

1. CORPORATE INFORMATION

The Company was domiciled and 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 Profits Corporation, companies incorporated in the British Virgin Islands, are regarded respectively as the ultimate holding company and the immediate holding company of the Company.

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

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these consolidated financial statements are set out as below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1. 公司資料

本公司的總部設於百慕達並且是百慕達註冊成立的獲豁免有限責任公司。本公司的主要業務地點為香港皇后大道中 183 號新紀元廣場中遠大廈 34 樓。

根據集團重組計劃，本集團重整架構以準備把本公司股份在聯交所上市的集團重組計劃，本公司於二零零零年八月十五日成為本集團在香港的控股公司，股份於二零零零年九月二十八日在聯交所主板上市。

董事認為，在英屬處女群島註冊成立的公司 King United Agents Limited 及 Kingly Profits Corporation 分別視為本公司的最終控股公司和直接控股公司。

綜合財務報表以港元呈列，與本集團的功能貨幣相同。

年內，本公司是一家投資控股公司，附屬公司的主要業務為提供金融服務，包括經紀業務、證券孖展融資服務、企業融資及資產管理、貸款，以及投資買賣及控股。

2. 主要會計政策概要

編製本綜合財務報表採納之主要會計政策載列如下。除特別註明外，這些政策已於所有呈列年度貫徹採用。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”), which also include Hong Kong Accounting Standards (“HKAS”) and Interpretations (“Int”) issued by the Hong Kong Institute of Certified Public Accountants, and accounting principles generally accepted in Hong Kong. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, which are carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

The adoption of new/revised HKFRS
In 2005, the Group adopted the new/revised standards and interpretations of HKFRS below, which are relevant to its operations.

2. 主要會計政策概要 (續)

(a) 編製基準

編製本綜合財務報表乃按照香港會計師公會頒佈的香港財務報告準則，包括香港會計準則及詮釋，以及香港公認會計原則。本綜合財務報表乃按歷史成本規定編製，並就金融資產按公允價值重估而作出修訂，按公允價值入賬。

編製符合香港財務報告準則的財務報表須採用若干主要會計估計，管理層也須在應用本集團的會計政策時作出判斷。有關範圍包括更高程度的判斷或複雜性，或對財務報表而言重大的假設和估計。有關內容於附註4披露。

採用新／修訂的香港財務報告準則
本集團於二零零五年採用以下與業務相關的新／修訂準則和詮釋之香港財務報告準則。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

HKAS 1	Presentation of Financial Statements
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 18	Revenue
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 32	Financial Instruments: Disclosures and Presentation
HKAS 33	Earnings per Share
HKAS 36	Impairment of Assets
HKAS 38	Intangible Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HK(SIC)-Int 15	Operating Leases – Incentives
HKFRS 2	Share-based Payments
HKFRS 3	Business Combination

2. 主要會計政策概要 (續)

(a) 編製基準 (續)

香港會計準則第1號	財務報表呈列
香港會計準則第7號	現金流量表
香港會計準則第8號	會計政策、會計預計項目變動及錯誤更正
香港會計準則第10號	結算日後事項
香港會計準則第16號	物業、廠房及設備
香港會計準則第17號	租賃
香港會計準則第18號	收入
香港會計準則第21號	外幣匯率變動之影響
香港會計準則第24號	關連方披露
香港會計準則第27號	綜合及獨立財務報表
香港會計準則第32號	金融工具：披露及呈列
香港會計準則第33號	每股盈利
香港會計準則第36號	資產減值
香港會計準則第38號	無形資產
香港會計準則第39號	金融工具：確認及計量
香港(SIC)–詮釋第15號	經營租賃
香港財務報告準則第2號	股份支付
香港財務報告準則第3號	業務合併

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

The adoption of new/revised HKASs 1, 7, 8, 10, 16, 17, 18, 21, 24, 27, 33, 36, HK(SIC)-Int 15 and HKFRS 3 did not result in substantial changes to the Group's accounting policies. In summary:

- HKASs 1, 7, 8, 10, 16, 17, 18, 27, 33, 36, HK(SIC)-Int 15 and HKFRS 3 had no material effect on the Group's policies.
- HKAS 21 had no material effect on the Group's policy. The functional currency of each of the entities has been re-evaluated based on the guidance to the revised standard. The Group has the same functional currency as the presentation currency for respective entity financial statements.
- HKAS 24 has affected the identification of related parties and some other related party disclosures.

The adoption of HKASs 32 and 39 has resulted in a change in the accounting policy for recognition, measurement, derecognition and disclosure of financial instruments.

Until 31 December 2004 investments of the Group were classified into investment securities and other investments, which were stated in the balance sheet at cost less any accumulated impairment losses and at fair value, respectively, and any impairment losses on investment securities and other investments were recognised in the income statement in the period in which they arise.

2. 主要會計政策概要(續)

(a) 編製基準(續)

採用新／修訂的香港會計準則第1號、第7號、第8號、第10號、第16號、第17號、第18號、第21號、第24號、第27號、第33號、第36號；及香港(SIC)-詮釋第15號及香港財務報告準則第3號後，沒有對本集團的會計政策造成重大變動。簡言之：

- 香港會計準則第1號、第7號、第8號、第10號、第16號、第17號、第18號、第27號、第33號、第36號；及香港(SIC)-詮釋第15號及香港財務報告準則第3號後，沒有對本集團的政策造成重大影響。
- 香港會計準則第21號沒有對本集團的政策造成重大影響。每個實體的功能貨幣已按修訂的準則重估。本集團的功能貨幣與相關的實體財務報表的呈列貨幣相同。
- 香港會計準則第24號影響有關連人士的確定及其他一些有關連人士的披露。

採用香港會計準則第32號及第39號改變了確定、計量、終止確認及披露金融工具的會計政策。

直至二零零四年十二月三十一日，本集團將投資分類為投資證券及其他投資，兩者於結算日分別以成本減任何累計減值虧損及以公允價值列賬，投資證券及其他投資之任何減值虧損於該虧損產生期間在收益表確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

In accordance with the provisions of HKAS 39, the investments have been classified into available-for-sale financial assets and financial assets at fair value through profit or loss. The classification depends on the purpose for which the investments were held. As a result of the adoption of HKAS 39, all the investments are now stated at fair value in the balance sheet. In addition, all the investments as at 31 December 2004 that should be measured at fair value on adoption of HKAS 39 should be remeasured at 1 January 2005 and any adjustment of the previous carrying amount should be recognised as an adjustment of the balance of retained profits at 1 January 2005. However the adoption of HKAS 39 has had no material effect on the Group's results and equity.

The effect of the changes in accounting policies on these financial statements as a result of the adoption of HKAS 32 and HKAS 39 is summarised as follows:

- investment security of the Group as at 31 December 2004 was redesignated into available-for-sale financial asset on 1 January 2005. The aggregate difference between the respective carrying value of the investment as at 31 December 2004 and the respective fair value at 1 January 2005 is insignificant and hence, no adjustment has been made against the retained profits at 1 January 2005;
- other investments of the Group as at 31 December 2004 were redesignated into financial assets at fair value through profit or loss on 1 January 2005. There is no effect on remeasurement as the accounting policy on measurement of the Group's other investments as at 31 December 2004 is the same as that for financial assets at fair value through profit or loss.

2. 主要會計政策概要 (續)

(a) 編製基準 (續)

根據香港會計準則第 39 號之過渡性條文，投資被分類為可供出售之金融資產及以通過損益按公允價值計量的金融資產。該分類依據持有投資之目的。因採納香港會計準則第 39 號之故，所有投資現時亦以公允價值在資產負債表列賬。此外，所有於二零零四年十二月三十一日因採納香港會計準則第 39 號而須按公允價值計量之投資，亦須於二零零五年一月一日重新計量，而任何對過往賬面值作出之調整均須確認為對二零零五年一月一日保留溢利結餘所作之調整。然而，採納香港會計準則第 39 號並未對本集團之業績及股東權益造成重大影響。

採納香港會計準則第 32 號及香港會計準則第 39 號令會計政策所有改變，此會計政策改變對財務報表之影響概要如下：

- 本集團於二零零四年十二月三十一日之投資證券於二零零五年一月一日被重新歸類為可供出售金融資產。由於各項投資於二零零四年十二月三十一日之賬面值與其於二零零五年一月一日之公允價值之總差額並不重大，因此並未對二零零五年一月一日之保留溢利作出任何調整；
- 本集團於二零零四年十二月三十一日之其他投資於二零零五年一月一日被重新歸類為通過損益按公允價值計量的金融資產。由於計量本集團於二零零四年十二月三十一日之其他投資之會計政策，與計量通過損益按公允價值計量的金融資產之會計政策相同，因此此舉對重新計量並無影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

The adoption of HKFRS 2 has resulted in a change in the accounting policy for share-based payments. In prior years, no amount was recognised when employees (which term includes directors) were granted share options over shares in the Group. If the employees choose to exercise the options, the nominal amount of share capital and share premium were credited only to the extent of the option's exercise price receivable.

With effect from 1 January 2005, in order to comply with HKFRS 2, the Group recognises the fair value of such share options as an expense in the income statement, or as an asset, if the cost qualifies for recognition as an asset under the Group's accounting policies. A corresponding increase is recognised in a capital reserve within equity.

Where the employees are required to meet vesting conditions before they become entitled to the options, the Group recognises the fair value of the options granted over the vesting period. Otherwise, the Group recognises the fair value in the period in which the options are granted.

If an employee chooses to exercise options, the related capital reserve is transferred to share capital and share premium, together with the exercise price. If the options lapse unexercised, the related capital reserve is transferred directly to retained profits.

The Group has taken advantage of the transitional provisions set out in paragraph 53 of HKFRS 2 under which the new recognition and measurement policies have not been applied to the following grants of options:

- (a) all options granted to employees on or before 7 November 2002; and
- (b) all options granted to employees after 7 November 2002 but which had vested before 1 January 2005.

2. 主要會計政策概要 (續)

(a) 編製基準 (續)

採納香港財務報告準則第2號令有關以股權付款之會計政策有所改變。於過往年度，當僱員(包括董事)獲授本集團股份之購股權時並無確認金額。倘僱員選擇行使購股權，股本之面值及股份溢價以應收取之購股權行使價為限入賬。

根據香港財務報告準則第2號的規定，由二零零五年一月一日起，本集團須在收益表內將這些購股權的公允價值確認為開支，或如有關的成本能按照本集團的會計政策確認為資產則列作資產。本集團並會在權益中的資本儲備項目確認相應的增額。

如果僱員需符合歸屬條件才可獲得購股權，本集團會在歸屬期間確認授出購股權之公允價值。否則，本集團將在授予購股權期間確認此公允價值。

如果僱員選擇行使購股權，相關之資本儲備及行使價會轉至股本和股份溢價。如購股權未經行使已失效，相關資本儲備便會直接轉至保留溢利。

本集團應用香港財務報告準則第2號第53段之過渡條文，並未就下列授出之購股權採用新確認及計量政策：

- (a) 所有於二零零二年十一月七日或之前授予僱員之購股權；及
- (b) 所有於二零零二年十一月七日後授予僱員，但於二零零五年一月一日前已歸屬之購股權。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

No adjustments to the opening balances as at 1 January 2004 are required as no options existed at that time which were unvested at 1 January 2005.

The adoption of HKAS 38 has resulted in a change in the accounting policy for intangible assets.

By 31 December 2004, intangible assets were amortised over their estimated useful lives. HKAS 38 Intangible Assets requires intangible assets to be assessed at the individual asset level as having either finite or indefinite life. A finite-life intangible asset is amortised over its estimated useful life whereas an intangible asset with an indefinite useful life is carried at cost less any accumulated impairment losses. Intangible assets with indefinite lives are not subject to amortisation but are tested for impairment annually or more frequently when there are indications of impairment. In accordance with the transitional provisions in HKAS 38, the Group reassessed the useful lives of its trading rights in the exchanges in Hong Kong on 1 January 2005 and concluded that the trading rights have indefinite useful lives. The Group has applied these transitional provisions prospectively and no adjustment was resulted from this reassessment.

All changes in the accounting policies have been made in accordance with the transitional provisions in the respective standards, wherever applicable. All standards adopted by the Group require retrospective application other than:

- HKAS 39 – does not permit to recognise, derecognise and measure financial assets and liabilities in accordance with this standard on a retrospective basis. The Group applied the previous SSAP 24 “Accounting for investments in securities” to investments in securities. The adjustments required for the accounting differences between SSAP 24 and HKAS 39 are determined and recognised at 1 January 2005;

2. 主要會計政策概要 (續)

(a) 編製基準 (續)

由於不存在於二零零五年一月一日仍未歸屬之購股權，因此並未於二零零四年一月一日之期初結餘作出調整。

採納香港會計準則第 38 號令有關無形資產之會計政策有所改變。

直至二零零四年十二月三十一日，無形資產按其估計使用期限攤銷。香港會計準則第 38 號無形資產規定，無形資產須被個別分類為擁有有限或無限使用期限。擁有有限使用期限之無形資產乃按其估計使用期限攤銷，而擁有無限使用期限之無形資產則按成本減累計減值虧損列賬。擁有無限使用期限之無形資產毋須攤銷，惟會每年進行減值測試，或於出現減值跡象時更頻密地進行測試。根據香港會計準則第 38 號之過渡性條文，本集團已於二零零五年一月一日重新評估其交易權之使用期限，其結論為該等交易權擁有無限使用期限。自本集團應用該等過渡性條文後並未因進行重新評估而須作出任何調整。

所有對會計政策所作之更改亦是按適用準則之過渡性條文進行。本集團所採納之所有準則亦須追溯應用，惟以下所述除外：

- 香港會計準則第 39 號 – 不容許對金融資產及負債作追溯性之確認、終止確認或計量。本集團就證券投資應用以往之會計實務準則第 24 號「證券投資之會計處理」。因會計實務準則第 24 號及香港會計準則第 39 號之會計分別而須作出之調整已於二零零五年一月一日被確定和確認；

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註 (續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

- HKFRS 2 – only retrospective application for all equity instruments granted after 7 November 2002 and not vested at 1 January 2005.

The adoption of HKFRS 2 resulted in:

Increase in capital reserve	資本儲備增加
Increase in staff costs	僱員成本增加
Increase in other operating expenses	其他經營開支增加

No early adoption of the following new Standards or Interpretations that have been issued but are not yet effective for the year ended 31 December 2005. The adoption of such Standards or Interpretations will not result in substantial changes to the Group's accounting policies.

Hong Kong Companies (Amendment) Ordinance 2005	Capital Disclosures
HKAS 1(Amendment)	Actuarial Gains and Losses, Group Plans and Disclosures
HKAS 19 (Amendment)	Net Investment in a Foreign Operation
HKAS 21 (Amendment)	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
HKAS 39 (Amendment)	The Fair Value Option
HKAS 39 (Amendment) & HKFRS 4 (Amendment)	Financial Guarantee Contracts
HKFRS 6	Exploration for and Evaluation of Mineral Resources
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 3	Emission Rights
HK(IFRIC)-Int 4	Determining whether an Arrangement contains a Lease
HK(IFRIC)-Int 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
HK(IFRIC)-Int 6	Liabilities arising from Participating in a Specific Market-Waste Electrical and Electronic Equipment
HK(IFRIC)-Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies

2. 主要會計政策概要 (續)

(a) 編製基準 (續)

- 香港財務報告準則第2號 – 只能就所有於二零零二年十一月七日後授出及於二零零五年一月一日仍未歸屬之股本工具作追溯性應用。

採納香港財務報告準則第2號導致：

	2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Increase in capital reserve	7,040,000	–
Increase in staff costs	1,005,715	–
Increase in other operating expenses	6,034,285	–

本集團並未採納已頒佈但於截至二零零五年十二月三十一日止年度仍未生效之新準則或詮釋。採納該等準則或詮釋不會令本集團會計政策出現重大改變。

香港公司 (修訂) 條例 二零零五

香港會計準則第1號 (修訂)	資本披露
香港會計準則第19號 (修訂)	精算損益、集團計劃及披露
香港會計準則第21號 (修訂)	境外業務的投資淨額
香港會計準則第39號 (修訂)	預測集團內公司間交易之現金流量對沖會計處理
香港會計準則第39號 (修訂)	選擇以公允價值入賬
香港會計準則第39號 (修訂) 及香港財務報告準則第4號 (修訂)	財務擔保合約
香港財務報告準則第6號	礦產資源開採及評估
香港財務報告準則第7號	金融工具：披露
香港 (國際財務報告詮釋委員會) – 詮釋第3號	排放權利
香港 (國際財務報告詮釋委員會) – 詮釋第4號	釐定安排是否包括租賃
香港 (國際財務報告詮釋委員會) – 詮釋第5號	解除運作、復原及環境修復基金所產生權益之權利
香港 (國際財務報告詮釋委員會) – 詮釋第6號	參與特定市場一廢物電業及電子設備所產生之負債
香港 (國際財務報告詮釋委員會) – 詮釋第7號	根據香港會計準則第29號「惡性通貨膨脹經濟中的財務報告」應用重列法

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31 December.

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

(c) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segment operating in other economic environments.

2. 主要會計政策概要 (續)

(b) 綜合賬目

綜合財務報表包括截至十二月三十一日止本公司及所有附屬公司的財務報表。

附屬公司為本集團有權支配財務及經營政策的所有實體，通常持有其超過一半投票權的股權。評估本集團是否控制另一個實體時考慮是否存在目前可行使或可轉換潛在投票權及這種投票權的影響。

附屬公司的賬目自控制權轉到本集團開始全面綜合，在控制權終止當天開始不再綜合。

公司間交易、集團間公司的結餘及未變現收益交易均抵銷。未變現虧損也抵銷，但交易如有轉讓資產減值跡象則除外。附屬公司的會計政策在需要時已改變，以確保與本集團採納的政策一致。

在本公司的資產負債表內，附屬公司投資按成本減任何累計減值虧損後入賬。本公司按已收和應收的股息為基準把附屬公司的業績入賬。

(c) 分部報告

業務分部是資產和提供面對與其他業務不同的風險和回報的產品和服務的業務組合。地區分部在某一經濟環境下從事提供產品或服務的業務而該環境下面對的風險和回報與其他經濟環境下經營的業務所面對的不同。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight line method to allocate cost to their residual values (if, there are any) over their estimated useful lives as follows:

- Leasehold improvements	16% – 50%
- Furniture and fixtures	25%
- Office equipment	25% – 33 1/3%

The assets' residual values (if any) and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss on derecognition of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the item, is included in the income statement in the period the item is derecognised.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2(f)).

2. 主要會計政策概要 (續)

(d) 物業、廠房及設備

所有物業、廠房及設備均按歷史成本減累計折舊和任何減值虧損入賬。歷史成本包括直接應佔購入的項目的開支。

隨後成本只在與項目相關的未來經濟效益很可能會流入本集團和項目的成本可靠地計量時包括於資產的賬面值或確認為獨立的資產。所有其他維修均於產生的財務期間收益表列支。

物業、廠房及設備的折舊以直線法在其預計使用年限制把成本分配至其殘值(如有)，如下：

- 租賃物業裝修	16% – 50%
- 傢俬及裝置	25%
- 辦公室設備	25% – 33 1/3%

資產的殘值(如適用)及有用年限在適用情況下在每個結算日審閱和調整。物業、廠房及設備的項目在出售時或當預計持續使用資產不會產生未來經濟效益時終止確認。終止確認資產產生的盈虧為項目出售所得淨額與賬面值之差，在終止確認項目的期間時列入收益表。

如果資產的賬面值大於其預計可收回數額，資產的賬面值立即減值到其可收回金額(附註2(f))。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Bank borrowings

Bank borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Bank borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Bank borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(f) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation, which are at least tested annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2. 主要會計政策概要 (續)

(e) 銀行貸款

銀行貸款最初按公允價值減產生的交易成本確認。交易成本為直接應佔收購、發行或出售金融資產或金融負債的增量成本，包括付予代理、諮詢、經紀和交易商的費用和佣金、監管機構和證券交易所的收費，以及轉讓稅和稅項。銀行貸款隨後按攤銷成本入賬；任何所得（扣除交易成本）及贖回價值之差額以實際利率法，在貸款的期間在收益表確認。

銀行貸款列作流動負債，惟本集團有無條件權利在結算日後最少十二個月後遞延清償之負債除外。

(f) 資產減值

有無限使用年限的資產不用攤銷，這些資產最少每年測試其是否減值，並每當有事件發生或環境出現變化，顯示賬面值可能不可收回時檢討是否減值。每當有事件發生或環境出現變化，顯示賬面值可能不可收回時檢討計算攤銷的資產是否減值。確認的減值虧損為資產的賬面值超過其可收回金額的數額。可收回金額是資產的公允價值減出售成本及使用價值的結餘數額。就評估減值的目的而言，資產按有獨立可識別現金流量（現金產生單位）的最低層級分類。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Intangible assets

On initial recognition, intangible assets acquired are recognised at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight line basis over their estimated useful lives. Intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

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

Intangible assets with indefinite useful lives are tested for impairment annually by comparing their carrying amounts with their recoverable amounts, irrespective of whether there is any indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Intangible assets with finite useful lives are tested for impairment when there is an indication that an asset may be impaired.

2. 主要會計政策概要 (續)

(g) 無形資產

在最初確認時，購入的無形資產按成本確認。最初確認後，有有限可用年限的無形資產按成本減累計攤銷和任何累計減值虧損後入賬。有有限可用年限的無形資產攤銷按直線法在其預計使用年限內提撥準備。有無限可用年限的無形資產按成本減任何日後累計減值虧損後入賬。

無形資產終止確認產生的盈虧按資產出售所得淨額與賬面值之間的差額計量，並在資產終止確認時在收益表確認。

有無限使用年限的無形資產每年測試是否減值，比較其賬面值和其可收回金額，不論是否有任何可能減值跡象。如果資產的可收回數額估計少於其賬面值，資產的賬面值減至其可收回數額。減值虧損立即確認為開支。

當減值虧損隨後轉回，資產的賬面金額增至修訂的估計可收回金額，但增加的賬面值不超越資產如在以往年度沒有確認減值虧損時釐定的賬面值。

如有有限可用年限的無形資產有減值跡象，即測試其是否減值。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Investments

From 1 January 2004 to 31 December 2004:

The Group classified its investment in securities, other than subsidiaries, as investment securities and other investments.

(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 amounts of such investments will be reduced to its fair value. The impairment loss is recognised as an expense in the income statement. This impairment loss is written back to income statement 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 were carried at fair value. At each balance sheet date, the net unrealised gains or losses arising from the changes in fair value of trading securities were recognised in the income statement. Profits or losses on disposal of other investments, representing the difference between the net sales proceeds and the carrying amounts, were recognised in the income statement as they arose.

2. 主要會計政策概要 (續)

(h) 投資

由二零零四年一月一日至二零零四年十二月三十一日：

本集團把附屬公司以外的證券投資列作投資證券及其他投資。

(i) 投資證券

投資證券按成本減任何減值虧損後入賬。

個別投資的賬面值於每個結算日審閱，以評估其公允價值是否跌至賬面價值以下。當下跌並非暫時性，這種投資的賬面值將減至其公允價值。減值虧損在收益表確認。在引致撇減或沖銷的情況及事項不再存在，並有令人信服的憑證顯示新的情況及事項將會在可見將來持續下去時，便會把減值虧損撥回收益表。

(ii) 其他投資

其他投資按公允價值入賬。在各資產負債表，交易證券的公允價值變動產生的未變現盈虧淨額在收益表確認。出售交易證券的盈虧為銷售所得淨額和賬面值之差額在產生時在收益表確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Investments (continued)

From 1 January 2005 onwards:

The Group classified its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are included in trade receivables in the balance sheet (Note 20).

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

2. 主要會計政策概要 (續)

(h) 投資 (續)

自二零零五年一月一日開始：

本集團把投資作以下分類：通過損益按公允價值計量的金融資產、貸款及應收賬款，以及可供出售金融資產。分類方法取決於投資購入的目的。管理層在最初確認時釐定投資的分類，並於每個報告日重新評估分類。

(i) 通過損益按公允價值計量的金融資產

本分類有兩個子分類：持作買賣的金融資產及於開始時通過損益按公允價值計量的金融資產。金融資產如主要為短期內出售或管理層指定作此用途而購入，列作該類別。該類別的資產如持作買賣用途或預期於結算日後十二個月內變現，列作流動資產。

(ii) 貸款和應收賬款

貸款和應收賬款為非衍生金融資產，有固定或可確定付款，不可在活躍市場報價。當本集團直接向債務人提供金錢、產品或服務而沒有買賣應收賬款的意圖，就會產生這些款項。這些款項列入流動資產，惟到期日在結算日後十二個月以後除外，這些款項列作非流動資產。貸款和應收賬款在結算日列作應收貿易賬款(附註20)。

(iii) 可供出售金融資產

可供出售金融資產為非衍生工具，指定為該類別或不列作任何其他類別，除非管理層意圖在結算日後十二個月內出售投資，否則列作非流動資產。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Investments (continued)

Purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains or losses from available-for-sale financial assets.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active, the Group establishes fair value by using valuation techniques. These include the use of recent arm’s length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer’s specific circumstances.

2. 主要會計政策概要 (續)

(h) 投資 (續)

投資買賣在交易日一本集團承諾買賣資產當天確認。對通過過損益按公允價值計量的金融資產而言，投資最初確認是按公允價值加成本。當從投資收取現金流量的權利屆滿或已轉移至本集團，而本集團已大致上轉移擁有人的所有風險和回報，投資終止確認。可供出售金融資產和通過損益按公允價值計量的金融資產隨後按公允價值入賬。貸款和應收款項以實際利率法按攤銷成本列賬。通過損益按公允價值計量的金融資產的公允價值變動產生的已變現和未變現盈虧在產生的期間列入收益表。列作可供出售證券之非貨幣證券的公允價值變動產生的未變現盈虧，確認為股東權益。當證券列作可供出售，而且已出售或減值，累計公允價值調整作為可供出售金融資產的盈虧列入收益表。

報價投資的公允價值按目前的購入價計算。如果金融資產的市場不活躍，本集團採用估值技術設定公允價值，包括採用最近一般的交易、參考大致相同的其他工具、折現現金流量分析，以及修訂的購股權定價模式，以反映發行人的特定情況。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Investments (continued)

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement – is removed from equity and recognised in the income statement even though such financial assets have not been derecognised. Impairment losses recognised in the income statement on such equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the impairment loss shall be reversed, with the amount of the reversal recognised in the income statement.

(i) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

2. 主要會計政策概要 (續)

(h) 投資 (續)

本集團於每個結算日評估是否有客觀證據證明金融資產或金融資產組別是否減值。就列作可供出售的股本證券而言，公允價值大幅低於其成本的抵押或延遲下跌至低於其成本視為確定證券是否減值。如果存在可供出售金融資產的任何這種證明，累計虧損——按購入價與目前的公允價值之差減以往在收益表確認的該金融資產任何減值虧損計量——從股東權益撇除，在收益表確認（即使該等金融資產還未終止確認）。在收益表確認的這種權益工具減值虧損不會通過收益表轉回。如果在一個日後期間，列作可供出售的債務證券的公允價值增加，而增加又可客觀地與減值虧損後在收益表確認後發生的事件相關，減值虧損將轉回，轉回金額在收益表確認。

(i) 應收貿易賬款及其他應收賬款

應收貿易賬款及其他應收賬款最初按公允價值確認，隨後以實際利率法，按攤銷成本減減值撥備後計量。應收貿易賬款及其他應收賬款撥備在有客觀證據證明本集團不能按應收賬款的原來條款收回所有逾期金額時確立。撥備金額是資產賬面值與預計未來現金流動之差額，按實際利率折現。撥備金額在收益表確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within bank borrowings in current liabilities on the balance sheet.

(k) Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement or in equity if it relates to items that are recognised in the same or a different period, directly in equity.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

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

2. 主要會計政策概要 (續)

(j) 現金及現金等值項目

現金及現金等值項目包括手頭現金、通知存款、其他距原到期日三個月或以下之短期及高度流動性投資以及銀行透支。銀行透支在資產負債表內流動負債項下之銀行借貸一項。

(k) 所得稅

所得稅包括當期及遞延稅項。所得稅在收益賬中確認，或倘所得稅涉及在同一或不同期間確認之項目，則直接在股本中確認。

遞延稅項使用負債法就財務報表內資產及負債稅基與賬面金額兩者間之所有暫時差別作出全數撥備。遞延稅項乃按結算日生效或實質生效之稅率釐定，並預期於變現遞延稅項資產及遞延稅項負債結算時應用。

遞延稅項按可動用臨時差額作抵銷之未來應課稅溢利而予以確認。

遞延稅項資產就於附屬公司之投資所產生之暫時差別作出撥備，惟倘本集團可控制暫時差別撥回之時間，及暫時差別不會於可預見將來撥回者則除外。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(I) Employee benefits

(i) Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward.

(ii) Retirement benefit costs

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme in Hong Kong (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

2. 主要會計政策概要 (續)

(I) 僱員福利

(i) 有薪假期結轉

本集團根據僱員合約，按每年向僱員提供有薪年假。在若干情況下，允許將截至結算日之餘下未用之假期結轉並由有關僱員於下一年度使用。僱員年度內應得之有薪假期之預計將來成本於結算日累計並結轉。

(ii) 退休福利成本

本集團遵照強制性公積金條例為合資格參與強制性公積金退休福利計劃（「強積金計劃」）之僱員在香港實施定額供款強積金計劃。供款乃以僱員基本薪金之某百分率作出，及根據強積金計劃之規則須予支付時於收益賬中扣除。本集團之僱主供款於向強積金計劃作出供款後，悉數屬僱員所有。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Employee benefits (continued)

(iii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

(iv) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Group's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2. 主要會計政策概要 (續)

(l) 僱員福利 (續)

(iii) 股份薪酬

本集團採納股本結算股份薪酬計劃。就授出購股權所換取僱員服務之公平值已確認為開支。於歸屬期間內支銷之總額乃經參考所授出購股權之公平值(不包括任何非市場歸屬情況之影響,如盈利能力及銷售增長目標等)後釐定。非市場歸屬條件載於預期將予行使購股權數目之假設。於各結算日,實體修訂其對預期將予行使購股權數目之估計,並於收益賬確認修訂原有估計(如有)之影響及於餘下歸屬期間就股本作出相應調整。

當購股權獲行使後,所收取款額扣除任何直接應佔交易成本後計入股本(面值)及股份溢價。

(iv) 攤分溢利及花紅計劃

本集團根據一項程式(其中計及本集團股東應佔溢利,並已作出若干調整)就花紅及溢利攤分而確認負債及開支。倘本集團有合約責任或倘過往慣例而有推定責任,則確認撥備。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(n) Revenue recognition

(i) Interest income

Interest income is recognised on a time proportion basis using the effective interest method when a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continue unwinding the discount and interest income. Interest income on impaired loans is recognised either as cash is collected or on a cost recovery basis as condition warrants.

(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.

2. 主要會計政策概要 (續)

(m) 撥備

當本集團因已發生的事件須承擔現有法律或推定責任，而履行該等責任很有可能導致資源流出，且能夠可靠地估計金額之情況下，便會確認撥備。

倘出現多項類似責任，導致資源流出之可能性乃經考慮債務整體類別後釐定。即使同類債務中任何一項可能導致資源流出的機會不大，仍會確認撥備。

(n) 收入確認

(i) 利息收入

利息收入利用實際利息法以時間基準確認。倘應收賬款減損，本集團將其賬面值減至可收回金額（即按工具之原本實際利率貼現之估計未來現金流），並繼續撥回折讓及利息收入。減損貸款之利息收入按已收取之現金或在條件許可下以成本收回基準而確認。

(ii) 佣金收入及手續費收入、資產管理及顧問費收入

從經紀、企業財務及資產管理所產生之收入，於提供有關服務及有關金額可合理估計且有可能收取時確認。

(iii) 買賣上市證券之收入

買賣上市證券之收入按交易日基準而確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(o) Turnover**

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

(p) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Where the Group is the lessee, payments made under operating leases (net of any incentives received from the lessor) are expensed in the income statement on a straight line basis over the period of the lease.

(q) Related parties

A party is related to the Group if:

- (i) directly, or indirectly through one or more intermediaries, the party:
 - (1) controls, is controlled by, or is under common control with, the Group;
 - (2) has an interest in the Group that gives its significant influence over the Group; or
 - (3) has joint control over the Group;
- (ii) the party is a jointly-controlled entity;
- (iii) the party is an associate;
- (iv) the party is a member of the key management personnel of the Group or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);

2. 主要會計政策概要 (續)**(o) 營業額**

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

(p) 經營租賃

資產擁有權之絕大部分風險及回報仍由出租人承擔之租賃列為經營租賃。倘本集團為承租人，根據經營租賃支付之款項（扣除自出租人收取之任何優惠）按有關租賃年期以直線法於收益賬列為開支。

(q) 關連人士

在下列情況下，一方即為本集團之關連人士：

- (i) 該方直接或間接透過一名或多名中介人
 - (1) 控制本集團、受本集團控制或與本集團共同控制；
 - (2) 擁有對本集團有重大影響之本集團權益；或
 - (3) 對本集團有共同控制權；
- (ii) 該方為本集團之共同控制企業；
- (iii) 該方為聯繫人士；
- (iv) 該方為本公司或其母公司主要管理人員之成員；
- (v) 該方為(i)至(iv)所指任何個別人士之親密家庭成員；

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Related parties (continued)

(vi) the party is an entity that is controlled, jointly-controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

(r) Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Hong Kong dollars, which is the Group's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Translation differences on non-monetary items, such as equity instruments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

2. 主要會計政策概要(續)

(q) 關連人士(續)

(vi) 該方為受另一方控制、共同控制或重大影響之實體，而該實體之重大投票權直接或間由(iv)或(v)項所述人士擁有；或

(vii) 為本集團僱員利益而參與僱用後福利計劃之一方，或為本集團關連方之任何實體。

(r) 外幣換算

(a) 功能及呈列貨幣

本集團內各實體財務報表內計入之項目，均以該實體經營的主要經濟環境通行貨幣（「功能貨幣」）計算。財務報表以港元（本公司之功能及呈列貨幣）呈列。

(b) 交易及結餘

外幣交易均按交易當日之匯率換算為功能貨幣。因結算該等交易及按年終匯率換算以外幣列值之貨幣資產和負債產生之外匯收益及虧損均在收益賬中確認。

非貨幣項目（例如按公平價值持有在損益確認之股本工具）之匯兌差額，以公平價值盈虧之一部份呈報。非貨幣項目（例如分類為可供出售財務資產的股本）之匯兌差額，計入股本中之公平價值儲備。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) 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 controls of the Group. It can also be 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 financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and fair value cash flow interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance as follows:

(i) Market risk

(1) Foreign exchange risks

Foreign exchange risk is the risk of loss due to adverse movements in foreign exchange rate relating to receivables from foreign brokers and foreign currency deposits with banks. The Group did not have significant exposure to foreign exchange risk during the year.

(2) Price risk

The Group is exposed to equity price risk through investments in equity securities. The Board of Directors manages the exposure by closely monitoring the portfolio of equity investments.

2. 主要會計政策概要 (續)

(s) 或然負債

或然負債指因已發生之事件而可能產生之責任，而該等責任需待某一宗或多宗本集團不能完全控制之事件是否實現後方能確認者。或然負債亦指因已發生之事件所產生之現有責任，但由於可能不會流失經濟資源，或責任金額未能可靠地衡量而未有入賬。

或然負債不會被確認，但會在賬目附註中披露。假若流失資源之可能性改變導致可能流失資源，該等或然負債將被確認為撥備。

3. 財務風險管理目標及政策

(a) 財務風險因素

本集團之業務涉及多項財務風險：市場風險、信貸風險、流動資金風險及公平價值現金流利率風險。本集團之整體風險管理計劃，專注於金融市場之不可預測情況，並尋求減低對本集團財務表現之潛在不利影響如下：

(i) 市場風險

(1) 外匯風險

外匯風險為有關外國經紀應收賬款以及存於銀行之外幣存款之匯率不利變動而產生之虧損之風險。本集團於年內並無承擔重大的外匯風險。

(2) 價格風險

本集團因股本證券之投資而承擔股價風險。董事會透過緊密監管股本投資組合而管理有關風險。

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Financial risk factors (continued)

(ii) Credit risk

The Group's maximum exposure to credit risk in the event of the clients' and foreign brokers' failure to perform their obligations as at 31 December 2005 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet. In order to minimise the credit risk, the management of the Group has delegated a team responsible to compile the credit and risk management policies, to approve credit limits and determine any debt recovery action on those delinquent receivables. In addition, the Group reviews the recoverable amount for each individual account receivable at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regards, the Directors of the Group consider that the Group's credit risk is effectively controlled and significantly reduced.

The Group has no significant concentration of credit risk, with exposure spread over a number of clients and foreign brokers.

(iii) Liquidity risk

As part of ordinary broking activities, the Group is exposed to liquidity risk arising from timing difference between settlement with Clearing House or brokers and clients. To address the risk, treasury team works closely with the settlement division on monitoring the liquidity gap. In addition, for contingency purposes, clean loan facilities are put in place.

3. 財務風險管理目標及政策 (續)

(a) 財務風險因素 (續)

(ii) 信貸風險

倘客戶及外國經紀未能履行於二零零五年十二月三十一日有關各類別已確認財務資產之責任，本集團所承擔之最高信貸風險，乃綜合資產負債表所列該等資產之賬面值。為減低信貸風險，本集團管理層已委派一隊隊伍，負責編制信貸及風險管理政策、審批信貸限額以及決定就拖欠應收賬款所採取之收回債項行動。此外，本集團於各結算日審閱各個別應收賬款，以確保已就不可收回金額作出充足減損準備。就此而言，本集團董事認為本集團之信貸風險已有效控制及顯注減少。

本集團並無重大集中信貸風險，而風險乃攤分至多名客戶及外國經紀。

(iii) 流動資金風險

作為日常經紀業務之一部份，本集團承擔結算行或經紀與客戶之間之結算時差所產生之流動資金風險。為處理有關風險，庫務小組與結算部緊密合作，監察流動資金的时间差距。此外，本集團擁有可動用信貸以應付緊急情況。

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Financial risk factors (continued)

(iv) Cash flow and fair value interest rate risks

Most of the bank borrowings that are collateralised by margin clients' securities carry interest at variable rate which can mitigate the cash flow interest rate risk. Certain of the bank borrowings carry fixed-rate interest. To mitigate the fair value interest rate risk, the Group entered into interest rate swap to hedge against its exposures to changes in fair values of these borrowings.

(b) Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustment of trade receivables and payables are assumed to approximate to their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

3. 財務風險管理目標及政策 (續)

(a) 財務風險因素 (續)

(iv) 現金流及利率公平價值風險

由孖展客戶之證券作抵押之大部份銀行借貸，以可變利率計息，從而可減低現金流利率風險。若干銀行借貸按定息計息。為減輕公平價值利率風險，本集團訂立利率掉期以套戥該等借貸公平價值變動之風險。

(b) 公平價值估計

在活躍市場買賣之財務工具之公平價值，根據結算日之市場報價而釐訂。本集團持有之金融資產之市場報價為當時之購買價。

並未在活躍市場買賣之金融工具公平價值利用估值技術而釐訂。本集團利用多種方法並根據各結算日所存在之市況而作出多項假設。市場報價或交易商就類似工具之報價乃應用於長期債項。其他技術（例如估計貼現現金流）乃用於釐訂其他金融工具之公平價值。

應收貿易賬款及應付貿易賬款在扣除估計信貸調整後之名義價值，假設與其公平價值相若。就披露目的而呈列之金融負債之公平價值，透過以本集團就類似財務工具而享有之當時市場利率將未來合約現金流貼現而估計。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Impairment losses for bad and doubtful debts

The policy for impairment losses of bad and doubtful debts of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional impairment may be required.

(ii) Income taxes

As at 31 December 2005, a deferred tax asset of HK\$3,689,481 in relation to unused tax losses has been recognised in the Group's consolidated balance sheet. No deferred tax asset was recognised in the Group's consolidated balance sheet in relation to the remaining unused tax losses of approximately HK\$74,650,000. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less than expected, a material reversal of deferred tax assets may arise, which would be recognised in the income statement for the period in which such a reversal takes place.

4. 重大會計估計及判斷

本集團會繼續評估估計及判斷，而有關估計及判斷將根據過往經驗及其他因素（包括在某些情況下相信為對未來事項屬合理之預期）而釐訂。

本集團對未來作出估計及假設。所得出之會計估計將在定義上，少有能與相關之實際結果相同。有關可能對未來財政年度資產及負債之賬面值作出重大調整之重大風險的估計及假設的討論如下：

(i) 呆壞賬減損

本集團之呆壞賬政策基於賬項之可收回程度之評估及賬齡分析，以及管理層之判斷而訂定。於評估該等應收賬項之最終可變現金額時，須作出重大判斷（包括各客戶之現時信譽及過往收款記錄）。倘本集團客戶之財務狀況轉差，導致削弱其付款能力，則須提撥額外減損。

(ii) 所得稅

二零零五年十二月三十一日，已就未動用稅項虧損而在本集團之綜合資產負債表中確認遞延稅項資產3,689,481港元。本集團之綜合資產負債表中並未就餘下未動用稅項虧損約74,650,000港元確認遞延稅項資產。遞延稅項資產之可變現性主要視乎在未來有否可動用之充足溢利或應課稅臨時差額。倘所賺取之實際未來溢利較預期少，則可能會重大撥回遞延稅項資產，並會在撥回之期間在收益賬中確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005

截至二零零五年十二月三十一日止年度

5. SEGMENT INFORMATION**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 and prior years.

(i) Turnover and loss attributed to the business segments for the year are as follows:**5. 分部資料****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。於本年度及前一年度業務分部之間並無進行銷售或其他交易。

(i) 本年度各業務分部之營業額及虧損如下：

		2005 二零零五年 HK\$'000/ 千港元	2004 二零零四年 HK\$'000/ 千港元
TURNOVER	營業額		
Broking	經紀業務	12,778	32,343
Securities margin financing	證券孖展融資	14,270	21,899
Corporate finance and asset management	企業融資與資產管理	1,202	2,407
Money lending	貸款	13,071	20,533
Investment trading and holding	投資買賣及控股	617	91,955
		41,938	169,137
SEGMENT RESULTS	分部業績		
Broking	經紀業務	(24,586)	(14,683)
Securities margin financing	證券孖展融資	7,904	(39,201)
Corporate finance and asset management	企業融資與資產管理	(1,283)	(903)
Money lending	貸款	(16,171)	(23,487)
Investment trading and holding	投資買賣及控股	(9,273)	(95)
		(43,409)	(78,369)
NET UNALLOCATED EXPENSES	未分類開支淨額	(10,543)	(3,451)
LOSS BEFORE TAXATION	除稅前虧損	(53,952)	(81,820)
TAXATION	稅項	3,252	4,146
LOSS FOR THE YEAR	本年度虧損	(50,700)	(77,674)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

5. SEGMENT INFORMATION (continued) Business Segments (continued)

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

5. 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：

		2005 二零零五年 HK\$'000/千港元	2004 二零零四年 HK\$'000/千港元
ASSETS	資產		
Broking	經紀業務	35,257	100,597
Securities margin financing	證券孖展融資	43,745	127,276
Corporate finance and asset management	企業融資與資產管理	371	431
Money lending	貸款	250,050	185,733
Investment trading and holding	投資買賣及控股	18,402	31,599
TOTAL SEGMENT ASSETS	分部資產合計	347,825	445,636
UNALLOCATED ASSETS	未分類資產	1,692	1,758
TOTAL ASSETS	資產總值	349,517	447,394
LIABILITIES	負債		
Broking	經紀業務	20,862	63,536
Securities margin financing	證券孖展融資	24,879	114,333
Corporate finance and asset management	企業融資與資產管理	152	119
Money lending	貸款	177,427	110,037
Investment trading and holding	投資買賣及控股	9,427	-
TOTAL SEGMENT LIABILITIES	分部負債合計	232,747	288,025
UNALLOCATED LIABILITIES	未分類負債	2,197	1,137
TOTAL LIABILITIES	負債總值	234,944	289,162

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

5. SEGMENT INFORMATION (continued)
Business Segments (continued)

(iii) Other information

5. 分部資料 (續)
業務分部 (續)

(iii) 其他資料

		Depreciation and amortisation		Impairment losses for bad and doubtful debts		Capital expenditure	
		折舊與攤銷	呆壞賬減值虧損	資本開支	2005	2004	2005
		2005	2004	2005	2004	2005	2004
		二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年
		HK\$'000/ 千港元	HK\$'000/ 千港元	HK\$'000/ 千港元	HK\$'000/ 千港元	HK\$'000/ 千港元	HK\$'000/ 千港元
Broking	經紀業務	1,836	3,319	1,600	5,000	788	885
Securities margin financing	證券孖展融資	-	-	4,141	50,000	-	-
Corporate finance and asset management	企業融資與資產管理	3	4	-	-	-	-
Money lending	貸款	-	-	12,400	40,624	-	-
Investment trading and holding	投資買賣及控股	-	-	-	-	-	-
Unallocated	未分類	7	129	-	-	-	-
		1,846	3,452	18,141	95,624	788	885

Geographical Segment

The Group's principal markets are located in Hong Kong. For both 2005 and 2004, 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.

地區分部

香港為本集團之主要市場。於二零零五年及二零零四年兩年，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。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

6. TURNOVER, OTHER INCOME AND OTHER (LOSSES)/GAINS, NET

An analysis of the Group's turnover, other income and other (losses)/gains, net is as follows:

6. 營業額、其他收入及其他(虧損)／收益淨額

本集團的營業額、其他收入及其他(虧損)／收益淨額分析如下：

		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Turnover	營業額		
Commission income and handling fee income	佣金收入及手續費收入	12,780,202	32,502,162
Interest income from:	來自以下各項之利息收入：		
– Banks	– 銀行	266,623	10,983
– Margin clients	– 孖展客戶	14,270,764	21,898,738
– Loan receivables	– 應收貸款	13,070,662	20,532,835
Income from trading of listed securities	買賣上市證券收入	350,200	91,944,480
Asset management and advisory fee income	資產管理及顧問費收入	1,199,407	2,248,110
		41,937,858	169,137,308
Other income	其他收入		
Other interest income	其他利息收入	224,019	7,582
Other income	其他收入	1,001,269	1,029,269
		1,225,288	1,036,851
Other (losses)/gains, net	其他(虧損)／收益淨額		
Unrealised gain on revaluation of other investments	重估其他投資之未變現收益	–	2,167,311
Financial assets at fair value through profit or loss (unrealised) (Note 21):	通過損益按公允價值計量的金融資產(未變現)(附註21)：		
– fair value losses (unrealised)	– 公允價值虧損(未變現)	(6,536,403)	–
Gain on disposal of available-for-sale financial asset	出售可供出售金融資產收益	63,126	–
		(6,473,277)	2,167,311
		36,689,869	172,341,470

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005

截至二零零五年十二月三十一日止年度

7. STAFF COSTS

7. 僱員成本

		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	17,534,922	16,758,795
Bonuses	花紅	118,786	763,140
MPF contributions (Note 29)	強積金供款(附註29)	345,195	433,290
Employee share option benefits (Note 25)	僱員購股權福利(附註25)	1,005,715	–
		19,004,618	17,955,225

8. FINANCE COSTS

8. 融資成本

		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Interest on bank loan and overdrafts	銀行貸款及透支利息	12,548,780	13,636,898
Interest on client payables with no fixed repayment terms	無既定還款期之應付客戶款項利息	290,206	7,321
Borrowing costs	借貸成本	–	285,751
		12,838,986	13,929,970

9. LOSS BEFORE TAXATION

9. 除稅前虧損

		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
The Group's loss before taxation is stated after crediting and charging the following:	本集團除稅前虧損於呈列前已計入及扣除以下各項：		
Crediting:	計入：		
Recovery of bad debts previously written-off	過往撇銷之壞賬之回撥	348,128	–
Charging:	扣除：		
Amortisation of intangible assets – trading rights	攤銷無形資產 – 交易權	–	1,292,253
Auditors' remuneration – Current year	核數師酬金 – 本年度	338,000	260,000
– Underprovision in prior year	– 過往年度少計撥備	30,000	–
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	196,027	475,835
Operating lease rentals in respect of office premises and warehouse	辦公室物業及倉庫之經營租賃租金	4,165,840	3,930,925

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

10. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Section 161 of the Hong Kong Companies Ordinance, is as follows:

Fees: 袍金：
Executive directors 執行董事
Independent non-executive directors 獨立非執行董事

Other emoluments for executive directors: 執行董事之其他酬金：
Salaries, housing, other allowances 薪金、房屋津貼、其他津貼
and benefits in kind 及實物利益
MPF contributions 強積金供款

10. 董事酬金

本年度董事酬金根據香港聯合交易所有限公司（「聯交所」）證券上市規則及香港《公司條例》第161條披露之如下：

		The Group 本集團	
		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
		80,000	23,825
		240,000	168,743
		320,000	192,568
		6,008,092	4,313,507
		24,000	16,000
		6,352,092	4,522,075

(a) Independent non-executive directors

The fees paid to independent non-executive directors were as follows:

YUEN Wai Ho 阮煒豪
ON Kien Quoc 溫國堅
CHOW Siu Ngor 鄒小岳
HENG Kwoo Seng 邢詒春（於二零零四年
(resigned on 14.09.2004) 九月十四日辭任)
CHOY Hok Man, Constance 蔡學雯（於二零零四年
(resigned on 29.02.2004) 二月二十九日辭任)

(a) 獨立非執行董事

已付予獨立非執行董事之袍金如下：

		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
		80,000	58,579
		80,000	23,825
		80,000	17,268
		-	56,175
		-	12,896
		240,000	168,743

There were no other emoluments paid or payable to the independent non-executive directors during the year (2004: Nil).

年內，概無其他已付或應付予獨立非執行董事之酬金（二零零四年：無）。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005

截至二零零五年十二月三十一日止年度

10. DIRECTORS' REMUNERATION (continued)
(b) Executive directors**10. 董事酬金 (續)**
(b) 執行董事

		Fees	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total emoluments
		袍金	薪金、津貼及實物利益	退休福利計劃供款	酬金總額
		HK\$/港元	HK\$/港元	HK\$/港元	HK\$/港元
2005	二零零五年				
<i>Executive directors:</i>	<i>執行董事:</i>				
CHAN How Chung, Victor	陳孝聰	-	3,605,740	12,000	3,617,740
LEE Huei Lin	李慧玲	-	2,402,352	12,000	2,414,352
BOO Chun Lon	巫峻龍	80,000	-	-	80,000
		<u>80,000</u>	<u>6,008,092</u>	<u>24,000</u>	<u>6,112,092</u>
2004	二零零四年				
<i>Executive directors:</i>	<i>執行董事:</i>				
CHAN How Chung, Victor	陳孝聰	-	2,707,783	8,000	2,715,783
LEE Huei Lin	李慧玲	-	1,605,724	8,000	1,613,724
BOO Chun Lon	巫峻龍	23,825	-	-	23,825
		<u>23,825</u>	<u>4,313,507</u>	<u>16,000</u>	<u>4,353,332</u>

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2004: Nil).

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（二零零四年：無）。

(c) Five highest paid employees

Of the five individuals with the highest emoluments in the Group, two (2004: two) were directors of the Company whose emoluments were included in the disclosures in (b) above. The emoluments of the remaining three (2004: three) individuals were as follows:

(c) 五名最高薪酬人士

年內本集團五名最高薪酬僱員之中包括兩名（二零零四年：兩名）本公司董事，其酬金已載於上文。其餘三名（二零零四年：三名）人士之酬金如下：

		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	1,719,755	3,951,639
MPF contributions	強積金供款	36,000	36,000
		<u>1,755,755</u>	<u>3,987,639</u>

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

10. DIRECTORS' REMUNERATION (continued)

(c) Five highest paid employees (continued)

Their remuneration was within the following bands:

10. 董事酬金 (續)

(c) 五名最高薪酬人士 (續)

彼等之酬金範圍如下：

		2005 二零零五年 Number of employees 僱員人數	2004 二零零四年 Number of employees 僱員人數
Nil to HK\$1,000,000	零至 1,000,000 港元	3	2
HK\$1,000,001 – HK\$1,500,000	1,000,001 港元至 1,500,000 港元	–	–
HK\$1,500,001 – HK\$2,000,000	1,500,001 港元至 2,000,000 港元	–	–
HK\$2,000,001 – HK\$2,500,000	2,000,001 港元至 2,500,000 港元	–	1
		<u>3</u>	<u>3</u>

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

11. TAXATION

No provision for Hong Kong profits tax is made in the financial statements as the Group has no estimated assessable profits for the year (2004: Nil).

The amount of taxation credited to the consolidated income statement represents:

		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Current tax:	當期稅項：		
Hong Kong profits tax	香港利得稅	-	-
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	(3,252,051)	(4,146,344)
Taxation credit	稅項進賬	(3,252,051)	(4,146,344)

The taxation on the Group's loss before taxation differs from the theoretical amount that would arise using the domestic taxation rates applicable to profits of the consolidated companies is as follows:

		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Loss before taxation	除稅前虧損	(53,951,825)	(81,819,919)
Calculated at a taxation rate of 17.5% (2004:17.5%)	按稅率 17.5% (二零零四年：17.5%) 計算	(9,441,570)	(14,318,486)
Tax effect of income not subject to taxation	毋須課稅之收入之稅項影響	(70,208)	(14,557)
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	3,061,956	839,934
Tax effect of utilisation of previously unrecognised tax losses	動用前期未曾確認之稅務虧損之稅項影響	-	(595,256)
Tax effect of tax losses not recognised	未確認之稅務虧損之稅項影響	2,004,385	187,337
Tax effect of temporary differences not recognised	未確認暫時差異之稅項影響	1,193,386	9,754,684
Taxation credit	稅項進賬	(3,252,051)	(4,146,344)

11. 稅項

由於本年度並無估計應課稅溢利，故此本集團財務報表並無香港利得稅撥備（二零零四年：無）。

綜合收益表內進賬之稅項包括：

本集團除稅前虧損之稅項與理論上之數額（以適用於被綜合公司盈利之本地稅率計算）相差如下：

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

12. LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$92,267,886 (2004: HK\$33,326,674).

13. LOSS PER SHARE

The basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

12. 本公司股東應佔虧損

計入本公司財務報表之本公司股東應佔虧損為 92,267,886 港元（二零零四年：33,326,674 港元）。

13. 每股虧損

每股基本虧損是按本公司股東應佔虧損除以年內已發行普通股之加權平均數計算。

		2005 二零零五年 HK\$/ 港元	2004 二零零四年 HK\$/ 港元
Loss attributable to equity holders of the Company	本公司股東應佔虧損	50,699,774	77,673,575
Weighted average number of ordinary shares in issue	年內已發行普通股之加權平均數	3,000,000,000	3,000,000,000
Basic loss per share	每股基本虧損	1.69 cents 仙	2.59 cents 仙

Diluted loss per share for the years ended 31 December 2005 and 2004 has not been shown as the options outstanding during these years had an anti-diluted effect on the basic loss per share for these years.

由於截至二零零五年及二零零四年十二月三十一日止年度尚未行使的購股權對有關年度之每股攤薄虧損產生反攤薄影響，因此並無披露有關年度之每股攤薄虧損。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT
The Group**14. 物業、廠房及設備**
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
Cost	成本				
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
Additions	添置	663,035	23,190	101,760	787,985
Disposal	出售	(480,730)	(16,680)	(3,800)	(501,210)
At 31 December 2005	於二零零五年十二月三十一日	5,424,186	1,213,052	11,587,291	18,224,529
Accumulated depreciation	累計折舊				
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	本年度撥備	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
Provided for the year	本年度撥備	1,071,948	264,962	509,480	1,846,390
Written back on disposals	出售時撥回	(296,329)	(6,635)	(2,220)	(305,184)
At 31 December 2005	於二零零五年十二月三十一日	2,640,750	951,512	11,180,582	14,772,844
Net book value	賬面淨值				
At 31 December 2005	於二零零五年十二月三十一日	2,783,436	261,540	406,709	3,451,685
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

The Company

The Company has no property, plant and equipment as at 31 December 2005 (2004: Nil).

本公司

本公司於二零零五年十二月三十一日並無物業、廠房及設備(二零零四年:無)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

15. INTANGIBLE ASSETS The Group

15. 無形資產 本集團

		Three trading rights in the Stock Exchange 三項聯交所 交易權 HK\$/港元	One trading right in the Hong Kong Futures Exchange Limited 一項期交所 交易權 HK\$/港元	Total 合計 HK\$/港元
Cost	成本			
At 1 January 2004 and 31 December 2004	於二零零四年一月一日及 於二零零四年十二月三十一日	4,042,800	149,600	4,192,400
Elimination of accumulated amortisation upon the application of HKAS 38	應用香港會計準則第 38 號後 對銷累計攤銷	4,042,800	149,600	4,192,400
At 31 December 2005	於二零零五年十二月三十一日	-	-	-
Accumulated amortisation	累計攤銷			
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
Elimination of accumulated amortisation upon the application of HKAS 38	應用香港會計準則第 38 號後 對銷累計攤銷	4,042,800	149,600	4,192,400
At 31 December 2005	於二零零五年十二月三十一日	-	-	-
Net book value	賬面淨值			
At 31 December 2005	於二零零五年十二月三十一日	-	-	-
At 31 December 2004	於二零零四年十二月三十一日	-	-	-

Until 31 December 2004, the trading rights had been amortised over their estimated useful lives based on Directors' assessments. In accordance with the transitional provisions in HKAS 38, the Group reassessed the useful lives of trading rights on 1 January 2005 and concluded that the trading rights have indefinite useful lives. The Group has applied the revised useful lives prospectively and carried the trading rights at its carrying amount at 31 December 2004 of nil value.

於二零零四年十二月三十一日前，交易權乃按董事之評估於其估計可使用年期攤銷。根據香港會計準則第 38 號之過渡條文，本集團於二零零五年一月一日重新評估交易權之可使用年期，並認為交易權有無限可使用年期。本集團已應用經修訂之可使用年期，並以交易權於二零零四年十二月三十一日之賬面值零值入賬。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005

截至二零零五年十二月三十一日止年度

16. INTERESTS IN SUBSIDIARIES

16. 附屬公司權益

		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Unlisted shares, at cost	非上市股份，成本值	286,338,117	286,338,117
Impairment losses	減值虧損	(127,000,000)	(111,000,000)
		159,338,117	175,338,117
Amount due from a subsidiary	應收附屬公司款項	149,957,749	139,294,137
Impairment losses	減值虧損	(66,000,000)	-
		83,957,749	139,294,137
Amounts due to subsidiaries	應付附屬公司款項	(117,566,254)	(113,903,863)
		125,729,612	200,728,391

Amounts due from/(to) subsidiaries were unsecured, interest-free and have no fixed term of repayment.

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 at 31 December 2005 are as follows:

本公司於二零零五年十二月三十一日之主要附屬公司詳情如下：

Name 名稱	Place of incorporation 註冊成立地點	Principal activities and place of operation 主要業務及營業地點	Particulars of issued share capital 已發行股本詳情	Interest held 所持權益
REXCAPITAL Financial Group Limited	British Virgin Islands 英屬維爾京群島	Investment holding in Hong Kong 於香港進行投資控股	30,000,000 ordinary shares of HK\$1 each 30,000,000 股，每股面值 1 港元之普通股	100%
REXCAPITAL Financial Management Limited	British Virgin Islands 英屬維爾京群島	Investment holding in Hong Kong 於香港進行投資控股	1 ordinary share of US\$1 1 股面值 1 美元 之普通股	100%
REXCAPITAL Financial Investment Limited 御泰金融投資有限公司	Hong Kong 香港	Investment holding in Hong Kong 於香港進行投資控股	25,000,000 ordinary shares of HK\$1 each 25,000,000 股，每股面值 1 港元之普通股	100%

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

16. INTERESTS IN SUBSIDIARIES (continued) 16. 附屬公司權益 (續)

Name 名稱	Place of incorporation 註冊成立地點	Principal activities and place of operation 主要業務及營業地點	Particulars of issued share capital 已發行股本詳情	Interest held 所持權益
REXCAPITAL Asset Management Limited 御泰資產管理有限公司	Hong Kong 香港	Investment holding, provision of advisory and fund management services in Hong Kong 於香港進行投資控股、 提供投資顧問及 基金管理服務	5,000,000 ordinary shares of HK\$1 each 5,000,000 股，每股面值 1 港元之普通股	100%
REXCAPITAL Finance Limited 御泰信貸有限公司	Hong Kong 香港	Money lending and investment trading in Hong Kong 於香港進行貸款 及投資買賣	2,000,000 ordinary shares of HK\$1 each 2,000,000 股，每股面值 1 港元之普通股	100%
REXCAPITAL Futures Limited 御泰期貨有限公司	Hong Kong 香港	Futures and commodities dealing in Hong Kong 於香港進行期貨及 商品買賣	25,000,000 ordinary shares of HK\$1 each 25,000,000 股，每股面值 1 港元之普通股	100%
REXCAPITAL Securities Limited 御泰證券有限公司	Hong Kong 香港	Securities dealing and margin financing in Hong Kong 於香港進行證券買賣 及孖展融資	150,000,000 ordinary shares of HK\$1 each 150,000,000 股，每股面值 1 港元之普通股	100%
REXCAPITAL Realty Limited 御泰地產有限公司	Hong Kong 香港	Investment holding in Hong Kong 於香港進行投資控股	2 ordinary shares of HK\$1 each 2 股，每股面值 1 港元之普通股	100%

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005

截至二零零五年十二月三十一日止年度

16. INTERESTS IN SUBSIDIARIES (continued)

16. 附屬公司權益 (續)

Name 名稱	Place of incorporation 註冊成立地點	Principal activities and place of operation 主要業務及營業地點	Particulars of issued share capital 已發行股本詳情	Interest held 所持權益
REXCAPITAL Corporate Services Limited 御泰企業服務有限公司	Hong Kong 香港	Arrangement of leases for group companies in Hong Kong 於香港為集團成員 公司安排租約	100 ordinary shares of HK\$1 each 100股，每股面值1港元 之普通股	100%
lbrokers Company Limited	Hong Kong 香港	Arrangement of leases for group companies in Hong Kong 於香港為集團成員 公司安排租約	2 ordinary shares of HK\$1 each 2股，每股面值1港元 之普通股	100%

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。

The above table lists the subsidiaries of the Company, which in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would in the opinion of the Directors result in particulars of excessive length.

上表列示董事認為主要影響本年度業績或構成本集團資產淨值主要部份之本公司附屬公司。董事認為，提供其他附屬公司之詳情會使篇幅過於冗長。

17. INVESTMENT SECURITY

17. 投資證券

		The Group 本集團 2004 二零零四年 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
Market value of listed investment	上市投資市值	74,646

The listed investment was disposed of during the year.

該上市投資已於年內出售。

18. OTHER NON-CURRENT ASSETS

18. 其他非流動資產

Other non-current assets represent statutory and other deposits with various exchanges and clearing houses relating to securities and futures dealing businesses.

其他非流動資產指與多個交易所及結算所有關之證券及期貨買賣之法定及其他按金。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

19. DEFERRED TAXATION

The Group

(i) Deferred tax assets recognised

At 1 January 2004	於二零零四年一月一日
Credited to the consolidated income statement	在綜合損益表內進賬
At 31 December 2004	於二零零四年十二月三十一日
Credited to the consolidated income statement	在綜合損益表內進賬
At 31 December 2005	於二零零五年十二月三十一日

19. 遞延稅項

本集團

(i) 遞延稅項資產確認

Tax losses 稅務虧損 HK\$/港元	Others 其他 HK\$/港元	Total 合計 HK\$/港元
(211,086)	–	(211,086)
(2,396,344)	(1,750,000)	(4,146,344)
(2,607,430)	(1,750,000)	(4,357,430)
(1,082,051)	(2,170,000)	(3,252,051)
(3,689,481)	(3,920,000)	(7,609,481)

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

(ii) 遞延稅項資產/(負債)並未就以下項目進行確認:

		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Taxable temporary differences – accelerated tax depreciation	應課稅暫時差異 – 加速稅項折舊	(157,471)	(292,560)
Deductible temporary differences – decelerated tax depreciation – others	可扣減暫時差異 – 減速稅項折舊 – 其他	1,007,587 69,505,862	1,020,751 62,808,981
Tax losses	稅務虧損	74,649,697	60,236,403
		145,005,675	123,773,575

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 2005 (2004: Nil).

本公司

本公司於二零零五年十二月三十一日並無暫時差額(二零零四年: 無)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

20. TRADE RECEIVABLES

20. 應收貿易賬款

		The Group 本集團	
		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Margin client receivables, net	應收孖展客戶款項淨額	43,745,417	127,275,906
Other client receivables, net	應收其他客戶款項淨額	4,464,569	7,659,835
Broker receivables	應收經紀款項	386,916	1,781,408
Amounts due from clearing houses	應收結算所款項	805,322	16,327,962
Loan receivables, net	應收貸款淨額	234,097,149	175,471,635
Loan interest receivables, net	應收貸款利息淨額	7,518,913	5,904,030
		291,018,286	334,420,776

Included in the Group's trade receivables are the following foreign currencies:

本集團應收貿易賬款包括以下各種外幣列值的賬款：

		The Group 本集團	
		2005 二零零五年	2004 二零零四年
Indonesian Rupiah	印尼盾	3,892,335	3,892,335
Malaysian Ringgits	馬幣	3,461	101,210
Singapore dollars	新加坡元	2,957	8,285

Margin client receivables are repayable on demand, bear interest at prevailing market rates and are secured by clients' securities listed on the Stock Exchange of Hong Kong Limited (the "SEHK") with a market value of approximately HK\$94,305,000 as at 31 December 2005 (2004: HK\$311,000,000). 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.

應收孖展客戶款項於要求時償還，按當時市場利率計息，由在香港聯合交易所有限公司（「聯交所」）上市的客戶證券作為抵押，於二零零五年十二月三十一日的市值約 94,305,000 港元（二零零四年：311,000,000 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，因此沒有披露應收孖展客戶款項之賬齡分析資料。

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.

其他應收客戶和經紀賬款，及應收結算所的款項的結算條款為交易日後一至兩天。這些結餘的賬齡為 30 天內。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

20. TRADE RECEIVABLES (continued)

Included in the above client receivables as at 31 December 2005 are the accounts of associates of certain Directors of approximately HK\$8,788,000 (2004: HK\$7,781,000). The amounts due from the associates are of similar trading terms as the other client receivables. The balance was repaid subsequent to year end date.

Included in the above loan receivables as at 31 December 2005 is the account of an associate of certain Directors of approximately HK\$2,640,000 (2004: HK\$9,992,000). 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 2005 is as follows:

Three months or less	三個月或以內
One year or less but over three months	一年以下但三個月以上

20. 應收貿易賬款 (續)

上述於二零零五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 8,788,000 港元 (二零零四年: 7,781,000 港元)。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。該貸款已於結算日後償還。

上述於二零零五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 2,640,000 港元 (二零零四年: 9,992,000 港元)。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。

於二零零五年十二月三十一日，應收貸款的餘下到期日如下：

The Group 本集團	
2005 二零零五年 HK\$/ 港元	2004 二零零四年 HK\$/ 港元
124,089,838	53,361,420
110,007,311	122,110,215
234,097,149	175,471,635

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Listed securities held for trading:	持有所買賣之上市證券：
Market value of equity securities listed in Hong Kong	香港上市股票證券之市值

Financial assets at fair value through profit or loss are presented within the section on operating activities as part of changes in working capital in the cash flow statement.

Changes in fair value of financial assets at fair value through profit or loss are recorded in other (losses)/gains in the income statement (Note 6).

21. 通過損益按公允價值計量之金融資產

The Group
本集團
2005
二零零五年
HK\$/ 港元

13,382,291

通過損益按公允價值計量之金融資產於經營活動一節呈列，以作為現金流量表中營運資金變動之一部分。

通過損益按公允價值計量之金融資產公平價值變動會於損益表中記錄為其他 (虧損) / 收益 (附註 6)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

22. OTHER INVESTMENTS

22. 其他投資

The Group
本集團
2004
二零零四年
HK\$/港元

Listed securities:	上市證券：	
Market value of equity securities listed in Hong Kong	香港上市股票證券之市值	22,928,294

23. CASH AND CASH EQUIVALENTS

23. 現金及現金等價物

		The Group 本集團		The Company 本公司	
		二零零五年 HK\$/港元	二零零四年 HK\$/港元	二零零五年 HK\$/港元	二零零四年 HK\$/港元
Cash at bank	銀行現金				
– general accounts	– 一般賬戶	4,995,095	8,557,707	3,953	14,498
– segregated accounts	– 獨立賬戶	22,160,817	65,342,351	–	–
Cash in hand	手頭現金	25,411	27,912	–	–
		27,181,323	73,927,970	3,953	14,498

Included in the Group's cash and cash equivalents are the following foreign currencies:

本集團之現金及現金等價物中包括下列外幣：

		2005 二零零五年	2004 二零零四年
Japanese yen	日圓	162,000	162,000
US dollars	美元	39,668	25,018
Singapore dollars	新加坡元	1,560	1,560
Malaysian Ringgits	馬幣	60,964	19,125

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

23. CASH AND CASH EQUIVALENTS (continued)

Cash and cash equivalents include the following for the purposes of the cash flow statement:

23. 現金及現金等價物 (續)

就現金流量表而言，現金及現金等價物包括下列各項：

		The Group 本集團	
		2005 二零零五年 HK\$/ 港元	2004 二零零四年 HK\$/ 港元
Cash in hand	手頭現金	25,411	27,912
Cash at bank	銀行現金		
– general account	– 一般賬戶	4,995,095	8,557,707
Bank overdrafts (Note 27)	銀行透支 (附註 27)	<u>(204,579,437)</u>	<u>(204,678,310)</u>
		<u>(199,558,931)</u>	<u>(196,092,691)</u>

24. SHARE CAPITAL

Authorised

法定

		Ordinary shares of HK\$0.01 each 每股面值 0.01 港元之普通股	
		Number of shares 股份數目	HK\$ 港元
At 31 December 2004	於二零零四年十二月三十一日		
and at 31 December 2005	及二零零五年十二月三十一日	<u>20,000,000,000</u>	<u>200,000,000</u>

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	
		Number of shares 股份數目	HK\$ 港元
At 31 December 2004	於二零零四年十二月三十一日		
and at 31 December 2005	及二零零五年十二月三十一日	<u>3,000,000,000</u>	<u>30,000,000</u>

25. SHARE OPTION SCHEME

The Group's share option scheme was adopted by the Group on 22 November 2002 (the "Scheme") for the purpose of enabling the Group 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 Group 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 Group 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 Group must not exceed 10% of the issued share capital of the Group on the date of approval and adoption of the Scheme provided that the Group 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 Group (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.

25. 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。所授出購股權須於邀約日期起計 30 日內接納。承授人須就所授購股權向本集團支付 1.00 港元之代價。

購股權之行使價由董事會釐定，惟不得低於(a)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)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集團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集團之已發行股本 10%，惟本集團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，較早前根據本集團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。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

25. 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 Group (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 Group's issued share capital on the date of grant or with a value in excess of HK\$5 million must be approved in advance by the Group'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 following table discloses movements in the Share Option Scheme:

During the year ended 31 December 2004:

Grantees	Date of grant	Exercise price per share	Exercisable period	Number of share options			Outstanding at 31.12.2004 於二零零四年十二月三十一日尚未行使
				Outstanding at 01.01.2004 於二零零四年一月一日尚未行使	Granted during the year	Lapsed during the year	
承授人	授出日期	每股行使價 HK\$/港元	行使期		年內授出	年內失效	
Employees 僱員	03.01.2004	0.138	03.01.2004-02.01.2014	-	90,000,000	(30,000,000)	60,000,000
Other eligible participants 其他合資格參與者	03.01.2004	0.138	03.01.2004-02.01.2014	-	60,000,000	-	60,000,000
				-	150,000,000	(30,000,000)	120,000,000

25. 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集團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集團已發行股本 0.1% 或其價值高於 5,000,000 港元, 則必須經本集團股東事先批准。

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。

下表披露購股權計劃之變動:

截至二零零四年十二月三十一日止年度:

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005

截至二零零五年十二月三十一日止年度

25. SHARE OPTION SCHEME (continued)

During the year ended 31 December 2005:

25. 購股權計劃 (續)

截至二零零五年十二月三十一日止年度：

Grantees	Date of grant	Exercise price per share	Exercisable period	Outstanding at 01.01.2005 於二零零五年一月一日尚未行使	Number of share options 購股權數目		Outstanding at 31.12.2005 於二零零五年十二月三十一日尚未行使
					Granted during the year	Lapsed during the year	
承授人	授出日期	每股行使價 HK\$/港元	行使期		年內授出	年內失效	
Employees 僱員	03.01.2004	0.138	03.01.2004-02.01.2014	60,000,000	-	(30,000,000)	30,000,000
	26.10.2005	0.102	26.10.2005-25.10.2015	-	30,000,000	-	30,000,000
Other eligible participants 其他合資格參與者	03.01.2004	0.138	03.01.2004-02.01.2014	60,000,000	-	-	60,000,000
	26.10.2005	0.102	26.10.2005-25.10.2015	-	180,000,000	-	180,000,000
				<u>120,000,000</u>	<u>210,000,000</u>	<u>(30,000,000)</u>	<u>300,000,000</u>

(1) The closing price of the share immediately before the date of grant on 26 October 2005 was HK\$0.086.

(2) The lapsed options were due to cessation of employment of participants with the Group.

(3) No option was cancelled during the year.

During the year, 210,000,000 (2004: 150,000,000) share options were granted under the share option scheme to grantees for an aggregate consideration of HK\$7 (2004: HK\$5).

The exercise in full of the outstanding 300,000,000 share options at 31 December 2005 would, under the present capital structure of the Company, result in the issue of 300,000,000 additional shares for a total cash consideration, before expenses, of approximately HK\$33,840,000.

(1) 緊接授出日期二零零五年十月二十六日前之股份收市價為0.086港元。

(2) 已註銷之購股權乃因僱員終止受僱而不再為本集團參與者所致。

(3) 年內並無註銷任何購股權。

年內，共有210,000,000份（二零零四年：150,000,000份）購股權根據購股權計劃向承授人授出，總代價為7港元（二零零四年：5港元）。

根據本公司之現時資本架構，悉數行使於二零零五年十二月三十一日尚未行使之300,000,000份購股權將導致發行300,000,000額外股份，總現金代價於扣除開支前約為33,840,000港元。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

25. SHARE OPTION SCHEME (continued)

During the year ended 31 December 2005, options were granted on 26 October 2005 and are fully vested at the same date. The estimated fair values of the options granted on that date are HK\$7,040,000. In applying HKFRS 2, the Group recognised these fair values as expense. The Group has not applied HKFRS 2 to share options that were granted after 7 November 2002 and had vested before 1 January 2005 in accordance with the relevant transitional provisions.

The fair value is calculated using the Black-Scholes pricing model. The weighted average inputs into the model were as follows:

		於二零零五年 十月二十六日 授出購股權 Share options granted on 26.10.2005
Share price	股價	HK\$0.102
Exercise price	行使價	HK\$0.102
Expected volatility	預期波幅	80%
Expected option life (in years)	預期購股權期限 (按年計)	1.05
Risk-free-rate	無風險利率	3.81
Expected dividends	預期股息	0%

The expected volatility was determined by using the historical volatility of the Company's share price over the previous two years. The expected life used in the model has been adjusted, based on the managements estimate, for the effects of non transferability, exercise restrictions and behavioral considerations.

The Group recognised the total expense of HK\$7,040,000 (2004: Nil) in relation to share options granted by the Company, of which HK\$1,005,715 are recorded in staff costs and HK\$6,034,285 are recorded in other operating expenses.

25. 購股權計劃 (續)

截至二零零五年十二月三十一日止年度，曾於二零零五年十月二十六日授出購股權於同日悉數歸屬。於該日授出之購股權之公平價值估計為7,040,000港元。應用香港財務報告準則第2號後，本集團將該等公平價值確認為開支。根據香港財務報告準則第2號之相關過渡條文，本集團並未對二零零二年十一月七日後授出但已於二零零五年一月一日前歸屬之購股權應用香港財務報告準則第2號。

公平值乃使用布力克－舒爾茨定價模型計算。該模型之加權平均數據如下：

預期波幅乃使用本公司股價於過往兩年之波幅釐定。該模型所用之預期年限乃根據管理層之估計就不可轉讓性、行使限制及行為考量之影響而調整。

本集團已就本公司授出之購股權確認合共7,040,000港元(二零零四年：無)，其中1,005,715港元乃記錄為員工成本，而6,034,285港元則記錄為其他經營開支。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

26. TRADE PAYABLES

26. 應付貿易賬款

		The Group 本集團	
		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Margin client payables	應付孖展客戶款項	6,056,484	18,550,425
Other client payables	應付其他客戶款項	18,506,721	60,177,437
Broker payables	應付經紀款項	-	113,975
		24,563,205	78,841,837

Included in the Group's trade payables are the following foreign currencies:

本集團應付貿易賬款包括以下各種外幣列值的賬款：

		2005 二零零五年	2004 二零零四年
Indonesian Rupiah	印尼盾	3,892,335	3,892,335
Malaysian Ringgits	馬幣	59,095	58,500
Singapore dollars	新加坡元	2,807	1,790

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.

應付孖展客戶款項及應付其他客戶款項於要求時償還，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，因此沒有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。

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

應付經紀款項的結算條款為交易日後一至兩天。而該等款項賬齡均少於30天。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

27. BANK BORROWINGS

27. 銀行貸款

		The Group 本集團	
		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Bank overdrafts	銀行透支		
– secured (Note 23)	– 有抵押 (附註 23)	195,152,741	204,678,310
– unsecured (Note 23)	– 無抵押 (附註 23)	9,426,696	–
Bank loan, secured	銀行貸款，有抵押	1,000,000	1,000,000
		205,579,437	205,678,310

The carrying amounts of all the borrowings are denominated in Hong Kong dollars.

所有貸款之賬面值均以港元計算。

The bank loan and overdrafts are repayable within one year or when the facility is withdrawn. These borrowings are used to finance the financing business of the Group.

銀行貸款及透支須於一年內或提取信貸時償還。該等貸款乃用作撥付本集團之金融業務。

At 31 December 2005, the Group's bank borrowings were secured by:

於二零零五年十二月三十一日，本集團之銀行貸款由下列各項擔保：

- (a) corporate guarantees from the Company;
- (b) marketable securities of the Group; and
- (c) marketable securities of the Group's clients.

- (a) 本公司提供之公司擔保；
- (b) 本集團之有價證券；及
- (c) 本集團客戶之有價證券。

Bank overdrafts amounting to HK\$204,579,437 (2004: HK\$204,678,310) carry interest at either HIBOR or Prime rate. Bank loans amounting to HK\$1,000,000 (2004: HK\$1,000,000) are at HIBOR plus a spread. Interest rate is repriced every twelve months.

為數 204,579,437 港元 (二零零四年：204,678,310 港元) 之銀行透支按香港銀行同業拆息或最優惠利率計息。為數 1,000,000 港元 (二零零四年：1,000,000 港元) 之銀行貸款乃按香港銀行同業拆息另加息差計息。利率會每十二個月重新定價。

The effective interest rates on the Group's borrowings are also equal to contracted interest rates.

本集團貸款之實際利率亦相等於合約利率。

The Directors consider that the fair values of bank borrowings at the balance sheet date approximate to their carrying amounts.

董事認為，銀行貸款之公平價值與其賬面值相若。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

28. RESERVES OF THE COMPANY

28. 本公司之儲備

		Capital reserve HK\$/港元	(Accumulated losses)/ retained profits (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 2004	於二零零四年一月一日	-	3,453,960	199,604,530	203,058,490
Loss for the year	本年度虧損	-	(33,326,674)	-	(33,326,674)
At 31 December 2004	於二零零四年十二月三十一日	-	(29,872,714)	199,604,530	169,731,816
Loss for the year	本年度虧損	-	(92,267,886)	-	(92,267,886)
Recognition of share option benefits at fair value	按公平價值確認購股權利益	7,040,000	-	-	7,040,000
At 31 December 2005	於二零零五年十二月三十一日	7,040,000	(122,140,600)	199,604,530	84,503,930

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:

- the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- 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.

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

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:

- 本公司當時或於有關分派後無法償還到期之債務;或
- 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。

董事認為,本公司於結算日可供分派予股東之儲備如下:

		2005 二零零五年 HK\$/港元	2004 二零零四年 HK\$/港元
Contributed surplus	實繳盈餘	199,604,530	199,604,530
Accumulated losses	累計虧損	(122,140,600)	(29,872,714)
		77,463,930	169,731,816

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

29. RETIREMENT BENEFITS SCHEME

The Group operates the MPF for all qualifying employees. The retirement benefit costs charged to the income statement 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.

30. CONTINGENT LIABILITIES

The Group

At 31 December 2005, the Group has no significant contingent liabilities (2004: Nil).

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 2005 amounted to approximately HK\$196,000,000 (2004: HK\$206,000,000).

31. COMMITMENTS

The Group

At 31 December 2005, the Group's future aggregate minimum lease payments under non-cancellable operating leases are payable as follows:

Land and buildings	土地及樓宇
Within one year	一年內
In the second to fifth year inclusive	第二至第五年（包括首尾兩年）

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 2005, the Company did not have any commitments under non-cancellable operating leases (2004: Nil).

Other than the operating lease commitments, the Group and the Company did not have any other capital commitments as at 31 December 2005 (2004: Nil).

29. 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。

30. 或然負債

本集團

於二零零五年十二月三十一日，本集團並無重大或然負債（二零零四年：無）。

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。於二零零五年十二月三十一日，附屬公司已動用信貸額約 196,000,000 港元（二零零四年：206,000,000 港元）。

31. 承擔

本集團

於二零零五年十二月三十一日，本集團根據不可撤銷經營租約之未來應付最低租金總額如下：

	2005 二零零五年 HK\$/ 港元	2004 二零零四年 HK\$/ 港元
	5,688,886	3,982,268
	6,591,999	9,368,991
	12,280,885	13,351,259

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

於二零零五年十二月三十一日，本公司並無任何不可撤銷經營租約規定之承擔（二零零四年：無）。

除經營租約外，本集團及本公司於二零零五年十二月三十一日並無任何其他資本承擔（二零零四年：無）。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005

截至二零零五年十二月三十一日止年度

32. TRANSACTIONS WITH RELATED PARTIES

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

Associates of Directors:	董事之聯繫人士：
Commission and interest income arising from futures and securities trading	買賣期貨及證券所得佣金及利息收入

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 at terms agreed by both parties.

- (b) On 12 January 2004, the Group entered into a conditional sale and purchase agreement with REXCAPITAL Group Limited (the "Purchaser"), a related company of which certain Directors of the Company were directors and one of these Directors was a beneficial shareholder, to dispose of the entire issued share capital of REXCAPITAL Financial Group Limited ("RFGL") for a total consideration of HK\$229,000,000. As the Purchaser was not satisfied with the results of the due diligence conducted on RFGL and its subsidiaries, the above sale and purchase agreement was terminated on 6 May 2005.
- (c) During both years, compensation of key management personnel represents Directors' remuneration as stated in note 10. The Directors' remuneration is determined by the remuneration committee having regard to the performance, responsibilities and experiences of individuals and market trends.

32. 關連人士交易

- (a) 本集團於本年度曾與以下關連人士進行重大交易之細節概述如下：

	2005 二零零五年 HK\$/ 港元	2004 二零零四年 HK\$/ 港元
	<u>1,047,947</u>	<u>2,031,815</u>

董事（包括獨立非執行董事）認為，上述交易乃於本集團日常業務過程中按正常商業條款進行。

- (b) 於二零零四年一月十二日，本集團與一間關連公司 REXCAPITAL Group Limited（「買方」）（本公司若干董事為買方之董事及該等董事其中一名為其實益股東）簽訂有條件買賣協議，出售 REXCAPITAL Financial Group Limited（「RFGL」）全部已發行股本，總代價 229,000,000 港元。由於買方並不滿意其對 RFGL 及其附屬公司進行之盡職審查結果，故此上述買賣協議已於二零零五年五月六日終止。
- (c) 於這兩年年內，主要管理人員補償指附註 10 所列之董事酬金。董事酬金由薪酬委員會參照個人表現、職責及經驗以及市場趨勢釐定。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

33. POST BALANCE SHEET EVENTS

- (a) On 15 March 2006, RFGL entered into a Share Purchase Agreement with Magic Dynasty Limited (“the Vendor”) under which RFGL has agreed to acquire the entire issued share capital of Multi Glory Limited (“the Acquisition”). The consideration payable for the Acquisition is HK\$227,880,000 which is to be satisfied as to HK\$152,880,000 in cash and as to HK\$75,000,000 by the issue of the consideration shares at a price of HK\$0.15 per share. Details of the proposed Acquisition are set out in the Company’s announcement dated 22 March 2006. The transaction has not yet been completed up to the date of this report.
- (b) On 23 March 2006, the Company, a placing agent and Kingly Profits Corporation (“the Vendor”) entered into a placing agreement, pursuant to which the placing agent agreed to place, on a best efforts basis, up to an aggregate of 1,200,000,000 existing shares of HK\$0.20 per share on behalf of the Vendor. On the same date, the Company entered into a subscription agreement with the Vendor for the Subscription of up to an aggregate of 1,200,000,000 new shares at the same price per share. Pursuant to the Subscription Agreement, the Vendor has conditionally agreed to subscribe for the subscription shares which are equivalent to the number of Placing Shares. It is intended as to approximately HK\$152.88 million of the proceeds will be used to pay the consideration for the acquisition as mentioned in (a) above, and the remaining balance will be used for general working capital of the Group, including financing future working capital requirement of Multi Glory Limited upon completion of the Acquisition. Up to the date of this report, 600,000,000 new share have been issued to the Vendor pursuant to the terms of the Subscription Agreement.

34. COMPARATIVE AMOUNTS

As further explained in note 2(a) to the financial statements, due to the adoption of HKFRS during the current year, the accounting treatment and the presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain comparative amounts have been restated. In addition, certain comparative amounts have been reclassified to conform to the current year’s presentation.

33. 結算日後事項

- (a) 於二零零六年三月十五日，本集團之全資附屬公司 RFGL 與 Magic Dynasty Limited (「賣方」) 訂立購股協議，據此，RFGL 同意購買 Multi Glory Limited 全部已發行股本 (「收購事項」)。就收購事項應付之代價為 227,880,000 港元，其中 152,880,000 港元以現金支付，另外 75,000,000 港元以按每股 0.15 港元之價格發行代價股份支付。建議收購事項之詳情載於本公司於二零零六年三月二十二日所發出之公佈。截至本報告日期，該項交易尚未完成。
- (b) 於二零零六年三月二十三日，本公司、配售代理與 Kingly Profits Corporation (「賣方」) 訂立配售協議，據此，配售代理同意代表賣方盡最大努力以每股 0.20 港元配售最多合共 1,200,000,000 股現有股份。同日，本公司與賣方訂立認購協議，據此，賣方以相同之每股價格認購最多合共 1,200,000,000 股新股。根據認購協議，賣方已有條件同意認購相等於配售股份數目之認購股份。所得款項中約 152,880,000 港元擬用作支付上文(a)所述收購事項之代價，而餘額將用作本集團之一般營運資金，包括應付 Multi Glory Limited 於收購事項完成後之日後營運資金需求。截至本報告日期，合共 600,000,000 股新股已根據認購協議之條款發行予賣方。

34. 比較金額

正如財務報表附註 2(a) 所進一步闡釋，由於本年度採納香港財務報告準則，財務報表內若干項目及結餘之會計處理方法及呈列方式已作修訂，以符合新規定。因此，若干比較金額已作重列。此外，若干比較金額已重新分類，以符合本年度之呈列方式。