

# Notes to the Accounts

## 賬目附註

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of preparation and consolidation

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants ("HKSA"). The accounts are prepared under the historical cost convention except that, as disclosed in the accounting policies below, certain properties and investments in securities are stated at fair value.

The consolidated accounts include the accounts of the Company and its subsidiary companies made up to 31 December. The results of subsidiaries acquired or disposed of during the year are consolidated from or up to their effective dates of acquisition or disposal, respectively.

All significant inter-company transactions and balances within the Group are eliminated on consolidation.

In the current year, the Group adopted the new Statement of Standard Accounting Practice ("SSAP") 12 "Income Taxes" issued by the HKSA which is effective for accounting period commencing on or after 1 January 2003.

The accounting policies set out below have taken into account the adoption of the new standard.

In prior year, deferred tax was accounted for at the current taxation rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset was expected to be payable or recoverable in the foreseeable future. The adoption of the new SSAP 12 represents a change in accounting policy, which has been applied retrospectively so that the comparatives presented have been restated to conform to the changed policy.

### 1. 重要會計政策

#### (a) 賬目編製之基準及綜合賬之準則

賬目乃按照香港普遍採納之會計原則及遵照香港會計師公會頒布之會計準則編製。賬目是按歷史成本常規法編製，惟若干物業及證券投資乃按公平價值列賬（見下文會計政策）。

集團之賬目包括本公司及所有附屬公司編製至十二月三十一日止之會計賬目。於年內購入或出售之附屬公司，其業績由收購生效日起計或計至出售生效日止，列入綜合賬目中。

所有集團內公司間之重大交易及結餘已於綜合賬目中對銷。

集團於年內已採納由香港會計師公會頒布之香港會計實務準則（「會計準則」）第12號「所得稅」，此會計準則由二零零三年一月一日或之後之會計年度開始生效。

下列所述會計政策已包含所採納之新準則。

往年度，遞延稅項乃因應就課稅而計算之盈利與賬目所示之盈利兩者間之時間差，根據預期於可預見將來支付或可收回之負債及資產而按現行稅率計算。採納新訂之會計準則第12號構成會計政策之變動並已追溯應用，故比較數字已重列以符合此改變之政策。

# Notes to the Accounts

## 賬目附註

### 1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (a) Basis of preparation and consolidation (Cont'd)

The effect of the change was a decrease in the opening retained earnings and an increase in reserves at 1 January 2003 amounting to HK\$141,912,000 (2002: HK\$121,000,000) and HK\$8,231,000 (2002: HK\$11,769,000) respectively. The profit and reserve movement for the year ended 31 December 2002 has been reduced by HK\$20,912,000 and HK\$3,538,000 respectively.

The amount includes the share of a prior year adjustment made by a listed associated company in respect of the adoption of the new SSAP12 in the interim accounts. The listed associated company subsequently adjusted the prior year adjustment in the second half year. The effect of the Group's share of this adjustment in the second half year is a further decrease in opening retained earnings and reserves at 1 January 2003 of HK\$140,915,000 (2002: HK\$129,669,000) and HK\$35,000 (2002: HK\$35,000) respectively.

An associated company of the Group has made a prior year adjustment in respect of share of loss of its associated company. The Group's share of the prior year adjustment was a decrease in opening retained earnings at 1 January 2003 of HK\$5,905,000 (2002: HK\$5,905,000). There was no effect on the profit for the year ended 31 December 2002 and 2003.

### 1. 重要會計政策(續)

#### (a) 賬目編製之基準及綜合賬之準則(續)

此改變對二零零三年一月一日之年初保留溢利及儲備之影響分別為減少141,912,000港元(二零零二年: 121,000,000港元)及增加8,231,000港元(二零零二年: 11,769,000港元), 對截至二零零二年十二月三十一日止年度內之溢利及儲備變動分別為減少20,912,000港元及3,538,000港元。

該數額包括有關所佔一上市聯營公司因採納新訂之會計準則第12號於中期賬目中作出之上年度調整。於下半年, 此上市聯營公司對該上年度調整作出調整, 集團所佔此下半年調整之影響分別為進一步減少於二零零三年一月一日之年初保留溢利140,915,000港元(二零零二年: 129,669,000港元)及儲備35,000港元(二零零二年: 35,000港元)。

集團有一聯營公司就有關所佔其聯營公司虧損而作出上年度調整。集團佔此上年度調整是對於二零零三年一月一日之年初保留溢利減少5,905,000港元(二零零二年: 5,905,000港元), 對截至二零零三年及二零零二年十二月三十一日止年度內之溢利並無影響。

# Notes to the Accounts

## 賬目附註

### 1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (b) Intangible assets

The Stock and Futures Exchange trading rights and expenditures on computer software that is not an integral part of the related hardware are capitalized as intangible assets and amortized using the straight-line method over their estimated useful life of five years. Where an indication of impairment exists, the carrying amount of the intangible asset is assessed and written down to its recoverable amount.

#### (c) Fixed assets

Fixed assets other than investment properties (note 1(d)) and other properties are stated at cost less accumulated depreciation and any accumulated impairment loss. Other properties are interests in land and buildings and are stated at cost or valuation less accumulated depreciation.

Depreciation of fixed assets is provided on a straight-line basis over their estimated useful lives as follows:

#### Leasehold properties

Land – over the remaining term of the lease, including the period for which a right of renewal is attached

#### Buildings

Under long lease – 3% per annum  
Under medium-term lease – over the remaining term of the lease

Furniture and equipment – 10% to 30% per annum

Long leases and medium-term leases are defined as leases having not less than 50 years and leases between 10 years to 50 years to run respectively.

Major costs incurred in restoring fixed assets to their normal working condition are charged to the profit and loss account. Improvements are capitalized and depreciated over their expected useful lives to the Group.

### 1. 重要會計政策 (續)

#### (b) 無形資產

股票及期貨交易權及並非與有關硬件整體部分之電腦軟件支出是資本化為無形資產，並按其估計可用年數以直線攤分法分五年攤銷。若有迹象顯示無形資產存有價值削減，即對其估值並將賬面值削減至可收回之數額。

#### (c) 固定資產

除投資物業(附註1(d))及其他物業以外，固定資產乃按原值減累積折舊及累積價值削減入賬。其他物業乃所持房地產之權益，按原值或估值減累積折舊入賬。

固定資產均按其估計可用年數以直線攤分法折舊如下：

#### 有租契物業

土地 – 按租契尚餘年期平均攤銷，租期包括附有租約續期權之期間

#### 樓宇

長期租契 – 每年攤銷3%  
中期租契 – 按租契尚餘年期平均攤銷

傢俬及設備 – 每年攤銷10%至30%

長期租契及中期租契分別指尚餘不少過五十年租期之租契及十年至五十年租期之租契。

將固定資產重修至其正常運作之主要支出均在損益計算表中支銷。裝修改良支出予以資本化，按其對集團之預計可用年數折舊。

# Notes to the Accounts

## 賬目附註

### 1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (c) Fixed assets (Cont'd)

The gain or loss on disposal of a fixed asset is the difference between the net sale proceeds and the carrying amount of the relevant asset, and is recognized in the profit and loss account.

#### (d) Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are held for their investment potential.

Investment properties held on leases with unexpired periods greater than 20 years are included in fixed assets at their open market value on the basis of annual professional valuation. Changes in the value of investment properties held by the Company and its subsidiary companies are dealt with as a movement in the investment property revaluation reserve. If the total of this reserve is insufficient to cover a deficit on a portfolio basis, the amount by which the deficit exceeds the total amount in the investment property revaluation reserve is charged to the profit and loss account. If a deficit has previously been charged to the profit and loss account and a revaluation surplus subsequently arises, the surplus is credited to the profit and loss account to the extent of the deficit previously charged.

Investment properties held on leases with unexpired periods of 20 years or less are depreciated over the remaining portion of the leases.

Upon the disposal of an investment property, the relevant portion of the revaluation reserve realized in respect of previous valuations is released from the investment property revaluation reserve to the profit and loss account.

#### (e) Investments in subsidiary companies

A subsidiary is an enterprise in which the Company, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or where the Company controls the composition of its board of directors or equivalent governing body.

### 1. 重要會計政策(續)

#### (c) 固定資產(續)

出售固定資產之收益或虧損，乃指出售資產所得款項淨額與該資產賬面值之差額，並於損益計算表中確認。

#### (d) 投資物業

投資物業乃指建築及發展工程皆已完成及因有投資潛質而持有之土地及樓宇權益。

凡投資物業之未屆滿租期超過二十年者，按每年專業估值為基礎而計算得之公開市值，列為固定資產。由本公司及其附屬公司所持有的投資物業價值之變動視作投資物業重估儲備之變動處理。如儲備總額不足以填補投資物業總值之虧損，則不足之數撥入損益計算表中。若過往重估投資物業之虧損曾撥入損益計算表中，則日後不超過此虧損之重估增值可撥入損益計算表內。

凡投資物業之未屆滿租期為二十年或短於二十年者，按租約餘期加以折舊。

在出售投資物業時，因以往估價而產生於投資物業重估儲備之有關部分，將撥入損益計算表中。

#### (e) 附屬公司投資

附屬公司乃一間由本公司直接或間接持有其超過半數已發行股本，或本公司控制其超過半數之表決權，或本公司控制其董事會或對等管理組織組成之企業。

# Notes to the Accounts

## 賬目附註

### 1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (e) Investments in subsidiary companies (Cont'd)

Investments in subsidiary companies are included in the Company's balance sheet at cost less impairment, if any, for permanent diminution in value. The results of subsidiary companies are accounted for by the Company on the basis of dividend received or receivable.

#### (f) Investments in associated companies

An associated company is a company, not being a subsidiary company or a joint venture, in which the Group holds an equity interest for the long term and exercises significant influence in its management.

The consolidated profit and loss account includes the Group's share of the post-acquisition results of the associated companies for the year, and the consolidated balance sheet includes the Group's share of the net assets of the associated companies and the unamortized goodwill/negative goodwill on acquisition of the associated companies.

In the Company's balance sheet the investments in associated companies are stated at cost less impairment, if any, for permanent diminution in value. The results of associated companies are accounted for by the Company on the basis of dividend received or receivable.

#### (g) Investments 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.

Joint venture arrangements which involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities.

### 1. 重要會計政策(續)

#### (e) 附屬公司投資(續)

本公司於附屬公司之投資按成本值列於資產負債表內，若有永久價值削減，則扣除減值準備入賬。本公司計入附屬公司之業績是按已收及應收股息入賬。

#### (f) 聯營公司投資

聯營公司為附屬公司及合營企業以外，集團持有其權益作為長期投資及對其管理有相當影響力之公司。

綜合損益計算表包括集團於本年度佔聯營公司收購後業績。綜合資產負債表包括集團所佔聯營公司淨資產，及收購聯營公司所產生之未攤銷商譽／負商譽。

本公司於聯營公司之投資按成本值列於資產負債表內，若有永久價值削減，則扣除減值準備入賬。本公司計入聯營公司之業績是按已收及應收股息入賬。

#### (g) 合營企業投資

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雙方共同控制，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。

# Notes to the Accounts

## 賬目附註

### 1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (g) Investments in joint ventures (Cont'd)

The Group's interests in jointly controlled entities are included in the consolidated balance sheet at the Group's share of the net assets of the jointly controlled entities and the unamortized goodwill/negative goodwill on acquisition. The Group's share of post-acquisition results of jointly controlled entities is included in the consolidated profit and loss account.

#### (h) Other investments

Investments which are held for non-trading purposes are stated at fair value or estimated fair value at the balance sheet date on an individual investment basis. Changes in the fair value of individual securities are credited or debited to the investment revaluation reserve until the securities are sold, or are determined to be impaired. Upon disposal, the cumulative gain or loss representing the difference between the net sales proceeds and the carrying amount of the relevant securities, together with any surplus/deficit transferred from the investment revaluation reserve, is dealt with in the profit and loss account.

Transfers from the investment revaluation reserve to the profit and loss account as a result of impairments are written back in the profit and loss account when the circumstances and events leading to the impairment cease to exist.

#### (i) Goodwill/negative goodwill

Goodwill or negative goodwill arising from consolidation represents the excess or the shortfall of the purchase consideration over the fair value of the Group's share of the separable net assets at the date of acquisition of subsidiaries and associated companies. Goodwill/negative goodwill on consolidation are amortized by equal instalments over its estimated useful economic life of five years.

### 1. 重要會計政策(續)

#### (g) 合營企業投資(續)

集團於共同控制公司之權益按集團佔該公司之資產淨值，及收購時所產生之未攤銷商譽／負商譽列入綜合資產負債表內。集團應佔共同控制公司之收購後業績則計入綜合損益計算表中。

#### (h) 其他投資

持有作為非經營用途之投資按結算日以個別投資為基準之公平價值或估計公平價值列賬。有關個別證券公平價值之轉變會在投資重估儲備中貸記或支銷，直至該證券出售或其價值定為價值削減為止。出售證券之累計收益或虧損，乃指出售所得款項淨額與有關證券賬面值之差額，連同轉撥自投資重估儲備之任何盈餘／虧損，一併撥入損益計算表內。

因價值削減而從投資重估儲備轉撥至損益計算表之數額，於導致價值削減之情況或事情不再出現時，在損益計算表內撥回。

#### (i) 商譽／負商譽

綜合賬項所產生之商譽或負商譽，乃指購買代價超逾或低於集團於收購附屬公司及聯營公司當日所佔可分開淨資產之公平價值之數額。商譽／負商譽於綜合賬中是以其估計可用年數分五年平均攤銷。

# Notes to the Accounts

## 賬目附註

### 1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (i) Goodwill/negative goodwill (Cont'd)

Any goodwill or negative goodwill on the acquisition of an interest in a jointly controlled entity, representing the excess or shortfall respectively of the purchase consideration over the fair value ascribed to the Group's share of the separable net assets of the jointly controlled entity at the date of acquisition is dealt with in the same manner as that described above except that goodwill/negative goodwill arising on acquisition of a jointly controlled entity with specified operation period is amortized over its remaining joint venture period.

Where an indication of impairment exists, the carrying amount of goodwill is assessed and written down to its recoverable amount.

#### (j) Trading account securities

Listed and marketable securities held by the Group to facilitate its block trading, arbitrage and underwriting operations are stated at market value. The results from such activities, which include unrealized gains less losses arising from valuation at the balance sheet date of securities on hand, are dealt with in the profit and loss account.

#### (k) Trade receivables

The credit of trade receivables including secured margin loans and secured term loans are approved and reviewed by either the Credit and Risks Management Committee or the Executive Committee. Clients are normally required to provide additional margin or securities whenever there are any shortfalls in their accounts.

Specific provisions are made for doubtful debts as and when they are considered necessary by the Credit and Risks Management Committee or the Executive Committee. Trade receivables in the balance sheet are stated net of such provisions.

#### (l) Cash and cash equivalents

Cash and cash equivalents represent cash on hand, deposits with banks which are within three months of maturity when acquired, less bank overdrafts.

### 1. 重要會計政策(續)

#### (i) 商譽／負商譽(續)

因收購共同控制公司之權益所產生之商譽或負商譽，乃指購買代價超逾或低於集團於收購共同控制公司當日所佔可分開淨資產之公平價值之數額，其處理方法與上述相同，惟收購特定經營期限之共同控制公司所產生之商譽／負商譽是以餘下之合營年期攤銷。

若有迹象顯示商譽存有價值削減，即對其估值並將賬面值削減至可收回之數額。

#### (j) 證券經營賬

集團所存以供大手交易、套戥及包銷之上市證券及有市價證券，皆照市值入賬。此等經營之業績包括在結算日所持有證券以當日市值計算之未兌現溢利減未兌現虧損，計入損益計算表內。

#### (k) 經營應收賬

包括有抵押證券放款及有抵押有期借款的經營應收賬之信貸是由信貸及風險管理委員會或執行委員會批閱。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。

特定呆賬準備是因應信貸及風險管理委員會或執行委員會認為需要時撥。經營應收賬是扣除此等準備列於資產負債表中。

#### (l) 現金及現金等價物

現金及現金等價物為庫存現金及於存款日起計三個月內到期之銀行定期存款，減銀行透支。

# Notes to the Accounts

## 賬目附註

### 1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (m) Contingent liabilities

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 recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognized but is disclosed in the notes to the accounts.

#### (n) Foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the profit and loss account.

The balance sheet of subsidiaries, jointly controlled entities and associated companies expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst the profit and loss is translated at an average rate. These exchange differences are dealt with as a movement in the exchange reserve.

#### (o) Turnover

The principal activities of the Group are securities, leveraged forex, bullion, commodities and futures broking, provision of online financial services and online financial information distribution, money lending including the provision of term loans, share margin financing, financial planning and wealth management, fund management, corporate finance, property investment and insurance consultancy. Turnover includes gross brokerage, commission, interest, dividends, rental and service income; and the following stated net of losses: profit from trading in securities, income from bullion transactions and differences on foreign exchange transactions.

### 1. 重要會計政策(續)

#### (m) 或然負債

或然負債乃因過往事件而產生的可能責任，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，而未有記賬。或然負債不會被確認，但會在賬目附註中披露。

#### (n) 外幣換算

以外幣為單位之各項交易均按照交易日之匯率折算，於結算日以外幣計算之貨幣資產與負債俱以結算日之匯率折為港幣，在此情況下產生之所有匯兌盈虧已包括在損益計算表內。

附屬公司、共同控制公司及聯營公司以外幣為單位之資產負債表均按結算日之匯率折算，而損益賬則按平均匯率折算。由此產生之匯兌盈虧是作為匯兌儲備變動入賬。

#### (o) 營業額

集團主要業務為證券、槓桿外匯、黃金、商品及期貨經紀、提供網上金融服務及網上財經資訊、借貸(包括提供有期借款)、證券放款、財務策劃及資產管理、基金管理、企業融資、物業投資及保險顧問。營業額包括總經紀佣金、其他佣金、利息、股息、租金與服務收益；以及下列已撇除虧損之收益，即證券買賣收益、黃金買賣收益及外幣匯兌差額。



# Notes to the Accounts

## 賬目附註

### 1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (p) Segment reporting

Business segment is presented as the primary report format for segment reporting. Interest income and finance cost are included in segment revenue and segment results respectively.

#### (q) Revenue recognition

Brokerage income recognized in the accounts represents brokerage income accrued on all broking transactions traded on or before 31 December.

Realized and unrealized profits and losses from trading in securities is recognized on a trade date basis.

Interest income is accrued on a time proportioned basis.

Dividend income from investments is recognized when the shareholders' right to receive payments has been established.

Rental income is recognized on all leases on the straight-line method over the lease term regardless of when the cash rental payment will be received.

Profits or losses on trading in foreign currencies include both realized and unrealized gains less losses and charges less premium arising from position squaring and valuation at the balance sheet date of foreign currency positions on hand.

#### (r) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset. All other borrowing costs are charged to the profit and loss account in the year in which they are incurred.

### 1. 重要會計政策(續)

#### (p) 分項資料報告

分項資料報告是以業務分項為主要呈報形式。利息收入與融資成本分別計入分項收入及分項業績中。

#### (q) 收入之計算

於賬目中確認之經紀佣金收入乃於十二月三十一日或該日前成交之交易經紀佣金。

證券交易之已兌現及未兌現溢利及虧損於交易日入賬。

應計利息收入是以時間攤分法計算。

股息收益是於集團獲得收取股息之權利時入賬。

所有租約之租金收入，不論其現金支付之期間，皆按租約年限以直線攤分法入賬。

外幣買賣之溢利或虧損包括由平倉或於結算日就所持外幣評值而產生之已兌現及未兌現收益減虧損及收取或支付之倉費。

#### (r) 借貸成本

凡直接與購入、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有關之借貸成本均資本化為該資產之部分成本。所有其他借貸成本於產生期間在損益計算表支銷。

# Notes to the Accounts

## 賬目附註

### 1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (s) Employee benefits

Employee entitlements to annual leave are recognized 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 balance sheet date.

The Group operates defined contribution retirement schemes, the assets of which are held in independent administered funds. The Group's contributions to the defined contribution retirement scheme are expensed as incurred and are reduced by contributions forfeited, if applicable, by those employees who leave the scheme prior to vesting fully in the contributions.

#### (t) Deferred taxation

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilized.

#### (u) Assets under leases

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to the profit and loss account on a straightline basis over the lease term.

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased assets or the present value of the minimum lease payment. Each lease payment is allocated between the capital and finance charges so as to achieve a constant rate on the capital balances outstanding. The corresponding rental obligations, net of finance charges, are included in long term liabilities. The finance charges are charged to the profit and loss account over the lease periods.

Assets held under finance leases are depreciated over the shorter of their estimated useful lives or the lease periods.

### 1. 重要會計政策(續)

#### (s) 僱員福利

僱員享有之年假是在僱員應得時確認。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。集團對界定供款退休計劃所作供款在發生為費用時支銷，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。

#### (t) 遞延稅項

遞延稅項採用負債法就資產負債之稅基與它們在賬目之賬面值兩者之短暫時差作全數撥備。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時差抵銷而確認。

#### (u) 租賃資產

營運租賃是指擁有資產之回報及風險實質上由出租公司保留之租賃。根據此等營運租賃而須繳付之租金，則按其租賃期以直線攤分法在損益計算表中支銷。

融資租賃為資產之風險及回報所有權實質上轉讓予集團之租賃。融資租賃之資產在開始時按租賃資產之公平價值或最低租賃付款之現值，以較低者入賬。每期租金分攤為資本支出及財務費用，以達至尚欠之資本結存為常數比率。相應租賃承擔在扣除財務費用後計入長期負債內。財務費用於租約期內在損益賬中支銷。

以融資租賃持有之資產按其估計可用年數或租約期(以較短者為準)計算折舊。

# Notes to the Accounts

## 賬目附註

### 2. TURNOVER AND SEGMENT INFORMATION

The Group has main business segments as follows:

- Securities broking and dealing – provision of securities broking, trading in securities, financial planning and wealth management services including online broking and financial information services.
- Forex, bullion, commodities and futures – provision of dealing and broking services in leveraged forex, bullion and futures.
- Margin finance and other financing services – provision of securities margin financing and insurance broking services.
- Term loans – provision of term loans financing.
- Corporate finance and others – provision of corporate finance and advisory services, investments and properties holding.

As both the turnover and contribution to profit before tax of securities dealing activity amounted to HK\$9,272,000 (2002: HK\$2,857,000) and HK\$11,874,000 (2002: HK\$42,000 loss) respectively were below 10% of the total, this segment was reclassified under securities broking activity and renamed as securities broking and dealing in the current year with comparative figures restated accordingly.

No analysis of geographical segments is presented as the contribution to turnover and results of operations outside Hong Kong is below 10%.

### 2. 營業額及分項資料

集團有以下主要業務分項如下：

- 證券經紀及買賣 – 提供證券經紀服務、經營證券買賣、財務策劃及資產管理，包括網上經紀及財經資訊服務
- 外匯、黃金、商品及期貨 – 提供槓桿外匯、黃金、期貨買賣及經紀服務
- 證券放款及其他金融服務 – 提供證券放款及保險經紀服務
- 有期借款 – 提供有期借款
- 企業融資及其他 – 提供企業融資及顧問服務、控股投資及物業投資

由於證券買賣業務之營業額9,272,000港元(二零零二年：2,857,000港元)及除稅前溢利之貢獻11,874,000港元(二零零二年：虧損42,000港元)，均少於總數之10%，此分項於本年重新分類至證券經紀業務之下，並改名為證券經紀及買賣，而比較數字亦因而重列。

由於海外地區對營業額及業績之貢獻均少於10%，因此並無呈列經營地域之分項分析。

# Notes to the Accounts

## 賬目附註

### 2. TURNOVER AND SEGMENT INFORMATION (Cont'd)

### 2. 營業額及分項資料 (續)

		2003					
		Securities broking and dealing 證券經紀 及買賣	Forex, bullion, commodities and futures 外匯、黃金、 商品及期貨	Margin finance and other financing services 證券放款及 其他金融服務	Term loans 有期借款	Corporate finance and others 企業融資 及其他	Total 總計
		HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元
Turnover	營業額	189,395	130,292	168,271	89,867	373,245	951,070
Less: intra-segment turnover	減：分項間營業額	(3,912)	(1,387)	(25,248)	(18,505)	(234,557)	(283,609)
		185,483	128,905	143,023	71,362	138,688	667,461
Operating profit after finance costs	除融資成本後經營溢利	22,169	16,347	64,263	64,523	(24,156)	143,146
Share of profits and losses and amortization of goodwill/negative goodwill	所佔溢利及虧損和攤銷 商譽/負商譽						156,608
- Associated companies	- 聯營公司						
- Jointly controlled entities	- 共同控制公司						1
Profit before taxation	除稅前溢利						299,755
Segment assets	分項資產	914,578	744,476	1,328,914	350,685	919,374	4,258,027
Deferred tax assets	遞延稅項資產	-	-	-	8,423	1,430	9,853
Taxation recoverable	應收稅項	-	-	-	5,215	-	5,215
		914,578	744,476	1,328,914	364,323	920,804	4,273,095
Investments in associated companies	聯營公司投資						2,373,765
Investments in jointly controlled entities	共同控制公司投資						937
Total assets	總資產						6,647,797
Segment liabilities	分項負債	(691,877)	(598,286)	(260,175)	(16,024)	(558,664)	(2,125,026)
Taxation payable	應付稅項	(5,487)	(2,007)	(5,052)	-	(12,998)	(25,544)
Deferred tax liabilities	遞延稅項負債	(1,350)	-	-	-	(2,506)	(3,856)
Minority interests	少數股東權益	(794)	-	-	-	(617)	(1,411)
Total liabilities	總負債	(699,508)	(600,293)	(265,227)	(16,024)	(574,785)	(2,155,837)
Capital expenditures	資本支出	2,323	805	248	9	44,192	47,577
Amortization and depreciation	攤銷及折舊	2,975	880	423	10	16,040	20,328
Impairment charge	價值削減	-	-	-	-	6,524	6,524
Other non-cash expenses	其他非現金費用	529	2,954	31,201	-	80,256	114,940

# Notes to the Accounts

## 賬目附註

### 2. TURNOVER AND SEGMENT INFORMATION (Cont'd)

### 2. 營業額及分項資料(續)

		2002					
		Securities broking and dealing 證券經紀 及買賣	Forex, bullion, commodities and futures 外匯、黃金、 商品及期貨	Margin finance and other financing services 證券放款及 其他金融服務	Term loans 有期借款	Corporate finance and others 企業融資 及其他	Total 總計
		HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元
Turnover	營業額	127,302	83,395	139,398	179,983	325,150	855,228
Less: intra-segment turnover	減：分項間營業額	(5,583)	(2,413)	(32,035)	(3,694)	(247,289)	(291,014)
		121,719	80,982	107,363	176,289	77,861	564,214
Operating profit after finance costs	除融資成本後經營溢利	(20,058)	2,728	19,888	81,828	41,990	126,376
Share of profits and losses and amortization of goodwill/negative goodwill	所佔溢利及虧損和攤銷商譽/負商譽						
- Associated companies	- 聯營公司						113,502
- Jointly controlled entities	- 共同控制公司						(5,170)
Profit before taxation	除稅前溢利						234,708
Segment assets	分項資產	257,748	395,183	986,725	540,380	725,074	2,905,110
Deferred tax assets	遞延稅項資產	-	-	-	4,752	-	4,752
Taxation recoverable	應收稅項	1	346	2,432	2,591	721	6,091
		257,749	395,529	989,157	547,723	725,795	2,915,953
Investments in associated companies	聯營公司投資						2,204,019
Investments in jointly controlled entities	共同控制公司投資						93,985
Total assets	總資產						5,213,957
Segment liabilities	分項負債	(135,366)	(304,111)	(35,117)	(17,501)	(237,368)	(729,463)
Taxation payable	應付稅項	(6)	(416)	(830)	-	(6,173)	(7,425)
Deferred tax liabilities	遞延稅項負債	(1,633)	(85)	-	-	(7,203)	(8,921)
Minority interests	少數股東權益	(790)	-	-	-	(644)	(1,434)
Total liabilities	總負債	(137,795)	(304,612)	(35,947)	(17,501)	(251,388)	(747,243)
Capital expenditures	資本支出	35	-	-	-	17,756	17,791
Amortization and depreciation	攤銷及折舊	782	-	-	-	17,792	18,574
Impairment charge	價值削減	-	-	-	-	11,686	11,686
Other non-cash expenses	其他非現金費用	28,289	3,097	2,998	20,137	8,874	63,395

# Notes to the Accounts

## 賬目附註

### 3. OTHER INCOME

### 3. 其他收益

		Group 集團	
		2003 HK\$'000/千港元	2002 HK\$'000/千港元
Amortization of negative goodwill on acquisition of subsidiary companies	攤銷收購附屬公司之負商譽	<b>3,829</b>	2,812
Loss arising from default of loan agreement with Millennium Touch Limited written back	因Millennium Touch Limited未履行貸款協議而產生之虧損撥回	<b>26,412</b>	-
Net exchange gains	匯兌淨收益	-	627
Profit on disposal of an associated company	出售一聯營公司之溢利	<b>1,146</b>	2,001
Profit on disposal of other investments	出售其他投資之溢利	-	1,119
Provision for doubtful debts written back	呆賬準備撥回	<b>42,036</b>	21,103
Revaluation deficit of an investment property written back	投資物業重估減值撥回	<b>200</b>	-
Miscellaneous income	雜項收入	<b>9,285</b>	9,023
		<b>82,908</b>	36,685

# Notes to the Accounts

## 賬目附註

### 4. OTHER EXPENSES

### 4. 其他費用

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Fixed assets and intangible assets written off	固定資產及無形資產撇銷	-	5,905
Loss arising from default of loan agreement with Millennium Touch Limited	因Millennium Touch Limited未履行貸款協議而產生之虧損	-	10,110
Net exchange losses	匯兌淨虧損	40	-
Net loss on disposal of other investments	出售其他投資之淨虧損	6,302	-
Permanent impairment of other investments transferred from investment revaluation reserve	撥自投資重估儲備之其他投資永久價值削減	6,524	11,686
Provision for diminution in value of an associated company	一聯營公司減值準備	21,892	-
Provision for interest and legal cost in respect of litigation with New World Development Company Limited *	有關與新世界發展有限公司訴訟之利息及法律費用撥備*	58,364	-
Provision for doubtful debts	呆賬準備	34,684	44,471
Revaluation deficit of investment property	投資物業重估減值	-	2,909
		<b>127,806</b>	75,081

\* On 1 April 2004, the High Court of Hong Kong awarded a judgment (the "Judgment") in favour of New World Development Company Limited ("NWDC") against Sun Hung Kai Securities Limited ("SHKS") following legal proceedings regarding a joint venture in respect of land and two hotels in Kuala Lumpur, Malaysia. The Judgment was for a principal amount of HK\$80,117,652.72 together with interest of HK\$25,416,365.50 and interest at judgment rate from 16 December 1998 until payment, and costs (together estimated by the Company to be in the region of approximately HK\$159 million).

SHKS has since year 2000 booked as "Other Investments" an amount of approximately HK\$118 million including payments already made to NWDC in a total sum of HK\$35.3 million. Additionally, a provision of HK\$18.7 million for interest was made in 2000. A further provision of HK\$58,364,000 has been made in these accounts in respect of interest and legal costs.

SHKS is currently seeking legal advice as to the Judgment and, subject to legal advice, intends to appeal against the Judgment.

The Company's present understanding of the Judgment is that SHKS now has an effective 12.5% interest, including its share of shareholders' loans, in a completed project in Kuala Lumpur consisting of two first class hotels with around 1,000 rooms, and a convention and retail complex presently known as "The Renaissance Kuala Lumpur Hotel".

\* 於二零零四年四月一日，香港高等法院就新世界發展有限公司（「新世界發展」）向新鴻基證券有限公司（「新鴻基證券」）於馬來西亞吉隆坡之土地及兩間酒店之合營企業提出法律訴訟作出裁決（「裁決」），新世界發展被判勝訴。裁決為須支付本金額80,117,652.72港元與利息25,416,365.50港元，及由一九九八年十二月十六日起計至付款日期按裁決息率計算之利息，以及堂費（本公司估計合共約159百萬港元）。

新鴻基證券自二零零零年起已將約118百萬港元之金額列賬為「其他投資」，當中包括已向新世界發展支付之款項總額合共35.3百萬港元。此外，於二零零零年計入約18.7百萬港元之利息撥備。於本賬目已就有關利息及法律費用共58,364,000港元作出進一步之撥備。

新鴻基證券現正就裁決尋求法律意見，並將根據該法律意見決定是否就裁決提出上訴。

據本公司目前對裁決之理解，新鴻基證券於馬來西亞吉隆坡之已完成項目（包括兩間設有約1,000個房間之頂級酒店及一幢現名為「The Renaissance Kuala Lumpur Hotel」之會議及零售綜合大樓）中擁有實際權益12.5%，及包括所佔股東貸款部分。

# Notes to the Accounts

## 賬目附註

### 5. OPERATING PROFIT

### 5. 經營溢利

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Operating profit is stated after crediting and charging the following:	經營溢利已計入及扣除下列項目：		
Crediting:	計入下列收益：		
Brokerage, commission and service income	經紀佣金、其他佣金及服務收益	<b>401,969</b>	276,762
Dividends from listed investments	上市投資股息	<b>10,490</b>	6,916
Dividends from unlisted investments	非上市投資股息	<b>31,416</b>	32,725
Gross rental income from investment properties	投資物業之租金總收入	<b>2,246</b>	1,233
Interest income	利息收入	<b>162,494</b>	227,493
Net realized profit on derivatives	衍生工具已兌現淨收益	<b>6,403</b>	75
Net unrealized profit on trading securities	證券經營未兌現淨收益	<b>3,313</b>	-
Profit on dealing in foreign currencies	外匯買賣收益	<b>16,938</b>	9,110
Profit on other dealing activities	其他買賣活動收益	<b>4,531</b>	706
Realized profit on trading securities	證券經營已兌現收益	<b>5,728</b>	-
Charging:	扣除下列支出：		
Auditors' remuneration	核數師酬金	<b>3,341</b>	2,905
Amortization of intangible assets	攤銷無形資產	<b>3,578</b>	3,605
Commission expenses and sales incentives to account executives and certain staff	客戶主任及部份員工之佣金費用及營業獎金	<b>103,754</b>	52,277
Contributions to retirement benefit schemes	退休福利計劃供款	<b>7,185</b>	6,269
Depreciation	折舊		
- Owned fixed assets	- 自置固定資產	<b>16,237</b>	14,499
- Leased fixed assets	- 租賃固定資產	<b>513</b>	470
Net loss on disposal of fixed assets	出售固定資產淨虧損	<b>420</b>	1,028
Net realized loss on trading securities	證券經營已兌現淨虧損	-	3,934
Net unrealized loss on trading securities	證券經營未兌現淨虧損	-	3,332
Operating lease rentals	營運租賃之租金		
- land and buildings	- 房地產	<b>21,414</b>	21,861
- Others	- 其他	<b>2,429</b>	4,180
Outgoings in respect of investment properties	投資物業之支出	<b>617</b>	711
Staff cost (including directors' emoluments but excluding contributions to retirement benefit schemes)	僱員成本(包括董事酬金，但不包括退休福利計劃供款)	<b>140,996</b>	122,649



# Notes to the Accounts

## 賬目附註

### 6. EMOLUMENTS OF DIRECTORS AND SENIOR EMPLOYEES

#### (a) Directors

		2003 HK\$'000/千港元	2002 HK\$'000/千港元
Fees	袍金	426	395
Salaries, housing and other allowances, and benefits in kind	薪金、房屋及其他津貼、 實物利益	3,052	3,720
Bonuses	花紅	1,250	-
Contributions to retirement benefit scheme	退休福利計劃供款	153	187
		<b>4,881</b>	4,302

During the year, directors' fees of HK\$22,750 (2002: HK\$20,000) and consultancy fees of HK\$341,250 (2002: HK\$300,000) were paid to independent non-executive directors.

Emoluments of the directors including past directors were within the following bands:

Emoluments band (HK\$)	酬金分布 (港幣)	Number of directors 董事人數	
		2003	2002
\$0 – \$1,000,000	\$0 – \$1,000,000	7	9
\$1,000,001 – \$1,500,000	\$1,000,001 – \$1,500,000	1	-
\$1,500,001 – \$2,000,000	\$1,500,001 – \$2,000,000	-	1
\$2,000,001 – \$2,500,000	\$2,000,001 – \$2,500,000	1	-

### 6. 董事及高級職員酬金

#### (a) 董事

於本年度給予獨立非執行董事之袍金為22,750港元(二零零二年: 20,000港元)及顧問費為341,250港元(二零零二年: 300,000港元)。

董事(包括前任董事)酬金之分析如下:

# Notes to the Accounts

## 賬目附註

### 6. EMOLUMENTS OF DIRECTORS AND SENIOR EMPLOYEES (Cont'd)

#### (b) Senior employees

The five highest paid individuals included two directors (2002: one director) of the Company, whose emoluments have been included above. The emoluments of the remaining three (2002: four) senior employees are analyzed below:

		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Fees	袍金	1	6
Salaries, housing and other allowances, and benefits in kind	薪金、房屋及其他津貼、實物利益	11,736	5,464
Bonuses	花紅	835	-
Contributions to retirement benefit scheme	退休福利計劃供款	262	318
		<b>12,834</b>	5,788

Emoluments of the senior employees were within the following bands:

Emoluments band (HK\$)	酬金分布 (港幣)	Number of employees 職員人數	
		2003	2002
\$1,000,001 – \$1,500,000	\$1,000,001 – \$1,500,000	-	2
\$1,500,001 – \$2,000,000	\$1,500,001 – \$2,000,000	-	2
\$2,000,001 – \$2,500,000	\$2,000,001 – \$2,500,000	2	-
\$8,500,001 – \$9,000,000	\$8,500,001 – \$9,000,000	1	-

### 7. RETIREMENT BENEFIT SCHEMES

The Group operates two defined contribution schemes for the Hong Kong office's qualifying employees and a defined benefit scheme for its subsidiary company's employees in the Philippines.

The forfeited contributions utilized in the course of the year ended 31 December 2003 were HK\$312,000 (2002: HK\$488,000). The contributions to the defined benefit scheme in the Philippines are immaterial.

### 6. 董事及高級職員酬金 (續)

#### (b) 高級職員

五位最高酬金之職員中，包括本公司兩位董事(二零零二年：一位董事)，而其酬金已包括於上述中。其餘三位(二零零二年：四位)最高薪金之高級職員分析如下：

		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Fees	袍金	1	6
Salaries, housing and other allowances, and benefits in kind	薪金、房屋及其他津貼、實物利益	11,736	5,464
Bonuses	花紅	835	-
Contributions to retirement benefit scheme	退休福利計劃供款	262	318
		<b>12,834</b>	5,788

高級職員酬金之分析如下：

Emoluments band (HK\$)	酬金分布 (港幣)	Number of employees 職員人數	
		2003	2002
\$1,000,001 – \$1,500,000	\$1,000,001 – \$1,500,000	-	2
\$1,500,001 – \$2,000,000	\$1,500,001 – \$2,000,000	-	2
\$2,000,001 – \$2,500,000	\$2,000,001 – \$2,500,000	2	-
\$8,500,001 – \$9,000,000	\$8,500,001 – \$9,000,000	1	-

### 7. 退休金計劃

集團為香港合資格員工推行兩項界定供款退休計劃及為菲律賓附屬公司工作之員工推行一項界定利益退休計劃。

截至二零零三年十二月三十一日止年度用作減低供款之沒收供款為312,000港元(二零零二年：488,000港元)。對菲律賓界定利益退休計劃之供款並不重要。

# Notes to the Accounts

## 賬目附註

### 8. FINANCE COSTS

### 8. 融資成本

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Interest on bank loans, overdrafts, loan notes and other loans repayable within 5 years	須於五年內償還之銀行借款、透支、貸款票據及其他借款之利息	<b>11,853</b>	13,528
Interest on bank loans not wholly repayable within 5 years	毋須於五年內全部償還之銀行借款利息	<b>1,097</b>	1,143
Interest element of a finance lease	融資租賃之利息部分	<b>65</b>	93
Other borrowing costs	其他借貸成本	<b>1,408</b>	1,893
		<b>14,423</b>	16,657

### 9. SHARE OF PROFITS AND LOSSES AND AMORTIZATION OF GOODWILL/NEGATIVE GOODWILL OF ASSOCIATED COMPANIES

### 9. 所佔聯營公司溢利及虧損和攤銷商譽／負商譽

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Share of profits and losses of associated companies	所佔聯營公司溢利及虧損	<b>147,460</b>	85,337
Amortization	攤銷		
– Goodwill on acquisition	– 收購時之商譽	<b>(30,916)</b>	(8,128)
– Negative goodwill on acquisition	– 收購時之負商譽	<b>40,806</b>	37,894
– Share of goodwill	– 所佔商譽	<b>(742)</b>	(1,601)
		<b>156,608</b>	113,502

### 10. SHARE OF PROFITS AND LOSSES AND AMORTIZATION OF GOODWILL/NEGATIVE GOODWILL OF JOINTLY CONTROLLED ENTITIES

### 10. 所佔共同控制公司溢利及虧損和攤銷商譽／負商譽

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Share of profits and losses of jointly controlled entities	所佔共同控制公司溢利及虧損	<b>1</b>	(2,456)
Amortization of share of goodwill	攤銷所佔商譽	<b>–</b>	(2,714)
		<b>1</b>	(5,170)

# Notes to the Accounts

## 賬目附註

### 11. TAXATION

### 11. 稅項

		Group 集團	
		2003 HK\$'000/千港元	2002 HK\$'000/千港元
Current tax	當期稅項		
- Hong Kong profits tax	- 香港利得稅	<b>22,369</b>	10,063
- Overseas taxation	- 海外稅項	<b>418</b>	219
		<b>22,787</b>	10,282
Deferred tax	遞延稅項		
- Current year	- 本年	<b>(10,049)</b>	8,486
- Resulting from change in tax rate	- 產生自稅率改變	<b>(177)</b>	-
		<b>(10,226)</b>	8,486
Share of associated companies	所佔聯營公司		
- Hong Kong profits tax	- 香港利得稅	<b>1,704</b>	220
- Overseas taxation	- 海外稅項	<b>36,875</b>	22,179
- Deferred taxation	- 遞延稅項	<b>6,724</b>	9,491
		<b>45,303</b>	31,890
Share of a jointly controlled entity	所佔共同控制公司		
- Hong Kong profits tax	- 香港利得稅	-	174
		<b>57,864</b>	50,832

Hong Kong profits tax has been provided at the rate of 17.5% (2002: 16%) on the estimated assessable profits for the year. In 2003, the government enacted a change in the profits tax rate from 16% to 17.5% for the fiscal year 2003/2004. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

香港利得稅乃按照本年度估計應課稅溢利按稅率17.5%(二零零二年: 16%)提撥準備。於二零零三年, 政府將二零零三/二零零四年財政年度的利得稅稅率由16%提高至17.5%。海外溢利之稅款則按照本年度估計應課稅溢利依集團經營業務地區之現行稅率計算。

# Notes to the Accounts

## 賬目附註

### 11. TAXATION (Cont'd)

The taxation of the Group's profit before taxation differs from the theoretical amount that would arise using the taxation rate of the home country of the Company as follows:

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Profit before taxation (excluding share of profit and loss of associated companies and a jointly controlled entity)	除稅前溢利(不包括所佔聯營公司及共同控制公司之溢利及虧損)	<b>143,146</b>	126,376
Calculated at a taxation rate of 17.5% (2002: 16%)	按稅率17.5%(二零零二年: 16%)計算	<b>25,051</b>	20,220
(Over)/under provision in prior years	往年度準備(超出)/不足	<b>(594)</b>	853
Tax effect on non-taxable income	無需課稅之收入於稅項之影響	<b>(10,191)</b>	(9,320)
Tax effect on non-deductible expenses	不可扣稅之支出於稅項之影響	<b>19,204</b>	4,395
Benefit from unrecognized deductible temporary difference	未確認可扣減短暫時差之得益	<b>(3,976)</b>	(3,756)
(Benefit from)/increase in unrecognized tax loss	未確認稅損之(得益)/增加	<b>(14,197)</b>	4,646
Adjustment to deferred tax resulting from change in tax rate	稅率改變產生之遞延稅項調整	<b>(177)</b>	-
Items/countries subject to different tax rate	不同稅率之項目/國家	<b>(2,559)</b>	1,730
		<b>12,561</b>	18,768
Share of taxation of associated companies	所佔聯營公司之稅項	<b>45,303</b>	31,890
Share of taxation of a jointly controlled entity	所佔共同控制公司之稅項	-	174
		<b>57,864</b>	50,832

### 11. 稅項(續)

集團有關除稅前溢利之稅項與假若採用本公司本土國家之稅率而計算之理論稅額之差額如下:

### 12. DIVIDENDS

		Company 本公司	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Interim dividend paid of 2 cents per share (2002: 2 cents per share)	已付中期股息每股派2港仙(二零零二年: 每股派2港仙)	<b>24,955</b>	30,084
Proposed final dividend of 2 cents per share (2002: 2 cents per share)	擬派末期股息每股派2港仙(二零零二年: 每股派2港仙)	<b>24,914</b>	24,980
Adjustment to 2002 final and 2003 interim dividends	二零零二年末期股息及二零零三年中期股息之調整	<b>(44)</b>	-
Special dividend of 4 cents per share (2002: Nil)	特別股息每股派4港仙(二零零二年: 無)	<b>49,828</b>	-
		<b>99,653</b>	55,064

### 12. 股息

# Notes to the Accounts

## 賬目附註

### 13. EARNINGS PER SHARE

The calculation of earnings per share is based on the profit attributable to shareholders of HK\$241,914,000 (2002: HK\$183,977,000) and the weighted average number of 1,293,241,156 ordinary shares in issue during the year (2002: 1,504,223,465 ordinary shares).

No diluted earnings per share is presented for the year as there are no dilutive potential ordinary shares as at year end (2002: Nil).

### 13. 每股盈利

每股盈利之計算乃按本年度股東應佔溢利241,914,000港元(二零零二年: 183,977,000港元)及本年度已發行普通股加權平均股數1,293,241,156股(二零零二年: 普通股1,504,223,465股)而計算。

於年結時,因無潛在攤薄盈利之普通股,故本年度並無每股攤薄盈利(二零零二年: 無)。

### 14. INTANGIBLE ASSETS

### 14. 無形資產

		Group 集團		
		Trading rights 交易權 HK\$'000/千港元	Computer software 電腦軟件 HK\$'000/千港元	Total 總計 HK\$'000/千港元
<b>Cost</b>	<b>原值</b>			
At 1 January 2003	二零零三年一月一日	2,700	7,445	10,145
Additions	增購	-	5,001	5,001
Purchase of subsidiaries	購入附屬公司	1,530	-	1,530
Disposals	出售	-	(57)	(57)
Written off	撇銷	-	(959)	(959)
<b>At 31 December 2003</b>	<b>二零零三年十二月三十一日</b>	<b>4,230</b>	<b>11,430</b>	<b>15,660</b>
<b>Accumulated amortization</b>	<b>累積攤銷</b>			
At 1 January 2003	二零零三年一月一日	540	1,873	2,413
Amortization for the year	本年度攤銷	693	2,885	3,578
Written back on disposals	出售報銷	-	(57)	(57)
Written off	撇銷	-	(959)	(959)
<b>At 31 December 2003</b>	<b>二零零三年十二月三十一日</b>	<b>1,233</b>	<b>3,742</b>	<b>4,975</b>
<b>Carrying amount at 31 December 2003</b>	<b>二零零三年十二月三十一日 賬面值</b>	<b>2,997</b>	<b>7,688</b>	<b>10,685</b>
Carrying amount at 31 December 2002	二零零二年十二月三十一日 賬面值	2,160	5,572	7,732

# Notes to the Accounts

## 賬目附註

### 15. FIXED ASSETS

### 15. 固定資產

		Group 集團			
		Investment properties 投資物業	Other properties 其他物業	Furniture and equipment 傢俬及設備	Total 總計
		HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元
<b>Cost or valuation</b>	<b>原值或估值</b>				
At 1 January 2003	二零零三年一月一日	36,700	66,536	93,520	196,756
Exchange adjustments	匯兌調整	-	-	(24)	(24)
Additions	增購	-	1,207	6,839	8,046
Purchase of subsidiaries	購入附屬公司	-	32,000	1,000	33,000
Revaluation	重估	200	-	-	200
Disposals	出售	-	-	(3,338)	(3,338)
Written off	撇銷	-	-	(2,212)	(2,212)
<b>At 31 December 2003</b>	<b>二零零三年 十二月三十一日</b>	<b>36,900</b>	<b>99,743</b>	<b>95,785</b>	<b>232,428</b>
<b>Accumulated depreciation</b>	<b>累積折舊</b>				
At 1 January 2003	二零零三年一月一日	-	5,480	53,644	59,124
Exchange adjustments	匯兌調整	-	-	(20)	(20)
Charge for the year	本年度折舊	-	1,217	15,533	16,750
Written back on disposals	出售報銷	-	-	(2,918)	(2,918)
Written off	撇銷	-	-	(2,212)	(2,212)
<b>At 31 December 2003</b>	<b>二零零三年 十二月三十一日</b>	<b>-</b>	<b>6,697</b>	<b>64,027</b>	<b>70,724</b>
<b>Net book value at 31 December 2003</b>	<b>二零零三年十二月 三十一日賬面淨值</b>	<b>36,900</b>	<b>93,046</b>	<b>31,758</b>	<b>161,704</b>
Net book value at 31 December 2002	二零零二年十二月 三十一日賬面淨值	36,700	61,056	39,876	137,632
The analysis of cost or valuation shown above is:	上列原值或估值 分析如下：				
At professional valuation – 1985	專業估值 — 一九八五年	-	16,000	-	16,000
At professional valuation – 2003	專業估值 — 二零零三年	36,900	-	-	36,900
At cost	原值	-	83,743	95,785	179,528
		36,900	99,743	95,785	232,428

# Notes to the Accounts

## 賬目附註

### 15. FIXED ASSETS (Cont'd)

- (a) The investment properties were valued at 31 December 2003 by FPD Savills (Hong Kong) Limited, Chartered Surveyors, on an open market basis. Particulars of the investment properties at 31 December 2003 were:

Location	Classification	Term of lease	Interest
Houses C7 and C8, Hawaii Garden, No. 18, Silver Cape Road, Sai Kung, New Territories	Residential	2047	100%
Rooms 2803-2810, 28/F, Wing On House, No. 71 Des Voeux Road Central, Hong Kong	Commercial	2902	100%

- (b) In preparing these accounts, the Group has placed reliance on paragraph 80 of SSAP 17 which provides exemption from the need to make regular revaluations for "Other Properties".

An item of the revalued "Other Properties" amounting to HK\$16,000,000 was valued in 1985 by Jones Lang Wootton, an independent professional valuer, on an open market basis. The carrying amount of the "Other Properties", including the revalued property, would have been HK\$94,728,000 (2002: HK\$62,769,000), had the property been carried at cost less accumulated depreciation.

### 15. 固定資產(續)

- (a) 投資物業由特許測量師第一太平戴維斯(香港)有限公司，按二零零二年十二月三十一日之公開市值評估。投資物業於二零零三年十二月三十一日之資料如下：

地址	類別	租約期	權益
新界西貢銀 岬路18號 夏威夷花園 C7及C8號屋	住宅	2047	100%
香港德輔道中 71號永安集團大廈 28樓2803-2810室	商業	2902	100%

- (b) 集團在編製此賬目時，是根據會計準則第17號第80段，豁免對「其他物業」作出定期重估。

在重估之「其他物業」中有一項物業價值達16,000,000港元，經由一獨立之專業估值公司「仲量行」按一九八五年之公開市值評估。如以原值減除累積折舊方式列賬，包括上述重估物業後之「其他物業」賬面值為94,728,000港元(二零零二年：62,769,000港元)。



# Notes to the Accounts

## 賬目附註

### 15. FIXED ASSETS (Cont'd)

- (c) The net book value of investment properties and other properties comprises:

		<b>Group</b> 集團	
		<b>2003</b> HK\$'000/千港元	2002 HK\$'000/千港元
Long lease properties in Hong Kong	在香港之長期租契物業	<b>108,679</b>	77,497
Medium-term lease properties in Hong Kong	在香港之中期租契物業	<b>18,800</b>	18,800
Medium-term lease property overseas	在海外之中期租契物業	<b>2,467</b>	1,459
		<b>129,946</b>	97,756

- (d) At 31 December 2003, the net book value of fixed assets pledged as security for the Group's long term bank loans and bank overdrafts amounted to HK\$95,271,000 (2002: HK\$63,897,000).
- (e) At 31 December 2003, the net book value of leased assets under furniture and equipment amounted to HK\$1,580,000 (2002: HK\$2,093,000).

### 15. 固定資產(續)

- (c) 投資物業及其他物業之賬面淨值包括：

		<b>Group</b> 集團	
		<b>2003</b> HK\$'000/千港元	2002 HK\$'000/千港元
Long lease properties in Hong Kong	在香港之長期租契物業	<b>108,679</b>	77,497
Medium-term lease properties in Hong Kong	在香港之中期租契物業	<b>18,800</b>	18,800
Medium-term lease property overseas	在海外之中期租契物業	<b>2,467</b>	1,459
		<b>129,946</b>	97,756

- (d) 於二零零三年十二月三十一日，作為集團長期銀行借款及銀行透支抵押之固定資產賬面淨值為95,271,000港元(二零零二年：63,897,000港元)。
- (e) 於二零零三年十二月三十一日，集團於傢俬及設備內之租賃資產之賬面淨值為1,580,000港元(二零零二年：2,093,000港元)。

### 16. INVESTMENTS IN SUBSIDIARY COMPANIES

Unlisted shares, at cost	非上市股份原值	<b>428,570</b>	428,570
Add: amounts due from subsidiary companies	加：附屬公司欠賬	<b>1,913,521</b>	2,123,094
		<b>2,342,091</b>	2,551,664
Less: amounts due to subsidiary companies	減：附屬公司貸賬	<b>(251,968)</b>	(264,056)
		<b>2,090,123</b>	2,287,608

Details of the principal subsidiary companies are shown in note 36.

The amounts due to subsidiary companies are unsecured, interest free and have no fixed term of repayment except for a total sum of HK\$1,034,000 (2002: nil) which bears interest at Hong Kong Interbank Offer Rate.

### 16. 附屬公司投資

		<b>Company</b> 本公司	
		<b>2003</b> HK\$'000/千港元	2002 HK\$'000/千港元
Unlisted shares, at cost	非上市股份原值	<b>428,570</b>	428,570
Add: amounts due from subsidiary companies	加：附屬公司欠賬	<b>1,913,521</b>	2,123,094
		<b>2,342,091</b>	2,551,664
Less: amounts due to subsidiary companies	減：附屬公司貸賬	<b>(251,968)</b>	(264,056)
		<b>2,090,123</b>	2,287,608

主要附屬公司資料載於附註36。

除總額共1,034,000港元(二零零二年：無)是附有利息以香港銀行同業拆息計算外，附屬公司貸賬是無抵押、免息及無固定還款期。

# Notes to the Accounts

## 賬目附註

### 17. INVESTMENTS IN ASSOCIATED COMPANIES

### 17. 聯營公司投資

		<b>Group</b> 集團	
		<b>2003</b> HK\$'000/千港元	2002 HK\$'000/千港元
Share of net assets other than goodwill (a)	除商譽以外所佔之資產淨值 (a)	<b>2,165,369</b>	1,937,701
Share of goodwill of an associated company	所佔一聯營公司之商譽	<b>1,791</b>	2,533
Unamortized goodwill on acquisition of associated companies	收購聯營公司時之未攤銷商譽	<b>116,554</b>	141,106
Unamortized negative goodwill on acquisition of associated companies	收購聯營公司時之未攤銷負商譽	<b>(201,744)</b>	(120,036)
		<b>2,081,970</b>	1,961,304
Less: provision for diminution in value	減：減值準備額	<b>(21,892)</b>	-
		<b>2,060,078</b>	1,961,304
Amounts due from a listed associated company	一上市聯營公司欠賬		
– Loan note (d)	– 貸款票據 (d)	<b>78,000</b>	-
– Promissory notes (e)	– 承諾票據 (e)	<b>185,419</b>	185,419
– Interest receivable and others	– 應收利息及其他	<b>23,120</b>	29,706
		<b>286,539</b>	215,125
Amounts due from other associated companies (f)	其他聯營公司欠賬 (f)	<b>78,117</b>	78,209
Less: provision	減：準備額	<b>(18,801)</b>	(18,801)
		<b>345,855</b>	274,533
Less: amounts due to associated companies	減：聯營公司貸賬	<b>(32,168)</b>	(31,818)
		<b>2,373,765</b>	2,204,019
Less: current portion of promissory notes and amounts due from a listed associated company	減：一上市聯營公司於一年內到期之承諾票據及欠賬	<b>(208,539)</b>	(215,125)
		<b>2,165,226</b>	1,988,894

# Notes to the Accounts

## 賬目附註

### 17. INVESTMENTS IN ASSOCIATED COMPANIES (Cont'd) 17. 聯營公司投資(續)

		Company 本公司	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Listed investments in Hong Kong, at cost	在香港上市投資原值	<b>1,295,432</b>	1,273,352
Unlisted investments, at cost	非上市投資原值	<b>3</b>	3
		<b>1,295,435</b>	1,273,355
Amounts due from a listed associated company	— 上市聯營公司欠賬		
– Loan note (d)	– 貸款票據 (d)	<b>78,000</b>	–
– Promissory note (e(i))	– 承諾票據 (e(i))	<b>40,419</b>	40,419
– Interest receivable and others	– 應收利息及其他	<b>2,054</b>	1,408
Amounts due from other associated companies (f)	其他聯營公司欠賬 (f)	<b>75,522</b>	75,090
		<b>1,491,430</b>	1,390,272
Less:	減：		
– Provision	– 準備額	<b>(16,601)</b>	(16,601)
– Current portion of a promissory note and amounts due from a listed associated company	– 上市聯營公司於一年內到期之承諾票據及欠賬	<b>(42,473)</b>	(41,827)
		<b>1,432,356</b>	1,331,844
Market value of listed investments	上市投資市值	<b>607,032</b>	345,033

# Notes to the Accounts

## 賬目附註

### 17. INVESTMENTS IN ASSOCIATED COMPANIES (Cont'd)

(a) Details of share of net assets other than goodwill are as follows:

		Group 集團	
		2003 HK\$'000/千港元	2002 HK\$'000/千港元
Investments listed in Hong Kong, at cost	在香港上市投資原值	<b>1,698,959</b>	1,675,958
Unlisted investments, at cost	非上市投資原值	<b>40,496</b>	39,725
Total investments, at cost	投資原值總額	<b>1,739,455</b>	1,715,683
Share of goodwill of an associated company	所佔一聯營公司之商譽	<b>(9,991)</b>	(9,991)
Goodwill on acquisition	收購時之商譽	<b>(236,714)</b>	(230,350)
Negative goodwill on acquisition	收購時之負商譽	<b>342,172</b>	219,658
Share of post-acquisition reserves	所佔收購後儲備	<b>341,247</b>	252,355
Elimination of unrealized profit	抵銷未兌現溢利	<b>(10,800)</b>	(9,654)
		<b>2,165,369</b>	1,937,701
Market value of listed investments	上市投資市值	<b>950,062</b>	585,287

(b) Details of the principal associated companies are shown in note 36.

(c) During the year, dividends of HK\$6,503,000 (2002: HK\$1,152,000) and HK\$10,309,000 (2002: HK\$14,446,000) were received from unlisted and listed associated companies respectively.

(d) The loan note was issued by a listed associated company on its repurchase of shares in August 2003. Details of which were disclosed in note 22. The loan note bears interest at 2.5% per annum and is payable annually. It matures and is due for repayment on 29 August 2008.

### 17. 聯營公司投資(續)

(a) 除商譽以外所佔之資產淨值之詳情如下：

(b) 主要聯營公司資料載於附註36。

(c) 本年度從非上市聯營公司及上市聯營公司所得之股息分別為6,503,000港元(二零零二年：1,152,000港元)及10,309,000港元(二零零二年：14,446,000港元)。

(d) 該貸款票據由一上市聯營公司於二零零三年八月就其回購股份而發行，詳情載於財務報表附註22。此貸款票據附有年利率2.5%之利息，按每年支付，並於二零零八年八月二十九日到期償還。

# Notes to the Accounts

## 賬目附註

### 17. INVESTMENTS IN ASSOCIATED COMPANIES (Cont'd)

- (e) Details of promissory notes issued by a listed associated company are as follows:
- (i) A promissory note of HK\$40,419,000 issued by the listed associated company bears interest at 7% per annum and is payable on a quarterly basis. It will mature and is due for repayment on 2 June 2004. The principal of the promissory note and the outstanding interest were repaid by the listed associated company on 28 January 2004.
- (ii) A promissory note of HK\$145,000,000 bears interest at 7% per annum and is payable on a semi-annual basis. It matured and was due for repayment on 30 December 2003. On 28 January 2004, the listed associated company paid cash and issued a new promissory note of HK\$87,000,000 to settle the principal of the promissory note and the outstanding interest. The new promissory note bears an interest at 5% per annum and is payable on a semi-annual basis. It will mature and is due for repayment on 30 December 2004.
- (f) Amounts due from other associated companies are unsecured, interest free and repayable after 12 months from the balance sheet date.

### 17. 聯營公司投資(續)

- (e) 由一上市聯營公司發行之承諾票據之詳情如下：
- (i) 一面值40,419,000港元之承諾票據由該上市聯營公司發行，附有年利率7%之利息，按每季支付，並於二零零四年六月二日到期償還。於二零零四年一月二十八日，此上市聯營公司已償還該承諾票據之本金及未付利息。
- (ii) 一面值145,000,000港元之承諾票據，附有年利率7%之利息，按每半年支付。此票據於二零零三年十二月三十日到期償還。於二零零四年一月二十八日，此上市聯營公司給予現金及發行一新承諾票據面值87,000,000港元以支付該承諾票據之本金及未付利息。此新承諾票據，附有年利率5%之利息，按每半年支付，並於二零零四年十二月三十日到期償還。
- (f) 其他聯營公司欠賬乃無抵押、免息及無須於結算日後一年內償還。

# Notes to the Accounts

## 賬目附註

### 17. INVESTMENTS IN ASSOCIATED COMPANIES (Cont'd)

- (g) Extracts of the consolidated operating results and financial position of the Group's significant associated company, Tian An China Investments Company Limited ("Tian An"), which are based on its audited consolidated financial statements, are as follows:

### 17. 聯營公司投資(續)

- (g) 集團重要聯營公司天安中國投資有限公司(「天安」)·按其已審核綜合財務報表·摘錄其綜合經營業績及財務狀況如下:

		2003 HK\$'000/千港元	As restated (重列) 2002 HK\$'000/千港元
<b>Operating results of Tian An</b>			
Turnover	天安之經營業績 營業額	<b>1,904,212</b>	1,080,332
Depreciation, amortization and impairment	折舊、攤銷及價值削減	<b>19,992</b>	16,854
Profit before taxation	除稅前溢利	<b>266,353</b>	200,532
Profit attributable to shareholders of Tian An	天安股東應佔溢利	<b>102,420</b>	87,046
<b>Financial position of Tian An as at 31 December</b>			
Non-current assets	於十二月三十一日 天安之財務狀況 非流動資產	<b>5,239,776</b>	4,176,528
Current assets	流動資產	<b>3,366,063</b>	3,671,335
Total assets	總資產	<b>8,605,839</b>	7,847,863
Non-current liabilities	非流動負債	<b>(1,476,081)</b>	(948,510)
Current liabilities	流動負債	<b>(2,749,075)</b>	(2,690,446)
Total liabilities	總負債	<b>(4,225,156)</b>	(3,638,956)
Minority interests	少數股東權益	<b>(433,139)</b>	(341,440)
Shareholders' funds	股東資金	<b>3,947,544</b>	3,867,467

Detailed notes are available in the published 2003 annual report of Tian An.

詳細附註可見於天安發布之二零零三年年報中。

# Notes to the Accounts

## 賬目附註

## 18. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

## 18. 共同控制公司投資

		<b>Group</b> 集團	
		<b>2003</b>	2002
		HK\$'000/千港元	HK\$'000/千港元
Share of net assets/(liabilities)	所佔資產/(負債)淨值	<b>937</b>	(4,156)
Share of goodwill of a jointly controlled entity	所佔一共同控制公司之商譽	-	8,141
		<b>937</b>	3,985
Amount due from a jointly controlled entity*	一共同控制公司欠賬*	-	90,000
		<b>937</b>	93,985

\* The amount due from a jointly controlled entity was unsecured, interest free and had no fixed term of repayment.

\* 一共同控制公司欠賬是無抵押、免息及無固定還款期。

Particulars of the jointly controlled entity at 31 December 2003 are as follows:

於二零零三年十二月三十一日共同控制公司資料如下：

<b>Name</b> 名稱	<b>Country of incorporation</b> 註冊地點	<b>Principal activities</b> 主要業務	<b>Group equity interest</b> 集團持有權益
SHK Corporate Finance (Shanghai) Limited 上海新鴻基企業顧問有限公司	People's Republic of China 中國	Corporate finance advisory 企業融資顧問	33%

# Notes to the Accounts

## 賬目附註

### 19. OTHER INVESTMENTS

### 19. 其他投資

		Group 集團		Company 本公司	
		2003	2002	2003	2002
		HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元
Listed equity investments issued by corporate entities, at market value	由企業發行之上市股權投資，按市值				
- Listed in Hong Kong	- 在香港上市	<b>346,734</b>	204,041	-	-
- Listed outside Hong Kong	- 在香港以外上市	<b>2,903</b>	1,461	-	-
		<b>349,637</b>	205,502	-	-
Unlisted equity investments, at fair value *	非上市股權投資，按公平價值 *	<b>227,401</b>	238,900	<b>14,599</b>	20,000
Club debentures, exchange participation rights and statutory deposits and other deposits with Exchange and Clearing companies	會所會籍、交易所參與權、交易所及結算公司之法定按金及其他按金	<b>24,711</b>	19,480	<b>2,090</b>	2,090
		<b>601,749</b>	463,882	<b>16,689</b>	22,090
Add: amounts due from investee companies *	加：其他投資公司欠賬 *	<b>101,271</b>	106,789	<b>5,400</b>	8,640
Less: provision for amount due from an investee company	減：一其他投資公司欠賬準備	<b>(2,161)</b>	(2,161)	-	-
		<b>700,859</b>	568,510	<b>22,089</b>	30,730
Less: amount due to an investee company	減：一其他投資公司貸賬	<b>(1,796)</b>	(1,702)	-	-
		<b>699,063</b>	566,808	<b>22,089</b>	30,730

\* A sum totalling HK\$115,436,852.72 is included in "unlisted equity investments" and "amounts due from investee companies" being the amount, (excluding interest, which has been expensed or provided for in prior years, or is accounted for as described in Note 4) which represents the carrying value of the effective 12.5% interest in the completed project in Kuala Lumpur, Malaysia presently known as "The Renaissance Kuala Lumpur Hotel", the circumstances surrounding which are further described in Note 4 to these accounts. The Board is not in possession of any information that would in the opinion of the Directors render it appropriate to make any present provision against the carrying value. The matter will continue to be reviewed in the light of both probable ongoing litigation and the commercial prospects of the project.

\* 包括在「非上市股權投資」及「其他投資公司欠賬」中之一總額共115,436,852.72港元(不包括已支銷或於往年已撥備之利息，或於附註4說明所計入之數額)，是於馬來西亞吉隆坡之已完成項目(現稱為「The Renaissance Kuala Lumpur Hotel」)賬面值之12.5%實際權益，其有關連之事項已於賬目附註4進一步說明。董事會並無擁有任何資料令董事認為適合在現時對該賬面值作出任何撥備。考慮及可能進行之訴訟及此計劃之商業前景下，此事項將會繼續被審閱。



# Notes to the Accounts

## 賬目附註

### 20. NEGATIVE GOODWILL

### 20. 負商譽

		Group 集團 HK\$'000/千港元
<b>Cost</b>	<b>原值</b>	
At 1 January 2003	二零零三年一月一日	20,013
Acquisition of subsidiaries	購入附屬公司	10,260
Liquidation of a subsidiary	附屬公司結束	(3)
<b>At 31 December 2003</b>	<b>二零零三年十二月三十一日</b>	<b>30,270</b>
<b>Accumulated amortization</b>	<b>累積攤銷</b>	
At 1 January 2003	二零零三年一月一日	10,183
Amortization for the year	本年度攤銷	3,829
Liquidation of a subsidiary	附屬公司結束	(3)
<b>At 31 December 2003</b>	<b>二零零三年十二月三十一日</b>	<b>14,009</b>
<b>Carrying amount at 31 December 2003</b>	<b>二零零三年十二月三十一日賬面值</b>	<b>16,261</b>
Carrying amount at 31 December 2002	二零零二年十二月三十一日賬面值	9,830

### 21. CASH AND BANK BALANCES

### 21. 現金及銀行結存

		Group 集團		Company 本公司	
		2003	2002	2003	2002
		HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元
Cash and bank balances	現金及銀行結存	<b>323,339</b>	194,822	<b>2,597</b>	2,198
Fixed deposits with banks	銀行定期存款	<b>243,584</b>	133,884	-	-
		<b>566,923</b>	328,706	<b>2,597</b>	2,198

The Group maintains trust accounts with licensed banks to hold clients' deposits arising from normal business transactions. At 31 December 2003, trust accounts not otherwise dealt with in these accounts totalled HK\$2,004,233,000 (2002: HK\$944,695,000).

集團於持牌銀行設有信託戶口，為經營日常業務所需而持有客戶信託存款。於二零零三年十二月三十一日，本年度賬目並未包括之信託存款共2,004,233,000港元（二零零二年：944,695,000港元）。

# Notes to the Accounts

## 賬目附註

### 22. TRADE AND OTHER RECEIVABLES

### 22. 經營及其他應收賬

		<b>Group</b> 集團	
		<b>2003</b> HK\$'000/千港元	2002 HK\$'000/千港元
Trade receivables	經營應收賬		
Accounts receivable from brokers and clients	應收經紀及客戶賬	<b>969,396</b>	373,136
Less: provision	減：準備額	<b>(34,143)</b>	(31,301)
		<b>935,253</b>	341,835
Secured margin loans	有抵押證券放款	<b>1,592,610</b>	1,146,503
Less: provision	減：準備額	<b>(195,385)</b>	(196,026)
		<b>1,397,225</b>	950,477
Secured term loans*	有抵押有期借款*	<b>440,964</b>	592,112
Unsecured term loans	無抵押有期借款	<b>5,864</b>	5,864
Less: provision	減：準備額	<b>(68,816)</b>	(60,816)
		<b>378,012</b>	537,160
		<b>2,710,490</b>	1,829,472
Current portion of promissory notes and amounts due from a listed associated company	— 上市聯營公司於一年內到期之承諾票據及欠賬	<b>208,539</b>	215,125
Current portion of amount due from an investee company	— 其他投資公司於一年內到期之欠賬	<b>11,000</b>	—
Interest receivable	應收利息	<b>3,160</b>	1,834
Other accounts receivable, deposits and prepayments	其他應收賬、按金及預付費用	<b>75,700</b>	20,912
		<b>3,008,889</b>	2,067,343

# Notes to the Accounts

## 賬目附註

### 22. TRADE AND OTHER RECEIVABLES (Cont'd)

### 22. 經營及其他應收賬 (續)

		Company 本公司	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Trade receivable – Secured term loan*	經營應收賬 – 有抵押有期借款*	-	93,070
Interest receivable	應收利息	<b>900</b>	232
Other accounts receivable, deposits and prepayments	其他應收賬、按金及預付費用	<b>5,205</b>	5,191
Current portion of a promissory note and amounts due from a listed associated company	— 上市聯營公司於一年內到期之承諾票據及欠賬	<b>42,473</b>	41,827
		<b>48,578</b>	140,320

\* On 24 November 1999, the Company entered into an agreement for the sale of 770 million shares in Tian An China Investments Company Limited ("Tian An") to Millennium Touch Limited ("MT"). These 770 million Tian An shares represented approximately 19.79% of the then issued share capital of Tian An and 9.82% of the issued share capital of Tian An as at 31 December 2003 (2002: 9.07%). MT paid 5% of the purchase price and entered into a loan agreement with the Group to finance the balance. As security for the loan agreement, MT entered into a share mortgage with the Group. The share mortgage provided that if there was default under the loan agreement, then the Group may enforce its security by, inter alia, selling the 770 million Tian An shares to discharge the indebtedness owed by MT to the Group or foreclosing on the shares. However, the Company did not exercise, and forwent any entitlement to exercise any voting rights on these 770 million Tian An shares.

MT was in default under the loan agreement since 24 November 2000 and the Group wrote down the loan by accounting for an unrealized loss of HK\$134,124,000 in year 2000 by marking to market those 770 million Tian An shares at the closing market price of HK\$0.134 as at 31 December 2000. A further unrealized loss of HK\$10,110,000 was taken up in year 2002.

In August 2003, 650,000,000 Tian An shares were tendered for the share repurchase offer by Tian An and were accepted in full. The consideration of the shares repurchased amounting to HK\$97,402,500 (as to HK\$19,402,500 in cash and HK\$78,000,000 in the form of 5 years loan notes at an interest rate of 2.5% p.a. issued by Tian An) was received by the Group in 2 September 2003. The remaining 120,000,000 Tian An shares were sold to the Company on 9 December 2003 at a consideration of HK\$22,080,000. All consideration received was used to reduce the loan due from MT.

\* 於一九九九年十一月二十四日，本公司與 Millennium Touch Limited (「MTJ」) 訂立協議，向 MT 出售 770,000,000 股天安中國投資有限公司 (「天安」) 股份。此 770,000,000 股天安股份佔當日天安發行股本約 19.79%，佔二零零三年十二月三十一日天安發行股本約 9.82% (二零零二年：9.07%)。MT 繳付 5% 代價及與集團訂立一貸款協議以繳付餘款。MT 與集團訂立股份按揭協議，以股份作為貸款抵押。股份按揭訂明若未能履行貸款協議，集團可執行其抵押，其中包括出售 770,000,000 股天安股份以償還 MT 欠集團的債務，或取消其贖回該股份之權利。然而，本公司並無行使任何有關此 770,000,000 股天安股份之表決權，及已經放棄行使該表決權之權利。

自二零零零年十一月二十四日後，MT 未能履行貸款協議。按該 770,000,000 股天安股份於二零零零年十二月三十一日市場收市價每股 0.134 港元市值計算，集團於二零零零年計入未兌現虧損 134,124,000 港元以減低該貸款。於二零零二年再計入未兌現虧損 10,110,000 港元。

於二零零三年八月，就天安提出之股份回購建議，有 650,000,000 股天安股份交回並已全部被接納。集團於二零零三年九月二日收到股份回購之代價 97,402,500 港元 (其中 19,402,500 港元為現金及餘下 78,000,000 港元為天安發行之五年期利率 2.5% 之貸款票據)。餘下之 120,000,000 股天安股份於二零零三年十二月九日以代價 22,080,000 港元售予本公司。所有收到的代價是作為減低 MT 所欠之款項。

# Notes to the Accounts

## 賬目附註

### 22. TRADE AND OTHER RECEIVABLES (Cont'd)

As a result of the above repurchase and the sale of Tian An shares to the Company, unrealized loss adjustment of HK\$26,412,000 was written back to the profit and loss account. The amount due from MT after the aggregate unrealized loss as at 31 December 2003 was nil (2002: HK\$93,070,000 included in secured term loans).

The ageing analysis of the trade receivables is as follows:

		Group 集團		Company 本公司	
		2003 HK\$'000/千港元	2002 HK\$'000/千港元	2003 HK\$'000/千港元	2002 HK\$'000/千港元
Current	即期	<b>2,706,280</b>	1,743,546	-	-
30-60 days	30-60天	<b>2,176</b>	2,281	-	-
60-90 days	60-90天	<b>340</b>	1,052	-	-
Over 90 days	90天以上	<b>300,038</b>	370,736	-	93,070
		<b>3,008,834</b>	2,117,615	-	93,070
Less: provisions	減：準備額	<b>(298,344)</b>	(288,143)	-	-
		<b>2,710,490</b>	1,829,472	-	93,070

There were listed securities, unlisted securities and properties of clients held as collateral against secured margin loans and term loans. The market value of the listed securities as at 31 December 2003 was HK\$5,118,827,000 (2002: HK\$3,531,596,000).

### 22. 經營及其他應收賬(續)

由於以上股份回購及出售天安股份予本公司，有未兌現虧損26,412,000港元撥回損益計算表。於二零零三年十二月三十一日，計入所有未兌現虧損後，MT所欠之款項為零(二零零二年：93,070,000港元列於有抵押有期借款中)。

經營應收賬之賬齡分析如下：

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。於二零零三年十二月三十一日，此等上市證券之市值為5,118,827,000港元(二零零二年：3,531,596,000港元)。

# Notes to the Accounts

## 賬目附註

### 23. TRADING ACCOUNT SECURITIES

### 23. 證券經營賬

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Equity securities listed in Hong Kong, at market value	在香港上市之股權證券， 按市值		
– Issued by corporate entities	– 由企業發行	<b>10,567</b>	5,101
– Issued by banks	– 由銀行發行	<b>12,596</b>	1,390
– Issued by public utility entities	– 由公營機構發行	<b>26</b>	23
		<b>23,189</b>	6,514
Equity securities listed outside Hong Kong, at market value	在香港以外上市之股權證券， 按市值		
– Issued by corporate entities	– 由企業發行	<b>4,243</b>	1,799
Marketable debt securities	有市值債務證券		
– Issued by central government	– 由中央政府發行	<b>7,747</b>	7,772
– Issued by banks	– 由銀行發行	<b>-</b>	5,424
		<b>7,747</b>	13,196
Others	其他	<b>384</b>	335
		<b>35,563</b>	21,844

### 24. BANK LOANS AND OVERDRAFTS

### 24. 銀行借款及透支

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Bank overdrafts	銀行透支		
– Secured (note 35)	– 有抵押(附註35)	<b>56,665</b>	-
– Unsecured	– 無抵押	<b>48,828</b>	23
		<b>105,493</b>	23
Bank loans	銀行借款		
– Secured (note 35)	– 有抵押(附註35)	<b>177,954</b>	-
		<b>283,447</b>	23
Current portion of long term bank loans (note 30)	一年內到期之長期銀行 借款(附註30)	<b>5,911</b>	5,787
		<b>289,358</b>	5,810

# Notes to the Accounts

## 賬目附註

### 25. TRADE AND OTHER PAYABLES

### 25. 經營及其他應付賬

		Group 集團		Company 本公司	
		2003	2002	2003	2002
		HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元
Accounts payable to brokers and clients	應付經紀及客戶賬	<b>1,226,384</b>	478,658	-	-
Other accounts payable and accruals	其他應付賬及應付費用	<b>341,547</b>	200,833	<b>22,827</b>	26,847
Current portion of obligation under a finance lease (note 30)	一年內到期之融資租賃債務(附註30)	<b>890</b>	850	-	-
		<b>1,568,821</b>	680,341	<b>22,827</b>	26,847

The ageing analysis of the accounts payable to brokers and clients is as follows:

應付經紀及客戶賬之賬齡分析如下：

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Current	即期	<b>1,202,228</b>	465,233
30-60 days	30-60天	<b>3,382</b>	3,076
60-90 days	60-90天	<b>1,519</b>	1,676
Over 90 days	90天以上	<b>19,255</b>	8,673
		<b>1,226,384</b>	478,658

### 26. SHARE CAPITAL

### 26. 股本

		Company 本公司			
		No. of shares of HK\$0.2 each 股數每股面值0.2港元		Amount 金額	
		2003	2002	2003	2002
		HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元
Authorized:	法定股本：				
Balance as at 1 January and 31 December	一月一日及十二月三十一日結存	<b>15,000,000,000</b>	15,000,000,000	<b>3,000,000</b>	3,000,000
Issued and fully paid:	發行及繳足股本：				
Balance as at 1 January	一月一日結存	<b>1,504,223,465</b>	1,504,223,465	<b>300,845</b>	300,845
Share repurchased and cancelled	回購及註銷股份	<b>(258,520,309)</b>	-	<b>(51,704)</b>	-
Balance as at 31 December	十二月三十一日結存	<b>1,245,703,156</b>	1,504,223,465	<b>249,141</b>	300,845

# Notes to the Accounts

## 賬目附註

### 26. SHARE CAPITAL (Cont'd)

In February 2003, the Company repurchased a total of 255,234,309 shares of the Company pursuant to a general offer at a price of HK\$1.30 per share (as to HK\$0.30 in cash and HK\$1.00 in loan note). The Company paid HK\$76,570,292.70 in cash and issued loan notes with a total face value of HK\$255,234,309 on 7 March 2003 to satisfy the consideration.

Subsequent to the above repurchase and up to 31 December 2003, the Company has repurchased a total of 3,286,000 shares of the Company on The Stock Exchange of Hong Kong Limited at an aggregate consideration of approximately HK\$4,539,000.

68,330,080 2003 warrants were issued on 12 January 2001. Each 2003 warrant would entitle the holder to subscribe in cash for one new share of the Company at an initial subscription price of HK\$3.00 per share, subject to adjustment, at any time during the subscription period from the date of issue, 12 January 2001, up to and including 11 January 2003. All the 2003 warrants were unexercised and expired on 11 January 2003.

### 26. 股本(續)

於二零零三年二月，本公司按照全面收購建議以每股1.30港元回購合共255,234,309股股份(其中0.3港元為現金及餘下1.00港元為貸款票據)。本公司於二零零三年三月七日付出現金76,570,292.70港元及發行總面值共255,234,309港元之貸款票據以支付其代價。

於上述回購後及截至二零零三年十二月三十一日，本公司亦有於香港聯合交易所有限公司回購總數3,286,000股股份，總代價約為4,539,000港元。

本公司於二零零一年一月十二日發行68,330,080份2003認股權證，每份2003認股權證賦予其持有人權利，可由發行當日(二零零一年一月十二日)起至二零零三年一月十一日(包括該日)止之任何時間內，以現金按初步認購價每股3.00港元(可予調整)認購本公司一股新股份。所有2003認股權證沒有被行使並於二零零三年一月十一日屆滿。

# Notes to the Accounts

## 賬目附註

### 27. CAPITAL AND OTHER RESERVES

### 27. 資本及其他儲備金

		Group 集團		Company 本公司	
		2003 HK\$'000/千港元	2002 HK\$'000/千港元	2003 HK\$'000/千港元	2002 HK\$'000/千港元
<b>Special capital reserve arising from adjustment of nominal value of shares*</b>	由調整股份面值而產生之特別資本儲備*				
Balance as at 1 January and 31 December	一月一日及十二月三十一日結存	<b>930,026</b>	930,026	<b>930,026</b>	930,026
<b>Share premium account</b>	股份溢價賬				
Balance as at 1 January and 31 December	一月一日及十二月三十一日結存	<b>1,124,703</b>	1,124,703	<b>1,123,263</b>	1,123,263
<b>Capital redemption reserve</b>	資本贖回儲備				
Balance as at 1 January	一月一日結存	-	-	-	-
Transfer from profit and loss on shares repurchase	於回購股份時轉撥自損益計算表	<b>51,704</b>	-	<b>51,704</b>	-
Balance as at 31 December	十二月三十一日結存	<b>51,704</b>	-	<b>51,704</b>	-
<b>Exchange reserve</b>	匯兌儲備				
Balance as at 1 January, as previously reported	一月一日結存，按以往列賬	<b>(26,107)</b>	(33,537)	-	-
Prior year adjustment	上年度調整	<b>37</b>	-	-	-
As restated	重列	<b>(26,070)</b>	(33,537)	-	-
Translation of the accounts of overseas subsidiary and associated companies	海外附屬公司及聯營公司賬目折算	<b>(249)</b>	260	-	-
Release on disposal of an associated company	出售一聯營公司時撥回	<b>(270)</b>	(2)	-	-
Associated companies	聯營公司	<b>(516)</b>	7,209	-	-
Balance as at 31 December	十二月三十一日結存	<b>(27,105)</b>	(26,070)	-	-
<b>Investment property revaluation reserve</b>	投資物業重估儲備				
Balance as at 1 January, as previously reported	一月一日結存，按以往列賬	<b>90,798</b>	80,515	-	-
Prior year adjustment	上年度調整	<b>8,194</b>	11,769	-	-
As restated	重列	<b>98,992</b>	92,284	-	-
Associated companies	聯營公司	<b>40,283</b>	6,708	-	-
Balance as at 31 December	十二月三十一日結存	<b>139,275</b>	98,992	-	-
<b>Balance carried forward</b>	結餘轉下	<b>2,218,603</b>	2,127,651	<b>2,104,993</b>	2,053,289



# Notes to the Accounts

## 賬目附註

## 27. CAPITAL AND OTHER RESERVES (Cont'd)

## 27. 資本及其他儲備金(續)

		Group 集團		Company 本公司	
		2003 HK\$'000/千港元	2002 HK\$'000/千港元	2003 HK\$'000/千港元	2002 HK\$'000/千港元
<b>Balance brought forward</b>	結餘承上	<b>2,218,603</b>	2,127,651	<b>2,104,993</b>	2,053,289
<b>Investment revaluation reserve</b>	投資重估儲備				
Balance as at 1 January	一月一日結存	<b>(67,329)</b>	(7,642)	<b>18,747</b>	9,873
Revaluation surplus/(deficit) of other investments	其他投資重估增值/(減值)	<b>137,584</b>	(73,356)	<b>(5,400)</b>	8,874
Permanent impairment of other investments transferred to profit and loss account	其他投資永久價值削減撥至損益計算表	<b>6,524</b>	11,686	-	-
Release on disposal of other investments	出售其他投資時撥回	<b>2,162</b>	(80)	-	-
Associated companies	聯營公司	<b>(6,985)</b>	2,063	-	-
Balance as at 31 December	十二月三十一日結存	<b>71,956</b>	(67,329)	<b>13,347</b>	18,747
<b>Capital reserves</b>	資本儲備				
Balance as at 1 January	一月一日結存	<b>6,194</b>	8,063	-	-
Transfer from/(to) retained earnings by associated companies	聯營公司轉撥自/(至)保留溢利	<b>858</b>	(1,869)	-	-
Release on disposal of an associated company	出售一聯營公司時撥回	<b>(6,131)</b>	-	-	-
Balance as at 31 December	十二月三十一日結存	<b>921</b>	6,194	-	-
Total balance as at 31 December	十二月三十一日儲備金總數	<b>2,291,480</b>	2,066,516	<b>2,118,340</b>	2,072,036

\* The High Court of the Hong Kong Special Administrative Region sanctioned the reduction in nominal value of the Company's shares on 14 July 1998 ("Reduction"). Accordingly, an amount equal to the credit arising from the Reduction was transferred to the special capital reserve.

The special capital reserve will not be treated as realized profits. It shall be treated as an undistributable reserve for as long as there remain outstanding any debts or claims which were in existence on the date of the Reduction, provided that the amount of the reserve may be reduced by the amount of any future increase in the paid up share capital and the share premium account.

\* 香港特別行政區高等法院於一九九八年七月十四日批准削減本公司股份面值(「削減」)，因此從削減引致之進賬已轉撥至特別資本儲備。

此特別資本儲備不應視作為已變現溢利。若現仍有於削減日期之任何未償還債務或索償，則該儲備須視為不可供分派儲備，惟該儲備之數額可因日後增加已繳股本及股份溢價賬而減少。

# Notes to the Accounts

## 賬目附註

### 28. PROFIT AND LOSS ACCOUNT

### 28. 損益賬

		Group 集團		Company 本公司	
		2003 HK\$'000/千港元	2002 HK\$'000/千港元	2003 HK\$'000/千港元	2002 HK\$'000/千港元
Balance as at 1 January, as previously reported	一月一日結存， 按以往列賬	<b>2,247,170</b>	2,085,538	<b>1,393,462</b>	1,382,408
Prior year adjustments	上年度調整				
- Adoption of new SSAP 12	- 採納新會計準則第12號	<b>(141,912)</b>	(121,000)	-	-
- Share of an associated company	- 所佔一聯營公司	<b>(5,905)</b>	(5,905)	-	-
As restated	重列	<b>2,099,353</b>	1,958,633	<b>1,393,462</b>	1,382,408
Profit/(loss) attributable to shareholders	股東應佔溢利/(虧損)	<b>241,914</b>	183,977	<b>(33,878)</b>	56,180
Dividends paid	股息支付	<b>(49,891)</b>	(45,126)	<b>(49,891)</b>	(45,126)
Premium on shares repurchase	回購股份之溢價	<b>(284,639)</b>	-	<b>(284,639)</b>	-
Transfer to capital redemption reserve on shares repurchase	就回購股份轉撥至資本 贖回儲備	<b>(51,704)</b>	-	<b>(51,704)</b>	-
Shares repurchase expenses	回購股份之費用	<b>(2,836)</b>	-	<b>(3,210)</b>	-
Transfer (to)/from capital reserve by associated companies	聯營公司轉撥(至)/ 自資本儲備	<b>(858)</b>	1,869	-	-
Balance as at 31 December	十二月三十一日結存	<b>1,951,339</b>	2,099,353	<b>970,140</b>	1,393,462
Representing:	分別為：				
Retained profits	保留溢利	<b>1,876,597</b>	2,074,373	<b>895,398</b>	1,368,482
Proposed dividend	擬派股息	<b>74,742</b>	24,980	<b>74,742</b>	24,980
		<b>1,951,339</b>	2,099,353	<b>970,140</b>	1,393,462

		Group 集團	
		2003 HK\$'000/千港元	2002 HK\$'000/千港元
Profit retained by:	溢利保留於：		
Company and subsidiary companies	本公司及附屬公司	<b>1,748,762</b>	1,948,845
Associated companies	聯營公司	<b>202,576</b>	142,031
Jointly controlled entities	共同控制公司	<b>1</b>	8,477
		<b>1,951,339</b>	2,099,353

Distributable reserves of the Company at 31 December 2003, calculated under Section 79B of the Hong Kong Companies Ordinance, amounted to HK\$973,481,000 (2002: HK\$1,396,804,000).

根據香港公司條例第79B條計算，本公司於二零零三年十二月三十一日之可供分派儲備為973,481,000港元（二零零二年：1,396,804,000港元）。

# Notes to the Accounts

## 賬目附註

### 29. LOAN NOTES

### 29. 貸款票據

		<b>Group and Company</b> 集團及本公司	
		<b>2003</b>	2002
		HK\$'000/千港元	HK\$'000/千港元
Loan notes issued on shares repurchase (note 26)	就回購股份所發行之 貸款票據(附註26)	<b>255,234</b>	–
Purchase and cancellation	購回及註銷	<b>(23,597)</b>	–
		<b>231,637</b>	–

The loan notes bear interest at 4% per annum and the principal of the loan notes is due for repayment on 7 March 2008.

貸款票據附有年利率4%之利息，貸款票據本金額於二零零八年三月七日到期償還。

### 30. LONG TERM LIABILITIES

### 30. 長期負債

		<b>Group</b> 集團	
		<b>2003</b>	2002
		HK\$'000/千港元	HK\$'000/千港元
Secured bank loans (note 35)	有抵押銀行借款(附註35)	<b>36,213</b>	42,000
Obligation under a finance lease	融資租賃債務	<b>966</b>	1,816
Other long term employee benefits	其他長期員工福利	<b>4,832</b>	6,133
		<b>42,011</b>	49,949
Less: current portion	減：一年內到期之部分		
Secured bank loans	有抵押銀行借款	<b>(5,911)</b>	(5,787)
Obligation under a finance lease	融資租賃債務	<b>(890)</b>	(850)
		<b>35,210</b>	43,312

# Notes to the Accounts

## 賬目附註

### 30. LONG TERM LIABILITIES (Cont'd)

At 31 December 2003, the secured bank loans were repayable as follows:

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Within one year	一年內	<b>5,911</b>	5,787
In the second year	第二年	<b>6,039</b>	5,911
In the third to fifth year	第三年至第五年	<b>18,924</b>	18,517
After the fifth year	五年以上	<b>5,339</b>	11,785
		<b>36,213</b>	42,000

The secured bank loans are repayable by installments up to October 2009. Interest is charged on the outstanding balances at Prime Rate minus 2% and Hong Kong Interbank Offer Rate plus 1% per annum.

At 31 December 2003, the finance lease liabilities were repayable as follows:

		Group 集團			
		Finance lease liabilities 融資租賃負債		Present value 現值	
		2003	2002	2003	2002
		HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元
Within one year	一年內	<b>916</b>	915	<b>890</b>	850
In the second year	第二年	<b>76</b>	916	<b>76</b>	890
In the third to fifth year	第三年至第五年	<b>-</b>	76	<b>-</b>	76
		<b>992</b>	1,907	<b>966</b>	1,816
Interest element	利息部分	<b>(26)</b>	(91)		
Present value of finance lease liabilities	融資租賃負債現值	<b>966</b>	1,816		

### 30. 長期負債(續)

於二零零三年十二月三十一日，有抵押銀行借款之還款期如下：

有抵押銀行借款是以分期償還至二零零九年十月。利息按未償還結餘以最優惠年利率減2%及香港銀行同業拆息年利率加1%計算。

於二零零三年十二月三十一日，融資租賃負債之還款期如下：

# Notes to the Accounts

## 賬目附註

### 31. DEFERRED TAXATION

### 31. 遞延稅項

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Net deferred tax liabilities/(assets) as at 1 January	一月一日之遞延稅項負債/ (資產)淨額	<b>4,169</b>	(4,280)
Exchange adjustments	匯兌調整	<b>(76)</b>	(37)
Acquisition of subsidiaries	購入附屬公司	<b>136</b>	-
Transfer (from)/to profit and loss account (note 11)	轉撥(自)/至損益計算表 (附註11)	<b>(10,226)</b>	8,486
Net deferred tax (assets)/liabilities as at 31 December	十二月三十一日之遞延稅項 (資產)/負債淨額	<b>(5,997)</b>	4,169

The deferred tax assets and liabilities recognized in the balance sheet are analyzed as follows:

於資產負債表中確認之遞延稅項資產及負債分析如下：

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Deferred tax liabilities	遞延稅項負債		
- Accelerated depreciation	- 加速稅項折舊	<b>3,271</b>	3,224
- Unrealised profit	- 未兌現溢利	<b>1,393</b>	1,718
- Undistributed earnings and others	- 未分派盈利及其他	<b>1,708</b>	4,374
		<b>6,372</b>	9,316
Offset against deferred tax assets	抵銷遞延稅項資產	<b>(2,516)</b>	(395)
		<b>3,856</b>	8,921

# Notes to the Accounts

## 賬目附註

### 31. DEFERRED TAXATION (Cont'd)

### 31. 遞延稅項 (續)

		Group		Company	
		2003	2002	2003	2002
		HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元
Deferred tax assets	遞延稅項資產				
- Decelerated depreciation	- 減速稅項折舊	353	-	-	-
- General provision	- 一般準備	5,431	-	1,430	-
- Revaluation of assets	- 資產重估	391	183	-	-
- Unused tax loss	- 未用稅損	6,194	4,964	-	-
		<b>12,369</b>	5,147	<b>1,430</b>	-
Offset against deferred tax liabilities	抵銷遞延稅項負債	<b>(2,516)</b>	(395)	-	-
		<b>9,853</b>	4,752	<b>1,430</b>	-

At the balance sheet date, the Group has unrecognized deductible temporary difference of HK\$5,809,000 (2002: HK\$31,338,000) and unrecognized tax losses of HK\$381,472,000 (2002: HK\$489,603,000) available to offset against future profits. The tax losses have no expiry date except for HK\$3,155,000, HK\$16,720,000 and HK\$3,598,000 which will be expired on 2004, 2005 and 2006 respectively.

The temporary difference associated with undistributed earnings of subsidiaries as at 31 December 2003 was immaterial.

於年結時，集團有未確認可扣減短暫時差 5,809,000 港元 (二零零二年：31,338,000 港元)，及可抵銷未來溢利之未確認稅損 381,472,000 港元 (二零零二年：489,603,000 港元)。除分別於二零零四年之 3,155,000 港元、二零零五年之 16,720,000 港元、及二零零六年之 3,598,000 港元到期之稅損外，此稅損並無到期日。

於二零零三年十二月三十一日，與附屬公司未分派盈利關連之短暫時差並不重大。

# Notes to the Accounts

## 賬目附註

### 32. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of profit before taxation to cash (used for)/ generated from operations

### 32. 綜合現金流量表附註

(a) 除稅前溢利與來自經營(所用)/產生之現金對賬

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Profit before taxation	除稅前溢利	<b>299,755</b>	234,708
Associated companies	聯營公司		
– Share of profits and losses	– 所佔溢利及虧損	<b>(147,460)</b>	(85,337)
– Amortization of share of goodwill	– 攤銷所佔商譽	<b>742</b>	1,601
– Amortization of goodwill on acquisition	– 攤銷收購時之商譽	<b>30,916</b>	8,128
– Amortization of negative goodwill on acquisition	– 攤銷收購時之負商譽	<b>(40,806)</b>	(37,894)
Jointly controlled entities	共同控制公司		
– Share of profits and losses	– 所佔溢利及虧損	<b>(1)</b>	2,456
– Amortization of share of goodwill	– 攤銷所佔商譽	<b>-</b>	2,714
Amortization of negative goodwill on acquisition of subsidiary companies	攤銷收購附屬公司之負商譽	<b>(3,829)</b>	(2,812)
Dividend income	股息收入	<b>(41,906)</b>	(39,641)
Interest income	利息收入	<b>(162,494)</b>	(227,493)
Loss arising from default of loan agreement with Millennium Touch Limited (written back)/provided	因Millennium Touch Limited未履行貸款協議而產生之虧損(撥回)/撥備	<b>(26,412)</b>	10,110
Net unrealized (profit)/loss on trading securities	證券經營賬之未兌現(溢利)/虧損淨額	<b>(3,313)</b>	3,332
Profit on disposal of an associated company	出售一聯營公司之溢利	<b>(1,146)</b>	(2,001)
Provision for doubtful debts written back	呆賬準備撥回	<b>(42,036)</b>	(21,103)
Revaluation deficit of investment property (written back)/provided	投資物業重估減值(撥回)/撥備	<b>(200)</b>	2,909
Amortization of intangible assets	攤銷無形資產	<b>3,578</b>	3,605
Depreciation	折舊	<b>16,750</b>	14,969
Fixed assets and intangible assets written off	固定資產及無形資產撇銷	<b>-</b>	5,905
Interest expenses	利息支出	<b>13,015</b>	14,764
Loss on disposal of a jointly controlled entity	出售一共同控制公司之虧損	<b>5,549</b>	-
Loss on disposal of fixed assets	出售固定資產虧損	<b>420</b>	1,028
Net loss/(profit) on disposal of other investment	出售其他投資之虧損/(溢利)淨額	<b>753</b>	(1,119)
Permanent impairment of other investments	其他投資永久價值削減	<b>6,524</b>	11,686
Provision for diminution in value of an associated company	一聯營公司減值準備	<b>21,892</b>	-
Provision for doubtful debts	呆賬準備	<b>34,684</b>	44,471
Provision for interest and legal cost in respect of the litigation with New World Development Company Limited	有關與新世界發展有限公司訴訟之利息及法律費用撥備	<b>58,364</b>	-
Decrease in lending over one year (Increase)/decrease in trade and other receivables	一年期以上放款減少 經營及其他應收賬(增加)/減少	<b>-</b>	167,453
(Increase)/decrease in trading account securities	證券經營賬(增加)/減少	<b>(832,711)</b>	405,433
Increase in trade and other payables (Decrease)/increase in other long term employee benefits	經營及其他應付賬增加 其他長期員工福利(減少)/增加	<b>(9,904)</b>	4,435
		<b>726,161</b>	146,582
		<b>(2,005)</b>	777
Cash (used for)/generated from operations	經營(所用)/產生之現金	<b>(95,120)</b>	669,666

# Notes to the Accounts

## 賬目附註

### 32. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Cont'd)

#### (b) Purchase of subsidiaries

### 32. 綜合現金流量表附註(續)

#### (b) 購入附屬公司

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Net assets acquired	購入淨資產		
- Intangible assets	- 無形資產	<b>1,530</b>	-
- Fixed assets	- 固定資產	<b>33,000</b>	-
- Other investments	- 其他投資	<b>4,332</b>	-
- Cash and bank balances	- 現金及銀行結存	<b>30,266</b>	-
- Trade and other receivables	- 經營及其他應收賬	<b>127,368</b>	-
- Trading account securities	- 證券經營賬	<b>759</b>	-
- Bank overdrafts	- 銀行透支	<b>(43,018)</b>	-
- Trade and other payables	- 經營及其他應付賬	<b>(89,538)</b>	-
- Taxation payable	- 應付稅項	<b>(27)</b>	-
- Other long term liabilities	- 其他長期負債	<b>(704)</b>	-
- Deferred tax liabilities	- 遞延稅項負債	<b>(136)</b>	-
		<b>63,832</b>	-
Negative goodwill	負商譽	<b>(10,260)</b>	-
		<b>53,572</b>	-
Satisfied by	支付方式		
- Cash	- 現金	<b>36,827</b>	-
- Accounts payable	- 應付賬項	<b>16,745</b>	-
		<b>53,572</b>	-

The subsidiaries after acquisition had net cash outflow from operating activities of HK\$37,619,000 (2002: Nil) and net cash outflow from investing activities of HK\$1,642,000 (2002: Nil).

附屬公司於購入後有來自經營活動之淨現金流出37,619,000港元(二零零二年:無),及有來自投資活動之淨現金流出1,642,000港元(二零零二年:無)。



# Notes to the Accounts

## 賬目附註

### 32. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Cont'd)

#### (b) Purchase of subsidiaries (Cont'd)

Analysis of the net cash outflow in respect of the purchase of subsidiaries:

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Cash consideration	現金代價	<b>(36,827)</b>	—
Bank balances and cash in hand acquired	購入之現金及銀行結存	<b>30,266</b>	—
Bank overdrafts acquired	購入之銀行透支	<b>(43,018)</b>	—
Net cash outflow in respect of the purchase of subsidiaries	購入附屬公司之淨現金流出	<b>(49,579)</b>	—

### 32. 綜合現金流量表附註(續)

#### (b) 購入附屬公司(續)

購入附屬公司之淨現金流出分析：

### 33. COMMITMENTS

#### (a) Capital commitments

		Group 集團	
		2003	2002
		HK\$'000/千港元	HK\$'000/千港元
Contracted but not provided for	已簽約但未在賬目中作出準備者	<b>2,520</b>	4,339
Authorized but not contracted for	已批准但未簽約者	<b>16,205</b>	47,175
		<b>18,725</b>	51,514

### 33. 承擔

#### (a) 資本承擔

#### (b) Commitments under operating leases

At 31 December 2003, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

#### (b) 營運租約承擔

於二零零三年十二月三十一日，集團根據不可撤銷營運租約而須於未來支付之最低租賃付款如下：

		2003		2002	
		Land and buildings 房地產	Others 其他	Land and buildings 房地產	Others 其他
		HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元	HK\$'000/千港元
Within one year	一年內	<b>24,582</b>	<b>927</b>	22,933	77
In the second to fifth year inclusive	二至五年內	<b>7,510</b>	<b>38</b>	26,404	—
		<b>32,092</b>	<b>965</b>	49,337	77

# Notes to the Accounts

## 賬目附註

### 34. CONTINGENT LIABILITIES

(a) At 31 December 2003, the Company and the Group had guarantees as follows:

		Group 集團		Company 本公司	
		2003 HK\$'000/千港元	2002 HK\$'000/千港元	2003 HK\$'000/千港元	2002 HK\$'000/千港元
Guarantees for banking and loan facilities granted to:	給予以下公司之銀行及貸款信貸保證：				
- subsidiary companies	- 附屬公司	-	-	<b>308,000</b>	433,000
- a subsidiary company of a jointly controlled entity	- 共同控制公司之附屬公司	-	100,000	-	100,000
- an investee company	- 其他投資公司	<b>6,989</b>	7,020	<b>6,989</b>	7,020
Indemnities on banking guarantees made available to a clearing house and regulatory body	對給予一結算所及監管機構之銀行保證所作之擔保	<b>4,540</b>	4,540	-	-
Indemnities on letter of credit issued by a bank for a loan to a client	對一銀行就一客戶貸款所發出信用狀之擔保	<b>67,556</b>	-	-	-
Other guarantees	其他保證	<b>913</b>	1,734	-	-
		<b>79,998</b>	113,294	<b>314,989</b>	540,020

(b) On 9 September 2002, Sun Hung Kai Investment Services Limited ("SHKIS"), an indirect wholly-owned subsidiary of the Company, was served with a writ attaching a statement of claim by Shenzhen Building Materials Group Co. Limited, a Shenzhen P.R.C. registered company, claiming the return of certain shares in Shenzhen International Holdings Limited (worth approximately HK\$41 million at 31 December 2003) together with interest, costs and damages. The actions taken by SHKIS were based on considered advice from reputable legal counsel, which advice was strictly followed in its implementation. The claim is being strenuously defended and at this stage the Directors take the view that no contingency arises for which a provision is required to be made. The case is at an early stage with interlocutory matters only being dealt with. The plaintiffs have taken very few actions to progress their writ.

### 34. 或然負債

(a) 本公司及集團於二零零三年十二月三十一日之保證如下：

(b) 於二零零二年九月九日，深圳市建材集團有限公司（一間在中國深圳市註冊成立之公司）向本公司間接全資附屬公司新鴻基投資服務有限公司（「新鴻基投資」）發出索償傳票，要求退還若干深圳國際控股有限公司之股份（於二零零三年十二月三十一日約值41百萬港元），並索償涉及之利息、費用及有關損失。新鴻基投資採取之行動是基於一有名望的法律顧問所提出之深思熟慮意見，而緊遵執行。集團現正斷然否定此索償，而在現階段，公司董事認為不會有任何或然負債產生而導致需要作出撥備。此訴訟正進行非正審事項，並處於初步訴訟階段。原訴人就其索償只採取少量法律行動。

# Notes to the Accounts

## 賬目附註

### 34. CONTINGENT LIABILITIES (Cont'd)

(c) On 4 February 2004, Sun Tai Cheung Credits Limited ("STCC"), also an indirect wholly-owned subsidiary of the Company, and SHKIS were served with a writ attaching a statement of claim by Shanghai Finance Holdings Limited, claiming, inter alia, an Order that the sale of the shares in Shun Loong Holdings Limited ("Shun Loong Shares") by STCC as assignee to SHKIS (at a consideration of HK\$36,500,000 subject to additional amounts in a sum of HK\$15,700,000 which may be payable one year from the date of completion under certain conditions) pursuant to a sale and purchase agreement dated 25 June 2003 be set aside, or alternatively, as against STCC, damages and an account as to the money obtained by STCC in respect of the Shun Loong Shares. The writ is being vigorously defended. STCC and SHKIS were properly advised at all times during the transaction and firmly believe there is no basis to the claim.

Legal costs will be recorded in the profit and loss account as incurred.

### 35. ASSETS PLEDGED TO THIRD PARTIES

At 31 December 2003, listed investments belonging to the Group and margin clients with a total market value of HK\$792,489,000 (2002: HK\$761,412,000) were pledged to banks and financial institutions. Banking facilities of HK\$1,865,000,000 (2002: HK\$2,030,000,000) were available to the Group. The Group also had leasehold properties with a total book value of HK\$95,271,000 (2002: HK\$63,897,000) pledged to banks as security for instalment loans and overdraft facilities of HK\$44,000,000. The total of the outstanding balance of the instalment loan and the draw down of the overdraft facilities at 31 December 2003 were HK\$72,718,000 (2002: HK\$42,000,000).

### 34. 或然負債 (續)

(c) 於二零零四年二月四日，Shanghai Finance Holdings Limited 向同為本公司間接全資附屬公司新泰昌授信有限公司(「新泰昌授信」)及新鴻基投資發出索償傳票，要求(其中包括)撤銷新泰昌授信(作為新鴻基投資之受讓人)根據日期為二零零三年六月二十五日之買賣協議所出售之順隆集團有限公司股份(「順隆股份」)(作價36,500,000港元，在若干條件規限下，將可能會於完成日期後一年支付額外15,700,000港元之款項)，又或要求新泰昌授信賠償損害賠償以及新泰昌授信就順隆股份所獲取之金額。集團正極力否定此項索償。新泰昌授信及新鴻基投資在交易期間一直按適當建議行事，並堅信有關索償毫無理據。

有關訴訟費將於產生時於損益計算表中列賬。

### 35. 抵押予第三方之資產

於二零零三年十二月三十一日，屬於集團及證券放款客戶之上市證券有抵押予銀行及財務機構，其總市值為792,489,000港元(二零零二年：761,412,000港元)。集團可動用的信貸額為1,865,000,000港元(二零零二年：2,030,000,000港元)。集團亦有賬面總值95,271,000港元(二零零二年：63,897,000港元)之有租契物業按予銀行，作為給予集團分期貸款及透支信貸44,000,000港元之抵押。於二零零三年十二月三十一日，尚未償還分期貸款及提取之透支信貸總額為72,718,000港元(二零零二年：42,000,000港元)。

# Notes to the Accounts

## 賬目附註

### 36. PRINCIPAL SUBSIDIARY AND ASSOCIATED COMPANIES

The principal subsidiary and associated companies as at 31 December 2003 were as follows:

### 36. 主要附屬公司與聯營公司

於二零零三年十二月三十一日主要附屬公司與聯營公司如下：

Principal subsidiary companies 主要附屬公司	Country 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 equity interest 集團持有權益	Principal activities 主要業務
Bali International Finance Limited 百達利財務有限公司	Hong Kong 香港	137,500,000 HK\$1 shares 137,500,000股每股1港元	100%	Financial service and investment holding 金融服務及控股投資
Bali Securities Co. Limited 百達利證券有限公司	Hong Kong 香港	7,000,000 HK\$1 shares 7,000,000股每股1港元	100%	Securities dealer 證券交易商
Best Delta International Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1股每股1美元	100%	Investment holding 控股投資
Boneast Assets Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1股每股1美元	100%*	Investment holding 控股投資
Cheeroll Limited	Hong Kong 香港	2 HK\$1 shares 2股每股1港元	100%	Share trading 證券買賣
China Direction Investments Limited 中向投資有限公司	Hong Kong 香港	4,500,000 HK\$1 shares 4,500,000股每股1港元	67%	Share trading and investment holding 證券買賣及控股投資
Constable Development S.A.	Panama 巴拿馬	5 US\$1 shares 5股每股1美元	100%	Investment holding 控股投資
Cowslip Company Limited	Hong Kong 香港	2 HK\$1 shares 2股每股1港元	100%	Investment holding 控股投資
Gloria (Nominees) Limited	Hong Kong 香港	2 HK\$100 shares 2股每股100港元	100%	Investment holding 控股投資
Gloxin Limited	Hong Kong 香港	2 HK\$1 shares 2股每股1港元	100%	Investment holding 控股投資
Grand Securities Company Limited 大唐證券有限公司	Hong Kong 香港	20,000,000 HK\$1 shares 20,000,000股每股1港元	100%	Securities broking 證券經紀
Hilarious (Nominees) Limited	Hong Kong 香港	100 HK\$100 shares 100股每股100港元	100%	Investment holding 控股投資
IMarket Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1股每股1美元	100%*	Investment holding 控股投資

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## 賬目附註

### 36. PRINCIPAL SUBSIDIARY AND ASSOCIATED COMPANIES (Cont'd) 36. 主要附屬公司與聯營公司 (續)

Principal subsidiary companies 主要附屬公司	Country 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 equity interest 集團持有權益	Principal activities 主要業務
Itso Limited	Hong Kong 香港	2 HK\$1 shares 2股每股1港元	100%	Share trading 證券買賣
Lexshan Nominees Limited 歷山代理人有限公司	Hong Kong 香港	2 HK\$1 shares 2股每股1港元	100%	Nominee service 代理人服務
Macdonnell (Nominees) Limited	Hong Kong 香港	100 HK\$100 shares 100股每股100港元	100%	Investment holding 控股投資
Oakfame Investment Limited 幹美投資有限公司	Hong Kong 香港	2 HK\$1 shares 2股每股1港元	100%	Investment holding 控股投資
Pioneer Score Development Limited 先港發展有限公司	Hong Kong 香港	2 HK\$1 shares 2股每股1港元	100%	Investment holding 控股投資
Plentiwind Limited	Hong Kong 香港	2 HK\$1 shares 2股每股1港元	100%	Futures trading 期貨買賣
Quick Art Limited	Hong Kong 香港	3,540,000 HK\$1 shares 3,540,000股每股1港元	100%	Share trading and property investment 證券買賣及物業投資
Ranbridge Finance Limited 捷橋財務有限公司	Hong Kong 香港	20,000,000 HK\$1 shares 20,000,000股每股1港元	100%*	Money lending 借貸
Ranbridge, Inc.	The Philippines 菲律賓	5,385,000 Peso 1 shares 5,385,000股每股1披索	100%	Money lending 借貸
Scienter Investments Limited	Hong Kong 香港	2 HK\$10 shares 2股每股10港元	100%	Share trading 證券買賣
Shipsape Investments Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1股每股1美元	100%*	Investment holding 控股投資
SHK Financial Data Limited 新鴻基財經資訊有限公司	Hong Kong 香港	100 HK\$1 shares 100股每股1港元	51%	Provision of financial information service 財經資訊服務
SHK Fund Management Limited 新鴻基投資管理有限公司	Hong Kong 香港	5,000,000 HK\$1 shares 5,000,000股每股1港元	100%	Funds management and securities business development 基金管理及證券業務推廣

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## 賬目附註

### 36. PRINCIPAL SUBSIDIARY AND ASSOCIATED COMPANIES (Cont'd) 36. 主要附屬公司與聯營公司 (續)

Principal subsidiary companies 主要附屬公司	Country 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 equity interest 集團持有權益	Principal activities 主要業務
SHK Global Managers Limited	British Virgin Islands 英屬處女群島	5,000 US\$1 shares 5,000股每股1美元	100%	Funds management 基金管理
SHK Online (Securities) limited 新鴻基科網(證券)有限公司	Hong Kong 香港	3,000,000 HK\$10 shares 3,000,000股每股10港元	100%	Online securities broking and margin financing 網上證券經紀及證券放款
SHK Online Limited 新鴻基科網有限公司	Hong Kong 香港	2,000,000 HK\$10 shares 2,000,000股每股10港元	100%	Online financial services 網上金融服務
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	2 HK\$1 fully paid shares 99,999,998 HK\$1 shares paid up to HK\$0.75 each 2每繳足股1港元 99,999,998股每股1港元 (每股繳足至0.75港元)	100%	Investment holding 控股投資
Splendid Gain Limited	Hong Kong 香港	2 HK\$1 shares 2股每股1港元	100%	Investment holding 控股投資
Shun Loong Bullion Limited 順隆金業有限公司	Hong Kong 香港	6,000,000 HK\$1 shares 6,000,000股每股1港元	100%	Bullion dealing 黃金買賣
Shun Loong Capital Limited 順隆融資有限公司	Hong Kong 香港	65,000 HK\$100 shares 65,000股每股100港元	100%	Investment holding 控股投資
Shun Loong Finance Limited 順隆財務有限公司	Hong Kong 香港	1,000,000 HK\$1 shares 1,000,000股每股1港元	100%	Money lending 借貸
Shun Loong Forex Company Limited 順隆外匯有限公司	Hong Kong 香港	3,200 HK\$10,000 shares 3,200股每股10,000港元	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	150,000 HK\$100 shares 150,000股每股100港元	100%	Futures and option broking 期貨及期權經紀
Shun Loong Holdings Limited 順隆集團有限公司	Hong Kong 香港	200,000,000 HK\$1 shares 200,000,000股每股1港元	100%	Investment holding 控股投資
Shun Loong Nominees Limited 順隆代理人有限公司	Hong Kong 香港	10,000 HK\$10 shares 10,000股每股10港元	100%	Provision of nominee and secretarial services 代理人及秘書服務

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## 賬目附註

### 36. PRINCIPAL SUBSIDIARY AND ASSOCIATED COMPANIES (Cont'd) 36. 主要附屬公司與聯營公司(續)

Principal subsidiary companies 主要附屬公司	Country 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 equity interest 集團持有權益	Principal activities 主要業務
Shun Loong On-line Investment Services (H.K.) Limited 順隆網上投資服務(香港)有限公司	Hong Kong 香港	25,000,000 HK\$1 shares 25,000,000股每股1港元	100%	Computer and marketing advisory services and securities trading 電腦及銷售諮詢服務和證券買賣
Shun Loong Securities Company Limited 順隆證券行有限公司	Hong Kong 香港	50,000,000 HK\$1 shares 50,000,000股每股1港元	100%	Securities broking and share margin financing 證券經紀及證券放款
SL Meridian Holdings Limited	British Virgin Islands 英屬處女群島	10,000 HK\$100 shares 10,000股每股100港元	100%	Investment holding 控股投資
Sun Hing Bullion Company Limited 新興金業有限公司	Hong Kong 香港	5,000,000 HK\$1 shares 5,000,000股每股1港元	100%	Bullion trading 黃金買賣
Sun Hung Kai (Nominees) Limited 新鴻基(代理人)有限公司	Hong Kong 香港	2 HK\$100 shares 2股每股100港元	100%	Nominee service 代理人服務
Sun Hung Kai Bullion Company Limited 新鴻基金業有限公司	Hong Kong 香港	30,000,000 HK\$1 shares 30,000,000股每股1港元	100%	Bullion trading 黃金買賣
Sun Hung Kai Capital Markets (Cayman) Limited	Cayman Islands 開曼群島	1 US\$1 share 1股每股1美元	100%	Financial product origination 金融產品發行
Sun Hung Kai Commodities Limited 新鴻基期貨有限公司	Hong Kong 香港	80,000,600 HK\$1 shares 80,000,600股每股1港元	100%	Commodities broking 商品期貨經紀
Sun Hung Kai Forex Limited 新鴻基外匯有限公司	Hong Kong 香港	150,000,000 HK\$1 shares 150,000,000股每股1港元	100%	Foreign exchange trading 外匯買賣
Sun Hung Kai Holdings, Inc.	The Philippines 菲律賓	250,000,000 Peso 1 common shares 5,000,000 Peso 10 preferred shares 250,000,000普通股每股1披索 5,000,000優先股每股10披索	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	1,000,000 HK\$1 shares 1,000,000股每股1港元	100%	Insurance broking 保險經紀

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## 賬目附註

### 36. PRINCIPAL SUBSIDIARY AND ASSOCIATED COMPANIES (Cont'd) 36. 主要附屬公司與聯營公司(續)

Principal subsidiary companies 主要附屬公司	Country 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 equity interest 集團持有權益	Principal activities 主要業務
Sun Hung Kai International Bank [Brunei] Limited	Brunei Darussalam 汶萊	10,000,000 SGD 1 shares 10,000,000股每股1新加坡元	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	100,000 HK\$100 shares 100,000股每股100港元	100%	Corporate finance service 企業融資服務
Sun Hung Kai International Commodities Limited	Hong Kong 香港	50,000 HK\$100 shares 50,000股每股100港元	100%	Commodities dealer 商品交易商
Sun Hung Kai International Investment Management Limited	British Virgin Islands 英屬處女群島	50,000 US\$1 shares 50,000股每股1美元	100%*	Investment holding 控股投資
Sun Hung Kai Investment Services (Macau) Limited	Macau 澳門	Fully paid capital MOP 1,000,000 繳足股本1,000,000澳門元	100%	Financial service 金融服務
Sun Hung Kai Investment Services Limited 新鴻基投資服務有限公司	Hong Kong 香港	2,900,000 HK\$100 shares 2,900,000股每股100港元	100%	Share broking and margin financing 證券經紀及證券放款
Sun Hung Kai Online Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1股每股1美元	100%	Online service 網上服務
Sun Hung Kai Research Limited 新鴻基資料研究有限公司	Hong Kong 香港	10,000 HK\$10 shares 10,000股每股10港元	100%	Securities research service 證券資料研究服務
Sun Hung Kai Securities (Bermuda) Limited	Bermuda 百慕達	12,000 US\$1 shares 12,000股每股1美元	100%	Investment holding and management service 控股投資及管理服務
Sun Hung Kai Securities (Overseas) Limited 新鴻基證券(海外)有限公司	Hong Kong 香港	60,000 HK\$1 shares 60,000股每股1港元	100%	Investment holding 控股投資
Sun Hung Kai Securities (Phil.), Inc.	The Philippines 菲律賓	273,600,000 Peso 1 shares 273,600,000股每股1披索	100%	Investment holding 控股投資
Sun Hung Kai Securities (Trustees) Limited 新鴻基證券(信託)有限公司	Hong Kong 香港	3,000,000 HK\$1 shares 3,000,000股每股1港元	100%	Provision of trustee service 信託服務
Sun Hung Kai Securities Capital Markets Limited 新鴻基證券資本市場有限公司	Hong Kong 香港	1,000 HK\$1 shares 1,000股每股1港元	100%	Investment holding 控股投資



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## 賬目附註

### 36. PRINCIPAL SUBSIDIARY AND ASSOCIATED COMPANIES (Cont'd) 36. 主要附屬公司與聯營公司(續)

Principal subsidiary companies 主要附屬公司	Country 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 equity interest 集團持有權益	Principal activities 主要業務
Sun Hung Kai Securities Limited 新鴻基証券有限公司	Hong Kong 香港	249,797,178 HK\$0.5 shares 249,797,178股每股0.5港元	100%*	Investment holding 控股投資
Sun Hung Kai Venture Capital Limited	Hong Kong 香港	2 HK\$1 shares 2股每股1港元	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	5,000,000 HK\$1 shares 5,000,000股每股1港元	100%	Investment advisory, financial planning and wealth management 投資顧問、財務策劃 及資產管理
Sun Tai Cheung Credits Limited 新泰昌授信有限公司	Hong Kong 香港	15,000,000 HK\$10 shares 15,000,000股每股10港元	100%	Share margin financing 證券放款
Sun Tai Cheung Finance Company Limited 新泰昌財務有限公司	Hong Kong 香港	25,000,000 HK\$1 shares 25,000,000股每股1港元	100%	Financial service 金融服務
Swan Islands Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1股每股1美元	100%*	Investment holding 控股投資
Tailwind Consultants Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1股每股1美元	100%*	Investment holding 控股投資
Texgulf Limited	Hong Kong 香港	2 HK\$10 shares 2股每股10港元	100%	Property investment 物業投資
To Wan Development Company Limited 杜雲發展有限公司	Hong Kong 香港	1,000 HK\$10 shares 1,000股每股10港元	100%	Investment holding 控股投資
Tung Wo Investment Company, Limited 同和投資有限公司	Hong Kong 香港	100 HK\$100 shares 100股每股100港元	100%	Investment holding 控股投資
Upper Selection Investments Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1股每股1美元	100%*	Investment holding 控股投資
Upstand Assets Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1股每股1美元	100%*	Investment holding 控股投資
Wah Cheong Development Company, Limited 華昌建業有限公司	Hong Kong 香港	25,100,000 HK\$1 shares 25,100,000股每股1港元	100%*	Investment holding 控股投資

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## 賬目附註

### 36. PRINCIPAL SUBSIDIARY AND ASSOCIATED COMPANIES (Cont'd) 36. 主要附屬公司與聯營公司(續)

Principal subsidiary companies 主要附屬公司	Country 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 equity interest 集團持有權益	Principal activities 主要業務
Wah Cheong Development (B.V.I.) Limited	British Virgin Islands 英屬處女群島	2,675,400 US\$1 shares 2,675,400股每股1美元	100%*	Investment holding 控股投資
Wineur Secretaries Limited 偉略秘書有限公司	Hong Kong 香港	2 HK\$1 shares 2股每股1港元	100%	Secretarial service 秘書服務
Yee Li Ko Investment Limited 億利高投資有限公司	Hong Kong 香港	300,000 HK\$10 shares 300,000股每股10港元	100%	Property investment 物業投資
Zeal Goal International Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1股每股1美元	100%	Investment holding 控股投資

\* These subsidiary companies are directly held by the Company.

\* 此等附屬公司由本公司直接持有。

Principal associated companies 主要聯營公司	Country of incorporation and operation 註冊及業務經營地點	Equity interest held by		Principal activities 主要業務
		Group 集團	Company 本公司	
Chronicle Gain Limited 確勁有限公司	Hong Kong 香港	45%	—	Property holding 物業投資
Drinkwater Investment Limited 精威置業有限公司	Hong Kong 香港	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%	—	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%	38%	Investment holding 控股投資
Quality HealthCare Asia Limited # 卓健亞洲有限公司 #	Bermuda 百慕達	28%	—	Investment holding 控股投資
Real Estate Investments (N.T.) Limited	Hong Kong 香港	40%	—	Property development 物業發展
Silver York Development Limited 兆勇發展有限公司	Hong Kong 香港	40%	—	Property development 物業發展
Start Hold Limited 時達開有限公司	Hong Kong 香港	33%	—	Investment holding 控股投資

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## 賬目附註

### 36. PRINCIPAL SUBSIDIARY AND ASSOCIATED COMPANIES (Cont'd)

Principal associated companies 主要聯營公司	Country of incorporation and operation 註冊及業務經營地點	Equity interest held by		Principal activities 主要業務
		Group 集團	Company 本公司	
Tian An China Investments Company Limited # 天安中國投資有限公司 #	Hong Kong 香港	48%	40%	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%	-	Manufacture of mattresses and bedsteads 床墊及床架製造
Yu Ming Investments Limited # 禹銘投資有限公司 #	Hong Kong 香港	22%	6%	Investment holding 控股投資

# These associated companies are listed in Hong Kong and further details about these associated companies are available in their published audited accounts.

The above tables list the subsidiary and associated companies 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 subsidiary and associated companies would, in the opinion of the directors, result in particulars of excessive length.

Sun Hung Kai Investment Services Limited ("SHKIS"), a wholly-owned subsidiary of the Group, holds 80% equity interest in Tian An (Shenzhen) Investment Company Limited ("TAS"). TAS is not classified as a subsidiary of the Group under SSAP32 as SHKIS does not intend to control TAS which is defined as "the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities". It is intended the interest in the company will be divested upon conclusion of the litigation.

### 36. 主要附屬公司與聯營公司 (續)

# 此等聯營公司為香港上市公司，其詳細資料可見於此等公司所發布之審核賬目中。

以上所列之本公司附屬公司及聯營公司，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。董事認為列出其他附屬公司及聯營公司之詳情會令資料過於冗長。

集團一全資附屬公司新鴻基投資服務有限公司(「新鴻基投資」)持有天安(深圳)投資有限公司(「天安深圳」)80%權益。根據會計準則第32號天安深圳並不分類為集團之附屬公司，因新鴻基投資無意控制天安深圳，控制是定義為「支配一企業財務及經營政策之能力以從其活動中獲取利益」。當有關訴訟完畢後，有計劃將該公司之權益除去。

# Notes to the Accounts

## 賬目附註

### 37. RELATED PARTY TRANSACTIONS

During the year, the Group had the following material transactions with related parties:

### 37. 有關連人士之交易

於本年度內，集團與有關連人士有以下之重大交易：

		<b>Group</b> 集團	<b>2003</b>	2002
	Note 附註		HK\$'000/千港元	HK\$'000/千港元
Decrease in guarantees for banking and loan facilities granted to a subsidiary of a jointly controlled entity	給予一共同控制公司之一附屬公司的銀行及貸款信貸保證減少	(a)	-	(25,000)
Dividends received from a subsidiary of the ultimate holding company	向最終控股公司之一附屬公司收取之股息		<b>22,880</b>	16,570
Disposal of Group's interest in a jointly controlled entity together with the assignments of advances to that company and its subsidiary to an indirect subsidiary of the ultimate holding company	出售一共同控制公司之權益及轉讓給予該公司及其附屬公司之貸款予最終控股公司之一間接附屬公司	(b)	<b>87,500</b>	-
Interest income from a listed associated company	從一上市聯營公司所得之利息收益		<b>13,647</b>	12,434
Insurance premium received from the ultimate holding company and its subsidiaries	從最終控股公司及其附屬公司收取之保險費		<b>4,448</b>	4,044
Insurance premium received from listed associated companies	從上市聯營公司收取之保險費		<b>2,917</b>	1,149
Loan note bears interest of 2.5% per annum issued by the listed associated company on its repurchase of shares in August 2003	獲得一上市聯營公司就其於二零零三年八月回購股份時發行之附有2.5%年利率貸款票據		<b>78,000</b>	-
Promissory note received from a listed associated company for its repayment of the outstanding principal and interest of its promissory note/convertible loan note	從一上市聯營公司收取之承諾票據作為償還其承諾票據/可換股貸款票據之未償還本金及利息		<b>40,419</b>	40,419
Rent, property management and air-conditioning fees received from a listed associated company	從一上市聯營公司所得之租金、物業管理及空調費用		<b>937</b>	1,253
Service fees paid to a subsidiary company of the ultimate holding company	給予最終控股公司之一附屬公司服務費用		<b>5,000</b>	6,200

# Notes to the Accounts

## 賬目附註

### 37. RELATED PARTY TRANSACTIONS (Cont'd)

At 31 December 2003, the Group had the following material balances with related parties:

		Group 集團	2003 2002
		HK\$'000/千港元	HK\$'000/千港元
	Note 附註		
Amounts due from/(to) associated companies	聯營公司欠賬/(貸賬)		
Amounts due from a listed associated company	— 上市聯營公司欠賬		
— Loan note	— 貸款票據	<b>78,000</b>	—
— Promissory notes	— 承諾票據	<b>185,419</b>	185,419
— Interest receivable and others	— 應收利息及其他	<b>23,120</b>	29,706
Amounts due from other associated companies	其他聯營公司欠賬	<b>78,117</b>	78,209
Amounts due to other associated companies	其他聯營公司貸賬	<b>(32,168)</b>	(31,818)
Dividend receivable from a subsidiary of the ultimate holding company	最終控股公司之一附屬公司所欠之應收股息	<b>11,000</b>	—
Amount due from a jointly controlled entity	— 共同控制公司欠賬	(a) —	90,000
Guarantees for banking and loan facilities granted to a subsidiary of a jointly controlled entity	給予一共同控制公司之一附屬公司銀行及貸款信貸之保證	(a) —	100,000

(a) The jointly controlled entity is also a subsidiary of the ultimate holding company.

(b) The loss on disposal of the jointly controlled entity was HK\$5,549,000.

### 37. 有關連人士之交易(續)

於二零零三年十二月三十一日，集團與有關連人士有以下之重大結餘：

(a) 此共同控制公司亦為最終控股公司之一附屬公司。

(b) 出售此共同控制公司之虧損為5,549,000港元。

# Notes to the Accounts

## 賬目附註

### 38. MATURITY PROFILE OF ASSETS AND LIABILITIES

### 38. 資產及負債到期分析

As at 31 December 2003  
於二零零三年十二月三十一日

		Within 3 months 三個月內 HK\$'000/ 千港元	3 months to 1 year 三個月 至一年 HK\$'000/ 千港元	1 year to 5 years 一年 至五年 HK\$'000/ 千港元	After 5 years 五年後 HK\$'000/ 千港元	On demand 即時還款 HK\$'000/ 千港元	Total 總額 HK\$'000/ 千港元
<b>Assets</b>	<b>資產</b>						
Promissory/loan notes of a listed associated company	一上市聯營公司之承諾票據及貸款票據	-	40,419	78,000	-	145,000	263,419
Fixed deposits with banks	銀行定期存款	243,584	-	-	-	-	243,584
Term loans	有期借款	278,486	79,000	-	-	89,342	446,828
Debts securities in trading account securities	於證券經營賬之債務證券	7,747	-	-	-	-	7,747
<b>Liabilities</b>	<b>負債</b>						
Bank loans and overdrafts	銀行借款及透支	283,447	-	-	-	-	283,447
Loan notes	貸款票據	-	-	231,637	-	-	231,637
Long term bank loans	長期銀行借款	1,466	4,445	24,963	5,339	-	36,213
Obligation under a finance lease	融資租賃債務	219	671	76	-	-	966

As at 31 December 2002  
於二零零二年十二月三十一日

		Within 3 months 三個月內 HK\$'000/ 千港元	3 months to 1 year 三個月 至一年 HK\$'000/ 千港元	1 year to 5 years 一年 至五年 HK\$'000/ 千港元	After 5 years 五年後 HK\$'000/ 千港元	On demand 即時還款 HK\$'000/ 千港元	Total 總額 HK\$'000/ 千港元
<b>Assets</b>	<b>資產</b>						
Promissory notes of a listed associated company	一上市聯營公司之承諾票據	-	185,419	-	-	-	185,419
Fixed deposits with banks	銀行定期存款	133,884	-	-	-	-	133,884
Term loans	有期借款	127,339	309,500	-	-	161,137	597,976
Debts securities in trading account securities	於證券經營賬之債務證券	13,196	-	-	-	-	13,196
<b>Liabilities</b>	<b>負債</b>						
Bank loans and overdrafts	銀行借款及透支	23	-	-	-	-	23
Long term bank loans	長期銀行借款	1,436	4,351	24,428	11,785	-	42,000
Obligation under a finance lease	融資租賃債務	209	641	966	-	-	1,816

The above tables only list out the assets and liabilities which have a term of maturity. Overdue assets are reported as on demand.

上表只列出有期限之資產及負債，過期而未償還之資產列為即時還款。

### 39. ULTIMATE HOLDING COMPANY

The ultimate holding company of the Group is Allied Group Limited, a company incorporated and listed in Hong Kong.

### 39. 最終控股公司

集團之最終控股公司為聯合集團有限公司，一間在香港註冊成立及在香港上市之公司。

### 40. APPROVAL OF ACCOUNTS

The accounts on pages 49 to 115 were approved by the Board of Directors on 13 April 2004.

### 40. 賬目通過

董事會於二零零四年四月十三日通過於第49頁至第115頁之賬目。