

1. Significant Accounting Policies

(a) Basis of preparation and consolidation

The accounts have been prepared in accordance with generally accepted accounting principles in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants ("HKSA"). The accounts are prepared under the historical cost convention except that, as disclosed in the accounting policies below, certain properties and investments in securities are stated at fair value.

The consolidated accounts include the accounts of the Company and its subsidiary companies made up to 31 December. The results of subsidiaries acquired or disposed of during the year are consolidated from or up to their effective dates of acquisition or disposal, respectively.

All significant inter-company transactions and balances within the Group are eliminated on consolidation.

In the current year, the Group adopted the following Statements of Standard Accounting Practice ("SSAP") issued by the HKSA which are effective for accounting periods commencing on or after 1 January 2002:

SSAP 1 (Revised)	Presentation of financial statements
SSAP 11 (Revised)	Foreign currency translation
SSAP 15 (Revised)	Cash flow statements
SSAP 34	Employee benefits

The accounting policies set out below have taken into account the adoption of the new standards.

The adoption of the above SSAPs does not have material impact on the accounts.

(b) Intangible assets

The Stock and Futures Exchange trading rights and expenditures on computer software that is not an integral part of the related hardware are capitalized as intangible assets and amortized using the straight-line method over their estimated useful life of five years. Where an indication of impairment exists, the carrying amount of the intangible asset is assessed and written down to its recoverable amount.

1. 重要會計政策

(a) 賬目編製之基準及綜合賬之準則

賬目乃按照香港普遍採納之會計原則及遵照香港會計師公會頒布之會計準則編製。賬目是按歷史成本常規法編製，惟若干物業及證券投資乃按公平價值列賬（見下文會計政策）。

集團之賬目包括本公司及所有附屬公司編製至十二月三十一日止之會計賬目。於年內購入或出售之附屬公司，其業績由收購生效日起計或計至出售生效日止，列入綜合賬目中。

所有集團內公司間之重大交易及結餘已於綜合賬目中對銷。

集團於年內已採納以下由香港會計師公會頒布之香港會計實務準則（「會計準則」），此等會計準則由二零零二年一月一日或之後之會計年度開始生效：

會計準則第1號（經修訂）	財務報表之呈報
會計準則第11號（經修訂）	外幣換算
會計準則第15號（經修訂）	現金流量表
會計準則第34號	僱員福利

下列所述會計政策已包含所採納之新準則。

採納以上會計準則對賬目並無重大影響。

(b) 無形資產

股票及期貨交易權及並非與有關硬件整體部份之電腦軟件支出是資本化為無形資產，並按其估計可用年數以直線攤分法分五年攤銷。若有迹象顯示無形資產存有價值削減，即對其估值並將賬面值削減至可收回之數額。

1. Significant Accounting Policies (Cont'd)**(c) Fixed assets**

Fixed assets other than investment properties (note 1(d)) and other properties are stated at cost less accumulated depreciation and any accumulated impairment loss. Other properties are interests in land and buildings and are stated at cost or valuation less accumulated depreciation.

Depreciation of fixed assets is provided on a straight-line basis over their estimated useful lives as follows:

Leasehold properties

Land – over the remaining term of the lease, including the period for which a right of renewal is attached

Buildings

Under long lease – 3% per annum
Under medium-term lease – over the remaining term of the lease

Furniture and equipment – 10% to 20% per annum

Long leases and medium-term leases are defined as leases having not less than 50 years and leases between 10 years to 50 years to run respectively.

Major costs incurred in restoring fixed assets to their normal working condition are charged to the profit and loss account. Improvements are capitalized and depreciated over their expected useful lives to the Group.

The gain or loss on disposal of a fixed asset is the difference between the net sale proceeds and the carrying amount of the relevant asset, and is recognized in the profit and loss account.

(d) Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are held for their investment potential.

Investment properties held on leases with unexpired periods greater than 20 years are included in fixed assets at their open market value on the basis of annual professional valuation. Changes in the value of investment properties held by the Company and its subsidiary companies are dealt with as a movement in the investment property revaluation reserve. If the total of this reserve is insufficient to cover a deficit on a portfolio basis, the amount by which the deficit exceeds the total amount in the investment property revaluation reserve is charged to the profit and loss account. If a deficit has previously been charged to the profit and loss account and a revaluation surplus subsequently arises, the surplus is credited to the profit and loss account to the extent of the deficit previously charged.

1. 重要會計政策(續)**(c) 固定資產**

除投資物業(附註1(d))及其他物業以外, 固定資產乃按原值減累積折舊及累積價值削減入賬。其他物業乃所持房地產之權益, 按原值或估值減累積折舊入賬。

固定資產均按其估計可用年數以直線攤分法折舊如下:

有租契物業

土地 – 按租契尚餘年期平均攤銷, 租期包括附有租約續期權之期間

樓宇

長期租契 – 每年攤銷3%
中期租契 – 按租契尚餘年期平均攤銷

傢俬及設備 – 每年攤銷10%至20%

長期租契及中期租契分別指尚餘不少過五十年租期之租契及十年至五十年租期之租契。

將固定資產重修至其正常運作之主要支出均在損益計算表中支銷。裝修改良支出予以資本化, 按其對集團之預計可用年數折舊。

出售固定資產之收益或虧損, 乃指出售資產所得款項淨額與該資產賬面值之差額, 並於損益計算表中確認。

(d) 投資物業

投資物業乃指建築及發展工程皆已完成及因有投資潛質而持有之土地及樓宇權益。

凡投資物業之未屆滿租期超過二十年者, 按每年專業估值為基礎而計算得之公開市值, 列為固定資產。由本公司及其附屬公司所持有的投資物業價值之變動視作投資物業重估儲備之變動處理。如儲備總額不足以填補投資物業總值之虧損, 則不足之數撥入損益計算表中。若過往重估投資物業之虧損曾撥入損益計算表中, 則日後不超過此虧損之重估增值可撥入損益計算表內。

1. Significant Accounting Policies (Cont'd)**(d) Investment properties (Cont'd)**

Investment properties held on leases with unexpired periods of 20 years or less are depreciated over the remaining portion of the leases.

Upon the disposal of an investment property, the relevant portion of the revaluation reserve realized in respect of previous valuations is released from the investment property revaluation reserve to the profit and loss account.

(e) Investments in subsidiary companies

A subsidiary is an enterprise in which the Company, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or where the Company controls the composition of its board of directors or equivalent governing body.

Investments in subsidiary companies are included in the Company's balance sheet at cost less impairment, if any, for permanent diminution in value. The results of subsidiary companies are accounted for by the Company on the basis of dividend received or receivable.

(f) Investments in associated companies

An associated company is a company, not being a subsidiary company, in which the Group holds an equity interest for the long term and exercises significant influence in its management.

The consolidated profit and loss account includes the Group's share of the post-acquisition results of the associated companies for the year, and the consolidated balance sheet includes the Group's share of the net assets of the associated companies and the unamortized goodwill/negative goodwill on acquisition of the associated companies.

In the Company's balance sheet the investments in associated companies are stated at cost less impairment, if any, for permanent diminution in value. The results of associated companies are accounted for by the Company on the basis of dividend received or receivable.

(g) Investments in joint ventures

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and over which none of the participating parties has unilateral control.

Joint venture arrangements which involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities.

The Group's interests in jointly controlled entities are included in the consolidated balance sheet at the Group's share of the net assets of the jointly controlled entities and the unamortized goodwill/negative goodwill on acquisition. The Group's share of post-acquisition results of jointly controlled entities is included in the consolidated profit and loss account.

1. 重要會計政策(續)**(d) 投資物業(續)**

凡投資物業之未屆滿租期為二十年或短於二十年者，按租約餘期加以折舊。

在出售投資物業時，因以往估價而產生於投資物業重估儲備之有關部份，將撥入損益計算表中。

(e) 附屬公司投資

附屬公司乃一間由本公司直接或間接持有其超過半數已發行股本，或本公司控制其超過半數之表決權，或本公司控制其董事會或對等管理組織組成之企業。

本公司於附屬公司之投資按成本值列於資產負債表內，若有永久價值削減，則扣除減值準備入賬。本公司計入附屬公司之業績是按已收及應收股息入賬。

(f) 聯營公司投資

聯營公司為附屬公司以外，集團持有其權益作為長期投資及對其管理有相當影響力之公司。

綜合損益計算表包括集團於本年度佔聯營公司收購後業績。綜合資產負債表包括集團所佔聯營公司淨資產，及收購聯營公司所產生之未攤銷商譽／負商譽。

本公司於聯營公司之投資按成本值列於資產負債表內，若有永久價值削減，則扣除減值準備入賬。本公司計入聯營公司之業績是按已收及應收股息入賬。

(g) 合營企業投資

合營企業為一項合同安排，集團及其他人士進行之經濟活動由合營雙方共同控制，任何一方均沒有絕對控制權。

由合營者成立一間各自擁有權益的獨立企業的合營安排視為共同控制公司。

集團於共同控制公司之權益按集團佔該公司之資產淨值，及收購時所產生之未攤銷商譽／負商譽列入綜合資產負債表內。集團應佔共同控制公司之收購後業績則計入綜合損益計算表中。

1. Significant Accounting Policies (Cont'd)**(h) Other investments**

Investments which are held for non-trading purposes are stated at fair value at the balance sheet date. Changes in the fair value of individual securities are credited or debited to the investment revaluation reserve until the securities are sold, or are determined to be impaired. Upon disposal, the cumulative gain or loss representing the difference between the net sales proceeds and the carrying amount of the relevant securities, together with any surplus/deficit transferred from the investment revaluation reserve, is dealt with in the profit and loss account.

Transfers from the investment revaluation reserve to the profit and loss account as a result of impairments are written back in the profit and loss account when the circumstances and events leading to the impairment cease to exist.

(i) Goodwill/negative goodwill

Goodwill or negative goodwill arising from consolidation represents the excess or the shortfall of the purchase consideration over the fair value of the Group's share of the separable net assets at the date of acquisition of subsidiaries and associated companies. Goodwill/negative goodwill on consolidation are amortized by equal instalments over its estimated useful economic life of five years.

Any goodwill or negative goodwill on the acquisition of an interest in a jointly controlled entity, representing the excess or shortfall respectively of the purchase consideration over the fair value ascribed to the Group's share of the separable net assets of the jointly controlled entity at the date of acquisition is dealt with in the same manner as that described above except that goodwill/negative goodwill arising on acquisition of a jointly controlled entity with specified operation period is amortized over its remaining joint venture period.

Where an indication of impairment exists, the carrying amount of goodwill is assessed and written down to its recoverable amount.

(j) Trading account securities

Listed and marketable securities held by the Group to facilitate its block trading, arbitrage and underwriting operations are stated at market value. The results from such activities, which include unrealized gains less losses arising from valuation at the balance sheet date of securities on hand, are dealt with in the profit and loss account.

(k) Trade receivables

The credit of trade receivables including secured margin loans and secured term loans are approved and reviewed by either the Credit and Risks Management Committee or the Executive Committee. Clients are normally required to provide additional margin or securities whenever there are any shortfalls in their accounts.

1. 重要會計政策(續)**(h) 其他投資**

持有作為非經營用途之投資按結算日之公平價值列賬。有關個別證券公平價值之轉變會在投資重估儲備中貸記或支銷，直至該證券出售或其價值定為價值削減為止。出售證券之累計收益或虧損，乃指出售所得款項淨額與有關證券賬面值之差額，連同轉撥自投資重估儲備之任何盈餘／虧損，一併撥入損益計算表內。

因價值削減而從投資重估儲備轉撥至損益計算表之數額，於導致價值削減之情況或事情不再出現時，在損益計算表內撥回。

(i) 商譽／負商譽

綜合賬項所產生之商譽或負商譽，乃指購買代價超逾或低於集團於收購附屬公司及聯營公司當日所佔可分開淨資產之公平價值之數額。商譽／負商譽於綜合賬中是以其估計可用年數分五年平均攤銷。

因收購共同控制公司之權益所產生之商譽或負商譽，乃指購買代價超逾或低於集團於收購共同控制公司當日所佔可分開淨資產之公平價值之數額，其處理方法與上述相同，惟收購特定經營期限之共同控制公司所產生之商譽／負商譽是以餘下之合營年期攤銷。

若有迹象顯示商譽存有價值削減，即對其估值並將賬面值削減至可收回之數額。

(j) 證券經營賬

集團所存以供大手交易、套戥及包銷之上市證券及有市價證券，皆照市值入賬。此等經營之業績包括在結算日所持有證券以當日市值計算之未兌現溢利減未兌現虧損，計入損益計算表內。

(k) 經營應收賬

包括有抵押證券放款及有抵押有期借款的經營應收賬之信貸是由信貸及風險管理委員會或執行委員會批閱。當客戶戶口抵押不足時，一般要求客戶增加按金或抵押品以應付不足之數。

1. Significant Accounting Policies (Cont'd)**(k) Trade receivables (Cont'd)**

Specific provisions are made for doubtful debts as and when they are considered necessary by the Credit and Risks Management Committee or the Executive Committee. Trade receivables in the balance sheet are stated net of such provisions.

(l) Cash and cash equivalents

Cash and cash equivalents represent cash on hand, deposits with banks which are within three months of maturity when acquired, less bank overdrafts.

(m) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognized but is disclosed in the notes to the accounts.

(n) Foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the profit and loss account.

The balance sheet of subsidiaries, jointly controlled entities and associated companies expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst the profit and loss is translated at an average rate. These exchange differences are dealt with as a movement in the exchange reserve.

In prior years, the profit and loss of foreign enterprises was translated at closing rate. This is a change in accounting policy, however, the translation of the profit and loss of foreign enterprises in prior years has not been restated as the effect of this change is not material to the current and prior year.

(o) Turnover

The principal activities of the Group are securities, leveraged forex, bullion, commodities and futures broking, provision of online financial services and online financial information distribution, money lending including the provision of term loans, share margin financing, corporate finance, financial planning and wealth management, property investment and insurance consultancy. Turnover includes gross brokerage, commission, interest, dividends, rental and service income; and the following stated net of losses: profit from trading in securities, income from bullion transactions and differences on foreign exchange transactions.

1. 重要會計政策(續)**(k) 經營應收賬(續)**

特定呆賬準備是因應信貸及風險管理委員會或執行委員會認為需要時提撥。經營應收賬是扣除此等準備列於資產負債表中。

(l) 現金及現金等價物

現金及現金等價物為庫存現金及於存款日起計三個月內到期之銀行定期存款，減銀行透支。

(m) 或然負債

或然負債乃因過往事件而產生的可能責任，而其存在是由一宗或多宗不確定未來事件之出現而確認，該等事件並非集團所能完全控制。或然負債亦可能是因為過往事件引致之現有責任，但由於可能不需要消耗經濟資源，或承擔金額未能可靠衡量，而未有記賬。或然負債不會被確認，但會在賬目附註中披露。

(n) 外幣換算

以外幣為單位之各項交易均按照交易日之滙率折算，於結算日以外幣計算之貨幣資產與負債俱以結算日之滙率折為港幣，在此情況下產生之所有滙兌盈虧已包括在損益計算表內。

附屬公司、共同控制公司及聯營公司以外幣為單位之資產負債表均按結算日之滙率折算，而損益賬則按平均滙率折算。由此產生之滙兌盈虧是作為滙兌儲備變動入賬。

於以往年度，海外企業之損益賬是以結算日之滙率折算。這構成會計政策之改變，但由於有關改變對本年度及上年度之影響不大，故並無將海外企業在以往年度之損益換算重列。

(o) 營業額

集團主要業務為證券、槓桿外匯、黃金、商品及期貨經紀、提供網上金融服務及網上財經資訊、借貸(包括提供有期借款)、證券放款、企業融資、財務策劃及資產管理、物業投資及保險顧問。營業額包括總經紀佣金、其他佣金、利息、股息、租金與服務收益；以及下列已撇除虧損之收益，即證券買賣收益、黃金買賣收益及外幣滙兌差額。

1. Significant Accounting Policies (Cont'd)**(p) Segment reporting**

Business segment is presented as the primary report format for segment reporting. Interest income and finance cost are included in segment revenue and segment results respectively.

(q) Revenue recognition

Brokerage income recognized in the accounts represents brokerage income accrued on all broking transactions traded on or before 31 December.

Realized and unrealized profits and losses from trading in securities is recognized on a trade date basis.

Interest income is accrued on a time proportioned basis.

Dividend income from investments is recognized when the shareholders' right to receive payments has been established.

Rental income is recognized on all leases on the straight-line method over the lease term regardless of when the cash rental payment will be received.

Profits or losses on trading in foreign currencies include both realized and unrealized gains less losses and charges less premium arising from position squaring and valuation at the balance sheet date of foreign currency positions on hand.

(r) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset. All other borrowing costs are charged to the profit and loss account in the year in which they are incurred.

(s) Employee benefits

Employee entitlements to annual leave are recognized when they accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

The Group operates defined contribution retirement schemes, the assets of which are held in independent administrated funds. The Group's contributions to the defined contribution retirement scheme are expensed as incurred and are reduced by contributions forfeited, if applicable, by those employees who leave the scheme prior to vesting fully in the contributions.

1. 重要會計政策(續)**(p) 分項資料報告**

分項資料報告是以業務分項為主要呈報形式。利息收入與融資成本分別計入分項收入及分項業績中。

(q) 收入之計算

於賬目中確認之經紀佣金收入乃於十二月三十一日或該日前成交之交易經紀佣金。

證券交易之已兌現及未兌現溢利及虧損於交易日入賬。

應計利息收入是以時間攤分法計算。

股息收益是於集團獲得收取股息之權利時入賬。

所有租約之租金收入，不論其現金支付之期間，皆按租約年限以直線攤分法入賬。

外幣買賣之溢利或虧損包括由平倉或於結算日就所持外幣評值而產生之已兌現及未兌現收益減虧損及收取或支付之倉費。

(r) 借貸成本

凡直接與購入、建設或製造需一段長時間方可達成目的用途或出售之資產有關之借貸成本均資本化為該資產之部份成本。所有其他借貸成本於產生期間在損益計算表支銷。

(s) 僱員福利

僱員享有之年假是在僱員應得時確認。集團為截至結算日止僱員已提供之服務而產生之年假之估計負債作出撥備。

集團營運之界定供款退休計劃，該等計劃資產由獨立管理之基金持有。集團對界定供款退休計劃所作供款在發生為費用時支銷，僱員在全數取得既得利益前退出計劃而被沒收之僱主供款(在適用時)是用作扣減此供款。

1. Significant Accounting Policies (Cont'd)

(t) Deferred taxation

Deferred taxation is accounted for at the current tax rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or asset is expected to be payable or receivable in the foreseeable future.

(u) Assets under leases

Leases that substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased assets or the present value of the minimum lease payment. Each lease payment is allocated between the capital and finance charges so as to achieve a constant rate on the capital balances outstanding. The corresponding rental obligations, net of finance charges, are included in long term liabilities. The finance charges are charged to the profit and loss account over the lease periods.

Assets held under finance leases are depreciated over the shorter of their estimated useful lives or the lease periods.

2. Turnover and Segment Information

The Group has main business segments as follows:

- Securities broking – provision of securities broking, financial planning and wealth management services including online broking and financial information services.
- Securities dealing – trading in securities.
- Forex, bullion, commodities and futures – provision of dealing and broking services in leveraged forex, bullion and futures.
- Margin finance and other financing services – provision of securities margin financing and insurance broking services.
- Term loans – provision of term loans financing.
- Corporate finance and others – provision of corporate finance and advisory services, investments and properties holding.

No analysis of geographical segments is presented as the contribution to turnover and results of operations outside Hong Kong is below 10%.

1. 重要會計政策(續)

(t) 遞延稅項

申報稅項之溢利與賬目內之溢利兩者間之時差，若在短期內支付或收回負債或資產，即按現行稅率計算以作為遞延稅項入賬。

(u) 租賃資產

營運租賃是指擁有資產之回報及風險實質上由出租公司保留之租賃。根據此等營運租賃而須繳付之租金，則按其租賃期以直線攤分法在損益計算表中支銷。

融資租賃為資產之風險及回報所有權實質上轉讓予集團之租賃。融資租賃之資產在開始時按租賃資產之公平價值或最低租賃付款之現值，以較低者入賬。每期租金分攤為資本支出及財務費用，以達至尚欠之資本結存為常數比率。相應租賃承擔在扣除財務費用後計入長期負債內。財務費用於租約期內在損益賬中支銷。

以融資租賃持有之資產按其估計可用年數或租約期(以較短者為準)計算折舊。

2. 營業額及分項資料

集團有以下主要業務分項如下：

- 證券經紀 — 提供證券經紀服務、財務策劃及資產管理，包括網上經紀及財經資訊服務
- 證券買賣 — 經營證券買賣
- 外匯、黃金、商品及期貨 — 提供槓桿外匯、黃金、期貨買賣及經紀服務
- 證券放款及其他金融服務 — 提供證券放款及保險經紀服務
- 有期借款 — 提供有期借款
- 企業融資及其他 — 提供企業融資及顧問服務、控股投資及物業投資

由於海外地區對營業額及業績之貢獻均少於10%，因此並無呈列經營地域之分項分析。

2. Turnover and Segment Information (Cont'd)

2. 營業額及分項資料(續)

		2002 二零零二年						
		Margin Forex, bullion, commodities and futures			finance and other financing services		Corporate finance and others	Total
		Securities broking 證券經紀 HK\$'000 千港元	Securities dealing 證券買賣 HK\$'000 千港元	外匯、 黃金、 商品及期貨 HK\$'000 千港元	證券放款 及其他 金融服務 HK\$'000 千港元	Term loans 有期借款 HK\$'000 千港元	企業 融資及 其他 HK\$'000 千港元	總計 HK\$'000 千港元
Turnover	營業額	128,514	3,127	87,517	139,398	179,983	313,951	852,490
Less: intra-segment turnover	減：分項間營業額	(5,357)	(270)	(4,340)	(32,035)	(3,694)	(242,580)	(288,276)
		<u>123,157</u>	<u>2,857</u>	<u>83,177</u>	<u>107,363</u>	<u>176,289</u>	<u>71,371</u>	<u>564,214</u>
Operating profit after finance costs	除融資成本後經營溢利	<u>(20,328)</u>	<u>(42)</u>	<u>4,662</u>	<u>19,888</u>	<u>81,828</u>	<u>40,368</u>	<u>126,376</u>
Share of profits and losses and amortization of goodwill/ negative goodwill	所佔溢利及虧損和 攤銷商譽／負商譽							
– Associated companies	– 聯營公司							119,496
– Jointly controlled entities	– 共同控制公司							(5,170)
Profit before taxation	除稅前溢利							<u>240,702</u>
Segment assets	分項資產	<u>253,313</u>	<u>7,679</u>	<u>403,299</u>	<u>986,725</u>	<u>540,380</u>	<u>713,714</u>	<u>2,905,110</u>
Investments in associated companies	聯營公司投資							2,341,486
Investments in jointly controlled entities	共同控制公司投資							<u>93,985</u>
Total assets	總資產							<u>5,340,581</u>
Segment liabilities	分項負債	<u>(133,972)</u>	<u>(2,123)</u>	<u>(305,303)</u>	<u>(35,117)</u>	<u>(17,501)</u>	<u>(235,447)</u>	<u>(729,463)</u>
Taxation	稅項	(5)	–	(70)	1,602	2,591	(5,452)	(1,334)
Deferred taxation	遞延稅項	495	–	–	–	–	(2,545)	(2,050)
Minority interests	少數股東權益	–	(790)	–	–	–	(644)	(1,434)
Total liabilities	總負債	<u>(133,482)</u>	<u>(2,913)</u>	<u>(305,373)</u>	<u>(33,515)</u>	<u>(14,910)</u>	<u>(244,088)</u>	<u>(734,281)</u>
Capital expenditures	資本支出	35	–	–	–	–	17,756	17,791
Amortization and depreciation	攤銷及折舊	782	–	–	–	–	17,792	18,574
Impairment charge	價值削減	–	–	–	–	–	11,686	11,686
Other non-cash expenses	其他非現金費用	28,289	–	3,097	2,998	20,137	8,874	63,395

2. Turnover and Segment Information (Cont'd)

2. 營業額及分項資料(續)

		2001 二零零一年										
		Securities broking 證券經紀		Securities dealing 證券買賣		Forex, bullion, commodities and futures 外匯、 黃金、 商品及期貨		Margin finance and other financing services 證券放款 及其他 金融服務		Corporate finance and others 企業 融資及 其他		Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Turnover	營業額	138,345	56,549	70,956	168,320	176,142	336,827					947,139
Less: intra-segment turnover	減：分項間營業額	(11,447)	(118)	(5,312)	(30,349)	(1,034)	(274,739)					(322,999)
		<u>126,898</u>	<u>56,431</u>	<u>65,644</u>	<u>137,971</u>	<u>175,108</u>	<u>62,088</u>					<u>624,140</u>
Operating profit after finance costs	除融資成本後經營溢利	(20,980)	53,862	188	43,469	69,630	15,699					161,868
Share of profits and losses and amortization of goodwill/ negative goodwill	所佔溢利及虧損和 攤銷商譽／負商譽											
– Associated companies	– 聯營公司											87,835
– Jointly controlled entities	– 共同控制公司											4,429
Profit before taxation	除稅前溢利											<u>254,132</u>
Segment assets	分項資產	<u>161,430</u>	<u>15,985</u>	<u>257,214</u>	<u>1,100,097</u>	<u>1,102,265</u>	<u>875,412</u>					3,512,403
Investments in associated companies	聯營公司投資											2,101,362
Investments in jointly controlled entities	共同控制公司投資											<u>98,393</u>
Total assets	總資產											<u>5,712,158</u>
Segment liabilities	分項負債	(109,383)	(7,084)	(159,216)	(337,902)	(341,784)	(251,811)					(1,207,180)
Taxation	稅項	–	–	–	–	(8,823)	(2,621)					(11,444)
Deferred taxation	遞延稅項	–	–	–	–	–	(3,488)					(3,488)
Minority interests	少數股東權益	–	(784)	–	–	–	(751)					(1,535)
Total liabilities	總負債	<u>(109,383)</u>	<u>(7,868)</u>	<u>(159,216)</u>	<u>(337,902)</u>	<u>(350,607)</u>	<u>(258,671)</u>					<u>(1,223,647)</u>
Capital expenditures	資本支出	2,967	–	–	–	–	55,750					58,717
Amortization and depreciation	攤銷及折舊	434	–	–	–	–	15,265					15,699
Impairment charge	價值削減	–	–	–	–	–	57,589					57,589
Other non-cash expenses	其他非現金費用	3,582	–	3,268	18,799	15,000	3,080					43,729

3. Other Income		3. 其他收益	
		Group 集團	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Amortization of negative goodwill on acquisition of subsidiary companies	攤銷收購附屬公司之負商譽	2,812	5,000
Net exchange gains	滙兌淨收益	627	-
Net profit on disposal of other investments	出售其他投資之淨溢利	1,119	15,840
Profit on disposal of an associated company	出售一聯營公司之溢利	2,001	477
Provision for doubtful debts written back	呆賬準備撥回	21,103	21,433
Miscellaneous income	雜項收入	9,023	1,372
		36,685	44,122
4. Other Expenses		4. 其他費用	
		Group 集團	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Fixed assets and intangible assets written off	固定資產及無形資產撇銷	5,905	-
Loss arising from default of loan agreement with Millennium Touch Limited *	因 Millennium Touch Limited 未履行貸款協議而產生之虧損 *	10,110	-
Net exchange losses	滙兌淨虧損	-	1,666
Other investments written off	其他投資撇銷	-	624
Permanent impairment of other investments transferred from investment revaluation reserve	撥自投資重估儲備之其他投資永久價值削減	11,686	57,589
Provision for doubtful debts	呆賬準備	44,471	40,905
Revaluation deficit of investment properties	投資物業重估減值	2,909	2,200
		75,081	102,984

4. Other Expenses (Cont'd)

- * On 24 November 1999, the Company entered into an agreement for the sale of 770 million shares in Tian An China Investments Company Limited ("Tian An") to Millennium Touch Limited ("MT"). These 770 million Tian An shares represented approximately 19.79% of the then issued share capital of Tian An and 9.07% of the issued share capital of Tian An as at 31 December 2002 (2001: 9.07%). MT paid 5% of the purchase price and entered into a loan agreement with the Group to finance the balance. As security for the loan agreement, MT entered into a share mortgage with the Group. The share mortgage provided that if there was default under the loan agreement, then the Group may enforce its security by, inter alia, selling the 770 million Tian An shares to discharge the indebtedness owed by MT to the Group or foreclosing on the shares. However, the Company has not exercised, and has forgone any entitlement to exercise any voting rights on these 770 million Tian An shares.

MT has defaulted under the loan agreement since 24 November 2000 and the Group has accounted for an unrealized loss of HK\$134,124,000 in year 2000 by marking to market those 770 million Tian An shares at the closing market price of HK\$0.134 as at 31 December 2000. The closing market price of Tian An shares as at 31 December 2002 fell below HK\$0.134 and an unrealized loss of HK\$10,110,000 (2001: Nil) was accounted for in the current year profit and loss account. The amount due from MT after the unrealized loss as at 31 December 2002 was HK\$93,070,000 (2001: HK\$103,180,000) and was included in secured term loans.

4. 其他費用(續)

- * 於一九九九年十一月二十四日，本公司與 Millennium Touch Limited (「MT」) 訂立協議，向 MT 出售 770,000,000 股天安中國投資有限公司 (「天安」) 股份。此 770,000,000 股天安股份佔當日天安發行股本約 19.79%，佔二零零二年十二月三十一日天安發行股本約 9.07% (二零零一年：9.07%)。MT 繳付 5% 代價及與集團訂立一貸款協議以繳付餘款。MT 與集團訂立股份按揭協議，以股份作為貸款抵押。股份按揭訂明若未能履行貸款協議，集團可執行其抵押，其中包括出售 770,000,000 股天安股份以償還 MT 欠集團的債務，或取消其贖回該股份之權利。然而，本公司並無行使任何有關此 770,000,000 股天安股份之表決權，及已經放棄行使該表決權之權利。

自二零零零年十一月二十四日後，MT 未能履行貸款協議。按該 770,000,000 股天安股份二零零零年十二月三十一日市場收市價每股 0.134 港元市值計算，集團於二零零零年計入未兌現虧損 134,124,000 港元。天安股份於二零零二年十二月三十一日市場收市價較 0.134 港元為低，未兌現虧損 10,110,000 港元 (二零零一年：無) 已計入本年度之損益計算表中。於二零零二年十二月三十一日，計入未兌現虧損後，MT 所欠之款項為 93,070,000 港元 (二零零一年：103,180,000 港元)，並列於有抵押有期借款中。

5. Operating Profit

5. 經營溢利

		Group 集團	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Operating profit is stated after crediting and charging the following:	經營溢利已計入及扣除下列項目：		
Crediting:	計入下列收益：		
Brokerage, commission and service income	經紀佣金、其他佣金及服務收益	276,762	225,031
Dividends from listed investments	上市投資股息	6,916	21,135
Dividends from unlisted investments	非上市投資股息	32,725	30,874
Gross rental income from investment properties	投資物業之租金總收入	1,233	700
Interest income	利息收入	227,493	281,753
Net profit on other dealing activities	其他買賣活動淨收益	706	473
Net realized profit on derivatives	衍生工具已兌現淨收益	75	-
Net realized profit on trading securities	證券經營已兌現淨收益	-	5,546
Net unrealized profit on trading securities	證券經營未兌現淨收益	-	36,910
Profit on dealing in foreign currencies	外匯買賣收益	9,110	9,765
Charging:	扣除下列支出：		
Auditors' remuneration	核數師酬金	2,905	3,046
Amortization of intangible assets	攤銷無形資產	3,605	1,591
Contributions to retirement benefit schemes	退休福利計劃供款	6,269	6,278
Depreciation	折舊		
– Owned fixed assets	– 自置固定資產	14,499	14,108
– Leased fixed assets	– 租賃固定資產	470	-
Net loss on disposal of fixed assets	出售固定資產淨虧損	1,028	374
Net realized loss on derivatives	衍生工具已兌現淨虧損	-	1,318
Net realized loss on trading securities	證券經營已兌現淨虧損	3,934	-
Net unrealized loss on trading securities	證券經營未兌現淨虧損	3,332	-
Operating lease rentals	營運租賃之租金		
– Land and buildings	– 房地產	21,861	22,920
– Others	– 其他	640	4,888
Outgoings in respect of investment properties	投資物業之支出	711	264
Staff cost (including directors' emoluments)	僱員成本 (包括董事酬金)	122,649	143,068
Unrealized loss on derivatives	衍生工具未兌現虧損	-	9

6. Emoluments of Directors and Senior Employees

6. 董事及高級職員酬金

(a) Directors

(a) 董事

		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Fees	袍金	395	428
Salaries, housing and other allowances, and benefits in kind	薪金、房屋及其他津貼、 實物利益	3,720	5,520
Bonuses	花紅	-	1,930
Contributions to retirement benefit scheme	退休福利計劃供款	187	329
		<u>4,302</u>	<u>8,207</u>

During the year, directors' fees of HK\$20,000 (2001: HK\$20,000) and consultancy fees of HK\$300,000 (2001: HK\$300,000) were paid to independent non-executive directors.

於本年度給予獨立非執行董事之袍金為20,000港元（二零零一年：20,000港元）及顧問費為300,000港元（二零零一年：300,000港元）。

Emoluments of the directors including past directors were within the following bands:

董事（包括前任董事）酬金之分析如下：

Emoluments band (HK\$)	酬金分布 (港幣)	Number of directors 董事人數	
		2002 二零零二年	2001 二零零一年
\$0 - \$1,000,000	\$0 - \$1,000,000	9	8
\$1,000,001 - \$1,500,000	\$1,000,001 - \$1,500,000	-	1
\$1,500,001 - \$2,000,000	\$1,500,001 - \$2,000,000	1	1
\$2,000,001 - \$2,500,000	\$2,000,001 - \$2,500,000	-	1
\$2,500,001 - \$3,000,000	\$2,500,001 - \$3,000,000	-	1

6. Emoluments of Directors and Senior Employees (Cont'd)

(b) Senior employees

The five highest paid individuals included one director (2001: three directors) of the Company, whose emoluments have been included above. The emoluments of the remaining four (2001: two) senior employees are analyzed below:

6. 董事及高級職員酬金(續)

(b) 高級職員

五位最高酬金之職員中，包括本公司一位董事(二零零一年：三位董事)，而其酬金已包括於上述中。其餘四位(二零零一年：兩位)最高薪金之高級職員分析如下：

		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Fees	袍金	6	-
Salaries, housing and other allowances, and benefits in kind	薪金、房屋及其他津貼、 實物利益	5,464	3,513
Bonuses	花紅	-	857
Contributions to retirement benefit scheme	退休福利計劃供款	318	196
		<u>5,788</u>	<u>4,566</u>

Emoluments of the senior employees were within the following bands:

高級職員酬金之分析如下：

Emoluments band (HK\$)	酬金分布(港幣)	Number of employees 職員人數	
		2002 二零零二年	2001 二零零一年
\$1,000,001 - \$1,500,000	\$1,000,001 - \$1,500,000	2	-
\$1,500,001 - \$2,000,000	\$1,500,001 - \$2,000,000	2	-
\$2,000,001 - \$2,500,000	\$2,000,001 - \$2,500,000	-	2

7. Retirement Benefit Schemes

The Group operates two defined contribution schemes for the Hong Kong office's qualifying employees and a defined benefit scheme for its subsidiary company's employees in the Philippines.

The forfeited contributions utilized in the course of the year ended 31 December 2002 were HK\$488,000 (2001: HK\$1,151,000). The contributions to the defined benefit scheme in the Philippines are immaterial.

7. 退休金計劃

集團為香港合資格員工推行兩項界定供款退休計劃及為菲律賓附屬公司工作之員工推行一項界定利益退休計劃。

截至二零零二年十二月三十一日止年度用作減低供款之沒收供款為488,000港元(二零零一年：1,151,000港元)。對菲律賓界定利益退休計劃之供款並不重要。

8. Finance Costs

8. 融資成本

		Group 集團	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Interest on bank loans, overdrafts repayable within 5 years	須於五年內償還之銀行借款及透支利息	13,528	40,798
Interest on bank loans not wholly repayable within 5 years	毋須於五年內全部償還之銀行借款利息	1,143	1,423
Interest element of a finance lease	融資租賃之利息部分	93	-
Other borrowing costs	其他借貸成本	1,893	4,703
		<u>16,657</u>	<u>46,924</u>

9. Share of Profits and Losses and Amortization of Goodwill/Negative Goodwill of Associated Companies

9. 所佔聯營公司溢利及虧損和攤銷商譽／負商譽

		Group 集團	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Share of profits and losses of associated companies	所佔聯營公司溢利及虧損	84,735	65,545
Amortization of	攤銷		
Goodwill on acquisition	收購時之商譽	(7,334)	(839)
Negative goodwill on acquisition	收購時之負商譽	43,740	29,066
Share of goodwill	所佔商譽	(1,645)	(5,937)
		<u>119,496</u>	<u>87,835</u>

10. Share of Profits and Losses and Amortization of Goodwill/Negative Goodwill of Jointly Controlled Entities

10. 所佔共同控制公司溢利及虧損和攤銷商譽／負商譽

		Group 集團	
		2002 二零零二年	2001 二零零一年
		HK\$'000 千港元	HK\$'000 千港元
Share of profits and losses of jointly controlled entities	所佔共同控制公司溢利及虧損	(2,456)	6,844
Amortization of	攤銷		
Negative goodwill on acquisition	收購時之負商譽	-	299
Share of goodwill	所佔商譽	(2,714)	(2,714)
		<u>(5,170)</u>	<u>4,429</u>

11. Taxation

11. 稅項

		Group 集團	
		2002 二零零二年	2001 二零零一年
		HK\$'000 千港元	HK\$'000 千港元
Company and subsidiary companies	本公司及附屬公司		
Hong Kong profits tax	香港利得稅	10,063	19,873
Overseas taxation	海外稅項	219	860
Deferred taxation (written back)/provided (note 30)	遞延稅項(撥回)／準備 (附註30)	(1,437)	1,275
		<u>8,845</u>	<u>22,008</u>
Associated companies	聯營公司		
Hong Kong profits tax	香港利得稅	220	127
Overseas taxation	海外稅項	22,127	9,981
Overseas deferred taxation	海外遞延稅項	4,548	226
Jointly controlled entity	共同控制公司		
Hong Kong profits tax	香港利得稅	174	1,635
		<u>35,914</u>	<u>33,977</u>

Hong Kong profits tax has been provided at the rate of 16% (2001: 16%) on the estimated assessable profits for the year.

Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

香港利得稅準備是以本年度估計應課稅溢利按稅率16%(二零零一年:16%)計算。

在其他地區繳付之稅項則根據集團於本年度在該國家經營所得之估計應課稅溢利按該地之現行稅率計算。

12. Dividends

12. 股息

		Company 本公司	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Interim dividend paid of 2 cents per share (2001: 1 cent per share)	已付中期股息每股派 2 港仙 (二零零一年：每股派 1 港仙)	30,084	15,042
Proposed final dividend of 2 cents per share (2001: 1 cent per share)	擬派末期股息每股派 2 港仙 (二零零一年：每股派 1 港仙)	24,980	15,042
		<u>55,064</u>	<u>30,084</u>

13. Earnings per Share

13. 每股盈利

The calculation of earnings per share is based on the profit attributable to shareholders of HK\$204,889,000 (2001: HK\$220,220,000) and 1,504,223,465 ordinary shares in issue during the year (2001: 1,504,223,465 ordinary shares).

每股盈利之計算乃按本年度股東應佔溢利 204,889,000 港元 (二零零一年：220,220,000 港元) 及本年度已發行普通股 1,504,223,465 股 (二零零一年：普通股 1,504,223,465 股) 而計算。

No diluted earnings per share is presented for the year as there are no dilutive potential ordinary shares as at year end (2001: Nil).

於年結時，因無潛在攤薄盈利之普通股，故本年度並無每股攤薄盈利 (二零零一年：無)。

14. Intangible Assets

14. 無形資產

		Group 集團		
		Trading rights 交易權 HK\$'000 千港元	Computer software 電腦軟件 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	原值			
At 1 January 2002	二零零二年一月一日	2,700	11,989	14,689
Reclassification from fixed assets	從固定資產重新分類	-	155	155
Additions	增購	-	4,528	4,528
Written off	撇銷	-	(9,227)	(9,227)
At 31 December 2002	二零零二年十二月三十一日	<u>2,700</u>	<u>7,445</u>	<u>10,145</u>
Accumulated amortization	累積攤銷			
At 1 January 2002	二零零二年一月一日	-	2,132	2,132
Reclassification from fixed assets	從固定資產重新分類	-	25	25
Amortization for the year	本年度攤銷	540	3,065	3,605
Written off	撇銷	-	(3,349)	(3,349)
At 31 December 2002	二零零二年十二月三十一日	<u>540</u>	<u>1,873</u>	<u>2,413</u>
Carrying amount at 31 December 2002	二零零二年十二月三十一日賬面值	<u>2,160</u>	<u>5,572</u>	<u>7,732</u>
Carrying amount at 31 December 2001	二零零一年十二月三十一日賬面值	<u>2,700</u>	<u>9,857</u>	<u>12,557</u>

15. Fixed Assets

15. 固定資產

		Group 集團			Total 總計
		Investment properties 投資物業 HK\$'000 千港元	Other properties 其他物業 HK\$'000 千港元	Furniture and equipment 傢俬及設備 HK\$'000 千港元	
Cost or valuation	原值或估值				
At 1 January 2002	二零零二年一月一日	18,800	87,536	86,249	192,585
Exchange adjustments	滙兌調整	-	-	(14)	(14)
Reclassification	重新分類				
- From other properties to investment properties	- 從其他物業至投資物業	20,809	(21,000)	-	(191)
- To intangible assets	- 至無形資產	-	-	(155)	(155)
Additions	增購	-	-	13,263	13,263
Revaluation	重估	(2,909)	-	-	(2,909)
Disposals	出售	-	-	(5,647)	(5,647)
Written off	撇銷	-	-	(176)	(176)
At 31 December 2002	二零零二年十二月三十一日	<u>36,700</u>	<u>66,536</u>	<u>93,520</u>	<u>196,756</u>
Accumulated depreciation	累積折舊				
At 1 January 2002	二零零二年一月一日	-	4,547	44,604	49,151
Exchange adjustments	滙兌調整	-	-	(12)	(12)
Reclassification	重新分類				
- From other properties to investment properties	- 從其他物業至投資物業	-	(191)	-	(191)
- To intangible assets	- 至無形資產	-	-	(25)	(25)
Charge for the year	本年度折舊	-	1,124	13,845	14,969
Written back on disposals	出售報銷	-	-	(4,619)	(4,619)
Written off	撇銷	-	-	(149)	(149)
At 31 December 2002	二零零二年十二月三十一日	<u>-</u>	<u>5,480</u>	<u>53,644</u>	<u>59,124</u>
Net book value at 31 December 2002	二零零二年十二月三十一日 賬面淨值	<u>36,700</u>	<u>61,056</u>	<u>39,876</u>	<u>137,632</u>
Net book value at 31 December 2001	二零零一年十二月三十一日 賬面淨值	<u>18,800</u>	<u>82,989</u>	<u>41,645</u>	<u>143,434</u>
The analysis of cost or valuation shown above is:	上列原值或估值分析如下：				
At professional valuation – 1985	專業估值 — 一九八五年	-	16,000	-	16,000
At professional valuation – 2002	專業估值 — 二零零二年	36,700	-	-	36,700
At cost	原值	-	50,536	93,520	144,056
		<u>36,700</u>	<u>66,536</u>	<u>93,520</u>	<u>196,756</u>

15. Fixed Assets (Cont'd)

- (a) The investment properties were valued at 31 December 2002 by FPD Savills (Hong Kong) Limited, Chartered Surveyors, on an open market basis. Particulars of the investment properties at 31 December 2002 were:

Location	Classification	Term of lease	Interest
Houses C7 and C8, Hawaii Garden, No. 18, Silver Cape Road, Sai Kung, New Territories	Residential	2047	100%
Rooms 2803-2810, 28/F, Wing On House, No. 71 Des Voeux Road Central, Hong Kong	Commercial	2902	100%

- (b) In preparing these accounts, the Group has placed reliance on paragraph 80 of SSAP 17 which provides exemption from the need to make regular revaluations for "Other Properties".

An item of the revalued "Other Properties" amounting to HK\$16,000,000 was valued in 1985 by Jones Lang Wootton, an independent professional valuer, on an open market basis. The carrying amount of the "Other Properties", including the revalued property, would have been HK\$62,769,000 (2001: HK\$84,732,000), had the property been carried at cost less accumulated depreciation.

- (c) The net book value of investment properties and other properties comprises:

15. 固定資產(續)

- (a) 投資物業由特許測量師第一太平戴維斯(香港)有限公司,按二零零二年十二月三十一日之公開市值評估。投資物業於二零零二年十二月三十一日之資料如下:

地址	類別	租約期	權益
新界西貢 銀岬路18號 夏威夷花園 C7及C8號屋	住宅	2047	100%
香港 德輔道中71號 永安集團大廈 28樓 2803-2810室	商業	2902	100%

- (b) 集團在編製此賬目時,是根據會計準則第17號第80段,豁免對「其他物業」作出定期重估。

在重估之「其他物業」中有一項物業價值達16,000,000港元,經由一獨立之專業估值公司「仲量行」按一九八五年之公開市值評估。如以原值減除累積折舊方式列賬,包括上述重估物業後之「其他物業」賬面值為62,769,000港元(二零零一年:84,732,000港元)。

- (c) 投資物業及其他物業之賬面淨值包括:

		Group 集團	
		2002 二零零二年	2001 二零零一年
		HK\$'000 千港元	HK\$'000 千港元
Long lease properties in Hong Kong	在香港之長期租契物業	77,497	81,367
Medium-term lease properties in Hong Kong	在香港之中期租契物業	18,800	18,800
Medium-term lease property overseas	在海外之中期租契物業	1,459	1,622
		97,756	101,789

15. Fixed Assets (Cont'd)

(d) At 31 December 2002, the net book value of fixed assets pledged as security for the Group's long term bank loans amounted to HK\$63,897,000 (2001: HK\$46,574,000).

(e) At 31 December 2002, the net book value of leased assets under furniture and equipment amounted to HK\$2,093,000 (2001: Nil).

16. Investments in Subsidiary Companies**15. 固定資產(續)**

(d) 於二零零二年十二月三十一日，作為集團長期銀行借款抵押之固定資產賬面淨值為63,897,000港元(二零零一年：46,574,000港元)。

(e) 於二零零二年十二月三十一日，集團於傢俬及設備內之租賃資產之賬面淨值為2,093,000港元(二零零一年：無)。

16. 附屬公司投資

		Company	
		本公司	
		2002	2001
		二零零二年	二零零一年
		HK\$'000	HK\$'000
		千港元	千港元
Unlisted shares, at cost	非上市股份原值	428,570	423,220
Add: amounts due from subsidiary companies	加：附屬公司欠賬	2,123,094	2,051,936
		2,551,664	2,475,156
Less: amounts due to subsidiary companies	減：附屬公司貸賬	(264,056)	(189,626)
		2,287,608	2,285,530

Details of the principal subsidiary companies are shown in note 35.

The amounts due to subsidiary companies are unsecured, interest free and have no fixed term of repayment.

主要附屬公司資料載於附註35。

附屬公司貸賬是無抵押、免息及無固定還款期。

17. Investments in Associated Companies

17. 聯營公司投資

		Group 集團			
		2002		2001	
		二零零二年		二零零一年	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
	除商譽以外所佔之資產				
Share of net assets other than goodwill (a)	淨值(a)	2,095,450		2,015,043	
Share of goodwill of an associated company	所佔一聯營公司之商譽	2,533		10,845	
Unamortized goodwill on acquisition of associated companies	收購聯營公司時之未攤銷商譽	140,310		24,392	
Unamortized negative goodwill on acquisition of associated companies	收購聯營公司時之未攤銷負商譽	(139,522)		(189,068)	
		2,098,771		1,861,212	
Amounts due from a listed associated company	一上市聯營公司欠賬				
– Convertible loan note	– 可換股貸款票據	–		38,015	
– Promissory notes (d)	– 承諾票據(d)	185,419		145,000	
– Interest receivable and others	– 應收利息及其他	29,706		19,286	
		215,125		202,301	
Amounts due from other associated companies (e)	其他聯營公司欠賬(e)	78,209		78,106	
Less: provision	減：準備額	(18,801)		(18,801)	
		274,533		261,606	
Less: amounts due to associated companies	減：聯營公司貸賬	(31,818)		(21,456)	
		2,341,486		2,101,362	
Less: current portion of promissory notes and amounts due from a listed associated company	減：一上市聯營公司於一年內到期之承諾票據及欠賬	(215,125)		(19,286)	
		2,126,361		2,082,076	

17. Investments in Associated Companies (Cont'd)

17. 聯營公司投資(續)

		Company	
		本公司	
		2002	2001
		二零零二年	二零零一年
		HK\$'000	HK\$'000
		千港元	千港元
Listed investments in Hong Kong, at cost	在香港上市投資原值	1,273,352	1,273,352
Unlisted investments, at cost	非上市投資原值	3	3
		1,273,355	1,273,355
Amounts due from a listed associated company	一上市聯營公司欠賬		
– Convertible loan note	– 可換股貸款票據	–	38,015
– Promissory note	– 承諾票據	40,419	–
– Interest receivable and others	– 應收利息及其他	1,408	1,870
Amounts due from other associated companies	其他聯營公司欠賬	75,090	74,992
		1,390,272	1,388,232
Less: provision	減：準備額	(16,601)	(16,601)
Current portion of a promissory note and amounts due from a listed associated company	一上市聯營公司於一年內到期之承諾票據及欠賬	(41,827)	(1,870)
		1,331,844	1,369,761
Market value of listed investments	上市投資市值	345,033	551,251

17. Investments in Associated Companies (Cont'd)

17. 聯營公司投資(續)

(a) Details of share of net assets other than goodwill are as follows:

(a) 除商譽以外所佔之資產淨值之詳情如下：

		Group 集團	
		2002 二零零二年	2001 二零零一年
		HK\$'000 千港元	HK\$'000 千港元
Investments listed in Hong Kong, at cost	在香港上市投資原值	1,675,958	1,541,047
Unlisted investments, at cost	非上市投資原值	39,725	39,725
Total investments, at cost	投資原值總額	1,715,683	1,580,772
Share of goodwill of an associated company	所佔聯營公司之商譽	(10,219)	(16,886)
Goodwill on acquisition	收購時之商譽	(226,377)	(103,125)
Negative goodwill on acquisition	收購時之負商譽	248,354	255,465
Share of post-acquisition reserves	所佔收購後儲備	377,663	308,471
Elimination of unrealized profit	抵銷未兌現溢利	(9,654)	(9,654)
		<u>2,095,450</u>	<u>2,015,043</u>
Market value of listed investments	上市投資市值	<u>585,287</u>	<u>731,197</u>

(b) Details of the principal associated companies are shown in note 35.

(b) 主要聯營公司資料載於附註35。

(c) During the year, dividends of HK\$1,152,000 (2001: HK\$6,062,000) and HK\$14,446,000 (2001: Nil) were received from unlisted and listed associated companies respectively.

(c) 本年度從非上市聯營公司及上市聯營公司所得之股息分別為1,152,000港元(二零零一年：6,062,000港元)及14,446,000港元(二零零一年：無)。

(d) Details of promissory notes issued by a listed associated company are as follows:

(d) 由一上市聯營公司發行之承諾票據之詳情如下：

(i) A promissory note of HK\$40,419,000 was issued by the listed associated company during the year for the purpose of repaying the outstanding principal and interest under the 4% convertible loan note dated 2 June 1998 due on 2 June 2002. The promissory note bears interest at 7% per annum and is payable on a quarterly basis. It will mature and is due for repayment on 2 June 2003.

(i) 於本年度，由該上市聯營公司發行一面值40,419,000港元之承諾票據，是作為償還於二零零二年六月二日到期之一九九八年六月二日4%可換股貸款票據的未償還本金及利息。此承諾票據附有年利率7%之利息，按每季支付。此票據於二零零三年六月二日到期償還。

(ii) A promissory note of HK\$145,000,000 bears an interest of 7% per annum and is payable on a half yearly basis. It will mature and is due for repayment on 30 December 2003.

(ii) 一面值145,000,000港元之承諾票據，附有年利率7%之利息，按每半年支付。此票據於二零零三年十二月三十日到期償還。

17. Investments in Associated Companies (Cont'd)

- (e) Amounts due from other associated companies are unsecured, interest free and not repayable within 12 months from the balance sheet date.
- (f) Extracts of the consolidated operating results and financial position of the Group's significant associated company, Tian An China Investments Company Limited ("Tian An"), which are based on its audited consolidated financial statements, are as follows:

17. 聯營公司投資(續)

- (e) 其他聯營公司欠賬乃無抵押、免息及無須於結算日後一年內償還。
- (f) 集團重要聯營公司天安中國投資有限公司(「天安」)，按其已審核綜合財務報表，摘錄其綜合經營業績及財務狀況如下：

		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Operating results of Tian An	天安之經營業績		
Turnover	營業額	1,080,332	299,273
Depreciation, amortization and impairment	折舊、攤銷及價值削減	16,854	10,785
Profit before taxation	除稅前溢利	199,740	119,711
Profit attributable to shareholders of Tian An	天安股東應佔溢利	<u>97,198</u>	<u>102,782</u>
Financial position of Tian An as at 31 December	於十二月三十一日天安之財務狀況		
Non-current assets	非流動資產	4,334,894	4,079,825
Current assets	流動資產	<u>3,671,335</u>	<u>2,782,163</u>
Total assets	總資產	<u>8,006,229</u>	<u>6,861,988</u>
Non-current liabilities	非流動負債	(772,991)	(837,474)
Current liabilities	流動負債	<u>(2,690,446)</u>	<u>(1,751,093)</u>
Total liabilities	總負債	<u>(3,463,437)</u>	<u>(2,588,567)</u>
Minority interests	少數股東權益	<u>(323,694)</u>	<u>(197,199)</u>
Shareholders' funds	股東資金	<u>4,219,098</u>	<u>4,076,222</u>

Detailed notes are available in the published 2002 annual report of Tian An.

詳細附註可見於天安發布之二零零二年年報中。

18. Investments in Jointly Controlled Entities

- Share of net liabilities
- Share of goodwill of a jointly controlled entity
- Amount due from a jointly controlled entity *

18. 共同控制公司投資

- 所佔負債淨值
- 所佔一共同控制公司之商譽
- 一共同控制公司欠賬 *

	Group 集團	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Share of net liabilities		(4,156)	(2,462)
Share of goodwill of a jointly controlled entity		<u>8,141</u>	<u>10,855</u>
Amount due from a jointly controlled entity *		<u>3,985</u>	<u>8,393</u>
		<u>90,000</u>	<u>90,000</u>
		<u>93,985</u>	<u>98,393</u>

* The amount due from a jointly controlled entity is unsecured, interest free and has no fixed term of repayment.

* 一共同控制公司欠賬是無抵押、免息及無固定還款期。

18. Investments in Jointly Controlled Entities (Cont'd)

Particulars of the jointly controlled entities at 31 December 2002 are as follows:

Name	Country of incorporation	Principal activities	Group equity interest
Earnest Finance Limited	British Virgin Islands	Investment holding	50%
SHK Corporate Finance (Shanghai) Limited	People's Republic of China	Corporate finance advisory	33%

19. Other Investments

18. 共同控制公司投資(續)

於二零零二年十二月三十一日共同控制公司資料如下：

名稱	註冊地點	主要業務	集團持有權益
Earnest Finance Limited	英屬處女群島	控股投資	50%
上海新鴻基企業顧問有限公司	中國	企業融資顧問	33%

19. 其他投資

		Group 集團		Company 本公司	
		2002 二零零二年	2001 二零零一年	2002 二零零二年	2001 二零零一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Listed equity investments issued by corporate entities, at market value	由企業發行之上市股權投資，按市值				
– Listed in Hong Kong	– 在香港上市	204,041	260,455	–	–
– Listed outside Hong Kong	– 在香港以外上市	1,461	1,383	–	–
		205,502	261,838	–	–
Unlisted equity investments, at fair value	非上市股權投資，按公平價值	238,900	250,556	20,000	11,127
Club debentures, exchange participation rights and statutory deposits and other deposits with Exchange and Clearing companies	會所會籍、交易所參與權、交易所及結算公司之法定按金及其他按金	19,480	20,066	2,090	2,090
		463,882	532,460	22,090	13,217
Add: amounts due from investee companies	加：其他投資公司欠賬	106,789	106,850	8,640	–
Less: provision for amount due from an investee company	減：一其他投資公司欠賬準備	(2,161)	(2,161)	–	–
		568,510	637,149	30,730	13,217
Less: amount due to an investee company	減：一其他投資公司貸賬	(1,702)	(1,576)	–	–
		566,808	635,573	30,730	13,217

20. Negative Goodwill

20. 負商譽

Cost	原值	Group 集團 HK\$'000 千港元
Balance as at 1 January 2002 and 31 December 2002	二零零二年一月一日及二零零二年十二月三十一日結存	20,013
Accumulated amortization	累積攤銷	
At 1 January 2002	二零零二年一月一日	7,371
Amortization for the year	本年度攤銷	2,812
At 31 December 2002	二零零二年十二月三十一日	10,183
Carrying amount at 31 December 2002	二零零二年十二月三十一日賬面值	9,830
Carrying amount at 31 December 2001	二零零一年十二月三十一日賬面值	12,642

21. Cash and Bank Balances

21. 現金及銀行結存

		Group 集團		Company 本公司	
		2002	2001	2002	2001
		二零零二年	二零零一年	二零零二年	二零零一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Cash and bank balances	現金及銀行結存	194,822	172,115	2,198	2,225
Fixed deposits with banks	銀行定期存款	133,884	66,631	-	-
		328,706	238,746	2,198	2,225

The Group maintains trust accounts with a licensed bank to hold clients' deposits arising from normal business transactions. At 31 December 2002, trust accounts not otherwise dealt with in these accounts totalled HK\$944,695,000 (2001: HK\$994,761,000).

集團於一持牌銀行設有信託戶口，為經營日常業務所需而持有客戶信託存款。於二零零二年十二月三十一日，本年度賬目並未包括之信託存款共944,695,000港元(二零零一年：994,761,000港元)。

22. Trade and Other Receivables

22. 經營及其他應收賬

		Group 集團			
		2002 二零零二年		2001 二零零一年	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Trade receivables	經營應收賬				
Accounts receivable from brokers and clients	應收經紀及客戶賬	373,136		238,059	
Less: provision	減：準備額	(31,301)		(43,111)	
			341,835		194,948
Secured margin loans	有抵押證券放款	1,146,503		1,232,342	
Less: provision	減：準備額	(196,026)		(166,848)	
			950,477		1,065,494
Secured term loans	有抵押有期借款	592,112		1,093,922	
Unsecured term loans	無抵押有期借款	5,864		6,361	
Less: provision	減：準備額	(60,816)		(92,722)	
			537,160		1,007,561
			1,829,472		2,268,003
Current portion of promissory notes and amounts due from a listed associated company	一上市聯營公司於一年內 到期之承諾票據及欠賬		215,125		19,286
Interest receivable	應收利息		1,834		6,098
Other accounts receivable, deposits and prepayments	其他應收賬、按金及 預付費用		20,912		23,402
			2,067,343		2,316,789

22. Trade and Other Receivables (Cont'd)

22. 經營及其他應收賬(續)

		Company 本公司	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Trade receivable – Secured term loan	經營應收賬 – 有抵押有期借款	93,070	103,180
Interest receivable	應收利息	232	125
Other accounts receivable, deposits and prepayments	其他應收賬、按金及預付費用	5,191	5,376
Current portion of a promissory note and amounts due from a listed associated company	一上市聯營公司於一年內到期之承諾票據及欠賬	41,827	1,870
		140,320	110,551

The ageing analysis of the trade receivables is as follows:

經營應收賬之賬齡分析如下：

		Group 集團		Company 本公司	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Current	即期	1,743,546	2,168,066	-	-
30-60 days	30-60 天	2,281	3,506	-	-
60-90 days	60-90 天	1,052	1,524	-	-
Over 90 days	90 天以上	370,736	397,588	93,070	103,180
		2,117,615	2,570,684	93,070	103,180
Less: provisions	減：準備額	(288,143)	(302,681)	-	-
		1,829,472	2,268,003	93,070	103,180

There were listed securities, unlisted securities and properties of clients held as collateral against secured margin loans and term loans. The market value of the listed securities as at 31 December 2002 was HK\$3,531,596,000 (2001: HK\$7,152,636,000).

集團持有客戶上市證券、非上市證券及物業作為有抵押證券放款及有抵押有期借款之抵押品。於二零零二年十二月三十一日，此等上市證券之市值為3,531,596,000港元（二零零一年：7,152,636,000港元）。

23. Trading Account Securities

23. 證券經營賬

		Group 集團	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Equity securities listed in Hong Kong, at market value	在香港上市之股權證券，按市值		
Issued by corporate entities	由企業發行	5,101	13,335
Issued by banks	由銀行發行	1,390	-
Issued by public utility entities	由公營機構發行	23	-
		<u>6,514</u>	<u>13,335</u>
Equity securities listed outside Hong Kong, at market value	在香港以外上市之股權證券， 按市值		
Issued by corporate entities	由企業發行	1,799	3,107
Marketable debt securities	有市值債務證券		
Issued by central government	由中央政府發行	7,772	7,772
Issued by banks	由銀行發行	5,424	5,056
		<u>13,196</u>	<u>12,828</u>
Others	其他	335	509
		<u>21,844</u>	<u>29,779</u>

24. Bank Loans and Overdrafts

24. 銀行借款及透支

		Group 集團	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Bank overdrafts	銀行透支		
Secured (note 34)	有抵押 (附註 34)	-	35,000
Unsecured	無抵押	23	3,164
		23	38,164
Bank loans	銀行借款		
Secured (note 34)	有抵押 (附註 34)	-	595,335
		23	633,499
Current portion of long term bank loans (note 29)	一年內到期之長期銀行借款 (附註 29)	5,787	3,916
		5,810	637,415

25. Trade and Other Payables

25. 經營及其他應付賬

		Group 集團		Company 本公司	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Accounts payable to brokers and clients	應付經紀及客戶賬	478,658	302,450	-	-
Other accounts payable and accruals	其他應付賬及應付費用	200,833	231,512	26,847	34,869
Current portion of obligation under a finance lease (note 29)	一年內到期之融資租賃債務 (附註 29)	850	-	-	-
		680,341	533,962	26,847	34,869

25. Trade and Other Payables (Cont'd)

The ageing analysis of the accounts payable to brokers and clients is as follows:

25. 經營及其他應付賬(續)

應付經紀及客戶賬之賬齡分析如下：

		Group 集團	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Current	即期	465,233	300,971
30-60 days	30-60 天	3,076	5
60-90 days	60-90 天	1,676	-
Over 90 days	90 天以上	8,673	1,474
		<u>478,658</u>	<u>302,450</u>

26. Share Capital

26. 股本

		Company 本公司			
		No. of shares of HK\$0.2 each 股數每股面值 0.2 港元		Amount 金額	
		2002 二零零二年	2001 二零零一年	2002 二零零二年	2001 二零零一年
				HK\$'000 千港元	HK\$'000 千港元
Authorized:	法定股本：				
Balance as at 1 January and 31 December	一月一日及十二月三十一日結存	<u>15,000,000,000</u>	15,000,000,000	<u>3,000,000</u>	3,000,000
Issued and fully paid:	發行及繳足股本：				
Balance as at 1 January and 31 December	一月一日及十二月三十一日結存	<u>1,504,223,465</u>	1,504,223,465	<u>300,845</u>	300,845

68,330,080 new 2003 warrants were issued on 12 January 2001. Each 2003 warrant will entitle the holder to subscribe in cash for one new share of the Company at an initial subscription price of HK\$3.00 per share, subject to adjustment, at any time during the subscription period from the date of issue, 12 January 2001, up to and including 11 January 2003. As at 31 December 2002, there remained 68,330,080 outstanding 2003 warrants in issue. Subsequent to the year end date, the 2003 warrants were expired on 11 January 2003.

本公司於二零零一年一月十二日發行68,330,080份新2003認股權證，每份2003認股權證賦予其持有人權利，可由發行當日(二零零一年一月十二日)起至二零零三年一月十一日(包括該日)止之任何時間內，以現金按初步認購價每股3.00港元(可予調整)認購本公司一股新股份。於二零零二年十二月三十一日，本公司尚有68,330,080份未獲行使之2003認股權證。於年結後，該等2003認股權證於二零零三年一月十一日屆滿。

26. Share Capital (Cont'd)

In February 2003, the Company repurchased a total of 255,234,309 shares of the Company at a price of HK\$1.30 per share (as to HK\$0.30 in cash and HK\$1.00 in loan note). The Company paid HK\$76,570,292.70 in cash and issued loan notes with a total face value of HK\$255,234,309 on 7 March 2003 to satisfy the consideration. The loan notes bear interest at 4% per annum and the principal of the loan notes is due for repayment on 7 March 2008. The shareholders' funds of the Company and the Group were reduced by approximately HK\$331,805,000 after the repurchase.

27. Capital and Other Reserves

26. 股本(續)

於二零零三年二月，本公司以每股1.30港元回購合共255,234,309股股份(其中0.30港元為現金及餘下1.00港元為貸款票據)。本公司於二零零三年三月七日付出現金76,570,292.70港元及發行總面值共255,234,309港元之貸款票據以支付其代價。此貸款票據附有年息4%之利息，貸款票據本金額於二零零八年三月七日期到期償還。回購後，本公司及集團之股東資金減少約331,805,000港元。

27. 資本及其他儲備金

Special capital reserve arising from adjustment of nominal value of shares*

Balance as at 1 January and 31 December

Share premium account

Balance as at 1 January and 31 December

Exchange reserve

Balance as at 1 January

Translation of the accounts of an overseas subsidiary and associated companies

Release on disposal of an associated company

Associated companies

Transfer on reclassification of investments

Balance as at 31 December

Balance carried forward

由調整股份面值而產生之特別資本儲備*
一月一日及十二月三十一日結存

股份溢價賬
一月一日及十二月三十一日結存

滙兌儲備
一月一日結存
海外附屬公司及聯營公司賬目折算

出售一聯營公司時撥回

聯營公司

投資重新分類後調撥

十二月三十一日結存

結餘轉下

Group 集團		Company 本公司	
2002 二零零二年	2001 二零零一年	2002 二零零二年	2001 二零零一年
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
930,026	930,026	930,026	930,026
1,124,703	1,124,703	1,123,263	1,123,263
(33,537)	(36,967)	-	-
223	(45)	-	-
(2)	-	-	-
7,209	3,056	-	-
-	419	-	-
(26,107)	(33,537)	-	-
2,028,622	2,021,192	2,053,289	2,053,289

27. Capital and Other Reserves (Cont'd)

27. 資本及其他儲備金(續)

		Group		Company	
		集團	本公司	集團	本公司
		2002	2001	2002	2001
		二零零二年	二零零一年	二零零二年	二零零一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Balance brought forward	結餘承上	2,028,622	2,021,192	2,053,289	2,053,289
Investment property revaluation reserve	投資物業重估儲備				
Balance as at 1 January	一月一日結存	80,515	61,680	-	-
Associated companies	聯營公司	10,283	18,835	-	-
Balance as at 31 December	十二月三十一日結存	90,798	80,515	-	-
Investment revaluation reserve	投資重估儲備				
Balance as at 1 January	一月一日結存	(7,642)	(11,723)	9,873	24,678
Revaluation (deficit)/surplus of other investments	其他投資重估(減值)/增值	(73,356)	(156,398)	8,874	(20,238)
Permanent impairment of other investments transferred to profit and loss account	其他投資永久價值削減撥至損益計算表	11,686	57,589	-	-
Release on disposal of other investments	出售其他投資時撥回	(80)	62,685	-	-
Associated companies	聯營公司	2,063	(359)	-	-
Transfer on reclassification of investments	投資重新分類後調撥	-	40,564	-	5,433
Balance as at 31 December	十二月三十一日結存	(67,329)	(7,642)	18,747	9,873
Capital reserves	資本儲備				
Balance as at 1 January as previously reported	一月一日結存，按以往列賬	8,063	7,542	-	-
Prior year adjustment	上年度調整	-	(2,392)	-	-
As restated	重列	8,063	5,150	-	-
Transfer (to)/from retained earnings by associated companies	聯營公司轉撥(至)/自保留溢利	(1,869)	3,176	-	-
Associated companies	聯營公司	-	61	-	-
Transfer on reclassification of investments	投資重新分類後調撥	-	(324)	-	-
Balance as at 31 December	十二月三十一日結存	6,194	8,063	-	-
Total balance as at 31 December	十二月三十一日儲備金總數	2,058,285	2,102,128	2,072,036	2,063,162

27. Capital and Other Reserves (Cont'd)

* The High Court of the Hong Kong Special Administrative Region sanctioned the reduction in nominal value of the Company's shares on 14 July 1998 ("Reduction"). Accordingly, an amount equal to the credit arising from the Reduction was transferred to the special capital reserve.

The special capital reserve will not be treated as realized profits. It shall be treated as an undistributable reserve for as long as there remain outstanding any debts or claims which were in existence on the date of the Reduction, provided that the amount of the reserve may be reduced by the amount of any future increase in the paid up share capital and the share premium account.

28. Profit and Loss Account

27. 資本及其他儲備金(續)

* 香港特別行政區高等法院於一九九八年七月十四日批准削減本公司股份面值(「削減」)，因此從削減引致之進賬已轉撥至特別資本儲備。

此特別資本儲備不應視作為已變現溢利。若現仍有於削減日期之任何未償還債務或索償，則該儲備須視為不可供分派儲備，惟該儲備之數額可因日後增加已繳股本及股份溢價賬而減少。

28. 損益賬

		Group		Company	
		集團	本公司	集團	本公司
		2002	2001	2002	2001
		二零零二年	二零零一年	二零零二年	二零零一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Balance as at 1 January as previously reported	一月一日結存，按以往列賬	2,085,538	1,843,322	1,382,408	1,327,012
Prior year adjustments	上年度調整				
Proposed dividend	擬派股息	-	15,042	-	15,042
Negative goodwill	負商譽	-	40,214	-	-
As restated	重列	2,085,538	1,898,578	1,382,408	1,342,054
Profit attributable to shareholders	股東應佔溢利	204,889	220,220	56,180	70,438
Dividends	股息	(45,126)	(30,084)	(45,126)	(30,084)
Transfer from/(to) capital reserve by associated companies	聯營公司轉撥自／(至)資本儲備	1,869	(3,176)	-	-
Balance as at 31 December	十二月三十一日結存	2,247,170	2,085,538	1,393,462	1,382,408
Representing:	分列為：				
Retained profits	保留溢利	2,222,190	2,070,496	1,368,482	1,367,366
Proposed dividend	擬派股息	24,980	15,042	24,980	15,042
		2,247,170	2,085,538	1,393,462	1,382,408

28. Profit and Loss Account (Cont'd)

28. 損益賬(續)

		Group 集團	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Profit retained by:	溢利保留於：		
Company and subsidiary companies	本公司及附屬公司	1,963,160	1,851,237
Associated companies	聯營公司	275,533	224,005
Jointly controlled entities	共同控制公司	8,477	10,296
		<u>2,247,170</u>	<u>2,085,538</u>

Distributable reserves of the Company at 31 December 2002, calculated under Section 79B of the Hong Kong Companies Ordinance, amounted to HK\$1,396,804,000 (2001: HK\$1,385,635,000).

根據香港公司條例第79B條計算，本公司於二零零二年十二月三十一日之可供分派儲備為1,396,804,000港元（二零零一年：1,385,635,000港元）。

29. Long Term Liabilities

29. 長期負債

		Group 集團	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Secured bank loans (note 34)	有抵押銀行借款（附註34）	42,000	34,363
Obligation under a finance lease	融資租賃債務	1,816	-
Other long term employee benefits	其他長期員工福利	6,133	5,356
		<u>49,949</u>	<u>39,719</u>
Less: current portion	減：一年內到期之		
Secured bank loans	有抵押銀行借款	(5,787)	(3,916)
Obligation under a finance lease	融資租賃債務	(850)	-
		<u>43,312</u>	<u>35,803</u>

29. Long Term Liabilities (Cont'd)

At 31 December 2002, the secured bank loans were repayable as follows:

29. 長期負債(續)

於二零零二年十二月三十一日，有抵押銀行借款之還款期如下：

		Group 集團	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Within one year	一年內	5,787	3,916
In the second year	第二年	5,911	4,045
In the third to fifth year	第三年至第五年	18,517	12,954
After the fifth year	五年以上	11,785	13,448
		<u>42,000</u>	<u>34,363</u>

The secured bank loans are repayable by installments up to October 2009. Interest is charged on the outstanding balances at Prime Rate minus 2% and Hong Kong Interbank Offer Rate plus 1% per annum.

有抵押銀行借款是以分期償還至二零零九年十月。利息按未償還結餘以最優惠年利率減2%及香港銀行同業拆息年利率加1%計算。

At 31 December 2002, the finance lease liabilities were repayable as follows:

於二零零二年十二月三十一日，融資租賃負債之還款期如下：

		Group 集團			
		Finance lease liabilities 融資租賃負債		Present value 現值	
		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Within one year	一年內	915	-	850	-
In the second year	第二年	916	-	890	-
In the third to fifth year	第三年至第五年	76	-	76	-
		<u>1,907</u>	<u>-</u>	<u>1,816</u>	<u>-</u>
Interest element	利息部分	(91)	-	-	-
Present value of finance lease liabilities	融資租賃負債現值	<u>1,816</u>	<u>-</u>	<u>-</u>	<u>-</u>

30. Deferred Taxation

30. 遞延稅項

		Group 集團	
		2002 二零零二年	2001 二零零一年
		HK\$'000 千港元	HK\$'000 千港元
Balance as at 1 January	一月一日結存	3,488	2,210
Exchange adjustments	滙兌調整	(1)	3
Transfer (from)/to profit and loss account (note 11)	撥(自)/入損益計算表 (附註 11)	(1,437)	1,275
Balance as at 31 December	十二月三十一日結存	<u>2,050</u>	<u>3,488</u>
Representing:	分列為：		
Accelerated depreciation allowances	加速折舊免稅額	4,374	4,604
General provision and others	一般準備及其他	(2,324)	(1,116)
		<u>2,050</u>	<u>3,488</u>

The deferred tax assets not recognized in the accounts are analyzed as follows:

賬目中未確認之遞延稅項資產分析如下：

		Group 集團	
		2002 二零零二年	2001 二零零一年
		HK\$'000 千港元	HK\$'000 千港元
Arising from:	由下列產生：		
Tax losses carried forward	稅損滾存	90,739	85,708
General provision and others	一般準備及其他	2,241	1,276
		<u>92,980</u>	<u>86,984</u>

The revaluation of the Group's investment properties does not constitute a timing difference for deferred taxation purposes as realization of the revaluation surplus would not result in a tax liability.

集團之投資物業重估並無構成遞延稅項上之時間差別，因其重估盈餘之變現將不會帶來稅項責任。

31. Notes to the Consolidated Cash Flow Statement

31. 綜合現金流量表附註

Reconciliation of profit before taxation to cash generated from operations

除稅前溢利與來自經營產生之現金對賬

		Group 集團	
		2002 二零零二年	2001 二零零一年
		HK\$'000 千港元	HK\$'000 千港元
Profit before taxation	除稅前溢利	240,702	254,132
Associated companies	聯營公司		
Share of profits and losses	所佔溢利及虧損	(84,735)	(65,545)
Amortization of share of goodwill	攤銷所佔商譽	1,645	5,937
Amortization of goodwill on acquisition	攤銷收購時之商譽	7,334	839
Amortization of negative goodwill on acquisition	攤銷收購時之負商譽	(43,740)	(29,066)
Jointly controlled entities	共同控制公司		
Share of profits and losses	所佔溢利及虧損	2,456	(6,844)
Amortization of share of goodwill	攤銷所佔商譽	2,714	2,714
Amortization of negative goodwill on acquisition	攤銷收購時之負商譽	-	(299)
Amortization of negative goodwill on acquisition of subsidiary companies	攤銷收購附屬公司之負商譽	(2,812)	(5,000)
Dividend income	股息收入	(39,641)	(52,009)
Interest income	利息收入	(227,493)	(281,753)
Net profit on disposal of other investments	出售其他投資之淨溢利	(1,119)	(15,840)
Profit on disposal of an associated company	出售一聯營公司之溢利	(2,001)	(477)
Provision for doubtful debts written back	呆賬準備撥回	(21,103)	(21,433)
Amortization of intangible assets	攤銷無形資產	3,605	1,591
Depreciation	折舊	14,969	14,108
Fixed assets and intangible assets written off	固定資產及無形資產撇銷	5,905	-
Interest expenses	利息支出	14,764	42,221
Loss arising from default of loan agreement with Millennium Touch Limited	因 Millennium Touch Limited 未履行貸款協議而產生之虧損	10,110	-
Net loss on disposal of fixed assets	出售固定資產淨虧損	1,028	374
	證券經營賬之未兌現虧損／		
Net unrealized loss/(profit) on trading securities	(溢利) 淨額	3,332	(36,901)
Other investments written off	其他投資撇銷	-	624
Permanent impairment of other investments	其他投資永久價值削減	11,686	57,589
Provision for doubtful debts	呆賬準備	44,471	40,905
Revaluation deficit of investment properties	投資物業重估減值	2,909	2,200
Decrease in lending over one year	一年期以上放款減少	167,453	18,404
Decrease in trade and other receivables	經營及其他應收賬減少	405,433	250,981
Decrease in trading account securities	證券經營賬減少	4,435	11,720
Increase/(decrease) in trade and other payables	經營及其他應付賬增加／(減少)	146,582	(39,020)
Increase in other long term employee benefits	其他長期員工福利增加	777	3,907
Cash generated from operations	經營產生之現金	<u>669,666</u>	<u>154,059</u>

32. Commitments

32. 承擔

(a) Capital commitments

(a) 資本承擔

		Group 集團	
		2002 二零零二年	2001 二零零一年
		HK\$'000 千港元	HK\$'000 千港元
Contracted but not provided for	已簽約但未在賬目中作出準備者	4,339	-
Authorized but not contracted for	已批准但未簽約者	47,175	-
		<u>51,514</u>	<u>-</u>

(b) Commitments under operating leases

(b) 營運租約承擔

At 31 December 2002, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

於二零零二年十二月三十一日，集團根據不可撤銷營運租約而須於未來支付之最低租賃付款如下：

		2002 二零零二年		2001 二零零一年	
		Land and buildings 房地產	Others 其他	Land and buildings 房地產	Others 其他
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Within one year	一年內	22,933	77	23,627	12,372
In the second to fifth year inclusive	二至五年內	26,404	-	46,153	8,980
		<u>49,337</u>	<u>77</u>	<u>69,780</u>	<u>21,352</u>

33. Contingent Liabilities

(a) At 31 December 2002, the Company and the Group had guarantees as follows:

33. 或然負債

(a) 本公司及集團於二零零二年十二月三十一日之保證如下：

		Group 集團		Company 本公司	
		2002 二零零二年	2001 二零零一年	2002 二零零二年	2001 二零零一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Guarantees for banking and loan facilities granted to:	給予以下公司之銀行及貸款信貸保證：				
– subsidiary companies	– 附屬公司	-	-	433,000	433,000
– a subsidiary company of a jointly controlled entity	– 共同控制公司之附屬公司	100,000	125,000	100,000	125,000
– an investee company	– 其他投資公司	7,020	7,020	7,020	7,020
Indemnities on banking guarantees made available to a clearing house and regulatory body	對給予一結算所及監管機構之銀行保證所作之擔保	4,540	4,540	-	-
Other guarantees	其他保證	1,734	751	-	-
		113,294	137,311	540,020	565,020

(b) Sun Hung Kai Securities Limited ("SHKSL"), a wholly-owned subsidiary of the Company, issued proceedings against New World Development Company Limited ("NWD") on 22 December 1998, claiming, inter alia, the repayment of approximately HK\$35,319,000 paid by SHKSL to NWD as restitution of monies received by NWD in relation to a hotel project in Kuala Lumpur, Malaysia.

NWD and its wholly-owned subsidiary, namely, Stapleton Developments Limited, subsequently issued proceedings against SHKSL, claiming, inter alia, the specific performance of SHKSL's alleged commitment with them in respect of the development project to provide funding of approximately HK\$115,910,000, of which HK\$18,740,000 represents interest accrued. A trial date, originally set for April 2002 was vacated at NWD's request, and a likely trial date is anticipated in June 2003.

Legal costs are recorded in the profit and loss account as incurred.

(b) 本公司全資附屬公司新鴻基證券有限公司(「新証」)，於一九九八年十二月二十二日向新世界發展有限公司(「新世界」)提出訴訟，索償(其中包括)由新証付予新世界約35,319,000港元，作為歸還新世界一項有關馬來西亞吉隆坡酒店計劃所收之款項。

新世界與其全資附屬公司Stapleton Developments Limited隨後向新証提出訴訟，要求(其中包括)新証履行一項聲稱之特定承諾，就有關發展計劃提供款項約115,910,000港元，其中18,740,000港元為應計利息。在新世界之要求下，原訂於二零零二年四月之審訊日期已取消，而預料另一可能之審訊日期將訂於二零零三年六月。

法律費用於產生期間在損益計算表中支銷。

33. Contingent Liabilities (Cont'd)

(c) On 9 September 2002, Sun Hung Kai Investment Services Limited ("SHKIS"), an indirect wholly-owned subsidiary of the Company, was served with a writ attaching a statement of claim by Shenzhen Building Materials Group Co. Limited, a Shenzhen P.R.C. registered company, claiming the return of certain shares in Shenzhen International Holdings Limited (worth approximately HK\$37 million) together with interest, costs and damages. The actions taken by SHKIS were based on considered advice from reputable legal counsel, which advice was strictly followed in its implementation. The claim is being strenuously defended and at this stage the Directors take the view that no contingency arises for which a provision is required to be made. The case is at an early stage with interlocutory matters only being dealt with.

34. Assets Pledged to Third Parties

At 31 December 2002, listed investments belonging to the Group and margin clients with a total market value of HK\$761,412,000 (2001: HK\$3,798,857,000) were pledged to banks and financial institutions. Banking facilities of HK\$2,030,000,000 (2001: HK\$2,265,000,000) were available to the Group. The Group also had leasehold properties with a total book value of HK\$63,897,000 (2001: HK\$46,574,000) pledged to banks as security for instalment loans granted to the Group with a total outstanding balance of HK\$42,000,000 (2001: HK\$34,363,000).

35. Principal Subsidiary and Associated Companies

The principal subsidiary and associated companies as at 31 December 2002 were as follows:

33. 或然負債(續)

(c) 於二零零二年九月九日，深圳市建材集團有限公司(一間在中國深圳市註冊成立之公司)向本公司間接全資附屬公司新鴻基投資服務有限公司(「新鴻基投資」)發出索償傳票，要求退還若干深圳國際控股有限公司之股份(約值37,000,000港元)，並索償涉及之利息、費用及有關損失。新鴻基投資採取之行動是基於一有名的法律顧問所提出之深思熟慮意見，而緊遵執行。集團現正斷然否定此索償，而在現階段，公司董事認為不會有任何或然負債產生而導致需要作出撥備。此訴訟正進行非正審事項，並處於初部訴訟階段。

34. 抵押予第三方之資產

於二零零二年十二月三十一日，屬於集團及孖展客戶之上市證券有抵押予銀行及財務機構，其總市值為761,412,000港元(二零零一年：3,798,857,000港元)。集團可動用的信貸額為2,030,000,000港元(二零零一年：2,265,000,000港元)。集團亦有賬面總值63,897,000港元(二零零一年：46,574,000港元)之有租契物業按予銀行，作為給予集團分期貸款之抵押，該等貸款未償還總結餘為42,000,000港元(二零零一年：34,363,000港元)。

35. 主要附屬公司與聯營公司

於二零零二年十二月三十一日主要附屬公司與聯營公司如下：

Principal subsidiary companies 主要附屬公司	Country of incorporation and operation 註冊及業務經營地點	Issued and paid up share capital 發行及繳足股本	Group equity interest 集團持有權益	Principal activities 主要業務
Bali International Finance Limited 百達利財務有限公司	Hong Kong 香港	137,500,000 HK\$1 shares 137,500,000 股每股 1 港元	100%	Financial service and investment holding 金融服務及控股投資
Bali Securities Co. Limited 百達利證券有限公司	Hong Kong 香港	7,000,000 HK\$1 shares 7,000,000 股每股 1 港元	100%	Securities dealer 證券交易商

35. Principal Subsidiary and Associated Companies (Cont'd)

35. 主要附屬公司與聯營公司(續)

Principal subsidiary companies 主要附屬公司	Country of incorporation and operation 註冊及業務經營地點	Issued and paid up share capital 發行及繳足股本	Group equity interest 集團持有權益	Principal activities 主要業務
Best Delta International Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1 股每股 1 美元	100%	Investment holding 控股投資
Boneast Assets Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1 股每股 1 美元	100% *	Investment holding 控股投資
Cheeroll Limited	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	100%	Share trading 證券買賣
China Direction Investments Limited 中向投資有限公司	Hong Kong 香港	4,500,000 HK\$1 shares 4,500,000 股每股 1 港元	67%	Share trading and investment holding 證券買賣及控股投資
Constable Development S.A.	Panama 巴拿馬	5 US\$1 shares 5 股每股 1 美元	100%	Investment holding 控股投資
Cowslip Company Limited	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	100%	Investment holding 控股投資
Gloria (Nominees) Limited	Hong Kong 香港	2 HK\$100 shares 2 股每股 100 港元	100%	Investment holding 控股投資
Gloxin Limited	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	100%	Investment holding 控股投資
Hilarious (Nominees) Limited	Hong Kong 香港	100 HK\$100 shares 100 股每股 100 港元	100%	Investment holding 控股投資
I-Market Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1 股每股 1 美元	100% *	Investment holding 控股投資
Itso Limited	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	100%	Share trading 證券買賣
Lexshan Nominees Limited 歷山代理人有限公司	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	100%	Nominee service 代理人服務
Macdonnell (Nominees) Limited	Hong Kong 香港	100 HK\$100 shares 100 股每股 100 港元	100%	Investment holding 控股投資
Oakfame Investment Limited 幹美投資有限公司	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	100%	Investment holding 控股投資

35. Principal Subsidiary and Associated Companies (Cont'd)

35. 主要附屬公司與聯營公司(續)

Principal subsidiary companies 主要附屬公司	Country of incorporation and operation 註冊及業務經營地點	Issued and paid up share capital 發行及繳足股本	Group equity interest 集團持有權益	Principal activities 主要業務
Pine Most Limited 派幸有限公司	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	67%	Property investment 物業投資
Pioneer Score Development Limited 先港發展有限公司	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	100%	Investment holding 控股投資
Plentiwind Limited	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	100%	Futures trading 期貨買賣
Quick Art Limited	Hong Kong 香港	3,540,000 HK\$1 shares 3,540,000 股每股 1 港元	100%	Share trading and property investment 證券買賣及物業投資
Ranbridge Finance Limited 捷橋財務有限公司	Hong Kong 香港	20,000,000 HK\$1 shares 20,000,000 股每股 1 港元	100% *	Money lending 借貸
Ranbridge, Inc.	The Philippines 菲律賓	5,385,000 Peso 1 shares 5,385,000 股每股 1 披索	100%	Money lending 借貸
Scienter Investments Limited	Hong Kong 香港	2 HK\$10 shares 2 股每股 10 港元	100%	Share trading 證券買賣
Shipshape Investments Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1 股每股 1 美元	100% *	Investment holding 控股投資
SHK Financial Data Limited 新鴻基財經資訊有限公司	Hong Kong 香港	100 HK\$1 shares 100 股每股 1 港元	51%	Provision of financial information service 財經資訊服務
SHK Financial Management Nominee Limited 新鴻基財務策劃代理人有限公司	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	100%	Nominee service 代理人服務
SHK Fund Management Limited 新鴻基投資管理有限公司	Hong Kong 香港	5,000,000 HK\$1 shares 5,000,000 股每股 1 港元	100%	Funds management and securities business development 基金管理及證券業務推廣

35. Principal Subsidiary and Associated Companies (Cont'd)

35. 主要附屬公司與聯營公司 (續)

Principal subsidiary companies 主要附屬公司	Country of incorporation and operation 註冊及業務經營地點	Issued and paid up share capital 發行及繳足股本	Group equity interest 集團持有權益	Principal activities 主要業務
SHK Global Managers Limited	British Virgin Islands 英屬處女群島	5,000 US\$1 shares 5,000 股每股 1 美元	100%	Funds management 基金管理
SHK Online (Securities) Limited 新鴻基科網(證券)有限公司	Hong Kong 香港	3,000,000 HK\$10 shares 3,000,000 股每股 10 港元	100%	Online securities broking and margin financing 網上證券經紀及證券放款
SHK Online Limited 新鴻基科網有限公司	Hong Kong 香港	2,000,000 HK\$10 shares 2,000,000 股每股 10 港元	100%	Online financial services 網上金融服務
SHK Pearl River Delta Investment Company Limited 新鴻基珠江三角洲投資有限公司	Hong Kong 香港	2 HK\$1 fully paid shares 99,999,998 HK\$1 shares paid up to HK\$0.75 each 2 股每繳足股 1 港元 99,999,998 股每股 1 港元 (每股繳足至 0.75 港元)	100%	Investment holding 控股投資
Splendid Gain Limited	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	100%	Investment holding 控股投資
Sun Hing Bullion Company Limited 新興金業有限公司	Hong Kong 香港	5,000,000 HK\$1 shares 5,000,000 股每股 1 港元	100%	Bullion trading 黃金買賣
Sun Hung Kai (Nominees) Limited 新鴻基(代理人)有限公司	Hong Kong 香港	2 HK\$100 shares 2 股每股 100 港元	100%	Nominee service 代理人服務
Sun Hung Kai Bullion Company Limited 新鴻基金業有限公司	Hong Kong 香港	30,000,000 HK\$1 shares 30,000,000 股每股 1 港元	100%	Bullion trading 黃金買賣
Sun Hung Kai Capital Markets (Cayman) Limited	Cayman Islands 開曼群島	1 US\$1 share 1 股每股 1 美元	100%	Financial product origination 金融產品發行
Sun Hung Kai Commodities Limited 新鴻基期貨有限公司	Hong Kong 香港	80,000,600 HK\$1 shares 80,000,600 股每股 1 港元	100%	Commodities broking 商品期貨經紀
Sun Hung Kai Forex Limited 新鴻基外匯有限公司	Hong Kong 香港	150,000,000 HK\$1 shares 150,000,000 股每股 1 港元	100%	Foreign exchange trading 外匯買賣

35. Principal Subsidiary and Associated Companies (Cont'd)

35. 主要附屬公司與聯營公司(續)

Principal subsidiary companies 主要附屬公司	Country of incorporation and operation 註冊及業務經營地點	Issued and paid up share capital 發行及繳足股本	Group equity interest 集團持有權益	Principal activities 主要業務
Sun Hung Kai Holdings, Inc.	The Philippines 菲律賓	250,000,000 Peso 1 common shares 5,000,000 Peso 10 preferred shares 250,000,000 股普通股每股 1 披索 5,000,000 股優先股每股 10 披索	100%	Investment holding 控股投資
Sun Hung Kai Insurance Consultants Limited 新鴻基保險顧問有限公司	Hong Kong 香港	1,000,000 HK\$1 shares 1,000,000 股每股 1 港元	100%	Insurance broking 保險經紀
Sun Hung Kai International Limited 新鴻基國際有限公司	Hong Kong 香港	100,000 HK\$100 shares 100,000 股每股 100 港元	100%	Corporate finance service 企業融資服務
Sun Hung Kai International Commodities Limited	Hong Kong 香港	50,000 HK\$100 shares 50,000 股每股 100 港元	100%	Commodities dealer 商品交易商
Sun Hung Kai International Investment Management Limited	British Virgin Islands 英屬處女群島	50,000 US\$1 shares 50,000 股每股 1 美元	100% *	Investment holding 控股投資
Sun Hung Kai Investment Services (Macau) Limited	Macau 澳門	Fully paid capital MOP 1,000,000 繳足股本 1,000,000 澳門元	100%	Financial service 金融服務
Sun Hung Kai Investment Services Limited 新鴻基投資服務有限公司	Hong Kong 香港	2,600,000 HK\$100 shares 2,600,000 股每股 100 港元	100%	Share broking 證券經紀
Sun Hung Kai Online Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1 股每股 1 美元	100%	Online service 網上服務
Sun Hung Kai Research Limited 新鴻基資料研究有限公司	Hong Kong 香港	1,000 HK\$10 shares 1,000 股每股 10 港元	100%	Securities research service 證券資料研究服務
Sun Hung Kai Securities (Bermuda) Limited	Bermuda 百慕達	12,000 US\$1 shares 12,000 股每股 1 美元	100%	Investment holding and management service 控股投資及管理服務
Sun Hung Kai Securities (Overseas) Limited 新鴻基證券(海外)有限公司	Hong Kong 香港	60,000 HK\$1 shares 60,000 股每股 1 港元	100%	Investment holding 控股投資

35. Principal Subsidiary and Associated Companies (Cont'd)

35. 主要附屬公司與聯營公司(續)

Principal subsidiary companies 主要附屬公司	Country of incorporation and operation 註冊及業務經營地點	Issued and paid up share capital 發行及繳足股本	Group equity interest 集團持有權益	Principal activities 主要業務
Sun Hung Kai Securities (Phil.), Inc.	The Philippines 菲律賓	273,600,000 Peso 1 shares 273,600,000 股每股 1 披索	100%	Investment holding 控股投資
Sun Hung Kai Securities (Trustees) Limited 新鴻基證券(信託)有限公司	Hong Kong 香港	3,000,000 HK\$1 shares 3,000,000 股每股 1 港元	100%	Provision of trustee service 信託服務
Sun Hung Kai Securities Capital Markets Limited 新鴻基證券資本市場有限公司	Hong Kong 香港	1,000 HK\$1 shares 1,000 股每股 1 港元	100%	Investment holding 控股投資
Sun Hung Kai Securities Limited 新鴻基証券有限公司	Hong Kong 香港	249,797,178 HK\$0.5 shares 249,797,178 股每股 0.5 港元	100% *	Investment holding 控股投資
Sun Hung Kai Venture Capital Limited	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	100%	Investment holding 控股投資
Sun Hung Kai Wealth Management Limited (formerly Sun Hung Kai Financial Management Limited) 新鴻基優越理財有限公司 (前稱新鴻基財務策劃有限公司)	Hong Kong 香港	5,000,000 HK\$1 shares 5,000,000 股每股 1 港元	100%	Investment advisory, financial planning and wealth management 投資顧問、財務策劃及資產管理
Sun Tai Cheung Credits Limited 新泰昌授信有限公司	Hong Kong 香港	15,000,000 HK\$10 shares 15,000,000 股每股 10 港元	100%	Share margin financing 證券放款
Sun Tai Cheung Finance Company Limited 新泰昌財務有限公司	Hong Kong 香港	25,000,000 HK\$1 shares 25,000,000 股每股 1 港元	100%	Financial service 金融服務
Swan Islands Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1 股每股 1 美元	100% *	Investment holding 控股投資
Tailwind Consultants Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1 股每股 1 美元	100% *	Investment holding 控股投資
Texgulf Limited	Hong Kong 香港	2 HK\$10 shares 2 股每股 10 港元	100%	Property investment 物業投資
To Wan Development Company Limited 杜雲發展有限公司	Hong Kong 香港	1,000 HK\$10 shares 1,000 股每股 10 港元	100%	Investment holding 控股投資

35. Principal Subsidiary and Associated Companies (Cont'd)

35. 主要附屬公司與聯營公司 (續)

Principal subsidiary companies 主要附屬公司	Country of incorporation and operation 註冊及業務經營地點	Issued and paid up share capital 發行及繳足股本	Group equity interest 集團持有權益	Principal activities 主要業務
Tung Wo Investment Company, Limited 同和投資有限公司	Hong Kong 香港	100 HK\$100 shares 100 股每股 100 港元	100%	Investment holding 控股投資
Upper Selection Investments Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1 股每股 1 美元	100%	Investment holding 控股投資
Upstand Assets Limited	British Virgin Islands 英屬處女群島	1 US\$1 share 1 股每股 1 美元	100% *	Investment holding 控股投資
Wah Cheong Development Company, Limited 華昌建業有限公司	Hong Kong 香港	25,100,000 HK\$1 shares 25,100,000 股每股 1 港元	100% *	Investment holding 控股投資
Wah Cheong Development (B.V.I.) Limited	British Virgin Islands 英屬處女群島	2,675,400 US\$1 shares 2,675,400 股每股 1 美元	100% *	Investment holding 控股投資
Wineur Secretaries Limited 偉略秘書有限公司	Hong Kong 香港	2 HK\$1 shares 2 股每股 1 港元	100%	Secretarial service 秘書服務

* These subsidiary companies are directly held by the Company.

* 此等附屬公司由本公司直接持有。

Principal associated companies 主要聯營公司	Country of incorporation and operation 註冊及業務經營地點	Equity interest held by		Principal activities 主要業務
		Group 集團	Company 本公司	
Chronicle Gain Limited 確勁有限公司	Hong Kong 香港	45%	–	Property holding 物業投資
Drinkwater Investment Limited 精威置業有限公司	Hong Kong 香港	22%	–	Property holding 物業投資
Eurasia Mattress & Furniture Co. Ltd. 歐亞床墊家具有限公司	People's Republic of China 中國	25%	–	Manufacture of mattresses and bedsteads 床墊及床架製造
Omicron International Limited	British Virgin Islands 英屬處女群島	38%	38%	Investment holding 控股投資

35. Principal Subsidiary and Associated Companies (Cont'd)

35. 主要附屬公司與聯營公司 (續)

Principal associated companies 主要聯營公司	Country of incorporation and operation 註冊及業務經營地點	Equity interest held by		Principal activities 主要業務
		Group 集團	Company 本公司	
Quality HealthCare Asia Limited # 卓健亞洲有限公司 #	Bermuda 百慕達	29%	-	Investment holding 控股投資
Real Estate Investments (N.T.) Limited	Hong Kong 香港	40%	-	Property development 物業發展
Shanghai Orient-Sun International Investment Management Co., Ltd. 上海東新國際投資管理有限公司	People's Republic of China 中國	49%	-	Consultancy service in equity and direct investments 證券及直接投資顧問服務
Silver York Development Limited 兆勇發展有限公司	Hong Kong 香港	40%	-	Property development 物業發展
Start Hold Limited 時達開有限公司	Hong Kong 香港	33%	-	Investment holding 控股投資
Tian An China Investments Company Limited # 天安中國投資有限公司 #	Hong Kong 香港	43%	35%	Investment holding 控股投資
Tianjin Eurasia Mattress & Furniture Co. Ltd. 天津歐亞床墊家具有限公司	People's Republic of China 中國	25%	-	Manufacture of mattresses and bedsteads 床墊及床架製造
Yu Ming Investments Limited # 禹銘投資有限公司 #	Hong Kong 香港	21%	6%	Investment holding 控股投資

These associated companies are listed in Hong Kong and further details about these associated companies are available in their published audited accounts.

The above tables list the subsidiary and associated companies of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiary and associated companies would, in the opinion of the directors, result in particulars of excessive length.

此等聯營公司為香港上市公司，其詳細資料可見於此等公司所發布之已審核賬目中。

以上所列之本公司附屬公司及聯營公司，為董事認為對本年度集團之業績有重大影響，或構成集團淨資產主要部份之公司。董事認為列出其他附屬公司及聯營公司之詳情會令資料過於冗長。

36. Subsequent Events

On 19 December 2002, the Group entered into a conditional sale and purchase agreement with an indirect subsidiary of the ultimate holding company to sell the Group's interest in Earnest Finance Limited, a jointly controlled entity, together with the assignments of advances to that company and its subsidiary, at a consideration of HK\$87,500,000. The agreement was completed in January 2003 and resulted in a loss of HK\$5,549,000.

37. Related Party Transactions

During the year, the Group had the following material transactions with related parties:

36. 結算日以後之事項

於二零零二年十二月十九日，集團與最終控股公司之間接附屬公司訂立一項有條件買賣合約，出售集團於一共同控制公司Earnest Finance Limited之權益，及轉讓給予該公司與其附屬公司之墊款，作價87,500,000港元。此合約已於二零零三年一月完成，並導致虧損5,549,000港元。

37. 有關連人士之交易

於本年度內，集團與有關連人士有以下之重大交易：

		Group	
		集團	
		2002	2001
		二零零二年	二零零一年
<i>Note</i>		HK\$'000	HK\$'000
<i>附註</i>		千港元	千港元
(Decrease)/increase in guarantees for banking and loan facilities granted to a subsidiary of a jointly controlled entity	給予一共同控制公司之一附屬公司的銀行及貸款信貸保證（減少）／增加	(25,000)	125,000
Dividend received from a subsidiary of the ultimate holding company	向最終控股公司之一附屬公司收取之股息	16,570	12,200
Interest income from a listed associated company	從一上市聯營公司所得之利息收益	12,434	11,726
Interest received from a subsidiary of a jointly controlled entity	從一共同控制公司之一附屬公司收取之利息	(a) -	998
Insurance premium received from the ultimate holding company and its subsidiaries	從最終控股公司及其附屬公司收取之保險費	4,044	2,870
Insurance premium received from a listed associated company	從一上市聯營公司收取之保險費	1,149	749
Professional fees paid to a company in which a non-executive director has significant influence	專業費用付予一非執行董事有重大影響力之一公司	-	382
Promissory note received from a listed associated company for its repayment of the outstanding principal and interest under the 4% convertible loan note dated 2 June 1998	從一上市聯營公司收取之承諾票據作為償還一九九八年六月二日4%可換股貸款票據之未償還本金及利息	(b) 40,419	-
Rent, property management and air-conditioning fees received from a listed associated company	從一上市聯營公司所得之租金、物業管理及空調費用	1,253	734
Service fees paid to a subsidiary company of the ultimate holding company	給予最終控股公司之一附屬公司服務費用	6,200	-

37. Related Party Transactions (Cont'd)

At 31 December 2002, the Group had the following material balances with related parties:

37. 有關連人士之交易(續)

於二零零二年十二月三十一日，集團與有關連人士有以下之重大結餘：

		Group 集團		
		2002 二零零二年	2001 二零零一年	
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
Amounts due from/(to) associated companies	聯營公司欠賬／(貸賬)			
Amounts due from a listed associated company	一上市聯營公司欠賬			
– Promissory notes	– 承諾票據		185,419	145,000
– Convertible loan note	– 可換股貸款票據		–	38,015
– Interest receivable and others	– 應收利息及其他		29,706	19,286
Amounts due from other associated companies	其他聯營公司欠賬		78,209	78,106
Amounts due to other associated companies	其他聯營公司貸賬		(31,818)	(21,456)
Amount due from a jointly controlled entity	一共同控制公司欠賬	(a)	90,000	90,000
Guarantees for banking and loan facilities granted to a subsidiary of a jointly controlled entity	給予一共同控制公司之一附屬公司銀行及貸款信貸之保證	(a)	100,000	125,000

(a) The jointly controlled entity is also a subsidiary of the ultimate holding company.

(a) 此共同控制公司亦為最終控股公司之一附屬公司。

(b) Details of the promissory note are disclosed in note 17(d)(i) to the financial statements.

(b) 承諾票據資料載於財務報表附註17(d)(i)。

38. Maturity Profile of Assets and Liabilities

38. 資產及負債到期分析

		As at 31 December 2002 於二零零二年十二月三十一日					Total 總額
		3 months Within 3 months 三個月內	1 year to 1 year 至一年	1 year to 5 years 至五年	After 5 years 五年後	On demand 即時還款	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Assets	資產						
Promissory notes of a listed associated company	一上市聯營公司之承諾票據	–	185,419	–	–	–	185,419
Fixed deposits with banks	銀行定期存款	133,884	–	–	–	–	133,884
Term loans	有期借款	127,339	309,500	–	–	161,137	597,976
Debts securities in trading account securities	於證券經營賬之債務證券	13,196	–	–	–	–	13,196
Liabilities	負債						
Bank loans and overdrafts	銀行借款及透支	23	–	–	–	–	23
Long term bank loans	長期銀行借款	1,436	4,351	24,428	11,785	–	42,000
Obligation under a finance lease	融資租賃債務	209	641	966	–	–	1,816

38. Maturity Profile of Assets and Liabilities (Cont'd)

38. 資產及負債到期分析(續)

		As at 31 December 2001					
		於二零零一年十二月三十一日					
		3 months	1 year		On		
		Within 3	to 1 year	to 5 years	After	demand	Total
		months	三個月	一年	5 years	即時	總額
		三個月內	至一年	至五年	五年後	還款	
		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
Assets	資產						
Convertible loan note and promissory note of a listed associated company	一上市聯營公司之可換股貸款票據及承諾票據	-	38,015	145,000	-	-	183,015
Lending over one year	一年期以上放款	-	-	167,453	-	-	167,453
Fixed deposits with banks	銀行定期存款	66,631	-	-	-	-	66,631
Term loans	有期借款	358,682	551,816	-	-	189,785	1,100,283
Debts securities in trading account securities	於證券經營賬之債務證券	12,828	-	-	-	-	12,828
		<u>12,828</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,828</u>
Liabilities	負債						
Bank loans and overdrafts	銀行借款及透支	633,499	-	-	-	-	633,499
Long term bank loan	長期銀行借款	967	2,949	16,999	13,448	-	34,363
		<u>967</u>	<u>2,949</u>	<u>16,999</u>	<u>13,448</u>	<u>-</u>	<u>34,363</u>

The above tables only list out the assets and liabilities which have a term of maturity. Overdue assets are reported as on demand.

上表只列出有期限之資產及負債，過期而未償還之資產列為即時還款。

39. Ultimate Holding Company

The ultimate holding company of the Group is Allied Group Limited, a company incorporated and listed in Hong Kong.

39. 最終控股公司

集團之最終控股公司為聯合集團有限公司，一間在香港註冊成立及在香港上市之公司。

40. Approval of Accounts

The accounts on pages 71 to 127 were approved by the Board of Directors on 7 April 2003.

40. 賬目通過

董事會於二零零三年四月七日通過於第 71 頁至第 127 頁之賬目。