

Supplementary Information

Advances to Customers by Industry Sectors

	Group	
	Gross advances to customers	
	2005	2004
	HK\$'000	HK\$'000
Loans for use in Hong Kong		
Industrial, commercial and financial:		
Property investment	56,674	58,442
Wholesale and retail trade	–	93
Manufacturing	1,602	1,713
Licensed public vehicles	516,024	446,482
Individuals:		
Loans for the purchase of residential properties	19,927	27,448
Others	2,911,121	2,635,596
Loans for use outside Hong Kong	78,452	79,952
	3,583,800	3,249,726

The advances to customers are classified by industry sectors based on the industry in which the loans granted were used. In those cases where loans cannot be classified with reasonable certainty, they are classified according to the known principal activity of the borrowers or by reference to the assets financed according to the loan documentation.

Capital Adequacy and Liquidity Ratios of JCG Finance

	2005	2004
	Unadjusted ratio	Unadjusted ratio
Capital adequacy ratio as at 31 December	38.52%	38.69%
Average liquidity ratio for the year	72.45%	79.45%

The above unadjusted capital adequacy ratio and average liquidity ratio for the year are computed in accordance with the Third Schedule and the Fourth Schedule of the Banking Ordinance respectively.

The above unadjusted capital adequacy ratio is computed on a consolidated basis (including JCG Securities Limited and Public Financial Limited (formerly known as "Funds Fit Limited")). The adjusted capital adequacy ratio is not disclosed herein as the market risk arising from JCG Finance's trading book is regarded as immaterial. JCG Finance meets all of the de minimis exemption criteria for reporting market risk as set out in "Maintenance of Adequate Capital Against Market Risks" under the Supervisory Policy Manuals issued by the HKMA and has relied on such criteria in considering the materiality of market risk arising from its trading book.