

董事會謹提呈截至二零零四年十二月三十一日止年度之第一份報告及經審核之賬目(賬目是根據合併會計法而準備，詳情載於賬目附註1(b))。

主要業務及營運之分項分析

大新銀行集團有限公司(「本公司」)之主要業務為銀行投資控股。而附屬公司之主要業務則見賬目附註廿四。本報告滙報期間按業務分項之本公司及其附屬公司(「本集團」)業績表現分析載於賬目附註四十。

業績及盈餘分配

本集團截至二零零四年十二月三十一日止年度之業績賬目載於第37頁之綜合損益結算表內，賬目是根據合併會計法而準備。

董事會宣派中期股息每股0.23港元，共派211,561,000港元，已於二零零四年九月六日派發。

董事會建議派發末期股息每股0.38港元，共派349,536,000港元。

股本

本公司於成立日二零零四年三月十一日至二零零四年十二月三十一日止期間股本之變動詳載於賬目附註卅二。

儲備

本集團於滙報年度及本公司於滙報期間之儲備變動詳情載於賬目附註卅三。

捐款

本集團於滙報期間之慈善及其他捐款共達669,000港元。

固定資產

本公司並無持有任何固定資產。集團固定資產變動則詳載於賬目附註廿五。

The Directors submit their first report together with the audited accounts for the year ended 31st December 2004 prepared on the basis of merger accounting method as discussed in more details in note 1(b) to the accounts.

PRINCIPAL ACTIVITIES AND SEGMENT ANALYSIS OF OPERATIONS

The principal activity of Dah Sing Banking Group Limited (the "Company") is banking investment holding. The principal activities of the subsidiaries are shown in note 24 to the accounts. An analysis of the performance of the Company and its subsidiaries (the "Group") for the reporting period by business segment is set out in note 40 to the accounts.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st December 2004 prepared on the basis of merger accounting method are set out in the consolidated profit and loss account on page 37.

The Directors declared an interim dividend of HK\$0.23 per share, totalling HK\$211,561,000 which was paid on 6th September 2004.

The Directors recommend the payment of a final dividend of HK\$0.38 per share, totalling HK\$349,536,000.

SHARE CAPITAL

Details of the movements in share capital of the Company for the period from 11th March 2004 (date of incorporation) to 31st December 2004 are shown in note 32 to the accounts.

RESERVES

Movements in the reserves of the Group and of the Company during the reporting year and reporting period respectively are set out in note 33 to the accounts.

DONATIONS

During the period, the Group made charitable and other donations amounting to HK\$669,000.

FIXED ASSETS

The Company does not hold any fixed assets. Details of the movements in fixed assets of the Group are shown in note 25 to the accounts.

董事會

自成立日起直至本報告日期止董事芳名：

王守業

主席

(於二零零四年三月十二日獲委任)

莊先進

(於二零零四年六月十一日獲委任)

韓以德

(於二零零四年六月十一日獲委任)

史習陶

(於二零零四年六月十一日獲委任)

梁君彥

(於二零零四年六月十一日獲委任)

黃漢興

董事總經理兼行政總裁

(於二零零四年三月十二日獲委任)

趙龍文

(於二零零四年六月十一日獲委任)

王伯凌

(於二零零四年三月十二日獲委任)

王祖興

(於二零零四年六月十一日獲委任)

邱達宏

(於二零零四年六月十一日獲委任)

村岡隆司

(於二零零五年三月十五日獲委任)

Sohei Sasaki

(於二零零四年六月十一日獲委任，並於二零零五年三月十五日辭任)

按照本公司組織章程細則第110條規定，除董事總經理外，所有於成立日至本報告日期間獲本公司委任之董事將於應屆之股東週年大會告退，但表示如再度獲選，願繼續連任。

DIRECTORS

The Directors during the period from the date of incorporation up to the date of this report are:

David Shou-Yeh Wong

Chairman

(appointed on 12th March 2004)

John William Simpson

(appointed on 11th June 2004)

David Richard Hinde

(appointed on 11th June 2004)

Robert Tsai-To Sze

(appointed on 11th June 2004)

Andrew Kwan-Yuen Leung

(appointed on 11th June 2004)

Hon-Hing Wong (Derek Wong)

Managing Director and Chief Executive

(appointed on 12th March 2004)

Lung-Man Chiu (John Chiu)

(appointed on 11th June 2004)

Gary Pak-Ling Wang

(appointed on 12th March 2004)

Harold Tsu-Hing Wong

(appointed on 11th June 2004)

Dennis Tat-Wang Yau

(appointed on 11th June 2004)

Takashi Muraoka

(appointed on 15th March 2005)

Sohei Sasaki

(appointed on 11th June 2004 and resigned on 15th March 2005)

In accordance with Article 110 of the Company's Articles of Association, all directors, except the Managing Director, of the Company appointed during the period and up to the date of this report will retire at the forthcoming annual general meeting and, being eligible, will offer each of themselves for re-election.

董事權益

於二零零四年十二月三十一日，根據本公司依據「證券及期貨條例」(第571章)第352條規定而設置之董事及行政總裁權益及淡倉登記冊所載記錄顯示，各董事按「證券及期貨條例」第308條界定所持有本公司及其相聯法團之股份、股本衍生工具及債券之權益如下：

甲) 在本公司及關聯公司所持之股份權益

DIRECTORS' INTERESTS

At 31st December 2004, the interests of the Directors in the shares, underlying shares of equity derivatives and debentures of the Company and its associated corporations (as defined under section 308 of the Securities and Futures Ordinance (Cap. 571) (the "SFO")) recorded in the register of directors' and chief executives' interests and short positions required to be maintained under section 352 of the SFO were as follows:

a) Interests in shares of the Company and associated corporation

董事	Director	股份數量 Number of shares				所持有股份 對相關已發行 股本百分比 Percentage of shares interested in the relevant issued share capital
		個人權益 Personal Interests	法團權益 Corporate Interests (註)(Note) 1	其他權益 Other Interests	合計權益 Total Interests	
持有本公司每股面值 1港元的普通股份		Number of ordinary shares of HK\$1 each in the Company				
王守業	David Shou-Yeh Wong	–	719,956,596 (註)(Note) 2	–	719,956,596	78.27
持有大新金融集團有限公司 每股面值2港元的 普通股份		Number of ordinary shares of HK\$2 each in Dah Sing Financial Holdings Limited				
王守業	David Shou-Yeh Wong	–	4,416,768	92,132,682 (註)(Note) 3	96,549,450	38.84
莊先進	John William Simpson	10,000 (註)(Note) 4	–	–	10,000	0.00
趙龍文	Lung-Man Chiu (John Chiu)	38,800	–	–	38,800	0.02

註：

- 董事之法團權益乃指由其擁有三分之一或以上權益公司所持有之股份。
- 由於王守業擁有大新金融集團有限公司(「大新金融集團」)96,549,450股實益股份權益，佔相關已發行股本百分之三十八點八四，因而按證券及期貨條例第XV部的定義被視作擁有本公司股份之法團權益。
- 此等股份乃由王守業及其家屬利益而成立之全權信託受託人匯豐國際信託有限公司間接持有。
- 此等股份乃由莊先進先生及其妻子共同擁有。

Notes:

- The corporate interest is in respect of shares held by a company in which the director has an interest of one third or more.
- Such shares represent the corporate interest of David Shou-Yeh Wong under Part XV of the SFO by virtue of his interest in 96,549,450 ordinary shares of Dah Sing Financial Holdings Limited, representing 38.84% of its entire share capital currently in issue as at the record date.
- Such shares are indirectly held by HSBC International Trustee Limited, the trustee of a discretionary trust established for the benefit of David Shou-Yeh Wong and his family.
- Such shares are jointly owned by John William Simpson and his wife.

董事權益(續)

乙) 在本公司及關聯公司所持認股權權益

i) 本公司之認股權計劃

本公司之認股權計劃(「本計劃」)於二零零四年六月十二日獲本公司唯一股東通過。本公司在獲得香港聯合交易所批准的情況下，將本計劃的資料列於首次公開招股書內，而有關計劃條款在二零零四年六月成功招股上市後仍然有效。本計劃的目的是招攬、獎勵及挽留高質素行政人員以助集團的業務及擴展。大新銀行集團計劃合資格參予者包括本集團或其附屬公司之董事及擔任管理職位之僱員。截至本報告日，該計劃仍有45,491,541股股份(佔本公司已發行股本百分之四點九五)可予發行。每位承授人最高可獲認股權將不多於本公司在任何十二個月期間內已發行股本的百分之一。股份須於有關認股權授予日起計十年，或董事會決定較短之期間內認購。任何情況下，認股權不能於授予後一年內行使。承授人必須於授予日起計廿八天或董事會不時決定較短之時間內接受有關授予。

本公司及其主要營運附屬公司的若干董事獲授予按每份認股權一港元代價可認購本公司股本中每股面值一港元股份之權利。每股之行使價按授予認股權之不同時日而各異，有關資料載列下表。該等認股權可於獲授予日期起計第一至第六周歲日期間按不同數額行使。該計劃由二零零四年六月十二日起十年內有效，至二零一四年六月十一日屆滿。

DIRECTORS' INTERESTS (Continued)

b) *Interests in options under share option schemes of the Company and associated corporation*

i) Share option scheme of the Company

The Share Option Scheme (the "Scheme") of the Company was initially approved by the sole shareholder on 12th June 2004. With the approval of the Hong Kong Stock Exchange, the terms of the Scheme as disclosed in the Company's initial public offering prospectus remained valid after the public listing of the Company in June 2004. The purpose of the Scheme is to attract, motivate and retain high quality executives to contribute to the Group's business and growth. Eligible participants of the Scheme included directors and employees holding supervisory positions in the Group. A total of 45,491,541 shares, representing 4.95% of the issued share capital of the Company, are still available for issue under the Scheme as at the date of this report. The maximum entitlement of any single grantee under the Scheme shall not exceed 1% of the Company's shares in issue in any 12-month period of time. Shares under an option must be taken up within 10 years from the date of grant, or such shorter period as the Board of Directors may determine. Under no circumstances can option be exercised within one year from the date of grant. Acceptance by the grantee must be made within 28 days upon offer of granting of options or such period the Board may determine from time to time.

Certain Directors of the Company and its major operating subsidiaries were granted options at a consideration of HK\$1 per option to subscribe for shares of the Company with a par value of HK\$1 each. The exercise price per share for the options varied by tranches of grant with particulars as set out in the table below. The options can be exercised in varying amounts between the first and sixth anniversaries of date of grant. The Scheme shall be valid and effective for a period of 10 years commencing from 12th June 2004 and expiring at the close of 11th June 2014.

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

截至二零零四年十二月三十一日止，在本計劃下仍未行使之可認購本公司股份權利結餘詳情如下：

DIRECTORS' INTERESTS (Continued)

b) Interests in options under share option schemes of the Company and associated corporation (Continued)

Details of the share options outstanding as at 31st December 2004 which have been granted under the Schemes are as follows:

公司之董事 Director of the Company	認股權股份數目 Number of shares in the options	於二零零四年 一月一日持有 Held at 1 Jan 2004		於二零零四年 十二月三十一日持有 Held at 31 Dec 2004		行使價 Exercise Price 港元 HK\$	授予日期 Grant date (日/月/年) (D/M/Y)	行使期 Exercise period	
		年內授予 Granted during the year	年內授予 Granted during the year	由 From (日/月/年) (D/M/Y)	至 To (日/月/年) (D/M/Y)				
趙龍文 Lung-Man Chiu (John Chiu)	N.A. (註)(Note) 1	250,000	250,000	16.70 (註)(Note) 2	25/11/2004	25/11/2005	25/11/2010		
僱員 An employee	N.A. (註)(Note) 1	250,000	250,000	16.70 (註)(Note) 2	25/11/2004	25/11/2005	25/11/2010		

註：

- 本公司之認股權計劃於二零零四年六月十二日經股東通過而設立，因此二零零四年一月一日並無年初結餘。
- 行使價為16.70港元，乃根據香港聯合交易所有限公司之證券上市規則（「上市規則」）第17.03(9)條而釐定，是為本公司於香港交易所買賣之股份在授予日之收市價，該收市價較在授予日前五個交易日之平均收市價為高。大新銀行集團股份在二零零四年十一月二十五日授予日的前收市價為每股16.60港元。
- 本公司主要營運附屬機構的一名董事獲授予共250,000股認股權，彼為香港僱傭條例下「連續合約」工作的僱員。
- 在本計劃下，並無承授人獲授予多於其個人上限之認股權。
- 自二零零四年六月十二日本公司認股權計劃設立日起，至二零零四年十二月三十一日止期間，並無失效或被取消可認購本公司股份之認股權。
- 在二零零四年十二月三十一日止年度所授予認股權的價值：

董事會認為鑑於本公司股份於年內上市的時間相對較短，而評估認股權的價值所用的模式和涉及多方面主觀的假設可能導致不肯定或誤導的資料，因此不宜披露於年內之認股權的價值。

Notes:

- The Company share option scheme was established and approved by shareholders on 12th June 2004 and therefore there was no opening balance of share options as at 1st January 2004.
- The exercise price of HK\$16.70 was determined in accordance with Rule 17.03(9) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") prevailing in force, being the closing price of the Company's shares traded on the Hong Kong Stock Exchange on the date of grant, which was higher than the average closing price of the Company's shares traded on the Hong Kong Stock Exchange for the five preceding trading days immediately before the date of grant. The closing price of the DSBG shares immediately before the date of grant on 25th November 2004 was HK\$16.60.
- A total of 250,000 share options were granted to an employee, who is a director of the Company's major operating subsidiary and is working under employment contract that is regarded as a "continuous contract" for the purpose of the Employment Ordinance of Hong Kong.
- None of the grantees under the Scheme were granted share options exceeding respective individual limits.
- No options for the subscription of shares in the Company were lapsed or cancelled during the relevant period ended 31st December 2004 since the establishment of the Company's share option scheme on 12th June 2004.
- Value of options granted during the year ended 31st December 2004:

The Directors consider that it is not appropriate to disclose the value of options granted during the year due to the relatively short period of the listing of the Company's shares in the year, and that any valuation of options with the use of model and subjective assumptions could produce uncertain or even misleading information.

董事權益(續)

乙) 在本公司及關聯公司所持認股權權益(續)

ii) 本公司之控股公司－大新金融集團有限公司之認股權計劃

大新金融集團有限公司(「大新金融集團」)之行政人員認股權計劃(「該計劃」)乃於一九九五年五月十七日經大新金融集團股東通過而設立，藉以招攬、獎勵及挽留高質素行政人員以助集團的業務及擴展。該計劃合資格參予者包括大新金融集團或其附屬公司之執行董事及擔任管理職位之僱員。截至本報告日，該計劃仍有4,680,462股股份(佔大新金融集團已發行股本百分之一點八八)可予發行。任何一位承授人最高可獲認股權將不會多於該計劃下最高可供認購之大新金融集團股份總數的百分之二十五。股份須於有關認股權授予日起計十年，或董事會決定較短之期間內認購。任何情況下，認股權不能於授予後一年內行使。承授人必須於授予日起計二十一天或董事會訂定較短之時間內接受有關授予。

本公司及其主要營運附屬機構的若干董事獲授予按每份認股權1港元代價可認購大新金融集團有限公司股本中每股面值2港元股份之權利。每股認股權之行使價按授予次序而有所不同，詳細資料可參閱下表。該等認股權，可於獲授予日期起計第一至有關行使到期日期間按不同數額行使。該計劃於二零零五年五月十六日屆滿後不可再配發任何新的認股權。

DIRECTORS' INTERESTS (Continued)

b) *Interests in options under share option schemes of the Company and associated corporation (Continued)*

ii) Share option scheme of Dah Sing Financial Holdings Limited, the holding company of the Company

The Executive Share Option Scheme (the "ESOS Scheme") of Dah Sing Financial Holdings Limited ("DSFH") was established and approved by shareholders of DSFH on 17th May 1995. Its purpose is to attract, motivate and retain high quality executives to contribute to the corporate business and growth. Eligible participants of the ESOS Scheme included executive directors and employees holding supervisory positions in DSFH or any of its subsidiaries. A total of 4,680,462 shares, representing 1.88% of the issued share capital of DSFH, are still available for issue under the ESOS Scheme as at the date of this report. The maximum entitlement of any single grantee shall not exceed 25% of the maximum aggregate number of the DSFH's shares available for subscription under the ESOS Scheme. Shares under an option must be taken up within 10 years from the date of grant, or such shorter period as its Board of directors may determine. Under no circumstances can an option be exercised within one year from the date of grant. Acceptance by the grantee must be made within 21 days upon offer of granting of options or such period its Board may determine from time to time.

Certain Directors of the Company and its major operating subsidiaries were granted options at a consideration of HK\$1 per option to subscribe for shares of DSFH with a par value of HK\$2 each. The exercise price per share for the options varied by tranches of grant with particulars set out in the table below. The options can be exercised in varying amounts from the first anniversary of date of grant up to the expiry of exercise period of respective tranches of grant. The ESOS Scheme will expire at the close of 16th May 2005 and no more granting of new options could be made under the ESOS Scheme.

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

ii) 本公司之控股公司－大新金融集團有限公司之認股權計劃 (續)

二零零四年十二月三十一日，在本計劃下仍未行使之可認購股份權利結餘詳情如下：

DIRECTORS' INTERESTS (Continued)

b) Interests in options under share option schemes of the Company and associated corporation (Continued)

ii) Share option scheme of Dah Sing Financial Holdings Limited, the holding company of the Company (Continued)

Details of the share options outstanding as at 31st December 2004 which have been granted under the ESOS Scheme are as follows:

		大新金融集團認股權股份數目 Number of shares options in DSFH shares							
本公司董事 Director of the Company		於二零零四年 一月一日持有	年內授予 Granted	年內行使 Exercised	於二零零四年 十二月三十一日持有	行使價 Exercise price 港元 HK\$	授予日期 Grant date (日/月/年) (D/M/Y)	行使期 Exercise period	
		Held at 1 Jan 2004	during the year	during the year	Held at 31 Dec 2004			由 From (日/月/年) (D/M/Y)	至 To (日/月/年) (D/M/Y)
黃漢興	Hon-Hing Wong (Derek Wong)	200,000	-	200,000	-	26.28	3/4/2000	3/4/2004	3/4/2005
		-	1,000,000	-	1,000,000	64.00	25/11/2004	25/11/2005	25/11/2010
				(註)(Note) 1		(註)(Note) 3			
						(註)(Note) 4			
趙龍文	Lung-Man Chiu (John Chiu)	18,750	-	18,750	-	26.28	3/4/2000	3/4/2004	3/4/2005
				(註)(Note) 2		(註)(Note) 3			
王伯凌	Gary Pak-Ling Wang	-	400,000	-	400,000	64.00	25/11/2004	25/11/2005	25/11/2010
						(註)(Note) 4			
王祖興	Harold Tsu-Hing Wong	-	250,000	-	250,000	64.00	25/11/2004	25/11/2005	25/11/2010
						(註)(Note) 4			

		大新金融集團認股權股份數目 Number of shares options in DSFH shares							
權員 (註5)	An employee (Note 5)	於二零零四年 一月一日持有	年內授予 Granted	年內行使 Exercised	於二零零四年 十二月三十一日持有	行使價 Exercise price 港元 HK\$	授予日期 Grant date (日/月/年) (D/M/Y)	行使期 Exercise period	
		Held at 1 Jan 2004	during the year	during the year	Held at 31 Dec 2004			由 From (日/月/年) (D/M/Y)	至 To (日/月/年) (D/M/Y)
		-	250,000	-	250,000	64.00	25/11/2004	25/11/2005	25/11/2010
						(註)(Note) 4			

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

ii) 本公司之控股公司－大新金融集團有限公司之認股權計劃 (續)

註：

1. 行使日期為二零零四年九月十四日。行使有關認股權當日之收市價為每股(大新金融集團股份)57.00港元。依據該計劃賦予之酌情權，大新金融集團以現金支付代替配發股份。該等款額為認股權行使當日大新金融集團股份每股收市價與其設定行使價26.28港元之溢價。支付總額為6,144,000港元，可認購200,000股之認股權則視作已全數行使。
2. 行使日期為二零零四年十二月一日。行使有關認股權當日之收市價為每股(大新金融集團股份)61.25港元。依據該計劃賦予之酌情權，大新金融集團以現金支付代替配發股份。該等款額為認股權行使當日大新金融集團股份每股收市價與其設定行使價26.28港元之溢價。支付總額為655,687.50港元，可認購18,750股之認股權則視作已全數行使。
3. 行使價為26.28港元，乃根據大新金融集團於香港交易所買賣之股份，在授予日前五個交易日之平均收市價折讓百分之五而釐定。在二零零零年四月三日授予日前收市價為每股27.50港元。
4. 行使價為64.00港元，乃根據當時上市條例第17.03(9)條釐定，是為大新金融集團於香港交易所買賣之股份在授予日之收市價，該收市價較在授予日前五個交易日之平均收市價為高。在二零零四年十一月二十五日授予日的前收市價為每股61.00港元。

DIRECTORS' INTERESTS (Continued)

b) Interests in options under share option schemes of the Company and associated corporation (Continued)

ii) Share option scheme of Dah Sing Financial Holdings Limited, the holding company of the Company (Continued)

Notes:

1. Exercise date was 14th September 2004. At the date the option was exercised, the closing market price per DSFH share was HK\$57.00. Instead of allotting new shares, DSFH exercised its discretion as allowed under the ESOS Scheme by making a cash payment in lieu of the required share allotment. The amount is the excess of the closing market price of DSFH's shares upon exercise of the option over the predetermined exercise price of HK\$26.28 each. The aggregate payment amounted to HK\$6,144,000 and the option so granted to subscribe for 200,000 shares was deemed as having been exercised.
2. Exercise date was 1st December 2004. At the date the option was exercised, the closing market price per DSFH share was HK\$61.25. Instead of allotting new shares, DSFH exercised discretion as allowed under its approved share option scheme by making a cash payment in lieu of the required share allotment. The amount is the excess of the closing market price of the DSFH shares upon exercise of the option over the predetermined exercise price of HK\$26.28 each. The aggregate payment amounted to HK\$655,687.50 and the option so granted to subscribe for 18,750 shares was deemed as having been exercised.
3. The exercise price of HK\$26.28 was determined as 5% less than the average closing price of the Company's shares traded on the Hong Kong Stock Exchange for the five preceding trading days immediately before the date of grant. The closing price of DSFH's shares immediately before the date of grant on 3rd April 2000 was HK\$27.50.
4. The exercise price of HK\$64.00 was determined in accordance with Rule 17.03(9) of the Listing Rules prevailing in force, being the closing price of DSFH's shares traded on the Hong Kong Stock Exchange on the date of grant, which was higher than the average closing price of DSFH's shares traded on the Hong Kong Stock Exchange for the five preceding trading days immediately before the date of grant. The closing price of DSFH's shares immediately before the date of grant on 25th November 2004 was HK\$61.00.

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

ii) 本公司之控股公司－大新金融集團有限公司之認股權計劃 (續)

註：(續)

5. 在該計劃下，一名本公司主要營運附屬機構僱員為大新金融集團董事並獲授予共250,000股認股權，彼為香港僱傭條例下「連續合約」工作的僱員。
6. 在該計劃下，並無承授人獲授予多於其個人上限之認股權。
7. 至二零零四年十二月三十一日止之財政年度內，並無失效或被取消可認購大新金融集團股份之認股權。

所有上述權益皆屬好倉。於二零零四年十二月三十一日，本公司依據「證券及期貨條例」而設置之董事及行政總裁權益及淡倉登記冊內並無董事持有淡倉的紀錄。

除上述所載外，於成立日至二零零四年十二月三十一日期間，本公司、其附屬公司或其控股公司概無簽訂任何協議，使本公司董事及其配偶與未滿十八歲之子女可藉收購本公司或任何其他法人團體之股份或債券而取得利益。

各董事與本公司並無簽訂任何服務合約。

有關期間內或年結時，本公司、其附屬公司或其控股公司概無簽訂任何有關本公司之業務而本公司董事直接或間接擁有重大權益之重要合約。

DIRECTORS' INTERESTS (Continued)

b) Interests in options under share option schemes of the Company and associated corporation (Continued)

ii) Share option scheme of Dah Sing Financial Holdings Limited, the holding company of the Company (Continued)

Notes: (Continued)

5. A total of 250,000 share options were granted to a director of DSFH, who is working under employment contract of the Company's major operating subsidiary that is regarded as a "continuous contract" for the purposes of the Employment Ordinance of Hong Kong.
6. None of the grantees under the ESOS Scheme were granted share options exceeding respective individual limits.
7. No options for the subscription of shares in DSFH were lapsed or cancelled during its financial year ended 31st December 2004.

All the interests stated above represent long position. As at 31st December 2004, none of Directors of the Company held any short positions as defined under the SFO as recorded in the register of directors' and chief executives' interests and short positions.

Apart from the above, at no time during the period from the date of the Company's incorporation to 31st December 2004 was the Company, its subsidiaries, or its holding company a party to any arrangements to enable the Directors of the Company nor their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

The Directors do not have any service contracts with the Company.

No contracts of significance in relation to the Company's business to which the Company, its subsidiaries or its 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 period or at any time during the period.

股東權益

於二零零四年十二月三十一日，依「證券及期貨條例」第336條而設置之股東權益及淡倉登記冊，顯示本公司已接獲下列持有本公司發行股份或相關股份百分之五或以上權益之通知。此等權益並不包括以上已具予以披露之董事權益。

SHAREHOLDERS' INTERESTS

At 31st December 2004, the register of shareholders' interests in shares and short positions maintained under section 336 of the SFO showed that the Company had been notified of the following interests, being 5% or more held in the shares and underlying shares of the Company. These interests are in addition to those disclosed above in respect of Directors.

本公司之普通股權益數量
(權益佔本公司全部
已發行股本之百分比)
**Number of ordinary
shares interested
in the Company
(Percentage of interest held
in the Company's entire
issued share capital)**

股東 Shareholder	身份 Capacity	
大新金融集團有限公司 Dah Sing Financial Holdings Limited	實質權益 Beneficial interest	719,956,596 (78.27%)
匯豐國際信託有限公司 HSBC International Trustee Limited	法團權益 Corporate interest	719,956,596 (78.27%) (註)(Note) 1
王嚴君琴 Christine Yen Wong	因其配偶擁有須具披露權益而視作其權益 Deemed interest by virtue of her spouse having a notifiable interest	719,956,596 (78.27%) (註)(Note) 2

註：

- 鑑於匯豐國際信託有限公司(「匯豐信託」)為王守業及其家屬利益而成立之全權信託受託人而間接持有大新金融集團的股份。匯豐信託須就由其受控公司持有本公司相關股份而作出披露。此等股份已於上述董事權益有關王守業的法團權益一項中披露。
- 此等股份屬王嚴君琴持有之權益，皆因其配偶(王守業)乃大新金融集團之主要股東並持有本公司有關股本的視作權益。王嚴君琴因此須就其配偶之視作權益而作出披露。此等權益與王守業於上述董事權益披露中所載持有之股份相同。

所有上述權益皆屬好倉。於二零零四年十二月三十一日，在主要股東權益及淡倉登記冊內並無淡倉的紀錄。

Notes:

- By virtue of the deemed interest in DSFH shares indirectly held by HSBC International Trustee Limited ("HSBCIT") in trust for a discretionary trust established for the benefit of David Shou-Yeh Wong and his family. HSBCIT is taken to have a duty of disclosure in relation to the relevant shares of the Company held through its controlled companies. Relevant shares have been included in the "Corporate interests" of David Shou-Yeh Wong as disclosed under the heading of Directors' Interests above.
- Such shares represented deemed interest of Christine Yen Wong by virtue of her spouse, David Shou-Yeh Wong, being a substantial shareholder of DSFH and having a deemed interest in relevant share capital of the Company. Christine Yen Wong is taken to have a duty of disclosure in relation to the deemed interest of the Company held by her spouse. This interest comprised the same interest of David Shou-Yeh Wong under the heading of "Directors' Interests" above.

All the interests stated above represent long positions. As at 31st December 2004, no short positions were recorded in the register of substantial shareholders' interests in shares and short positions.

購買、出售或贖回股份

本公司自成立至二零零四年十二月三十一日止期間，並無贖回任何本身之股份。本公司及各附屬公司於此審核期間亦無購買或出售任何本公司之股份。

管理合約

由成立至二零零四年十二月三十一日期間，本公司並無就全盤或其中重大部份業務簽訂或存有任何管理及行政合約。

符合指引聲明

本集團已完全遵照香港金融管理局頒佈的監管政策手冊「本地註冊認可機構披露財務資料」指引之各項準則披露其銀行業務之業績。

關連交易

自成立至二零零四年十二月三十一日期間，本集團之關連人士交易，及於二零零四年訂立及持續之關連交易詳情，分別載於賬目附註廿四及四十一。

五年財務數據

本集團過去五年之公佈業績、資產及負債已載列於本年報之「財政狀況概要」內。

本公司於二零零四年三月十一日成立，為大新金融集團有限公司（「大新金融」）之附屬公司。根據於二零零四年六月完成的集團重組，大新金融將其銀行業務有關之附屬公司，以股份交換方式，轉予本公司，為其銀行業務有關之附屬公司之控股公司。根據於此年報主要會計政策附註一所詳列的合併會計法及切合披露集團五年的財務資料的需要，在報告期內（包括以往五年）之綜合業績乃視本公司已存在及該銀行業務有關的附屬公司已成為本公司之附屬公司而編製。

主要客戶

自成立至二零零四年十二月三十一日期間少於百分之三十之利息收入及其他營運收入源自本集團最大五名客戶。

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the period ended 31st December 2004 since its incorporation. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's own shares during the relevant period under review covered in this report.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the period ended 31st December 2004 since its incorporation.

STATEMENT OF COMPLIANCE

The Group has fully complied with the requirements set out in the Supervisory Policy Manual entitled "Financial Disclosure by Locally Incorporated Authorized Institutions" issued by the Hong Kong Monetary Authority in disclosing the results of its banking business.

CONNECTED TRANSACTIONS

Details of the transactions with related parties of the Group in the relevant period ended 31st December 2004 since its incorporation, and the outstanding connected transactions entered into in 2004 have been set out in Note 24 and Note 41 to the accounts respectively.

FIVE YEAR FINANCIAL INFORMATION

The published results and the assets and liabilities of the Group for the last five years are included in the section of the annual report under "Financial Summary".

The Company was incorporated on 11th March 2004 as a subsidiary of Dah Sing Financial Holdings Limited ("DSFH"). Pursuant to a group reorganisation, DSFH transferred its banking-related subsidiaries to the Company in June 2004 through a share-for-share swap and the Company became the holding company of these banking-related subsidiaries thereafter. Based on the merger accounting treatment (which is described in further details in Note 1 Principal Accounting Policies of the Accounts) and for the purpose of disclosing the five year financial information, the consolidated results of the Company and its subsidiaries were produced on the basis that the Company had existed and the banking-related subsidiaries had been subsidiaries of the Company throughout the reporting periods, including the past five years.

MAJOR CUSTOMERS

During the period ended 31st December 2004 since its incorporation, the Group derived less than 30% of its interest income and other operating income from its five largest customers.

最佳應用守則

本公司由成立至二零零四年十二月三十一日期間已遵行香港聯合交易所有限公司上市規則中之最佳應用守則。

董事進行公司證券交易守則

本公司已就董事的證券交易活動自行採納一套不低於「上市發行人董事進行證券交易的標準守則」(《上市規則》附錄十) (「標準守則」) 所訂標準的行為守則(「行為守則」)，及經向所有董事作出特定的查詢後，所有董事均滿意各董事已遵守「標準守則」及「行為守則」中所要求的標準。

充足公眾持股量

本公司之股份於二零零四年六月三十日(「上市日」)在香港聯合交易所主版上市，最初公眾持股量為百分之二十。因包銷商行使超額配股權以滿足全球發售之國際配售的超額分配，本公司在二零零四年七月額外發行了199,874,231股股份，共佔本公司總發行股份919,830,827股的百分之二十一點七三，於二零零四年十二月三十一日及直至此報告日，本公司此公眾持股量維持未變。根據上市規則第8.08條，本公司的公眾持股量百分比未及規定的百分之二十五，但基於本公司預期市場總值將多於一百億港元，加上公司及其控制股東需於上市日後十八個月內(至二零零五年十二月三十一日止)採取適當措施以增加公眾持股量至本公司發行股本之百分之二十五，香港聯合交易所上市委員會遂批准本公司可按低至百分之十五的公眾持股量上市。根據二零零四年十二月三十一日本公司股份之收市價，本公司於二零零四年十二月三十一日收市時的市場總值約一百四十八億港元。

核數師

本賬目已經羅兵咸永道會計師事務所審核，該核數師任滿告退，但表示願應聘連任。在即將召開的股東週年常會中，將提請通過再聘羅兵咸永道會計師事務所為本公司核數師的議案。

承董事會命

王守業

主席

香港 二零零五年三月十五日

CODE OF BEST PRACTICE

During the period ended 31st December 2004 since its incorporation, the Company has fully complied with the Code of Best Practice as set out in the Listing Rules of The Stock Exchange of Hong Kong Limited.

CODE OF DIRECTORS' DEALING IN OWN SECURITIES

The Company had adopted its code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (Appendix 10 of the Listing Rules) as then in force, and after having made specific enquiry to all Directors, the Directors are satisfied that the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions has been fully complied with.

SUFFICIENCY OF PUBLIC FLOAT

The Company's shares were listed on the main board of the Hong Kong Stock Exchange on 30th June 2004 (the "Listing Date") with an initial public float of 20%. As a result of the exercise of an over-allotment option to cover over-allocation by the underwriters in the international placing under the global offering of the Company's shares, additional shares in the Company were issued in July 2004 and an aggregate of 199,874,231 shares, representing 21.73% of the total number of 919,830,827 shares of the Company in issue, were held in public hands as at 31st December 2004, and as of the date of this report. The public float percentage is below the prescribed minimum 25% pursuant to Rule 8.08 of the Listing Rules. However, the Listing Committee of the Hong Kong Stock Exchange had granted a concession to allow the public float to be no lower than 15% at the time of the listing of the Company's shares, on the basis that the expected market capitalisation of the Company would exceed HK\$10 billion upon listing and on the condition that the Company and its controlling shareholders would take appropriate steps to increase the public float to 25% of the Company's total issued share capital within 18 months from the Listing Date, i.e. the 31st December 2005. Based on the closing price of the Company's shares on 31st December 2004, the market capitalisation of the Company was approximately HK\$14.8 billion as at the close of 31st December 2004.

AUDITORS

The accounts have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of PricewaterhouseCoopers as auditors of the Company is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

David Shou-Yeh Wong

Chairman

Hong Kong, 15th March 2005