

### 1. CORPORATE INFORMATION

The Company was incorporated in Bermuda as an exempted company with limited liability. The principal place of business of the Company is located at 34/F, COSCO Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong.

Pursuant to a group reorganisation scheme to rationalise the structure of the Group in preparing for the listing of the Company's shares on the Stock Exchange, the Company became the holding company of the Group in Hong Kong on 15 August 2000 and its shares were listed on the Main Board of the Stock Exchange with effect from 28 September 2000.

In the opinion of the Directors, King United Agents Limited and Kingly, companies incorporated in the British Virgin Islands, are regarded respectively as the ultimate holding company and the immediate holding company of the Company.

During the year, the Company is an investment holding company and its subsidiaries are principally engaged in the provision of financial services including broking, securities margin financing, corporate finance and asset management, money lending and investment trading and holding.

On 12 January 2004, the Group entered into a conditional sale and purchase agreement with REXCAPITAL Group Limited regarding the disposal of the entire issued share capital of REXCAPITAL Financial Group Limited ("RFG") at a consideration of HK\$229,000,000, subject to adjustment with reference to the unaudited consolidated net asset value of RFG and its subsidiaries (together the "RFG Group") as at the determination date in accordance with the terms of the sale and purchase agreement, and will be payable in cash upon completion. The transaction has not yet been completed up to the date of this report. Upon completion of the disposal mentioned above, the Group will cease to provide broking, securities margin financing, corporate finance and asset management services.

### 1. 公司資料

本公司於百慕達註冊成立為受豁免有限公司。本公司之主要營業地點位於香港皇后大道中183號新紀元廣場中遠大廈34樓。

根據集團重組計劃，本集團重整架構以備本公司股份在聯交所上市，本公司於二零零零年八月十五日成為本集團之控股公司，而其股份由二零零零年九月二十八日起在聯交所主板上市。

董事認為，於英屬維爾京群島註冊成立的 King United Agents Limited 及 Kingly 分別被視為本公司的最終控股公司及直接控股公司。

年內，本公司為一間投資控股公司，而其附屬公司主要提供經紀業務、證券孖展融資、企業融資與資產管理、貸款、投資買賣及控股等金融服務。

於二零零四年一月十二日，本集團與 REXCAPITAL Group Limited 就以代價 229,000,000 港元出售 REXCAPITAL Financial Group Limited ("RFG") 的全部已發行股本而訂立一項有條件買賣協議。該項代價在經參考 RFG 及其附屬公司（統稱「RFG 集團」）於定價日的未經審核綜合資產淨值後可根據買賣協議的條款調整，並須於完成後以現金支付。截至本報告日期，該項交易尚未完成。於完成上述出售後，本集團將不再提供經紀業務、證券孖展融資、企業融資與資產管理服務。

## 2. IMPACT OF RECENTLY ISSUED HONG KONG FINANCIAL REPORTING STANDARDS AND HONG KONG ACCOUNTING STANDARDS

The Hong Kong Institute of Certified Public Accountants (“HKICPA”) has issued a number of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) and Hong Kong Accounting Standards (“HKASs”) which are effective for accounting periods beginning on or after 1 January 2005. The Group has not early adopted these new and revised HKFRSs and HKASs in the accounts for the year ended 31 December 2004 except for HKFRS No. 5 “Non-current Assets Held for Sale and Discontinued Operations” (“HKFRS 5”). The Group has recently commenced an assessment of the impact of the remaining new and revised HKFRSs and HKASs but is not yet in a position to state whether these new and revised HKFRSs and HKASs would have a significant impact on its results of operations and financial position.

The HKFRS 5 now requires an operation to be classified as discontinued when the criteria to be classified as held for sale have been met or the Group has disposed of the operation. Held for sale is when the carrying amount of an operation will be recovered principally through a sale transaction and not through continuing use.

The adoption of HKFRS 5 results in a change in accounting policy on the recognition of a discontinued operation. The RFG Group as mentioned in note 1 to the accounts was classified as discontinuing operations in prior year. However, in the opinion of the Directors, the completion of the transaction is subject to the outcome of the updated due diligence review conducted by the purchaser, and therefore the RFG Group is no longer able to meet the new criteria for classifying as discontinued operations under the HKFRS 5, as the recognition criteria become stricter. The adoption of HKFRS 5 has had no material financial effect on the Group’s results for current and prior years. The presentation in the current year’s accounts has been modified in order to conform to the requirements of this HKFRS. Comparative amounts have been restated in order to achieve a consistent presentation.

## 2. 最近頒佈的香港財務報告準則及香港會計準則的影響

香港會計師公會已頒佈多項全新及經修訂香港財務報告準則及香港會計準則，該等準則在二零零五年一月一日或之後開始的會計期內生效。除香港財務報告準則第5號「待出售的非流動資產及已終止經營業務」（「香港財務報告準則5」）外，本集團並沒有提早於截至二零零四年十二月三十一日止年度的賬目內採納其他全新及經修訂的香港財務報告準則及香港會計準則。本集團在近期開始評估其他全新及經修訂香港財務報告準則及香港會計準則的影響，但尚未能確定這些全新及經修訂香港財務報告準則及香港會計準則會否對其經營業績及財政狀況造成重大影響。

香港財務報告準則5現規定，當一項業務符合持作銷售之類別之條件或本集團已出售有關業務，則歸類為非持續業務。持作銷售乃有關業務賬面值將主要藉銷售交易中收回，而並非藉持續使用收回。

採納香港財務報告準則5導致確認非持續業務之會計政策改變，於賬目附註1所載之RFG集團於前一年度歸類為終止中業務。然而，董事認為，該交易之完成視乎買方進行之盡職審查之最新結果，因此，根據香港財務報告準則5，由於準則確認條件較嚴格，RFG集團不再歸類為非持續業務。採納香港財務報告準則5對本集團本年度及往年度之業績不會構成重大財務影響。本年度賬目之呈報已修改，以符合該項香港財務報告準則之規定。比較數目已重列以統一呈報方式。

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 3. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated accounts are set out as below:

##### (a) Basis of preparation

The accounts have been prepared in accordance with generally accepted accounting principles in Hong Kong and comply with accounting standards issued by the HKICPA. They have been prepared under the historical cost convention as modified by revaluation of certain investments in securities.

##### (b) Consolidation

The consolidation accounts include the accounts of the Company and its subsidiaries made up to 31 December. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal as appropriate. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any unamortised goodwill or negative goodwill or goodwill/negative goodwill taken to reserves and which was not previously charged to or recognised in the consolidated profit and loss account.

##### (c) Subsidiaries

Subsidiaries are those entities in which the Group, directly or indirectly, controls the composition of the board of directors, controls more than half of the voting power or holds more than half of the issued share capital.

In the Company's balance sheet, interests in subsidiaries are stated at cost less any impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

#### 3. 主要會計政策

在編製綜合賬目時所採用之主要會計政策載列如下：

##### (a) 編製基準

賬目乃根據香港公認之會計準則，並遵照香港會計師公會頒佈之會計準則編製。賬目乃以歷史成本成規法編製，並就若干證券投資重估作出修訂。

##### (b) 綜合賬目

綜合賬目包括本公司及各附屬公司截至十二月三十一日之賬目。於年內所收購或出售之附屬公司業績分別自收購生效日期起或截至出售生效日期止（視乎情況而定）計入綜合損益表內。所有集團內公司之重大交易及結餘均已於綜合賬目內對銷。

出售附屬公司之盈虧指出售所得款項與本集團應佔其資產淨值之差額加上未攤銷商譽或負商譽或任何之前未曾自綜合損益表內扣除或確認而記在儲備之商譽／負商譽。

##### (c) 附屬公司

附屬公司乃指本集團能直接或間接控制其董事會之組成，或控制其一半以上投票權，或持有其一半以上已發行股本之公司。

在本公司資產負債表中，附屬公司權益按成本減任何減值虧損入賬。附屬公司業績按本公司已收及應收股息入賬。

### 3. PRINCIPAL ACCOUNTING POLICIES (continued)

#### (d) Revenue recognition

##### (i) Interest income

Interest income is recognised when there is no uncertainty as to the ultimate collection on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

##### (ii) Commission income and handling fee income, asset management and advisory fee income

Income arising from broking, corporate finance and asset management is recognised when the relevant services are rendered and the amount can be reliably estimated and it is probable that it will be received.

##### (iii) Income from trading of listed securities

Income from trading of listed securities is recognised as revenue on a trade date basis.

#### (e) Turnover

Turnover represents commission income and handling fee income, interest income, income from trading of listed securities and asset management and advisory fee income.

#### (f) Fixed assets

Fixed assets, comprising leasehold improvements, furniture and fixtures and office equipment, are stated at cost less accumulated depreciation and any accumulated impairment losses.

### 3. 主要會計政策 (續)

#### (d) 收益確認

##### (i) 利息收入

利息收入乃參照尚餘本金金額及適用利率在確定最終能收取時按時間比例確認。

##### (ii) 佣金收入及手續費收入、資產管理及顧問費收入

經紀業務、企業融資及資產管理之收入在提供相關服務、能可靠估計以及將可收取時確認入賬。

##### (iii) 買賣上市證券之收入

買賣上市證券之收入於交易日確認為收入。

#### (e) 營業額

營業額指佣金收入及手續費收入、利息收入、買賣上市證券收入以及資產管理及顧問費收入。

#### (f) 固定資產

固定資產包括租賃物業裝修、傢俬及裝置及辦公室設備，按成本減累計折舊及任何累計減值虧損入賬。

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 3. PRINCIPAL ACCOUNTING POLICIES (continued)

##### (f) Fixed assets (continued)

Fixed assets are depreciated at the following annual rates sufficient to write off their costs less any accumulated impairment losses over their estimated useful lives, on a straight line basis:

Leasehold improvements	16 – 50%
Furniture and fixtures	25%
Office equipment	25 – 33 $\frac{1}{3}$ %

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that fixed assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit and loss account except where the asset is carried at valuation and the impairment loss does not exceed the revaluation surplus for that same asset, in which case it is treated as a revaluation decrease.

The gain or loss on disposal of a fixed asset is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the profit and loss account. Any revaluation reserve balance remaining attributable to the relevant asset is transferred to retained profit and is shown as a movement in reserves.

#### 3. 主要會計政策 (續)

##### (f) 固定資產 (續)

固定資產按下列足以撇銷其成本減任何累計減值虧損之年率，以直線法於其估計可使用年期提供折舊：

租賃物業裝修	16 – 50%
傢俬及裝置	25%
辦公室設備	25 – 33 $\frac{1}{3}$ %

於每年結算日，均就內部及外間所獲資料作出評估，衡量有否跡象顯示固定資產所包括之資產出現減值。倘有任何該等跡象出現，則估計資產之可收回數額，並於適當時確認減值虧損至可收回數額。減值虧損於損益表確認入賬，惟資產乃按估值入賬而減值虧損不超過同一資產之重估增值則除外。在此情況下，資產減值則視作重估減值處理。

出售固定資產之盈虧指出售所得款項淨額與有關資產賬面值之差額，並於損益表確認。有關資產應佔之任何餘下重估儲備將轉撥至保留溢利，並列作儲備變動。

### 3. PRINCIPAL ACCOUNTING POLICIES (continued)

#### (g) Intangible assets

Intangible assets represent trading rights in the Stock Exchange and the Hong Kong Futures Exchange Limited (the "HKFE") which are stated at cost less accumulated amortisation and any impairment losses. Intangible assets are amortised over their estimated useful lives, based on directors' assessments, from the date of acquisition. Where an indication of impairment exists, the carrying amount of any intangible asset is reassessed and written down immediately to its recoverable amount.

#### (h) Investments in securities

##### (i) Investment securities

Investment securities are stated at cost less any impairment losses.

The carrying amounts of individual investments are reviewed at each balance sheet date to assess whether the fair values have declined below the carrying amounts. When a decline other than temporary has occurred, the carrying amount of such securities should be reduced to its fair value. The impairment loss is recognised as an expense in the profit and loss account. This impairment loss is written back to the profit and loss account when the circumstances and events that led to the write-downs or write-offs cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

##### (ii) Other investments

Other investments are carried at fair value. At each balance sheet date the net unrealised gains or losses arising from the changes in fair value of the investments are recognised in the profit and loss account. Profits or losses on disposal of other investments representing the difference between the net sales proceeds and the carrying amounts are recognised in the profit and loss account as they arise.

### 3. 主要會計政策 (續)

#### (g) 無形資產

無形資產指在聯交所及香港期貨交易所有限公司(「期交所」)之交易權,按成本減累計攤銷及任何減值虧損入賬。無形資產按董事所評估之可使用期限由收購日期起計攤銷。倘有跡象顯示出現減值時,則會重估無形資產之賬面值,並即時撇減至其可收回數額。

#### (h) 證券投資

##### (i) 投資證券

投資證券按成本減任何減值虧損入賬。

每逢結算日均會檢討個別投資之賬面值,以評估公平值有否降至低於賬面值。當公平值出現非暫時性下降時,有關證券之賬面值應降至其公平值。減值虧損於損益表確認為開支。倘若出現任何情況及事件導致撇減或撇銷不再出現,加上有理據顯示該新情況及事件於可見將來仍然存在時,則該減值虧損會撥回至損益表。

##### (ii) 其他投資

其他投資按公平值入賬。每逢結算日,因投資公平值改變而產生之未變現盈虧淨額於損益表確認。出售其他投資之盈虧指售出所得款項淨額與賬面值之差額,並於產生時在損益表確認。

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 3. PRINCIPAL ACCOUNTING POLICIES (continued)

##### (i) Income tax

Income tax for the year comprises current and deferred taxes. Current tax is the expected tax payable on the taxable income for the year using the tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Deferred tax assets and liabilities are not discounted. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

#### 3. 主要會計政策 (續)

##### (i) 所得稅

本年度所得稅包括當期稅項及遞延稅項。當期稅項為年內按結算日規定稅率就應課稅收入計算之預期應付稅項，及就以往年度應付稅項所作出調整。

遞延稅項是指根據資產負債表之資產及負債之賬面值及其用於計算應課稅溢利的相應稅基之間的差額所產生之預期應付及可收回稅項，並以資產負債表負債法計算。一般情況之下，所有因應課稅暫時差異而產生之遞延稅項負債均予確認，而遞延稅項資產則按將來應課稅溢利可用作抵銷可扣稅之臨時差額之限額內計算。如暫時差異是由某交易初次確認其他資產或負債而產生，又不影響應課稅溢利及會計溢利，則不予以確認此等資產及負債。

遞延稅項資產之賬面值需於每年之結算日作檢討，預期將來沒有足夠應課稅溢利作抵銷之差異，則其相關遞延稅項資產需作相應之扣減。若將可能具有足夠之應課稅溢利，則所作之任何扣減均須進行回撥。

遞延稅項資產及負債均不作貼現。遞延稅項是根據預期資產兌現及負債償還時之所得稅稅率計算，並於損益表中列入或回撥。若有關項目直接於股東資金中列入或回撥，其遞延稅項亦計入於股東資金中。

### 3. PRINCIPAL ACCOUNTING POLICIES (continued)

#### (i) Income tax (continued)

Deferred taxation is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

#### (j) Accounts receivable

Provision is made against accounts receivable to the extent that they are considered to be doubtful. Accounts receivable in the balance sheets are stated net of such provision.

#### (k) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating leases net of any incentives received from the leasing company are charged to the profit and loss account on a straight line basis over the lease periods.

#### (l) Foreign currencies

Monetary assets and liabilities in foreign currencies at the year end date are translated into Hong Kong Dollars at approximately the market rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Hong Kong Dollars at exchange rates ruling at the transaction dates. Differences arising on exchange are dealt with in the profit and loss account.

#### (m) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

### 3. 主要會計政策 (續)

#### (i) 所得稅 (續)

遞延稅項撥備乃就投資於附屬公司所產生的暫時差額而作出，惟當暫時差額的撥回時間可以控制及暫時差額可能不會於可見將來撥回的情況則除外。

#### (j) 應收賬款

凡被視為呆賬之應收賬款，均對此作出撥備。資產負債表之應收賬款乃在扣除該等撥備後入賬。

#### (k) 經營租約

凡資產擁有權之絕大部份風險及回報仍由出租公司承擔之租約，均視作經營租約。經營租約租金在扣除來自出租公司之任何優惠後，按租期以直線法自損益表內扣除。

#### (l) 外幣

於年結日以外幣計算之貨幣資產及負債按結算日之概約市場匯率換算為港元。以外幣計算之交易按交易日之匯率換算為港元。匯兌差額計入損益表內。

#### (m) 撥備

當本集團因過往事件而須承擔法律或推定責任，且可能導致資源流失以履行該責任及其有關數額能可靠估計時，則會確認為撥備。倘若本集團預期撥備將獲償付，則有關償付金僅會於實質上能肯定時確認為一項單獨資產。



3. PRINCIPAL ACCOUNTING POLICIES  
(continued)

(n) Employee benefits

(i) Bonus plans

Provision for bonus plans due wholly within twelve months after balance sheet date is recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(ii) Accumulating compensated absences (unused paid annual leave)

Employee entitlements to paid annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for "Accumulating compensated absences" (unused paid annual leave) which can be carried forward indefinitely as a result of services rendered by employees up to the balance sheet date.

(iii) Retirement benefit costs

The Group's contributions to a defined contribution retirement scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance (the "MPF") are expensed as incurred. The Group's employer contributions vest fully with the employees when contributed into the MPF.

(iv) Share option scheme

When the Group grants qualifying employee options to acquire shares of the Company, the options can be exercised at a price and under certain conditions as indicated in note 23 to the accounts and no employee benefit cost or obligation is recognised at that time. When the options are exercised, equity is increased by the amount of the proceeds received (net of any transaction costs).

3. 主要會計政策 (續)

(n) 僱員福利

(i) 獎金計劃

當本集團因僱員提供服務而產生現有法律或推定責任時，此等責任須於結算日後十二個月內全數解除及能可靠地估計時確認為獎金計劃撥備。

(ii) 累計補償休假 (未動用有薪年假)

僱員享有有薪年假之權利在僱員應得時確認。本集團會就僱員於截至結算日提供服務且可無限期結轉之「累計補償休假」(未動用有薪年假)之估計責任作出撥備。

(iii) 退休福利成本

本集團根據香港強制性公積金計劃條例對定額供款退休計劃(「強積金」)作出之供款於產生時列作開支。本集團之僱主供款在向強積金作出供款時全數歸僱員所有。

(iv) 購股權計劃

當本集團向合資格僱員授出可認購本公司股份之購股權時，該等購股權可按賬目附註23所指明之價格及若干條件行使，而任何僱員福利成本或責任不在當時獲確認。行使購股權時，資本權益會按已收所得款項(扣除任何交易成本)相應增加。

### 3. PRINCIPAL ACCOUNTING POLICIES (continued)

#### (o) 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 recognised 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 recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

#### (p) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing services (business segment), or in providing services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment and those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidated process, except to the extent that such intra-group balances and transactions are between Group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

### 3. 主要會計政策 (續)

#### (o) 或然負債

或然負債乃因過去事件而可能產生之責任，而其存在僅視乎日後一項或多項非本集團可控制之事件是否出現才能確認。亦包括因過去事件而產生，但由於不大可能出現資源流出或不能可靠估計該責任之數額而未有確認之現有責任。

或然負債並無確認入賬但已於賬目附註中披露。倘資源流出之可能性出現變動，致使可能出現資源流出，則該或然負債會確認為撥備。

#### (p) 分部報告

分部指本集團提供服務（業務分部）或在特定經濟環境提供服務（地區分部）之個別組成部份，其所承擔之風險及回報亦與其他分部不同。

本集團選定業務分部資料為主要呈報方式，而地區分部資料為次要呈報方式。

分部收益、開支、業績、資產與負債包括直接與該分部有關之項目，亦包括可合理列作有關分部之項目。分部收益、開支、資產與負債乃於合併賬目過程中撤銷集團內公司間之結餘及交易前計算，惟屬同一分部之集團公司間之結餘及交易則除外。分部間之定價按給予其他外界各方之相同條款釐定。

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 3. PRINCIPAL ACCOUNTING POLICIES (continued)

##### (p) Segment reporting (continued)

Segment capital expenditure is the total cost incurred during the year to acquire segment assets (both tangible and intangible) that are expected to be used for more than one year.

Unallocated items mainly comprise corporate assets and corporate expenses.

##### (q) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the cash flow statement.

##### (r) Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

#### 3. 主要會計政策 (續)

##### (p) 分部報告 (續)

分部資本開支即本年度購入預期使用超過一年之分部資產(有形或無形資產)之成本總額。

未分類項目主要包括企業資產及企業支出。

##### (q) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行及其他財務機構之活期存款、以及短期而易於套現之投資，而該等投資並無重大轉變價值之風險，可毋須通知而兌換成已知數額之現金，且於購入後三個月內到期。就現金流量表而言，現金及現金等價物亦包括須於通知時償還及為本集團現金管理主要部份之銀行透支。

##### (r) 關連人士

倘一方有能力直接或間接控制另一方，或對其財務及經營決策有重大影響力，或雙方均共同受控制或重大影響下，則該等人士亦被視為關連人士。關連人士可為個人或公司。

## 4. TURNOVER, REVENUE AND SEGMENT INFORMATION

Revenue recognised during the year is as follows:

## 4. 營業額、收益及業務分部資料

本年度確認之收益如下：

		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
<b>TURNOVER</b>	<b>營業額</b>		
Commission income and handling fee income	佣金收入及手續費收入	<b>32,502,162</b>	29,428,702
Interest income from:	來自以下各項之利息收入：		
– Banks	– 銀行	<b>10,983</b>	80,895
– Margin clients	– 孖展客戶	<b>21,898,738</b>	10,885,855
– Loan receivables	– 應收貸款	<b>20,532,835</b>	17,552,940
Income from trading of listed securities	買賣上市證券收入	<b>91,944,480</b>	266,213,460
Asset management and advisory fee income	資產管理及顧問費收入	<b>2,248,110</b>	531,466
		<b>169,137,308</b>	324,693,318
<b>OTHER REVENUE</b>	<b>其他收益</b>		
Unrealised gain on revaluation of other investments	重估其他投資之未變現收益	<b>2,167,311</b>	–
Loan commitment fee income	貸款承擔費收入	–	450,000
Other interest income	其他利息收入	<b>7,582</b>	70,174
Other income	其他收入	<b>1,029,269</b>	966,302
		<b>3,204,162</b>	1,486,476
<b>TOTAL TURNOVER AND REVENUE</b>	<b>總營業額及收益</b>	<b>172,341,470</b>	326,179,794

**Business Segments**

The Group is principally organised into five main operating divisions, namely broking, securities margin financing, corporate finance and asset management, money lending and investment trading and holding. These divisions are the basis on which the Group reports its primary segment information. There are no sales or other transactions between the business segments during the current year. In 2003, management fee of HK\$6,000,000 was paid from the money lending division to the broking division.

**業務分部**

本集團基本上分為五個主要營業分部，計有經紀業務、證券孖展融資、企業融資與資產管理、貸款以及投資買賣及控股。本集團根據該等分類呈報主要分部資料。於本年度業務分部之間並無進行銷售或其他交易。於二零零三年，6,000,000港元之管理費由貸款分部支付予經紀業務分部。

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 4. TURNOVER, REVENUE AND SEGMENT INFORMATION (continued)

##### Business Segments (continued)

(i) *Turnover and (loss)/profit attributed to the business segments for the year are as follows:*

#### 4. 營業額、收益及業務分部資料 (續)

##### 業務分部 (續)

(i) **本年度各業務分部之營業額及(虧損)／溢利如下:**

		2004 二零零四年 HK\$'000/千港元	2003 二零零三年 HK\$'000/千港元
<b>TURNOVER</b>	<b>營業額</b>		
Broking	經紀業務	<b>32,343</b>	28,512
Securities margin financing	證券孖展融資	<b>21,899</b>	10,886
Corporate finance and asset management	企業融資與資產管理	<b>2,407</b>	1,448
Money lending	貸款	<b>20,533</b>	17,553
Investment trading and holding	投資買賣及控股	<b>91,955</b>	266,294
		<b>169,137</b>	324,693
<b>SEGMENT RESULTS</b>	<b>分部業績</b>		
Broking	經紀業務	<b>(14,683)</b>	(10,207)
Securities margin financing	證券孖展融資	<b>(39,201)</b>	4,647
Corporate finance and asset management	企業融資與資產管理	<b>(903)</b>	196
Money lending	貸款	<b>(23,487)</b>	9,310
Investment trading and holding	投資買賣及控股	<b>(95)</b>	3,508
		<b>(78,369)</b>	7,454
<b>NET UNALLOCATED EXPENSES</b>	<b>未分類開支淨額</b>	<b>(3,451)</b>	(1,445)
<b>(LOSS)/PROFIT BEFORE TAXATION</b>	<b>除稅前 (虧損)／溢利</b>	<b>(81,820)</b>	6,009
<b>TAXATION</b>	<b>稅項</b>	<b>4,146</b>	(1,978)
<b>(LOSS)/PROFIT FOR THE YEAR</b>	<b>本年度(虧損)／溢利</b>	<b>(77,674)</b>	4,031

## 4. TURNOVER, REVENUE AND SEGMENT INFORMATION (continued)

## Business Segments (continued)

(ii) Assets and liabilities analysed by business segments are as follows:

## 4. 營業額、收益及業務分部資料(續)

## 業務分部(續)

(ii) 資產與負債按業務分部劃分之分析如下:

		2004 二零零四年 HK\$'000/千港元	2003 二零零三年 HK\$'000/千港元
<b>ASSETS</b>	<b>資產</b>		
Broking	經紀業務	<b>100,597</b>	107,133
Securities margin financing	證券孖展融資	<b>127,276</b>	169,988
Corporate finance and asset management	企業融資與資產管理	<b>431</b>	220
Money lending	貸款	<b>185,733</b>	158,196
Investment trading and holding	投資買賣及控股	<b>31,599</b>	28,419
<b>TOTAL SEGMENT ASSETS</b>	<b>分部資產合計</b>	<b>445,636</b>	463,956
<b>UNALLOCATED ASSETS</b>	<b>未分類資產</b>	<b>1,758</b>	300
<b>TOTAL ASSETS</b>	<b>資產總值</b>	<b>447,394</b>	464,256
<b>LIABILITIES</b>	<b>負債</b>		
Broking	經紀業務	<b>63,536</b>	69,767
Securities margin financing	證券孖展融資	<b>114,333</b>	118,803
Corporate finance and asset management	企業融資與資產管理	<b>119</b>	28
Money lending	貸款	<b>110,037</b>	37,624
Investment trading and holding	投資買賣及控股	-	-
<b>TOTAL SEGMENT LIABILITIES</b>	<b>分部負債合計</b>	<b>288,025</b>	226,222
<b>UNALLOCATED LIABILITIES</b>	<b>未分類負債</b>	<b>1,137</b>	2,129
<b>TOTAL LIABILITIES</b>	<b>負債總值</b>	<b>289,162</b>	228,351

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 4. TURNOVER, REVENUE AND SEGMENT INFORMATION (continued)

##### Business Segments (continued)

##### (iii) Other information

		Depreciation and amortisation 折舊與攤銷		Provision for bad and doubtful debts 呆壞賬撥備		Capital expenditure 資本開支	
		2004 二零零四年 HK\$'000/ 千港元	2003 二零零三年 HK\$'000/ 千港元	2004 二零零四年 HK\$'000/ 千港元	2003 二零零三年 HK\$'000/ 千港元	2004 二零零四年 HK\$'000/ 千港元	2003 二零零三年 HK\$'000/ 千港元
Broking	經紀業務	3,319	4,248	5,000	-	885	343
Securities margin financing	證券孖展 融資	-	-	50,000	6,000	-	-
Corporate finance and asset management	企業融資與 資產管理	4	3	-	-	-	11
Money lending	貸款	-	-	40,624	-	-	-
Investment trading and holding	投資買賣及 控股	-	-	-	-	-	-
Unallocated	未分類	129	18	-	-	-	22
		<b>3,452</b>	4,269	<b>95,624</b>	6,000	<b>885</b>	376

##### Geographical Segment

The Group's principal markets are located in Hong Kong. For both 2004 and 2003, more than 90% of the Group's turnover and carrying amount of assets were respectively generated from and located in Hong Kong, and therefore no geographical segment information is presented.

#### 4. 營業額、收益及業務分部資料 (續)

##### 業務分部 (續)

##### (iii) 其他資料

##### 地區分部

香港為本集團之主要市場。於二零零四及二零零三年兩年，本集團90%以上營業額及資產賬面值分別來自及位於香港，因此並無呈報地區分部資料。

#### 5. STAFF COSTS

		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Salaries, allowances and benefits in kind	薪金、津貼及 實物利益	16,758,795	11,639,109
Bonuses	花紅	763,140	-
MPF contributions	強積金供款	433,290	350,697
		<b>17,955,225</b>	11,989,806

#### 5. 僱員成本

## 6. OPERATING (LOSS)/PROFIT

## 6. 經營(虧損)/溢利

		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Operating (loss)/profit is stated after charging the following:	經營(虧損)/溢利已扣除下列項目:		
Amortisation of trading rights	交易權攤銷	<b>1,292,253</b>	1,292,257
Auditors' remuneration	核數師酬金	<b>260,000</b>	263,000
Loss on disposal of fixed assets	出售固定資產之虧損	<b>475,835</b>	549,572
Operating lease rentals in respect of office premises and warehouse	辦公室物業及倉庫之經營租約租金	<b>3,930,925</b>	4,928,072

## 7. FINANCE COSTS

## 7. 融資成本

		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Interest on bank loans and overdrafts	銀行貸款及透支利息	<b>13,636,898</b>	5,308,292
Interest on client payables with no fixed repayment terms	無既定還款期之應付客戶款項利息	<b>7,321</b>	2,964
Interest on other loan wholly repayable within five years	須於五年內全數償還之其他貸款利息	-	1,546,670
Borrowing costs	借貸成本	<b>285,751</b>	250,000
Other interest	其他利息	-	849
		<b>13,929,970</b>	7,108,775



## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 8. DIRECTORS' REMUNERATION AND THE FIVE HIGHEST PAID INDIVIDUALS

Directors' remuneration disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance is as follows:

#### 8. 董事酬金及五名最高薪酬人士

董事酬金根據上市規則及香港《公司條例》第161條披露如下：

		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Fees:	袍金：		
Executive	執行董事	<b>23,825</b>	–
Independent non-executive	獨立非執行董事	<b>168,743</b>	200,000
		<b>192,568</b>	200,000
Other emoluments for executive Directors:	執行董事之其他酬金：		
Salaries, housing, other allowances and benefits in kind	薪金、房屋津貼、其他津貼及實物利益	<b>4,313,507</b>	–
MPF contributions	強積金供款	<b>16,000</b>	–
		<b>4,522,075</b>	200,000

8. DIRECTORS' REMUNERATION AND THE FIVE HIGHEST PAID INDIVIDUALS (continued)

The remuneration of the Directors fell within the following bands:

		Number of directors 董事人數	
		2004 二零零四年	2003 二零零三年
Nil to HK\$1,000,000	零至1,000,000港元	7	5
HK\$1,000,001 to HK\$1,500,000	1,000,001至1,500,000港元	–	–
HK\$1,500,001 to HK\$2,000,000	1,500,001至2,000,000港元	1	–
HK\$2,000,001 to HK\$3,000,000	2,000,001至3,000,000港元	1	–
		<b>9</b>	<b>5</b>

There was no arrangement under which a Director waived or agreed to waive any remuneration during the year (2003: Nil).

**Five highest paid individuals**

There were two (2003: nil) executive Directors whose emoluments were among the five highest paid individuals in the Group.

Details of the emoluments paid to three individuals who were not directors (2003: five), and whose emoluments were among the five highest paid individuals in the Group are as follows:

		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	<b>3,951,639</b>	3,996,661
MPF contributions	強積金供款	<b>36,000</b>	55,400
		<b>3,987,639</b>	4,052,061

8. 董事酬金及五名最高薪酬人士 (續)

董事酬金範圍如下：

		Number of directors 董事人數	
		2004 二零零四年	2003 二零零三年
Nil to HK\$1,000,000	零至1,000,000港元	7	5
HK\$1,000,001 to HK\$1,500,000	1,000,001至1,500,000港元	–	–
HK\$1,500,001 to HK\$2,000,000	1,500,001至2,000,000港元	1	–
HK\$2,000,001 to HK\$3,000,000	2,000,001至3,000,000港元	1	–
		<b>9</b>	<b>5</b>

年內並無訂立任何董事藉以放棄或同意放棄任何酬金之安排 (二零零三年：無)。

**五名最高薪酬人士**

本集團五名最高薪酬人士包括兩名執行董事 (二零零三年：無)。

付予本集團三名最高薪酬人士中非董事 (二零零三年：五名) 人士之酬金詳情如下：

		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	<b>3,951,639</b>	3,996,661
MPF contributions	強積金供款	<b>36,000</b>	55,400
		<b>3,987,639</b>	4,052,061

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 8. DIRECTORS' REMUNERATION AND THE FIVE HIGHEST PAID INDIVIDUALS (continued)

The remuneration of the non-director, highest paid employees fell within the following bands:

		Number of employees 僱員人數	
		2004 二零零四年	2003 二零零三年
Nil to HK\$1,000,000	零至1,000,000港元	2	4
HK\$1,000,001 to HK\$1,500,000	1,000,001至1,500,000港元	-	-
HK\$1,500,001 to HK\$2,000,000	1,500,001至2,000,000港元	-	1
HK\$2,000,001 to HK\$3,000,000	2,000,001至3,000,000港元	1	-
		<b>3</b>	<b>5</b>

#### 9. TAXATION

No provision for Hong Kong profits tax is made in the accounts as the Group has no estimated assessable profits for the year (2003: Nil).

The amount of taxation (credited)/charged to the consolidated profit and loss account represents:

#### 8. 董事酬金及五名最高薪酬人士 (續)

非董事最高薪酬僱員之酬金範圍如下:

#### 9. 稅項

由於本年度並無估計應課稅溢利，故此本集團賬目並無香港利得稅撥備（二零零三年：無）。

綜合損益表內（進賬）／支銷之稅項包括：

		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Current tax:	當期稅項：		
Hong Kong profits tax	香港利得稅		
- Overprovision for prior years	- 以往年度超額撥備	-	(2,191)
Deferred tax:	遞延稅項：		
Deferred taxation relating to the origination and reversal of temporary differences	有關產生及撥回暫時差異之遞延稅項	<b>(4,146,344)</b>	2,185,857
Deferred taxation resulting from an increase in tax rate	因稅率增加而產生之遞延稅項	-	(205,452)
Taxation (credit)/charge	稅項（進賬）／支出	<b>(4,146,344)</b>	1,978,214

## 9. TAXATION (continued)

The reconciliation of taxation on the Group's (loss)/profit before taxation differing from the theoretical amount that would arise using the applicable taxation rate of the Group is as follows:

		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
(Loss)/profit before taxation	除稅前(虧損)/溢利	<b>(81,819,919)</b>	6,009,170
Calculated at a taxation rate of 17.5% (2003:17.5%)	按稅率17.5%(二零零三年:17.5%)計算	<b>(14,318,486)</b>	1,051,605
Tax effect of income not subject to taxation	毋須課稅之收入之稅項影響	<b>(14,557)</b>	(1,036,098)
Tax effect of expenses not deductible for taxation purposes	不可就稅項理由扣減之開支之稅項影響	<b>839,934</b>	1,429,702
Tax effect of utilisation of previously unrecognised tax losses	動用未曾確認稅務虧損之稅項影響	<b>(595,256)</b>	(871,734)
Tax effect of increase in opening deferred tax asset resulting from an increase in tax rate	稅率上升導致遞延稅項資產年初數額上升之稅項影響	-	(205,452)
Tax effect of tax losses not recognised	未確認之稅務虧損之稅項影響	<b>187,337</b>	280,338
Tax effect of temporary differences not recognised	未確認暫時差異之稅項影響	<b>9,754,684</b>	1,332,044
Overprovision of Hong Kong profits tax in prior years	以往年度香港利得稅超額撥備	-	(2,191)
<b>Taxation (credit)/charge</b>	<b>稅項(進賬)/支出</b>	<b>(4,146,344)</b>	1,978,214

## 9. 稅項 (續)

本集團除稅前(虧損)/溢利之稅項與採用適用於本集團之稅率計算之理論數額之差別調節如下:

## 10. LOSS ATTRIBUTABLE TO SHAREHOLDERS

The loss attributable to shareholders is dealt with in the accounts of the Company to the extent of HK\$33,326,674 (2003: profit of HK\$2,924,811).

## 11. (LOSS)/EARNINGS PER SHARE

The Company has no diluted potential shares in 2004 and 2003.

The (loss)/earnings per share is calculated based on the loss for the year of HK\$77,673,575 (2003: profit of HK\$4,030,956) and the weighted average number of 3,000,000,000 (2003: 3,000,000,000) ordinary shares in issue during the year.

## 10. 股東應佔虧損

計入本公司賬目之股東應佔虧損為33,326,674港元(二零零三年:溢利2,924,811港元)。

## 11. 每股(虧損)/盈利

本公司於二零零四年及二零零三年並無具潛在攤薄影響之股份。

每股(虧損)/盈利乃按年度虧損77,673,575港元(二零零三年:溢利4,030,956港元)及年內已發行普通股之加權平均數3,000,000,000股(二零零三年:3,000,000,000股)之基準計算。

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 12. FIXED ASSETS

##### The Group

		Leasehold improvements 租賃物業裝修 HK\$/港元	Furniture and fixtures 傢俬及裝置 HK\$/港元	Office equipment 辦公室設備 HK\$/港元	Total 合計 HK\$/港元
<b>COST</b>					
	<b>成本</b>				
At 1 January 2004	於二零零四年一月一日	6,448,998	1,105,812	11,252,707	18,807,517
Additions	添置	547,790	100,730	236,624	885,144
Disposal	出售	(1,754,907)	-	-	(1,754,907)
At 31 December 2004	於二零零四年十二月三十一日	5,241,881	1,206,542	11,489,331	17,937,754
<b>ACCUMULATED</b>					
	<b>DEPRECIATION</b>				
	<b>累計折舊</b>				
At 1 January 2004	於二零零四年一月一日	1,767,170	434,066	9,784,393	11,985,629
Provided for the year	年度撥備	1,011,890	259,119	888,929	2,159,938
Written back on disposal	出售時撥回	(913,929)	-	-	(913,929)
At 31 December 2004	於二零零四年十二月三十一日	1,865,131	693,185	10,673,322	13,231,638
<b>NET BOOK VALUE</b>					
	<b>賬面淨值</b>				
At 31 December 2004	於二零零四年十二月三十一日	3,376,750	513,357	816,009	4,706,116
At 31 December 2003	於二零零三年十二月三十一日	4,681,828	671,746	1,468,314	6,821,888

##### The Company

The Company has no fixed assets as at 31 December 2004 (2003: Nil).

#### 12. 固定資產

##### 本集團

		Leasehold improvements 租賃物業裝修 HK\$/港元	Furniture and fixtures 傢俬及裝置 HK\$/港元	Office equipment 辦公室設備 HK\$/港元	Total 合計 HK\$/港元
<b>COST</b>					
	<b>成本</b>				
At 1 January 2004	於二零零四年一月一日	6,448,998	1,105,812	11,252,707	18,807,517
Additions	添置	547,790	100,730	236,624	885,144
Disposal	出售	(1,754,907)	-	-	(1,754,907)
At 31 December 2004	於二零零四年十二月三十一日	5,241,881	1,206,542	11,489,331	17,937,754
<b>ACCUMULATED</b>					
	<b>DEPRECIATION</b>				
	<b>累計折舊</b>				
At 1 January 2004	於二零零四年一月一日	1,767,170	434,066	9,784,393	11,985,629
Provided for the year	年度撥備	1,011,890	259,119	888,929	2,159,938
Written back on disposal	出售時撥回	(913,929)	-	-	(913,929)
At 31 December 2004	於二零零四年十二月三十一日	1,865,131	693,185	10,673,322	13,231,638
<b>NET BOOK VALUE</b>					
	<b>賬面淨值</b>				
At 31 December 2004	於二零零四年十二月三十一日	3,376,750	513,357	816,009	4,706,116
At 31 December 2003	於二零零三年十二月三十一日	4,681,828	671,746	1,468,314	6,821,888

##### 本公司

本公司於二零零四年十二月三十一日並無固定資產(二零零三年:無)。

## 13. INTERESTS IN SUBSIDIARIES

## 13. 附屬公司權益

		The Company 本公司	
		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Unlisted shares, at cost	非上市股份·成本值	<b>286,338,117</b>	286,338,117
Impairment losses	減值虧損	<b>(111,000,000)</b>	(81,000,000)
		<b>175,338,117</b>	205,338,117
Amount due from a subsidiary	應收附屬公司款項	<b>139,294,137</b>	141,350,253
Amount due to a subsidiary	應付附屬公司款項	<b>(113,903,863)</b>	(112,809,820)
		<b>200,728,391</b>	233,878,550

Amounts due from/(to) subsidiaries were unsecured, interest-free and with no fixed repayment terms.

應收／(應付)附屬公司款項為無抵押及不計息·且無設定還款期。

Details of the Company's principal subsidiaries as at 31 December 2004 are as follows:

本公司於二零零四年十二月三十一日之主要附屬公司詳情如下：

Name of subsidiaries 附屬公司名稱	Place of incorporation/ 註冊成立及 營業地點	Class of shares held 所持 股份類別	Percentage of nominal value of issued share capital held by the Company 本公司所持已發行 股本面值百分比		Principal activities 主要業務
			Directly 直接 %	Indirectly 間接 %	
REXCAPITAL Financial Group Limited	British Virgin Islands/ Hong Kong 英屬維爾京群島／香港	Ordinary 普通股	100	–	Investment holding 投資控股
REXCAPITAL Financial Management Limited	British Virgin Islands/ Hong Kong 英屬維爾京群島／香港	Ordinary 普通股	100	–	Investment holding 投資控股
REXCAPITAL Financial Investment Limited 御泰金融投資有限公司	Hong Kong 香港	Ordinary 普通股	–	100	Investment holding 投資控股
REXCAPITAL Asset Management Limited 御泰資產管理有限公司	Hong Kong 香港	Ordinary 普通股	–	100	Investment holding, provision of advisory and fund management services 投資控股·提供投資顧問及 基金管理服務

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 13. INTERESTS IN SUBSIDIARIES (continued)

#### 13. 附屬公司權益 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ operation 註冊成立及 營業地點	Class of shares held 所持 股份類別	Percentage of nominal value of issued share capital held by the Company 本公司所持已發行股本面值百分比		Principal activities 主要業務
			Directly 直接 %	Indirectly 間接 %	
REXCAPITAL Finance Limited 御泰信貸有限公司	Hong Kong 香港	Ordinary 普通股	-	100	Money lending and investment trading 貸款及投資買賣
REXCAPITAL Futures Limited 御泰期貨有限公司	Hong Kong 香港	Ordinary 普通股	-	100	Futures and commodities dealing 期貨及商品買賣
REXCAPITAL Securities Limited 御泰證券有限公司	Hong Kong 香港	Ordinary 普通股	-	100	Securities dealing and margin financing 證券買賣及孖展融資
REXCAPITAL Realty Limited 御泰地產有限公司	Hong Kong 香港	Ordinary 普通股	-	100	Investment holding 投資控股
REXCAPITAL Corporate Services Limited 御泰企業服務有限公司	Hong Kong 香港	Ordinary 普通股	-	100	Arrangement of leases for group companies 為集團成員公司安排租約
Ibrokers Company Limited	Hong Kong 香港	Ordinary 普通股	-	100	Arrangement of leases for group companies 為集團成員公司安排租約

None of the subsidiaries had any loan capital outstanding at the end of the year or at any time during the year.

各附屬公司於本年度年結日及年內任何時間均無任何未償還之借貸資本。

## 14. INTANGIBLE ASSETS

## The Group

		Three trading rights in the Stock Exchange 三項聯交所 交易權 HK\$/港元	One trading right in the HKFE 一項期交所 交易權 HK\$/港元	Total 合計 HK\$/港元
<b>COST</b>		<b>成本</b>		
At 1 January 2004 and at 31 December 2004	於二零零四年一月一日及 二零零四年十二月三十一日	4,042,800	149,600	4,192,400
<b>ACCUMULATED AMORTISATION</b>		<b>累計攤銷</b>		
At 1 January 2004	於二零零四年一月一日	2,791,272	108,875	2,900,147
Provided for the year	本年度撥備	1,251,528	40,725	1,292,253
At 31 December 2004	於二零零四年十二月三十一日	4,042,800	149,600	4,192,400
<b>NET BOOK VALUE</b>		<b>賬面淨值</b>		
At 31 December 2004	於二零零四年十二月三十一日	-	-	-
At 31 December 2003	於二零零三年十二月三十一日	1,251,528	40,725	1,292,253

## 15. INVESTMENT SECURITY

## 15. 投資證券

		The Group 本集團	
		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Equity security, at cost	股票證券·按成本		
Listed investment in Hong Kong	香港上市投資	50,000	50,000
Market value of listed investment	上市投資市值	74,646	123,552



## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 16. STATUTORY DEPOSITS

#### 16. 法定按金

		The Group 本集團	
		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
The Stock Exchange	聯交所		
– compensation fund	– 賠償基金	<b>153,490</b>	153,490
– fidelity fund	– 互保基金	<b>150,000</b>	150,000
– teletext deposit	– 大利市按金	<b>2,400</b>	2,400
– stamp duty deposit	– 印花稅按金	<b>75,000</b>	30,000
The HKFE	期交所		
– compensation fund deposit	– 賠償基金按金	–	100,000
Hong Kong Securities Clearing Company Limited	香港中央結算 有限公司		
– guarantee fund deposit	– 保證基金按金	<b>150,000</b>	150,000
– admission fee	– 入會費	<b>150,000</b>	150,000
The Stock Exchange Options Clearing House Limited	聯交所期權結算所 有限公司		
– reserve fund initial contribution	– 儲備基金首筆供款	<b>1,500,000</b>	1,500,000
HKFE Clearing Corporation Limited	香港期貨交易結算有限公司		
– reserve fund deposit	– 儲備基金按金	<b>1,554,136</b>	1,500,000
		<b>3,735,026</b>	3,735,890

## 17. DEFERRED TAXATION

## The Group

(i) *Deferred tax asset recognised*

Deferred taxation is calculated in full on temporary differences under the liability method using a principal taxation rate of 17.5% (2003:17.5%).

The following are the major components of deferred tax asset recognised by the Group and movements thereon during the current and prior years:

		Tax losses 稅務虧損 HK\$/港元	Others 其他 HK\$/港元	Total 合計 HK\$/港元
At 1 January 2003	於二零零三年一月一日	(2,191,491)	-	(2,191,491)
Charged to the consolidated profit and loss account	在綜合損益表內支銷	2,185,857	-	2,185,857
Effect of increase in tax rate credited to the consolidated profit and loss account	稅率上升之影響在綜合損益表內進賬	(205,452)	-	(205,452)
At 31 December 2003	於二零零三年十二月三十一日	(211,086)	-	(211,086)
Credited to the consolidated profit and loss account	在綜合損益表內進賬	(2,396,344)	(1,750,000)	(4,146,344)
<b>At 31 December 2004</b>	<b>於二零零四年十二月三十一日</b>	<b>(2,607,430)</b>	<b>(1,750,000)</b>	<b>(4,357,430)</b>

## 17. 遞延稅項

## 本集團

(i) *已確認遞延稅項資產*

遞延稅項採用負債法就暫時差異按主要稅率17.5%(二零零三年:17.5%)作全數撥備。

以下為本集團所確認遞延稅項資產之主要部份及其於本年度及以往年度之變動:

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 17. DEFERRED TAXATION (continued)

##### The Group (continued)

(ii) *Deferred tax assets/(liabilities) have not been recognised in respect of the following items:*

		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Taxable temporary differences	應課稅暫時差異		
– accelerated tax depreciation	– 加速稅項折舊	<b>(292,560)</b>	(131,655)
Deductible temporary differences	可扣減暫時差異		
– decelerated tax depreciation	– 減速稅項折舊	<b>1,020,751</b>	62,749
– others	– 其他	<b>62,808,981</b>	7,865,025
Tax losses	稅務虧損	<b>60,236,403</b>	65,527,033
		<b>123,773,575</b>	73,323,152

The deductible temporary differences and tax losses do not expire under current tax legislation.

根據現行稅務條例，可扣減暫時差異及稅務虧損並無到期日。

##### The Company

The Company has no temporary differences as at 31 December 2004 (2003: Nil).

#### 17. 遞延稅項 (續)

##### 本集團 (續)

(ii) **遞延稅項資產/(負債)並未就以下項目進行確認:**

##### 本公司

本公司於二零零四年十二月三十一日並無暫時差額(二零零三年:無)。

#### 18. TRADE RECEIVABLES

		The Group 本集團	
		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Margin client receivables, net	應收孖展客戶款項淨額	<b>127,275,906</b>	169,988,599
Other client receivables, net	應收其他客戶款項淨額	<b>7,659,835</b>	15,406,023
Broker receivables	應收經紀款項	<b>1,781,408</b>	4,407,597
Amounts due from clearing houses	應收結算所款項	<b>16,327,962</b>	9,761,119
Loan receivables, net	應收貸款淨額	<b>175,471,635</b>	151,934,686
Loan interest receivables, net	應收貸款利息淨額	<b>5,904,030</b>	6,050,158
		<b>334,420,776</b>	357,548,182

#### 18. 應收賬款

## 18. TRADE RECEIVABLES (continued)

Margin client receivables are repayable on demand, bear interest at prevailing market rates and are secured by clients' securities listed on the Stock Exchange with a market value of approximately HK\$311,000,000 as at 31 December 2004 (2003: HK\$542,000,000). No aged analysis is disclosed for margin client receivables as, in the opinion of the Directors, the aged analysis does not give additional value in view of the nature of business of securities margin financing.

The settlement terms of other client receivables, broker receivables and amounts due from clearing houses are one to two days after the trade date. The age of these balances is within 30 days.

Included in the above client receivables as at 31 December 2004 are the accounts of associates of certain Directors of approximately HK\$7,781,000 (2003: HK\$12,898,000). The amounts due from the associates are of similar trading terms as the other client receivables.

Included in the above loan receivables as at 31 December 2004 is the account of an associate of certain Directors of approximately HK\$9,992,000 (2003: Nil). The amount due from the associate is of similar trading terms as the other loan receivables.

The remaining maturity of loan receivables as at 31 December 2004 is as follows:

## 18. 應收賬款 (續)

應收孖展客戶款項須隨時按要求償還，按當時市場利率計息，並以客戶於聯交所上市之證券抵押，該等證券於二零零四年十二月三十一日之市值約311,000,000港元（二零零三年：542,000,000港元）。由於董事認為就孖展證券融資業務性質而言，賬齡分析意義不大，因此並無披露應收孖展客戶款項之賬齡分析資料。

應收其他客戶款項、應收經紀款項及應收結算所款項須於交易日後一至兩天內償還，而該等款項賬齡均少於30天。

上述於二零零四年十二月三十一日之應收客戶款項包括應收若干董事之聯繫人士之貸款約7,781,000港元（二零零三年：12,898,000港元）。應收聯繫人士之款項所適用之交易條款與其他客戶應收款項相若。

上述於二零零四年十二月三十一日之應收貸款包括應收若干董事之聯繫人士之貸款約9,992,000港元（二零零三年：無）。應收聯繫人士之款項所適用之交易條款與其他應收貸款相若。

於二零零四年十二月三十一日，應收貸款餘下之年期如下：

		The Group 本集團	
		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Three months or less	三個月或以內	53,361,420	38,816,295
One year or less but over three months	一年以下但三個月以上	122,110,215	113,118,391
		<b>175,471,635</b>	151,934,686

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 19. OTHER INVESTMENTS

#### 19. 其他投資

		The Group 本集團	
		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Listed securities in Hong Kong, at market value	香港上市證券， 按市值	<b>22,928,294</b>	34,560

#### 20. BANK BALANCES AND CASH

#### 20. 銀行結餘及現金

		The Group 本集團		The Company 本公司	
		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元	2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Bank balances	銀行結餘				
- general accounts	- 一般賬戶	<b>8,557,707</b>	28,305,263	<b>14,498</b>	45,655
- segregated accounts	- 獨立賬戶	<b>65,342,351</b>	61,298,590	-	-
Cash in hand	手頭現金	<b>27,912</b>	23,500	-	-
		<b>73,927,970</b>	89,627,353	<b>14,498</b>	45,655

#### 21. TRADE PAYABLES

#### 21. 應付賬款

		The Group 本集團	
		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Margin client payables	應付孖展客戶款項	<b>18,550,425</b>	28,363,543
Other client payables	應付其他客戶款項	<b>60,177,437</b>	64,750,520
Broker payables	應付經紀款項	<b>113,975</b>	196,332
		<b>78,841,837</b>	93,310,395

Margin client payables and other client payables are repayable on demand and bear interest at prevailing market rates. No aged analysis is disclosed for margin client payables and other client payables as, in the opinion of the Directors, the aged analysis does not give additional value in view of the nature of business of securities margin financing and broking.

The settlement terms of broker payables are one or two days after the trade date. The age of these balances is within 30 days.

應付孖展客戶款項及應付其他客戶款項隨時按要求償還，按當時市場利率計息。由於董事認為就孖展證券融資業務及經紀業務性質而言，賬齡分析意義不大，因此並無披露應付孖展客戶款項及應付其他客戶款項之賬齡分析資料。

應付經紀款項於交易日後一或兩天內償還。而該等款項賬齡均少於30天。

## Notes to the Accounts (continued)

## 賬目附註(續)

For the year ended 31 December 2004

截至二零零四年十二月三十一日止年度

## 22. SHARE CAPITAL

## 22. 股本

		Authorised 法定			
		Ordinary shares of HK\$ 0.01 each 每股面值0.01港元之普通股		Ordinary shares of HK\$ 0.1 each 每股面值0.1港元之普通股	
		Number of shares 股份數目	HK\$ 港元	Number of shares 股份數目	HK\$ 港元
At 1 January 2003	於二零零三年一月一日	-	-	2,000,000,000	200,000,000
Capital restructuring	股本重組	20,000,000,000	200,000,000	(2,000,000,000)	(200,000,000)
At 31 December 2003 and at 31 December 2004	於二零零三年十二月三十一日及 二零零四年十二月三十一日	20,000,000,000	200,000,000	-	-

  

		Issued and fully paid 已發行及繳足			
		Ordinary shares of HK\$ 0.01 each 每股面值0.01港元之普通股		Ordinary shares of HK\$ 0.1 each 每股面值0.1港元之普通股	
		Number of shares 股份數目	HK\$ 港元	Number of shares 股份數目	HK\$ 港元
At 1 January 2003	於二零零三年一月一日	-	-	600,000,000	60,000,000
Capital restructuring	股本重組	3,000,000,000	30,000,000	(600,000,000)	(60,000,000)
At 31 December 2003 and at 31 December 2004	於二零零三年十二月三十一日及 二零零四年十二月三十一日	3,000,000,000	30,000,000	-	-

Note:

By a special resolution passed on 29 December 2003, a capital restructuring was undertaken on 30 December 2003 which involved:

- (i) share subdivision on the basis that every one issued ordinary share of HK\$0.1 each in the capital of the Company was subdivided into five shares of HK\$0.02 each;
- (ii) the nominal value of each of the subdivided shares was reduced from HK\$0.02 to HK\$0.01 each by cancelling HK\$0.01 paid up on each issued share. The credit of HK\$30,000,000 arising in the books of the Company from such capital reduction was credited to the contributed surplus account (note 24); and
- (iii) every ordinary share of HK\$0.1 each in the unissued share capital of the Company was subdivided into ten shares of HK\$0.01 each.

附註:

藉一項於二零零三年十二月二十九日通過之特別決議案，股本重組已於二零零三年十二月三十日進行，當中涉及：

- (i) 按本公司股本中每股面值0.1港元之已發行普通股每一股拆細為五股每股面值0.02港元之股份之基準進行股份分拆；
- (ii) 透過註銷每股已發行股份之已繳股款0.01港元，將每股拆細股份之面值由0.02港元減至0.01港元。因股本削減而產生之30,000,000港元在本公司賬目上計入實繳盈餘賬內(附註24)；及
- (iii) 本公司未發行股本中每股面值0.1港元之普通股拆細為十股每股面值0.01港元之股份。

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 23. SHARE OPTION SCHEME

The Company's share option scheme was adopted by the Company on 22 November 2002 (the "Scheme") for the purpose of enabling the Company to grant share options to executives and employees of the Group and other persons who have made contributions to the Group as incentives and/or rewards for their contributions to the Company or its subsidiaries.

According to the Scheme, the Board may grant share options to the eligible participants as defined in the Scheme to subscribe for such number of shares as the Board may determine. Share options granted should be accepted within 30 days from the date of offer. Upon acceptance of the share options, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant.

The exercise price of share options shall be determined by the Board, save that such price will not be less than the highest of (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; (b) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant, and (c) the nominal value of a share.

The maximum number of shares which may be issued upon exercise of all share options to be granted under the Scheme and any other share option scheme(s) of the Company must not exceed 10% of the issued share capital of the Company on the date of approval and adoption of the Scheme provided that the Company may at any time seek approval from its shareholders to refresh the limit to 10% of the shares in issue as at the date of approval by the shareholders in general meeting where such limit is refreshed. Share options previously granted under any share option scheme(s) of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised share options) will not be counted for the purpose of calculating the limit as refreshed.

#### 23. 購股權計劃

本公司於二零零二年十一月二十二日採納購股權計劃(「該計劃」)，以向曾對本集團作出貢獻之本集團行政人員及僱員以及其他人士授出購股權，以表揚及／或酬謝彼等對本集團或其任何附屬公司所作出之貢獻。

根據該計劃，董事會可向該計劃所定義之合資格參與人士授出購股權以認購董事會可釐定之股份數目。承授人須就所授購股權支付1港元之代價，並於邀約日期起計30日內接納。

購股權之行使價由董事會釐定，惟不得低於(a)本公司股份於授出日期(必須為營業日)在聯交所每日報價表上所報之收市價；(b)本公司股份在緊接授出日期前五個營業日在聯交所每日報價表上所報之平均收價，或(c)股份面值(以較高者為準)。

行使根據該計劃及本公司任何其他購股權計劃可能授出之所有購股權可發行之股份數目上限，不得超過批准及採納該計劃當日本公司之已發行股本10%，惟本公司可不時於股東大會，尋求股東批准重訂於批准該限制當日已發行股份10%之限制。於計算重訂之限制時，較早前根據本公司之任何購股權計劃所授出之購股權(包括根據該等計劃而仍未行使、已註銷、已失效或已行使之購股權)將不被計入內。

## 23. SHARE OPTION SCHEME (continued)

The total number of shares issued and which may fall to be issued upon exercise of the share options granted under the Scheme and any other share option scheme(s) of the Company (including exercised, cancelled and outstanding share options) to each eligible participant in any 12-month period up to and including the date of grant shall not exceed 1% of the shares in issue as at the date of grant. Share options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's issued share capital on the date of grant or with a value in excess of HK\$5,000,000 must be approved in advance by the Company's shareholders.

The period during which share options may be exercised will be determined by the Board at its absolute discretion, save that no share options can be exercised more than 10 years after they have been granted. There is no general requirement that share options must be held for any minimum period before they can be exercised. The Scheme will expire on 22 November 2012.

The Company made an offer for the grant of share options to certain eligible participants on 11 December 2003, 150,000,000 share options at a subscription price of HK\$0.138 per share were accepted and granted on 3 January 2004, 30,000,000 share options of which were lapsed during the year and 30,000,000 share options of which were lapsed on 31 January 2005. The remaining share options are exercisable during the period from 3 January 2004 to 2 January 2014.

## 23. 購股權計劃 (續)

於截至授出購股權日期之前任何12個月期間(包括授出當日),因行使個別合資格人士根據該計劃及本公司任何其他購股權計劃可能授出之購股權(包括已行使、已註銷及尚未行使購股權)而已發行及可予發行之有關股份總數,不得超過授出當日已發行股份總數之1%。若向主要股東或獨立非執行董事授出之購股權之有關股份高於授出當日本公司已發行股本0.1%或其價值高於5,000,000港元,則必須經本公司股東事先批准。

董事會可全權酌情決定購股權之行使期限,惟授出購股權日期起計十年後不可行使該購股權。對於行使購股權前必須持有購股權之最短期限並無任何一般規定。該計劃將於二零一二年十一月二十二日屆滿。

本公司於二零零三年十二月十一日向若干合資格參與人士作出邀約授出購股權。150,000,000份每股認購價為0.138港元之購股權已於二零零四年一月三日獲接納及授出,當中30,000,000份購股權於本年內失效,而30,000,000份購股權於二零零五年一月三十一日失效。餘下購股權於二零零四年一月三日至二零一四年一月二日期間可予行使。



## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 24. RESERVES OF THE COMPANY

#### 24. 本公司之儲備

		Share premium HK\$/港元	(Accumulated losses)/ retained profit (累計虧損) / 保留溢利 HK\$/港元	Contributed surplus HK\$/港元	Total 總計 HK\$/港元
At 1 January 2003	於二零零三年一月一日	43,651,967	(88,456,397)	214,938,109	170,133,679
Capital restructuring	股本重組				
– notes (i) & (ii)	– 附註(i)及(ii)	(43,651,967)	88,985,546	(45,333,579)	–
– note 22 (ii)	– 附註22(ii)	–	–	30,000,000	30,000,000
Profit for the year	本年度溢利	–	2,924,811	–	2,924,811
At 31 December 2003	於二零零三年十二月三十一日	–	3,453,960	199,604,530	203,058,490
Loss for the year	本年度虧損	–	(33,326,674)	–	(33,326,674)
<b>At 31 December 2004</b>	<b>於二零零四年十二月三十一日</b>	<b>–</b>	<b>(29,872,714)</b>	<b>199,604,530</b>	<b>169,731,816</b>

Notes:

Pursuant to a special resolution passed on 29 December 2003,

- (i) the amount of share premium account was reduced to zero and the credit arisen was transferred to the contributed surplus accounts; and
- (ii) an amount of HK\$88,985,546 standing to the credit of the contributed surplus account was applied to offset against the accumulated losses.

Under the Company Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of the contributed surplus, if:

- (a) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

附註:

根據於二零零三年十二月二十九日通過之特別決議案，

- (i) 股份溢價賬全部金額將削減至零，所產生之進賬轉撥實繳盈餘賬；及
- (ii) 實繳盈餘賬中之為數88,985,546港元之貸項結餘用以抵銷累計虧損。

根據百慕達一九八一年公司法(經修訂)，本公司之實繳盈餘賬屬於可供分派之儲備。然而，若在下列情況下，本公司不得自實繳盈餘賬中宣派或派付股息或作出分派：

- (a) 本公司當時或於有關分派後無法償還到期之債務；或
- (b) 本公司資產之可變現價值將因此而降至低於本公司負債、已發行股本及股份溢價賬之總和。

## 24. RESERVES OF THE COMPANY (continued)

In the opinion of the Directors, the Company's reserves available for distribution to shareholders as at the balance sheet date were as follows:

		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Contributed surplus	實繳盈餘	199,604,530	199,604,530
(Accumulated losses)/retained profit	(累計虧損)/保留溢利	(29,872,714)	3,453,960
		<b>169,731,816</b>	203,058,490

## 24. 本公司之儲備 (續)

董事認為，本公司於結算日可供分派予股東之儲備如下：

## 25. RETIREMENT BENEFIT SCHEME

The Group operates the MPF for all qualifying employees. The retirement benefit costs charged to the profit and loss account represent contributions payable to the scheme by the Group at rates specified in the rules of the scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund.

## 25. 退休福利計劃

本集團為全體合資格僱員安排強積金。在損益表列賬之退休福利成本，為本集團按照計劃規定比率須支付之供款。該計劃資產與本集團其他資產分開，並納入由信託人管理之基金內。

## 26. CONTINGENT LIABILITIES

**The Group**

At 31 December 2004, the Group has no significant contingent liabilities (2003: Nil).

## 26. 或然負債

**本集團**

於二零零四年十二月三十一日，本集團並無重大或然負債（二零零三年：無）。

**The Company**

The Company has issued unlimited corporate guarantees to banks to secure general facilities granted to two subsidiaries. The facilities utilised by the subsidiaries as at 31 December 2004 amounted to approximately HK\$206,000,000 (2003: HK\$128,000,000).

**本公司**

本公司已就兩間附屬公司所獲一般信貸向銀行發出無限額之公司擔保。於二零零四年十二月三十一日，附屬公司已動用信貸額約206,000,000港元（二零零三年：128,000,000港元）。

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 27. COMMITMENTS

##### The Group

At 31 December 2004, the Group's future aggregate minimum lease payments under non-cancellable operating leases are payable as follows:

		The Group 本集團	
		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Land and buildings	土地及樓宇		
Within one year	一年內	<b>3,982,268</b>	3,946,217
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	<b>9,368,991</b>	12,468,332
		<b>13,351,259</b>	16,414,549

The Group leases office premises under operating leases. The leases run for an initial period of one to six years. The leases do not include any contingent rentals.

##### The Company

At 31 December 2004, the Company did not have any commitments under non-cancellable operating leases (2003: Nil).

Other than the operating lease commitments, the Group and the Company did not have any other capital commitments as at 31 December 2004 (2003: Nil).

#### 28. PLEDGE OF ASSETS

As at 31 December 2004, listed investments belonging to clients and the Group with total market value of approximately HK\$305,074,000 and HK\$22,859,000 respectively (2003: HK\$405,026,000 and nil respectively) were pledged to a bank to secure overdraft and loan facilities granted to two subsidiaries.

#### 27. 承擔

##### 本集團

於二零零四年十二月三十一日，本集團根據不可撤銷經營租約應付之未來最低租金總額如下：

		The Group 本集團	
		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Land and buildings	土地及樓宇		
Within one year	一年內	<b>3,982,268</b>	3,946,217
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	<b>9,368,991</b>	12,468,332
		<b>13,351,259</b>	16,414,549

本集團根據經營租約租用辦公室，而該等租約初步為期一至六年不等，並不包括任何或然租金。

##### 本公司

於二零零四年十二月三十一日，本公司並無任何不可撤銷經營租約規定之承擔 (二零零三年：無)。

除經營租約外，本集團及本公司於二零零四年十二月三十一日並無任何其他資本承擔 (二零零三年：無)。

#### 28. 資產抵押

於二零零四年十二月三十一日，屬於客戶及本集團所有總市值分別約為305,074,000港元及22,859,000港元 (二零零三年：分別為405,026,000港元及無) 之上市投資已抵押予銀行，作為兩間附屬公司所獲透支及貸款額之擔保。

## 29. TRANSACTIONS WITH RELATED PARTIES

## 29. 關連人士交易

(a) Details of the Group's significant transactions with the following related parties during the year are as follows:

(a) 本集團於本年度曾與以下關連人士進行之重大交易細節概述如下:

		2004 二零零四年 HK\$/港元	2003 二零零三年 HK\$/港元
Directors:	董事:		
Commission, fee and interest income	佣金、費用及利息收入	-	7,914
Associates of Directors:	董事之聯繫人士:		
License fee paid for use of premises	已付使用房屋之許可證費用	-	743,219
Commission and interest income arising from futures and securities trading	來自期貨及證券買賣之佣金及利息收入	<b>2,031,815</b>	1,359,348
Commitment fee and interest paid	承諾費及已付利息	-	1,796,670
Sub-underwriting fee paid	已付分包銷費用	-	140,000

In the opinion of the Directors, including the independent non-executive Directors, the above transactions were entered into in the Group's ordinary course of business and on normal commercial terms.

董事(包括獨立非執行董事)認為上述交易在本集團日常業務中按一般商業條款進行。

(b) During the year, the Group entered into an agreement with a related company, in which certain Directors of the Company are directors and one of these Directors is a beneficial shareholder, to dispose of the entire issued share capital of REXCAPITAL Financial Group Limited at an aggregate cash consideration of HK\$229,000,000. The transaction has not yet been completed up to the date of this report.

(b) 於年內,本集團與一間本公司若干董事為其董事及該等董事其中一名為實益股東的關連公司訂立一項協議,以總現金代價229,000,000港元出售REXCAPITAL Financial Group Limited的全部已發行股本。截至本報告日期,該項交易尚未完成。

## Notes to the Accounts (continued)

### 賬目附註 (續)

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

#### 30. POST BALANCE SHEET EVENT

Subsequent to the balance sheet date, a subsidiary of the Company, REXCAPITAL Finance Limited, was involved in a civil litigation, in which an injunction order has been made against the subsidiary to restrain its dealings with payments amounting to HK\$3,930,000 plus any interest earned thereon received from an associate of certain Directors. The amount has been repaid to that associate. In the opinion of legal counsel, it is too early to estimate the outcome of the litigation. The Directors are of the opinion that the claim has no basis and the subsidiary will defend the claim and therefore no provision has been made in the accounts.

#### 30. 結算日後事項

於結算日後，本公司之附屬公司御泰信貸有限公司牽涉及一項民事訴訟，該附屬公司須面對一項禁制令，限制其處理一筆收取自若干董事之聯繫人士為數3,930,000港元之款項連同款項賺取之利息。該筆款項經已償還予該聯繫人士。根據法律顧問意見，要估計訴訟之結果為時尚早。董事認為，該項申索並無理據，而該附屬公司將就該項申索辯護，因此賬目內並無就此作出撥備。