



 **Tai Fook ■ Forward ■ 2004 ■ ■ ■**



大福證券集團有限公司
Tai Fook Securities Group Limited
中期報告 Interim Report 2004





Forward

The past year has seen Asia straddled with unprecedented difficulties and crisis. The theme of this Tai Fook Annual Report makes use of a series of pictures portraying yachts competing in tumultuous sea as the theme to symbolize courage, determination and team spirit.

向前

回顧過去一年，亞洲面對前所未有的困難與危機。本大福年報採用了多幀帆船在怒海中乘風破浪的圖片，寓意勇氣、決心和團隊精神，以配合年報主題。

Contents 目錄

2	Corporate Information
4	Financial Highlights
5	Management Discussion and Analysis
13	Condensed Consolidated Profit and Loss Account
14	Condensed Consolidated Balance Sheet
15	Condensed Consolidated Statement of Changes in Equity
16	Condensed Consolidated Cash Flow Statement
17	Notes to the Condensed Financial Statements
33	Independent Review Report of the Auditors
35	Additional Information

2	公司資料
4	財務摘要
9	管理層論述與分析
13	簡明綜合損益表
14	簡明綜合資產負債表
15	簡明綜合股本權益變動表
16	簡明綜合現金流量表
17	簡明財務報表附註
34	核數師獨立審閱報告書
35	其他資料

Financial Calendar 財務日誌

14 September 2004 二零零四年九月十四日	Announcement of interim results (unaudited) 公佈中期業績 (未經審核)
8 October 2004 by 4:00 p.m. 二零零四年十月八日下午四時前	Latest date for registration for entitlement to interim dividend 登記享有中期股息之最遲日期
11 to 15 October 2004 二零零四年十月十一日至十五日	Book close dates 暫停辦理股東登記手續之日期
15 October 2004 二零零四年十月十五日	Record date for interim dividend 中期股息之記錄日期
21 October 2004 二零零四年十月二十一日	Despatch of interim dividend warrants 派發中期股息單

Corporate Information 公司資料

Directors

Executive Directors

CHENG Kar Shun, Henry *Chairman*
LO Lin Shing, Simon *Deputy Chairman*
DOO Wai Hoi, William *Deputy Chairman*
WONG Shiu Hoi, Peter *Managing Director*
LEE Yiu Wing, William
CHAN Chi On, Derek
LUO Gang

Non-executive Directors

WONG Kwok Kin, Andrew
LAM Wai Hon, Patrick
CHEUNG Wing Yui, Edward
*(re-designated from Independent
Non-executive Director on 1 July 2004)*
HO Hau Chong, Norman
TO Hin Tsun, Gerald
CHAN Wing Luk
(resigned on 1 July 2004)
CHAN Kam Ling
(resigned on 1 July 2004)

Independent Non-executive Directors

MAN Mo Leung
(appointed on 1 July 2004)
TSUI Hing Chuen, William
(appointed on 1 July 2004)
WEI Chi Kuan, Kenny

Audit Committee

MAN Mo Leung *Chairman*
(appointed on 1 July 2004)
TSUI Hing Chuen, William
(appointed on 1 July 2004)
WEI Chi Kuan, Kenny
CHEUNG Wing Yui, Edward
HO Hau Chong, Norman

Company Secretary

LI Tung Wing, Mike

Qualified Accountant

LO Wai Ho, Kendy

董事

執行董事

鄭家純 *主席*
魯連城 *副主席*
杜惠愷 *副主席*
黃紹開 *董事總經理*
李耀榮
陳志安
羅剛

非執行董事

黃國堅
林焯瀚
張永銳
(於二零零四年七月一日由獨立非執行董事轉任)
何厚鏘
杜顯俊
陳永陸
(於二零零四年七月一日辭任)
陳錦靈
(於二零零四年七月一日辭任)

獨立非執行董事

文暮良
(於二零零四年七月一日獲委任)
徐慶全
(於二零零四年七月一日獲委任)
魏啟寬

審核委員會

文暮良 *主席*
(於二零零四年七月一日獲委任)
徐慶全
(於二零零四年七月一日獲委任)
魏啟寬
張永銳
何厚鏘

公司秘書

李東榮

合資格會計師

盧偉浩

Auditors

Ernst & Young

Place of Incorporation

Incorporated in Bermuda with limited liability

Registered Office

Clarendon House
Church Street, Hamilton HM 11
Bermuda

Head Office and Principal Place of Business

24th-26th Floor, New World Tower
16-18 Queen's Road Central
Hong Kong

Web Site Address

Homepage: <http://www.taifook.com>
e-wealth club: <http://www.e-wealthclub.com>

**Principal Share Registrars
and Transfer Office**

The Bank of Bermuda Limited
6 Front Street, Hamilton HM 11
Bermuda

**Hong Kong Branch Share Registrars
and Transfer Office**

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

Transfer Office:
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Hong Kong

核數師

安永會計師事務所

註冊成立地點

於百慕達註冊成立為有限公司

註冊辦事處

Clarendon House
Church Street, Hamilton HM 11
Bermuda

總辦事處及主要營業地點

香港
皇后大道中16-18號
新世界大廈24-26樓

互聯網網址

主網頁: <http://www.taifook.com>
創富會: <http://www.e-wealthclub.com>

主要股份過戶登記處

The Bank of Bermuda Limited
6 Front Street, Hamilton HM 11
Bermuda

香港股份過戶登記分處

香港中央證券登記有限公司
註冊辦事處:
香港
皇后大道東183號
合和中心
46樓

股份過戶登記處:
香港
皇后大道東183號
合和中心
17樓1712-1716室

Financial Highlights

財務摘要

		For the six months ended 截至以下日期止六個月		Percentage change
		30 June 2004 (Unaudited) 二零零四年 六月三十日 (未經審核)	30 September 2003 (Unaudited) 二零零三年 九月三十日 (未經審核)	Increase/ (Decrease) 變動百分比 增加／(減少)
For the six months ended 30 June 2004/30 September 2003 截至二零零四年六月三十日／二零零三年九月三十日止六個月				
Turnover (HK\$ '000)	營業額 (千港元)	189,576	143,911	32
Net Profit (HK\$ '000)	純利 (千港元)	45,012	19,204	134
Per share		每股		
Basic Earnings Per Share (HK Cents)	每股基本盈利 (港仙)	8.39	4.05	107
Diluted Earnings Per Share (HK Cents)	每股攤薄盈利 (港仙)	8.28	N/A 不適用	N/A 不適用
Dividend Per Share (HK Cents)	每股股息 (港仙)	4	2	100
NAV Per Share (HK\$)	每股資產淨值 (港元)	1.70	1.69	1
At the six months end		至六個月止		
Shareholders' Funds (HK\$ '000)	股東資金 (千港元)	971,010	798,089	22
Total Assets (HK\$ '000)	總資產 (千港元)	2,680,439	2,661,591	1
Number of Shares in Issue	已發行股份數目	572,281,699	472,773,699	21
Share Price		股價		
– High (HK\$)	– 高 (港元)	1.40	1.20	17
– Low (HK\$)	– 低 (港元)	1.10	0.70	57
Financial ratios		財務比率		
Gearing Ratio		資本負債率		
– Borrowing to Total Assets ¹	– 借貸與總資產 ¹	0.06	0.22	(73)
– Borrowing to NAV ²	– 借貸與資產淨值 ²	0.16	0.74	(78)
Return on Total Assets ³ (%)	總資產回報 ³ (%)	1.68	0.72	133
Return on Shareholders' Fund ⁴ (%)	股東資金回報 ⁴ (%)	4.64	2.41	93
1. Borrowing to Total Assets	=	$\frac{\text{Total Borrowings 總借貸}}{\text{Total Assets 總資產}}$		
2. Borrowing to NAV	=	$\frac{\text{Total Borrowings 總借貸}}{\text{Net Asset Value (NAV) 資產淨值}}$		
3. Return on Total Assets	=	$\frac{\text{Net Profit 純利}}{\text{Total Assets 總資產}}$		
4. Return on Shareholders' Fund	=	$\frac{\text{Net Profit 純利}}{\text{Shareholders' Fund 股東資金}}$		

Results

We are pleased to report that the Group achieved a net profit of HK\$45.0 million, or earnings per share of HK8.39 cents, for the six months ended 30 June 2004. Owing to the change in our financial year-end from 31 March to 31 December effective from 2003, the six-month results under review were the first interim results of the Group made up to 30 June. As such, no comparable interim results were available for last year. However, it is clear that there has been a substantial advancement in our business performance in the review period as compared with a net profit of HK\$19.2 million recorded for the six months ended 30 September 2003, the interim period of the last financial year, and a net profit of HK\$41.6 million for the nine months ended 31 December 2003.

The Group's turnover grew solidly to HK\$189.6 million, compared with HK\$143.9 million and a pro-rata adjusted HK\$163.5 million for the two financial periods mentioned above respectively. Through controlling our operating costs effectively, the resultant enhancement in operating efficiency was reflected by an operating margin of 24.0%, up from 15.6% and 18.7% for the two periods.

In view of the improved financial performance, the Board has decided to recommend an interim dividend of HK4 cents per share, which will be payable on 21 October 2004 to shareholders registered as of 15 October 2004. The recommended dividend represents a payout ratio of 50.7%.

Market Review

During the period under review, the average daily turnover on the Stock Exchange of Hong Kong was HK\$16.8 billion, which was a sharp improvement from that of HK\$10.4 billion for the whole of 2003. The average daily number of derivatives contracts traded on the Futures Exchange of Hong Kong amounted to 57,651, reflecting an impressive growth from that of 41,889 for 2003.

Activity in the primary market was also buoyant, with total funds raised by newly listed companies reaching HK\$55 billion, nearly matching that of HK\$59 billion for the whole of 2003. However, the total capitalisation of the Hong Kong stock market only rose marginally to HK\$5,555 billion as at mid-2004 from HK\$5,548 billion as at end-2003, as the new capital formation from IPOs and secondary market fund-raising was partially offset by falling share prices over the period. Demonstrating the corrections in the two major market segments for blue chips and H-shares, the HSI dipped 2.3% to end the six months at 12,285.75. The HSCEI had a more severe setback of 14.5% at a close of 4,291.02.

There were increasing uncertainties on the international front with the advent of an interest rate up-cycle in the US and escalating oil prices worldwide, which were perceived as potential threats to the health of the global economy. Elsewhere, the Chinese economy was on the brink of a major correction after the strong but clearly irrational growth in fixed asset investment and credit creation. The macroeconomic measures introduced by the central government were considered necessary in arresting the trend of an overheated economy which however also had the effect of causing a drastic cool-down in investment sentiment towards China-related stocks.

The local economy appears the most promising by comparison to other economies in the region, at least in the near term, as the economic doldrums that started in 1998 have taken a positive turnaround. Real GDP chalked up a growth rate of 12.1% for the second quarter of 2004, after the 7.0% growth recorded for the preceding quarter. Though the low base of comparison caused by last year's SARS outbreak accounted for part of the strong economic pick-up, the decrease in the unemployment rate and the ending of the deflation era underpin a revival of the local economy.

Business Review

Securities and Futures Broking

Turnover of the division was HK\$121.2 million, accounting for 64% of the total. Its operating results were by and large in tandem with market activity. Operating profit amounted to HK\$23.8 million, accounting for 46% of the total. There was a marked improvement in operating margin, partly because of the rising share of online trading business to around 20% of our transaction volume. In addition to our headquarters, our branch network, currently comprising eight outlets in Hong Kong and one in Macau, continues the strongest in geographical coverage among our non-bank competitors. Our concessionary commission charge on online transactions is in line with the market, and we felt no downward pressure in our pricing for other products and services under the current operating environment despite the deregulation on brokerage commissions since 1 April 2003.

Our service quality has been well recognised, enabling our leading position in securities broking services among non-bank investment houses in Hong Kong. We were honoured with the “Best Broker in Hong Kong” by FinanceAsia in 2004, after being awarded “Best Local Securities House” by Euromoney in 2000, “Best Broker in Hong Kong” by FinanceAsia in 2001, and “Best Domestic Equity House” by Asiamoney in both 2002 and 2003. Our stellar reputation is unparalleled by any of our competitors in the local marketplace and we believe crucial to maintaining our market niche. Besides, we are Hong Kong’s first financial firm accredited the BS 7799 Information Security Management System Certification by BVQI Limited, certifying our data center’s proven capability in maintaining computer data security and reliability. This is a major strength in promoting our online services, not only in Hong Kong but also overseas.

Corporate Finance

To capitalise on the business opportunities arising from the improvement in market conditions and our extensive client base in Mainland China and Hong Kong, the corporate finance division has actively participated in the sponsoring of IPOs, provision of financial advisory to listed issuers and equity issue underwriting. Turnover and operating profit of the division were HK\$20.5 million and HK\$7.0 million respectively during the review period. The results for the six months were well ahead of what we achieved for the preceding nine-month period. Major work done included acting as the sponsor for three IPOs, including two on the Main Board and one on GEM, and providing financial advisory services to listed issuers in 17 corporate transactions. Additionally, we completed 15 IPO underwriting assignments, acting as the lead manager for two of them and the sole placing agent for one share placing. We have also strengthened and better coordinated our manpower in ECM activity which should help our deal sourcing and distribution capability.

Margin Financing

Our lending business has been curtailed with a view to improving our overall asset quality and profitability after experiencing higher credit risks in the past few years. Advances to customers stood at HK\$790.4 million at end-June 2004, down significantly from HK\$1,133.6 million as at end-2003. Accordingly, turnover from the division of HK\$37.1 million and operating profit of HK\$18.7 million represented only 20% and 36% of total turnover and total operating profit respectively, which were considerably lower than the ratios of the past years. Our bank borrowings have also been reduced substantially as our external debt has been mainly geared to finance our margin financing business.

Proprietary Trading and Investment

We have allocated more of our financial resources to higher-margin businesses, which include proprietary trading and investment. The total value of short-term investments rose from HK\$19.3 million as at end-2003 to HK\$38.1 million as at end-June 2004. Despite the adverse market changes in the second quarter of the year, we still achieved a profit for the overall period and have maintained a respectable return on our share portfolio. The trading and investment activities earned a turnover of HK\$4.8 million and an operating profit of HK\$2.0 million, after providing a net unrealised loss of HK\$5.6 million on short-term investments, for the review period. We have continued to focus on investment opportunities from quality stocks with unexploited revaluation potential and major blue chips and H-shares which were unduly oversold amid bearish sentiment. We believe that through appropriate diversification and thorough independent research our investment risk will be minimised. We also traded modestly in the derivatives markets mainly for hedging purposes.

Asset Management

This is considered one of our core businesses in the long term though the contributions from this division have remained insignificant. The performance of our flagship CCS Tai Fook China Investment Fund outperformed both the HSI and the HSCEI during the first half of 2004. Its investment objective is to achieve solid positive returns over time, offering investors a sound long-term investment choice. Against the market downtrend, the unit NAV of the funds rose 4.2% over the six months to US\$11.58 as at end-June 2004. Our main efforts have been focused on exploring business opportunities in Mainland China and we have successfully turned our established business connection into certain business joint ventures with appropriate Mainland partners. We have also embarked on building up a significant presence in the emerging wealth management business to maximise the cross selling potential of our products and services.

Financial Review

Treasury Policies

The Group remained in a liquid position with a cash balance of HK\$149.5 million as at the end of the review period, up from HK\$139.0 million as at the beginning of the period. Cash held on behalf of customers decreased HK\$255.7 million to HK\$969.2 million as trading activities declined in the second quarter of 2004. The current ratio was healthy at 1.48 times.

As at 30 June 2004, the Group's gearing ratio, measured on the basis of total borrowings as a percentage of total shareholders' equity, was 16%. All borrowings were of short-term maturities at floating interest rates, which were largely used to finance our margin financing business. Total bank and other borrowings stood at a total of HK\$153.2 million, against total advances of HK\$790.4 million, as at the end of June 2004. The ratio of interest income to interest expense improved to 10.45 times from 6.75 times for the last reference period.

Our operating cash flow remained adequate for financing our recurrent working capital requirements. Besides, the Group has unutilised banking facilities of HK\$1.25 billion, while our capital commitments are minimal. The Group's assets and liabilities are substantially denominated in Hong Kong dollars, and accordingly our foreign exchange exposure remains immaterial. Except for the guarantees provided to the banks for securing normal banking facilities for our subsidiaries, the Company has no other significant contingent liabilities.

Capital Structure

Boosted by the positive operating results and the share placement in March 2004, shareholders' funds were increased by HK\$148.6 million, or 18%, to HK\$971.0 million, or HK\$1.70 per share. Pursuant to a placing agreement dated 3 March 2004, Chow Tai Fook Nominee Limited, a substantial shareholder of the Company, placed 85 million shares of HK\$0.10 each in the share capital of the Company to seven independent investors at a price of HK\$1.22 per share, and agreed to subscribe from the Company for the same number of shares at the same price before expenses. As at 30 June 2004, the total issued share capital of the Company stood at HK\$57.2 million, comprising 572,281,699 shares of HK\$0.10 each.

Material Acquisition and Disposal of Subsidiaries and Associated Companies

There was no material acquisition or disposal of subsidiaries and associated companies by the Group for the period.

Employees

The Group's total staff costs for the six months ended 30 June 2004 amounted to HK\$53.0 million, which excluded commissions paid to commission-based staff, representing a rise of slightly over 10% from HK\$47.9 million for the six months ended 30 September 2003. The increase was partly attributed to incentives paid to our staff during the review period. As at 30 June 2004, the Group employed a total of 418 permanent staff (end-2003: 415) of which 102 were commission-based staff (end-2003: 110).

Prospects

We have established a sound business platform which would enable us to tap into any business opportunities that may arise ahead. The clear signs of a reviving economy in Hong Kong with its accelerated integration with the Mainland in respect of investment activities and tourism should sustain the improving investment sentiment in the local market. We believe the market has gone through a healthy consolidation in the second quarter of this year after the robust performances across the board since mid-2003. However, we will strive to continue our efforts and will be alert to the various challenges in the securities industry.

Barring any foreseen events, we expect satisfactory results for the full year of 2004, with the hope that activities in both the primary and secondary markets will further pick up later this year. As we believe that oil prices have passed their peaks and the possible rate hikes ahead will also be gradual and measured against a forecast of modest inflation in the near term, the uncertainties overhanging the market in the past few months will subside. Additionally, the upcoming listing of several sizeable Chinese enterprises in the telecom, aviation, power and banking sectors is expected to further enhance market activities and sentiments.

Backed by our dedicated staff and professional management, our comprehensive products and quality services, our strong commitment in information technology and value-added investment research, and the favorable changes in Hong Kong, we have every confidence in the future of the Group.

By order of the Board

Wong Shiu Hoi, Peter
Managing Director

Hong Kong, 14 September 2004

業績

我們欣然報告，本集團於截至二零零四年六月三十日止六個月，錄得純利4,500萬港元，每股盈利8.39港仙。由二零零三年起，本集團財政年度的年結日，已由三月三十一日改為十二月三十一日，因此回顧期間的六個月業績，乃本集團首份以六月三十日為結算日的中期業績，並無去年同期業績可資比較。然而，若與截至二零零三年九月三十日止六個月（即上一財政年度的中期業績）純利1,920萬港元以及截至二零零三年十二月三十一日止九個月純利4,160萬港元比較，本集團於回顧期間的業務表現，顯見大幅改善。

本集團營業額穩步增長至18,960萬港元，對比上述兩個財政期間分別錄得14,390萬港元及按比例調整後的16,350萬港元。通過對經營成本的有效控制，我們得以提高營運效益，錄得經營溢利率24.0%，高於上述兩個期間的15.6%及18.7%。

董事會欣悉財務表現持續改善，建議派發中期股息每股4港仙，將於二零零四年十月二十一日派付予二零零四年十月十五日名列本公司股東名冊之股東。擬派股息的派息率為50.7%。

市場回顧

回顧期內，香港聯交所每日平均成交額為168億港元，與二零零三年全年的104億港元比較，增長幅度顯著。香港期交所衍生合約每日平均成交量為57,651張，亦較二零零三年全年的41,889張明顯增長。

新股市場也非常活躍，新上市公司集資總額達至550億港元，幾可媲美二零零三年全年的新股集資總額590億港元。然而，由於期內股價下跌，抵銷了新股上市及二級市場集資所產生的部分新資金，致使香港股市於二零零四年年中錄得總市值55,550億港元，較二零零三年年底的55,480億港元僅輕微增加。恆生指數在回顧期間內下跌2.3%，六個月期末報12,285.75點；恆生中國企業指數跌幅更高達14.5%，期末報4,291.02點，反映藍籌及H股兩大市場指標均呈現調整。

國際方面，隨著美國加息周期重臨及國際油價飆升對全球經濟造成的潛在威脅，市場不明朗因素驟增。此外，中國固定資產投資及新增信貸持續呈現強勁增長，其中存在盲目投資成分，全國經濟勢將面臨較大幅度的調整。中央政府推出宏觀經濟調控措施，遏止過熱的經濟發展，實有其必要，惟此舉亦令中資股投資氣氛突然冷卻下來。

本地經濟自一九九八年陷入低潮後，期內終見復甦，至少在短期內而言，增長前景似比區內其他經濟體系更勝一籌。實質GDP繼二零零四年第一季增長7.0%後，第二季增長亦錄得12.1%。雖然經濟數據強勁復甦的部分原因，是因為去年爆發非典型肺炎令比較基準較低所致，但失業率下降及通縮周期結束帶動本地經濟復甦，也是無庸置疑的事實。

業務回顧

股票及期貨經紀

股票及期貨經紀業務錄得營業額12,120萬港元，佔營業總額64%，經營業績大致與市況同步。經營溢利錄得2,380萬港元，佔經營溢利總額46%。經營溢利率顯著提高，部分原因是網上交易業務佔交易量比重上升至約20%。除總辦事處外，我們的分行網絡目前包括八家香港分行及一家澳門分行，地理覆蓋範圍仍是非銀行同業之冠。我們向客戶提供的網上交易佣金優惠，幅度與市場同業相若。雖然最低經紀佣金制度已由二零零三年四月一日起取消，但在目前經營氣候下，我們的其他產品及服務皆沒有降價壓力。

我們的證券經紀服務，一向廣為客戶稱道，在香港的非銀行類別投資公司中獨佔鰲頭。繼二零零零年獲Euromoney評為「最佳本地證券商」、二零零一年獲FinanceAsia評為「香港最佳經紀」及連續於二零零二及二零零三年獲Asiamoney評為「香港最佳本地證券商」後，我們再於二零零四年獲FinanceAsia評為「香港最佳經紀」。我們擁有本地競爭對手難望項背的卓著聲譽，無疑是我們一直維持領先優勢的重要因素。此外，我們的數據中心獲得BVQI Limited頒發BS 7799資訊安全管理認證，確認其電腦數據的安全性及可靠性，使我們成為首家獲該項認證的香港金融機構，對於今後在香港以至海外推廣網上服務，將大有裨益。

企業融資

企業融資業務抓緊市場氣氛改善及其廣泛的中港客戶基礎所帶來的商機，於期內積極參與新股上市的保薦工作，向上市發行人提供財務顧問及擔任股票發行的包銷商。該業務於回顧期間的營業額及經營溢利分別錄得2,050萬港元及700萬港元，回顧期間六個月的業績，已大幅超越之前九個月。我們於期內完成的主要項目包括3宗新股上市的保薦人（包括2宗主板上市及1宗創業板上市）及17宗上市發行人公司交易財務顧問項目。此外，我們完成15宗新股上市包銷項目，其中2宗擔任牽頭經辦人；另在1宗配股項目中擔任唯一配售代理。我們也加強協調證券資本市場業務人力資源的調配，以冀提高延攬項目及分銷能力。

孖展借貸

鑒於過去數年面對頗大的信貸風險，我們於期內收緊借貸業務的規模，希望藉此改善整體資產質量。於二零零四年六月底，客戶墊款總額為79,040萬港元，較二零零三年年底113,360萬港元大幅降低。因此，借貸業務的營業額3,710萬港元及經營溢利1,870萬港元，分別僅佔營業總額及經營溢利總額20%及36%，幅度大大低於過往年度。由於我們的對外債務主要用於為孖展融資提供資金，因此在調整業務後，我們的銀行借貸也大幅減少。

自營買賣及投資

我們將更多財政資源分配到利潤較高的業務，包括自營買賣及投資。短期投資總值由二零零三年年底的1,930萬港元，上升至二零零四年六月底的3,810萬港元。雖然市場走勢在本年第二季逆轉，但我們整個期間仍錄得盈利，股票組合亦維持令人滿意的回報率。扣除回顧期間未變現短期投資淨虧損560萬港元後，買賣及投資業務錄得營業額480萬港元，經營溢利200萬港元。我們繼續專注於發掘個別股份的投資機會，例如重估潛力未獲充分反映的優質股，以及在淡市中被過分超賣的藍籌股及H股等。我們相信，通過適當的分散投資及透徹的獨立研究，我們可將投資風險降至最低。我們也在衍生工具市場進行適量的買賣，主要作為對沖之用。

資產管理

資產管理業務目前的貢獻仍然不算明顯，但預期假以時日將成為我們的核心業務。我們的旗艦基金「國通大福中國投資基金」，二零零四年上半年的表現優於恆生指數及恆生中國企業指數。該基金的投資目標是在一定期間內獲得紮實的回報，為投資者提供一項可取的長期投資選擇。基金單位資產淨值在六個月期間內逆市上升4.2%，二零零四年六月底報11.58美元。期內，我們專注於開拓中國大陸的商機，成功在固有業務聯繫的基礎上，與相關的大陸夥伴共組合營項目。在新興的理財業務方面，我們也已開展工作，不斷努力擴大市場佔有率，提高我們的產品及服務的交叉銷售潛力。

財務回顧

財務政策

本集團繼續保持資金盈餘狀況，回顧期末現金結存從期初的13,900萬港元增至14,950萬港元。因二零零四年第二季買賣活動數量下降，代客戶持有現金減少25,570萬港元至96,920萬港元。流動比率為1.48倍，屬穩健水平。

至二零零四年六月三十日止，本集團的資本負債率（即借貸總額佔股東權益總額百分比）為16%。所有借貸皆為短期浮息借貸，主要用於孖展借貸業務。至二零零四年六月底止，銀行及其他借貸總額為15,320萬港元，墊款總額則為79,040萬港元。利息收入對利息開支的比率從上一參考期間的6.75倍增至本期間的10.45倍。

來自經營業務的現金流量足以應付集團經常性的營運資金需求。此外，本集團未動用銀行融資額達12.5億港元，而資本承擔則微不足道。本集團的資產及負債絕大部分以港元為單位，故外匯風險亦微不足道。除為附屬公司取得一般銀行貸款而提供擔保外，本公司別無其他重大或然負債。

資本結構

鑒於經營業績錄得盈利及於二零零四年三月進行配股，故股東資金增加14,860萬港元或18%至97,100萬港元，以每股計為1.70港元。根據二零零四年三月三日訂立之配售協議，本公司主要股東周大福代理人有限公司，以每股1.22港元之價格，向七名獨立投資者配發本公司股本中85,000,000股每股面值0.10港元之股份，並同意在未計及支出前，以相同價格向本公司認購同等數目之股份。至二零零四年六月三十日止，本公司的總發行股本為572,281,699股，每股面值0.10港元，總值5,720萬港元。

重大收購及出售附屬公司及聯營公司

期內，本集團並沒有進行重大收購或出售附屬公司及聯營公司的行動。

僱員

本集團截至二零零四年六月三十日止六個月的總員工成本為5,300萬港元（不包括支付予佣金制員工的佣金），較截至二零零三年九月三十日止六個月的4,790萬港元，上升略超過10%。員工成本增加的部分原因，是由於回顧期間內向員工發放獎金。至二零零四年六月三十日止，本集團聘有合共418名（二零零三年底：415名）常設員工，其中102名（二零零三年底：110名）為佣金制員工。

前瞻

我們已建立穩健的業務平台，必可抓緊今後出現的任何商機。香港經濟復甦跡象明顯，與中國大陸融合的步伐加快，尤以投資活動及旅遊業為甚，應有助於改善本地市場投資氣氛。我們相信，股市自二零零三年年中以來全面持續上揚，於本年第二季呈現整固，乃屬健康調整。無論如何，我們將繼續努力，時刻保持敏銳觸覺，面對證券業內的種種挑戰。

我們預期，若沒有任何不可預見的事件，而新股及二級市場今年稍後將進一步轉趨活躍，則二零零四年全年應可締造佳績。我們認為油價已經見頂，至於通脹的幅度，預測在可見將來仍會保持溫和，因此未來即使加息，亦會以循序漸進的步伐進行。在此情況下，過去數月籠罩市場的不明朗因素應會逐步消退，此外，數家大型電訊、航空、電力及銀行業國企將陸續上市，預期將進一步刺激市場交投及氣氛。

我們擁有一群忠心耿耿的員工及專業的管理層，以優良的服務，提供多元化的產品，加上我們對資訊科技及增值投資研究的高度重視，以及香港環境的種種有利變化，實令我們對本集團的未來前景充滿信心。

承董事會命

黃紹開
董事總經理

香港，二零零四年九月十四日

Condensed Consolidated Profit and Loss Account

簡明綜合損益表



		For the six months ended		
		截至以下日期止六個月		
		30 June	30 September	
		2004	2003	
		二零零四年	二零零三年	
		六月三十日	九月三十日	
		(Unaudited)	(Unaudited)	
		(未經審核)	(未經審核)	
Notes		HK\$'000	HK\$'000	
附註		千港元	千港元	
TURNOVER	營業額	3	189,576	143,911
Other revenue	其他收入		1,475	3,829
Unrealised gains/(losses) on short term investments, net	持有短期投資之未變現收益／(虧損)淨額		(5,569)	2,875
Gain on disposal of long term investments	出售長期投資收益		3,150	–
Staff costs	員工成本		(79,456)	(66,231)
Commission expenses	佣金開支		(773)	(1,521)
Exchange expenses	交易所開支		(6,384)	(7,598)
Write back of provision for doubtful debts	呆賬撥備撥回		–	682
Interest expense for securities broking and margin financing operations	經營證券經紀及孖展借貸業務之利息開支		(3,624)	(6,609)
Depreciation	折舊		(9,032)	(9,683)
Other operating expenses	其他經營開支		(43,925)	(37,245)
PROFIT FROM OPERATING ACTIVITIES	經營業務溢利	4	45,438	22,410
Share of profits/(losses) of jointly-controlled entities	應佔共同控權合資公司之溢利／(虧損)		165	(6)
PROFIT BEFORE TAX	除稅前溢利		45,603	22,404
Tax	稅項	5	(591)	(3,200)
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔日常業務純利		45,012	19,204
DIVIDEND	股息	6	22,843	9,440
EARNINGS PER SHARE	每股盈利	7		
– Basic	– 基本		8.39 cents 仙	4.05 cents 仙
– Diluted	– 攤薄		8.28 cents 仙	N/A 不適用

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

			30 June 2004 二零零四年 六月三十日 (Unaudited) (未經審核)	31 December 2003 二零零三年 十二月三十一日 (Audited) (經審核)
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Fixed assets	固定資產		32,330	37,274
Intangible assets	無形資產		5,015	5,422
Other assets	其他資產		8,384	8,110
Interests in jointly-controlled entities	於共同控權合資公司之權益		3,207	3,042
Long term investments	長期投資	8	85,636	74,636
Deferred tax assets	遞延稅項資產		7,397	7,011
			141,969	135,495
CURRENT ASSETS	流動資產			
Advances to customers	給予客戶之墊款	9	790,388	1,133,617
Accounts receivable	應收賬款	10	542,166	186,205
Other receivables	其他應收賬款		29,899	26,181
Tax recoverable	可收回稅項		19,240	19,190
Short term investments	短期投資	11	38,148	19,257
Cash held on behalf of customers	代客戶持有之現金		969,152	1,224,853
Cash and bank balances	現金及銀行結存		149,477	139,030
			2,538,470	2,748,333
CURRENT LIABILITIES	流動負債			
Accounts payable	應付賬款	12	1,466,315	1,440,839
Tax payable	應付稅項		1,264	45
Other payables and accruals	其他應付款項及應計負債		88,636	31,608
Dividends payable	應付股息		-	9,448
Loans from a related company	一間關連公司貸款		-	93,482
Interest-bearing bank and other borrowings	計息銀行貸款及其他借款		153,211	485,346
			1,709,426	2,060,768
NET CURRENT ASSETS	淨流動資產		829,044	687,565
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		971,013	823,060
NON-CURRENT LIABILITIES	非流動負債			
Deferred tax liabilities	遞延稅項負債		(3)	(608)
			971,010	822,452
CAPITAL AND RESERVES	股本及儲備			
Issued capital	已發行股本	13	57,228	47,240
Reserves	儲備		913,782	775,212
			971,010	822,452

Condensed Consolidated Statement of Changes in Equity

簡明綜合股本權益變動表



		Issued share capital	Share premium account	Capital redemption reserve	Contributed surplus	Capital reserve	Long term investment revaluation reserve	Exchange fluctuation reserve	Retained profits	Proposed dividend	Total
		已發行股本	股份溢價賬	資本贖回儲備	繳入盈餘	資本儲備	長期投資重估儲備	匯兌波動儲備	保留溢利	擬派股息	合計
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2003	於二零零三年四月一日	47,563	408,768	1,767	3,356	45,501	(49,645)	(13)	308,844	-	766,141
Repurchase and cancellation of shares	購回並已註銷股份	(286)	(2,043)	-	-	-	-	-	-	-	(2,329)
Transfer to capital redemption reserve of the nominal value of shares repurchased	轉往資本贖回儲備之購回股份之票面值	-	-	286	(286)	-	-	-	-	-	-
Movement in fair value of long term investments	長期投資之公平價值變動	-	-	-	-	-	15,071	-	-	-	15,071
Exchange realignment	匯兌調整	-	-	-	-	-	-	2	-	-	2
Net profit for the period	期內純利	-	-	-	-	-	-	-	19,204	-	19,204
Interim 2003 dividend	二零零三年中期股息	-	-	-	-	-	-	-	(9,440)	9,440	-
At 30 September 2003	於二零零三年九月三十日	47,277	406,725	2,053	3,070	45,501	(34,574)	(11)	318,608	9,440	798,089
At 1 January 2004	於二零零四年一月一日	47,240	406,368	2,130	2,993	45,501	(22,736)	(20)	329,637	11,339	822,452
Final 2003 dividend declared	已宣派二零零三年末期股息	-	-	-	-	-	-	-	-	(11,339)	(11,339)
Issue of shares	發行股份	9,988	107,726	-	-	-	-	-	-	-	117,714
Share issue expenses	發行股份費用	-	(116)	-	-	-	-	-	-	-	(116)
Movement in fair value of long term investments	長期投資之公平價值變動	-	-	-	-	-	450	-	-	-	450
Transfer to profit and loss account on disposal	出售時轉往損益賬	-	-	-	-	-	(3,150)	-	-	-	(3,150)
Exchange realignment	匯兌調整	-	-	-	-	-	-	(13)	-	-	(13)
Net profit for the period	期內純利	-	-	-	-	-	-	-	45,012	-	45,012
Interim 2004 dividend	二零零四年中期股息	-	-	-	-	-	-	-	(22,843)	22,843	-
At 30 June 2004	於二零零四年六月三十日	57,228	513,978	2,130	2,993	45,501	(25,436)	(33)	351,806	22,843	971,010

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

		For the six months ended 截至以下日期止六個月	
		30 June 2004 二零零四年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30 September 2003 二零零三年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元
NET CASH INFLOW/(OUTFLOW) FROM:	現金流入／(流出)淨額來自：		
OPERATING ACTIVITIES	經營活動	(63,295)	15,979
INVESTING ACTIVITIES	投資活動	(24,023)	(18,188)
FINANCING ACTIVITIES	融資活動	117,597	(2,328)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目之增加／(減少)	30,279	(4,537)
Cash and cash equivalents at beginning of period	期初現金及現金等值項目	119,198	45,444
Effect of foreign exchange rate changes, net	外匯匯率變動之影響，淨額	–	(16)
Cash and cash equivalents at end of period	期末現金及現金等值項目	149,477	40,891
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目 結餘分析		
Cash and bank balances	現金及銀行結存	149,477	91,487
Bank overdrafts	銀行透支	–	(50,596)
		149,477	40,891

Notes to the Condensed Financial Statements

簡明財務報表附註



1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

These unaudited interim condensed consolidated financial statements have been prepared in accordance with Statements of Standard Accounting Practice (“SSAP”) 25 “Interim Financial Reporting” and Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies and basis of presentation used in the preparation of these interim financial statements are the same as those used in the Group’s audited financial statements for the nine months ended 31 December 2003.

Hong Kong Financial Reporting Standard (“HKFRS”) 1 “First-time Adoption of Hong Kong Financial Reporting Standards” has been effective for accounting periods commencing on, or after, 1 January 2004. HKFRS prescribes the accounting treatment that an entity should apply when it adopts HKFRSs for the first time as the basis for preparing its annual and interim financial statements. The issuing of HKFRS 1 had no impact on the Group’s Condensed Interim Financial Statements.

2. CHANGE OF FINANCIAL YEAR END DATE

Effective from the year ended 31 December 2003, the Company changed its financial year end date from 31 March to 31 December, in order to coincide with the financial year end date of most local and international financial institutions, so as to facilitate the shareholders and stakeholders of the Company in evaluating the performance of the Group in comparison with those of other financial institutions. Accordingly, the current interim period covers the six months from 1 January 2004 to 30 June 2004, whereas the previous interim period represented the six months from 1 April 2003 to 30 September 2003.

1. 呈報基準與會計政策

本未經審核簡明中期綜合財務報表乃根據會計實務準則（「會計準則」）第25號「中期財務報告」及香港聯合交易所有限公司證券上市規則附錄16的規定而編製。

編製本中期財務報表所採納的會計政策與呈報基準，與本集團截至二零零三年十二月三十一日止九個月經審核財務報表所採納者相同。

香港財務報告準則（「香港財務報告準則」）第1號「首次採納香港財務報告準則」自二零零四年一月一日或該日後開始的會計期間開始生效。香港財務報告準則對一間實體首次採納香港財務報告準則作為編製年度及中期財務報表基準時應採用的會計方法，作出了規定。香港財務報告準則第1號的頒佈，對本集團的簡明中期財務報表並無影響。

2. 更改財政年度年結日

由二零零三年十二月三十一日起，本公司將其財政年度年結日由三月三十一日改為十二月三十一日，以配合大部分本地及國際金融機構之財政年度年結日，藉以方便本公司股東及權益持有人透過比較其他金融機構之表現而評估本集團之表現。因此，現行的中期涵蓋二零零四年一月一日至二零零四年六月三十日六個月期間，而上一個中期則涵蓋二零零三年四月一日至二零零三年九月三十日六個月期間。

3. SEGMENT INFORMATION

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the services they provide. Each of the Group's business segments represents a strategic business unit that offers services which are subject to risks and returns that are different from those of other business segments. Summary details of the business segments are as follows:

- (a) the broking segment engages in securities, futures, options and gold bullion contracts broking and dealing;
- (b) the margin financing and money lending segment engages in the provision of margin financing to margin customers, and personal loans and commercial loans to individuals and corporate customers, respectively;
- (c) the corporate advisory, placing and underwriting segment engages in the provision of corporate advisory, placing and underwriting services;
- (d) the trading and investment segment engages in investment holding and proprietary trading of securities, futures, options and gold bullion contracts and leveraged foreign exchange; and
- (e) the other segment comprises fund management, the provision of custodian and handling services, and the sale of savings plans.

In determining the Group's geographical segments, revenues and results are attributed to the segments based on the location of the customers.

Intersegment transactions are conducted with reference to the prices charged to third parties.

3. 分部資料

本集團之經營業務乃根據其營運性質及所提供之服務分開構造及管理。本集團旗下各業務分部均為一個提供服務之策略性業務單位，且其服務所承受之風險及回報有別於其他業務分部。有關業務分部之詳情概述如下：

- (a) 經紀業務，乃從事證券、期貨、期權及黃金合約之經紀及買賣服務；
- (b) 孖展借貸及貸款業務，乃分別從事孖展借貸予孖展客戶及私人及商業借貸予個人及公司客戶；
- (c) 企業諮詢、配售及包銷業務，乃從事有關企業諮詢、配售及包銷服務；
- (d) 買賣及投資業務，乃從事投資控股以及證券、期貨、期權、黃金合約及槓桿外匯之自營買賣；及
- (e) 其他業務，包括基金管理、代理人及保管服務以及儲蓄計劃銷售業務。

在釐定本集團之地區分部時，收入及業績乃按客戶所在地分配於各分部中。

各分部間之交易乃參照向第三者收取之價格而進行。

3. SEGMENT INFORMATION (continued)

3. 分部資料 (續)

(a) Business segments

(a) 業務分部

The following table presents revenue and profit/(loss) for the Group's business segments.

下表載列本集團業務分部之收入及溢利/(虧損)。

	Corporate													
	Broking 經紀業務		Margin financing and money lending 孖展借貸及貸款		advisory, placing and underwriting 企業諮詢、配售及包銷		Trading and investment 買賣及投資		Others 其他		Eliminations 撇銷		Consolidated 綜合	
	Six months ended 截至以下日期止六個月		Six months ended 截至以下日期止六個月		Six months ended 截至以下日期止六個月		Six months ended 截至以下日期止六個月		Six months ended 截至以下日期止六個月		Six months ended 截至以下日期止六個月		Six months ended 截至以下日期止六個月	
	30	30	30	30	30	30	30	30	30	30	30	30	30	30
	June	September	June	September	June	September	June	September	June	September	June	September	June	September
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年
	六月三十日	九月三十日	六月三十日	九月三十日	六月三十日	九月三十日	六月三十日	九月三十日	六月三十日	九月三十日	六月三十日	九月三十日	六月三十日	九月三十日
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Segment revenue:	分部收入:													
Sales to external customers	121,248	84,465	37,149	41,531	20,492	13,094	4,771	2,554	5,916	2,267	-	-	189,576	143,911
Intersegment sales	354	654	2,618	-	-	-	-	-	-	189	(2,972)	(843)	-	-
Total	121,602	85,119	39,767	41,531	20,492	13,094	4,771	2,554	5,916	2,456	(2,972)	(843)	189,576	143,911
Segment results	23,834	3,405	18,725	20,521	7,023	1,939	1,999	4,633	557	(823)	-	-	52,138	29,675
Unallocated expenses													(6,700)	(7,265)
Profit from operating activities													45,438	22,410
Share of profit/(loss) of jointly-controlled entities													165	(6)
Profit before tax													45,603	22,404
Tax													(591)	(3,200)
Net profit from ordinary activities attributable to shareholders													45,012	19,204

3. SEGMENT INFORMATION (continued)

(b) Geographical segment

No geographical analysis is presented as over 90% of the Group's revenue and results are derived from activities in Hong Kong.

4. PROFIT FROM OPERATING ACTIVITIES

The Group's profit from operating activities is arrived at after charging/(crediting):

3. 分部資料 (續)

(b) 地區分部

由於本集團逾90%之收入及業績皆源於香港業務，故並無呈列地區分析。

4. 經營業務溢利

本集團之經營業務溢利乃扣減／(計入)下列各項後得出：

		For the six months ended	
		截至以下日期止六個月	
		30 June	30 September
		2004	2003
		二零零四年	二零零三年
		六月三十日	九月三十日
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Depreciation	折舊	9,032	9,683
Amortisation of intangible assets	無形資產之攤銷	406	406
Staff costs (including directors' remuneration):	員工成本(包括董事酬金):		
Wages and salaries	工資及薪金	47,228	46,386
Commission	佣金	26,493	18,298
Bonuses	花紅	3,155	—
Net pension scheme contributions	退休金計劃供款淨額	2,580	1,547
		79,456	66,231
Profit on trading of securities	買賣證券之溢利	(1,648)	(1,260)
Loss/(profit) on trading of futures contracts	買賣期貨合約之虧損／(溢利)	602	(391)
Write back of provision for doubtful debts	呆賬撥備撥回	—	(682)
Interest expense for securities broking and margin financing operations:	經營證券經紀及孖展借貸業務之利息開支:		
On bank loans and overdrafts	銀行貸款及透支	3,266	5,370
On other loans	其他貸款	358	1,239

5. TAX

Hong Kong profits tax for the period has been provided at the rate of 17.5% on the estimated assessable profits arising in Hong Kong during the period. No provision for Hong Kong profits tax had been made for the six months ended 30 September 2003 as the Group had no assessable profits for that period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

5. 稅項

期內香港利得稅乃就期內在香港所產生之估計應課稅溢利按稅率17.5%撥備。由於本集團於截至二零零三年九月三十日止六個月並無錄得應課稅溢利，因此並未就該期間為香港利得稅作出撥備。在其他地區之應課稅溢利乃根據本集團經營業務之國家之現行法例、詮釋及慣例，按當地之現行稅率計算。

		For the six months ended	
		截至以下日期止六個月	
		30 June	30 September
		2004	2003
		二零零四年	二零零三年
		六月三十日	九月三十日
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Group:	本集團:		
Current – Hong Kong	本期 – 香港		
Charges for the period	期內稅項	1,279	–
Underprovision in prior years	過往年度撥備不足	–	726
Current – Mainland China	本期 – 中國大陸	20	27
Deferred	遞延	(708)	2,447
Total tax charge for the period	期內總稅項支出	591	3,200

6. DIVIDEND

The directors declared an interim dividend of HK4 cents (six months ended 30 September 2003: HK2 cents) per ordinary share for the six months ended 30 June 2004, to shareholders whose names appear on the register of members of the Company on Friday, 15 October 2004. The interim dividend will be paid on Thursday, 21 October 2004.

7. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the unaudited net profit attributable to shareholders for the period of HK\$45,012,000 (six months ended 30 September 2003: HK\$19,204,000), and the weighted average of 536,250,106 (six months ended 30 September 2003: 474,139,120) ordinary shares in issue during the period.

The calculation of diluted earnings per share for the period ended 30 June 2004 is based on the unaudited net profit attributable to shareholders for the period of HK\$45,012,000. The weighted average number of ordinary shares used in the calculation is the 536,250,106 ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average of 7,175,736 ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options during the period.

The diluted earnings per share for the period ended 30 September 2003 is not presented as there were no dilutive effects on the basic earnings per share. The outstanding share options of the Company would not result in the issue of ordinary shares for less than the fair value, as their exercise price was above the average market price of the Company's shares during that period.

6. 股息

董事會宣佈就截至二零零四年六月三十日止六個月期間，向於二零零四年十月十五日（星期五）名列本公司股東名冊之股東，派付中期股息每股普通股4港仙（截至二零零三年九月三十日止六個月：2港仙）。中期股息將於二零零四年十月二十一日（星期四）派付。

7. 每股盈利

每股基本盈利乃根據期內未經審核股東應佔純利45,012,000港元（截至二零零三年九月三十日止六個月：19,204,000港元）以及期內已發行普通股之加權平均數536,250,106股（截至二零零三年九月三十日止六個月：474,139,120股）計算。

截至二零零四年六月三十日止期間的每股攤薄盈利，乃根據期內未經審核股東應佔純利45,012,000港元計算。計算時所採納的普通股加權平均數為536,250,106股（與計算每股基本盈利所採納者相同）及假設普通股加權平均數7,175,736股已於期內因全部購股權被視為已行使而無代價予以發行。

鑒於截至二零零三年九月三十日止期間的每股基本盈利並無攤薄影響，故該期間並無呈列每股攤薄盈利數據。本公司之尚未行使購股權將不會導致本公司以低於公平值發行普通股，原因是彼等之行使價高於該期內本公司股份之平均市價。

8. LONG TERM INVESTMENTS

8. 長期投資

		30 June 2004 二零零四年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2003 二零零三年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Listed equity investments in Hong Kong, at market value	香港之上市股份投資, 按市值	49,508	53,656
Unlisted investments at fair value:	非上市股份投資, 按公平值:		
Hong Kong	香港	31,878	17,355
Mainland China (Note)	中國大陸 (附註)	4,250	3,625
		85,636	74,636

Note: The balance represented the promoter foreign shares of Changmao Biochemical Engineering Company Limited, a company listed on the Growth Enterprise Market Board of the Stock Exchange. Subject to certain restrictions on transfer and upon obtaining the requisite approvals from, among other bodies, the China Securities Regulatory Commission and The Stock Exchange of Hong Kong Limited, the promoter foreign shares may be convertible into listed H shares and shall thereafter carry the same rights and obligations of those listed H shares. The promoter foreign shares are not permitted to be sold within a period of three years from 18 June 2001.

附註: 該筆餘額代表常茂生物化學工程股份有限公司(一間於聯交所創業板上市的公司)之發起人外資股。在遵守若干轉讓股份限制及取得(其中包括)中國證券監督管理委員會及聯交所的指定批准後,發起人股份可轉換成上市H股,轉換後與上市H股享有同等權利及責任。由二零零一年六月十八日起計三年內,發起人外資股不得出售。

The investments of the Group are issued by corporate entities.

本集團之投資是由公司發行。

At the balance sheet date, certain of the listed investment were pledged to banks to secure certain bank facilities granted to the Group.

於結算日,部份上市股份投資已抵押予銀行,以取得授予本集團之若干銀行信貸。

9. ADVANCES TO CUSTOMERS

9. 給予客戶之墊款

		30 June 2004 二零零四年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2003 二零零三年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Loans to margin clients	孖展客戶之貸款	813,105	1,053,049
Loans receivable	應收貸款	20,745	120,745
Accrued interest	應計利息	4,777	8,062
		838,627	1,181,856
Less: Provision for bad and doubtful debts	減：呆壞賬撥備	(48,239)	(48,239)
		790,388	1,133,617

Loans to margin clients are secured by the underlying pledged securities, bear interest at commercial interest rates and are repayable on demand. No aged analysis is disclosed as, in the opinion of the directors, an aged analysis is not meaningful in view of the nature of the business of securities margin financing.

給予孖展客戶之貸款由相關已抵押證券作抵押，須於要求時償還並按商業利率計息。由於董事認為賬齡分析對證券孖展借貸之業務性質並無意義，故並無披露賬齡分析。

The amount of credit facilities granted to margin clients is determined by the discounted market value of the collateral securities accepted by the Group. As at 30 June 2004, the total market value of securities pledged as collateral in respect of the loans to margin clients was HK\$2,898 million (31 December 2003: HK\$5,176 million).

授予孖展客戶之融資額度，乃根據本集團接納之抵押品之折讓市值而釐定。於二零零四年六月三十日，有關孖展客戶貸款之證券抵押之總市值為2,898,000,000港元（二零零三年十二月三十一日：5,176,000,000港元）。

The current period's loan receivable balance (31 December 2003: HK\$20,745,000) is secured by a 20% unlisted equity investment in a private enterprise established in the People's Republic of China, bears interest at 2.25% per annum, and repayable on demand. The remaining balance outstanding as at the prior year end was secured by listed securities, bore interest at commercial interest rate and had been settled during the period.

本期間應收貸款結餘（二零零三年十二月三十一日：20,745,000港元）以一項於一家中華人民共和國私人企業的20%非上市股權投資作為抵押，年利率率2.25%，須於要求時償還。於前年度年結時尚未清還的貸款餘額，以上市證券抵押，按商業利率計息，有關餘額已於期內償還。

10. ACCOUNTS RECEIVABLE

10. 應收賬款

		30 June 2004 二零零四年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2003 二零零三年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Accounts receivable arising from the ordinary course of business of dealing in:	在日常業務過程中買賣以下各項所產生之應收賬款：		
Securities and equity options transactions:	證券及股票期權交易：		
Clearing houses, brokers and dealers	結算所、經紀及交易商	47,518	20,557
Cash clients	現金客戶	346,695	73,998
Futures and options contracts transactions:	期貨及期權合約交易：		
Clearing house, brokers and dealers	結算所、經紀及交易商	140,065	85,272
Gold bullion contracts transactions:	黃金合約交易：		
Brokers	經紀	617	1,233
Accounts receivable arising from the ordinary course of business of the provision of corporate advisory, placing and underwriting services	在日常業務過程中提供企業諮詢、配售及包銷服務所產生之應收賬款	7,271	5,145
		542,166	186,205

The settlement terms of accounts receivable arising from the ordinary course of business of dealing in securities and equity options transactions are two days after the trade date, and those of accounts receivable arising from the ordinary course of business of dealing in futures, options and gold bullion contracts transactions are one day after the trade date. The above balances are all aged within 30 days.

在日常業務過程中證券之買賣及股票期權交易所產生之應收賬款，結算期限為交易日後兩天，而在日常業務過程中之期貨、期權及黃金合約交易所產生之應收賬款，結算期限則為交易日後一天。以上結餘之賬齡均為30天內。

10. ACCOUNTS RECEIVABLE (continued)

An aged analysis of accounts receivable arising from the ordinary course of business of the provision of corporate advisory, placing and underwriting services is as follows:

Within 3 months	三個月內
Between 4 and 6 months	四至六個月
Between 7 and 12 months	七至十二個月
Over 1 year	超過一年

The Group allows a credit period according to relevant business practice. Credit limits are set for customers. The Group seeks to maintain tight control over its outstanding receivables in order to minimise credit risk. Overdue balances are regularly reviewed by management.

11. SHORT TERM INVESTMENTS

Listed equity investments, at market value:	上市股份投資，按市值：
Hong Kong	香港
Elsewhere	其他地區

10. 應收賬款 (續)

在日常業務過程中提供企業諮詢、配售及包銷服務所產生之應收賬款賬齡分析如下：

30 June 2004 二零零四年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2003 二零零三年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
4,689	3,463
585	510
879	981
1,118	191
7,271	5,145

本集團根據商業慣例給予客戶信貸期。客戶均設有信貸限額。本集團對未償還應收賬款維持嚴謹的控制以減低信貸風險。管理層會定期檢討過期款項。

11. 短期投資

30 June 2004 二零零四年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2003 二零零三年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
37,774	18,925
374	332
38,148	19,257

12. ACCOUNTS PAYABLE

12. 應付賬款

		30 June 2004 二零零四年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2003 二零零三年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Accounts payable arising from the ordinary course of business of dealing in:	在日常業務過程中買賣以下各項所產生之應付賬款:		
Securities and equity options transactions:	證券及股票期權交易:		
Clearing houses, brokers and dealers	結算所、經紀及交易商	269,502	45,144
Cash clients	現金客戶	617,384	750,889
Margin clients	孖展客戶	354,186	461,052
Futures and options contract transactions:	期貨及期權合約交易:		
Clients	客戶	217,673	176,607
Gold bullion contract transactions:	黃金合約交易:		
Clients	客戶	7,570	7,147
		1,466,315	1,440,839

The settlement terms of accounts payable arising from the ordinary course of business of dealing in securities and equity options transactions in respect of clearing houses, brokers and dealers and cash clients are two days after the trade date.

就結算所、經紀及交易商及現金客戶在日常業務過程中之證券買賣及股票期權交易所產生之應付賬款，結算期限為交易日後兩天。

Included in accounts payable to cash clients arising from the ordinary course of business of dealing in securities and equity options transactions is an amount of approximately HK\$611,633,000 (31 December 2003: HK\$715,031,000) representing these clients' undrawn monies/excess deposits placed with the Group. The balances are repayable on demand. No aged analysis is disclosed as, in the opinion of the directors, an aged analysis is not meaningful in view of the nature of the business of dealing in securities and equity options.

在日常業務之證券買賣及股票期權交易所產生應付現金客戶之賬款，包括約為611,633,000港元（二零零三年十二月三十一日：715,031,000港元）之存置於本集團之該等客戶之未動用款項／超額按金。結餘須於要求時償還。由於董事認為賬齡分析對買賣證券及股票期權之業務性質並無意義，故並無披露賬齡分析。

12. ACCOUNTS PAYABLE (continued)

Accounts payable to margin clients arising from the ordinary course of business of dealing in securities and equity options transactions are repayable on demand. No aged analysis is disclosed as, in the opinion of the directors, an aged analysis is not meaningful in view of the nature of the business of dealing in securities and equity options.

Accounts payable to clients arising from the ordinary course of business of dealing in futures, options and gold bullion contracts transactions are margin deposits received from clients for their trading of futures, options and gold bullion contracts, respectively. The excesses of the outstanding amounts over the required margin deposit stipulated are repayable to clients on demand. No aged analysis is disclosed as, in the opinion of the directors, an aged analysis is not meaningful in view of the nature of the business of dealing in futures, options and gold bullion contracts.

13. SHARE CAPITAL

Authorised:
 1,000,000,000 ordinary shares of
 HK\$0.10 each

Issued and fully paid:
 572,281,699 (31 December 2003:
 472,401,699) ordinary shares of
 HK\$0.10 each

法定股本：
 每股面值0.10港元之普通股
 1,000,000,000股

已發行及繳足股本：
 每股面值0.10港元之普通股
 572,281,699股（二零零三年十二月
 三十一日：472,401,699股）

12. 應付賬款 (續)

在日常業務過程中之證券買賣及股票期權交易所產生應付孖展客戶之賬款須於要求時償還。由於董事認為賬齡分析對買賣證券及股票期權之業務性質並無意義，故並無披露賬齡分析。

在日常業務過程中之期貨、期權及黃金合約交易買賣所產生應付客戶之賬款分別為就客戶買賣期貨及期權及黃金合約收取客戶之孖展按金。超出規定孖展按金多出之金額可因應要求發還客戶。由於董事認為賬齡分析對買賣期貨及期權合約之業務性質並無意義，故並無披露賬齡分析。

13. 股本

	30 June 2004 二零零四年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2003 二零零三年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
	100,000	100,000
	57,228	47,240

13. SHARE CAPITAL (continued)

During the period, the movements in share capital were as follows:

- (a) The subscription rights attaching to 14,880,000 share options were exercised at the subscription prices ranging from HK\$0.93 per share to HK\$1.20 per share, resulting in the issue of 14,880,000 shares of HK\$0.10 each for a total consideration, before expenses, of HK\$14,013,900.
- (b) Pursuant to a placing agreement dated 3 March 2004, Chow Tai Fook Nominee Limited, a substantial shareholder of the Company, placed 85,000,000 shares of HK\$0.10 each in the share capital of the Company to seven independent investors at a price of HK\$1.22 per share, and agreed to subscribe from the Company for the same number of shares at the same price before taking into account the costs and expenses of the placing and interest received on the placing proceeds. The net proceeds of the subscription, amounting to approximately HK\$103.4 million, was used to finance the capital requirements of the Group in its ordinary course of business, including but not limited to, for initial public offering margin financing and other business expansion purposes.

A summary of the transactions during the period with reference to the above movements in the Company's issued share capital is as follows:

13. 股本 (續)

期內，股本變動如下：

- (a) 共14,880,000股購股權附帶的認購權，以介乎每股0.93港元至1.20港元之認購價獲行使，因而發行14,880,000股每股面值0.10港元的股份，未扣除開支的總代價為14,013,900港元。
- (b) 根據二零零四年三月三日訂立之配售協議，本公司主要股東周大福代理人有限公司，以每股1.22港元之價格，向七名獨立投資者配發本公司股本中85,000,000股每股面值0.1港元之股份，並同意在未計及配售之成本及支出及從配售所得款項收取利息前，以相同價格向本公司認購同等數目之股份。認購事項之所得款項淨額約達103,400,000港元，用於本集團日常業務營運所需資金，包括但不限於首次公開發售保證金融資及其他業務擴充用途。

期內就上述有關本公司已發行股本之變動而進行之交易概述如下：

		Number of shares in issue 已發行股份數目	Issued share capital 已發行股本 HK\$'000 千港元
As at 1 January 2004	於二零零四年一月一日	472,401,699	47,240
Share options exercised (a)	已行使購股權(a)	14,880,000	1,488
New issues (b)	發行新股(b)	85,000,000	8,500
As at 30 June 2004	於二零零四年六月三十日	572,281,699	57,228

14. CONTINGENT LIABILITIES

At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

- (i) The Company has provided corporate guarantees to the extent of HK\$1,940 million (31 December 2003: HK\$1,995 million) to secure the general bank facilities granted to subsidiaries. As at 30 June 2004, the amounts drawn against the bank facilities amounted to HK\$50 million (31 December 2003: HK\$370.8 million);
- (ii) Corporate guarantees to the extent of US\$4 million (31 December 2003: US\$4 million) have been provided by the Company in respect of gold trading facilities granted to a subsidiary;
- (iii) Corporate guarantees to the extent of US\$7.3 million (31 December 2003: US\$4.5 million) have been provided by the Company in respect of leverage foreign exchange trading facilities granted to a subsidiary;
- (iv) The Company has provided a corporate guarantee to the extent of HK\$1,812,000 (31 December 2003: HK\$3,986,000) in favour of the lessor in respect of an operating lease arrangement for the leasing of computer equipment by a subsidiary; and
- (v) The Group has a contingent liability in respect of possible future long service payments to employees under the Hong Kong Employment Ordinance, with a maximum possible amount of HK\$2,330,000 as at 30 June 2004 (31 December 2003: HK\$2,585,000).

14. 或然負債

於結算日，財務報表中未撥備之或然負債如下：

- (i) 本公司就附屬公司取得銀行信貸而提供之公司擔保款額為1,940,000,000港元（二零零三年十二月三十一日：1,995,000,000港元）。於二零零四年六月三十日該等信貸支取之金額為50,000,000港元（二零零三年十二月三十一日：370,800,000港元）；
- (ii) 本公司就授予一間附屬公司有關黃金貿易信貸而提供之公司擔保款額為4,000,000美元（二零零三年十二月三十一日：4,000,000美元）；
- (iii) 本公司就授予一間附屬公司有關槓桿外匯買賣而提供之公司擔保款額為7,300,000美元（二零零三年十二月三十一日：4,500,000美元）；
- (iv) 本公司為一間附屬公司對於經營租賃安排中承租電腦設備而向其出租人提供之公司擔保款額為1,812,000港元（二零零三年十二月三十一日：3,986,000港元）；及
- (v) 本集團未來可能須遵照香港《僱傭條例》向僱員支付長期服務金，因此承擔或然負債，於二零零四年六月三十日可能須支付之最高金額為2,330,000港元（二零零三年十二月三十一日：2,585,000港元）。

15. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office properties and computer equipment under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to five years, and those for computer equipment for terms ranging from two to five years.

At 30 June 2004, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)

15. 經營租賃安排

本集團以經營租賃方式租賃寫字樓物業和電腦設備。寫字樓物業租賃期由一年至五年，而電腦設備租賃期則為兩至五年。

於二零零四年六月三十日，本集團透過不可撤銷之經營租賃在下述期限內屆滿未來需支付之最低租金如下：

	30 June 2004 二零零四年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2003 二零零三年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
	12,013	17,586
	5,943	1,989
	17,956	19,575

16. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these interim condensed consolidated financial statements, the Group had the following material transactions with related parties during the period:

16. 關連人士交易

除已於本中期簡明綜合財務報表之其他部份內已披露有關之交易及金額外，本集團於期內其他重要關連人士之交易詳情概述如下：

16. RELATED PARTY TRANSACTIONS (continued)

- (a) During the period, the Company leased from New World Tower Company Limited, a company controlled by Chow Tai Fook Enterprises Limited (“CTF”), which is itself a company controlled by the family of Mr. Cheng Kar Shun, certain office premises at New World Tower, 16-18 Queen’s Road Central, Hong Kong, at a monthly rental, including rates, management and air-conditioning fees, of approximately HK\$1,057,000 (2003: HK\$1,042,000) for various terms between one to three years. The Group paid total rental of HK\$6,344,000 (2003: HK\$6,250,000) for the period. The rentals paid were calculated by reference to open market rentals as confirmed to the Group by an independent professional valuer.
- (b) During the period, the Group’s financial services transactions with related parties amounted to HK\$2,522,000 (2003: HK\$1,190,000).

16. 關連人士交易 (續)

- (a) 期內，本公司向新世界大廈有限公司租用香港皇后大道中16-18號新世界大廈若干辦公室單位，每月租金（包括差餉、管理費及冷氣費）約為1,057,000港元（二零零三年：1,042,000港元），租約年期由一至三年不等，本集團在期內支付之租金總額為6,344,000港元（二零零三年：6,250,000港元）。新世界大廈有限公司乃一間由周大福企業有限公司（「周大福」）控制之公司，而周大福則為一間由鄭家純先生家族控制之公司。所支付之租金乃參考經獨立專業估價師向本集團確認之公開市值租金計算。
- (b) 期內，本集團與關連人士的金融服務交易金額為2,522,000港元（二零零三年：1,190,000港元）。

Independent Review Report



To the Board of Directors
Tai Fook Securities Group Limited
(Incorporated in Bermuda with limited liability)

We have been instructed by the Company to review the interim financial report set out on pages 13 to 32.

Respective responsibilities of directors and auditors

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with Statement of Standard Accounting Practice 25 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants and the relevant provisions thereof. The interim financial report is the responsibility of, and has been approved by, the directors. It is our responsibility to form an independent conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Review work performed

We conducted our review in accordance with Statement of Auditing Standards 700 “Engagements to review interim financial reports” issued by the Hong Kong Institute of Certified Public Accountants. A review consists principally of making enquiries of management and applying analytical procedures to the interim financial report and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the interim financial report.

Review conclusion

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 30 June 2004.

Ernst & Young
Certified Public Accountants

Hong Kong, 14 September 2004

獨立審閱報告書



致 大福證券集團有限公司
(於百慕達註冊成立之有限公司)
董事會

我們受 貴公司委托審閱第13頁至32頁所載的中期財務報告。

董事及核數師各自的責任

香港聯合交易所有限公司證券上市規則規定，中期財務報告須按照香港會計師公會頒佈的會計實務準則第25號「中期財務報告」及其有關規定而編製。編製中期財務報告是董事的責任，並已由他們核准。我們的責任是根據我們審閱工作的結果，對中期財務報告提出獨立結論，並按照我們雙方所協定的應聘條款，只向作為法人團體的董事會報告，除此以外不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

審閱工作

我們是按照香港會計師公會頒佈的核數準則第700號「審閱中期財務報告的委聘」而進行審閱。審閱範圍主要包括對管理層作出查詢及對中期財務報告進行分析，據此評估除已另作披露者外，所採用的會計政策及呈列方式是否一致及貫徹地運用。審閱工作並不包括核數程序（如測試內部監控系統和核實資產、負債及交易）。由於審閱的工作範圍遠較核數為小，因此，所給予的保證程度也較核數為低。因此，我們不會對中期財務報告發表核數意見。

審閱結論

根據我們審閱而非核數的結果，我們並未發現截至二零零四年六月三十日止六個月的中期財務報告有任何應作出重大修改之處。

安永會計師事務所
執業會計師

香港，二零零四年九月十四日

Additional Information

其他資料



CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 11 October 2004 to Friday, 15 October 2004, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrars and Transfer Office in Hong Kong, Computershare Hong Kong Investor Services Limited, at shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration, not later than 4:00 p.m. on Friday, 8 October 2004.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 30 June 2004, the interests and short positions of the directors in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

(a) The Company

Name of directors 董事姓名	Number of shares held 所持股份數目			Number of underlying shares held under equity derivatives 根據股本衍生工具所持有的相關股份數目	Total 總數	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
	Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益			
Lo Lin Shing, Simon 魯連城	1,000,000 (Note 1) (附註1)	—	70,616,222 (Note 2) (附註2)	4,500,000 (Note 3) (附註3)	76,116,222	13.30
Wong Shiu Hoi, Peter 黃紹開	12,000,000 (Note 1) (附註1)	—	—	3,000,000 (Note 3) (附註3)	15,000,000	2.62
Lee Yiu Wing, William 李耀榮	—	—	—	1,000,000 (Note 3) (附註3)	1,000,000	0.17
Chan Chi On, Derek 陳志安	418,000 (Note 1) (附註1)	—	—	2,500,000 (Note 3) (附註3)	2,918,000	0.51
Luo Gang 羅剛	—	—	—	1,000,000 (Note 3) (附註3)	1,000,000	0.17
Wong Kwok Kin, Andrew 黃國堅	—	390,000 (Note 4) (附註4)	—	—	390,000	0.07
Chan Wing Luk 陳永陸	2,000,000 (Note 1) (附註1)	—	—	—	2,000,000	0.35

暫停辦理股東登記手續

本公司將於二零零四年十月十一日(星期一)至二零零四年十月十五日(星期五)(包括首尾兩日)暫停辦理股東登記,期間將不辦理股份過戶手續。為確保享有領取中期股息之資格,所有過戶表格連同有關之股票,必須於二零零四年十月八日(星期五)下午四時前交回本公司於香港之股份過戶登記分處香港中央證券登記有限公司,地址為香港皇后大道東183號合和中心17樓1712-1716室,辦理手續。

董事於股份、相關股份及債券之權益及淡倉

於二零零四年六月三十日,按本公司根據證券及期貨條例(「證券及期貨條例」)第352條規定須予存置之登記冊所載,或根據上市公司董事進行證券交易之標準守則(「標準守則」)須另向本公司及香港聯合交易所有限公司(「聯交所」)作出之呈報顯示,董事於本公司及其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有之權益及淡倉如下:

(a) 本公司

**DIRECTORS' INTERESTS AND SHORT POSITIONS
IN SHARES, UNDERLYING SHARES AND
DEBENTURES** (continued)

董事於股份、相關股份及債券之權益及
淡倉 (續)

(b) The associated corporation

(b) 相聯法團

Name of director	Name of associated corporation	Class of shares	Number of shares held (Corporate interests)	Number of underlying shares held under equity derivatives 根據股本衍生工具所持有的相關股份數目	Total	Percentage of the associated corporation's issued share capital 佔相聯法團已發行股本之百分比
董事姓名	相聯法團名稱	股份類別	所持股份數目 (公司權益)	股份數目	總數	百分比
Lo Lin Shing, Simon 魯連城	Tai Fook Finance Company Limited (Note 5) 大福財務有限公司 (附註5)	Non-voting deferred shares 無投票權遞延股份	47,670,000 (Note 2) (附註2)	–	47,670,000	47.34

Notes:

附註:

- (1) These shares are held by the relevant director as beneficial owner. (1) 該等股份乃由有關董事以實益擁有人身份所持有。
- (2) These shares are held by Wellington Equities Inc., a company beneficially wholly-owned by Mr. Lo Lin Shing, Simon. (2) 該等股份乃由魯連城先生實益全資擁有之公司 Wellington Equities Inc. 所持有。
- (3) This represents interests in the share options held by the relevant director as beneficial owner for subscribing the relevant underlying shares in respect of the share options granted by the Company under the 1996 Share Option Scheme, details of which are set out in the section headed "Share option scheme" below. (3) 此代表有關董事以實益擁有人身份所持有本公司根據一九九六年購股權計劃授予以認購有關相關股份之購股權之權益，有關詳情載於下文「購股權計劃」一節。
- (4) These shares are held by Mrs. Wong Li Chak Wing, Winnie, the spouse of Mr. Wong Kwok Kin, Andrew. (4) 該等股份乃由黃國堅先生之配偶黃李澤永女士所持有。
- (5) Tai Fook Finance Company Limited is an indirect wholly-owned subsidiary of the Company. (5) 大福財務有限公司為本公司之間接全資附屬公司。

**DIRECTORS' INTERESTS AND SHORT POSITIONS
IN SHARES, UNDERLYING SHARES AND
DEBENTURES (continued)**

(b) The associated corporation (continued)

All the interests disclosed above represent long positions in the shares and underlying shares of the Company and its associated corporation.

In addition to the above, a director has a non-beneficial personal equity interest in a subsidiary held for the benefit of the Group solely for the purpose of complying with the minimum company membership requirements.

Save as disclosed above, none of the directors or their associates had registered any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

**DIRECTORS' RIGHTS TO ACQUIRE SHARES OR
DEBENTURES**

Save as disclosed under the sections headed "Directors' interests and short positions in shares, underlying shares and debentures" above and "Share option scheme" below, at no time during the six months ended 30 June 2004 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

**董事於股份、相關股份及債券之權益及
淡倉 (續)**

(b) 相聯法團 (續)

以上所披露之所有權益均為本公司及其相聯法團之股份及相關股份之好倉。

除上述者外，一名董事代本集團持有一間附屬公司之權益，並非個人實益擁有，乃為符合最少公司成員之要求而持有。

除上文所披露者外，按本公司根據證券及期貨條例第352條規定須予存置之登記冊所載，或根據標準守則須另向本公司及聯交所作出之呈報顯示，董事或彼等各自之聯繫人士概無在本公司及其任何相聯法團（按證券及期貨條例第XV部的涵義）之股份、相關股份或債券中擁有任何其他權益或淡倉。

董事購買股份或債券之權利

除於上文「董事於股份、相關股份及債券之權益及淡倉」項下所披露者外，及除於下文「購股權計劃」一節披露外，於截至二零零四年六月三十日止六個月期內任何時間，概無任何董事或彼等各自之配偶或18歲以下之子女，獲授可藉購買本公司之股份或債券而獲得利益之權利；而彼等亦無行使任何該等權利；本公司或其任何附屬公司亦無訂立任何安排，致使董事可於任何其他法人團體中獲得該等權利。

SHARE OPTION SCHEME

On 23 August 2002, the shareholders of the Company approved (i) the adoption of a new share option scheme (the “2002 Share Option Scheme”) which complies with the new requirements of the Listing Rules; and (ii) the termination of the share option scheme adopted by the Company at its special general meeting on 17 July 1996 and amended by resolution of the directors on 30 July 1996 (the “1996 Share Option Scheme”), to the effect that no further share options shall be granted under the 1996 Share Option Scheme. The 2002 Share Option Scheme was adopted for the purpose of attracting, retaining and motivating talented employees and executive directors of the Company and its subsidiaries to strive towards long term performance targets set by the Company and its subsidiaries and at the same time allowing the participants to enjoy the results of the Company attained through their effort and contribution.

1996 Share Option Scheme

At 30 June 2004, options to subscribe for a total of 19,370,000 shares were still outstanding under the 1996 Share Option Scheme.

購股權計劃

於二零零二年八月二十三日，本公司股東批准(i)採納符合上市規則新規定之新購股權計劃（「二零零二年購股權計劃」）及(ii)終止本公司於一九九六年七月十七日股東特別大會採納並經一九九六年七月三十日董事決定決議案修訂之購股權計劃（「一九九六年購股權計劃」），據此，概無任何進一步之購股權根據一九九六年購股權計劃而授出。本公司採納二零零二年購股權計劃，旨在吸引、挽留及鼓勵本公司及其附屬公司能幹之員工及執行董事，以達成本公司及其附屬公司制定的長遠表現目標，同時讓參與者共同分享他們為本公司業務付出的貢獻帶來之成果。

一九九六年購股權計劃

於二零零四年六月三十日，尚有共19,370,000股根據一九九六年購股權計劃授出並可認購之購股權未獲行使。

SHARE OPTION SCHEME (continued)
購股權計劃 (續)
1996 Share Option Scheme (continued)
一九九六年購股權計劃 (續)

Movements of the share options under the 1996 Share Option Scheme during the period are listed below: 一九九六年購股權計劃下之購股權於期內之變動如下:

Name or category of participants 參與者之姓名	Number of share options 購股權數目					Date of grant of share options* 授出購股權日期*	Exercise period of share options 購股權行使期間	Price of Company's shares*** 本公司股價***		
	At 1 January 2004 於二零零四年一月一日	Granted during the period 於期內授出	Exercised during the period 於期內行使	Lapsed during the period 於期內註銷	At 30 June 2004 於二零零四年六月三十日			Exercise price of share options** 購股權行使價** HK\$ 港元	At immediately preceding the grant date of share options 緊接授出購股權日期前 HK\$ 港元	At immediately preceding the exercise date of share options 緊接行使購股權日期前 HK\$ 港元
Directors 董事										
Lo Lin Shing, Simon 魯連城	4,500,000	-	-	-	4,500,000	15 May 2001 二零零一年五月十五日	16 November 2001 - 16 November 2004 二零零一年十一月十六日 至二零零四年十一月十六日	0.93	1.12	N/A 不適用
Wong Shiu Hoi, Peter 黃紹開	4,500,000	-	(1,500,000)	-	3,000,000	15 May 2001 二零零一年五月十五日	16 November 2001 - 16 November 2004 二零零一年十一月十六日 至二零零四年十一月十六日	0.93	1.12	1.22
Lee Yiu Wing, William 李耀榮	2,500,000	-	(1,500,000)	-	1,000,000	15 May 2001 二零零一年五月十五日	16 November 2001 - 16 November 2004 二零零一年十一月十六日 至二零零四年十一月十六日	0.93	1.12	1.28
Chan Chi On, Derek 陳志安	2,500,000	-	-	-	2,500,000	15 May 2001 二零零一年五月十五日	16 November 2001 - 16 November 2004 二零零一年十一月十六日 至二零零四年十一月十六日	0.93	1.12	N/A 不適用
Luo Gang 羅剛	1,000,000	-	-	-	1,000,000	15 May 2001 二零零一年五月十五日	16 November 2001 - 16 November 2004 二零零一年十一月十六日 至二零零四年十一月十六日	0.93	1.12	N/A 不適用
	15,000,000	-	(3,000,000)	-	12,000,000					
Continuous contract employees 持續合約僱員										
In aggregate 合計	18,600,000	-	(11,230,000)	-	7,370,000	15 May 2001 二零零一年五月十五日	16 November 2001 - 16 November 2004 二零零一年十一月十六日 至二零零四年十一月十六日	0.93	1.12	1.25
	33,600,000	-	(14,230,000)	-	19,370,000					

Additional Information
其他資料

SHARE OPTION SCHEME (continued)

1996 Share Option Scheme (continued)

* The vesting period of the share options is from the date of the grant until the commencement of the exercise period. All share options referred to above are subject to a six-month vesting period.

** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

*** The price of the Company's shares disclosed as immediately preceding the grant date of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of the grant of the share options. The price of the Company's shares disclosed as immediately preceding the exercise date of the share options is the weighted average of the Stock Exchange closing prices over all the exercises of share options within the disclosure category.

2002 Share Option Scheme

At 30 June 2004, options to subscribe for a total of 18,800,000 shares were still outstanding under the 2002 Share Option Scheme.

Movement of the share options under the 2002 Share Option Scheme during the period are listed below:

購股權計劃 (續)

一九九六年購股權計劃 (續)

* 購股權之既定期限由授出日期起至行使期開始之時。以上所有的購股權均有六個月之既定期。

** 購股權之行使價須就供股、發行紅利或其他類似之本公司股本變動而予以調整。

*** 本公司於授出購股權日期披露之股價為緊接授出購股權當日之前一個交易日在聯交所之收市價。本公司於購股權行使日期披露之股價乃就披露類別中所有購股權之行使而計算之聯交所收市價加權平均數。

二零零二年購股權計劃

於二零零四年六月三十日，尚有共18,800,000股根據二零零二年購股權計劃授出並可認購之購股權未獲行使。

二零零二年購股權計劃下之購股權於期內之變動如下：

Name or category of participant 參與者之姓名或類別	Number of share options 購股權數目					Date of grant of share options* 授出購股權日期*	Exercise period of share options 購股權行使期間	Price of Company's shares*** 本公司股價***			
	At 1 January 2004 於二零零四年一月一日	Granted during the period 於期內授出	Exercised during the period 於期內行使	Lapsed during the period 於期內註銷	At 30 June 2004 於二零零四年六月三十日			Exercise price of share options** 購股權行使價**	At immediately preceding the grant date of share options 緊接授出購股權日期前	At immediately preceding the exercise date of share options 緊接行使購股權日期前	
								HK\$ 港元	HK\$ 港元	HK\$ 港元	
Continuous contract employees 持續合約僱員											
In aggregate	19,450,000	-	(650,000)	(350,000)	18,450,000	5 September 2003 - 16 November 2004 (附註)	5 March 2004 - 4 March 2009 二零零三年九月五日至 二零零四年十一月十六日	1.20	1.16	1.27	
合計	19,450,000	-	(650,000)	(350,000)	18,450,000						

SHARE OPTION SCHEME (continued)

2002 Share Option Scheme (continued)

Note: These share options lapsed during the period as a result of staff resignation.

- * *The vesting period of the share options is from the date of the grant until the commencement of the exercise period. All share options referred to above are subject to a six-month vesting period.*
- ** *The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.*
- *** *The price of the Company's shares disclosed as immediately preceding the grant date of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of the grant of the share options. The price of the Company's shares disclosed as immediately preceding the exercise date of the share options is the weighted average of the Stock Exchange closing prices over all the exercises of share options within the disclosure category.*

購股權計劃 (續)

二零零二年購股權計劃 (續)

附註：該等購股權因員工辭職而註銷。

- * 購股權之既定期限由授出日期起至行使期開始之時。以上所有的購股權均有六個月之既定期。
- ** 購股權之行使價須就供股、發行紅利或其他類似之本公司股本變動而予以調整。
- *** 本公司於授出購股權日期披露之股價為緊接授出購股權當日之前一個交易日在聯交所之收市價。本公司於購股權行使日期披露之股價乃就披露類別中所有購股權之行使而計算之聯交所收市價加權平均數。

Additional Information
其他資料

SUBSTANTIAL SHAREHOLDERS

At 30 June 2004, the interests and short positions of those persons (other than the directors of the Company) in the shares and underlying shares of the Company, as required to be recorded in the register kept by the Company pursuant to Section 336 of the SFO, were as follows:

主要股東

於二零零四年六月三十日，按本公司根據證券及期貨條例第336條規定須予存置之登記冊所載，該等人士（本公司董事除外）於本公司之股份及相關股份中之權益及淡倉如下：

Name of shareholders 股東名稱	Notes 附註	Number of shares held and nature of interests 所持有股份數目及權益性質		Number of underlying shares held under equity derivatives 衍生工具所持有相關股份數目	Total 總數	Percentage of the Company's issued share capital 根據股本佔本公司已發行股份之百分比
		Direct 直接權益	Deemed 視作擁有權益			
Chow Tai Fook Nominee Limited 周大福代理人有限公司	(1)	107,140,540	–	–	107,140,540	18.72
Chow Tai Fook Enterprises Limited 周大福企業有限公司	(2)	30,977,916	114,442,340	–	145,420,256	25.41
New World Development Company Limited (“NWD”) 新世界發展有限公司（「新世界發展」）	(3)	–	114,442,340	–	114,442,340	20.00
NWS Holdings Limited (“NWS”) 新創建集團有限公司（「新創建」）	(4)	–	114,442,340	–	114,442,340	20.00
NWS Service Management Limited (incorporated in the Cayman Islands) (“NWSSM (Cayman)”) 新創建服務管理有限公司（於開曼群島註冊成立）（「NWSSM (Cayman)」）	(5)	–	114,442,340	–	114,442,340	20.00
NWS Service Management Limited (incorporated in the British Virgin Islands) (“NWSSM (BVI)”) NWS Service Management Limited（於英屬處女群島註冊成立）（「NWSSM (BVI)」）	(6)	–	114,442,340	–	114,442,340	20.00
NWS Financial Management Services Limited		114,442,340	–	–	114,442,340	20.00
Wellington Equities Inc.	(7)	70,616,222	–	–	70,616,222	12.34
Ku Ming Mei, Rouisa 顧明美	(8)	–	71,616,222	4,500,000	76,116,222	13.30

Notes:

- (1) Mr. Cheng Yu Tung beneficially owns all of the issued shares in Chow Tai Fook Nominee Limited.
- (2) Chow Tai Fook Enterprises Limited and its subsidiaries have interests in more than one-third of the issued shares of NWD and is accordingly deemed to have an interest in the shares in which NWD is deemed to be interested.
- (3) NWD has interests in more than one-third of the issued shares of NWS and is accordingly deemed to have an interest in the shares in which NWS is deemed to be interested.

附註：

- (1) 鄭裕彤先生實益擁有周大福代理人有限公司之全部已發行股份。
- (2) 周大福企業有限公司及其附屬公司擁有三分之一以上新世界發展已發行股份，因而被視為於新世界發展被視為擁有之股份中擁有權益。
- (3) 新世界發展擁有三分之一以上新創建已發行股份，因而被視為於新創建被視為擁有之股份中擁有權益。

SUBSTANTIAL SHAREHOLDERS (continued)

Notes:

- (4) *NWSSM (Cayman) is a wholly-owned subsidiary of NWS and its interest in the Company is deemed to be held by NWS.*
- (5) *NWSSM (BVI) is a wholly-owned subsidiary of NWSSM (Cayman) and its interest in the Company is deemed to be held by NWSSM (Cayman).*
- (6) *NWS Financial Management Services Limited is a wholly-owned subsidiary of NWSSM (BVI) and its interest in the Company is deemed to be held by NWSSM (BVI).*
- (7) *These shares are held by Wellington Equities Inc., a company beneficially wholly-owned by Mr. Lo Lin Shing, Simon and have been shown in the corporate interests of Mr. Lo Lin Shing, Simon in the Company as set out in the section headed "Directors' interests and short positions in shares, underlying shares and debentures" above.*
- (8) *Ms. Ku Ming Mei, Rouisa, the spouse of Mr. Lo Lin Shing, Simon is deemed to be interested in these shares and underlying shares. They have been shown in the total interests of Mr. Lo Lin Shing, Simon in the Company as set out in the section headed "Directors' interests and short positions in shares, underlying shares and debentures" above.*

All the interests disclosed above represent long positions in the shares and underlying shares of the Company.

Save as disclosed above, no person, other than the directors of the Company, whose interests are set out in the section headed "Directors' interests and short positions in shares, underlying shares and debentures" above, had registered an interest or short positions in the shares or underlying shares of the Company that was required to be recorded in the register kept by the Company pursuant to Section 336 of the SFO.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2004 other than as an agent for clients of the Company or its subsidiaries.

主要股東 (續)

附註:

- (4) *NWSSM (Cayman) 為新創建之全資附屬公司，故其於本公司之權益被視為由新創建所持有。*
- (5) *NWSSM (BVI) 為NWSSM (Cayman) 之全資附屬公司，故其於本公司之權益被視為由NWSSM (Cayman) 所持有。*
- (6) *NWS Financial Management Services Limited 為NWSSM (BVI) 之全資附屬公司，故其於本公司之權益被視為由NWSSM (BVI) 所持有。*
- (7) *該等股份乃由魯連城先生實益全資擁有之公司Wellington Equities Inc. 所持有，並已於上文「董事於股份、相關股份及債券之權益及淡倉」一節列為魯連城先生之公司權益。*
- (8) *魯連城先生之配偶顧明美女士被視為持有該等股份及相關股份，並已於上文「董事於股份、相關股份及債券之權益及淡倉」一節列為魯連城先生之總權益。*

以上所披露之所有權益均為本公司之股份及相關股份之好倉。

除上文所披露者外，概無任何人士（本公司董事除外，其權益已載於上文「董事於股份、相關股份及債券之權益及淡倉」一節）擁有根據證券及期貨條例第336條規定須予記錄於本公司登記冊之本公司股份或相關股份之權益或淡倉。

購買、出售或贖回本公司之上市證券

除以代理身份代表本公司及其附屬公司的客戶進行買賣外，本公司及其任何附屬公司概無於截至二零零四年六月三十日止六個月內購買、出售或贖回本公司任何上市證券。

COMPLIANCE WITH THE CODE OF BEST PRACTICE

In the opinion of the directors, the Company complied with the Code of Best Practice (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”), throughout the accounting period covered by the interim report, except that the non-executive directors of the Company are not appointed for specific terms as required by paragraph 7 of the Code, but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Company’s bye-laws.

Subsequently, the non-executive directors of the Company signed their respective appointment letters with the Company setting out their terms of appointment at 2 years commencing on 1 July 2004 subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Company’s bye-laws.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules for directors’ securities transactions and all its directors have complied with the required standard set out in the Model Code throughout the accounting period covered by the interim report.

AUDIT COMMITTEE

The Company has an audit committee which was established in accordance with the requirements of the Listing Rules, for the purposes of reviewing with the management the accounting principles and practices adopted by the Group and providing supervision over the Group’s financial reporting process and internal controls, including reviewing connected transactions and unaudited interim results for the six months ended 30 June 2004. The audit committee comprises all three independent non-executive directors and two non-executive directors of the Company, with the Chairman having appropriate professional qualifications and experiences in financial matters.

遵守最佳應用守則

董事認為，在中期報告涵蓋的會計期間內，本公司已遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載之最佳應用守則（「守則」），除了本公司之非執行董事並無按守則第7段的規定予以指定任期，而是根據本公司之公司組織章程細則於本公司之股東週年大會上輪席告退，並可膺選連任。

隨後，本公司之非執行董事各自與本公司簽訂委任信，以訂定各自之任期為二年，並由二零零四年七月一日起生效，惟仍須根據本公司之公司組織章程細則於本公司之股東週年大會上輪席告退，並可膺選連任。

上市發行人董事進行證券交易的標準守則

本公司已採納上市規則附錄10所列表載有關董事進行證券交易的標準守則，而本公司所有董事在中期報告所涵蓋之整個會計期間內，均一直遵守標準守則所規定的標準。

審核委員會

本公司已遵照上市規則規定設立審核委員會，負責與管理層共同審閱本集團採納的會計準則及實務，並監督本集團財務匯報程序及內部監控，包括審閱截至二零零四年六月三十日止六個月的關連交易及未經審核中期業績。審核委員會由本公司三位獨立非執行董事及兩位非執行董事組成，其主席具備適當的財政事務專業資格及經驗。