



CHINA NEW ENERGY POWER GROUP LIMITED  
中國新能源動力集團有限公司

(於百慕達註冊成立之有限公司)

股份代號：1041



## 2012 年報



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# Corporate Information

## 公司資料

### DIRECTORS

#### Executive Directors:

- Mr. Ip Cheng Kuong (*Chairman*)  
Ms. Catherine Chen (*Managing Director*)  
Mr. Chiu Kong  
Mr. Yeung Kwok Yu  
Mr. Kwan Kam Hung, Jimmy  
Mr. Wah Wang Kei, Jackie  
Mr. Chen Guang Lin  
Mr. Zhang Xi  
(resigned as joint chairman and Director with effect from 21 May 2012)  
Mr. Fei Phillip  
(resigned as vice chairman and Director with effect from 30 April 2012)  
Mr. Yeung Tsoi San  
(removed as chief executive officer and Director with effect from 4 July 2012 and 12 July 2012 respectively)

#### Non-executive Director:

- Mr. Wu Zhuo Tong  
(appointed with effect from 28 May 2012, retired and re-appointed with effect from 11 October 2012)

#### Independent Non-executive Directors:

- Ms. Ma Yin Fan  
Mr. Leung Hoi Ying  
Mr. Yu Pan  
Mr. Lee Ming Tung  
(appointed with effect from 31 December 2012)

### 董事

#### 執行董事：

- 葉正光先生 (*主席*)  
陳碧芬女士 (*董事總經理*)  
趙鋼先生  
楊國瑜先生  
關錦鴻先生  
華宏驥先生  
陳廣林先生  
張曦先生  
(於二零一二年五月二十一日辭任  
聯席主席及董事)  
凌鋒先生  
(於二零一二年四月三十日辭任  
副主席及董事)  
楊塞新先生  
(於二零一二年七月四日及二零一二年  
七月十二日分別被免除行政總裁  
及董事職務)

#### 非執行董事：

- 吳卓彤先生  
(於二零一二年五月二十八日獲委任，  
於二零一二年十月十一日退任及  
獲重新委任)

#### 獨立非執行董事：

- 馬燕芬女士  
梁凱鷹先生  
于濱先生  
李明通先生  
(於二零一二年十二月三十一日獲委任)

# Corporate Information

## 公司資料

### BOARD COMMITTEES

#### Audit Committee

Ms. Ma Yin Fan (*Chairlady*)  
Mr. Leung Hoi Ying  
Mr. Yu Pan

#### Remuneration Committee

Ms. Ma Yin Fan (*Chairlady*)  
Mr. Leung Hoi Ying  
Mr. Yu Pan  
Mr. Zhang Xi  
(resigned with effect from 21 May 2012)

#### Nomination Committee

Mr. Leung Hoi Ying (*Chairman*)  
Mr. Yu Pan  
Mr. Yeung Kwok Yu

### COMPANY SECRETARY

Mr. Tang Kam Shing, Roland

### AUDITOR

Deloitte Touche Tohmatsu  
*Certified Public Accountants*

### LEGAL ADVISER

Messrs. Tung & Co.

### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

2807, 28th Floor  
The Center  
99 Queen's Road Central  
Central  
Hong Kong

### 董事會轄下的委員會

#### 審核委員會

馬燕芬女士 (*主席*)  
梁凱鷹先生  
于濱先生

#### 薪酬委員會

馬燕芬女士 (*主席*)  
梁凱鷹先生  
于濱先生  
張曦先生  
(於二零一二年五月二十一日辭任)

#### 提名委員會

梁凱鷹先生 (*主席*)  
于濱先生  
楊國瑜先生

### 公司秘書

鄧金成先生

### 核數師

德勤•關黃陳方會計師行  
*執業會計師*

### 法律顧問

佟達釗律師行

### 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

### 總辦事處及香港主要營業地點

香港  
中環  
皇后大道中99號  
中環中心  
28樓2807室

# Corporate Information

## 公司資料

### PRINCIPAL SHARE REGISTRAR

Butterfield Fund Services (Bermuda) Limited  
Rosebank Centre  
11 Bermudiana Road  
Pembroke  
Bermuda

### HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Rooms 1712-1716  
17th Floor  
Hopewell Centre  
183 Queen's Road East  
Hong Kong

### STOCK CODE

1041

### WEBSITE

[www.cnepgl.com](http://www.cnepgl.com)

### 股份登記總處

Butterfield Fund Services (Bermuda) Limited  
Rosebank Centre  
11 Bermudiana Road  
Pembroke  
Bermuda

### 股份登記處香港分處

香港中央證券登記有限公司  
香港  
皇后大道東183號  
合和中心  
17樓  
1712-1716室

### 股份代號

1041

### 網址

[www.cnepgl.com](http://www.cnepgl.com)

# Chairman's Statement

## 主席報告書

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of China New Energy Power Group Limited (the "Company"), I am pleased to present the financial results of the Company and its subsidiaries (collectively referred as the "Group") for the financial year ended 31 December 2012.

### RESULTS

The audited consolidated profit for the year of the Group attributable to owners of the Company was approximately HK\$32.66 million. Basic earnings per share based on the weighted average number of 1,711,688,004 shares in issue amounted to HK1.91 cents (2011: earnings per share HK5.33 cents).

### REVIEW OF FINANCIAL RESULTS

For the year ended 31 December 2012, the Group's revenue increased to approximately HK\$0.25 million from approximately HK\$0.13 million in last year.

Net gain in the fair value on derivative financial instruments through profit or loss reflected a profit of approximately HK\$77.70 million. As a result, the Group recorded a profit of approximately HK\$28.24 million in the financial year ended 31 December 2012.

Profit for the year attributable to owners of the Company amounted to approximately HK\$32.66 million (2011: approximately HK\$60.89 million).

### BUSINESS REVIEW

After the disposal of the deteriorating timber business at end of last year, property development and investment in securities continue to become business operations of the Group during the year under review.

Although the property development sector in the People's Republic of China ("PRC") experienced a challenging year in 2012, the property development project of the Group was still in a development stage and thus was not materially affected by the restrictive measures implemented by the PRC government.

While no revenue was generated from the Group's property development business, a few dividend income was recorded by its investment in securities business.

各位股東：

本人欣然代表中國新能源動力集團有限公司（「本公司」）董事（「董事」）會（「董事會」）提呈本公司及其附屬公司（統稱為「本集團」）截至二零一二年十二月三十一日止財政年度之財務業績。

### 業績

本公司股東應佔本年度本集團經審核綜合溢利約為32,660,000港元。以已發行股份的加權平均數1,711,688,004股為基準計算的每股基本盈利為1.91港仙（二零一一年：每股盈利5.33港仙）。

### 財務業績回顧

截至二零一二年十二月三十一日止年度，本集團的收入由去年的約130,000港元增至約250,000港元。

計入損益的衍生金融工具的公平值淨收益反映溢利約77,700,000港元。因此，本集團於截至二零一二年十二月三十一日止財政年度錄得溢利約28,240,000港元。

本公司股東應佔年度溢利約為32,660,000港元（二零一一年：約60,890,000港元）。

### 業務回顧

於去年年底出售經營持續不佳的木材業務後，於回顧年度內本集團繼續經營物業發展及證券投資業務。

儘管中華人民共和國（「中國」）的物業發展行業於二零一二年經歷了充滿挑戰的一年，但由於本集團的物業發展項目仍處於發展階段，故並未受到中國政府所採取的限制性措施的嚴重影響。

雖然，本集團的物業發展業務未有產生收益，證券投資業務卻錄得少量股息收入。

# Chairman's Statement

## 主席報告書

### FUTURE PLANS AND PROSPECTS

Regarding the property development business, it is expected that the PRC government will continue its proactive fiscal policy and prudent monetary policy in the coming year to curb inflation and rein the home prices, and that local governments will be in line with the central government to maintain tightening measures throughout 2013. Following the launch of the "National Five Measures" in early March 2013, it is commonly believed that stringent controls of the property market in the PRC will continue in the coming years.

The Group will keep on monitoring and analysing government policies and market trend in an active manner, in order to align its development and marketing strategies to grasp opportunities for its property development business.

Moreover, the Group will continue to dedicate its efforts to the development of its existing businesses and other high potential projects with a view to providing steady returns as well as fruitful growth for its shareholders. In view of the Group's current cash position, the Group continued to maintain a sound financial position and has sufficient resources to finance its operations and any potential projects.

### APPRECIATION

On behalf of the Board, my sincere thank to our loyal shareholders, suppliers and business associates for their continuous support to the Group. I would also extend my gratitude and appreciation to our management and all staff for their invaluable effort and contributions throughout the year.

On behalf of the Board,

**Ip Cheng Kuong**

*Chairman*

Hong Kong, 27 March 2013

### 未來計劃及前景

物業發展業務方面，預計未來一年中國政府將繼續實行積極的財政政策及穩健的貨幣政策以遏制通貨膨脹及控制房價。整個二零一三年，地方政府將與中央政府一道維持緊縮措施。二零一三年三月初推出「國五條」後，大眾普遍認為未來幾年中國仍將繼續貫徹嚴格调控房地產市場的政策。

本集團將積極關注及分析政府政策及市場趨勢，以調整其發展策略及市場推廣策略及把握物業發展的商機。

此外，本集團將繼續致力於努力發展其現有業務及其他高潛力的項目，以期為股東提供穩定的回報及富有成果的增長。鑑於本集團目前的現金狀況，本集團繼續保持穩健的財務狀況，並有足夠的資源可為其營運及任何潛在項目提供資金。

### 致謝

本人謹代表董事會，向各位忠實股東、供應商及業務夥伴對本集團的持續支持致以誠摯謝意；同時，本人對本集團管理層及全體員工過去一年的不懈努力及寶貴貢獻深表感謝及敬意。

代表董事會

**葉正光**

*主席*

香港，二零一三年三月二十七日

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

#### Revenue

For the year ended 31 December 2012, the Group's revenue was approximately HK\$0.25 million (2011: approximately HK\$76.68 million including the revenue from the Group's discontinued timber business operation). The significant shortfall was attributable to the disposal by the Group of its timber business at the end of 2011 and no revenue was generated from its property development project in the reporting year.

#### Segmental Results

During the reporting year, property development and investments in securities remained the continuing business operations of the Group, while the timber business had already been discontinued and disposed of on 29 December 2011.

##### *Property development business*

No revenue was generated from the operation of property development for the reporting year (2011: nil) and its segmental result suffered a loss of approximately HK\$11.04 million (2011: a loss of approximately HK\$7.93 million).

##### *Investments in securities business*

The revenue generated from the operation of investments in securities for the reporting year was approximately HK\$0.25 million (2011: approximately HK\$0.13 million) and its segmental result suffered a loss of approximately HK\$17.80 million (2011: a loss of approximately HK\$36.31 million).

##### *Timber business*

As the disposal of the Group's entire interests in Wood Art International Corporation and its subsidiaries (collectively, the "Wood Art Group") had been completed on 29 December 2011, no revenue was generated from such business and segmental result was not accounted for during the reporting year (2011: turnover of approximately HK\$76.56 million and segmental loss of approximately HK\$86.32 million).

### 財務回顧

#### 收入

截至二零一二年十二月三十一日止年度，本集團錄得收入約250,000港元（二零一一年：約76,680,000港元（包括來自本集團已終止木材業務之收入）），收入大幅下降乃因本集團於二零一一年年末出售木材業務且本報告年度內其物業發展項目並未產生收入所致。

#### 分類業績

於本報告年度，物業發展及證券投資仍然為本集團之持續經營業務，而木材業務則已終止經營並已於二零一一年十二月二十九日出售。

##### *物業發展業務*

物業發展業務於本報告年度並無產生任何收入（二零一一年：無），而其分類業績錄得虧損約11,040,000港元（二零一一年：虧損約7,930,000港元）。

##### *證券投資業務*

證券投資業務於本報告年度產生之收入為約250,000港元（二零一一年：約130,000港元），而其分類業績錄得虧損約17,800,000港元（二零一一年：虧損約36,310,000港元）。

##### *木材業務*

由於於二零一一年十二月二十九日已完成出售本集團於Wood Art International Corporation及其附屬公司（統稱「Wood Art集團」）之全部權益，故於本報告年度該業務並無產生任何收入，亦無任何分類業績入賬（二零一一年：營業額約76,560,000港元及分類虧損約86,320,000港元）。



# Management Discussion and Analysis

## 管理層討論及分析

### Cost of Sales

As the timber business had been discontinued in the previous year and the property development project is still under construction, no cost of sales was recorded during the reporting year (2011: approximately HK\$116.45 million).

### Gross Profit/Loss

Owing to the discontinuance of the loss-making timber business and the construction of the property development project was still in progress, neither gross profit nor gross loss was recorded during the reporting year (2011: gross loss of approximately HK\$39.77 million).

### Other Income

The Group's other income for the reporting year decreased to approximately HK\$1.07 million from approximately HK\$6.94 million in year 2011. The main reason for such decrease was that other income, such as government grant and scrap sales relating to its timber business previously were not received during the reporting year.

### Other Gains and Losses

Other gains of the Group amounted to approximately HK\$80.76 million for the reporting year (2011: gains of approximately HK\$199.53 million). The gains mainly consisted of the net gain on fair value change of derivative financial instruments of approximately HK\$77.70 million and the gain on disposal of subsidiaries.

### Selling and Distribution Costs

No selling and distribution costs were incurred by the Group during the reporting year since the disposal of the Wood Art Group (2011: approximately HK\$6.51 million).

### 銷售成本

由於木材業務於去年已終止經營而物業發展項目仍處於在建階段，故本報告年度並無錄得銷售成本（二零一一年：約116,450,000港元）。

### 毛利／損

由於終止經營虧損之木材業務，而物業發展項目仍處於在建階段，故本報告年度並無錄得毛利或毛損（二零一一年：毛損約39,770,000港元）。

### 其他收入

於本報告年度，本集團之其他收入由二零一一年約6,940,000港元減至約1,070,000港元。減少之主要原因為過往有關木材業務的政府撥款及廢舊材料銷售等其他收入在本報告年度並無收到。

### 其他收益及虧損

於本報告年度，本集團之其他收益為約80,760,000港元（二零一一年：收益約199,530,000港元）。該收益主要包括衍生金融工具公平值變動之淨收益約77,700,000港元及出售附屬公司之收益。

### 銷售及分銷成本

由於已經出售Wood Art集團，本集團於本報告年度並無產生銷售及分銷成本（二零一一年：約6,510,000港元）。

# Management Discussion and Analysis

## 管理層討論及分析

### Administrative Expenses

The Group's administrative expenses for the reporting year decreased to approximately HK\$34.87 million from approximately HK\$61.04 million in the year 2011. Such decrease was mainly attributable to the disposal of the loss-making timber business in the previous year.

### Other Expenses

During the reporting year, no other expenses were incurred by the Group (2011: approximately HK\$47.2 million).

### Finance Costs

The Group's finance costs for the reporting year decreased to approximately HK\$18.97 million from approximately HK\$42.77 million in 2011, representing a decrease of approximately 55.65%. The finance costs consisted mainly of the effective interests expenses on the convertible notes of approximately HK\$18.69 million (2011: approximately HK\$39.73 million). The significant decrease in the finance costs was due to the conversion of convertible notes in an aggregate principal amount of HK\$306 million into ordinary shares of the Company in April 2012, whereby interests on these convertible notes were no longer calculated after such conversion.

### Profit/(Loss) for the Year and Earnings/(Losses) Per Share

The Group's profit attributable to owners of the Company for the reporting year was approximately HK\$32.66 million (2011: approximately HK\$60.89 million). Such change was mainly due to the change in net gain on fair value change of the derivative financial instruments. Basic earnings per share of the Group was approximately HK1.91 cents per share for the year ended 31 December 2012 (2011: approximately HK5.33 cents per share). Meanwhile, diluted loss per share was approximately HK1.29 cents per share for the reporting year (2011: loss of approximately HK6.36 cents per share).

### 行政費用

於本報告年度，本集團之行政費用由二零一一年約61,040,000港元減少至約34,870,000港元。該項減少乃主要由於去年出售虧損的木材業務所致。

### 其他開支

於本報告年度內，本集團概無產生其他開支（二零一一年：約47,200,000港元）。

### 融資成本

於本報告年度，本集團之融資成本由二零一一年約42,770,000港元減少至約18,970,000港元，相當於減少約55.65%。融資成本主要包括可換股票據之實際利息開支約18,690,000港元（二零一一年：約39,730,000港元）。融資成本大幅減少乃由於本金總額為306,000,000港元的可換股票據於二零一二年四月轉換為本公司的普通股令該等可換股票據在轉換後不再計算利息所致。

### 本年度之溢利／（虧損）及每股盈利／（虧損）

於本報告年度，本公司股東應佔本集團溢利為約32,660,000港元（二零一一年：約60,890,000港元）。發生此種變化乃主要由於衍生金融工具公平值變動導致淨收益變動所致。截至二零一二年十二月三十一日止年度，本集團之每股基本盈利為約1.91港仙（二零一一年：每股約5.33港仙）。同時，本報告年度之每股攤薄虧損為約1.29港仙（二零一一年：每股虧損約6.36港仙）。

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

In the year 2012, the global economy was still complicated and challenging. European countries, in particular the euro-zone countries, were seriously affected by the European debt crisis. Although the United States launched its third round of quantitative easing measures in the third quarter of 2012, the economic recovery remained sluggish. Owing to such a situation, the PRC government reduced the banks' reserve requirement ratio twice as well as lowered the benchmark interest rates for deposits and loans twice during the year in order to stabilise its domestic economy. According to the National Bureau of Statistics of China, China's gross domestic product (GDP) growth in 2012 was 7.8%, which was the first time where the growth rate has dropped to below 8% since the global financial crisis.

During the reporting year, the PRC government maintained its unwavering stance in regulating the local property market and continued to deploy stringent regulatory measures on purchase, price and credit. The property development industry in the PRC therefore faced an increased operating pressure in the reporting year.

Although the property development sector in the PRC experienced a challenging year in 2012, the property development project of the Group, which was still in the development stage, was not materially affected by the restrictive measures implemented by the PRC government.

### Property Development Business

As mentioned above, the property development project was still in a construction stage and as such, no revenue was recorded during the reporting year. The Group effectively controlled the administrative expenses as well as managed its financial position. During the reporting year, the Group closely monitored the progress of its property development project and the measures implemented by the PRC Government on the property development markets.

### 業務回顧

於二零一二年，全球經濟依然複雜並充滿挑戰，歐洲國家（尤其是歐元區國家）受到歐洲債務危機的嚴重影響。儘管美國於二零一二年第三季推出第三輪量化寬鬆貨幣措施，然經濟復甦仍然乏力。在此種情況下，中國政府於年內兩次降低銀行存款準備金率並兩次降低存款及貸款的基準利率，以穩定國內經濟。根據中國國家統計局的數據，二零一二年中國國內生產總值（「GDP」）同比增長7.8%，為全球金融危機以來首次降至8%以下。

於本報告年度內，中國政府在調控本地物業市場方面依然保持其堅定立場並繼續在購買、價格及信貸方面實施嚴格的監管措施。因此，中國的物業發展行業於本報告年度面臨更大的營運壓力。

儘管中國的物業發展行業於二零一二年經歷了充滿挑戰的一年，但由於本集團的物業發展項目仍處於發展階段，故並未受到中國政府所採取的限制措施的嚴重影響。

### 物業發展業務

如上文所述，物業發展項目仍處於在建階段，故於本報告年度並無錄得任何收益。本集團有效控制行政開支及管理財務狀況。於本報告年度，本集團密切監控其物業發展項目的進度及留意中國政府就物業發展市場所實施的措施。

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According to the existing development plan, the Group will develop the site owned by a 60% owned PRC subsidiary of the Company at Xi'an City, the PRC (the "Site") as an area which consists of luxury residential buildings and commercial buildings by several phases. Major construction works for Phase 1 of the property development project started in the second quarter of the reporting year, and as a result, the Group did not record any revenue from the property development business for the reporting year but a loss of approximately HK\$11.04 million was incurred (2011: loss of approximately HK\$7.93 million).

### Investments in Securities Business

During the reporting year, a revenue of approximately HK\$0.25 million was recorded from the operation of investments in securities (2011: approximately HK\$0.13 million). This represented dividend income received from held-for-trading securities during the reporting year. The segmental loss of approximately HK\$17.80 million was mainly due to the loss on change in fair value of held-for-trading investments.

### Acquisition of Lithium Energy Group Ltd.

Reference is made to the announcements of the Company dated 2 February 2011, 24 May 2011, 30 September 2011, 30 March 2012 and 1 May 2012 and the circulars of the Company dated 25 May 2011 and 24 October 2011 in relation to, inter alia, the acquisition of the entire issued share capital of and assignment of the shareholder's loan in Lithium Energy Group Ltd. (the "Acquisition"). Under the conditional agreement dated 13 January 2011 entered into between Fulbond Investments Limited (the "Purchaser"), a wholly-owned subsidiary of the Company, Hefu Limited (the "Vendor"), and Mr. Yeung Tsoi San, Mr. Lau Yung and Mr. Fei Phillip (as the Vendor's guarantors) in respect of the Acquisition (as supplemented and amended by supplemental agreements made between the same parties on 23 May 2011, 30 September 2011 and 30 March 2012) (collectively the "Acquisition Agreement"), if the conditions precedent including, among other things,

根據現有發展計劃，本集團將分多個階段發展位於中國西安市的地塊（「該地塊」）（由一間本公司擁有60%權益的中國附屬公司擁有）為擁有高級住宅樓宇及商業樓宇的地區。物業發展項目1期的主要建築工程於本報告年度第二季展開，因此本集團於本報告年度並無自物業發展業務錄得任何收入，卻錄得約11,040,000港元之虧損（二零一一年：虧損約7,930,000港元）。

### 證券投資業務

於本報告年度內，證券投資業務錄得收入約250,000港元（二零一一年：約130,000港元），此乃本報告年度內收取的持作買賣證券的股息收入。證券投資業務錄得分類虧損約17,800,000港元，主要由於持作買賣投資之公平值變動產生虧損所致。

### 收購Lithium Energy Group Ltd.

茲提述本公司日期為二零一一年二月二日、二零一一年五月二十四日、二零一一年九月三十日、二零一二年三月三十日及二零一二年五月一日的公佈及本公司日期為二零一一年五月二十五日及二零一一年十月二十四日的通函，內容有關（其中包括）收購Lithium Energy Group Ltd.全部已發行股本及轉讓其股東貸款（「收購事項」）。根據本公司的全資附屬公司福邦投資有限公司（「買方」）、和富有限公司（「賣方」）與楊塞新先生、劉勇先生及凌鋒先生（「賣方擔保人」）就收購事項所訂立的有條件協議（經該等訂約方於二零一一年五月二十三日、二零一一年九月三十日及二零一二年三月三十日所訂立之補充協議補充及修訂）（統稱「收購協議」），倘先決條件（包括（其中包括）完成配售本公司股份及可換

# Management Discussion and Analysis

## 管理層討論及分析

the completion of the placing of shares and convertible notes of the Company and obtaining the proceeds from such placing of not less than HK\$1 billion (“Conditions Precedent”) are not fulfilled on or before 30 April 2012, the Acquisition Agreement and the transactions contemplated thereunder shall terminate and be null and void and of no further effect and no parties thereto shall have any liability to any other party, save for any antecedent breaches.

On 1 May 2012, the Company announced that, as at 30 April 2012, due to the market financing and other reasons, certain Conditions Precedent to the completion of the Acquisition had yet to be fulfilled (or waived by the Purchaser) and accordingly, the Acquisition Agreement was lapsed.

### LIQUIDITY AND CAPITAL RESOURCES

As at 31 December 2012, the Group’s bank balances and cash was approximately HK\$33.27 million (2011: approximately HK\$30.23 million), representing an increase of 10.06%. Bank and other borrowings as at 31 December 2012 was approximately HK\$17.19 million (2011: approximately HK\$1.52 million).

As at 31 December 2012, the current ratio (current assets/current liabilities) was 8.01 times (2011: 1.00 times) and the net current assets amounted to approximately HK\$603.74 million (2011: net current liabilities of approximately HK\$2.68 million). Major factors for such a change were the early redemption and conversion of previously issued convertible notes.

股票據以及取得不少於10億港元的配售所得款項) (「先決條件」) 於二零一二年四月三十日或之前未獲達成，收購協議及據此擬進行之交易將告終止及無效，及不再有任何效力，而協議訂約各方不再對任何其他訂約方承擔責任，惟先前違反者除外。

於二零一二年五月一日，本公司宣佈，截至二零一二年四月三十日，由於市場融資及其他原因，完成收購事項之若干先決條件尚未達成（或獲買方豁免），因此，收購協議已告失效。

### 流動資金及資本來源

於二零一二年十二月三十一日，本集團之銀行結餘及現金為約33,270,000港元（二零一一年：約30,230,000港元），相當於增加10.06%。於二零一二年十二月三十一日，銀行及其他借貸為約17,190,000港元（二零一一年：約1,520,000港元）。

於二零一二年十二月三十一日，流動比率（流動資產除以流動負債）為8.01倍（二零一一年：1.00倍），淨流動資產為約603,740,000港元（二零一一年：淨流動負債約2,680,000港元）。此項變動乃主要由於提早贖回及轉換先前發行之可換股票據所致。

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During the reporting year, net cash used in operating activities was approximately HK\$62.78 million (2011: approximately HK\$129.60 million). The net cash generated from investing activities was approximately HK\$12.44 million (2011: net cash used in investing activities was approximately HK\$4.63 million). The net cash generated from financing activities was approximately HK\$53.90 million (2011: approximately HK\$18.35 million), which mainly consisted of proceeds from issue of convertible notes and other borrowings. As a result, the net increase in cash and cash equivalents during the reporting year was approximately HK\$3.56 million (2011: net decrease of approximately HK\$115.87 million).

### Early Redemption and Conversion of Previously Issued Convertible Notes

On 2 April 2012, certain holders of previously issued convertible notes in an aggregate principal amount of HK\$306,000,000 exercised their options to convert the convertible notes into ordinary shares in the Company at a conversion price of HK\$0.1 per share. As a result of the conversion of the convertible notes, the number of issued shares of the Company was increased by 3,060,000,000 shares. Besides, all outstanding previously issued convertible notes in the aggregate principal amount of HK\$90,000,000 (“Outstanding Previous Convertible Notes”) were early redeemed on 5 December 2012. The consideration of HK\$90,000,000 for such early redemption was satisfied by part of the proceeds arising from the placing of the convertible redeemable notes in an aggregate principal amount of HK\$120,000,000 as disclosed in the circular of the Company dated 18 September 2012. After the early redemption, there is no Outstanding Previous Convertible Notes.

於本報告年度內，經營業務所用現金淨額為約62,780,000港元（二零一一年：約129,600,000港元）。投資業務所產生現金淨額為約12,440,000港元（二零一一年：投資活動所用現金淨額為約4,630,000港元）。融資活動產生之現金淨額為約53,900,000港元（二零一一年：約18,350,000港元），主要為發行可換股票據所得款項及其他借款。因此，本報告年度內現金及現金等值項目增加淨額為約3,560,000港元（二零一一年：減少淨額約115,870,000港元）。

### 提早贖回及轉換先前發行之可換股票據

於二零一二年四月二日，本金總額306,000,000港元之先前發行之可換股票據之若干持有人行使彼等之選擇權按每股0.1港元之轉換價將可換股票據轉換為本公司之普通股。由於轉換可換股票據，本公司之已發行股份數目增加3,060,000,000股。此外，本金總額90,000,000港元之所有未償還之先前發行之可換股票據（「未償還之先前可換股票據」）已於二零一二年十二月五日獲提早贖回。提早贖回代價為90,000,000港元，乃以配售本金總額為120,000,000港元之可換股可贖回票據之部份所得款項支付，詳情於本公司日期為二零一二年九月十八日之通函內披露。提早贖回後，概無尚未償還之先前可換股票據。

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### CONTINUING CONNECTED TRANSACTION AND RELATED PARTIES TRANSACTION

With reference to the announcement of the Company dated 29 November 2010 and the circular dated 20 December 2010, on 29 November 2010, Allywing Investments Limited (“Allywing”), a wholly owned subsidiary of the Company, entered into a management agreement (the “Management Agreement”) with Harvest Day Limited (“Harvest Day”), a company of which 60% issued share capital is held by a sister of Mr. Zhang Xi, the former joint chairman and executive director of the Company, who resigned with effect from 21 May 2012. Pursuant to the Management Agreement, Harvest Day would provide management and consultancy services to Allywing in connection with the development of the Site. Allywing would pay to Harvest Day an inclusive management fee of HK\$50,000,000 by 3 installments. The resolution approving the Management Agreement and the annual caps of management fee payable to Harvest Day was passed at the special general meeting of the Company held on 6 January 2011. The first installment of HK\$23,000,000 was paid on 7 January 2011 according to terms and conditions of the Management Agreement.

The Management Agreement constituted a continuing connected transaction of the Company under Chapter 14A of the rules governing the listing of securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and disclosure regarding the Management Agreement has been made in accordance with the requirements under Chapter 14A to the Listing Rules.

During the reporting year, no project management fee was paid or payable under the Management Agreement.

### SHARE OPTION

A new share option scheme (the “New Scheme”) was adopted on 25 May 2012, whereby the Board may, at its absolute discretion, grant options to any eligible participants including directors and employees of the Group (details of which were set out in the circular of the Company dated 24 April 2012) to subscribe for shares in the Company.

### 持續關聯交易及關聯人士交易

參考本公司日期為二零一零年十一月二十九日之公佈及日期為二零一零年十二月二十日之通函，於二零一零年十一月二十九日，本公司全資擁有之附屬公司榮邦投資有限公司（「榮邦」）與日豐有限公司（「日豐」，其60%已發行股本由本公司前任聯席主席兼執行董事張曦先生（彼已於二零一二年五月二十一日辭任）之胞妹所持有）訂立一份管理協議（「管理協議」）。根據管理協議，日豐將向榮邦提供與發展該地塊有關之管理及諮詢服務。榮邦將分三期向日豐支付全包管理費50,000,000港元。批准管理協議及向日豐支付之管理費年度上限之決議案已於本公司於二零一一年一月六日舉行之股東特別大會上獲得通過。根據管理協議之條款及條件，首期23,000,000港元已於二零一一年一月七日支付。

根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）第14A章，管理協議構成本公司的一項持續關連交易，本公司已根據上市規則第14A章的規定對管理協議作出披露。

於本報告年度，並無根據管理協議已付或應付任何項目管理費。

### 購股權

新購股權計劃（「新計劃」）已於二零一二年五月二十五日獲採納，據此，董事會可絕對酌情授出購股權予任何合資格參與者（包括本集團董事及僱員）（詳情見本公司日期為二零一二年四月二十四日的通函），以認購本公司股份。

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### 管理層討論及分析

The total number of shares which may be issued upon exercise of all options to be granted under the New Scheme and any other share option schemes of the Company may not in aggregate exceed 762,429,300 shares, being 10.00% of the issued share capital of the Company as at 25 May 2012, i.e. the date of adoption of the New Scheme.

The subscription price per share on the exercise of options granted under the New Scheme shall be no less than the higher of (i) the nominal value of the shares; (ii) the closing price of the shares on the Stock Exchange on the date on which the options are granted (which must be a business day); and (iii) the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date on which the options are granted.

The purpose of the New Scheme is to attract, retain and motivate talented participants to strive for future development and expansion of the Group. The New Scheme shall be an incentive to encourage the participants to perform their best in achieving the goals of the Group and allow the participants to enjoy the results of the Company attained through their efforts and contributions.

Unless approved by shareholders in general meeting, the total number of shares issued and to be issued upon exercise of the options granted under the New Scheme (including exercised, cancelled and outstanding options) to each grantee in any twelve-month period shall not exceed 1.00% of the total number of shares of the Company in issue at the relevant time.

根據新計劃及本公司任何其他購股權計劃所授出之全部購股權獲行使而可予發行之股份總數合共不得超過762,429,300股，即本公司於二零一二年五月二十五日採納新計劃當日已發行股本之10.00%。

根據新計劃授予之購股權當獲行使時之每股認購價不得低於以下數值之較高者：(i) 股份之面值；(ii) 股份於授出購股權當日（須為營業日）在聯交所所報之收市價；及 (iii) 股份於緊接授出購股權當日前五個營業日在聯交所所報之平均收市價。

新計劃之目的為讓本集團可吸納、留聘及推動有才能之參與者為本集團之日後發展及拓展而盡心竭力。新計劃為鼓勵參與者盡展所長以達致本集團目標之獎勵，並容許參與者分享本公司有賴彼等所作出之努力及貢獻而取得之成果。

除非於股東大會上獲股東批准，否則於任何12個月期間，因根據新計劃向每位承授人授出之購股權（包括已行使、已註銷及未行使之購股權）獲行使而已發行及可予發行之股份總數不得超過本公司當時已發行股份總數之1.00%。



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An option may be exercised in accordance with the terms of the New Scheme at any time during the period to be notified by the Board to each grantee (provided that the period within which an option must be exercised shall not be more than ten years commencing on the date upon which the relevant option is granted), subject to any restrictions as may be imposed by the Board on the exercise of an option during the period in which an option may be exercised. A consideration of HK\$1 will be payable upon acceptance of the offer.

As a result of the Capital Reorganisation (as defined hereafter) which became effective on 12 October 2012, the total number of shares which may be issued upon exercise of all options to be granted under the New Scheme and any other share option schemes of the Company was 190,607,325 shares, which represented 10.00% of the issued share capital of the Company as at the date of this report.

### PLACING OF CONVERTIBLE NOTES

On 13 January 2011, the Company entered into a placing agreement (the "2011 CN Placing Agreement") with Kingston Securities Limited ("Kingston") (as supplemented and amended by side letters made between the Company and Kingston on 1 February 2011, 23 May 2011 and 30 September 2011), pursuant to which, Kingston conditionally agreed to place, on a best effort basis, convertible notes with a maximum aggregate principal amount of HK\$500 million ("2011 CN Placing") which carry a right to convert into shares of the Company at a conversion price of HK\$0.17 per share of the Company of US\$0.001 (subject to adjustment). The Group intended to apply the net proceeds obtained from the 2011 CN Placing for the future development of Lithium Energy Group Ltd. and/or as funds for future investment opportunities of the Group. The 2011 CN Placing Agreement lapsed on 31 March 2012.

購股權可根據新計劃之條款，於董事會通知各承授人之期間（惟購股權之行使期間不得超逾自相關購股權授出日期起計十年，惟須受董事會於購股權可予行使之期間內對購股權之行使可能施加之任何限制所規限）隨時行使。於接納購股權要約時須支付代價1港元。

由於資本重組（定義見下文）自二零一二年十月十二日生效，根據新計劃及本公司任何其他購股權計劃將予授出之全部購股權獲行使而可發行之股份總數為190,607,325股，相當於本報告日期本公司已發行股本之10.00%。

### 可換股票據配售

於二零一一年一月十三日，本公司與金利豐證券有限公司（「金利豐」）訂立配售協議（「2011可換股票據配售協議」）（經本公司與金利豐於二零一一年二月一日、二零一一年五月二十三日及二零一一年九月三十日所訂立附函的補充及修訂），據此，金利豐有條件同意全力配售本金額合共最多為500,000,000港元及附帶權利可按每股0.17港元之換股價（可予調整）轉換為本公司每股面值0.001美元的股份之可換股票據（「2011可換股票據配售」）。本集團擬將2011可換股票據配售所得款項淨額用於Lithium Energy Group Ltd之未來發展及／或作為本集團應對未來投資機會之所需資金。2011可換股票據配售協議已於二零一二年三月三十一日失效。

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On 16 August 2012, the Company entered into a placing agreement (as supplemented and amended by the supplemental agreement dated 27 August 2012) (the "CN Placing Agreement") with Kingston as placing agent, pursuant to which, Kingston has conditionally agreed to place convertible notes in the principal amount of HK\$120,000,000 on a fully underwritten basis (the "Placing") which carry a right to convert into ordinary shares of the Company at the conversion price of, subject to adjustment, HK\$0.12 per share after Capital Reorganisation (as hereinafter defined) becoming effective. The Group intended to apply the net proceeds obtained from the Placing (i) for the redemption of the Outstanding Previous Convertible Notes; (ii) to strengthen the cash position of the Company; and (iii) to provide funding for business operations and development of the Group. The Placing was approved by the shareholders of the Company on 11 October 2012. Both the completion of the Placing and the issue of those convertible notes took place on 29 November 2012.

### CAPITAL STRUCTURE

The special resolution approving the capital reorganisation (the "Capital Reorganisation") was passed at the special general meeting of the Company held on 11 October 2012 (the "SGM"). The Capital Reorganisation involved the following:

- share consolidation: every 4 then existing shares of US\$0.001 each in the then issued share capital of the Company were consolidated into one consolidated share of par value US\$0.004;
- capital reduction: upon the share consolidation becoming effective, the par value of each issued consolidated share was reduced from US\$0.004 to US\$0.001 by cancellation of US\$0.003 of the paid-up capital of each issued consolidated share; and

於二零一二年八月十六日，本公司與金利豐（作為配售代理）訂立配售協議（經日期為二零一二年八月二十七日之補充協議補充及修訂）（「可換股票據配售協議」），據此，金利豐有條件同意按全面包銷基準配售本金額為120,000,000港元之可換股票據（「配售事項」），且該等可換股票據將附帶權利，可於資本重組（按下文定義）生效後按每股0.12港元之換股價（可予調整）轉換為本公司之普通股。本集團擬將配售所得款項淨額用作(i)贖回未償還之先前可換股票據；(ii)增強本公司之現金狀況；及(iii)為本集團業務經營及發展提供資金。配售事項已於二零一二年十月十一日獲本公司股東批准。配售事項及發行該等可換股票據已於二零一二年十一月二十九日完成。

### 資本架構

批准資本重組（「資本重組」）之特別決議案已於本公司於二零一二年十月十一日舉行之股東特別大會（「股東特別大會」）上獲得通過。資本重組涉及以下事項：

- 股份合併：將當時本公司已發行股本中每四股每股面值0.001美元之現有股份合併為一股面值0.004美元之合併股份；
- 削減股本：待股份合併生效後，藉註銷每股已發行合併股份繳足股本中之0.003美元，將每股已發行合併股份之面值由0.004美元削減至0.001美元；及

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- share premium reduction: the entire amount standing to the credit of then share premium account of the Company as at 30 June 2012 was reduced and cancelled.

On 12 October 2012, the Capital Reorganisation became effective and the number of the Company's issued shares became 1,906,073,250 shares. As a result of the Capital Reorganisation and the Placing, the conversion price of the Outstanding Previous Convertible Notes was adjusted from HK\$0.1 to HK\$0.321 per share with effect from 11 October 2012, i.e. the date of passing the resolutions in relation to, inter alia, the Capital Reorganisation and the Placing, at the SGM.

As at 31 December 2012, the Group's gearing ratio calculated on the basis of convertible notes, bank and other borrowings of approximately HK\$151.89 million (2011: approximately HK\$597.32 million) and total assets of approximately HK\$698.35 million (2011: approximately HK\$692.66 million), was 17.86% (2011: 46.30%).

### MATERIAL CONTINGENT LIABILITIES

The Group is not aware of any material contingent liabilities as at 31 December 2012.

### PLEDGE OF ASSETS

At the end of the reporting year, the Group had not pledged any assets (2011: Nil).

- 削減股份溢價：削減及註銷於二零一二年六月三十日本公司股份溢價賬之全部進賬。

於二零一二年十月十二日，資本重組生效，本公司已發行股份之數目變成1,906,073,250股股份。由於進行資本重組及配售，未償還之先前可換股票據之換股價將由每股0.1港元調整至0.321港元，自二零一二年十月十一日（即於股東特別大會通過與（其中包括）資本重組及配售有關之決議案之日）起生效。

於二零一二年十二月三十一日，本集團按可換股票據、銀行及其他借貸約151,890,000港元（二零一一年：約597,320,000港元）及總資產約698,350,000港元（二零一一年：約692,660,000港元）計算之資產負債比率為17.86%（二零一一年：46.30%）。

### 重大或然負債

於二零一二年十二月三十一日，本集團並不知悉有任何重大或然負債。

### 資產抵押

於本報告年度結束時，本集團並未抵押任何資產（二零一一年：無）。

# Management Discussion and Analysis

## 管理層討論及分析

### EVENT AFTER REPORTING PERIOD

Subsequent to 31 December 2012, Fair Power Capital Limited, a subsidiary company of the Company, entered into an agreement with Ms. He Guomian (“Ms. He”), an independent third party, to dispose all of its entire interests in Max Plan Investments Limited (“Max Plan”) and its subsidiaries (the “Max Plan Group”). Ms. He has agreed to acquire the sale shares, which represents the entire issued share capital of Max Plan and the shareholders’ loan at a total cash consideration of US\$850,000 (equivalent to approximately HK\$6,630,000). The disposal was completed on 26 March 2013. Upon the disposal of the Max Plan Group, all the assets and liabilities of the Max Plan Group would no longer be consolidated with effect from 26 March 2013.

### EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND ANY RELATED HEDGES

There have been no significant changes in the Group’s policy in terms of exchange rate exposure. The Group operates mainly in Hong Kong and the PRC. Most of the transactions are denominated in Hong Kong dollars (“HKD”), Renminbi (“RMB”) and United States dollars (“USD”). The exchange rate of USD and RMB against HKD are relatively stable. Hence the Group neither anticipate any significant exchange risk exposure nor have a foreign currency hedging policy. However, the management continuously monitors the Group’s foreign exchange risk exposure and will consider to hedge significant currency risk exposure should the need arise.

### EMPLOYEES AND REMUNERATION POLICIES

As of 31 December 2012, the Group had approximately 60 full time management, administrative and operation staff in the PRC and Hong Kong.

### 報告期後事項

於二零一二年十二月三十一日後，飛權資本有限公司（本公司一間附屬公司）與獨立第三方何國棉女士（「何女士」）訂立一份協議，出售其於宏圖投資有限公司（「宏圖」）及其附屬公司（「宏圖集團」）的全部權益。何女士已同意購買待售股份，即宏圖的全部已發行股本及股東貸款，總現金代價為850,000美元（相等於約6,630,000港元）。該出售事項已於二零一三年三月二十六日完成。於出售宏圖集團之後，自二零一三年三月二十六日起宏圖集團之全部資產及負債不再綜合入賬。

### 匯率波動及任何相關對沖風險

就匯率風險而言，本集團之政策並無重大變動。本集團主要於香港及中國內地營運。大部分交易以港元（「港元」）、人民幣（「人民幣」）及美元（「美元」）計值。美元及人民幣兌港元之匯率相對較穩定，故本集團預計毋須承受任何重大外匯風險，亦並無採取任何外匯對沖政策。然而，管理層將密切監控本集團所面對之外匯風險，並於必要時考慮對沖重大貨幣風險。

### 僱員及薪酬政策

於二零一二年十二月三十一日，本集團於中國及香港聘用約60名全職管理、行政及營運員工。

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The Group provides competitive remuneration packages with attractive discretionary bonus to employees. The Group regularly reviews its remuneration packages in light of the overall development of the Group as well as the market conditions. In addition, the Group has adopted the New Scheme to provide incentives to eligible employees (including Directors) with outstanding performance and contribution to the Group.

### CHANGE OF DIRECTORSHIP

The followings are changes of directorship in the Company during the year:

- Mr. Fei Phillip, the vice chairman and an executive director of the Company, resigned with effect from 30 April 2012.
- Mr. Zhang Xi, the joint chairman, an executive director and a member of the remuneration committee of the Company, resigned with effect from 21 May 2012. Mr. Ip Cheng Kuong, the joint chairman and executive director of the Company, became the sole chairman of the Company with effect from the same day.
- Mr. Wu Zhuo Tong was appointed as a non-executive director of the Company with effect from 28 May 2012.
- Mr. Yeung Tsoi San, the chief executive officer and an executive director of the Company, was removed as chief executive officer and executive director with effect from 4 July 2012 and 12 July 2012, respectively.
- Mr. Lee Ming Tung, was appointed as an independent non-executive director of the Company with effect from 31 December 2012.

本集團向僱員提供具競爭力之薪酬組合及具吸引力之酌情花紅。本集團根據本集團之整體發展及市況定期檢討其薪酬組合。此外，本集團已採納新計劃，以獎勵表現出色及對本集團作出貢獻之合資格僱員（包括董事）。

### 董事變動

以下為年內本公司董事的變動：

- 本公司副主席兼執行董事凌鋒先生已於二零一二年四月三十日起辭任。
- 本公司聯席主席、執行董事兼薪酬委員會成員張曦先生已於二零一二年五月二十一日起辭任。本公司聯席主席兼執行董事葉正光先生已於同日起成為本公司唯一主席。
- 吳卓彤先生由二零一二年五月二十八日起獲委任為本公司非執行董事。
- 本公司行政總裁兼執行董事楊塞新先生已分別於二零一二年七月四日及二零一二年七月十二日起被免除行政總裁及執行董事職務。
- 李明通先生於二零一二年十二月三十一日起獲委任為本公司獨立非執行董事。

## Biographical Details of the Directors and Senior Executives

### 董事及高級行政人員之履歷

Biographical details of the Directors and senior executives are set out as follows:

#### EXECUTIVE DIRECTORS

**Mr. Ip Cheng Kuong (“Mr. Ip”)**, aged 73, is the chairman of the Company. Mr. Ip joined us in June 2011. Mr. Ip graduated from PLA Military Engineering Institute in Harbin and is a spationautics expert in Chinese aerospace industry. Mr. Ip is the founder of 六合天融(北京)環保科技有限公司 (an affiliate of China Energy Conservation and Environment Protection Group, which is a state owned enterprise in the PRC), and currently serves as its vice chairman. He is concurrently the beneficial controlling shareholder and the chairman of Liuhe EPES Group. Mr. Ip is also the beneficial controlling shareholder and the chairman of Global Zone International Limited, a company which holds 3.90% equity interest in the Company.

**Ms. Catherine Chen (“Ms. Chen”)**, aged 53, is the managing director of the Group and a director of certain subsidiaries of the Group. Ms. Chen joined us in January 2007. She has extensive experience in project investment, marketing research and the provision of consultancy services in relation to businesses of foreign enterprises in the PRC. She obtained a master of business administration (marketing) degree from The University of Liverpool in 2001.

**Mr. Yeung Kwok Yu (“Mr. Yeung”)**, aged 61, joined us in July 2009, is a director of certain subsidiaries of the Group. He is a member of the nomination committee of the Company. Mr. Yeung had held management positions in trading companies which were based in the PRC and Hong Kong. He was also engaged as senior management in various listed companies in Hong Kong. Mr. Yeung has extensive experience in general trading, strategic investment planning and business development. Mr. Yeung is currently an executive director of CST Mining Group Limited (“CST”), of which shares are listed on the main board of the Stock Exchange. Mr. Yeung is the brother-in-law of Mr. Chiu, an executive director of the Company.

董事及高級行政人員之履歷載列如下：

#### 執行董事

**葉正光先生(「葉先生」)**，73歲，為本公司主席。葉先生於二零一一年六月加入本公司。葉先生畢業於中國哈爾濱軍事工程學院，是中國航天工業航天技術方面之專家。葉先生是中國國有企業中國節能環保集團之聯屬公司六合天融(北京)環保科技有限公司之創辦人，現時擔任該公司副董事長。彼同時擔任六合環能投資集團之實益控股股東及董事長。葉先生亦為Global Zone International Limited之實益控股股東及董事長，而該公司持有本公司3.90%股權。

**陳碧芬女士(「陳女士」)**，53歲，為本集團董事總經理及本集團若干附屬公司之董事。陳女士於二零零七年一月加入本公司。彼於項目投資、市場研究及提供中國外資企業相關之顧問服務方面積逾廣泛經驗。彼於二零零一年獲利物浦大學工商管理(市場學)碩士學位。

**楊國瑜先生(「楊先生」)**，61歲，於二零零九年七月加入本公司，為本集團若干附屬公司之董事。彼為本公司提名委員會之成員。楊先生曾於中國和香港的多家貿易公司擔任管理職位。彼亦曾受聘為香港多家上市公司的高級管理人員。楊先生在一般貿易、策略性投資規劃和業務發展方面有豐富經驗。楊先生現時為中科礦業集團有限公司(「中科礦業」)之執行董事，該公司之股份在聯交所主板上市。楊先生乃本公司執行董事趙鋼先生之姻親。

## Biographical Details of the Directors and Senior Executives

### 董事及高級行政人員之履歷

**Mr. Chiu Kong (“Mr. Chiu”)**, aged 55, joined us in July 2010, is a director of a subsidiary of the Group. Mr. Chiu has over 15 years of experience in import and export trading and business development. He was an executive director of CST for the period from 6 June 2002 to 24 June 2010, of which shares are listed on the main board of the Stock Exchange. Mr. Chiu is the brother-in-law of Mr. Yeung Kwok Yu, an executive director of the Company.

**Mr. Kwan Kam Hung, Jimmy (“Mr. Kwan”)**, aged 51, joined us in November 2009, is a director of certain subsidiaries of the Group. He has been engaged as a senior manager with various listed companies in Hong Kong. Mr. Kwan has over 15 years of experience in the fields of finance and accounting and corporate management. Mr. Kwan is currently an executive director of CST and was also an executive director of G-Resources Group Limited (“G-Resources”) until 30 December 2012, companies whose shares are listed on the main board of the Stock Exchange.

**Mr. Wah Wang Kei, Jackie (“Mr. Wah”)**, aged 46, joined us in November 2009, is a director of certain subsidiaries of the Group. Mr. Wah graduated from The University of Hong Kong in 1990. He is a practising solicitor in Hong Kong and was qualified as a solicitor in 1992. Up until 1997, Mr. Wah was a partner of a Hong Kong law firm. Mr. Wah is currently an executive director of G-Resources and was also an executive director of CST until 30 December 2012, companies whose shares are listed on the main board of the Stock Exchange.

**趙鋼先生 (「趙先生」)**，55歲，於二零一零年七月加入本公司，為本集團一間附屬公司之董事。趙先生於出入口貿易及業務發展方面擁有逾十五年經驗。於二零零二年六月六日至二零一零年六月二十四日期間，彼曾擔任中科礦業之執行董事，該公司之股份於聯交所主板上市。趙先生乃本公司執行董事楊國瑜先生之姻親。

**關錦鴻先生 (「關先生」)**，51歲，於二零零九年十一月加入本公司，為本集團若干附屬公司之董事。彼曾獲香港多家上市公司委聘任高級管理層職務。關先生擁有逾十五年財務及會計管理及企業管理經驗。關先生現時為中科礦業之執行董事，及在二零一二年十二月三十日前亦為國際資源集團有限公司 (「國際資源」) 之執行董事，該等公司之股份均在聯交所主板上市。

**華宏驥先生 (「華先生」)**，46歲，於二零零九年十一月加入本公司，為本集團若干附屬公司之董事。華先生於一九九零年畢業於香港大學，並於一九九二年取得律師資格，現為香港執業律師。直至一九九七年止，華先生為香港一間律師事務所之合夥人。華先生現時為國際資源之執行董事及在二零一二年十二月三十日之前亦為中科礦業之執行董事，該等公司之股份在聯交所主板上市。

## Biographical Details of the Directors and Senior Executives

### 董事及高級行政人員之履歷

**Mr. Chen Guang Lin (“Mr. Chen”)**, aged 41, joined us in March 2011, is a director of a subsidiary of the Group. Mr. Chen has extensive experience in operating and managing enterprises in the PRC. In addition, Mr. Chen has acquainted himself with matters such as administration, management and tax issues in PRC enterprises. He is also familiar with the operation, management and operating environments in the PRC.

#### NON-EXECUTIVE DIRECTOR

**Mr. Wu Zhuo Tong (“Mr. Wu”)**, aged 43, joined us in May 2012. He graduated from Hainan University in 1991. He is currently a general manager of a company in Hong Kong. Mr. Wu has over 20 years of experience in administration and management.

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Ms. Ma Yin Fan (“Ms. Ma”)**, aged 49, joined us in August 2009, is the chairlady of the audit committee and the remuneration committee of the Company. She obtained a bachelor’s degree with honours in accountancy at Middlesex University in the United Kingdom. She also holds an MBA and Master in Professional Accounting degree from Heriot-Watt University in the United Kingdom and Hong Kong Polytechnic University, respectively. Ms. Ma is a CPA (Practising) in Hong Kong and has been working in the auditing, accounting and taxation for more than 20 years. She is the principal of Messrs. Ma Yin Fan & Company CPAs. Ms. Ma is a fellow member of each of the Hong Kong Institute of Certified Public Accountants, Taxation Institute of Hong Kong, Association of Chartered Certified Accountants, Hong Kong Institute of Chartered Secretaries and Institute of Chartered Secretaries and Administrators. She is also an associate member of the Institute of Chartered Accountant in the England and Wales and a Certified Tax Advisor in Hong Kong. Ms. Ma is currently an independent non-executive director of China Strategic Holdings Limited (“China Strategic”), CST and G-Resources, companies whose shares are listed on the main board of the Stock Exchange.

**陳廣林先生 (「陳先生」)**，41歲，於二零一一年三月加入本公司，為本集團一間附屬公司之董事。陳先生擁有營運及管理中國企業的豐富經驗。除此之外，陳先生還熟悉中國企業之行政、管理及稅務等事宜，亦相當了解中國之經營、管理及企業運作環境。

#### 非執行董事

**吳卓彤先生 (「吳先生」)**，43歲，於二零一二年五月加入本公司。彼於一九九一年畢業於海南大學，現為一間香港公司的總經理，吳先生於行政及管理擁有逾20年經驗。

#### 獨立非執行董事

**馬燕芬女士 (「馬女士」)**，49歲，於二零零九年八月加入本公司，為本公司審核委員會及薪酬委員會主席。彼獲得英國 Middlesex University 會計學榮譽學士學位。彼亦分別獲英國 Heriot-Watt University 及香港理工大學頒授工商管理碩士及專業會計碩士學位。馬女士為香港執業會計師，且一直任職於審核、會計及稅務領域逾二十年。彼為馬燕芬會計師事務所（執業會計師）之負責人。馬女士分別為香港會計師公會、香港稅務學會、英國特許公認會計師公會、香港特許秘書公會及英國特許秘書及行政人員公會資深會員。彼亦為英格蘭及威爾士特許會計師公會會員及香港註冊稅務師。馬女士現時為中策集團有限公司（「中策」）、中科礦業及國際資源之獨立非執行董事，該等公司之股份在聯交所主板上市。



## Biographical Details of the Directors and Senior Executives

### 董事及高級行政人員之履歷

**Mr. Leung Hoi Ying (“Mr. Leung”)**, aged 62, joined us in August 2009, is the chairman of the nomination committee and a member of the audit committee and the remuneration committee of the Company. He graduated from Guangdong Foreign Trade School in PRC. He has over 30 years of experience in the international trading and business development. Mr. Leung is currently an independent non-executive director of China Strategic and G-Resources, companies whose shares are listed on the main board of the Stock Exchange.

**Mr. Yu Pan (“Mr. Yu”)**, aged 58, joined us in August 2009, is a member of the audit committee, the remuneration committee and the nomination committee of the Company. He has over 20 years of experience in management positions of multinational trading companies in Hong Kong and the Mainland China. Mr. Yu is currently an independent non-executive director of CST, of which shares are listed on the main board of the Stock Exchange.

**Mr. Lee Ming Tung (“Mr. Lee”)**, aged 51, joined us in December 2012. He holds a Bachelor of Science degree in accounting from Brigham Young University in U.S.A., a Master of Accountancy degree from Virginia Polytechnic Institute and State University of U.S.A., a Master of Financial Engineering degree from City University of Hong Kong and a Postgraduate Diploma in Corporate Administration from Hong Kong Polytechnic University. Mr. Lee is an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators, a fellow member of The Taxation Institute of Hong Kong and a Certified Tax Adviser of Hong Kong. He has over 20 years’ experience in the field of accounting and finance. Mr. Lee has been an executive director of CST since 28 September 2007, of which shares are listed on the main board of the Stock Exchange. He is also the chief financial officer of CST.

梁凱鷹先生(「梁先生」)，62歲，於二零零九年八月加入本公司，為本公司提名委員會主席及審核委員會及薪酬委員會成員。彼畢業於中國廣東省對外貿易學校，於國際貿易及業務發展擁有逾三十年經驗。梁先生現為中策及國際資源之獨立非執行董事，該等公司之股份在聯交所主板上市。

于濱先生(「于先生」)，58歲，於二零零九年八月加入本公司，為本公司審核委員會、薪酬委員會及提名委員會成員。彼擁有逾二十年在香港及中國內地之多間跨國貿易公司出任管理層職務之經驗。于先生現為中科礦業之獨立非執行董事，該公司股份在聯交所主板上市。

李明通先生(「李先生」)，51歲，於二零一二年十二月加入本公司。彼持有美國楊伯翰大學之會計理學學士學位、美國弗吉尼亞理工學院暨州立大學會計碩士學位、香港城市大學金融工程學碩士學位及香港理工大學企業管理深造文憑。李先生為香港特許秘書公會及英國特許秘書及行政人員公會會員、香港稅務學會資深會員及香港註冊稅務師。彼於會計及財務領域積逾二十年經驗。李先生自二零零七年九月二十八日起出任中科礦業之執行董事，該公司之股份在聯交所主板上市。彼亦為中科礦業首席財務官。

## Biographical Details of the Directors and Senior Executives

### 董事及高級行政人員之履歷

#### SENIOR EXECUTIVES

**Mr. Tang Kam Shing (“Mr. Tang”)**, is the company secretary and the group financial controller of the Group. Mr. Tang joined the Group in May 2010. He graduated with a bachelor (honour) degree in Accountancy and a master degree in Corporate Governance from the Hong Kong Polytechnic University. Mr. Tang is an associate member of The Hong Kong Institute of Certified Public Accountants and fellow member of The Association of International Accountants. He is also an associate member of The Hong Kong Institute of Chartered Secretaries, The Institute of Chartered Secretaries and Administrators, and The Taxation Institute of Hong Kong. He is a Certified Tax Adviser in Hong Kong. Mr. Tang has over 15 years of experience in finance, accounting, auditing and taxation. Prior to joining the Group, Mr. Tang had been the senior finance executive of several listed group of companies and multinational companies in Hong Kong.

**Ms. Lai Ngai Ping (“Ms. Lai”)**, is the group finance manager of the Group and joined the Group in June 2008. She holds a bachelor of administration degree from the University of Regina in Canada, majoring in finance and accountancy. She is an associate member of the Hong Kong Institute of Certified Public Accountants as well as The Taxation Institute of Hong Kong. She is also a Certified Tax Adviser in Hong Kong. Ms. Lai has over 10 years’ experience in accounting, taxation and financial management.

#### 高級行政人員

**鄧金成先生 (「鄧先生」)** 為本集團之公司秘書兼集團財務總監。鄧先生於二零一零年五月加入本集團。彼畢業於香港理工大學，獲其頒授會計學(榮譽)學士學位及企業管治碩士學位。鄧先生為香港會計師公會會員及國際會計師公會資深會員。彼亦為香港特許秘書公會、英國特許秘書及行政人員公會及香港稅務學會之會員。彼為香港註冊稅務師。鄧先生於金融、會計、審計及稅務方面擁有逾15年經驗。加盟本集團之前，鄧先生曾於香港多間上市公司及跨國公司出任高級財務行政人員。

**賴毅萍女士 (「賴女士」)** 為本集團之集團財務經理，於二零零八年六月加入本集團。彼持有加拿大University of Regina行政學士學位，主修金融及會計。彼為香港會計師公會會員及香港稅務學會會員，亦為香港註冊稅務師。賴女士於會計、稅務及財務管理方面擁有逾10年經驗。

# Corporate Governance Report

## 企業管治報告書

### CODE ON CORPORATE GOVERNANCE PRACTICES

The Board considers that good corporate governance of the Company is crucial to safeguard the interests of the shareholders of the Company and to enhance the performance of the Group. The Board and management of the Company are committed to enhancing corporate governance standard, in compliance with all relevant provisions as set out in the Code on Corporate Governance Practices (effective until 31 March 2012) and the Corporate Governance Code (effective from 1 April 2012) (collectively, the "Code") as stated in Appendix 14 of the Listing Rules. The Company has, throughout the year ended 31 December 2012, complied with the relevant provisions of the Code ("Code Provisions"), save for the deviations disclosed below in this report.

This report summarises the Company's corporate governance practices and structures that were in place during the financial year.

#### 1. THE BOARD

The Directors, individually and collectively, are committed to act in good faith in the best interests of the Company and its shareholders. As at the date of this report, the Board comprised seven executive Directors, one non-executive Director and four independent non-executive Directors. The profile of all Directors are set out on pages 21 to 24, where relationship among members of the Board (including financial, business, family or other material or relevant relationship(s), if any) are also disclosed.

The Board is responsible for performing the corporate governance functions of the Company in accordance with the Code, including determining the Group's corporate governance policies, and reviewing and monitoring the corporate governance practices of the Group.

### 企業管治常規守則

董事會認為，良好的企業管治對保障本公司股東利益及提升本集團表現至為重要。董事會及本公司管理層一直致力於遵照上市規則附錄十四內所載企業管治常規守則（二零一二年三月三十一日前有效）及企業管治守則（二零一二年四月一日起生效）（統稱「守則」）內的所有相關條文提高企業管治水平。截至二零一二年十二月三十一日止年度全年，本公司一直遵從守則之相關條文（「守則條文」），惟本報告下文所披露之偏離除外。

本報告概述於本財政年度內本公司實行之企業管治常規及架構。

#### 1. 董事會

董事，無論個別或集體成員，都致力以誠信行事，將本公司及其股東之利益列為最優先。於本報告日期，董事會由七名執行董事、一名非執行董事及四名獨立非執行董事組成。所有董事的個人簡介均載列於第21至第24頁，其中董事會成員之間的關係（包括財務、業務、家屬或其他重大或相關的關係（如有））亦已作出披露。

董事會負責根據守則履行本公司的企業管治職能，包括確定本集團的企業管治政策，以及檢討及監察本集團的企業管治常規。

# Corporate Governance Report

## 企業管治報告書

The Board is responsible for the management of the business and affairs of the Group with the objective of enhancing shareholders value and presenting a balanced, clear and understandable assessment of the Company's performance, position and prospects in the annual and interim reports, and of other price-sensitive announcements and accounting policies, and reports to regulators any information required to be disclosed pursuant to the relevant statutory requirements.

The Board has fiduciary duty and statutory responsibility towards the Company and the Group. Other responsibilities include, formulation of the Group's overall strategy and policies, setting corporate and management targets and key operational initiatives, monitoring and control of operational and financial performance, and approval of budgets and major capital expenditures, major investments, material acquisitions and disposals of assets, corporate or financial restructuring, significant operational, financial and management matters.

The Board delegates day-to-day management of the business of the Group to the management of the relevant principal subsidiaries and certain specific responsibilities to audit committee, remuneration committee and nomination committee. The composition and functions of each committee are described below. These committees have specific functions and authority to examine issues and report to the Board with their recommendations (if appropriate). The final decision rests with the Board, unless otherwise provided for in the terms of reference of the relevant committee.

董事會負責管理本集團之業務及事務，力求提升股東價值，並在年報與中期報告、其他可能影響股份價格之公佈及會計政策中，以平衡、清晰及深入淺出的方式評估本公司之表現、狀況及前景，以及向監管機構報告有關法例規定須予披露之任何資料。

董事會須對本公司及本集團承擔受信責任及法定責任。其他責任包括制訂本集團整體策略及政策、設定公司及管理目標及主要營運行動、監察及監控營運及財務表現，以及審批財政預算與主要資本開支、主要投資、重大資產收購及出售交易、企業或財務重組、重大營運、財務及管理事宜。

董事會已授權有關主要附屬公司之管理層負責本集團之日常管理事務，另授權審核委員會、薪酬委員會及提名委員會負責若干特定工作。各委員會之組合及職能將於下文詳述。各委員會具有特定的職能及權限以查核各項事項，並須向董事會作出匯報及提供建議（如有需要）。最終決定由董事會作出，但如有關委員會之職權範圍另有規定則除外。

# Corporate Governance Report

## 企業管治報告書

The Company has arranged appropriate liability insurance cover for liabilities in respect of legal actions against Directors arising out of corporate activities. The insurance coverage is reviewed regularly.

The company secretary of the Company (“Company Secretary”) provides the Directors with updates on developments regarding the Listing Rules and other applicable regulatory requirements. Any Director may request the Company Secretary to arrange for independent professional advice at the expense of the Company to assist the Directors to effectively discharge their duties to the Company.

The independent non-executive Directors of the Company serve the important function of ensuring and monitoring the basis for an effective corporate governance framework. Each of the independent non-executive Directors provides an annual confirmation of his/her independence to the Company. The Board considers that each of the independent non-executive Directors is independent in character and judgment and that they all meet the specific independence guidelines as set out in Rule 3.13 of the Listing Rules.

All Directors are regularly updated on governance and regulatory matters. There is an established procedure for Directors to obtain independent advice where necessary at the expense of the Company in discharging of their duties to the Company.

本公司已就董事因企業經營活動遭受之法律行動所產生之責任安排適當責任保險。保險覆蓋範圍會進行定期檢討。

本公司公司秘書（「公司秘書」）為董事提供上市規則及其他適用規管規定之最新發展資料。各董事均可要求公司秘書代為安排獨立專業意見服務，以協助彼等有效執行其於本公司之職務，有關費用由本公司支付。

本公司獨立非執行董事之主要責任為確保企業管治架構行之有效，並進行監察。各獨立非執行董事須向本公司提交有關其獨立身份之年度確認函。董事會認為，各獨立非執行董事均具有獨立性格及判斷力，並符合上市規則第3章第13段所載之特定獨立性指引。

全體董事均定期獲得有關管治及監管事宜之更新資訊。董事可按照既定程序，尋求獨立意見（如有需要），以協助履行其於本公司之責任，有關費用由本公司支付。

# Corporate Governance Report

## 企業管治報告書

The Board meets at least four times each year to review the overall strategy and to monitor the operation as well as the financial performance of the Group. Additional meetings may be convened to approve any notifiable transaction and shares issuance. Notice of at least fourteen days is served for regular board meetings. Reasonable notice would be given for all other special board meetings which are not held regularly. The chairman of the Board is primarily responsible for drawing up and approving the agenda for each board meetings in consultation with all Directors and ensure that all Directors are properly briefed on issues arising at board meetings. Agenda and accompanying board papers in respect of board meetings are sent out in full to all Directors within a reasonable time before the date of every board meetings to allow them to review these documents in advance. Minutes of all board meetings, and meetings of the remuneration committee, the nomination committee and the audit committee are kept by the Company Secretary and the Directors may inspect these minutes at any time during office hours upon giving reasonable notice. Minutes of all board meetings, and meetings of the remuneration committee, the nomination committee and the audit committee, have recorded in sufficient detail the matters considered by the Board and the board committees, including any concerns raised by Directors or dissenting view expressed. Draft and final versions of these minutes were sent to all Directors for their comment and records respectively, normally within 10 days after the relevant meeting was held.

董事會最少每年舉行四次會議，以檢討整體策略及監察本集團之營運以及財務表現，亦會召開額外會議以核准任何須予公佈交易以及股份發行。就董事會定期會議而言，全體董事將獲發最少十四日通知。而就所有其他非定期舉行之董事會特別會議而言，將會發出合理通知。董事會主席主要負責在諮詢全體董事後，草擬及批准每次董事會會議之議程，以及確保董事會會議上所有董事均適當知悉當前的事項。董事會會議之議程及附連之董事會文件之全部內容在每次董事會會議舉行日期前一段合理時間內派發予所有董事，使彼等得以事先審閱有關文件。所有董事會會議記錄以及薪酬委員會、提名委員會及審核委員會之會議記錄均由公司秘書保存，董事可在給予合理通知後，於辦公時間內隨時查閱有關記錄。所有董事會會議記錄以及薪酬委員會、提名委員會及審核委員會之會議記錄，已對董事會及董事會轄下的委員會曾考慮事項作足夠詳細的記錄，其中包括董事提出之任何疑慮或表達之反對意見。本公司一般於上述會議舉行後十日內，先後將會議記錄的初稿及最終定稿發送全體董事，初稿供董事表達意見，最後定稿則作記錄之用。

# Corporate Governance Report

## 企業管治報告書

During the year ended 31 December 2012, the Board held meetings to deal with, inter alia, the following matters regarding corporate governance:

- reviewed the corporate governance practices;
- reviewed and monitored the Company's policies and practices on compliance with legal and regulatory requirements;
- reviewed and monitored the code of conduct applicable to employees and Directors; and
- reviewed its compliance with the Code and disclosure in the Corporate Governance Report.

### INDUCTION AND CONTINUING PROFESSIONAL DEVELOPMENT

Every newly appointed Director will be given a comprehensive package of induction materials about the duties, responsibilities and liabilities as well as statutory and regulatory obligations of a director of a listing company.

Monthly updates on the Group's business, activities and events will be provided to all members of the Board to facilitate them in discharging their duties.

In order to ensure the Directors' contribution to the Board remains informed and relevant and to develop and refresh knowledge and skills of the Directors, the Company has regularly provided training information, encouraged and funded suitable trainings/seminars for Directors to participate in continuous professional developments. The Company also continuously updates the Directors on the latest developments regarding the Listing Rules and applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices.

於截至二零一二年十二月三十一日止年度，董事會曾召開會議以處理（其中包括）下列有關企業管治的事項：

- 檢討企業管治常規；
- 檢討及監察本公司遵守法律及監管規定的政策及做法；
- 檢討並監察適用於僱員及董事的行為守則；及
- 檢討其遵守守則及於企業管治報告書中作出的披露。

### 就任須知及持續專業發展

每名新委任的董事在受委任時將獲得有關其職責及出任上市公司董事的法定及監管義務方面的全套就任須知材料。

董事會全體董事每月亦會獲得有關集團業務、活動及事件方面的更新資料以方便彼等履行職務。

為確保董事繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻及發展並更新其知識及技能，本公司已向董事提供培訓資料、鼓勵及資助彼等參加合適的培訓／講座以參與持續專業發展。本公司還不繼向董事提供有關上市規則及適用監管要求的最新發展資訊，以確保遵守法規及提高彼等對良好企業管治常規的認識。

# Corporate Governance Report

## 企業管治報告書

During the financial year ended 31 December 2012, a record of the trainings attended/received by each of the Directors, is set out in the table below:

截至二零一二年十二月三十一日止年度各董事出席／接受培訓的記錄載列於下表內：

		Reading journals/ written training materials/updates 閱讀期刊／ 書面培訓材料／ 更新資料	Attending courses/seminars/ conferences 出席課程／ 講座／ 會議
<b>Executive Directors</b>	<b>執行董事</b>		
Ip Cheng Kuong	葉正光	✓	
Yeung Kwok Yu	楊國瑜	✓	✓
Catherine Chen	陳碧芬	✓	✓
Chiu Kong	趙鋼	✓	
Kwan Kam Hung, Jimmy	關錦鴻	✓	✓
Wah Wang Kei, Jackie	華宏驥	✓	✓
Chen Guang Lin	陳廣林	✓	✓
<b>Non-executive Director</b>	<b>非執行董事</b>		
Wu Zhuo Tong	吳卓彤	✓	
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>		
Ma Yin Fan	馬燕芬	✓	✓
Leung Hoi Ying	梁凱鷹	✓	✓
Yu Pan	于濱	✓	✓
Lee Ming Tung	李明通	✓	✓



# Corporate Governance Report

## 企業管治報告書

The following is an attendance record of each Director at the Board meetings held during the year:

下表載列年內每名董事出席所召開之董事會會議之記錄：

Name of Board member	董事會成員姓名	Number of meetings attended 出席會議之次數
<b>Executive Directors</b>		
Mr. Ip Cheng Kuong	葉正光先生	14/22
Mr. Yeung Kwok Yu	楊國瑜先生	22/22
Ms. Catherine Chen	陳碧芬女士	22/22
Mr. Chiu Kong	趙鋼先生	18/22
Mr. Kwan Kam Hung, Jimmy	關錦鴻先生	22/22
Mr. Wah Wang Kei, Jackie	華宏驥先生	21/22
Mr. Chen Guang Lin	陳廣林先生	19/22
Mr. Zhang Xi (resigned with effect from 21 May 2012)	張曦先生(於二零一二年五月二十一日辭任)	7/9
Mr. Fei Phillip (resigned with effect from 30 April 2012)	凌鋒先生(於二零一二年四月三十日辭任)	3/7
Mr. Yeung Tsoi San (removed with effect from 12 July 2012)	楊塞新先生(於二零一二年七月十二日被免除職務)	1/16*
<b>Non-executive Director</b>		
Mr. Wu Zhuo Tong (appointed with effect from 28 May 2012)	吳卓彤先生(於二零一二年五月二十八日獲委任)	6/12
<b>Independent Non-executive Directors</b>		
Ms. Ma Yin Fan	馬燕芬女士	21/22
Mr. Leung Hoi Ying	梁凱鷹先生	22/22
Mr. Yu Pan	于濱先生	21/22
Mr. Lee Ming Tung (appointed with effect from 31 December 2012)	李明通先生(於二零一二年十二月三十一日獲委任)	N/A 不適用

\* The only one Board meeting attended by Mr. Yeung Tsoi San ("Mr. Yeung") was held for considering and deciding the removal of Mr. Yeung as chief executive officer and executive Director of the Company.

\* 楊塞新先生(「楊先生」)出席的唯一董事會會議，乃為審議及決定免除楊先生作為本公司行政總裁及執行董事的職務而召開。

# Corporate Governance Report

## 企業管治報告書

The following is an attendance record of each Director at the general meetings of the Company held during the year:

下表載列年內每名董事出席本公司舉行之股東大會之記錄：

<b>Name of Board member</b>	<b>董事會成員姓名</b>	<b>Number of meetings attended</b> <b>出席會議之次數</b>
<b>Executive Directors</b>		
Mr. Ip Cheng Kuong	葉正光先生	2/2
Mr. Yeung Kwok Yu	楊國瑜先生	2/2
Ms. Catherine Chen	陳碧芬女士	1/2
Mr. Chiu Kong	趙鋼先生	0
Mr. Kwan Kam Hung, Jimmy	關錦鴻先生	2/2
Mr. Wah Wang Kei, Jackie	華宏驥先生	2/2
Mr. Chen Guang Lin	陳廣林先生	0
Mr. Zhang Xi (resigned with effect from 21 May 2012)	張曦先生 (於二零一二年五月二十一日辭任)	0
Mr. Fei Phillip (resigned with effect from 30 April 2012)	凌鋒先生 (於二零一二年四月三十日辭任)	0
Mr. Yeung Tsoi San (removed with effect from 12 July 2012)	楊塞新先生 (於二零一二年七月十二日被免除職務)	0
<b>Non-executive Director</b>		
Mr. Wu Zhuo Tong (appointed with effect from 28 May 2012)	吳卓彤先生 (於二零一二年五月二十八日獲委任)	0
<b>Independent Non-executive Directors</b>		
Ms. Ma Yin Fan	馬燕芬女士	2/2
Mr. Leung Hoi Ying	梁凱鷹先生	2/2
Mr. Yu Pan	于濱先生	2/2
Mr. Lee Ming Tung (appointed with effect from 31 December 2012)	李明通先生 (於二零一二年十二月三十一日獲委任)	N/A 不適用

# Corporate Governance Report

## 企業管治報告書

### 2. CHAIRMAN AND MANAGING DIRECTOR

Under Code Provision A.2.1, the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual. After the removal of Mr. Yeung Tsoi San from the office as chief executive officer with effect from 4 July 2012, the Company did not name any officer with the title of “Chief Executive Officer”. Mr. Ip Cheng Kuong is the Chairman of the Company (“Chairman”) and Ms. Catherine Chen is the managing director of the Company (“Managing Director”). Ms. Catherine Chen assumed the position of “Chief Executive Officer” and was responsible for managing and smoothing the business operations of the Group while the Chairman was responsible for leading the Board in the overall strategic development of the Group.

The Chairman and the Managing Director are separate individuals with segregated roles and have no relationship with each other. The Board believes that there is an effective segregation of duties between the Chairman and the Managing Director.

### 2. 主席及董事總經理

根據守則條文第A.2.1條，主席與行政總裁的角色應予區分，而不應由一人同時兼任。於二零一二年七月四日楊塞新先生被免除行政總裁職務之後，本公司並無任命任何高級人員為「行政總裁」。葉正光先生為本公司主席（「主席」）及陳碧芬女士為本公司之董事總經理（「董事總經理」）。陳碧芬女士承擔「行政總裁」之職能，負責管理本集團商業營運，確保其運作暢順，而主席負責領導董事會處理本集團之整體策略發展工作。

主席及董事總經理之職位由不同人士擔任且角色分開，彼等之間並無任何關係。董事會認為，主席與董事總經理之間的職責已有效分工。

# Corporate Governance Report

## 企業管治報告書

### 3. BOARD COMPOSITION

The Board currently comprises the following seven executive Directors, one non-executive Director and four independent non-executive Directors:

#### Executive Directors

Mr. Ip Cheng Kuong (*Chairman*)  
Mr. Yeung Kwok Yu  
Ms. Catherine Chen (*Managing Director*)  
Mr. Chiu Kong  
Mr. Kwan Kam Hung, Jimmy  
Mr. Wah Wang Kei, Jackie  
Mr. Chen Guang Lin

#### Non-executive Director

Mr. Wu Zhuo Tong

#### Independent Non-executive Directors

Ms. Ma Yin Fan  
Mr. Leung Hoi Ying  
Mr. Yu Pan  
Mr. Lee Ming Tung

All independent non-executive Directors are expressly identified as such in all of the Company's corporate communications that disclose the names of Directors.

### 3. 董事會組成

董事會目前由下列七名執行董事、一名非執行董事及四名獨立非執行董事組成：

#### 執行董事

葉正光先生 (*主席*)  
楊國瑜先生  
陳碧芬女士 (*董事總經理*)  
趙鋼先生  
關錦鴻先生  
華宏驥先生  
陳廣林先生

#### 非執行董事

吳卓彤先生

#### 獨立非執行董事

馬燕芬女士  
梁凱鷹先生  
于濱先生  
李明通先生

本公司所有載有董事姓名之公司通訊中，已明確列明所有獨立非執行董事身份。

# Corporate Governance Report

## 企業管治報告書

### 4. APPOINTMENT AND RE-ELECTION OF DIRECTORS

In accordance with the Bye-laws of the Company, any new Director appointed by the Board, whether to fill a casual vacancy or as an addition to the existing Board, is subject to retirement and re-election by shareholders at the next following general meeting of the Company following his appointment. At every annual general meeting of the Company, one-third of the Directors for the time being (or, if the number of Directors is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office and being eligible for re-election.

Under Code Provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. Prior to 30 March 2012, all of the independent non-executive directors of the Company ("INEDs" or individually "INED") were not appointed for a specific term. However, all directors of the Company are subject to retirement and rotation once every three years in accordance with the Bye-laws of the Company. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are comparable with those in the Code.

On 30 March 2012, letters of appointment were entered into between the Company and each of the INEDs. Pursuant to the terms of the letters of appointment, all existing INEDs continue to be INEDs of the Company for a period of two years from 1 April 2012 and are subject to retirement and rotation once every three years in accordance with the Bye-laws of the Company.

Mr. Wu Zhuo Tong, a non-executive Director, entered into a service contract with the Company on 28 May 2012 for a term of two years, subject to retirement and rotation once every three years in accordance with the Bye-laws of the Company.

### 4. 董事之委任及重選

按照本公司之章程細則之規定，任何獲董事會委任之新董事（不論為填補臨時空缺或增補加入現有董事會）須於其獲委任後本公司下一屆股東大會上退任及由股東重選連任。於每屆本公司股東週年大會上，當時董事之三分之一（或，倘董事人數並非三之整數倍，則為最接近三分之一但不高於三分之一之數目）須退任並可重選連任。

根據守則條文第A.4.1條，非執行董事須獲委任特定任期，並可重選連任。於二零一二年三月三十日之前，本公司所有獨立非執行董事（「獨立非執行董事」）未獲委任特定任期。然而，本公司所有董事須根據本公司章程細則每三年一次輪值退任。就此而言，董事會認為已採取足夠措施確保本公司之企業管治常規與守則條文所規定者相若。

於二零一二年三月三十日，本公司與各獨立非執行董事訂立委任函件。根據委任函件之條款，所有現任獨立非執行董事從二零一二年四月一日起兩年期間繼續擔任本公司之獨立非執行董事及須根據本公司之章程細則每三年一次輪值退任。

非執行董事吳卓彤先生於二零一二年五月二十八日與本公司訂立服務合約，任期為兩年，惟根據本公司之章程細則須每三年輪值退任一次。

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All Directors are subject to retirement by rotation and re-election by shareholders at annual general meetings of the Company at least once every three years. Details of Directors to be retired and being eligible, offering themselves for re-election in the forthcoming annual general meeting of the Company will be set out in the circular of the Company to be dated 26 April 2013.

### 5. NOMINATION OF DIRECTORS

Prior to 26 March 2012, the Company did not have a nomination committee. The Board as a whole was responsible for the procedure of the appointment of its members and for nominating appropriate person for election by shareholders at the general meeting, either to fill casual vacancy or as an addition to the existing Directors. During such period, the Board considered and assessed the qualification, ability and potential contribution of candidates for directorships on the Board.

On 26 March 2012, a nomination committee was established in accordance with the Code Provisions A.5.1 to A.5.4. Details of the nomination committee are set out in the section headed "BOARD COMMITTEES".

According to the Bye-laws of the Company, any Directors appointed by the Board should hold office until the next following general meeting of the Company, and shall then be eligible for re-election at that meeting.

During the year, Mr. Wu Zhuo Tong and Mr. Lee Ming Tung were nominated and appointed as non-executive Director and INED on 28 May 2012 and 31 December 2012 respectively by the Board. Pursuant to the Bye-laws of the Company, Mr. Lee Ming Tung will retire as Director and, being eligible, will offer himself for re-election at the forthcoming annual general meeting of the Company.

所有董事均至少每三年輪席退任一次，並可於本公司股東週年大會上由股東重選連任。將於本公司應屆股東週年大會上退任並合資格且願意重選連任之董事之詳情將載列於本公司日期為二零一三年四月二十六日之通函內。

### 5. 提名董事

於二零一二年三月二十六日之前，本公司並無設立提名委員會。董事會集體負責委任其成員之程序及提名合適人士供股東於股東大會上推選以填補董事空缺或增加現有董事名額。於有關期間，董事會考慮及評估董事候選人之資格、能力及可能對董事會作出之貢獻。

於二零一二年三月二十六日，根據守則條文第A.5.1條至第A.5.4條成立提名委員會。提名委員會的詳情載於「董事會轄下的委員會」一節。

根據本公司之章程細則，任何由董事會委任之董事，其任期直至本公司下屆股東大會及合資格於該大會上膺選連任。

年內，吳卓彤先生及李明通先生分別於二零一二年五月二十八日及二零一二年十二月三十一日獲董事會提名及委任為非執行董事及獨立非執行董事。根據本公司之章程細則，李明通先生將於本公司即將舉行之股東週年大會上退任董事，彼符合資格及願意重選連任。

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### 6. BOARD COMMITTEES

As an integral part of good corporate governance, the Board has established the following committees which are all chaired by INEDs with defined terms of reference.

#### 6.1 Audit Committee

The Board considers that each audit committee member has broad commercial experience and there is a suitable mix of expertise in business, accounting and financial management in the audit committee. The written terms of reference which describe the authority and duties of the audit committee were prepared and adopted in 1998 with reference to "A Guide for the Formation of an Audit Committee" published by the Hong Kong Institute of Certified Public Accountants and were subsequently amended on 29 March 2012 and include duties as set out in the relevant Code Provisions. The audit committee comprises three INEDs, namely, Ms. Ma Yin Fan, Mr. Yu Pan and Mr. Leung Hoi Ying. Ms. Ma Yin Fan was appointed as the chairlady of the audit committee.

The audit committee oversees the financial reporting process and internal control system of the Company. The management of the Company is responsible for the preparation of the Group's financial statements while the external auditor is responsible for auditing the Group's financial statements. Members of the audit committee assist the Board in fulfilling its responsibilities by providing an independent review of the financial statements, supervising the Company's system of financial reporting and internal control. The audit committee presents a report to the Board on its findings after each audit committee meeting.

### 6. 董事會轄下的委員會

作為良好企業管治不可分割的一部分，董事會設立了下列委員會，各委員會均由獨立非執行董事擔任主席，並訂有明確的職權範圍。

#### 6.1 審核委員會

董事會認為，每位審核委員會成員均具備廣泛的商務經驗，而審核委員會中適當地融合了商業、會計及財務管理等方面之專業知識。審核委員會以書面形式訂立之職權範圍乃於一九九八年按照香港會計師公會頒佈之「成立審核委員會之指引」編製並採納，並隨後於二零一二年三月二十九日經過修訂，其中包括有關守則條文所載職責。審核委員會包括三名獨立非執行董事，即馬燕芬女士、于濱先生及梁凱鷹先生。馬燕芬女士獲委任為審核委員會之主席。

審核委員會監督本公司之財務申報程序及內部監控制度。本公司管理層負責編製本集團之財務報表。外聘核數師則負責審核本集團之財務報表。審核委員會成員為協助董事會履行其責任而獨立審閱財務報表、監察本公司之財務申報及內部監控制度。審核委員會於每次舉行審核委員會會議後就其發現向董事會提交報告。

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The audit committee also provides an important link between the Board and the Company's auditor in matters coming within the scope of its terms of reference and keeps the independence and objectivity of the auditor under review.

The following is an attendance record of members of the audit committee at the audit committee meetings held during the year:

審核委員會亦就其職權範圍內所涉及事項上擔任董事會與本公司的核數師之間的重要連繫，並持續檢討核數師之獨立性及客觀性。

下表載列審核委員會成員出席於年內舉行之審核委員會會議之記錄：

<b>Name of audit committee member</b>	<b>審核委員會成員姓名</b>	<b>Number of meetings attended</b> <b>出席會議次數</b>
Ms. Ma Yin Fan ( <i>Chairlady</i> )	馬燕芬女士 ( <i>主席</i> )	2/2
Mr. Yu Pan	于濱先生	2/2
Mr. Leung Hoi Ying	梁凱鷹先生	1/2

During the year ended 31 December 2012, the members of the audit committee met twice and discussed with the Board and external auditor of the Company to review the reporting of financial and other information to shareholders, the systems of internal control, financial control, risk management and the effectiveness and objectivity of the audit process. The audit committee reviewed the terms of engagement, the independence and objectivity of the external auditor and external auditor's audit completion report during the year.

於截至二零一二年十二月三十一日止年度，審核委員會成員舉行了兩次會議，與董事會及本公司外聘核數師進行討論以審閱向股東報告之財務及其他資料、內部監控系統、財務控制、風險管理及審核程序之有效性及客觀性。年內，審核委員會已審閱外聘核數師之聘任條款，獨立性及客觀性以及外聘數師之審核完結報告。



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The audit committee reviewed and discussed with the management and external auditor the 2012 consolidated financial statements included in this report. In this regard, the audit committee held discussions with management with regard to new or changes in accounting policies that had been applied, and significant judgments of the management which affected the Group's financial statements. The audit committee received reports and met with the external auditor to discuss the general scope of their audit work, including the impact of new or changes in accounting policies that had been applied and their assessment of the Group's internal controls. Based on these review and discussions, and the report of the external auditor, the audit committee recommended the Board to approve the consolidated financial statements for the year ended 31 December 2012 and the Independent Auditor's Report.

During the year, the audit committee also reviewed the unaudited condensed consolidated financial statements for the six months ended 30 June 2012 and recommended the Board to approve the unaudited condensed consolidated financial statements.

The members of the audit committee considered the appointment of external auditor, their audit fees and recommended the Board to seek shareholders' approval for the re-appointment of Messrs. Deloitte Touche Tohmatsu as the Group's external auditor for 2013.

審核委員會已審閱並與管理層及外聘核數師討論本年報所載之二零一二年度綜合財務報表。就此，審核委員會與管理層就已應用之新訂或經修訂會計政策以及管理層所作對本集團財務報表構成影響之重大判斷進行討論。審核委員會在接獲核數師報告書後與外聘核數師會面，討論其核數工作之大致範圍，包括已應用之新訂或經修訂會計政策之影響及彼等對本集團內部監控之評估。基於上述檢討及討論，以及按照外聘核數師之報告，審核委員會建議董事會批准通過截至二零一二年十二月三十一日止年度之綜合財務報表及獨立核數師報告書。

於年內，審核委員會亦審閱截至二零一二年六月三十日止六個月之未經審核簡明綜合財務報表，並建議董事會批准通過該未經審核簡明綜合財務報表。

審核委員會之成員已考慮外聘核數師之委聘事宜及其核數費用，並建議董事會尋求股東批准續聘德勤•關黃陳方會計師行為本集團二零一三年度之外聘核數師。

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### 6.2 Nomination Committee

On 26 March 2012, the Company established a nomination committee with terms consistent with the Code Provisions A.5.1 to A.5.4. The written terms of reference of the nomination committee have included the duties as set out in the relevant Code Provisions. The nomination committee comprises two INEDs, namely Mr. Leung Hoi Ying and Mr. Yu Pan and one executive Director, namely Mr. Yeung Kwok Yu. Mr. Leung Hoi Ying was appointed as the chairman of the nomination committee.

The principal role and function of the nomination committee includes:

- review the structure, size and composition (including the skills, knowledge and experience) of the board on a regular basis at least annually;
- make recommendations to the board regarding on any proposed changes to the board to complement the issuer's corporate strategy;
- identify individuals suitably qualified to become board members and select or make recommendations to the board on the selection of individuals nominated for directorships;
- assess the independence of INEDs; and
- make recommendations to the board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors, in particular the Chairman and the chief executive officer.

### 6.2 提名委員會

於二零一二年三月二十六日，本公司根據守則條文第A.5.1條至第A.5.4條成立提名委員會。提名委員會以書面形式訂立的職權範圍已包括守則條文所載職責。提名委員會包括兩名獨立非執行董事（即梁凱鷹先生及于濱先生）及一名執行董事（即楊國瑜先生）。梁凱鷹先生獲委任為提名委員會主席。

提名委員會的主要角色及職能包括：

- 至少每年定期檢討董事會的架構、人數及組成（包括技能、知識和經驗方面）；
- 就任何為配合發行人的公司策略而擬對董事會作出的變動向董事會提出建議；
- 物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
- 評估獨立非執行董事的獨立性；及
- 就董事委任或重新委任以及董事（尤其是主席及行政總裁）繼任計劃的有關事宜向董事會提出建議。

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The following is an attendance record of members of the nomination committee at the nomination committee meetings held during the year:

下表載列提名委員會成員出席年內舉行之提名委員會會議之記錄：

Name of nomination committee member	提名委員會成員姓名	Number of meetings attended 出席會議次數
Mr. Leung Hoi Ying ( <i>Chairman</i> )	梁凱鷹先生 (主席)	2/2
Mr. Yu Pan	于濱先生	2/2
Mr. Yeung Kwok Yu	楊國瑜先生	2/2

During the year, the nomination committee held two meetings and dealt with the following matters at the said meetings or by way of written resolutions:

年內，提名委員會召開兩次會議，並在上述會議上或以書面決議案方式處理下列事項：

- determined the policy for the nomination of directors;
  - discussed the appropriateness of the candidates and consulted the Board about their proposals relating to the nomination of Directors. The criteria for selection includes professional qualification, industrial experience and academic background;
  - monitored the training and continuous professional development of Directors and senior management;
  - reviewed the structure, size and composition of the Board; and
  - recommended to the Board the appointments of Mr. Wu Zhuo Tong and Mr. Lee Ming Tung as a non-executive director and an INED respectively on the basis of their qualifications, skill and experience which the nomination committee considered would make a positive contribution to the performance of the Board.
- 確定提名董事的政策；
  - 討論候選人的合適性，並向董事會提供有關提名董事的建議。評選標準包括專業資格、行業經驗及學術背景；
  - 監督董事及高級管理層之培訓及持續專業發展；
  - 檢討董事會之架構、人數及組成；及
  - 向董事會建議分別委任吳卓彤先生及李明通先生為非執行董事及獨立非執行董事，基於提名委員會認為其資格、技能及經驗能夠為董事會之表現作出積極貢獻。

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### 6.3 Remuneration Committee

The Company has established a remuneration committee to deal with matters of remuneration and compensation arrangement of Directors and senior management. The written terms of reference of the remuneration committee have included the duties as set out in the relevant Code Provisions. The remuneration committee comprises three INEDs, namely, Ms. Ma Yin Fan, Mr. Leung Hoi Ying and Mr. Yu Pan. Ms. Ma Yin Fan was appointed as the chairlady of the remuneration committee.

The principal role and function of the remuneration committee includes:

- give recommendations on the establishment of the Company's policy and structure for all remuneration of all Directors, senior management and employees;
- review and determine the remuneration packages and compensation arrangements for loss of office of all executive Directors and senior management; and
- review of performance-based remuneration policy of the Group.

The remuneration committee meets at least once each year.

Details of Directors' emoluments are set out in note 14 to the consolidated financial statements.

### 6.3 薪酬委員會

本公司已成立薪酬委員會以處理董事及高級管理人員之薪酬及補償事務。薪酬委員會以書面形式訂立之職權範圍包括有關守則條文所載職責。薪酬委員會由三名獨立非執行董事組成，即馬燕芬女士、梁凱鷹先生及于濱先生。馬燕芬女士獲委任為薪酬委員會主席。

薪酬委員會之主要角色及職能包括：

- 就設定本公司董事、高級管理人員及僱員之全體薪酬政策及架構，提出建議；
- 檢討及釐定提供予全體執行董事及高級管理人員之薪酬福利條件及有關失去職務之補償安排；及
- 檢討本集團按表現而釐定之薪酬政策。

薪酬委員會每年舉行至少一次會議。

各董事之薪酬詳情載於綜合財務報表附註14。

# Corporate Governance Report

## 企業管治報告書

The Directors' fees are subject to shareholders' approval at general meeting. In determining the emolument payable to Directors, the remuneration committee takes into consideration factors such as their duties, responsibilities and contribution to the Company, the prevailing market conditions, time commitment and the desirability of performance-based remuneration. No Director is involved in determining his/her own remuneration.

The remuneration package for each employee is structured to attract, retain and motivate high quality staff and at the same time to reflect the importance of aligning awards with shareholder interests. The remuneration package contains a combination or modifications of some or all of the three main components: basic salary, performance bonus and share options.

The following is an attendance record of members of the remuneration committee at the remuneration committee meetings held during the year:

董事袍金須待股東在股東大會上批准後方可作實。在釐定應付予董事之薪酬時，薪酬委員會會考慮多項因素，包括彼等於本公司之職責、責任及為本公司所作貢獻、現行市況、所付出的時間以及是否應該按表現釐訂薪酬等。各董事均無參與決定自身之薪酬。

各僱員之薪酬待遇按個別情況釐定，以吸引、挽留及鼓勵具備卓越才能之員工，同時亦能反映平衡員工獎勵及股東權益之重要性。薪酬待遇可由三大項目（亦可能有所增減）中一部分或全部組成：即基本薪金、與表現掛鈎之花紅及購股權。

下表載列薪酬委員會成員出席於年內舉行之薪酬委員會會議之記錄：

<b>Name of remuneration committee member</b>	<b>薪酬委員會成員姓名</b>	<b>Number of meetings attended</b>
Ms. Ma Yin Fan ( <i>Chairlady</i> )	馬燕芬女士 ( <i>主席</i> )	5/5
Mr. Leung Hoi Ying	梁凱鷹先生	5/5
Mr. Yu Pan	于濱先生	5/5
Mr. Zhang Xi (resigned with effect from 21 May 2012)	張曦先生 (於二零一二年 五月二十一日辭任)	1/1

# Corporate Governance Report

## 企業管治報告書

During the year, the remuneration committee held five meetings and dealt with the following matters at the said meetings or by way of written resolutions:

- reviewed performance and remuneration packages of all Directors and senior management of the Company;
- reviewed and approved the discretionary bonus to the Directors and senior management of the Company for 2012;
- reviewed and approved the terms of executive Director's service contract; and
- reviewed and approved the remuneration of Mr. Wu Zhuo Tong and Mr. Lee Ming Tung.

年內，薪酬委員會舉行了五次會議，並於上述會議處理以下事項或透過書面決議案：

- 審閱本公司全體董事及高級管理層之表現及薪酬待遇；
- 審閱及批准二零一二年本公司董事及高級管理層之酌情花紅；
- 審閱及批准執行董事服務合約之條款；及
- 審閱及批准吳卓彤先生及李明通先生之薪酬。

### 7. INTERNAL CONTROL

The Board has overall responsibility for the system of internal controls of the Company and for reviewing its effectiveness on an annual basis under Code Provision C.2.1. The Group's internal control systems comprise an established organizational structure and comprehensive policies and standards. Procedures have been designed to safeguard assets against unauthorized use or disposition, to maintain proper accounting records, for the reliability of financial information used within the business or for publication, and to ensure compliance with applicable laws and regulations. The purpose of the Group's internal control is to provide reasonable, but not absolute, assurance against material misstatement or loss and manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives.

### 7. 內部監控

根據守則條文第C.2.1條，董事會對本公司內部監控系統及對按年檢討其效率承擔整體責任。本集團之內部監控系統包括一個已確立之組織架構及全面的政策與準則。本公司已制訂有效程序，保障集團資產不致遭人挪用或處置、確保集團設存妥善之會計記錄以提供可靠之財務資料供內部使用或公開披露之用，以及確保遵守適用法律及法規。本集團之內部監控系統旨在提供合理（而非絕對）之保證，以防出現嚴重誤報或損失之情況，並管理（而非完全杜絕）運作系統故障之風險，以及確定達致本集團之目標。

# Corporate Governance Report

## 企業管治報告書

The Group's internal control system includes following major components:

- (1) Review an organizational and governance structure with defined responsibility and delegated authority;
- (2) Set up stringent policies and procedures for the appraisal, review and approval of major capital and recurrent expenditures; and
- (3) Review report of operations results against budgets to the Board regularly.

The Board, through the audit committee, has reviewed the effectiveness of the internal control system of the Group.

### 8. PERFORMANCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS' DUTIES

The Company has adopted the rules and procedures on INEDs' work. The Company has four INEDs, representing one-third of the total number of the Directors as required under the Listing Rules. The INEDs are professionals with extensive experience in the fields of accounting, finance and business management. Ms. Ma Yin Fan and Mr. Lee Ming Tung have appropriate accounting and financial experience. The INEDs do not hold other positions in the Company.

During the reporting period, the INEDs had no objections to the resolutions made by the Board.

本集團之內部監控系統由以下主要部分組成：

- (1) 檢討具界定責任及授權的組織及管治架構；
- (2) 制訂就評核、檢討及審批重大資本及經常性開支之嚴謹政策及程序；及
- (3) 定期檢討向董事會匯報營運業績是否與預算相符之報告。

董事會已通過審核委員會檢討本集團內部監控系統之有效性。

### 8. 獨立非執行董事之職責表現

本公司已採納獨立非執行董事工作之規則及程序。本公司擁有四名獨立非執行董事，佔董事總數之三分之一，符合上市規則規定。本公司獨立非執行董事為在會計、財務及業務管理領域具有豐富經驗之專業人士。馬燕芬女士及李明通先生擁有適當之會計及財務經驗。本公司獨立非執行董事並無在本公司擔任其他職務。

於報告期內，獨立非執行董事並無對董事會作出之決議提出異議。

# Corporate Governance Report

## 企業管治報告書

During the year, the INEDs earnestly and diligently performed their duties in accordance with the relevant laws and regulations and the Bye-laws of the Company. The INEDs actively attended board meetings during the reporting period, and reviewed documents presented by the Company. They also provided professional and constructive advice on the Company's major decisions.

The Company has received confirmation from each of the INEDs about their independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that the INEDs are completely independent of the Company, its substantial shareholders and its affiliates and comply fully with the requirements concerning the INEDs under the Listing Rules.

### 9. EXTERNAL AUDITOR

It is the external auditor's responsibility to form an independent opinion, based on their audit, on the consolidated financial statements and to report their opinion solely to the shareholders of the Company, as a body, in accordance with Section 90 of the Bermuda Companies Act and for no other purpose. They do not assume responsibility towards or accept liability to any other person for the content of the auditor's report.

For the year ended 31 December 2012, Messrs. Deloitte Touche Tohmatsu was appointed as the external auditor of the Group and provided audit services and non-audit services to the Group. The Board has accepted the recommendation from the audit committee on re-appointing Messrs. Deloitte Touche Tohmatsu as the external auditor of the Group.

年內，獨立非執行董事按照有關法律、法規及本公司之章程細則認真勤勉地履行彼等之職責。於報告期內，本公司獨立非執行董事積極出席董事會會議，審閱本公司提交之文件。彼等亦對本公司之重大決策提供專業及建設性意見。

本公司已收到各位獨立非執行董事根據上市規則第3章第13段就其獨立性發出之確認。本公司認為，獨立非執行董事完全獨立於本公司、其主要股東及其聯屬公司，並已完全遵守上市規則下有關獨立非執行董事之規定。

### 9. 外聘核數師

外聘核數師之責任是根據其審核工作之結果，對綜合財務報表作出獨立意見，並根據百慕達公司法第90條僅向本公司全體股東報告，除此以外，外聘核數師之報告書別無其他目的。外聘核數師不會就其報告書之內容向任何其他人士負上或承擔任何責任。

於截至二零一二年十二月三十一日止年度，德勤•關黃陳方會計師行獲委聘為本集團之外聘核數師，並為本集團提供審核服務及非審核服務。董事會已接納審核委員會有關續聘德勤•關黃陳方會計師行為本集團之外聘核數師之建議。



# Corporate Governance Report

## 企業管治報告書

During the year, the remuneration paid and payable to the Company's external auditor for the provision of services are as follows:

年內就提供服務已付及應付本公司外聘核數師的酬金如下：

		2012 二零一二年 HK\$'000 千港元
Audit services	審核服務	1,000
Non-audit services	非審核服務	360
		<b>1,360</b>

### 10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors acknowledge their responsibility for preparing the Group's financial statements in accordance with statutory requirements and applicable accounting standards. The responsibilities of the Directors are to prepare the financial accounts for each financial period which gives a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. The Directors also acknowledge that the publication of the financial statements should be distributed to the shareholders of the Company in a timely manner. In preparing the accounts for the year ended 31 December 2012, the Directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards; made adjustments and estimates that are prudent, fair and reasonable and prepared accounts on a going concern basis. The Directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company.

### 10. 董事之責任聲明

董事知悉其須負責按法定規定及適用會計準則編製本集團財務報表之責任。董事之責任為編製每一財政期間真實而公平地反映本集團狀況及該期間業績和現金流之財務賬目。董事亦知悉財務報表須準時分發予本公司之股東。在編製截至二零一二年十二月三十一日止年度之賬目時，董事已選擇合適之會計政策及貫徹一致地採用該等政策；採用合適之香港財務報告準則及香港會計準則；作出審慎、公平和合理之調整及估計，以及按持續經營基準編製賬目。董事亦須負責保存妥當之會計記錄，當中須合理準確地披露本公司當時之財務狀況。

# Corporate Governance Report

## 企業管治報告書

### 11. MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out by the Stock Exchange in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in Appendix 10 to the Listing Rules. Having made specific enquiries to all Directors, all Directors have complied with the required standards of dealings as set out in the Model Code and the Company's own code of conduct during the review year.

### 12. SHAREHOLDERS' RIGHTS

#### (i) Convening a special general meeting by shareholders

Pursuant to the Bye-laws of the Company, any one or more shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary of the Company by mail at Unit 2807, 28th Floor, The Center, 99 Queen's Road Central, Central, Hong Kong, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting, the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act 1981 of Bermuda.

### 11. 董事進行證券交易之標準守則

本公司就董事進行證券交易採納了一套條款不遜於聯交所上市規則附錄10《上市發行人董事進行證券交易的標準守則》(「標準守則」)所訂標準之行為準則。在向所有董事作出特定查詢後得悉，各董事於回顧年度內一直遵守標準守則所載有關進行交易之標準及本公司本身所訂之有關行為守則。

### 12. 股東之權利

#### (i) 股東召開股東特別大會

根據本公司之章程細則，任何一名或多名股東凡於提交請求當日持有附帶本公司股東大會表決權的本公司繳足股本不少於十分之一，應隨時有權透過向本公司董事會或公司秘書發出書面請求，並郵寄至香港中環皇后大道中99號中環中心28樓2807室，以要求董事會召開股東特別大會處理該請求所指明的任何事務；該大會須於提交該請求後兩(2)個月內舉行。倘於提交該請求起計二十一(21)日內董事會未有落實召開該大會，則請求人本身可自行根據百慕達1981年公司法第74(3)條的條文召開。

# Corporate Governance Report

## 企業管治報告書

### (ii) Putting forward proposals at general meetings

Shareholders shall make a written requisition to the Board or the Company Secretary of the Company by mail at Unit 2807, 28th Floor, The Center, 99 Queen's Road Central, Central, Hong Kong, specifying their shareholding information, their contact details and the proposals they intend to put forward at the general meetings regarding any specified transaction/business, together with supporting documents.

### (iii) Putting forward enquiries to the Board

Shareholders may send their enquiries and concerns to the Board by addressing them to the Company Secretary by mail at Unit 2807, 28th Floor, The Center, 99 Queen's Road Central, Central, Hong Kong. The Company Secretary forwards communications relating to matters within the Board's direct responsibilities to the Board and communications relating to ordinary business matters to the managing director of the Company.

### (ii) 於股東大會上提出建議

股東可向董事會或本公司公司秘書提出書面要求，郵寄地址為香港中環皇后大道中99號中環中心28樓2807室，在其中列明其持股資料、聯繫方式及彼等就任何指定交易／業務擬於股東大會上提出的建議，並提供證明文件。

### (iii) 向董事會提出查詢

股東可向董事會作出提問及查詢，郵寄地址為香港中環皇后大道中99號中環中心28樓2807室，註明收件人為公司秘書。公司秘書會將董事會直接職責範疇事宜相關的通訊轉交董事會，以及將日常業務事宜相關的通訊轉交本公司董事總經理。

# Corporate Governance Report

## 企業管治報告書

### 13. INVESTOR RELATIONSHIP AND COMMUNICATION

The Company is responsible for ensuring that shareholders' rights are protected. In order to fulfill this responsibility, the Company endeavours to maintain a high level of transparency in communicating with shareholders and the investment community at large. The Company is committed to continue to maintain an open and effective investor communication policy and to update investors with the relevant information on its business in a timely and accurate manner, subject to the relevant regulatory requirements. In order to ensure effective, clear and accurate communication with investors, all corporate communications are arranged and handled by the executive Directors and designated senior executives according to established practices and procedures of the Company.

The Board uses annual general meetings and other general meetings as the principal channel to meet and communicate with the shareholders. Registered shareholders are notified by post for these general meetings, and the notice of meeting contains the agenda and the proposed resolutions. Any registered shareholder is entitled to attend the annual and special general meetings, provided that their shares have been recorded in the register of shareholders. The Board also encourages shareholders to participate in these general meetings to maintain an on-going dialogue with the shareholders.

Extensive information about the Company's activities is provided in its interim and annual reports, which are sent to shareholders, analysts and other interested parties. The Company's news releases, announcements and publications are circulated to all major news media in a timely and accurate manner.

### 13. 與投資者的關係及溝通

本公司有責任確保股東之權利得到保障。為了履行此責任，在與股東及投資界溝通時，本公司一直盡量保持高透明度。本公司致力按照有關監管規定，繼續維持公開及有效之投資者溝通政策，並及時及準確地向投資者提供最新的業務資料。為確保與投資者維持有效、清晰而準確之溝通，所有企業通訊事宜均按照本公司的既定慣例及程序，由執行董事及專責高級行政人員安排及處理。

董事會利用股東週年大會及其他股東大會作為與股東會面及溝通之主要渠道。登記股東以郵遞方式收取上述股東大會通告。大會通告載有議程及獲提呈之決議案。任何登記股東均有權出席股東週年大會及股東特別大會，惟彼等之股份必須已經登記於股東名冊內。此外，董事會亦鼓勵股東參與上述股東大會，藉以一直保持彼此之溝通。

寄發予股東、分析員及其他有關人士之中期報告及年報，載有大量本公司活動的資料。本公司之新聞發佈、公佈及刊物均適時及準確地向所有主要新聞媒體發放。

# Corporate Governance Report

## 企業管治報告書

Separate resolutions will be proposed by the Chairman in respect of each substantially separate issue at the Company's forthcoming annual general meeting. The Chairman, and the chairperson of the audit committee, the nomination committee and remuneration committee will attend the forthcoming annual general meeting to answer questions of shareholders.

### 14. COMPANY SECRETARY

The Company Secretary is a full-time employee of the Company and is reporting to the Board.

All Directors have access to the advice and services of the Company Secretary to ensure the Board procedures, and all applicable law, rules and regulations, are followed.

For the financial year ended 31 December 2012, the Company Secretary has complied with Rule 3.29 of the Listing Rules by taking no less than 15 hours of relevant professional training.

### 15. CONSTITUTIONAL DOCUMENTS OF THE COMPANY

Amendments to the Bye-laws of the Company were considered and approved on 11 October 2012. The amendments were mainly for the purpose of strengthening the procedure to effect the appointment of an alternate director. An updated version of the Bye-laws is available on the websites of the Company and the Stock Exchange.

在本公司應屆股東週年大會上，主席將會就每項大致上獨立之事宜個別提出決議案。主席、審核委員會主席、提名委員會主席及薪酬委員會主席將出席應屆股東週年大會，並於會上回答股東提問。

### 14. 公司秘書

公司秘書為本公司的全職僱員，及向董事會報告。

所有董事均有權獲得公司秘書的意見及服務，以確保董事會程序及所有適用法律、規則及規章得到遵循。

於截至二零一二年十二月三十一日止財政年度，公司秘書已遵守上市規則第3章第29條的規定，參加了不少於15小時的相關專業培訓。

### 15. 本公司組織章程文件

本公司之章程細則修訂已於二零一二年十月十一日獲得審議批准。有關修訂乃旨在加強委任替任董事之程序。最新章程細則可於本公司及聯交所之網站閱覽。

# Directors' Report

## 董事會報告書

The Directors present their annual report and the audited consolidated financial statements for the year ended 31 December 2012.

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company and the principal activities of its principal subsidiaries are set out in note 34 to the consolidated financial statements.

### RESULTS

The results of the Group for the year are set out in the consolidated statement of comprehensive income on pages 66 and 67.

### DIVIDEND

The Board does not recommend payment of a final dividend for the year ended 31 December 2012 (2011: Nil).

### PROPERTY, PLANT AND EQUIPMENT

Details of movements of the property, plant and equipment of the Group during the year are set out in note 16 to the consolidated financial statements.

### CONVERTIBLE NOTES, SHARE CAPITAL AND SHARE OPTIONS

Details of the movements in the Company's convertible notes, share capital and share options during the year are set out in notes 25, 27 and 28 to the consolidated financial statements, respectively.

### DISTRIBUTABLE RESERVES OF THE COMPANY

The Company has no reserves available for distribution as at 31 December 2012.

董事會謹此提呈截至二零一二年十二月三十一日止年度之年報及經審核綜合財務報表。

### 主要業務

本公司是一家投資控股公司，旗下主要附屬公司之主要業務載於綜合財務報表附註34。

### 業績

本集團於年內的業績載於第66頁至67頁之綜合全面收益表。

### 股息

董事會不建議就截至二零一二年十二月三十一日止年度派付任何末期股息（二零一一年：無）。

### 物業、廠房及設備

年內，本集團物業、廠房及設備之變動詳情載於綜合財務報表附註16。

### 可換股票據、股本及購股權

年內，本公司可換股票據、股本及購股權之變動詳情分別載於綜合財務報表附註25、27及28。

### 本公司之可供分派儲備

於二零一二年十二月三十一日，本公司並無可供分派儲備。

# Directors' Report

## 董事會報告書

### DIRECTORS

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

#### Executive Directors

Mr. Ip Cheng Kuong (*Chairman*)  
Mr. Yeung Kwok Yu  
Ms. Catherine Chen (*Managing Director*)  
Mr. Chiu Kong  
Mr. Kwan Kam Hung, Jimmy  
Mr. Wah Wang Kei, Jackie  
Mr. Chen Guang Lin  
Mr. Zhang Xi (resigned with effect from 21 May 2012)  
Mr. Fei Phillip (resigned with effect from 30 April 2012)  
Mr. Yeung Tsoi San (removed with effect from 12 July 2012)

#### Non-executive Director

Mr. Wu Zhuo Tong (appointed with effect from 28 May 2012, retired and re-appointed with effect from 11 October 2012)

#### Independent Non-executive Directors

Ms. Ma Yin Fan  
Mr. Leung Hoi Ying  
Mr. Yu Pan  
Mr. Lee Ming Tung (appointed with effect from 31 December 2012)

In accordance with the Bye-laws 87(2) of the Company, Mr. Chiu Kong, Mr. Wah Wang Kei, Jackie and Mr. Yu Pan will retire at the forthcoming annual general meeting, and being eligible, will offer themselves for re-election.

In accordance with the Bye-laws 86(2) of the Company, Mr. Lee Ming Tung will retire at the forthcoming general meeting, and being eligible, will offer himself for re-election.

### 董事

本年度及截至本報告日期，本公司之董事為：

#### 執行董事

葉正光先生 (*主席*)  
楊國瑜先生  
陳碧芬女士 (*董事總經理*)  
趙鋼先生  
關錦鴻先生  
華宏驥先生  
陳廣林先生  
張曦先生 (於二零一二年五月二十一日辭任)  
凌鋒先生 (於二零一二年四月三十日辭任)  
楊塞新先生 (於二零一二年七月十二日被罷免)

#### 非執行董事

吳卓彤先生 (於二零一二年五月二十八日獲委任、於二零一二年十月十一日退任及獲重新委任)

#### 獨立非執行董事

馬燕芬女士  
梁凱鷹先生  
于濱先生  
李明通先生 (於二零一二年十二月三十一日獲委任)

根據本公司之章程細則第87(2)條，趙鋼先生、華宏驥先生及于濱先生將於應屆股東週年大會上退任，彼等符合資格，並願意膺選連任。

根據本公司之章程細則第86(2)條，李明通先生將於應屆股東大會上退任，彼符合資格，並將願意膺選連任。

# Directors' Report

## 董事會報告書

### DIRECTORS' SERVICE CONTRACTS

There are no service contracts which are not determinable by the Company within one year without payment of compensation (other than statutory compensation), in respect of any director proposed for re-election at the forthcoming annual general meeting.

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31 December 2012, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

#### Long positions in the shares and underlying shares

Ordinary shares of US\$0.001 each of the Company

### 董事之服務合約

就擬於應屆股東週年大會上膺選連任之任何董事而言，並無訂立本公司不能於一年內終止而毋須作出賠償（法定賠償除外）之服務合約。

### 董事在股份及相關股份中擁有之權益及淡倉

於二零一二年十二月三十一日，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條而存置之登記冊所示，或根據標準守則須知會本公司及聯交所，本公司董事及主要行政人員在本公司之股份、相關股份及本公司及其相聯法團之債券中擁有之權益及淡倉如下：

#### 於股份及相關股份之好倉

本公司每股面值0.001美元之普通股

Name of director	Capacity	Number of issued ordinary shares held 所持已發行普通股數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本概約百分比 (Note 1) (附註1)
Mr. Ip Cheng Kuong 葉正光先生	Interest of controlled corporation (Note 2) 由受控制法團持有 (附註2)	74,280,000	3.90%

#### Notes:

- (1) The percentage was calculated based on the Company's issued share capital of 1,906,073,250 shares as at 31 December 2012.
- (2) Mr. Ip Cheng Kuong has notified the Company that he is interested in those shares of the Company held by Global Zone International Limited, a company of which 51% interests are owned by him.

#### 附註：

- (1) 百分比是基於本公司於二零一二年十二月三十一日已發行股本1,906,073,250股而計算。
- (2) 葉正光先生已知會本公司彼擁有51%權益之Global Zone International Limited持有本公司該等股份權益，因此彼被視為擁有該等股份。



## Directors' Report

### 董事會報告書

Save as disclosed above, none of the Directors nor the chief executive of the Company has any interests and short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 31 December 2012.

#### SHARE OPTIONS

Particulars of the Company's share option scheme are set out in note 28 to the consolidated financial statements.

#### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company, its holding companies, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

#### DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in notes 14(e) and 31 to the consolidated financial statements, no contracts of significance to which the Company, its holding companies or any of its subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the year.

除上文所披露者外，於二零一二年十二月三十一日，董事及本公司主要行政人員概無於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益及淡倉。

#### 購股權

本公司之購股權計劃詳情載於綜合財務報表附註28。

#### 購買股份或債券之安排

於年內任何時間，本公司、其控股公司或其任何附屬公司或同系附屬公司均無作出任何安排，致使本公司董事可藉收購本公司或任何其他法人團體之股份或債券而獲益。

#### 董事於重大合約之權益

除綜合財務報表附註14(e)及31所披露者外，於本年度年結日或年內任何時間，概無存在由本公司、其控股公司或其任何附屬公司或同系附屬公司訂立，且本公司董事擁有重大權益（無論直接或間接）之重大合約。

# Directors' Report

## 董事會報告書

### CONTINUING CONNECTED TRANSACTION AND RELATED PARTIES TRANSACTION

With reference to the announcement of the Company dated 29 November 2010 and the circular dated 20 December 2010, on 29 November 2010, Allywing, a wholly owned subsidiary of the Company, entered into the Management Agreement with Harvest Day, a company of which 60% issued share capital is held by a sister of Mr. Zhang Xi, the former joint chairman and an executive director of the Company, who resigned with effect from 21 May 2012. Pursuant to the Management Agreement, Harvest Day would provide management and consultancy services to Allywing in connection with the development of the Site. Allywing would pay to Harvest Day an inclusive management fee of HK\$50,000,000 by 3 installments. The resolution approving the Management Agreement and the annual caps of management fee payable to Harvest Day was passed at the special general meeting of the Company held on 6 January 2011. The first installment of HK\$23,000,000 was paid on 7 January 2011 in accordance with terms and conditions of the Management Agreement. The Management Agreement constituted a continuing connected transaction of the Company under Chapter 14A of the Listing Rules and disclosure regarding the Management Agreement has been made in accordance with the requirements under Chapter 14A to the Listing Rules. During the reporting year, no project management fee was paid or payable under the Management Agreement.

The Directors, including the independent non-executive Directors, have reviewed and confirmed that the continuing connected transaction of the Company was entered into (i) in the ordinary and usual course of business of the Company; (ii) either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and (iii) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders as a whole.

### 持續關連交易及關聯人士交易

參考本公司日期為二零一零年十一月二十九日之公佈及日期為二零一零年十二月二十日之通函，於二零一零年十一月二十九日，本公司之全資附屬公司榮邦與日豐（其60%已發行股本由本公司前聯席主席兼執行董事張曦先生（彼已於二零一二年五月二十一日辭任）之胞妹所持有）訂立一份管理協議。根據管理協議，日豐將向榮邦提供與發展該地塊有關之管理及諮詢服務。榮邦將分三期向日豐支付全包管理費50,000,000港元。批准管理協議及向日豐支付之管理費年度上限之決議案已在本公司於二零一一年一月六日舉行之股東特別大會上獲得通過。根據管理協議之條款及條件，首期23,000,000港元已於二零一一年一月七日支付。根據上市規則第14A章，管理協議構成本公司的一項持續關連交易，本公司已根據上市規則第14A章的規定對管理協議作出披露。於本報告年度，並無根據管理協議支付或應付任何項目管理費。

董事（包括獨立非執行董事）已審閱並確認，本公司持續關連交易乃(i)於本公司正常業務活動中；(ii)按一般商業條款；或，倘無足夠的可資比較交易供判斷是否按一般商業條款訂立，則按就本集團而言不遜於向獨立第三方所提供或獨立第三方所提供的條款（如適用）；及(iii)根據規管關連交易之有關協議進行，其條款屬公平合理且符合股東的整體利益。

## Directors' Report

### 董事會報告書

The Company's auditor was engaged to report on the Group's continuing connected transaction in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing the findings and conclusions in respect of the continuing connected transaction as disclosed above in accordance with Rule 14A.38 of the Listing Rules.

A copy of the auditor's letter has been provided by the Company to the Stock Exchange and the auditor has reported their conclusion that the disclosed continuing connected transaction:

- (i) has been approved by the Board;
- (ii) is in accordance with the pricing policies of the Group (if the transactions involve provision of goods or services by the Group);
- (iii) has been entered into, in all material respects, in accordance with the relevant agreement governing the transaction; and
- (iv) has not exceeded the annual caps as previously disclosed.

本公司的核數師獲聘根據香港會計師公會頒佈的第3000號保證服務的香港審計準則《歷史財務資料審計和審閱之外的審驗應聘》，以及參考實務說明第740號《關於香港上市規則所述持續關連交易的核數師函件》對本集團的持續關連交易發出報告。核數師按照上市規則第14A章第38段的規定對上文所披露的持續關連交易的核證結果及結論，發出了無保留意見的函件。

本公司已向聯交所提供一份核數師函件，而核數師已報告其結論，稱已披露的持續關連交易：

- (i) 已獲得董事會批准；
- (ii) 倘交易涉及本集團提供貨品或服務，則根據本集團的定價政策進行；
- (iii) 在所有重大方面均根據規管有關交易的有關協議訂立；及
- (iv) 並未超過之前披露的年度上限。

# Directors' Report

## 董事會報告書

### SUBSTANTIAL SHAREHOLDERS

As at 31 December 2012, the interests or short positions of persons other than a director or chief executive of the Company in the shares and underlying shares of the Company as recorded in the register maintained under Section 336 of the SFO were as follows:

#### Long positions in the shares and underlying shares

Ordinary shares of US\$0.001 each of the Company

### 主要股東

於二零一二年十二月三十一日，根據證券及期貨條例第336條存置之登記冊所示，下列人士（本公司董事或主要行政人員除外）於本公司股份或相關股份擁有下列權益或淡倉：

#### 於股份及相關股份之好倉

本公司每股面值0.001美元之普通股

Name of shareholder	Capacity	Number of ordinary shares held	Approximate percentage of the issued share capital of the Company
股東名稱	身份	所持普通股數目	佔本公司已發行股本概約百分比
			(Note 1)
			(附註1)
Ng Leung Ho 吳良好	Beneficial owner 實益擁有人	150,000,000	7.87%
So Chi Ming 蘇智明	Beneficial owner 實益擁有人	250,000,000	13.12%

#### Notes:

(1) The percentages were calculated based on the Company's issued share capital of 1,906,073,250 shares as at 31 December 2012.

#### 附註：

(1) 百分比是基於本公司於二零一二年十二月三十一日已發行股本1,906,073,250股而計算。

Save as disclosed above, the Company has not been notified of any other relevant interests or short positions in the share capital of the Company as at 31 December 2012.

除上文所披露者外，於二零一二年十二月三十一日，據本公司所知，並無任何人士在本公司股本中擁有任何其他相關權益或淡倉。

# Directors' Report

## 董事會報告書

### APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all the independent non-executive Directors are independent.

### EMOLUMENT POLICY

The remuneration policy of the employees of the Group is formulated on the basis of their merit, qualifications and competence.

The emoluments of the Directors are decided, having regard to their duties, responsibilities and contribution to the Company, the prevailing market conditions, time commitment and the desirability of performance-based remuneration.

The Company and its subsidiaries have adopted share option schemes as an incentive to directors and eligible employees, details of the schemes are set out in note 28 to the consolidated financial statements.

### MAJOR CUSTOMERS AND SUPPLIERS

During the reporting year and the year 2011, purchases from the Group's five largest suppliers accounted for less than 30% of the Group's total purchases in the reporting year and year 2011.

Owing to the nature of its revenue received in the reporting year, the Group has no customers, whereas the aggregate amount of turnover attributable to the Group's five largest customers represented 34.70% of the Group's total turnover (included in discontinued operations) in 2011.

At no time during the year did a director, an associate of a director or a shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) has an interest in any of the Group's five largest suppliers or customers.

### 委任獨立非執行董事

本公司已接獲各獨立非執行董事根據上市規則第3章第13段發出之年度獨立確認函。本公司認為全體獨立非執行董事均屬獨立人士。

### 薪酬政策

本集團僱員之薪酬政策基於僱員之功績、資歷及能力制訂。

董事之薪酬乃經考慮彼等於本公司之職責、責任及為本公司所作貢獻、現行市況、所付出的時間以及是否應該按表現釐定薪酬後決定。

本公司及其附屬公司已採納購股權計劃以獎勵董事及合資格僱員，有關計劃之詳情載於綜合財務報表附註28。

### 主要客戶及供應商

於本報告年度及二零一一年度，本集團向其五大供應商作出的採購額不足本集團於本報告年度及二零一一年度總採購額的30%。

鑑於本報告年度所收取的收入之性質，本集團概無客戶，於二零一一年，本集團五大客戶貢獻的總營業額卻佔本集團總營業額的34.70%（包括於已終止經營業務項下）。

年內概無董事、董事的聯繫人士或本公司股東（據董事所知持有本公司超過5%的股份）於本集團任何五大供應商或客戶擁有權益。

# Directors' Report

## 董事會報告書

### EVENT AFTER THE REPORTING PERIOD

Details of significant events occurring after the reporting period are set out in note 35 to the consolidated financial statements.

### PRE-EMPTIVE RIGHTS

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

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules during the year and up to the date of this report.

### 報告期後事項

有關報告期後發生之重大事項詳情載於綜合財務報表附註35。

### 優先購買權

本公司之章程細則或百慕達之適用法例均無規定本公司須按比例優先向現有股東發行新股份。

### 購買、出售或贖回上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司之上市證券。

### 足夠公眾持股量

根據本公司可獲得之公開資料及據董事所知，於年內及直至本報告日期，本公司依照上市規則維持規定的公眾持股量。

## Directors' Report

### 董事會報告書

#### AUDITOR

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

On behalf of the Board

#### 核數師

本公司將於應屆股東週年大會上提呈一項決議案以續聘德勤•關黃陳方會計師行為本公司核數師。

代表董事會

**Ip Cheng Kuong**

*Chairman*

Hong Kong, 27 March 2013

**葉正光先生**

*主席*

香港，二零一三年三月二十七日

# Independent Auditor's Report

## 獨立核數師報告書

# Deloitte.

## 德勤

TO THE SHAREHOLDERS OF  
**CHINA NEW ENERGY POWER GROUP LIMITED**  
中國新能源動力集團有限公司  
(*incorporated in Bermuda with limited liability*)

We have audited the consolidated financial statements of China New Energy Power Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 66 to 175, which comprise the consolidated statement of financial position as at 31 December 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

致：中國新能源動力集團有限公司全體股東  
(於百慕達註冊成立之有限公司)

本行已完成審核刊載於第66頁至第175頁有關中國新能源動力集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表。該綜合財務報表由於二零一二年十二月三十一日之綜合財務狀況表，及截至該日止年度之綜合全面收益表、綜合股本變動報表及綜合現金流量表、主要會計政策概要以及其他註釋附註組成。

### **董事就綜合財務報表須承擔的責任**

貴公司董事須負責根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則及香港公司條例之披露規定編製真實兼公平之綜合財務報表，以及對董事釐定就編製並無重大錯誤陳述(無論因欺詐或錯誤)之綜合財務報表而言屬必要的有關內部監控負責。



# Independent Auditor's Report

## 獨立核數師報告書

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### 核數師的責任

本行的責任是根據本行的審核對該等綜合財務報表作出意見。本行按照百慕達公司法第90條的規定，僅向全體股東作此報告，概無其他目的。本行概不就本報告書的內容對任何其他人士負責或承擔法律責任。本行已根據香港會計師公會頒佈的香港核數準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定該等綜合財務報表是否不存有任何重大錯誤陳述。

審核涉及執程序以獲取有關該等綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致該等綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與貴公司編製真實兼公平之綜合財務報表相關的內部控制，以設計適當的審核程序，但並非為對貴公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價該等綜合財務報表的整體呈列方式。

本行相信本行已獲得充分適當之審核證據以為達致審核意見提供基礎。

# Independent Auditor's Report

## 獨立核數師報告書

### OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 2012, and of its profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*

Hong Kong  
27 March 2013

### 意見

本行認為，該等綜合財務報表能按香港財務報告準則真實與公平地反映 貴集團於二零一二年十二月三十一日的財務狀況，以及截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露要求妥善編製。

**德勤•關黃陳方會計師行**  
*執業會計師*

香港  
二零一三年三月二十七日

# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
<b>Continuing operations</b>	<b>持續經營業務</b>			
Turnover	營業額	8	250	125
Other income	其他收入	9	1,070	823
Other gains and losses	其他收益及虧損	10	80,763	199,527
Administrative expenses	行政費用		(34,868)	(38,141)
Other expenses	其他開支	14	–	(23,000)
Finance costs	融資成本	11	(18,973)	(39,849)
Profit before taxation	除稅前溢利		28,242	99,485
Taxation	稅項	12	–	–
Profit for the year from continuing operations	持續經營業務之本年度溢利		28,242	99,485
<b>Discontinued operation</b>	<b>已終止經營業務</b>			
Loss for the year from discontinued operation	已終止經營業務之本年度虧損	13	–	(68,829)
Profit for the year	本年度溢利	14	28,242	30,656
<b>Other comprehensive income</b>	<b>其他全面收益</b>			
Exchange differences arising on translation to presentation currency	於折算為呈列貨幣時產生之匯兌差額		(368)	2,613
Total comprehensive income for the year	本年度全面收益總額		27,874	33,269
Profit (loss) for the year attributable to:	本年度溢利(虧損)應佔部分:			
Owners of the Company	本公司股東			
– from continuing operations	– 來自持續經營業務		32,659	102,611
– from discontinued operation	– 來自已終止經營業務		–	(41,725)
			32,659	60,886

# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
Non-controlling interests	非控股權益			
– from continuing operations	– 來自持續經營業務		<b>(4,417)</b>	(3,126)
– from discontinued operation	– 來自已終止經營業務		–	(27,104)
			<b>(4,417)</b>	(30,230)
Profit for the year	本年度溢利		<b>28,242</b>	30,656
Total comprehensive income (expense) attributable to:	全面收益(開支)總額 應佔部分:			
Owners of the Company	本公司股東		<b>32,298</b>	61,543
Non-controlling interests	非控股權益		<b>(4,424)</b>	(28,274)
			<b>27,874</b>	33,269
EARNINGS (LOSS) PER SHARE	每股盈利(虧損)	15		
From continuing and discontinued operations	來自持續及 已終止經營業務			
– Basic	– 基本		<b>HK1.91</b> cents 港仙	HK5.33 cents 港仙
– Diluted	– 攤薄		<b>HK(1.29)</b> cents 港仙	HK(6.36) cents 港仙
From continuing operations	來自持續經營業務			
– Basic	– 基本		<b>HK1.91</b> cents 港仙	HK8.99 cents 港仙
– Diluted	– 攤薄		<b>HK(1.29)</b> cents 港仙	HK(4.40) cents 港仙

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2012

於二零一二年十二月三十一日

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	3,317	4,118
Prepaid lease payments	預付租約款項	17	5,113	5,230
			<b>8,430</b>	9,348
Current assets	流動資產			
Properties under development	發展中物業	18	610,669	576,810
Held-for-trading investments	持作買賣投資	19	25,185	43,178
Other receivables	其他應收款項	20	14,010	25,297
Deposits and prepayments	按金及預付款項		6,789	7,796
Bank balances and cash	銀行結餘及現金	21	33,265	30,226
			<b>689,918</b>	683,307
Current liabilities	流動負債			
Trade and other payables	應付貨款及其他應付款項	22	42,836	52,144
Amounts due to directors of subsidiaries	應付附屬公司董事款項	23	–	4,388
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項	23	26,156	32,057
Obligation under a finance lease	融資租約承擔	24	–	77
Convertible notes	可換股票據	25	–	595,797
Other borrowings – amount due within one year	其他借貸 – 一年內到期金額	26	17,191	1,523
			<b>86,183</b>	685,986
Net current assets (liabilities)	流動資產(負債)淨值		<b>603,735</b>	(2,679)
Total assets less current liabilities	總資產減流動負債		<b>612,165</b>	6,669

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2012

於二零一二年十二月三十一日

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Non-current liability	非流動負債			
Convertible notes	可換股票據	25	134,694	–
			<b>477,471</b>	6,669
Capital and reserves	資本及儲備			
Share capital	股本	27	14,895	35,465
Reserves	儲備		243,975	(244,149)
Equity (capital deficiency) attributable to owners of the Company	本公司股東應佔權益 (資本虧絀)		258,870	(208,684)
Non-controlling interests	非控股權益		218,601	215,353
			<b>477,471</b>	6,669

The consolidated financial statements on pages 66 to 175 were approved and authorised for issue by the Board of Directors on 27 March 2013 and are signed on its behalf by:

載於第66頁至第175頁之綜合財務報表已於二零一三年三月二十七日獲董事會通過及授權刊發，並由下列董事代表簽署：

**YEUNG KWOK YU**

楊國瑜

Director

董事

**CATHERINE CHEN**

陳碧芬

Managing Director

董事總經理

# Consolidated Statement of Changes in Equity

## 綜合股本變動報表

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

		Attributable to owners of the Company 本公司股東應佔										Non-controlling interests	Total
		Share capital	Share premium	Capital reserve	General reserve	Exchange translation reserve	Share option reserve	Capital redemption reserve	Accumulated (losses) profits	Sub-total			
		股本	股份溢價	資本儲備	一般儲備	匯兌儲備	購股權儲備	資本贖回儲備	累計(虧損)溢利	小計	非控股權益	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元 (附註a)	千港元 (附註b)	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
At 1 January 2011	於二零一一年一月一日	354,722	1,189,053	4,289	11,705	24,838	3,306	34	(1,858,174)	(270,227)	221,796	(48,431)	
Exchange differences arising on translation of functional currency to presentation currency	於折算功能貨幣為呈列貨幣時產生之匯兌差額	-	-	-	-	657	-	-	-	657	1,956	2,613	
Profit (loss) for the year	本年度溢利(虧損)	-	-	-	-	-	-	-	60,886	60,886	(30,230)	30,656	
Total comprehensive income (expense) for the year	本年度全面收入(開支)總額	-	-	-	-	657	-	-	60,886	61,543	(28,274)	33,269	
Reduction of share capital upon capital reorganisation	於資本重組後削減股本	(319,257)	(1,189,053)	-	-	-	-	-	1,508,310	-	-	-	
Lapse of share options	購股權失效	-	-	-	-	-	(3,306)	-	3,306	-	-	-	
Reserves released upon disposal of subsidiaries	於出售附屬公司時撥回儲備	-	-	-	(11,480)	(23,384)	-	-	34,864	-	-	-	
Disposal of subsidiaries (note 13)	出售附屬公司(附註13)	-	-	-	-	-	-	-	-	-	21,831	21,831	
At 31 December 2011	於二零一一年十二月三十一日	35,465	-	4,289	225	2,111	-	34	(250,808)	(208,684)	215,353	6,669	
Exchange differences arising on translation of functional currency to presentation currency	於折算功能貨幣為呈列貨幣時產生之匯兌差額	-	-	-	-	(361)	-	-	-	(361)	(7)	(368)	
Profit (loss) for the year	本年度溢利(虧損)	-	-	-	-	-	-	-	32,659	32,659	(4,417)	28,242	
Total comprehensive income (expense) for the year	本年度全面收入(開支)總額	-	-	-	-	(361)	-	-	32,659	32,298	(4,424)	27,874	
Capital injection from a non-controlling shareholder	來自非控股股東之注資	-	-	-	-	-	-	-	-	-	6,911	6,911	
Elimination on disposal of subsidiaries (note 13)	於出售附屬公司時對銷(附註13)	-	-	-	-	-	-	-	-	-	761	761	
Issue of shares upon conversion of convertible notes	於轉換可轉換股票據時發行股份	23,758	411,498	-	-	-	-	-	-	435,256	-	435,256	
Reduction of share capital upon capital reorganisation	於資本重組後削減股本	(44,328)	(411,498)	-	-	-	-	-	455,826	-	-	-	
At 31 December 2012	於二零一二年十二月三十一日	14,895	-	4,289	225	1,750	-	34	237,677	258,870	218,601	477,471	

### Notes:

- (a) Capital reserve represents the reserve arising from the group restructuring which took place in 1996.
- (b) General reserve comprises Enterprise Expansion Fund and General Reserve Fund set aside by certain subsidiaries in the People's Republic of China in accordance with the memorandum and articles of association of those subsidiaries.

### 附註:

- (a) 資本儲備為於一九九六年進行之集團重組所產生儲備。
- (b) 一般儲備包括中華人民共和國若干附屬公司根據此等附屬公司之組織章程大綱和細則撥備之企業發展基金和一般儲備基金。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
	Note 附註		
<b>OPERATING ACTIVITIES</b>			
<b>經營業務</b>			
Profit before taxation from continuing and discontinued operations	持續經營及已終止經營業務除稅前溢利	<b>28,242</b>	30,656
Adjustments for:	經調整：		
Allowance for bad debt and doubtful debts	呆壞賬撥備	-	21,412
Allowance for inventories	存貨撥備	-	41,462
Release of prepaid lease payments	預付租約款項撥回	<b>117</b>	117
Deposits and prepayments written off	按金及預付款項撇銷	-	2,789
Depreciation of property, plant and equipment	物業、機器及設備折舊	<b>1,025</b>	1,040
Finance costs	融資成本	<b>18,973</b>	42,770
Gain on disposal of subsidiaries	出售附屬公司之收益	<b>(24,215)</b>	(21,477)
Loss on early redemption of convertible notes	提早贖回可換股票據之虧損	<b>3,162</b>	-
Interest income	利息收入	<b>(1,012)</b>	(1,718)
Net gain on derivative financial instruments	衍生金融工具之收益淨額	<b>(77,703)</b>	(235,964)
Net loss on held-for-trading investments	持作買賣投資之虧損淨額	<b>17,993</b>	36,437
Operating cash flows before movements in working capital	營運資金變動前經營現金流量	<b>(33,418)</b>	(82,476)
Increase in property under development	發展中物業增加	<b>(33,859)</b>	(50,705)
Increase in inventories	存貨增加	-	(15,297)
(Increase) decrease in other receivables	其他應收款項(增加)減少	<b>(1,094)</b>	1,110
Decrease in deposits and prepayments	按金及預付款項減少	<b>1,007</b>	11,861
Net decrease in held-for-trading investments	持作買賣投資減少淨額	-	15,387
Increase (decrease) in trade and other payables	應付貨款及其他應付款項增加(減少)	<b>8,975</b>	(9,480)
Decrease in amounts due to directors subsidiaries	應付附屬公司董事款項減少	<b>(4,388)</b>	-
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>經營業務所用現金淨額</b>	<b>(62,777)</b>	(129,600)
<b>INVESTING ACTIVITIES</b>			
<b>投資業務</b>			
Deferred consideration from disposal of food processing and distribution operation	出售食品加工及分銷業務之遞延代價	<b>11,646</b>	18,000
Interest received	已收利息	<b>1,012</b>	1,718
Purchase of property, plant and equipment	購買物業、廠房及設備	<b>(223)</b>	(1,305)
Disposal of subsidiaries	出售附屬公司	-	(23,038)
<b>NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>	<b>投資活動產生(所用)現金淨額</b>	<b>12,435</b>	(4,625)



# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Proceed from issue of convertible notes	發行可換股票據之所得款項	120,000	-
Raised of other borrowings	籌集其他借款	17,191	-
Capital contribution from a non-controlling shareholder	來自非控股股東之注資	6,911	-
Advances from non-controlling shareholders of subsidiaries	來自附屬公司非控股股東之墊款	1,681	22,090
Redemption of convertible notes	贖回可換股票據	(90,000)	-
Repayment of other borrowings	償還其他借貸	(1,523)	(2,000)
Interest paid	已付利息	(279)	(3,037)
Repayment of obligation under a finance lease	償還融資租賃債務	(77)	(77)
New bank loans raised	獲得之新銀行貸款	-	79,283
Repayments of bank loans	償還銀行貸款	-	(77,905)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>融資活動產生之現金淨額</b>	<b>53,904</b>	18,354
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值項目增加(減少)淨額</b>	<b>3,562</b>	(115,871)
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	<b>一月一日之現金及現金等值項目</b>	<b>30,226</b>	143,492
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>匯率變動之影響</b>	<b>(523)</b>	2,605
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented by bank balances and cash</b>	<b>十二月三十一日之現金及現金等值項目，以銀行結餘及現金表示</b>	<b>33,265</b>	30,226

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 1. GENERAL

The Company was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). As at 31 December 2012 and 31 December 2011, the Company did not have immediate and ultimate holding company. The address of the registered office and principal place of business of the Company are disclosed in the Corporate Information of the annual report.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$") while the functional currency of the Company is Renminbi ("RMB") and the functional currencies of the Company's principal subsidiaries are RMB and Hong Kong dollars. The directors consider the presentation currency in HK\$ is more useful for its current and potential investors.

The Company acts as an investment holding company. The principal activities of its subsidiaries as at 31 December 2012 are investment in securities and property development business. The Group was also engaged in manufacture of and trading in timber products business which was discontinued in the year 2011 as disclosed in note 13(b).

### 1. 一般事項

本公司乃於百慕達註冊成立之獲豁免有限責任公司，股份於香港聯合交易所有限公司（「聯交所」）上市。於二零一二年十二月三十一日及二零一一年十二月三十一日，本公司並無直接及最終控股公司。本公司之註冊辦事處兼主要營業地點載於本年報公司資料部分。

綜合財務報表以港元列值，而本公司之功能貨幣為人民幣，本公司主要附屬公司之功能貨幣則為人民幣及港元。董事認為，以港元作為呈列貨幣對其當前及潛在投資者更為實用。

本公司是一家投資控股公司。於二零一二年十二月三十一日，旗下附屬公司之主要業務為證券投資及物業發展業務。本集團亦曾從事製造及買賣木材產品業務（已於二零一一年終止經營），有關資料於附註13(b)披露。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

In preparing the consolidated financial statements, the directors of the Company have given consideration to the future liquidity of the Group, despite the fact that the Group has a profit of HK\$28,242,000 in the current year and as of 31 December 2012, the Group has net current assets of HK\$603,735,000, however, as at 31 December 2012, the Group has current liabilities of approximately HK\$86,183,000 to be settled within the next twelve months from the end of the reporting period, which exceed its cash and cash equivalent of HK\$33,265,000. The directors of the Company are confident that the Group's liquidity can be improved as (i) the Group can obtain new banking facilities through the pledge of its equity interest in the property development project and the land use rights in the People's Republic of China (the "PRC"); (ii) the Group can dispose of its held-for-trading investments of approximately HK\$25,185,000 to finance its short term obligations; and (iii) the directors of the Company expect that the first phase of the property development project will be available for pre-sale in the second half of 2013 which can improve the operating cash flows of the Group significantly.

Taking into account the abovementioned measures, the directors of the Company believe that the Group is able to satisfy its financial obligations in the foreseeable future and accordingly, the consolidated financial statements have been prepared on a going concern basis.

### 2. 編製綜合財務報表之基準

在編製綜合財務報表時，儘管本集團於本年度錄得溢利28,242,000港元，而截至二零一二年十二月三十一日，本集團錄得流動資產淨值603,735,000港元，然而，於二零一二年十二月三十一日，本集團錄得流動負債約86,183,000港元，將於本報告期結束後未來十二個月內償付，金額超逾33,265,000港元之現金及現金等值項目，故本公司董事已考慮到本集團之未來流動資金。本公司董事深信本集團之流動資金可得到改善，原因是(i)本集團可透過抵押其於物業發展項目之股權及於中華人民共和國（「中國」）之土地使用權取得新銀行融資；(ii)本集團可出售其持作買賣投資約25,185,000港元償付其短期債務；及(iii)本公司董事預期，該物業發展項目第一期將於二零一三年下半年可供預售，此舉可大幅改善本集團的經營現金流量。

經計及上述措施，本公司董事認為本集團於可預見未來能償付其財務負債，故綜合財務報表已按持續經營基準編製。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

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

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Amendments to HKAS 12	Deferred tax: Recovery of underlying assets
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Amendments to HKFRS 7	Financial instruments: Disclosures – Transfers of financial assets
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The application of the amendments to HKFRSs in the current year has had no material effect on the amounts reported in these consolidated financial statements and disclosures set out in these consolidated financial statements.

### 3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已應用由香港會計師公會（「香港會計師公會」）頒佈之下列香港財務報告準則的修訂本。

香港會計準則第12號之修訂本	遞延稅項：收回相關資產
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香港財務報告準則第7號之修訂本	金融工具：披露 – 轉讓金融資產
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於本年度應用香港財務報告準則之修訂本對該等綜合財務報表所呈報之金額及該等綜合財務報表所載列之披露事項並無重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

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

The Group has not early applied the following new and revised Hong Kong Accounting Standards (“HKASs”) and HKFRSs, amendments and interpretation (“INTs”) (hereinafter collectively referred to as the “new and revised HKFRSs”) that have been issued but are not yet effective:

Amendments to HKFRSs	Annual improvements to HKFRSs 2009-2011 cycle <sup>1</sup>
Amendments to HKFRS 7	Disclosures – Offsetting financial assets and financial liabilities <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures <sup>3</sup>
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance <sup>1</sup>
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities <sup>2</sup>
HKFRS 9	Financial instruments <sup>3</sup>

### 3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂香港會計準則（「香港會計準則」）及香港財務報告準則、修訂及詮釋（「詮釋」）（下文統稱「新訂及經修訂香港財務報告準則」）。

香港財務報告準則之修訂本	香港財務報告準則二零零九年至二零一一年週期的年度改進 <sup>1</sup>
香港財務報告準則第7號之修訂本	披露 – 金融資產與金融負債相互抵銷 <sup>1</sup>
香港財務報告準則第9號及香港財務報告準則第7號之修訂本	香港財務報告準則第9號之強制生效日期及過渡披露 <sup>3</sup>
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號之修訂本	綜合財務報表、聯合安排及於其他實體之權益披露：過渡指引 <sup>1</sup>
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號之修訂本	投資實體 <sup>2</sup>
香港財務報告準則第9號	金融工具 <sup>3</sup>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

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

HKFRS 10	Consolidated financial statements <sup>1</sup>
HKFRS 11	Joint arrangements <sup>1</sup>
HKFRS 12	Disclosure of interests in other entities <sup>1</sup>
HKFRS 13	Fair value measurement <sup>1</sup>
HKAS 19 (Revised 2011)	Employee benefits <sup>1</sup>
HKAS 27 (Revised 2011)	Separate financial statements <sup>1</sup>
HKAS 28 (Revised 2011)	Investments in associates and joint ventures <sup>1</sup>
Amendments to HKAS 1	Presentation of items of other comprehensive income <sup>4</sup>
Amendments to HKAS 32	Offsetting financial assets and financial liabilities <sup>2</sup>
HK(IFRIC) – INT 20	Stripping costs in the production phase of a surface mine <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2013.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2014.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2015.

<sup>4</sup> Effective for annual periods beginning on or after 1 July 2012.

### 3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第10號	綜合財務報表 <sup>1</sup>
香港財務報告準則第11號	聯合安排 <sup>1</sup>
香港財務報告準則第12號	於其他實體之權益披露 <sup>1</sup>
香港財務報告準則第13號	公平值計量 <sup>1</sup>
香港會計準則第19號（於二零一一年修訂）	僱員福利 <sup>1</sup>
香港會計準則第27號（於二零一一年修訂）	獨立財務報表 <sup>1</sup>
香港會計準則第28號（於二零一一年修訂）	於聯營公司及合營公司之投資 <sup>1</sup>
香港會計準則第1號之修訂本	其他全面收益項目之呈列 <sup>4</sup>
香港會計準則第32號之修訂本	金融資產與金融負債相互抵銷 <sup>2</sup>
香港（國際財務報告詮釋委員會）— 詮釋第20號	露天礦場生產期的剝除成本 <sup>1</sup>

<sup>1</sup> 於二零一三年一月一日或以後開始之年度期間生效。

<sup>2</sup> 於二零一四年一月一日或以後開始之年度期間生效。

<sup>3</sup> 於二零一五年一月一日或以後開始之年度期間生效。

<sup>4</sup> 於二零一二年七月一日或以後開始之年度期間生效。

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## 綜合財務報表附註

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

#### Amendments to HKAS 1 Presentation of items of other comprehensive income

The amendments to HKAS 1 “Presentation of items of other comprehensive income” introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a ‘statement of comprehensive income’ is renamed as a ‘statement of profit or loss and other comprehensive income’ and an ‘income statement’ is renamed as a ‘statement of profit or loss’. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments will be adopted in the Group’s consolidated financial statements for the annual period beginning 1 January 2013 but the directors of the Company do not anticipate that the amendments will have a material effect on the Group’s consolidated financial statements.

### 3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港會計準則第1號「其他全面收益項目之呈列」之修訂

香港會計準則第1號「其他全面收益項目之呈列」之修訂引入全面收益表及收益表之新術語。根據香港會計準則第1號之修訂，「全面收益表」乃改名為「損益及其他全面收益表」，而「收益表」則改名為「損益表」。香港會計準則第1號之修訂保留以單一報表或兩個分開但連續之報表之方式以呈列損益及其他全面收益之選擇權。然而，香港會計準則第1號之修訂要求將其他全面收益項目分為兩類：(a)不會於其後重新分類至損益之項目；及(b)於符合特定條件時可能於其後重新分類至損益之項目。其他全面收益項目之所得稅須根據相同基準分配。此等修訂並無更改以除稅前或扣除稅項後之方式呈列其他全面收益項目之選擇。

此等修訂將於本集團自二零一三年一月一日開始的年度期間的綜合財務報表中採納，但本公司董事預期此等修訂將不會對本集團的綜合財務報表造成重大影響。

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## 綜合財務報表附註

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

#### HKFRS 9 Financial instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 “Financial instruments: Recognition and measurement” to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

### 3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港財務報告準則第9號「金融工具」

香港財務報告準則第9號（於二零零九年頒佈）引進有關金融資產分類和計量之新要求。香港財務報告準則第9號（於二零一零年修訂）加入有關金融負債分類和計量及取消確認之規定。

香港財務報告準則第9號之主要規定如下：

- 屬香港會計準則第39號「金融工具：確認和計量」範圍內的所有已確認金融資產其後按攤銷成本或公平值計量。特別是，目標為收取合約現金流量的業務模式中所持有及合約現金流量均為本金及尚未償還本金的利息付款的債務投資，一般按後續會計期末的攤銷成本計量。所有其他債務投資及權益性投資均按後續報告期末的公平值計量。此外，根據香港財務報告準則第9號，實體可能不可撤回地選擇在其他全面收益中呈列股權投資（並非持作買賣用途）之其後公平值變動，且一般只在損益中確認股息收入。



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## 綜合財務報表附註

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

#### HKFRS 9 Financial instruments (Continued)

- With regard to the measurement of financial liabilities (designated as at fair value through profit or loss), HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to change in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual period beginning on or after 1 January 2015, with earlier application permitted. The directors of the Company anticipate that HKFRS 9 will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2015. Except for the held-for-trading investments and derivative components of the convertible notes, the directors of the Company anticipate that the application of HKFRS 9 will not affect the classification and measurement of the Group's other financial assets and liabilities as at 31 December 2012. Regarding the Group's derivative components of the convertible notes, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

### 3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港財務報告準則第9號「金融工具」（續）

- 就金融負債（指定為按公平值計入損益）的計量而言，香港財務報告準則第9號要求，因金融負債信貸風險有變而導致其公平值變動的款額乃於其他全面收益呈列，除非於其他全面收益呈報該負債信貸風險變動的影響會產生或增加損益的會計錯配，則作別論。因金融負債之信貸風險有變而導致其公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公平值計入損益的金融負債的全部公平值變動款額均於損益中呈列。

香港財務報告準則第9號於自二零一五年一月一日或以後開始的年度期間生效，並可提早應用。本公司董事預期，香港財務報告準則第9號將於本集團自二零一五年一月一日開始的年度期間的綜合財務報表中採納。本公司董事預期，除持作買賣投資及可換股票據的衍生部分外，應用香港財務報告準則第9號將不會影響本集團於二零一二年十二月三十一日的其他金融資產及負債的分類及計量。就本集團的可換股票據的衍生部分而言，在完成詳細審閱前提供對相關影響的合理估計並不可行。

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## 綜合財務報表附註

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

#### **New and revised standards on consolidation, joint arrangements, associates and disclosures**

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 “Consolidated and Separate Financial Statements” that deal with consolidated financial statements. HK (SIC) – INT 12 “Consolidation – Special purpose entities” will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor’s returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

### 3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### **有關綜合賬目、聯合安排、聯營公司及披露之新訂及經修訂準則**

於二零一一年六月，有關綜合賬目、聯合安排、聯營公司及披露的一套準則共五項獲頒佈，包括香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號、香港會計準則第27號（於二零一一年修訂）及香港會計準則第28號（於二零一一年修訂）。

該五項準則的主要規定詳述如下。

香港財務報告準則第10號取代香港會計準則第27號「綜合及獨立財務報表」處理綜合財務報表之部份。香港（常務詮釋委員會）詮釋第12號「綜合－特殊目的實體」將於香港財務報告準則第10號之生效日期撤銷。根據香港財務報告準則第10號，僅有一個綜合基準，即控制權。此外，香港財務報告準則第10號載有控制權的新定義，包含三部分：(a)對投資對象的權力、(b)自投資對象投資錄得可變回報的風險或權利及(c)對投資對象行使權力以影響投資者回報金額的能力。香港財務報告準則第10號新增處理複雜情況方面的全面指引。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

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

#### **New and revised standards on consolidation, joint arrangements, associates and disclosures** (Continued)

HKFRS 11 replaces HKAS 31 “Interests in joint ventures”. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK(SIC) – INT 13 “Jointly controlled entities – Non-monetary contributions by venturers” will be withdrawn upon the effective date of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate consolidation.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

### 3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 有關綜合賬目、聯合安排、聯營公司及披露之新訂及經修訂準則（續）

香港財務報告準則第11號取代香港會計準則第31號「於合營公司的權益」。香港財務報告準則第11號就兩方或兩方以上擁有共同控制權的合營安排應如何分類作出規定。香港（常務詮釋委員會）詮釋第13號「共同控制實體－合營公司之非貨幣性投入」將於香港財務報告準則第11號之生效日期撤銷。根據香港財務報告準則第11號，聯合安排歸類為合營業務或合營公司，具體視乎各方於該等安排下之權利及責任而釐定。與之相對，根據香港會計準則第31號，聯合安排分為三種類型：共同控制實體、共同控制資產及共同控制經營。此外，根據香港財務報告準則第11號，合營公司須採用權益會計法入賬，但根據香港會計準則第31號，共同控制個體可採用權益會計法或比例合併法入賬。

香港財務報告準則第12號為一項披露準則，適用於在附屬公司、聯合安排、聯營公司及／或未綜合結構實體擁有權益之實體。整體而言，香港財務報告準則第12號所載之披露規定較現行準則所規定者更為全面。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

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

#### **New and revised standards on consolidation, joint arrangements, associates and disclosures** (Continued)

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

These five standards, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1 January 2013 with earlier application permitted provided that all of these standards are applied at the same time. The directors of the Company have assessed the control in respect of its subsidiaries under the new definition in the new and revised HKFRSs. The directors of the Company anticipate that the application of these five standards is unlikely to have significant impact on amounts in connection with subsidiaries of the Company currently reported in the consolidated financial statements.

### 3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 有關綜合賬目、聯合安排、聯營公司及披露之新訂及經修訂準則（續）

於二零一二年七月，香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號之修訂獲頒佈，以澄清首次應用該五項香港財務報告準則之若干過渡指引。

該五項準則連同過渡指引之相關修訂於二零一三年一月一日或以後開始之年度期間生效，並允許提早應用，惟所有該等準則須同時獲應用。本公司董事已根據新訂及經修訂香港財務報告準則內的新定義評估有關其附屬公司之控制權。本公司董事預期，應用該五項準則不大可能對當前在綜合財務報表內呈報的有關本公司附屬公司的金額產生重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

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

#### HKFRS 13 Fair value measurement

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 “Financial instruments: Disclosures” will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for the Group for annual period beginning on 1 January 2013, with earlier application permitted. The directors of the Company anticipate that HKFRS 13 will be adopted in the Group’s consolidated financial statements for the annual period beginning 1 January 2013 and that the application of HKFRS 13 will not have a material effect on the amounts reported in the consolidated financial statements but may result in more extensive disclosures in the consolidated financial statements.

The directors of the Company anticipate that the application of the other new and revised HKFRSs will have no material impact on the consolidated financial statements.

### 3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港財務報告準則第13號「公平值計量」

香港財務報告準則第13號確立對公平值計量及披露公平值計量之單一指引。此項準則界定公平值，確立計量公平值之框架，以及要求對公平值計量作出披露。香港財務報告準則第13號之範圍廣泛；除指定情況外，其適用於其他香港財務報告準則規定或准許公平值計量及披露公平值計量之金融工具項目及非金融工具項目。一般而言，香港財務報告準則第13號之披露規定較現行準則更為廣泛。例如，根據目前僅規限香港財務報告準則第7號「金融工具：披露」項下之金融工具之三個級別之公平值架構作出之量化及定性披露，將藉香港財務報告準則第13號伸延至涵蓋其範圍內之所有資產及負債。

香港財務報告準則第13號於本集團自二零一三年一月一日開始的年度期間生效，並可提早應用。本公司董事預期，香港財務報告準則第13號將於二零一三年一月一日開始之年度期間之綜合財務報表採納，而應用香港財務報告準則第13號將不會對綜合財務報表所呈報之金額產生重大影響，但可能導致綜合財務報表作出更廣泛披露。

本公司董事預期，應用其他新訂及經修訂香港財務報告準則將不會對綜合財務報表產生重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared under the historical cost basis except for certain derivative financial instruments, which are measured at fair values as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

#### Basis of consolidation

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

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective dates of acquisition and up to the effective date of disposal, as appropriate.

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

### 4. 主要會計政策

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例規定之適當披露資料。

除了若干衍生金融工具按公平值計算外，綜合財務報表乃按照歷史成本法編製，所採用之會計政策載列如下。歷史成本一般按交換商品或服務所提供之代價之公平值計算。

#### 綜合基準

綜合財務報表包括本公司及受控於本公司之實體（其附屬公司）之財務報表。當本公司有權監控一間實體之財務及經營政策，以從其經營活動中獲益，本公司即擁有控制權。

年內收購或出售之附屬公司之收益及開支由其實際收購日期起及截至實際出售日期止（視何者適用）計入綜合全面收益表內。

如有需要，附屬公司財務報表會作出調整，使彼等之會計政策與本集團其他成員公司所用者一致。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of consolidation (Continued)

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

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amount receivable for goods sold in the normal course of business, net of discounts and sales related taxes.

Dividend income from held-for-trading investments is recognised when the shareholder's rights to receive payment have been established.

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 4. 主要會計政策 (續)

#### 綜合基準 (續)

集團內公司間所有交易、結餘、收入及開支於綜合賬目時對銷。

附屬公司之非控股權益與本集團於其中之權益分開呈列。

#### 收入確認

收入按已收或應收代價之公平值計算，其為於日常業務過程中出售產品之應收款項，並已扣除折扣及銷售相關稅項。

持作買賣投資之股息收入於確立股東收取付款之權利時確認。

金融資產之利息收入於經濟利益有可能流入本集團且收益金額能可靠計量時確認。利息收入按時間基準並參考未償還本金及適用的實際利率累計，實際利率為初次確認時根據資產的賬面淨額，準確貼現未來將於金融資產預計有效年期估計取得的現金數額時所用的比率。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Properties under development

Properties under development for sale in the ordinary course of business is included in current assets and are stated at the lower of cost and net realisable value. Net realisable value is determined as the estimated selling price for the properties less all estimated costs of completion and costs necessary to make the sales. Costs relating to the development of properties include land cost, construction cost and other direct development expenditure.

#### Property, plant and equipment

Property, plant and equipment including land and buildings held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment, over their estimated useful lives and after taking into account their estimated residual values, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

### 4. 主要會計政策 (續)

#### 發展中物業

於日常業務過程中的待售發展中物業計入流動資產，並按成本及可變現淨值之間之較低者列值。可變現淨值乃按物業之估計銷售價格減物業之全部估計竣工成本及完成銷售所必需之成本。與發展物業有關之成本包括土地成本、建築成本及其他直接發展開支。

#### 物業、廠房及設備

物業、廠房及設備（包括土地及持作用於貨品或服務之製造或供應或用作行政用途之樓宇）乃按成本值減其後之累計折舊及累計減值虧損（如有）列入綜合財務狀況表。

折舊乃於物業、廠房及設備項目之估計可使用年期，經計及其估計剩餘價值後，以直線法撇銷其成本確認。估計可使用年期、剩餘價值及折舊方法於各報告期結束時檢討，而任何估計變動之影響按預期基準入賬。

根據融資租賃持有之資產按與擁有資產所採納之相同基準於其預期可使用年期內折舊。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Property, plant and equipment (Continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

### 4. 主要會計政策 (續)

#### 物業、廠房及設備 (續)

物業、廠房及設備項目於出售時或預期日後將不會自持續使用資產獲得經濟利益時解除確認。出售或停止使用一項物業、廠房及設備所產生之損益乃按出售所得款項與資產賬面值之差額計算，並於損益表內確認。

#### 政府補助

政府補助於可合理確定本集團將遵守補助附帶之條件及收取補助時方予確認。

政府補助於本集團確認該等補助擬補償之有關成本為開支之期間內按有系統基準於損益確認。具體而言，其主要條件為本集團須購買、建設或以其他方式收購非流動資產之政府補助於綜合財務狀況表中被確認為遞延收入，並於相關資產可使用年期內按有系統及合理基準撥入損益。

作為開支或已產生虧損之補償之應收款項或為本集團提供即時財政支持（不涉及未來相關成本）之政府補助於成為應收款項之期間於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment losses on assets

At the end of the reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

### 4. 主要會計政策 (續)

#### 資產之減值虧損

於報告期結束時，本集團會審核其資產之賬面值，以釐定該等資產是否出現減值虧損之跡象。倘出現任何該等跡象，將估計該等資產之可收回金額，以釐定減值虧損（如有）。倘無法估計個別資產之可收回金額，本集團將估計該資產所屬之現金產生單位之可收回金額。倘可識別合理及一貫分配基準，企業資產亦會被分配到個別現金產生單位，或會被分配到可識別合理及一貫分配基準之最小現金產生單位中。

可收回金額是公平值減去銷售成本與使用價值兩者中之較高者。在評估使用價值時，估計未來現金流量乃以可反映當時市場對貨幣時間價值及資產特有風險（估計未來現金流量尚未就此作出調整）之除稅前貼現率貼現至現值。

倘資產（或現金產生單位）之估計可收回金額低於其賬面值，則有關資產（或現金產生單位）之賬面值將減低至其可收回金額。減值虧損即時於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment losses on assets (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value is determined as the estimated net selling price for inventories less all estimated costs of completion and costs to make the sales.

#### Leasing

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

##### *The Group as lessee*

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss.

### 4. 主要會計政策 (續)

#### 資產之減值虧損 (續)

倘減值虧損其後撥回，則有關資產之賬面值將增至重新估計之可收回金額，惟所增加賬面值不得超逾有關資產（或現金產生單位）於過往年度出現減值虧損前所釐定之賬面值，而減值虧損撥回之數額即時確認為收入。

#### 存貨

存貨按成本值及可變現淨值兩者中之較低者列賬。成本以加權平均法計算。可變現淨值按存貨之估計淨售價扣減所有估計完成成本及銷售所需成本而釐定。

#### 租賃

倘租賃條款將所有權絕大部分風險及回報轉讓予承租人，則有關租賃被分類為融資租賃。所有其他租賃被分類為經營租賃。

##### *本集團作為承租人*

根據融資租約持有之資產乃於租約開始時按其公平值或（如較低）最低租約付款之現值確認為本集團資產。出租人之相應負債作為融資租約承擔計入綜合財務狀況表。租約付款按比例於融資支出及租約承擔之間進行分配，以使餘下負債之息率固定。融資支出即時於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leasing (Continued)

##### *The Group as lessee (Continued)*

Operating lease payments are recognised as an expense on a straight line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight line basis.

##### *Leasehold land and building*

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

### 4. 主要會計政策 (續)

#### 租賃 (續)

##### *本集團作為承租人 (續)*

經營租賃付款在有關租賃期內以直線法確認為開支。就訂立經營租賃作為獎勵而已收及應收之利益亦於租賃期內以直線法確認為租金開支減少。

##### *租賃土地及樓宇*

當租賃包括土地及樓宇部分，本集團根據對附於各部分擁有權的絕大部分風險及回報是否已轉移本集團之評估，分別將各部分的分類評定為融資或經營租賃，惟該兩部分均明顯為經營租約除外，在此情況下，整份租賃歸類為經營租約。具體而言，最低租賃付款（包括任何一筆過預付款項）於租賃訂立時按租賃土地部分及樓宇部分中的租賃權益相對公平值比例於土地與樓宇部分間分配。

在租賃付款能可靠分配的情況下，被列為經營租約的租賃土地權益於綜合財務狀況表中呈列為「預付租賃付款」，並於租期內按直線基準攤銷。當租賃付款不能於土地與樓宇部分間可靠分配時，整份租賃一般歸類為融資租賃及於物業、廠房及設備入賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### Taxation

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

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

### 4. 主要會計政策 (續)

#### 借貸成本

購買、建造或生產合資格資產(即須一段長時間才可達至其擬定用途或出售之資產)之直接應計借貸成本計入為此等資產之部份成本,直至此等資產大體上可作其擬定用途或出售時停止。在等待將特定借貸款項用在合資格資產上之前,將特定借貸的款項作暫時性的投資賺取的投資收入,會用作扣減已資本化的借貸成本。

所有其他借貸成本於其產生期間在損益賬內確認。

#### 稅項

所得稅支出指即期稅項與遞延稅項之總和。

即期稅項按年內應課稅溢利計算。應課稅溢利不包括其他年度之應課稅或可扣減收支項目,亦不包括不應課稅或不可扣減項目,因而與綜合全面收益表所呈報之溢利有所不同。本集團即期稅項負債乃按已於報告期結束時實施或大致實施之稅率計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

### 4. 主要會計政策 (續)

#### 稅項 (續)

遞延稅項乃就綜合財務報表內資產負債賬面值與計算應課稅溢利時採用之相應稅基兩者間之暫時差異予以確認。遞延稅項負債一般就所有應課稅暫時差異確認入賬。遞延稅項資產一般於可能有應課稅溢利可用於對銷應扣減暫時差異時就所有可扣減暫時差異確認入賬。倘若暫時差異由商譽或不影響應課稅溢利及會計溢利的交易中初次確認(業務合併除外)之其他資產及負債所產生，則不會確認該等資產及負債。

對附屬公司之投資產生的應課稅暫時性差額會確認為遞延稅項負債，除非本集團能夠控制這些暫時性差額的轉回，及暫時性差額在可預見的將來可能不會轉回。有關該等投資及利益之可扣減暫時差異產生之遞延稅項資產，僅於可能將會有足夠應課稅溢利抵銷暫時差異可用之得益及預計將於可預見將來撥回時確認。

遞延稅項資產之賬面值於報告期結束時均會進行審閱，如不再可能有足夠應課稅溢利可用於抵免全部或部分相關資產，則會予以撇減。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Current and deferred tax is recognised in profit or loss.

#### Financial instruments

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

### 4. 主要會計政策 (續)

#### 稅項 (續)

遞延稅項資產及負債乃按預期於清償負債或變現資產期間之稅率(按報告期末已生效或實質上已生效之稅率(及稅法))計算。遞延稅項負債及資產計量反映本集團於報告期末所預期對收回或清償其資產及負債之賬面值方式所產生之稅務結果。即期及遞延稅項於損益確認。

#### 金融工具

當本集團旗下公司成為工具合約條文之訂約方時，於綜合財務狀況表確認金融資產及金融負債。金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(不包括按公平值計入損益之金融資產及負債)之直接應佔交易成本於初步確認時，在金融資產或金融負債之公平值加入或扣除(視適用情況而定)。收購按公平值計入損益之金融資產之直接應佔交易成本即時於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets

The Group's financial assets are classified into financial assets at fair value through profit or loss ("FVTPL"), loans and receivables and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

##### Effective interest method

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

Interest income is recognised on an effective interest basis for debt instrument.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產

本集團之金融資產分類為按公平值計入損益(「按公平值計入損益」)之金融資產、貸款及應收款項及可供出售金融資產。有關分類取決於金融資產之性質及目的，並於首次確認時釐定。金融資產之所有日常買賣乃於交易日確認及解除確認。日常買賣指須根據市場規則或慣例訂立之時間內交付資產之金融資產買賣。

##### 實際利率法

實際利率法乃計算金融資產之經攤銷成本以及分攤相關期間之利息收入之方法。實際利率為於初次確認時按金融資產之預計可用年期或較短期間(如適用)內確切貼現估計未來現金收入(包括構成實際利率不可或缺部分已付或已收之一切費用、交易成本及其他溢價及貼現)為賬面淨值之利率。

債務工具之利息收入乃按實際利率基準確認。



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## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

Financial assets at fair value through profit or loss

The Group's financial assets at FVTPL represent financial assets held-for-trading. A financial asset is classified as held-for-trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividends or interest earned on the financial assets and is included in turnover in the consolidated statement of comprehensive income.

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including other receivables and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

按公平值計入損益之金融資產

本集團按公平值計入損益之金融資產指持作買賣金融資產。倘金融資產符合以下標準則分類為持作買賣：

- 主要購入作於短期未來作銷售；或
- 為本集團共同管理之可識別金融工具組合之一部份，並且有證據顯示短期內出售以賺取利潤的近期實際模式；或
- 其為不指定及有效作為對沖工具之衍生工具。

按公平值計入損益之金融資產乃按公平值計量，而因重新計量而產生之公平值之變動則於產生期間直接於損益確認。於損益確認之收益或虧損淨額不包括任何股息或於金融資產賺取之利息，並計入綜合全面收益表之營業額中。

##### 貸款及應收款項

貸款及應收款項為設有固定或待付款金額之非衍生金融資產，且不會在活躍市場掛牌。於初步確認後，貸款及應收款項（包括其他應收款項及銀行結餘）採用實際利率法按攤銷成本減任何已辨別減值虧損列賬（請參閱下文有關金融資產減值虧損之會計政策）。

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## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments.

Equity and debt securities held by the Group that are classified as available-for-sale and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of available-for-sale monetary financial assets relating to interest income calculated using the effective interest method and dividends on available-for-sale equity investments are recognised in profit or loss. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period (see the accounting policy in respect of impairment loss on financial assets below).

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 可供出售金融資產

可供出售金融資產為指定或並無分類為按公平值計入損益之金融資產、貸款及應收款項或持有至到期日投資之非衍生工具。

本集團所持分類為可供出售及在活躍市場買賣之股本及債務證券按各報告期結束時之公平值計量。與使用實際利率法計算之利息收入有關之可供出售貨幣性金融資產之賬面值變動以及可供出售股權投資之股息於損益中確認。可供出售金融資產賬面值之其他變動於其他全面收入確認並於投資重估儲備項下累計。當該投資售出或釐定為出現減值時，以往於投資重估儲備中累計之收益或虧損會重新歸類至損益（請參閱下文有關金融資產減值虧損之會計政策）。

可供出售股本工具之股息於確立本集團收取股息之權利時在損益中確認。

並無活躍市場報價且公平值不能可靠計量之可供出售股權投資以及與該等無報價股權投資掛鉤並須通過交付該等無報價股權投資結算之衍生工具，於各報告期結束時按成本減任何已識別減值虧損計量（請參閱下文有關金融資產減值虧損之會計政策）。

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## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Impairment of financial assets

Financial assets, other than those at FVPTL, are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

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

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

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產之減值

除按公平值計入損益之金融資產以外之金融資產乃於報告期結束時被評估是否有減值跡象。若金融資產於初次確認後發生一項或多項事件而導致有客觀證據證明金融資產之估計未來現金流量受到影響，則視為出現減值。

就可供出售股權投資而言，該投資公平值顯著或長期低於成本，則視為減值之客觀證據。

就所有其他金融資產而言，減值之客觀證據可包括：

- 發行人或對手方遇到嚴重財務困難；或
- 違反合約，如逾期或拖欠利息或本金支付；或
- 借款人有可能破產或進行財務重組。

就若干類別的金融資產（例如其他應收款項）而言，不會單獨作出減值的資產會另行彙集一併評估減值。應收款項組合出現減值之客觀證據包括本集團過往收款記錄、組合內超過平均信貸期之拖欠賬款增加，以及國家或地區經濟狀況出現與應收款項未能償還的情況相關聯的變動。

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## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Impairment of financial assets (Continued)

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in the subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產之減值 (續)

就按攤銷成本入賬之金融資產而言，已確認之減值虧損數額為資產賬面值與根據金融資產之原實際利率計算之估計未來現金流量之現值之差額。

就按成本入賬之金融資產而言，減值虧損將按該資產之賬面值與估計未來現金流按同類金融資產的現時市場回報率折算後之現值二者之差額計算。該減值虧損將不會於往後期間撥回。

就所有金融資產而言，金融資產之賬面值乃根據減值虧損直接扣減。

當一項可供出售金融資產被視作將減值時，先前於其他全面收入確認之累計收益或虧損會重新分類至減值發生期間之損益。

就按攤銷成本計量之金融資產而言，倘於其後之期間，減值虧損之金額出現減少而當該等減少可客觀地與確認減值虧損後所發生之事件聯繫，則此前確認之減值虧損於其後之期間於損益撥回，惟以於撥回減值日期當日之資產賬面值並無超出倘沒有確認減值之原有攤銷成本為限。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

##### Effective interest method

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

Interest expense is recognised on an effective interest basis.

##### Financial liabilities

Financial liabilities (including other payables, amounts due to directors of subsidiaries/non-controlling shareholders of subsidiaries, other borrowings and the liability component of convertible notes) are subsequently measured at amortised cost, using the effective interest method.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融負債及股本工具

本集團旗下實體發行之金融負債及股本工具按所訂立合約安排內容以及金融負債及股本工具之定義分類為金融負債或股本。

股本工具為證明本集團資產餘下權益(經扣除所有負債)之任何合約。本公司發行之股本工具乃以已收所得款項扣除直接發行成本確認。

##### 實際利率法

實際利率法是一種在相關期間內用於計算金融負債的攤銷成本以及分配利息支出的方法。實際利率是一種在金融負債的預期年期或者適當的更短期間內初始確認賬面淨值能夠精確計算預計未來現金收入額(包括所有支付或收取構成整體實際利率之費用、交易成本及其他溢價或折價)的折現額的利率。

利息支出按實際利率基準確認。

##### 金融負債

金融負債(包括其他應付款項、應付附屬公司董事/附屬公司非控股股東款項、其他借貸及可換股票據負債部分)其後採用實際利率法按攤銷成本計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

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

Convertible notes that contains liability component, conversion option derivative and early redemption option derivatives

Convertible notes issued by the Group that contain both liability and embedded derivatives (conversion option and early redemption option which is not closely related to the host liability component) are classified separately into respective items on initial recognition. Conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is a conversion option derivative. At the date of issue, both the liability and embedded derivatives are recognised at fair value.

In subsequent periods, the liability component of the convertible notes is carried at amortised cost using the effective interest method. The embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss.

The embedded derivatives are remeasured at their fair value immediately prior to the date of redemption or conversion of the convertible notes with changes in fair value being recognised in profit or loss. For redemption of convertible notes, the resulting gain or loss (calculated at the difference between the redemption amount paid and the carrying amount of the convertible notes, being the aggregate amount of the liability component, conversion option derivative and early redemption option derivative) is recognised in profit or loss. For conversion of convertible notes, the carrying amount of the convertible notes is transferred to equity with the resulting shares issued being recorded as additional share capital at nominal value of the shares and the excess of the carrying amount of the convertible notes over the nominal value of the shares being recorded in share premium.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融負債及股本工具 (續)

包含負債部分、可換股期權衍生工具及提早贖回期權衍生工具之可換股票據

本集團發行之可換股票據包含負債及內置衍生工具(並未與主負債緊密關聯之可換股期權及提早贖回期權)，並於首次確認時分開歸類於各自之項目下。不會以定額現金或另一項金融資產交換本集團本身固定數目之股本工具進行結算之可換股期權，乃為可換股期權衍生工具。於發行日期，負債及內置衍生工具均以公平值確認。

於其後期間，可換股票據之負債部分採用實際利率法以攤銷成本入賬。內置衍生工具按公平值列賬，其公平值變動亦於損益中確認。

內置衍生工具於緊接贖回或轉換可換股票據日期前按其公平值重新計量，而公平值變動於損益確認。就贖回可換股票據而言，重新計量所得之收益或虧損(按已付贖回金額與可換股票據之賬面值(即負債部分、可換股期權衍生工具及提早贖回期權衍生工具之總額)兩者之差額計算)於損益確認。就轉換可換股票據而言，可換股票據之賬面值會轉撥至權益，而因轉換所發行之股份會按股份面值入賬為額外股本，可換股票據之賬面值超出股份面值之金額則於股份溢價賬入賬。

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## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

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

Convertible notes that contains liability component, conversion option derivative and early redemption option derivatives (Continued)

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and embedded derivatives in proportion to their relative fair values. Transaction costs relating to the embedded derivatives are charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible notes using the effective interest method.

##### Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

##### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融負債及股本工具 (續)

包含負債部分、可換股期權衍生工具及提早贖回期權衍生工具之可換股票據 (續)

與發行可換股票據有關之交易成本，按有關公平值比例分配至負債及內置衍生工具。與內置衍生工具有關之交易成本即時於損益中扣除。有關負債部分之交易成本計入負債部分之賬面值，並以實際利率法於可換股票據期間攤銷。

##### 衍生金融工具

衍生工具乃於訂立衍生工具合約當日按公平值進行初始確認，其後於報告期結束時按公平值重新計量。所得盈虧即時於損益內確認。

##### 解除確認

僅於資產現金流量之合約權利屆滿時，或將金融資產及其擁有權之絕大部分風險及回報轉讓予另一實體時，本集團方會解除確認該等金融資產。

整體上解除確認金融資產時，資產賬面值與已收及應收代價間之差額，乃於損益確認。

當且僅當本集團之責任獲解除、取消或屆滿時，本集團方會解除確認金融負債。解除確認之金融負債賬面值與已付及應付代價間之差額，乃於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Share-based payment transactions

*Share options granted to directors and employees of the Company*

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share option reserve).

When the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated profits (losses).

#### Foreign currencies

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

### 4. 主要會計政策 (續)

#### 以股份為基礎之付款交易

*已授予本公司董事及僱員之購股權*

經參考於授出日期所授出購股權公平值釐定之已獲取之服務公平值於已授出購股權即時歸屬之授出日期悉數確認為開支，並於權益(購股權儲備)作相應增加。

於購股權獲行使時，先前於購股權儲備確認之金額將轉撥至股份溢價。倘購股權於歸屬日被沒收或於到期日仍未獲行使，則先前於購股權儲備確認之金額將轉撥至累計溢利(虧損)。

#### 外幣

於編製本集團旗下各個別實體之財務報表時，以該實體之功能貨幣以外貨幣(外幣)進行之交易按交易日期之匯率以其功能貨幣(即該實體經營業務所在主要經濟環境之貨幣)列賬。於各報告期結束時，以外幣結算之貨幣項目按當日之匯率重新換算。按歷史成本以外幣計算之非貨幣項目不會重新換算。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss for the period.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's entities are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the end of the reporting period. Income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange translation reserve (attributed to non-controlling interests as appropriate).

#### Retirement benefit costs

Payments to Mandatory Provident Fund ("MPF") scheme are recognised as an expense when employees have rendered services entitling them to the contribution. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefits scheme.

### 4. 主要會計政策 (續)

#### 外幣 (續)

交收貨幣項目及換算貨幣項目時產生之匯兌差額於產生期間在損益中確認。重新換算按公平值計算之非貨幣項目時產生之匯兌差額計入當期損益中。

就綜合財務報表呈報方式而言，本集團之實體之資產及負債按報告期結束時之匯率換算為本集團之呈報貨幣（即港元）。其收入及開支則按年內平均匯率換算，除非匯率於期內出現大幅波動，在該情況下，則採用交易日期之匯率換算。所產生匯兌差額（如有）均於其他全面收益確認並於匯兌儲備項下之權益（非控股權益應佔（如適用））中累計。

#### 退休福利成本

向強制性公積金（「強積金」）計劃支付之款項於僱員提供使彼等獲享供款之服務時確認為開支。向國家管理退休福利計劃支付之款項當作定額供款計劃之付款處理，而本集團在有關計劃下之責任相等於定額供款退休福利計劃所產生者。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

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### 5. KEY SOURCES OF ESTIMATION UNCERTAINTY

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

#### **Fair value of embedded conversion option and early redemption option of convertible notes**

The directors of the Company use their judgement in selecting an appropriate valuation technique to determine fair value of embedded conversion option and early redemption option of the convertible notes which are not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. The fair value of the derivative financial liabilities are determined at the end of the reporting period with movements in fair value recognised in profit or loss. In estimating the fair value of these derivative financial liabilities, the Group uses independent valuation which is based on various inputs and estimates based on quoted market rates and adjusted for specific features of the instrument (see note 25). If the inputs and estimates applied in the model are different, the carrying amount of these derivative financial liabilities will change. The carrying value of the embedded conversion option and early redemption option of convertible notes at 31 December 2012 were HK\$73,492,000 (2011: HK\$248,461,000).

### 5. 估計不確定性之主要來源

涉及未來之主要假設，及於報告期結束時作出估計而存在不明朗因素之其他主要來源（均有導致下個財政年度資產及負債之賬面值須作出大幅調整之重大風險）載列如下。

#### **可換股票據之內置可換股期權及提早贖回期權之公平值**

本公司董事運用其判斷力就並無於活躍市場報價之可換股票據之內置可換股期權及提早贖回期權選取合適估值方法，以釐定其公平值。所採納之估值方法乃由市場從業員普遍採用。衍生金融負債之公平值於報告期結束時釐定，其變動會在損益賬內確認。估計該等衍生金融負債之公平值時，本集團會採用基於不同輸入數據及估計之獨立估值，不同輸入數據及估計基於市場報價之利率及就工具個別特徵作出調整（見附註25）。倘應用於模式之輸入數據及估計相異，該等衍生金融負債之賬面值將有所變動。於二零一二年十二月三十一日，可換股票據之內置可換股期權及提早贖回期權之賬面值為73,492,000港元（二零一一年：248,461,000港元）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

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### 6. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes amounts due to non-controlling shareholders of subsidiaries, convertible notes, bank balances and cash as disclosed in respective notes and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a semi-annually basis. As part of this review, the directors consider the cost of capital and will balance its overall capital structure through the new shares issues as well as the issue of new debt or the redemption of existing debt.

### 6. 資金風險管理

本集團管理其資金以保證本集團實體能持續經營，同時透過債務及股本結餘最優化給股東帶來最大回報。本集團之整體策略較以往年度維持不變。

本集團之資本架構包括債項淨額（包括相關附註所披露之應付附屬公司非控股股東款項、可換股票據、銀行結餘及現金）以及本公司股東應佔權益（包括已發行股本及儲備）。

本公司董事每半年審閱資本架構。作為審閱之一部分，董事考慮資金成本，並將透過發行新股及發行新債券或贖回現有債務來平衡其整體資本架構。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

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### 7. FINANCIAL INSTRUMENTS

#### Categories of financial instruments

### 7. 金融工具

#### 金融工具類別

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>		
Loans and receivables (including cash and cash equivalent)	貸款及應收款項 (包括現金及現金等值項目)	47,273	55,523
Financial assets at FVTPL	按公平值計入損益之金融資產	25,185	43,178
		<b>72,458</b>	98,701
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	119,923	418,001
Derivative financial liabilities	衍生金融負債	73,492	248,461
		<b>193,415</b>	666,462

#### Financial risk management objectives and policies

The Group's major financial instruments include other receivables, other payables, amounts due to directors of subsidiaries/non-controlling shareholders of subsidiaries, convertible notes, other borrowings and bank balances and cash. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### 財務風險管理目的及政策

本集團之主要金融工具包括其他應收款項、其他應付款項、應付附屬公司董事／附屬公司非控股股東款項、可換股票據、其他借貸，以及銀行結餘及現金。此等金融工具之詳情於相關附註中披露。下文載列與此等金融工具相關之風險及減低此等風險之政策。管理層會管理及監控該等風險，以確保能及時與有效地採取適當措施。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

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### 7. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk

##### (i) Currency risk

At the end of the reporting period certain subsidiaries of the Company have certain assets and liabilities (details are disclosed in respective notes) are denominated in foreign currencies, which expose the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at end of the reporting period are as follows:

### 7. 金融工具 (續)

#### 財務風險管理目的及政策 (續)

##### 市場風險

##### (i) 外匯風險

本公司若干附屬公司於報告期結束時擁有若干以外幣計值之資產及負債(詳情於相關附註披露)，故本集團須面對外匯風險。本集團現時並無任何外匯對沖政策。然而，管理層會監控外匯風險，並考慮於有需要時就重大外匯風險進行對沖。

本集團以外幣計值之貨幣資產及貨幣負債於報告期結束時之賬面值如下：

	2012 二零一二年		2011 二零一一年	
	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$000 千港元	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元
Hong Kong dollars 港元	42,852	69,007	41,377	365,151

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012  
截至二零一二年十二月三十一日止年度

### 7. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### (i) Currency risk (Continued)

##### Sensitivity analysis

The Group is mainly exposed to exchange rate fluctuations of Hong Kong dollars. The following table details the Group's sensitivity to a 5% (2011: 5%) increase in RMB against the Hong Kong dollars while all other variables are held constant. 5% (2011: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% (2011: 5%) change in foreign currency rates.

The sensitivity analysis includes monetary items where the denomination of the balances is in a currency other than the functional currency of the respective group entities. A positive number below indicates an increase in profit for the year where RMB strengthen 5% (2011: 5%) against the relevant currency while a negative number represents a decrease in profit for the year. For a 5% (2011: 5%) weakening of RMB against the relevant currency, there would be an equal and opposite impact on the result for the year.

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Hong Kong dollars	1,251	16,189

In management's opinion, the sensitivity analysis is unrepresentative of the inherent currency risk as the year end exposure does not reflect the exposure during the year.

### 7. 金融工具 (續)

#### 財務風險管理目的及政策 (續)

##### 市場風險 (續)

##### (i) 外匯風險 (續)

##### 敏感度分析

本集團主要承受港元之匯率波動風險。下表詳列本集團於人民幣兌港元上升5% (二零一一年: 5%)，惟所有其他變數維持不變之敏感度。5% (二零一一年: 5%) 乃內部向主要管理人員呈報外匯風險所使用之敏感率，並代表管理層對匯率合理可能變動之評估。敏感度分析僅涉及以外幣列值之未償付貨幣項目，並於報告期結束時按匯率之5% (二零一一年: 5%) 變動調整換算。

敏感度分析包括以有關集團實體功能貨幣以外之貨幣列值之貨幣項目結餘。以下之正數顯示於人民幣兌相關貨幣之匯率上升5% (二零一一年: 5%) 之情況下年內溢利之增加，而負數則顯示年內溢利之減少。倘人民幣兌相關貨幣之匯率下跌5% (二零一一年: 5%)，年度業績產生相反之相同數額影響。

管理層認為，由於年末之風險並不反映本年度之風險，故敏感度分析不代表固有貨幣風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 7. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### (ii) Interest rate risk

At 31 December 2011, the Group is exposed to fair value interest rate risk in relation to fixed rate convertible notes and a three-year loan note. At 31 December 2012, the Group is exposed to fair value interest rate risk in relation to fixed rate convertible notes. The Group also exposed to cash flow interest rate risk in relation to bank deposits. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise. The fixed rate short-term bank deposits is subject to cash flow interest rate risk as the fixed deposits are renewed every one to three months.

##### Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for bank deposits at the end of the reporting period. For short-term bank deposits, the analysis is prepared assuming the amount of bank deposits at the end of the reporting period was existing for the whole year. A 50 (2011: 50) basis point increase or decrease is used which represents management's assessment of the reasonably possible change in interest rates.

If the interest rates had been 50 (2011: 50) basis points higher and all other variables were held constant, the Group's profit for the year ended 31 December 2012 would increase by HK\$125,000 (2011: increase by HK\$151,000). For interest rates 50 (2011: 50) basis points lower, the Group's profit for the year ended 31 December 2012 would decrease by HK\$20,700 (2011: HK\$4,400) assuming bank balances carrying interest rate at 0.01% per annum drop to zero.

### 7. 金融工具 (續)

#### 財務風險管理目的及政策 (續)

##### 市場風險 (續)

##### (ii) 利率風險

於二零一二年十二月三十一日，本集團面對與定息可換股票據及三年期貸款票據有關之公平值利率風險。於二零一二年十二月三十一日，本集團面對與定息可換股票據有關之公平值利率風險。本集團亦面對與銀行存款有關之現金流量利率風險。本集團現時並無利率對沖政策。然而，管理層會監察利率風險，並將於必要時考慮對沖重大利率風險。因固定存款每一至三個月續新一次，故固定利率短期銀行存款受現金流利率風險影響。

##### 敏感度分析

以下敏感度分析根據於報告期結束時銀行存款之利率風險釐定。就短期銀行存款而言，該分析乃假設於報告期結束時之銀行存款金額於整個年度一直存在。使用上升或下降50 (二零一一年：50) 個基點代表管理層對利率之合理可能變動之評估。

倘利率上升50 (二零一一年：50) 個基點，而所有其他變數維持不變，則本集團截至二零一二年十二月三十一日止年度之溢利將增加125,000港元 (二零一一年：增加151,000港元)。假設按年息0.01%計息的銀行結餘減至零，則倘利率下降50 (二零一一年：50) 個基點，則本集團截至二零一二年十二月三十一日止年度之溢利將減少20,700港元 (二零一一年：4,400港元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012  
截至二零一二年十二月三十一日止年度

### 7. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### (ii) Interest rate risk (Continued)

##### Sensitivity analysis (Continued)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk as the year end exposure does not reflect the exposure during the year.

##### (iii) Other price risk

The Group was exposed to equity price risk arising from the conversion option derivative and early redemption option (derivative components) of the convertible notes. The fair values of the conversion option derivative and early redemption option were calculated using the binomial option pricing model. Details of the derivative financial instrument is set out in note 25.

If the input of share price to the valuation models of the derivative components of the convertible notes had been 5% higher/lower while all other variables were held constant, the profit for the year would increase (decrease) as follows:

### 7. 金融工具 (續)

#### 財務風險管理目的及政策 (續)

##### 市場風險 (續)

##### (ii) 利率風險 (續)

##### 敏感度分析 (續)

管理層認為，由於年末之風險並不反映本年度之風險，故敏感度分析不代表固有利率風險。

##### (iii) 其他價格風險

本集團承受因可換股票據之可換股期權衍生工具及提早贖回期權(衍生工具部分)所產生之股本價格風險。可換股期權衍生工具及提早贖回期權之公平值乃採用二項式期權定價模式計算。衍生金融工具之詳情載列於附註25。

倘輸入可換股票據之衍生工具部分之估值模式之股價上升/下跌5%，而所有其他變數維持不變，本年溢利將增加(減少)如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Higher by 5%	上升5%		
– Derivative components	– 衍生工具部分	<b>(6,700)</b>	(27,853)
Lower by 5%	下跌5%		
– Derivative components	– 衍生工具部分	<b>6,700</b>	25,727



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 7. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### (iii) Other price risk (Continued)

The Group is also exposed to equity security price risk through its held-for-trading investments. The management of the Group manages this exposure by maintaining a portfolio of investments with different risk. The Group's equity price risk is mainly concentrated on equity instruments operating in manufacturing investment industry section quoted in the Stock Exchange. The directors of the Company will monitor the price risk and will consider hedging the risk exposure should the need arise. If the market prices of the held-for-trading investments had been 10% higher/lower, the Group's profit for the year would increase/decrease by HK\$2,519,000 (2011: HK\$4,318,000).

##### Credit risk

The Group's credit risk is primarily attributable to other receivables. The maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced. In 2011, the Group has disposed of its timber operations, and as at 31 December 2011 and 31 December 2012, the Group does not have any trade receivables that exposed to credit risk.

### 7. 金融工具 (續)

#### 財務風險管理目的及政策 (續)

##### 市場風險 (續)

##### (iii) 其他價格風險 (續)

本集團亦因其持作買賣投資而承受股本證券價格風險。本集團之管理層藉持有不同風險範圍之投資之組合而管理此類風險。本集團之股本價格風險主要集中於在聯交所掛牌之製造業投資行業內之股本工具。本公司之董事將監察價格風險及將於有需要時考慮對沖風險。倘持作買賣投資之市場價格上升/下跌10%，則本集團之年內溢利將增加/減少2,519,000港元(二零一一年：4,318,000港元)。

##### 信貸風險

本集團之信貸風險主要來自應收貨款及其他應收款項。於報告期結束時，倘對手方未能履行彼等之承擔，則本集團就每類已確認金融資產所須承受之最大信貸風險為列於綜合財務狀況表之資產之賬面金額。為盡量降低信貸風險，本集團管理層已委派一組人員負責制訂信貸限額、信貸審批及其他監控措施，以確保採取跟進措施收回逾期未付之債項。此外，於各報告期結束時，本集團會評估每項個別貿易債項之可收回金額，以確保能就不可收回金額作出足夠之減值虧損。就此而言，本公司董事認為本集團之信貸風險已大大降低。二零一一年，本集團已出售其木材業務。於二零一一年及二零一二年十二月三十一日，本集團並無任何應收貨款面臨信貸風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 7. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Credit risk (Continued)

At 31 December 2012, the Group has concentration risk on consideration receivable for disposal of food processing and distribution operation amounting to HK\$13,354,000 (2011: HK\$25,000,000), which represented 95.0% (2011: 98.8%) of the total other receivables. The directors of the Company consider that the credit risk is satisfactory in light of the fact that the Company has continued to receive regular repayment and has entered into a supplemental agreement with the counterparty agreeing that full amount will be settled on or before 31 May 2013.

At 31 December 2012, the Group has concentration risk on its held-for-trading investments with 67% (2011: 46%) of the total held-for-trading investments concentrated in a single entity which is listed in Hong Kong.

The credit risk on bank deposits and bank balances is limited because the counterparties are banks with good reputation.

### 7. 金融工具 (續)

#### 財務風險管理目的及政策 (續)

##### 信貸風險 (續)

於二零一二年十二月三十一日，本集團面臨有關出售食品加工及分銷業務之應收代價13,354,000港元(二零一一年：25,000,000港元)(佔應收貨款及其他應收款項總額之95.0%(二零一一年：98.8%))之集中信貸風險。本公司董事認為，鑑於本公司繼續定期收取還款且已與對手方訂立補充協議，當中議定將於二零一三年五月三十一日或之前支付足額結清餘額，因此信貸風險甚為理想。

於二零一二年十二月三十一日，本集團因其持作買賣投資面對集中風險，總持作買賣投資中之67%(二零一一年：46%)集中於一間於香港上市之單一實體。

銀行存款及銀行結餘之信貸風險屬有限，因為交易對手均為良好聲譽之銀行。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 7. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including raising of loans to cover expected cash demands, subject to approval by the board of directors of the Company when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its short and long term liquidity requirements.

At 31 December 2012, despite the fact that the Group has a profit of HK\$28,242,000 and net current assets of HK\$603,735,000, the Group has current liabilities of approximately HK\$86,183,000, to be settled within the next twelve months from the end of the reporting period, which exceed its cash and cash equivalent of HK\$33,265,000. The Group is implementing a number of measures to address the liquidity risk, and the directors of the Company are satisfied that these measures can provide sufficient funds to the Group to meet in full its obligations when they fall due in the foreseeable future. Details of these measures are set out in note 2.

### 7. 金融工具 (續)

#### 財務風險管理目的及政策 (續)

##### 流動資金風險

本集團旗下之獨立營運實體須自行負責現金管理工作，包括籌措貸款以應付預期現金需求，惟如借貸超出若干預定授權水平，則須獲本公司董事會之批准。本集團之政策是定期監察即期及預期流動資金所需，以確保集團維持充裕的現金儲備，以及從主要財務機構取得足夠的承諾信貸融資，以應付其短期及長期流動資金需求。

於二零一二年十二月三十一日，儘管本集團錄得利潤28,242,000港元及流動資產淨值603,735,000港元，本集團仍錄得將於報告期結束後12個月內償付的流動負債約86,183,000港元，金額超過其現金及現金等值項目33,265,000港元。本集團實施了多項措施以解決流動性風險，且本公司董事相信有關措施將為本集團提供足夠資金用於償還可預見未來的全部到期債務。有關措施詳情載於附註2。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 7. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

The following table details the Group's contractual maturity of its major financial liabilities. For financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

### 7. 金融工具 (續)

#### 財務風險管理目的及政策 (續)

##### 流動資金風險 (續)

下表載列本集團之主要金融負債之預期屆滿日期之詳情。就金融負債而言，該表乃根據本集團被要求償還之最早日期之金融負債未貼現現金流量編製。該表包括利息及本金現金流量。

		Weighted average interest rate	On demand	Not more than 3 months	Over 3 months but not more than 6 months	Over 6 months but not more than 1 year	Over 1 year	Total undiscounted cash flow	Carrying amount
		加權平均利率	於要求時償還	不超過3個月	超過3個月但未超過6個月	超過6個月但未超過1年	超過1年	未貼現現金流量總額	賬面值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		%	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>At 31 December 2012</b>	<b>於二零一二年十二月三十一日</b>								
Trade and other payables	應付貨款及其他應付款項	-	15,374	-	-	-	-	15,374	15,374
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項	-	26,156	-	-	-	-	26,156	26,156
Convertible notes	可換股票據	23.52	-	-	-	-	120,000	120,000	61,202
Other borrowings	其他借貸	-	17,191	-	-	-	-	17,191	17,191
			<b>58,721</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>120,000</b>	<b>178,721</b>	<b>119,923</b>
<b>At 31 December 2011</b>	<b>於二零一一年十二月三十一日</b>								
Trade and other payables	應付貨款及其他應付款項	-	32,620	-	-	-	-	32,620	32,620
Amounts due to directors of subsidiaries	應付附屬公司董事款項	-	4,388	-	-	-	-	4,388	4,388
Amount due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項	-	32,057	-	-	-	-	32,057	32,057
Obligation under a finance lease	融資租約承擔	8.8	-	19	19	53	-	91	77
Convertible notes	可換股票據	12.05	-	-	-	396,000	-	396,000	347,336
Other borrowings	其他借貸	7.0	-	-	1,567	-	-	1,567	1,523
			<b>69,065</b>	<b>19</b>	<b>1,586</b>	<b>396,053</b>	<b>-</b>	<b>466,723</b>	<b>418,001</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 7. FINANCIAL INSTRUMENTS (Continued)

#### Fair value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask price respectively;
- the fair value of financial assets and financial liabilities (excluding derivative financial instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and
- the fair value of the embedded conversion option and early redemption option of the convertible notes are estimated using option models and the inputs into the models are disclosed in note 25.

#### *Fair value measurements recognised in the consolidated statement of financial position*

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

### 7. 金融工具 (續)

#### 公平值

金融資產及金融負債之公平值按如下釐定：

- 具有標準條款及條件及於活躍流通市場買賣之金融資產之公平值乃分別參考所報市場買入價及賣出價釐定；
- 金融資產及金融負債（不包括衍生金融工具）公平值乃根據已貼現現金流量分析採用普遍接納定價模式釐定；及
- 可換股票據之內置可換股期權及提早贖回期權之公平值乃採用期權模式估算，輸入模式之數據披露於附註25。

#### *於綜合財務狀況表確認之公平值計量*

下表提供於初步確認後按公平值計量之金融工具分析，其根據可觀察公平值之程度分為一至三層級。

- 第一級公平值計量乃自可識別資產或負債於活躍市場中所報未調整價格得出。
- 第二級公平值計量乃除第一級計入之報價外，自資產或負債可直接（即價格）或間接（自價格引伸）觀察輸入數據得出。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 7. FINANCIAL INSTRUMENTS (Continued)

#### Fair value (Continued)

Fair value measurements recognised in the consolidated statement of financial position (Continued)

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

### 7. 金融工具 (續)

#### 公平值 (續)

於綜合財務狀況表確認之公平值計量 (續)

- 第三級公平值計量由包括以並非以可觀察市場數據 (不可觀察輸入數據) 為基礎之資產或負債之輸入數據之估值技術得出。

At 31 December 2012  
於二零一二年十二月三十一日

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Held-for-trading investments	持作買賣投資	25,185	-	-	25,185
Financial liabilities at FVTPL	按公平值計入 損益之金融負債				
Embedded conversion option and early redemption option of convertible notes	可換股票據之 內置可換股期權及 提早贖回期權	-	-	73,492	73,492

At 31 December 2011  
於二零一一年十二月三十一日

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Held-for-trading investments	持作買賣投資	43,178	-	-	43,178
Financial liabilities at FVTPL	按公平值計入 損益之金融負債				
Embedded conversion option and early redemption option of convertible notes	可換股票據之 內置可換股期權及 提早贖回期權	-	-	248,461	248,461

There were no transfers between level 1 and level 2 in the current and prior years.

於本年度及過往年度，第一級與第二級之間並無進行轉撥。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 7. FINANCIAL INSTRUMENTS (Continued)

#### Fair value (Continued)

Fair value measurements recognised in the consolidated statement of financial position (Continued)

Reconciliation of Level 3 fair value measurement of financial liabilities:

### 7. 金融工具 (續)

#### 公平值 (續)

於綜合財務狀況表確認之公平值計量 (續)

金融負債之第三級公平值計量對賬如下：

		<b>Embedded derivatives of convertible notes</b> 可換股票據之內置衍生工具 HK\$ 港元
At 1 January 2011	於二零一一年一月一日	484,425
Total gains or losses	收益或虧損總額	(235,964)
At 31 December 2011	於二零一一年十二月三十一日	248,461
Total gains or losses	收益或虧損總額	(85,574)
Converted during the year	年內轉換	(157,293)
Issued during the year	年內發行	67,898
At 31 December 2012	於二零一二年十二月三十一日	73,492

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 8. TURNOVER AND SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (“CODM”) in order to allocate resources to segments and to assess their performance. Reported segment information is based on internal management reporting information that is regularly reviewed by executives directors, being the CODM of the Group. The measurement policies the Group used for segment reporting are the same as those disclosed in note 4 above.

The Group’s operations are organised based on the two business activities which also the information regularly reported to the CODM. The details of operating and reportable segments of the Group are as follows:

- Investments in securities – trading of securities;
- Property development – development of properties held for sale.

The operation of timber business was discontinued in 2011.

Turnover from investment in securities business represents dividend income from held-for-trading investments.

### 8. 營業額及分類資料

經營分類以本集團內部報告作為基準，以識別有關本集團構成的經營分部，該等分類由主要營運決策者（「主要營運決策者」）定期檢討，以分配資源至各分類並評估其表現。報告分類資料乃基於執行董事（即本集團主要營運決策者）定期審閱之內部管理報告資料。本集團就分類報告所採用之計量政策與上文附註4所披露者相同。

本集團之營運根據該兩項業務活動組織分類。這亦為向主要營運決策者定期報告之資料。因此，本集團之經營及可報告分類詳情如下：

- 證券投資 – 證券買賣；
- 物業發展 – 發展持作出售物業。

木材業務之營運已於二零一一年終止經營。

證券投資業務之營業額指持作買賣投資之股息收入。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 8. TURNOVER AND SEGMENT INFORMATION

(Continued)

#### (a) Segment turnover and results

The following is an analysis of the Group's turnover and results by reportable and operating segment.

For the year ended 31 December 2012

### 8. 營業額及分類資料 (續)

#### (a) 分類營業額及業績

以下為本集團可報告及經營分類之營業額及業績分析。

截至二零一二年十二月三十一日止年度

		Continuing operations 持續經營業務		
		Investment in securities 證券投資 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Consolidated 合共 HK\$'000 千港元
TURNOVER				
External sales	營業額 外部銷售	250	-	250
RESULT				
Segment result	業績 分類業績	(17,801)	(11,043)	(28,844)
Unallocated corporate income	未予分配公司收入			1,070
Unallocated corporate expenses	未予分配公司開支			(23,767)
Other gains and losses	其他收益及虧損			98,756
Finance costs	融資成本			(18,973)
Profit for the year	本年度溢利			28,242

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012  
截至二零一二年十二月三十一日止年度

### 8. TURNOVER AND SEGMENT INFORMATION

(Continued)

#### (a) Segment turnover and results (Continued)

For the year ended 31 December 2011

		Continuing operations		Total	Discontinued	Consolidated
		Investment in securities	Property development		operation 已終止 經營業務	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>TURNOVER</b>						
	<b>營業額</b>					
External sales	外部銷售	125	-	125	76,556	76,681
<b>RESULT</b>						
	<b>業績</b>					
Segment result	分類業績	(36,312)	(7,925)	(44,237)	(86,317)	(130,554)
Unallocated corporate income	未予分配公司收入			823	944	1,767
Unallocated corporate expenses	未予分配公司開支			(53,216)	(2,012)	(55,228)
Other gains and losses	其他收益及虧損			235,964	21,477	257,441
Finance costs	融資成本			(39,849)	(2,921)	(42,770)
Profit (loss) for the year	本年度溢利(虧損)			99,485	(68,829)	30,656

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 4. Segment result represents loss from each segment without allocation of central administrative costs, directors' salaries, finance costs, other gains or losses excluding the loss from held-for-trading investments, which is included in the investment in securities segment result. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

經營分類之會計政策與附註4所述之本集團會計政策相同。分類業績指各分類之虧損(未計入分配中央行政費用)、董事薪金、融資成本、其他收益或虧損(不包括持作買賣投資虧損,該虧損已計入證券投資分類業績)。此為向主要營運決策者進行匯報以作資源分配及評估表現之方式。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 8. TURNOVER AND SEGMENT INFORMATION

(Continued)

#### (b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable operating segments:

At 31 December 2012

### 8. 營業額及分類資料 (續)

#### (b) 分類資產及負債

以下為本集團可報告經營分類之資產及負債分析：

於二零一二年十二月三十一日

		Continuing operations		
		持續經營業務		
		Investment in securities	Property development	Consolidated
		證券投資	物業發展	合計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
ASSETS	資產			
Segment assets	分類資產	25,185	610,669	635,854
Unallocated corporate assets	未予分配公司資產			62,494
Consolidated total assets	綜合資產總額			698,348
LIABILITIES	負債			
Segment liabilities	分類負債	–	42,321	42,321
Unallocated corporate liabilities	未予分配公司負債			178,556
Consolidated total liabilities	綜合負債總額			220,877

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012  
截至二零一二年十二月三十一日止年度

### 8. TURNOVER AND SEGMENT INFORMATION

(Continued)

#### (b) Segment assets and liabilities (Continued)

At 31 December 2011

### 8. 營業額及分類資料 (續)

#### (b) 分類資產及負債 (續)

於二零一一年十二月三十一日

		Continuing operations 持續經營業務		
		Investment in securities 證券投資 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Consolidated 合計 HK\$'000 千港元
ASSETS	資產			
Segment assets	分類資產	43,178	576,810	619,988
Unallocated corporate assets	未予分配公司資產			72,667
Consolidated total assets	綜合資產總額			692,655
LIABILITIES	負債			
Segment liabilities	分類負債	-	15,820	15,820
Unallocated corporate liabilities	未予分配公司負債			670,166
Consolidated total liabilities	綜合負債總額			685,986

The Group's unallocated corporate assets at the end of the reporting period mainly consist of bank balances and cash and certain other receivables and prepayments. The Group's unallocated corporate liabilities at the end of the reporting period mainly consist of amounts due to non-controlling shareholders of subsidiaries, convertible notes, other borrowings and certain other creditors and accrued expenses.

本集團於各報告期結束時之未予分配公司資產主要包括銀行結餘及現金以及若干其他應收款項及預付款項。本集團於各報告期結束時之未予分配公司負債主要包括應付附屬公司非控股股東之款項、可換股票據、其他借貸以及若干其他債務及應計開支。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 8. TURNOVER AND SEGMENT INFORMATION

(Continued)

#### (c) Other segment information

For the year ended 31 December 2012

### 8. 營業額及分類資料 (續)

#### (c) 其他分類資料

截至二零一二年十二月三十一日止年度

		Continuing operations 持續經營業務			
		Investment in securities 證券投資 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 合共 HK\$'000 千港元
Information included in segment results/segment assets:	分類業績／分類資產 包括之資料：				
Additions to property, plant and equipment	添置物業、廠房及設備	-	167	56	223
Amortisation of prepaid lease payments	預付租約款項攤銷	-	-	117	117
Depreciation of property, plant and equipment	物業、廠房及設備折舊	-	923	102	1,025
Net loss on held-for-trading investments	持作買賣投資之淨虧損	17,993	-	-	17,993

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012  
截至二零一二年十二月三十一日止年度

### 8. TURNOVER AND SEGMENT INFORMATION

(Continued)

#### (c) Other segment information (Continued)

For the year ended 31 December 2011

### 8. 營業額及分類資料 (續)

#### (c) 其他分類資料 (續)

截至二零一一年十二月三十一日止年度

Information included in segment results/ segment assets:	分類業績／分類資產 包括之資料：	Continuing operations 持續經營業務			Total 合共 HK\$'000 千港元	Discontinued operation 已終止 經營業務	Consolidated 合計 HK\$'000 千港元
		Investment in securities 證券投資 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元		Timber 木材 HK\$'000 千港元	
Additions to property, plant and equipment	添置物業、廠房及 設備	-	964	341	1,305	-	1,305
Amortisation of prepaid lease payments	預付租約款項攤銷	-	-	117	117	-	117
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	-	836	204	1,040	-	1,040
Allowance for bad and doubtful debts	呆壞賬撥備	-	-	-	-	21,412	21,412
Allowance for inventories	存貨撥備	-	-	-	-	41,462	41,462
Deposits and prepayments written off	按金及預付款項撇銷	-	-	-	-	2,789	2,789
Net loss on held-for-trading investments	持作買賣投資之 淨虧損	36,437	-	-	36,437	-	36,437

Substantially all of the Group's operations are located in the People's Republic of China ("PRC") (country of domicile) and Hong Kong.

本集團的業務幾乎全部位於中華人民共和國(「中國」)(駐居國)及香港。

Included in the Group's non-current assets are amount of HK\$170,000 (2011: HK\$217,000) of property, plant and equipment which are located in Hong Kong and all the remaining non-current assets are located in the PRC (place of domicile of the group entities that hold such assets).

本集團非流動資產包括位於香港為數達170,000港元(二零一一年: 217,000港元)之物業、廠房及設備, 而其餘全部非流動資產則位於中國(持有該等資產之集團實體經營所在國家)。

Included in the Group's turnover were dividend income generated from investment in securities and were derived from Hong Kong.

本集團營業額包括證券投資產生之股息收入, 乃自香港錄得。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 8. TURNOVER AND SEGMENT INFORMATION

(Continued)

#### (d) Information about major customers

Turnover (included in discontinued operation) from customers of the corresponding years contributing 10% of the total sales of the Group are as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Customer A <sup>1</sup>	客戶A <sup>1</sup>	N/A 不適用	14,807
Customer B <sup>1</sup>	客戶B <sup>1</sup>	N/A 不適用	10,754
Customer C <sup>1</sup>	客戶C <sup>1</sup>	N/A 不適用	8,119

<sup>1</sup> Turnover from the timber segment which discontinued in 2011.

### 8. 營業額及分類資料 (續)

#### (d) 有關主要客戶之資料

於相關年度，營業額（包括已終止經營業務）佔本集團總銷售10%之客戶如下：

<sup>1</sup> 來自二零一一年已終止經營之木材分類之營業額。

### 9. OTHER INCOME

		Continuing operations 持續經營業務		Discontinued operation 已終止經營業務		Total 合計	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Interest income	利息收入	1,012	774	-	944	1,012	1,718
Sales of scrap materials	出售廢舊材料	-	-	-	2,136	-	2,136
Government grants (note)	政府撥款 (附註)	-	-	-	1,906	-	1,906
Others	其他	58	49	-	1,135	58	1,184
		<b>1,070</b>	823	<b>-</b>	6,121	<b>1,070</b>	6,944

Note: In 2011, the Government grants represented compensation received for expenditures incurred in relation to energy saving and waste reduction for the Group's timber related business. There were no unfulfilled conditions attached to these grants and, therefore, the Group recognised the grants as income upon receipts.

附註：於二零一一年，政府撥款指本集團木材相關業務就節能及減污所產生之開支收取之補償。該等補貼並無未達成之附帶條件，因此，本集團於收取撥款時予以確認為收入。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 10. OTHER GAINS AND LOSSES

### 10. 其他收益及虧損

		Continuing operations		Discontinued operation		Total	
		持續經營業務		已終止經營業務		合計	
		2012	2011	2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
		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
Gain on derivative financial instruments (note 25)	衍生金融工具之收益 (附註25)	85,574	235,964	-	-	85,574	235,964
Gain on disposal of subsidiaries (note 13)	出售附屬公司之收益 (附註13)	24,215	-	-	21,477	24,215	21,477
Fair value changes on held-for-trading investments	持作買賣投資之公平值變動	(17,993)	(36,437)	-	-	(17,993)	(36,437)
Loss on initial recognition of convertible notes (note 25)	首次確認可換股票據之虧損 (附註25)	(7,871)	-	-	-	(7,871)	-
Loss on early redemption of convertible notes (note 25)	提早贖回可換股票據之虧損 (附註25)	(3,162)	-	-	-	(3,162)	-
		<b>80,763</b>	199,527	-	21,477	<b>80,763</b>	221,004



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 11. FINANCE COSTS

### 11. 融資成本

	Continuing operations		Discontinued operation(s)		Total	
	持續經營業務		已終止經營業務		合計	
	2012	2011	2012	2011	2012	2011
	二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
	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
Interest on:	下列各項之利息：					
- borrowings from banks and other financial institutions wholly repayable within five years	- 須於五年內悉數償還之銀行及其他金融機構借貸					
	-	-	-	2,921	-	2,921
- other borrowings	- 其他借貸					
	279	116	-	-	279	116
Effective interest expense on convertible notes wholly repayable within five years	須於五年內悉數償還之可換股票據之實際利息費用					
	18,694	39,733	-	-	18,694	39,733
	18,973	39,849	-	2,921	18,973	42,770

### 12. TAXATION

No provision for Hong Kong Profits Tax is made as the Company and its subsidiaries incorporated in Hong Kong have no assessable profits for both years.

No provision for PRC Enterprise Income Tax made as the subsidiaries incorporated in the PRC have no assessable profits for both years.

### 12. 稅項

由於本公司及其於香港註冊成立之附屬公司於兩個年度均無應課稅溢利，故並無作出香港利得稅撥備。

由於於中國註冊成立之附屬公司於兩個年度均無應課稅溢利，故並無作出中國企業所得稅撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 12. TAXATION (Continued)

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

### 12. 稅項 (續)

本年度稅項與綜合全面收益表內除稅前溢利對賬如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Profit before taxation (from continuing operations)	除稅前溢利 (來自持續經營業務)	<b>28,242</b>	99,485
Tax at the domestic income tax rate of 25% (2011: 25%) (note)	按國內所得稅稅率25% (二零一一年：25%) 徵稅(附註)	<b>7,060</b>	24,871
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	<b>7,381</b>	17,492
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	<b>(27,700)</b>	(59,171)
Tax effect of tax losses not recognised	未獲確認稅項虧損之 稅務影響	<b>13,259</b>	16,808
Taxation for the year (relating to continuing operations)	年度稅項(與持續經營 業務有關)	-	-

Note: The domestic income tax rate of 25% (2011: 25%) represents the PRC Enterprise Income Tax rate of which the Group's operations are substantially based.

附註：國內所得稅稅率25%（二零一一年：25%）為本集團大部分營運適用之中國企業所得稅稅率。

At the end of the reporting period, the Group had unused tax losses of HK\$290,877,000 (2011: HK\$272,991,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK\$2,760,000 (2011: HK\$3,201,000) that will expire up to 2017 (2011: 2016). Other losses can be carried forward indefinitely. During the year ended 31 December 2012, tax losses of HK\$35,150,000 were disposed upon disposal of TGT Group (see note 13(a)).

於報告期結束時，本集團有未用稅項虧損290,877,000港元（二零一一年：272,991,000港元）可抵銷未來溢利。由於未能預測未來溢利流量，並無就上述稅項虧損確認遞延稅項資產。未確認稅項虧損包括2,760,000港元之虧損（二零一一年：3,201,000港元），最遲將於二零一七年（二零一一年：二零一六年）到期。其他虧損均可無期限結轉。截至二零一二年十二月三十一日止年度，於出售TGT Group（見附註13(a)）後處置稅項虧損35,150,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 13. DISCONTINUED OPERATION/DISPOSAL OF SUBSIDIARIES

#### (a) Disposal of TGT Holdings Corporation (“TGT”) and other subsidiaries (the “2012 Disposal”)

On 31 January 2012, the Group entered into an agreement with Barstow Holdings Limited (“Barstow”), a company incorporated in the British Virgin Islands, to dispose all of its entire interests in Ta Fu Strategic Investment Limited, TGT and its subsidiaries, Fulbond Business Services Limited and Fulbond Digital Systems Limited (collectively known as the “TGT Group”).

Barstow is an independent third party of the Group. The 2012 Disposal was approved by the Board of Directors of the Company and completed on 31 January 2012. Total consideration for the 2012 Disposal was HK\$35 in cash.

The profit for the period from disposal of subsidiaries is analysed as follows:

### 13. 已終止經營業務／出售附屬公司

#### (a) 出售TGT Holdings Corporation (「TGT」) 及其他附屬公司 (「二零一二年出售事項」)

於二零一二年一月三十一日，本集團與Barstow Holdings Limited (「Barstow」，一家於英屬處女群島註冊成立之公司) 訂立協議，以出售其於Ta Fu Strategic Investment Limited, TGT及其附屬公司Fulbond Business Services Limited及Fulbond Digital Systems Limited (統稱「TGT Group」) 之全部權益。

Barstow為本集團之獨立第三方。二零一二年出售事項獲本公司董事會批准並於二零一二年一月三十一日完成。二零一二年出售事項之代價總額為現金35港元。

來自出售附屬公司之期內溢利分析如下：

**1.1.2012 to  
31.1.2012**  
二零一二年  
一月一日至  
二零一二年  
一月三十一日  
**HK\$'000**  
千港元

Gain on disposal of subsidiaries

出售附屬公司之收益

**24,215**

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012  
截至二零一二年十二月三十一日止年度

### 13. DISCONTINUED OPERATION/DISPOSAL OF SUBSIDIARIES (Continued)

#### (a) Disposal of TGT Holdings Corporation (“TGT”) and other subsidiaries (the “2012 Disposal”) (Continued)

Analysis of assets and liabilities of the TGT Group at the date of disposal was as follows:

		31.1.2012 二零一二年 一月三十一日 HK\$'000 千港元
Other debtors and prepayments	其他應收款項及預付款項	735
Other payables	其他應付款項	(18,221)
Amounts due to the Company	應付本公司款項	(605,832)
Amounts due to fellow subsidiaries	應付同系附屬公司款項	(8,856)
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東之款項	(7,490)
		<b>(639,664)</b>
Less: Non-controlling interests	減：非控股權益	761
Net liabilities disposed of	所出售負債淨值：	<b>(638,903)</b>
Gain on disposal of subsidiaries:	出售附屬公司之收益	
Consideration received	已收代價	-
Net liabilities disposed of	所出售負債淨值	638,903
Assignment to Barstow of amounts due to the Company	向Barstow轉讓應付本公司款項	(605,832)
Assignment to Barstow of amounts due to the Company's subsidiaries	向Barstow轉讓應付本公司附屬公司款項	(8,856)
Gain on disposal	出售收益	<b>24,215</b>

During the period from 1 January 2012 to 31 January 2012, the TGT Group had no contribution to the Group's cash flows.

### 13. 已終止經營業務／出售附屬公司 (續)

#### (a) 出售TGT Holdings Corporation (「TGT」) 及其他附屬公司 (「二零一二年出售事項」) (續)

TGT集團於出售日期之資產及負債分析如下：

31.1.2012  
二零一二年  
一月三十一日  
HK\$'000  
千港元

其他應收款項及預付款項	735
其他應付款項	(18,221)
應付本公司款項	(605,832)
應付同系附屬公司款項	(8,856)
應付附屬公司非控股股東之款項	(7,490)
	<b>(639,664)</b>
減：非控股權益	761
所出售負債淨值：	<b>(638,903)</b>
出售附屬公司之收益	
已收代價	-
所出售負債淨值	638,903
向Barstow轉讓應付本公司款項	(605,832)
向Barstow轉讓應付本公司附屬公司款項	(8,856)
出售收益	<b>24,215</b>

由二零一二年一月一日至二零一二年一月三十一日期間，TGT集團對本集團之現金流量並無任何貢獻。

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## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 13. DISCONTINUED OPERATION/DISPOSAL OF SUBSIDIARIES (Continued)

#### (b) Disposal of timber operation

On 18 November 2011, the Group entered into an agreement with Intelligence International Limited (the "Purchaser"), a company incorporated in the British Virgin Islands, to dispose all of its entire interests in Wood Art International Corporation ("Wood Art") and its subsidiaries (the "Disposal Group"), which carried out all of the Group's timber operation (the "2011 Disposal"). The Purchaser is an independent third party of the Group. The Disposal was approved by the shareholders of the Company and completed on 29 December 2011. Total consideration for the 2011 Disposal amounted to HK\$100,000.

The loss for the period from discontinued operation is analysed as follows:

Loss of timber operation for the year	年內木材業務之虧損	(90,306)
Gain on disposal of timber operation	出售木材業務之收益	21,477
		<b>(68,829)</b>

### 13. 已終止經營業務／出售附屬公司 (續)

#### (b) 出售木材業務

於二零一一年十一月十八日，本集團與Intelligence International Limited (「買方」，一間於英屬處女群島註冊成立之公司) 訂立協議，出售其於Wood Art International Corporation (「Wood Art」) 及其附屬公司 (「出售集團」，負責經營本集團所有木材業務) 之全部權益 (「2011年出售事項」)。買方為本集團之獨立第三方。出售事項已獲本公司股東批准並已於二零一一年十二月二十九日完成。2011年出售事項之代價總額為100,000港元。

來自已終止經營業務之期內虧損分析如下：

1.1.2011 to  
29.12.2011  
二零一一年  
一月一日至  
二零一一年  
十二月二十九日  
HK\$'000  
千港元

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012  
截至二零一二年十二月三十一日止年度

### 13. DISCONTINUED OPERATION/DISPOSAL OF SUBSIDIARIES (Continued)

#### (b) Disposal of timber operation (Continued)

The results of the Disposal Group for the period from 1 January 2011 to 29 December 2011, which have been included in the consolidated statement of comprehensive income and presented as discontinued operation were as follows:

		1.1.2011 to 29.12.2011 二零一一年 一月一日至 二零一一年 十二月二十九日 HK\$'000 千港元
Turnover	營業額	76,556
Cost of sales	銷售成本	(116,453)
Gross loss	毛損	(39,897)
Other income	其他收入	6,121
Selling and distribution costs	銷售及分銷費用	(6,514)
Administrative expenses	行政費用	(22,894)
Other expenses	其他開支	(24,201)
Finance costs	融資成本	(2,921)
Loss for the period	期間虧損	(90,306)
Loss for the period attributable to:	期間虧損應佔部分：	
Owners of the Company	本公司股東	(63,202)
Non-controlling interests	非控股權益	(27,104)
		(90,306)

During the year 2011, the Disposal Group contributed cash outflow of HK\$45,681,000 to the Group's net operating cash flows, cash inflow of HK\$944,000 in respect of investing activities and cash outflow of HK\$2,921,000 in respect of financing activities.

截至二零一一年度，出售集團為本集團之經營現金流量淨額貢獻流出45,681,000港元現金，投資活動之現金流入為944,000港元及融資活動之現金流出為2,921,000港元。

		HK\$'000 千港元
Consideration received:	已收代價：	
Cash consideration	現金代價	100

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 13. DISCONTINUED OPERATION/DISPOSAL OF SUBSIDIARIES (Continued)

#### (b) Disposal of timber operation (Continued)

Analysis of assets and liabilities of the Disposal Group at the date of disposal was as follows:

### 13. 已終止經營業務／出售附屬公司 (續)

#### (b) 出售木材業務 (續)

出售集團於出售日期之資產及負債分析如下：

		29.12.2011 二零一一年 十二月二十九日 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	–
Prepaid lease payment	預付租約款項	–
Interests in associates	於聯營公司之權益	–
Inventories	存貨	21,028
Trade and other receivables	應收貨款及其他應收款項	29,643
Bank balances and cash	銀行結餘及現金	23,138
<b>Total assets</b>	<b>總資產</b>	<b>73,809</b>
Trade and other payables	應付貨款及其他應付款項	30,261
Amount due to ultimate holding company	應付最終控股公司款項	116,450
Amounts due to fellow subsidiaries	應付同系附屬公司款項	296,399
Amount due to an associate	應付聯營公司款項	3,426
Bank borrowings	銀行借貸	80,658
Tax payable	應付稅項	2,672
<b>Total liabilities</b>	<b>總負債</b>	<b>529,866</b>
		(456,057)
Less: Non-controlling interests	減：非控股權益	21,831
<b>Net liabilities disposed of</b>	<b>所出售負債淨值</b>	<b>(434,226)</b>
Gain on disposal of subsidiaries:	出售附屬公司之收益：	
Consideration received and receivable	已收及應收代價	100
Net liabilities disposed of	所出售負債淨值	434,226
Assignment to Purchaser of amount due to ultimate holding company	向買方轉讓應付最終控股公司款項	(116,450)
Assignment to Purchaser of amounts due to fellow subsidiaries	向買方轉讓應付同系附屬公司款項	(296,399)
<b>Gain on disposal</b>	<b>出售收益</b>	<b>21,477</b>
Net cash outflow arising on disposal:	出售所產生之現金流出淨額：	
Cash consideration	現金代價	100
Cash and cash equivalent disposed of	所出售之現金及現金等值項目	(23,138)
		(23,038)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 14. PROFIT FOR THE YEAR

### 14. 本年度溢利

		Continuing operations		Discontinued operation		Total	
		2012	2011	2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
		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
Profit for the year has been arrived at after charging:	本年度溢利 已扣除下列各項：						
Directors' and managing director's remuneration (note c)	董事及董事總經理 酬金 (附註c)						
- Fees	- 袍金	3,506	3,279	-	-	3,506	3,279
- Salaries and other benefits	- 薪金及其他福利	1,770	1,751	-	-	1,770	1,751
- Bonus	- 花紅	2,343	415	-	-	2,343	415
- Other emoluments	- 其他薪酬	98	85	-	-	98	85
		<b>7,717</b>	5,530	-	-	<b>7,717</b>	5,530
Employees' salaries and benefits expenses	僱員薪金及福利開支	3,901	3,749	-	12,156	3,901	15,905
Retirement benefits scheme contributions for staff other than directors (note d)	除董事外僱員之 退休福利計劃供款 (附註d)	143	118	-	1,422	143	1,540
Total staff costs	員工成本總額	<b>11,761</b>	9,397	-	13,578	<b>11,761</b>	22,975
Allowance for bad and doubtful debts (included in other expenses) (note b)	呆壞賬撥備 (計入 其他開支) (附註b)	-	-	-	21,412	-	21,412
Allowance for inventories (included in cost of sales) (note a)	存貨撥備 (計入 銷售成本) (附註a)	-	-	-	41,462	-	41,462
Amortisation of prepaid lease payments	預付租約款項攤銷	117	117	-	-	117	117
Auditor's remuneration	核數師酬金	1,000	1,580	-	-	1,000	1,580
Cost of inventories recognised as expenses	已確認為開支之 存貨成本	-	-	-	74,991	-	74,991
Deposits and prepayments written off (included in other expenses) (note b)	撇銷按金及預付款項 (計入其他開支) (附註b)	-	-	-	2,789	-	2,789
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	1,025	1,040	-	-	1,025	1,040
Minimum lease payments under operating leases in respect of rented premises	有關租賃物業之經營 租約最低租金付款	1,625	1,556	-	99	1,625	1,655
Project management fee (included in other expenses) (note e)	項目管理費 (計入 其他開支) (附註e)	-	23,000	-	-	-	23,000



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 14. PROFIT FOR THE YEAR (Continued)

Notes:

- (a) In the year ended 31 December 2011, a PRC subsidiary of the Group which carried out the Group's timber operation purchased excessive inventories and certain inventories were produced but could not be sold due to the weakened market demand, as a result, the directors of the Company made allowances of HK\$41,462,000 on these inventories and were charged to profit or loss.
- (b) In the year ended 31 December 2011, the directors of the Company conducted a review of its trade receivables and certain deposits and prepayments were long outstanding and not recoverable, as a result, allowances of HK\$21,412,000 and HK\$2,789,000, respectively, were charged to the consolidated statement of comprehensive income.
- (c) **Directors' and managing director's emoluments and highest paid employees**
- (i) The emoluments paid or payable to each of the directors and the managing director were as follows:

### 14. 本年度溢利 (續)

附註：

- (a) 截至二零一一年十二月三十一日止年度，本集團一間從事木材業務之中國附屬公司購入過多存貨，加上所生產之若干存貨因市場需求疲軟而未能售出，因此，本公司董事已就該等存貨作出41,462,000港元之撥備並自損益中扣除。
- (b) 截至二零一一年十二月三十一日止年度，本公司董事曾檢討其應收貨款，若干按金及預付款項長期未支付且不可收回，因此，已自綜合全面收益表扣除就有關款項分別作出之21,412,000港元及2,789,000港元之撥備。
- (c) **董事及董事總經理之薪酬及最高薪僱員**
- (i) 已付或應付各董事及董事總經理之薪酬如下：

	Directors 董事															Total 總計	
	Ip Kuong 葉正光	Catherine Chen 陳碧芬	Yeung Kwok Yu 楊國瑜	Chiu Kong 趙錕	Kam Hung Jimmy 關錦鴻	Wang Kei Jackie 華宏驥	Chen Guang Lin 陳廣林	Ma Yin Fan 馬燕芬	Leung Hoi Ying 梁凱鷹	Yu Pan 于濱	Wu Zhuo Tong 吳卓彤	Lee Ming Tung* 李明達*	Zhang Xi** 張曦**	Yeung Tsoi San*** 楊塞新***	Fei Phillip*** 凌鋒***		
	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	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		
For the year ended 31 December 2012	截至 二零一二年 十二月 三十一日 止年度																
Fees	袍金	600	650	-	600	-	-	470	180	100	100	71	-	256	319	160	3,506
Salaries and other benefits	薪金及其他福利	-	910	260	600	-	-	-	-	-	-	-	-	-	-	-	1,770
Bonus (note)	花紅(附註)	-	143	100	100	100	100	-	-	-	-	-	1,800	-	-	-	2,343
Share-based payments	以股份支付之 款項	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retirement benefits scheme contributions	退休福利計劃 供款	-	28	12	28	-	-	14	-	-	-	-	-	5	7	4	98
		600	1,731	372	1,328	100	100	484	180	100	100	71	-	2,061	326	164	7,717

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012  
截至二零一二年十二月三十一日止年度

### 14. PROFIT FOR THE YEAR (Continued)

Notes: (Continued)

#### (c) Directors' and managing director's emoluments and highest paid employees (Continued)

(i) The emoluments paid or payable to each of the directors and the managing director were as follows: (Continued)

	Directors 董事															Total 總計
	Ip Cheng Kuong*** 葉正光***	Catherine Chen 陳碧芬	Yeung Kwok Yu 楊國瑜	Chiu Kong 趙錫	Kwan Kam Hung 關錦鴻	Wah Wang Kei 華宏驥	Chen Guang Lin 陳廣林	Ma Yin Fan 馬燕芬	Leung Hoi Ying 梁凱儀	Yu Pan 于濱	Lee Sun Man**** 李新民****	Hong Po Kui, Martin# 康寶駒*	Zhang Xi 張曦	Yeung Tsoi San*** 楊聖新***	Fei Phillip*** 凌鋒***	
	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	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
For the year ended 31 December 2011 截至二零一一年 十二月三十一日 止年度																
Fees 袍金	303	650	-	600	-	-	30	180	100	100	-	120	650	303	243	3,279
Salaries and other benefits 薪金及其他福利	-	891	260	600	-	-	-	-	-	-	-	-	-	-	-	1,751
Bonus 花紅	-	115	100	100	100	-	-	-	-	-	-	-	-	-	-	415
Share-based payments 以股份支付之款項	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retirement benefits 退休福利計劃供款 scheme contributions	-	24	12	24	-	-	1	-	-	-	-	-	12	6	6	85
	303	1,680	372	1,324	100	-	31	180	100	100	-	120	662	309	249	5,530

Note:

The bonus paid to Mr. Zhang Xi during the year ended 31 December 2012 is determined on a one off basis approved by the board of directors.

Ms. Catherine Chen is also the managing director of the Company and her emoluments disclosed above include those for services rendered by her as the managing director.

- \* The director was appointed on May 2012.
- \*\* The director was appointed on December 2012.
- \*\*\* The directors were appointed in 2011.
- # The directors were resigned in 2011.
- ## The director was resigned on May 2012.
- ### The director was resigned on April 2012.
- #### The director was resigned on July 2012.
- ##### The director deceased in 2011.

### 14. 本年度溢利 (續)

附註：(續)

#### (c) 董事及董事總經理之薪酬及最高薪僱員 (續)

(i) 已付或應付各董事及董事總經理之薪酬如下：(續)

附註：

於截至二零一二年十二月三十一日止年度向張曦先生支付之花紅乃按一次性基準經董事會批准而釐定。

陳碧芬女士亦為本公司之董事總經理，於上文所披露之其薪酬包括彼作為董事總經理提供服務所收取者。

- \* 該董事於二零一二年五月獲委任。
- \*\* 該董事於二零一二年十二月獲委任。
- \*\*\* 該董事於二零一一年獲委任。
- # 該董事於二零一一年辭任。
- ## 該董事於二零一二年五月辭任。
- ### 該董事於二零一二年四月辭任。
- #### 該董事於二零一二年七月辭任。
- ##### 該董事於二零一一年辭世。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 14. PROFIT FOR THE YEAR (Continued)

Notes: (Continued)

#### (c) Directors' and managing director's emoluments and highest paid employees (Continued)

(ii) Of the five individuals with the highest emoluments in the Group, three (2011: three) were directors and the managing director of the Company whose emoluments are included in the disclosures above. The emoluments of the remaining two (2011: two) individuals are as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Salaries, bonus and other benefits	薪金、花紅及其他福利	1,552	1,826
Retirement benefit scheme contributions	退休福利計劃供款	28	27
		<b>1,580</b>	<b>1,853</b>

Included in the above is one (2011: one) individual of which the emolument falls within HK\$1,000,001 to HK\$1,500,000 band, while the remaining one (2011: one) individual does not exceed HK\$1,000,000.

#### (d) Retirement benefits schemes

The Group operates a Mandatory Provident Fund scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme, which contribution is matched by employees but subject to a maximum amount of HK\$1,250 (for the year ended 31 December 2011 and up to May 2012: HK\$1,000) per month from June 2012 onwards for each employee.

### 14. 本年度溢利 (續)

附註：(續)

#### (c) 董事及董事總經理之薪酬及最高薪僱員 (續)

(ii) 在本集團五位最高薪酬人士中，三位(二零一一年：三位)曾為本公司董事及董事總經理，其薪酬已於上文披露。其餘兩位(二零一一年：兩位)人士之薪酬詳情如下：

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Salaries, bonus and other benefits	1,552	1,826
Retirement benefit scheme contributions	28	27
	<b>1,580</b>	<b>1,853</b>

上述兩人包括一位(二零一一年：一位)薪酬位於1,000,001港元至1,500,000港元之間的人士，其餘一位(二零一一年：一位)人士之薪酬並未超過1,000,000港元。

#### (d) 退休福利計劃

本集團為所有香港合資格僱員設立了強積金計劃。計劃之資產與本集團之資產分開處理，並由受託人管理之基金持有。本集團向該計劃作出之供款為有關薪金成本之5%，與僱員之供款相同，惟每名僱員從二零一二年六月起每月最高金額不超過1,250港元(截至二零一一年十二月三十一日止年度及截至二零一二年五月：1,000港元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 14. PROFIT FOR THE YEAR (Continued)

Notes: (Continued)

#### (d) Retirement benefits schemes (Continued)

In addition, pursuant to government regulations, for the Group's employees in the PRC, relevant subsidiaries are required to contribute amounts ranging from approximately 14% to 30% of the basic staff wages to certain retirement benefit schemes. The only obligation of the Group with respect to the retirement benefits schemes is to make the specified contribution.

#### (e) Project management fee

On 29 November 2010, Allywing Investments Limited ("Allywing"), a wholly owned subsidiary of the Group, entered into a Management Agreement with Harvest Day Limited ("Harvest Day") pursuant to which Harvest Day agreed to provide professional management and consultancy services to Allywing in relation to the property development project which the Group is currently developing properties for sale (see note 18). Ms. Zhang Hua Fang, sister of Mr. Zhang Xi, Joint Chairman of the Company who resigned on 21 May 2012, holds 60% equity interests in Harvest Day.

The fee under the Management Agreement is HK\$50,000,000, payable in 3 instalments by the Group upon certain milestones being achieved in the property development project.

Pursuant to the Management Agreement, the instalments are payable by the Group as follows:

- (i) First installment: HK\$23,000,000 being 46% of the total management fee and payable within 15 days after the effective date of the Management Agreement;

### 14. 本年度溢利 (續)

附註：(續)

#### (d) 退休福利計劃 (續)

此外，根據政府規例，就本集團之國內僱員而言，有關附屬公司須向若干退休福利計劃作出供款，供款額介乎基本員工薪酬約14%至30%。本集團在有關退休福利計劃之唯一責任為作出指定供款。

#### (e) 項目管理費

於二零一零年十一月二十九日，本集團全資附屬公司榮邦投資有限公司（「榮邦」）與日豐有限公司（「日豐」）訂立一份管理協議，據此，日豐同意向榮邦提供與本集團現正開發以供出售物業（見附註18）之物業發展項目有關之專業管理及諮詢服務。本公司聯席主席張曦先生（於二零一二年五月二十一日辭任）之妹妹張華芳女士持有日豐之60%股權。

管理協議下之費用為50,000,000港元，將由本集團於物業發展項目完成若干重要階段後分3期支付。

根據管理協議，本集團應付分期付款項如下：

- (i) 第一期：23,000,000港元，即管理費總額之46%，將於管理協議生效日期後15日內支付；

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 14. PROFIT FOR THE YEAR (Continued)

Notes: (Continued)

#### (e) Project management fee (Continued)

- (ii) Second installment: HK\$13,500,000 being 27% of the total management fee and payable within 15 days after the issue of certificate of approval for presale of commodities premises (商品房預售許可證) (the "Second Installment Condition");
- (iii) Third installment: HK\$13,500,000 being 27% of the total management fee and payable within 15 days after issue of certificates of compliance confirming completion of all construction works in the development project and settlement of accounts (which have been audited by independent third parties) with all contracting parties (the "Third Installment Condition").

During the year ended 31 December 2011, the first installment amounting to HK\$23,000,000 was paid by the Group and was charged to profit or loss as, in the opinion of the directors of the Company, the management and consultancy service relating to the first installment has been fulfilled. No payment was made and charge to profit or loss during the year ended 31 December 2012 as, in the opinion of the directors of the Company, no related management and consultancy services was rendered by Harvest Day in the current year and the Second Installment Condition has not been fulfilled.

### 14. 本年度溢利 (續)

附註：(續)

#### (e) 項目管理費 (續)

- (ii) 第二期：13,500,000 港元，即管理費總額之 27%，將於發出商品房預售許可證後 15 日內支付 (「第二期條件」)；
- (iii) 第三期：13,500,000 港元，即管理費總額之 27%，將於發出確認開發項目全部建設工程已完成之合格證書及結清所有訂約方賬款 (經獨立第三方審核) 後 15 日內支付 (「第三期條件」)。

截至二零一一年十二月三十一日止年度，本集團已支付第一期款項 23,000,000 港元，同時自損益中扣除，乃因本公司董事認為已完成與第一期有關的管理及顧問服務。截至二零一二年十二月三十一日止年度，並無作出任何付款或自損益扣除任何付款，乃因本公司董事認為，於本年度日豐並無提供任何相關管理及顧問服務且第二期條件尚未達成。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 15. EARNINGS (LOSS) PER SHARE

#### For continuing and discontinued operations

The calculation of the basic and diluted earnings (loss) per share attributable to owners of the Company is based on the following data:

### 15. 每股盈利（虧損）

#### 持續經營業務及已終止經營業務

本公司股東應佔每股基本及攤薄盈利（虧損）乃基於以下資料計算：

		2012 二零一二年 HK\$'000 千港元	2011 二零一二年 HK\$'000 千港元
<b>Earnings (loss):</b>	<b>盈利（虧損）：</b>		
Earnings for the purpose of basic earnings per share	藉以計算每股基本盈利之盈利	<b>32,659</b>	60,886
Effect of dilutive potential ordinary shares:	普通股潛在攤薄影響：		
– Interest on convertible notes	– 可換股票據利息	<b>18,694</b>	39,733
– Net gain on derivative financial instruments	– 衍生金融工具之淨收益	<b>(77,703)</b>	(235,964)
– Loss on early redemption of convertible notes	– 提早贖回可換股票據之虧損	<b>3,162</b>	–
Loss for the purpose of diluted loss per share	藉以計算每股攤薄虧損之虧損額	<b>(23,188)</b>	(135,345)
<b>Number of shares:</b>	<b>股份數目：</b>		
		2012 二零一二年	2011 二零一一年 (Restated) (重列)
Weighted average number of ordinary shares for purposes of calculation of basic earnings (loss) per share	藉以計算每股基本盈利（虧損）之普通股加權平均數	<b>1,711,688,004</b>	1,141,073,220
Effect of dilutive potential ordinary shares in respect of convertible notes	可換股票據之普通股潛在攤薄影響	<b>90,163,934</b>	990,000,000
Weighted average number of ordinary shares for the purpose of calculation of diluted loss per share	藉以計算每股攤薄虧損之普通股加權平均數	<b>1,801,851,938</b>	2,131,073,220

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 15. EARNINGS (LOSS) PER SHARE (Continued)

#### From continuing operations

The calculation of the basic and diluted earnings (loss) per share from continuing operations attributable to the owners of the Company is based on the following data:

### 15. 每股盈利(虧損)(續)

#### 來自持續經營業務

本公司股東應佔持續經營業務每股基本及攤薄盈利(虧損)乃基於以下資料計算：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
Earnings for the year attributable to owners of the Company	本公司股東應佔 本年度盈利	<b>32,659</b>	60,886
Less: Loss for the year from discontinued operation attributable to owners of the Company	減：本公司股東應佔已終 止經營業務本年度 之虧損	–	(41,725)
Earnings for the purpose of basic earnings per share from continuing operations	藉以計算持續經營業務 每股基本盈利之盈利	<b>32,659</b>	102,611
Effect of dilutive potential ordinary shares:	普通股潛在攤薄影響：		
– Interest on convertible loan notes	– 可換股貸款票據利息	<b>18,694</b>	39,733
– Net gain on derivative financial instruments	– 衍生金融工具之 淨收益	<b>(77,703)</b>	(235,964)
– Loss on early redemption of convertible notes	– 提早贖回可換 股票據之虧損	<b>3,162</b>	–
Loss for the purpose of diluted loss per share from continuing operations	藉以計算持續經營業務 每股攤薄虧損之虧損	<b>(23,188)</b>	(93,620)

The denominators used are the same as those detailed above for both basic and diluted earnings (loss) per share.

就每股基本及攤薄盈利(虧損)而言，所用分母與上述者相同。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 15. EARNINGS (LOSS) PER SHARE (Continued)

The weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings (loss) per share for the year ended 31 December 2011 have been retrospectively adjusted for the effect of share consolidation completed on 12 October 2012.

#### From discontinued operation

No basic or diluted earnings per share for discontinued operation for the year ended 31 December 2012 as the Group has had no discontinued operation for the year.

Basic loss per share for the discontinued operation for the year ended 31 December 2011 was HK3.66 cent per share, based on the loss for the year from the discontinued operation attributable to owners of the Company of HK\$41,725,000 and the denominator is detailed above for basic loss per share. Diluted loss per share for the discontinued operation for the year ended 31 December 2011 was HK1.96 cents and the denominator as detailed above for diluted loss per share.

The computation of diluted loss per share for the years ended 31 December 2011 does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares during both years. It does not assume the conversion of 2012 CN Convertible Notes for the year ended 31 December 2012 since their assumed conversion would result in a decrease in the loss per share.

### 15. 每股盈利(虧損)(續)

截至二零一一年十二月三十一日止年度用於計算每股基本及攤薄盈利(虧損)的加權平均普通股數目已就於二零一二年十月十二日完成的股份合併的影響作出追溯調整。

#### 來自已終止經營業務

截至二零一二年十二月三十一日止年度，已終止經營業務並無每股基本或攤薄盈利，乃因本集團於該年度並無已終止經營業務。

截至二零一一年十二月三十一日止年度，已終止經營業務之每股基本虧損為每股3.66港仙，乃根據本公司股東應佔已終止經營業務之本年度虧損41,725,000港元及上述每股基本虧損之分母計算。截至二零一一年十二月三十一日止年度，已終止經營業務之每股攤薄虧損為1.96港仙，以及按上述每股攤薄虧損之分母計算。

由於截至二零一一年十二月三十一日止年度該等購股權的行使價高於股份平均市價，故計算兩個年度內之每股攤薄虧損並不假設本公司尚未行使之購股權獲得行使。並無假設截至二零一二年十二月三十一日止年度轉換2012可換股票據，因為假設轉換將導致每股虧損減少。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 16. PROPERTY, PLANT AND EQUIPMENT

### 16. 物業、廠房及設備

		Buildings	Leasehold improvement	Plant and equipment	Furniture and fittings	Motor vehicles	Total
		樓宇	租賃物業裝修	廠房及設備	傢具及裝置	汽車	總額
		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
COST	成本值						
At 1 January 2011	於二零一一年一月一日	83,484	2,706	333,410	742	9,632	429,974
Currency realignment	貨幣重列	3,606	84	14,403	54	365	18,512
Additions	增置	-	437	-	246	622	1,305
Elimination on disposal of subsidiaries (note 13)	於出售附屬公司時對銷 (附註13)	(87,090)	-	(347,813)	(74)	(7,917)	(442,894)
At 31 December 2011	於二零一一年十二月三十一日	-	3,227	-	968	2,702	6,897
Currency realignment	貨幣重列	-	1	-	-	1	2
Additions	增置	-	-	-	223	-	223
Disposal	出售	-	-	-	(35)	-	(35)
At 31 December 2012	於二零一二年十二月三十一日	-	<b>3,228</b>	-	<b>1,156</b>	<b>2,703</b>	<b>7,087</b>
DEPRECIATION	折舊						
At 1 January 2011	於二零一一年一月一日	83,484	571	333,410	384	8,402	426,251
Currency realignment	貨幣重列	3,606	7	14,403	8	358	18,382
Provided for the year	本年度撥備	-	409	-	184	447	1,040
Elimination on disposal of subsidiaries (note 13)	於出售附屬公司時對銷 (附註13)	(87,090)	-	(347,813)	(74)	(7,917)	(442,894)
At 31 December 2011	於二零一一年十二月三十一日	-	987	-	502	1,290	2,779
Currency realignment	貨幣重列	-	1	-	-	-	1
Provided for the year	本年度撥備	-	312	-	282	431	1,025
Elimination on disposal	於出售時對銷	-	-	-	(35)	-	(35)
At 31 December 2012	於二零一二年十二月三十一日	-	<b>1,300</b>	-	<b>749</b>	<b>1,721</b>	<b>3,770</b>
CARRYING VALUES	賬面值						
At 31 December 2012	於二零一二年十二月三十一日	-	<b>1,928</b>	-	<b>407</b>	<b>982</b>	<b>3,317</b>
At 31 December 2011	於二零一一年十二月三十一日	-	<b>2,240</b>	-	<b>466</b>	<b>1,412</b>	<b>4,118</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 16. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment are depreciated on a straight line basis and the rates per annum are as follows:

		Rate per annum (%) 年率(%)
Buildings on land held under short term leases outside Hong Kong	位於香港以外地區根據短期租約持有之土地上之樓宇	Over the lease term of 5 to 10 years 5至10年的租期內
Plant and equipment and furniture and fittings	廠房及設備以及傢具與裝置	10 to 33 10至33
Motor vehicles	汽車	20

Leasehold improvement are depreciated over the remaining unexpired terms of the leases or five years, whichever is shorter.

At 31 December 2011, the net book value of motor vehicles of HK\$139,000 (2012: nil) in respect of assets held under finance leases.

租賃物業裝修於餘下未屆滿租期或五年（以較短者為準）內折舊。

於二零一一年十二月三十一日，有關根據融資租約所持資產之汽車之賬面淨值139,000港元（二零一二年：無）。

### 17. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise medium term lease in the PRC and are amortised over the term of the leases.

### 17. 預付租約款項

本集團之預付租約款項包括於中國之中期租約並於租約年期內攤銷。

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## 綜合財務報表附註

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### 18. PROPERTIES UNDER DEVELOPMENT

Properties under development are situated in the Xian City, the PRC and are held for sales after completion. The properties under development at the end of the reporting period represents development costs incurred for construction and land use rights for terms expiring in year 2048. The amount is expected to be realised within 12 months after the end of the reporting period.

### 19. HELD-FOR-TRADING INVESTMENTS

Held-for-trading investments represent equity securities listed in Hong Kong.

Fair values are determined with reference to quoted market bid prices.

### 20. OTHER RECEIVABLES

Other receivables	其他應收款項
Consideration receivable for disposal of food processing and distribution operation	出售食品加工及分銷業務應收代價

### 18. 發展中物業

發展中物業位於中國西安市及發展落成後持作出售。於報告期結束時發展中物業指建築工程及於二零四八年屆滿之土地使用權所產生之發展成本。預期該款項會於報告期結束後十二個月內變現。

### 19. 持作買賣投資

持作買賣投資指於香港上市之股本證券。

公平值乃參考所報市場買入價釐定。

### 20. 其他應收款項

2012	2011
二零一二年	二零一一年
HK\$'000	HK\$'000
千港元	千港元

	656	297
	13,354	25,000
	14,010	25,297

The consideration receivable for disposal of Prowealth Holdings Group Limited and its subsidiaries, carrying interest of 6% per annum was due in July 2011. Further arrangement has been made with Sincerity Shine to extend the repayment of the remaining outstanding consideration to May 2013 and the other terms remain unchanged.

出售Prowealth Holdings Group Limited及其附屬公司之應收代價（按年利率6%計息）於二零一一年七月到期應付。本公司已與Sincerity Shine訂立進一步安排，將餘下未付代價之還款日期延後至二零一三年五月而其他條款則保持不變。

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### 20. OTHER RECEIVABLES (Continued)

#### Movement in the allowance for doubtful debts

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At beginning of the year	年初	-	10,529
Impairment loss recognised on receivables	就應收款項確認之 減值虧損	-	21,412
Eliminated on disposal of subsidiaries	於出售附屬公司時對銷	-	(31,941)
At end of the year	年末	-	-

Included in the other receivables are the following amounts denominated in currencies other than the functional currency of the group entities to which they relate:

應收貨款及其他應收款項包括下列以相關集團實體之功能貨幣以外之貨幣結算之金額：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Hong Kong Dollars	港元	<b>13,848</b>	25,090

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### 21. BANK BALANCES AND CASH

Bank balances and cash comprise cash and short-term bank deposits with original maturity of three months or less, and carry interest ranging from 0.01% to 0.4% (2011: 0.01% to 0.5%) per annum.

At 31 December 2012 and 31 December 2011, the Group had bank balances and cash that were in RMB, which is not freely convertible into other currencies or were subject to exchange controls in the PRC amounting to approximately HK\$4,009,500 and HK\$88,000, respectively.

Included in the bank balances and cash are the following amounts denominated in currencies other than the functional currency of the group entities to which they relate:

### 21. 銀行結餘及現金

銀行結餘及現金包括現金及原到期日等於或少於三個月之短期銀行存款，年利率為0.01%至0.4%（二零一一年：0.01%至0.5%）。

於二零一二年十二月三十一日及二零一一年十二月三十一日，本集團以人民幣持有之銀行結餘及現金分別約為4,009,500港元及88,000港元，不可自由兌換成其他貨幣或須受中國外匯管制所規限。

銀行結餘及現金包括下列以相關集團實體之功能貨幣以外貨幣計值之金額：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Hong Kong Dollars	港元	<b>29,004</b>	16,287

### 22. TRADE AND OTHER PAYABLES

### 22. 應付貨款及其他應付款項

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Trade payables	應付貨款	–	4,885
Amount due to former director of a subsidiary	應付附屬公司前董事款項	<b>5,512</b>	5,469
Accrued expenses	應計開支	<b>2,341</b>	1,489
Accrued costs for construction work	應計建築工程成本	<b>25,121</b>	14,383
Other payables (note)	其他應付款項 (附註)	<b>9,862</b>	25,918
		<b>42,836</b>	52,144

Note: Other payables mainly comprise of loan payable to a former shareholder, loan interest payable and receipt in advance from sub-contractors.

附註：其他應付款項主要包括應付前股東的貸款、應付貸款利息及預收分包商的款項。

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### 22. TRADE AND OTHER PAYABLES (Continued)

The following is an aged analysis of trade payables based on invoice date at the end of the reporting period:

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
More than 180 days	超過180日	-	4,885

Included in the trade and other payables are the following amounts denominated in currencies other than the functional currency of the group entities to which they relate:

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong Dollars	港元	7,805	16,215

### 23. AMOUNTS DUE TO DIRECTORS OF SUBSIDIARIES/AMOUNTS DUE TO NON-CONTROLLING SHAREHOLDERS OF SUBSIDIARIES

The amount(s) due to directors of subsidiaries and non-controlling shareholders of subsidiaries are unsecured, interest-free and repayable on demand.

### 22. 應付貨款及其他應付款項(續)

於報告期結束時，應付貨款基於發票日期之賬齡分析如下：

應付貨款及其他應付款項包括下列以相關集團實體之功能貨幣以外貨幣計值之金額：

### 23. 應付附屬公司董事款項／應付附屬公司非控股股東款項

應付附屬公司董事款項及應付附屬公司非控股股東款項無抵押、免息及須應要求償還。

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### 24. OBLIGATION UNDER A FINANCE LEASE

During the year ended 31 December 2009, the Group has leased certain of its motor vehicles under finance leases. The lease term is 3 years. Interest rates obligation under finance leases is fixed at 8.84% per annum.

### 24. 融資租約承擔

於截至二零零九年十二月三十一日止年度內，本集團根據融資租約租賃其若干汽車。租期為三年，根據融資租約之利率承擔設定為每年8.84%。

		Minimum lease payments		Present value of minimum lease payments	
		最低租約付款	最低租約付款之現值	最低租約付款	最低租約付款之現值
		2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Amounts payable under finance lease	根據融資租約應付之款項				
Within one year	一年內	-	81	-	77
In more than one year but not more than two years	一年以上但不超過兩年	-	-	-	-
		-	81	-	77
Less: Future finance charges	減：未來融資支出	-	(4)	-	-
Present value of lease obligations	租約承擔之現值	-	77	-	77
Less: Amount due for settlement with 12 months (shown under current liabilities)	減：十二個月內到期結算之款項(列作流動負債)			-	(77)
Amount due for settlement after 12 months	十二個月後到期結算之款項			-	-

The Group's obligation under a finance lease is secured by the lessor's charge over the leased assets and is denominated in Hong Kong Dollars. The obligation under a finance lease is discharged during the year.

本集團之融資租約承擔以出租人之租約資產押記作抵押並以港元計值。融資租約承擔已於年內清償。

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## 綜合財務報表附註

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### 25. CONVERTIBLE NOTES

#### (i) Fulbond Convertible Note

On 6 August 2009, the Company entered into a placing agreement (the "Fulbond CN Placing Agreement") with a placing agent whereby the Company agreed, subject to conditions (including the Stock Exchange's and shareholders' approval) issue zero coupon convertible notes in a maximum aggregate principal amount of HK\$800,000,000 (the "Fulbond Convertible Notes") which can be converted into ordinary shares of the Company at a conversion price of HK\$0.01 per share. The placing shall proceed in two tranches namely, the First Tranche Fulbond Convertible Notes and the Second Tranche Fulbond Convertible Notes. Both the First Tranche Fulbond Convertible Notes (up to the aggregate principal amount of HK\$450,000,000) and the Second Tranche Fulbond Convertible Notes (up to the aggregate principal amount of HK\$350,000,000) fall under the placing and are subject to the same terms and conditions under the Fulbond CN Placing Agreement.

### 25. 可換股票據

#### (i) 福邦可換股票據

於二零零九年八月六日，本公司與配售代理訂立一項配售協議（「福邦可換股票據配售協議」），據此，本公司同意待達成若干條件（包括取得聯交所及股東之批准）後，發行本金總額最多800,000,000港元之零息可換股票據（「福邦可換股票據」），可按每股0.01港元之轉換價轉換為本公司普通股。配售事項將分兩批即第一批福邦可換股票據及第二批福邦可換股票據進行。第一批福邦可換股票據（本金總額最多450,000,000港元）及第二批福邦可換股票據（本金總額最多350,000,000港元）均為配售事項之部分，並須受福邦可換股票據配售協議之相同條款及條件所規限。



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### 25. CONVERTIBLE NOTES (Continued)

#### (i) Fulbond Convertible Note (Continued)

The Fulbond Convertible Notes are denominated in Hong Kong dollars with a conversion period of 36 months from the first issue date and can be converted into ordinary shares of the Company at HK\$0.01 per share, and may be adjusted upon occurrence of adjustment events, which include consolidation or sub-division of shares, capitalisation of profits or reserves, capital distributions in cash or specie, rights issues or grant of options or warrants to subscribe for new shares at a price which is less than 60% of the market price, issue for cash of securities which are convertible into or exchangeable for or carry rights of subscription for new shares or modification of rights of conversion or exchange or subscription attached to such securities such that the total effective consideration per share initially receivable for such securities is less than 80% of the market price, issue shares for cash at a price per share which is less than 80% of the market price, issue shares for the acquisition of assets at a total effective consideration per share which is less than 80% of the market price, and will in any event not be adjusted below the par value of the share.

### 25. 可換股票據 (續)

#### (i) 福邦可換股票據 (續)

福邦可換股票據以港元計值，換股期由首次發行日期起計36個月並可以每股0.01港元轉換成io公司普通股，可在發行若干事件時作出調整，其中包括股份合併、股份拆細、溢利或儲備資本化、現金或實物資本分派、供股或授出可按低於市價60%之價格認購新股份之購股權或認股權證，為套現而發行可轉換或交換為新股份或附有權利可認購新股份之證券或修訂該等證券所附帶之換股權或轉換權或認購權以致每股初步應收實際代價總額低於市價之80%、為套現而按每股股份低於市價80%之價格發行股份、購置資產而按每股股份實際總代價低於市價80%之價格發行股份，惟無論如何將不會調整至低於股份之面值。

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### 25. CONVERTIBLE NOTES (Continued)

#### (i) Fulbond Convertible Note (Continued)

The Fulbond Convertible Notes contain three components, the liability component, conversion option and issuer's early redemption option. The conversion option gives the holder's right at any time to convert the Fulbond Convertible Notes into ordinary shares of the Company. However since the conversion option will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments, the conversion option is accounted for as a derivative liability. The early redemption option gives the issuer the right to redeem the note at par at any time before maturity. Both conversion option derivative and early redemption option are measured at fair value with changes in fair value recognised in profit or loss.

The fair value of the liability component upon the issuance of the note was calculated at the present value of the principal amount. The Fulbond Convertible Notes can only be redeemed at par at the discretion of the issuer in whole or in part anytime before the maturity date. All tranches of the Fulbond Convertible Notes matured on 28 December 2012 at aggregate principal amount of HK\$800,000,000.

### 25. 可換股票據 (續)

#### (i) 福邦可換股票據 (續)

福邦可換股票據包括三個部分，即負債部分、可換股期權及發行人提前贖回期權。可換股期權賦予持有人隨時將福邦可換股票據轉換為本公司普通股之權利。然而，由於可換股期權將透過以定額現金或另一項金融資產交換本公司本身固定數目之權益工具以外之方式清償，可換股期權入賬為衍生負債。提前贖回期權賦予發行人權利於到期日前隨時按面值贖回票據。可換股期權衍生工具及提前贖回期權均按公平值計量，公平值變動於損益確認。

於發行票據後，負債部分之公平值按本金額現值計算。福邦可換股票據僅可於到期日前隨時由發行人酌情按面值贖回全部或部分票據。全部福邦可換股票據於二零一二年十二月二十八日到期，本金總額為800,000,000港元。

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### 25. CONVERTIBLE NOTES (Continued)

#### (i) Fulbond Convertible Note (Continued)

On 21 June 2011, the Company obtained approval from its shareholders to the proposed reorganisation of the share capital of the Company (the "Capital Re-organisation"), which involves share consolidation every 10 existing shares of par value US\$0.001 (equivalent to HK\$0.01) into one consolidated share of par value US\$0.01 (equivalent to HK\$0.10) and capital reduction of the par value of each issued consolidated share from US\$0.01 (equivalent to HK\$0.10) to US\$0.001 (equivalent to HK\$0.01) by cancellation of US\$0.009 (equivalent to HK\$0.09) of the paid up capital of each issued consolidated share. The original conversion price was adjusted from HK\$0.01 per share to HK\$0.10 per share as a result of Capital Re-organisation.

#### *First Tranche Fulbond Convertible Notes*

On 29 December 2009, the Company partially issued the First Tranche Fulbond Convertible Notes with the principal amount of HK\$200,000,000 (the "1st HK\$200M Fulbond CN") to an independent third party. The effective interest rate of the liability component and discount rate used is 15.24% which represents the cost of debt applicable to the Company at the issue date.

On 14 January 2010, the Company issued the remaining portion of the First Tranche Fulbond Convertible Notes with principal amount of HK\$250,000,000 (the "2nd HK\$250M Fulbond CN") to an independent third party. The effective interest rate of the liability component and discount rate used is 12.66% which represents the cost of debt applicable to the Company at the issue date.

### 25. 可換股票據 (續)

#### (i) 福邦可換股票據 (續)

於二零一一年六月二十一日，本公司獲其股東批准對本公司股本之建議重組（「股本重組」），其涉及將每10股每股面值0.001美元（相等於0.01港元）之現有股份合併為一股每股面值0.01美元（相等於0.10港元）之合併股份及透過註銷每股已發行合併股份之繳足股本0.009美元（相等於0.09港元）將每股已發行合併股份之面值由0.01美元（相等於0.10港元）削減至0.001美元（相等於0.01港元）。於股本重組後，原換股價由每股0.01港元調整至每股0.10港元。

#### *第一批福邦可換股票據*

於二零零九年十二月二十九日，本公司向一名獨立第三方部分發行本金額為200,000,000港元之第一批福邦可換股票據（「第一批200,000,000港元福邦可換股票據」）。負債部分之實際利率及所用貼現率為15.24%，為於發行日期適用於本公司之債務成本。

於二零一零年一月十四日，本公司發行本金額為250,000,000港元之第一批福邦可換股票據其餘部分（「第二批250,000,000港元福邦可換股票據」）予一名獨立第三方。負債部分之實際利率及所用貼現率為12.66%，為於發行日期適用於本公司之債務成本。

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### 25. CONVERTIBLE NOTES (Continued)

#### (i) Fulbond Convertible Note (Continued)

*First Tranche Fulbond Convertible Notes (Continued)*

On 12 January 2010 and 11 August 2010, certain holders of the 1st HK\$200M Fulbond CN, gave notice to the Company to convert the 1st HK\$200M Fulbond CN in aggregate principal amount of HK\$140,000,000 to ordinary shares of the Company.

On 5 May 2010, 18 May 2010 and 11 August 2010, certain holders of the 2nd HK\$250M Fulbond CN gave notice to the Company to convert the 2nd HK\$250M Fulbond CN in aggregate principal amount of HK\$130,000,000 to ordinary shares of the Company.

On 2 April 2012, holders of the First Tranche Convertible Notes, have given notice to the Company to convert remaining portion of 1st HK\$200M Fulbond CN and 2nd HK\$250M Fulbond CN in aggregate principal amount of HK\$60,000,000 and HK\$120,000,000 to ordinary shares of the Company respectively. The carrying value of the liability component and fair value of the embedded conversion option and early redemption option of 1st HK\$200M Fulbond CN and 2nd HK\$250M Fulbond CN at the date of conversion were approximately HK\$88,482,000 and HK\$169,432,000 respectively, and gain on fair value changes of HK\$6,804,000 and HK\$13,608,000 were recognised in profit or loss respectively.

### 25. 可換股票據 (續)

#### (i) 福邦可換股票據 (續)

*第一批福邦可換股票據 (續)*

於二零一零年一月十二日及二零一零年八月十一日，第一批200,000,000港元福邦可換股票據之若干持有人向本公司發出通知，轉換本金額合共140,000,000港元之第一批200,000,000港元福邦可換股票據為本公司普通股。

於二零一零年五月五日、二零一零年五月十八日及二零一零年八月十一日，第二批250,000,000港元福邦可換股票據之若干持有人向本公司發出通知，轉換本金額合共130,000,000港元之第二批250,000,000港元福邦可換股票據為本公司普通股。

於二零一二年四月二日，第一批可換股票據持有人向本公司發出通知，轉換本金額分別為60,000,000港元及120,000,000港元之第一批200,000,000港元福邦可換股票據及第二批250,000,000港元福邦可換股票據的餘額為本公司普通股。於轉換日期，第一批200,000,000港元福邦可換股票據及第二批250,000,000港元福邦可換股票據負債部分之賬面值以及內置可換股期權及提早贖回期權之公平值分別約為88,482,000港元及169,432,000港元，於損益賬內分別確認6,804,000港元及13,608,000港元公平值變動之收益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 25. CONVERTIBLE NOTES (Continued)

#### (i) Fulbond Convertible Note (Continued)

##### First Tranche Fulbond Convertible Notes (Continued)

The fair values of the embedded conversion option and the issuer's early redemption option were determined using binomial option pricing model, the valuation was performed by independent valuer, Asset Appraisal Limited, and the inputs into the model at each respective date were as follows:

		(Date of conversion) (換股日期)	
		2.4.2012	31.12.2011
		二零一二年	二零一一年
		四月二日	十二月三十一日
Conversion price	轉換價	<b>HK\$0.10</b>	HK\$0.10
		<b>0.10港元</b>	0.10港元
Share price	股價	<b>HK\$0.142</b>	HK\$0.143
		<b>0.142港元</b>	0.143港元
Expected volatility	預期波幅	<b>53.36%</b>	50.27%
Remaining life	剩餘年期	<b>0.74 year</b>	0.99 year
		<b>0.74年</b>	0.99年
Risk-free rate	無風險利率	<b>0.130%</b>	0.250%

##### Second Tranche Fulbond Convertible Notes

On 10 August 2010, the Company issued the first portion of the Second Tranche Fulbond Convertible Notes with principal amount of HK\$250,000,000 (the "3rd HK\$250M Fulbond CN") to an independent third party. The effective interest rate of the liability component and the discount rate used is 10.61% which represents the cost of debt applicable to the Company at the issue date.

### 25. 可換股票據 (續)

#### (i) 福邦可換股票據 (續)

##### 第一批福邦可換股票據 (續)

內置可換股期權及發行人之提早贖回期權之公平值採用二項式期權定價模式釐定，有關估值由獨立估值師資產評估顧問有限公司進行，於各日輸入模式之數據如下：

	(Date of conversion) (換股日期)
	2.4.2012
	二零一二年
	四月二日
	31.12.2011
	二零一一年
	十二月三十一日

##### 第二批福邦可換股票據

於二零一零年八月十日，本公司已發行本金額250,000,000港元之第二批福邦可換股票據第一部分（「第三批250,000,000港元福邦可換股票據」）予一名獨立第三方。所採用之負債部分實際利率及貼現率為10.61%，代表於發行日期適用於本公司之債務成本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 25. CONVERTIBLE NOTES (Continued)

#### (i) Fulbond Convertible Note (Continued)

*Second Tranche Fulbond Convertible Notes (Continued)*

On 11 August 2010, certain holders of the 3rd HK\$250M Fulbond CN, have given notice to the Company to convert certain the 3rd HK\$250M Fulbond CN in aggregate principal amount of HK\$34,000,000 to ordinary shares of the Company.

On 2 April 2012, certain holders of the 3rd HK\$250M Fulbond CN have given notice to the Company to convert certain of the 3rd HK\$250M Fulbond CN in aggregate principal amount of HK\$126,000,000 to ordinary shares of the Company. The carrying value of the liability component and fair value of the embedded conversion option and early redemption option at the date of conversion is approximately HK\$177,342,000, and gain on fair value changes of HK\$14,288,000 was recognised in profit or loss.

On 5 December 2012, the Company exercise its call option to early redeem the remaining portion of the 3rd HK\$250M Fulbond CN in aggregate principal amount of HK\$90,000,000. During the period up to the date of redemption, a fair value gain on embedded conversion option and early redemption option of HK\$56,468,000, was recognised in profit and loss. The carrying value of the liability component and fair value of the conversion option derivative and early redemption option of the remaining portion of the 3rd HK\$250M Fulbond CN in aggregate at the date of redemption is approximately HK\$86,838,000, giving rise to a loss on early redemption of HK\$3,162,000 recognised in profit or loss in the current period.

### 25. 可換股票據 (續)

#### (i) 福邦可換股票據 (續)

*第二批福邦可換股票據 (續)*

於二零一零年八月十一日，第三批250,000,000港元福邦可換股票據之持有人向本公司發出通知，轉換總本金額為34,000,000港元之若干第三批250,000,000港元福邦可換股票據為本公司之普通股。

於二零一二年四月二日，第三批250,000,000港元福邦可換股票據之若干持有人已向本公司發出通知，轉換本金額126,000,000港元之第三批250,000,000港元福邦可換股票據之若干部份為本公司普通股。於換股日期，負債部份之賬面值以及內置可換股期權及提早贖回期權之公平值合共約為177,342,000港元，已於損益賬確認公平值變動收益14,288,000港元。

於二零一二年十二月五日，本公司行使其認購權按本金總額90,000,000港元提早贖回第三批250,000,000港元福邦可換股票據之餘下部分。截至贖回日期止期間，內置可換股期權及提早贖回期權之公平值收益56,468,000港元已於損益內確認。於贖回日期，第三批250,000,000港元福邦可換股票據餘下部分之負債部分之賬面值以及可換股期權衍生工具及提早贖回期權之公平值合共為約86,838,000港元，導致於本期間損益賬內確認提早贖回虧損3,162,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 25. CONVERTIBLE NOTES (Continued)

#### (i) Fulbond Convertible Note (Continued)

Second Tranche Fulbond Convertible Notes (Continued)

The remaining unissued tranche of Fulbond Convertible Notes of HK\$100,000,000 expired in October 2010.

The fair values of the embedded conversion option and the issuer's early redemption option were determined using binomial option pricing model, respectively, the valuation was performed by independent valuer, Assets Appraisal Limited and the inputs into the model at each respective date were as follows:

### 25. 可換股票據 (續)

#### (i) 福邦可換股票據 (續)

第二批福邦可換股票據 (續)

餘下100,000,000港元之未發行批次福邦可換股票據已於二零一零年十月到期。

內置可換股期權及發行人之提早贖回期權之公平值分別採用二項式期權定價模式釐定，有關估值由獨立估值師資產評估顧問有限公司進行，於各自日期輸入模式之數據如下：

		(Date of redemption) (贖回日期)	(Date of conversion) (換股日期)	
		5.12.2012 二零一二年 十二月五日	2.4.2012 二零一二年 四月二日	31.12.2011 二零一一年 十二月三十一日
Conversion price	換股價	HK\$0.100 0.100港元	HK\$0.100 0.100港元	HK\$0.100 0.100港元
Share price	股價	HK\$0.124 0.124港元	HK\$0.142 0.142港元	HK\$0.143 0.143港元
Expected volatility	預期波幅	29.54%	53.36%	50.27%
Remaining life	剩餘年期	-	0.74 year 0.74年	0.99 year 0.99年
Risk-free rate	無風險利率	0.047%	0.130%	0.250%

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 25. CONVERTIBLE NOTES (Continued)

#### (ii) 2012 CN Convertible Note

On 16 August 2012, the Company entered into a placing agreement (as supplement and amended by a side letter dated 27 August 2012) (the "2012 CN Placing Agreement") with a placing agent whereby the Company agreed, subject to conditions (including the Stock Exchange's and shareholders' approval) issue zero coupon convertible notes in a maximum aggregate principal amount of HK\$120,000,000 (the "2012 CN Convertible Notes"). The placing can be completed by a maximum of four tranches provided that the aggregate principal amount of the 2012 CN Convertible Notes to be issued by the Company for each partial completion shall not be less than HK\$30,000,000. The tranches fall under placing are subject to the same terms and conditions under the 2012 CN Placing Agreement.

The 2012 CN Convertible Notes are denominated in Hong Kong dollars with a conversion period of 36 months from the first issue date and can be converted into ordinary shares of the Company at HK\$0.12 per ordinary share, and may be adjusted upon occurrence of adjustment events, which include consolidation or sub-division of shares, capitalisation of profits or reserves, capital distributions, issue for cash of securities which are convertible into or exchangeable for or carry rights of subscription for new shares or modification of rights of conversion or exchange or subscription attached to such securities that the total effective consideration per share which is less than 80% of the market price, issues shares for cash at a price per share which is less than 80% of the market price, issues shares for the acquisition of assets at a total effective consideration per share which is less than 80% of the market price, and will in any event not be adjusted below the par value of the share.

### 25. 可換股票據 (續)

#### (ii) 2012可換股票據

於二零一二年八月十六日，本公司與配售代理訂立一項配售協議（經日期為二零一二年八月二十七日之附函補充及修訂）（「2012可換股票據配售協議」），據此，本公司同意待達成若干條件（包括取得聯交所及股東之批准）後，發行本金總額最多120,000,000港元之零息可換股票據（「2012可換股票據」）。配售可分最多四批次完成，惟本公司就每部分完成而將予發行之2012可換股票據本金總額不得低於30,000,000港元。配售項下的所有該等批次均須受2012可換股票據配售協議之相同條款及條件所規限。

2012可換股票據以港元計值，換股期由首次發行日期起計36個月並可以每股0.12港元轉換成io公司普通股，可在發行若干事件時作出調整，其中包括股份合併、股份拆細、溢利或儲備資本化、資本分派，為套現而發行可轉換或交換為新股份或附有權利可認購新股份之證券或修訂該等證券所附帶之換股權或轉換權或認購權以致每股實際代價總額低於市價之80%、為套現而按每股股份低於市價80%之價格發行股份、購置資產而按每股股份實際總代價低於市價80%之價格發行股份，惟無論如何將不會調整至低於股份之面值。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 25. CONVERTIBLE NOTES (Continued)

#### (ii) 2012 CN Convertible Note (Continued)

The 2012 CN Convertible Notes contain three components, the liability component, conversion option and issuer's early redemption option. The conversion option gives the holder's right at any time to convert the 2012 CN Convertible Notes into ordinary shares of the Company. However since the 2012 CN Convertible Notes are denominated in HK\$ and the functional currency of the Company is RMB, the conversion option will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments, the conversion option is accounted for as a derivative liability. The early redemption option gives the issuer the right to redeem the note at par at any time before maturity. Both conversion option derivative and early redemption option are measured at fair value with changes in fair value recognised profit and loss.

The fair value of the liability component upon the issuance of the note was calculated at the present value of the principal amount. The 2012 CN Convertible Notes can only be redeemed at par at the discretion of the issuer in whole or in part anytime before the maturity date.

All tranches of the 2012 CN Convertible Notes will mature on 28 November 2015.

### 25. 可換股票據 (續)

#### (ii) 2012可換股票據 (續)

2012可換股票據包括三個部分，即負債部分、可換股期權及發行人提前贖回期權。可換股期權賦予持有人隨時將2012可換股票據轉換為本公司普通股之權利。然而，由於2012可換股票據乃以港元計值，而本公司之功能貨幣為人民幣，可換股期權將透過以定額現金或另一項財務資產交換本公司本身固定數目之權益工具以外之方式清償，可換股期權入賬為衍生負債。提前贖回期權賦予發行人有權於到期日前隨時按面值贖回票據。可換股期權衍生工具及提前贖回期權均按公平值計量，公平值變動於損益確認。

於發行票據後，負債部分之公平值按本金額現值計算。2012可換股票據僅可於到期日前隨時由發行人酌情按面值贖回全部或部分票據。

全部2012可換股票據將於二零一五年十一月二十八日到期。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 25. CONVERTIBLE NOTES (Continued)

#### (ii) 2012 CN Convertible Note (Continued)

The 2012 CN Convertible Notes with principal amount of HK\$120,000,000 was issued on 29 November 2012 which can be converted into ordinary shares of the Company at HK\$0.12 per share. The aggregate fair value of the 2012 CN Convertible Notes at 29 November 2012 is approximately HK\$127,871,000, representing a loss in fair value on initial recognition of HK\$7,871,000 recognised in the profit and loss. The effective interest rate of 23.52% was used to determine the fair value of the liability component on initial recognition.

The aggregate principal amount under the 2012 CN Convertible Notes outstanding at 31 December 2012 amount to HK\$120,000,000 and the carrying amount of the liability components and the fair values of the embedded conversion option and early redemption option in aggregate approximately HK\$61,202,000 and HK\$73,492,000, respectively. During the year ended 31 December 2012, an aggregate fair value loss on embedded conversion option and early redemption option of HK\$5,594,000 in respect of the outstanding 2012 CN Convertible Notes was recognised in the profit and loss.

### 25. 可換股票據 (續)

#### (ii) 2012可換股票據 (續)

於二零一二年十一月二十九日發行本金額為120,000,000港元之2012可換股票據，該等票據可按每股0.12港元轉換為本公司的普通股。於二零一二年十一月二十九日，2012可換股票據之總公平值為約127,871,000港元，相當於初步確認公平值虧損7,871,000港元，乃於損益內確認。首次確認時已採用實際利率23.52%釐定負債部份之公平值。

於二零一二年十二月三十一日尚未行使之2012可換股票據之本金總額為120,000,000港元，負債部分之賬面值及內置可換股期權及提早贖回期權之公平值合共分別約為61,202,000港元及73,492,000港元。截至二零一二年十二月三十一日止年度，尚未行使之2012可換股票據之內置可換股期權及提早贖回期權之總公平值虧損5,594,000港元已於損益賬確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 25. CONVERTIBLE NOTES (Continued)

#### (ii) 2012 CN Convertible Note (Continued)

The fair values of the embedded conversion option and the issuer's early redemption option were determined using binomial option pricing model, the valuation was performed by independent valuer, Asset Appraisal Limited, and the inputs into the model at each respective date were as follow:

### 25. 可換股票據 (續)

#### (ii) 2012可換股票據 (續)

內置可換股期權及發行人之提早贖回期權之公平值採用二項式期權定價模式釐定，有關估值由獨立估值師資產評估顧問有限公司進行，於各日輸入模式之數據如下：

		31.12.2012 二零一二年 十二月三十一日	29.11.2012 二零一二年 十一月二十九日
Conversion price	換股價	HK\$0.120 0.120港元	HK\$0.120 0.120港元
Share price	股價	HK\$0.134 0.134港元	HK\$0.132 0.132港元
Expected volatility	預期波幅	48.91%	49.38%
Remaining life	剩餘年期	2.92年	3年
Risk-free rate	無風險利率	0.120%	0.164%

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 25. CONVERTIBLE NOTES (Continued)

#### (ii) 2012 CN Convertible Note (Continued)

The movements of the components of First and Second Tranche Fulbond Convertible Notes during both years are set out below:

		Principal amount 本金額 HK\$'000 千港元	Liability component 負債部份 HK\$'000 千港元	Embedded derivatives 內置衍生工具 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2011	於二零一一年 一月一日	396,000	307,603	484,425	792,028
Change in fair value	公平值變動	-	-	(235,964)	(235,964)
Interest charged	利息開支	-	39,733	-	39,733
At 31 December 2011	於二零一一年 十二月三十一日	396,000	347,336	248,461	595,797
Change in fair value	公平值變動	-	-	(91,168)	(91,168)
Interest charged	利息開支	-	17,465	-	17,465
Converted during the year	年內轉換	(306,000)	(277,963)	(157,293)	(435,256)
Redeemed during the year	年內贖回	(90,000)	(86,838)	-	(86,838)
At 31 December 2012	於二零一二年 十二月三十一日	-	-	-	-

### 25. 可換股票據 (續)

#### (ii) 2012 可換股票據 (續)

於兩個年度內，第一批及第二批福邦可換股票據之部份變動載列如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 25. CONVERTIBLE NOTES (Continued)

#### (ii) 2012 CN Convertible Note (Continued)

The movements of the components of 2012 CN Convertible Notes during the year are set out below:

		Principal amount 本金額 HK\$'000 千港元	Liability component 負債部份 HK\$'000 千港元	Embedded derivatives 內置衍生工具 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2011	於二零一一年 一月一日	-	-	-	-
Issued during the year	年內發行	120,000	59,973	67,898	127,871
Change in fair value	公平值變動	-	-	5,594	5,594
Interest charged	利息開支	-	1,229	-	1,229
At 31 December 2012	於二零一二年 十二月三十一日	120,000	61,202	73,492	134,694

Analysed for reporting purpose as:

為報告目的所作之分析如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Current liabilities	流動負債	-	595,797
Non-current liabilities	非流動負債	<b>134,694</b>	-
		<b>134,694</b>	595,797

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 26. OTHER BORROWINGS

### 26. 其他借貸

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Unsecured three-year loan notes (note a)	無抵押三年期貸款票據 (附註a)	-	1,523
Other borrowing (note b)	其他借貸 (附註b)	17,191	-
		<b>17,191</b>	<b>1,523</b>

Notes:

附註：

- (a) According to the corporate restructuring of the Company and its subsidiaries which was completed on 30 March 2001, the creditors of the Group received three-year loan notes from the Company with an aggregate face value of HK\$34,100,000 which carry fixed interest at a rate of 7% per annum. The three-year loan notes are repayable in six equal semi-annual instalments and fully repaid in the current year.
- (b) During the year ended 31 December 2012, the Group obtained a loan of amount RMB14,000,000 (equivalent to approximately HK\$17,191,000) from Xi'an Xingchuang Estate Limited ("西安星創置業有限公司") ("Xi'an Xingchuang") and its shareholder, being independent third parties not connected to the Group. The proceeds from the borrowings is used for general operation for the development projects. The amount is unsecured, interest-free and repayable on demand. Subsequent to end of the reporting period, Xi'an Xingchuang acquired 40% equity interest from the non-controlling shareholder of Xi'an Yuansheng Enterprises Limited, a non-wholly owned subsidiary of the Company, and the Group has repaid RMB7,000,000 (equivalent to approximately HK\$8,596,000) to Xi'an Xingchuang.

- (a) 根據本公司及其附屬公司已於二零零一年三月三十日完成之公司重組，本集團之債權人已從本公司收取總面值為34,100,000港元之三年期貸款票據。三年期貸款票據按年息率7%計息及按每半年一次之等額分期付款形式分六期償還，已於本年度悉數償還。
- (b) 截至二零一二年十二月三十一日止年度，本集團自與本集團概無關連之獨立第三方西安星創置業有限公司（「西安星創」）及其股東取得貸款人民幣14,000,000元（相等於約17,191,000港元）。借貸所得款項乃用於開發項目之一般營運。該款項為無抵押、免息及須應要求償還。於報告期結束後，西安星創自西安遠聲實業有限公司（本公司之非全資附屬公司）之非控股股東收購40%權益，而本集團已向西安星創償還人民幣7,000,000元（相等於約8,596,000港元）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 26. OTHER BORROWINGS (Continued)

Included in the borrowings are the following amounts denominated in currencies other than the functional currency of the group entities to which they relate:

### 26. 其他借貸 (續)

借貸包括下列以相關集團實體之功能貨幣以外之貨幣結算之金額：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Hong Kong Dollars	港元	-	1,523

### 27. SHARE CAPITAL

### 27. 股本

	Number of shares 股份數目		Amount in US\$ 款額 (美元)		As presented 經列示			
	2012	2011	2012	2011	2012	2011		
	二零一二年	二零一一年	二零一二年 US\$'000 千美元	二零一一年 US\$'000 千美元	二零一二年 HK\$'000 千港元	二零一一年 HK\$'000 千港元		
Ordinary share of US\$0.001 each 每股面值0.001美元 之普通股								
Authorised: At 1 January 2011, 31 December 2011 and 2012	法定: 於二零一一年 一月一日、 二零一一年及 二零一二年十二月 三十一日							
			100,000,000,000	100,000,000,000	100,000	100,000	775,000	775,000
Issues and fully paid	已發行及繳足							
At beginning of the year	於年初		4,564,293,000	45,642,927,432	4,564	45,643	35,465	354,722
Issue of shares upon conversion of convertible notes	轉換可換股票據時 發行股份		3,060,000,000	-	3,060	-	23,758	-
Issue of share upon exercise of share options (note a)	於行使購股權時 發行股份 (附註a)		-	2,568	-	-	-	-
Adjustment on Capital Re-organisation (notes b and c)	股本重組之調整 (附註b及c)		(5,718,219,750)	(41,078,637,000)	(5,718)	(41,079)	(44,328)	(319,257)
At end of the year	於年末		1,906,073,250	4,564,293,000	1,906	4,564	14,895	35,465

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

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### 27. SHARE CAPITAL (Continued)

Notes:

- (a) 2,568 share options granted to executives and employees were exercised on 16 June 2011 at an exercise price of HK\$0.41.
- (b) Pursuant to special resolution passed by the shareholders in the special general meeting on 21 June 2011, the Company approved the following capital re-organisation: (i) Consolidated of every 10 existing shares of US\$0.001 each in the issued share capital of the Company into one consolidated share of par value US\$0.01 ("Share Consolidation"); (ii) Upon the share consolidated become effective, the par value of each issued consolidated share is reduced from US\$0.01 to US\$0.001 by cancellation of US\$0.009 of the paid-up capital of each issued consolidated share ("Capital Reduction"); and (iii) Upon Share Consolidation and the Capital Reduction becoming effective, the entire amount of the share premium account is cancelled. The capital re-organisation was in effect from 22 June 2011.
- (c) Pursuant to special resolution passed by the shareholders in the special general meeting on 11 October 2012, the Company approved the following capital re-organisation: (i) Consolidation of every 4 existing shares of US\$0.001 each in the issued share capital of the Company into one consolidated share of par value US\$0.004 ("Share Consolidation"); (ii) Upon the Share Consolidation becoming effective, the par value of each issued consolidated share is reduced from US\$0.004 to US\$0.001 by cancellation of US\$0.003 of the paid-up capital of each issued consolidated share ("Capital Reduction"); and (iii) Upon Share Consolidation and the Capital Reduction becoming effective, the entire amount of the share premium account is cancelled. The capital re-organisation was in effect from 12 October 2012.

### 27. 股本 (續)

附註：

- (a) 授予行政人員及僱員之2,568份購股權於二零一一年六月十六日按行使價0.41港元獲行使。
- (b) 根據股東於二零一一年六月二十一日舉行之股東特別大會上通過之特別決議案，本公司已批准下列股本重組：(i)將本公司已發行股本中每十股每股面值0.001美元之現有股份合併為一股面值0.01美元之合併股份（「股份合併」）；(ii)待股份合併生效後，藉註銷每股已發行合併股份之繳足股本中之0.009美元，將每股已發行合併股份之面值由0.01美元削減至0.001美元（「削減股本」）；及(iii)待股份合併及削減股本生效後，註銷股份溢價賬之全部款額。該股本重組於二零一一年六月二十二日生效。
- (c) 根據股東於二零一二年十月十一日舉行之股東特別大會上通過之特別決議案，本公司已批准下列股本重組：(i)將本公司已發行股本中每四股每股面值0.001美元之現有股份合併為一股每股面值0.004美元之合併股份（「股份合併」）；(ii)待股份合併生效後，藉註銷每股已發行合併股份之繳足股本中之0.003美元，將每股已發行合併股份之面值由0.004美元削減至0.001美元（「股份削減」）；及(iii)待股份合併及股本削減生效後，註銷股份溢價賬之全部款額。該股本重組於二零一二年十月十二日生效。



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## 綜合財務報表附註

For the year ended 31 December 2012

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### 28. SHARE OPTION SCHEMES

On 19 November 2001, a share option scheme (the "Old Scheme") was adopted, whereby the Board of Directors (the "Board") may, at its absolute discretion, grant options to any executive or non-executive directors of the Group, any executives and employees of the Group and any other persons who, in the sole discretion of the Board, have contributed or will contribute to the Group to subscribe for shares in the Company.

The Old Scheme expired on 18 November 2011 and the outstanding share options granted under the Old Scheme on 14 July 2008 were also lapsed on 13 July 2011.

A new share option scheme (the "New Scheme") was adopted by the Company on 25 May 2012. Pursuant to the New Scheme, the Board may, at their discretion, grant options to any directors, executives, employees and any other persons who have contributed or will contribute to the Group to subscribe for shares in the Company at a price determined by the directors and not less than the highest of:

- (i) The closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange on the date of grant of the options;
- (ii) The average closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant of the options; and
- (iii) The nominal value of the shares of the Company on the date of grant.

### 28. 購股權計劃

本公司於二零零一年十一月十九日採納一項購股權計劃（「舊計劃」），據此，董事會（「董事會」）可酌情向董事會全權酌情認為對本集團有所貢獻或將會作出貢獻之本集團任何執行或非執行董事、本集團任何行政人員及僱員及任何其他人士授出購股權已認購本公司股份。

舊計劃已於二零一一年十一月十八日失效，而根據舊計劃於二零零八年七月十四日授出之未行使購股權亦已於二零一一年七月十三日失效。

本公司於二零一二年五月二十五日採納一項新購股權計劃（「新計劃」）。根據新計劃，董事會可酌情向對本集團有所貢獻或將會作出貢獻之任何董事、行政人員、僱員及任何其他人士授出購股權，以按董事釐定之價格認購本公司股份。認購價不得低於下列最高者：

- (i) 本公司股份於購股權授出日期在聯交所每日報價表所示之收市價；
- (ii) 本公司股份於緊接購股權授出日期前五個營業日在聯交所每日報價表所示之平均收市價；及
- (iii) 本公司股份於授出日期之面值。

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## 綜合財務報表附註

For the year ended 31 December 2012

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### 28. SHARE OPTION SCHEMES (Continued)

The total number of shares in respect of which options may be granted under the New Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

Options granted must be taken up within 28 days of that date of grant, upon payment of HK\$1 in aggregate as consideration for the options granted. Vesting periods are determined by the Board on each grant date. Options are lapsed if the employee leaves the Group before the option vest.

No additional option was granted during the years ended 31 December 2011 and 31 December 2012.

### 28. 購股權計劃 (續)

根據新計劃可予授出購股權涉及之股份總數不得未經本公司股東事先批准超過本公司在任何時候已發行股份之10%。根據於任何年度授予及可能授予任何個人之購股權已發行及將予發行之股份數目未經本公司股東事先批准不得超過本公司在任何時候已發行股份之1%。

於就已授出購股權支付合共1港元之代價後，已授出購股權須於該授出日期28日內接納。歸屬期由董事會於各授出日期釐定。倘僱員於購股權歸屬前離開本集團，購股權即告失效。

於截至二零一一年十二月三十一日及二零一二年十二月三十一日止年度，並無授出額外購股權。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 29. OPERATING LEASE COMMITMENTS

#### The Group as lessee

At the end of the reporting period, the Group had outstanding commitment of future minimum lease payments under non-cancellable operating leases in respect of office premises which fall due as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Within one year	一年內	1,102	1,809
In the second to fifth year inclusive	第二年至第五年 (首尾兩年包括在內)	-	1,055
		<b>1,102</b>	<b>2,864</b>

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases are negotiated for lease term of 1 to 2 years.

經營租賃付款指本集團就其若干辦公室物業之應付租金。經磋商後，租賃期為1至2年。

### 30. CAPITAL COMMITMENT

Capital expenditure in respect of properties under development contracted for but not provided in the consolidated financial statements

已訂約但未於綜合財務報表中撥備之發展中物業之資本承擔

289,212

84,365

### 31. RELATED PARTY TRANSACTIONS

The key management personnel are the directors of the Company. The details of their remunerations are set out in note 14.

Other than the transactions and balances with related parties disclosed in notes 14 and 23, the Group has no other significant transactions and balances with related parties.

### 29. 經營租賃承擔

#### 本集團作為承租人

於報告期結束時，本集團就辦公室物業之不可撤銷經營租約於下列期間之未來最低租金承擔如下：

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
一年內	1,102	1,809
第二年至第五年 (首尾兩年包括在內)	-	1,055
	<b>1,102</b>	<b>2,864</b>

經營租賃付款指本集團就其若干辦公室物業之應付租金。經磋商後，租賃期為1至2年。

### 30. 資本承擔

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
已訂約但未於綜合財務報表中撥備之發展中物業之資本承擔	289,212	84,365

### 31. 有關連人士交易

主要管理人員為本公司董事。已付予彼等之薪酬詳情載於附註14。

除了附註14及23所披露與關聯人士的交易及結餘，本集團與關聯人士概無其他重大交易及結餘。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

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### 32. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

### 32. 有關本公司財務狀況表之資料

有關本公司於報告期結束時之財務狀況表之資料如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Non-current asset	非流動資產		
Investment in subsidiaries	於附屬公司之投資	-	-
Current assets	流動資產		
Other receivables and prepayments	其他應收款項及 預付款項	630	523
Bank balances and cash	銀行結餘及現金	1,967	6,794
		<b>2,597</b>	7,317
Current liabilities	流動負債		
Other payables	其他應付款項	7,095	12,902
Convertible notes	可換股票據	-	595,797
Other borrowings	其他借款	-	1,523
		<b>7,095</b>	610,222
Net current assets (liabilities)	流動資產(負債)淨額	<b>(4,498)</b>	(602,905)
Non-current liability	非流動負債		
Convertible notes	可換股票據	134,694	-
		<b>(139,192)</b>	(602,905)
Capital and reserve	資本及儲備		
Share capital (see note 27)	股本(見附註27)	14,895	35,465
Reserves	儲備	(154,087)	(638,370)
		<b>(139,192)</b>	(602,905)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 33. RESERVES OF THE COMPANY

### 33. 本公司之儲備

		Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Exchange translation reserve 匯兌儲備 HK\$'000 千港元	Accumulated losses 累積虧損 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2011	於二零一一年 一月一日	1,189,053	3,306	(18,416)	(2,343,931)	(1,169,988)
Exchange difference arising on translation of function currency to presentation currency	於折算功能貨幣為 呈列貨幣時產生 之匯兌差額	-	-	8,947	-	8,947
Profit for the year	本年度溢利	-	-	-	206,720	206,720
Total comprehensive income for the year	本年度全面 收入總額	-	-	8,947	206,720	215,667
Reduction of share capital upon capital reorganisation	因股本重組而 削減股本	(1,189,053)	-	-	1,508,310	319,257
Lapsed of share option	購股權失效	-	(3,306)	-	-	(3,306)
At 31 December 2011	於二零一一年 十二月三十一日	-	-	(9,469)	(628,901)	(638,370)
Exchange difference arising on translation of function currency to presentation currency	於折算功能貨幣為 呈列貨幣時產生 之匯兌差額	-	-	362	-	362
Profit for the year	本年度溢利	-	-	-	28,095	28,095
Total comprehensive income for the year	本年度全面 收入總額	-	-	362	28,095	28,457
Issue of shares upon conversion of convertible notes	轉換可換股票據 時發行股份	411,498	-	-	-	411,498
Reduction of share capital upon capital reorganisation	因股本重組而 削減股本	(411,498)	-	-	455,826	44,328
At 31 December 2012	於二零一二年 十二月三十一日	-	-	(9,107)	(144,980)	(154,087)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 34. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries at 31 December 2012 and 31 December 2011 are as follows:

### 34. 主要附屬公司詳情

於二零一二年十二月三十一日及二零一一年十二月三十一日，本公司主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立／註冊地點	Place of operation 營運地點	Percentage of issued share capital/registered capital held 所持已發行股本／ 註冊資本百分比		Issued and fully paid capital/ registered capital 已發行及 繳足股本／註冊資本	Principal activities 主要業務
			2012 二零一二年 %	2011 二零一一年 %		
Able Force Investments Limited 雅科投資有限公司	Hong Kong 香港	Hong Kong 香港	100	100	HK\$1 1港元	Investment in securities 證券投資
Allywing Investments Limited 榮邦投資有限公司	British Virgin Islands 英屬處女群島	Hong Kong 香港	100	100	US\$1 1美元	Investment holding 投資控股
Fulbond Business Services Limited <sup>#</sup> 福邦企業服務有限公司 <sup>#</sup>	Hong Kong 香港	Hong Kong 香港	-	100	HK\$2 2港元	Provision of management services 提供管理服務
Fulbond Corporate Management Limited 福邦企業管理有限公司	Hong Kong 香港	Hong Kong 香港	100	100	Ordinary HK\$10,000 普通股10,000港元	Provision of management services 提供管理服務
Fulbond Investments Limited	British Virgin Islands 英屬處女群島	Hong Kong 香港	100	100	US\$1 1美元	Investment holding 投資控股
Senbond Building Materials Limited <sup>#</sup> 森邦建材有限公司 <sup>#</sup>	Hong Kong 香港	Hong Kong 香港	-	100	Ordinary HK\$200 and deferred* HK\$10,000 普通股200港元及 遞延股*10,000港元	Inactive 暫無業務

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 34. PARTICULARS OF PRINCIPAL SUBSIDIARIES 34. 主要附屬公司詳情 (續)

(Continued)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/註冊地點	Place of operation 營運地點	Percentage of issued share capital/registered capital held 所持已發行股本/註冊資本百分比		Issued and fully paid capital/ registered capital 已發行及繳足股本/註冊資本	Principal activities 主要業務
			2012 二零一二年 %	2011 二零一一年 %		
Ta Fu Strategic Investment Limited <sup>#</sup>	British Virgin Islands 英屬處女群島	Hong Kong 香港	-	100	US\$10,000 10,000美元	Investment holding 投資控股
Xi'an Yuansheng Enterprises Limited** 西安遠聲實業有限公司**	PRC 中國	PRC 中國	60	60	RMB50,000,000 人民幣50,000,000元	Property development 物業發展

\* The deferred shares are non-voting and are not entitled to participate in the distribution of profits in any financial year and are only entitled to a return of capital on liquidation when the net assets of the relevant company available for distribution are in excess of HK\$100,000,000,000,000,000.

\*\* The Company is a sino-foreign equity joint venture.

# Disposed during the year ended 31 December 2012.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the year or constituted a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

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

\* 遞延股份並不附有投票權，且於任何財政年度均無權享有溢利分派，並僅可在有關公司可予派發之資產淨值超越100,000,000,000,000,000港元時，享有清盤後之資本回報。

\*\* 該公司為公司為中外合資企業。

# 於截至二零一二年十二月三十一日止年度出售。

董事認為，上表所列本公司附屬公司主要影響本年度業績，或構成本集團資產淨值重大部分。董事認為，提供其他附屬公司詳情會引致篇幅過於冗長。

於報告期結束時或年內任何時間，各附屬公司概無任何未償還債務證券。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

### 35. EVENT AFTER REPORTING PERIOD

Subsequent to 31 December 2012, Fair Power Capital Limited, a subsidiary company of the Company, entered into an agreement with Ms. He Guomian ("Ms. He"), an independent third party, to dispose all of its entire interests in Max Plan Investments Limited ("Max Plan") and its subsidiaries (the "Max Plan Group"). Ms. He has agreed to acquire the sale shares, which represents the entire issued share capital of Max Plan and the shareholders' loan at a total cash consideration of US\$850,000 (approximately HK\$6,630,000). The disposal was completed on 26 March 2013. Upon the disposal of the Max Plan Group, all the assets and liabilities of the Max Plan Group would no longer be consolidated with effect from 26 March 2013. At the date of this financial statements, the directors of the Company are still in process of quantifying the financial impact of the disposal to the Group.

### 35. 報告期後事項

於二零一二年十二月三十一日後，飛權資本有限公司（「飛權」）（本公司一間附屬公司）與獨立第三方何國棉女士（「何女士」）訂立一份協議，出售其於宏圖投資有限公司（「宏圖」）及其附屬公司（「宏圖集團」）的全部權益。何女士已同意購買待售股份，即宏圖的全部已發行股本及股東貸款，總現金代價為850,000美元（約6,630,000港元）。該出售事項已於二零一三年三月二十六日完成。於出售宏圖集團之後，自二零一三年三月二十六日起宏圖集團之全部資產及負債不再綜合入賬。於本財務報表日期，本公司董事仍舊在量化出售事項對本集團之財務影響。



# Financial Summary

## 財務概要

### RESULTS

### 業績

		For the year ended 31 December 截至十二月三十一日止年度				
		2012	2011	2010	2009	2008
		二零一二年	二零一一年	二零一零年	二零零九年	二零零八年
		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
Turnover	營業額	250	125	119,552	415,873	281,387
Profit (loss) before taxation	除稅前溢利 (虧損)	28,242	30,656	(785,047)	(426,211)	(244,528)
Taxation	稅項	-	-	-	6,874	(5,441)
Profit (loss) for the year	本年度溢利 (虧損)	28,242	30,656	(785,047)	(419,337)	(249,969)
Attributable to:	應佔部份：					
Owners of the Company	本公司股東	32,659	60,886	(783,381)	(417,547)	(226,099)
Non-controlling interests	非控股權益	(4,417)	(30,230)	(1,666)	(1,790)	(23,870)
		28,242	30,656	(785,047)	(419,337)	(249,969)

### ASSETS AND LIABILITIES

### 資產及負債

		At 31 December 於十二月三十一日				
		2012	2011	2010	2009	2008
		二零一二年	二零一一年	二零一零年	二零零九年	二零零八年
		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
Total assets	總資產	698,348	692,655	920,533	622,252	511,988
Total liabilities	總負債	(220,877)	(685,986)	(968,964)	(1,084,041)	(602,500)
Net assets (liabilities)	資產淨額 (負債)	477,471	6,669	(48,431)	(461,789)	(90,512)
Attributable to:	應佔部份：					
Owners of the Company	本公司股東	258,870	(208,684)	(270,227)	(465,539)	(99,797)
Non-controlling interests	非控股權益	218,601	215,353	221,796	3,750	9,285
		477,471	6,669	(48,431)	(461,789)	(90,512)