



# Karl Thomson Holdings Limited 高信集團控股有限公司

(incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股票代號: 7)

## 2005 ANNUAL REPORT 年報



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## 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

## 註冊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

**HEAD OFFICE AND PRINCIPAL  
PLACE OF BUSINESS**

Unit 801, Tower One  
Lippo Centre  
89 Queensway  
Hong Kong

**PRINCIPAL SHARE REGISTRAR  
AND TRANSFER OFFICE**

Reid Management Limited  
Argyle House  
41A Cedar Avenue  
Hamilton HM12

**HONG KONG BRANCH SHARE  
REGISTRAR AND TRANSFER OFFICE**

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

**PRINCIPAL BANKERS**

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

**SOLICITORS**

Sidley Austin Brown & Wood *International Law Firm*

**AUDITORS**

Deloitte Touche Tohmatsu  
*Certified Public Accountants*

**STOCK CODE**

7

**CONTACTS**

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Website: [www.ktg.com.hk](http://www.ktg.com.hk)

**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

**主要股份登記  
及過戶處**

Reid Management Limited  
Argyle House  
41A Cedar Avenue  
Hamilton HM12

**香港股份登記  
及過戶分處**

標準證券登記有限公司  
香港  
皇后大道東28號  
金鐘匯中心26樓

**主要往來銀行**

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

**律師**

盛德律師事務所

**核數師**

德勤•關黃陳方會計師行  
香港執業會計師

**股份代號**

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**聯絡**

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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 2005.

For the year ended 31 December 2005, profit attributable to shareholders amounted to HK\$13,845,000 (nine months ended 31 December 2004: HK\$45,684,000), equivalent to earnings per share of HK3.01 cents (nine months ended 31 December 2004: HK9.9 cents).

The economic recovery since the outbreak of SARS in 2003 proved to be sustainable. Following the rise of 8.6% in 2004, Gross Domestic Product ended with a stunning growth of 7.3% in 2005. The advance was board based with greater strengths in domestic exports and consumption. The domestic export defied the downward trend of the past few years to pick up remarkably in the second half, possibly due to the strong demand from overseas markets. The extension of CEPA coverage and the continual trade conflicts between China and its export markets had motivated more industrialists to relocate their manufacturing bases back to the territory. The employment situation continued to improve. Unemployment rate dropped to a 52-month low at 5.2% from the period of December of 2005 to February of 2006 with significant better-off in salary increments and bonus payment. Total employment reached a historic record of 3,430,000. Certain industries experienced a shortage of professionals and they had to offer higher salaries to retain and recruit their employees. The growing optimism of the general public and higher income earned had positive impact on the domestic consumer market. Visitors to Hong Kong maintained a satisfactory growth of 7.1% despite a higher base last year. Arrivals from Mainland China slowed down but the 2.4% increase represented a new high of more than 12,500,000 in 2005. China remained as the major source market. Visitors from international markets gained substantially by 13.1% and helped to cover the shortfall of growth in Chinese visitors. The continual extension of Individual Visit Scheme (IVS) enabled Hong Kong to attract visitors from the secondary and emerging cities in the Mainland China and underpinned the growth of visitors in the long run. The robust retail business had drawn speculative activities in the business properties which in turn pushed up the rents sharply. This directly put pressure on the

本人欣然向股東公佈高信集團控股有限公司(「本公司」)連同其附屬公司(「本集團」)截至二零零五年十二月三十一日止年度的經審核綜合業績。

截至二零零五年十二月三十一日止年度，股東應佔溢利為13,845,000港元(截至二零零四年十二月三十一日止九個月：45,684,000港元)，相等於每股盈利3.01港仙(截至二零零四年十二月三十一日止九個月：9.9港仙)。

自二零零三年爆發非典型肺炎以來，經濟確認持續復甦。本地生產總值隨著二零零四年上升8.6%後，二零零五年仍錄得7.3%的驕人升幅。不同環節均錄得增長，尤以本地出口及消費較為強勁。出口扭轉過去數年的跌勢，於下半年顯著回升，部份由於海外市場需求強勁所致，然而，更緊密經貿關係安排覆蓋範圍擴大，加上中國與其出口市場之間不斷發生貿易衝突，均促使更多實業家將其生產基地遷回本港。就業情況持續改善。失業率跌至五十二個月以來的新低，於二零零五年十二月至二零零六年二月期間為5.2%，薪酬加幅及花紅均大幅增加。全港就業人數達到創紀錄的3,430,000人。若干行業更面臨缺乏專才，須提供較高薪酬挽留及招聘員工。普羅大眾情緒轉越來越樂觀，加上收入增加，對本地消費市場產生正面影響。儘管去年旅客人數基數較高，但訪港旅客仍保持7.1%的理想增長。來自中國大陸的旅客人數增長放緩至2.4%的增幅，但二零零五年的來港人數仍創下新高，超過12,500,000人。中國仍然是主要的旅客來源市場。來自國際市場的旅客則大幅增加13.1%，有助彌補中國旅客增長不足之數。個人旅遊計劃(「個人遊」)持續擴大，讓香港可吸引中國大陸較小及新興城市的旅客，同時確保旅客人數可以長期不斷增長。零售業暢旺，導致商用物業出現投機活動，因而大幅推高租金，對經營者構成直接壓力，同時亦降低他們的盈利。另一方面，經濟亦受到負面外圍因素的不利影響。息口連續攀



business operators and eroded their profitability. Nonetheless, the economy was also adversely affected by the negative external factors. The successive interest hikes and the soaring oil price weakened the purchasing power of the major overseas markets. Internally, the interest hikes had dampened the investment confidence in buying properties. The number of flat sales dropped significantly and prices also underwent correction. The high oil prices added difficulties particularly to certain industries and put pressure on the domestic inflation. The Consumer Price Index registered a modest gain of 1.8% for December of 2005 but jumped to 2.6% for January of 2006. The strong expansion of Chinese export business faced increasing hostility from the Western industrialized countries. Hong Kong was clouded with greater uncertainties in its export business, anticipating more possible trade discriminations in form of anti-dumping duties, countervailing duties and quota restrictions.

The stock market for 2005 fell in a narrow featureless trading range for most of the year. Turnover gradually improved in the last quarter of the year amid favourable performance in major overseas stock markets. The investment sentiment became positive after successful listing of various sizable issues with good post listing performance. The encouraging stock reforms of A-Shares further enticed investors to seek undervalued H-shares in the market. The perception that RMB (Renminbi) would appreciate under pressure from USA helped to keep attracting funds to invest in those China related counters. Hang Seng Index performance was disappointed as compared to other major overseas markets and closed at 14,876 in 2005, a modest gain of 4.5% over last year. On the other hand, the H-index performed better to increase by 12.4% to 5,330 in 2005 and continued to make record highs across the first quarter of 2006. Hong Kong stock market achieved satisfactory records in turnover, fund raised amount and market capitalization. In 2005, it successfully introduced the listing of a new type of investment securities - Real Estate Investment Trusts (REITS) as pioneered by The Link REITS. The Hong Kong market still topped the most active warrants market among the major international stock markets. Total market turnover reached 4,498 billions in 2005, about 13.9% greater than last year. Total fund raised amount went up by 5.78% to HK\$292.5 billion. During the period, it had completed a historic fund raised amount record of HK\$71.5 billion for the listing of China Construction Bank. Total market capitalization reached HK\$9,081.8 billion and ranked the No. 8 greatest market after the German market.

升，油價大幅上漲，均削弱主要海外市場的購買力。在內部方面，息口上升已損害置業投資信心。樓宇銷售數量大幅下降，價格亦出現調整。油價高企令若干行業經營更形困難，同時亦增加本港的通脹壓力。消費物價指數於二零零五年十二月微升1.8%，但於二零零六年一月大幅攀升至2.6%。由於中國出口業務全面擴大，來自西方工業國家的敵意亦不斷上升，形成香港出口業務則存在較大的不明朗因素，預計可能面對更多的貿易歧視措施，例如反傾銷稅、反補貼稅及配額限制等。

股市於二零零五年大部分時間窄幅上落，表現平平無奇。由於主要海外股市表現理想，交投量於年度內最後一季逐步回升。隨著多隻大型股份成功上市且上市後表現理想，投資情緒開始變得樂觀。A股的股份改革令人鼓舞，亦進一步吸引投資者在市場中尋求股價偏低的H股。市場認為人民幣在美國壓力下將會升值，有助吸引資金投資於那些與中國有關的股份。相對於其他主要海外市場，恒生指數的表現令人失望，於二零零五年以14,876點收市，只較去年微升4.5%。另一方面，H-指數則表現較佳，於二零零五上升至5330點，升幅達12.4%，並於二零零六年首季繼續屢創新高。香港股市在交投量、集資額及市值方面取得滿意成績，並於二零零五年成功推出新類別的投資證券上市—房地產投資信託基金（「房託基金」），由領匯首先上市。香港市場仍然是各主要國際股市中最活躍的認股權證市場。二零零五年市場交投總額達44,980億，較去年高出約13.9%。總集資額上升5.78%，達2,925億港元。期間內，更創下中國建設銀行上市集資715億港元的歷史紀錄。總市值達90,818億港元，為緊隨德國市場之後的第八大國際交易股票市場。

## OUTLOOK

Hong Kong appeared to recover fully from the Asian financial crisis and has regained its competitiveness and vitality as the nominal GDP already surpassed its 1997 peak to reach a new high of \$1,382.2 billion. The domestic economy is still filled with growth momentum, especially in domestic consumption and trade activities. The Financial Secretary estimated another 4.5% growth for 2006 whilst the business sector forecasts a higher range at 6-7%. The global environment remains favourable despite turbulences of oil price and high interest rate. The political unrest in certain areas may add volatility to the oil and commodities prices and financial markets. The oil price may still fluctuate around the US\$60 level and the interest hike is believed to be near the peak. The Chinese economy and the USA market remained resilient notwithstanding the successive interest hikes and the soaring oil prices and recent Consumer Confidence Reports still revealed underlying strengths. Japan economy rebounds solidly from the prolonged slump. Both the New Chief Executive Tsang and his cabinet consistently enjoyed high ratings in the public poll. Although the No. 5 Political Reform Proposal was finally vetoed by the coalition of the opposition parties, the government turned its attention to the economic and welfare affairs and released more resources to improve in these two areas. The 2005/6 budget proposal projected the first 8-year surplus of HK\$5.8 billion since 1997, three years ahead of the schedule, setting an optimistic tone for the coming year. The earlier balancing of the budget also offers greater flexibilities in formulating its economic policy. The trade conflicts between China and the Western countries seem to be endless but they produce both negative and positive effects. Apart from causing uncertainties about the trade, the conflicts would result in further appreciation of RMB which will repeatedly become the speculative excuse to attract fund inflows. Because of the plentiful liquidity in the market, the Hong Kong banks cut their mortgage rates despite fresh interest hikes in USA. Similarly, the stock market benefited from remarkable improvement in turnover, share prices and corporate activities especially those related to the China counters. The H-index continued to advance strongly and make record highs since the last quarter of last year. The daily turnover now stands far above HK\$20 billions and has already hit a record high of HK\$44.3 billion excluding those extraordinary trading days of government interventions in 1998. As at the end of 2005, 38 banks in Hong Kong were providing RMB deposit-taking, exchange and remittance services. Total RMB deposits in Hong Kong had reached RMB22.6 billion and these services were extended to non-individual accounts and Hong Kong residents. Hong Kong is well-equipped to provide more related services and to serve as an international off-shore RMB center. The overall stock market for 2006 therefore looks optimistic.

## 前景

香港看來已從亞洲金融危機全面復甦過來，並已恢復其競爭力及活力，而本地生產總值已突破一九九七年的歷史高位，創出13,822億元的新高。本地經濟亦充滿增長勢頭，特別是本地消費及貿易活動。財政司司長估計二零零六年會增長4.5%，而商界則預測增長可達到較高的6至7%。儘管油價持續波動及利率高企造成動盪，但全球經濟環境仍然向好。若干地區的政治局勢動盪，可能令石油及商品價格與金融市場更加波動。油價仍會於60美元的水平上落，而加息相信已接近見頂。雖然經過連番加息及油價大幅上漲，但中國經濟及美國市場仍然保持上升，而最近的消費信心報告顯示消費情緒依然樂觀，而日本經濟經過長期衰退後更大幅反彈。本港方面，新任曾特首及其班底在公眾民意測驗中持續獲得很高評分。儘管五號政改建議最終被反對派以綑綁式聯盟否決，但政府轉而將注意力集中於經濟及福利事務，並投放更多資源在這兩方面的發展。自一九九七年八月以來，二零零五／六年度預算案預測將首次出現58億港元的盈餘，較預期計劃提早三年，為來年創造樂觀的氣氛。財政預算提早取得收支平衡，亦讓政府在制訂經濟政策方面有更大的靈活性。中國與西方國家之間的貿易磨擦看來沒完沒了，但它們同時帶來負面及正面的影響。除導致貿易方面出現不明朗因素外，磨擦亦會增加人民幣進一步升值，從而一再成為投機者調動資金流入的口實。由於市場流動資金充裕，儘管美國最近加息，但香港銀行反而削減按揭利率。同樣，股市亦因此受惠交投量、股價及企業活動（特別是與中國股票有關者）均顯著好轉。H-指數持續大幅上揚，且自去年最後一季以來屢創高峰。每日交投量目前遠超200億港元，如果不包括一九九八年政府入市干預的特別交易日，已創下443億港元的新高紀錄。於二零零五年底，香港共有38間銀行提供人民幣存款、兌換及滙款服務。香港的人民幣存款總額已達到226億元人民幣，而這些服務已擴展至非個人戶口及香港市民。香港具備充分條件提供更多相關服務，以及作為境外國際人民幣中心。因此，二零零六年股市整體看好。

As stock market for 2005 became increasingly active, the revenue of the core securities, futures and options broking division registered improvement. It can now provide online trading service platforms for both securities and future trading to expand its geographical coverage and to serve more distant customers. The asset management acts as an effective engine to generate more new investors locally and starts to produce cross-sales business for other divisions. The investment bank remains steady and continues to produce an impressive return rate in this highly capital intensive market. On the other hand, the Group is also actively seeking other investment opportunities to increase the return on shareholders' fund. Subsequent to the acquisition of Asia Tele-Net and Technology Corporation Limited ("ATNT") as an associate in 2005, the Group took another strategic move to take part in the oil business in Egypt in 2006. The Group stresses the importance of balance growth, risk control, profitability and high return on shareholders' fund in planning for its future developments and has followed these disciplines closely in carrying out the expansion plans. Although the stock market face various challenge this few years, the Group successfully overcame them and has been working hard for another take-off. As the macro economy provides favourable market conditions, the new projects provide us with business opportunities to broaden the earning base. I feel confident that the business of the Group will soon have steady growth in the years ahead as soon as the new projects are successfully implemented.

## 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 employees for their effort to the Group. I would also thank my customers and shareholders for their continued support.

On behalf of the Board  
**LAM KWOK HING**  
*Chairman*  
Hong Kong, 25 April 2006

二零零五年股市變得日趨活躍，核心證券、期貨及期權經紀部分均取得改善。目前已可為證券及期貨買賣提供網上交易服務平台，以擴大其地域覆蓋範圍及為遠距離的客戶提供服務。資產管理則充當有效工具，吸引更多新的投資者，並開始為其他部分帶來交互銷售業務。投資銀行保持穩定，並繼續在這資本高度密集的市場中提供可觀的回報率。另一方面，本集團亦正積極物色其他投資機會，以提升股東資金回報。於二零零五年收購亞洲聯網科技有限公司（「亞洲聯網」）作為聯營公司後，本集團於二零零六年再進行另一項策略投資，參與埃及的石油開發業務。在計劃其業務發展時，本集團強調均衡增長、風險控制、盈利能力及高股東資金回報的重要性，且在實行擴充計劃時緊遵這些規則。雖然證券市場最近幾年面對多項挑戰，本集團成功克服並一直朝著另一次飛騰的目標努力。由於宏觀經濟提供有利的市場環境，新項目為我們帶來擴闊盈利基礎的商機。本人深信待新項目順利實施後，本集團之業務將於未來數年取得持續增長。

## 致謝

本人謹此感謝各董事的共同領導及支持，同時感謝管理層及員工為集團所作出的努力。本人亦感謝客戶及股東給予不斷的支持。

代表董事會  
**藍國慶**  
主席  
香港，二零零六年四月二十五日



## BUSINESS REVIEW

### Results

During the year ended on 31 December 2005, the total revenue for the Group was approximately HK\$35,169,000 (nine months ended 31 December 2004: HK\$29,753,000). Profit attributable to shareholders was approximately HK\$13,845,000 (nine months ended 31 December 2004: HK\$45,684,000).

### Market Overview

The market was locked in a tight trading range for the most period of the year whereas the activities were mainly dominated by derivative-linked trading. Genuine activities from retail investors were limited due to lack of direction but gradually improved in the last quarter of the year as they were encouraged by the strong rally in major overseas stock markets. The investment confidence and interests were rekindled by the successful listing and the superb post listing performance of the sizeable new shares. Public response to the new shares was enthusiastic and subscriptions in some issues have locked up hundreds billions of dollars in the capital market. The long-awaited share reforms of A-Shares had finally started and the initial feedback was positive. These induced a series of corporate activities on the related H-Shares including privatization of some H-Shares and triggered another round of shopping for the H-Shares. Coupled with the renewed speculation on RMB appreciation, more funds were attracted to Hong Kong to chase the bank and insurance stocks. In February of 2006, the HIS Services Limited announced its revolutionary change of preparing to accept H-shares conditionally as the constituent stocks for its Hang Seng Index calculation in its next review after six months. The sentiment on H-Shares was further heat up. Many funds have to increase their weightings in those potential target H shares to meet the future possible change of the constituent stocks of the Hang Seng Index. Prices of these stocks went up by more than 50% in a short period of time since October 2005. 2005 also represented a year of resource commodities in which prices of all major resources commodities

## 管理層討論及分析

### 業績

截至二零零五年十二月三十一日止年度，本集團的總收益約為35,169,000港元（截至二零零四年十二月三十一日止九個月：29,753,000港元）。股東應佔溢利約為13,845,000港元（截至二零零四年十二月三十一日止九個月：45,684,000港元）。

### 市場概覽

市場於年度內大部分時間窄幅上落，而活動主要是衍生工具相連交易。實際的個人投資活動不多，原因是缺乏方向，但在主要海外股市大幅反彈鼓舞下，年度內最後一季的活動已逐步增加。大型新股成功上市及上市後之優良表現，重新激發投資信心及興趣。公眾對新股的反應熱烈，若干招股的認購在資本市場凍結了數以千億計的資金。期待已久的A股股改終於開始，初步反應良好，亦引發起了與H股相關的一系列企業活動，包括部分H股的私有化，並觸發另一輪買入H股的活動。加上憧憬人民幣升值的投機活動再度興起，吸引更多資金流入香港追捧銀行及保險股。於二零零六年二月，恒指服務有限公司宣佈其革命性的變革，準備有條件接納H股作為成份股，並將在六個月後之下一次檢討中用於計算恒生指數。市場對H股的情緒進一步高漲。不少基金須增加潛在目標H股的比重，以配合恒生指數成份股未來可能出現變化。自二零零五年十月以來，這些股份的價格於短時間內上升超過50%。二零零五年亦是資源商品被開始看好的一年，由於全球經濟持續增長導致需求強勁，所有資源商品如石油、金屬及貴金屬的價格大幅暴漲。原油價格突破每桶70美元。金價則升上二十五年來的高位，超越每安士600美元，其他金屬價格亦持續

including oil, metal and precious metals shot up tremendously amid the strong demand from the persistent global economy growth. Crude oil price breached US\$70 per barrels. Gold price made a 25 year-high of over US\$600 per oz. Other metal prices continued to hit record highs. The strong performance in various commodities markets underpinned the investments in the resources stocks which all recorded impressive price appreciation and maintained an irrevocable upward movement. The successful listing of Link REITS in Hong Kong stock market marked a milestone of introducing a new type of listing securities and helped to attract additional sources of funds to invest in property business backed with high dividend payout. Likewise, it also helped to provide an additional fund raising vehicle for those property companies and have boosted up the investment interests in property counters. More REITS are expected to be listed in future. Yet, most of other local stocks remained stagnant and were generally ignored by the investors. Hang Seng Index registered a paltry gain of 4.54% to 14,876 and was the poorest performer among the major Asian markets. On the other hand, H-Index increased substantially by 12.4% to 5,330 after successive new highs. The up-trend extended to the first quarter of 2006 and continued to hit a record high at 6,700 level. Turnover of H-shares also escalated rapidly and in some days closely matched that of the blue chips.

The whole broker industry benefited from the sharp improvement of overall market activities. Hong Kong topped the most active derivative trading market among the major international stock markets. The daily trading of warrants in the active days took about 20% of the total market volume. Coupled with the related cash hedging, total turnover of the market rose by 13.9% to a new record of HK\$4,498 billion for 2005. Nevertheless, the Group A brokers still dominated the market and took the lion share of the volume. In fact, they played an important role in dictating the directions. The Stock Exchange of Hong Kong Limited (the "Stock Exchange") decided to implement its second and third stages of further narrowing the price spreads of the small price counters. Such narrow price spreads might curtail the day-trade activities of small investors with limited capital. Meanwhile, the Securities and Futures Commission of Hong Kong (the "SFC") proceeded with the proposal of capping the securities collateral re-pledging limits at 180% and eventually to 140% after a period of 12 months. The new rules theoretically aimed at shaping a healthy development for the industry but it will inevitably increase the capital requirements of the broker operators and naturally their interest burden. The return on investment in the industry looks less attractive as compared to the increasing risk liability. When the market suffers correction in volume, we would see the continued withdrawal of more marginal operators and further consolidation of the industry.

創下新高。各商品市場表現強勁，令資源股的投資受到支持，這些股份的股價均錄得可觀升幅，且其升勢一直強勁。領滙在香港股市順利上市，標誌引入新類別上市證券的里程碑，有助吸引更多資金投資於高派息率的地產業務，亦有助為地產公司提供額外的集資工具，同時亦增強了投資於地產股的興趣，預期未來將有更多房託基金上市。然而，大部分其他本地股份表現停滯不前，且整體受到投資者忽視。恒生指數只微升4.54%至14,876點，在主要亞洲市場中表現最差。另一方面，H-指數在屢創新高後大幅上升12.4%至5,330點。升勢延續至二零零六年首季，並繼續創下6,700點水平的新高。H股的交投量亦迅速上升，在某些日子更與藍籌股並駕齊驅。

整個經紀業受惠於整體市場活動轉趨活躍。香港在主要國際股市中仍是最活躍的衍生工具交易市場。在交投活躍的日子，認股權證的每日交易量可佔市場總交投量約20%。加上相關的股票對沖買賣，二零零五年市場的總交投量上升13.9%，達到44,980億港元的創新紀錄。然而，甲組經紀仍然主導市場，且佔去交投量的最大部分。事實上，他們在市場走勢方面有很重要的影響力。香港聯合交易所有限公司（「聯交所」）決定實施第二及第三階段進一步縮窄細價股價差的措施，縮窄的價差可能會減少資本有限的小型投資者的即日買賣活動。同時，香港證券及期貨事務監察委員會（「證監會」）並實施將證券保證金融資轉按上限設定為180%的建議，並於十二個月後最終降為140%。新的規則理論上旨在令行業得以健康發展，但無可避免會增加經紀行的資本要求，及其利息負擔。與不斷增加的風險責任比較，業內的投資回報吸引力下降，當市場的交投量出現調整，將有更多處在邊緣的經營者不斷退出，而行業亦會出現進一步的整合。

The positive factors for 2005 are likely to extend to 2006. The global economic recovery remains intact. In particular, Japan jumps out from the prolonged slump and adds additional growth momentum to the global economy. The speculation on RMB is not cooling down and continues to attract inflow of hot money into the domestic economy. Neither will China slow down to liberalize its financial policy by encouraging more outflows of funds to reduce the surplus balance of payment. A series of measures has been initiated to allow more insurance companies to invest overseas and the scheme of QDII (Qualified Domestic Institutional Investor) is also gradually carried out. In any case, the liquidity in the domestic capital market remains abundant and that enables the domestic interest rate to resist further upward pressure. H-Shares and China related counters are still the focus of investment. H-Shares hit successive historic records and the respective turnover also increased impressively. The growing dominance of H-shares was well accepted by the market and its surpassing over localized blue chips appeared to be a matter of time. In view of the bullish investment sentiment, more listings of new issues are in the pipeline. China Industrial and Commercial Bank and Bank of China representing the biggest ones in the fund raising amount, shall draw the greatest attention. Most likely it will bring another climax to the equity market. It is expected that the stock market for 2006 will continue to be active but may become more volatile as the movement is now being exaggerated by the leverage effects of active relevant derivative trading.

#### 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 42.4% of total operating revenue, was HK\$14,910,000 (nine months ended 31 December 2004: HK\$12,299,000). Profit for the division was 914,000 (nine months ended 31 December 2004: loss of HK\$2,860,000). The division turned around to profit mainly attributing to the improvement of overall market turnover in the last quarter of 2005 and written back of bad and doubtful debts of approximately HK\$1,458,000. As the active market situation carried forward to 2006, performance is expected to achieve further significant growth in the coming year. Nonetheless, the market conditions remain tough especially in facing the very fierce competitions from the banks.

二零零五年的利好因素相信會延續至二零零六年。全球經濟復甦依然未受影響。特別是，日本走出長期的低迷境況，並為全球經濟注入增長動力。憧憬人民幣的投機活動未有冷卻下來，並繼續吸引熱錢流入國內和香港經濟體系。中國亦不會減慢放寬對財政政策的限制，並鼓勵更多資金外流以減低國際收支順差。一系列的措施經已開啟以容許更多保險公司投資海外及合資格本地機構投資者計劃得以逐步落實。在此情況下，香港資本市場的流動資金仍然充裕，令利率可抵禦進一步上升的壓力。H股指數及中國相關股份仍然是投資的焦點。H股屢創歷史紀錄，而相關的交投量亦顯著上升。H股不斷增加的優勢漸受市場接納，成交超越本地藍籌股看來只是時間問題。鑑於投資氣氛看漲，將有更多新股籌備上市。中國工商銀行及中國銀行由於集資額最為龐大，應會吸引最大的注意，到時將會把股市推向另一高峰。預期股市於二零零六年會繼續交投活躍，但表現將較為反覆，原因是其波幅受到相關衍生工具買賣的槓桿效應影響而有所擴大。

#### 證券、期貨及期權經紀業務

年度內，本集團證券經紀業務及期貨經紀業務的收益與包銷佣金為14,910,000港元（截至二零零四年十二月三十一日止九個月：12,299,000港元），佔總營業收益42.4%。本業務分部利潤為914,000港元（截至二零零四年十二月三十一日止九個月：虧損2,860,000港元）。本業務部門轉虧為盈，主要由於二零零五年最後一季整體市場交投量上升及呆壞帳回撥約14,458,000港元。由於市場交投轉趨活躍的情況延續至二零零六年，預期表現方面於來年會取得進一步的大幅增長。然而，市場環境仍然嚴峻，特別是面對來自銀行方面的激烈競爭。

### Securities Margin Financing

During the year, interest income generated from securities margin loan portfolio accounted for 6.39% of the Group's revenue was to HK\$2,246,000 (nine months ended 31 December 2004: HK\$1,702,000). Profit for this division reached HK\$3,685,000 (nine months ended 31 December 2004: loss of HK\$175,000). Profit was mainly contributed by the written back of bad and doubtful debts of approximately HK\$3,313,000 and profit registered gains in line with the increase of the trading activities of the clients. 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.

### Financial Management and Advisory Services

Revenue generated from financial management and advisory services was HK\$16,258,000 for the year (nine months ended 31 December 2004: HK\$ 13,946,000). Because of the stagnant global equity markets in the first half as well as fierce competitions from new competitors, the division faced new challenges during the year. In order to remain competitive, the Group, through the launch of TV advertisement and re-development of its websites, has taken steps to strengthen the corporate image and widen our product awareness to our target investors. At the same time, the division extends its service platform to new asset management business and MPF business in order to satisfy various clients' needs. In the coming years, the division will expand its consultant teams and explore the Greater China market in order to consolidate its leading position within the industry.

### Investment Banking

Operating revenue generated by the investment banking business was HK\$1,640,000 this year (nine months ended 31 December 2004: HK\$1,371,000). Profit for the division were HK\$324,000 (nine months ended 31 December 2004: loss of HK\$619,000). The growth in revenue can be attributed to the recovery of the Hong Kong financial market and the consequent rise in demand for investment banking services from both public and private companies. During the year, the division secured a number of financial advisory mandates to provide corporate finance advisory services to both listed and unlisted companies. In addition, the division has also acted as financial adviser or independent financial adviser to several disclosable transactions executed by listed Hong Kong companies. With the stable recovery of the Hong Kong market, as well as the positive prospects emerging from the PRC, the division will take advantage of these opportunities by continuing to position itself as a premier boutique investment bank and offer tailor-made and cost effective services to our corporate clients.

### 證券保證金融資

年度內，來自證券保證金貸款組合的利息收入為2,246,000港元(截至二零零四年十二月三十一日止九個月：1,702,000港元)，佔本集團收益6.39%。本業務分部利潤為3,685,000港元(截至二零零四年十二月三十一日止九個月：虧損175,000港元)。由於呆壞帳回撥約3,313,000港元及與客戶的買賣活動增加一致，因此利潤有所增加。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。

### 財務管理及諮詢服務

年度內，來自財務管理及諮詢服務的收益為16,258,000港元(截至二零零四年十二月三十一日止九個月：13,946,000港元)。由於全球股市於上半年停滯不前，加上來自新競爭對手的激烈競爭，本業務部門於年度內面對新的挑戰，為保持競爭力，本集團已透過推出電視廣告及重新開發其網站，採取措施加強其公司形象，同時擴大目標投資者對其產品的認知。同時，本業務部門並將其服務平台擴展至新的資產管理業務及強積金業務，以滿足不同客戶的需要。於未來數年，本部門將繼續擴充其顧問隊伍及開拓大中華市場，以鞏固其業內的領導地位。

### 投資銀行

本年度，來自投資銀行業務的營業收益為1,640,000港元(截至二零零四年十二月三十一日止九個月：1,371,000港元)。本業務分部利潤為324,000港元(截至二零零四年十二月三十一日止九個月：虧損619,000港元)。收益增加是由於香港金融市場復甦及隨後公私營公司對投資銀行服務的需求增加所致。年度內，本部門取得多項財務合約，為上市及非上市公司提供企業財務顧問服務。此外，本部門亦出任香港上市公司進行的多項須予披露交易的財務顧問或獨立財務顧問工作。隨著香港市場穩步復甦，加上中國所顯露的正面前景，本部門將利用這些機會，繼續將其定位於提高實際利益的投資銀行，並為企業客戶提供度身訂造及具成本效益的服務。



### Material Acquisitions and Disposals of Associate Companies

On 7 April 2006, Surewin Management Limited (“Surewin”), the wholly-owned subsidiary of the Company and Holley International (Hong Kong) Limited (“Holley”) entered into a joint venture agreement to invest in Oriental Victor Limited of 50% interest. This joint venture company is in the process to obtain 30% interest in the exploration and production rights of oil in and throughout the Oil Field in Egypt (the “Oil Field”) and expects to possess of the concession rights of the Oil Field by the Egyptian Government around May 2006. Upon having obtained 30% interest in the exploration and production rights of oil in and throughout the Oil Field, Surewin will beneficially own 15% net effective interest in the exploration and production rights in relation to the Oil Field. In order to fulfill part of the capital commitment for participating in the exploration and production of the oil field in Egypt, Surewin is required to contribute approximately US\$7,000,000 (approximately HK\$54,600,000) by way of shareholder’s loan in stages according to the budgets of the Oil Field.

In order to finance the shareholder's loan, the Company has on 13 April 2006 entered into the placing agreement to issue 17,000,000 new shares of the Company at HK\$1.73 each and grant the option to subscribe for the option shares of up to an aggregate of 17,000,000 shares of the Company at the exercise price of HK\$1.85 each during the option period of one year.

Holley, the strategic partner of the joint venture company, is a wholly-owned subsidiary of Holley Industry Group Company Limited (“Holley Group”). Holley Group is a private enterprise in PRC with diversified international business and Holley Group recorded a total sales of RMB11,000 million in the year 2005. With the international network and resources of Holley and same intention to further the business in the oil industry, we believe that we are in a better position to further our business in the oil industry in the future. The investment in the joint venture company can provide an opportunity for the Group to expand its business and diversify the Group's current business and broaden its earning base in the long run.

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

### 有關聯營公司的重大收購及出售

於二零零六年四月七日，由本公司全資擁有附屬公司 Surewin Management Limited (「Surewin」) 與華立國際(香港)有限公司(「華立」) 訂立一項合營協議入股華興泰有限公司的50%權益，此合營公司正參與取得整個埃及油田(「油田」)開發及生產石油的30%權益，預期約於二零零六年五月獲埃及政府授油田特許權。在取得整塊油田的開採及生產權利的30%權益後，本公司將實益擁有有關油田開採及生產權利的15%實際淨權益。為履行參與取得整個油田開發及生產石油的30%權益之部份作出資本承擔，Surewin須以股東貸款的方式，出資約7,000,000美元(約54,600,000港元)，並按預算分階段支付。

為資本承擔提供資金，本公司已於二零零六年四月十三日訂立一項配售協議，以每股1.73港元的配售價認購17,000,000股配售新股份，及授出購股權，於為期一年的購股權期間內以每股1.85港元的購股權行使價認購總數達17,000,000股購股權股份。

合營公司之策略性夥伴華立為華立產業集團有限公司(「華立集團」)的全資附屬公司，華立集團為中國民營企業，從事多元化國際業務，於二零零五年，華立集團錄得銷售總額110億元人民幣。憑藉華立的國際網絡及資源，並與本公司均有相同理念發展石油業業務，董事深信本公司將穩佔優勢，向未來目標邁進一大步。此項投資有助擴闊本公司的盈利基礎，長遠有助加強本公司的現金流量狀況。

除此之外，年度內並無有關聯營公司的重大收購及出售。



### Liquidity, Financial Resources and Funding

The Group generally finances its operation with internally generated cash flows. The Group has no bank borrowings apart from occasional utilization of overdraft facilities. As at 31 December 2005, the Group has cash and cash equivalent (excluding the pledged fixed deposits of general accounts) of HK\$36,973,000 (31 December 2004: HK\$47,718,000).

### Human Resources

As at 31 December 2005, the Group employed a total of 126 staff (31 December 2004: 123) of which, 81 were commissioned based (31 December 2004: 82) and the total related staff cost amounted to HK\$10,642,000 (nine months ended 31 December 2004: HK\$7,422,000). The Group maintained minimum overhead expenses to support the basic operation and dynamic expansion of its business. The future staff costs will be more directly linked to the performance of business turnover and profit, enabling the Group to respond flexibly with the changes of business environment.

### Final Dividend

The Board does not recommend the payment of any final dividend for the year ended 31 December 2005 (nine months ended 31 December 2004: Nil).

### NAM KWOK LUN

*Deputy Chairman and Managing Director*

Hong Kong, 25 April 2006

### 流動資金、財務資源及資金

本集團一般以內部產生的現金流量為其業務提供資金。除偶然動用透支額外，本集團並無銀行借貸。於二零零五年十二月三十一日，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36,973,000港元（截至二零零四年十二月三十一日止九個月：47,718,000港元）。

### 人力資源

於二零零五年十二月三十一日，本集團僱用126名員工（二零零四年十二月三十一日：123名），其中81名（二零零四年十二月三十一日：82名）為佣金制，相關員工成本總額為10,642,000港元（截至二零零四年十二月三十一日止九個月：7,422,000港元）。本集團維持最低的間接開支，以支持其業務的基本營運及不斷擴充。未來員工成本將更直接與營業額及利潤掛鉤，讓本集團可因應商業環境轉變而靈活作出回應。

### 末期股息

董事會並不建議派發截至二零零五年十二月三十一日止年度（截至二零零四年十二月三十一日止九個月：無）任何末期股息。

### 藍國倫

*副主席兼董事總經理*

香港，二零零六年四月二十五日

## DIRECTORS

### Executive Directors

**Mr. Lam Kwok Hing**, aged 42, 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 47, 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 42, 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 43, holds a Bachelor degree in Engineering Science and a Master of Arts degree from the University of Oxford and has over 17 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**，42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、基金管理及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**，47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、基金管理及融資顧問業務。藍先生於證券、期貨、期權、證券保證金融資、基金管理及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**，42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**，43歲，獲英國牛津大學頒發工程學學士學位及文學碩士學位。在消費電子業上擁有逾十七年經驗。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 (Continued)

### Independent Non-Executive Directors (Continued)

**Mr. Ng Chi Kin David**, aged 45, is a professional accountant with over twenty 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 32, 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 four 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 32, is the Manager of the Group. He is responsible for the administration and management of the Group. 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.

**Mr. Chan Dao Chong**, aged 58, 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 has broad experience in the securities, futures and options industry. He joined the Group in 1991.

## 董事 (續)

### 獨立非執行董事 (續)

伍志堅先生，45歲，為專業會計師，擁有逾二十年專業經驗、為香港會計師公會執業資深會計師、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，32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、金融及管理工作逾四年。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，32歲，本集團經理，負責本集團之行政及管理，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。

陳道庄先生，58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，於證券、期貨及期權業擁有廣泛經驗。陳先生於一九九一年加入本集團。

## SENIOR MANAGEMENT (Continued)

**Mr. Chu Wai Man**, aged 50, 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 49, 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 39, 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 Sina Katalytics Investment Corporation (stock code: 2324).

## ASSET MANAGEMENT GROUP

**Mr. Ngan Chak Keung Ricky**, aged 33, is the Director of Karl Thomson Investment Consultants Limited. He is responsible for the supervision of fund management, financial advisory services and financial planning team. He graduated with a Bachelor of Business Administration degree in Finance, Investment and Banking Management from the University of Wisconsin in Madison, USA. He is also the Chartered Financial Analyst under the Association for Investment Management and Research. Prior to joining the Group, Mr. Ngan has full knowledge in the field of foreign exchange, financial planning and asset management industry. He joined the Group in July 2001.

## 高級管理層 (續)

朱維民先生，50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，49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，39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。

## 資產管理部

顏澤強先生，33歲，高信投資顧問有限公司董事，負責監管基金管理、財務顧問服務及財務策劃小組。顏先生持有位於美國麥迪遜之威斯康辛大學之工商管理學學士學位，主修財務、投資及銀行管理，並為投資管理研究協會認可之特許財務分析師。加盟本集團前，顏先生於外匯、財務策劃及資產管理業方面擁有廣泛知識。顏先生於二零零一年七月加入本集團。



## TECHNOLOGIES DEVELOPMENT GROUP

**Mr. Cheng Chun Ming**, aged 30, 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 Cognitive Science (with Honors) Degree and a Master of Philosophy (Psychology) in the Social Science from the University of Hong Kong. Mr. Cheng has good experience in software development, web server management, database management, back office operation and network administration. Prior to joining the Group, Mr. Cheng involved in the implementation of network infrastructure, internet applications development and database design in a local interior design firm. He joined the Group in February 2001.

## 科技發展部

**鄭俊洺先生**，30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。鄭先生持有香港大學社會科學之認知科學（榮譽）學士學位及哲學（心理學）碩士學位。鄭先生在軟件開發、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，鄭先生在一家本地室內設計公司，參與網絡基建、互聯網應用開發及資料庫設計之執行工作。鄭先生於二零零一年二月加入本集團。



The Directors would like to present to shareholders their annual report and the audited consolidated financial statements for the year ended 31 December 2005.

## PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are the provision of financial services, including stockbroking, futures and options broking, mutual funds and insurance-linked investment plans and products broking, securities margin financing and corporate finance advisory services. Particulars of the principal subsidiaries of the Company are set out in note 30 to the consolidated financial statements.

## RESULTS

The results of the Group for the year ended 31 December 2005 are set out in the consolidated income statement on page 40 of the Annual Report.

## FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the past three financial years ended 31 March 2004, the financial period from 1 April 2004 to 31 December 2004 and the financial year ended 31 December 2005 is set out on page 97 of the Annual Report.

## FIXED ASSETS

Movements in the fixed assets of the Group during the year are set out in note 14 to the consolidated financial statements.

## SHARE CAPITAL

Details of the share capital of the Company are set out in note 23 to the consolidated financial statements.

## DISTRIBUTABLE RESERVES

At 31 December 2005, the Company had no reserves available for distribution to the shareholders.

董事欣然向各股東提呈截至二零零五年十二月三十一日止年度之年報及經審綜合核財務報表。

## 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，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。本公司主要附屬公司之詳情詳列於綜合財務報表附註第30項內。

## 業績

本集團截至二零零五年十二月三十一日止年度之業績，詳列於年報第40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三個財務年度，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十二月三十一日止財務年度之業績與資產及負債概要詳列於年報第97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14項內。

## 股本

本公司股本之詳情，詳列於綜合財務報表附註第23項內。

## 可供分派儲備

於二零零五年十二月三十一日，本公司並無可供分派予各股東之儲備。

## 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. Ng Chi Kin David retires from office and, being eligible, offer 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 14 to 17 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.

Each of the Independent Non-Executive Directors has revised the appointment term 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 the end of the said three years period, 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.

## 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102，伍志堅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年報第14至17頁。

## 董事之服務合約

各執行董事均與本公司訂立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。

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完結時輪值告退，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。

## DIRECTORS' INTERESTS IN SHARES

At 31 December 2005, the interests of the Directors and their associates in the shares and the underlying shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (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 Issuers (the "Model Code") contained in the Appendix 10 of 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 issued ordinary shares held 所持已發行普通股數目	Percentage of the issued share capital of the Company 佔本公司已 發行股本 百分比
Mr. Lam Kwok Hing (Note) 藍國慶先生 (註)	Interest of controlled corporation 受控制法團之權益	311,718,000	67.76%
Mr. Nam Kwok Lun (Note) 藍國倫先生 (註)	Interest of controlled corporation 受控制法團之權益	311,718,000	67.76%

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% and 20% by Mr. Lam Kwok Hing and Mr. Nam Kwok Lun respectively.

## 董事於股份之權益

於二零零五年十二月三十一日，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之股份及相關股份之權益，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

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。

**DIRECTORS' INTERESTS IN SHARES** (Continued)

**董事於股份之權益** (續)

**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	Number of issued ordinary shares held 所持已發行普通股數目		Total 總額	Percentage of the issued share capital of ATNT 佔亞洲聯網 已發行股本 百分比
	Personal interests 個人權益	Corporate interests 公司權益 (Note) (註)		
Mr. Lam Kwok Hing 藍國慶先生	3,474,667	48,520,666	51,995,333	12.19%

*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 Investments Limited ("Karfun"), a wholly-owned subsidiary of the Company, in which Mr. Lam Kwok Hing owns interests through J&A, is interested in 201,995,834 ATNT shares.

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。

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

**3. 全資附屬公司之普通股**

One of the Directors has non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

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，而此舉純粹為了符合公司股東數目最低規定。

Save as disclosed above, at 31 December 2005, none of the Directors of the Company 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.

除上文披露者外，於二零零五年十二月三十一日，概無本公司董事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。

## SHARE OPTION SCHEMES

Particulars of the Company's share option schemes together with the details of movements in the share options to subscribe for shares of HK\$0.10 each in the Company are set out in note 27 to the consolidated financial statements.

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as the share options granted to the Directors under the share option schemes as described in note 27 to the consolidated financial statements, 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 and none of the Directors, their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the year.

## CONNECTED TRANSACTIONS AND DIRECTORS' INTERESTS IN CONTRACTS

(1) On 25 November 2004, Karfun conditionally agreed to acquire 48,520,667 shares of ATNT from Optimist International Limited ("Optimist") and 3,475,167 shares of ATNT from Mr. Lam Kwok Yan for an aggregate consideration of HK\$23,398,125 at a price of HK\$0.45 per share of ATNT. At the same time, Mr. Lam Kwok Yan entered into a conditional agreement with Mr. Lam Kwok Hing, pursuant to which Mr. Lam Kwok Hing acquired 50% interest in Medusa from Mr. Lam Kwok Yan for a consideration of HK\$21,834,300. Upon completion of the conditional agreement between Mr. Lam Kwok Hing and Mr. Lam Kwok Yan, Medusa would be wholly-owned by Mr. Lam Kwok Hing. Optimist is a wholly-owned subsidiary of Medusa and its sole asset is 97,041,333 shares of ATNT. The acquisition of the shares of ATNT constituted as a connected transaction for the Company under the Listing Rules and was approved by the independent shareholders of the Company at a special general meeting on 30 March 2005. The acquisition was completed on 20 April 2005.

## 認股權計劃

本公司之認股權計劃，連同有關可認購本公司每股面值0.10港元股份之認股權之變動詳情，均載於綜合財務報表附註第27項內。

## 董事收購股份或債券之權利

於年度內，除綜合財務報表附註第27項所述根據認股權計劃授予董事認股權外，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，概無訂立任何安排，以致本公司董事可透過收購本公司或任何其他法人團體之股份或債券而獲得任何利益，且董事、彼等之配偶或18歲以下之子女概無擁有可認購本公司證券之任何權利，或於本年度內行使任何有關權利。

## 關連交易及董事之合約權益

(1) 於二零零四年十一月二十五日，佳帆有條件同意按每股亞洲聯網股份0.45港元之價格，分別向 Optimist International Limited (「Optimist」) 與藍國恩先生收購48,520,667股亞洲聯網股份及3,475,167股亞洲聯網股份，總代價為23,398,125港元。與此同時，藍國恩先生與藍國慶先生訂立有條件協議。據此，藍國慶先生向藍國恩先生收購 Medusa 之50%權益，代價為21,834,300港元。於完成藍國慶先生與藍國恩先生之有條件協議後，Medusa 將會由藍國慶先生全資擁有。Optimist 為 Medusa 之全資附屬公司，其唯一資產為97,041,333股亞洲聯網股份。根據上市規則，收購亞洲聯網股份構成本公司之一項關連交易，並已於二零零五年三月三十日舉行之股東特別大會上由獨立股東批准。此收購於二零零五年四月二十日完成。



**CONNECTED TRANSACTIONS AND DIRECTORS'  
INTERESTS IN CONTRACTS** *(Continued)*

- (2) During the year, the Group received commission income from securities, futures and options dealing of approximately HK\$54,000 from the associates of the Directors, Messrs. Lam Kwok Hing and Nam Kwok Lun respectively.
- (3) During the year, the Group received interest income from securities margin financing of HK\$356 from the associates of the Directors, Messrs. Lam Kwok Hing and Nam Kwok Lun.
- (4) During the year, the Group paid administrative expense of approximately HK\$409,000 to AC Consulting Limited in which Mr. Chow Ka Wo Alex has a beneficial interest and director.
- (5) During the year, the Group received commission income, clearing fee income and other securities dealing income approximately HK\$46,000 from our associate company, ATNT in which Mr. Lam Kwok Hing has a beneficial interest and Messrs. Lam Kwok Hing, Nam Kwok Lun, Ng Chi Kin David and Kwan Wang Wai Alan are Directors.

Save as disclosed above, there was no other material 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.

**關連交易及董事之合約權益** (續)

- (2) 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約54,000港元。
- (3) 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356港元。
- (4) 於本年度內，本集團向AC Consulting Limited支付行政費約409,000港元(周家和先生實益擁有其權益及為其董事)。
- (5) 於本年度內，本集團向聯營公司亞洲聯網(藍國慶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、結算費收入及其他證券買賣收入約46,000港元。

除上文披露者外，於本年度結束時或年度內任何時間，並無其他重大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。

## SUBSTANTIAL SHAREHOLDERS

At 31 December 2005, the following persons (other than the Directors and chief executives of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

### 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 issued 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 註)	Interest of controlled corporation 受控制法團之權益	311,718,000	67.76%

Note: J&A is a company incorporated in the British Virgin Islands with limited liability and is beneficially owned as to 80% by Mr. Lam Kwok Hing and 20% by Mr. Nam Kwok Lun respectively.

Save as disclosed above, no person (other than the Directors and chief executives 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.

## 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 27 to the consolidated financial statements.

## 主要股東

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，於二零零五年十二月三十一日，下列人士(除本公司董事及主要行政人員外)於本公司擁有股份及相關股份之權益或淡倉：

於本公司每股面值0.10港元普通股之長倉

註： J&A乃於英屬處女群島註冊成立之有限公司，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，除董事或本公司主要行政人員(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。

## 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27項內。

## PRE-EMPTIVE RIGHTS

There is no provision 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 2005.

## RETIREMENT BENEFITS SCHEME

Details of the Group's retirement benefits scheme are set out in note 28 to the consolidated financial statements.

## COMPETING INTERESTS

During the year, none of the Directors or the management shareholders of the Company (as defined in the Listing Rules) had an interest in a business that competed with the Group or might compete with the business of the Group.

## MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2005, 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.

## PURCHASE, SALE OR REDEMPTION OF COMPANY'S LISTED SECURITIES

During the year ended 31 December 2005, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## 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

本公司於二零零五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28項內。

## 權益競爭

於本年度內，董事或本公司之管理層股東(定義見上市規則)，概無於與本集團之業務構成或可能構成競爭之業務中擁有任何權益。

## 主要客戶及供應商

截至二零零五年十二月三十一日止年度，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。

## 購入、售出或贖回本公司上市證券

截至二零零五年十二月三十一日止年度，本公司或其任何附屬公司概無購入、售出或贖回任何本公司上市證券。

## POST BALANCE SHEET EVENT

Details of a significant event occurring after the balance sheet date are set out in note 31 to the consolidated financial statements.

## AUDITORS

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

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

Hong Kong, 25 April 2006

## 結算日後事項

結算日後發生之重大事項詳情，載於綜合財務報表附註第31項內。

## 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，二零零六年四月二十五日

The Board of Directors of the Company believes that corporate governance is essential to the success of the Company and the Company is committed to maintain good corporate governance standard and procedures to ensure the integrity, transparency and accountability to shareholders. With effect from 1 January 2005, the Company has applied the principles and complied with the requirements 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, 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 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.

本公司董事會深信企業管治為本公司成功的關鍵，並已採取各項措施，以確保維持高標準的企業管治。本公司致力維持良好之企業管治標準及程序，以確保資料披露之完整性、透明度及增加對股東的問責程度。自二零零五年一月一日起，本公司已採用並遵守上市規則的企業管治常規守則的要求，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。



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.

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.

Attendance of individual Directors at Board meetings in 2005:

Number of meetings	會議次數	4	
Executive Directors:	執行董事:		
LAM Kwok Hing ( <i>Chairman</i> )	藍國慶先生 (主席)	4/4	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)	4/4	100%
Independent Non-Executive Directors:	獨立非執行董事:		
CHEN Wei-Ming Eric	陳偉明先生	2/4	50%
KWAN Wang Wai Alan	關宏偉先生	2/4	50%
NG Chi Kin David	伍志堅先生	4/4	100%
Average attendance rate	平均出席率	80%	

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。

董事會會議每年召開至少4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。

2005年董事會會議個別董事的出席率:

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.

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.

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.

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.

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。

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。

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。

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

董事局主席及行政總裁（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。主席負責監管董事局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。

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.

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.

Mr. Ng Chi Kin David has been serving the Board for more than 5 years. Mr. Ng is a man of integrity and a certified public accountant by profession. The Board appreciates his valuable advice given and contribution made in the past years and believes that he continues to be independent in character and judgement. Mr. Ng will be proposed for re-election at the forthcoming annual general meeting.

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年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。

股東年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。

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。

伍志堅先生服務董事會已超逾五年。伍先生為人正直，本身為一名執業會計師。董事會對伍先生過往所提供的寶貴意見及貢獻深表謝意，亦深信他能持守獨立判斷力。伍先生於即將舉行的股東週年大會上被提呈決議案連任。

## 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*

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

#### *Role and function*

The Audit Committee is mainly responsible for:

1. considering the appointment of external auditors, their audit fees and questions of resignation or dismissal;
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;
3. reviewing external auditors' management letter and management's response;
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;

## 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*

關宏偉先生 (審核委員會主席)  
陳偉明先生  
伍志堅先生

#### *角色及職能*

審核委員會主要負責：

1. 考慮委聘外聘核數師、核數費用及辭任或解聘事宜；
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；
3. 審閱外聘核數師致管理層之函件及管理層之回應；
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；

5. considering the major findings of internal investigations and management's response;
6. reviewing compliance with regulatory and legal requirements by the Company; and
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).

#### 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 2005:

Attendance of individual Directors at Audit Committee meetings in 2005:

Number of meetings	會議次數	2	
Audit Committee members:	審核委員會成員：		
KWAN Wang Wai Alan (Chairman of Audit Committee)	關宏偉先生 (審核委員會主席)	2/2	100%
CHEN Wei-Ming Eric	陳偉明先生	1/2	50%
NG Chi Kin David	伍志堅先生	2/2	100%
Average attendance rate	平均出席率	83%	

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.

5. 考慮內部調查結果及管理層之回應；

6. 審議本公司遵守法規之要求；及

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)。

#### 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二零零五年十二月三十一日止年度舉行的審核委員會出席記錄：

2005年審核委員會會議個別董事的出席率：

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) External Auditors

The appointment of the external auditors 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.

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*

LAM Kwok Hing (*Chairman of the Remuneration Committee*)  
NAM Kwok Lun  
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;

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。

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*

藍國慶先生 (*薪酬委員會主席*)  
藍國倫先生  
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；

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|--|--|
| <p>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;</p> <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>6. ensuring that no Director or any of his associates is involved in deciding his own remuneration; and</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>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；</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. 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. 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> |
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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。

For the year ended 31 December 2005, there was one meeting held. The following was an attendance record of the Remuneration Committee meeting for the year ended 31 December 2005:

截至二零零五年十二月三十一日止年度曾舉行一次會議。以下為薪酬委員會於截至二零零五年十二月三十一日止年度舉行的薪酬委員會出席記錄：

Attendance of individual Directors at Remuneration Committee meeting in 2005:

2005年薪酬委員會會議個別董事的出席率：

Number of meeting	會議次數	1	
Remuneration Committee members:	薪酬委員會成員：		
LAM Kwok Hing (Chairman of the Remuneration Committee)	藍國慶先生 (薪酬委員會主席)	1/1	100%
NAM Kwok Lun	藍國倫先生	1/1	100%
CHEN Wei-Ming Eric	陳偉明先生	0/1	0%
KWAN Wang Wai Alan	關宏偉先生	1/1	100%
NG Chi Kin David	伍志堅先生	1/1	100%
Average attendance rate	平均出席率	80%	

During the meeting, the remuneration committee approved the monthly remuneration for each of the Executive Directors was fixed to around HK\$54,000 and annual remuneration for each of the Independent Non-Executive Directors was fixed to HK\$50,000, payable annually in April.

## 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 2005, 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.

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.

於會議期間，薪酬委員會批准各執行董事之每月酬金約為54,000港元，而各獨立非執行董事之每年酬金為50,000港元並於每年四月支付一次。

## 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。在編製截至二零零五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的適用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。

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。

## 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 business 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.

## 內部監控

董事會及高層管理人員負責設立，維持及執行一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集團的資產。

## AUDITORS' REMUNERATION

Deloitte Touche Tohmatsu has been reappointed as the Group's external auditors at the 2005 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.

		<b>Remuneration</b>
		<b>酬金</b>
		<b>HK\$'000</b>
		<b>千港元</b>
Audit services	年度審核服務	684
Others	其他	423
Total	總計	<u>1,107</u>

## 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 2005 and up to the date of this Annual Report as required by the Listing Rules.

## 核數師酬金

德勤•關黃陳方會計師在二零零五年股東週年大會獲繼續委任為本公司外聘核數師，直至下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。

		<b>Remuneration</b>
		<b>酬金</b>
		<b>HK\$'000</b>
		<b>千港元</b>
Audit services	年度審核服務	684
Others	其他	423
Total	總計	<u>1,107</u>

## 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，本公司於二零零五年度內及至本年報刊登日期間，有維持上市規則所定的公眾持股量。



# Deloitte.

## 德勤

### TO THE SHAREHOLDERS 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 (hereinafter collectively referred to as the “Group”) from pages 40 to 94 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors of the Company are responsible for the preparation of consolidated financial statements which give a true and fair view. In preparing consolidated financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those consolidated financial statements and to report our opinion solely to you, as a body, in accordance with Section 90 of 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.

### BASIS OF OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certificate Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the consolidated financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the consolidated financial statements, and of whether the accounting policies are appropriate to the circumstances of the Group, consistently applied and adequately disclosed.

### 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40至94頁根據香港普遍採納之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」)的綜合財務報表審核完竣。

### 董事及核數師之責任

貴公司之董事須編製真實與公正之綜合財務報表。在編製真實與公正之綜合財務報表時，董事必須貫徹地採用合適之會計政策。

本核數師之責任乃根據審核工作之結果，就該等綜合財務報表作出獨立意見，並根據百慕達公司法第90條，將此意見僅向各股東(作為法人)報告，而不作其他用途，本行不對任何其他人士就本報告內容負責或承擔責任。

### 核數師意見之基準

本核數師乃根據香港會計師公會頒佈之核數準則進行是次審核工作。審核範圍包括以抽查方式審查與綜合財務報表內所載數額及披露事項有關之憑證，亦包括評估董事於編製該等綜合財務報表時所作出之重大估計及判斷，及衡量所釐定之會計政策是否適合 貴集團之具體情況及有否貫徹地被沿用及充份地予以披露。

## **BASIS OF OPINION** *(Continued)*

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the consolidated financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

## **OPINION**

In our opinion the consolidated financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31 December 2005 and of the profit and cash flows of the Group for the year then ended 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 2006

## **核數師意見之基準** (續)

本核數師在策劃及進行審核工作時，均以取得認為必須之資料及解釋為目標，以便能為本核數師提供充份之憑證，就該等綜合財務報表是否存有重大之錯誤陳述作合理之確定。於作出核數意見時，本核數師亦已衡量該等綜合財務報表所載之資料在整體上是否足夠。本核數師相信我們之審核工作已為核數意見建立合理之基礎。

## **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 貴公司及 貴集團於二零零五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  
二零零六年四月二十五日

**CONSOLIDATED INCOME STATEMENT**

For the year ended 31 December 2005

**綜合損益計數表**

截至二零零五年十二月三十一日止年度

			1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日
		NOTES 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益	6	35,169	29,753
Other income	其他收入		1,552	840
Written back (allowance) for bad and doubtful debts	呆壞賬回撥 (撥備)		4,771	(3,011)
Amortisation of intangible assets	無形資產攤銷		(6)	(4)
Depreciation	折舊		(1,253)	(1,556)
Finance costs	財務費用	8	(20)	(9)
Other operating expenses	其他經營費用		(25,200)	(20,203)
Staff costs, including Directors' remuneration	僱員成本 (包括董事酬金)		(10,642)	(7,422)
Discount on acquisition of an associate	收購聯營公司之折讓		—	41,728
Share of results of an associate	應佔聯營公司之業績		9,669	5,321
			<u>14,040</u>	<u>45,437</u>
Profit before taxation	除稅前溢利	9	14,040	45,437
Taxation	稅項	12	(35)	(58)
			<u>14,005</u>	<u>45,379</u>
Profit for the year/period	年度/期間溢利		<u>14,005</u>	<u>45,379</u>
Attributable to:	應佔：			
Equity holders of the Company	本公司之權益持有人		13,845	45,684
Minority interests	少數股東權益		160	(305)
			<u>14,005</u>	<u>45,379</u>
Earnings per share	每股盈利	13		
Basic	基本		<u>HK3.01 cents 港仙</u>	<u>HK9.93 cents 港仙</u>

**CONSOLIDATED BALANCE SHEET**

At 31 December 2005

**綜合資產負債表**

於二零零五年十二月三十一日

			2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
		NOTES 附註		
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Fixed assets	固定資產	14	1,064	2,149
Intangible assets	無形資產	15	23	29
Interest in an associate	聯營公司權益	16	111,851	77,333
Other assets	其他資產	17	4,030	4,078
Loans receivable	應收貸款	18	1,015	1,061
			<u>117,983</u>	<u>84,650</u>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Accounts receivable	應收賬款	19	29,898	36,938
Investments in securities	證券投資	20	—	12
Loans receivable	應收貸款	18	464	1,686
Other receivables, prepayments and deposits	其他應收賬款、預付款項 及按金	19	2,290	2,021
Pledged fixed deposits (general accounts)	已抵押定期存款 (一般賬戶)	21	7,823	7,647
Tax recoverable	稅項回撥		319	—
Bank balances (trust and segregated accounts)	銀行結存 (信託及獨立賬戶)	21	39,375	48,402
Bank balances (general accounts) and cash	銀行結存 (一般賬戶) 及現金	21	29,150	40,071
			<u>109,319</u>	<u>136,777</u>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Accounts payable	應付賬款	22	45,599	55,355
Accrued expenses and other payables	應計費用及其他應付賬款	22	3,886	3,710
			<u>49,485</u>	<u>59,065</u>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨額</b>		<u>59,834</u>	<u>77,712</u>
			<u>177,817</u>	<u>162,362</u>

**CONSOLIDATED BALANCE SHEET** (Continued)

At 31 December 2005

**綜合資產負債表** (續)

於二零零五年十二月三十一日

			<b>2005</b>	2004
			二零零五年	二零零四年
		<i>NOTES</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<i>附註</i>	千港元	千港元
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>			
Share capital	股本	23	<b>46,000</b>	46,000
Reserves	儲備		<b>131,540</b>	116,245
Equity attributable to equity holders of the Company	本公司之權益持有人 應佔權益		<b>177,540</b>	162,245
Minority interests	少數股東權益		<b>277</b>	117
<b>Total equity</b>	<b>權益總額</b>		<b><u>177,817</u></b>	<b><u>162,362</u></b>

The consolidated financial statements on pages 40 to 96 were approved and authorised for issue by the Board of Directors on 25 April 2006 and are signed on its behalf by:

綜合財務報表第40至96頁已於二零零六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**

For the year ended 31 December 2005

**綜合權益變動表**

截至二零零五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

		(Accumulated)								
		Share capital	Share premium	Special reserve	Goodwill reserve	Currency translation reserve	Retained profits	Total	Minority interests	Total
		股本	股份溢價	特殊儲備	商譽儲備	外幣換算儲備	(累計虧損) 保留溢利	合共	少數股東權益	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 April 2004	於二零零四年四月一日	46,000	76,589	29,140	(13,950)	—	(21,502)	116,277	422	116,699
Impairment loss recognised in respect of goodwill held in reserve	確認商譽儲備之減值虧損	—	—	—	13,950	—	(13,950)	—	—	—
Share of an associate's currency translation reserve	應佔聯營公司外幣換算儲備	—	—	—	—	284	—	284	—	284
Net income recognised directly in equity	已直接於權益確認之淨收入	—	—	—	13,950	284	(13,950)	284	—	284
Profit for the period	期間溢利	—	—	—	—	—	45,684	45,684	(305)	45,379
Total recognised income and expense for the period	期間已確認總收入及費用	—	—	—	13,950	284	31,734	45,968	(305)	45,663
At 31 December 2004	於二零零四年十二月三十一日	46,000	76,589	29,140	—	284	10,232	162,245	117	162,362
Share of an associate's currency translation reserve	應佔聯營公司外幣換算儲備	—	—	—	—	1,450	—	1,450	—	1,450
Net income recognised directly in equity	已直接於權益確認之淨收入	—	—	—	—	1,450	—	1,450	—	1,450
Profit for the year	年度溢利	—	—	—	—	—	13,845	13,845	160	14,005
Total recognised income for the year	本年度已確認總收入	—	—	—	—	1,450	13,845	15,295	160	15,455
At 31 December 2005	於二零零五年十二月三十一日	46,000	76,589	29,140	—	1,734	24,077	177,540	277	177,817

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**

For the year ended 31 December 2005

**綜合現金流量表**

截至二零零五年十二月三十一日止年度

		1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日
	NOTE 附註	HK\$'000 千港元	HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
Profit before taxation	除稅前溢利	14,040	45,437
Adjustments for:	就下列各項作出調整：		
(Written back) allowance for bad and doubtful debts	呆壞賬（回撥）撥備	(4,771)	3,011
Amortisation of intangible assets	無形資產攤銷	6	4
Depreciation	折舊	1,253	1,556
Finance costs	財務費用	20	9
Discount on acquisition of an associate	收購聯營公司之折讓	—	(41,728)
Share of results of an associate	應佔聯營公司之業績	(9,669)	(5,321)
		<u>879</u>	<u>2,968</u>
<b>OPERATING CASH FLOWS BEFORE MOVEMENTS IN WORKING CAPITAL</b>	<b>未計營運資金變動前之經營現金流量</b>		
Decrease in accounts receivable	減少應收賬款	11,811	4,533
Decrease in investments in securities	減少證券投資	—	144
Decrease in investments held for trading	減少持作買賣投資	12	—
Decrease in loans receivable	減少應收貸款	1,268	4,121
(Increase) decrease in other receivables, prepayments and deposits	（增加）減少其他應收賬款、預付款項及按金	(269)	2
Decrease in bank balances (trust and segregated accounts)	減少銀行結存（信託及獨立賬戶）	9,027	22,239
Decrease in accounts payable	減少應付賬款	(9,756)	(20,713)
Increase (decrease) in accrued expenses and other payables	增加（減少）應計費用及其他應付賬款	176	(1,897)
		<u>13,148</u>	<u>11,397</u>
<b>CASH GENERATED FROM OPERATIONS</b>	<b>來自業務之現金</b>		
Interest paid	已付利息	(20)	(9)
Hong Kong Profits Tax paid	已付香港利得稅	(354)	(58)
		<u>12,774</u>	<u>11,330</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>來自經營業務之現金淨額</b>		
		<u>12,774</u>	<u>11,330</u>

**CONSOLIDATED CASH FLOW STATEMENT** (Continued)

For the year ended 31 December 2005

綜合現金流量表 (續)

截至二零零五年十二月三十一日止年度

		1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日
	NOTE 附註	HK\$'000 千港元	HK\$'000 千港元
<b>INVESTING ACTIVITIES</b>	<b>投資業務</b>		
Deposits refunded	退回按金	48	—
Purchases of fixed assets	購買固定資產	(168)	(105)
Acquisition of additional interest in an associate	收購聯營公司之額外權益	(23,399)	—
Subscription of convertible note	認購可換股票據	—	(30,000)
Increase in pledged bank deposits (general accounts)	增加已抵押定期存款 (一般賬戶)	(176)	(49)
		<u>(23,695)</u>	<u>(30,154)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>用於投資業務之現金淨額</b>	<b>(23,695)</b>	<b>(30,154)</b>
<b>CASH USED IN FINANCING ACTIVITY</b>	<b>用於融資業務之現金</b>		
Repayments of obligations under finance leases	償還融資租約承擔	—	(33)
		<u>—</u>	<u>(33)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及等同現金項目之減少淨額</b>	<b>(10,921)</b>	<b>(18,857)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>年初之現金及等同現金項目</b>	<b>40,071</b>	<b>58,928</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>年終之現金及等同現金項目</b>	<b>29,150</b>	<b>40,071</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及等同現金項目結餘分析</b>		
Bank balances (general accounts) and cash	銀行結存 (一般賬戶) 及現金	29,150	40,071

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2005

### 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 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 consolidated financial statements for the current year cover the year ended 31 December 2005. The corresponding amounts shown for the consolidated income statement, consolidated statement of changes in equity, consolidated cash flows statement and related notes cover a nine month period from 1 April 2004 to 31 December 2004 due to a change of balance sheet date in 2004 and therefore may not be comparable with amounts shown for the current year.

The Company is an investment holding company. The principal activities of the Group are the provision of financial services, including stockbroking, futures and options broking, mutual funds and insurance-linked investment plans and products broking, securities margin financing services and corporate finance advisory services.

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

## 綜合財務報表附註

截至二零零五年十二月三十一日止年度

### 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。

本年度之綜合財務報表涵蓋截至二零零五年十二月三十一日止年度。由於二零零四年結算日期作出更改，於綜合損益計數表、綜合權益變動表、綜合現金流量表及有關附註所示之相關金額，涵蓋由二零零四年四月一日至二零零四年十二月三十一日止九個月。因此，未必能與本年度所示金額作比較。

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，包括證券買賣、期貨與期權買賣、互惠基金、保險掛鉤投資計劃及產品買賣、證券保證金融資服務及企業融資顧問服務。

本綜合財務報表以港元呈列，與本公司的營運貨幣相同。

## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, a number of new HKFRSs, HKASs and Interpretations (hereinafter collectively referred to as “new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants that are effective for accounting years beginning on or after 1 January 2005, other than HKFRS 3 “Business Combination”, HKAS 36 “Impairment of assets” and HKAS 38 “Intangible Assets” that had been early adopted for the business combinations for which the agreement date is on or after 1 April 2004 and for the year ended 31 December 2004. The application of the new HKFRSs has resulted in a change in the presentation of the consolidated income statement, consolidated balance sheet and consolidated statement of changes in equity. In particular, the presentation of minority interests has been changed. The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group’s accounting policies in the following areas that have an effect on how the results for the current or prior accounting years are prepared and presented:

### Share-based payments

In the current year, the Group has applied HKFRS 2 “Share-based payment” which requires an expense to be recognised where the Group buys goods or obtains services in exchange for shares or rights over shares (“equity-settled transactions”). The principal impact of HKFRS 2 on the Group is in relation to the expensing of the fair value of share options granted to Directors and employees of the Group, determined at the date of grant of the share options, over the vesting period. Prior to the application of HKFRS 2, the Group did not recognise the financial effect of these share options until they were exercised. No share options were granted on or after 1 January 2005 and the Group’s share options granted before 7 November 2002 were vested immediately and were expired during the period ended 31 December 2004. The Group had applied the transitional provision of HKFRS 2. Hence, no prior period adjustment has been required and there is no effect on the consolidated financial statements in both years.

## 2. 香港財務報告準則之採用

於本年度，除就協議日期二零零四年四月一日或之後及截至二零零四年十二月三十一日止年度的業務合併而提早採納香港財務報告準則第3號「業務合併」、香港會計準則第36號「資產減值」及香港會計準則第38號「無形資產」外，本集團首次採納若干由香港會計師公會頒佈之新香港財務報告準則、香港會計準則及詮釋（以下統稱「新香港財務報告準則」）。該等新準則於二零零五年一月一日或之後開始之會計期間生效。採用新香港財務報告準則導致綜合損益計算表、綜合資產負債表及綜合權益變動報表之呈列方式有所改變，尤以少數股東權益之呈列為然。本集團已追溯採用該等呈列方法之變動。採納新香港財務報告準則導致本集團以下之會計政策有所改變，並影響本集團本年度或過往年度的業績及呈列方式：

### 股權支付

於本年度，本集團已採用香港財務報告準則第2號「股權支付」，該項準則要求本集團以股份或享有股份之權利交換購買之貨品或獲取之服務（「權益結算交易」）須確認為支出入賬。香港財務報告準則第2號對本集團之主要影響乃關乎授予本集團董事及僱員之認股權於授出日期釐定之公平值，須於歸屬期內支銷。於採用香港財務報告準則第2號之前，本集團乃於認股權獲行使時始確認其財務影響。於二零零五年一月一日或以後並無任何認股權授出。本集團於二零零二年十一月七日前授出之認股權即時授予並於截止二零零四年十二月三十一日至期間到期。本集團亦已採用香港財務報告準則第二號之相關過渡性條文。因此無須對以往年度賬目作出調整並且對於本年度及上年度之綜合財務報表並無影響。



## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS *(Continued)*

### Financial instruments

In the current year, the Group has applied HKAS 32 “Financial Instruments: Disclosure and Presentation” (“HKAS 32”) and HKAS 39 “Financial Instruments: Recognition and Measurement” (“HKAS 39”). HKAS 32 requires retrospective application. HKAS 39, which is effective for annual periods beginning on or after 1 January 2005, generally does not permit the recognition, derecognition or measurement of financial assets and liabilities on a retrospective basis. The application of HKAS 32 has had no material impact on how financial instruments of the Group are presented for current and prior accounting period. The principal effects resulting from the implementation of HKAS 39 are summarised below:

### Classification and measurement of financial assets and financial liabilities

The Group has applied the relevant transitional provisions in HKAS 39 with respect to the classification and measurement of financial assets and financial liabilities that are within the scope of HKAS 39.

## 2. 香港財務報告準則之採用 (續)

### 金融工具

本集團已於本年度應用香港會計準則第32號「金融工具：披露及呈列」及香港會計準則第39號「金融工具：確認及計量」。香港會計準則第32號規定作追溯應用。於二零零五年一月一日或以後開始的年度生效之香港會計準則第39號，基本上不容許對金融資產及負債進行追溯性的確認、不再確認或計量。採納香港會計準則第32號對本集團本年度或過往年度之金融工具之呈列並沒有重大影響。因實行香港會計準則第39號而產生的主要影響摘要如下：

### 金融資產及金融負債的分類及計量

本集團已就香港會計準則第39號所界定之金融資產及金融負債範圍內，應用有關分類及計量的過渡條文。

## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS *(Continued)*

### Equity securities previously accounted for under the benchmark treatment of SSAP 24

Prior to 1 January 2005, the Group classified and measured its investments in equity securities in accordance with the benchmark treatment of Statement of Standard Accounting Practice 24 (“SSAP 24”). Under SSAP 24, investments in debt or equity securities are classified as “investment securities”, “other investments” or “held-to-maturity investments” as appropriate. “Investment securities” are carried at cost less impairment losses (if any) while “other investments” are measured at fair value, with unrealised gains or losses included in profit or loss. “Held-to-maturity investments” are carried at amortised cost less impairment losses (if any). From 1 January 2005 onwards, the Group has classified and measured its investments in equity securities in accordance with HKAS 39. Under HKAS 39, financial assets are classified as “financial assets at fair value through profit or loss”, “available-for-sale financial assets”, “loans and receivables”, or “held-to-maturity financial assets”. “Financial assets at fair value through profit or loss” and “available-for-sale financial assets” are carried at fair value, with changes in fair values recognised in profit or loss and equity respectively. Available-for-sale equity investments that do not have quoted market prices in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are measured at cost less impairment after initial recognition. “Loans and receivables” and “held-to-maturity financial assets” are measured at amortised cost using the effective interest method after initial recognition. On 1 January 2005, the Group classified and measured its investments in equity securities in accordance with the transitional provisions of HKAS 39. As a result, “investments in securities” amounted to HK\$12,000 has been classified as “investments held for trading” on 1 January 2005. However, there has been no material effect on how the results for the current accounting period as prepared and presented.

## 2. 香港財務報告準則之採用 (續)

### 過往根據會計實務準則第24號基準處理入賬之權益證券

於二零零五年一月一日前，本集團已根據會計實務準則第24號之基準處理將其權益證券投資分類及計量。根據會計實務準則第24號，債務投資或權益證券投資乃歸類為「投資證券」、「其他投資」或「持至屆滿日之投資」（如適用）。「投資證券」以成本扣除減值虧損（如有）計賬，而「其他投資」則與歸入損益之未實現收益或虧損一併以公平值計量。「持至屆滿日之投資」以攤銷成本扣除減值虧損（如有）計賬。由二零零五年一月一日起，本集團按照香港會計準則第39號將其權益證券投資分類及計量。根據香港會計準則第39號，金融資產可分類為「按公平值列賬及在損益賬處理之金融資產」、「可出售金融資產」、「貸款及應收款項」或「持至屆滿日之金融資產」。「按公平值列賬及在損益賬處理之金融資產」及「可出售金融資產」乃分別於損益賬及權益變動表中確認公平值之變動並以公平值計賬。在活躍市場上並無已報市價之可供出售股本投資及其公平值無法可靠地計算，與該等非上市股本工具有關並須以交付該等工具結算之衍生工具，則須於初步確認後按成本減減值計量。「貸款及應收款項」及「持至屆滿日之金融資產」於初步確認後採用實際利息法以攤銷成本計量。於二零零五年一月一日，本集團根據香港會計準則第39號之相關過渡性條文已將其權益證券投資分類。因此，約12,000港元之「證券投資」已於二零零五年一月一日分類為「持作買賣之投資」。但是對於本年度的業績並沒有重大影響。

## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS *(Continued)*

### Financial assets and financial liabilities other than equity securities

From 1 January 2005 onwards, the Group has classified and measured its financial assets and financial liabilities other than investment in equity securities (which were previously outside the scope of SSAP 24) in accordance with the requirements of HKAS 39. As mentioned above, financial assets under HKAS 39 are classified as “financial assets at fair value through profit or loss”, “available-for-sale financial assets”, “loans and receivables” or “held-to-maturity financial assets”. Financial liabilities are generally classified as “financial liabilities at fair value through profit or loss” or “other financial liabilities”. Financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value being recognised in profit or loss directly. Other financial liabilities are carried at amortised cost using the effective interest method after initial recognition.

## 2. 香港財務報告準則之採用 (續)

### 債務證券與股本證券以外之金融資產及金融負債

自二零零五年一月一日開始，本集團就股本證券投資以外的金融資產及金融負債（以往不屬於會計實務準則第24號範圍）按照香港會計準則第39號的規定進行分類及計量。如前所述，香港會計準則第39號將金融資產分類為「於損益賬按公平值處理的金融資產」、「可供出售金融資產」、「貸款及應收款項」及「持有至到期日金融資產」。金融負債基本上分類為「於損益賬按公平值處理的金融負債」或「其他金融負債」。於損益賬按公平值處理的金融負債按公平值列賬，公平值的變動直接確認為損益。其他金融負債於首次確認後以實際利率法按攤銷成本持有。

## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

The Group has not early applied the following new standards, amendments and interpretations (“INTS”) that have been issued but are not yet effective. The Directors of the Company anticipate that the application of these new standards, amendments or INTS will have no material impact on the consolidated financial statements of the Group.

HKAS 1 (Amendment)	Capital disclosures <sup>1</sup>
HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures <sup>2</sup>
HKAS 21 (Amendment)	Net investment in a foreign operation <sup>2</sup>
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions <sup>2</sup>
HKAS 39 (Amendment)	The fair value option <sup>2</sup>
HKAS 39 & HKFRS 4 (Amendments)	Financial guarantee contracts <sup>2</sup>
HKFRS 6	Exploration for and evaluation of mineral resources <sup>2</sup>
HKFRS 7	Financial instruments: Disclosures <sup>1</sup>

## 2. 香港財務報告準則之採用 (續)

本集團並無提早採納以下已頒佈但仍未生效之新準則，修訂及註釋。本公司董事估計採納此等新準則，修訂及註釋對本集團之綜合財務報表將不會構成重大影響。

香港會計 準則第1號 (修訂)	資本披露 <sup>1</sup>
香港會計 準則第19號 (修訂)	精算損益、集團計劃及 披露 <sup>2</sup>
香港會計準則 第21號 (修訂)	於外地經營投資淨額 <sup>2</sup>
香港會計 準則第39號 (修訂)	預測集團內公司間 交易之現金流量對沖 會計處理 <sup>2</sup>
香港會計 準則第39號 (修訂)	選擇以公平值入賬 <sup>2</sup>
香港會計 準則第39號及 香港財務 報告準則 第4號 (修訂)	財務擔保合約 <sup>2</sup>
香港財務報告 準則第6號	礦產資源開採及評估 <sup>2</sup>
香港財務報告 準則第7號	金融工具：披露 <sup>1</sup>

**2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS** *(Continued)*

HK(IFRIC) - INT 4	Determining whether an arrangement contains a lease <sup>2</sup>
HK(IFRIC) - INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds <sup>2</sup>
HK(IFRIC) - INT 6	Liabilities arising from participating in a specific market - waste electrical and electronic equipment <sup>3</sup>
HK(IFRIC) - INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2007.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2006.

<sup>3</sup> Effective for annual periods beginning on or after 1 December 2005.

<sup>4</sup> Effective for annual periods beginning on or after 1 March 2006.

**2. 香港財務報告準則之採用 (續)**

香港(國際 財務報告 詮釋委員會) — 詮釋4	釐定安排是否包括租賃 <sup>2</sup>
香港(國際 財務報告 詮釋委員會) — 詮釋5	終止運作、復原及環境 修復基金產生權益之 權利 <sup>2</sup>
香港(國際 財務報告 詮釋委員會) — 詮釋6	參與特定市場、 廢棄電力及 電子設備產生之 負債 <sup>3</sup>
香港(國際 財務報告 詮釋委員會) — 詮釋7	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 <sup>4</sup>

<sup>1</sup> 於二零零七年一月一日或之後開始之年度期間生效。

<sup>2</sup> 於二零零六年一月一日或之後開始之年度期間生效。

<sup>3</sup> 於二零零五年十二月一日或之後開始之年度期間生效。

<sup>4</sup> 於二零零六年三月一日或之後開始之年度期間生效。



### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared under the historical cost convention except for certain financial instruments, which are measured at fair values.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the Hong Kong Institute of Certified Public Accountants. 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 its subsidiaries made up to each of the balance sheet date.

The results of subsidiaries acquired or disposed of during the year/period 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.

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.

### 3. 主要會計政策

除了若干金融工具是以公平值列賬外，本綜合財務報告是按歷史成本為基礎編製。

本綜合財務報告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，本綜合財務報告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附屬公司截至各結算日之財務報表。

年度／期間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告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告賬目時抵銷。

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集團承擔。

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investments in associates

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 profit or loss and of changes in equity 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.

#### Goodwill

Goodwill arising on an acquisition of a subsidiary for which the agreement date is before 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant subsidiary at the date of acquisition. Goodwill arising on acquisitions prior to 1 January 2005 continues to be held in reserve, and will be charged to the retained earnings at the time when the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates become impaired.

### 3. 主要會計政策 (續)

#### 聯營公司投資

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損益和權益的變動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。

#### 商譽

於二零零五年一月一日前簽訂合同收購附屬公司時產生的商譽指付出的收購成本高於本集團佔收購當日該附屬公司之可確定之資產及負債公平值的數額。於二零零五年一月一日前因收購以產生之商譽繼續保留於儲備內。將於出售有關商譽之業務時或於有關商譽之現金產生單位出現減值時在保留盈利扣除。

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Goodwill (Continued)

For the purposes of impairment testing, goodwill arising from an acquisition of the subsidiary is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of a subsidiary or an associate, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

#### Excess of an acquirer's interest in the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over cost ("discount on acquisitions")

A discount on acquisition arising on an acquisition of a subsidiary or an associate for which an agreement date is on or after 1 April 2004 represents the excess of the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination. Discount on acquisition is recognised immediately in profit or loss. A discount on acquisition arising on an acquisition of an associate (which is accounted for using the equity method) is included as income in the determination of the investor's share of results of the associate in the period in which the investment is acquired.

### 3. 主要會計政策 (續)

#### 商譽 (續)

就減值測試而言，收購附屬公司所產生之商譽乃被分配到每一個有關賺取現金單位，或賺取現金單位之組別，預期彼等從收購之協同效應中受益。已獲配商譽之賺取現金單位每年及當單位有可能出現減值之跡象時進行減值測試。就於某個財政年度之收購所產生之商譽而言，已獲配商譽之現金賺取單位於該財政年度完結前進行減值測試。當賺取現金單位之可收回金額少於該單位之賬面值，則減值虧損被分配，以削減首先分配到該單位，及其後以單位各資產之賬面值為基準按比例分配到該單位之其他資產之任何商譽之賬面值。商譽之任何減值虧損乃直接於綜合收益表內確認。商譽之減值虧損於其後期間不予撥回。

其後出售一間附屬公司或聯營公司，則被資本化之商譽之應佔金額於出售時計入釐定損益之金額。

#### 購買方在被購買方辨認資產、負債及或有負債的公允價值中所佔份額超出購買成本的部分 (「收購折讓」)

於二零零四年四月一日或之後訂立的購買一間附屬公司或一間聯營公司協議所產生的收購折讓指購買方在聯營公司的可辨認資產，負債及或有負債在購買當日的公允價值中所佔份額超過業務購併成本的部分。收購折讓會立即確認於損益內。購買聯營公司(而該聯營公司以權益法入賬)產生的收購折讓會包括在收購當期投資者分佔聯營公司所確定的溢利中。

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 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, net of discount.

All transactions in securities trading are recorded on a trade date basis.

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

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 estimate 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, if any.

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, at the following rates per annum:

Leasehold improvements	20% - 33 $\frac{1}{3}$ %
Computer equipment	20% - 50%
Furniture and fixtures	20% - 40%
Motor vehicles	20% - 30%

An item of fixed asset 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.

### 3. 主要會計政策 (續)

#### 收入確認

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

證券買賣之所有交易乃按有關買賣日期予以記錄。

佣金及經紀收入在提供服務時確認入賬。

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(如有)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，以直線法按以下年率撇除成本計算折舊：

租賃物業裝修	20% - 33 $\frac{1}{3}$ %
電腦設備	20% - 50%
傢俬及裝置	20% - 40%
汽車	20% - 30%

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間之差額計算)於該項目取消確認之年度計入綜合損益計數表。

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Intangible assets

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

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

#### Financial instruments

Financial assets and financial liabilities are recognised on the 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 classified as loans and receivables. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of loans and receivables are set out below.

### 3. 主要會計政策 (續)

#### 無形資產

於初步確認時，獨立收購之無形資產乃按成本確認。於初步確認後，有限可使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損入賬。有限可使用年期之無形資產攤銷乃按直線基準於其估計可使用年期撥備。

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。

#### 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負債」而言，直接產生之交易成本即時於損益表確認。

#### 金融資產

本集團之金融資產分類為貸款及應收款項。所有日常買賣之金融資產於交易日確認及不再確認。日常買賣指須根據市場規則或慣例訂立之時間內交收資產之金融資產買賣。就貸款及應收款項所採納之會計政策載列於下文。



### 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, deposits, accounts receivable, loans receivable and other receivables are carried at amortised cost using the effective interest method, less any identified impairment losses. 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. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction 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.

#### **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. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

#### *Financial liabilities*

Financial liabilities include accounts payable and other payables are subsequently measured at amortised cost, using the effective interest rate 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)

#### *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、存款、應收賬款、應收貸款及其他應收款項）採用實際利率法攤銷成本，減任何已識別減值虧損列賬。倘客觀證明資產出現減值，則減值虧損會於損益表確認，並按資產賬面值與按原實際利率折讓之估計未來現金流量之現值的差額計算。倘資產可收回金額之增幅能客觀地指出涉及確認減值後所發生之事件，則減值虧損會於以後期間撥回，惟減值撥回當日之資產賬面值不得超過如無確認減值時之原來應攤銷成本。

#### **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。就金融負債及股本權益工具而採納之會計政策載列如下。

#### *金融負債*

金融負債包括應付賬款及其他應付賬款，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。

**3. SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Impairment (other than goodwill)**

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. 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.

**3. 主要會計政策 (續)**

**減值 (商譽以外)**

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其至估計可收回金額，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。

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 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/period. Taxable profit differs from net 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.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the 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, 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/period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the consolidated income statement, 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

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／期間應課稅溢利計算。應課稅溢利與綜合損益計數表中所報溢利淨額不同，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。

遞延稅項為就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。

遞延稅項負債乃就於附屬公司之投資而引致之應課稅臨時差額而確認，惟若本集團可令臨時差額對沖及臨時差額可能不會於可見將來對沖之情況除外。

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／期間適用之稅率計算。遞延稅項於綜合損益計數表中扣除或計入，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。

### 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/period in which they arise, except for exchange differences arising on a monetary item that forms part of the Group's net investment in a foreign operation, in which case, such exchange differences are recognised in equity in the consolidated financial statements.

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/period, unless exchange rates fluctuate significantly during the year/period, 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/period in which the foreign operation is disposed of.

#### Retirement benefits costs

Payments to the defined contribution retirement benefits scheme are charged as an expense as they fall due.

### 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)進行之交易乃按其功能貨幣(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／期間內計入損益，惟組成本集團海外業務之投資淨額部份之貨幣項目所產生之匯兌差額除外，在此情況下，有關匯兌差額乃於綜合財務報表中確認為股本權益。

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公司之呈列貨幣(即港元)，而有關之收入及開支項目乃按年度／期間內平均匯率換算，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)均確認為股本權益之獨立部份(匯兌儲備)。有關換算差額於該項海外業務出售年度／期間內在損益表中確認。

#### 退休福利成本

定額供款退休福利計劃之款項，乃於到期時作為開支予以扣除。

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies which are described in note 3, the management has made the following estimates that have 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, are also discussed below.

##### Income taxes

No deferred tax asset was recognised in the Group's consolidated balance sheet in relation to the unused tax losses of approximately HK\$33,872,000. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In case where the actual future profits generated are more than expected, further recognition of deferred tax asset in relation to unutilised tax losses may arise, which would be recognised in the income statement for the period in which such a recognition takes place.

##### Written back for bad and doubtful debts

The policy for written back or allowance for bad and doubtful debts of the Group is based on the evaluation of collectability and aged analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each client and the estimation of the future cash flow discounted at the original effective rate to calculate the present value. If the financial conditions of client of the Group were not as good as expected by the Group, additional impairment may be required.

#### 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，於下文討論。

##### 所得稅

概無有關未動用稅項虧損約33,872,000港元之遞延稅項資產乃於本集團之綜合資產負債表內確認。變現遞延稅項資產主要有賴於是否有足夠未來溢利或將來可供利用之應課稅暫時差額而定。倘產生之未來實際溢利多於預期溢利，則有關未動用稅項虧損之遞延稅項資產可能會作進一步確認，而該未來溢利會於有關確認發生期間之損益計算表內確認。

##### 呆壞賬回撥

本集團之呆壞賬回撥或撥備政策乃根據賬目之可收回性之評估及賬齡分析，以及管理層判斷而制訂。在評估該等應收賬款之最終變現額時須作出大量判斷，其中包括各客戶目前之信譽及過往還款記錄及按原定實際利率估計折現現金流量以計算現值。倘本集團之客戶之財務狀況未如本集團預期理想，則可能須作額外撥備。



## 5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include bank balances and cash, pledged fixed deposits, accounts receivable, loans receivable, accounts payable and other payables. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and 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.

### Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 December 2005 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet. The Group has no significant concentration of credit risk with exposure spread over a number of customers. 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 accounts receivables and loans receivable 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.

## 5. 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、已抵押定期存款、應收賬款、應收貸款、應付賬款及其他應付賬款。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，以及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。

### 信貸風險

倘交易對手於二零零五年十二月三十一日未能履行有關各類已確認金融資產之責任，則本公司所面對之最大信貸風險以綜合資產負債表所列之該等資產賬面值為限。本集團並無重大集中信貸風險，有關風險分散於數名客戶上。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應收賬款及應收貸款之可收回金額，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。

## 6. REVENUE

		1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日 <b>HK\$'000</b> 千港元	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日 <b>HK\$'000</b> 千港元
Commission and brokerage	經紀佣金	<b>28,768</b>	24,805
Interest income from:	來自以下項目之利息收入：		
Clients	客戶	<b>3,452</b>	3,227
Authorised institutions	認可機構	<b>1,294</b>	96
Others	其他	<b>15</b>	13
Advisory fee income	顧問費收入	<b>1,640</b>	1,612
		<b>35,169</b>	29,753

## 7. BUSINESS AND GEOGRAPHICAL SEGMENTS

### Business segments

For management purposes, the Group is currently organised into two operating divisions, namely, broking and securities margin financing. 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

## 6. 收益

		1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日 <b>HK\$'000</b> 千港元	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日 <b>HK\$'000</b> 千港元
Commission and brokerage	經紀佣金	<b>28,768</b>	24,805
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Others	其他	<b>15</b>	13
Advisory fee income	顧問費收入	<b>1,640</b>	1,612
		<b>35,169</b>	29,753

## 7. 業務及地區分類

### 業務分類

因管理目的，本集團目前由兩個經營類別組成，即分別為經紀業務及證券保證金融資。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

7. 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 2005

7. 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：

截至二零零五年十二月三十一日止年度之綜合損益計數表

		Securities margin financing 證券 保證金融資	Others 其他	Consolidated 綜合
		Broking 經紀業務 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
REVENUE	收益			
Segment revenue	分類收益	31,168	2,246	1,755
		<u>31,168</u>	<u>2,246</u>	<u>1,755</u>
RESULTS	業績			
Segment profit	分類溢利	1,200	3,685	333
		<u>1,200</u>	<u>3,685</u>	<u>333</u>
Unallocated expenses	未劃撥開支			(847)
Share of results of an associate	應佔聯營公司之業績			9,669
Profit before taxation	除稅前溢利			14,040
Taxation	稅項			(35)
Profit for the year	年度溢利淨額			<u>14,005</u>

7. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Business segments (Continued)

Consolidated balance sheet as at 31 December 2005

7. 業務及地區分類 (續)

業務分類 (續)

於二零零五年十二月三十一日之綜合資產負債表

		Securities margin financing	Others	Consolidated	
		Broking 經紀業務 HK\$'000 千港元	證券 保證金融資 HK\$'000 千港元	其他 HK\$'000 千港元	綜合 HK\$'000 千港元
ASSETS	資產				
Segment assets	分類資產	81,034	29,950	4,148	115,132
Interest in an associate	聯營公司之權益				111,851
Unallocated corporate assets	未劃撥公司資產				319
Consolidated total assets	綜合資產總額				227,302
LIABILITIES	負債				
Segment liabilities	分類負債	48,019	1,107	193	49,319
Unallocated corporate liabilities	未劃撥公司負債				166
Consolidated total liabilities	綜合負債總額				49,485

7. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Business segments (Continued)

Other information for the year ended 31 December 2005

		<b>Broking</b> 經紀業務 HK\$'000 千港元	<b>Securities margin financing</b> 證券 保證金融資 HK\$'000 千港元	<b>Others</b> 其他 HK\$'000 千港元	<b>Consolidated</b> 綜合 HK\$'000 千港元
Additions of fixed assets	固定資產增添	168	—	—	168
Written back for bad and doubtful debts	呆壞賬回撥	(1,458)	(3,313)	—	(4,771)
Amortisation of intangible assets	無形資產攤銷	6	—	—	6
Depreciation	折舊	1,148	—	105	1,253
		<u>1,148</u>	<u>—</u>	<u>105</u>	<u>1,253</u>

7. 業務及地區分類 (續)

業務分類 (續)

截至二零零五年十二月三十一日止年度之  
其他資料

7. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Business segments (Continued)

Consolidated income statement for the period from 1 April 2004 to 31 December 2004

7. 業務及地區分類 (續)

業務分類 (續)

於二零零四年四月一日至二零零四年十二月三十一日止期間之綜合損益計數表

		<b>Broking</b> 經紀業務 HK\$'000 千港元	<b>Securities margin financing</b> 證券 保證金融資 HK\$'000 千港元	<b>Others</b> 其他 HK\$'000 千港元	<b>Consolidated</b> 綜合 HK\$'000 千港元
REVENUE	收益				
Segment revenue	分類收益	26,245	1,702	1,806	29,753
RESULTS	業績				
Segment loss	分類虧損	(803)	(175)	(54)	(1,032)
Unallocated expenses	未劃撥開支				(580)
Discount on acquisition of an associate	收購聯營公司之 折讓				41,728
Share of results of an associate	應佔聯營公司之 業績				5,321
Profit before taxation	除稅前溢利				45,437
Taxation	稅項				(58)
Profit for the period	期間溢利淨額				45,379



7. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Business segments (Continued)

Consolidated balance sheet as at 31 December 2004

7. 業務及地區分類 (續)

業務分類 (續)

於二零零四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	Others 其他 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	89,660	31,821	4,433	125,914
Interest in an associate	聯營公司之權益				77,333
Unallocated corporate assets	未劃撥公司資產				18,180
Consolidated total assets	綜合資產總額				221,427
<b>LIABILITIES</b>	<b>負債</b>				
Segment liabilities	分類負債	55,864	2,875	203	58,942
Unallocated corporate liabilities	未劃撥公司負債				123
Consolidated total liabilities	綜合負債總額				59,065

## 7. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

### Business segments (Continued)

Other information for the period from 1 April 2004 to 31 December 2004

		<b>Broking</b> 經紀業務 HK\$'000 千港元	<b>Securities margin financing</b> 證券 保證金融資 HK\$'000 千港元	<b>Others</b> 其他 HK\$'000 千港元	<b>Consolidated</b> 綜合 HK\$'000 千港元
Additions of fixed assets	固定資產增添	82	—	23	105
Allowance for bad and doubtful debts	呆壞賬撥備	2,183	—	828	3,011
Amortisation of intangible assets	無形資產攤銷	4	—	—	4
Depreciation	折舊	<u>1,444</u>	<u>—</u>	<u>112</u>	<u>1,556</u>

### Geographical segments

All of the activities of the Group are based in Hong Kong and all of the Group's revenue and profit before taxation are derived from Hong Kong. In addition, the Group's assets are located in Hong Kong.

## 7. 業務及地區分類 (續)

### 業務分類 (續)

於二零零四年四月一日至二零零四年十二月三十一日止期間之其他資料

		<b>Broking</b> 經紀業務 HK\$'000 千港元	<b>Securities margin financing</b> 證券 保證金融資 HK\$'000 千港元	<b>Others</b> 其他 HK\$'000 千港元	<b>Consolidated</b> 綜合 HK\$'000 千港元
Additions of fixed assets	固定資產增添	82	—	23	105
Allowance for bad and doubtful debts	呆壞賬撥備	2,183	—	828	3,011
Amortisation of intangible assets	無形資產攤銷	4	—	—	4
Depreciation	折舊	<u>1,444</u>	<u>—</u>	<u>112</u>	<u>1,556</u>

### 地區分類

本集團之所有業務均在香港經營，而本集團之所有收益及除稅前溢利均來自香港。此外，本集團之資產均位於香港。

8. FINANCE COSTS

Interest on borrowings wholly repayable within five years:	
Bank overdrafts	
Finance leases	
Other bank borrowings	

8. 財務費用

	1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日 HK\$'000 千港元	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日 HK\$'000 千港元
於五年內償清之 貸款利息：		
銀行透支	1	8
融資租約	—	1
其他銀行貸款	19	—
	<u>20</u>	<u>9</u>

9. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging (crediting):	
Auditors' remuneration	
Contributions to retirement benefits scheme (included in staff costs)	
Loss from error trades	
Operating lease rentals in respect of rented premises	
Net realised and unrealised (gain) loss on investment held for trading/trading securities	
Share of tax of an associate (included in share of results of an associate)	

9. 除稅前溢利

	1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日 HK\$'000 千港元	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日 HK\$'000 千港元
除稅前溢利已扣除 (計入) 下列各項：		
核數師酬金	1,107	558
退休福利計劃供款 (包括僱員成本)	383	292
錯誤交易虧損	13	39
有關租賃物業之 經營租約租金	4,364	3,153
變現及未變現之持作投資買賣/ 證券買賣 淨虧損 (盈利)	(1)	12
應佔聯營公司之稅項 (於應佔聯營公司之業績內)	(1,262)	(28)
	<u>(1,262)</u>	<u>(28)</u>

## 10. DIRECTORS' REMUNERATION

The remuneration paid or payable to each of the five (1.4.2004 to 31.12.2004: five) Directors were as follows:

		Lam Kwok Hing 藍國慶 HK\$'000 千港元	Nam Kwok Lun 藍國倫 HK\$'000 千港元	Ng Chi Kin David 伍志堅 HK\$'000 千港元	Chen Wei-Ming Eric 陳偉明 HK\$'000 千港元	Kwan Wang Wai Alan 關宏偉 HK\$'000 千港元	1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日 HK\$'000 千港元
Fees:	袍金：						
Executive Directors	執行董事	—	—	—	—	—	—
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	644	644	—	—	—	1,288
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>656</b>	<b>656</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>1,462</b>

		Lam Kwok Hing 藍國慶 HK\$'000 千港元	Nam Kwok Lun 藍國倫 HK\$'000 千港元	Ng Chi Kin David 伍志堅 HK\$'000 千港元	Chen Wei-Ming Eric 陳偉明 HK\$'000 千港元	Kwan Wang Wai Alan 關宏偉 HK\$'000 千港元	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日 HK\$'000 千港元
Fees:	袍金：						
Executive Directors	執行董事	—	—	—	—	—	—
Independent Non-Executive Directors	獨立非執行董事	—	—	38	38	12	88
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	483	483	—	—	—	966
Contributions to retirement benefits scheme	退休福利計劃供款	9	9	—	—	—	18
<b>Total remuneration</b>	<b>總酬金</b>	<b>492</b>	<b>492</b>	<b>38</b>	<b>38</b>	<b>12</b>	<b>1,072</b>

## 10. DIRECTORS' REMUNERATION (Continued)

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

## 11. EMPLOYEES' EMOLUMENTS

The five individuals with the highest emoluments in the Group included two (1.4.2004 to 31.12.2004: two) Directors of the Company for the year/period, details of whose emoluments are included in note 10. The emoluments of the remaining three (1.4.2004 to 31.12.2004: three) individuals were as follows:

Salaries and other benefits	薪金及其他福利
Discretionary bonus	酌定花紅
Contributions to retirement benefits scheme	退休福利計劃供款

The aggregate emoluments of each of these remaining three (1.4.2004 to 31.12.2004: three) highest paid individuals were less than HK\$1,000,000.

During the year/period, 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.

## 12. TAXATION

The taxation charge represents the underprovision of Hong Kong Profit Tax for the year/period.

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as there are no assessable profits arising in Hong Kong or the assessable profits were wholly absorbed by estimated tax losses brought forward.

## 10. 董事酬金 (續)

於年度內，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。於年度內，董事並無放棄任何酬金。

## 11. 僱員酬金

於年度／期間內，本集團之五名最高薪酬人士包括兩名(二零零四年四月一日至二零零四年十二月三十一日：兩名)本公司董事，其薪酬詳情載於附註第10項。其餘三名(二零零四年四月一日至二零零四年十二月三十一日：三名)人士之酬金如下：

1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日 HK\$'000 千港元	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日 HK\$'000 千港元
1,899	1,305
—	24
36	27
<b>1,935</b>	<b>1,356</b>

其餘三名(二零零四年四月一日至二零零四年十二月三十一日：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。

## 12. 稅項

稅項扣除指年度／期間內撥備不足之香港利得稅。

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，故並無於綜合財務報表內就香港利得稅提取撥備。

12. TAXATION (Continued)

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

		1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日 HK\$'000 千港元	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日 HK\$'000 千港元
Profit before taxation	除稅前溢利	<b>14,040</b>	<b>45,437</b>
Taxation charge at domestic income tax rate of 17.5%	以當地所得稅率 17.5% 計算之稅款	<b>(2,457)</b>	<b>(7,951)</b>
Tax effect of share of results of an associate	應佔聯營公司業績之稅務影響	<b>1,464</b>	931
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>736</b>	7,310
Tax effect of estimated tax losses not recognised	未確認估計稅務虧損之稅務影響	<b>(517)</b>	(986)
Underprovision in prior years	過往年度撥備不足	<b>(35)</b>	(58)
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>(10)</b>	(146)
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>929</b>	917
Others	其他	<b>(145)</b>	(75)
Taxation for the year/period	年度／期間之稅項	<b>(35)</b>	<b>(58)</b>

At 31 December 2005, the Group had unused estimated tax losses of approximately HK\$33,872,000 (2004: HK\$36,228,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Tax losses may be carried forward indefinitely.

12. 稅項 (續)

年度／期間之稅項，與綜合損益計數表之除稅前溢利之對賬如下：

		1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日 HK\$'000 千港元	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日 HK\$'000 千港元
Profit before taxation	除稅前溢利	<b>14,040</b>	<b>45,437</b>
Taxation charge at domestic income tax rate of 17.5%	以當地所得稅率 17.5% 計算之稅款	<b>(2,457)</b>	<b>(7,951)</b>
Tax effect of share of results of an associate	應佔聯營公司業績之稅務影響	<b>1,464</b>	931
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>736</b>	7,310
Tax effect of estimated tax losses not recognised	未確認估計稅務虧損之稅務影響	<b>(517)</b>	(986)
Underprovision in prior years	過往年度撥備不足	<b>(35)</b>	(58)
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>(10)</b>	(146)
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>929</b>	917
Others	其他	<b>(145)</b>	(75)
Taxation for the year/period	年度／期間之稅項	<b>(35)</b>	<b>(58)</b>

於二零零五年十二月三十一日，本集團有未動用估計稅務虧損約33,872,000港元(二零零四年：36,228,000港元)可供抵銷未來溢利。由於難以預測未來溢利流量，故未有確認遞延稅項資產。稅務虧損或會無限定期結轉。



13. EARNINGS PER SHARE

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

13. 每股盈利

每股基本盈利乃按下列數據計算：

		1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日 <b>HK\$'000</b> 千港元	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日 <b>HK\$'000</b> 千港元
Profit attributable to the equity holders of the Company for the purposes of basic earnings per share	用以計算每股基本 盈利之本公司之權益 持有人應佔溢利淨額	<b>13,845</b>	<b>45,684</b>
		Number of shares 股份數目	
		'000 千股	'000 千股
Number of ordinary shares for the purpose of basic earnings per share	計算每股基本 盈利之普通股數目	<b>460,000</b>	460,000

14. FIXED ASSETS

14. 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 April 2004	於二零零四年 四月一日	700	5,312	4,061	2,132	12,205
Additions	增添	—	32	73	—	105
At 1 January 2005	於二零零五年 一月一日	700	5,344	4,134	2,132	12,310
Additions	增添	—	152	16	—	168
At 31 December 2005	於二零零五年 十二月三十一日	700	5,496	4,150	2,132	12,478
<b>DEPRECIATION</b>	<b>折舊</b>					
At 1 April 2004	於二零零四年 四月一日	462	3,169	3,276	1,698	8,605
Provided for the period	期間撥備	238	788	306	224	1,556
At 1 January 2005	於二零零五年 一月一日	700	3,957	3,582	1,922	10,161
Provided for the year	本年度撥備	—	708	432	113	1,253
At 31 December 2005	於二零零五年 十二月三十一日	700	4,665	4,014	2,035	11,414
<b>CARRYING VALUES</b>	<b>賬面值</b>					
At 31 December 2005	於二零零五年 十二月三十一日	—	831	136	97	1,064
At 31 December 2004	於二零零四年 十二月三十一日	—	1,387	552	210	2,149

15. INTANGIBLE ASSETS

15. 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 April 2004, 1 January 2005 and 31 December 2005	於二零零四年 四月一日， 二零零五年 一月一日及 二零零五年 十二月三十一日	50	120,978	7,420	128,448
<b>DEPRECIATION</b>	<b>折舊</b>				
At 1 April 2004	於二零零四年 四月一日	17	120,978	7,420	128,415
Provided for the period	期間撥備	4	—	—	4
At 1 January 2005	於二零零五年 一月一日	21	120,978	7,420	128,419
Provided for the year	本年度撥備	6	—	—	6
At 31 December 2005	於二零零五年 十二月三十一日	27	120,978	7,420	128,425
<b>CARRYING VALUES</b>	<b>賬面值</b>				
At 31 December 2005	於二零零五年 十二月三十一日	23	—	—	23
At 31 December 2004	於二零零四年 十二月三十一日	29	—	—	29

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。

16. INTEREST IN AN ASSOCIATE

Cost of investment in an associate listed in Hong Kong	香港上市聯營公司投資 成本值
Share of post-acquisition profits	收購後應佔溢利

Fair value of listed shares                      上市股份公平值

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 2005, 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 design, manufacturing and sale of electroplating equipment, custom-built horizontal wet processing and automation machinery, trading of logged timber, as well as provision of stage construction and arts production. The principal places of operation of ATNT and its subsidiaries are in the People's Republic of China, including Hong Kong and Taiwan.

Note: The share of post-acquisition profits includes an amount of HK\$43,033,000 (2004: 41,728,000) being discount on acquisition of the associate. The discount on acquisition for the year ended 31 December 2005 of HK\$1,305,000 had been included in the share of results of the associate in the consolidated income statement.

During the period ended 31 December 2004, the Group subscribed the convertible note of HK\$30,000,000 issued by ATNT and exercised the rights to convert in full the convertible note of HK\$30,000,000 into 150,000,000 new shares of ATNT at a conversion price of HK\$0.20 per share of ATNT. After the transaction, the Group holds 35.17% equity interest in ATNT and ATNT then becomes the associate of the Group. The discount on acquisition of ATNT of approximately HK\$41,728,000 was released to the consolidated income statement for the period ended 31 December 2004.

16. 聯營公司權益

	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
	<b>53,399</b>	30,000
	<b>58,452</b>	47,333
	<b>111,851</b>	77,333
	<b>48,883</b>	56,250

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。於二零零五年十二月三十一日，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設計、生產及銷售因應電鍍設備、客戶需求之水平式濕式處理設備及自動化機械、木材貿易與及提供舞台建築及藝術製作。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。

註：收購後應佔溢利包括收購聯營公司折讓43,033,000港元。收購之折讓1,305,000港元已於截至二零零五年十二月三十一日止年度綜合計數表內收購聯營公司之業績入賬。

於截止二零零四年十二月三十一日期間內，本集團認購30,000,000港元由亞洲聯網發行之可換股票據，並行使權利以悉數轉換30,000,000港元之可換股票據為150,000,000股新亞洲聯網股份，換股價為每股亞洲聯網股份0.20港元。交易後，本集團持有亞洲聯網權益35.17%及亞洲聯網成為本集團之聯營公司。收購亞洲聯網之折讓約41,728,000港元，並於截至二零零四年十二月三十一日止期間撥入綜合損益計數表。

16. INTEREST IN AN ASSOCIATE (Continued)

On 20 April 2005, Karfun further purchase 48,520,667 shares of ATNT from Optimist and 3,475,167 shares of ATNT from Mr. Lam Kwok Yan for an aggregate consideration of HK\$23,398,125 at a price of HK\$0.45 per share of ATNT. The Group's equity interest in ATNT was increased from 35.17% to 47.37% accordingly. The discount on acquisition of ATNT of approximately HK\$1,305,000 was released to the consolidated income statement for the year ended 31 December 2005.

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

16. 聯營公司權益 (續)

於二零零五年四月二十日，佳帆分別向 Optimist 與藍國恩先生以每股 0.45 港元之價格進一步購入 48,520,667 股亞洲聯網股份及 3,475,167 股亞洲聯網股份。本集團於亞洲聯網之股本權益由 35.17% 增至 47.37%。收購亞洲聯網之折讓約 1,305,000 港元，並於截至二零零五年十二月三十一日止年度撥入綜合損益計數表。

以下之詳情乃節錄自亞洲聯網之經審核綜合財務報表：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元 (restate) (重列)
Total assets	非流動資產總額	462,716	433,278
Total liabilities	流動負債總額	212,099	197,191
Net assets	資產淨額	<u>250,617</u>	<u>236,087</u>
Group's share of the net assets of the associate	本集團應佔聯營公司淨資產	<u>111,851</u>	<u>77,333</u>
Revenue	收益	<u>430,930</u>	<u>606,826</u>
Profit for the year	年度溢利	<u>13,136</u>	<u>60,489</u>
Group's share of result of associate for the year/period since acquisition	本集團應佔年度／期間自收購聯營公司後之業績	<u>8,364</u>	<u>5,321</u>

## 17. OTHER ASSETS

Deposits with:	存放於下列公司之款項：
The Stock Exchange	聯交所
The SFC	證監會
Hong Kong Securities Clearing Company Limited ("HKSCC")	香港中央結算有限公司 (「中央結算」)
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

The Directors consider that the fair value of other assets approximate to the corresponding carrying amount.

## 18. LOANS RECEIVABLE

Fixed-rate loan receivables denominated in Hong Kong dollar	定息應收貸款，以港元列算
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Carrying amount analysed for reporting purposes:	用作報告用途之賬面分析：
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）
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）

## 17. 其他資產

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
230	278
2,100	2,100
200	200
1,500	1,500
<b>4,030</b>	<b>4,078</b>

董事認為其他資產之公平值與其賬面值相若。

## 18. 應收貸款

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
1,479	2,747
464	1,686
1,015	1,061
<b>1,479</b>	<b>2,747</b>



18. LOANS RECEIVABLE (Continued)

The fixed-rate loan receivables 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

Loans receivable with an aggregate carrying value of approximately HK\$1,038,000 (2004: HK\$1,089,000) are secured by pledged assets.

The effective interest rates (which are equal to contractual interest rate) on the Group's loan receivables ranging from 2% to 14% (2004: 2% to 14%). Interest rate term is fixed at time when entering into loan agreement.

The Directors consider that the fair value of the loans receivable approximate to the corresponding carrying amounts.

18. 應收貸款 (續)

定息應收貸款之定約到期日如下：

	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
	464	1,686
	91	78
	63	59
	68	63
	73	68
	720	793
	<u>1,479</u>	<u>2,747</u>

總面值約 1,038,000 港元 (二零零四年：1,089,000 港元) 之應收貸款乃以已抵押的資產作為擔保。

本集團應收貸款之實際利率 (此等同合約利率) 由 2% 至 14% 不等 (二零零四年：2% 至 14%)。利率之條款於訂立貸款協議時釐定。

董事認為應收貸款之公平值與其賬面值相若。

19. OTHER FINANCIAL ASSETS

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
- HKSCC	— 中央結算
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
Loans to securities margin clients	證券保證金融資客戶貸款
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

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

Loans to securities margin clients are secured by clients' pledged securities, 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.

19. 其他財務資產

	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
	<b>10,225</b>	10,332
	<b>1,152</b>	409
	<b>4,558</b>	4,263
	<b>13,466</b>	21,745
	<b>497</b>	189
	<b>29,898</b>	36,938

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，乃以客戶之有抵押證券作抵押，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。

19. OTHER FINANCIAL ASSETS (Continued)

The Group does not provide any credit term to its corporate advisory clients. The age of accounts receivable arising from the business of providing corporate advisory services is as follows:

0 to 90 days	零至九十日
91 to 180 days	九十一至一百八十日

The aged analysis of accounts receivable from cash clients is as follows:

0 to 90 days	零至九十日
91 to 180 days	九十一至一百八十日

The fair values of account receivables, other receivables and deposits at the balance sheet date approximate to the corresponding carrying amounts.

19. 其他財務資產 (續)

本集團並無為企業顧問客戶提供信貸期。提供企業顧問服務業務產生之應收款賬齡如下：

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
260	189
237	—
<b>497</b>	<b>189</b>

現金客戶之應收賬款的賬齡分析如下：

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
9,857	9,767
368	565
<b>10,225</b>	<b>10,332</b>

應收賬款、其他賬款及按金於結算日之公平值與其賬面值相若。

## 20. INVESTMENTS IN SECURITIES

Trading securities:	買賣證券：
Equity shares listed in Hong Kong, at market value	香港上市普通股票， 按市值

Upon the application of HKAS39 on 1 January 2005, the Group's trading securities were reclassified to investment held-for-trading.

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

### Pledged fixed deposits

The Group had pledged fixed deposits of HK\$7,823,000 (2004: HK\$7,647,000) to banks to secure general banking facilities granted to the Group, and therefore classified as current assets. The pledged fixed deposits carry floating interest rate ranging from 3% to 4% (2004: 0.1% to 2.0%) and will be released upon the expiry of relevant banking facilities.

### 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 segregate bank accounts and bear interest at market rate. The Group has recognised the corresponding account payables to respective clients. However, the Group does not have a currently enforceable rights to offset those payables with the deposits placed. The fair values of these assets at the balance sheet date approximate to their carrying amounts.

### Bank balances (general accounts) and cash

The amounts comprise cash held by the Group and short-term bank deposits at market interest rates with an original maturity of three months or less. The fair values of these assets at the balance sheet date approximate to their carrying amounts.

## 20. 證券投資

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
—	12

自二零零五年一月一日採納香港會計準則第39號，本集團之證券買賣重列為持作投資買賣。

## 21. 已抵押定期存款、銀行結存及現金

### 已抵押定期存款

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已抵押定期存款為7,823,000港元(二零零四年：7,647,000港元)，故將其分類為流動資產。已抵押定期存款之浮動利率介乎3%至4%(2004：0.1%至2.0%)並將於有關銀行融資到期後解除。

### 銀行結存(信託及獨立賬戶)

來自本集團之一般業務，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市場利率計算之利息。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。該等資產於結算日之公平值與其賬面值相約。

### 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按市場利率計算並少於三個月到期之短期銀行存款。該等資產於結算日之公平值與其賬面值相約。

22. OTHER FINANCIAL LIABILITIES

Accounts payable to clients arising from the business of dealing in securities	買賣證券業務所產生應付客戶之賬款
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
Amounts due to securities margin clients	應付證券保證金融資客戶之款項

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

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

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 Futures Exchange. The excesses of the outstanding amounts over the required margin deposits stipulated by the Futures Exchange 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.

The account payables amounting to HK\$39,375,000 (2004: HK\$48,402,000) was payable to clients 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.

The fair values of account payable and other payables at balance sheet date approximate to the corresponding carrying amount.

22. 其他財務負債

	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
	38,836	45,690
	5,656	6,790
	1,107	2,875
	<u>45,599</u>	<u>55,355</u>

應付現金客戶之結算期限為交易日期後二日，其賬齡為30天內。

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。

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。

因進行受監管活動而收取及持有客戶款項，並儲存在信託及獨立銀行賬戶的應付賬款為39,375,000港元（二零零四年：48,402,000港元）。但本集團現時並無行使權將存款抵銷該等應付賬款。

應付賬款及其他應付賬款於結算日之公平值與其賬面值相若。

23. SHARE CAPITAL

Ordinary shares of HK\$0.10 each	每股面值 0.10 港元之普通股	Number of shares 股份數目	HK\$'000 千港元
<i>Authorised:</i>	法定股本：		
At 31 December 2004 and 31 December 2005	二零零四年十二月三十一日及 二零零五年十二月三十一日	1,000,000	100,000
<i>Issued and fully paid:</i>	已發行及繳足股本：		
At 31 December 2004 and 31 December 2005	於二零零四年十二月三十一日及 二零零五年十二月三十一日	460,000	46,000

There was no movement in the share capital of the Company during the year/period.

24. OPERATING LEASE COMMITMENTS

At the balance sheet, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Within one year	一年內	2,540	2,247
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	1,855	441
		<u>4,395</u>	<u>2,688</u>

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.

23. 股本

Ordinary shares of HK\$0.10 each	每股面值 0.10 港元之普通股	Number of shares 股份數目	HK\$'000 千港元
<i>Authorised:</i>	法定股本：		
At 31 December 2004 and 31 December 2005	二零零四年十二月三十一日及 二零零五年十二月三十一日	1,000,000	100,000
<i>Issued and fully paid:</i>	已發行及繳足股本：		
At 31 December 2004 and 31 December 2005	於二零零四年十二月三十一日及 二零零五年十二月三十一日	460,000	46,000

於年度／期間內，本公司之股本並無任何變動。

24. 經營租約承擔

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：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Within one year	一年內	2,540	2,247
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	1,855	441
		<u>4,395</u>	<u>2,688</u>

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。



## 25. COMMITMENTS

### (a) Capital Commitment

Capital expenditure in respect of the acquisition of fixed assets contracted for but not provided in the consolidated financial statements

有關購買固定資產之已定約項目但未計於綜合財務報表撥備之資本開支

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
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<u>100</u>	<u>—</u>
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### (b) Other Commitment

On 25 November 2004, Karfun conditionally agreed to acquire 48,520,667 shares of ATNT from Optimist and 3,475,167 shares of ATNT from Mr. Lam Kwok Yan for an aggregate consideration of HK\$23,398,125 at a price of HK\$0.45 per share of ATNT. These acquisitions were approved by the independent shareholders of the Company at a special general meeting on 30 March 2005 and completed on 20 April 2005. The Group's equity interest in ATNT was increased from 35.17% to 47.37% accordingly.

### (b) 其他承擔

於二零零四年十一月二十五日，佳帆有條件同意，按每股亞洲聯網股份0.45港元之價格，分別向Optimist及藍國恩先生收購48,520,667股亞洲聯網股份及3,475,167股亞洲聯網股份，總代價為23,398,125港元。此項收購已於二零零五年三月三十日舉行之股東特別大會上由本公司獨立股東批准，並於二零零五年四月二十日完成。本集團持有亞洲聯網之股權由35.17%上升至47.37%。

## 26. CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities at both balance sheet dates.

## 26. 或然負債

於結算日，本集團並無任何重大或然負債。

## 27. SHARE BASED PAYMENT TRANSACTIONS

At the annual general meeting held on 7 September 2004, an ordinary resolution was passed to terminate the share option scheme of the Company approved by the written resolution of the sole shareholder of the Company on 16 August 2000 (the "Old Share Option Scheme") and to adopt a new share option scheme (the "New Share Option Scheme").

## 27. 股權支付交易

於二零零四年九月七日舉行之股東週年大會上，通過一項普通決議案，以終止本公司經本公司唯一股東於二零零零年八月十六日以書面決議案批准之認股權計劃（「舊認股權計劃」），以及採納新認股權計劃（「新認股權計劃」）。

## 27. SHARE BASED PAYMENT TRANSACTIONS (Continued)

Pursuant to the New Share Option Scheme, 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 New Share Option Scheme is to provide incentives to the Eligible Participants. The New Share Option Scheme will be expired on 6 September 2014.

The subscription price for shares under the New Share Option 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 (the "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 proceeding 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 period determined by the Board of Directors of the Company.

The maximum number of shares in respect of which share options may be granted under the New Share Option Scheme is 46,000,000 shares of the Company, being 10 per cent. of the issued share capital of the Company on the date on which the New Share Option 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 one per cent. of the number of shares of the Company in issue on the Offer Date.

## 27. 股權支付交易 (續)

根據新認股權計劃，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。新認股權計劃旨在獎勵合資格參與者。新認股權計劃將於二零一四年九月六日屆滿。

新認股權計劃項下之股份認購價，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之最短年期。已授出之認股權，於本公司董事會釐定之可行使期間內可隨時予以行使。

根據新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，即本公司於批准新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項下之認股權而己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項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項下之認股權所涉及之本公司任何已註銷股份。

27. SHARE BASED PAYMENT TRANSACTIONS (Continued)

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.

All the share options granted under the Old Share Option Scheme were expired before 31 December 2004. No share option has been granted under the New Share Option Scheme since its adoption on 7 September 2004.

The following table discloses movements in the number of the Company's share options granted under the Old Share Option Scheme:

Name of directors 董事姓名	Exercise price per share 每股行使價 HK\$ 港元 (Note i) (附註 i)	Date of grant 授出日期	Exercisable period 行使期限
Mr. Lam Kwok Hing 藍國慶先生	1.675	4 June 2001 二零零一年六月四日	7 June 2001-6 June 2004 二零零一年六月七日至 二零零四年六月六日
Mr. Nam Kwok Lun 藍國倫先生	1.675	4 June 2001 二零零一年六月四日	7 June 2001-6 June 2004 二零零一年六月七日至 二零零四年六月六日

Notes:

- (i) The initial exercise price was HK\$3.35. On 14 September 2001, the exercise price was adjusted to HK\$1.675 due to the bonus issue.
- (ii) The share options were lapsed during the period ended 31 December 2004.

27. 股權支付交易 (續)

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。

根據舊認股權計劃授出之所有認股權均已於二零零四年十二月三十一日前屆滿。自於二零零四年九月七日採納新認股權計劃以來，並未據此而授出任何認股權。

下表披露根據舊認股權計劃授出本公司認股權之數目之變動：

Number of share options 認股權數目		
Outstanding at 1.4.2004 於二零零四年 四月一日 尚未行使	Lapsed during the period 於期間內失效 (Note ii) (附註 ii)	Outstanding at 31.12.2004 二零零四年 十二月三十一日 尚未行使
10,500,000	(10,500,000)	—
10,500,000	(10,500,000)	—
<u>21,000,000</u>	<u>(21,000,000)</u>	<u>—</u>

附註：

- (i) 初步行使價為3.35港元。於二零零一年九月十四日，行使價乃基於紅股發行而調整為1.675港元。
- (ii) 截至二零零四年十二月三十一日期間內，認股權已告失效。

## 28. RETIREMENT BENEFITS SCHEME

The Group has operated a pension scheme under the rules and regulations of the Mandatory Provident Fund Schemes Ordinance (the "MPF Scheme") 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 income statement as incurred.

## 29. RELATED PARTY TRANSACTIONS

The Group had the following related party transactions:

- (a) During the year, the Group received commission income from securities, futures and options dealings of nil (1.4.2004 to 31.12.2004: HK\$1,000) and HK\$54,000 (1.4.2004 to 31.12.2004: HK\$31,000) from the Director, Mr. Lam Kwok Hing and the associates of Directors, Messrs. Lam Kwok Hing and Nam Kwok Lun respectively. The commissions were charged at rates similar to those rates offered to other clients.
- (b) During the year, the Group received interest income from securities margin financing of HK\$356 (1.4.2004 to 31.12.2004: HK\$18,000) from the associates of the Directors, Messrs. Lam Kwok Hing and Nam Kwok Lun.
- (c) During the year, the Group did not receive any advisory fee income (1.4.2004 to 31.12.2004: HK\$50,000) from ATNT.

## 28. 退休福利計劃

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」）。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。供款於產生時於損益計數表內扣除。

## 29. 關連人士交易

本集團有以下關連人士交易：

- (a) 於本年度內，本集團就證券、期貨及期權買賣向董事藍國慶先生及藍國慶先生與藍國倫先生彼等之聯繫人收取佣金收入分別為無（二零零四年四月一日至二零零四年十二月三十一日：1,000港元）及54,000港元（二零零四年四月一日至二零零四年十二月三十一日：31,000港元）。佣金乃按向其他客戶收取之相若收費率計算。
- (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356港元（二零零四年四月一日至二零零四年十二月三十一日：18,000港元）。
- (c) 於本年度內，本集團沒有向亞洲聯網收取任何顧問費（二零零四年四月一日至二零零四年十二月三十一日：50,000港元）。

29. RELATED PARTY TRANSACTIONS (Continued)

- (d) During the period from 1 April 2004 to 31 December 2004, Karfun subscribed the convertible note of HK\$30,000,000 issued by ATNT and exercised the rights to convert in full the convertible note of HK\$30,000,000 into 150,000,000 shares of ATNT at a conversion price of HK\$0.20 per share of ATNT. Details of the subscription of the convertible note of HK\$30,000,000 issued by ATNT have been disclosed in the circular issued by the Company dated 27 February 2004 and details of the subscription of 150,000,000 shares in ATNT have been disclosed in the joint announcement issued by the Company and ATNT dated 29 July 2004.
- (e) During the year, the Group paid administrative expense of approximately HK\$409,000 (1.4.2004 to 31.12. 2004: nil) to AC Consulting Limited in which Mr. Chow Ka Wo Alex has a beneficial interest and is the director.
- (f) During the year, the Group received commission income, clearing fee income and other securities dealing income approximately HK\$46,000 (1.4.2004 to 31.12. 2004: nil) from our associate company. ATNT in which Mr. Lam Kwok Hing has a beneficial interest and Messrs. Lam Kwok Hing, Nam Kwok Lun, Ng Chi King David and Kwan Wang Wai Alan are Directors.
- (g) On 25 November 2004, Karfun conditionally agreed to acquire 48,520,667 shares of ATNT from Optimist and 3,475,167 shares of ATNT from Mr. Lam Kwok Yan for an aggregate consideration of HK\$23,398,125 at a price of HK\$0.45 per share of ATNT. Optimist is a wholly-owned subsidiary of Medusa in which Mr. Lam Kwok Hing had a 50% equity interest as at 25 November 2004. Details of this acquisition were disclosed in the circular issued by the Company dated 28 February 2005. This acquisition was approved by the independent shareholders of the Company at a special general meeting on 30 March 2005. The acquisition was completed on 20 April 2005 and the Group has 47.37% equity interest in ATNT as at 31 December 2005.

29. 關連人士交易 (續)

- (d) 於二零零四年四月一日至二零零四年十二月三十一日期間內，佳帆認購亞洲聯網發行之可換股票據30,000,000港元，並行使權利以悉數轉換30,000,000港元之可換股票據為150,000,000股亞洲聯網股份，換股價為每股亞洲聯網股份0.20港元。關於認購亞洲聯網發行之可換股票據30,000,000港元之詳情已於二零零四年二月二十七日日本公司發行之通函內披露。關於認購亞洲聯網發行之150,000,000股亞洲聯網股份之詳情已於二零零四年七月二十九日本公司及亞洲聯網一起發行之聯合公佈內披露。
- (e) 於本年度內，本集團向AC Consulting Limited支付行政費約409,000港元(二零零四年四月一日至二零零四年十二月三十一日：無)(周家和先生實益擁有其權益及其董事)。
- (f) 於本年度內，本集團向聯營公司亞洲聯網(藍國慶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、結算費收入及其他證券買賣收入約46,000港元(二零零四年四月一日至二零零四年十二月三十一日：無)。
- (g) 於二零零四年十一月二十五日，佳帆有條件同意按每股亞洲聯網股份0.45港元之價格，向Optimist及藍國恩先生分別收購48,520,667股及3,475,167股亞洲聯網股份，總代價為23,398,125港元。Optimist為Medusa之全資附屬公司，藍國慶先生於二零零四年十一月二十五日擁有其50%股權。是項收購之詳情已載於本公司於二零零五年二月二十八日發出之通函內。此收購已於二零零五年三月三十日舉行之股東特別大會上由本公司獨立股東批准。此收購於二零零五年四月二十日完成，本集團並於二零零五年十二月三十一日持有亞洲聯網47.37%股權。

29. RELATED PARTY TRANSACTIONS (Continued)

Compensation of key management personnel

The remuneration of Executive Directors and other members of key management during the year/period was as follows:

Short-term benefits	短期福利
Post-employment benefits	退休福利

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

29. 關連人士交易 (續)

主要管理人員之薪酬

於年度／期間內執行董事及其他主要管理層成員之酬金如下：

1.1.2005 to 31.12.2005 二零零五年 一月一日至 二零零五年 十二月三十一日 HK\$'000 千港元	1.4.2004 to 31.12.2004 二零零四年 四月一日至 二零零四年 十二月三十一日 HK\$'000 千港元
1,288	966
24	18
<u>1,312</u>	<u>984</u>

執行董事及主要行政人員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。



### 30. 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.

### 30. 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	Class of shares held 所持股份類別	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 % 百分比	Principal activities 主要業務
Karl Thomson (B.V.I.) Limited	British Virgin Islands 英屬處女群島	Ordinary 普通股	HK\$10 10 港元	100	Investment holding 投資控股
Karl-Thomson Securities Company Limited 高信證券有限公司	Hong Kong 香港	Ordinary 普通股	HK\$5,000,000 5,000,000 港元	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	Ordinary 普通股	HK\$5,000,000 5,000,000 港元	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	Ordinary 普通股	HK\$20,000,000 20,000,000 港元	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	Ordinary 普通股	HK\$10,000 10,000 港元	100	Money lending 借貸

30. PRINCIPAL SUBSIDIARIES (Continued)

30. 主要附屬公司 (續)

Name 名稱	Country/ place of incorporation 註冊成立 國家/地點	Class of shares held 所持股份類別	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 % 百分比	Principal activities 主要業務
Karl Thomson Investment Consultants Limited 高信投資顧問有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1,000,000 1,000,000 港元	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	Ordinary 普通股	HK\$600,000 600,000 港元	51	Corporate finance advisory 企業融資顧問
Access Way Investments Limited	British Virgin Islands 英屬處女群島	Ordinary 普通股	US\$1 1 美元	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	Ordinary 普通股	HK\$100,000 100,000 港元	100	Investment holding 投資控股

The principal place of operation of the subsidiaries is Hong Kong.

各附屬公司主要在香港經營。

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。

### 31. POST BALANCE SHEET EVENTS

- (i) On 12 January 2006, Surewin Management Limited (“Surewin”), the Company’s wholly-owned subsidiary, entered into an agreement (“Purchase Agreement”) with Ms. Ho Chun Yi (“Ms. Ho”), being the sole registered owner of Swiss-Invest Petroleum Group Limited (“Swiss-Invest”) and is independent to the Group. Pursuant to the Purchase Agreement, Surewin has conditionally agreed to acquire 50% of the issued share capital of Swiss-Invest at a cash consideration of HK\$500. A formal agreement will be signed by the parties upon Surewin being satisfied with the due diligence review of an oil field situated in Egypt (the “Oil Field”) and the entitlement of the exploration and production rights of Swiss-Invest. After the completion of the acquisition, Surewin is required to contribute approximately US\$7,250,000 million (approximately HK\$56,600,000) by way of shareholder’s loan to Swiss-Invest. The Purchase Agreement was subsequently terminated on 7 April 2006 and replaced by a joint venture agreement (the “JV agreement”) as disclosed in note(iii) below.
- (ii) On 9 February 2006, the Company entered into a subscription agreement (“Subscription Agreement”) with Dragon Holdings Limited (“Dragon”), who is a third party independent to the Group. Pursuant to the Subscription Agreement, Dragon has conditionally agreed to subscribe and the Company has conditionally agreed to issue 65,000,000 new shares of the Company at a subscription price of HK\$0.90 per share. Pursuant to the Subscription Agreement, the Company has also conditionally agreed to grant Dragon an option to subscribe up to an aggregate of 65,000,000 ordinary shares of the Company at an exercise price of HK\$1.20 per share. On 7 April 2006, the Company entered into a termination agreement with Dragon, to terminate the transactions contemplated under the Subscription Agreement.

### 31. 結算日後事項

- (i) 於二零零六年一月十二日，本公司之全資附屬公司Surewin Management Limited（「Surewin」）已與何春怡女士（「何女士」）訂立一項協議（「收購協議」），而何女士為瑞麗石油集團有限公司（「瑞麗」）之唯一註冊擁有人並獨立於本集團。根據收購協議，Surewin已有條件同意收購瑞麗已發行股本50%，現金代價為500港元。各方待Surewin滿意對位於埃及之油田（「油田」）之盡職審查，以及瑞麗享有有關油田之開採及生產權利後將簽署正式協議。收購完成後，Surewin須以股東貸款之方式，向瑞麗出資約7,250,000美元（約56,600,000港元）。收購協議於二零零六年四月七日終止，並由合營協議取代（披露於以下之附註(iii)）。
- (ii) 於二零零六年二月九日，本公司與本集團獨立第三方Dragon Holdings Limited（「Dragon」）訂立一項認購協議（「認購協議」）。根據認購協議，Dragon已有條件同意認購而本公司亦已有條件同意發行65,000,000股本公司新股份，其認購價為每股0.90港元。根據認購協議，本公司已有條件同意向Dragon授出一項購股權認購總數達65,000,000股本公司普通股，而行使價為每股1.20港元。於二零零六年四月七日，本公司與Dragon訂立一項終止協議，終止認購協議所訂立之交易。

### 31. POST BALANCE SHEET EVENTS (Continued)

- (iii) On 7 April 2006, Surewin entered into the JV agreement with an independent third party, Holley International (Hong Kong) Limited (“Holley”). Pursuant to the JV agreement, Surewin and Holley agreed that each will contribute 50% interest in the share capital of Oriental Victor Limited (“Oriental Victor”) at a cash consideration of HK\$5,000 each.

On the same date, Oriental Victor entered into an accession agreement (“Accession Agreement”) with Swiss-Invest. Pursuant to the Accession Agreement, Swiss-Invest will assign, transfer and novate all its rights and obligations in the Oil Field to Oriental Victor at a consideration of HK\$1. Further, as a result of the Accession Agreement, Surewin and Holley are required to each contribute approximately a total of US\$7 million by way of shareholders’ loan to Oriental Victor to enable it to participate in the exploration and production of the Oil Field.

- (iv) On 13 April 2006, the Company entered into a placing agreement (“Placing Agreement”) with its wholly owned subsidiary, Karl-Thomson Securities Company Limited (“the Placing Agent”), to subscribe for 17,000,000 placing shares at the placing price of HK\$1.73 each on a best effort basis. Pursuant to the terms of the Placing Agreement, the Company has also agreed to grant an option to each of the subscribers 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.

### 31. 結算日後事項 (續)

- (iii) 於二零零六年四月七日，Surewin與一名獨立第三者華立國際(香港)有限公司(「華立」)訂立一項合營協議入股華興泰的50%權益。根據合營協議，Surewin及華立同意各自以現金於華興泰的股本注資5,000港元。

於同日，華興泰華興泰與瑞麗石油集團有限公司(「瑞麗」)訂立取用協議。根據取用協議，瑞麗以代價1港元將其於油田的所有權利及義務轉讓、轉移及代替予華興泰。再者，由於訂立取用協議之緣故，Surewin與華立須各自出資共約7,000,000美元(約54,600,000港元)，以股東貸款的方式予華興泰，作為參與油田開發及生產。

- (iv) 於二零零六年四月十三日，本公司與高信證券有限公司(「配售代理」)訂立一項配售協議，按竭誠盡力的基準以每股1.73港元的配售價認購17,000,000股配售新股份。根據配售協議條款，本公司亦同意授出購股權，於為期一年的購股權期間內以每股1.85港元的購股權行使價認購總數達17,000,000股購股權股份。

# Financial Summary

## 財務概要

		Year ended 31 March			From	Year ended 31 December 2005
		2002	2003	2004	1 April 2004 to 31 December 2004	
		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
<b>RESULTS</b>	<b>業績</b>					
Revenue	收益	32,385	29,242	47,031	29,753	35,169
(Loss) profit before taxation	除稅前(虧損)溢利	(118,728)	(61,114)	8,178	45,437	14,040
Taxation (charge) credit	稅項(扣除)計入	(6)	125	6	(58)	(35)
(Loss) profit for the year/period	年度/期間(虧損)溢利	(118,734)	(60,989)	8,184	45,379	14,005
Attributable to:	應佔:					
Equity holders of the Company	本公司之權益持有人	(73,404)	(42,731)	8,148	45,684	13,845
Minority interests	少數股東權益	(45,330)	(18,258)	36	(305)	160
		(118,734)	(60,989)	8,184	45,379	14,005
(Loss) earnings per share	每股(虧損)盈利					
Basic	基本	(16.1 cents)	(9.3 cents)	1.8 cents	9.9 cents	3.1 cents
			As at 31 March		As at 31 December	
			於三月三十一日		於十二月三十一日	
		2002	2003	2004	2004	2005
		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
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	資產總額	212,821	146,616	198,407	221,427	227,302
Total liabilities	負債總額	(43,317)	(38,101)	(81,708)	(59,065)	(49,485)
		169,504	108,515	116,699	162,362	177,817
Equity attributable to equity holders of the Company	本公司之權益持有人應佔權益	150,860	108,129	116,277	162,245	177,540
Minority interests	少數股東權益	18,644	386	422	117	277
Total equity	權益總額	169,504	108,515	116,699	162,362	177,817

Note: There is no impact on the results and financial position of the Group upon the adoption of new HKFRSs effective on 1 January 2005.

註: 採用於二零零五年一月一日生效之新香港財務報告準則, 對本集團之業績及財務狀況並無影響。

# 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 1 June 2006, Thursday, at 11:00 a.m. for the following purposes:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and the Auditors for the year ended 31 December 2005.
2. To re-elect the retiring Directors of the Company and to fix the remuneration of Directors.
3. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company and authorize 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 authorize 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」)謹訂於二零零六年六月一日星期四上午十一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. 省覽及考慮截至二零零五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. 重選本公司之退任董事及釐定董事酬金。
- 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；



(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

(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,不得超過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

“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 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.

- 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;
- (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

「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。

- 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) 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，不得超過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:

“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

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.

(iii) 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

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。

5. To consider and, if thought fit, pass with or without amendments, the following resolution as special resolution:

### SPECIAL RESOLUTION

“THAT the existing Bye-Laws of the Company be and are hereby amended in the following manner:

- (a) by replacing the word “Special” with the word “Ordinary” in the existing Bye-law 97(A) (vi);
- (b) by deleting the existing Bye-Law 102(A) in its entirety and substituting the same with the following new Bye-Law 102(A):

“102(A) The Company may from time to time in general meeting by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board) and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.”;

- (c) by deleting the existing Bye-Law 102(B) in its entirety and substituting the same with the following new Bye-Law 102(B):

“102(B) The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board) and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.”;

- 五. 考慮並酌情通過下列事項為特別決議案(不論有否修訂)：

### 特別決議案

「動議按以下方式修訂本公司的公司細則：

- (a) 以「普通」一詞取代公司細則97(A)(vi)條「特別」一詞；
- (b) 將以下新公司細則第102(A)條全部刪去並以相同取代現有公司細則第102(A)條：

「102(A)本公司可不時於股東大會上以普通決議案推選任何人士為董事，以填補臨時空缺或增加董事會成員。所委任的任何董事的任期僅至本公司下屆股東大會(如為填補空缺)或至本公司下屆股東週年大會(如為增加董事會成員)為止，且屆時應符合資格於大會重選連任，惟於釐定董事或將於會上輪席告退的董事人數時不得計算在內。」；

- (c) 將以下新公司細則第102(B)條全部刪去並以相同取代現有公司細則第102(B)條：

「102(B)董事會有權不時及隨時委任任何人士為董事，以填補臨時空缺或增加董事會成員，惟所委任的董事人數不得高於股東於股東大會上不時釐定的最高人數。所委任的任何董事的任期僅至本公司下屆股東大會(如為填補空缺)或至本公司下屆股東週年大會(如為增加董事會成員)為止，且屆時應符合資格於大會重選連任，惟於釐定董事或將於會上輪席告退的董事人數時不得計算在內。」；

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- (d) by replacing the word “Special” with “Ordinary” and the words “the next following annual general meeting of the Company” with “the next following general meeting of the Company” in the existing Bye-law 104; and
- (e) by replacing the word “Special” with “Ordinary” immediately after the words “Power to remove Director by” in the margin notes to Bye-Law 104.”

By Order of the Board  
**LUI CHOI YIU ANGELA**  
Company Secretary

Hong Kong, 25 April 2006

### 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 notorially certified copy thereof must be lodged at the Company's branch share registrar in Hong Kong, Standard Registrars 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.

- (d) 以「普通」及「本公司下屆股東大會」等字眼，取代現有公司細則第104條中「特別」及「本公司下屆股東週年大會」等字眼；及
- (e) 以「普通」一詞取代公司細則第104條註釋「罷免董事的權力」等字眼後「特別」一詞。」

承董事會命  
**雷彩姚**  
公司秘書

香港，二零零六年四月二十五日

### 附註：

- (一) 凡有權出席股東週年大會及於會上投票之股東，均有權委派另一名人士作為其代表，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受權人簽署，或就公司而言，則必須蓋上公司印鑑或高級職員、受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標準証券登記有限公司，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 Thursday, 25 May 2006 to Thursday, 1 June 2006, both days inclusive, during which period no transfer of shares will be effected.

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.

- (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投票，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，而其他聯名持有人之投票將不被計算。
- (六) 本公司將由二零零六年五月二十五日(星期四)至二零零六年六月一日(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。

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。