



## Vision Statement

We are dedicated to adding value for customers, employees, shareholders and the community through the delivery of total quality financial services.

## Mission Statement

We aim to be a global player in the financial services industry, and a leader in the Greater China region. To achieve this, we will

- always place the interests of our customers first;
- maintain the trust of our customers through our integrity, quality and professionalism;
- provide innovative solutions, using advanced technology, without losing sight of our traditional values; and
- develop a culture which fosters innovation, knowledge, communication and continuous improvement.

## 集團宣言

我們承諾竭盡所能，提供全面優質之金融服務，為客戶、員工、股東及社會爭取最佳之利益。

## 集團使命

我們矢志成為國際性的金融服務公司，並在大中華地區具有領導地位，為達到此一目的，我們需要

- 將客戶的利益放在首位；
- 秉承待客以誠、質素超卓及專業可靠的宗旨，贏取客戶信任；
- 運用先進科技提供創新服務，並保留穩健而進取的優良傳統；及
- 樹立風範、日益創新、不斷求知、融洽溝通及持續改善。



We are best known for our long history, strong capital base, credibility and innovative approach. Today, we have become one of the most well-respected financial services providers in Hong Kong and China, offering first-class global financial services to our customers.

Over the past 35 years, we have been awarded numerous accolades, all of which not only affirm our dedicated commitment to integrity and corporate governance, but also our endless drive for innovation along with our unique foresight in the expansion of higher value-added financial services.

我們以歷史悠久、財務穩健、信譽昭著及積極創新見稱。今天，我們更發展成為香港及中國內地備受推崇的金融服務機構，為客戶提供優質的環球金融服務。

過去35年，我們屢獲殊榮，這不但確認了集團多年對誠信及企業管治的堅持，更肯定我們追求創新的不休動力及積極拓展高增值金融服務的獨特眼光。

## Contents

<b>2</b>	Corporate Information	<b>2</b>	公司資料
<b>6</b>	Financial Highlights	<b>6</b>	財務摘要
<b>7</b>	Corporate Structure	<b>7</b>	集團架構
<b>9</b>	Chairman's Statement	<b>36</b>	主席報告書
<b>11</b>	Managing Director's Review	<b>38</b>	董事總經理回顧
<b>15</b>	Financial Review	<b>41</b>	財務回顧
<b>20</b>	Corporate Governance Report	<b>46</b>	公司管治報告書
<b>29</b>	Corporate Highlights	<b>54</b>	集團摘要
<b>59</b>	Board of Directors and Senior Management	<b>65</b>	董事會及高級管理層
<b>68</b>	Report of the Board of Directors	<b>83</b>	董事會報告書
<b>97</b>	Independent Auditors' Report	<b>99</b>	獨立核數師報告書
<b>101</b>	Financial Statements	<b>101</b>	財務報表
<b>200</b>	Ten Years Financial Summary	<b>200</b>	十年財務摘要

## 目錄

## Financial Calendar 財務日誌

17 March 2008 二零零八年三月十七日	Announcement of final results 公佈末期業績
21 May 2008 by 4:30 p.m. 二零零八年五月二十一日 下午四時三十分前	Latest date for registration for entitlement to final dividend 登記享有末期股息之最遲日期
22 May to 29 May 2008 二零零八年五月二十二日至五月二十九日	Book close dates 暫停辦理股東登記手續之日期
29 May 2008 二零零八年五月二十九日	Record date for final dividend 末期股息之記錄日期
17 July 2008 二零零八年七月十七日	Payment date of final dividend 末期股息之派付日期

# Corporate Information

## 公司資料

### General Information

#### Executive Directors

CHENG Kar Shun, Henry	<i>Chairman</i>
LO Lin Shing, Simon	<i>Deputy Chairman</i>
DOO Wai Hoi, William	<i>Deputy Chairman</i>
WONG Shiu Hoi, Peter	<i>Managing Director</i>
LEE Yiu Wing, William	
CHAN Chi On, Derek	

#### Non-executive Directors

WONG Kwok Kin, Andrew  
LAM Wai Hon, Patrick  
HO Hau Chong, Norman  
TO Hin Tsun, Gerald  
LEE Ka Sze, Carmelo

#### Independent Non-executive Directors

MAN Mo Leung  
TSUI Hing Chuen, William  
LAU Wai Piu, Bill

#### Company Secretary

LI Tung Wing, Mike

#### Qualified Accountant

LO Wai Ho, Kendy

#### Internal Auditor

LAU Chi Keung, Sammy

#### Place of Incorporation

Incorporated in Bermuda with limited liability

#### Registered Office

Clarendon House  
Church Street, Hamilton HM 11  
Bermuda

#### Principal Place of Business

25th Floor, New World Tower  
16-18 Queen's Road Central  
Hong Kong

### 一般資料

#### 執行董事

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

#### 非執行董事

黃國堅  
林焯瀚  
何厚鏘  
杜顯俊  
李嘉士

#### 獨立非執行董事

文晷良  
徐慶全  
劉偉彪

#### 公司秘書

李東榮

#### 合資格會計師

盧偉浩

#### 內部審計師

劉志強

#### 註冊成立地點

於百慕達註冊成立為有限公司

#### 註冊辦事處

Clarendon House  
Church Street, Hamilton HM 11  
Bermuda

#### 主要營業地點

香港  
皇后大道中16-18號  
新世界大廈25樓

# Corporate Information

## 公司資料

### Website Addresses

Homepage: [www.taifook.com](http://www.taifook.com)

e-wealth club: [www.e-wealthclub.com](http://www.e-wealthclub.com)

Taifook Lexton: [www.taifooklexton.com](http://www.taifooklexton.com)

### Auditors

Ernst & Young

### Legal Adviser in Hong Kong

Woo, Kwan, Lee & Lo

### Legal Adviser on Bermuda Law

Conyers Dill & Pearman

### Principal Share Registrars and Transfer Office

The Bank of Bermuda Limited

6 Front Street, Hamilton HM 11

Bermuda

### Hong Kong Branch Share Registrars and Transfer Office

Tricor Investor Services Limited

26th Floor, Tesbury Centre

28 Queen's Road East, Wanchai

Hong Kong

### Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited

Hang Seng Bank Limited

Standard Chartered Bank (Hong Kong) Limited

Bank of China (Hong Kong) Limited

BNP Paribas Hong Kong Branch

The Bank of East Asia, Limited

CITIC Ka Wah Bank Limited

Wing Hang Bank, Limited

Public Bank (Hong Kong) Limited

China Construction Bank (Asia) Corporation Limited

Dah Sing Bank, Limited

DBS Bank (Hong Kong) Limited

Industrial and Commercial Bank of China (Asia) Limited

Chong Hing Bank Limited

Fubon Bank (Hong Kong) Limited

Industrial and Commercial International Capital Limited

### 互聯網網址

主網頁: [www.taifook.com](http://www.taifook.com)

創富會: [www.e-wealthclub.com](http://www.e-wealthclub.com)

大福歷斯頓: [www.taifooklexton.com](http://www.taifooklexton.com)

### 核數師

安永會計師事務所

### 香港法律顧問

胡關李羅律師行

### 百慕達法例之法律顧問

Conyers Dill & Pearman

### 主要股份過戶登記處

The Bank of Bermuda Limited

6 Front Street, Hamilton HM 11

Bermuda

### 香港股份過戶登記分處

卓佳證券登記有限公司

香港灣仔皇后大道東28號

金鐘匯中心26樓

### 主要往來銀行

香港上海滙豐銀行有限公司

恒生銀行有限公司

渣打銀行(香港)有限公司

中國銀行(香港)有限公司

法國巴黎銀行香港分行

東亞銀行有限公司

中信嘉華銀行有限公司

永亨銀行有限公司

大眾銀行(香港)有限公司

中國建設銀行(亞洲)股份有限公司

大新銀行有限公司

星展銀行(香港)有限公司

中國工商銀行(亞洲)有限公司

創興銀行有限公司

富邦銀行(香港)有限公司

工商國際金融有限公司

# Corporate Information

## 公司資料

### Board Committees

#### Audit Committee

MAN Mo Leung  
TSUI Hing Chuen, William  
LAU Wai Piu, Bill  
HO Hau Chong, Norman  
LEE Ka Sze, Carmelo

#### Business Review Committee

WONG Shiu Hoi, Peter  
LEE Yiu Wing, William  
WONG Kwok Kin, Andrew  
LAM Wai Hon, Patrick

#### Credit Committee

LO Lin Shing, Simon  
WONG Shiu Hoi, Peter  
LEE Yiu Wing, William  
WONG Yat Hang, Peter  
HUI Yee, Wilson  
WU Kwok Leung, Edmond  
LO Wai Ho, Kendy  
CHANG Chow Kam Wen, Margaret

#### Executive Committee

WONG Shiu Hoi, Peter  
LEE Yiu Wing, William  
CHAN Chi On, Derek  
WONG Yat Hang, Peter  
HUI Yee, Wilson  
WU Kwok Leung, Edmond  
YING Tak Sun, Nelson  
LO Wai Ho, Kendy  
LAU Yiu Wai, Joseph

#### Remuneration Committee

TSUI Hing Chuen, William  
MAN Mo Leung  
LAU Wai Piu, Bill  
WONG Kwok Kin, Andrew  
LAM Wai Hon, Patrick

### 董事會委員會

#### 審核委員會

文晷良  
徐慶全  
劉偉彪  
何厚鏘  
李嘉士

#### 業務回顧委員會

黃紹開  
李耀榮  
黃國堅  
林焯瀚

#### 信貸委員會

魯連城  
黃紹開  
李耀榮  
黃逸行  
許儀  
胡國良  
盧偉浩  
張周錦雲

#### 執行委員會

黃紹開  
李耀榮  
陳志安  
黃逸行  
許儀  
胡國良  
應德信  
盧偉浩  
劉耀威

#### 薪酬委員會

徐慶全  
文晷良  
劉偉彪  
黃國堅  
林焯瀚

# Corporate Information

## 公司資料

### Sub-committees

#### Cost Management Committee

WONG Yat Hang, Peter  
WU Kwok Leung, Edmond  
YING Tak Sun, Nelson  
LO Wai Ho, Kendy  
WONG Mei Lin, April Fiona  
HUI Chor Ho, Mixgo  
CHEUNG Ying Chiu, Danny

#### Investment Committee

LO Lin Shing, Simon  
WONG Shiu Hoi, Peter  
LEE Yiu Wing, William  
MAK Tak Kwong, Marco  
LO Wai Ho, Kendy

#### IT Steering Committee

WONG Shiu Hoi, Peter  
LEE Yiu Wing, William  
WONG Yat Hang, Peter  
WU Kwok Leung, Edmond  
YING Tak Sun, Nelson  
LO Wai Ho, Kendy  
LO Yam Pui, Eric

### 專責委員會

#### 營運成本管理委員會

黃逸行  
胡國良  
應德信  
盧偉浩  
王美蓮  
許初好  
張應超

#### 投資委員會

魯連城  
黃紹開  
李耀榮  
麥德光  
盧偉浩

#### 資訊科技統籌委員會

黃紹開  
李耀榮  
黃逸行  
胡國良  
應德信  
盧偉浩  
盧任培

# Financial Highlights

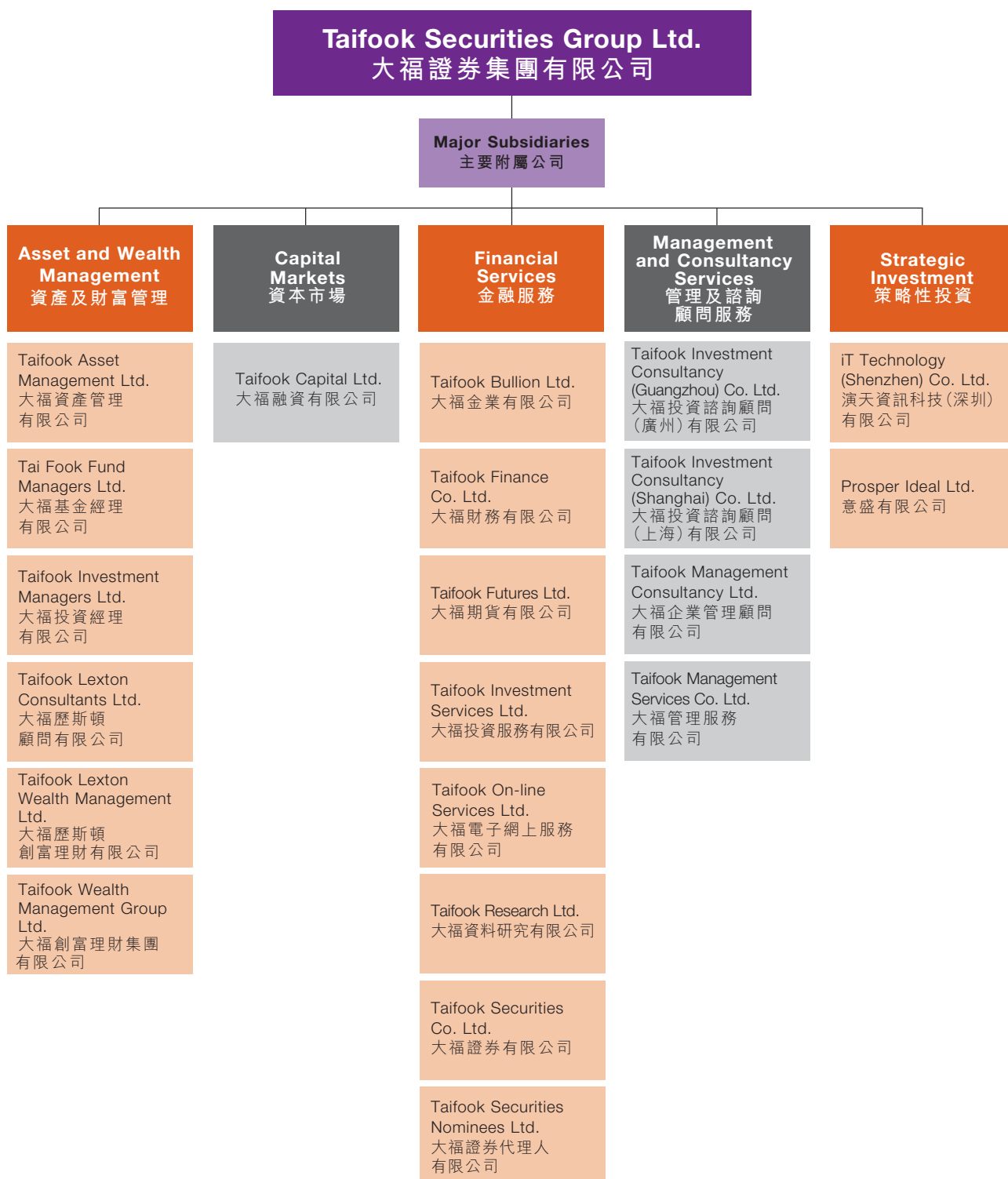
## 財務摘要

		Year ended 31 December 2007 截至二零零七年 十二月三十一日 止年度	Year ended 31 December 2006 截至二零零六年 十二月三十一日 止年度	Percentage increase  增加百分比
<b>For the year end</b>	<b>截至年底</b>			
Revenue (HK\$'000)	收入(千港元)	<b>1,473,203</b>	726,913	<b>103</b>
Net Profit (HK\$'000)	純利(千港元)	<b>484,847</b>	172,325	<b>181</b>
<b>At year end</b>	<b>至年底</b>			
Shareholders' Funds (HK\$'000)	股東資金(千港元)	<b>1,856,490</b>	1,179,216	<b>57</b>
Total Assets (HK\$'000)	總資產(千港元)	<b>7,771,610</b>	4,405,092	<b>76</b>
Number of Shares in Issue	已發行股份數目	<b>653,949,699</b>	587,519,699	<b>11</b>
Share Price	股價			
– High (HK\$)	– 高(港元)	<b>7.33</b>	2.00	<b>267</b>
– Low (HK\$)	– 低(港元)	<b>1.64</b>	0.91	<b>80</b>
<b>Per share</b>	<b>每股</b>			
Basic Earnings Per Share (HK Cents)	每股基本盈利(港仙)	<b>78.84</b>	29.71	<b>165</b>
Diluted Earnings Per Share (HK Cents)	每股攤薄盈利(港仙)	<b>77.97</b>	29.53	<b>164</b>
Dividend Per Share (HK Cents)	每股股息(港仙)	<b>38</b>	14	<b>171</b>
NAV Per Share (HK\$)	每股資產淨值(港元)	<b>2.84</b>	2.01	<b>41</b>
<b>Financial ratios</b>	<b>財務比率</b>			
Gearing Ratio	資本負債率			
– Borrowing to Total Assets	– 借貸與總資產	<b>0.18</b>	0.13	<b>38</b>
– Borrowing to NAV	– 借貸與資產淨值	<b>0.74</b>	0.49	<b>51</b>
Return on Total Assets (%)	總資產回報(%)	<b>6.24</b>	3.91	<b>60</b>
Return on Shareholders' Fund (%)	股東資金回報(%)	<b>26.12</b>	14.61	<b>79</b>



# Corporate Structure

## 集團架構



Note: This chart is a simplified corporate structure chart, some intermediate companies are not shown.

附註：本圖為一簡化集團架構圖，並無顯示一些中層控股公司。



**Maximising future opportunities  
with visionary foresight**

# Chairman's Statement

## Business Review

We are pleased to report a record net profit for the Group for the year ended 31 December 2007. On a 103% increase in revenue to HK\$1,473.2 million, our net profit rose 181% to HK\$484.8 million last year. Earnings per share also surged strongly by 165% to HK\$0.79 despite the dilution from new shares issued by the Company under a share placement in October 2007.

The Board has proposed a final dividend of HK\$0.25 per share for the year, which will sum up to a total payment of HK\$0.38 per share for the whole year after including an interim dividend of HK\$0.13 per share distributed on 22 October 2007. The total payment represents a 171% increase over the preceding year.

Retained earnings of the year coupled with new capital raised from the share placing boosted our shareholders' funds by 57% to HK\$1,856.5 million by the end of 2007, representing HK\$2.84 per share, up 41% over the year. We achieved a return on average shareholders' funds of 31.9% for the year, a dramatic improvement from 15.8% for 2006 and 6.3% for 2005.



Our remarkable achievement can be attributed mainly to an exceptionally robust stock market last year, while our solid business foundation and massive client base placed us in an advantageous position to tap the unprecedented business opportunities that arose. Reflecting the sharply increased activity in the local stock market, average daily turnover on the Hong Kong Stock Exchange increased by 231% year-on-year to HK\$116.0 billion in the second half of 2007, after chalking up an 82% year-on-year rise to HK\$59.2 billion in the first half. For the year as a whole, average daily turnover reached a record HK\$88.1 billion, up 160% year-on-year. Our business performance grew up in tandem as our second-half net profit doubled that of the first six months.

Last year was in fact a challenging year for the global financial industry. The impact of the US subprime mortgage fallout on its economy was initially underestimated by the market as a whole, including the Federal Reserve which had to accelerate its rate cuts to restore investor confidence in the latter part of the year. Sharp volatility was witnessed in the local stock market as the US subprime worries were initially counterbalanced by the unexpected announcement by the State Administration of Foreign Exchange of the so-called "through train" pilot investment scheme allowing Mainland individual investors to invest directly in Hong Kong-listed equities. Sentiment then succumbed to deepening worries about the US mortgage problems and the knock-on effects on structured debt instruments and, worse off, the credit market as a whole, while the subsequent halt of the "through train" proposal further accentuated the stock market's bumpy ride.

*Dr. CHENG Kar Shun, Henry*  
Chairman

## Chairman's Statement

In general, our businesses were resilient throughout the past year. More balanced contributions were made from our core operations including broking, capital market activities, and other financial services, though broking benefited the most from last year's market buoyancy. It is encouraging that our operations generated even better results in the second half of the year despite the sharp market fluctuations and the severe corrections in stock prices towards the end of the year. The Hang Seng Index soared to an all-time closing high of 31,638.22 (a year-to-date gain of 58%) on 30 October 2007 before closing the year at 27,812.65, up 39% for the year. The reliability, efficiency and variety of our services are a major strength in sustaining our solid business performance in a rapidly changing and highly volatile market.

### Prospects

Hong Kong will be unavoidably sensitive to changing conditions in the global economy, though China's economic performance has become increasingly relevant for both the local economy and its financial market. Worries of a recession in both the US and Japan plus the threat of an overheating China economy may continue to dampen investment sentiment in the local stock market. However, this should also mean that Hong Kong should stage stronger rebounds when all the concerns are removed. We believe the Federal Reserve has taken timely measures to address the US economic problems, while the austerity measures in China should be good for its economic well-being longer term. However, stubborn inflationary pressure and continued economic uncertainties would remain worrying near term. We should be on the alert for more violent fluctuations in the global financial market.

We stand to benefit from China's continued economic opening, which includes a gradual relaxation of outbound investment by its domestic investors among other market opening measures. We have built up a significant presence in Mainland China through extensive marketing and brand-building efforts and by setting up a fundamental business framework. As such, a greenlight for the "through train" and further official relaxation in respect of the provision of investment services by incoming institutions like us on the Mainland will definitely boost our business potential substantially. Meanwhile, China-related businesses have already contributed substantially to our revenue and profits.

We remain confident in the ongoing economic reform in China and our position in seizing the emerging business opportunities. Most importantly, we have a strong management team, dedicated manpower and the necessary infrastructure to support our future growth. We will seek to further enhance our financial strength to cope with our expansion needs with the mission of developing our Group as one of the most successful home-grown financial services providers in Hong Kong and the Mainland.

**Dr. CHENG Kar Shun, Henry**  
*Chairman*

Hong Kong, 17 March 2008

# Managing Director's Review

## Review of Operations

### Overview

For the year under review, contributions from our core operations all grew substantially. Our broking and margin finance businesses benefited immensely from the brisk turnover on the stock exchange, as trading interest in China stocks and derivative warrants was particularly hectic. Broking commissions and net interest income on margin loans contributed the bulk of our earnings last year. Meanwhile, primary market activity was less impressive. In fact, total funds raised only increased by 6% to HK\$558.5 billion for the market as a whole in 2007. Our capital market activities still grew their contributions materially though with a lesser share of the earnings pie.

Other operations also performed satisfactorily, in particular significant progress has been made on expanding our asset management business. Good returns were also generated on our strong liquidity, including investment for our own funds and interest earned on our trust funds. Though our operating expenses increased correspondingly, mainly because of sharply increased staff expenses as a result of an expanded staff headcount, incentive payments and



bonuses, our pre-tax profit margin improved to 39.5% from 27.2% for the preceding year.

### Stock and Futures Broking

The division earned revenue of HK\$797.4 million and contributed HK\$232.8 million to group results, representing year-on-year growth of 123% and 261%, respectively. This implied a sharp increase in gross margin from 18% to 29.2%, against the backdrop of a competitive market which exerted pressure on both commission rates and the retention of sales professionals. We have a strong market niche to attract new clients and sustain the patronage of our existing clients on the back of our value-added services, such as constructive and efficient communications, research and recommendations. During the year, Taifook Research published an investment book on major Hong Kong-listed China stocks for public circulation in Hong Kong and the Mainland. This has attracted wide readership among Hong Kong and Mainland investors interested in China equity investment.

We continued to operate ten branches in Hong Kong and one in Macau, in addition to our sales teams in the head office serving retail, corporate and institutional investors. We have also maintained our service centres in Beijing, Shanghai, Guangzhou, Shenzhen and Xiamen on the Mainland, while adding a new outlet in Hangzhou during the year. Our online trading platform has played an increasingly important role in terms of execution efficiency and product offerings. It has also emerged as a very effective tool for promoting our business in overseas markets. Our product offerings encompass equity, debt and commodity instruments and their related derivative products.

*WONG Shiu Hoi, Peter*  
*Managing Director*

# Managing Director's Review

## Capital Markets

The division grew its revenue by 47% to HK\$111.3 million and increased its profit contribution by 157% to HK\$50.5 million. We sponsored three IPOs in Hong Kong during the year, namely Jiahua Stores, Walker Group and Pan Asia Environmental Protection Group, raising a total of HK\$1.5 billion. Moreover, we remained active in providing corporate advisory and underwriting services to a wide variety of clients including local companies and Chinese enterprises. During the year, we completed over 70 advisory assignments and 33 IPO underwriting deals and we are the retained compliance adviser of 12 recently listed issuers. We have continued to strengthen our business connection in mainland China to assure our deal flow in the future. On the other hand, our deal-pitching capability has continued to improve with our proven distribution capability and the professionalism of our corporate finance and ECM teams. We are pleased to have been bestowed the "Best Equity House in Hong Kong" award for five consecutive years since 2004 by FinanceAsia, which is a strong recognition of our unique position in the local marketplace for assisting listed issuers in equity fund raising.

## Margin Financing

The division achieved a 95% increase in revenue to HK\$359.6 million and a 188% increase in profit contribution to HK\$224.8 million for the year. The balance of advances grew by 153% to HK\$2,816.3 million over the year as hectic trading interest also stimulated the demand for margin facilities. An improvement in interest margin also helped boost the division's profit contribution. Credit costs were minimal with our effective credit management. Our funding requirements were met by bank borrowings and loans from our controlling shareholder. The money market in Hong Kong has so far remained unscathed by the credit crisis in the US and we see no cause for concern in funding our financing business.

## Other Investment Services and Activities

Taking advantage of suitable trading and investment opportunities in the local securities market, we achieved a gross profit of HK\$35.7 million from trading and investment last year, up 50% year-on-year. As at the end of the year, we held securities with a total value of HK\$134.3 million, which comprised substantially Hong Kong-listed equities. In addition, we had a long-term investment portfolio with a carrying value of HK\$196.2 million, comprising mainly Hong Kong-listed equities and equity investment funds.

Asset management and wealth management services also contributed materially to our revenue and should be significant profit contributors ahead as their scale continues to expand. We provide a wide variety of investment products including unit trusts, mutual funds and MPF retirement funds, and discretionary and private account services. Having established an enviable performance record in recent years, we believe the size of funds under management will continue to grow robustly. Our investment focus will continue to be the fast-developing industries and companies in North Asia, covering Greater China, Japan and South Korea. On the demand side, we will continue to tap funds in these regions and, judging from the keen response to our promotional efforts, believe there is a vast market for our investment management services.

## Future Plans

Broking, capital markets and asset management will continue to be our main businesses and the drivers of our Group's growth ahead. Our balanced developments should help us withstand any adverse changes in market conditions and the impact on our earnings. We believe achieving a better balance between market-driven and self-initiated businesses would enable us to maintain stable growth longer term. We will prioritise their developments by

## Managing Director's Review

providing the necessary human and financial capital for these core units. Internally, we will complete a radical upgrade of our back-end management information system in support of our front-end business growth. Whilst we have endeavored to develop our businesses in recent years, effective cost and risk controls have remained in place as these are mandatory for sustaining our stable growth.

Our China development strategy has already started to bear fruit. Building on our solid foundation, we will seek suitable acquisition opportunities to speed up our presence and development on the Mainland. We believe there is huge development potential for all of our core units and the major hurdle remains the central government's attitude towards the relaxation of regulatory policy. We are well prepared for the eventual deregulation and are optimistic that Mainland China will become our earnings mainstay in the not-so-distant future.

I wish to express my sincere thanks to the directors for their guidance and our management, staff and stakeholders for their hard work and support in achieving the record-breaking results and hope we will continue to contribute to the Group's sustainable growth and maximise returns to our shareholders.

**WONG Shiu Hoi, Peter**

*Managing Director*

Hong Kong, 17 March 2008



**Striving for excellence to achieve  
superb performance**



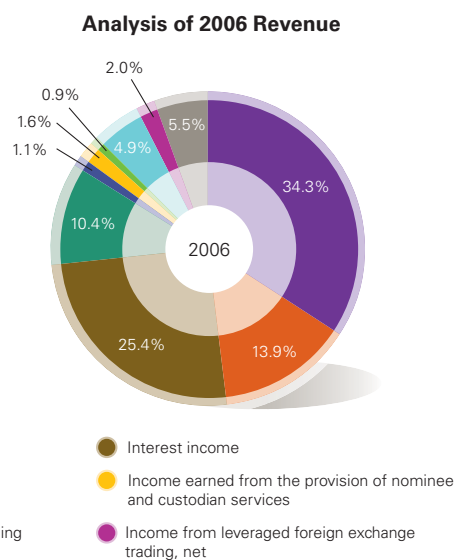
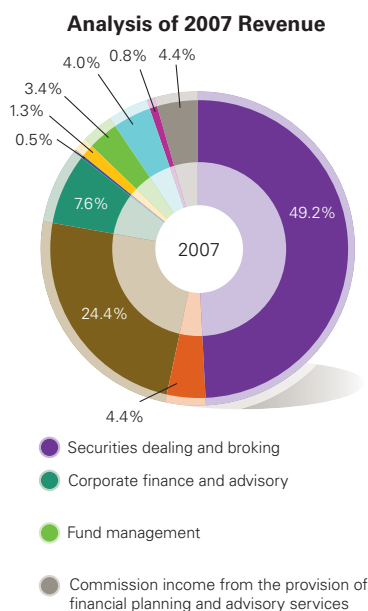
# Financial Review

## Financial Performance

### Revenue

Revenue (also turnover) of the Group for the year ended 31 December 2007 was HK\$1,473.2 million (2006: HK\$726.9 million). A summary of the turnover from different operations of the Group is set out below:

	For the year ended 31 December			
	2007 HK\$'000	%	2006 HK\$'000	%
Securities dealing and broking	724,925	49.2	249,175	34.3
Futures dealing and broking	65,619	4.4	100,849	13.9
Interest income	359,559	24.4	184,724	25.4
Corporate finance and advisory	111,315	7.6	75,790	10.4
Bullion contracts dealing	6,896	0.5	7,843	1.1
Income earned from the provision of nominee and custodian services	18,430	1.3	11,790	1.6
Fund management	50,687	3.4	6,502	0.9
Income from proprietary trading	59,008	4.0	35,264	4.9
Income from leveraged foreign exchange trading, net	11,705	0.8	14,696	2.0
Commission income from the provision of financial planning and advisory services	65,059	4.4	40,280	5.5
	<b>1,473,203</b>	<b>100.0</b>	726,913	100.0



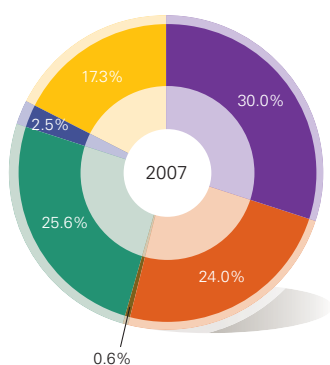
# Financial Review

## Operating Expenses

Total Operating Expenses for the year ended 31 December 2007 was HK\$1,002.5 million (2006: HK\$603.5 million). An analysis of these expenses are as follows:

	For the year ended 31 December			
	2007 HK\$'000	%	2006 HK\$'000	%
Salaries and allowance, bonuses and pension scheme contributions	300,854	30.0	186,580	30.9
Commission to account executives	240,344	24.0	124,994	20.7
Other commission expenses and exchange fees	5,976	0.6	15,461	2.6
Interest expense for securities broking and margin financing operations	257,097	25.6	132,710	22.0
Depreciation	24,886	2.5	20,848	3.4
Other expenses	173,344	17.3	122,920	20.4
	<b>1,002,501</b>	<b>100.0</b>	<b>603,513</b>	<b>100.0</b>

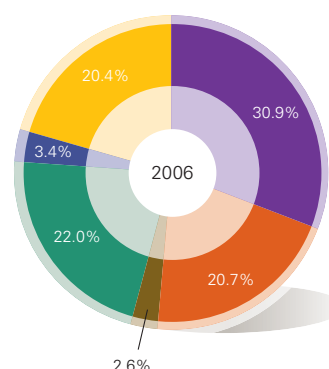
Analysis of 2007 Expenses



● Salaries and allowance, bonuses and pension scheme contributions  
● Interest expense for securities broking and margin financing operations

● Commission to account executives  
● Depreciation

Analysis of 2006 Expenses



● Other commission expenses and exchange fees  
● Other expenses

# Financial Review

Salaries and allowances increased generally in line with the growth in revenues, mainly attributable to increased incentives and bonuses paid and increase in number of staff to support the expansion of the Group.

Commission to account executives increased due to increase in business turnover.

Other commission expenses and exchange fees decreased by 61% during the year. These were mainly due to reduction in overseas futures dealing activities and hence decrease in commission paid to overseas brokers.

Interest expenses for securities broking and margin financing operations increased due to rising interest rates, increase in advances to customers and IPO financing activities as well as increase in bank borrowings, which are mainly used for financing.

Increase in depreciation charge was attributable to the capitalisation of the development cost of the new front and back office system.

Other expenses rose 41% due to various reasons. Rental expenses increased due to increase in monthly rental on tenancy renewal of branch offices and additional office space leased to cope with business expansion. The other incidental costs such as electricity, equipment rental, telephone also increased in line with the expansion.

## Net Profit Attributable to Shareholders

Net Profit attributable to shareholders for the year ended 31 December 2007 was HK\$484.8 million, compared with a net profit of HK\$172.3 million for the year ended 31 December 2006.

## Treasury Policies

The Group generally finances its operations with internally generated cash flow, bank borrowings and unsecured term loans from independent third

parties. Moreover, it has secured a 5-year, HK\$500 Million Revolving Credit Facility (the "Facility") from a syndicate of 19 international and local banks last year. Except for the above-mentioned Facility, the Group's banking facilities are mainly renewable on a yearly basis and are subject to floating interest rates.

It is the policy of the Group to maintain adequate liquidity at all times to meet its obligations and commitments as and when they fall due. The Group's financial risk management strategies include obtaining substantial standby banking facilities, diversifying the funding sources, spacing out the maturity dates to reduce interest volatility exposure and reviewing capital adequacy ratio from time to time.

The Group's principal operations are transacted and recorded in Hong Kong dollars and the level of foreign currency exposure on non-Hong Kong dollar assets and liabilities is relatively immaterial as compared with its total asset value or outstanding liabilities. Hence, the Group considers that it has no significant exposure to foreign exchange fluctuations.

## Liquidity and Financial Resources

The financial position of the Group remained sound and healthy during the year under review. At 31 December 2007, the Group's cash balance totalled HK\$422.9 million, compared with HK\$595.3 million as at the beginning of the year. Cash held on behalf of customers stood at HK\$3,361.9 million, increased from HK\$1,804.5 million as at 31 December 2006. The current ratio was healthy at 1.26 times.

As at 31 December 2007, the Group's gearing ratio, measured on the basis of total borrowings as a percentage of total shareholders' equity, was 74%, up from 49% as at 31 December 2006. Higher gearing resulted from increase in borrowings, which are mainly used to finance the increased margin loans. All borrowings are of short-term maturities at floating interest rates. Bank and other borrowings totalled HK\$1,372.2 million (31 December 2006:

## Financial Review

HK\$580.4 million), against total margin loans of HK\$2,816.3 million (31 December 2006: HK\$1,108.2 million). The ratio of interest income to interest expense was 1.84 times, compared with 1.91 times for the last year. The decline was mainly due to increase in interest rates and bank borrowings.

Our operating cash flow remains adequate for financing our recurrent working capital requirements as well as any investment opportunities when they arise. Besides, the Group has unutilised banking facilities of HK\$2.22 billion, while our capital commitments are minimal. The Group's assets and liabilities are substantially denominated in Hong Kong dollars, so our foreign exchange exposure is immaterial. Except for the guarantees provided to the banks for securing normal banking facilities for our subsidiaries, the Company has no other significant contingent liabilities.

### Capital Structure

On 9 October 2007, the Company entered into a placement and subscription agreement with a substantial shareholder, NWS Financial Management Services Limited ("NWSFMS"). Pursuant to a shares placement on 12 October 2007, a total of 38,000,000 shares of HK\$0.10 each held by NWSFMS were issued to six independent third parties at an issue price of HK\$6.10 per share, payable in cash.

On 22 October 2007, the Company allotted and issued 38,000,000 shares of HK\$0.10 each for cash to NWSFMS at a price of HK\$6.10 per share, and a gross proceed of HK\$231,800,000 was raised by the Company.

The subscription rights attaching to 28,430,000 share options were exercised at the subscription prices ranging from HK\$0.94 per share to HK\$1.2 per share, resulting in the issue of 28,430,000 shares of HK\$0.1 each for a total cash consideration, before expenses, of HK\$28,591,000 and HK\$2,151,000 was transferred from the share option reserve to the share premium account.

As at 31 December 2007, the total issued share capital of the Company stood at HK\$65.4 million, comprising 653,949,699 shares of HK\$0.10 each.

### Material Acquisition and Disposal of Subsidiaries and Associated Companies

During the year, the Group had completed an acquisition of the entire issued share capital of Kingsway Fund Management Limited ("KFM") (currently named as Taifook Investment Managers Limited) from Kingsway Asset Management Limited ("KAM"), an indirect wholly-owned subsidiary of SW Kingsway Capital Holdings Limited, a company listed on the main board of The Stock Exchange of Hong Kong Limited, at a consideration of the net asset value of KFM plus a premium of HK\$9 million less a debt of HK\$34 million owed by KAM to KFM. The net consideration was HK\$17 million and was settled in cash. KFM is a corporation licensed to carry on type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and is the investment manager of the Kingsway MPF Master Trust and Kingsway Unit Trusts which are authorised by the Securities and Futures Commission and/or the Mandatory Provident Fund Scheme Authority in Hong Kong.

### Employees

The Group's total staff costs for the year ended 31 December 2007, which excluded commissions paid to commission-based staff, amounted to HK\$300.9 million, representing a rise of 61% from HK\$186.6 million for the last year. This is mainly due to increased incentives and bonuses paid and increase in number of staff to support business expansion of the Group. As at 31 December 2007, the Group employed a total of 937 (31 December 2006: 790) permanent staff of which 245 (31 December 2006: 240) were commission-based staff.



## **Advocating corporate governance and caring culture**

# Corporate Governance Report

## Corporate Governance Practices

The Company has fully complied with the code provisions as set out in the Code on Corporate Governance Practices contained in Appendix 14 (the "Code") of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") throughout the financial year 2007. The followings summarise how the Company applies the principles of the Code in its corporate governance.

## Corporate Governance Structure

The Board and the senior management are committed to maintaining a high standard of corporate governance. It is believed that a well-balanced corporate governance structure will enable the Company to better manage its business risks and thereby ensure the Company is run in the best interests of its shareholders and other stakeholders.

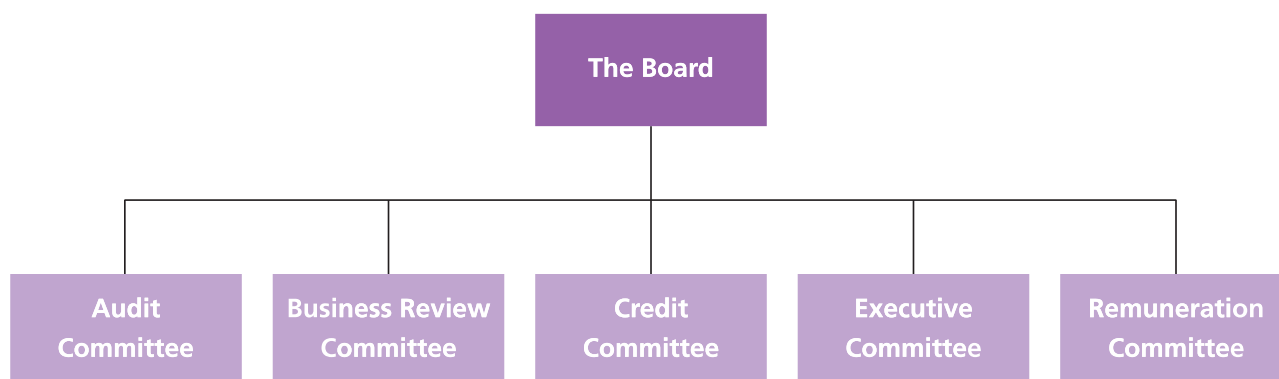
The overall corporate governance structure of the Company is depicted in the following diagram. The Board is primarily responsible for setting directions, formulating strategies, monitoring performance and managing risks of the Group. At the same time, it is charged with the duty to put in place a proper corporate governance structure of the Company. Under the Board, there are altogether 5 board committees, namely Audit Committee, Business

Review Committee, Credit Committee, Executive Committee and Remuneration Committee. All these committees perform their distinct roles in accordance with their respective terms of reference and assist the Board in supervising certain functions of the senior management.

Within the Board, there is a clear segregation of roles between the Chairman and the Chief Executive Officer ("CEO"). This segregation ensures a clear distinction between the Chairman's responsibility to manage the Board and the CEO's responsibility to manage the Company and its subsidiaries' businesses. The duties of the Chairman and the CEO are carried out respectively by Dr. Cheng Kar Shun, Henry and Mr. Wong Shiu Hoi, Peter. There is no financial, business or other material/relevant relationship between the Chairman and the CEO.



*The Board held regular meetings to discuss direction, strategy, performance and control of the Group.*



# Corporate Governance Report

The following table shows the attendance of each individual member of the Board and the respective board committees at the Board and the respective board committees meetings held during the financial year:

Name of Members of the Board/the respective Board Committees	Attendance/Number of Meetings held					
	Board Meeting	Audit Committee Meeting	Business Review Committee Meeting	Credit Committee Meeting	Executive Committee Meeting	Remuneration Committee Meeting
<b>The Board</b>						
<b>Chairman</b>						
Cheng Kar Shun, Henry	1/4	n/a	n/a	n/a	n/a	n/a
<b>Deputy Chairman</b>						
Lo Lin Shing, Simon	1/4	n/a	n/a	0/4	n/a	n/a
Doo Wai Hoi, William	2/4	n/a	n/a	n/a	n/a	n/a
<b>Managing Director</b>						
Wong Shiu Hoi, Peter	4/4	n/a	12/12	4/4	22/24	n/a
<b>Executive Directors</b>						
Lee Yiu Wing, William	4/4	n/a	12/12	4/4	21/24	n/a
Chan Chi On, Derek	4/4	n/a	n/a	n/a	22/24	n/a
<b>Non-executive Directors</b>						
Wong Kwok Kin, Andrew	4/4	n/a	12/12	n/a	n/a	1/1
Lam Wai Hon, Patrick	4/4	n/a	12/12	n/a	n/a	1/1
Cheung Wing Yui, Edward	2/3	2/2	n/a	n/a	n/a	n/a
	(Note 1)	(Note 1)				
Ho Hau Chong, Norman	4/4	1/2	n/a	n/a	n/a	n/a
To Hin Tsun, Gerald	4/4	n/a	n/a	n/a	n/a	n/a
Lee Ka Sze, Carmelo	1/1	0/0	n/a	n/a	n/a	n/a
	(Note 2)	(Note 2)				
<b>Independent Non-executive Directors</b>						
Man Mo Leung	3/4	2/2	n/a	n/a	n/a	0/1
Tsui Hing Chuen, William	4/4	2/2	n/a	n/a	n/a	1/1
Lau Wai Piu, Bill	4/4	2/2	n/a	n/a	n/a	1/1
<b>Senior Management Executives</b>						
Wong Yat Hang, Peter	n/a	n/a	n/a	3/4	24/24	n/a
Hui Yee, Wilson	n/a	n/a	n/a	4/4	22/24	n/a
Wu Kwok Leung, Edmond	n/a	n/a	n/a	4/4	22/24	n/a
Ying Tak Sun, Nelson	n/a	n/a	n/a	n/a	23/24	n/a
Lo Wai Ho, Kendy	n/a	n/a	n/a	4/4	23/24	n/a
Chang Chow Kam Wen, Margaret	n/a	n/a	n/a	4/4	n/a	n/a
<b>Average Attendance:</b>	<b>82%</b>	<b>90%</b>	<b>100%</b>	<b>84%</b>	<b>93%</b>	<b>80%</b>

Notes:

- (1) Mr. Cheung Wing Yui, Edward resigned as a non-executive director and a member of the Audit Committee of the Company on 1 October 2007.
- (2) Mr. Lee Ka Sze, Carmelo was appointed as a non-executive director and a member of the Audit Committee of the Company on 1 November 2007.

# Corporate Governance Report

## The Board

The Board currently comprises 6 executive directors, including the Chairman, 2 Deputy Chairmen and the Managing Director, 5 non-executive directors and 3 independent non-executive directors. All directors of the Company are appointed for a specific term of 3 years subject to the retirement and re-election provisions in the Bye-laws of the Company. One-third of the directors of the Company are required to retire from office by rotation and being eligible for re-election at each annual general meeting in accordance with the Bye-laws of the Company. Throughout the financial year, the Board complies at all times with the minimum requirements of the Listing Rules relating to the appointment of at least 3 independent non-executive directors and one of which should have appropriate professional qualifications or accounting or related financial management expertise. Pursuant to the requirement of the Listing Rules, the Company has received written confirmation from each of the independent non-executive directors of his independence to the Company. The Company is of the view that all the independent non-executive directors were acting independently throughout the financial year. Details of all directors of the Company together with the relationship among the directors are disclosed in pages 59 to 62 of this Annual Report.

During the financial year, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules as its code of conduct for securities transactions by the directors. Based on specific enquiry of the directors of the Company, all directors have complied with the required standard as set out in the Model Code throughout the year ended 31 December 2007.

Full board meeting is held no less than four times a year and the Board is responsible for all the affairs of the Company. Notice of at least 14 days is given of a regular board meeting so as to give all directors an opportunity to attend. Agenda and accompanying board papers for each meeting are circulated in full to all directors normally with at least 7 days in advance of the date of the meeting. Senior management executives may, from time to time, be invited to attend

the board meetings for making presentation and/or answering any queries that may be raised by the Board.

## Audit Committee

The Committee is composed of 5 non-executive directors of the Company and 3 of whom are independent non-executive directors. The Chairman of the committee, has the appropriate professional qualification and experience in financial matters. The Committee will meet no less than twice a year to review all business affairs managed by the executive directors in particular on connected transactions and continuing connected transactions, if any, to review the interim and final financial statements before their submission to the Board and the annual general meeting for approval and to review the effectiveness of the internal control and risk management system of the Group. The terms of reference of the Committee are aligned with the requirements of the Listing Rules and the recommendations as set out in "A Guide for Effective Audit Committees" published by the Hong Kong Institute of Certified Public Accountants and any updates thereof.

During the financial year, the Committee met on two occasions and discharged its responsibilities in its review of the interim and annual results and the effectiveness of the internal control and risk management system of the Group. The works performed by the Committee in 2007 included reviews of the followings:

- the consolidated financial statements for the six months ended 30 June 2007 of the Group, with a recommendation to the Board for approval;
- the directors' report and the consolidated financial statements for the year ended 31 December 2007 of the Group, with a recommendation to the Board for approval;
- the new accounting policies and practices adopted by the Group;
- the 2007 audit fees proposed by the External Auditors, with a recommendation to the Board for approval;



# Corporate Governance Report

- the continuing connected transactions and the connected transactions, if any, undertaken by the Group;
- the internal control and risk management system of the Group;
- the findings and the recommendations of the Group's Internal Auditor on the Group's operations and of the regulatory review carried out by the regulators;
- the compliance status of the Group with the applicable regulatory and other legal requirements;
- the Group's investment policy and the adequacy of provision made for diminution in value for the Group's investments;
- the litigation cases of the Group;
- the adequacy of the provision for bad debts; and
- the error trades occurred for the financial year under review.

## Business Review Committee

The Committee is made up of 2 executive directors and 2 non-executive directors of the Company. The Committee meets once a month to review the performance of the Group's business and reports to the Board regularly.

## Credit Committee

Members of the Committee are appointed by the Board and is currently composed of certain executive directors of the Company and its subsidiaries. The main responsibility of the Committee is to set direction for credit policies and to improve asset quality of the Group. The Committee meets quarterly and reports to the Board from time to time. Ad-hoc meetings will be held as and when market conditions change significantly.

## Executive Committee

The Committee is composed of the Group Managing Director, 2 executive directors of the Company and heads of certain major business divisions of the Group. Members of the Committee are appointed by the Board. The Committee is duly authorised by the Board to manage the day-to-day business of the Group on the



*Executive Committee members of the Group (from left to right): Mr. Kendy Lo, Mr. Nelson Ying, Mr. Y.H. Wong, Mr. Joseph Lau, Mr. Peter S.H. Wong, Mr. William Lee, Mr. Derek Chan, Mr. Wilson Hui and Mr. Edmond Wu.*

# Corporate Governance Report

Board's behalf. Financial commitments under delegated power of the Board is subject to a cap to be reviewed by the Board from time to time. Such authorisation may be revoked at the discretion of the Board. The Executive Committee meets every two weeks and reports to the Board from time to time.

## Remuneration Committee

The Committee is composed of 5 non-executive directors of the Company and 3 of whom, including the chairman of the Committee, are independent non-executive directors. The responsibilities of the Committee include setting remuneration policy of the Group and fixing remuneration packages of the executive directors and the Board as a whole in accordance with the Listing Rules and the Bye-laws of the Company. Details of the remuneration paid to the respective directors are set out in note 7 to the financial statements. No directors of the Company can determine their own remuneration packages. The Committee will meet at least once a year to discharge its responsibilities in accordance with its terms of reference which has been posted on the Company's website. The Committee is provided with sufficient resources to discharge its duties. The chairman of the Committee will report their findings and recommendations to the Board for consideration and approval.

During the financial year, the works performed by the Committee included reviews of the followings:-

- the proposal for salary adjustment;
- the proposal for renewal of service agreement with each of Dr. Cheng Kar Shun, Henry as Chairman and Mr. Doo Wai Hoi, William as one of the Deputy Chairmen;
- the proposal for grant of share options;
- the proposal for distribution of interim and final discretionary bonuses; and
- the proposal for distribution of management and special bonuses.

## Proceedings of the Board and Respective Board Committees Meetings

The Company Secretary will assist the chairman of the Board and the respective board committees in setting agenda for meetings, and each director is given an opportunity to include any matters to be transacted in the agenda. Where any director is considered to be having a conflict of interest in any transactions, the director concerned will not be counted in the quorum of the relevant meeting. Minutes of meetings of the Board and the respective board committees are recorded in details. All draft minutes are circulated to all those present at the meetings for comment before submission to the chairman of the meetings for approval. To further enhance better communication with the directors of the Company as to the business transacted at the Board and respective board committees meetings, an exclusive Intranet site is maintained to enable all directors of the Company to gain access to minutes of the respective meetings of the Board and the board committees. Minutes of the Board and the respective board committees meetings will be posted on this exclusive site within reasonable time for the information of all directors.

In addition, the Company has maintained a procedure for its directors to seek independent professional advice, in appropriate circumstances, at the Company's expense in discharging their duties to the Company. In order to safeguard the interest of individual director, the Company has also arranged directors' and officers' liability insurance for its directors and subsidiaries directors.

## Sub-committees

Owing to the complexity of the Group's business, sub-committees are formed and members of the sub-committees are appointed by the Executive Committee to deal with special projects, such as Cost Management Committee, Investment Committee and IT Steering Committee.

# Corporate Governance Report

The following is an attendance record of the meetings held by the various sub-committees in the financial year and their average attendance rates:

Name of Sub-committees	Number of Meetings held	Percentage of Average Attendance
Cost Management Committee	4	94%
Investment Committee	12	96%
IT Steering Committee	12	92%

All business transacted at the respective meetings are well documented by minutes.

## Internal Control and Risk Management

It is acknowledged that the Board has the ultimate responsibility for the Group's internal control system and, through the Audit Committee, the Board has reviewed the effectiveness of the system. To maintain a sound system of internal control and safeguard our shareholders' investments and the Company's assets at all times, the Company has an independent and objective internal audit team which reviews and monitors all critical aspects of the Group's activities and its internal controls.

The Group has maintained a set of up-to-date operation manuals with ISO certification on its major operations. Periodic assessments are conducted every year to ensure that we are complying with the standards. As regards the code of conduct of licensed persons, a set of compliance policies has been published and updated from time to time to provide guidance on matters such as employee dealings, ethics code, Chinese wall policy and etc. On a regular basis, audit and compliance checks on procedures of the Group's core operations are conducted.

The Group also adopts very stringent risk management policies and monitoring systems to contain exposure associated with credit, liquidity, market and IT systems in all its major operations.

## Credit Risk

The Credit Committee has appointed a group of authorised persons who are charged with the responsibility of approving credit limit of each customer. The Committee is responsible for approval of stock acceptable for margin lending at a specified

ratio. The approved stock list is updated bi-monthly, and will be revised as and when deemed necessary by the Committee. The Committee will prescribe from time to time lending limits on individual stocks or on an individual customer and his/her associates.

The Credit Control Department is responsible for making margin calls to customers whose trades exceed their respective limits. Any such excess is required to be made good within 2 days for securities and the next day for futures of the deficiency report. The deficiency report will be monitored daily by the Group's finance director and responsible officers. Failure to meet margin calls will result in the liquidation of the customer's positions.

## Liquidity Risk

The Group's operating units are subject to various statutory liquidity requirements as prescribed by the authorities. The Group has put in place monitoring system to ensure that it maintains adequate liquid capital to fund its business commitments and to comply with the relevant Financial Resources Rules.

As a safeguard, the Group has maintained very substantial stand-by banking and other facilities to meet any contingency in its operations. Even in periods of high market volatility, the management believes the Group's working capital is adequate to meet its financial obligations.

## Market Risk

If the advanceable value of a margin customer's portfolio drops below his margin loan and the customer fails to meet margin calls, the Group will be exposed to the defaulter's liabilities. When stock prices come down, these may affect the value of the Group's proprietary trading portfolio. Any loss incurred will be charged direct to the Group's profit and loss account. The Group's exposure to underwriting commitments will also be affected if the prices of the underlying stocks come down.

The Group has adopted an investment policy to cap its proprietary trading and exposed underwriting commitments as follows:

- (i) *For proprietary trading*
  - total investment exposure of both short term and long term investments should not exceed 25% of the Group's NAV and

# Corporate Governance Report

the maximum exposure limit for short term investment is capped at HK\$120,000,000.00

(iii) *For exposed underwriting commitments*

- underwriting limit per issue should not exceed 25% of the Group's NAV

Such policy may be varied at the discretion of the Board.

## Operational Risk

Systems are installed to monitor availability and performance of various IT systems with equipments housed in a tier 1 data center provided by a renowned outsourcing data center provider. A vigilance team will act and report to the senior management in accordance with laid-down procedures in the event of disruption, instability and other situations which may warrant to trigger contingency procedure to protect interests of clients.

Taking into account of the changing regulatory environment, the Group has maintained and constantly updated its operation manuals of its major operations. We have also put in place competent internal audit, compliance and quality assurance teams with their respective aims at detecting systemic risks and recommending policy changes; carrying out checks on statutory compliance and Company's rules and regulations; and implementing ongoing checks and verification of satisfaction rate of Company's prescribed service pledge and standards.

## Insurable Risk

Other than the abovementioned stringent risk management policies and monitoring systems, the Group has taken up a wide variety of insurance policies to cover its insurable risks associated with its Hong Kong, Macau and PRC business.

## Internal Auditors

The Company has an independent internal audit team, which plays a major role in monitoring the corporate governance of the Group and providing objective assurance to the Board that a sound internal control system is maintained and operated by the management. The head of the internal audit team directly reports to the Board and the Audit Committee

on audit matters. By adopting a risk-based approach to evaluate risk level on control environment, the internal audit team plans internal audit schedules annually in consultation with, but independent of, the management, and the audit plan is submitted to the Audit Committee for approval. On a yearly basis, the head of the internal audit team will present a report and express an opinion to the Audit Committee on the internal control environment of the Group. The annual audit work plan covers major activities and processes of the Group's operating business. Moreover, ad hoc reviews will be performed on specific areas of concern identified by the Audit Committee and the management.

## External Auditors

The Group's External Auditors are Ernst & Young, Hong Kong. During the financial year, the Group has engaged the External Auditors to provide the following services and their respective fees charged are set out as follows:

Type of Services	Fee charged	
	for the year ended 31 December 2007 HK\$'000	for the year ended 31 December 2006 HK\$'000
Audit fee for the Group	2,550	1,980
Taxation services	225	200

## Corporate Communications

The Company encourages two way communications with both its institutional and private investors.



Hosting the 2007 Annual Results Press Conference.

# Corporate Governance Report

Extensive information about the Company's activities is provided in its Annual Report and Interim Report, which are sent to shareholders of the Company. Press conferences are held on results announcement to explain the Company's activities, performance and future plans and to enable better understanding of the Group by the public. The annual general meeting provides a forum for direct communication between the Board and the Company's shareholders. Separate resolutions are proposed at general meetings on each separate issue. Details of the procedures and the rights of shareholders to demand a poll are included in the circulars sent to the Company's shareholders. Any results of the poll are published on the websites of the Stock Exchange and the Company. All corporate communications with shareholders will also be posted on the Company's website for shareholders' information. Besides, the Company arranges quarterly 'meet the press' luncheons and maintains regular communication with the media and uses its corporate website to disseminate its press releases, financial and other information relating to the Group and its business to the public in order to foster effective communication.

## Corporate Citizenship

The Group is committed to playing a full role as responsible market practitioners in the securities industry. It endorses its senior executives in accepting public offices of various regulatory advisory boards. Through their participation, the Group aims at fostering and promoting the healthy development of the securities and futures industry of Hong Kong.



*Taifook management and staff supporting the Community Chest's Corporate Challenge.*

As one of Hong Kong's leading financial institutions, the Group actively takes part in various community services and makes contributions to the community. The Group strives to promote a caring culture and help staff enhance communications and cohesiveness. In order to foster a caring environment, the "Taifook Caring Ambassadors" was formed in 2004, and has organised a variety of community service activities, which staff have actively participated in. During the financial year, members of the Taifook Caring Ambassadors and our colleagues took part in caring visits, fund raising charity programmes, blood donation, youth exchange programme and others. In addition, our colleagues also participated in activities organised by major charities, such as Community Chest, Helping Hand, Hong Kong Red Cross, Oxfam Hong Kong, Welfare Fund, Orbis Hong Kong, the Salvation Army Hong Kong & Macau Command, U-Hearts and the Youth Entrepreneurs Development Council. We hope our staff will further develop their potential and sense of social responsibility through participation in these community activities. In respect of environmental protection, the Group, leveraged on its IT capability, strongly promotes its e-statement and other paperless e-communication services among its clients and associates so as to make the world a greener place to live in.

In addition, our board members and senior management staff have also been invited to be speakers in various seminars organised in Hong Kong or the Mainland on topics which covered listing issues, corporate financing, corporate governance, global investment knowledge and wealth management.



*Mr. Derek Chan sharing views on corporate financing.*



**Fostering continuous innovation and customer-focus service**

## Corporate Highlights

Dramatic growth in both business scope and market reach was achieved in 2007 through the proactive approach taken by the Group in pursuing business development opportunities.

### Market and Business Development

Apart from brokerage services, the Group has expanded its capital markets, asset management and wealth management businesses. This strategic implementation is in alignment with the Group's strategy to become a leading one-stop provider of investment services.

### Capital Markets

Taifook specialises in the provision of corporate finance and financial advisory services to private organisations and listed companies in Hong Kong and China. During 2007, the Group completed 3 IPO sponsorship assignments, 33 IPO underwriting deals, 18 securities placements, 1 rights issues underwriting and over 70 advisory assignments. The Group is also the retained compliance adviser of 12 recently listed issuers.

The Group has continued to strengthen its business connection in Mainland China to assure the flow of future deals. Additionally, the Group's deal-pitching capability has continued to improve, given its proven distribution capability and the professionalism of its Corporate Finance and Equity Capital Market teams.



*The Group specialises in the provision of corporate finance and financial advisory services.*

### Asset Management

The Group provides comprehensive fund management and investment advisory services to individual and institutional clients in Hong Kong and the Greater China Region. The Group has set up investment funds for overseas clients from Japan and other countries. Given the robust nature of China's GDP growth as evidenced in the past few years, the demand for China's related assets is huge. In order to capture such liquidity, the Group has established a number of private and authorised funds, and offers tailor-made private funds to cater for different investors' appetites.



*The Group expands fund management and investment advisory services.*

The Group is a home-grown non-bank financial services company that has acquired approved Mandatory Provident Fund services provider status. The Group offers a diversified range of MPF products to its members, ranging from global equity funds to funds that invest in the Asia Pacific region and Hong Kong.

### Securities Brokerage

Taifook provides innovative and flexible securities trading and investment services to hundreds of institutional and corporate clients as well as over

## Corporate Highlights

120,000 individual investors in Hong Kong and China. Service offerings include securities and derivatives, futures and options, forex and bullion, IPO and placing, online trading, margin financing, wealth management, nominee and custodian services as well as research.

In the face of ever-changing markets and evolving customer needs, the Group introduced online simulators for equities, futures, forex and bullion trading. These enabling tools offer valuable investment experience to both clients and novice investors alike, helping them



*The Group's branch network in Hong Kong and Macau.*

become familiar with the functionalities of the Group's online trading platform. Along with Taifook Options Chartsite and Taifook Power Overseas Futures (TWS), the Group introduced the world-renowned Standard & Poor's equity research and analysis services for VIP clients, thereby enabling professional and active customers to obtain up-to-date financial market intelligence to assist their investment decision-making processes.

Last year, the Group relocated its Sheung Shui and Tsuen Wan Branches in a bid to create a more friendly and relaxing environment for customers to trade. All Taifook branches are equipped with advanced trading facilities and are manned by professional investment

consultants and service staff. The Group's territory-wide presence will continue to be expanded in 2008 in order to maintain its leadership position.

Taifook is the pioneer when it comes to new product launches. Several hundred financial products across different markets and brands are supported by the Group's platform. Globalisation, combined with an increasingly sophisticated and fast-moving business environment, has resulted in clients' increasing awareness of, and interest in, products from other markets; therefore, one aspect of the Group's strategy has been to team up with securities firms in Taiwan, Japan and Korea in order to add additional overseas products in a move to offer a one-stop-shop service. In return their clients can access the Group's service offerings at the same time.

### Wealth Management

The Group continued to expand its financial planning and portfolio advisory services under two entities: Taifook Lexton Wealth Management Limited and Taifook Lexton Consultants Limited, with the Group as controlling shareholder. These companies will leverage on the combined strengths and resources of both Taifook and Lexton in terms of management expertise, product offerings, branding and client base. Both businesses saw solid growth in 2007, and will become significant contributors of revenue to the Group.



*Wealth management business will become a significant contributor of revenue to the Group in future.*



# Corporate Highlights

## Mainland Market

The Mainland market is a key focus of the Group's business strategy. Through the initiation of and active participation in seminars, forums and exhibitions in Beijing, Shanghai, Guangzhou, Shenzhen, Zhuhai, Chengdu, Changsha, Kunming, Xiamen, Jiangmen, Hangzhou and Foshan, the Group has begun the process of building presence and brand recognition.



*The Group's liaison office network in China.*

Cognisant of the excellent business opportunities that abound in China, the Group opened two additional investment consultancy centres in Xiamen and Hangzhou in May and December 2007 respectively.

Leveraging on the progressive financial market reforms supported by the Chinese government, such as the implementation of QFII, the gradual rollout of QDII and the anticipated launch of individual direct investment or so called the "Through Train" scheme, the Group is well positioned to benefit from the enormous opportunities in China.

## Research

Taifook Research Limited is the Group's wholly-owned subsidiary dedicated to the provision of independent equity research services. Apart from periodical market reports, it also produces ideas-driven company and sector reports. Research reports are produced independently to help investors and clients make informed investment decisions. To promote popularity

in key marketplaces, its analysts also regularly provide unbiased investment ideas to the public through the media and by organising public seminars in Hong Kong and the Mainland. Investors can access its research reports by visiting the Group's website, or by subscription to other external information providers' services. The Group has developed two research teams in Hong Kong and Shanghai which jointly cover the Hong Kong stock market with emphasis on 'H' and red-chip shares.



*The Group provides investors with professional and comprehensive investment research reports on regular basis.*

## Corporate Development

### Implementation of Balanced Scorecard

The four dimensions of Taifook's Scorecard - finance; customers; internal business processes; and learning and growth - provide quantifiable Key Performance Indicators across financial and non-financial perspectives, and align the Group's vision and mission more fully with customers' needs to achieve the requisite balance between strategy and operations.

In 2007, the Group continued its Balanced Scorecard implementation as a performance management tool to enhance transparency and corporate governance. Given the Group's sound foundation for Balanced Scorecard usage, Taifook's management continued to fine-tune existing management strategies and sharpen the Group's competitive edge. At departmental level, Balanced Scorecard is being deployed throughout the organisation in 2008.

## Corporate Highlights



*The four perspectives of a full Scorecard - finance, customers, internal business processes, and learning and growth.*

### Human Capital Management

#### Staff Learning and Development

The Group has always regarded human resources as being its most valuable asset, and believes sound human capital management enhances staff productivity and loyalty, which will ultimately translate into business growth and customer satisfaction. To this end, the Group consistently provides staff with ample training opportunities in the fields of management development, customer service, product knowledge, industry trends and language proficiency, via various workshops and seminars.

To strengthen the cooperation and teamwork among departments, throughout 2007 the Group organised 12 inter- and intra-department team building and business workshops, in which staff were provided the opportunity to exchange their views and best practices.

The Group also encourages and supports staff in their pursuit of continuous learning through the provision of training sponsorship, study allowance, study leave, examination reimbursement and examination leave. These measures are geared towards upgrading staff's professional standards and assisting them in their career development.

In light of the development of China market, the Group has also provided training to the Mainland staff in the areas of corporate information, performance management system, team building, etc.

### Professional Standards

36 training sessions with 23 topics were organised and coordinated to fulfil the Continuous Professional Training (CPT) requirements for SFC licensed persons; and Continuing Professional Development (CPD) requirements for Technical Representatives and MPF Intermediaries. At management level, 4 modules of a Management Development Program were organised for selected managers and directors.



*An outdoor training session of the Group's Management Development Program.*

In 2007, the Group has achieved 119.2% of the targeted 40 hours' training per head per annum.

As a result of the Group's effort in upholding the high standard of its accounting and finance professionals, the Association of Chartered Certified Accountants (ACCA) awarded the Group ACCA Approved Employer status; while the Hong Kong Institute of Certified Public Accountants (HKICPA) named the Group as Authorised Employer.

### Corporate Social Responsibility

Over the course of 35 years since the Group was established, corporate social responsibility has become embedded in Taifook's culture. The Group has committed considerable resources toward professional development, nurturing talents, and raising service standards in the financial services industry to international levels.

## Corporate Highlights

Board members and senior management actively participate in various working committees of local regulatory bodies and are frequently invited by various public organisations, professional bodies, trade associations, financial institutions and the media to give speeches in seminars and forums across Hong Kong and the Mainland. A diverse range of topics has been covered, including listing issues and corporate financing, corporate governance and global investment knowledge and wealth management.



*Taifook staff organising and participating in a host of community service.*

As a family-friendly organisation, the Group always cares about the psychological and physical well-being of all staff and encourages them to achieve work-life balance. With this objective in mind, the Group has introduced measures including 5-day working week, flexible work time and 3-day paid paternity leave for male staff. In 2007, Taifook Staff Club also regularly organised social and recreational activities for staff and their families' participation. These initiatives have brought benefits to staff such as stress reduction, more opportunity for self-development, as well as more time for families without impairing operational efficiency.

During 2007, the volunteer team "Taifook Caring Ambassadors" and fellow colleagues of the Group organised and participated in a variety of community services that benefited many charitable organisations, including: fund-raising events organised by the Community Chest's Corporate Challenge, Dress Special Day and Skip Lunch Day; Blood Donation Day co-organised by the Group and Hong Kong Red Cross;

Helping Hand's Cookie Campaign; Oxfam Hong Kong's Oxfam Rice Selling; The Salvation Army Hong Kong & Macau Command's HK & Macau O! Day; Orbis Hong Kong's Orbin Pin Day in support of World Sight Day; St James' Settlement's Charity Golf Tournament; Youth Outreach's Milk Tea Rally; Boys' and Girls' Clubs Association of Hong Kong's Team Challenge 36; and U-Hearts' Youth Exchange Programme in Guizhou.

With respect to environmental protection, the Group leveraged its IT capability by promoting its e-statement and other paperless e-communication services among its clients and associates so as to make the world a greener place in which to live. The Group also organised the "Recycle Goods Charity Bazaar" and the "Green Office Campaign" in late 2007 to raise staff's environmental awareness.



*The Group is keen to promote environmental protection among staff and clients.*

On the educational front, the Group sponsored the "Students Awards Plan" organised by the Vocational Training Council for secondary school students demonstrating outstanding performance in financial subjects. To promote financial education at University level, the Group sponsored an MBA Programme scholarship, named "Taifook Securities Group Scholarship in Financial Services", at PolyU's Graduate School of Business. In addition, the Group participated in the Young Entrepreneurs Development

## Corporate Highlights

Council's School-Company Partnership and the Rotary International District 3450's "Adopt-a-School" Programme, providing coaching workshops to students.

Through their involvement in community service, Taifook staff demonstrated their care for those in need, and in the process enhanced their communication and bonding.

Company-wide staff communication meetings were held twice a year to foster direct dialogue between management and staff on various issues of concern.

In recognition of its active participation in and support of social and community service, the Group has been publicly acknowledged as a "Caring Company" by The Hong Kong Council of Social Service for four consecutive years; while the respected local business magazine *Prime Magazine* presented the "Diamond Award" to the Group again in its "Prime Award for Corporate Social Responsibility".

### Awards and Achievements

The Group has won numerous accolades over the past 35 years in recognition of its outstanding achievements in innovation and service excellence. In 2007, the Group was named "Best Brokerage Company" by the financial magazine *Capital* for six consecutive years, in its "Capital Outstanding Enterprise Awards"; awarded "Best Equity House in Hong Kong" by the



Receiving "Best Equity House in Hong Kong 2007" Award from *FinanceAsia*.

international finance magazine *Asiamoney* for the third year and *FinanceAsia* for the fifth year respectively; and honoured "Prime Award for Brand Excellence in Financial Services" by *Prime Magazine*. In January 2008, the Group was bestowed the "Hong Kong Top Service Brand" by the Hong Kong Brand Development Council and the Chinese Manufacturers' Association of Hong Kong.



Receiving "Hong Kong Top Service Brand" Award

The Group is renowned for its outstanding achievements in information technology application. In November 2007, iT Technology (Shenzhen) Co. Limited, the Group's wholly-owned subsidiary, received the CMMI Maturity Level 3 Certification for its excellence in software development.

While online trading services have gained in popularity, there remain concerns regarding the safety and reliability of online trading, particularly on issues such as hacker attacks on various websites and the safety of personal information. As such, the Group has committed considerable resources to strengthen risk management in information technology. Today, the Group is one of the few financial institutions to have attained the ISO 27001:2005 Information Security Management System Certification in Hong Kong and China. This standard in information security management system assures our customers that the Group complies with international best practices in the area.



高瞻遠矚 掌握先機

## 主席報告書

### 業務回顧

我們欣然報告，本集團於截至二零零七年十二月三十一日止年度錄得創紀錄的純利。隨著收益增長103%至147,320萬港元，純利去年增加181%至48,480萬港元。儘管本公司於二零零七年十月配售新股造成攤薄效應，每股盈利仍大增165%至0.79港元。

董事會建議就本年度派發末期股息每股0.25港元，經計入於二零零七年十月二十二日分派的中期股息每股0.13港元，全年派息總額將為每股0.38港元。派息總額較上年增加171%。

年內保留溢利連同股份配售籌得的新資本令股東資金增長57%，至二零零七年年底達到185,650萬港元，即每股2.84港元，較上年增長41%。我們於年內取得31.9%的平均股東資金回報率，與二零零六年的15.8%及二零零五年的6.3%相比有顯著增加。

我們取得驕人成績，主要可歸因於去年股市異常興旺，而我們穩固的業務基礎及廣泛的客戶群使我們在捕捉全新的業務機遇時處於有利地位。本地股市買賣活動急劇增加，香港聯交所的平均每日成交額於二零零七年上半年錄得按年增長

82%至592億港元之後，於下半年的按年升幅更達231%，增至1,160億港元。全年平均每日成交額達到創紀錄的881億港元，較上年增長160%。我們的業務表現亦同步向上，下半年的純利是前六個月的兩倍。

去年對全球金融業而言其實是極具挑戰的一年。美國次按危機對其經濟的影響最初被包括聯邦儲備局在內的整個市場所低估。至下半年，聯邦儲備局不得不加速調低利率以恢復投資者信心。本地股市方面，市況經歷急劇波動。對美國次按危機的擔憂最初為國家外匯管理局突然宣佈開通「直通車」投資計劃，允許內地個人投資者直接投資港股的好消息所抵消。市場氣氛隨後被美國按揭問題的憂慮加深及其對結構債務工具所產生的骨牌效應，以至對整體信貸市場的衝擊所影響，而隨後暫停「直通車」建議進一步加劇了股市波動。

整體而言，去年全年我們的業務並未受到大影響。核心業務，包括經紀、資本市場活動及其他金融服務的貢獻頗為平均，惟經紀業務因去年市場暢旺而受益最大。儘管去年末市場劇烈波動及股價大幅調整，但令人鼓舞的是下半年我們的經營業績更佳。二零零七年十月三十日恒生指數一度飆升至歷史收市高位31,638.22點（與年初比較上升58%），全年收報27,812.65點，上升39%。我們服務的可靠性、高效率及多元化是維持我們在快速變動及高度波動市場取得穩健表現的主要優勢。

### 前瞻

儘管中國的經濟表現對本地經濟及其金融市場愈加重要，香港仍不可避免地受全球經濟變動的影響。憂慮美國及日本將陷入衰退及中國經濟可能過熱，將繼續壓抑本地股市的投資氣氛。然而，這亦可說明當全部疑慮掃除後香港將作出更強勁的反彈。我們相信聯儲局已及時採取措施解決美國經濟問題，而中國的宏觀調控措施應對其經濟的長期走向有益。不過，通脹壓力揮之不去及持續的經濟不明朗因素，仍令人對短期走勢擔憂。我們應隨時警覺，全球金融市場或會出現更劇烈的波動。

鄭家純博士  
主席



## 主席報告書

我們一直受益於中國的持續經濟開放，包括逐步放寬內地投資者對外投資。透過廣泛的市場推廣及品牌塑造努力及建立基本業務框架，我們在中國內地已建立更大覆蓋面。因此，當「直通車」放行及官方進一步放寬引入如本公司般的機構在內地提供投資服務的規定，將肯定大幅提高我們的業務潛力。同時，中國有關的業務早已對我們的收入和溢利產生重大貢獻。

我們對中國的持續經濟改革及我們在尋求新興業務機遇的狀況仍然充滿信心。最重要的是，我們擁有一支強大的管理團隊、專注努力的僱員及必要的基礎設施，可支持我們的未來增長。我們將進一步增強財務實力以應對我們擴張業務的需要，及將本集團發展成為香港及內地最成功的金融服務供應商之一。

**鄭家純博士**

主席

香港，二零零八年三月十七日

## 董事總經理回顧

### 營運回顧

#### 概覽

於回顧年度，我們所有核心業務的貢獻均大幅增長。我們的經紀及孖展融資業務大大受益於聯交所的活躍交投量，因市場對中資股及衍生權證的買賣興趣特別狂熱。經紀佣金及孖展貸款的淨利息收入佔我們去年的大部份盈利貢獻。然而，一級市場活動卻較為遜色。事實上，二零零七年全年市場集資總額僅上升6%至5,585億港元。我們資本市場活動的貢獻仍有增長，但佔整體盈利份額已減少。

其他業務的表現亦令人滿意，特別是我們的資產管理業務的擴充取得重大進展。我們強勁的流動資金亦帶來理想回報，包括本身資金的投資及我們信託基金獲得的利息。儘管經營開支相應增長，主要原因是僱員人數、獎金及花紅增加導致僱員開支大幅上升，但我們的除稅前利潤率從上一年度的27.2%改善至39.5%。

#### 股票及期貨經紀

該分部的收益為79,740萬港元，為集團業績貢獻23,280萬港元，分別按年增加123%及261%。儘管市場競爭激烈，佣金率及挽留銷售專才均面臨明顯壓力，毛利率仍得以從18%大幅上升至29.2%。基於我們為客戶提供增值服務，包括建設

性及有效的溝通、研究及建議，我們在吸引新客戶及維繫現有客戶方面均擁有優勢。年內，大福資料研究出版一本關於主要紅籌及H股的投資書刊，在香港及內地廣泛流通。該書吸引了大量對中資股投資有興趣的香港及內地投資者。

我們總部的銷售團隊為零售、企業及機構投資者提供服務，此外我們繼續在香港經營十間分行及在澳門經營一間分行。我們還在中國北京、上海、廣州、深圳及廈門設有服務中心，並於年內在杭州增設新辦事處。我們的網上實時交易平台在執行效率及產品選擇上發揮日益重要的作用，並成為我們在海外市場推廣業務的有效工具。我們提供的產品包括股票、債券與商品工具及其相關衍生產品。

#### 資本市場

該分部的收益增長47%至11,130萬港元，溢利貢獻增加157%至5,050萬港元。年內我們在香港保薦了3宗新股上市，即佳華百貨控股、盈進集團及泛亞環保集團，集資額共15億港元。此外，我們亦積極向包括本地公司及中國企業在內的廣泛客戶提供企業顧問與包銷服務。年內，我們完成逾70宗財務顧問工作及33項新股上市包銷，我們更獲12間最近上市發行商委聘為上市後的合規顧問。我們繼續加強與中國內地的聯繫，以確保未來成功爭取更多生意。另一方面，我們的強大分銷能力及企業融資與ECM(資本市場)團隊的專業知識，增強了我們爭取交易的商談能力。我們非常欣慰自二零零四年以來連續五年獲得《金融亞洲》授予「香港最佳證券商」榮譽，這是對我們在本地市場協助上市發行商進行招股集資的獨特地位的重大認可。

#### 孖展融資

該分部年內實現收入及溢利貢獻分別增長95%及188%至35,960萬港元及22,480萬港元。年內貸款結餘增加153%至281,630萬港元，原因是熱熾的買賣興趣同樣刺激了孖展融資的需求。孖展息差的擴闊同樣有助提升該分部的溢利貢獻。我們有效的信貸管理推動信貸成本降至最低。我們提供孖展融資的資金來自銀行借貸及控股股東提供之貸款。香港貨幣市場截至目前尚未受到美國信貸危機的影響，我們並不擔心融資業務的資金來源。

黃紹開  
董事總經理





## 董事總經理回顧

### 其他投資服務及活動

利用本地證券市場適當的買賣及投資機遇，去年我們錄得買賣及投資毛利3,570萬港元，按年比較增長50%。於年底，我們持有證券之總值為13,430萬港元，主要是香港上市證券。此外，我們持有一項面值為19,620萬港元之長期投資組合，主要是香港上市股票及股票投資基金。

資產管理與財富管理服務同樣對我們收入貢獻甚大，隨着服務規模得到擴大，其將成為未來重要的溢利來源。我們提供多種投資產品，包括單位信託、互惠基金及強積金(MPF)退休基金，以及全權代客投資與個人賬戶服務。在近幾年取得令人羨慕的表現紀錄後，我們相信所管理基金的規模將繼續快速增長。我們的投資焦點將繼續著重於北亞地區(包括大中華、日本及韓國)快速發展的行業與公司。就需求而言，我們將繼續吸納該等地區的資金，而從我們推廣努力的熱烈反應判斷，我們相信投資管理服務將擁有一個巨大市場。

### 未來計劃

經紀、資本市場及資產管理將繼續成為我們的主要業務及本集團未來增長的動力。我們的均衡發展有助我們抵禦市場狀況的任何不利變動及其對盈利的影響。我們相信實現市場推動與自主業務的進一步平衡，將促進我們能夠維持長期穩定增長。我們將透過提供必要的人力與金融資本，優先發展該等核心業務。內部而言，我們將完成後端管理資訊系統的全面升級，以支持前端業務增長。此外，近幾年我們努力發展業務，一直進行有效的成本與風險控制，因為該等因素對維持我們穩定增長十分重要。

我們的中國發展策略已開始取得成果。得益於我們穩固的基礎，我們將尋求適合的收購機遇以加速我們在內地的擴張與發展。我們相信，我們的核心業務全部具有龐大發展潛力，惟中央政府對放寬監管政策的態度仍是一大障礙。我們對最終放寬監管規定已作好準備，並對中國內地於不久將來成為我們的盈利支柱持樂觀態度。

本人謹此向董事就取得創紀錄的業績所作的指導及我們的管理層、僱員及股東的辛勤工作與支持表示衷心感謝，並希望我們為本集團的持續增長及為股東爭取最大回報繼續作出貢獻。

### 黃紹開

董事總經理

香港，二零零八年三月十七日



追求卓越 爭取佳績

## 財務回顧

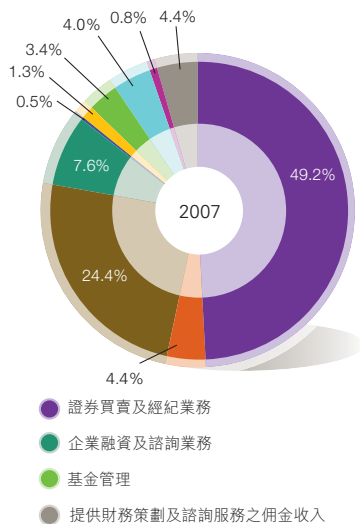
### 財務業績

#### 收入

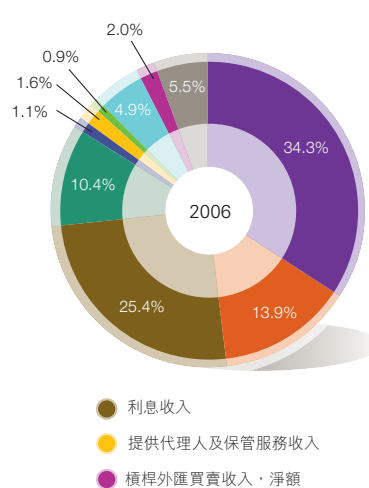
本集團截至二零零七年十二月三十一日止年度之收入(亦為營業額)為147,320萬港元(二零零六年: 72,690萬港元)。本集團各部業務收入概列如下:

	截至十二月三十一日止年度			
	二零零七年 千港元	%	二零零六年 千港元	%
證券買賣及經紀業務	724,925	49.2	249,175	34.3
期貨買賣及經紀業務	65,619	4.4	100,849	13.9
利息收入	359,559	24.4	184,724	25.4
企業融資及諮詢業務	111,315	7.6	75,790	10.4
貴金屬合約買賣業務	6,896	0.5	7,843	1.1
提供代理人及保管服務收入	18,430	1.3	11,790	1.6
基金管理	50,687	3.4	6,502	0.9
自營買賣收入	59,008	4.0	35,264	4.9
槓桿外匯買賣收入, 淨額	11,705	0.8	14,696	2.0
提供財務策劃及諮詢服務之佣金收入	65,059	4.4	40,280	5.5
	<b>1,473,203</b>	<b>100.0</b>	726,913	100.0

二零零七年收入分析



二零零六年收入分析



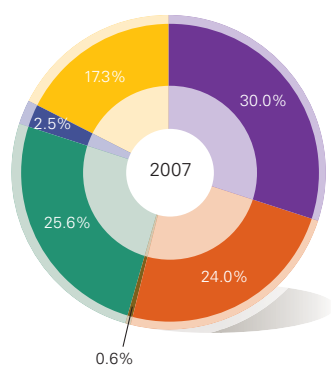
## 財務回顧

### 經營開支

截至二零零七年十二月三十一日止年度的經營開支總額為100,250萬港元(二零零六年：60,350萬港元)。此等開支的分析如下：

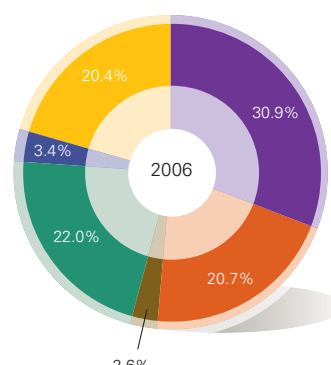
	截至十二月三十一日止年度			
	二零零七年 千港元	%	二零零六年 千港元	%
薪酬及佣金、花紅及退休金計劃供款	<b>300,854</b>	<b>30.0</b>	186,580	30.9
客戶主任佣金	<b>240,344</b>	<b>24.0</b>	124,994	20.7
其他佣金開支及交易所收費	<b>5,976</b>	<b>0.6</b>	15,461	2.6
經營證券經紀及孖展借貸業務之利息開支	<b>257,097</b>	<b>25.6</b>	132,710	22.0
折舊	<b>24,886</b>	<b>2.5</b>	20,848	3.4
其他開支	<b>173,344</b>	<b>17.3</b>	122,920	20.4
	<b>1,002,501</b>	<b>100.0</b>	603,513	100.0

二零零七年開支分析



● 薪酬及佣金、花紅及退休金計劃供款  
● 客戶主任佣金  
● 經營證券經紀及孖展借貸業務之利息開支  
● 折舊

二零零六年開支分析



● 薪酬及佣金、花紅及退休金計劃供款  
● 客戶主任佣金  
● 經營證券經紀及孖展借貸業務之利息開支  
● 折舊  
● 其他開支

## 財務回顧

薪酬及佣金的增加整體而言與收入的增加一致，主要由於所付的獎金和花紅增加以及增聘人手以支援本集團的擴展。

客戶主任佣金增加，此乃由於營業額增加所致。

年內其他佣金開支及交易所收費下降61%，主要由於海外期貨買賣活動減少，令支付海外經紀的佣金減少所致。

經營證券經紀及孖展借貸業務之利息開支增加，乃由於利率不斷上調、墊款予客戶及首次公開招股之融資活動增加，以及主要為融資目的而借貸之銀行貸款增加所致。

折舊費用增加是因為資本化前台及後勤辦公室系統之發展成本所致。

各種原因令其他開支上升41%。租金開支增加由於續租分公司的租約時每月租金有所調升，加上為配合業務擴展而租賃額外辦公室空間所致。其他附帶成本如電費、設備租金、通訊費用亦因配合業務擴展而增加。

### 股東應佔純利

截至二零零七年十二月三十一日止年度的股東應佔純利為48,480萬港元，對比截至二零零六年十二月三十一日止年度的純利為17,230萬港元。

### 財務政策

本集團的業務活動資金一般來自內部現金流量、銀行借貸及獨立第三者提供的無抵押有期貨款。此外，去年本集團獲由19家國際及本地銀行合組的銀團提供一筆50,000萬港元的5年期循環信貸（「信貸」）。除以上所述的信貸外，本集團的銀行信貸主要為每年續期，並以浮息計算。

本集團的一貫政策是經常保持充足的流動資金，以在有需要時應付各種付款責任與承擔。本集團的財務風險管理策略包括取得可觀的銀行備用額、發掘多元化融資來源、分散貸款到期日以減少利率波動所帶來的風險、以及不時檢討資本充足率。

本集團的主要業務均以港元交易及記錄，相對於其資產總值或未償還債項而言，其非港元資產與負債的外匯風險僅屬微不足道，因此本集團認為，外幣匯率浮動對本集團並不構成任何重大風險。

### 流動資金及財務資源

於回顧年度，本集團繼續保持穩健良好的財政狀況。於二零零七年十二月三十一日，本集團的現金結存達42,290萬港元，對比年初則為59,530萬港元。代客戶持有之現金數量為336,190萬港元，較二零零六年十二月三十一日的180,450萬港元有所增加。流動比率為1.26倍，處於穩健水平。

於二零零七年十二月三十一日，本集團的資本負債率（以總借貸佔總股東權益百分比為基準計算）為74%，較二零零六年十二月三十一日的49%有所上升。資本負債率上升乃由於借貸增加所致，借貸主要用於孖展貸款。所有借貸均為短期浮息借貸。銀行及其他借貸總額為137,220萬港元（二零零六年十二月三十一日：58,040萬港元），孖展貸款總額則為281,630萬港元（二零零六年十二月三十一日：110,820萬港元）。利息收入與利息開支比率為1.84倍，而上年度為1.91倍。該比率下降主要由於利率及銀行借貸上升所致。

來自經營業務的現金流量仍足以應付集團經常性的營運資金需求，以及任何可能出現的投資機會。此外，本集團未動用銀行融資額達22.2億港元，而資本承擔則微不足道。本集團的資產及負債絕大部分以港元為單位，故外匯風險亦微乎其微。除為附屬公司取得一般銀行貸款而提供擔保外，本公司並無其他重大或然負債。

### 資本結構

本公司於二零零七年十月九日與主要股東NWS Financial Management Services Limited（「NWSFMS」）訂立配售及認購協議。根據二零零七年十月十二日進行的配售股份，NWSFMS持有合共38,000,000股每股面值0.10港元的股份已按每股配售股份6.10港元向六名獨立第三方配售，應付的款項以現金支付。

本公司於二零零七年十月二十二日配發及發行38,000,000股每股面值0.10港元的股份予NWSFMS，每股作價為6.10港元，共籌得款項總額231,800,000港元。

28,430,000份購股權所附帶之認購權已按每股介乎0.94港元至1.2港元的認購價獲行使，導致發行28,430,000股每股面值0.1港元的股份，換取總現金代價（扣除開支前）28,591,000港元及導致為數2,151,000港元由購股權儲備轉撥至股份溢價賬。

## 財務回顧

於二零零七年十二月三十一日，本公司的已發行股本總額為6,540萬港元，分為653,949,699股每股面值0.10港元的股份。

### 重大收購及出售附屬公司及聯營公司

年內，本集團完成向匯富金融控股有限公司（一間於香港聯合交易所有限公司主板上市之公司）之間接全資附屬公司 Kingsway Asset Management Limited（「KAM」）收購滙富環球基金管理有限公司（「滙富環球基金管理」）（現稱為大福投資經理有限公司）之全部已發行股本，代價為滙富環球基金管理的資產淨值加上900萬港元的溢價，減去KAM結欠滙富環球基金管理的債項3,400萬港元。淨代價為1,700萬港元，以現金支付。滙富環球基金管理為一間可進行證券及期貨條例（香港法例第571章）項下第1類（證券交易）、第4類（就證券提供意見）及第9類（提供資產管理）受規管活動的持牌法團，其亦為滙富強積金集成信託及滙富信託基金的投資經理，該等信託乃獲香港證券及期貨事務監察委員會及／或香港強制性公積金計劃管理局授權。

### 僱員

截至二零零七年十二月三十一日止年度，本集團的總員工成本（不包括支付予佣金制員工的佣金）為30,090萬港元，較去年18,660萬港元上升61%，這主要是由於獎金及已付花紅增加及增聘員工以支持本集團擴展業務所致。於二零零七年十二月三十一日，本集團共聘用937名（二零零六年十二月三十一日：790名）全職員工，其中245名（二零零六年十二月三十一日：240名）為佣金制員工。



重視管治 關懷社區

# 公司管治報告書

## 企業管治常規

本公司於二零零七年財政年度期間一直全面遵守香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載企業管治常規守則(「守則」)之守則條文。以下為本公司將守則中各項原則應用於其企業管治當中之概要。

## 企業管治架構

董事會及高級管理層致力維持高標準之公司管治。本公司深信，一套均衡的公司管治常規，能讓本公司更有效地控制業務風險，從而確保本公司之業務是為其股東及其他權益持有人的最佳利益而營運。

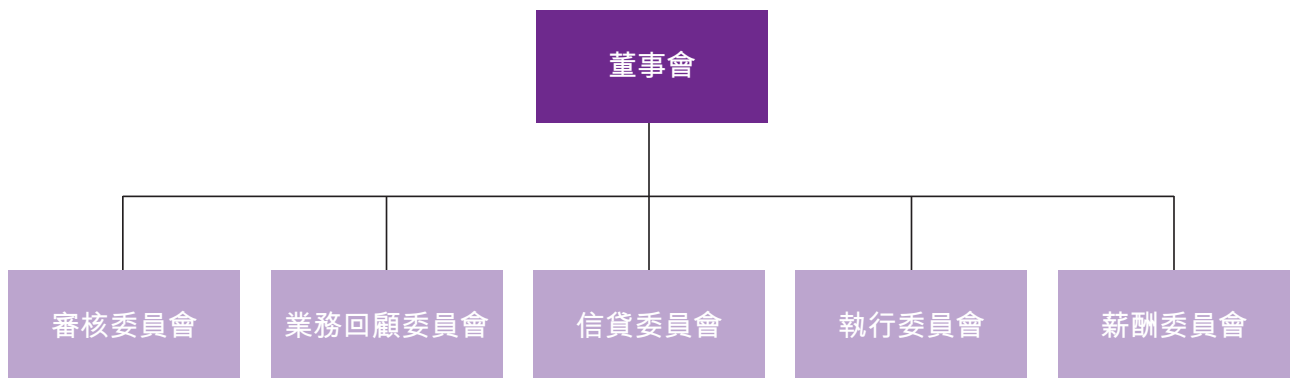
以下圖表展示本公司之整體企業管治架構。董事會主要的責任是為本集團釐定方針、制定策略、監察表現及控制風險，同時亦肩負為本公司設置適當公司管治架構的責任。董事會目前設有五個委員會，包括審核委員會、業務回顧委員會、信貸委員會、執行委員會及薪酬委員會。這些委員會皆有不

同角色，並會根據各自的職權範圍履行其職責，協助董事會監督高級管理層的若干職能。

在董事會內，主席與行政總裁(「行政總裁」)之角色有著清晰的界別，確保可將主席負責管理董事會的責任與行政總裁負責管理本公司及其附屬公司業務之責任明顯地區分。主席與行政總裁之職責分別由鄭家純博士及黃紹開先生擔當。主席與行政總裁之間並無任何財務、業務或其他重大／有關的關係。



董事會定期舉行會議，商討集團的方向、策略、業績表現及監控措施。





## 公司管治報告書

下表列載本公司各董事及各董事會委員會成員在本財政年度內召開之董事會會議及各董事會委員會會議的出席情況：

董事會成員姓名／ 各董事會委員會成員姓名	出席次數／會議舉行次數					
	董事會會議	審核 委員會會議	業務回顧 委員會會議	信貸 委員會會議	執行 委員會會議	薪酬 委員會會議
<b>董事會</b>						
<b>主席</b>						
鄭家純	1/4	不適用	不適用	不適用	不適用	不適用
<b>副主席</b>						
魯連城	1/4	不適用	不適用	0/4	不適用	不適用
杜惠愷	2/4	不適用	不適用	不適用	不適用	不適用
<b>董事總經理</b>						
黃紹開	4/4	不適用	12/12	4/4	22/24	不適用
<b>執行董事</b>						
李耀榮	4/4	不適用	12/12	4/4	21/24	不適用
陳志安	4/4	不適用	不適用	不適用	22/24	不適用
<b>非執行董事</b>						
黃國堅	4/4	不適用	12/12	不適用	不適用	1/1
林焯瀚	4/4	不適用	12/12	不適用	不適用	1/1
張永銳	2/3 (附註1)	2/2 (附註1)	不適用	不適用	不適用	不適用
何厚鏘	4/4	1/2	不適用	不適用	不適用	不適用
杜顯俊	4/4	不適用	不適用	不適用	不適用	不適用
李嘉士	1/1 (附註2)	0/0 (附註2)	不適用	不適用	不適用	不適用
<b>獨立非執行董事</b>						
文暮良	3/4	2/2	不適用	不適用	不適用	0/1
徐慶全	4/4	2/2	不適用	不適用	不適用	1/1
劉偉彪	4/4	2/2	不適用	不適用	不適用	1/1
<b>高級管理行政人員</b>						
黃逸行	不適用	不適用	不適用	3/4	24/24	不適用
許儀	不適用	不適用	不適用	4/4	22/24	不適用
胡國良	不適用	不適用	不適用	4/4	22/24	不適用
應德信	不適用	不適用	不適用	不適用	23/24	不適用
盧偉浩	不適用	不適用	不適用	4/4	23/24	不適用
張周錦雲	不適用	不適用	不適用	4/4	不適用	不適用
平均出席率：	82%	90%	100%	84%	93%	80%

附註：

- (1) 張永銳先生於二零零七年十月一日辭任為本公司非執行董事及審核委員會成員。
- (2) 李嘉士先生於二零零七年十一月一日獲委任為本公司非執行董事及審核委員會成員。

# 公司管治報告書

## 董事會

董事會目前由六位執行董事組成，包括主席、兩位副主席及董事總經理、五位非執行董事及三位獨立非執行董事。本公司所有董事的任期均為三年，須受本公司之公司組織章程細則之退任及重選連任條文規限。本公司三分之一的董事須根據本公司之公司組織章程細則在每屆股東週年大會輪席退任，若符合資格可膺選連任。於整個財政年度期間，董事會於任何時間均符合上市規則有關委任最少三位獨立非執行董事，且其中一位須具備合適的專業資格或會計或相關財務管理專才的最低要求。遵照上市規則的規定，本公司已獲每一位獨立非執行董事發出確認書，確認其獨立於本公司。本公司認為，所有獨立非執行董事於整個財政年度均獨立行事。本公司全體董事及董事會成員之間關係的資料，已在本年報第65至67頁披露。

於本財政年度，本公司已採納上市規則附錄10所載上市公司董事進行證券交易的標準守則作為本公司董事進行證券交易之操守守則。經向本公司董事作出具體查詢後，全體董事於截至二零零七年十二月三十一日止年度期間一直遵守標準守則所規定之準則。

本公司每年舉行不少於四次的全體董事會會議，董事會負責處理本公司之所有事務。召開董事會定期會議應發出最少14天通知，讓所有董事皆有機會抽空出席。各會議之議程及隨附有關之董事會文件一般在會議舉行前最少七天全部提呈予全體董事傳閱。高級管理行政人員不時會獲邀出席董事會會議，於會上作出陳述及／或回答董事會所作出之任何提問。

## 審核委員會

該委員會由本公司五位非執行董事組成，其中三位為獨立非執行董事。委員會主席擁有與財政事務相關的專業資格和經驗。委員會每年最少召開兩次會議，審議由執行董事處理之所有業務，尤其一些關連交易及持續關連交易(若有)，並在中期及末期財務報表呈交予董事會及股東週年大會進行批核前審閱，亦審議本集團之內部監控及風險管理系統之有效性。委員會之職權範圍符合上市規則要求，並按香港會計師公會頒佈之「審核委員會有效運作指引」及其任何更新版本所載的建議而制訂。

於本財政年度內，該委員會共召開兩次會議，履行其審議本

集團之中期及年度業績及內部監控及風險管理系統有效性之職責。該委員會於二零零七年的工作包括審議下列各項：

- 本集團截至二零零七年六月三十日止六個月綜合財務報表，並建議董事會批准；
- 本集團截至二零零七年十二月三十一日止年度董事會報告書及綜合財務報表，並建議董事會批准；
- 本集團採納的新會計政策與準則；
- 外聘核數師建議之二零零七年度核數費用，並建議董事會批准；
- 本集團進行的持續關連交易及關連交易(若有)；
- 本集團的內部監控及風險管理系統；
- 本集團的內部審計師對本集團之營運及監管機關進行之規管審核作出的發現及建議；
- 本集團符合適用監管及其他法律規定的情況；
- 本集團的投資政策及投資減值撥備是否足夠；
- 本集團之訴訟案件；
- 壞賬撥備是否足夠；及
- 回顧財政年度內所犯之交易錯誤。

## 業務回顧委員會

該委員會由本公司兩位執行董事及兩位非執行董事組成。彼等每月召開一次會議，回顧本集團之業務表現及定時向董事會匯報。

## 信貸委員會

該委員會成員由董事會委任，目前包括本公司及其附屬公司的若干執行董事。該委員會的主要職責是制定本集團的信貸政策方針及改善資產質量。該委員會每季開會一次，並不時向董事會匯報。若市場狀況出現重大變化，也會召開臨時會議。

## 公司管治報告書

### 執行委員會

該委員會由本集團董事總經理、本公司兩位執行董事及本集團若干主要業務部門主管組成，當中成員由董事會委任。該委員會獲董事會正式授權，代表董事會管理本集團之日常業務。根據董事會授權而作出的財務承擔，須設金額上限，並且由董事會不時評核。該項授權可由董事會酌情撤銷。執行委員會每兩星期召開一次會議，並不時向董事會匯報。

### 薪酬委員會

該委員會由本公司五位非執行董事組成，其中三位(包括委員會主席)為獨立非執行董事。該委員會的職責包括遵照上市規則及本公司的公司組織章程細則制訂本集團的薪酬政策、釐定執行董事及董事會整體薪酬方案。已付各董事之薪酬詳情載於財務報表附註7。本公司董事一概不得自行釐定其薪酬方案。該委員會每年最少召開一次會議，並按其職權範圍

履行職責，該職權範圍已刊載於本公司網站內。該委員會獲提供足夠的資源以履行其職責。委員會主席會向董事會匯報其發現及建議，以供其考慮及批准。

於本財政年度，該委員會工作包括審議下列各項：

- 薪金調整之建議；
- 與主席鄭家純博士及副主席杜惠愷先生重續服務協議之建議；
- 授出購股權之建議；
- 分派中期及末期酌情花紅之建議；及
- 分派管理及特別花紅之建議。



集團執行委員會成員(從左至右): 盧偉浩先生、應德信先生、黃逸行先生、劉耀威先生、黃紹開先生、李耀榮先生、陳志安先生、許儀先生及胡國良先生。

## 董事會及各董事會委員會會議之程序

公司秘書會協助董事會主席及各董事會委員會編製會議議程，各董事可藉此將任何須予決定之事宜載入議程。如任何董事被認為在任何交易中有利益衝突，則有關董事將不會被計作有關會議之法定人數。董事會及各董事會會議之會議記錄均會詳盡記載。所有草擬之會議記錄均會在提呈會議主席批准之前交予出席會議之人士批閱。為進一步加強本公司董事對董事會及各董事會委員會會議決定之事務有更佳之溝通，特設有內聯網以供本公司全體董事查閱董事會及各董事會委員會會議之會議記錄。董事會及各董事會委員會會議之會議記錄會於一段合理時間內於此特設網刊載以供各董事瀏覽。

此外，本公司已制定一套程序以供各董事在適當情況下尋求獨立專業意見，從而讓各董事向本公司履行其職責，有關費用由本公司負責。為保障個別董事之權益，本公司亦為其董事及附屬公司董事購買董事及職員責任保險。

## 專責委員會

由於本集團之業務繁複，有必要成立專責委員會，當中成員由執行委員會委任，負責處理特別項目，如營運成本管理委員會、投資委員會及資訊科技統籌委員會。

下表列載各專責委員會在本財政年度內舉行之會議次數及其平均出席率：

專責委員會名稱	舉行之會議次數	平均出席率
營運成本管理委員會	4	94%
投資委員會	12	96%
資訊科技統籌委員會	12	92%

所有在各會議內決定之事務均有會議記錄妥善記載。

## 內部監控與風險管理

茲確認董事會對本集團之內部監控系統有著最終的責任，並且透過審核委員會董事會審議系統之效用。為使本公司之內部監控制度完善，並全面保障本公司股東之投資及公司資產，本公司設有獨立及客觀之內部審計隊伍，負責嚴格審核本集團所有重要業務及其內部監控。

本集團已制訂一套經ISO認證的最新主要業務運作指引，並且每年進行周期性評估，確保我們符合標準。有關已註冊人士之操守準則，我們已頒佈一套監察政策(並不時更新)，就僱員買賣、操守及職能分隔制度等事宜提供指引。該部門亦定期對本集團之核心業務之程序作出審計及監控檢查。

本集團亦採納非常嚴謹之風險管理政策及監察系統，以控制所有主要業務的信貸、流動資金、市場及資訊科技系統的相關風險。

## 信貸風險

信貸委員會委任若干獲授權人士，負責批核每位客戶之信貸限額。該委員會亦負責就指定比率孖展貸款批核可接納之股份。獲批准之股份名單每兩個月更新一次，並於委員會認為有需要時作出修訂。委員會將不時訂定個別股份之貸款限額或個別客戶及其聯繫人士之貸款限額。

信貸控制部門負責向買賣超出限額之客戶發出孖展補倉通知。任何超出數額之證券均須於虧絀報告發出兩日內完成補倉，而期貨則須於下一日內完成，虧絀報告由本集團財務董事及負責人員監察。未能補倉之證券及期貨客戶將被斬倉。

## 流動資金風險

本集團之營業單位須符合監管機構所規定之各項法定流動現金規定。本集團已設立監管系統，以確保維持充裕之流動資金，支持其業務承諾所需，及遵守有關之財政資源規則。

為審慎起見，本集團備有充裕之備用銀行信貸及其他貸款設施，以應付營運上之任何緊急需要。管理層相信，即使市況極度波動，本集團之營運資金亦足以應付其財政承擔。

## 市場風險

倘孖展客戶投資組合之可墊付價值跌穿孖展貸款限額，而該客戶又未能補倉，則本集團須承受違約者負債之風險。每當股份價格下跌，本集團之自營買賣組合之價值亦會受到影響，任何虧損將直接從本集團之損益賬中扣除，而且股價下跌時，本集團於包銷承擔項目之風險亦會增加。

## 公司管治報告書

本集團已採納有關投資政策，為自營買賣及包銷承擔項目設定上限：

### (i) 自營買賣

- 短期及長期投資金額不超過本集團資產淨值25%，而短期投資最高限額為1.2億港元

### (ii) 包銷承擔

- 每宗發行包銷限額不超過本集團資產淨值25%

此等政策可由董事會酌情修訂。

## 運作風險

本集團已安裝系統，用以監控各個資訊科技系統的可用性及運行，其設備內置於一個由已更新外包數據中心供應商所提供的1級數據中心中。如有系統中斷、不穩定及可能需要啟動緊急程序的其他情況，監察隊伍即會依照既定程序採取行動，並向高級管理層匯報，以保障客戶利益。

為配合監管環境的轉變，本集團一直設置及定期更新主要業務的運作手冊。我們在內部審計、監察及質量保證方面亦由經驗豐富的專才負責，目的分別為偵察系統性風險及提呈政策轉變；對法規及公司內部規條的遵守作出評審；及不時就客戶對公司之服務承諾及水準的滿意程度，作出審查及核定。

## 可保風險

除上述嚴格的風險管理政策及監察系統外，本集團亦已購買不同類別的保險，為其於香港、澳門及中國的業務所涉及的可保風險，提供保障。

## 內部審計師

本公司的獨立內部審計隊伍擔當著重要的角色，監控本集團之企業管治及向董事會客觀保證管理層具備及運作一套完善之內部監控系統。內部審計隊伍之主管直接向董事會及審核委員會報告審計事宜。內部審計隊伍採納以風險為基礎之方式評估監控環境的風險水平，徵詢但獨立於管理層之意見，以計劃每年之內部審計時間表，並且將審計計劃提交予審核委員會批准。內部審計隊伍主管每年會向審核委員會提交報告及提供有關本集團內部監控環境之意見。每年之審計工作

計劃涵蓋本集團營運業務之主要活動及過程。此外，內部審計隊伍亦會就審核委員會及管理層所界定之特別範疇進行特別審計。

## 外部核數師

本集團之外部核數師為香港安永會計師事務所。於本財政年度內，本集團委聘外部核數師提供下列服務，各項收費如下：

服務類別	已收取費用	
	截至二零零七年十二月三十一日止年度 千港元	截至二零零六年十二月三十一日止年度 千港元
集團審核費	2,550	1,980
稅務服務	225	200

## 企業通訊

本公司鼓勵與其機構性及獨立投資者達成雙向溝通。有關本公司活動之詳盡資料已載於其年報及中期報告內，並寄發予本公司之股東。每逢業績公佈，本公司皆會舉行新聞發佈會，闡述本公司業務、業績及未來計劃，增進公眾對本集團的了解。股東週年大會為董事會與本公司股東提供直接溝通之平台，就各個別議題之獨立決議案會於召開之股東大會上提呈。有關股東要求以投票方式表決之程序及權利之詳情載於已寄發予本公司股東之通函內。投票結果刊載於聯交所及本公司網站。本公司與股東之所有往來通訊均會載於本公司網站以供股東查閱。此外，本公司每季安排傳媒午餐會，與傳媒保持定時溝通，並利用其公司網址向公眾發放有關本集團及其業務之新聞稿、財務與其他資料，藉以促進有效之溝通。



大福管理層主持2007年度全年業績發佈會。

## 公司管治報告書

### 企業公民

本集團一向致力在證券業擔當有責任的市場參與者之重要角色。本集團支持其高級行政人員接受不同監管諮詢委員會之公職，期望透過他們之參與，致力培育及推廣香港證券及期貨業之健康發展。



大福管理層及員工參加「公益慈善馬拉松」。

作為香港金融機構翹楚之一，本集團積極參與各項公益服務，回饋社會。本集團致力推廣關懷文化，協助員工加強溝通及提升凝聚力。為促進關懷社會環境，「大福愛心大使」已於二零零四年成立，並已籌組多項之社會慈善公益活動，鼓勵員工積極參與。於本財政年度，「大福愛心大使」之成員及本集團的員工參與探訪、籌募善款活動、捐血、青少年交流團及其他活動。此外，本集團的員工亦參與由主要慈善團體如公益金、伸手助人協會、香港紅十字會、樂施會、衛施基金、香港奧比斯、救世軍港澳軍區、兩地一心及青年企業家發展



陳志安先生獲邀主講有關企業融資之題目。

局等主辦的活動。我們期望員工能透過參與慈善活動進一步發展潛能及發揮社會責任。在保護環境方面，本集團借助其資訊科技能力，極力推廣電子賬單以及與客戶及其聯繫人士之間之無紙化電子通訊服務，務求使世界成為一處更綠化之居所。

此外，本公司之董事會成員及高級管理人員亦經常應邀在香港及中國內地舉行之研討會中擔任講者，主題包括上市事宜、企業融資、企業管治、環球投資策略及財富管理。



力求創新 以客為尊

## 集團摘要

二零零七年，大福證券集團採取了積極進取的措施，務求令業務發展走向多元化，集團的業務範疇及市場覆蓋率均呈現穩定的增長。

### 市場及業務拓展

除了經紀業務外，集團積極拓展資本市場、基金管理及財富管理等業務，此項策略與集團提供一站式全面金融理財服務的目標一致。

### 資本市場

集團專於為中港兩地私營機構及上市公司提供企業融資及顧問服務。大福於二零零七年完成3宗新股的上市保薦、33宗新股上市包銷、18宗證券配售、1宗供股包銷及超過70宗財務顧問工作。此外，集團更獲12間最近上市發行商委任為上市後的合規顧問。

集團繼續加強與中國內地的聯繫，以確保未來成功爭取更多生意。另一方面，集團憑藉強大分銷能力及企業融資與資本市場團隊的專業知識，增強了本身爭取交易的商談能力。



集團專於提供企業融資及財務顧問服務。

### 資產管理

集團為中港兩地和亞太區的個人和機構客戶提供全面的基金管理和投資顧問服務。我們的客戶包括香港和大中華區的個人及專業投資者。大福亦已為日本或其他國家的客戶成立投資基金。鑑於中國國內生產總值在過去幾年的高速增長，市場對於中國相關資產的需求非常巨大。集團已經發行了多項私募基金以吸納這些資金。集團亦會根據投資者的不同需求而度身設計私募基金。

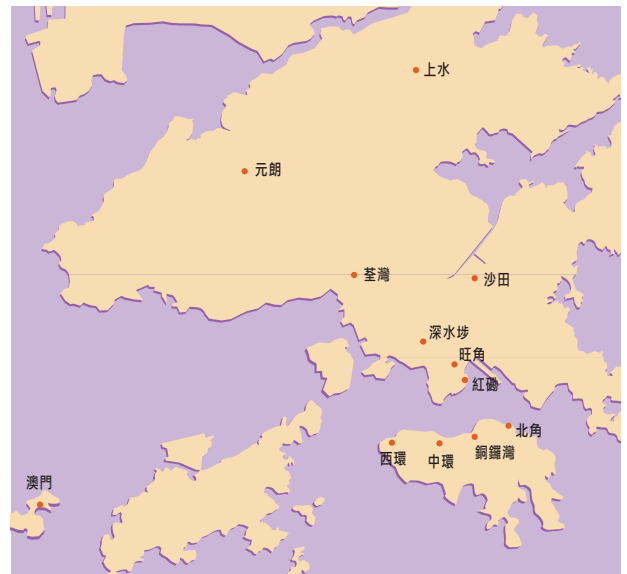


大福積極拓展基金管理和投資顧問服務。

集團是一家紮根香港的非銀行金融服務機構，獲得強制性公積金服務供應商的地位，透過不同基金投資組合為客戶提供退休保障，當中包括投資於環球、亞太區及香港之基金。

### 經紀業務

集團提供嶄新而靈活的證券買賣及投資服務予超過12萬香港及中國個人客戶及數百名機構客戶。其服務範疇包括證券及衍生工具、期貨及期權、外匯及貴金屬、新股上市及配售、網上交易、孖展融資、創富理財、委託戶口、代理人及託管服務和資料研究。



集團之香港及澳門兩地分行網絡。



## 集團摘要

面對千變萬化的市場及多元化的客戶需求，集團增設網上證券、期貨、外匯及貴金屬模擬交易系統，讓客戶、初學投資者從中熟悉大福網上交易平台的操作。除了提供嶄新的「大福期權圖表分析工具」及「大福環球期貨至尊寶(TWS)」，集團更引入國際權威機構標準普爾的證券研究分析服務予尊貴客戶，協助專業及活躍客戶獲取嶄新金融市場情報，從而作出最明智的投資部署。

去年，集團分別將上水及荃灣分行喬遷，旨在讓客戶於更親切和舒適方便的環境中進行買賣。現時所有分行均設有先進交易服務系統，並駐有投資顧問及客戶服務員。預期二零零八年，集團將繼續擴充本地網絡，藉此維持市場領導地位。

一直以來，集團率先推出嶄新的金融產品，涵蓋不同市場及品牌，總計多達數百種。鑑於環球金融市場逐漸走向一體化，加上高度發展及瞬息萬變的營商環境，客戶對投資其他市場的認知及興趣日益增加，因此集團其中一項策略便是分別與台灣、日本及韓國的證券商合作，讓投資者可涉足海外金融市場，盡享一站式之投資服務。反之，彼等合作夥伴的客戶亦能透過集團的服務，接觸到香港及其他市場。

### 財富管理

現時集團乃大福歷斯頓創富理財有限公司及大福歷斯頓顧問有限公司的控股股東。大福透過該兩間公司進一步積極拓展財富管理及投資組合顧問服務。集團相信這可更有效地運用大福及歷斯頓雙方的強項及資源，包括管理專才、投資理財產品、品牌及客戶基礎。該兩項業務於二零零七年享有穩固的增長，成為集團的一項核心收入貢獻。



財富管理業務將是集團未來的一項主要收入貢獻。

### 內地市場

中國市場是集團業務發展策略的重點。集團於北京、上海、廣州、深圳、珠海、成都、長沙、昆明、廈門、江門、杭州及佛山等地舉辦及積極參與多項講座、論壇及展覽會，逐步建立集團的品牌知名度及據點。



集團之中國聯絡處網絡。

由於中國蘊藏很多優秀的業務發展機會，集團已於二零零七年五月及十二月分別在廈門及杭州增設投資諮詢中心。

隨著中國推行漸進式金融市場改革，例如QFII的實施、QDII逐步出台及預期「港股直通車」的推行，集團相信本身已穩站有利位置，掌握中國的龐大商機。

### 資料研究

大福資料研究有限公司為集團的全資附屬公司，專注提供獨立證券資料研究服務。集團除定期發表市場報告外，亦撰寫以投資概念為導向的獨立公司及行業報告，以助投資者及客戶進行明智的投資決定。集團旗下分析員亦通過香港及內地傳媒訪問及舉辦公開講座，定期向公眾提供中肯的投資意見。投資者可透過瀏覽大福網站以電子方式查閱，或向其他外界資訊服務供應商訂閱我們的研究報告原文。現時，集團設立了香港及上海資料研究隊伍，攜手分析本港證券市場，重點留意H股及紅籌股。

## 集團摘要



集團定期為投資者提供專業全面之投資研究報告。

## 企業發展

### 實行平衡計分卡

大福的平衡計分卡分為財務、顧客、內部業務流程及學習與成長四大層面，能提供一套可用以量化財務和非財務範疇的主要績效指標，務求使集團的願景和使命更能切合客戶需要，並在策略與營運之間取得所需平衡。

二零零七年，集團繼續實施平衡計分卡計劃作為績效管理的工具，藉此提高公司的透明度及達至更佳的企业管治。過去，由於集團在平衡計分卡上已建立了穩健的基礎，大福管理層利用這項工具持續完善策略管理的機制及加強競爭優勢。在部門層面上，集團將於二零零八年全面實施平衡計分卡。



完整的平衡計分卡分為財務、顧客、內部業務流程及學習與成長四大層面。

## 人力資本管理

### 培訓及發展

集團一向將人力資源視為最重要的資產，並深信出色的人力資本管理可提高員工的生產力，加強員工對公司的忠誠度，最終有助於業務成長和提供更優質的客戶服務。因此，集團一直致力為員工提供很多培訓機會，透過工作坊和研討會給予員工有關管理發展、客戶服務、產品認識、行業趨勢及語言能力等各方面的訓練。

為增強各部門之間的合作及團隊精神，二零零七年，集團舉辦了12個部門內部及跨部門的團隊精神及業務工作坊，藉此讓員工進行意見及最佳業務實踐之交流。

同時，集團推行員工培訓獎學金、進修津貼、進修假期、考試費用報銷及考試假期政策，鼓勵和支持員工進行持續進修，務求提升員工的專業水平和協助他們發展事業路向。

鑑於集團在內地市場的發展，集團亦為內地員工提供企業資訊、績效管理系統及團隊建立等培訓。

### 專業資格

集團籌辦和安排共36堂、涵蓋23個課題的培訓課程，達至作為證監會持牌人持續專業培訓(CPT)；以及業務代表和強積金中介人的持續專業發展(CPD)的規定。至於管理層方面，集團開辦了四項管理發展計劃，培訓被選拔的董事和經理。



「管理發展計劃」學員正參加一項室外訓練課程。

二零零七年，集團成功達至超過119.2%員工完成每年平均培訓時數40小時的目標。為表揚集團致力提升其會計及財務專才的專業水平，集團榮獲ACCA(特許公認會計師公會)

## 集團摘要

頒發「ACCA 認可僱主計劃」證書，正式成為該計劃主要成員之一。同時，集團成為HKICPA(香港會計師公會)的「認可僱主」。

### 企業公民

集團紮根香港35年，一直非常重視企業社會責任。我們對於投放資源，以推動專業發展、培育人才及提升金融業服務水平，更是不遺餘力。

董事會及高級管理層成員積極參與多個本地監管組織及業界之籌委會工作，並經常應邀為中港兩地不同的公營機構、專業團體、商會、金融機構及傳媒舉辦之研討會及論壇擔任講



大福員工籌辦及參與多項社區服務活動。

者。涉及的講題十分廣泛，由上市安排事宜及企業融資，以至企業管治、環球投資策略及財富管理等。

集團乃善待員工家庭的機構，一向關注員工的身心健康，鼓勵同事在工作與生活中取得平衡。有見及此，集團相繼推出五天工作週、彈性上班時間及三天男同事待產假等措施。二零零七年，「大福職員協會」定期為員工及其家屬舉辦有益身心的康樂活動。以上措施為員工帶來多項裨益，而不會影響集團營運效率，例如舒緩工作壓力、提供更多自我發展機會，並讓員工擁有更多時間與家人相處。

二零零七年期間，「大福愛心大使」義工小組及集團員工舉辦或參與多項社會服務活動，令多個慈善團體受惠，活動包括：香港公益金舉辦的「公益慈善馬拉松」、「公益金服飾日」和「公益行善“折”食日」；集團與香港紅十字會合辦的「捐血表關懷」行動；伸手助人協會的「曲奇義賣運動」；樂施會的「樂施米義賣大行動」；救世軍港澳軍區的「港澳定向追蹤日」；香港奧比斯的「奧比斯襟章日」，以響應「世界視覺日」；聖雅各福群會的慈善高爾夫球賽；協青會的「慈善奶茶拉力賽」；香港小童群益會的「團隊挑戰36」及兩地一心的「青少年交流團-貴州之旅」等。

在環境保護方面，集團運用資訊科技平台推廣電子易結單及無紙化電郵，藉此鼓勵客戶一起保護環境，達致保護環境的目標。此外，二零零七年下半年，集團舉辦「可循環再用物品收集及義賣活動」及「辦公室環保創意大賽」，提高員工對綠色環保辦公室的認知。



集團積極向員工及客戶倡導環境保護。

在教育工作方面，集團資助了「職業訓練局」舉辦的「學生獎勵計劃」，以獎勵一些在金融相關科目取得優異成績的中學生。而為了推廣金融相關科目之教育至大學層面，集團贊助香港理工大學工商管理研究院工商管理碩士課程獎學金—「大福證券集團獎學金—金融服務」。此外，集團亦參與由青年企業家發展局舉辦的「商校夥伴計劃」及國際扶輪3450地區「與校同行」計劃，為學生提供訓練工作坊。

透過參與這類社會服務，大福員工除了為有需要的人給予關懷外，也加深員工之間的溝通和凝聚力。

集團每年召開兩次員工溝通會議，促進管理層與員工進行直接對話，就公司政策交流意見。此等活動既能加強兩者之間的聯繫，並能加深員工歸屬感。

集團積極參與及支援社會公益活動，回饋社會，關懷社群，故此榮獲香港社會服務聯合會連續四年嘉許為「商界顯關懷」公司。而《盛世雜誌》亦於「盛世優秀社責大獎」中再次嘉許集團為「金鑽社責企業」。

## 集團摘要

### 獎項及殊榮

集團在過去35年屢獲殊榮，以表揚集團的創意及優質服務的出色表現。二零零七年，集團連續六年榮獲著名財經雜誌《資本雜誌》於「資本雜誌傑出企業成就獎」頒發的「最佳證券商」獎項，亦獲得國際著名財經雜誌《亞洲貨幣》第三度及《金融亞洲》第五度頒發「香港最佳證券商」殊榮，集團亦於本地知名商業雜誌《盛世雜誌》主辦的「盛世卓越品牌大獎」中榮獲「卓越金融服務品牌」大獎。二零零八年一月，集團更榮獲香港品牌發展局和香港中華廠商聯合會嘉許為「香港服務名牌」。



集團榮獲《金融亞洲》頒發「香港最佳證券商」殊榮。



集團榮獲「香港服務名牌」獎項。

集團在資訊科技應用方面亦有傑出表現。二零零七年十一月，集團的全資附屬公司演天資訊科技(深圳)有限公司榮獲「CMMI能力成熟度模式第三級評鑑」，表揚集團在軟件開發的優秀表現。

現時網上交易服務雖然日趨普及，但仍有部份投資者擔心網上交易的安全及可靠性，例如黑客企圖入侵各類型的網站及個人資料的安全性等。有鑑於此，集團持續不息地投放資源加強資訊系統的風險管理。時至今天，集團成為香港和內地少數金融機構之一，成功取得ISO 27001:2005資訊安全管理系統認證，確定了集團在資訊保安管理方面達至國際制訂的最佳實踐守則。

# Board of Directors and Senior Management

## The Board of Directors

### Executive Directors

**Dr. CHENG Kar Shun, Henry GBS**, aged 61, is the Chairman of the Company. Dr. Cheng joined the Group in November 1976. Dr. Cheng is the managing director of New World Development Company Limited and New World Hotels (Holdings) Limited, the chairman and managing director of New World China Land Limited and the chairman of New World Department Store China Limited, NWS Holdings Limited and International Entertainment Corporation. He is also a director of Chow Tai Fook Enterprises Limited, Centennial Success Limited and Cheng Yu Tung Family (Holdings) Limited. Dr. Cheng also acts as an independent non-executive director of HKR International Limited and a non-executive director of Lifestyle International Holdings Limited. Dr. Cheng is the chairman of the Advisory Council for The Better Hong Kong Foundation and a standing committee member of the Eleventh Chinese People's Political Consultative Conference of The People's Republic of China. In 2001, he was awarded the Gold Bauhinia Star by the Government of the Hong Kong Special Administrative Region. Dr. Cheng is the brother-in-law of Mr. Doo Wai Hoi, William who is a Deputy-chairman of the Company.

**LO Lin Shing, Simon**, aged 52, is a Deputy-chairman of the Company. Mr. Lo joined the Group in June 1986. Mr. Lo possesses over 20 years of experience in the financial, securities and futures industries. He has been a member of the CME and IMM since 1986. Mr. Lo is the chairman of Mongolia Energy Corporation Limited and New World Mobile Holdings Limited. He is also the deputy-chairman of International Entertainment Corporation, all of which are companies whose shares are listed on The Stock Exchange of Hong Kong Limited. Mr. Lo is a standing committee member of the Tenth Chinese People's Political Consultative Conference Shanxi Committee.

**DOO Wai Hoi, William JP**, aged 63, is a Deputy-chairman of the Company. Mr. Doo joined the Group in June 1986, left in July 1988 and rejoined in May 1996. He holds a Degree of Bachelor of Science from the University of Toronto, Canada and a Master Degree of Science from the University of California, U.S.A. He also holds a Diploma of Graduate Gemologist from the Gemologist Institute of America. Mr. Doo is currently the vice-chairman of New World China Land Limited and the deputy-chairman of NWS Holdings Limited. He is an executive director of Lifestyle International Holdings Limited and a director of New World Hotels (Holdings) Limited and Fung Seng Diamond Company Limited. Effective from 10 January 2008, Mr. Doo was appointed as an independent non-executive director of The Bank of East Asia, Limited. Mr. Doo was appointed by The People's Republic of China as a member of the Executive Committee of the Eleventh Chinese People's Political Consultative Conference in Shanghai and the Convener of the Shanghai Committee in Hong Kong and Macau. He has served as the Governor of the Canadian Chamber of Commerce in Hong Kong since 1995. He was appointed as the "Justice of Peace" by the Government of the Hong Kong Special Administrative Region in 2004. In June 2005, he was appointed by the Kingdom of Morocco as the Honorary Consul General in Hong Kong. Mr. Doo is the brother-in-law of Dr. Cheng Kar Shun, Henry who is the Chairman of the Company.

# Board of Directors and Senior Management

## Executive Directors *(continued)*

**WONG Shiu Hoi, Peter**, aged 67, is the Managing Director and Chief Executive of the Company. He is also a responsible officer of Taifook Securities Company Limited and Taifook Capital Limited under the Securities and Futures Ordinance. Mr. Wong joined the Group in November 1987. Mr. Wong holds a Master of Business Administration Degree from the University of East Asia, Macau (currently known as the “University of Macau”). He possesses over 30 years of experience in the financial services industry. Mr. Wong is an independent non-executive director of High Fashion International Limited and Theme International Holdings Limited, and the shares of these companies are listed on The Stock Exchange of Hong Kong Limited. Mr. Wong is the chairman of The Hong Kong Institute of Directors.

**LEE Yiu Wing, William**, aged 47, is an Executive Director and the Chief Operating Officer of the Company as well as the Managing Director of Taifook Securities Company Limited. He is also a responsible officer of Taifook Securities Company Limited and Taifook Investment Services Limited under the Securities and Futures Ordinance. Mr. Lee first joined the Group in 1988 and subsequently rejoined us in 1997 after his departure in 1995. He is responsible for the management of all operations divisions as well as the retail and corporate services and sales department. Mr. Lee holds a BA Degree in Economics and Management from the University of Guelph, Canada. He possesses over 19 years of experience in the financial services industry. Mr. Lee is a member of the Hong Kong Institute of Directors, the Hong Kong Securities Institute, the Chamber of Listed Companies and the Cash Market Consultative Panel of Hong Kong Exchanges and Clearing Limited. He is also a vice-chairman of Hong Kong Stockbrokers Association.

**CHAN Chi On, Derek**, aged 44, is an Executive Director of the Company and the Managing Director of Taifook Capital Limited. He is also a responsible officer of Taifook Capital Limited under the Securities and Futures Ordinance. Mr. Chan joined the Group in 1996, and is in charge of the corporate finance division. Mr. Chan holds a Master of Business Administration Degree from the Hong Kong University of Science and Technology as well as a Social Sciences Degree in Economics from the University of Hong Kong. He possesses over 18 years of experience in the financial services industry. Mr. Chan published a book on the subject of listing procedures and securities rules and regulations. Mr. Chan is an independent non-executive director of GST Holdings Limited as well as GZI REIT Asset Management Limited, Manager of GZI REIT, the shares and units of which are respectively listed on The Stock Exchange of Hong Kong Limited.

## Non-executive Directors

**WONG Kwok Kin, Andrew**, aged 62, is a Non-executive Director of the Company. Mr. Wong joined the Group in September 2000. He has over 25 years of experience in hotel and project management, as well as finance and human resources administration. Mr. Wong is presently an executive director of NWS Holdings Limited and Sky Connection Limited. He is also a director of New World First Holdings Limited and New World Telephone Holdings Limited. In addition, Mr. Wong has been an executive director of several subsidiaries and affiliated companies of the New World Group, which provide duty-free liquor and tobacco concession, communication services as well as estate management in both Hong Kong and Mainland China. Mr. Wong had been an executive director of New World Hotels (International) Limited and Renaissance Hotel Group N.V., a company listed on the New York Stock Exchange, from 1995 to 1997. He had also worked in Price Waterhouse and Bowater Group of Companies (UK) before.

## Board of Directors and Senior Management

### Non-executive Directors *(continued)*

**LAM Wai Hon, Patrick**, aged 45, is a Non-executive Director of the Company. Mr. Lam joined the Group in February 2002. Mr. Lam is a Chartered Accountant by training and holds a Master of Business Administration Degree from the University of Edinburgh and a Bachelor Degree from the University of Essex, the United Kingdom. He is a fellow of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales, and a member of the Institute of Chartered Accountants of Ontario, Canada. Mr. Lam is presently Assistant General Manager of New World Development Company Limited. He is also an executive director of NWS Holdings Limited and Hong Kong Convention and Exhibition Centre (Management) Limited, and a non-executive director of Wai Kee Holdings Limited and Build King Holdings Limited. Prior to joining the New World Group, Mr. Lam worked for an international accounting firm.

**HO Hau Chong, Norman**, aged 52, is a Non-executive Director of the Company. Mr. Ho joined the Group in May 1996. Mr. Ho has over 20 years of experience in international finance and property development. He is a member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. Mr. Ho is a director of Tak Hung (Holding) Company Limited and Honorway Investments Limited, which are private companies owned by his family. He is also a director of New World Mobile Holdings Limited, CITIC Pacific Limited, Lee Hing Development Limited, Hong Kong Ferry (Holdings) Company Limited, Miramar Hotel & Investment Company Limited, Shun Tak Holdings Limited and Starlight International Holdings Limited.

**TO Hin Tsun, Gerald**, aged 58, is a Non-executive Director of the Company. Mr. To joined the Group in May 1996. He has been a practising solicitor in Hong Kong since 1975. He is also qualified as a solicitor in the United Kingdom, as well as an advocate and solicitor in Singapore. He is currently the senior and managing partner of Messrs. T. S. Tong & Co., Solicitors and Notaries. Mr. To is also an executive director of International Entertainment Corporation and a non-executive director of Mongolia Energy Corporation Limited and NWS Holdings Limited, all of which are companies whose shares are listed on The Stock Exchange of Hong Kong Limited.

**LEE Ka Sze, Carmelo**, aged 47, is a Non-executive Director of the Company. Mr. Lee joined the Group in November 2007. Mr. Lee received a Bachelor of Laws Degree and Postgraduate Certificate in Laws from the University of Hong Kong. He is qualified as a solicitor in Hong Kong, England and Wales, Singapore and Australian Capital Territory and has been a partner of Woo, Kwan, Lee & Lo since 1989. Mr. Lee was a member of the Main Board Listing Committee of The Stock Exchange of Hong Kong Limited from 2000 to 2003. He is also an adjudicator of the Registration of Persons Tribunal and a chairman of the Transport Tribunal of the Hong Kong Government. Mr. Lee is a non-executive director of Y.T. Realty Group Limited, The Cross-Harbour (Holdings) Limited, China Pharmaceutical Group Limited, Hopewell Holdings Limited, Safety Godown Limited, Termbray Industries International (Holdings) Limited and Yugang International Limited, and an independent non-executive director of KWG Property Holding Limited, all of which are companies whose shares are listed on The Stock Exchange of Hong Kong Limited.

# Board of Directors and Senior Management

## Independent Non-executive Directors

**MAN Mo Leung**, aged 55, is an Independent Non-executive Director of the Company. Mr. Man joined the Group in July 2004. He has been a partner of Moores Rowland Mazars, Chartered Accountants and Certified Public Accountants since 1985 with extensive experience in assurance, business advisory and investigation works. Since the reorganisation in June 2007, he has been the Executive Chairman of Mazars CPA Limited. He holds a Bachelor of Science Degree from the University College London. Mr. Man is a fellow of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales as well as a Certified Public Accountant in Hong Kong. Mr. Man is also an independent non-executive director of First Sign International Holdings Limited, whose shares are listed on The Stock Exchange of Hong Kong Limited.

**TSUI Hing Chuen, William JP**, aged 56, is an Independent Non-executive Director of the Company. Mr. Tsui joined the Group in July 2004. He is the founder partner of Messrs. Lo, Wong & Tsui, Solicitors & Notaries since 1980. He has been a solicitor of the High Court of Hong Kong since 1977, a solicitor of the Supreme Court of England & Wales since 1980 as well as a barrister and solicitor of the Supreme Court of Victoria, Australia since 1983. He has also been an advocate and solicitor of the Supreme Court of Republic of Singapore since 1985 and a notary public appointed by the Archbishop of Canterbury, England since 1988. Mr. Tsui was appointed as a Justice of the Peace by the Government of Hong Kong in 1997. Mr. Tsui is currently an independent non-executive director of Mongolia Energy Corporation Limited and New World Mobile Holdings Limited, both of which are companies whose shares are listed on The Stock Exchange of Hong Kong Limited.

**LAU Wai Piu, Bill**, aged 44, is an Independent Non-executive Director of the Company. Mr. Lau joined the Group in December 2006. He possesses over 20 years of extensive experience in accounting and financial management. Mr. Lau is a member of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants. Mr. Lau is an independent non-executive director of Mongolia Energy Corporation Limited and New World Mobile Holdings Limited, both of which are companies whose shares are listed on The Stock Exchange of Hong Kong Limited. He is also the chief financial officer of VOIPWORLD Limited and a director of NeocomISP Limited, both of which are private limited companies incorporated in Hong Kong.

## Senior Management

**WONG Yat Hang, Peter**, aged 50, is the Group Chief Financial Officer and an Executive Director of Taifook Finance Company Limited and Taifook Management Consultancy Limited. Mr. Wong also spearheaded the Finance and Corporate Development Functions of the Group. A graduate of the University of Birmingham in the United Kingdom, Mr. Wong obtained a Bachelor of Science Degree, a Postgraduate Diploma in Finance and a Diploma in Company Direction. Prior to joining the Group in 1997, Mr. Wong was a professional management consultant with more than 15 years' experience, specialised in Strategic, Financial and Performance Improvement Management. His portfolio covered over 40 local and multinational companies throughout Hong Kong and the PRC, as well as other Asian countries. He is currently a fellow member of the Hong Kong Institute of Directors.



# Board of Directors and Senior Management

## Senior Management *(continued)*

**HUI Yee, Wilson**, aged 49, is the Director of Sales and Marketing for the Group, an Executive Director of Taifook Securities Company Limited and the Managing Director of Taifook Futures Limited. Mr. Hui is responsible for the development and management of the Group's retail brokerage business. He is a responsible officer of Taifook Securities Company Limited under the Securities and Futures Ordinance. Mr. Hui holds a Bachelor Degree in Economics and Management Studies from the University of Hong Kong. Mr. Hui joined the Group in 1995 after 14 years of experience in the banking and securities industries. He is currently a member of the Hong Kong Institute of Directors and the Hong Kong Securities Institute.

**WU Kwok Leung, Edmond**, aged 53, is the Operations Director of the Group and an Executive Director of Taifook Securities Company Limited. Mr. Wu holds a Master of Business Administration Degree from the University of East Asia, Macau (currently known as "the University of Macau") and a Diploma of Management for Executive Development from the Chinese University of Hong Kong. He has more than 25 years of experience in the field of banking and finance. Before joining the Group, Mr. Wu held senior position with various financial institutions. He was formerly Vice President of First Pacific Bank Limited, Commercial Banking Group and Chief Operations Manager of The Sanwa Bank Limited. He is currently a member of the Hong Kong Institute of Directors.

**YING Tak Sun, Nelson**, aged 39, is the Chief Information Officer and Head of On-line Services of the Group. Mr. Ying is responsible for developing the Group's strategic roadmap to enhance the Group's information technology capabilities and responsiveness to business needs, as well as promoting and practising information technology governance. Mr. Ying holds a Bachelor of Computer Science from Boston College in the United States of America. Prior to joining the Group in 2001, Mr. Ying has over 19 years of experience in financial and technology management consulting, and software development spanning several Wall Street financial institutions and global consulting firms.

**LO Wai Ho, Kendy**, aged 45, is the Finance Director of the Group. Mr. Lo is responsible for accounting, settlement, and financial management. Mr. Lo holds a Master of Business Administration Degree from Columbia Southern University in U.S.A. and a Professional Diploma in Accountancy from the Hong Kong Polytechnic University. He has over 20 years' experience in the securities and futures industry. Prior to joining the Group in April 2004, Mr. Lo has held senior positions in regional financial institutions in Hong Kong. He is a member of the Institute of Chartered Accountants in England and Wales and a member of the Hong Kong Institute of Certified Public Accountants.

**LAU Yiu Wai, Joseph**, aged 47, is the Managing Director of Taifook Asset Management Limited. Mr. Lau joined the Group in 2000 and is responsible for the Group's asset management business, including management of investment portfolios, business development and product development. He holds a Bachelor's Degree and a Master's Degree in Economics from the University of Hong Kong. Prior to joining the Group, Mr. Lau worked at Jardine Fleming Investment Management between 1996 and 1999 and Schroders Investment Management from 1991 to 1996. Mr. Lau is currently licensed with the Securities and Futures Commission of Hong Kong for engaging in advising on securities, advising on futures contracts and asset management. He has been a Chartered Financial Analyst since 1995.

## Board of Directors and Senior Management

### Senior Management *(continued)*

**LAU Chi Keung, Sammy**, aged 47, is the Director of Internal Audit and Special Projects of the Group. Mr. Lau holds a Master of Applied Finance Degree from the University of Western Sydney. He has over 20 years of experience in auditing, accounting and financial management. Mr. Lau is a fellow of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He is also a member of the Institute of Chartered Accountants in England and Wales, the Hong Kong Institute of Directors and the Hong Kong Securities Institute.

**LI Tung Wing, Mike**, aged 40, is the Company Secretary and Compliance Director of the Group. Mr. Li is responsible for the company secretarial and compliance functions of the Group. Mr. Li holds a Master of Business Administration Degree from Heriot-Watt University in the United Kingdom. He has over 15 years of experience in the company secretarial and compliance fields. Mr. Li is a fellow of the Association of Chartered Certified Accountants and the Hong Kong Institute of Chartered Secretaries as well as a member of the Hong Kong Institute of Certified Public Accountants.

## 董事會及高級管理層

### 董事會

#### 執行董事

**鄭家純博士 金紫荊星章**，六十一歲，乃本公司之主席。鄭博士於一九七六年十一月加入本集團。鄭博士為新世界發展有限公司及新世界酒店(集團)有限公司之董事總經理、新世界中國地產有限公司之主席兼董事總經理，及新世界百貨中國有限公司、新創建集團有限公司及國際娛樂有限公司之主席，彼亦為周大福企業有限公司、Centennial Success Limited及Cheng Yu Tung Family (Holdings) Limited之董事，鄭博士亦出任香港興業國際集團有限公司之獨立非執行董事及利福國際集團有限公司之非執行董事。鄭博士為香港明天更好基金顧問委員會主席及中華人民共和國第十一屆全國政協常務委員。彼於二零零一年榮獲香港特別行政區政府頒授金紫荊星章。鄭博士為本公司之副主席杜惠愷先生之妻舅。

**魯連城**，五十二歲，乃本公司之副主席。魯先生於一九八六年六月加入本集團。魯先生於金融、證券及期貨業積逾二十年經驗。彼自一九八六年起為芝加哥商品交易所之會員，並持有國際貨幣市場之會籍。魯先生為蒙古能源有限公司及新世界移動控股有限公司之主席，彼亦為國際娛樂有限公司之副主席，上述公司之股份均於香港聯合交易所有限公司上市。魯先生是中國人民政治協商會議第十屆山西省委員會常務委員。

**杜惠愷 太平紳士**，六十三歲，乃本公司之副主席。杜先生於一九八六年六月加入本集團，曾於一九八八年七月離職，但於一九九六年五月重返本集團。彼持有加拿大多倫多大學理學士學位及美國加州大學理學碩士學位，彼亦持有Gemologist Institute of America寶石學研究生文憑。杜先生現為新世界中國地產有限公司及新創建集團有限公司之副主席，彼亦為利福國際集團有限公司之執行董事，新世界酒店(集團)有限公司及豐盛珠寶有限公司之董事。自二零零八年一月十日起，杜先生獲東亞銀行有限公司委任為該銀行之獨立非執行董事。杜先生現為中華人民共和國委任之中國人民政協會第十屆上海市常務委員，以及港澳委員召集人。彼自一九九五年起擔任加拿大商會駐港總監，並於二零零四年獲香港特別行政區政府委任為太平紳士，以及於二零零五年六月獲摩洛哥王國委任為香港名譽領事。杜先生為本公司之主席鄭家純博士之妹夫。

**黃紹開**，六十七歲，乃本公司之董事總經理及行政總裁。根據證券及期貨條例，彼亦為大福證券有限公司及大福融資有限公司之負責人員。黃先生於一九八七年十一月加入本集團。黃先生持有澳門東亞大學(現稱為「澳門大學」)頒發之工商管理碩士學位。彼於金融服務業積逾三十年經驗。黃先生為達利國際集團有限公司及榮暉國際集團有限公司之獨立非執行董事，以上公司之股份於香港聯合交易所有限公司上市。黃先生為香港董事學會之主席。

**李耀榮**，四十七歲，乃本公司之執行董事及營運總監，以及大福證券有限公司之董事總經理，根據證券及期貨條例，彼亦為大福證券有限公司及大福投資服務有限公司之負責人員。李先生早於一九八八年加入本集團，於一九九五年離開後，於一九九七年再次加盟本集團，彼負責管理所有營運部門、零售及企業服務及銷售部門。李先生持有加拿大University of Guelph之經濟管理學士學位。彼於金融服務業擁有逾十九年之經驗。李先生為香港董事學會、香港證券專業學會及香港上市公司商會之會員，以及香港交易及結算有限公司之現貨市場諮詢小組成員，彼亦為香港證券經紀業協會之副主席。

**陳志安**，四十四歲，乃本公司之執行董事及大福融資有限公司之董事總經理。根據證券及期貨條例，彼亦為大福融資有限公司之負責人員。陳先生於一九九六年加入本集團，並主管企業融資部。陳先生持有香港科技大學工商管理碩士學位及香港大學社會科學院經濟學士學位。彼於金融服務業積逾十八年經驗。陳先生曾出版一本有關上市程序及證券交易規則之書籍。陳先生為海灣控股有限公司及越秀房託資產管理有限公司(為越秀房地產投資信託基金之管理人)之獨立非執行董事，海灣控股有限公司之股份及越秀房地產投資信託基金之單位均於香港聯合交易所有限公司上市。

## 董事會及高級管理層

### 非執行董事

**黃國堅**，六十二歲，乃本公司之非執行董事。黃先生於二零零零年九月加入本集團。彼於酒店管理、工程企劃、財務管控及人力資源管理等方面擁有逾二十五年之豐富經驗。黃先生現為新創建集團有限公司及天傳有限公司之執行董事，彼亦為新世界第一控股有限公司及新世界電話控股有限公司之董事；此外，黃先生亦擔任多間新世界集團附屬公司及聯屬公司之執行董事，掌管業務包括免稅煙酒特許經營、通訊服務及香港和中國內地之物業管理。黃先生曾任新世界酒店(國際)有限公司之執行董事，彼亦於一九九五年至一九九七年間，在紐約聯合交易所上市之Renaissance Hotel Group N.V.任執行董事。彼亦曾於羅兵咸會計師樓及英國Bowater Group of Companies服務。

**林煒瀚**，四十五歲，乃本公司之非執行董事。林先生於二零零二年二月加入本集團。林先生為特許會計師及持有蘇格蘭愛丁堡大學工商管理碩士學位及英國University of Essex學士學位。彼為香港會計師公會及英格蘭與威爾斯特許會計師公會之資深會員，亦為加拿大安大略省特許會計師公會之會員。林先生現為新世界發展有限公司之助理總經理，彼亦為新創建集團有限公司及香港會議展覽中心(管理)有限公司之執行董事，以及惠記集團有限公司及利基控股有限公司之非執行董事。加入新世界集團之前，林先生於一間國際會計師事務所工作。

**何厚鏘**，五十二歲，乃本公司之非執行董事。何先生於一九九六年五月加入本集團。何先生於國際財務及物業發展方面積逾二十年經驗。彼為英格蘭及威爾斯特許會計師公會及香港會計師公會之會員。何先生乃其家族擁有之私人公司德雄(集團)有限公司及恆威投資有限公司之董事，彼亦兼任新世界移動控股有限公司、中信泰富有限公司、利興發展有限公司、香港小輪(集團)有限公司、美麗華酒店企業有限公司、信德集團有限公司及升岡國際有限公司之董事。

**杜顯俊**，五十八歲，乃本公司之非執行董事。杜先生於一九九六年五月加入本集團。自一九七五年以來，他一直為香港之執業律師，並獲得英國執業律師資格及新加坡出庭代訟人及執業律師資格，彼現為唐天樂律師行之高級及總合夥人。杜先生亦為國際娛樂有限公司之執行董事，以及蒙古能源有限公司及新創建集團有限公司之非執行董事，上述公司之股份均於香港聯合交易所有限公司上市。

**李嘉士**，四十七歲，乃本公司之非執行董事。李先生於二零零七年十一月加入本集團。李先生於香港大學取得法律學士學位及法律深造文憑。彼為香港、英格蘭及威爾斯、新加坡及澳洲首都地域之合資格律師，並由一九八九年起擔任胡關李羅律師行之合夥人。李先生於二零零零年至二零零三年為香港聯合交易所有限公司主板上市委員會之委員，彼亦為香港政府人事登記審裁處之審裁員及交通審裁處之小組主席。李先生為渝太地產集團有限公司、港通控股有限公司、中國製藥集團有限公司、合和實業有限公司、安全貨倉有限公司、添利工業國際(集團)有限公司及渝港國際有限公司之非執行董事，以及合景泰富地產控股有限公司之獨立非執行董事，上述公司之股份均於香港聯合交易所有限公司上市。

### 獨立非執行董事

**文暮良**，五十五歲，乃本公司之獨立非執行董事。文先生於二零零四年七月加入本集團。彼自一九八五年起擔任摩斯倫•馬賽會計師事務所之合夥人，於核證、企業諮詢及調查工作均具備豐富經驗。隨著摩斯倫•馬賽在二零零七年六月重組，文先生現為馬賽會計師事務所有限公司之行政主席。彼持有University College London之理學士學位。文先生為香港會計師公會及英格蘭與威爾斯特許會計師公會之資深會員，並為香港執業會計師。文先生亦為先來國際控股有限公司之獨立非執行董事，該公司之股份於香港聯合交易所有限公司上市。

**徐慶全 太平紳士**，五十六歲，乃本公司之獨立非執行董事。徐先生於二零零四年七月加入本集團。彼自一九八零年起為盧王徐律師事務所之創辦合夥人。彼自一九七七年起取得香港高等法院律師資格、自一九八零年起取得英格蘭及威爾斯最高法院律師資格及自一九八三年起取得澳洲維多利亞省最高法院大律師及律師資格，彼亦自一九八五年起取得新加坡最高法院出庭辯護人及律師資格，並自一九八八年起獲英國坎特伯里大主教委任為國際公證人。徐先生於一九九七年獲香港政府委任為太平紳士。徐先生現為蒙古能源有限公司及新世界移動控股有限公司之獨立非執行董事，上述公司之股份均於香港聯合交易所有限公司上市。

## 董事會及高級管理層

### 獨立非執行董事(續)

**劉偉彪**，四十四歲，乃本公司之獨立非執行董事。劉先生於二零零六年十二月加入本集團。彼擁有逾二十年之會計及財務管理經驗。劉先生為香港會計師公會之會員及英國特許公認會計師公會之資深會員。劉先生為蒙古能源有限公司及新世界移動控股有限公司之獨立非執行董事，上述公司之股份均於香港聯合交易所有限公司上市。彼亦為在香港註冊成立之私營有限公司 VOIPWORLD Limited 之首席財務官及 NeocomISP Limited 之董事。

### 高級管理層

**黃逸行**，五十歲，乃本集團之財務總監兼大福財務有限公司及大福企業管理顧問有限公司之執行董事。此外，黃先生亦身兼集團之財務及企業發展部主管。黃先生畢業於英國伯明翰大學，獲得理學士學位、財務學深造文憑及公司董事文憑。黃先生於一九九七年加入本集團之前為管理顧問專才，擁有逾十五年之相關經驗，擅長於策略、財務及表現提升管理等範疇，曾為中港兩地及其他亞洲國家逾四十間當地和跨國企業提供管理顧問服務。彼現為香港董事學會之資深會員。

**許儀**，四十九歲，乃本集團之銷售及市場推廣總監，亦為大福證券有限公司之執行董事，以及大福期貨有限公司之董事總經理。許先生負責本集團之零售經紀業務之發展及管理。根據證券及期貨條例，彼為大福證券有限公司之負責人員。許先生持有香港大學經濟管理學士學位。許先生於一九九五年加入本集團前，於銀行及證券業擁有十四年經驗。彼現為香港董事學會及香港證券專業學會之會員。

**胡國良**，五十三歲，乃本集團之營運董事，亦為大福證券有限公司之執行董事。胡先生持有澳門東亞大學(現稱為「澳門大學」)頒發之工商管理碩士學位及香港中文大學頒發之高級行政人員管理發展課程文憑。彼於銀行及金融業擁有逾二十五年經驗。胡先生於加入本集團前，曾於多間金融機構擔當要職：彼曾為第一太平銀行有限公司之商業銀行部副總裁及三和銀行之營運總經理。彼現為香港董事學會之會員。

**應德信**，三十九歲，乃本集團之首席資訊總監及電子網上服務主管。應先生負責發展本集團的策略方向以提升本集團的資訊科技功能和切合業務的需要，以及推廣和實踐資訊科技的管治。應先生持有美國波士頓學院計算機科學學士學位。應先生於二零零一年加入本集團之前，曾服務於數家華爾街金融機構及全球性顧問公司，在金融業、科技管理顧問及軟體發展行業擁有逾十九年經驗。

**盧偉浩**，四十五歲，乃本集團之財務董事。盧先生負責會計、交收及財政管理。盧先生持有美國 Columbia Southern University 頒發之工商管理碩士學位及香港理工大學頒發之會計學專業文憑。彼在證券及期貨業擁有逾二十年之工作經驗。盧先生於二零零四年四月加入本集團前，曾於香港多間金融機構擔任要職。彼為英格蘭及威爾斯特許會計師公會及香港會計師公會之會員。

**劉耀威**，四十七歲，乃大福資產管理有限公司之董事總經理。劉先生於二零零零年加入本集團，並負責大福證券集團資產管理業務的整體管理工作，包括管理投資組合、業務發展和產品開發。彼持有香港大學經濟學士和碩士學位。劉先生加入本集團之前，曾在一九九六年至一九九九年間效力怡富投資管理及在一九九一年至一九九六年間效力寶源投資管理。劉先生已在香港證券及期貨事務監察委員會註冊持有就證券提供意見，就期貨合約提供意見和提供資產管理的牌照。彼於一九九五年獲發特許財務分析員資格。

**劉志強**，四十七歲，乃本集團之內部審計及特別項目董事。劉先生持有 University of Western Sydney 頒發之財務學碩士學位，彼擁有逾二十年之審計、會計及財務管理經驗。劉先生為英國特許公認會計師公會及香港會計師公會之資深會員，彼亦為英格蘭及威爾斯特許會計師公會、香港董事學會及香港證券專業學會之會員。

**李東榮**，四十歲，乃本集團之公司秘書及監察董事。李先生負責本集團公司秘書及監察工作。李先生持有英國 Heriot-Watt University 頒發之工商管理碩士學位，彼擁有逾十五年之公司秘書及監察工作經驗。李先生為英國特許公認會計師公會及香港特許秘書公會之資深會員，以及香港會計師公會之會員。

# Report of the Board of Directors

The directors present their report and the audited financial statements of the Company and the Group for the year ended 31 December 2007.

## Principal activities

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries comprise securities and futures contracts broking and trading, the provision of margin and other financing, the provision of corporate advisory, placing and underwriting services, bullion contracts dealing and trading, leveraged foreign exchange trading, the provision of nominee and custodian services, fund management and the provision of financial planning services. There were no significant changes in the nature of the Group's principal activities during the year.

## Results and dividends

The Group's profit for the year ended 31 December 2007 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 101 to 199.

An interim dividend of HK13 cents per ordinary share was paid on 22 October 2007. The directors recommend the payment of a final dividend in respect of the year of HK25 cents per ordinary share in scrip form with a cash option, to shareholders on the register of members on 29 May 2008. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the equity section of the balance sheet.

## Summary financial information

A summary of the published results, assets, liabilities and minority interests of the Group for the year ended 31 December 2007 and the previous ten financial periods/years, as extracted from the audited financial statements and reclassified as appropriate, is set out on page 200 of this Annual Report. This summary does not form part of the audited financial statements.

## Property, plant and equipment

Details of movements in the property, plant and equipment of the Company and the Group during the year are set out in note 13 to the financial statements.

## Share capital

Details of movements in the Company's share capital during the year, together with the reasons therefor, are set out in note 30 to the financial statements.

## Pre-emptive rights

There are no provisions for pre-emptive rights under the Company's Bye-laws or the laws of Bermuda, being the jurisdiction in which the Company is incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

# Report of the Board of Directors

## Purchase, sale or redemption of listed securities of the Company

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2007 other than as an agent for clients of the Company or its subsidiaries.

## Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 32 to the financial statements and in the consolidated statement of changes in equity, respectively.

## Distributable reserves

At 31 December 2007, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Act 1981 of Bermuda (as amended), amounted to HK\$175,658,000, of which HK\$163,562,000 has been proposed as a final dividend for the year. In addition, the Company's share premium account, in the amount of HK\$780,078,000, may be distributed in the form of fully paid bonus shares.

## Charitable contributions

During the year, the Group made charitable contributions totalling HK\$420,900.

## Major customers and suppliers

In the year under review, the revenue attributable to the five largest customers of the Group accounted for less than 30% of the Group's total revenue for the year.

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers.

The Group is a provider of financial services. In the opinion of the directors, it is therefore of no value to disclose details of the Group's suppliers.

## Directors

The directors of the Company during the year were:

### Executive directors:

Cheng Kar Shun, Henry  
Lo Lin Shing, Simon  
Doo Wai Hoi, William  
Wong Shiu Hoi, Peter  
Lee Yiu Wing, William  
Chan Chi On, Derek

# Report of the Board of Directors

## Non-executive directors:

Wong Kwok Kin, Andrew  
Lam Wai Hon, Patrick  
Cheung Wing Yui, Edward (resigned on 1 October 2007)  
Ho Hau Chong, Norman  
To Hin Tsun, Gerald  
Lee Ka Sze, Carmelo (appointed on 1 November 2007)

## Independent non-executive directors:

Man Mo Leung  
Tsui Hing Chuen, William  
Lau Wai Piu, Bill

In accordance with the Company's Bye-laws, Messrs. Lo Lin Shing, Simon, Doo Wai Hoi, William, Lam Wai Hon, Patrick, Man Mo Leung, Tsui Hing Chuen, William and Lee Ka Sze, Carmelo will retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

## Directors' and senior management's biographies

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 59 to 64 of this Annual Report.

## Directors' service contracts

### Executive directors

Each of Dr. Cheng Kar Shun, Henry and Mr. Doo Wai Hoi, William entered into a new service agreement with the Company on 2 January 2007 upon the expiry of their respective previous service agreements on 31 December 2006. Particulars of these new service agreements are set out below:

- (a) Each service agreement is for a term of three years commencing on 1 January 2007 subject to the retirement and re-election provisions in the Bye-laws of the Company unless and until terminated by either party giving to the other not less than six months' prior written notice.
- (b) The annual directors' fees of Dr. Cheng Kar Shun, Henry and Mr. Doo Wai Hoi, William are HK\$900,000 and HK\$600,000 payable every half-yearly in equal amounts of HK\$450,000 and HK\$300,000 each respectively. Subject to approval of the shareholders in annual general meetings, such annual directors' fees shall be adjusted from time to time at a rate to be determined by the Remuneration Committee of the Company.

Each of Messrs. Lo Lin Shing, Simon, Wong Shiu Hoi, Peter, Lee Yiu Wing, William and Chan Chi On, Derek entered into a service agreement with the Company on 10 December 2003. Particulars of these service agreements are set out below:

- (a) Each service agreement is for a term of three years commencing on 1 January 2004 and thereafter continuing until terminated by either party giving to the other not less than six months' prior written notice.



## Report of the Board of Directors

- (b) The monthly salaries of Messrs. Lo Lin Shing, Simon, Wong Shiu Hoi, Peter, Lee Yiu Wing, William and Chan Chi On, Derek specified in their service agreements were HK\$225,000, HK\$225,000, HK\$117,000 and HK\$135,000 respectively, which shall be adjusted from time to time at a rate to be determined by the independent non-executive directors. The current monthly salaries of Messrs. Lo Lin Shing, Simon, Wong Shiu Hoi, Peter, Lee Yiu Wing, William and Chan Chi On, Derek are HK\$262,500, HK\$262,500, HK\$187,000 and HK\$187,000 respectively which have been taken effect from 1 January 2008.
- (c) Each of Messrs. Lo Lin Shing, Simon, Wong Shiu Hoi, Peter, Lee Yiu Wing, William and Chan Chi On, Derek is entitled to such management bonus as may be determined by the board of directors with the aggregate amount of the management bonuses payable to all the executive directors in respect of any financial year not exceeding 5% of the consolidated profit of the Group after tax and minority interests but before extraordinary items for the relevant financial year.
- (d) Messrs. Lo Lin Shing, Simon, Wong Shiu Hoi, Peter, Lee Yiu Wing, William and Chan Chi On, Derek are required to abstain from voting and are not be counted in the quorum in respect of any resolution regarding the amount of management bonus available to themselves.

### Non-executive directors

Each of Messrs. Wong Kwok Kin, Andrew, Lam Wai Hon, Patrick, Ho Hau Chong, Norman, To Hin Tsun, Gerald, Man Mo Leung and Tsui Hing Chuen, William entered into a new service contract with the Company on 1 July 2006 upon the expiry of their respective previous service contracts on 30 June 2006. Particulars of these new service contracts are set out below:

- (a) Each service contract is for a term of three years commencing from 1 July 2006 to 30 June 2009 subject to the retirement and re-election provisions in the Bye-laws of the Company and shall be terminated by either party giving to the other not less than three months' notice in writing.
- (b) The annual directors' fees of Messrs. Wong Kwok Kin, Andrew, Lam Wai Hon, Patrick, Ho Hau Chong, Norman and To Hin Tsun, Gerald, subject to approval of the shareholders of the Company in annual general meetings, are HK\$200,000 payable every half-yearly in equal amounts of HK\$100,000.
- (c) Pursuant to the mandate granted by the shareholders of the Company in its annual general meeting held on 29 May 2006, the directors of the Company passed a resolution at its board meeting held on 14 September 2006 to amend the Remuneration Clause of the service contracts of Messrs. Man Mo Leung and Tsui Hing Chuen, William so that with retrospective effect from 1 July 2006, the annual directors' fees of Messrs. Man Mo Leung and Tsui Hing Chuen, William were increased from HK\$200,000 to HK\$250,000 payable every half-yearly in equal amounts of HK\$125,000.
- (d) Each of Messrs. Wong Kwok Kin, Andrew, Lam Wai Hon, Patrick, Ho Hau Chong, Norman, To Hin Tsun, Gerald, Man Mo Leung and Tsui Hing Chuen, William is not entitled to any additional benefits unless decided by the board of directors of the Company otherwise.

Mr. Lau Wai Piu, Bill entered into a service contract with the Company on 1 December 2006. Particulars of his service contract are set out below:

- (a) The service contract is commenced from 1 December 2006 to 30 June 2009 subject to the retirement and re-election provisions in the Bye-laws of the Company and shall be terminated by either party giving to the other not less than three months' notice in writing.

## Report of the Board of Directors

- (b) The annual director's fee of Mr. Lau Wai Piu, Bill, subject to approval of the shareholders of the Company in annual general meetings, is HK\$200,000 payable every half-yearly in equal amounts of HK\$100,000.
- (c) Mr. Lau Wai Piu, Bill is not entitled to any additional benefits unless decided by the board of directors of the Company otherwise.

Mr. Lee Ka Sze, Carmelo has entered into a service contract with the Company on 1 November 2007. Particulars of his service contract are set out below:

- (a) The service contract is commenced from 1 November 2007 to 30 June 2009 subject to the retirement and re-election provisions in the Bye-laws of the Company and shall be terminated by either party giving to the other not less than three months' notice in writing.
- (b) The annual director's fee of Mr. Lee Ka Sze, Carmelo, subject to approval of the shareholders of the Company in annual general meetings, is HK\$200,000 payable every half-yearly in equal amounts of HK\$100,000.
- (c) Mr. Lee Ka Sze, Carmelo is not entitled to any additional benefits unless decided by the board of directors of the Company otherwise.

Apart from the foregoing, no director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

### Directors' interests in contracts

No director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

### Directors' interests and short positions in shares, underlying shares and debentures

As at 31 December 2007, the interests and short positions of the directors in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

#### (a) The Company

Name of directors	Class of shares	Number of shares held			Number of underlying shares held under equity derivatives	Total	Approximate percentage of the Company's issued share capital
		Personal interests	Family interests	Corporate interests			
Wong Shiu Hoi, Peter	Ordinary shares/share options	14,500,000 (Note 1)	-	-	2,000,000 (Note 2)	16,500,000	2.52

## Report of the Board of Directors

Name of directors	Class of shares	Number of shares held			Number of underlying shares held under equity derivatives	Total	Approximate percentage of the Company's issued share capital
		Personal interests	Family interests	Corporate interests			
Lee Yiu Wing, William	Share options	-	-	-	1,500,000 <i>(Note 3)</i>	1,500,000	0.23
Chan Chi On, Derek	Ordinary shares/share options	750,000 <i>(Note 1)</i>	-	-	1,500,000 <i>(Note 4)</i>	2,250,000	0.34

### (b) The associated corporations of the Company

Name of directors	Name of associated corporations	Class of shares	Number of shares/ amount of registered capital held			Number of underlying shares held under equity derivatives	Total	Approximate percentage of the associated corporation's issued share capital/ registered capital
			Personal interests	Family interests	Corporate interests			
Cheng Kar Shun, Henry	NWS Holdings Limited	Ordinary shares/ share options	9,179,199 <i>(Note 1)</i>	587,000 <i>(Note 5)</i>	8,000,000 <i>(Note 6)</i>	3,000,000 <i>(Note 7)</i>	20,766,199	1.03
	New World Development Company Limited	Ordinary shares/ share options	-	300,000 <i>(Note 5)</i>	-	36,500,000 <i>(Note 8)</i>	36,800,000	1.00
	New World China Land Limited	Ordinary shares	12,500,000 <i>(Note 1)</i>	1,000,000 <i>(Note 5)</i>	52,271,200 <i>(Note 6)</i>	-	65,771,200	1.72
	Mega Choice Holdings Limited	Ordinary shares	-	-	3,710 <i>(Note 9)</i>	-	3,710	34.61
	New World Department Store China Limited	Share options	-	-	-	1,000,000 <i>(Note 10)</i>	1,000,000	0.06
Lo Lin Shing, Simon	Taifook Finance Company Limited	Non-voting deferred shares	-	-	47,670,000 <i>(Note 11)</i>	-	47,670,000	47.34

## Report of the Board of Directors

Name of directors	Name of associated corporations	Class of shares	Number of shares/ amount of registered capital held			Number of underlying shares held under equity derivatives	Total	Approximate percentage of the associated corporation's issued share capital/ registered capital
			Personal interests	Family interests	Corporate interests			
Doo Wai Hoi, William	NWS Holdings Limited	Ordinary shares/ share options	2,006,566 <i>(Note 1)</i>	–	9,130,000 <i>(Note 12)</i>	2,000,000 <i>(Note 13)</i>	13,136,566	0.65
	New World China Land Limited	Ordinary shares	8,750,000 <i>(Note 1)</i>	–	66,190,000 <i>(Note 14)</i>	–	74,940,000	1.96
	Fung Seng Estate Development (Shanghai) Co., Ltd.	Registered capital in US\$	–	–	US\$3,000,000 <i>(Note 15)</i>	–	US\$3,000,000	30.00
	Ramada Property Ltd.	Ordinary shares	–	–	250 <i>(Note 16)</i>	–	250	25.00
	Shanghai Juyi Real Estate Development Co., Ltd.	Registered capital in RMB	–	–	RMB229,500,000 <i>(Note 15)</i>	–	RMB229,500,000	30.00
Wong Kwok Kin, Andrew	NWS Holdings Limited	Ordinary shares/ share options	3,030,000 <i>(Note 1)</i>	–	–	1,500,000 <i>(Note 17)</i>	4,530,000	0.22
	New World Development Company Limited	Ordinary shares	150,000 <i>(Note 1)</i>	–	–	–	150,000	0.00
	New World China Land Limited	Ordinary shares	2,136,400 <i>(Note 1)</i>	–	–	–	2,136,400	0.06
	Master Services Limited	Ordinary shares	44,915 <i>(Note 1)</i>	–	–	–	44,915	4.49
Lam Wai Hon, Patrick	NWS Holdings Limited	Ordinary shares/ share options	991,191 <i>(Note 1)</i>	–	5,072 <i>(Note 18)</i>	1,500,000 <i>(Note 19)</i>	2,496,263	0.12
	New World China Land Limited	Ordinary shares	180,000 <i>(Note 1)</i>	–	–	–	180,000	0.00
To Hin Tsun, Gerald	NWS Holdings Limited	Share options	–	–	–	300,000 <i>(Note 20)</i>	300,000	0.01

# Report of the Board of Directors

## Notes:

1. These shares are held by the relevant director as beneficial owner.
2. These shares would be allotted and issued to Mr. Wong Shiu Hoi, Peter upon the exercise in full of the share options granted to Mr. Wong under the 2002 share option scheme of the Company. These share options, all of which remained exercisable as at 31 December 2007, were exercisable at the subscription price of HK\$6.09 per share during the period from 1 June 2008 to 31 May 2016.
3. These shares would be allotted and issued to Mr. Lee Yiu Wing, William upon the exercise in full of the share options granted to Mr. Lee under the 2002 share option scheme of the Company. These share options, all of which remained exercisable as at 31 December 2007, were exercisable at the subscription price of HK\$6.09 per share during the period from 1 June 2008 to 31 May 2016.
4. These shares would be allotted and issued to Mr. Chan Chi On, Derek upon the exercise in full of the share options granted to Mr. Chan under the 2002 share option scheme of the Company. These share options, all of which remained exercisable as at 31 December 2007, were exercisable at the subscription price of HK\$6.09 per share during the period from 1 June 2008 to 31 May 2016.
5. These shares are held by Ms. Ip Mei Hing, Katherine, the spouse of Dr. Cheng Kar Shun, Henry.
6. These shares are held by Dragon Noble Group Limited, a company wholly-owned by Dr. Cheng Kar Shun, Henry.
7. These shares would be allotted and issued to Dr. Cheng Kar Shun, Henry upon the exercise in full of the share options granted to Dr. Cheng under the share option scheme of NWS Holdings Limited. These share options, all of which remained exercisable as at 31 December 2007, were exercisable at the subscription price of HK\$16.20 per share during the period from 21 August 2008 to 20 August 2012.
8. These shares would be allotted and issued to Dr. Cheng Kar Shun, Henry upon the exercise in full of the share options granted to Dr. Cheng under the share option scheme of New World Development Company Limited. These share options, all of which remained exercisable as at 31 December 2007, were exercisable at the subscription price of HK\$17.756 per share during the period from 19 March 2007 to 18 March 2012.
9. These shares are held as to 2,600 shares by Space Enterprises Limited and as to 1,110 shares by Surely Limited, both being companies wholly-owned by Dr. Cheng Kar Shun, Henry.
10. These shares would be allotted and issued to Dr. Cheng Kar Shun, Henry upon the exercise in full of the share options granted to Dr. Cheng under the share option scheme of New World Department Store China Limited. These share options, all of which remained exercisable as at 31 December 2007, were exercisable at the subscription price of HK\$8.66 per share during the period from 27 November 2008 to 26 November 2013.
11. These shares are held by Wellington Equities Inc., a company wholly-owned by Mr. Lo Lin Shing, Simon.
12. These shares are held by Grand Partners Group Limited, a company wholly-owned by Mr. Doo Wai Hoi, William.
13. These shares would be allotted and issued to Mr. Doo Wai Hoi, William upon the exercise in full of the share options granted to Mr. Doo under the share option scheme of NWS Holdings Limited. These share options, all of which remained exercisable as at 31 December 2007, were exercisable at the subscription price of HK\$16.20 per share during the period from 21 August 2008 to 20 August 2012.
14. These shares are held as to 66,050,000 shares by Grand Partners Group Limited and as to 140,000 shares by Golden Distinction Limited, both being companies wholly-owned by Mr. Doo Wai Hoi, William.
15. This registered capital is held by Stanley Enterprises Limited, a company wholly-owned by Mr. Doo Wai Hoi, William.
16. These shares are held by Stanley Enterprises Limited, a company wholly-owned by Mr. Doo Wai Hoi, William.

## Report of the Board of Directors

17. These shares would be allotted and issued to Mr. Wong Kwok Kin, Andrew upon the exercise in full of the share options granted to Mr. Wong under the share option scheme of NWS Holdings Limited. These share options, all of which remained exercisable as at 31 December 2007, were exercisable at the subscription price of HK\$16.20 per share during the period from 21 August 2008 to 20 August 2012.
18. These shares are held by Time Access Limited, a company wholly-owned by Mr. Lam Wai Hon, Patrick.
19. These shares would be allotted and issued to Mr. Lam Wai Hon, Patrick upon the exercise in full of the share options granted to Mr. Lam under the share option scheme of NWS Holdings Limited. These share options, all of which remained exercisable as at 31 December 2007, were exercisable at the subscription price of HK\$16.20 per share during the period from 21 August 2008 to 20 August 2012.
20. These shares would be allotted and issued to Mr. To Hin Tsun, Gerald upon the exercise in full of the share options granted to Mr. To under the share option scheme of NWS Holdings Limited. These share options, all of which remained exercisable as at 31 December 2007, were exercisable at the subscription price of HK\$16.20 per share during the period from 21 August 2008 to 20 August 2012.

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

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

Save as disclosed above, as at 31 December 2007, none of the directors or their associates had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### **Directors' rights to acquire shares or debentures**

Save as disclosed under the heading "Directors' interests and short positions in shares, underlying shares and debentures" above and in the share option scheme disclosures in note 31 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

### **Share option schemes**

On 23 August 2002, the shareholders of the Company approved the adoption of a share option scheme (the "2002 Share Option Scheme") which complies with the new requirements of the Listing Rules. A summary of the principal terms of the 2002 Share Option Scheme is set out as follows:

#### **Purpose of the 2002 Share Option Scheme:**

To attract, retain and motivate talented employees to strive towards long term performance targets set by the Company and its subsidiaries and at the same time to allow the participants to enjoy the results of the Company attained through their effort and contribution.

# Report of the Board of Directors

## **Participants of the 2002 Share Option Scheme:**

Any full time employees, executive and non-executive directors of the Company or any of its subsidiaries or associates.

## **Total number of shares available for issue under the 2002 Share Option Scheme and percentage of the Company's issued share capital as at the date of this annual report:**

The maximum number of shares which may be issued upon exercise of all options to be granted under the 2002 Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares in issue as at the date of adoption of the 2002 Share Option Scheme (the "Scheme Mandate Limit") but the Company may seek approval of its shareholders at general meetings to refresh the Scheme Mandate Limit, save that the maximum number of shares in respect of which options may be granted by directors of the Company under the 2002 Share Option Scheme and any other share option schemes of the Company shall not exceed 10% of the issued share capital of the Company as at the date of approval by the shareholders of the Company at general meetings where such limit is refreshed. Options previously granted under the 2002 Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed or exercised options) will not be counted for the purpose of calculating such 10% limit as refreshed. Notwithstanding the aforesaid in this paragraph, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2002 Share Option Scheme and any other share option schemes of the Company shall not exceed 30% (or such higher percentage as may be allowed under the Listing Rules) of the total number of shares in issue from time to time.

As at the date of this annual report, the total number of shares available for issue under the 2002 Share Option Scheme was 29,236,169 shares, which represented approximately 4.47% of the issued share capital of the Company at that day.

## **Maximum entitlement of each participant under the 2002 Share Option Scheme:**

The maximum number of shares issued and to be issued upon exercise of the options granted to each participant under the 2002 Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of the Company's shares in issue. Any further grant of share options in excess of this limit is subject to approval by the shareholders of the Company at a general meeting.

Share options granted to a director, chief executive or substantial shareholders of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the total number of shares of the Company in issue at the date on which such grant is proposed by the directors or with an aggregate value (based on the closing price of the Company's shares at the date on which such grant is proposed by the directors) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance at a general meeting of the Company.

## **The period within which the shares must be taken up under an option and the minimum period for which an option must be held before it can be exercised:**

The exercise period of the share options granted is determinable by the directors, and such period shall commence not earlier than six months from the date of the grant of the options and expire not later than 10 years after the date of grant of the options.

# Report of the Board of Directors

## The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be paid:

The offer of a grant of share options may be accepted within 30 days from the date of the offer upon payment of a consideration of HK\$1 by the grantee.

## The basis of determining the exercise price:

The exercise price of the share options is determinable by the directors, and shall be at least the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheet on the offer date; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the offer date; and (iii) the nominal value of the Company's shares.

## The remaining life of the 2002 Share Option Scheme:

The 2002 Share Option Scheme shall be valid and effective for a period of 10 years commencing from the date on which it is conditionally adopted by resolution of the Company at general meetings and will be expired on 22 August 2012.

The movements of the share options under the 2002 Share Option Scheme during the year were as follows:

Name or category of participants	Number of share options					At 31 December 2007	Date of grant of share options*	Exercise period of share options	Price of the Company's shares***			
	At 31 December 2006	Granted during the year	Exercised during the year	Lapsed during the year	At immediately preceding the grant date				At immediately preceding the exercise date	HK\$ per share	HK\$ per share	HK\$ per share
<b>Directors</b>												
Lo Lin Shing, Simon	4,000,000	-	(4,000,000)	-	-	10 February 2006	10 August 2006 – 9 August 2014	0.94	0.94	2.14		
Wong Shiu Hoi, Peter	4,000,000	-	(4,000,000)	-	-	10 February 2006	10 August 2006 – 9 August 2014	0.94	0.94	2.95		
	-	2,000,000	-	-	2,000,000	1 December 2007	1 June 2008 – 31 May 2016	6.09	5.69	N/A		
Lee Yiu Wing, William	2,500,000	-	(2,500,000)	-	-	10 February 2006	10 August 2006 – 9 August 2014	0.94	0.94	2.22		
	-	1,500,000	-	-	1,500,000	1 December 2007	1 June 2008 – 31 May 2016	6.09	5.69	N/A		
Chan Chi On, Derek	2,250,000	-	(2,250,000)	-	-	10 February 2006	10 August 2006 – 9 August 2014	0.94	0.94	2.92		
	-	1,500,000	-	-	1,500,000	1 December 2007	1 June 2008 – 31 May 2016	6.09	5.69	N/A		
	12,750,000	5,000,000	(12,750,000)	-	5,000,000							



## Report of the Board of Directors

Name or category of participants	Number of share options					Date of grant of share options*	Exercise period of share options	Exercise price of share options** HK\$ per share	Price of the Company's shares***	
	At 31 December 2006	Granted during the year	Exercised during the year	Lapsed during the year	At 31 December 2007				At immediately preceding the grant date of share options HK\$ per share	At immediately preceding the exercise date of share options HK\$ per share
	<b>Continuous contract employees</b>									
In aggregate	7,830,000	-	(7,180,000)	-	650,000	5 September 2003	5 March 2004 – 4 March 2009	1.20	1.16	2.59
In aggregate	10,050,000	-	(8,500,000)	-	1,550,000	10 February 2006	10 August 2006 – 9 August 2014	0.94	0.94	2.41
In aggregate	-	23,700,000	-	-	23,700,000	1 December 2007	1 June 2008 – 31 May 2016	6.09	5.69	N/A
	17,880,000	23,700,000	(15,680,000)	-	25,900,000					
	30,630,000	28,700,000	(28,430,000)	-	30,900,000					

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

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

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

The fair value of the share options granted during the year was HK\$16,110,000 (HK\$0.56 each) of which the Group recognised a share option expense of HK\$2,685,000 during the year ended 31 December 2007.

The fair value of the equity-settled share options granted during the year was estimated as at the date of grant, using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Dividend yield (%)	7.03
Expected volatility (%)	43.61
Historical volatility (%)	43.61
Risk-free interest rate (%)	1.21
Expected life of option (year)	1
Weighted average share price (HK\$)	5.69

The expected life of the options is based on the historical data over the past three years and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

# Report of the Board of Directors

## Substantial shareholders' interests and short positions in shares and underlying shares

As at 31 December 2007, the interests and short positions of those persons (other than the directors of the Company) in the shares and underlying shares of the Company as required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO, were as follows:

Name of substantial shareholders	Number of shares held and nature of interests		Number of underlying shares held under equity derivatives	Total	Approximate percentage of the Company's issued share capital
	Direct	Deemed			
Cheng Yu Tung Family (Holdings) Limited ("CYTF")	–	376,619,103	–	376,619,103	57.59
Centennial Success Limited ("CSL")	–	376,619,103	–	376,619,103	57.59
Chow Tai Fook Enterprises Limited ("CTFE")	–	376,619,103	–	376,619,103	57.59
New World Development Company Limited ("NWD")	–	376,619,103	–	376,619,103	57.59
NWS Holdings Limited ("NWS")	–	376,619,103	–	376,619,103	57.59
NWS Service Management Limited (incorporated in the Cayman Islands) ("NWSSM (Cayman)")	–	376,619,103	–	376,619,103	57.59
NWS Service Management Limited (incorporated in the British Virgin Islands) ("NWSSM (BVI)")	–	376,619,103	–	376,619,103	57.59
NWS Financial Management Services Limited ("NWSFM")	376,619,103	–	–	376,619,103	57.59

Note: CYTF held a 51% interest in CSL, which in turn held the entire issued share capital of CTFE. CTFE held an interest of approximately 36.61% in NWD, which in turn held approximately 56.80% of the issued share capital of NWS. NWS, through its wholly-owned subsidiary, NWSSM (Cayman), held the entire issued share capital of NWSSM (BVI), which in turn held the entire issued share capital of NWSFM. By virtue of the provisions of the SFO, each of CYTF, CSL, CTFE, NWD, NWS, NWSSM (Cayman) and NWSSM (BVI) is deemed to be interested in the shares in which NWSFM is interested.

# Report of the Board of Directors

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

Save as disclosed above, as at 31 December 2007, no person, other than the directors of the Company, whose interests are set out in the section headed "Directors' interests and short positions in shares, underlying shares and debentures" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

## Connected transactions and continuing connected transactions

### Connected transactions

The connected transactions undertaken by the Group are included in the transactions set out in note 37 to the financial statements.

### Continuing connected transactions

The continuing connected transactions undertaken by the Group are included in the transactions set out in note 37 to the financial statements.

The independent non-executive directors have reviewed the connected transactions and continuing connected transactions in note 37 to the financial statements and have confirmed that the connected transactions and continuing connected transactions have been entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

### Sufficiency of public float

Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

### Directors' interests in competing businesses

As at 31 December 2007, the following director is considered to have interests in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules, as set out below:

Name of director	Entities whose businesses are considered to compete or likely to compete with the businesses of the Group	Description of businesses of the entities which are considered to compete or likely to compete with the businesses of the Group	Nature of interest of the director in the entities
Lam Wai Hon, Patrick	Certain subsidiaries of East Asia Secretaries (BVI) Limited	Provision of corporate advisory services, nominee and custodian services	Director of East Asia Secretaries (BVI) Limited and certain of its subsidiaries

# Report of the Board of Directors

As the board of directors of the Company is independent from the board of directors of the aforesaid companies and the above director does not control the board of the Company, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of such companies.

Save as disclosed above, as at 31 December 2007, none of the directors of the Company and their associates had any interests in an entity whose business competes or is likely to compete, either directly or indirectly, with the Company's business.

## **Corporate governance**

The Company's corporate governance principles and practices are set out in the Corporate Governance Report on pages 20 to 27 of this Annual Report.

On behalf of the board

**Dr. CHENG Kar Shun, Henry**

*Chairman*

Hong Kong, 17 March 2008

## 董事會報告書

董事會謹提呈截至二零零七年十二月三十一日止年度之董事會報告書及本公司與本集團之經審核財務報表。

### 主要業務

本公司之主要業務為投資控股。其附屬公司之主要業務包括證券及期貨合約經紀及買賣，提供孖展及其他財務借貸，提供企業諮詢、配售及包銷服務，貴金屬合約買賣及交易，槓桿外匯買賣，提供代理人及保管服務，基金管理，以及提供財務策劃服務。本集團於年內之主要業務性質並無重大變動。

### 業績及股息

本集團截至二零零七年十二月三十一日止年度之溢利及本公司與本集團於該日之財政狀況載於財務報表第101至199頁。

本公司於二零零七年十月二十二日派付中期股息每股普通股13港仙。董事會建議向於二零零八年五月二十九日名列股東名冊之股東派付年內末期股息每股普通股25港仙，並採納以股代息方式分派，惟股東可選擇收取現金。此項建議已納入財務報表，作為資產負債表內之股本項內之保留溢利分配。

### 財務資料概要

本集團於截至二零零七年十二月三十一日止年度及過往十個財政期間／年度之已公佈業績、資產、負債及少數股東權益之概要載於本年報第200頁，該概要乃摘錄自經審核財務報表，並適當地重新分類。該概要並非經審核財務報表之一部分。

### 物業、機器及設備

本公司及本集團於年內之物業、機器及設備變動詳情載於財務報表附註13。

### 股本

本公司於年內之股本變動詳情，連同有關變動之原因載於財務報表附註30。

### 優先購買權

本公司之公司組織章程細則及百慕達(本公司註冊成立之司法權區)法律並無有關本公司須按比例向現有股東發行新股份之優先購買權規定。

### 購買、出售或贖回本公司之上市證券

截至二零零七年十二月三十一日止年度，本公司及其任何附屬公司於年內概無購買、出售或贖回本公司之任何上市證券，惟代表本公司或其附屬公司之客戶以代理人身份而進行買賣者除外。

## 董事會報告書

### 儲備

本公司及本集團於年內之儲備變動詳情分別載於財務報表附註32及綜合股本權益變動表。

### 可分派儲備

於二零零七年十二月三十一日，根據一九八一年百慕達公司法(經修訂)之規定計算，本公司之可分派儲備達175,658,000港元，當中163,562,000港元擬撥作年內之末期股息。此外，本公司合共780,078,000港元之股份溢價賬可按繳足紅股方式分派。

### 慈善捐款

本集團於年內之慈善捐款合共420,900港元。

### 主要客戶及供應商

本集團在回顧年度內五大客戶之收入佔本集團於年內之總收入不足百分之三十。

概無本公司董事或彼等之任何聯繫人士或據董事所知擁有本公司已發行股本百分之五以上之任何股東持有本集團五大客戶之任何實益權益。

本集團為一所提供金融服務之機構，因此，董事認為公佈本集團供應商之資料並沒有任何價值。

### 董事

本公司於年內之董事詳列如下：

#### 執行董事：

鄭家純  
魯連城  
杜惠愷  
黃紹開  
李耀榮  
陳志安

## 董事會報告書

### 非執行董事：

黃國堅

林煒瀚

張永銳 (於二零零七年十月一日辭任)

何厚鏘

杜顯俊

李嘉士 (於二零零七年十一月一日獲委任)

### 獨立非執行董事：

文暮良

徐慶全

劉偉彪

按照本公司之公司組織章程細則，魯連城先生、杜惠愷先生、林煒瀚先生、文暮良先生、徐慶全先生及李嘉士先生將於應屆股東週年大會退任，惟彼等符合資格，並願意膺選連任。

### 董事及高級管理層之履歷

本公司董事及本集團高級管理層之履歷載於本年報第65至67頁。

### 董事之服務合約

#### 執行董事

鄭家純博士及杜惠愷先生各自訂立之服務協議於二零零六年十二月三十一日屆滿後，彼等於二零零七年一月二日與本公司訂立新服務協議。此等新服務協議之詳情載列如下：

- (a) 各服務協議均自二零零七年一月一日起生效，為期三年，須遵照本公司之公司組織章程細則之條文退任並膺選連任，除非任何一方先向另一方發出不少於六個月之書面通知以終止協議。
- (b) 鄭家純博士及杜惠愷先生之年度董事袍金各為900,000港元及600,000港元，每半年支付一次，每次分別等額支付各450,000港元及300,000港元。該董事袍金可按本公司薪酬委員會釐定之比率不時予以調整，惟須股東在股東週年大會批准。

魯連城先生、黃紹開先生、李耀榮先生及陳志安先生各自於二零零三年十二月十日與本公司訂立服務協議。此等服務協議之詳情載列如下：

- (a) 各服務協議均自二零零四年一月一日起生效，為期三年，其後繼續生效，直至任何一方先向另一方發出不少於六個月之書面通知以終止協議為止。

## 董事會報告書

- (b) 魯連城先生、黃紹開先生、李耀榮先生及陳志安先生之月薪按彼等之服務協議訂明分別為225,000港元、225,000港元、117,000港元及135,000港元，可按獨立非執行董事釐定之比率不時予以調整。魯連城先生、黃紹開先生、李耀榮先生及陳志安先生現時之月薪分別為262,500港元、262,500港元、187,000港元及187,000港元，該月薪自二零零八年一月一日開始生效。
- (c) 魯連城先生、黃紹開先生、李耀榮先生及陳志安先生均有權收取董事會可能釐定之管理花紅。惟於任何財政年度發放全體執行董事之管理花紅總額，不得超過本集團於有關財政年度除稅及少數股東權益後但未計非經常項目前之綜合溢利之百分之五。
- (d) 魯連城先生、黃紹開先生、李耀榮先生及陳志安先生須就任何有關其所獲之管理花紅數額之決議案放棄投票，亦不會被計入有關之法定人數內。

### 非執行董事

黃國堅先生、林焯瀚先生、何厚鏘先生、杜顯俊先生、文暮良先生及徐慶全先生各自訂立之服務合約於二零零六年六月三十日屆滿後，彼等於二零零六年七月一日與本公司訂立新服務合約。此等新服務合約之詳情載列如下：

- (a) 各服務合約之期限均自二零零六年七月一日起至二零零九年六月三十日止，為期三年，須遵照本公司之公司組織章程細則之條文退任並膺選連任，任何一方可向另一方事先發出不少於三個月之書面通知以終止合約。
- (b) 黃國堅先生、林焯瀚先生、何厚鏘先生及杜顯俊先生之年度董事袍金為200,000港元，每半年支付一次，每次等額支付100,000港元，惟須獲得本公司股東在股東週年大會批准。
- (c) 根據本公司股東於二零零六年五月二十九日舉行之股東週年大會授出之授權，本公司董事已於二零零六年九月十四日舉行之董事會會議上通過一項決議案，以修訂上述文暮良先生及徐慶全先生之服務合約之薪酬條款。因此，文暮良先生及徐慶全先生之年度董事袍金已從200,000港元增至250,000港元，每半年支付一次，每次等額支付125,000港元，該年度董事袍金追溯自二零零六年七月一日起生效。
- (d) 除經本公司董事會另行決定外，黃國堅先生、林焯瀚先生、何厚鏘先生、杜顯俊先生、文暮良先生及徐慶全先生均無權收取任何額外利益。

劉偉彪先生於二零零六年十二月一日與本公司訂立服務合約。其服務合約之詳情載列如下：

- (a) 該服務合約之期限自二零零六年十二月一日起至二零零九年六月三十日止，須遵照本公司之公司組織章程細則之條文退任並膺選連任，任何一方可向另一方事先發出不少於三個月之書面通知以終止合約。
- (b) 劉偉彪先生之年度董事袍金為200,000港元，每半年支付一次，每次等額支付100,000港元，惟須獲得本公司股東在股東週年大會批准。
- (c) 除經本公司董事會另行決定外，劉偉彪先生無權收取任何額外利益。



## 董事會報告書

李嘉士先生於二零零七年十一月一日與本公司訂立服務合約。其服務合約之詳情載列如下：

- (a) 該服務合約之期限自二零零七年十一月一日起至二零零九年六月三十日止，須遵照本公司之公司組織章程細則之條文退任並膺選連任，任何一方可向另一方事先發出不少於三個月之書面通知以終止合約。
- (b) 李嘉士先生之年度董事袍金為200,000港元，每半年支付一次，每次等額支付100,000港元，惟須獲得本公司股東在股東週年大會批准。
- (c) 除經本公司董事會另行決定外，李嘉士先生無權收取任何額外利益。

除上文所述者外，本公司並無與任何將於應屆股東週年大會膺選連任之董事訂立任何不可於一年內由本公司終止而毋須賠償(法定賠償除外)之服務合約。

### 董事於合約中之權益

年內，董事概無於本公司或其任何附屬公司簽訂並對本集團之業務屬重大之任何合約中直接或間接擁有任何重大權益。

### 董事於股份、相關股份及債券之權益及淡倉

於二零零七年十二月三十一日，按本公司根據證券及期貨條例(「證券及期貨條例」)第352條規定須予存置之登記冊所載，或根據上市公司董事進行證券交易之標準守則(「標準守則」)向本公司及香港聯合交易所有限公司「聯交所」作出之其他呈報顯示，董事於本公司及其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有之權益及淡倉如下：

#### (a) 本公司

董事姓名	股份類別	所持股份數目			根據股本衍生 工具所持有之 相關股份數目	總數	佔本公司已 發行股本之 概約百分比
		個人權益	家族權益	公司權益			
黃紹開	普通股/購股權	14,500,000 (附註1)	-	-	2,000,000 (附註2)	16,500,000	2.52
李耀榮	購股權	-	-	-	1,500,000 (附註3)	1,500,000	0.23
陳志安	普通股/購股權	750,000 (附註1)	-	-	1,500,000 (附註4)	2,250,000	0.34

## 董事會報告書

### (b) 本公司之相聯法團

董事姓名	相聯法團名稱	股份類別	所持股份數目/註冊資本金額			根據股本衍生 工具所持有之 相關股份數目	總數	佔相聯法團 已發行股本/ 註冊資本之 概約百分比
			個人權益	家族權益	公司權益			
鄭家純	新創建集團有限公司	普通股/購股權	9,179,199 <i>(附註1)</i>	587,000 <i>(附註5)</i>	8,000,000 <i>(附註6)</i>	3,000,000 <i>(附註7)</i>	20,766,199	1.03
	新世界發展有限公司	普通股/購股權	-	300,000 <i>(附註5)</i>	-	36,500,000 <i>(附註8)</i>	36,800,000	1.00
	新世界中國地產 有限公司	普通股	12,500,000 <i>(附註1)</i>	1,000,000 <i>(附註5)</i>	52,271,200 <i>(附註6)</i>	-	65,771,200	1.72
	彩輝集團有限公司	普通股	-	-	3,710 <i>(附註9)</i>	-	3,710	34.61
	新世界百貨中國 有限公司	購股權	-	-	-	1,000,000 <i>(附註10)</i>	1,000,000	0.06
魯連城	大福財務有限公司	無投票權遞延股份	-	-	47,670,000 <i>(附註11)</i>	-	47,670,000	47.34
杜惠愷	新創建集團有限公司	普通股/購股權	2,006,566 <i>(附註1)</i>	-	9,130,000 <i>(附註12)</i>	2,000,000 <i>(附註13)</i>	13,136,566	0.65
	新世界中國地產 有限公司	普通股	8,750,000 <i>(附註1)</i>	-	66,190,000 <i>(附註14)</i>	-	74,940,000	1.96
	豐盛地產發展 (上海)有限公司	註冊資本為美元	-	-	3,000,000美元 <i>(附註15)</i>	-	3,000,000美元	30.00
	華美達地產有限公司	普通股	-	-	250 <i>(附註16)</i>	-	250	25.00
	上海局一房地產發展 有限公司	註冊資本為人民幣	-	-	人民幣229,500,000元 <i>(附註15)</i>	-	人民幣229,500,000元	30.00

## 董事會報告書

董事姓名	相聯法團名稱	股份類別	所持股份數目/註冊資本金額			根據股本衍生 工具所持有之 相關股份數目	總數	佔相聯法團 已發行股本/ 註冊資本之 概約百分比
			個人權益	家族權益	公司權益			
黃國堅	新創建集團有限公司	普通股/購股權	3,030,000 <i>(附註1)</i>	-	-	1,500,000 <i>(附註17)</i>	4,530,000	0.22
	新世界發展有限公司	普通股	150,000 <i>(附註1)</i>	-	-	-	150,000	0.00
	新世界中國地產 有限公司	普通股	2,136,400 <i>(附註1)</i>	-	-	-	2,136,400	0.06
	Master Services Limited	普通股	44,915 <i>(附註1)</i>	-	-	-	44,915	4.49
林煒翰	新創建集團有限公司	普通股/購股權	991,191 <i>(附註1)</i>	-	5,072 <i>(附註18)</i>	1,500,000 <i>(附註19)</i>	2,496,263	0.12
	新世界中國地產 有限公司	普通股	180,000 <i>(附註1)</i>	-	-	-	180,000	0.00
杜顯俊	新創建集團有限公司	購股權	-	-	-	300,000 <i>(附註20)</i>	300,000	0.01

附註：

1. 該等股份乃由有關董事以實益擁有人身份所持有。
2. 該等股份將於本公司二零零二年購股權計劃下向黃紹開先生授出的購股權獲悉數行使後向黃先生配發及發行。該等購股權(全部於二零零七年十二月三十一日仍為可行使)由二零零八年六月一日至二零一六年五月三十一日仍可按認購價每股股份6.09港元行使。
3. 該等股份將於本公司二零零二年購股權計劃下向李耀榮先生授出的購股權獲悉數行使後向李先生配發及發行。該等購股權(全部於二零零七年十二月三十一日仍為可行使)由二零零八年六月一日至二零一六年五月三十一日仍可按認購價每股股份6.09港元行使。
4. 該等股份將於本公司二零零二年購股權計劃下向陳志安先生授出的購股權獲悉數行使後向陳先生配發及發行。該等購股權(全部於二零零七年十二月三十一日仍為可行使)由二零零八年六月一日至二零一六年五月三十一日仍可按認購價每股股份6.09港元行使。

## 董事會報告書

5. 該等股份乃由鄭家純博士之配偶葉美卿女士所持有。
6. 該等股份乃由鄭家純博士全資擁有之公司Dragon Noble Group Limited所持有。
7. 該等股份將於新創建集團有限公司購股權計劃下向鄭家純博士授出的購股權獲悉數行使後向鄭博士配發及發行。該等購股權(全部於二零零七年十二月三十一日仍為可行使)由二零零八年八月二十一日至二零一二年八月二十日仍可按認購價每股股份16.20港元行使。
8. 該等股份將於新世界發展有限公司購股權計劃下向鄭家純博士授出的購股權獲悉數行使後向鄭博士配發及發行。該等購股權(全部於二零零七年十二月三十一日仍為可行使)由二零零七年三月十九日至二零一二年三月十八日仍可按認購價每股股份17.756港元行使。
9. 該等股份乃由Space Enterprises Limited持有2,600股股份，並由Surely Limited持有1,110股股份，兩家均為鄭家純博士全資擁有之公司。
10. 該等股份將於新世界百貨中國有限公司購股權計劃下向鄭家純博士授出的購股權獲悉數行使後向鄭博士配發及發行。該等購股權(全部於二零零七年十二月三十一日仍為可行使)由二零零八年十一月二十七日至二零一三年十一月二十六日仍可按認購價每股股份8.66港元行使。
11. 該等股份乃由魯連城先生全資擁有之公司Wellington Equities Inc. 所持有。
12. 該等股份乃由杜惠愷先生全資擁有之公司Grand Partners Group Limited所持有。
13. 該等股份將於新創建集團有限公司購股權計劃下向杜惠愷先生授出的購股權獲悉數行使後向杜先生配發及發行。該等購股權(全部於二零零七年十二月三十一日仍為可行使)由二零零八年八月二十一日至二零一二年八月二十日仍可按認購價每股股份16.20港元行使。
14. 該等股份乃由Grand Partners Group Limited持有66,050,000股股份，並由Golden Distinction Limited持有140,000股股份，兩家均為杜惠愷先生全資擁有之公司。
15. 該註冊資本乃由杜惠愷先生全資擁有之公司Stanley Enterprises Limited所持有。
16. 該等股份乃由杜惠愷先生全資擁有之公司Stanley Enterprises Limited所持有。
17. 該等股份將於新創建集團有限公司購股權計劃下向黃國堅先生授出的購股權獲悉數行使後向黃先生配發及發行。該等購股權(全部於二零零七年十二月三十一日仍為可行使)由二零零八年八月二十一日至二零一二年八月二十日仍可按認購價每股股份16.20港元行使。
18. 該等股份乃由林煒瀚先生全資擁有之公司Time Access Limited所持有。
19. 該等股份將於新創建集團有限公司購股權計劃下向林煒瀚先生授出的購股權獲悉數行使後向林先生配發及發行。該等購股權(全部於二零零七年十二月三十一日仍為可行使)由二零零八年八月二十一日至二零一二年八月二十日仍可按認購價每股股份16.20港元行使。
20. 該等股份將於新創建集團有限公司購股權計劃下向杜顯俊先生授出的購股權獲悉數行使後向杜先生配發及發行。該等購股權(全部於二零零七年十二月三十一日仍為可行使)由二零零八年八月二十一日至二零一二年八月二十日仍可按認購價每股股份16.20港元行使。

## 董事會報告書

以上所披露之所有權益均代表本公司及其相聯法團之股份及相關股份之好倉。

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

除上文所披露者外，於二零零七年十二月三十一日，按本公司根據證券及期貨條例第352條規定須予存置之登記冊所載，或根據標準守則向本公司及聯交所作出之其他呈報顯示，董事或彼等各自之聯繫人士概無在本公司及其任何相聯法團之股份、相關股份或債券中擁有任何其他權益或淡倉。

### 董事購買股份或債券之權利

除於上文「董事於股份、相關股份及債券之權益及淡倉」項下所披露者外，及除於財務報表附註31所作之購股權計劃披露外，於年內任何時間，概無任何董事或彼等各自之配偶或18歲以下之子女獲授可藉購買本公司之股份或債券而獲得利益之權利；而彼等亦無行使任何該等權利；本公司或其任何附屬公司亦無訂立任何安排，致使董事可於任何其他法人團體中獲得該等權利。

### 購股權計劃

於二零零二年八月二十三日，本公司股東批准採納一項購股權計劃（「二零零二年購股權計劃」）。該項計劃符合上市規則之新規定。二零零二年購股權計劃之主要條款之概要披露如下：

#### 二零零二年購股權計劃之目的：

計劃目的為吸引、挽留及鼓勵能幹之員工以達成本公司及其附屬公司制定之長遠表現目標，同時讓參與者共同分享彼等為本公司業務付出的努力及貢獻帶來之成果。

#### 二零零二年購股權計劃參與人士：

本公司或其任何附屬公司或聯營公司之任何全職員工、執行董事及非執行董事。

#### 根據二零零二年購股權計劃可供發行之股份總數及於本年報日期所佔本公司已發行股本之百分比：

根據二零零二年購股權計劃及本公司任何其他購股權計劃准予授出之購股權若獲悉數行使，因此而可予發行之最高股份數目，不得超過本公司於採納二零零二年購股權計劃日期已發行股份總數之百分之十（「計劃授權限額」），惟本公司可於股東大會尋求股東批准更新計劃授權限額，但本公司董事根據二零零二年購股權計劃及本公司任何其他購股權計劃可授出購股權有關之最高股份數目，不得超過本公司股東於股東大會批准更新此等授權之日本公司已發行股本百分之十。於計算此等已更新之百分之十限額時，之前已根據二零零二年購股權計劃及本公司任何其他購股權計劃授出之購股權（包括尚未行使、已註銷、已失效或已行使之購股權）不會計算在內。儘管有本段以上所述規定，根據二零零二年購股權計劃及本公司任何其他購股權計劃已授出但尚未行使之購股權若獲悉數行使，因此而可予發行之最高股份數目，不得超過本公司不時之已發行股份總數百分之三十（或上市規則容許之較高百分比）。

於本年報日期，根據二零零二年購股權計劃可供發行之股份總數為29,236,169股，佔本公司於當日已發行股本約4.47%。

## 董事會報告書

### 二零零二年購股權計劃項下各參與人士之最高配額：

於任何十二個月期間因各參與者根據二零零二年購股權計劃及本公司任何其他購股權計劃獲授予之購股權(包括已行使及尚未行使之購股權)獲行使而已發行及將予發行之股份之最高數目不得超過本公司已發行股份總數百分之一。如欲進一步授出超越此限額之任何購股權，須獲本公司股東於股東大會批准。

向本公司董事、主要行政人員或主要股東或其任何聯繫人士授出購股權，須事先獲獨立非執行董事批准。此外，向本公司主要股東或獨立非執行董事或其任何聯繫人士授出任何購股權，如於任何十二個月期間內，超過於董事作出授出購股權建議之日本公司已發行股份總數之百分之零點一，或總值(按本公司股份於董事作出授出購股權建議之日之收市價計算)超過500萬港元，均須事先獲得本公司股東在股東大會批准。

### 根據購股權須認購股份之期間及購股權可予行使前必須持有之最短期間：

購股權之行使期間由董事釐定，在授出購股權之六個月期限後，該購股權可於授出購股權日期起計十年內行使。

### 申請或接納購股權時應付之款項及須或可能須繳付款項或催繳款項或就此而須繳付貸款之期間：

須於建議授出日期起計三十日內繳付1港元作為獲授購股權之代價。

### 釐定行使價之基準：

購股權之行使價由董事釐定，不得少於下列各項之最高數值(i)本公司股份於要約日期於聯交所每日報價表所示之收市價；(ii)本公司股份於緊接要約日期前五個交易日於聯交所每日報價表所示之平均收市價；及(iii)本公司股份之面值。

### 二零零二年購股權計劃尚餘年期：

二零零二年購股權計劃經本公司股東大會決議有條件採納後，由採納之日起計有效期為十年，將於二零一二年八月二十二日屆滿。

二零零二年購股權計劃下之購股權於年內之變動如下：

參與者之姓名或類別	購股權數目			購股權數目			購股權行使價**每股港元	本公司股價***		
	於二零零六年十二月三十一日	於年內授出	於年內行使	於二零零七年十二月三十一日	購股權授出日期*	購股權行使期限		緊接購股權授出日期前每股港元	緊接購股權行使日期前每股港元	
董事										
魯達城	4,000,000	-	(4,000,000)	-	-	二零零六年二月十日	二零零六年八月十日至二零一四年八月九日	0.94	0.94	2.14
黃紹開	4,000,000	-	(4,000,000)	-	-	二零零六年二月十日	二零零六年八月十日至二零一四年八月九日	0.94	0.94	2.95
	-	2,000,000	-	-	2,000,000	二零零七年十二月一日	二零零八年六月一日至二零一六年五月三十一日	6.09	5.69	不適用
李耀榮	2,500,000	-	(2,500,000)	-	-	二零零六年二月十日	二零零六年八月十日至二零一四年八月九日	0.94	0.94	2.22
	-	1,500,000	-	-	1,500,000	二零零七年十二月一日	二零零八年六月一日至二零一六年五月三十一日	6.09	5.69	不適用

## 董事會報告書

參與者之 姓名或類別	購股權數目				於二零零七年 十二月三十一日	購股權授出日期*	購股權行使期限	購股權 行使價** 每股港元	本公司股價***	
	於二零零六年 十二月三十一日	於年內授出	於年內行使	於年內失效					緊接購股權 授出日期前 每股港元	緊接購股權 行使日期前 每股港元
陳志安	2,250,000	-	(2,250,000)	-	-	二零零六年二月十日	二零零六年八月十日至 二零一四年八月九日	0.94	0.94	2.92
	-	1,500,000	-	-	1,500,000	二零零七年 十二月一日	二零零八年六月一日至 二零一六年五月三十一日	6.09	5.69	不適用
	12,750,000	5,000,000	(12,750,000)	-	5,000,000					
<b>持續合約僱員</b>										
合計	7,830,000	-	(7,180,000)	-	650,000	二零零三年九月五日	二零零四年三月五日至 二零零九年三月四日	1.20	1.16	2.59
合計	10,050,000	-	(8,500,000)	-	1,550,000	二零零六年二月十日	二零零六年八月十日至 二零一四年八月九日	0.94	0.94	2.41
合計	-	23,700,000	-	-	23,700,000	二零零七年 十二月一日	二零零八年六月一日至 二零一六年五月三十一日	6.09	5.69	不適用
	17,880,000	23,700,000	(15,680,000)	-	25,900,000					
	30,630,000	28,700,000	(28,430,000)	-	30,900,000					

\* 購股權之歸屬期由授出日期起計，至行使期限開始為止。上述所有購股權之歸屬期均為六個月。

\*\* 若本公司股本因供股或發行紅股或類似事項而出現變動，購股權行使價可予調整。

\*\*\* 上表所披露於緊接購股權授出日期前之本公司股價，乃緊接購股權授出日期前一個交易日之聯交所收市價格。上表披露於緊接購股權行使日期前之本公司股價，乃聯交所收市價相對於披露範圍內所有購股權行使的加權平均價。

年內授出之購股權之公平值為16,110,000港元(每份0.56港元)，而截至二零零七年十二月三十一日止年度本集團確認購股權開支2,685,000港元。

年內以權益支付之購股權公平值乃於授出日期利用柏力克－舒爾斯購股權訂價模式，經考慮授出購股權之條款及條件進行估計。下表載列輸入該模式之數據：

股息率(%)	7.03
預計波幅(%)	43.61
歷史波幅(%)	43.61
無風險利率(%)	1.21
預期購股權年期(年)	1
加權平均股價(港元)	5.69

預期購股權年期乃以過往三年之數據為基礎，未必能顯示可能出現之行使模式。預計波幅反映歷史波幅能顯示日後趨勢之假設，但未必一定為實際結果。

在計量購股權公平值時並無計入購股權之其他特性。

## 董事會報告書

### 主要股東於股份及相關股份之權益及淡倉

於二零零七年十二月三十一日，按本公司根據證券及期貨條例第336條規定須予存置之登記冊所載，該等人士(本公司董事除外)於本公司之股份及相關股份中之權益及淡倉如下：

主要股東名稱	持有股份數目 及權益性質		根據股本衍生 工具所持有之 相關股份數目	總數	佔本公司 已發行股本之 概約百分比
	直接	視作擁有			
Cheng Yu Tung Family (Holdings) Limited (「CYTF」)	-	376,619,103	-	376,619,103	57.59
Centennial Success Limited (「CSL」)	-	376,619,103	-	376,619,103	57.59
周大福企業有限公司 (「周大福企業」)	-	376,619,103	-	376,619,103	57.59
新世界發展有限公司 (「新世界發展」)	-	376,619,103	-	376,619,103	57.59
新創建集團有限公司(「新創建」)	-	376,619,103	-	376,619,103	57.59
新創建服務管理有限公司 (於開曼群島註冊成立) (「NWSSM (Cayman)」)	-	376,619,103	-	376,619,103	57.59
NWS Service Management Limited (於英屬處女群島註冊成立) (「NWSSM (BVI)」)	-	376,619,103	-	376,619,103	57.59
NWS Financial Management Services Limited (「NWSFM」)	376,619,103	-	-	376,619,103	57.59

附註：CYTF持有CSL 51%的權益，而CSL則持有周大福企業全部已發行股本。周大福企業持有新世界發展約36.61%的權益，而新世界發展則持有新創建已發行股本約56.80%。新創建通過其全資擁有附屬公司NWSSM (Cayman)持有NWSSM (BVI)全部已發行股本，而NWSSM (BVI)則持有NWSFM全部已發行股本。根據證券及期貨條例，CYTF、CSL、周大福企業、新世界發展、新創建、NWSSM (Cayman)及NWSSM (BVI)各家公司被視為於NWSFM擁有權益的股份中擁有權益。



## 董事會報告書

以上所披露之所有權益乃代表本公司之股份及相關股份之好倉。

除上文所披露者外，於二零零七年十二月三十一日，概無任何人士(本公司董事除外，其權益已載於上文「董事於股份、相關股份及債券之權益及淡倉」一節)登記擁有根據證券及期貨條例第336條規定須予記錄之本公司股份或相關股份之權益或淡倉。

### 關連交易及持續關連交易

#### 關連交易

本集團進行之關連交易已包括在財務報表附註37所載之交易內。

#### 持續關連交易

本集團進行之持續關連交易已包括在財務報表附註37所載之交易內。

獨立非執行董事已審議財務報表附註37所載之關連交易及持續關連交易，並已確認，關連交易及持續關連交易乃(i)在本集團日常及一般業務運作下產生；(ii)按一般商業條款或按不遜於本集團向獨立第三方提供或獲得之條款(如適用)進行；及(iii)根據管轄交易之相關協議按公平合理及符合本公司股東整體利益的條款訂立。

### 公眾持股量的充足性

根據本公司可公開獲得的資料及據董事所知，於本報告日期，公眾持有本公司已發行股本最少達其總數的25%。

### 董事於競爭業務中之權益

於二零零七年十二月三十一日，下列董事被視為擁有根據上市規則定義與本集團業務直接或間接構成競爭或可能構成競爭之業務權益：

董事姓名	業務被視為與本集團業務構成競爭或可能構成競爭之實體	業務被視為與本集團業務構成競爭或可能構成競爭之實體之業務概述	董事於該實體之權益性質
林煒瀚	East Asia Secretaries (BVI) Limited 之若干附屬公司	提供企業諮詢服務、 代理人及保管服務	East Asia Secretaries (BVI) Limited 及其若干附屬公司之董事

## 董事會報告書

鑑於本公司董事會獨立於前述公司之董事會，而上述董事亦不能操控本公司董事會，因此本集團之業務能夠獨立於該等公司業務而進行，不受其影響。

除上文披露者外，於二零零七年十二月三十一日，本公司董事及彼等各自之聯繫人士概無於其業務與本公司業務直接或間接構成競爭或可能構成競爭之實體中擁有任何權益。

### 企業管治

本公司的企業管治原則及常規載於本年報第46至52頁之企業管治報告書。

董事會代表

**鄭家純博士**

主席

香港，二零零八年三月十七日

# Independent Auditors' Report

## **To the shareholders of Taifook Securities Group Limited**

*(Incorporated in Bermuda with limited liability)*

We have audited the financial statements of Taifook Securities Group Limited set out on pages 101 to 199, which comprise the consolidated and company balance sheets as at 31 December 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

## **Directors' responsibility for the financial statements**

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

## **Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

# Independent Auditors' Report

## Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2007 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

## Ernst & Young

*Certified Public Accountants*

18th Floor, Two International Finance Centre  
8 Finance Street, Central  
Hong Kong  
17 March 2008

# 獨立核數師報告書

致大福證券集團有限公司

(於百慕達註冊成立之有限公司)

列位股東

吾等已審核載於第101至199頁大福證券集團有限公司之財務報表，包括於二零零七年十二月三十一日之綜合及公司資產負債表、截至該日止年度之綜合收益表、綜合股本權益變動表及綜合現金流量表，以及重要會計政策概要及其他附註說明。

## 董事就本財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及按照香港《公司條例》之披露規定編製及真實而公平地列報該等財務報表。該等責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關之內部控制，以使財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述；選擇及應用適當之會計政策；及按情況下作出合理會計估計。

## 核數師責任

吾等之責任是根據吾等之審核對該等財務報表作出意見，並根據百慕達一九八一年公司法第90條僅向全體股東報告，而不作其他用途。吾等不會就本報告之內容向任何其他人士負上或承擔任何責任。

吾等已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求吾等遵守道德規範，並規劃及執行審核，以合理確定該等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行情序以獲取有關財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述之風險。在評估該等風險，核數師考慮與該公司編製及真實而公平地列報財務報表相關之內部控制，以設計適當之審核程序，但並非為對公司的內部控制之效能發表意見。審核亦包括評價董事所採用的會計政策之合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

吾等相信，吾等所獲得之審核憑證是充足和適當地為吾等之審核意見提供基礎。

## 獨立核數師報告書

### 意見

吾等認為該等財務報表已根據香港財務報告準則真實與公平地反映 貴公司及 貴集團於二零零七年十二月三十一日之財務狀況及 貴集團截至該日止年度之溢利與現金流量，並已按照香港公司條例之披露規定而妥善編製。

安永會計師事務所

執業會計師

香港

中環·金融街8號

國際金融中心二期18樓

二零零八年三月十七日

# Consolidated Income Statement

## 綜合收益表

Year ended 31 December 2007 (Expressed in Hong Kong dollars)

截至二零零七年十二月三十一日止年度 (以港元為呈列單位)

		Notes 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>REVENUE</b>	<b>收入</b>	5	<b>1,473,203</b>	726,913
Other income	其他收入	5	<b>110,353</b>	67,174
Fair value gains/(losses) on equity investments at fair value through profit or loss, net	按公平值計入損益之股權投資之公平值收益/(虧損), 淨額		<b>(7,990)</b>	7,115
Gain on disposal of available-for-sale investments, net	出售可供出售投資之收益, 淨額		<b>9,297</b>	-
Employee benefits expense:	僱員福利開支:			
Salaries and allowances, bonuses and pension scheme contributions	薪酬及佣金、花紅及退休金計劃供款	6	<b>(300,854)</b>	(186,580)
Commission to accounts executives	客戶主任佣金	6	<b>(240,344)</b>	(124,994)
Other commission expenses and exchange fees	其他佣金開支及交易所收費		<b>(5,976)</b>	(15,461)
Interest expense for securities broking and margin financing operations	經營證券經紀及孖展借貸業務之利息開支	6	<b>(257,097)</b>	(132,710)
Depreciation	折舊	13	<b>(24,886)</b>	(20,848)
Other expenses	其他開支		<b>(173,344)</b>	(122,920)
Share of profit of a jointly-controlled entity	應佔共同控制實體之溢利		<b>198</b>	252
<b>PROFIT BEFORE TAX</b>	<b>除稅前溢利</b>	6	<b>582,560</b>	197,941
Tax	稅項	9	<b>(92,329)</b>	(22,971)
<b>PROFIT FOR THE YEAR</b>	<b>年內溢利</b>		<b>490,231</b>	174,970
Attributable to:	以下應佔:			
Equity holders of the parent	母公司股本持有人	10	<b>484,847</b>	172,325
Minority interests	少數股東權益		<b>5,384</b>	2,645
			<b>490,231</b>	174,970
<b>DIVIDENDS</b>	<b>股息</b>	11		
Interim	中期		<b>80,008</b>	40,627
Final dividend paid in respect of the previous year	就上一年度已派末期股息		<b>1,400</b>	-
Proposed final	擬派末期		<b>163,562</b>	41,555
			<b>244,970</b>	82,182
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>	<b>母公司普通股本持有人應佔每股盈利</b>	12		
Basic	基本		<b>HK cents 78.84 港仙</b>	HK cents 29.71 港仙
Diluted	攤薄		<b>HK cents 77.97 港仙</b>	HK cents 29.53 港仙

# Consolidated Balance Sheet

## 綜合資產負債表

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

	Notes 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	13	77,454	63,473
Goodwill	14	9,854	854
Other intangible assets	15	4,609	4,609
Other assets	16	11,329	26,019
Interests in a jointly-controlled entity	18	3,245	3,047
Available-for-sale investments	19	196,160	146,258
Deferred tax assets	29	1,666	2,620
Total non-current assets		304,317	246,880
<b>CURRENT ASSETS</b>			
Advances to customers	20	2,816,256	1,111,995
Accounts receivable	21	683,607	521,753
Prepayments, deposits and other receivables	22	47,040	34,909
Tax prepaid		1,314	2,503
Equity investments at fair value through profit or loss	24	134,285	87,180
Cash held on behalf of customers	25	3,361,897	1,804,546
Cash and bank balances		422,894	595,326
Total current assets		7,467,293	4,158,212
<b>CURRENT LIABILITIES</b>			
Accounts payable	26	4,305,333	2,545,969
Tax payable		73,588	13,156
Other payables and accruals	27	149,351	81,454
Interest-bearing bank and other borrowings	28	1,126,557	580,366
Total current liabilities		5,654,829	3,220,945
<b>NET CURRENT ASSETS</b>		1,812,464	937,267
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,116,781	1,184,147
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing bank and other borrowings	28	245,625	-
Deferred tax liabilities	29	6,006	455
Total non-current liabilities		251,631	455
Net assets		1,865,150	1,183,692
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the parent</b>			
Issued capital	30	65,395	58,752
Reserves	32(a)	1,627,533	1,078,909
Proposed final dividend	11	163,562	41,555
<b>Minority interests</b>		8,660	4,476
Total equity		1,865,150	1,183,692

**LO Lin Shing, Simon**  
魯連城  
Director  
董事

**WONG Shiu Hoi, Peter**  
黃紹開  
Director  
董事



# Consolidated Statement of Changes in Equity

## 綜合股本權益變動表

Year ended 31 December 2007 (Expressed in Hong Kong dollars)

截至二零零七年十二月三十一日止年度 (以港元為呈列單位)

		Attributable to equity holders of the parent												
		母公司股本持有人應佔												
		Issued share capital	Share premium account	Share option reserve	Share redemption reserve	Capital Contributed surplus	Investment Capital reserve	Exchange revaluation reserve	Fluctuation reserve	Retained profits	Proposed final dividend	Total	Minority interests	Total equity
		已發行股本	股份溢價賬	購股權儲備	贖回儲備	繳入盈餘	資本儲備	重估儲備	波動儲備	保留溢利	末期股息	合計	股東權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
						note 32(a) 附註32(a)	note 32(a) 附註32(a)							
At 1 January 2006	於二零零六年一月一日	57,667	516,153	-	3,528	1,595	45,501	(36,839)	(30)	399,156	17,300	1,004,031	-	1,004,031
Changes in fair value of available-for-sale investments	可供出售投資之公平值變動	-	-	-	-	-	-	46,523	-	-	-	46,523	-	46,523
Total income and expense for the year recognised directly in equity	年內直接於股本確認之總收入及總費用	-	-	-	-	-	-	46,523	-	-	-	46,523	-	46,523
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	172,325	-	172,325	2,645	174,970
Total income and expense for the year	年內總收入及總費用	-	-	-	-	-	-	46,523	-	172,325	-	218,848	2,645	221,493
Acquisition of subsidiaries - note 33	收購附屬公司-附註33	-	-	-	-	-	-	-	-	-	-	-	1,831	1,831
Final 2005 dividend declared	宣派二零零五年末期股息	-	-	-	-	-	-	-	-	-	(17,300)	(17,300)	-	(17,300)
Repurchase and cancellation of shares - note 30	購回及註銷股份-附註30	(177)	(1,953)	-	-	-	-	-	-	-	-	(2,130)	-	(2,130)
Share options exercised - note 30	已行使購股權-附註30	1,262	12,763	(714)	-	-	-	-	-	-	-	13,311	-	13,311
Equity-settled share option arrangement - note 31	以股權支付的購股權安排-附註31	-	-	3,083	-	-	-	-	-	-	-	3,083	-	3,083
Transfer to capital redemption reserve of the nominal value of shares repurchased - note 30	轉往股本贖回儲備之購回股份之面值-附註30	-	-	-	177	(177)	-	-	-	-	-	-	-	-
Interim 2006 dividend - note 11	二零零六年中期股息-附註11	-	-	-	-	-	-	-	-	(40,627)	-	(40,627)	-	(40,627)
Proposed final 2006 dividend - note 11	擬派二零零六年末期股息-附註11	-	-	-	-	-	-	-	-	(41,555)	41,555	-	-	-
At 31 December 2006	於二零零六年十二月三十一日	58,752	526,963*	2,369*	3,705*	1,418*	45,501*	9,684*	(30)*	489,299*	41,555	1,179,216	4,476	1,183,692

# Consolidated Statement of Changes in Equity

## 綜合股本權益變動表

Year ended 31 December 2007 (Expressed in Hong Kong dollars)

截至二零零七年十二月三十一日止年度 (以港元為呈列單位)

		Attributable to equity holders of the parent 母公司股本持有人應佔												
		Issued share capital 已發行 股本	Share premium account 股份 溢價賬	Share option reserve 購股權 儲備	Capital redemption reserve 股本 贖回儲備	Contributed surplus 繳入盈餘 note 32(a) 附註32(a)	Investment Capital reserve 資本儲備 note 32(a) 附註32(a)	Exchange revaluation reserve 投資 重估儲備	Exchange fluctuation reserve 匯兌 波動儲備	Retained profits 保留溢利	Proposed final dividend 擬派 末期股息	Total	Minority interests 少數 股東權益	Total equity 權益總額
		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	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	HK\$'000 千港元
At 1 January 2007	於二零零七年一月一日	58,752	526,963	2,369	3,705	1,418	45,501	9,684	(30)	489,299	41,555	1,179,216	4,476	1,183,692
Changes in fair value of available-for-sale investments	可供出售投資之 公平值變動	-	-	-	-	-	-	37,316	-	-	-	37,316	-	37,316
Total income and expense for the year recognised directly in equity	年內直接於股本確認之 總收入及總費用	-	-	-	-	-	-	37,316	-	-	-	37,316	-	37,316
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	484,847	-	484,847	5,384	490,231
Total income and expense for the year	年內總收入及總費用	-	-	-	-	-	-	37,316	-	484,847	-	522,163	5,384	527,547
Dividends paid to minority shareholders	付給少數股東之股息	-	-	-	-	-	-	-	-	-	-	-	(1,200)	(1,200)
Final 2006 dividend declared	宣派二零零六年末期股息	-	-	-	-	-	-	-	-	(1,400)	(41,555)	(42,955)	-	(42,955)
Issue of shares – note 30	發行股份 – 附註30	3,800	225,216	-	-	-	-	-	-	-	-	229,016	-	229,016
Share options exercised – note 30	已行使購股權 – 附註30	2,843	27,899	(2,151)	-	-	-	-	-	-	-	28,591	-	28,591
Equity-settled share option arrangement – note 31	以股權支付的購股權 安排 – 附註31	-	-	2,685	-	-	-	-	-	-	-	2,685	-	2,685
Release on disposal of available-for-sale investments – note 19	出售可供出售投資之贖回 – 附註19	-	-	-	-	-	-	17,782	-	-	-	17,782	-	17,782
Interim 2007 dividend – note 11	二零零七年中期股息 – 附註11	-	-	-	-	-	-	-	-	(80,008)	-	(80,008)	-	(80,008)
Proposed final 2007 dividend – note 11	擬派二零零七年末期股息 – 附註11	-	-	-	-	-	-	-	-	(163,562)	163,562	-	-	-
At 31 December 2007	於二零零七年十二月三十一日	65,395	780,078*	2,903*	3,705*	1,418*	45,501*	64,782*	(30)*	729,176*	163,562	1,856,490	8,660	1,865,150

\* These reserve accounts comprise the consolidated reserves of HK\$1,627,533,000 (2006: HK\$1,078,909,000) in the consolidated balance sheet.

\* 該等儲備賬目包括綜合資產負債表中之綜合儲備1,627,533,000港元(二零零六年: 1,078,909,000港元)。

# Consolidated Cash Flow Statement

## 綜合現金流量表

Year ended 31 December 2007 (Expressed in Hong Kong dollars)

截至二零零七年十二月三十一日止年度 (以港元為呈列單位)

	Notes 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		582,560	197,941
Adjustments for:			
Share of profit of a jointly-controlled entity		(198)	(252)
Interest income	5	(108,132)	(64,349)
Dividend income from listed investments	6	(2,400)	(4,015)
Gain on disposal of items of property, plant and equipment	6	(127)	(334)
Depreciation		24,886	20,848
Bad debts written off	6	908	2,228
Gain on disposal of available-for-sale investments, net		(9,297)	-
Fair value losses/(gains) on equity investments at fair value through profit or loss, net		7,990	(7,115)
Equity-settled share option expense	6, 31	2,685	3,083
		<b>498,875</b>	148,035
Increase in advances to customers		(1,705,056)	(211,513)
Increase in accounts receivable		(137,106)	(215,888)
Increase in prepayments, deposits and other debtors		(12,739)	(5,717)
Increase in an amount due from a jointly-controlled entity		(450)	-
Decrease in amounts due from related companies		760	1,300
Decrease/(increase) in equity investments at fair value through profit or loss		(55,095)	13,971
Increase in cash held on behalf of customers		(1,555,943)	(403,108)
Increase in accounts payable		1,733,471	902,604
Increase in other payables and accruals		67,840	46,766
Decrease in amounts due to related companies		-	(27,238)
Increase in bank loans		400,250	124,303
Increase in other loans		391,149	36,889
		<b>(374,044)</b>	410,404
Cash generated from/(used in) operations		(374,044)	410,404
Interest received		108,132	64,349
Hong Kong profits tax paid, net		(23,752)	(8,217)
Overseas taxes paid		(451)	-
Dividends received from listed investments		2,400	4,015
Dividends paid		(122,963)	(57,927)
		<b>(410,678)</b>	412,624
Net cash inflow/(outflow) from operating activities		(410,678)	412,624

# Consolidated Cash Flow Statement

## 綜合現金流量表

Year ended 31 December 2007 (Expressed in Hong Kong dollars)

截至二零零七年十二月三十一日止年度 (以港元為呈列單位)

	Notes 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Net cash inflow/(outflow) from operating activities	經營業務之現金流入/(流出)淨額	(410,678)	412,624
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資業務之現金流量</b>		
Purchases of items of property, plant and equipment	購買物業、機器及設備項目	(39,126)	(36,104)
Proceeds from disposal of items of property, plant and equipment	出售物業、機器及設備項目所得款項	387	530
Acquisition of subsidiaries	收購附屬公司	(9,472)	1,574
Increase/(decrease) in other assets	其他資產增加/(減少)	14,690	(14,672)
Purchases of available-for-sale investments	購買可供出售投資	(84,071)	(25,502)
Dividend from a jointly-controlled entity	已收共同控制實體之股息	450	-
Proceeds from disposal of available-for-sale investments	出售可供出售投資之所得款項	98,564	-
Net cash outflow from investing activities	投資活動之現金流出淨額	(18,578)	(74,174)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動之現金流量</b>		
Proceeds from issue of shares	發行股份所得款項	229,016	-
Proceeds from share options exercised	行使購股權所得款項	28,591	13,311
Repurchase and cancellation of shares	購回及註銷股份	-	(2,130)
Dividends paid to minority shareholders	付給少數股東之股息	(1,200)	-
Net cash inflow from financing activities	融資活動之現金流入淨額	256,407	11,181
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值項目之增加/(減少)淨額</b>	<b>(172,849)</b>	349,631
Cash and cash equivalents at beginning of year	年初之現金及現金等值項目	595,321	245,690
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>年終之現金及現金等值項目</b>	<b>422,472</b>	595,321
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值項目結存之分析</b>		
Cash and bank balances	現金及銀行結存	422,894	595,326
Bank overdrafts	銀行透支	(422)	(5)
		<b>422,472</b>	595,321

# Balance Sheet

## 資產負債表

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

		Notes 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment	非流動資產 物業、機器及設備	13	15,212	14,992
Interests in subsidiaries	於附屬公司之權益	17	1,282,663	908,859
Available-for-sale investments	可供出售投資	19	-	50,876
Total non-current assets	非流動資產總值		1,297,875	974,727
<b>CURRENT ASSETS</b>				
Prepayments, deposits and other receivables	流動資產 預付款項、按金及其他應收賬項	22	4,682	6,496
Cash and bank balances	現金及銀行結存		3,001	1,441
Total current assets	流動資產總值		7,683	7,937
<b>CURRENT LIABILITIES</b>				
Tax payable	流動負債 應付稅項		72	66
Other payables and accruals	其他應付賬項及應計款項	27	32,122	15,167
Interest-bearing bank and other borrowings	計息銀行貸款及其他借款	28	-	344,375
Total current liabilities	流動負債總額		32,194	359,608
<b>NET CURRENT LIABILITIES</b>	<b>流動負債淨額</b>		<b>(24,511)</b>	<b>(351,671)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>1,273,364</b>	<b>623,056</b>
<b>NON-CURRENT LIABILITIES</b>				
Interest-bearing bank and other borrowings	非流動負債 計息銀行貸款及其他借款	28	245,625	-
Total non-current liabilities	非流動負債總額		245,625	-
Net assets	淨資產		1,027,739	623,056
<b>EQUITY</b>				
Issued capital	股權 已發行股本	30	65,395	58,752
Reserves	儲備	32(b)	798,782	522,749
Proposed final dividend	擬派末期股息	11	163,562	41,555
Total equity	股權總額		1,027,739	623,056

**LO Lin Shing, Simon**

魯連城

Director

董事

**WONG Shiu Hoi, Peter**

黃紹開

Director

董事

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 1. CORPORATE INFORMATION

Taifook Securities Group Limited is a limited liability company incorporated in Bermuda. The principal place of business of the Company is located at 25th Floor, New World Tower, 16-18 Queen's Road Central, Hong Kong.

During the year, the Group was involved in the following principal activities:

- securities, futures and options contracts broking and trading
- the provision of margin and other financing
- the provision of corporate advisory, placing and underwriting services
- bullion contracts dealing and trading
- leveraged foreign exchange trading
- the provision of nominee and custodian services
- fund management
- the provision of financial planning and advisory services

In the opinion of the directors, the immediate holding company of the Company is NWS Financial Management Services Limited, which is incorporated in the British Virgin Islands, and the ultimate holding company of the Company is New World Development Company Limited, which is incorporated and listed in Hong Kong.

#### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for equity investments, which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

### 1. 公司資料

大福證券集團有限公司乃一間於百慕達註冊成立之有限責任公司。本公司之主要營業地點位於香港皇后大道中16-18號新世界大廈25樓。

年內，本集團從事下列主要業務：

- 證券、期貨及期權合約經紀及買賣
- 提供孖展及其他財務借貸
- 提供企業諮詢服務、配售及包銷服務
- 貴金屬合約買賣及交易
- 槓桿外匯買賣
- 提供代理人及保管服務
- 基金管理
- 提供財務策劃及諮詢服務

董事認為，本公司之直接控股公司為NWS Financial Management Services Limited (於英屬處女群島註冊成立)，及本公司之最終控股公司為新世界發展有限公司(於香港註冊成立並上市)。

#### 2.1 編製基準

此等財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港普遍採納之會計原則及香港公司條例之披露規定而編製。除股權投資按公平值計量之外，此等財務報表乃根據歷史成本慣例編製。除另有註明者外，此等財務報表乃以港元呈列，所有金額均調整至最接近之千元。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.1 BASIS OF PREPARATION (continued)

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2007. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

The acquisition of subsidiaries during the year has been accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the identifiable assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries.

### 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new and revised standards and interpretation has had no material effect on these financial statements.

HKFRS 7	Financial Instruments: Disclosures
HKAS 1 Amendment	Capital Disclosures
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment

### 2.1. 編製基準(續)

#### 綜合基準

綜合財務報表包括本公司及其附屬公司(統稱為「本集團」)截至二零零七年十二月三十一日止年度之財務報表。附屬公司之業績乃由收購日期起(即本集團取得控制權當日)直至該控制權終止為止予以綜合。所有集團內公司間之重大交易及結餘,均已於綜合賬目時予以撇銷。

年內附屬公司之收購已使用收購會計法入賬。此方法涉及以業務合併之成本分配至所收購可識別資產之公平值以及於收購日期所承擔之負債及或然負債。收購成本以特定資產公平值、已發行股本工具及於交換日期所產生或承擔之負債加上收購直接應佔成本之總額計算。

少數股東權益指由外界股東而非本集團所持本公司附屬公司業績與資產淨值之權益。

### 2.2 新頒佈及經修訂之香港財務報告準則之影響

本集團已於編製本年度財務報表時首次採納下列新頒佈及經修訂香港財務報告準則。除引致採納新頒佈及經修訂會計政策及作出額外披露之若干情況外,採納該等新頒佈及經修訂準則及詮釋對該等財務報表並無重大影響。

香港財務報告準則第7號	金融工具:披露
香港會計準則第1號	資本披露
(修訂本)	
香港(國際財務報告詮釋委員會)-詮釋第8號	香港財務報告準則第2號之範圍
香港(國際財務報告詮釋委員會)-詮釋第9號	重估嵌入式衍生工具
香港(國際財務報告詮釋委員會)-詮釋第10號	中期財務報告及減值

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

The principal effects of adopting these new and revised HKFRSs are as follows:

#### (a) HKFRS 7 Financial Instruments: Disclosures

This standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments. The new disclosures are included throughout the financial statements. While there has been no effect on the financial position or results of operations of the Group, comparative information has been included/revised where appropriate.

#### (b) Amendment to HKAS 1 Presentation of Financial Statements - Capital Disclosures

This amendment requires the Group to make disclosures that enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital. These new disclosures are shown in note 40 to the financial statements.

#### (c) HK(IFRIC)-Int 8 Scope of HKFRS 2

This interpretation requires HKFRS 2 to be applied to any arrangement in which the Group cannot identify specifically some or all of the goods or services received, for which equity instruments are granted or liabilities (based on a value of the Group's equity instruments) are incurred by the Group for a consideration, and which appears to be less than the fair value of the equity instruments granted or liabilities incurred. As the Company has only issued equity instruments to the Group's employees, in accordance with the Company's share option scheme, the interpretation has had no effect on these financial statements.

### 2.2 新頒佈及經修訂之香港財務報告準則之影響(續)

採用這些新訂及經修訂香港財務報告準則造成之主要影響如下：

#### (a) 香港財務報告準則第7號金融工具：披露

該準則要求披露可讓財務報表使用者評價本集團金融工具重要性之資訊，以及金融工具之性質及所產生之風險。新增披露經包含在整個財務報表各個部分。雖然目前該準則對本集團財務狀況或經營業績沒有任何影響，但可比資料會在需要時載入/修正。

#### (b) 香港會計準則第1號(修訂本)財務報表的呈報－資本披露

該修訂準則要求本集團披露可讓財務報表使用者評估本集團管理資本之目標、政策及過程。該等新披露於財務報表附註40呈列。

#### (c) 香港(國際財務報告詮釋委員會)－詮釋第8號香港財務報告準則第2號之範圍

此詮釋規定，在本集團無法具體確定部分或所有已收取貨物或服務之任何安排上，而本集團為一項代價而授出權益工具或引致之負債(以本集團於權益工具之價值為基準)，看來少於所授予權益工具或所引致負債之公平值，則須應用香港財務報告準則第2號。由於本公司只根據本公司購股權計劃向提供可確定服務之本集團僱員發出權益工具，故有關詮釋對此等財務報表並無影響。



# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

#### (d) HK(IFRIC)-Int 9 Reassessment of Embedded Derivatives

This interpretation requires that the date to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative is the date that the Group first becomes a party to the contract, with reassessment only if there is a change to the contract that significantly modifies the cash flows. As the Group has no embedded derivative requiring separation from the host contract, the interpretation has had no effect on these financial statements.

#### (e) HK(IFRIC)-Int 10 Interim Financial Reporting and Impairment

The Group has adopted this interpretation as of 1 January 2007, which requires that an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument classified as available for sale or a financial asset carried at cost is not subsequently reversed. As the Group had no impairment losses previously reversed in respect of such assets, the interpretation has had no impact on the financial position or results of operations of the Group.

### 2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

### 2.2 新頒佈及經修訂之香港財務報告準則之影響(續)

#### (d) 香港(國際財務報告詮釋委員會)－詮釋第9號重估嵌入式衍生工具

此詮釋規定，本集團在首次訂立合同的日期，即為釐定嵌入式衍生工具是否需要自主合約分離及視為衍生工具之評估日期，並只有在合同有所修改並嚴重影響現金流量時，方需要進行重估。由於本集團並無嵌入式衍生工具需要自主合約分離，故有關詮釋對該等財務報告並無影響。

#### (e) 香港(國際財務報告詮釋委員會)－詮釋第10號中期財務報告及減值

本集團已於二零零七年一月一日採納該詮釋。該詮釋列明就權益工具或按成本列值之財務資產之商譽或投資在過往中期期間確認之減值虧損，任何實體不得在以後期間撥回。由於本集團就上述資產在中期並未撥回任何減值虧損，故本詮釋並無對本集團之財務狀況或經營業績造成任何影響。

### 2.3 已頒佈但未生效之香港財務報告準則之影響

本集團尚未於該等財務報表中採納下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKFRS 8	Operating Segments <sup>1</sup>
HKAS 1 (Revised)	Presentation of Financial Statements <sup>1</sup>
HKAS 23 (Revised)	Borrowing Costs <sup>1</sup>
HK(IFRIC)-Int 11	HKFRS 2 - Group and Treasury Share Transactions <sup>2</sup>
HK(IFRIC)-Int 12	Service Concession Arrangements <sup>4</sup>
HK(IFRIC)-Int 13	Customer Loyalty Programmes <sup>3</sup>
HK(IFRIC)-Int 14	HKAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2009

<sup>2</sup> Effective for annual periods beginning on or after 1 March 2007

<sup>3</sup> Effective for annual periods beginning on or after 1 July 2008

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2008

HKFRS 8, which will replace HKAS 14 Segment Reporting, specified how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group expects to adopt HKFRS 8 from 1 January 2009.

### 2.3 已頒佈但未生效之香港財務報告準則之影響 (續)

香港財務報告準則第8號	營運分部 <sup>1</sup>
香港會計準則第1號(經修訂)	財務報表之呈報 <sup>1</sup>
香港會計準則第23號(經修訂)	借貸成本 <sup>1</sup>
香港(國際財務報告詮釋委員會)一詮釋第11號	香港財務報告準則第2號一集團及庫存股份交易 <sup>2</sup>
香港(國際財務報告詮釋委員會)一詮釋第12號	服務特許權安排 <sup>4</sup>
香港(國際財務報告詮釋委員會)一詮釋第13號	客戶忠誠度計劃 <sup>3</sup>
香港(國際財務報告詮釋委員會)一詮釋第14號	香港會計準則第19號一界定福利資產之限制、最低資金要求及兩者的互動關係 <sup>4</sup>

<sup>1</sup> 於二零零九年一月一日或之後開始之年度期間生效

<sup>2</sup> 於二零零七年三月一日或之後開始之年度期間生效

<sup>3</sup> 於二零零八年七月一日或之後開始之年度期間生效

<sup>4</sup> 於二零零八年一月一日或之後開始之年度期間生效

香港財務報告準則第8號取代香港會計準則第14號分類呈報，具體說明實體應如何報告有關其經營分類，並以公司主要營運決策人可用作分配資源予有關分類及評估其表現之組成實體資料為依據。有關準則亦規定，披露有關分類內所提供有關產品及服務之資料、本集團經營所在地區及來自本集團主要客戶之收益。本集團預期於二零零九年一月一日採納香港財務報告準則第8號。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKAS 1 has been revised to separate owner and non-owner changes in equity. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, the standard introduces the statement of comprehensive income: it presents all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Group is still evaluating whether it will have one or two statements.

HKAS 23 has been revised to require capitalisation of borrowing costs when such costs are directly attributable to the acquisition, construction or production of a qualifying asset. As the Group's current policy for borrowing costs aligns with the requirement of the revised standard, the revised standard is unlikely to have any financial impact on the Group.

HK(IFRIC)-Int 11 requires arrangements whereby an employee is granted rights to the Group's equity instruments to be accounted for as an equity-settled scheme, even if the Group acquires the instruments from another party, or the shareholders provide the equity instruments needed. HK(IFRIC)-Int 11 also addresses the accounting for share-based payment transactions involving two or more entities with the Group. As the Group currently has no such transactions, the interpretation is unlikely to have any financial impact on the Group.

HK(IFRIC)-Int 12 requires an operator under public-to-private service concession arrangements to recognise the consideration received or receivable in exchange for the construction services as a financial asset and/or an intangible asset, based on the terms of the contractual arrangements. HK(IFRIC)-Int 12 also addresses how an operator shall apply existing HKFRSs to account for the obligations and the rights arising from service concession arrangements by which a government or a public sector entity grants a contract for the construction of infrastructure used to provide public services and/or for the supply of public services. As the Group currently has no such arrangements, the interpretation is unlikely to have any financial impact on the Group.

### 2.3 已頒佈但未生效之香港財務報告準則之影響(續)

修訂後的香港會計準則第1號將擁有者與非擁有者之權益變動分開。權益變動表僅載有與擁有者進行交易之詳情，並於同一行呈列所有非擁有者之權益變動。此外，該準則亦引入綜合收益表：呈列所有確認為溢利或虧損之收入及開支，連同其他所有已確認收入及開支項目(無論以單一報表或以兩個相連報表呈列)。本集團正在評估採用一個或兩個報表。

修訂後的香港會計準則第23號要求將購置、建造或生產符合條件的資產相關的借款成本予以資產化。本集團目前有關借貸成本之政策符合修訂後準則的規定，故經修訂準則將不會對本集團產生任何財務影響。

香港(國際財務報告詮釋委員會)－詮釋第11號規定，僱員獲授集團權益工具之安排須列為權益結算計劃，即使該等工具乃由集團向其他人士購買或由股東提供。香港(國際財務報告詮釋委員會)－詮釋第11號亦表明在涉及本集團內部兩個或以上實體之以股份為付款基礎交易之會計方法。由於本集團現時並無有關交易，有關詮釋不可能對本集團產生任何財務影響。

香港(國際財務報告詮釋委員會)－詮釋第12號規定，公共對私人服務特許權安排之經營者須按照建築安排將換取建築服務而已收取或應收取之代價確認為財務資產及／或無形資產。香港(國際財務報告詮釋委員會)－詮釋第12號亦提出，在政府或公營實體授予興建提供及／或供應公共服務之基建項目合約時，經營者應如何應用現有香港財務報告準則將當中由服務特許權安排所產生之責任及權利入賬。由於本集團現時並無有關安排，有關詮釋不可能對本集團產生任何財務影響。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HK(IFRIC)-Int 13 requires that loyalty award credits granted to customers as part of a sales transaction are accounted for as a separate component of the sales transactions. The consideration received in the sales transaction is allocated between the loyalty award credits and the other components of the sale. The amount allocated to the loyalty award credits is determined by reference to their fair value and is deferred until the awards are redeemed or the liability is otherwise extinguished.

HK(IFRIC)-Int 14 addresses how to assess the limit under HKAS 19 Employee Benefits, on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, in particular, when a minimum funding requirement exists.

As the Group currently has no customer loyalty award credits and defined benefit scheme, HK(IFRIC)-Int 13 and HK(IFRIC)-Int 14 are not applicable to the Group and therefore are unlikely to have any financial impact on the Group.

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of HKFRS 8 may result in new or amended disclosures, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

### 2.3 已頒佈但未生效之香港財務報告準則之影響(續)

香港(國際財務報告詮釋委員會)－詮釋第13號規定，客戶所獲授予之忠誠獎勵信貸以作為銷售交易一部分，須以銷售交易之獨立部分列賬。在銷售交易所收取之代價須在忠誠獎勵信貸與銷售其他部分之間作分配。有關分配至忠誠獎勵信貸之款額乃經參考其公平值而釐定，並在有關獎勵可贖回或負債可另行撇銷前予以遞延。

香港(國際財務報告詮釋委員會)－詮釋第14號提出，根據香港會計準則第19號僱員福利如何評估有關定額福利計劃未來供款之退款或扣減款額可確認為資產之限額(特別是存在最低供款規定時)。

由於本集團現時並無客戶忠誠獎勵信貸及定額福利計劃，香港(國際財務報告詮釋委員會)－詮釋第13號及詮釋第14號並不適用於本集團，因此不可能對本集團產生任何財務影響。

本集團正評估首次採用該等新訂及經修訂香港財務報告準則的影響。截至目前為止，本集團確認香港財務報告準則第8號可能需要披露新資料或修訂披露資料，然而該等新訂及經修訂香港財務報告準則於首次採用時將不會對本集團營運業績及財務狀況產生重大影響。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

#### Joint ventures

A joint venture is an entity set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture entity and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

A joint venture treated as:

- (a) a subsidiary, if the Group has unilateral control, directly or indirectly, over the joint venture;
- (b) a jointly-controlled entity, if the Group does not have unilateral control, but has joint control, directly or indirectly, over the joint venture;
- (c) an associate, if the Group does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture's registered capital and is in a position to exercise significant influence over the joint venture; or

### 2.4 重大會計政策概要

#### 附屬公司

附屬公司乃指本公司直接或間接控制其財務及經營政策，從而在其業務中獲益之實體。

附屬公司之業績以已收及應收之股息為限計入本公司之收益表。本公司於附屬公司之權益乃按成本值減去任何減值虧損而列賬。

#### 合營公司

合營公司為一項合約安排而成立之實體，據此，本集團與其他合營各方進行一項經濟活動。合營公司以獨立實體形式運作，其權益由本集團及其合營方共同擁有。

合營各方之間之合營協議規定合營各方之出資額比例，合營公司實體之經營年期，以及在公司解散時變現資產之基準。合營公司經營之盈虧及盈餘資產之任何派發，由合營各方按其出資額比例或根據合營協議之條款分配。

合營公司可分為：

- (a) 附屬公司，倘本集團能直接或間接對合營公司擁有單方面之控制權；
- (b) 共同控制實體，倘本集團未能對合營公司擁有單方面之控制權，而需與其他合營方直接或間接共同控制；
- (c) 聯營公司，倘本集團未能對合營公司行使單方面或共同之控制權力，但直接或間接持有不少於合營公司百分之二十之註冊資本，並能對其行使重大影響力；或

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- (d) an equity investment accounted for in accordance with HKAS 39, if the Group holds, directly or indirectly, less than 20% of the joint venture's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture.

#### Jointly-controlled entity

A jointly-controlled entity is a joint venture that is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's share of the post-acquisition result and reserve of the jointly-controlled entity is included in the consolidated income statement and consolidated reserves, respectively. The Group's interests in the jointly-controlled entity are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. Unrealised gains and losses resulting from transactions between the Group and its jointly-controlled entity are eliminated to the extent of the Group's interests in the jointly-controlled entity, except where unrealised losses provide evidence of an impairment of the asset transferred.

#### Goodwill

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

*Goodwill on acquisitions for which the agreement date is on or after 1 January 2005*

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset, initially measured at cost and subsequently at cost less any accumulated impairment losses.

### 2.4 重大會計政策概要(續)

- (d) 根據香港會計準則第39號入賬之股份投資，倘本集團直接或間接持有合營公司少於百分之二十之註冊資本，且未能擁有任何共同之控制權力，並對其沒有重大影響力。

#### 共同控制實體

共同控制實體乃指一由參與者共同控制之合營公司。參與各方均不能單方面控制其經濟活動。

本集團應佔共同控制實體之被收購後之業績及儲備，乃分別列入綜合收益表及綜合儲備內。本集團於共同控制實體之權益乃根據權益會計法計算本集團應佔之資產淨值減去任何減值虧損後在綜合資產負債表列賬。本集團與共同控制實體進行之交易所產生之未實現損益，以本集團於共同控制實體之權益為限抵銷，除非未實現虧損顯示已轉讓資產出現減值。

#### 商譽

收購附屬公司所產生之商譽乃指業務合併成本超出本集團於收購日在被收購者之已購入可識別資產、負債和或然負債之公平值中所佔權益之差額。

*收購產生之商譽之協議日期為二零零五年一月一日或之後*

收購產生之商譽於綜合資產負債表確認為資產，初步按成本計量，其後則按成本減任何累計減值虧損列賬。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Goodwill (continued)

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

### 2.4 重大會計政策概要(續)

#### 商譽(續)

商譽之賬面值每年審閱減值一次或多次(如果有事件發生或情況改變顯示賬面值有可能減值時)。於十二月三十一日本集團進行年度商譽減值測試。就減值測試而言，業務合併產生之商譽，由收購日起，分配到每個集團現金產生單元或預期合併後因協同效應而得益之現金產生單元組合，不管集團其他資產或負債有否分配到該等單元或單元組合。

減值以評估與商譽有關現金產生單元(現金產生單元組合)可收回之金額釐定。當現金產生單元(現金產生單元組合)可收回之金額少於賬面值時，確認減值虧損。商譽減值虧損不會於以後期間撥回。

當商譽組成現金產生單元(現金產生單元組合)部分及單元內業務部分出售，與出售業務有關之商譽於釐定出售業務損益時計入業務賬面值。在這情況下出售商譽以出售業務及保留現金產生單元部分相對價值計量。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Goodwill (continued)

*Goodwill previously eliminated against consolidated reserve*

Prior to the adoption of the HKICPA's Statement of Standard Accounting Practice 30 "Business Combinations" ("SSAP 30") in 2001, goodwill arising on acquisition was eliminated against consolidated reserve in the year of acquisition. On the adoption of HKFRS 3, such goodwill remains eliminated against consolidated reserve and is not recognised in the income statement when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

#### Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than deferred tax assets, financial assets and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises.

### 2.4 重大會計政策概要(續)

#### 商譽(續)

*過往自綜合儲備撇銷之商譽*

於二零零一年採納香港會計師公會頒佈之會計實務準則第30號「業務合併」(「會計實務準則第30號」)前，因收購產生之商譽須於收購年度自綜合儲備撇銷。在採納香港財務報告準則第3號後，該等商譽繼續自綜合儲備撇銷，及不會於與商譽有關之全部或部分業務出售或與商譽有關之現金產生單位減值時於損益表中確認。

#### 非財務資產(商譽除外)減值

倘若出現任何減值現象，或當有需要為資產進行每年減值測試(遞延稅項資產、財務資產及商譽除外)，則會估計資產之可回收金額。除非某類資產產生之現金流量不能獨立於其他資產或多項資產所產生之現金流量(在此情況下，可回收金額按資產所屬之現金產生單位釐定)，否則資產之可回收金額為資產或現金產生單位之使用價值與其公平值減銷售成本售價淨額較高者，並按個別資產釐定。

當資產之賬面值超過可回收金額時，減損方予確認。評估使用價值時是以除稅前之折扣率計算預計未來之現金流量之現值，而該折扣率反映當時市場對金錢價值之評估及該項資產之特有風險。減值虧損於所產生期間計入收益表。



# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment of non-financial assets other than goodwill (continued)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of such impairment loss is credited to the income statement in the period in which it arises.

#### Related parties

A party is considered to be related to the Group if:

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

### 2.4 重大會計政策概要(續)

#### 非財務資產(商譽除外)減值(續)

每個結算日會評定是否有跡象顯示之前已確認之減值不再存在或減少。倘出現該等現象，則會估計可回收金額。除非用以釐定資產之可回收金額之假設出現變動，否則之前確認之資產減值(商譽除外)不予撥回，惟撥回金額不得超過倘過往年度並無就資產確認減值而釐定之賬面值(經扣除任何折舊／攤銷)。撥回之減值於所產生期間之收益表入賬。

#### 關連人士

任何實體具以下類別之一，即被視作本集團之關連人士：

- (a) 該實體透過一間或多間中介公司直接或間接(i)控制本集團，受本集團控制，或與本集團受同一人士控制；(ii)於本集團擁有權益，並可藉著該權益對本集團行使重大影響；或(iii)共同控制本集團；
- (b) 該實體為聯營公司；
- (c) 該實體為共同控制實體；
- (d) 該實體為本集團或其母公司重要管理人員之親屬；
- (e) 該實體為(a)或(d)項中所指任何個人之家庭成員；

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Related parties (continued)

- (f) 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 (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

#### Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land and buildings	Over the shorter of the lease terms and 2.5%
Leasehold improvements	20%
Furniture, fixtures and equipment	20%
Computer equipment	30%
Motor vehicles	20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

### 2.4 重大會計政策概要(續)

#### 關連人士(續)

- (f) 該實體為一間直接或間接受(d)或(e)項中所述之任何人士控制或共同控制，或(d)或(e)所述之任何人士直接或間接對該實體行使重大影響或擁有重大投票權之實體；或
- (g) 該實體為終止僱用後福利計劃，乃為本集團或屬於其關連人士之任何實體之僱員福利而設。

#### 物業、機器及設備及折舊

物業、機器及設備乃按成本值減累計折舊及任何減值虧損列賬。一項物業、機器及設備之成本包括其購入價及任何使該項資產達致運作之狀況及送抵作其計劃用途之位置而產生之直接應佔成本。各項物業、機器及設備開始運作後所產生之開支，如維修及保養費，一般會在該筆費用出現之期間內在收益表中扣除。若能清楚顯示該等開支能增加使用該項固定資產時可帶來之未來經濟利益且該項目之成本能被可靠地計算，則有關開支會資本化，作為該項資產之額外成本或重置成本。

折舊乃按各物業、機器及設備項目之估計可使用年期，以直線法撇銷其成本值計算至其殘餘價值。就此採用之主要年折舊率如下：

租賃土地及樓宇	按租約年期或2.5%之較短者計算
租賃物業裝修	20%
傢俬、裝置及設備	20%
電腦設備	30%
汽車	20%

倘一項物業、機器及設備各部分之可使用年期並不相同，該項目各部分之成本將按合理基礎分配，而各部分將作個別折舊。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Property, plant and equipment and depreciation (continued)

Residual values, useful lives and the depreciation method 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 from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

#### Intangible assets (other than goodwill)

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each balance sheet date.

The Group's intangible assets, representing eligibility rights to trade on or through the Stock Exchange and the Futures Exchange, have indefinite useful lives and are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

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

#### Other assets

Other assets held on a long term basis are stated at amortised cost using the effective interest method.

### 2.4 重大會計政策概要(續)

#### 物業、機器及設備及折舊(續)

殘餘價值、可使用年期及折舊方法於各結算日予以審閱，並在適當情況下加以調整。

一項物業、機器及設備已出售或估計不再自使用或出售產生經濟利益時，將取消確認。於資產取消確認年度因其出售或報廢，並在收益表確認之任何盈虧乃有關資產之出售所得款項淨額與賬面值之差額。

#### 無形資產(商譽除外)

無形資產之可使用年期可分為有確定或不確定。確定年期之無形資產於可使用年期內攤銷，並評估是否有現象顯示無形資產可能出現減值。可使用年期確定之無形資產以攤銷期限及攤銷方法至少於每個結算日檢討一次。

本集團無形資產指可於或通過聯交所及期交所進行交易之權利。不確定可使用年期應個別或按現金產生單位水平每年進行減值測試。該類無形資產不予攤銷。不確定年期之無形資產之可使用年期每年進行檢討以釐定不確定年期評估是否繼續可行。倘不可行，則可使用年期之評估從不確定至確定之變動按預期法計算。

取消確認無形資產所產生之收益或虧損按出售所得款項淨額與資產賬面值之差額計算，於取消確認資產時在收益表確認。

#### 其他資產

長期持有之其他資產按實際利率法，按已攤銷成本列賬。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

#### Investments and other financial assets

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The Group assesses whether a contract contains an embedded derivative when the Group first becomes a party to it and assesses whether an embedded derivatives is required to be separated from the host contract when the analysis shows that the economic characteristics and risks of the embedded derivatives are not closely related to those of the host contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

### 2.4 重大會計政策概要(續)

#### 租賃

凡資產擁有權之絕大部分收益及風險仍歸於出租人之租賃，均視為經營租賃。有關該等經營租賃之應付租金乃按租賃年期以直線法在收益表中處理。

經營租賃預付土地租賃款項最初按成本列賬，隨後於租賃期以直線法確認。倘租金未能在土地及樓宇項目之間可靠劃分，則租金全數入賬為土地及樓宇成本，作為物業、機器及設備項下之融資租賃。

#### 投資及其他金融工具

根據香港會計準則第39號所界定之財務資產分類為以公平值入賬之財務資產、貸款及應收賬款及可供出售之財務資產(視情況而定)。財務資產於首次確認時以公平值計算，而並非以公平值計入損益之投資，則按直接應佔交易成本計算。

本集團於首次成為合約一方時會考慮該合約是否內含嵌入式衍生工具，並且考慮若分析顯示嵌入式衍生工具之經濟性質及風險與該主合約並無緊密關連，該等嵌入式衍生工具是否需要獨立於主合約。只有在合約條文出現變更，重大影響合約所需之現金流，在此情況下方需要進行重估。

本集團於首次確認後釐定其財務資產分類，並在容許及適當之情況下於結算日重新評估有關分類。

所有一般買賣之財務資產概於交易日(即本集團承諾購買該資產之日期)予以確認。一般買賣乃指按照一般市場規定或慣例在一定期間內交付資產之財務資產買賣。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investments and other financial assets (continued)

##### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Gains or losses on investments held for trading are recognised in the income statement. The net fair value or loss recognised in the income statement does not include any dividends on these financial assets, which are recognised in accordance with the policy set out for "Revenue recognition" below.

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

##### Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets in listed and unlisted equity securities that are designated as available for sale or are not classified in any of the other two categories. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement. Interest and dividends earned are reported as interest income and dividend income, respectively and are recognised in the income statement as "Other income" in accordance with the policies set out for "Revenue recognition" below. Losses arising from the impairment of such investments are recognised in the income statement as "Impairment losses on available-for-sale financial assets" and are transferred from the investment revaluation reserve.

### 2.4 重大會計政策概要(續)

#### 投資及其他金融工具(續)

##### 以公平值計入損益之財務資產

以公平值計入損益之財務資產包括持作交易之財務資產。財務資產如以短期賣出為目的而購買，則分類為持作交易資產。持作交易投資之盈虧在收益表中確認。於收益表內確認之公平值或虧損淨額不包括該等財務資產之任何股息，該等股息根據載於下列「收入確認」內之政策確認。

##### 貸款及應收賬款

貸款及應收賬款為具有固定或可確定現金付款，但在活躍市場中無報價之衍生財務資產。該等資產隨後按攤銷成本使用實際利率法減任何減值撥備列賬。攤銷成本經計及收購時之任何折讓或溢價後計算，並計入屬實際利率及交易成本組成部分之費用。該等貸款及應收賬款取消確認、出現減值或進行攤銷時產生之盈虧計入該年度之收益表。

##### 可供出售之財務資產

可供出售之財務資產乃分類為可供出售或不能在任何其他兩個範疇分類且屬上市及非上市股本證券之非衍生財務資產。在初步確認後，可供出售財務資產按公平值計算，其收益或虧損則在權益之其他部分確認，直至有關投資被取消確認或被釐定出現減值，而在此時，過往在權益中列賬之累計收益或虧損會計入收益表。賺取的利息及股息根據下述「收入確認」分別在收益表內確認為利其他收入之利息收入及股息收入。該等投資之減值虧損列作「可供出售財務資產之減值虧損」於收益表中確認，並自可供出售投資重估儲備轉出。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investments and other financial assets (continued)

##### Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business at the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same and a discounted cash flow analysis.

#### Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

##### Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

### 2.4 重大會計政策概要(續)

#### 投資及其他金融工具(續)

##### 公平值

在金融市場活躍交易之投資之公平值，參考結算日之市場買入價釐定。倘某項投資之市場並不活躍，公平值將採用估值方法確定。該等方法包括參考近期進行之公平市場交易，其他大致類同金融工具之現行市場價格及現金流量折現分析。

#### 財務資產減值

本集團於各結算日評估是否有客觀跡象表明一項財務資產或一類財務資產出現減值。

##### 以攤銷成本列賬之資產

倘有客觀跡象表明以攤銷成本計值之貸款及應收款項已發生減值，資產賬面值與估算未來之現金流量(不包括尚未產生之未來信貸損失)以最初實際利率折現之現值之間差額確認減值。有關資產之賬面值可通過直接沖減或通過備抵賬目作出抵減。有關減值在收益表中確認。當預料日後收回不可實現時，貸款及應收款項連同任何有關的撥備將予撇銷。

倘若以後期間減值虧損之數額減少，而減少之原因客觀上與減值虧損確認後所發生之事件相關聯，則先前確認之減值虧損透過調整撥備賬目可予回撥。於回撥當日，倘若資產賬面值並無超出其攤銷成本，則任何減值虧損之其後回撥將於收益表內確認入賬。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment of financial assets (continued)

##### Assets carried at amortised cost (continued)

In relation to advances to customers, accounts and other receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor and significant changes in the technological, market economic or legal environment that have an adverse effect on the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

##### Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. A provision for impairment is made for available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement. In addition, the Group evaluates other factors, such as the share price volatility. Impairment losses on equity instruments classified as available for sale are not reversed through the income statement.

#### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### 2.4 重大會計政策概要(續)

#### 財務資產減值(續)

##### 以攤銷成本列賬之資產(續)

就向客戶墊付之款項及其他應收賬款而言，倘有客觀證據(如債務人可能無力償債或出現重大財政困難，以及科技、市場經濟或法律環境有重大變動以致對債務人有不良影響)顯示本集團將未能收回所有根據原先發票期已逾期之款項，則就減值作出撥備。應收款項之賬面值透過使用撥備賬減少。減值債務於評定為不可收回時解除確認。

##### 可供出售之財務資產

倘一項可供出售資產出現減值，其成本值(扣除任何本金付款及攤銷)與其現行公平值之差額，在扣減以往在收益表確認之任何減值虧損後會由權益轉撥至收益表。當可供出售的財務資產之公平值較其成本顯著或持續下降，或有其他客觀證據顯示資產已發生減值的情況時，將相應計提減值準備。「顯著」及「持續」的定義需要專業判斷。另外，本集團對其他因素作出評價，例如股價的波動性。分類為可供出售之股本工具之減值虧損則不會透過收益表撥回。

#### 取消確認財務資產

財務資產(或一項財務資產之一部分或一組同類財務資產之一部分)在下列情況將取消確認：

- 收取該項資產所得現金流量之權利經已屆滿；
- 本集團保留收取該項資產所得現金流量之權利，惟須根據一項「通過」安排，在未有嚴重延緩第三者之情況下，已就有關權利全數承擔付款之責任；或
- 本集團已轉讓其收取該項資產所得現金流量之權利，並(a)已轉讓該項資產之絕大部分風險及回報；或(b)並無轉讓或保留該項資產絕大部分風險及回報，但已轉讓該項資產之控制權。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including accounts payable, other payables and accruals and interest-bearing bank and other borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

#### Financial guarantee contracts

Financial guarantee contracts in the scope of HKAS 39 are accounted for as financial liabilities. A financial guarantee contract is recognised initially at its fair value less transaction costs that are directly attributable to the acquisition or issue of the financial guarantee contract, except when such contract is recognised at fair value through profit or loss. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 Revenue.

#### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

### 2.4 重大會計政策概要(續)

#### 按攤銷成本列賬之財務負債(包括計息貸款及借款)

財務負債包括應付賬款、其他應付賬項及應計負債以及計息銀行及其他借款首先以公平值減直接應佔交易成本列賬，其後用實際利率法按攤銷成本計算，惟倘貼現之影響並不重大時，則以成本列賬。

該等貸款取消確認或進行攤銷時產生之盈虧於收益表確認。

#### 財務擔保合約

屬香港會計準則第39號範圍內之財務擔保合約乃按財務負債列賬。財務擔保合約首先以公平值加直接應佔收購或發行財務擔保合約之交易成本確認，惟該合約按公平值透過損益確認除外。於首次確認後，本集團以(i)根據香港會計準則第37號撥備、或然負債及或然資產釐定之金額；及(ii)首次確認之金額減(如適合)根據香港會計準則第18號收益確認之累計攤銷兩者中之較高者計算財務擔保合約之賬面值。

#### 取消確認財務負債

當負債之義務已被履行、取消或屆滿，該財務負債會予取消確認。

由同一貸款人改以重大不同條款代替之現存財務負債，或現存負債條款經重大修改，有關轉換或修訂被視作取消確認原來負債，並確認新負債，有關賬面值之差異於收益表內確認。



# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheets, cash and bank balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

#### 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.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and jointly-controlled entity, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

### 2.4 重大會計政策概要(續)

#### 現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目乃指手頭現金及活期存款，以及可隨時轉換為已知現金數額、價值改變之風險不高並於購入後三個月內到期之短期及高度流動投資，減去須按要求償還之銀行透支，並為本集團現金管理重要一環。

就資產負債表而言，現金及銀行結存包括用途不受限制之手頭及銀行現金(包括定期存款)。

#### 所得稅

所得稅包含即期稅項及遞延稅項。所得稅乃於收益表確認，倘若稅項與於相同或不同期間直接在股本權益中確認之項目有關，則於股本權益中確認。

本期間及過往期間之即期稅項資產按預期可自稅務機關收取或支付予稅務機關之金額計算。

遞延所得稅乃採用負債法，對於結算日資產及負債之計稅基準與就財務報告目的而言該等項目賬面值之間所有暫時性差額計提撥備。

所有應課稅暫時性差額均確認為遞延稅項負債，惟：

- 初始確認一項交易(並非業務合併)之資產或負債所產生、且在交易時並不影響會計溢利或應課稅溢利或虧損之遞延稅項負債除外；及
- 對於附屬公司及共同控制實體之投資所產生之應課稅暫時性差額(惟撥回暫時性差額之時間可以控制，並且暫時性差額於可預見之將來可能不會被撥回)之情況除外。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and jointly-controlled entity, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### 2.4 重大會計政策概要(續)

#### 所得稅(續)

所有可予扣減暫時性差額、未動用稅項資產及稅項虧損結轉於可能獲得應課稅溢利作為抵銷，以動用該等可予扣減暫時性差額、結轉之未動用稅項抵免及稅項虧損之情況下，均確認為遞延稅項資產，惟：

- 初始確認一項交易(並非業務合併)資產或負債所產生之可予扣減暫時性差額有關之遞延稅項資產，且在交易時，並不影響會計溢利或應課稅溢利或虧損除外；及
- 對於附屬公司及共同控制實體之投資有關可予扣減暫時性差額，遞延稅項資產僅可在暫時性差額將於可預見之將來撥回，並且應課稅溢利將可用以抵銷暫時性差額之情況下予以確認。

遞延稅項資產之賬面值於各結算日審閱及予以相應扣減，直至不再有足夠之應課稅溢利可供所有或部分遞延稅項資產動用為止。相反，先前未確認之遞延稅項資產於各個財務結算日重新評估並予以確認，直至有足夠之應課稅溢利可供所有或部分遞延稅項資產動用為止。

遞延稅項資產及負債乃按預期適用於變現資產或清償負債期間之稅率衡量，並以結算日已制定或已實質上制定之稅率(及稅法)為基準。

倘存在法律上可強制執行之權力，可以同一課稅實體及同一稅務機關之即期稅項資產抵銷即期稅項負債及遞延稅項，則遞延稅項資產及遞延稅項負債予以相互抵銷。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) profit and loss from the sale of available-for-sale investments and equity investments at fair value through profit or loss, on the transaction dates when the relevant contract notes are executed;
- (b) commission on dealing in securities, futures, options and bullion contracts and the profit and loss on trading in securities, futures, options and bullion contracts, on the transaction dates when the relevant contract notes are executed;
- (c) consultancy and financial advisory fees, placing, underwriting and sub-underwriting commissions, and commission income from the financial planning and advisory services, on an accrual basis in accordance with the terms of the underlying agreements;
- (d) income from fund management, custodian and handling services, in the period in which such services are rendered;
- (e) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset;
- (f) income from leveraged foreign exchange transactions, on an accrual basis; and
- (g) dividend income, when the shareholders' right to receive payment has been established.

### 2.4 重大會計政策概要(續)

#### 收入確認

收入於經濟利益可能會流入本集團及收入能可靠地計算時確認，基準如下：

- (a) 按公平值計入損益之可供出售投資及股權投資銷售之盈虧在簽署有關成交單據之成交日予以確認；
- (b) 買賣證券、期貨、期權及貴金屬合約之佣金，以及買賣證券、期貨、期權及貴金屬合約之溢利及虧損，均在有關成交單據生效之成交日予以確認；
- (c) 顧問及財務諮詢費、配售、包銷及分包銷佣金及財務策劃及諮詢服務之佣金收入，乃根據相關協議之條款按應計基準予以確認；
- (d) 基金管理、代理人及保管服務所得之收入在提供該等服務時予以確認；
- (e) 利息收入以應計方式按金融工具之估計年期用實際利率法將未來估計之現金收入折現計算財務資產之賬面淨值；
- (f) 槓桿外匯交易之收入按應計基準予以確認；及
- (g) 股息乃在確定股東有權收取該款項時確認為收入。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using the Black-Scholes option pricing model, further details of which are given in note 31 to the financial statements. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

### 2.4 重大會計政策概要(續)

#### 以股份支付之交易

本公司設有購股權計劃，其目的是為了向合資格參與者對本集團業務成就作出之貢獻給予一定獎勵及報酬。本集團僱員(包括董事)以股份支付交易方式收取報酬，僱員提供服務作為收取股本權益工具之代價(「以股權支付之交易」)。

與僱員進行以股權支付之交易之成本，乃參照授出日期之公平值計量。公平值根據由外部估值師使用柏力克-舒爾斯購股權定價模式計算，詳情載於本財務報表附註31。評定以股權支付之交易之價值時，除對本公司股份價格有影響之條件(「市場條件」)(如適用)外，並無將任何績效條件計算在內。

以股權支付之交易之成本，連同權益相應增加部分，在績效及/或服務條件獲得履行期間(於有關僱員完全有權獲得授予之日(「歸屬日期」)結束)內確認。在歸屬日期前，每屆結算日確認之以股權支付之交易之累計開支，反映歸屬期已到期部分及本集團對最終將會歸屬的股權工具數目的最佳估計。在某一期間內在收益表內扣除或進賬，乃反映累計開支於期初與期終確認時之變動。

對於已授出但尚未歸屬之購股權，不會確認任何開支，但視乎市場條件而決定歸屬與否之已授出購股權則除外，對於該類購股權而言，只要所有其他績效條件已經達成，不論市場條件是否達成，均會被視為已歸屬。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Share-based payment transactions (continued)

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

The Group has adopted the transitional provisions of HKFRS 2 in respect of equity-settled awards and has applied HKFRS 2 only to equity-settled awards granted after 7 November 2002 that had not vested by 1 January 2005 and to those granted on or after 1 January 2005.

#### Other employee benefits

##### *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 period by the employees and carried forward.

### 2.4 重大會計政策概要(續)

#### 以股份支付之交易(續)

倘若以股權支付之購股權之條款有所變更，所確認之開支最少須達到猶如條款並無任何變更之水平。此外，倘若按變更日期的計量，任何變更導致以股份支付之安排之總公平值有所增加，或對僱員帶來其他利益，則應該就等變更確認開支。

倘若以股權支付之購股權被註銷，應被視為已於註銷日期歸屬，任何尚未確認之授予購股權之開支，均應立刻確認，然而，若授予新購股權代替已註銷的購股權，並於授出日期指定為替代購股權，則已註銷的購股權及新購股權，均應被視為原購股權之變更，一如前段所述。

計算每股盈利時，未行使購股權之攤薄效應，反映為額外股份攤薄。

本集團已採納香港財務報告準則第2號關於股本結算獎勵之過渡性條文，香港財務報告準則第2號僅應用於二零零二年十一月七日後授出，於二零零五年一月一日尚未歸屬，及於二零零五年一月一日或其後授出之股權支付獎勵。

#### 其他僱員福利

##### *結轉之有薪假期*

本集團根據僱員之僱傭合約按曆年基準為僱員提供有薪假期。在若干情況下，各僱員於結算日尚未動用之年假獲准結轉至下個年度動用。於結算日，按僱員於期內所賺取有薪假期之預計未來成本計提應計費用，並予以結轉。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Other employee benefits (continued)

##### Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (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 assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when an employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

#### Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum of association and Bye-laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

### 2.4 重大會計政策概要(續)

#### 其他僱員福利(續)

##### 退休金計劃

本集團根據強制性公積金計劃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」)之僱員設立定額供款強積金計劃。供款乃按僱員之基本薪金之某個百分比計算，並根據強積金計劃之規則於應付時由收益表中扣除。強積金計劃之資產與本集團之資產由獨立管理基金分開持有。本集團一旦就強積金計劃作出僱主供款後，除僱主自願供款部分外，其餘僱主供款完全撥歸僱員所有；根據強積金計劃之規則，倘僱員於僱主供款完全撥歸該僱員前離職，則僱主自願供款部分將會退回本集團。

#### 股息

董事擬派之末期股息於資產負債表股本內列作獨立保留溢利分配，直至該等股息獲股東於股東大會上批准為止。倘該等股息獲股東批准並已宣派，則會確認為負債。

由於本公司組織章程大綱及細則賦予董事權力宣派中期股息，所以中期股息之動議和宣派在同一時間進行。因此，中期股息在動議和宣派之時立即被確認為負債。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollars. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the balance sheet date, and their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are included in a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

### 2.4 重大會計政策概要(續)

#### 外匯交易

本財務報表以港元(即本公司之功能及呈列貨幣)呈列。本集團屬下各實體自行決定功能貨幣,而各實體財務報表內之項目均以該功能貨幣計算。外匯交易首先按交易日期適用之功能貨幣匯率入賬。於結算日以外幣為單位之貨幣資產與負債按該日適用之功能貨幣匯率重新換算。所有差額列入收益表。根據外幣歷史成本計算之非貨幣項目按首次交易日期之匯率換算。根據外幣公平值計算之非貨幣項目按釐定公平值當日之匯率換算。

若干家海外附屬公司及共同控制實體之功能貨幣並非港元。於結算日,該等實體之資產與負債乃按結算日之匯率換算為本公司之呈報貨幣,及該等實體之收益表按年內之加權平均匯率換算為港元。匯兌差額計入股本內之獨立項目。於出售外地實體時,就特定外地實體在股本內確認之遞延累計數額於收益表確認。

就綜合現金流量表而言,海外附屬公司之現金流量按有關日期之匯率換算為港元。海外附屬公司年內經常產生之現金流量,按年內之加權平均匯率換算為港元。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

#### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

#### *Impairment of available-for-sale investments*

The Group had available-for-sale investments which were stated at their fair values on the basis of their quoted market prices at the balance sheet date, on an individual basis. Any gains or losses are recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement. Management has to assess whether objective evidence of significant impairment exists and consider whether it is appropriate to charge the cumulative loss to income statement.

In making its judgement, the Group considers (i) the future prospect of the underlying investments; and (ii) the underlying financial position of the investments. Management considers that no objective evidence of impairment exists and the cumulative loss at the balance sheet date of HK\$3,375,000 (2006: HK\$25,989,000) was not charged to the income statement.

#### Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, 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.

### 3. 重大會計判斷及估計

本集團編製財務報表，要求管理層作出影響報告日期的收入、開支、資產與負債的報告金額，以及或然負債的披露之判斷、估計與假設。然而，基於這些假設與估計的不確定性，所得結果可能會導致需要對未來受影響資產或負債的賬面值作出重大調整。

#### 判斷

於應用本集團之會計政策時，除涉及對財務報表中已確認之數額產生最重大影響之該等估計之會計政策外，管理層作出下列之判斷：

#### *可供出售投資之減值*

本集團持有之可供出售投資乃按其於結算日所報之市價計算公平值以個別投資基準列賬。任何盈虧確認為權益下之獨立項目，直至確定投資出現減值為止，而先於權益內呈報之累積盈虧乃計入收益表。管理層須評估是否存在重大減值之客觀證據及審議將累積虧損自收益表扣除是否適當。

在判斷過程中，本集團考慮(i)有關投資之未來前景；及(ii)該等投資之有關財務狀況。管理層認為，不存在減值之客觀證據及於結算日之累積虧損3,375,000港元(二零零六年：25,989,000港元)不自收益表扣除。

#### 估計不明朗因素

有關未來之主要假設，及於結算日估計不明朗因素之其他主要來源在下文討論，兩者均對下個財政年度資產及負債之賬面值作出重大調整具有重大風險。



# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

#### Estimation uncertainty (continued)

##### Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2007 was HK\$9,854,000 (2006: HK\$854,000). Further details are given in note 14.

##### Estimation of fair values of unlisted equity investments

The Group determines the fair values of unlisted equity investments by reference to the current market values of other instruments which is substantially the same and using the quoted market prices of the respective investment funds. The carrying amount of unlisted equity investments at fair value at 31 December 2007 was HK\$160,516,000 (2006: HK\$62,454,000). More details are given in note 19.

##### Estimation of impairment of advances to customers and accounts receivable

The Group determines the impairment of advances to customers and accounts receivable based on objective evidence of impairment and historical loss experience of the respective individual balances of the counterparties.

##### Estimation of realisability of deferred tax assets

The Group reviews the carrying amounts of deferred tax assets at each balance sheet date and estimates whether sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. The estimation requires the Group to make an estimate of the expected future taxable profit from the related taxable entities. The total carrying amount of deferred tax assets at 31 December 2007 was HK\$1,666,000 (2006: HK\$2,620,000).

### 3. 重大會計判斷及估計(續)

#### 估計不明朗因素(續)

##### 商譽之減值

本集團最少每年一次決定商譽有否減值。此須估計獲分配商譽之帶來現金單元之現值。本集團估計現值，須要估計帶來現金單元之預期未來現金流量，以及須要選出合適之貼現率，以計算現金流量之現值。於二零零七年十二月三十一日商譽之賬面值為9,854,000港元(二零零六年：854,000港元)。詳情載列於附註14。

##### 非上市股本證券公平值之估計

本集團參考大致相同之其他工具之現行市值並使用相關投資基金之市場報價釐定非上市股份投資之公平值。於二零零七年十二月三十一日，按公平值列賬之非上市股本證券之賬面值為160,516,000港元(二零零六年：62,454,000港元)。詳情載列於附註19。

##### 給予客戶之墊款及應收賬款減值之估計

本集團根據對手每項結餘之客觀減值現象及以往之虧損經驗釐定給予客戶之墊款及應收賬款之減值。

##### 遞延稅項資產可實現性之估計

本集團於各結算日評估遞延稅項資產之賬面值並估計是否可能取得足夠之應課稅溢利以運用全部或部分遞延稅項資產。該等估計要求本集團須對來自相關應課稅實體之預計未來應課稅溢利作出估計。於二零零七年十二月三十一日，遞延稅項資產之賬面值總額為1,666,000港元(二零零六年：2,620,000港元)。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 4. SEGMENT INFORMATION

Segment information is presented by way of the Group's primary segment reporting basis, by business segment. In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets. No further geographical segment information is presented as the Group's customers and operations are located in Hong Kong.

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

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

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

### 4. 分部資料

分部資料乃按本集團之主要分部呈報基準—業務分部編製。在釐定本集團之地區分部時，收入按客戶所在地分配於各分部中，資產按資產所在地分配於各分部中。由於本集團客戶及營運位於香港，故並無進一步呈列地區分部資料。

本集團之經營業務乃根據其營運性質及所提供服務分開組織及管理。本集團旗下各業務分部均為提供服務之策略業務單位，其服務所承受風險及回報有別於其他業務分部。有關業務分部之詳情概述如下：

- (a) 經紀業務，乃從事證券、期貨、期權及貴金屬合約之經紀及買賣服務；
- (b) 孖展及其他借貸業務，乃從事向孖展客戶提供孖展借貸及向個人及公司客戶提供私人及公司借貸；
- (c) 企業諮詢、配售及包銷業務，乃從事有關企業諮詢、配售及包銷服務；
- (d) 買賣及投資業務，乃從事投資控股以及證券、期貨、期權及貴金屬合約之自營買賣；
- (e) 財務策劃及諮詢服務業務，乃從事提供財務策劃及諮詢服務；及
- (f) 「其他」業務，包括基金管理、提供代理人及保管服務及槓桿外匯買賣業務。

各分部間之交易乃參照向第三方收取之價格而進行。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 4. SEGMENT INFORMATION (continued)

#### Business segments

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 December 2007 and 2006.

#### Group

		Corporate														Consolidated	
		Broking		Margin and other financing		advisory, placing and underwriting		Trading and investment		Financial planning and advisory services		Others		Eliminations		Consolidated	
		經紀業務		孖展及其他借貸		企業諮詢、配售及包銷		買賣及投資		財務策劃及諮詢服務		其他		撇銷		綜合	
		2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元		
Segment revenue:	分部收入:																
Sales to external customers	銷售予外來客戶	797,440	357,867	359,559	184,724	111,315	75,790	63,828	41,946	65,059	40,280	76,002	26,306	-	-	1,473,203	726,913
Intersegment sales	各分部間之銷售	613	1,022	40,302	20,568	-	-	-	-	-	-	-	534	(40,915)	(22,124)	-	-
Total	總計	798,053	358,889	399,861	205,292	111,315	75,790	63,828	41,946	65,059	40,280	76,002	26,840	(40,915)	(22,124)	1,473,203	726,913
Segment results	分部業績	232,798	64,458	224,803	77,965	50,467	19,668	35,655	23,826	12,492	4,531	26,499	7,695	-	-	582,714	198,143
Unallocated expenses	未分配開支																
Share of profit of a jointly-controlled entity	應佔共同控制實體之溢利	-	-	-	-	-	-	-	-	-	-	198	252	-	-	198	252
Profit before tax	除稅前溢利																
Tax	稅項																
Profit for the year	年內溢利																
Segment assets	分部資產	5,892,248	3,577,699	4,302,405	2,253,231	255,530	228,114	667,423	352,821	124,113	110,552	206,960	101,964	(3,683,294)	(2,227,459)	7,765,385	4,396,922
Interests in a jointly-controlled entity	於共同控制實體之權益	-	-	-	-	-	-	-	-	-	-	3,245	3,047	-	-	3,245	3,047
Unallocated assets	未分配資產																
Total assets	總資產																
Segment liabilities	分部負債	(6,475,945)	(3,575,465)	(2,292,201)	(1,259,760)	(94,901)	(103,053)	(500,428)	(376,971)	(60,245)	(71,173)	(86,440)	(48,826)	3,683,294	2,227,459	(5,826,866)	(3,207,769)
Unallocated liabilities	未分配負債																
Total liabilities	總負債																
Other segment information:	其他分部資料:																
Depreciation	折舊	13,725	9,841	6,051	5,059	1,366	2,212	1,041	1,107	1,458	1,067	1,245	1,562	-	-	24,886	20,848
Capital expenditure	資本開支	22,398	17,716	9,635	8,679	2,027	3,608	1,708	1,947	1,324	2,922	2,034	1,232	-	-	39,126	36,104
Fair value losses/(gains) on equity investments at fair value through profit or loss, net	按公平值計入損益之股權投資之公平值虧損/(收益)淨額	-	-	-	-	-	-	7,990	(7,115)	-	-	-	-	-	-	7,990	(7,115)

### 4. 分部資料(續)

#### 業務分部

下表載列截至二零零七年及二零零六年十二月三十一日止年度本集團之業務分部之收入、溢利及若干資產、負債及開支資料。

#### 本集團

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 5. REVENUE AND OTHER INCOME

An analysis of revenue (which is also the Group's turnover) and other income is as follows:

### 5. 收入及其他收入

收入(亦指本集團之營業額)及其他收入之分析如下:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Revenue	收入		
Securities dealing and broking:	證券買賣及經紀業務:		
Commission on securities dealing	買賣證券之佣金	724,925	249,175
Futures dealing and broking:	期貨買賣及經紀業務:		
Commission on dealing in futures, options and commodities dealing	買賣期貨、期權及商品買賣之佣金	65,619	100,849
Interest income:	利息收入:		
Margin and other financing	孖展及其他借貸	359,559	184,724
Corporate finance and advisory:	企業融資及諮詢:		
Consultancy and financial advisory fee income	顧問及融資諮詢費收入	37,956	21,148
Placing, underwriting and sub-underwriting commission	配售、包銷及分包銷佣金	73,359	54,642
Bullion contracts dealing:	貴金屬合約買賣:		
Commission on bullion contracts dealing	買賣貴金屬合約之佣金	6,896	7,843
Income earned from the provision of nominee and custodian services:	提供代理人及保管服務之收入:		
Custodian and handling service fees	代理人及保管服務費	18,430	11,790
Fund management:	基金管理:		
Management income	管理收入	11,340	1,736
Performance income	表現收入	39,347	4,766
Income from proprietary trading:	自營買賣之收入:		
Profit on securities trading, net	買賣證券之溢利, 淨額	37,997	11,420
Dividend income	股息收入	2,400	4,015
Profit on futures, options and bullion contracts trading, net	買賣期貨、期權及貴金屬合約買賣之溢利, 淨額	18,611	19,829
Profit on foreign exchange contracts trading, net	買賣外匯合約之溢利, 淨額	4,820	6,682
Income from leveraged foreign exchange trading, net	槓桿外匯買賣之收入, 淨額	6,885	8,014
Commission income from the provision of financial planning and advisory services	提供財務策劃及諮詢服務之佣金收入	65,059	40,280
		<b>1,473,203</b>	<b>726,913</b>
Other income	其他收入		
Bank interest income	銀行利息收入	108,132	64,349
Others	其他	2,221	2,825
		<b>110,353</b>	<b>67,174</b>

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/  
(crediting):

### 6. 除稅前溢利

本集團之除稅前溢利乃扣減/(計入)下列  
各項後得出：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Minimum lease payments under operating leases:	經營租賃下支付之最低租金：		
Land and buildings	土地及樓宇	30,048	23,930
Computer equipment	電腦設備	28,769	21,032
Auditors' remuneration	核數師酬金	2,550	1,980
Employee benefits expense (including directors' remuneration (note 7)):	僱員福利開支 (包括董事酬金(附註7))：		
Salaries and allowances	薪酬及佣金	151,745	121,265
Bonuses	花紅	134,561	53,250
Commission to accounts executives	客戶主任佣金	240,344	124,994
Equity-settled share option expense	以股本支付之購股權開支	2,685	3,083
Pension scheme contributions	退休金計劃供款	12,460	9,334
Less: Forfeited contributions	減：沒收供款	(597)	(352)
Net pension scheme contributions	退休金計劃供款淨額	11,863	8,982
		<b>541,198</b>	311,574
Foreign exchange differences, net	外匯匯兌差額，淨額	(2,771)	(2,722)
Bad debts written off	壞賬撇銷	908	2,228
Interest expense for securities broking and margin financing operations:	經營證券經紀及孖展借貸業務之利息開支：		
On bank loans and overdrafts	銀行貸款及透支	198,324	94,479
On other loans	其他貸款	10,342	6,012
On accounts payable to clients	應付客戶賬款	48,286	30,391
Others	其他	145	1,828
		<b>257,097</b>	132,710
Bank interest income	銀行利息收入	(108,132)	(64,349)
Interest income from margin and other financing	孖展及其他借貸產生之利息收入	(359,559)	(184,724)
Dividend income from listed equity investments	上市投資之股息收入	(2,400)	(4,015)
Gain on disposal of items of property, plant and equipment	出售物業、機器及設備等項目之收益	(127)	(334)

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 7. DIRECTORS' REMUNERATION

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

### 7. 董事酬金

以下為根據上市規則及香港公司條例第161條規定披露之年度董事酬金詳情：

		Group 集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Fees:	袍金：		
Executive directors	執行董事	1,500	1,500
Non-executive directors	非執行董事	983	1,000
Independent non-executive directors	獨立非執行董事	700	650
		<b>3,183</b>	3,150
Other emoluments:	其他酬金：		
Executive directors:	執行董事：		
Salaries and allowances	薪金及津貼	10,272	9,498
Performance related bonuses*	按表現而發放之花紅*	28,018	10,262
Employee share option benefits	僱員購股權福利	468	1,291
Pension scheme contributions	退休金計劃供款	902	830
		<b>39,660</b>	21,881
		<b>42,843</b>	25,031

\* Certain executive directors of the Company are entitled to bonus payments which are determined as a percentage of the profit after tax of the Group.

\* 本公司若干執行董事可收取花紅，該花紅按本集團除稅後溢利之某個百分比釐定。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 7. DIRECTORS' REMUNERATION (continued)

During the year, certain directors were granted share options, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 31 to the financial statements. The fair value of such options, which has been recognised in the income statement over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' remuneration disclosures.

#### (a) Independent non-executive directors

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

Man Mo Leung	文暮良
Tsui Hing Chuen, William	徐慶全
Wei Chi Kuan, Kenny	魏啟寬
Lau Wai Piu, Bill	劉偉彪

There were no other emoluments payable to the independent non-executive directors during the year (2006: Nil).

### 7. 董事酬金(續)

於年內，若干董事因其向本集團提供之服務而根據本公司購股權計劃獲授購股權，有關詳情載於財務報表附註31。此等購股權之公平值於歸屬期內於收益表確認，該公平值乃於授出日期釐定而載入現年度財務報表之金額已包括在上述董事酬金披露之內。

#### (a) 獨立非執行董事

年內付予獨立非執行董事之袍金如下：

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
250	225
250	225
-	183
200	17
<b>700</b>	<b>650</b>

年內概無應付獨立非執行董事之其他酬金(二零零六年：無)。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)

二零零七年十二月三十一日 (以港元為呈列單位)

### 7. DIRECTORS' REMUNERATION (continued)

### 7. 董事酬金(續)

#### (b) Executive directors and non-executive directors

#### (b) 執行董事及非執行董事

		Fees	Salaries and allowances	Performance related bonuses	Employee share option benefits	Pension scheme contributions	Total remuneration
		袍金	薪金及津貼	按表現而發放之花紅	僱員購股權福利	退休金計劃供款	酬金總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
<b>2007</b>	<b>二零零七年</b>						
Executive directors:	執行董事:						
Cheng Kar Shun, Henry	鄭家純	900	-	-	-	12	912
Lo Lin Shing, Simon	魯連城	-	3,000	8,700	-	150	11,850
Doo Wai Hoi, William	杜惠愷	600	-	-	-	12	612
Wong Shiu Hoi, Peter	黃紹開	-	3,000	8,700	188	300	12,188
Lee Yiu Wing, William	李耀榮	-	2,136	5,113	140	214	7,603
Chan Chi On, Derek	陳志安	-	2,136	5,505	140	214	7,995
		<b>1,500</b>	<b>10,272</b>	<b>28,018</b>	<b>468</b>	<b>902</b>	<b>41,160</b>
Non-executive directors:	非執行董事:						
Wong Kwok Kin, Andrew	黃國堅	200	-	-	-	-	200
Lam Wai Hon, Patrick	林煒瀚	200	-	-	-	-	200
Cheung Wing Yui, Edward*	張永銳*	150	-	-	-	-	150
Ho Hau Chong, Norman	何厚鏞	200	-	-	-	-	200
To Hin Tsun, Gerald	杜顯俊	200	-	-	-	-	200
Lee Ka Sze, Carmelo	李嘉士	33	-	-	-	-	33
		<b>983</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>983</b>
		<b>2,483</b>	<b>10,272</b>	<b>28,018</b>	<b>468</b>	<b>902</b>	<b>42,143</b>
<b>2006</b>	<b>二零零六年</b>						
Executive directors:	執行董事:						
Cheng Kar Shun, Henry	鄭家純	900	-	-	-	12	912
Lo Lin Shing, Simon	魯連城	-	2,868	3,180	405	143	6,596
Doo Wai Hoi, William	杜惠愷	600	-	-	-	12	612
Wong Shiu Hoi, Peter	黃紹開	-	2,868	3,180	405	287	6,740
Lee Yiu Wing, William	李耀榮	-	1,854	1,884	253	185	4,176
Chan Chi On, Derek	陳志安	-	1,908	2,018	228	191	4,345
		<b>1,500</b>	<b>9,498</b>	<b>10,262</b>	<b>1,291</b>	<b>830</b>	<b>23,381</b>
Non-executive directors:	非執行董事:						
Wong Kwok Kin, Andrew	黃國堅	200	-	-	-	-	200
Lam Wai Hon, Patrick	林煒瀚	200	-	-	-	-	200
Cheung Wing Yui, Edward	張永銳	200	-	-	-	-	200
Ho Hau Chong, Norman	何厚鏞	200	-	-	-	-	200
To Hin Tsun, Gerald	杜顯俊	200	-	-	-	-	200
		<b>1,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000</b>
		<b>2,500</b>	<b>9,498</b>	<b>10,262</b>	<b>1,291</b>	<b>830</b>	<b>24,381</b>

\* Resigned as a non-executive director on 1 October 2007.

\* 於二零零七年十月一日辭任非執行董事。



# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 7. DIRECTORS' REMUNERATION (continued)

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

### 8. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2006: three) directors, details of whose remuneration are set out in note 7 above. Details of the remuneration of the remaining two (2006: two) non-director, highest paid employees for the year are as follows:

Salaries and allowances	薪金及津貼
Pension scheme contributions	退休金計劃供款
Employee share option benefits	僱員購股權福利

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

HK\$5,000,001 to HK\$6,000,000	5,000,001 港元至 6,000,000 港元
HK\$7,000,001 to HK\$8,000,000	7,000,001 港元至 8,000,000 港元
HK\$12,000,001 to HK\$13,000,001	12,000,001 港元至 13,000,001 港元

During the year, share options were granted to a non-director, highest paid employee in respect of his services to the Group, further details of which are included in the disclosures in note 31 to the financial statements. The fair value of such options, which has been recognised to the income statement over the vesting period, was determined as the date of grant and the amount included in the financial statements for the current year is included in the above non-director, highest paid employees' remuneration disclosures.

### 7. 董事酬金(續)

董事於年內並無根據任何安排放棄或同意放棄收取任何酬金。

### 8. 五名薪金最高之僱員

五名薪金最高之僱員包括三名(二零零六年: 三名)董事, 其酬金之詳情於上文附註 7 載列。餘下兩名(二零零六年: 兩名)最高薪酬非董事僱員之酬金載列如下:

Group 本集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
19,733	10,183
36	36
23	-
<b>19,792</b>	<b>10,219</b>

酬金在下列範圍內之最高薪非董事僱員人數如下:

Number of employees 僱員人數	
2007 二零零七年	2006 二零零六年
-	2
1	-
1	-
<b>2</b>	<b>2</b>

年內, 一位最高薪僱員(並非董事)就其向本集團提供之服務獲授購股權, 進一步詳情已於本財務報表附註 31 披露。此等購股權之公平值於歸屬期內在收益表內確認, 該公平值乃於授出日期釐定, 有關之金額已列入本年度財務報表在上文之有關之非董事最高薪僱員之薪酬披露內。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 9. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Group:	本集團:		
Current – Hong Kong	本期—香港		
Charge for the year	年內支出	85,322	22,363
Underprovision in prior years	過往年度撥備不足	-	155
Current – Elsewhere	本期—其他地區	502	-
Deferred (note 29)	遞延(附註29)	6,505	453
Total tax charge for the year	年內稅項支出總額	92,329	22,971

A reconciliation of the tax expense applicable to profit/(loss) before tax using the statutory rates for the jurisdictions in which the Company and its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

#### Group – 2007

		Hong Kong 香港		Mainland China 中國大陸		Total 總額	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Profit/(loss) before tax	除稅前溢利/(虧損)	583,886		(1,326)		582,560	
Tax at the statutory tax rate	按法定稅率	102,180	17.5	(438)	33.0	101,742	17.5
Profits attributable to a jointly-controlled entity	共同控制實體應佔之溢利	(35)	-	-	-	(35)	-
Income not subject to tax	毋須繳納稅項之收入	(19,518)	(3.3)	-	-	(19,518)	(3.4)
Expenses not deductible for tax	不可扣稅之支出	10,495	1.8	183	(13.8)	10,678	1.8
Tax losses utilised from previous periods	已動用過往期間稅項虧損	(3,867)	(0.7)	(176)	13.3	(4,043)	(0.7)
Tax losses not recognised	並無確認之稅項虧損	2,461	0.4	933	(70.4)	3,394	0.6
Others	其他	111	-	-	-	111	-
Tax charge at the Group's effective rate	按本集團實際稅率計算之稅項支出	91,827	15.7	502	(37.9)	92,329	15.8

### 9. 稅項

香港利得稅乃就年內在香港產生之估計應課稅溢利按稅率17.5%(二零零六年: 17.5%)撥備。在其他地區之應課稅溢利乃根據本集團經營業務國家的現行法例、詮釋及慣例,按當地之現行稅率計算。

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Group:	本集團:		
Current – Hong Kong	本期—香港		
Charge for the year	年內支出	85,322	22,363
Underprovision in prior years	過往年度撥備不足	-	155
Current – Elsewhere	本期—其他地區	502	-
Deferred (note 29)	遞延(附註29)	6,505	453
Total tax charge for the year	年內稅項支出總額	92,329	22,971

下表按適用於本公司及其附屬公司註冊成立司法權區之法定稅率計算除稅前溢利/(虧損)之稅項支出,以及按實際稅率計算之稅項支出進行調節;並就適用稅率(即法定稅率)以及實際稅率進行調節:

#### 本集團—二零零七年

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 9. TAX (continued)

Group – 2006

		Hong Kong 香港		Mainland China 中國大陸		Total 總額	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Profit/(loss) before tax	除稅前溢利/(虧損)	200,896		(2,955)		197,941	
Tax at the statutory tax rate	按法定稅率	35,157	17.5	(975)	(33.0)	34,182	17.3
Adjustments in respect of current tax of previous periods	就過往期間之稅項 作本期間之調整	155	0.1	–	–	155	0.1
Profits attributable to a jointly-controlled entity	共同控制實體 應佔之溢利	(37)	(0.1)	–	–	(37)	(0.1)
Income not subject to tax	毋須繳納稅項之收入	(7,312)	(3.5)	–	–	(7,312)	(3.6)
Expenses not deductible for tax	不可扣稅之支出	884	0.4	–	–	884	0.4
Tax losses utilised from previous periods	已動用過往期間 稅項虧損	(5,730)	(2.9)	–	–	(5,730)	(2.9)
Tax losses not recognised	並無確認之稅項虧損	613	0.3	975	33.0	1,588	0.8
Others	其他	(759)	(0.4)	–	–	(759)	(0.4)
Tax charge at the Group's effective rate	按本集團實際稅率計算之 稅項支出	22,971	11.4	–	–	22,971	11.6

The share of tax attributable to the jointly-controlled entity amounting to HK\$53,000 (2006: HK\$37,000) is included in "Share of profit of a jointly-controlled entity" on the face of the consolidated income statement.

### 9. 稅項(續)

本集團—二零零六年

		Hong Kong 香港		Mainland China 中國大陸		Total 總額	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Profit/(loss) before tax	除稅前溢利/(虧損)	200,896		(2,955)		197,941	
Tax at the statutory tax rate	按法定稅率	35,157	17.5	(975)	(33.0)	34,182	17.3
Adjustments in respect of current tax of previous periods	就過往期間之稅項 作本期間之調整	155	0.1	–	–	155	0.1
Profits attributable to a jointly-controlled entity	共同控制實體 應佔之溢利	(37)	(0.1)	–	–	(37)	(0.1)
Income not subject to tax	毋須繳納稅項之收入	(7,312)	(3.5)	–	–	(7,312)	(3.6)
Expenses not deductible for tax	不可扣稅之支出	884	0.4	–	–	884	0.4
Tax losses utilised from previous periods	已動用過往期間 稅項虧損	(5,730)	(2.9)	–	–	(5,730)	(2.9)
Tax losses not recognised	並無確認之稅項虧損	613	0.3	975	33.0	1,588	0.8
Others	其他	(759)	(0.4)	–	–	(759)	(0.4)
Tax charge at the Group's effective rate	按本集團實際稅率計算之 稅項支出	22,971	11.4	–	–	22,971	11.6

共同控制實體應佔稅項為53,000港元(二零零六年: 37,000港元), 乃計入綜合收益表之「應佔共同控制實體之溢利」項下。

### 10. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

The consolidated profit attributable to equity holders of the parent for the year ended 31 December 2007 includes a profit of HK\$241,755,000 (2006: HK\$86,417,000) which has been dealt with in the financial statements of the Company (note 32(b)).

### 10. 母公司股權持有人應佔溢利

截至二零零七年十二月三十一日止年度, 本公司財務報表中處理之母公司股權持有人應佔綜合溢利中包括溢利241,755,000港元(二零零六年: 86,417,000港元)(附註32(b))。

### 11. DIVIDENDS

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Interim – HK13 cents (2006: HK7 cents) per ordinary share	中期股息—每股 普通股13港仙 (二零零六年: 7港仙)	80,008	40,627
Final dividend paid in respect of the previous year	過往年度 已付末期股息	1,400	–
Proposed final – HK25 cents (2006: HK7 cents) per ordinary share	擬派末期股息—每股 普通股25港仙 (二零零六年: 7港仙)	163,562	41,555
		<b>244,970</b>	82,182

### 11. 股息

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 11. DIVIDENDS (continued)

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

### 12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares in issue during the year.

The calculation of diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

### 11. 股息(續)

年度擬派末期股息須經本公司股東在即將舉行之股東週年大會上批准。

### 12. 母公司普通股本持有人應佔每股盈利

每股基本盈利金額乃根據年內母公司普通股本持有人應佔溢利以及年內已發行普通股之加權平均數計算。

每股攤薄盈利金額乃根據年內母公司普通股本持有人應佔溢利計算。計算時所採納普通股加權平均數與計算每股基本盈利所採納之年內已發行普通股數目相同，並假設普通股加權平均數已於年內因全部攤薄潛在普通股被視為已行使或轉換為普通股而按零代價發行。

計算每股基本及攤薄盈利乃根據：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Earnings	盈利		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	用於計算每股基本盈利之 母公司普通股本持有人 應佔溢利	484,847	172,325
<b>Number of shares</b> 股份數目			
		2007 二零零七年	2006 二零零六年
Shares	股份		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	用於計算每股基本盈利之 年內已發行普通股之 加權平均數	614,980,521	579,931,085
Effect of dilution – weighted average number of ordinary shares:	攤薄效應 – 普通股之 加權平均數：		
Share options	購股權	6,824,964	3,641,554
		<b>621,805,485</b>	<b>583,572,639</b>

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 13. PROPERTY, PLANT AND EQUIPMENT

#### Group

<b>31 December 2007</b>	於二零零七年十二月三十一日					
At 31 December 2006 and at 1 January 2007:	於二零零六年十二月三十一日及二零零七年一月一日:					
Cost	成本	3,092	50,842	35,465	122,851	5,771
Accumulated depreciation	累積折舊	(752)	(42,833)	(29,538)	(78,617)	(2,808)
Net carrying amount	賬面淨值	2,340	8,009	5,927	44,234	2,963
At 1 January 2007, net of accumulated depreciation	於二零零七年一月一日, 扣除累積折舊	2,340	8,009	5,927	44,234	2,963
Additions	添置	-	2,030	3,091	32,644	1,361
Acquisition of a subsidiary (note 33)	收購附屬公司(附註33)	-	-	-	1	-
Disposals	出售	-	-	(19)	(1)	(240)
Depreciation provided during the year	年內折舊撥備	(77)	(3,126)	(2,376)	(18,469)	(838)
At 31 December 2007, net of accumulated depreciation	於二零零七年十二月三十一日, 扣除累積折舊	2,263	6,913	6,623	58,409	3,246
At 31 December 2007:	於二零零七年十二月三十一日:					
Cost	成本	3,092	52,872	38,212	155,066	6,119
Accumulated depreciation	累積折舊	(829)	(45,959)	(31,589)	(96,657)	(2,873)
Net carrying amount	賬面淨值	2,263	6,913	6,623	58,409	3,246
<b>31 December 2006</b>	於二零零六年十二月三十一日					
At 31 December 2005 and at 1 January 2006:	於二零零五年十二月三十一日及二零零六年一月一日:					
Cost	成本	3,092	47,412	32,645	94,601	6,043
Accumulated depreciation	累積折舊	(674)	(38,143)	(26,965)	(65,745)	(5,316)
Net carrying amount	賬面淨值	2,418	9,269	5,680	28,856	727
At 1 January 2006, net of accumulated depreciation	於二零零六年一月一日, 扣除累積折舊	2,418	9,269	5,680	28,856	727
Additions	添置	-	2,624	2,181	28,285	3,014
Acquisition of subsidiaries (note 33)	收購附屬公司(附註33)	-	810	653	-	-
Disposals	出售	-	(2)	(3)	(1)	(190)
Depreciation provided during the year	年內折舊撥備	(78)	(4,692)	(2,584)	(12,906)	(588)
At 31 December 2006, net of accumulated depreciation	於二零零六年十二月三十一日, 扣除累積折舊	2,340	8,009	5,927	44,234	2,963
At 31 December 2006:	於二零零六年十二月三十一日:					
Cost	成本	3,092	50,842	35,465	122,851	5,771
Accumulated depreciation	累積折舊	(752)	(42,833)	(29,538)	(78,617)	(2,808)
Net carrying amount	賬面淨值	2,340	8,009	5,927	44,234	2,963

### 13. 物業、機器及設備

#### 本集團

Leasehold land and buildings	Leasehold improvements	Furniture, fixtures and equipment	Computer equipment	Motor vehicles	Total	
租賃土地及樓宇	租賃物業裝修	傢俬、裝置及設備	電腦設備	汽車	合計	
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
千港元	千港元	千港元	千港元	千港元	千港元	
<b>31 December 2007</b>	於二零零七年十二月三十一日					
At 31 December 2006 and at 1 January 2007:	於二零零六年十二月三十一日及二零零七年一月一日:					
Cost	成本	3,092	50,842	35,465	122,851	5,771
Accumulated depreciation	累積折舊	(752)	(42,833)	(29,538)	(78,617)	(2,808)
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Disposals	出售	-	-	(19)	(1)	(240)
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Cost	成本	3,092	52,872	38,212	155,066	6,119
Accumulated depreciation	累積折舊	(829)	(45,959)	(31,589)	(96,657)	(2,873)
Net carrying amount	賬面淨值	2,263	6,913	6,623	58,409	3,246
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Cost	成本	3,092	47,412	32,645	94,601	6,043
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Acquisition of subsidiaries (note 33)	收購附屬公司(附註33)	-	810	653	-	-
Disposals	出售	-	(2)	(3)	(1)	(190)
Depreciation provided during the year	年內折舊撥備	(78)	(4,692)	(2,584)	(12,906)	(588)
At 31 December 2006, net of accumulated depreciation	於二零零六年十二月三十一日, 扣除累積折舊	2,340	8,009	5,927	44,234	2,963
At 31 December 2006:	於二零零六年十二月三十一日:					
Cost	成本	3,092	50,842	35,465	122,851	5,771
Accumulated depreciation	累積折舊	(752)	(42,833)	(29,538)	(78,617)	(2,808)
Net carrying amount	賬面淨值	2,340	8,009	5,927	44,234	2,963

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 13. PROPERTY, PLANT AND EQUIPMENT (continued)

### 13. 物業、機器及設備(續)

#### Company

#### 本公司

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 千港元	Leasehold improve- ments 租賃 物業裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Computer equipment 電腦設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>31 December 2007</b>	於二零零七年十二月三十一日						
At 31 December 2006 and at 1 January 2007:	於二零零六年十二月三十一日 及二零零七年一月一日:						
Cost	成本	1,178	28,175	17,869	252	5,169	52,643
Accumulated depreciation	累積折舊	(199)	(21,233)	(13,212)	(222)	(2,785)	(37,651)
Net carrying amount	賬面淨值	979	6,942	4,657	30	2,384	14,992
At 1 January 2007, net of accumulated depreciation	於二零零七年一月一日 扣除累積折舊	979	6,942	4,657	30	2,384	14,992
Additions	添置	-	1,662	2,165	29	1,295	5,151
Disposals	出售	-	-	(19)	-	(240)	(259)
Depreciation provided during the year	年內折舊撥備	(29)	(2,384)	(1,478)	(30)	(751)	(4,672)
At 31 December 2007, net of accumulated depreciation	於二零零七年十二月三十一日 扣除累積折舊	950	6,220	5,325	29	2,688	15,212
At 31 December 2007:	於二零零七年十二月三十一日:						
Cost	成本	1,178	29,837	19,689	191	5,451	56,346
Accumulated depreciation	累積折舊	(228)	(23,617)	(14,364)	(162)	(2,763)	(41,134)
Net carrying amount	賬面淨值	950	6,220	5,325	29	2,688	15,212
<b>31 December 2006</b>	於二零零六年十二月三十一日						
At 31 December 2005 and at 1 January 2006:	於二零零五年十二月三十一日 及二零零六年一月一日:						
Cost	成本	1,178	26,019	16,599	231	5,754	49,781
Accumulated depreciation	累積折舊	(169)	(17,447)	(11,585)	(188)	(5,227)	(34,616)
Net carrying amount	賬面淨值	1,009	8,572	5,014	43	527	15,165
At 1 January 2006, net of accumulated depreciation	於二零零六年一月一日, 扣除累積折舊	1,009	8,572	5,014	43	527	15,165
Additions	添置	-	2,156	1,270	21	2,412	5,859
Disposals	出售	-	-	-	-	(16)	(16)
Depreciation provided during the year	年內折舊撥備	(30)	(3,786)	(1,627)	(34)	(539)	(6,016)
At 31 December 2006, net of accumulated depreciation	於二零零六年十二月三十一日, 扣除累積折舊	979	6,942	4,657	30	2,384	14,992
At 31 December 2006:	於二零零六年十二月三十一日:						
Cost	成本	1,178	28,175	17,869	252	5,169	52,643
Accumulated depreciation	累積折舊	(199)	(21,233)	(13,212)	(222)	(2,785)	(37,651)
Net carrying amount	賬面淨值	979	6,942	4,657	30	2,384	14,992

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 13. PROPERTY, PLANT AND EQUIPMENT (continued)

The Group's leasehold land and buildings included above are situated in Hong Kong and are held under the following lease terms:

		Total 總額 HK\$'000 千港元
At cost:	按成本值:	
Medium term leases	中期租賃	1,914
Long term leases	長期租賃	1,178
		<hr/> 3,092

### 14. GOODWILL

		HK\$'000 千港元
Acquisition of subsidiaries (note 33) and at 31 December 2006	收購附屬公司(附註33) 及於二零零六年十二月三十一日	854
Cost at 1 January 2007, net of accumulated impairment	於二零零七年一月一日之成本， 扣除累計減值	854
Acquisition of a subsidiary (note 33)	收購一間附屬公司(附註33)	9,000
Cost and carrying amount at 31 December 2007	於二零零七年十二月三十一日 之成本及賬面值	<hr/> 9,854

As further detailed in note 2.4 to the financial statements, the Group applied the transitional provisions of HKFRS 3 that permitted goodwill in respect of business combinations which occurred prior to 2001 to remain eliminated against consolidated reserve.

The amount of goodwill remaining in consolidated capital reserve, arising from the acquisition of a subsidiary prior to the adoption of SSAP 30 in 2001, was HK\$60,000 as at 31 December 2006 and 2007. The amount of goodwill is stated at its cost.

#### Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to the following cash-generating units, which are reportable segments, for impairment testing:

- Financial planning and advisory services cash-generating unit; and
- "Others" cash-generating unit

### 13. 物業、機器及設備(續)

上文所載本集團之租賃土地及樓宇位於香港，按下列租賃年期持有：

### 14. 商譽

誠如財務報表附註2.4所進一步披露，本集團應用香港財務報告準則第3號之過渡性規定，其准許於二零零一年前發生之業務合併有關之商譽仍舊與綜合儲備互相抵銷。

於二零零六年及二零零七年十二月三十一日，於二零零一年採納會計實務準則第30號之前收購附屬公司所產生而仍保留於綜合資本儲備之商譽金額為60,000港元。有關商譽金額乃按其成本列賬。

#### 商譽減值測試

為進行減值測試，透過業務合併收購之商譽已分配至下列屬可呈報分部之現金產生單位：

- 財務策劃及諮詢服務現金產生單位；及
- 「其他」現金產生單位

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 14. GOODWILL (continued)

#### Financial planning and advisory services cash-generating unit

The recoverable amount of the financial planning and advisory services cash-generating unit has been determined based on value in use calculation using cash flow projections covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 5% (2006: 5%) and cash flows are using a growth rate of 15% (2006: 15%) which is determined based on past performance and management's expectations for the market development.

#### "Others" cash-generating unit

The recoverable amount of "others" cash-generating unit has been determined based on value in use calculation using cash flow projections covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 5.5% and cash flows are using growth rates of 20% (for investment fund management) and 30% (for other fund management) which are determined based on past performance and management's expectations for the market development.

The carrying amount of goodwill allocated to each of the cash-generating units is as follows:

	Financial planning and advisory services 財務策劃及諮詢服務		Others 其他		Total 總計	
	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Carrying amount of goodwill 商譽之賬面值	854	854	9,000	-	9,854	854

Key assumptions were used in the value in use calculation of the financial planning and advisory services and "others" cash-generating units for 31 December 2007 and 31 December 2006. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

### 14. 商譽(續)

#### 財務策劃及諮詢服務現金產生單位

財務策劃及諮詢服務現金產生單位之可收回金額乃以使用價值為基準使用高級管理層所批准涵蓋五年期間之現金流預測釐定。現金流量預測所應用之折現率為5% (二零零六年: 5%)，而現金流量乃採用15% (二零零六年: 15%)之增長率，此乃根據過去表現及管理層對市場發展之預期而釐定。

#### [其他]現金產生單位

[其他]現金產生單位之可收回金額乃以使用價值為基準使用管理層所批准涵蓋五年期間之現金流預測釐定。現金流量預測所應用之折現率為5.5%，而現金流量則採用20% (就投資基金管理而言)及30% (就其他基金管理而言)之增長率，此乃根據過去表現及管理層對市場發展之預期而釐定。

分配至各現金產生單位之商譽之賬面值如下：

計算二零零七年十二月三十一日及二零零六年十二月三十一日財務策劃及諮詢服務及[其他]現金產生單位之使用價值時，已使用若干主要假設。以下載述管理層進行商譽減值測試之現金流量預測所依據之各主要假設：



# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 14. GOODWILL (continued)

Budgeted gross margins - The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, increased for expected efficiency improvements, and expected market development.

Discount rates - The discount rates used are before tax and reflect specific risks relating to the relevant units.

### 15. OTHER INTANGIBLE ASSETS

Cost at 1 January and 31 December, net of accumulated amortisation	於一月一日及十二月三十一日之成本，扣除累積攤銷
Cost (gross carrying amount)	成本(賬面總值)
Accumulated amortisation	累積攤銷
Net carrying amount	賬面淨值

Upon the adoption of HKAS 38 in the prior year, the Group's eligibility rights to trade on or through the Stock Exchange and the Futures Exchange are considered to have indefinite lives, which are not amortised.

### 14. 商譽(續)

預算邊際毛利—用作釐定預算邊際毛利所指定價值之基準，為緊接預算年度前一年取得之平均邊際毛利，並已就預期效率提升及預期市場發展而作出相應調高。

折現率—所使用之折現率為未計稅項前及反映與相關單位有關之特定風險之比率。

### 15. 其他無形資產

Group 本集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
4,609	4,609
8,131	8,131
(3,522)	(3,522)
4,609	4,609

於往年度採用香港會計準則第38號時，本集團於聯交所及期交所進行買賣之資格權利被認為屬無限期，故沒有計提攤銷。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 16. OTHER ASSETS

### 16. 其他資產

		Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
At cost:	按成本值：		
Deposits with the Stock Exchange:	於聯交所之按金：		
Compensation fund	賠償基金	300	300
Fidelity fund	互保基金	300	300
Dealers' deposit with the Securities and Futures Commission	證券及期貨事務監察委員會交易商按金	350	350
Stamp duty deposit	印花稅按金	500	500
Contributions to The Central Clearing and Settlement System Guarantee Fund	中央結算及交收系統保證基金供款	370	820
Admission fee paid to Hong Kong Securities Clearing Company Limited	付予香港中央結算有限公司之入會費	300	300
Reserve fund with The SEHK Options Clearing House Limited	香港聯合交易所期權結算所有限公司之儲備金	6,420	8,943
Deposit with HKFE Clearing Corporation Limited in contribution to the reserve fund	於香港期貨結算有限公司儲備金之按金	1,500	13,217
Cost of membership for a seat at The Chinese Gold and Silver Exchange Society	香港金銀業貿易場會籍成本	486	486
Compensation fund paid to The Shenzhen Stock Exchange Co., Ltd.	付予深圳證券交易所有限公司之賠償基金	300	300
Settlement Risk Fund paid to The Shanghai Securities Central Clearing & Registration Corporation	付予上海證券中央登記結算公司之交收風險共同基金	387	387
Club debentures	會所債券	116	116
		<b>11,329</b>	<b>26,019</b>

### 17. INTERESTS IN SUBSIDIARIES

### 17. 於附屬公司之權益

		Company 本公司	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Unlisted shares/investments, at cost	非上市股份/投資，按成本值	105,377	105,377
Due from subsidiaries	應收附屬公司之款項	1,643,531	1,163,202
Due to subsidiaries	應付附屬公司之款項	(466,245)	(359,720)
		<b>1,282,663</b>	<b>908,859</b>

The balances with subsidiaries are unsecured, interest-free and have no fixed terms of repayment. The carrying amounts of these amounts due from/to subsidiaries approximate to their fair values.

與附屬公司結餘款項乃無抵押、免息及無固定還款期。應收/付附屬公司之款項之賬面值與其公平值相若。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 17. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the subsidiaries are as follows:

### 17. 於附屬公司之權益(續)

附屬公司詳情如下：

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及 經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本之 票面值	Percentage of equity attributable to the Company 本公司應佔之 股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
E-wealth Club Limited 創富會有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000 港元	-	100	Club association 會所組織
iT Technology Company Limited 演天資訊科技有限公司	Hong Kong 香港	HK\$2 2 港元	-	100	Investment holding 投資控股
iT Technology Holdings Inc.	British Virgin Islands 英屬處女群島	US\$1 1 美元	-	100	Investment holding 投資控股
iT Technology (Shenzhen) Company Limited * 演天資訊科技 (深圳)有限公司*	People's Republic of China ("PRC")/ Mainland China 中華人民共和國 (「中國」)/中國大陸	HK\$1,000,000 1,000,000 港元	-	100	Provision of software development services 提供軟件開發服務
Ocean Pilot Investments Limited	British Virgin Islands 英屬處女群島	US\$1 1 美元	-	100	Investment holding 投資控股
Prosper Ideal Limited 意盛有限公司	Hong Kong 香港	HK\$2 2 港元	-	100	Investment holding 投資控股
Taifook Asset Management Limited 大福資產管理有限公司	Hong Kong 香港	HK\$13,000,000 13,000,000 港元	-	100	Investment holding and asset management 投資控股及資產管理
Taifook Asset Management Nominees Limited 大福資產管理代理人有限公司	Hong Kong 香港	HK\$6,000,000 6,000,000 港元	-	100	Proprietary trading 自營買賣
Taifook Bullion Limited 大福金業有限公司	Hong Kong 香港	HK\$7,000,000 7,000,000 港元	-	100	Bullion contracts dealing and trading 貴金屬合約買賣及交易
Taifook (BVI) Limited	British Virgin Islands 英屬處女群島	HK\$11,576 11,576 港元	100	-	Investment holding 投資控股

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 17. INTERESTS IN SUBSIDIARIES (continued)

### 17. 於附屬公司之權益(續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及 經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本之 票面值	Percentage of equity attributable to the Company 本公司應佔之 股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Taifook Capital Limited 大福融資有限公司	Hong Kong 香港	HK\$20,000,000 20,000,000 港元	-	100	Provision of corporate advisory services 提供企業諮詢服務
Taifook E-wealth Club Inc.	British Virgin Islands 英屬處女群島	US\$1 1 美元	-	100	Investment holding 投資控股
Taifook Finance Company Limited 大福財務有限公司	Hong Kong 香港	HK\$2 (Non-voting deferred ** HK\$100,700,001) 2 港元 (無投票權遞延股 ** 100,700,001 港元)	-	100	Investment holding, money lending and securities trading 投資控股、借貸 業務及證券買賣
Tai Fook Fund Management Company Limited	Bermuda 百慕達	US\$12,000 12,000 美元	-	100	Fund management 基金管理
Tai Fook Fund Managers Limited 大福基金經理有限公司	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1 美元	-	100	Fund management 基金管理
Taifook Futures Limited 大福期貨有限公司	Hong Kong 香港	HK\$50,000,000 50,000,000 港元	-	100	Futures and options broking and trading 期貨及期權經紀 業務及買賣
Taifook Information Systems Inc.	British Virgin Islands 英屬處女群島	US\$1 1 美元	-	100	Investment holding 投資控股
Taifook Information Systems Limited 大福資訊系統有限公司	Hong Kong 香港	HK\$11,000,000 11,000,000 港元	-	100	Provision of information technology solutions 提供資訊科技解決方案
Taifook Information Technology Inc.	British Virgin Islands 英屬處女群島	US\$1 1 美元	-	100	Investment holding 投資控股

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 17. INTERESTS IN SUBSIDIARIES (continued)

### 17. 於附屬公司之權益(續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及 經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本之 票面值	Percentage of equity attributable to the Company 本公司應佔之 股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Taifook Investment Consultancy (Guangzhou) Company Limited * 大福投資諮詢顧問 (廣州)有限公司*	PRC/ Mainland China 中國/中國大陸	HK\$2,000,000 2,000,000港元	-	100	Provision of investment consultancy services 提供投資諮詢顧問服務
Taifook Investment Consultancy (Shanghai) Company Limited * 大福投資諮詢顧問 (上海)有限公司*	PRC/ Mainland China 中國/中國大陸	US\$700,000 700,000美元	-	100	Provision of investment consultancy services 提供投資諮詢顧問服務
Taifook Investment Management Inc.	British Virgin Islands 英屬處女群島	US\$1 1美元	-	100	Investment holding 投資控股
Taifook Investment Managers Limited (formerly Kingsway Fund Management Limited) *** 大福投資經理有限公司 (前稱匯富環球基金管理 有限公司)***	Hong Kong 香港	HK\$47,000,000 47,000,000港元	-	100	Provision of asset and fund management services 提供資產及基金 管理服務
Taifook Investment Services Limited 大福投資服務有限公司	Hong Kong 香港	HK\$42,500,000 42,500,000港元	-	100	Securities broking and dealing 證券經紀及買賣
Taifook Lexton Wealth Management Limited 大福歷斯頓創富理財有限公司	Hong Kong 香港	HK\$1,240,000 1,240,000港元	-	60	Provision of financial planning services 提供財務策劃服務
Taifook Lexton Consultants Limited 大福歷斯頓顧問有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000港元	-	60	Provision of financial advisory services 提供財務諮詢服務
Taifook Management Consultancy Limited 大福企業管理顧問有限公司	Hong Kong 香港	HK\$2 2港元	-	100	Provision of consultancy services 提供顧問服務

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 17. INTERESTS IN SUBSIDIARIES (continued)

### 17. 於附屬公司之權益(續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及 經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本之 票面值	Percentage of equity attributable to the Company 本公司應佔之 股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Taifook Management Services Company Limited 大福管理服務有限公司	Hong Kong 香港	HK\$2 2港元	-	100	Provision of management services 提供管理服務
Taifook Net Inc.	British Virgin Islands 英屬處女群島	US\$1 1美元	-	100	Investment holding 投資控股
Taifook Net Limited 大福網有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	-	100	Dormant 暫無營業
Taifook Nominees Company Limited 大福代理人有限公司	Hong Kong 香港	HK\$50,000,000 50,000,000港元	-	100	Provision of nominee and custodian services 提供代理人及保管服務
Taifook On-line Inc.	British Virgin Islands 英屬處女群島	US\$1 1美元	-	100	Investment holding 投資控股
Taifook On-line Services Limited 大福電子網上服務有限公司	Hong Kong 香港	HK\$6,000,000 6,000,000港元	-	100	Provision of electronic financial services 提供電子金融服務
Taifook Research Limited 大福資料研究有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	-	100	Provision of research services 提供研究服務
Taifook Securities Company Limited 大福證券有限公司	Hong Kong 香港	HK\$600,000,000 600,000,000港元	-	100	Investment holding, securities broking and dealing, leveraged foreign exchange trading, margin financing, provision of placing, underwriting and sub-underwriting, and nominee services 投資控股、證券經紀及 買賣、槓桿外匯買賣、 孖展借貸、提供配售、 包銷及分包銷、 以及代理人服務

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 17. INTERESTS IN SUBSIDIARIES (continued)

Name 公司名稱	Place of incorporation registration and operations 註冊成立/ 註冊及 經營地點	Nominal value of issued ordinary registered share capital 已發行普通股/ 註冊股本之 票面值	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Taifook Securities Nominees Limited 大福證券代理人有限公司	Hong Kong 香港	HK\$2 2港元	-	100	Dormant 暫無營業
Taifook Wealth Management Group Limited 大福創富理財集團有限公司	Hong Kong 香港	HK\$3,500,000 3,500,000港元	-	100	Provision of financial planning services 提供財務策劃服務
* iT Technology (Shenzhen) Company Limited, Taifook Investment Consultancy (Guangzhou) Company Limited and Taifook Investment Consultancy (Shanghai) Company Limited are registered as wholly-foreign-owned enterprises under PRC law.			* 演天資訊科技(深圳)有限公司、大福投資諮詢顧問(廣州)有限公司及大福投資諮詢顧問(上海)有限公司均根據中國法律註冊為外商獨資企業。		
** The non-voting deferred shares carry no rights to dividends, attend or vote at general meetings and receive any surplus in a return of capital, winding-up or otherwise in respect of the first HK\$100,000,000,000 thereof.			** 無投票權遞延股並不附帶享有股息、出席股東大會或於會上投票之權利，亦無權收取清盤或其他情況下之首100,000,000,000港元之任何資本歸還盈餘款項。		
*** During the year, the Group acquired the entire 100% equity interest in Kingsway Fund Management Limited ("KFM"). With effect from 20 April 2007, the name of the company was changed from KFM to Taifook Investment Managers Limited. Further details of this acquisition are included in note 33 to the financial statements.			*** 於年內，本集團收購匯富環球基金管理有限公司(「匯富環球基金管理」)全部100%權益。由二零零七年四月二十日起，該公司名稱由匯富環球基金管理改為大福投資經理有限公司。有關此項收購之進一步詳情載於財務報表附註33。		

### 18. INTERESTS IN A JOINTLY-CONTROLLED ENTITY

		Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Share of net assets	應佔淨資產	2,795	3,047
Due from a jointly-controlled entity	應收共同控制實體款項	450	-
		<b>3,245</b>	3,047

The balance with the jointly-controlled entity is unsecured, interest-free and has no fixed terms of repayment. The carrying amount of the amount due from the jointly-controlled entity approximates to its fair value.

與共同控制實體之結餘乃無抵押、免息及無固定還款期。應收共同控制實體款項之賬面值與其公平值相若。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 18. INTERESTS IN A JOINTLY-CONTROLLED ENTITY 18. 於共同控制實體之權益(續) (continued)

Particulars of the jointly-controlled entity are as follows:

共同控制實體之詳情載列如下：

Name 公司名稱	Place of incorporation and operations 註冊成立及 經營地點	Ownership interest 擁有權益	Percentage of 百分比			Principal activity 主要業務
			Voting power 投票權	Profit sharing 盈利分配		
CMTF Asset Management Limited (formerly Tai Fook Century Asset Management Company Limited) 招商大福資產管理有限公司 (前稱大福世紀資產管理有限公司)	Hong Kong 香港	50	50	50	Asset management 資產管理	

The jointly-controlled entity is indirectly held by the Company.

共同控制實體乃由本公司間接持有。

The following table illustrates the summarised financial information of the Group's jointly-controlled entity:

下表列示本集團之共同控制實體之財務資料概要：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Share of the jointly-controlled entity's assets and liabilities:	應佔共同控制實體之資產與負債：		
Current assets	流動資產	3,307	3,072
Current liabilities	流動負債	(512)	(25)
Net assets	淨資產	2,795	3,047
Share of the jointly-controlled entity's result:	應佔共同控制實體之業績：		
Revenue	收入	340	59
Other income	其他收入	71	277
Total income	總收入	411	336
Total expenses	總開支	(160)	(47)
Tax	稅項	(53)	(37)
Profit after tax	除稅後溢利	198	252



# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 19. AVAILABLE-FOR-SALE INVESTMENTS

### 19. 可供出售投資

		Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Listed equity investments in Hong Kong, at market value	香港之上市股權投資，按市值	35,644	83,804	-	50,876
Unlisted equity investments, at fair value: Hong Kong Mainland China (Note)	非上市股權投資，按公平值：	126,516	37,704	-	-
	香港	34,000	24,750	-	-
	中國大陸(附註)				
		<b>196,160</b>	146,258	-	50,876
An analysis of the issuers of available-for-sale investments is as follows:	可供出售投資發行機構之分析如下：				
Equity investments:	股票投資：				
Corporate entities	公司實體	196,160	146,258	-	50,876

Note: The balance represents promoter foreign shares of Changmao Biochemical Engineering Company Limited ("Changmao"), a company listed on the Growth Enterprise Market Board of the Stock Exchange. Subject to certain restrictions on transfer and upon obtaining the requisite approval from, among other bodies, the China Securities Regulatory Commission and the Stock Exchange, the promoter foreign shares may be convertible into listed H shares and shall thereafter carry the same rights and obligations of those listed H shares.

附註：該結餘代表常茂生物化學工程股份有限公司(「常茂」)(一間於聯交所創業板上市的公司)之發起人外資股。在遵守轉讓股份之限制的前提下，在取得包括中國證券監督管理委員會及聯交所在內等機構的必要批准後，發起人外資股份可轉換成上市H股，轉換後附帶之權利及責任與上市H股相同。

During the year, the gross gain of the Group's available-for-sale investments recognised directly in equity amounted to HK\$37,316,000 (2006: HK\$46,523,000), of which a loss of HK\$17,782,000 (2006: Nil) was removed from equity and recognised in the income statement for the year upon disposal of certain equity investments.

年內，本集團直接在股本確認可供出售投資之毛收益共計37,316,000港元(二零零六年：46,523,000港元)，其中17,782,000港元毛虧損(二零零六年：無)已於出售若干股份投資後在股本中刪除，並於年內收益表中確認。

The above investments consist of investments in equity securities which were designated as available-for-sale financial assets and have no fixed maturity date or coupon rate.

以上投資由股本證券投資構成，並歸類為可供出售財務資產，且無固定到期日或息票率。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 19. AVAILABLE-FOR-SALE INVESTMENTS (continued)

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted available-for-sale equity investments, comprising the promoter foreign shares of Changmao and certain investment funds, are based on the quoted market prices of the listed H shares of Changmao and the quoted market prices of the respective investment funds, respectively.

### 20. ADVANCES TO CUSTOMERS

Loans to margin clients	孖展客戶之貸款
Loans receivable	應收貸款
Accrued interest	應計利息
Less: Impairment	減：減值

Loans to margin clients are secured by the underlying pledged securities and are interest-bearing. No aged analysis is disclosed as, in the opinion of the directors, an aged analysis is not meaningful in view of the nature of the business of securities margin financing.

The amount of credit facilities granted to margin clients is determined by the discounted market value of the collateral securities accepted by the Group. As at 31 December 2007, the total market value of securities pledged as collateral in respect of the loans to margin clients was HK\$17,690 million (2006: HK\$6,071 million).

The loans receivable are unsecured, interest-bearing and are repayable on demand.

### 19. 可供出售投資(續)

上市股份投資之公平值乃以市場報價為準。可供出售非上市股份投資之公平值(由常茂發起人外資股份及若干投資基金構成)，乃分別以常茂上市H股之市場報價及各投資基金所報之市場價格為準。

### 20. 給予客戶之墊款

		Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Loans to margin clients	孖展客戶之貸款	2,810,829	1,112,236
Loans receivable	應收貸款	-	3,750
Accrued interest	應計利息	17,256	8,122
		<b>2,828,085</b>	1,124,108
Less: Impairment	減：減值	<b>(11,829)</b>	(12,113)
		<b>2,816,256</b>	1,111,995

給予孖展客戶之貸款由相關已抵押證券作抵押且計息。由於董事認為賬齡分析對證券孖展借貸之業務性質並無意義，故並無披露賬齡分析。

授予孖展客戶之融資額度，乃根據本集團接納之抵押品之折讓市值而釐定。於二零零七年十二月三十一日，有關孖展客戶貸款以證券抵押作抵押品之總市值為17,690,000,000港元(二零零六年：6,071,000,000港元)。

應收貸款並無抵押、附帶利息並須於要求時償還。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 20. ADVANCES TO CUSTOMERS (continued)

The movements in provision for impairment of advances to customers are as follows:

At 1 January	於一月一日
Impairment losses recognised	已確認減值虧損
Amount written off as uncollectible	撇銷不能收回之金額
At 31 December	於十二月三十一日

Included in the above provision for impairment of advances to customers is a provision for individually impaired trade receivables of HK\$11,829,000 (2006: HK\$12,113,000) with a carrying amount of HK\$11,829,000 (2006: HK\$12,113,000). The individual impaired advances to customers relate to clients that were in default or delinquency in interest or principal payments.

Advances to customers that were not impaired relate to a number of independent clients that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

### 20. 給予客戶之墊款(續)

給予客戶之墊款之減值撥備之變動如下：

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
12,113	59,700
795	1,912
(1,079)	(49,499)
11,829	12,113

上述給予客戶之墊款之減值撥備中包括個別已減值貿易應收賬款作出之撥備11,829,000港元(二零零六年：12,113,000港元)，該等應收賬款之賬面值為11,829,000港元(二零零六年：12,113,000港元)。與客戶有關之個別已減值給予客戶之墊款已出現拖欠或逾期未償還利息或本金。

授予客戶而未有減值之墊款為有關多名與本集團保持良好往績記錄的獨立客戶。根據過往經驗，本公司董事認為，就該等結餘而言，由於信貸質素並無出現重大變動，且該等結餘仍被視為可悉數收回，故毋須就此作出任何減值撥備。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 21. ACCOUNTS RECEIVABLE

### 21. 應收賬款

		Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Accounts receivable arising from the ordinary course of business of dealing in:	在日常業務過程中買賣以下各項所產生之應收賬款：		
Securities and equity options transactions:	證券及股票期權交易：		
Clearing houses, brokers and dealers	結算所、經紀及交易商	239,511	85,072
Cash clients	現金客戶	178,629	208,572
Futures and options contracts transactions:	期貨及期權合約交易：		
Clearing house, brokers and dealers	結算所、經紀及交易商	239,225	207,919
Bullion contracts transactions:	貴金屬合約交易：		
Brokers	經紀	9,923	6,574
		<b>667,288</b>	508,137
Accounts receivable arising from the ordinary course of business of the provision of corporate advisory, placing and underwriting services	在日常業務過程中提供企業諮詢、配售及包銷服務產生之應收賬款	8,102	4,015
Less: Impairment	減：減值	(100)	(100)
		<b>8,002</b>	3,915
Accounts receivable arising from the ordinary course of business of the provision of financial planning and advisory services	在日常業務過程中提供財務策劃及諮詢服務產生之應收賬款	6,597	4,312
Accounts receivable arising from the ordinary course of business of the provision of fund management	在日常業務過程中提供基金管理服務產生之應收賬款	1,720	5,389
		<b>683,607</b>	521,753

The settlement terms of accounts receivable attributable to the dealing in securities and equity options transactions are two days after the trade date, and those of accounts receivable attributable to the dealing in futures, options and bullion contracts transactions are one day after the trade date. The above balances were all aged within 30 days.

證券之買賣及股票期權交易應佔之應收賬款結算期限為交易日後兩天，而期貨、期權及貴金屬合約交易應佔之應收賬款結算期限則為交易日後一天。以上結餘之賬齡均為30天內。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 21. ACCOUNTS RECEIVABLE (continued)

An aged analysis of accounts receivable attributable to the provision of corporate advisory, placing and underwriting services is as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within 3 months	三個月內	3,526	3,134
Between 4 and 6 months	四至六個月	2,112	55
Between 7 and 12 months	七至十二個月	2,203	14
Over 1 year	超過一年	161	712
		<b>8,002</b>	<b>3,915</b>

An aged analysis of accounts receivable attributable to the provision of financial planning and advisory services is as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within 3 months	三個月內	6,144	4,078
Between 4 and 6 months	四至六個月	369	205
Between 7 and 12 months	七至十二個月	73	29
Over 1 year	超過一年	11	-
		<b>6,597</b>	<b>4,312</b>

An aged analysis of accounts receivable attributable to the provision of fund management is as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within 3 months	三個月內	1,364	5,279
Between 4 and 6 months	四至六個月	302	110
Between 7 and 12 months	七至十二個月	31	-
Over 1 year	超過一年	23	-
		<b>1,720</b>	<b>5,389</b>

### 21. 應收賬款(續)

提供企業諮詢、配售及包銷服務應佔之應收賬款賬齡分析如下：

提供財務策劃及諮詢服務應佔之應收賬款賬齡分析如下：

基金管理服務應佔之應收賬款賬齡分析如下：

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 21. ACCOUNTS RECEIVABLE (continued)

The Group allows a credit period according to relevant business practice. Credit limits are set for customers. The Group seeks to maintain tight control over its outstanding receivables in order to minimise credit risk. Overdue balances are regularly reviewed by management. In view of the aforementioned and the fact that the Group's accounts receivable relate to a large number of diversified customers, there is no significant concentration of credit risk.

Accounts receivable are non-interest-bearing.

The movements in the provision for impairment of accounts receivable attributable to the provision of corporate advisory, placing and underwriting services are as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
At 1 January	於一月一日	100	210
Impairment losses recognised	已確認減值虧損	113	316
Amount written off as uncollectible	撇銷不能收回之金額	(113)	(426)
At 31 December	於十二月三十一日	100	100

Included in the above provision for impairment of accounts receivable represents a provision for individually impaired accounts receivable of HK\$100,000 (2006: HK\$100,000) with a carrying amount of HK\$100,000 (2006: HK\$100,000). The individually impaired accounts receivable relates to customers that were in financial difficulties and the receivables are not expected to be recovered. The Group does not hold any collateral or other credit enhancements over these balances.

The aged analysis of accounts receivable attributable to the provision of corporate advisory, placing and underwriting services that are not considered to be impaired is as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Less than 1 month past due	一個月內屆滿	2,921	2,324
1 to 3 months past due	一至三個月屆滿	605	810
Over 3 months past due	超過三個月屆滿	4,476	781
		8,002	3,915

### 21. 應收賬款(續)

本集團根據有關商業慣例給予客戶信貸期。客戶均設有信貸限額。本集團對未償還應收賬款維持嚴謹的控制以減低信貸風險。管理層會定期檢討過期款項。鑑於上述情況以及本集團之應收賬款與大量分散客戶有關，因此並無信貸風險過份集中之情況。

應收賬款並不計息。

提供企業諮詢、配售及包銷服務應佔之應收賬款之減值撥備變動如下：

上述應收賬款之減值撥備中包括個別已減值應收賬款作出之撥備100,000港元(二零零六年：100,000港元)，該等應收賬款之賬面值為100,000港元(二零零六年：100,000港元)。該等個別已減值應收賬款與處於財政困難中之客戶有關，預期該等應收賬款不能收回。本集團並無就該等結餘持有任何抵押品或其他提升信用之保障。

提供企業諮詢、配售及包銷服務應佔之應收賬款(並未視作已減值)賬齡分析如下：

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 21. ACCOUNTS RECEIVABLE (continued)

The aged analysis of accounts receivable attributable to the provision of financial planning and advisory services that are not considered to be impaired is as follows:

Less than 1 month past due	一個月內屆滿
1 to 3 months past due	一至三個月屆滿
Over 3 months past due	超過三個月屆滿

The aged analysis of accounts receivable attributable to the provision of fund management that are not considered to be impaired is as follows:

Less than 1 month past due	一個月內屆滿
1 to 3 months past due	一至三個月屆滿
Over 3 months past due	超過三個月屆滿

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

### 21. 應收賬款(續)

提供財務策劃及諮詢服務應佔之應收賬款(並未視作已減值)賬齡分析如下:

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
4,368	3,271
1,776	807
453	234
<b>6,597</b>	<b>4,312</b>

提供基金管理服務應佔之應收賬款(並未視作已減值)賬齡分析如下:

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
652	3,261
712	2,018
356	110
<b>1,720</b>	<b>5,389</b>

已逾期但未減值之應收賬款乃有關於多名與本集團保持良好往績紀錄之獨立客戶。根據過往經驗,本公司董事認為,就該等結餘而言,由於信貸質素並未發生重大變動,且該等結餘仍可悉數收回,故毋須就此作出任何減值撥備。本集團並無就該等結餘持有任何抵押品或其他提升信用之保障。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES      22. 預付款項、按金及其他應收賬款

	Note 附註	Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Prepayments, deposits and other debtors		46,750	33,859	4,682	6,496
Due from related companies	23	290	1,050	-	-
		<b>47,040</b>	<b>34,909</b>	<b>4,682</b>	<b>6,496</b>

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables of which there was no recent history of default.

上述資產並無逾期或減值。計入上述結餘內之財務資產乃涉及最近過去並無違約之應收款項。

### 23. DUE FROM RELATED COMPANIES

The amounts due from related companies are unsecured, interest-free and have no fixed terms of repayment.

The related companies are companies of which Mr. Lo Lin Shing, Simon, a director of the Company, is also a substantial shareholder and an executive director. Mr. To Hin Tsun, Gerald, a director of the Company, is also a non-executive director of the related companies.

### 23. 應收關連公司款項

應收關連公司款項為無抵押、免息及無固定還款期。

關連公司均屬本公司董事魯連城先生作為主要股東及擔任執行董事之公司。本公司董事杜顯俊先生亦為該等關連公司之非執行董事。



# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 24. EQUITY INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

		Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Listed equity investments, at market value:	上市股份投資，按市值：		
Hong Kong	香港	130,057	86,284
Elsewhere	其他地區	859	896
Unlisted investment funds, at fair value:	非上市投資基金，按公平值：		
Elsewhere	其他地區	3,369	-
		<b>134,285</b>	<b>87,180</b>
An analysis of the issuers of equity investments at fair value through profit or loss is as follows:	按公平值計入損益之股權投資之發行方之分析如下：		
Equity securities:	股本證券：		
Banks and other financial institutions	銀行及其他金融機構	14,825	3,462
Corporate entities	公司實體	119,460	83,718
		<b>134,285</b>	<b>87,180</b>

At 31 December 2007, the above equity investments were classified as held for trading.

於二零零七年十二月三十一日，上述股份投資分類為持作買賣投資。

### 25. CASH HELD ON BEHALF OF CUSTOMERS

The Group maintains segregated trust accounts with licensed banks to hold clients' monies arising from its normal course of business. The Group has classified the clients' monies as cash held on behalf of customers under the current assets section of the balance sheet and recognised the corresponding accounts payable to respective clients on the grounds that it is liable for any loss or misappropriation of clients' monies. The Group is not allowed to use the clients' monies to settle its own obligations.

### 25. 代客戶持有之現金

本集團於持牌銀行開設獨立信託賬戶，以存放客戶因正常業務過程中所產生之款項。本集團將此等客戶款項分類為資產負債表之流動資產項下之代客持有之現金，並根據其須就客戶款項之任何損失或挪用負上責任之基礎上而確認為應付予相關客戶。本集團不得以客戶款項履行其本身之責任。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 26. ACCOUNTS PAYABLE

### 26. 應付賬款

		Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Accounts payable arising from the ordinary course of business of dealing in:	在日常業務過程中買賣以下各項產生之應付賬款：		
Securities, equity options and leveraged foreign exchange transactions:	證券、股票期權及槓桿外匯交易：		
Brokers and dealers	經紀及交易商	5,181	91,726
Cash clients	現金客戶	1,869,471	1,137,231
Margin clients	孖展客戶	1,883,956	933,459
Futures and options contracts transactions:	期貨及期權合約交易：		
Clients	客戶	441,206	341,350
Bullion contracts transactions:	貴金屬合約交易：		
Clients	客戶	69,583	25,154
Accounts payable arising from the ordinary course of business of the provision of corporate advisory, placing and underwriting services	在日常業務過程中提供企業諮詢、配售及包銷服務產生之應付賬款	25,108	11,444
Accounts payable arising from the ordinary course of business of the provision of financial planning and advisory services	在日常業務過程中提供財務策劃及諮詢服務產生之應付賬款	9,135	5,605
Accounts payable arising from the ordinary course of business of the provision of fund management	在日常業務過程中提供基金管理服務產生之應付賬款	1,693	-
		<b>4,305,333</b>	<b>2,545,969</b>

The settlement terms of accounts payable attributable to the dealing in securities and equity options transactions in respect of brokers and dealers and cash clients are two days after the trade date and the balances are aged within 30 days except as further described below.

Included in accounts payable to cash clients attributable to the dealing in securities and equity options transactions is an amount of approximately HK\$1,536,201,000 (2006: HK\$1,016,242,000) representing these clients' undrawn monies/excess deposits placed with the Group. The balances are repayable on demand. No aged analysis is disclosed as, in the opinion of the directors, an aged analysis is not meaningful in view of the nature of such transactions.

Accounts payable to margin clients attributable to the dealing in securities, equity options and leveraged foreign exchange transactions are repayable on demand.

除下文進一步所述者外，就經紀、交易商及現金客戶證券買賣及股票期權交易應佔之應付賬款，結算期限為交易日後兩天，結餘賬齡不超過30天。

證券買賣及股票期權交易應佔之應付現金客戶賬款，包括約為1,536,201,000港元(二零零六年：1,016,242,000港元)存置於本集團之該等客戶未動用款項/超額按金。結餘須於要求時償還。由於董事認為賬齡分析對此類交易性質並無意義，故並無披露賬齡分析。

證券買賣、股票期權及槓桿外匯交易應佔之應付孖展客戶賬款須於要求時償還。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 26. ACCOUNTS PAYABLE (continued)

Accounts payable to clients attributable to the dealing in futures, options and bullion contracts transactions are margin deposits received from clients for their trading of these transactions. The excesses of the outstanding amounts over the required margin deposits stipulated are repayable to clients on demand.

Accounts payable to brokers attributable to the provision of corporate advisory, placing and underwriting services are repayable on demand.

Accounts payable to financial planners attributable to dealing in the provision of financial planning and advisory services are repayable on demand.

Accounts payable to clients attributable to the provision of fund management are repayable on demand.

No aged analysis is disclosed in respect of (i) accounts payable to margin clients attributable to the dealing in securities, equity options and leveraged foreign exchange transactions and (ii) accounts payable to clients attributable to the dealing in futures, options and bullion contracts transactions as, in the opinion of the directors, an aged analysis is not meaningful in view of the businesses' nature.

Accounts payable are non-interest-bearing.

### 27. OTHER PAYABLES AND ACCRUALS

Other payables and accruals 其他應付賬項及應計負債

Other payables are non-interest-bearing and are repayable within one year.

### 26. 應付賬款(續)

期貨、期權及貴金屬合約交易買賣應佔之應付客戶賬款為就客戶進行該等交易收取客戶之孖展按金。超出規定孖展按金之多出金額可因應要求發還客戶。

提供企業諮詢、配售及包銷服務應佔之應付經紀賬款須於要求時償還。

提供財務策劃及諮詢服務應佔之應付財務策劃人賬款須於要求時償還。

提供基金管理服務應佔之應付客戶賬款須於要求時償還。

由於董事認為賬齡分析對證券、股票期權、槓桿外匯買賣、期貨、期權及貴金屬合約交易之業務性質並無意義，故並無披露(i)證券買賣、股票期權交易以及槓桿外匯買賣；及(ii)買賣期貨、期權及貴金屬合約客戶應佔之應付孖展客戶賬款賬齡分析。

應付賬款並不計息。

### 27. 其他應付賬項及應計負債

		Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Other payables and accruals	其他應付賬項及應計負債	149,351	81,454	32,122	15,167

其他應付賬項為不計息及須於一年內償還。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 28. INTEREST-BEARING BANK AND OTHER BORROWINGS

### 28. 計息銀行貸款及其他借款

	Effective interest rates 實際利率 (Note (a)) (附註(a))	Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>Current</b> 即期					
Bank overdrafts, secured 銀行透支，有抵押	HIBOR* plus spread per annum 香港銀行同業拆息* 加年利率差額	422	5	-	-
Bank loans, secured 銀行貸款，有抵押	HIBOR* plus spread per annum 香港銀行同業拆息* 加年利率差額	564,000	429,375	-	344,375
Bank loans, unsecured 銀行貸款，無抵押	HIBOR* plus spread per annum 香港銀行同業拆息* 加年利率差額	20,000	-	-	-
Other loans, unsecured 其他貸款，無抵押	HIBOR* plus spread per annum 香港銀行同業拆息* 加年利率差額	542,135	150,986	-	-
		<b>1,126,557</b>	580,366	-	344,375
<b>Non-current</b> 非即期					
Bank loans, unsecured 銀行貸款	HIBOR* plus spread per annum 香港銀行同業拆息* 加年利率差額	245,625	-	245,625	-
		<b>1,372,182</b>	580,366	<b>245,625</b>	344,375

\* Hong Kong Interbank Offered Rate

\* 香港銀行同業拆息

(a) The spread ranged from 0.25% to 1.25% per annum.

(a) 年利率差額介乎0.25厘至1.25厘。

(b) The unsecured other loans includes loans from the immediate holding company, NWS Financial Management Services Limited, of HK\$500,000,000 (2006: Nil) are repayable within one year.

(b) 無抵押其他貸款包括直接控股股東 NWS Financial Management Services Limited 提供之貸款 500,000,000 港元 (二零零六年：無)，該貸款須於一年內償還。

(c) The secured bank loans and overdrafts of the Group are secured by the listed shares held by the Group as security for advances to customers (with the customers' consent) of HK\$1,467,789,000 (2006: HK\$656,689,000).

(c) 本集團之有抵押銀行貸款及透支乃以本集團持有作給予客戶之墊款之抵押(已獲客戶同意)之上市股份 1,467,789,000 港元 (二零零六年：656,689,000 港元) 作抵押。

(d) The secured overdrafts are repayable on demand.

(d) 有抵押透支須按要求償還。

(e) The secured bank loans and unsecured other loans are repayable within one year.

(e) 有抵押銀行貸款及無抵押其他貸款須於一年內償還。

(f) The unsecured bank loans are wholly repayable within five years.

(f) 無抵押銀行貸款須於五年內悉數償還。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 29. DEFERRED TAX ASSETS/LIABILITIES

The movements in deferred tax liabilities and assets during the year are as follows:

#### Deferred tax liabilities

##### Group

		2007 二零零七年 Depreciation allowance in excess of related depreciation 超出有關折舊 之折舊撥備 HK\$'000 千港元
At 1 January 2007	於二零零七年一月一日	455
Deferred tax charged to the income statement during the year (note 9)	年內於收益表扣除之遞延稅項(附註9)	5,551
Gross deferred tax liabilities recognised in the consolidated balance sheet at 31 December 2007	於二零零七年十二月三十一日 在綜合資產負債表確認之 遞延稅項負債總額	6,006

#### Deferred tax assets

##### Group

		2007 二零零七年 Depreciation in excess of related depreciation allowance 超出有關折舊 撥備之折舊 HK\$'000 千港元	2007 二零零七年 Losses available for offset against future taxable profit 可用以抵銷 未來應課稅 溢利之虧損 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2007	於二零零七年一月一日	1,693	927	2,620
Deferred tax charged to the income statement during the year (note 9)	年內於收益表內扣除之遞延稅項(附註9)	(27)	(927)	(954)
Gross deferred tax assets recognised in the consolidated balance sheet at 31 December 2007	於二零零七年十二月三十一日在綜合資產負債表確認之遞延稅項資產總額	1,666	-	1,666

### 29. 遞延稅項資產／負債

遞延稅項負債及資產於年內之變動如下：

#### 遞延稅項負債

##### 本集團

#### 遞延稅項資產

##### 本集團

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 29. DEFERRED TAX ASSETS/LIABILITIES (continued)

### 29. 遞延稅項資產／負債(續)

#### Deferred tax liabilities

#### 遞延稅項負債

#### Group

#### 本集團

		2006 二零零六 Depreciation allowance in excess of related depreciation 超出有關折舊 之折舊撥備 HK\$'000 千港元
Gross deferred tax liabilities recognised in the consolidated balance sheet at 1 January 2006 and 31 December 2006	於二零零六年一月一日及二零零六年十二月三十一日在綜合資產負債表確認之遞延稅項負債總額	455

#### Deferred tax assets

#### 遞延稅項資產

#### Group

#### 本集團

		2006 二零零六年 Depreciation in excess of related depreciation allowance 超出有關折舊 撥備之折舊 HK\$'000 千港元	2006 二零零六年 Losses available for offset against future taxable profit 可用以抵銷 未來應課稅 溢利之虧損 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2006	於二零零六年一月一日	1,734	1,339	3,073
Deferred tax charged to the income statement during the year (note 9)	於二零零六年一月一日年內於收益表扣除之遞延稅項(附註9)	(41)	(412)	(453)
Gross deferred tax assets recognised in the consolidated balance sheet at 31 December 2006	於二零零六年十二月三十一日在綜合資產負債表確認之遞延稅項資產總額	1,693	927	2,620

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 29. DEFERRED TAX ASSETS/LIABILITIES (continued)

The Group has tax losses arising in Hong Kong of HK\$128,097,000 (2006: HK\$135,236,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

At 31 December 2007, there is no significant unrecognised deferred tax liability (2006: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries or its jointly-controlled entity as the Group has no liability to additional tax should such amounts be remitted.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

### 29. 遞延稅項資產／負債(續)

本集團有源自香港之稅務虧損128,097,000港元(二零零六年: 135,236,000港元)，可無限期用以抵銷產生虧損之公司之未來應課稅溢利。由於此等虧損乃來自長期虧損之附屬公司，故並未確認遞延稅項資產及預期不大可能有足夠應課稅溢利可用作抵銷該等稅務虧損。

於二零零七年十二月三十一日，就本集團若干附屬公司或共同控制實體未匯出盈利之稅項，由於該等款額匯出時，本集團並無額外之稅項負債，因此並無重大未確認遞延稅項負債(二零零六年：無)。

本公司向其股東派發股息並無附有任何所得稅之後果。

### 30. SHARE CAPITAL

#### Shares

Authorised:  
2,000,000,000 ordinary shares  
of HK\$0.10 each

Issued and fully paid:  
653,949,699 (2006: 587,519,699)  
ordinary shares of HK\$0.10 each

法定股本：  
2,000,000,000股每股面值  
0.10港元之普通股

已發行及繳足股本：  
653,949,699股  
(二零零六年：587,519,699股)  
每股面值0.10港元之普通股

### 30. 股本

#### 股份

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Authorised:		
2,000,000,000 ordinary shares of HK\$0.10 each	200,000	200,000
Issued and fully paid:		
653,949,699 (2006: 587,519,699) ordinary shares of HK\$0.10 each	65,395	58,752

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 30. SHARE CAPITAL (continued)

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

(a) On 9 October 2007, the Company entered into a placing and subscription agreement with the immediate holding company, NWS Financial Management Services Limited ("NWSFMS"). Pursuant to a share placement on 12 October 2007, a total of 38,000,000 shares of HK\$0.10 each held by NWSFMS were placed to six independent third parties at an issue price of HK\$6.10 per share, payable in cash.

On 22 October 2007, the Company allotted and issued 38,000,000 shares of HK\$0.10 each for cash to NWSFMS at a price of HK\$6.10 per share, and a gross proceed, before expenses, of HK\$231,800,000 was raised by the Company.

(b) The subscription rights attaching to 28,430,000 share options were exercised at the subscription prices ranging from HK\$0.94 per share to HK\$1.2 per share (note 31), resulting in the issue of 28,430,000 shares of HK\$0.1 each for a total cash consideration, before expenses, of HK\$28,591,000 in which HK\$2,151,000 was transferred from the share option reserve to the share premium account.

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

### 30. 股本(續)

年內，股本變動如下：

(a) 於二零零七年十月九日，本公司與直接控股股東NWS Financial Management Services Limited (「NWSFMS」)訂立配售及認購協議。根據於二零零七年十月十二日進行之股份配售，NWSFMS持有之合共38,000,000股每股面值0.10港元之股份已按每股6.10港元之發行價(須以現金支付)配售予六名獨立第三方。

於二零零七年十月二十二日，本公司按每股6.10港元之價格配發及發行38,000,000股每股面值0.10港元之股份予NWSFMS，以換取現金，本公司所得款項總額扣除費用前為231,800,000港元。

(b) 28,430,000份購股權所附帶之認購權按介乎每股股份0.94港元至每股股份1.20港元(附註31)之認購價獲行使，導致以總現金代價(扣除開支前)28,591,000港元發行28,430,000股每股面值0.1港元之股份，其中2,151,000港元已由購股權儲備轉撥至股份溢價賬。

年內就上述有關本公司已發行股本之變動而進行之交易概述如下：

		Number of shares in issue 已發行股份數目	Issued share capital 已發行股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2006	於二零零六年一月一日	576,667,699	57,667	516,153	573,820
Share options exercised	已行使之購股權	12,620,000	1,262	12,763	14,025
Repurchased and cancelled	已購回及註銷	(1,768,000)	(177)	(1,953)	(2,130)
At 31 December 2006 and 1 January 2007	於二零零六年十二月三十一日 及二零零七年一月一日	587,519,699	58,752	526,963	585,715
Issue of shares (a)	發行股份(a)	38,000,000	3,800	225,216	229,016
Share options exercised (b)	已行使之購股權(b)	28,430,000	2,843	27,899	30,742
As at 31 December 2007	於二零零七年十二月三十一日	653,949,699	65,395	780,078	845,473



# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 31. SHARE OPTION SCHEME

On 23 August 2002, the shareholders of the Company approved the adoption of a share option scheme (the "2002 Share Option Scheme") which complies with the new requirements of the Listing Rules.

A summary of the principal terms of the 2002 Share Option Scheme is set out below:

The 2002 Share Option Scheme was adopted for the purpose of attracting, retaining and motivating talented employees to strive towards long term performance targets set by the Company and its subsidiaries and at the same time allowing the participants to enjoy the results of the Company attained through their effort and contribution. Under the 2002 Share Option Scheme, options may be granted to any full time employees, executive and non-executive directors of the Company or any of its subsidiaries or associates.

The maximum number of shares which may be issued upon exercise of all options to be granted under the 2002 Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares in issue as at the date of adoption of the 2002 Share Option Scheme (the "Scheme Mandate Limit") but the Company may seek approval of its shareholders at general meetings to refresh the Scheme Mandate Limit, save that the maximum number of shares in respect of which options may be granted by directors of the Company under the 2002 Share Option Scheme and any other share option schemes of the Company shall not exceed 10% of the issued share capital of the Company as at the date of approval by the shareholders of the Company at general meetings where such limit is refreshed. Options previously granted under the 2002 Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed or exercised options) will not be counted for the purpose of calculating such 10% limit as refreshed. Notwithstanding the aforesaid in this paragraph, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2002 Share Option Scheme and any other share option schemes of the Company shall not exceed 30% (or such higher percentage as may be allowed under the Listing Rules) of the total number of shares in issue from time to time. As at 31 December 2007, the total number of shares available for issue under the 2002 Share Option Scheme was 29,236,169 shares, which represented approximately 4.47% of the issued share capital of the Company at that day. The maximum number of shares issued and to be issued upon exercise of the options granted to each participant under the 2002 Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of the Company's shares in issue. Any further grant of share options in excess of this limit is subject to approval by the shareholders of the Company at a general meeting.

### 31. 購股權計劃

於二零零二年八月二十三日，本公司股東批准採納符合上市規則新規定之購股權計劃（「二零零二年購股權計劃」）。

二零零二年購股權計劃之主要條款摘述如下：

本公司採納二零零二年購股權計劃，旨在吸引、挽留及鼓勵能幹之員工以達成本公司及其附屬公司制定之長遠表現目標，同時讓參與者共同分享他們為本公司業務付出的貢獻帶來之成果。根據二零零二年購股權計劃，購股權可授予本公司或其任何附屬公司或聯營公司之任何全職員工、執行董事及非執行董事。

根據二零零二年購股權計劃及本公司任何其他購股權計劃准予授出之購股權若獲悉數行使，因此而可予發行之最高股份數目，不得超過本公司於採納二零零二年購股權計劃日期已發行股份總數之百分之十（「計劃授權限額」），惟本公司可於股東大會尋求股東批准更新計劃授權限額，但本公司董事根據二零零二年購股權計劃及本公司任何其他購股權計劃可授出之最高購股權數目，不得超過於本公司股東批准更新此等授權之股東大會舉行日期本公司已發行股本百分之十。於計算此等已更新之百分之十限額時，之前已根據二零零二年購股權計劃及本公司任何其他購股權計劃授出之購股權（包括尚未行使、已註銷、已失效或已行使之購股權）不會計算在內。儘管有本段以上所述規定，根據二零零二年購股權計劃及本公司任何其他購股權計劃已授出但尚未行使之購股權若獲悉數行使，因此而可予發行之最高股份數目，不得超過本公司不時之已發行股份總數百分之三十（或上市規則容許之較高百分比）。於二零零七年十二月三十一日，根據二零零二年購股權計劃可供發行之股份共29,236,169股，佔本公司當日已發行股份約4.47%。已發行股份及根據二零零二年購股權計劃及本公司任何其他購股權計劃授予各個別參與者之購股權（包括已行使及尚未行使之購股權）獲行使而將予發行之股份之最高數目，於任何十二個月期間不得超過本公司已發行股份總數百分之一。如欲進一步授出超越此限額之任何購股權，須獲本公司股東於股東大會批准。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 31. SHARE OPTION SCHEME (continued)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at the date on which such grant is proposed by the directors or with an aggregate value (based on the closing price of the Company's shares at the date on which such grant is proposed by the directors) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance at a general meeting of the Company.

The offer of a grant of share options may be accepted within 30 days from the date of offer upon payment of a consideration of HK\$1 by the grantee. The exercise period of the share options granted is determinable by the directors, and such period shall commence not earlier than six months from the date of grant of the options and expire not later than 10 years after the date of grant of the options.

The exercise price of the share options is determinable by the directors, and shall be at least the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheet on the offer date; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the offer date; and (iii) the nominal value of the Company's shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The 2002 Share Option Scheme shall be valid and effective for a period of ten years commencing from the date on which it is conditionally adopted by resolution of the Company at a general meeting and will be expired on 22 August 2012.

### 31. 購股權計劃(續)

向本公司董事、主要行政人員或主要股東或其任何聯繫人士授出購股權，須事先獲獨立非執行董事批准。此外，向本公司主要股東或獨立非執行董事或其任何聯繫人士授出任何購股權，如於任何十二個月期間內，超過於董事作出授出購股權建議之日本公司已發行股份之百分之零點一，或總值(按本公司股份於董事作出授出購股權建議之日之收市價計算)超過5,000,000港元，均須事先獲得本公司股東在股東大會批准。

購股權之獲授人可於授出購股權要約日期起計三十日內接納該要約，接納購股權時須支付代價1港元。購股權之行使期由董事釐定，在授出購股權之六個月期限後，該購股權可於授出購股權日期計十年內行使。

購股權之行使價由董事釐定，不得少於下列各項之最高數值(i)本公司股份於要約日期於聯交所每日報價表所示之收市價；(ii)本公司股份於緊接要約日期前五個交易日於聯交所每日報價表所示之平均收市價；及(iii)本公司股份之面值。

購股權持有人無權收取股息或於股東大會上投票。

二零零二年購股權計劃由在本公司股東大會上通過決議案有條件採納之日起計有效期為十年，將於二零一二年八月二十二日屆滿。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 31. SHARE OPTION SCHEME (continued)

The following share options were outstanding under the 2002 Share Option Scheme during the year:

		2007 二零零七年		2006 二零零六年	
		Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權 數目 '000 千份	Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權 數目 '000 千份
At 1 January	於一月一日	1.01	30,630	1.20	14,800
Granted during the year	年內授出	6.09	28,700	0.94	30,450
Exercised during the year	年內行使	1.01	(28,430)	1.05	(12,620)
Forfeited during the year	年內沒收	-	-	1.12	(2,000)
At 31 December	於十二月三十一日	5.73	30,900	1.01	30,630

### 31. 購股權計劃(續)

以下於二零零二年購股權計劃下之購股權於年內尚未行使：

The weighted average share price at the date of exercise for share options exercised during the year was HK\$2.56 (2006: HK\$1.47).

年內，已行使購股權於行使日期之加權平均股價為2.56港元(二零零六年：1.47港元)。

The exercise prices and exercise periods of the share options outstanding as at that balance sheet date are as follows:

於此結算日未行使購股權之行使價及行使期如下：

#### 2007

二零零七年

Number of options  
購股權數目  
'000  
千份

Exercise price\*  
行使價\*  
HK\$ per share  
每股港元

Exercise period  
行使期

650

1.20

5 March 2004 to 4 March 2009

1,550

0.94

二零零四年三月五日至二零零九年三月四日

28,700

6.09

10 August 2006 to 9 August 2014

二零零六年八月十日至二零一四年八月九日

1 June 2008 to 31 May 2016

二零零八年六月一日至二零一六年五月三十一日

30,900

#### 2006

二零零六年

Number of options  
購股權數目  
'000  
千份

Exercise price\*  
行使價\*  
HK\$ per share  
每股港元

Exercise period  
行使期

7,830

1.20

5 March 2004 to 4 March 2009

22,800

0.94

二零零四年三月五日至二零零九年三月四日

10 August 2006 to 9 August 2014

二零零六年八月十日至二零一四年八月九日

30,630

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

\* 購股權之行使價可就供股或紅股發行或本公司股本之其他類似變動而作出調整。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 31. SHARE OPTION SCHEME (continued)

The fair value of the share options granted during the year was HK\$16,110,000 (HK\$0.56 each) (2006: HK\$3,083,000, HK\$0.10 each) of which the Group recognised a share option expense of HK\$2,685,000 (2006: HK\$3,083,000) during the year ended 31 December 2007.

The fair value of the equity-settled share options granted during the year was estimated as at the date of grant, using a Black-Scholes option pricing model, taking into accounts the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

		2007 二零零七年	2006 二零零六年
Dividend yield (%)	股息率 (%)	7.03	5.21
Expected volatility (%)	預計波幅 (%)	43.61	18.67
Historical volatility (%)	歷史波幅 (%)	43.61	18.67
Risk-free interest rate (%)	無風險利率 (%)	1.21	4.107
Expected life of options (year)	預期購股權年期 (年)	1	3.00
Weighted average share price (HK\$)	加權平均股價 (港元)	5.69	0.96

The expected life of the options is based on the historical data over the past three years and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

The 28,430,000 share options exercised during the year resulted in the issue of 28,430,000 ordinary shares of the Company and new share capital of HK\$2,843,000 and share premium of HK\$25,748,000 (before issue expenses), as further detailed in note 30 to the financial statements.

At the balance sheet date, the Company had 30,900,000 share options outstanding under the 2002 Share Option Scheme, which represented approximately 4.73% of the Company's share in issue as at that date. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 30,900,000 additional ordinary shares of the Company and additional share capital of HK\$3,090,000 and share premium of HK\$173,930,000 (before issue expenses).

At the date of approval of these financial statements, the Company had 30,550,000 share options outstanding under the 2002 Share Option Scheme, which represented approximately 4.67% of the Company's shares in issue as at that date.

### 31. 購股權計劃(續)

年內授出之購股權之公平值為16,110,000港元(每份0.56港元)(二零零六年: 3,083,000港元。每份0.10港元)·而截至二零零七年十二月三十一日止年度本集團確認購股權開支2,685,000港元(二零零六年: 3,083,000港元)。

年內以權益支付之購股權公平值乃於授出日期利用柏力克-舒爾斯購股權訂價模式·經考慮授出購股權之條款及條件進行估計。下表載列輸入該模式之數據:

	2007 二零零七年	2006 二零零六年
股息率 (%)	7.03	5.21
預計波幅 (%)	43.61	18.67
歷史波幅 (%)	43.61	18.67
無風險利率 (%)	1.21	4.107
預期購股權年期 (年)	1	3.00
加權平均股價 (港元)	5.69	0.96

預期購股權年期乃以過往三年之數據為基礎·未必能顯示可能出現之行使模式。預計波幅反映歷史波幅能顯示日後趨勢之假設·但未必一定為實際結果。

在計量購股權公平值時並無計入購股權之其他特性。

年內·28,430,000份購股權獲行使導致本公司發行28,430,000股普通股·及新增股本2,843,000港元·以及股份溢價賬增加25,748,000港元(未扣除發行開支)·詳情載於財務報表附註30。

於結算日·本公司根據二零零二年購股權計劃尚未獲行使之購股權共有30,900,000份·約佔本公司於該日已發行股份之4.73%。若餘下購股權獲悉數行使·在本公司目前資本結構之下·將須額外發行30,900,000股本公司普通股·而本公司之股本將增加3,090,000港元·股份溢價賬將增加173,930,000港元(未扣除發行開支)。

於本財務報表批准日·本公司根據二零零二年購股權計劃尚未行使之購股權共有30,550,000份·約佔本公司於該日已發行股份之4.67%。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 32. RESERVES

#### (a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 103 to 104 of the financial statements.

The contributed surplus of the Group arose in 1996 as a result of the group reorganisation in preparation for the listing of the Company and represented the difference between the nominal value of the share capital issued by the Company and the aggregate of the share capital and share premium of the subsidiaries acquired.

Certain amounts of goodwill arising on the acquisition of a subsidiary in prior years remain eliminated against consolidated capital reserve, as explained in note 14 to the financial statements.

#### (b) Company

### 32. 儲備

#### (a) 本集團

本集團儲備內之金額及其於本年度及過往年度之變動，呈列於財務報表第103至104頁之綜合股本權益變動表。

本集團於一九九六年為籌備本公司上市而進行集團重組所產生之繳入盈餘指本公司已發行股本面值與所收購附屬公司之股本及股份溢價總額兩者之差額。

如財務報表附註14所述，過往年度因收購一間附屬公司所產生商譽之若干金額仍用於抵銷綜合資本儲備。

#### (b) 本公司

		Share premium account	Share option reserve	Capital redemption reserve	Contributed surplus	Investment revaluation reserve	Retained profits	Total
		股份溢價賬	購股權儲	股本贖回儲備	繳入盈餘	投資重估儲備	保留溢利	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2006	於二零零六年一月一日	516,153	-	3,528	4,271	(40,653)	6,982	490,281
Change in fair value of available-for-sale investments	可供出售投資之公平值變動	-	-	-	-	15,054	-	15,054
Profit for the year	本年度溢利	-	-	-	-	-	86,417	86,417
Repurchase and cancellation of shares - note 30	購回及註銷股份 - 附註30	(1,953)	-	-	-	-	-	(1,953)
Share options exercised - note 30	已行使之購股權 - 附註30	12,763	(714)	-	-	-	-	12,049
Equity-settled share option arrangement - note 31	以股權支付之購股權安排 - 附註31	-	3,083	-	-	-	-	3,083
Transfer to capital redemption reserve of the nominal value of shares repurchased - note 30	轉往股本贖回儲備之購回股份之面值 - 附註30	-	-	177	(177)	-	-	-
Interim 2006 dividend - note 11	二零零六年中期股息 - 附註11	-	-	-	-	-	(40,627)	(40,627)
Proposed final 2006 dividend - note 11	擬派二零零六年度末期股息 - 附註11	-	-	-	-	-	(41,555)	(41,555)
At 31 December 2006	於二零零六年十二月三十一日	526,963	2,369	3,705	4,094	(25,599)	11,217	522,749
Final 2006 dividend declared	已宣派之二零零六年末期股息	-	-	-	-	-	(1,400)	(1,400)
Profit for the year	本年度溢利	-	-	-	-	-	241,755	241,755
Issue of shares - note 30	發行股份 - 附註30	225,216	-	-	-	-	-	225,216
Share options exercised - note 30	已行使之購股權 - 附註30	27,899	(2,151)	-	-	-	-	25,748
Equity-settled share option arrangement - note 31	以股權支付之購股權安排 - 附註31	-	2,685	-	-	-	-	2,685
Release on disposal of available-for-sale investments	出售可供出售投資之撥回	-	-	-	-	25,599	-	25,599
Interim 2007 dividend - note 11	二零零七年中期股息 - 附註11	-	-	-	-	-	(80,008)	(80,008)
Proposed final 2007 dividend - note 11	擬派二零零七年度末期股息 - 附註11	-	-	-	-	-	(163,562)	(163,562)
At 31 December 2007	於二零零七年十二月三十一日	780,078	2,903	3,705	4,094	-	8,002	798,782

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 32. RESERVES (continued)

#### (b) Company (continued)

The contributed surplus of the Company also arose in 1996 as a result of the group reorganisation in preparation for the listing of the Company and represented the difference between the nominal value of the share capital issued by the Company and the aggregate net asset value of the subsidiaries acquired at the date of acquisition. Under the Companies Act 1981 of Bermuda (as amended), the Company may make distributions to its members out of the contributed surplus provided that certain conditions are met.

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payment transactions in note 2.4 to the financial statements. The amount will either be transferred to the share premium account when the related options are exercised, or be transferred to retained profits should the related options expire or be forfeited.

### 33. BUSINESS COMBINATION

On 31 March 2007, the Group acquired the entire issued share capital in KFM at a total cash consideration of HK\$17 million and the assignment of debt of HK\$34 million. KFM is engaged in the provision of asset and fund management services. With effect from 20 April 2007, the name of the company was changed from KFM to Taifook Investment Managers Limited.

The fair values of the identifiable assets and liabilities of KFM as at the date of acquisition and the corresponding carrying amounts immediately before the acquisition were as follows:

### 32. 儲備(續)

#### (b) 本公司(續)

本公司於一九九六年為籌備本公司上市而進行集團重組所產生之繳入盈餘，乃指本公司已發行股本面值與於收購當日所收購附屬公司之資產淨值總額兩者之差額。根據一九八一年百慕達公司法(經修訂)，本公司可從繳入盈餘中向其股東作出分派，惟此必須符合若干條件。

購股權儲備包括已授出但尚未行使之購股權之公平值，詳見財務報表附註2.4有關以股份支付之交易之會計政策。若相關購股權獲行使，該金額即轉撥往股份溢價賬；若相關購股權到期或被沒收，則轉撥往保留溢利。

### 33. 業務合併

於二零零七年三月三十一日，本集團以總現金代價17,000,000港元及轉讓債務34,000,000港元之方式，收購匯富環球基金管理之全部已發行股本。匯富環球基金管理乃從事提供資產及基金管理服務。自二零零七年四月二十日起，該公司之名稱由匯富環球基金管理改為大福投資經理有限公司。

於收購日匯富環球基金管理之可識別資產及負債之公平值及緊接收購前之賬面值如下：

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 33. BUSINESS COMBINATION (continued)

### 33. 業務合併(續)

		Notes 附註	Previous carrying amount and fair value recognised on acquisition 收購時確認之先前 賬面值及公平值 HK\$'000 千港元
Property, plant and equipment	物業、機器及設備	13	1
Accounts receivable	應收賬款		24,861
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款		34,152
Cash held on behalf of customers	代客戶持有之現金		1,408
Cash and bank balances	現金及銀行結餘		7,559
Accounts payable	應付款項		(25,893)
Other payables and accruals	其他應付賬項及應計款項		(57)
			42,031
Goodwill on acquisition	收購所產生之商譽	14	9,000
			51,031
Satisfied by:	支付方式:		
Cash	現金		17,031
Debt assignment	債務轉讓		34,000
			51,031

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of the subsidiary is as follows:

有關收購附屬公司之現金及現金等值項目的流出淨額分析如下:

		HK\$'000 千港元
Cash consideration	現金代價	(17,031)
Cash and bank balances acquired	所收購現金及銀行結餘	7,559
Net outflow of cash and cash equivalents in respect of the acquisition of the subsidiary	收購附屬公司時現金及 現金等值項目流出淨額	(9,472)

Since its acquisition, KFM contributed HK\$3,565,000 to the Group's revenue and HK\$213,000 to the consolidated profit for the year ended 31 December 2007.

自收購以來，滙富環球基金管理對本集團截至二零零七年十二月三十一日止年度收入之貢獻為3,565,000港元，對綜合溢利之貢獻為213,000港元。

Had the combination taken place at the beginning of the year, the revenue of the Group and the profit of the Group for the year would have been HK\$1,477,367,000 and HK\$491,513,000.

假設賬目合併於年初進行，則本集團之收入及溢利將分別為1,477,367,000港元及491,513,000港元。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 33. BUSINESS COMBINATION (continued)

In the prior year, on 24 January 2006, the Group acquired a 60% equity interest in each of Lexton Limited ("Lexton") and Lexton Pacific Consultants Limited ("Lexton Pacific") at an aggregate cash consideration of HK\$3,600,000. Lexton is engaged in the provision of financial planning services in Hong Kong. Lexton Pacific is engaged in the provision of financial advisory services in Hong Kong. On 4 February 2006, the names of the two companies were changed from Lexton to Taifook Lexton Wealth Management Limited and from Lexton Pacific to Taifook Lexton Consultants Limited.

The fair values of the identifiable assets and liabilities of the two companies and the corresponding carrying amounts immediately before their acquisition of the two companies as at the date of acquisition were as follows:

		Notes 附註	Previous carrying amount and fair value recognised on acquisition 收購時確認之先前 賬面值及公平值 HK\$'000 千港元
Property, plant and equipment	物業、機器及設備	13	1,463
Cash and bank balances	現金及銀行結餘		5,174
Accounts receivable	應收賬款		1,160
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款		1,132
Accounts payable	應付賬款		(3,371)
Other payables and accruals	其他應付賬項及應計款項		(981)
Minority interests	少數股東權益		(1,831)
			2,746
Goodwill on acquisition	收購所產生之商譽	14	854
Satisfied by cash	以現金支付		3,600

An analysis of the net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries is as follows:

		HK\$'000 千港元
Cash consideration	現金代價	(3,600)
Cash and bank balances acquired	所收購現金及銀行結餘	5,174
Net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries	收購附屬公司之現金及 現金等值項目流入淨額	1,574

### 33. 業務合併(續)

去年，本集團於二零零六年一月二十四日以現金總代價3,600,000港元分別完成收購歷斯頓有限公司(「歷斯頓」)及歷斯頓太平洋顧問有限公司(「歷斯頓太平洋」)之60%股權。歷斯頓在香港從事提供財務策劃服務。歷斯頓太平洋在香港提供財務顧問服務。於二零零六年二月四日，該兩間公司之名稱分別由歷斯頓更改為大福歷斯頓創富理財有限公司及由歷斯頓太平洋更改為大福歷斯頓顧問有限公司。

於收購日該兩間公司之可識別資產及負債之公平值及緊接收購前各公司相應之賬面值如下：

有關收購附屬公司之現金及現金等值項目的流入淨額分析如下：



# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 34. CONTINGENT LIABILITIES

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

- (i) the Company has provided corporate guarantees to the extent of HK\$3,080 million (2006: HK\$1,970 million) to secure the general banking facilities granted to subsidiaries. As at 31 December 2007, the amounts drawn against the bank facilities amounted to HK\$584 million (2006: HK\$85 million);
- (ii) corporate guarantees to the extent of US\$34 million and HK\$2 million (2006: US\$6 million and HK\$2 million) have been provided by the Company in respect of precious metal trading facilities granted to a subsidiary;
- (iii) corporate guarantees to the extent of US\$21.8 million (2006: US\$11.8 million) have been provided by the Company in respect of leveraged foreign exchange trading facilities granted to a subsidiary; and
- (iv) the Company has provided a corporate guarantee to the extent of HK\$ Nil (2006: HK\$10,000,000) in favour of the lessor in respect of an operating lease arrangement for the leasing of computer equipment by a subsidiary.

### 35. OPERATING LEASE ARRANGEMENTS

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

### 34. 或然負債

於結算日，財務報表中未撥備之或然負債如下：

- (i) 本公司就附屬公司取得一般銀行信貸而提供之公司擔保款額為3,080,000,000港元(二零零六年：1,970,000,000港元)。於二零零七年十二月三十一日該等銀行信貸支取之金額為584,000,000港元(二零零六年：85,000,000港元)；
- (ii) 本公司就授予一間附屬公司有關貴金屬貿易信貸而提供之公司擔保款額為34,000,000美元及2,000,000港元(二零零六年：6,000,000美元及2,000,000港元)；
- (iii) 本公司就授予一間附屬公司有關槓桿外匯買賣而提供之公司擔保款額為21,800,000美元(二零零六年：11,800,000美元)；及
- (iv) 本公司為一家附屬公司租用電腦設備之經營租賃安排，向出租人提供之公司擔保為零港元(二零零六年：10,000,000港元)。

### 35. 經營租賃安排

本集團以經營租賃安排租賃若干寫字樓物業和電腦設備。寫字樓物業租賃期由一至五年，而電腦設備租賃期經磋商為兩至五年。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 35. OPERATING LEASE ARRANGEMENTS (continued)

At 31 December 2007, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within one year	一年內	44,773	20,157	690	597
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	59,518	10,792	199	840
		<b>104,291</b>	30,949	<b>889</b>	1,437

### 35. 經營租賃安排(續)

於二零零七年十二月三十一日，本集團及本公司透過不可撤銷之經營租賃在下述期限內屆滿未來需支付之最低租金總額如下：

### 36. COMMITMENTS

In addition to the operating lease commitments detailed in note 35 above, the Group had the following capital commitments at the balance sheet date:

		Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Contracted, but not provided for: Computer equipment	已訂約，但未撥備： 電腦設備	1,221	610

### 36. 承擔

除上文附註35詳述之經營租賃安排外，本集團於結算日之承擔如下：

At the balance sheet date, the Company had no significant commitments.

於結算日，本公司並無重大承擔。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 37. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:
- (i) During the year, the Company leased from New World Tower Company Limited, a company controlled by Chow Tai Fook Enterprises Limited ("CTF"), which is itself a company controlled by the family of Dr. Cheng Kar Shun, Henry, certain office premises at New World Tower, 16-18 Queen's Road Central, Hong Kong, at a monthly rental, including rates, management and air-conditioning fees, of approximately HK\$1,035,833 (2006: HK\$985,750) for a term of three years. The Group paid total rentals of HK\$12,430,000 (2006: HK\$11,829,000) for the year. The rentals paid were calculated by reference to open market rentals as confirmed to the Group by an independent professional valuer.
- (ii) During the year, the Group provided various corporate advisory services to Mongolia Energy Corporation Limited ("MEC") (formerly New World CyberBase Limited), a company of which Mr. Lo Lin Shing, Simon is also a substantial shareholder and an executive director. Mr. To Hin Tsun, Gerald is also a non-executive director of MEC. Mr. Tsui Hing Chuen, William and Mr. Lau Wai Piu, Bill are also independent non-executive directors of MEC. The corporate advisory income from these transactions amounted to HK\$1,605,000 (2006: HK\$203,000) for the year and was charged in accordance with the terms of the underlying agreements. During the prior year, the Group provided placing services to MEC. The income from these transactions amounted to HK\$1,350,000 and was charged in accordance with the terms of the underlying agreements. No such placing income was charged from the current year.

### 37. 關連人士交易

- (a) 除已於本財務報表之其他部分內已披露有關之交易及結餘金額外，本集團於年內與關連人士之重要交易詳情概述如下：
- (i) 年內，本公司向新世界大廈有限公司租用香港皇后大道中16-18號新世界大廈若干辦公室單位，每月租金(包括差餉、管理費及冷氣費)約為1,035,833港元(二零零六年：985,750港元)，租約年期三年，本集團在年內支付之租金總額為12,430,000港元(二零零六年：11,829,000港元)。新世界大廈有限公司乃一間由周大福企業有限公司(「周大福」)控制之公司，而周大福則為一間由鄭家純博士之家族控制之公司。所支付之租金乃參考經獨立專業估值師向本集團確認之公開市值租值計算。
- (ii) 年內，本集團向蒙古能源有限公司(「蒙古能源」)(前稱新世界數碼基地有限公司)提供各項企業顧問服務，魯連城先生亦為蒙古能源之主要股東及執行董事，而杜顯俊先生亦為蒙古能源之非執行董事。徐慶全先生及劉偉彪先生亦為蒙古能源之獨立非執行董事。該等交易年內所產生之企業顧問收入為1,605,000港元(二零零六年：203,000港元)，乃按相關協議之條款收取。於去年，本集團向蒙古能源提供配售服務。該等交易所產生之收入為1,350,000港元，乃根據相關協議之條款收取。本年度並無收取有關配售收入。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 37. RELATED PARTY TRANSACTIONS (continued)

- (iii) During the year, the Group provided various corporate advisory services to International Entertainment Corporation (“IEC”), a subsidiary of CTF. Dr. Cheng Kar Shun, Henry, Mr. Lo Lin Shing, Simon and Mr. To Hin Tsun, Gerald, are also executive directors of IEC. The income from these transactions amounted to HK\$2,630,000 (2006: Nil) for the year and was charged in accordance with the terms of the underlying agreements.
- (iv) During the year, the Group provided various corporate advisory services to New World Department Store China Limited (“NWDS”), a subsidiary of New World Development Company Limited. Dr. Cheng Kar Shun, Henry is also a non-executive director of NWDS. The income from these transactions amounted to HK\$488,000 (2006: Nil) for the year and was charged in accordance with the terms of the underlying agreements.
- (v) During the year, the Group obtained an unsecured other loan from NWSFMS, the immediate holding company of the Group. The interest expense for such other loan amounted to HK\$2,318,000 (2006: Nil) for the year and was charged at HIBOR plus 0.8% per annum.
- (vi) During the year, the Group obtained an unsecured other loan from Chow Tai Fook Jewellery Company Limited, a company controlled by the family of Dr. Cheng Kar Shun, Henry. The interest expenses for such other loan amounted to HK\$1,526,000 (2006: Nil) for the year and was charged at HIBOR. The unsecured other loan was settled during the year.
- (vii) During the year, the Group received dividend income of HK\$450,000 (2006: Nil) from the jointly-controlled entity.

### 37. 關連人士交易(續)

- (iii) 年內，本集團向周大福之附屬公司國際娛樂有限公司(「國際娛樂公司」)提供多項企業顧問服務。鄭家純博士、魯連城先生及杜顯俊先生亦為國際娛樂公司之執行董事。該等交易年內所產生之收入為2,630,000港元(二零零六年：無)，乃根據相關協議之條款收取。
- (iv) 年內，本集團向新世界發展有限公司之附屬公司新世界百貨中國有限公司(「新世界百貨」)提供各項企業顧問服務。鄭家純博士亦為新世界百貨之非執行董事。該等交易年內所產生之收入為488,000港元(二零零六年：無)，乃根據相關協議之條款收取。
- (v) 年內，本集團獲得本集團之直接控股股東NWSFMS提供之無抵押其他貸款。本年度有關其他貸款之利息費用2,318,000港元(二零零六年：無)乃按香港銀行同業拆息另加年利率0.8厘計算。
- (vi) 年內，本集團獲得周大福珠寶金行有限公司提供之無抵押其他貸款，該公司乃由鄭家純博士之家族控制。本年度有關其他貸款之利息費用1,526,000港元(二零零六年：無)乃按香港銀行同業拆息計息。無抵押其他貸款已於年內償還。
- (vii) 年內，本集團收取共同控制實體之股息收入為450,000港元(二零零六年：無)。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 37. RELATED PARTY TRANSACTIONS (continued)

- (viii) During the prior year, the Group provided corporate advisory services to New World Mobile Holdings Limited, a company controlled by New World Development Company Limited, which is itself a company controlled by the family of Dr. Cheng Kar Shun, Henry. The income from these transactions amounted to HK\$585,000 for the prior year and was charged in accordance with the terms of the underlying agreements.
- (ix) During the prior year, the Group provided placing services to New World Development Company Limited, a company controlled by the family of Dr. Cheng Kar Shun, Henry. The placing income from these transactions amounted to HK\$15,381,250 for the prior year and was charged in accordance with the terms of the underlying placing agreements.
- (x) During the prior year, the Group provided corporate advisory services to Macau Prime Properties Holdings Limited (currently known as ITC Properties Group Limited), a company of which Mr. Lo Lin Shing, Simon and Mr. Ho Hau Chong, Norman are also non-executive directors. The income from these transactions amounted to HK\$30,000 for the prior year and was charged in accordance with the terms of the underlying agreements.

### 37. 關連人士交易(續)

- (viii) 於去年，本集團向新世界移動控股有限公司提供企業顧問服務。該公司為新世界發展有限公司控制之公司，而新世界發展有限公司則由鄭家純博士之家族控制。該等交易於去年所產生之收入為585,000港元，乃按相關協議之條款收取。
- (ix) 於去年，本集團向新世界發展有限公司提供配售服務，該公司由鄭家純博士之家族控制。該等交易於去年所產生之配售收入為15,381,250港元，乃按相關配售協議之條款收取。
- (x) 於去年，本集團向澳門祥泰地產集團有限公司(現稱德祥地產集團有限公司)提供企業顧問服務，魯連城先生及何厚鏘先生亦為該公司之非執行董事。該等交易於去年所產生之收入為30,000港元，乃按相關協議之條款收取。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 37. RELATED PARTY TRANSACTIONS (continued)

(xi) During the prior year, the Group provided corporate advisory services to Besteam Limited, a company controlled by CTF, which is itself a company controlled by the family of Dr. Cheng Kar Shun, Henry. Mr. Lo Lin Shing, Simon is also a director of Besteam Limited. The income from these transactions amounted to HK\$685,000 for the prior year and was charged in accordance with the terms of the underlying agreements.

(b) Outstanding balances with related parties

Details of the Group's balances with the related companies are included in note 23 to the financial statements.

(c) Compensation of key management personnel of the Group

Short term employee benefits	短期僱員福利
Post-employment benefits	退休福利支出
Share-based payments	以股權支付之款項
Total compensation paid to key management personnel	付給主要管理人員之薪酬總額

Further details of directors' emoluments are included in note 7 to the financial statements.

The related party transactions disclosed in notes 37(a)(i) to 37(a)(v) and 37(a)(viii) to 37(a)(xi) above also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

### 37. 關連人士交易(續)

(xi) 於去年，本集團向Besteam Limited提供企業顧問服務，該公司為周大福控制之公司，而周大福則為一間由鄭家純博士之家族控制之公司。魯連城先生亦為Besteam Limited之董事。該等交易於去年所產生之收入為685,000港元，乃按相關協議之條款收取。

(b) 與關連人士之未結清餘額

本集團與關連公司之間之餘額詳情載於財務報表附註23。

(c) 本集團主要管理人員之薪酬

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
51,698	21,873
1,515	1,386
954	-
54,167	23,259

有關董事之薪酬詳情載於財務報表附註7。

上文第37(a)(i)至37(a)(v)及37(a)(viii)至37(a)(xi)項之關連人士交易亦構成上市規則第14A章所定義之關連交易或持續關連交易。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 38. MATURITY PROFILE OF ASSETS AND LIABILITIES

An analysis of the maturity profile of assets and liabilities of the Group analysed by the remaining period at the balance sheet date to the contractual maturity date is as follows:

### 38. 資產及負債之到期日組合

本集團資產及負債按於結算日至合約到期日之餘下期間分析之到期日組合如下：

		Repayable on demand	3 months or less	5 years or less but over 1 year	Total
		按要求償還	三個月或以下	五年或以下 惟超過一年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>As at 31 December 2007</b>	於二零零七年 十二月三十一日				
<b>Assets</b>	<b>資產</b>				
Advances to customers	給予客戶之墊款	2,816,256	-	-	2,816,256
Cash held on behalf of customers	代客戶持有之現金	3,361,897	-	-	3,361,897
Cash and bank balances	現金及銀行結餘	251,456	171,438	-	422,894
		<b>6,429,609</b>	<b>171,438</b>	<b>-</b>	<b>6,601,047</b>
<b>Liabilities</b>	<b>負債</b>				
Current, fixed, savings and other deposits of customers	客戶往來、定期、 儲蓄及其他存款	3,932,639	333,270	-	4,265,909
Interest-bearing bank and other borrowings	計息銀行及其他借貸	-	1,126,557	245,625	1,372,182
		<b>3,932,639</b>	<b>1,459,827</b>	<b>245,625</b>	<b>5,638,091</b>
<b>As at 31 December 2006</b>	於二零零六年 十二月三十一日				
<b>Assets</b>	<b>資產</b>				
Advances to customers	代客戶持有之現金	1,111,995	-	-	1,111,995
Cash held on behalf of customers	給予客戶之墊款	1,804,546	-	-	1,804,546
Cash and bank balances	現金及銀行結餘	184,869	410,457	-	595,326
		<b>3,101,410</b>	<b>410,457</b>	<b>-</b>	<b>3,511,867</b>
<b>Liabilities</b>	<b>負債</b>				
Current, fixed, savings and other deposits of customers	客戶往來、定期、 儲蓄及其他存款	2,316,205	120,989	-	2,437,194
Interest-bearing bank and other borrowings	計息銀行及其他借貸	-	580,366	-	580,366
		<b>2,316,205</b>	<b>701,355</b>	<b>-</b>	<b>3,017,560</b>

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 39. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:

2007

#### Financial assets

		Financial assets at fair value through profit or loss 以公平值計入損益 之財務資產 HK\$'000 千港元	Group 本集團 Loans and receivables 貸款及 應收賬款 HK\$'000 千港元	Available-for- sale financial assets 可供出售 財務資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Other assets	其他資產	-	11,329	-	11,329
Available-for-sale investments	可供出售投資	-	-	196,160	196,160
Advances to customers	結予客戶之墊款	-	2,816,256	-	2,816,256
Accounts receivable	應收賬款	-	683,607	-	683,607
Financial assets included in prepayments, deposits and other receivables	計入預付款項、 按金及其他應收款項 之財務資產	-	27,778	-	27,778
Due from a jointly-controlled entity	應收共同控制實體款項	-	450	-	450
Equity investments at fair value through profit or loss	以公平值計入損益之 股權投資	134,285	-	-	134,285
Cash held on behalf of customers	代客戶持有之現金	-	3,361,897	-	3,361,897
Cash and bank balances	現金及銀行結餘	-	422,894	-	422,894
		134,285	7,324,211	196,160	7,654,656

#### Financial liabilities

		Financial liabilities at amortised cost 按已攤銷成本 計量之財務負債 HK\$'000 千港元
Accounts payable	應付賬款	4,305,333
Financial liabilities included in other payables and accruals	計入其他應付賬項及 應計款項之財務負債	18,971
Interest-bearing bank and other borrowings	計息銀行及其他借貸	1,372,182
		5,696,486

### 39. 按類別劃分之金融工具

各類別之金融工具於結算日之賬面值如下：

二零零七年

#### 財務資產

#### 財務負債



# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 39. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:  
(continued)

2006  
Financial assets

### 39. 按類別劃分之金融工具(續)

各類別之金融工具於結算日之賬面值如下:(續)

二零零六  
財務資產

		Group 本集團	Available-for- sale financial assets	Total
	Financial assets at fair value through profit or loss 以公平值計入損益 之財務資產 HK\$'000 千港元	Loans and receivables 貸款及 應收賬款 HK\$'000 千港元	可供出售 財務資產 HK\$'000 千港元	總計 HK\$'000 千港元
Other assets	其他資產	-	26,019	26,019
Available-for-sale investments	可供出售投資	-	-	146,258
Advances to customers	結予客戶之墊款	-	1,111,995	1,111,995
Accounts receivable	應收賬款	-	521,753	521,753
Financial assets included in prepayments, deposits and other receivables	計入預付款項、 按金及其他應收款項之 財務資產	-	25,308	25,308
Equity investments at fair value through profit or loss	以公平值計入 損益之股權投資	87,180	-	87,180
Cash held on behalf of customers	代客戶持有之現金	-	1,804,546	1,804,546
Cash and bank balances	現金及銀行結餘	-	595,326	595,326
		87,180	4,084,947	146,258
				4,318,385

Financial liabilities

財務負債

		Financial liabilities at amortised cost 按已攤銷成本 計量之財務負債 HK\$'000 千港元
Accounts payable	應付賬款	2,545,969
Financial liabilities included in other payables and accruals	計入其他應付賬項及 應計款項之財務負債	38,802
Interest-bearing bank and other borrowings	計息銀行及其他借貸	580,366
		3,165,137

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 39. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:  
(continued)

#### Financial assets

		財務資產			
		2007 二零零七年		Company 本公司	
		Loans and receivables	Total	2006 二零零六年	Total
		貸款及 應收賬款	總計	可供出售 財務資產	貸款及 應收賬款
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Available-for-sale investments	可供出售投資	-	-	50,876	-
Due from subsidiaries	應收附屬公司款項	1,413,531	1,413,531	-	1,163,202
Financial assets included in prepayments, deposits and other receivables	計入預付款項、 按金及其他應收款項 之財務資產	1,538	1,538	-	4,300
Cash and bank balances	現金及銀行結餘	3,001	3,001	-	1,441
		<b>1,418,070</b>	<b>1,418,070</b>	50,876	1,168,943
					1,219,819

#### Financial liabilities

		財務負債	
		Company 本公司	
		2007 二零零七年	2006 二零零六年
		Financial liabilities at amortised cost	Financial liabilities at amortised cost
		按已攤銷成本 計量之財務負債	按已攤銷成本 計量之財務負債
		HK\$'000	HK\$'000
		千港元	千港元
Due to subsidiaries	應付附屬公司款項	466,245	359,720
Financial liabilities included in other payables and accruals	計入其他應付賬項及 應計款項之財務負債	41	38
Interest-bearing bank and other borrowings	計息銀行及其他借貸	245,625	344,375
		<b>711,911</b>	704,133

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise bank loans and overdrafts, and cash and bank balances. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as accounts receivable and accounts payable, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

#### Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing bank and other borrowings with floating interest rates.

The Group's policy is to manage its interest cost by obtaining substantial stand-by banking facilities, diversifying the funding sources and spacing out the maturity dates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings) and the Group's and the Company's equity.

		Group 本集團		Company 本公司		
		Increase/ (decrease) in basis points 基點上調/ (下調)	(decrease) in profit before tax 除稅前溢利 增加/(減少) HK\$'000 千港元	Increase/ (decrease) in equity 權益增加/ (減少) HK\$'000 千港元	Increase/ (decrease) in basis points 基點上調/ (下調)	Increase/ (decrease) in equity 權益增加/ (減少) HK\$'000 千港元
<b>2007</b>	<b>二零零七年</b>					
Hong Kong dollar	港元	25	(2,998)	(2,998)	25	(926)
Hong Kong dollar	港元	50	(5,997)	(5,997)	50	(1,852)
Hong Kong dollar	港元	(25)	2,998	2,998	(25)	926
Hong Kong dollar	港元	(50)	5,997	5,997	(50)	1,852
<b>2006</b>	<b>二零零六年</b>					
Hong Kong dollar	港元	25	(1,419)	(1,419)	25	(323)
Hong Kong dollar	港元	50	(2,838)	(2,838)	50	(646)
Hong Kong dollar	港元	(25)	1,419	1,419	(25)	323
Hong Kong dollar	港元	(50)	2,838	2,838	(50)	646

### 40. 財務風險管理之目的及政策

本集團之主要金融工具包括銀行貸款及透支以及現金及銀行結餘。該等金融工具之目的主要為本集團之營運籌措資金。此外，本集團有應收賬款及應付賬款等其他財務資產及負債，此乃由經營直接產生。

本集團金融工具所涉及之主要風險為利率風險、外匯風險、信貸風險、流動資金風險及股本證券價格風險。董事會已審議並同意管理上述各項風險之政策，概要如下。

#### 利率風險

本集團面對之市場利率變動風險主要涉及本集團按浮動利率計息之銀行及其他借貸。

本集團制定之政策是，透過取得充裕之備用銀行信貸、發掘多元化資金來源及分散貸款到期日等方法管理其利息成本。

下表顯示在其他可變因素維持不變之情況下，可能的合理利率變動對本集團除稅前溢利(透過浮動利率借貸之影響)以及本集團與本公司權益之敏感度。

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Credit risk

The advances to customers, accounts and other receivables represent the Group's major exposure to the credit risk arising from the default of the counterparty, with a maximum exposure equal to the carrying amounts of these financial assets in the consolidated balance sheet. The Group's advances to customers arising from the ordinary course of business of dealing in securities are secured by the underlying pledged securities. In addition, all receivable balances are monitored on an ongoing basis.

The credit risk of the Group's other financial assets, which comprise bank balances, accounts and other receivables and available-for-sale financial assets, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

The Credit Committee of the Group has appointed a group of authorised persons who are charged with the responsibility of approving credit limit of each customer. The Committee is responsible for approval of stock acceptable for margin lending at a specified ratio. The approved stock list is updated bimonthly, and will be revised as and when deemed necessary by the Committee. The Committee will prescribe from time to time lending limit on individual stock or on any individual customer and his/her associates.

The Credit Control Department of the Group is responsible for making margin calls to customers whose trades exceed their respective limits. Any such excess is required to be made good with two days for securities and the next day for futures of the deficiency report. The deficiency report will be monitored daily by the Group's finance director and responsible officers. Failure to meet margin calls will result in liquidation of the customers' positions.

#### Foreign currency risk

The Group has transactional currency exposures mainly arise from sales and purchases by operating units in currencies other than the Group's functional currency.

The Group's assets and liabilities are mainly denominated in Hong Kong dollars and United States dollars of which the exchange rates have remained relatively stable among each other for the years ended 31 December 2007 and 2006.

### 40. 財務風險管理之目的及政策(續)

#### 信貸風險

給予客戶墊款、應收賬款及其他應收款項乃本集團因交易對方違約所承受之主要信貸風險，上限相等於該等財務資產在綜合資產負債表中之賬面值。本集團日常證券買賣業務過程中產生之給予客戶墊款以其相關抵押證券作抵押。此外，本集團會持續監察所有應收結餘之情況。

本集團其他財務資產(包括銀行結餘、應收賬款及其他應收款項及可供出售財務資產)之信貸風險乃因交易對方違約所致，上限相等於該等工具之賬面值。

本集團之信貸委員會已委任若干認可人士，負責批核每位客戶之信貸限額。該委員會亦負責按指定比率批核孖展貸款之可接納股份。獲批准之股份名單每兩個月更新一次，並於該委員會認為有需要時作出修訂。該委員會將不時訂定個別股份之貸款限額或任何個別客戶及其聯繫人士之貸款限額。

本集團之信貸控制部門負責向買賣超出限額之客戶發出孖展補倉通知。任何超出限額之證券均須於通知虧絀兩日內填補缺額，而期貨則須於下一日內填補缺額。有關虧絀通知之報告將每日由本集團之財務總監及負責人員進行監察。未能補倉之證券及期貨客戶將被斬倉。

#### 外匯風險

本集團面對之交易貨幣風險主要因其營運單位以本集團之功能貨幣以外之貨幣進行買賣所引致。

本集團之資產及負債主要以港元及美元計值，截至二零零七年及二零零六年十二月三十一日止年度港元兌美元匯價一直保持相對穩定。



# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

The maturity profile of the Group's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows: (continued)

#### Company

### 40. 財務風險管理之目的及政策(續)

本集團於結算日之財務負債根據已訂約未折現付款計算之到期日組合如下：(續)

#### 本公司

		2007 二零零七年			
		On demand	Less than 3 months	1 to 5 years	Total
		按要求	少於三個月	一至五年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Interest-bearing bank and other borrowings	計息銀行及其他借貸	-	-	245,625	245,625
Financial liabilities included in other payables and accruals	計入其他應付賬項及應計款項之財務負債	-	41	-	41
Due to subsidiaries	應付附屬公司款項	466,245	-	-	466,245
		<b>466,245</b>	<b>41</b>	<b>245,625</b>	<b>711,911</b>
		2006 二零零六年			
		On demand	Less than 3 months	1 to 5 years	Total
		按要求	少於三個月	一至五年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Interest-bearing bank and other borrowings	計息銀行及其他借貸	-	344,375	-	344,375
Financial liabilities included in other payables and accruals	計入其他應付賬項及應計款項之財務負債	-	38	-	38
Due to subsidiaries	應付附屬公司款項	359,720	-	-	359,720
		<b>359,720</b>	<b>344,413</b>	<b>-</b>	<b>704,133</b>

# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Equity price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the values of individual securities. The Group is exposed to equity price risk arising from individual equity investment classified as held for trading equity investments (note 24) and available-for-sale investments (note 19) as at 31 December 2007. The Group's listed investments are listed on the Hong Kong and Singapore stock exchanges and are valued at quoted market prices at the balance sheet date.

The market equity indices for the following stock exchanges, at the close of business of the nearest trading day in the year to the balance sheet date, and their respective highest and lowest points during the year were as follows:

		31 December 2007 二零零七年 十二月三十一日	High/low 2007 二零零七年 最高/最低	31 December 2006 二零零六年 十二月三十一日	High/low 2006 二零零六年 最高/最低
Hong Kong – Hang Seng Index	香港–恒生指數	27,813	31,638/ 18,664	19,964	20,001/ 14,944
Singapore – Straits Times Index	新加坡–海峽時報指數	3,465	3,831/ 2,891	2,918	2,918/ 2,243

The following table demonstrates the sensitivity to every 1% change in the fair value of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the balance sheet date. For the purpose of this analysis, for the available-for-sale investments, the impact is deemed to be on the available-for-sale investment revaluation reserve and no account is given for factors such as impairment which might impact on the income statement.

### 40. 財務風險管理之目的及政策(續)

#### 股本證券價格風險

股本證券價格風險為股票指數水平及個別證券價值變動導致股票公平值下降之風險。於二零零七年十二月三十一日，本集團面對之股價風險來自列為持作買賣股本投資之個別股本投資(附註24)及可供出售投資(附註19)。本集團之上市投資乃於香港聯交所及新加坡證券交易所上市，並按結算日所報市場價格估值。

下列證券交易所於本年度之最近交易日營業時間結束至結算日之市場股票指數，以及彼等各自於年內之最高及最低收市指數水平：

下表顯示在所有其他可變因素維持不變及未計及任何稅項影響之情況下，根據於結算日股權投資之賬面值計算之股權投資公平值每變化1%之敏感度。就此項分析而言，就可供出售投資而言，該影響乃視為與可供出售重估儲備有關，且未有考慮可能對收益表造成影響之因素(如減值)。





# Notes to Financial Statements

## 財務報表附註

31 December 2007 (Expressed in Hong Kong dollars)  
二零零七年十二月三十一日 (以港元為呈列單位)

### 40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Capital management (continued)

The Group is not subject to any externally imposed capital requirements except for certain subsidiaries engaged in securities and futures dealings and broking, corporate finance and advisory, nominee and custodian services, leveraged foreign exchange trading, and fund management, which are regulated entities under the Securities and Futures Commission of Hong Kong and subject to the respective minimum capital requirements.

The Group monitors capital using a gearing ratio, which is total borrowings divided by the total shareholders' equity. Total borrowings include interest-bearing bank and other borrowings. Total shareholders' equity comprises all components of equity attributable to the equity holders of the parent. The Group's policy is to maintain the gearing ratio at a reasonable level. The gearing ratios as at the balance sheet dates were as follows:

#### Group

Total borrowings	總借貸
Total shareholders' equity	股東權益總額
Gearing ratio	資本負債比率

### 40. 財務風險管理之目的及政策(續)

#### 資本管理(續)

本集團毋須受外部實施之資本規定限制，惟若干從事證券及期貨買賣與經紀、企業融資與顧問、代理人與保管服務、槓桿式外匯買賣及基金管理之附屬公司除外，該等附屬公司乃受香港證券及期貨事務監察委員會規管之實體，須維持各自之最低資金規定。

本集團採用資本負債比率監察其資本情況，而資本負債比率乃總借貸除以股東權益總額計算。總借貸包括計息銀行貸款及其他借款。股東權益總額包括母公司權益持有人應佔權益之所有部分。本集團制定之政策是維持合理水平之資本負債比率。於結算日之資本負債比率如下：

#### 本集團

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Total borrowings	1,372,182	580,366
Total shareholders' equity	1,856,490	1,179,216
Gearing ratio	74%	49%

### 41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 17 March 2008.

### 41. 財務報表之批核

本財務報表已於二零零八年三月十七日獲董事會批准並授權刊發。

# Ten Years Financial Summary

## 十年財務摘要

		31/12/2007	31/12/2006	31/12/2005	31/12/2004	1/4/2003- 31/12/2003 二零零三年 四月一日至 二零零三年 十二月 三十一日	31/3/2003	31/3/2002	31/3/2001	31/3/2000	31/3/1999	31/3/1998
		二零零七年 十二月 三十一日 HK\$'000 千港元	二零零六年 十二月 三十一日 HK\$'000 千港元	二零零五年 十二月 三十一日 HK\$'000 千港元	二零零四年 十二月 三十一日 HK\$'000 千港元	二零零三年 十二月 三十一日 HK\$'000 千港元	二零零三年 三月 三十一日 HK\$'000 千港元	二零零二年 三月 三十一日 HK\$'000 千港元	二零零一年 三月 三十一日 HK\$'000 千港元	二零零零年 三月 三十一日 HK\$'000 千港元	一九九九年 三月 三十一日 HK\$'000 千港元	一九九八年 三月 三十一日 HK\$'000 千港元
<b>RESULTS</b>	<b>業績</b>											
<b>Revenue</b>	<b>收入</b>	<b>1,473,203</b>	726,913	390,781	356,776	245,258	273,779	270,669	403,849	560,323	343,505	801,361
<b>OPERATING PROFIT/(LOSS)</b>	<b>經營溢利/(虧損)</b>	<b>582,362</b>	197,689	68,663	77,919	45,881	(40,092)	(121,614)	99,243	245,576	46,251	243,226
Share of profits/(losses) of associates and jointly-controlled entities	應佔聯營公司及共同 控制實體之溢利/(虧損)	<b>198</b>	252	335	1,456	(4)	(372)	(48)	365	541	776	228
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>除稅前溢利/(虧損)</b>	<b>582,560</b>	197,941	68,998	79,375	45,877	(40,464)	(121,662)	99,608	246,117	47,027	243,454
Tax (charge)/credit	稅項(支出)/計入	<b>(92,329)</b>	(22,971)	(6,040)	(9,095)	(4,297)	1,033	15,860	2,601	(30,768)	(7,591)	(62,338)
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>年度溢利/(虧損)</b>	<b>490,231</b>	174,970	62,958	70,280	41,580	(39,431)	(105,802)	102,209	215,349	39,436	181,116
<b>ATTRIBUTABLE TO:</b>	<b>以下各項應計:</b>											
Equity holders of the parent	母公司股本持有人	<b>484,847</b>	172,325	62,958	70,280	41,580	(39,431)	(105,802)	103,048	216,554	39,738	181,041
Minority Interests	少數股東權益	<b>5,384</b>	2,645	-	-	-	-	(839)	(1,205)	(302)	75	
		<b>490,231</b>	174,970	62,958	70,280	41,580	(39,431)	(105,802)	102,209	215,349	39,436	181,116
<b>ASSETS, LIABILITIES AND MINORITY INTERESTS:</b>	<b>資產、負債及 少數股東權益:</b>											
<b>TOTAL ASSETS</b>	<b>總資產</b>	<b>7,771,610</b>	4,405,092	3,152,524	2,793,151	2,883,828	2,146,237	2,032,843	2,185,873	2,506,861	1,909,245	2,607,904
<b>TOTAL LIABILITIES</b>	<b>總負債</b>	<b>(5,906,460)</b>	(3,221,400)	(2,148,493)	(1,806,194)	(2,061,376)	(1,380,096)	(1,202,849)	(1,225,574)	(1,809,964)	(1,415,030)	(2,112,398)
<b>MINORITY INTERESTS</b>	<b>少數股東權益</b>	<b>(8,660)</b>	(4,476)	-	-	-	-	-	-	(2,290)	(1,099)	-
<b>SHAREHOLDERS' FUNDS</b>	<b>股東資金</b>	<b>1,856,490</b>	1,179,216	1,004,031	986,957	822,452	766,141	829,994	960,299	694,607	493,116	495,506

Note:

The figures for 1998-1999 are before any adjustments based on Hong Kong Accounting Standard 12 "Income Taxes".

附註:

一九九八年至一九九九年的數字乃未作任何香港會計準則第12號「所得稅」調整。

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