



WIRELESS MAKES A BETTER LIFE

無線讓生活更美好



ANNUAL REPORT 2011
二零一一年年報



CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange of Hong Kong Limited take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors of the Company (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

- 1. the information contained in this report is accurate and complete in all material respects and not misleading;*
- 2. there are no other matters the omission of which would make any statement in this report misleading; and*
- 3. all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）之特色

創業板之定位，乃為相比起其他在聯交所上市之公司帶有較高投資風險之公司提供一個上市之市場。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他資深投資者。

由於創業板上市公司新興之性質所然，在創業板買賣之證券可能會較於聯交所主板買賣之證券承受較大之市場波動風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

香港交易及結算所有限公司及香港聯合交易所有限公司對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示，概不對因本報告全部或任何部份內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告（本公司各董事（「董事」）願共同及個別對此負全責）乃遵照聯交所《創業板證券上市規則》之規定而提供有關本公司之資料。各董事經作出一切合理查詢後，確認就彼等所知及所信：

1. 本報告所載資料在各重大方面均屬準確及完整，且無誤導成分；
2. 並無遺漏任何事實致使本報告所載任何內容產生誤導；及
3. 本報告內表達之一切意見乃經審慎周詳之考慮後方作出，並以公平合理之基準和假設為依據。

CONTENTS

目錄

Corporate Information	公司資料	3
Chairman's Statement	主席報告書	5
Biography of Directors	董事履歷	11
Report of the Directors	董事會報告	15
Corporate Governance Report	企業管治報告	23
Independent Auditor's Report	獨立核數師報告	30
Consolidated Statement of Comprehensive Income	綜合全面收益表	32
Consolidated Statement of Financial Position	綜合財務狀況表	33
Consolidated Statement of Changes in Equity	綜合權益變動表	35
Consolidated Statement of Cash Flows	綜合現金流量表	37
Notes to the Consolidated Financial Statements	綜合財務報表附註	39
Financial Summary	財務概要	152

BOARD OF DIRECTORS

Executive Directors

Mr. LI Hongrong
Mr. ZHOU Zhibin
Mr. Theo EDE
Mr. OU Bai
Mr. ZHANG Fan
Mr. HU Yangjun

Independent Non-executive Directors

Mr. LAM Kin Kau, Mark
Professor SONG Junde
Professor CHEN Lujun

COMPANY SECRETARY

Mr. YUEN Poi Lam

COMPLIANCE OFFICER

Mr. Theo EDE

AUTHORISED REPRESENTATIVES

Mr. Theo EDE
Mr. YUEN Poi Lam

AUDIT COMMITTEE AND REMUNERATION COMMITTEE

Mr. LAM Kin Kau, Mark
Professor SONG Junde
Professor CHEN Lujun

AUDITOR

ZHONGLEI (HK) CPA Company Limited

LEGAL ADVISER

Stevenson, Wong & Co.

董事會

執行董事

李鴻榮先生
周志斌先生
Theo EDE先生
歐柏先生
張帆先生
胡楊俊先生

獨立非執行董事

林建球先生
宋俊德教授
陳呂軍教授

公司秘書

袁沛林先生

監察主任

Theo EDE先生

授權代表

Theo EDE先生
袁沛林先生

審核委員會及 薪酬委員會

林建球先生
宋俊德教授
陳呂軍教授

核數師

中磊(香港)會計師事務所有限公司

法律顧問

史蒂文生黃律師事務所

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKER

Bank of China (Hong Kong) Limited
China Merchants Bank Co., Ltd.
Ping An Bank

GEM STOCK CODE

8167

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1303, 13/F., York House
The Landmark
15 Queen's Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

HSBC Trustee (Cayman) Limited
P.O. Box 484
HSBC House
68 West Bay Road
Grand Cayman
KY1-1106
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
26/F., Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

主要往來銀行

中國銀行(香港)有限公司
中國招商銀行股份有限公司
平安銀行

創業板股份代號

8167

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

總辦事處及香港主要營業地點

香港
皇后大道中15號
置地廣場
約克大廈13樓1303室

主要股份過戶登記處

HSBC Trustee (Cayman) Limited
P.O. Box 484
HSBC House
68 West Bay Road
Grand Cayman
KY1-1106
Cayman Islands

香港股份過戶登記分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

CHAIRMAN'S STATEMENT

主席報告書

On behalf of the board ("the Board") of directors (the "Directors") of Neo Telemedia Limited (the "Company"), I am pleased to present to the shareholders of the Company the annual results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 30 June 2011.

REVIEW AND ANALYSIS

During the year ended 30 June 2011, the Group's operations comprised the production and sales of videos and films, the licensing of video and film rights, artiste management, sales and distribution of telecommunication products, provision of wireless services, and the design and production of traffic signboards, computer graphics, advertisements and signal system equipment.

During the year under review, the Group completed the acquisition of Ease Ray Limited and its subsidiaries (collectively referred to as "Ease Ray Group"). With the contribution from Ease Ray Group and the improved performance of China Wimetro Communications Company Limited and its subsidiaries (collectively known as "China Wimetro Group") that were acquired in the previous year, the Group's net loss attributable to owners of the Company decreased from approximately HKD44.5 million for the year ended 30 June 2010 to HKD36.3 million for the year ended 30 June 2011 and the Group's turnover increased from approximately HKD44.6 million (restated) for the year ended 30 June 2010 to HKD45.3 million for the year ended 30 June 2011. The Group's net loss attributable to owners of the Company for the year of approximately HKD36.3 million was mainly resulted from the share options, with a fair value of approximately HKD38.3 million, granted to the Group's management and other individuals who had contributed to the acquisition of Ease Ray Group. In fact, without the effect of the grant of share options, the Group would have made a profit attributable to owners of the Company of approximately HKD2 million, for the year ended 30 June 2011, in contrast to a loss of approximately HKD44.5 million for the year ended 30 June 2010.

本人欣然代表中國新電信集團有限公司(「本公司」)董事(「董事」)會(「董事會」)向本公司股東提呈本公司及其附屬公司(統稱為「本集團」)截至二零一一年六月三十日止年度之年度業績。

回顧及分析

截至二零一一年六月三十日止年度，本集團的業務包括製作和銷售錄像帶與影片、授出錄像帶與電影版權、藝人管理、銷售及分銷電訊產品、提供無線服務，以及設計及生產交通指示牌、電腦圖文、廣告及信號燈系統設備。

於回顧年度內，本集團完成收購宜亮有限公司及其附屬公司(統稱為「宜亮集團」)。受益於宜亮集團之貢獻及於去年收購之中國無線城市通信有限公司及其附屬公司(統稱為「中國無線城市集團」)之表現改善，截至二零一一年六月三十日止年度本公司擁有人應佔本集團淨虧損由截至二零一零年六月三十日止年度約44.5百萬港元減少至36.3百萬港元，且本集團截至二零一一年六月三十日止年度之營業額由截至二零一零年六月三十日止年度約44.6百萬港元(經重列)增加至45.3百萬港元。年內本公司擁有人應佔本集團淨虧損約36.3百萬港元，主要由於向集團管理層及為收購宜亮集團作出貢獻的其他個人授出公平值約為38.3百萬港元之購股權所致。實際上，排除授出購股權之影響，本集團截至二零一一年六月三十日止年度將取得本公司擁有人應佔溢利約為2百萬港元，而截至二零一零年六月三十日止年度為虧損約44.5百萬港元。

CHAIRMAN'S STATEMENT

主席報告書

Film exhibition and film rights licensing and sub-licensing

During the year ended 30 June 2011, the segment of film exhibition and film rights licensing and sub-licensing recorded a turnover of approximately HKD12.9 million, representing a decrease of approximately 61.8%, compared with HKD33.8 million in the previous year. The decrease is mainly because no new titles were completed during the year. Turnover for the year was mainly derived from residual income, such as licensing fees from video and television, from titles completed in previous years, such as "Echoes of the Rainbow" and "Beauty On Duty".

Artiste management

Since the formation of the artiste management team in 2007, the Group has signed up a number of artiste. This segment has continuously contributed stable revenue to the Group. During the year under review, this segment recorded a turnover of HKD5.2 million (2010: HKD5.3 million).

Sales of telecommunication products and provision of wireless services

In September 2009, the Group completed the acquisition of China Wimetro Group. With the continuous effort that the management had put into this newly-acquired group, both efficiency and profitability of China Wimetro Group improved during the year. In addition, China Wimetro Group's full year operation results have been consolidated into the Group for the year end 30 June 2011, compared with only nine-month results were consolidated in 2010. Turnover for this segment increased from approximately HKD5.5 million for the year ended 30 June 2010 to HKD15.2 million for the year ended 30 June 2011, representing an increase of approximately 176.4% over last year.

電影放映以及電影版權授出及轉授

截至二零一一年六月三十日止年度，電影放映以及電影版權授出及轉授分類錄得營業額約為12.9百萬港元，較上一年度之33.8百萬港元下跌約61.8%。下跌主要由於年內並無完成新作品。本年度之營業額主要源於剩餘收益，例如以往年度完成之「歲月神偷」及「美麗密令」等影視力作產生之影視授權費。

藝人管理

自二零零七年成立藝人管理團隊以來，本集團已簽約多名藝人。該分類持續為本集團帶來穩定的收入。於回顧年度內，該分類錄得營業額為5.2百萬港元(二零一零年：5.3百萬港元)。

銷售電訊產品及提供無線服務

於二零零九年九月，本集團完成對中國無線城市集團的收購。在管理層的不懈努力下，年內中國無線城市集團的效率及利潤均有所提升。此外，於截至二零一一年六月三十日止年度，本集團已綜合計入中國無線城市集團之全年運營業績，而二零一零年則僅綜合計入九個月之業績。截至二零一一年六月三十日止年度，本分類之營業額由截至二零一零年六月三十日止年度約5.5百萬港元增加至15.2百萬港元，較上年增加約176.4%。

CHAIRMAN'S STATEMENT

主席報告書

Design and production of traffic signboards, computer graphics, advertisements and signal system equipment

In April 2011, the Group completed the acquisition of Ease Ray Group, a group that engages in the business of outdoor advertising media, which is a fast growing sector in mainland China. Ease Ray Group is authorized to bring advertisements to public via pedestrian traffic lights in mainland China. As at 30 June 2011, approximately 1,800 traffic lights were installed in four cities, namely Nanchang, Shangrao, Zhangjiajie and Xiamen, on a permanent basis while approximately 200 traffic lights were installed in ten major cities throughout China on a trial run basis. Since the completion of the acquisition, Ease Ray Group has contributed turnover of approximately HKD12 million with a segment profit of approximately HKD5.8 million to the Group for the year ended 30 June 2011.

PROSPECTS

The venturing into the telecommunication and outdoor advertising media sectors in mainland China is an important move of the Group to benefit from these fast growing sectors. Although the European debt crisis has a significant impact on the global economy, we are still optimistic in the overall economy of China given the fact that the Chinese government continues to stimulate domestic demand and consumption.

Given the outstanding performance of the newly-acquired businesses, i.e. telecommunications and outdoor advertising media, and their positive outlook, the Group will put more resources in these profitable segments.

設計及生產交通指示牌、電腦圖文、廣告及信號燈系統設備

於二零一一年四月，本集團完成對宜亮集團的收購，該集團乃從事戶外廣告媒體業務，該業務市場在中國內地正處於高速發展時期。宜亮集團已獲授權在中國內地推行人行交通燈廣告。於二零一一年六月三十日，該集團已在南昌、上饒、張家界及廈門四個城市安裝約1,800盞固定交通燈，並在全國十個主要城市安裝約200盞試運交通燈。自完成收購以來，宜亮集團對本集團截至二零一一年六月三十日止年度之營業額貢獻約為12百萬港元，分類溢利約5.8百萬港元。

展望

進軍中國內地的電訊及戶外廣告媒體對本集團把握該等行業發展迅猛之勢並從中受惠而言屬至關重要的舉措。儘管歐洲債務危機對全球經濟帶來巨大影響，惟鑒於中國政府持續著力刺激內需及消費，我們認為中國整體經濟前景依然樂觀。

鑒於電訊及戶外廣告媒體等新收購業務業績出眾及前景向好，本集團將在該等有利可圖的分類投入更多資源。

CHAIRMAN'S STATEMENT

主席報告書

Sales of telecommunication products and provision of wireless services

After the close of business on 30 June 2011, the acquisition of Smart Long Limited and its subsidiaries (collectively referred to as "Smart Long Group") was completed. With the continuous demand for mobile value-added services driven by "Triple Play", provision for high-quality telecommunication services is expected to be a profitable business. Smart Long Group is granted an exclusive right to sale and market the HTS filtering solutions in Guangdong and Guangxi, the PRC. The HTS filter for the 3G and 4G base stations will improve the quality of the voice and data wireless networks and substantially reduce the infrastructure costs for mobile operators. The Directors consider that the HTS filtering solutions business will enhance the Group's existing development on the telecommunication value-added products and contribute cash flows as well as profits to Group.

Design and production of traffic signboards, computer graphics, advertisements and signal system equipment

While the Group will continue to explore the market of major cities throughout China, such as cities in the Changjiang River Delta and Pearl River Delta, the Group's major target for 2012 is to explore the market of municipalities in China, such as Beijing, Shanghai, Guangzhou and Shenzhen. Currently, the Group is negotiating with the relevant authorities of two of the municipalities over the licensing of installation of pedestrian traffic lights. In addition, up to the date of this report, the Group has entered into agreements with two cities that were on trial run during the year under review to install pedestrian traffic lights on a permanent basis.

Going forward, I believe that China's long-term economic fundamentals remain sound in spite of the current market condition. The Group will continue to focus on developing the above two profitable segments. On the other hand, the Directors will reorganize certain loss-making businesses and risky projects in order to minimize the Group's exposure to financial as well as business risks.

銷售電訊產品及提供無線服務

於二零一一年六月三十日停止營業後，本集團已完成對智朗有限公司及其附屬公司（統稱為「智朗集團」）的收購。隨著「三網融合」加快推進，移動增值服務需求持續上升，提供高質素電訊服務預期將有利可圖。智朗集團於中國廣東及廣西擁有獨家權銷售及分銷高溫超導過濾解決方案。高溫超導濾波器適用於3G及下一代4G無線平台發射站，能提高語音及數據無線網路質素，並大幅減低手機運營商的基礎設施費用。董事認為，高溫超導過濾解決方案將推動本集團之電訊增值產品的現有發展及為本集團帶來現金流及溢利貢獻。

設計及製作交通指示牌、電腦圖文、廣告及信號燈系統設備

本集團將繼續拓展在中國長江三角洲及珠江三角洲等主要城市地區市場，本集團二零一二年的主要目標是進軍中國北京、上海、廣州及深圳等大城市。目前，本集團正與其中兩個城市的有關政府機關就授權安裝行人交通燈進行磋商。此外，截至本報告日期，本集團已與於本回顧年度間安裝試運行人交通燈的兩個城市訂立有關安裝固定行人交通燈之協議。

展望未來，儘管現時市況波動，惟本人認為中國的長期經濟基本面仍維持穩健。本集團將繼續著力發展上述兩個有利可圖的分類。另一方面，董事將重組若干虧損業務及風險項目，以將本集團的財務風險及業務風險降至最低水平。

CHAIRMAN'S STATEMENT

主席報告書

FINANCIAL POSITION

During the year under review, the Group generally financed its operations with internally generated resources, except for the issuance of convertible notes on 2 June 2011. As at 30 June 2011, the Group did not have any interest-bearing borrowings (2010: Nil).

As at 30 June 2011, the Group had current assets of approximately HKD171.2 million (2010 (restated): HKD238.2 million), including cash and cash equivalents of approximately HKD12.2 million (2010: HKD148.2 million), and trade receivables, prepayments, deposits, other receivables and payment in advances of approximately HKD159.0 million (2010 (restated): HKD90.1 million); and current liabilities of approximately HKD140.1 million (2010 (restated): HKD89.7 million). The Group's current ratio had decreased from approximately 2.7 times as at 30 June 2010 to approximately 1.2 times as at 30 June 2011.

The Group had total assets of approximately HKD1,291.6 million (2010 (restated): HKD540.9 million) and total liabilities of approximately HKD185.8 million (2010 (restated): HKD89.7 million), representing a gearing ratio (expressed as total liabilities to total assets) of approximately 14.4% as at 30 June 2011 (2010 (restated): 16.6%).

The Group's turnover for the year ended 30 June 2011 amounted to approximately HKD45.3 million (2010 (restated): HKD44.6 million).

COMMITMENTS, DEED OF CHARGE AND EVENT AFTER THE REPORTING PERIOD

Details of commitments, deed of charge and event after the reporting period of the Group were set out in notes 36, 39 and 41 to the consolidated financial statements.

財務狀況

於回顧年度內，除於二零一一年六月二日發行可換股票據外，本集團一般透過內部產生的資源提供其業務運營所需資金。於二零一一年六月三十日，本集團並無任何附息借貸（二零一零年：零）。

於二零一一年六月三十日，本集團之流動資產約為171.2百萬港元（二零一零年（經重列）：238.2百萬港元），包括現金及現金等價物約12.2百萬港元（二零一零年：148.2百萬港元），及貿易應收賬款、預付款項、按金、其他應收款項及預付賬款約159.0百萬港元（二零一零年（經重列）：90.1百萬港元）；以及流動負債約140.1百萬港元（二零一零年（經重列）：89.7百萬港元）。於二零一一年六月三十日，本集團之流動比率由二零一零年六月三十日之約2.7倍下降至約1.2倍。

本集團之資產總值約為1,291.6百萬港元（二零一零年（經重列）：540.9百萬港元），負債總額約為185.8百萬港元（二零一零年（經重列）：89.7百萬港元），即於二零一一年六月三十日之資產負債比率（即負債總額除以資產總值）約為14.4%（二零一零年（經重列）：16.6%）。

本集團截至二零一一年六月三十日止年度之營業額約為45.3百萬港元（二零一零年（經重列）：44.6百萬港元）。

承擔、抵押契據及報告期末後事項

本集團承擔、抵押契據及報告期末後事項之詳情載於綜合財務報表附註36、39及41。

CHAIRMAN'S STATEMENT

主席報告書

FOREIGN EXCHANGE EXPOSURE AND TREASURY POLICIES

Most of the Group's cash balances and income are either denominated in Renminbi or Hong Kong dollars. In view of the stability of the exchange rates of Renminbi and Hong Kong dollars, no hedging or other alternatives have been implemented. As at 30 June 2011 and 30 June 2010, the Group did not have any outstanding hedging instruments.

EMPLOYEES

As at 30 June 2011, the Group had 64 staff (2010: 30). Total employee remuneration, including that of the Directors, for the year under review amounted to approximately HKD42.0 million (2010: HKD5.3 million), including share-based payments of approximately HKD38.0 million (2010: Nil). The Group remunerates its employees based on their performance, experience and the prevailing industry practice. Employee remuneration, excluding Directors' emoluments, is reviewed annually. In addition to the basic salaries, employees are also entitled to benefits including bonus and mandatory provident fund. On 22 July 2002, the Company had adopted a share option scheme under which full time employees, including Directors, of the Company and its subsidiaries, might be granted options to subscribe for the Company's ordinary shares. During the year, 115,500,000 share options (as adjusted due to the share consolidation effective 30 June 2011) were granted under the share option scheme. Details of the grant of share options were set out in note 32 to the consolidated financial statements.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my appreciation to the Group's shareholders and customers for their utmost support, and to the management and staff for their dedication and contribution to the Group during the year.

LI Hongrong
Chairman

Hong Kong, 29 September 2011

外匯風險及財務政策

本集團大部份現金結餘及收入乃以人民幣或港元列值。鑒於人民幣與港元匯率穩定，並無實行對沖或其他措施。於二零一一年六月三十日及二零一零年六月三十日，本集團並無任何未完結之對沖工具。

僱員

於二零一一年六月三十日，本集團有64名僱員（二零一零年：30名）。回顧年度之僱員總酬金（包括董事酬金）約為42.0百萬港元（二零一零年：5.3百萬港元），其中包括以股份為基礎之付款約38.0百萬港元（二零一零年：零）。本集團按照僱員之表現、經驗及現行行業慣例釐定僱員酬金。僱員酬金（不包括董事酬金）每年檢討。除基本薪金外，僱員亦享有包括花紅及強制性公積金等福利。本公司於二零零二年七月二十二日採納購股權計劃，據此，本公司及其附屬公司之全職僱員（包括董事）可獲授購股權，以認購本公司普通股。年內，根據購股權計劃授出115,500,000份購股權（因股份合併（於二零一一年六月三十日生效）已作出調整）。授出購股權之詳情載於綜合財務報表附註32。

致謝

本人謹藉此機會代表董事會向本集團全體股東及客戶於年內一如既往的全力支持及管理層和員工於年內的勤奮工作和對本集團作出的貢獻，深表謝意。

主席
李鴻榮

香港，二零一一年九月二十九日

BIOGRAPHY OF DIRECTORS

董事履歷

EXECUTIVE DIRECTORS

Mr. LI Hongrong, aged 50, was appointed as the chairman and executive Director on 30 October 2008. He graduated from tertiary institution in China and has extensive corporate management experience in various commercial sectors and capital market. He has worked closely with governmental, financial and telecommunication industries.

Mr. ZHOU Zhibin, aged 40, was appointed as executive Director on 2 November 2009. He graduated from Zhongshan University and Lingnan College, and obtained a Bachelor degree in Economics. He worked in a number of PRC financial institutions from 1992 to September 2000, responsible for credit management. Since then, he worked for Guangzhou Youngy Management & Investment Group Co., Ltd. and other investment companies, responsible for investment, financing and guarantee business.

Mr. Theo EDE, aged 38, was appointed as executive Director on 13 May 2010. He graduated from the department of philosophy of Freiburg University in Germany and obtained a Master degree of Arts. He has served with various international enterprises such as General Electric Company in Europe and Nanhua Futures Company, Limited in PRC as a senior management member. He is familiar with international capital market and deeply comprehensive of the development of macroeconomy, holding professional qualification of futures industry in PRC.

Mr. OU Bai, aged 47, was appointed as executive Director on 13 May 2010. He graduated from Guangdong University of Technology with MBA degree, holding a economist qualification certificate. During the period of 1987 to 2010, he has served as a senior management member and economist with various Chinese, American and Hong Kong companies. He has over 23 years of extensive experience in investment analysis and research, corporate listing and financial market, and is versed of market operations.

執行董事

李鴻榮先生，50歲，於二零零八年十月三十日獲委任為主席兼執行董事。彼畢業於中國大專學府及於商業領域及資本市場有豐富之企業管理經驗。李先生與政府、金融及電訊行業有密切工作關係。

周志斌先生，40歲，於二零零九年十一月二日獲委任為執行董事。彼畢業於中山大學及嶺南學院，獲頒經濟學學士學位。於一九九二年起至二零零零年九月期間，任職國內多家金融機構，擔任信貸管理工作。及後至今，曾任職於廣州融捷投資管理集團有限公司及其他投資公司，擔任投資、融資及擔保業務工作。

Theo EDE先生，38歲，於二零一零年五月十三日獲委任為執行董事。彼畢業於德國弗賴堡大學(Freiburg University)哲學系並獲文科碩士學位。曾先後在歐洲通用電氣公司、中國南華期貨公司等國際性企業擔任高級管理工作，熟悉國際資本市場並對宏觀經濟發展有深刻理解，並持有中國內地期貨從業資格。

歐柏先生，47歲，於二零一零年五月十三日獲委任為執行董事。彼畢業於廣東工業大學，獲工商管理碩士學位，並持有經濟師資格證書。自一九八七年至二零一零年期間，彼曾於多間中資公司、美國公司及香港公司擔任高級管理人員及經濟師，擁有逾23年豐富的投資分析與研究、企業上市、金融市場的經驗，熟悉市場運作。

BIOGRAPHY OF DIRECTORS

董事履歷

Mr. ZHANG Fan, aged 39, was appointed as executive Director and chief executive officer on 9 September 2010. He graduated from Stanford University, the United States of America with a Master of Business Administration and Bachelor Degree in Economics. From 1997 to 2010, he has worked at international investment bank Goldman Sachs and venture capital funds Draper Fisher Jurvetson ePlanet Ventures and Sequoia Capital China. He has extensive experiences in investment analysis and research for People's Republic of China companies, corporate listing as well as financial markets. Mr. Zhang has served as non-executive directors of companies listed on NASDAQ, the United States of America and Tokyo Stock Exchange (such as KongZhong Corporation). Mr. Zhang has also served as non-executive director of Baidu, Inc. a NASDAQ the United States of America listed company before Baidu, Inc.'s initial public offering. Mr. Zhang has also served as board observer of Focus Media Holding Limited a NASDAQ the United States of America listed company before Focus Media Holding Limited's initial public offering.

Mr. HU Yangjun, aged 38, was appointed as an independent non-executive Director on 13 May 2010 and re-designated as an executive Director on 15 December 2010. He graduated from Anhui Normal University. He has worked in Zhejiang Orient Group, 浙江巨能東方控股有限公司 (Zhejiang Ju Neng Dongfang Holdings Company Limited) and Insigma Group Co., Ltd. He has several years of corporate management experience in various industries such as IT and international trade. Mr. Hu is a member of All-China Youth Federation.

張帆先生，39歲，於二零一零年九月九日獲委任為執行董事兼行政總裁。彼畢業於美利堅合眾國斯坦福大學，獲工商管理碩士及經濟學學士學位。自一九九七年至二零一零年期間，彼先後任職於國際投資銀行高盛公司及風險投資基金德豐傑全球創業投資以及紅杉資本中國基金。彼於針對中華人民共和國公司的投資分析與研究、企業上市、金融市場方面擁有豐富經驗。張先生曾擔任過美國納斯達克股票市場上市公司和東京證券交易所上市公司（例如：KongZhong Corporation）之非執行董事。在Baidu, Inc.（一家於美國納斯達克股票市場上市公司）首次公開招股之前，張先生擔任過Baidu, Inc.之非執行董事。在Focus Media Holding Limited（一家於美國納斯達克股票市場上市公司）首次公開招股之前，張先生亦擔任過Focus Media Holding Limited之董事會觀察員。

胡楊俊先生，38歲，於二零一零年五月十三日獲委任為獨立非執行董事，而於二零一零年十二月十五日獲調任為執行董事。彼畢業於安徽師範大學，曾先後任職於浙江東方集團、浙江巨能東方控股有限公司及浙大網新集團有限公司，於資訊科技及國際貿易等行業具有多年企業管理經驗。胡先生是中華全國青年聯合會委員。

BIOGRAPHY OF DIRECTORS

董事履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LAM Kin Kau, Mark, aged 57, was appointed as an independent non-executive Director on 31 March 2005. Mr. Lam is a practicing certified public accountant in Hong Kong and a member of the Institute of Chartered Accountants in England and Wales. Mr. Lam is also members of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Secretaries and Administrators respectively. He has over 23 years of experience in professional auditing, accounting and financial management. Mr. Lam is currently the sole proprietor of Messrs. Mark K. Lam & Co., certified public accountants, which is specialized in providing professional auditing and corporate advisory services to various private and public entities. He is also the independent non-executive director of CCT Resources Holdings Ltd., which is listed on the GEM of the Stock Exchange.

Professor SONG Junde, aged 73, was appointed as an independent non-executive Director on 14 July 2010. He is a professor and doctoral supervisor of Computer College of Beijing University of Posts and Telecommunications. He is currently a director of PCN&CAD centre, Beijing University of Posts and Telecommunications, which is a key ministerial-level laboratory of Ministry of Industry and Information Technology (MIIT), chairman of CMIS of China Communications Standards Association (CCSA), honorary doctor of Moscow Institute of Electronic Engineering, subject appraisal group member of Academic Degrees Committee of the State Council, postdoctoral evaluation expert of Ministry of Personnel, Chinese chairman of IFIP TC7 of International Federation for Information Processing, communication technology committee member of Ministry of Information Industry and professional consultant of satellite and radio, specialist of Expert Advisory Committee of CCSA, expert of Technical Committee of CCSA, deputy director of Network and Data Communications Professional Committee of China Computer Federation, director of PCN&CAD centre and CTI research centre which are key ministerial-level laboratories of Ministry of Information Industry. He previously held various positions in Beijing University of Posts and Telecommunications including chairman of Academic Degrees Committee and dean of Graduate School.

獨立非執行董事

林建球先生，57歲，於二零零五年三月三十一日獲委任為獨立非執行董事。林先生為香港執業註冊會計師及英格蘭及威爾斯特許會計師公會會員。林先生亦分別為香港會計師公會及特許秘書及行政人員公會會員。林先生在專業核數、會計及財務管理方面累積逾23年之經驗。林先生現為執業會計師林建球會計師事務所之獨資經營者，該事務所專職為各類私人及上市機構提供專業核數及企業顧問等服務。彼亦為中建資源集團有限公司（於聯交所創業板上市）之獨立非執行董事。

宋俊德教授，73歲，於二零一零年七月十四日獲委任為獨立非執行董事。彼乃北京郵電大學計算機學院教授兼博士生導師。彼現任工信部部級重點實驗室北京郵電大學PCN&CAD中心主任、中國通信標準化協會CMIS主席、莫斯科電子工程學院榮譽博士、國務院學位委員會學科評審組成員、國家人事部博士後評審專家、國際信息聯合會IFIP TC7中國主席，並為信息產業部通信科技委委員及衛星與無線電諮詢專家，中國通信標準化協會專家諮詢委員會專家，中國通信標準化協會技術委員會專家，中國計算機學會網絡與數據通信專業委員會副主任、信息產業部部級重點實驗室PCN&CAD中心和CTI研究中心主任，且曾任北京郵電大學校學位委員會主席，研究生學院院長等職。

BIOGRAPHY OF DIRECTORS

董事履歷

Professor CHEN Lujun, aged 46, is a Doctor of Engineering, Professor of Department of Environmental Science and Engineering, Tsinghua University and a doctoral tutor. He worked as a Deputy Director of Yangtze Delta Region Institute of Tsinghua University, Zhejiang. He is currently the Director of Centre for Technology and Policy research of Pollutants Control and Environmental Quality Improvement, Tsinghua University, the Director of Research Institute for Environmental, Yangtze Delta Region Institute of Tsinghua University, Zhejiang, a member of the 10th Committee of the All-China Youth Federation, Vice President of China Youth Association for Economic Development and one of Provincial Middle-aged and Young Talents with Outstanding Contributions of Zhejiang Province. He organized and completed almost 100 environmental projects, and undertook and participated to complete a number of national and provincial research projects. He also won various national and provincial awards. He is also the winner of the 1st and 3rd Scientific and Technological Award for Young Scholar of Chinese Society for Environmental Sciences.

陳呂軍教授，46歲，工程學博士，清華大學環境科學與工程系教授及博士生導師。彼任浙江清華大學長三角研究院副院長。彼現任清華大學污染控制與環境質量改善技術與政策研究中心主任、浙江清華大學長三角研究院生態環境研究所所長、中華全國青年聯合會第十屆委員會委員、中國青年實業發展促進會副會長，並為浙江省有突出貢獻的中青年專家。彼組織與完成約100項環境規劃，並承擔及參與完成多個國家級與省級研究項目。彼亦贏得多個國家和省級獎項。彼亦是第一、三屆中國環境科學學會青年科技獎獲得者。

REPORT OF THE DIRECTORS

董事會報告

The Directors present herewith their report and the audited consolidated financial statements of the Group for the year ended 30 June 2011.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and the principal activities of its principal subsidiaries are set out in note 38 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The Group's loss for the year ended 30 June 2011 and the state of affairs of the Group at 30 June 2011 are set out in the consolidated financial statements on pages 32 to 150. The Directors do not recommend the payment of any dividend in respect of the year.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 151 to 152. This summary does not form part of the audited consolidated financial statements.

RESERVES

Movements in reserves of the Group during the year are set out in the consolidated statement of changes in equity on pages 35 to 36.

董事會謹此提呈本集團截至二零一一年六月三十日止年度之董事會報告及經審核綜合財務報表。

主要業務

本公司現時之主要業務為投資控股，而其主要附屬公司之主要業務詳情載於綜合財務報表附註38。

業績及分派

本集團截至二零一一年六月三十日止年度之虧損及本集團於二零一一年六月三十日之財務狀況載於第32至第150頁之綜合財務報表。董事不建議就本年度派付任何股息。

財務概要

本集團於過去五個財政年度之業績、資產及負債概要載於第151頁至152頁，此概要並不構成經審核綜合財務報表之一部份。

儲備

年內本集團儲備變動之詳情載於第35頁至36頁之綜合權益變動表。

REPORT OF THE DIRECTORS

董事會報告

DISTRIBUTABLE RESERVES

As at 30 June 2011, the Company has distributable reserves available for distribution to shareholders of the Company amounted to approximately HKD813,027,000 (2010: HKD236,162,000). Under the Companies Law (Revised) by the Cayman Islands, the share premium of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business. The share premium may also be distributed in form of fully paid bonus shares.

PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment of the Group during the year are set out in note 18 to the consolidated financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Movements in the Company's share capital and share options during the year are set out in notes 31 and 32 to the consolidated financial statements.

CONVERTIBLE NOTES

Details of the Company's convertible notes issued during the year are set out in note 29 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands, being the jurisdiction in which the Company is incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

可供分派儲備

二零一一年六月三十日，本公司的可供分派儲備為數約813,027,000港元（二零一零年：236,162,000港元），可供分派予本公司股東。根據開曼群島公司法（經修訂），本公司之股份溢價可分派予本公司股東，惟本公司於緊隨建議分派股息當日後，須有能力支付其於日常業務過程中到期的債項。股份溢價亦可以繳足紅股方式分派。

物業、廠房及設備

年內本集團物業、廠房及設備變動之詳情載於綜合財務報表附註18。

股本及購股權

年內本公司股本及購股權變動之詳情載於綜合財務報表附註31及32。

可換股票據

年內本公司之可換股票據詳情載於綜合財務報表附註29。

優先購買權

本公司之章程細則或開曼群島（本公司註冊成立之司法權區）法律，均無載有優先購買權之條文；如有，本公司便有責任按比例向現有股東發售新股份。

REPORT OF THE DIRECTORS

董事會報告

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 30 June 2011.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

Purchases

- the largest supplier 30% (2010: 6%)
- five largest suppliers combined 49% (2010: 20%)

Sales

- the largest customer 35% (2010: 13%)
- five largest customers combined 86% (2010: 24%)

None of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

購買、贖回或出售上市證券

於截至二零一一年六月三十日止年度內，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

主要客戶及供應商

本集團主要供應商及客戶所佔年內採購及銷售之百分比如下：

採購

- 最大供應商30%(二零一零年：6%)
- 五大供應商合併49%(二零一零年：20%)

銷售

- 最大客戶35%(二零一零年：13%)
- 五大客戶合併86%(二零一零年：24%)

概無董事、彼等之聯繫人士或就董事所知擁有本公司股本5%以上之任何股東於上述主要供應商或客戶中擁有權益。

管理合約

年內本公司並無訂立或存在任何與本公司全部或任何重要部份業務之管理及行政有關之合約。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 30 June 2011, the interests or short positions of the Directors in the securities of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests or short positions which they were deemed or taken to have under such provisions of the SFO, or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules relating to securities transactions by directors, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the securities of the Company

(a) Ordinary share of HKD0.10 each of the Company

Name of Director	Capacity	Position	No. of shares held	Approximate percentage of shareholding
董事姓名	身份	持倉	持有股份數目	概約持股百分比
Mr. LI Hongrong 李鴻榮先生	Interest of controlled corporation (Note) 受控制公司之權益 (附註)	Long 好倉	14,338,000 Shares 14,338,000股股份	0.74%
Mr. ZHOU Zhibin 周志斌先生	Beneficial owner 實益擁有人	Long 好倉	2,486,000 Shares 2,486,000股股份	0.13%

Note: These Shares are held by Tread Up Investments Limited ("Tread Up"). The entire issued share capital of Tread Up was beneficially owned by Mr. LI Hongrong. Thus, he was deemed to be interested in the 14,338,000 Shares held by Tread Up pursuant to the SFO.

董事於證券之權益及淡倉

於二零一一年六月三十日，董事於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之證券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益或淡倉(包括彼等根據證券及期貨條例之該等條文被視為或被當作擁有之權益或淡倉)，或根據證券及期貨條例第352條須記入該條所指之登記冊內之權益或淡倉，或根據創業板上市規則第5.46至第5.68條有關董事進行證券交易之規定須知會本公司及聯交所之權益或淡倉如下：

於本公司證券之好倉

(a) 本公司每股面值0.10港元之普通股

附註：該等股份由Tread Up Investments Limited(「Tread Up」)持有。Tread Up之全部已發行股本由李鴻榮先生實益擁有。因此，根據證券及期貨條例，彼被視為於由Tread Up持有之14,338,000股股份中擁有權益。

REPORT OF THE DIRECTORS

董事會報告

(b) Share options

Name of Director	Capacity	Number of options held	Number of underlying shares	Approximate Percentage of shareholding
董事姓名	身份	持有購股權數目	相關股份數目	概約持股百分比
Mr. ZHOU Zhibin 周志斌先生	Beneficial owner 實益擁有人	15,000,000	15,000,000	0.78%
Mr. ZHANG Fan 張帆先生	Beneficial owner 實益擁有人	15,000,000	15,000,000	0.78%
Mr. HU Yangjun 胡楊俊先生	Beneficial owner 實益擁有人	15,000,000	15,000,000	0.78%

Save as disclosed above, the Directors do not have any interests or short positions in the securities of the Company.

SHARE OPTION SCHEME

Details of the Company's share option scheme are set out in note 32 to the consolidated financial statements.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Saved as disclosed under the section headed "Directors' Interests and Short Positions in Securities" and "Share Option Scheme" above, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other corporate granted to any Directors, their respective spouse or children under 18 years of age, or were such rights exercised by them; or was the Company, or any of its subsidiaries a party to any arrangement to enable the Directors, their respective spouse or children under 18 years of age to acquire such rights in any other body corporate.

(b) 購股權

Name of Director	Capacity	Number of options held	Number of underlying shares	Approximate Percentage of shareholding
董事姓名	身份	持有購股權數目	相關股份數目	概約持股百分比
Mr. ZHOU Zhibin 周志斌先生	Beneficial owner 實益擁有人	15,000,000	15,000,000	0.78%
Mr. ZHANG Fan 張帆先生	Beneficial owner 實益擁有人	15,000,000	15,000,000	0.78%
Mr. HU Yangjun 胡楊俊先生	Beneficial owner 實益擁有人	15,000,000	15,000,000	0.78%

除上文所披露者外，董事概無於本公司證券中擁有任何權益或淡倉。

購股權計劃

本公司購股權計劃之詳情載於綜合財務報表附註32。

董事收購股份或債券之權利

除「董事於證券之權益及淡倉」一節及上文「購股權計劃」所披露者外，於年內任何時間，任何董事、彼等各自之配偶或18歲以下子女概無獲授予權利，可藉收購本公司或任何其他團體之股份或債券而獲益，亦無行使該等權利；本公司或其任何附屬公司並無參與訂立任何安排，致使董事、彼等各自之配偶或18歲以下子女可收購任何其他法人團體之該等權利。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

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

Executive Directors:

Mr. LI Hongrong	
Mr. ZHOU Zhibin	
Mr. Theo EDE	
Mr. OU Bai	
Mr. ZHANG Fan	(appointed on 9 September 2010)
Mr. HU Yangjun	(re-designated from independent non-executive director on 15 December 2010)
Mr. ZHUO Wu	(resigned on 16 July 2010)

Independent non-executive Directors:

Mr. LAM Kin Kau, Mark	
Professor SONG Junde	(appointed on 14 July 2010)
Professor CHEN Lujun	(appointed on 15 December 2010)
Ms. CHEN Xiao Rong	(resigned on 9 September 2010)

The Directors are subject to retirement and re-election by rotation in the forthcoming annual general meeting in accordance with the Company's articles of association.

DIRECTORS' BIOGRAPHIES

Biographical details of the Directors of the Company are set out on pages 11 to 14 of the annual report.

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

董事

於財政年度及截至本報告日期，董事芳名如下：

執行董事：

李鴻榮先生	
周志斌先生	
Theo EDE先生	
歐柏先生	
張帆先生	(於二零一零年九月九日獲委任)
胡楊俊先生	(於二零一零年十二月十五日調任自獨立非執行董事)
卓伍先生	(於二零一零年七月十六日辭任)

獨立非執行董事：

林建球先生	
宋俊德教授	(於二零一零年七月十四日獲委任)
陳呂軍教授	(於二零一零年十二月十五日獲委任)
陳曉榮女士	(於二零一零年九月九日辭任)

根據本公司之章程細則，董事須在應屆股東週年大會上輪值退任及膺選連任。

董事履歷

本公司董事之履歷詳情載於本年報第11至第14頁。

董事之服務合約

概無擬於應屆股東週年大會上重選之董事與本公司簽訂不可於一年內毋須支付賠償(法定賠償除外)而終止之服務合約。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company, any of its fellow subsidiaries or its parent company was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

The register of substantial shareholders required to be kept under section 336 of Part XV of the SFO shows that as at 30 June 2011, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and chief executives.

Long positions

Name 名稱	Nature of interests 權益性質	Number of shares held 所持有股份數目	Approximate percentage of shareholding 概約持股百分比
XIAN Yin Yan 冼銀燕	Beneficial owner 實益擁有人	126,761,600 Shares 126,761,600股股份	6.56%

Save as disclosed above and in "Directors' Interests and Short Positions in Securities", the Company had no notice of any interests and short positions to be recorded pursuant to Section 336 of the SFO.

董事於合約之權益

本公司、其任何同系附屬公司或其母公司並無訂立任何有關本集團業務而本公司董事於其中直接或間接擁有重大權益，且於年終或於年內任何時間仍然有效之重大合約。

根據證券及期貨條例須予披露之股東權益及淡倉

根據證券及期貨條例第XV部第336條之規定所存置之主要股東登記冊顯示，於二零一一年六月三十日，本公司獲知會下列主要股東之權益及淡倉，即佔本公司已發行股本5%或以上權益。此等權益並無計入上文所披露之董事及最高行政人員權益內。

好倉

除上文及「董事於證券之權益及淡倉」所披露者外，本公司並不知悉須根據證券及期貨條例第336條之規定予以記錄之任何權益及淡倉。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors or management shareholders of the Company (as defined in the GEM Listing Rules) has an interest in a business which compete or may compete with the business of the Group.

CORPORATE GOVERNANCE REPORT

Corporate governance report of the Company is set out on pages 23 to 29 of the annual report.

SUFFICIENCY OF PUBLIC FLOAT

The Company maintained a sufficient public float as required under the GEM Listing Rules during the year ended 30 June 2011.

AUDITOR

The consolidated financial statements for the year ended 30 June 2011 have been audited by ZHONGLEI (HK) CPA Company Limited who retire and, being eligible, offer themselves for reappointment.

On behalf of the Board

LI Hongrong

Chairman

Hong Kong, 29 September 2011

董事於競爭業務之權益

概無本公司董事或管理層股東(定義見創業板上
市規則)於與本集團業務構成競爭或可能構成競
爭之業務中擁有權益。

企業管治報告

本公司之企業管治報告載於本年報第23至第29
頁。

充足之公眾持股量

於截至二零一一年六月三十日止年度，本公司
根據創業板上市規則之規定維持充足之公眾持
股量。

核數師

截至二零一一年六月三十日止年度之綜合財務
報表經已由中磊(香港)會計師事務所有限公司
審核，彼將退任，惟符合資格並願意膺選續
聘。

代表董事會

主席

李鴻榮

香港，二零一一年九月二十九日

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are based on the principles and the code provisions (the "Code") as set out in the Code on Corporate Governance Practices as set out in Appendix 15 of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules"). The principles adopted by the Company emphasize a quality board, transparency and accountability to shareholders. In the opinion of the Board, the Company has complied with the Code for the year ended 30 June 2011, with the exception of the deviation in respect of the appointment term of non-executive Directors as mentioned below.

Under code provision A.4.1, non-executive Directors should be appointed for specific term. There is no specific term of appointment of the non-executive Directors; however, they are subject to retirement by rotation in accordance with the articles of association of the Company. Accordingly the Company considers that sufficient measures have been taken to deal with the requirement in respect of the appointment terms of non-executive Directors as required under the code provision.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company had adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in rules 5.48 to 5.67 of the GEM Listing Rules. The Company also had made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by Directors during the year ended 30 June 2011.

遵守企業管治常規守則

本公司之企業管治常規已應用聯交所創業板證券上市規則(「創業板上市規則」)附錄十五之企業管治常規守則所載原則及守則條文(「守則」)。本公司所採納之原則著重高質素之董事會及對全體股東之透明度及問責性。董事會認為，除下文所述有關非執行董事之委任年期之偏離情況外，截至二零一一年六月三十日止年度，本公司已遵守守則之規定。

根據守則條文第A.4.1條，非執行董事應按特定任期委任。非執行董事並無特定委任年期，然而，彼等均須根據本公司之章程細則輪值退任。據此，本公司認為已採取充足措施，處理守則條文項下有關非執行董事之委任年期之規定。

有關董事進行證券交易之行為守則

本公司已採納一套有關董事進行證券交易之行為守則，其條款並不遜於創業板上市規則第5.48至5.67條所規定之交易準則。截至二零一一年六月三十日止年度，本公司亦曾對所有董事作出特別查詢，而本公司並不知悉任何有關交易準則規定及董事進行證券交易之行為守則之不合規事宜。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

The Directors acknowledge their responsibilities for the preparation of accounts, which shall give a true and fair view of the state of affairs of the Group. Details of the basis of preparation of financial statements are set out in Note 3 to the consolidated financial statements. The Board is also responsible for formulating the Group's long term strategy, determining and approving the Group's significant transactions and supervising the management to ensure thorough implementation of the Group's policies and effective performance of their duties. Other decisions are to be delegated to management. As at 30 June 2011, the Board comprised nine Directors, including six executive Directors and three independent non-executive Directors. The executive Directors are Mr. LI Hongrong (Chairman), Mr. ZHOU Zhibin, Mr. Theo EDE, Mr. OU Bai, Mr. ZHANG Fan and Mr. HU Yangjun. The independent non-executive Directors are Mr. LAM Kin Kau, Mark, Professor SONG Junde and Professor CHEN Lujun. Biographies of the Directors are set out in pages 11 to 14.

There is no non-compliance with rules 5.05(1) and (2) of the GEM Listing Rules and there is no relationship among members of the Board and the independent non-executive Directors.

董事會

董事深明其職責乃編製真實兼公平反映本集團財務狀況之賬目。財務報表編製基準之詳情載於綜合財務報表賬目附註3。董事會亦負責制定本集團之長遠策略、決定及批准本集團之重大交易事項、監控管理層以確保彼等妥善推行本集團之政策及有效履行其職務。其他職責則授權予管理層處理。於二零一一年六月三十日，董事會由九名董事組成，包括六名執行董事及三名獨立非執行董事。執行董事為李鴻榮先生（主席）、周志斌先生、Theo EDE先生、歐柏先生、張帆先生及胡楊俊先生。獨立非執行董事為林建球先生、宋俊德教授及陳呂軍教授。董事之履歷載於第11至第14頁。

並無出現任何不符合創業板上市規則第5.05(1)及(2)條之情況，而董事會成員及獨立非執行董事彼此之間亦無任何關係。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS *(Continued)*

董事會 *(續)*

Throughout the year ended 30 June 2011, 20 Board meetings were held. Details of the attendance of Directors are as follows:

於截至二零一一年六月三十日止年度內召開了20次董事會會議，董事出席詳情如下：

Name of the Directors 董事姓名		Directors' Attendance 董事出席率
Executive Directors		
Mr. LI Hongrong	李鴻榮先生	20/20
Mr. ZHOU Zhibin	周志斌先生	19/20
Mr. Theo EDE	Theo EDE先生	20/20
Mr. OU Bai	歐柏先生	20/20
Mr. ZHANG Fan (appointed on 9 September 2010)	張帆先生 (於二零一零年九月九日獲委任)	12/15
Mr. HU Yangjun (re-designated from independent non-executive director on 15 December 2010)	胡楊俊先生 (於二零一零年十二月十五日由 獨立非執行董事轉任)	17/20
Mr. ZHUO Wu (resigned on 16 July 2010)	卓伍先生 (於二零一零年七月十六日辭任)	1/2
Independent Non-executive Directors		
Mr. LAM Kin Kau, Mark	林建球先生	18/20
Professor SONG Junde	宋俊德教授	16/18
Professor CHEN Lujun (appointed on 15 December 2010)	陳呂軍教授 (於二零一零年十二月十五日獲委任)	11/12
Ms. CHEN Xiao Rong (resigned on 9 September 2010)	陳曉榮女士 (於二零一零年九月九日辭任)	4/4

Under code provision A.4.1, non-executive Directors should be appointed for specific term. There is no specific term of appointment of the non-executive Directors of the Company, however, they are subject to retirement by rotation in accordance with articles of association of the Company. Accordingly the Company considers that sufficient measures have been taken to dealt with the requirement in respect of the appointment terms of non-executive Directors as required under the code provision.

根據守則條文第A.4.1條，非執行董事應按特定任期委任。本公司之非執行董事並無特定委任年期，然而，彼等均須根據本公司之章程細則輪值退任。據此，本公司認為已採取充足措施，處理守則條文有關非執行董事之委任年期之規定。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS *(Continued)*

Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company is of the view that all independent non-executive Directors meet the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and are independent in accordance with the terms of the guidelines. The Board held a board meeting for each quarter to discuss and approve the Group's results. The then board members attended the meetings.

In addition, the then Directors attended the board meetings to approve the appointment and resignation of Directors during the year.

CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

Under the code provision A.2.1, the roles of chairman and chief executive officer are separate and are not performed by the same individual. The chairman is responsible for overseeing the function of the Board and formulating overall strategies and policies of the Group. The chief executive officer, supported by the senior management, is responsible for managing the Group's responsibilities, the business, implementing major strategies, making day-to-day decisions and coordinating overall business operations.

Mr. LI Hongrong and Mr. ZHANG Fan were appointed as the chairman and chief executive officer of the Company respectively and their roles are segregated.

董事會 *(續)*

每名獨立非執行董事已根據創業板上市規則第5.09條就其獨立性作出年度確認。本公司認為，全體獨立非執行董事均符合創業板上市規則第5.09條所載之獨立性指引，並符合指引條款所規定之獨立性。董事會於每季度舉行一次董事會會議以討論及批准本集團之業績。當時之董事會成員已出席會議。

此外，當時之董事已出席董事會會議，以批准年內之董事委任及辭任。

主席及行政總裁

根據守則條文第A.2.1條，主席及行政總裁之角色分屬兩個獨立職位，不可由同一人兼任。主席負責監督董事會之運作及制定本集團之整體策略及政策。行政總裁獲高級管理人員支援，負責管理本集團之職責、業務、實施主要策略、作出日常決策及協調整體業務營運。

李鴻榮先生及張帆先生分別獲委任為本公司之主席及行政總裁，且兩位之職責已清楚區分。

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION OF DIRECTORS

No nomination committee was established by the Company.

The Board is mainly responsible for identifying suitable candidates for members of the Board when there is a vacancy or any additional director is considered necessary. The Board will review the qualifications of the relevant candidate for determining the suitability to the Group on the basis of his qualifications, experience and background.

BOARD COMMITTEES

To assist the Board in discharge of its duties, the Board is supported by two board committees. Each committee has its defined scope of duties and terms of reference and the committee members are empowered to make decisions on matters within the terms of reference of each committee.

1. Audit Committee

The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The primary duties of the audit committee are (a) to review the Group's annual reports, interim reports and quarterly reports; (b) to discuss and review with the auditor of the Company on the scope and findings of the audit; and (c) to supervise the financial reporting process and internal control procedures of the Group.

The audit committee consists of all of the Company's independent non-executive Directors, namely Mr. LAM Kin Kau, Mark, Professor SONG Junde and Professor CHEN Lujun. The chairman of the audit committee is Mr. LAM Kin Kau, Mark, who possesses extensive experience in finance and accounting.

董事之提名

本公司並無設立提名委員會。

董事會之主要職責乃物色合適人選，以填補董事會空缺或在董事會認為有需要時新增任何董事。董事會將按有關人選之資歷、經驗及背景釐定其對本集團而言是否合適人選。

董事委員會

為協助董事會履行職務，董事會獲兩個董事委員會支援。每個委員會各有已界定之職責範圍及職權範圍，且各委員會成員有權就每個委員會職權範圍以內之事宜作出決策。

1. 審核委員會

本公司已成立審核委員會，其書面職權範圍符合創業板上市規則第5.28至第5.33條。審核委員會之主要職責乃(a)審閱本集團之年度、中期及季度報告；(b)與本公司核數師商討及檢討核數之範疇及結果；及(c)監督本集團之財務申報程序及內部監控程序。

審核委員會現由本公司所有獨立非執行董事林建球先生、宋俊德教授及陳呂軍教授組成。審核委員會之主席為林建球先生，其擁有豐富的財務及會計經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES *(Continued)*

1. Audit Committee *(Continued)*

The audit committee held four meetings during the year under review and the then committee members attended the meetings.

The Group's unaudited quarterly and interim results and audited annual results during the year ended 30 June 2011 have been reviewed by the audit committee, which is of opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure have been made.

Details of the members' attendance of the audit committee meetings are as follows:

Name of the Members 董事姓名		Members' Attendance 董事出席率
Mr. LAM Kin Kau, Mark	林建球先生	3/4
Professor SONG Junde	宋俊德教授	4/4
Professor CHEN Lujun (appointed on 15 December 2010)	陳呂軍教授 (於二零一零年十二月十五日獲委任)	2/2
Mr. HU Yangjun (resigned on 15 December 2010)	胡楊俊先生 (於二零一零年十二月十五日辭任)	1/2
Ms. CHEN Xiao Rong (resigned on 9 September 2010)	陳曉榮女士 (於二零一零年九月九日辭任)	0/0

2. Remuneration Committee

The Company has established a remuneration committee according to the relevant provisions of the GEM Listing Rules with written terms of reference. Its primary duties are (a) to make remunerations to the Board on the Company's policy and structure for all remuneration of Directors and senior management; and (b) to establish a formal and transparent procedure for developing policy on such remuneration.

董事委員會 *(續)*

1. 審核委員會 *(續)*

於回顧年度內，審核委員會共舉行四次會議，而當時之委員會成員均已出席會議。

審核委員會已審閱本集團截至二零一一年六月三十日止年度之未經審核季度及中期業績及經審核年度業績。審核委員會認為有關業績已根據適用會計準則及規定而編製，並已作出充份披露。

審核委員會會議的成員出席詳情如下：

2. 薪酬委員會

本公司已按照創業板上市規則之有關規定成立薪酬委員會，並已釐定其書面職權範圍。其主要職責乃(a)就本公司全體董事及高級管理人員之薪酬政策及架構向董事會提供建議；及(b)設立正規及具透明度之程序以制訂有關薪酬政策。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES *(Continued)*

2. Remuneration Committee *(Continued)*

The remuneration committee consists of all of the Company's independent non-executive Directors, namely Mr. Lam Kin Kau, Mark, Professor Song Junde and Professor CHEN Lujun.

During the year, the committee met to discuss the remuneration related matters. During the meeting, the performance of executive Directors was assessed, and the remuneration of whom and the policy of which was discussed and approved.

Details of the members' attendance of the remuneration committee meetings are as follows:

Name of the Members 董事姓名		Members' Attendance 董事出席率
Mr. LAM Kin Kau, Mark	林建球先生	3/4
Professor SONG Junde	宋俊德教授	3/4
Professor CHEN Lujun (appointed on 15 December 2010)	陳呂軍教授 (於二零一零年十二月十五日獲委任)	0/0
Mr. HU Yangjun (resigned on 15 December 2010)	胡楊俊先生 (於二零一零年十二月十五日辭任)	4/4
Ms. CHEN Xiao Rong (resigned on 9 September 2010)	陳曉榮女士 (於二零一零年九月九日辭任)	2/2

Auditor's Remuneration

The statement by the auditor of the Company about their reporting responsibilities are set out in the independent auditor's report on pages 30 to 31. During the year, auditor's remuneration for audit services was approximately HKD2,450,000, including fees for the annual audit and the audits for the acquisition of Ease Ray Group and Smart Long Group of approximately HKD580,000 and HKD1,870,000 respectively. Save as disclosed above, there was no other significant non-audit services assignment undertaken by the external auditor during the year.

董事委員會 *(續)*

2. 薪酬委員會 *(續)*

薪酬委員會由本公司之所有獨立非執行董事林建球先生、宋俊德教授及陳呂軍教授組成。

年內，委員會已舉行會議商討薪酬相關事項。會議評估執行董事之表現，亦商討及通過有關職位之薪酬及有關職位之政策。

薪酬委員會會議的成員出席詳情如下：

核數師酬金

本公司核數師就其申報責任作出之聲明載於第30至第31頁之獨立核數師報告。年內，核數師就審核服務所收取之酬金為約2,450,000港元，其中包括年度審核及收購宜亮集團及智朗集團之審核費用分別約580,000港元及1,870,000港元。除上文所披露者外，年內外聘核數師並無提供其他重大非審核服務。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

For the year ended 30 June 2011 截至二零一一年六月三十日止年度



TO THE MEMBERS OF NEO TELEMEDIA LIMITED

中國新電信集團有限公司

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Neo Telemedia Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 32 to 150, which comprise the consolidated statement of financial position as at 30 June 2011, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, 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.

致中國新電信集團有限公司列位股東

(於開曼群島註冊成立之有限公司)

本核數師已審核列載於第32至150頁中國新電信集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，當中包括於二零一一年六月三十日之綜合財務狀況表與截至該日止年度的綜合全面收益表、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附註。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製並真實而公平地呈列綜合財務報表。這包括董事認為必須的相關內部控制，以使綜合財務報表的編製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

本核數師之責任是根據審核工作的結果，對這些綜合財務報表發表意見，僅向作為一個團體的閣下呈報本核數師的意見，除此之外不作其他用途。本核數師概不就本報告的內容對任何其他人士負責或承擔責任。本核數師已按照香港會計師公會頒佈的香港審核準則進行審核工作。該等準則規定本核數師須遵守道德操守規範，並規劃及進行審核，以合理地確定綜合財務報表是否不存在重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 30 June 2011 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

ZHONGLEI (HK) CPA COMPANY LIMITED

Certified Public Accountants (Practising)

Chan Mei Mei

Practising Certificate Number: P05256

Suites 216-218, 2/F., Shui On Centre,
6-8 Harbour Road, Wanchai,
Hong Kong

29 September 2011

審核工作涉及執行情序以取得與綜合財務報表所載金額及披露事項有關之審核憑證。選取之程序須視乎核數師之判斷，包括評估綜合財務報表存在重大錯誤陳述（不論由欺詐或錯誤引起）之風險。在作出該等風險評估時，核數師會考慮與實體編製並真實兼公平地呈列綜合財務報表有關之內部監控，以便設計適當之審核程序，但並非為對實體之內部監控是否有效表達意見。審核工作亦包括評價董事所採用之會計政策是否恰當及所作會計估算是否合理，以及評價綜合財務報表之整體呈列方式。

本核數師相信，本核數師已取得充分恰當之審核憑證，為本核數師之審核意見提供基礎。

意見

本核數師認為，綜合財務報表根據香港財務報告準則足以真實兼公平地反映 貴集團於二零一一年六月三十日之財務狀況及貴集團截至該日止年度之虧損及現金流量，並按照香港公司條例之披露規定妥為編製。

中磊(香港)會計師事務所有限公司

香港執業會計師

陳美美

執業證書編號：P05256

香港
灣仔港灣道6-8號
瑞安中心2樓216-218室

二零一一年九月二十九日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

		Notes 附註	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元 (restated) (經重列)
Turnover	營業額	7	45,257	44,626
Cost of sales	銷售成本		(13,999)	(43,013)
Gross profit	毛利		31,258	1,613
Other income and gains	其他收入及收益	8	12,290	2,315
Share-based payments expenses	以股份為基礎之付款費用	32	(38,331)	—
Selling and marketing costs	銷售及市場推廣成本		(6,769)	(6,970)
Administrative and other expenses	行政及其他費用		(27,069)	(35,509)
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	20	—	(5,895)
Finance costs	融資成本	10	(552)	(8)
Loss before tax	除稅前虧損	12	(29,173)	(44,454)
Income tax expense	所得稅開支	11	(3,846)	(10)
Loss for the year	年度虧損		(33,019)	(44,464)
Other comprehensive income (expenses)	其他全面收入 (開支)			
Exchange differences on translation of financial statements of foreign operations	因換算海外業務財務報表所產生之匯兌差額		84	(57)
Total comprehensive expenses for the year	年內全面開支總額		(32,935)	(44,521)
(Loss) profit for the year attributable to:	以下人士應佔年內 (虧損) 溢利:			
Owners of the Company	本公司擁有人		(36,254)	(44,464)
Non-controlling interests	非控股權益		3,235	—
			(33,019)	(44,464)
Total comprehensive (expenses) income attributable to:	以下人士應佔全面 (開支) 收入總額:			
Owners of the Company	本公司擁有人		(36,170)	(44,521)
Non-controlling interests	非控股權益		3,235	—
			(32,935)	(44,521)
			HK cents	HK cents
			港仙	港仙
Loss per share	每股虧損			
— Basic and diluted	— 基本及攤薄	13	(2.26)	(3.39)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 30 June 2011 於二零一一年六月三十日

			30 June 2011 二零一一年 六月三十日 HKD'000 千港元	30 June 2010 二零一零年 六月三十日 HKD'000 千港元 (restated) (經重列)	1 July 2009 二零零九年 七月一日 HKD'000 千港元 (restated) (經重列)
NON-CURRENT ASSETS					
	非流動資產				
Property, plant and equipment	物業、廠房及設備	18	41,229	15,160	517
Film rights, films in progress and film royalty deposits	電影版權、在製影片 及電影版權按金	19	6,042	10,544	28,332
Goodwill	商譽	20	758,380	46,950	—
Deposit paid for acquisition of a subsidiary	就收購一間附屬公司之 已付按金	21	120,000	230,000	—
Intangible assets	無形資產	22	182,822	—	—
Loan receivable	應收貸款	23	11,915	—	—
			1,120,388	302,654	28,849
CURRENT ASSETS					
	流動資產				
Trade receivables	貿易應收賬款	24	54,724	30,626	28,957
Prepayments, deposits and other receivables	預付款項、按金 及其他應收款項	25	104,270	58,082	3,585
Payment in advances	預付賬款		—	1,369	—
Cash and cash equivalents	現金及現金等價物	26	12,202	148,168	1,456
			171,196	238,245	33,998
CURRENT LIABILITIES					
	流動負債				
Trade payables	貿易應付賬款	27	37,497	28,044	11,764
Other payables and accruals	其他應付款項及 應計款項	28	48,716	57,967	3,982
Deposits received	已收按金		21,124	3,331	9,771
Receipt in advances	預收賬款		3,239	319	—
Convertible notes payable	應付可換股票據	29	24,801	—	—
Tax liabilities	稅項負債		4,675	4	—
Obligations under finance leases	融資租賃承擔	30	—	21	249
			140,052	89,686	25,766
NET CURRENT ASSETS	流動資產淨值		31,144	148,559	8,232
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,151,532	451,213	37,081

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 30 June 2011 於二零一一年六月三十日

		Notes 附註	30 June 2011 二零一一年 六月三十日 HKD'000 千港元	30 June 2010 二零一零年 六月三十日 HKD'000 千港元 (restated) (經重列)	1 July 2009 二零零九年 七月一日 HKD'000 千港元 (restated) (經重列)
NON-CURRENT LIABILITIES	非流動負債				
Deferred tax liabilities	遞延稅項負債	33	45,705	—	—
Obligations under finance leases due after one year	一年後到期的 融資租賃承擔	30	—	—	21
NET ASSETS	資產淨值		1,105,827	451,213	37,060
CAPITAL AND RESERVES	資本及儲備				
Share capital	股本	31	193,282	154,282	125,000
Reserves	儲備		890,092	296,931	(87,940)
Equity attributable to owners of the Company	本公司擁有人 應佔權益		1,083,374	451,213	37,060
Non-controlling interests	非控股權益		22,453	—	—
TOTAL EQUITY	權益總額		1,105,827	451,213	37,060

The consolidated financial statements on pages 32 to 150 were approved and authorised for issue by the board of directors on 29 September 2011 and are signed on its behalf by:

第32頁至第150頁的綜合財務報表於二零一一年九月二十九日獲董事會批准及授權刊發，並由下列董事代表簽署：

LI Hongrong
李鴻榮
DIRECTOR
董事

ZHOU Zhibin
周志斌
DIRECTOR
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

		Attributable to owners of the Company 本公司擁有人應佔					Accumulated losses	Total	Non- controlling interests	Total
		Share capital	Share premium	Share options reserve	Capital and other reserve	Translation reserve				
		股本 HKD'000 千港元	股份溢價 HKD'000 千港元	購股權儲備 HKD'000 千港元	資本及 其他儲備 HKD'000 千港元 (Note a) (附註a)	換算儲備 HKD'000 千港元	累計虧損 HKD'000 千港元	總計 HKD'000 千港元	非控股權益 HKD'000 千港元	總計 HKD'000 千港元
At 1 July 2009	於二零零九年七月一日	125,000	28,463	—	17,590	—	(133,993)	37,060	—	37,060
Loss for the year	年內虧損	—	—	—	—	—	(44,464)	(44,464)	—	(44,464)
Other comprehensive expenses for the year	年內其他全面開支	—	—	—	—	(57)	—	(57)	—	(57)
Total comprehensive expenses for the year	年內全面開支總額	—	—	—	—	(57)	(44,464)	(44,521)	—	(44,521)
Issue shares upon settlement of consideration in respect of acquisition of subsidiaries	交收有關收購 附屬公司的 代價後發行股份	3,632	50,848	—	—	—	—	54,480	—	54,480
Shares issued on placement	因配售而發行股份	25,650	384,750	—	—	—	—	410,400	—	410,400
Transaction cost attributable to placement of shares	配售股份應佔 交易成本	—	(6,206)	—	—	—	—	(6,206)	—	(6,206)
At 30 June 2010	於二零一零年六月三十日	154,282	457,855	—	17,590	(57)	(178,457)	451,213	—	451,213
(Loss) profit for the year	年內(虧損)溢利	—	—	—	—	—	(36,254)	(36,254)	3,235	(33,019)
Other comprehensive income for the year	年內其他全面收入	—	—	—	—	84	—	84	—	84
Total comprehensive income (expenses) for the year	年內全面收入 (開支)總額	—	—	—	—	84	(36,254)	(36,170)	3,235	(32,935)
Acquisition of subsidiaries	收購附屬公司	—	—	—	—	—	—	—	19,218	19,218
Issue shares upon settlement of consideration in respect of acquisition of subsidiaries	交收有關收購 附屬公司的 代價後發行股份	39,000	370,500	—	220,500	—	—	630,000	—	630,000
Recognition of equity-settled share based payments	確認股本結算以股份 為基礎之付款	—	—	38,331	—	—	—	38,331	—	38,331
At 30 June 2011	於二零一一年六月三十日	193,282	828,355	38,331	238,090	27	(214,711)	1,083,374	22,453	1,105,827

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

Notes:

- (a) It represents the following:
- (i) the difference between the aggregate nominal value of the share capital of B&S Group Limited and its subsidiaries acquired by the Company and the nominal value of the share capital of the Company issued as consideration in exchange of HKD157,000; and
 - (ii) the surplus of HKD17,433,000 arising from allotment and issue of 15,000 shares of USD1 each of B&S Group Limited, credited as fully paid to set off against the loans of HKD17,550,000 owing to the executive directors pursuant to the Group Reorganisation as set out in the Company's prospectus dated 29 July 2002.
 - (iii) An amount of approximately HKD220,500,000 represents the contingent consideration for the acquisition of Ease Ray Limited during the year ended 30 June 2011. Details have been stated in Note 34.

附註:

- (a) 有關儲備指以下各項：
- (i) 本公司所收購 B&S Group Limited 及其附屬公司的股本總面值與本公司發行作為換取157,000港元的代價的股本面值兩者之差額；及
 - (ii) 因配發及發行15,000股每股面值1美元的 B&S Group Limited 股份而產生之盈餘17,433,000港元(根據本公司日期為二零零二年七月二十九日的招股章程中所載的集團重組，有關股份入賬為繳足以抵銷欠執行董事之貸款17,550,000港元)。
 - (iii) 約220,500,000港元之款項指截至二零一一年六月三十日止年度收購宜亮有限公司之或然代價。有關詳情載於附註34。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元 (restated) (經重列)
OPERATING ACTIVITIES	經營業務		
Loss before tax	除稅前虧損	(29,173)	(44,454)
Adjustments for:	調整項目：		
Finance costs	融資成本	1	8
Interest income	利息收入	(12)	(1)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	5,691	1,790
Amortisation of intangible assets	無形資產攤銷	3,098	—
Changes in fair value of convertible notes payable	應付可換股票據公平值變動	551	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	11	—
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	—	5,895
Impairment losses recognised in respect of film rights and films in progress	就電影版權及在製影片確認之減值虧損	2,549	8,549
Impairment loss recognised in respect of trade receivables	就貿易應收賬款確認之減值虧損	—	786
Impairment loss recognised in respect of other receivables	就其他應收款項確認之減值虧損	622	163
Amortisation of film rights	電影版權攤銷	2,056	24,788
Share-based payments expenses	以股份為基礎之付款費用	38,331	—
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	23,725	(2,476)
Decrease in trade receivables	貿易應收賬款減少	18,493	11,845
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加	(38,309)	(54,585)
Increase in loan receivable	應收貸款增加	(17,873)	—
Decrease (increase) in payment in advances	預付賬款減少(增加)	1,369	(1,309)
Increase (decrease) in trade payables	貿易應付賬款增加(減少)	9,343	(11,428)
(Decrease) increase in other payables and accruals	其他應付款項及應計款項(減少)增加	(42,345)	53,694
Increase (decrease) in deposits received	已收按金增加(減少)	17,793	(6,440)
Increase in receipt in advances	預收賬款增加	2,699	270
Cash used in operations	經營業務所用現金	(25,105)	(10,429)
Income tax paid	已付所得稅	—	(6)
NET CASH USED IN OPERATING ACTIVITIES	經營業務所用現金淨額	(25,105)	(10,435)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元 (restated) (經重列)
INVESTING ACTIVITIES	投資活動		
Acquisition of subsidiaries (net of cash and cash equivalent acquired)	收購附屬公司(經扣除所收購現金及現金等價物)	319	354
Deposit paid for acquisition of a subsidiary	就收購一間附屬公司之已付按金	(120,000)	(230,000)
Purchase of property, plant and equipment	購買物業、廠房及設備	(14,863)	(1,598)
Purchase of film rights and film in progress	購買電影版權及在製影片	(103)	(15,549)
Proceeds from sales of property, plant and equipment	銷售物業、廠房及設備所得款項	115	—
Interest received	已收利息	12	1
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(134,520)	(246,792)
FINANCING ACTIVITIES	融資活動		
Repayments of obligations under finance leases	償還融資租賃承擔	(21)	(249)
Net proceeds from placement of shares	配售股份所得款項淨額	—	404,194
Net proceeds from issue of convertible notes payable	發行應付可換股票據所得款項淨額	24,250	—
Interest paid	已付利息	(1)	(8)
NET CASH FROM FINANCING ACTIVITIES	融資活動所得之現金淨額	24,228	403,937
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)增加淨額	(135,397)	146,710
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等價物	148,168	1,456
Effect on foreign exchanges rate changes	匯率變動影響	(569)	2
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終現金及現金等價物	12,202	148,168
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析		
Represented by:	即:		
Bank balances and cash	銀行結餘及現金	12,202	28,168
Short-term deposit	短期存款	—	120,000
		12,202	148,168

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

1. GENERAL INFORMATION

Neo Telemedia Limited (the “Company”) (together with its subsidiaries, collectively referred to as the “Group”) is incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Growth Enterprise Market (“GEM”) of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The address of the registered office and principal place of business of the Company are Unit 1303, 13/F., York House, The Landmark, 15 Queen’s Road Central, Hong Kong.

The consolidated financial statements are presented in Hong Kong dollars (“HKD”). Other than those subsidiaries established in the People’s Republic of China (the “PRC”) whose functional currency is Renminbi (“RMB”), the functional currency of the Company and its subsidiaries are HKD. The reason for selecting HKD as its presentation currency is that the Company is a public company listed on the GEM, where most of the investors are located in Hong Kong.

The principal activity of the Company is investment holding and the principal activities of its principal subsidiaries are engaged in sales and distribution of telecommunication products, providing wireless services, production and sales of videos and films, the licensing of video and copyrights/film rights, artiste management, the design and production of traffic signboards, computer graphics, advertisements and signal systems equipment in the PRC.

1. 一般資料

中國新電信集團有限公司(「本公司」)(連同其附屬公司，統稱為「本集團」)乃在開曼群島註冊成立之獲豁免有限公司，其股份於香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市。

本公司的註冊辦事處及主要營業地點為香港皇后大道中15號置地廣場約克大廈13樓1303室。

綜合財務報表以港元(「港元」)呈列。除於中華人民共和國(「中國」)成立的附屬公司的功能貨幣為人民幣(「人民幣」)外，本公司及其附屬公司的功能貨幣為港元。選擇港元作為其呈列貨幣的原因是本公司乃在創業板上市的公眾公司，而創業板多數投資者居於香港。

本公司之主要業務為投資控股，而其主要附屬公司之主要業務乃於中國銷售及分銷電訊產品、提供無線服務、製作及銷售影片及電影、授出影片及版權／電影版權、藝人管理、設計及製作交通指示牌、電腦圖文、廣告及信號燈系統設備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

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

New and revised Standards and Interpretations applied in the current year

In the current year, the Group has applied the following new and revised standards and interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

HKAS 32 (Amendments)	Classification of Rights Issues
HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions
HKFRSs (Amendments)	Amendments to HKAS 1, HKAS 7, HKAS 17, HKAS 36, HKAS 39, HKFRS 5 and HKFRS 8 as part of Improvements to HKFRSs issued in 2009
HKFRSs (Amendments)	Amendments to HKAS 27 and HKFRS 3 as part of Improvements to HKFRSs issued in 2010
HK Int 5	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
HK(IFRIC) — Int 19	Extinguishing Financial Liabilities with Equity Instruments

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度採納之新訂及經修訂準則及詮釋

本年度，本集團已採納以下香港會計師公會（「香港會計師公會」）頒佈之新訂及經修訂準則及詮釋。

香港會計準則第32號 (修訂本)	供股之分類
香港財務報告準則 第2號(修訂本)	集團以股份為基準 按現金結算付款 之交易
香港財務報告準則 (修訂本)	香港會計準則第1號、 香港會計準則第7號、 香港會計準則 第17號、香港會計 準則第36號、 香港會計準則 第39號、香港財務 報告準則第5號及 香港財務報告準則 第8號之修訂，作為 二零零九年發佈之 香港財務報告準則之 改進的一部份
香港財務報告準則 (修訂本)	香港會計準則第27號及 香港財務報告準則 第3號之修訂，作為 二零一零年發佈之 香港財務報告準則之 改進的一部份
香港 — 詮釋第5號	財務報表之呈報 — 借款人對包含按要求 還款條文之有期貸款 之分類
香港（國際財務報告 詮釋委員會） — 詮釋第19號	以股本工具抵銷金融 負債

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

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

New and revised Standards and Interpretations applied in the current year (Continued)

Except as described below, the application of the new and revised standards and interpretations in the current year had no material effect on the amounts reported and/or disclosures set out in the Group’s consolidated financial statements.

Amendments to HKAS 17 Leases

As part of Improvements to HKFRSs issued in 2009, HKAS 17 Leases has been amended in relation to the classification of leasehold land. Before the amendments to HKAS 17, the Group was required to classify leasehold land as operating leases and to present leasehold land as prepaid lease payments in the consolidated statement of financial position. The amendments to HKAS 17 have removed such a requirement. The amendments require that the classification of leasehold land should be based on the general principles set out in HKAS 17, that is, whether or not substantially all the risks and rewards incidental to ownership of a leased asset have been transferred to the lessee.

In accordance with the transitional provisions set out in the amendments to HKAS 17, the Group reassessed the classification of unexpired leasehold land as at 1 July 2010 based on information that existed at the inception of the leases. Leasehold land that qualifies for finance lease classification has been reclassified from prepaid land lease payment to property, plant and equipment and properties under development retrospectively. The application of the amendments to HKAS 17 has had no impact on the reported profit or loss for the current and prior years.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於本年度採納之新訂及經修訂準則及詮釋（續）

除下文所述者外，採納本年度新訂及經修訂準則及詮釋對本集團綜合財務報表中所報告金額及／或所載列披露並無重大影響。

香港會計準則第17號租賃之修訂

作為於二零零九年所頒佈香港財務報告準則之改進的一部份，香港會計準則第17號租賃已就租賃土地之劃分作出修訂。在香港會計準則第17號之修訂生效之前，本集團須將租賃土地劃分為經營租賃，並在綜合財務狀況表中將租賃土地呈列為預付租賃款項。香港會計準則第17號之修訂刪除了該項要求。該修訂規定，租賃土地應根據香港會計準則第17號所載的一般原則進行劃分，即租賃資產所有權附帶的絕大部份風險及回報是否已轉讓予承租人。

按照香港會計準則第17號之修訂所載之過渡條文，本集團根據於租約開始當日存在之資料重新評估於二零一零年七月一日未屆滿之租賃土地分類。符合融資租賃分類之租賃土地已由預付土地租賃款項追溯重新分類為物業、廠房及設備以及發展中物業。應用香港會計準則第17號之修訂對本年度及過往年度之已報告利潤或虧損並無影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

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

New and revised Standards and Interpretations issued but not yet effective

The Group has not early applied the following new or revised standards and interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs 2010 ¹
HKFRS 7 (Amendments)	Disclosures — Transfers of Financial Assets ³
HKFRS 9	Financial Instruments ⁴
HKFRS 10	Consolidated Financial Statements ⁴
HKFRS 11	Joint Arrangements ⁴
HKFRS 12	Disclosure of Interests in Other Entities ⁴
HKFRS 13	Fair Values Measurement ⁴
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income ⁶
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets ⁵
HKAS 19 (as revised in 2011)	Employee Benefits ⁴
HKAS 24 (as revised in 2009)	Related Party Disclosures ²
HKAS 27 (as revised in 2011)	Separate Financial Statements ⁴
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ⁴
HK (IFRIC) — Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement ²

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂及經修訂準則及詮釋

本集團並未提早應用下列已頒佈但尚未生效之新訂或經修訂準則及詮釋。

香港財務報告準則（修訂本）	二零一零年香港財務報告準則之改進 ¹
香港財務報告準則第7號（修訂本）	披露 — 轉讓金融資產 ³
香港財務報告準則第9號	金融工具 ⁴
香港財務報告準則第10號	綜合財務報表 ⁴
香港財務報告準則第11號	共同安排 ⁴
香港財務報告準則第12號	其他實體之權益披露 ⁴
香港財務報告準則第13號	公平值計量 ⁴
香港會計準則第1號（修訂本）	其他全面收益項目呈報 ⁶
香港會計準則第12號（修訂本）	遞延稅項：收回相關資產 ⁵
香港會計準則第19號（於二零一一年經修訂）	僱員福利 ⁴
香港會計準則第24號（於二零零九年經修訂）	關聯方之披露資料 ²
香港會計準則第27號（於二零一一年經修訂）	獨立財務報表 ⁴
香港會計準則第28號（於二零一一年經修訂）	投資聯營公司及合營企業 ⁴
香港（國際財務報告詮釋委員會）— 詮釋第14號（修訂本）	最低資金規定之預付款項 ²

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

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

New and revised Standards and Interpretations issued but not yet effective (Continued)

- ¹ Amendments that are effective for annual periods beginning on or after 1 January 2011
- ² Effective for annual periods beginning on or after 1 January 2011.
- ³ Effective for annual periods beginning on or after 1 July 2011.
- ⁴ Effective for annual periods beginning on or after 1 January 2013.
- ⁵ Effective for annual periods beginning on or after 1 January 2012.
- ⁶ Effective for annual periods beginning on or after 1 July 2012.

HKFRS 9 Financial Instruments (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 Financial Instruments (as revised in November 2010) adds requirements for financial liabilities and for derecognition.

Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂及經修訂準則及詮釋（續）

- ¹ 於二零一一年一月一日或之後開始之年度期間生效之修訂本。
- ² 於二零一一年一月一日或之後開始之年度期間生效。
- ³ 於二零一一年七月一日或之後開始之年度期間生效。
- ⁴ 於二零一三年一月一日或之後開始之年度期間生效。
- ⁵ 於二零一二年一月一日或之後開始之年度期間生效。
- ⁶ 於二零一二年七月一日或之後開始之年度期間生效。

香港財務報告準則第9號金融工具（於二零零九年十一月頒佈）引入對金融資產之分類及計量之新規定。香港財務報告準則第9號金融工具（於二零一零年十一月經修訂）加入對金融負債及終止確認之規定。

根據香港財務報告準則第9號，屬香港會計準則第39號金融工具：確認及計量範圍以內之所有已確認金融資產其後均須按攤銷成本或公平值計量。特別是由以收取合約現金流量為目的之業務模式持有以及合約現金流量純粹為支付本金額及未償還本金額之利息之債務投資，一般於其後會計期末按攤銷成本計量。所有其他債務投資及股本投資均於其後會計期末按彼等之公平值計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

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

New and revised Standards and Interpretations issued but not yet effective (Continued)

HKFRS 9 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors anticipate that HKFRS 9 that will be adopted in the Group’s financial statements for financial year ending 30 June 2014 and that the application of HKFRS 9 will have no material impact on the amount of the Group’s financial assets and financial liabilities.

The amendments to HKFRS 7 titled *Disclosures — Transfers of Financial Assets* increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures when a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require disclosures where transfers of financial assets are not evenly distributed throughout the period.

The directors do not anticipate that these amendments to HKFRS 7 will have a significant effect on the Group’s disclosures regarding transfers of trade receivables previously effected. However, if the Group enters into other types of transfers of financial assets in the future, disclosures regarding those transfers may be affected.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂及經修訂準則及詮釋（續）

香港財務報告準則第9號將於二零一三年一月一日或之後開始之年度期間生效，並可提早應用。

董事預期，本集團將於截至二零一四年六月三十日止財政年度之財務報表採用香港財務報告準則第9號，且應用香港財務報告準則第9號將不會對本集團之金融資產及金融負債之金額產生重大影響。

香港財務報告準則第7號之修訂 *披露 — 轉讓金融資產* 增加涉及金融資產轉讓之交易之披露規定。該等修訂旨在就於金融資產被轉讓而轉讓人保留該資產一定程度之持續風險承擔時，提高風險承擔之透明度。該等修訂亦規定於該期間內金融資產轉讓並非均衡分佈時作出披露。

董事預期，香港財務報告準則第7號之該等修訂不會對本集團有關以往生效的貿易應收賬款轉讓的披露造成重大影響。然而，若本集團日後訂立其他類型的金融資產轉讓，有關該等轉讓的披露可能會受到影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

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

New and revised Standards and Interpretations issued but not yet effective (Continued)

HKFRS 10 *Consolidated Financial Instruments* replaces the parts of HKAS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements. HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios including cases where an investor may control an investee with less than majority of voting rights. Overall, the application of HKFRS 10 requires extensive use of judgement.

HKFRS 11 *Joint Arrangements* replaced HKAS 31 *Interest in Joint Ventures*. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under HKFRS 11, there are two types of joint arrangements: joint ventures and joint operations. The classification in HKFRS 11 is based on parties' rights and obligations under arrangements. In contrast, under HKAS 31, there are three different types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly control operations. The directors of the Company anticipate that the application of HKFRS 10, HKFRS 11 and other new and revised standards and interpretations will have no material impact on the results and financial position of the Group.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂及經修訂準則及詮釋（續）

香港財務報告準則第10號綜合財務報表取代香港會計準則第27號綜合及獨立財務報表處理綜合財務報表之部份。香港財務報告準則第10號載有控制權之新釋義，包含三項元素：(a)對被投資公司之權力，(b)參與被投資公司所得可變回報之風險或權利，及(c)行使對被投資公司之權力以影響投資公司回報金額之能力。香港財務報告準則第10號已加入額外指引以處理複雜情況，包括投資公司可以少於大多數投票權控制被投資公司之情況。整體而言，應用香港財務報告準則第10號須作出大量判斷。

香港財務報告準則第11號合營安排取代香港會計準則第31號於合營企業之權益。香港財務報告準則第11號處理兩名或以上訂約方擁有共同控制權之共同安排的分類方法。根據香港財務報告準則第11號有兩類共同安排：合營企業及合營業務。香港財務報告準則第11號乃根據訂約方於有關安排下之權利及義務分類。相反，根據香港會計準則第31號有三類不同之共同安排：共同控制實體、共同控制資產及共同控制業務。本公司董事預計應用香港財務報告準則第10號、香港財務報告準則第11號及其他新訂及經修訂準則及詮釋將不會對本集團之業績及財務狀況構成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

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

Amendments to HKAS 12 Income Taxes

Amendments to HKAS 12 titled Deferred Tax: Recovery of Underlying Assets have been applied in advance of their effective date (annual periods beginning on or after 1 January 2012). Under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 Investment Property are presumed to be recovered through sale, unless the presumption is rebutted in certain circumstances. The amendments have been applied retrospectively.

As a result of the amendments, the Group now measures any deferred tax liability in respect of its investment properties with reference to the tax liability that would arise if the properties were disposed of at their carrying amounts at the end of the reporting period. Previously, deferred tax was provided for in respect of fair value changes of all investment properties on the basis that the carrying amounts of the properties are recovered through use. The application of the amendments to HKAS 12 has had no impact on the reported profit or loss for the current and prior years.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港會計準則第 12 號所得稅之修訂

香港會計準則第 12 號標題為「遞延稅項：收回相關資產」之修訂已於生效日期（於二零一二年一月一日或之後開始之年度期間）之前應用。根據此修訂，按照香港會計準則第 40 號投資物業，以公平值模式計量的投資物業是假設可透過出售收回，除非此項假設在某些情況下被駁回。有關修訂已追溯應用。

由於有關修訂，本集團目前計量有關其投資物業之任何遞延稅務負債時，乃參考假設物業在報告期末按其賬面值出售而產生的稅務負債進行。此前，遞延稅項乃根據物業之賬面值將透過使用收回之基準就所有投資物業之公平值變動計提撥備。應用香港會計準則第 12 號之修訂並無對本年度及過往年度之已報告利潤或虧損構成影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

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

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

The principal accounting policies are set out below.

Basis of consolidation

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

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

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

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

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

3. 重大會計政策

綜合財務報表乃根據香港會計師公會所頒佈之香港財務報告準則而編製。此外，綜合財務報表包括聯交所創業板證券上市規則及香港公司條例所規定之適用披露。

誠如下文所載會計政策所闡釋，綜合財務報表乃按歷史成本基準編製，惟若干按公平值列賬之金融工具除外。歷史成本普遍地按基於交換貨品之代價之公平值釐定。

主要會計政策載列如下。

綜合基準

綜合財務報表併入本公司及由本公司所控制實體(其附屬公司)之財務報表。當本公司有權支配一間實體之財務及經營政策以從其活動中獲取利益時，則視為有控制權。

於本年內購入或售出之附屬公司業績，由收購生效日期起或截至出售生效日期止(倘適用)計入綜合全面收益表。

如有必要，會對附屬公司之財務報表作出調整，致令其會計政策與本集團其他成員公司所採用者一致。

集團內公司間之交易、結餘、收入及開支於綜合時悉數抵銷。

於附屬公司之非控股權益與本集團所佔權益分開列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

Allocation of total comprehensive income to non-controlling interests

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. Prior to 1 January 2010, losses applicable to the non-controlling interests in excess of the non-controlling interests in the subsidiary's equity were allocated against the interests of the Group except to the extent that the non-controlling interests had a binding obligation and were able to make an additional investment to cover the losses.

Business combinations that took place on or after 1 January 2010

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred 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. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;

3. 重大會計政策 (續)

業務合併

分配全面收益總額至非控股權益

附屬公司之全面收益及開支總額應分配至本公司擁有人及非控股權益(即使此舉導致非控股權益出現虧損)。於二零一零年一月一日之前,倘非控股權益所適用的虧損超越於該附屬公司權益中的非控股權益,除非該非控股權益須承擔約束性責任及有能力支付額外投資以彌補虧損,否則該虧損餘額應在分配時抵銷本集團的權益。

於二零一零年一月一日或之後進行之業務合併

收購業務採用收購法入賬。業務合併轉撥代價按公平值計量,其為本集團所轉讓的資產、本集團向被收購方原擁有人承擔之負債及本集團為交換被收購方之控制權而發行之股權於收購日期之公平值之總額。收購相關費用通常於產生時於損益中確認。

於收購日期,所收購之可識別資產及所承擔之負債乃於收購日期按公平值確認,惟:

- 遞延稅項資產或負債及與僱員福利安排有關之負債或資產,分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Business combinations that took place on or after 1 January 2010 (Continued)

- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment transactions with share-based payment transactions of the Group are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or another measurement basis required by another standard.

3. 重大會計政策 (續)

業務合併 (續)

於二零一零年一月一日或之後進行之業務合併 (續)

- 與被收購方以股份支付之交易有關之負債或股本工具，或與以本集團股份支付之交易取代被收購方以股份支付之交易有關之負債或股本工具，乃於收購日期按香港財務報告準則第2號「以股份支付之付款」計量；及
- 根據香港財務報告準則第5號「持作出售非流動資產及終止經營業務」被分類為持作出售之資產（或出售組別）乃根據該準則計量。

商譽是以所轉撥之代價、任何非控股權益於被收購方中所佔金額及收購公司以往持有被收購方之股權之公平值（如有）之總和，超出所收購之可識別資產及所承擔之負債於收購日期之淨值部份計算。倘重新評估後，所收購之可識別資產與所承擔負債於收購日期之淨額高於所轉撥之代價、任何非控股權益於被收購方中所佔金額以及收購公司以往持有被收購方之股權之公平值（如有）之總和，則超出部份即時於損益中確認為廉價購買收益。

屬現時擁有之權益且於清盤時讓持有人有權按比例分佔實體淨資產之非控股權益，可初步按公平值或非控股權益應佔被收購方可識別資產淨值之已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他種類之非控股權益乃按其公平值或另一項準則規定之另一計量基準計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Business combinations that took place on or after 1 January 2010 (Continued)

Where the consideration the Group transfers in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and considered as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill or gain on bargain purchase. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed as of the acquisition date. Measurement period does not exceed one year from the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39, or HKAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

3. 重大會計政策 (續)

業務合併 (續)

於二零一零年一月一日或之後進行之業務合併 (續)

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，或然代價按其收購日期公平值計量並視為於業務合併中所轉撥代價之一部份。或然代價之公平值變動如適用計量期間調整則進行追溯調整，並根據商譽或廉價購買收益作出相應調整。計量期間調整為於計量期間就於收購日期存在之事實及情況獲得之其他資料產生之調整。計量期間自收購日期起計，不超過一年。

不適用計量期間調整之或然代價，其公平值變動之隨後入賬取決於或然代價如何分類。分類為權益之或然代價不會於隨後報告日期重新計量，而其隨後結算於權益內入賬。分類為資產或負債之或然代價根據香港會計準則第39號或香港會計準則第37號「撥備、或然負債及或然資產」(如適用)於隨後報告日期重新計量，而相應之收益或虧損於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Business combinations *(Continued)*

Business combinations that took place on or after 1 January 2010 *(Continued)*

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Changes in the value of the previously held equity interest recognised in other comprehensive income and accumulated in equity before the acquisition date are reclassified to profit or loss when the Group obtains control over the acquiree.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

3. 重大會計政策 (續)

業務合併 (續)

於二零一零年一月一日或之後進行之業務合併 (續)

倘業務合併分階段完成，本集團先前於被收購方持有之股權重新計量至收購日期（即本集團獲得控制權當日）之公平值，而所產生之收益或虧損（如有）於損益賬中確認。過往於收購日期前於其他綜合收入確認之被收購方權益所產生款額重新分類至損益（倘有關處理方法適用於出售權益）。

先前持有之股權之價值變動於其他全面收入中確認及於收購日期之前於權益累計，而該價值變動於本集團獲得對被收購方之控制權時重新分類至損益。

倘業務合併之初步會計處理於合併發生之報告期間結算日尚未完成，則本集團報告未完成會計處理之項目臨時數額。該等臨時數額會於計量期間（見上文）予以調整，或確認額外資產或負債，以反映於收購日期已存在而倘知悉將可能影響該日已確認款額之事實與情況所取得之新資訊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Business combinations that took place prior 1 January 2010

Acquisition of businesses was accounted for using the purchase method. The cost of the acquisition was measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that met the relevant conditions for recognition were generally recognised at their fair value at the acquisition date.

Goodwill arising on acquisition was recognised as an asset and initially measured at cost, being the excess of the cost of the acquisition over the Group's interest in the recognised amounts of the identifiable assets, liabilities and contingent liabilities recognised. If, after assessment, the Group's interest in the recognised amounts of the acquiree's identifiable assets, liabilities and contingent liabilities exceeded the cost of the acquisition, the excess was recognised immediately in profit or loss.

The minority interest in the acquiree was initially measured at the minority interest's proportionate share of the recognised amounts of the assets, liabilities and contingent liabilities of the acquiree.

Contingent consideration was recognised, if and only if, the contingent consideration was probable and could be measured reliably. Subsequent adjustments to contingent consideration were recognised against the cost of the acquisition.

3. 重大會計政策 (續)

業務合併 (續)

於二零一零年一月一日前進行之業務合併

收購業務乃按收購法入賬。收購成本之計量乃按本集團為取得被收購方之控制權而已給予之資產、已產生或承擔之負債及已發行之股本工具於交易當日之公平值總和，加上業務合併直接應佔成本計量。被收購方符合相關確認條件之可識別資產、負債及或然負債於收購日期均按公平值確認。

收購所產生之商譽(即收購成本超出本集團所佔已確認可識別資產、負債及或然負債之已確認權益數額之部份)乃確認為資產，並初步按成本計量。倘於評估後，本集團所佔被收購方可識別資產、負債及或然負債之已確認權益數額高於收購成本，則該超出部份即時於損益確認。

少數股東所佔被收購方權益初步按少數股東所佔被收購方之已確認資產、負債及或然負債之已確認數額比例計算。

或然代價倘及僅會於有可能發生及能夠可靠估計情況下會確認。往後調整或然代價會確認於收購成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Business combinations *(Continued)*

Business combinations that took place prior 1 January 2010 *(Continued)*

Business combinations achieved in stages were accounted for as separate steps. Goodwill was determined at each step. Any additional acquisition did not affect the previously recognised goodwill.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost less any accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill is allocated to each of the cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently whenever there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

3. 重大會計政策 (續)

業務合併 (續)

於二零一零年一月一日前進行之業務合併 (續)

以分階段型式進行之業務合併按每階段分別入賬。商譽於每階段分別確定。任何新增收購均不會影響以往已確認之商譽。

商譽

收購業務後所產生之商譽按成本減任何累計減值虧損列賬，並於綜合財務狀況表內分開呈列。

就減值測試而言，商譽會被分配予預期會受惠於合併協同效益之各相關現金產生單位（或現金產生單位組別）。

獲分配商譽之現金產生單位會按年或倘有跡象顯示有關單位可能出現減值時進行檢測。就於報告期內進行收購所產生商譽而言，獲分配商譽之現金產生單位會於該報告期結束前進行減值檢測。當現金產生單位之可收回金額少於該單位賬面值時，減值虧損會首先分配至減少該單位獲分配之任何商譽賬面值，繼而以該單位內各資產之賬面值為基準按比例分配至該單位內其他資產。任何商譽減值虧損於綜合全面收益表之損益內直接確認。商譽減值虧損不會於其後期間撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Investments in subsidiaries are included in the Company's statement of financial position at cost less any identified impairment loss.

Revenue recognition

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

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;

3. 重大會計政策 (續)

商譽 (續)

於出售有關現金產生單位時，商譽之應佔金額乃計入釐定出售損益金額內。

附屬公司

附屬公司指本集團通常擁有其過半數投票權的持股量而有權控制其財務及經營政策的全部實體。於評估本集團是否控制另一實體時，現時可行使或可轉換的潛在投票權及其影響亦考慮在內。

附屬公司之賬目自控制權轉讓予本集團之日起全數綜合計入，而有關賬目將於該控制權終止之日停止計入綜合賬目。

於附屬公司之投資乃載於本公司之財務狀況表中，按成本減任何可識別減值虧損列賬。

收入確認

收入按已收或應收代價之公平值計量，是指在日常業務過程中銷售貨品及提供服務所應收並扣除退貨、折扣及相關銷售稅項後之金額。

貨品銷售收入於符合以下所有條件時確認：

- 本集團已將貨品擁有權的重大風險及回報轉讓至買方；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from sale of telecommunication products are recognised when goods are delivered and title has passed.

Artiste management fee income is recognised when services are provided.

Film exhibition income is recognised when the right to receive payment is established.

Income from licensing and sub-licensing of distribution rights over films is recognised upon delivery of the per-recorded audio visual products and the materials for video features including the master tapes to the customers in accordance with the terms of the contracts.

Traffic signboard advertising income is recognised when services are provided.

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

3. 重大會計政策 (續)

收入確認 (續)

- 本集團並無保留一般與擁有權有關的已售貨品持續管理權或實際控制權；
- 收入金額可以可靠量度；
- 與交易有關之經濟利益將可能流入至本集團；及
- 就交易產生或將產生之費用能夠可靠計量。

銷售電訊產品之收入乃於交付貨品及轉移所有權時確認。

藝人管理費收入於提供服務時確認。

電影放映收入乃於確立收費權時確認。

來自授出及轉授電影發行權之收入乃根據合約之條款將預錄音產品及錄影帶(包括母帶)付運予客戶時確認。

交通指示牌廣告收入乃於提供服務時確認。

當經濟利益很有可能流入本集團，且收入金額能可靠計算時，則確認金融資產之利息收入。金融資產之利息收入乃參照未償還本金額及適用之實際利率，按時間基準累計。適用實際利率指可透過金融資產之預計可使用年期將估計未來現金收入準確折現至有關資產於首次確認時賬面淨值之利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

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

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

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

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

3. 重大會計政策 (續)

物業、廠房及設備

持作用於生產或供應貨品或提供服務或作管理用途之物業、廠房及設備乃按成本扣減其後累計折舊及累計減值虧損(如有)列賬。

已確認折舊以採用直線法按物業、廠房及設備項目之估計可使用年期撇銷其成本減剩餘價值。估計可使用年期、剩餘價值及折舊方法於每個報告期間結算日檢討，估計之任何變動影響按預測基準入賬。

持作生產、供應或行政用途之在建物業以成本減任何已確認減值虧損列賬。成本包括專業費用及根據本集團會計政策資本化的合資格資產之借貸成本。該等物業於完成後可用於擬定用途時重新分類為物業、廠房及設備之適當類別。

此等資產之折舊基準與其他物業資產相同，乃於資產可用於擬定用途時開始計提。

根據融資租約持有的資產按自置資產之預計使用年期或(如屬較短期間)相關租期之相同基準折舊。

物業、廠房及設備於出售時或預期持續使用該資產不再帶來未來經濟利益時取消確認。出售或停止使用物業、廠房及設備項目產生之任何收益或虧損被釐定為銷售所得款項與資產賬面值間之差額，並確認為損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Film rights, film in progress and film royalty deposits

(i) Film rights

Film rights are stated at cost less accumulated amortisation and any identified impairment losses. Upon the release of the per-recorded audio visual products and the materials, film rights are amortised at rates calculated to write off the costs in production to the expected revenues from exhibition, reproduction and distribution of audio visual products, the licensing of video rights and other broadcast rights following their release. Such rates are on a systematic basis, with reference to the projected revenue and the underlying licence periods, and are subject to annual review by the directors of the Company.

(ii) Films in progress

Films in progress are stated at cost less any identified impairment losses. Costs include all direct costs associated with the production of films. Provisions are made against costs which are in excess of future revenue expected to be generated by these films. The balance of film production costs not yet due at year end are disclosed as commitments. The costs of films in progress are transferred to film rights upon completion.

3. 重大會計政策 (續)

電影版權、在製影片及電影版權按金

(i) 電影版權

電影版權乃按成本減累計攤銷及任何已識別減值虧損列賬。於發行預錄影音產品及製品後，電影版權乃緊隨發行後，按預期來自電影放映、複製及發行影音產品、授出錄像權及其他播放權之收益比例撇銷，以撇銷製作成本。該比例乃按系統基準，經參考預計收入及有關許可期，並由本公司董事按年度檢討。

(ii) 在製影片

在製影片按成本減去任何已識別減值虧損列賬。成本包括與製作影片有關之所有直接成本。倘成本高於預期此等影片日後能夠帶來之收入，即作出撥備對沖成本。於年終尚未到期之影片製作成本餘額以承擔作出披露。在製影片成本在影片完成後轉撥作電影版權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Film rights, film in progress and film royalty deposits (Continued)

(iii) Film royalty deposits

Licence fees paid in advance and by installments under licensing agreements for distribution of audio visual products and sub-licensing of film titles, in specified geographical areas and time periods, are accounted for as film royalty deposits. The balance payables under the licensing agreements are disclosed as commitments. Upon the release of the per-recorded audio visual products and the materials, the relevant portion of licence fees of purchased film titles are charges to the consolidated statement of comprehensive income on a systematic basis, with reference to the projected revenue and the underlying licence periods. Provision for impairment loss is made against deposits to the extent that they are not expected to generate any future revenue for the Group.

In case where the Group is unable to exercise its rights under a licensing agreement because the film producer fails to complete the film, the Group writes off the differences between the advances made and the estimated recoverable amount from the film producer.

At the end of each reporting period, both internal and external market information are considered to assess whether there is any indication that film rights, films in progress and film royalty deposits are impaired. If any such indication exists, the carrying amount of such assets is assessed and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the consolidated statement of comprehensive income.

3. 重大會計政策 (續)

電影版權、在製影片及電影版權按金 (續)

(iii) 電影版權按金

根據分銷影音產品以及轉授電影版權之版權協議，於指定地區及時間預先或分期支付之牌照費，均列為電影版權按金。根據版權協議之應付款項餘額乃披露作承擔。於發行預錄影音產品及材料時，購入電影版權之有關版權費會參考預計收入及有關授權期限以具系統之方法自綜合全面收益表扣除。倘預期版權按金不會為本集團帶來任何日後收入，則會就按金作出減值虧損撥備。

倘製片商未能完成影片，以致本集團無法行使版權協議賦予之權利，則本集團將撇銷向製片商墊款與估計可收回款項之差額。

於各報告期末，內部及外部市場資料均用來考慮是否有任何跡象表明電影版權、在製影片及電影版權按金減值。倘存在任何減值跡象，則評估該等資產之賬面值及在合適情況下確認有關減值虧損以將資產減至其可收回金額。該等減值虧損乃於綜合全面收益表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Leasing

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

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's policy on borrowing costs (see the accounting policy below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3. 重大會計政策 (續)

租約

凡租約條款將所有權的絕大部份風險及回報轉讓予承租人時，該等租約分類為融資租約。所有其他租約分類為經營租約。

本集團作為承租人

按融資租約持有之資產按租約開始時之公平值或最低租約付款現值之較低者確認為本集團資產。出租人之相應負債於綜合財務狀況表列作融資租約承擔。

租約付款按比例於財務開支及租約承擔減少之間作出分配，以計算該等負債餘額之固定息率。財務開支直接於損益確認，除非直接歸屬於合資格資產，在此情況下，財務開支依據本集團有關借貸成本之政策（見下文會計政策）撥充資本。或然租金於產生期間確認為開支。

經營租賃款項以直線法於租賃期內確認為開支，除非另有系統基準更能代表消耗租賃資產所產生經濟利益之時間模式。經營租賃所產生之或然租金於產生期間確認為開支。

倘於訂立經營租約時收取租賃優惠，則有關優惠確認為負債。優惠總利益以直線法確認為租金開支減少，惟另有系統基準更能代表消耗租賃資產所產生經濟利益之時間模式則除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in other comprehensive income and accumulated in equity and will be reclassified from equity to profit or loss on disposal of the foreign operation. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HKD) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the year, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve).

3. 重大會計政策 (續)

外幣

編製個別集團實體之財務報表時，以該實體功能貨幣(即實體經營所在之主要經濟環境之貨幣)以外貨幣(外幣)進行之交易乃按交易日期適用之匯率換算為各自之功能貨幣入賬。於各報告期末，以外幣列值之貨幣項目以結算當日適用之匯率重新換算。按公平值列賬且按外幣列值之非貨幣項目，乃按釐定公平值當日適用之匯率重新換算。以外幣列值按歷史成本計算之非貨幣項目毋須重新換算。

於結算及重新換算貨幣項目時產生之匯兌差額均於彼等產生期內於損益中確認，惟組成本公司海外業務之投資淨額部份之貨幣項目所產生之匯兌差額除外，在此情況下，有關匯兌差額乃確認為其他全面收益及於權益累計，並於出售海外業務時由權益重新分類至損益。以公平值列賬之非貨幣項目經重新換算後產生之匯兌差額乃於期內列作損益。

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按報告期末當前適用之匯率換算為本集團之呈列貨幣(即港元)，而有關之收入及開支項目乃按期內平均匯率換算，除非年內匯率出現重大波動，則於此情況下，將採用交易日期適用之匯率。所產生匯兌差額(如有)均於其他全面收益確認及於股本(換算儲備)累計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Foreign currencies *(Continued)*

From 1 January 2010 onwards, on the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss. In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and retranslated at the rate of exchange prevailing at the end of the reporting period. Exchange differences arising are recognised in the translation reserve.

Borrowing costs

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

Retirement benefits costs

Payments to state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are charged as an expense when employees have rendered service entitling them to the contributions.

3. 重大會計政策 (續)

外幣 (續)

自二零一零年一月一日起，於出售海外業務(即出售本集團於該海外業務之全部權益，或涉及失去包括海外業務之附屬公司之控制權之出售)時，就本公司擁有人應佔之業務於權益累計之所有匯兌差額重新分類至損益。此外，倘附屬公司的部份出售並未導致本集團失去對該附屬公司之控制權，則按比例將累計匯兌差額重新歸類為非控股權益，並不會於損益內確認。

於二零零五年一月一日或之後因收購海外業務而產生之所購可識別資產之商譽及公平值調整乃視作該海外業務之資產及負債，並按報告期末之當前匯率換算。所產生匯兌差額乃於換算儲備確認。

借貸成本

所有借貸成本均於其產生期間於損益內確認。

退休福利成本

向國家管理退休福利計劃及強制性公積金計劃支付的款項於僱員已提供令其有權享有供款之服務時作為開支入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

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

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

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

3. 重大會計政策 (續)

稅項

所得稅開支指當期應繳稅項與遞延稅項的總和。

當期應繳稅項乃基於年內應課稅溢利計算。應課稅溢利因不包括其他年度之應課稅或可扣減的收入或開支項目並且亦不包括始終不應課稅或不可扣減之項目，故其與綜合全面收益表內列報的溢利並不相同。本集團的當期稅項負債乃採用於報告期末已頒佈或實質已頒佈的稅率計算。

遞延稅項乃基於綜合財務報表內資產及負債之賬面值與計算應課稅溢利所採用的相應稅基之間的暫時性差額確認。遞延稅項負債一般就所有應課稅暫時性差額予以確認。遞延稅項資產一般以可能將存在可供用以與所有可扣減暫時性差額相互抵銷的應課稅溢利為限就該等可扣減暫時性差額予以確認。倘暫時性差額乃因商譽或因於並不影響應課稅溢利或會計溢利的交易中初步確認(業務合併除外)其他資產及負債而產生，則不予確認上述資產及負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in to profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

3. 重大會計政策 (續)

稅項 (續)

遞延稅項負債乃就與於附屬公司投資有關的應課稅暫時性差額予以確認，惟本集團可控制暫時性差額之撥回且暫時性差額於可預見的未來極有可能不會撥回時則除外。僅在可能將存在充足應課稅溢利可供用以與暫時性差額利益相互抵銷且預期其於可預見的將來將會撥回的情況下，方會確認由與上述投資及權益有關的可扣減暫時性差額而產生的遞延稅項資產。

於各報告期末會對遞延稅項資產的賬面值進行評核，並將其減至不再可能存在充足應課稅溢利而使得將收回全部或部份資產的程度。

遞延稅項資產及負債乃按預期於償付負債或變現資產之期間將適用的稅率計量（基於截至報告期末已頒佈或實質已頒佈的稅率（及稅法））。

遞延稅項負債及資產的計量值反映因本集團預期（於報告期末）將用以收回或償付其資產及負債賬面值的方式將會引致的稅務結果。遞延稅項於損益內確認，惟與於其他全面收入或直接於權益確認的項目有關時則除外，在此情況下遞延稅項亦會分別於其他全面收入或直接於權益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

Gains or losses arising from derecognition of an intangible asset are measured at difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

3. 重大會計政策 (續)

無形資產

業務合併購入之無形資產與商譽分開確認，初始按其於收購日期之公平值(視為其成本)確認。

初始確認後，具有有限可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損入賬。具有有限可使用年期之無形資產之攤銷乃以直線法於其估計可使用年期內作出撥備。反之，具有無限期可使用年期之無形資產則按成本減任何其後累計減值虧損入賬(參見下文有關有形及無形資產減值虧損之會計政策)。

因取消確認無形資產而產生之損益乃按出售所得款項淨額與資產之賬面值之差額計量，並於資產取消確認期間於損益確認。

金融工具

金融資產及金融負債乃於一間集團實體成為工具合約條文訂約一方時於綜合財務狀況表內確認。

金融資產及金融負債最初按公平值計量。於最初確認時，可直接歸因於收購或發行金融資產及金融負債的交易成本乃加入金融資產或金融負債的公平值或從其中扣除(如適用)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets

The Group's financial assets are classified as loans and receivables. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

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

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

3. 重大會計政策 (續)

金融工具 (續)

金融資產

本集團的金融資產分類為貸款及應收款項。所有按正常途徑購入或出售的金融資產乃按交易日期確認及終止確認。按正常途徑購入或出售指購入或出售金融資產，並須於依照市場規則或慣例確定的時間段內交付資產。

實際利息法

實際利息法是計算金融資產的已攤銷成本並於有關期間分配利息收入的方法。實際利率是於金融資產整個預期年限(或(倘屬適當)較短期間)將估計未來現金收入(包括構成實際利率組成部份的所有已付或已收費用、交易成本及其他溢價或折讓)折現為於最初確認時的賬面淨值的利率。

債務工具之利息收入按實際利息基準確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

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

Impairment of financial assets

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

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

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

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項

貸款及應收款項為於交投暢旺的市場並無報價且付款額固定或可釐定的非衍生金融資產。於最初確認之後，貸款及應收款項（包括貿易應收賬款、按金及其他應收款項、應收貸款以及現金及現金等價物）乃採用實際利息法按已攤銷成本列賬，並扣除任何已識別減值虧損（參見下文有關金融資產減值虧損的會計政策）。

金融資產減值

於各報告期末會就是否存在減值跡象對金融資產進行評估。倘存在客觀證據表明，因於初步確認金融資產之後發生的一個或多個事件，金融資產的估計未來現金流已受影響，則金融資產已減值。

就所有金融資產而言，減值客觀證據可包括：

- 發行人或對手方出現嚴重的財務困難；或
- 違反合約規定，欠繳或拖欠支付利息或本金；或
- 借款人可能破產或將進行財務重組；或
- 因財務困難而令金融資產失去交投暢旺之市場。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets (Continued)

For certain categories of financial asset, such as trade receivables and other receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 90 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

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

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable and other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

3. 重大會計政策 (續)

金融工具 (續)

金融資產減值 (續)

就若干種類的金融資產(如貿易應收賬款及其他應收款項)而言,被評定為不會個別減值的資產其後按集中基準進行減值評估。應收款項組合出現減值的客觀證據可包括本集團的過往收款經驗、相關組合延遲付款超過平均信貸期90天的數目增加以及國家或地方經濟狀況與應收款項出現拖欠情況存在關連的可觀測變化。

就按攤銷成本列賬的金融資產而言,減值虧損乃於存在客觀證據表明資產已減值時於損益內確認,並按資產賬面值與按原定實際利率折現的估計未來現金流的現值之間的差額計量。

就按成本列賬的金融資產而言,減值虧損金額乃按資產賬面值與按類似金融資產的當前市場回報率折現的估計未來現金流的現值之間的差額計量。該項減值虧損於其後期間不會被撥回。

金融資產的賬面值會直接扣除減值虧損,惟貿易應收賬款及其他應收款項的賬面值則採用備抵賬戶扣除相關款項。備抵賬戶之賬面值變動乃於損益內確認。於貿易應收賬款及其他應收款項被認為無法收回時會於備抵賬戶內沖銷。其後收回先前已沖銷的金額則會計入損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets (Continued)

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

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are generally classified into financial liabilities at fair value through profit or loss ("FVTPL") and other financial liabilities.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis other than those financial liabilities designed as FVTPL, of which the interest expense is excluded in net gains or losses.

3. 重大會計政策 (續)

金融工具 (續)

金融資產減值 (續)

就按攤銷成本計量的金融資產而言，倘減值虧損金額於其後期間出現減少，且減少情況與於確認減值虧損後發生的事件存在客觀聯繫，則先前確認的減值虧損透過損益撥回，以資產於撥回減值當日的賬面值不超過倘先前未確認減值原應計得的攤銷成本金額為限。

金融負債及權益

集團實體發行的金融負債及股本工具根據所達成合約安排的實質以及金融負債及股本工具的釋義進行分類。

股本工具是證明本集團資產經扣除其所有負債之後的剩餘權益的任何合約。本集團之金融負債一般分類為經損益賬按公平值入賬（「經損益賬按公平值入賬」）之金融負債及其他金融負債。

實際利息法

實際利息法是計算金融負債攤銷成本並於有關期間分配利息開支的方法。實際利率是於金融負債預期年限或（倘屬適當）較短期間精確折現估計未來現金付款的利息。

利息開支乃按實際利率基準確認，惟分類為經損益賬按公平值入賬之金融負債除外，其利息開支不計入淨收益或虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL are those designated at FVTPL on initial recognition.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with changes at fair value arising on remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any interest paid on the financial liabilities.

3. 重大會計政策 (續)

金融工具 (續)

金融負債及權益 (續)

經損益賬按公平值入賬之金融負債

經損益賬按公平值入賬之金融負債為於初步確認時指定為經損益賬按公平值入賬之金融負債。

於下列情況，金融負債(持作買賣金融負債除外)可於初步確認後指定經損益賬按公平值入賬：

- 有關指定對銷或大幅減少可能出現不一致之計量或確認歧異；或
- 根據本集團既定風險管理或投資策略管理組成一組金融資產或金融負債或兩者其中部份之金融負債，並按公平值基準評估其表現，且有關分類的資料乃按該基準由內部提供；或
- 金融負債組成包含一項或以上嵌入式衍生工具之合約其中部份，且香港會計準則第39號准許整份合併合約(資產或負債)指定經損益賬按公平值入賬。

經損益賬按公平值入賬之金融負債按公平值計量，重新計量所產生之公平值變動於產生變動期間直接在損益中確認。於損益確認之收益或虧損淨額不包括就任何金融負債所支付之利息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Other financial liabilities

Other financial liabilities including trade payables, other payables and obligations under finance leases are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Convertible notes designated at FVTPL

Convertible notes issued by the Group (including related embedded derivatives) are designated as FVTPL on initial recognition. At each end of the reporting period subsequent to initial recognition, the entire convertible notes are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

3. 重大會計政策 (續)

金融工具 (續)

金融負債及權益 (續)

其他金融負債

其他金融負債(包括貿易應付賬款、其他應付款項及融資租賃承擔)其後採用實際利息法按攤銷成本計量。

股本工具

本公司發行的股本工具按已收所得款項入賬，並扣除直接發行成本。

指定為經損益賬按公平值入賬的可換股票據

本集團發行的可換股票據(包括相關嵌入式衍生工具)於初步確認時指定為經損益賬按公平值入賬。於初步確認後的每個報告期末，全部可換股票據按公平值計量，而公平值變動於產生期間直接在損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset or retains a residual interest that does not result in the retention of substantially all the risks and rewards of ownership and the Group retains control), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payables is recognised in profit or loss.

3. 重大會計政策 (續)

金融工具 (續)

終止確認

於收取資產現金流的權利屆滿或金融資產被轉讓以及本集團已轉讓金融資產所有權絕大部份風險及報酬時終止確認金融資產。

於全面終止確認金融資產時，資產賬面值與已收及應收代價以及已於其他全面收入確認及於權益中累計之累計收益或虧損之總和之差額，乃於損益內確認。

除全面終止確認外(即本集團保留購回部份已轉讓資產之選擇權或保留不會導致保留擁有權絕大部份風險及回報之餘下權益，及本集團保留控制權)，於終止確認金融資產時，本集團會將金融資產之過往賬面值，根據於其確認為繼續參與之部份及不再確認之部份於轉讓日期之相對公平值在兩者間作出分配。不再確認部份間分配的賬面值與不再確認部份已於其他全面收益確認之已收代價及獲分配之任何累計收益或虧損之總和之差額，乃於損益內確認。已於其他全面收益確認之累計收益或虧損，將按繼續確認之部份及不再確認之部份之相對公平值間作出分配。

金融負債於相關合約訂明的責任獲履行、撤銷或到期時終止確認。獲終止確認的金融負債的賬面值與已付及應付代價之間的差額於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. In addition, intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

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

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where effect is material).

3. 重大會計政策 (續)

商譽除外之有形及無形資產減值虧損 (參見上文有關商譽的會計政策)

於各報告期末，本集團對其有形及無形資產的賬面值進行評核，以確定是否存在任何跡象表明該等資產已出現減值虧損。倘存在任何該類跡象，會對資產的可收回金額作出估計以確定減值虧損（如有）的程度。此外，具不確定可使用年期之無形資產每年均進行減值測試，並於出現減值跡象時進行減值測試。倘資產的可收回金額估計將低於其賬面值，資產的賬面值將減至其可收回金額。減值虧損即時確認為開支。

倘減值虧損於其後撥回，則資產的賬面值將增至經修訂之估計可收回金額，惟已增加的賬面值不得超過假設有關資產於過往年度並無確認減值虧損下原應釐定之賬面值。減值虧損撥回即時確認為收入。

撥備

倘本集團因過往事件而須承擔現有責任，而本集團很可能須履行該項責任時，則須確認撥備。撥備乃經考慮責任所附帶的風險及不確定因素後，根據於報告期末為償還現有責任所需代價之最佳估計計算。倘撥備乃按履行現有責任之估計現金流量計量，其賬面值則按影響重大之有關現金流量之現值計值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to directors and employees

The fair value of services received is determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates during the vesting period, if any, is recognised in profit or loss, with a corresponding adjustment to share options reserve.

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

Share options granted to consultants

Share options issued in exchange for goods or services are measured at the fair values of the goods or services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of the goods or services received are recognised as expenses, with a corresponding increase in equity (share options reserve), when the Group obtains the goods when the counterparties render services, unless the goods or services qualify for recognition as assets.

3. 重大會計政策 (續)

以股份支付之交易

股權結算以股份支付之交易

授予董事及僱員之購股權

參照授出當日已授出購股權之公平值而釐定已收取服務之公平值，於歸屬期內以直線法確認為開支，並於權益(購股權儲備)中作出相應增加。

於報告期末，本集團修訂其對預期最終將予歸屬之購股權數目之估計。估計於歸屬期內的修訂之影響(如有)在損益內確認，並對購股權儲備作出相應調整。

當行使購股權時，過往於購股權儲備確認之金額將轉撥至股份溢價。當購股權於歸屬日後被沒收或於屆滿日期仍未行使，則過往於購股權儲備確認之金額將轉撥至累計虧損。

授予顧問的購股權

發行以換取貨品或服務之購股權乃按所收到貨品或服務之公平值計量，除非有關公平值不能被可靠地計量，則此情況下所收到貨品或服務乃參考所授出購股權之公平值計量。除非貨品或服務符合資格確認為資產，否則所收到貨品或服務之公平值會於本集團取得貨品或對手方提供服務時確認為開支，並於權益(購股權儲備)作出相應增加。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties

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

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is an associate;
- (c) the party is a jointly-controlled entity;
- (d) the party is a member of the key management personnel of the Group or its parent;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

3. 重大會計政策 (續)

關連人士

倘任何人士符合以下條件，則視為本集團的關連人士：

- (a) 該名人士直接或間接透過一個或多個中介人：(i) 控制本集團，被本集團控制或與本集團受共同控制；(ii) 於本集團擁有權益，使其對本集團施以重大影響；或(iii)於本集團有共同控制權；
- (b) 該名人士為聯營公司；
- (c) 該名人士為共同控制實體；
- (d) 該名人士乃本集團或其母公司的主要管理人員；
- (e) 該名人士乃(a)或(d)所述的任何個別人士的近親；
- (f) 該名人士乃(d)或(e)所述的個別人士直接或間接控制、共同控制或有重大影響力或重大投票權的實體；或
- (g) 該名人士乃為本集團或屬本集團關連人士的任何實體的僱員福利而設的離職後福利計劃。

4. 重大會計判斷及估計不明朗因素的主要來源

於應用本集團的會計政策時(載於附註3)，本公司董事須就資產及負債的賬面值作出不易由其他來源得出的判斷、估計及假設。估計及有關假設乃基於過往經驗及被認為屬相關的其他因素作出。實際結果可能與該等估計有所不同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

The estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

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

Estimated impairment of film rights, films in progress and film royalty deposits

Impairment assessment on film rights, films in progress and film royalty deposits are performed at the end of each reporting period with reference to both internal and external market information, for example, sales forecast based on expected popularity of the respective titles, the expected production, sales and distribution costs to be reviewed to conclude the sale and the general economic condition of the relevant markets. As at 30 June 2011, the carrying value of film rights, films in progress and film royalty deposits amounted to approximately HKD6,042,000 (2010: HKD10,544,000). Changes in assumptions used in this assessment, including the forecasted revenue, may result in additional provision being made in the consolidated financial statements.

4. 重大會計判斷及估計不明朗因素的主要來源 (續)

估計及相關假設會持續進行評核。對會計估計的修訂倘僅影響對估計作出修訂之期間則於有關期間內確認，或倘修訂對當前及未來期間均有影響則於修訂期間及未來期間確認。

估計不明朗因素的主要來源

以下為有關未來的關鍵假設以及於報告期末有關估計不明朗因素的其他主要來源，具有導致下一財政年度資產及負債賬面值作出重大調整的重大風險。

電影版權、在製影片及電影版權按金的估計減值

於各報告期末參考內部及外界市場資料（例如根據各部影片的預期受歡迎程度作出的銷售預期、為完成銷售將予評核的預期生產、銷售及分銷成本以及相關市場的一般經濟狀況）對電影版權、在製影片及電影版權按金進行減值評估。於二零一一年六月三十日，電影版權、在製影片及電影版權按金的賬面值約為6,042,000港元（二零一零年：10,544,000港元）。於是項評估中採用的假設（包括預計收益）出現變動可能導致在綜合財務報表中作出額外撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. Details of impairment testing on goodwill are set out in Note 20.

Fair value of convertible notes at fair value through profit or loss

The fair value of the convertible notes designated at fair value through profit or loss is derived mainly from the application of the Monte Carlo Simulation model. The Monte Carlo Simulation model incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Monte Carlo Simulation model requires the input of highly subjective assumptions, including the volatility of share price, changes in subjective input assumptions can materially affect the fair value estimate. Details of the assumptions disclosed in Note 29.

4. 重大會計判斷及估計不明朗因素的主要來源 (續)

商譽的估計減值

釐定商譽有否減值時，須要對已獲分配商譽的現金產生單位使用價值作出估計。本集團計算使用價值時，須要估計預期該現金產生單位日後所產生的現金流量及合適折現率，方可計算其現值。若日後的實際現金流量少於預期，則可能出現重大減值虧損。商譽減值測試詳情載於附註20。

經損益賬按公平值入賬之可換股票據之公平值

指定經損益賬按公平值入賬之可換股票據之公平值主要透過應用蒙特卡羅模擬模型計算得出。蒙特卡羅模擬模型計入市場數據及涉及管理層於假設時所採用之估計之不確定因素。由於蒙特卡羅模擬模型須輸入包括股價波動等高度主觀假設，因此主觀假設之變動可能對公平值估計構成重大影響。假設之詳情於附註29披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Determination of fair values of identifiable intangible assets arising from the business combination

The acquired identifiable assets and liabilities and contingent liabilities assumed had to be measured at their respective fair values as at the date of acquisition. The difference between the cost of acquisition and the fair value of the Group's share of net assets so acquired should be recognised as goodwill on the end of the reporting period date or recognised in the consolidated statement of comprehensive income. In the absence of an active market for the business combination/acquisition transactions undertaken by the Group, in order to determine the fair values of assets acquired and liabilities assumed, the directors of the Company had made their estimates according to valuation results produced by external valuers.

Estimated impairment of trade receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss 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 been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 30 June 2011, the carrying amount of trade receivables is HKD54,724,000 (net of allowance for doubtful debts of Nil) (2010: carrying amount of approximately HKD30,626,000, net of allowance for doubtful debts of HKD790,000).

4. 重大會計判斷及估計不明朗因素的主要來源 (續)

釐定業務合併產生的可識別無形資產的公平值

所購入可識別資產及所承擔的負債與或然負債須按收購日期各自之公平值計量。收購成本與本集團應佔所收購資產淨值的公平值之差額於報告日期未確認為商譽或在綜合全面收益表確認。由於本集團所進行業務合併/收購交易並無活躍市場，故釐定所收購資產及所承擔負債的公平值時，本公司董事已根據外界估值師所提供估值結果作出估計。

貿易應收賬款的估計減值

倘有客觀證據顯示出現減值虧損，本集團即會考慮估計未來現金流量。減值虧損金額按資產賬面值與估計未來現金流量（不包括尚未產生之日後信貸虧損）按該金融資產原定實際利率（即初步確認時計算之實際利率）折現之現值間之差額計量。倘實際未來現金流量少於預期，則可能產生重大減值虧損。於二零一一年六月三十日，貿易應收賬款之賬面值為54,724,000港元（扣除呆賬撥備零港元）（二零一零年：賬面值約為30,626,000港元，扣除呆賬撥備790,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimate are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

As at 30 June 2011, the Group had unused tax losses of approximately HKD60,823,000 (2010: HKD55,086,000) available for offset against future profits. No deferred tax asset in relation to unused tax losses has been recognised in the Group's consolidated statement of financial position due to the unpredictability of future profits streams. In case where there are future profits generated to utilise the tax losses, a material deferred tax asset may arise, which would be recognised in the consolidated statement of comprehensive income for the year in which such profits are recorded.

5. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of net debt, which includes convertible notes payable (Note 29), cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

4. 重大會計判斷及估計不明朗因素的主要來源 (續)

所得稅

本集團須繳納若干司法權區的所得稅。釐定所得稅撥備時需要作出重大估計。於日常業務過程中，許多交易及計算所涉及的最終稅項未能明確釐定。倘該等事件的最終稅務結果與初始紀錄的金額存在差異，則該等差額將影響作出有關釐定年度的所得稅及遞延稅撥備。

於二零一一年六月三十日，本集團有未動用稅項虧損約60,823,000港元(二零一零年：55,086,000港元)可用作抵銷未來溢利。由於未來溢利來源的不可預測性，因此並無與未動用稅項虧損有關的遞延稅項資產於本集團的綜合財務狀況表內確認。倘有未來溢利使用到可動用稅項虧損，則可能產生重大遞延稅項資產並於錄得該溢利所屬年度之綜合全面收益表內確認。

5. 資本風險管理

本集團資本管理之目標為保障旗下實體能持續經營業務，並透過實現債務與權益之間的最佳平衡，為股東帶來最大回報。本集團之整體策略與過往年度維持不變。

本集團之資本架構包括債務淨額(包括應付可換股票據(附註29))、現金及現金等價物及本公司之擁有人應佔權益(包括已發行股本及儲備)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

5. CAPITAL RISK MANAGEMENT

(Continued)

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on the recommendation of the Company's directors, the Group will balance its overall capital structure through the new share issues and share buy-back as well as the issue of new debts or the redemption of existing debts.

5. 資本風險管理 (續)

本公司之董事定期檢討資本架構。作為此檢討之一部份，本公司之董事考慮資本之成本及與各類資本相關之風險。根據本公司董事之建議，本集團將透過發行新股份及股份購回以及發行新債務或贖回現有債務之方式平衡整體資本架構。

6. FINANCIAL INSTRUMENTS

a) Categories of financial instruments

6. 金融工具

a) 金融工具類別

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Financial assets	金融資產		
Loan and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	135,955	209,710
Financial liabilities	金融負債		
Financial liabilities measured	按以下方式計算之金融負債		
At amortised cost	按攤銷成本	83,734	84,148
At fair value through profit and loss	經損益賬按公平值入賬	24,801	—
		108,535	84,148

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

6. FINANCIAL INSTRUMENTS

(Continued)

b) Financial risk management objective and policies

The Group's major financial instruments include trade receivables, deposits and other receivables, loan receivables and cash and cash equivalents, trade payables, other payables, convertible notes payable and obligations under finance leases are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on timely and effective manner.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency and interest rates. Market risk exposures are further measured by sensitivity analysis. There has been no significant change to the Group's exposure to market risks or the manner in which it manages and measures the risk. Details of each type of market risks are described as follows:

Currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 60% (2010: 11%) of the Group's sales for the year ended 30 June 2011 are denominated in currencies other than the functional currency of the group entity making the sale, whilst almost 38% (2010: 7%) of costs are denominated in currencies other than the group entity's functional currency.

6. 金融工具 (續)

b) 金融風險管理目標及政策

本集團之主要金融工具包括貿易應收賬款、按金及其他應收款項、應收貸款以及現金及現金等價物、貿易應付賬款、其他應付款項、應付可換股票據以及融資租賃承擔。金融工具之詳情於各相關附註披露。有關該等金融工具之風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。有關降低該等風險之政策乃於下文載列。管理層將管理及監控該等風險，以確保及時有效地實施適當之措施。

市場風險

本集團業務主要面對外幣及利率變動之金融風險。所面對之市場風險乃以敏感度分析進一步計量。本集團面對之市場風險或其管理及計量風險之方式並無重大改變。各類市場風險詳述如下：

貨幣風險

本公司之若干附屬公司有外幣買賣，令本集團面對外幣風險。截至二零一一年六月三十日止年度，本集團約60%(二零一零年：11%)之銷售額乃以進行銷售的集團實體的功能貨幣以外的貨幣計值，而近38%之成本(二零一零年：7%)則以集團實體的功能貨幣以外的貨幣計值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

6. FINANCIAL INSTRUMENTS

(Continued)

b) Financial risk management objective and policies (Continued)

Currency risk (Continued)

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

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Assets	資產	58,993	7,233
Liabilities	負債	(30,180)	(30,198)

The Group currently does not have a foreign currency hedging policy. However, the management has closely monitored the Group's foreign exchange exposure and will consider hedging significant foreign currency risk should the need arise.

Sensitivity analysis

The Group is mainly exposed to the currency of the PRC (i.e: RMB).

6. 金融工具 (續)

b) 金融風險管理目標及政策 (續)

貨幣風險 (續)

於報告日期，本集團按外幣計值之貨幣資產及貨幣負債的賬面值如下：

本集團現時並無任何外幣對沖政策。然而，管理層會監控本集團之外匯風險，且於必要時將考慮對沖重大外幣風險。

敏感度分析

本集團主要面對中國貨幣(即人民幣)的風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

6. FINANCIAL INSTRUMENTS

(Continued)

b) Financial risk management objective and policies (Continued)

Sensitivity analysis (Continued)

The following table details the Group's sensitivity to a 5% (2010: 5%) increase and decrease in Hong Kong dollars against the RMB. 5% (2010: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end of the reporting period for 5% change in foreign currency rates. The sensitivity analysis includes bank balances, trade and other receivables, trade payables, accruals and other payables. A positive number below indicates an increase in post-tax loss where Hong Kong dollars strengthen 5% (2010: 5%) against the RMB. For a 5% (2010: 5%) weakening of Hong Kong dollars against the RMB, there would be an equal and opposite impact on the loss and the balances below would be negative.

6. 金融工具 (續)

b) 金融風險管理目標及政策 (續)

敏感度分析 (續)

下表詳列本集團對港元兌人民幣升值及貶值5% (二零一零年：5%) 之敏感度。5% (二零一零年：5%) 為向主要管理人員報告內部外幣風險時所採納之敏感率，其反映管理層對外匯匯率之合理可能變動之評估。敏感度分析僅包括以外幣計算之尚未平倉貨幣項目，並於報告期末調整其兌換以反映外幣匯率之5%變動。敏感度分析包括銀行結餘、貿易應收賬款及其他應收款項、貿易應付賬款、應計款項及其他應付款項。下列正數表示港元兌人民幣升值5% (二零一零年：5%) 所導致之稅後虧損增加。倘港元兌人民幣貶值5% (二零一零年：5%)，將會對虧損造成等值及相反之影響，及下列結餘將會出現負數。

		2011 二零一一年 '000 千元	2010 二零一零年 '000 千元
Loss for the year	年內虧損		
— RMB	— 人民幣	1,441	1,148

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

6. FINANCIAL INSTRUMENTS

(Continued)

b) Financial risk management objective and policies (Continued)

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to the fixed-rate obligations under finance leases and fixed-rate loan receivable for both years.

The Group currently does not have an interest rate hedging policy. However, the management monitors interest exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

The Group is also exposed to cash flow interest rate risk related to bank balances and short-term bank deposits carried at prevailing market rate.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

Sensitivity analysis

At 30 June 2011, if interest rates had increased or decreased by 1% and all other variables were held constant, the Group's loss before tax for the year and accumulated losses would increase by approximately HKD131,000 and HKD4,000 respectively (2010: increased by approximately HKD279,000 and decreased by approximately HKD300). This is mainly attributable to the Group's exposure to floating interest rates of the bank balance

6. 金融工具 (續)

b) 金融風險管理目標及政策 (續)

利率風險

本集團面對有關兩個年度按固定利率計算之融資租賃承擔及固定利率應收貸款之公平值利率風險。

本集團現時並無利率對沖政策。然而，管理層會監控利息風險，且將於預計有重大利率風險時考慮其他必要的行動。

本集團亦面對有關按當時市場利率入賬之銀行結餘及短期銀行存款之現金流利率風險。

本集團就金融負債面臨之利率風險已於本附註流動資金風險管理一節中予以詳述。

敏感度分析

於二零一一年六月三十日，倘利率上升或下降1%，而所有其他變量維持不變，本集團的年內除稅前虧損及累計虧損將分別增加約131,000港元及4,000港元（二零一零年：增加約279,000港元及減少約300港元）。這主要可歸因於本集團面對銀行結餘的浮動利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

6. FINANCIAL INSTRUMENTS

(Continued)

b) Financial risk management objective and policies (Continued)

Credit risk

As at 30 June 2011, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The Group reviews the recoverable amount of each individual trade and other receivables at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group's concentration of credit risk by geographical locations is mainly in the PRC including Hong Kong. As at 30 June 2011, the Group has certain concentration of credit risk as 38% (2010: 50%) of the total trade receivables was due from the Group's largest customer.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies and authorised banks in the PRC with high-credit ratings.

Liquidity risk

In management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents considered adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

6. 金融工具 (續)

b) 金融風險管理目標及政策 (續)

信貸風險

於二零一一年六月三十日，本集團因交易對方未能履行責任(本集團已就此作出撥備)而可能面臨財務虧損的最高信貸風險，乃因綜合財務狀況表中所述各項已確認金融資產的賬面值而產生。

本集團於報告期末檢討各貿易應收賬款及其他應收款項之可收回金額，以確保對不可收回之款項作出足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

本集團之集中信貸風險(按地域計算)主要來自中國(包括香港)。於二零一一年六月三十日，本集團就本集團之最大單一客戶之貿易應收賬款總額之集中信貸風險為38%(二零一零年：50%)。

因交易對方為經國際信貸評級機構授予較高信貸評級的銀行及中國具備較高信貸評級的授權銀行，故本集團流動資金之信貸風險有限。

流動資金風險

在管理流動資金風險的過程中，本集團會監控並維持管理層認為足夠的現金及現金等價物水平，為本集團的營運提供資金並降低現金流波動的影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

6. FINANCIAL INSTRUMENTS

(Continued)

b) Financial risk management objective and policies (Continued)

Liquidity risk (Continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

Liquidity tables

		Weighted average effective interest rate 加權平均實際利率	Within 1 year or on demand 一年內或應要求 HKD'000 千港元	Total undiscounted cash flow 未貼現之現金流量總額 HKD'000 千港元	Carrying amounts 賬面值 HKD'000 千港元
At 30 June 2011	於二零一一年六月三十日				
Non-derivative financial liabilities	非衍生金融負債				
Trade payables	貿易應付賬款	—	37,497	37,497	37,497
Other payables	其他應付款項	—	46,237	46,237	46,237
Convertible notes payable	應付可換股票據	13.12%	24,801	24,801	24,801
			108,535	108,535	108,535

6. 金融工具 (續)

b) 金融風險管理目標及政策 (續)

流動資金風險 (續)

下表詳細列明本集團非衍生金融負債餘下合約的到期期限。該表乃按金融負債於本集團可能被要求償還的最早日期的未貼現現金流量為基準編製。該表載列了利息及本金現金流量。在利息流按浮動利率計息的前提下，未貼現金額乃根據報告期末的利率計算得出。

流動資金表

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

6. FINANCIAL INSTRUMENTS

(Continued)

b) Financial risk management objective and policies (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

		Weighted average effective interest rate 加權平均 實際利率	Within 1 year or on demand 一年內或 應要求 HKD'000 千港元	Total undiscounted cash flow 未貼現之 現金流量總額 HKD'000 千港元	Carrying amounts 賬面值 HKD'000 千港元
At 30 June 2010	於二零一零年六月三十日				
Non-derivative financial liabilities	非衍生金融負債				
Trade payables	貿易應付賬款	—	28,044	28,044	28,044
Other payables	其他應付款項	—	56,083	56,083	56,083
Obligations under finance leases	融資租賃承擔	2.56%	22	22	21
			84,149	84,149	84,148

Note: The undiscounted amount represented the redemption amount on maturity on the assumption that there was no conversion prior to maturity.

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if change in variable interest rates differ to those estimates of interest rate determined at the end of the reporting period.

6. 金融工具 (續)

b) 金融風險管理目標及政策 (續)

流動資金風險 (續)

流動資金表 (續)

附註：未貼現金額指假設到期前並無轉換的情況下之到期贖回金額。

倘浮動利率之變動與該等於報告期末釐定之估計利率變動出現差異，計入上述非衍生金融負債之浮動利率工具之金額將會變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

6. FINANCIAL INSTRUMENTS

(Continued)

c) Fair value

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

- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair value due to their short-term maturities.

6. 金融工具 (續)

c) 公平值

金融資產與金融負債之公平值釐定如下：

- 其他金融資產及金融負債的公平值乃按貼現現金流量分析的公認定價模型，利用來自可觀察的現有市場交易的價格或利率釐定。

本公司董事認為，綜合財務報表中按經攤銷成本入賬之金融資產及金融負債之賬面值，因到期日屬短期而與其公平值相若。

7. TURNOVER

Turnover represents the net amounts received and receivable for goods sold or services provided by the Group to outside customers, less returns and discounts and sales related taxes.

An analysis of the Group's turnover for the year is as follows:

7. 營業額

營業額指本集團向外部客戶出售貨物及提供服務之已收及應收款項淨額，經扣除退貨、折扣及銷售相關稅項。

本集團的年內營業額分析如下：

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Film exhibition, film rights licensing and sub-licensing	電影放映、授出及轉授電影版權費	12,850	33,796
Income from artiste management	藝人管理收入	5,244	5,298
Sales of telecommunication products and providing wireless services	銷售電訊產品及提供無線服務	15,191	5,532
Traffic signboard advertising income	交通指示牌廣告收入	11,972	—
		45,257	44,626

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

8. OTHER INCOME AND GAINS

An analysis of the Group's other income and gains for the year are as follows:

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Other income and gains	其他收入及收益		
Bank interest income	銀行利息收入	12	1
Exchange gain, net	匯兌收益，淨額	69	2
Commission income	佣金收入	9,267	1,376
Sundry income	雜項收入	1,969	936
Reversal of impairment loss in respect of trade receivables	貿易應收賬款之減值虧損撥回	806	—
Reversal of impairment loss in respect of other receivables	其他應收款項之減值虧損撥回	167	—
		12,290	2,315

8. 其他收入及收益

本集團的年內其他收入及收益分析如下：

9. SEGMENT INFORMATION

Information reported to the board of directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. This is also the basis upon which the Group is organised and managed.

Specifically, the Group's reportable segments under HKFRS 8 are as follows:

- Film exhibition, film rights licensing and sub-licensing
- Artiste management
- Sales of telecommunication products and providing wireless services
- Traffic signboard advertising

For the year ended 30 June 2011, there is a new reportable segment regarding traffic signboard advertising.

9. 分類資料

就資源分配及分類表現評估而向本公司董事會(即主要經營決策者)報告之資料，集中於所交付或提供之貨品或服務的類型。此亦為本集團組織及管理的基準。

具體而言，本集團根據香港財務報告準則第8號之可呈報分類如下：

- 電影放映、授出及轉授電影版權
- 藝人管理
- 銷售電訊產品及提供無線服務
- 交通指示牌廣告

截至二零一一年六月三十日止年度，本集團新增一個關於交通指示牌廣告的可呈報分類。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

9. SEGMENT INFORMATION (Continued)

9. 分類資料 (續)

(a) Segment revenues and results

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

For the year ended 30 June

(a) 分類收益及業績

本集團按可呈報分類之營業額及業績分析如下：

截至六月三十日止年度

		Film exhibition, film rights licensing and sub-licensing 電影放映、授出及轉授電影版權		Artiste management 藝人管理		Sales of telecommunication products and providing wireless services 銷售電話產品及提供無線服務		Traffic signboard advertising 交通指示牌廣告		Consolidated 綜合	
		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Turnover	營業額	12,850	33,796	5,244	5,298	15,191	5,532	11,972	—	45,257	44,626
Segment results	分類業績	(2,055)	(21,801)	129	1,899	19,298	(12,810)	5,827	—	23,199	(32,712)
Interest income	利息收入									12	1
Unallocated corporate income	未分配公司收入									14	—
Unallocated corporate expenses	未分配公司開支									(51,846)	(11,735)
Finance costs	融資成本									(552)	(8)
Loss before tax	除稅前虧損									(29,713)	(44,454)

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Segment results represent the profit (loss) from each segment without allocation of interest income, share-based payments expenses, central administration costs, directors' emoluments and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

可呈報分類之會計政策與附註3所述之本集團會計政策相同。分類業績指各分類尚未分配利息收入、以股份為基礎之付款費用、中央行政費用、董事酬金及融資成本之溢利(虧損)。此乃就資源分配及表現評估而向主要經營決策者進行呈報之方法。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

9. SEGMENT INFORMATION (Continued)

(b) Segment assets and liabilities

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

At 30 June

		Film exhibition, film rights licensing and sub-licensing 電影放映、授出及 轉授電影版權		Artiste management 藝人管理		Sales of telecommunication products and providing wireless services 銷售電訊產品及 提供無線服務		Traffic signboard advertising 交通指示牌廣告		Consolidated 綜合	
		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Segment assets	分類資產	42,107	44,696	33,744	19,106	62,207	67,473	986,635	—	1,124,693	131,275
Unallocated corporate assets	未分配公司資產									166,891	409,624
Total assets	資產總值									1,291,584	540,899
Segment liabilities	分類負債	43,463	38,627	11,641	2,555	6,245	28,654	80,499	—	141,848	69,836
Unallocated corporate liabilities	未分配公司負債									43,909	19,850
Total liabilities	負債總額									185,757	89,686

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments other than unallocated corporate assets (mainly comprising deposit paid for acquisition of a subsidiary, cash and cash equivalents); and
- all liabilities are allocated to reportable segments other than unallocated corporate liabilities (mainly comprising convertible notes payable, other payables and accruals and deposits received).

9. 分類資料 (續)

(b) 分類資產及負債

本集團按可呈報分類之資產及負債分析如下：

於六月三十日

為監管分類的表現及分類間之資源分配：

- 除未分配公司資產(主要包括收購一間附屬公司的已付按金、現金及現金等價物)外，所有資產均分配予可呈報分類；及
- 除未分配公司負債(主要包括應付可換股票據、其他應付款項及應計款項及已收按金)外，所有負債均分配予可呈報分類。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

9. SEGMENT INFORMATION (Continued)

9. 分類資料 (續)

(c) Other segment information

(c) 其他分類資料

For the year ended 30 June

截至六月三十日止年度

Amounts included in the measure of segment profit (loss) or segment assets:

計量分類損益或分類資產時所包含之款項：

		Film exhibition, film rights licensing and sub-licensing 電影放映、授出及轉授電影版權		Artiste management 藝人管理		Sales of telecommunication products and providing wireless services 銷售電訊產品及提供無線服務		Traffic signboard advertising 交通指示牌廣告		Unallocated 未分配		Consolidated 綜合	
		2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Other segment information:	其他分類資料：												
Capital expenditure	資本開支	—	6	—	—	16	14,769	215,720	—	1,396	1,569	217,132	16,344
Depreciation of property, plant and equipment	物業、廠房及設備折舊	32	59	140	140	4,171	1,564	1,044	—	304	27	5,691	1,790
Amortisation of intangible assets	無形資產攤銷	—	—	—	—	—	—	3,098	—	—	—	3,098	—
Amortisation of film rights	電影版權攤銷	2,056	24,788	—	—	—	—	—	—	—	—	2,056	24,788
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	—	—	—	—	11	—	—	—	—	—	11	—
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	—	—	—	—	—	5,895	—	—	—	—	—	5,895
Impairment loss recognised in respect of film rights and films in progress	就電影版權及在製影片確認之減值虧損	2,549	8,549	—	—	—	—	—	—	—	—	2,549	8,549
Impairment loss recognised in respect of trade receivables	就貿易應收賬款確認之減值虧損	—	—	—	—	—	786	—	—	—	—	—	786
Reversal of impairment loss in respect of trade receivables	就貿易應收賬款撥回之減值虧損	—	—	—	—	(806)	—	—	—	—	—	(806)	—
Impairment loss recognised in respect of other receivables	就其他應收款項確認之減值虧損	—	—	108	—	514	163	—	—	—	—	622	163
Reversal of impairment loss in respect of other receivables	就其他應收款項撥回之減值虧損	—	—	—	—	(167)	—	—	—	—	—	(167)	—

Capital expenditure for the year ended 30 June 2011 includes additions resulted from acquisition through business combinations, amounting to approximately HKD202,269,000 (2010: HKD14,736,000).

截至二零一一年六月三十日止年度的資本開支包括因透過業務合併進行收購而產生的添置，金額約為202,269,000港元（二零一零年：14,736,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

9. SEGMENT INFORMATION (Continued)

(c) Other segment information (Continued)

Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit (loss) or segment assets:

	Film exhibition, film rights licensing and sub-licensing 電影放映、授出及轉授電影版權		Artiste management 藝人管理		Sales of telecommunication products and providing wireless services 銷售電訊產品及提供無線服務		Traffic signboard advertising 交通指示牌廣告		Unallocated 未分配		Consolidated 綜合	
	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Interest income 利息收入	—	—	7	—	2	1	1	—	2	—	12	1
Finance costs 融資成本	—	—	—	8	—	—	—	—	552	—	552	8
Income tax expenses 所得稅開支	37	4	—	—	2,317	6	1,492	—	—	—	3,846	10

Information about major customers

Revenue from major customers of the corresponding years contributing over 10% of the total turnover of the Group is as follows:

	Year ended 2011 截至 二零一一年 止年度 HKD'000 千港元	Year ended 2010 截至 二零一零年 止年度 HKD'000 千港元
¹ Customer A 1客戶A	15,191	4,605
² Customer B (Note) 2客戶B (附註)	6,720	—
³ Customer C 3客戶C	7,823	4,944
⁴ Customer D 4客戶D	4,653	4,499
	34,387	14,048

- Turnover from sales of telecommunication products and providing wireless services
- Turnover from traffic signboard advertising
- Turnover from film exhibition, film rights licensing and sub-licensing
- Turnover from artiste management

9. 分類資料 (續)

(c) 其他分類資料 (續)

定期提供予主要經營決策者但不包含於分類損益或分類資產計量的數額：

主要客戶之資料

於相關年度佔本集團總營業額超過10%的主要客戶之收益如下：

- 來自銷售電訊產品及提供無線服務的營業額
- 來自交通指示牌廣告的營業額
- 來自電影放映、授出及轉授電影版權的營業額
- 來自藝人管理的營業額

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

9. SEGMENT INFORMATION (Continued)

(c) Other segment information (Continued)

Information about major customers

(Continued)

Note: As the corresponding turnover for the year ended 30 June 2010 did not contribute over 10% of the total sales of the Group for that year, the corresponding turnover has not disclosed.

Geographical information

The Group's turnover from external customers by geographical location is detailed below:

Turnover by geographical market

Name of the country	國家名稱	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Hong Kong	香港	3,460	21,427
The PRC (excluding Hong Kong)	中國(不包括香港)	40,781	18,834
Asia (excluding Hong Kong and the PRC)	亞洲(不包括香港及中國)	580	2,978
Others	其他	436	1,387
		45,257	44,626

The Group's non-current assets, other than films rights, films in progress, film royalty deposits and deposit paid for acquisition of a subsidiary by geographical location are detailed below:

Name of the country	國家名稱	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Hong Kong	香港	872	323
The PRC (excluding Hong Kong)	中國(不包括香港)	993,474	61,787
		994,346	62,110

9. 分類資料 (續)

(c) 其他分類資料 (續)

主要客戶之資料 (續)

附註：由於截至二零一零年六月三十日止年度的有關營業額佔本集團該年度的總銷售額不超過10%，故並無披露有關營業額。

地區資料

本集團按地區劃分之來自外部客戶的營業額詳情如下：

地區市場之營業額

本集團之非流動資產(電影版權、在製影片、電影版權按金及收購一間附屬公司已付按金除外)按地區劃分之詳情如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

10. FINANCE COSTS

10. 融資成本

	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Interest on borrowings wholly repayable within five years:		
— obligations under finance leases	1	8
Changes in fair value on convertible notes payable	551	—
	552	8

11. INCOME TAX EXPENSE

11. 所得稅開支

	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Current tax:		
— Hong Kong Profits Tax	37	4
— PRC Enterprise Income Tax	4,584	6
Deferred tax: (Note 33)		
— Current year	(775)	—
	3,846	10

(a) Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

The charge for the year to Hong Kong Profits Tax has been relieved by approximately HKD267,000 as a result of tax losses brought forward from previous years.

(b) Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries are 25% from 1 January 2008 onwards.

(a) 香港利得稅乃就兩個年度的估計應課稅溢利按稅率16.5%計算。

由於結轉過往年度的稅務虧損，本年度香港利得稅支出已獲寬減約267,000港元。

(b) 根據中國企業所得稅法（「企業所得稅法」）及企業所得稅法實施條例，自二零零八年一月一日起，中國附屬公司之稅率為25%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

11. INCOME TAX EXPENSE (Continued)

(c) Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Income tax expense for the year can be reconciled to the loss before tax per the consolidated statement of comprehensive income as follows:

11. 所得稅開支 (續)

(c) 於其他司法權區產生的稅項按相關司法權區的現行稅率計算。

年內所得稅開支與綜合全面收益表之除稅前虧損對賬如下：

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Loss before tax	除稅前虧損	(29,173)	(44,454)
Tax at applicable domestic income tax rate of 16.5% (2010: 16.5%)	按當地適用的所得稅稅率16.5%計算的稅項 (二零一零年：16.5%)	(4,814)	(7,335)
Tax effect of expenses not deductible for tax purpose	就稅務而言不可扣除開支之稅務影響	7,007	3,424
Tax effect of income not taxable for tax purpose	就稅務而言毋須課稅收入之稅務影響	(4)	—
Tax effect of unused tax losses not recognised	未確認尚未動用之稅項虧損之稅務影響	991	5,074
Tax effect of prior tax losses utilised this year	於本年度動用過往稅項虧損之稅務影響	(44)	(291)
Tax effect of deductible temporary differences not recognised	未確認可扣稅暫時差額之稅務影響	(128)	(48)
Tax effect of different tax rates of subsidiaries operating in other jurisdiction	於其他司法權區經營的附屬公司的稅率差異之稅務影響	838	(814)
Income tax expense for the year	年內所得稅開支	3,846	10

At the end of the reporting period, the Group had unused tax losses of approximately HKD60,823,000 (Note 4) (2010: HKD55,086,000) available to offset against future profits. No deferred taxation asset has been recognised due to unpredictability of future profits streams. Tax losses may be carried forward indefinitely.

Details of deferred taxation are set out in Note 33.

於報告期末，本集團的未動用稅務虧損約60,823,000港元(附註4)(二零一零年：55,086,000港元)可用於抵銷未來溢利。由於未來溢利流難以預測，故並無確認遞延稅項資產。稅務虧損或可無限期結轉。

遞延稅項之詳情載於附註33。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

12. LOSS BEFORE TAX

12. 除稅前虧損

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Loss before tax has been arrived at after charging (crediting):	除稅前虧損已扣除 (計入)以下各項：		
Staff costs, including directors' remuneration (Note 15)	員工成本，包括董事酬金 (附註15)		
— Salaries, wages and other benefits	— 薪金、工資及其他福利	3,998	5,219
— Share-based payments	— 以股份為基礎的付款	37,999	—
— Contributions to retirement benefit schemes	— 退休福利計劃供款	50	78
Total staff costs	總員工成本	42,047	5,297
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	5,691	1,790
Amortisation of film rights	電影版權攤銷	2,056	24,788
Amortisation of intangible assets	無形資產攤銷	3,098	—
Impairment loss recognised in respect of goodwill	就商譽確認之 減值虧損	—	5,895
Impairment loss recognised in respect of film rights and films in progress	就電影版權及在製影片 確認之減值虧損	2,549	8,549
Impairment loss recognised in respect of trade receivables	就貿易應收賬款確認之 減值虧損	—	786
Reversal of impairment loss in respect of trade receivables	就貿易應收賬款撥回之 減值虧損	(806)	—
Impairment loss recognised in respect of other receivables	就其他應收款項確認之 減值虧損	622	163
Reversal of impairment loss in respect of other receivables	就其他應收款項撥回之 減值虧損	(167)	—
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損	11	—
Share-based payments — consultant	以股份為基礎的付款 — 顧問	332	—
Auditor's remuneration	核數師酬金	2,450	480
Minimum lease payments under operating lease in respect of rented premises	出租物業之經營租賃的 最低租金付款	3,513	6,642

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

13. LOSS PER SHARE

The calculation of the basic loss per share for the year ended 30 June 2011 is based on the consolidated loss for the year attributable to the owners of the Company of approximately HKD36,254,000 (2010: HKD44,464,000) and the weighted average number of approximately 1,603,724,000 shares (2010: 1,309,703,000 shares (restated) in issue during the year.

The weighted average number of ordinary shares for the year ended 30 June 2010 for the purpose of basic loss per share has been restated for consolidation of shares on 30 June 2011 as detailed in Note 31.

The basic and diluted loss per share are the same as the computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible notes and share options since their exercise would result in a decrease in loss per share from operations.

14. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS)

13. 每股虧損

截至二零一一年六月三十日止年度之每股基本虧損乃根據本公司擁有人應佔年度綜合虧損約36,254,000港元(二零一零年: 44,464,000港元)及年內已發行股份之加權平均數約1,603,724,000股(二零一零年: 1,309,703,000股(經重列))計算。

就計算截至二零一零年六月三十日止年度每股基本虧損的普通股加權平均數已於二零一一年六月三十日經股份合併重列,詳情載於附註31。

每股基本及攤薄虧損相同,乃由於行使本公司未行使可換股票據及購股權會導致經營業務的每股虧損減少,故在計算每股攤薄虧損時並無假設有關兌換。

14. 員工成本(不包括董事酬金)

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Salaries, wages and other benefits	薪金、工資及其他福利	3,377	4,067
Share-based payments	以股份為基礎的付款	23,065	—
Contributions to retirement benefit schemes	退休福利計劃供款	49	64
		26,491	4,131

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

14. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS)

(Continued)

Hong Kong

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for its Hong Kong employees. The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, each of the Group companies (the "Employer") operated in Hong Kong and its employees makes monthly contribution to the scheme a 5% of the employee's earning as defined under the Mandatory Provident Fund Legislation. The contributions from each of the Employer and employees are subject to a cap of HKD1,000 per month.

The PRC, other than Hong Kong

As stipulated by rules and regulations in the PRC, the Group's subsidiaries established in the PRC are required to contribute to a state-sponsored retirement plan for all its employees. The state-sponsored retirement plan is responsible for the entire pension obligations payables to all retired employees. Under the state-sponsored retirement plan, the Group has no further obligations for the actual pension payments or post-retirement benefits beyond the annual contributions.

14. 員工成本 (不包括董事酬金) (續)

香港

本集團安排香港僱員參與由香港強制性公積金計劃條例規定的強制性公積金計劃 (「強積金計劃」)。強積金計劃屬於界定供款退休計劃，由獨立受託人管理。根據強積金計劃，本集團於香港經營的各成員公司 (「僱主」) 及其僱員每月均按有關僱員的 5% 收入 (定義見強制性公積金法例) 作出供款。僱主及僱員之供款以每月 1,000 港元為限。

中國，香港除外

按照中國的條例及法規規定，本集團於中國成立之附屬公司須向所有僱員作出國家退休福利計劃供款。國家退休福利計劃負責向所有退休僱員支付全部退休金。根據國家退休福利計劃，本集團除每年供款外毋須對實際退休金支出或退休後福利作出任何承擔。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

15. DIRECTORS' EMOLUMENTS

15. 董事酬金

The emoluments paid or payables to each of 6 (2010: 7) directors were as follows:

已付或應付予6名(二零一零年: 7名)董事之酬金如下:

Names of Directors 董事姓名	2011 二零一一年					2010 二零一零年			
	Fees 袍金	Salaries, wages and other benefits 薪金、工資及其他福利	Contributions to retirement benefits 退休福利計劃供款	Share-based payments 以股份為基礎的付款	Total 總計	Fees 袍金	Salaries, wages and other benefits 薪金、工資及其他福利	Contributions to retirement benefits 退休福利計劃供款	Total 總計
	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元
Executive directors: 執行董事:									
Mr. Li Hongrong 李鴻榮先生	—	—	—	—	—	—	—	—	—
Mr. Zhou Zhibin (Note a) 周志斌先生(附註a)	31	480	—	4,978	5,489	—	—	—	—
Mr. Theo EDE (Note b) Theo EDE先生(附註b)	29	—	—	—	29	69	—	2	71
Mr. Ou Bai (Note b) 歐柏先生(附註b)	—	—	—	—	—	—	—	—	—
Mr. Tong Hing Chi (Note c) 唐慶枝先生(附註c)	—	—	—	—	—	100	—	—	100
Dr. Yap Allan (Note d) Yap Allan博士(附註d)	—	—	—	—	—	33	—	—	33
Mr. Zhuo Wu (Note e) 卓伍先生(附註e)	—	31	1	—	32	50	810	12	872
Mr. Zhang Fan (Note f) 張帆先生(附註f)	—	—	—	4,978	4,978	—	—	—	—
Mr. Hu Yangjun (Note g) 胡楊俊先生(附註g)	—	—	—	4,978	4,978	—	—	—	—
Independent non-executive directors: 獨立非執行董事:									
Ms. Chen Xiao Rong (Note h) 陳曉榮女士(附註h)	—	—	—	—	—	—	—	—	—
Mr. Hu Yangjun (Note g) 胡楊俊先生(附註g)	—	—	—	—	—	—	—	—	—
Professor Song Junde (Note i) 宋俊德教授(附註i)	—	—	—	—	—	—	—	—	—
Professor Chen Lujun (Note j) 陳呂軍教授(附註j)	—	—	—	—	—	—	—	—	—
Mr. Lam Kin Kau, Mark 林建球先生	50	—	—	—	50	50	—	—	50
Mr. Law Kwok Leung (Note k) 羅國樑先生(附註k)	—	—	—	—	—	20	—	—	20
Mr. Fung Wing Keung (Note k) 馮永強先生(附註k)	—	—	—	—	—	20	—	—	20
	110	511	1	14,934	15,556	342	810	14	1,166

Notes:

附註:

- a) Appointed on 2 November 2009
- b) Appointed on 13 May 2010
- c) Resigned on 3 June 2010
- d) Resigned on 20 July 2009
- e) Resigned on 16 July 2010
- f) Appointed on 9 September 2010
- g) Resigned from an independent non-executive director to an executive director on 15 December 2010
- h) Resigned on 9 September 2010
- i) Appointed on 14 July 2010
- j) Appointed on 15 December 2010
- k) Resigned on 24 June 2010

- a) 於二零零九年十一月二日獲委任
- b) 於二零一零年五月十三日獲委任
- c) 於二零一零年六月三日辭任
- d) 於二零零九年七月二十日辭任
- e) 於二零一零年七月十六日辭任
- f) 於二零一零年九月九日獲委任
- g) 於二零一零年十二月十五日辭任獨立非執行董事，並轉任為執行董事
- h) 於二零一零年九月九日辭任
- i) 於二零一零年七月十四日獲委任
- j) 於二零一零年十二月十五日獲委任
- k) 於二零一零年六月二十四日辭任

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

15. DIRECTORS' EMOLUMENTS

(Continued)

No directors waived or agreed to waive any emoluments in both years ended 30 June 2011 and 2010.

No emoluments have been paid by the Group to the directors of the Company as an inducement to join or upon joining the Group, or as compensation for loss of office during the two years ended 30 June 2011 and 2010.

16. SENIOR MANAGEMENT EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, three (2010: one) were directors of the Company whose emoluments are set out in the disclosure in Note 15 above. The emoluments of the remaining two (2010: four) highest paid individuals for the year ended 30 June 2011 and 2010 were as follows:

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Salaries, wages and other benefits	薪金、工資及其他福利	694	430
Share-based payments	以股份為基礎的付款	4,978	—
Contributions to retirement benefits schemes	退休福利計劃供款	9	9
		5,681	439

Their emoluments were within the following bands:

		2011 二零一一年 Number of employees 僱員數目	2010 二零一零年 Number of employees 僱員數目
Nil to HKD1,000,000	零至1,000,000港元	1	4
HKD4,000,000 — HKD5,000,000	4,000,000港元至 5,000,000港元	1	—

No emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office during the two years ended 30 June 2011 and 2010.

15. 董事酬金 (續)

概無董事放棄或同意放棄截至二零一一年及二零一零年六月三十日止兩個年度之任何酬金。

於截至二零一一年及二零一零年六月三十日止兩個年度內，本集團並無向本公司董事支付任何酬金，作為加入或在加入本集團時之獎勵或作為離職補償。

16. 高級管理層酬金

本集團五名最高薪酬個別人士內，三名(二零一零年：一名)為本公司董事，彼等之薪酬已於上文附註15列載。於截至二零一一年及二零一零年六月三十日止年度，其餘兩名(二零一零年：四名)最高薪酬個別人士之薪酬如下：

彼等之薪酬界乎以下範圍內：

截至二零一一年及二零一零年六月三十日止兩個年度期間，本集團概無向五名最高薪酬個別人士支付酬金以吸引彼等加入本集團，或加入本集團時作為獎金或作為離職補償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

17. DIVIDENDS

No dividend was paid or proposed for the year ended 30 June 2011 nor has any dividend been proposed since the end of the reporting period (2010: Nil).

17. 股息

截至二零一一年六月三十日止年度並無派付或擬派股息，自報告期末起亦無擬派任何股息(二零一零年：無)。

18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Leasehold improvements 租賃物業裝修	Office equipment 辦公室設備	Furniture and fixtures 傢俬及裝置	Plant and machinery 廠房及機器	Motor vehicles 汽車	Traffic signboards 交通指示牌	Construction in progress 在建工程	Total 總計
		HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HK'000 千港元	HKD'000 千港元
COST	成本								
At 1 July 2009	於二零零九年七月一日	75	216	190	327	543	—	—	1,351
Exchange realignment	匯兌調整	—	100	—	2	—	—	5	107
Additions	添置	—	930	76	543	—	—	49	1,598
Acquired on acquisition of subsidiaries	因收購附屬公司而購入	—	11,588	1	—	2,642	—	505	14,736
At 30 June 2010	於二零一零年六月三十日	75	12,834	267	872	3,185	—	559	17,792
Exchange realignment	匯兌調整	—	506	3	23	136	132	15	815
Additions	添置	620	40	171	—	—	11,403	2,629	14,863
Acquired on acquisition of subsidiaries	因收購附屬公司而購入	—	447	31	—	993	13,784	1,094	16,349
Transfers	轉撥	—	622	—	—	—	3,675	(4,297)	—
Disposals	出售	—	—	—	—	(353)	—	—	(353)
At 30 June 2011	於二零一一年六月三十日	695	14,449	472	895	3,961	28,994	—	49,466
ACCUMULATED DEPRECIATION	累計折舊								
At 1 July 2009	於二零零九年七月一日	42	149	180	327	136	—	—	834
Exchange realignment	匯兌調整	—	5	—	—	3	—	—	8
Provided for the year	年內撥備	19	1,050	19	16	686	—	—	1,790
At 30 June 2010	於二零一零年六月三十日	61	1,204	199	343	825	—	—	2,632
Exchange realignment	匯兌調整	—	105	—	3	33	—	—	141
Provided for the year	年內撥備	66	3,435	33	53	1,111	993	—	5,691
Eliminated on disposals	出售時撇除	—	—	—	—	(227)	—	—	(227)
At 30 June 2011	於二零一一年六月三十日	127	4,744	232	399	1,742	993	—	8,237
CARRYING VALUES	賬面值								
At 30 June 2011	於二零一一年六月三十日	568	9,705	240	496	2,219	28,001	—	41,229
At 30 June 2010	於二零一零年六月三十日	14	11,630	68	529	2,360	—	559	15,160

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

Note:

- (a) The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives less their residual values at the following rate per annum:

Leasehold improvements	25%
Office equipment	25%
Furniture and fixtures	25%
Plant and machinery	25%
Motor vehicles	25%
Traffic signboards	20%

- (b) As at 30 June 2010, the carrying amount of the motor vehicle held by the Group under finance leases amounted to HKD271,000. The finance lease has been fully settled during the year ended 30 June 2011.

- (c) Depreciation charge of approximately HKD4,238,000 (2010: Nil) with respect of office equipment and traffic signboard has been included in cost of sales in the consolidated statement of comprehensive income.

18. 物業、廠房及設備 (續)

附註：

- (a) 上述物業、廠房及設備項目乃按直線法為基礎，於估計可使用年期按下列年率減其餘值進行折舊：

租賃物業裝修	25%
辦公室設備	25%
傢俬及裝置	25%
廠房及機器	25%
汽車	25%
交通指示牌	20%

- (b) 於二零一零年六月三十日，本集團根據融資租賃持有之汽車之賬面值為271,000港元。截至二零一一年六月三十日止年度，融資租賃已全數結清。

- (c) 辦公室設備及交通指示牌的折舊開支約4,238,000港元(二零一零年：零)已計入綜合全面收益表所列之銷售成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

19. FILM RIGHTS, FILMS IN PROGRESS AND FILM ROYALTY DEPOSITS

19. 電影版權、在製影片及電影版權按金

		Film rights 電影版權 HKD'000 千港元	Films in progress 在製影片 HKD'000 千港元	Film royalty deposits 電影版權按金 HKD'000 千港元	Total 總計 HKD'000 千港元
COST	成本				
At 1 July 2009	於二零零九年七月一日	87,451	16,035	482	103,968
Additions	添置	86	15,463	—	15,549
Transfers	轉撥	29,196	(29,196)	—	—
At 30 June 2010	於二零一零年六月三十日	116,733	2,302	482	119,517
Additions	添置	103	—	—	103
Transfers	轉撥	491	(491)	—	—
At 30 June 2011	於二零一一年六月三十日	117,327	1,811	482	119,620
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值				
At 1 July 2009	於二零零九年七月一日	73,669	1,485	482	75,636
Amortisation provided for the year	年內攤銷撥備	24,788	—	—	24,788
Impairment loss recognised for the year	年內確認之減值虧損	8,545	4	—	8,549
At 30 June 2010	於二零一零年六月三十日	107,002	1,489	482	108,973
Amortisation provided for the year	年內攤銷撥備	2,056	—	—	2,056
Impairment loss recognised for the year	年內確認之減值虧損	2,227	322	—	2,549
At 30 June 2011	於二零一一年六月三十日	111,285	1,811	482	113,578
CARRYING VALUES	賬面值				
At 30 June 2011	於二零一一年六月三十日	6,042	—	—	6,042
At 30 June 2010	於二零一零年六月三十日	9,731	813	—	10,544

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

19. FILM RIGHTS, FILMS IN PROGRESS AND FILM ROYALTY DEPOSITS (Continued)

- (a) Amortisation charge of approximately HKD2,056,000 (2010: HKD24,788,000) with respect to film rights has been included in cost of sales in the consolidated statement of comprehensive income.
- (b) The carrying amounts of film rights and films in progress have reduced to their recoverable amounts through recognition of impairment loss of approximately HKD2,549,000 (2010: HKD8,549,000) which has been included in administrative and other expenses in the consolidated statement of comprehensive income.

19. 電影版權、在製影片及電影版權按金 (續)

- (a) 電影版權之攤銷費用約2,056,000港元(二零一零年：24,788,000港元)乃於綜合全面收益表計入銷售成本。
- (b) 電影版權及在製影片之賬面值已透過確認減值虧損約2,549,000港元(二零一零年：8,549,000港元)而減低至其可收回數額，有關減值虧損已於綜合全面收益表計入行政及其他開支。

20. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL

(a) Goodwill

20. 商譽及商譽之減值測試

(a) 商譽

		HKD'000 千港元
COST	成本	
At 1 July 2009	於二零零九年七月一日	—
Arising on acquisition of subsidiaries before adjustment (Note a)	調整前因收購附屬公司所產生(附註a)	134,565
Adjustment to the fair value of purchase consideration during the measurement period (Note a)	調整於計量期間之收購代價之公平值(附註a)	(81,720)
At 30 June 2010 and 1 July 2010 (Note a)	於二零一零年六月三十日及二零一零年七月一日(附註a)	52,845
Arising on acquisition of subsidiaries (Note b)	因收購附屬公司所產生(附註b)	711,430
At 30 June 2011	於二零一一年六月三十日	764,275
ACCUMULATED IMPAIRMENT	累計減值	
At 1 July 2009	於二零零九年七月一日	—
Impairment loss recognised for the year	年內已確認減值虧損	5,895
At 30 June 2010 and 1 July 2010 (Note a)	於二零一零年六月三十日及二零一零年七月一日(附註a)	5,895
Impairment loss recognised for the year	年內已確認減值虧損	—
At 30 June 2011	於二零一一年六月三十日	5,895
CARRYING VALUES	賬面值	
At 30 June 2011	於二零一一年六月三十日	758,380
At 30 June 2010	於二零一零年六月三十日	46,950

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

20. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(a) Goodwill (Continued)

Notes:

- (a) For the year ended 30 June 2010, addition of goodwill was arisen from the acquisition of China Wimetro Communications Company Limited and its subsidiaries, including China Wimetro Company Limited, Shenzhen Huanlian Communications Technology Company Limited and Shenzhen Kunyu Communications Technology Company Limited (collectively referred to as "China Wimetro Group").

The acquisition of China Wimetro Group has been accounted for using the purchase method. The amount of goodwill arising from acquisition was approximately HKD134,565,000 as at the date of completion of acquisition and approximately HKD52,845,000 after adjusted the effect of Second Batch Consideration Shares, for detail, please refer to Note 34.

- (b) For the year ended 30 June 2011, addition of goodwill was arisen from the acquisition of entire equity interests of Ease Ray Limited and its subsidiaries, including Pacific Mind Limited, Elegant Capital Company Limited, City Media Co., Ltd. and Shanghai Dasan Hexian City Environmental Art Company Limited (collectively referred to as "Ease Ray Group"), amounted to approximately HKD711,430,000.

(b) Impairment testing on goodwill

For the year ended 30 June 2011

Although the business model of China Wimetro Group was similar to that of the previous year, the directors of the Company combined its businesses of 1) sales and distribution of telecommunication products; 2) providing engineering and marketing services regarding wireless business; and 3) providing agency service for purchasing equipment regarding wireless business into one cash-generating unit ("CGU") for goodwill assessment purpose in consideration of the interconnections among them.

20. 商譽及商譽之減值測試

(續)

(a) 商譽 (續)

附註：

- (a) 截至二零一零年六月三十日止年度，額外商譽乃產生自收購中國無線城市通信有限公司及其附屬公司，包括中國無線城市有限公司、深圳市幻聯通信技術有限公司及深圳市坤宇通信技術有限公司（統稱為「中國無線城市集團」）。

收購中國無線城市集團已按收購法計入。因收購產生之商譽於收購完成日期約為134,565,000港元，經調整第二批代價股份之影響後約為52,845,000港元，詳情請參閱附註34。

- (b) 截至二零一一年六月三十日止年度，額外商譽乃因收購宜亮有限公司及其附屬公司（包括立思有限公司、Elegant Capital Company Limited、希迪美資訊技術有限公司及上海大三和弦城市環境藝術有限公司）（統稱為「宜亮集團」）之全部股本權益而產生，金額約為711,430,000港元。

(b) 商譽之減值測試

截至二零一一年六月三十日止年度

中國無線城市集團今年的業務跟去年的業務模式並沒有改變，惟由於1)銷售及分銷電訊產品；2)提供與無線業務有關的工程及市場推廣服務；及3)提供與無線業務有關的購買器材代理服務業務之間是相互融合與聯通的，該公司董事將該等業務合成一個現金產生單位以進行商譽評估。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

20. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) Impairment testing on goodwill (Continued)

For the year ended 30 June 2011

(Continued)

On 13 January 2010, Premier Wen Jiabao chaired a Standing Committee meeting of the State Council, and decided to accelerate the deployment of the combination of telecom, cable and internet networks ("Triple Play"). The project was officially launched in the pilot cities on 16 August 2010. Triple Play will allow each of the three networks to use consistent technology, get access to any other two networks to guarantee complete coverage, do business in any other two networks, use the unified Internet Protocol ("IP") in application, while maintain competitive and cooperative in operating. With a common aim of providing the diversified, multi-media and personalised services to users, the three networks will gradually integrate, and industry regulation and policy will also gradually work towards unification. Through renovated technology, the three networks are now able to provide comprehensive multi-media communication services such as audio, data and image.

China Wimetron Group focuses on the market of internet wireless access and its value-added businesses on the basis of fundamental investments in city wireless access business. Its businesses cover the construction and operation of the city wireless network, including broadband wireless network, commercial wireless internet access, mobile internet value-added business as well as the construction, operation, development and application of the landline value-added telecommunication business, Internet TV business, smart grid, sp business. All of them require the integration of relevant value-added services from each network based on the framework of modern service industry.

20. 商譽及商譽之減值測試 (續)

(b) 商譽之減值測試 (續)

截至二零一一年六月三十日 止年度 (續)

二零一零年一月十三日，國務院總理溫家寶主持召開國務院常務會議，決定加快推進電信網、廣播電視網和互聯網三網融合。截至二零一零年八月十六日，三網融合試點城市正式開始。三網融合其表現為技術上趨向一致，網路層上可以實現互聯互通，形成無縫覆蓋，業務層上互相滲透和交叉，應用層上趨向使用統一的IP協議，在經營上互相競爭、互相合作，朝著向使用者提供多樣化、多媒體化、個性化服務的共同目標逐漸交匯在一起，行業管制和政策方面也逐漸趨向統一。三大網路通過技術改造，能夠提供包括語音、資料、圖像等綜合多媒體的通信業務。

中國無線城市集團的業務主要是利用城市無線接入業務的業礎投資，形成互聯網無線接入及增值業務市場。公司從事無線城市的建設和運營，包括寬頻無線網路、商用無線互聯網接入、移動互聯網增值業務以及固網增值電信業務、互聯網電視業務、智慧電網、sp業務的建設運營以開發和應用等等都是以現代服務業為框架進行各網路相關增值業務的各網路之間的融合。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

20. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) Impairment testing on goodwill (Continued)

For the year ended 30 June 2011 (Continued)

China Wimetro Group is acting as a selling agent of general telecommunication services (including but not limited to, Mega Eyes, Jinshi Tone, Qizhi Tone, Broadband Media, Corporate Switchboard, Business Navigation, Procurement Base, Internet Fax and so on), and provides resources such as communication platforms for businesses in the Badatong Commodity Trading Hub.

As a modern service industry demonstration base, Badatong has conducted business cooperation in the information and communication sector. Through the building of modern service industry platform, the business and service model of Badatong modern service industry can be copied and promoted to other professional markets.

Telecommunication value-added business is targeting the existing information application products of China Telecom, and it is aimed to market the information application products to the clients within the wireless coverage area by China Wimetro Group through its own client resources, using the information application hardware and software, platform access and after-sale services provided by the China Wimetro Group, so as to reward from the development of business.

20. 商譽及商譽之減值測試 (續)

(b) 商譽之減值測試 (續)

截至二零一一年六月三十日止年度 (續)

中國無線城市集團在八達通商品貿易港的業務為電信綜合資訊化業務 (包括但不限於全球眼、金視通、企智通、寬頻傳媒、企業總機、商務領航、採購基地、網路傳真等) 進行代理，並開放業務所需的平臺介面等資源。

八達通作為現代服務業產業化示範基地，在資訊通信領域進行業務合作。建設現代服務業平臺，可以將八達通現代服務業的商業和服務模式進行複製和推廣至其它專業市場。

電信增值業務是針對中國電信已有的資訊化應用產品，通過中國無線城市集團提供資訊化應用的軟硬體、平臺接入和售後服務，由中國無線城市集團通過自身的客戶資源，向無線覆蓋區域內的商戶推廣資訊化應用產品，並獲得業務發展回報。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

20. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) Impairment testing on goodwill (Continued)

For the year ended 30 June 2011

(Continued)

With regard to wireless city business, based on the cooperation in the building of wireless hot districts and hot points and business between Foshan city (including Trading Hub) and Guangzhou city, China Telecom is responsible for providing back-end resources such as circuit resources and unified identification interface to the construction of wireless broadband, while China Wimetron Group is responsible for providing the software and hardware platform and technology support services needed in the development, and for marketing the business to the clients within the wireless coverage area. China Wimetron Group also provides related services such as the broadband and server collocation for the building of platform.

The businesses provided by China Wimetron Group above cover the following aspects, that is allowing each of the three networks to use consistent technology, get access to any other two networks to guarantee complete coverage, do business in any other two networks and use the unified IP in application, and thus have followed the State's requirements on the convergence of networks.

In the opinion of the directors, in order to follow the recommendation proposed by the Government this year, the Group combined, shared and utilise the technology and resources within China Wimetron Group. Therefore, the one CGU: Sales of telecommunication products and providing wireless services is defined and for better disclosure.

20. 商譽及商譽之減值測試 (續)

(b) 商譽之減值測試 (續)

截至二零一一年六月三十日 止年度 (續)

無線城市業務方面，公司基於佛山市(包含貿易港內)和廣州市的無線熱區、熱點建設及業務合作，中國電信負責向中國無線城市集團提供無線寬頻建設所需的電路資源、統一認證介面等後端資源，中國無線城市集團提供發展所需的軟硬體平臺和技術支撐服務，並負責向無線覆蓋區域內的商戶推廣業務，同時亦為搭建平臺時所需頻寬、伺服器託管等提供相應的服務等。

中國無線城市集團以上的業務，綜合了技術上趨向一致，網路層上可以實現互聯互通，形成無縫覆蓋，業務層上互相滲透和交叉，應用層上趨向使用統一的IP協議，所以業務回應國家的要求，趨於統一一體。

董事認為，為接納政府於本年內提出的建議，本集團已合併、共享及使用中國無線城市集團內的技術及資源。因此，現金產生單位：銷售電訊產品及提供無線服務已定義，以作更完備的披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

20. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) Impairment testing on goodwill (Continued)

For the year ended 30 June 2011
(Continued)

The carrying amount of goodwill (net of accumulated impairment losses) was allocated to CGUs as follow:

		2011 二零一一年 HKD'000 千港元
Sales of telecommunication products and providing wireless services	銷售電訊產品及提供無線服務	46,950
Providing traffic signboard advertising	提供交通指示牌廣告	711,430
		758,380

Sales of telecommunication products and providing wireless service

The recoverable amount of this cash-generating unit is determined based on value in use calculation. The calculation based on i) the profit forecast approved by the management covering a five-year periods and ii) a discount rate of 18.99% per annum which reflects current market assessments of the time value of money and the credit risk specific to the CGU.

20. 商譽及商譽之減值測試 (續)

(b) 商譽之減值測試 (續)

截至二零一一年六月三十日止年度 (續)

商譽之賬面值(扣除累計減值虧損)已分配予現金產生單位如下:

		2011 二零一一年 HKD'000 千港元
Sales of telecommunication products and providing wireless services	銷售電訊產品及提供無線服務	46,950
Providing traffic signboard advertising	提供交通指示牌廣告	711,430
		758,380

銷售電訊產品及提供無線服務

本現金產生單位之可收回金額乃基於使用價值計算法釐定。有關計算方法乃根據i)管理層批准之五年期溢利預測及ii)18.99%的年折現率(其反映出現行市場對貨幣的時間價值的評估以及現金產生單位的特定信貸風險)而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

20. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) Impairment testing on goodwill (Continued)

For the year ended 30 June 2011

(Continued)

Sales of telecommunication products and providing wireless service (Continued)

Profit forecast was based on budgeted sales and budgeted cost of sales during the budgeted period. Budgeted gross margins were determined based on management's expectation for market development and past experience, and the management believes that the budgeted gross margins were reasonable. The cash flows beyond that five-year periods have been extrapolated using 5% for the year from 2012 to 2013 and 3% per annum growth rate adopted afterwards, which is in line with the long-term growth rate for the relevant industry. The key assumptions for the value in use calculations are those regarding the growth rates and discount rates.

Providing advertising service regarding traffic signboard business

The recoverable amount of this cash-generating unit is determined based on value-in-use calculation. The calculation is based on i) the profit forecast approved by the management covering a five-year period and ii) a discount rate of 21.54% per annum which reflects current market assessments of the time value of money and the credit risk specific to the CGU.

20. 商譽及商譽之減值測試 (續)

(b) 商譽之減值測試 (續)

截至二零一一年六月三十日

止年度 (續)

銷售電訊產品及提供無線服務 (續)

溢利預測乃根據預算期間的銷售預算及銷售成本預算而定。預算毛利率乃根據管理層對市場發展的預期及過往經驗釐定，且管理層相信預算毛利率乃屬合理。超過五年期之現金流量則於二零一二年至二零一三年期間按5%，其後按每年3%增長率推斷，而該增長率與有關行業的長期增長率一致。使用價值計算法的主要假設與增長率及折現率有關。

提供與交通指示牌業務有關的廣告服務

本現金產生單位之可收回金額乃基於使用價值計算法釐定。有關計算方法乃根據i)管理層批准之五年期溢利預測及ii)21.54%的年折現率(其反映出市現行市場對貨幣的時間價值的評估以及現金產生單位的特定信貸風險)而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

20. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) Impairment testing on goodwill (Continued)

For the year ended 30 June 2011
(Continued)

Providing advertising service regarding traffic signboard business (Continued)

Profit forecast was prepared based on budgeted sales and budgeted cost of sales during the budgeted period. Budgeted gross margins were determined based on management's expectation for future market development and past experience, and the management believes that the budgeted gross margins were reasonable and achievable. The cash flows beyond that five-year period have been extrapolated using 15% per annum growth rate adopted afterwards, which is in line with the long-term growth rate for the relevant industry. The key assumptions for the value-in-use calculations are those regarding the growth rates and discount rates.

The Directors of the Company are of the opinion, based on the valuation report carried out by Messrs. Asset Appraisal Limited ("Asset Appraisal"), an independent qualified valuer, that no impairment on goodwill associated with those cash generating units is required.

For the year ended 30 June 2010

For the purpose of impairment testing, the Group has identified the following CGUs:

- Sales and distribution of telecommunication products.

20. 商譽及商譽之減值測試 (續)

(b) 商譽之減值測試 (續)

**截至二零一一年六月三十日
止年度 (續)**

*提供與交通指示牌業務有關的廣告
服務 (續)*

溢利預測乃根據預算期間的銷售預算及銷售成本預算而編製。預算毛利率乃根據管理層對未來市場發展的預期及過往經驗釐定，且管理層相信預算毛利率乃屬合理及切實可行。超過五年期之現金流量則按日後採納之年增長率15%推斷，而該增長率與有關行業的長期增長率一致。使用價值計算法的主要假設乃與增長率及折現率有關的假設。

根據獨立合資格估值師資產評估顧問有限公司(「資產評估顧問」)所編製的估值報告，本公司董事認為，與該等現金產生單位相關的商譽毋須減值。

**截至二零一零年六月三十日
止年度**

就減值測試之目的而言，本集團已辨認下列現金產生單位：

- 銷售及分銷電訊產品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

20. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) Impairment testing on goodwill (Continued)

For the year ended 30 June 2010

(Continued)

- Providing engineering and marketing services regarding wireless business.
- Providing agency service for purchasing equipment regarding wireless business.

The carrying amount of goodwill (net of accumulated impairment losses) was allocated to cash generating units as follow:

		2010 二零一零年 HKD'000 千港元
Sales and distribution of telecommunication products	銷售及分銷電訊產品	1,230
Providing engineering and marketing services regarding wireless business	提供與無線業務有關的工程及市場推廣服務	34,263
Providing agency service for purchasing equipment regarding wireless business	提供與無線業務有關的購買器材代理服務	11,457
		46,950

Sales and distribution of telecommunication products

The recoverable amount of this cash-generating unit is determined based on value in use calculation. The calculation based on i) the profit forecast approved by the management covering a five-year periods and ii) a discount rate of 11.48% per annum which reflects current market assessments of the time value of money and the credit risk specific to the CGUs.

20. 商譽及商譽之減值測試 (續)

(b) 商譽之減值測試 (續)

截至二零一零年六月三十日止年度 (續)

- 提供與無線業務有關的工程及市場推廣服務。
- 提供與無線業務有關的購買器材代理服務。

商譽之賬面值 (扣除累計減值虧損) 已分配予現金產生單位如下:

		2010 二零一零年 HKD'000 千港元
Sales and distribution of telecommunication products	銷售及分銷電訊產品	1,230
Providing engineering and marketing services regarding wireless business	提供與無線業務有關的工程及市場推廣服務	34,263
Providing agency service for purchasing equipment regarding wireless business	提供與無線業務有關的購買器材代理服務	11,457
		46,950

銷售及分銷電訊產品

本現金產生單位之可收回金額乃基於使用價值計算法釐定。有關計算方法乃根據i)管理層批准之五年期溢利預測及ii)11.48%的年折現率(其反映出市現行市場對貨幣的時間價值的評估以及現金產生單位的特定信貸風險)而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

20. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) Impairment testing on goodwill (Continued)

For the year ended 30 June 2010
(Continued)

Sales and distribution of telecommunication products (Continued)

Profit forecast was based on budgeted sales and budgeted cost of sales during the budgeted period. Budgeted gross margins were determined based on management's expectation for market development and past experience, and the management believes that the budgeted gross margins were reasonable. The cash flows beyond that five-year period have been extrapolated using a steady 3% per annum growth rate, which is in line with the long-term growth rate for the relevant industry. The key assumptions for the value in use calculations are those regarding the growth rates and discount rates.

Providing engineering and marketing services regarding wireless business

The recoverable amount of this cash-generating unit is determined based on value in use calculation. The calculation based on i) the profit forecast approved by the management covering a five-year periods and ii) a discount rate of 15.23% per annum which reflects current market assessments of the time value of money and the credit risk specific to the CGUs.

20. 商譽及商譽之減值測試 (續)

(b) 商譽之減值測試 (續)

截至二零一零年六月三十日止年度 (續)

銷售及分銷電訊產品 (續)

溢利預測乃根據預算期間的銷售預算及銷售成本預算而定。預算毛利率乃根據管理層對市場發展的預期及過往經驗釐定，且管理層相信預算毛利率乃屬合理。超過五年期之現金流量則按每年3%穩定增長率推斷，而該增長率與有關行業的長期增長率一致。使用價值計算法的主要假設乃與增長率及折現率有關的假設。

提供與無線業務有關的工程及市場推廣服務

本現金產生單位之可收回金額乃基於使用價值計算法釐定。有關計算方法乃根據i)管理層批准之五年期溢利預測及ii)15.23%的年折現率(其反映出市現行市場對貨幣的時間價值的評估以及現金產生單位的特定信貸風險)而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

20. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) Impairment testing on goodwill (Continued)

For the year ended 30 June 2010

(Continued)

Providing engineering and marketing services regarding wireless business (Continued)

Profit forecast was based on budgeted sales and budgeted cost of sales during the budgeted period. Budgeted gross margins were determined based on management's expectation for market development and past experience, and the management believes that the budgeted gross margins were reasonable. The cash flows beyond that five-year period have been extrapolated using a steady 3% per annum growth rate, which is in line with the long-term growth rate for the relevant industry. The key assumptions for the value in use calculations are those regarding the growth rates and discount rates.

Providing agency service for purchasing equipment regarding wireless business

The recoverable amount of this cash-generating unit is determined based on value in use calculation. The calculation based on i) the profit forecast approved by the management covering a five-year periods and ii) a discount rate of 14.74% per annum which reflects current market assessments of the time value of money and the credit risk specific to the CGUs.

Profit forecast was based on budgeted sales and budgeted cost of sales during the budgeted period. The key assumptions for the value in use calculations are those regarding the growth rates and discount rates.

20. 商譽及商譽之減值測試 (續)

(b) 商譽之減值測試 (續)

截至二零一零年六月三十日止年度 (續)

提供與無線業務有關的工程及市場推廣服務 (續)

溢利預測乃根據預算期間的銷售預算及銷售成本預算而定。預算毛利率乃根據管理層對市場發展的預期及過往經驗釐定，且管理層相信預算毛利率乃屬合理。超過五年期之現金流量則按每年3%穩定增長率推斷，而該增長率與有關行業的長期增長率一致。使用價值計算法的主要假設乃與增長率及折現率有關的假設。

提供與無線業務有關的購買器材代理服務

本現金產生單位之可收回金額乃基於使用價值計算法釐定。有關計算方法乃根據i)管理層批准之五年期溢利預測及ii)14.74%的年折現率(其反映出市現行市場對貨幣的時間價值的評估以及現金產生單位的特定信貸風險)而定。

溢利預測乃根據預算期間的銷售預算及銷售成本預算而定。使用價值計算法的主要假設乃與增長率及折現率有關的假設。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

20. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) Impairment testing on goodwill

(Continued)

For the year ended 30 June 2010

(Continued)

Providing agency service for purchasing equipment regarding wireless business (Continued)

The directors of the Company are of the opinion, based on the valuation report carried out by Malcolm & Associates Appraisal Limited, an independent qualified valuer, that goodwill associated with those cash generating units was impaired by approximately HKD5,895,000.

21. DEPOSIT PAID FOR ACQUISITION OF A SUBSIDIARY

As at 30 June 2011

At 30 June 2011, the balance of HKD120,000,000 represent a refundable deposit paid upon signing a conditional agreement for acquisition of the entire interests of Smart Long Limited.

Pursuant to the announcement of the Company dated 4 August 2010, the Company has entered into a conditional agreement with Mr. Cheung Sing Tai (the "Smart Long Vendor") for the acquisition of the entire issued share capital of Smart Long Limited ("Smart Long") at a consideration of HKD230,000,000 ("Smart Long Acquisition").

The consideration of the Smart Long Acquisition will be satisfied (i) as to HKD120,000,000 payables in cash as a refundable deposit upon signing of Smart Long Acquisition agreement, (ii) as to HKD110,000,000 by way of the allotment and issue of 68,750,000 consideration shares (adjusted after the share consolidation on 30 June 2011) at an issue price of HKD0.16 (adjusted after the share consolidation on 30 June 2011) per consideration share by the Company to the Smart Long Vendor or his nominees (except for connected person of the Company).

20. 商譽及商譽之減值測試

(續)

(b) 商譽之減值測試 (續)

截至二零一零年六月三十日止年度 (續)

提供與無線業務有關的購買器材代理服務 (續)

根據獨立合資格估值師 Malcolm & Associates Appraisal Limited 所編製的估值報告，本公司董事認為，與該等現金產生單位相關的商譽減值約 5,895,000 港元。

21. 就收購一間附屬公司之已付按金

於二零一一年六月三十日

於二零一一年六月三十日，結餘 120,000,000 港元指須於簽署有條件協議收購智朗有限公司全部權益後償還的可退回按金。

根據本公司二零一零年八月四日的公佈，本公司已與張聲泰先生（「智朗賣方」）就收購智朗有限公司（「智朗」）全部已發行股本（「智朗收購」）訂立一項有條件協議，代價為 230,000,000 港元。

智朗收購之代價將按以下方式支付：(i) 簽署協議後以現金方式支付 120,000,000 港元，作為可予退回的保證金；及(ii) 由本公司向智朗賣方或其代名人（本公司之關連人士除外）按發行價格每股 0.16 港元（根據二零一一年六月三十日之股份合併調整）配發及發行 68,750,000 股代價股份（根據二零一一年六月三十日之股份合併調整）支付 110,000,000 港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

21. DEPOSIT PAID FOR ACQUISITION OF A SUBSIDIARY (Continued)

As at 30 June 2011 (Continued)

Per the conditional agreement, the Smart Long Vendor has guaranteed to the Company that the audited consolidated net profit after tax and any extraordinary items or exceptional items of the Smart Long and its subsidiaries (collectively referred to as the “Smart Long Group”) to be determined under the Hong Kong Financial Reporting Standards for the year ending 31 December 2011 shall not be less than RMB20,000,000 (equivalent to approximately HKD22,800,000). In the event that the Smart Long Group cannot achieve the expected profit, the Smart Long Vendor shall pay the Company in cash of amount equal to the difference between the audited net profit and the expected profit on a dollar to dollar basis.

Smart Long Group is principally engaged in the research and development and sales of communication products, telecommunication products, electronic products and computer software and hardware in the PRC.

The Smart Long Acquisition has been completed on 1 July 2011. For details, please refer to Note 41.

As at 30 June 2010

At 30 June 2010, the balance of HKD230,000,000 represent a refundable deposit paid upon signing a conditional agreement for acquisition of the entire issued share capital of Ease Ray Limited. For details, please refer to Note 34.

21. 就收購一間附屬公司之已付按金 (續)

於二零一一年六月三十日 (續)

根據有條件協議，智朗賣方已向本公司保證智朗及其附屬公司(統稱「智朗集團」)截至二零一一年十二月三十一日止年度將根據香港財務報告準則釐定之經審核除稅後綜合利潤淨額及任何非經常性項目或除外項目不得少於人民幣20,000,000元(約相等於22,800,000港元)。倘智朗集團無法獲得該預期利潤，智朗賣方須以現金方式向本公司支付全數金額(相當於介乎經審核淨利潤與預期利潤之間差額)。

智朗集團主要於中國從事通訊產品、電訊產品、電子產品，以及電腦軟件及硬件的研發及銷售。

智朗收購已於二零一一年七月一日完成，詳情請參閱附註41。

於二零一零年六月三十日

於二零一零年六月三十日，結餘230,000,000港元指須於簽署有條件協議收購宜亮有限公司全部已發行之股本後償還的可退回按金。有關詳情請參閱附註34。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

22. INTANGIBLE ASSETS

22. 無形資產

		Contracted and uncontracts customers relationships 已訂約及未訂約 之客戶關係 HKD'000 千港元 (Note a) (附註a)
COST	成本	
At 1 July 2009 and 1 July 2010	於二零零九年七月一日及 二零一零年七月一日	—
Acquired on acquisition of subsidiaries	因收購附屬公司而購入	185,920
At 30 June 2011	於二零一一年六月三十日	185,920
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值	
At 1 July 2009 and 1 July 2010	於二零零九年七月一日及 二零一零年七月一日	—
Charged for the year	本年度費用	3,098
At 30 June 2011	於二零一一年六月三十日	3,098
CARRYING VALUES	賬面值	
At 30 June 2011	於二零一一年六月三十日	182,822
At 30 June 2010	於二零一零年六月三十日	—

Intangible asset represents contracted and uncontracted customer relationship arising from the acquisition of Ease Ray Group during the year.

無形資產指年內收購宜亮集團產生之已訂約及未訂約之客戶關係。

The fair value of the intangible assets as the date of acquisition was arrived using the income approach which was performed by Asset Appraisal, an independent qualified valuer. Under the income approach, the value of an asset reflects the future cash flows it generates. Asset Appraisal applied contributory charges to the yearly revenue to represent the earnings generated by the intangible assets to calculate the fair value of the intangible assets.

無形資產於收購日期之公平值乃由合資格估值師資產評估顧問採用收入方法釐定。收入方法下之資產估值反映資產所產生之未來現金流量。為計算無形資產之公平值，資產評估顧問採用年度收入減分攤費用得出無形資產所產生的盈利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

22. INTANGIBLE ASSETS (Continued)

The intangible assets are amortised over its estimated useful life of ten years on a straight-line basis.

22. 無形資產 (續)

無形資產乃按直線法於其估計為十年的使用年內攤銷。

23. LOAN RECEIVABLE

23. 應收貸款

		2011 二零一一年 HKD'000 千港元
Fixed-rate loan receivable	固定利率應收貸款	
Analysed as	按以下各項分析	
Current (Note 25)	即期(附註25)	5,958
Non-current	非即期	11,915
		17,873

Notes:

The loan receivable was due from an independent third party. The loans is unsecured and carried a fixed interest rate of 6.8% per annum. The principal amount will be settled by three equal instalments of approximately HKD5,957,500 (equivalent to RMB5,000,000) on 31 March 2012, 30 September 2012 and 30 December 2012.

Included in the loan receivable is denominated in currency other than the functional currency of the relevant group entities is set out below:

附註：

該等應收貸款乃應收一名獨立第三方之款項。該等貸款無抵押，並按固定年利率6.8%計息。本金額將會均分為三期結算，分別於二零一二年三月三十一日、二零一二年九月三十日及二零一二年十二月三十日償還約5,957,500港元(相當於人民幣5,000,000元)。

應收貸款以相關集團實體功能貨幣以外的貨幣計值，並載列如下：

		2011 二零一一年 '000 千元
RMB	人民幣	15,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

24. TRADE RECEIVABLES

24. 貿易應收賬款

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Trade receivables	貿易應收賬款	54,724	31,416
Less: Allowance for doubtful debts	減：呆賬撥備	—	(790)
		54,724	30,626

The Group allows an average credit period of 90 days to its trade customers. The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date or the play period of films at the end of the reporting period.

本集團給予其貿易客戶平均90日的信貸期。於報告期末根據發票日期或電影放映期所呈列之貿易應收賬款(經扣除呆賬撥備)之賬齡分析如下。

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Within 30 days	30日內	30,184	14,132
31 to 60 days	31至60日	5	—
61 to 90 days	61至90日	—	—
Over 90 days	超過90日	24,535	16,494
		54,724	30,626

Included in the Group's trade receivables balances are debtors with aggregate carrying amount of HKD24,535,000 (2010: HKD16,494,000) which are past due as at the reporting date for which the Group has not provided for impairment loss. Trade receivables that were past due but not impaired related to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance 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. The Group does not hold any collateral over these balances. The directors consider that the carrying amounts of trade receivables approximated their fair value.

本集團貿易應收賬款結餘包含於報告日期賬面總值為24,535,000港元(二零一零年：16,494,000港元)的逾期應收賬款，本集團並無就其減值虧損作出撥備。已逾期但未減值的貿易應收賬款與本集團多個擁有良好往績記錄的獨立客戶有關。根據過往經驗，管理層相信該等結餘之信貸質素並無重大改變，且仍被視為可全數收回，故毋須作出任何減值撥備。本集團並無就該等結餘持有任何抵押品。董事認為貿易應收賬款之賬面值與其公平值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

24. TRADE RECEIVABLES (Continued)

Ageing of trade receivables which are past due but not impaired

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Overdue by:	逾期：		
31 to 60 days	31至60日	—	—
61 to 90 days	61至90日	—	—
Over 90 days	超過90日	24,535	16,494
		24,535	16,494

24. 貿易應收賬款 (續)

已逾期但未減值的貿易應收賬款之賬齡

Movements in allowance for doubtful debts

呆賬撥備變動

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
At 1 July	於七月一日	790	—
Exchange realignment	匯兌調整	16	4
Impairment loss recognised during the year	年內已確認減值虧損	—	786
Amounts recovered during the year	本年度回撥金額	(806)	—
At 30 June	於六月三十日	—	790

Included in the allowance for doubtful debts of trade receivables are individually impaired trade receivables with an aggregated balances of nil (2010: HKD790,000) which are either in severe financial difficulties or due to long outstanding. The Group does not hold any collateral over these balances.

貿易應收賬款呆賬撥備包含已置於嚴重財務困難中或長期未償還之已個別減值的貿易應收賬款，總結餘為零(二零一零年：790,000港元)。本集團並無就該等結餘持有任何抵押品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

24. TRADE RECEIVABLES (Continued)

Included in trade receivables are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

		2011 二零一一年 '000 千元	2010 二零一零年 '000 千元
RMB	人民幣	28,653	2,469

24. 貿易應收賬款 (續)

貿易應收賬款包括下列款項(以與之相關的實體的功能貨幣以外的貨幣計值)：

25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Prepayments	預付款項	47,156	27,166
Deposits	按金	797	833
Loan receivable (Note 23)	應收貸款(附註23)	5,958	—
Other receivables	其他應收款項	50,991	30,247
		104,902	58,246
Less: Allowance for doubtful debts	減：呆賬撥備	(632)	(164)
		104,270	58,082

Included in prepayments are advance payments to an independent third party for the project development and consultancy services amounting to approximately HKD29,270,000 and HKD25,870,000 as at 30 June 2011 and 30 June 2010 respectively.

預付款項包括就項目開發及諮詢服務向獨立第三方作出之墊款，於二零一一年六月三十日及二零一零年六月三十日分別約為29,270,000港元及25,870,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

As at 30 June 2011, included in prepayment is advance payments to supplier for purchase of the traffic signboard amounting of approximately HKD17,215,000.

Included in other receivables are advances to unrelated parties with interest-free and expected to be realized within twelve months from the end of the reporting period.

Movements in the allowance for doubtful debts

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
At 1 July	於七月一日	164	—
Exchange realignment	匯兌調整	13	1
Impairment loss recognised during the year	年內已確認減值虧損	622	163
Amounts recovered during the year	本年度回撥金額	(167)	—
At 30 June	於六月三十日	632	164

Included in the allowance for doubtful debts are individually impaired receivables with and aggregated balances of HKD632,000 (2010: HKD164,000) which are either in severe financial difficulties or due to long outstanding. The Group does not hold any collateral over these balances.

Included in other receivables are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

		2011 二零一一年 '000 千元	2010 二零一零年 '000 千元
RMB	人民幣	3,293	5,873

25. 預付款項、按金及其他應收款項 (續)

於二零一一年六月三十日，預付款項包括就購買交通指示牌向供應商作出之墊款約為17,215,000港元。

其他應收款項包含向非關連人士提供的墊款，該等墊款為免息且預期自報告期末起計十二個月內予以變現。

呆賬撥備變動

呆賬撥備包含已置於嚴重財務困難中或長期未償還之已個別減值的應收賬款，總結餘為632,000港元(二零一零年：164,000港元)。本集團並無就該等結餘持有任何抵押品。

其他應收賬款包括下列款項(以與之相關的實體的功能貨幣以外的貨幣計值)：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

26. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and balance with banks.

Bank balances carry interest at market rates ranged from 0.001% to 0.36% (2010: 0.001% to 0.36%) per annum.

Investment in money market instruments represent short term deposits with maturity of three months or less and carried interest rate at 0.01% (2010: 0.001% to 0.36%) per annum.

Approximately HKD10,235,000 as at 30 June 2011 (2010: HKD87,000) are denominated in RMB and deposited with banks in the PRC. 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 Company is permitted to exchange RMB for other currencies through authorised banks to conduct foreign exchange business.

27. TRADE PAYABLES

26. 現金及現金等價物

現金及現金等價物包括手頭現金及銀行結餘。

銀行結餘按市場年利率介乎0.001%至0.36% (二零一零年：0.001%至0.36%)計息。

於貨幣市場工具之投資指於三個月或以內到期的短期存款，按年利率0.01% (二零一零年：0.001%至0.36%)計息。

於二零一一年六月三十日，約10,235,000港元 (二零一零年：87,000港元) 以人民幣計值，並存入中國的銀行。人民幣不得自由兌換為其他貨幣，然而，根據中國內地的外匯管理條例及結匯、售匯及付匯管理規定，本公司獲准透過授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

27. 貿易應付賬款

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Trade payables	貿易應付賬款	37,497	28,044

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

27. TRADE PAYABLES (Continued)

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Within 30 days	30日內	13,239	7,456
31 to 60 days	31至60日	42	1
61 to 90 days	61至90日	—	—
Over 90 days	超過90日	24,216	20,587
		37,497	28,044

The average credit period on purchases of goods is 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

Included in the trade payables are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

		2011 二零一一年 '000 千元	2010 二零一零年 '000 千元
RMB	人民幣	13,327	1,348

28. OTHER PAYABLES AND ACCRUALS

Other payables
Accruals

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Other payables	其他應付款項	46,237	56,083
Accruals	應計款項	2,479	1,884
		48,716	57,967

27. 貿易應付賬款 (續)

於報告期末按發票日期呈列的貿易應付賬款的賬齡分析如下：

購買貨品的平均信貸期為90日。本集團已制定財務風險管理政策，確保於信貸期限內結清所有應付款項。

貿易應付賬款包括下列款項(以與之相關的實體的功能貨幣以外的貨幣計值)：

28. 其他應付款項及應計款項

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

28. OTHER PAYABLES AND ACCRUALS (Continued)

Included in other payables are advances from unrelated parties with interest-free and expected to be realized within twelve months from the end of the reporting period.

29. CONVERTIBLE NOTES PAYABLE

On 2 June 2011, pursuant to the subscription agreement entered into by the Company and Standard Bank Plc dated on 24 May 2011 (the "Subscription Agreement"), the Company issued zero coupon convertible notes (the "Convertible Notes") for the general working capital of the Group. The details of the convertibles notes are stated as below:

Date of issue	2 June 2011
Aggregate principal amount	HKD25,000,000
Denomination in multiple of	HKD1,000
Interest rate	Nil
Maturity date	2 June 2012
Minimum conversion price (Note)	HKD0.78 (Note)
Conversion price (Note)	Higher of (a) 92% of the closing price of the ordinary shares of the Company (the "Shares") on the immediately preceding day on which dealings in the Shares on the Stock Exchange took place and (b) the minimum conversion price

Notes:

Pursuant to the Subscription Agreement, the original minimum conversion price was HKD0.078 and a maximum number of 320,512,820 conversion shares will be allotted and issued upon exercise of the conversion right in full. Following the completion of the share consolidation on 30 June 2011 (Note 31(d)), the adjusted minimum conversion price per shares after completion of the share consolidation is HKD0.78 and the number of shares to be issued based on the adjusted minimum conversion price is 32,051,282.

28. 其他應付款項及應計款項 (續)

其他應付款項包括非關連人士提供的免息及預計將於報告期末起計十二個月內予以變現的墊款。

29. 應付可換股票據

於二零一一年六月二日，根據本公司與 Standard Bank Plc 於二零一一年五月二十四日訂立之認購協議（「認購協議」），本公司發行零息可換股票據（「可換股票據」），以為本集團籌集一般營運資金。該等可換股票據的詳情載列如下：

發行日期	二零一一年六月二日
本金總額	25,000,000 港元
面值	1,000 港元之倍數
利率	零
到期日	二零一二年六月二日
最低換股價 (附註)	0.78 港元 (附註)
換股價 (附註)	下列各項之較高者： (a) 本公司普通股（「股份」）於緊接前一個股份於聯交所交易之日的收市價之 92%；及 (b) 最低換股價

附註：

根據認購協議，最初的最低換股價為 0.078 港元，而待換股權獲悉數行使後，將最多配發及發行 320,512,820 股換股股份。於股份合併於二零一一年六月三十日完成後（附註 31(d)），於股份合併完成後每股股份之經調整最低換股價為 0.78 港元，將按經調整最低換股價發行 32,051,282 股股份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

29. CONVERTIBLE NOTES PAYABLE

(Continued)

(a) Conversion period

Subject to and upon compliance with the terms and conditions of the Convertible Notes as set out in the note instrument, the holders of the Convertible Notes (the "Noteholders") shall have the rights at any time and from any time, following the date of issue of the Convertible Notes, to convert the whole or any part of the outstanding principal amount into new ordinary shares in the Company. The shares to be issued and allotted upon conversion shall rank pari passu in all respect among themselves and with all other ordinary shares in issue by the Company on the date of such allotment and issue. If the Convertible Notes have not been converted on maturity date, the Convertible Notes shall be redeemed by the Company of an amount of HKD27,000,000, at 108% of the principal amount.

(b) Guarantee

Pursuant to the terms of the guarantee, the subscriber and the Noteholders may have immediate recourse to the guarantor, being an executive director, upon the company failing to discharge any of its obligations under to the note instrument, and may proceed to enforce their rights against the guarantor without having first proceeded against or enforced against the Company.

(c) Issue of replacement notes

In the event that the conversion price falls below the minimum conversion price and a Noteholder exercises its right to redeem its outstanding Convertible Notes, the Company may issue replacement notes in respect of those Convertible Notes to be redeemed if it has sufficient remaining general mandate of a specific mandate to issue those notes at that time.

29. 應付可換股票據 (續)

(a) 換股期

受限於及在遵守票據文據所載的可換股票據之條款及條件之情況下，於可換股票據發行日期後，可換股票據之持有人（「票據持有人」）有權隨時及不時將全部或任何部份之未償還本金額轉換為本公司之新普通股。於換股後將予發行及配發之股份彼此及與本公司於該配發及發行日期已發行之所有其他普通股在各方面均享有同等地位。倘可換股票據於到期日仍未轉換，可換股票據將由本公司按本金額之108%，即27,000,000港元贖回。

(b) 擔保

根據擔保條款，倘本公司無法履行其於票據文據項下之任何責任，認購方及票據持有人可對擔保人（為一位執行董事）採取即時追索權，並可繼續對擔保人執行彼等之權利，而無需首先起訴本公司或對本公司執行權利。

(c) 發行替代票據

在換股價降至低於最低換股價及票據持有人行使其權利贖回其尚未行使可換股票據之情況下，倘餘下一般授權或特定授權足夠於當時發行該等票據，則本公司可就該等將予贖回之可換股票據發行替代票據。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

29. CONVERTIBLE NOTES PAYABLE

(Continued)

(d) Status and transferability

The Convertible Notes constitute general and unsecured obligations of the Company and will rank equally among themselves and at least pari passu and rateably without preference (with the exception of obligations accorded preference by mandatory provisions of applicable law) equally with all other present and future unsubordinated and unsecured obligations of the Company.

The Convertible Notes are not transferable.

(e) Valuation of liability component and conversion option derivative

At the issued date of 2 June 2011 and at the end of the reporting period of 30 June 2011, the fair value of the Convertible Notes was performed by Asset Appraisal. The Convertible Notes contain two components, liability component and conversion option derivative. The effective interest rate of the liability component is 12.28% and 13.12% on 2 June 2011 and 30 June 2011 respectively. The conversion option derivative is measured at fair value with changes in fair value recognised in profit or loss.

The movements of the liability component and conversion option derivative of the Convertible Notes during the year are set out below:

29. 應付可換股票據 (續)

(d) 地位及可轉讓性

可換股票據構成本公司之一般及無抵押責任，且彼此之間及至少與本公司所有其他現行及未來非從屬及無抵押責任享有同等地位，惟根據適用法例之強制性條文享有優先權之責任則除外。

可換股票據不可轉讓。

(e) 負債部份及換股權衍生工具之估值

於二零一一年六月二日的發行日期及於二零一一年六月三十日報告期末，可換股票據的公平值已由資產評值顧問進行評估。可換股票據包含兩個部份，即負債部份及換股權衍生工具。於二零一一年六月二日及二零一一年六月三十日，負債部份的實際利率分別為12.28%及13.12%。換股權衍生工具按公平值計量，而公平值的變動則於損益內確認。

年內，可換股票據的負債部份及換股權衍生工具的變動載列如下：

		Liability component	Conversion option derivative	Total
		負債部份	換股權 衍生工具	合計
		HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元
Issue of convertible notes on 2 June 2011	於二零一一年六月二日發行可換股票據	24,047	953	25,000
Transaction costs on convertible notes issued	已發行可換股票據之交易成本	(721)	(29)	(750)
Gain (loss) arising on changes of fair value of convertible notes	可換股票據公平值變動產生之收益(虧損)	760	(209)	551
At 30 June 2011	於二零一一年六月三十日	24,086	715	24,801

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

29. CONVERTIBLE NOTES PAYABLE

(Continued)

Since the conversion price for the Convertible Notes is subject to change, the conversion will not result in settlement by the exchange of a fixed number of equity instruments. Therefore, upon application of HKAS 32 and HKAS 39, it was determined that the Convertible Notes do not contain any equity component and the entire Convertible Notes were designated as “financial liabilities at fair value through profit or loss” which requires that Convertible Notes to be carried at fair value at the end of the reporting period and the changes in fair values are recognised in the consolidated statement of comprehensive income.

The fair value of the Convertible Notes was calculated using the Monte Carlo Simulation model. The inputs used in the model in determining the fair value were as below:

29. 應付可換股票據 (續)

由於可換股票據之換股價可予變動，換股不會導致須以固定數目之股本工具作為結算。因此，於應用香港會計準則第32號及香港會計準則第39號後，本公司釐定可換股票據並不包含任何權益部份，而全部可換股票據已指定為「經損益賬按公平值入賬之金融負債」，規定可換股票據於報告期末按公平值列賬，而公平值變動則於綜合全面收益表確認。

可換股票據之公平值乃使用蒙地卡羅模擬模式計算。模式於釐定公平值時所使用之輸入數據如下：

		30 June 2011 二零一一年 六月三十日	2 June 2011 二零一一年 六月二日
Share price (adjusted after share consolidation)	股價(經股份合併後調整)	HKD0.48 港元	HKD0.83 港元
Minimum conversion price (adjusted after share consolidation)	最低換股價 (經股份合併後調整)	HKD0.78 港元	HKD0.78 港元
Contractual life	合約年期	1 year 年	1 year 年
Risk-free rate	無風險利率	0.13%	0.20%
Expected dividend yield	預期股息率	N/A 不適用	N/A 不適用
Volatility	波幅	69.61%	53.16%

Volatility was reference to the weekly volatility from Bloomberg and risk-free rate is the Hong Kong Exchange Fund Note rate.

波幅乃參考彭博資訊提供之每週波幅作出，而無風險利率為香港外匯基金票據利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

30. OBLIGATIONS UNDER FINANCE LEASES

30. 融資租賃承擔

		Minimum lease payments 最低租金		Present value of minimum lease payments 最低租金之現值	
		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Within one year	一年內	—	22	—	21
More than one year, but not exceeding two years	超過一年，但不超過兩年	—	—	—	—
		—	22	—	21
Less: Future finance charges	減：未來融資費用	—	(1)	—	N/A 不適用
Present value of lease obligations	租賃承擔之現值	—	21		
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：於12個月內到期償還的款項(列示於流動負債項目下)			—	21
Amount due for settlement after 12 months	於12個月後到期償還的款項			—	—

It is the Group's policy to lease certain of its motor vehicles under finance leases. The average lease term is 2 years (2010: 2 years). Interest rates underlying all obligations under finance leases are fixed at respective contract dates is 2.65% (2010: 2.65%). At the end of lease term, the Company has the option to purchase the motor vehicles at nominal prices.

All obligations under finance leases are denominated in Hong Kong Dollars.

The Group's obligations under finance leases are secured by the lessor's charge over the leased asset.

本集團政策為根據融資租賃租用若干汽車。平均租期為兩年(二零一零年：兩年)。所有融資租賃承擔的相關利率乃於有關合約日期固定為2.65%(二零一零年：2.65%)。租期結束時，本公司可選擇按賬面值購買該等汽車。

所有融資租賃承擔以港元計值。

本集團之融資租賃承擔，乃以出租人之租賃資產抵押作擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

31. SHARE CAPITAL

31. 股本

		Number of shares 股份數目		Share capital 股本	
		2011 二零一一年	2010 二零一零年	2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Ordinary shares of HKD0.10	每股0.10港元之普通股				
(adjusted after share consolidation on 30 June 2011)	(經二零一一年六月三十日之 股份合併調整)				
Authorised:	法定：				
At 1 July	於七月一日	40,000,000,000	40,000,000,000	400,000	400,000
Share consolidation (Note d)	股份合併(附註d)	(36,000,000,000)	—	—	—
At 30 June	於六月三十日	4,000,000,000	40,000,000,000	400,000	400,000
Issued and fully paid:	已發行及繳足：				
At 1 July	於七月一日	15,428,200,000	12,500,000,000	154,282	125,000
Issued of new shares on 12 October 2009 (Note a)	於二零零九年十月十二日 發行新股份(附註a)	—	363,200,000	—	3,632
Issue of new shares on 13 May 2010 (Note b)	於二零一零年五月十三日 發行新股份(附註b)	—	2,565,000,000	—	25,650
Issue of new shares on 5 May 2011 (Note c)	於二零一一年五月五日 發行新股份(附註c)	3,900,000,000	—	39,000	—
Share consolidation (Note d)	股份合併(附註d)	(17,395,380,000)	—	—	—
At 30 June	於六月三十日	1,932,820,000	15,428,200,000	193,282	154,282

Notes:

附註：

- (a) Pursuant to the announcement dated 10 June 2009 and 10 September 2009, the acquisition of the entire issued share capital of China Wimetron Communications Company Limited was completed on 9 September 2009. According to the sale and purchase agreement dated 5 June 2009 and the Company's announcement dated 12 October 2009, 363,200,000 ordinary shares have been allotted and issued by the Company to Mr. Lee Tak Ming (the "Vendor B") and parties nominated by the Vendor B on 12 October 2009.
- (b) On 13 May 2010, pursuant to a placing and subscription agreement entered with Kingston Securities Limited, the Company placed out 2,565,000,000 new ordinary shares at HKD0.01 each of the Company at a price of HKD0.16 per share to independent third parties. Net proceeds from such issue amounted to HKD404,194,000 (after offsetting placement expenses of HKD6,206,000), out of which approximately HKD25,650,000 and HKD378,544,000 were recorded in share capital and share premium respectively.

- (a) 根據於二零零九年六月十日及二零零九年九月十日之公佈，收購中國無線城市通信有限公司全部已發行股本已於二零零九年九月九日完成。根據二零零九年六月五日之買賣協議及本公司於二零零九年十月十二日之公佈，本公司已於二零零九年十月十二日配發及發行363,200,000股普通股予李德明先生(「賣方乙」)及其提名的人士。
- (b) 於二零一零年五月十三日，根據本公司與金利豐證券有限公司訂立之配售及認購協議，本公司按每股股份0.16港元之價格向獨立第三方配售2,565,000,000股本公司每股面值0.01港元之新普通股。該等發行之所得款項淨額為404,194,000港元(經抵銷配售開支6,206,000港元)，其中約25,650,000港元及378,544,000港元分別計入股本及股份溢價。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

31. SHARE CAPITAL (Continued)

- (c) Pursuant to the announcements of the Company dated 14 June 2010, 25 March 2011 and 29 April 2011 and the circular of the Company dated 8 March 2011, the acquisition of the entire issued share capital of Ease Ray Limited was completed on 29 April 2011. According to the sale and purchase agreement dated 3 June 2010 and the Company's announcement dated 5 May 2011, 3,900,000,000 ordinary shares have been issued by the Company to Mr. Chu Yip Wah (the "Vendor A") and parties nominated by the Vendor A.
- (d) Pursuant to an extraordinary general meeting held on 29 June 2011, a share consolidation ("Share Consolidation") was duly passed in which every ten existing issued and unissued ordinary shares of par value HKD0.01 each in the share capital of the Company be consolidated into one ordinary share of par value HKD0.10 each with effective from 30 June 2011.

32. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors (including independent non-executive directors), other employees of the Group, and suppliers of goods or services to the Group. The Scheme became effective on 22 July 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the scheme within any 12 month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

31. 股本 (續)

- (c) 根據本公司於二零一零年六月十四日、二零一一年三月二十五日及二零一一年四月二十九日之公佈及本公司於二零一一年三月八日之通函，收購宜亮有限公司之全部已發行股本已於二零一一年四月二十九日完成。根據於二零一零年六月三日訂立之買賣協議及本公司於二零一一年五月五日之公佈，本公司已發行3,900,000,000股普通股予朱業華先生(「賣方甲」)及賣方甲提名之人士。
- (d) 根據於二零一一年六月二十九日舉行之股東特別大會，股份合併(「股份合併」)已正式獲得通過，據此，將本公司股本中每十股每股面值0.01港元之現有已發行及尚未發行普通股合併為一股每股面值0.10港元之普通股，自二零一一年六月三十日起生效。

32. 購股權計劃

本公司設有一項購股權計劃(「該計劃」)，旨在對為本集團經營成功作出貢獻之合資格參與者給予獎勵及回報。該計劃之合資格參與者包括本公司董事(包括獨立非執行董事)、本集團其他僱員以及本集團貨品或服務供應商。該計劃於二零零二年七月二十二日生效，除另行註銷或修訂外，將由該日期起計10年內一直有效。

目前根據該計劃可予授出之未行使購股權最高數目相等於(如獲行使)本公司任何時間已發行股份10%。該計劃各合資格參與者在任何12個月期間內行使購股權可獲發行之最高股份數目不得超逾本公司任何時間已發行股份1%。進一步授出任何超逾該上限之購股權，均須獲股東在股東大會上批准。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

32. SHARE OPTION SCHEME (Continued)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HKD5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HKD1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of the offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of the share options is determinable by the directors, but may not be less than the higher of (i) the Exchange closing price of the Company's shares on the date of the offer of the share options; (ii) the average Exchange closing price of the Company's share for five trading days immediately preceding the date of the offer; and (iii) the nominal value of the shares.

Share options do not confer rights on the holders to dividends or to vote at shareholder's meeting.

32. 購股權計劃 (續)

向本公司董事、行政總裁或主要股東、或彼等任何聯繫人士授予購股權時，須預先獲獨立非執行董事批准。此外，倘若在任任何12個月期間內，授予一名主要股東或一名獨立非執行董事或彼等任何聯繫人士之任何購股權超逾本公司任何時間已發行股份之0.1%或總值超逾5,000,000港元(按於授出日期本公司之股份價格計算)時，則須預先獲股東在股東大會上批准。

授出購股權建議可在建議日期起計28日內接納，承授人在接納購股權時須支付合共1港元名義代價。已授出購股權之行使期由董事釐定，並在若干歸屬期後起計，至建議授出購股權日期起10年內或該計劃到期日(如屬較先發生者)止。

購股權之行使價由董事釐定，惟不得少於下列較高者：(i)本公司股份於建議授出購股權日期在聯交所所報之收市價；(ii)本公司股份於緊接建議日期前五個交易日在聯交所所報之平均收市價；及(iii)股份面值。

購股權並不賦予其持有人收取股息或於股東大會上投票之權利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

32. SHARE OPTION SCHEME (Continued)

32. 購股權計劃 (續)

The movements in the share options of the Company during the year ended 30 June 2011 are shown in the following table:

下表載列截至二零一一年六月三十日止年度本公司購股權之變動：

Name of category of participant	Date of grant	Exercise period	Exercise price per share	Number of share options					At 30 June 2011
				At 1 July 2010	Granted during the year	Exercised during the year	Lapsed during the year	Adjustment for Share Consolidation	
參與者類別名稱	授出日期	行使期	每股行使價 (Note) (附註)	於二零一零年七月一日	於年內授出	於年內行使	於年內失效	股份合併調整 (Note) (附註)	於二零一一年六月三十日
Directors									
董事									
Mr. Hu Yangjun 胡楊俊先生	8/4/2011 二零一一年四月八日	8/4/2011 - 7/4/2021 二零一一年四月八日至二零一一年四月七日	1.07	—	150,000,000	—	—	(135,000,000)	15,000,000
Mr. Zhang Fan 張帆先生	8/4/2011 二零一一年四月八日	8/4/2011 - 7/4/2021 二零一一年四月八日至二零一一年四月七日	1.07	—	150,000,000	—	—	(135,000,000)	15,000,000
Mr. Zhou Zhibin 周志斌先生	8/4/2011 二零一一年四月八日	8/4/2011 - 7/4/2021 二零一一年四月八日至二零一一年四月七日	1.07	—	150,000,000	—	—	(135,000,000)	15,000,000
Subtotal 小計				—	450,000,000	—	—	(405,000,000)	45,000,000
Employees and others									
僱員及其他									
In aggregate 合計	8/4/2011 二零一一年四月八日	8/4/2011 - 7/4/2021 二零一一年四月八日至二零一一年四月七日	1.07	—	705,000,000	—	—	(634,500,000)	70,500,000
Subtotal 小計				—	705,000,000	—	—	(634,500,000)	70,500,000
Total 總計				—	1,155,000,000	—	—	(1,039,500,000)	115,500,000
Weighted average exercise price (HKD) 加權平均行使價 (港元)			1.07						1.07

Note:

Following the completion of the Share Consolidation on 30 June 2011, the number of the outstanding share options was adjusted from 1,155,000,000 options to 115,500,000 options and the exercise price of the options was adjusted from HKD0.107 to HKD1.07.

附註：

於二零一一年六月三十日完成股份合併之後，未行使購股權之數目已由1,155,000,000份調整為115,500,000份，且購股權之行使價已由0.107港元調整為1.07港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

32. SHARE OPTION SCHEME (Continued)

These fair values of the share options granted on 8 April 2011 were calculated using the Binomial model. The inputs into the model were as follows:

	8 April 2011
Weighted average share price (Note)	HKD1.00
Exercise price (Note)	HKD1.07
Expected volatility	87.03%
Expected life	10 years
Risk-free rate	2.792%
Expected dividend yield	0%
Employee exit rate	0%
Exercise multiple	1.5

Expected volatility was reference to Bloomberg calculated from the weighted average historical volatility of weekly return of share price of comparable companies and the Company. Risk-free rate represents the yields to maturity of Hong Kong Exchange Fund Note with respective terms to maturity as at the share options granted on 8 April 2011.

The Group recognised the total expense of approximately HKD38,331,000 for the year ended 30 June 2011 in relation to share options granted by the Company.

The fair values of the share options granted on 8 April 2011 were conducted by an independent qualified valuer, Asset Appraisal.

Note:

The weighted average share price and exercise price were adjusted after the Share Consolidation on 30 June 2011.

32. 購股權計劃 (續)

該等於二零一一年四月八日授出之購股權之公平值乃以二項式模式計算。該模式之輸入值如下：

	二零一一年四月八日
加權平均股價(附註)	1.00港元
行使價(附註)	1.07港元
預期波幅	87.03%
預期年期	十年
無風險利率	2.792%
預期股息收益率	0%
僱員離職率	0%
行使倍數	1.5

預期波幅乃參照彭博資訊計算可資比較公司及本公司股價每週回報加權平均歷史波幅得出。無風險利率指於二零一一年四月八日授出購股權日期到期之香港外匯基金票據之到期收益率。

截至二零一一年六月三十日止年度，本集團已就本公司所授出的購股權確認總開支約為38,331,000港元。

於二零一一年四月八日，所授出購股權的公平值已由獨立合資格估值師資產評值顧問進行估值。

附註：

加權平均股價及行使價已根據二零一一年六月三十日之股份合併作出調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

33. DEFERRED TAXATION

33. 遞延稅項

Detail of the deferred tax liabilities recognised and movements thereon during the current year is as follow:

年內已確認遞延稅項負債及其變動詳情如下：

		Intangible assets
		無形資產
		HKD'000
		千港元
At 1 July 2009 and 30 June 2010	於二零零九年七月一日及 二零一零年六月三十日	—
Acquisition of Ease Ray Group (Note 34)	收購宜亮集團(附註34)	46,480
Credited to consolidated statement of comprehensive income	計入綜合全面收益表	(775)
At 30 June 2011	於二零一一年六月三十日	45,705

At the end of the reporting period, the Group has unused tax losses of approximately HKD60,823,000 (2010: HKD55,086,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the remaining tax losses due to the unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

於報告期末，本集團的未動用稅務虧損約60,823,000港元(二零一零年：55,086,000港元)可用於抵銷未來溢利。由於未來溢利流難以預測，故並無就餘下的稅務虧損確認遞延稅項資產。稅務虧損或可無限期結轉。

At the end of the reporting period, the Group has deductible temporary differences of approximately HKD2,009,000 (2010: HKD1,677,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

於報告期末，本集團的可扣減暫時差額約為2,009,000港元(二零一零年：1,677,000港元)。由於不可能有可扣減暫時差額可供抵銷應課稅溢利，故並無就該等可扣減暫時差額確認遞延稅項資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

34. ACQUISITION OF SUBSIDIARIES

During the year ended 30 June 2011

Ease Ray Limited

Pursuant to the announcement of the Company dated 14 June 2010, the Company has entered into a conditional agreement with Vendor A on 3 June 2010 for the acquisition of the entire issued share capital of Ease Ray Limited (“Ease Ray”) at a consideration of HKD1,100,000,000, subject to downward adjustment according to the terms of the agreement (“Ease Ray Acquisition”).

The consideration of the Ease Ray Acquisition will be satisfied (i) as to HKD230,000,000 payables in cash as a refundable deposit upon signing of Ease Ray Acquisition agreement, (ii) as to HKD870,000,000 by way of the allotment and issue of 6,000,000,000 consideration shares at an issue price of HKD0.145 per consideration share by the Company to the Vendor A or his nominees (except for connected person of the Company).

On 29 April 2011, the Group completed the acquisition of the entire issued share capital in Ease Ray Limited and its subsidiaries, including Pacific Mind Limited, Elegant Capital Company Limited, City Media Co., Ltd. and Shanghai Dasan Hexian City Environmental Art Company Limited (collectively refer to as “Ease Ray Group”). The consideration should be settled by cash HKD230,000,000, issuance and allotment of 3,900,000,000 ordinary shares of the Company at HKD0.145 each (“First Batch Consideration Shares”) and 2,100,000,000 ordinary shares of the Company at HKD0.145 each (“Second Batch Consideration Shares”).

34. 收購附屬公司

截至二零一一年六月三十日止年度

宜亮有限公司

根據本公司日期為二零一零年六月十四日的公佈，本公司已於二零一零年六月三日與賣方甲訂立有條件協議，以代價1,100,000,000港元(可根據協議條款向下調整)收購宜亮有限公司(「宜亮」)全部已發行之股本(「宜亮收購」)。

宜亮收購代價將以下列方式支付：(i) 230,000,000港元須與宜亮簽署收購協議後作為償還按金支付；(ii) 870,000,000港元由本公司以按每股0.145港元之代價股份發行價向賣方甲或其代名人(本公司之關連人士除外)配發及發行6,000,000,000股代價股份之方式支付。

於二零一一年四月二十九日，本集團完成收購宜亮有限公司及其附屬公司(包括立思有限公司、Elegant Capital Company Limited、希迪美資訊技術有限公司、上海大三和弦城市環境藝術有限公司(統稱為「宜亮集團」))之全部已發行股本。有關代價須以現金230,000,000港元，按每股0.145港元發行及配發3,900,000,000股本公司普通股(「第一批代價股份」)及按每股0.145港元發行及配發2,100,000,000股本公司普通股(「第二批代價股份」)之方式支付。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

34. ACQUISITION OF SUBSIDIARIES

(Continued)

During the year ended 30 June 2011

(Continued)

Ease Ray Limited (Continued)

Pursuant to the sales and purchase agreement dated 3 June 2010 entered with the Vendor A, the First Batch Consideration Shares will be issued within five business date upon completion of acquisition of Ease Ray Group and the Second Batch Consideration Shares will be issued if the audited profit after tax for the period from 1 January 2011 to 31 December 2011 attributable to the Group shall not be less than RMB51,000,000 (equivalent to approximately HKD58,140,000) (“Reference Profit”).

If Ease Ray Group fails to meet the profit guarantee (being the Reference Profit) for the year ending 31 December 2011, the Vendor A shall pay the Company a compensation of 10 times the shortfall of the profit guarantee by adjusting the Second Batch Consideration Shares. However the maximum downward adjustment is up to the total consideration of the Second Batch Consideration Shares of HKD304,500,000 and the Vendor A is not required to return to the Company any of the First Batch Consideration Shares already issued to him.

The First Batch Consideration was issued on 5 May 2011. Upon the completion of Ease Ray Acquisition, the Company explores the opportunities and diversifies the Company's income stream to include the advertising income from placing advertisements on traffic lights.

34. 收購附屬公司 (續)

截至二零一一年六月三十日止年度 (續)

宜亮有限公司 (續)

根據與賣方甲訂立，日期為二零一零年六月三日之買賣協議，第一批代價股份將於完成收購宜亮集團後五個營業日內發行，倘由二零一一年一月一日至二零一一年十二月三十一日期間，本集團應佔之經審核除稅後溢利不少於人民幣51,000,000元（相當於約58,140,000港元）（「參考溢利」），則將會發行第二批代價股份。

若宜亮集團未能達成截至二零一一年十二月三十一日止年度的保證溢利（即參考溢利），賣方甲須按經調整第二批代價股份之保證溢利所缺金額的十倍向本公司作出賠償。然而，向下調整金額的最大幅度將為第二批代價股份之總代價304,500,000港元，而賣方甲毋須向本公司退還已獲發行之任何第一批代價股份。

第一批代價股份已於二零一一年五月五日發行。於宜亮收購完成後，本公司可開拓機會並將本公司之收入來源多樣化（包括設置於交通指示燈的廣告的廣告收入）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

34. ACQUISITION OF SUBSIDIARIES

(Continued)

During the year ended 30 June 2011

(Continued)

Ease Ray Limited (Continued)

The directors of the Company are of the opinion that the acquiree's assets and liabilities approximate their fair values. The net assets acquired from the Ease Ray Acquisition and the goodwill arising are as follows:

		Pre-acquisition carrying amount 收購前賬面值 HKD'000 千港元	Fair value adjustment 公平值調整 HKD'000 千港元	Fair value 公平值 HKD'000 千港元
Net assets acquired	所收購資產淨值			
Property, plant and equipment	物業、廠房及設備	16,349	—	16,349
Goodwill	商譽	6,087	(6,087)	—
Intangible assets	無形資產	—	185,920	185,920
Trade and other receivables	貿易應收賬款及其他應收款項	45,104	—	45,104
Cash and cash equivalents	現金及現金等價物	319	—	319
Trade and other payables	貿易應付賬款及其他應付款項	(33,424)	—	(33,424)
Deferred taxation	遞延稅項	—	(46,480)	(46,480)
Non-controlling interests	非控股權益	(19,218)	—	(19,218)
				148,570
Goodwill (Note 20)	商譽(附註20)			711,430
Adjusted consideration	經調整代價			860,000
Adjusted consideration satisfied by:	經調整代價以下列方式支付：			
Deposit paid for the acquisition	收購的已付定金			230,000
Issuance of First Batch Consideration Shares	發行第一批代價股份			409,500
Issuance of Second Batch Consideration Shares*	發行第二批代價股份*			220,500
				860,000
Net cash flow arising on acquisition:	收購產生的現金流量淨額：			
Bank balances and cash acquired	所收購的銀行結餘及現金			319

As part of the consideration for Ease Ray Acquisition, 3,900,000,000 new ordinary shares of the Company with par value of HKD0.01 each was issued on 5 May 2011. The fair value of the ordinary shares issued was determined by to the published price available of HKD0.105 at the date of the acquisition on 29 April 2011.

34. 收購附屬公司 (續)

截至二零一一年六月三十日止年度 (續)

宜亮有限公司 (續)

本公司董事認為，被收購公司的資產及負債與其公平值相若。於宜亮收購中所收購的資產淨值以及產生的商譽如下：

作為宜亮收購之部份代價，本公司於二零一一年五月五日發行3,900,000,000股每股面值0.01港元之本公司新普通股。已發行普通股之公平值乃參考於收購日期二零一一年四月二十九日可獲得的已公佈價格0.105港元而釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

34. ACQUISITION OF SUBSIDIARIES

(Continued)

During the year ended 30 June 2011

(Continued)

Ease Ray Limited (Continued)

- * Second Batch Consideration Shares will be adjusted if the Reference Profit could not be achieved. The fair value of the Second Batch Consideration Shares at the date of acquisition was performed by Asset Appraisal.

The main factor leading to excess of considerations over fair value of net assets acquired is synergy generated with the patents and contract. The Group is capable of producing specialised products to accommodate diversified market orders and to enhance operating profit.

Including in the consolidated loss for the year is a profit of approximately HKD5,827,000 profit contributed by Ease Ray Group. Revenue for the year includes approximately HKD11,972,000 in respect of Ease Ray Group.

Had the acquisition of Ease Ray Group been effected at 1 July 2010, the Group's revenue for the year would have been approximately HKD55,793,000 and contributed approximately HKD18,559,000 profit for the year ended 30 June 2011. The pro forma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at 1 July 2010, nor is it intended to be a projection of future results.

In determining the pro forma revenue and loss of the Group assuming that Ease Ray Group had been acquired at the beginning of the current year, the directors have calculated amortisation of intangible assets acquired on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognised in the pre-acquisition financial statements.

34. 收購附屬公司 (續)

截至二零一一年六月三十日止年度 (續)

宜亮有限公司 (續)

- * 倘未能實現參考溢利，則第二批代價股份將作出調整。第二批代價股份於收購日期之公平值乃由資產評估顧問進行評估。

所購入資產淨值代價超過公平值主要是由於有關專利及合約產生的協同效應。本集團可生產特定產品以順應多元化的市場訂單及提升營運溢利。

年內綜合虧損包括宜亮集團貢獻之溢利約5,827,000港元。年內收入包括宜亮集團的約11,972,000港元。

倘宜亮集團收購於二零一零年七月一日生效，則本集團年內收入約為55,793,000港元，並為截至二零一一年六月三十日止年度貢獻溢利約18,559,000港元。備考資料僅供說明用途，並不應作為倘收購已於二零一零年七月一日完成，本集團可實際獲得之營業額及經營業績的指標，或作為未來業績之預測。

於釐定本集團之備考收入及虧損（假設宜亮集團已於本年度初被收購）時，董事已根據業務合併採用初步會計處理所產生之公平值，計量已收購無形資產之攤銷，而非根據收購前財務報表已確認之賬面值進行計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

34. ACQUISITION OF SUBSIDIARIES

(Continued)

During the year ended 30 June 2010

China Wimetro Group

On 9 September 2009, the Group completed the acquisition of the entire interests in China Wimetro Group. The consideration was settled by issuance and allotment of 363,200,000 ordinary shares of the Company at HKD0.15 each ("First Batch Consideration Shares A") and 544,800,000 ordinary shares of the Company at HKD0.15 each ("Second Batch Consideration Shares A") which are amounted to HKD54,480,000 and HKD81,720,000 respectively. The Second Batch Consideration shares A was recognised as deferred payment in relation of the acquisition at date of completion of acquisition.

Pursuant to the sales and purchase agreement dated 5 June 2009 with Vendor B, the First Batch Consideration Shares A will be issued with five business date upon completion of acquisition of China Wimetro Group and the Second Batch Consideration Shares A will be issued if the audited profit after tax for the year ended 30 June 2010 of China Wimetro Group equal to or not less than RMB60,000,000 (equivalent to approximately HKD68,100,000).

The First Batch Consideration A was issued on 12 October 2009. China Wimetro Group contributed a turnover of approximately HKD5,532,000 and a loss of approximately HKD9,607,000 for the period from the date of completion of acquisition to 30 June 2010 to the Group. According to the sale and purchase agreement, Second Batch Consideration Shares A has not been allotted and therefore goodwill arising from acquisition has been adjusted accordingly.

34. 收購附屬公司 (續)

截至二零一零年六月三十日止年度

中國無線城市集團

於二零零九年九月九日，本集團完成收購中國無線城市集團之全部股權。有關代價須按每股0.15港元發行及配發363,200,000股本公司普通股(「第一批代價股份甲」)及按每股0.15港元發行及配發544,800,000股本公司普通股(「第二批代價股份甲」)(總值分別為54,480,000港元及81,720,000港元)之方式支付。第二批代價股份甲確認為於收購完成日期與收購有關的延期付款。

根據與賣方乙訂立，日期為二零零九年六月五日之買賣協議，第一批代價股份甲將於完成收購中國無線城市集團後五個營業日內發行，倘中國無線城市集團截至二零一零年六月三十日止年度之經審核除稅後溢利等於或不少於人民幣60,000,000元(相當於約68,100,000港元)，則將會發行第二批代價股份甲。

第一批代價股份甲已於二零零九年十月十二日發行。中國無線城市集團於收購完成日期至二零一零年六月三十日期間已為本集團貢獻營業額約5,532,000港元及虧損約9,607,000港元。根據買賣協議，第二批代價股份甲不予以配發，而收購所產生的商譽已相應作出調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

34. ACQUISITION OF SUBSIDIARIES

(Continued)

During the year ended 30 June 2010

(Continued)

China Wimetro Group (Continued)

This acquisition has been accounted for using the purchase method. The amount of goodwill arising from acquisition was approximately HKD134,565,000 as at the date of completion of acquisition and approximately HKD52,845,000 after adjusted the effect of Second Batch Consideration Shares A.

The net assets acquired in this transaction, and the goodwill arising, are as follows:

34. 收購附屬公司 (續)

截至二零一零年六月三十日止年度 (續)

中國無線城市集團 (續)

是次收購已按收購法計入。因收購產生之商譽於收購完成日期約為134,565,000港元，經調整第二批代價股份甲之影響後約為52,845,000港元。

該項交易所收購的資產淨值以及產生的商譽如下：

		Pre-acquisition carrying amount 收購前賬面值 HKD'000 千港元	Fair value adjustment 公平值調整 HKD'000 千港元	Fair value 公平值 HKD'000 千港元
Net assets acquired	所收購資產淨值			
Property, plant and equipment	物業、廠房及設備	12,094	2,642	14,736
Trade and other receivables	貿易應收賬款及 其他應收款項	14,285	—	14,285
Bank balances and cash	銀行結餘及現金	354	—	354
Trade and other payables	貿易應付賬款及其他應付款項	(27,692)	—	(27,692)
Receipt in advances	已收取墊款	(48)	—	(48)
Goodwill (Note 20)	商譽 (附註20)			1,635
Total consideration	總代價			54,480
Total consideration satisfied by:	總代價以下列方式支付：			
Issuance of First Batch Consideration Shares A	發行第一批代價股份甲			54,480
Net cash inflow arising on acquisition:	收購產生的現金流入淨額：			
Bank balances and cash acquired	所收購的銀行結餘及現金			354

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

34. ACQUISITION OF SUBSIDIARIES

(Continued)

During the year ended 30 June 2010

(Continued)

Wimetro Group (Continued)

The goodwill arising on acquisition of China Wimetro Group is attributable to the anticipation profitability of the sales of telecommunication products business.

If the acquisition had been completed on 1 July 2009, total Group's turnover for the year ended 30 June 2010 would have been unchanged and contributed approximately HKD40,591,000 loss for the year ended 30 June 2010. The pro forma information is for illustrative purpose only and is not necessarily an indication of the turnover and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 July 2009, nor is it intended to be a projection of future results.

35. OPERATING LEASES

The Group as lessee

Minimum lease payments paid under operating leases in respect of office premises during the year amounting to approximately HKD3,513,000 (2010: HKD6,642,000).

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases are negotiated for a term of two years (2010: two years) with a fixed rentals. None of the leases included contingent rentals and terms of renewal were established in the leases.

34. 收購附屬公司 (續)

截至二零一零年六月三十日止年度 (續)

中國無線城市集團 (續)

因收購中國無線城市集團所產生之商譽來自電訊產品業務銷售之預期盈利。

倘收購已於二零零九年七月一日完成，本集團截至二零一零年六月三十日止年度之營業額將保持不變，而本集團截至二零一零年六月三十日止年度產生的虧損則約為40,591,000港元。備考資料僅供說明用途，並不應作為倘收購已於二零零九年七月一日完成，本集團可實際獲得之營業額及經營業績的指標，或作為未來業績之預測。

35. 經營租賃

本集團作為承租人

年內根據辦公室物業經營租賃已付的最低租金約為3,513,000港元(二零一零年：6,642,000港元)。

經營租賃款項指本集團就其若干辦公室物業應付的租金。租約的協定租期為兩年(二零一零年：兩年)，租金固定。概無或然租金中的租約及續期年期訂立於租約中。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

35. OPERATING LEASES (Continued)

The Group as lessee (Continued)

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
Within one year	一年內	5,831	3,000
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	3,946	5,594
		9,777	8,594

35. 經營租賃 (續)

本集團作為承租人 (續)

於報告期末，本集團根據於以下日期到期的不可撤銷經營租約就未來最低租金作出承擔：

36. CAPITAL COMMITMENTS

(a) Commitments contracted for but not provided in the consolidated financial statements in respect of

- Construction in progress
- Project development

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
(a) Commitments contracted for but not provided in the consolidated financial statements in respect of	(a) 有關以下各項於綜合財務報表之已訂約但未撥備的承擔		
— Construction in progress	— 在建工程	—	2,337
— Project development	— 項目發展	—	3,400
		—	5,737

36. 資本承擔

37. MAJOR NON-CASH TRANSACTION

On 5 May 2011, 3,900,000,000 new shares of the Company were issued as the Consideration Shares of the acquisition of the entire issued share capital in Ease Ray. The Consideration Shares were credited as fully paid upon completion of the Ease Ray Acquisition at the closing publishing price of the shares of the Company at HKD0.105 per share on 29 April 2011 and was issued on 5 May 2011.

37. 主要非現金交易

於二零一一年五月五日，本公司發行3,900,000,000股新股作為收購宜亮全部已發行股本之代價股份。代價股份於宜亮收購完成時按本公司股份於二零一一年四月二十九日之公開收市價每股0.105港元入賬列作繳足並於二零一一年五月五日發行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

38. SUBSIDIARIES

38. 附屬公司

The following is a list of the subsidiaries as at 30 June 2011:

下表載列於二零一一年六月三十日的附屬公司：

Name of subsidiary 附屬公司名稱	Class of shares held 所持股份類別	Place of incorporation and kind of legal entity 註冊成立地點及法定實體類別	Nominal value of paid up issued share capital 已繳足的已發行股本面值	Attributable equity interests attributable to the Company 本公司應佔權益		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Best Faith (Hong Kong) Limited (Trading as B&S Films Creation Works House)	Ordinary	Hong Kong, limited liability company	HKD3,000	—	100%	Production and sales of videos and films, and licensing of videos and copyrights/film rights in Hong Kong
百信(香港)有限公司(以中大電影創作室名稱經營)	普通股	香港, 有限公司	3,000港元	—	100%	於香港製作和銷售錄像帶與影片及授出錄像帶與版權/電影版權
B&S Group Limited	Ordinary	British Virgin Islands, limited liability company	HKD234,000	100%	—	Investment holding
B&S Group Limited	普通股	英屬處女群島, 有限公司	234,000港元	100%	—	投資控股
B&S Films Distribution Company Limited	Ordinary	Hong Kong, limited liability company	HKD10,000	—	100%	Inactive
中大電影發行有限公司	普通股	香港, 有限公司	10,000港元	—	100%	並無業務
B&S Films Production Limited	Ordinary	Hong Kong, limited liability company	HKD10,000	—	100%	Inactive
中大電影製作有限公司	普通股	香港, 有限公司	10,000港元	—	100%	並無業務
BIG Pictures Limited	Ordinary	Hong Kong, limited liability company	HKD1	—	100%	Film production in Hong Kong
天下影畫有限公司	普通股	香港, 有限公司	1港元	—	100%	於香港製作影片
BIG Artiste Management Limited	Ordinary	Hong Kong, limited liability company	HKD1	—	100%	Artiste management in Hong Kong
天下明星有限公司	普通股	香港, 有限公司	1港元	—	100%	於香港從事藝人管理

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

38. SUBSIDIARIES (Continued)

38. 附屬公司 (續)

The following is a list of the subsidiaries as at 30 June 2011:
(Continued)

下表載列於二零一一年六月三十日的附屬公司：(續)

Name of subsidiary 附屬公司名稱	Class of shares held 所持股份類別	Place of incorporation and kind of legal entity 註冊成立地點及法定實體類別	Nominal value of paid up issued share capital 已繳足的已發行股本面值	Attributable equity interests attributable to the Company 本公司應佔權益		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
China Wimetro Communications Company Limited 中國無線城市通信有限公司	Ordinary 普通股	British Virgin Islands, limited liability company 英屬處女群島，有限公司	USD1 1美元	—	100%	Investment holding 投資控股
China Wimetro Company Limited 中國無線城市有限公司	Ordinary 普通股	Hong Kong, limited liability company 香港，有限公司	HKD10,000 10,000港元	—	100%	Investment holding 投資控股
Fleur Group Limited Fleur Group Limited	Ordinary 普通股	British Virgin Islands, limited liability company 英屬處女群島，有限公司	USD15,000 15,000美元	—	100%	Holding of copyrights in Hong Kong 於香港持有版權
Getbetter Enterprises Limited Getbetter Enterprises Limited	Ordinary 普通股	British Virgin Islands, limited liability company 英屬處女群島，有限公司	USD1 1美元	100%	—	Investment holding 投資控股
Joyful New Limited Joyful New Limited	Ordinary 普通股	British Virgin Islands, limited liability company 英屬處女群島，有限公司	USD1 1美元	100%	—	Investment holding 投資控股
Shenzhen Huanlian Communications Technology Company Limited 深圳市幻聯通信技術有限公司	Contributed capital 出資	PRC, limited liability company 中國，有限責任公司	HKD1,000,000 1,000,000 港元	—	100%	Provision of consultancy and managerial services 提供顧問及管理服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

38. SUBSIDIARIES (Continued)

The following is a list of the subsidiaries as at 30 June 2011:
(Continued)

38. 附屬公司 (續)

下表載列於二零一一年六月三十日的附屬公司：(續)

Name of subsidiary 附屬公司名稱	Class of shares held 所持股份類別	Place of incorporation and kind of legal entity 註冊成立地點及法定實體類別	Nominal value of paid up issued share capital 已繳足的已發行股本面值	Attributable equity interests attributable to the Company 本公司應佔權益		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Shenzhen Kunyu Communications Technology Company Limited 深圳市坤宇通信技術有限公司	Contributed capital 出資	PRC, limited liability company 中國，有限責任公司	RMB10,000,000 人民幣10,000,000元	—	100%	Sales and distribution of telecommunication products 銷售及分銷電訊產品
Total Big Limited 漢凱有限公司	Ordinary 普通股	Hong Kong, limited liability company 香港，有限公司	HKD1 1港元	—	100%	Film production in Hong Kong 於香港製作影片
Ease Ray Limited 宜亮有限公司	Ordinary 普通股	British Virgin Islands, limited liability company 英屬處女群島，有限公司	US\$100 100美元	100%	—	Investment holding 投資控股
Pacific Mind Limited 立思有限公司	Ordinary 普通股	Hong Kong, limited liability company 香港，有限公司	HKD1 1港元	—	100%	Investment holding 投資控股
Elegant Capital Limited 上海子睿投資諮詢有限公司	Ordinary 普通股	PRC, limited liability company 中國，有限責任公司	RMB500,000 人民幣500,000元	—	70%	Investment consultancy 投資諮詢

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

38. SUBSIDIARIES (Continued)

38. 附屬公司 (續)

The following is a list of the subsidiaries as at 30 June 2011:
(Continued)

下表載列於二零一一年六月三十日的附屬公司：(續)

Name of subsidiary 附屬公司名稱	Class of shares held 所持股份類別	Place of incorporation and kind of legal entity 註冊成立地點及法定實體類別	Nominal value of paid up issued share capital 已繳足的已發行股本面值	Attributable equity interests attributable to the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
City Media Co., Ltd. 上海希迪美資訊科技有限公司	Ordinary 普通股	PRC, limited liability company 中國，有限責任公司	RMB500,000 人民幣500,000元	—	100%	Investment holding 投資控股
Shanghai Dasan Hexian City Environmental Art Company Limited 上海大三和弦城市環境藝術有限公司	Ordinary 普通股	PRC, limited liability company 中國，有限責任公司	RMB11,000,000 人民幣11,000,000元	—	73%	Design and production of traffic signboards, computer graphics, advertisements and signal systems equipment 交通指示牌、電腦圖文廣告及信號燈系統設備的設計及製作

39. DEED OF CHARGE

39. 抵押契據

Pursuant to a production finance agreement signed between Total Big Limited (“TBL”), a wholly owned subsidiary of the Company, and the Government of the Hong Kong Special Administrative Region (the “HKSAR”) on 18 February 2009 in respect of the production of a film titled “Give Love”, the title of the firm and the whole of TBL’s undertaking and assets were charged in favour of the HKSAR as security for the discharge of the obligations of TBL under the agreement.

根據本公司之全資附屬公司漢凱有限公司(「漢凱」)與香港特別行政區(「香港特區」)政府於二零零九年二月十八日就製作影片「愛得起」簽立之製作融資協議，影片之所有權及漢凱之全部業務及資產已抵押予香港特區，作為解除漢凱根據協議須承擔義務之擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

40. STATEMENT OF FINANCIAL POSITION

40. 財務狀況表

		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司之投資	860,100	100
Property, plant and equipment	物業、廠房及設備	719	—
Deposit paid for acquisition of a subsidiary	收購附屬公司的已付按金	120,000	230,000
		980,819	230,100
CURRENT ASSETS	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	35,402	33,534
Amounts due from subsidiaries	應收附屬公司款項	18,699	88
Cash and cash equivalents	現金及現金等價物	1,145	141,863
		55,246	175,485
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付賬款及應計款項	4,955	15,141
Convertible notes payable	應付可換股票據	24,801	—
		29,756	15,141
NET CURRENT ASSETS	流動資產淨值	25,490	160,344
NET ASSETS	資產淨值	1,006,309	390,444
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	193,282	154,282
Reserves	儲備	813,027	236,162
TOTAL EQUITY	總權益	1,006,309	390,444

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

41. EVENT AFTER THE REPORTING PERIOD

Acquisition of a subsidiary

On 30 June 2011, the Company completed the acquisition of entire issued share capital of Smart Long. Since the acquisition completed after the close of business on 30 June 2011, in the opinion of the directors, the Group has possessed the control over Smart Long Group since 1 July 2011 and therefore the Smart Long Acquisition was deemed to be completed on 1 July 2011.

As at 30 June 2011, included in prepayment, deposits and other receivables are receivables due from Smart Long Group amounting to approximately HKD600,000 (2010: Nil).

As at 30 June 2010, included in other payables and accruals are payables to Smart Long Group amounting to approximately HKD8,080,000.

Up to the date of these consolidated financial statements are authorised for issue, the initial accounting for the business combination is incompleting as the Group is still in the process of assessing the fair value of Smart Long Group. The valuation of the Smart Long Group at the completion date would be conducted by an independent professional valuer and the valuation is still in progress at the report date.

42. RELATED PARTY TRANSACTIONS

The key management personnel of the Group comprises all directors of the Company, details of their emoluments are disclosed in Note 15. The remuneration of the directors of the Company is determined by the remuneration committee having regards to the performance of individuals and market.

41. 報告期末後事項

收購附屬公司

於二零一一年六月三十日，本公司已完成收購智朗全部已發行股本。由於收購乃於二零一一年六月三十日營業時間結束後完成，因此董事認為，本集團已自二零一一年七月一日開始擁有智朗集團之控制權，故智朗收購被視為已於二零一一年七月一日完成。

於二零一一年六月三十日，預付款項、按金及其他應收賬款包括智朗集團應付之應收賬款，約為600,000港元(二零一零年：零)。

於二零一零年六月三十日，其他應付款項及應計款項包括應付智朗集團之款項，約為8,080,000港元。

直至該等綜合財務報表獲准發佈之日期，由於本集團仍然處於評估智朗集團之公平值之過程中，故業務合併之初步會計尚未完成。於完成日期，智朗集團之估值將由獨立專業估值師進行評估，於報告日期評估仍在進行中。

42. 關連人士交易

本集團主要管理人員包括本公司所有董事，其薪酬詳情披露於附註15。本公司董事之薪酬由薪酬委員會因應個人表現及市場狀況而釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2011 截至二零一一年六月三十日止年度

43.COMPARATIVE FIGURES

In order to conform with the current year presentation, certain items in the consolidated statement of comprehensive income for the year ended 30 June 2010 and consolidated statement of financial position as at 30 June 2010 and 1 July 2009 has been reclassified. Adjustment is made to reclassify the trade receivables amounting to approximately HKD18,008,000, prepayments, deposits and other receivables amounting to approximately HKD18,080,000, paid in advances of approximately HKD4,853,000, the other payables and accruals amounting to approximately HKD17,839,000, the deposits received amounting to HKD14,612,000 the amount due to a related company amounting to HKD8,080,000. In addition, adjustments have been made in respect of turnover and cost of sales amounting to approximately HKD178,000 and such reclassification has no impact on the Group's loss for the year ended 30 June 2010.

Details of the restatement are provided as follows:

43.比較數字

為符合本年度之呈列方式，截至二零一零年六月三十日止年度之綜合全面收益表及於二零一零年六月三十日及二零零九年七月一日之綜合財務狀況表之若干項目獲重新分類。有關調整乃為將貿易應收賬款約18,008,000港元、預付款項、按金及其他應收款項約18,080,000港元及已付預付款約4,853,000港元、其他應付款項及應計款項約17,839,000港元、已收按金14,612,000港元應付關連公司款項8,080,000港元重新分類。此外，亦已就營業額及銷售成本約178,000港元作出調整，而有關重新分類對本集團截至二零一零年六月三十日止年度之虧損並無影響。

重列詳情如下：

		Amount original stated 原先表列金額 HKD'000 千港元	Restatement/ Reclassification 重列／重新分類 HKD'000 千港元	Amount as restated 經重列金額 HKD'000 千港元
Items on consolidated statement of comprehensive income for the year ended 30 June 2010	截至二零一零年六月三十日止年度之綜合全面收益表項目			
Turnover	營業額	44,804	(178)	44,626
Cost of sales	銷售成本	(43,191)	178	(43,013)
Items on consolidated statement of financial position at 30 June 2010	於二零一零年六月三十日之綜合財務狀況表項目			
Trade receivables	貿易應收款項	48,634	(18,008)	30,626
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	40,074	18,008	58,082
Paid in advances	已付預付款	6,222	(4,853)	1,369
Other payables and accruals	其他應付款項及應計款項	(40,128)	(17,839)	(57,967)
Deposits received	已收按金	(17,943)	14,612	(3,331)
Amount due to a related company	應付關連公司款項	(8,080)	8,080	—

FINANCIAL SUMMARY

財務概要

The following is a summary of the published consolidated results and of the assets and liabilities of the Group:

以下為本集團已刊發之綜合業績、資產及負債概要：

Results

業績

		Year ended 30 June 截至六月三十日止年度				
		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元 (restated) (經重列)	2009 二零零九年 HKD'000 千港元	2008 二零零八年 HKD'000 千港元	2007 二零零七年 HKD'000 千港元
Turnover	營業額	45,257	44,626	48,394	24,356	5,121
Cost of sales	銷售成本	(13,999)	(43,013)	(48,869)	(25,218)	(4,735)
Gross profit (loss)	毛利(毛損)	31,258	1,613	(475)	(862)	386
Other income and gains	其他收入及收益	12,290	2,315	560	955	991
Share-based payments expenses	以股份為基礎之付款費用	(38,331)	—	—	—	—
Selling and marketing costs	銷售及市場推廣成本	(6,769)	(6,970)	(8,066)	(5,655)	(1,548)
Administrative and other expenses	行政及其他費用	(27,069)	(35,509)	(25,836)	(19,852)	(3,597)
Impairment loss recognised in respect of goodwill	就商譽確認之 減值虧損	—	(5,895)	—	—	—
Loss from operating activities	經營業務虧損	(28,621)	(44,446)	(33,817)	(25,414)	(3,768)
Finance costs	融資成本	(552)	(8)	(18)	(121)	(1,117)
Loss before taxation	除稅前虧損	(29,173)	(44,454)	(33,835)	(25,535)	(4,885)
Income tax expenses	所得稅開支	(3,846)	(10)	—	—	(1,235)
Net loss for the year	年內虧損淨額	(33,019)	(44,464)	(33,835)	(25,535)	(6,120)

FINANCIAL SUMMARY

財務概要

Assets and liabilities

資產及負債

		As at 30 June 於六月三十日				
		2011 二零一一年 HKD'000 千港元	2010 二零一零年 HKD'000 千港元 (restated) (經重列)	2009 二零零九年 HKD'000 千港元 (restated) (經重列)	2008 二零零八年 HKD'000 千港元	2007 二零零七年 HKD'000 千港元
Non-current assets	非流動資產	1,120,388	302,654	28,849	47,366	26,147
Current assets	流動資產	171,196	238,245	33,998	34,790	14,508
Current liabilities	流動負債	(140,052)	(89,686)	(25,766)	(11,261)	(14,263)
Net current assets	流動資產淨值	31,144	148,559	8,232	23,529	245
Non-current liability	非流動負債	(45,705)	—	(21)	—	—
Net assets	資產淨值	1,105,827	451,213	37,060	70,895	26,392

www.neo-telemedia.com

Neo Telemedia Limited
中國新電信集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

股份代號 Stock code: 8167