



泓淋科技集團有限公司*

HL TECHNOLOGY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 1087



2013

ANNUAL REPORT 年報

* For identification purpose only 僅供識別



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Corporate Profile and Corporate Information

公司簡介及公司資料

HL Technology Group Limited (the “Company”, “our” or “we”) is a leading services and products provider for the global computer, communication, consumer electronics and telecommunication markets. Our shares were first listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 16 November 2010.

BOARD OF DIRECTORS

Executive Directors

Mr. Chi Shaolin (*Chairman and Chief Executive Officer (“CEO”)*)

Mr. Cheng Wen (*Vice CEO*)

Mr. Lu Chengye (*Vice CEO*)

Independent Non-executive Directors

Mr. Thomas Tam

Mr. Pao Ping Wing

Ms. Zheng Lin

AUDIT COMMITTEE

Mr. Thomas Tam (*Chairman*)

Mr. Pao Ping Wing

Ms. Zheng Lin

COMPENSATION AND BENEFITS COMMITTEE

Ms. Zheng Lin (*Chairman*)

Mr. Lu Chengye

Mr. Thomas Tam

NOMINATION COMMITTEE

Mr. Chi Shaolin (*Chairman*)

Mr. Thomas Tam

Mr. Pao Ping Wing

COMPANY SECRETARY

Ms. Ho Wing Yan, *ACIS, ACS(PE)*

AUTHORISED REPRESENTATIVES

Mr. Lu Chengye

Ms. Ho Wing Yan, *ACIS, ACS(PE)*

泓淋科技集團有限公司*（「本公司」、「我們的」或「我們」）是全球領先（計算機、通訊、消費電子及通訊市場的服務及產品供應商。本公司的股份於二零一零年十一月十六日首次在香港聯合交易所有限公司（「聯交所」）主板掛牌上市。

董事會

執行董事

遲少林先生（主席兼總裁（「總裁」））

程文先生（副總裁）

路成業先生（副總裁）

獨立非執行董事

談國慶先生

浦炳榮先生

鄭琳女士

審核委員會

談國慶先生（主席）

浦炳榮先生

鄭琳女士

薪酬及福利委員會

鄭琳女士（主席）

路成業先生

談國慶先生

提名委員會

遲少林先生（主席）

談國慶先生

浦炳榮先生

公司秘書

何詠欣女士，*ACIS, ACS(PE)*

授權代表

路成業先生

何詠欣女士，*ACIS, ACS(PE)*

* Chinese name is for identification purpose only

* 中文名稱僅供識別

Corporate Profile and Corporate Information

公司簡介及公司資料

REGISTERED OFFICE

Floor 4, Willow House
Cricket Square
P.O. Box 2804
Grand Cayman KY1-1112
Cayman Islands

HEADQUARTER

Pudong Road, Economic and
Technological Development Zone
Weihai
Shandong Province
The People's Republic of China ("PRC")

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

33rd Floor, Shui On Centre
6-8 Harbour Road
Wanchai
Hong Kong

PRINCIPAL BANKS

Bank of China
Agricultural Bank of China
Industrial and Commercial Bank of China
China Guangfa Bank

LEGAL ADVISERS

Loong & Yeung (as to Hong Kong law)
Beijing DHH Law Firm* (as to PRC law)

AUDITORS

Ernst & Young

SHARE REGISTRAR

Hong Kong Branch Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited

LISTING EXCHANGE INFORMATION

Place of Listing

Main Board, The Stock Exchange

STOCK CODE

1087

COMPANY WEBSITE

www.hong-lin.com.cn

註冊辦事處

Floor 4, Willow House
Cricket Square
P.O. Box 2804
Grand Cayman KY1-1112
Cayman Islands

總部

中華人民共和國(「中國」)
山東省
威海市
經濟技術開發區
浦東路

香港主要營業地點

香港
灣仔
港灣道6-8號
瑞安中心33樓

主要往來銀行

中國銀行
中國農業銀行
中國工商銀行
中國廣發銀行

法律顧問

香港法律：龍炳坤、楊永安律師行
中國法律：北京德和衡律師事務所

核數師

安永會計師事務所

股份登記處

香港股份過戶登記分處

香港中央證券登記有限公司

交易所上市資料

上市地點

聯交所主板

股份代號

1087

公司網站

www.hong-lin.com.cn

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Chairman's Statement

主席報告



Mr. Chi Shaolin 遲少林先生

Chairman, Executive Director and CEO
(主席、執行董事兼總裁)

Dear Shareholders,

On behalf of HL Technology Group Limited and its subsidiaries (collectively, the "Group"), I hereby present to you the audited annual results of the Group for the year ended 31 December 2013.

PERFORMANCE REVIEW

In 2013, the growth of global economy remained in a low pace and uncertainties still existed. The traditional consumer electronic and computer industries were experiencing difficulties and challenges in an unfavorable global environment. Hence, a decline of the procurement amount from our customers and the average selling price of our products were recorded in these fields in 2013. However, in the meantime, performance of communication and telecommunication

致各位股東：

本人謹此代表泓淋科技集團有限公司及其附屬公司(統稱「本集團」)，向各位提呈本集團截至二零一三年十二月三十一日止年度的經審核年度業績。

業務表現回顧

於二零一三年，全球經濟增長依然緩慢及存在不穩定因素。全球景氣不振令傳統消費電子及電腦行業困難重重。因此，於二零一三年，本集團於該等領域之客戶採購量及產品平均售價有所下滑。然而，與此同時，由於第四代行動通訊技術標準(「4G」)、流動互聯網及企業專有網絡普及，令通訊及電訊行業表現增長動力迅

Chairman's Statement

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industries was booming with stronger momentum and increasing revenue and number of end users as Fourth Generation (“4G”) technology, Mobile Internet technology and enterprise Private Network technology had widely used. The market was more optimistic to the communication and telecommunication industries.

After the completion of Rosy Sun Acquisition (further details of which are set out in the paragraph headed “Major and Connected Transaction in Relation to the Rosy Sun Acquisition” in the section “Management Discussion & Analysis”), the terminals and networks segments (collectively the “Newly Acquired Business”) were newly added to the Group’s business portfolio, and the revenue generated from the Newly Acquired Business amounted to approximately RMB1,047.0 million, representing an increase by approximately 80.4% as compared with that for the period from 13 June 2012 to 31 December 2012 mainly due to (i) the booming market demands on 4G products and related services as well as Private Network solutions since 4G technology, Mobile Internet technology and Private Network technology become widely used; (ii) the Group has made great efforts in the marketing and research and development to expand market share and strengthen its customer base in both Operator Networks and enterprise Private Network; and (iii) revenue from the Newly Acquired Business was consolidated into the Group since 13 June 2012 as compared with that for the full year of 2013. For the original businesses of the Group, including external and internal signal cable assembly, power cord assembly, signal transmission wire and cable, connectors, antennas and automotive wiring harness (collectively, the “Signal Transmission and Connectivity Product Segments”, or the “Original Business”), the revenue decreased from approximately RMB1,933.7 million for the year ended 31 December 2012 to approximately RMB1,665.5 million for the year ended 31 December 2013, representing a decrease by approximately 13.9%. The decrease in revenue from the Original Business was mainly due to (i) the continuing challenges and uncertainties in the global economies and severe effects on the computer and consumer electronics industries, resulting in both the procurement amount and the average selling price across most product lines within the Original Business in the tough competitive operating environment declined; and (ii) the negative effects on and cease of contribution to the revenue by certain relevant subsidiaries of the Company (the “Disposal Group”) as a result of the completion of the disposal of the entire issued share capital of Sumptuous Wealth Limited (“Sumptuous Wealth”) by the Group on 26 November 2013 (the “Sumptuous Wealth Disposal”). Details of which can be referred in the circular of the Company dated 27 June 2013. As a result of the aforesaid, the Group recorded a total revenue of approximately RMB2,712.5 million for the year ended 31 December 2013, representing a growth of approximately 7.9% as compared with that for the year ended 31 December 2012.

猛，收益及終端用戶人數均告上升。市場紛紛看好通訊及電訊行業。

完成 Rosy Sun 收購事項(更多有關詳情載於「管理層討論及分析」一節「有關收購 ROSY SUN 之主要及關連交易」一段)後，終端及網絡分部(統稱「新購入業務」)已加入本集團業務組合，而新購入業務錄得收益約人民幣1,047.0百萬元，較本集團由二零一二年六月十三日至二零一二年十二月三十一日止期間上升約80.4%，主要原因為(i)由於4G技術、流動互聯網及企業專有網絡普及應用，對4G產品及有關服務以及專有網絡方案市場需求激增；(ii)本集團致力進行營銷及研發，以增加市場份額，擴展營運商網絡及企業專有網絡的客戶基礎；及(iii)新購入業務的收益於二零一二年六月十三日起綜合入賬，而二零一三年則有全年收益入賬。而就本集團之原業務(包括外接及內接信號線組件、電源線組件、信號傳輸線纜、連接器、天線及汽車線束)(統稱「信號傳輸及連接產品分部」或「原業務」)而言，收益由截至二零一二年十二月三十一日止年度約人民幣1,933.7百萬元減少至截至二零一三年十二月三十一日止年度的約人民幣1,665.5百萬元，跌幅約13.9%。原業務收益下降乃主要由於：(i)全球經濟困境及不穩定因素持續，嚴重打擊電腦及消費電子行業，致使原業務採購量及大部分產品系列之平均售價，於惡劣競爭營運環境中有所下滑；及(ii)於二零一三年十一月二十六日，本集團完成涉及豪裕有限公司(「豪裕」)全部已發行股本之出售事項(「豪裕處置」)，其後，本公司若干有關附屬公司(「出售集團」)帶來負面影響且不再貢獻收益。有關詳情載於本公司日期為二零一三年六月二十七日之通函。基於上述事項，本集團於截至二零一三年十二月三十一日止年度錄得收益總額約人民幣2,712.5百萬元，較截至二零一二年十二月三十一日止年度按年增長約7.9%。

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PERFORMANCE REVIEW (Continued)

The gross profit generated from the Newly Acquired Business amounted to approximately RMB159.1 million, or representing an increase by approximately 230.7% as compared with that for the period from 13 June 2012 to 31 December 2012, which was mainly due to (i) the rising proportion of sale of network products with higher gross profit margin due to the tailor-made services and products delivered to Private Network customers; and (ii) gross profit from the Newly Acquired Business was consolidated into the Group since 13 June 2012 as compared with that for the full year of 2013. Gross profit generated from the Original Business were approximately RMB199.0 million, representing a decrease by approximately 29.3% as compared with that for the year ended 31 December 2012. Such decrease in gross profit from the Original Business was mainly due to the decline in the average selling price and procurement amount across most of the product lines within the Original Business along with increasingly fierce competition and weaker demands from the Group's major customers for the year ended 31 December 2013. The Group's gross profit for the year ended 31 December 2013 amounted to approximately RMB358.0 million, representing an increase by approximately 8.7% as compared with that for the year ended 31 December 2012. The gross profit margin increased from approximately 13.1% for the year ended 31 December 2012 to approximately 13.2% for the year ended 31 December 2013.

The net profit recorded by the Newly Acquired Business was approximately RMB71.6 million, after consolidating the net profit of approximately RMB87.3 million recorded by 瀋陽新郵通信設備有限公司 (Shenyang New Postcom Co., Ltd.*, the "PRC Company", an operating company indirectly wholly owned by Rosy Sun), which was guaranteed by the vendor of Rosy Sun to the Company that its net profit for the financial year ended 31 December 2013 shall not be less than RMB85.0 million (please refer to the circular of the Company dated 31 December 2012 for further details) (the "Profit Guarantee") and the Profit Guarantee has thus been accomplished, and other costs of approximately RMB15.7 million mainly composed of depreciation and amortization of valuation premium of prepaid land lease payments, property, plant and equipment and intangible assets identified during the Rosy Sun Acquisition. Whereas the net loss from the Original Business for the year ended 31 December 2013 was approximately RMB169.3 million which was mainly due to: (i) the decrease in gross profit and other gains from the Original Business for the year ended 31 December 2013; (ii) impairment loss on property, plant and equipment, intangible assets, trade and other receivables and inventories recognised during the year ended 31 December 2013 since their recoverable amount, or net realizable value was less than their carrying amount. Furthermore, there was a substantial notional interest expense of approximately RMB82.2 million incurred for the year ended 31 December 2013 mainly due to the early redemption of the promissory note (which was issued by the Company as the consideration for the Rosy Sun Acquisition, the "Promissory Note") as a result of the Sumptuous Wealth Disposal which adds to the total loss of the Group. The Group incurred a net loss of approximately RMB180.2 million for the year ended 31 December 2013.

* English name is for identification purposes only.

業務表現回顧(續)

新購入業務產生的毛利金額為約人民幣159.1百萬元，較由二零一二年六月十三日至二零一二年十二月三十一日止期間增加約230.7%，主要原因為(i)網絡產品提供專有網絡客戶之專門服務及產品毛利率較高，其銷售比例有所提升；及(ii)新購入業務之毛利由二零一二年六月十三日起綜合計入本集團，而二零一三年則全年綜合計入本集團。原業務產生的毛利金額為約人民幣199.0百萬元，較截至二零一二年十二月三十一日止年度減少約29.3%。原業務之毛利跌幅乃主要由於截至二零一三年十二月三十一日止年度，原業務內大部份產品系列之平均售價及採購量均告下跌，加上行業競爭加劇，以及本集團主要客戶的需求轉弱。本集團截至二零一三年十二月三十一日止年度毛利為約人民幣358.0百萬元，較截至二零一二年十二月三十一日止年度增加約8.7%。毛利率由截至二零一二年十二月三十一日止年度約13.1%上升至截至二零一三年十二月三十一日止年度約13.2%。

新購入業務之純利約人民幣71.6百萬元，當中已合併由Rosy Sun間接全資擁有之營運公司瀋陽新郵通信設備有限公司(「中國公司」)，由Rosy Sun賣方向本公司保證截至二零一三年十二月三十一日止財政年度的淨利潤須不少於人民幣85.0百萬元(詳情請參閱本公司二零一二年十二月三十一日之通函)(「利潤保證」)，而利潤保證已經達成之純利約人民幣87.3百萬元，及約人民幣15.7百萬元之其他費用，該部分費用主要包括Rosy Sun收購過程中確認的預付土地租金，物業、廠房及設備及無形資產評估增值的折舊與攤銷。截至二零一三年十二月三十一日止年度來自原業務的淨虧損約為人民幣169.3百萬元，主要由於：(i)原業務截至二零一三年十二月三十一日止年度的毛利及其他收益下跌；及(ii)截至二零一三年十二月三十一日止年度確認物業、廠房及設備、無形資產及貿易及其他應收款項以及存貨之減值虧損，因為其可收回金額或可變現淨值低於其賬面值。此外，本集團主要因進行豪裕處置而提早贖回承兌票據(有關票據由本公司發行，作為Rosy Sun收購事項的代價(「承兌票據」))，導致截至二零一三年十二月三十一日止年度產生鉅額名義利息開支約人民幣82.2百萬元，令本集團總虧損有所上升。截至二零一三年十二月三十一日止年度，本集團虧損淨額為約人民幣180.2百萬元。

* 英文名稱僅供識別

Chairman's Statement

主席報告

PERFORMANCE REVIEW (Continued)

To reverse losses and improve the efficiency and profitability, the Group is dedicated to (i) redress its customer base, continuously enhance its research and development capability, and improve management efficiency by optimizing its financial and administration management and products quality system; and (ii) proactively reorganise and integrate its business portfolio by disposing loss-making businesses and actively explore any methods to reverse loss, such as conducting possible acquisitions and developing new products in prosperous industries.

Efforts extended by the Group for the year ended 31 December 2013 were summarised as follows:

Redress Customer Base

As we vigorously maintained solid relationships with our existing customers, the Group also entered into the supply chain of the three major telecommunication services providers after completion of the Rosy Sun Acquisition. Besides, the Group successfully developed leading enterprise customers in the newly emerged Private Network business, such as Zoomlion and Brilliance Auto.

Enhance Research and Development Capability

Following the entering into telecommunication industries upon completion of the Rosy Sun Acquisition, the Group has proactively been dedicated into the research and development in the 4G terminal products and wireless Private Network solutions, for instance, the newly developed Mobile Internet terminals for the telematics and the wireless smart park projects developed by the Group, obtained profits for the year ended 31 December 2013 due to the long term investments in research and development and the accumulation of these new technologies in the area of the 4G, Mobile Internet and Private Networks. The Group developed these technologies relying on the corporation between the Group and some leading enterprise partners. The new type of specialty power cable Hybrid Cable for Telecommunication was developed in 2013.

Improve Management Efficiency

To rationally reduce the operating costs and improve the operating efficiency, the Group (i) tightened its credit and implemented cost control and appropriate inventory policy, scaled back capital expenditure in certain areas to better manage our operations; (ii) adopted deepening training classes to core staff and appropriately compress the overlapped crew to efficiently allocate management fund; and (iii) further applied the transaction tracking system and e-quality management system to facilitate our products quality control endeavors.

業務表現回顧(續)

為了轉虧為盈及改善效率及盈利能力，本集團致力：(i)重新調整其客戶基礎、持續強化研發能力，並藉優化其財務及行政管理及產品質檢系統，以改善管理效率；及(ii)藉出售虧蝕之業務，積極重組及合併業務組合，並積極謀求任何扭轉虧損之途徑，例如於具前景之行業開發新產品及進行潛在收購事項。

謹此概述本集團於截至二零一三年十二月三十一日止年度實行之項目：

重新調整客戶基礎

本集團一方面主動與現有客戶維繫穩定關係，於Rosy Sun收購完成後，本集團躋身三大電訊服務供應商的供應鏈。此外，本集團成功於新興專有網絡業務吸納知名企業客戶（如中聯重科及華晨汽車）。

強化研發能力

本集團在Rosy Sun收購事項完成後踏足電訊業，積極投入4G終端產品及專有網絡解決方案的研發，例如新開發的車聯網的移動互聯網終端及無線智慧園項目，藉此本集團在截至二零一三年十二月三十一日止年度獲利，因為本集團對研發方面的長期投資，並於4G、移動互聯網及專有網絡領域展現此等新技術的累積成果。本集團藉著與若干領先企業的合作，發展此等技術。本集團亦於二零一三年開發了一種供電訊業使用之新型特種電纜，名為複合光纜。

改善管理效率

為了合理削減營運成本及改善營運效率，本集團：(i)收緊信貸及實施成本監控及適當之存貨政策，並削減若干範疇之資本開支，以改善營運管理；(ii)為核心員工提供更深入之培訓課程，並適當削減職能重疊之員工，令管理資金分配更為有效；及(iii)進一步應用交易追蹤系統及電子品質管理系統，以促進產品質素監控措施。

Chairman's Statement

主席報告

PERFORMANCE REVIEW (Continued)

Business Restructuring

On 10 January 2014, the Group entered into two equity transfer agreements to dispose of the entire equity interest in 武漢市泓淋科技有限公司 (Wuhan Honglin Technology Company Limited*, "Wuhan Technology") to two independent third parties (the "Wuhan Technology Disposal"). The Wuhan Technology Disposal was consistent with the whole development strategy of the Group and stopped its deficit.

On 27 September 2013, the Group entered into two equity transfer agreements to dispose of the entire equity interest in 武漢市泓淋電子有限公司 (Wuhan Honglin Electronic Company Limited*, the "Wuhan Electronic") to two independent third parties ("Wuhan Electronic Disposal"). The Wuhan Electronic Disposal allowed the Group to concentrate its superior resources and stopped its deficit.

On 9 June 2013, the Company entered into a sale and purchase agreement with Jia Ya Developments Limited ("Jia Ya") and Mr. Chi Shaolin ("Mr. Chi") for the sale of the entire issued share capital of Sumptuous Wealth (the "S&P Agreement of Sumptuous Wealth") (as supplemented by the supplemental deeds dated 24 June 2013 and 26 November 2013 respectively). On 26 November 2013, with all the precedent conditions of the Sumptuous Wealth Disposal having been completed, the completion of the Sumptuous Wealth Disposal took place, Sumptuous Wealth hence ceased to be a subsidiary of the Company. The Sumptuous Wealth Disposal allowed the Group to dispose of part of its business in deficit and reserve its superior resources for future possible better opportunities of profit-making.

Following the resolution for approving the Rosy Sun Acquisition being duly passed by the independent shareholders of the Company on 28 January 2013, completion of the Rosy Sun Acquisition took place on 31 January 2013. Rosy Sun and, among others, the PRC Company became subsidiaries of the Company since then.

業務表現回顧(續)

業務重組

於二零一四年一月十日，本集團已訂立兩份股權轉讓協議，以向兩名獨立第三方出售武漢市泓淋科技有限公司(「武漢科技」)之全部權益(「武漢科技出售事項」)。武漢科技出售事項與本集團之整體發展策略一致，可阻止虧損狀況蔓延。

於二零一三年九月二十七日，本集團已訂立兩份股權轉讓協議，以向兩名獨立第三方出售武漢市泓淋電子有限公司(「武漢電子」)之全部權益(「武漢電子出售事項」)。武漢電子出售事項讓本集團集中運用其優勢資源，並阻止虧損狀況蔓延。

於二零一三年六月九日，本公司與佳雅發展有限公司(「佳雅」)及遲少林先生(「遲先生」)就出售豪裕之全部已發行股本訂立買賣協議(「豪裕買賣協議」)(分別經日期為二零一三年六月二十四日及二零一三年十一月二十六日之補充契約補充)。於二零一三年十一月二十六日，在豪裕處置全部先決條件均告達成後，豪裕處置亦告完成，因此，豪裕不再為本公司附屬公司。豪裕處置讓本集團出售部分虧損業務，為日後潛在良機保留優勢資源，藉此獲利。

批准 Rosy Sun 收購事項之決議案於二零一三年一月二十八日獲本公司獨立股東正式通過後，Rosy Sun 收購事項於二零一三年一月三十一日完成交易。此後，Rosy Sun 及(其中包括)中國公司成為本公司附屬公司。

* English name is for identification purposes only.

* 英文名稱僅供識別

Chairman's Statement

主席報告

PERFORMANCE REVIEW (Continued)

Business Restructuring (Continued)

Upon the completion of the Rosy Sun Acquisition, the Group has started to work with the three major telecommunication services providers in the PRC as valuable customers and has taken part in the telecommunication industry which has experienced significant growth in recent years with the supporting policy by the PRC government, and practically engaged in (i) the research and development, manufacturing and sale of cell phones, which could run on 2G and/or 3G and/or 4G networks such as GSM, IS-95, CDMA2000, TDSCDMA and TD-LTE/FDD-LTE, as well as Mobile Internet terminals and related services provision in the PRC; (ii) the sale of network equipment to three major telecommunication services providers in the PRC, such as core network equipments ("CN"), WLAN, IPRAN and xPON; (iii) the provision of services to major telecommunication services providers in the PRC, such as the installation, maintenance and upgrade of the network equipment and/or wireless network optimization in the existing network systems; and (iv) Private Network solutions to its newly developed leading enterprise customers.

On 12 January 2013, the resolutions for approving the disposal of a 55% equity interest in 天津日拓汽車電裝有限公司 (Tianjin Rituo Automotive Electronics Co., Ltd.*, "Rituo Automotive") (the "Rituo Disposal") and the acquisition of the entire equity interest in 天津市日拓高科技有限公司 (Tianjin Rituo High Technology Co., Ltd*, "Rituo Technology") (the "Rituo Acquisition") were duly passed by the independent shareholders of the Company.

OUTLOOK

New technologies and devices are emerging in our daily lives such as wireless power charger, 4G technology, Mobile Internet technology and related services and products which had changed and will keep changing our lifestyle. The futures of the global computing and consumer electronics markets are still unpredictable and full of challenges. While the prospect of communication and telecommunication industries seems much better with the wide application of the 4G, Mobile Internet and Private Network. By entering into the telecommunication industry and our great efforts made during the past year, the Group expects to turn around loss position and make profit in the near future. To achieve this goal, the Company will further dedicate to the restructuring of its traditional business and make more efforts and investments in the research and development and market expansion in the area of 4G, Mobile Internet and Private Network. The Company will keep dealing with the complicated situation with cautious, fostering our strengths and circumventing the weaknesses to add value to the Group. In summary, the Group is convinced that the continuous enhancement and development of our business will eventually realise.

* English names are for identification purposes only.

業務表現回顧(續)

業務重組(續)

完成Rosy Sun收購事項後，中國三大電訊服務運營商成為本集團的核心客戶，本集團開始與彼等合作發展電訊業。近年，電訊業受惠於中央政府的扶助政策而蓬勃發展，本集團實際涉足之業務計有：(i)在中國研發及產銷可應用於2G及／或3G及／或4G網絡（如GSM、IS-95、CDMA2000、TDSCDMA及TD-LTE/FDD-LTE以及移動互聯網終端及提供有關服務）的手機；(ii)向中國三大電訊服務運營商銷售網絡設備，如核心網絡設備（「CN」）、WLAN、IPRAN設備及xPON設備；(iii)向中國的主要電訊服務運營商提供網絡設備安裝、維護、升級及／或為現有網絡系統提供無線網絡優化服務；及(iv)向新吸納的知名企業客戶提供專有網絡方案。

於二零一三年一月十二日，本公司獨立股東正式通過決議案，批准出售天津日拓汽車電裝有限公司（「日拓汽車」）55%股權（「日拓處置」），以及收購天津市日拓高科技有限公司（「日拓高科技」）全部股權（「日拓收購」）。

前景

我們生活中湧現的新技術及設備，例如無線充電器、4G技術、移動互聯網技術及相關服務及產品，已經及將繼續改變我們的生活模式。全球電腦及消費電子市場的未來依然難以預測，充滿挑戰。然而，通訊及電訊產業因4G、移動互聯網及專有網絡的廣泛應用而景況較佳。由於本集團進軍電訊產業及在過去一年竭力投入發展，本集團預期將可望在不久將來轉虧為盈。為達成此目標，本公司將進一步致力重組其傳統業務，於4G、移動互聯網及專有網絡領域作出更大努力及投資進行研發及市場擴張。本公司將繼續審慎處理複雜形勢，增強實力，取長補短，為本集團增值。概括而言，本集團深信業務將可實現持續增長及發展。

* 英文名稱僅供識別

Chairman's Statement

主席報告

APPRECIATION

On behalf of the board (the "Board") of the directors (the "Directors") of the Company, I express my sincere gratitude towards the shareholders of the Company (the "Shareholders") for your support and confidence in our management team. I also wish to thank our colleagues on the Board for your persistent contribution in the Company's development and progress. Furthermore, I thank all the staff who have been committed to their duties and working hard for the development of the Group's business. At last, I would like to thank all of you who constantly stood by our side and supported us during the hard time, we will finally prove that your patience is worthy!

Yours faithfully,

Chi Shaolin

Chairman and CEO of HL Technology Group Limited

27 March 2014

致謝

我謹代表本公司董事(「董事」)會(「董事會」)，為本公司股東(「股東」)對公司管理團隊的支持和信任表示誠摯感謝；亦感激董事會同仁持續致力於本公司的發展和進步；又感謝所有為本集團業務發展盡忠職守、努力不懈的員工。最後，我謹向與本集團共度時艱的各位致謝，本集團矢志回報各位的耐心！

遲少林

泓淋科技集團有限公司主席兼總裁

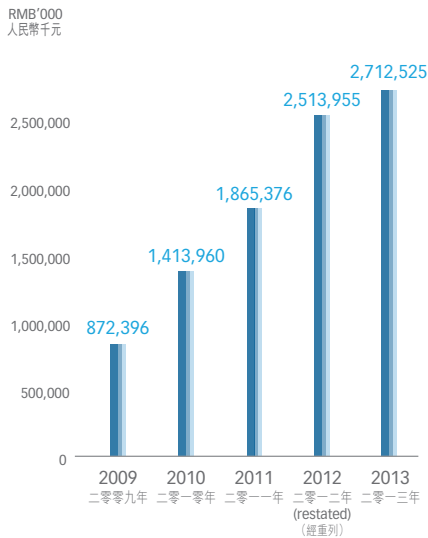
謹啟

二零一四年三月二十七日

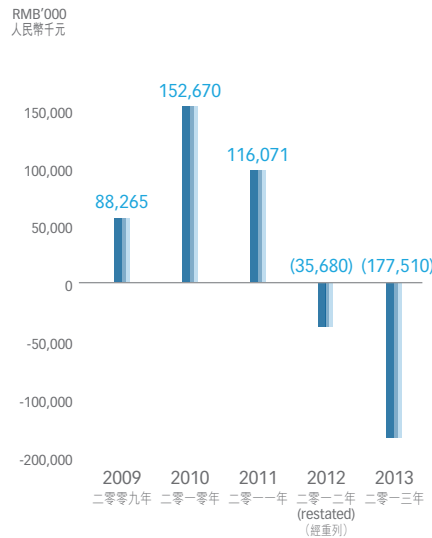
Financial Summary

財務摘要

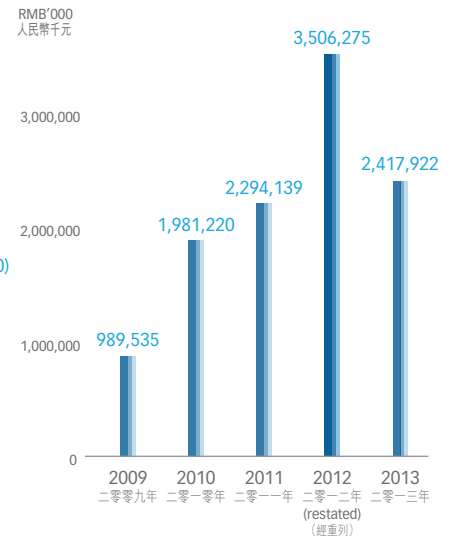
Revenue 收益



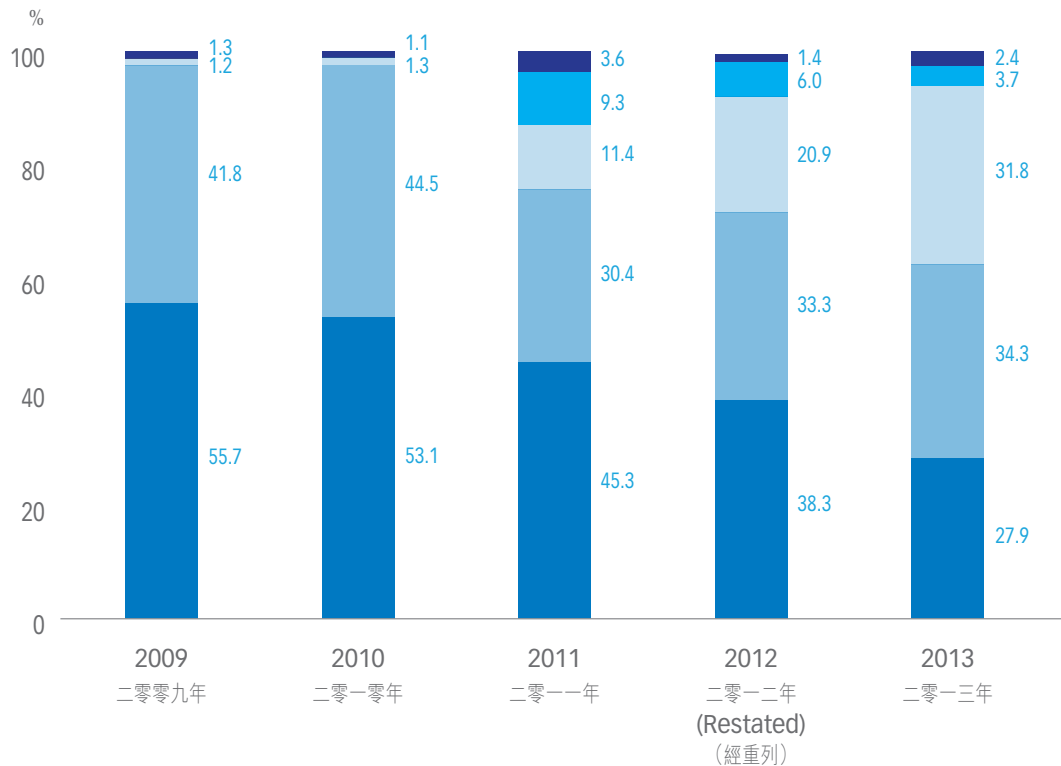
Profit/(Loss) Attributable to the Owners of the Parent 母公司股東應佔溢利/(虧損)



Total Assets 總資產



A Summary of Revenue Breakdown in terms of End Markets is as follows: 按終端市場劃分的收益概要如下：



- Computer 計算機
- Consumer electronics 消費電子
- Communication 通訊
- Automotive 汽車
- Others 其他

Financial Summary

財務摘要

A highlight of results, selected financial ratios information, assets and liabilities and cash flows is as follows:

業績、經選定財務比率資料、資產與負債及現金流量的概要如下：

RESULTS INFORMATION

業績資料

		Year ended 31 December	
		截至十二月三十一日止年度	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
			(Restated)
			(經重列)
Revenue	收益	2,712,525	2,513,955
Gross profit	毛利	358,043	329,359
Loss before tax	除稅前虧損	(155,191)	(42,794)
Loss for the year	年度虧損	(180,211)	(49,945)
Loss attributable to:	應佔虧損：		
— Owners of the parent	— 母公司擁有人	(177,510)	(35,680)
— Non-controlling interests	— 非控制權益	(2,701)	(14,265)
Loss per share	每股虧損		
— Basic and diluted (RMB cents)	— 基本及攤薄(人民幣分)	(24.65)	(4.96)

Financial Summary

財務摘要

SELECTED FINANCIAL RATIOS INFORMATION

經選定財務比率資料

		Year ended 31 December 截至十二月三十一日止年度				
		2013 二零一三年	2012 二零一二年 (Restated) (經重列)	2011 二零一一年	2010 二零一零年	2009 二零零九年
Gross profit margin	邊際毛利	13.2%	13.1%	20.3%	23.0%	22.7%
Net (loss)/profit margin	邊際(淨虧損)/ 純利	(6.6%)	(2.0%)	6.4%	11.0%	10.1%
Current ratio (times)	流動比率(倍)	1.0	1.1	1.3	1.4	1.0
Gearing ratio ⁽¹⁾	資本負債比率 ⁽¹⁾	25.9%	30.4%	28.4%	33.5%	35.7%
Return on total assets ⁽²⁾	總資產回報 ⁽²⁾	(6.1%)	(1.7%)	5.6%	10.5%	9.9%
Return on total equity ⁽²⁾	總權益回報 ⁽²⁾	(16.0%)	(3.9%)	11.8%	24.9%	32.3%

(1) Calculated by using short-term borrowings divided by total assets.

(1) 按短期借貸除以總資產計算。

(2) Calculated by using average balances of total assets and total equity.

(2) 採用總資產與總權益之平均結餘計算。

Financial Summary

財務摘要

ASSETS AND LIABILITIES INFORMATION

資產與負債資料

		As at 31 December 於十二月三十一日				
		2013	2012	2011	2010	2009
		二零一三年	二零一二年	二零一一年	二零一零年	二零零九年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(Restated)			#
			(經重列)			
Cash and cash equivalents (excluding pledged deposits)	現金及現金等價物 (不包括已抵押存款)	62,721	144,082	106,650	160,408	73,744
Current assets	流動資產	1,636,186	2,298,193	1,543,252	1,489,849	654,690
Non-current assets	非流動資產	781,736	1,208,082	750,887	491,371	334,845
Current liabilities	流動負債	1,598,964	2,004,695	1,191,894	1,057,749	662,585
Non-current liabilities	非流動負債	23,341	39,045	9,718	–	–
Equity attributable to owners of the parent	母公司擁有人應佔權益	795,858	1,427,338	1,031,694	909,888	316,558
Non-controlling interests	非控制權益	(241)	35,197	60,833	13,583	10,392

CASH FLOWS INFORMATION

現金流量資料

		Year ended 31 December 截至十二月三十一日止年度				
		2013	2012	2011	2010	2009
		二零一三年	二零一二年	二零一一年	二零一零年	二零零九年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(Restated)			#
			(經重列)			
Net cash from/(used in) operating activities	經營活動所得/(所用)現金淨額	85,830	59,195	(167,546)	(114,539)	470
Net cash (used in)/from investing activities	投資活動(所用)/所得現金淨額	(142,281)	(183,715)	161,211	(549,936)	70,495
Net cash (used in)/from financing activities	融資活動(所用)/所得現金淨額	(19,872)	172,808	(47,423)	751,139	120,356

The financial information was extracted from the Company's prospectus dated 3 November 2010 (the "Prospectus").

該財務資料乃摘錄自本公司二零一零年十一月三日的招股章程(「招股章程」)。

Financial Summary

財務摘要

A summary of consolidated results for the five years ended 31 December 2013 is as follows:

截至二零一三年十二月三十一日止五個年度的綜合業績的概要如下：

		Year ended 31 December 截至十二月三十一日止年度				
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元 #
Revenue	收益	2,712,525	2,513,955	1,865,376	1,413,960	872,396
Cost of sales	銷售成本	(2,354,482)	(2,184,596)	(1,486,971)	(1,088,346)	(674,422)
Gross profit	毛利	358,043	329,359	378,405	325,614	197,974
Other income and gains	其他收入及收益	21,083	41,105	23,593	6,058	9,344
Selling and distribution expenses	銷售及分銷開支	(110,871)	(79,378)	(49,056)	(27,233)	(20,480)
Administrative expenses	行政開支	(154,813)	(144,551)	(116,714)	(72,525)	(47,978)
Research and development expenses	研發開支	(92,673)	(83,198)	(62,179)	(30,932)	(27,278)
Other expenses	其他開支	(24,890)	(44,486)	(1,513)	(8,637)	(1,071)
Finance costs	融資成本	(150,551)	(61,645)	(37,536)	(19,090)	(13,924)
Share of loss of an associate	應佔一間聯營公司虧損	(270)	—	—	—	—
(Loss)/profit before tax from continuing operations	持續經營除稅前(虧損)/溢利	(154,942)	(42,794)	135,000	173,255	96,587
Income tax expense	所得稅開支	(25,020)	(7,151)	(15,640)	(18,234)	(8,090)
Loss for the year from a discontinued operation	已終止經營業務之年度虧損	(249)	—	—	—	—
(Loss)/profit for the year	年度(虧損)/溢利	(180,211)	(49,945)	119,360	155,021	88,497
Other comprehensive income/(loss)	其他全面收益/(虧損)					
Exchange differences on translation of foreign operations	換算外國業務之滙兌差額	(246)	278	(733)	742	—
Total comprehensive (loss)/income for the year	年度全面(虧損)/收益總額	(180,457)	(49,667)	118,627	155,763	88,497
(Loss)/profit attributable to:	應佔(虧損)/溢利：					
— Owners of the parent	— 母公司擁有人	(177,510)	(35,680)	116,071	152,670	88,265
— Non-controlling interests	— 非控制權益	(2,701)	(14,265)	3,289	2,351	232
		(180,211)	(49,945)	119,360	155,021	88,497
Total comprehensive (loss)/income attributable to:	應佔全面(虧損)/收益總額：					
— Owners of the parent	— 母公司擁有人	(177,761)	(35,402)	115,338	153,412	88,265
— Non-controlling interests	— 非控制權益	(2,696)	(14,265)	3,289	2,351	232
		(180,457)	(49,667)	118,627	155,763	88,497
(Loss)/earnings per share — Basic and diluted (RMB cents)	每股(虧損)/盈利 — 基本及攤薄(人民幣分)	(24.7)	(5.0)	16.1	27.5	16.9

The financial information was extracted from the Prospectus.

該財務資料乃摘錄自招股章程。

Management Discussion & Analysis

管理層討論及分析

BUSINESS REVIEW

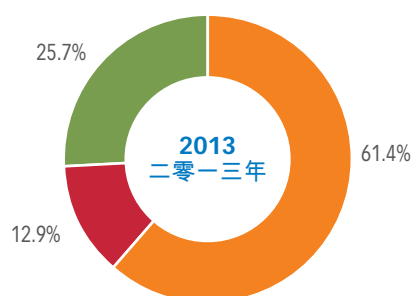
As a result of the Rosy Sun Acquisition, the Group changed the structure of its internal organisation in a manner that caused the composition of its reportable segments to change. Based on the new internal organisation incorporating the Newly Acquired Business, the Group has three reportable operating segments and the corresponding financial data of the Group for the year ended 31 December 2012 has been restated.

業務回顧

由於進行Rosy Sun收購事項，本集團更改其內部組織架構，致使其可報告分部的組成出現變動。根據納入該項新購入業務的新內部組織，本集團現有三個可報告經營分部，而本集團截至二零一二年十二月三十一日止年度之相應財務數據已重列。

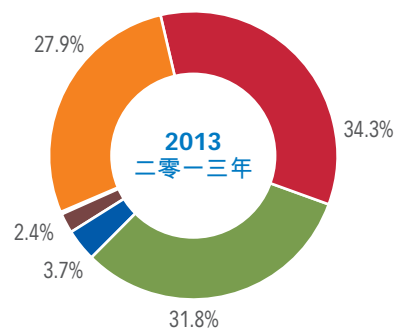
		Year ended 31 December 截至十二月三十一日止年度				
		2013 二零一三年		2012 二零一二年		Change in % 變動百分比 (approximate) (概約)
		Revenue 收益 RMB'000 人民幣千元	% of Revenue 佔收益百分比 (approximate) (概約)	Revenue 收益 RMB'000 人民幣千元	% of Revenue 佔收益百分比 (approximate) (概約)	
Signal transmission and connectivity products	信號傳輸及連接產品	1,665,534	61.4	1,933,675	76.9	(13.9)
Terminals	終端	350,453	12.9	246,271	9.8	42.3
Networks	網絡	696,538	25.7	334,009	13.3	108.5
Total	總計	2,712,525	100.0	2,513,955	100.0	7.9

2013 Revenue Breakdown by Segments
二零一三年全年按分部劃分之收益



Signal transmission and connectivity products	信號傳輸及連接產品	61.4%
Terminals	終端	12.9%
Networks	網絡	25.7%

2013 Revenue Breakdown by End Markets
二零一三年全年按終端市場劃分之收益



Computer	計算機	27.9%
Consumer electronics	消費電子	34.3%
Communication	通訊	31.8%
Automotive	汽車	3.7%
Others	其他	2.4%

Management Discussion & Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

The Group recorded a total revenue of approximately RMB2,712.5 million for the year ended 31 December 2013, representing a growth of approximately 7.9% as compared with the revenue of approximately RMB2,514.0 million for the year ended 31 December 2012. Revenue generated from the Newly Acquired Business amounted to approximately RMB1,047.0 million, representing approximately 38.6% of the total revenue of the Group for the year ended 31 December 2013, or representing a significant increase by approximately 80.4% as compared with that for the period from 13 June 2012 to 31 December 2012 which is mainly due to: (i) the booming market demand on 4G products and related services as well as Private Network solutions since 4G technology, Mobile Internet technology and Private Network technology become widely used; (ii) the Group has made great efforts in the marketing and research and development to get more market shares and strengthen our customer base in both Operator Networks and enterprise Private Network; and (iii) revenue from the Newly Acquired Business was consolidated into the Group since 13 June 2012 as compared with that for the full year of 2012. While for the Original Business, the revenue decreased from approximately RMB1,933.7 million for the year ended 31 December 2012 to approximately RMB1,665.5 million for the year ended 31 December 2013, representing a decrease by approximately 13.9%. The decrease in revenue from the Original Business was mainly due to (i) the continuing challenges and uncertainties in the global economies and severe effects on the computer and consumer electronics industries, resulting in both the procurement amount and the average selling price across most product lines within the Original Business in the tough competitive operating environment declined; and (ii) the negative effects on and cease of contribution to the revenue by the companies disposed of (that is, Sumptuous Wealth and its subsidiaries) as a result of the completion of the Sumptuous Wealth Disposal.

業務回顧(續)

截至二零一三年十二月三十一日止年度，本集團錄得總收益約人民幣2,712.5百萬元，較截至二零一二年十二月三十一日止年度的收益約人民幣2,514.0百萬元，增加約7.9%。截至二零一三年十二月三十一日止年度，來自新購入業務的收益約為人民幣1,047.0百萬元，相當於本集團總收益約38.6%，較由二零一二年六月十三日至二零一二年十二月三十一日止期間大幅增加約80.4%，主要由於：(i)由於4G技術、移動互聯網及專有網絡技術普及應用，對4G產品及有關服務以及專有網絡方案市場需求激增；(ii)本集團致力進行營銷及研發，以增加市場份額，擴展營運商網絡及企業專有網絡的客戶層；及(iii)新購入業務由二零一二年六月十三日起入賬，而二零一三年則全年入賬。原業務方面，收益由截至二零一二年十二月三十一日止年度約人民幣1,933.7百萬元，減至截至二零一三年十二月三十一日止年度約人民幣1,665.5百萬元，減少約13.9%。原業務的收益減少主要由於(i)全球經濟及電腦及消費電子行業的挑戰及不明朗因素將會持續，並對有關行業構成嚴重影響，加上艱難且競爭激烈的運營環境，以致原業務採購量及大部分產品線的平均售價都下降所致；及(ii)由於完成豪裕處置，已出售公司（即豪裕及其附屬公司）帶來負面影響且不再貢獻收益所致。

Management Discussion & Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Signal Transmission and Connectivity Products

業務回顧(續)

信號傳輸及連接產品

		Year ended 31 December 截至十二月三十一日止年度				
		2013 二零一三年		2012 二零一二年		Change in % 變動百分比 (approximate) (概約)
		Revenue	% of revenue	Revenue	% of revenue	
		收益	收益百分比	收益	收益百分比	
		RMB'000 人民幣千元	(approximate) (概約)	RMB'000 人民幣千元	(approximate) (概約)	
External signal cable assembly	外接信號線組	284,557	17.1	333,816	17.3	(14.8)
Internal signal cable assembly	內接信號線組	339,333	20.4	384,517	19.9	(11.8)
Power cord assembly	電源線組件	465,517	28.0	463,814	24.0	0.4
Signal transmission wire & cable	信號傳輸線纜	350,192	21.0	420,956	21.8	(16.8)
Connectors	連接器	20,339	1.2	27,722	1.4	(26.6)
Antennas	天線	67,470	4.1	71,913	3.7	(6.2)
Automotive wiring harness	汽車線束	120,376	7.2	127,454	6.6	(5.6)
Others	其他	17,750	1.0	103,483	5.3	(82.8)
Total	總計	1,665,534	100.0	1,933,675	100.0	(13.9)

Signal transmission and connectivity products segment recorded a total revenue of approximately RMB1,665.5 million for the year ended 31 December 2013, which decreased by approximately RMB268.1 million, or approximately 13.9% as compared with that for the year ended 31 December 2012 primarily due to (i) sales of external and internal signal cable assembly dropped by approximately 14.8% and 11.8% respectively due to the reduction of their unit selling price as a result of the fierce competition and tough operating environment and the decrease in sales volume in line with the decrease in market demands on such relatively traditional products, also as a result of the completion of the Sumptuous Wealth Disposal; (ii) sales of power cord assembly increased by approximately 0.4% as compared to the year ended 31 December 2012 due to our ability to increase market share from our existing customers, while at the same time, the selling price of this product decreased due to dropping copper price and challenging operating environment; (iii) revenue of our signal transmission wire and cable product decreased by approximately 16.8% mainly due to significant drop in sales of our communication and consumer electronics cable; and (iv) revenue of our automotive wiring harness decreased by approximately 5.6% mainly due to negative effects of the relocation of the production base and that the Company disposed of a 55% equity interest in Rituo Automotive and acquired the entire equity interest in Rituo Technology and the Company lost some production and customers during the disposal and acquisition.

信號傳輸及連接產品分部於截至二零一三年十二月三十一日止年度，錄得總收益約人民幣1,665.5百萬元，較截至二零一二年十二月三十一日止年度下跌約人民幣268.1百萬元，或約13.9%，主要由於(i)外接信號線組件及內接信號線組件面對激烈競爭，加上經營環境疲弱，令其削減單位售價，以及完成豪裕處置，導致其各自之銷售分別減少約14.8%及11.8%，而有關跌幅與市場對該等相對較傳統之產品之需求收窄一致；(ii)電源線組件之銷售額較截至二零一二年十二月三十一日止年度增加約0.4%，因為本集團能夠藉現有客戶擴大市場份額，同時，本產品的售價因銅價下跌及經營環境困難而減少；(iii)信號傳輸線纜產品收益下跌約16.8%，主要由於通訊及消費電纜之銷售大幅倒退；及(iv)汽車線束收益下跌約5.6%，主要由於其受到遷移生產基地之負面影響，加上本公司出售日拓汽車55%之股權及收購日拓高科技全部股權，令本公司於出售及收購期間失去部分產量及客戶。

Management Discussion & Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Terminals

Main products of terminals segment are cell phones which can run on 3G and/or 4G networks, such as CDMA2000, TD-SCDMA and TD-LTE/FDD-LTE as well as Mobile Internet terminals. Revenue of the terminals segment for the year ended 31 December 2013 were approximately RMB350.5 million, representing approximately 12.9% of the total revenue of the Group for the year ended 31 December 2013 and also representing an increase by approximately 42.3% as compared with that for the period from 13 June 2012 to 31 December 2012 mainly due to that revenue from this segment was consolidated into the Group since 13 June 2012 as compared to the full year of 2012. While at the same time, we also noted that most proportion of the revenue from this segment for the year ended 31 December 2012 was generated in the second half of the year, thus there was only an increase of approximately 42.3% was recorded.

Networks

Main products and services of networks segment are network equipment such as CN, WLAN, IPRAN and xPON, the installation, maintenance and upgrade of the network equipment, wireless network optimization on the existing wireless network systems of the three major telecommunication services providers and Private Network solutions provided to several leading enterprise customers in the PRC. Revenue of networks segment for the year ended 31 December 2013 were approximately RMB696.5 million, representing approximately 25.7% of the total revenue of the Group for the year ended 31 December 2013 and also representing an increase by approximately 108.5% as compared with that for the period from 13 June 2012 to 31 December 2012 mainly due to the great efforts made by the Group on the marketing and research and development in networks segment and that revenue from networks segment was consolidated into the Group since 13 June 2012 as compared with that for the full year of 2012.

業務回顧(續)

終端

終端分部的主要產品為可以於3G及/或4G網絡(如CDMA2000、TD-SCDMA及TD-LTE/FDD-LTE以及移動網絡終端)運作的手機。終端分部於截至二零一三年十二月三十一日止年度的收益約為人民幣350.5百萬元，佔本集團截至二零一三年十二月三十一日止年度的總收益約12.9%。同時，與由二零一二年六月十三日至二零一二年十二月三十一日止期間相比，增長約42.3%，主要由於該分部的收益由二零一二年六月十三日起綜合計入本集團，而二零一三年則為全年綜合計入本集團。與此同時，我們注意到本分部截至二零一二年十二月三十一日止年度大部份收益來自下半年，因此僅錄得約42.3%之增長。

網絡

網絡分部的主要產品及服務為CN、WLAN、IPRAN及xPON等網絡設備、網絡設備的安裝、維護及升級及中國三大電訊服務運營商現有無線網絡系統的無線網絡優化服務，以及提供專有網絡解決方案予中國數家領先企業客戶。截至二零一三年十二月三十一日止年度之網絡分部收益約為人民幣696.5百萬元，佔本集團截至二零一三年十二月三十一日止年度之總收益約25.7%，亦較由二零一二年六月十三日至二零一二年十二月三十一日止期間增加約108.5%，主要由於本集團加大網絡分部營銷及研發力度，以及網絡分部的收益由二零一二年六月十三日起方綜合計入本集團，而二零一三年則為全年綜合計入本集團。

Management Discussion & Analysis

管理層討論及分析

FINANCIAL REVIEW

Cost of Sales

The following table sets forth a breakdown of our cost of sales for the year indicated:

財務回顧

銷售成本

下表載列本集團於所示年內的銷售成本明細：

		Year ended 31 December 截至十二月三十一日止年度				
		2013 二零一三年		2012 二零一二年		Change in % 變動百分比 (approximate) (概約)
		RMB'000 人民幣千元	% of total cost of sales 佔銷售成本 總額百分比 (approximate) (概約)	RMB'000 人民幣千元 (Restated) (經重列)	% of total cost of sales 佔銷售成本 總額百分比 (approximate) (概約)	
Raw material costs	原材料成本	1,902,311	80.8	1,835,640	84.0	3.6
Utilities	公共事業成本	20,655	0.9	20,031	0.9	3.1
Depreciation	折舊	34,160	1.5	26,169	1.2	30.5
Labor costs	勞工成本	178,449	7.6	160,356	7.3	11.3
Outsourcing costs	外包成本	175,727	7.5	108,508	5.0	61.9
Others	其他	43,180	1.7	33,892	1.6	27.4
Total	總計	2,354,482	100.0	2,184,596	100.0	7.8

Among the total cost of sales of the Group, approximately RMB1,466.6 million was attributable to the Original Business, among which approximately RMB1,117.5 million was attributable to the raw material costs, representing approximately 76.2% of the total cost of sales of the Original Business. Approximately RMB887.9 million was attributable to the Newly Acquired Business, among which approximately RMB784.8 million was attributable to the raw material costs, representing approximately 88.4% of the total cost of sales of the Newly Acquired Business.

Cost of sales increased overall by approximately RMB169.9 million for the year ended 31 December 2013, or representing an increase by approximately 7.8% as compared with that for the year ended 31 December 2012. The increase was basically in line with the increase in the revenue and primarily due to: (i) increase in cost of sales attributable to the Newly Acquired Business was approximately RMB355.7 million or approximately 66.8% mainly due to that the cost of sales from Newly Acquired Business was consolidated into the Group since 13 June 2012 as compared with that for the full year of 2013; and (ii) cost of sales from the Original Business decreased by approximately RMB185.8 million, or approximately 11.3%, as compared with that for the year ended 31 December 2012, which was mainly as a result of the drop in the total sales volume and the cease of contribution from the companies disposed of (that is, Sumptuous Wealth and its subsidiaries) upon the completion of the Sumptuous Wealth Disposal.

本集團銷售成本總額中，約人民幣1,466.6百萬元屬於原業務，其中約人民幣1,117.5百萬元屬於該分部之原材料成本，佔原業務之銷售成本總額約76.2%。約人民幣887.9百萬元屬於新購入業務，其中約人民幣784.8百萬元屬於原材料成本，佔新購入業務之銷售成本總額約88.4%。

截至二零一三年十二月三十一日止年度，銷售成本較截至二零一二年十二月三十一日止年度整體增加約人民幣169.9百萬元或約7.8%。增幅基本上與收益增幅相符，主要源於：(i)新購入業務增加的銷售成本約人民幣355.7百萬元或約66.8%，主要因為新購入業務的銷售成本由二零一二年六月十三日起綜合計入本集團，而二零一三年則全年綜合計入本集團；及(ii)原業務的銷售成本較截至二零一二年十二月三十一日止年度減少約人民幣185.8百萬元或約11.3%，主要由於總銷量下跌，以及完成豪裕處置後已出售公司(即豪裕及其附屬公司)不再貢獻銷售成本所致。

Management Discussion & Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Gross Profit and Margin

財務回顧(續)

毛利及毛利率

		Year ended 31 December 截至十二月三十一日止年度				
		2013 二零一三年		2012 二零一二年		
		Gross profit	Gross profit margin	Gross profit	Gross profit margin	Change in gross profit
		毛利	毛利率	毛利	毛利率	毛利變動
		RMB'000	(approximate)	RMB'000	(approximate)	(approximate)
		人民幣千元	(概約)	人民幣千元	(概約)	(概約)
			(%)	(Restated)	(%)	(%)
				(經重列)		
Signal transmission and connectivity products	信號傳輸及連接產品	198,956	11.9	281,255	14.5	(29.3)
Terminals	終端	32,913	9.4	23,701	9.6	38.9
Networks	網絡	126,174	18.1	24,403	7.3	417.0
Total	總計	358,043	13.2	329,359	13.1	8.7

The Group's gross profit for the year ended 31 December 2013 amounted to approximately RMB358.0 million, representing an increase by approximately RMB28.7 million or approximately 8.7% as compared with that for the year ended 31 December 2012. Gross profit generated from the Newly Acquired Business increased to approximately RMB159.1 million for the year ended 31 December 2013 from RMB48.1 million for the period from 13 June 2012 to 31 December 2012 mainly due to (i) the revenue for the Newly Acquired Business increased significantly and the rising proportion of network products with relatively high gross profit margin due to the tailor-made services and products delivered to Private Network customers; and (ii) gross profit from the Newly Acquired Business was consolidated into the Group since 13 June 2012 as compared with that for the full year of 2013. Gross profit generated from the Original Business decreased from approximately RMB281.3 million for the year ended 31 December 2012 to approximately RMB199.0 million for the year ended 31 December 2013, representing a decrease by approximately 29.3%. Such decrease in gross profit from the Original Business was mainly due to the decline in the average selling price and procurement amount across most of the product lines within the Original Business along with increasingly fierce competition and weaker demands from the Group's most customers for the year ended 31 December 2013.

截至二零一三年十二月三十一日止年度，本集團毛利約為人民幣358.0百萬元，較截至二零一二年十二月三十一日止年度增加約人民幣28.7百萬元，或約8.7%。來自新購入業務的毛利由二零一二年六月十三日至二零一二年十二月三十一日止期間之人民幣48.1百萬元增至截至二零一三年十二月三十一日止年度約人民幣159.1百萬元，主要因為：(i)新購入業務的收益大幅增加，以及因訂製服務及交付予其專有網絡客戶的產品使具有較高毛利率的產網絡產品比例增加；及(ii)新購入業務的毛利由二零一二年六月十三日起綜合計入本集團，而二零一三年則全年綜合計入本集團。本集團原業務產生之毛利由截至二零一二年十二月三十一日止年度約人民幣281.3百萬元減少至截至二零一三年十二月三十一日止年度的約人民幣199.0百萬元，跌幅約29.3%。原業務之毛利跌幅乃主要由於截至二零一三年十二月三十一日止年度內，競爭越來越激烈，本集團大部分客戶的需求減弱，令原業務的大部分產品線的平均售價及採購量均有所下跌所致。

Management Discussion & Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Gross Profit and Margin (Continued)

Gross profit margin for the year ended 31 December 2013 increased from approximately 13.1% to approximately 13.2% for the year ended 31 December 2012. The gross profit margin for the Newly Acquired Business improved significantly mainly due to the rising proportion of network products with higher gross profit margin, especially the tailor-made solutions delivered to Private Network customers; while the gross profit margin for the Original Business decreased to approximately 11.9% for the year ended 31 December 2013 from approximately 14.5% for the year ended 31 December 2012 mainly due to the decline in the average selling price across most of the Group's product lines.

Other Income and Gains

The Group recorded other income and gains of approximately RMB21.1 million for the year ended 31 December 2013, among which approximately RMB5.9 million was the government grants released during the year, approximately RMB4.2 million was bank and other interest income and approximately RMB7.8 million was discounted amount of trade receivables arising from the passage of time; we also recorded a net gain on disposals of subsidiaries of approximately RMB1.9 million.

Selling and Distribution Expenses

Selling and distribution expenses increased by approximately RMB31.5 million for the year ended 31 December 2013, or approximately 39.7%, as compared with that for the year ended 31 December 2012, mainly attributable to the increase in staff costs and related expenses from the Newly Acquired Business along with the increasing general marketing activities and the establishment of a sound marketing network in the PRC.

Administrative Expenses

Administrative expenses increased by approximately RMB10.3 million for the year ended 31 December 2013, or approximately 7.1%, as compared with that for the year ended 31 December 2012, which was mainly due to, among others, audit and other professional fees increased by approximately RMB15.7 million as a result of the mass professional fees occurred during the Rituo Disposal and the Sumptuous Wealth Disposal. However, this significant increase was partially net off by the overall decrease in administrative expenses from Original Business by virtue of the completion of the Sumptuous Wealth Disposal on 26 November 2013.

財務回顧(續)

毛利及毛利率(續)

截至二零一三年十二月三十一日止年度的毛利率由截至二零一二年十二月三十一日止年度的約13.1%增至約13.2%。新購入業務的毛利率大幅增加，主要由於具有較高毛利率的網絡產品的比例增加，尤其是交付予其專有網絡客戶的訂製解決方案；而原業務的毛利率由截至二零一二年十二月三十一日止年度約14.5%減少至截至二零一三年十二月三十一日止年度的約11.9%，主要由於本集團大部分產品線的平均售價下挫。

其他收入及收益

本集團於截至二零一三年十二月三十一日止年度錄得其他收入及收益約人民幣21.1百萬元，當中約人民幣5.9百萬元為年內發放之政府補貼，約人民幣4.2百萬元則來自銀行及其他利息收入，以及約人民幣7.8百萬元來自因時間過去而產生的貿易應收款項貼現的金額，此外，本集團亦錄得約人民幣1.9百萬元來自出售附屬公司之收益淨額。

銷售及分銷開支

截至二零一三年十二月三十一日止年度，銷售及分銷開支較截至二零一二年十二月三十一日止年度增加約人民幣31.5百萬元或約39.7%，主要由於新購入業務的員工成本及相關開支增加，加上整體營銷活動及在中國成立穩健的營銷網絡所致。

行政開支

截至二零一三年十二月三十一日止年度，行政開支較截至二零一二年十二月三十一日止年度增加約人民幣10.3百萬元或約7.1%，主要由於(其中包括)日拓處置及豪裕處置時產生大量專業費用，導致審核及其他專業費用增加約人民幣15.7百萬元，然而，於二零一三年十一月二十六日，豪裕處置完成後，原業務之行政開支整體減少而部份抵銷有關重大增幅。

Management Discussion & Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Research and Development Expenses

Research and development expenses increased by approximately RMB9.5 million for the year ended 31 December 2013, or approximately 11.4%, as compared with that for the year ended 31 December 2012. The increase was mainly attributable to the rising staff costs and co-development expenses from the Newly Acquired Business of approximately RMB6.8 million and RMB4.5 million, respectively, along with the expansion of its research and development activities in terms of both scope and scale, especially on 4G terminals, Mobile Internet terminals and enterprise Private Network solutions.

Other Expenses

Other expenses amounted to approximately RMB24.9 million for the year ended 31 December 2013, which was primarily attributable to loss from disposal of property, plant and equipment and impairment loss recognised in respect of property, plant and equipment, intangible assets, trade receivables and prepayments and other receivables.

Finance Costs

Finance costs increased by approximately RMB88.9 million for the year ended 31 December 2013, or approximately 144.2%, as compared with that for the year ended 31 December 2012, which was mainly attributable to the substantial notional interest expense of approximately RMB82.2 million incurred mainly due to the early redemption of the Promissory Note as a result of the completion of the Sumptuous Wealth Disposal on 26 November 2013.

Income Tax Expense

We incurred income tax expense of approximately RMB25.0 million for the year ended 31 December 2013 primarily due to (i) the current PRC Enterprise Income Tax expense occurred from the Newly Acquired Business of approximately RMB14.3 million and current withholding tax from the Original Business of approximately RMB12.8 million relating to profit distribution to the Company; and (ii) deferred tax of approximately RMB2.7 million. On an overall basis, the Group's effective tax rate for the year ended 31 December 2013 was -16.15%, contrasting to -16.71% for the year ended 31 December 2012.

財務回顧(續)

研發開支

截至二零一三年十二月三十一日止年度之研發開支，較截至二零一二年十二月三十一日止年度增加約人民幣9.5百萬元或約11.4%，增幅主要源自新購入業務之員工成本及共同開發開支分別增加約人民幣6.8百萬元及人民幣4.5百萬元，加上擴展其研發活動之範疇及規模，尤其是4G終端、移動互聯網終端及企業專有網絡解決方案。

其他開支

截至二零一三年十二月三十一日止年度之其他開支約人民幣24.9百萬元，主要源於出售物業、廠房及設備之虧損，以及就物業、廠房及設備、無形資產、貿易應收款項以及預付款項及其他應收款項確認之減值虧損。

融資成本

與截至二零一二年十二月三十一日止年度相比，截至二零一三年十二月三十一日止年度的融資成本，增長約人民幣88.9百萬元或約144.2%，主要因二零一三年十一月二十六日之豪裕處置而提早贖回承兌票據產生之鉅額名義利息開支約人民幣82.2百萬元所致。

所得稅開支

本集團於截至二零一三年十二月三十一日止年度的所得稅開支，約為人民幣25.0百萬元，主要由於(i)新購入業務產生的現行中國企業所得稅開支約人民幣14.3百萬元及原業務關於向本公司分派溢利的即期預扣稅約人民幣12.8百萬元；及(ii)遞延稅項約人民幣2.7百萬元。整體而言，本集團於截至二零一三年十二月三十一日止年度的實際稅率為-16.15%，而截至二零一二年十二月三十一日止年度為-16.71%。

Management Discussion & Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Loss for the Year

The Group incurred a net loss of approximately RMB180.2 million for the year ended 31 December 2013. The net profit recorded by the Newly Acquired Business was approximately RMB71.6 million, after consolidating the net profit of approximately RMB87.3 million recorded by the PRC Company, which means the Profit Guarantee has been accomplished, and other costs of approximately RMB15.7 million mainly composed of depreciation and amortization of valuation premium of prepaid land lease payments, property, plant and equipment and intangible assets identified during the Rosy Sun Acquisition. Whereas the net loss from the Original Business for the year ended 31 December 2013 was approximately RMB169.3 million which was mainly due to: (i) the decrease in gross profit and other gains from the Original Business for the year ended 31 December 2013; and (ii) impairment loss on property, plant and equipment, intangible assets, trade and other receivables and inventories recognised during the year ended 31 December 2013 since their recoverable amount, or net realizable value was less than their carrying amount. Furthermore, there was a substantial notional interest expense of approximately RMB82.2 million incurred for the year ended 31 December 2013 mainly due to the early redemption of the Promissory Note as a result of the Sumptuous Wealth Disposal which add to the total loss of the Group.

Liquidity and Financial Resources

The Group will continue to implement prudent financial management policies and maintain a reasonable gearing ratio during its operation. As at 31 December 2013, the Group's gearing ratio (measured by total interest-bearing bank and other borrowings as a percentage of total assets of the Group) was approximately 25.9% (31 December 2012: approximately 30.4%).

As at 31 December 2013, the total bank and other borrowings of the Group amounted to approximately RMB625.2 million (31 December 2012: approximately RMB1,065.8 million). These loans carried interests at floating or fixed rates. Included in the total bank and other borrowings of approximately RMB625.2 million, approximately RMB262.3 million was secured loans.

The bank and other borrowings from the Newly Acquired Business decreased by approximately RMB80.3 million mainly due to some of the bank and other borrowings matured and the PRC Company did not renew the borrowings, the bank and other borrowings from the Original Business decreased by approximately RMB360.2 million, which was mainly attributable to the completion of the Sumptuous Wealth Disposal on 26 November 2013.

財務回顧(續)

本年度虧損

截至二零一三年十二月三十一日止年度，本集團錄得淨虧損約人民幣180.2百萬元。新購入業務錄得純利約人民幣71.6百萬元，當中已合併中國公司之純利約人民幣87.3百萬元（意味着達成利潤保證），及約人民幣15.7百萬元之其他費用，該部分費用主要包括Rosy Sun收購過程中確認的預付土地租金，物業、廠房及設備及無形資產評估增值的折舊與攤銷。截至二零一三年十二月三十一日止年度來自原業務的淨虧損約為人民幣169.3百萬元，主要由於：(i) 原業務截至二零一三年十二月三十一日止年度的毛利及其他收益下跌；及(ii) 截至二零一三年十二月三十一日止年度確認物業、廠房及設備、無形資產及貿易及應收款項以及存貨之減值虧損，因為其可收回金額或可變現淨值低於其賬面值。此外，截至二零一三年十二月三十一日止年度，主要因進行豪裕處置而提早贖回承兌票據，導致本集團產生龐大名義利息開支約人民幣82.2百萬元，令本集團總虧損有所上升。

流動資金及財務資源

本集團將於營運過程中，繼續執行審慎的財務管理政策，並維持合理的資本負債比率。於二零一三年十二月三十一日，本集團的資本負債比率（以計算銀行及其他借款總額佔本集團資產總額之百分比計量）約為25.9%（二零一二年十二月三十一日：約30.4%）。

於二零一三年十二月三十一日，本集團的總銀行及其他借貸約人民幣625.2百萬元（二零一二年十二月三十一日：約人民幣1,065.8百萬元）。該等貸款按浮動或固定利率計算。於總金額為約人民幣625.2百萬元之銀行及其他借貸中，金額為約人民幣262.3百萬元之部分，為已抵押貸款。

新購入業務分部之銀行及其他借貸減少約人民幣80.3百萬元，主因為若干銀行及其他借貸到期，而中國公司未有更新借貸，原業務之銀行及其他借貸減少約人民幣360.2百萬元，主要由於本集團豪裕處置於二零一三年十一月二十六日完成所致。

Management Discussion & Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Liquidity and Financial Resources (Continued)

Save as aforesaid or as otherwise disclosed in this report, and apart from intragroup liabilities, the Company did not have outstanding at the close of business on 31 December 2013, any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities.

The Directors have confirmed that, there has been no material change in the indebtedness and contingent liabilities of the Group since 31 December 2013 to the date of this report.

Foreign Currency Risk

As certain of our trade and other receivables, pledged bank deposits, bank balances and cash, trade and other payables and bank borrowings of the Group are denominated in foreign currency, hence exposure to exchange rate fluctuation arises.

Working Capital

Inventories balance as at 31 December 2013 was approximately RMB125.8 million (31 December 2012: approximately RMB327.4 million). The decrease was mainly attributable to the drop of inventories from Original Business as a result of completion of the Rituo Disposal on 12 January 2013 and completion of the Sumptuous Wealth Disposal on 26 November 2013. The average turnover days for inventories dropped to 36 days as at 31 December 2013 (31 December 2012: 55 days) mainly due to the huge decline in inventory balance and the inventory turnover rate of the Newly Acquired Business was relatively high.

Trade and bills receivables balance as at 31 December 2013 was approximately RMB1,201.4 million (31 December 2012: approximately RMB1,353.5 million). Apart from the rising of trade and bills receivables of approximately RMB287.5 million from the Newly Acquired Business mainly due to the increase of its business scope and revenue, the trade and bills receivables from the Original Business decreased by approximately RMB439.6 million which was mainly due to (i) we accelerated the recovery of trade and bills receivables proactively during the tough time; (ii) the decrease in revenue for the year ended 31 December 2013; and (iii) the completion of the Rituo Disposal on 12 January 2013 and completion of the Sumptuous Wealth Disposal on 26 November 2013. The average turnover days for trade and bills receivables stood at 172 days (31 December 2012: 167 days). As at 31 December 2013, approximately 65.2% of our trade and bills receivables were aged within three months.

財務回顧(續)

流動資金及財務資源(續)

除上述或本報告另有披露者，以及集團內公司間之負債外，於二零一三年十二月三十一日營業時間結束時，本公司並無任何已發行及未清償或同意發行之借貸資本、銀行透支、貸款或其他類似債務、承兌負債或承兌信貸、債券、按揭、質押、租購承擔、擔保或其他重大或然負債。

董事已確認，自二零一三年十二月三十一日以來，截至本報告日期，本集團的債務及或然負債概無重大變動。

外幣風險

由於本集團的若干貿易及其他應收款項、已抵押銀行存款、銀行結餘及現金、貿易及其他應付款項及銀行借貸以外幣列值，故會出現面臨匯率波動的風險。

運營資本

於二零一三年十二月三十一日，存貨結餘約為人民幣125.8百萬元(二零一二年十二月三十一日：約人民幣327.4百萬元)。結餘減少主要由於日拓處置於二零一三年一月十二日完成及豪裕處置於二零一三年十一月二十六日完成導致原業務存貨減少。二零一三年十二月三十一日的存貨平均周轉日數減至36日(二零一二年十二月三十一日：55日)，主要由於存貨結餘大幅減少及新購入業務存貨周轉率額相對較高所致。

於二零一三年十二月三十一日，貿易及票據應收款結餘約為人民幣1,201.4百萬元(二零一二年十二月三十一日：約人民幣1,353.5百萬元)。來自新購入業務的貿易及票據應收款增長約人民幣287.5百萬元，其主要源於業務範圍及收益增長，除此之外，來自原業務之貿易及票據應收款下降約人民幣439.6百萬元，主要是因為：(i)本集團於困難時期主動加快貿易及票據應收款的回收速度；(ii)截至二零一三年十二月三十一日止年度之收益下跌；及(iii)日拓處置於二零一三年一月十二日完成及豪裕處置於二零一三年十一月二十六日完成所致。於二零一三年十二月三十一日，貿易及票據應收款的平均周轉日數為172日(二零一二年十二月三十一日：167日)。於二零一三年十二月三十一日，約65.2%的貿易及票據應收款之賬齡為三個月內。

Management Discussion & Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Working Capital (Continued)

Trade and bills payables balance as at 31 December 2013 was approximately RMB704.2 million (31 December 2012: approximately RMB666.4 million). Apart from the increase by approximately RMB235.2 million from the Newly Acquired Business due to the increase in its business scope and purchase, the trade and bills payables from the Original Business decreased by approximately RMB197.4 million which was mainly as a result of the completion of the Rituo Disposal on 12 January 2013 and completion of the Sumptuous Wealth Disposal on 26 November 2013. The average turnover days for trade and bills payables stood at 107 days as at 31 December 2013 (31 December 2012: 95 days).

Our cash conversion cycle for the year ended 31 December 2013 was 101 days as compared with 127 days for the year ended 31 December 2012.

Cash Flows

		Year ended 31 December	
		截至十二月三十一日止年度	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
			(Restated)
			(經重列)
Net cash from operating activities	經營活動所得現金淨額	85,830	59,195
Net cash used in investing activities	投資活動所用現金淨額	(142,281)	(183,715)
Net cash (used in)/from financing activities	融資活動(所用)/所得現金淨額	(19,872)	172,808

For the year ended 31 December 2013, our operating cash flows have been improved greatly. Net cash from operating activities for the year ended 31 December 2013 increased to approximately RMB85.8 million from approximately RMB59.2 million for the year ended 31 December 2012. The improvement on operating cash flows condition was primarily due to the increase in total revenue and the decrease in trade and bills receivables.

Net cash used in investing activities for the year ended 31 December 2013 of approximately RMB142.3 million was primarily attributable to investments in property, plant and equipment, other intangible assets and land use right in Huizhou, Weihai, Wuhan and Changshu base and as the effect of the completion of the Sumptuous Wealth Disposal, which was partially net off by the proceeds from disposal of property, plant and equipment.

Net cash used in financing activities for the year ended 31 December 2013 amounted to approximately RMB19.9 million, which was primarily attributable to the repayment of bank and other borrowings.

財務回顧(續)

運營資本(續)

於二零一三年十二月三十一日，貿易及票據應付款結餘約為人民幣704.2百萬元(二零一二年十二月三十一日：約人民幣666.4百萬元)。除來自新購入業務的增長約人民幣235.2百萬元外，其源於業務範圍及採購增長，來自原業務之貿易及票據應付款下跌約人民幣197.4百萬元，主要由於日拓處置於二零一三年一月十二日完成及豪裕處置於二零一三年十一月二十六日完成所致。於二零一三年十二月三十一日，貿易及票據應付款的平均周轉日數為107日(二零一二年十二月三十一日：95日)。

截至二零一三年十二月三十一日止年度，我們的現金周轉周期約為101日，而截至二零一二年十二月三十一日止年度則為127日。

現金流量

於截至二零一三年十二月三十一日止年度，我們的營運現金流量大幅改善。截至二零一三年十二月三十一日止年度，經營活動所得現金淨額增至約人民幣85.8百萬元，而於截至二零一二年十二月三十一日止年度，經營活動所得現金淨額約為人民幣59.2百萬元。經營活動的現金流狀況得以改善，主要由於收益總額增加及貿易及票據應收款減少所致。

截至二零一三年十二月三十一日止年度，投資活動所用現金淨額約人民幣142.3百萬元，主要由於惠州、威海、武漢及常熟基地物業、廠房及設備、其他無形資產及土地使用權的投資及完成處置豪裕的影響所致，其中有部分被出售物業、廠房及設備之所得款項抵銷。

截至二零一三年十二月三十一日止年度，融資活動所用現金淨額約為人民幣19.9百萬元，主要由於償還銀行及其他借貸所致。

Management Discussion & Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Capital Expenditure

For the year ended 31 December 2013, the Group incurred total capital expenditure of approximately RMB158.9 million (31 December 2012: approximately RMB433.4 million) in construction of new factories, research and development center, the purchase of land, plant and machinery, equipment and computer systems and other intangible assets.

Capital Commitments

As at 31 December 2013, the Group had capital commitments of approximately RMB25.8 million in respect of acquisition of property, plant and equipment. As at 31 December 2012, the Group had capital commitment of approximately RMB64.2 million and approximately RMB533.1 million in respect of acquisition of property, plant and equipment, and in respect of acquisition of equities respectively.

Employees

As at 31 December 2013, subsidiaries of the Group had a total of 3,908 staff, of which 1,841 were direct employees (31 December 2012: 3,417) and 1,186 were contract workers (31 December 2012: 5,549). As at 31 December 2013, we also had 881 part time interns (31 December 2012: 1,219). All contract workers and part time interns were mainly deployed in production. The breakdown of direct employees of the Group as at 31 December 2013 and 2012 is as follows:

財務回顧(續)

資本開支

截至二零一三年十二月三十一日止年度，本集團就興建新廠房、研發中心以及購買土地、廠房、機器、設備及計算機系統及其他無形資產，招致總資本開支約人民幣158.9百萬元(二零一二年十二月三十一日：約人民幣433.4百萬元)。

資本承擔

於二零一三年十二月三十一日，本集團就收購物業、廠房及設備的資本承擔約為人民幣25.8百萬元。於二零一二年十二月三十一日，本集團就收購物業、廠房及設備以及收購股權的資本承擔分別約為人民幣64.2百萬元及約人民幣533.1百萬元。

僱員

於二零一三年十二月三十一日，本集團之附屬公司合共有3,908名員工，其中1,841名為直接僱員(二零一二年十二月三十一日：3,417名)及1,186名為合約員工(二零一二年十二月三十一日：5,549名)。於二零一三年十二月三十一日，亦有881名兼職實習員工(二零一二年十二月三十一日：1,219名)。所有合約員工及兼職實習員工均主要負責生產。本集團之直接僱員於二零一三年及二零一二年十二月三十一日的明細如下：

		As at 31 December 2013 於二零一三年 十二月 三十一日	As at 31 December 2012 於二零一二年 十二月 三十一日
Manufacturing	製造	584	1,809
Sales and marketing	銷售及市場推廣	506	311
General and administration	一般及行政	389	687
Research and Development	研發	221	270
Quality and control	品質及控制	141	340
Total	總計	1,841	3,417

The significant decrease in the employee number as at 31 December 2013 as compared with that as at 31 December 2012 was mainly due to the Sumptuous Wealth Disposal.

於二零一三年十二月三十一日的僱員數目比二零一二年十二月三十一日的僱員數目大幅減少，主要由於豪裕處置所致。

Management Discussion & Analysis

管理層討論及分析

CHANGE IN USE OF PROCEEDS

The net proceeds from the global offering of the Company (the “Global Offering”), after deducting the relevant costs were approximately HK\$470.3 million (equivalent to approximately RMB400.7 million) (the “IPO Proceeds”).

As at 21 February 2014, the Company utilized approximately RMB332.1 million of the IPO Proceeds, details of which are tabulated below:

所得款項用途變更

本公司之全球發售(「全球發售」)所得款項淨額經扣除相關成本後約為470.3百萬港元(相當於約人民幣400.7百萬元)(「首次公開發售所得款項」)。

截至二零一四年二月二十一日，本公司已動用首次公開發售所得款項中約人民幣332.1百萬元，詳情載列如下：

Intended use disclosed in the Prospectus		Amount of IPO Proceeds allocated as provided in the Prospectus 招股章程 列載之首次 公開發售所得 款項分配款額 RMB million 人民幣百萬元 (approximate) (概約)	Utilized amount 已動用金額 RMB million 人民幣百萬元 (approximate) (概約)	Unutilized amount 未動用金額 RMB million 人民幣百萬元 (approximate) (概約)
Expanding production capacity of existing products	擴充現有產品的產能	160.3	117.0	43.3
Development and production of new products	開發及生產新產品	176.3	151.0	25.3
Research and development investments	研發投資	24.0	24.0	–
General working capital and other general corporate purposes	一般營運資金及 其他一般企業用途	40.1	40.1	–
Total	總計	400.7	332.1	68.6

Management Discussion & Analysis

管理層討論及分析

CHANGE IN USE OF PROCEEDS (Continued)

The total balance of the unutilized IPO Proceeds was approximately RMB68.6 million as at 21 February 2014 and all of that were intended to use in expanding the production capacity of existing products and the development and production of new products of the Group in its Chongqing and Wuhan base originally. In light of, among other things, (i) the Wuhan Electronic Disposal; (ii) the completion of the Sumptuous Wealth Disposal; and (iii) the Wuhan Technology Disposal, the businesses of the Group in Chongqing and Wuhan together with the investment in their production bases have already been disposed of due to the unfavorable operation environment in their business scope and their performance in recent years. In view of aforesaid changes, the Board considers that it is necessary to adjust the proposed use of the unutilized IPO Proceeds of approximately RMB68.6 million to the expansion of the domestic and international markets on the Group's products lines within the Original Business, research and development investments in the Group's original products, mainly the halogen-free power cord and general working capital such as talent recruitment and equipment maintenance, since the IPO Proceeds originally allocated to research and development investments and general working capital have been fully utilized and the Group reckons the need for increasing investments in the research and development having considered the current business profile of the Group and the industry trend whereas the newly allocated IPO Proceeds can serve as the supplement to the general working capital of the Group which can mitigate the pressure on the Group.

所得款項用途變更(續)

截至二零一四年二月二十一日，未動用首次公開發售所得款項之結餘總額約為人民幣68.6百萬元，而該筆款項最初全部擬用於本集團在重慶及武漢基地擴充現有產品的產能及開發及生產新產品。有見於(其中包括)(i)武漢電子出售事項；(ii)完成豪裕處置；及(iii)武漢科技出售事項，本集團位於重慶及武漢的業務，連同於其生產基地之投資，已基於近年來其業務範圍出現不利的經營環境及表現而出售。鑑於上述變更，董事會認為有必要調整未動用之首次公開發售所得款項約人民幣68.6百萬元之建議用途，用於擴展本集團原業務之產品線之國內及國外市場、本集團原有產品之研發投資(主要為無鹵電源線組件產品)及一般營運資金(如人才招聘及設備維護)，由於最初分配至研發投資及一般營運資金之首次公開發售所得款項已獲悉數動用，且本集團經考慮本集團目前業務概況及行業趨勢，估計需要增加研發投資，而新分配之首次公開發售所得款項可補充本集團一般營運資金，可減輕本集團壓力。

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管理層討論及分析

CHANGE IN USE OF PROCEEDS (Continued)

The proposed revised use of unutilized IPO Proceeds is as follows:

所得款項用途變更(續)

未動用首次公開發售所得款項之建議修訂用途如下：

New intended use		New allocation of the unutilized IPO Proceeds
新擬定用途		未動用首次公開發售所得款項的新分配款額
		RMB million (approximate) (概約)
Expansion of domestic and international markets on the Group's original products	擴展本集團原有產品之國內及國外市場	13.6
Research and development investments	研發投資	20.0
General working capital and other general corporate purposes	一般營運資金及其他一般企業用途	35.0
Total	總計	68.6

Details of the change in use of proceeds have been set out in the announcement dated 21 February 2014 published by the Company.

所得款項用途變更之詳情載於本公司於二零一四年二月二十一日刊發之公告。

Management Discussion & Analysis

管理層討論及分析

MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE ROSY SUN ACQUISITION

On 28 October 2012, the Company entered into a sale and purchase agreement (the "S&P Agreement of Rosy Sun") with Mr. Chi for the Rosy Sun Acquisition.

Pursuant to the S&P Agreement of Rosy Sun (as supplemented by the supplemental agreement entered into between the Company and Mr. Chi dated 28 December 2012), Mr. Chi had conditionally agreed to sell and the Company had conditionally agreed to purchase the entire issued share capital of Rosy Sun and the loan or debt (if any) owing by Rosy Sun, New Postcom Technology Company Limited (the "HK Company") or the PRC Company to Mr. Chi at a consideration of HK\$650.0 million (the "Acquisition Consideration"). The Acquisition Consideration was determined after arm's length negotiations between Mr. Chi and the Company after taking into account a number of factors including the business nature, the business prospects, net assets value of Rosy Sun, the HK Company and the PRC Company as at 30 June 2012, performance of the PRC Company, the Profit Guarantee, and the preliminary estimation of the fair value of the PRC Company of approximately HK\$700.0 million pursuant to the business valuation carried out by an independent valuer under the market approach using the relevant forward price to earnings multiples and relevant forecast earnings of the PRC Company for the year ended 31 December 2012.

The PRC Company is a wholly foreign owned enterprise established in Shenyang, Liaoning Province, the PRC, which is wholly owned by the HK Company. The HK Company is an investment holding company incorporated in Hong Kong, which is wholly owned by Rosy Sun. Rosy Sun is an investment holding company incorporated in the British Virgin Islands.

The PRC Company is principally engaged in (i) the research and development, manufacturing and sale of cell phones, which can run on 2G and/or 3G and/or 4G networks such as GSM, IS-95, CDMA2000, TD-SCDMA and TD-LTE/FDD-LTE as well as Mobile Internet Terminals in the PRC; (ii) the sale of network equipment to three major telecommunication services providers and providing Private Network Solutions to several leading enterprise customers in the PRC, such as core network equipment, IPRAN and xPON; and (iii) the provision of services to the three major telecommunication services providers in the PRC, such as the installation, maintenance and upgrade of the network equipment and/or wireless network optimization in their existing network systems.

有關收購 ROSY SUN 之主要及關連交易

於二零一二年十月二十八日，本公司與遲先生訂立買賣協議（「Rosy Sun 買賣協議」），以進行 Rosy Sun 收購事項。

根據 Rosy Sun 買賣協議（經本公司與遲先生於二零一二年十二月二十八日訂立之補充協議補充），遲先生已有條件地同意出售及本公司已有條件地同意收購 Rosy Sun 全部已發行股本及 Rosy Sun、新郵通信技術有限公司（「香港公司」）或中國公司結欠遲先生之貸款或債務（如有），代價為 6 億 5 千萬港元（「收購代價」）。收購代價由遲先生與本公司公平磋商後釐定，過程已經考慮多項因素，包括於二零一二年六月三十日 Rosy Sun、香港公司及中國公司的業務性質、業務前景及資產淨值、中國公司業績、利潤保證及獨立估值師利用市場法根據有關預測市盈率倍數及中國公司截至二零一二年十二月三十一日止年度的有關預測盈利進行的業務估值，得出的中國公司初步估計的公平值約 7 億港元。

中國公司為於中國遼寧省沈陽市成立的外商獨資企業，由香港公司全資擁有。香港公司為一間於香港註冊成立的投資控股公司，由 Rosy Sun 全資擁有。Rosy Sun 為一間於英屬維爾京群島註冊成立的投資控股公司。

中國公司主要從事 (i) 於中國研發、製造及銷售手機，該手機可應用於 2G 及／或 3G 及／或 4G 網絡，如 GSM、IS-95、CDMA2000、TD-SCDMA 及 TD-LTE/FDD-LTE，以及移動網絡終端；(ii) 向中國三大電訊服務供應商銷售網絡設備及向多名頂尖企業客戶提供專有網絡解決方案，如核心網絡設備、IPRAN 設備及 xPON 設備；及 (iii) 向中國主要電訊服務供應商供應網絡設備安裝、維護、升級及／或現有網絡系統的無線網絡優化服務。

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管理層討論及分析

MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE ROSY SUN ACQUISITION

(Continued)

The Rosy Sun Acquisition constitutes a major transaction of the Company under Chapter 14 of The Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange. Mr. Chi is the controlling shareholder of the Company, an executive Director and the chairman of the Company who was at the relevant time interested in approximately 40.87% interests of the Company, thus Mr. Chi is considered as a connected person of the Company and the Rosy Sun Acquisition also constitutes a connected transaction of the Company and is subject to the reporting, announcement and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

On 31 January 2013, all conditions precedent under the S&P Agreement of Rosy Sun (including approval of independent Shareholders of the Company at the general meeting held on 28 January 2013) have been fulfilled, and completion of the Rosy Sun Acquisition took place on 31 January 2013. In accordance with the S&P Agreement of Rosy Sun, the Company issued the Promissory Note in the amount of HK\$650 million to Mr. Chi in satisfaction of the Acquisition Consideration.

The PRC Company recorded a net profit of approximately RMB87.3 million for the year ended 31 December 2013. The Directors (including the independent non-executive Directors) are of the view that the Profit Guarantee has thus been accomplished and Mr. Chi has fulfilled his obligation under the Profit Guarantee.

Details of the Rosy Sun Acquisition have been set out in the announcements dated 30 October 2012, 19 November 2012, 17 December 2012, 28 December 2012, 28 January 2013 and 31 January 2013 respectively and the circular dated 31 December 2012 published by the Company.

有關收購 ROSY SUN 之主要及關連交易 (續)

Rosy Sun 收購事項根據聯交所證券上市規則（「上市規則」）第 14 章構成本公司一項主要交易。遲先生為本公司控股股東、本公司執行董事兼主席（其於有關時間擁有本公司約 40.87% 的權益），故此遲先生被視為本公司之關連人士，而 Rosy Sun 收購事項亦構成本公司一項關連交易，並須遵守上市規則第 14A 章項下關於申報、公告及獨立股東批准的規定。

於二零一三年一月三十一日，Rosy Sun 買賣協議之全部先決條件（包括於二零一三年一月二十八日舉行之股東大會獲得本公司獨立股東批准）已獲達成，而 Rosy Sun 收購事項於二零一三年一月三十一日完成交易。根據 Rosy Sun 買賣協議，本公司向遲先生發行金額為 650 百萬港元之承兌票據，以結付收購代價。

截至二零一三年十二月三十一日止年度，中國公司錄得純利約人民幣 87.3 百萬元。董事（包括獨立非執行董事）認為，利潤保證經已達致，且遲先生已履行其於利潤保證下的義務。

Rosy Sun 收購事項之詳情已分別載於本公司日期為二零一二年十月三十日、二零一二年十一月十九日、二零一二年十二月十七日、二零一二年十二月二十八日、二零一三年一月二十八日及二零一三年一月三十一日的公告，以及二零一二年十二月三十一日的通函內。

Management Discussion & Analysis 管理層討論及分析

CONNECTED TRANSACTION AND DISCLOSEABLE TRANSACTION IN RELATION TO THE RITUO AUTOMOTIVE AND THE ACQUISITION OF RITUO TECHNOLOGY

Rituo Automotive and Rituo Technology (collectively, the “Tianjin Rituo Group”) were acquired by 威海市泓淋電子有限公司 (Weihai Honglin Electronic Co., Ltd.*) (“Weihai Electronic”), a wholly owned subsidiary of the Company on 21 February 2011 and they had been non-wholly owned as to 55% by the Company. Pursuant to the terms of the acquisition, if the aggregate amount of the audited net profit after tax of Tianjin Rituo Group for the two years ending 31 December 2012 is less than RMB40.0 million as guaranteed by Wang Xiang and Wang Weiguo (collectively referred to as the “Tianjin Rituo Founders”), the Tianjin Rituo Founders shall pay Weihai Electronic 34.4% of the difference between the actual profit and the abovementioned guaranteed profit, and Weihai Electronic will have to contribute such sum back into Tianjin Rituo Group through increasing the registered capital of Rituo Automotive, while the Tianjin Rituo Founders will proportionally contribute capital to Rituo Automotive according to the sum that Weihai Electronic contributed.

On 20 November 2012, Weihai Electronic entered into a disposal agreement (the “Disposal Agreement”) with, among others, Wang Xiang (one of the Tianjin Rituo Founders) pursuant to which Weihai Electronic agreed to sell, and Wang Xiang agreed to purchase a 55% equity interest in Rituo Automotive at the consideration of RMB58.6 million (equivalent to approximately HK\$70.3 million), which was determined primarily with reference to: (i) the operating situation at Rituo Automotive; (ii) the non-exercise of the relevant profit guarantee; (iii) the amount of such consideration representing a 30.8% premium to the 55% proportionate net asset value of Rituo Automotive as at 31 October 2012; and (iv) the amount of capital contribution injected by Weihai Electronic into Rituo Automotive in February 2011, which was made reference to factors including but not limited to the relevant profit guarantee.

On the same day, Weihai Electronic entered into an acquisition agreement (the “Acquisition Agreement”) with, among others, Rituo Automotive, pursuant to which Rituo Automotive agreed to sell and Weihai Electronic agreed to purchase the entire equity interest in Rituo Technology at the consideration of RMB15.0 million (equivalent to approximately HK\$18.0 million). The consideration was determined by reference to, among other things, the total amount invested into Rituo Technology by Rituo Automotive and the net asset value of Rituo Technology as at 31 October 2012.

* English names are for identification purposes only.

有關日拓處置及收購日拓高科技的 關連交易及須予披露交易

於二零一一年二月二十一日，日拓汽車及日拓高科技（統稱「天津日拓集團」）由本公司全資附屬公司威海市泓淋電子有限公司（「威海電子」）收購，並由本公司非全資擁有55%。根據收購條款，倘天津日拓集團於截至二零一二年十二月三十一日止兩個年度的經審核除稅後純利總額少於王祥及王衛國（統稱為「天津日拓創辦人」）所擔保的人民幣40.0百萬元，天津日拓創辦人須向威海電子支付實際利潤及上述保證利潤差額之34.4%，及威海電子將必須透過增加日拓汽車已註冊資本向天津日拓集團注入有關金額，而天津日拓創辦人將根據威海電子注資總額按比例向日拓汽車注資。

於二零一二年十一月二十日，威海電子與（其中包括）王祥（其中一名天津日拓創辦人）訂立處置協議（「處置協議」），據此威海電子同意出售及王祥同意購買日拓汽車的55%權益，代價為人民幣58.6百萬元（相當於約70.3百萬港元），乃主要參照以下多項而釐定：(i) 日拓汽車的經營狀況；(ii) 有關利潤保證並無獲履行；(iii) 該代價的金額較日拓汽車於二零一二年十月三十一日的55%比例淨資產值溢價30.8%；及(iv) 威海電子於二零一一年二月注入日拓汽車的注資金額，該金額乃參照包括但不限於有關利潤保證等因素而作出。

於同日，威海電子與（其中包括）日拓汽車訂立收購協議（「收購協議」），據此日拓汽車同意出售及威海電子同意購買日拓高科技的全部股權，代價為人民幣15.0百萬元（相當於約18.0百萬港元）。代價乃經參考（其中包括）日拓汽車投資予日拓高科技的總金額及日拓高科技於二零一二年十月三十一日的資產淨值。

* 英文名稱僅供識別

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管理層討論及分析

CONNECTED TRANSACTION AND DISCLOSEABLE TRANSACTION IN RELATION TO THE RITUO AUTOMOTIVE AND THE ACQUISITION OF RITUO TECHNOLOGY *(Continued)*

Rituo Technology was principally engaged in the design, research and development, manufacture and sale of automotive wiring harness products to end PRC automobile customers at the time of the Rituo Acquisition.

The Rituo Disposal and the Rituo Acquisition, when aggregated, constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. As Wang Xiang held more than 30% of the registered capital of Rituo Automotive at the relevant time and was a director of Rituo Automotive immediately before and after the Rituo Disposal, and within the preceding 12 months from the entering into of the Disposal Agreement and the Acquisition Agreement. Accordingly, both Wang Xiang and Rituo Automotive are connected persons of the Company and each of the Rituo Disposal and the Rituo Acquisition constitutes a connected transaction of the Company, and, when aggregated, is subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

On 19 December 2012, Weihai Electronic and Wang Xiang entered into a supplemental agreement to the Disposal Agreement pursuant to which (i) Weihai Electronic and Wang Xiang agreed to extend the date of payment by Wang Xiang of the consideration under the Disposal Agreement (the "Disposal Consideration") from 31 December 2012 to 31 March 2013; and (ii) if Wang Xiang fails to pay the Disposal Consideration in full by 31 March 2013, he would also pay interest equivalent to 10% above the benchmark interest rate on loans over the same period as announced by the People's Bank of China which has been accrued on the balance of the Disposal Consideration. On the same day, Weihai Electronic and Rituo Automotive entered into a supplemental agreement to the Acquisition Agreement pursuant to which Weihai Electronic and Rituo Automotive agreed to extend the date of payment by Weihai Electronic of the consideration under the Acquisition Agreement from 31 December 2012 to 31 March 2013.

有關日拓處置及收購日拓高科技的 關連交易及須予披露交易 (續)

於日拓收購時，日拓高科技主要從事為中國汽車終端客戶設計、研發、生產及銷售汽車線束產品。

日拓處置及日拓收購，在彙集計算基準下，根據上市規則第14章構成本公司的一項須予披露交易。緊接日拓處置前後，以及訂立處置協議及收購協議起計十二個月內，由於王祥於有關時間之持股佔日拓汽車的註冊資本超過30%，且為日拓汽車的董事。據此，王祥及日拓汽車為本公司的關連人士，而日拓處置及日拓收購各自構成本公司的關連交易並在彙集計算基準下須遵守申報、公告及按照上市規則第14A章的規定獲得獨立股東批准的要求。

於二零一二年十二月十九日，威海電子與王祥訂立處置協議之補充協議，據此：(i)威海電子與王祥同意延展王祥支付處置協議項下的代價（「處置代價」）之付款日期，由二零一二年十二月三十一日延至二零一三年三月三十一日；及(ii)倘王祥未能於二零一三年三月三十一日前支付全部處置代價，彼亦需要支付利息，金額等同處置代價餘額根據中國人民銀行宣佈的同期貸款基準利率加10%累計計算的金額。於同日，威海電子與日拓汽車訂立收購協議之補充協議，據此，威海電子與日拓汽車同意延展威海電子支付收購協議項下的代價之付款日期，由二零一二年十二月三十一日延至二零一三年三月三十一日。

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CONNECTED TRANSACTION AND DISCLOSEABLE TRANSACTION IN RELATION TO THE RITUO AUTOMOTIVE AND THE ACQUISITION OF RITUO TECHNOLOGY (Continued)

The aggregate amount of the audited net profit of Tianjin Rituo Group after taxation and extraordinary items for the year ended 31 December 2011 was approximately RMB2.6 million and the loss after taxation and extraordinary items for the ten months ended 31 October 2012 was approximately RMB17.2 million (based on which the Rituo Disposal was effected) which was less than RMB40.0 million guaranteed by the Tianjin Rituo Founders. The Directors decided that Weihai Electronic will not exercise the rights under the relevant profit guarantee after the completion of the Rituo Disposal taking into account the following factors: (i) the exercise of rights under the profit guarantee would only result in a one-time non-operating gain in the income statement of the Company but not providing cash flow to the Group; (ii) the negative effect of non-exercise of the rights under the relevant profit guarantee had been taken into account when determining the consideration of the Rituo Disposal; and (iii) the Directors confirm that the non-exercise of the rights under the relevant profit guarantee will not have any other material negative financial effects on the Company.

On 7 January 2013, Weihai Electronic, Rituo Automotive and the Tianjin Rituo Founders entered into a profit guarantee cancellation agreement in which the parties agreed to cancel the relevant profit guarantee.

On 12 January 2013, the resolutions for approving the Rituo Disposal and the Rituo Acquisition were passed by the independent Shareholders of the Company at the extraordinary general meeting of the Company.

Details of the Rituo Disposal and the Rituo Acquisition have been set out in the announcements dated 20 November 2012, 11 December 2012, 19 December 2012 and 12 January 2013 and the circular dated 24 December 2012 published by the Company.

有關日拓處置及收購日拓高科技的 關連交易及須予披露交易(續)

截至二零一一年十二月三十一日止年度，天津日拓集團經審核淨利潤(扣除稅項及非經常項目)總額約為人民幣2.6百萬元，而截至二零一二年十月三十一日止十個月，扣除稅項及非經常項目之虧損約為人民幣17.2百萬元(據此進行日拓處置)，惟金額少於天津日拓創辦人的擔保金額人民幣40.0百萬元。董事認為，威海電子於完成日拓處置後將不會行使有關利潤保證下的權利，當中計及以下因素：(i)行使利潤保證下的權利僅於本公司收益表計入一次性非經營收益，並無為本集團提供現金流量；(ii)釐定日拓處置代價時已考慮不行使有關利潤保證下的權利之負面影響；及(iii)董事確認不行使有關利潤保證下的權利將不會對本公司造成任何其他重大不利的財務影響。

於二零一三年一月七日，威海電子、日拓高科技及天津日拓創辦人訂立利潤保證取消協議，據此，訂約各方同意正式取消有關利潤保證。

於二零一三年一月十二日，本公司獨立股東已於本公司股東特別大會通過批准日拓處置及日拓收購之決議案。

日拓處置及日拓收購之詳情已載於本公司所刊登日期為二零一二年十一月二十日、二零一二年十二月十一日、二零一二年十二月十九日及二零一三年一月十二日的公告，以及日期為二零一二年十二月二十四日的通函內。

Management Discussion & Analysis

管理層討論及分析

DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITION OF WEIHAI JINYUAN

On 22 March 2013, Weihai Electronic entered into a sale and purchase agreement with 北京錦源銘業房地產開發有限公司 (Beijing Jinyuan Mingye Property Development Co., Ltd.*, "Beijing Jinyuan"), an independent third party, and Mr. Miao Junjie (苗俊傑) ("Mr. Miao"), an independent third party, pursuant to which Weihai Electronic agreed to acquire, in aggregate, the entire equity interest in 威海錦源銘業房地產開發有限公司 (Weihai Jinyuan Mingye Property Development Co., Ltd.*, "Weihai Jinyuan") at the consideration of RMB6.0 million (equivalent to approximately HK\$7.2 million) (the "Weihai Jinyuan Acquisition").

Weihai Jinyuan is a company established in the PRC with limited liability by Beijing Jinyuan and Mr. Miao on 16 July 2012. As at 22 March 2013, Weihai Jinyuan had a registered capital of RMB30.0 million (equivalent to approximately HK\$36.0 million), among which RMB6.0 million (equivalent to approximately HK\$7.2 million) had been paid up by Beijing Jinyuan. The equity interest of Weihai Jinyuan is owned as to 90% by Beijing Jinyuan and as to 10% by Mr. Miao. Weihai Jinyuan is principally engaged in the business activities in property development, sale of commercial housing, property services, estate information consultation, sale of construction materials, electronic hardware, instrument and apparatus, computer software, hardware and peripheral.

The Group expects to develop a large scale macromolecule research and development centre in Weihai in the near future. In order to attract and retain relevant talents, the Board intends that the Weihai Jinyuan Acquisition may allow the Group to provide dormitory and/or residential housing for its staffs at a lower cost, and offer additional incentives and benefit to its staffs.

The Weihai Jinyuan Acquisition, when aggregated with the directional property development cooperation agreement dated 16 August 2012 entered into between Weihai Electronic and Weihai Jinyuan, constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is therefore subject to the reporting and announcement requirements under the Listing Rules.

Details of the Weihai Jinyuan Acquisition have been set out in the announcement dated 22 March 2013 published by the Company.

關於收購威海錦源之須予披露交易

於二零一三年三月二十二日，威海電子與獨立第三方北京錦源銘業房地產開發有限公司（「北京錦源」）及獨立第三方苗俊傑先生（「苗先生」）訂立買賣協議，據此，威海電子同意合共收購威海錦源銘業房地產開發有限公司（「威海錦源」）之全部股權，代價為人民幣6.0百萬元（相當於約7.2百萬港元）（「威海錦源收購事項」）。

威海錦源為北京錦源及苗先生於中國成立之有限責任公司，成立日期為二零一二年七月十六日。於二零一三年三月二十二日，威海錦源之註冊股本為人民幣30.0百萬元（相當於約36.0百萬港元），其中人民幣6.0百萬元（相當於約7.2百萬港元）已由北京錦源繳足。威海錦源之股權由北京錦源擁有90%及由苗先生擁有10%。威海錦源主要從事物業發展、商品房銷售、物業服務、房地產資訊顧問、銷售建築材料、電子硬體、儀器及器械、電腦軟件、硬體及周邊設備等業務。

本集團預期在短期內在威海開發大規模之高分子研發中心。為吸引及挽留人才，董事會認為威海錦源收購事項令本集團可以較低成本為其員工提供宿舍及／或住宅房屋，並提供額外獎勵及福利予屬下員工。

威海錦源收購事項，與擬據威海電子與威海錦源於二零一二年八月十六日簽訂的定向開發房地產協議進行的交易彙總計算後，構成本公司於上市規則第14章下的須予披露交易，因此須遵守上市規則下的申報及公告規定。

威海錦源收購事項詳情已於本公司於二零一三年三月二十二日刊發的公告中列載。

* English names are for identification purposes only.

* 英文名稱僅供識別

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管理層討論及分析

VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL OF SUMPTUOUS WEALTH

On 9 June 2013, the Company entered into the S&P Agreement of Sumptuous Wealth with Jia Ya and Mr. Chi in relation to the Sumptuous Wealth Disposal.

Pursuant to the S&P Agreement of Sumptuous Wealth (as supplemented and amended by supplemental deeds entered into among the Company, Jia Ya and Mr. Chi dated 24 June 2013 and 26 November 2013, respectively), the Company conditionally agreed to dispose of and Jia Ya conditionally agreed to purchase the entire issued share capital of Sumptuous Wealth from the Company at the consideration of HK\$779 million (the "Consideration"), subject to adjustments equivalent to the relevant value difference and the relevant revaluation surplus, provided that the final Consideration shall not exceed HK\$780 million and shall not be less than HK\$580 million. The Consideration shall be satisfied by Jia Ya by way of procuring Mr. Chi (as holder of the Promissory Note issued by the Company to Mr. Chi on 31 January 2013 to satisfy the consideration for the Rosy Sun Acquisition) setting off an amount equivalent to the Consideration outstanding under the Promissory Note upon completion of the Sumptuous Wealth Disposal. The Consideration was arrived at after arm's length negotiations between the Company and Jia Ya to the S&P Agreement of Sumptuous Wealth further agreed that: (i) where the outstanding amount (including the principal and accrued interest (if any)) under the Promissory Note as at the date of completion of the Sumptuous Wealth Disposal is lower than the final Consideration, Jia Ya shall pay to the Company in cash an amount equivalent to such difference upon completion of the Sumptuous Wealth Disposal; and (ii) where the outstanding amount under the Promissory Note as at the date of completion of the Sumptuous Wealth Disposal is higher than the final Consideration, the Company shall by way of prepayment pay to Mr. Chi (the guarantor for Jia Ya and as holder of the Promissory Note) in cash an amount equivalent to such difference upon completion of the Sumptuous Wealth Disposal.

有關處置豪裕之非常重大處置及關連交易

於二零一三年六月九日，本公司與佳雅及遲先生就豪裕處置訂立豪裕買賣協議。

根據豪裕買賣協議(經本公司、佳雅及遲先生分別於二零一三年六月二十四日及二零一三年十一月二十六日訂立的補充契約補充及修訂)，本公司有條件同意出售而佳雅有條件同意向本公司購買豪裕全部已發行股本，代價為779百萬港元(「代價」)，惟可作出相當於相關價值差額及相關重估盈餘之調整，前提是最終代價不得超出780百萬港元，亦不得低於580百萬港元。代價將由佳雅於完成豪裕處置後支付，方法為促使遲先生(作為承兌票據持有人)，以支付Rosy Sun收購事項之代價)抵銷等同於承兌票據下之未償還代價金額。代價乃由本公司與佳雅經公平磋商後達致。就豪裕買賣協議進一步協定：(i)倘於完成豪裕處置日期，承兌票據下的未償還金額(包括本金及應計利息(如有))低於最終代價，則佳雅須於完成豪裕處置時向本公司以現金支付有關差額；及(ii)倘於完成豪裕處置日期，承兌票據下的未償還金額高於最終代價，則本公司須於完成豪裕處置時按預付款之方式向遲先生(佳雅擔保人兼承兌票據持有人)以現金支付有關差額。

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管理層討論及分析

VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL OF SUMPTUOUS WEALTH (Continued)

The Sumptuous Wealth Disposal and the transactions contemplated under the S&P Agreement of Sumptuous Wealth constitutes a very substantial disposal of the Company under Chapter 14 of the Listing Rules. Besides, as Mr. Chi is the controlling shareholder of the Company, the chairman of the Company and an executive Director who was at the relevant time interested in approximately 40.87% interests of the Company, each of Mr. Chi and Jia Ya (being wholly-owned by Mr. Chi) is a connected person of the Company, and, thus the Sumptuous Wealth Disposal and the transactions contemplated under the S&P Agreement of Sumptuous Wealth also constitutes a connected transaction of the Company and is subject to the reporting, announcement and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Sumptuous Wealth Disposal was approved by the independent Shareholders of the Company at the general meeting held on 16 July 2013.

On 26 November 2013, all conditions precedent under the S&P Agreement of Sumptuous Wealth (as supplemented and amended) have been fulfilled, and the completion took place on 26 November 2013, the final Consideration is fixed at HK\$620,732,000 pursuant to the terms of the S&P Agreement of Sumptuous Wealth (as supplemented and amended). The final Consideration has been settled by Jia Ya by procuring Mr. Chi setting off an amount equivalent to HK\$650,000,000 under the Promissory Note, and the Company has, by way of prepayment, procured Weihai Electronic setting off outstanding amount owed by 德州泓淋電子有限公司 (Dezhou Honglin Electronic Co., Ltd.*, the "Dezhou Electronic") of HK\$29,268,000, being the amount equivalent to the difference between the final Consideration and the outstanding amount under the Promissory Note as at the date of completion of the Sumptuous Wealth Disposal, upon completion.

Details of the Sumptuous Wealth Disposal have been set out in the announcements dated 9 June 2013, 24 June 2013, 16 July 2013 and 26 November 2013 and the circular dated 27 June 2013 published by the Company.

有關處置豪裕之非常重大處置及關連交易 (續)

根據上市規則第14章，豪裕處置及據豪裕買賣協議項下擬進行之交易構成本公司非常重大處置。此外，由於遲先生為本公司控股股東、主席兼執行董事，彼於相關時間擁有本公司約40.87%權益，而遲先生與佳雅(由遲先生全資擁有)均為本公司之關連人士，故根據上市規則第14A章，豪裕處置及據豪裕買賣協議擬進行之交易亦構成本公司的一項關連交易，須遵守申報、公告及獨立股東批准規定。

豪裕處置獲本公司獨立股東於二零一三年七月十六日舉行之股東大會上批准。

於二零一三年十一月二十六日，據此豪裕買賣協議(經補充及修訂)下的所有先決條件已獲達成，而交易於二零一三年十一月二十六日完成，根據豪裕買賣協議(經補充及修訂)之條款，最終代價釐定為620,732,000港元。最終代價由佳雅促使遲先生對銷承兌票據下相等於650,000,000港元之數額結付，而於完成交易後，本公司已藉預付款方式，促使威海電子對銷由德州泓淋電子有限公司(「德州電子」)結欠之未償還金額29,268,000港元，即最終代價與於豪裕處置完成交易日期承兌票據下的未償還金額兩者間的差額。

有關豪裕處置的詳情，載於本公司所刊發日期為二零一三年六月九日、二零一三年六月二十四日、二零一三年七月十六日及二零一三年十一月二十六日之公告，以及日期為二零一三年六月二十七日之通函內。

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* 英文名稱僅供識別

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DISPOSAL OF WEIHAI DONGCHEN

On 27 April 2012, the Board approved the establishment of 威海市東晨塑膠新材料有限公司 (Weihai Dongchen Plastics New Materials Limited*, "Weihai Dongchen") by Weihai Electronic, Mr. Chi Zhongmin and Mr. Zhang Fengji pursuant to the terms of the articles of Weihai Dongchen in relation to the establishment of Weihai Dongchen (the "Articles"). According to the Articles, Weihai Dongchen was owned by Weihai Electronic as to 60%, Mr. Chi Zhongmin as to 30% and Mr. Zhang Fengji as to 10% respectively.

The business scope of Weihai Dongchen was the manufacture and sale of plastic materials and products used for cable jacketing, focusing on the production of halogen-free insulating plastic materials at the time of its establishment.

As Mr. Chi Zhongmin is an associate of Mr. Chi, a controlling Shareholder, the chairman of the Company and an executive Director, Mr. Chi Zhongmin is a connected person of the Company. Details of the establishment of Weihai Dongchen have been set out in the announcement dated 27 April 2012 published by the Company.

On 26 November 2013, Weihai Electronic entered into a S&P agreement with Mr. Li Ming, an independent third party to the Company, pursuant to which Weihai Electronic agreed to sell and Mr. Li Ming agreed to purchase the 60% equity interest in Weihai Dongchen at the consideration of RMB3.0 million.

On the same day, Mr. Chi Zhongmin entered into another S&P agreement with Mr. Li Ming, pursuant to which Mr. Chi Zhongmin agreed to sell and Mr. Li Ming agreed to purchase the 30% equity interest in Weihai Dongchen at the consideration of RMB1.5 million.

The aforesaid considerations were determined with reference to the net carrying value of Weihai Dongchen as at 31 October 2013. The reason for disposal of the 60% equity interest by Weihai Electronic is to cease the attribution of Weihai Dongchen to the Group in view of its continuing loss due to tough industry environment it operates in.

Upon the completion of disposal of Weihai Dongchen, Weihai Dongchen ceased to be a subsidiary of the Company and Mr. Chi Zhongmin has ceased to be the shareholder and director of Weihai Dongchen. As such, Weihai Dongchen is no longer a connected person of the Company and the transaction between Weihai Dongchen and other subsidiaries of the Company (please refer to the announcement published by the Company on 30 November 2012 for details) ceased to be continuing connected transactions under Chapter 14A of the Listing Rules.

* English name is for identification purposes only.

處置威海東晨

於二零一二年四月二十七日，董事會批准由威海電子、遲忠民先生及張鳳吉先生，根據有關成立威海市東晨塑膠新材料有限公司（「威海東晨」）簽訂的威海東晨章程（「威海東晨章程」）的條款，共同成立威海東晨。按照威海東晨章程，威海電子、遲忠民先生及張鳳吉先生分別持有威海東晨60%、30%以及10%的股權。

威海東晨於成立時的經營範圍為生產及銷售用作線纜外被的塑膠材料和產品，主要生產無鹵絕緣塑膠材料。

由於遲忠民先生是本公司控股股東、本公司主席及執行董事遲先生的聯繫人士，遲忠民先生為本公司的關連人士。成立威海東晨的詳情載於本公司於二零一二年四月二十七日之公佈內。

於二零一三年十一月二十六日，威海電子與本公司獨立第三方Li Ming先生訂立買賣協議，據此，威海電子同意出售及Li Ming先生同意購買威海東晨的60%股權，代價為人民幣3.0百萬元。

同日，遲忠民先生與Li Ming先生訂立另一份買賣協議，據此，遲忠民先生同意出售及Li Ming先生同意購買威海東晨的30%股權，代價為人民幣1.5百萬元。

前述代價乃參考威海東晨於二零一三年十月三十一日之賬面淨值釐定。處置威海電子60%股權，旨在終止威海東晨對本集團的影響，因為該公司在艱困的經營環境下持續錄得虧損。

完成處置威海東晨後，威海東晨不再為本公司之附屬公司，而遲忠民先生不再為威海東晨之股東及董事。因此，威海東晨不再為本公司之關連人士，而威海東晨與本公司附屬公司之交易，不再為上市規則第14A章界定之持續關連交易（詳情載於本公司於二零一二年十一月三十日刊發之公告）。

* 英文名稱僅供識別

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管理層討論及分析

DISPOSAL OF WEIHAI DONGCHEN (Continued)

The disposal of Weihai Dongchen does not constitute a notifiable transaction and a connected transaction subject to reporting, announcement and/or shareholders' approval requirements under Chapter 14 or Chapter 14A of the Listing Rules.

DISCLOSEABLE TRANSACTION IN RELATION TO THE DISPOSAL OF WUHAN ELECTRONIC

On 27 September 2013, the Company entered into a disposal agreement with U&T Electronics (Hong Kong) Co., Limited ("U&T"). Pursuant to this disposal agreement, the Company agreed to dispose of and U&T agreed to purchase 25% equity interest in Wuhan Electronic at the consideration of RMB1.25 million (equivalent to approximately HK\$1.56 million).

On the same day, Weihai Electronic, entered into another disposal agreement with 臨邑縣榮發電子有限公司 (Linyi Rongfa Electronic Co., Ltd.*, "Rongfa Electronic"). Pursuant to this disposal agreement, Weihai Electronic agreed to dispose of and Rongfa Electronic agreed to purchase 75% equity interest in Wuhan Electronic at the consideration of RMB3.75 million (equivalent to approximately HK\$4.69 million).

Wuhan Electronic is a company established in the PRC with limited liability by the Company and Weihai Electronic on 11 October 2005. Wuhan Electronic has a registered capital of US\$1.00 million (equivalent to approximately HK\$7.80 million), all of the registered capital has been paid up. The equity interest in Wuhan Electronic was owned as to 25% by the Company and as to 75% by Weihai Electronic before the disposal of Wuhan Electronic. As the applicable percentage ratios (as defined in the Listing Rules) in respect of the disposals, when aggregated, are more than 5% but less than 25%, the disposals constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Details of the disposal of Wuhan Electronic have been set out in the announcement dated 27 September 2013 published by the Company.

處置威海東晨(續)

根據上市規則第14章或第14A章，處置威海東晨並不構成須遵守申報、公告及／或股東批准規定之須予披露或關連交易。

有關出售武漢電子的須予披露交易

於二零一三年九月二十七日，本公司與攸特電子(香港)有限公司(「攸特」)訂立出售協議。根據該出售協議，本公司同意出售及攸特同意收購武漢電子25%股權，代價為人民幣1.25百萬元(相當於約1.56百萬港元)。

同日，威海電子與臨邑縣榮發電子有限公司(「榮發電子」)訂立另一份出售協議。根據此出售協議，威海電子同意出售及榮發電子同意收購武漢電子75%股權，代價為人民幣3.75百萬元(相當於約4.69百萬港元)。

武漢電子為本公司及威海電子於二零零五年十月十一日在中國成立的有限公司。武漢電子的註冊股本為1.00百萬美元(相當於約7.80百萬港元)，而所有註冊股本已繳足。出售武漢電子前，本公司及威海電子分別擁有武漢電子之25%及75%股權。由於出售事項經合併計算後之適用百分比率(定義見上市規則)超過5%但低於25%，因此出售事項構成本公司於上市規則第14章下的須予披露交易，並須遵守上市規則第14章之申報及公告規定。

有關出售武漢電子之詳情已載於本公司於二零一三年九月二十七日的刊發公告。

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CONTINUING CONNECTED TRANSACTIONS

Continuing Connected Transaction In Relation To The Sales Master Agreement With Weihai Dongchen

On 30 November 2012, Weihai Dongchen, then an indirectly non-wholly owned subsidiary of the Company, entered into the sales master agreement (the "Sales Master Agreement") with: (i) the Company; (ii) Weihai Electronic; (iii) Changshu Honglin Wire & Cable Co., Ltd.; (iv) Dezhou Electronic and (v) Huizhou Technology, all of the companies referred to in items (ii) to (v) were subsidiaries of the Company on the date of such Sales Master Agreement, in relation to the sale of the plastic materials for a term commencing from 30 November 2012 to 31 December 2012 and the two years commencing on 1 January 2013 and expiring on 31 December 2014. The annual caps under the Sales Master Agreement shall be RMB26.0 million for each of the period from 30 November 2012 to 31 December 2012, the year ended 31 December 2013 and the year ending 31 December 2014 respectively.

As at the date of the Sales Master Agreement, Weihai Dongchen was an indirectly non-wholly owned subsidiary of the Company. Mr. Chi Zhongmin (a brother of Mr. Chi, who is a controlling shareholder and a Director of the Company) owned 30% of the equity interest in Weihai Dongchen. Weihai Dongchen was a connected person of the Company under Chapter 14A of the Listing Rules. The entering into of the Sales Master Agreement and the transactions contemplated thereunder thus constitute continuing connected transactions which were exempt from the independent Shareholders' approval requirement and were only subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules. In view of the above, the Directors (including independent non-executive directors) are of the opinion that the terms of the Sales Master Agreement are on normal commercial terms and in the ordinary course of business of the Company and the terms of such agreement are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Details of the Sales Master Agreement have been set out in the announcements dated 30 November 2012 and 5 December 2012 published by the Company.

Pursuant to two S&P agreements dated 26 November 2013, the Group and Mr. Chi Zhongmin disposed of all their respective interests in Weihai Dongchen. After the completion of the aforesaid transactions, Weihai Dongchen ceased to be a connected person of the Company and the aforesaid transactions ceased to be continuing connected transactions of the Company. Please also refer to the paragraph headed "Disposal of Weihai Dongchen" above for further details in relation to the disposal.

持續關連交易

有關與威海東晨訂立主銷售協議的持續關連交易

於二零一二年十一月三十日，威海東晨（本公司其時之間接全資附屬公司）與(i)本公司；(ii)威海電子；(iii)常熟泓淋電線電纜；(iv)德州電子；及(v)惠州科技（於主銷售協議日期，(ii)至(v)項指的公司全部均為本公司之附屬公司）訂立有關塑膠材料銷售的主銷售協議（「主銷售協議」），期限為自二零一二年十一月三十日開始至二零一二年十二月三十一日止期間，以及二零一三年一月一日開始至二零一四年十二月三十一日止兩個年度。於二零一二年十一月三十日至二零一二年十二月三十一日止期間、截至二零一三年十二月三十一日止年度及截至二零一四年十二月三十一日止年度各期間主銷售協議下年度上限將為人民幣26.0百萬元。

於主銷售協議日期，威海東晨為本公司間接非全資附屬公司。遲忠民先生（本公司控權股東及董事遲先生之胞兄）擁有威海東晨30%權益。威海東晨根據上市規則第14A章為本公司關連人士。訂立主銷售協議及據此擬進行之交易因此構成持續關連交易，並可獲豁免獨立股東批准之規定，惟須遵守上市規則第14A章之申報、年度審查及公告規定。鑒於以上各項，董事（包括獨立非執行董事）認為，主銷售協議的條款為一般商業條款及於本公司日常業務過程中訂立，而該協議的條款誠屬公平合理，並且符合本公司及其股東的整體利益。

主銷售協議之詳情已載於本公司於二零一二年十一月三十日及二零一二年十二月五日刊發之公告內。

根據兩份日期為二零一三年十一月二十六日之買賣協議，本集團與遲忠民先生出售彼等各自於威海東晨的全部權益。完成上述交易後，威海東晨不再為本公司之關連人士及上述交易不再構成本公司之持續關連交易。更多有關出售事項的詳情請參閱「處置威海東晨」一段。

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管理層討論及分析

CONTINUING CONNECTED TRANSACTIONS

(Continued)

Continuing Connected Transaction In Relation To The Purchase Agreement With Rituo Automotive

On 12 January 2013, Rituo Technology, a wholly-owned subsidiary of the Company, entered into the purchase agreement with Rituo Automotive (the "Purchase Agreement"), pursuant to which Rituo Technology has agreed to purchase, and Rituo Automotive has agreed to sell imported raw materials such as sheathing and terminals* (護套和端子) used for wire harness assembly. The Purchase Agreement is valid for 12 months from 12 January 2013 to 11 January 2014, and the annual cap for the transactions contemplated thereunder is RMB18.0 million (equivalent to approximately HK\$21.6 million).

Rituo Automotive was a non-wholly owned subsidiary of the Company immediately before the Rituo Disposal and Wang Xiang was a director of Rituo Automotive immediately before the Rituo Disposal, and within the preceding 12 months from the entering into of the Purchase Agreement, thus a connected person of the Company. Upon completion of the Rituo Disposal on 12 January 2013, Rituo Automotive was owned as to 86.5% by Wang Xiang, thus an associate of Wang Xiang. Therefore, Rituo Automotive is considered as a connected person of the Company under Chapter 14A of the Listing Rules. The transactions contemplated under the Purchase Agreement with the Company constitute continuing connected transaction which are exempted from the independent Shareholders' approval requirement and are only subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

Details of the Purchase Agreement have been set out in the announcement dated 12 January 2013 published by the Company.

持續關連交易 (續)

有關與日拓汽車訂立採購協議的持續關連交易

於二零一三年一月十二日，本公司之全資子公司日拓高科技，與日拓汽車進入採購協議（「採購協議」），根據採購協議，日拓高科技已同意採購，且日拓汽車已同意出售線束元件所使用的進口原材料，如護套和端子。該採購協議於二零一三年一月十二日起至二零一四年一月十一日止之十二個月有效，根據採購協議進行的交易之年度上限為人民幣18.0百萬元（相當於約21.6百萬港元）。

日拓汽車在緊接日拓處置之前曾為本公司之非全資子公司，且王祥在緊接日拓處置之前及訂立採購協議前十二個月內曾為日拓汽車的一名董事，因此是本公司的一名關連人士。二零一三年一月十二日日拓處置完成之後，王祥持有日拓汽車86.5%的股份，因此日拓汽車是王祥的聯繫人士。因此，根據上市規則第14A章，日拓汽車被視為本公司的關連方。根據採購協議擬與本公司進行的交易根據上市規則第14A章的規定成為持續關連交易，惟獲豁免獨立股東批准規定，僅須遵守申報、年度審閱及公告規定。

採購協議詳情載於本公司於二零一三年一月十二日刊發之公告。

* English names are for identification purposes only.

* 英文名稱僅供識別

Management Discussion & Analysis

管理層討論及分析

CONTINUING CONNECTED TRANSACTIONS

(Continued)

Jia Ya Continuing Connected Transactions

In order to continue certain intragroup transactions between the Group on one hand, and Jia Ya and its subsidiaries (including Sumptuous Wealth, Abundant Wit Limited, Greatest Group Limited, Weihai Shi Hongbo Wire & Cable Technology Co., Ltd., Changshu Honglin Electronic Co., Ltd., Honglin Technology Co., Ltd. (“Honglin Technology”), Huizhou Honglin Technology Co., Ltd., Chongqing Honglin Technology Co., Ltd., Shenzhen Honglin Communication Technology Co., Ltd. (“Shenzhen Communication”), Dezhou Electronic, Changshu Honglin Connecting-Technology Co., Ltd., Chenhong International Limited, Hongxin International Limited and Changshu Honglin Wire & Cable Co., Ltd.) (the “Jia Ya Group”) after the completion of the Sumptuous Wealth Disposal on the other hand, on 29 October 2013 (after trading hours), certain members of the Group (including Weihai Shi Mingbo Wire & Cable Technology Co., Ltd., Weihai Electronic, Weihai Dongchen, Weihai Jinyuan, Wuhan Technology, Dezhou Jincheng Electric Co., Ltd. (“Dezhou Jincheng”), Rituo Technology, Huizhou Honglin Communication Technology Co., Ltd. and the PRC Company) (the “HL Group”) entered into the following agreements (the “CCT Agreements”) (the “Jia Ya Continuing Connected Transactions”):

- (i) the master sale agreement, pursuant to which HL Group will sell cable, power cord and relevant components to Jia Ya Group;
- (ii) the master purchase agreement, pursuant to which HL Group will purchase external and internal signal cable assembly from Jia Ya Group;
- (iii) the cross guarantee agreement, pursuant to which HL Group and Jia Ya Group will provide reciprocal guarantee on banking facilities of each other;
- (iv) the commission agreement, pursuant to which Honglin Technology will act as an agent for trading certain products of Weihai Electronic in Taiwan; and
- (v) the tenancy and utility services agreement, pursuant to which Dezhou Electronic will lease the property and provide relevant utility services to Dezhou Jincheng.

All the above CCT Agreements will be valid for the period commencing from the date of relevant CCT Agreement or the date on which all conditions precedent to the relevant CCT Agreement having been fulfilled (whichever is later) to 31 December 2014.

持續關連交易 (續)

佳雅持續關連交易

為使本集團與佳雅及其附屬公司(包括豪裕、豪智有限公司、創泰有限公司、威海市泓博線纜科技有限公司、常熟泓淋電子有限公司、泓淋科技有限公司(「泓淋科技」)、惠州市泓淋科技有限公司、重慶市泓淋科技有限公司、深圳市泓淋通訊科技有限公司(「深圳通訊」)、德州電子、常熟泓淋連接技術有限公司、晨紅國際股份有限公司、Hongxin International Limited及常熟泓淋電纜電纜有限公司)(「佳雅集團」)可於豪裕處置完成後，繼續進行若干集團內公司間之交易，於二零一三年十月二十九日(交易時段後)，本集團若干成員公司(包括威海市明博線纜科技有限公司、威海電子、威海東晨、威海錦源、武漢科技、德州錦城電裝有限公司(「德州錦城」)、日拓高科技、惠州市泓淋通訊科技有限公司以及中國公司)(「泓淋集團」)訂立下列協議(「持續關連交易協議」)(「佳雅持續關連交易」)：

- (i) 總銷售協議，據此泓淋集團將向佳雅集團出售電纜、電源線及相關零件；
- (ii) 總採購協議，據此泓淋集團將向佳雅集團採購外接及內接信號線組件；
- (iii) 相互擔保協議，據此泓淋集團與佳雅集團將為另外一方之銀行融資提供相互擔保；
- (iv) 佣金協議，據此泓淋科技將擔任威海電子若干產品的台灣貿易代理；及
- (v) 租賃及公用服務協議，據此德州電子將向德州錦城出租物業及提供相關公用服務。

上述所有持續關連交易協議之有效期，將由相關持續關連交易協議日期或有關持續關連交易協議之全部先決條件獲達成當日(以較後者為準)開始，直至二零一四年十二月三十一日為止。

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管理層討論及分析

CONTINUING CONNECTED TRANSACTIONS

(Continued)

Jia Ya Continuing Connected Transactions (Continued)

The following table sets out the annual caps of the Jia Ya Continuing Connected Transactions for each of the two financial years ending 31 December 2013 and 2014 under their corresponding CCT Agreements:

持續關連交易 (續)

佳雅持續關連交易 (續)

下表載列截至二零一三年及二零一四年十二月三十一日止兩個財政年度各年，各持續關連交易協議下的佳雅持續關連交易年度上限：

		For the financial year ending 31 December 截至十二月三十一日止 財政年度	
		2013 二零一三年 (RMB'000) (人民幣千元)	2014 二零一四年 (RMB'000) (人民幣千元)
A. Sales of cable, power cord and relevant components to Jia Ya Group (relevant fee for using a supplier code of Jia Ya Group)	A. 銷售電纜、電源線及相關零件予佳雅集團 (使用佳雅集團供應商編碼的相關費用)	155,000 (800)	290,000 (900)
B. Supply of finished external and internal signal cable assembly by Jia Ya Group (relevant fee for using a supplier code of HL Group)	B. 佳雅集團供應外接及內接信號線組件製成品 (使用泓淋集團供應商編碼的相關費用)	102,000 (1,020)	202,000 (2,020)
C. Reciprocally guarantee on banking facilities	C. 銀行融資相互擔保		
C.1 (a) Guarantee provided by HL Group to Jia Ya Group (excluding exempted financial assistance)	C.1 (a) 泓淋集團向佳雅集團提供擔保 (獲豁免財務資助除外)	415,000	475,000
(b) Guarantee fee charged by HL Group	(b) 泓淋集團收取的擔保費	9,960	11,400
C.2 (a) Guarantee provided by Jia Ya Group to HL Group (excluding exempted financial assistance)	C.2 (a) 佳雅集團向泓淋集團提供擔保 (獲豁免財務資助除外)	736,000	856,000
(b) Guarantee fee charged by Jia Ya Group	(b) 佳雅集團收取的擔保費	14,132	16,436
D. Provision of trading services to Weihai Electronic	D. 向威海電子提供貿易服務	2,200	2,200
E. Lease of the property and the provision of relevant utility services to Dezhou Jincheng	E. 物業租賃及提供相關公用服務予德州錦城	2,215	3,938

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管理層討論及分析

CONTINUING CONNECTED TRANSACTIONS

(Continued)

Jia Ya Continuing Connected Transactions (Continued)

Jia Ya is wholly-owned by Mr. Chi, the controlling shareholder, the chairman, the CEO of the Company and an executive Director who was at the relevant time interested in approximately 40.87% interests of the Company. Following the completion of the Sumptuous Wealth Disposal, Mr. Chi and Jia Ya will, directly or indirectly, wholly own each of the other members of Jia Ya Group (or for Shenzhen Communication, own as to 80%). Accordingly, Mr. Chi and each member of Jia Ya Group are considered to be connected persons of the Company under Chapter 14A of the Listing Rules upon the completion of the Sumptuous Wealth Disposal. The entering into the CCT Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules upon the completion of the Sumptuous Wealth Disposal.

The non-exempted Jia Ya Continuing Connected Transactions (i.e. Jia Ya Continuing Connected Transactions under CCT Agreements (i), (ii) and (iii) above) are subject to reporting, announcement, annual review and approval by the independent Shareholders requirements under Rule 14A.35 of the Listing Rules as the respective applicable percentage ratios under the Listing Rules exceeds 5% and the corresponding proposed caps exceed HK\$10 million.

The exempted Jia Ya Continuing Connected Transactions (i.e. Jia Ya Continuing Connected Transactions under CCT Agreements (iv) and (v) above) are subject to the reporting, announcement and annual review requirements but are exempt from independent Shareholders' approval requirements under Rule 14A.34 of the Listing Rules as the respective applicable percentage ratios under the Listing Rules are less than 25% and the corresponding proposed caps are less than HK\$10 million.

A general meeting was held on 26 November 2013 and all non-exempted Jia Ya Continuing Connected Transactions have been approved by the independent Shareholders.

Details of the Jia Ya Continuing Connected Transactions have been set out in the announcements dated 29 October 2013 and 26 November 2013, and the circular dated 8 November 2013 published by the Company.

CHARGES AND CONTINGENT LIABILITIES

Other than the secured bank borrowings mentioned above and the contingent liabilities disclosed in the note 37 to the financial statement, as at 31 December 2013, the Group had no other charges on its assets nor other material contingent liabilities.

持續關連交易 (續)

佳雅持續關連交易 (續)

佳雅由本公司控股股東、主席、行政總裁兼執行董事遲先生全資擁有，彼於相關時間擁有本公司約40.87%之權益。於完成豪裕處置後，遲先生及佳雅將直接或間接全資擁有佳雅集團之各其他成員公司(或就深圳通訊而言，擁有80%權益)。因此，於完成豪裕處置後，根據上市規則第14A章，遲先生及佳雅集團各成員公司被視為本公司關連人士。於完成豪裕處置後，根據上市規則第14A章，訂立持續關連交易協議及據此擬進行之交易，將構成本公司之持續關連交易。

根據上市規則第14A.35條，非豁免佳雅持續關連交易(即上述持續關連交易協議項下佳雅持續關連交易第(i)、(ii)及(iii)項)，須遵守申報、公告、年度檢討及獨立股東批准之規定，因為上市規則下相關之適用百分比率超過5%及相應的建議上限均超過1千萬港元。

根據上市規則第14A.34條，獲豁免佳雅持續關連交易(即上文持續關連交易協議項下佳雅持續關連交易第(iv)及(v)項)，須遵守申報、公告及年度檢討之規定，惟可豁免取得獨立股東批准之規定，因為上市規則下相關之適用百分比率均低於25%，而相關之建議上限均少於1千萬港元。

股東大會於二零一三年十一月二十六日舉行，而所有非豁免佳雅持續關連交易已獲獨立股東批准。

有關佳雅持續關連交易之詳情，載於本公司於二零一三年十月二十九日及二零一三年十一月二十六日刊發之公告，以及本公司於二零一三年十一月八日刊發之通函內。

抵押及或然負債

除上述已抵押銀行借款及財務報表附註37披露之或然負債外，於二零一三年十二月三十一日，本集團並無其他資產抵押或任何重大或然負債。

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管理層討論及分析

EVENTS AFTER REPORTING PERIOD DISCLOSEABLE TRANSACTION IN RELATION TO THE DISPOSAL OF WUHAN TECHNOLOGY AFTER THE YEAR ENDED 31 DECEMBER 2013

On 10 January 2014, Weihai Electronic, an indirectly wholly-owned subsidiary of the Company, entered into a disposal agreement with, among others, 武漢亞光新民防火裝飾材料有限公司 (Wuhan Yaguang Xinmin Fire Prevention Decoration Materials Co., Ltd.*, the “Wuhan Yaguang Xinmin”). Pursuant to this disposal agreement, Weihai Electronic agreed to dispose of and Wuhan Yaguang Xinmin agreed to purchase a 10% equity interest in Wuhan Technology at the consideration of RMB5,201,729.34 (equivalent to approximately HK\$6.2 million). In this disposal agreement, 湖北康普斯醫療科技有限公司 (Hubei Kangpusi Medical Technology Co., Ltd.*, the “Hubei Kangpusi”) served as the guarantor to Wuhan Yaguang Xinmin.

On the same day, Weihai Electronic entered into another disposal agreement with, among others, Hubei Kangpusi. Pursuant to this disposal agreement, Weihai Electronic agreed to dispose of and Hubei Kangpusi agreed to purchase a 90% equity interest in Wuhan Technology at the consideration of RMB46,815,564.09 (equivalent to approximately HK\$56.2 million). In this disposal agreement, Wuhan Yaguang Xinmin served as the guarantor to Hubei Kangpusi.

Wuhan Technology is a company established in the PRC with limited liability by the Weihai Electronic on 24 February 2011. As at 10 January 2014, Wuhan Technology has a registered capital of RMB49,262,400 (equivalent to approximately HK\$59.1 million), all of the registered capital has been paid up by 10 January 2014. Wuhan Technology is authorised to engage in, among others, development, manufacture and sale of cable, signal wire and cable, power cord, automotive wiring harness and electronic components according to its business licence. However, it had not commenced any substantive business operation, and had not gained any revenue since its establishment in 2011 up to the date of the disposal agreements.

The disposal of Wuhan Technology will allow the Group to realise its investment in the loss making business to concentrate its superior resources and cease to provide financial support to the loss making business of Wuhan Technology.

Details of the disposal of Wuhan Technology have been set out in the announcement dated 10 January 2014 published by the Company.

報告期後事項

截至二零一三年十二月三十一日止年度後有關出售武漢科技之須予披露交易

於二零一四年一月十日，本公司間接全資附屬公司威海電子與武漢亞光新民防火裝飾材料有限公司（「武漢亞光新民」）訂立出售協議。根據出售協議，武漢電子同意出售而武漢亞光新民同意收購武漢科技之10%股權，代價為人民幣5,201,729.34元（相當於約6.2百萬港元）。於該出售協議下，湖北康普斯醫療科技有限公司（「湖北康普斯」）擔任武漢亞光新民擔保人。

於同日，威海電子與（其中包括）湖北康普斯訂立另一份出售協議。根據該出售協議，威海電子同意出售而湖北康普斯同意收購武漢科技之90%股權，代價為人民幣46,815,564.09元（相當於約56.2百萬港元）。於該出售協議下，武漢亞光新民擔任湖北康普斯擔保人。

武漢科技為威海電子於中國成立的有限公司，成立日期為二零一一年二月二十四日。於二零一四年一月十日，武漢科技的註冊股本為人民幣49,262,400元（相當於約59.1百萬港元），而截至二零一四年一月十日，所有註冊股本經已繳足。武漢科技獲授權根據其營業牌照，從事（其中包括）開發、生產及銷售電纜、信號線纜、電源線、汽車線束及電子零件。然而，自二零一一年成立以來至出售協議日期，武漢科技並無開展任何實質業務，亦無錄得任何收益。

出售武漢科技將可使本集團變現其於錄得虧損之業務之投資，並集中其優厚資源，不再對武漢科技錄得虧損之業務提供財政支持。

有關出售武漢科技的詳情，載於本公司於二零一四年一月十日之刊發公告內。

* English names are for identification purposes only.

* 英文名稱僅供識別

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PLACING OF SHARES BY CONTROLLING SHAREHOLDER

On 8 April 2014, Chenlin International Joint Stock Company Limited ("Chenlin International", a company whose entire issued share capital is owned by Mr. Chi), a controlling shareholder, informed the Board that it entered into a placing agreement on 8 April 2014 with Astrum Capital Management Limited (the "Placing Agent"), pursuant to which Chenlin International agreed to sell, and the Placing Agent agreed to, on a best effort basis, procure not less than six placees, each of whom shall be independent of and not connected with the Company or any of its connected persons, to acquire a maximum of 197,283,839 shares in the issued share capital of the Company at the placing price of HK\$0.82 per share (the "Placing"). The Placing was completed on 14 April 2014, and 107,283,000 shares (representing approximately 14.90% of the issued share capital of the Company) had been placed. Chenlin International is interested in 187,000,839 shares (representing approximately 25.97% of the issued share capital of the Company) after the completion of the Placing.

控股股東配售股份

於二零一四年四月八日，晨淋國際股份有限公司（「晨淋國際」，其全部已發行股本由遲先生擁有，並為控股股東）通知董事會，其已於二零一四年四月八日與阿仕特朗資本管理有限公司（「配售代理」）訂立配售協議，據此，晨淋國際同意出售而配售代理同意盡最大努力促使不少於6個承配人按每股配售股份0.82港元之配售價收購本公司已發行股本中最多197,283,839股股份（「配售事項」），各承配人須獨立於本公司或其任何關連人士（定義見上市規則），且與上述人士概無關連。配售事項於二零一四年四月十四日完成，而107,283,000股股份（佔本公司已發行股本約14.90%）已配售。配售事項完成後，晨淋國際擁有187,000,839股股份之權益（佔本公司已發行股本約25.97%）。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. Chi Shaolin (遲少林) (“Mr. Chi”), aged 42, is the chairman of the board, executive Director and CEO of the Company, and is in charge of overall strategic planning, business planning and responsible for decision making in all material matters of the Group. Mr. Chi was appointed as Director on 16 November 2007.

Mr. Chi joined the Group in November 1997 and is a founder of the Group. Mr. Chi is also a director of certain subsidiaries of the Company. Mr. Chi is also the chairman of the nomination committee of the Company.

Mr. Chi has over 18 years of experience in the electronics industry gained in the Group and in his previous employment. He is a Chinese national and has not been a full time government official nor a full time employee of a state-owned/operated entity. Prior to joining the Group, Mr. Chi worked as the production manager of Shengshan Electronics (Weihai) Company Limited (勝山電子(威海)有限公司) from March 1995 to October 1997.

Mr. Chi was a representative to the 11th Session of Weihai Committee of the Chinese People’s Political Consultative Conference Committee and has been awarded many awards or recognitions by the government of Weihai City, Shandong Province, China Commerce Association (中國商業協會) and certain other organisations, including “Outstanding Young Entrepreneur of Weihai City” (威海市優秀青年企業家), “Self-innovation Award for the Most Influential Person of Weihai City for the Economic Year” (威海市最具影響力經濟年度人物自主創新獎), “Award for Entrepreneur Operating a Key Enterprise in the Weihai Economic and Technology Development Area” (威海經濟技術開發區骨幹企業經營者創業獎), and “Model for the Labor of Weihai Economic and Technology Development Zone” (威海經濟技術開發區勞動模範) during the period of April 2008 to May 2010. In 2010, Mr. Chi was also awarded the “Outstanding Entrepreneurs of Shandong Province (the 18th Series)” (第十八屆山東省優秀企業家).

董事及高級管理層

執行董事

遲少林先生(「遲先生」)，42歲，現任本公司董事會主席、執行董事兼總裁，負責整體策略規劃、業務規劃及本集團所有重大事宜的決策。遲先生於二零零七年十一月十六日獲委任為董事。

遲先生於一九九七年十一月加入本集團，為本集團創辦人。遲先生亦為本公司若干附屬公司之董事。遲先生亦為本公司提名委員會主席。

遲先生於本集團及過往職位中累積逾18年電子行業經驗。彼為中國公民，並無擔任全職政府官員或全職國有／國營實體僱員。加入本集團前，遲先生於一九九五年三月至一九九七年十月擔任勝山電子(威海)有限公司的生產經理。

遲先生為中國人民政治協商會議威海市第十一屆委員會代表，並於二零零八年四月至二零一零年五月期間獲山東省威海市政府、中國商業協會及其他機構頒發多項獎項及認證，包括「威海市優秀青年企業家」、「威海市最具影響力經濟年度人物自主創新獎」、「威海經濟技術開發區骨幹企業經營者創業獎」及「威海經濟技術開發區勞動模範」獎項。二零一零年遲先生亦榮獲「第十八屆山東省優秀企業家」稱號。

* English name is for identification purposes only.

* 英文名稱僅供識別

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS AND SENIOR MANAGEMENT (Continued)

Executive Directors (Continued)

Mr. Cheng Wen (程文) (“Mr. Cheng”), aged 46, is an executive Director and vice CEO of the Company. Mr. Cheng is in charge of overall financial management, investing management, risk controls and internal controls of the Group. He joined Rosy Sun (together with its subsidiaries, the “Rosy Sun Group”) in March 2012. Mr. Cheng is a director of each of Rosy Sun and its subsidiary, the HK Company, the CEO of Rosy Sun Group and was appointed as the general manager of the HK Company in November 2013. Rosy Sun Group has become part of the Group following completion of Rosy Sun Acquisition by the Group on 31 January 2013. Mr. Cheng was appointed as Director and vice CEO of the Company on 16 November 2013.

Mr. Cheng graduated in Fuzhou University (福州大學) in June 1989 with a bachelor degree of engineering management. He obtained a doctor degree in corporate management in June 2004 in Sun Yat-Sen University (中山大學).

Mr. Cheng has over 20 years of experiences in corporate management. Throughout his career, he worked in, among others, China Construction Bank (Shenzhen Branch), China Cinda Asset Management Co., Ltd., Bank of China (Shenzhen Branch). Mr. Cheng was the financial controller of Shenzhen Languang Electronic Group Co., Ltd. (深圳蘭光電子集團有限公司) from July 2004 to October 2005, principally responsible for financial management, fund raising and assets management. He joined Shenzhen Zowee Technology Co., Ltd. in October 2007, and had acted as the financial controller, vice general manager and a director until June 2010, responsible for the company’s financial management, fund raising and the initial public offer of the company. In May 2011, Mr. Cheng found Shenzhen JianYin NanShan Capital Investment Corporation (Limited Partnership) (深圳建銀南山創業投資合夥企業(有限合夥)), which is principally engaged in venture capital investment in the field of high-new technology.

Mr. Lu Chengye (路成業) (“Mr. Lu”), aged 36, is an executive Director, vice CEO and a member of the compensation and benefits committee of the Company. Mr Lu is in charge of the overall strategic planning, business planning and decision making in all material matters of networks segment and terminal segment. Mr. Lu joined the PRC Company as a general manager in May 2012. Mr. Lu was appointed as Director on 29 May 2013 and was promoted as vice CEO of the Company on 15 November 2013.

董事及高級管理層 (續)

執行董事 (續)

程文先生(「程先生」), 46歲, 為本公司執行董事及副總裁, 程先生負責本集團之整體財務管理、投資管理、風險管理及內部監控。彼於二零一二年三月加入Rosy Sun(連同其附屬公司, 統稱為「Rosy Sun集團」)。程先生擔任Rosy Sun及其附屬公司香港公司之董事, 同時擔任Rosy Sun集團的總裁, 並於二零一三年十一月獲委任為香港公司之總經理。本集團於二零一三年一月三十一日完成Rosy Sun收購事項後, Rosy Sun集團已成為本集團之一部分。程先生於二零一三年十一月十六日獲委任為本公司董事及副總裁。

程先生於一九八九年六月畢業於福州大學, 取得工程管理學士學位。彼於二零零四年六月獲得中山大學公司管理博士學位。

程先生於公司管理方面累積逾20年經驗。於其職業生涯中, 程先生曾就職於(其中包括)中國建設銀行(深圳分行)、中國信達資產管理公司、中國銀行(深圳分行)。程先生於二零零四年七月至二零零五年十月期間於深圳蘭光電子集團有限公司擔任財務總監, 主要負責財務管理, 籌措資金及資產管理。於二零零七年十月至二零一零年六月, 程先生加入深圳卓翼科技股份有限公司, 擔任財務總監、副總經理兼董事, 主要負責公司財務管理, 資金籌措及公司首次公開發行等工作。程先生於二零一一年五月創建深圳建銀南山創業投資合夥企業(有限合夥), 主要從事高新技術領域內的風險投資。

路成業先生(「路先生」), 36歲, 為本公司執行董事、副總裁及薪酬及福利委員會成員。路先生負責與網絡分部及終端分部相關的整體策略規劃、業務規劃及所有重大事宜之決策。路先生於二零一二年五月加入中國公司, 擔任總經理, 全面負責沈陽新郵。路先生於二零一三年五月二十九日獲委任為董事, 並於二零一三年十一月十五日晉升為本公司副總裁。

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Biographical Details of Directors and Senior Management 董事及高級管理層履歷

DIRECTORS AND SENIOR MANAGEMENT (Continued)

Executive Directors (Continued)

Mr. Lu has over 13 years of experience in the communication industry gained in the Group and in his previous employment. Before joining the Group, Mr. Lu worked as a director of the science and research department of base station software development in a renowned mobile communication equipment company in the PRC from April 2002 to August 2008, mainly responsible for the design, development and implementation of solution of communication base station software. From August 2009 to May 2012, Mr. Lu had served as the general manager of TD-SCDMA/TD-LTE production line of another prestigious communication equipment and technology firm, mainly in charge of the establishment and research and development works for projects of wireless base station and communication base station equipments. Mr. Lu obtained his master degree of engineering from Xidian University (西安電子科技大學) majoring in information and communication engineering in March 2002. As an expert from TD-LTE workgroup of the Ministry of Industry and Information Technology of the People's Republic of China (中華人民共和國工業和信息化部), Mr. Lu is the inventor of 7 patented technologies in the communication sector over the last 13 years, and has published several research papers on communication topics in various journals.

Independent Non-executive Directors

Mr. Thomas Tam ("Mr. Tam") (formerly known as Tam Kwok Hing (談國慶)), aged 66, is an independent non-executive Director. He is the chairman of the audit committee of the Company, and a member of each of the nomination committee and the compensation and benefits committee of the Company. Mr. Tam was appointed as Director on 29 May 2013.

Mr. Tam is as a fellow member of the Hong Kong Institute of Certified Public Accountants (then known as the Hong Kong Society of Accountants) and was admitted in 1995.

Mr. Tam was founder of Tam Kwok Hing & Co., Certified Accountants (now under the name Wongs & Tam, Certified Public Accountants), a certified public accountants firm in Hong Kong set up in 1972 and he is now a consultant of Wongs & Tam. Mr. Tam was admitted as an associate of the Chartered Association of Certified Accountants in 1972 and a fellow member in 1980. He was also enrolled to practice before the Internal Revenue Service of the United States of America since 1994. Mr. Tam is currently an independent non-executive director of Sing Lee Software (Group) Limited, a company listed on the Stock Exchange (Stock code: 8076).

董事及高級管理層 (續)

執行董事 (續)

路先生於本集團及過往職位中累積逾13年通訊行業經驗。加入本集團前，路先生於二零零二年四月至二零零八年八月擔任一間中國知名的移動通信設備公司的基站軟體開發研究室主任，主要負責通訊基站軟體項目的設計、開發及實施。二零零九年八月至二零一二年五月期間，路先生於另外一間知名通信設備及技術公司擔任TD-SCDMA/TD-LTE產品線總經理，主要負責無線基站、通訊基站設備項目的建立及研發。路先生於二零零二年三月於西安電子科技大學取得工程學碩士學位，主修信息與通信工程專業。路先生作為中華人民共和國工業和信息化部TD-LTE工作組專家，於過往13年工作之中獲得7項專利，及在不同刊物發表多篇通訊領域相關研究論文。

獨立非執行董事

談國慶先生 (「談先生」)，66歲，為獨立非執行董事。彼為本公司審核委員會主席及本公司提名委員會及薪酬及福利委員會成員。談先生於二零一三年五月二十九日獲委任為董事。

談先生為香港會計師公會資深會員，彼於一九九五年獲取該項資格。

談先生為談國慶會計師樓(成立於一九七二年的香港執業會計師樓，現使用「王談黃會計師樓」的名稱執業)創辦人，現任王談黃會計師樓顧問。談先生於一九七二年獲接納為英國特許會計師公會會員，並於一九八零年獲接納為資深會員。自一九九四年起，彼亦獲接納為美國聯邦稅務局認可報稅師。談先生現為聯交所上市的新利軟件(集團)股份有限公司(股份代號：8076)的獨立非執行董事。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors (Continued)

Mr. Pao Ping Wing (浦炳榮) (“Mr. Pao”), aged 66, is an independent non-executive Director, a member of each of the audit committee and the nomination committee of the Company. Mr. Pao was appointed as Director on 29 May 2013.

Mr. Pao obtained a master of science degree in human settlements planning and development from Asian Institute of Technology in April 1980. He had been actively serving on government committees and statutory bodies, including those relating to town planning, urban renewal, public housing and environment matters over 20 years. He was elected as one of the Ten Outstanding Young Persons of Hong Kong in 1982 and one of the Ten Outstanding Young Persons of the World in 1983. He has been appointed as a Non-official Justice of the Peace for Hong Kong in 1987.

From 1987, Mr. Pao has been appointed as an independent non-executive director of various companies listed on the Stock Exchange and has extensive experiences in corporate governance. In particular, Mr. Pao has also been an independent non-executive director of Oriental Press Group Limited (Stock code: 18) since July 1987, UDL Holdings Limited (Stock code: 620) since August 1997, Sing Lee Software (Group) Limited (Stock code: 8076) since December 2003, Zhuzhou CSR Times Electric Co., Ltd. (Stock code: 3898) since September 2005, New Environmental Energy Holdings Limited (Stock code: 3989) since June 2006, Maoye International Holdings Limited (Stock code: 848) since August 2007 and Soundwill Holdings Limited (Stock code: 878) since November 2009, all of which are listed on the Stock Exchange.

董事及高級管理層 (續)

獨立非執行董事 (續)

浦炳榮先生 (「浦先生」)，66歲，為本公司獨立非執行董事，審核委員會及提名委員會各自之成員。浦先生於二零一三年五月二十九日獲委任為董事。

浦先生於一九八零年四月獲亞洲理工學院頒發人居規劃及發展科學碩士學位。彼於過去二十多年間一直積極服務有關城市規劃、市區重建、公共房屋及環境問題之政府委員會及法定機構。彼獲選為一九八二年香港十大傑出青年及一九八三年世界十大傑出青年。彼於一九八七年獲委任為香港非官守太平紳士。

自一九八七年起，浦先生出任多家聯交所上市公司的獨立非執行董事，對企業管治有豐富經驗。尤其是，彼亦從一九八七年七月到現在為東方報業集團有限公司(股份代號：18)、從一九九七年八月到現在為太元集團有限公司(股份代號：620)、從二零零三年十二月到現在為新利軟件(集團)股份有限公司(股份代號：8076)、從二零零五年九月到現在為株洲南車時代電氣股份有限公司(股份代號：3898)、從二零零六年六月到現在為新環保能源控股有限公司(股份代號：3989)、從二零零七年八月到現在為茂業國際控股有限公司(股份代號：848)及從二零零九年十一月到現在為金朝陽集團有限公司(股份代號：878)等於聯交所上市公司之獨立非執行董事。

Biographical Details of Directors and Senior Management 董事及高級管理層履歷

DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors (Continued)

Ms. Zheng Lin (鄭琳) (“Ms. Zheng”), aged 43, is an independent non-executive Director. Ms. Zheng is also the chairman of the compensation and benefits committee and a member of the audit committee of the Company.

Ms. Zheng was appointed as an independent non-executive Director on 25 October 2010. Ms. Zheng is a practicing PRC lawyer and has been working with Shandong Tai Xiang Law Firm (山東泰祥律師事務所) since June 2013. Prior to that, she worked at the Welfare Electronics Company located in the Economic and Technical Development Zone of Weihai City in Shandong Province from October 1992 to May 1995, the Weihai Airlines Services Company Limited from June 1995 to June 2001, the Shandong Ying Liang Tai Ye Law Firm from August 2004 to March 2008 and Beijing Huatang Law Firm from April 2008 to June 2013. She graduated from Shandong University in July 2004 after completing the online program in law and is qualified to practice law in the PRC having passed the Chinese national judicial examination in 2004. Ms. Zheng passed the National Securities Qualifications Examination (國家證券業資格考試) in 2006 and is also qualified to serve as an independent non-executive director of companies listed in the PRC.

Ms. Zheng is a member of China Zhi Gong Party (中國致公黨) and a member of Weihai Committee of the Chinese People’s Political Consultative Conference Committee. She has provided legal services to various government departments, listed companies, state-owned enterprises and other entities, including Shandong Zhengda Medical Equipment Shares Co., Ltd. (山東正大醫療器械股份有限公司), Shandong Lianqiao New Materials Shares Co., Ltd. (山東聯橋新材料股份有限公司), Shandong Shuanglun Group Co., Ltd. (山東雙輪集團公司), Yantai Wanhua Polyurethanes Co., Ltd., (煙臺萬華聚氨酯股份有限公司) and Dongfang Electronics Co., Ltd. (東方電子股份有限公司).

Details of the Directors’ interest in the Shares and underlying Shares which fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (“SFO”) are set out in the paragraph headed “Directors’ and Chief Executives’ Interests and Short Positions in Shares and Underlying Shares” in this annual report.

董事及高級管理層 (續)

獨立非執行董事 (續)

鄭琳女士 (「鄭女士」)，43歲，現任獨立非執行董事。鄭女士亦為本公司薪酬及福利委員會主席及審核委員會的成員。

鄭女士於二零一零年十月二十五日獲委任為獨立非執行董事。鄭女士為中國執業律師。自二零一三年六月起，任職山東泰祥律師事務所。此前，彼自二零零八年四月起至二零一三年六月任職於北京華堂律師事務所；在此之前，彼於一九九二年十月至一九九五年五月任職位於山東省威海市經濟技術開發區的為爾福電子公司；於一九九五年六月至二零零一年六月任職於山東威海聯合航空總公司；於二零零四年八月至二零零八年三月曾任職於山東英良泰業律師事務所。彼於二零零四年七月完成法律遠程課程後自山東大學畢業，並於同年通過國家司法考試，取得中國律師執業資格。二零零六年，鄭女士通過國家證券業資格考試，取得中國境內上市公司獨立非執行董事任職資格。

鄭女士現為中國致公黨黨員及中國人民政治協商會議委員會威海市政協委員。鄭女士向多家政府機構、上市公司、國營企業及其他實體提供法律意見，包括山東正大醫療器械股份有限公司、山東聯橋新材料股份有限公司、山東雙輪集團公司、煙臺萬華聚氨酯股份有限公司及東方電子股份有限公司。

董事於股份及相關股份擁有須根據證券及期貨條例(「證券及期貨條例」)第XV部第2及3分部之條文予以披露的權益詳情於本年報「董事及最高行政人員於股份及相關股份的權益及淡倉」一段。

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* 英文名稱僅供識別

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS AND SENIOR MANAGEMENT (Continued)

Senior Management

Mr. Li Jianming (李建明) (“Mr. Li”), aged 41, is the vice CEO of the Company. Mr. Li is in charge of overall strategic planning, business planning and decision making in all material matters of the automotive wiring harness department of the Group. Mr. Li joined the Group in May 2005 as the chief financial officer of the Company and was appointed as a Director on 16 March 2010 and vice CEO of the Company on 1 July 2011. Mr. Li was appointed to lead the automotive wiring harness department of the Group in January 2012. Mr. Li has resigned as an executive Director on 15 November 2013 in order to devote more time on his other work and the business operations of the Group as vice CEO.

Prior to joining the Group, Mr. Li was the chief accountant of the PRC office of The Timken Company, one of the Fortune 500 Companies, for financial management matters from July 1994 to June 2001. Mr. Li was the chief financial officer of Qingdao Jinling Electrical Appliances Co., Ltd. (青島金嶺電器有限公司), a sino-foreign joint venture enterprise, from June 2001 to May 2004, responsible for its financial management, financial process optimization, internal supervision and control and other related matters, and was the head of Technology of Qingdao Branch of Zhuhai Master Service Software Technology Co., Ltd. (珠海天思軟件技術有限公司青島分公司) from May 2004 to May 2005 in charge of promoting and implementing the development of information system.

Mr. Li graduated from Shandong Economic University with a bachelor degree in accounting in 1994. He is a senior accountant (高級會計師) and obtained the ICPA certificate in April 2009 and the SIFM certificate in June 2010. Senior accountant qualification (高級會計師資格) is the highest accounting qualification awarded by such PRC government bodies, namely, the Ministry of Human Resources and Social Security (人力資源和社會保障部) and the Ministry of Finance (財政部), based on the academic level, practical capability and working experience of the relevant accounting professionals. He has extensive experience in enterprise finance, financial management, enterprise taxation planning and Enterprise Resource Planning information management and published various articles in journals from 2007 to 2012 in respect of financial management.

董事及高級管理層 (續)

高級管理層

李建明先生 (「李先生」)，41歲，現任本公司副總裁。李先生負責與本集團汽車線束部門相關之整體策略規劃、業務規劃及一切重大決策事宜。李先生於二零零五年五月加入本集團出任本公司財務總監一職，並於二零一零年三月十六日獲委任為董事，以及於二零一一年七月一日獲委任為本公司副總裁。二零一二年一月，李先生獲委任領導本集團汽車線束事業部。李先生已於二零一三年十一月十五日辭任執行董事，以投放更多時間於其他工作及擔任副總裁以負責本集團之業務營運。

加入本集團前，李先生於一九九四年七月至二零零一年六月擔任財富500強之一The Timken Company的中國公司總會計師，負責財務管理事宜。李先生於二零零一年六月至二零零四年五月擔任中外合資企業青島金嶺電器有限公司的財務總監，負責財務管理、財務程序改善、內部控制及其他相關事宜，亦於二零零四年五月至二零零五年五月擔任珠海天思軟件技術有限公司青島分公司的科技部主管，負責提升及進行資訊系統的開發。

李先生於一九九四年畢業於山東經濟學院，取得會計學士學位，並於二零零九年四月成為高級會計師，取得國際註冊會計師資格及於二零一零年六月取得高級國際財務管理師證書。高級會計師資格為人力資源和社會保障部及財政部等中國政府機構基於學歷、實踐能力及相關會計專業的工作經驗頒發的最高級別會計資格。彼在企業融資、財務管理、企業稅務規劃及企業資源規劃信息管理方面經驗豐富，二零零七年至二零一二年期間在不同刊物上發表多份財務管理論文。

Biographical Details of Directors and Senior Management 董事及高級管理層履歷

DIRECTORS AND SENIOR MANAGEMENT *(Continued)*

Senior Management *(Continued)*

Ms. Chen Jing (陳晶) (“Ms. Chen”), aged 36, is the chief investment executive of the Company, responsible for investment management of the Group, including formulation of investment plan and due diligence on new investment projects of the Group. Ms. Chen has over 10 years of experience in accounts management gained in our Group and in her previous employment. Before joining the Group in April 2010, Ms. Chen worked at Deloitte Touche Tohmatsu CPA Ltd. from August 2003 to March 2010 and was the assistant auditing manager from July 2008 to March 2010. She has extensive experience in financial management. She graduated from Dalian University of Technology with a bachelor degree in economics and a master degree in accounting in 2000 and 2003, respectively.

董事及高級管理層 *(續)*

高級管理層 *(續)*

陳晶女士 (「陳女士」)，36歲，本公司投資總監，負責本集團投資管理，包括制定本集團之投資計劃及新投資項目盡職調查。陳女士於本集團及過往職位中累積逾10年賬目管理經驗。於二零一零年四月加入本集團前，彼於二零零三年八月至二零一零年三月任職於德勤華永會計師事務所有限公司，於二零零八年七月至二零一零年三月擔任助理核數經理，在財務管理方面的經驗豐富。彼畢業於大連理工大學，分別於二零零零年及二零零三年獲得經濟系學士學位及會計系碩士學位。

Report of the Directors

董事會報告

The Directors have pleasure in submitting herewith their annual report together with the audited financial statements for the year ended 31 December 2013.

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The Company is a limited liability company incorporated in the Cayman Islands and its principal place of business in Hong Kong is 33rd Floor, Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong.

PRINCIPAL ACTIVITIES

For the year ended 31 December 2013, the Group was principally engaged in the designs, develops, manufacturers and provision of signal transmission and connectivity products.

CORPORATE REORGANIZATION

The Company was incorporated in the Cayman Islands on 16 November 2007 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Pursuant to a group reorganisation to rationalise the structure of the Group in preparation for the public listing of the Company's shares on the Main Board of the Stock Exchange (the "Listing"), the Company became the holding company of the companies then comprising the Group on 30 January 2008.

Details of the corporate reorganisation are set out in the section headed "History, Reorganization and Group Structure" and in Appendix VI "Statutory and General Information" to the Prospectus for the Listing. The shares of the Company have been listed on the Stock Exchange since 16 November 2010.

SUBSIDIARIES

Details of the subsidiaries of the Company are set out in note 18 to the consolidated financial statements.

DIVIDEND

The Directors considered that the declaration, payment and amount of the dividend shall be subject to the status of the Group's future development. The Board does not recommend any final dividend for the financial year ended 31 December 2013 (2012: Nil) and will consider to formulate a dividend policy at an appropriate time in the future.

董事欣然提呈截至二零一三年十二月三十一日止年度的年報及經審核財務報表。

香港主要營業地點

本公司在開曼群島註冊成立為有限公司，其於香港的主要營業地點位於香港灣仔港灣道6–8號瑞安中心33樓。

主要業務

截至二零一三年十二月三十一日止年度，本集團主要從事設計、開發、製造及提供信號傳輸及連接產品。

公司重組

本公司於二零零七年十一月十六日根據開曼群島公司法第22章(1961年第3號法例，經綜合及修訂)在開曼群島註冊成立為一家獲豁免有限責任公司。根據一項為理順本集團架構，以籌備本公司股份於聯交所主板公開上市(「上市」)而進行的公司重組，本公司於二零零八年一月三十日成為其時組成本集團之公司的控股公司。

有關公司重組的詳情載於有關上市的招股章程中「歷史、重組及集團架構」一節及附錄六「法定及一般資料」。本公司的股份已自二零一零年十一月十六日起於聯交所上市。

附屬公司

有關本公司附屬公司的詳情載於綜合財務報表附註18。

股息

董事認為，宣派及派付股息及其金額須受本集團未來發展狀況之規限。董事會並不建議就截至二零一三年十二月三十一日止財政年度宣派任何末期股息(二零一二年：無)，且將考慮於日後適當時機制訂股息政策。

Report of the Directors

董事會報告

RESERVES

Details of movements in reserves of the Group during the year ended 31 December 2013 are set out in the section headed "Consolidated statement of changes in equity".

DISTRIBUTABLE RESERVE

The Company's reserves available for distribution, calculated in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately RMB557.8 million as at 31 December 2013. Such amount includes the Company's share premium and capital reserve account of approximately RMB536.2 million and retained profits approximately RMB21.6 million in aggregate as at 31 December 2013.

CLOSURE OF TRANSFER BOOKS AND REGISTER OF MEMBERS

The transfer books and register of members of the Company will be closed from 22 May 2014 (Thursday) to 29 May 2014 (Thursday) (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for attending and voting at the annual general meeting of the Company, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 21 May 2014 (Wednesday).

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2013, the aggregate sales attributable to the Group's top five largest customers comprised approximately 38.6% (2012: 36.8%) of the Group's total sales and the sales attributable to the Group's largest customer were approximately 12.9% of the Group's total sales. The aggregate purchases attributable to the Group's top five largest suppliers comprised approximately 45.4% (2012: 37.1%) of the Group's total purchases for the year and the purchases attributable to the Group's largest supplier were approximately 15.5% of the Group's total purchases for the year.

So far as is known to the Directors, none of the Directors, their associates or any Shareholders owning more than 5% of the Company's issued share capital had any interest in the share capital of any of the top five largest customers and suppliers of the Group.

儲備

有關本集團截至二零一三年十二月三十一日止年度儲備之變動詳情載於「綜合權益變動表」一節。

可供分派儲備

於二零一三年十二月三十一日，按開曼群島公司法第22章(1961年第3號法例，經綜合及修訂)計算，本公司的可供分派儲備為約人民幣557.8百萬元。該金額包括本公司於二零一三年十二月三十一日股份溢價賬及資本儲備約人民幣536.2百萬元及保留溢利約人民幣21.6百萬元。

暫停辦理股份過戶登記手續

本公司將由二零一四年五月二十二日(星期四)至二零一四年五月二十九日(星期四)(包括首尾兩天)暫停辦理股份過戶登記，期間將不會辦理股份過戶手續。為符合資格出席本公司股東週年大會並於會上投票，所有股份過戶文件連同有關股票必須最遲於二零一四年五月二十一日(星期三)下午四時三十分前遞交至本公司的香港股份過戶登記分處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室)，以進行登記。

主要客戶及供應商

於截至二零一三年十二月三十一日止年度，本集團五大客戶應佔之總銷售額約佔本集團總銷售額的約38.6%(二零一二年：36.8%)，及本集團最大客戶應佔之銷售額約佔本集團總銷售額的約12.9%。本集團五大供應商應佔之總採購額約佔年內本集團總採購額約45.4%(二零一二年：37.1%)，而本集團最大供應商應佔之採購額約佔年內本集團總採購額約15.5%。

就董事所知，概無董事、彼等的聯繫人士或持有本公司已發行股本的5%以上之股東，於本集團任何五大客戶及供應商的股本中擁有任何權益。

Report of the Directors

董事會報告

FINANCIAL STATEMENTS

The result of the Group for the year ended 31 December 2013 and the state of affairs of the Group and the Company as at 31 December 2013 are set out in the consolidated financial statements on pages 83, 84, 85, 86 and 92 of this report.

OPERATING RESULTS

The Group's results for the year ended 31 December 2013 are set out in the consolidated statement of profit or loss on page 83.

The Group's loss attributable to owners of the parent for the year ended 31 December 2013 was approximately RMB177.5 million.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group for the year ended 31 December 2013 are set out in note 14 to the financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company during the year ended 31 December 2013 are set out in note 31 to the financial statements.

DIRECTORS

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

Executive Directors

Mr. Chi Shaolin (*Chairman and CEO*)

Mr. Cheng Wen (*Vice CEO*)

(appointed on 16 November 2013)

Mr. Lu Chengye (*Vice CEO*)

(appointed on 29 May 2013)

Mr. Jiang Taike (resigned on 15 November 2013)

Mr. Li Jianming (resigned on 15 November 2013)

Non-executive Director

Ms. Xu Yiming (retired on 29 May 2013)

Independent Non-executive Directors

Mr. Thomas Tam (appointed on 29 May 2013)

Mr. Pao Ping Wing (appointed on 29 May 2013)

Ms. Zheng Lin

Mr. Shu Wa Tung, Laurence (retired on 29 May 2013)

Mr. Song Lizhong (retired on 29 May 2013)

財務報表

本集團截至二零一三年十二月三十一日止年度的業績與本集團及本公司於二零一三年十二月三十一日的財務狀況載於本報告中第83、84、85、86及92頁之綜合財務報表內。

經營業績

本集團截至二零一三年十二月三十一日止年度的業績載於第83頁綜合全面損益表。

截至二零一三年十二月三十一日止年度，母公司擁有人應佔本集團虧損約為人民幣177.5百萬元。

物業、廠房及設備

本集團於截至二零一三年十二月三十一日止年度的物業、廠房及設備的變動詳情載於財務報表附註14。

股本

本公司於截至二零一三年十二月三十一日止年度的股本變動詳情載於財務報表附註31。

董事

於財政年度及截至本報告日期，董事包括：

執行董事

遲少林先生(主席兼總裁)

程文先生(副總裁)

(於二零一三年十一月十六日獲委任)

路成業先生(副總裁)

(於二零一三年五月二十九日獲委任)

蔣太科先生(於二零一三年十一月十五日辭任)

李建明先生(於二零一三年十一月十五日辭任)

非執行董事

徐藝銘女士(於二零一三年五月二十九日退任)

獨立非執行董事

談國慶先生(於二零一三年五月二十九日獲委任)

浦炳榮先生(於二零一三年五月二十九日獲委任)

鄭琳女士

舒華東先生(於二零一三年五月二十九日退任)

宋立眾先生(於二零一三年五月二十九日退任)

Report of the Directors

董事會報告

DIRECTORS (Continued)

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

Pursuant to article 83(3) of the articles of association of the Company (the "Articles of Association"), as Mr. Cheng was appointed as an executive Director with effect from 16 November 2013, Mr. Cheng will hold office as a Director until the annual general meeting of the Company which will be held on 29 May 2014 ("AGM") and subject to re-election.

Pursuant to article 84(1) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Mr. Lu (executive Director) and Ms. Zheng (independent non-executive Director) will retire by rotation at the conclusion of the AGM and be eligible to offer themselves for re-election at the AGM.

Mr. Cheng (executive Director), Mr. Lu (executive Director) and Ms. Zheng (independent non-executive Director) will offer themselves for re-election at the AGM.

No Director proposed for re-election at the AGM has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The compensation and benefits committee of the Company considers and recommends to the Board the remuneration and other benefits paid by the Company to the Directors. The remuneration of all Directors is subject to regular monitoring by the compensation and benefits committee of the Company to ensure that the levels of their remuneration and compensation are appropriate. Details of Directors' remuneration are set out in note 8 to the consolidated financial statements.

董事(續)

本公司已收到各獨立非執行董事根據香港聯合交易所有限公司上市規則第3.13條就其獨立性發出的年度確認函。本公司認為，所有獨立非執行董事根據上市規則均屬獨立人士。

根據本公司組織章程細則(「組織章程細則」)第83(3)條，由於程先生獲委任為執行董事(自二零一三年十一月十六日起生效)，程先生之董事任期將直至本公司將於二零一四年五月二十九日舉行之股東週年大會(「股東週年大會」)為止，惟可膺選連任。

根據組織章程細則第84(1)條，在每屆股東週年大會上，當時在任的三分之一董事(或若其人數並非三(3)的倍數，則以最接近但不少於三分之一的人數)須輪值告退，惟每名董事須最少每三年於股東週年大會上退任一次。路先生(執行董事)及鄭女士(獨立非執行董事)將於股東週年大會結束時退任，而彼等符合資格，將於股東週年大會上提呈膺選連任。

程先生(執行董事)、路先生(執行董事)及鄭女士(獨立非執行董事)均願意於股東週年大會膺選連任。

擬於股東週年大會上膺選連任的董事概無訂立本公司或其任何附屬公司不可於一年內不付賠償(法定賠償除外)而終止之服務合約。

董事酬金

本公司薪酬及福利委員會考慮並建議董事會由本公司向董事支付酬金及其他福利。所有董事的酬金須由本公司薪酬及福利委員會定期檢討，以確保彼等的薪酬水平乃屬適當。有關董事酬金的詳情載於綜合財務報表附註8。

Report of the Directors

董事會報告

DIRECTORS' REMUNERATION (Continued)

Senior management's remuneration payment of the Group for the year ended 31 December 2013 falls within the following bands:

Remuneration	薪酬	Number of Individuals	人數
HK\$500,000 or below	500,000 港元或以下	2	

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and senior management are set out on pages 48 to 54 of this report.

DIRECTORS' INTEREST IN CONTRACTS

Save as disclosed in this report, there was no contract of significance to which the Company, its holding company, or any of its subsidiaries was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisted during or at the end of the year ended 31 December 2013.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2013, the interests or short positions of the Directors and chief executives of the Company in the shares and underlying shares of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provision of the SFO) or which were required to be recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as follows:

董事酬金(續)

截至二零一三年十二月三十一日止年度，本集團高級管理層的酬金於以下範圍內：

董事及高級管理層的履歷

有關董事及高級管理層的履歷詳情載於本報告第 48 至 54 頁。

董事之合約權益

除本報告所披露者外，本公司、其控股公司或任何附屬公司於截至二零一三年十二月三十一日止年度期間或年終並無訂立本公司任何董事於其中直接或間接擁有重大權益之其他重要合約。

董事及最高行政人員於股份及相關股份的權益及淡倉

於二零一三年十二月三十一日，本公司董事或最高行政人員於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第 XV 部)股份及相關股份中所擁有根據證券及期貨條例第 XV 部第 7 及 8 分部須知會本公司及聯交所的權益或淡倉(包括根據該證券及期貨條例之規定視作或視為擁有的權益或淡倉)，或須記錄於根據證券及期貨條例第 352 條規定存置之登記冊的權益或淡倉，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益或淡倉如下：

Name of Directors	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
董事姓名	身份	所持已發行普通股數目	佔本公司已發行股本百分比
Mr. Chi Shaolin ⁽¹⁾ 遲少林先生 ⁽¹⁾	Interest of controlled corporation 受控法團權益	294,283,839 (L)	40.87%

(L): Long position

(L): 好倉

Note 1: As at 31 December 2013, Mr. Chi Shaolin was deemed to be interested in 294,283,839 Shares held by Chenlin International Joint Stock Company Limited by virtue of it being wholly-owned by Mr. Chi Shaolin.

附註 1: 於二零一三年十二月三十一日，因晨淋國際股份有限公司由遲少林先生全資擁有，故遲少林先生被視為於晨淋國際股份有限公司所持有的 294,283,839 股股份中擁有權益。

Report of the Directors

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

Save as disclosed above, as at 31 December 2013, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the shares or underlying shares of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHT TO ACQUIRE SHARES

Save as disclosed above, at no time during the year was the Company, its holding companies, or any of its subsidiaries a party to any arrangement to enable the Directors and chief executives of the Company (including their spouses and children under 18 years of age) to hold any interest or short positions in the shares, or underlying shares, or debentures, of the Company or its associated corporations (with the meaning of Part XV of the SFO).

SHARE OPTION SCHEME

The Company adopted a share option scheme on 25 October 2010 (the "Share Option Scheme") for the purpose of enabling the Company to grant options to selected eligible participants as incentives or rewards for their contribution to the Group and/or to enable the Group to recruit and retain high caliber employees and attract human resources that are valuable to the Group and any invested entity.

Eligible participants include the Directors, any employee (whether full-time or part-time) or shareholder, and any customer, supplier, agent, business or joint venture business partner, consultant, distributor, promoter, service provider, adviser or contractor to any member of the Group.

The maximum number of Share which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issued as at the Listing Date, i.e. 72,000,000 Shares. No option may be granted to any participant of the Share Option Scheme such that the total number of Shares issued and to be issued upon exercise of the options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of the Company's issued share capital from time to time.

董事及最高行政人員於股份及相關股份的權益及淡倉(續)

除上文所披露者外，於二零一三年十二月三十一日，董事或本公司最高行政人員概無於本公司及其相聯法團(定義見證券及期貨條例第XV部)股份及相關股份中擁有或視為擁有已記錄於根據證券及期貨條例第352條規定由本公司存置之登記冊的權益或淡倉，或根據標準守則已知會本公司及聯交所的權益或淡倉。

董事購買股份的權利

除上文所披露者外，本公司、其控股公司、或其任何附屬公司於年內任何時間概無訂立任何安排致使董事及本公司最高行政人員(包括彼等的配偶及十八歲以下子女)持有本公司或其相聯法團(定義見證券及期貨條例第XV部)任何股份、相關股份或債券的權益或淡倉。

購股權計劃

本公司於二零一零年十月二十五日採納購股權計劃(「購股權計劃」)，目的是令本公司向選定合資格參與人士授出購股權作為彼等對本集團所作貢獻之鼓勵或獎勵，及/或令本集團能聘用及挽留優秀僱員以及吸引對本集團及任何投資實體具有價值的人力資源。

合資格參與人士包括董事、任何僱員(不論全職或兼職)或股東，以及本集團任何成員公司的任何客戶、供應商、代理、業務或聯營公司業務夥伴、顧問、分銷商、中介人、服務提供商、顧問或承包商。

根據購股權計劃及本集團任何其他計劃將予授出的所有購股權獲行使而可能發行的最高股份總數不得超過上市日期已發行股份總數的10%(即72,000,000股股份)。倘行使向該合資格參與人士授出及將授出的購股權會導致截至最近授出之日止任何十二個月期間內發行及將發行的股份總數超過本公司已發行股份的1%，則不得向任何購股權計劃的參與人士授出購股權。

Report of the Directors

董事會報告

SHARE OPTION SCHEME (Continued)

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as determined by the Board and not exceeding 10 years from the date of the grant. There is no minimum period for which an option must be held before it can be exercised. Participants of the Share Option Scheme are required to pay the Company HK\$1.00 upon acceptance of the grant on the offer date. The exercise price of the options is determined by the Board in its absolute discretion and shall not be less than which ever is the highest of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of the grant, which must be a business day;
- (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five (5) trading days immediately preceding the date of the grant; and
- (c) the nominal value of a Share.

The Share Option Scheme shall be valid and effective for a period of 10 years from 15 November 2010 after which no further options will be granted or offered.

There is no options outstanding, granted, exercised, cancelled and lapsed during the year ended 31 December 2013.

購股權計劃(續)

購股權可於董事會釐定的期間內任何時間按購股權計劃的條款行使，惟不得超過授出當日起計10年。購股權於行使前並無最短持有期限。購股權的參與人士須於授出日接納購股權時向本公司支付1.00港元。任何購股權的行使價將由董事會全權酌情釐定，惟不得低於下列最高者：

- (a) 授出購股權當日(必須為營業日)聯交所每日報價表所列的股份收市價；
- (b) 緊接授出購股權當日前五(5)個交易日聯交所每日報價表所列的股份平均收市價；及
- (c) 股份面值。

購股權計劃將於二零一零年十一月十五日起計10年期間有效，期滿後不得再授出購股權。

於截至二零一三年十二月三十一日止年度期間，概無購股權未獲行使、已授出、已獲行使、註銷及失效。

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

So far as is known to any Directors or chief executives of the Company, as at 31 December 2013, the persons or corporations (other than Directors or chief executives of the Company) who had interest or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of Substantial Shareholders 主要股東姓名／名稱	Capacity 身份	Number of issued ordinary shares held 所持已發行普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
Chenlin International Joint Stock Company Limited 晨淋國際股份有限公司	Beneficial owner ⁽¹⁾ 實益擁有人 ⁽¹⁾	294,283,839 (L)	40.87%

(L): Long position

Note:

(1) Chenlin International Joint Stock Company Limited held 40.87% interest in the Company as at 31 December 2013, and its entire issued share capital is owned by Mr. Chi. Mr. Chi serves as the sole director of Chenlin International Joint Stock Company Limited.

Save as disclosed above, as at 31 December 2013, the Directors are not aware of any other person or corporation (other than Directors or chief executives of the Company) having an interest or short position in the shares and underlying shares of the Company which would require to be recorded in the register required to be kept by the Company under section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained sufficient public float required under the Listing Rules for the year ended 31 December 2013.

主要股東於股份及相關股份的權益及淡倉

就本公司任何董事或最高行政人員所知，於二零一三年十二月三十一日，於本公司股份及相關股份中擁有權益或淡倉而須根據證券及期貨條例第XV部第2及3分部條文予以披露，或已記錄於根據證券及期貨條例第336條須存置之登記冊的人士或法團（本公司董事或最高行政人員除外）如下：

(L): 好倉

附註：

(1) 於二零一三年十二月三十一日，晨淋國際股份有限公司持有本公司40.87%權益，而晨淋國際股份有限公司全部已發行股本則由遲先生所擁有。遲先生為晨淋國際股份有限公司的唯一董事。

除上文所披露者外，於二零一三年十二月三十一日，董事概不知悉任何其他人士或法團（本公司董事或最高行政人員除外）於本公司股份及相關股份中擁有而須記載於本公司按證券及期貨條例第336條置存之登記冊內的權益或淡倉。

公眾持股量的充足度

根據本公司所獲資料及就董事所知，截至本年報日期，本公司於截至二零一三年十二月三十一日止年度已維持上市規則規定的充足公眾持股量。

Report of the Directors

董事會報告

CONTRACTS WITH CONTROLLING SHAREHOLDERS

Save as disclosed in this report, no contract of significance has been entered into between the Company or any of its subsidiaries and the controlling Shareholders of the Company or any of their subsidiaries, at any time during the year. No contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling Shareholders of the Company or any of their subsidiaries.

NON-COMPETITION UNDERTAKINGS

Each of the controlling Shareholders has confirmed to the Company of his/her compliance with the non-compete undertakings provided to the Company under the Deed of Non-competition (as defined in the Prospectus). The independent non-executive Directors have reviewed the status of compliance and confirmed that all the undertakings under the Deed of Non-competition have been complied with by the controlling Shareholders.

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors is or was interested in any business apart from the Group's business, that competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at any time during the year ended 31 December 2013 and up to and including the date of this report.

RELATED PARTY TRANSACTIONS

The Company's auditors were engaged to report on the Group's continuing connected transactions 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 auditors have issued a letter containing unqualified conclusions in respect of the continuing connected transactions as detailed in the section headed "Management Discussion & Analysis" in accordance with Rule 14A.38 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Stock Exchange.

The independent non-executive Directors have reviewed the aforesaid continuing connected transactions, and confirmed that these transactions have been entered into in the ordinary and usual course of business of the Group on normal commercial terms which are fair and reasonable and in the interests of the independent Shareholders of the Company as a whole, and in accordance with the relevant agreements governing them.

與控股股東訂立的合約

除本報告中所批露之外，於年內任何時間，本公司或其任何附屬公司概無與本公司控股股東或任何其附屬公司訂立重大合約。本公司控股股東或任何其附屬公司概無向本公司或其任何附屬公司提供服務的重大合約。

不競爭承諾

各控股股東已向本公司確認，彼已遵守不競爭契約（如招股章程所界定）項下向本公司提供的不競爭承諾。獨立非執行董事已審閱有關遵守情況，並確認控股股東已遵守不競爭契約項下的所有承諾。

董事於競爭業務中的權益

於截至二零一三年十二月三十一日止年度直至及包括本報告日期內任何時間，概無董事在與本集團業務直接或間接存在或很可能存在競爭的任何業務（本集團業務除外）中擁有或曾擁有任何權益。

關連方交易

本公司核數師已獲委聘按照香港會計師公會頒佈的香港核證委聘準則第3000號下之「非審核或審閱過往財務資料之核證工作」規定，並參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」，就本集團的持續關連交易作出報告。根據上市規則第14A.38條，核數師已就於「管理層討論及分析」一段所詳述持續關連交易發出載有無保留意見結論的函件。本公司已向聯交所提供核數師函件之副本。

獨立非執行董事已審閱上述之持續關連交易，並確認該等交易均於本集團日常業務過程中訂立，並以正常商業條款為基準，誠屬公平合理，亦符合本公司獨立股東整體之利益，以及均按照規管有關交易之協議進行。

Report of the Directors

董事會報告

RELATED PARTY TRANSACTIONS (Continued)

Save for the connected transactions in the section headed "Management Discussion & Analysis", all related party transactions disclosed in note 41 to the financial statements did not constitute connected transaction or continuing connected transaction of the Company subject to, among other things, reporting, announcement or independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The related party transactions under the paragraph headed "Compensation of key management personnel" in note 41(d) to the financial statements were exempted from reporting, announcement and independent Shareholders' approval requirements pursuant to Rule 14A.31(6) of the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2013, cash and bank balances (excluding pledged deposits) of the Group amounted to approximately RMB62.7 million (2012: approximately RMB144.1 million). Details of such are set out in note 26 to the consolidated financial statements.

As at 31 December 2013, the Group had interest-bearing bank and other borrowings of approximately RMB625.2 million (2012: approximately RMB1,065.8 million), among which approximately RMB262.3 million was secured by the Group's property, plant and equipment, trade and bill receivables, pledged deposit and prepaid land lease payment. Details of such are set out in note 30 to the financial statements.

HUMAN RESOURCES

As at 31 December 2013, the Group employed 1,841 direct employees (2012: 3,417). The emolument policy of the employees of the Group is determined on the basis of their merit, qualifications and competence. The Company adopted the Share Option Scheme to provide incentive to its senior management and employees. Please refer to the paragraphs headed "Share Option Scheme" in this report for details of such scheme.

As at 31 December 2013, the total staff costs (including directors' and the executive's remuneration) amounted to approximately RMB291.6 million (2012: approximately RMB317.4 million). The Company maintains a Share Option Scheme for the purpose of providing incentives and rewards to the eligible participants for their contributions to the Group.

關連方交易 (續)

除「管理層討論及分析」一節所披露之關連交易外，綜合財務報表附註41披露之所有關連方交易並不構成本公司須遵守(其中包括)上市規則第14A章之申報、公告或獨立股東批准規定之關連交易或持續關連交易。根據上市規則第14A.31(6)財務報表附註41(d)「主要管理人員的薪酬」一段之關連方交易獲豁免申報、公告及獨立股東批准之規定。本公司已遵守上市規則第14A章之披露規定。

流動資金及財務資源

於二零一三年十二月三十一日，本集團的現金及銀行結餘(不包括已抵押存款)約為人民幣62.7百萬元(二零一二年：約人民幣144.1百萬元)，有關詳情載於綜合財務報表附註26。

於二零一三年十二月三十一日，本集團的計息銀行及其他借款約為人民幣625.2百萬元(二零一二年：人民幣1,065.8百萬元)，其中人民幣262.3百萬元由本集團的物業、廠房及設備、貿易應收款及應收票據、已抵押存款以及預付土地租金作抵押。有關詳情載於財務報表附註30。

人力資源

於二零一三年十二月三十一日，本集團擁有1,841名直接僱員(二零一二年：3,417名)。本集團僱員的薪酬政策乃根據彼等的表現、資歷及能力釐定。本公司採納購股權計劃，為高級管理層及僱員提供獎勵。有關計劃的詳情請參閱本報告「購股權計劃」一段。

於二零一三年十二月三十一日，員工總成本(包括董事及行政總裁酬金)約為人民幣291.6百萬元(二零一二年：人民幣317.4百萬元)。本公司設有購股權計劃，令本公司向合資格參與人士授出購股權作為彼等對本集團所作貢獻之鼓勵或獎勵。

Report of the Directors

董事會報告

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out in the financial highlight section on pages 12 to 15 to this report.

RETIREMENT SCHEMES

Particulars of employee retirement schemes of the Group are set out in note 6 to the financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares to existing Shareholders on a pro-rata basis.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the year ended 31 December 2013.

ANNUAL GENERAL MEETING

The AGM will be held on Thursday, 29 May 2014 and the notice of the AGM is included in a circular distributed to the Shareholders together with this annual report.

AUDITORS

The consolidated financial statements of the Group for the year ended 31 December 2013 have been audited by Ernst & Young.

The consolidated financial statements of the Group for the year ended 31 December 2012 were audited by Deloitte Touche Tohmatsu.

Deloitte Touche Tohmatsu ("Deloitte") was re-appointed as the auditors of the Company at the annual general meeting of the Company held on 29 May 2012. Deloitte retired as auditors upon expiration of its term of office at the annual general meeting of the Company held on 29 May 2013. Ernst & Young was appointed as the auditors of the Company with effect from 29 May 2013 following the passing of the resolution in this relation by the Shareholders at the extraordinary general meeting held on the same date.

財務摘要

本集團過往五個財政年度的業績及資產與負債的摘要載於本報告第12頁至15頁財務摘要一節。

退休計劃

本集團的僱員退休計劃詳情載於財務報表附註6。

優先購股權

根據組織章程細則及開曼群島(本公司註冊成立的司法權區)之法律概無有關優先購股權之規定，此將導致本公司須按比例向現有股東發行新股。

購買、出售或贖回本公司的上市證券

於截至二零一三年十二月三十一日止年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司的任何上市證券。

股東週年大會

股東週年大會將於二零一四年五月二十九日(星期四)舉行，有關股東週年大會的通知包含於與本年報一同寄發給股東的通函中。

核數師

本集團截至二零一三年十二月三十一日止年度之綜合財務報表已經由安永會計師行審計。

本集團截至二零一二年十二月三十一日止年度之綜合財務報表由德勤•關黃陳方會計師行審核。

德勤•關黃陳方會計師行(「德勤」)於二零一二年五月二十九日舉行之本公司股東週年大會上獲重新委任為本公司核數師。德勤於二零一三年五月二十九日舉行之本公司股東週年大會上任期屆滿後退任。安永會計師事務所獲委任為本公司核數師，在股東於二零一三年五月二十九日舉行之股東特別大會上通過決議案後，由同日起生效。

Report of the Directors 董事會報告

AUDITORS *(Continued)*

Ernst & Young will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Ernst & Young as auditors of the Company will be proposed at the forthcoming AGM.

By order of the Board
Chi Shaolin
Chairman

Hong Kong, 27 March 2014

核數師 *(續)*

安永會計師事務所將告退任，並合資格獲續聘。續聘安永會計師事務所為本公司核數師之決議案將於即將舉行之股東週年大會提呈。

承董事會命
主席
遲少林

香港，二零一四年三月二十七日

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Directors recognise the importance of incorporating the elements of good corporate governance into the management structures and internal control procedures of the Group so as to achieve effective accountability to the Shareholders as a whole. The Board strives to uphold good corporate governance and adopt sound corporate governance practices continuously in the interest of Shareholders to enhance the overall performance of the Company. The principles and applicable code provisions of the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules have been adopted and complied with by the Group throughout the year except for the following deviation.

According to the code provision A.2.1 of the CG Code, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. The Group does not at present separate the roles of the chairman and CEO. For the year ended 31 December 2013, Mr. Chi is both the chairman of the Board and the CEO of the Group. The Board considers that vesting the roles of chairman and CEO in the same individual is beneficial to the business prospects and management of the Group. The Board will review the need of appointing suitable candidate to assume the role of the CEO when necessary.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. On specific enquiries made, all Directors confirmed that they have complied with the required standards as set out in the Model Code and its code of conduct regarding Directors' securities transactions during the year ended 31 December 2013.

企業管治常規

董事認同，為達致向整體股東有效的問責性，在本集團管理架構及內部監控程序引進良好的企業管治元素非常重要。董事會一直努力貫徹良好企業管治，並繼續以股東利益為依歸，採用健全企業管治常規，以提高本公司的整體表現。年內，本集團已採納並遵守上市規則附錄十四所載列之企業管治守則（「企業管治守則」）的原則及適用守則條文，惟以下偏離除外。

根據企業管治守則的守則條文第A.2.1條，主席及行政總裁的角色應予區分，不應由同一人擔任。目前，本集團尚未區分主席及行政總裁角色。於截至二零一三年十二月三十一日止年度，遲先生兼任本集團之董事會主席及行政總裁。董事會認為，主席及行政總裁職位由同一人兼任有利於本集團的業務前景及管理。董事會將於必要時檢討委派合適人選出任行政總裁的需要。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）作為董事進行證券交易的行為準則。於作出具體查詢時，全體董事已確認，彼等於截至二零一三年十二月三十一日止年度內一直遵守標準守則所載的規定標準及有關董事進行證券交易的操守準則。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS

Composition of the Board of Directors

As at 31 December 2013, the Board comprises three executive Directors and three independent non-executive Directors. The composition of the Board during the year ended 31 December 2013 was as follows:

Executive Directors

Mr. Chi Shaolin (*Chairman and CEO*)

Mr. Cheng Wen (*Vice CEO*)

(appointed on 16 November 2013)

Mr. Lu Chengye (*Vice CEO*)

(appointed on 29 May 2013)

Mr. Jiang Taike (resigned on 15 November 2013)

Mr. Li Jianming (*Vice CEO*)

(resigned on 15 November 2013)

Non-executive Director

Ms. Xu Yiming (retired on 29 May 2013)

Independent Non-executive Directors

Mr. Thomas Tam (appointed on 29 May 2013)

Mr. Pao Ping Wing (appointed on 29 May 2013)

Ms. Zheng Lin

Mr. Shu Wa Tung, Laurence (retired on 29 May 2013)

Mr. Song Lizhong (retired on 29 May 2013)

The biographical details of all Directors are set out in pages 48 to 52 of this annual report. Save as disclosed herein, to the best knowledge of the Company, there is no other financial, business, family or other material or relevant relationships among the members of the Board.

The composition of the Board is well balanced with each Director having sound industry knowledge, extensive corporate and strategic planning experience and/or expertise relevant to the business of the Group. The Board brings a variety of experiences and expertise to the Company.

Functions of the Board

The Board takes overall responsibility to oversee all major matters of the Group, including the formulation and approval of all policy matters, considering and approving overall development strategies, financial objectives, annual budget, investment proposals, monitoring and controlling the operation and financial performance, internal control and risk management systems of the Group and to assume the responsibilities of corporate governance of the Group.

董事會

董事會的組成

於二零一三年十二月三十一日，董事會由三名執行董事及三名獨立非執行董事組成。於截至二零一三年十二月三十一日止年度期間，董事會成員為：

執行董事

遲少林先生 (*主席兼總裁*)

程文先生 (*副總裁*)

(於二零一三年十一月十六日獲委任)

路成業先生 (*副總裁*)

(於二零一三年五月二十九日獲委任)

蔣太科先生 (於二零一三年十一月十五日辭任)

李建明先生 (*副總裁*)

(於二零一三年十一月十五日辭任)

非執行董事

徐藝銘女士 (於二零一三年五月二十九日退任)

獨立非執行董事

談國慶先生 (於二零一三年五月二十九日獲委任)

浦炳榮先生 (於二零一三年五月二十九日獲委任)

鄭琳女士

舒華東先生 (於二零一三年五月二十九日退任)

宋立眾先生 (於二零一三年五月二十九日退任)

全體董事的詳細履歷載於本年報第48至52頁。除本報告所披露者外，就本公司所深悉，董事會成員之間並無任何其他財務、業務、親屬或其他重大或相關關係。

董事會結構平衡，每名董事均具備與本集團業務有關之深厚行業知識、豐富企業及策略規劃經驗及／或專業知識。董事會為本公司帶來各種各樣的經驗及專業知識。

董事會的職能

董事會負責監管本集團的所有重大事項，包括制定及審批所有政策事宜、考慮及批核本集團的整體發展策略、財務目標、年度預算、投資建議、監管及控制營運及財務表現、內部控制及風險管理體系，以及承擔本集團企業管治的責任。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (Continued) Board Meetings and Board Practices

During the year ended 31 December 2013, the Board held 12 meetings, among which, 4 meetings were regular Board meetings. The Directors can attend meetings in person or through other means of electronic communication in accordance with the Articles of Association. The company secretary of the Company (the "Company Secretary") will assist the Chairman to prepare the agenda of the meeting and all Directors have the opportunity to include matters in the agenda for Board meetings. Notices of at least 14 days of regular Board meetings are given to the Directors and Board procedures complied with the Articles of Association, as well as relevant rules and regulations. The Directors are provided with relevant materials relating to the matters brought before the meetings. All Directors have separate and independent access to the senior management and the Company Secretary at all time and will be able to seek independent professional advice at the Company's expense. The Company Secretary is also responsible for ensuring the procedures of the Board meetings are observed and providing the Board with opinions on matters in relation to the compliance with the procedures of the Board meetings. All minutes of Board meetings were recorded in sufficient details of the matters considered by the Board and the decisions reached.

The number of the Board meetings held and the attendance of each Director at the Board meetings for the year ended 31 December 2013 have been set out as follows:

董事會(續)

董事會會議及董事會常規

截至二零一三年十二月三十一日止年度，董事會召開了12次會議，而當中4次會議為定期董事會會議。根據組織章程細則，董事可親身或透過其他電子通訊方式出席會議。本公司的公司秘書(「公司秘書」)將協助主席預備會議議程，所有董事均有機會將任何事宜加入董事會會議議程之內。本公司至少提前14日向董事發出定期董事會會議通告，而董事會程序均遵守組織章程細則及相關規則及條例。董事將於會議召開之前獲提供與相關事項有關之材料。所有董事均可隨時單獨與高級管理層及公司秘書聯繫，並可尋求獨立專業意見，費用由本公司承擔。公司秘書亦負責確保各董事遵守董事會會議程序，並就遵守董事會會議程序的事宜向董事會提供意見。所有董事會會議的紀錄均需足夠詳細地記錄董事會已考慮的事項及作出的決定。

截至二零一三年十二月三十一日止年度，已召開之董事會會議次數及各董事出席董事會會議之情況如下：

No. of Board meetings held:	已召開董事會會議次數：	12
Name of the Director	董事姓名	(Note 2)(附註2)
Executive Directors	執行董事	
Mr. Chi Shaolin (Note 1)	遲少林先生(附註1)	8/12
Mr. Cheng Wen (appointed on 16 November 2013)	程文先生(於二零一三年十一月十六日獲委任)	2/2
Mr. Lu Chengye (appointed on 29 May 2013)	路成業先生(於二零一三年五月二十九日獲委任)	9/9
Mr. Jiang Taike (resigned on 15 November 2013)	蔣太科先生(於二零一三年十一月十五日辭任)	10/10
Mr. Li Jianming (resigned on 15 November 2013)	李建明先生(於二零一三年十一月十五日辭任)	10/10
Non-executive Director	非執行董事	
Ms. Xu Yiming (retired on 29 May 2013)	徐藝銘女士(於二零一三年五月二十九日退任)	3/3
Independent Non-executive Directors	獨立非執行董事	
Mr. Thomas Tam (appointed on 29 May 2013)	談國慶先生(於二零一三年五月二十九日獲委任)	9/9
Mr. Pao Ping Wing (appointed on 29 May 2013)	浦炳榮先生(於二零一三年五月二十九日獲委任)	9/9
Ms. Zheng Lin (Note 1)	鄭琳女士(附註1)	11/12
Mr. Shu Wa Tung, Laurence (retired on 29 May 2013)	舒華東先生(於二零一三年五月二十九日退任)	3/3
Mr. Song Lizhong (retired on 29 May 2013)	宋立眾先生(於二零一三年五月二十九日退任)	3/3

Note 1: Mr. Chi Shaolin abstained from 4 board meetings and Ms. Zhenglin abstained from 1 board meeting due to conflict of interest.

附註1：遲少林先生因利益衝突放棄出席4次董事會會議及鄭琳女士因利益衝突放棄出席1次董事會會議。

Note 2: With reference to the number of board meetings held during his/her tenure.

附註2：參照其任期內舉行之董事會會議數目。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (Continued)

General Meetings

The number of general meetings held and the attendance of each Director at the general meetings for the year ended 31 December 2013 have been set out as follows:

董事會 (續)

股東大會

截至二零一三年十二月三十一日止年度，已召開之股東大會次數及各董事出席股東大會之情況如下：

No. of general meetings held:	已召開股東大會的次數：	6
Name of the Director	董事姓名	(Note 2)(附註2)
Executive Directors	執行董事	
Mr. Chi Shaolin (Note 1)	遲少林先生(附註1)	3/3
Mr. Cheng Wen (appointed on 16 November 2013)	程文先生(於二零一三年十一月十六日獲委任)	0/1
Mr. Lu Chengye (appointed on 29 May 2013)	路成業先生(於二零一三年五月二十九日獲委任)	2/2
Mr. Jiang Taike (resigned on 15 November 2013)	蔣太科先生(於二零一三年十一月十五日辭任)	1/5
Mr. Li Jianming (resigned on 15 November 2013)	李建明先生(於二零一三年十一月十五日辭任)	3/5
Non-executive Director	非執行董事	
Ms. Xu Yiming (retired on 29 May 2013)	徐藝銘女士(於二零一三年五月二十九日退任)	1/3
Independent Non-executive Directors	獨立非執行董事	
Mr. Thomas Tam (appointed on 29 May 2013)	談國慶先生(於二零一三年五月二十九日獲委任)	1/2
Mr. Pao Ping Wing (appointed on 29 May 2013)	浦炳榮先生(於二零一三年五月二十九日獲委任)	1/2
Ms. Zheng Lin	鄭琳女士	5/6
Mr. Shu Wa Tung, Laurence (retired on 29 May 2013)	舒華東先生(於二零一三年五月二十九日退任)	3/3
Mr. Song Lizhong (retired on 29 May 2013)	宋立眾先生(於二零一三年五月二十九日退任)	2/3

Note 1: Mr. Chi Shaolin abstained from 3 general meetings due to conflict of interest.

附註1：遲少林先生因利益衝突放棄出席3次股東大會。

Note 2: With reference to the number of general meetings held during his/her tenure.

附註2：參照其任期內舉行之股東大會會議數目。

Directors' Appointment, Re-election and Removal

Each of the executive and non-executive Directors has entered into a service contract with the Company for a term of three years and each of the independent non-executive Directors has entered into a service contract with the Company for a term of three years, all are subject to termination in accordance with the provisions of the service contract or by either party giving the other not less than three months' prior written notice.

委任、重選及罷免董事

各執行董事及非執行董事已與本公司訂立服務合約，為期三年，各獨立非執行董事已與本公司訂立服務合約，為期三年，根據服務合約的條文，所有服務合約均可終止，或其中一方可向對方發出至少三個月的事先書面通知而終止。

By virtue of article 83(3) of the Articles of Association, Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy of the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Shareholders after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

根據組織章程細則第83(3)條，董事有權不時及隨時委任任何人士為董事以填補董事會的臨時空缺或增添現時董事會人數。任何獲董事會委任以填補臨時空缺的董事的任期將直至其獲委任後的首個股東大會為止，惟可於該大會上膺選連任。任何獲董事會委任以增添現時董事會人數的董事的任期僅直至本公司下屆股東週年大會為止，屆時將合資格膺選連任。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (Continued)

Directors' Appointment, Re-election and Removal (Continued)

In compliance with the code provision A.4.2 of the applicable corporate governance codes, all Directors are subject to retirement by rotation at least once every three years. Furthermore, pursuant to the article 84(1) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

Independent Non-executive Directors

Independent non-executive Directors have played a crucial role in the Board by providing their independent judgment at the Board meeting and scrutinizing the Group's performance. Their views carry significant weight in the Board's decision, in particular, they bring an impartial view to bear on issues of the Group's strategy, performance and control. All independent non-executive Directors possess extensive academic, professional and industry expertise and management experience and have provided their professional advices to the Board. The independent non-executive Directors provide independent advice on the Group's business strategy, results and management so that all interests of the Shareholders will be taken into account, and the interests of the Company and the Shareholders can be protected.

In compliance with Rules 3.10(1) and 3.10A of the Listing Rules, the Board consists of three independent non-executive Directors, representing not less than one-third of the Board, among the three independent non-executive Directors, Mr. Thomas Tam, possessing appropriate professional qualification in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

The Company has received the annual written confirmation of independence from each of its independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules. The Company, based on such confirmations, considers that all the independent non-executive Directors, namely, Mr. Thomas Tam, Mr. Pao Ping Wing and Ms. Zheng Lin, are independent and they all meet the specific independence guidelines as set out in Rule 3.13 of the Listing Rules.

董事會 (續)

委任、重選及罷免董事 (續)

根據適用的企業管治守則條文第A.4.2條，全體董事均須最少每三年退任一次。此外，根據組織章程細則第84(1)條，在每屆股東週年大會上，當時在任的三分之一董事（或若其人數並非三(3)的倍數，則以最接近但不少於三分之一的人數）將輪席告退，惟每名董事須最少每三年於股東週年大會上退任一次。

獨立非執行董事

獨立非執行董事於董事會內擔當重要角色，於董事會會議上提供獨立判斷並詳查本集團的表現，其意見對董事會的決定起重要作用，特別是，他們就本集團的策略事項、表現及控制提供公正意見。全體獨立非執行董事擁有廣泛的學術、專業及行業專長及管理經驗，及向董事會提供專業意見。獨立非執行董事會考慮股東的全部利益，亦會保障本公司及其股東的利益，就本集團的業務策略、業績及管理提供獨立意見。

遵照上市規則第3.10(1)條及3.10A條的規定，董事會包括三名獨立非執行董事，佔董事會不少於三分之一的人數，而三名獨立非執行董事中，其中一名（談國慶先生）擁有合適的會計專業資格或相關財務管理專業知識，符合第3.10(2)條的規定。

本公司已收到各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認書。本公司按照有關確認，認為所有獨立非執行董事（談國慶先生、浦炳榮先生及鄭琳女士）均為獨立人士，且彼等均符合上市規則第3.13條所列之特定獨立指引。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (Continued)

Chairman and CEO

According to the code provision A.2.1 of the applicable corporate governance codes, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. The Group does not at present separate the roles of the chairman and CEO. For the year ended 31 December 2013, Mr. Chi is both the chairman of the Board and the CEO of the Group. He has extensive experience and in-depth knowledge in the electronics industry and is responsible for the overall strategic planning, business planning and decision making in all material matters in the Group. The Board considers that vesting the roles of chairman and CEO in the same individual is beneficial to the business prospects and management of the Group. The balance of power and authorities is ensured by the operation of the Board and the senior management, which comprise experienced and high caliber individuals. Notwithstanding the above, the Board will review the current structure from time to time. When at the appropriate time and if a candidate with suitable leadership, knowledge, skills and experience can be identified within or outside the Group, the Company may make necessary arrangements.

Delegation of Powers

The Board delegates the authority and responsibility for implementing day-to-day operations, administration and management of the Group's businesses to the CEO, the executive Directors, the senior management and certain specific responsibilities to the Board committees of the Company. When the Board delegates aspects of its management and administration functions to members of the management team, it gives clear directions as to the powers of management, in particular, with respect to the circumstances where the management team needs to report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company. The delegated functions and work tasks are regularly reviewed.

Continuous Professional Development

According to the code provision A.6.5 of the CG Code, all directors should participate in a programme of continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the board remains informed and relevant. The Company should be responsible for arranging and funding training, placing an appropriate emphasis on the roles, functions and duties of the Directors.

For the year ended 31 December 2013, the Company had arranged to provide to all Directors with the "Guidelines for Directors" and the "Guide for Independent Non-executive Directors" issued by the Hong Kong Institute of Directors.

董事會(續)

主席兼總裁

根據適用的企業管治守則的守則條文第A.2.1條，主席兼總裁的角色應區分，不應由同一人擔任。目前，本集團尚未區分主席兼總裁角色。於截至二零一三年十二月三十一日止年度，遲先生任本集團之董事會主席兼總裁。彼在電子行業擁有豐富經驗及深入知識，並負責本集團的整體策略規劃、業務規劃及所有重大事項之決策。董事會認為主席及總裁職位由同一人兼任有利於本集團的業務前景及管理。董事會及由經驗豐富且幹練人才組成的高級管理層須確保權力及授權的平衡。儘管如此，董事會將不時審閱現行架構。倘於適當時機集團內部或集團外出現具備相關領導才能、知識、技能及經驗之合適人選，本公司或會作出適當安排。

授權

董事會授權總裁、執行董事及高級管理層負責本集團的日常營運，行政及管理，並將特定職責授權本公司董事會之委員會。董事會授權管理層負責管理及行政職務時會對管理層的權力作出明確指示，特別是代表本公司作出決定或訂立任何承擔前須向董事會報告並獲董事會事先批准。所授權的功能及工作任務會定期進行檢討。

持續專業發展

根據企業管治守則之守則條文第A.6.5條，全體董事須參加持續專業發展計劃，以培育及增進彼等之知識及技巧，確保彼等在知情及切合所需情況下繼續對董事會作出貢獻。本公司須負責安排及資助培訓課程，並適切著重董事之角色、職能及職務。

於截至二零一三年十二月三十一日止年度，本公司已安排為全體董事提供由香港董事學會刊發之「董事指引」及「獨立非執行董事指引」。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (Continued)

Continuous Professional Development (Continued)

The Company also updates the Directors and senior management on the latest development regarding the Listing Rules and other applicable regulatory requirements from time to time, to ensure compliance and enhance their awareness of good corporate governance practices. In particular, training sessions covering topics including the CG Code and the disclosure of inside information had been held during the year.

According to the records provided by the Directors, a summary of training received by the Directors for the year ended 31 December 2013:

Name of Directors 董事姓名		Reading materials 閱覽材料	Attending training/briefing sessions 出席培訓課程／簡報會
Executive Directors	執行董事		
Mr. Chi Shaolin	遲少林先生	✓	✓
Mr. Cheng Wen	程文先生	✓	✓
Mr. Lu Chengye	路成業先生	✓	✓
Independent non-executive Directors	獨立非執行董事		
Mr. Thomas Tam	談國慶先生	✓	✓
Mr. Pao Ping Wing	浦炳榮先生	✓	✓
Ms. Zheng Lin	鄭琳女士	✓	✓

Liability Insurance for Directors

The Company has subscribed appropriate and sufficient insurance coverage on directors' liabilities in respect of legal actions taken against Directors arising out of corporate activities since 31 March 2013.

BOARD COMMITTEES

The Board has established (i) an audit committee; (ii) a compensation and benefits committee; and (iii) a nomination committee, with defined terms of reference. The latest versions of the terms of reference of the Board committees which explain their respective role and the authority delegated to them by the Board are available on the websites of the Stock Exchange and the Company. The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice and other assistance in appropriate circumstances, at the Company's expenses.

董事會 (續)

持續專業發展 (續)

本公司亦不時向董事及高級管理層告知有關上市規則及其他適用監管規定的最新進展，確保彼等遵守及增強關注良好企業管治常規。具體而言，本公司已於年內舉行培訓課程，課題涵蓋經修訂企業管治守則及披露內幕消息。

根據董事提供的記錄，董事於截至二零一三年十二月三十一日止年度的培訓資料概述如下：

董事責任保險

本公司已自二零一三年三月三十一日起購買適合及充足保險，以覆蓋董事就企業活動期間產生對董事所提出法律訴訟的責任。

董事委員會

董事會已成立(i)審核委員會；(ii)薪酬及福利委員會；及(iii)提名委員會，並已界定其職權範圍。董事委員會最新版本的職權範圍可於聯交所及本公司網站查詢，當中說明他們各自的職務及獲董事會授權的權限。董事委員會獲提供足夠的資源履行其責任，及於合理要求時可在適當情況下尋求獨立專業意見及其他援助費用概由本公司支付。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Audit Committee

Composition

The Company established an audit committee (the "Audit Committee") pursuant to a resolution of Directors passed on 25 October 2010 in compliance with Rule 3.21 of the Listing Rules. The primary responsibilities of the Audit Committee are to make recommendation to the Board on the appointment and removal of external auditors, review the financial statements and material advice in respect of financial reporting, and oversee the internal control procedures of the Company. The Audit Committee consists of three members, namely, Mr. Thomas Tam, Mr. Pao Ping Wing and Ms. Zheng Lin, all of whom are independent non-executive Directors as at the date of this report. Mr. Thomas Tam currently serves as the chairman of the Audit Committee. The Audit Committee has adopted the terms of reference which are in line with the applicable code provision in the CG Code.

The Audit Committee has reviewed the Group's annual results for the year ended 31 December 2013, the consolidated financial statements for the year ended 31 December 2013 and this annual report.

During the year ended 31 December 2013, the Audit Committee held 3 meetings to make recommendation on the re-appointment of external auditor, review financial statements, financial reporting system and internal control procedures of the Company. And the attendance of each Audit Committee member at the meetings for the year have been set out as follows:

No. of Audit Committee meetings held:	已召開審核委員會會議次數：	3
Name of the Audit Committee members	審核委員會成員姓名	(Note) (附註)
Mr. Thomas Tam (appointed on 29 May 2013)	談國慶先生(於二零一三年五月二十九日獲委任)	1/1
Mr. Pao Ping Wing (appointed on 29 May 2013)	浦炳榮先生(於二零一三年五月二十九日獲委任)	1/1
Ms. Zheng Lin	鄭琳女士	3/3
Mr. Shu Wa Tung, Laurence (retired on 29 May 2013)	舒華東先生(於二零一三年五月二十九日退任)	2/2
Mr. Song Lizhong (retired on 29 May 2013)	宋立眾先生(於二零一三年五月二十九日退任)	2/2

Note: With reference to the number of meetings held during his/her tenure.

董事委員會 (續)

審核委員會

組成

根據上市規則第3.21條，本公司按於二零一零年十月二十五日通過的一項董事決議案成立審核委員會(「審核委員會」)。審核委員會的主要職責乃就委聘及辭退外聘核數師向董事會作出推薦建議、審閱財務報表及有關財務報告的重要意見，以及監控本公司的內部監控程序。於本報告日期，審核委員會由三名成員組成，包括談國慶先生、浦炳榮先生及鄭琳女士(三名成員均為獨立非執行董事)，而談國慶先生目前擔任審核委員會主席。審核委員會已採納與企業管治守則適用守則條文一致的職權範圍。

審核委員會已審閱本集團截至二零一三年十二月三十一日止年度的全年業績，截至二零一三年十二月三十一日止年度的綜合財務報表及本年報。

截至二零一三年十二月三十一日止年度，審核委員會召開3次會議以建議重選外聘核數師、審閱財務報表、財務報告系統及本公司的內部監控程序。本年度各審核委員會成員出席會議的情況如下：

附註：參照彼任內之會議數目。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Compensation and Benefits Committee

Composition

The Company established a compensation and benefits committee (the "C&B Committee") on 25 October 2010 with written terms of reference which was revised on 22 March 2012. The primary duties of the C&B Committee are to review and make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Company. The compensation and remuneration of all Directors and senior management of the Company is subject to regular review by the C&B Committee to ensure that the levels of their remuneration and compensation are appropriate and none of the Directors determine their own remuneration. The C&B Committee consists of three members, namely, Ms. Zheng Lin, Mr. Thomas Tam (both are independent non-executive Directors) and Mr. Lu Chengye (an executive Director) as at the date of this report. Ms. Zheng Lin currently serves as the chairman of the C&B Committee.

During the year ended 31 December 2013, the C&B Committee held 5 meetings to review and make recommendation on the remuneration policy and structure relating to Directors and senior management of the Company. And the attendance of each C&B Committee member at the meetings for the year have been set out as follows:

董事委員會(續)

薪酬及福利委員會

組成

本公司的薪酬及福利委員會(「薪酬及福利委員會」)乃於二零一零年十月二十五日成立，並設有書面職權範圍(於二零一二年三月二十二日修訂)。薪酬及福利委員會的主要職責是就有關本公司所有董事及高級管理層之整體薪酬政策及架構向董事會提供建議。本公司的所有董事及高級管理層的酬金及薪酬均由薪酬及福利委員會定期監察，以確保彼等的薪酬及酬金保持適當水平，且確保概無董事自行擬定自己的薪酬。於本報告日期，薪酬及福利委員會由三名成員組成，包括鄭琳女士、談國慶先生(二人均為獨立非執行董事)及路成業先生(執行董事)，而鄭琳女士目前擔任薪酬及福利委員會主席。

截至二零一三年十二月三十一日止年度，薪酬及福利委員會召開5次會議以審閱及建議有關本公司董事及高級管理層的薪酬政策及架構。本年度各薪酬及福利委員會成員出席會議之情況如下：

No. of C&B Committee meetings held:	已召開薪酬及福利委員會會議次數：	5
Name of C&B Committee members	薪酬及福利委員會成員姓名	(Note 2)(附註2)
Mr. Lu Chengye (appointed on 29 May 2013)	路成業先生(於二零一三年五月二十九日獲委任)	3/3
Mr. Thomas Tam (appointed on 29 May 2013)	談國慶先生(於二零一三年五月二十九日獲委任)	3/3
Ms. Zheng Lin (Note 1)	鄭琳女士(附註1)	4/5
Ms. Xu Yiming (retired on 29 May 2013)	徐藝銘女士(於二零一三年五月二十九日退任)	2/2
Mr. Shu Wa Tung, Laurence (retired on 29 May 2013)	舒華東先生(於二零一三年五月二十九日退任)	2/2

Note 1: Ms. Zheng Lin abstained from 1 C&B Committee meeting due to conflict of interest.

附註1：鄭琳女士因利益衝突放棄出席1次薪酬及福利委員會會議。

Note 2: With reference to the number of meetings held during his/her tenure.

附註2：參照彼任內之會議數目。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Remuneration Policy for Directors and Senior Management

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

The emoluments of the Directors are recommended by the C&B Committee, having regard to the Company's operating results, individual performance, experience, responsibility, workload and time devoted to the Company and comparable market statistics. Each of the executive Directors is entitled to a basic salary which is reviewed annually. In addition, each of the executive Directors may receive a discretionary bonus as the Board may recommend. Such amount has to be approved by the C&B Committee.

The Company has adopted a Share Option Scheme on 25 October 2010. The purpose of the Share Option Scheme is to enable the Company to grant options to selected eligible participants as incentives or rewards for their contribution to the Group and/or to enable the Group to recruit and retain high caliber employees and attract human resources that are valuable to the Group and any invested entity.

Nomination Committee

Composition

The Company established a nominating and corporate governance committee on 25 October 2010 (which was renamed as Nomination Committee on 22 March 2012, the "Nomination Committee") with written terms of reference which was revised on 22 March 2012. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board on a regular basis and to recommend to the Board the suitable candidates for Directors after consideration of the nominees' independence and quality in order to ensure fairness and transparency of all nominations. The Nomination Committee consists of three members, namely Mr. Chi Shaolin (an executive Director), Mr. Thomas Tam and Mr. Pao Ping Wing (both are independent non-executive Directors) as at the date of this report. Mr. Chi Shaolin currently serves as the chairman of the Nomination Committee.

The Nomination Committee adopted the board diversity policy in August 2013. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

董事委員會 (續)

董事及高級管理層的薪酬政策

本集團的僱員薪酬政策按彼等的價值、資歷及能力而釐定。

董事酬金乃經考慮本公司經營業績、個人表現、經驗、職責、工作量及投入本公司的時間，以及可資比較的市場統計資料後，由薪酬及福利委員會建議。各執行董事均可享底薪，底薪會按年檢討。另外，各執行董事可按董事會的建議收取酌定花紅，酌定花紅須經薪酬及福利委員會審批。

本公司已於二零一零年十月二十五日採納購股權計劃。購股權計劃旨在令本公司向選定合資格參與人士授出購股權，作為彼等對本集團所作出貢獻之鼓勵或獎勵，及／或令本集團能聘用及挽留優秀僱員，以及吸引對本集團及任何投資實體具有價值的人力資源。

提名委員會

組成

本公司的提名及企業管治委員會(於二零一二年三月二十二日重新命名為提名委員會(「提名委員會」))乃於二零一零年十月二十五日成立，並設有書面職權範圍(於二零一二年三月二十二日修訂)。提名委員會的主要職責乃定期檢討董事會的架構、規模及組成，並在考慮提名人的獨立性及質素後向董事會推薦合適的董事候選人，以確保所有提名公平及具透明度。於本報告日期，提名委員會由三名成員組成，包括遲少林先生(執行董事)、談國慶先生及浦炳榮先生(二人均為獨立非執行董事)組成，而遲少林先生目前擔任提名委員會主席。

提名委員會於二零一三年八月採納董事會多元化政策。本公司明白及信納董事會多元化能提升表現質素的裨益。甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按人選之長處及可為董事會提供之貢獻而作決定。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

Composition (Continued)

During the year ended 31 December 2013, the Nomination Committee held 4 meetings to review the structure, size and composition of the Board. And the attendance of each Nomination Committee member at the meetings for the year have been set out as follows:

董事委員會 (續)

提名委員會 (續)

組成 (續)

截至二零一三年十二月三十一日止年度，提名委員會召開4次會議以檢討董事會的架構、規模及組成。本年度各提名委員會成員出席會議之情況如下：

No. of Nomination Committee meetings held:	已召開提名委員會會議次數：	4
Name of the Nomination Committee members	提名委員會成員姓名	(Note) (附註)
Mr. Chi Shaolin	遲少林先生	4/4
Mr. Thomas Tam (appointed on 29 May 2013)	談國慶先生 (於二零一三年五月二十九日獲委任)	2/2
Mr. Pao Ping Wing (appointed on 29 May 2013)	浦炳榮先生 (於二零一三年五月二十九日獲委任)	2/2
Mr. Shu Wa Tung, Laurence (retired on 29 May 2013)	舒華東先生 (於二零一三年五月二十九日退任)	2/2
Mr. Song Lizhong (retired on 29 May 2013)	宋立眾先生 (於二零一三年五月二十九日退任)	2/2

Note: With reference to the number of meetings held during his/her tenure.

附註：參照彼任內之會議數目。

Corporate Governance Functions

The Company's corporate governance functions are carried out by the Board pursuant to a set of written terms of reference adopted by the Board in compliance with code provision D.3.1 of the CG Code, which include (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board; (b) to review and monitor the training and continuous professional development of the Directors and senior management of the Group; (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees of the Group and the Directors; and (e) to review the Company's compliance with the applicable corporate governance codes and disclosure in the corporate governance report.

企業管治職能

董事會根據董事會為符合企業管治守則的守則條文第D.3.1條而採納的書面職權範圍履行本公司的企業管治職能，包括(a)制定及審閱本公司的企業管治政策及慣例，並向董事會提出推薦意見；(b)檢討及監察本集團董事及高級管理層的培訓及持續專業發展；(c)檢討及監察本公司的政策及慣例是否符合法律及監管規定；(d)制定、檢討及監察適用於本集團僱員及董事的行為守則及合規手冊(如有)；及(e)檢討本公司是否遵守適用的企業管治守則及企業管治報告中作出的披露。

Corporate Governance Report

企業管治報告

FINANCIAL REPORTING

The Board, supported by the chief financial officer and the finance department, is responsible for the preparation of the Group's financial statements for each financial year which shall give a true and fair view of the financial position, performance and cash flows of the Group for that year. In preparing the financial statements for the year ended 31 December 2013, the Board has selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis. The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

The responsibilities of the Company's external auditors, Ernst & Young, on the financial statements are set out in the section headed "Independent Auditors' Report" in this annual report.

External Auditors' Remuneration

During the year ended 31 December 2013, the fees paid or payable to the Company's external auditors in respect of their audit and non-audit services were as follows:

Type of Services	服務類別	RMB'000 人民幣千元
Non-audit services	非核數服務	2,362
Statutory audit services	法定核數服務	2,200
Total	總計	4,562

INTERNAL CONTROLS

The Board acknowledges its responsibility for ensuring the reliabilities and effectiveness of the Group's internal control systems on, among other things, financial, operational and compliance controls. The Company has reviewed its internal control system covering all material controls, including financial and operation for the year ended 31 December 2013. The said internal control review has been brought to the attention of the Board and the Audit Committee and who concluded that the Group operate satisfactorily and has fully complied with provisions of the applicable corporate governance codes regarding internal control systems in general for the year ended 31 December 2013.

財務呈報

董事會在財務總監及財務部門的支持下負責編製本集團每個財政年度的財務報表，該等財務報表真實及公正地反映本集團於該年度的財務狀況、表現及現金流量。編製截至二零一三年十二月三十一日止年度的財務報表時，董事會已選取適用會計政策並貫徹使用，並審慎、公允而合理地作出判斷及估計，以及按持續經營基準編製財務報表。董事有責任作出一切合理而必須的步驟，保護本集團的資產，並且防止及偵查欺詐及其他不正常情況。董事會並不知悉任何有關可能對本集團按持續基準繼續經營的能力構成重大疑問的事件或情況的任何重大不明朗因素。

本公司的外聘核數師安永會計師行就財務報表之責任載於本年報「獨立核數師報告」一節。

外聘核數師酬金

於截至二零一三年十二月三十一日止年度，就核數及非核數服務已付或應付本公司外聘核數師的費用如下：

內部監控

董事會知悉其須對確保本集團對包括財務、營運及合規控制在內的內部監控制度的可信性及成效負責。本公司已於截至二零一三年十二月三十一日止年度檢討其內部監控制度，當中涉及一切重大監控環節，包括財務及營運。上述內部監控檢討已提呈董事會及審核委員會，其指出本集團營運理想，且於截至二零一三年十二月三十一日止年度，就整體內部監控制度而言，本集團已全面遵守適用的企業管治守則條文。

Corporate Governance Report

企業管治報告

COMPANY SECRETARY

The Company has engaged in a service contract with an external service provider, Ms. Ho Wing Yan (“Ms. Ho”), who was appointed as the Company Secretary. Mr. Chi, the chairman, executive Director and CEO of the Company, is the primary corporate contact person of the Company with Ms. Ho.

Being the Company Secretary, Ms. Ho plays an important role in supporting the Board by ensuring good information flow within the Board and that Board policy and procedures are followed. Ms. Ho is responsible for advising the Board on corporate governance matters and should also facilitate induction and professional development of Directors.

Ms. Ho is an associate member of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. Ms. Ho continues to study professional course of corporate governance and has extensive experience in the company secretarial field for listed companies. Ms. Ho is also a holder of the Practitioner’s Endorsement issued by The Hong Kong Institute of Chartered Secretaries. According to Rule 3.29 of the Listing Rules, Ms. Ho took more than 15 hours of relevant professional training for the year ended 31 December 2013.

INVESTORS AND SHAREHOLDERS RELATIONS

During the year ended 31 December 2013, there has been no significant change in the Company’s constitutional documents.

The Board recognise the importance of maintaining clear, timely and effective communication with Shareholders and investors of the Company. The Board also recognise that effective communication with investors is the key to establish investor confidence and to attract new investors. Therefore, the Group is committed to maintaining a high degree of transparency to ensure that the investors and the Shareholders receiving accurate, clear, comprehensive and timely information of the Group by the publication of annual reports, interim reports, announcements and circulars. The Company also publishes all corporate correspondence on the Company’s website at <http://www.hong-lin.com.cn>. The Board continues to maintain regular dialogues with institutional investors and analysts from time to time to keep them informed of the Group’s strategy, operations, management and plans. The Directors and the members of the Board committees would attend and are available to answer questions at general meetings of the Company. Separate resolutions would be proposed at general meetings of the Company on each substantially separate issue.

公司秘書

本公司與外聘服務供應商訂立服務合約，據此何詠欣女士（「何女士」）獲委任為公司秘書。本公司主席、執行董事兼總裁遲先生，為何女士於本公司之主要企業聯絡人。

作為公司秘書，何女士於支援董事會方面擔當重任，確保董事會成員間有效交流資訊，以及董事會政策及程序得以遵守。何女士負責就企業管治事宜向董事會提供意見，亦應安排董事的入職培訓及專業發展。

何女士為英國特許秘書及行政人員公會及香港特許秘書公會會員。何女士一直修讀企業管治專業課程，並於擔任上市公司之公司秘書方面擁有豐富經驗。何女士亦持有由香港特許秘書公會發出的執業認可證明。根據上市規則第3.29條，於截至二零一三年十二月三十一日止年度，何女士已接受超過十五小時的相關專業培訓。

投資者及股東關係

於截至二零一三年十二月三十一日止年度，本公司的組織章程文件並無重大變更。

董事會認同與本公司股東及投資者保持清晰、及時而有效的溝通的重要性。董事會亦認同與投資者進行有效溝通是建立投資者信心及吸引新投資者的關鍵所在。因此，本集團致力保持高透明度，確保投資者及股東通過刊發年報、中期報告、公告及通函得到準確、清晰、完整而及時的本公司資料，而本公司亦在公司網站 <http://www.hong-lin.com.cn> 刊發全部企業通訊。董事會持續與機構投資者及分析員保持定期溝通，不時讓彼等得悉本集團的策略、營運、管理及計劃。董事及董事委員會成員應出席並在本公司的股東大會解答問題。各重大議題須以獨立決議案方式於本公司股東大會上提呈。

Corporate Governance Report

企業管治報告

INVESTORS AND SHAREHOLDERS RELATIONS

(Continued)

Shareholders' Rights

In accordance with the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all votes of the shareholders at general meetings shall be taken by poll. The results of voting by poll will be declared at the meeting and published on the websites of the Stock Exchange and the Company respectively.

How Shareholders can convene an extraordinary general meeting and putting forward proposals at Shareholders' meetings

Pursuant to article 58 of the Articles of Association, any one or more shareholder 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 by mail at 33rd Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong, to require an extraordinary 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 months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Procedures by which enquiries may be put to the Board

Shareholders may put forward their proposals or inquiries to the Board by sending their written request to the Company's correspondence address in Hong Kong.

投資者及股東關係 (續)

股東權利

根據上市規則，除主席以誠實信用的原則做出決定，容許純粹有關程序或行政事宜的決議案以舉手方式表決外，於股東大會上任何股東必須以投票方式表決。因此，股東於股東大會的所有投票須以點票方式表決。投票結果將於大會上宣佈，並將分別在聯交所及本公司的網站上公佈。

股東如何召開股東特別大會及於股東大會上提出建議

根據組織章程細則第58條，任何於發出要求當日持有有權於本公司股東大會上投票的本公司繳足股本不少於十分之一的一個或多個股東，有權透過郵寄至香港灣仔港灣道6-8號瑞安中心33樓向董事會或公司秘書致函要求董事會召開特別股東大會，以處理該等要求列明的任何事項，而該等會議需在發出要求當日後兩個月內召開。如董事會在發出要求當日後21天內未能召開有關會議，則提出該要求的股東可自行召開會議，且因董事會未能召開會議而產生的所有合理的費用均須由本公司承擔。

股東可向董事會提出查詢的程序

股東可將書面要求發送至本公司在香港的通訊地址，藉此向董事會提交建議或諮詢。

Independent Auditors' Report

獨立核數師報告



TO THE SHAREHOLDERS OF HL TECHNOLOGY GROUP LIMITED (Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of HL Technology Group Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 83 to 212, which comprise the consolidated and company statements of financial position as at 31 December 2013, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the 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 International Financial Reporting Standards issued by the International Accounting Standards Board 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our report is made solely to you, as a body, 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 Hong Kong Institute of Certified Public Accountants. 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.

致泓淋科技集團有限公司各股東 (於開曼群島註冊成立之有限公司)

吾等已審核第83頁至第212頁所載泓淋科技集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，包括於二零一三年十二月三十一日的綜合及公司財務狀況表，截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他說明註釋。

董事就綜合財務報表之責任

貴公司董事須負責根據國際會計準則委員會頒佈的國際財務報告準則及香港公司條例的披露規定編製真實兼公平之綜合財務報表。為此，董事必須實行相關的內部控制，以確保編製綜合財務報表時不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師之責任

吾等的責任是根據吾等的審核對該等綜合財務報表作出意見。吾等的報告僅為全體股東編製，而並不可作其他目的。吾等概不就本報告的內容對任何其他人士負責或承擔責任。

吾等已根據香港會計師公會頒佈的香港審核準則的規定進行審核。這些準則要求吾等遵守職業道德規範，並規劃及執行審核，從而獲得合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

Independent Auditors' Report

獨立核數師報告

TO THE SHAREHOLDERS OF HL TECHNOLOGY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

AUDITORS' RESPONSIBILITY *(Continued)*

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 auditors' judgement, 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 auditors consider internal control relevant to the entity's preparation of 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.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2013, and of the Group's loss and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young

Certified Public Accountants

22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

27 March 2014

致泓淋科技集團有限公司各股東

(於開曼群島註冊成立之有限公司)

核數師之責任 *(續)*

審核涉及執行情序以取得綜合財務報表的金額及披露的審核證據。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綜合財務資料存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製真實而公平地列報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，以及評價綜合財務報表的整體列報方式。

吾等相信，吾等所獲得的審核證據乃充足及適當地為吾等的審計意見提供基礎。

意見

吾等認為，該等綜合財務報表已根據國際財務報告準則真實而公平地反映 貴公司和 貴集團於二零一三年十二月三十一日的事務狀況及 貴集團截至該日止年度的溢利和現金流量，並已按照香港公司條例的披露規定妥為編製。

安永會計師事務所

執業會計師

香港
中環
添美道1號
中信大廈22樓

二零一四年三月二十七日

Consolidated Statement of Profit or Loss

綜合損益表

Year ended 31 December 2013
截至二零一三年十二月三十一日止年度

		Notes 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
CONTINUING OPERATIONS	持續經營業務			
REVENUE	收益	5	2,712,525	2,513,955
Cost of sales	銷售成本		(2,354,482)	(2,184,596)
Gross profit	毛利		358,043	329,359
Other income and gains	其他收入及收益	5	21,083	41,105
Selling and distribution expenses	銷售及分銷開支		(110,871)	(79,378)
Administrative expenses	行政開支		(154,813)	(144,551)
Research and development expenses	研發開支		(92,673)	(83,198)
Other expenses	其他開支		(24,890)	(44,486)
Finance costs	融資成本	7	(150,551)	(61,645)
Share of loss of an associate	應佔一間聯營公司虧損		(270)	—
LOSS BEFORE TAX FROM CONTINUING OPERATIONS	持續經營業務除稅前虧損	6	(154,942)	(42,794)
Income tax expense	所得稅開支	10	(25,020)	(7,151)
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS	持續經營業務年度虧損		(179,962)	(49,945)
DISCONTINUED OPERATION	已終止經營業務			
Loss for the year from a discontinued operation	已終止經營業務年度虧損		(249)	—
LOSS FOR THE YEAR	年度虧損		(180,211)	(49,945)
Attributable to:	以下各方應佔：			
Owners of the parent	母公司擁有人	11	(177,510)	(35,680)
Non-controlling interests	非控制權益		(2,701)	(14,265)
			(180,211)	(49,945)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通股權益持有人應佔每股虧損	13		
Basic	基本			
— For loss for the year	— 年度虧損		RMB24.65 cents	RMB4.96 cents
— For loss from continuing operations	— 持續經營業務虧損		RMB24.64 cents	RMB4.96 cents
Diluted	攤薄			
— For loss for the year	— 年度虧損		RMB24.65 cents	RMB4.96 cents
— For loss from continuing operations	— 持續經營業務虧損		RMB24.64 cents	RMB4.96 cents

Consolidated Statement of Comprehensive Income

綜合全面收益表

Year ended 31 December 2013

截至二零一三年十二月三十一日止年度

		Note	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
LOSS FOR THE YEAR	年度虧損		(180,211)	(49,945)
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收益/(虧損)			
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:	將於其後期間重新分類為損益的其他全面收益/(虧損)：			
Exchange differences on translation of foreign operations	換算外國業務之滙兌差額		(246)	278
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	年度全面虧損總額		(180,457)	(49,667)
Attributable to:	以下各方應佔：			
Owners of the parent	母公司擁有人	11	(177,761)	(35,402)
Non-controlling interests	非控制權益		(2,696)	(14,265)
			(180,457)	(49,667)

Consolidated Statement of Financial Position

綜合財務狀況表

31 December 2013
於二零一三年十二月三十一日

			31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元 (Restated) (經重列)
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	429,220	759,096
Prepaid land lease payments	預付土地租賃款項	15	110,865	86,750
Goodwill	商譽	16	61,146	61,146
Other intangible assets	其他無形資產	17	151,624	181,049
Available-for-sale investments	可供出售投資	20	15,000	15,000
Deferred tax assets	遞延稅項資產	21	3,274	6,349
Prepayments for acquiring property, plant and equipment	收購物業、廠房及設備預付款		520	13,843
Prepayments for acquiring land use rights	收購土地使用權預付款	22	10,087	76,251
Long-term trade receivables	長期貿易應收款項	24	–	8,598
Total non-current assets	非流動資產總額		781,736	1,208,082
CURRENT ASSETS	流動資產			
Inventories	存貨	23	125,782	327,404
Trade and bills receivables	貿易及票據應收款	24	1,201,430	1,353,534
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	25	230,189	308,593
Derivative financial instruments	衍生金融工具		–	156
Pledged deposits	已抵押存款	26	16,064	26,799
Cash and cash equivalents	現金及現金等價物	26	62,721	144,082
Assets of a disposal group classified as held for sale	分類為持有待售出售組別之資產		1,636,186	2,160,568
		27	–	137,625
Total current assets	流動資產總額		1,636,186	2,298,193
CURRENT LIABILITIES	流動負債			
Trade and bills payables	貿易及票據應付款	28	704,176	666,423
Other payables and accruals	其他應付款項及應計費用	29	234,815	182,078
Interest-bearing bank and other borrowings	計息銀行及其他借貸	30	625,206	1,065,752
Tax payable	應付稅款		34,767	20,829
Liabilities directly associated with the assets classified as held for sale	直接與分類為持有待售資產相關之負債		1,598,964	1,935,082
		27	–	69,613
Total current liabilities	流動負債總額		1,598,964	2,004,695

Consolidated Statement of Financial Position

綜合財務狀況表

31 December 2013

於二零一三年十二月三十一日

		31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元 (Restated) (經重列)
		Notes 附註	
NET CURRENT ASSETS	流動資產淨額		37,222
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動 負債		293,498
NON-CURRENT LIABILITIES	非流動負債		818,958
Deferred tax liabilities	遞延稅項負債	21	17,393
Other long-term payables	其他長期應付款項	28	7,697
Government grants	政府補貼	6	13,955
Total non-current liabilities	非流動負債總額		23,341
Net assets	資產淨值		39,045
EQUITY	權益		795,617
Equity attributable to owners of the parent	母公司擁有人 應佔權益		1,462,535
Issued capital	已發行股本	31	97,401
Reserves	儲備	33(a)	698,457
Non-controlling interests	非控制權益		795,858 (241)
Total equity	權益總額		1,427,338 35,197

Chi Shao Lin
遲少林
DIRECTOR
董事

Cheng Wen
程文
DIRECTOR
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 December 2013
截至二零一三年十二月三十一日止年度

		Attributable to owners of the parent 本公司擁有人應佔										
		Issued capital 已發行股本 (note 31) RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Special reserve ^(a) 特別儲備 ^(a) RMB'000 人民幣千元	Share awards reserve 股份獎勵儲備 RMB'000 人民幣千元	Other reserve ^(b) 其他儲備 ^(b) RMB'000 人民幣千元	Statutory surplus reserve ^(c) 法定盈餘儲備 ^(c) RMB'000 人民幣千元	Foreign currency translation reserve 匯兌儲備 RMB'000 人民幣千元	Retained earnings 保留溢利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Non-controlling interests 非控制權益 RMB'000 人民幣千元	Total equity 權益總計 RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日	97,401	429,549	74,394	(1,892)	3,787	55,506	9	372,940	1,031,694	60,833	1,092,527
Loss for the year (as restated)	年度虧損(經重列)	-	-	-	-	-	-	-	(35,680)	(35,680)	(14,265)	(49,945)
Other comprehensive income for the year:	年度其他全面收益:											
Exchange differences on translation of foreign operations (as restated)	換算海外業務之匯兌差額(經重列)	-	-	-	-	-	-	278	-	278	-	278
Total comprehensive loss for the year	年度全面虧損總額	-	-	-	-	-	-	278	(35,680)	(35,402)	(14,265)	(49,667)
Recognition of equity-settled share-based payments (note 32)	確認以權益結算的股份支付的款項(附註32)	-	-	-	3,762	-	-	-	-	3,762	-	3,762
Acquisition of a subsidiary (note 2.1) (note 34(a))	收購一間附屬公司(附註2.1)(附註34(a))	-	-	428,904	-	-	-	-	-	428,904	-	428,904
Disposal of a subsidiary (note 35(e))	出售一間附屬公司(附註35(e))	-	-	-	-	-	(913)	-	913	-	(9,800)	(9,800)
Capital contributions from non-controlling interests of subsidiaries (note (d) below)	附屬公司非控制權益注資(下方附註(d))	-	-	-	-	-	-	-	-	-	5,600	5,600
Acquisition of non-controlling interests (note (e)(i)(ii) below)	收購非控制權益(下方附註(e)(i)(ii))	-	-	-	-	(792)	-	-	-	(792)	(1,800)	(2,592)
Dividends to non-controlling shareholders	給予非控股股東的股息	-	-	-	-	-	-	-	(828)	(828)	(5,371)	(6,199)
Transfer from retained earnings	轉撥自保留溢利	-	-	-	-	-	11,039	-	(11,039)	-	-	-
At 31 December 2012 (as restated)	於二零一二年十二月三十一日(經重列)	97,401	429,549*	503,298*	1,870*	2,995*	65,632*	287*	326,306*	1,427,338	35,197	1,462,535
At 1 January 2013	於二零一三年一月一日	97,401	429,549	74,394	1,870	2,995	62,058	334	317,235	985,836	35,197	1,021,033
Effect of business combination under common control (note 2.1) (note 34(a))	共同控制下之業務合併之影響(附註2.1)(附註34(a))	-	-	428,904	-	-	3,574	(47)	9,071	441,502	-	441,502
As restated	經重列	97,401	429,549	503,298	1,870	2,995	65,632	287	326,306	1,427,338	35,197	1,462,535
Loss for the year	年度虧損	-	-	-	-	-	-	-	(177,510)	(177,510)	(2,701)	(180,211)
Other comprehensive loss for the year:	年度其他全面虧損:											
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	-	-	-	-	-	-	(251)	-	(251)	5	(246)
Total comprehensive loss for the year	年度全面虧損總額	-	-	-	-	-	-	(251)	(177,510)	(177,761)	(2,696)	(180,457)
Recognition of equity-settled share-based payments (note 32)	確認以權益結算的股份支付的款項(附註32)	-	-	-	203	-	-	-	-	203	-	203
Disposal of a subsidiary (note 35)	出售一間附屬公司(附註35)	-	-	-	-	(840)	(25,704)	(288)	26,544	(288)	(32,798)	(33,086)
Acquisition of a subsidiary (note 2.1) (note 34(a))	收購一間附屬公司(附註2.1)(附註34(a))	-	-	(442,234)	-	-	-	-	-	(442,234)	220	(442,014)
Acquisition of non-controlling interests (note (e)(iii) below) (note 35(b))	收購非控制權益(下方附註(e)(iii))(附註35(b))	-	-	-	-	(11,400)	-	-	-	(11,400)	(164)	(11,564)
Transfer from retained earnings	轉撥自保留溢利	-	-	-	-	-	5,904	-	(5,904)	-	-	-
At 31 December 2013	於二零一三年十二月三十一日	97,401	429,549*	61,064*	2,073*	(9,245)*	45,832*	(252)*	169,436*	795,858	(241)	795,617

* These reserve accounts comprise the consolidated reserves of RMB698,457,000 (2012: RMB1,329,937,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表內的綜合儲備人民幣698,457,000元(二零一二年:人民幣1,329,937,000元)。

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 December 2013

截至二零一三年十二月三十一日止年度

Notes:

(a) Special reserve

The balances as at 31 December 2013 and 2012 mainly represented:

- (i) the difference between the nominal amount of the shares issued by the parent and the aggregate amount of paid-in capital of the subsidiaries acquired pursuant to the group reorganisation of the Company in 2008; and
- (ii) the excess, amounting to RMB13,330,000, of the consideration paid by the parent for the acquisition of Rosy Sun Investments Limited ("Rosy Sun") over the consideration paid by Mr. Chi Shaolin for the acquisition of Rosy Sun from a third party.

(b) Other reserve

Other reserve arose from acquisitions of non-controlling interests in subsidiaries.

(c) Statutory surplus reserve

As stipulated by the relevant laws and regulations for enterprises in the People's Republic of China (the "PRC"), the Company's PRC subsidiaries are required to maintain a statutory surplus reserve fund which is non-distributable. The appropriations to such reserve are made out of the net profit after tax of the statutory financial statements of the relevant PRC subsidiaries. The statutory surplus reserve fund can be used to make up prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue.

(d) Capital contribution from non-controlling interests of subsidiaries

The amounts represented:

- (i) the capital contribution of RMB4,000,000 from the non-controlling interests of 威海市東晨塑膠新材料有限公司 (Weihai Dongchen Plastic New Materials Limited[#], "Weihai Dongchen"), a subsidiary of the Company in which the Company owns a 60% equity interest in the entity; and
- (ii) the capital contribution of RMB1,600,000 from the non-controlling interests of 深圳市泓淋通訊科技有限公司 (Shenzhen Honglin Communication Technology Co., Ltd.[#], "Shenzhen Communication"), representing the additional capital contribution from the non-controlling interests after which the Company owns a 72% equity interest in this entity.

(e) Acquisition of non-controlling interests

The amounts represented:

- (i) the acquisition of a 2.73% equity interest in 惠州市泓淋科技有限公司 (Huizhou Honglin Technology Co., Ltd.[#], "Huizhou Technology") from the non-controlling interests for a total consideration of RMB1,992,000 during the year 2012. Since then, Huizhou Technology became a wholly owned subsidiary of the Company. Huizhou Technology was formerly known as 惠州大亞灣和平通信電纜有限公司 (Huizhou Daya Bay Heping Telecommunication Co., Ltd.[#]);
- (ii) the acquisition of a 8% equity interest in Shenzhen Communication after the capital contribution from the non-controlling interests completed as mentioned in note (d)(ii) above, for a total consideration of RMB600,000 during the year 2012; and
- (iii) the acquisition of a 45% equity interest in 天津市日拓高科技有限公司 (Tianjin Rituo High Technology Co., Ltd.[#], "Rituo Technology") from the non-controlling interests as part of the consideration, measured at fair value of RMB11,564,000, satisfying the disposal of 天津日拓汽車電裝有限公司 (Tianjin Rituo Automotive Electronics Co., Ltd.[#], "Rituo Automotive") to the owner of that non-controlling interest. Further details are set out in note 35(b).

[#] The English names are for identification purposes only.

附註：

(a) 特別儲備

於二零一三年及二零一二年十二月三十一日之結餘主要指：

- (i) 母公司所發行股份的面值與根據本公司於二零零八年進行集團重組所收購附屬公司實繳資本總金額的差額；及
- (ii) 母公司就收購 Rosy Sun Investments Limited (「Rosy Sun」) 所付代價較遲少先生從第三方收購 Rosy Sun 時所付代價多出之金額人民幣 13,330,000 元。

(b) 其他儲備

其他儲備來自收購附屬公司的非控制權益。

(c) 法定盈餘儲備

中華人民共和國(「中國」)企業的相關法律及法規規定，本公司中國附屬公司須保存不可分派的法定盈餘儲備基金。該等儲備的撥款來自中國相關附屬公司法定財務報表的除稅後純利。法定盈餘儲備基金可用於彌補過往年度虧損(如有)，並可以資本化發行的方式轉換為資本。

(d) 附屬公司非控制權益的注資

該等金額代表：

- (i) 威海市東晨塑膠新材料有限公司(「威海東晨」)的非控制權益注資人民幣4,000,000元，該公司為本公司的附屬公司，由本公司擁有60%股權；及
- (ii) 深圳市泓淋通訊科技有限公司(「深圳通訊」)之非控制權益注資人民幣1,600,000元，為非控制權益的額外注資，其後本公司擁有該公司的72%股權。

(e) 收購非控制權益

該等金額代表：

- (i) 於二零一二年，向非控制權益收購惠州市泓淋科技有限公司(「惠州科技」)的2.73%股權，總代價為人民幣1,992,000元。其後惠州科技成為本公司的全資附屬公司。惠州科技前稱惠州大亞灣和平通信電纜有限公司；
- (ii) 於二零一二年，於非控制權益注資完成後(見上文附註(d)(ii)所述)，收購深圳通訊的8%股權，總代價為人民幣600,000元；及
- (iii) 從非控制權益收購天津市日拓高科技有限公司(「日拓高科技」)45%權益，作為向該非控制權益擁有人出售天津日拓汽車電裝有限公司(「日拓汽車」)的部分代價付款(按公平值計量為人民幣11,564,000元)。詳情載於附註35(b)。

[#] 英文名稱僅供識別。

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2013
截至二零一三年十二月三十一日止年度

			2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
	Notes 附註			
CASH FLOWS FROM OPERATING ACTIVITIES		來自經營活動現金流量		
Loss before tax:		除稅前虧損：		
From continuing operations		來自持續經營業務	(154,942)	(42,794)
From a discontinued operation		來自已終止經營業務	(249)	–
Adjustments for:		就下列各項之調整：		
Finance costs	7	融資成本	150,551	61,645
Share of loss of an associate		應佔一間聯營公司虧損	270	–
Bank and other interest income	5	銀行及其他利息收入	(4,173)	(1,336)
Loss on disposal of items of property, plant and equipment	6	出售物業、廠房及設備項目虧損	6,052	6,130
Net gains on disposals of subsidiaries	6	出售附屬公司收益淨額	(1,857)	–
Fair value gains, net:		以下項目之公平值收益，淨額：		
Commodity derivative contracts and cancellable foreign currency forward swaps contracts	5	商品衍生工具合約及可撤銷外幣遠期掉期合約	(204)	(21,155)
Changes in fair value of the contingent consideration	5	或然代價公平值變動	–	(13,166)
Depreciation	6	折舊	39,525	50,363
Gain on discounted amount of other borrowings arising from the passage of time	5	其他借貸因時間流逝產生之貼現金額之收益	(7,817)	–
Amortisation of prepaid land lease payments	6	攤銷預付土地租賃款項	2,475	1,529
Government grants released to the statement of profit or loss	6	記入損益表之已發放政府補貼	(5,864)	(5,402)
Amortisation of other intangible assets	6	其他無形資產攤銷	29,829	46,209
Recognition of share-based payments	6	確認以股份支付的費用	203	3,762
Impairment of trade receivables	6	貿易應收款項減值	1,539	2,901
Impairment recognised/(reversed) for other receivables	6	就其他應收款項確認/(撥回)減值	12,958	(192)
Write-down of inventories to net realisable value	6	撇減存貨至可變現淨值	9,871	4,708
Impairment of property, plant and equipment	6	物業、廠房及設備減值	1,772	20,275
Impairment of goodwill	6	商譽減值	–	7,488
Impairment of other intangible assets	6	其他無形資產減值	2,402	6,529
Foreign exchange differences, net		匯兌差異淨額	164	1,355
			82,505	128,849

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2013

截至二零一三年十二月三十一日止年度

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
	Notes 附註		
CASH FLOWS FROM OPERATING ACTIVITIES (Continued)	來自經營活動現金流量(續)		
Decrease/(increase) in inventories	存貨減少/(增加)	15,322	(94,916)
Increase in trade and bills receivables	貿易及票據應收款增加	(373,244)	(255,544)
Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少	27,206	55,304
Decrease/(increase) in long-term trade receivables	長期貿易應收款項減少/(增加)	8,598	(8,598)
Increase in trade and bills payables	貿易及票據應付款增加	339,632	161,586
Increase in other payables and accruals	其他應付款項及應計費用增加	66,076	122,495
Increase in government grants	政府補貼增加	6,636	5,138
(Decrease)/increase in other long-term payables	其他長期應付款項(減少)/增加	(7,697)	7,697
Settlement of derivative financial instruments	結算衍生金融工具	(334)	14,688
Cash generated from operations	經營所得現金	164,700	136,699
Interest paid	已付利息	(68,475)	(69,417)
Income taxes paid	已付所得稅	(10,395)	(8,087)
Net cash flows from operating activities	經營活動所得現金流淨額	85,830	59,195
CASH FLOWS FROM INVESTING ACTIVITIES	來自投資活動現金流量		
Interest received	已收利息	4,173	1,336
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(68,115)	(185,049)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項	18,903	878
Proceeds from disposal of prepaid land lease payments	出售預付土地租金所得款項	-	4,436
Prepayments for acquiring land use rights	收購土地使用權之預付款	(8,287)	(41,751)
Additions to other intangible assets	添置其他無形資產	(4,142)	(3,216)
Investment in an associate	投資一間聯營公司	(600)	-
Disposals of subsidiaries	出售附屬公司	(84,877)	901
Acquisitions of subsidiaries	收購附屬公司	(367)	13,857
Decrease in pledged time deposits	已抵押有期存款減少	1,031	24,893
Net cash flows used in investing activities	投資活動所用現金流淨額	(142,281)	(183,715)

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2013
截至二零一三年十二月三十一日止年度

		Notes	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
		附註		
CASH FLOWS FROM FINANCING ACTIVITIES	來自融資活動現金流量			
New bank and other borrowings	新增銀行及其他借貸		1,671,036	1,481,493
Repayments of bank and other borrowings	償還銀行及其他借貸		(1,690,908)	(1,311,693)
Acquisition of non-controlling interests	收購非控制權益		–	(2,592)
Capital contribution from non-controlling interests of subsidiaries	附屬公司非控制權益之注資		–	5,600
Net cash flows (used in)/from financing activities	融資活動(所用)/所得現金流淨額		(19,872)	172,808
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)/增加淨值		(76,323)	48,288
Cash and cash equivalents at beginning of year	年初現金及現金等價物		152,917	106,650
Effect of foreign exchange rate changes, net	外幣匯率變動影響淨額		(13,873)	(2,021)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終現金及現金等價物		62,721	152,917
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析			
Cash and cash equivalents as stated in the statement of financial position	於財務狀況表列報之現金及現金等價物	26	62,721	144,082
Reclassified to held for sale	重新分類為持有待售	27	–	8,835
Cash and cash equivalents as stated in the statement of cash flows	於現金流量表列報之現金及現金等價物		62,721	152,917

Statement of Financial Position

財務狀況表

31 December 2013
於二零一三年十二月三十一日

		Notes 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產			
Investments in subsidiaries	投資附屬公司	18	686,466	678,293
Total non-current assets	非流動資產總額		686,466	678,293
CURRENT ASSETS	流動資產			
Trade receivables	貿易應收款項		–	10,720
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		140	24,965
Derivative financial instruments	衍生金融工具		–	152
Cash and cash equivalents	現金及現金等價物	26	575	1,434
Total current assets	流動資產總額		715	37,271
CURRENT LIABILITIES	流動負債			
Amounts due to subsidiaries	應付附屬公司款項	18	25,345	10,720
Other payables and accruals	其他應付款項及應計費用		619	4,742
Tax payable	應付稅款		5,997	5,816
Total current liabilities	流動負債總額		31,961	21,278
NET CURRENT (LIABILITIES)/ASSETS	流動(負債)/資產淨額		(31,246)	15,993
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		655,220	694,286
Net assets	資產淨值		655,220	694,286
EQUITY	權益			
Issued capital	已發行股本	31	97,401	97,401
Reserves	儲備	33(b)	557,819	596,885
Total equity	權益總額		655,220	694,286

Chi Shao Lin
遲少林
DIRECTOR
董事

Cheng Wen
程文
DIRECTOR
董事

Notes to Financial Statements

財務報表附註

31 December 2013
二零一三年十二月三十一日

1. CORPORATE INFORMATION

HL Technology Group Limited (the “Company”) was incorporated in the Cayman Islands on 16 November 2007 as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate profile and corporate information section of the annual report.

The Company acts as an investment holding company. The Company and its subsidiaries (collectively referred to as the “Group”) are mainly engaged in the manufacture and sale of signal cable assembly, power cord assembly, signal transmission wire and cable products, connectors, antennas, automotive wiring harness, telecommunication products and other products and the provision of services for the construction of base station for telecommunication networks.

In the opinion of the directors, the Company’s parent and ultimate holding company is Chenlin International Joint Stock Company Limited (“Chenlin International”), a company incorporated in the British Virgin Islands, and its ultimate controlling party is Mr. Chi Shaolin (“Mr. Chi”).

1. 公司資料

泓淋科技集團有限公司(「本公司」)為於二零零七年十一月十六日在開曼群島註冊成立的獲豁免有限責任公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。本公司註冊辦事處及主要營業地點的地址於年報的公司簡介及公司資料一節中披露。

本公司為投資控股公司。本公司及其附屬公司(統稱「本集團」)主要從事製造及銷售信號線組件、電源線組件、傳輸線纜產品、連接器、天線、汽車線束、通訊產品及其他產品，以及就興建電訊網絡基站提供服務。

董事認為，本公司的母公司及最終控股公司為晨淋國際股份有限公司(「晨淋國際」)(為於英屬維爾京群島註冊成立的公司)，而其最終控股方為遲少林先生(「遲先生」)。

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2.1 BUSINESS COMBINATION UNDER COMMON CONTROL AND BASIS OF PREPARATION

On 28 October 2012, the Company and Mr. Chi entered into an agreement (as supplemented by a supplemental agreement) pursuant to which Mr. Chi conditionally agreed to sell the entire issued share capital of Rosy Sun Investments Limited, an investment holding company of a group of companies (collectively, the "Rosy Sun Group") and any loan owed by the Rosy Sun Group to Mr. Chi (the "Acquisition"). The Rosy Sun Group is principally engaged in (i) the research and development, manufacture and sale of cell phones which run on 2G and/or 3G networks such as GSM, IS-95, CDMA2000, TD-SCDMA and mobile internet terminals in the PRC, which are reported in the "Terminals" segment; (ii) the sale of network equipment to major telecommunication services providers in the PRC, such as IP-RAN and xPON and providing private network solutions, which are reported in the "Networks" segment; and (iii) the provision of services to major telecommunication services providers in the PRC, such as installation, maintenance and upgrade of network equipment and/or wireless network optimisation in their existing network systems, which are reported in the "Networks" segment. Details of the Acquisition were set out in the Company's announcement made on 30 October 2012 and circular dated 31 December 2012. The Acquisition was completed on 31 January 2013 with the total consideration satisfied by a promissory note issued by the Company to Mr. Chi. Details of the Acquisition are set out in note 34(a).

The Rosy Sun Group was acquired by Mr. Chi from an independent third party on 13 June 2012 and has been controlled by Mr. Chi since 13 June 2012. As a result, the directors of the Company consider that it should be a business combination under common control as both the Company and the Rosy Sun Group were ultimately controlled by Mr. Chi both before and after the business combination, and that control was not transitory.

The Acquisition is regarded as a business combination under common control of the controlling shareholder of the Company before and after the Acquisition. The consolidated financial statements have been prepared using the pooling of interests method, as if the Acquisition had been completed on 13 June 2012 when Mr. Chi acquired and obtained control over Rosy Sun Investments Limited from an independent party.

2.1 共同控制下的業務合併及編製基準

於二零一二年十月二十八日，本公司與遲先生訂立協議（經補充協議補充），據此，遲先生有條件同意出售Rosy Sun Investments Limited（一組公司之投資控股公司（統稱「Rosy Sun集團」））全部已發行股本，以及Rosy Sun集團結欠遲先生的任何貸款（「收購事項」）。Rosy Sun集團主要從事(i)於中國研發、製造及銷售手機，該等手機應用於2G及／或3G網絡，如GSM、IS-95、CDMA2000、TD-SCDMA及移動互聯網終端，於「終端」分部呈報；(ii)向中國主要電訊服務運營商銷售網絡設備，如IP-RAN設備及xPON，並提供專有網絡解決方案，於「網絡」分部呈報；及(iii)向中國主要電訊服務運營商供應網絡設備安裝、維護、升級及／或現有網絡系統的無線網絡優化服務，於「網絡」分部呈報。收購事項的詳情載於本公司分別於二零一二年十月三十日及二零一二年十二月三十一日刊發的公告及通函。收購事項已於二零一三年一月三十一日完成，總代價乃藉由本公司向遲先生發行承兌票據支付。收購事項之詳情載列於附註34(a)。

Rosy Sun集團由遲先生於二零一二年六月十三日向獨立第三方收購，並自二零一二年六月十三日起由遲先生控制。因此，本公司董事認為，該項交易屬於共同控制下之業務合併，因為於此項業務合併前後，本公司與Rosy Sun集團均由遲先生最終控制，而該控制並非暫時性。

收購事項被視為一項共同控制下的業務合併，因為在收購事項前後，其均由本公司控股股東兼有控制權。綜合財務報表已按股權集合會計法編製，猶如收購事項早於二零一二年六月十三日遲先生從一名獨立方收購並取得Rosy Sun Investments Limited控制權時已經完成。

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2.1 BUSINESS COMBINATION UNDER COMMON CONTROL AND BASIS OF PREPARATION

(Continued)

The consolidated statements of profit or loss, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows of the Group for the years ended 31 December 2013 and 2012 include the results and cash flows of all companies now comprising the Group from the earliest date presented or since the date when the subsidiaries first came under the common control of Mr. Chi, the controlling shareholder, where this is a shorter period. The consolidated statements of financial position of the Group as at 31 December 2012 and 2013 have been prepared to present the assets and liabilities of the Group using the existing carrying values from the controlling shareholder's perspective. No adjustments are made to reflect fair values, or recognise any new assets or liabilities as a result of the Acquisition.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments, which have been measured at fair value. These consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2013. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Except for the subsidiaries acquired from a controlling shareholder during the year as mentioned above, the results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2.1 共同控制下的業務合併及編製基準(續)

本集團截至二零一三年及二零一二年十二月三十一日止年度之綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，均計入現時組成本集團之所有公司從最早呈列日期，或自此等附屬公司開始受控股股東遲先生共同控制之日以來(以較早者為準)的業績和現金流。本集團於二零一二年及二零一三年十二月三十一日之綜合財務狀況表經已編製，其以控股股東角度使用現有賬面值呈列本集團之資產與負債。概無就收購事項作出調整以反映公平值，或確認任何新資產或負債。

財務報表已根據國際會計準則委員會(「國際會計準則委員會」)頒佈的國際財務報告準則(「國際財務報告準則」)以及香港公司條例的披露規定編製。財務報表按歷史成本法編製(惟衍生金融工具以公平值計量除外)。綜合財務報表乃以人民幣(「人民幣」)呈列，除另有指明外，所有數值已約至最接近之千位數。

綜合基準

綜合財務報表包括本公司及其附屬公司截至二零一三年十二月三十一日止年度的財務報表。附屬公司財務報表的報告期間與本公司相同，並採納連貫一致的會計政策編製。除上文所述於年內向一名控股股東收購之附屬公司外，附屬公司之業績自本集團取得控制權當日起綜合入賬，並繼續綜合入賬直至該控制權終止當日止。

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2.1 BUSINESS COMBINATION UNDER COMMON CONTROL AND BASIS OF PREPARATION

(Continued)

Basis of consolidation (Continued)

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries below. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained earnings, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 共同控制下的業務合併及編製基準(續)

綜合基準(續)

即使會引致非控制權益結餘為負數，損益及其他全面收益的各組成部分歸屬於本集團母公司擁有人及非控制權益。所有集團內公司間資產及負債、權益、收入、支出以及與本集團成員公司之間交易有關的現金流量均於綜合時全數抵銷。

倘事實及情況反映下文附屬公司會計政策所述三項控制權因素其中一項或多項有變，則本集團會重估是否仍然控制投資對象。附屬公司擁有權權益的變動(並無失去控制權)，於入賬時列作權益交易。

倘本集團失去對一間附屬公司之控制權，則會終止確認(i)該附屬公司之資產(包括商譽)及負債、(ii)任何非控制權益之賬面值及(iii)於權益內記錄之累計匯兌差額；及確認(i)所收代價之公平值、(ii)任何所保留投資之公平值及(iii)損益賬中任何因此而產生之盈餘或虧損。先前於其他全面收益內確認之本集團應佔部份會視乎情況，按倘本集團直接出售相關資產或負債所要求的相同基準重新分類為損益或保留溢利。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised IFRSs for the first time for the current year's financial statements.

IFRS 1 Amendments	Amendments to IFRS 1 <i>First-time Adoption of International Financial Reporting Standards — Government Loans</i>
IFRS 7 Amendments	Amendments to IFRS 7 <i>Financial Instruments: Disclosures — Offsetting Financial Assets and Financial Liabilities</i>
IFRS 10	<i>Consolidated Financial Statements</i>
IFRS 11	<i>Joint Arrangements</i>
IFRS 12	<i>Disclosure of Interests in Other Entities</i>
IFRS 10, IFRS 11 and IFRS 12 Amendments	Amendments to IFRS 10, IFRS 11 and IFRS 12 — <i>Transition Guidance</i>
IFRS 13	<i>Fair Value Measurement</i>
IAS 1 Amendments	Amendments to IAS 1 <i>Presentation of Financial Statements — Presentation of Items of Other Comprehensive Income</i>
IAS 19 (Revised)	<i>Employee Benefits</i>
IAS 27 (Revised)	<i>Separate Financial Statements</i>
IAS 28 (Revised)	<i>Investments in Associates and Joint Ventures</i>
IAS 36 Amendments	Amendments to IAS 36 <i>Impairment of Assets — Recoverable Amount Disclosures for Non-Financial Assets (early adopted)</i>
IFRIC 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i>
Annual Improvements 2009–2011 Cycle	Amendments to a number of IFRSs issued in May 2012

Other than as further explained below regarding the impact of IFRS 10, IFRS 12, IFRS 13, IAS 19 (Revised), amendments to IFRS 10, IFRS 11, IFRS 12, IAS 1 and IAS 36, certain amendments included in *Annual Improvements 2009–2011 Cycle*, the adoption of the new and revised IFRSs has had no significant financial effect on these financial statements.

2.2 會計政策變動及披露

於本年度之財務報表，本集團已首次採用以下新訂及經修訂國際財務報告準則。

國際財務報告準則第1號的修訂	國際財務報告準則第1號的修訂首次採納國際財務報告準則—政府貸款
國際財務報告準則第7號的修訂	國際財務報告準則第7號的修訂金融工具：披露—抵銷金融資產及金融負債
國際財務報告準則第10號	綜合財務報表
國際財務報告準則第11號	合營安排
國際財務報告準則第12號	披露於其他實體的權益
國際財務報告準則第10號、國際財務報告準則第11號及國際財務報告準則第12號的修訂	國際財務報告準則第10號、國際財務報告準則第11號及國際財務報告準則第12號的修訂—過渡指引
國際財務報告準則第13號	公允價值計量
國際會計準則第1號的修訂	國際會計準則第1號的修訂財務報表的呈列—其他全面收益項目的呈報
國際會計準則第19號(經修訂)	僱員福利
國際會計準則第27號(經修訂)	獨立財務報表
國際會計準則第28號(經修訂)	聯營企業及合營企業投資
國際會計準則第36號的修訂	國際會計準則第36號的修訂資產減值—非金融資產之可收回金額披露(提早採納)
國際財務報告詮釋委員會第20號	露天採礦場生產階段的剝採成本
二零零九年至二零一一年週期之年度改進	二零一二年五月頒布的若干國際財務報告準則的修訂

下文詳述國際財務報告準則第10號、國際財務報告準則第12號、國際財務報告準則第13號、國際會計準則第19號(經修訂)、國際財務報告準則第10號、國際財務報告準則第11號、國際財務報告準則第12號、國際會計準則第1號及國際會計準則第36號的修訂及二零零九年至二零一一年週期之年度改進所載若干修訂之影響，除此之外，採納新訂及經修訂國際財務報告準則對該等財務報表並無重大財務影響。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

The principal effects of adopting these new and revised IFRSs are as follows:

- (a) IFRS 10 replaces the portion of IAS 27 *Consolidated and Separate Financial Statements* that addresses the accounting for consolidated financial statements and addresses the issues in SIC 12 *Consolidation — Special Purpose Entities*. It establishes a single control model used for determining which entities are consolidated. To meet the definition of control in IFRS 10, an investor must have (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. The changes introduced by IFRS 10 require management of the Group to exercise significant judgement to determine which entities are controlled.

As a result of the application of IFRS 10, the Group has changed the accounting policy with respect to determining which investees are controlled by the Group. The application of IFRS 10 does not change any of the consolidation conclusions of the Group in respect of its involvement with investees as at 1 January 2013.

- (b) IFRS 12 sets out the disclosure requirements for subsidiaries, joint arrangements, associates and structured entities previously included in IAS 27 *Consolidated and Separate Financial Statements*, IAS 31 *Interests in Joint Ventures* and IAS 28 *Investments in Associates*. It also introduces a number of new disclosure requirements for these entities. Details of the disclosures for subsidiaries and associates are included in notes 18 and 19 to the financial statements.

2.2 會計政策變動及披露(續)

採納該等新訂及經修訂國際財務報告準則之主要影響如下：

- (a) 國際財務報告準則第10號取代國際會計準則第27號綜合及獨立財務報表指引綜合財務報表之入賬之部份，並解決常務詮釋委員會第12號綜合—特殊目的實體提出之問題。國際財務報告準則第10號建立一項用於確定須綜合實體之單一控制模式。為符合國際財務報告準則第10號關於控制權之定義，投資者須：(a)擁有對投資對象之權力；(b)就參與投資對象營運所得之可變回報承受風險或享有權利；及(c)能夠運用其對投資對象之權力影響投資者回報金額。國際財務報告準則第10號引入之變動規定本集團管理層須作出重大判斷，以確定某些實體受其控制。

因採用國際財務報告準則第10號，本集團已改變有關釐定本集團所控制之投資對象之會計政策。採用國際財務報告準則第10號並不改變本集團於二零一三年一月一日有關參與投資對象營運之任何綜合結論。

- (b) 國際財務報告準則第12號載有就附屬公司、合營安排、聯營公司及結構性實體之披露規定，該等規定以往包括在國際會計準則第27號綜合及獨立財務報表、國際會計準則第31號於合營企業之權益及國際會計準則第28號於聯營公司的投資內。該準則亦就該等實體引入多項新披露規定。附屬公司及聯營公司的披露詳情載於財務報表附註18及19。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

- (c) The IFRS 10, IFRS 11 and IFRS 12 Amendments clarify the transition guidance in IFRS 10 and provide further relief from full retrospective application of these standards, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. The amendments clarify that retrospective adjustments are only required if the consolidation conclusion as to which entities are controlled by the Group is different between IFRS 10 and IAS 27 or SIC 12 at the beginning of the annual period in which IFRS 10 is applied for the first time.
- (d) IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The standard does not change the circumstances in which the Group is required to use fair value, but rather provides guidance on how fair value should be applied where its use is already required or permitted under other IFRSs. IFRS 13 is applied prospectively and the adoption has had no material impact on the Group's fair value measurements. As a result of the guidance in IFRS 13, the policies for measuring fair value have been amended. Additional disclosures required by IFRS 13 for the fair value measurements of financial instruments are included in note 43 to the financial statements.
- (e) The IAS 1 Amendments change the grouping of items presented in other comprehensive income ("OCI"). Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) are presented separately from items which will never be reclassified (for example, the revaluation of land and buildings). The amendments have affected the presentation only and have had no impact on the financial position or performance of the Group. The consolidated statement of comprehensive income has been restated to reflect the changes. In addition, the Group has chosen to use the new title "statement of profit or loss" as introduced by the amendments in these financial statements.

2.2 會計政策變動及披露(續)

- (c) 國際財務報告準則第10號、國際財務報告準則第11號及國際財務報告準則第12號的修訂釐清國際財務報告準則第10號之過渡指引及提供進一步寬免，免除將該等準則採納完全追溯，限定僅就上一個比較期間提供經調整比較資料。該等修訂釐清，倘於國際財務報告準則第10號首次獲應用之年度期間開始時，國際財務報告準則第10號及國際會計準則第27號或常務詮釋委員會－詮釋第12號有關本集團所控制實體之綜合結論有所不同，方須進行追溯調整。
- (d) 國際財務報告準則第13號提供公平值之精確定義、公平值計量之單一來源及在國際財務報告準則範圍內使用之披露規定。該準則不會改變本集團須使用公平值之情況，惟為其於其他國際財務報告準則已規定或允許使用公平值之情況下應如何應用公平值提供指引。國際財務報告準則第13號即將應用，且採納該準則尚未對本集團之公平值計量造成重大影響。由於國際財務報告準則第13號中之指引，計量公平值之政策已獲修訂。國際財務報告準則第13號規定的就金融工具公平值計量的額外披露載於財務報表附註43。
- (e) 國際會計準則第1號的修訂更改於其他全面收益(「其他全面收益」)內列報項目之分組。可在未來某一時間重新分類至損益(或於損益重用)的項目(如換算海外業務之匯兌差額、現金流對沖之淨變動及可供出售金融資產之損益淨額)，與永不重新分類之項目(如土地及樓宇重估)會分開列報。採用該等修訂本僅影響呈報，對本集團之財務狀況及財務表現並無影響。綜合全面收益表已重列，以反映變動。此外，本集團已按照該修訂，於該等財務報表中採用新名稱「綜合損益表」。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

- (f) IAS 19 (Revised) includes a number of amendments that range from fundamental changes to simple clarifications and re-wording. The revised standard introduces significant changes in the accounting for defined benefit pension plans including removing the choice to defer the recognition of actuarial gains and losses. Other changes include modifications to the timing of recognition for termination benefits, the classification of short-term employee benefits and disclosures of defined benefit plans. As the Group does not have any defined benefit plan or employee termination plan and the Group does not have any significant employee benefits that are expected to be settled for more than twelve months after the reporting period, the adoption of the revised standard has had no effect on the financial position or performance of the Group.
- (g) The IAS 36 Amendments remove the unintended disclosure requirement made by IFRS 13 on the recoverable amount of a cash-generating unit which is not impaired. In addition, the amendments require the disclosure of the recoverable amounts for the assets or cash-generating units for which an impairment loss has been recognised or reversed during the reporting period, and expand the disclosure requirements regarding the fair value measurement for these assets or units if their recoverable amounts are based on fair value less costs of disposal. The amendments are effective retrospectively for annual periods beginning on or after 1 January 2014 with earlier application permitted, provided IFRS 13 is also applied. The Group has early adopted the amendments in these financial statements. The amendments have had no impact on the financial position or performance of the Group.

2.2 會計政策變動及披露(續)

- (f) 國際會計準則第19號(經修訂)包括從基本改變以至簡單闡明及重新措辭之多項修訂。經修訂之準則就定額福利退休計劃之入賬引入重大變動，包括取消遞延確認精算收益及虧損之選擇。其他變動包括離職福利確認時間之修改、短期僱員福利之分類及定額福利計劃之披露。由於本集團並無任何定額福利計劃或僱員離職計劃及本集團並無預期將支付報告期後超過十二個月之任何重大僱員福利，採納經修訂準則對本集團財務狀況或表現並無任何影響。
- (g) 國際會計準則第36號取消了國際財務報告準則第13號對並無減值現金產生單位的可收回金額所作計劃以外的披露規定。此外，該等修訂本規定須披露已於報告期內確認或撥回減值虧損的資產或現金產生單位的可收回金額，並擴大該等資產或單位(倘其可收回金額乃基於公平值減出售成本計算)的公平值計量的披露規定。該等修訂本於二零一四年一月一日或之後開始的年度期間追溯生效，並可提早應用，惟同時亦須應用國際財務報告準則第13號。本集團已於該等財務報表內提早採納該等修訂本。該等修訂本對本集團的財務狀況或表現並無影響。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(h) *Annual Improvements 2009–2011 Cycle* issued in May 2012 sets out amendments to a number of standards. There are separate transitional provisions for each standard. While the adoption of some of the amendments may result in changes in accounting policies, none of these amendments have had a significant financial impact on the Group. Details of the key amendments most applicable to the Group are as follows:

- (i) *IAS 1 Presentation of Financial Statements*: Clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative period is the previous period. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the previous period. The additional comparative information does not need to contain a complete set of financial statements.

In addition, the amendment clarifies that the opening statement of financial position as at the beginning of the preceding period must be presented when an entity changes its accounting policies; makes retrospective restatements or makes reclassifications, and that change has a material effect on the statement of financial position. However, the related notes to the opening statement of financial position as at the beginning of the preceding period are not required to be presented.

- (ii) *IAS 32 Financial Instruments: Presentation*: Clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with *IAS 12 Income Taxes*. The amendment removes existing income tax requirements from *IAS 32* and requires entities to apply the requirements in *IAS 12* to any income tax arising from distributions to equity holders.

2.2 會計政策變動及披露(續)

(h) 二零一二年五月頒佈的二零零九年至二零一一年週期之年度改進載列多項準則的修訂。各項準則均設有獨立過渡條文。雖然採納部份修訂可能導致會計政策變動，但該等修訂概不會對本集團構成重大財務影響。適用於本集團之主要修訂詳情列載如下：

- (i) 國際會計準則第1號財務報表的呈列：釐清自願性額外比較資料與最低規定比較資料之間的差異。一般而言，最低規定比較期間為上個期間。當一間實體自願提供上個期間以外的比較資料時，其須於財務報告的相關附註中載入比較資料。額外比較資料毋須包含完整財務報表。

此外，該修訂釐清，當實體變更其會計政策、作出追溯重列或進行重新分類，而有關變動對財務狀況報表構成重大影響，則須呈列上個期間開始時的期初財務狀況報表。然而，上個期間開始時的期初財務狀況報表的相關附註則毋須呈列：

- (ii) 國際會計準則第32號金融工具：呈列：釐清向權益持有人作出分派所產生的所得稅須按國際會計準則第12號所得稅入賬。該修訂刪除國際會計準則第32號的現有所得稅規定，並要求實體就向權益持有人作出分派所產生的任何所得稅須應用國際會計準則第12號的規定。

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

IFRS 9	<i>Financial Instruments</i> ⁴
IFRS 9, IFRS 7 and IAS 39 Amendments	<i>Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39</i> ⁴
IFRS 10, IFRS 12 and IAS 27 (Revised) Amendments	Amendments to IFRS 10, IFRS 12 and IAS 27 (Revised) — <i>Investment Entities</i> ¹
IFRS 14	<i>Regulatory Deferral Accounts</i> ³
IAS 19 Amendments	Amendments to IAS 19 <i>Employee Benefits — Defined Benefit Plans: Employee Contributions</i> ²
IAS 32 Amendments	Amendments to IAS 32 <i>Financial Instruments: Presentation — Offsetting Financial Assets and Financial Liabilities</i> ¹
IAS 39 Amendments	Amendments to IAS 39 <i>Financial Instruments: Recognition and Measurement — Novation of Derivatives and Continuation of Hedge Accounting</i> ¹
IFRIC 21	<i>Levies</i> ¹
<i>Annual Improvements 2010–2012 Cycle</i>	Amendments to a number of IFRSs issued in December 2013 ²
<i>Annual Improvements 2011–2013 Cycle</i>	Amendments to a number of IFRSs issued in December 2013 ²

- ¹ Effective for annual periods beginning on or after 1 January 2014
- ² Effective for annual periods beginning on or after 1 July 2014
- ³ Effective for first annual IFRS financial statements beginning on or after 1 January 2016 and therefore not applicable to the Group
- ⁴ No mandatory effective date yet determined but is available for adoption

2.3 已頒佈惟尚未生效之國際財務報告準則

於該等財務報表，本集團尚未應用下列已頒佈惟尚未生效之新訂及經修訂國際財務報告準則。

國際財務報告準則第9號	<i>金融工具</i> ⁴
國際財務報告準則第9號、國際財務報告準則第7號及國際會計準則第39號的修訂	<i>對沖會計及國際財務報告準則第9號、國際財務報告準則第7號及國際會計準則第39號的修訂</i> ⁴
國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第27號(經修訂)的修訂	國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第27號(經修訂) — <i>投資實體的修訂</i> ¹
國際財務報告準則第14號	<i>規管遞延賬目</i> ³
國際會計準則第19號的修訂	國際會計準則第19號 <i>僱員福利— 一定額福利計劃：僱員供款的修訂</i> ²
國際會計準則第32號的修訂	國際會計準則第32號 <i>金融工具：呈列— 抵銷金融資產及金融負債的修訂</i> ¹
國際會計準則第39號的修訂	國際會計準則第39號 <i>金融工具：確認及計量— 衍生工具之更替及對沖會計之延續的修訂</i> ¹
國際財務報告詮釋委員會第21號	<i>徵費</i> ¹
二零一零年至二零一二年週期的年度改進	多項於二零一三年十二月頒佈之國際財務報告準則之修訂 ²
二零一一年至二零一三年週期的年度改進	多項於二零一三年十二月頒佈之國際財務報告準則之修訂 ²

- ¹ 於二零一四年一月一日或之後開始之年度期間生效
- ² 於二零一四年七月一日或之後開始之年度期間生效
- ³ 於二零一六年一月一日或之後開始之首份年度國際財務報告準則財務報表生效，故此並不適用於本集團
- ⁴ 尚未釐定強制生效日期，惟可供採納

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Further information about those IFRSs that are expected to be applicable to the Group is as follows:

IFRS 9, as issued, reflects the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard was initially effective for annual periods beginning on or after 1 January 2013, but *Amendments to IFRS 9 Mandatory Effective Date of IFRS 9 and Transition Disclosures*, issued in December 2011, moved the mandatory effective date to 1 January 2015. In subsequent phases, the IASB is addressing hedge accounting and impairment of financial assets. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will not have an impact on the classification and measurement of the Group's financial liabilities. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

Amendments to IFRS 10 include a definition of an investment entity and provide an exception to the consolidation requirement for entities that meet the definition of an investment entity. Investment entities are required to account for subsidiaries at fair value through profit or loss in accordance with IFRS 9 rather than consolidate them. Consequential amendments were made to IFRS 12 and IAS 27 (Revised). The amendments to IFRS 12 also set out the disclosure requirements for investment entities. The Group expects that these amendments will not have any impact on the Group as the Company is not an investment entity as defined in IFRS 10.

The IAS 32 Amendments clarify the meaning of "currently has a legally enforceable right to set off" for offsetting financial assets and financial liabilities. The amendments also clarify the application of the offsetting criteria in IAS 32 to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2014.

2.3 已頒佈惟尚未生效之國際財務報告準則(續)

預期適用於本集團之該等國際財務報告準則之進一步詳情如下：

已頒佈的國際財務報告準則第9號反映國際會計準則委員會致力於取代國際會計準則第39號工作的第一階段，適用於國際會計準則第39號界定的金融資產及金融負債的分類及計量。該準則最初於二零一三年一月一日或之後開始的年度期間生效，但二零一一年十二月頒佈的國際財務報告準則第9號的修訂國際財務報告準則第9號的強制生效日期及過渡披露將強制生效日期延長至二零一五年一月一日。在後續階段，國際會計準則委員會將討論套期保值會計及金融資產減值。採納國際財務報告準則第9號第一階段將影響本集團金融資產分類及計量，但將不會影響本集團金融負債的分類及計量。本集團將於涵蓋所有階段的最終準則頒佈時結合其他階段量化該影響。

國際財務報告準則第10號之修訂包括投資實體之定義，並為符合投資實體定義之實體提供綜合入賬規定豁免。根據國際財務報告準則第9號，投資實體須按公平價值計入損益將附屬公司入賬，而非將附屬公司綜合入賬。國際財務報告準則第12號及國際會計準則第27號(經修訂)已作出後續修訂。國際財務報告準則第12號之修訂亦載列投資實體之披露規定。由於本公司並非國際財務報告準則第10號所界定之投資實體，故本集團預期該等修訂將不會對本集團產生任何影響。

國際會計準則第32號之修訂為抵銷金融資產及金融負債釐清「目前具有合法可執行抵銷權利」的涵義。該等修訂亦釐清國際會計準則第32號的抵銷標準於結算系統(例如中央結算所系統)之應用，而該系統乃採用非同步的總額結算機制。本集團於二零一四年一月一日採納該等修訂，而該等修訂預期不會對本集團的財務狀況或表現產生任何影響。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The results of subsidiaries are included in the Company's statement of profit or loss to the extent of dividends received and receivable. The Company's investments in subsidiaries are not classified as held for sale in accordance with IFRS 5 are stated at cost less any impairment losses.

Investments in associates

An associate is an entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

2.4 重大會計政策概要

附屬公司

附屬公司為本公司直接或間接控制的實體(包括結構性實體)。當本集團對參與投資對象業務的浮動回報承擔風險或享有權利以及能透過對投資對象的權力(如本集團獲賦予現有有能力以主導投資對象相關活動的既存權利)影響該等回報時,即取得控制權。

倘本公司直接或間接擁有少於投資對象大多數投票或類似權利的權利,則本集團於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況,包括:

- (a) 與投資對象其他投票持有人的合約安排;
- (b) 其他合約安排所產生的權利;及
- (c) 本集團的投票權及潛在投票權。

附屬公司業績以已收及應收股息為限計入本公司損益表內。本公司於附屬公司的投資(其並非按照國際財務報告準則第5號分類為持有待售)按成本減任何減值虧損列賬。

於聯營公司之投資

聯營公司乃由本集團持有不少於20%的附股權投票權的長期權益,並可對其行使重大影響的實體。重大影響為參與被投資公司財務及營運政策決策的權力,但非控制或共同控制該等政策。

本集團於聯營公司的投資按權益會計法以本集團應佔淨資產減任何減值虧損於綜合財務狀況表列賬。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates (Continued)

The Group's share of the post-acquisition results and other comprehensive income of associates is included in the statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates.

If an investment in an associate becomes an investment in a joint venture, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

The results of associates are included in the Company's statement of profit or loss to the extent of dividends received and receivable. The Company's investments in associates are treated as non-current assets and are stated at cost less any impairment losses.

When an investment in an associate is classified as held for sale, it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

2.4 重大會計政策概要(續)

於聯營公司之投資(續)

本集團應佔合聯營公司收購後業績及其他全面收益分別計入損益表及綜合其他全面收益。此外，倘直接於聯營公司的權益確認有關變動，則本集團會視乎情況於綜合權益變動表確認其應佔任何變動。本集團與其聯營公司間交易的未變現收益及虧損將以本集團於聯營公司的投資為限對銷，惟倘未變現虧損為所轉讓資產減值的憑證。收購聯營公司所產生商譽乃計入作為本集團於聯營公司投資的部分。

倘於聯營公司投資成為於合營公司投資，則保留權益不會重新計量。而投資將繼續以權益法列賬。於所有其他情況下，於失去對聯營公司的重大影響後，本集團按其公平值計量及確認任何保留投資。於失去重大影響後聯營公司賬面值與保留投資及出售所得款項的公平值間的任何差額乃於損益確認。

聯營公司業績以已收及應收股息為限計入本公司損益表內。本公司於聯營公司的投資視為非流動資產，並按成本減任何減值虧損列賬。

當於一間聯營公司的投資被分類為持有待售，其會按照國際財務報告準則第5號持有以備出售的非流動資產和終止經營計算列賬。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill (Continued)

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 is measured at fair value with changes in fair value either recognised in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of IAS 39, it is measured in accordance with the appropriate IFRS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

2.4 重大會計政策概要(續)

業務合併及商譽(續)

業務合併乃以購買法入賬。轉讓之代價乃以收購日期的公平值計算，該公平值為本集團轉讓的資產於收購日期的公平值、本集團向被收購方的前度擁有人承擔的負債，及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中，本集團選擇是否以公平值或被收購方可識別資產淨值的應佔比例，計算於被收購方屬現時擁有人權益的非控股權益，並賦予擁有人權利在清盤時按比例分佔實體的淨資產。非控股權益的一切其他部份乃按公平值計量。與收購相關的成本於產生時列為開支。

當本集團收購業務時，須根據合約條款、收購日之經濟環境及相關條件對涉及之金融資產及承擔之金融負債進行評估，並合理分類及確認，其中包括將內嵌式衍生工具與被收購方主合同分開。

倘業務合併分階段進行，先前持有的股權按收購日期的公平值重新計量，而任何收益或虧損於損益中確認。

由收購方將予轉讓的任何或然代價將於收購日期按公平值確認。分類為金融工具且在國際會計準則第39號範圍內一項資產或負債的或然代價根據公平值的變動按公平值計量，並於損益中確認或作為其他全面收益的變動。倘或然代價並非在國際會計準則第39號範圍內，則按合適的國際財務報告準則計量。分類為權益的或然代價並無重新計量，而其後結算於權益中入賬。

商譽起初按成本計量，即已轉讓總代價、已確認非控股權益及本集團先前持有的被收購方股權的公平值總額，超逾與所收購可識別資產淨值及所承擔負債的差額。如總代價及其他項目低於所收購附屬公司資產淨值的公平值，於重新評估後其差額將於損益中確認為議價收購收益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill (Continued)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the disposed operation and the portion of the cash-generating unit retained.

Fair value measurement

The Group measures its derivative financial instruments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

2.4 重大會計政策概要(續)

業務合併及商譽(續)

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行測試。本集團於十二月三十一日進行商譽之年度減值測試。為進行減值測試，無論本集團其他資產或負債是否已分配予現金產生單位或現金產生單位組別，因業務合併而購入的商譽自購入之日被分配至預期可從合併產生的協同效益中獲益的本集團該等單位或單位組別。

減值乃通過評估與商譽有關的現金產生單位(或現金產生單位組別)的可收回金額釐定。當現金產生單位(或現金產生單位組別)的可收回金額低於賬面值時，減值虧損便予以確認。已就商譽確認的減值虧損不得於未來期間撥回。

倘商譽已分配予現金產生單位(或現金產生單位組別)的部份而該單位的部份業務已出售，則在釐定所出售業務的收益或虧損時，與所出售業務相關的商譽會計入該業務的賬面值。在該情況下出售的商譽，乃根據所出售業務的相對價值及現金產生單位的保留份額進行計量。

公平值計量

本集團於各報告期末按公平值計量其衍生金融工具。公平值為市場參與者於計量日期在有序交易中出售資產所收取的價格或轉讓負債所支付的價格。公平值計量乃根據假設出售資產或轉讓負債的交易於資產或負債主要市場或(在無主要市場情況下)最具優勢市場進行而作出。主要或最具優勢市場須為本集團可進入之市場。資產或負債的公平值乃按假設市場參與者於資產或負債定價時會以最佳經濟利益行事計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 重大會計政策概要(續)

公平值計量(續)

非金融資產的公平值計量須考慮市場參與者能自最大限度使用該資產達致最佳用途，或將該資產出售予將最大限度使用該資產達致最佳用途的其他市場參與者，所產生的經濟效益。

本集團採納適用於不同情況且具備充分數據以供計量公平值的估值方法，以儘量使用相關可觀察輸入數據及儘量減少使用不可觀察輸入數據。

所有載於本財務報表計量或披露的資產及負債乃基於對公平值計量整體而言屬重大的最低層輸入數據按以下公平值等級分類：

- 第一級 — 基於相同資產或負債於活躍市場的報價(未經調整)
- 第二級 — 基於對公平值計量而言屬重大的可觀察(直接或間接)最低層輸入數據的估值方法
- 第三級 — 基於對公平值計量而言屬重大的不可觀察最低層輸入數據的估值方法

就按經常性於本財務報表確認的資產及負債而言，本集團透過於各報告期末重新評估分類(基於對公平值計量整體而言屬重大的最低層輸入數據)確定是否發生不同等級轉移。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets, goodwill and non-current assets/a disposal group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

2.4 重大會計政策概要(續)

非金融資產減值

倘有跡象顯示出現減值或要求就資產進行年度減值測試(存貨、金融資產、商譽及非流動資產/分類為持有待售之出售組別除外)，則會估計該資產的可收回金額。資產的可收回金額按資產或現金產生單位的使用價值及其公平值減出售成本(以較高者為準)，並就個別資產而釐定，除非有關資產並無產生在頗大程度上獨立於其他資產或資產組別的現金流入，在此情況下可收回金額就資產所屬的現金產生單位而釐定。

減值虧損僅於資產賬面值超出其可收回金額時予以確認。於評估使用價值時，估計日後現金流量按可反映現時市場評估的貨幣時間值及資產特定風險的除稅前折現率折減至現值。減值虧損乃於產生期間計入損益表內與已減值資產功能一致之開支項目內。

於各報告期末會評定是否有跡象顯示之前已確認的減值虧損不再存在或減少。倘出現該跡象，則會估計可收回金額。過往確認的資產(商譽除外)減值虧損僅在用以釐定該項資產可收回金額的估計改變時撥回，惟撥回後的數額不得高於假設過往年度並無就資產確認減值虧損而應有的賬面值(扣除折舊/攤銷後)。減值虧損的撥回於產生期間計入損益表。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (Continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); and
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2.4 重大會計政策概要(續)

關連方

任何一方如屬以下情況，即視為本集團的關連方：

- (a) 該方為任何人士或其家族的親密成員，而該人士：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團施以重大影響；或
 - (iii) 為本集團或本集團之母公司的主要管理層成員的其中一名成員；

或

- (b) 該方為符合下列條件的實體：
- (i) 該實體與本集團屬同一集團的成員公司；
 - (ii) 一個實體為另一實體(或另一實體的母公司、附屬公司或同系附屬公司)的聯營公司或合營公司；
 - (iii) 該實體與本集團為同一第三方的合營公司；
 - (iv) 一個實體為第三方實體的合營公司，而另一實體為第三方實體的聯營公司；
 - (v) 該實體為本集團或與本集團有關連的實體就僱員利益設立的離職福利計劃；
 - (vi) 該實體受(a)所定義人士控制或受共同控制；及
 - (vii) 於(a)(i)所定義人士對該實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員的其中一名成員。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with IFRS 5, as further explained in the accounting policy for "Non-current assets and disposal groups held for sale". The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	2.57% to 4.75%
Plant and equipment	5% to 19%
Motor vehicles	18% to 19%
Equipment and other facilities	9% to 45%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

2.4 重大會計政策概要(續)

物業、廠房及設備與折舊

在建工程以外的物業、廠房及設備乃按成本減累計折舊及任何減值虧損入賬。當某一物業、廠房及設備項目被分類為持有待售，或其屬於分類為持有待售之出售組別的一部分，其不會計算折舊，惟會按照國際財務報告準則第5號計算列賬，請參閱有關「持有待售之非流動資產及出售組別」之會計政策之進一步解釋。物業、廠房及設備的成本包括其購入價及令其達致符合預計用途的操作狀況及付運至使用地點的任何直接應佔費用。

在物業、廠房及設備投產後產生的開支，例如維修及保養，通常在產生的期間從損益表扣除。倘符合確認標準，則有關重大檢查之開支會按該資產之賬面值資本化為重置資產。倘須定期替換大部份物業、廠房及設備，則本集團會將該等部份確認為有特定可使用年期及相應折舊的個別資產。

折舊以直線法計算，按每項物業、廠房及設備項目的估計使用年期撇銷其成本至其剩餘價值。所使用的主要折舊年率如下：

樓宇	2.57%至4.75%
廠房及設備	5%至19%
汽車	18%至19%
設備及其他設施	9%至45%

倘若物業、廠房及設備項目的部份具不同的使用期限，該項目的成本按合理基準分配給各部份，其各部份各自計算折舊。剩餘價值、可使用年期及折舊方法最少於各財政年度審閱及在適當時進行調整。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

An item of property, plant and equipment, including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups (other than financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

2.4 重大會計政策概要(續)

物業、廠房及設備與折舊(續)

物業、廠房及設備項目以包括首次確認的任何重大部份乃於出售或當預期使用或出售項目將不產生未來經濟利益時撤銷確認。於資產不獲確認年度因其出售或報廢並在損益表確認的任何盈虧乃有關資產的出售所得款項淨額與賬面值之差額。

在建工程指在建的樓宇，其按成本減任何減值虧損呈列且不計提折舊。成本包括建築期內的直接建設成本及相關借貸的資本化借貸成本。在建工程竣工且可供使用時，將重新分類至物業、廠房及設備的恰當類別。

持有待售之非流動資產及出售組別

倘非流動資產及出售組別的賬面價值主要透過銷售交易而非持續使用收回，則歸類為持有待售。在此情況下，資產或出售組別須可按現狀即時出售，惟須符合出售該等資產或出售組別的慣常條款及出售須具十分把握。歸類為出售組別的附屬公司所有資產及負債重新分類為持有待售，而不論出售後本集團有否保留所持前附屬公司的非控股權益。

歸類為持有待售的非流動資產及出售組別(金融資產除外)按賬面值與公平值減銷售成本之較低者計算。歸類為持有待售的物業、廠房及設備與無形資產不計提折舊或攤銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

The Group has changed the amortisation period for some licences from 10 years to 5 years, and the remaining useful lives of these licences are 1 year to 5 years. Additional amortisation expenses amounting to RMB5,510,000 were recognised during the year.

Software

Software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful lives of 10 years.

Trademarks

Trademarks are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 2 years.

Licences

Purchased licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 5 to 10 years.

Customer relationships

Contractual customer relationships are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 2 to 7 years.

Technology know-how

Technology know-how is stated at cost less any impairment losses and are amortised on the straight-line basis over its estimated useful life at 15 years.

2.4 重大會計政策概要(續)

無形資產(商譽除外)

個別收購之無形資產於首次確認時按成本計量。業務合併中收購之無形資產之成本乃該資產於收購日期之公平值。無形資產的可使用期乃評估為有限或無限。可使用期有限之無形資產的後續計量需於可使用經濟期內攤銷，並在有跡象顯示無形資產可能減值時作出減值評估。可使用期有限之無形資產之攤銷期及攤銷方法最少於每個財政年度年結日做檢查。

本集團已變更部分特許權之攤銷年期，由10年改為5年，該等特許權的尚餘可使用年期為1至5年。年內已確認的額外攤銷費用為人民幣5,510,000元。

軟件

軟件以成本減任何減值虧損入賬，並於10年的估計可使用期內以直線法攤銷。

商標

商標以成本減任何減值虧損入賬，並於2年的估計可使用期內以直線法攤銷。

特許權

購入的特許權以成本減任何減值虧損入賬，並於5至10年的估計可使用期內以直線法攤銷。

客戶關係

合約客戶關係以成本減任何減值虧損入賬，並於2至7年的估計可使用期內以直線法攤銷。

專有技術

專有技術按成本減任何減值虧損入賬，並於15年之估計可使用期內以直線法攤銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill) (Continued)

Unfinished sales contracts

Unfinished sales contracts are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 1 to 2 years.

Research and development costs

All research costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

2.4 重大會計政策概要(續)

無形資產(商譽除外)(續)

未完成銷售合同

未完成銷售合同以成本減任何減值虧損入賬，並於1至2年的估計可使用期內以直線法攤銷。

研究及開發成本

所有研究成本於發生時計入損益表。

開發新產品項目而產生的開支，僅在本集團能夠證明以下各項時，方予以資本化及遞延，即：完成無形資產以供使用或出售的技術可行性、本集團有意完成無形資產且具備使用或出售該資產的能力、該資產如何產生未來經濟利益、具備完成項目的資源及能可靠地計量開發過程中的開支。未符合上述條件的產品開發開支於產生時確認為費用。

租賃

資產所有權相關的絕大部份回報及風險歸於出租人的租約，列作經營租賃。倘本集團為出租人，則本集團根據經營租約出租的資產計入非流動資產，而根據經營租約應收的租金會於租期內以直線法計入損益表。倘本集團為承租人，則根據經營租約應付的租金扣除出租人給予的任何優惠後於租期內以直線法在損益表扣除。

經營租賃下之預付土地租金於首次確認時按成本列賬，其後以直線法於租期內確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presented as finance costs in the statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

2.4 重大會計政策概要(續)

投資及其他金融資產

首次確認及計量

金融資產，在初始確認時，視情況分類為按公平值計入損益的金融資產、貸款及應收款項以及可供出售之金融投資，或分類為指定為實際對沖之對沖工具之衍生工具。金融資產於首次確認時以公平值加與購買金融資產直接相關的交易成本計量，惟按公平值計入損益的金融資產除外。

金融資產的所有正常買賣均於交易日(即本集團承諾買賣資產之日)確認。正常買賣乃指按照一般市場規定或慣例在一定期間內交付資產之金融資產買賣。

後續計量

金融資產其後會視乎以下分類進行計量：

按公平值計入損益的金融資產

按公平值計入損益的金融資產包括持作買賣的金融資產及於初始確認時即被指定為按公平值計入損益的金融資產。倘以短期賣出為目的而購買，則分類為持作買賣金融資產。除非按國際會計準則第39號定義指定為有效對沖工具，否則衍生工具(包括獨立之附帶內在衍生工具)亦分類為持作買賣金融資產。

按公平值計入損益的金融資產於財務狀況表中按公平值列賬，而正面公平值變動淨額於損益表的其他收入及收益中列報，負面公平值變動淨額於損益表的融資成本中列報。該等公平值變動淨額不包括根據下文「收入確認」所載政策確認的金融資產所得股息或利息。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Subsequent measurement (Continued)

Financial assets at fair value through profit or loss (Continued)

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in IAS 39 are satisfied.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the statement of profit or loss. The loss arising from impairment is recognised in the statement of profit or loss in other expenses.

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in listed and unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

後續計量(續)

按公平值計入損益的金融資產(續)

被指定按公平值入賬且其變動計入損益的金融資產於初始確認時獲指定，惟僅限適用於可達成國際會計準則第39號之準則者。

若主合約之附帶內在衍生工具之經濟特性及風險與主合約所有者並無密切關係，而主合約不屬持作買賣或並非指定按公平值計入損益，則主合約之附帶內在衍生工具乃以公平值確認為獨立衍生工具。該等附帶內在衍生工具按公平值計量，而公平值變動則於損益表確認。倘合約條款有變，並重大修改現金流量，或者金融工具不再被指定為以公平值計入損益的金融資產，方須進行重估。

貸款及應收款項

貸款及應收款項為有固定或可釐定付款而並無活躍市場報價的非衍生金融資產。於首次確認後，該等資產其後以實際利率法扣除任何減值撥備按已攤銷成本計量。計算已攤銷成本時會考慮收購所產生之任何折讓或溢價，亦包括作為實際利率不可缺少部分的費用或成本。實際利率攤銷計入損益表其他收入及收益中。減值產生之虧損作為其他開支於損益表中確認。

可供出售金融投資

可供出售金融投資乃上市及非上市之權益投資及債務證券中之非衍生金融資產。分類為可供出售之股本投資為並非分類為持作買賣或指定按公平值計入損益表之股本投資。該等類別的債務證券為持有期限不確定、可隨時根據流動資金需要或根據市場狀況變化而出售的債務證券。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Subsequent measurement (Continued)

Available-for-sale financial investments (Continued)

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the statement of profit or loss as other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the statement of profit or loss in other gains or losses. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively, and are recognised in the statement of profit or loss as other income in accordance with the policies set out for "Revenue recognition" below.

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

後續計量(續)

可供出售金融投資(續)

於首次確認後，可供出售金融投資其後以公平值計量，而未變現盈虧則於可供出售投資重估儲備中確認為其他全面收益，直至投資被終止確認或被釐定出現減值為止，此時累計盈虧確認為損益表中的其他收入或由可供出售投資的重估儲備重新歸類為損益表中的其他收益或虧損。持有可供出售金融投資所賺取之利息及股息分別列作利息收入及股息收入，並根據下文「收入確認」所載政策於損益表確認為其他收入。

倘因(a)對該投資合理公平值估計的波動幅度過大或(b)範圍內多項估計的可能性於估計公平值時無法合理評估及使用而無法可靠計量非上市股本投資的公平值，則有關投資按成本減任何減值虧損入賬。

本集團估量於短期內出售其可供出售金融資產之能力及意圖是否仍然合適。倘市場交投淡靜，本集團因而無法買賣有關金融資產，而本集團有意並有能力於可見將來持有該等資產，或持有至到期日，則本集團可選擇將該等金融資產重新分類，惟此情況並不常見。

就從可供出售類別重新分類之金融資產而言，於有關重新分類當日的公平值賬面價值成為其新攤銷成本，而該項資產過往已於權益確認之盈虧於損益中以實際利率按投資餘下可使用期攤銷。新已攤銷成本與到期金額之間之任何差額同樣以實際利率按資產餘下可使用期攤銷。倘該項資產其後釐定為出現減值，則於權益中所載之金額重新分類至損益表。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2.4 重大會計政策概要(續)

終止確認金融資產

金融資產(或部份金融資產或部份同類金融資產組的一部分(視乎情況而定))於下列情況下通常將被終止確認(如:從本集團的綜合財務狀況表中刪除):

- 收取資產現金流量的權利屆滿;或
- 本集團轉讓收取資產現金流量的權利,或承擔根據「過手」安排在無重大延遲的情況下向第三方支付所收取的全部現金流量的責任;及(a)本集團已轉讓資產的絕大部份風險及回報,或(b)本集團並無轉讓亦無保留資產的絕大部份風險及回報,但已轉讓資產控制權。

當本集團已轉讓收取資產現金流量的權利,或已訂立轉移協議,其評估是否保留資產風險及回報與其程度。當並無轉讓亦無保留資產的絕大部份風險及回報,亦無轉讓資產控制權,則該項資產根據本集團持續涉入該資產的程度確認入賬。在這種情況下,本集團亦會確認一項相關負債。該已轉讓的資產及相關負債是以反映本集團所保留權利及責任為基準而計量。則按資產原賬面值與本集團須償還的代價最高金額之較低者計量。

金融資產減值

本集團於各報告期末評估是否有客觀證據證明一項金融資產或一類金融資產出現減值。如因首次確認資產後發生的一宗或多宗事件導致存在客觀減值跡象,而對該項或該組金融資產的估計未來現金流量所造成的影響能可靠地估計,則該項或該組金融資產會被視為減值。減值證據可包括一名或一組借款人正面臨重大經濟困難、違約或未能償還利息或本金;彼等有可能破產或進行其他財務重組;以及有可觀察得到的數據顯示估計未來現金流量出現可計量的減少,例如拖欠金額出現變動或出現與違約相關的經濟狀況。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in the statement of profit or loss.

2.4 重大會計政策概要(續)

金融資產減值(續)

按攤銷成本列賬的金融資產

就按攤銷成本列賬的金融資產而言，本集團首先個別評估單獨而言屬重大的金融資產是否減值，或共同評估單獨而言不屬重大的金融資產是否減值。倘本集團認為個別評估的金融資產(不論重大與否)並無存在客觀減值證據，則會將有關資產列入信貸風險特點相若的一組金融資產內，並共同評估有否減值。個別進行減值評估及已確認或繼續確認減值虧損的資產，均不會包括在共同減值評估內。

任何識別出減值虧損金額按該項資產的賬面值與估計未來現金流量(不包括尚未產生的未來信貸虧損)現值兩者間的差額計算。估計未來現金流量的現值乃按金融資產原來的實際利率(即初步確認時計算的實際利率)貼現得出。

該資產的賬面值會通過使用撥備賬而減少，而虧損於損益表內確認。利息收入於減少後的賬面值中持續產生，且採用計量減值虧損時用以折現未來現金流量的利率累計。若日後不可能收回，而所有抵押品已兌現或已轉讓予本集團，則撇銷貸款及應收款項連同任何相關撥備。

如在其後期間估計減值虧損金額因一項確認減值後發生的事件增加或減少，則透過調整撥備賬增加或減少先前確認的減值虧損。如其後收回撥備，則該項收回將計入損益表中的其他開支。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the statement of profit or loss, is removed from other comprehensive income and recognised in the statement of profit or loss.

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss — measured as the difference between the acquisition cost and its current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss — is removed from other comprehensive income and recognised in the statement of profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through the statement of profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

2.4 重大會計政策概要(續)

金融資產減值(續)

按成本值列賬之資產

倘有客觀跡象顯示，因無法可靠計量公平值而未按公平值列賬之非上市股權工具出現減值虧損，或與該等上市股權工具有關並須以支付該等工具結算之衍生資產出現減值虧損，則虧損金額按該資產之賬面值與預期未來現金流量之現值(按類似金融資產之現行市場回報率折現)之差額入賬。該等資產之減值虧損不予撥回。

可供出售金融投資

就可供出售金融投資而言，本集團於各報告期末評估是否有客觀證據顯示一項投資或一組投資出現減值。

倘一項可供出售資產出現減值，其成本值(扣除任何主要付款及攤銷)與其現行公平值之差額，在扣減以往在損益表中確認之任何減值虧損後會自其他全面收益剔除，並於損益表中確認。

就分類為可供出售之權益投資而言，客觀證據包括一項投資之公平值大幅下降或持續下降，以至低於其成本值。評估是否屬於「重大」時，乃與該項投資之原成本比較，而評估是否屬於「持續」時，則以公平值低於其原成本為時長短為據。若有證據顯示出現減值，則累計虧損(按收購成本與其現有公平值之差額計量，減過往就該項投資於損益確認之任何減值虧損)自其他全面收益中剔除，並於損益表中確認。分類為可供出售之權益工具之減值虧損不會透過損益表撥回。減值後公平值之增幅乃直接於其他全面收益內確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, other payables and interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in IAS 39 are satisfied.

2.4 重大會計政策概要(續)

金融負債

首次確認及計量

金融負債在首次確認時可分類為按公平值計入損益的金融負債、貸款及借貸，或分類為指定作實際對沖的對沖工具的衍生工具(視屬何者適用)。

所有金融負債於首次確認時以公平值計算，而貸款及借貸則扣除直接應佔交易成本。

本集團之金融負債包括貿易及票據應付款、其他應付款項以及計息銀行及其他借貸。

後續計量

金融負債其後會視乎以下分類進行計量：

按公平值計入損益的金融負債

按公平值計入損益的金融負債包括持作買賣的金融負債及於初始確認時即被指定為按公平值計入損益的金融負債。

金融負債倘以短期回購為目的而獲取，則分類為持作買賣。此類別包括本集團訂立的並非指定為對沖關係(定義見國際會計準則第39號)的對沖工具的衍生金融工具。除非已指定為有效對沖工具，否則獨立之附帶內在衍生工具亦分類為持作買賣金融資產。持作買賣負債的收益或虧損在損益表內確認。在損益表內確認的公平值收益或虧損淨額不包括該等金融負債所收取的利息。

被指定按公平值入賬且其變動計入損益的金融負債於初始確認時獲指定，惟僅限適用於國際會計準則第39號。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities (Continued)

Subsequent measurement (Continued)

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of the existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as commodity derivative contracts, to hedge its commodity price risk, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

2.4 重大會計政策概要(續)

金融負債(續)

後續計量(續)

貸款及借貸

於首次確認後，計息貸款及借貸其後以實際利率法按已攤銷成本計量，倘貼現之影響輕微，在此情況下則按成本列賬。終止確認負債及透過實際利率攤銷過程中產生之收益及虧損於損益表中確認。

計算已攤銷成本時會考慮收購所產生之任何折讓或溢價，亦包括作為實際利率一部份的費用或成本。實際利率攤銷計入綜合損益表的融資成本項下。

終止確認金融負債

當負債的責任被解除或取消或屆滿，則金融負債將終止確認。

如現有金融負債由條款有重大差異的相同放款人負債所取代，或現有負債的條款有重大修訂，此類交換或修訂將被視為終止確認原負債及確認新負債處理，有關賬面值的差額於損益表中確認。

抵銷金融工具

金融資產與金融負債對銷，而有關淨額會於現有可強制執行的法律權利可抵銷已確認金額且有意按淨額基準結算或同時變現資產及結清負債時，在財務狀況表中呈報。

衍生金融工具

首次確認及後續計量

本集團使用衍生金融工具，例如商品衍生工具合約，以對沖商品價格風險。此類衍生金融工具首先按訂立衍生工具合約當日的公平值確認，其後按公平值重新計量。衍生工具在公平值為正數時入賬為資產，公平值為負數則列為負債。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derivative financial instruments (Continued)

Initial recognition and subsequent measurement (Continued)

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

Current versus non-current classification

Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into current and non-current portions based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows).

- Where the Group expects to hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of the reporting period, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.
- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.
- Derivative instruments that are designated as, and are effective hedging instruments, are classified consistently with the classification of the underlying hedged item. The derivative instruments are separated into current portions and non-current portions only if a reliable allocation can be made.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

2.4 重大會計政策概要(續)

衍生金融工具(續)

首次確認及後續計量(續)

除現金流對沖的有效部分是於其他全面收益內確認，並且當獲對沖項目影響損益時其後重新分類至損益外，衍生工具公平值變動所產生損益直接計入損益表。

流動與非流動分類

未指定作有效對沖工具的衍生工具會分類為流動或非流動，或根據對事實和情況(即相關合約現金流量)的評估分割為流動和非流動部份。

- 本集團預期在報告期末後12個月之後的期間持有衍生工具作經濟性對沖(且並無應用對沖會計)時，衍生工具與相關項目的分類保持一致地分類為非流動(或分割成流動和非流動部份)。
- 與主體合約並無密切關係的內含衍生工具的分類與主體合約的現金流量一致。
- 指定為及屬有效對沖工具的衍生工具的分類與相關被對沖項目的分類保持一致。僅當能作出可靠分配時，衍生工具方會分割成流動和非流動部份。

存貨

存貨按成本與可變現淨值的較低者入賬。成本按先進先出法計算，而在製品及制成品的成本包括直接材料、直接人工及適當比例的間接費用。可變現淨值乃根據估計售價減任何完工及出售時的估計成本。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amounts of cash subject to an insignificant risk of changes in value and having a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statements of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits and assets similar in nature to cash, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Provisions for product warranties granted by the Group on certain products are recognised based on sales volume and past experience of the level of repairs and returns, discounted to their present values as appropriate.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration the interpretations and practices prevailing in the countries in which the Group operates.

2.4 重大會計政策概要(續)

現金及現金等價物

綜合現金流量表的現金及現金等價物包括手頭現金及活期存款，以及可兌換為確定數額現金的短期高流動性投資（價值波動風險不高，且於取得時通常為三個月內到期），減須按要求償還並屬於本集團現金管理的一部份的銀行透支。

財務狀況表的現金及現金等價物包括手頭現金及銀行現金存款（包括定期存款及無用途限制的近乎現金性質資產）。

撥備

因過往事件產生現時債務（法定或推定），而未來可能需要資源流出以償還債務，且該債務所涉金額能可靠估計時，則確認撥備。

倘折現影響重大，則已確認的撥備數額為報告期末預期的償還債務所需的未來支出現值。隨時間流逝而增加的折現現值金額於損益表內列為融資成本。

本集團為若干產品提供的產品保用撥備按銷量及過往維修及退貨水平的經驗折算為現值（如適用）。

所得稅

所得稅包括即期及遞延稅項。有關在損益以外確認的項目的所得稅乃於其他全面收益或直接於權益內確認。

當期及過往期間的即期稅項資產及負債按預期自稅務機關退回或向稅務機關支付的數額，並根據於報告期末已頒佈或實際頒佈的稅率（及稅法）計量，並經考慮本集團經營所在地適用的詮釋及常規。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2.4 重大會計政策概要(續)

所得稅(續)

遞延稅項採用負債法就於報告期末資產及負債的稅基與財務報告所列賬面值間的所有暫時差異計算撥備。

所有應納稅暫時差異確認為遞延稅項負債，但下列各項除外：

- 當一項交易(該交易並非為業務合併)進行時初始確認的商譽或資產或負債產生的遞延稅項負債既不對會計損益也不對應課稅損益構成影響的情況；及
- 關於附屬公司和聯營公司的投資產生的應課稅暫時差異，如撥回這些暫時差異的時間可受控制且暫時差異於可預見將來可能不會轉回的情況。

根據可用於抵銷可扣稅暫時差異、未動用稅項抵免及未動用稅務虧損的結轉的應課稅利潤為限，則所有可扣稅暫時差異、未動用稅項抵免及未動用稅務虧損的結轉均確認為遞延稅項資產，但下列各項除外：

- 當一項交易(該交易並非為業務合併)進行時與初始確認的資產或負債產生的可扣稅暫時差異有關的遞延稅項資產，既不對會計損益也不對應課稅損益構成影響；及
- 關於附屬公司及聯營公司的的投資產生的可扣減暫時差異，遞延稅項資產只限於暫時差異將於可預見將來轉回及有應課稅利潤可用以抵扣暫時差異時才被確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets are realised or the liabilities are settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the period that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

2.4 重大會計政策概要(續)

所得稅(續)

於各報告期末審閱遞延稅項資產的賬面值，並扣減至不再可能有足夠應納稅利潤供使用全部或部份遞延稅項資產為止。於各報告期末重新評估未確認的遞延稅項資產，並於可能有足夠應納稅利潤供使用全部或部份遞延稅項資產為限收回。

遞延稅項資產及負債以資產被變現或負債被清償時適用的稅率計量，並根據報告期末已頒佈或實際頒佈的稅率(及稅法)計算。

倘享有法定執行權利以即期稅項資產抵銷即期稅項負債，且有關遞延稅項涉及相同應納稅實體及相同稅務機關，則可抵銷遞延稅項資產及遞延稅項負債。

政府補貼

倘政府補貼的收取可合理確定且本集團符合全部有關條件，則按其公平值確認該等政府補貼。如屬與費用項目相關的補助金，則於擬補償成本費用化期間系統地確認為收入。

如屬與資產相關的補貼，則按公平值計入遞延收入賬，並於有關資產預計可使用年期內每年分期按等額轉撥至損益表中或自資產的賬面值扣除，並以已扣減折舊費用方式計入損益表。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (b) from the rendering of services, on the percentage of completion basis, as further explained in the accounting policy for “Contracts for services” below;
- (c) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts over the expected life of the financial instruments or a shorter period, when appropriate, to the net carrying amount of the financial assets; and
- (d) rental income, on a time proportion basis over the lease terms.

Contracts for services

Contract revenue on the rendering of services comprises the agreed contract amount. Costs of rendering services comprise labour and other costs of personnel directly engaged in providing the services and attributable overheads.

Revenue from the rendering of services is recognised based on the percentage of completion of the transaction, provided that the revenue, the costs incurred and the estimated costs to completion can be measured reliably. The percentage of completion is established by reference to the costs incurred to date as compared to the total costs to be incurred under the transaction. Where the outcome of a contract cannot be measured reliably for fixed price telecommunications system contracts, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Provision is made for foreseeable losses as soon as they are anticipated by management.

2.4 重大會計政策概要(續)

收入確認

於經濟利益很可能流入本集團且能可靠計量收入時，按下列基準確認收入：

- (a) 倘本集團未保留所有權通常所涉及的管理參與權，亦未實際控制所售貨物，則銷售貨物的收入自所有權的主要風險及回報轉移至買方時予以確認；
- (b) 服務收入，按完成的百分比計算，進一步詳情見下文「服務合約」的會計政策；
- (c) 利息收入按應計基準，採用將金融工具預計年限或更短的時期(如適用)估計未來收取的現金折現至金融資產賬面淨值的折現率，以實際利率法確認；及
- (d) 租金收入於租期內按時間比例予以確認。

服務合約

提供服務的合約收入乃協議的合約金額。提供服務成本包括直接工資、其他直接有關提供服務人士的成本及間接費用。

提供服務的收入，在能可靠地計量收入、所涉成本及估計完工成本的情況下，根據完工百分比確認。完工百分比乃參照當日已發生成本與交易總成本作比較計算得出。就固定價格電訊系統工程合約而言，當一項合約的成果不能夠可靠地估計時，確認的收益僅為可能收回的已支出費用。

當管理層預見可預見虧損時將立即作出撥備。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contracts for services (Continued)

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from contract customers. Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to contract customers.

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (the "equity-settled transactions").

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefit expense. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

2.4 重大會計政策概要(續)

服務合約(續)

若當日已發生合約成本加已確認溢利減去已確認虧損大於進度付款，餘額被列為應收客戶合約款項。若進度付款超出當日已發生合約成本加已確認溢利減去已確認虧損，餘額將列作應付客戶合約款項。

以股份支付的款項

為了給對本集團經營做出貢獻的合格參與者提供獎勵及回報，本公司實施了股票期權計劃。本集團僱員(包括董事)按股份支付收取酬金，而僱員提供服務作為權益工具的代價(「權益結算交易」)。

權益結算交易的成本於表現及／或服務條款已獲履行的期間，連同相應的權益增加一併在僱員福利開支內確定。於各個報告期完結直至歸屬日期的已確認權益結算交易累計開支反映歸屬日期屆滿時本集團對將會最終歸屬的權益工具數目的最佳估計。期內在損益表扣除或計入損益表的數額代表期初及期末的已確認累計開支變動。

對於尚未最終歸屬的購股權，不會確認任何開支，但視乎市場或非歸屬條件而決定歸屬與否的權益結算交易則除外，對於權益結算交易而言，只要所有其他績效及／或服務條件已經達成，不論市場或非歸屬條件是否達成，均會被視為已歸屬。

倘若以權益結算的購股權的條款有所變更，所確認的開支最少須達到猶如條款並無任何變更的符合購股權原先條款的水平。此外，倘若按變更日期的計量，任何變更導致以股份支付的款項總公平值有所增加，或為僱員帶來其他利益，則應就該等變更確認開支。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contracts for services (Continued)

Share-based payments (Continued)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Pension schemes

The employees of the Group's subsidiaries which operate in China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

For the defined contribution schemes of the Group, the forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) would not be used by the employer to reduce the existing level of contribution.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when 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 capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.4 重大會計政策概要(續)

服務合約(續)

以股份支付的款項(續)

倘若以權益結算的購股權被註銷，應被視為已於註銷日期歸屬，任何尚未確認的授予購股權的開支，均應立刻確認。此包括未符合屬本集團或僱員控制範圍內的非歸屬條款所涉及的購股權。然而，若授予新購股權代替已註銷的購股權，並於授出日期指定為替代購股權，則已註銷的購股權及新購股權，均應被視為原購股權的變更，一如前段所述。

尚未行使的購股權的攤薄影響，被列作計算每股盈利的額外股份攤薄。

其他僱員福利

退休金計劃

本集團於中國的附屬公司的僱員須參加由地方政府經營的中央退休金計劃。附屬公司須按其工資成本的若干百分比向中央退休金計劃供款。根據中央退休金計劃規則，有關供款於應付時在損益表扣除。

就本集團之定額供款計劃而言，沒收之供款(由僱員代該等供款悉數歸屬前退出計劃之僱員作出)將不會由僱主用作減少現有水平之供款。

借貸成本

因收購、建設或生產合資格資產(即需要相當一段時期始能投入其擬定用途或出售的資產)而直接產生的借貸成本將被資本化作為有關資產成本的一部分。上述借貸成本於上述資產大致可作擬定用途或銷售時停止資本化。於合資格資產產生開支前將特定借貸暫時用於投資所得的投資收入應於資本化的借貸成本中扣除。所有其他借貸成本均於產生期內支銷。借貸成本包括利息及實體就借取資金而產生的其他成本。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

The financial statements are presented in RMB which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

2.4 重大會計政策概要(續)

股息

董事建議派發的末期股息列為財務狀況表內權益項目的保留溢利的個別分配，直至股東於股東大會作出批准。該等股息獲股東批准並宣派時將確認為負債。

由於本公司組織章程大綱及細則授予董事會權力宣派中期股息，擬派中期股息可即時宣派。因此，中期股息於建議派發及宣派時直接確認為負債。

外幣

財務報表以本公司功能及呈報貨幣人民幣呈列。本集團內各實體自行決定功能貨幣，各實體的財務報表項目以該功能貨幣計量。記錄於本集團實體的外幣交易最初按交易日各功能貨幣的匯率入賬。以外幣計值的貨幣資產及負債於報告期末按功能貨幣匯率換算。貨幣性項目結算或換算產生的差異均計入損益表。

按歷史成本計量的非貨幣項目根據最初交易日的匯率換算。按外幣公平值計量的非貨幣項目按釐定公平值當日的匯率換算。按公平值計量之非貨幣項目換算所產生盈虧與確認該項目公平值變動的盈虧的處理方法一致(換言之，於其他全面收益或損益確認公平值盈虧的項目的匯兌差額，亦分別於其他全面收益或損益確認)。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB dollars at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component in the consolidated statement of comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

2.4 重大會計政策概要(續)

外幣(續)

若干海外附屬公司的功能貨幣並非人民幣。於報告期末，該等實體的資產及負債按報告期末的匯率換算為本公司的呈報貨幣，該等公司的損益表按本年度的加權平均兌換率換算為人民幣。

因此產生的匯兌差額於其他全面收益及累計列入匯兌波動儲備。在出售海外業務時，該特定海外業務相關的綜合全面收益表的部分於損益表中確認。

收購海外業務產生的商譽及收購產生的資產及負債的賬面值調整，作為海外業務的資產及負債處理，並按報告期末的匯率換算。

3. 主要會計判斷及估計

當編製本集團的財務報表時，管理層須就影響收益、開支、資產與負債的呈報金額和對應披露，以及或然負債的披露作出判斷、估計及假設。該等假設及估計所涉及的不確定性可導致須就日後受影響的資產或負債的賬面值作出重大調整。

判斷

在應用本集團的會計政策的過程中，除涉及估計外，管理層作出了以下對財務報表所確認的金額具有重大影響的判斷：

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements (Continued)

Transfer of financial assets

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Significant judgement is often required when the Group has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, and estimates the extent of the Group's continuing involvement in the asset.

Recognition of deferred tax liability for withholding taxes

Deferred tax liability should be recognised for withholding tax levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. Significant management judgement is required to determine the amount of deferred tax liabilities that can be recognised, based upon the probability that dividends would be declared. The Group is of the view that it is able to fully control the timing of the reversal of the temporary difference arising from dividend distribution of these subsidiaries and it is not probable that these subsidiaries will make such profit distribution in the foreseeable future. Therefore, the Group has not recognised any deferred tax liability for withholding taxes. More details are set out in note 21.

Estimation uncertainty

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 amounts of assets and liabilities within the next financial year, are described below.

Revenue recognition

For contracts involving multiple deliverables, the Group generally evaluates each deliverable to determine whether it represents a separate unit based on the following criteria: (i) whether the delivered item has value to the customer on a stand-alone basis, and (ii) whether the completion of the contract (that includes a general right of return), delivery or performance of the undelivered item(s) is considered probable and substantially in the control of the Group.

3. 主要會計判斷及估計(續)

判斷(續)

轉讓金融資產

倘本集團已轉讓其自一項資產收取現金流量的權利或已訂立轉付安排，而並無轉讓或保留該資產的絕大部份風險及回報，亦無轉讓該資產的控制權，該資產會繼續被確認入賬，條件為本集團對該資產持續參與。對本集團是否沒有轉讓或保留資產的絕大部份風險及回報，亦無轉讓該資產的控制權，以及估計本集團持續參與資產的程度，通常須作出及重大判斷。

就預扣稅確認遞延稅項負債

當在中國內地成立的外資企業向境外投資者宣派股息，須就股息所徵收的預扣稅確認遞延稅項負債。管理層根據宣派股息之可能性釐定可予確認的遞延稅項負債金額時，需行使重大判斷。本集團認為，其能夠完全控制撥回該等附屬公司股息分派所產生臨時差額的時間，且該等附屬公司不大可能會於可見將來作出溢利分派。因此，本集團並無就預扣稅確認任何遞延稅項負債。更多詳情載於附註21。

估計的不確定性

下文載述有關未來的主要假設及於報告期末估計不確定因素的其他主要來源，兩者均涉及導致下個財政年度資產及負債賬面值大幅調整的重大風險。

收入確認

當合約涉及多次交付項目，本集團會對各交付項目進行一般評估，並根據下列準則釐定有關項目是否為獨立的單位：(i) 已交付項目對客戶是否具有獨立價值；及(ii) 未交付項目的合約能否完成(包括一般退貨權)、交付或履行是否被視為可能進行及實質上由本集團控制。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Revenue recognition (Continued)

The Group's determination of whether deliverables within a multiple element arrangement can be treated separately for revenue recognition purposes involves significant estimates and judgements, such as whether delivered elements have stand-alone value to the customer. Changes to the Group's assessment of the accounting units in an arrangement and/or its ability to establish fair values could significantly change the timing and value of revenue recognition.

Arrangement consideration shall be allocated at the inception of the arrangement to all deliverables on the basis of their relative selling price (the relative selling price method). When applying the relative selling price method, the selling price for each deliverable shall be determined using vendor-specific objective evidence ("VSOE") of selling price, if it exists; otherwise, third-party evidence of selling price. If neither vendor-specific objective evidence nor third-party evidence of selling price exists for a deliverable, the vendor shall use its best estimate of the selling price for that deliverable when applying the relative selling price method.

The Group's assessment of which revenue recognition guidance is appropriate for accounting for a deliverable also involves significant judgement. This assessment could significantly impact the amount and timing of revenue recognition.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also a suitable discount rate to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2013 was RMB61,146,000 (2012: RMB61,146,000 (Restated)). Further details are set out in note 16 to the financial statements.

3. 主要會計判斷及估計(續)

估計的不確定性(續)

收入確認(續)

本集團於釐定多元安排內之交付項目可否單獨進行收入確認時，會作出重大估計和判斷，譬如已交付部份對客戶是否具有獨立價值。倘本集團對安排內會計單位的評估及／或本集團確立公平值的能力有所改變，則可能令收入確認的時間及價值出現顯著變動。

於合同開始實行時，根據交付項目的相對售價，將合同金額分配予所有交付項目(相對售價法)。應用相對售價法時，如有每個交付項目的賣方特定售價客觀證據(「賣方特定售價客觀證券」)，應採用該等證據確定交付項目售價；否則應採用第三方售價證據。倘若沒有註明賣方特定售價項客觀證據，也沒有第三方售價證據，賣方應用相對售價法時，應採用對該交付項目售價的最佳估算。

為計算交付項目評估適當的收入確認指引時，本集團亦須作出重大判斷。有關評估可能對確認收入之金額和時間產生重大影響。

商譽減值

本集團最少每年一次衡量商譽是否出現減值，當中涉及估計商譽所分配至的現金產生單位的使用價值。如要估計使用價值，則本集團必須估計現金產生單位的預期未來現金流量，此外亦須評估適用的貼現率，以計算該等現金流量的現值。於二零一三年十二月三十一日，商譽的賬面值為人民幣61,146,000元(二零一二年：人民幣61,146,000元(經重列))。更多詳情載於財務報表附註16。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions at arm's length of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate to calculate the present values of those cash flows.

Impairment of loans and receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a loan or receivable is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. Further details are set out in note 24 to the financial statements.

Included in trade receivable and other receivables are trade balances due from a customer amounting to RMB107,575,000 (2012: RMB104,901,000) and advances to this customer amounting to RMB141,987,000 as at 31 December 2013 (2012: RMB134,240,000). Some of the balances due from this customer are aged over one year but the Group has changed the repayment terms to on demand as the Group is undertaking a business cooperation with the customer in the 4G related businesses. The Company's directors are of view that such business development is important for the Group in the future and the financial support to this customer is crucial for business reason. As a result, the directors of the Company do not consider that there is any indication of impairment on the amounts due from this customer.

3. 主要會計判斷及估計(續)

估計的不確定性(續)

非金融資產的減值(商譽除外)

本集團會評估是否有表明於各個報告期末所有非金融資產出現減值的跡象。其他非金融資產於有跡象表明賬面值可能無法收回時進行減值測試。倘資產或現金產生單位的賬面值超逾其可收回金額(即資產的公平值減出售成本和使用價值,以較高者為準),即出現減值。公平值減出售成本的計算基準為從類似資產以公平原則進行具約束力的銷售交易中所得資料或可見的市場價格減去出售有關資產的額外成本。當進行使用價值計算時,管理層會估計自該資產或現金產生單位的預期未來現金流量,並選擇適當的折讓率,以計算該等現金流量的現值。

貸款和應收款項的減值

本集團在每個報告期末評估貸款或應收款項是否存在任何客觀的減值證據。為釐定是否有客觀的減值證據,本集團會考慮多項因素,如債務人可能無力償債或出現嚴重財務困難,以及拖欠或嚴重逾期還款。當有客觀的減值證據,則按具類似信貸風險特徵的資產過往的虧損經驗來估計未來現金流量的金額和時間。進一步詳情載於財務報表附註24。

貿易應收款項及其他應收款項中包括應收一名客戶的貿易結餘人民幣107,575,000元(二零一二年:人民幣104,901,000元)及墊付該客戶的貸款,於二零一三年十二月三十一日達人民幣141,987,000元(二零一二年:人民幣134,240,000元)。應收該客戶款項中部分結餘賬齡已超過一年,惟本集團已將還款期更改為按要償還,因本集團與該客戶現正就4G相關業務開展商業合作。本公司董事認為有關業務發展未來對本集團會甚為重要,而向該客戶提供財務支持有重要之商業理由。因此,本公司董事不認為該客戶結欠的該筆款項有任何減值跡象。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Useful lives and residual values of property, plant and equipment

The management determines the residual values, useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual residual values and useful lives of property, plant and equipment of similar nature and functions and may vary significantly as a result of technical innovation and keen competition from competitors, resulting in higher depreciation charge and/or write-off or write-down of technically obsolete assets when residual values or useful lives are less than previously estimated. As at 31 December 2013, the carrying amount of property, plant and equipment of the Group was approximately RMB429,220,000 (2012: RMB759,096,000 (Restated)).

Net realisable value of inventories

The Group performs regular review of the carrying amounts of its inventories with reference to aged analyses of the Group's inventories and projections of expected future saleability of goods, and also based on management's experience and judgement. Based on this review, write-down of inventories is made when the estimated net realisable values of inventories decline below their carrying amounts. Due to changes in the technological, market and economic environment and customers' preference, actual saleability of goods may be different from estimation and profit or loss could be affected by differences in this estimation. As at 31 December 2013, impairment losses of RMB9,871,000 (2012: RMB4,708,000 (Restated)) have been recognised for inventories.

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilised. Significant management's judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are set out in note 21 to the financial statements.

3. 主要會計判斷及估計 (續)

估計的不確定性 (續)

物業、廠房及設備的可使用年期及剩餘價值

本集團管理層就其物業、廠房及設備釐定剩餘價值、可使用年期及相關折舊開支。有關估算乃根據性質及功能相若的物業、廠房及設備的實際剩餘價值及可使用年期的過往記錄作出，並可因技術發展及競爭對手的緊湊競爭而有重大差異，導致折舊開支提高及／或當剩餘價值或可使用年期較之前估計為短時撇銷或撇減技術過時的資產。於二零一三年十二月三十一日，本集團物業、廠房及設備之賬面值約為人民幣429,220,000元(二零一二年：人民幣759,096,000元(經重列))。

存貨的可變現淨值

本集團定期參考本集團存貨的賬齡分析和預期日後貨品可售性的預測並根據管理層經驗和判斷來審閱存貨的賬面值。根據是項審閱，倘若存貨的估計可變現淨值低於其賬面值，則會將存貨撇減。由於科技日新月異，加上市場和經濟環境以及客戶喜好不斷轉變，實際的貨品可售性可能有別於估計者，而是項估計的差別可能影響損益。於二零一三年十二月三十一日，已就存貨確認減值虧損人民幣9,871,000元(二零一二年：人民幣4,708,000元(經重列))。

遞延稅項資產

倘有應課稅溢利而可使用可扣減暫時差異及未動用稅務虧損抵銷，則會就所有可扣減暫時差異及未動用稅務虧損確認遞延稅項資產。釐定可確認的遞延稅項資產金額需要管理層依據日後應課稅溢利的時間與水平及日後稅務規劃策略作出重大判斷。更多詳情披露於財務報表附註21。

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4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services. As a result of the Acquisition described in note 2.1, the Group changed the structure of its internal organisation in a manner that caused the composition of its reportable segments to change. Based on the new internal organisation incorporating the new business, the Group has three reportable operating segments and the corresponding items of segment information for the year ended 31 December 2012 have been restated for presentation on the same basis. The three reportable segments are set out as follows:

- (a) The signal transmission and connectivity products segment engages in the manufacture and sales of signal cable assembly, power cord assembly, signal transmission wire and cable products, connectors, antennas, automotive wiring harness and other products.
- (b) The terminals segment engages in the manufacture and sale of mobile phone handsets, related accessories and related software, and mobile internet terminals.
- (c) The networks (telecommunications system) segment serves for the construction of base stations for telecommunications networks including TD-LTE, TD-SCDMA and GSM network, trading of telecommunications equipment, such as IPRAN and xPON, and providing private network solutions.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax from continuing operations. The adjusted profit/(loss) before tax from continuing operations is measured consistently with the Group's loss before tax from continuing operations except that interest income, finance costs, as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude available-for-sale investments, deferred tax assets, cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude deferred tax liabilities, interest-bearing bank and other borrowings, and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

4. 經營分部資料

就管理而言，本集團根據產品及服務劃分業務單位。由於附註2.1所述的收購事項，本集團更改其內部組織架構，致使其可報告分部的組成部分出現變動。根據納入該項新業務的新內部組織，本集團現有兩個可報告經營分部，而截至二零一二年十二月三十一日止年度分部資料之相應項目已重列，以使用相同基準編製呈報。該兩個可報告經營分部現列載如下：

- (a) 信號傳輸及連接產品分部從事製造及銷售信號線組件、電源線組件、信號傳輸線纜產品、連接器、天線及汽車線及其他產品。
- (b) 終端分部從事製造及銷售手提電話、相關配件及相關軟件，以及移動互聯網終端。
- (c) 網絡（電訊系統）分部興建電訊網絡基站（包括TD-LTE、TD-SCDMA及GSM網絡）及買賣電訊設備（如IPRAN及xPON），以及提供專有網絡解決方案。

管理層獨立監察本集團之經營分部業績，以就資源分配及表現評估作出決策。分部表現根據可報告分部溢利／（虧損）評估，其為持續經營業務經調整除稅前溢利／（虧損）之計量。持續經營業務經調整除稅前溢利／（虧損）之計量方式與本集團持續經營業務之除稅前虧損一致，惟利息收入、融資成本以及總辦事處及公司開支並不會計入有關計量。

分部資產不包括可供出售投資、遞延稅項資產以及現金及現金等價物及其他未分配總辦事處及公司資產，因為該等資產按集團基準管理。

分部負債不包括遞延稅項負債、計息銀行及其他借款及其他未分配總辦事處及公司負債，因為該等負債按集團基準管理。

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4. OPERATING SEGMENT INFORMATION

(Continued)

Year ended 31 December 2013

4. 經營分部資料(續)

截至二零一三年十二月三十一日止年
度

		Terminals	Networks	Signal transmission and connectivity	Unallocated	Total
		終端	網絡	信號傳輸及連接產品	未分配	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Segment revenue	分部收益	350,453	696,538	1,665,534		2,712,525
Segment results	分部業績	28,360	137,742	(110,294)		55,808
<i>Reconciliation:</i>	<i>對賬:</i>					
Interest income	利息收入					4,173
Finance costs	融資成本					(150,551)
Corporate and other unallocated expenses	公司及其他未分配開支					(64,372)
Loss before tax from continuing operations	持續經營業務除稅前虧損					(154,942)
Segment assets	分部資產	410,638	688,112	964,714		2,063,464
<i>Reconciliation:</i>	<i>對賬:</i>					
Corporate and other unallocated assets	公司及其他未分配資產					354,458
Total assets	總資產					2,417,922
Segment liabilities	分部負債	173,455	402,205	256,719		832,379
<i>Reconciliation:</i>	<i>對賬:</i>					
Corporate and other unallocated liabilities	公司及其他未分配負債					789,926
Total liabilities	總負債					1,622,305
Other segment information:	其他分部資料:					
Impairment losses recognised in the statement of profit or loss	於損益表中確認之減值虧損	13,458	1,540	13,544	-	28,542
Depreciation and amortisation	折舊及攤銷	12,678	7,217	43,929	8,005	71,829
Capital expenditure*	資本開支*	-	-	148,123	10,744	158,867
Other non-cash expenses	其他非現金開支	-	-	6,052	-	6,052

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4. OPERATING SEGMENT INFORMATION

(Continued)

Year ended 31 December 2012

4. 經營分部資料(續)

截至二零一二年十二月三十一日止年度

		Terminals 終端 RMB'000 人民幣千元 (Restated) (經重列)	Networks 網絡 RMB'000 人民幣千元 (Restated) (經重列)	Signal transmission and connectivity products 信號傳輸及連接產品 RMB'000 人民幣千元 (Restated) (經重列)	Unallocated 未分配 RMB'000 人民幣千元 (Restated) (經重列)	Total 總計 RMB'000 人民幣千元 (Restated) (經重列)
Segment revenue	分部收益	246,271	334,009	1,933,675		2,513,955
Segment results	分部業績	20,707	26,322	(16,399)		30,630
<i>Reconciliation:</i>	<i>對賬:</i>					
Interest income	利息收入					1,336
Finance costs	融資成本					(61,645)
Corporate and other unallocated expenses	公司及其他未分配開支					(13,115)
Loss before tax from continuing operations	持續經營業務除稅前虧損					(42,794)
Segment assets	分部資產	350,064	460,944	2,228,722		3,039,730
<i>Reconciliation:</i>	<i>對賬:</i>					
Corporate and other unallocated assets	公司及其他未分配資產					466,545
Total assets	總資產					3,506,275
Segment liabilities	分部負債	155,706	187,181	498,336		841,223
<i>Reconciliation:</i>	<i>對賬:</i>					
Corporate and other unallocated liabilities	公司及其他未分配負債					1,202,517
Total liabilities	總負債					2,043,740
Other segment information:	其他分部資料:					
Impairment losses recognised in the statement of profit or loss	於損益表中確認之減值虧損	732	1,084	39,796	97	41,709
Depreciation and amortisation	折舊及攤銷	19,965	20,011	53,171	4,954	98,101
Capital expenditure*	資本開支*	-	-	163,831	269,574	433,405
Other non-cash expenses	其他非現金開支	-	-	6,130	-	6,130

* Capital expenditure consist of additions to property, plant and equipment, other intangible assets including assets from the acquisition of a subsidiary.

* 資本開支包括物業、廠房及設備添置及包括收購一間附屬公司資產等其他無形資產。

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4. OPERATING SEGMENT INFORMATION

(Continued)

Geographical information

(a) Revenue from external customers

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Mainland China	中國內地	2,066,087	1,890,856
Taiwan	台灣	252,432	284,873
Korea	韓國	308,123	213,468
The United States of America	美國	74,659	105,948
Hong Kong	香港	508	602
Other countries and areas	其他國家及地區	10,716	18,208
		2,712,525	2,513,955

The revenue information of continuing operations above is based on the locations of the customers.

上述持續經營業務之收入資料乃以客戶之所在地點為依歸。

(b) Non-current assets

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Mainland China	中國內地	763,165	1,171,472
Hong Kong	香港	297	89
Taiwan	台灣	–	6,574
		763,462	1,178,135

The non-current asset information of continuing operations above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

上述持續經營業務之非流動資產資料乃以資產之所在地點為依歸，其中不包括金融工具及遞延稅項資產。

4. 經營分部資料(續)

地理資料

(a) 來自外部客戶之收入

(b) 非流動資產

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4. OPERATING SEGMENT INFORMATION

(Continued)

Information about a major customer

Revenue from continuing operations of approximately RMB349,377,000 for the current year was derived from sales by the networks segment to a major external customer from whom the revenue individually derived has exceeded 10% of the revenue of the Group.

In 2012, none of the customers from whom the revenue individually derived has exceeded 10% of the revenue of the Group.

5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts and the value of services rendered during the year.

An analysis of revenue, other income and gains from continuing operations is as follows:

4. 經營分部資料(續)

關於主要客戶之資料

本年度持續經營業務之收入約人民幣349,377,000元乃來自網絡分部對一名主要外部客戶的銷售，而向該客戶取得之收入獨立計算超過本集團收入的10%。

於二零一二年，向客戶取得之收入獨立而言概無超過本集團收入的10%。

5. 收入、其他收入及收益

收入，亦為本集團之營業額，為已售出貨物之發票淨值減退貨及貿易折扣撥備及年內所提供服務的價值。

來自持續經營業務之收入、其他收入及收益之分析如下：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Revenue	收入		
Sales of goods and software products	銷售貨品及軟件產品	2,601,658	2,398,443
Rendering of services	提供服務	105,207	95,512
Royalty income	專利權費收入	5,660	20,000
		2,712,525	2,513,955
Other income and gains	其他收入及收益		
Bank and other interest income	銀行及其他利息收入	4,173	1,336
Government grants released	已發放政府補貼	5,864	5,402
Net gains on disposals of subsidiaries	出售附屬公司之收益淨額	1,857	–
Discounted amount of other borrowings arising from the passage of time	其他借貸因時間流逝產生之貼現金額	7,817	–
Fair value gains, net	公平值收益淨額		
Commodity derivative contracts and cancellable foreign currency forward swaps contracts	商品衍生工具合約及可撤銷外幣遠期掉期合約	204	21,155
Changes in fair value of the contingent consideration	或然代價公平值變動	–	13,166
Others	其他	1,168	46
		21,083	41,105

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6. LOSS BEFORE TAX

The Group's loss before tax from continuing operations is arrived at after charging/(crediting)

6. 除稅前虧損

本集團持續經營業務之除稅前虧損已扣除/(計入)以下各項：

		Notes 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Cost of inventories sold*	已售存貨成本*		2,344,647	2,177,903
Depreciation	折舊	14	39,525	50,363
Amortisation of prepaid land lease payments	攤銷預付土地租賃款項		2,475	1,529
Amortisation of other intangible assets**	攤銷其他無形資產**	17	29,829	46,209
Impairment of property, plant and equipment	物業、廠房及設備減值	14	1,772	20,275
Impairment of other intangible assets	其他無形資產減值	17	2,402	6,529
Impairment of trade receivables	貿易應收款項之減值	24	1,539	2,901
Impairment of goodwill	商譽減值	16	—	7,488
Impairment recognised/(reversed) for other receivables	已確認/(撥回)之其他應收款項減值	25	12,958	(192)
Minimum lease payments under operating leases	經營租賃之最低租賃付款		5,609	7,730
Auditors' remuneration	核數師酬金		2,200	3,076
Research and development costs***	研發成本***		92,673	83,198
Government grants released****	發放政府補貼****		(5,864)	(5,402)
Foreign exchange differences, net	匯兌差異淨額		164	1,355
Employee benefit expenses (including directors' and a chief executive's remuneration)	僱員福利開支(包括董事及行政總裁酬金)			
— Wages and salaries	— 工資及薪金		276,958	299,261
— Equity-settled share option expense	— 以權益結算的購股權開支		203	3,762
— Pension scheme contributions	— 退休金計劃供款		14,445	14,408
			291,606	317,431
Write-down of inventories to net realisable value	撇減存貨至可變現淨值		9,871	4,708
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損		6,052	6,130
Bank and other interest income	銀行及其他利息收入		(4,173)	(1,336)
Net gains on disposals of subsidiaries	出售附屬公司之淨收益		(1,857)	—

* Inclusive of write-down of inventories to net realisable value.

** Amortisation of other intangible assets is included in "Cost of sales", "Administrative expense" and "Research and development expenses" in the consolidated statement of profit or loss.

*** Inclusive of amortisation of other intangible assets of RMB267,000 (2012: RMB624,000).

**** During the financial year ended, the Group received government grants for incentives for technology research and development and compensations for purchase of machinery used in manufacturing of terminals.

There are no unfulfilled conditions or contingencies attached to these grants for those released to the statement of comprehensive income. The remaining grants of RMB14,727,000 (2012: RMB13,955,000) are special funds subject to verification by the local government or will be amortised over the useful lives of those assets it compensated.

* 包括將存貨撇減至可變現淨值。

** 攤銷其他無形資產納入綜合損益表的「銷售成本」、「行政開支」及「研發開支」項目內。

*** 包括攤銷其他無形資產人民幣267,000元(二零一二年：人民幣624,000元)。

**** 於財政年度末，本集團獲政府補貼，以鼓勵科技研發及作為收購製造終端的機器的彌償。

已發放及計入全面收益表之補貼概無附有未達成條件或或然事件。餘下補貼人民幣14,727,000元(二零一二年：人民幣13,955,000元)屬特殊基金，須待地方政府核實後方可發放，或按所彌償之資產之可使用年期攤銷。

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7. FINANCE COSTS

An analysis of finance costs from continuing operations is as follows:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Interest on bank and other borrowings wholly repayable within five years	須於五年內悉數償還的銀行及其他借貸利息	68,475	69,417
Interest on a promissory note	承兌票據利息	82,237	–
Less: interest capitalised	減：資本化利息	(161)	(7,772)
		150,551	61,645

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

7. 融資成本

來自持續經營業務的融資成本的分析如下：

8. 董事及行政總裁薪酬

年內董事及行政總裁薪酬根據上市規則及香港公司條例第161條披露如下：

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Fees:	袍金：		
Executive directors and a non-executive director	執行董事及一名非執行董事	224	246
Independent non-executive directors	獨立非執行董事	302	244
		526	490
Other emoluments of executive directors:	執行董事的其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,100	933
Share-based payments	以股份支付的款項	–	162
Pension scheme contributions	退休金計劃供款	44	27
		1,144	1,122
		1,670	1,612

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year are as follows:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Ms. Zheng Lin	鄭琳女士	40	41
Mr. Shu Wa Tung, Laurence ¹	舒華東先生 ¹	61	162
Mr. Song Lizhong ¹	宋立眾先生 ¹	17	41
Mr. Thomas Tam ²	談國慶先生 ²	92	–
Mr. Pao Ping Wing ²	浦炳榮先生 ²	92	–
		302	244

There were no other emoluments payable to the independent non-executive directors during the year (2012: Nil).

¹ The directors have retired as directors of the Company since 29 May 2013.

² These directors have been appointed as directors of the Company since 29 May 2013.

8. 董事及行政總裁薪酬(續)

(a) 獨立非執行董事

年內付予獨立非執行董事的袍金如下：

年內並無應付獨立非執行董事的其他酬金(二零一二年：無)。

¹ 該兩位董事自二零一三年五月二十九日起退任本公司董事。

² 該兩位董事於二零一三年五月二十九日起獲委任為本公司董事。

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(b) Executive directors, a non-executive director and the chief executive

8. 董事及行政總裁薪酬(續)

(b) 執行董事、一名非執行董事及行政總裁

		Fees	Salaries, allowances and benefits in kind	Equity-settled share-based payment	Pension scheme contributions	Total remuneration
		袍金	薪金、津貼及實物福利	以權益結算的股份支付	退休福利計劃供款	薪酬總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
2013	二零一三年					
Executive directors:	執行董事：					
Mr. Chi Shaolin	遲少林先生	60	233	-	8	301
Mr. Li Jianming ¹	李建明先生 ¹	53	172	-	7	232
Mr. Jiang Taike ¹	蔣太科先生 ¹	53	258	-	7	318
Mr. Lu Chengye	路成業先生	35	378	-	22	435
Mr. Cheng Wen	程文先生	8	59	-	-	67
		209	1,100	-	44	1,353
Non-executive director:	非執行董事：					
Ms. Xu Yiming ²	徐藝銘女士 ²	15	-	-	-	15
		224	1,100	-	44	1,368

¹ These directors have resigned as directors of the Company since 15 Nov 2013.

² The director has retired as director of the Company since 29 May 2013.

¹ 該兩位董事自二零一三年十一月十五日起辭任本公司董事。

² 該位董事自二零一三年五月二十九日起退任本公司董事。

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(b) Executive directors, a non-executive director and the chief executive (Continued)

8. 董事及行政總裁薪酬(續)

(b) 執行董事、一名非執行董事及行政總裁(續)

		Fees	Salaries, allowances and benefits in kind	Equity-settled share option payment	Pension scheme contributions	Total remuneration
		袍金	薪金、津貼及實物福利	以權益結算的股份支付	退休福利計劃供款	薪酬總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
2012	二零一二年					
Executive directors:	執行董事：					
Mr. Chi Shaolin	遲少林先生	60	221	-	8	289
Mr. Li Jianming	李建明先生	60	197	102	8	367
Mr. Jiang Taike	蔣太科先生	60	265	-	8	333
Mr. Mao Wanjun ¹	毛萬鈞先生 ¹	15	90	60	3	168
Mr. Kang Jin Won ¹	姜振遠先生 ¹	15	160	-	-	175
		210	933	162	27	1,332
Non-executive director:	非執行董事：					
Ms. Xu Yiming	徐藝銘女士	36	-	-	-	36
		246	933	162	27	1,368

¹ These directors have retired as directors of the Company since 29 May 2012.

Mr. Chi, the chief executive officer, assumes the role as a chief executive and his emoluments for services rendered by him have been included in the above.

There is no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

¹ 該兩位董事自二零一二年五月二十九日起退任本公司董事。

行政總裁遲先生擔當行政總裁的職能，就彼提供服務所產生之酬金已包括於上表之數額。

年內董事或行政總裁概無訂立任何安排放棄或同意放棄任何薪酬。

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9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included one director who is not the chief executive (2012: neither any director nor the chief executive). Details of the remuneration for the year of the remaining four (2012: five) highest paid employees who are neither a director nor chief executive of the Company are as follows:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,949	2,381
Pension scheme contributions	退休金計劃供款	42	46
		1,991	2,427

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2013 二零一三年	2012 二零一二年
Nil to HK\$1,000,000	零至1,000,000港元	4	5

9. 五位最高薪僱員

年內五位最高薪僱員包括一位董事(並非行政總裁)(二零一二年:沒有任何董事或行政總裁)。年內的其餘四位(二零一二年:五位)並非本公司董事或行政總裁的最高薪僱員的薪酬詳情如下:

薪酬在以下範圍的非董事或行政總裁的最高薪僱員人數如下:

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10. INCOME TAX

The statutory rate of 25% for the year ended 31 December 2013 (2012: 25%) represents the statutory tax rate in Mainland China as the Group's operations conducted substantially in Mainland China throughout these years.

No material provision for Hong Kong profits tax has been made as the Group did not have material assessable profit arising in Hong Kong during the years ended 31 December 2012 and 2013.

The statutory tax rate for Honglin Technology Co., Ltd., ("Honglin Technology"), a company established in Taiwan, is 17% for the years ended 31 December 2013 (2012: 17%). No provision for Taiwan income tax has been made as Honglin Technology did not have any taxable income for the year ended 31 December 2013 (2012: Nil).

10. 所得稅

截至二零一三年十二月三十一日止兩個年度各年之法定稅率25% (二零一二年：25%)，代表中國內地之法定稅率，因為於該等年度，本集團絕大部業務均在中國內地進行。

概無就香港利得稅作出重大撥備，因為於截至二零一二年及二零一三年十二月三十一日止年度，本集團在香港並無產生重大應課稅溢利。

泓淋科技有限公司(「泓淋科技」，一間於台灣成立之公司)於截至二零一三年十二月三十一日止年度之法定稅率為17% (二零一二年：17%)。由於泓淋科技於截至二零一三年十二月三十一日止年度，概無任何應課稅收入，故未就台灣所得稅作出任何撥備(二零一二年：無)。

		Group 本集團	
		2013 二零一三年	2012 二零一二年
		RMB'000 人民幣千元	RMB'000 人民幣千元 (Restated) (經重列)
Current — Mainland China	即期 – 中國內地		
Charge for the year	年內稅項	14,752	12,247
Underprovision in prior years	先前年度撥備不足	227	689
Deferred income tax (note 21)	遞延所得稅(附註21)	(2,747)	(5,785)
Withholding tax	預扣稅	12,788	—
Total tax expense for the year	年內稅務開支總額	25,020	7,151

The Group is subject to income tax on an individual legal entity basis on profits arising in or derived from the tax jurisdictions in which companies within the Group are domiciled and operate.

本集團須根據本集團內公司所處地及經營地的稅務司法管轄區產生或賺取的利潤，按獨立法人實體基準繳納所得稅。

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10. INCOME TAX (Continued)

Except for the following companies, the subsidiaries of the Company established in Mainland China are subject to corporate income tax ("CIT") at the statutory tax rate of 25% in the following years:

10. 所得稅(續)

除以下公司外，本公司於中國內地成立之附屬公司於以下年度須按25%法定稅率繳納企業所得稅(「企業所得稅」)：

	2013 二零一三年	2012 二零一二年 (Restated) (經重列)
威海市泓淋電子有限公司(「威海電子」) Weihai Honglin Electronic Co., Ltd.* ("Weihai Electronic")	15.0%	15.0%
常熟泓淋電子有限公司(「常熟電子」) Changshu Honglin Electronic Co., Ltd.* ("Changshu Electronic")	15.0%	12.5%
常熟泓淋電線電纜有限公司(「常熟電纜」) Changshu Honglin Wire & Cable Co., Ltd.* ("Changshu Cable")	15.0%	15.0%
常熟泓淋連接技術有限公司(「常熟連接技術」) Changshu Honglin Connecting-Technology Co., Ltd.* ("Connecting-Technology")	15.0%	12.5%
德州泓淋電子有限公司(「德州電子」) Dezhou Honglin Electronic Co., Ltd.* ("Dezhou Electronic")	15.0%	15.0%
重慶市泓淋科技有限公司(「重慶科技」) Chongqing Honglin Technology Co., Ltd.* ("Chongqing Technology")	15.0%	15.0%
瀋陽新郵通信設備有限公司(「瀋陽新郵」) Shenyang New Postcom Co., Ltd.* ("Shenyang Company")	15.0%	15.0%

* The English names are for identification purpose only.

* 英文名稱僅供識別。

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10. INCOME TAX (Continued)

A reconciliation of the tax expense applicable to loss before tax at the statutory tax rate to the tax expense at the Group's effective tax rate is as follows:

10. 所得稅(續)

按法定稅率計算的除稅前虧損適用的稅務開支與利用本集團實際稅率計算的稅務開支對賬如下：

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Loss before tax from continuing operations	來自持續經營業務的除稅前虧損	(154,942)	(42,794)
Tax at the statutory tax rate of 25% (2012: 25%)	按25%(二零一二年: 25%) 法定稅率計算的稅項	(38,735)	(10,699)
Lower tax rates enacted by local authority	地方稅務局實施的較低稅率	6,286	(4,628)
Effect of withholding tax at 10% on the distributable profits of the Group's PRC subsidiaries	按10%之稅率就本集團 中國附屬公司可分派溢利 收取之預扣稅之影響	12,788	-
Adjustments in respect of current tax of previous periods	過往期間的即期稅項調整	227	689
Losses attributable to an associate	一間聯營公司應佔虧損	40	-
Expenses not deductible for tax	不可扣稅的開支	1,273	455
Reversal of tax losses previously recognised	過往確認之稅務虧損的轉回	937	4,379
Tax losses not recognised	未確認稅務虧損	42,204	21,526
Tax effect of concession deductions relating to research and development expenses	與研發開支有關的 優惠減免的 稅務影響	-	(4,571)
Tax expense at the Group's effective rate	按本集團實際稅率計算的 稅項開支	25,020	7,151

11. LOSS ATTRIBUTABLE TO OWNERS OF THE PARENT

The consolidated loss attributable to owners of the parent for the year ended 31 December 2013 includes a loss of RMB76,970,000 (2012: gain of RMB10,390,000) which has been dealt with in the financial statements of the Company (note 33(b)).

11. 母公司擁有人應佔虧損

截至二零一三年十二月三十一日止年度之母公司擁有人應佔綜合虧損中，包括人民幣76,970,000元之虧損(二零一二年：收益人民幣10,390,000元)已在本公司財務報表處理(附註33(b))。

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12. DIVIDEND

No dividend has been paid or proposed by the Company during the year ended 31 December 2013 nor has any dividend been proposed since the end of the reporting period (2012: Nil).

13. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 720,000,000 (2012: 720,000,000) in issue during the year.

The calculations of basic and diluted loss per share are based on:

12. 股息

於截至二零一三年十二月三十一日止年度內，本公司概無派付或建議派付股息，自報告期末起亦無擬派付任何股息（二零一二年：無）。

13. 母公司普通股權持有人應佔之每股虧損

每股基本虧損乃根據本年度母公司普通股權持有人應佔虧損，以及年內普通股之加權平均數720,000,000股（二零一二年：720,000,000股）計算。

每股基本及攤薄虧損之計算以下述各項為依據：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation:	母公司普通股權持有人應佔虧損，用於每股基本及攤薄虧損之計算：		
From continuing operations	來自持續經營業務	177,375	35,680
From a discontinued operation	來自已終止業務	135	-
		177,510	35,680
Weighted average number of ordinary shares in issue ('000) during the year used in the basic and diluted loss per share calculation	年內已發行普通股加權平均數(千股)，用於每股基本及攤薄虧損之計算	720,000	720,000
Loss per share:	每股虧損：		
Basic and diluted	基本及攤薄		
— For the continuing operations	— 持續經營業務	RMB24.64 cents	RMB4.96 cents
— For the discontinued operation	— 已終止經營業務	RMB0.01 cents	-

Diluted loss per share is the same as the basic loss per share as there were no potentially dilutive shares in existence during the year ended 31 December 2013 and 31 December 2012.

每股攤薄虧損與每股基本虧損相同，因為截至二零一三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潛在攤薄股份。

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14. PROPERTY, PLANT AND EQUIPMENT Group

14. 物業、廠房及設備 本集團

31 December 2013		Buildings	Plant and equipment	Motor vehicles	Equipment and other facilities	Construction in process	Total
二零一三年十二月三十一日		樓宇 RMB'000 人民幣千元	廠房及設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	設備及 其他設施 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Cost:	成本：						
At 1 January 2013	於二零一三年一月一日	447,716	324,852	9,931	54,053	79,111	915,663
Additions	添置	806	17,222	149	2,605	97,691	118,473
Acquisition of a subsidiary (note 34(b))	收購一間附屬公司 (附註34(b))	-	210	-	-	-	210
Disposals	處置	(720)	(30,908)	(2,643)	(6,736)	-	(41,007)
Disposal of a subsidiary (note 35)	出售一間附屬公司 (附註35)	(215,712)	(207,163)	(4,547)	(29,687)	(32,724)	(489,833)
Transfers	轉撥	53,291	27,843	-	2,261	(83,395)	-
At 31 December 2013	於二零一三年 十二月三十一日	285,381	132,056	2,890	22,496	60,683	503,506
Accumulated depreciation and impairment:	累計折舊及減值：						
At 1 January 2013	於二零一三年一月一日	43,027	89,290	3,503	20,747	-	156,567
Depreciation provided during the year	年內計提之折舊	13,660	21,240	966	3,659	-	39,525
Disposals	處置	(109)	(7,270)	(1,486)	(4,327)	-	(13,192)
Disposal of a subsidiary (note 35)	出售一間附屬公司 (附註35)	(35,843)	(62,130)	(1,951)	(10,462)	-	(110,386)
Impairment during the year	年內減值	-	-	-	1,772	-	1,772
At 31 December 2013	於二零一三年十二月 三十一日	20,735	41,130	1,032	11,389	-	74,286
Net carrying amount:	賬面淨值：						
At 31 December 2013	於二零一三年十二月 三十一日	264,646	90,926	1,858	11,107	60,683	429,220

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14. PROPERTY, PLANT AND EQUIPMENT (Continued) 14. 物業、廠房及設備(續)

Group (Continued) 本集團(續)

31 December 2012		Buildings	Plant and equipment	Motor vehicles	Equipment and other facilities	Construction in process	Total
二零一二年十二月三十一日		樓宇	廠房及設備	汽車	其他設施	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cost:	成本：						
At 1 January 2012	於二零一二年一月一日	238,614	269,340	10,357	61,391	192,002	771,704
Additions	添置	19	48,186	1,794	9,234	104,906	164,139
Acquisition of a subsidiary (note 34(a))	收購一間附屬公司 (附註34(a))	44,463	14,112	566	781	-	59,922
Transfers	轉撥	164,620	45,211	-	7,586	(217,417)	-
Disposals	處置	-	(28,192)	(1,520)	(21,466)	(380)	(51,558)
Disposal of a subsidiary (note 35(e))	出售一間附屬公司 (附註35(e))	-	(20,151)	(591)	(887)	-	(21,629)
Reclassified as held for sale (note 27)	重新分類為持有待售 (附註27)	-	(3,654)	(675)	(2,586)	-	(6,915)
At 31 December 2012 (Restated)	於二零一二年十二月三十一日(經重列)	447,716	324,852	9,931	54,053	79,111	915,663
Accumulated depreciation and impairment:	累計折舊及減值：						
At 1 January 2012	於二零一二年一月一日	21,445	70,449	2,271	22,141	-	116,306
Depreciation provided during the year	年內計提之折舊	12,002	26,178	2,244	9,939	-	50,363
Disposals	處置	-	(7,430)	(748)	(10,721)	-	(18,899)
Disposal of a subsidiary (note 35(e))	出售一間附屬公司 (附註35(e))	-	(10,105)	(258)	(283)	-	(10,646)
Impairment during the year	年內減值	9,580	10,498	155	42	-	20,275
Reclassified as held for sale (note 27)	重新分類為持有待售 (附註27)	-	(300)	(161)	(371)	-	(832)
At 31 December 2012	於二零一二年十二月三十一日	43,027	89,290	3,503	20,747	-	156,567
Net carrying amount:	賬面淨值：						
At 31 December 2012 (Restated)	於二零一二年十二月三十一日(經重列)	404,689	235,562	6,428	33,306	79,111	759,096

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14. PROPERTY, PLANT AND EQUIPMENT (Continued) Group (Continued)

At 31 December 2013, certain of the Group's buildings and plant and equipment with a net carrying amount of approximately RMB181,687,000 (2012: RMB325,736,000) and RMB36,186,000 (2012: Nil) were pledged, respectively, to secure bank loans (note 30) and general banking facilities granted to the Group.

The above buildings are situated in Mainland China and held under medium-term lease.

In the opinion of the directors of the Company, the recoverable amount of the impaired assets as at 31 December 2013 was nil, which were determined based on value in use.

15. PREPAID LAND LEASE PAYMENTS

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Non-current assets	非流動資產	110,865	86,750
Current assets	流動資產	2,268	1,933
		113,133	88,683

The current portion of prepaid land lease payments is included in other receivables under prepayments, deposits and other receivables.

The leasehold land is situated in Mainland China and is held under a medium-term lease.

As at 31 December 2013, the Group has pledged its land use rights with a carrying value of approximately RMB33,919,000 (2012: RMB43,141,000) to banks to secure for bank loans of the Group (note 30).

14. 物業、廠房及設備(續) 本集團(續)

於二零一三年十二月三十一日，本集團賬面淨值約人民幣181,687,000元(二零一二年：人民幣325,736,000元)及人民幣36,186,000元(二零一二年：無)的若干樓宇及廠房及設施，已分別予以質押，作為授予本集團的銀行貸款(附註30)及一般銀行信貸的保證。

上述樓宇位於中國內地，並以中期租約持有。

本公司董事認為，已減值資產於二零一三年十二月三十一日的可收回金額為零，此乃基於使用價值釐定。

15. 預付土地租金

預付土地租金之流動部分計入預付款項、按金及其他應收款項項下之其他應收款項。

租賃土地位於中國內地，並按中期租賃持有。

於二零一三年十二月三十一日，本集團已將其賬面值約為人民幣33,919,000元(二零一二年：人民幣43,141,000元)之土地使用權抵押予銀行，以作為本集團之銀行貸款的擔保(附註30)。

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16. GOODWILL

16. 商譽

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Cost:	成本：		
At 1 January	於一月一日	68,634	7,746
Acquisition of a subsidiary (note 34)	收購一間附屬公司(附註34)	370	61,146
Disposal of a subsidiary (note 35(a))	出售一間附屬公司(附註35(a))	(6,294)	–
Reclassified as held for sale (note 27)	重新分類為持有待售(附註27)	–	(258)
At 31 December	於十二月三十一日	62,710	68,634
Accumulated impairment:	累計減值：		
At 1 January	於一月一日	(7,488)	–
Impairment losses during the year	年內之減值虧損	–	(7,488)
Disposal of a subsidiary (note 35(a))	出售一間附屬公司(附註35(a))	5,924	–
At 31 December	於十二月三十一日	(1,564)	(7,488)
Net carrying amount:	賬面淨值：		
At 31 December	於十二月三十一日	61,146	61,146

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to the following cash-generating units for impairment testing:

- Terminal cash-generating unit; and
- Network cash-generating unit.

商譽之減值測試

透過業務合併收購之商譽已就進行減值測試分配至下列現金產生單位：

- 終端現金產生單位；及
- 網絡現金產生單位。

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16. GOODWILL (Continued)

Impairment testing of goodwill (Continued)

The carrying amount of goodwill allocated to each of the cash-generating units is as follows:

		Terminal 終端		Network 網絡		Total 總計	
		2013	2012	2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年	二零一三年	二零一二年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(Restated)		(Restated)		(Restated)
			(經重列)		(經重列)		(經重列)
Carrying amount of goodwill	商譽之賬面值	9,343	9,343	51,803	51,803	61,146	61,146

For the purpose of impairment testing, the recoverable amount of goodwill has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 19% (2012: 19%). The growth rate used to extrapolate the cash flows beyond the five-year period is 3% (2012: 3%), which is consistent with the industry growth estimate. The goodwill was not impaired based on the result of the above impairment testing.

Assumptions were used in the value in use calculation for 31 December 2013 and 31 December 2012. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Budgeted gross margins — The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, increased for expected market development.

Discount rates — The discount rates used are before tax and reflect to the relevant units.

The values assigned to the key assumptions on market development and discount rates are consistent with external information sources.

16. 商譽(續)

商譽之減值測試(續)

分配至各現金產生單位之商譽之賬面值如下：

就減值測試而言，商譽之可收回金額乃使用高級管理層批准之五年期財務預算之現金流預測根據使用價值計算基準釐定。應用於現金流預測之貼現率為19%（二零一二年：19%）。推算五年期後現金流量使用之增長率為3%（二零一二年：3%），與行業增長估計一致。商譽並非根據上述減值測試之結果減值。

已就計算二零一三年十二月三十一日及二零一二年十二月三十一日之使用價值應用假設。下文載述管理層使用其現金流量預測進行商譽減值測試所依據之各個主要假設：

預算毛利率 — 預算毛利率之價值乃根據緊接預算年度前之年度內已達到之平均毛利率（就預期市場發展有所增長）釐定。

折現率 — 所用折現率為除稅前折現率，並反映有關單位。

市場發展之主要假設價值及折現率與外部資料來源一致。

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17. OTHER INTANGIBLE ASSETS Group

17. 其他無形資產 本集團

31 December 2013 二零一三年十二月三十一日		Software 軟件 RMB'000 人民幣千元	Trademarks 商標 RMB'000 人民幣千元	Licenses 許可證 RMB'000 人民幣千元	Customer relationships 客戶關係 RMB'000 人民幣千元	Technology know-how 專有技術 RMB'000 人民幣千元	Unfinished contracts 未完成合約 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	成本：							
At 1 January 2013	於二零一三年一月一日	2,683	5,724	23,682	59,036	118,785	27,871	237,781
Additions	添置	571	-	3,571	-	-	-	4,142
Disposal of a subsidiary (note 35)	出售附屬公司(附註35)	(711)	-	(5,608)	(2,620)	-	-	(8,939)
At 31 December 2013	於二零一三年十二月三十一日	2,543	5,724	21,645	56,416	118,785	27,871	232,984
Accumulated amortisation and impairment:	累計攤銷及減值：							
At 1 January 2013	於二零一三年一月一日	1,291	2,023	4,792	13,597	7,199	27,830	56,732
Amortisation provided during the year	年內攤銷撥備	700	3,639	7,151	10,526	7,772	41	29,829
Disposal of a subsidiary (note 35)	出售一間附屬公司(附註35)	(363)	-	(4,620)	(2,620)	-	-	(7,603)
Impairment during the year	年內減值	-	-	2,402	-	-	-	2,402
At 31 December 2013	於二零一三年十二月三十一日	1,628	5,662	9,725	21,503	14,971	27,871	81,360
Net carrying amount:	賬面淨值：							
At 31 December 2013	於二零一三年十二月三十一日	915	62	11,920	34,913	103,814	-	151,624

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17. OTHER INTANGIBLE ASSETS (Continued) Group (Continued)

17. 其他無形資產(續) 本集團(續)

31 December 2012 二零一二年十二月三十一日		Software 軟件 RMB'000 人民幣千元	Trademarks 商標 RMB'000 人民幣千元	Licenses 許可證 RMB'000 人民幣千元	Customer relationships 客戶關係 RMB'000 人民幣千元	Technology knowhow 專有技術 RMB'000 人民幣千元	Unfinished contracts 未完成合約 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	成本:							
At 1 January 2012	於二零一二年一月一日	2,364	134	13,774	15,430	10,470	-	42,172
Acquisition of a subsidiary (note 34(a))	收購附屬公司(附註34(a))	44	5,590	6,982	51,146	114,495	27,871	206,128
Additions	添置	290	-	2,926	-	-	-	3,216
Disposal of a subsidiary (note 35(e))	出售一間附屬公司(附註35(e))	(15)	-	-	-	-	-	(15)
Reclassified as held for sale (note 27)	重新分類為持作出售(附註27)	-	-	-	(7,540)	(6,180)	-	(13,720)
At 31 December 2012 (Restated)	於二零一二年十二月三十一日 (經重列)	2,683	5,724	23,682	59,036	118,785	27,871	237,781
Accumulated amortisation and impairment:	累計攤銷及減值:							
At 1 January 2012	於二零一二年一月一日	1,039	46	2,935	1,674	1,047	-	6,741
Amortisation provided during the year	年內攤銷撥備	255	1,977	1,857	9,067	5,223	27,830	46,209
Disposal of a subsidiary (note 35(e))	出售一間附屬公司(附註35(e))	(3)	-	-	-	-	-	(3)
Reclassified as held for sale (note 27)	重新分類為持作出售(附註27)	-	-	-	(1,508)	(1,236)	-	(2,744)
Impairment during the year	年內減值	-	-	-	4,364	2,165	-	6,529
At 31 December 2012	於二零一二年十二月三十一日	1,291	2,023	4,792	13,597	7,199	27,830	56,732
Net carrying amount:	賬面淨值:							
At 31 December 2012 (Restated)	於二零一二年十二月三十一日 (經重列)	1,392	3,701	18,890	45,439	111,586	41	181,049

In the opinion of the directors of the Company, the recoverable amount of the impaired assets as at 31 December 2013 was nil, which were determined based on the value in use.

本公司董事認為，減值資產根據使用價值釐定之可收回金額，於二零一三年十二月三十一日為零。

18. INVESTMENTS IN SUBSIDIARIES

18. 於附屬公司之投資

		Company 本公司	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Unlisted shares, at cost	非上市股份，按成本	686,466	678,293

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18. INVESTMENTS IN SUBSIDIARIES (Continued)

The amounts due to subsidiaries included in the Company's current liabilities of RMB25,345,000 (2012: RMB10,720,000) are unsecured, interest free and repayable within one year.

Particulars of the subsidiaries of the Company as at the end of the reporting period were as follows:

18. 於附屬公司之投資(續)

計入本公司流動負債人民幣25,345,000元(二零一二年:人民幣10,720,000元)之應付附屬公司款項為無抵押、免息及須於一年內償還。

本公司於報告期末之附屬公司詳情如下:

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地	Nominal value of issued share/ paid-up capital 已發行/繳足 股本之面值	Percentage of equity interest attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
Directly held by the Company 本公司直接持有					
Rosy Sun ¹	British Virgin Islands ("BVI") 英屬維爾京群島 (「英屬維爾京群島」)	HK\$16 16港元	100 100	N/A 不適用	Investment holding 投資控股
[®] Weihai Mingbo Wire&Cable Technology Co., Ltd. ("Weihai Mingbo") ^{##}	PRC/Mainland China 中國/中國內地	US\$36,383,265 36,383,265美元	100 100	N/A 不適用	Manufacture and sale of signal cables and wiring harness 製造及銷售信號線及配線
[®] 威海市明博線纜科技有限公司 (「威海明博」) ^{##}	中國/中國內地	36,383,265美元	100	不適用	製造及銷售信號線及配線
Indirectly held by the Company 本公司間接持有					
** Weihai Electronic [®]	PRC/Mainland China 中國/中國內地	RMB275,000,000 人民幣 275,000,000元	100 100	100 100	Manufacture and sale of power cord assembly, signal transmission wire and cable products and connectors and investment holding 製造及銷售電源線組件、信號 傳輸線纜產品及連接器以及 投資控股
[®] Huizhou Communication [®]	PRC/Mainland China 中國/中國內地	RMB30,000,000 人民幣30,000,000元	100 100	100 100	Manufacture and sale of router antenna, WIFI antenna, signal transmission wire and cable products and telephone antenna 製造及銷售路由器天線、 無線天線、信號傳輸線纜產品 及電話天線
[®] Rituo Technology [®]	PRC/Mainland China 中國/中國內地	RMB15,000,000 人民幣15,000,000元	100 100	55 55	Manufacture and sale of automotive wiring harness 製造及銷售汽車線束
[®] 日拓高科技 [®]	中國/中國內地	人民幣15,000,000元	100	55	製造及銷售汽車線束

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18. INVESTMENTS IN SUBSIDIARIES (Continued)

18. 於附屬公司之投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地	Nominal value of issued share/ paid-up capital 已發行/繳足 股本之面值	Percentage of equity interest attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
Indirectly held by the Company (Continued) 本公司間接持有(續)					
** Wuhan Honglin Technology Co., Ltd. ("Wuhan Technology") ²	PRC/Mainland China	RMB49,262,400	100	100	Manufacture and sale of signal cables and wiring harness
** 武漢市泓淋科技有限公司 (「武漢科技」) ²	中國/中國內地	人民幣 49,262,400 元	100	100	製造及銷售信號線及配線
** Dezhou Jincheng Electronic Co. Ltd. ("Dezhou Jincheng") ^{##8}	PRC/Mainland China	RMB32,600,000	100	N/A	Manufacture and sale of mechatronics and electronic devices, and manufacture and sale of automotive wiring harness
** 德州錦城電業有限公司 (「德州錦城」) ^{##8}	中國/中國內地	人民幣 32,600,000 元	100	不適用	製造及銷售機械電子及電子設備, 及製造及銷售汽車線束
** Weihai Jinyuan Mingye Property Development Co., Ltd. ("Weihai Jinyuan") ^{2&}	PRC/Mainland China	RMB30,000,000	100	N/A	Property development, sale of commercial housing, property services, estate information consultation, and sale of construction materials
** 威海錦源銘業房地產開發有限公司 (「威海錦源」) ^{2&}	中國/中國內地	人民幣 30,000,000 元	100	不適用	物業發展、商品房銷售、物業服務、房地產資訊顧問及銷售建築材料
New Postcom Technology Company Limited ("New Postcom Technology") ¹	Hong Kong	HK\$1	100	N/A	Investment holding
新郵通信技術有限公司 (「新郵通信技術」) ¹	香港	1 港元	100	不適用	投資控股
® Shenyang Company ¹	PRC/Mainland China	RMB233,000,000	100	N/A	Manufacture of telecommunications products and provision of service for base station construction
® 瀋陽新郵 ¹	中國/中國內地	人民幣 233,000,000 元	100	不適用	製造電訊產品及為基站建設提供服務
* Tianjin Jincheng Hanisi Automotive Electronics Co., Ltd. ("Tianjin Hanisi") ^{##8}	PRC/Mainland China	RMB1,000,000	60	N/A	Manufacture and sale of automotive wiring harness
* 天津錦城哈尼斯汽車電裝有限公司 (「天津哈尼斯」) ^{##8}	中國/中國內地	人民幣 1,000,000 元	60	不適用	製造及銷售汽車線束

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18. INVESTMENTS IN SUBSIDIARIES (Continued)

18. 於附屬公司之投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地	Nominal value of issued share/ paid-up capital 已發行/繳足 股本之面值	Percentage of equity interest attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
Indirectly held by the Company (Continued) 本公司間接持有(續)					
** Changshu Electronic ^{#&}	PRC/Mainland China	RMB92,659,586	N/A	100	Manufacture and sale of signal cables and wiring harness
** 常熟電子 ^{#&}	中國/中國內地	人民幣 92,659,586元	不適用	100	製造及銷售信號線及配線
* Changshu Cable ^{#&}	PRC/Mainland China	US\$17,483,200	N/A	100	Manufacture and sale of power cord assembly, signal transmission wire and cable products, as well as connectors
* 常熟電纜 ^{#&}	中國/中國內地	17,483,200美元	不適用	100	製造及銷售電源線組件、信號傳輸線纜產品及連接器
* Connecting-Technology ^{#&}	PRC/Mainland China	US\$12,500,000	N/A	100	Manufacture and sale of power cord assembly, signal transmission wire and cable products, as well as connectors
* 常熟連接技術 ^{#&}	中國/中國內地	12,500,000美元	不適用	100	製造及銷售電源線組件、信號傳輸線纜產品及連接器
* Dezhou Electronic ^{#&}	PRC/Mainland China	US\$15,750,000	N/A	100	Manufacture and sale of power cord assembly, signal transmission wire and cable products, as well as connectors
* 德州電子 ^{#&}	中國/中國內地	15,750,000美元	不適用	100	製造及銷售電源線組件、信號傳輸線纜產品及連接器
** Shenzhen Communication ^{#&}	PRC/Mainland China	RMB10,000,000	N/A	80	Manufacture and sale of router antenna, WIFI antenna and telephone antenna
** 深圳通訊 ^{#&}	中國/中國內地	人民幣 10,000,000元	不適用	80	製造及銷售路由器天線、無線天線及電話天線

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18. INVESTMENTS IN SUBSIDIARIES (Continued)

18. 於附屬公司之投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地	Nominal value of issued share/ paid-up capital 已發行/繳足 股本之面值	Percentage of equity interest attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
Indirectly held by the Company (Continued) 本公司間接持有(續)					
Honglin Technology ^{#&}	Taiwan	NT\$100,000,000	N/A	100	Marketing, research and developments of signal cable assembly, power cord assembly, signal transmission wire and cable products and other products
泓淋科技 ^{#&}	台灣	新台幣 100,000,000	不適用	100	營銷、研發電源線組件、信號傳輸線纜產品及其他產品
Hongxin International Limited ("HK Hongxin") ^{#&}	Hong Kong/ Mainland China	HK\$2,000	N/A	100	Trading of signal cable assembly, power cord assembly, signal transmission wire and cable products and other products
Hongxin International Limited ("香港泓鑫") ^{#&}	香港/中國內地	2,000港元	不適用	100	買賣信號傳輸組件、電源線組件、信號傳輸線纜產品及其他產品
◎ Chongqing Technology ^{#&}	PRC/Mainland China	RMB24,000,000	N/A	100	Manufacture and sale of signal cable assembly and wiring harness
◎ 重慶科技 ^{#&}	中國/中國內地	人民幣 24,000,000元	不適用	100	製造及銷售信號線纜組件及線束
** Huizhou Honglin Technology Co., Ltd. ("Huizhou Technology") ^{#&}	PRC/Mainland China	RMB80,000,000	N/A	100	Manufacture and sale of communication wire, cable and other related products
** 惠州市泓淋科技有限公司 ("惠州科技") ^{#&}	中國/中國內地	人民幣 80,000,000元	不適用	100	製造及銷售通信線纜及其他相關產品
Chenhong International Limited ("Chenhong International") ^{#&}	Hong Kong	HK\$10,000	N/A	100	Provision of treasury services for group companies
晨紅國際股份有限公司 ("晨紅國際") ^{#&}	香港	10,000港元	不適用	100	為群組公司提供庫務服務
* Wuhan Honglin Electronic Co., Ltd. ("Wuhan Electronic") ^{###&}	PRC/Mainland China	US\$1,000,000	N/A	100	Manufacture and sale of power cord assembly, signal transmission wire and cable products and connectors
* 武漢泓淋電子有限公司 ^{###&} ("武漢電子")	中國/中國內地	1,000,000美元	不適用	100	製造及銷售電源線組件信號傳輸線纜產品及連接器

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18. INVESTMENTS IN SUBSIDIARIES (Continued)

18. 於附屬公司之投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地	Nominal value of issued share/ paid-up capital 已發行/繳足 股本之面值	Percentage of equity interest attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
Indirectly held by the Company (Continued) 本公司間接持有(續)					
** Rituo Automotive ^{###}	PRC/Mainland China	RMB11,111,111	N/A	55	Manufacture and sale of automotive wiring harness
** 日拓汽車 ^{###}	中國/中國內地	人民幣 11,111,111元	不適用	55	製造及銷售中國內地汽車線束
** Weihai Dongchen ^{###}	PRC/Mainland China	RMB10,000,000	N/A	60	Manufacture and sale of plastic materials and related products
** 威海東晨 ^{###}	中國/中國內地	人民幣 10,000,000元	不適用	60	製造及銷售塑膠物業及相關產品
Sumptuous Wealth Limited ("Sumptuous Wealth") [#]	BVI	US\$2,001	N/A	N/A	Investment holding
豪裕有限公司(「豪裕」) [#]	英屬維爾京群島	2,001美元	不適用	不適用	投資控股
Greatest Group Limited ("Greatest Group") [#]	Hong Kong	HK\$1,001	N/A	N/A	Investment holding
	香港	1,001港元	不適用	不適用	投資控股
Abundant Wit Limited ("Abundant Wit") [#]	BVI	US\$2,001	N/A	N/A	Investment holding
	英屬維爾京群島	2,001美元	不適用	不適用	投資控股
® Weihai Shi Hongbo Wire & Cable Technology Co., Ltd. ("Weihai Hongbo") [#]	PRC/Mainland China	US\$35,000,000	N/A	N/A	Manufacture and sale of signal cables and wiring harness
® 威海市泓博纜纜科技有限公司 (「威海泓博」) [#]	中國/中國內地	35,000,000美元	不適用	不適用	製造及銷售信號線及配線
Chuan Sheng Company Limited ("Chuan Sheng Company") ^{3##}	Taiwan	TW\$5,000,000	N/A	N/A	Product design of wireless communications machinery and equipment, machinery installation, sale of and provision of services relating to IT software
	台灣	5,000,000新台幣	不適用	不適用	無線通訊機械及設備產品設計、機械安裝、銷售及提供資訊科技軟件相關服務

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18. INVESTMENTS IN SUBSIDIARIES (Continued)

- [&] Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network
- [@] Wholly foreign-owned limited liability enterprises
- ^{*} Sino-foreign joint ventures
- ^{**} Domestic limited liability enterprises
- [#] Disposed of in the year with the disposal of Sumptuous Wealth Limited
- ^{##} Newly established in 2013
- ^{###} Disposed of in 2013
- ¹ During the year, the Group acquired Rosy Sun and its subsidiaries, including New Postcom Technology and Shenyang Company, from its controlling shareholders, Mr. Chi. Further details of this acquisition are included in note 2.1 and note 34(a) to the financial statements.
- ² During the year, the Group acquired the entire equity interest of Weihai Jinyuan from third parties, which was treated as an asset acquisition as Weihai Jinyuan has not begun any activities when being acquired.
- ³ During the year, the Group acquired Chuan Sheng Company from third parties, which was subsequently disposed of to the controlling shareholder of the Company, Mr. Chi, with the disposal of Sumptuous Wealth. Further details of this acquisition and disposal are included in notes 34(b) and 35(a) to the financial statements, respectively.

19. INVESTMENT IN AN ASSOCIATE

Particulars of the Group's associate for the year ended 31 December 2013 were as follows:

Name	Place of incorporation/ registration and business	Issued ordinary share capital	Percentage of equity interest attributable to the Group	Principal activities
名稱	註冊成立的／登記及營業地	已發行普通股本	本集團應佔股權百分比	主要業務
Changshushi Zhichun Moulding Technology Co., Ltd. ("Changshu Zhichun")*	PRC/Mainland China	RMB7,050,000	49%	Manufacture and sale of moulding and parts
常熟市智春模具科技有限公司 ("常熟智春")*	中國／中國內地	人民幣 7,050,000元	49%	製造及銷售模具及部件

* Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

During the year, the Group newly established Changshu Zhichun with a third party and Changshu Zhichun was subsequently disposed of with the disposal of Sumptuous Wealth.

18. 於附屬公司之投資(續)

- [&] 並非由香港安永會計師事務所或安永國際網絡其他成員公司審核
- [@] 外商獨資有限公司
- ^{*} 中外合資企業
- ^{**} 境內有限責任公司
- [#] 年內出售豪裕有限公司時出售
- ^{##} 於二零一三年新成立
- ^{###} 於二零一三年出售
- ¹ 年內，本集團向其控股股東遲先生收購 Rosy Sun 及其附屬公司，包括新郵通信技術及瀋陽新郵。更多有關該收購事項之詳情載於財務報表附註 2.1 及附註 34(a)。
- ² 年內，本集團向第三方收購威海錦源全部股權，該收購被視為收購資產，因為威海錦源於收購時並無開展任何業務。
- ³ 年內，本集團向第三方收購 Chuan Sheng Company，其後於出售豪裕時再將其出售予本公司控股股東遲先生。更多有關該收購及出售事項之詳情分別載於財務報表附註 34(b) 及 35(a)。

19. 投資一間聯營公司

本集團截至二零一三年十二月三十一日止年度之聯營公司詳情如下：

* 未經香港安永會計師事務所或安永國際網絡其他成員公司審核。

年內，本集團與第三方新成立常熟智春，常熟智春其後與豪裕處置一起出售。

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20. AVAILABLE-FOR-SALE INVESTMENT

20. 可供出售投資

		Group 本集團	
		2013 二零一三年	2012 二零一二年
		RMB'000 人民幣千元	RMB'000 人民幣千元 (Restated) (經重列)
Unlisted equity investment, at cost	非上市股本投資，按成本	15,000	15,000

Unlisted equity investment represents the cost of the 10% interest in Shenyang Shenbei Fumin Village and Town Bank Corporation Limited (瀋陽瀋北富民村鎮銀行股份有限公司, "Shenbei Bank") with no fixed maturity date. Shenbei Bank was established in the PRC where it operates. It is a financial entity approved by the China Bank Regulatory Commission in the PRC and a private entity which is not listed on any public exchange.

The above unlisted equity investment was stated at cost because the range of reasonable fair value estimates is so wide that the directors are of the opinion that its fair value cannot be measured reliably. The Group does not intend to dispose of this unlisted equity investment in the near future.

非上市股本投資指瀋陽沈北富民村鎮銀行股份有限公司(「沈北銀行」)的10%權益的成本，其並無固定到期日。沈北銀行於其經營所在之中國成立。其為獲中國銀行監督管理委員會批准之財務機構，並為私人公司，且沒有於任何公眾交易所上市。

上述非上市股本投資按成本列賬，因為合理公平值估計之範圍十分廣泛以致董事認為其公平值未能可靠地計量。本集團不擬於短期內出售此非上市股本投資。

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31 December 2013
二零一三年十二月三十一日

21. DEFERRED TAX

Deferred tax assets

31 December 2013

21. 遞延稅項

遞延稅項資產

二零一三年十二月三十一日

		Impairment loss of assets	Tax losses	Discounted amount of other borrowings arising from the passage of time 因時間流逝 而產生之 其他借貸 貼現款項	Unrealised gain on government grants 未變現 政府補貼	Others	Total
		資產減值 虧損 RMB'000 人民幣千元	稅務虧損 RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2013 (Charged)/credited to profit or loss during the year	於二零一三年一月一日 年內於損益(扣除)/計入	925 (698)	937 (937)	1,173 (1,173)	2,093 116	1,221 (383)	6,349 (3,075)
At 31 December 2013	於二零一三年十二月 三十一日	227	-	-	2,209	838	3,274

31 December 2012

二零一二年十二月三十一日

		Impairment loss of assets	Tax losses	Discounted amount of other borrowings arising from the passage of time 因時間流逝 而產生之 其他借貸 貼現款項	Unrealised gain on government grants 未變現 政府補貼	Others	Total
		資產減值 虧損 RMB'000 人民幣千元	稅務虧損 RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日	369	4,379	-	-	25	4,773
Acquisition of a subsidiary (note 34(a))	收購一間附屬公司 (附註34(a))	264	-	37	2,133	1,698	4,132
Credited/(charged) to profit or loss during the year	年內於損益 計入/(扣除)	294	(3,442)	1,136	(40)	(502)	(2,554)
Reclassified as held for sale (note 27)	重新分類為持有待售 (附註27)	(2)	-	-	-	-	(2)
At 31 December 2012 (Restated)	於二零一二年十二月 三十一日(經重列)	925	937	1,173	2,093	1,221	6,349

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財務報表附註

31 December 2013
二零一三年十二月三十一日

21. DEFERRED TAX (Continued)

Deferred tax liabilities

31 December 2013

		Fair value adjustment on 公平值調整		
		acquisition of a subsidiary 收購一間 附屬公司 RMB'000 人民幣千元	contingent consideration 或然代價 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2013	於二零一三年一月一日	14,101	3,292	17,393
Credited to profit or loss for the year	年內於損益計入	(2,530)	(3,292)	(5,822)
Disposal of a subsidiary (note 35(b))	出售一間附屬公司(附註35(b))	(2,957)	-	(2,957)
At 31 December 2013	於二零一三年十二月三十一日	8,614	-	8,614

31 December 2012

二零一二年十二月三十一日

		Fair value adjustment on 公平值調整		
		acquisition of a subsidiary 收購一間 附屬公司 RMB'000 人民幣千元	contingent consideration 或然代價 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日	9,718	-	9,718
Acquisition of a subsidiary (note 34(a))	收購一間附屬公司(附註34(a))	16,014	-	16,014
(Credited)/charged to profit or loss for the year	年內於損益(計入)/扣除	(11,631)	3,292	(8,339)
At 31 December 2012 (Restated)	於二零一二年十二月三十一日 (經重列)	14,101	3,292	17,393

No deferred tax asset has been recognised in respect of tax losses of approximately RMB161,575,000 (2012: RMB94,952,000) as the losses have arisen in subsidiaries that have been loss-making for years and it is not probable that taxable profits will be available against which the tax losses can be utilised.

概無就稅項虧損約人民幣161,575,000元(二零一二年: 人民幣94,952,000元)確認遞延稅項資產, 因為該等虧損產生自有關年內錄得虧損的附屬公司, 因此不大可能有應課稅溢利可供稅項虧損使用作抵銷。

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二零一三年十二月三十一日

21. DEFERRED TAX (Continued) Deferred tax liabilities (Continued)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 December 2013, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately RMB247 million at 31 December 2013 (2012: RMB373 million).

22. PREPAYMENTS FOR ACQUIRING LAND USE RIGHTS

As at 31 December 2013, the amount represents a prepayment by Wuhan Technology, a subsidiary of the Group, to acquire a land use right in Wuhan.

As at 31 December 2012, the amounts represent prepayments made to 威海錦源銘業房地產開發有限公司 (Weihai Jinyuan Mingye Property Development Co., Ltd., "Weihai Jinyuan") and 山東臨邑經濟開發區管理委員會 (Linyi Economic and Technology Development Zone Committee, "Linyi Committee") amounting to RMB41,751,000 and RMB34,500,000, respectively.

21. 遞延稅項(續) 遞延稅項負債(續)

根據中國內地企業所得稅法，在中國內地成立的外資企業向外國投資者宣派股息，有關股息須繳納10%的預扣稅。此規定自二零零八年一月一日開始生效並適用於二零零七年十二月三十一日之後的盈利。倘若中國內地與該等外國投資者所屬司法權區訂有稅收協定，則預扣稅稅率或有所調低。至於本集團，適用稅率為10%。因此，本集團旗下在中國內地成立的附屬公司就二零零八年一月一日或以後賺取的盈利而向本集團派付股息，本集團須就此繳納預扣稅。

於二零一三年十二月三十一日，並無就本集團在中國內地成立的附屬公司須繳納預扣稅之未宣派盈利應付之預扣稅確認遞延稅項。董事認為，該等附屬公司不可能於可見未來分派有關盈利。於二零一三年十二月三十一日，尚未確認遞延稅項負債之於中國附屬公司之投資相關的臨時差異總額約為人民幣247,000,000元(二零一二年：人民幣373,000,000元)。

22. 收購土地使用權之預付款

於二零一三年十二月三十一日，該款項指本集團附屬公司武漢科技之預付款項，以收購武漢之土地使用權。

於二零一二年十二月三十一日，該等金額代表分別支付予威海錦源銘業房地產開發有限公司(「威海錦源」)及山東臨邑經濟開發區管理委員會(「臨邑委員會」)的預付款，金額為人民幣41,751,000元及人民幣34,500,000元。

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二零一三年十二月三十一日

22. PREPAYMENTS FOR ACQUIRING LAND USE RIGHTS (Continued)

(a) Prepayment to Weihai Jinyuan

The amount is for acquiring a piece of land in Weihai, the PRC, and for the construction of buildings thereon pursuant to the Construction Cooperation Agreement dated 16 August 2012 between the Company's subsidiary, Weihai Electronic, and Weihai Jinyuan.

Further details are set out in the Company's announcement on 22 March 2013.

Weihai Jinyuan is a company established in the PRC with limited liability held by 北京錦源銘業房地產開發有限公司 (Beijing Jinyuan Mingye Property Development Co., Ltd., "Beijing Jinyuan"), a company established in the PRC, and Mr. Miao Junjie, independent third parties, (collectively the "Vendors"), respectively, as to 90% and 10%.

On 22 March 2013, Weihai Electronic entered into an agreement with the Vendors, pursuant to which Weihai Electronic agreed to acquire, in aggregate, the entire equity interest in Weihai Jinyuan for an aggregate cash consideration of RMB6,000,000 and Beijing Jinyuan will assign its rights of shareholders' loan to Weihai Electronic. Upon completion of this acquisition, Weihai Jinyuan has become a wholly-owned subsidiary of the Company and the Group owned a 100% interest in the prepaid land lease payment in respect of the land in Weihai, the related amount was transferred to prepaid land lease payments.

(b) Prepayment to Linyi Committee

The amount is for acquiring a piece of land in the Linyi Economic and Technology Development Zone adjacent to the production plant of the Company's subsidiary, Dezhou Electronic, in Shandong province, the PRC (the "Adjacent Land").

22. 收購土地使用權之預付款(續)

(a) 向威海錦源支付預付款

該筆款項用於根據本公司附屬公司威海電子與威海錦源於二零一二年八月十六日訂立的建築合作協議，收購中國威海市一幅土地，並在土地上興建樓宇。

更多詳情載於本公司於二零一三年三月二十二日的公佈。

威海錦源為於中國成立的有限責任公司，由北京錦源銘業房地產開發有限公司(「北京錦源」，於中國成立的公司)及苗俊傑先生(獨立第三方)(統稱為「賣方」)持有，雙方持有的股權分別為90%及10%。

威海電子於二零一三年三月二十二日與賣方訂立股份買賣協議，據此，威海電子同意合共收購威海錦源之全部股權，總現金代價為人民幣6,000,000元，而北京錦源將轉讓持有之股東貸款之權利予威海電子。完成該項收購後，威海錦源已成為本公司的全資附屬公司，而本集團擁有威海一幅土地之預付土地租金的100%權益，相關金額被轉撥至預付土地租金。

(b) 向臨邑委員會支付的預付款項

該筆款項用於收購中國山東省鄰近本公司附屬公司德州電子生產廠房的臨邑經濟技術開發區一幅土地(「鄰近土地」)。

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22. PREPAYMENTS FOR ACQUIRING LAND USE RIGHTS (Continued)

(b) Prepayment to Linyi Committee (Continued)

Pursuant to a previous agreement dated 23 February 2011 among Dezhou Electronic, Beijing Jinyuan and Linyi Committee, Dezhou Electronic paid RMB25,000,000 and, through Beijing Jinyuan, RMB13,500,000 to Linyi Committee for another piece of land in 2011 (the "Original Land"). Subsequently, as Dezhou Electronic considered to develop the Adjacent Land and to discontinue the aforesaid agreement for the Original Land, having discussed with Linyi Committee, the prepayment of RMB38,500,000 in aggregate for the Original Land should be refunded to Dezhou Electronic. In 2012, RMB4,000,000 was refunded.

22. 收購土地使用權之預付款(續)

(b) 向臨邑委員會支付的預付款項(續)

根據德州電子、北京錦源及臨邑委員會先前於二零一一年二月二十三日訂立之協議，於二零一一年，就另一幅土地(「原土地」)，德州電子支付人民幣25,000,000元及經北京錦源支付人民幣13,500,000元予臨邑委員會。其後由於德州電子考慮開發鄰近土地，以及終止原土地的前述協議，經過與臨邑委員會磋商後，該原土地的預付款項合共人民幣38,500,000元應退還予德州電子。於二零一二年，人民幣4,000,000元已退還。

23. INVENTORIES

23. 存貨

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Raw materials	原材料	43,354	92,144
Work in progress	在製品	20,301	76,601
Finished goods	製成品	62,127	158,659
		125,782	327,404

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二零一三年十二月三十一日

24. TRADE AND BILLS RECEIVABLES AND LONG-TERM TRADE RECEIVABLES

24. 貿易及票據應收款及長期貿易應收款項

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Trade receivables	貿易應收款項	1,148,226	1,326,783
Impairment	減值	(3,125)	(4,419)
Trade receivables, net	貿易應收款項淨值	1,145,101	1,322,364
Less: non-current portion of trade receivables	減：貿易應收款項之非流動部分	–	(8,598)
Current portion of trade receivables	貿易應收款項之流動部分	1,145,101	1,313,766
Bills receivable	應收票據	56,329	39,768
		1,201,430	1,353,534

Trade receivables of the Group represented proceeds receivable from the sale of goods and rendering of services. The Group's trading terms with its customers are mainly on credit, except for new customers where payment in advance is normally required. The credit term generally ranges from 15 to 180 days, and a longer credit term will be granted to certain major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control management system to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned, as at 31 December 2013 and 2012, except for an amount due from a customer exceeded 10% of the Group's total trade and bills receivables, the remaining balances of the trade receivables are related to a large number of diversified customer. Trade receivables are interest-free and unsecured.

本集團貿易應收款項代表銷售貨品及提供服務應收之所得款項。根據本集團之貿易條款，本集團客戶大多享有信貸期，惟新客戶普遍須預先付款。信貸期一般由15至180日不等，而若干主要客戶將獲授較長之信貸期。每名客戶均有最高信貸額。本集團致力嚴格控制其未償還應收款項，並設有信貸控制管理系統，務求將信貸風險減至最低。高級管理人員會定期檢討逾期欠款。基於上述各項，於二零一三年及二零一二年十二月三十一日，除應收一名客戶之款項超過本集團貿易及票據應收款總額之10%外，貿易應收款項之餘額與多名不同之客戶有關。貿易應收款項為免息及無抵押。

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24. TRADE AND BILLS RECEIVABLES AND LONG-TERM TRADE RECEIVABLES (Continued)

An aged analysis of the trade receivables of the Group as at the end of the reporting period, based on the transaction date and net of provision, is as follows:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Within 3 months	三個月內	750,984	946,814
3 to 6 months	三至六個月	57,747	251,609
6 to 12 months	六至十二個月	171,103	8,614
1 to 2 years	一至兩年	51,987	26,741
Over 2 years	超過兩年	113,280	88,586
		1,145,101	1,322,364
Less: current portion	減：即期部份	(1,145,101)	(1,313,766)
Non-current portion	非即期部份	–	8,598

The movements in provision for impairment of trade receivables are as follows:

貿易應收款項的減值撥備變動如下：

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Opening balance	期初結餘	4,419	1,239
Acquisition of a subsidiary	收購附屬公司	–	502
Impairment loss recognised	已確認減值虧損	1,539	2,901
Written off	撇銷	(2,833)	(223)
Closing balance	年末結餘	3,125	4,419

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24. TRADE AND BILLS RECEIVABLES AND LONG-TERM TRADE RECEIVABLES (Continued)

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of RMB3,125,000 (2012: RMB4,419,000) with a carrying amount before provision of RMB3,125,000 (2012: RMB4,419,000).

In the opinion of the directors of the Company, the recoverable amount of the impaired assets as at 31 December 2013 was nil.

The aged analysis of the trade receivables and long-term trade receivables that are not individually nor collectively considered to be impaired is as follows:

24. 貿易及票據應收款及長期貿易應收款項(續)

上述貿易應收款項減值撥備包括個別已減值之貿易應收款項之撥備人民幣3,125,000元(二零一二年:人民幣4,419,000元),撥備前賬面值為人民幣3,125,000元(二零一二年:人民幣4,419,000元)。

本公司董事認為,於二零一三年十二月三十一日,減值資產之可收回金額為零。

並非個別或集體被視為減值的貿易應收款項及長期貿易應收款項的賬齡分析如下:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Neither past due nor impaired	無逾期亦無減值	940,298	1,251,439
Less than 3 months past due	逾期少於三個月	113,819	16,015
Over 3 months but within 6 months past due	逾期三個月至六個月	698	49,114
Over 6 months but within 1 year past due	逾期六個月至一年	70,549	4,243
Over 1 year past due	逾期超過一年	19,737	1,553
		1,145,101	1,322,364

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二零一三年十二月三十一日

24. TRADE AND BILLS RECEIVABLES AND LONG-TERM TRADE RECEIVABLES (Continued)

The maturity profile of the bills receivable of the Group as at the end of the reporting period is as follows:

24. 貿易及票據應收款及長期貿易應收款項(續)

下表載列本集團應收票據於報告期末的到期情況：

		Group 本集團	
		2013 二零一三年	2012 二零一二年
		RMB'000 人民幣千元	RMB'000 人民幣千元 (Restated) (經重列)
Within 3 months	三個月內	32,518	19,608
Over 3 months but within 6 months	三個月至六個月	23,811	20,160
		56,329	39,768

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

無逾期亦無減值的應收款項與大量近期沒有違約紀錄的客戶有關。

已逾期但未減值的應收款項與多名獨立客戶有關，彼等與本集團擁有良好交易紀錄。根據過往經驗，由於信貸質素並無重大改變，且該等結餘仍被視為可全數收回，故本公司董事認為毋須就該等結餘作出減值撥備。

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24. TRADE AND BILLS RECEIVABLES AND LONG-TERM TRADE RECEIVABLES (Continued)

Included in the Group's trade receivables are amounts due from fellow subsidiaries of the Group amounting to RMB63,306,000 (2012: Nil), which are repayable on credit terms similar to those offered to the major customers of the Group.

As at 31 December 2013, none of trade receivables (2012: approximately RMB58,502,000) was pledged to banks as security in respect of the Group's bank borrowings (note 30).

As at 31 December 2013, the Group discounted certain bills receivable of approximately RMB1,000,000 (2012: RMB15,845,000) to banks with full recourse. As the Group did not transfer the significant risks and rewards relating to these bills receivable, it continued to recognise the full carrying amount of these bills receivable and accounted for the cash received as secured bank borrowings (note 30).

At 31 December 2013, the Group endorsed certain bills receivable accepted by banks in the Mainland China (the "Endorsed Bills") with a carrying amount of RMB15,547,000 (2012: Nil) to certain of its suppliers in order to settle the trade payables due to such suppliers (the "Endorsement"). In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such Endorsed Bills, and accordingly, it continued to recognise the full carrying amounts of the Endorsed Bills and the associated trade payables settled. Subsequent to the Endorsement, the Group did not retain any rights on the use of the Endorsed Bills, including the sale, transfer or pledge of the Endorsed Bills to any other third parties. The aggregate carrying amount of the trade payables settled by the Endorsed Bills during the year to which the suppliers have recourse was RMB15,547,000 (2012: Nil) as at 31 December 2013.

As at 31 December 2013, the Group pledged certain bills receivable ("Pledged Bills") of approximately RMB2,028,000 (2012: Nil) to banks to issue another bills to settle its trade payables (the "Pledge"). In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such Pledged Bills, and accordingly, it continued to recognise the full carrying amounts of the Pledged Bills. Subsequent to the Pledge, the Group did not retain any rights on the use of the Pledged Bills, including the sale, transfer or pledge of the Pledged Bills to any other third parties.

24. 貿易及票據應收款及長期貿易應收款項(續)

本集團之貿易應收款項包括應收本集團同系附屬公司款項人民幣63,306,000元(二零一二年：無)，該款項須按提供予本集團主要客戶之類似信貸期償還。

於二零一三年十二月三十一日，概無就本集團之銀行借貸向銀行抵押貿易應收款項(二零一二年：約人民幣58,502,000元)作為擔保(附註30)。

於二零一三年十二月三十一日，本集團折現若干應收票據約人民幣1,000,000元(二零一二年：人民幣15,845,000元)予銀行(附有全數追索)。由於本集團並無轉讓與該等應收票據有關的重大風險及回報，故其繼續全面確認該等應收票據的賬面值，並將已收現金入賬作為有抵押銀行借貸(附註30)。

於二零一三年十二月三十一日，本集團為中國內地銀行接納之若干應收票據背書(「背書票據」)，該等票據賬面值為人民幣15,547,000元(二零一二年：無)，提供予本集團若干供應商，以支付結欠該等供應商之貿易應付款項(「背書」)。董事認為，本集團已保留若干風險及回報，包括關於該等背書票據之違約風險，據此，其繼續確認背書票據及已結付之相關貿易應付款項之全部賬面值。背書後，本集團並無留背書票據之任何使用權，包括銷售、轉讓或質押背書票據予任何其他第三方。年內背書票據結付之貿易應付款項(供應商曾追索)於二零一三年十二月三十一日之總賬面值為人民幣15,547,000元(二零一二：無)。

於二零一三年十二月三十一日，本集團質押若干應收票據(「已質押票據」)予銀行，金額約人民幣2,028,000元(二零一二年：無)，藉此發行其他票據以結付其貿易應付款項(「質押」)。董事認為，本集團已保留大部分風險及回報，包括關於該等已質押票據之違約風險，據此，其繼續確認已質押票據之全部賬面值。質押後，本集團並無保留已質押票據任何使用權，包括銷售、轉讓或質押已質押票據予任何其他第三方之權利。

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25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

25. 預付款項、按金及其他應收款項

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Advances to suppliers and other third parties*	墊款予供應商及其他第三方*	171,244	220,403
Value added tax receivable	應收增值稅	10,394	22,935
Deposits and prepayments	按金及預付款項	5,000	19,743
Other receivables	其他應收款項	13,390	36,782
Consideration receivable for disposals of subsidiaries	出售附屬公司之應收代價	15,274	8,730
Amounts due from fellow subsidiaries	應收同系附屬公司款項	14,887	—
		230,189	308,593

The amounts due from fellow subsidiaries are repayable on credit terms similar to those offered to the major customers of the Group.

* The amount mainly represented advances to suppliers and other non-related parties for construction of plant for business cooperation purposes. Included in the balance was an amount due from an independent third party of RMB10,500,000 (2012: RMB35,183,000) which was unsecured and interest bearing at 8% per annum. The other balance was unsecured and interest-free.

The Group did not provide any allowance on the advances as, in the opinion of the directors of the Company, there has not been a significant change in credit quality and the amounts are still considered recoverable.

應收同系附屬公司款項須按提供予本集團主要客戶之類似信貸期償還。

* 該款項主要指給予供應商及其他無關連方之墊款，藉以興建廠房，進行業務合作。結餘中包括應收一名獨立第三方款項，金額為人民幣10,500,000元（二零一二年：人民幣35,183,000元），為無抵押及按年利率8%計息，其他結餘為無抵押及免息。

本集團並無就墊款提供任何撥備，因為本公司董事認為信貸質素概無任何重大變動，並認為款項屬可收回。

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25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

Movements in the provision for impairment of prepayments, deposits and other receivables are as follows:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Opening balance	年初結餘	3,221	1,168
Acquisition of a subsidiary	收購一間附屬公司	–	2,245
Impairment loss recognised/(reversed)	已確認/(已撥回)減值虧損	12,958	(192)*
Disposal of a subsidiary	出售一間附屬公司	(13,168)	–
Closing balance	年末結餘	3,011	3,221

* The reversal of impairment loss in 2012 was related to the Terminals segment.

The balance as at 31 December 2013 was unsecured.

25. 預付款項、按金及其他應收款項(續)

預付款項、按金及其他應收款項之減值撥備變動如下：

* 撥回二零一二年之減值虧損與終端分部有關。

於二零一三年十二月三十一日，結餘為無抵押。

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26. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

26. 現金及現金等價物及已抵押存款

		Group 本集團		Company 本公司	
		2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(Restated)		
			(經重列)		
Cash and bank balances	現金及銀行結餘	62,721	144,082	575	1,434
Time deposits	定期存款	16,064	26,799	-	-
		78,785	170,881	575	1,434
Less: Pledged time deposits:	減：已抵押定期存款：				
Pledged for short-term bank borrowings	就短期銀行借貸作抵押	-	(600)	-	-
Pledged for bills payable	就應付票據作抵押	(5,361)	(8,187)	-	-
Pledged for letters of credit	就信用證作抵押	(6,011)	(15,393)	-	-
Pledged for contract bidding	就競投合約作抵押	(4,692)	(2,619)	-	-
		(16,064)	(26,799)	-	-
Cash and cash equivalents	現金及現金等價物	62,721	144,082	575	1,434

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to RMB45,385,000 (2012: RMB110,190,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

於報告期末，本集團以人民幣計值（「人民幣」）之現金及銀行結餘為人民幣45,385,000元（二零一二年：人民幣110,190,000元）。人民幣不可自由兌換為其他貨幣，然而，根據中國內地《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權經營外匯業務之銀行將人民幣兌換成其他貨幣。

銀行現金按每日銀行存款利息之浮動利率賺取利息。銀行結餘及已抵押存款存放於信譽良好且最近無違規記錄的銀行。

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27. ASSETS AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

27. 與分類為持有待售資產有關之資產及負債

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Assets of Rituo Automotive classified as held for sale	日拓汽車分類為持有待售之資產	-	119,230
Contingent consideration classified as held for sale	或然代價分類為持有待售	-	18,395
		-	137,625
Liabilities associated with assets held for sale	與持有待售資產有關之負債	-	69,613

On 20 November 2012, Weihai Electronic entered into an equity transfer agreement with 王祥 (Mr. Wang Xiang), who was the non-controlling shareholder of Rituo Automotive. On 7 January 2013, Weihai Electronic entered into a supplement agreement with Mr. Wang Xiang, 王衛國 (Mr. Wang Weiguo), a non-controlling shareholder of Rituo Automotive, and Rituo Automotive. The aforesaid agreements hereinafter collectively referred to as the "Agreements". According to the Agreements, Weihai Electronic disposed of its 55% equity interest in Rituo Automotive to Mr. Wang Xiang at a total consideration of RMB58,600,000 (the "Rituo Automotive Disposal").

On 20 November 2012, Weihai Electronic entered into an acquisition agreement with Rituo Automotive to purchase a 100% equity interest of 天津市日拓高科技有限公司 (Tianjin Rituo High Technology Co., Ltd., "Rituo Technology") at a consideration of RMB15,000,000 (the "Rituo Technology Acquisition"). Rituo Technology is a wholly-owned subsidiary of Rituo Automotive and these companies are collectively referred to as the "Tianjin Rituo Group". The Rituo Technology Acquisition is subject to the completion of the Rituo Automotive Disposal.

於二零一二年十一月二十日，威海電子與王祥先生（為日拓汽車之非控股股東）訂立股份轉讓協議。於二零一三年一月七日，威海電子與王祥先生、王衛國先生（為日拓汽車之非控股股東）及日拓汽車訂立補充協議。上述協議其後統稱為「該等協議」。根據該等協議，威海電子出售其於日拓汽車的55%股權予王祥先生，總代價為人民幣58,600,000元（「日拓汽車處置」）。

於二零一二年十一月二十日，威海電子與日拓汽車訂立收購協議，以購入天津市日拓高科技有限公司（「日拓高科技」）之100%股權，代價為人民幣15,000,000元（「日拓高科技收購」）。日拓高科技為日拓汽車全資附屬公司，該等公司統稱為「天津日拓集團」。日拓高科技收購須待日拓汽車處置完成後，方告落實。

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27. ASSETS AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

(Continued)

The assets and liabilities attributable to Rituo Automotive have been reclassified as assets and liabilities held for sale and are separately presented in the consolidated statement of financial position as at 31 December 2012.

Details of the assets of Rituo Automotive classified as held for sale as at 31 December 2012 were as follows:

		2012 二零一二年 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	6,083
Other intangible assets	其他無形資產	10,976
Goodwill	商譽	258
Deferred tax assets	遞延稅項資產	2
Inventories	存貨	77,742
Trade and other receivables	貿易及其他應收款項	15,334
Cash and cash equivalents	現金及現金等價物	8,835
Assets of Rituo Automotive classified as held for sale	日拓汽車分類為持有待售之資產	119,230

Details of the liabilities directly associated with Rituo Automotive classified as held for sale as at 31 December 2012 were as follows:

		2012 二零一二年 RMB'000 人民幣千元
Trade and other payables	貿易及其他應付款項	55,802
Tax payable	應付稅款	111
Interest-bearing bank and other borrowings	計息銀行及其他借貸	13,700
Liabilities associated with Rituo Automotive classified as held for sale	與日拓汽車有關且分類為持有待售之負債	69,613

On 12 January 2013, the Rituo Automotive Disposal and the Rituo Technology Acquisition were completed with the approval by the shareholders of the Company. For details of the Rituo Automotive Disposal, please refer to note 35(b) to the financial statements.

27. 與分類為持有待售資產有關之資產及負債(續)

於二零一二年十二月三十一日，日拓汽車應佔資產及負債已重新分類為持有待售資產及負債，並於綜合財務狀況表分開呈列。

於二零一二年十二月三十一日，日拓汽車分類為持有待售之資產詳情如下：

於二零一二年十二月三十一日，直接與日拓汽車有關且分類為持有待售之負債之詳情如下：

於二零一三年一月十二日，日拓汽車處置及日拓高科技收購獲本公司股東批准完成。有關日拓汽車處置之詳情，請參閱財務報表附註35(b)。

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28. TRADE AND BILLS PAYABLES AND OTHER LONG-TERM PAYABLES

An aged analysis of the trade payables of the Group, based on the invoice date, as at the end of the reporting period is as follows:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Within 3 months	三個月內	379,234	391,376
3 to 12 months	三至十二個月	221,139	193,418
1 to 2 years	一至兩年	37,548	40,506
Over 2 years	超過兩年	21,412	378
		659,333	625,678
Less: current portion	減：即期部份	(659,333)	(617,981)
Non-current portion	非即期部份	-	7,697

The Group normally obtains credit terms ranging from 1 to 3 months from its suppliers. The long-term portion of trade payables was related to telecommunication equipment purchased and is to be paid to the suppliers with final inspection dates ranging from 1 to 2 years. Trade payables are unsecured and interest-free.

Included in the trade and bills payables are trade payables of RMB44,057,000 (2012: Nil) due to fellow subsidiaries which are repayable on credit terms similar to those offered by fellow subsidiaries to their major customers.

An aged analysis of the bills payable of the Group, based on the issuance date, as at the end of the reporting period is as follows:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Within 3 months	三個月內	40,013	23,891
3 to 6 months	三至六個月	4,830	24,551
		44,843	48,442

28. 貿易及票據應付款及其他長期應付款項

下表載列本集團貿易應付款項於報告期末按發票日期作出的賬齡分析：

本集團一般獲供應商給予介乎一至三個月的信貸期。貿易應付款項的長期部份與購買電訊設備有關，並將支付予供應商，而最終檢測期介乎一至兩年。貿易應付款項為無抵押及免息。

貿易及票據應付款包括結欠同系附屬公司之貿易應付款項人民幣44,057,000元(二零一二年：無)，須按同系附屬公司提供予其主要客戶之類似信貸期償還。

下表載列本集團應付票據在報告期末按發行日期作出的賬齡分析：

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28. TRADE AND BILLS PAYABLES AND OTHER LONG-TERM PAYABLES (Continued)

As at 31 December 2013, the bills payable are secured by pledged bank deposits of RMB5,361,000 (2012: RMB8,187,000) and bills receivable of RMB2,028,000 (2012: Nil).

28. 貿易及票據應付款及其他長期應付款項(續)

於二零一三年十二月三十一日，應付票據由有抵押銀行存款人民幣5,361,000元(二零一二年：人民幣8,187,000元)及應收票據人民幣2,028,000元(二零一二年：無)擔保。

29. OTHER PAYABLES AND ACCRUALS

29. 其他應付款項及應計費用

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Advances from customers	預收客戶款項	37,333	26,799
Accruals	應計費用	9,299	34,561
Payables for acquisition of property, plant and equipment	收購物業、廠房及設備之應付款項	41,000	9,032
Payroll payable	應付工資	13,566	23,232
Other taxes payable	其他應付稅項	116,626	72,835
Other payables	其他應付款項	15,927	15,619
Amounts due to fellow subsidiaries	應付同系附屬公司款項	1,064	–
		234,815	182,078

Other payables and accruals are interest-free and have an average term of three months.

其他應付款項及應計費用為免息，平均還款期為三個月。

The amounts due to fellow subsidiaries are repayable on credit terms similar to those offered by fellow subsidiaries to third parties.

應付同系附屬公司款項須按同系附屬公司提供予第三方之類似信貸期償還。

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30. INTEREST-BEARING BANK AND OTHER BORROWINGS

30. 計息銀行及其他借貸

		2013 二零一三年			2012 (Restated) 二零一二年(經重列)		
		Contractual interest rate 合約利率 (%)	Maturity 到期	RMB'000 人民幣千元	Contractual interest rate 合約利率 (%)	Maturity 到期	RMB'000 人民幣千元
Current	即期						
Bank loans — unsecured	銀行貸款 — 無抵押	5.24-7.80	2014 二零一四年	207,694	5.60-7.80	2013 二零一三年	191,664
Bank loans — secured	銀行貸款 — 有抵押	0.68-6.60	2014 二零一四年	262,250	0.25-7.80	2013 二零一三年	671,002
Other loans — unsecured	其他貸款 — 無抵押	7.70-8.00	2014 二零一四年	155,262	6.00-8.50	2013 二零一三年	203,086
Total	總計			625,206			1,065,752

Notes:

- (a) Certain of the Group's bank loans are secured by:
- mortgages over the Group's property, plant and equipment, which had an aggregate carrying value at the end of the reporting period of approximately RMB181,687,000 (2012: RMB325,736,000);
 - mortgages over the Group's prepaid land lease payments situated in Mainland China, which had a carrying value at the end of the reporting period of approximately RMB33,919,000 (2012: RMB43,141,000);
 - none of trade receivables (2012: approximately RMB58,502,000) pledged to banks at the end of the reporting period; and
 - the discount of certain of the Group's bills receivable amounting to RMB1,000,000 (2012: RMB15,845,000);
- (b) Except for the secured bank loan of US\$2,000,000 (2012: US\$14,536,000) and unsecured bank loan of US\$8,587,000 (2012: US\$19,214,000), which are denominated in US\$, all borrowings are denominated in RMB.

In addition, the Group's fellow subsidiaries has guaranteed certain of the Group's bank loans up to RMB279,530,000 (2012: Nil) as at the reporting period.

附註:

- (a) 本集團若干銀行貸款由下列各項擔保:
- 本集團物業、廠房及設備按揭，於報告期末賬面總值約為人民幣181,687,000元(二零一二年: 人民幣325,736,000元);
 - 本集團位於中國內地預付土地租金之按揭，於報告期末賬面總值約為人民幣33,919,000元(二零一二年: 人民幣43,141,000元);
 - 於報告期末，概無貿易應收款項(二零一二年: 約人民幣58,502,000元)被抵押予銀行; 及
 - 本集團若干應收票據之折價為人民幣1,000,000元(二零一二年: 人民幣15,845,000元)。
- (b) 除以美元計值之有抵押銀行貸款2,000,000美元(二零一二年: 14,536,000美元)及無抵押銀行貸款8,587,000美元(二零一二年: 19,214,000美元)外，所有借貸均以人民幣計值。

此外，於報告期末，本集團同系附屬公司已擔保本集團若干銀行貸款，金額最高為人民幣279,530,000元(二零一二年: 無)。

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31. SHARE CAPITAL Shares

31. 股本 股份

		2013 二零一三年	2012 二零一二年
Authorised:	法定：		
2,500,000,000 (2012: 2,500,000,000) ordinary shares of US\$0.02 each	2,500,000,000 股 (二零一二年： 2,500,000,000 股) 每股面值 0.02 美元之普通股	US\$50,000,000 50,000,000 美元	US\$50,000,000 50,000,000 美元
Issued and fully paid:	已發行及繳足：		
720,000,000 (2012: 720,000,000) ordinary shares of US\$0.02 each	720,000,000 股 (二零一二年： 720,000,000 股) 每股面值 0.02 美元之普通股	US\$14,400,000 14,400,000 美元	US\$14,400,000 14,400,000 美元
Equivalent to	相當於	RMB97,401,000 人民幣 97,401,000 元	RMB97,401,000 人民幣 97,401,000 元

32. EMPLOYEE SHARE SCHEME

On 30 September 2008, an employees' share scheme (the "Employee Share Scheme") was adopted by the Company. Pursuant to the Employee Share Scheme, on 8 October 2008, Chenlin International (a company owned by Mr. Chi) transferred a total of 6,280,000 ordinary shares of the Company (the "Employee Shares") to Hongxin Joint Stock Company Limited, a trustee for certain directors of the Company and employees (the "Employee Shareholders"), in recognition of the Employee Shareholders' contributions to the growth of the Group at a consideration of RMB6.37 each, of which RMB2.37 each was paid by each of the Employee Shareholders with their own funds and RMB4.00 each was paid by Weihai Electronic and 威海市泓淋電線電纜有限公司 (Weihai Honglin Wire & Cable Co., Ltd., "Weihai Cable", a subsidiary of the Group) respectively, as bonus and subsidy to the Employee Shareholders. Hongxin Joint Stock Company Limited holds the Employee Shares in trust for the Employee Shareholders pursuant to a trust deed dated 28 May 2010 (the "Trust Deed").

The Employee Share Scheme and the Trust Deed imposed certain restrictions on the Employee Shares and the details are summarised in the paragraphs headed "Employee Shares" under Section III "Further Information about Directors, Management and Staff" in Appendix VI "Statutory and General Information" in the prospectus of the Company dated 3 November 2010.

32. 僱員股份計劃

於二零零八年九月三十日，本公司採納僱員股份計劃（「僱員股份計劃」）。根據僱員股份計劃，於二零零八年十月八日，晨淋國際（遲先生所擁有的公司）將總計 6,280,000 股本公司普通股（「僱員股份」）以代價每股人民幣 6.37 元轉讓予泓鑫股份有限公司（作為本公司若干董事及僱員（「僱員股東」）之信託人），以表揚僱員股東對本集團發展的貢獻，各僱員股東自行支付每股人民幣 2.37 元，而另外每股人民幣 4.00 元分別由威海電子及本集團附屬公司威海市泓淋電線電纜有限公司（「威海電線」）支付，作為僱員股東的花紅及補貼。根據二零一零年五月二十八日的信託契約（「信託契約」），泓鑫股份有限公司以信託方式代僱員股東持有僱員股份。

僱員股份計劃及信託契約對僱員股份有若干限制，詳情概述於本公司日期為二零一零年十一月三日的招股章程附錄六「法定及一般資料」第三節「有關董事、管理層及員工的其他資料」及「僱員股份」一段。

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32. EMPLOYEE SHARE SCHEME (Continued)

Details of the movements in the Employee Shares awarded and the outstanding balances at the end of the reporting period are as follows:

		Number of outstanding Employee Share balances 發行在外之僱員股份結餘數目	
		Directors 董事	Employees 僱員
At 1 January 2012	於二零一二年一月一日	2,516,902	34,274,020
Transfer*	轉撥*	(1,486,471)	1,486,471
At 31 December 2012 and at 1 January 2013	於二零一二年十二月三十一日 及於二零一三年一月一日	1,030,431	35,760,491
Disposed of by the Employee Shareholders during the year	年內由僱員股東出售	(1,030,431)	(35,760,491)
At 31 December 2013	於二零一三年十二月三十一日	-	-

* During the year ended 31 December 2012, one director resigned but remained as an employee of the Group.

The estimated fair value of the Employee Shares at the date of grant was approximately RMB42,187,000, or approximately RMB6.72 each. The payment of RMB4.00 each made by Weihai Electronic and Weihai Cable as bonus and subsidy to the Employee Shareholders has been charged to "share awards reserve" in equity during the year ended 31 December 2008.

The difference between the fair value of RMB6.72 each and RMB2.37 each which was paid by each of the Employee Shareholders, amounting to approximately RMB27,303,000, would be charged to the statement of profit or loss on a straight-line basis over the service periods of the service contracts for those Employee Shareholders from October 2008 to September 2013.

32. 僱員股份計劃(續)

於報告期末，獲贈的僱員股份及未償還結餘的變動詳情如下：

* 截至二零一二年十二月三十一日止年度，一名董事辭任，惟留任本集團之僱員。

僱員股份於授出日期之估計公平值約為人民幣42,187,000元，或每股約為人民幣6.72元。威海電子及威海電線作出每股人民幣4.00元之付款，作為僱員股東的花紅及補貼，已於截至二零零八年十二月三十一日止年度權益「股份獎勵儲備」內扣除。

公平值每股人民幣6.72元及每股人民幣2.37元之差額已由僱員股東各自支付，約為人民幣27,303,000元，按直線法於該等僱員股東服務合約之服務年期由二零零八年十月至二零一三年九月於損益表扣除。

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32. EMPLOYEE SHARE SCHEME (Continued)

During the year ended 31 December 2013, the Group recognised share-based payments of approximately RMB203,000 (2012: RMB3,762,000) in relation to the Employee Shares.

During the year ended 31 December 2013, the Employee Shares were all disposed of by the directors or employees of the Group.

33. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 87 to 88 of the financial statements.

(b) Company

32. 僱員股份計劃(續)

截至二零一三年十二月三十一日止年度，本集團就僱員股份確認以股份支付的款項約人民幣203,000元(二零一二年：人民幣3,762,000元)。

截至二零一三年十二月三十一日止年度，僱員股份均已被本集團董事或僱員處置。

33. 儲備

(a) 本集團

本集團於本年度及過往年度之儲備金額及其變動於財務報表第87至88頁之綜合權益變動表呈列。

(b) 本公司

		Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Capital reserve 資本儲備 RMB'000 人民幣千元	Retained earnings 保留盈利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance at 1 January 2012	於二零一二年一月一日之結餘	97,401	429,549	106,715	50,231	683,896
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	10,390	10,390
At 31 December 2012	於二零一二年十二月三十一日	97,401	429,549*	106,715*	60,621*	694,286
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(39,066)	(39,066)
At 31 December 2013	於二零一三年十二月三十一日	97,401	429,549*	106,715*	21,555*	655,220

* These reserve accounts comprise the reserves of RMB557,819,000 (2012: RMB596,885,000) in the Company's statement of financial position.

* 該等儲備賬包括本公司財務狀況表中人民幣557,819,000元(二零一二年：人民幣596,885,000元)之儲備。

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34. BUSINESS COMBINATIONS

(a) Acquisition of the entire equity interest in Rosy Sun

On 31 January 2013, the Group acquired the entire issued share capital of Rosy Sun, the parent of the Rosy Sun Group. The Acquisition has been accounted for using the pooling of interests method. The consolidated financial statements include the results of the Rosy Sun Group since 13 June 2012.

The fair values of the identifiable assets and liabilities of the Rosy Sun Group as at 13 June 2012 were:

34. 業務合併

(a) 收購 Rosy Sun 全部股權

於二零一三年一月三十一日，本集團收購 Rosy Sun (Rosy Sun 集團母公司) 全部已發行股本。收購事項已使用權益法入賬。綜合財務報表包括 Rosy Sun 集團自二零一二年六月十三日以來的業績。

Rosy Sun 集團於二零一二年六月十三日之可資識別資產及負債公平值如下：

		Fair value recognised on acquisition 收購時已確認 公平值 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	59,922
Prepaid land lease payments	預付土地租金	45,085
Other intangible assets	其他無形資產	206,128
Available-for-sale investments	可供出售投資	15,000
Deferred tax assets	遞延稅項資產	4,132
Inventories	存貨	292
Trade and bills receivables	貿易及票據應收款	222,823
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	228,911
Pledged deposits	已抵押存款	2,118
Cash and cash equivalents	現金及現金等價物	13,857
Trade and bills payables	貿易及票據應付款	(91,376)
Other payables and accruals	其他應付款項及應計費用	(34,380)
Tax payable	應付稅款	(8,325)
Interest-bearing bank and other borrowings	計息銀行及其他借貸	(266,196)
Deferred tax liabilities	遞延稅項負債	(16,014)
Government grants	政府補貼	(14,219)
Total identifiable net assets at fair value	按公平值列賬之可資識別 資產淨值總額	367,758
Goodwill arising on acquisition	收購時產生之商譽	61,146
Purchase consideration transferred by Mr. Chi to an independent third party	遲先生轉撥予獨立第三方之 購買代價	428,904
Less: purchase consideration transferred by the Group to Mr. Chi for the Acquisition	減：本集團就收購事項轉撥予 遲先生之購買代價	442,234
Charged to equity	自權益扣除	(13,330)

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34. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of the entire equity interest in Rosy Sun (Continued)

The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of the Rosy Sun Group with those of the Group.

The Group incurred transaction costs of RMB6,227,000 for this acquisition. These transaction costs have been expensed and are included in administrative expenses in the consolidated statement of profit or loss.

No cash settlement was made up to 31 December 2013, and as the consolidated financial statements have been restated due to the Acquisition, cash inflows amounting to RMB13,857,000 were included in the statement of cash flows for the year ended 31 December 2012.

(b) Acquisition of a 54% equity interest in Chuan Sheng Company

On 31 July 2013, the Group acquired the 54% equity interest of Chuan Sheng Company from third parties. Chuan Sheng Company was incorporated in Taiwan and engaged in product design of wireless communications machinery and equipment, machinery installation, sale of and provision of services relating to IT software. The acquisition was made to expand its market share of signal transmission and connectivity products in Taiwan. The purchase consideration for the acquisition was in the form of cash, amounting to NT\$3,096,000.

34. 業務合併(續)

(a) 收購 Rosy Sun 全部股權(續)

已確認商譽主要源於合併 Rosy Sun 集團與本集團之資產及業務所產生之預計協同效應及其他利益。

本集團就是次收購事項產生交易成本人民幣6,227,000元。該等交易成本已支銷，並計入綜合損益表之行政開支。

截至二零一三年十二月三十一日，概無作出現金清償，而由於綜合財務報表因收購事項而重列，現金流入達人民幣13,857,000元已計入截至二零一二年十二月三十一日止年度之現金流量表。

(b) 收購川升公司54%股權

於二零一三年七月三十一日，本集團向第三方收購川升公司54%股權。川升公司於台灣註冊成立，從事無線通訊機器及設備的產品設計、機電安裝、銷售及提供信息技術軟件相關服務。該項收購旨在擴大於台灣訊號傳輸及連接產品市場之份額。收購之購買代價以現金支付，金額為新台幣3,096,000元。

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34. BUSINESS COMBINATIONS (Continued)

(b) Acquisition of 54% equity interest in Chuan Sheng Company (Continued)

The fair values of the identifiable assets and liabilities of Chuan Sheng Company as at 31 July 2013 were:

34. 業務合併(續)

(b) 收購川升公司54%股權(續)

川升公司於二零一三年七月三十一日之可資識別資產及負債公平值如下：

		Fair value recognised on acquisition 收購時已確認 公平值 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	210
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	49
Cash and cash equivalents	現金及現金等價物	265
Trade and bills payables	貿易及票據應付款	(4)
Other payables and accruals	其他應付款項及應計費用	(38)
Total identifiable net assets at fair value	按公平值列賬之可資識別 資產淨值總額	482
Non-controlling interests	非控制權益	(220)
		262
Goodwill arising on acquisition	收購時產生之商譽	370
Satisfied by cash	以現金結付	632
An analysis of the cash flows in respect of the acquisition of the subsidiary is as follows:	有關收購附屬公司之現金流 分析如下：	
Cash consideration	現金代價	632
Cash and bank balances acquired	所收購之現金及銀行結餘	(265)
Net outflow of cash and cash equivalents included in cash flows from investing activities	現金及現金等價物流出淨額 計入投資活動所得現金流	367

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35. DISPOSALS OF SUBSIDIARIES

(a) Disposal of the entire equity interest in Sumptuous Wealth

On 9 June 2013, the Company entered into an agreement with Jia Ya Developments Limited, a company incorporated in the British Virgin Islands (“BVI”) and wholly owned by Mr. Chi, a shareholder and a director of the Company, and Mr. Chi (as guarantor for the Purchaser) for the sale and purchase of the entire issued share capital of Sumptuous Wealth (the “Disposal”). The Disposal was approved by the shareholders on 17 July 2013 and finally completed on 26 November 2013.

35. 出售附屬公司

(a) 出售豪裕全部股權

於二零一三年六月九日，本公司與佳雅發展有限公司（一間於英屬維爾京群島（「英屬維爾京群島」）註冊成立之公司及由遲先生全資擁有）、一名股東及本公司董事遲先生（買方擔保人）訂立協議，內容關於買賣豪裕全部已發行股本（「該處置」）。該處置獲股東於二零一三年七月十七日獲股東批准，最終於二零一三年十一月二十六日完成。

		2013 二零一三年 RMB'000 人民幣千元
Net assets disposed of:	已出售資產淨值：	
Property, plant and equipment	物業、廠房及設備	379,370
Prepaid land lease payments	預付土地租金	8,108
Goodwill	商譽	370
Other intangible assets	其他無形資產	1,336
Prepayments for acquiring land	收購土地之預付款項	32,700
Prepayments for property, plant and equipment	物業、廠房及設備之預付款項	1,612
Investment in an associate	投資一間聯營公司	3,190
Inventories	存貨	171,946
Trade and bills receivables	貿易及票據應收款	495,051
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	65,295
Derivative financial instruments	衍生金融工具	694
Pledged deposits	已抵押存款	9,704
Cash and cash equivalents	現金及現金等價物	79,214
Trade and bills payables	貿易及票據應付款	(259,210)
Other payables and accruals	其他應付款項及應計費用	(79,950)
Interest-bearing bank and other borrowings	計息銀行及其他借貸	(417,259)
Tax payable	應付稅款	(3,619)
Non-controlling interests	非控制權益	95
Reclassification of foreign currency translation reserve	重新分類外匯儲備	(288)
		488,359
Gain on disposal of a subsidiary	出售一間附屬公司之收益	2,858
		491,217
Satisfied by:	以下列方式結清：	
Offsetting a promissory note payable (note 36)	抵銷應付承兌票據（附註36）	491,217

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35. DISPOSALS OF SUBSIDIARIES (Continued)

(b) Disposal of a 55% equity interest in Rituo Automotive

On 12 January 2013, the Group disposed of all its equity interest in Rituo Automotive in exchange for, among other considerations, a 45% equity interest in Rituo Technology, which is accounted for as an acquisition of non-controlling interests with a notional consideration measured at fair value of RMB11,564,000. A loss on disposal of Rituo Automotive of RMB396,000, including the loss effect arising from the waiver of a receivable for profit guarantee amounting to RMB18,396,000, is then recognised in profit or loss. Further details of the disposal and acquisition were set out in the Company's announcement made on 20 November 2012 and circular dated 24 December 2012.

35. 出售附屬公司(續)

(b) 出售日拓汽車55%股權

於二零一三年一月十二日，本集團出售其於日拓汽車之所有股權，以換取(包括其他代價)日拓高科技45%股權，其入賬為收購非控制權益，按公平值計量之名義代價為人民幣11,564,000元。出售日拓汽車虧損人民幣396,000元隨後於損益確認，包括豁免一筆應收款項之溢利保證產生之虧損影響約人民幣18,396,000元。出售及收購之進一步詳情載於本公司於二零一二年十一月二十日刊發之公佈及日期為二零一二年十二月二十四日之通函。

		2013 二零一三年 RMB'000 人民幣千元
Assets of a disposal group classified as held for sale		
Property, plant and equipment	分類為持有待售之出售組別之資產 物業、廠房及設備	5,015
Other intangible assets	其他無形資產	10,976
Trade receivables	貿易應收款項	13,756
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	62,652
Inventories	存貨	30,038
Cash and cash equivalents	現金及現金等價物	8,835
		131,272
Liabilities directly associated with assets classified as held for sale		
Trade payables	與分類為持有待售資產直接相關之負債 貿易應付款項	(35,765)
Other payables and accruals	其他應付款項及應計費用	(10,409)
Tax payable	應付稅款	(111)
Interest-bearing bank and other borrowings	計息銀行及其他借貸	(13,700)
Deferred tax liabilities	遞延稅項負債	(2,957)
		(62,942)
Net assets of a disposal group classified as held for sale	分類為持有待售之出售組別之資產淨值	68,330
Goodwill	商譽	258
Non-controlling interests	非控制權益	(31,424)
		37,164
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	(396)
		36,768
Satisfied by:		
Cash	以下列方式結清： 現金	43,600
Fair value of non-controlling interests in Rituo Technology	日拓高科技非控制權益之公平值	11,564
Waiver of a receivable for profit guarantee	豁免一筆應收款項之溢利保證	(18,396)
Total consideration		36,768

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35. DISPOSALS OF SUBSIDIARIES (Continued)

(c) Disposal of the entire equity interest in Wuhan Electronic

On 27 September 2013, the Group disposed of the 25% and 75% equity interests in Wuhan Electronic to U&T Electronics (Hong Kong) Co., Ltd. and 臨邑縣榮發電子有限公司 (“Rongfa Electronic”) at considerations of RMB1,250,000 and RMB3,750,000, respectively.

35. 出售附屬公司(續)

(c) 出售武漢電子全部股權

於二零一三年九月二十七日，本集團分別出售武漢電子25%及75%股權予攸特電子(香港)有限公司及臨邑縣榮發電子有限公司(「榮發電子」)，代價分別為人民幣1,250,000元及人民幣3,750,000元。

		2013 二零一三年 RMB'000 人民幣千元
Net assets disposed of:	已出售資產淨值：	
Trade and bills receivables	貿易及票據應收款	22,914
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	35
Cash and cash equivalents	現金及現金等價物	4,621
Trade and bills payables	貿易及票據應付款	(22,609)
Other payables and accruals	其他應付款項及應計費用	(146)
Tax payable	應付稅款	185
		5,000
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	-
		5,000
Satisfied by:	以下列方式結清：	
Cash	現金	5,000

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35. DISPOSALS OF SUBSIDIARIES (Continued)

(d) Disposal of a 60% equity interest in Weihai Dongchen

On 26 November 2013, the Group disposed of a 60% equity interest in Weihai Dongchen to Li Ming, an individual third party of the Group, at a consideration of RMB3,000,000.

35. 出售附屬公司(續)

(d) 出售威海東晨60%股權

於二零一三年十一月二十六日，本集團出售威海東晨60%股權予本集團之獨立第三方Li Ming，代價為人民幣3,000,000元。

		2013 二零一三年 RMB'000 人民幣千元
Net assets disposed of:	已出售資產淨值：	
Property, plant and equipment	物業、廠房及設備	77
Inventories	存貨	4,483
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	2,429
Cash and cash equivalents	現金及現金等價物	207
Trade and bills payables	貿易及票據應付款	(2,103)
Other payables and accruals	其他應付款項及應計費用	(19)
Non-controlling interests	非控制權益	(1,469)
		3,605
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	(605)
		3,000
Satisfied by:	以下列方式結清：	
Cash	現金	3,000

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35. DISPOSALS OF SUBSIDIARIES (Continued)

(e) Disposal of the entire equity interest in Suzhou Huachun

Pursuant to an agreement amongst Changshu Connecting-Technology and a non-controlling shareholder 吳江華銳精密電子有限公司 (Wujiang Huarui Precision Electronics Co., Ltd.#, "Wujiang Huarui") on 17 December 2012, the Group disposed of its 51% equity interests in 蘇州華淳精密電子有限公司 (Suzhou Huachun Precision Electronics Co., Ltd.#, "Suzhou Huachun") to Wujiang Huarui at a total cash consideration of RMB10,200,000. The disposal of Suzhou Huachun was completed on 26 December 2012.

35. 出售附屬公司(續)

(e) 出售蘇州華淳全部股權

根據常熟連接技術及一名非控股股東吳江華銳精密電子有限公司(「吳江華銳」)於二零一二年十二月十七日訂立之協議，本集團出售蘇州華淳精密電子有限公司51%股權(「蘇州華淳」)予吳江華銳，總現金代價為人民幣10,200,000元。出售蘇州華淳於二零一二年十二月二十六日完成。

		2012 二零一二年 RMB'000 人民幣千元
Net assets disposed of:	已出售資產淨值：	
Property, plant and equipment	物業、廠房及設備	10,983
Other intangible assets	其他無形資產	12
Inventories	存貨	4,872
Trade and bills receivables	貿易及票據應收款	33,874
Cash and cash equivalents	現金及現金等價物	569
Trade and bills payables	貿易及票據應付款	(21,241)
Interest-bearing bank and other borrowings	計息銀行及其他借貸	(9,069)
Non-controlling interests	非控制權益	(9,800)
		10,200
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	-
		10,200
Satisfied by:	以下列方式結清：	
Cash	現金	10,200

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35. DISPOSALS OF SUBSIDIARIES (Continued)

An analysis of the net outflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Cash received	已收現金	8,000	1,470
Cash and cash equivalents disposed of	已出售現金及現金等價物	(92,877)	(569)
Net (outflow)/inflow of cash and cash equivalents in respect of the disposal of a subsidiary	有關出售一間附屬公司之現金及現金等價物(流出)/流入淨額	(84,877)	901

The English names are for identification purposes only.

英文名稱僅供識別

36. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transaction

On 26 November 2013, the Group disposed of a subsidiary, Sumptuous Wealth, with a consideration of RMB491,217,000 (note 35(a)) to Mr. Chi by offsetting a promissory note payable to Mr. Chi. The promissory note was issued by the Company to Mr. Chi for the acquisition of Rosy Sun Group, which was early redeemed as a result of the disposal of Sumptuous Wealth, and a notional interest of RMB82,237,000 (note (7)) was recognised to the statement of profit or loss during the year.

35. 出售附屬公司(續)

有關出售附屬公司之現金及現金等價物流出淨額分析如下：

36. 綜合現金流量表附註

(a) 主要非現金交易

於二零一三年十一月二十六日，本集團出售一間附屬公司豪裕予遲先生，代價為人民幣491,217,000元(附註35(a))，方式為抵銷應付遲先生之承兌票據。該承兌票據由本公司發行予遲先生，藉此收購Rosy Sun集團，而承兌票據因出售豪裕而提早贖回，因而於本年度損益表確認名義利息人民幣82,237,000元(附註7)。

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37. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Guarantees on banking facilities provided to fellow subsidiaries	同系附屬公司獲提供之銀行融資之擔保	403,195	—

37. 或然負債

於報告期末，於財務報表並無撥備之或然負債如下：

38. PLEDGE OF ASSETS

Details of the Group's bank loans and bills payable which are secured by the assets of the Group, are included in notes 14, 15, and 24 to the financial statements.

38. 資產抵押

以本集團資產作抵押之本集團銀行貸款及應付票據詳情載於財務報表附註14、15及24。

39. OPERATING LEASE COMMITMENTS

As at 31 December 2013 and 2012, the Group had total future minimum lease payments under non-cancellable operating leases in respect of offices and buildings falling due as follows:

39. 經營租約承擔

於二零一三年及二零一二年十二月三十一日，本集團就辦公室及樓宇根據不可撤銷經營租約有未來最低租金總額之到期日如下：

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Within one year	一年內	3,046	2,579
In the second to fifth years, inclusive	二至五年內(包括首尾兩年)	397	3,999
		3,443	6,578

As at 31 December 2013, included in the Group's commitments of RMB1,872,000 were provided to a fellow subsidiary, with similar terms to choose offered by the fellow subsidiary to third parties (2012: Nil).

於二零一三年十二月三十一日，本集團承擔中包括提供予一間同系附屬公司的人民幣1,872,000元，並備有由同系附屬公司選擇提供予第三方的類似條款(二零一二年；無)。

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40. COMMITMENTS

In addition to the operating lease commitments detailed in note 39 above, the Group's capital commitments as at the end of the reporting period were as follows:

40. 承擔

除上文附註39詳述之經營租約承擔外，本集團於報告期末之資本承擔如下：

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Contracted, but not provided for: Property, plant and equipment	已訂立但未撥備： 物業、廠房及設備	25,835	64,230
Authorised but not contracted for: Acquisition of equity investments	已授權但未訂約： 收購股本投資	–	533,053
		25,835	597,283

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41. RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

In addition to the transactions disclosed elsewhere in the financial statements, the Group had the following transactions with its related parties during the year:

41. 關連方交易及關連交易

除財務報表其他部份所披露的交易外，年內本集團與其關連方進行下列交易：

(a)

		Notes	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
An associate:	一間聯營公司：			
Sales of machineries	銷售機器	(i)	1,019	—
Fellow subsidiaries:	同系附屬公司：			
Sales of products	銷售產品	(ii)	16,855	—
Purchases of products	購買產品	(iii)	23,806	—
Commission fee paid	已付佣金	(iv)	141	—
Rental and utility services fee paid	已付租金及水電費	(v)	213	—
Fee for use of supplier codes paid	已付供應商代碼使用費	(vi)	72	—
Fee for use of supplier codes received	已收供應商代碼使用費	(vi)	110	—
Guarantee charges paid	已付擔保費	(vii)	714	—
Guarantee charges received	已收擔保費	(viii)	806	—

Notes:

- (i) The sales to an associate were made according to the published prices and conditions offered to the major customers of the Group.
- (ii) The sales to the fellow subsidiaries were made according to the published prices and conditions offered to the major customers of the Group.
- (iii) The purchases from the fellow subsidiaries were made according to the published prices and conditions offered by the fellow subsidiaries to their major customers.
- (iv) The commission fee arose from the sale of power cord arranged by a fellow subsidiary in Taipei, which in return paid a commission based on the net profit of the transaction at rates ranging from 3% to 17% arranged by the fellow subsidiary by reference to the terms by the fellow subsidiary offered to an independent third party.

附註：

- (i) 向一間聯營公司進行的銷售活動，乃以提供予本集團主要客戶的已公佈價格及條件為依據。
- (ii) 向同系附屬公司進行的銷售活動，乃以提供予本集團主要客戶的已公佈價格及條件為依據。
- (iii) 向同系附屬公司進行的採購活動，乃以同系附屬公司向其主要客戶提供的已公佈價格及條件為依據。
- (iv) 佣金費源於台北同系附屬公司策劃進行的電源線銷售，作為代價，支付相當於同系附屬公司所策劃交易之淨利潤介乎3%至17%的佣金，其已參考同系附屬公司給予一名獨立第三方的條款。

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41. RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS (Continued)

(a) (Continued)

Notes: (Continued)

- (v) The rental and service fees were charged based on the direct costs incurred. The charges are substantially in line with the fellow subsidiary to third parties. Further details of the operating lease commitments are included in note 39.
- (vi) The fee for use of supplier codes charges were based on 1% of the sales/purchase amount for the purpose of using the supplier code to sell the relevant products to the ultimate customers. The charges are substantially in line with those comparable transactions in the market.
- (vii) The guarantee charges were based on 1.92% of the guaranteed amount on an annual basis for the services provided by the fellow subsidiaries with reference to the comparable transactions in the market.
- (viii) The guarantee charges were based on 2.4% of the guaranteed amount on an annual basis for the guarantee services to the fellow subsidiaries with reference to the comparable transactions in the market.

(b) Other transactions with related parties:

- (i) During the year, the Group acquired the Rosy Sun Group, from the controlling shareholder of the Company, Mr. Chi, at a consideration of HK\$650 million, based on arm's length negotiations after taking into account a number of factors. Further details of the transaction are included in note 34(a) to the financial statements.
- (ii) During the year, the Group disposed of a subsidiary, Sumptuous Wealth Limited, to Jia Ya Developments Limited, a company incorporated in the British Virgin Islands ("BVI") and wholly owned by Mr. Chi, the controlling shareholder of the Company, at a consideration of HK\$621 million. Further details of the transaction are included in note 35(a) to the financial statements.
- (iii) During the year, the fellow subsidiaries provided to the Group certain guarantees on banking facilities obtained by the Group of RMB446,000,000 (2012: Nil) as at the end of the reporting period.

41. 關連方交易及關連交易 (續)

(a) (續)

附註：(續)

- (v) 租金及設施費是根據所產生直接成本徵收。收費大體上與同系附屬公司向第三方收取者一致。經營租賃承擔之更多詳情，載於附註39。
- (vi) 供應商代碼使用費是根據銷售／購貨額之1%徵收，其旨在讓付費方可利用供應商代碼向最終客戶銷售有關產品。收費大體上與市場上之相若交易一致。
- (vii) 擔保費是根據就同系附屬公司提供服務之保證額1.92%按年計算，其已參考市場上之相若交易。
- (viii) 擔保費是根據向同系附屬公司提供保證服務之保證額2.4%按年計算，其已參考市場上之相若交易。

(b) 與關連方的其他交易：

- (i) 年內，本集團向本公司控股股東遲先生收購Rosy Sun集團，代價650,000,000港元按公平基準磋商釐定，並已計及若干因素。交易其他詳情載於財務報表附註34(a)。
- (ii) 年內，本集團把附屬公司豪裕有限公司售予佳雅發展有限公司，其為一間於英屬維爾京群島（「英屬維爾京群島」）註冊成立並由本公司控股股東遲先生全資擁有的公司，出售代價為621,000,000港元。交易其他詳情載於財務報表附註35(a)。
- (iii) 年內，同系附屬公司於報告期末向本集團就本集團獲得之銀行融資人民幣446,000,000元提供若干擔保（二零一二年：無）。

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41. RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS (Continued)

(b) Other transactions with related parties:

(Continued)

(iv) During the year, the Group provided to the fellow subsidiaries certain guarantees on banking facilities obtained by those fellow subsidiaries of RMB403,195,000 (2012: Nil) as at the end of the reporting period. For details, please refer to note 37 to the financial statements.

(c) Outstanding balances with related parties:

Details of the Group's outstanding balances with its fellow subsidiaries as at the end of the reporting period are disclosed in notes 24, 25, 28, 29 and 39 to the financial statements.

(d) Compensation of key management personnel of the Group:

41. 關連方交易及關連交易 (續)

(b) 與關連方的其他交易：(續)

(iv) 年內，本集團於報告期末就同系附屬公司獲得之銀行融資人民幣403,195,000元(二零一二年：無)向該等同系附屬公司提供若干擔保。詳情請參閱財務報表附註37。

(c) 與關連方之未償還餘額：

本集團於報告期末與同系附屬公司之未償還餘額詳情載於財務報表附註24、25、28、29及39。

(d) 本集團主要管理人員薪酬：

		Group 本集團	
		2013 二零一三年	2012 二零一二年
		RMB'000 人民幣千元	RMB'000 人民幣千元 (Restated) (經重列)
Salaries and other benefits	薪金及其他福利	3,389	3,182
Contributions to retirement benefit schemes	退休福利計劃供款	134	102
Share-based payments	以股份支付的款項	—	532
		3,523	3,816

Further details of directors' and the chief executive's emoluments are included in note 8 to the financial statements.

董事及行政總裁薪酬之進一步詳情載於財務報表附註8。

The related party transactions in respect of items (a)(ii) to (viii) above are those transactions with the subsidiaries of Sumptuous Wealth after the Disposal. They also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

上文第(a)(ii)至(viii)項之關連方交易為於該處置後與豪裕之附屬公司進行之交易。該等交易亦構成關連交易或持續關連交易(定義見上市規則第14A章)。

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42. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period were as follows:

2013

Financial assets		Group		
		Loans and receivables	Available-for-sale financial assets	Total
金融資產		貸款及應收款項	可供出售之金融資產	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Available-for-sale investments	可供出售投資	–	15,000	15,000
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的金融資產	26,133	–	26,133
Trade and bills receivables	貿易及票據應收款	1,201,430	–	1,201,430
Cash and cash equivalents	現金及現金等價物	62,721	–	62,721
Pledged deposits	已抵押存款	16,064	–	16,064
		1,306,348	15,000	1,321,348

42. 按類別劃分金融工具

報告期末各類別金融工具的賬面值如下：

二零一三年

Financial liabilities		Financial liabilities at amortised cost
金融負債		按攤銷成本列賬之金融負債
		RMB'000
		人民幣千元
Trade and bills payable	貿易及票據應付款	704,176
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用之金融負債	57,991
Interest-bearing bank and other borrowings	計息銀行及其他借貸	625,206
		1,387,373

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42. FINANCIAL INSTRUMENTS BY CATEGORY

(Continued)
2012

42. 按類別劃分金融工具(續)

二零一二年

		Group 本集團			
Financial assets		Financial assets at fair value through profit or loss 按公平值計入損益的金融資產 RMB'000 人民幣千元 (Restated) (經重列)	Loans and receivables 貸款及應收款項 RMB'000 人民幣千元 (Restated) (經重列)	Available-for-sale financial assets 可供出售之金融資產 RMB'000 人民幣千元 (Restated) (經重列)	Total 總計 RMB'000 人民幣千元 (Restated) (經重列)
金融資產					
Available-for-sale investments	可供出售投資	–	–	15,000	15,000
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的金融資產	–	32,431	–	32,431
Derivative financial instruments	衍生金融工具	156	–	–	156
Trade and bills receivables	貿易及票據應收款	–	1,353,534	–	1,353,534
Long-term trade receivables	長期貿易應收款項	–	8,598	–	8,598
Pledged deposits	已抵押存款	–	26,799	–	26,799
Cash and cash equivalents	現金及現金等價物	–	144,082	–	144,082
		156	1,565,444	15,000	1,580,600
Financial liabilities		Financial liabilities at amortised cost 按攤銷成本列賬之金融負債 RMB'000 人民幣千元 (Restated) (經重列)			
金融負債					
Trade and bills payable	貿易及票據應付款				666,423
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用之金融負債				71,845
Other long-term payables	其他長期應付款項				7,697
Interest-bearing bank and other borrowings	計息銀行及其他借貸				1,065,752
					1,811,717

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42. FINANCIAL INSTRUMENTS BY CATEGORY

(Continued)

42. 按類別劃分金融工具(續)

Financial assets 金融資產	Company 本公司					
	2013 二零一三年			2012 二零一二年		
	Loans and receivables	Financial assets at fair value through profit or loss	Total	Loans and receivables	Financial assets at fair value through profit or loss	Total
	貸款及 應收款項	按公平值 計入損益的 金融資產	總計	貸款及 應收款項	按公平值 計入損益的 金融資產	總計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的金融資產	-	-	15,128	-	15,128
Trade and bills receivables	貿易及票據應收款	-	-	10,720	-	10,720
Derivative financial instruments	衍生金融工具	-	-	-	152	152
Cash and cash equivalents	現金及現金等價物	575	-	1,434	-	1,434
		575	-	27,282	152	27,434

Financial liabilities 金融負債	Financial liabilities at amortised cost 按攤銷成本列賬之金融負債		
	2013 二零一三年	2012 二零一二年	
	RMB'000	RMB'000	
	人民幣千元	人民幣千元	
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用之金融負債	69	-
Amounts due to subsidiaries	應付附屬公司款項	25,345	10,720
		25,414	10,720

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43. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's and the Company's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, were as follows:

Group

		Carrying amounts 賬面值		Fair values 公平值	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Financial assets	金融資產				
Derivative financial instruments	衍生金融工具	-	156	-	156

43. 金融工具之公平值及公平值等級

本集團與本公司的金融工具(賬面值與公平值合理相若的金融工具除外)的賬面值和公平值如下:

本集團

Company

		Carrying amounts 賬面值		Fair values 公平值	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Financial assets	金融資產				
Derivative financial instruments	衍生金融工具	-	152	-	152

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43. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Management has assessed that the fair values of cash and cash equivalents, trade and bills receivables, financial assets included in prepayments, deposits and other receivables, pledged deposits, trade and bills payables, financial liabilities included in other payables and accruals, interest-bearing bank and other borrowings and amounts due to subsidiaries approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the long-term trade receivables and other long-term payables have been calculated by discounting the expected future cash flows using an equivalent market interest rate approximate to their carrying amounts.

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the chief financial officer. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with high credit quality. Derivative financial instruments, including forward commodity contracts, are measured using valuation techniques similar to forward pricing and swap models, which means using present value calculations. As at 31 December 2012, the derivative financial instruments of the Group and the Company were measured at fair value with Level 1 measurement based on quoted prices in active markets.

During the year, there were no transfers of fair value measurements between level 1 and level 2 (2012: Nil).

43. 金融工具之公平值及公平值等級(續)

經管理層評估後，現金及現金等價物、貿易及票據應收款、計入預付款項、按金及其他應收款項的金融資產、已抵押存款、貿易及票據應付款、計入其他應付款項及應計費用的金融負債、計息銀行及其他借貸以及應付附屬公司款項的公平值與其賬面值相若，主要由於該等工具的期限短。

長期貿易應收款項及其他長期應付款項的公平值是通過採用對等市場利率計算，並與其賬面值相若。

本集團屬下由財務經理帶領的企業財務組負責就金融工具的公平值計量制定政策及程序。企業財務組直接向財務總監匯報。於各報告日期，企業財務組分析金融工具價值變動及釐定應用於估值的主要輸入數據。估值已由財務總監審閱及批准。

本集團與多個交易對手(主要是具有高信貸質素的金融機構)訂立衍生金融工具。衍生金融工具(包括遠期商品合約)採用現值計算法按類似遠期定價和掉期模式的估值技術計量。於二零一二年十二月三十一日，本集團及本公司的衍生金融工具按第一層級計量，依據活躍市場報價以公平值量度。

年內，並無公平值計量於第一級與第二級之間轉移(二零一二年：無)。

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise interest-bearing bank and other borrowings and cash and cash equivalents. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade and bills receivables, trade and bills payables, which arise directly from its operations.

The Group also enters into derivative transactions, including principally forward commodity contracts. The purpose is to manage the price risk, interest rate risk and inflation risk arising from the Group's operations and its sources of finance.

It is, and has been, throughout the year under review, the Group's policy that trading in financial instruments shall be undertaken with due care.

The main risks arising from the Group's financial instruments are foreign currency risk, commodity price risk, interest rate risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in interest rates relates primarily to the Group's United States dollar debt obligations with floating interest rates.

The Group's policy is to manage its interest costs using a mix of fixed and floating rate debts with respect to the prevailing interest rate environment. The Group mitigates the risk by monitoring closely the movements in interest rates and reviewing its banking facilities regularly. The Group has not used any interest rate swap to hedge its exposure to interest rate risk.

44. 財務風險管理目標及政策

本集團的主要金融工具(衍生工具除外)包括計息銀行及其他借貸以及現金及現金等價物。該等金融工具的主要目的乃為本集團的業務籌集資金。本集團有多項其他金融資產和負債,例如貿易及票據應收款、貿易及票據應付款,均直接來自本集團業務產生。

本集團亦有進行衍生工具交易,主要包括遠期商品合約,目的為管理由本集團業務和融資來源所產生的價格風險、利率風險和通脹風險。

於整個回顧年度內,本集團一貫政策為審慎進行金融工具交易。

來自本集團金融工具的主要風險為外幣風險、商品價格風險、利率風險、信貸風險和流動性風險。董事會負責審閱和批准管理上述各項風險的政策,有關政策概述如下。

利率風險

本集團所面對的利率變動風險,主要涉及本集團的美元浮息債務。

本集團的政策乃按現行利率環境,利用定息和浮息債務的組合管理利息成本。本集團藉密切監視利率走勢及定期檢討銀行信貸以緩解有關風險。本集團並無使用任何利率掉期以對沖所面對的利率風險。

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk (Continued)

The following table demonstrates the sensitivity of the Group's loss before tax and equity as well as the Company's equity in response to changes in interest rates of the Group's floating rate United States dollar debts (with all other variables held constant).

Group

		Increase/ (decrease) in interest rate 利率上升/ (下跌) basis points 基點	(Increase)/ decrease in loss before tax 除稅前虧損 (增加)/減少 RMB'000 人民幣千元	(Decrease)/ increase in equity 權益 (減少)/增加 RMB'000 人民幣千元
2013	二零一三年			
US\$ debts	美元債務	100	(645)	(484)
RMB debts	人民幣債務	100	(4,025)	(3,019)
US\$ debts	美元債務	(100)	645	484
RMB debts	人民幣債務	(100)	4,025	3,019
2012 (Restated)	二零一二年(經重列)			
US\$ debts	美元債務	100	(1,083)	(812)
RMB debts	人民幣債務	100	(3,266)	(2,450)
US\$ debts	美元債務	(100)	1,083	812
RMB debts	人民幣債務	(100)	3,266	2,450

44. 財務風險管理目標及政策(續)

利率風險(續)

下表載列本集團除稅前虧損和權益以及本公司權益對本集團浮息美元債務的利率變動(所有其他變數維持不變)的敏感度。

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. The Group assesses the respective exposures of each of its operating units.

Foreign currency risk is the risk that the holding of monetary assets and liabilities and entering into transactions denominated in foreign currencies which will affect the Group's financial position and performance as a result of a change in foreign currency exchange rates. At the end of the financial period, certain trade receivables, pledged deposits, cash and cash equivalents, trade payables and interest-bearing bank and other borrowings of the Group denominated in or linked to foreign currencies, details of which are set out in the respective notes, expose the Group to foreign currency risk.

The following table demonstrates the sensitivity of the Group's loss before tax and equity in response to changes in exchange rates (with all other variables held constant) to which the Group had significant exposure.

Group

		(Decrease)/ increase in US\$ rate 美元匯率 上升/(下跌) %	(Increase)/ decrease in loss before tax 除稅前虧損 (增加)/減少 RMB'000 人民幣千元	(Decrease)/ increase in equity 權益 (減少)/增加 RMB'000 人民幣千元
2013	二零一三年			
If US\$ weakens against RMB	倘若美元兌人民幣轉弱	(10%)	(1,713)	(1,285)
If US\$ strengthens against RMB	倘若美元兌人民幣轉強	10%	1,713	1,285
2012 (Restated)	二零一二年(經重列)			
If US\$ weakens against RMB	倘若美元兌人民幣轉弱	(10%)	(14,789)	(11,092)
If US\$ strengthens against RMB	倘若美元兌人民幣轉強	10%	14,789	11,092

44. 財務風險管理目標及政策(續)

外幣風險

本集團在交易上存在貨幣風險。該等風險來自經營單位以該單位的功能貨幣以外的貨幣進行的銷售或採購。本集團評估各經營單位的風險。

外幣風險為持有貨幣資產及負債，並以外幣計值訂立交易的風險，將因外幣匯率變動影響本集團的財政狀況及表現。於財政期間結束時，本集團因若干貿易應收款項、已抵押存款、現金及現金等價物、貿易應付款項以及計息銀行及其他借貸承擔外幣風險，該等項目均以外幣計值或與外幣掛鈎，詳情載於相關附註。

下表載列本集團除稅前虧損和權益對本集團承擔重大匯率變動風險(所有其他變數維持不變)的敏感度。

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Commodity price risk

The Group's commodity price risk of financial instruments is mainly the exposure to fluctuations in the prevailing market price of copper which is the major raw materials purchased by the Group through the commodity derivative contracts.

The Group considers that the commodity price risk effect in post-tax profit for the two years ended 31 December 2013 and 2012 is insignificant and no sensitivity analysis is presented.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the head of credit control.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, available-for-sale investments, certain other receivables and derivative financial instruments, arises from default of the counterparties with a maximum exposure equal to the carrying amount of these instruments.

Since the Group trades only with recognised and creditworthy third parties, collateral is usually not required. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. At the end of the reporting period, the Group had certain concentrations of credit risk as 16% (2012: 11%) of the Group's trade receivables were due from a customer, within the Terminals segment.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are set out in note 24 to the financial statements.

44. 財務風險管理目標及政策 (續)

商品價格風險

本集團金融工具的商品價格風險主要為本集團透過商品衍生工具合約採購主要原料銅的現行市價波動風險。

本集團認為，截至二零一三年及二零一二年十二月三十一日止兩個年度稅後溢利的商品價格風險影響並不重大，故並無呈列敏感度分析。

信貸風險

本集團僅與被認可和信譽昭著的第三方進行交易。本集團的政策為須對所有有意以賒賬期交易的客戶進行信貸審核程序。此外，應收款結餘持續受監察，而本集團壞賬的風險並不重大。對於並非以有關經營單位的功能貨幣計算的交易，本集團在未取得信貸監控部主管特別批准下，不會提供賒賬期。

本集團其他金融資產(包括現金和現金等價物、可供出售投資、若干其他應收款和衍生金融工具)的信貸風險來自訂約對方違約，而最高的風險相等於該等工具的賬面值。

由於本集團僅與認可和信譽昭著的第三方進行交易，故一般不要求提供抵押品。信貸風險的集中程度是按客戶／訂約對方、地區和行業來管理。於報告期末，本集團有若干信貸風險集中之風險，因為本集團貿易應收款項中，有16%(二零一二年：11%)由終端分部內一名客戶結欠。

有關本集團所面對因貿易應收款項而產生的信貸風險的進一步定量數據，載於財務報表附註24。

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

Ultimate responsibility for liquidity risk rests with the board of directors of the Company, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. Having considered the forthcoming business plan, the Group manages liquidity risk by maintaining adequate banking facilities and continuously monitoring working capital forecast and actual cash flows. Should there be any significant change in banking facilities available, the Group will adjust the working capital forecast and business plan accordingly to maintain its liquidity.

Other than endorsed bills with full recourse which were derecognised by the Group and discussed elsewhere in these consolidated financial statements, the following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms.

44. 財務風險管理目標及政策 (續)

流動性風險

本集團利用經常性流動資金策劃工具監控資金短缺的風險。此項工具考慮金融工具和金融資產(例如貿易應收款項)的到期日以及預測的經營現金流。

流動性風險的最終責任由本公司董事會承擔。本公司董事會為本集團的短期、中長期資金建立適當的流動性風險管理框架以及流動性管理規定。經考慮日後之經營規劃，本集團維持充足銀行融資及持續監督營運資金預測及實際現金流量，藉以管理流動性風險。倘有可供使用銀行融資出現任何重大變動，本集團將調整營運資金預測及經營計劃，維持其流動性。

除已被本集團終止確認及此等綜合財務報表其他地方討論之獲背書之票據(附有全額追索權)外，下表詳述根據協定還款期編製之本集團非衍生金融負債之餘下合約到期日。

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, was as follows:

Group

2013 二零一三年	On demand 按要求償還 RMB'000 人民幣千元	Less than 3 months 三個月以下 RMB'000 人民幣千元	3 to 12 months 三至十二個月 RMB'000 人民幣千元	Over 1 year 一年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade and bills payables 貿易及票據應付款	24,503	445,289	234,384	-	704,176
Financial liabilities included in other payables and accruals 計入其他應付款項及應計費用之金融負債	1,977	55,994	20	-	57,991
Interest-bearing bank and other borrowings 計息銀行及其他借貸	-	234,038	411,047	-	645,085
	26,480	735,321	645,451	-	1,407,252

2012 二零一二年	On demand 按要求償還 RMB'000 人民幣千元 (Restated) (經重列)	Less than 3 months 三個月以下 RMB'000 人民幣千元 (Restated) (經重列)	3 to 12 months 三至十二個月 RMB'000 人民幣千元 (Restated) (經重列)	Over 1 year 一年以上 RMB'000 人民幣千元 (Restated) (經重列)	Total 總計 RMB'000 人民幣千元 (Restated) (經重列)
Trade and bills payables 貿易及票據應付款	115,354	442,636	108,433	-	666,423
Other long-term payables 其他長期應付款項	-	-	-	8,419	8,419
Financial liabilities included in other payables and accruals 計入其他應付款項及應計費用之金融負債	15,168	54,033	2,644	-	71,845
Interest-bearing bank and other borrowings 計息銀行及其他借貸	-	508,194	599,396	-	1,107,590
	130,522	1,004,863	710,473	8,419	1,854,277

44. 財務風險管理目標及政策 (續)

流動性風險 (續)

根據合約未折算付款，本集團金融負債在報告期末的到期概況如下：

本集團

Notes to Financial Statements

財務報表附註

31 December 2013
二零一三年十二月三十一日

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

Company

2013 二零一三年		On demand 按要求償還 RMB'000 人民幣千元	Less than 3 months 三個月以下 RMB'000 人民幣千元	3 to 12 months 三至十二個月 RMB'000 人民幣千元	Over 1 year 一年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Amounts due to subsidiaries	應付附屬公司款項	-	25,345	-	-	25,345
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用之金融負債	-	69	-	-	69
		-	25,414	-	-	25,414

2012 二零一二年		On demand 按要求償還 RMB'000 人民幣千元	Less than 3 months 三個月以下 RMB'000 人民幣千元	3 to 12 months 三至十二個月 RMB'000 人民幣千元	Over 1 year 一年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Amounts due to subsidiaries	應付附屬公司款項	-	10,720	-	-	10,720

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its businesses and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2013 and 31 December 2012.

流動性風險(續)

本公司

資本管理

本集團資本管理的主要目標是保障本集團以持續經營方式繼續營運以及維持穩健的資本比率，以支持其業務和實現股東價值最大化。

本集團因應經濟狀況的轉變和相關資產的風險特點來管理資本結構並對其作出調整。為維持或調整資本結構，本集團可調整向股東派發的股息、向股東退還股本或發行新股份。本集團並無受到任何外界施加的資本要求所規限。於截至二零一三年十二月三十一日及二零一二年十二月三十一日止年度，並無對管理資本的目標、政策或程序作出任何改動。

Notes to Financial Statements

財務報表附註

31 December 2013
二零一三年十二月三十一日

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Capital management (Continued)

The Group monitors capital using a gearing ratio, which is interest-bearing bank and other borrowings divided by the total assets. The gearing ratios as at the end of the reporting periods were as follows:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 (Restated) (經重列)
Interest-bearing bank and other borrowings	計息銀行及其他借貸	625,206	1,065,752
Total asset	總資產	2,417,922	3,506,275
Gearing ratio	資本負債比率	26%	30%

45. EVENTS AFTER THE REPORTING PERIOD

On 10 January 2014, Weihai Electronic, 武漢亞光新民防火裝飾材料有限公司 ("Wuhan Yaguang Xinmin") and 湖北康普斯醫療科技有限公司 ("Hubei Kangpusi") have entered into sale and purchase agreements, pursuant to which Weihai Electronic will dispose of, in aggregate, the entire equity interest in Wuhan Technology at a cash consideration of RMB52,017,729 to Wuhan Yaguang Xinmin and Hubei Kangpusi.

46. COMPARATIVE AMOUNTS

As explained in note 2.1, the Acquisition is regarded as a business combination under common control and is accounted for using the pooling of interests method. Upon completion of the Acquisition, the financial statements of Rosy Sun Investments Limited and its subsidiaries are included in the consolidated financial statements of the Group as if the combination had occurred on 13 June 2012, the date when Rosy Sun Investments Limited and its subsidiaries first came under common control of the controlling shareholder. Comparative figures as at 31 December 2012 were also restated for presentation on the same basis.

47. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board on 27 March 2014.

44. 財務風險管理目標及政策 (續)

資本管理 (續)

本集團採用資本負債比率(即以計息銀行及其他借貸除總資產計算之比率)監視資本,各報告期末的資本負債比率如下:

45. 報告期後事項

於二零一四年一月十日,威海電子、武漢亞光新民防火裝飾材料有限公司(「武漢亞光新民」)及湖北康普斯醫療科技有限公司(「湖北康普斯」)訂立一份買賣協議,據此,威海電子將彙總出售武漢科技之全部股權予武漢亞光新民及湖北康普斯,現金代價為人民幣52,017,729元。

46. 比較金額

如附註2.1闡述,收購事項被視為根據共同控制下的業務合併,並以股權集合會計法入賬。完成收購事項後, Rosy Sun Investments Limited及其附屬公司的財務報表計入本集團的綜合財務報表,猶如合併已於二零一二年六月十三日(即Rosy Sun Investments Limited及其附屬公司首次受控股股東共同控制當日)發生。於二零一二年十二月三十一日的比較數字亦以相同基準重列。

47. 批准財務報表

董事會於二零一四年三月二十七日批准及授權刊發本財務報表。



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