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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors:

LAM Kwok Hing (*Chairman*)  
 NAM Kwok Lun (*Deputy Chairman and Managing Director*)

#### Independent Non-Executive Directors:

CHEN Wei-Ming Eric  
 KWAN Wang Wai Alan  
 NG Chi Kin David

### AUDIT COMMITTEE

CHEN Wei-Ming Eric  
 KWAN Wang Wai Alan  
 NG Chi Kin David

### REMUNERATION COMMITTEE

LAM Kwok Hing  
 NAM Kwok Lun  
 CHEN Wei-Ming Eric  
 KWAN Wang Wai Alan  
 NG Chi Kin David

### QUALIFIED ACCOUNTANT AND COMPANY SECRETARY

LUI Choi Yiu Angela

### AUTHORISED REPRESENTATIVES

LAM Kwok Hing  
 NAM Kwok Lun

### RESIDENT REPRESENTATIVE AND ASSISTANT SECRETARY

Appleby Corporate Services (Bermuda) Limited

### REGISTERED OFFICE

Canon's Court  
 22 Victoria Street  
 Hamilton HM12  
 Bermuda

### 董事會

#### 執行董事：

藍國慶(主席)  
 藍國倫(副主席兼董事總經理)

#### 獨立非執行董事：

陳偉明  
 關宏偉  
 伍志堅

### 審計委員會

陳偉明  
 關宏偉  
 伍志堅

### 薪酬委員會

藍國慶  
 藍國倫  
 陳偉明  
 關宏偉  
 伍志堅

### 合資格會計師及公司秘書

雷彩姚

### 授權代表

藍國慶  
 藍國倫

### 註百慕達代表及助理秘書

Appleby Corporate Services (Bermuda) Limited

### 註冊辦事處

Canon's Court  
 22 Victoria Street  
 Hamilton HM12  
 Bermuda



# CORPORATE INFORMATION

## 公司資料

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 801, Tower One  
Lippo Centre  
89 Queensway  
Hong Kong

### 總辦事處及主要營業地點

香港  
金鐘道89號  
力寶中心  
第一座801室

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Reid Management Limited  
Argyle House  
41A Cedar Avenue  
Hamilton HM12

### 主要股份登記及過戶處

Reid Management Limited  
Argyle House  
41A Cedar Avenue  
Hamilton HM12

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Standard Limited  
26 Floor, Tesbury Centre  
28 Queen's Road East  
Hong Kong

### 香港股份登記及過戶分處

卓佳標準有限公司  
香港  
皇后大道東28號  
金鐘匯中心26樓

### PRINCIPAL BANKERS

Wing Hang Bank, Limited  
Hang Seng Bank Limited  
Chong Hing Bank Limited  
Chiyu Banking Corporation Limited

### 主要往來銀行

永亨銀行有限公司  
恒生銀行有限公司  
創興銀行有限公司  
集友銀行有限公司

### SOLICITORS

Sidley Austin Brown & Wood *International Law Firm*

### 律師

盛德律師事務所

### AUDITORS

Deloitte Touche Tohmatsu  
*Certified Public Accountants*

### 核數師

德勤•關黃陳方會計師行  
香港執業會計師

### STOCK CODE

7

### 股份代號

7

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# REPORT OF THE CHAIRMAN

## 主席報告

I am pleased to announce to the shareholders the audited consolidated results of Karl Thomson Holdings Limited (the "Company") together with its subsidiaries (the "Group") for the year ended 31 December 2007.

For the year ended 31 December 2007, profit attributable to shareholders amounted to approximately HK\$28,891,000 (2006: HK\$11,315,000), equivalent to earnings per share of HK5.75 cents (2006: HK2.41 cents).

### BUSINESS REVIEW

The Group comprises three major business streams, namely the financial business, investment in associated Asia Tele-Net and Technology Corporation Ltd ("ATNT") and the oil and gas business.

#### Financial business

For the financial business division, the stock market of Hong Kong in 2007 was encouraging but at the same time challenging. The financial business was benefited by the buoyant trading and achieved satisfactory result. Looking towards 2008, the sub-prime crisis still affects the United States ("US") economy and would force the Federal Reserve to cut interest rate to stimulate the economy and eventually will press down the US currency.

Driven by the strong China economy performance, the Hong Kong economy was flourishing. However, as it was restricted by the US Dollar peg rate, the local interest rate had to revise downward when it should have gone up. The Hong Kong Dollar is therefore depreciated against other major currencies including Reminbi ("RMB") and this has further pushed up the local inflation. The local economy will fluctuate and fluctuates widely. We will keep close eyes on the associated risk even the general economic environment is prospering.

We feel confident that the China economy will maintain strong growth in the long run and that Hong Kong will remain as an unchallengeable international financial platform for China. The Group's financial business will be therefore benefited and will grow under this general direction. The Group will also keep close watch on every cooperation opportunity with the China financial institutions.

本人欣然向股東公佈高信集團控股有限公司(「本公司」)及其附屬公司(「本集團」)截至二零零七年十二月三十一日止年度的經審核綜合業績。

截至二零零七年十二月三十一日止年度，股東應佔溢利約為28,891,000港元(二零零六年：11,315,000港元)，相等於每股盈利5.75港仙(二零零六年：2.41港仙)。

#### 業務回顧

本集團的業務涵蓋金融、投資於聯營公司亞洲聯網科技有限公司(「亞洲聯網」)及石油三大方面。

#### 金融業務

在金融業務方面，二零零七年的香港股票市場是既令人振奮而又充滿挑戰的一年，交投非常之活躍。所以，本集團的金融業務業績亦有理想的表現。展望二零零八年，美國次按問題仍困擾美國經濟，令聯邦儲備局利用大幅減息去刺激美國經濟，但減息會同時進一步推低美元匯價。

而香港因為背靠祖國，在中國強勁經濟增長帶動下，令本地經濟亦相當蓬勃，但因受制於聯繫匯率港元與美元之掛勾政策，本地利率不升反跌，港元匯價對其它主要貨幣，包括人民幣都出現貶值，令本地通脹加劇，經濟波動亦同時加劇。所以在經濟一片欣欣向榮時，我們需要特別注意經濟波動帶來之風險。

長遠而言，我們有信心中國會繼續保持強勁增長，同時，香港會是中國一個不可取代的重要國際金融平台。本集團的金融業務將會持續受惠於這個大方向的發展，與此同時，我們亦會積極注意與國內金融機構的合作機會。

# REPORT OF THE CHAIRMAN

## 主席報告

### Investment in associate ATNT

The associate of ATNT, Intech Machines Company Ltd (“Intech”) has announced in January 2008 that it has received a tender offer from a German listed company, Manz Automation AG, to take over at least 35% but not more than 70% of its shares. If the tender offer was successful, ATNT would receive cash of approximately NT\$600 million. This would not only strengthen the working capital of ATNT but also enable ATNT to consolidate its resource in developing the business of its wholly owned subsidiary Process Automation International Ltd (“PAL”). That is the reason why the Group has supported the tender offer.

PAL would thereafter continue to strengthen its electroplating equipment business in PCB sector and surface finishing sector. In the meantime, PAL would search for more strategic partners in order to bring in different technology, products and markets so as to diversify and branch out into other business segments using its core technologies and knowhow.

### Oil and gas business

As far as oil and gas business is concerned, the group has in last year successfully acquired an Australia listed company, Volant Petroleum Ltd (“Volant”). Volant is privatized subsequently. Further to this acquisition, the Group has increased its effective interest in Egypt Block 2 WEEM from 20% to 40% and at the same time, has acquired effective interest of 40% in Egypt Block 3 West Komobo.

Recently the oil price reaches over US\$100 per barrel. The surge of oil price means that the underlying value of any oil & gas asset shall become more valuable. This movement is beneficial to our Group. The current favorable situation has confirmed that our past analysis and forecast in oil business and our decision to enter into this industry two years ago are correct.

### 投資於聯營公司亞洲聯網

亞洲聯網屬下的台灣聯營公司亞智科技股份有限公司(「亞智」)，在二零零八年一月宣佈有一間德國上市公司Manz Automation AG提出收購亞智不少於35%但不多70%之股權建議。基於考慮到收購成功後，亞洲聯網可收回約新台幣6億元現金，除令亞洲聯網的資金更充實外，亦可將資源更集中發展亞洲聯網的全資附屬公司亞洲電鍍器材有限公司(「PAL」)的業務，所以本集團是支持是項收購的。

日後PAL會繼續鞏固於線路板市場及表面處理市場的電鍍設備業務，亦會對外積極物色更多的合作者，透過引入不同的技術、產品和市場等等，將PAL的技術衍生至另外的行業，將業務擴展至其他領域。

### 石油業務

至於石油業務，本集團已於去年成功收購澳洲上市公司Volant Petroleum Ltd (「Volant」)，並將其全面私有化。是次成功收購令本集團在埃及二區油田WEEM的權益由20%增至40%，同時亦增加了埃及三區油田West Komobo 40%的權益。

近來油價已突破每桶100美元，油價越高表示油田資產價值越矜貴，對本集團便越有利。現時的有利條件證明了本集團在兩年多前對石油行業的分析、預測，從而決定進軍此業務的策略是正確的。

# REPORT OF THE CHAIRMAN

## 主席報告

We expect the oil price will continue to climb and the demand in oil will only be bigger and bigger. Although the Chinese government tried several times to cool down the economy, the China economy is still growing rapidly and this increases the oil consumption. As China also starts to build up its own strategic oil reserve and implements policies to encourage some of the domestic oil fields to cut down their production, demand for oil import will increase substantially. This will further underpin the international oil prices. In the light of weak US Dollar and the fluctuation of geo-political events, the peak for oil price becomes unpredictable.

The Group has at the moment progressed well in accordance with our original plan. On or before 2009, the Group will drill three exploratory wells in Block 2 WEEM. The first two wells will be completed within 2008.

From the date when we first began analyzing the prospect of oil industry, to implementing a business strategy, to participating in the Egyptian oil field, to acquiring an overseas company in order to expand its oil and gas assets and to reach current exploration stage, Karl Thomson Energy Limited ("KT Energy") is taking steps by steps to realize its plan and to accumulate precious experiences. The Group is not viewing its participation in oil industry as a short term speculative business.

Oil business is a long term investment to the Group. It possesses unlimited business potentials but it does have risks. The Group will take very cautious attitude in developing this business. We remain positive but will stick to our prudent approach to ensure this business continues to develop stably and healthily. I still believe that the exploration of oil assets will bring enormous profit growing drive for the Group.

### APPRECIATION

I would like to take this opportunity to thank my fellow directors for their guidance and support and express my appreciation to the management team and diligent employees for their commitment and loyal service. I would also wish to thank my customers and shareholders for their continued support.

For and on behalf of the Board  
**Lam Kwok Hing**  
*Chairman*

25 April 2008

我們估計油價會不斷攀升，而中國對石油的需求亦愈來愈大，主要是因為中國政府雖然多次希望中國經濟能降溫，但經濟仍在高速增長中，對石油的消耗亦增加了。與此同時，中國開始了戰略石油儲備，在國內亦實施了開發中油田的減產政策，每方面的改變都使石油入口需求大增，對國際油價造成支持。加上美元疲弱和地緣政治的波動，油價的頂位已經變得無法預估了。

現時本集團在石油方面的工作，是按照原定計劃順利開展。在二零零九年前本集團計劃在二區油田WEEM內鑽探三口井。第一、二口將於二零零八年內完成鑽探。

從本集團開始分析石油行業的前景、到落實發展策略、到參予埃及油田、再通過併購海外公司的方式去增加集團的石油資產，到達現時的鑽探階段，高信能源有限公司(「高信能源」)都是一步一腳印去發展，通過實戰去累積寶貴經驗，而不是把石油業務看作短期的投機事業。

石油行業是一項長期性的投資，有無限商機的同時亦有風險。所以，本集團會以極謹慎的態度，在積極進取的同時，維持集團穩健發展的原則。而我仍然深信若能夠掌握開發石油資產，可以為集團的未來帶來巨大的盈利動力。

### 致謝

本人謹此感謝各董事的共同領導及支持。對於管理層及員工辛勤工作、克盡職守，以及客戶及股東的不斷支持，本人謹此致謝。

代表董事會  
 主席  
**藍國慶**

二零零八年四月二十五日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### RESULTS

During the year ended 31 December 2007, the total revenue for the Group was approximately HK\$90,500,000 (2007: HK\$51,082,000). Profit attributable to shareholders was approximately HK\$28,891,000 (2007: HK\$11,315,000) mainly attributing to the strong gains of the core financial business.

### MARKET OVERVIEW

Stock market for 2007 has been very challenging as the market had been battled endlessly with conflicting market forces from favourable regional factors of China element and strong domestic economic performance on one hand and from the poor US economic performance amid the sub-prime crisis and property market slump on the other. The market experienced vigorous volatile trading with two powerful upswings and three significant crackdowns. For the first three quarters, investors focused on the favourable China factors and aggressively chased those counters with China stories. A series of China policy in lowering the corporate tax, allowing the listing of scale and quality national enterprises in Hong Kong and releasing more fund outflow in form of Qualified Domestic Institutional Investors helped to heat up the sentiment. Stocks with active corporate activities of good earning result, asset injection, listing in A share market and merge and acquisition activities drew greatest investment attention. The merge and acquisition stories had also at one time powered the upsurge of second-liners with prices skyrocketing by a few times with a short period of time, the Yen carry trade and the first emergency of US subprime crisis had then stepped in to press down the market but was soon viewed to be temporary and to provide another buying opportunities. The market was driven up rapidly and powerfully by tremendous liquidities from elsewhere. The market reached its peak in late October when Hang Seng Index (“HSI”) and H Index hit its historic high of 31,958 and of 20,609 respectively about 60% and 99.3% higher than that of last year. The subsequent outbreak of sub-prime crisis and property market correction in US in November resulted in serious credit crunch in the international financial market and triggered panic and comprehensive worldwide liquidation in the stock markets. Various leading international financial institutions were found to involve huge sub-prime loss and had to make substantial write-off. The sub-prime crisis broke down the normal operation of the

### 業績

截至二零零七年十二月三十一日止年度，本集團的總收益約為90,500,000港元(二零零六年：51,082,000港元)。股東應佔溢利約為28,891,000港元(二零零六年：11,315,000港元)，主要由於核心金融業務錄得理想增長。

### 市場概覽

二零零七年的股票市場充滿挑戰，受到互相抗衡的市場因素影響，一方面來自中國因素及本地經濟表現強勁的有利地區因素，另一方面來自因受到次按危機及物業市場表現呆滯影響而表現欠佳的美國經濟，令到市場受到無休止的沖擊。市場出現劇烈反覆的交投狀況，其中出現兩次強力上升及三次顯著下挫。在頭三個季度，投資者著眼於利好的中國因素及積極追捧具備中國主題的有關股票。一連串的中國良性政策如降低企業稅項、容許大型及優質國企到香港上市及以合資格國內機構投資者形式釋出更多外流資金，均有助市場氣氛，投資情緒變得更高漲。具備理想盈利業績、注入資產、在A股市場上市和涉及併購活動等積極企業活動的股票最受到投資者青睞。併購及注資概念亦曾令二線股票急升，令其價格在短時間內飆升數倍。及後發生的日圓拆倉交易及美國首次嚴重的次按危機令市場大幅回落，但有關事件隨即被認為屬短暫事件及被普遍視為另一次入市良機。市場受到來自各方的大量資金流入推動而急速及強勁上升。市場於十月底攀上高峰，恆生指數及H股指數分別創下31,958點及20,609點的歷史高位，較去年上升約60%及99.3%。其後於十一月再度爆發的美國次按危機及物業市場調整導致國際金融市場面臨嚴重信貸緊縮，並觸發股市恐慌及環球性沽售潮。多間大型國際金融機構被揭發涉及巨額次按虧損並需要作出龐大撥備。次按危機破壞國際金融市場的正常運作及增加多間國際銀行的流動資金壓力。美國經濟及物業市場急



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

international finance market and increased liquidity pressure on various international banks. The rapid deterioration of US economy and property market brought a sharp turn to bearish sentiment in anticipating recession and stagflation. In the meantime, the China policy turned to be tougher in tightening the credit to cool down the economy and stock market by consecutively raising interest rates and bank liquidity ratio. Other administrative options were also being discussed to press down the overheating property market. The Central Government of China further postponed the implementation of Direct Individual Investment Scheme and decided to clear up the underground money for institutionalizing the long term outflow of fund. All these measures restricted new fresh fund into the market and triggered more profit taking in the stock market. As a result, the fourth quarter correction evaporated much of the gain to send the HSI to 27,813 about 13% down from the historic high and H Index to 16,124 about 21.8 % below from the historic high. HSI and H Index ended up 39.3 % and 55.9% respectively higher than that of last year.

The outlook of Hong Kong economy for 2008 is cautiously positive. Benefited by the weak US dollar, interest rate fall, negative interest rate scenario and strong China economic growth, the local economy can still advance on the robust internal consumption though the US-led economic slowdown and the China austerity measures inevitably cause external threats. Stock market performance for the first quarter of 2008 was disappointed. There were continual sell-off liquidation in the market by institutions and retail investors as the investors are scared by the tremendous subprime loss and write-off of the financial institutions as a result of the explosion of the US property market slump. There were widespread worries of much greater amount still undiscovered yet and of the negative chain effects spilling to other sectors of the economy which eventually threatens the normal operation of the economy. For instance, the bond insurers were also questioned of their survival capabilities. Despite the great interest rate cut in US and the Bush proposal of massive tax rebate to revive the economy, investor sentiment remains fragile as the problems were not fully ascertained. The whole market now fell into chaos, fears and guess on the subject of how serious the sub-prime is and how long it lasts. All analysts and government officers use rule of the thumb guess on the extent of the problem and the market is purely dictated by rumors and news. As such, the market falls into very volatile and sensational

速惡化，令到市場氣氛在預期出現衰退及滯脹下急速轉得極度悲觀。與此同時，中國政策從緊，透過連續調高利率及銀行流動資金比率以收緊信貸，藉此冷卻經濟及股市。其他行政措施亦在研究之中，以遏抑過熱的物業市場。中國中央政府進一步押後落實個人直接投資計劃及決定清除地下熱錢，以便將資金長遠流出的方式系統化，所有有關措施限制新資金流入市場及觸發股市出現更多獲利回吐。因此，第四季度的調整令大部份升幅蒸發，令恆生指數回落至27,813點，較歷史高位下跌13%，亦令H股指數回落至16,124點，較歷史高位下跌約21.8%。恆生指數及H股指數分別較去年上升39.3%及55.9%。

二零零八年的香港經濟前景仍然審慎樂觀。受惠於美元疲弱、利率下調、負面的利率環境及強勁的中國經濟增長，本地經濟仍能隨著暢旺的內部消費而增長，縱使美國帶動的經濟放緩及中國宏調措施無可避免地引構成外在威脅。二零零八年第一季度的股市表現失望，機構及零售投資者在市場不斷沽售套現，因為投資者受到龐大次按虧損及金融機構因美國物業市場呆滯而撒賬所嚇怕。市場廣泛憂慮仍有更大金額虧損尚未發現及負面連鎖影響將波及其他經濟領域，最終影響經濟的正常運作。舉例而言，債券保險人亦被質疑其維持業務健全的能力。儘管美國大幅下調利率及布殊政府宣布的大幅退稅建議以振興經濟，但由於有關問題未能完全確定，因此投資者的情緒仍然脆弱。整體市場陷入混亂、對次按問題的嚴重性及所拖延的時間長短都流於驚恐及猜測。所有分析員及政府官員對問題的嚴重程度都只依靠簡單的估計，市場則完全受到謠言及消息主導。因此，市場變得極為波動及買賣趨向情緒化，情

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trading which will continue for certain period of time until the problematic events and companies were fully clarified. No doubt, the China policy to encourage the outflow of the funds provides additional liquidity to the stock market and the positive local economy performance helps to underpin the fundamental value of the stock market in the long run. These long term favourable factors only works when the panic investment sentiment calms down and the market confidence restore to the normal level. At the moment, the issue has become a confidence crisis and fundamental factors in the stock market are largely ignored. As the market continues to move directionless on volatile pattern, most of investors will stay sidelined and turnover will drop at least for the first half of the year. For the same reasons, the new listing activities will decrease and smaller firms may even withdraw their listing applications due to the poor response. As soon as the US economy finds bottom in the second half in 2008, the stock market should be able to pick up both in index level and turnover and the fundamental factors will then gradually reflect in the share price performance.

### SECURITIES, FUTURES AND OPTIONS BROKERAGE BUSINESS

During the year, revenue for the Group's securities broking business and futures broking business as well as the underwriting commission, which accounted for 61.72% of total revenue, was HK\$55,859,000 (2006: HK\$23,713,000). Profit for the division was HK\$25,688,000 (2006: HK\$3,044,000). The division registered impressive growth in both turnover and profit mainly attributing to the promising Initial Public Offering ("IPO") performance of newly listed issues and the bullish stock market.

### SECURITIES MARGIN FINANCING

During the year, interest income generated from securities margin loan portfolio accounted for 3.8% of the Group's revenue was HK\$3,521,000 (2006: HK\$2,463,000). Profit for this division reached HK\$2,942,000 (2006: HK\$1,906,000). The division had moderate growth as the demand brought by the increase of the trading activities but the clients restricted to day trade to avoid overnight risk and this in turn curbed the demand for overnight margin financing. The Group maintained consistently prudent and flexible margin financing policy to minimize its risk exposure in the volatile market environment in order to achieve high profitability for our shareholders.

況將會持續一段時間，直至問題事件及公司得到完全澄清為止。毫無疑問，中國鼓勵資金外流的政策為股市提供更多流動資金，而本地經濟表現正面有助支持股市的基本價值。惟該等長期有利因素只會在惶恐的投資氣氛消散及市場信心回復至正常水平時才能發揮作用。目前，有關問題已成為一個信心危機，而股市的基本因素則往往被忽略。由於市場繼續在缺乏方向下波動，大部份投資者將保持觀望，而成交額至少於上半年將維持下跌。基於相同原因，新上市活動將減少，而規模較小的公司甚至可能因反應欠佳而撤回上市申請。當美國經濟於二零零八年下半年到底回穩時，股市應能在指數水平及成交額兩方面回升，而基本因素屆時將於股價表現中反映。

### 證券、期貨及期權經紀業務

年內，本集團的證券經紀業務及期貨經紀業務的收益與包銷佣金為55,859,000港元(二零零六年：23,713,000港元)，佔總收益61.72%。分部利潤為25,688,000港元(二零零六年：3,044,000港元)。分部營業額及利潤均錄得增長，主要原因為新上市首次公開招股活動表現理想及股市暢旺所致。

### 證券保證金融資

年內，來自證券保證金貸款組合的利息收入為3,521,000港元(二零零六年：2,463,000港元)，佔本集團收益3.8%。分部利潤達2,942,000港元(二零零六年：1,906,000港元)。分部錄得輕微增長，原因為交投活動增加帶動需求，但客戶局限於即日買賣以避免隔晚風險，因此限制對隔晚保證金融資的需求。本集團一貫維持審慎及靈活的保證金融資政策，以盡量減低在波動市場環境中的風險水平，從而為股東爭取較高的盈利回報。

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### FINANCIAL MANAGEMENT AND ADVISORY SERVICES

Revenue generated from financial management and advisory services was HK\$28,103,000 (2006: HK\$23,737,000). As the global stock markets performed exceptionally well last year, advisory business increased substantially attributing to our dedicated sales force and marketing campaign. In this year, we expect the global stock markets will become more volatile and the uncertainties from the US's economy will have a negative impact on the investment environment. We will try to further diversify our business spectrum and business regions in order to maintain the growth and control the risk.

### INVESTMENT BANKING

The Group operates its investment banking division under the subsidiary Karl Thomson Financial Advisory Limited ("KTFA"). Operating revenue generated by the investment banking business was HK\$2,822,000 this year (2006: HK\$1,010,000). The substantial increase could be attributed to the active fund raising, acquisitions, takeovers and other corporate activities in both listed and unlisted companies during the year, which in return provided various business opportunities to investment banking sector in Hong Kong.

During the year, the division secured a number of mandates to provide corporate finance advisory services to unlisted companies whereby the team has been providing a full range of financial advisory services, including accounting, internal control, tax planning and fund raising. In addition, the subsidiary also acted as financial adviser and independent financial adviser to several disclosable transactions executed by listing Hong Kong companies.

With the strong growth of the Hong Kong's economy, the positive prospect emerging from the People's Republic of China ("PRC") as well as the various investment constraint-relaxation policies to be launched by the PRC government, the management is confident in the business environment in the next financial year. The subsidiary looks to take advantages of these opportunities by continuing to position itself as a premier boutique investment banking and offer tailor-made and cost effective services to our corporate clients.

### 財務管理及諮詢服務

來自財務管理及諮詢服務的收益為28,103,000港元(二零零六年: 23,737,000港元)。由於全球股市去年成績表現理想, 諮詢業務大幅增加, 此實有賴於我們專心矢志的銷售隊伍及市場推廣活動所致。我們預期今年的環球股票市場將變得更為反覆, 而美國經濟的不明朗情況將會對投資環境產生負面影響。我們將嘗試進一步多元化發展以擴展我們的業務範疇及業務區域, 務求維持增長及控制風險。

### 投資銀行

本集團透過附屬公司高信融資服務有限公司(「高信融資」)經營投資銀行分部。今年來自投資銀行業務的經營收益為2,822,000港元(二零零六年: 1,010,000港元)。收益增加的原因為上市及非上市公司於年內的積極進行集資活動、收購、全面收購及其他企業活動, 繼而為投資銀行界業務提供多項商機。

於年內, 分部取得多項財務諮詢授權, 為非上市公司提供企業融資諮詢服務, 據此, 本隊伍提供全面財務諮詢服務, 包括會計、內部監控、稅務規劃及籌集資金。此外, 本業務部門亦為多間香港上市公司進行的多項須予披露交易擔任財務顧問及獨立財務顧問。

隨著香港經濟增長強勁, 加上中國政府推出多項放寬投資限制的政策所帶來的樂觀前景, 管理層對下一個財政年度的業務環境充滿信心。附屬公司把握此大好良機, 繼續將本身定位為主要精品投資銀行, 為我們的企業客戶提供度身訂造及符合成本效益的服務。

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### OIL AND GAS BUSINESS

#### Block 2 West Esh El Mallaha (“WEEM”)

The West Esh El Mallaha Block 2 is located onshore in the Eastern Desert of Egypt near the south-western end of the Gulf of Suez, and covers an area of 1,328 km<sup>2</sup>. The Gulf of Suez which is a prolific oil and gas producing zone and has produced more than 7 billion barrels of oil since its first discovery. The WEEM block lies immediately to the northwest of four producing oil fields, Rabeh, Rabeh East, Tanan and Tawoos which are operated by Lukoil, a gigantic oil and gas company in Russia. Aminex Petroleum Egypt Ltd (the “APEL”) is the operator and has signed a concession agreement with the Egyptian Ministry of Petroleum on 17 September 2006. The Group has held 60% shareholdings in APEL and has undertaken to finance all exploration cost of WEEM beared by APEL before the first date of production. When WEEM reaches the first date of production, the rest of APEL shareholders will fund APEL in accordance with their respective equity interests. The capital commitment and payment obligation of APEL are disclosed in notes 19 (b) and 31.

Since the signing of concession agreement, APEL has reprocessed and re-interpreted the vintage seismic data of 1994 and 1998. APEL has also received the latest 3-D seismic data from Esphetco. As a result of the works, our technical team has identified various prospects and leads and has formulated a two-wells exploration program to be completed in 2008. APEL has also signed up a eighteen months rig contact on call out basis. It means the company is required to pay for the rig rental only on the days the rig is called out for services. When the rig is not in use, APEL does not have to pay any rig rental to the rig company.

The first exploratory well Malak-1 was spud on 23 February 2008. It reached a total depth of 12,065 ft on 6 April. The basement depth is found to be 11,800 ft which is the deepest record in West Esh El Mallaha. That confirms the hypothesis that deep oil kitchens are present in the area, coinciding with the gravity and magnetic lows recorded in the concession. The high level of background gas found is a positive indication that we are very close to an active hydrocarbon system although it is not significant enough to declare commerciality. In addition, the actual depth of the basement is very close to the prognosed depth. It means that the reprocessed 1998 vintage seismic data is valid and confirms that APEL has valid data to further its E&P activities.

### 石油及天然氣業務

#### West Esh El Mallaha 2區油田(「WEEM」)

West Esh El Mallaha 2區油田位於埃及東面沙漠，鄰近蘇彝士灣西南端，佔地1,328平方公里。蘇彝士灣為盛產石油及天然氣的地區，自其被首次發現以來已生產超過70億桶石油。WEEM塊區毗鄰由俄羅斯石油及天然氣巨擘 Lukoil營運之四個生產中油田Rabeh、Rabeh East、Tanan及Tawoos之西北面。Aminex Petroleum Egypt Ltd(「APEL」)為營運商並與埃及石油部於二零零六年九月十七日簽署特許經營協議。本集團持有APEL之60%股份，並已承諾支付於首次生產日期前由APEL承擔之WEEM所有開採成本。當WEEM到達首次生產日時，餘下之APEL股東將根據彼等各自之股本權益向APEL提供資金。APEL之資本承擔及支付責任於附註19(b)及31披露。

自簽署特許經營協議以來，APEL已重新處理及重新闡釋一九九四年及一九九八年之地震年份資料。APEL亦已收到Esphetco提供之三維地震數據。由於進行有關工作，本集團之技術隊伍已發現多個潛在開採地點，並已制定一項將於二零零八年完成之兩井開採計劃。APEL亦已簽署一份為期十八個月以召喚付費為基準之鑽井服務合約，即公司只需在鑽井機被召喚提供服務之日才須支付鑽井機租金。當鑽井機並非使用時，APEL毋須向鑽井機公司支付任何鑽井機租金。

首個勘探井Malak-1於二零零八年二月二十三日開始鑽掘，並於四月六日到達總深度12,065呎。基底深度被發現為11,800呎，為West Esh El Mallaha之最深記錄。有關發現證實深層生油層確實於該區存在，亦符合於特許經營區內所記載之低重力及低磁力數據。所發現之高水平背景天然氣足以顯示我們極為接近一個活躍之碳氫體系，縱使所發現之天然氣水平未能達致商業效益。此外，基底之實際深度極為接近預測深度，顯示重新處理後之一九九八年地震數據正確，並確認APEL擁有正確數據以進一步經營其勘探活動。



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The Malak-1 well was plugged on 17 April 2008. The crew is now preparing to move the rig to the next drilling location NW-Tanan-1. NW-Tanan-1 is only 2 km north-west of a producing well named Tanan-1. It is a shallower well with an estimated basement depth of 8,600 ft. The expected spudding day is by the end of April 2008.

The area we are now exploring is less than 2% of the total license area of 1,328 sq km only. The commitment to Egyptian government is to drill 3 wells during the initial three years which ends in September 2009. We are well ahead of this minimum commitment.

#### Block 3 West Komobo (“WKO”)

The West Komobo Block 3 is located in Western Desert of Egypt, to the west of the Nile River and north of the city of Aswan covering an area of 42,291 km<sup>2</sup>. By world standards this is a very large onshore exploration permit and in this context is considered “frontier” acreage. WKO is very near to an oil producing field Al Baraka which is operated by Centurion, a Canadian listed oil and gas company. Centurion was acquired by Dana Gas Petroleum in April 2007. Groundstar Resources Inc. is the operator of WKO holding 60% interest in the block and the Group has the remaining 40% interest. Groundstar is solely responsible for the initial US\$7 millions capital expenditures and the signature bonus of US\$100,000.

Upper Egypt is an under-explored area. Al Baraka represents a discovery of 8 million barrels of oil and was found in September 2007. It is quickly put into production in December 2007 by delivering the crude oil via train and by making use of the processing facility located in Aysuit. The quick time to market since discovery suggests that WKO could do the same if any oil or gas is found later.

Just like many other blocks located in Upper Egypt, WKO is under-explored and the vintage seismic data on hands is good for regional understanding but not for drilling purpose. Additional seismic data is required. Tender document to solicit rig service was issued in March 2008 and data acquisition work is expected to start in May or June 2008.

Malak-1油井於二零零八年四月十七日封閉。組員現時準備將鑽井機移往下一個鑽探位置NW-Tanan-1。NW-Tanan-1僅在一名為Tanan-1之產油井西北2公里。此探井較淺，估計基底深度約8,600英尺。預期開始鑽掘日期為二零零八年四月底。

現正勘探之地區僅少於整個特許經營地區1,328平方公里之2%。本集團向埃及政府作出之承諾為於直至二零零九年九月止之首三年鑽探三口油井。本集團之進度遠比此最低承諾領先。

#### West Komobo 3區油田(「WKO」)

West Komobo 3區油田位於埃及西部沙漠，地處尼羅河西面及阿斯旺市之北，佔地42,291平方公里。按照國際準則，該塊區為極大型之陸上開採許可塊區，就此是指未開發面積。WKO極為接近加拿大上市石油及天然氣公司Centurion營運之產油區Al Baraka。Centurion於二零零七年四月被Dana Gas Petroleum收購。Groundstar Resources Inc.為WKO之營運商，持有該塊區之60%權益，而本集團持有餘下40%權益。Groundstar獨力承擔首7,000,000美元之資本支出及100,000美元之簽約花紅。

上埃及地區為尚未全面開發地區。Al Baraka顯示發現8,000,000桶石油及於二零零七年九月被發現。該油田通過火車付運原油及運用位於Aysuit之加工設施，已於二零零七年十二月迅速投產。自發現以來便能迅速推出市場顯示WKO可於日後發現任何石油或天然氣時採取同一做法。

一如位於上埃及地區之多個其他塊區，WKO尚未完全開發，而手上之舊地震數據對研究區內情況有幫助但無助於鑽探目的，因此需要更多地震數據。邀請提供鑽井服務之標書已於二零零八年三月發出，而數據蒐集工程預期將於二零零八年五月或六月展開。

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### US tenanments

The wholly owned subsidiary Volant Petroleum Ltd (“Volant”) has previously signed two participating agreements with a view to explore two acreages, one in Tennessee and one in Wyoming. The plan is to further acquire additional unexplored acreage nearby and to conduct the necessary seismic data acquisition. Upon evaluating the future cost and benefits to the Group, the Company has decided to terminate the participating agreements. The directors believe that it will be more beneficial to the group to consolidate its resources for exploring the two Egyptian oil and gas assets.

### Outlook on oil and gas business

The oil price has increased from US\$55 per barrel (when we first entering into discussion with Volant management team for the takeover) to the present level of over US\$100 per barrel. It proves that the vision of directors to get into the oil and gas business two years ago is correct. By acquiring Volant, the Group gains immediate access to an operating platform which will bring huge economic potential to the Group if any oil and gas is found in WEEM and/or WKO.

The head of our technical team is Mr. Ramzy El Adl. He is an Egyptian and is a well known geologist with over 40 years experience in oil and gas industry. Because of his effort, we have spent less than US\$1.7 million in Malak-1. He leads 12 staff and 3 consultants in Cairo.

With the existing network, the Group will continue to look for acquiring further oil and gas tenements in Egypt and in other regions.

### 美國特許經營塊區

集團附屬公司Volant Petroleum Ltd (「Volant」) 前簽署之兩份參與協議，旨在開發兩幅土地，一幅位於田納西州及一幅位於懷俄明州。原計劃為進一步收購鄰近尚未開採的土地並進行必要之地震數據蒐集。於評估未來成本及為本集團帶來之利益後，本公司已決定終止該參與協議。董事相信本集團將其資源集中開採埃及兩個石油及天然氣資產更為有利。

### 石油及天然氣業務前景

石油價格由每桶55美元(當本集團與Volant之管理層就收購進行首次商討時)上升至目前超過每桶100美元水平，證明董事兩年前對發展石油及天然氣業務之願景正確。透過收購Volant，集團即時獲得一個營運平台，並於WEEM及WKO發現任何石油及天然氣時，為本集團帶來龐大經濟利益。

本集團技術隊伍之主管為Ramzy El Adl先生。彼為埃及人及當地知名地質學家，於石油及天然氣行業擁有40年以上經驗。由於彼所付努力，本集團於Malak-1之支出少於1,700,000美元。彼於開羅領導12名員工及3名僱問。

憑藉現有網絡，本集團將繼續於埃及其他地區物色收購其他石油及天然氣特許經營塊區。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### ASSOCIATE – ELECTROPLATING EQUIPMENT BUSINESS

The technology arm of the Group was developed through our associate, ATNT. Its major subsidiary, PAL, who is in electroplating equipment business, after a hectic and booming year of 2006 has inevitably experienced a slow down in orders in 2007. The turnover was HK\$521.6 millions which is 17.5% less than the year 2006. Although the equipment sales to printed circuit board sector were reduced, the equipment sales to surface finishing sector were increased. This proves that PAL's strategy to expand into different industrial sectors using its core electroplating expertise in order to smooth the cyclical effect of printed circuit board sector is right. In 2007, PAL faced quite a sharp material cost increase in certain parts, especially in metal parts. PAL has noted that the material cost has been stabilized since last quarter 2007, nevertheless, it is deploying various measures to maintain a reasonable gross margin. The big challenge this year will be on cost control over material, flight costs as well as labor costs in China.

ATNT has also announced that on 28 January 2008 it has entered into an agreement to dispose its interest in its associate Intech Machines Co Ltd. The transaction was completed on 7 April 2008 and ATNT has received net proceed of NT\$588.2 millions.

### MATERIAL ACQUISITIONS AND DISPOSALS OF COMPANIES

On 8 November 2006, the Company has issued a general offer to take over all the ordinary shares in an Australian listed oil and gas company, Volant. At the closing of the general offer, the Company has received 99.2% acceptance. The consideration given is the issue of 104,332,128 ordinary shares of the Company which represents 17.6% of the enlarged shares of the Company. On 19 October 2007, the Company has compulsorily acquired the rest of the 0.8% shares in Volant. The consideration given for the compulsorily acquired shares is the issue of 539,139 ordinary shares of the Company which represents 0.09% of the enlarged shares of the Company. Volant becomes a 100% owned subsidiary of the company on 19 October 2007.

### 聯營公司－電鍍設備業務

本集團透過聯營公司亞洲聯網發展科技業務。該公司的主要附屬公司PAL經營電鍍設備業務，經過表現突出及優異的二零零六年後，於二零零七年無可避免地面對訂單回落的情況。營業額為521,600,000港元，較二零零六年減少17.5%。雖然來自印刷線路板行業的設備銷售額減少，但表面處理業務的設備銷售額卻增加。情況證明PAL採用其核心電鍍專業知識以擴展至不同行業，以便減低印刷線路板行業的週期性影響的策略適當。於二零零七年，PAL面對若干零件(尤其為金屬零件)的材料成本急速上升的壓力。雖然PAL注意到材料成本自二零零七年最後一季以來已趨向穩定，但該公司仍然實行多項節約措施以維持合理的毛利率。今年的最大挑戰為對材料、運輸成本及中國勞工薪酬支出的成本控制。

亞洲聯網亦於二零零八年一月二十八日宣佈，該公司已訂立協議出售其於聯營公司亞智科技股份有限公司的權益。該交易於二零零八年四月七日完成，而亞洲聯網已收取款項新台幣588,200,000元。

### 重大的公司收購及出售

於二零零六年十一月八日，本公司提出一項全面收購建議，收購澳洲上市石油及天然氣公司Volant之全部普通股。於全面收購建議結束時，本公司已收到99.2%接納。所作出代價為發行104,332,128股本公司普通股，相等於本公司經擴大股份之17.6%。於二零零七年十月十九日，本公司強制收購Volant餘下0.8%股份。就強制收購股份所作出代價為發行539,139股本公司普通股，相等於本公司經擴大股份之0.9%。Volant於二零零七年十月十九日成為本公司之全資附屬公司。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Upon completion of the acquisition, the Group has effectively owned 40% effective interest in WEEM and 40% effective interest in WKO. The principal operating office of the oil and gas arm of the Group is located in Cairo, Egypt.

Apart from this, there was no material acquisition and disposal of companies during the year.

### LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

As at 31 December 2007, the Group had shareholders' funds of approximately HK\$576,730,000. The net current assets of the Group were HK\$89,944,000 (31 December 2006: HK\$ 56,382,000), which consisted of current assets of HK\$299,649,000 (31 December 2006: HK\$142,253,000) and current liabilities of HK\$209,705,000 (31 December 2006: HK\$85,871,000), representing a current ratio of approximately 1.43 (31 December 2006: 1.66).

The Group generally finances its operation with internally generated cash flows. The Group has no long-term bank borrowings apart from occasional utilisation of overdraft facilities and short-term bank borrowings. During the year, the Group obtained short-term bank borrowings which is mainly facilitating the margin to client for the application of IPO. As at 31 December 2007, the Group has cash and cash equivalent (excluding the pledged fixed deposits of general accounts) of HK\$42,264,000 (31 December 2006: HK\$16,116,000).

As at 31 December 2007, the Group's gearing ratio, expressed as a percentage of total borrowings (including bank loans and overdrafts) over shareholders' funds, was at a level of 0 (31 December 2006: 0) since no bank borrowings as at 31 December 2007.

### CONTINGENT LIABILITIES

The Company has given guarantee to bank in respect of the securities margin financing facilities granted to subsidiary. No bank borrowings of such facilities utilised by the subsidiary as at 31 December 2007 (31 December 2006: Nil).

於收購事項完成後，本集團實際上擁有WEEM之40%實際權益及WKO之40%實際權益。本集團之石油及天然氣業務主要營運辦事處位於埃及開羅。

除此之外，於年內概無任何重大收購及出售公司。

### 流動資金、財務資源及資金

於二零零七年十二月三十一日，本集團的股東資金約為576,730,000港元。本集團的流動資產淨值約為89,944,000港元(二零零六年十二月三十一日：56,382,000港元)，包括流動資產299,649,000港元(二零零六年十二月三十一日：142,253,000港元)及流動負債209,705,000港元(二零零六年十二月三十一日：85,871,000港元)，相等於流動比率約1.43倍(二零零六年十二月三十一日：1.66)。

本集團一般以內部產生的現金流量為其業務提供資金。除偶然動用透支額及短期銀行借貸外，本集團並無長期銀行借貸。於年內，本集團獲得短期銀行借貸，主要用作為客戶於申請首次公開招股時的保證金。於二零零七年十二月三十一日，本集團的現金及現金等價物(不包括一般賬戶的已抵押固定存款)為42,264,000港元(二零零六年十二月三十一日：16,116,000港元)。

於二零零七年十二月三十一日，本集團的資本負債比率(借貸總額(包括銀行貸款及透支)相對於股東資金的百分比)為零倍水平(二零零六年十二月三十一日：零)，原因為於二零零七年十二月三十一日並無銀行借貸。

### 或然負債

本公司已就授予附屬公司的證券保證金融資而向銀行提供擔保。於二零零七年十二月三十一日，附屬公司並無動用該等融資的銀行借貸(二零零六年十二月三十一日：無)。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### CHARGE ON ASSETS

The Group held banking facilities from various banks as at 31 December 2007. The Group's banking facilities were secured by guarantees given by the Group's bank deposits, margin clients' listed securities and the Company.

As at 31 December 2007, bank deposits amounting to HK\$63,141,000 (31 December 2006: HK\$8,165,000). Bank deposits of approximately HK\$8,541,000 (31 December 2006: HK\$8,165,000) was pledged to secure banking facilities granted to a subsidiary and no margin clients' listed securities were pledged and approximately HK\$54,600,000 (31 December 2006: nil) was pledged as requested by the Government of Egypt in relation to the oil and gas exploration and production business of Block 2.

### CAPITAL STRUCTURE

As at 31 December 2007, the total number of issued ordinary shares of the Company was 593,561,612 of HK\$0.10 each (31 December 2006: 477,000,000 shares of HK\$0.10 each). The increase in the number of issued shares was the result of the exercise of share options, issue of new shares in acquisition of Volant and conversion of redeemable convertible preference shares during the year.

### HUMAN RESOURCES

As at 31 December 2007, the Group employed a total of 138 staff (2006: 136) of which, 82 were commissioned based (2006: 81) and the total related staff cost amounted to HK\$18,400,000 (2006: HK\$11,684,000). The Group's long term success rests primarily on the total integration of the company core value with the basic staff interest. In order to attract and retain high caliber staff, the Group provides competitive salary package and other benefits including mandatory provident fund, medical schemes and bonus. The future staff costs of the sales will be more directly linked to the performance of business turnover and profit. The Group maintained organic overhead expenses to support the basic operation and dynamic expansion of its business enabling the Group to respond flexibly with the changes of business environment.

### FINAL DIVIDEND

The Board does not recommend payment of any final dividend for the year ended 31 December 2007 (2006: Nil).

### 資產抵押

於二零零七年十二月三十一日，本集團持有多間銀行提供的銀行融資。本集團的銀行融資以本集團的銀行存款、保證金客戶的上市證券及本公司作為擔保。

於二零零七年十二月三十一日，銀行存款達63,141,000港元(二零零六年十二月三十一日：8,165,000港元)。銀行存款約8,541,000港元(二零零六年十二月三十一日：8,165,000港元)已作為授予附屬公司的銀行融資的抵押，並無保證金客戶的上市證券作為抵押，而約54,600,000港元(二零零六年十二月三十一日：無)已應埃及政府之要求，作為2區油田之石油及天然氣開採及生產業務之抵押品。

### 資本架構

於二零零七年十二月三十一日，本公司已發行普通股的總數為593,561,612股每股面值0.10港元的股份(二零零六年十二月三十一日：477,000,000股每股面值0.10港元的股份)。已發行股份數目增加乃因年內行使購股權、收購Volant而發行新股份及轉換可贖回可換股優先股所致。

### 人力資源

於二零零七年十二月三十一日，本集團僱用138名員工(二零零六年：136名)，其中82名(二零零六年：81名)為佣金制，相關員工成本總額為18,400,000港元(二零零六年：11,684,000港元)。本集團的長期成就主要取決於將公司核心價值與員工基本利益全面結合。為了吸引及挽留優質員工，本集團提供具備競爭力的薪酬組合及其他福利，包括強制性公積金、醫療計劃及花紅。未來員工成本將更直接與營業額及利潤掛鈎。本集團維持靈活的間接開支，以支援基本業務及其業務的積極擴展，讓本集團可因應商業環境轉變而靈活作出回應。

### 末期股息

董事會不建議支付截至二零零七年十二月三十一日止年度的任何末期股息(二零零六年：無)。

# DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層

### DIRECTORS

#### Executive Directors

**Mr. Lam Kwok Hing**, aged 44, is the Chairman of the Group. He is responsible for the implementation of the overall strategic planning and direction and steering of the overall development of the Group. Mr. Lam is the founder of the Group. He has extensive experience in the securities, futures, options, fund management and financial advisory industry. He has been a member of the Hong Kong Securities Institute. He is also the Chairman and Managing Director of ATNT. He is the brother of Mr. Nam Kwok Lun.

**Mr. Nam Kwok Lun**, aged 49, is the Deputy Chairman and Managing Director of the Group. He is responsible for overall strategic planning and operations and in charge of the execution and further development of the Group's expansion plan. He is a co-founder of the Group and is in charge of the stockbroking, futures and options broking, securities margin financing business, fund management and financial advisory business. Mr. Nam has extensive experience in the securities, futures and options, securities margin financing, fund management and financial advisory industry. He has been a member of the Hong Kong Securities Institute. Mr. Nam is also as the Deputy Chairman and Executive Director of ATNT. He is the brother of Mr. Lam Kwok Hing.

#### Independent Non-Executive Directors

**Mr. Chen Wei-Ming Eric**, aged 44, is a director of several general trading companies in Hong Kong. Mr. Chen holds a Bachelor of Science degree in Business Administration from the Boston University in Massachusetts, USA and is engaged in the chemical trading business. Mr. Chen was appointed as Independent Non-Executive Director since September 2000.

**Mr. Kwan Wang Wai Alan**, aged 45, holds a Bachelor degree in Engineering Science and a Master of Arts degree from the University of Oxford and has over 17 to 20 years of experience in the consumer electronics field. Mr. Kwan is also an Independent Non-Executive Director of ATNT. He was appointed as an Independent Non-Executive Director since September 2004.

### 董事

#### 執行董事

藍國慶先生，44歲，本集團主席，負責本集團整體策略性計劃及方向之實施，並管理本集團之整體發展。藍先生亦為本集團創辦人，於證券、期貨、期權、基金管理與融資顧問行業擁有豐富經驗。藍先生為香港證券專業學會成員，亦為亞洲聯網主席兼董事總經理。藍先生為藍國倫先生之胞弟。

藍國倫先生，49歲，本集團副主席兼董事總經理，負責整體策略性計劃及運作，並負責執行及進一步發展本集團之擴展計劃。藍先生為本集團協辦人，負責證券買賣、期貨及期權買賣業務、證券保證金融資業務、基金管理與融資顧問業務。藍先生於證券、期貨、期權、證券保證金融資、基金管理與融資顧問行業擁有豐富經驗，並為香港證券專業學會成員。藍先生亦為亞洲聯網副主席兼執行董事。藍先生為藍國慶先生之胞兄。

#### 獨立非執行董事

陳偉明先生，44歲，為香港數家貿易公司董事，持有美國麻省波士頓大學工商管理學學士學位，並從事化學品貿易業務。陳先生自二零零零年九月獲委任為獨立非執行董事。

關宏偉先生，45歲，獲英國牛津大學頒發工程學學士學位及文學碩士學位，並在消費電子業上擁有逾17至20年經驗。關先生亦為亞洲聯網之獨立非執行董事。關先生自二零零四年九月獲本公司委任為獨立非執行董事。

# DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層

### DIRECTORS (Continued)

#### Independent Non-Executive Directors (Continued)

**Mr. Ng Chi Kin David**, aged 47, is a professional accountant with over 20 years of professional experience and is a fellow member of the Hong Kong Institute of Certified Public Accountants, member of CPA Australia, Hong Kong Institute of Company Secretaries and Institute of Chartered Secretaries and Administrators in the United Kingdom. Mr. Ng is also an Independent Non-Executive Director of ATNT. He was appointed as Independent Non-Executive Director of the Company since September 2000.

#### QUALIFIED ACCOUNTANT AND COMPANY SECRETARY

**Ms. Lui Choi Yiu Angela**, aged 34, is the Financial Controller and Company Secretary of the Group. She is responsible for overall financial planning and management of the Group. Ms. Lui graduated with a Bachelor of Science degree in Accounting from Azusa Pacific University in California, USA and a Postgraduate Diploma in Corporate Administration from Hong Kong Polytechnic University. She is currently a member of the American Institute of Certified Public Accountants and a member of the Hong Kong Institute of Certified Public Accountants. Prior to joining the Group, Ms. Lui had over 4 years of experience in audits in one of the leading international certified public accounting firms and accounting, finance and management in a local securities firm. She joined the Group in June 2000.

#### SENIOR MANAGEMENT

**Mr. Chan Lap Kwan**, aged 34, is the Manager of the Kwun Tong branch and is responsible for the daily operations and implementation of the internal control procedures of the Kwun Tong branch. He holds a Bachelor of Business (Banking and Finance) degree from University of South Australia. He has extensive experience in the securities, futures and options industry. He joined the Group in July 1997.

### 董事(續)

#### 獨立非執行董事(續)

伍志堅先生，47歲，為專業會計師，擁有逾20年專業經驗、為香港會計師公會資深執業會計師、澳洲會計師公會註冊會計師、香港公司秘書公會及英國特許秘書及行政人員公會會員。伍先生亦為亞洲聯網之獨立非執行董事。伍先生自二零零零年九月獲本公司委任為獨立非執行董事。

#### 合資格會計師及公司秘書

雷彩姚小姐，34歲，本集團財務總監及公司秘書，負責本集團整體財務策劃及管理。雷小姐持有美國加州Azusa Pacific University會計學學士學位及香港理工大學公司行政管理深造文憑，目前為美國特許會計師公會及香港會計師公會會員。加盟本集團之前，雷小姐於一間主要國際會計師行負責稽核工作及於一間本地證券公司負責會計、金融及管理的工作逾4年。雷小姐於二零零零年六月加入本集團。

#### 高級管理層

陳立群先生，34歲，觀塘分公司經理，負責觀塘分公司之日常營運及執行內部監控程序。陳先生持有南澳洲大學商業學(銀行業及財經)學士學位。在證券、期貨及期權業擁有豐富經驗。陳先生於一九九七年七月加入本集團。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

#### SENIOR MANAGEMENT (Continued)

**Mr. Chu Wai Man**, aged 52, is the Manager of the Shatin branch and is responsible for the daily operations and implementation of the internal control procedures of the Shatin branch. He has wide experience in the securities, futures and options industry. He joined the Group in 1990.

**Mr. Sung Wing Yiu**, aged 51, is the Director of Karl-Thomson Securities Company Limited. He is responsible for the management and development of internet trading services, securities, futures and other derivatives business of the Group. He holds a Bachelor of Social Science degree in Government & Public Administration from the Chinese University of Hong Kong and a Master of Business Administration degree from the University of Hong Kong. He is also an associate member of the Institute of Chartered Secretaries and Administrators in the United Kingdom. Mr. Sung has extensive experience in the securities and futures industry and held senior positions in regional financial institutions in Hong Kong. He joined the Group in February 2001.

#### INVESTMENT BANKING GROUP

**Mr. Chow Ka Wo Alex**, aged 41, is the Director of Karl Thomson Financial Advisory Limited. He is responsible for the operation of the Group's investment banking business since joining the Group in March 2002. Prior to joining the Group, Mr. Chow had worked at various international investment banks. He holds a Bachelor of Arts degree in Applied Mathematics and Economics from the University of California at Berkeley and a Master of Arts degree in Economics from the Cornell University in the USA. Mr. Chow is also an Executive Director of Sino Katalytics Investment Corporation (stock code: 2324).

#### 高級管理層(續)

朱維民先生，52歲，沙田分公司經理，負責沙田分公司之日常營運及執行內部監控程序，於證券、期貨及期權業擁有廣博經驗。朱先生於一九九零年加入本集團。

宋榮耀先生，51歲，高信證券有限公司董事，負責管理及發展本集團之互聯網買賣服務、證券、期貨及其他相關業務。宋先生持有香港中文大學社會科學系公共及行政學學士學位及香港大學工商管理學碩士學位，亦為英國特許秘書及行政人員公會會員。宋先生在證券及期貨業擁有豐富經驗，並曾在香港金融機構擔任要職。宋先生於二零零一年二月加入本集團。

#### 投資銀行部

周家和先生，41歲，高信融資服務有限公司董事，周先生自二零零二年三月加入本集團以來，便負責本集團之投資銀行業務之營運。加盟本集團前，周先生曾於多間國際性投資銀行工作。周先生持有美國柏克萊加利福尼亞大學應用數學及經濟系文學學士學位及於美國紐約康乃爾大學經濟系文學碩士學位。周先生亦為德泰中華投資有限公司(股份代號：2324)之執行董事。



# DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層

### ASSET MANAGEMENT GROUP

**Mr. Shum Hing Hung Patrick**, aged 34, is the Chief Executive Officer of Karl Thomson Investment Consultants Limited. He is responsible for the supervision of fund management and financial advisory services. He graduated with a Bachelor of Economics degree from Monash University in Melbourne, Australia. He has extensive experience in the financial field. Mr. Shum has joined the industry since 1996 and joined the Group since 2002. Over the past 10 years, he wrote plenty of commentaries and research reports on global economy, funds and stocks. His research reports were posted on different newspaper and magazines. Mr. Shum is also always invited by different media for interviews such as TVB, ATV, Now, RTHK, Oriental Press, Economic Digest, etc.

### TECHNOLOGIES DEVELOPMENT GROUP

**Mr. Hau Kwok Yuen**, aged 36, is the Chief Technical Officer of the Group. He is responsible for the overall planning and management of the internet trading platform and network infrastructure of the Group. He graduated with a Bachelor of Science degree in Applied Computing (Honor) from Hong Kong Baptist University. Mr. Hau has solid experience in software development, web application management, database management, back office operation and network administration. Prior to joining the Group, Mr. Hau had over 12 years of experience in different systems of the equity market such as Real-time Quote Service, Internet Trading, the Pilot batch of BSS to the AMS/3 of the HKEx, etc. He joined the Group in Jan 2008.

### 資產管理部

沈慶洪先生，34歲，高信投資顧問有限公司行政總裁，畢業於澳洲墨爾本蒙納殊大學經濟系，現為香港證監會、香港保險顧問聯會及強制性公積金計劃管理局持牌人。沈先生於一九九六年投身金融界，及於二零零二年加入本集團。在過去10多年間，沈先生專注環球經濟、基金、股票等分析及研究，並在報章及雜誌發表文章作投資推介。此外，沈先生亦經常接受各大傳媒訪問，包括無線電視、亞洲電視，Now寬頻、香港電台、東方日報、經濟一週等。

### 科技發展部

侯國源先生，36歲，本集團之技術總監，負責整體策劃及管理本集團之互聯網交易平台及網絡基建。侯先生持有香港浸會大學應用電腦(榮譽)學士學位。侯先生在軟件開發、網頁伺服器管理、資料庫管理、後勤運作及網絡管理方面擁有良好經驗。加入本集團前，侯先生擁有12年以上的相關經驗及曾參與多項與證券相關的系統開發。例如：即時報價服務，網上證券買賣，經紀自設系統開發項目。侯先生於二零零八年一月加入本集團。

# REPORT OF THE DIRECTORS

## 董事會報告

The Directors would like to present to shareholders their annual report and the audited consolidated financial statements for the year ended 31 December 2007.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are the provision of financial services and oil and gas exploration and production. The financial services include stockbroking, futures and options broking, mutual funds and insurance-linked investment plans and products broking, securities margin financing and corporate finance advisory services. The oil and gas exploration and production are developed through the wholly owned subsidiary, KT Energy. Particulars of the principal subsidiaries of the Company are set out in note 35 to the consolidated financial statements.

### RESULTS

The results of the Group for the year ended 31 December 2007 are set out in the consolidated income statement on page 44 of the Annual Report.

### FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the past financial year ended 31 March 2004, the financial period from 1 April 2004 to 31 December 2004 and the past three financial years ended 31 December 2005, 2006 and 2007 is set out on page 119 of the Annual Report.

### FIXED ASSETS

Movements in the fixed assets of the Group during the year are set out in note 15 to the consolidated financial statements.

### SHARE CAPITAL

Details of the movements during the year in share capital of the Company are set out in note 28 to the consolidated financial statements.

董事欣然向各股東提呈截至二零零七年十二月三十一日止年度之年報及經審核綜合財務報表。

### 主要業務

本公司為投資控股公司。本集團之主要業務為提供金融服務及石油及天然氣開採及生產。金融業務包括證券買賣、期貨與期權買賣、互惠基金、保險掛鈎投資計劃及產品買賣、證券保證金融資及企業融資顧問服務。石油及天然氣開採及生產業務乃透過一間全資附屬公司高信能源發展。本公司主要附屬公司之詳情詳列於綜合財務報表附註第35項內。

### 業績

本集團截至二零零七年十二月三十一日止年度之業績，詳列於本年報第44頁之綜合損益計數表。

### 財務概要

本集團截至二零零四年三月三十一日止過去財務年度，由二零零四年四月一日至二零零四年十二月三十一日止財務期間以及截至二零零五年，二零零六年及二零零七年十二月三十一日止過去三個財務年度之業績與資產及負債概要詳列於本年報第119頁。

### 固定資產

本集團於本年度內固定資產之變動，詳列於綜合財務報表附註第15項內。

### 股本

本年度內，本公司股本變動之詳情，詳列於綜合財務報表附註第28項內。

# REPORT OF THE DIRECTORS

## 董事會報告

### DISTRIBUTABLE RESERVES

At 31 December 2007 and 2006, the Company had no reserves available for distribution to the shareholders.

### DIRECTORS

The Directors of the Company during the year and up to the date of this annual report were as follows:

#### Executive Directors:

Mr. Lam Kwok Hing (*Chairman*)  
Mr. Nam Kwok Lun (*Deputy Chairman and Managing Director*)

#### Independent Non-Executive Directors:

Mr. Chen Wei-Ming Eric  
Mr. Kwan Wang Wai Alan  
Mr. Ng Chi Kin David

In accordance with Bye-laws 99 and 102 of the Company's Bye-laws, Mr. Kwan Wang Wai Alan retires from office and, being eligible, offers himself for re-election at the forthcoming annual general meeting.

The term of office for each Non-Executive Director is the period up to his retirement by rotation in accordance with the Company's Bye-laws.

### DIRECTORS AND SENIOR MANAGEMENT BIOGRAPHIES

Biographical information of the Directors of the Company and the senior management of the Group are set out on pages 17 to 20 of the Annual Report.

### DIRECTORS' SERVICE CONTRACTS

Each of the Executive Directors has entered into a service contract with the Company for a three-year term commencing from 1 September 2000 which is not determinable within one year without payment of compensation. These service contracts shall continue thereafter unless and until terminated by either party with not less than three months' prior written notice.

### 可供分派儲備

於二零零七年及二零零六年十二月三十一日，本公司並無可供分派予各股東之儲備。

### 董事

於本年度內及截至本年報刊發日期，本公司之董事如下：

#### 執行董事：

藍國慶先生(主席)  
藍國倫先生(副主席兼董事總經理)

#### 獨立非執行董事：

陳偉明先生  
關宏偉先生  
伍志堅先生

根據本公司之公司細則細則99及102，關宏偉先生須於即將召開之股東週年大會上退任，惟符合資格於大會上膺選連任。

根據本公司細則，各非執行董事之任期為直至須輪值告退為止。

### 董事及高級管理層簡歷

本公司董事及本集團高級管理層之簡歷詳列於本年報第17至20頁。

### 董事之服務合約

各執行董事均與本公司訂立一份不得於一年內終止而毋須作出補償之服務合約，合約期由二零零零年九月一日起計，為期三年。該等服務合約將於其後繼續生效，直至及除非任何一方發出不少於三個月之書面通知予以終止。

# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS' SERVICE CONTRACTS (Continued)

Each of the Independent Non-Executive Directors has revised the appointment term so that the period of appointment shall be for a term of three years commencing from 28 September 2005 and subject to retirement by rotation at least once every three years and subject to re-election and Bye-Laws of the Company whereby at each annual general meeting one-third of the Directors for the time being shall retire from office by rotation.

None of the Directors proposed for re-election at the forthcoming annual general meeting has entered into any service agreements with any member of the Group which is not determinable within one year without payment of compensation, other than statutory compensation.

### DIRECTORS' INTERESTS IN SHARES

At 31 December 2007, the interests of the Directors and their associates in the shares of the Company and its associated corporations (with the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

#### 1. Long positions in the ordinary shares of HK\$0.10 each of the Company

Name of Directors 董事姓名	Capacity 身份	Number of ordinary shares held 所持普通股數目	Percentage of the share capital of the Company 佔本公司 股本百分比
Mr. Lam Kwok Hing (Note) 藍國慶先生(附註)	Interest of controlled corporation 受控制法團之權益	311,718,000	52.52%
Mr. Nam Kwok Lun (Note) 藍國倫先生(附註)	Interest of controlled corporation 受控制法團之權益	311,718,000	52.52%

### 董事之服務合約(續)

各獨立非執行董事已調整其委任條款，其委任期將自二零零五年九月二十八日起開始，為期三年，並須於上述三年期間至少每三年輪值告退一次，而根據本公司之公司細則，於每屆股東週年大會上，當時之三分之一董事須予輪值告退。

將於應屆股東週年大會上膺選連任之董事，概無與本集團任何成員公司訂立不可於一年內終止而毋須作出補償(法定補償除外)之服務合約。

### 董事於股份之權益

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條存置的登記冊所記錄，董事及彼等之聯繫人於本公司及其聯營公司(定義見證券及期貨條例第XV部)之股份之權益，或根據聯交所證券上市規則(「上市規則」)附錄10所載上市公司董事進行證券交易之標準守則(「標準守則」)須知會本公司及聯交所之權益如下：

#### 1. 於本公司每股面值0.10港元普通股之長倉



# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS' SERVICE CONTRACTS (Continued)

### 董事之服務合約(續)

#### 1. Long positions in the ordinary shares of HK\$0.10 each of the Company (Continued)

*Note:* The shares are registered in the name of and beneficially owned by J&A Investment Limited ("J&A"), a company incorporated in the British Virgin Islands. The entire issued share capital of J&A is beneficially owned as to 80% by Mr. Lam Kwok Hing and 20% by Mr. Nam Kwok Lun.

#### 1. 於本公司每股面值0.10港元普通股之長倉(續)

*附註:* 上述股份由J&A Investment Limited (「J&A」), 一間於英屬處女群島註冊成立之公司實益擁有, 並以其名義登記。J&A之全部已發行股本則由藍國慶先生及藍國倫先生分別實益擁有80%及20%之權益。

#### 2. Long positions in the ordinary shares of HK\$0.01 each of ATNT

#### 2. 於亞洲聯網每股面值0.01港元普通股之長倉

Name of Director 董事姓名	Personal interests 個人權益	Number of issued ordinary shares held 所持已發行普通股數目		Total 合共	Percentage of the issued share capital of ATNT 佔亞洲聯網 已發行股本 百分比
		Corporate interests 公司權益 (Note) (附註)			

Mr. Lam Kwok Hing 藍國慶先生	3,474,667	48,520,666	51,995,333	12.19%
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*Note:* The shares are registered in the name of and beneficially owned by Medusa Group Limited ("Medusa"). The entire issued share capital of Medusa is wholly owned by Mr. Lam Kwok Hing. Also, Karfun Investment Limited, a wholly-owned subsidiary of the Company, in which Mr. Lam Kowk Hing owns interests through J&A, had interested in 201,995,834 ATNT shares.

*附註:* 上述股份由Medusa Group Limited (「Medusa」)實益擁有, 並以其名義登記, 而Medusa之全部已發行股本由藍國慶先生全資擁有。除此以外, 藍國慶先生亦透過J&A擁有本公司之全資附屬公司佳帆投資有限公司(「佳帆」)之權益。佳帆則擁有201,995,834股亞洲聯網股份之權益。

# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS' INTERESTS IN SHARES (Continued)

#### 3. Ordinary shares in subsidiaries which are wholly-owned

One of the Directors has non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company.

Save as disclosed above, at 31 December 2007, none of the Directors of the Company, chief executive or their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### SHARE OPTIONS

Particulars of the Company's share option scheme in the Company are set out in note 32 to the consolidated financial statements.

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the share option scheme disclosed above, at no time during the year was the Company, its ultimate holding company or any subsidiaries of its ultimate holding company a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### CONNECTED TRANSACTIONS AND DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

- (1) During the year, the Group received commission income and other securities dealing income from securities, futures and options dealing of approximately HK\$212,000 from the associates of the Directors, Messrs. Lam Kwok Hing and Nam Kwok Lun.

### 董事於股份之權益(續)

#### 3. 全資附屬公司之普通股

其中一名董事為本公司利益而於若干附屬公司中持有非實益個人股權。

除上文披露者外、於二零零七年十二月三十一日，概無本公司董事，主要行政人員或其聯繫人於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之任何股份、相關股份或債券中，擁有記入根據證券及期貨條例第352條須存置之登記冊之任何權益或淡倉，或根據標準守則須以其他方式知會本公司及聯交所之任何權益或淡倉。

### 認股權

本公司之認股權計劃載於綜合財務報表附註第32項內。

### 購買股份或債券安排

除以上披露之認股權外，本年度內任何時候，本公司及其最終控股公司或其最終控股公司之任何附屬公司，概無任何收購本公司或任何其他法人團體的股份或債券的安排而致使本公司董事獲得利益。

### 關連交易及董事之重要合約權益

- (1) 於本年度內，本集團就證券、期貨及期權買賣而向董事藍國慶先生與藍國倫先生彼等之聯繫人收取佣金收入及其他證券買賣收入約212,000港元。

## REPORT OF THE DIRECTORS

### 董事會報告

- |  |   |
|--|---|
| <p>(2) During the year, the Group received interest income from securities margin financing of approximately HK\$21,000 from the associates of the Directors, Messrs. Lam Kwok Hing and Nam Kwok Lun.</p>  | <p>(2) 於本年度內，本集團就證券保證金融資而向董事藍國慶先生與藍國倫先生彼等之聯繫人收取利息收入約21,000港元。</p>   |
| <p>(3) During the year, the Group paid administrative expense of approximately HK\$996,000 to AC Consulting Limited in which Mr. Chow Ka Wo has a beneficial interest and is the Director of KTFA, a subsidiary of the Company.</p>  | <p>(3) 於本年度內，本集團向AC Consulting Limited支付行政費約996,000港元(周家和先生實益擁有其權益及為本公司之一間附屬公司高信融資之董事)。</p>               |
| <p>(4) During the year, the Group received commission income and other securities dealing income of approximately HK\$143,000 from an associate company, ATNT in which Messrs. Lam Kwok Hing and Nam Kwok Lun, have beneficial interests and Messrs. Lam Kwok Hing, Nam Kwok Lun, Ng Chi Kin David and Kwan Wang Wai Alan are Directors.</p> | <p>(4) 於本年度內，本集團向聯營公司亞洲聯網(藍國慶先生及藍國倫先生實益擁有其權益，而藍國慶先生、藍國倫先生、伍志堅先生及關宏偉先生均為其董事)收取佣金收入及其他證券買賣收入約143,000港元。</p> |
| <p>(5) During the year, the Directors advanced to the Group on an arm's length basis and normal commercial term. At 31 December 2007, the Directors, Messrs Lam Kwok Hing and Nam Kwok Lun, advanced approximately HK\$16,465,000 and HK\$5,071,000 respectively to the Group.</p>   | <p>(5) 於本年度內，董事以基於各自獨立利益進行及一般商務條款借貸予本集團。於二零零七年十二月三十一日，董事藍國慶先生及藍國倫先生分別借貸約16,465,000港元及5,071,000港元與本集團。</p> |

Other than as disclosed above, there was no other transaction which need to be disclosed as a connected transaction in accordance with the requirements of the Listing Rules and no contract of significance to which the Company, its ultimate holding company or any subsidiaries of its ultimate holding company was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

除上文披露者外，於本年度結束時或年度內任何時間，並無其他交易需要根據上市規則之規定，如關連交易般予以披露，且本公司、其最終控股公司或其最終控股公司之任何附屬公司，並無與本公司直接或間接擁有其重大權益之董事訂立任何重大合約。

# REPORT OF THE DIRECTORS

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS

As at 31 December 2007, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholder had notified the Company of relevant interests in the issued share capital of the Company:

#### Long positions in the ordinary shares of HK\$0.10 each of the Company

Name of shareholder 股東名稱	Capacity 身份	Number of ordinary shares held 所持已發行普通股數目	Percentage of the share capital of the Company 佔本公司股本百分比
J&A (Note附註)	Beneficial owner 實益擁有人	311,718,000	52.52%

Note: The entire issued share capital of J&A is beneficially owned as to 80% by Mr. Lam Kwok Hing and 20% by Mr. Nam Kwok Lun.

Save as disclosed above, no person (other than the Directors of the Company whose interests are set out under the heading "Directors' Interests in Shares" above) had an interest or a short position in the shares and underlying shares of the Company that was required to be recorded under Section 336 of the SFO.

### APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the Independent Non-Executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the Independent Non-Executive Directors are independent.

### 主要股東

根據本公司按證券及期貨條例第336條而存置之主要股東登記冊所記錄，於二零零七年十二月三十一日，下列股東已通知本公司有關擁有本公司已發行股份之相關權益：

於本公司每股面值0.10港元普通股之長倉

附註： J&A之全部已發行股份由藍國慶先生及藍國倫先生分別實益擁有80%及20%之權益。

除上文披露者外，根據本公司按證券及期貨條例第336條而存置之登記冊所記錄，除本公司董事(彼等之權益已詳列於「董事於股份之權益」內)外，概無其他人士於本公司擁有股份及相關股份之權益或淡倉。

### 獨立非執行董事之委任

本公司已接獲各位獨立非執行董事根據上市規則第3.13條規定之獨立性確認函，而本公司對彼等之獨立性表示認同。



# REPORT OF THE DIRECTORS

## 董事會報告

### EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the Directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme are set out in note 32 to the consolidated financial statements.

### PRE-EMPTIVE RIGHTS

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

### SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2007.

### RETIREMENT BENEFITS SCHEME

Details of the Group's retirement benefits scheme are set out in note 33 to the consolidated financial statements.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2007, less than 30% of the Group's sales were attributable to the Group's five largest customers.

The Group had no major suppliers due to the nature of principal activities of the Group.

### 酬金政策

本集團僱員之酬金政策乃由薪酬委員會根據僱員之貢獻、資歷及能力而釐定。

本公司董事之酬金乃由薪酬委員會經考慮本公司之經營業績、各董事之表現及可供比較之市場數據而釐定。

本公司已採納認股權計劃，藉以表揚董事及合資格僱員，該計劃之詳情載於綜合財務報表附註第32項內。

### 優先購買權

根據本公司之公司細則或百慕達法例，概無載列任何有關本公司須按比例向現有股東提呈發售新股份之優先購買權規定。

### 足夠之公眾持股量

本公司於截至二零零七年十二月三十一日止年度內，均維持足夠之公眾持股量。

### 退休福利計劃

本集團之退休福利計劃詳情，載於綜合財務報表附註第33項內。

### 主要客戶及供應商

截至二零零七年十二月三十一日止年度內，本集團之五大客戶共佔本集團銷售額不足30%。

基於本集團之主要業務性質，本集團並無主要供應商。

# REPORT OF THE DIRECTORS

## 董事會報告

### **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES**

During the year ended 31 December 2007, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

### **AUDITOR**

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

By Order of the Board  
**LAM KWOK HING**  
*Chairman*

Hong Kong, 25 April 2008

### **購入、贖回或售出上市證券**

截至二零零七年十二月三十一日止年度內，本公司或其任何附屬公司概無購入、贖回或售出任何本公司上市證券。

### **核數師**

本公司將於應屆股東週年大會上提呈決議案，以續聘德勤•關黃陳方會計師行為本公司核數師。

承董事會命  
**藍國慶**  
*主席*

香港，二零零八年四月二十五日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Company are firmly committed to maintain good corporate governance standard and procedures and adhere to the principles of corporate governance emphasising integrity, transparency, independence and accountability to shareholders. This report describes the Company's corporate governance practices and structure that were in place during the financial year, with specific reference to the principles and guidelines of the Code on Corporate Governance Practices (the "Code on CGP") of the Listing Rules, except for certain deviations in respect of the rotation of Directors. The current practices will be reviewed and updated regularly to follow the latest practices in corporate governance.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its code of conduct regarding Directors' securities transaction. All Directors of the Company have confirmed, following specific enquiry by the Company that they have complied with the required standard set out in the Model Code and the Code on CGP during the year.

### BOARD OF DIRECTORS

The Company is headed by an effective board which assume responsibility for leadership and control of the Company and collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. Directors take decisions objectively in the interests of the Company.

The Board is responsible for formulating the strategic business development, reviewing and monitoring the business performance of the Group, as well as preparing and approving financial statements. The Directors, collectively and individually, are aware of their responsibilities to shareholders, for the manner in which the affairs of the Company are managed and operated. In the appropriate circumstances and as and when necessary, the Directors will consent to the seeking of independent professional advice at the Group's expense, ensuring that board procedures, and all applicable rules and regulations, are followed.

The Board gives clear directions as to the powers delegated to the management for the management and administration functions of the Group, in particular, with respect to the circumstances where management should report back and obtain prior approval from the

本公司持續致力執行維持良好之企業管治標準及程序，並時刻遵從注重資料披露之完整性、透明度、獨立性及增加對股東的問責程度。本報告載述本公司經特別參考上市規則的企業管治常規守則之原則及指引後於本財政年度所實行之企業管治常規及架構，惟當中有關董事輪任是偏離該守則。本公司將定期審閱及更新現行的常規，以追隨企業管治的最新發展。

### 董事證券交易活動

本公司已採納標準守則，作為董事進行證券交易之操守準則。於本公司特別作出查詢後，全體董事均確認，彼等於年度內已遵從標準守則及企業管治常規守則所規定之準則。

### 董事會

本公司以一個行之有效的董事會為首。董事會負有領導及監控本公司的責任，並集體負責統管並監督本公司事務以促使本公司成功。董事客觀行事，所作決策須符合本公司利益。

董事會負責制訂業務發展策略、審閱及監察本集團的業務表現以及編製及批核財務報表。董事明白到，須就本公司的管理及營運事宜共同及個別向股東承擔責任。在適當的情況下及於有需要時，董事將同意徵求獨立專業意見，以確保依循董事會程序及一切適用的規則及規定，有關費用由本集團支付。

董事會對委派予管理層有關執行本集團管理及行政職能的權力，給予清晰的指引，特別是涉及管理層在何種情況下須作出匯報，及於代表本集團作出決定或作出任何承諾前須事先取得

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Board before making decisions or entering into any commitments on behalf of the Group. The Board will review those arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Group.

The Board of Directors of the Company comprises:

### Executive Directors:

LAM Kwok Hing (*Chairman*)

NAM Kwok Lun (*Deputy Chairman and Managing Director*)

### Independent Non-Executive Directors:

CHEN Wei-Ming Eric

KWAN Wang Wai Alan

NG Chi Kin David

The three Independent Non-Executive Directors are persons of high calibre, with academic and professional qualifications in the fields of accounting and business management. With their experience gained from senior positions held in other companies, they provide strong support towards the effective discharge of the duties and responsibilities of the board. Each Independent Non-Executive Director gives an annual confirmation of his independence to the Company, and the Company considers these Directors to be independent under Rule 3.13 of the Listing Rules. To the best knowledge of the Company, there is no financial, business and family relationship among the three Independent Non-Executive Directors and between the Chairman and the Deputy Chairman. All of them are free to exercise their independent judgement.

董事會批准等事宜方面。董事會將定期審閱該等安排，以確保有關安排符合本集團的需要。

本公司董事會成員包括：

### 執行董事：

藍國慶先生(主席)

藍國倫先生(副主席兼董事總經理)

### 獨立非執行董事：

陳偉明先生

關宏偉先生

伍志堅先生

三位獨立非執行董事極具才幹，在會計及工商管理各範疇均擁有學術及專業資歷。加上他們在其他公司擔任高層職位所累積的經驗，對董事會有效地履行其職責上提供強大的支持。各獨立非執行董事已根據上市規則第3.13條的規定，就其獨立性每年向本公司作出確認，本公司認為該等董事確屬獨立人士。就本公司所深知，三位獨立非執行董事及主席與副主席之間概無任何財務、業務及親屬關係。彼等均可自由作出獨立判斷。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Board meetings are held at least 4 times a year at approximately quarterly intervals. In addition, special Board meetings will be held when necessary. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of a majority of Directors. The following was the attendance record of the Board meetings for the year ended 31 December 2007:

董事會會議每年召開至少四次，大約每季一次。此外，在有需要時會召開董事會特別會議。此等董事會會議均有大部分董事親身出席，或透過其他電子通訊方法積極參與。以下為董事會於截至二零零七年十二月三十一日止年度舉行的董事會會議出席記錄：

Number of meetings	會議次數	10	
<b>Executive Directors</b>	<b>執行董事：</b>		
LAM Kwok Hing ( <i>Chairman</i> )	藍國慶先生(主席)	10/10	100%
NAM Kwok Lun ( <i>Deputy Chairman and Managing Director</i> )	藍國倫先生 (副主席兼董事總經理)	10/10	100%
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事：</b>		
CHEN Wei-Ming Eric	陳偉明先生	10/10	100%
KWAN Wang Wai Alan	關宏偉先生	10/10	100%
NG Chi Kin David	伍志堅先生	10/10	100%
<b>Average attendance rate</b>	<b>平均出席率</b>	<b>100%</b>	

At least 14 days notice of all Board meetings is given to all Directors and they can include matters for discussion in the agenda if the need arises. Directors have access to the advice and services of the Company Secretary to ensure that Board procedures, and all applicable rules and regulations, are followed.

所有董事會會議的通告將於會議舉行最少十四天前發出予各董事。如有需要，董事可在議程中加插欲討論的事項。所有董事都可獲得公司秘書的意見和服務，確保董事會程序及所有適用規則及規例均獲得遵守。

Minutes of the Board, the Audit Committee and the Remuneration Committee are kept by the Company Secretary. Minutes are open for inspection at any reasonable time on reasonable notice by any Director.

董事會、審核委員會及薪酬委員會的會議紀錄由公司秘書備存。若董事發出合理通知，會公開有關會議紀錄供其在任何合理時段查閱。

Minutes of the Board and Board Committees have recorded in sufficient detail the matters considered by the Board and the Committees, decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft and final versions of minutes of the Board are sent to all Directors for their comments and records respectively, in the case of the Board meetings, the Audit Committee meetings and the Remuneration Committee meetings, normally within one week, after the meetings are held.

董事會及其轄下委員會的會議紀錄，已對會議上各董事所考慮事項及達致的決定作足夠詳細的記錄，其中包括董事提出的任何疑慮或表達的反對意見。會議紀錄的初稿及最終定稿會發送全體董事，初稿供董事表達意見，最後定稿則作其紀錄之用。董事會會議、審核委員會會議及薪酬委員會會議的紀錄通常在會議後的一星期內發出。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter shall not be dealt with by way of circulation or by a Committee (except an appropriate Board Committee set up for that purpose pursuant to a resolution passed in a Board meeting) but a Board meeting shall be held. Independent Non-Executive Directors who, and whose associates, have no material interest in the transaction shall be present at such Board meeting.

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The positions of the Chairman of the Board and the Chief Executive Officer (i.e. Deputy Chairman and Managing Director) are held separately by two individuals to ensure their respective independence, accountability and responsibility. The Chairman is responsible for overseeing the function of the Board and formulating overall strategies and policies of the Company. The Deputy Chairman and Managing Director is responsible for managing the Group's business and overall operations. The day-to-day running of the Company is delegated to the management with divisional heads responsible for different aspects of the business.

The Chairman shall ensure that all Directors are properly briefed on issues arising at Board meetings.

The Chairman is responsible for ensuring that Directors receive adequate information, which must be complete and reliable, in a timely manner.

### APPOINTMENTS, RE-ELECTION AND REMOVAL

The Company does not have a Nomination Committee. The Board as a whole is responsible for the procedure of agreeing to the appointment of its members and for nominating appropriate person for election by shareholders at the annual general meeting, either to fill a casual vacancy or as an addition to the existing Directors.

The annual general meeting circular contains detailed information on election of Directors including detailed biography of all Directors standing for election or re-election to ensure shareholders to make an informed decision on their election.

若有大股東或董事在董事會將予考慮的事項中存有董事會認為重大的利益衝突，有關事項不會以傳閱文件方式處理或交由轄下委員會處理（根據董事會會議上通過的決議而特別就此事項成立的委員會除外），而董事會會就該事項舉行董事會。在交易中本身及其聯繫人均沒有重大利益的獨立非執行董事會出席有關的董事會會議。

### 主席及行政總裁

董事會主席及行政總裁（即副主席兼董事總經理）職位分別由兩位人士擔任，以確保此等職位各自之獨立性、問責性及責任承擔。主席負責監管董事會運作以及制訂本公司整體策略及政策。副主席兼董事總經理負責管理本集團之業務及整體營運。本公司之日常管理事務交由管理層人員處理，並由各部門主管負責業務各個方面之營運。

主席確保董事會會議上所有董事均適當知悉當前的事項。

主席負責確保董事及時收到充分的資訊，而有關資訊均屬完備可靠。

### 委任、重選及罷免

本公司概無成立提名委員會，全體董事會負責核准新成員之委任及在股東週年大會上提名合適的人選應選，以填補董事空缺或增添董事名額。

股東週年大會通函載有選舉董事的詳細資料，包括擬參與選舉或再應選連任董事的個人簡歷，以便股東參考後作出決定投票。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Under the code provisions A.4.2. of the Code of CPG, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. However, according to Bye-Laws of the Company, the Chairman or Managing Director are not subject to retirement by rotation or taken into account on determining the number of Directors to retire. This constitutes a deviation from code provision A.4.2. of the Code. As continuation is a key factor to the successful implementation of any long-term business plans, the Board believes that the roles of Chairman and Managing Director provide the Group with strong and consistent leadership and allow more effective planning and execution of long-term business strategies, that the present arrangement is most beneficial to the Company and the shareholders as a whole.

In accordance with the Company's Bye-Laws, Mr. Kwan Wang Wai Alan shall retire by rotation and being eligible offer himself for re-election at the forthcoming annual general meeting.

### BOARD COMMITTEES

The Board has also established the following committees with defined terms of reference: –

- Audit Committee
- Remuneration Committee

Each Board Committee makes decisions on matters within its term of reference and applicable limits of authority. The terms of reference as well as the structure and membership of each committee will be reviewed from time to time.

#### a) Audit Committee

On 16 August 2000, the Audit Committee had been established. It currently consists of three Independent Non-Executive Directors. The Chairman of the Audit Committee will be subject to rotate for every 2 years.

##### *Composition of Audit Committee members*

CHEN Wei-Ming Eric (*Chairman of the Audit Committee*)  
 KWAN Wang Wai Alan  
 NG Chi Kin David

根據守則第A.4.2條企業管治常規守則條文，每名董事(包括有指定任期的董事)應輪流退任，至少每三年一次。然而，根據本公司之公司細則，本公司之主席或董事總經理均毋須輪值退任，於釐定董事退任人數時亦毋須計算在內，構成與守則條文A.4.2有所偏差。由於持續性是成功執行任何長遠業務計劃的主要因素，董事會相信，主席兼董事總經理之職，能令本集團之領導更具強勢及貫徹，在策劃及落實長期商業策略方面更有效率，現有的安排對於本公司以致股東的整體利益最為有利。

根據本公司之公司細則，關宏偉先生將於屆時股東週年大會上輪值退任，而且符合資格願膺選連任。

### 董事會轄下委員會

董事會亦成立下列委員會，其界定的職權範圍如下：–

- 審核委員會
- 薪酬委員會

各董事會轄下委員會對其所屬職權範圍及適用權限內的事宜作出決定。本公司將不時檢討各委員會的職權範圍、架構及成員。

#### a) 審核委員會

審核委員會於二零零零年八月十六日成立。目前由三名獨立非執行董事組成。審核委員會主席將於每兩年輪值。

##### *審核委員會成員的組成*

陳偉明先生(審核委員會主席)  
 關宏偉先生  
 伍志堅先生

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Role and function

### 角色及職能

The Audit Committee is mainly responsible for:

審核委員會主要負責：

- |   |  |
|---|--|
| <ol style="list-style-type: none"> <li>1. considering the appointment of external auditors, their audit fees and questions of resignation or dismissal;</li> <li>2. reviewing the draft Company's annual report and accounts and half yearly before submission to, and providing advice and comments thereon to the Board of Directors;</li> <li>3. reviewing external auditor's management letter and management's response;</li> <li>4. reviewing the internal audit programme, ensuring co-ordination between the internal and external auditors, and ensuring that the internal audit function is adequately managed and has appropriate standing within the Company;</li> <li>5. considering the major findings of internal investigations and management's response;</li> <li>6. reviewing compliance with regulatory and legal requirements by the Company; and</li> <li>7. discussing problems and reservations arising from the interim and annual audits and matters that the external auditors may wish to discuss (in the absence of the management, where necessary).</li> </ol> | <ol style="list-style-type: none"> <li>1. 考慮委聘外聘核數師、核數費用及辭任或解聘事宜；</li> <li>2. 於本公司年報及賬目以及中期報告提交前對初稿進行審閱，並就此向董事會提供意見及評論；</li> <li>3. 審閱外聘核數師致管理層之函件及管理層之回應；</li> <li>4. 審閱內部審計計劃，確保內部及外聘核數師間之協調，以及確保內部審計職能有足夠資源配合並於本公司內擁有適當地位；</li> <li>5. 考慮內部調查結果及管理層之回應；</li> <li>6. 審議本公司遵守法規之要求；及</li> <li>7. 討論中期及全年審核所引起的問題及保留意見，以及外聘核數師希望討論之事項（如有需要，可要求管理層避席）。</li> </ol> |
|---|--|



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Meeting Record

The Audit Committee met twice during the year, particular in reviewing the interim and annual results of the Group. The following was the attendance record of the Audit Committee meetings for the year ended 31 December 2007:

Number of meetings	會議次數	2	
Audit Committee members:	審核委員會成員：		
CHEN Wei-Ming Eric (Chairman of Audit Committee)	陳偉明先生 (審核委員會主席)	2/2	100%
KWAN Wang Wai Alan	關宏偉先生	2/2	100%
NG Chi Kin David	伍志堅先生	2/2	100%
Average attendance rate	平均出席率	100%	

During the meetings, the Audit Committee would discuss the following matters: –

#### 1) Financial Reporting

The Audit Committee met with the external auditors to discuss the interim and annual financial statements and system of control of the Group. The auditors, the company secretary and the financial controller of the Company were also in attendance to answer questions on the financial results.

Where there were questions on the financial statements and system of control of the Group reviewed by the Audit Committee, the management of the Company would provide breakdown, analysis and supporting documents to the Audit Committee members in order to ensure that the Audit Committee members were fully satisfied and make proper recommendation to the Board.

#### 2) External Auditor

The appointment of the external auditor and the audit fee were considered by the Audit Committee and recommendations were made to the Board on the selection of external auditors of the Company.

### 會議記錄

審核委員會於年度內舉行兩次會議，主要為審閱本集團的中期及全年業績。以下為審核委員會於截至二零零七年十二月三十一日止年度舉行的審核委員會會議出席記錄：

於會議期間，審核委員會會商討下列事宜：–

#### 1) 財務申報

審核委員會曾與外聘核數師舉行會議，討論中期及全年財務報表以及本集團之監控制度。本公司之核數師、公司秘書以及財務總監亦有出席會議，解答有關財務業績的提問。

倘審核委員會於進行審核工作時對本集團的財務報表及監控制度存有疑問，本公司的管理層將向審核委員會成員提供明細表、分析及支持文件，以確保審核委員會成員完全信納並向董事會作出適當的建議。

#### 2) 外聘核數師

審核委員會負責考慮外聘核數師的委任及核數費用，並於選任本公司外聘核數師時向董事會作出建議。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### b) Remuneration Committee

The Remuneration Committee was established on 28 July 2005. It currently consists of two Executive Directors and three Independent Non-Executive Directors. The Chairman of the Remuneration Committee will be subject to rotate for every 2 years.

#### *Composition of Remuneration Committee members*

NAM Kwok Lun

*(Chairman of the Remuneration Committee)*

LAM Kwok Hing

CHEN Wei-Ming Eric

KWAN Wang Wai Alan

NG Chi Kin David

#### *Role and function*

The Remuneration Committee is mainly responsible for:

1. making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
2. reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
3. determining the specific remuneration packages of all Executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of Non-Executive Directors;
4. reviewing and approving the compensation payable to Executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;

### b) 薪酬委員會

薪酬委員會於二零零五年七月二十八日成立。目前由兩名執行董事及三名獨立非執行董事組成。薪酬委員會主席將於每兩年輪值。

#### *薪酬委員會的組成*

藍國倫先生

*(薪酬委員會主席)*

藍國慶先生

陳偉明先生

關宏偉先生

伍志堅先生

#### *角色及職能*

薪酬委員會主要負責：

1. 就本公司全體董事及高級管理層的薪酬政策及架構向董事會作出建議，並建立有關薪酬政策的正式及具高透明度的程序；
2. 經常參考董事會議決通過的企業目標及宗旨，以審閱及批准按表現釐定的薪酬；
3. 釐定所有執行董事及高級管理層的具體薪酬待遇，包括實物利益、退休金保障及賠償金額，當中包括任何有關喪失或終止職務或委任而須支付之賠償費用，並就非執行董事的薪酬向董事會作出建議；
4. 審閱及批准就有關喪失或終止職務或委任而須向執行董事及高級管理層作出的賠償，以確保該賠償符合有關合約條款且賠償款項對本公司而言屬合理及適當；

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

- |   |   |
|---|---|
| <p>5. reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;</p> | <p>5. 審閱及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該安排符合有關合約條款且賠償款項屬合理及適當；</p> |
| <p>6. ensuring that no Director or any of his associates is involved in deciding his own remuneration; and</p>  | <p>6. 確保董事或其任何聯繫人士概無參與決定本身薪酬；及</p>                                  |
| <p>7. advising the shareholders on how to vote in respect of any service contract of Director which shall be subject to the approval of shareholders in accordance with the provisions of Rule 13.68 of the Listing Rules.</p>  | <p>7. 按上市規則第13.68條之條文規定，對任何須經股東批准之董事服務合約，就股東如何投票提供意見。</p>           |

Where circumstances are considered appropriate, some Remuneration Committee decisions are approved by way of written resolutions passed by all the committee members.

倘於認為適當的情況下，薪酬委員會的若干決定可以全體委員會成員通過書面決議案之方式批准。

The Remuneration Committee has reviewed the remuneration policy and structure of the Company, and the remuneration packages of the Executive Directors and the senior management for the year under review.

薪酬委員會已檢討本公司之薪酬政策及架構，以及執行董事及高級管理人員於回顧年度內之薪酬組合。

For the year ended 31 December 2007, there was two meeting held. The following was an attendance record of the Remuneration Committee meeting for the year ended 31 December 2007:

截至二零零七年十二月三十一日止年度曾舉行二次會議。以下為薪酬委員會於截至二零零七年十二月三十一日止年度舉行的薪酬委員會會議出席記錄：

Number of meetings	會議次數	2
Remuneration Committee members:	薪酬委員會成員：	
NAM Kwok Lun (Chairman of the Remuneration Committee)	藍國倫先生 (薪酬委員會主席)	2/2      100%
LAM Kwok Hing	藍國慶先生	2/2      100%
CHEN Wei-Ming Eric	陳偉明先生	2/2      100%
KWAN Wang Wai Alan	關宏偉先生	2/2      100%
NG Chi Kin David	伍志堅先生	2/2      100%
Average attendance rate	平均出席率	100%

Details of the remuneration of each Directors of the Company for the year ended 31 December 2007 are set out on pages 85 in note 12 to the consolidated financial statements.

有關本公司各董事於截至二零零七年十二月三十一日止年度之薪酬詳情，載於第85頁綜合財務報表附註第12項內。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### NOMINATION COMMITTEE

The Company has not set up any nomination committee. The Board as a whole is responsible for the review and evaluation of the candidates in terms of their personalities, qualifications and the suitability of their experiences in relation to the Group's business, so as to nominate candidates for the approval of the shareholders on general meeting. The criteria for nomination of directors for re-election include the past performance of the respective directors and the suitability of the nominee as a director of a listed company. The Board as a whole is responsible for the recommendation, election and appointment of senior management of the Company.

### ACCOUNTABILITY AND AUDIT

The management provides such explanation and information to the Board so as to enable the Board to make an informed assessment of the financial and other information put before the approval by the Board.

The Directors are responsible for overseeing the preparation of accounts of each financial period, which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the accounts for the year ended 31 December 2007, the Directors have selected suitable accounting policies and have applied them consistently, adopted appropriate Hong Kong Financial Reporting Standards ("HKFRSs") and Hong Kong Accounting Standards ("HKASs") which are pertinent to its operations and relevant to the financial statements, made judgments and estimates that are prudent and reasonable, and have prepared the accounts on the going concern basis.

The Company has announced its annual and interim results in a timely manner within the limits of 4 months and 3 months respectively after the end of the relevant period, as laid down in the Listing Rules.

### 提名委員會

本公司沒有設立提名委員會，由董事會集體性負責審議及評估董事候選人品格、資歷及是否適用於本集團業務的經驗，提名董事候選人，董事候選人須於股東大會上接受股東審議獲選。有關提名董事重選的基準包括有關董事以往的表現以及衡量該董事作為上市公司董事的適合性。由董事會集體性負責公司高級管理人員的推薦、選舉、委任。

### 問責及審核

管理層向董事會提供有關解釋及資料，令董事會可對提呈董事會批准之財務及其他資料作出知情評估。

董事負責監督每個財政期間會計賬目的編製，以真實和公平地反映該期間本集團財政狀況及業績與現金流量。在編製截至二零零七年十二月三十一日止年度的會計賬目時，董事已貫徹採用合適的會計政策，採納與集團業務及本財務報表有關及適用的香港財務報告準則及香港會計準則，作出審慎及合理的判決及估計，並已按持續經營為基礎編製賬目。

本公司已按照上市規則的規定，在有關期間完結後的四個月及三個月限期內，分別適時地發表全年業績公佈及中期業績公佈。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Board will present a balanced, clear and understandable assessment to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements.

### INTERNAL CONTROL

The Board and senior management are responsible for establishing, maintaining and operating an effective system of internal control. The internal control system of the Group comprises a well-established organisational structure and comprehensive policies and standards. The Board has clearly defined the authorities and key responsibilities of each business and department to ensure adequate checks and balances.

The internal control system has been designed to safeguard the Group's assets against loss and misappropriation; to maintain proper accounting records for producing reliable financial information; to provide reasonable, but not absolute, assurance against material fraud and errors. Policies and procedures are established to ensure compliance with applicable laws, regulations and industry standards and as the on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes updating the system of internal controls when there are changes to business environment or regulatory guidelines.

Systems and procedures are also established to identify, measure, manage and control different risks arising from different businesses and functional activities. Risk management policies and major control limits are established and approved by the Board. Significant issues in the management letters from external auditors and reports from regulatory authorities will be brought to the attention of the Audit Committee to ensure that prompt remedial action is taken. All recommendations will be properly followed up to ensure they are implemented within a reasonable period of time.

The Board is of the view that the system of internal controls in place for the year under review and up to the date of issuance of the annual report and consolidated financial statements is sound and is sufficient to safeguard the interests of shareholders, customers and employees, and the Group's assets.

董事會會平衡、清晰及明白地評審年度報告及中期報告、其他涉及股價敏感資料的通告及根據上市規則規定須予披露的其他財務資料，以及向監管者提交的報告書以至根據法例規定須予披露的資料。

### 內部監控

董事會及高層管理人員負責設立、維持及執行有效的內部監控系統。本公司的內部監控系統包括一個完善的組織架構和全面的政策及準則。董事會已清楚界定各業務及營運部門的權責，以確保有效之制衡。

本公司設有內部監控系統，以保障本公司資產免受損失或被盜用；妥善保存會計紀錄以提供可靠的財務資料；就欺詐及重大錯誤合理地作出防範，惟不能確保其絕對不會發生。本公司已訂立政策和程序，確保遵照有關法律、規例和行業標準，以及確定、評估及管理本集團所面對的重大風險，程序包括當營商環境或規例指引變更時，更新內部監控系統。

本公司已制定系統及程序，用以識別、量度、管理及控制各業務及營運部門的各種風險。風險管理政策及藉以控制主要風險的規限由董事會擬定及批准。外聘核數師致管理層函件及監管機構報告內的重要事項均提呈審核委員會審閱，確保能及時採取補救行動，並跟進所有建議，確保能在合理時間內執行。

董事會認為回顧年度內及截至本年報及綜合財務報表刊發日期，現存的內部監控系統穩健，及足以保護股東、顧客和員工的利益及本集團的資產。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### AUDITOR'S REMUNERATION

Deloitte Touche Tohmatsu has been reappointed as the Group's external auditors at the 2007 Annual General Meeting until the conclusion of the next Annual General Meeting. Apart from the provision of annual audit services, Deloitte Touche Tohmatsu also carried out review of the Group's results and others of the Group. During the year under review, the Group is required to pay an aggregate of approximately HK\$1,500,000 to Deloitte Touche Tohmatsu for their services including audit and non-audit services.

### COMMUNICATION WITH SHAREHOLDERS

The Board recognises the importance of good communications with all shareholders, therefore, the Board establishes and maintains different communication channels with its shareholders through the publication of annual and interim reports and press releases. Such information is also available on the Group's website.

The Company's annual general meeting is a valuable forum for the Board to communicate directly with the shareholders. The Chairman of the Board together with the external auditors are present to answer shareholders' questions. An annual general meeting circular is distributed to all shareholders at least 21 days before the annual general meeting. It sets out the procedures for demanding and conducting a poll and other relevant information of the proposed resolutions. The Chairman explains the procedures for demanding and conducting a poll again at the beginning of the annual general meeting and (except where a poll is demanded) reveals how many proxies for and against have been filed in respect of each resolution. The results of the poll, if any, will be published in the newspapers and on the Company's website.

Separate resolutions are proposed at general meetings on each substantially separate issue, including the election of Directors.

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed amount of public float during the year 2007 and up to the date of this Annual Report as required by the Listing Rules.

### 核數師酬金

德勤•關黃陳方會計師在二零零七年股東週年大會獲繼續委任為本公司外聘核數師，直至今屆股東週年大會為止。除每年提供審核服務外，德勤•關黃陳方會計師亦審閱本集團的業績及提供其他服務。於回顧年度內，本集團需支付港元1,500,000予德勤•關黃陳方會計師之服務，包括核數及非核數之服務。

### 與股東溝通

董事會認同與所有股東有良好的溝通至為重要，因此，本公司設立不同渠道保持與股東溝通，包括刊印年報，中期報告及新聞稿，該等資料亦上載於本公司的網頁。

本公司的週年股東大會提供寶貴場合讓董事會直接與股東溝通。董事會主席連同外聘核數師均會出席股東週年大會，解答股東提問。有關股東週年大會的通函於大會舉行前最少二十一天寄發予所有股東，通函載列要求及舉行票選的程序及其他建議的議案的有關資料。主席將會在股東週年大會開始時再次解釋要求及舉行票選的程序及(若已要求票選除外)透露每一個議案已存檔所代表贊成及反對的票數。票選的結果(如有)將會在報章及本公司網站刊登。

股東大會上亦會就每一獨立重大事項提呈決議案，包括選舉董事。

根據本公司從公開途徑所取得的資訊及就各董事所知，本公司於二零零七年度內及至本年報刊發日期間，有維持上市規則所定的公眾持股量。

# REPORT OF THE INDEPENDENT AUDITOR

## 獨立核數師報告

# Deloitte.

## 德勤

### TO THE MEMBERS OF KARL THOMSON HOLDINGS LIMITED

*(incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Karl Thomson Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 44 to 118, which comprise the consolidated balance sheet 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 CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated 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 the consolidated 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.

致 高信集團控股有限公司各股東

*(於百慕達註冊成立之有限公司)*

本核數師已將刊於第44至118頁會計準則而編製之高信集團控股有限公司(「貴公司」)及其子公司(「貴集團」)的綜合財務報表(包括於二零零七年十二月三十一日之綜合資產負債表,本年度之綜合損益計數表,綜合權益變動表、綜合現金流量表,及主要會計政策及其他闡釋附註概要)審核完竣。

### 董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報綜合財務報表相關的內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;及按情況下作出合理的會計估計。

# REPORT OF THE INDEPENDENT AUDITOR

## 獨立核數師報告

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 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 consolidated financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated 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 of the Company, as well as evaluating the overall presentation of the consolidated financial statements.

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

### OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs 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.

Deloitte Touche Tohmatsu  
Certified Public Accountants  
Hong Kong  
25 April 2008

### 核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見。我們的報告僅按照百慕達公司法第90條，為股東(作為一個團體)而編製，並不為其他任何目的。我們並不就本報表之內容對任何其他人士承擔任何義務或接受任何責任。我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定綜合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綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報綜合財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價本公司董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

### 核數師意見

本核數師認為綜合財務報表均真實與公正地顯示 貴集團於二零零七年十二月三十一日之財務狀況及截至該日止年度 貴集團之溢利及現金流量情況，並已根據香港財務報告準則及香港公司條例之披露規定適當編製。

德勤•關黃陳方會計師行  
香港執業會計師  
香港  
二零零八年四月二十五日

# CONSOLIDATED INCOME STATEMENT

## 綜合損益計數表

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

			2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
		NOTES 附註		
Revenue	收益	7	90,500	51,082
Other income	其他收入		4,600	1,872
Write back of bad and doubtful debts	呆壞賬回撥		284	798
Amortisation of intangible assets	無形資產攤銷		(6)	(6)
Depreciation	折舊		(465)	(722)
Finance costs	財務費用	9	(912)	(233)
Other expenses	其他費用		(50,853)	(39,166)
Staff costs, including the Directors' remuneration	僱員成本 (包括董事酬金)		(18,400)	(11,684)
Share of profit of an associate	應佔聯營公司之溢利		7,216	9,383
Share of profit of a jointly controlled entity	應佔合營公司之溢利		545	49
Profit before taxation	除稅前溢利		32,509	11,373
Taxation (charge) credit	稅項(扣除)計入	10	(3,527)	47
Profit for the year	年度溢利	11	28,982	11,420
Attributable to:	應佔：			
Equity holders of the Company	本公司之權益持有人		28,891	11,315
Minority interests	少數股東權益		91	105
			28,982	11,420
Earnings per share	每股盈利	14		
Basic	基本		HK5.75 cents 港仙	HK2.41 cents 港仙
Diluted	攤薄		HK5.45 cents 港仙	HK2.40 cents 港仙

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

At 31 December 2007  
於二零零七年十二月三十一日

		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>	<b>非流動資產</b>			
Fixed assets	固定資產	15	968	926
Intangible assets	無形資產	16	11	17
Exploration and evaluation assets	開採及估計資產	17	345,371	–
Interest in an associate	聯營公司權益	18	135,356	123,340
Interest in a jointly controlled entity	合營公司權益	19	–	54
Deferred tax asset	遞延稅項資產	20	–	80
Statutory deposits	法定按金	21	4,150	4,030
Loan to a jointly controlled entity	合營公司貸款	22	–	34,508
Loans receivable	應收貸款	23	930	1,394
			<b>486,786</b>	<b>164,349</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Accounts receivable	應收賬款	24	89,056	50,493
Loans receivable	應收貸款	23	876	586
Other receivables, prepayments and deposits	其他應收賬款、預付款項 及按金		3,061	2,974
Amount due from a jointly controlled entity	應收合營公司款項	22	–	1,983
Tax recoverable	稅項回撥		257	–
Pledged fixed deposits (general accounts)	已抵押定期存款 (一般賬戶)	25	63,141	8,165
Bank balances (trust and segregated accounts)	銀行結存 (信託及獨立賬戶)	25	100,994	61,936
Bank balances (general accounts) and cash	銀行結存(一般賬戶) 及現金	25	42,264	16,116
			<b>299,649</b>	<b>142,253</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Accounts payable	應付賬款	26	136,459	78,376
Other payables and accrued expenses	其他應付賬款及應計費用		19,697	7,477
Other loans	其他貸款	27	5,594	–
Amount due to a joint venturer	應付合資經營企業款項	27	23,174	–
Amounts due to directors	應付董事款項	27	21,536	–
Tax payable	應付稅項		3,245	18
			<b>209,705</b>	<b>85,871</b>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨額</b>		<b>89,944</b>	<b>56,382</b>
			<b>576,730</b>	<b>220,731</b>



# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

At 31 December 2007  
於二零零七年十二月三十一日

		NOTES	2007	2006
		附註	二零零七年 HK\$'000 千港元	二零零六年 HK\$'000 千港元
<b>CAPITAL AND RESERVES</b>	股本及儲備			
Share capital	股本	28	<b>59,356</b>	47,700
Reserves	儲備		<b>436,233</b>	172,649
Equity attributable to equity holders of the Company	本公司之權益持有人 應佔權益		<b>495,589</b>	220,349
Minority interests	少數股東權益		<b>81,141</b>	382
<b>Total equity</b>	<b>權益總額</b>		<b>576,730</b>	220,731

The consolidated financial statements on pages 44 to 118 were approved and authorised for issue by the Board of Directors on 25 April 2008 and are signed on its behalf by:

綜合財務報表第44至118頁已於二零零八年四月二十五日獲董事會批准及授權刊發，並由以下代表簽署：

**LAM KWOK HING**

藍國慶

Director

董事

**NAM KWOK LUN**

藍國倫

Director

董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司之權益持有人應佔權益							Minority interests	
		Currency translation					Accumulated	Total	少數	Total
		Share capital	Share premium	Special reserve	Other reserve	reserve	profits	合共	股東權益	合共
		股本	股份溢價	特殊儲備	其他儲備	外幣 換算儲備	累計溢利	合共	股東權益	合共
		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
At 1 January 2006	於二零零六年一月一日	46,000	76,589	29,140	-	1,734	24,077	177,540	277	177,817
Share of reserves of an associate and a jointly controlled entity and income recognised directly in equity	應佔聯營公司及合營公司儲備及已直接於權益確認之收入	-	-	-	-	2,108	-	2,108	-	2,108
Profit for the year	年度溢利	-	-	-	-	-	11,315	11,315	105	11,420
Total recognised income for the year	本年度已確認總收入	-	-	-	-	2,108	11,315	13,423	105	13,528
Placing of shares (Note 28)	新股配售(附註28)	1,700	27,710	-	-	-	-	29,410	-	29,410
Transaction costs attributable to issue of new shares	發行新股之交易費用	-	(24)	-	-	-	-	(24)	-	(24)
At 31 December 2006	於二零零六年十二月三十一日	47,700	104,275	29,140	-	3,842	35,392	220,349	382	220,731
Exchange differences arising on translation of foreign operations	換算外國業務所產生之匯兌差額	-	-	-	-	6,165	-	6,165	-	6,165
Share of reserve of an associate	應佔聯營公司儲備	-	-	-	-	4,800	-	4,800	-	4,800
Net income recognised directly in equity	已直接於權益確認之收入	-	-	-	-	10,965	-	10,965	-	10,965
Profit for the year	年度溢利	-	-	-	-	-	28,891	28,891	91	28,982
Total recognised income for the year	本年度已確認總收入	-	-	-	-	10,965	28,891	39,856	91	39,947
Exercise of share options (Note 28)	認股權行使(附註28)	1,140	19,950	-	-	-	-	21,090	-	21,090
Issue of shares (Note 28)	發行新股(附註28)	3,681	82,106	-	-	-	-	85,787	-	85,787
Issue of redeemable convertible preference shares ("RCPS") (Note 29)	發行可贖回可換股優先股(附註29)	-	-	-	128,507	-	-	128,507	-	128,507
Issue of shares for conversion of RCPS (Note 28)	發行新股以轉換可贖回可換股優先股(附註28)	6,835	121,672	-	(128,507)	-	-	-	-	-
Acquisition of a subsidiary (Note 29)	收購附屬公司(附註29)	-	-	-	-	-	-	-	80,668	80,668
At 31 December 2007	於二零零七年十二月三十一日	59,356	328,003	29,140	-	14,807	64,283	495,589	81,141	576,730

The special reserve of the Group represents the difference between the nominal value of shares of the acquired subsidiaries and the nominal value of the shares of the Company issued for the acquisition at the time of the reorganisation of the Group.

本集團之特殊儲備乃指所收購附屬公司之股份面值，與本公司在本集團進行重組時就收購而發行股份之面值之間之差額。

# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>	經營業務		
Profit before taxation	除稅前溢利	32,509	11,373
Adjustments for:	就下列各項作出調整：		
Write back of bad and doubtful debts	呆壞賬回撥	(284)	(798)
Interest income on bank deposits	銀行存款利息收入	(533)	-
Amortisation of intangible assets	無形資產攤銷	6	6
Depreciation	折舊	465	722
Finance costs	財務費用	912	233
Share of profit of an associate	應佔聯營公司之溢利	(7,216)	(9,383)
Share of profit of a jointly controlled entity	應佔合營公司之溢利	(545)	(49)
<b>OPERATING CASH FLOWS BEFORE MOVEMENTS IN WORKING CAPITAL</b>	未計營運資金變動前之經營現金流量	25,314	2,104
Statutory deposits paid	法定按金付款	(120)	-
Decrease (increase) in loans receivable	減少(增加)應收貸款	174	(501)
Increase in accounts receivable	增加應收賬款	(38,279)	(19,797)
Decrease (increase) in other receivables, prepayments and deposits	減少(增加)其他應收賬款、預付款項及按金	958	(671)
Increase in bank balances (trust and segregated accounts)	增加銀行結存(信託及獨立賬戶)	(39,058)	(22,561)
Increase in accounts payable	增加應付賬款	58,083	32,777
Increase (decrease) in other payables and accrued expenses	增加(減少)其他應付賬款及應計費用	5,739	(7,730)
<b>CASH GENERATED FROM (USED IN) OPERATIONS</b>	來自(用於)業務之現金	12,811	(16,379)
Interest paid	已付利息	(912)	(233)
Hong Kong Profits Tax (paid) refunded	(已付)退回香港利得稅	(477)	304
<b>NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>	來自(用於)經營業務之現金淨額	11,422	(16,308)

# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

		NOTE	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
		附註		
<b>INVESTING ACTIVITIES</b>	投資業務			
Purchase of fixed assets	購買固定資產		(507)	(584)
Purchase of exploration and evaluation assets	購買開採及估計資產		(4,666)	–
Acquisition of a subsidiary	收購附屬公司	29	(4,563)	(5)
Investment in a former jointly controlled entity	前合營公司投資		–	(5)
Loan to a jointly controlled entity	合營公司貸款		(7,618)	(25,176)
Decrease in amount due from a jointly controlled entity	減少應收合營公司款項		1,983	–
Decrease (increase) in pledged fixed deposits (general accounts)	減少(增加)已抵押定期存款(一般賬戶)		1,575	(342)
Interest received	已收利息		533	–
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	用於投資業務之現金淨額		<b>(13,263)</b>	<b>(26,112)</b>
<b>FINANCING ACTIVITIES</b>	融資業務			
New bank borrowings raised	新增銀行貸款		20,899	23,211
Repayment of bank borrowings	銀行貸款還款		(20,899)	(23,211)
Proceeds on issue of shares	新股發行款項		21,090	29,410
Expenses on issue of shares	新股發行費用		–	(24)
Increase in amounts due to directors	增加應付董事款項		21,536	–
Decrease in other loans	減少其他應付貸款		(14,637)	–
<b>NET CASH FROM FINANCING ACTIVITIES</b>	來自融資業務之現金		<b>27,989</b>	<b>29,386</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	現金及等同現金項目之增加(減少)淨額		<b>26,148</b>	<b>(13,034)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	年初之現金及等同現金項目		<b>16,116</b>	<b>29,150</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	年終之現金及等同現金項目		<b>42,264</b>	<b>16,116</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	現金及等同現金項目結餘分析			
Bank balances (general accounts) and cash	銀行結存(一般賬戶)及現金		42,264	16,116

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 1. GENERAL

The Company is an exempted company incorporated under the Companies Act 1981 of Bermuda (as amended) and its shares are listed on the Main Board of the Stock Exchange. Its immediate and ultimate holding company is J&A, which is incorporated in the British Virgin Islands. The address of the registered office and principal place of business of the Company are disclosed on pages 2 to 3 of the Annual Report.

The Company is an investment holding company. The principal activities of the Group are the provision of financial services and oil and gas exploration and production. The financial services include stockbroking, futures and options broking, mutual funds and insurance-linked investment plans and products broking, securities margin financing and corporate finance advisory services. The oil and gas exploration and production are developed through the wholly owned subsidiary, KT Energy. Particulars of the principal subsidiaries of the Company are set out in note 35 to the consolidated financial statements.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company and most of its subsidiaries.

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied, for the first time, the following new standard, amendment and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are effective for the Group’s financial year beginning on 1 January 2007.

### 1. 一般事項

本公司乃根據百慕達1981年公司法(修訂本)註冊成立為受豁免公司及其股份於聯交所主版上市。本公司之直接最終控股公司為於英屬處女群島註冊成立之J&A。本公司的註冊辦事處及主要營業地點已詳列本年報之第2頁至第3頁。

本公司為投資控股公司。本集團之主要業務為提供金融服務及石油及天然氣開採及生產。金融服務包括證券買賣、期貨與期權買賣、互惠基金、保險掛鈎投資計劃及產品買賣、證券保證金融服務及企業融資顧問服務。石油及天然氣開採及生產乃透過全資附屬公司高信能源發展。本公司主要附屬公司之詳情詳列於綜合財務報表附註第35項內。

本綜合財務報表以港元呈列，與本公司及其大部份附屬公司的營運貨幣相同。

### 2. 新訂及修訂香港財務報告準則之採用(「香港財務報告準則」)

於本年度，本集團首次應用以下由香港會計師公會頒佈之新準則，修訂及詮釋(「新香港財務報告準則」)。該等新準則適用於本集團由二零零七年一月一日開始之財政年度。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKAS 1 (Amendment)	Capital disclosures
HKFRS 7	Financial instruments: Disclosures
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 Financial reporting in hyperinflationary economies
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

The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior year under the requirements of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

The Group has not early applied the following new and revised standards, amendment or interpretations that have been issued but are not yet effective.

### 2. 新訂及修訂香港財務報告準則之採用(「香港財務報告準則」)(續)

香港會計準則第1號 (修訂)	資本披露
香港財務報告準則 第7號	金融工具；披露
香港(國際財務報告 詮釋委員會) – 詮釋第7號	根據香港會計準則第 29號「惡性通貨膨脹 經濟中的財務報告」 採用重列法
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 號之範疇
香港(國際財務報告 詮釋委員會) – 詮釋第9號	附帶內在衍生工具 的重新評估
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

應用新香港財務報告準則，對本會計期間或過往會計期間之業績及財務狀況編製及呈列並無重大影響。因此，無須就過往期間作出調整。

本集團已追溯應用香港會計準則第1號(修訂本)及香港財務報告準則第7號之披露規定。上年度根據香港會計準則第32號呈列之約干資料已被移除，及有關比較資料已根據香港會計準則第1號(修訂)及香港財務報告準則第7號規定首次在本年度呈列。

本集團並無提早採納以下已頒佈但仍未生效之新訂及經修訂準則，修訂及註釋。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKAS 1 (Revised)	Presentation of financial statements <sup>1</sup>
HKAS 23 (Revised)	Borrowing costs <sup>1</sup>
HKAS 27 (Revised)	Consolidated and separate financial statements <sup>2</sup>
HKFRS 2 (Amendment)	Vesting conditions and cancellations <sup>1</sup>
HKFRS 3 (Revised)	Business combinations <sup>2</sup>
HKFRS 8	Operating segments <sup>1</sup>
HK(IFRIC) – INT 11	HKFRS 2: Group and treasury share transactions <sup>3</sup>
HK(IFRIC) – INT 12	Service concession arrangements <sup>4</sup>
HK(IFRIC) – INT 13	Customer loyalty programmes <sup>5</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 July 2009.
- <sup>3</sup> Effective for annual periods beginning on or after 1 March 2007.
- <sup>4</sup> Effective for annual periods beginning on or after 1 January 2008.
- <sup>5</sup> Effective for annual periods beginning on or after 1 July 2008.

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transaction.

### 2. 新訂及修訂香港財務報告準則之採用(「香港財務報告準則」)(續)

香港會計準則 第1號(修訂)	呈報財務報表 <sup>1</sup>
香港會計準則 第23號(修訂)	借貸成本 <sup>1</sup>
香港會計準則 第27號(修訂)	綜合及獨立財務報表 <sup>2</sup>
香港財務報告準則 第2號(修訂)	歸屬條件及註銷 <sup>1</sup>
香港財務報告準則 第3號(修訂)	業務合併 <sup>2</sup>
香港財務報告 準則第8號	經營分類 <sup>1</sup>
香港(國際財務報告 詮釋委員會) — 詮釋第11號	香港財務報告準則第 2號：集團及財務 股份交易 <sup>3</sup>
香港(國際財務報告 詮釋委員會) — 詮釋第12號	服務經營權之安排 <sup>4</sup>
香港(國際財務報告 詮釋委員會) — 詮釋第13號	客戶優惠計劃 <sup>5</sup>
香港(國際財務報告 詮釋委員會) — 詮釋第14號	香港會計準則第19號 — 界定福利資產之 限制、最低資金要求 及其相互影響 <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> 於二零零九年七月一日或之後開始之年度期間生效。
- <sup>3</sup> 於二零零七年三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。
- <sup>5</sup> 於二零零八年七月一日或之後開始之年度期間生效。

採納香港財務報告準則第3號(修訂)可能影響收購日期為二零零九年七月一日或以後開始之首次年度申報期間開始或以後之業務合併會計方式。香港會計準則第27號(修訂)將影響母公司於附屬公司擁有權益變動但並不會導致喪失控制權之會計處理方式，而有關變動將入賬列作股本交易。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
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### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

The Directors of the Company anticipate that the application of the other new or revised standards, amendment or interpretations will have no material impact on the results and the financial position of the Group.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared under the historical cost basis as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules and by the Hong Kong Companies Ordinance.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

### 2. 新訂及修訂香港財務報告準則之採用(「香港財務報告準則」)(續)

本公司董事估計採納其他新訂或修訂準則，修訂及註釋對本集團之業績及財務狀況將不會構成重大影響。

### 3. 主要會計政策

本綜合財務報表是按如以下說明之會計政策之歷史成本為基礎編製。

本綜合財務報表是根據香港會計師公會頒佈之香港財務報告準則編製。此外，本綜合財務報表也包括上市規則和香港公司法的要求作出相關披露。

#### 綜合基準

本綜合財務報表包括本公司及其控制實體(其附屬公司)。當本公司得以控制一實體之財務及經營政策以從其經營活動中獲利時則被視為擁有控制權。

年度內所購入或售出之附屬公司之業績，乃由購入生效日期起或截至售出生效日期止(如適用)計入綜合損益計數表。

如附屬公司的會計政策不同於本集團內其他成員公司所採用的，應將附屬公司的財務報表調整至與本集團所採用的一樣。

所有在本集團內各公司之間的交易、結餘、收入及費用於編製綜合財務報表賬目時抵銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of consolidation (Continued)

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

#### Investments in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

### 3. 主要會計政策(續)

#### 綜合基準(續)

少數股東權益於附屬公司的淨資產與本集團的權益分開呈列。於該資產淨額內的少數股東權益包括由業務合併日應佔數額及在合併期間少數股東應佔的權益變動。倘少數股東權益所佔的虧損超越少數股東權益於附屬公司應佔的股本權益，除非該少數股東須受約束性責任及有能力支付額外資金以彌補附屬公司的虧損，否則該虧損餘額應由本集團承擔。

#### 聯營公司投資

聯營公司為一家本集團可行使重大影響力的實體，但並非附屬公司或於合資經營企業的權益。

聯營公司的業績、資產及負債按權益法計入本綜合財務報表內。按照權益法，聯營公司的投資是按成本及於收購後本集團應佔聯營公司淨資產扣除任何經確認減值虧損列於綜合資產負債表內。倘本集團所佔聯營公司的虧損等於或超越本集團於聯營公司應佔的權益(包括會構成本集團對聯營公司淨投資的任何長期權益)，本集團應停止確認應佔的虧損。確認額外的應佔虧損及負債只限於本集團須受法律性或約束性責任或代聯營公司支付額外款項。

當本集團與其聯營公司進行交易時，溢利及虧損按照本集團所佔聯營公司之權益抵銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Joint ventures

##### *Jointly controlled operations*

When a group entity undertakes its activities under joint venture arrangements directly, constituted as jointly controlled operations, the assets and liabilities arising from those jointly controlled operations are recognised in the balance sheet of the relevant company on an accrual basis and classified according to the nature of the item. The Group's share of the income from jointly controlled operations, together with the expenses that it incurs are included in the consolidated income statement when it is probable that the economic benefits associated with the transactions will flow to/from the Group.

##### *Jointly controlled entity*

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

### 3. 主要會計政策(續)

#### 合資經營企業

##### *共同控制業務*

當集團實體根據合資經營安排直接經營其活動(構成共同控制業務)，該共同控制業務所產生之資產及負債乃於相關公司之綜合財務報表以應計基準確認及根據其性質分類。本集團應佔共同控制業務所得之收入，連同其所產生之任何開支，乃於涉及該交易之經濟利益有可能會流入／流出本集團時於綜合損益計數表內確認。

##### *共同控制實體*

共同控制實體是指由合營者共同建立，並對其經營活動建立聯合控制的獨立實體。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Joint ventures (Continued)

##### *Jointly controlled entity (Continued)*

The results and assets and liabilities of jointly controlled entity are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in jointly controlled entities are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the jointly controlled entities, less any identified impairment loss. When the Group's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the jointly controlled entity), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

When a group entity transacts with a jointly controlled entity of the Group, unrealised profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity, except to the extent that unrealised losses provide evidence of an impairment of the asset transferred, in which case, the full amount of losses is recognised.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

Commission and brokerage income are recognised when the services are rendered.

### 3. 主要會計政策(續)

#### 合資經營企業(續)

##### *共同控制實體(續)*

共同控制實體的業績、資產與負債使用權益會計法計入綜合財務報表。於權益法下，於綜合資產負債表上共同控制實體之投資總額為成本，根據收購後本集團應佔共同控制實體之淨資產作出調整，並減去確認的資產減值損失。如果本集團在共同控制實體所持投資損失等於或超過其在該公司的股權收益(其中包括所有實質上形成本集團在共同控制實體部分淨投資的長期收益)，本集團將停止確認將繼續造成損失的投資。只有在本集團負有法律或建設性責任以及代表共同控制實體付款的情況下，才會額外承擔投資損失和債務。

當本集團與其共同控制實體進行交易時，未實現損益會按照本集團在共同控制實體權益所佔份額予以抵銷。除非未實現的損失有證據顯示所轉讓金資產出現減值。在該等情況下損失全額將被確認。

#### 收入確認

收入以已收或應收報酬之公平值計量。收入代表由日常業務中提供之服務所產生之應收賬。

佣金及經紀收入在提供服務時確認入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue recognition (Continued)

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount.

Advisory fee income is recognised when the service is provided.

#### Fixed assets

Fixed assets are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of fixed assets over their estimated useful lives and after taking into account their estimated residual value, using the straight-line method.

An item of fixed assets is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

#### Intangible assets

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for trading rights is provided on a straight-line basis over their estimated useful lives.

### 3. 主要會計政策(續)

#### 收入確認(續)

利息收入乃參考未償還本金及適用實際利率按時間基準累計。實際利率即將於財務資產預計可用年期估計所收取未來現金流量折算至該資產賬面淨值的利率。

顧問費收入在提供服務時確認入賬。

#### 固定資產

固定資產乃按成本值減其後累計折舊及累計減值虧損入賬。

固定資產乃按其估計可使用年期及計入估計剩餘價值，以直線法撇除成本計算折舊。

固定資產項目於出售時或當繼續使用該資產預期不會產生任何日後經濟利益時取消確認。資產取消確認產生之任何收益或虧損(按該項目之出售所得款項淨額及賬面值之差額計算)於該項目取消確認之年度計入綜合損益計數表。

#### 無形資產

有限可使用年期之獨立收購無形資產乃按成本減累計攤銷及任何累計減值虧損入賬。交易權之攤銷乃按直線基準於其估計可使用年期撥備。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Intangible assets (Continued)

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

#### Exploration and evaluation assets

Exploration and evaluation assets are recognised at cost on initial recognition. Subsequent to initial recognition, exploration and evaluation assets are stated at cost less any accumulated impairment losses. Costs of exploratory wells are capitalised pending a determination of whether sufficient quantities of potentially economic oil and gas reserves have been discovered. The related well costs are expensed if it is determined that such economic viability is not attained within one year of completion of drilling.

Exploration and evaluation assets include the cost of exploration rights and the expenditures incurred in the search for natural resources as well as the determination of the technical feasibility and commercial viability of extracting those resources.

When the technical feasibility and commercial viability of extracting natural resources become demonstrable, previously recognised exploration and evaluation assets are reclassified as either intangible assets or fixed assets. These assets are assessed for impairment before reclassification.

### 3. 主要會計政策(續)

#### 無形資產(續)

不再確認無形資產產生之損益以資產處置所得款項淨額與賬面值之間之差額計算，並於不再確認資產時在綜合損益計數表內確認。

#### 開採及估計資產

於初步確認時，開採及估計資產均以成本確認。於初步確認後，開採及估計資產均以成本減任何累計減值虧損列賬。開採井之成本乃資本化，以待釐定是否已發現足夠數量具潛在經濟效益之石油及天然氣蘊藏量。倘確定於完成鑽探一年內無法達到該項經濟效益，則有關開採井成本乃列作開支。

開採及估計資產包括開採權之成本以及尋找天然資源以及釐訂開採該等資源之技術可行性及商業可行性所招致的支出。

當可顯示開採天然資源之技術可行性及商業可行性，則任何先前確認之開採及估計資產乃重新分類為無形資產或固定資產。此等資產在重新分類前就減值作出評估。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Exploration and evaluation assets (Continued)

##### *Impairment of exploration and evaluation assets*

The carrying amount of the exploration and evaluation assets is reviewed annually and adjusted for impairment in accordance with HKAS 36 and whenever one of the following events or changes in circumstances indicate that the carrying amount may not be recoverable:

- the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed.
- substantive expenditure on further exploration for and evaluation of natural resources in the specific area is neither budgeted nor planned.
- exploration for and evaluation of natural resources in the specific area have not led to the discovery of commercially viable quantities of natural resources and the entity has decided to discontinue such activities in the specific area.
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

An impairment loss is recognised in the consolidated income statement whenever the carrying amount of an asset exceeds its recoverable amount.

### 3. 主要會計政策(續)

#### 開採及估計資產(續)

##### *開採及估計資產減值*

開採及估計資產之賬面值每年均跟據香港會計準則第36號作檢討，並當有以下任何一件事件發生或事況變化顯示賬面值或不能收回時，則就減值作出調整。

- 該實體有權於特定範圍開採之期間已屆滿或將於可見將來屆滿，並預期不會續期。
- 於特定範圍進一步開採或估計天然資源之大量支出並非在預算或計劃內。
- 於特定範圍開採或估計天然資源並未導致發現具商業效益數量之天然資源，而該實體已決定終止經營於特定範圍之該等活動。
- 現存之足夠數據顯示(雖然有極大可能於特定範圍進行開發)開採及估計資產之賬面值不大可能透過順利開發或出售而收回全部金額。

當資產賬面值超過其可收回金額時，將於綜合收益表確認減值虧損。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment losses on tangible and intangible assets

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes items of income or expense that are never taxable and deductible. The Group's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted by the balance sheet date.

### 3. 主要會計政策(續)

#### 有形及無形資產之減值虧損

本集團於各結算日審閱其有形資產及無形資產之賬面值，以決定該等資產是否有減值虧損之跡象。倘資產之可收回金額估計低於其賬面值，則資產之賬面值乃扣減至其可收回數額。減值虧損須即時確認為開支。

倘減值虧損於其後撥回，則資產之賬面值會增加至其估計可收回金額，以致經增加之賬面值不會超過以往年度並未就該資產確認任何減值虧損而已釐定之賬面值。回撥之減值虧損均即時確認為收入。

#### 稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按年度應課稅溢利計算。應課稅溢利與綜合損益計數表中所報溢利不同，乃由於前者不包括在其他年度應課稅或可扣稅之收入或開支項目，並且不包括未曾課稅及扣稅之收入或開支項目。本集團之本期稅項負債乃按結算日已實行或大致上已實行之稅率計算。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

### 3. 主要會計政策(續)

#### 稅項(續)

遞延稅項為就綜合財務報表資產及負債賬面值與計算應課稅溢利時所用之相應稅基兩者間之差額而須支付或收回之稅項，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時時差扣稅之應課稅溢利時予以確認。若於一項交易中，因商譽或因業務合併以外原因開始確認其他資產及負債而引致之臨時時差既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項負債乃按附屬公司，聯營公司投資及合資經營企業權益所產生應課稅暫時差額確認，惟倘本集團能控制暫時差額之回撥，且暫時差額可能不會於可見將來回撥之情況則除外。

遞延稅項資產之賬面值於各結算日作檢討，並在沒可能會有足夠應課稅溢利以收回全部或部份資產時予以遞減。

遞延稅項乃按預期於負債清償或資產變現年度適用之稅率計算。遞延稅項於綜合損益中扣除或計入，惟倘遞延稅項與於股本中直接扣除或計入之項目有關之情況除外。在這情況下，亦於股本權益中處理遞延稅項。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the year in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the year, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the currency translation reserve). Such exchange differences are recognised in profit or loss in the year in which the foreign operation is disposed of.

#### Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

### 3. 主要會計政策(續)

#### 外幣

編製個別集團實體之財務報表時，以該實體功能貨幣以外貨幣(外幣)進行之交易乃按其營運貨幣(即實體主要經營之經濟環境之貨幣)於交易日期當時之匯率記錄。於各結算日，以外幣列值之貨幣項目以結算當日之匯率重新換算。以外幣歷史成本計算之非貨幣項目不予重新換算。

結算貨幣項目及換算貨幣項目所產生之匯兌差額於產生年度內計入損益。

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按結算日匯率換算為本集團之呈列貨幣(即港元)，而有關之收入及開支項目乃按年度內平均匯率換算，除非期間內匯率出現重大波幅，則於此情況下，將採用交易日期之匯率。所產生匯兌差額(如有)均確認為權益之獨立部份(匯兌儲備)。有關換算差額於該項海外業務出售年度內在損益表中確認。

#### 租賃

融資租約指將擁有資產之風險及回報絕大部份轉嫁予承租人之租約。而其他租約均列為經營租約。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leasing (Continued)

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

#### Retirement benefits costs

Payments to the defined contribution retirement benefits scheme are charged as an expense when employees have rendered service entitling them to the contributions.

#### Borrowing costs

All borrowing costs are recognised as and included in finance costs in the consolidated income statement in the period in which they are incurred.

#### Share-based payment transactions

##### *Equity-settled share-based payment transactions*

Shares issued for acquisition of a subsidiary are measured at the fair values of the assets and the liabilities, unless that fair value cannot be reliably measured, in which case the assets acquired and liabilities assumed are measured by reference to the fair value of the shares issued with a corresponding adjustment that has been made to equity. The fair value of assets acquired and liabilities assumed are recognised in consolidated balance sheet according to their nature.

### 3. 主要會計政策(續)

#### 租賃(續)

根據經營租賃應付之租金以直線法於各租賃之租期內在損益表中扣除。作為訂立經營租賃優惠之已收及應收利益在租期內按直線法確認為租金開支減少。

#### 退休福利成本

定額供款退休福利計劃之款項，乃於僱員提供服務後而享有供款時作為開支予以扣除。

#### 借貸成本

所有借貸成本均於其產生期間確認及計入綜合損益計數表中之財務支出。

#### 股份支付交易

##### *股權結算之股份支付交易*

就收購附屬公司而發行之股份乃按資產及負債之公平值計量，惟公平值無法可靠計量除外，於該情況下，所收購資產及所承擔負債乃參考所發行股份之公平值計量，並就已於權益作出之調整而作出相應調整。所收購資產及所承擔負債之公平值乃根據其性質而於綜合資產負債表確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued) Financial instruments

Financial assets and financial liabilities are recognised on the consolidated balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### *Financial assets*

The Group's financial assets are mainly classified as loans and receivables.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for debt instruments.

### 3. 主要會計政策(續) 金融工具

倘集團實體成為金融工具合約條文之訂約方，則於綜合資產負債表中確認金融資產及金融負債。金融資產及金融負債首先按公平值計量。因收購或發行金融資產及金融負債(於損益賬按公平值處理的金融資產及金融負債除外)而直接產生之交易成本於首次確認時計入金融資產及金融負債(如適用)之公平值或自金融資產及金融負債(如適用)之公平值扣除。就於損益賬按公平值處理的金融資產及金融負債而言，直接產生之交易成本即時於損益內確認。

#### 金融資產

本集團之金融資產分類主要為貸款及應收款項。

#### 實際利息法

實際利息法為計算金融資產之攤銷成本以及於相關期間內分配利息收入之方法。實際利率指於金融資產之預計可用年期內或(如適用)較短期間內準確折算估計未來現金收入(包括所有構成實際利率，交易成本及其它獎金或折扣所支付或收取的全部費用)的利率。

負債工具之收入按實際利息基準確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables including bank balances and cash, pledged fixed deposits, accounts receivable, loans receivable, other receivables and deposits, loan to a jointly controlled entity and amount due from a jointly controlled entity are carried at amortised cost using the effective interest method, less any identified impairment losses.

#### *Impairment of loans and receivables*

Loans and receivables are assessed for indicators of impairment at each balance sheet date. Loans and receivables are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted. Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain financial assets such as accounts receivable that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

### 3. 主要會計政策(續)

#### 貸款及應收款項

貸款及應收款項為無活躍市場報價而附帶固定或可釐定付款之非衍生性質金融資產。於首次確認後每一個結算日，貸款及應收款項(包括銀行結存及現金，已抵押定期存款，法定按金、應收賬款、應收貸款、其他應收款項及按金、合營公司貸款及應收合營公司款項)採用實際利率法攤銷成本，減任何已確認減值虧損列賬。

#### *貸款及應收款項減值*

貸款及應收款項於各結算日評定是否有減值跡象。倘有客觀證據顯示貸款及應收款項之預期未來現金流量受首次確認該金融資產後發生之一項或多項事件影響時，則金融資產會減值。減值之客觀證據可包括：

- 發行人或交易對手出現重大財政困難；或
- 拖欠利息或本金；或
- 借款人可能破產或財務重組。

評定為不會單獨減值之應收賬款等約千金融資產，會於其後共同評估有否減值。應收款項組合出現減值之客觀證據包括本集團過往收款紀錄，於平均信貸期後逾期還款次數增加以及國家或地區經濟狀況明顯轉變導致拖欠應收款項。



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### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### *Impairment of loans and receivables (Continued)*

For loans and receivables carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

The carrying amount of the loans and receivables is reduced by the impairment loss directly for all financial assets with the exception of accounts receivable, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a receivable is considered uncollectible, it is written off against the allowance account.

##### *Financial liabilities and equity*

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### *貸款及應收款項減值(續)*

當有客觀證據證明按攤銷成本列賬之應收貸款已減值時，減值虧損於損益中確認，並按資產賬面值與按原實際利率貼現之估計日後現金流量現值之差額計算。如在隨後期間減值虧損金額減少，而有關減少在客觀上與確認減值後發生之事件有關，則過往已確認之減值虧損將透過損益回撥，惟該資產於減值被回撥當日之賬面值不得超過未確認減值時之攤銷成本。

與所有應收貸款有關之減值虧損會直接於金融資產之賬面值中作出扣減，惟應收賬款除外，其賬面值會透過使用撥備賬作出扣減。撥備賬之賬面值變動會於損益中確認。當應收賬款被視為不可收回時，則於撥備賬內撇銷。

##### *金融負債及股本權益*

由集團實體發行之金融負債及股本權益工具按所訂立之合約安排性質，以及金融負債及股本權益工具之定義而分類。

股本權益工具為帶有本集團資產剩餘權益(經扣除其所有負債)之任何合約。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### *Financial liabilities and equity (Continued)*

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

#### Financial liabilities

Financial liabilities including accounts payable, other payables, other loans and amounts due to a joint venturer and directors are subsequently measured at amortised cost, using the effective interest method.

#### Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融負債及股本權益(續)

#### 實際利息法

實際利息法為計算金融負債之攤銷成本以及於相關期間內分配利息開支之方法，實際利率指於金融資產之預計可用年期內或(倘適用)較短期間內準確折算估計未來現金付款的利率。

利息費用乃按實際利息基準確認。

#### 金融負債

金融負債包括應付賬款，其他應付賬款、其他貸款、應付合資經營企業及董事款項，乃採用實際利率法按攤銷成本計算。

#### 股本權益工具

本公司所發行之股本權益工具乃按已收取之所得款項減直接發行成本記賬。

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## 綜合財務報表附註

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### *Derecognition*

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

Financial liabilities derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

#### 4. KEY SOURCE OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies which are described in note 3, management has made the following estimate that has a significant effect on the amounts recognised in the consolidated financial statements. The 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, is discussed below.

##### **Impairment of exploration and evaluation assets**

Determining whether exploration and evaluation assets are impaired requires an estimation of the recoverable amount of the assets. The Group relied on the expert to assess the geological prospects for the discovery of oil and gas in the oil field and estimated the value of oil and gas produced in the future at a suitable discount rate in order to calculate the present value.

### *取消確認*

金融資產於自資產收取現金流量權利屆滿或金融資產已獲轉讓且本集團已轉讓金融資產所有權絕大部分風險及回報時，取消確認。取消確認金融資產時，資產賬面值與已收及應收代價總額加已於權益直接確認之累計收益或虧損的差額，於損益確認。

金融負債於有關合約所訂明責任解除，註銷或屆滿時取消確認。所取消金融負債賬面值與已付及應付代價間的差額，於損益確認。

#### 4. 估計不確定性之主要來源

於採用上文附註3所述之本集團會計政策時，管理層曾作出以下對綜合財務報表中確認之金額構成重大影響之估計。有關在結算日因對不確定性作出判斷，而對下個財政年度之資產及負債面值帶來重大調整之主要來源，亦於下文討論。

##### **開採及估計資產減值**

在決定開採及估計資產是否減值需要估計資產之可收回金額。本集團倚賴專家評估在油田發現石油及天然氣之地質前景，並按適當之貼現率估計未來生產之石油及天然氣價值以計算現值。

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### 5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the equity balance. The capital structure of the Group consists of equity attributable to equity holders of the Company, comprising issued share capital, reserves and accumulated profits.

The Directors of the Company review the capital structure on a continuous basis. As a part of this review, the Directors consider the cost of capital and the risks associated with capital. The Group will balance its overall capital structure through the payment of dividends, issuance of new shares as well as the issue of new debts or the redemption of existing debts. The Group's overall strategy remains unchanged from prior year.

### 6. FINANCIAL INSTRUMENTS

#### Categories of financial instruments

Financial assets – loans and receivables 財務資產 – 貸款及應收款項

Financial liabilities – amortised costs 財務負債 – 攤銷成本

### 5. 資本風險管理

本集團會管理資本，維持最有利的權益結餘，以確保本集團轄下公司能夠持續經營，提高股東的回報。本集團的資本架構為本公司股權持有人應佔權益(包括註冊股本、儲備及累計溢利)。

本公司董事會定期檢討資本架構。董事會根據建議年度預算考慮資本成本及資本所涉風險。本集團亦透過派發股息，發行新股，發行新債或贖回現有債務以平衡整體資本架構。本集團整體策略與去年相同。

### 6. 財務工具

#### 財務工具類別

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Financial assets – loans and receivables 財務資產 – 貸款及應收款項	<b>298,781</b>	177,140
Financial liabilities – amortised costs 財務負債 – 攤銷成本	<b>194,272</b>	82,456

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

The Group's major financial instruments include bank balances and cash, pledged fixed deposits, accounts receivable, loans receivable, other receivables and deposits, loan to a jointly controlled entity, amount due from a jointly controlled entity, accounts payable, other payables, other loans and amounts due to a joint venturer and directors. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. The Group's overall strategy substantially remains unchanged from prior year.

#### Market risk

##### Currency risk

Several subsidiaries of the Group have loan to a jointly controlled entity, amount due from a jointly controlled entity, other receivables and deposits, pledged fixed deposits, bank balances and cash, amounts due to a joint venturer and directors and other payables denominated in currency other than functional currency of relevant group entities which exposed the Group to foreign currency risk. The Group does not have a foreign currency hedging policy currently. However, the management monitors foreign exchange exposure and will consider hedging significantly foreign currency exposure should the need arise.

### 6. 財務工具(續)

#### 財務風險管理目標及政策

本集團之主要金融工具包括銀行結存及現金、法定按金、應收賬款、應收貸款、合營公司貸款、應收合營公司款項、應付賬款及其他應付賬款、其他貸款、應付合資經營企業及董事款項。該等金融工具之詳情已於相關附註中作出披露。與此等金融工具有關之風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。減低此等風險之政策載於下文。管理層管理及監察此等風險，以確保能及時及有效地採取適當措施。本集團整體策略與去年大致相同。

#### 市場風險

##### 貨幣風險

本集團之幾間附屬公司擁有合營公司貸款，應收合營公司款項，其他應收賬款及按金、已抵押定期存款、銀行結存及現金、應付合資經營企業及董事款項及其他應付賬款以相關集團實體之營運貨幣以外之貨幣列算以令本集團承受貨幣風險。本集團尚未有避免利率風險政策。但管理層會監察外幣對換風險及，如有需要，考慮避免面對重大的外幣風險。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### Market risk (Continued)

#### Currency risk (Continued)

The carrying amounts of the Group's monetary assets and monetary liabilities denominated in United States dollars ("US\$") at the reporting date are as follows:

	Assets 資產		Liabilities 負債	
	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
Subsidiaries with functional currency of Australian dollars ("A\$") 澳元為營運貨幣之附屬公司	56,741	—	46,762	—
Subsidiaries with functional currency of HK\$ 港元為營運貨幣之附屬公司	6,617	42,809	—	—

#### Sensitivity analysis

As HK\$ is pegged to US\$, the Group does not expect any significant movements in the US\$/HK\$ exchange rates.

The following table details the Group's sensitivity to a 5% increase and decrease in US\$ against A\$. 5% is the sensitivity rate used which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where A\$ weaken 5% against US\$. For a 5% strengthening of A\$ against the US\$, there would be an equal and opposite impact on the profit for the year.

### 6. 財務工具(續)

#### 市場風險(續)

#### 貨幣風險(續)

以下為本集團於呈報日期以美元列算貨幣資產及貨幣負債的賬面值：

#### 敏感度分析

由於港元與美元掛勾，因此本集團並不預期美元／港元匯率會有任何重大變動。

下表詳述美元對澳元上升及下跌5%對本集團敏感度之影響。5%之敏感度比率乃管理層對外幣匯率對合理可能變動之評估。敏感度分析只包括以外幣計值之貨幣項目，並於年終時就外幣匯率之5%變動調整其換算。減少之正數顯示當澳元對美元下跌5%時之溢利增加。就澳元對美元上升5%而言，對年度溢利將有相同但相反之影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS(Continued)

#### Market risk (Continued)

#### Sensitivity analysis (Continued)

### 6. 財務工具(續)

#### 市場風險(續)

#### 敏感度分析(續)

		2007 二零零七年 HK\$'000 千港元
Profit or loss	溢利或虧損	500

#### Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate loans receivable, pledged fixed deposits and other loans. The Group is also exposed to cash flow interest rate risk in a relation to variable-rate financial assets of bank balances, loans to securities margin client and variable-rate financial liabilities of amounts due to directors. The Group currently does not have interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

#### Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for variable-rate financial assets and liabilities mentioned above at the balance sheet date. The analysis is prepared assuming the amount of assets and liabilities recorded at the balance sheet was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

#### 利率風險

本集團的公平值利率風險與定息應收貸款，已抵押定期存款及其他貸款有關。本集團亦因不定息率財務資產包括銀行結存，證券保證金融資客戶貸款及應付董事款項之不定息率財務負債而面對現金流量利率風險。本集團現時並無避免利率風險政策。但管理層會監察利率風險及，如有需要，考慮避免面對重大的利率風險。

#### 敏感度分析

以下的敏感度分析乃按照結算日以上所述之不定息財務資產及負債之利率釐定。此分析跟據假設於結算日錄得之資產及負債額於整年存在而編製。50基點之增減乃為管理層對利率面對之合理及有可能變動之評估。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### Market risk (Continued)

#### Sensitivity analysis (Continued)

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31 December 2007 would increase/decrease by approximately HK\$1,215,000 (2006: increase/decrease by approximately HK\$329,000).

#### Credit risk

As at 31 December 2007, the Group's maximum exposure to credit risk in the event of the counter-parties' failure to perform their obligations. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group has no significant concentration of credit risk on accounts receivable and loans receivable, with exposure spread over a number of counterparties and customers.

### 6. 財務工具(續)

#### 市場風險(續)

#### 敏感度分析(續)

如所有其他可變數不變，而利率增加／減少50基點，本集團於二零零七年十二月三十一日之溢利將會增加／減少約1,215,000港元(二零零六年：增加／減少約329,000港元)。

#### 信貸風險

於二零零七年十二月三十一日，本公司所面對最大之信貸風險為倘交易對手未能履行有關各類已確認金融資產之責任。為將信貸風險減至最低，本集團管理層已委派一組人員負責釐定信貸額、信貸之審批及其他監管程序，以確保就回收逾期債務作出跟進行動。此外，本集團會於各結算日審閱各個別貿易賬款之可收回金額，以確保為不可收回之款額作出適當之減值撥備。因此，本公司董事認為，本集團之信貸風險正大幅降低。

由於交易對手主要為獲國際信貸評級機構評定為高信貸評級之銀行，故流動資金之信貸風險有限。

本集團並無重大集中信貸風險於應收賬款及應收貸款，有關風險分散於數名客戶。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The Group's liquidity position is monitored on a daily basis by the management and is reviewed monthly by the Directors of the Company. The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

### 6. 財務工具(續)

#### 流動資金風險

於管理流動資金風險時，本集團監察及維持管理層視為足以支付本集團營運及減低現金流量波動影響之現金及等同現金項目水平。管理層監察銀行借貸之動用情況及確保遵守貸款契約。

本集團之流動資金狀況由管理層每日監察，並由本公司董事每月復審。下表詳述本集團就其金融負債編製之合約到期資料。該表乃根據金融負債(乃根據本集團須支付有關負債之最早日期編製)之未折現現金流量編製。

		Weighted average effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	Total undiscounted cash flows	Total carrying amount at 31.12.2007
							於二零零七年 十二月 三十一日 賬面值之總值
		% per annum %每年	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2007	二零零七年						
Accounts payable	應付賬款	-	136,459	-	-	136,459	136,459
Other payables	其他應付賬款	-	5,296	1,150	1,063	7,509	7,509
Other loans	其他貸款	18.0%	5,678	-	-	5,678	5,594
Amount due to a joint venturer	應付合資經營企業 款項	-	23,174	-	-	23,174	23,174
Amounts due to directors	應付董事款項	5.1%	21,628	-	-	21,628	21,536
			192,235	1,150	1,063	194,448	194,272

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

### 6. 財務工具(續)

#### Liquidity risk (Continued)

#### 流動資金風險(續)

		Weighted average effective interest rate				Total undiscounted cash flows	Total carrying amount at 31.12.2007
		Less than 1 month	1-3 months	3 months to 1 year		於二零零七年 十二月 三十一日	
		實際利率 少於一個月	一至三個月	三個月至一年	未折現金 流量之總值	賬面值之總值	
		% per annum %每年	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
<b>2006</b>	<b>二零零六年</b>						
Accounts payable	應付賬款	-	78,376	-	-	78,376	
Other payables	其他應付賬款	-	3,213	867	-	4,080	
			81,589	867	-	82,456	

#### Fair values

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis. The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values at the respective balance sheet date.

#### 公平值

金融資產及金融負債之公平值乃按可觀察現行市場交易的價格，以貼現現金流量分析為基準，根據公認定價模式釐定。董事認為金融資產及金融負債的公平值已按攤銷成本於本綜合財務報表內列賬，於相對之結算日，與彼等的公平值相若。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 7. REVENUE

### 7. 收益

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Commission and brokerage	經紀佣金	78,784	43,630
Interest income from:	來自以下項目之利息收入：		
Clients	客戶	5,674	3,915
Authorised institutions	認可機構	3,765	2,452
Others	其他	112	75
Advisory fee income	顧問費收入	2,165	1,010
		<b>90,500</b>	<b>51,082</b>

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS

### 8. 業務及地區分類

#### Business segments

For management purposes, the Group is currently organised into three operating divisions, namely, broking, securities margin financing and oil and gas segment. The oil and gas segment is newly operated during the year ended 31 December 2007 since the acquisition of a subsidiary as set out in note 29. These divisions are the basis on which the Group reports its primary segment information. The principal activities of these divisions are as follows:

Broking	– provision of stockbroking, futures and options broking and mutual funds as well as insurance-linked investment plans and products broking.
Securities margin financing	– provision of securities margin financing.
Oil and gas	– exploration and production of oil and gas.

#### 業務分類

因管理目的，本集團目前由三個經營類別組成，即分別為經紀業務，證券保證金融資及石油及天然氣分類。石油及天然氣分類乃於二零零七年十二月三十一日年度，自收購一間附屬公司（詳列於附註29）後之新業務。本集團以該等類別作為呈報主要分類資料之基準，該等類別之主要業務如下：

經紀業務	– 提供證券買賣、期貨與期權買賣、互惠基金、保險掛鈎投資計劃及產品買賣。
證券保證金融資	– 提供證券保證金融資。
石油及天然氣	– 石油及天然氣開採及生產。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

#### Business segments (Continued)

Segment information about these businesses is presented below:

*Consolidated income statement for the year ended 31 December 2007*

### 8. 業務及地區分類(續)

#### 業務分類(續)

該等業務之分類資料載於下文：

截至二零零七年十二月三十一日止年度之綜合損益計數表

		<b>Securities margin financing</b>	<b>Oil and gas</b>	<b>Consolidated</b>
		<b>Broking</b>	<b>證券</b>	<b>石油及</b>
		<b>經紀業務</b>	<b>保證金融資</b>	<b>天然氣</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>千港元</b>	<b>千港元</b>	<b>千港元</b>
<b>REVENUE</b>	<b>收益</b>			
Segment revenue	分類收益	83,962	3,521	87,483
Unallocated	未劃撥			3,017
				90,500
<b>RESULTS</b>	<b>業績</b>			
Segment profit (loss)	分類溢利(虧損)	30,233	2,942	28,506
Unallocated expenses	未劃撥開支			(3,758)
Share of profit of an associate	應佔聯營公司之溢利			7,216
Share of profit of a jointly controlled entity	應佔合營公司之溢利			545
				32,509
Profit before taxation	除稅前溢利			(3,527)
Taxation	稅項			
				28,982
Profit for the year	年度溢利淨額			28,982

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

#### Business segments (Continued)

Consolidated balance sheet as at 31 December 2007

### 8. 業務及地區分類(續)

#### 業務分類(續)

於二零零七年十二月三十一日之綜合資產  
負債表

		Broking 經紀業務 HK\$'000 千港元	Securities margin financing 證券 保證金融資 HK\$'000 千港元	Oil and gas 石油及 天然氣 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>				
Segment assets	分類資產	206,212	37,048	402,176	645,436
Interest in an associate	聯營公司之權益				135,356
Unallocated corporate assets	未劃撥公司資產				5,643
Consolidated total assets	綜合資產總額				786,435
<b>LIABILITIES</b>	<b>負債</b>				
Segment liabilities	分類負債	144,647	4,226	31,971	180,844
Amounts due to directors	應付董事款項				21,536
Unallocated corporate liabilities	未劃撥公司負債				7,325
Consolidated total liabilities	綜合負債總額				209,705

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

#### Business segments (Continued)

Other information for the year ended 31 December 2007

### 8. 業務及地區分類(續)

業務分類(續)

截至二零零七年十二月三十一日止年度之  
其他資料

		Securities margin financing	Oil and gas	Unallocated	Consolidated
	Broking	證券 保證金融資	石油及天然氣	未劃撥	綜合
	經紀業務	保證金融資	石油及天然氣	未劃撥	綜合
	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
Additions to fixed assets	固定資產增添	500	-	7	507
Additions to exploration and evaluation assets	開採及估計 資產增添	-	338,308	-	338,308
Amortisation of intangible assets	無形資產攤銷	6	-	-	6
Depreciation	折舊	419	-	46	465
Write back of bad and doubtful debts	呆壞賬回撥	(272)	(12)	-	(284)

Consolidated income statement for the year ended 31  
December 2006

截至二零零六年十二月三十一日止年度之  
綜合損益計數表

		Securities margin financing	Oil and gas	Consolidated
	Broking	證券 保證金融資	石油及天然氣	綜合
	經紀業務	保證金融資	石油及天然氣	綜合
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
<b>REVENUE</b>	<b>收益</b>			
Segment revenue	分類收益	47,451	2,463	49,914
Unallocated	未劃撥			1,168
				51,082
<b>RESULTS</b>	<b>業績</b>			
Segment profit	分類溢利	3,684	1,906	5,590
Unallocated expenses	未劃撥開支			(3,649)
Share of profit of an associate	應佔聯營公司之溢利			9,383
Share of profits of a jointly controlled entity	應佔合營公司之溢利			49
Profit before taxation	除稅前溢利			11,373
Taxation credit	稅項計入			47
Profit for the year	年度溢利淨額			11,420

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

#### Business segments (Continued)

Consolidated balance sheet as at 31 December 2006

### 8. 業務及地區分類(續)

#### 業務分類(續)

於二零零六年十二月三十一日綜合資產負債表

		Securities margin financing			Consolidated
		Broking	證券	Oil and gas	綜合
		經紀業務	保證金融資	石油及天然氣	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>ASSETS</b>	<b>資產</b>				
Segment assets	分類資產	111,517	29,792	—	141,309
Interest in an associate	聯營公司之權益				123,340
Interest in a jointly controlled entity	合營公司之權益				54
Loan to a jointly controlled entity	合營公司貸款				34,508
Unallocated corporate assets	未劃撥公司資產				7,391
Consolidated total assets	綜合資產總額				306,602
<b>LIABILITIES</b>	<b>負債</b>				
Segment liabilities	分類負債	80,748	2,783	—	83,531
Unallocated corporate liabilities	未劃撥公司負債				2,340
Consolidated total liabilities	綜合負債總額				85,871

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

#### Business segments (Continued)

Other information for the year ended 31 December 2006

### 8. 業務及地區分類(續)

業務分類(續)

於二零零六年十二月三十一日止年度之  
其他資料

		Securities margin financing	oil and gas	Unallocated	Consolidated
	Broking	證券 保證金融資	石油及氣體	未劃撥	綜合
	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
Additions to fixed assets	固定資產增添	560	-	24	584
Amortisation of intangible assets	無形資產攤銷	6	-	-	6
Depreciation	折舊	678	-	44	722
Write back of bad and doubtful debts	呆壞賬回撥	(25)	(773)	-	(798)

#### Geographical segments

All of the activities of the broking and securities margin financing segments are based in Hong Kong and all of the Group's revenue is derived from Hong Kong.

#### 地區分類

本集團之經紀及證券保證金融資業務均在香港經營，而本集團之所有收益來自香港。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

#### Geographical segments (Continued)

The following is an analysis of the carrying amount of segment assets and additions to fixed assets and exploration and evaluation assets:

		Carrying amounts of segment assets 分類資產賬面值		Additions to fixed assets and exploration and evaluation assets 固定資產及開採及估計資產增添	
		At 31 December 2007 於二零零七年十二月三十一日 HK\$'000 千港元	At 31 December 2006 於二零零六年十二月三十一日 HK\$'000 千港元	Year ended 31 December 2007 截至二零零七年十二月三十一日止年度 HK\$'000 千港元	Year ended 31 December 2006 截至二零零六年十二月三十一日止年度 HK\$'000 千港元
Hong Kong	香港	243,260	141,309	507	584
Egypt	埃及	346,899	–	338,308	–
Australia	澳洲	55,277	–	–	–
		<b>645,436</b>	141,309	<b>338,815</b>	584

### 8. 業務及地區分類(續)

#### 地區分類(續)

以下為分類資產及固定資產及開採及估計資產增添賬面值之分析：

### 9. FINANCE COSTS

### 9. 財務費用

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Interest on borrowings wholly repayable within five years:	於五年內償清之貸款利息：		
Bank overdrafts	銀行透支	–	4
Other bank borrowings	其他銀行貸款	267	229
Amounts due to directors	應付董事款項	142	–
Other loans	其他貸款	503	–
		<b>912</b>	233

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 10. TAXATION (CHARGE) CREDIT

### 10. 稅項(扣除)計入

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Current tax – Hong Kong Profits Tax	現時稅項 – 香港利得稅	(3,447)	–
Underprovision of Hong Kong Profits Tax in prior years	過往年度 香港利得稅撥備不足	–	(33)
Deferred tax (Note 20)	遞延稅項 (附註20)	(80)	80
		<b>(3,527)</b>	<b>47</b>

Hong Kong Profits Tax is calculated at 17.5% of the estimated assessable profit for the year.

香港利得稅是按照年內估計的應課稅溢利以17.5%計算。

No provision for Hong Kong Profits Tax had been made in the consolidated financial statements in prior year as there is no assessable profit arising in Hong Kong or the assessable profit is wholly absorbed by estimated tax losses brought forward.

由於沒有於香港產生應課稅溢利，或該等應課稅溢利已全數計入承前估計稅項虧損，故並無於上年度綜合財務報表內就香港利得稅提取撥備。

No provision for profits tax is made in other jurisdictions as the subsidiaries in other jurisdictions have no assessable profits for the year.

由於本年度其他地區之附屬公司沒有應課稅溢利，故無就其他地區提取利得稅撥備。

The taxation for the year can be reconciled to the profit before taxation per the consolidated income statement as follows:

年度之稅項，與綜合損益計數表之除稅前溢利之對賬如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 10. TAXATION (CHARGE) CREDIT(Continued)

### 10. 稅項(扣除)計入(續)

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit before taxation	除稅前溢利	<b>32,509</b>	11,373
Taxation charge at the Hong Kong Profits Tax rate of 17.5%	以香港利得稅率17.5%計算之稅款	<b>(5,689)</b>	(1,990)
Tax effect of share of profit of an associate	應佔聯營公司溢利之稅務影響	<b>1,263</b>	1,640
Tax effect of share of profit of a jointly controlled entity	應佔合營公司溢利之稅務影響	<b>95</b>	9
Tax effect of income not taxable for tax purpose	毋須就稅項而課稅之收入之稅務影響	<b>826</b>	444
Tax effect of estimated tax losses not recognised	未確認估計稅務虧損之稅務影響	<b>(386)</b>	(566)
Underprovision in prior years	過往年度撥備不足	-	(33)
Tax effect of expenses not deductible for tax purpose	不能就稅項作扣減開支之稅務影響	<b>(1,098)</b>	(810)
Tax effect of utilisation of estimated tax loss previously not recognised	未有就以往估計稅務虧損作確認之稅務影響	<b>1,462</b>	1,351
Others	其他	-	2
Taxation for the year	年度之稅項	<b>(3,527)</b>	47

### 11. PROFIT FOR THE YEAR

### 11. 年度溢利

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit for the year has been arrived at after charging (crediting):	年度溢利已扣除(計入)下列各項:		
Auditor's remuneration	核數師酬金	<b>1,500</b>	1,110
Contributions to retirement benefits schemes (included in staff costs)	退休福利計劃供款(包括僱員成本)	<b>576</b>	419
Loss from error trades	錯誤交易虧損	<b>178</b>	35
Operating lease rentals in respect of rented premises	有關租賃物業之經營租約租金	<b>5,946</b>	5,070
Share of tax of an associate (included in share of profit of an associate)	應佔聯營公司之稅項(於應佔聯營公司之溢利內)	<b>343</b>	997
Interest income on bank deposits (included in other income)	銀行存款利息收入(包括其他收入)	<b>(533)</b>	-
Net foreign exchange loss	外匯虧損淨額	<b>975</b>	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 12. DIRECTORS' REMUNERATION

### 12. 董事酬金

		Lam Kwok Hing 藍國慶	Nam Kwok Lun 藍國倫	Ng Chi Kin David 伍志堅	Chen Wei-Ming Eric 陳偉明	Kwan Wang Wai Alan 關宏偉	Total 合共 2007 二零零七年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Fees:	袍金：						
Independent Non-Executive Directors	獨立非執行董事	–	–	50	50	50	150
Other emoluments to Executive Directors:	執行董事之 其他酬金：						
Salaries and other benefits	薪金及其他福利	1,848	1,848	–	–	–	3,696
Contributions to retirement benefits scheme	退休福利 計劃供款	12	12	–	–	–	24
<b>Total remuneration</b>	<b>總酬金</b>	<b>1,860</b>	<b>1,860</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>3,870</b>

		Lam Kwok Hing 藍國慶	Nam Kwok Lun 藍國倫	Ng Chi Kin David 伍志堅	Chen Wei-Ming Eric 陳偉明	Kwan Wang Wai Alan 關宏偉	Total 合共 2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Fees:	袍金：						
Independent Non-Executive Directors	獨立非執行董事	–	–	50	50	50	150
Other emoluments to Executive Directors:	執行董事之 其他酬金：						
Salaries and other benefits	薪金及其他福利	809	809	–	–	–	1,618
Contributions to retirement benefits scheme	退休福利 計劃供款	12	12	–	–	–	24
<b>Total remuneration</b>	<b>總酬金</b>	<b>821</b>	<b>821</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>1,792</b>

During both years, no emoluments were paid by the Group to the Directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors has waived any emoluments during the year.

於兩年度內，本集團概無向任何董事支付任何酬金，以吸引其加入本集團或作為利息的賠償。於年度內，董事並無放棄任何酬金。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 13. EMPLOYEES' EMOLUMENTS

The five individuals with the highest emoluments in the Group included two (2006: two) Directors of the Company for the year, details of whose emoluments are included in note 12. The emoluments of the remaining three (2006: three) individuals were as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,883	1,719
Contributions to retirement benefits scheme	退休福利計劃供款	36	36
		<b>1,919</b>	1,755

The aggregate emoluments of each of these remaining three (2006: three) highest paid individuals were less than HK\$1,000,000.

During the year, no emoluments were paid by the Group to the above-mentioned individuals as an inducement to join the Group or as compensation for loss of office.

### 13. 僱員酬金

於年度內，本集團之五名最高薪酬人士包括兩名(二零零六年：兩名)本公司董事，其薪酬詳情載於附註第12項。其餘三名(二零零六年：三名)人士之酬金如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,883	1,719
Contributions to retirement benefits scheme	退休福利計劃供款	36	36
		<b>1,919</b>	1,755

其餘三名(二零零六年：三名)每名最高薪酬人士之酬金總額均少於1,000,000港元。

於年度內，本集團概無向上述人士支付任何酬金，以吸引其加入本集團或作為離職賠償。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 14. EARNINGS PER SHARE

The calculation of the earnings per share is based on the following data:

### 14. 每股盈利

每股盈利乃按下列數據計算：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit attributable to the equity holders of the Company for the purposes of basic and diluted earnings per share	用以計算每股基本及攤薄盈利之本公司之權益持有人應佔溢利淨額	<b>28,891</b>	11,315
		<b>Number of shares</b> 股份數目	
		'000 千股	'000 千股
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利之普通股加權平均數目	<b>502,037</b>	470,386
Effect of dilutive potential ordinary shares arising from placing options	配售認股權產生之潛在普通股的攤薄影響	<b>2,310</b>	1,989
Effect of dilutive potential ordinary shares arising from RCPS	可贖回可換股優先股產生之潛在普通股的攤薄影響	<b>25,363</b>	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算攤薄後每股盈利的普通加權平均數目	<b>529,710</b>	472,375



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 15. FIXED ASSETS

### 15. 固定資產

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Computer equipment 電腦設備 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合共 HK\$'000 千港元
<b>COST</b>	<b>成本值</b>					
At 1 January 2006	於二零零六年一月一日	700	5,496	4,150	2,132	12,478
Additions	增添	32	548	4	-	584
Disposals	出售	-	(346)	-	-	(346)
At 31 December 2006	於二零零六年十二月三十一日	732	5,698	4,154	2,132	12,716
Additions	增添	289	181	37	-	507
Disposals	出售	-	(61)	(183)	-	(244)
<b>At 31 December 2007</b>	<b>於二零零七年十二月三十一日</b>	<b>1,021</b>	<b>5,818</b>	<b>4,008</b>	<b>2,132</b>	<b>12,979</b>
<b>DEPRECIATION</b>	<b>折舊</b>					
At 1 January 2006	於二零零六年一月一日	700	4,665	4,014	2,035	11,414
Provided for the year	年度撥備	2	595	77	48	722
Eliminated on disposals	出售時撇銷	-	(346)	-	-	(346)
At 31 December 2006	於二零零六年十二月三十一日	702	4,914	4,091	2,083	11,790
Provided for the year	年度撥備	15	375	35	40	465
Eliminated on disposals	出售時撥撇銷	-	(61)	(183)	-	(244)
At 31 December 2007	於二零零七年十二月三十一日	717	5,228	3,943	2,123	12,011
<b>CARRYING VALUES</b>	<b>賬面值</b>					
At 31 December 2007	於二零零七年十二月三十一日	304	590	65	9	968
At 31 December 2006	於二零零六年十二月三十一日	30	784	63	49	926

Depreciation is provided using the straight-line method at the following rates per annum:

固定資產乃以直線法按以下年率撇除成本計算折舊：

Leasehold improvements	20%-33 $\frac{1}{3}$ %	租賃物業裝修	20%-33 $\frac{1}{3}$ %
Computer equipment	20%-50%	電腦設備	20%-50%
Furniture and fixtures	20%-40%	傢俬及裝置	20%-40%
Motor vehicles	20%-30%	汽車	20%-30%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 16. INTANGIBLE ASSETS

### 16. 無形資產

		Trading rights 交易權 HK\$'000 千港元	License and rights to use a website and trademark 使用網站和商標之許可權及權利 HK\$'000 千港元	License to use technical knowhow and webtrade products 使用專業技術及網上交易產品之許可權 HK\$'000 千港元	Total 合共 HK\$'000 千港元
<b>COST</b>	<b>成本值</b>				
At 1 January 2006	於二零零六年一月一日	50	120,978	7,420	128,448
Write-off	撇除	-	(120,978)	(7,420)	(128,398)
<b>At 31 December 2006 and 31 December 2007</b>	<b>於二零零六年十二月三十一日及二零零七年十二月三十一日</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>50</b>
<b>AMORTISATION</b>	<b>攤銷</b>				
At 1 January 2006	於二零零六年一月一日	27	120,978	7,420	128,425
Provided for the year	年度撥備	6	-	-	6
Eliminated on write-off	撇除時撇銷	-	(120,978)	(7,420)	(128,398)
At 31 December 2006	於二零零六年十二月三十一日	33	-	-	33
Provided for the year	年度撥備	6	-	-	6
<b>At 31 December 2007</b>	<b>於二零零七年十二月三十一日</b>	<b>39</b>	<b>-</b>	<b>-</b>	<b>39</b>
<b>CARRYING VALUES</b>	<b>賬面值</b>				
At 31 December 2007	於二零零七年十二月三十一日	11	-	-	11
At 31 December 2006	於二零零六年十二月三十一日	17	-	-	17

Trading rights represent two trading rights in the Stock Exchange and one trading right in the Hong Kong Futures Exchange Limited (the "Futures Exchange"). Trading rights are amortised over nine years.

交易權指於聯交所之兩個交易權及香港期貨交易所有限公司(「期交所」)之一個交易權。交易權乃按九年攤銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 17. EXPLOATION AND EVALUATION ASSETS

### 17. 開採及估計資產

		Oil concession		Total
		rights	Others	
		石油特許經營權	其他	合共
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
<b>COST AND CARRYING VALUES</b>	成本及賬面值			
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	–	–	–
Acquired on acquisition of a subsidiary (Note 29)	收購附屬公司 之購置 (附註29)	310,758	22,884	333,642
Additions	增添	–	4,666	4,666
Exchange adjustment	外匯調整	6,502	561	7,063
At 31 December 2007	於二零零七年十二月三十一日	317,260	28,111	345,371

### 18. INTEREST IN AN ASSOCIATE

### 18. 聯營公司權益

		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
Cost of investment in an associate listed in Hong Kong	香港上市聯營公司投資 成本值	53,399	53,399
Share of post-acquisition profits and reseves	收購後應佔溢利 及儲備	38,924	26,908
Discount on acquisition of associate	收購聯營公司折讓	43,033	43,033
		<b>135,356</b>	123,340
Fair value of listed shares	上市股份公平值	<b>100,997</b>	90,898

The amount represents the Group's 47.37% equity interest in ATNT, a company incorporated in Bermuda with its shares being listed on the Stock Exchange. At 31 December 2007, the issued and fully paid share capital of ATNT was 426,463,400 ordinary shares of HK\$0.01 each. ATNT and its subsidiaries are mainly engaged in electroplating equipment business. The principal places of operation of ATNT and its subsidiaries are in The People's Republic of China, including Hong Kong and Taiwan.

該數額乃指本集團於亞洲聯網持有之47.37%股權。亞洲聯網為一間於百慕達註冊成立之公司，其股份於聯交所上市。於二零零七年十二月三十一日，亞洲聯網之已發行及繳足股本為426,463,400股普通股，每股面值0.01港元。亞洲聯網及其附屬公司主要從事電鍍設備業務。亞洲聯網及其附屬公司之主要營業地點為中華人民共和國，包括香港及台灣。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### 18. INTEREST IN AN ASSOCIATE (Continued)

The following details have been extracted from the audited consolidated financial statements of ATNT:

### 18. 聯營公司權益(續)

以下之詳情乃節錄自亞洲聯網之經審核綜合財務報表：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Total assets	資產總額	583,121	585,247
Total liabilities	負債總額	(282,779)	(311,022)
Net assets	資產淨額	300,342	274,225
Group's share of net assets of the associate	本集團應佔聯營公司淨資產	135,356	123,340
Revenue	收益	521,658	632,501
Profit for the year	年度溢利	15,306	19,807
Group's share of profit of the associate for the year	本集團應佔年度聯營公司之溢利	7,216	9,383

### 19. INTEREST IN JOINT VENTURES

#### Jointly controlled entity

### 19. 合資經營企業

#### 合營公司

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Cost of unlisted investment in a jointly controlled entity (Note)	非上市合營公司投資成本值(附註)	-	-
Share of post-acquisition profits	收購後應佔溢利	-	54
		-	54

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## 綜合財務報表附註

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### 19. INTEREST IN JOINT VENTURES (Continued)

#### Jointly controlled entity (Continued)

Note: At 31 December 2006, the interest in a jointly controlled entity, amounted to HK\$1, represented 50% interest in the share capital of First Energy Pty Limited ("First Energy"). During the year ended 31 December 2007, the Group acquired the remaining 50% interest in First Energy and First Energy became the wholly owned subsidiary of the Company.

On 7 April 2006, the Group through a wholly-owned subsidiary, KT Energy, entered into a joint venture agreement with an independent third party, Holley International (Hong Kong) Limited ("Holley"), and set up a jointly controlled entity called Oriental Victor Limited ("Oriental Victor") with an investment cost of HK\$5,000 each. On the same date, Oriental Victor had acquired 50% interest in First Energy with Swiss-Invest Petroleum Group Limited by consideration at HK\$1. First Energy, through its investment in a subsidiary, APEL, had obtained a concession right from the Egyptian government in relation to exploration and production in the oil field of Block 2 West Esh El Mallaha in Egypt ("Block 2") on 17 September 2006. In respect of this, KT Energy and Holley are required to each contribute approximately a total of US\$7,000,000 (equivalent to HK\$54,600,000), with an aggregate amount of US\$14,000,000 (equivalent to HK\$109,200,000) by way of shareholders' loan to Oriental Victor which will then be advanced to First Energy to enable it to participate in the exploration and production of Block 2.

On 3 August 2006, the Group acquired the remaining 50% interest in Oriental Victor and Oriental Victor became the wholly owned subsidiary of the Company. The net assets acquired at date of acquisition were set out below. Pursuant to the supplemental agreement signed on the same date between Oriental Victor and Volant, the other shareholder of First Energy, the shareholder loan to be contributed by Oriental Victor to First Energy was reduced from US\$14,000,000 to US\$7,000,000 (equivalent to HK\$109,200,000 to HK\$54,600,000).

### 19. 合資經營企業(續)

#### 合營公司(續)

附註：於二零零六年十二月三十一日，合營公司權益相當於1港元，乃指First Energy Pty Limited (「First Energy」) 之50%股本權益。於二零零七年十二月三十一日止年度，本集團已收購餘下50% First Energy權益及First Energy已成為本公司之全資附屬公司。

於二零零六年四月七日，本集團透過全資附屬公司高信能源與一名獨立第三者華立國際(香港)有限公司(「華立」)訂立一項合營協議及各以5,000港元為投資成本成立一間合營公司，稱為華興泰有限公司(「華興泰」)。於同日，華興泰與瑞麗石油集團有限公司以代價1港元取得First Energy 50%之權益。First Energy透過其附屬公司APEL之投資，已於二零零六年九月十七日獲得特許經營權以取得埃及West Esh El Mallaha 2區油田(「二區油田」)之石油開發及生產權。因此，高信能源及華立均需各自出資共約7,000,000美元(相等於54,600,000港元)，總共14,000,000美元(相等於109,200,000港元)，以股東貸款形式予華興泰，從而給於First Energy作為參予二區油田開發及生產。

於二零零六年八月三日，本集團收購華興泰餘下50%權益及華興泰成為本公司之全資附屬公司。於收購日獲得之淨資產如下。根據華興泰與First Energy之另一股東Volant所簽訂之補充協議，由華興泰出資於First Energy之股東貸款由14,000,000美元減至7,000,000美元(相等於109,200,000港元減至54,600,000港元)。

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### 19. INTEREST IN JOINT VENTURES (Continued)

#### Jointly controlled entity (Continued)

The net assets of Oriental Victor acquired on 3 August 2006 are as follows:

		千港元 HK\$'000
Net assets acquired:	收購之淨資產	
Interest in a jointly controlled entity (Note)	合營公司權益 (附註)	-
Loan to a jointly controlled entity	合營公司貸款	9,332
Other receivables	其他應收款	13
Amount due from a jointly controlled entity	應收合營公司款項	1,983
Other payables and accrued expenses	其他應付賬款及應計費用	(11,321)
		7
Represented by:	由以下代表:	
Interest in a jointly controlled entity	合營公司權益	2
Cash consideration paid	現金代價支付	5
		7
Cash outflow arising on acquisition, being cash consideration paid	收購之現金流量, 現金代價支付	5

Note: The interest in First Energy acquired amounted to HK\$1.

On 8 August 2007 and 19 October 2007, the Group through a wholly owned subsidiary, Sky Energy Investment Limited ("SEI"), acquired 99.2% and 0.8% shares of Volant respectively. Volant held 50% interest in First Energy and First Energy became the wholly owned subsidiary of the Company as set out in note 29.

### 19. 合營公司權益(續)

#### 合營公司(續)

於二零零六年八月三日收購華興泰之淨資產如下:

		千港元 HK\$'000
Net assets acquired:	收購之淨資產	
Interest in a jointly controlled entity (Note)	合營公司權益 (附註)	-
Loan to a jointly controlled entity	合營公司貸款	9,332
Other receivables	其他應收款	13
Amount due from a jointly controlled entity	應收合營公司款項	1,983
Other payables and accrued expenses	其他應付賬款及應計費用	(11,321)
		7
Represented by:	由以下代表:	
Interest in a jointly controlled entity	合營公司權益	2
Cash consideration paid	現金代價支付	5
		7
Cash outflow arising on acquisition, being cash consideration paid	收購之現金流量, 現金代價支付	5

附註: 收購First Energy權益相當於1港元。

於二零零七年八月八日及二零零七年十月十九日, 本集團透過一間全資附屬公司, 天能投資有限公司(「天能投資」), 分別收購Volant 99.2%及0.8%股份。Volant持有First Energy 50%權益及First Energy成為本公司之全資附屬公司(詳列於附註29)。



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### 19. INTEREST IN JOINT VENTURES (Continued)

#### Jointly controlled operations

- (a) Jointly controlled operation in Block 3 West Kom Ombo in Egypt (“Block 3”)

The subsidiary of Volant, Pan Pacific Petroleum Egypt Pty Ltd. (“Pan Pacific”) had entered into a joint operating agreement (the “First JOA”) with Groundstar Resources Egypt (Barbados) Inc. (“Groundstar”) in November 2006 to develop and produce crude oil in the oil field of Block 3. Pan Pacific and Groundstar had the participating interest of the Block 3 for 40% and 60% respectively.

Pursuant to First JOA, Groundstar would bear total costs for exploration of Block 3 for the initial US\$7,000,000 (equivalent to HK\$54,600,000). Once the total costs incurred exceed US\$7,000,000 (equivalent to HK\$54,600,000), Groundstar would bear 60% and Pan Pacific would bear 40% of costs according to the participating interest in Block 3. The profit derived from Block 3 will first cover the operating and development costs and thereafter is shared by the proportion of 40% to Pan Pacific and 60% to Groundstar.

The summary of assets and liabilities in the consolidated financial statements in relation to the Group’s interest in First JOA 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
Assets 資產	70,917	—

There was no results recognised in the consolidated financial statements for First JOA since Block 3 is still in its exploration stage.

### 19. 合營公司權益(續)

#### 共同控制業務

- (a) 於埃及West Kom Ombo區3區油田(「3區油田」)之共同控制業務

Volant之附屬公司Pan Pacific Petroleum Egypt Pty Ltd. (「Pan Pacific」) 與Groundstar Resources Egypt (Barbados) Inc. (「Groundstar」) 於二零零六年十一月訂立共同營運協議(「第一項協議」)，於3區油田開發及生產原油。Pan Pacific及Groundstar於3區油田分別持有40%及60%之參與權益。

根據第一項協議，Groundstar承擔首7,000,000美元(相等於54,600,000港元)3區油田開採之總成本，當總成本超越7,000,000美元(相等於54,600,000港元)，開採成本將按Groundstar及Pan Pacific參與三區油田之權益比例，即Groundstar 60%及Pan Pacific 40%，承擔來自3區油田開採之盈利將首先用作支付營運及開發成本，其後則按40%及60%之比例分派予Pan Pacific及Groundstar。

於綜合財務報表有關本集團於第一項協議之資產及負債概要如下：

由於3區油田仍然處於開採階段，因此就第一項協議而言於綜合財務報表並無確認業績。

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## 綜合財務報表附註

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### 19. INTEREST IN JOINT VENTURES (Continued)

#### Jointly controlled operations (Continued)

#### (b) Jointly controlled operation in Block 2

APEL had entered into a joint operating agreement (the "Second JOA") with Groundstar in April 2007 to develop and produce crude oil in the Block 2. APEL and Groundstar had the participating interest of the Block 2 for 80% and 20% respectively.

Pursuant to Second JOA, APEL and Groundstar would bear different proportion of costs for exploration of Block 2. When the total costs incurred for exploration does not exceed US\$9,000,000 (equivalent to HK\$70,200,000), APEL would bear 60% of costs and Groundstar would bear 40%. Once the total costs incurred exceed US\$9,000,000 (equivalent to HK\$70,200,000), APEL would bear 80% of costs and Groundstar would bear 20%. Under both scenarios, the profit derived from Block 2 will first cover the operating and development costs and thereafter is shared based on the participating interest, i.e. 80% by APEL and 20% by Groundstar.

The summary of assets and liabilities recognised in the consolidated financial statements in relation to the Group's interest in Second JOA 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
Assets	資產	275,982	—
Liabilities	負債	914	—

There was no results recognised in the consolidated financial statements for Second JOA since Block 2 is still in its exploration stage.

### 19. 合營公司權益(續)

#### 共同控制業務(續)

#### (b) 於2區油田之共同控制業務

APEL與Groundstar於二零零七年四月訂立一項共同營運協議(「第二項協議」)，於2區油田開發及生產原油。APEL及Groundstar於2區油田分別持有80%及20%之參與權益。

跟據第二項協議，APEL及Groundstar承擔不同比例之2區油田開採成本。當產生之總開採成本不超過9,000,000美元(相等於70,200,000港元)，APEL將承擔60%成本及Groundstar將承擔40%成本。當產生之總成本超過9,000,000美元(相等於70,200,000港元)，APEL將承擔80%成本及Groundstar將承擔20%成本。在以上兩種情況下，來自2區油田之溢利將首先用作支付營運及開發成本，其後則按其參與權益比例分配，即APEL 80%及Groundstar 20%。

於綜合財務報表確認有關本集團於第二項協議之資產及負債概要如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Assets	資產	275,982	—
Liabilities	負債	914	—

由於2區油田仍然處於開採階段，因此就第二項協議而言於綜合財務報表並無確認業績。

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### 20. DEFERRED TAX ASSET

The following are the major deferred tax liability and asset recognised and movements thereon during the year:

### 20. 遞延稅項資產

本年度主要已確認之遞延稅項負債及資產及其變動如下：

		<b>Accelerated depreciation</b>	<b>Tax losses</b>	<b>Total</b>
		累計折舊 HK\$'000 千港元	稅務虧損 HK\$'000 千港元	合共 HK\$'000 千港元
At 1 January 2006	於二零零六年一月一日	-	-	-
(Charge) credit to consolidated income statement for the year	本年度於損益表 (扣除) 計入	(25)	105	80
At 31 December 2006	於二零零六年 十二月三十一日	(25)	105	80
Credit (charge) to consolidated income statement for the year	本年度於綜合損益計數表 計入 (扣除)	25	(105)	(80)
At 31 December 2007	於二零零七年 十二月三十一日	-	-	-

At the balance sheet date, the Group has estimated unused tax losses of approximately HK\$23,456,000 (2006: HK\$30,204,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$600,000 of such losses at 31 December 2006. No deferred tax asset has been recognised in respect of the remaining tax losses of approximately HK\$23,456,000 (2006: HK\$29,604,000) due to the uncertainty of future profit streams. Tax losses may be carried forward indefinitely.

於結算日，本集團有未動用估計稅務虧損約23,456,000港元(二零零六年：30,204,000港元)可供抵銷未來溢利。於二零零六年十二月三十一日，約600,000港元稅務虧損之遞延稅項資產已確認。由於難以預測未來溢利流量，故未有確認餘下約23,456,000港元(二零零六年：29,604,000港元)稅務虧損之遞延資產。稅務虧損或會無限期結轉。

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## 綜合財務報表附註

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### 21. STATUTORY DEPOSITS

### 21. 法定按金

		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
Deposits with:	存放於下列公司之款項：		
The Stock Exchange	聯交所	350	230
The SFC	證監會	2,100	2,100
Hong Kong Securities Clearing Company Limited ("HKSCC")	香港中央結算有限公司 (「中央結算」)	200	200
Reserve Fund Contribution to HKFE Clearing Corporation Limited ("HKFECC")	期貨交易結算有限公司 (「期交結算」) 之儲備金供款	1,500	1,500
		<b>4,150</b>	<b>4,030</b>

### 22. LOAN TO A JOINTLY CONTROLLED ENTITY/ AMOUNT DUE FROM A JOINTLY CONTROLLED ENTITY

### 22. 合營公司貸款／應收合營公司款項

At 31 December 2006, the amounts were unsecured and non-interest bearing. Loan to a jointly controlled entity had no fixed repayment terms. In the opinion of the Directors, the loan was not repayable within one year. The amount due from a jointly controlled entity was repayable on demand. Both amounts were denominated in US\$.

The jointly controlled entity had become a subsidiary of the Group as disclosed in note 29 to the consolidated financial statements. Both amounts had been eliminated in the consolidated financial statements for the year end 31 December 2007.

於二零零六年十二月三十一日，該面額無抵押及免息。合營公司貸款沒有固定還款期。董事認為該貸款不會於一年內償還。應收合營公司款項需於要求時償還。兩項款項均以美元列算。

該合營公司，如綜合財務報表附註29所披露，已成為本集團之一間附屬公司。兩者總數已於截止二零零七年十二月三十一日止年度於綜合財務報表抵銷。

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## 綜合財務報表附註

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### 23. LOANS RECEIVABLE

### 23. 應收貸款

		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
Fixed-rate loans receivable denominated in functional currency of Hong Kong dollars	定息應收貸款 營運貨幣為港元	<b>1,806</b>	1,980
Carrying amount analysed for reporting purposes:	用作報告用途之賬面值分析：		
Current assets (receivable within 12 months from the balance sheet date)	流動資產(由結算日起 計算十二個月內 之應收款項)	<b>876</b>	586
Non-current assets (receivable after 12 months from the balance sheet date)	非流動資產(由結算日起 計算十二個月後 之應收款項)	<b>930</b>	1,394
		<b>1,806</b>	1,980

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### 23. LOANS RECEIVABLE (Continued)

The fixed-rate loans receivable have contractual maturity dates as follows:

Matured within 1 year	一年內到期
Matured within 1 year and 2 years	一年至兩年內到期
Matured within 2 years and 3 years	兩年至三年內到期
Matured within 3 years and 4 years	三年至四年內到期
Matured within 4 years and 5 years	四年至五年內到期
Matured over 5 years	五年後到期

### 23. 應收貸款(續)

定息應收貸款之定約到期日如下：

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Matured within 1 year	876	586
Matured within 1 year and 2 years	138	464
Matured within 2 years and 3 years	73	138
Matured within 3 years and 4 years	78	73
Matured within 4 years and 5 years	84	78
Matured over 5 years	557	641
	<b>1,806</b>	<b>1,980</b>

Loans receivable with an aggregate carrying value of approximately HK\$924,000 (2006: HK\$983,000) are secured by a property located in Hong Kong. The Group is not permitted to sell or repledge the pledged assets in the absence of default by the customers.

總面值約924,000港元(二零零六年：983,000港元)之應收貸款乃以香港住宅作為擔保。本集團不被准許當客戶沒有拖欠貸款時賣出或再抵押已抵押的資產。

The effective interest rates (which are equal to contractual interest rates) on the Group's loans receivable ranged from 7% to 9.75% (2006: 5% to 12%). Interest rate term is fixed at time when entering into loan agreement.

本集團應收貸款之實際利率(此等同合約利率)由7%至9.75%不等(二零零六年：5%至12%)。利率之條款於訂立貸款協議時釐定。

In determining the recoverability of the loans receivable, the Group considers any change in credit quality of the loans receivable from the date credit was initially granted up to the reporting date. The loans receivable with a carrying amount of approximately HK\$1,806,000 (2006: HK\$1,980,000) which are neither past due nor impaired at the reporting date for which the Group believes that the amounts are with good credit quality. Therefore, no provision is considered necessary.

於釐定應收貸款之可收回機會時，本集團會考慮由初次授出信貸日期起直至申報日期止之應收貸款信貸質素之任何變化。於申報日期，賬面值約1,806,000港元(二零零六年：1,980,000港元)之應收貸款並非過期未付亦無出現減值，而本集團相信有關貸款之金額信貸質素良好。因此，毋須考慮作出撥備。



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## 綜合財務報表附註

For the year ended 31 December 2007  
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### 24. ACCOUNTS RECEIVABLE

### 24. 應收賬款

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Accounts receivable comprise of:	應收賬款包括下列項目：		
Accounts receivable arising from the business of dealing in securities:	買賣證券業務所產生之應收賬款：		
– Cash clients	– 現金客戶	23,438	18,774
Less: Allowance for doubtful debts	扣除：呆壞賬撥備	(278)	(1,612)
		23,160	17,162
– HKSCC	– 中央結算	28,054	1,778
Accounts receivable from HKFECC arising from the business of dealing in futures contracts	買賣期貨合約業務所產生之應收期交結算賬款	8,154	6,443
Loans to securities margin clients	證券保證金融資客戶貸款	29,478	37,037
Less: Allowance for doubtful debts	扣除：呆壞賬撥備	–	(12,187)
		29,478	24,850
Accounts receivable arising from the business of providing corporate advisory services	提供企業顧問服務業務所產生之應收賬款	210	260
		89,056	50,493

The settlement terms of accounts receivable from cash clients, HKSCC and HKFECC are usually one to two days after the trade date. Except for the accounts receivable from cash clients as mentioned below, the accounts receivable from HKSCC and HKFECC aged within 30 days.

Loans to securities margin clients are repayable on demand and bear interest at prevailing market rates. In the opinion of the Directors, no aged analysis is disclosed as the aged analysis does not give additional value. The loans are secured by pledged marketable securities at fair value of approximately HK\$163,071,000 (2006: HK\$139,433,000). The Group is not permitted to sell or repledge the pledged asset in the absence of default by the customer.

The Group does not provide any credit term to its corporate advisory clients and cash clients. The aged analysis of accounts receivable arising from these clients is as follows:

應收現金客戶、中央結算及期交結算賬款之結算期限為交易日期後一至二日。除下文所示之現金客戶應收賬款外，中央結算及期交結算之應收賬款的賬齡均為30天內。

證券保證金融資客戶貸款須按通知償還及按現行市場利率計算利息。董事認為，由於賬齡分析並無意義，因此並無就此作出任何披露。貸款以抵押市場證券作抵押，其公平值約163,071,000港元(二零零六年：139,433,000港元)。本集團不被准許當客戶沒有拖欠貸款時賣出或再抵押已抵押的資產。

本集團並無為企業顧問客戶及現金客戶提供信貸期。由此客戶產生之應收賬款賬齡如下：

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## 綜合財務報表附註

For the year ended 31 December 2007  
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### 24. ACCOUNTS RECEIVABLE (Continued)

### 24. 應收賬款(續)

#### Accounts receivable from corporate advisory clients

#### 企業顧問客戶之應收賬款

		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
0 to 90 days	零至九十日	110	25
91 to 180 days	九十一至一百八十日	100	25
Over 180 days	多於一百八十日	-	210
		<b>210</b>	<b>260</b>

#### Accounts receivable from cash clients

#### 現金客戶之應收賬款

		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
0 to 90 days	零至九十日	21,442	16,885
91 to 180 days	九十一至一百八十日	1,718	277
		<b>23,160</b>	<b>17,162</b>

In the opinion of the Directors, there are no accounts receivable from corporate advisory clients and cash clients impaired at 31 December 2007 and 2006 because the Directors believe that the amounts are considered recoverable. About 98% of the carrying amounts are subsequently settled.

董事認為總數可收回，因此於二零零六年及二零零七年十二月三十一日並無就企業顧問客戶及現金客戶之應收賬款作減值虧損。約98%之賬面值於結算日後償還。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
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### 24. ACCOUNTS RECEIVABLE (Continued)

### 24. 應收賬款(續)

#### Movement in the allowance for doubtful debts of cash clients

#### 現金客戶呆壞賬撥備之變動

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Balance at beginning of the year	年初面值	1,612	1,643
Impairment losses recognised on receivables	應收款項減值虧損 確認	3	56
Amounts written off as uncollectible	不能收回之撇賬額	(1,062)	(6)
Amounts recovered during the year	本年度回撥	(275)	(81)
Balance at end of the year	年終面值	278	1,612

#### Movement in the allowance for doubtful debts of margin clients

#### 保證金融資客戶呆壞賬撥備之變動

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Balance at beginning of the year	年初面值	12,187	12,960
Amounts written off as uncollectible	不能收回之撇賬額	(12,175)	-
Amounts recovered during the year	本年度回撥	(12)	(773)
Balance at end of the year	年終面值	-	12,187

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## 綜合財務報表附註

For the year ended 31 December 2007  
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### 24. ACCOUNTS RECEIVABLE (Continued)

Included in the allowance for doubtful debts of margin clients are individually impaired accounts receivable which have been in severe financial difficulties. The amount was arrived after considering the proceeds from disposal of respective pledged marketable securities held by the Group. The allowance would be written off as uncollectible if the amounts are not recovered in one year subsequently.

In determining the recoverability of the accounts receivable, the Group considers any change in the credit quality of the accounts receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Directors believe that there is no further credit provision required in excess of the existing allowance for doubtful debtors.

### 25. PLEDGED FIXED DEPOSITS, BANK BALANCES AND CASH

#### Pledged fixed deposits (general accounts)

The Group had pledged fixed deposits of approximately HK\$8,541,000 (2006: HK\$8,165,000) to banks to secure general banking facilities granted to the Group. The pledged fixed deposits carry interest rates ranging from 3.1% to 4.4% (2006: 3% to 5%) per annum and will be released upon the expiry of the relevant banking facilities.

At 31 December 2007, the Group had also pledged fixed deposit of approximately HK\$54,600,000 (2006: nil) to a bank for issuance of a bank guarantee which is requested by the Government of Egypt in relation to the oil and gas exploration and production business in Egypt. The deposit, denominated in US\$, carry prevailing market interest rates ranging from 4.7% to 5.3% per annum and will be released upon the start of oil production.

### 24. 應收賬款(續)

保證金客戶呆壞賬撥備包括一直面對嚴重財政困難之個別減值應收賬款。撥備額按出售本集團持有之有關市場股票所得的款項釐定。倘有關金額無法於一年內收回，則有關撥備將以收回方式撇銷。

本集團於釐定應收賬款之可收回機會時，會考慮由初次授出信貸日期起直至申報日期止之應收賬款信貸質素之任何變化。信貸風險之集中程度有限，乃由於客戶基礎龐大及並無關連。因此，董事相信現時毋須作出呆壞賬撥備以外之進一步信貸撥備。

### 25. 已抵押定期存款、銀行結存及現金

#### 已抵押定期存款(一般賬戶)

本集團就取得授予本集團之一般銀行融資而向銀行作出之抵押定期存款約為8,541,000港元(二零零六年：8,165,000港元)。已抵押定期存款之利率介乎每年3.1%至4.4%(二零零六年：3%至5%)並將於有關銀行融資到期後解除。

於二零零七年十二月三十一日本集團就有關埃及石油及天然氣開採及生產應埃及政府要求用以申請銀行保證向銀行作出之抵押定期存款約為54,600,000港元(二零零六年：無)。存款以美元列算及現行市場利率介乎每年4.7%至5.3%並將於石油開始生產時解除。

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## 綜合財務報表附註

For the year ended 31 December 2007  
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### 25. PLEDGED FIXED DEPOSITS, BANK BALANCES AND CASH (Continued)

#### Bank balances (trust and segregated accounts)

From the Group's ordinary business, it receives and holds money deposited by clients in the course of the conduct of the regulated activities. These clients' monies are maintained in one or more segregated bank accounts and bear prevailing market interest rates ranging from 1.5% to 3.5% (2006: 1.2% to 3.2%) per annum. The Group has recognised the corresponding accounts payable to respective clients. However, the Group does not have a currently enforceable right to offset those payables with the deposits placed.

#### Bank balances (general accounts) and cash

The amounts comprise cash held by the Group and short-term bank deposits carry prevailing market interest rates ranging from 0.8% to 2.1% (2006: 1.2% to 3.2%) per annum with an original maturity of three months or less.

### 26. ACCOUNTS PAYABLE

Accounts payable to cash clients arising from the business of dealing in securities	買賣證券業務所產生應付現金客戶之賬款	116,269	65,847
Accounts payable to clients arising from the business of dealing in futures contracts	買賣期貨合約業務所產生應付客戶之賬款	15,964	9,746
Amounts due to securities margin clients	應付證券保證金融資客戶之款項	4,226	2,783

The settlement term of accounts payable to cash clients is two days after the trade date and aged within 30 days.

### 25. 已抵押定期存款、銀行結存及現金 (續)

#### 銀行結存(信託及獨立賬戶)

來自本集團之日常業務，本集團進行受監管活動而收取並持有客戶之存款。該等客戶之款項儲存在一個或多個獨立銀行賬戶並承擔按現行市場年利率介乎每年1.5%至3.5% (二零零六年：1.2%至3.2%)計算之利息。本集團已確認相對之應付有關客戶之賬款。但本集團現時並無行使權將存款抵銷該等應付賬款。

#### 銀行結存(一般賬戶)及現金

此金額包括本集團持有之現金及現行市場利率介乎每年0.8%至2.1% (二零零六年：1.2%至3.2%)計算並少於三個月到期之短期銀行存款。

### 26. 應付賬款

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Accounts payable to cash clients arising from the business of dealing in securities	買賣證券業務所產生應付現金客戶之賬款	116,269	65,847
Accounts payable to clients arising from the business of dealing in futures contracts	買賣期貨合約業務所產生應付客戶之賬款	15,964	9,746
Amounts due to securities margin clients	應付證券保證金融資客戶之款項	4,226	2,783
		<b>136,459</b>	<b>78,376</b>

應付現金客戶之結算期限為交易日期後兩日，其賬齡為30天內。

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## 綜合財務報表附註

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### 26. ACCOUNTS PAYABLE (Continued)

Accounts payable to clients arising from the business of dealing in futures contracts are margin deposits received from clients for their tradings of futures contracts on the HKFECC. The excess of the outstanding amounts over the required margin deposits stipulated by the HKFECC are repayable to clients on demand. In the opinion of the Directors, no aged analysis is disclosed as the aged analysis does not give additional value.

Amount due to securities margin clients are repayable on demand. In the opinion of the Directors, no aged analysis is disclosed as the aged analysis does not give additional value.

The accounts payable amounting to approximately HK\$100,994,000 (2006: HK\$61,936,000) was payable to clients and other institutions in respect of the trust and segregated bank balances received and held for clients in the course of the conduct of regulated activities. However, the Group does not have a currently enforceable right to offset these payables with the deposits placed.

### 27. OTHER LIABILITIES

Other loans represented loans borrowed from third parties. The amounts are unsecured, interest bearing at 18% per annum and are repayable on demand.

Amount due to a joint venturer is unsecured, non-interest bearing and is repayable on demand. The amount is denominated in US\$, a foreign currency other than the functional currency of relevant group entities.

Amounts due to directors are unsecured, interest bearing at prime rate minus 2.5% per annum and are repayable on demand. The amount of approximately HK\$16,465,000 is denominated in US\$, a foreign currency other than the functional currency of relevant group entities.

### 26. 應付賬款(續)

買賣期貨合約業務所產生應付客戶之賬款，乃已收客戶買賣期交所期貨合約之保證金。未償還款項較期交所規定之保證金按金超出之數額，須按通知向客戶償還。董事認為，由於賬齡分析並無意義，因此並無就此作出任何披露。

應付證券保證金融資客戶之款項，須按通知償還。董事認為，由於賬齡分析並無意義，因此並無就此作出任何披露。

因進行受監管活動而收取及持有客戶及其他機構款項，並儲存在信託及獨立銀行賬戶的應付賬款約為100,994,000港元(二零零六年：61,936,000港元)。但本集團現時並無行使權將各存款抵銷該等應付賬款。

### 27. 其他應付款項

其他貸款代表向第三者借入之貸款。該款項無抵押，利率為每年18%及於要求時償還。

應付合資經營企業款項為無抵押免息及沒有固定還款期。該款項以相關集團實體之營運貨幣以外之幣值美元列算。

應付董事款項無抵押，利率為每年最優惠利率減2.5%及於要求時償還。約16,465,000港元款項以相關集團實體之營運貨幣之外之幣值美元列算。



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## 綜合財務報表附註

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### 28. SHARE CAPITAL

### 28. 股本

		Number of shares	
		股份數目	
		'000	HK\$'000
		千股	千港元
<b>Ordinary shares of HK\$0.10 each</b>		<b>每股面值0.10港元之普通股</b>	
<i>Authorised:</i>		<i>法定股本：</i>	
At 1 January 2006,		二零零六年一月一日，	
31 December 2006 and		二零零六年十二月三十一日及	
<b>31 December 2007</b>		<b>1,000,000</b>	<b>100,000</b>
<i>Issued and fully paid:</i>		<i>已發行及繳足股本：</i>	
At 1 January 2006 and		460,000	46,000
Placing of shares (Note 1)		17,000	1,700
<b>At 31 December 2006</b>		<b>477,000</b>	<b>47,700</b>
Exercise of share options (Note 1)		11,400	1,140
Issued for the acquisition of the		發行股份收購Volant已發行	
issued share capital of Volant (Note 2)		36,807	3,681
Issued for conversion of RCPS (Note 2)		68,355	6,835
<b>At 31 December 2007</b>		<b>593,562</b>	<b>59,356</b>

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## 綜合財務報表附註

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### 28. SHARE CAPITAL (Continued)

Notes:

- (1) Pursuant to the meeting of the Board of Directors of the Company held on 7 April 2006, the issue of 17,000,000 new shares of HK\$0.1 each for cash at HK\$1.73 per share by the way of placing was approved and the new shares were allotted to independent third parties (“the Placees”) on 23 May 2006. The proceeds were used to partly finance the funding commitment of US\$7,000,000 (equivalent to HK\$54,600,000) for the oil field in Egypt.

Pursuant to the terms of the placing agreement, the Company has also agreed to grant an option to each of the Placees to subscribe for the shares of the Company up to an aggregate of 17,000,000 shares at an option exercise price of HK\$1.85 each during the option period of one year and 11,400,000 options were exercised in the year of 2007. 11,400,000 new shares of HK\$0.1 each were issued at HK\$1.85 per share. The remaining options were lapsed on 23 May 2007.

- (2) On 8 August 2007 and 19 October 2007, 36,516,258 and 290,345 new shares of HK\$0.1 each were issued for the acquisition of Volant respectively. On 21 December 2007, all the RCPS were converted into 68,355,009 new shares of HK\$0.1 each.

### 28. 股本(續)

附註：

- (1) 根據於二零零六年四月七日舉行之本公司之董事會會議，批准以配售形式發行每股0.1港元之17,000,000股新股份，以換取現金每股1.73港元。該新股已於二零零六年五月二十三日向獨立第三者（「承配人」）配發。該款項部份用作為於埃及油田之7,000,000美元（相等於54,600,000港元）資金承擔。

根據配售協議之條款，本公司亦同意向各承配人授出認股權，於為期一年的認股權期間內以每股1.85港元的認股權行使價認購總數達17,000,000股之本公司股份及11,400,000股認股權已於二零零七年行使。每股0.1港元之11,400,000股新股份以每股1.85港元發行，其餘認股權已於二零零七年五月二十三日終止。

- (2) 於二零零七年八月八日及二零零七年十月十九日。分別就收購Volant發行面值每股0.1港元之36,516,258股及290,345股新股。於二零零七年十二月二十一日，所有可贖回可換股優先股已轉換為68,355,009股每股面值0.1港元之新股。

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## 綜合財務報表附註

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### 29. ACQUISITION OF A SUBSIDIARY

On 8 August 2007, the Group through a wholly owned subsidiary, SEI, acquired 99.2% shares of Volant by issue of 0.2121 share of the Company and 1 RCPS of the Company for each share of Volant. On 19 October 2007, the Group acquired the remaining 0.8% shares of Volant. Through the acquisition, the Group also acquired the remaining 50% interest of First Energy and First Energy became the wholly owned subsidiary of the Company.

The principal assets held by Volant are exploration and evaluation assets, including oil concession rights. Hence, the acquisition of entire interest of Volant has been accounted for as acquisition of assets and the related liabilities:

### 29. 收購附屬公司

於二零零七年八月八日，本集團透過一間全資附屬公司天能投資以發行本公司0.2121股股份及1股可贖回可換股優先股換取1股Volant股份，收購Volant 99.2%股份。於二零零七年十月十九日，本集團收購Volant餘下0.8%股份。透過此收購，本集團亦收購First Energy餘下50%權益並First Energy成為本公司之全資附屬公司。

Volant之主要資產為開採及估計資產，包括石油特許經營權。因此收購Volant之全部權益以收購資產及相關負債入賬：

		HK\$'000 千港元
Exploration and evaluation asset – oil concession rights	開採及估計資產 – 石油特許經營權	310,758
Exploration and evaluation assets – others	開採及估計資產 – 其他	22,884
Other receivables, prepayments and deposits	其他應收款項、預付款及按金	1,045
Pledged bank deposit	已抵押定期存款	55,198
Bank balances and cash	銀行結存及現金	1,188
Other payables and accrued expenses	其他應付款項及應計費用	(6,031)
Other loans	其他貸款	(5,242)
Loan from ultimate holding company	最終控股公司貸款	(14,637)
Amount due to a joint venturer	應付合資經營公司款項	(22,733)
Amount due to a subsidiary of the Group	應付本集團之一間附屬公司款項	(41,118)
		301,312
Minority interests	少數股東權益	(80,668)
		220,644
Represented by:	代表	
Share issued (Note 28)	股份發行 (附註28)	85,787
Shares issued for conversion of RCPS	發行以轉換可贖回可換股優先股	128,507
Interest in a jointly controlled entity	合營公司權益	599
Directly attributable costs	直接產生成本	5,751
		220,644
Cash (outflow) inflow arising on acquisition:	收購產生之現金 (流出) 流入:	
Directly attributable costs	直接產生成本	(5,751)
Bank balances and cash acquired	收購之銀行結存及現金	1,188
		(4,563)

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### 29. ACQUISITION OF A SUBSIDIARY (Continued)

Pursuant to the bidder's statement dated 8 November 2006 and replacement bidder's statement dated 1 December 2006 issued by SEI (the "Statements"), the Group acquired the entire issued share capital of Volant by issue of 0.2121 share of the Company and 1 RCPS of the Company for each share of Volant. According to the terms of RCPS stated on the Statements, the Company has an option to either redeem each RCPS by cash at US\$0.1056 (equivalent to HK\$0.8237) or convert each RCPS to 0.3939 Company's share within 120 days from date of issuing RCPS.

On 8 August 2007, 36,516,258 new shares of HK\$0.1 each and 172,165,124 RCPS were issued for acquisition of 99.2% shares of Volant. On 19 October 2007, 290,345 new shares of HK\$0.1 each and 1,368,604 RCPS were issued for acquisition of the remaining 0.8% shares of Volant. On 21 December 2007, all the RCPS were converted into 68,355,009 new shares of HK\$0.1 each.

The cash outflow arising on acquisition of a subsidiary for the year ended 31 December 2006 is disclosed in note 19 to the consolidated financial statements.

### 30. OPERATING LEASES

#### The Group as lessee

The Group made minimum lease payments under operating leases in respect of office premises of approximately HK\$5,946,000 (2006: HK\$5,070,000) during the year.

### 29. 收購附屬公司(續)

根據於二零零六年十一月八日之競投者聲明及天能投資於二零零六年十二月一日之取代競投者聲明(「聲明」)，本集團透過按每股Volant股份發行0.2121股本公司股份及本公司1股可贖回可換股優先股，收購Volant之全部已發行股本(「收購事項」)。跟據聲明所陳述，可贖回可換股優先股之條款，本公司可於發行可贖回可換股優先股當日後120日，選擇以0.1056美元(相當於0.8237港元)之現金或以0.3939本公司之股份換1股可贖回可換股優先股。以贖回可換股優先股。

於二零零七年八月八日，已就收購Volant 99.2%股份發行36,516,258股每股面值0.1港元之新股及172,165,124可贖回可換股優先股。於二零零七年十月十九日，已就收購Volant餘下0.8%股份發行290,345股每股面值0.1港元之新股及1,368,604股可贖回可換股優先股。於二零零七年十一月十九日，所有可贖回可換股優先股已轉換為每股面值0.1港元之68,355,009股新股份。

二零零六年十二月三十一日收購附屬公司產生之現金流量於綜合財務報表附註19披露。

### 30. 經營租約

#### 本集團作為承租人

本集團本年度就辦公室物業經營租約支付之最低租金為約5,946,000港元(二零零六年：5,070,000港元)。

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### 30. OPERATING LEASES (Continued)

#### The Group as lessee (Continued)

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due 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 one year	一年內	1,243	5,384
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	-	1,225
		<b>1,243</b>	<b>6,609</b>

Operating lease payments represent rentals payable by the Group for its office premises. Leases are mainly negotiated for an average term of two years and rentals are fixed for an average of two years.

### 30. 經營租約(續)

#### 本集團作為承租人(續)

於結算日，本集團須根據租賃物業之不可註銷經營租約，在下列期間支付未來最低租金：

		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	1,243	5,384
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	-	1,225
		<b>1,243</b>	<b>6,609</b>

經營租約款項指本集團就辦公室物業應付之租金。租約主要按平均兩年期磋商，而於平均兩年內之租金乃固定。

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### 31. CAPITAL COMMITMENT

### 31. 資本承擔

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of exploration and evaluation assets contracted for but not provided in the consolidated financial statements	有關購買開採及估計資產已定約項目但未計於綜合財務報表撥備之資本開支	6,630	—
Capital expenditure in respect of the acquisition of exploration and evaluation assets authorised for but not contracted for	有關購買開採及估計資產已發定項目但未合約之資本開支	8,899	—

According to the concession agreement signed by Pan Pacific on 17 September 2006 regarding the exploration of Block 3, Pan Pacific is committed to acquire further seismic data and spend not less than US\$3,000,000 (equivalent to HK\$23,400,000) during the initial two years, drill two wells and spend not less than US\$4,000,000 (equivalent to HK\$31,200,000) during the subsequent three years, and drill two wells and spend not less than US\$5,000,000 (equivalent to HK\$39,000,000) during the last three years. The sharing of exploratory costs between Pan Pacific and Groundstar is explained in note 19(a).

跟據於二零零六年九月十七日Pan Pacific簽定關於3區油田開採之特許經營協議，Pan Pacific承諾取進一步震測數據及於頭二年花費不少於3,000,000美元(相等於23,400,000港元)，鑽探兩口油井並於其後三年花費不少於4,000,000美元(相等於31,200,000港元)，及於最後三年鑽探兩口油井及花費不少於5,000,000美元(相等於39,000,000港元)。Pan Pacific及Groundstar分擔之生產成本比例詳述於附註19(a)。

According to the concession agreement signed by APEL on 17 September 2006 regarding the exploration of Block 2, APEL is committed to drill three wells and spend not less than US\$7,000,000 (equivalent to HK\$54,600,000) during the initial three years, drill two wells and spend not less than US\$5,000,000 (equivalent to HK\$39,000,000) during the subsequent three years, and drill two wells and spend not less than US\$4,000,000 (equivalent to HK\$31,200,000) during the last two years. The sharing of exploratory costs between APEL and Groundstar is explained in note 19(b).

跟據於二零零六年九月十七日APEL簽定關於2區油田開採之特許經營協議，APEL承諾鑽探三口油井並於頭三年花費不少於7,000,000美元(相等於54,600,000港元)，於其後三年鑽探兩口油井並花費不少於5,000,000美元(相等於39,000,000港元)及於最後兩年鑽探兩口油井並花費不少於4,000,000美元(相等於31,200,000港元)按APEL及Groundstar分擔之生產成本比例詳述於附註19(b)。



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### 32. SHARE BASED PAYMENT TRANSACTIONS

Pursuant to the Share Option Scheme (the “Scheme”) adopted by the Company at the annual general meeting held on 7 September 2004, the Board of Directors of the Company may at its discretion, invite any employees (whether full-time or part-time), executives or officers of the Company and any of its subsidiaries (including Executive and Non-Executive Directors) and any business consultants, agents, financial or legal advisers who the Board of Directors of the Company considers will contribute or have contributed to the Company or any of its subsidiaries (the “Eligible Participants”), to take up share options to subscribe for shares in the Company. The purpose of the Scheme is to provide incentives to the Eligible Participants. The Scheme will expire on 6 September 2014.

The subscription price for shares under the Scheme will be a price determined by the Board of Directors of the Company but will not be less than the highest of: (i) the official closing price of the Company’s shares as stated in the daily quotation sheet of the Stock Exchange on the date of the Company on which the share option is offered to an Eligible Participant (“Offer Date”); (ii) the average of the official closing prices of the Company’s shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the Offer Date; and (iii) the nominal value of a share of the Company.

There is no minimum year for which a share option must be held before it became exercisable. Share options granted are exercisable at any time during the exercisable year determined by the Board of Directors of the Company.

### 32. 股權支付交易

根據本公司於二零零四年九月七日之股東周年大會中採納之認股權計劃(「認股權計劃」)，本公司董事會可酌情邀請本公司及其任何附屬公司任何僱員(不論是全職或兼職)、行政人員或高級職員(包括執行及非執行董事)，以及本公司董事會認為將會或已經對本公司或其任何附屬公司帶來貢獻之任何業務顧問、代理、財務或法律顧問(「合資格參與者」)，接受認股權以認購本公司股份。認股權計劃旨在獎勵合資格參與者。認股權計劃將於二零一四年九月六日屆滿。

認股權計劃下之股份認購價，將為本公司董事會釐定之價格，但該價格將不少於以下三者之最高者：(i)於本公司向合資格參與者授出認股權當日(「授出日期」)，聯交所每日報價表所示本公司股份之正式收市價；(ii)於緊接授出日期前五個營業日，聯交所每日報價表所示本公司股份之平均正式收市價；以及(iii)本公司股份之面值。

現時並無規定認股權於可獲行使前必須持有最短年期。已授出之認股權，於本公司董事會釐定之可行使年度內可隨時予以行使。

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## 綜合財務報表附註

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### 32. SHARE BASED PAYMENT TRANSACTIONS (Continued)

The maximum number of shares in respect of which share options may be granted under the Scheme is 46,000,000 shares of the Company, being 10% of the issued share capital of the Company on the date on which the Scheme was approved. The maximum number of shares in respect of which share options may be granted to any Eligible Participants, shall not, when aggregated with: (i) any share of the Company issued upon exercise of share options or share options under other schemes which have been granted to that Eligible Participant; (ii) any share of the Company which would be issued upon the exercise of outstanding share options or share options under other schemes granted to that Eligible Participant; and (iii) any cancelled shares of the Company which were the subject of share options or share options under other schemes which had been granted to and accepted by that Eligible Participant, in any twelve-month period up to the Offer Date, exceed 1% of the number of shares of the Company in issue on the Offer Date.

The acceptance of a share option, if accepted, must be made within 30 days after the Offer Date with a non-refundable payment of HK\$1 from the grantee to the Company.

No share option has been granted under the Scheme since its adoption on 7 September 2004.

### 32. 股權支付交易(續)

根據認股權計劃而可能授出之認股權所涉及之最高股份數目為46,000,000股本公司股份，即本公司於批准認股權計劃當日之已發行股本10%。直至授出日期止任何十二個月期間，任何合資格參與者可能獲授認股權所涉及之最高股份數目，當與以下三者彙集起來時，將不超過本公司於授出日期之已發行股份數目之1%：(i)因行使認股權，或因行使該合資格參與者已獲授其他計劃下之認股權而已發行之本公司任何股份；(ii)因行使未行使認股權，或因行使該合資格參與者已獲授其他計劃下之認股權而將予發行之本公司任何股份；以及(iii)認股權或該合資格參與者已獲授及接納之其他計劃下之認股權所涉及之本公司任何已註銷股份。

於授出日期後三十日內必須作出是否接納認股權之決定。倘若接納認股權，則承授人須向本公司支付不可退還之款項1港元。

自於二零零四年九月七日採納認股權計劃以來，並未據此而授出任何認股權。

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### 33. RETIREMENT BENEFITS SCHEMES

#### Mandatory provident scheme ( the “MPF Scheme”)

The Group has operated a pension scheme under the rules and regulations of the Mandatory Provident Fund Schemes Ordinance after the implementation of the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately in an independently managed fund. The Group has followed the minimum statutory contribution requirement of 5% of eligible employees’ relevant aggregate income. The contributions are charged to the consolidated income statement as incurred.

#### Superannuation

The Australian subsidiaries operated a pension scheme, Superannuation, which has a compulsory element whereby employers are required by law to pay a proportion of employee’s salaries and wages (currently nine percent) into a superannuation fund, which can be used when the employee retires.

Employers must make superannuation contributions to the employees’ designated superannuation fund at least every three months. The superannuation contributions are invested over the period of the employees’ working life and the sum of compulsory and voluntary contributions, plus earnings, less taxes and fees paid to the person when they choose to retire. The sum most people receive is predominantly made up of compulsory employer contributions.

### 33. 退休福利計劃

#### 強制性公積金計劃(「強積金計劃」)

於強制性公積金計劃條例實行後，本集團已根據強制性公積金計劃條例之規則及規例設立退休金計劃。強積金計劃之資產，乃分開於獨立管理基金內持有。本集團已遵守最低法定供款規定，就合資格僱員之有關總收入5%作出供款。供款於產生時於綜合損益計數表內扣除。

#### 公積金計劃

澳洲附屬公司管理之退休金計劃，公積金計劃，其中包括之強制部份規定僱主須根據法例向一個公積金計劃支付僱員之薪金及工資之某一百分比(目前為百分之九)，並可於僱員退休時動用。

僱主須至少每三個月一次向僱員指定之公積金計劃支付公積金供款。公積金供款於僱員任職期間進行投資，而強制及自願供款(另加收益及扣除稅項及費用)之總數於有關人士選擇退休時向其支付。大部份人收取之總數主要由僱主之強制供款組成。

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### 33. RETIREMENT BENEFITS SCHEMES (Continued)

#### Superannuation (Continued)

Superannuation applies to all working Australians, except those earning less than AUD450 per month, or aged under 18 or over 70. Individuals can choose to make extra voluntary contributions to their superannuation fund and receive tax benefits for doing so.

The total costs charged to the consolidated income statement represent contributions payable to the MPF Scheme and superannuation by the Group.

### 34. RELATED PARTY TRANSACTIONS

#### Transactions with related parties

- (a) During the year, the Group received commission income and other securities dealing income from securities, futures and options dealings of approximately HK\$143,000 and 69,000 (2006: HK\$17,000 and HK\$70,000) from the associate, ATNT, an associate of the Group, and the close family members of the Directors, Messrs. Lam Kwok Hing and Nam Kwok Lun respectively.
- (b) During the year, the Group received interest income from securities margin financing of approximately HK\$21,000 (2006: HK\$31,000) from the associates of the Directors, Messrs. Lam Kwok Hing and Nam Kwok Lun.

### 33. 退休福利計劃(續)

#### 公積金計劃(續)

公積金計劃適用於澳洲所有在職人士，惟不包括每月收入少於450澳元或年紀不足18歲或超過70歲之人士。個別人士可選擇向其公積金計劃作出額外自願性供款，並可因此獲得稅務利益。

強積金計劃及公積金計劃之供款於產生時在綜合損益計數表扣除。

### 34. 關連人士交易

#### 關連人士交易

- (a) 於本年度內，本集團就證券、期貨及期權買賣向亞洲聯網，本集團之聯營公司，及藍國慶先生與藍國倫先生彼等之家庭成員分別收取佣金收入及其他證券買賣收入約為143,000港元及69,000港元(二零零六年：17,000港元及70,000港元)。
- (b) 於本年度內，本集團就證券保證金融資而向董事藍國慶先生與藍國倫先生彼等之聯繫人收取利息收入約21,000港元(二零零六年：31,000港元)。

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### 34. RELATED PARTY TRANSACTIONS (Continued)

#### Transactions with related parties (Continued)

- (c) During the year, the Group paid administrative expense of approximately HK\$996,000 (2006: HK\$869,000) to AC Consulting Limited in which Mr. Chow Ka Wo has a beneficial interest and is the Director of KTFA, a subsidiary of the Company.
- (d) During the year, the Group received commission income and other securities dealing income of approximately HK\$143,000 (2006: HK\$70,000) from an associate company, ATNT in which Messrs. Lam Kwok Hing and Nam Kowk Lun have beneficial interests and Messrs. Lam Kwok Hing, Nam Kwok Lun, Ng Chi Kin David and Kwan Wang Wai Alan are Directors.

#### Compensation of key management personnel

The remuneration of Directors during the year was as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Short-term benefits	短期福利	3,846	1,768
Post-employment benefits	退休福利	24	24
		<b>3,870</b>	1,792

The remuneration of Directors is determined by the remuneration committee having regard to the performance of individuals and market trends.

### 34. 關連人士交易(續)

#### 關連人士交易(續)

- (c) 於本年度內，本集團向AC Consulting Limited支付行政費約996,000港元(二零零六年：869,000港元)(周家和先生實益擁有其權益及為本公司之一間附屬公司，高信融資之董事)。
- (d) 於本年度內，本集團向聯營公司亞洲聯網(藍國慶先生及藍國倫先生實益擁有其權益，而藍國慶先生、藍國倫先生、伍志堅先生及關宏偉先生均為其董事)收取佣金收入及其他證券買賣收入約143,000港元(二零零六年：70,000港元)。

#### 主要管理人員之薪酬

於年度內董事之酬金如下：

董事之酬金乃由酬金委員會按照個別人士之表現及市場趨勢而釐定。

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### 35. PRINCIPAL SUBSIDIARIES

The following table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

### 35. 主要附屬公司

下表載列董事認為對本集團業績或資產有主要影響之本公司各附屬公司。董事認為，提供其他附屬公司之詳情會令篇幅過於冗長。

Name 名稱	Country/ place of incorporation 註冊成立 國家/地點	Principal place of business 主要業務地點	Issued and fully paid share capital 已發行及 繳足股本	Proportion of nominal value of issued share capital held by the Company 本公司持有已發行 股本面值比例		Principal activities 主要業務
				2007 二零零七年 % 百分比	2006 二零零六年 % 百分比	
Karl Thomson (B.V.I.) Limited	British Virgin Islands 英屬處女群島	Hong Kong 香港	HK\$10 10港元	100	100	Investment holding 投資控股
Karl-Thomson Securities Company Limited 高信證券有限公司	Hong Kong 香港	Hong Kong 香港	HK\$5,000,000 5,000,000港元	100	100	Securities dealing and broking 證券交易及買賣
Karl-Thomson Commodities Company Limited 高信商品期貨有限公司	Hong Kong 香港	Hong Kong 香港	HK\$5,000,000 5,000,000港元	100	100	Futures and options broking 期貨及期權買賣
Karl Thomson Finance Limited 高信財務有限公司	Hong Kong 香港	Hong Kong 香港	HK\$20,000,000 20,000,000港元	100	100	Securities margin financing 證券保證金融資
Karl Thomson Credit Limited 高信理財有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100	100	Money lending 借貸
Karl Thomson Investment Consultants Limited 高信投資顧問有限公司	Hong Kong 香港	Hong Kong 香港	HK\$1,000,000 1,000,000港元	100	100	Broking of mutual funds and insurance-linked investment plans and products 互惠基金、保險掛鈎投資 計劃及產品買賣
Karl Thomson Financial Advisory Limited 高信融資服務有限公司	Hong Kong 香港	Hong Kong 香港	HK\$600,000 600,000港元	51	51	Corporate finance advisory 企業融資顧問



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2007  
截至二零零七年十二月三十一日止年度

### 35. PRINCIPAL SUBSIDIARIES (Continued)

### 35. 主要附屬公司(續)

Name 名稱	Country/ place of incorporation 註冊成立 國家/地點	Principal place of business 主要業務地點	Issued and fully paid share capital 已發行及 繳足股本	Proportion of nominal value of issued share capital held by the Company 本公司持有已發行 股本面值比例		Principal activities 主要業務
				2007	2006	
				二零零七年 %	二零零六年 %	
				百分比	百分比	
Access Way Investments Limited	British Virgin Islands 英屬處女群島	Hong Kong 香港	US\$1 1美元	100	100	Holding of computer equipment 持有電腦設備
Karfun Investments Limited 佳帆投資有限公司	Hong Kong 香港	Hong Kong 香港	HK\$100,000 100,000港元	100	100	Investment holding 投資控股
Oriental Victor Limited 華興泰有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100	100	Investment holding 投資控股
Sky Energy Investment Limited 天能投資有限公司	Hong Kong 香港	Hong Kong 香港	HK\$1 1港元	100	100	Investment holding 投資控股
Volant Petroleum Limited	Australia 澳洲	Australia 澳洲	AUD35,011,303 35,011,303澳元	100	-	Investment holding 投資控股
Pan Pacific Petroleum Egypt Pty Limited	Egypt 埃及	Egypt 埃及	AUD2,000 2,000澳元	100	-	Oil and gas exploration and production 石油及天然氣開採及生產
First Energy Pty Limited	Australia 澳洲	Australia 澳洲	AUD550,382 550,382澳元	100	(Note) (註)	Oil and gas exploration and production 石油及天然氣開採及生產
Aminex Petroleum Egypt Limited	Egypt 埃及	Egypt 埃及	AUD65,660 65,660澳元	60	-	Oil and gas exploration and production 石油及天然氣開採及生產

Note: The Company held 50% proportion of nominal value of issued share capital of First Energy Pty Limited, which is a jointly controlled entity as at 31 December 2006.

註：本公司持有First Energy Pty Limited之按50%比例已發行股本，First Energy Pty Limited於二零零六年十二月三十一日為合營公司。

The Company directly holds the interest in Karl Thomson (B.V.I.) Limited. All other subsidiaries shown above are indirectly held by the Company.

本公司直接持有Karl Thomson (B.V.I.) Limited之權益，而上述所有其他附屬公司之權益則由本公司間接持有。

None of the subsidiaries had any debt securities outstanding at end of the year or at any time during the year.

於本年度結束時或本年度內任何時間，附屬公司概無任何尚未清償之債務證券。



# NOTICE OF ANNUAL GENERAL MEETING

## 股東週年大會通告

**NOTICE IS HEREBY GIVEN THAT** an Annual General Meeting of Shareholders of Karl Thomson Holdings Limited (the "Company") will be held at Unit 701, Tower One, Lippo Centre, 89 Queensway, Hong Kong on 12 June 2008, Thursday, at 10:00 a.m. for the following purposes:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and the Auditor for the year ended 31 December 2007.
2. (A) To re-elect the retiring Director, Mr. Kwan Wang Wai Alan, of the Company.  
  
(B) To authorise the Board of Directors to fix the remuneration of Directors.
3. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company and authorise the Directors to fix their remuneration.
4. To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

### ORDINARY RESOLUTIONS

- (A) (i) subject to paragraph A(iii) and pursuant to the Listing Rules, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power by and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph A(i) shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the expiry of the Relevant Period;

茲通告高信集團有限公司(「本公司」)謹訂於二零零八年六月十二日星期四上午十時正假座香港金鐘道89號力寶中心第一座701室舉行股東週年大會，以處理下列事項：

- 一. 省覽及考慮截至二零零七年十二月三十一日止年度之經審核財務報表及董事會與核數師報告。
- 二. (甲) 重選本公司之退任董事關宏偉先生。  
  
(乙) 授權董事會釐定董事酬金。
- 三. 續聘德勤•關黃陳方會計師行為本公司核數師及授權董事釐定其酬金。
- 四. 考慮並酌情通過下列事項為普通決議案(不論有否修訂)：

### 普通決議案

- (甲) (i) 在第甲(iii)段之規限下及根據上市規則，特此一般性及無條件地批准本公司董事於有關期間(按下文所界定)行使本公司全部權力以配發、發行及處理本公司股本中之額外股份，並訂立或授出可能須行使此權力之售股建議、協議或認股權；
- (ii) 第甲(i)段所載之批准應授權本公司董事於有關期間內訂立或授出可能須在有關期間屆滿後行使權力之售股建議、協議或認股權；

# NOTICE OF ANNUAL GENERAL MEETING

## 股東週年大會通告

(iii) the aggregate nominal value of share capital allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to the approval in paragraph A(i), otherwise than pursuant to a Rights Issue (as hereinafter defined) or any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or right to acquire shares in the Company shall not exceed 20% of the aggregate of the total nominal value of the share capital of the Company in issue as at the date of this Resolution and the said approval shall be limited accordingly; and

(iv) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

1. the conclusion of the next annual general meeting of the Company; or
2. the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or the Companies Act or any applicable law to be held; or
3. the passing of an Ordinary Resolution by the shareholders of the Company in general meeting revoking, varying or revising the authority given to the Directors of the Company by this Resolution; and

“Rights Issue” means an offer of shares in the capital of the Company or an offer or issue of options or, warrants or other securities granting the rights to subscribe for shares, open for a period fixed by the Directors of the Company to holders of shares on the register of shareholders of the Company on a fixed record date in proportion to their then holdings of shares, subject to all cases to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or

(iii) 除依據配售新股(按下文所界定)或目前採納之任何優先認股計劃或類似安排,向本公司及/或其任何附屬公司之僱員授予或發行股份或購買本公司股份之權利外,本公司董事根據第甲(i)段之批准配發或有條件或無條件地同意配發之股本總面額,不得超逾本公司於本決議案獲通過之日已發行股本總面額20%,而根據所述批准所授權力亦須受此數額限制;及

(iv) 就本決議案而言:

「有關期間」指由通過本決議案之時至下列三項中之較早日期止之期間:

1. 本公司下屆股東週年大會結束之時;或
2. 本公司之公司細則或公司法或任何適用法例規定本公司須舉行下屆股東週年大會之期限屆滿時;或
3. 本公司股東在股東大會上通過普通決議案撤銷、更改或修訂本決議案所授予本公司董事之權力;及

「配售新股」乃指本公司董事於指定期間向於指定記錄日期名列本公司股東名冊之股份持有人,按其當時持有股份之比例,發售本公司股本中之股份,或發售或發行附帶權利可認購股份之認股權或認股權證或其他證券,惟本公司董事有權在必須或權宜之情況下,就零碎股權或經考慮任何香港以外地區之任何法律限制或責任或任何認可監管機構

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having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong.

或任何證券交易所之規定而取消在此方面之權利或另作安排。

B. (i) subject to paragraph B(ii) and all applicable laws and/or the requirement of the Listing Rules or of any other stock exchange as amended from time to time, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase the shares of the Company on the Stock Exchange or on any other stock exchange on which the shares of the Company may be listed and recognized by the SFC and the Stock Exchange for this purpose, is hereby generally and unconditionally approved;

乙. (i) 在第乙(ii)段之規限下及根據所有適用法例及／或上市規則或任何其他證券交易所之規定(以不時之修訂本為準)，特此一般性及無條件地批准本公司董事於有關期間(按下文所界定)行使本公司所有權力，於聯交所或本公司股份可能於其上市並獲證監會及聯交所就此認可之任何其他證券交易所購回本公司股份；

(ii) the aggregate nominal amount of shares in the Company pursuant to the approval granted in paragraph B(i) during the Relevant Period shall not exceed 10% of the aggregate of nominal value of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval be limited accordingly; and

(ii) 根據第乙(i)段之批准，本公司將予購回或有條件或無條件地同意購回之股份總面額，不得超逾本公司於本決議案獲通過之日已發行股本總面額10%，而上述批准亦須受此數額限制；及

(iii) for the purposes of this Resolution:

(iii) 就本決議案而言：

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

「有關期間」指由通過本決議案之時至下列三項中之較早日期止之期間：

1. the conclusion of the next annual general meeting of the Company; or
2. the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or the Companies Act or any applicable law to be held; or
3. the passing of an Ordinary Resolution by the shareholders of the Company in general meeting revoking, varying or revising the authority given to the Directors of the Company by this Resolution; and

1. 本公司下屆股東週年大會結束之時；或
2. 本公司之公司細則或公司法或任何適用法例規定本公司須舉行下屆股東週年大會之期限屆滿時；或
3. 本公司股東在股東大會上通過普通決議案撤銷、更改或修訂本決議案所授予本公司董事之權力；及

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C. conditional upon Resolutions Nos. 4A and 4B above being passed, the aggregate nominal value of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in Resolution No. 4B above shall be added to the aggregate nominal amount of share the capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to Resolution No. 4A above.

By Order of the Board  
**LUI CHOI YIU ANGELA**  
 Company Secretary

Hong Kong, 25 April 2008

Notes:

- (1) Any member entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares of the Company may appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a member of the Company.
- (2) A form of proxy for use at the meeting is enclosed herewith.
- (3) The form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be under its seal or the hand of an officer, attorney or other person duly authorised.
- (4) The form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be lodged at the Company's branch share registrar in Hong Kong, Tricor Standard Limited, at 26 Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, not later than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (as the case may be) and in default the proxy shall not be treated as valid. Completion and return of the form of proxy shall not preclude members from attending and voting in person at the Annual General Meeting or at any adjourned meeting (as the case may be) should they so wish.

丙. 待上述第四甲項及第四乙項決議案獲通過後，本公司將依據上述第四乙項決議案所述授予董事之授權而購回本公司股本中股份數目之總面額，加入本公司董事依據上述第四甲項決議案可配發或有條件或無條件同意配發股本之總面額上。

承董事會命  
 雷彩姚  
 公司秘書

香港，二零零八年四月二十五日

附註：

- (一) 凡有權出席股東週年大會及於會上投票之股東，均有權委派另一人士作為其代表，代其出席及投票。持有兩股或以上本公司股份之股東，可委任一名或以上受委代表，代其出席及投票。受委代表毋須為本公司股東。
- (二) 隨附大會適用之代表委任表格。
- (三) 代表委任表格必須由閣下或閣下以書面正式授權之授權人簽署，或就公司而言，則必須蓋上公司印鑑或高級職員、授權人或其他獲正式授權之人士簽署。
- (四) 代表委任表格連同簽署人之授權書或其他授權文件(如有)或經公證人簽署證明之授權書或授權文件副本，最遲須於股東週年大會或任何續會(視情況而定)指定舉行時間前四十八小時送交本公司於香港之股份過戶登記分處卓佳標準有限公司，地址為香港皇后大道東28號金鐘匯中心26樓，而倘未有按指示交回代表委任表格，該受委代表將被視為無效。填妥及交回代表委任表格後，股東仍可親身出席股東週年大會或任何續會(視情況而定)，並於會上投票。



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- (5) Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either in personal or by proxy, in respect of such share as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, the vote of that one of the said persons so present whose name stands first on the register of members in respect of such share shall be accepted to the exclusion of the votes of the other joint holders.
- (6) The Register of Members will be closed from Tuesday, 10 June 2008 to Thursday, 12 June 2008, both days inclusive, during which period no transfer of shares will be effected. In order to be entitled to attend and vote at the meeting all transfers accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Standard Limited at 26 Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:00 p.m. on Friday, 6 June 2008.
- (五) 如屬任何股份之聯名持有人，則任何一位該等持有人均可親身或委派代表於大會上以該等股份股票，猶如彼為唯一有權投票者，惟倘超過一位聯名持有人親身或委派代表出席大會，則只接納上述出席大會並就有關股份於股東名冊內排名於首之股東之投票，而其他聯名持有人的投票將不被計算。
- (六) 本公司將由二零零八年六月十日(星期二)至二零零八年六月十二日(星期四)(包括首尾兩天)暫停辦理股票過戶登記手續。期間內將不會進行任何股份過戶。為符合出席大會並於會上投票之資格，所有過戶表格連同有關股票須於二零零八年六月六日(星期五)下午四時正前送達本公司於香港之股份過戶登記分處卓佳標準有限公司，地址為香港皇后大道東28號金鐘匯中心26樓以便辦理登記手續。

As at the date of this notice, the Executive Directors are Messrs. Lam Kwok Hing and Nam Kwok Lun, and the Independent Non-Executive Directors are Messrs. Chen Wei-Ming Eric, Kwan Wang Wai Alan and Ng Chi Kin David.

於本通告日期，本公司董事會包括執行董事藍國慶先生和藍國倫先生，及獨立非執行董事陳偉明先生，關宏偉先生及伍志堅先生。

