recognised as income on a trade date basis.
- (ii) Underwriting commission, sub-underwriting income, placing commission and sub-placing commission are recognised as income in accordance with the terms and conditions of the relevant agreement or deal mandate when the relevant significant acts have been completed.
- (iii) Fees for management and advisory services for funds are recognised when the related services are rendered.
- (iv) Income from the provision of services is recognised upon the provision of the relevant services or on a time apportionment basis over the terms of service contracts.
- (v) Interest income from financial assets is recognised on a time apportionment basis, taking into account the principal amounts outstanding and the effective interest applicable, which is the rate that discounts the estimated future cash flows through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- (vi) Dividend income from investments is recognised when the owners' right to receive payment has been established.

4. 重要會計政策(續)

(x) 收入之計算

收入按已收或應收代價的公平值、為日常業務所提供的商品及服務的應收賬、扣除折扣及有關營業稅而計量。收入乃按以下準則在綜合收益賬確認：

- (i) 佣金收入於交易日入賬。
- (ii) 包銷佣金、分銷收入、配售佣金及配售分銷佣金，乃於有關重要行動完成時按照相關協議或交易授權之條款確認為收入。
- (iii) 管理費用及基金顧問費用於有關服務提供後確認。
- (iv) 提供服務之費用收入是在提供有關服務時或於服務合約年期按時間比例基準確認。
- (v) 財務資產之利息收入依照尚餘本金額以適用實際利率計算，並按時間攤分法確認，該實際利率確切地將估計財務資產日後於預計有效期內之現金收入於初次確認時折現為該資產之淨賬面值。
- (vi) 股息收益於集團獲得收取股息之權利時入賬。

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(CONTINUED)**(x) Revenue recognition (continued)**

(vii) Realised profits or losses from financial assets at fair value through profit or loss are recognised on a trade date basis whilst the unrealised profits or losses are recognised from valuation at the end of the reporting period.

(viii) Rental income arising on investment properties is accounted for on a straight-line basis over the lease term regardless of when the cash rental payment is received.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are set out as follows.

(a) Impairment allowances on loans and receivables

In determining individual impairment allowances, the Group periodically reviews its trade receivables, secured term loans and margin loans to assess whether impairment allowances exist. In determining whether impairment allowances should be recorded in the consolidated income statement, management estimates the present value of future cash flows which are expected to be received, taking into account the borrower's financial situation and the net realisable value of the underlying collateral or guarantees in favour of the Group.

4. 重要會計政策(續)**(x) 收入之計算(續)**

(vii) 透過收益賬按公平值列賬的財務資產之已兌現溢利或虧損於交易日入賬，而未兌現溢利或虧損按結算日之估值入賬。

(viii) 投資物業之租金收入，不論其現金支付之期間，皆按租約年限以直線攤分法入賬。

5. 估計不確定性的主要來源

以下之重要假設有關於未來及於結算日的其他估計不確定性的主要來源，存有一定風險可引致資產及負債的賬面值於下一財政年度發生重大調整。

(a) 貸款及應收款之減值準備

在釐定個別減值撥備時，集團定期複查其經營應收賬、有抵押有期借款及證券放款，以評估是否存在減值。在決定是否需要在綜合收益賬中記錄減值準備時，管理層會考慮借款人的財務狀況、其抵押品或給予集團保證的變現淨值，以估計於未來預期收回的現金流量現值。

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(b) Impairment allowances on loans and advances to consumer finance customers

The policy for collective impairment allowances for loans and advances to consumer finance customers of the Group is based on the evaluation of collectibility and ageing analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these loans and advances, including the current creditworthiness, and the past collection history of each loan.

(c) Impairment of available-for-sale investments

For listed available-for-sale equity investments, a significant or prolonged decline in fair value below cost is considered to be objective evidence of impairment. Judgement is required when determining whether a decline in fair value has been significant or prolonged. In making this judgement, the historical data on market volatility as well as the price of the specific investment are taken into account.

For those unlisted equity investments that are carried at fair value, the Group determines their fair value by using appropriate valuation techniques and making assumptions that are based on market conditions existing at the end of each reporting period. The Group also takes into account other factors, such as industry and sector performance and financial information regarding the investee.

(d) Estimated impairment of goodwill and intangible assets with indefinite useful lives

The Group conducts tests for impairment of goodwill and intangible assets with indefinite useful lives annually in accordance with the relevant accounting standards. Determining whether the goodwill and the intangible assets are impaired requires an estimation of the fair value less cost to sell or value in use on the basis of data available to the Group. Where future cash flows are less than expected, an impairment loss may arise.

5. 估計不確定性的主要來源(續)

(b) 私人財務客戶貸款及墊款之減值準備

集團私人財務客戶貸款及墊款之綜合減值準備政策以可收回性評估、賬齡分析及管理層判斷為基礎。評估該等貸款及墊款之最終變現能力需要進行大量判斷，包括現時信譽及各個貸款之過往收款歷史記錄。

(c) 可供出售投資之減值

就上市可供出售股權投資而言，公平值顯著或長期低於成本值乃視為減值之客觀憑據。決定公平值是否顯著或長期偏低時必須運用判斷，判斷時須顧及有關投資之市場波幅及價位。

就以公平值記賬之非上市股權投資而言，集團利用合適之估值方法並基於每個結算日之市況所作之假設決定該等投資之公平值。集團亦考慮其他因素，例如行業及業界表現以及與所投資之公司有關之財務資料。

(d) 商譽及無特定使用期限的無形資產之估計減值

集團每年按照有關之會計準則檢查商譽及無特定使用期限的無形資產有否減值。決定商譽及該等無形資產有否減值時必須根據集團可得到之資料估計公平值減出售成本或使用價值。倘若未來流入之現金少於預期，則可能出現減值虧損。

Notes to the Consolidated Financial Statements
綜合財務報表附註For the year ended 31 December 2011
截至2011年12月31日止年度**5. KEY SOURCES OF ESTIMATION
UNCERTAINTY (CONTINUED)****(e) Deferred tax**

Estimating the amount for deferred tax assets arising from tax losses requires a process that involves forecasting future years' taxable income and assessing the Group's ability to utilise tax benefits through future earnings. Where the actual future profits generated are more or less than expected, a recognition or reversal of the deferred tax assets may arise, which would be recognised in the consolidated income statement for the period in which such a reversal takes place. While the current financial models indicate that the recognised tax losses can be utilised in the future, any changes in assumptions, estimates and tax regulations can affect the recoverability of this deferred tax asset.

(f) Fair value of derivative and financial instruments

The Group selects appropriate valuation techniques for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied (Note 55).

The Group's unlisted equity instruments that are classified as available-for-sale investments and carried at fair value with a carrying amount of HK\$73.5 million (31/12/2010: HK\$70.8 million) as set out in Note 27 are valued using generally accepted pricing models such as discounted cash flows.

For the valuation of unquoted bonds and unlisted derivative financial instruments as set out in Notes 32 and 37, appropriate assumptions are used based on quoted market data as adjusted for specific features of the instrument. The carrying amounts of these financial assets and liabilities are HK\$35.4 million (31/12/2010: HK\$35.3 million) and HK\$13.2 million (31/12/2010: HK\$1.5 million) respectively.

5. 估計不確定性的主要來源(續)**(e) 遞延稅項**

估計稅損所產生之遞延稅項資產數額時，需要預測未來年度應課稅收入及評估集團將稅務權益善用於未來盈利之能力。倘若日後之實際溢利多過或少於預期，則可能會出現確認或撥回遞延稅項資產之情況，如是者，將會於發生回撥之期內在綜合收益賬中確認。雖然現時之財務模型顯示可於未來運用已確認之稅損，但任何有關假設、估計及稅務規定之變更均可影響該遞延稅項資產之可收回性。

(f) 衍生工具及財務工具的公平值

集團選用適用於沒有在活躍市場掛牌的財務工具的估值方法。市場人士通用的估值方法寓意應用(附註55)。

集團有賬面值為73.5百萬港元(2010年12月31日：70.8百萬港元)分類為以公平值列賬之可供出售投資的非上市股權工具(列於附註27)，是以公認的定價模型估值，如折現現金流。

就載於附註32及附註37之非掛牌債券及非上市衍生財務工具的估值而言，針對工具本身的特性，適當地採用以市場所報數據為基礎的假設加以調整。該等財務資產及負債的賬面值分別為35.4百萬港元(2010年12月31日：35.3百萬港元)及13.2百萬港元(2010年12月31日：1.5百萬港元)。

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6. REVENUE

Revenue represents the amounts received and receivables for brokerage and commission, interest, dividends, rental and service income.

6. 收益

收益為已收或應收的經紀及其他佣金、利息、股息、租金與服務收益。

		2011	2010
		HK\$ Million	Restated 重列
		百萬港元	HK\$ Million 百萬港元
Brokerage, commission and service income	經紀佣金、其他佣金與服務收益	767.5	899.4
Dividends from listed investments	上市投資股息	5.9	6.5
Dividends from unlisted investments	非上市投資股息	8.2	3.8
Gross rental income from investment properties	從投資物業所得總租金	15.7	7.1
Interest income	利息收入	2,760.3	2,098.4
Fees received from funds management	管理基金所得收費	33.9	45.8
Net charge on gold and leveraged foreign exchange positions	黃金及槓桿式外匯交易持倉所得倉息淨額	1.7	3.1
		3,593.2	3,064.1

7. SEGMENT INFORMATION

The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Inter-segment sales are charged at prevailing market rates.

7. 分項資料

營運業務是因應所提供的商品與服務性質而分別組織及管理，各分項代表提供不同商品及服務不同市場的業務策略單位。分項間營業是依市場價格收費。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011
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7. SEGMENT INFORMATION (CONTINUED)

The main reportable and operating segments presented in these financial statements are as follows:

- (a) Wealth Management and Brokerage:
 - provision of financial planning and wealth management services;
 - provision of broking services and insurance broking;
 - provision of online financial services and online financial information;
 - provision of securities margin financing; and
 - dealing in securities, funds, bullion, commodities, futures and options.
- (b) Capital Markets: provision of corporate finance services and structured finance.
- (c) Asset Management: provision of asset management including funds marketing and management.
- (d) Consumer Finance: provision of consumer financing.
- (e) Principal Investments: strategic investments, properties holding and rental.

7. 分項資料(續)

呈列在本財務報表的主要可供呈報的經營分項如下：

- (a) 財富管理及經紀業務：
 - 提供財務策劃及財富管理服務；
 - 提供經紀服務及保險經紀；
 - 提供網上金融服務及網上財經資訊；
 - 提供證券放款；及
 - 買賣證券、基金、黃金、商品、期貨及期權。
- (b) 資本市場：提供企業融資服務及結構融資。
- (c) 資產管理：提供資產管理服務包括基金推廣及管理。
- (d) 私人財務：提供私人財務信貸。
- (e) 主要投資：策略性投資、物業投資及租賃。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011
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7. SEGMENT INFORMATION (CONTINUED)

7. 分項資料(續)

		2011					
		Capital Wealth Management and Brokerage 財富管理及 經紀業務	Capital Markets (formerly Corporate Finance) 資本市場(前稱 企業融資)	Asset Management 資產管理	Consumer Finance 私人財務	Principal Investments 主要投資	Total 總計
		HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元
Brokerage/commission revenue	經紀佣金收益	569.3	25.5	—	—	—	594.8
Non brokerage/commission revenue	非經紀佣金收益	515.2	303.1	52.8	2,084.3	117.6	3,073.0
Segment revenue	分項收益	1,084.5	328.6	52.8	2,084.3	117.6	3,667.8
Less: inter-segment revenue	減：分項間收益	(2.0)	(0.4)	(0.1)	—	(72.1)	(74.6)
Segment revenue from external customers	來自外部顧客的分項收益	1,082.5	328.2	52.7	2,084.3	45.5	3,593.2
Segment profit or loss	分項損益	356.1	149.5	(42.7)	854.3	274.8	1,592.0
Share of results of associates	所佔聯營公司業績	—	—	—	—	17.1	17.1
Share of results of jointly controlled entities	所佔共同控制公司業績	3.0	—	—	—	3.2	6.2
Profit before taxation	除稅前溢利	359.1	149.5	(42.7)	854.3	295.1	1,615.3
Included in segment profit or loss:	包括在分項損益：						
Interest income	利息收入	458.2	213.4	—	2,074.5	14.2	2,760.3
Other income	其他收入	2.0	3.6	15.3	0.7	202.7	224.3
Reversal of impairment loss on loans and advances to consumer finance customers	私人財務客戶貸款及墊款之減值虧損撥回	—	—	—	54.2	—	54.2
Net gain (loss) on financial instruments	財務工具收益(虧損)淨額	9.6	(94.3)	(53.3)	—	5.7	(132.3)
Net exchange gain or loss	淨匯兌損益	7.6	(0.6)	0.8	(61.6)	7.8	(46.0)
Amortisation and depreciation	攤銷及折舊	(12.5)	(0.6)	(0.7)	(193.1)	(41.8)	(248.7)
Impairment loss	減值虧損						
— Available-for-sale investments	— 可供出售投資	—	—	—	—	(0.5)	(0.5)
— Amounts due from associates	— 聯營公司欠賬	—	—	—	—	(4.9)	(4.9)
— Loans and advances to consumer finance customers	— 私人財務客戶貸款及墊款	—	—	—	(218.7)	—	(218.7)
— Trade and other receivables	— 經營及其他應收賬	(21.0)	—	—	—	—	(21.0)
Loss on disposal of equipment and intangible assets	出售設備及無形資產的虧損	(1.0)	—	—	—	(3.1)	(4.1)
Finance costs	融資成本	(9.0)	(0.2)	—	(146.0)	(5.1)	(160.3)

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7. SEGMENT INFORMATION (CONTINUED)

7. 分項資料(續)

		2010 (restated) (重列)					
		Wealth Management and Brokerage	Capital Markets (formerly Corporate Finance)	Asset Management	Consumer Finance	Principal Investments	Total
		財富管理及經紀業務	資本市場(前稱企業融資)	資產管理	私人財務	主要投資	總計
		HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
Brokerage/commission revenue	經紀佣金收益	654.9	95.6	—	—	3.1	753.6
Non brokerage/commission revenue	非經紀佣金收益	382.9	159.5	71.3	1,659.5	92.7	2,365.9
Segment revenue	分項收益	1,037.8	255.1	71.3	1,659.5	95.8	3,119.5
Less: inter-segment revenue	減：分項間收益	(3.5)	—	(0.2)	—	(51.7)	(55.4)
Segment revenue from external customers	來自外部顧客的分項收益	1,034.3	255.1	71.1	1,659.5	44.1	3,064.1
Segment profit or loss	分項損益	295.3	258.1	13.5	751.2	59.3	1,377.4
Share of results of associates	所佔聯營公司業績	—	—	—	—	210.1	210.1
Share of results of jointly controlled entities	所佔共同控制公司業績	2.0	—	—	—	3.0	5.0
Profit before taxation	除稅前溢利	297.3	258.1	13.5	751.2	272.4	1,592.5
Included in segment profit or loss:	包括在分項損益：						
Interest income	利息收入	331.8	101.3	—	1,646.8	18.5	2,098.4
Other income	其他收入	1.5	—	0.2	0.5	43.6	45.8
Reversal of impairment loss	減值虧損撥回						
— Interest in associates	— 聯營公司權益	—	—	0.2	—	—	0.2
— Loans and advances to consumer finance customers	— 私人財務客戶貸款及墊款	—	—	—	109.3	—	109.3
— Trade and other receivables	— 經營及其他應收賬	—	—	—	—	1.9	1.9
Net gain on financial instruments	財務工具收益淨額	12.9	71.8	1.9	—	34.6	121.2
Net exchange gain or loss	淨匯兌損益	0.1	1.0	0.2	(25.5)	34.9	10.7
Amortisation and depreciation	攤銷及折舊	(9.5)	(0.5)	(0.7)	(187.3)	(29.4)	(227.4)
Impairment loss	減值虧損						
— Intangible assets	— 無形資產	—	—	—	(1.0)	—	(1.0)
— Amounts due from associates	— 聯營公司欠賬	—	—	—	—	(0.3)	(0.3)
— Loans and advances to consumer finance customers	— 私人財務客戶貸款及墊款	—	—	—	(217.9)	—	(217.9)
— Trade and other receivables	— 經營及其他應收賬	(1.6)	—	—	—	(1.3)	(2.9)
Loss on disposal of equipment and intangible assets	出售設備及無形資產的虧損	(0.5)	(0.5)	(0.7)	—	(2.0)	(3.7)
Loss on disposal of a listed associate	出售一上市聯營公司虧損	—	—	—	—	(159.3)	(159.3)
Finance costs	融資成本	(13.3)	(1.1)	—	(96.3)	(4.9)	(115.6)

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7. SEGMENT INFORMATION (CONTINUED)

The geographical information of revenue and non-current assets are disclosed as follows:

7. 分項資料(續)

收益及非流動資產之地域資料如下：

		2011	2010
		HK\$ Million	Restated 重列 HK\$ Million
		百萬港元	百萬港元
Revenue from external customers by location of operations	來自外部顧客的收益 (以經營地方)		
— Hong Kong	— 香港	3,044.2	2,817.7
— PRC and others	— 中國及其他	549.0	246.4
		3,593.2	3,064.1
		31/12/2011	31/12/2010
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Non-current assets other than financial instruments and deferred tax assets by location of assets	除財務工具及遞延稅項資產之 非流動資產 (以資產位置)		
— Hong Kong	— 香港	4,266.2	4,110.6
— PRC and others	— 中國及其他	149.3	117.3
		4,415.5	4,227.9

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7. SEGMENT INFORMATION (CONTINUED)

As mentioned in Note 3, segment revenue and segment profit or loss for the year ended 31 December 2010 were restated. Below is the effect of the restatement:

7. 分項資料(續)

於附註3所述，截至2010年12月31日年度之分項收益及分項損益已予以重列，以下為重列之影響：

		2010					Total 總計 HK\$ Million 百萬港元
		Wealth Management and Brokerage 財富管理及 經紀業務 HK\$ Million 百萬港元	Capital Markets (formerly Corporate Finance) 資本市場(前稱 企業融資) HK\$ Million 百萬港元	Asset Management 資產管理 HK\$ Million 百萬港元	Consumer Finance 私人財務 HK\$ Million 百萬港元	Principal Investments 主要投資 HK\$ Million 百萬港元	
Segment revenue from external customers, as previously stated	來自外部顧客的分項收益， 按以往列賬	1,145.2	283.8	71.1	1,659.5	25.7	3,185.3
Reclassification of net (gain) loss on financial instruments	重新分類財務工具(收益) 虧損淨額	(48.7)	(72.7)	—	—	0.2	(121.2)
Change of bases of cost allocation and reorganisation of segment components	改變成本分配基準以及重組 分項組合	(62.2)	44.0	—	—	18.2	—
Segment revenue from external customers, as restated	來自外部顧客的分項收益， 重列	<u>1,034.3</u>	<u>255.1</u>	<u>71.1</u>	<u>1,659.5</u>	<u>44.1</u>	<u>3,064.1</u>
Segment profit or loss, as previously stated	分項損益，按以往列賬	403.4	241.3	33.1	744.5	(44.9)	1,377.4
Change of bases of cost allocation and reorganisation of segment components	改變成本分配基準以及重組 分項組合	(108.1)	16.8	(19.6)	6.7	104.2	—
Segment profit or loss, as restated	分項損益，重列	<u>295.3</u>	<u>258.1</u>	<u>13.5</u>	<u>751.2</u>	<u>59.3</u>	<u>1,377.4</u>

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8. OTHER INCOME

8. 其他收入

		2011	2010
		HK\$ Million	Restated 重列 HK\$ Million
		百萬港元	百萬港元
Net realised profit on disposal of investments	出售投資之已兌現溢利淨額		
— Disposal of a subsidiary	— 出售附屬公司	—	29.3
— Liquidation of subsidiaries	— 清算附屬公司	—	3.7
— Disposal of an associate	— 出售聯營公司	13.4	—
— Disposal of available-for-sale investments	— 出售可供出售投資	5.2	2.1
Reversal of impairment loss on interest in associates	聯營公司權益減值虧損撥回	—	0.2
Increase in fair value of investment properties	投資物業公平值增加	192.6	5.3
Miscellaneous income	雜項收入	13.1	5.2
		224.3	45.8

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9. EMOLUMENTS OF DIRECTORS AND SENIOR EMPLOYEES

9. 董事及高級職員酬金

(a) Directors

(a) 董事

		2011					
		Director's fees	Consultancy fees	Salaries, housing and other allowances and benefits in kind	Discretionary bonuses	Contributions to retirement benefit scheme	Total
		HK\$ Million	HK\$ Million	薪金、房屋及其他津貼、實物利益	酌情發放花紅	退休福利計劃供款	HK\$ Million
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
David Craig Bartlett	白禮德	0.01	0.18	—	—	—	0.19
Peter Anthony Curry ³	Peter Anthony Curry ³	0.02 ¹	—	2.44	2.25 ⁵	0.09	4.80
Fevzi Timucin Engin	Fevzi Timucin Engin	—	—	—	—	—	—
Joseph Kamal Eskandar	Joseph Kamal Eskandar	—	—	—	—	—	—
Goh Joo Chuan	吳裕泉	0.01	—	—	—	—	0.01
Ho Chi Kit	何志傑	—	—	—	—	—	—
Alan Stephen Jones	Alan Stephen Jones	0.01	0.24	—	—	—	0.25
Roy Kuan	Roy Kuan (管文浩)	—	—	—	—	—	—
Lee Seng Huang	李成煌	0.01	—	6.53	8.25	0.23	15.02
Patrick Lee Seng Wei	李成偉	0.01	—	—	—	—	0.01
Leung Pak To	梁伯韜	0.01	—	—	—	—	0.01
Ming Cheng	明程	0.01	—	—	—	—	0.01
Carlisle Caldwell Procter	Carlisle Caldwell Procter	0.01	0.18	—	—	—	0.19
Joseph Tong Tang ⁴	唐登 ⁴	0.02 ²	—	2.44	2.25 ⁶	0.12	4.83
Peter Wong Man Kong	王敏剛	0.01	0.18	—	—	—	0.19
		0.13	0.78	11.41	12.75	0.44	25.51

¹ Including Director's fee of HK\$0.01 million for Sun Hung Kai Financial Limited (2010: Nil).

² Including Director's fee of HK\$0.01 million for Sun Hung Kai Financial Limited (2010: HK\$0.01 million).

³ A cash equivalent of HK\$1.50 million Awarded Shares under the SHK Employee Ownership Scheme is approved to be granted in relation to the performance in 2011. In addition, total amount of HK\$0.05 million represents 12,000 shares vested during the year.

⁴ A cash equivalent of HK\$1.50 million Awarded Shares under the SHK Employee Ownership Scheme is approved to be granted in relation to the performance in 2011. In addition, total amount of HK\$0.61 million represents 93,000 shares vested during the year.

⁵ The amount represents an actual cash bonus of HK\$2.25 million for the year 2011 (2010: HK\$0.51 million).

⁶ The amount represents an actual cash bonus of HK\$2.25 million for the year 2011 (2010: HK\$5.01 million).

¹ 包括新鴻基金融有限公司的董事袍金0.01百萬港元(2010年：無)。

² 包括新鴻基金融有限公司的董事袍金0.01百萬港元(2010年：0.01百萬港元)。

³ 就有關2011年之職務，已獲准從新鴻基僱員股份擁有計劃而授予的股份為等值現金1.50百萬港元之股份。另外，有總值為0.05百萬港元之12,000股股份於本年內歸屬。

⁴ 就有關2011年之職務，已獲准從新鴻基僱員股份擁有計劃而授予的股份為等值現金1.50百萬港元之股份。另外，有總值為0.61百萬港元之93,000股股份於本年內歸屬。

⁵ 此金額為2011年之實際現金花紅2.25百萬港元(2010年：0.51百萬港元)。

⁶ 此金額為2011年之實際現金花紅2.25百萬港元(2010年：5.01百萬港元)。

Bonuses, which are recommended by the remuneration committee and subsequently approved by the Board, are discretionary and are determined by reference to the Group's and the individuals' performance.

由薪酬委員會建議並其後經董事會批准之花紅，是酌情發放並參考集團及個人表現而釐定。

For the year ended 31 December 2011, Mr. Ho Chi Kit and Mr. Roy Kuan waived emolument of HK\$0.01 million each.

截至2011年12月31日止年度，何志傑先生及管文浩先生各自放棄之酬金為0.01百萬港元。

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9. EMOLUMENTS OF DIRECTORS AND SENIOR EMPLOYEES (CONTINUED)

(a) Directors (continued)

9. 董事及高級職員酬金(續)

(a) 董事(續)

		2010					
		Director's fees	Consultancy fees	Salaries, housing and other allowances and benefits in kind	Discretionary bonuses	Contributions to retirement benefit scheme	Total
		HK\$ Million	HK\$ Million	薪金、房屋及其他津貼、實物利益	酌情發放花紅	退休福利計劃供款	總額
		百萬港元	百萬港元	HK\$ Million	HK\$ Million	HK\$ Million	百萬港元
David Craig Bartlett	白禮德	0.01	0.17	—	—	—	0.18
Fevzi Timucin Engin	Fevzi Timucin Engin	0.01	—	—	—	—	0.01
Josefh Kamal Eskandar	Josefh Kamal Eskandar	—	—	—	—	—	—
Goh Joo Chuan	吳裕泉	0.01	—	—	—	—	0.01
Ho Chi Kit	何志傑	—	—	—	—	—	—
Alan Stephen Jones	Alan Stephen Jones	0.01	0.22	—	—	—	0.23
Roy Kuan	Roy Kuan (管文浩)	—	—	—	—	—	—
Lee Seng Huang	李成煌	0.01	—	4.78	12.00	0.11	16.90
Patrick Lee Seng Wei	李成偉	0.01	—	—	—	—	0.01
Leung Pak To	梁伯韜	0.01	—	—	—	—	0.01
Ming Cheng	明程	0.01	—	—	—	—	0.01
Carlisle Caldow Procter	Carlisle Caldow Procter	0.01	0.17	—	—	—	0.18
Joseph Tong Tang [#]	唐登 [#]	0.02	—	1.84	5.00	0.09	6.95
Peter Wong Man Kong	王敏剛	0.01	0.17	—	—	—	0.18
		<u>0.12</u>	<u>0.73</u>	<u>6.62</u>	<u>17.00</u>	<u>0.20</u>	<u>24.67</u>

[#] 162,000 shares granted to Mr. Tong under the SHK Employee Ownership Scheme on 13 April 2011 in relation to the performance in 2010.

[#] 就有關2010年之職務，於2011年4月13日從新鴻基僱員股份擁有計劃所授予唐先生的股份為162,000股。

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9. EMOLUMENTS OF DIRECTORS AND SENIOR EMPLOYEES (CONTINUED)

(b) Senior employees

The five highest paid individuals of the Group include one Director (2010: two Directors) of the Company. The emoluments of the remaining four (2010: three) senior employees are analysed below:

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Salaries, housing and other allowances, and benefits in kind	薪金、房屋及其他津貼、實物利益	7.8	9.9
Bonuses	花紅	17.1	15.7
Contributions to retirement benefit scheme	退休福利計劃供款	0.3	0.3
Incentive/commission	營業獎金／佣金	25.2	19.8
		50.4	45.7

9,000 shares were granted under the SHK Employee Ownership Scheme to the remaining four highest paid individuals of the Group during the year. In addition, a total amount of HK\$0.07 million represents 11,000 shares which vested for the remaining four highest paid individuals during the year. The total dividend expenses paid to the remaining four highest paid individuals during the year is HK\$0.02 million (2010: Nil).

Emoluments of the senior employees were within the following bands:

Emoluments band (HK\$) 酬金分布(港幣)	Number of employees 僱員人數	
	2011	2010
\$8,000,001 — \$8,500,000	1	1
\$9,000,001 — \$9,500,000	2	—
\$12,000,001 — \$12,500,000	—	1
\$23,000,001 — \$23,500,000	1	—
\$25,000,001 — \$25,500,000	—	1

9. 董事及高級職員酬金(續)

(b) 高級職員

集團內五位最高酬金人士包括一名本公司董事(2010年：兩名董事)，餘下四名(2010年：三名)高級職員酬金分析如下：

就新鴻基僱員股份擁有計劃而於本年度授予集團餘下四名高級職員之股份為9,000股。此外，有總數為0.07百萬港元之11,000股股份於本年度歸屬予餘下四名高級職員，於本年度支付予該四名高級職員股息總數為0.02百萬港元(2010年：無)。

高級職員酬金分布如下：

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10. EMPLOYEE BENEFITS

(a) Retirement Benefit Scheme

The principal retirement benefit schemes operated by the Group related to defined contribution schemes for the Hong Kong and overseas offices' qualifying employees.

The amount of forfeited contributions utilised in the course of the year ended 31 December 2011 was HK\$0.8 million (2010: HK\$0.9 million).

(b) SHK Employee Ownership Scheme ("EOS")

During the year, 1.8 million shares (2010: 1.2 million shares) of the Company were awarded to selected grantees under the EOS. The fair value of the services rendered as consideration of the shares awarded during the year was HK\$10.5 million (2010: HK\$8.3 million) which will be amortised to the consolidated income statement during the vesting period. The amount expensed during the year was HK\$9.0 million (2010: HK\$9.2 million).

10. 僱員福利

(a) 退休金計劃

由集團推行的主要退休計劃為香港及海外辦事處的合資格員工之界定供款退休計劃。

截至2011年12月31日止年度，沒收供款用作減低退休福利計劃供款為0.8百萬港元(2010年：0.9百萬港元)。

(b) 新鴻基僱員股份擁有計劃(「僱員股份計劃」)

本年度就僱員股份計劃而授予獲選承授人之本公司股份為1.8百萬股(2010年：1.2百萬股)。作為提供服務代價的授予股份公平值於本年內為10.5百萬港元(2010年：8.3百萬港元)，將於歸屬期間於綜合損益賬中攤銷。於本年內支銷之數為9.0百萬港元(2010年：9.2百萬港元)。

11. NET (LOSS) GAIN ON FINANCIAL INSTRUMENTS

11. 財務工具(虧損)收益淨額

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Net realised and unrealised profit on derivatives	衍生工具已兌現及未兌現溢利淨額	61.7	80.6
Net profit on dealing in leveraged foreign currencies	槓桿式外匯買賣溢利淨額	—	0.5
Net profit on other dealing activities	其他買賣活動溢利淨額	3.0	4.4
Net realised and unrealised (loss) profit on trading in equity securities	經營股權證券已兌現及未兌現(虧損)溢利淨額	(122.7)	27.2
Net realised and unrealised (loss) profit on financial assets designated as at fair value through profit or loss	選定為按公平值列賬財務資產已兌現及未兌現(虧損)溢利淨額	(74.3)	8.5
		(132.3)	121.2

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12. BAD AND DOUBTFUL DEBTS

12. 呆壞賬

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Loans and advances to consumer finance customers	私人財務客戶貸款及墊款		
— Reversal of impairment loss	— 減值虧損撥回	54.2	109.3
— Impairment loss	— 減值虧損	(218.7)	(217.9)
		(164.5)	(108.6)
Trade and other receivables	經營及其他應收賬		
— Reversal of impairment loss	— 減值虧損撥回	—	1.9
— Impairment loss	— 減值虧損	(21.0)	(2.9)
		(21.0)	(1.0)
— Bad debts recovery after written off	— 壞賬於撇銷後收回	1.3	—
— Bad debts written off	— 壞賬撇銷	(0.3)	—
		(20.0)	(1.0)
		(184.5)	(109.6)

The amounts directly deducted from allowance of impairment against the loans and advances to consumer finance customers and trade and other receivables were HK\$273.3 million (2010: HK\$274.6 million) and HK\$27.6 million (2010: HK\$1.7 million) respectively (Notes 31 and 33).

直接從減值撥備扣除以對銷私人財務客戶貸款及墊款以及經營及其他應收賬之數額分別為273.3百萬港元(2010年：274.6百萬港元)及27.6百萬港元(2010年：1.7百萬港元)(附註31及33)。

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13. FINANCE COSTS

13. 融資成本

		2011	2010
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Interest on:	利息自：		
— Bank loans and overdrafts wholly repayable within five years	— 於五年內全部償還的銀行借款及透支	(91.7)	(52.4)
— Bonds wholly repayable within five years	— 於五年內全部償還的債券	(21.7)	(6.6)
— Short-term loans included in amounts due to fellow subsidiaries	— 包括在同系附屬公司貸賬內的短期貸款	(20.0)	(25.3)
— Other borrowings wholly repayable within five years	— 於五年內全部償還的其他借款	(19.3)	(20.4)
— Mandatory convertible notes repayable within five years	— 於五年內全部償還的強制性可換股票據	(3.1)	(3.0)
Other borrowing costs	其他借貸成本	(4.5)	(7.9)
		(160.3)	(115.6)

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14. PROFIT BEFORE TAXATION

14. 除稅前溢利

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Profit before taxation for the year has been arrived at after charging:	是年度除稅前溢利已扣除：		
Auditors' remuneration	核數師酬金	(5.6)	(4.9)
Amortisation of leasehold interests in land	攤銷租賃土地權益	(0.4)	(0.4)
Advertising and promotion expenses	廣告及推廣費用	(110.8)	(81.2)
Depreciation of property and equipment	物業及設備折舊	(49.4)	(40.9)
Amortisation of intangible assets	攤銷無形資產		
— Computer software (included in administrative expenses)	— 電腦軟件(包括在管理費用內)	(24.5)	(11.4)
— Other intangible assets (included in direct cost and operating expenses)	— 其他無形資產(包括在直接成本及經營費用內)	(174.4)	(174.7)
Commission expenses and sales incentives to account executives and certain staff	客戶主任及部分員工的佣金費用及營業獎金	(143.5)	(168.3)
Operating lease rentals	營運租賃租金		
— Premises	— 房地產	(139.8)	(116.7)
— Others	— 其他	(9.2)	(8.6)
Outgoings in respect of investment properties	投資物業支出		
— Non-rental generating properties	— 非賺取租金物業	(0.6)	—
— Rental generating properties	— 賺取租金物業	(0.9)	(0.7)
Staff costs (including Directors' emoluments but excluding (a) contributions to retirement benefit schemes and expenses recognised for the SHK Employee Ownership Scheme and (b) commission expenses and sales incentives to account executives and certain staff)	僱員成本(包括董事酬金，但不包括(a)退休福利計劃及就新鴻基僱員股份擁有計劃所確認的費用及(b)客戶主任及部分員工的佣金費用及營業獎金)	(605.8)	(454.3)
Contributions to retirement benefit schemes	退休福利計劃供款	(39.0)	(25.3)
Expenses recognised for the SHK Employee Ownership Scheme	就新鴻基僱員股份擁有計劃所確認的費用	(9.0)	(9.2)
Net loss on disposal of equipment and intangible assets	出售設備及無形資產虧損淨額	(4.1)	(3.7)
Impairment loss included in other expenses	包括在其他費用內的減值虧損		
— Intangible assets	— 無形資產	—	(1.0)
— Available-for-sale investments	— 可供出售投資	(0.5)	—
— Amounts due from associates	— 聯營公司欠賬	(4.9)	(0.3)
Share of taxation of associates and jointly controlled entities	所佔聯營公司及共同控制公司稅項	(6.9)	(89.5)

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15. TAXATION

15. 稅項

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Current tax	當期稅項		
— Hong Kong	— 香港	(230.9)	(236.6)
— Other jurisdictions	— 其他司法地區	(53.1)	(27.9)
		(284.0)	(264.5)
(Under) over provision in prior years	前期撥備(不足)超額		
— Hong Kong	— 香港	(13.4)	9.1
— Other jurisdictions	— 其他司法地區	0.5	(0.5)
		(296.9)	(255.9)
Deferred tax (Note 28)	遞延稅項(附註28)		
— Current year	— 是年度	18.1	22.9
		(278.8)	(233.0)

Hong Kong profits tax is calculated at the rate of 16.5% (2010: 16.5%) on the estimated assessable profits for the year. Taxation arising in other jurisdictions is calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in the relevant jurisdictions.

香港利得稅乃按照本年度估計應課稅溢利按稅率16.5%(2010年:16.5%)計算。其他司法地區的稅款,則按照本年度估計應課稅溢利,按集團經營業務有關司法地區的現行稅率計算。

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15. TAXATION (CONTINUED)

The taxation for the year can be reconciled to the profit before taxation per the consolidated income statement as follows:

15. 稅項(續)

是年度稅項與綜合收益賬中除稅前溢利對賬如下：

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Profit before taxation	除稅前溢利	1,615.3	1,592.5
Less: Share of results of associates	減：所佔聯營公司業績	(17.1)	(210.1)
Share of results of jointly controlled entities	所佔共同控制公司業績	(6.2)	(5.0)
		<u>1,592.0</u>	<u>1,377.4</u>
Tax at the Hong Kong profits tax rate of 16.5% (2010: 16.5%)	按香港稅率16.5% (2010年：16.5%)的稅項	(262.7)	(227.3)
(Under) over provision in prior years	前期撥備(不足)超額	(12.9)	8.6
Tax effect of non-taxable income	無需課稅收入於稅項的影響	53.6	35.6
Tax effect of non-deductible expenses	不可扣稅支出於稅項的影響	(28.7)	(50.8)
Tax effect of unrecognised deductible temporary difference and tax losses	未確認可扣稅短暫差額及稅損於稅項的影響	(13.6)	4.0
Items/countries subject to different tax rates	不同稅率的項目／國家	(14.5)	(3.1)
		<u>(278.8)</u>	<u>(233.0)</u>

The deferred tax recognised in other comprehensive income is as follows:

於其他全面收益內確認的遞延稅項如下：

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Deferred tax for revaluation gains on properties	物業重估增值之遞延稅項	—	(2.1)

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16. DIVIDENDS

16. 股息

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
The aggregate amount of dividends paid and proposed:	支付及擬派股息 總額：		
— 2010 special dividend equivalent to HK201.3 cents per share	— 2010年特別股息每股等值 201.3港仙	—	3,527.0
— 2011 interim dividend paid of HK10 cents (2010: HK10 cents) per share	— 已付2011年中期股息每股派 10港仙(2010年：10港仙)	211.7	174.9
— 2011 final dividend of HK10 cents (2010: HK18 cents) per share proposed after the end of the reporting period	— 於結算日後擬派2011年末期 股息每股派10港仙(2010 年：18港仙)	210.8	319.6
		422.5	4,021.5

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Dividends recognised as distribution during the year:	於本年內確認為分派的 股息：		
— 2010 special dividend equivalent to HK201.3 cents per share	— 2010年特別股息每股等值 201.3港仙	—	3,527.0
— 2010 final dividend of HK18 cents (2009: HK16 cents) per share	— 2010年末期股息每股派 18港仙(2009年：16港仙)	319.6	280.3
— 2011 interim dividend paid of HK10 cents (2010: HK10 cents) per share	— 2011年中期股息每股派 10港仙(2010年：10港仙)	211.7	174.9
		531.3	3,982.2

The 2011 final dividend is subject to approval by the shareholders at the forthcoming annual general meeting. The 2011 final dividend will be paid in the form of scrip, with the shareholders being given an option to elect cash in respect of part or all of such dividend.

2011年末期股息須待股東於即將舉行的週年股東大會上批准。2011年末期股息將以股代息方式派發，股東可就部份或全部股息選擇收取現金。

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

17. 每股盈利

本公司股東應佔之每股基本及攤薄盈利乃按下列計算：

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Earnings	盈利		
Earnings for the purposes of basic earnings per share and diluted earnings per share (profit for the year attributable to owners of the Company)	用以計算每股基本盈利及每股攤薄盈利之盈利 (本公司股東應佔是年度溢利)	1,032.4	1,087.0

		2011 Million Shares 百萬股	2010 Million Shares 百萬股
Number of shares	股數		
Weighted average number of ordinary shares for the purposes of basic earnings per share	用以計算每股基本盈利的普通股加權平均股數	2,113.7	1,914.0
Effect of dilutive potential ordinary shares:	潛在攤薄普通股的影響：		
— Warrants	— 認股權證	—	—
— Shares held for the SHK Employee Ownership Scheme	— 就新鴻基僱員股份擁有計劃而持有的股份	—	—
Weighted average number of ordinary shares for the purposes of diluted earnings per share	用以計算每股攤薄盈利的普通股加權平均股數	2,113.7	1,914.0

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18. INVESTMENT PROPERTIES

18. 投資物業

		Group 集團	
		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Fair value	公平值		
At 1 January	於1月1日	288.4	130.1
Exchange adjustments	匯兌調整	5.6	5.3
Transfer from leasehold interests in land and property and equipment	轉撥自租賃土地權益和物業及設備	255.1	169.8
Transfer to property and equipment	轉撥至物業及設備	(27.7)	(22.1)
Increase in fair value recognised in the consolidated income statement	於綜合收益賬確認的公平值增加	192.6	5.3
At 31 December	於12月31日	714.0	288.4
Analysed as:	分析為：		
— Medium-term lease properties in Hong Kong	— 於香港之中期租賃物業	589.0	159.4
— Medium-term lease properties outside Hong Kong	— 於海外之中期租賃物業	125.0	129.0
		714.0	288.4

(a) During the year, the Group reclassified certain owner-occupied properties with a total carrying amount of HK\$109.1 million (2010: HK\$32.3 million) to investment properties due to the fact that the usage of the properties had been changed to being held for lease out and the Group ended its occupation. A fair value gain on the date of transfer of HK\$146.0 million (2010: HK\$137.5 million) was recognised in the revaluation reserve.

(a) 於本年度，由於集團改變若干物業為持作出租用途並停止自用，因此集團重新分類該等賬面總值109.1百萬港元（2010年：32.3百萬港元）之自用物業至投資物業，於轉撥日之公平值增值146.0百萬港元（2010年：137.5百萬港元）是確認為重估儲備。

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18. INVESTMENT PROPERTIES (CONTINUED)

- (b) The investment properties were valued on the date of the transfer and at the reporting dates by Norton Appraisals Limited, an independent qualified professional valuer, not connected with the Group. The valuation was arrived at by reference to market evidence of transaction prices for similar properties. Particulars of the investment properties at 31 December 2011 were:

Location 地址	Classification 類別	Term of lease 租約期	Interest 權益
11/F, Tian An Centre, No. 338 Nanjing Road West, Huangpu District, Shanghai, the PRC 中國上海黃浦區南京西路338號天安中心大廈11樓	Commercial 商業	2044	100%
Room 1901, 19/F, Tian An Centre, No. 338 Nanjing Road West, Huangpu District, Shanghai, the PRC 中國上海黃浦區南京西路338號天安中心大廈19樓1901室	Commercial 商業	2044	100%
2001 in Eastern Block and 2002 in Western Block, Phase II, Shenzhen Tian An Cyber Park, Futian District, Shenzhen, the PRC 中國深圳市福田區深圳天安數碼城2期東翼2001室·西翼2002室	Industrial 工業	2052	100%
2201, 2201A and 2202, 22/F, Tower I, Admiralty Centre, 18 Harcourt Road, Hong Kong 香港夏慤道18號海富中心1座22樓2201·2201A及2202室	Commercial 商業	2053	100%
8/F, Tower II, Admiralty Centre, 18 Harcourt Road, Hong Kong 香港夏慤道18號海富中心2座8樓	Commercial 商業	2053	100%
11/F, Tower II, Admiralty Centre, 18 Harcourt Road, Hong Kong 香港夏慤道18號海富中心2座11樓	Commercial 商業	2053	100%

18. 投資物業(續)

- (b) 投資物業由與集團無關連的獨立合資格專業估值師普敦國際評估有限公司，於轉撥日及結算日評估。該估值以相類物業交易價格的市場憑證作為參考。投資物業於2011年12月31日之資料如下：

- (c) At the end of the reporting period, investment properties with a total carrying value of HK\$668.9 million (31/12/2010: HK\$232.1 million) was pledged as security for the Group's bank loans.

- (c) 於結算日，抵押予銀行作為集團銀行借款抵押品的投資物業賬面總值為668.9百萬港元(2010年12月31日：232.1百萬港元)。

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19. LEASEHOLD INTERESTS IN LAND

19. 租賃土地權益

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Leasehold land outside Hong Kong	在香港以外的租賃土地		
— Medium-term lease	— 中期租賃	10.2	10.1
— Short-term lease	— 短期租賃	0.2	0.3
		10.4	10.4
Analysed for reporting purposes as:	為報告目的所作的分析：		
— Non-current assets	— 非流動資產	10.0	10.0
— Current assets (Note 33)	— 流動資產(附註33)	0.4	0.4
		10.4	10.4

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20. PROPERTY AND EQUIPMENT

20. 物業及設備

		Group 集團		
		Property 物業 HK\$ Million 百萬港元	Furniture and equipment 傢俬及設備 HK\$ Million 百萬港元	Total 總額 HK\$ Million 百萬港元
Cost	原值			
At 1 January 2010	於2010年1月1日	197.9	215.5	413.4
Exchange adjustments	匯兌調整	0.7	0.8	1.5
Additions	增購	—	76.8	76.8
Transfer from investment properties	轉撥自投資物業	22.1	—	22.1
Transfer to investment properties	轉撥至投資物業	(34.1)	—	(34.1)
Disposals	出售	—	(11.0)	(11.0)
At 31 December 2010	於2010年12月31日	186.6	282.1	468.7
Exchange adjustments	匯兌調整	2.7	2.7	5.4
Additions	增購	—	85.0	85.0
Transfer from investment properties	轉撥自投資物業	27.7	—	27.7
Transfer to investment properties	轉撥至投資物業	(123.2)	—	(123.2)
Disposals	出售	—	(57.6)	(57.6)
At 31 December 2011	於2011年12月31日	93.8	312.2	406.0
Accumulated depreciation and impairment	累積折舊及減值			
At 1 January 2010	於2010年1月1日	26.6	138.1	164.7
Exchange adjustments	匯兌調整	0.1	0.6	0.7
Depreciation provided for the year	是年度折舊	4.4	36.5	40.9
Transfer to investment properties	轉撥至投資物業	(4.9)	—	(4.9)
Eliminated on disposals	出售對銷	—	(7.3)	(7.3)
At 31 December 2010	於2010年12月31日	26.2	167.9	194.1
Exchange adjustments	匯兌調整	0.2	1.3	1.5
Depreciation provided for the year	是年度折舊	1.8	47.6	49.4
Transfer to investment properties	轉撥至投資物業	(14.1)	—	(14.1)
Eliminated on disposals	出售對銷	—	(45.5)	(45.5)
At 31 December 2011	於2011年12月31日	14.1	171.3	185.4
Carrying amount at 31 December 2011	2011年12月31日 賬面值	79.7	140.9	220.6
Carrying amount at 31 December 2010	2010年12月31日 賬面值	160.4	114.2	274.6

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For the year ended 31 December 2011
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20. PROPERTY AND EQUIPMENT (CONTINUED)

Analysis of the carrying amount of the properties:

20. 物業及設備(續)

物業之賬面值分析如下：

		Group 集團	
		31/12/2011	31/12/2010
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Medium-term lease in Hong Kong	於香港之中期租賃物業	10.1	119.5
Medium-term lease outside Hong Kong	於海外之中期租賃物業	69.3	40.5
Short-term lease outside Hong Kong	於海外之短期租賃物業	0.3	0.4
		79.7	160.4

At 31 December 2011, no properties were pledged as security for the Group's bank loans (31/12/2010: HK\$109.1 million).

於2011年12月31日，並無樓宇抵押予銀行作為集團長期銀行借款的抵押品(2010年12月31日：109.1百萬港元)。

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21. INTANGIBLE ASSETS

21. 無形資產

		Group 集團							
		Computer software 電腦軟件							
		Exchange Club participation rights	Internally developed	Acquired	Trade mark	Customer relationship	Web domain	Total	
		會所會籍 交易所參與權	內部開發	購入	商標	客戶關係	網域	總額	
		HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	
Cost	原值								
At 1 January 2010	於2010年1月1日	5.0	2.6	98.9	30.2	875.0	1,154.0	78.0	2,243.7
Additions	增購	—	—	14.7	4.8	—	—	—	19.5
At 31 December 2010	於2010年12月31日	5.0	2.6	113.6	35.0	875.0	1,154.0	78.0	2,263.2
Additions	增購	—	—	10.3	26.3	—	—	—	36.6
Disposals	出售	—	—	(9.2)	—	—	—	—	(9.2)
At 31 December 2011	於2011年12月31日	5.0	2.6	114.7	61.3	875.0	1,154.0	78.0	2,290.6
Accumulated amortisation and impairment	累積攤銷及減值								
At 1 January 2010	於2010年1月1日	1.2	1.1	34.5	2.9	7.0	809.6	33.1	889.4
Amortisation charged for the year	是年度攤銷費用	—	—	10.3	1.1	—	167.9	6.8	186.1
Impairment loss	減值虧損	—	—	—	—	—	1.0	—	1.0
At 31 December 2010	於2010年12月31日	1.2	1.1	44.8	4.0	7.0	978.5	39.9	1,076.5
Amortisation charged for the year	是年度攤銷費用	—	—	19.8	4.7	—	167.7	6.7	198.9
Eliminated on disposals	出售對銷	—	—	(8.3)	—	—	—	—	(8.3)
At 31 December 2011	於2011年12月31日	1.2	1.1	56.3	8.7	7.0	1,146.2	46.6	1,267.1
Carrying amount at 31 December 2011	2011年12月31日賬面值	3.8	1.5	58.4	52.6	868.0	7.8	31.4	1,023.5
Carrying amount at 31 December 2010	2010年12月31日賬面值	3.8	1.5	68.8	31.0	868.0	175.5	38.1	1,186.7

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21. INTANGIBLE ASSETS (CONTINUED)

The intangible assets of the Company are as follows:

		Company 本公司	
		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Club membership, at cost	會所會籍原值		
At 1 January and 31 December	於1月1日及12月31日	2.1	2.1
Accumulated impairment	累積減值		
At 1 January and 31 December	於1月1日及12月31日	(1.0)	(1.0)
Carrying amount at 31 December	12月31日賬面值	1.1	1.1

21. 無形資產(續)

本公司之無形資產如下：

Other than the club membership, exchange participation rights and the trade mark, which have indefinite useful lives, the intangible assets are amortised on a straight-line basis over the following periods:

Acquired computer software	3 – 5 years
Internally developed computer software	5 – 10 years
Customer relationship	5.4 years
Web domain	10 years

除了會所會籍、交易所參與權及商標是沒有特定使用期限，其他的無形資產按下列的期限以直線攤分法攤銷：

購入的電腦軟件	3 – 5年
內部開發的電腦軟件	5 – 10年
客戶關係	5.4年
網域	10年

22. GOODWILL

		Group 集團	
		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Cost	原值		
At 1 January and 31 December	於1月1日及12月31日	2,384.0	2,384.0

22. 商譽

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23. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

For impairment testing, goodwill and intangible assets with indefinite useful lives at 31 December 2011 were allocated as follows:

23. 商譽及沒有特定使用期限的無形資產之減值檢查

於2011年12月31日的商譽及沒有特定使用期限的無形資產是分配於下列現金產生單位作為減值檢查：

		Goodwill		Trade Mark	
		商譽		商標	
		31/12/2011	31/12/2010	31/12/2011	31/12/2010
		HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
		百萬港元	百萬港元	百萬港元	百萬港元
United Asia Finance Limited ("UAF") in "Consumer Finance" segment	於「私人財務」分項的亞洲聯合財務有限公司(「聯合財務」)	2,384.0	2,384.0	868.0	868.0

The recoverable amount of UAF, a cash-generating unit, represents the value in use at 31 December 2011 based on a business valuation report on the UAF group prepared by an independent qualified professional valuer, Norton Appraisals Limited. It is based on a five-year performance projection and certain key assumptions (updated with latest market data) including an average growth rate of 10.1% from 2012 to 2016 (2010: 12.7% from 2011 to 2015), a sustainable growth rate of 3.0% beyond 2016 (2010: 4.5% beyond 2015), and a discount rate of 15.4% (2010: 10.0%) to determine the value in use. The recoverable amount of UAF was determined to be in excess of its net carrying amount.

The management believes that possible changes in any of the above assumptions would not cause the carrying amount of UAF to exceed its recoverable amount.

聯合財務(一個現金產生單位)的可收回值是基於獨立合資格專業估值師普敦國際評估有限公司所編制的業務估值報告中聯合財務集團於2011年12月31日之使用價值。使用價值是基於五年業績預算及若干主要假設(以最近之市場數據更新)，包括於2012年至2016年的平均增長率10.1%(2010年：2011年至2015年為12.7%)、2016年後的持續增長率3.0%(2010年：2015年後為4.5%)、及貼現率15.4%(2010年：10.0%)。聯合財務的可收回值是確定為大於其賬面淨值。

管理層相信該等假設的可能變化均不會引致聯合財務的賬面值超過其可收回值。

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24. INTEREST IN SUBSIDIARIES

24. 附屬公司權益

		Company 本公司	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Unlisted shares, at cost	非上市股份原值	4,039.0	4,339.4
Less: impairment	減：減值	(48.1)	(49.0)
		3,990.9	4,290.4

Particulars of the principal subsidiaries at 31 December 2011 are shown in Note 50.

於2011年12月31日的主要附屬公司資料載於附註50。

25. INTEREST IN ASSOCIATES

25. 聯營公司權益

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Carrying amount of unlisted associates	非上市聯營公司賬面值	60.7	60.6
Less: impairment	減：減值	(4.0)	(4.0)
		56.7	56.6

(a) The summarised financial information of associates at 31 December 2011 was as follows:

(a) 以下為聯營公司於2011年12月31日的財務資料概要：

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Total revenue	總收益	470.1	1,795.8
Total profit for the year	是年度溢利總額	82.5	603.1
Group's share of profit or loss of associates for the year	集團所佔聯營公司是年度溢利或虧損	17.1	210.1

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25. INTEREST IN ASSOCIATES (CONTINUED)

(a) (continued)

		31/12/2011	31/12/2010
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Total assets	總資產	1,231.7	1,269.6
Total liabilities	總負債	(1,214.0)	(1,258.9)
Group's share of net assets of associates	集團所佔聯營公司淨資產	56.7	56.6

(b) Particulars of the principal associates at 31 December 2011 are shown in Note 51.

25. 聯營公司權益(續)

(a) (續)

(b) 於2011年12月31日的主要聯營公司詳細資料載於附註51。

26. INTEREST IN JOINTLY CONTROLLED ENTITIES

		Group	
		集團	
		31/12/2011	31/12/2010
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Cost of investment in unlisted jointly controlled entities	非上市共同控制公司投資成本	108.0	109.0
Share of post-acquisition reserves	所佔收購後儲備	14.1	7.4
Carrying amount of unlisted jointly controlled entities	非上市共同控制公司賬面值	122.1	116.4

Particulars of the jointly controlled entities at 31 December 2011 are shown in Note 52.

於2011年12月31日的共同控制公司資料載於附註52。

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26. INTEREST IN JOINTLY CONTROLLED ENTITIES (CONTINUED)

The summarised financial information in respect of the Group's interest in the jointly controlled entities which are accounted for using equity method is set out as follows:

26. 共同控制公司權益(續)

以下為有關集團於以權益法計算之共同控制公司權益之財務資料概要：

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Income	收入	19.8	17.5
Expenses	費用	(14.0)	(12.5)
Other comprehensive income	其他全面收益	—	—

		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Current assets	流動資產	126.9	224.4
Non-current assets	非流動資產	8.0	8.9
Current liabilities	流動負債	(11.6)	(116.9)
Non-current liabilities	非流動負債	—	—

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27. AVAILABLE-FOR-SALE INVESTMENTS

27. 可供出售投資

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Listed equity investments issued by corporate entities, at quoted price	由企業發行的上市股權投資，按市價		
— Listed in Hong Kong	— 在香港上市	—	0.9
— Listed outside Hong Kong	— 在香港以外上市	31.0	45.8
		31.0	46.7
Unlisted equity investments issued by corporate entities	由企業發行的非上市股權投資		
— Hong Kong shares, at cost less impairment	— 香港股份，按原值減減值	0.4	0.4
— Overseas shares (primarily in South Asia engaging in hotel management business), at cost less impairment	— 海外股份(主要在南亞從事酒店管理業務)，按原值減減值	211.3	174.2
— Macau shares, at fair value	— 澳門股份，按公平值	42.3	51.7
— Shares in overseas investment funds, at fair value	— 海外投資基金股份，按公平值	31.2	19.1
		316.2	292.1

Available-for-sale investments are intended to be held for a continuing strategic or long-term purpose.

As there are no sufficient market comparables as input to measure the fair value reliably, some of the unlisted equity investments are measured at cost less impairment. The fair value of the Macau shares was established by using discount cash flow method with a discount rate at prevailing prime interest rate. The fair value of shares in overseas investment funds are established by reference to the prices quoted by respective fund administrators as these equity securities may be redeemed at the request by the holders based on such quoted prices.

Further details on financial risk management of available-for-sale investments are disclosed in Note 56.

持有可供出售投資的目的，是作為持續性策略用途或長期用途。

由於作為可靠地計量公平值的適合比較市場輸入數據並不足夠，部份非上市股權投資是按原值減減值計量。澳門股份之公平值是基於現行最優惠利率之折現現金流方法計算。由於海外投資基金股份之持有人可根據相關基金管理人的報價而要求贖回，該股份公平值之制定乃參考該等報價。

可供出售投資的金融風險管理於附註56中進一步披露。

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28. DEFERRED TAXATION

The following are the major deferred tax assets and liabilities of the Group recognised and movements thereon during the current and prior years:

		Group 集團						
		Accelerated depreciation 加速折舊 HK\$ Million 百萬港元	Provisions and impairment 準備及減值 HK\$ Million 百萬港元	Revaluation of assets 資產重估 HK\$ Million 百萬港元	Unrealised profit 未兌現溢利 HK\$ Million 百萬港元	Undistributed earnings and others 未分派盈利 及其他 HK\$ Million 百萬港元	Tax losses 未用稅損 HK\$ Million 百萬港元	Total 總計 HK\$ Million 百萬港元
At 1 January 2010	於2010年1月1日	(19.4)	104.0	(226.5)	(4.4)	(8.2)	4.3	(150.2)
Exchange adjustments	匯兌調整	(0.1)	0.5	(0.7)	(0.2)	(0.1)	0.1	(0.5)
Recognised in consolidated income statement (Note 15)	於綜合收益賬確認 (附註15)	(2.1)	(4.5)	27.6	(2.0)	1.5	2.4	22.9
Recognised in other comprehensive income	於其他全面收益內 確認	—	—	(2.1)	—	—	—	(2.1)
At 31 December 2010	於2010年12月31日	(21.6)	100.0	(201.7)	(6.6)	(6.8)	6.8	(129.9)
Exchange adjustments	匯兌調整	(0.1)	0.9	(1.0)	(0.4)	—	0.5	(0.1)
Recognised in consolidated income statement (Note 15)	於綜合收益賬確認 (附註15)	(4.1)	(1.6)	24.5	(6.8)	0.6	5.5	18.1
At 31 December 2011	於2011年12月31日	(25.8)	99.3	(178.2)	(13.8)	(6.2)	12.8	(111.9)

For reporting purposes, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances of the Group for financial reporting purposes:

28. 遞延稅項

以下為集團已確認之主要遞延稅項資產及負債及其於本年和往年度的變動：

作為報告目的，有若干遞延稅項資產與負債互相抵銷。以下分析是作為報告目的之集團遞延稅項結存：

		Group 集團		
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元	1/1/2010 HK\$ Million 百萬港元
Deferred tax assets	遞延稅項資產	92.7	94.1	100.5
Deferred tax liabilities	遞延稅項負債	(204.6)	(224.0)	(250.7)
		(111.9)	(129.9)	(150.2)

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28. DEFERRED TAXATION (CONTINUED)

At the end of the reporting period, the Group had unrecognised deductible temporary differences of HK\$1.6 million (31/12/2010: HK\$1.7 million) and unrecognised tax losses of HK\$820.1 million (31/12/2010: HK\$720.0 million) available to offset against future profits. The deductible temporary difference and tax losses have not been recognised as it is uncertain that there will be sufficient future taxable profits available for the utilisation of these temporary differences. The unrecognised tax losses included a sum of HK\$3.7 million (31/12/2010: HK\$3.2 million) that will expire from 2012 to 2015.

The Group also had unrecognised taxable temporary differences arising from investment in PRC subsidiaries of HK\$277.4 million at the end of the reporting period (31/12/2010: HK\$111.5 million). The taxable temporary differences have not been recognised as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

All the temporary differences of the Company (arising from unused tax losses) are recognised as deferred tax assets and the movements during the current and prior years are as follows:

28. 遞延稅項(續)

於結算日，集團有未確認可扣減短暫差額1.6百萬港元(2010年12月31日：1.7百萬港元)，及可抵銷未來溢利的未確認稅損820.1百萬港元(2010年12月31日：720.0百萬港元)。由於未能確定將來有足夠應課稅溢利，以抵銷該等短暫差額的動用，故該等可扣減短暫差額及稅損並未確認。包括在未確認稅損內有3.7百萬港元稅損(2010年12月31日：3.2百萬港元)將於2012年至2015年內到期。

集團投資於中國附屬公司亦有未確認應課稅短暫時差，於結算日為277.4百萬港元(2010年12月31日：111.5百萬港元)。由於集團可控制應課稅短暫時差之逆轉，以及短暫時差可能不會於可見將來逆轉，該應課稅短暫時差並未確認。

本公司所有短暫時差(由稅損產生)是確認為遞延稅項資產，該資產於本年和往年度的變動如下：

		Company 本公司	
		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Balance at 1 January	1月1日結存	0.4	—
Recognised in profit or loss	於損益中確認	(0.4)	0.4
Balance at 31 December	12月31日結存	—	0.4

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29. AMOUNTS DUE FROM (TO)
SUBSIDIARIES

29. 附屬公司欠(貨)賬

		Company 本公司	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Amounts due from subsidiaries	附屬公司欠賬	7,255.5	4,226.5
Less: allowance for impairment	減：減值撥備	(318.1)	(357.3)
		6,937.4	3,869.2
Less: current portion	減：流動部分	(684.4)	—
Non-current portion*	非流動部分*	6,253.0	3,869.2

* After taking into account the expected settlement period, the amounts due from subsidiaries are not expected to be repayable within twelve months from the end of the reporting period and the balance is therefore shown as non-current.

* 於考慮預期還款時間後，預料附屬公司欠賬並不會在年結日後12個月內償還，該結餘因而列為非流動欠賬。

The amounts due from subsidiaries are unsecured, repayable on demand, and non-interest bearing except for a sum of HK\$1,381.3 million (31/12/2010: HK\$2,162.8 million) bearing interest at rates ranging from 2% to HIBOR plus 2%. The Company assesses at year-end whether there is objective evidence that the amounts due from subsidiaries are impaired. The impairment is made if and only if there is objective evidence of impairment as a result of one or more loss events including unsustainable operating losses occurring and having an impact in the estimated future cash flows of subsidiaries that can be reliably estimated. The movements in the allowance for impairment were as follows:

除總數為1,381.3百萬港元(2010年12月31日：2,162.8百萬港元)的欠賬是附有利息(由2%至香港銀行同業拆息加2%)，附屬公司欠賬乃無抵押、獲通知時償還及免息。本公司於年末時評估附屬公司欠賬是否有客觀減值憑據。減值只有在以下情況下提撥，有客觀憑據顯示有一項或多項虧損事件已發生(包括持續營運虧損)，對來自附屬公司的未來估計現金流量有影響，並可以可靠地預計。以下為減值撥備的變動：

		Company 本公司	
		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
At 1 January	於1月1日	(357.3)	(357.3)
Amounts recognised in profit or loss	於損益中確認之數額	39.2	—
At 31 December	於12月31日	(318.1)	(357.3)

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SUBSIDIARIES (CONTINUED)

29. 附屬公司欠(貸)賬(續)

		Company 本公司	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Gross amount of impaired advances to subsidiaries	有減值的附屬公司欠賬之原值	788.2	756.7
Less: allowance for impairment	減：減值撥備	(318.1)	(357.3)
Net carrying amount of impaired advances to subsidiaries	有減值的附屬公司欠賬之賬面淨值	470.1	399.4

The amounts due to subsidiaries are unsecured, repayable on demand and non-interest bearing.

附屬公司貸賬乃無抵押、獲通知時償還及免息。

30. AMOUNTS DUE FROM ASSOCIATES

30. 聯營公司欠賬

		Group 集團		Company 本公司	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元	31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Amounts due from associates	聯營公司欠賬	94.0	95.6	60.2	60.0
Less: allowance for impairment	減：減值撥備	(30.2)	(25.3)	(4.9)	—
Less: current portion	減：流動部分	63.8 (12.5)	70.3 (14.1)	55.3 (0.9)	60.0 (0.8)
		51.3	56.2	54.4	59.2

Further details of amounts due from associates are disclosed in Note 39.

聯營公司欠賬之詳情於附註39中進一步披露。

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30. AMOUNTS DUE FROM ASSOCIATES
(CONTINUED)

The impairment is recognised when there is objective evidence of impairment (such as unsustainable operating loss) after the Group's evaluation of the collectibility of amounts due from associates. Movements of the impairment during the year are as follows:

		Group 集團		Company 本公司	
		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元	2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
At 1 January	於1月1日	(25.3)	(25.0)	—	—
Amounts recognised in profit or loss	於損益中確認之數額	(4.9)	(0.3)	(4.9)	—
At 31 December	於12月31日	(30.2)	(25.3)	(4.9)	—

30. 聯營公司欠賬(續)

減值是於集團評估聯營公司欠賬的還款能力後，有客觀減值憑據時(如持續營運虧損)作出確認。減值撥備於本年之變動如下：

		Group 集團		Company 本公司	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元	31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Gross amount of impaired advances to associates	有減值的聯營公司欠賬之原值	82.5	82.3	59.3	—
Less: allowance for impairment	減：減值撥備	(30.2)	(25.3)	(4.9)	—
Net carrying amount of impaired advances to associates	有減值的聯營公司欠賬之賬面淨值	52.3	57.0	54.4	—

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31. LOANS AND ADVANCES TO CONSUMER FINANCE CUSTOMERS 31. 私人財務客戶貸款及墊款

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Loans and advances to consumer finance customers	私人財務客戶貸款及墊款	7,961.8	5,923.2
Less: impairment allowance	減：減值撥備		
— Individually assessed	— 獨立評估	(0.1)	(0.3)
— Collectively assessed	— 綜合評估	(405.6)	(458.4)
		7,556.1	5,464.5
Analysed for reporting purposes as:	為報告目的所作的分析：		
— Non-current assets	— 非流動資產	2,972.6	2,291.9
— Current assets	— 流動資產	4,583.5	3,172.6
		7,556.1	5,464.5

Movements of allowance for impairment during the year were as follows:

以下為減值撥備於年中的變動：

		Group 集團	
		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
At 1 January	於1月1日	(458.7)	(567.5)
Exchange adjustments	匯兌調整	(1.4)	(0.7)
Amounts deducted directly from loans and advances to consumer finance customers	直接於私人財務客戶貸款及墊款扣除之數額	273.3	274.6
Amounts recognised in consolidated income statement	於綜合收益賬確認之數額	(164.5)	(108.6)
Recoveries of amount previously deducted directly from loans and advances to consumer finance customers	收回以往已直接於私人財務客戶貸款及墊款扣除之數額	(54.4)	(56.5)
At 31 December	於12月31日	(405.7)	(458.7)

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31. LOANS AND ADVANCES TO CONSUMER FINANCE CUSTOMERS (CONTINUED)

Certain loans and advances are secured by properties. All the loans and advances bear interest at market interest rates.

The loans and advances to consumer finance customers have been reviewed by the Consumer Finance division to assess impairment allowances which are based on the evaluation of collectibility, ageing analysis of accounts and on management's judgement, including the current creditworthiness and the past collection statistics of individually significant accounts or a portfolio of accounts on a collective basis.

31. 私人財務客戶貸款及墊款(續)

若干貸款及墊款是以物業作為抵押，所有貸款及墊款是附有市場利率。

私人財務組已審閱私人財務客戶貸款及墊款，從而對減值撥備進行評估，評估基礎為可收回性評估、賬齡分析及管理層判斷，包括獨立大額客戶或集成組合客戶現時的信譽及過往收款數據。

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Gross amount of impaired loans under individual assessment	由獨立評估並有減值貸款之原值	1.2	2.0
Less: loans impairment allowance under individual assessment	減：獨立評估貸款的減值撥備	(0.1)	(0.3)
Net carrying amount of impaired loans under individual assessment	由獨立評估並有減值貸款之賬面淨值	<u>1.1</u>	<u>1.7</u>

The following is an ageing analysis for the loans and advances to consumer finance customers that were past due at the end of the reporting period but not impaired:

以下為於結算日已逾期但無減值的私人財務客戶貸款及墊款的賬齡分析：

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Less than 31 days past due	逾期少於31天	437.8	261.5
31 – 60 days	31 — 60天	98.4	39.0
61 – 90 days	61 — 90天	119.4	19.6
Over 90 days	90天以上	60.1	81.0
		<u>715.7</u>	<u>401.1</u>

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31. LOANS AND ADVANCES TO CONSUMER FINANCE CUSTOMERS (CONTINUED)

The amount and type of collateral required depend on an assessment of the credit risk of the customer or counterparty.

The main types of collateral and credit enhancement obtained are as follows:

- for personal lending, mortgages over residential properties; and
- for commercial lending, corporate guarantees, charges over real estate properties, pledge of shares or debentures over the borrower's assets.

In general, the loans and advances which are granted on a secured basis, are made to the consumer finance customers with sufficient amount of collateral provided by them. Management requests additional collateral as appropriate in accordance with the underlying agreements, and monitors the market value of collateral during its review of the adequacy of the allowance for impairment losses.

Estimate of fair value of collateral are based on the fair value of collateral determined using valuation techniques commonly used for the corresponding assets at the time of borrowing.

For the secured loans and advances to consumer finance customers with the carrying amount of HK\$760.5 million (2010: HK\$307.1 million), the fair values of the collaterals of such can be objectively ascertained to cover the outstanding amount of the loan balances.

The carrying amounts of the loans and advances to consumer finance customers approximate their fair values.

31. 私人財務客戶貸款及墊款(續)

抵押品的規定類型和數額視乎評估客戶或對手的信貸風險的結果而定。

獲得的抵押品及信貸增強措施主要為以下類型：

- 個人貸款的按揭抵押為住宅物業；及
- 商業貸款的抵押為公司擔保、地產物業、股票質押或以借款人之資產為保證的債券。

一般而言，以抵押基準授出的借貸及墊款是提供給具有足夠金額的抵押品之私人財務客戶。管理層會因應相關協議要求額外抵押品，並於檢討減值虧損撥備的充份性時監察抵押品的市值。

估計抵押品之公平值是基於於借貸時以常用估值技巧所釐定的抵押品公平值而釐定。

向私人財務客戶提供的有抵押貸款及墊款賬面值為760.5百萬港元(2010年：307.1百萬港元)，其抵押品的公平值可客觀確定為足夠償付未償還的貸款結餘。

私人財務客戶貸款及墊款的賬面值約等於其公平值。

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32. FINANCIAL ASSETS AT FAIR VALUE
THROUGH PROFIT OR LOSS

32. 透過收益賬按公平值列賬的財務
資產

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Held for trading investments, at quoted price	持作買賣投資，按市價		
Equity securities listed in Hong Kong	在香港上市的股權證券		
— Issued by corporate entities	— 由企業發行	173.5	157.8
— Issued by banks	— 由銀行發行	94.7	176.9
— Issued by public utility entities	— 由公營機構發行	1.2	0.2
Equity securities issued by corporate entities listed outside Hong Kong	由企業發行之海外上市股權 證券	124.1	73.3
Warrants, futures and options listed in Hong Kong	在香港上市的認股權證、 期貨及期權	1.3	6.0
Unlisted bonds	非上市債券	23.8	53.4
		418.6	467.6
Held for trading investments, at fair value	持作買賣投資，按公平值		
Equity and currency over the counter derivatives	場外買賣之股票及貨幣衍生 工具	1.5	—
Unlisted Hong Kong options	非上市的香港期權	—	3.2
Unlisted overseas warrants and options	非上市的海外認股權證及期權	0.1	0.9
Unlisted bonds	非上市債券	33.8	31.2
		35.4	35.3
Investments designated as at fair value through profit or loss issued by corporate entities, at fair value	選定為按公平值列賬並由企業 發行的投資，按公平值		
Unlisted overseas redeemable convertible securities	非上市海外可贖回可轉換 證券	50.0	—
Equity securities in unlisted overseas investment funds	非上市海外投資基金的股權 證券	268.7	138.6
		318.7	138.6
		772.7	641.5
Analysed for reporting purposes as:	為報告目的所作的分析：		
— Non-current assets	— 非流動資產	236.7	—
— Current assets	— 流動資產	536.0	641.5
		772.7	641.5

Further information of the fair values of financial assets at fair value through profit or loss is disclosed in Note 55.

透過收益賬按公平值列賬的財務資產公平值之資料於附註55中進一步披露。

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33. TRADE AND OTHER RECEIVABLES

33. 經營及其他應收賬

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Trade receivables — accounts receivable from exchanges, brokers and clients	經營應收賬 — 交易所、經紀及客戶應收賬	843.3	1,145.5
Less: impairment allowance	減：減值撥備	(19.3)	(2.8)
		<u>824.0</u>	<u>1,142.7</u>
Secured term loans	有抵押有期借款	1,021.4	705.2
Less: impairment allowance	減：減值撥備	(56.6)	(56.6)
		<u>964.8</u>	<u>648.6</u>
Margin loans	證券放款	4,343.0	4,524.3
Less: impairment allowance	減：減值撥備	(66.0)	(87.8)
		<u>4,277.0</u>	<u>4,436.5</u>
Consideration receivable for the disposal of held for trading investments secured by listed shares repayable by instalment	以上市證券作為抵押及以分期償還之出售持作買賣投資應收代價	—	123.7
Deposits	按金	66.8	29.4
Dividend receivable on behalf of clients	代客戶收取之應收股息	51.9	32.8
Claims from counter parties, receivable from sale proceeds and other receivables	向交易對手之索款、應收出售代價及其他應收賬	149.1	233.8
Less: impairment allowance	減：減值撥備	—	(1.3)
Less: non-current portion of other receivables	減：其他應收賬之非流動部分	(7.8)	(3.1)
		<u>260.0</u>	<u>415.3</u>
Trade and other receivables at amortised cost	經營及其他應收賬，按攤銷後成本	6,325.8	6,643.1
Prepayments	預付費用	19.5	32.9
Current portion of leasehold interests in land (Note 19)	租賃土地權益的流動部分 (附註19)	0.4	0.4
		<u>6,345.7</u>	<u>6,676.4</u>

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For the year ended 31 December 2011
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33. TRADE AND OTHER RECEIVABLES (CONTINUED)

The carrying amount of the trade and other receivables is after netting off the following impairment allowances:

33. 經營及其他應收賬(續)

經營及其他應收賬之賬面值已扣除以下獨立減值撥備：

		Trade receivables 經營應收賬 HK\$ Million 百萬港元	Secured term loans 有抵押 有期借款 HK\$ Million 百萬港元	Margin loans 證券放款 HK\$ Million 百萬港元	Other receivables 其他應收賬 HK\$ Million 百萬港元	Total 總額 HK\$ Million 百萬港元
At 1 January 2010	於2010年1月1日	(3.2)	(56.6)	(87.8)	(2.7)	(150.3)
Exchange adjustments	匯兌調整	—	—	—	1.1	1.1
Amounts written off	數額撇銷	1.7	—	—	—	1.7
Amounts recognised in the consolidated income statement	於綜合收益賬確認之數額	(1.3)	—	—	0.3	(1.0)
At 31 December 2010	於2010年12月31日	(2.8)	(56.6)	(87.8)	(1.3)	(148.5)
Amounts written off	數額撇銷	—	—	26.3	1.3	27.6
Amounts recognised in the consolidated income statement	於綜合收益賬確認之數額	(16.5)	—	(4.5)	—	(21.0)
At 31 December 2011	於2011年12月31日	(19.3)	(56.6)	(66.0)	—	(141.9)

Impairment loss on trade receivables, margin loans, term loans and other receivables is recognised in the consolidated income statement after proper review by the Credit Control Department or the Credit and Executive Committees of the Company, based on the latest status of trade receivables, margin loans, term loans and other receivables, and the latest announced or available information about the underlying collateral held.

經本公司信貸監控部門或信貸委員會及執行委員會適當地審視經營應收賬、證券放款、有期借款及其他應收賬的情況後(根據經營應收賬、證券放款、有期借款及其他應收賬的最新情況及最新公佈或得到的有關抵押品的資料)，如有任何減值虧損，於綜合收益賬中確認。

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綜合財務報表附註For the year ended 31 December 2011
截至2011年12月31日止年度33. TRADE AND OTHER RECEIVABLES
(CONTINUED)

The carrying amounts of the trade and other receivables at amortised cost approximate their fair values.

33. 經營及其他應收賬(續)

經營及其他應收賬的賬面值約等於其公平值。

		Group 集團					
		31/12/2011			31/12/2010		
		Gross amount of impaired advances 經減值貸款 之原值 HK\$ Million 百萬港元	Individually assessed allowances 獨立評估 之撥備 HK\$ Million 百萬港元	Net carrying amount of impaired advances 經減值貸款 之賬面淨值 HK\$ Million 百萬港元	Gross amount of impaired advances 經減值貸款 之原值 HK\$ Million 百萬港元	Individually assessed allowances 獨立評估 之撥備 HK\$ Million 百萬港元	Net carrying amount of impaired advances 經減值貸款 之賬面淨值 HK\$ Million 百萬港元
Impaired trade and other receivables under individual assessment	經獨立評估並有減值的經營及 其他應收賬						
— Trade receivables	— 經營應收賬	101.7	(19.3)	82.4	2.9	(2.8)	0.1
— Secured term loans	— 有抵押有期借款	58.1	(56.6)	1.5	58.1	(56.6)	1.5
— Margin loans	— 證券放款	178.8	(66.0)	112.8	184.5	(87.8)	96.7
— Other receivables	— 其他應收賬	—	—	—	1.3	(1.3)	—
		338.6	(141.9)	196.7	246.8	(148.5)	98.3

The following is an ageing analysis of trade receivables and secured term loans that were past due at the end of the reporting period but not impaired:

以下為於結算日已逾期但未作出減值的經營應收賬及有抵押有期借款之賬齡分析：

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Less than 31 days	少於31天	11.4	172.2
31 – 60 days	31 – 60天	1.8	4.3
61 – 90 days	61 – 90天	300.5	110.2
Over 90 days	90天以上	233.5	28.4
		547.2	315.1

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33. TRADE AND OTHER RECEIVABLES (CONTINUED)

The following is an ageing analysis of trade and other receivables based on date of invoice/contract note at the reporting date:

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Less than 31 days	少於31天	761.4	1,116.7
31 – 60 days	31 – 60天	2.8	10.1
61 – 90 days	61 – 90天	94.0	4.2
Over 90 days	90天以上	32.3	142.2
		890.5	1,273.2
Term loans, margin loans, and trade and other receivables without ageing *	未有賬齡之有期借款、證券放款及經營及其他應收賬 *	5,455.2	5,403.2
		6,345.7	6,676.4

* No ageing analysis is disclosed for margin loans and term loans financing, as, in the opinion of Directors, the ageing analysis does not give additional value in view of the nature of the margin loans and term loans financing business.

Listed securities, unlisted securities and properties of clients are held as collateral against secured margin loans and term loans. The fair value of the listed securities at 31 December 2011 held as collateral was HK\$12,622.5 million (31/12/2010: HK\$19,601.5 million).

Further details on financial risk management of trade and other receivables are disclosed in Note 56.

33. 經營及其他應收賬(續)

以下為經營及其他應收賬於結算日以發票/買賣單據日期計算之賬齡分析：

* 由於考慮到證券放款及有期借款業務的性質，董事們認為有該等借款的賬齡分析未能提供額外價值，固無披露其賬齡分析。

集團持有客戶上市證券、非上市證券及物業作為有抵押證券放款及有抵押有期借款之抵押品。於2011年12月31日，此等作為抵押的上市證券的公平值為12,622.5百萬港元(2010年12月31日：19,601.5百萬港元)。

經營及其他應收賬之金融風險管理於附註56中進一步披露。

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截至2011年12月31日止年度34. CASH, DEPOSITS AND CASH
EQUIVALENTS

34. 現金、存款及現金等價物

		Group 集團		Company 本公司	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元	31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Bank balances and cash	銀行結存及現金	893.6	1,393.5	1.4	1.1
Fixed deposits with banks with a term within 3 months	期限為3個月內之銀行定期存款	901.5	826.4	—	—
Treasury bills	國庫券	—	7.8	—	—
Cash and cash equivalents	現金及現金等價物	1,795.1	2,227.7	1.4	1.1
Fixed deposits with banks with a term between 4 to 12 months	期限為4至12個月內之銀行定期存款	940.9	282.4	—	—
		2,736.0	2,510.1	1.4	1.1

The Group maintains trust and segregated accounts with licensed banks to hold clients' deposits arising from normal business transactions. At 31 December 2011, trust and segregated accounts not dealt with in these financial statements totalled HK\$5,019.5 million (31/12/2010: HK\$5,398.4 million).

集團於持牌銀行設有信託及獨立賬戶，為經營日常業務所需而持有客戶信託存款。於2011年12月31日，並未包括在本財務報表的信託及獨立賬戶共5,019.5百萬港元（2010年12月31日：5,398.4百萬港元）。

The carrying amounts of cash, deposits and cash equivalents approximate their fair values.

現金、存款及現金等價物的賬面值約等於其公平值。

Further details on financial risk management of cash, deposits and cash equivalents are disclosed in Note 56.

現金、存款及現金等價物之金融風險管理詳情於附註56中進一步披露。

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35. BANK AND OTHER BORROWINGS

35. 銀行及其他借款

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Bank loans	銀行借款		
— Secured term loans	— 有抵押有期借款	241.0	92.8
— Unsecured term loans	— 無抵押有期借款	<u>4,431.0</u>	<u>3,258.2</u>
		4,672.0	3,351.0
— Secured instalment loans	— 有抵押分期借款	<u>146.1</u>	<u>163.4</u>
		4,818.1	3,514.4
Secured bank overdrafts	有抵押銀行透支	—	50.0
Total bank borrowings	銀行總借款	4,818.1	3,564.4
Other borrowings	其他借款	<u>31.8</u>	<u>176.1</u>
		4,849.9	3,740.5
Analysed for reporting purposes as:	為報告目的所作的分析：		
— Current liabilities	— 流動負債	1,646.4	1,695.7
— Non-current liabilities	— 非流動負債	<u>3,203.5</u>	<u>2,044.8</u>
		4,849.9	3,740.5

Notes to the Consolidated Financial Statements
綜合財務報表附註For the year ended 31 December 2011
截至2011年12月31日止年度35. BANK AND OTHER BORROWINGS
(CONTINUED)

At 31 December 2011, bank and other borrowings were repayable as follows:

35. 銀行及其他借款(續)

於2011年12月31日，銀行及其他借款的還款期如下：

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Bank borrowings	銀行借款		
— On demand or within one year	— 於一年內或要求下償還	1,432.9	1,285.4
— In the second year	— 第二年	2,355.5	—
— In the third to fifth year	— 第三至第五年	848.0	2,044.8
Bank borrowings with a repayment on demand clause	附有於要求下償還條款之銀行借款		
— Within one year	— 一年內	70.9	88.2
— In the second year	— 第二年	8.5	35.1
— In the third to fifth year	— 第三至第五年	102.4	110.9
		4,818.2	3,564.4
Other borrowings	其他借款		
— On demand or within one year	— 於一年內或要求下償還	8.6	8.2
Other borrowings with a repayment on demand clause	附有於要求下償還條款之其他借款		
— Within one year	— 一年內	23.1	144.3
— In the second year	— 第二年	—	23.6
		4,849.9	3,740.5

The secured instalment bank loans are repayable by instalments up to December 2015. Interest is charged on the outstanding balances at market rates.

All the bank loans and other borrowings are in Hong Kong dollars except for equivalent amounts of HK\$138.9 million which was in Renminbi (31/12/2010: the amount in Renminbi and US dollars were equivalent to HK\$281.9 million and HK\$7.8 million respectively). Further details related to financial risk management of such balances are disclosed in Note 56.

The carrying amounts of the bank and other borrowings approximate their fair values.

有抵押銀行分期借款是以分期償還至2015年12月。利息按未償還結餘以市場息率計算。

除有等值為138.9百萬港元之借款為人民幣(2010年12月31日：等值分別為281.9百萬港元及7.8百萬港元之人民幣及美元之借款)以外，所有銀行及其他借款均為港元，對其結餘的金融風險管理於附註56中進一步披露。

銀行及其他借款的賬面值約等於其公平值。

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36. TRADE AND OTHER PAYABLES

36. 經營及其他應付賬

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Accounts payable to exchanges, brokers and clients	交易所、經紀及客戶應付賬	688.2	1,079.5
Dividend received on behalf of clients	代客戶收取之已收股息	51.9	30.1
Other accounts payable	其他應付賬	137.2	113.5
Amounts due to investee companies	投資公司貸賬	0.1	4.3
Trade and other payables at amortised cost	經營及其他應付賬，按攤銷後成本	877.4	1,227.4
Accrued staff costs and other accrued expenses	應付員工成本及其他應付費用	146.3	131.4
		1,023.7	1,358.8

The following is an ageing analysis of the trade and other payables based on the date of invoice/contract note at the reporting date:

以下為經營及其他應付賬於結算日以發票／買賣單據日期計算的賬齡分析：

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Less than 31 days	少於31天	779.4	1,146.5
31 – 60 days	31 – 60天	10.6	14.1
61 – 90 days	61 – 90天	7.0	7.4
Over 90 days	90天以上	26.7	21.0
		823.7	1,189.0
Accrued staff costs, other accrued expenses and other payables without ageing	沒有賬齡之應付員工成本、其他應付費用及其他應付賬	200.0	169.8
		1,023.7	1,358.8

The carrying amounts of the trade and other payables at amortised cost approximate their fair values.

按攤銷後成本之經營及其他應付賬的賬面值約等於其公平值。

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THROUGH PROFIT OR LOSS37. 透過收益賬按公平值列賬的財務
負債

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Held for trading, at fair value	持作買賣用途，按公平值		
Futures and options listed in Hong Kong, at quoted price	在香港上市之期貨及期權，按市價	1.7	4.8
Equity and currency over the counter derivatives	場外買賣之股票及貨幣衍生工具	13.2	1.5
		14.9	6.3

		Company 本公司	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Financial guarantee contract for banking facilities granted to subsidiaries	授予附屬公司銀行信貸之財務保證合約	0.6	4.6

Further information of the fair values of financial liabilities at fair value through profit or loss is disclosed in Note 55.

透過收益賬按公平值列賬的財務負債公平值之資料於附註55中進一步披露。

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38. MANDATORY CONVERTIBLE NOTES AND WARRANTS

On 13 July 2010, the Company issued mandatory convertible notes ("MCN") in an aggregate principal amount of HK\$1,708.0 million and warrants in an aggregate face value of HK\$427.0 million.

The MCN bear interest of 2% per annum payable semi-annually and will mature on 13 July 2013 (the "Maturity Date"). The holders of the MCN have the right to convert their MCN into shares of the Company at a conversion price of HK\$5.0 per share at any time during the issue date to the Maturity Date. Any outstanding MCN at the Maturity Date will automatically convert to shares of the Company.

The holders of the warrants have the right to subscribe for the shares of the Company by paying a subscription price of HK\$6.25 per share at any time during the issue date to the Maturity Date. No warrants were exercised during the year.

The MCN and warrants were classified under equity except for the financial liability element of the MCN which represented the present value of the fixed interest payment during the life of the MCN. All outstanding MCN were converted into shares of the Company in August 2011 and the balance of the financial liability element was transferred to equity at the conversion date.

38. 強制性可換股票據及認股權證

於2010年7月13日，本公司發行本金總值1,708.0百萬港元強制性可換股票據及面值427.0百萬港元認股權證。

強制性可換股票據是附有年息2%之利息按每半年支付一次，於2013年7月13日（「到期日」）到期。強制性可換股票據持有人有權於發行日至到期日之任何時間內以轉換價每股5.0港元轉換其強制性可換股票據成為本公司股份，於到期日之任何未被轉換的強制性可換股票據將自動轉換成本公司股份。

認股權證持有人有權於發行日至到期日之任何時間內支付認購價每股6.25港元以認購本公司股份。於本年內並無認股權證被行使。

強制性可換股票據及認股權證是分類於權益內，除有關強制性可換股票據於期內所支付固定利息之現值，是為財務負債部分。於2011年8月，所有可換股票據已轉換為本公司股份，而餘下之財務負債部分亦於轉換日轉撥至權益內。

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39. RELATED PARTY TRANSACTIONS

During the year, the Group entered into the following material transactions with related parties:

39. 有關連人士之交易

集團於本年內與有關連人士進行以下的重大交易：

		Group 集團	
		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Associates of a holding company	控股公司之聯營公司		
Insurance premiums received from associates of a holding company in the course of provision of insurance brokerage services	於提供保險經紀服務下，從控股公司之聯營公司所收取的保險費	1.4	2.9
Loan due to a listed associate of a holding company (repaid) raised	(償還)提取控股公司之一間上市聯營公司貸款	(22.5)	47.1
Finance costs to a listed associate of a holding company	付予控股公司之一間上市聯營公司融資成本	(2.5)	(1.1)
Service fee to a listed associate of a holding company	付予控股公司之一間上市聯營公司服務費	(2.0)	—
Jointly controlled entities	共同控制公司		
Management fees received from a jointly controlled entity	從一間共同控制公司所收取的管理費	3.5	2.6
Holding company and its subsidiaries	控股公司及其附屬公司		
Brokerage received from fellow subsidiaries	從同系附屬公司所收取的經紀佣金	1.4	1.3
Insurance premiums received from a holding company and fellow subsidiaries in the course of provision of insurance brokerage services	於提供保險經紀服務下，從控股公司及同系附屬公司所收取的保險費	2.8	5.5
Short-term loan due to a fellow subsidiary raised (repaid)	提取(償還)同系附屬公司短期貸款	500.0	(800.0)
Finance costs to fellow subsidiaries	付予同系附屬公司融資成本	(27.8)	(33.4)
Management fees paid to a holding company	付予控股公司管理費用	(3.2)	(3.4)
Repayment of bonds	償還債券	(500.0)	—

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39. RELATED PARTY TRANSACTIONS (CONTINUED)

COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of Directors and other members of key management during the year were as follows:

		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Short-term benefits	短期福利	56.7	56.3
Post-employment benefits	退休後福利	1.3	0.8
		58.0	57.1

567,000 shares were granted under the SHK Employee Ownership Scheme to key management personnel during the year. In addition, a total amount of HK\$2.1 million represents 316,000 shares which vested for key management personnel during the year. The total dividend expenses paid to the key management personnel during the year is HK\$0.7 million (2010: Nil).

In addition to the above, the Group had year-end trading account balance of HK\$3.5 million payable to key management personnel. Brokerage and service fees received from the key management personnel during the year amounting to HK\$0.1 million.

39. 有關連人士之交易(續)

主要管理人員的報酬

以下為董事及主要管理層的其他成員在本年內的酬金：

就新鴻基僱員股份擁有計劃而於本年度授予主要管理人員之股份為567,000股。此外，有總數為2.1百萬港元之316,000股股份於本年度歸屬予主要管理人員，於本年度支付予主要管理人員之股息總數為0.7百萬港元(2010年：無)。

除上述以外，於年結時應付予主要管理人員之經營戶口結餘為3.5百萬港元。於年內向主要管理人員所收取的經紀佣金及服務費用為0.1百萬港元。

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綜合財務報表附註For the year ended 31 December 2011
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(CONTINUED)

At the end of the reporting period, the Group had the following material balances with related parties:

39. 有關連人士之交易(續)

於結算日，集團與有關連人士有以下重大的結餘：

		Group 集團	
		31/12/2011	31/12/2010
		Notes 附註	Notes 附註
		HK\$ Million 百萬港元	HK\$ Million 百萬港元
Associates			
Amounts due from associates	聯營公司欠賬	(a) 63.8	70.3
Amounts due to associates	聯營公司貸賬	(a) (2.2)	(8.4)
		<u>61.6</u>	<u>61.9</u>
Associates of a holding company			
Trade receivable due from a listed associate of a holding company	控股公司之一間上市聯營公司所欠的經營應收賬	1.6	2.5
Amount due to a listed associate of a holding company	控股公司之一間上市聯營公司貸賬	(b) (24.7)	(47.2)
		<u>(23.1)</u>	<u>(44.7)</u>
Jointly controlled entities			
Guarantees for banking facilities granted to a jointly controlled entity	共同控制公司 授予共同控制公司 銀行信貸的 保證	(5.8)	(1,661.0)
Holding company and fellow subsidiaries			
Short-term loans due to fellow subsidiaries	欠同系附屬公司的 短期貸款	(c) (1,252.4)	(763.8)
Trade payable due to a holding company	欠控股公司的經營 應付賬	(0.8)	(0.9)
Trade payable due to fellow subsidiaries	欠同系附屬公司的經營 應付賬	(3.0)	(3.1)
		<u>(1,256.2)</u>	<u>(767.8)</u>
Bonds due to a fellow subsidiary	欠一間同系附屬公司的債券	(d) —	(502.4)
		<u>(1,256.2)</u>	<u>(1,270.2)</u>

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For the year ended 31 December 2011
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39. RELATED PARTY TRANSACTIONS (CONTINUED)

- (a) The amounts due from (to) associates are unsecured, non-interest bearing and repayable on demand.
- (b) The amount due to a listed associate of a holding company is denominated in Renminbi. It has a term of 2 years and bears interest at 4.25% per annum.
- (c) The short-term loans included loans of HK\$1,250.0 million drawn under a revolving loan facility of HK\$1,750.0 million granted by a fellow subsidiary to the Group. The facility will expire on 2 March 2012. The loans drawn under the facility carry interest at 2% above HIBOR per annum. In March 2012, the loan facility was extended for a further two years to 3 March 2014. The facility was reduced to HK\$600.0 million and the interest rate was changed to 2.9% above HIBOR per annum.
- (d) Details of the bonds are disclosed in Note 43 to the consolidated financial statements.

The carrying amounts of the amounts due from (to) related parties approximate their fair values.

40. PROVISIONS

		Group 集團		
		Employee benefits 僱員福利 HK\$ Million 百萬港元	Others 其他 HK\$ Million 百萬港元	Total 總額 HK\$ Million 百萬港元
At 1 January 2011	於2011年1月1日	50.9	33.3	84.2
Additional provisions for the year	年內準備增加	41.4	1.1	42.5
Amount written back	數額撥回	—	(0.4)	(0.4)
Amount utilised during the year	本年內使用數額	(4.5)	(12.8)	(17.3)
Amount paid during the year	本年內支付數額	(45.0)	(5.2)	(50.2)
At 31 December 2011	於2011年12月31日	42.8	16.0	58.8
Less: current portion	減：流動部分	(42.6)	(3.9)	(46.5)
		<u>0.2</u>	<u>12.1</u>	<u>12.3</u>

39. 有關連人士之交易(續)

- (a) 聯營公司的欠(貸)賬乃無抵押、免息及接獲通知時償還。
- (b) 控股公司之一間上市聯營公司貸賬為人民幣貸賬，為期兩年，並附有年息4.25%。
- (c) 短期貸款包括有總值1,250.0百萬港元的貸款，是提取自一間同系附屬公司授予集團為數1,750.0百萬港元的循環貸款信貸，該信貸將於2012年3月2日到期。從該信貸提取的貸款是附有香港銀行同業拆息加2%之年息。於2012年3月，該信貸延期至2014年3月3日到期，信貸額減至600.0百萬港元，而年利息改為香港銀行同業拆息加2.9%。
- (d) 債券之詳情披露於綜合財務報表附註43。

有關連人士欠(貸)賬的賬面值約等於其公平值。

40. 準備

Notes to the Consolidated Financial Statements
綜合財務報表附註For the year ended 31 December 2011
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41. SHARE CAPITAL

41. 股本

		Number of shares 股份數目		Share capital 股本	
		2011 Million Shares 百萬股	2010 Million Shares 百萬股	2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Ordinary shares of HK\$0.2 each	普通股每股0.2港元				
Authorised	法定股本				
Balance at 1 January and 31 December	1月1日及 12月31日結存	15,000.0	15,000.0	3,000.0	3,000.0
Issued and fully paid	發行及繳足股本				
Balance at 1 January	1月1日結存	1,775.4	1,752.1	355.1	350.4
Shares issued for scrip dividends	就以股代息所發行的 股份	3.4	26.6	0.7	5.4
Conversion of mandatory convertible notes	轉換強制性可換股 票據	341.6	—	68.3	—
Shares repurchased and cancelled	回購及註銷 股份	(11.0)	(3.3)	(2.2)	(0.7)
Balance at 31 December	12月31日結存	2,109.4	1,775.4	421.9	355.1

- (a) During the year, 3.4 million shares of the Company were issued and allotted under the 2010 final and 2011 interim scrip dividend schemes for HK\$18.4 million.
- (b) In August 2011, the Company issued and allotted 341.6 million shares at a price of HK\$5.0 per share for the conversion of mandatory convertible notes (Note 38).

- (a) 於本年度，就2010年末期股息及2011年中期股息之以股代息計劃發行及配發3.4百萬股本公司股份，數值為18.4百萬港元。
- (b) 於2011年8月，就轉換強制性可換股票據(附註38)，本公司以每股5.0港元發行及配發341.6百萬股股份。

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41. SHARE CAPITAL (CONTINUED)

- (c) During the year, the Company repurchased its own shares through purchases on The Stock Exchange of Hong Kong Limited as follows:

Month of repurchase	回購月份	Number of shares 股份數目 Million Shares 百萬股	Price per share 每股股價		Aggregate consideration paid (including expenses) 代價總額 (包括費用) HK\$ Million 百萬港元
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
June 2011	2011年6月	0.1	5.600	5.560	0.3
July 2011	2011年7月	0.4	5.600	5.450	2.0
October 2011	2011年10月	3.1	4.350	4.100	12.9
November 2011	2011年11月	2.7	4.180	4.000	11.2
December 2011	2011年12月	4.8	4.090	3.725	18.1
		11.1			44.5
Less: amount to be settled after the reporting date	減：於結算日後結算之數額	(0.1)			(0.3)
		11.0			44.2

All the above shares were cancelled after they were repurchased.

- (d) During the year, the appointed trustee of the SHK Employee Ownership Scheme (the "EOS") acquired 2.6 million shares of the Company (2010: 0.4 million shares) through purchases on The Stock Exchange of Hong Kong Limited for the awarded shares of the EOS. The total amount paid to acquire the shares during the year was HK\$14.7 million (2010: HK\$3.6 million), which has been deducted from the owners' equity.

41. 股本(續)

- (c) 以下為本公司於本年內透過香港聯合交易所有限公司所回購的本公司股份：

以上股份於回購後已全部註銷。

- (d) 新鴻基僱員股份擁有計劃(「僱員股份計劃」)之委任受託人就僱員股份計劃的授予股份於本年內透過香港聯合交易所有限公司購入2.6百萬股本公司股份(2010年：0.4百萬股)。購入股份所支付總額為14.7百萬港元(2010年：3.6百萬港元)，是於股東權益中扣除。

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42. ANALYSIS OF OTHER COMPREHENSIVE INCOME

42. 其他全面收益之分析

		Exchange reserve 匯兌儲備 HK\$ Million 百萬港元	Revaluation reserve 重估儲備 HK\$ Million 百萬港元	Capital reserves 資本儲備 HK\$ Million 百萬港元	Retained earnings 保留溢利 HK\$ Million 百萬港元	Non- controlling interests 非控股權益 HK\$ Million 百萬港元	Total 總額 HK\$ Million 百萬港元
For the year ended 31 December 2011	截至2011年12月31日止年度						
Available-for-sale investments	可供出售投資	—	(23.5)	—	—	—	(23.5)
Exchange differences arising on translating foreign operations	折算海外業務的匯兌差額	65.7	—	—	—	43.6	109.3
Reclassification adjustment on liquidation of a jointly controlled entity	清算共同控制公司之重新分類調整	(0.3)	—	—	—	—	(0.3)
Revaluation gain on properties	物業重估收益	—	146.0	—	—	—	146.0
Share of other comprehensive income (expenses) of associates	所佔聯營公司其他全面收益(支出)	—	—	0.2	(0.1)	—	0.1
		<u>65.4</u>	<u>122.5</u>	<u>0.2</u>	<u>(0.1)</u>	<u>43.6</u>	<u>231.6</u>
For the year ended 31 December 2010	截至2010年12月31日止年度						
Available-for-sale investments	可供出售投資	—	10.1	—	—	—	10.1
Exchange differences arising on translating foreign operations	折算海外業務的匯兌差額	30.5	—	—	—	17.6	48.1
Reclassification adjustment on liquidation of subsidiaries	清算附屬公司之重新分類調整	(6.7)	—	—	—	—	(6.7)
Reclassification adjustment on disposal of a listed associate	出售一上市聯營公司之重新分類調整	(333.1)	(9.1)	21.7	—	—	(320.5)
Revaluation gain on properties	物業重估收益	—	137.5	—	—	—	137.5
Share of other comprehensive (expenses) income of associates	所佔聯營公司其他全面(支出)收益	(1.2)	(2.0)	0.3	0.8	—	(2.1)
Deferred tax relating to components of other comprehensive income	其他全面收益組成部分之有關遞延稅項	—	(2.1)	—	—	—	(2.1)
		<u>(310.5)</u>	<u>134.4</u>	<u>22.0</u>	<u>0.8</u>	<u>17.6</u>	<u>(135.7)</u>

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43. BONDS

43. 債券

		Group 集團	
		31/12/2011	31/12/2010
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Hong Kong dollar denominated bonds	以港元作為單位之債券	—	502.4
Renminbi denominated bonds	以人民幣作為單位之債券	555.8	—
		555.8	502.4

The Hong Kong dollar denominated bonds were issued to a fellow subsidiary, bearing interest at the rate of 1% above HIBOR per annum and payable half-yearly in arrears. The interest rate is repriced on the first day of every six-month period. They are due for repayment on 23 August 2012. The Group early repaid the bonds during the year.

On 27 April 2011, a non-wholly owned subsidiary issued Renminbi denominated bonds to third parties of RMB450 million (equivalent to HK\$538.5 million at the issue date) with 3-year maturity. The bonds are unsecured, guaranteed by another non-wholly owned subsidiary and carry an interest rate of 4% per annum. Details were disclosed in the Company's announcement on 19 April 2011.

The fair value of the bonds at the reporting date, calculated by discounted cash flows at prevailing market rate, approximate to HK\$476.7 million.

此等以港元作為單位之債券是欠一間同系附屬公司，附有年息按香港銀行同業拆息加一厘計算，每半年支付利息一次，利息於每半年之第一天重訂，到期償還日為2012年8月23日。集團於本年度內已提早償還該債券。

於2011年4月27日，一非全資附屬公司發行以人民幣作為單位之三年期債券予第三者，數額為人民幣450百萬元(於發行日等值538.5百萬港元)。該債券為無抵押，由另一非全資附屬公司保證，並附有年息4%。詳情已於本公司2011年4月19日作出之公佈中披露。

債券於結算日以現行市場利率折現現金流所計算之公平值若為476.7百萬港元。

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44. RESERVES OF THE COMPANY

44. 本公司的儲備

		Company 本公司	
		2011 HK\$ Million 百萬港元	2010 HK\$ Million 百萬港元
Share premium account	股份溢價賬		
Balance at 1 January	1月1日結存	5,422.6	5,290.8
Issue of shares	發行股份	1,573.0	131.8
Balance at 31 December	12月31日結存	<u>6,995.6</u>	<u>5,422.6</u>
Capital redemption reserve	資本贖回儲備		
Balance at 1 January	1月1日結存	58.3	57.6
Transfer from retained earnings on repurchase of shares	就回購股份轉撥自保留溢利	2.2	0.7
Balance at 31 December	12月31日結存	<u>60.5</u>	<u>58.3</u>
Equity element of convertible notes and warrants	可換股票據及認股權證的權益部分		
Balance at 1 January	1月1日結存	1,616.5	—
Issue of mandatory convertible notes and warrants	發行強制性可換股票據及認股權證	—	1,616.5
Conversion of mandatory convertible notes	轉換強制性可換股票據	(1,558.9)	—
Balance at 31 December	12月31日結存	<u>57.6</u>	<u>1,616.5</u>
Retained earnings	保留溢利		
Balance at 1 January	1月1日結存	119.4	2,297.5
Profit attributable to owners of the Company	本公司股東應佔溢利	3,466.4	1,859.7
Dividends proposed/declared	擬派／派發股息	(422.5)	(4,021.5)
Premium on shares repurchased	回購股份之溢價	(42.0)	(15.6)
Transfer to capital redemption reserve on repurchase of shares	就回購股份轉撥至資本贖回儲備	(2.2)	(0.7)
Balance at 31 December	12月31日結存	<u>3,119.1</u>	<u>119.4</u>
Dividend reserve	股息儲備		
Balance at 1 January	1月1日結存	319.6	280.3
Dividends proposed/declared (after adjustment)	擬派／派發股息 (經調整)	422.5	4,021.5
Distribution in specie	實物分派	—	(3,807.3)
Cash and scrip dividends paid	以現金及以股代息支付的股息	(531.3)	(174.9)
Balance at 31 December	12月31日結存	<u>210.8</u>	<u>319.6</u>
Total balance at 31 December	12月31日結存總數	<u>10,443.6</u>	<u>7,536.4</u>

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44. RESERVES OF THE COMPANY (CONTINUED)

The distributable reserves of the Company at 31 December 2011 amounted to HK\$545.9 million (31/12/2010: HK\$439.0 million), being its net realised profits calculated under Section 79B of the Hong Kong Companies Ordinance.

44. 本公司的儲備(續)

本公司於2011年12月31日的可供分派儲備為545.9百萬港元(2010年12月31日：439.0百萬港元)，此乃根據香港公司條例第79B條計算的已兌現溢利淨額。

45. CAPITAL COMMITMENTS

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Contracted for but not provided in the financial statements	已簽約但未在財務報表中作出準備者	3.8	1.5
Authorised but not contracted for	已批准但未簽約者	—	—
		3.8	1.5

45. 資本承擔

46. OPERATING LEASES

(a) The Group as lessee

At the end of the reporting period, the Group had commitments for future aggregate minimum lease payments under non-cancellable operating leases which fall due as follows:

46. 營運租賃

(a) 集團作為承租人

於結算日，集團根據不可撤銷營運租約，而須於未來支付的最低租賃付款期限如下：

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Within one year	一年內	146.1	115.2
In the second to fifth year inclusive	包括在第二至第五年	232.5	190.1
Over five years	五年以後	121.9	155.1
		500.5	460.4

The lease payments represent rentals payable by the Group for its office premises and office equipment under operating lease arrangements. The lease terms and rentals of properties are fixed at one to ten years.

租賃付款是集團為辦公室物業及辦公室設備在營運租賃安排下應付的租金。物業的租期及租金是固定在一至十年間。

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46. OPERATING LEASES (CONTINUED)

(b) The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Within one year	一年內	18.0	9.8
In the second to fifth year inclusive	包括在第二至第五年	31.3	17.6
		49.3	27.4

The Group has properties leased to tenants for rental. The lease terms and rentals are fixed at two to four years.

集團有物業出租予租客以收取租金，其租期及租金是固定在二至四年間。

47. CONTINGENT LIABILITIES

(a) At the end of the reporting period, the Group had guarantees as follows:

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Guarantees for banking facilities granted to a jointly controlled entity	授予共同控制公司銀行信貸之保證	5.8	1,661.0
Indemnities on banking guarantees made available to a clearing house and regulatory body	對給予一間結算所及監管機構的銀行保證所作的擔保	4.5	4.5
Other guarantees	其他保證	3.0	3.0
		13.3	1,668.5

46. 營運租賃(續)

(b) 集團作為出租人

於結算日，集團與租客簽訂以下未來最低租賃付款：

47. 或然負債

(a) 集團於結算日有以下保證：

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47. CONTINGENT LIABILITIES (CONTINUED)

(b) In 2001 an order was made by the Hubei Province Higher People's Court in China ("the 2001 Order") enforcing a CIETAC award of 19 July 2000 ("the Award") by which Sun Hung Kai Securities Limited ("SHKS") (now known as Sun Hung Kai Financial Limited) was required to pay US\$3 million to Chang Zhou Power Development Company Limited ("the JVC"), a mainland PRC joint venture. SHKS had disposed of all of its beneficial interest in the JVC to SHKS' listed associate, Tian An China Investments Company Limited ("Tian An"), in 1998 and disposed of any and all interest it might hold in the registered capital of the JVC ("the Interest") to Long Prosperity Industrial Limited ("LPI") in October 2001. Subsequent to those disposals, SHKS' registered interest in the JVC in the amount of US\$3 million was frozen further to the 2001 Order. SHKS is party to the following litigation relating to the JVC:

(i) On 29 February 2008, a writ of summons with general indorsement of claim was issued by Global Bridge Assets Limited ("GBA"), LPI and Walton Enterprises Limited ("WE") (the "2008 Writ") in the High Court of Hong Kong against SHKS ("HCA 317/2008"). In the 2008 Writ,

- (a) GBA claims against SHKS for damages for alleged breaches of a guarantee, alleged breaches of a collateral contract, for an alleged collateral warranty, and for alleged negligent and/or reckless and/or fraudulent misrepresentation;
- (b) LPI claims against SHKS damages for alleged breaches of a contract dated 12 October 2001; and
- (c) WE claims against SHKS for the sum of US\$3 million under a shareholders agreement and/or pursuant to the Award and damages for alleged wrongful breach of a shareholders agreement. GBA, LPI and WE also claim against SHKS interest on any sums or damages payable, costs, and such other relief as the Court may think fit.

47. 或然負債(續)

(b) 於2001年，中國湖北省高級人民法院作出判令(「2001判令」)強制執行於2000年7月19日之CIETAC判決(「判決」)，要求新鴻基證券有限公司(「新鴻基證券」)(現已改名為新鴻基金融有限公司)向中國合營公司長州電力發展有限公司(「合營公司」)支付3百萬美元。新鴻基證券已在1998年將其於合營公司之所有實益權益出售予新鴻基證券之上市聯營公司天安中國投資有限公司(「天安」)，及於2001年10月，新鴻基證券已將其於合營公司之註冊資本可能持有之任何及所有權益(「權益」)出售予Long Prosperity Industrial Limited(「LPI」)。於該等出售後，新鴻基證券在合營公司之註冊權益(價值3百萬美元)按2001判令進一步遭受凍結。新鴻基證券乃以下關於合營公司之訴訟的一方：

(i) 於2008年2月29日，Global Bridge Assets Limited(「GBA」)、LPI及Walton Enterprises Limited(「WE」)向新鴻基證券發出香港高等法院一般申索註明之傳訊令狀(「2008年令狀」)(「高等法院民事訴訟2008年第317宗」)。於2008年令狀中，

- (a) GBA就其聲稱一項擔保之違反、聲稱違反一份附屬合約、一項聲稱附屬保證及聲稱疏忽及／或罔顧後果及／或含欺詐成分之失實陳述而向新鴻基證券申索賠償；
- (b) LPI聲稱就新鴻基證券違反日期為2001年10月12日之合約而索償；及
- (c) WE根據一項股東協議及／或根據判決向新鴻基證券索償3百萬美元以及就其聲稱錯誤地違反一項股東協議而向新鴻基證券申索賠償。GBA、LPI及WE亦向新鴻基證券申索應付之任何金額或損害賠償之利息、支出以及法院認為合適之其他補償。

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47. CONTINGENT LIABILITIES (CONTINUED)

(b) (continued)

(i) (continued)

The 2008 Writ was served on SHKS on 29 May 2008. It is being vigorously defended. Among other things, pursuant to a 2001 deed of waiver and indemnification, LPI (being the nominee of GBA) waived and released SHKS from any claims including any claims relating to or arising from the Interest, the JVC or any transaction related thereto, covenanted not to sue, and assumed liability for and agreed to indemnify SHKS from any and all damages, losses and expenses arising from any claims by any entity or party arising in connection with the Interest, the JVC or any transaction related thereto. On 24 February 2010 the Court of Appeal struck out the claims of GBA and LPI, and awarded costs of the appeal and the strike out application as against GBA and LPI to SHKS. Subsequently, GBA, LPI and WE sought to amend their claims which was opposed by SHKS and is pending a determination by the Court. While a provision has been made for legal costs, the Company does not consider it presently appropriate to make any other provision with respect to HCA 317/2008.

- (ii) On 20 December 2007, a writ ("the Mainland Writ") was issued by Cheung Lai Na 張麗娜 ("Ms. Cheung") against Tian An and SHKS and was accepted by the Intermediate People's Court of Wuhan City, Hubei Province ("IPC") (湖北省武漢市中級人民法院) [(2008) 武民商外初字第8號] (the "Mainland Proceedings"), claiming the transfer of a 28% shareholding in the JVC, and RMB19,040,000 plus interest thereon for the period from January 1999 to the end of 2007, together with related costs and expenses. Judgment was awarded by the IPC in Tian An and SHKS' favour on 16 July 2009 which judgment was being appealed against by Ms. Cheung. On 24 November 2010, the Higher People's Court of Hubei Province (湖北省高級人民法院) ordered that the case be remitted back to the IPC for retrial. The IPC subsequently ordered upon Ms. Cheung's unilateral application that the liquidator of Changjiang Power Development (H.K.) Co. Ltd. be joined as a third party to the PRC proceedings. The substantive retrial hearing will take place on a date to be decided. While a provision has been made for legal costs, the Company does not consider it presently appropriate to make any other provision with respect to this writ.

47. 或然負債(續)

(b) (續)

(i) (續)

2008年令狀於2008年5月29日送達新鴻基證券。該令狀正受強力抗辯。當中，根據一份2001年豁免及彌償契約，LPI(作為GBA的代名人)已豁免及免除新鴻基證券遭受任何申索，包括與權益、合營公司或任何相關交易有關或因此而引致之任何申索，據此，LPI承諾不會作出起訴，並承擔因與權益、合營公司或任何相關交易有關之任何實體或一方之任何申索而產生之任何及所有損害賠償、損失及費用，及同意向新鴻基證券彌償這些損害賠償、損失及費用。於2010年2月24日，上訴法庭剔除GBA及LPI的申索，並向新鴻基證券頒回上訴費用及讓新鴻基證券取得針對GBA及LPI的剔除申請。隨後，GBA、LPI及WE尋求修訂其申索，而遭新鴻基證券所反對及等待法庭裁定。由於本公司已為法律費用作出撥備，故本公司認為現時並不適宜就高等法院民事訴訟2008年第317宗訴訟作出任何其他撥備。

- (ii) 於2007年12月20日，張麗娜(「張女士」)已向天安及新鴻基證券發出一項令狀(「國內令狀」)並已獲湖北省武漢市中級人民法院(「中級人民法院」)受理((2008)武民商外初字第8號)(「國內訴訟」)，內容是申索轉讓合營公司之28%股權，及人民幣19,040,000元連同由1999年1月起計至2007年底之利息以及相關費用及開支。中級人民法院於2009年7月16日判決天安及新鴻基證券勝訴，張女士正提出上訴，反對該判決。於2010年11月24日，湖北省高級人民法院裁定該案發回中級人民法院重審。中級人民法院其後根據張女士單方面申請頒令長江動力開發(香港)有限公司的清盤人成為國內訴訟的第三人，重審聆訊日期將另行確定。由於本公司已為法律費用作出撥備，故本公司認為現時並不適宜就此令狀作出任何其他撥備。

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48. ASSETS PLEDGED

At the end of the reporting period, the carrying amount of assets pledged to banks and financial institutions as security for facilities granted to the Group were as follows:

48. 資產抵押

於結算日，抵押予銀行及財務機構以作為給予集團信貸的資產賬面值如下：

		Group 集團	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Assets belonging to the Group	屬於集團的資產		
— Listed securities pledged for banking facilities granted to the Group, at fair value	— 作為授予集團銀行信貸抵押品之上市證券，按公平值	125.9	1.4
— Investment properties (Note 18)	— 投資物業(附註18)	668.9	232.1
— Properties (Note 20)	— 物業(附註20)	—	109.1
		794.8	342.6
Assets belonging to clients *	屬於客戶的資產 *		
— Listed securities at fair value	— 上市證券，按公平值	1,554.2	1,941.6
		2,349.0	2,284.2

* Based on the agreement terms, the Group is able to repledge clients' securities for margin financing arrangements with other financial institutions under governance of the Securities and Futures Ordinance. Securities belonging to clients are assigned with specific margin ratios for calculating their margin values. Additional funds or collateral are required if the amount of receivable outstanding exceeds the eligible margin value of securities deposited. The fair value of the listed securities at 31 December 2011 was HK\$12,622.5 million (31/12/2010: HK\$19,601.5 million). The collateral held can be sold at the Group's discretion to settle any outstanding amounts owed by the margin clients. Margin clients receivable are repayable on demand and bear interest at commercial rates.

* 按協議條款，集團可以在證券及期貨條例監管下，以就證券放款安排下的客戶證券再次抵押予其他財務機構。屬於客戶的證券獲指定為特定放款比例以計算其放款價值。倘若未償還應收賬金額超逾已寄存證券的合資格放款值，便需要提供額外資金或抵押品。於2011年12月31日，上市證券的公平值為12,622.5百萬港元(2010年12月31日：19,601.5百萬港元)。所持有的抵押品可由集團自由出售，以支付放款客戶欠付的任何未償還金額。放款客戶應收款項需獲通知時償還並附有商業利率。

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49. MATURITY PROFILE OF ASSETS AND LIABILITIES

49. 資產及負債到期分析

		At 31 December 2011 於2011年12月31日					
		On demand	Within 3 months	3 months to 1 year	1 year to 5 years	After 5 years	Total
		即時還款	三個月內	三個月至一年	一年至五年	五年後	總額
		HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
Assets	資產						
Loans and advances to consumer finance customers (before impairment)	私人財務客戶貸款及墊款(未扣除減值)	798.5	1,045.9	2,975.0	2,392.1	750.3	7,961.8
Bonds included in financial assets at fair value through profit or loss	於透過收益賬按公平值列賬的財務資產中之債券	—	—	—	57.6	—	57.6
Fixed deposits with banks	銀行定期存款	—	1,101.4	741.0	—	—	1,842.4
Secured term loans (before impairment)	有抵押有期借款(未扣除減值)	502.6	221.2	297.6	—	—	1,021.4
Liabilities	負債						
Bank and other borrowings	銀行及其他借款	(12.0)	(1,469.3)	(54.2)	(3,314.4)	—	(4,849.9)
Amount due to an associate of a holding company	控股公司之聯營公司貨賬	—	—	(24.7)	—	—	(24.7)
Amounts due to fellow subsidiaries	同系附屬公司貸款	—	(1,252.4)	—	—	—	(1,252.4)
Bonds	債券	—	—	—	(555.8)	—	(555.8)

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49. MATURITY PROFILE OF ASSETS AND
LIABILITIES (CONTINUED)

49. 資產及負債到期分析(續)

		At 31 December 2010 於2010年12月31日					
		On demand	Within 3 months	3 months to 1 year	1 year to 5 years	After 5 years	Total
		即時還款	三個月內	三個月至一年	一年至五年	五年後	總額
		HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
Assets	資產						
Loans and advances to consumer finance customers (before impairment)	私人財務客戶貸款 及墊款(未扣除 減值)	452.6	787.3	2,176.5	2,246.5	260.3	5,923.2
Bonds included in financial assets at fair value through profit or loss	於透過收益賬按公平值列 賬的財務資產中之債券	—	—	—	84.6	—	84.6
Fixed deposits with banks	銀行定期存款	—	826.4	282.4	—	—	1,108.8
Treasury bills	國庫券	—	7.8	—	—	—	7.8
Secured term loans (before impairment)	有抵押有期借款(未扣除 減值)	317.6	46.2	341.4	—	—	705.2
Liabilities	負債						
Bank and other borrowings	銀行及其他借款	(12.0)	(1,079.0)	(435.1)	(2,214.4)	—	(3,740.5)
Mandatory convertible notes	強制性可換股票據	—	—	(32.6)	(45.9)	—	(78.5)
Amount due to an associate of a holding company	控股公司之聯營 公司貸賬	—	—	—	(47.2)	—	(47.2)
Amounts due to fellow subsidiaries	同系附屬公司貸款	—	(751.4)	(12.4)	—	—	(763.8)
Bonds	債券	—	—	—	(502.4)	—	(502.4)

The above tables list out the assets and liabilities based on the contractual maturity and the assumption that the repayment on demand clause will not be exercised. Loans and receivables are stated before impairment allowances. Overdue assets are reported as on demand.

上表列出根據依約到期日的資產及負債，及假定任何於要求下還款之條款亦不會被行使。貸款及應收賬是未經扣除減值撥備，而過期而未償還的資產列為即時還款。

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SUBSIDIARIESParticulars of the Company's principal subsidiaries at 31
December 2011 and 2010 were as follows:

50. 主要附屬公司

於2011年12月31日及2010年12月31日本
公司的主要附屬公司如下：

Principal subsidiaries 主要附屬公司	Place of incorporation and operation 註冊及業務 經營地點	Issued and paid up share capital 發行及繳足股本	Group effective equity interest 集團持有實際權益		Principal activities 主要業務
			2011	2010	
Boneast Assets Limited*	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Investment holding 控股投資
Champstar Investments Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	—	Assets holding 資產投資
Constable Development S.A.	Panama 巴拿馬	US\$5 5美元	100%	100%	Investment holding 控股投資
Dynamic Force Investments Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Investment holding 控股投資
First Asian Holdings Limited 亞洲第一集團有限公司	Hong Kong 香港	HK\$2 2港元	58%	58%	Asset holding 資產投資
Gloxin Limited	Hong Kong 香港	HK\$2 2港元	100%	100%	Investment holding 控股投資
Hing Yip Holdings Limited 興業控股有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Property investment 物業投資
I-Market Limited*	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Investment holding 控股投資
Itso Limited	Hong Kong 香港	HK\$2 2港元	100%	100%	Securities trading 證券買賣
Lexshan Nominees Limited 歷山代理人有限公司	Hong Kong 香港	HK\$2 2港元	100%	100%	Nominee services 代理人服務
Oakfame Investment Limited 幹美投資有限公司	Hong Kong 香港	HK\$2 2港元	100%	100%	Investment holding 控股投資

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50. PARTICULARS OF PRINCIPAL
SUBSIDIARIES (CONTINUED)

50. 主要附屬公司(續)

Principal subsidiaries 主要附屬公司	Place of incorporation and operation 註冊及業務 經營地點	Issued and paid up share capital 發行及繳足股本	Group effective equity interest 集團持有實際權益		Principal activities 主要業務
			2011	2010	
Onspeed Investments Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	58%	58%	Investment holding 控股投資
Plentiwind Limited	Hong Kong 香港	HK\$2 2港元	100%	100%	Investment holding and trading 控股投資及買賣
Ranbridge Finance Limited* 捷橋財務有限公司*	Hong Kong 香港	HK\$20,000,000 20,000,000港元	100%	100%	Financial services 金融服務
Scienter Investments Limited	Hong Kong 香港	HK\$20 20港元	100%	100%	Share trading 證券買賣
Shipshape Investments Limited*	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Investment holding 控股投資
SHK Absolute Return Managers Ltd	Cayman Islands 開曼群島	US\$10 10美元	100%	100%	Investment holding 控股投資
SHK Alpha Managers Ltd.	Cayman Islands 開曼群島	US\$10 10美元	100%	100%	Funds management 基金管理
SHK Alternative Managers Limited	Cayman Islands 開曼群島	US\$1 1美元	100%	100%	Funds management 基金管理
SHK Capital Management Limited	Cayman Islands 開曼群島	US\$10 10美元	100%	100%	Investment holding 控股投資
SHK Dynamic Managers Ltd.	Cayman Islands 開曼群島	US\$10 10美元	100%	100%	Funds management 基金管理
SHK Finance Limited 新鴻基財務有限公司	Hong Kong 香港	HK\$150,000,000 150,000,000港元	58%	58%	Money lending 借貸
SHK Financial Data Limited 新鴻基財經資訊有限公司	Hong Kong 香港	HK\$100 100港元	51%	51%	Financial information services 財經資訊服務

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SUBSIDIARIES (CONTINUED)

50. 主要附屬公司(續)

Principal subsidiaries 主要附屬公司	Place of incorporation and operation 註冊及業務 經營地點	Issued and paid up share capital 發行及繳足股本	Group effective equity interest 集團持有實際權益		Principal activities 主要業務
			2011	2010	
SHK Fund Management Limited 新鴻基投資管理有限公司	Hong Kong 香港	HK\$67,000,000 67,000,000 港元	100%	100%	Funds marketing and investment advising 基金市場策劃及 投資顧問
SHK Global Managers Limited	British Virgin Islands 英屬處女群島	US\$5,000 5,000 美元	100%	100%	Funds management 基金管理
SHK Income Fund Manager	Cayman Islands 開曼群島	US\$100 100 美元	100%	100%	Investment holding 控股投資
SHK Investment Services Limited	Hong Kong 香港	HK\$1,000,000 1,000,000 港元	100%	100%	Asset holding and leasing 資產投資及租賃
SHK Online (Securities) Limited 新鴻基科網(証券)有限公司	Hong Kong 香港	HK\$40,000,000 40,000,000 港元	100%	100%	Online securities broking and margin financing 網上証券經紀及 証券放款
SHK Online Limited 新鴻基科網有限公司	Hong Kong 香港	HK\$20,000,000 20,000,000 港元	100%	100%	Investment holding 控股投資
SHK Pearl River Delta Investment Company Limited 新鴻基珠江三角洲投資有限公司	Hong Kong 香港	HK\$75,000,000 75,000,000 港元	100%	100%	Investment holding 控股投資
SHK Private Equity Managers Ltd.	Cayman Islands 開曼群島	US\$10 10 美元	100%	100%	Funds management 基金管理
SHK Private Limited (formerly Sun Hung Kai Research Limited) 新鴻基尊尚有限公司(前稱新鴻基 資料研究有限公司)	Hong Kong 香港	HK\$100,000 100,000 港元	100%	100%	Business marketing and promotion 商業市場策劃及 推廣

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50. PARTICULARS OF PRINCIPAL
SUBSIDIARIES (CONTINUED)

50. 主要附屬公司(續)

Principal subsidiaries 主要附屬公司	Place of incorporation and operation 註冊及業務 經營地點	Issued and paid up share capital 發行及繳足股本	Group effective equity interest 集團持有實際權益		Principal activities 主要業務
			2011	2010	
SHK Quant Managers Ltd	Cayman Islands 開曼群島	US\$10 10美元	100%	100%	Funds management 基金管理
Shun Loong Forex Company Limited 順隆外匯有限公司	Hong Kong 香港	HK\$32,000,000 32,000,000港元	100%	100%	Leveraged foreign exchange dealing and broking 槓桿外匯買賣及 經紀
Shun Loong Futures Limited 順隆期貨有限公司	Hong Kong 香港	HK\$15,000,000 15,000,000港元	100%	100%	Futures and options dealing 期貨及期權買賣
Shun Loong Holdings Limited 順隆集團有限公司	Hong Kong 香港	HK\$200,000,000 200,000,000港元	100%	100%	Investment holding 控股投資
Shun Loong Securities Company Limited 順隆證券行有限公司	Hong Kong 香港	HK\$50,000,000 50,000,000港元	100%	100%	Securities broking and share margin financing 證券經紀及證券 放款
Sing Hing Investment Limited 誠興投資有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Property investment 物業投資
Splendid Gain Limited	Hong Kong 香港	HK\$2 2港元	100%	100%	Investment holding 控股投資
Sun Hing Bullion Company Limited 新興金業有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000港元	100%	100%	Bullion trading 黃金買賣

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SUBSIDIARIES (CONTINUED)

50. 主要附屬公司(續)

Principal subsidiaries 主要附屬公司	Place of incorporation and operation 註冊及業務 經營地點	Issued and paid up share capital 發行及繳足股本	Group effective equity interest 集團持有實際權益		Principal activities 主要業務
			2011	2010	
Sun Hung Kai (China) Investment Management Company Limited 新鴻基(中國)投資管理有限公司	People's Republic of China 中國	RMB50,000,000 人民幣 50,000,000 元	100%	100%	Corporate marketing and investment consultancy 市場策劃及投資顧問
Sun Hung Kai (Nominees) Limited 新鴻基(代理人)有限公司	Hong Kong 香港	HK\$200 200 港元	100%	100%	Nominee services 代理人服務
Sun Hung Kai Bullion Company Limited 新鴻基金業有限公司	Hong Kong 香港	HK\$30,000,000 30,000,000 港元	100%	100%	Bullion trading and investment holding 黃金買賣及控股投資
Sun Hung Kai Commodities Limited 新鴻基期貨有限公司	Hong Kong 香港	HK\$80,000,600 80,000,600 港元	100%	100%	Commodities broking 商品期貨經紀
Sun Hung Kai Financial Group Limited*	British Virgin Islands 英屬處女群島	US\$50,000 50,000 美元	100%	100%	Investment holding 控股投資
Sun Hung Kai Financial Limited (formerly: Sun Hung Kai Securities Limited) 新鴻基金融有限公司(前稱新鴻基證券有限公司)	Hong Kong 香港	HK\$124,898,589 124,898,589 港元	100%	100%	Investment holding 控股投資
Sun Hung Kai Insurance Consultants Limited 新鴻基保險顧問有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000 港元	100%	100%	Insurance broking and consultancy services 保險經紀及顧問服務

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50. PARTICULARS OF PRINCIPAL
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50. 主要附屬公司(續)

Principal subsidiaries 主要附屬公司	Place of incorporation and operation 註冊及業務 經營地點	Issued and paid up share capital 發行及繳足股本	Group effective equity interest 集團持有實際權益		Principal activities 主要業務
			2011	2010	
Sun Hung Kai International Bank [Brunei] Limited	Brunei Darussalam 汶萊	SGD10,000,000 10,000,000新加坡元	100%	100%	International banking business 國際銀行事務
Sun Hung Kai International Limited 新鴻基國際有限公司	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100%	100%	Corporate finance services 企業融資服務
Sun Hung Kai International Commodities Limited	Hong Kong 香港	HK\$25,000,000 25,000,000港元	100%	100%	Securities, futures and options trading 證券、期貨及期權 買賣
Sun Hung Kai International Investment Management Limited*	British Virgin Islands 英屬處女群島	US\$50,000 50,000美元	100%	100%	Investment holding 控股投資
Sun Hung Kai Investment Services (Macau) Limited	Macau 澳門	MOP48,900,000 48,900,000澳門元	100%	100%	Property holding 物業投資
Sun Hung Kai Investment Services Limited 新鴻基投資服務有限公司	Hong Kong 香港	HK\$450,000,000 450,000,000港元	100%	100%	Investment holding, share broking and margin financing 控股投資、證券經 紀及證券放款
Sun Hung Kai Securities (Bermuda) Limited	Bermuda 百慕達	US\$12,000 12,000美元	100%	100%	Investment holding 控股投資
Sun Hung Kai Securities (Overseas) Limited 新鴻基證券(海外)有限公司	Hong Kong 香港	HK\$60,000 60,000港元	100%	100%	Investment holding 控股投資

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50. 主要附屬公司(續)

Principal subsidiaries 主要附屬公司	Place of incorporation and operation 註冊及業務 經營地點	Issued and paid up share capital 發行及繳足股本	Group effective equity interest 集團持有實際權益		Principal activities 主要業務
			2011	2010	
Sun Hung Kai Securities (Trustees) Limited 新鴻基證券(信託)有限公司	Hong Kong 香港	HK\$3,000,000 3,000,000 港元	100%	100%	Provision of trustee services 信託服務
Sun Hung Kai Strategic Capital Limited 新鴻基策略資本有限公司	Hong Kong 香港	HK\$2 2 港元	100%	100%	Investment holding and securities trading 控股投資及證券 買賣
Sun Hung Kai Structured Finance Limited 新鴻基結構融資有限公司	Hong Kong 香港	HK\$137,500,000 137,500,000 港元	100%	100%	Provision of loan finance 提供貸款融資
Sun Hung Kai Structured Products Limited 新鴻基結構產品有限公司	Hong Kong 香港	HK\$2 2 港元	100%	100%	Issuing structured notes 發行結構性票據
Sun Hung Kai Venture Capital Limited 新鴻基優越理財有限公司	Hong Kong 香港	HK\$2 2 港元	100%	100%	Investment holding 控股投資
Sun Hung Kai Wealth Management Limited 新鴻基優越理財有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000 港元	100%	100%	Financial planning and wealth management 財務策劃及資產 管理
Sun Tai Cheung Finance Company Limited 新泰昌財務有限公司	Hong Kong 香港	HK\$25,000,000 25,000,000 港元	100%	100%	Financial services 金融服務
Sun Yi Company Limited 新而有有限公司	Hong Kong 香港	HK\$15,000,000 15,000,000 港元	100%	100%	Futures trading 期貨買賣
Swan Islands Limited*	British Virgin Islands 英屬處女群島	US\$503,000,001 503,000,001 美元	100%	100%	Investment holding 控股投資

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50. PARTICULARS OF PRINCIPAL
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50. 主要附屬公司(續)

Principal subsidiaries 主要附屬公司	Place of incorporation and operation 註冊及業務 經營地點	Issued and paid up share capital 發行及繳足股本	Group effective equity interest 集團持有實際權益		Principal activities 主要業務
			2011	2010	
Texgulf Limited	Hong Kong 香港	HK\$20 20港元	100%	100%	Property investment 物業投資
To Wan Development Company Limited 杜雲發展有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100%	100%	Investment holding 控股投資
Tung Wo Investment Company, Limited 同和投資有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100%	100%	Investment holding 控股投資
UA Finance (BVI) Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	58%	—	Financing 融資
UAF Holdings Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Investment holding 控股投資
United Asia Finance Limited 亞洲聯合財務有限公司	Hong Kong 香港	HK\$137,500,000 137,500,000港元	58%	58%	Consumer financing 私人財務
Upper Selection Investments Limited*	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Investment holding 控股投資
Wah Cheong Development Company, Limited* 華昌建業有限公司*	Hong Kong 香港	HK\$25,100,000 25,100,000港元	100%	100%	Investment holding 控股投資
Wineur Secretaries Limited 偉略秘書有限公司	Hong Kong 香港	HK\$2 2港元	100%	100%	Secretarial services 秘書服務
Yee Li Ko Investment Limited 億利高投資有限公司	Hong Kong 香港	HK\$58,330,000 58,330,000港元	100%	100%	Property investment 物業投資
Zeal Goal International Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Investment holding 控股投資

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SUBSIDIARIES (CONTINUED)

50. 主要附屬公司(續)

Principal subsidiaries 主要附屬公司	Place of incorporation and operation 註冊及業務 經營地點	Issued and paid up share capital 發行及繳足股本	Group effective equity interest 集團持有實際權益		Principal activities 主要業務
			2011	2010	
大連保稅區亞聯財小額貸款 有限公司	People's Republic of China 中國	US\$20,000,000 20,000,000 美元	58%	58%	Money lending 借貸
天津亞聯財小額貸款有限公司	People's Republic of China 中國	HK\$100,000,000 100,000,000 港元	58%	58%	Money lending 借貸
北京亞聯財小額貸款有限公司 [#]	People's Republic of China 中國	RMB500,000,000 人民幣 500,000,000 元	46%	—	Money lending 借貸
成都亞聯財小額貸款有限公司	People's Republic of China 中國	HK\$350,000,000 350,000,000 港元	58%	58%	Money lending 借貸
亞聯財信息諮詢(深圳)有限公司	People's Republic of China 中國	RMB25,000,000 人民幣 25,000,000 元	58%	58%	Financial consultancy 財務顧問
重慶市渝中區亞聯財小額貸款 有限責任公司	People's Republic of China 中國	US\$50,000,000 50,000,000 美元	58%	58%	Money lending 借貸
深圳市亞聯財小額信貸有限公司	People's Republic of China 中國	RMB600,000,000 人民幣 600,000,000 元	58%	58%	Money lending 借貸
深圳亞聯財行銷顧問有限公司	People's Republic of China 中國	RMB10,000,000 人民幣 10,000,000 元	58%	58%	Money lending 借貸
雲南省亞聯財小額貸款有限公司	People's Republic of China 中國	HK\$350,000,000 350,000,000 港元	58%	58%	Money lending 借貸

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50. PARTICULARS OF PRINCIPAL
SUBSIDIARIES (CONTINUED)

50. 主要附屬公司(續)

Principal subsidiaries 主要附屬公司	Place of incorporation and operation 註冊及業務 經營地點	Issued and paid up share capital 發行及繳足股本	Group effective equity interest 集團持有實際權益		Principal activities 主要業務
			2011	2010	
新鴻基(上海)投資顧問有限公司	People's Republic of China 中國	HK\$22,300,000 22,300,000 港元	100%	100%	Investment advisory and consultancy 投資諮詢及顧問
新鴻基(天津)投資管理有限公司	People's Republic of China 中國	RMB50,000,000 人民幣 50,000,000 元	100%	100%	Asset management 資產管理
廣州市新鴻基投資顧問有限公司	People's Republic of China 中國	HK\$6,000,000 6,000,000 港元	100%	100%	Corporate marketing and investment consultancy 市場策劃及投資 顧問
瀋陽金融商貿開發區亞聯財小額 貸款有限公司	People's Republic of China 中國	RMB150,000,000 人民幣 150,000,000 元	58%	58%	Money lending 借貸

* These subsidiaries are directly held by the Company.

The company is a non-wholly owned subsidiary of a non-wholly owned subsidiary.

* 此等附屬公司由本公司直接持有。

該公司為非全資附屬公司所持有之非全資附屬公司。

The above tables list the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

以上所列之本公司附屬公司，為董事認為對本年度集團之業績有重大影響，或構成集團淨資產主要部分之公司。董事認為列出其他附屬公司之詳情會令資料過於冗長。

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51. PARTICULARS OF PRINCIPAL ASSOCIATES

Particulars of the Group's principal associates at 31 December 2011 and 2010 were as follows:

51. 主要聯營公司

於2011年12月31日及2010年12月31日集團的主要聯營公司詳情如下：

Principal Associates 主要聯營公司	Place of incorporation and operation 註冊及業務經營地點	Equity interest held by 持有股權權益				Principal activities 主要業務
		Group 集團		Company 本公司		
		2011	2010	2011	2010	
China Xin Yongan Futures Company Limited 中國新永安期貨有限公司	Hong Kong 香港	25%	25%	—	—	Futures dealing 期貨經紀
Chronicle Gain Limited 確勁有限公司	Hong Kong 香港	45%	45%	—	—	Property holding 物業投資
Drinkwater Investment Limited 精威置業有限公司	Hong Kong 香港	22%	22%	—	—	Property holding 物業投資
Eurasia Mattress & Furniture Co. Ltd. 歐亞床墊家具有限公司	People's Republic of China 中國	25%	25%	—	—	Manufacture of mattresses and bedsteads 床墊及床架製造
Omicron International Limited	British Virgin Islands 英屬處女群島	44%	44%	38%	38%	Investment holding 控股投資
Real Estate Investments (N.T.) Limited	Hong Kong 香港	40%	40%	—	—	Property development 物業發展
Silver York Development Limited 兆勇發展有限公司	Hong Kong 香港	42%	42%	—	—	Investment holding 控股投資
Start Hold Limited 時達開有限公司	Hong Kong 香港	33%	33%	—	—	Investment holding 控股投資
Tianjin Eurasia Mattress & Furniture Co. Ltd. 天津歐亞床墊家具有限公司	People's Republic of China 中國	25%	25%	—	—	Manufacture of mattresses and bedsteads 床墊及床架製造
Tribridge Capital Management (Cayman) Limited	Cayman Islands 開曼群島	20%	31%	—	—	Funds management 基金管理

The above table lists the associates of the Group which, in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other associates would, in the opinion of the Directors, result in particulars of excessive length.

以上所列集團之聯營公司，為董事認為對本年度集團之業績有重大影響，或構成集團淨資產主要部分之公司。董事認為列出其他聯營公司之詳情會令資料過於冗長。

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52. PARTICULARS OF JOINTLY CONTROLLED ENTITIES 52. 共同控制公司

Particulars of the Group's jointly controlled entities at 31 December 2011 and 2010 were as follows:

於2011年12月31日及2010年12月31日集團的共同控制公司詳情如下：

Jointly controlled entities 共同控制公司	Form of business structure 業務架構形式	Place of incorporation and principal place of operation 註冊及主要業務經營地點	Principal activities 主要業務	Proportion of nominal value of issued capital and voting rights 已發行股本面值及投票權比率	
				2011	2010
Fast Track Holdings Limited	Incorporated 公司	Hong Kong 香港	Investment holding 控股投資	49%	49%
Look's Holding Limited	Incorporated 公司	Cayman Islands 開曼群島	Investment holding 控股投資	30%	30%
Shenzhen Oriental Venture Capital Management Co., Ltd 深圳市東方富海創業投資管理有限公司	Incorporated 公司	People's Republic of China 中國	Venture capital investment management 創業投資管理	49%	49%
Sun Hung Kai Forex Limited* 新鴻基外匯有限公司*	Incorporated 公司	Hong Kong 香港	Foreign exchange dealing 外匯買賣	51%	51%
中山市中基投資諮詢有限公司	Incorporated 公司	People's Republic of China 中國	Corporate investment, providing management and product marketing consultancy services 企業投資、提供管理及產品推廣顧問服務	34%	34%

* Although the proportion of the nominal value of issued capital and shareholders' voting rights of Sun Hung Kai Forex Limited held by the Group are 51% and 81% respectively, the company is classified as a jointly controlled entity because the Group and other shareholder appoint pre-determined number of board representatives to jointly control the company in accordance with the Shareholders' Deed.

* 雖然集團持有新鴻基外匯有限公司之已發行股本面值及股東投票權比率分別為51%及81%，由於集團及另一股東根據股東協議下委派預定數目之董事會代表以共同控制該公司，所以是分類為共同控制公司。

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53. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support the Group's growth and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its activities.

In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in objectives, policies and processes during the years ended 31 December 2011 and 31 December 2010.

The Group monitors capital using a gearing ratio, which is total debts divided by the equity. Total debts include the Group's bank and other borrowings, amount due to an associate of a holding company, short-term loans due to fellow subsidiaries, financial liability portion of mandatory convertible notes and bonds. The equity comprises all components of equity attributable to the owners of the Company. The gearing ratio at year-end was as follows:

53. 資本管理

集團資本管理的主要目的在於確保集團有能力繼續保持營運及維持健康的資本比率，以支持集團增長並為股東創造最大價值。

集團因應經濟情況的變化和其活動的風險特徵來管理其資本結構並作出相應調整。

為保持或調整資本結構，集團可能會調整給股東的股息、股本回報，又或發行新股。截至2010年12月31日止及2011年12月31日止年度，集團在目標、政策和程序上並無任何改變。

集團以資本與負債比率(總負債除以權益)監察資本情況。總負債包括集團的銀行及其他借款、控股公司之聯營公司貸款、同系附屬公司的短期貸款、強制性可換股票據之財務負債部分及債券。權益為本公司股東應佔權益的各個組成部分。年末的資本與負債比率如下：

		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Bank and other borrowings	銀行及其他借款	4,849.9	3,740.5
Amount due to an associate of a holding company	控股公司之聯營公司貸款	24.7	47.2
Short-term loans due to fellow subsidiaries	同系附屬公司的短期貸款	1,252.4	763.8
Financial liability portion of mandatory convertible notes	強制性可換股票據之財務負債部分	—	78.5
Bonds	債券	555.8	502.4
Total debts	總負債	<u>6,682.8</u>	<u>5,132.4</u>
Equity attributable to owners of the Company	本公司股東應佔權益	<u>12,087.5</u>	<u>11,365.2</u>
Gearing ratio	資本與負債比率	<u>55.3%</u>	<u>45.2%</u>

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54. FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of the Group's financial assets at the end of the reporting period were as follows:

54. 財務資產及負債

以下為集團於結算日的財務資產賬面值：

		Group 集團		Company 本公司	
		31/12/2011	31/12/2010	31/12/2011	31/12/2010
		HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元
Financial assets at fair value through profit or loss (Note 32)	透過收益賬按公平值列賬的財務資產 (附註32)				
— Held for trading investments	— 持作買賣投資	454.0	502.9	—	—
— Investments designated as at fair value through profit or loss	— 選定為按公平值列賬的投資	318.7	138.6	—	—
		772.7	641.5	—	—
Loans and receivables under non-current assets	於非流動資產的貸款及應收賬				
— Amounts due from subsidiaries (Note 29)	— 附屬公司欠賬 (附註29)	—	—	6,253.0	3,869.2
— Loans and advances to consumer finance customers (Note 31)	— 私人財務客戶貸款及墊款 (附註31)	2,972.6	2,291.9	—	—
— Amounts due from associates (Note 30)	— 聯營公司欠賬 (附註30)	51.3	56.2	54.4	59.2
Loans and receivables under current assets	於流動資產的貸款及應收賬				
— Amounts due from subsidiaries (Note 29)	— 附屬公司欠賬 (附註29)	—	—	684.4	—
— Loans and advances to consumer finance customers (Note 31)	— 私人財務客戶貸款及墊款 (附註31)	4,583.5	3,172.6	—	—
— Trade and other receivables (Note 33)	— 經營及其他應收賬 (附註33)	6,325.8	6,643.1	—	—
— Amounts due from associates (Note 30)	— 聯營公司欠賬 (附註30)	12.5	14.1	0.9	0.8
— Cash, deposits and cash equivalents (Note 34)	— 現金、存款及現金等價物 (附註34)	2,736.0	2,510.1	1.4	1.1
		16,681.7	14,688.0	6,994.1	3,930.3
Available-for-sale investments (Note 27)	可供出售投資 (附註27)	316.2	292.1	—	—
		17,770.6	15,621.6	6,994.1	3,930.3

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(CONTINUED)

The carrying amounts of Group's financial liabilities at the end of the reporting period were as follows:

54. 財務資產及負債(續)

以下為集團於結算日的財務負債賬面值：

		Group 集團		Company 本公司	
		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元	31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Financial liabilities measured at amortised cost	按攤銷後成本計量的財務負債				
— Bank and other borrowings (Note 35)	— 銀行及其他借款 (附註35)	4,849.9	3,740.5	—	—
— Amounts due to subsidiaries	— 附屬公司貸賬	—	—	111.0	240.6
— Trade and other payables (Note 36)	— 經營及其他應付賬 (附註36)	877.4	1,227.4	4.5	0.7
— Amount due to an associate of a holding company (Note 39)	— 控股公司之聯營公司貸賬 (附註39)	24.7	47.2	—	—
— Amounts due to fellow subsidiaries and a holding company (Note 39)	— 同系附屬公司及控股公司貸賬 (附註39)	1,256.2	767.8	0.8	0.9
— Amounts due to associates (Note 39)	— 聯營公司貸賬 (附註39)	2.2	8.4	—	—
— Financial liability portion of mandatory convertible notes (Note 38)	— 強制性可換股票據的財務負債部分 (附註38)	—	78.5	—	78.5
— Bonds (Note 43)	— 債券 (附註43)	555.8	502.4	—	—
		7,566.2	6,372.2	116.3	320.7
Financial liabilities at fair value through profit or loss (Note 37)	透過收益賬按公平值列賬的財務負債 (附註37)	14.9	6.3	0.6	4.6
		7,581.1	6,378.5	116.9	325.3

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54. FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped from Level 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from input other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include input for the assets or liabilities that are not based on observable market data (unobservable input).

54. 財務資產及負債(續)

下表提供於初步確認後以公平值計量的財務工具之分析，按其公平值可觀察程度分為一至三級。

- 第一級公平值計量乃來自相同資產或負債於活躍市場報價(未被調整)。
- 第二級公平值計量乃除包括在第一級報價以外，來自該資產或負債的直接(即價格)或間接(即源自價格)的可觀察輸入數據。
- 第三級公平值計量乃來自包括有並非以市場之可觀察輸入數據對該資產或負債所作之估值方法(不可觀察輸入數據)。

		At 31 December 2011 於2011年12月31日			
		Level 1 第一級 HK\$ Million 百萬港元	Level 2 第二級 HK\$ Million 百萬港元	Level 3 第三級 HK\$ Million 百萬港元	Total 總額 HK\$ Million 百萬港元
Financial assets at fair value through profit or loss (Note 32)	透過收益賬按公平值列賬的財務資產(附註32)				
— Held for trading investments	— 持作買賣投資	418.6	26.4	9.0	454.0
— Investments designated as at fair value through profit or loss	— 選定為按公平值列賬的投資	—	—	318.7	318.7
Available-for-sale investments (Note 27)	可供出售投資(附註27)	31.0	—	73.5	104.5
		449.6	26.4	401.2	877.2
Financial liabilities at fair value through profit or loss (Note 37)	透過收益賬按公平值列賬的財務負債(附註37)	(1.7)	—	(13.2)	(14.9)

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(CONTINUED)

54. 財務資產及負債(續)

		At 31 December 2010 於2010年12月31日			
		Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總額
		HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元
Financial assets at fair value through profit or loss (Note 32)	透過收益賬按公平值列賬的財務資產(附註32)				
— Held for trading investments	— 持作買賣投資	467.6	—	35.3	502.9
— Investments designated as at fair value through profit or loss	— 選定為按公平值列賬的投資	—	—	138.6	138.6
Available-for-sale investments (Note 27)	可供出售投資(附註27)	46.7	—	70.8	117.5
		<u>514.3</u>	<u>—</u>	<u>244.7</u>	<u>759.0</u>
Financial liabilities at fair value through profit or loss (Note 37)	透過收益賬按公平值列賬的財務負債(附註37)	(4.8)	—	(1.5)	(6.3)

There were no transfers between Level 1 and 2 during the year (2010: Nil). The fair value of Level 3 financial assets and liabilities are mainly derived from an unobservable range of data.

於年中並無第一級與第二級之間之轉撥(2010年：無)。第三級財務資產與負債之公平值主要來自一系列不可觀察之資料。

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54. FINANCIAL ASSETS AND LIABILITIES
(CONTINUED)

The reconciliation of financial assets and liabilities under Level 3 fair value measurements is as follows:

54. 財務資產及負債(續)

以下為屬於第三級公平值計量的財務資產及負債對賬：

		Held for trading investments 持作買賣投資 HK\$ Million 百萬港元	Investments designated as at fair value through profit or loss 選定為按公平值列賬的投資 HK\$ Million 百萬港元	Available-for-sale investments 可供出售投資 HK\$ Million 百萬港元	Financial liabilities at fair value through profit or loss 透過收益賬按公平值列賬的財務負債 HK\$ Million 百萬港元
Balance at 1 January 2010	2010年1月1日結存	24.8	104.8	66.6	(0.1)
Total gains or losses	損益總額				
— In consolidated income statement	— 於綜合收益賬	0.3	8.5	(2.1)	(1.4)
— In other comprehensive income	— 於其他全面收益	—	—	12.2	—
Purchase	購入	20.5	56.2	—	—
Disposal	出售	(10.3)	(30.9)	(5.9)	—
Balance at 31 December 2010	2010年12月31日結存	35.3	138.6	70.8	(1.5)
Total gains or losses	損益總額				
— In consolidated income statement	— 於綜合收益賬	(4.5)	(74.1)	—	1.5
— In other comprehensive income	— 於其他全面收益	—	—	(7.9)	—
Purchase	購入	7.0	298.0	10.6	(13.2)
Disposal	出售	(28.8)	(43.8)	—	—
Balance at 31 December 2011	2011年12月31日結存	9.0	318.7	73.5	(13.2)

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55. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The fair values of financial assets and financial liabilities at fair value through profit or loss are determined as follows:

- The fair value of financial assets and financial liabilities (including derivative instruments and stock borrowings) with standard terms and conditions and traded on active markets are determined with reference to quoted market bid prices and ask prices respectively or the quoted market ask prices of the underlying financial assets for stock borrowings.
- The fair value of unlisted bonds and unlisted equity convertible securities are established by using cash flows method based on discount rates ranging from 4% to 12%.
- The fair value of unlisted equity securities in investment funds are established by reference to the prices quoted by respective fund administrators as these equity securities may be redeemed at the request by the holders based on such quoted prices.

56. FINANCIAL RISK MANAGEMENT

Risk is inherent in the financial service business and sound risk management is a cornerstone of prudent and successful financial practice. That said, the Group acknowledges that a balance must be achieved between risks control and business growth. The principal financial risks inherent in the Group's business are market risk (includes equity risk, interest rate risk and foreign exchange risk), credit risk and liquidity risk. The Group's risk management objective is to enhance shareholders' value while retaining exposure within acceptable thresholds.

55. 財務資產與負債的公平值

釐定透過收益按公平值列賬的財務資產及財務負債公平值之方法如下：

- 訂有標準條款及條件並於活躍市場買賣的財務資產和財務負債(包括衍生工具及股票借貸)，兩者的公平值乃分別參考市場買入價和賣出價確定，而股票借貸是參考其內在財務資產的市場賣出價。
- 非上市債券及非上市可轉換證券之公平值是基於由4%至12%折現率以折現現金流方法計算。
- 由於非上市投資基金的股權證券可根據相關基金管理人的報價而按持有人要求贖回，該股權證券公平值之制定乃參考該等報價。

56. 金融風險管理

金融服務行業本身存在風險，因此訂立一個妥善的風險管理制度，是企業審慎而成功的做法。換句話說，集團深信風險管理與業務增長兩者同樣重要。集團的業務存在的主要金融風險包括市場風險(包括股票風險、利率風險和外匯風險)、信貸風險和流動資金風險。集團的風險管理目標是將所面對的風險維持於可接受限額內之餘，同時致力提高股東價值。

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56. FINANCIAL RISK MANAGEMENT (CONTINUED)

The Group's risk management governance structure is designed to cover all business activities and to ensure all relevant risk classes are properly managed and controlled. The Group has adopted a sound risk management and organisational structure equipped with comprehensive policies and procedures which are reviewed regularly and enhanced when necessary in response to changes in markets, the Group's operating environment and business strategies. The Group's independent control divisions, e.g. Internal Audit and Compliance, play an important role in the provision of assurance to the Board and senior management that a sound internal risk management mechanism is implemented, maintained and adhered to.

(a) Market Risk

(i) Equity Risk

There are many asset classes available for investment in the marketplace. One of the Group's key business undertakings is investing in equity. Market risk arising from any equity investments is driven by the daily fluctuations in market prices or fair values. The ability to mitigate such risk depends on the availability of any hedging instruments and the diversification level of the investment portfolios undertaken by the Group. More importantly, the knowledge and experience of the trading staff managing the risk are also vital to ensure exposure is being properly hedged and rebalanced in the most timely manner. Trading activities, including market-making and proprietary trading, across the Group are subject to limits approved by the Risk Management Committee ("RMC"). Valuation of these instruments is measured on a "mark-to-market" and "mark-to-fair value" basis depending on whether they are listed or unlisted. Value at Risk ("VaR") and stress tests are employed in the assessment of risk. Meanwhile other non-VaR limits such as "maximum loss" and "position" limits are also set out to restrict excessive risk undertakings. VaR and stress tests are approaches which are widely used in the financial industry as tools to quantify risk by combining the size of a position and the extent of a potential market movement into a potential financial impact.

56. 金融風險管理(續)

集團的風險管治架構旨在涵蓋集團的所有業務活動，以確保所有相關風險類別已妥善管理及監控。集團採納一個妥善的風險管理和組織架構，並已制訂完善的政策及程序，對有關政策及程序進行定期檢討，並在有需要時因應市場、集團的經營環境或業務策略變動而進行修訂。集團的獨立監控部門(如稽核及法規監核)肩負重要的職能，在董事會及管理層授命下，確保健全的內部風險管理制度得到維持和遵從。

(a) 市場風險

(i) 股票風險

市面上有許多可供投資的資產類別。集團其中一項主要業務是股票投資。任何股票投資所產生之市場風險，主要來自市場價格或公平值每日的波動。減輕此項風險之能力，視乎是否備有任何對沖工具及投資組合之多元化水平。更重要的是，負責管理風險之交易人員之知識及經驗，也確保風險得到妥善對沖並以最及時之方式進行重整。集團之買賣活動(包括營造市場及自營買賣)須受風險管理委員會審批之限額限制。這些工具之估值按「市場價格」及「公平價格」計算，視乎工具是否上市。此外，評估風險時亦會使用風險值及壓力測試。同時亦設定其他非風險值限額如「虧蝕上限」及「持倉」限額以限制額外風險出現。風險值及壓力測試，結合持倉之規模及潛在市場變化對財務產生之潛在影響，以協助量化風險，是金融界廣泛使用之工具。

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(CONTINUED)

(a) Market Risk (continued)

(i) Equity Risk (continued)

The Group's market-making and proprietary trading positions and their financial performance are reported daily to senior management for review. Internal Audit also performs regular checks to ensure there is adequate compliance in accordance with the established market risk limits and guidelines.

The table below summarises the overall financial impact on the Group arising from market movements in global equity indices. The analysis is based on the assumption that equity indices move $\pm 20\%$ with all other variables being held constant and all equity instruments undertaken by the Group moving simultaneously. Declines in the indices are expressed as negatives.

56. 金融風險管理(續)

(a) 市場風險(續)

(i) 股票風險(續)

集團之所有營造市場及自營買賣活動持倉狀況及財務表現，均每日向高級管理層匯報以供審閱。稽核部亦會作出審查，確保妥善遵從集團既訂之市場風險限額及指引。

下表概述環球股市指數變動對集團的整體財務影響。此項分析假設股市指數的變動上升/下降20%，而其他各項變數保持不變，並假設集團的所有股票工具有相應的變動。指數下跌以負數表示。

		At 31 December 2011 於2011年12月31日				At 31 December 2010 於2010年12月31日			
		Potential impact on profit or loss for the year 年內對損益的潛在影響		Potential impact on other components of equity 對其他權益組成部分的潛在影響		Potential impact on profit or loss for the year 年內對損益的潛在影響		Potential impact on other components of equity 對其他權益組成部分的潛在影響	
		20%	-20%	20%	-20%	20%	-20%	20%	-20%
		HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元
Local Index	本地指數	98.9	(84.4)	—	—	43.6	(104.2)	0.2	(0.2)
Overseas Index	海外指數	100.1	(100.1)	20.9	(20.9)	53.7	(53.7)	23.3	(23.3)

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56. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market Risk (continued)

(i) Equity Risk (continued)

There is no material financial impact in the form of profit after tax for the year for the Group arising from market movements in the global equity indices. Futures, options and knock-out options are hedged by other derivatives in view of the volatile markets and wide trading ranges.

(ii) Interest Rate Risk

Interest rate risk is the risk of loss due to changes in interest rates. The Group's interest rate risk exposure arises predominantly from margin financing, term financing and loans and advances to consumer finance customers. The financial assets and liabilities that may have exposures to interest rates could be referred to Note 54. The Group possesses the legal capacity to initiate recalls efficiently which enables the timely re-pricing of margin loans to appropriate levels, in which those particularly large sensitive positions can readily be identified. Interest spreads are managed with the objective of maximising spreads to ensure consistency with liquidity and funding obligations.

At 31 December 2011, assuming that Hong Kong market interest rates moved by ± 50 basis points (31/12/2010: ± 50 basis points), the profit before tax for the year for the Group would have been HK\$9.4 million higher or HK\$5.9 million lower respectively (2010: HK\$18.1 million higher or HK\$13.2 million lower respectively).

56. 金融風險管理(續)

(a) 市場風險(續)

(i) 股票風險(續)

環球股市指數的變動對集團於本年度之除稅後溢利並沒有造成重大財務影響。鑒於市場波動以及較大的交易波幅，期貨、期權和限價期權均以其他衍生工具對沖。

(ii) 利率風險

利率風險為利率變動所引致虧損之風險。集團的利率風險主要來自證券放款、有期放款及私人財務客戶貸款及墊款。面對利率風險的財務資產與負債可見於附註54。集團可法定要求盡快償還貸款，或及時重訂證券放款之息率至適當水平。集團亦可容易地確定其在提供貸款時所承受之利率風險水平。集團管理息差，目的在於盡量令息差符合資金之流動性及需求。

於2011年12月31日，假設香港市場利率上升／下降50個基點(2010年12月31日：上升／下降50個基點)則集團於本年度的除稅前溢利便會分別增加9.4百萬港元或減少5.9百萬港元(2010年：分別增加18.1百萬港元或減少13.2百萬港元)。

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(CONTINUED)

(a) Market Risk (continued)

(ii) Interest Rate Risk (continued)

The exposures of the Group's financial assets (liabilities) bearing variable interest rate to cash flow interest rate risks and the earlier of their contractual repricing dates and contractual maturity dates are as follows:

		On demand or less than				Total 總額 HK\$ Million 百萬港元
		3 months 於要求下償還 或少於3個月 HK\$ Million 百萬港元	3 months to 1 year 3個月至1年 HK\$ Million 百萬港元	1 year to 5 years 1年至5年 HK\$ Million 百萬港元	Over 5 years 5年以上 HK\$ Million 百萬港元	
At 31 December 2011	於2011年12月31日					
Loans and advances to consumer finance customers	私人財務客戶貸款及墊款	941.9	—	—	—	941.9
Cash, deposits and cash equivalents	現金、存款及現金等價物	479.1	—	—	—	479.1
Bank and other borrowings	銀行及其他借款	(4,803.9)	—	—	—	(4,803.9)
Amount due to fellow subsidiaries	同系附屬公司貸賬	(1,252.4)	—	—	—	(1,252.4)
At 31 December 2010	於2010年12月31日					
Loans and advances to consumer finance customers	私人財務客戶貸款及墊款	335.8	—	—	—	335.8
Cash, deposits and cash equivalents	現金、存款及現金等價物	888.4	—	—	—	888.4
Bank and other borrowings	銀行及其他借款	(3,516.2)	—	—	—	(3,516.2)
Amount due to fellow subsidiaries	同系附屬公司貸賬	(751.4)	—	—	—	(751.4)
Bonds	債券	—	(502.4)	—	—	(502.4)

As the analysis of the contractual repricing dates or contractual maturity dates is not meaningful in view of the nature of the business of margin financing, margin loans bearing variable interest rate of HK\$4,277.0 million (2010: HK\$4,436.5 million) are excluded from the above table.

56. 金融風險管理(續)

(a) 市場風險(續)

(ii) 利率風險(續)

以下為集團附有浮動利息之財務資產(負債)所面對的現金流利率風險, 以及其較早之依約利息重訂日或依約到期日:

由於考慮到證券放款業務的性質, 分析證券放款之依約利息重訂日或依約到期日並無意義, 固附有浮動利率之證券放款4,277.0百萬港元(2010年: 4,436.5百萬港元)並未包括在上表中。

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56. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market Risk (continued)

(ii) Interest Rate Risk (continued)

The exposures of the Group's financial assets (liabilities) bearing fixed interest rate to interest rate risks and the earlier of their contractual repricing dates and contractual maturity dates are as follows:

56. 金融風險管理(續)

(a) 市場風險(續)

(ii) 利率風險(續)

以下為集團附有固定利息之財務資產(負債)所面對的利率風險，以及其較早之依約利息重訂日或依約到期日：

		On demand or less than	3 months to	1 year to	Over	Total
		3 months	3 months to	1 year to	5 years	Total
		於要求下償還 或少於3個月	1 year 3個月至1年	5 years 1年至5年	5 years 5年以上	總額
		HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
At 31 December 2011	於2011年12月31日					
Loans and advances to consumer finance customers	私人財務客戶貸款及 墊款	1,603.0	2,775.6	1,981.3	174.8	6,534.7
Bonds included in financial assets at fair value through profit or loss	於透過收益賬按公平值列賬的 財務資產中之債券	—	—	57.6	—	57.6
Secured term loans	有抵押有期借款	751.8	213.0	—	—	964.8
Cash, deposits and cash equivalents	現金、存款及現金等價物	1,101.4	741.0	—	—	1,842.4
Bank and other borrowings	銀行及其他借款	(44.0)	(23.4)	—	—	(67.4)
Amount due to an associate of a holding company	控股公司之聯營公司 貸賬	—	(24.7)	—	—	(24.7)
Bonds	債券	—	—	(555.8)	—	(555.8)
At 31 December 2010	於2010年12月31日					
Loans and advances to consumer finance customers	私人財務客戶貸款及 墊款	1,065.4	1,991.6	1,929.9	101.7	5,088.6
Bonds included in financial assets at fair value through profit or loss	於透過收益賬按公平值列賬的 財務資產中之債券	—	—	84.6	—	84.6
Secured term loans	有抵押有期借款	307.2	341.4	—	—	648.6
Cash, deposits and cash equivalents	現金、存款及現金等價物	826.4	282.4	—	—	1,108.8
Bank and other borrowings	銀行及其他借款	(43.8)	(179.0)	(23.6)	—	(246.4)
Amounts due to fellow subsidiaries	同系附屬公司貸賬	(12.4)	—	—	—	(12.4)
Amount due to an associate of a holding company	控股公司之聯營公司 貸賬	—	—	(47.2)	—	(47.2)
Mandatory convertible notes	強制性可換股票據	—	(32.6)	(45.9)	—	(78.5)

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綜合財務報表附註For the year ended 31 December 2011
截至2011年12月31日止年度56. FINANCIAL RISK MANAGEMENT
(CONTINUED)

(a) Market Risk (continued)

(iii) Foreign Exchange Risk

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

The Group's foreign exchange risk primarily arises from currency exposures originating from proprietary trading positions, and loan and advances denominated in foreign currencies, mainly in Australian dollars and Renminbi. Foreign exchange risk is managed and monitored by the respective businesses in accordance with the limits approved by the Board and RMC. The risk arises from open currency positions are subject to management approved limits and are monitored and reported daily. The other source of foreign exchange risk arises from clients' inability to meet margin calls following a period of substantial currency turbulence.

At 31 December 2011, assuming that the foreign exchange rates moved $\pm 5\%$ (2010: $\pm 10\%$) with all other variables held constant, the profit before tax for the year for the Group would have been HK\$30.5 million (2010: HK\$3.0 million) lower/higher. The Group's exposure to foreign exchange risk is immaterial.

(b) Credit Risk

Credit risk arises from the failure of a customer or counterparty to meet settlement obligations. As long as the Group lends, trades and deals with third parties, there will be credit risk exposure.

The Group's credit policy, governed by the Credit Committee ("Credco"), sets out the credit approval processes and monitoring procedures, which are established in accordance with sound business practices, the requirements and provisions of the relevant ordinances, and where applicable, the codes or guidelines issued by the Securities and Futures Commission.

56. 金融風險管理(續)

(a) 市場風險(續)

(iii) 外匯風險

外匯風險乃外幣匯率變動對盈利或資本造成之風險。

集團之外匯風險來自自營買賣持倉量及以外幣為單位之墊款，主要為澳元與人民幣。外匯風險由有關部門按董事會及風險管理委員會所批准之限額作出管理及監察。外幣未平倉合約(須受由管理層審批之限額限制，並須每日受其監控及向其匯報)會存在外匯風險。另外，倘客戶在經歷重大匯率波動後未能填補保證金額，亦可能對集團造成外匯風險。

於2011年12月31日，假設外幣匯率上升/下降5% (2010年：上升/下降10%) 而其他所有的變數均保持不變，則集團於本年度的除稅前溢利便會減少/增加30.5百萬港元(2010年：3.0百萬港元)。集團面對的外匯風險並不重大。

(b) 信貸風險

客戶或交易對手未能履行交收責任，將導致信貸風險。只要集團放款、買賣及與第三方進行交易，便會產生信貸風險。

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

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56. FINANCIAL RISK MANAGEMENT
(CONTINUED)

(b) Credit Risk (continued)

Day-to-day credit management is performed by the Credit Division with reference to the aforementioned criteria including creditworthiness, type and amount of collateral pledged, and risk concentration of the counterparties. Decisions are made daily by Credit Division and are reported to and reviewed by the Executive Directors, senior management and Credco at its regular meetings.

The table below shows the maximum exposure to and concentration of credit risk. The maximum exposure is shown in gross value before the effect of mitigation through the use of collateral agreements. The percentage figure next to the gross value reflects its concentration.

56. 金融風險管理(續)

(b) 信貸風險(續)

日常信貸管理由集團的信貸部負責。信貸部會就交易對手之信譽、抵押品的種類及數額及風險分布作出批核。信貸部日常所作之決定是向集團之執行董事、高級管理層與信貸委員會所召開的定期例會上作出匯報及檢討。

下表顯示面對的最大信貸風險及集中程度。最大風險以總值顯示，並未減除利用抵押品協議減輕風險的效果。總值旁邊顯示的百分比數字乃反映其風險集中程度。

		Group 集團			
		31/12/2011 HK\$ Million 百萬港元		31/12/2010 HK\$ Million 百萬港元	
			%		%
Maximum credit exposure	最大信貸風險				
Loans and advances to consumer finance customers	私人財務客戶貸款及墊款	7,556.1	44%	5,464.5	32%
Trade and other receivables	經營及其他應收賬	6,325.8	37%	6,643.1	39%
Cash, deposits and cash equivalents	現金、存款及現金等價物	2,736.0	16%	2,510.1	15%
Loan commitments	貸款承擔	565.5	3%	671.0	4%
Amounts due from associates	聯營公司欠賬	63.8	0%	70.3	0%
Bonds included in financial assets at fair value through profit or loss	於透過收益賬按公平值列賬的財務資產中之債券	57.6	0%	84.6	0%
Guarantees	保證	13.3	0%	1,668.5	10%
		17,318.1	100%	17,112.1	100%

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(CONTINUED)

(b) Credit Risk (continued)

56. 金融風險管理(續)

(b) 信貸風險(續)

		Company 本公司			
		31/12/2011 HK\$ Million 百萬港元	%	31/12/2010 HK\$ Million 百萬港元	%
Maximum credit exposure	最大信貸風險				
Amounts due from subsidiaries	附屬公司欠賬	6,937.4	98%	3,869.2	88%
Guarantees for banking facilities granted to subsidiaries	授予附屬公司銀行信貸之保證	58.3	1%	460.0	11%
Amounts due from associates	聯營公司欠賬	55.3	1%	60.0	1%
Cash, deposits and cash equivalents	現金、存款及現金等價物	1.4	0%	1.1	0%
		7,052.4	100%	4,390.3	100%

The maximum credit exposure at Group level is spread evenly between "trade and other receivables" and "loans and advances to consumer finance customers", which represented more than three-quarters of the total exposure. "Trade and other receivables" consist of amount receivables from exchanges, brokers and clients, secured term loans, margin loans and other interest and receivables items. The breakdown and its ageing analysis are disclosed in Note 33 to the financial statements. There are no major concerns on margin loans, as margin calls for equity trading have been tightened. Most clients have cut off their positions. The margin loan book of the Group remains at a low gearing level.

集團之最大信貸風險平均分布於「經營及其他應收賬」及「私人財務客戶貸款及墊款」，佔集團總風險超過四分之三。「經營及其他應收賬」計有應收交易所、經紀和客戶的賬款、有抵押有期借款、證券放款以及其他利息及應收項目。細目及賬齡分析見財務報表附註33。證券放款方面沒有主要關注點，因為已收緊追收證券買賣保證金的措施。大部分客戶亦已斬倉。集團的證券放款賬保持低欠款水平。

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56. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit Risk (continued)

“Loans and advances to consumer finance customers” (Note 31) are granted by the Company’s principal subsidiary, United Asia Finance Limited, which consists of HK\$6,205.2 million unsecured (31/12/2010: HK\$4,873.3 million) and HK\$1,350.9 million secured (31/12/2010: HK\$591.2 million) before taking into account any collateral held or other credit enhancements. The table below summarises its credit quality based on the internal credit rating system employed:

		31/12/2011 HK\$ Million 百萬港元	31/12/2010 HK\$ Million 百萬港元
Credit quality	信貸質量		
Neither past due nor impaired	並非逾期或減值	6,839.3	5,061.7
Past due or individually impaired	逾期或個別減值	716.8	402.8
		7,556.1	5,464.5

Loans with strategic clients are all properly authorised by the Credit Committee and with other controls in place to monitor their performance. As at 31 December 2011, any default of an individual loan will not be greater than 10% of the total loan portfolio and management considers that controls are adequate to monitor the performance of these loans.

56. 金融風險管理(續)

(b) 信貸風險(續)

「私人財務客戶貸款及墊款」(附註31)乃本公司的主要附屬公司 — 亞洲聯合財務有限公司 — 所借出，當中無抵押為6,205.2百萬港元(2010年12月31日：4,873.3百萬港元)，有抵押為1,350.9百萬港元(2010年12月31日：591.2百萬港元)(未計及持有的任何抵押品或其他信貸增強措施)。下表概述此等貸款的內部信貸評級質量：

向策略性客戶貸出的貸款均經信貸委員會授權批准，集團亦備有其他控制措施監控貸款的履行情況。於2011年12月31日，任何個別貸款的違約金額不會高於總貸款組合的10%，管理層認為有充分的控制措施監控該等貸款的履行情況。

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56. FINANCIAL RISK MANAGEMENT
(CONTINUED)

(c) Liquidity Risk

The goal of liquidity management is to enable the Group, even under adverse market conditions, to actively manage and match funds inflow against all maturing repayment obligations to achieve maximum harmony on cash flow management.

The Group manages its liquidity position to ensure a prudent and adequate liquidity ratio, in strict accordance with statutory requirements. This is achieved by a transparent and collective monitoring approach across the Group involving Executive Directors, the Director of Banking & Treasury, the Chief Financial Officer and other relevant senior managers on a daily basis to ensure the availability of sufficient liquid funds to meet all obligations while in compliance with statutory requirements such as the Hong Kong Financial Resources Rules.

56. 金融風險管理(續)

(c) 流動資金風險

流動資金管理旨在使集團即使在市況不利時仍能妥善管理及調配資金流入以支付所有到期還款之責任，使現金流量管理達致最協調之目標。

集團監管其流動資金狀況，確保集團維持審慎而充裕之流動資金比率，以嚴格遵守有關之法定要求。執行董事、財務及資金總監、財務總監及有關高層管理人員每日均以具透明度及集體方式監察全公司之流動資金狀況，以確保有足夠的流動資金應付各項承擔並符合法定要求，例如香港財務資源條例。

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56. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity Risk (continued)

The exposure of the Group's contractual undiscounted cash flow for financial liabilities and their contractual maturity dates are as follows:

56. 金融風險管理(續)

(c) 流動資金風險(續)

以下為集團在財務負債上面對的未折現現金流量及負債的依約到期日：

		On demand or less than 31 days 於要求下償還 或少於31天 HK\$ Million 百萬港元	31 days to 90 days 31天至90天 HK\$ Million 百萬港元	91 days to 1 year 91天至1年 HK\$ Million 百萬港元	1 year to 5 years 1年至5年 HK\$ Million 百萬港元	Over 5 years 5年以上 HK\$ Million 百萬港元	Total 總額 HK\$ Million 百萬港元
At 31 December 2011	於2011年12月31日						
Bank and other borrowings ⁺	銀行及其他借款 ⁺	671.4	985.4	—	3,322.2	—	4,979.0
Trade and other payables	經營及其他應付賬	877.4	—	—	—	—	877.4
Amount due to an associate of a holding company	控股公司之聯營公司 貸賬	—	—	25.6	—	—	25.6
Amounts due to fellow subsidiaries and a holding company	同系附屬公司及控股 公司貸賬	1,256.2	—	—	—	—	1,256.2
Amounts due to associates	聯營公司貸賬	2.2	—	—	—	—	2.2
Bonds	債券	—	—	—	677.8	—	677.8
Guarantees*	保證*	13.3	—	—	—	—	13.3
Financial liabilities at fair value through profit or loss	透過收益賬按公平值 列賬的財務負債	14.9	—	—	—	—	14.9
		4,836.2	985.4	25.6	3,999.9	—	9,847.1
At 31 December 2010	於2010年12月31日						
Bank and other borrowings ⁺	銀行及其他借款 ⁺	853.3	610.9	244.0	2,200.9	—	3,909.1
Trade and other payables	經營及其他應付賬	1,227.4	—	—	—	—	1,227.4
Amount due to an associate of a holding company	控股公司之聯營公司 貸賬	—	—	—	51.0	—	51.0
Amounts due to fellow subsidiaries and a holding company	同系附屬公司及控股 公司貸賬	767.8	—	—	—	—	767.8
Amounts due to associates	聯營公司貸賬	8.4	—	—	—	—	8.4
Bonds	債券	—	1.0	3.4	506.8	—	511.2
Guarantees*	保證*	1,668.5	—	—	—	—	1,668.5
Financial liabilities at fair value through profit or loss	透過收益賬按公平值 列賬的財務負債	6.3	—	—	—	—	6.3
Mandatory convertible notes	強制性可換股票據	—	—	34.2	52.3	—	86.5
		4,463.7	611.9	277.6	2,759.9	—	7,853.1

+ Bank and other borrowings with repayment on demand clause are classified as on demand in the above analysis although the demand clause has not been exercised.

* The amounts included above for guarantees are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantees. None of the banking facilities related to the guarantees has been drawn down at the end of the reporting period. Based on expectations at the end of the reporting period, the Group considers that the amount will not be payable under the arrangement.

+ 若銀行及其他借款是附有於要求下償還條款，即使該條款並未行使，在上列分析中仍分類為於要求下償還。

* 以上保證之數額為根據合約下合約另一方可能向集團索取全數保證的最大金額。與保證有關之銀行信貸於結算日並未動用。基於報告日時之預期，集團認為並不需為該等合約付出任何款項。

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56. FINANCIAL RISK MANAGEMENT
(CONTINUED)

(c) Liquidity Risk (continued)

At the end of the reporting period, the Group had outstanding loan commitments of HK\$565.5 million (31/12/2010: HK\$671.0 million) which fall due within one year.

The Company's exposure to financial risks at the end of the reporting period is immaterial. Financial risk exposure at the Company level is mainly contributed by the amount due from its subsidiaries and associates and is managed by assessing the recoverability of the repayment from those subsidiaries and associates. The management monitors on a regular basis the availability of funds among the Group and the assets held by subsidiaries and associates are considered sufficient to cover the amount due from them. Hence, the Company's exposure to financial risks at the end of the reporting period is considered immaterial.

56. 金融風險管理(續)

(c) 流動資金風險(續)

於結算日，集團有於一年內到期之未被使用的貸款承擔565.5百萬港元(2010年12月31日：671.0百萬港元)。

本公司於結算日面對的金融風險並不重大。本公司的金融風險主要來自於應收其附屬公司及聯營公司欠賬，並通過評估收回該等附屬公司及聯營公司欠款的能力予以管理。管理層會定期監察集團內資金的充裕程度，並認為附屬公司及聯營公司所持資產足夠償付彼等的欠款。因此，本公司於結算日的金融風險並不重大。

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