

董事會報告書

Report of the Directors

董事會謹提呈截至二零零六年十二月三十一日止年度之報告及經審核之財務報表。

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財務報表附註27。本報告匯報期間按業務及地域分項之本公司及其附屬公司(「本集團」)業績表現分析載於財務報表附註5。

業績及盈餘分配

本集團截至二零零六年十二月三十一日止年度之業績載於第58頁之綜合收益賬內。

董事會宣派中期股息每股0.25港元，共派232,854,070港元，已於二零零六年十月三日已派發各股東。

董事會建議派發末期股息每股0.45港元，共派419,137,000港元。

股本

本公司於是年度股本之變動詳載於財務報表附註42。

儲備

本集團於匯報年度及本公司於匯報期間之儲備變動詳情載於財務報表附註43。

捐款

本集團於匯報期間之慈善及其他捐款共達486,000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財務報表附註29。

The Directors submit their report together with the audited financial statements for the year ended 31 December 2006.

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 27 to the financial statements. An analysis of the performance of the Company and its subsidiaries (the "Group") for the reporting period by business and geographical segments are set out in note 5 to the financial statements.

Results and Appropriations

The results of the Group for the year ended 31 December 2006 are set out in the consolidated income statement on page 58.

The Directors declared an interim dividend of HK\$0.25 per share, totalling HK\$232,854,070 which was paid on 3 October 2006.

The Directors recommend the payment of a final dividend of HK\$0.45 per share, totalling HK\$419,137,000.

Share Capital

Details of the movements in share capital of the Company during the year are shown in note 42 to the financial statements.

Reserves

Movements in the reserves of the Group and of the Company during the year are set out in note 43 to the financial statements.

Donations

During the year, the Group made charitable and other donations amounting to HK\$486,000.

Fixed Assets

The Company does not hold any fixed assets. Details of the movements in fixed assets of the Group are shown in note 29 to the financial statements.

董事會報告書

Report of the Directors

董事會

本年度內及直至本報告日期止董事芳名：

王守業
主席

*莊先進

*韓以德

*史習陶

*梁君彥

田原啟佐
(於二零零七年三月二十六日獲委任)

邱達宏

黃漢興
董事總經理兼行政總裁

趙龍文

王伯凌

王祖興

劉雪樵
(於二零零七年三月二十八日獲委任)

村岡隆司
(於二零零六年八月二十九日辭任)

古川弘介
(於二零零六年八月二十九日獲委任及
於二零零七年三月二十六日辭任)

*獨立非執行董事

Directors

The Directors during the year and up to the date of this report are:

David Shou-Yeh Wong
Chairman

*John William Simpson

*David Richard Hinde

*Robert Tsai-To Sze

*Andrew Kwan-Yuen Leung

Keisuke Tahara
(*appointed on 26 March 2007*)

Dennis Tat-Wang Yau

Hon-Hing Wong (Derek Wong)
Managing Director and Chief Executive

Lung-Man Chiu (John Chiu)

Gary Pak-Ling Wang

Harold Tsu-Hing Wong

Frederic Suet-Chiu Lau
(*appointed on 28 March 2007*)

Takashi Muraoka
(*resigned on 29 August 2006*)

Kosuke Furukawa
(*appointed on 29 August 2006 and resigned on 26 March 2007*)

* *Independent non-executive Directors*

董事會報告書

Report of the Directors

董事會 (續)

按照本公司組織章程細則第105條規定，莊先進、史習陶以及梁君彥輪值告退，但表示如再度獲選，願繼續連任。

按照本公司組織章程細則第110條規定，田原啟佐及劉雪樵將於應屆之週年股東大會告退，但表示如再度獲選，願繼續連任。

本公司已收到各獨立非執行董事就其在任董事會期間的持續獨立性作出的年度確認函。本公司對他們的獨立性表示認同。

董事及行政總裁權益

於二零零六年十二月三十一日，根據證券及期貨條例第XV部之第7及第8組，本公司各董事及行政總裁所持有本公司或其任何相聯法團(定義見證券及期貨條例第XV部)而所需向本公司及聯合交易所申報之股份、相關股份及債券的權益及淡倉(包括按該證券及期貨條例之規定而擁有或視作擁有)，或按證券及期貨條例第352條規定而設置之登記冊所載，或因遵照上市公司董事進行證券交易的標準守則及本公司所採納之董事證券交易守則令本公司及聯合交易所獲知之權益及淡倉如下：

Directors (Continued)

In accordance with Article 105 of the Company's Articles of Association, John William Simpson, Robert Tsai-To Sze and Andrew Kwan-Yuen Leung retire by rotation and, being eligible, offer themselves for re-election.

In accordance with Article 110 of the Company's Articles of Association, Keisuke Tahara and Frederic Suet-Chiu Lau will retire at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election.

The Company has received an annual confirmation from each of the independent non-executive Directors as regards their continued independence while serving as members of the Board of Directors, and the Company still considers all the independent non-executive Directors to be independent.

Interests of Directors and Chief Executive

At 31 December 2006, the interests and short positions of the Directors and the Chief Executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken on were deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers and the code of conduct regarding directors' securities transaction adopted by the Company were as follows:

董事會報告書

Report of the Directors

董事及行政總裁權益 (續)

甲) 在本公司及相聯公司所持之股份權益

Interests of Directors and Chief Executive (Continued)

a) Interests in shares of the Company and associated corporation

董事	Director	股份數量				合計權益 Total Interests	所持有股份 對相關已發行 股本百分比 Percentage of share interest in the relevant issued share capital
		個人權益 Personal Interests	法團權益 ⁽¹⁾ Corporate Interests ⁽¹⁾	其他權益 Other Interests	Number of shares		
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	-	697,969,170 ⁽²⁾	-	697,969,170	74.94	
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 the Dah Sing Financial Holdings Limited						
王守業	David Shou-Yeh Wong	-	4,476,219	93,655,249 ⁽³⁾	98,131,468	39.24	
莊先進	John William Simpson	10,000 ⁽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。
- 於二零零六年十二月三十一日之記錄日，因王守業擁有大新金融集團有限公司（「大新金融」）98,131,468股實益股份權益，佔相關已發行股本39.24%，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。

附註：於二零零七年三月二十八日，本公司通過截至二零零六年十二月三十一日止年度之財務報表當日，王守業擁有大新金融98,258,268股實益股份權益，佔相關股本39.29%。

- 此等股份乃由為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 in the Company represent the corporate interest of David Shou-Yeh Wong under Part XV of the SFO by virtue of his beneficial interest in 98,131,468 ordinary shares of Dah Sing Financial Holdings Limited ("DSFH"), representing 39.24% of its entire share capital currently in issue as at 31 December 2006 being the record date.

Remark: At 28 March 2007 when the Company's financial statements for the year ended 31 December 2006 were approved, David Shou-Yeh Wong was beneficially interested in 98,258,268 ordinary shares of DSFH, representing 39.29% of the relevant share capital of DSFH.

- Such shares in DSFH are indirectly held by HSBC International Trustee Limited, a trustee of a discretionary trust established for the benefit of David Shou-Yeh Wong and his family.
- Such shares in DSFH are jointly owned by John William Simpson and his wife.

董事會報告書

Report of the Directors

董事及行政總裁權益 (續)

乙) 在本公司及相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(「大新銀行集團認股權計劃」)於二零零四年六月十二日獲本公司唯一股東—大新金融集團有限公司(「大新金融」)通過。本公司在獲得香港聯合交易所有限公司(「香港交易所」)批准的情況下，將大新銀行集團認股權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。大新銀行集團認股權計劃在截至二零零六年十二月三十一日止年度期間，共250,000股認股權告失效，而合資格承授人獲授予可認購每股面值1港元本公司共100,000普通股股份之認股權。

根據上市規則，大新銀行集團認股權計劃概括如下：

(1) 大新銀行集團認股權計劃的目的：

大新銀行集團認股權計劃的目的是為招攬、獎勵及挽留高質素行政人員以助集團的業務及擴展。

(2) 大新銀行集團認股權計劃的參與人：

大新銀行集團認股權計劃合資格參與人包括大新銀行集團及附屬公司之董事及擔任管理職位之僱員。

(3) 大新銀行集團認股權計劃中可予發行的股份數目及其於二零零六年十二月三十一日佔已發行股本的百分率：

於二零零六年十二月三十一日，大新銀行集團認股權計劃下仍有39,345,000股股份可准予發行，佔大新銀行集團已發行股本4.22%。

Interests of Directors and Chief Executive (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 “DSBG Option Scheme”) of the Company was initially approved by Dah Sing Financial Holdings Limited (“DSFH”), being the sole shareholder of the Company, on 12 June 2004. With the approval of The Stock Exchange of Hong Kong Limited (“SEHK”), the terms of the DSBG Option Scheme as disclosed in the Company’s initial public offering prospectus remained valid after its public listing in June 2004. For the year ended 31 December 2006, there were 250,000 shares in the option lapsed under the DSBG Option Scheme, and options to subscribe for a total of 100,000 ordinary shares of HK\$1 each of the Company were granted to an eligible grantee under the DSBG Option Scheme.

Summary of the DSBG Option Scheme disclosed in accordance with the Listing Rules are as follows:

(1) Purpose of the DSBG Option Scheme:

The purpose of the DSBG Option Scheme is to attract, motivate and retain high quality executives to contribute to the Group’s business and growth.

(2) Participants of the DSBG Option Scheme:

Eligible participants of the DSBG Option Scheme included directors and employees holding supervisory positions in DSBG and its subsidiaries.

(3) Total number of shares available for issue under the DSBG Option Scheme and percentage of issued share capital as of 31 December 2006:

The number of shares available for issue under the DSBG Option Scheme is 39,345,000 shares, representing 4.22% of the issued share capital of DSBG as at 31 December 2006.

董事會報告書

Report of the Directors

董事及行政總裁權益 (續)

乙) 在本公司及相聯公司所持認股權權益 (續)

- i) 本公司之認股權計劃 (續)
- (4) 大新銀行集團認股權計劃中每名參與人可獲授權益上限：

任何合資格人士其獲授予認股權可認購之股份若行使後，加上給予其已發行及將發行之股份總數在授予有關認股權包括當日計過往十二個月期間超過已發行股本的百分之一，則不會獲授予認股權。任何進一步授予高於上限之認購權得接受大新銀行集團認股權計劃之條款及不時修訂之上市規則監管。

- (5) 根據認股權可認購股份的期限：

認購期由提名及薪酬委員會 (原名為薪酬委員會) 代表本公司董事會決定，及於授予有關認股權時闡明，股份須於有關認股權授予日起計十年內認購。所有在大新銀行集團認股權計劃下現有之認股權可於獲授予日期起計第一至第六周歲期間按不同數額行使。

- (6) 認股權行使之前必須持有的最短期限：

最短持有日由提名及薪酬委員會 (原名為薪酬委員會) 代表本公司董事會決定，及於授予時闡明，大新銀行集團認股權計劃下之認股權不得於由授予日起計一年內行使。

Interests of Directors and Chief Executive (Continued)

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

- i) *Share option scheme of the Company (Continued)*
- (4) Maximum entitlement of each participant under the DSBG Option Scheme:

No options may be granted to any eligible person which, if exercised, would result in such eligible person becoming entitled to subscribe for such number of shares as, when aggregated with the total number of shares already issued or to be issued to him under all options granted to him in the 12-month period up to and including the offer date of relevant options, exceed 1% of the shares in issue at such date. Any grant of further options above the limit shall be subject to the provisions of the DSBG Option Scheme and the Listing Rules as amended from time to time.

- (5) The period within which the shares must be taken up under an option:

The exercise period is determined by the Nomination and Remuneration Committee (formerly, the Remuneration Committee) on behalf of the Board of the Company and is specified when related options are granted, but shares under the options must be taken up within 10 years from the date of grant. All the existing share options under the DSBG Option Scheme shall be exercisable upon vesting in varying amounts between the first and sixth anniversaries from the date of grant.

- (6) The minimum period for which an option must be held before it can be exercised:

The minimum holding period is determined by the Nomination and Remuneration Committee (formerly, the Remuneration Committee) on behalf of the Board of the Company and is specified when related options are granted. None of the existing share options under the DSBG Option Scheme shall be exercisable within one year from the date of grant.

董事會報告書 Report of the Directors

董事及行政總裁權益 (續)

乙) 在本公司及相聯公司所持認股權權益 (續)

i) 本公司之認股權計劃 (續)

- (7) 申請或接受認股權須付金額以及付款或通知付款的期限或償還申請期權貸款的期限：

接受認股權應支付金額按每份認股權1港元代價認購，及務須於授予日起計二十八天內或董事會不時決定之時間內繳訖。

- (8) 行使價的釐定基準：

行使價根據當時上市規則第17.03(9)條釐定，由提名及薪酬委員會(原名為薪酬委員會)代表本公司董事會決定，即以(i)本公司於香港交易所買賣之股份在授予日之收市價；及(ii)本公司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，兩項中較高者定為行使價。

- (9) 大新銀行集團認股權計劃尚餘有效期

大新銀行集團認股權計劃由二零零四年六月十二日起計十年內有效，至二零一四年六月十一日屆滿。

Interests of Directors and Chief Executive (Continued)

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

i) *Share option scheme of the Company (Continued)*

- (7) The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purpose must be repaid:

The amount payable on acceptance of an option is HK\$1.00 and must be made within 28 days upon offer of granting of options or such period the Board may determine from time to time.

- (8) The basis of determining the exercise price:

The exercise price per option share is concluded by the Nomination and Remuneration Committee (formerly, the Remuneration Committee) on behalf of the Board of the Company in accordance with Rule 17.03(9) of the Listing Rules and is calculated as the higher of (i) the closing price for the Company's shares traded on the SEHK on the date of grant; and (ii) the average closing prices for the Company's shares traded on the SEHK for the five trading days immediately preceding the date of grant.

- (9) The remaining life of the DSBG Option Scheme:

The DSBG Option Scheme shall be valid and effective for a period of 10 years commencing from 12 June 2004 and expiring at the close of 11 June 2014.

董事會報告書

Report of the Directors

董事及行政總裁權益 (續)

乙) 在本公司及相聯公司所持認股權權益 (續)

i) 本公司之認股權計劃 (續)

根據本公司及其附屬公司的大新銀行集團認股權計劃，本公司及其主要營運附屬公司的若干董事獲授予認股權。於二零零六年十二月三十一日，在大新銀行集團認股權計劃下仍未行使之可認購本公司股份權利結餘詳情如下：

Interests of Directors and Chief Executive (Continued)

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

i) Share option scheme of the Company (Continued)

Pursuant to the DSBG Option Scheme of the Company and its associated corporation, certain directors of the Company and its major operating subsidiaries were granted options under the DSBG Option Scheme. Details of the share options outstanding as at 31 December 2006 which have been granted under the DSBG Option Scheme are as follows:

		認股權股份數目									
		Number of shares in the options									
		於二零零六年		二零零六年內			於二零零六年				
		一月一日	二零零六年內	二零零六年內	失效/取消	十二月三十一日			行使期		
		持有	授予	行使	Lapsed/	持有	行使價 ⁽¹⁾	授予日期	Exercise period		
		Held at	Granted	Exercised	cancelled	Held at	Exercise	Grant date	由	To	
		1/1/2006	during 2006	during 2006	during 2006	31/12/2006	price ⁽¹⁾	Grant date	From	To	
							港元	(日/月/年)	(日/月/年)	(日/月/年)	
							HK\$	(d/m/y)	(d/m/y)	(d/m/y)	
董事	Directors										
趙龍文	Lung-Man Chiu	250,000	-	-	-	250,000	16.70	25/11/2004	25/11/2005	25/11/2010	
僱員總額⁽²⁾	Aggregate of employees⁽²⁾										
第一輪	First tranche	250,000	-	-	250,000	-	16.70	25/11/2004	25/11/2005	25/11/2010	
第二輪	Second tranche	550,000	-	-	-	550,000	14.40	25/8/2005	25/8/2006	25/8/2011	
第三輪	Third tranche	250,000	-	-	-	250,000	14.32	30/12/2005	30/12/2006	30/12/2011	
第四輪	Fourth tranche	-	100,000	-	-	100,000	17.30	25/9/2006	25/9/2007	25/9/2012	

董事會報告書 Report of the Directors

董事及行政總裁權益 (續)

乙) 在本公司及相聯公司所持認股權權益 (續)

i) 本公司之認股權計劃 (續)

註：

1. 每輪授予的行使價是根據上市規則第17.03(9)條釐定，即以(i)本公司於香港交易所買賣之股份在授予日之收市價；及(ii)本公司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，兩項中較高者定為行使價。本公司股份在不同授予日之前的收市價如下：

授予日期 Date of grant (日/月/年) (d/m/y)	行使價 Exercise price 港元 HK\$	授予日前本公司 於香港交易所之收市價 Closing price of the Company's shares on the SEHK immediately before the date of grant 港元 HK\$
25/11/2004	16.70	16.60
25/8/2005	14.40	14.15
30/12/2005	14.32	14.35
25/9/2006	17.30	17.04

2. 於本分段顯示截至二零零六年十二月三十一日止財政年度內尚未行使認股權之變動及詳情，即本公司授予本公司主要營運附屬公司兩名董事及四名高級行政人員之認股權，彼為香港僱傭條例下「連續合約」工作的僱員。

3. 在大新銀行集團認股權計劃下，並無承授人獲授予多於其個人上限之認股權。

4. 截至二零零六年十二月三十一日止年度所授予認股權的價值：

截至二零零六年十二月三十一日止年度所授予認股權之價值計算方法詳載於財務報表附註47。

Interests of Directors and Chief Executive (Continued)

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

i) Share option scheme of the Company (Continued)

Notes:

1. The exercise prices for each tranche of granting was determined in accordance with Rule 17.03(9) of the Listing Rules prevailing in force, being calculated as the higher of (i) the closing price of the Company's shares traded on the SEHK on the date of grant; and (ii) the average closing price of the Company's shares traded on the SEHK for the five trading days immediately preceding the date of grant. The closing price of the Company's shares immediately before the respective dates of grant are set out below:

授予日期 Date of grant (日/月/年) (d/m/y)	行使價 Exercise price 港元 HK\$	授予日前本公司 於香港交易所之收市價 Closing price of the Company's shares on the SEHK immediately before the date of grant 港元 HK\$
25/11/2004	16.70	16.60
25/8/2005	14.40	14.15
30/12/2005	14.32	14.35
25/9/2006	17.30	17.04

2. Set out under this sub-paragraph and particulars and movements during the year ended 31 December 2006 of the Company's outstanding share options which were granted to two directors and four senior executives of the Company's major operating subsidiaries and are working under employment contracts that are regarded as "continuous contracts" for the purpose of the Employment Ordinance of Hong Kong.

3. None of the grantees under the DSBG Option Scheme were granted share options exceeding respective individual limits.

4. Value of options granted during the year ended 31 December 2006:

Details of the computation of value of options granted during the year ended 31 December 2006 are shown in note 47 to the financial statements.

董事會報告書

Report of the Directors

董事及行政總裁權益 (續)

乙) 在本公司及相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

大新金融股東於二零零五年四月二十八日通過新認股權計劃(「大新金融認股權計劃」)。截至二零零六年十二月三十一日止年度，本公司董事或行政人員並無獲授予大新金融認股權計劃之認股權。

根據上市規則，大新金融認股權計劃概括如下：

- (1) 大新金融認股權計劃的目的：

大新金融認股權計劃的目的是對承授人之貢獻及長期努力提供誘因及/或給予報酬，從而令大新金融集團內各公司獲得裨益。

- (2) 大新金融認股權計劃的參與人：

任何一位大新金融集團內各公司的董事、經理或其他擔任行政、管理或主管級職位之僱員，或由董事會行使唯一酌情權決定大新金融認股權計劃之合資格參與人。

- (3) 大新金融認股權計劃中可予發行的股份數目及其於二零零六年十二月三十一日佔已發行股本的百分率：

於二零零六年十二月三十一日，大新金融認股權計劃下仍有共9,780,462股股份可准予發行，佔大新金融已發行股本3.91%。

Interests of Directors and Chief Executive (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 shareholders of DSFH approved to adopt the new Share Option Scheme (the "DSFH Option Scheme") on 28 April 2005. For the year ended 31 December 2006, no new options were granted to directors or executives of the Company under the DSFH Option Scheme.

Summary of the DSFH Option Scheme disclosed in accordance with the Listing Rules are as follows:

- (1) Purpose of the DSFH Option Scheme:

The purpose of the DSFH Option Scheme is to provide an incentive and/or reward to grantees for their contribution to, and continuing efforts to promote the interests of, DSFH group of companies.

- (2) Participants of the DSFH Option Scheme:

Any director of, manager of, or other employee holding an executive, managerial or supervisory position in, DSFH group of companies as the Board may in its sole discretion determine to be eligible to participate in the DSFH Option Scheme.

- (3) Total number of shares available for issue under the DSFH Option Scheme and percentage of issued share capital as of 31 December 2006:

The number of shares available for issue under the DSFH Option Scheme is 9,780,462 shares, representing 3.91% of the issued share capital of DSFH as at 31 December 2006.

董事會報告書 Report of the Directors

董事及行政總裁權益 (續)

乙) 在本公司及相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)
- (4) 大新金融認股權計劃中每名參與人可獲授權益上限：

任何合資格人士其獲授予認股權可認購之股份若行使後，加上給予其已發行及將發行之股份總數在授予有關認股權包括當日計過往十二個月期間超過已發行股本的百分之一，則不會獲授予認股權。任何進一步授予高於上限之認購權得接受大新金融認股權計劃之條款及不時修訂之上市規則監管。

- (5) 根據認股權可認購股份的期限：

認購期由提名及薪酬委員會 (原名為薪酬委員會) 代表大新金融董事會決定，及於授予有關認股權時闡明，股份須於有關認股權授予日起計十年內認購。所有在大新金融認股權計劃下現有之認股權可於獲授予日期起計第一至第六周歲期間按不同數額行使。

- (6) 認股權行使之前必須持有的最短期限：

最短持有日由提名及薪酬委員會 (原名為薪酬委員會) 代表大新金融董事會決定，及於授予時闡明。大新金融認股權計劃下之現行認股權不得於由授予日起計一年內行使。

Interests of Directors and Chief Executive (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)*
- (4) Maximum entitlement of each participant under the DSFH Option Scheme:

No options may be granted to any eligible person which, if exercised, would result in such eligible person becoming entitled to subscribe for such number of shares as, when aggregated with the total number of shares already issued or to be issued to him under all options granted to him in the 12-month period up to and including the offer date of relevant options, exceed 1% of the shares in issue at such date. Any grant of further options above the limit shall be subject to the provisions of the DSFH Option Scheme and the Listing Rules as amended from time to time.

- (5) The period within which the shares must be taken up under an option:

The exercise period is determined by the Nomination and Remuneration Committee (formerly, the Remuneration Committee) on behalf of the Board of DSFH and is specified when related options are granted, but shares under the options must be taken up within 10 years from the date of grant. All the existing share options under the DSFH Option Scheme shall be exercisable upon vesting in varying amounts between the first and sixth anniversaries from the date of grant.

- (6) The minimum period for which an option must be held before it can be exercised:

The minimum holding period is determined by the Nomination and Remuneration Committee (formerly, the Remuneration Committee) on behalf of the Board of DSFH and is specified when related options are granted. None of the existing share options under the DSFH Option Scheme shall be exercisable within one year from the date of grant.

董事會報告書

Report of the Directors

董事及行政總裁權益 (續)

乙) 在本公司及相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)
- (7) 申請或接受認股權須付金額以及付款或通知付款的期限或償還申請期權貸款的期限：

接受認股權應支付金額按每份認股權1港元代價認購，及務須於授予日起計二十八天內或董事會不時決定之時間內繳訖。

- (8) 行使價的釐定基準：

行使價根據當時上市規則第17.03(9)條釐定，由提名及薪酬委員會(原名為薪酬委員會)代表大新金融董事會決定，即以(i)大新金融於香港交易所買賣之股份在授予日之收市價；及(ii)大新金融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，兩項中較高者定為行使價。

Interests of Directors and Chief Executive (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)*
- (7) The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purpose must be repaid:

The amount payable on acceptance of an option is HK\$1.00 and must be made within 28 days upon offer of granting of options or such period the Board may determine from time to time.

- (8) The basis of determining the exercise price:

The exercise price per option share is concluded by the Nomination and Remuneration Committee (formerly, the Remuneration Committee) on behalf of the Board of DSFH in accordance with Rule 17.03(9) of the Listing Rules and is calculated as the higher of (i) the closing price for DSFH's shares traded on the SEHK on the date of grant; and (ii) the average closing prices for DSFH's shares traded on the SEHK for the five trading days immediately preceding the date of grant.

董事會報告書 Report of the Directors

董事及行政總裁權益 (續)

乙) 在本公司及相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)

(9) 大新金融認股權計劃尚餘有效期：

大新金融認股權計劃將於二零一五年四月二十七日期屆滿。

根據大新金融認股權計劃，本公司及其主要營運附屬公司的若干董事獲授予認股權。於二零零六年十二月三十一日，在大新金融認股權計劃下仍未行使之可認購大新金融股份權利結餘詳情如下：

Interests of Directors and Chief Executive (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)

(9) The remaining life of the DSFH Option Scheme:

The DSFH Option Scheme will expire on 27 April 2015.

Pursuant to the DSFH Option Scheme, certain Directors of the Company and its major operating subsidiaries were granted options under the DSFH Option Scheme. Details of the share options outstanding as at 31 December 2006 which have been granted under the DSFH Option Scheme are as follows:

認股權包含大新金融股份數目

Number of DSFH shares in the options

		於二零零六年		二零零六年內		於二零零六年		行使期		
		一月一日	二零零六年內	二零零六年內	失效/取消	十二月三十一日	行使價 ¹⁾	行使期		
		持有	授予	行使	Lapsed/	持有	行使價 ¹⁾	授予日期	由	至
		Held at	Granted	Exercised	cancelled	Held at	Exercise	Grant date	From	To
		1/1/2006	during 2006	during 2006	during 2006	31/12/2006	price ¹⁾	Grant date	(日/月/年)	(日/月/年)
							港元	(日/月/年)	(日/月/年)	(日/月/年)
							HK\$	(d/m/y)	(d/m/y)	(d/m/y)
大新金融認股權計劃	DSFH Option Scheme									
董事	Directors									
黃漢興	Hon-Hing Wong (Derek Wong)	1,000,000	-	-	-	1,000,000	51.71	25/8/2005	25/8/2006	25/8/2011
王伯凌	Gary Pak-Ling Wang	400,000	-	-	-	400,000	51.71	25/8/2005	25/8/2006	25/8/2011
王祖興	Harold Tsu-Hing Wong	250,000	-	-	-	250,000	51.71	25/8/2005	25/8/2006	25/8/2011
僱員總額 ²⁾	Aggregate of employees ²⁾									
第七輪	7th tranche	250,000	-	-	-	250,000	51.71	25/8/2005	25/8/2006	25/8/2011

董事會報告書

Report of the Directors

董事及行政總裁權益 (續)

乙) 在本公司及相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. 每輪授予的行使價是根據上市規則第17.03(9)條釐定，即以(i)大新金融於香港交易所所買賣之股份在授予日之收市價；及(ii)大新金融在香港交易所買賣之股份收市價較在授予日前五個交易日之平均收市價，兩項中較高者定為行使價。大新金融股份在不同授予日前的收市價如下：

授予日期 Date of grant (日/月/年) (d/m/y)	行使價 Exercise price 港元 HK\$	授予日前大新金融 於香港交易所之收市價 Closing price of DSFH's shares on the SEHK immediately before the date of grant 港元 HK\$
25/8/2005	51.71	51.05

2. 於本分段顯示截至二零零六年十二月三十一日止財政年度內，大新金融尚未行使認股權之變動及詳情，即大新金融授予本公司主要營運附屬公司一名僱員。彼為大新金融的一名董事，並為香港僱傭條例下「連續合約」工作的僱員。

3. 在大新金融認股權計劃下，並無承授人獲授予多於其個人上限之認股權。

4. 截至二零零六年十二月三十一日止年度所授予認股權的價值：

截至二零零六年十二月三十一日止年度所授予認股權之價值計算方法詳載於財務報表附註47。

所有上述權益皆屬好倉。於二零零六年十二月三十一日，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。

Interests of Directors and Chief Executive (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. The exercise prices for each tranche of granting were determined in accordance with Rule 17.03(9) of the Listing Rules prevailing in force, being calculated as the higher of (i) the closing price of DSFH's shares traded on the SEHK on the date of grant; and (ii) the average closing price of DSFH's shares traded on the SEHK for the five trading days immediately preceding the date of grant. The closing price of DSFH's shares immediately before the respective dates of grant are set out below:

授予日期 Date of grant (日/月/年) (d/m/y)	行使價 Exercise price 港元 HK\$	授予日前大新金融 於香港交易所之收市價 Closing price of DSFH's shares on the SEHK immediately before the date of grant 港元 HK\$
25/8/2005	51.71	51.05

2. Set out under this sub-paragraph are particulars and movements during the financial year ended 31 December 2006 of the DSFH's outstanding share options which were granted to an employee who is a director of DSFH and is working under employment contract that is regarded as "continuous contracts" for the purpose of the Employment Ordinance of Hong Kong.

3. None of the grantees under the DSFH Option Scheme were granted share options exceeding respective individual limits.

4. Value of options granted during the year ended 31 December 2006:

Details of the computation of value of options granted during the year ended 31 December 2006 are shown in note 47 to the financial statements.

All the interests stated above represent long position. As at 31 December 2006, 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.

董事會報告書 Report of the Directors

董事及行政總裁權益 (續)

除上述所載外，年內本公司、其附屬公司或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。

本年度內或年結時，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得到重大權益之重要合約。

股東權益

於二零零六年十二月三十一日，依「證券及期貨條例」第336條而設置之股東股份權益及淡倉登記冊，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，而已載於上述董事權益中據實披露之此等權益則不再於下述重覆。

Interests of Directors and Chief Executive (Continued)

Apart from the above, at no time during the year 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 year or at any time during the year.

Shareholders' Interests

At 31 December 2006, 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, which are in addition to those disclosed above in respect of Directors, being 5% or more held in the shares and underlying shares of the Company.

相關股份數量 (股份權益佔全部
已發行股本百分比)
**Number of shares interested
in the relevant issued
share capital of 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	697,969,170 (74.94%)
匯豐國際信託有限公司 HSBC International Trustee Limited	法團權益 Corporate interest	698,071,170 (74.94%) ⁽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	697,969,170 (74.94%) ⁽²⁾

董事會報告書

Report of the Directors

股東權益 (續)

註：

1. 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，因而間接持有大新金融股份權益。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「董事及行政總裁權益」有關王守業的法團權益一項中披露。

於二零零七年三月二十八日，本公司通過截至二零零六年十二月三十一日止年度之財務報表當日，匯豐信託共持有698,071,170股本公司股份(其中以大新金融法團權益名義持有共697,969,170股本公司股份，佔本公司相關已發行股本74.94%)。此等權益已於上述「董事及行政總裁權益」有關王守業的法團權益一項中披露。

2. 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「董事及行政總裁權益」披露中所載持有之股份相同。

所有上述權益皆屬好倉。於二零零六年十二月三十一日，本公司之股東權益及淡倉登記冊內並無淡倉紀錄。

購買、出售或贖回股份

截至二零零六年十二月三十一日止年度，並無贖回任何本身之股份。另本公司及各附屬公司於截至二零零六年十二月三十一日止年度亦無購買或出售任何本公司之股份。

管理合約

截至二零零六年十二月三十一日止年度，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。

關連交易

自本公司成立直至二零零六年十二月三十一日止期間，本集團與其關連人士之交易詳情，已載於財務報表附註46。

Shareholders' Interests (Continued)

Notes:

1. 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 "Interests of Directors and Chief Executive" above.

At 28 March 2007 when the Company's financial statements for the year ended 31 December 2006 were approved, HSBCIT was interested in 698,071,170 shares, inclusive of 697,969,170 shares (or 74.94%) in relevant issued share capital of the Company are held by DSFH through corporate interest included in the "Corporate interests" of David Shou-Yeh Wong already disclosed under the heading of "Interests of Directors and Chief Executive" above.

2. Such shares represented deemed interest of Christine Yen Wong by virtue of her spouse, David Shou-Yeh Wong being a substantial shareholder of DSFH which held a corporate 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 "Interests of Directors and Chief Executive" shown above.

All the interests stated above represent long positions. As at 31 December 2006, no short positions were recorded in the register of substantial shareholders' interests in shares and short positions maintained by the Company.

Purchase, Sale or Redemption of Shares

The Company has not redeemed any of its shares during the year ended 31 December 2006. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's own shares during the year ended 31 December 2006.

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 year ended 31 December 2006.

Connected Transactions

Details of the transactions with related parties of the Group in the relevant period ended 31 December 2006 since its incorporation have been set out in note 46 to the financial statements.

董事會報告書

Report of the Directors

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「財務概要」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換股方式轉予本公司，以成為其銀行業務有關之附屬公司之控股公司。根據合併會計處理方式及切合披露集團五年的財務資料的需要，在報告期內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

截至二零零六年十二月三十一日止年度，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主要之首五名客戶。

充足公眾持股量

於二零零七年三月二十八日（本年報付印前之最後可行日期），就本公司所得之公開資料及本公司各董事所知，本公司已維持根據上市規則所規定之公眾持股量。

核數師

本財務報表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，將提呈通過再聘請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 二零零七年三月二十八日

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 11 March 2004 as a subsidiary of Dah Sing Financial Holdings Limited (“DSFH”). Pursuant to a group reorganization, 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 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.

Major Customers

During the year ended 31 December 2006, the Group derived less than 30% of its interest income and other operating income from its five largest customers.

Sufficiency of Public Float

As at 28 March 2007, being the latest practicable date prior to the issue of this annual report, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within knowledge of the Directors of the Company.

Auditors

The financial statements 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, 28 March 2007