



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)

Stock code 股份代號: 8167



ANNUAL REPORT 年報
2012

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	16
Report of the Directors	董事會報告	19
Corporate Governance Report	企業管治報告	27
Independent Auditor's Report	獨立核數師報告	34
Consolidated Statement of Comprehensive Income	綜合全面收益表	38
Consolidated Statement of Financial Position	綜合財務狀況表	40
Consolidated Statement of Changes in Equity	綜合權益變動表	42
Consolidated Statement of Cash Flows	綜合現金流量表	44
Notes to the Consolidated Financial Statements	綜合財務報表附註	46
Financial Summary	財務概要	183

Corporate Information 公司資料

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. LI Hongrong (*Chairman*)
Mr. Theo EDE
Mr. HU Yangjun
Mr. ZHANG Xinyu (*Chief Executive Officer*)

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 (主席)
Theo EDE先生
胡楊俊先生
張新宇先生 (行政總裁)

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 Co., Ltd.

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
平安銀行股份有限公司

GEM STOCK CODE

8167

創業板股份代號

8167

REGISTERED OFFICE

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

註冊辦事處

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

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

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

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

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 2012.

REVIEW AND ANALYSIS

During the year ended 30 June 2012, the Group's operations comprised 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 in the PRC. The Group was also engaged in production and sales of video and films, the licensing of video and film rights and artiste management which were discontinued during the year ended 30 June 2012.

During the year under review, the Group completed the acquisition of Smart Long Limited and its subsidiaries (collectively referred to as “Smart Long Group”). With the contribution from Smart Long Group and Ease Ray Limited, a wholly-owned subsidiary of the Company, and its subsidiaries (collectively referred to as “Ease Ray Group”), which was acquired during the year ended 30 June 2011, turnover for the year ended increased from HKD45.3 million (including continuing operations of approximately HKD27.2 million and discontinued operations of approximately HKD18.1 million) for the year ended 30 June 2011 to HKD102.8 million (including continued operations of approximately HKD100.2 million and discontinued operations of approximately HKD2.6 million) for the year ended 30 June 2012. However, due to primarily the impairment loss on goodwill arising from the various acquisitions completed during the last three years of approximately HKD541.5 million and the impairment loss on the related intangible assets of approximately HKD109.3 million, the Group's net loss attributable to owners of the Company increased from approximately HKD36.3 million for the year ended 30 June 2011 to HKD465.2 million for the year ended 30 June 2012.

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」）截至二零一二年六月三十日止年度之年度業績。

回顧及分析

截至二零一二年六月三十日止年度，本集團的業務包括在中國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。本集團亦從事製作及銷售錄影帶及影片、授出錄影帶及電影版權以及藝人管理業務，該等業務於截至二零一二年六月三十日止年度已終止經營。

於回顧年度內，本集團完成收購智朗有限公司及其附屬公司（統稱為「智朗集團」）。受惠於智朗集團及本公司之全資附屬公司宜亮有限公司及其附屬公司（統稱為「宜亮集團」）（於截至二零一一年六月三十日止年度收購）之貢獻，年內營業額由截至二零一一年六月三十日止年度之45.3百萬港元（包括持續經營業務約27.2百萬港元及終止經營業務約18.1百萬港元）增至截至二零一二年六月三十日止年度之102.8百萬港元（包括持續經營業務約100.2百萬港元及終止經營業務約2.6百萬港元）。然而，主要由於過去三年完成的多項收購產生商譽減值虧損約541.5百萬港元及相關無形資產減值虧損約109.3百萬港元，截至二零一二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二零一一年六月三十日止年度之約36.3百萬港元增至465.2百萬港元。

Chairman's Statement

主席報告書

SALES OF TELECOMMUNICATION PRODUCTS AND PROVISION OF WIRELESS SERVICES

China Wimetro Group

Through China Wimetro Communications Company Limited, a wholly-owned subsidiary of the Company, and its subsidiaries (collectively referred to as "China Wimetro Group"), the Group operates a national local call package called "Shenzhou 950" which is a value added service provided to China Mobile subscribers. After 3 years of operations, the Group has gained a sizable market share among subscribers of mobile telecommunications. However, with the advanced development of broadband wireless mobile telecommunication technology and continuous innovation in Web application technology, China mobile internet industry begins to grow dramatically, as 3G technology is rapidly popularized. Moreover, instant message (IM) products are developed for new smart phones and smart terminal users, especially the smart phone users, grow explosively. Besides, an increasing number of innovative companies emerge and expand with over half of their products developed for mobile internets, and these products form a new opening basic network for telecommunication that provides telecommunication services of high quality, such as voice, facsimile, image, multi-media services. Consequently, the China mobile internet has grown from merely a chatting tool into a comprehensive information platform that combines functions including communication, information, entertainment, searching, e-commerce, collaboration work and business customer service. The most famous ones include: comprehensive IM tools such as Tencent QQ and Microsoft MSN; vertical IM tools such as NetEase POPO, Sina UC, Baidu Hi, Aliwangwang, Taobao Wangwang and SNDA-US Quanquan; and multi-platform and multi-network IM tools such as China Mobile Feition, eSurfing Live of China Telecom and Skype.

銷售電訊產品及提供無線服務

中國無線城市集團

透過本公司全資附屬公司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」),本集團經營著「神州950」全國市話套餐,此乃針對中國移動用戶推出的一項增值業務。經過三年多的經營,本集團取得了一定的移動通信用戶市場規模,但隨著寬帶無線移動通信技術的進一步發展和Web應用技術的不斷創新,中國移動互聯網產業在3G的快速普及下正逐步迎來爆發式增長,新一代智能手機的即時通訊產品以及更多創新型的企業的誕生及不斷的擴大,智能終端用戶(特別是智能手機用戶)的大幅增加,而且他們很多的產品,有超過一半的數量是在移動互聯網方面,可同時提供語音、傳真、圖像、多媒體等高品質電信服務的新一代開放的電信基礎網絡,不再是一個單純的聊天工具,它已經發展成集交流、資訊、娛樂、搜索、電子商務、辦公協作和企業客戶服務等為一體的綜合化信息平台,目前人們熟知的,既有騰訊QQ、微軟MSN等綜合類即時通信工具,也有網易泡泡、新浪UC、百度Hi、阿里旺旺、淘寶旺旺、盛大圈圈等垂直即時通信工具,還包括中國移動飛信、中國電信天翼Live、Skype等跨平台、跨網絡即時通信工具。

Chairman's Statement 主席報告書

We have been observing such development and evaluated its business strategies from time to time. Stakeholders either participate in or withdraw from the market of this emerging mobile internet industry constantly. The mobile internet business has become another driver for internet development next to the broadband technology and brought development space and new and sustainable business modes to traditional internet business development. As its development also provides infinite possibilities in applications of the mobile network and promoted extensive development of broadband mobile network, it has become a strategic focus of mobile operators in their business development. Thus, traditional operating mode of information industry is being replaced by the emerging of the new mode.

With the improvement of network bandwidth in our country, it is expected that the demand of the users on the business will change into a business mode that integrates mobile network and Internet in the next couple of years.

As a result, the original operating mode and competitive structure of the Group seem inopportune in the new landscape. The market share of our products may fall far behind mobile internet in the future as is compared to the past. The original operating mechanism and the manner of resource allocation are changing.

Given the above reasons and taking into account that if the Company renewed its licensed period in the original manner after the license had expired, the Company may incur loss on the capital that was expected to invest in such renewal. We have therefore decided to fully write off the goodwill arose from the acquisition of China Wimetron Group.

我們一直監察有關情況，並不時評估其業務策略。移動互聯網作為一個新興的產業，許多利益主體都在不斷地參與或者退出這個市場，移動互聯網業務已成為繼寬帶技術後互聯網發展的另一個推動力，為傳統的互聯網類業務提供了新的發展空間和可持續發展的新商業模式；與此同時，移動互聯網業務的發展為移動網帶來了無盡的應用空間，促進了移動網絡寬帶化的深入發展，正在成長為移動運營商業務發展的戰略重點。傳統的信息產業運作模式正在被打破，新的運作模式正在形成。

預計在今後的1至2年內，隨著我國移動網絡帶寬的增加，用戶對業務的需求也會發生一定的變化，實現移動網和互聯網融合的業務轉變。

所以本集團公司原有的產業運作模式和競爭結構在新的形勢下已經顯得不合時宜，與過去相比，未來我們產品所佔市場份額可能會遠遠小於移動互聯網，原有的運作機制和資源配置方式都在改變。

鑒於上述理由及考慮到本公司的授權許可到期後如按原模式延續授權期限，本公司可能因用於延續授權的資金而造成虧損。因此，我們已決定悉數撤銷因收購中國無線城市集團而產生的商譽。

Chairman's Statement

主席報告書

Smart Long Group

On 1 July 2011, the Group completed the acquisition of Smart Long Group. Smart Long Group is granted an exclusive right to sell and market the high temperature superconducting ("HTS") filtering solutions in Guangdong and Guangxi, the PRC. During the year under review, the development and profitability of Smart Long Group was adversely affected due to the following factors: 1) There was a supply shortage of HTS filters. 2) Smart Long Group's major customers, i.e. the major telecommunication operators in the PRC, changed their procurement policy, called "泛招標化" (General Bidding Purchasing Policy), due to the change of the relevant regulations in the PRC. This has delayed the procurement process of these operators; the order of the first batch of HTS filters made by them has been extended by one year to the Company's next financial year. 3) The fierce competition among network equipment manufacturers made the price of base station fall remarkably. The dominance of the HTS system in the market share of network optimization market was therefore adversely affected. 4) A major telecommunication operator, our major customer, has reduced its investment in network equipments so as to utilize such fund to implement their marketing strategies, such as various kinds of subsidies to their subscribers.

All the above factors have adversely affected the profitability of Smart Long Group. Based on the updated business valuation on Smart Long Group, the Group has recognized an impairment loss of approximately HK\$68.9 million on goodwill arose on the acquisition of Smart Long Group and an impairment loss of approximately HKD10.2 million on the relevant intangible assets for the year ended 30 June 2012.

智朗集團

於二零一一年七月一日，本集團完成收購智朗集團。智朗集團獲授獨家權利，可在中國廣東省及廣西省銷售及推廣高溫超導（「高溫超導」）濾波解決方案。於回顧年內，智朗集團的發展及盈利能力受到不利影響，主要是由於下列因素所致：1) 高溫超導濾波器供應短缺。2) 由於中國的相關監管情況轉變，智朗集團主要客戶（即中國的大型電信營運商）的採購政策已經改變，呈現「泛招標化」。這種情況拖慢了該等營運商的採購過程，導致首批高溫超導濾波器的訂單延長一年至本公司的下個財政年度。3) 網絡設備廠商競爭白熱化，基站設備的價格大幅下降，在此情況下高溫超導系統在網絡優化市場佔有率的獨創地位受到不利影響。4) 我們的主要客戶一家大型電信營運商壓縮其在網絡設備的投資，以將該等資金用於實施彼等的市場推廣策略，包括對彼等的用戶提供多種補貼。

所有上述因素均已對智朗集團的盈利能力造成不利影響。基於對智朗集團最新的業務評估，本集團已於截至二零一二年六月三十日止年度就因收購智朗集團而產生的商譽確認減值虧損約68.9百萬港元及就有關無形資產確認減值虧損約10.2百萬港元。

Chairman's Statement 主席報告書

DESIGN AND PRODUCTION OF TRAFFIC SIGNBOARDS, COMPUTER GRAPHICS, ADVERTISEMENTS AND SIGNAL SYSTEM EQUIPMENT

Through Ease Ray Group, the Group operates outdoor advertising business via the city informational pedestrian traffic signboard system developed by Shanghai Dasan Hexian City Environmental Art Company Limited (上海大三和弦城市環境藝術有限公司) ("Dasan Hexian"), a subsidiary that is 51.1% indirectly owned by the Company. The system delivers public information, commercial information and advertisements on LED screens of traffic signboards through wireless technology for government departments, public institutions and companies. As recognized by municipal traffic police departments in the PRC, the project has been granted the utility model patent certificate and the Shanghai High & New Technology Transformation Certificate.

During the year under review, although the outdoor advertisement industry in China was undergoing sluggish growth and fierce competition among companies, Ease Ray Group contributed a turnover of approximately HKD91.1 million (2011: HKD12 million). It is mainly attributable to Ease Ray Group's full year operation results consolidated into the Group for the year ended 30 June 2012, as opposed to only 2 months for the year ended 30 June 2011.

設計及製作交通指示牌、電腦圖文、廣告及信號燈系統設備

透過宜亮集團，本集團借助由本公司間接擁有51.1%權益之附屬公司上海大三和弦城市環境藝術有限公司（「大三和弦」）開發的城市信息化人行信號燈系統開展戶外廣告業務。此系統通過無線發佈形式實現信號燈LED顯示屏上的信息發佈，在為政府部門發佈公益信息的同時發佈企事業單位的商業信息和廣告。該項目獲得中國各地政府交管部門的認可，並先後獲得實用新型專利證書和上海市高新技術成果轉化證書。

於回顧年內，雖然中國戶外廣告業整體增長滯緩，競爭慘烈，宜亮集團仍貢獻營業額約91.1百萬港元（二零一一年：12百萬港元）。這主要由於截至二零一二年六月三十日止年度，宜亮集團的全年營運業績合併入本集團，而截至二零一一年六月三十日止年度僅合併兩個月的營運業績。

Chairman's Statement 主席報告書

However, because of the European debt crisis that has led to tightened credit and liquidity problem, the Group encountered difficulties in obtaining financing in the money market and raising funds from the capital market. Due to the lack of funding: 1) Dasan Hexian missed the opportunities to obtain more resources in cities at an early stage, which has resulted in only four cities being equipped on a permanent basis for the traffic signboard media business. Thus, the business is not able to develop into media of a national scale. Consequently, it cannot attract large national advertisement customers. 2) It is not able to carry out large-scale upgrading and transformation to traffic signboards in cities with pilot installations. It is even unable to complete the total installed capacities as set out in contracts executed, seriously undermining the advantage of networking information delivery on traffic signboards in those cities. The total number of the traffic signboard media owned by Dasan Hexian is able to satisfy neither the requirement of installation on roads of the existing four cities nor customers' requirement to deliver information across the cities. 3) The maintenance of traffic signboards cannot be dealt with in time, causing abnormal information delivery in a number of traffic signboards. This has negative impact on the image of municipal facilities and was held accountable by the relevant authorities. It also had negative effect on customers' confidence towards traffic signboard media, which makes it more difficult to achieve good results for traffic signboard media.

As a result, the Group was not able to develop the business of Ease Ray Group as originally planned and its profitability has been adversely impacted. Based on the updated business valuation of Ease Ray Group, the Group has recognized an impairment loss of approximately HKD425.7 million on goodwill arose on the acquisition of Ease Ray Group and an impairment loss of approximately HKD99.1 million on the relevant intangible assets for the year ended 30 June 2012.

然而，由於歐債危機導致信貸收緊及流動資金問題，本集團面臨在貨幣市場獲取融資及自資本市場籌集資金的困難。由於缺乏資金：1)大三和弦錯失了前期獲得更多城市資源的機遇，導致目前僅有四個城市作為信號燈媒體的永久經營陣地。因此，該業務無法發展成為全國性的媒體，進而無法吸引全國性廣告大客戶的青睞。2)無法對已進行試點安裝的城市進行信號燈大面積更新改造。該公司甚至無法按照已簽合同完成安裝總量，嚴重影響到所在城市交通信號燈網絡化信息發佈的優勢。以目前大三和弦擁有的交通信號燈媒體總量來看，很難滿足已有四個城市道路安裝要求及客戶需要的信息覆蓋全市的要求。3)信號燈的維護不能及時處理，導致多處交通信號燈無法正常發佈信息。此種情況影響到城市市政設施的形象並引起相關部門的問責，亦對客戶對投放交通信號燈媒體的信心造成不利影響，增加了交通信號燈媒體創造好業績的難度。

因此，本集團無法按原計劃發展宜亮集團的業務，其盈利能力因此而受到不利影響。基於宜亮集團最新的業務評估，本集團已於截至二零一二年六月三十日止年度就因收購宜亮集團而產生的商譽確認減值虧損約425.7百萬港元及就有關無形資產確認減值虧損約99.1百萬港元。

Chairman's Statement 主席報告書

FILM EXHIBITION AND FILM RIGHTS LICENSING AND SUB-LICENSING AND ARTISTE MANAGEMENT

As the Company's board of directors believed that the newly acquired businesses, i.e. telecommunication products and outdoor advertising media, had much potential for growth in the PRC, the Company entered into a sale and purchase agreement with Fintage Asia Corporation in relation to the disposal the businesses of film exhibition and film rights licensing and sub-licensing and artiste management (the "Disposal"), which have been continuously downsizing since the last financial year. The Disposal is expected to be completed on or before 28 September 2012.

PROSPECTS

The venturing into the telecommunication and outdoor advertising media sectors in the PRC has been an important move of the Group to benefit from these fast growing sectors. Although the Group encountered challenges to survive this harsh economic environment, the directors are still optimistic in the overall economy of the PRC.

Going forward, the Group will continue to consider various alternatives in obtaining additional resources to develop the existing businesses and work on turning them around.

SALES OF TELECOMMUNICATION PRODUCTS AND PROVISION OF WIRELESS SERVICES

To adapt to possible changes of our users in the future and seize the opportunities, the Group is proactively attempting to upgrade our products. Leveraging on our traditional advantage in the original sector, we expand into new business sectors and strive to become an integrator of the new industry chain, in an aim to preemptive priorities in the future market landscape and swift our business to the integration of mobile network and fixed internet.

電影放映、電影版權授出及轉授及藝人管理

由於本公司董事會認為，電訊產品及戶外廣告媒體等新收購業務在中國擁有巨大增長潛力，故本公司已與Fintage Asia Corporation就出售電影放映、電影版權授出及轉授及藝人管理業務訂立買賣協議（「出售事項」），該等業務自上一個財政年度起一直持續削減規模。出售事項預期將於二零一二年九月二十八日或之前完成。

展望

進軍中國的電訊及戶外廣告媒體行業，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。儘管本集團面臨在此艱難的經濟環境中生存的挑戰，但董事認為中國整體經濟前景依然樂觀。

展望未來，本集團將繼續考慮循多個途徑增加資源以發展該等業務並扭虧為盈。

銷售電訊產品及提供無線服務

為了適應未來客戶需求可能發生的變化及把握機遇，本集團正在積極考慮對產品進行升級。利用我們在原有領域的傳統優勢，拓展新的業務領域，爭當新型產業鏈的整合者，以圖在未來的市場格局中占據有利地位，實現移動和固定互聯網融合的業務轉移。

Chairman's Statement

主席報告書

The Group is currently under preliminary negotiation with a former director of the Company regarding a possible acquisition (the "Possible Acquisition") of a network service business for higher education institutions in the PRC (the "Target Business"). The Company is currently conducting due diligence exercise on the Target Business. The Group will continue to work on the Possible Acquisition. If the Possible Acquisition proceeds and the Target Business is successfully acquired, it is expected to create a synergy effect with the business of China Wimetro Group and Smart Long Group so as to maximize returns to our shareholders.

DESIGN AND PRODUCTION OF TRAFFIC SIGNBOARDS, COMPUTER GRAPHICS, ADVERTISEMENTS AND SIGNAL SYSTEM EQUIPMENT

In summary, Dasan Hexian traffic signboard media is at a key point of development. On one hand, as the business is influenced by policies, it will be hard to obtain municipal resources and business development on public resources will be strictly controlled and regulated by municipal governments across the country. Moreover, due to constant adjustments in urban planning, the operations of traffic signboard media in existing cities are not secured. On the other hand, we face national media's monopolies over customers and emerging media further draining our customer resources. The impact of electronic networking media is an inevitable challenge to all traditional outdoor media. To safeguard traffic signboard media markets we already obtained has become our top priority. We will ensure normal operations of the existing traffic signboard media and consider how to perform scientific upgrading and function development as well as exploring for ways that satisfy competitive needs in all respects. By doing this, we hope that Dasan Hexian traffic signboard media can become indispensable symbolic facilities in modern metropolis and a well-known advertising media brand name in the PRC.

OVERALL

With the various stimulus measure implemented by major economies, there have been indications that the worst economic situation in decades may have abated, providing the Group a positive operating environment.

本集團目前正與本公司一名前董事就可能收購(「可能收購」)位於中國的高等教育機構網絡服務業務(「目標業務」)進行初步協商。本集團目前正在對目標業務進行盡職調查。本集團將繼續開展可能收購。倘可能收購得以進行且順利收購目標業務，預期將為中國無線城市集團及智朗集團的業務帶來協同效應，從而為我們的股東帶來最大回報。

設計及製作交通指示牌、電腦圖文、廣告及信號燈系統設備

綜上所述，大三和弦信號燈媒體正處在一個關鍵的節點上，一方面受政策影響未來將很難獲得更多的城市資源，公共資源的商業開發會受到各地政府越來越嚴格的控制和監管，加上各個城市規劃經常調整，使已有的城市中信號燈媒體處於無保障經營狀態；另一方面全國性大媒體的客戶壟斷和各地新興媒體的出現進一步蠶食著我們的客戶資源，更多網絡化電子新媒體的衝擊是讓所有的傳統戶外媒體必須面對的挑戰。保衛我們已獲得的信號燈媒體這些來之不易的陣地已成為我們當務之急。在確保現有信號燈媒體正常運行的基礎上，如何進行科學的升級和功能開發，並探索滿足多方面競爭需要的方式。通過這些舉措，我們希望大三和弦信號燈媒體能真正成為現代都市不可或缺的符號設施和中國廣告媒體的知名品牌。

概覽

隨著大型經濟體實施多項經濟刺激措施，有跡象表明，近十年糟糕的經濟形勢可能已經消退，這將為本集團創造有利的營運環境。

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. As at 30 June 2012, the Group did not have any interest-bearing borrowings (2011: Nil).

As at 30 June 2012, the Group had current assets of approximately HKD254.3 million (2011: HKD171.2 million), including cash and cash equivalents of approximately HKD7.7 million (2011: HKD12.2 million), trade receivables, prepayments, deposits, other receivables and payment in advances of approximately HKD174.4 million (2011 (restated): HKD153.0 million) and loan interest receivable and current portion of loan receivable of approximately HKD56.3 million (2011 (restated): HKD6.0 million); and current liabilities of approximately HKD73.5 million (2011 (restated): HKD360.6 million). The Group's current ratio had increased from approximately 0.5 times (restated) as at 30 June 2011 to approximately 3.5 times as at 30 June 2012.

The Group had total assets of approximately HKD694.3 million (2011: HKD1,291.6 million) and total liabilities of approximately HKD83.3 million (2011 (restated): HKD406.3 million), representing a gearing ratio (expressed as total liabilities to total assets) of approximately 12% as at 30 June 2012 (2011 (restated): 31.5%).

The Group's turnover for the year ended 30 June 2012 amounted to approximately HKD102.8 million (2011: HKD45.3 million).

COMMITMENTS AND DEED OF CHARGE

Details of commitments and deed of charge of the Group were set out in notes 41 and 44 to the consolidated financial statements respectively.

財務狀況

於回顧年度內，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。於二零一二年六月三十日，本集團並無任何附息借貸（二零一一年：零）。

於二零一二年六月三十日，本集團之流動資產約為254.3百萬港元（二零一一年：171.2百萬港元），包括現金及現金等價物約7.7百萬港元（二零一一年：12.2百萬港元），貿易應收賬款、預付款項、按金、其他應收款項及預付賬款約174.4百萬港元（二零一一年（經重列）：153.0百萬港元）以及應收貸款利息及應收貸款之即期部份約56.3百萬港元（二零一一年（經重列）：6.0百萬港元）；以及流動負債約73.5百萬港元（二零一一年（經重列）：360.6百萬港元）。於二零一二年六月三十日，本集團之流動比率由二零一一年六月三十日之約0.5倍（經重列）上升至約3.5倍。

本集團之資產總值約為694.3百萬港元（二零一一年：1,291.6百萬港元），負債總額約為83.3百萬港元（二零一一年（經重列）：406.3百萬港元），即於二零一二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12%（二零一一年（經重列）：31.5%）。

本集團截至二零一二年六月三十日止年度之營業額約為102.8百萬港元（二零一一年：45.3百萬港元）。

承擔及抵押契據

本集團承擔及抵押契據之詳情載於綜合財務報表附註41及44。

Chairman's Statement 主席報告書

EVENT AFTER THE REPORTING PERIOD

Save as the disposal of the discontinued operations disclosed in note 15 to the consolidated financial statements, no significant events have been taken place subsequent to the balance sheet date.

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 2012 and 30 June 2011, the Group did not have any outstanding hedging instruments.

USE OF NET PROCEEDS FROM THE PLACING

The Company successfully completed a placing of 270,000,000 ordinary shares of the Company at the price of HK\$0.3 per share on 30 November 2011, raising net proceeds (after deduction of the relation expenses) of approximately HK\$79.78 million. The Company has utilized the net proceeds in the manner consistent with that disclosed in its announcement dated 22 November 2011. As at 30 June 2012, HK\$27 million has been used for the redemption (at 108% of the principal amount) of convertible bonds issued by the Company on 3 June 2011 and the remaining balance of the net proceeds has been used as the general working capital of the Group.

報告期後事項

除綜合財務報表附註15所披露之出售終止經營業務外，於資產負債表日期後並無發生任何重大事項。

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。於二零一二年六月三十日及二零一一年六月三十日，本集團並無任何未完結之對沖工具。

配售事項之所得款項淨額用途

於二零一一年十一月三十日，本公司已順利完成按每股0.3港元之價格配售270,000,000股本公司普通股，籌集所得款項淨額（扣除有關開支後）約79.78百萬港元。本公司已按與日期為二零一一年十一月二十二日之公佈內所披露者一致之方式運用所得款項淨額。於二零一二年六月三十日，已運用27百萬港元贖回（按本金額之108%）本公司於二零一一年六月三日發行之可換股債券，所得款項淨額之剩餘結餘已用作本集團之一般營運資金。

Chairman's Statement 主席報告書

EMPLOYEES

As at 30 June 2012, the Group had 43 staff (2011: 64). Total employee remuneration, including that of the Directors, for the year under review amounted to approximately HKD8.3 million (2011: HKD42.0 million), no share-based payments were incurred during the year (2011: HKD38.0 million). 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. The share option scheme expired on 21 July 2012. The Company is considering the adoption of a new share option scheme and announcement and/or circular in this relation will be published as and when appropriate.

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, 27 September 2012

僱員

於二零一二年六月三十日，本集團有43名僱員（二零一一年：64名）。回顧年度之僱員總酬金（包括董事酬金）約為8.3百萬港元（二零一一年：42.0百萬港元）年內概無產生任何以股份為基礎之付款（二零一一年：38.0百萬港元）。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。該購股權計劃已於二零一二年七月二十一日屆滿。本公司正考慮採納一項新購股權計劃，並將於適當時候就此刊發公佈及／或通函。

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，二零一二年九月二十七日

Biography of Directors

董事履歷

EXECUTIVE DIRECTORS

Mr. LI Hongrong, aged 51, 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. Theo EDE, aged 39, 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. HU Yangjun, aged 39, 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.

執行董事

李鴻榮先生，51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。

Theo EDE先生，39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。

胡楊俊先生，39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

Mr. ZHANG Xinyu, aged 51, was appointed as executive Director and chief executive officer on 15 June 2012. Mr. Zhang holds a Master of Business Administration degree and is familiar with the securities market regulations in Hong Kong. He was a licensed responsible officer under the Securities and Futures Ordinance and an advisor of the Management Consulting Committee of China Enterprise Confederation. He has over 20 years working experience in banking and investment banking industries and accumulated extensive network resources and experience in capital management. He has been engaged in research and practice in listing, merger and acquisition, reorganisation, spin-off and asset securitisation. In 1990, he was appointed by the PRC government to hold senior position in Bank of China (Hong Kong) in Hong Kong and to provide financial support to Chinese entities under the State Council based in Hong Kong.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LAM Kin Kau, Mark, aged 58, 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

張新宇先生，51歲，於二零一二年六月十五日獲委任為執行董事兼行政總裁。張先生擁有工商管理碩士學位及熟悉香港證券市場規範，曾為證券及期貨條例項下的持牌負責人員及中國企業聯合會管理諮詢委員會所屬管理諮詢顧問。彼擁有逾20年的銀行及投行工作經歷，積累了豐富的人脈資源及資本運作經驗，對企業上市、兼併、重組、分拆及資產證券化等有豐富的研究與實踐。彼於一九九零年受國家派遣赴香港工作，在中國銀行（香港）擔任要職，為國務院部委駐港中資機構提供金融支持。

獨立非執行董事

林建球先生，58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。

Biography of Directors

董事履歷

Professor SONG Junde, aged 74, 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.

Professor CHEN Lujun, aged 47, 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

宋俊德教授，74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。

陳呂軍教授，47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 2012.

董事會謹此提呈本集團截至二零一二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。

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and the principal activities of its principal subsidiaries are set out in note 43 to the consolidated financial statements.

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43。

RESULTS AND APPROPRIATIONS

The Group's loss for the year ended 30 June 2012 and the state of affairs of the Group at 30 June 2012 are set out in the consolidated financial statements on pages 38 to 182. The Directors do not recommend the payment of any dividend in respect of the year.

業績及分派

本集團截至二零一二年六月三十日止年度之虧損及本集團於二零一二年六月三十日之財務狀況載於第38至第182頁之綜合財務報表。董事不建議就本年度派付任何股息。

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 183 to 184. This summary does not form part of the audited consolidated financial statements.

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183頁至184頁，此概要並不構成經審核綜合財務報表之一部份。

RESERVES

Movements in reserves of the Group during the year are set out in the consolidated statement of changes in equity on pages 42 to 43.

儲備

年內本集團儲備變動之詳情載於第42頁至43頁之綜合權益變動表。

Report of the Directors

董事會報告

DISTRIBUTABLE RESERVES

As at 30 June 2012, the Company has distributable reserves available for distribution to shareholders of the Company amounted to approximately HKD337,132,000 (2011 (restated): HKD554,196,000). 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 20 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 36 and 37 to the consolidated financial statements.

CONVERTIBLE NOTES

Movements in the Company's convertible notes during the year are set out in note 35 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's 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

二零一二年六月三十日，本公司的可供分派儲備為數約337,132,000港元（二零一一年（經重列）：554,196,000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20。

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36及37。

可換股票據

本公司之可換股票據於年內之變動詳情載於綜合財務報表附註35。

優先購買權

本公司之章程細則或開曼群島（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 2012.

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 100% (2011: 30%)
- five largest suppliers combined 100% (2011: 49%)

SALES

- the largest customer 73% (2011: 35%)
- five largest customers combined 96% (2011: 86%)

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

於截至二零一二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100% (二零一一年：30%)
- 五大供應商合併100% (二零一一年：49%)

銷售

- 最大客戶73% (二零一一年：35%)
- 五大客戶合併96% (二零一一年：86%)

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 2012, 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	Interest of controlled corporation (Note)	Long	13,038,000 Shares	0.56%
李鴻榮先生	受控制公司之權益 (附註)	好倉	13,038,000股股份	

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 13,038,000 Shares held by Tread Up pursuant to the SFO.

董事於證券之權益及淡倉

於二零一二年六月三十日，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13,038,000股股份中擁有權益。

Report of the Directors

董事會報告

(b) Share options

(b) 購股權

Name of Director 董事姓名	Capacity 身份	Number of options held 持有購股權數目	Number of underlying shares 相關股份數目	Approximate Percentage of shareholding 概約持股百分比
Mr. HU Yangjun 胡楊俊先生	Beneficial owner 實益擁有人	15,000,000	15,000,000	0.64%

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

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。

SHARE OPTION SCHEME

購股權計劃

Details of the Company's share option scheme are set out in note 37 to the consolidated financial statements.

本公司購股權計劃之詳情載於綜合財務報表附註37。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

董事收購股份或債券之權利

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.

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. Theo EDE
Mr. HU Yangjun
Mr. ZHANG Xinyu (appointed on 15 June 2012)
Mr. ZHOU Zhibin (retired on 16 December 2011)
Mr. OU Bai (resigned on 23 March 2012)
Mr. ZHANG Fan (resigned on 23 March 2012)

INDEPENDENT NON-EXECUTIVE DIRECTORS:

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

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 16 to 18 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
Theo EDE先生
胡揚俊先生
張新宇先生（於二零一二年六月十五日獲委任）
周志斌先生（於二零一一年十二月十六日退任）
歐柏先生（於二零一二年三月二十三日辭任）
張帆先生（於二零一二年三月二十三日辭任）

獨立非執行董事：

林建球先生
宋俊德教授
陳呂軍教授

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16至第18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.

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。

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 2012, 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.

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，於二零一二年六月三十日，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。

Long positions

好倉

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
LIE Haiquan 列海權	Beneficial owner 實益擁有人	156,178,000 Shares 156,178,000股股份	6.71%
	Interest in controlled corporation (Note 1) 受控制公司之權益(附註1)	6,796,000 Shares 6,796,000股股份	0.29%
	Interest in controlled corporation (Note 2) 受控制公司之權益(附註2)	49,488,000 Shares 49,488,000股股份	2.13%
	Total 總計	212,462,000 Shares 212,462,000股股份	9.13%

Report of the Directors

董事會報告

Notes:

1. These Shares are held by Ocean Peal Group Limited ("Ocean Peal") that was wholly-owned by Mr. LIE Haiquan. Thus, he was deemed to be interested in the 6,796,000 Shares held by Ocean Peal pursuant to the SFO.
2. These Shares are held by Winner Mind Investment Limited ("Winner Mind"), a company incorporated in the British Virgin Islands, which was wholly-owned by Mr. LIE Haiquan. Thus, he was deemed to be interested in the 49,488,000 Shares held by Winner Mind pursuant to the SFO.

附註：

1. 該等股份由Ocean Peal Group Limited (「Ocean Peal」)持有，而Ocean Peal由列海權先生全資擁有。因此，根據證券及期貨條例，彼被視為於由Ocean Peal持有之6,796,000股股份中擁有權益。
2. 該等股份由Winner Mind Investment Limited (「Winner Mind」，一間於英屬處女群島註冊成立之公司)持有，而Winner Mind由列海權先生全資擁有。因此，根據證券及期貨條例，彼被視為於由Winner Mind持有之49,488,000股股份中擁有權益。

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.

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。

CORPORATE GOVERNANCE REPORT

Corporate governance report of the Company is set out on pages 27 to 33 of the annual report.

企業管治報告

本公司之企業管治報告載於本年報第27至第33頁。

SUFFICIENCY OF PUBLIC FLOAT

The Company maintained a sufficient public float as required under the GEM Listing Rules during the year ended 30 June 2012.

充足之公眾持股量

於截至二零一二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。

AUDITOR

The consolidated financial statements for the year ended 30 June 2012 have been audited by ZHONGLEI (HK) CPA Company Limited who retire and, being eligible, offer themselves for reappointment.

核數師

截至二零一二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。

On behalf of the Board
LI Hongrong
Chairman

Hong Kong, 27 September 2012

代表董事會
主席
李鴻榮

香港，二零一二年九月二十七日

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 emphasis 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 2012, 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 dealt 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 noncompliance with the required standard of dealings and its code of conduct regarding securities transactions by Directors during the year ended 30 June 2012.

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，截至二零一二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。截至二零一二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 2012, the Board comprised seven Directors, including four executive Directors and three independent non-executive Directors. The executive Directors are Mr. LI Hongrong (Chairman), Mr. Theo EDE, Mr. HU Yangjun and Mr. ZHANG Xinyu (Chief Executive Officer). 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 16 to 18.

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。於二零一二年六月三十日，董事會由七名董事組成，包括四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）、Theo EDE先生、胡楊俊先生及張新宇先生（行政總裁）。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16至第18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 2012, 17 Board meetings were held. Details of the attendance of Directors are as follows:

於截至二零一二年六月三十日止年度內召開了17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		
執行董事		
Mr. LI Hongrong	李鴻榮先生	17/17
Mr. Theo EDE	Theo EDE先生	17/17
Mr. HU Yangjun	胡楊俊先生	13/17
Mr. ZHANG Xinyu (appointed on 15 June 2012)	張新宇先生 (於二零一二年六月十五日獲委任)	0/0
Mr. ZHOU Zhibin (retired on 16 December 2011)	周志斌先生 (於二零一一年十二月十六日退任)	5/8
Mr. OU Bai (resigned on 23 March 2012)	歐柏先生 (於二零一二年三月二十三日辭任)	8/11
Mr. ZHANG Fan (resigned on 23 March 2012)	張帆先生 (於二零一二年三月二十三日辭任)	6/11
Independent Non-executive Directors		
獨立非執行董事		
Mr. LAM Kin Kau, Mark	林建球先生	13/17
Professor SONG Junde	宋俊德教授	13/17
Professor CHEN Lujun	陳呂軍教授	12/17

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 Xinyu 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。

李鴻榮先生及張新宇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 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		Members' Attendance
董事姓名		董事出席率
Mr. LAM Kin Kau, Mark	林建球先生	5/5
Professor SONG Junde	宋俊德教授	5/5
Professor CHEN Lujun	陳呂軍教授	5/5

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.

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.

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。

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。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

2. REMUNERATION COMMITTEE (Continued)

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	2/2
Professor SONG Junde	宋俊德教授	2/2
Professor CHEN Lujun	陳呂軍教授	2/2

3. NOMINATION COMMITTEE

The nomination committee consists of all the Company's independent non-executive Directors. It is responsible for reviewing and making recommendation to the Board on matters relating to the Board structure and appointment and re-appointment of Directors. The committee members elect one of them to take the chair at the commencement of each meeting. The Committee has specific written terms of reference which are of no less exacting terms than those stipulated in code provision.

4. 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 34 to 37. During the year, auditor's remuneration for audit services was approximately HKD730,000 and non-audit services, comprising review services for the disposal of the discontinued operations and certification service for the Company's share consolidation, was approximately HKD185,000. 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)

薪酬委員會會議的成員出席詳情如下:

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	2/2
Professor SONG Junde	宋俊德教授	2/2
Professor CHEN Lujun	陳呂軍教授	2/2

3. 提名委員會

提名委員會現由本公司所有獨立非執行董事組成。其負責檢討董事會架構以及董事之委任及重新委任之事宜並就此向董事會提供建議。委員會成員於每次會議開始前選出其中一人為會議主席。委員會以書面訂明職權範圍，其條款與守則規定所訂明者同樣嚴謹。

4. 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34至第37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730,000港元及就非審核服務（包括就出售終止經營業務提供的審閱服務及就本公司的股份合併提供的認證服務）所收取之酬金為約185,000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



中磊 (香港) 會計師事務所有限公司 ZHONGLEI (HK) CPA Company Limited

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 38 to 182, which comprise the consolidated statement of financial position as at 30 June 2012, 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, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Except as described in the Basis for Qualified Opinion paragraph, 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
(於開曼群島註冊成立之有限公司)
列位股東

本核數師已審核列載於第38至182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,當中包括於二零一二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資料。

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,對此等綜合財務報表發表意見,僅按照協定的委聘條款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。除保留意見基準一段所述者外,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

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.

BASIS FOR QUALIFIED OPINION

(1) LIMITATION OF SCOPE ON THE IMPAIRMENT ASSESSMENT OF OTHER RECEIVABLES

Included in the Group's gross prepayments, deposits and other receivables of approximately HKD94,273,000 as at 30 June 2012 were gross other receivable of approximately HKD33,972,000 (equivalent to approximately RMB27,628,000) due from an independent third party arising from the failure to meet the profit guarantee for Smart Long Limited and its subsidiaries for the year ended 31 December 2011 as disclosed in Note 28(b) and Note 39(a) to the consolidated financial statements for the year ended 30 June 2012. The directors of the Company are of the view that the Group is able to recover the outstanding balance, and therefore no impairment had been provided on such balance. However, we were unable to obtain sufficient appropriate audit evidence we consider necessary in order to assess whether such receivable could be recovered in full or to determine the amount of impairment, if any. There were no practical alternative audit procedures that we could perform to satisfy ourselves as to any impairment loss had been occurred against these receivable as at 30 June 2012.

審核工作涉及執程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。

保留意見基準

(1) 其他應收款項減值評估之範圍限制

於二零一二年六月三十日，貴集團的預付款項、按金及其他應收款項總額約94,273,000港元包括因智朗有限公司及其附屬公司於截至二零一一年十二月三十一日止年度未達到保證溢利而產生應收一名獨立第三方的其他應收款項總額約33,972,000港元（相當於約人民幣27,628,000元），詳情披露於截至二零一二年六月三十日止年度之綜合財務報表附註28(b)及附註39(a)。貴公司董事認為，貴集團有能力收回未償還結餘，因此並無就該等結餘作出減值撥備。然而，本核數師未能獲得本核數師認為就評估該等應收款項是否可全額收回或釐定減值金額（如有）所必需的充分及恰當的審核憑證。本核數師並無實際可履行的替代審核程序以令本核數師信納於二零一二年六月三十日，該等應收款項並無出現任何減值虧損。

Independent Auditor's Report

獨立核數師報告

Any adjustment to the amount of the above receivable found to be necessary would affect the Group's net assets as at 30 June 2012 and the Group's loss for the year then ended and related note disclosures to the consolidated financial statements.

(2) LIMITATION OF SCOPE ON THE IMPAIRMENT ASSESSMENT OF LOAN AND LOAN INTEREST RECEIVABLES

Included in the Group's loan and loan interest receivables of HKD56,349,000 as at 30 June 2012 was a loan to an independent third party with a principal amount of approximately HKD10,821,000 (equivalent to RMB8,800,000) and interest receivable of approximately HKD37,000 (equivalent to approximately RMB30,000) as details disclosed in Note 26(c) to the consolidated financial statements for the year ended 30 June 2012. The directors of the Company are of the view that the Group is able to recover the outstanding balances, and therefore no impairment had been provided on such balance. However, we were unable to obtain sufficient appropriate audit evidence we consider necessary in order to assess whether such loan and loan interest receivables could be recovered in full or to determine the amount of impairment, if any. There were no practical alternative audit procedures that we could perform to satisfy ourselves as to any impairment loss had been occurred against these loan and loan interest receivables as at 30 June 2012.

Any adjustment to the amount of the above loan and loan interest receivables found to be necessary would affect the Group's net assets as at 30 June 2012 and the Group's loss for the year then ended and related note disclosures to the consolidated financial statements.

對上述應收款項之金額作出任何屬必要的調整，將會影響 貴集團於二零一二年六月三十日的資產淨值及 貴集團截至該日止年度之虧損以及綜合財務報表之相關附註披露。

(2) 應收貸款及貸款利息減值評估之範圍限制

於二零一二年六月三十日， 貴集團的應收貸款及貸款利息56,349,000港元包括向一名獨立第三方作出之本金額約為10,821,000港元（相當於人民幣8,800,000元）之貸款及應收利息約37,000港元（相當於約人民幣30,000元），詳情披露於截至二零一二年六月三十日止年度之綜合財務報表附註26(c)。 貴公司董事認為， 貴集團有能力收回未償還結餘，因此並無就該等結餘作出減值撥備。然而，本核數師未能獲得本核數師認為就評估該等應收貸款及貸款利息是否可全額收回或釐定減值金額（如有）所必需的充分及恰當的審核憑證。本核數師並無實際可履行的替代審核程序以令本核數師信納於二零一二年六月三十日，該等應收貸款及貸款利息並無出現任何減值虧損。

對上述應收貸款及貸款利息之金額作出任何屬必要的調整，將會影響 貴集團於二零一二年六月三十日的資產淨值及 貴集團截至該日止年度之虧損以及綜合財務報表之相關附註披露。

Independent Auditor's Report 獨立核數師報告

QUALIFIED OPINION ARISING FROM LIMITATION OF AUDIT SCOPE

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the consolidated financial statements give a true and fair view of the state of the Group's affairs as at 30 June 2012 and of its loss and cash flows for the year then ended in accordance with the 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 313-317, 3/F., Shui On Centre,
6-8 Harbour Road, Wanchai,
Hong Kong

27 September 2012

就審核範圍限制而產生之保留 意見

本核數師認為，除保留意見基準一段所述事宜之可能影響外，該等綜合財務報表乃按照香港財務報告準則真實及公平地反映貴集團於二零一二年六月三十日之財務狀況及其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3樓313-317室

二零一二年九月二十七日

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

		Notes 附註	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元 (Restated) (經重列)
Continuing operations	持續經營業務			
Turnover	營業額	8	100,180	27,163
Cost of sales	銷售成本		(9,396)	(5,359)
Gross profit	毛利		90,784	21,804
Other income and gains	其他收入及收益	9	3,180	12,025
Gain on contingent consideration	或然代價之收益	28	33,972	–
Changes in fair value of convertible notes payable	應付可換股票據之公平值變動	35	702	(329)
Gain on settlement of contingent consideration payable	結算應付或然代價之收益	34	183,415	–
Share-based payments expenses	以股份為基礎之付款費用	37	–	(38,331)
Selling and marketing costs	銷售及市場推廣成本		(1,741)	(2,846)
Administrative and other expenses	行政及其他費用		(112,489)	(19,355)
Impairment loss recognised in respect of intangible assets	就無形資產確認之減值虧損	25	(109,316)	–
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	22	(541,458)	–
Loss on early redemption of convertible notes payable	提早贖回應付可換股票據之虧損	35	(1,596)	–
Finance costs	融資成本	11	(1,305)	(222)
Loss before tax	除稅前虧損	13	(455,852)	(27,254)
Income tax credit (expense)	所得稅抵免(開支)	12	35,630	(3,809)
Loss for the year from continuing operations	持續經營業務之年內虧損		(420,222)	(31,063)
Discontinued operations	終止經營業務			
Loss for the year from discontinued operations, net of income tax	終止經營業務之年內虧損(扣除所得稅)	15	(10,897)	(1,956)
Loss for the year	年內虧損		(431,119)	(33,019)
Other comprehensive income	其他全面收入			
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		2,169	84
Total comprehensive expense for the year	年內全面開支總額		(428,950)	(32,935)

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

	Notes 附註	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元 (Restated) (經重列)
(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		
Loss for the year from continuing operations	持續經營業務之年內虧損	(454,256)	(34,298)
Loss for the year from discontinued operations	終止經營業務之年內虧損	(10,897)	(1,956)
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	(465,153)	(36,254)
Non-controlling interests	非控股權益		
Profit for the year from continuing operations	持續經營業務之年內溢利	34,034	3,235
Loss for the year from discontinued operations	終止經營業務之年內虧損	-	-
Profit for the year attributable to non-controlling interests	非控股權益應佔年內溢利	34,034	3,235
Loss for the year	年內虧損	(431,119)	(33,019)
Total comprehensive (expense) 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	(464,197)	(36,170)
Non-controlling interests	非控股權益	35,247	3,235
		(428,950)	(32,935)
		HK cents	HK cents
		港仙	港仙
Loss per share	每股虧損		
From continuing and discontinued operations	來自持續及終止經營業務	14	
Basic	基本	(21.49)	(2.26)
Diluted	攤薄	(21.49)	(2.26)
From continuing operations	來自持續經營業務		
Basic	基本	(20.98)	(2.14)
Diluted	攤薄	(20.98)	(2.14)

Consolidated Statement of Financial Position

綜合財務狀況表

At 30 June 2012 於二零一二年六月三十日

		Notes 附註	30 June 2012 二零一二年 六月三十日 HKD'000 千港元	30 June 2011 二零一一年 六月三十日 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	20	26,244	41,229
Film rights, film in progress and film royalty deposits	電影版權、在製影片及電影版權按金	21	–	6,042
Goodwill	商譽	22	351,528	758,380
Deposit paid for acquisition of a subsidiary	就收購一間附屬公司之已付按金	24	–	120,000
Intangible assets	無形資產	25	62,282	182,822
Loan and loan interest receivables	應收貸款及貸款利息	26	–	11,915
			440,054	1,120,388
CURRENT ASSETS	流動資產			
Trade receivables	貿易應收賬款	27	80,098	54,724
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	28	94,273	98,312
Loan and loan interest receivables	應收貸款及貸款利息	26	56,349	5,958
Cash and cash equivalents	現金及現金等價物	30	7,671	12,202
			238,391	171,196
Assets classified as held for sale	分類為持作出售之資產	31	15,874	–
			254,265	171,196
CURRENT LIABILITIES	流動負債			
Trade payables	貿易應付賬款	32	7,854	37,497
Other payables and accruals	其他應付款項及應計款項	33	21,702	48,716
Contingent consideration payable	應付或然代價	34	–	220,500
Deposits received	已收按金		7,378	21,124
Receipt in advances	預收賬款		21,180	3,239
Convertible notes payable	應付可換股票據	35	–	24,801
Tax liabilities	稅項負債		7,506	4,675
			65,620	360,552
Liabilities associated with assets classified as held for sale	與分類為持作出售之資產有關之負債	31	7,874	–
			73,494	360,552
NET CURRENT ASSETS (LIABILITIES)	流動資產(負債)淨值		180,771	(189,356)
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		620,825	931,032

Consolidated Statement of Financial Position

綜合財務狀況表

At 30 June 2012 於二零一二年六月三十日

		Notes 附註	30 June 2012 二零一二年 六月三十日 HKD'000 千港元	30 June 2011 二零一一年 六月三十日 HKD'000 千港元 (Restated) (經重列)
NON-CURRENT LIABILITY	非流動負債			
Deferred tax liabilities	遞延稅項負債	38	9,772	45,705
NET ASSETS	資產淨值		611,053	885,327
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	36	232,692	193,282
Reserves	儲備		323,764	669,592
Equity attributable to owners of the Company	本公司擁有人應佔權益		556,456	862,874
Non-controlling interests	非控股權益		54,597	22,453
TOTAL EQUITY	權益總額		611,053	885,327

The consolidated financial statements on pages 38 to 182 were approved and authorised for issue by the board of directors on 27 September 2012 and are signed on its behalf by:

第38頁至第182頁的綜合財務報表於二零一二年九月二十七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

ZHANG Xinyu
張新宇
DIRECTOR
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

		Attributable to owners of the Company 本公司擁有人應佔						Total	Non-controlling interests	Total
		Share capital	Share premium	Share options reserve	Capital and other reserve	Translation reserve	Accumulated losses			
		股本	股份溢價	購股權儲備	資本及其他儲備	換算儲備	累計虧損	總計	非控股權益	總計
		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
At 1 July 2010	於二零一零年七月一日	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)
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	-	84	-	84
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 (Note 39(b))	收購附屬公司(附註39(b))	39,000	370,500	-	-	-	-	409,500	19,218	428,718
Recognition of equity-settled share based payments (Note 37)	確認股本結算以股份為基礎之付款(附註37)	-	-	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	17,590	27	(214,711)	862,874	22,453	885,327

		Attributable to owners of the Company 本公司擁有人應佔							Total	Non-controlling interests	Total
		Share capital	Share premium	Share options reserve	Capital and other reserve	Translation reserve	Statutory reserve	Accumulated losses			
		股本	股份溢價	購股權儲備	資本及其他儲備	換算儲備	法定儲備	累計虧損	總計	非控股權益	總計
		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
At 1 July 2011	於二零一一年七月一日	193,282	828,355	38,331	17,590	27	-	(214,711)	862,874	22,453	885,327
(Loss) profit for the year	年內(虧損)溢利	-	-	-	-	-	-	(465,153)	(465,153)	34,034	(431,119)
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	-	-	-	-	956	-	-	956	1,213	2,169
Other comprehensive income for the year	年內其他全面收入	-	-	-	-	956	-	-	956	1,213	2,169
Total comprehensive income (expense) for the year	年內全面收入(開支)總額	-	-	-	-	956	-	(465,153)	(464,197)	35,247	(428,950)
Transfer (Note b)	轉撥(附註b)	-	-	-	-	-	7,375	(4,272)	3,103	(3,103)	-
Issue shares in relation to the acquisition of Smart Long Limited (Note 39(a))	就收購智明有限公司發行股份(附註39(a))	6,875	30,936	-	-	-	-	-	37,811	-	37,811
Issue shares in relation to the acquisition of Ease Ray Limited (Note 39(b))	就收購宜亮有限公司發行股份(附註39(b))	5,535	31,550	-	-	-	-	-	37,085	-	37,085
Cancellation of share options (Note 37(b))	註銷購股權(附註37(b))	-	-	(5,144)	-	-	-	5,144	-	-	-
Placing of shares (Note 36(d))	配售股份(附註36(d))	27,000	52,780	-	-	-	-	-	79,780	-	79,780
At 30 June 2012	於二零一二年六月三十日	232,692	943,621	33,187	17,590	983	7,375	(678,992)	556,456	54,597	611,053

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 30 June 2012 截至二零一二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.
- (b) According to the relevant rules and regulations in the People's Republic of China ("PRC"), subsidiaries of Neo Telemedia Limited (the "Company") established in the PRC are required to transfer 10% of their net profit, as determined in accordance with the PRC accounting standards and regulations, to the statutory surplus reserve until the balance of the reserve reaches 50% of their respective registered capital. The transfer to this reserve must be made before distribution of dividends to owners of these subsidiaries. Statutory surplus reserve can be used to set off previous years' losses, if any, and may be converted into capital in proportion to existing equity owners' equity percentage, provided that the balance after such issuance is not less than 25% of their registered capital.

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）。
- (b) 根據中華人民共和國（「中國」）相關法例及法規，中國新電信集團有限公司（「本公司」）於中國成立之附屬公司須轉撥其純利之10%（按照有關中國會計準則及規定所釐定）至法定盈餘儲備，直至該儲備之結餘達致其各自之註冊資本之50%。轉撥至該儲備必須於向該等附屬公司之擁有人分派股息前作出。法定盈餘儲備可用作抵銷過往年度之虧損（如有），並可按現有權益擁有人之權益百分比轉換為股本，惟有關發行後之結餘不得低於其註冊資本之25%。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元 (Restated) (經重列)
OPERATING ACTIVITIES	經營業務		
Loss before tax	除稅前虧損		
– from continuing operations	– 持續經營業務	(455,852)	(27,254)
– from discontinued operations	– 終止經營業務	(10,937)	(1,919)
Adjustments for:	調整項目：		
Finance costs	融資成本	1,305	222
Interest income	利息收入	(1,518)	(12)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9,680	5,691
Amortisation of intangible assets	無形資產攤銷	51,141	3,098
Gain on contingent consideration	或然代價之收益	(33,972)	–
Gain on settlement of contingent consideration payable	結算應付或然代價之收益	(183,415)	–
Waived of debt of other payable	獲豁免其他應付款項之債務	(58)	–
Loss on strike off of branch	註銷分公司之虧損	22	–
Reversal of impairment loss in respect of trade receivables	就貿易應收賬款撥回之減值虧損	–	(806)
Reversal of impairment loss in respect of other receivables	就其他應收款項撥回之減值虧損	–	(167)
Written off of property, plant and equipment	撇銷物業、廠房及設備	70	–
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)虧損	(443)	11
Loss on early redemption of convertible notes payable	提早贖回應付可換股票據之虧損	1,596	–
Changes in fair value of convertible notes payable	應付可換股票據之公平值變動	(702)	329
Impairment loss recognised in respect of assets held for sale	就持作出售資產確認之減值虧損	7,142	–
Impairment loss recognised in respect of property, plant and equipment	就物業、廠房及設備確認之減值虧損	6,861	–
Impairment loss recognised in respect of inventories	就存貨確認之減值虧損	800	–
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	541,458	–
Impairment losses recognised in respect of film rights, film in progress and film royalty deposits	就電影版權、在製影片及電影版權按金確認之減值虧損	3,949	2,549
Impairment loss recognised in respect of intangible assets	就無形資產確認之減值虧損	109,316	–
Impairment loss recognised in respect of trade receivables	就貿易應收賬款確認之減值虧損	41	–
Impairment loss recognised in respect of other receivables	就其他應收款項確認之減值虧損	1,607	622
Amortisation of film rights, film in progress and film royalty deposits	電影版權、在製影片及電影版權按金攤銷	278	2,056
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	48,369	22,751
(Increase) decrease in trade receivables	貿易應收賬款(增加)減少	(25,418)	19,299
Decrease (increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少(增加)	23,697	(38,142)
Decrease in payment in advances	預付賬款減少	–	1,369
(Decrease) increase in trade payables	貿易應付賬款(減少)增加	(29,571)	9,344
Decrease in other payables and accruals	其他應付款項及應計款項減少	(35,919)	(42,345)
(Decrease) increase in deposits received	已收按金(減少)增加	(8,363)	17,793
Increase in receipt in advances	預收賬款增加	17,941	2,699
Cash used in operations	經營業務所用現金	(9,264)	(7,232)
Income tax paid	已付所得稅	(5,382)	–
NET CASH USED IN OPERATING ACTIVITIES	經營業務所用現金淨額	(14,646)	(7,232)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 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)	13	319
Deposit paid for acquisition of a subsidiary	就收購一間附屬公司之 已付按金	-	(120,000)
Purchase of property, plant and equipment	購買物業、廠房及設備	(1,755)	(14,863)
Purchase of film rights, film in progress and film royalty deposits	購買電影版權、在製影片 及電影版權按金	(12)	(103)
Purchase of intangible assets	購買無形資產	(5,434)	-
Loan to independent third parties	向獨立第三方作出的貸款	(48,816)	(17,873)
Repayment of loan receivables	償還應收貸款	11,915	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之 所得款項	905	115
Interest received	已收利息	154	12
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(43,030)	(152,393)
FINANCING ACTIVITIES	融資活動		
Net proceeds from placement of shares	配售股份所得款項淨額	79,780	-
Redemption of convertible notes payable	贖回應付可換股票據	(27,000)	-
Repayments of obligations under finance leases	償還融資租賃承擔	-	(21)
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)
NET CASH FROM FINANCING ACTIVITIES	融資活動所得之現金淨額	52,780	24,228
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物 減少淨額	(4,895)	(135,397)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等價物	12,202	148,168
Effect on foreign exchanges rate changes	匯率變動影響	884	(569)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	年終現金及現金等價物， 即銀行結餘及現金	8,191	12,202
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終現金及現金等價物 結餘分析		
Bank balances and cash	銀行結餘及現金	7,671	12,202
Bank balances and cash classified as assets held for sale	分類為持作出售資產之 銀行結餘及現金	520	-
		8,191	12,202

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

1. GENERAL INFORMATION

Neo Telemedia Limited (the “Company”) 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 addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” of the annual report.

The consolidated financial statements are presented in Hong Kong dollars (“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 Company is an investment holding company and the principal activities of its subsidiaries are set out in Note 43 to the consolidated financial statements. The Group was also engaged in production and sales of videos and films, the licensing of video and copyrights/films rights and artiste management which were discontinued during the year ended 30 June 2012 (Note 15).

1. 一般資料

中國新電信集團有限公司(「本公司」)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地址已於本年報中的「公司資料」一節披露。

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。

本公司為一間投資控股公司，其附屬公司的主要業務載於綜合財務報表附註43。本集團亦從事製作及銷售影片及電影、授出影片及版權／電影版權及藝人管理業務，而該等業務已於截至二零一二年六月三十日止年度終止經營(附註15)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

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

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

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosure for First-time Adopters
HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets
HKAS 24 (as revised in 2009)	Related Party Disclosures
HKAS 32 (Amendments)	Classification of Rights Issues
HK(IFRIC*) – Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement
HK(IFRIC*) – Int 19	Extinguishing Financial Liabilities with Equity Instruments

* IFRIC represents the International Financial Reporting Interpretations Committee

Except as described below, the application of the new and revised HKFRSs in the current year has had no material effect on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

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」）

本年度，本集團已採納以下由香港會計師公會（「香港會計師公會」）頒佈之新訂及經修訂香港財務報告準則及香港會計準則（「香港會計準則」）。

香港財務報告準則（修訂本）	二零一零年頒佈之香港財務報告準則之改進
香港財務報告準則第1號（修訂本）	首次採納者就可比較的香港財務報告準則第7號披露的有限豁免
香港財務報告準則第7號（修訂本）	披露—轉讓金融資產
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
香港會計準則第32號（修訂本）	供股之分類
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
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

* 為國際財務報告準則詮釋委員會

除下文所述外，於本年度應用新訂及經修訂香港財務報告準則對本集團本年度及過往年度之財務表現及財務狀況及／或此等綜合財務報表中所載披露事項並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二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 1 PRESENTATION OF FINANCIAL STATEMENTS (AS PART OF IMPROVEMENTS TO HKFRSs ISSUED IN 2010)

The amendments to HKAS 1 clarify that an entity may choose to disclose an analysis of other comprehensive income by item in the statement of changes in equity or in the notes to the financial statements. In the current year, for each component of equity, the Group has chosen to present such an analysis in the statement of changes in equity. The revised standard has no impact on the consolidated financial statement of the Group.

The Group has not early applied the following new or revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009 to 2011 cycle ¹
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities ¹
Amendments to HKFRS 7 and HKFRS 9	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ²
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transitional Guidance ¹
HKFRS 9	Financial Instruments 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）

香港會計準則第1號財務報表呈列之修訂本（作為對二零一零年頒佈之香港財務報告準則改進之一部分）

香港會計準則第1號修訂本釐清，實體可選擇於權益變動表或財務報表附註內按項目披露其他全面收益分析。於本年度，就權益各部分而言，本集團已選擇於權益變動表內呈列有關分析。經修訂準則對本集團之綜合財務報表並無影響。

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香港財務報告準則：

香港財務報告準則之修訂	國際財務報告準則之年度改進（二零零九年至二零一一年周期） ¹
香港財務報告準則第7號之修訂	披露－抵銷金融資產及金融負債 ¹
香港財務報告準則第7號及香港財務報告準則第9號之修訂	香港財務報告準則第9號之強制生效日期及過渡披露 ²
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號之修訂	綜合財務報表、共同安排及其他實體之權益披露：過渡指引 ¹
香港財務報告準則第9號	金融工具 ²

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

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

HKFRS 10	Consolidated Financial Statements ¹
HKFRS 11	Joint Arrangements ¹
HKFRS 12	Disclosure of Interests in Other Entities ¹
HKFRS 13	Fair Values Measurement ¹
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income ³
Amendments to HKAS 12	Deferred Tax – Recovery of Underlying Assets ⁵
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities ⁴
HKAS 19 (as revised in 2011)	Employee Benefits ¹
HKAS 27 (as revised in 2011)	Separate Financial Statements ¹
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ¹
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of A Surface Mine ¹

- ¹ Effective for annual periods beginning on or after 1 January 2013
- ² Effective for annual periods beginning on or after 1 January 2015
- ³ Effective for annual periods beginning on or after 1 July 2012
- ⁴ Effective for annual periods beginning on or after 1 January 2014
- ⁵ Effective for annual periods beginning on or after 1 January 2012

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）

香港財務報告準則第10號	綜合財務報表 ¹
香港財務報告準則第11號	共同安排 ¹
香港財務報告準則第12號	其他實體之權益披露 ¹
香港財務報告準則第13號	公平值計量 ¹
香港會計準則第1號之修訂	其他全面收益項目呈報 ³
香港會計準則第12號之修訂	遞延稅項－收回相關資產 ⁵
香港會計準則第32號之修訂	抵銷金融資產及金融負債 ⁴
香港會計準則第19號 (於二零一一年經修訂)	僱員福利 ¹
香港會計準則第27號 (於二零一一年經修訂)	獨立財務報表 ¹
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 ¹
香港（國際財務報告詮釋委員會）－詮釋第20號	露天礦場生產階段之剝採成本 ¹

- ¹ 於二零一三年一月一日或之後開始之年度期間生效
- ² 於二零一五年一月一日或之後開始之年度期間生效
- ³ 於二零一二年七月一日或之後開始之年度期間生效
- ⁴ 於二零一四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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二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 32 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES AND AMENDMENTS TO HKFRS 7 DISCLOSURES – OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The amendments to HKAS 32 clarify existing application issues relating to the offsetting requirements. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of set-off” and “simultaneous realisation and settlement”.

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amended offsetting disclosures are required for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should also be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.

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32號抵銷金融資產及金融負債之修訂及香港財務報告準則第7號披露一抵銷金融資產及金融負債之修訂

香港會計準則第32號之修訂闡明現時與抵銷規定有關之應用問題。具體而言，該等修訂闡明「目前擁有可合法強制執行之抵銷權」及「同時變現及結算」之涵義。

香港財務報告準則第7號之修訂規定實體須就可強制執行的總淨額結算協議或類似安排下之金融工具披露有關抵銷權利及相關安排（如抵押過賬規定）之資料。

經修訂之抵銷披露須適用於二零一三年一月一日或之後開始的年度期間及該等年度期間的中期期間。有關披露亦需就所有比較期間追溯應用。然而，香港會計準則第32號之修訂於二零一四年一月一日或之後開始之年度期間方會生效，並須追溯應用。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

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

HKFRS 9 FINANCIAL INSTRUMENTS

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

Key requirements of HKFRS 9 are described as follows:

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

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）

香港財務報告準則第9號金融工具

於二零零九年頒佈之香港財務報告準則第9號引入對金融資產之分類及計量之新規定。於二零一零年修訂之香港財務報告準則第9號金融工具加入對金融負債之分類及計量以及終止確認之規定。

香港財務報告準則第9號之主要規定載列如下：

- 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。具體而言，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報告期末按彼等之公平值計量。此外，根據香港財務報告準則第9號，實體須作出不可撤回之選擇，以於其他全面收益呈報股本投資（並非持作買賣者）公平值之其後變動，惟有股息收入全面於損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

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

HKFRS 9 FINANCIAL INSTRUMENTS (Continued)

- The most significant effect of HKFRS 9 regarding the classification and measurement of financial liabilities relates to the presentation of changes in the fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability’s credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

The directors anticipate that the adoption of HKFRS 9 in the future may not have significant impact on amounts reported in respect of the Group’s financial assets and financial liabilities.

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）

香港財務報告準則第9號金融工具（續）

- 就金融負債之分類及計量而言，香港財務報告準則第9號最重大影響乃有關金融負債信貸風險變動應佔該負債（指定為經損益賬按公平值入賬）公平值變動之呈列方法。具體而言，根據香港財務報告準則第9號，就指定為經損益賬按公平值入賬之金融負債而言，因金融負債信貸風險有變而導致該負債之公平值變動之款額乃於其他全面收益呈列，除非於其他全面收益呈報該負債信貸風險變動之影響會產生或增加損益之會計錯配，則作別論。因金融負債信貸風險而導致其公平值變動其後不會重新分類至損益。過往，根據香港會計準則第39號，指定為經損益賬按公平值入賬之金融負債之全部公平值變動款額均於損益中呈列。

董事預期，日後採納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所呈報之金額產生重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

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

HKFRS 13 FAIR VALUE MEASUREMENT

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

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors of the Company anticipate that HKFRS 13 will be adopted in the Group’s consolidated financial statements for the annual period beginning 1 July 2013 and that the application of the new standard may affect the amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

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）

香港財務報告準則第13號公平值計量

香港財務報告準則第13號確立有關公平值計量及披露公平值計量資料之單一指引。該準則界定公平值，確立計量公平值之框架及有關公平值計量之披露規定。香港財務報告準則第13號之範圍寬廣；適用於其他香港財務報告準則規定或允許公平值計量及披露公平值計量資料之金融工具項目及非金融工具項目，惟特定情況除外。整體而言，香港財務報告準則第13號所載之披露規定較現行準則之規定更為全面。例如，現時僅規限香港財務報告準則第7號「金融工具：披露」所述金融工具之三個公平值等級之量化及定性披露資料將藉香港財務報告準則第13號加以擴展，以涵蓋其範圍內之所有資產及負債。

香港財務報告準則第13號於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。

本公司董事預期，將於二零一三年七月一日開始之年度期間於本集團之綜合財務報表內採用香港財務報告準則第13號，且應用該項新訂準則可能會影響綜合財務報表所呈報之金額，因此於綜合財務報表內需作更廣泛披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二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 1 PRESENTATION OF ITEMS OF OTHER COMPREHENSIVE INCOME

The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

3. PRIOR YEAR ADJUSTMENT

An error in the consolidated financial statements was identified by the directors of the Company subsequent to the issue of the consolidated financial statements for the year ended 30 June 2011. The adjustment represented correction of error in relation to the incorrect classification of the contingent consideration for the acquisition of Ease Ray Limited (the “Ease Ray Acquisition”).

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1號其他全面收益項目呈報之修訂

香港會計準則第1號之修訂為呈列損益及其他全面收益保留選擇權，可以單一報表或分開兩份但連續之報表呈列。然而，香港會計準則第1號之修訂要求於其他全面收益部份作出額外披露，致使其他全面收益之項目分為兩類：(a)隨後不會重新分類至損益之項目；及(b)隨後在符合特定條件下可能重新分類至損益之項目。其他全面收益項目之所得稅需以相同基準分配。

香港會計準則第1號之修訂於二零一二年七月一日或以後開始之年度期間生效。其他全面收益項目之呈列亦會隨修訂本於未來會計期間應用而作出修改。

3. 過往年度調整

於刊發截至二零一一年六月三十日止年度之綜合財務報表後，本公司董事識別綜合財務報表之錯誤。調整指修正有關未正確分類收購宜亮有限公司（「宜亮收購」）之或然代價之錯誤。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

3. PRIOR YEAR ADJUSTMENT (Continued)

Pursuant to the conditional agreement dated 3 June 2010 entered into between the Company and Mr. Chu Yip Wah (the “Ease Ray Vendor”) in relation to the Ease Ray Acquisition (the “Ease Ray Agreement”), a maximum of 210,000,000 new shares (after the share consolidation effective from 30 June 2011), subject to the downward adjustment, to be issued by the Company to the Ease Ray Vendor as part of the contingent consideration of the Ease Ray Acquisition (the “Ease Ray Second Batch Consideration Shares”). The Company has recognised the fair value of the Ease Ray Second Batch Consideration Shares in “Capital and Other Reserve” as an equity in the consolidated financial statements for the year ended 30 June 2011. During the current year, the directors of the Company discovered that the number of the Ease Ray Second Batch Consideration Shares to be issued would vary depending on the audited results of Ease Ray Limited (“Ease Ray”) and its subsidiaries (collectively referred to as the “Ease Ray Group”) for the year ended 31 December 2011. Therefore, according to HKFRS 3 “Business Combination”, the fair value of the Ease Ray Second Batch Consideration Shares at the date of acquisition shall be classified as the financial liability instead of equity and the directors have made such correction in the current year as follows:

3. 過往年度調整 (續)

根據本公司與朱業華先生(「宜亮賣方」)於二零一零年六月三日就宜亮收購訂立之有條件協議(「宜亮協議」)，本公司將向宜亮賣方發行最多210,000,000股新股份(於股份合併自二零一一年六月三十日生效後)(可予向下調整)，作為宜亮收購之部份或然代價(「宜亮第二批代價股份」)。於截至二零一一年六月三十日止年度之綜合財務報表內，本公司已將宜亮第二批代價股份之公平值確認為「資本及其他儲備」項下之權益。於本年度，本公司董事發現，將予發行之宜亮第二批代價股份之數目將依據宜亮有限公司(「宜亮」)及其附屬公司(統稱為「宜亮集團」)截至二零一一年十二月三十一日止年度之經審核業績而有所變動。因此，根據香港財務報告準則第3號「業務合併」，宜亮第二批代價股份於收購日期之公平值須分類為金融負債，而非權益，董事已於本年度作出如下修正：

		30 June 2011 二零一一年 六月三十日 HKD'000 千港元 (As originally stated) (原先呈列)	Adjustment 調整 HKD'000 千港元	30 June 2011 二零一一年 六月三十日 HKD'000 千港元 (As restated) (經重列)
CURRENT LIABILITIES	流動負債			
Contingent consideration payable	應付或然代價	–	220,500	220,500
Total effect on liability	對負債之總影響	–	220,500	220,500

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

3. PRIOR YEAR ADJUSTMENT (Continued)

3. 過往年度調整 (續)

		30 June 2011 二零一一年 六月三十日 HKD'000 千港元 (As originally stated) (原先呈列)	Adjustment 調整 HKD'000 千港元	30 June 2011 二零一一年 六月三十日 HKD'000 千港元 (As restated) (經重列)
CAPITAL AND RESERVES	資本及儲備			
Capital and other reserve	資本及儲備	238,090	(220,500)	17,590
Total effect on equity	對權益之總影響	238,090	(220,500)	17,590

The effect of error described above has no effect on the consolidated loss for the year ended 30 June 2011 and consolidated statement of financial position at 30 June 2010.

上述錯誤對截至二零一一年六月三十日止年度之綜合虧損及於二零一零年六月三十日之綜合財務狀況表並無任何影響。

4. SIGNIFICANT ACCOUNTING POLICIES

4. 重大會計政策

The consolidated financial statements have been prepared in accordance with HKFRSs 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.

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。

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

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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

The principal accounting policies are set out below.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities (including the special purpose 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 the Group's equity therein.

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 (effective from 1 July 2010 onwards).

4. 重大會計政策 (續)

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）（包括特別目的實體）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。

所有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。

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結餘出現虧損（自二零一零年七月一日起生效）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

BASIS OF CONSOLIDATION (Continued)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to owners of the Company.

When the Group loses control of a subsidiary, it (i) derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost, (ii) derecognises the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them), and (iii) recognises the aggregate of the fair value of the consideration received and the fair value of any retained interest, with any resulting difference being recognised as a gain or loss in profit or loss attributable to the Group. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

4. 重大會計政策 (續)

綜合基準 (續)

本集團於現有附屬公司之擁有權權益之變動

本集團於附屬公司擁有權權益之變動，在並未導致本集團喪失其對附屬公司之控制權時，會按權益交易入賬。本集團權益與非控股權益之賬面值均予以調整，以反映其於附屬公司相對權益之變動。非控股權益數額之調整額與已付或已收代價公平值之間之差額，乃直接於權益確認，並歸屬於本公司擁有人。

當本集團失去一家附屬公司之控制權時，其(i)於失去控制權當日按賬面值終止確認該附屬公司之資產(包括任何商譽)及負債，(ii)於失去控制權當日終止確認前附屬公司任何非控股權益之賬面值(包括其應佔其他全面收益之任何組成部分)，及(iii)確認所收取代價之公平值及任何保留權益之公平值之總額，所產生之差額於損益內確認為本集團應佔之收益或虧損。倘附屬公司之資產按重估金額或公平值計量，而相關累計盈虧已於其他全面收益中確認並於權益中累計，則早前於其他全面收益中確認及於權益中累計之金額，按猶如本集團已直接出售相關資產的方式入賬(即按照適用香港財務報告準則重新分類至損益或直接轉撥至保留盈利)。於失去控制權當日仍保留於前附屬公司之任何投資的公平值，會根據香港會計準則第39號「金融工具：確認及計量」作為其後入賬之初步確認公平值，或(如適用)於聯營公司或共同控制個體投資之初步確認成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

BUSINESS COMBINATIONS

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, 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;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); 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.

4. 重大會計政策 (續)

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；
- 與被收購方以股份為基礎的付款安排有關之負債或股本工具，或與以本集團所訂立的以股份為基礎的付款安排取代被收購方以股份為基礎的付款安排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「以股份為基礎的付款」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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

BUSINESS COMBINATIONS (Continued)

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, when applicable, on the basis specified in another standard.

4. 重大會計政策 (續)

業務合併 (續)

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權益之公平值(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(如適用)另一項準則規定之基準計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

BUSINESS COMBINATIONS (Continued)

Where the consideration transferred by the Group 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 included 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 made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the “measurement period” (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at 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.

4. 重大會計政策 (續)

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，並根據商譽作出相應調整。計量期間調整為於「計量期間」（自收購日期起計不超過一年）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。

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 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

BUSINESS COMBINATIONS (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.

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.

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.

4. 重大會計政策 (續)

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全面收益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）。

倘業務合併之初步會計處理於合併發生之報告期末尚未完成，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。

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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

GOODWILL

Goodwill arising on an acquisition of a business is carried at cost less 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.

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.

4. 重大會計政策(續)

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(如有)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,以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。

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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

SUBSIDIARIES

A subsidiary is a company in which the Company directly or indirectly controls more than half of the voting power, or controls the composition of the board of directors. Investments in subsidiaries are carried in the Company's financial statements at cost less impairment loss.

NON-CURRENT ASSETS HELD FOR SALE

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

4. 重大會計政策 (續)

附屬公司

附屬公司乃一間由本公司直接或間接控制其超過半數投票權或控制其董事會組成之公司。於附屬公司之投資乃於本公司之財務報表內按成本減減值虧損列賬。

持作出售之非流動資產

倘非流動資產及出售組別之賬面值主要通過銷售交易而非通過持續使用收回，則其將分類為持作出售項目。僅於出售機會相當高及非流動資產（或出售組別）可於現況下即時出售時，本條件方被視為達成。管理層必須承諾出售，即預期應由分類日期起計一年內符合資格獲確認為已完成之出售。

當本集團承諾履行一項涉及失去附屬公司的控制權的出售計劃，倘上述條件達成時，該附屬公司之所有資產及負債將分類為持作出售，不論於出售後本集團是否仍保留於該前附屬公司之非控股權益。

分類為持作出售之非流動資產（及出售組別）以其過往之賬面值與公平值減去出售成本之較低額計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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 discounts and sales related taxes.

Revenue from the sale of goods is recognised when the goods are delivered and title have passed, at which time all the following conditions are satisfied:

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

4. 重大會計政策(續)

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折扣及相關銷售稅項後之金額。

貨品銷售收入於交付貨品及轉移所有權時在符合以下所有條件之情況下確認：

- 本集團已將貨品擁有權的重大風險及回報轉讓至買方；
- 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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

REVENUE RECOGNITION (Continued)

Income from licensing and sub-licensing of distribution rights over films is recognised upon delivery of the pre-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.

Provision of agency services for sale of telecommunication products 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 income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

4. 重大會計政策 (續)

收入確認 (續)

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影音產品及錄影帶(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。

提供銷售電訊產品代理服務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。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 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, other than construction in progress ("CIP"), held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment 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 accumulated 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. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

4. 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(除在建工程外)乃按成本扣減其後累計折舊及累計減值虧損(如有)於綜合財務狀況表內列賬。

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各報告期末檢討,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累計減值虧損列賬。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與自置資產相同之於其預計使用年期折舊。然而,倘未能合理確定是否將在租期末取得擁有權,則資產以其租期及可使用年期之較短者折舊。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

PROPERTY, PLANT AND EQUIPMENT

(Continued)

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

CIP, which is mainly represent traffic signboards, is stated at cost less accumulated impairment losses. Cost comprises direct cost incurred during the periods of construction, installation and testing. No depreciation is provided on CIP. CIP is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

FILM RIGHTS, FILM IN PROGRESS AND FILM ROYALTY DEPOSITS

(i) Film rights

Film rights are stated at cost less accumulated amortisation and any identified accumulated impairment losses. Upon the release of the pre-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.

4. 重大會計政策 (續)

物業、廠房及設備 (續)

物業、廠房及設備項目於出售時或預期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，並於損益中確認。

在建工程，主要指交通指示牌，乃按成本減累計減值虧損列賬。成本包括興建、安裝及測試期間所產生的直接成本。概無就在建工程計提減值。在建工程於完工及可供使用時重新分類至物業、廠房及設備的適當類別。

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累計減值虧損列賬。於發行預錄影音產品及製品後，電影版權乃按預期撤銷發行後來自電影放映、複製及發行影音產品、授出錄像權及其他播放權之收益之製作成本之比例予以攤銷。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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

FILM RIGHTS, FILM IN PROGRESS AND FILM ROYALTY DEPOSITS (Continued)

(ii) Film in progress

Films in progress are stated at cost less any identified accumulated 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.

(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 pre-recorded audio visual products and the materials, the relevant portion of licence fees of purchased film titles are charged 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.

4. 重大會計政策 (續)

電影版權、在製影片及電影版權按金 (續)

(ii) 在製影片

在製影片按成本減去任何已識別累計減值虧損列賬。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。

(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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

FILM RIGHTS, FILM IN PROGRESS AND FILM ROYALTY DEPOSITS (Continued)

(iii) Film royalty deposits (Continued)

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.

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.

4. 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 (續)

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視作用來評估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。

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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

LEASING (Continued)

The Group as lessee (Continued)

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.

4. 重大會計政策 (續)

租約 (續)

本集團作為承租人 (續)

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。經營租約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 2012 截至二零一二年六月三十日止年度

4. 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 except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

4. 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，有關匯兌差額乃於其他全面收益確認及於權益累計，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，惟因重新換算有關收益或虧損直接於其他全面收益確認之非貨幣項目產生之匯兌差額除外，在此情況下，有關匯兌差額亦直接於其他全面收益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

FOREIGN CURRENCIES (Continued)

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) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributable to non-controlling interests as appropriate).

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.

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

4. 重大會計政策(續)

外幣(續)

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各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)。收入及開支項目乃按年內平均匯率換算，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換算儲備項下之權益(如適用，應佔非控股權益)累計。

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。

於二零零五年七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，並按報告期末之適用匯率換算。所產生匯兌差額乃於換算儲備項下之權益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

BORROWING COSTS

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

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

RETIREMENT BENEFITS COSTS

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

TAXATION

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

4. 重大會計政策(續)

借貸成本

凡必須經過頗長時間以作擬定用途或銷售之合資格資產之收購、建造或生產直接應佔之借貸成本，均加入該等資產之成本，直至該等資產大致可作擬定用途或銷售之時間為止。特定借貸在用於有關合資格資產支出前作暫時投資所得之投資收入在合資格作資本化之借貸成本中扣減。

所有其他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確認為開支。

稅項

所得稅開支指當期應繳稅項與遞延稅項的總和。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

TAXATION (Continued)

The tax currently payable 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.

4. 重大會計政策(續)

稅項(續)

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。本集團的即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 2012 截至二零一二年六月三十日止年度

4. 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 the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4. 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分資產的程度。

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。

即期及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，即期及遞延稅項亦會分別於其他全面收入或直接於權益內確認。倘即期稅項或遞延稅項因業務合併之初步會計處理而產生，則有關稅務影響會計入業務合併之會計處理。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES 4. 重大會計政策(續)

(Continued)

INTANGIBLE ASSETS

Intangible assets acquired separately

Intangible assets acquired separately and 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. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effective of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately 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 the 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.

Intangible assets acquired in a business combination

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).

無形資產

單獨收購之無形資產

單獨收購且具有限定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列賬。具有限定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。於各報告期末檢討估計可使用年期及攤銷方法，估計變動之效力按預期基準入賬。單獨收購且具無限定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收益或虧損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。

業務合併購入之無形資產

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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

INTANGIBLE ASSETS (Continued)

Intangible assets acquired in a business combination (Continued)

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).

INVENTORIES

Inventories, representing finished goods for resale, are stated at the lower of costs and net realisable value. Cost is calculated using first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

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.

4. 重大會計政策 (續)

無形資產 (續)

業務合併購入之無形資產 (續)

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，具有無限定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）。

存貨

存貨指可供轉售之製成品，乃按成本及可變現淨值之間的較低者列賬。成本以先入先出方法計算。可變現淨值指存貨估計售價減所有估計完成成本及必要銷售成本計算。

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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

FINANCIAL INSTRUMENTS (Continued)

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified as loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of asset 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.

4. 重大會計政策 (續)

金融工具 (續)

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（除經損益賬按公平值入賬之金融資產或金融負債外）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）。收購經損益賬按公平值入賬之金融資產或金融負債直接應佔交易成本即時於損益確認。

金融資產

本集團的金融資產分類為貸款及應收款項。該分類乃根據金融資產之性質及目的於初步確認時釐定。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 2012 截至二零一二年六月三十日止年度

4. 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 and loan interest receivables and cash and cash equivalents) are carried at amortised cost using the effective interest method, less any identified accumulated impairment losses (see accounting policy on impairment loss of 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 considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

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 and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

4. 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、應收貸款及貸款利息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，並扣除任何已識別累計減值虧損（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項或多項事件，金融資產的估計未來現金流量已受影響，則金融資產視為已減值。

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，如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
- 因財務困難而令該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 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

FINANCIAL INSTRUMENTS (Continued)

Impairment of financial assets (Continued)

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period ranging from 90 to 180 days, observable changes in national or local economic conditions that correlate with default on receivables.

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

For financial assets carried at cost, the amount of 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, 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 is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

4. 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)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介乎90天至180天信貸期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,已確認之減值虧損金額為資產賬面值與按該金融資產之原定實際利率折現的估計未來現金流量的現值之間的差額。

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量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 2012 截至二零一二年六月三十日止年度

4. 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 instruments

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

Equity instruments

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

4. 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。

金融負債及股本工具

集團實體發行的金融負債及股本工具根據合約安排的實質以及金融負債及股本工具的釋義分類為金融負債或權益。

股本工具

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。本集團所發行之股本工具按已收所得款項扣減直接發行成本確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

FINANCIAL INSTRUMENTS (Continued)

Financial liabilities and equity instruments (Continued)

Effective interest method

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

Interest expense is recognised on an effective interest basis other than those financial liabilities classified as at fair value through profit or loss ("FVTPL"), of which the interest expense is excluded in net gains or losses.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at FVTPL when the financial liabilities are designated at FVTPL on initial recognition.

A financial liability 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

4. 重大會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

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)較短期間將估計未來現金付款(包括構成實際利率不可或缺部分之所有已付或已收費用、交易成本及其他溢價或折讓)準確折現至初步確認時之賬面淨值之利率。

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。

經損益賬按公平值入賬之金融負債

倘金融負債於初步確認時指定為經損益賬按公平值入賬，則該金融負債分類為經損益賬按公平值入賬。

於下列情況，金融負債可於初步確認後指定為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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

FINANCIAL INSTRUMENTS (Continued)

Financial liabilities and equity instruments (Continued)

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

- 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.

Other financial liabilities

Other financial liabilities including trade payables, other payables and accruals and contingent consideration payable are subsequently measured at amortised cost, using the effective interest method.

4. 重大會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

經損益賬按公平值入賬之金融負債 (續)

- 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。

其他金融負債

其他金融負債（包括貿易應付賬款、其他應付款項及應計款項以及應付或然代價）其後採用實際利息法按攤銷成本計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

FINANCIAL INSTRUMENTS (Continued)

Financial liabilities and equity instruments (Continued)

Convertible notes designated at FVTPL

Convertible notes issued by the Group (including related embedded derivatives) are designated as FVTPL on initial recognition. At the end of each 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.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

4. 重大會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

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。

終止確認

僅於資產現金流量之合約權利屆滿時,或將金融資產及該資產所有權之絕大部分風險及回報轉讓予另一實體時,本集團方會終止確認金融資產。倘本集團並無轉讓亦無保留所有權之絕大部分風險及回報,並繼續控制轉讓資產,則本集團會繼續以其持續參與該項資產的程度為限確認該項資產及確認相關負債。倘本集團保留轉讓金融資產擁有權之絕大部分風險及回報,本集團會繼續確認金融資產,並就所收取之所得款項確認抵押借款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

FINANCIAL INSTRUMENTS (Continued)

Derecognition (Continued)

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.

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

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. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

4. 重大會計政策 (續)

金融工具 (續)

終止確認 (續)

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。

本集團僅於其責任已被解除、註銷或屆滿時方會終止確認金融負債。終止確認之金融負債賬面值與已付及應付代價之差額乃於損益內確認。

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。倘無法估計單項資產之可收回金額，則本集團估計資產所屬現金產生單位之可收回金額。倘可識別分配之合理一致基準，則公司資產亦分類為獨立現金產生單位或以其他方式分配至可識別合理一致基準之現金產生單位最小組別。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

IMPAIRMENT LOSSES ON TANGIBLE AND INTANGIBLE ASSETS OTHER THAN GOODWILL (SEE THE ACCOUNTING POLICY IN RESPECT OF GOODWILL ABOVE) (Continued)

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

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

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

4. 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) (續)

具無限定可使用年期之無形資產及尚未可使用之無形資產至少每年均進行減值測試，並於出現減值跡象時進行減值測試。

可收回金額為公平值減銷售成本與使用價值兩者中之較高者。評估使用價值時，估計未來現金流量會按照可反映現時市場對貨幣時間值及未調整未來現金流量估計之資產特定風險的評估的稅前貼現率，貼現至其現值。

倘資產（或現金產生單位）之可收回金額估計低於其賬面值，則該資產（或現金產生單位）賬面值減至可收回金額。減值虧損即時於損益確認，惟倘有關資產根據其他準則按重估金額列賬，則於此情況下減值虧損被視作該準則下之重估減少。

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（或現金產生單位）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，惟倘有關資產根據其他準則按重估金額列賬，則於此情況下減值虧損撥回被視作該準則下之重估增加。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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, and a reliable estimate can be made of the amount of the 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 of the time value of money is material).

CONTINGENT LIABILITIES ACQUIRED IN A BUSINESS COMBINATION

Contingent liabilities acquired in a business combination are initially measured at fair value at the date of acquisition. At the end of the subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation recognised in accordance with HKAS 18 *Revenue*.

SHARE-BASED PAYMENT TRANSACTIONS

Equity-settled share-based payment transactions

Share options granted to directors and employees

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

4. 重大會計政策 (續)

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，且能可靠估計該責任之金額時，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，根據於報告期末為履行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，其賬面值則按有關現金流量之現值（倘貨幣之時間價值影響重大）計值。

業務合併購入之或然負債

於業務合併收購之或然負債初步按收購日期之公平值計量。於其後報告期末，該等或然負債以按照香港會計準則第37號「撥備、或然負債及或然資產」確認之金額與初步確認之金額減按照香港會計準則第18號「收益」確認之累計攤銷兩者間之較高者計量。

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

所獲服務之公平值乃參考購股權於授出日期之公平值釐定，倘所授出之購股權獲即時歸屬，則於授出日期悉數確認為開支，並於權益中（購股權儲備）作相應之增加。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

SHARE-BASED PAYMENT TRANSACTIONS (Continued)

Equity-settled share-based payment transactions (Continued)

Share options granted to directors and employees (Continued)

When 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 or when the counterparties render services, unless the goods or services qualify for recognition as assets.

RELATED PARTIES

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

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

4. 重大會計政策 (續)

以股份支付之交易 (續)

股權結算以股份支付之交易 (續)

授予董事及僱員之購股權 (續)

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。

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) 該名人士為一名人士或該人士之關係密切家庭成員，而該人士：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團擁有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理人員的其中一名成員；或

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

RELATED PARTIES (Continued)

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

4. 重大會計政策 (續)

關連人士 (續)

- (b) 該人士為符合下列任何一項條件之實體：
- (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一家實體為另一實體之聯營公司或合營公司（或另一家實體之母公司、附屬公司或同系附屬公司）；
 - (iii) 該實體與本集團為同一第三方之合營公司；
 - (iv) 一家實體為第三方實體之合營公司，而另一家實體為第三方實體之聯營公司；
 - (v) 該實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃；
 - (vi) 該實體受(a)定義之人士控制或共同控制；及
 - (vii) (a)(i)定義之人士對該實體有重大影響力或屬該實體（或該實體之母公司）之主要管理人員。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 4, 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.

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.

5. 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4),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。

估計及相關假設會持續進行評核。倘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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Estimated impairment of film rights, film 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 2012, the carrying value of film rights, films in progress and film royalty deposits is HKD1,827,000 (2011: HKD6,042,000). Changes in assumptions used in this assessment, including the forecasted revenue, may result in additional provision being made in the consolidated financial statements.

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. As at 30 June 2012, the carrying amount of goodwill amounted to approximately HKD351,528,000 (net of accumulated impairment loss amounted to approximately HKD547,353,000). Details of the calculation of the recoverable amount are disclosed in Note 23.

5. 重大會計判斷及估計不明朗因素的主要來源 (續)

估計不明朗因素的主要來源 (續)

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。於二零一二年六月三十日,電影版權、在製影片及電影版權按金的賬面值為1,827,000港元(二零一一年:6,042,000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。

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。於二零一二年六月三十日,商譽之賬面值約為351,528,000港元(經扣除累計減值虧損金額約547,353,000港元)。可收回金額計算之詳情於附註23披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

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 are disclosed in Note 35.

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

The acquired identifiable assets and liabilities 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 at the end of the reporting period 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 the valuation results produced by external valuers. During the year ended 30 June 2012, the fair value of identifiable intangible assets arising from the acquisition of Smart Long Limited ("Smart Long") is approximately HKD31,802,000. Details of the identifiable intangible assets are disclosed in Note 25.

5. 重大會計判斷及估計不明朗因素的主要來源 (續)

估計不明朗因素的主要來源 (續)

經損益賬按公平值入賬之可換股票據之公平值

指定為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35披露。

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末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。截至二零一二年六月三十日止年度，因收購智朗有限公司（「智朗」）所產生之可識別無形資產之公平值約為31,802,000港元。有關可識別無形資產之詳情於附註25披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Estimated impairment of trade receivables, loan and loan interest receivables and other 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 2012, the carrying amount of trade receivables, loan and loan interest receivables and other receivables is approximately HKD80,098,000 (net of allowance for doubtful debts of HKD41,000) (2011: HKD54,724,000, net of allowance for doubtful debts of nil), HKD56,349,000 (net of allowance for doubtful debts of nil) (2011: HKD17,873,000, net of allowance for doubtful debts of nil) and HKD34,662,000 (net of allowance for doubtful debt of HKD1,157,000) (2011: HKD50,359,000, net of allowance for doubtful debts of HKD632,000), respectively.

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.

5. 重大會計判斷及估計不明朗因素的主要來源 (續)

估計不明朗因素的主要來源 (續)

貿易應收賬款、應收貸款及貸款利息及其他應收款項的估計減值

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。於二零一二年六月三十日，貿易應收賬款、應收貸款及貸款利息以及其他應收款項之賬面值分別約為80,098,000港元（扣除呆賬撥備41,000港元）（二零一一年：54,724,000港元（扣除呆賬撥備零元））、56,349,000港元（扣除呆賬撥備零元）（二零一一年：17,873,000港元（扣除呆賬撥備零元））及34,662,000港元（扣除呆賬撥備1,157,000港元）（二零一一年：50,359,000港元（扣除呆賬撥備632,000港元））。

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記錄的金額存在差異，則該等差額將影響作出有關釐定年度的所得稅及遞延稅項撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Income taxes (Continued)

As at 30 June 2012, the Group had unused tax losses of approximately HKD31,869,000 (2011: HKD17,881,000) 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.

Determination of fair value of contingent consideration payable

The Group has accounted for the contingent consideration in the Ease Ray Acquisition. The number of shares of the Ease Ray Second Batch Consideration shares is subject to the results of the Ease Ray Group for the year ended 31 December 2011. The Group based on the fair value of the Ease Ray Second Batch Consideration Shares at the date of acquisition of Ease Ray Group and the directors' best estimate and weighted probability analysis of the future profit of Ease Ray Group to determine the provision to be made in respect of such contingent consideration. As the process requires input of subjective assumptions, any changes to the assumptions can materially affect the provision made. Subsequent gain or loss in fair value is recognised in profit or loss. As at 30 June 2011, total provision made in respect of contingent consideration by the Group amounted to approximately HKD220,500,000 and was included in contingent consideration payable.

5. 重大會計判斷及估計不明朗 因素的主要來源 (續)

估計不明朗因素的主要來源 (續)

所得稅 (續)

於二零一二年六月三十日，本集團有未動用稅項虧損約31,869,000港元（二零一一年：17,881,000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。倘產生未來溢利可動用稅項虧損，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。

釐定應付或然代價之公平值

本集團已就宜亮收購入賬為或然代價。宜亮第二批代價股份之股份數目須受宜亮集團截至二零一一年十二月三十一日止年度之業績所限。本集團根據宜亮第二批代價股份於收購日期之公平值及董事對宜亮集團未來溢利之最佳估計及加權機率分析，釐定就該等或然代價作出之撥備。由於有關程序須加入主觀假設，故假設之任何變動可對作出之撥備造成重大影響。公平值其後之收益或虧損於損益中確認。於二零一一年六月三十日，本集團就或然代價作出之撥備總額約為220,500,000港元，並計入應付或然代價。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

6. 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 remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes convertible notes payable disclosed in Note 35, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associates with each class of capital. Based on the recommendations of the directors of the Company, the Group will balance its overall capital structure through the new share issues as well as the issue of new debt or the redemption of the existing debt.

6. 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（包括附註35所披露之應付可換股票據）減去現金及現金等價物及本公司擁有人應佔權益（包括已發行股本及儲備）。

本公司董事定期檢討資本架構。作為此檢討之一部份，本公司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發行新債務或贖回現有債務之方式平衡整體資本架構。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

7. FINANCIAL INSTRUMENTS

7. 金融工具

A) CATEGORIES OF FINANCIAL INSTRUMENTS

A) 金融工具類別

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元 (Restated) (經重列)
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)		
Trade receivables	貿易應收賬款	80,098	54,724
Deposits and other receivables	按金及其他應收款項	35,406	51,156
Loan and loan interest receivables	應收貸款及貸款利息	56,349	17,873
Cash and cash equivalents	現金及現金等價物	7,671	12,202
		179,524	135,955
Financial liabilities	金融負債		
At amortised cost	按攤銷成本		
Trade payables	貿易應付賬款	7,854	37,497
Other payables and accruals	其他應付款項及應計款項	21,702	48,716
Contingent consideration payable	應付或然代價	-	220,500
At fair value through profit or loss	經損益賬按公平值入賬		
Convertible notes payables	應付可換股票據	-	24,801
		29,556	331,514

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

7. FINANCIAL INSTRUMENTS (Continued)

B) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's major financial instruments include trade receivables, deposits and other receivables, loan and loan interest receivables, cash and cash equivalents, trade payables, other payables and accruals, contingent consideration payable and convertible notes payable. Details of the financial instruments 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 a 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.

7. 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、應收貸款及貸款利息、現金及現金等價物、貿易應付賬款、其他應付款項及應計款項、應付或然代價及應付可換股票據。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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

7. FINANCIAL INSTRUMENTS (Continued)

B) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

Currency risk (Continued)

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

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Assets	資產	178,029	58,993
Liabilities	負債	(27,876)	(30,180)

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 exposed to the currency of the PRC (i.e: RMB).

7. 金融工具 (續)

B) 金融風險管理目標及政策 (續)

貨幣風險 (續)

於報告期末，本集團以人民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，管理層會嚴密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 2012 截至二零一二年六月三十日止年度

7. FINANCIAL INSTRUMENTS (Continued)

B) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

Currency risk (Continued)

Sensitivity analysis (Continued)

The following table details the Group's sensitivity to a 5% (2011: 5%) increase and decrease in HKD against RMB. 5% (2011: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for 5% (2011: 5%) change in foreign currency rates. The sensitivity analysis includes trade receivables, deposits and other receivables, cash and cash equivalents, loan and loan interest receivables, trade payables, other payables and accruals. A positive number below indicates an increase in post-tax loss where HKD strengthen 5% (2011: 5%) against RMB. For a 5% (2011: 5%) weakening of HKD against RMB, there would be an equal and opposite impact on the loss and the balances below would be negative.

7. 金融工具 (續)

B) 金融風險管理目標及政策 (續)

貨幣風險 (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% (二零一一年: 5%) 之敏感度。5% (二零一一年: 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匯匯率之5% (二零一一年: 5%) 變動。敏感度分析包括貿易應收賬款、按金及其他應收款項、現金及現金等價物、應收貸款及貸款利息、貿易應付賬款、其他應付款項及應計款項。下列正數表示港元兌人民幣升值5% (二零一一年: 5%) 所導致之稅後虧損增加。倘港元兌人民幣貶值5% (二零一一年: 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。

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Loss for the year	年內虧損		
– RMB	– 人民幣	7,508	1,441

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

7. 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 loan receivables 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 in relation to bank balances carried at prevailing market rate.

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

Sensitivity analysis

At 30 June 2012, 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 or decrease by approximately HKD85,000 (2011: increased by approximately HKD131,000 and HKD4,000 respectively). This is mainly attributable to the Group's exposure to floating interest rates of the bank balance.

7. 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之現金流量利率風險。

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一節中予以詳述。

敏感度分析

於二零一二年六月三十日，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增加或減少約85,000港元（二零一一年：分別增加約131,000港元及4,000港元）。這主要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 2012 截至二零一二年六月三十日止年度

7. FINANCIAL INSTRUMENTS (Continued)

B) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

(Continued)

Credit risk

As at 30 June 2012, 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.

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

The Group has concentration of credit risk as 68.9% (2011: 38.5%) of trade receivables arising from the provision of traffic signboard advertising service, was due from the Group's major customer in the PRC, 廣州唐家廣告有限公司 ("唐家"). The Group's concentration of credit risk by geographical locations is in the PRC, which accounted for 100% (2011: 97.1%) of total trade receivables as at 30 June 2012.

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.

Operational risk

The Group's exposure to operational risk is primarily attributable to heavy reliance on 唐家, the major customer of the Group in the PRC, for the provision of traffic signboard advertising service to 唐家 amounted to approximately HKD73,290,000 (2011: Approximately HKD6,720,000) which accounted for approximately 73.2% (2011: 24.7%) of the Group's total turnover for the year ended 30 June 2012. The directors are closely monitoring the performance and financial position of 唐家 and are planning to expand its traffic signboard advertising service to reduce the concentration of the operational risk.

7. 金融工具 (續)

B) 金融風險管理目標及政策 (續)

信貸風險

於二零一二年六月三十日，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。

為減低信貸風險，本集團管理層會於報告期末檢討各貿易應收賬款、其他應收款項、應收貸款及貸款利息之可收回金額，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。

本集團就因提供交通指示牌廣告服務而產生之貿易應收賬款面臨68.9%（二零一一年：38.5%）的集中信貸風險，該等貿易應收賬款乃應收本集團於中國的主要客戶廣州唐家廣告有限公司（「唐家」）之款項。本集團之集中信貸風險（按地域計算）來自中國，佔於二零一二年六月三十日之貿易應收賬款總額的100%（二零一一年：97.1%）。

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。

營運風險

本集團面臨的營運風險主要來自對本集團於中國的主要客戶唐家的嚴重依賴，向唐家提供之交通指示牌廣告服務約為73,290,000港元（二零一一年：約6,720,000港元），佔本集團截至二零一二年六月三十日止年度之總營業額約73.2%（二零一一年：24.7%）。董事密切監控唐家的表現及財務狀況，並計劃擴展其交通指示牌廣告業務，以降低集中營運風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

7. FINANCIAL INSTRUMENTS (Continued)

B) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

(Continued)

Liquidity risk

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

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 curve at the end of the reporting period.

Liquidity tables

		Weighted average effective interest rate 加權平均 實際利率	Repayable on demand or within 1 year 應要求或 於一年內償還 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 2012	於二零一二年六月三十日				
Trade payables	貿易應付賬款	-	7,854	7,854	7,854
Other payables and accruals	其他應付款項及應計款項	-	21,702	21,702	21,702
			29,556	29,556	29,556

7. 金融工具 (續)

B) 金融風險管理目標及政策 (續)

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。

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曲線計算得出。

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 2012 截至二零一二年六月三十日止年度

7. FINANCIAL INSTRUMENTS (Continued)

B) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

(Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

7. 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)

		Weighted average effective interest rate 加權平均 實際利率	Repayable on demand or within 1 year 應要求或 於一年內償還 HKD'000 千港元 (Restated) (經重列)	Total undiscounted cash flow 未貼現之 現金流量總額 HKD'000 千港元 (Restated) (經重列)	Carrying amounts 賬面值 HKD'000 千港元 (Restated) (經重列)
At 30 June 2011	於二零一一年六月三十日				
Trade payables	貿易應付賬款	-	37,497	37,497	37,497
Other payables and accruals	其他應付款項及應計款項	-	48,716	48,716	48,716
Contingent consideration payable	應付或然代價	-	220,500	220,500	220,500
Convertible notes payable (Note)	應付可換股票據 (附註)	8%	27,000	27,000	24,801
			333,713	333,713	331,514

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

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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

7. FINANCIAL INSTRUMENTS (Continued)

C) FAIR VALUE

The fair value of financial liabilities are determined as follows:

- the fair value of financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices respectively;
- the fair value of financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis;
- the fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives; and
- the fair value of financial guarantee contracts is determined using option pricing models where the main assumptions are the probability of default by the specified counterparty extrapolated from market-based credit information and the amount of loss, given the default.

7. 金融工具 (續)

C) 公平值

金融負債之公平值釐定如下：

- 具有標準條款及條件且在活躍流通市場買賣之金融負債之公平值，乃分別參考市場報價及買賣價而釐定；
- 其他金融負債之公平值（不包括衍生工具）乃按以貼現現金流量分析為基準之公認定價模式而釐定；
- 衍生工具之公平值以報價計算。倘未能獲取有關報價，非期權衍生工具將以該工具有效期適用之孳息曲線進行貼現現金流量分析釐定，而期權衍生工具則採用期權定價模型進行估計；及
- 財務擔保合約之公平值利用期權定價模式釐定，有關模式中之主要假設為按市場信貸資料推斷特定對手方違約之可能性及在違約情況下之虧損金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

7. FINANCIAL INSTRUMENTS (Continued)

C) FAIR VALUE (Continued)

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

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in market for identical assets or liabilities.
- Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)
- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

7. 金融工具(續)

C) 公平值(續)

下表提供於初步確認後按公平值計量之金融工具之分析，乃根據公平值可觀察程度分為第一級至第三級。

- 第一級：公平值計量由同類資產或負債之市場報價(未經調整)得出。
- 第二級：公平值計量由就資產或負債之直接(即價格)或間接(即自價格衍生)可觀察之除計入第一級內報價以外之輸入值得出
- 第三級：公平值計量由包括並非基於可觀察市場數據得出之資產或負債之輸入值(即不可觀察輸入值)之估值技術得出。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

7. FINANCIAL INSTRUMENTS (Continued)

C) FAIR VALUE (Continued)

At 30 June 2011

		Level 1 第一級 HKD'000 千港元	Level 2 第二級 HKD'000 千港元	Level 3 第三級 HKD'000 千港元	Total 總計 HKD'000 千港元
Liabilities	負債				
Contingent consideration payable	應付或然代價	-	220,500	-	220,500
Convertible notes payable	應付可換股票據	-	24,801	-	24,801
		-	245,301	-	245,301

There were no transfer between Level 1 and 2 in the current and prior year.

Other than disclosed above, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities of each class approximate to their corresponding fair values.

於本年度及過往年度，第一級第二級之間並無任何轉撥。

除上文所披露者外，本公司董事認為，各類金融資產及金融負債之賬面值與其相應之公平值相若。

8. 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.

7. 金融工具 (續)

C) 公平值 (續)

於二零一一年六月三十日

		Level 1 第一級 HKD'000 千港元	Level 2 第二級 HKD'000 千港元	Level 3 第三級 HKD'000 千港元	Total 總計 HKD'000 千港元
Liabilities	負債				
Contingent consideration payable	應付或然代價	-	220,500	-	220,500
Convertible notes payable	應付可換股票據	-	24,801	-	24,801
		-	245,301	-	245,301

於本年度及過往年度，第一級第二級之間並無任何轉撥。

除上文所披露者外，本公司董事認為，各類金融資產及金融負債之賬面值與其相應之公平值相若。

8. 營業額

營業額指本集團向外部客戶出售貨物或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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

8. TURNOVER (Continued)

An analysis of the Group's turnover for the year, from continuing operations, is as follows:

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Continuing operations	持續經營業務		
Sales of telecommunication products and provision of wireless services	銷售電訊產品及提供無線服務	9,108	15,191
Traffic signboard advertising income	交通指示牌廣告收入	91,072	11,972
		100,180	27,163

8. 營業額 (續)

本集團持續經營業務之年內營業額分析如下：

9. OTHER INCOME AND GAINS

An analysis of the Group's other income and gains for the year, from continuing operations, is as follows:

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Continuing operations	持續經營業務		
Bank interest income	銀行利息收入	10	5
Exchange gain, net	匯兌收益，淨額	-	69
Commission income	佣金收入	1,114	9,267
Sundry income	雜項收入	170	1,711
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	443	-
Loan interest income	貸款利息收入	1,385	-
Waived of debt of other payables	獲豁免其他應付款項之債務	58	-
Reversal of impairment loss in respect of trade receivables	就貿易應收賬款撥回之減值虧損	-	806
Reversal of impairment loss in respect of other receivables	就其他應收款項撥回之減值虧損	-	167
		3,180	12,025

9. 其他收入及收益

本集團來自持續經營業務之年內其他收入及收益分析如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

10. 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 and operating 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

The operating segments regarding the film exhibition, film rights licensing and sub-licensing and artiste management were discontinued during the year ended 30 June 2012. The segment information reported below does not include any amounts for these discontinued operations, which are described in more detail in Note 15.

10. 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之類型。此亦為本集團組織及管理之基準。

具體而言,本集團根據香港財務報告準則第8號之可呈報及經營分類如下:

- 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

截至二零一二年六月三十日止年度,有關電影放映、授出及轉授電影版權以及藝人管理之經營分類已終止經營。下列所呈報之分類資料並不包括該等終止經營業務之任何金額,有關更多詳情載於附註15。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

10. SEGMENT INFORMATION (Continued)

(A) SEGMENT REVENUES AND RESULTS

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

For the year ended 30 June Continuing operations

		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	
		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元 (Restated) (經重列)
Turnover	營業額	9,108	15,191	91,072	11,972	100,180	27,163
Segment results	分類業績	(135,242)	19,298	(498,110)	5,827	(633,352)	25,125
Interest income	利息收入					1,373	5
Unallocated corporate income	未分配公司收入					219,707	15
Unallocated corporate expenses	未分配公司開支					(42,275)	(52,177)
Unallocated finance costs	未分配融資成本					(1,305)	(222)
Loss before tax	除稅前虧損					(455,852)	(27,254)
Income tax credit (expense)	所得稅抵免(開支)					35,630	(3,809)
Loss for the year	年內虧損					(420,222)	(31,063)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 4. Segment results represent the profit earned by/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.

10. 分類資料(續)

(A) 分類收益及業績

按可呈報及經營分類劃分之本集團來自持續經營業務之營業額及業績分析如下：

截至六月三十日止年度 持續經營業務

經營分類之會計政策與附註4所述之本集團會計政策相同。分類業績指各分類所賺取之溢利／產生之虧損，並無分配利息收入、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。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 2012 截至二零一二年六月三十日止年度

10. SEGMENT INFORMATION (Continued)

10. 分類資料(續)

(B) SEGMENT ASSETS AND LIABILITIES

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

At 30 June

Continuing operations

		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	
		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元 (Restated) (經重列)
Segment assets	分類資產	39,883	62,207	569,213	986,635	609,096	1,048,842
Unallocated corporate assets	未分配公司資產					69,349	166,891
Total segment assets	分類資產總值					678,445	1,215,733
Assets relating to discontinued operations	與終止經營業務有關之資產					15,874	75,851
Consolidated assets	綜合資產					694,319	1,291,584
Segment liabilities	分類負債	31,594	6,245	27,173	80,499	58,767	86,744
Unallocated corporate liabilities	未分配公司負債					16,625	264,409
Total segment liabilities	分類負債總值					75,392	351,153
Liabilities relating to discontinued operations	與終止經營業務有關之負債					7,874	55,104
Consolidated liabilities	綜合負債					83,266	406,257

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

- all assets are allocated to operating segments other than unallocated corporate assets (mainly comprising certain of prepayments, deposits and other receivables and loan and loan interest receivables); and
- all liabilities are allocated to operating segments other than unallocated corporate liabilities (mainly comprising receipt in advances, contingent consideration payable, other payables and accruals).

本集團按可呈報分類之持續經營業務資產及負債分析如下：

於六月三十日

持續經營業務

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（主要包括若干預付款項、按金及其他應收款項以及應收貸款及貸款利息）外，所有資產均分配予經營分類；及
- 除未分配公司負債（主要包括預收賬款、應付或然代價、其他應付款項及應計款項）外，所有負債均分配予經營分類。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

10. SEGMENT INFORMATION (Continued)

10. 分類資料 (續)

(C) OTHER SEGMENT INFORMATION

(C) 其他分類資料

For the year ended 30 June
Continuing operations

截至六月三十日止年度
持續經營業務

		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	
		2012	2011	2012	2011	2012	2011	2012	2011
		二零一二年 HKD'000 千港元	二零一一年 HKD'000 千港元	二零一二年 HKD'000 千港元	二零一一年 HKD'000 千港元	二零一二年 HKD'000 千港元	二零一一年 HKD'000 千港元	二零一二年 HKD'000 千港元	二零一一年 HKD'000 千港元
Amounts included in the measure of segment results	計量分類業績所包括的金額：								
Capital expenditure	資本開支	39,834	16	1,705	215,720	-	1,396	41,539	217,132
Gain on settlement of contingent consideration payable	結算應付或然代價之收益	-	-	-	-	(183,415)	-	(183,415)	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,247	4,171	6,426	1,044	854	304	9,527	5,519
Amortisation of intangible assets	無形資產攤銷	5,436	-	45,705	3,098	-	-	51,141	3,098
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)虧損	-	11	-	-	(443)	-	(443)	11
Impairment loss recognised in respect of property, plant and equipment	就物業、廠房及設備確認之減值虧損	6,754	-	107	-	-	-	6,861	-
Impairment loss recognised in respect of intangible assets	就無形資產確認之減值虧損	10,231	-	99,085	-	-	-	109,316	-
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	115,803	-	425,655	-	-	-	541,458	-
Impairment loss recognised in respect of trade receivables	就貿易應收賬款確認之減值虧損	-	-	41	-	-	-	41	-
Impairment loss recognised in respect of inventories	就存貨確認之減值虧損	800	-	-	-	-	-	800	-
Impairment loss recognised in respect of other receivables	就其他應收款項確認之減值虧損	2	514	605	-	-	-	607	514
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)
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)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

10. SEGMENT INFORMATION (Continued)

(C) OTHER SEGMENT INFORMATION (Continued)

Continuing operations (Continued)

Capital expenditure for the year ended 30 June 2012 includes additions resulted from acquisition through business combinations, amounting to approximately HKD31,840,000 (2011: HKD202,269,000).

Amounts regularly provided to the chief operating decision maker but not included in the measure of segment results or segment assets:

Continuing operations

	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	
	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元 (Restated) (經重列)
Interest income 利息收入	39	2	1,333	1	1	2	1,373	5
Finance costs 融資成本	-	-	-	-	1,305	222	1,305	222
Income tax credit (expense) 所得稅抵免(開支)	5,916	(2,317)	29,714	(1,492)	-	-	35,630	(3,809)

10. 分類資料(續)

(C) 其他分類資料(續)

持續經營業務(續)

截至二零一二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31,840,000港元(二零一一年：202,269,000港元)。

定期提供予主要經營決策者但不包含於分類業績或分類資產計量的金額：

持續經營業務

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

10. SEGMENT INFORMATION (Continued)

(C) OTHER SEGMENT INFORMATION (Continued)

Information about major customers

Turnover from continuing operations from major customers of the corresponding years contributing over 10% of the total turnover of the Group are as follows:

Continuing operations	持續經營業務	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
¹ Customer A	¹ 客戶A	N/A 不適用 ³	15,191
² Customer B	² 客戶B	73,290	6,720
		73,290	21,911

- ¹ Turnover from sales of telecommunication products and provision of wireless services
- ² Turnover from traffic signboard advertising
- ³ The corresponding turnover did not contribute over 10% of the total turnover of the Group in the respective year

Geographical information

The Group's operations are mainly located in Hong Kong and the PRC.

Information about the Group's revenue from continuing operations from external customers is presented based on the geographical location of the customer.

10. 分類資料 (續)

(C) 其他分類資料 (續)

主要客戶之資料

持續經營業務於相關年度佔本集團總營業額超過10%的來自主要客戶之營業額如下：

- ¹ 來自銷售電訊產品及提供無線服務的營業額
- ² 來自交通指示牌廣告的營業額
- ³ 相應營業額佔本集團於有關年度之總營業額並無超過10%。

地區資料

本集團之業務主要位於香港及中國。

本集團持續經營業務來自外部客戶之收益資料乃按客戶所處之地區呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

10. SEGMENT INFORMATION (Continued)

10. 分類資料 (續)

(C) OTHER SEGMENT INFORMATION (Continued)

(C) 其他分類資料 (續)

Turnover by geographical market

地區市場之營業額

Continuing operations	持續經營業務	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Name of the country	地區名稱		
Hong Kong	香港	-	-
The PRC (excluding Hong Kong)	中國 (不包括香港)	100,180	27,163
		100,180	27,163

Information about the Group's non-current assets, other than film rights, film in progress and film royalty deposits and deposit paid for acquisition of a subsidiary, is presented based on the geographical location of the assets.

有關本集團之非流動資產 (電影版權、在製影片及電影版權按金以及就收購一間附屬公司之已付按金除外) 之資料乃按資產之地區劃分呈列。

Name of the country	地區名稱	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Hong Kong	香港	573	872
The PRC (excluding Hong Kong)	中國 (不包括香港)	439,481	993,474
		440,054	994,346

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

11. FINANCE COSTS

11. 融資成本

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Continuing operations	持續經營業務		
Effective interest charged on convertible notes payable (Note 35)	就應付可換股票據收取之實際利息(附註35)	1,305	222

12. INCOME TAX (CREDIT) EXPENSE

12. 所得稅(抵免)開支

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Continuing operations	持續經營業務		
Current tax:	即期稅項:		
– Hong Kong Profits Tax	– 香港利得稅	–	–
– PRC Enterprise Income Tax	– 中國企業所得稅	11,577	4,584
Over-provision for prior year	過往年度超額撥備	(3,323)	–
Deferred tax (Note 38)	遞延稅項(附註38)	(43,884)	(775)
		(35,630)	3,809

(a) Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. Hong Kong Profits Tax has not been provided for in the consolidated financial statements as the Group has no assessable profits arising in Hong Kong for both 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.

(c) Pursuant to the relevant laws and regulations in the PRC, a subsidiary of the Company, being qualified as a new and high technology enterprise, is eligible for a preferential Enterprise Income Tax rate of 15% for the year ended 30 June 2012.

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

(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。由於本集團於兩個年度均無在香港錄得應課稅溢利，故於綜合財務報表並無就香港利得稅計提撥備。

(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%。

(c) 根據中國相關法例及法規，本公司一間附屬公司被評定為高新技術企業，截至二零一二年六月三十日止年度合資格享有15%的優惠企業所得稅稅率。

(d) 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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

12. INCOME TAX (CREDIT) EXPENSE

(Continued)

The income tax (credit) expense for the years can be reconciled to the loss before tax from continuing operations per the consolidated statement of comprehensive income as follows:

12. 所得稅(抵免)開支(續)

年內所得稅(抵免)開支與綜合全面收益表內來自持續經營業務之除稅前虧損對賬如下:

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Continuing operations	持續經營業務		
Loss before tax:	除稅前虧損:	(455,852)	(27,254)
Tax at applicable domestic income tax rate of 16.5% (2011: 16.5%)	按當地適用的所得稅稅率16.5%計算的稅項(二零一一年: 16.5%)	(75,216)	(4,497)
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	121,588	6,979
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	(36,085)	(1)
Over-provision for prior year	過往年度之超額撥備	(3,323)	-
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	2,732	618
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	(424)	-
Tax effect of deductible temporary differences not recognised	未確認可扣稅暫時差額之稅務影響	(43,884)	(775)
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	(1,018)	1,485
Income tax (credit) expense for the year	年內所得稅(抵免)開支	(35,630)	3,809

At the end of the reporting period, the Group had unused tax losses of approximately HKD31,869,000 (2011: HKD17,881,000) available to offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profits streams. The tax losses may be carried forward indefinitely.

於報告期末，本集團的未動用稅項虧損約31,869,000港元(二零一一年: 17,881,000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。稅項虧損或可無限期結轉。

Details of deferred tax are set out in Note 38.

遞延稅項之詳情載於附註38。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

13. LOSS BEFORE TAX

13. 除稅前虧損

CONTINUING OPERATIONS

持續經營業務

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 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 17)	員工成本·包括董事酬金(附註17)		
– Salaries, wages and other benefits	– 薪金、工資及其他福利	7,900	2,735
– 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	20	12
Total staff costs	總員工成本	7,920	40,746
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9,527	5,519
Amortisation of intangible assets	無形資產攤銷	51,141	3,098
Impairment loss recognised in respect of inventories	就存貨確認之減值虧損	800	–
Impairment loss recognised in respect of trade receivables	就貿易應收賬款確認之減值虧損	41	–
Impairment loss recognised in respect of other receivables	就其他應收款項確認之減值虧損	607	514
Impairment loss recognised in respect of property, plant and equipment	就物業、廠房及設備確認之減值虧損	6,861	–
Impairment loss recognised in respect of intangible assets	就無形資產確認之減值虧損	109,316	–
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)虧損	(443)	11
Share-based payments – consultant	以股份為基礎的付款 – 顧問	–	332
Agency fee for referring investment projects	介紹投資項目之中介費	30,813	–
Auditor's remuneration	核數師酬金	921	2,450
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	8,276	3,210
Cost of inventories recognised as expense	已確認為開支之存貨成本	75	–
Reversal of impairment loss in respect of trade receivables	就貿易應收賬款撥回之減值虧損	–	(806)
Reversal of impairment loss in respect of other receivables	就其他應收款項撥回之減值虧損	–	(167)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

14. LOSS PER SHARE

FROM CONTINUING AND DISCONTINUED OPERATIONS

The calculation of the basic and diluted loss per share attributable to owners of the Company for the year from continuing and discontinued operations is based on the following data:

14. 每股虧損

來自持續及終止經營業務

本公司擁有人應佔持續及終止經營業務年內每股基本及攤薄虧損乃按以下數據計算：

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Loss for the year attributable to owners of the Company and loss for the purpose of basic and diluted loss per share	本公司擁有人應佔年內虧損及用於計算每股基本及攤薄虧損之虧損	465,153	36,254

		Number of shares 股份數目	
		2012 二零一二年 '000 千股	2011 二零一一年 '000 千股
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	用於計算每股基本及攤薄虧損之普通股加權平均數	2,164,996	1,603,724

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

14. LOSS PER SHARE (Continued)

FROM CONTINUING OPERATIONS

The calculation of the basic and diluted loss per share from continuing operations attributable to the owners of the Company is based on the following data:

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Loss for the year attributable to owners of the Company and loss for the purpose of basic and diluted loss per share	本公司擁有人應佔年內虧損及用於計算每股基本及攤薄虧損之虧損	465,153	36,254
Less: Loss for the year from discontinued operations	減：終止經營業務之年內虧損	(10,897)	(1,956)
Loss for the purpose of basic and diluted loss per share from continuing operations	用於計算持續經營業務之每股基本及攤薄虧損之虧損	454,256	34,298

Notes:

- (1) The computation of diluted loss per share for the year ended 30 June 2012 does not assume the conversion of the Company's outstanding share options since their exercise would result in a decrease in loss per share for the year.
- (2) The computation of diluted loss per share for the year ended 30 June 2011 does not assume the conversion of the Company's outstanding share options and convertible notes and the issuance of the contingent consideration shares since their exercise would result in a decrease in loss per share for the year.

FROM DISCONTINUED OPERATIONS

The basic and diluted loss per share for the discontinued operations for the year ended 30 June 2012 is HK0.50 cents (2011: HK0.12 cents) per share, based on the loss for the year from the discontinued operations of approximately HKD10,897,000 (2011: HKD1,956,000) and the denominators detailed above for both basic and diluted loss per share.

14. 每股虧損 (續)

來自持續經營業務

本公司擁有人應佔持續經營業務之每股基本及攤薄虧損乃按以下數據計算：

	2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Loss for the year attributable to owners of the Company and loss for the purpose of basic and diluted loss per share	465,153	36,254
Less: Loss for the year from discontinued operations	(10,897)	(1,956)
Loss for the purpose of basic and diluted loss per share from continuing operations	454,256	34,298

附註：

- (1) 由於行使本公司尚未行使之購股權會導致年內每股虧損減少，故在計算截至二零一二年六月三十日止年度之每股攤薄虧損時並無假設有關兌換。
- (2) 由於行使本公司尚未行使之購股權及可換股票據以及發行或然代價股份會導致年內每股虧損減少，故在計算截至二零一一年六月三十日止年度之每股攤薄虧損時並無假設有關於兌換或發行。

來自終止經營業務

截至二零一二年六月三十日止年度，終止經營業務之每股基本及攤薄虧損為每股0.50港仙（二零一一年：0.12港仙），乃根據終止經營業務之年內虧損約10,897,000港元（二零一一年：1,956,000港元）及上文詳述用作計算每股基本及攤薄虧損之分母而計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

15. DISCONTINUED OPERATIONS

Pursuant to the Company's circular dated 13 July 2012, the Company entered into a sale agreement on 21 June 2012 with a purchaser (the "Purchaser"), an independent third party, in respect of the disposal of 100% equity interests in Getbetter Enterprises Limited and its subsidiaries (collectively referred to as "Getbetter Group") and B&S Group Limited and its subsidiaries (collectively referred to as "B&S Group") at a consideration of HKD8,000,000, payable in cash (the "Disposal"). The principal activities of Getbetter Group and B&S Group are engaged in the production and sales of videos and films, the licensing of video and copyrights/films rights and artiste management. The Disposal was effected in order to generate cash flows for the expansion of the Group's other businesses. Pursuant to the Company's announcement dated 31 July 2012, the disposal was duly passed on an extraordinary general meeting held on 31 July 2012. Up to the date of this report, the Disposal is still in processing.

The loss for the year from discontinued operations for film exhibition, film rights licensing and sub-licensing and artiste management is analysed as follows:

15. 終止經營業務

根據本公司日期為二零一二年七月十三日之通函，本公司已於二零一二年六月二十一日與獨立第三方買方（「買方」）訂立出售協議，以出售Getbetter Enterprises Limited及其附屬公司（統稱為「Getbetter集團」）以及B&S Group Limited及其附屬公司（統稱為「B&S集團」）之100%股本權益，代價為8,000,000港元，須以現金支付（「出售事項」）。Getbetter集團及B&S集團主要從事製作及銷售錄像帶及影片、授出錄像帶版權及電影版權以及藝人管理業務。出售事項乃為產生現金流量供擴展本集團其他業務使用而進行。根據本公司日期為二零一二年七月三十一日之公佈，出售事項已於二零一二年七月三十一日舉行之股東特別大會上正式通過。直至本報告日期，出售事項仍在進行中。

來自電影放映、授出及轉授電影版權以及藝人管理等終止經營額業務之年內虧損分析如下：

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Loss for the year	年內虧損	3,755	1,956
Impairment loss recognised in respect of assets held for sale	就持作出售資產確認之減值虧損	7,142	-
		10,897	1,956

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

15. DISCONTINUED OPERATIONS (Continued)

The results of the film exhibition, film rights licensing and sub-licensing and artiste management, which have been included in the consolidated statement of comprehensive income, were as follows:

15. 終止經營業務(續)

計入綜合全面收益表內之電影放映、授出及轉授電影版權以及藝人管理之業績如下：

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Turnover	營業額	2,646	18,093
Cost of sales	銷售成本	(286)	(8,639)
Other income and gains	其他收入及收益	154	265
Selling and marketing costs	銷售及市場推廣成本	(392)	(3,923)
Administrative and other expenses	行政及其他費用	(5,917)	(7,714)
Finance costs	融資成本	-	(1)
Loss before tax	除稅前虧損	(3,795)	(1,919)
Income tax credit (expense)	所得稅抵免(開支)	40	(37)
Loss for the year	年內虧損	(3,755)	(1,956)
Cash flow from discontinued operation:	來自終止經營業務之 現金流量：		
Net cash outflow from operating activities	來自經營業務之 現金流出淨額	(223)	(5,217)
Net cash outflow from investing activities	來自投資活動之 現金流出淨額	(13)	(102)
Net cash outflow from financing activities	來自融資活動之 現金流出淨額	-	(21)
Net cash outflow	現金流出淨額	(236)	(5,340)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

16. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS)

16. 員工成本 (不包括董事酬金)

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Continuing operations	持續經營業務		
Salaries, wages and other benefits	薪金、工資及其他福利	7,552	2,114
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	18	11
		7,570	25,190

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.

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。

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 payable 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.

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為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 2012 截至二零一二年六月三十日止年度

17. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of 4 (2011: 6) directors was as follows:

17. 董事酬金

已付或應付予4名(二零一一年: 6名)董事之酬金如下:

Names of directors	董事姓名	2012 二零一二年					2011 二零一一年				
		Fees	Salaries, wages and other benefits	Contributions to retirement schemes	Share-based payments	Total	Fees	Salaries, wages and other benefits	Contributions to retirement schemes	Share-based payments	Total
		袍金	薪金、工資及其他福利	退休福利計劃供款	以股份為基礎的付款	總計	袍金	薪金、工資及其他福利	退休福利計劃供款	以股份為基礎的付款	總計
		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
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)	-	236	1	-	237	31	480	-	4,978	5,489
Mr. Theo EDE (Note b)	Theo EDE先生(附註b)	-	11	1	-	12	29	-	-	-	29
Mr. Ou Bai (Note c)	歐柏先生(附註c)	-	-	-	-	-	-	-	-	-	-
Mr. Zhou Wu (Note d)	卓伍先生(附註d)	-	-	-	-	-	-	31	1	-	32
Mr. Zhang Fan (Note e)	張帆先生(附註e)	-	-	-	-	-	-	-	-	4,978	4,978
Mr. Hu Yangjun (Note f)	胡楊俊先生(附註f)	-	-	-	-	-	-	-	-	4,978	4,978
Mr. Zhang Xinyu (Note g)	張新宇先生(附註g)	-	51	-	-	51	-	-	-	-	-
Independent non-executive directors:	獨立非執行董事:										
Mr. Hu Yangjun (Note f)	胡楊俊先生(附註f)	-	-	-	-	-	-	-	-	-	-
Professor Song Junde (Note h)	宋俊德教授(附註h)	-	-	-	-	-	-	-	-	-	-
Professor Chen Lujun (Note i)	陳呂軍教授(附註i)	-	-	-	-	-	-	-	-	-	-
Mr. Lam Kin Kau, Mark	林建球先生	50	-	-	-	50	50	-	-	-	50
Ms. Chen Xiaorong (Note j)	陳曉榮女士(附註j)	-	-	-	-	-	-	-	-	-	-
		50	298	2	-	350	110	511	1	14,934	15,556

Notes:

- Retired on 16 December 2011
- Appointed on 13 May 2010
- Appointed on 13 May 2010 and resigned on 23 March 2012
- Resigned on 16 July 2010
- Appointed on 9 September 2010 and resigned on 23 March 2012
- Redesignated from an independent non-executive director to an executive director on 15 December 2010
- Appointed on 15 June 2012
- Appointed on 14 July 2010
- Appointed on 15 December 2010
- Resigned on 9 September 2010

附註:

- 於二零一一年十二月十六日退任
- 於二零一零年五月十三日獲委任
- 於二零一零年五月十三日獲委任並於二零一二年三月二十三日辭任
- 於二零一零年七月十六日辭任
- 於二零一零年九月九日獲委任並於二零一二年三月二十三日辭任
- 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
- 於二零一二年六月十五日獲委任
- 於二零一零年七月十四日獲委任
- 於二零一零年十二月十五日獲委任
- 於二零一零年九月九日辭任

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

17. DIRECTORS' EMOLUMENTS (Continued)

There was no arrangement under which a director waived or agreed to waive any emoluments in respect of the years ended 30 June 2012 and 2011.

During the years ended 30 June 2012 and 2011, no emoluments was 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.

17. 董事酬金 (續)

截至二零一二年及二零一一年六月三十日止年度，概無董事放棄或同意放棄任何酬金之安排。

截至二零一二年及二零一一年六月三十日止年度，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。

18. SENIOR MANAGEMENT EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, none (2011: three) were directors of the Company whose emoluments are included in the disclosures above. The emoluments of the remaining five (2011: two) highest paid individuals during the years ended 30 June 2012 and 2011 were as follows:

18. 高級管理層酬金

本集團五名最高薪酬個別人士內，概無(二零一一年：三名)本公司董事，彼等之薪酬已於上文披露。於截至二零一二年及二零一一年六月三十日止年度，其餘五名(二零一一年：兩名)最高薪酬個別人士之薪酬如下：

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Salaries, wages and other benefits	薪金、工資及其他福利	2,271	694
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	12	9
		2,283	5,681

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

18. SENIOR MANAGEMENT EMOLUMENTS 18. 高級管理層酬金 (續)

(Continued)

The emoluments of the remaining five (2011: two) highest paid individuals fell within the following bands:

其餘五名(二零一一年:兩名)最高薪酬個別人士之薪酬界乎以下範圍內:

		2012 二零一二年 Number of employees 僱員數目	2011 二零一一年 Number of employees 僱員數目
Emolument bands	薪酬範圍		
Nil to HKD1,000,000	零至1,000,000港元	5	1
HKD5,000,000 to HKD6,000,000	5,000,000港元至 6,000,000港元	-	1

During the years ended 30 June 2012 and 2011, no emolument was paid to the five highest paid individuals as an inducement to join, or upon joining the Group, or as compensation for loss of office.

截至二零一二年及二零一一年六月三十日止年度,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。

19. DIVIDENDS

No dividend was paid or proposed during the year ended 30 June 2012, nor has any dividend been proposed since the end of the reporting period (2011: Nil).

19. 股息

截至二零一二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(二零一一年:無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

20. PROPERTY, PLANT AND EQUIPMENT

20. 物業、廠房及設備

		Leasehold improvements 租賃物業裝修 HKD'000 千港元	Office equipment 辦公室設備 HKD'000 千港元	Furniture and fixtures 傢俬及裝置 HKD'000 千港元	Plant and machinery 廠房及機器 HKD'000 千港元	Motor vehicles 汽車 HKD'000 千港元	Traffic signboards 交通指示牌 HKD'000 千港元	Construction in progress 在建工程 HKD'000 千港元	Total 總計 HKD'000 千港元
COST	成本								
At 1 July 2010	於二零一零年七月一日	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 (Note 39(b))	因收購附屬公司而購入 (附註39(b))	-	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
Exchange realignment	匯兌調整	-	441	2	9	108	956	-	1,516
Additions	添置	-	3	47	-	-	-	1,705	1,755
Acquired on acquisition of subsidiaries (Note 39(a))	因收購附屬公司而購入 (附註39(a))	-	38	-	-	-	-	-	38
Transfers	轉撥	-	-	-	-	-	1,705	(1,705)	-
Reclassified as assets held for sale	重新分類為持作出售資產	(75)	(222)	(190)	(328)	(543)	-	-	(1,358)
Written off	撇銷	-	(21)	-	-	-	(85)	-	(106)
Disposals	出售	-	(1,066)	(82)	(576)	-	-	-	(1,724)
At 30 June 2012	於二零一二年六月三十日	620	13,622	249	-	3,526	31,570	-	49,587
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累計折舊及減值								
At 1 July 2010	於二零一零年七月一日	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
Exchange realignment	匯兌調整	-	279	-	2	60	130	-	471
Provided for the year	年內撥備	147	2,094	76	114	1,190	6,059	-	9,680
Reclassified as assets held for sale	重新分類為持作出售資產	(75)	(222)	(190)	(328)	(543)	-	-	(1,358)
Impairment loss recognised for the year	年內已確認減值虧損	-	6,754	-	-	107	-	-	6,861
Eliminated on written off	撇銷時撇除	-	(1)	-	-	-	(15)	-	(16)
Eliminated on disposals	出售時撇除	-	(311)	(34)	(187)	-	-	-	(532)
At 30 June 2012	於二零一二年六月三十日	199	13,337	84	-	2,556	7,167	-	23,343
CARRYING VALUES	賬面值								
At 30 June 2012	於二零一二年六月三十日	421	285	165	-	970	24,403	-	26,244
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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

20. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Notes:

- (a) The above items of property, plant and equipment, other than construction in progress, 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) Depreciation charge of approximately HKD7,669,000 (2011: HKD4,238,000) with respect of office equipment and traffic signboard has been included in cost of sales in the consolidated statement of comprehensive income during the year ended 30 June 2012.

20. 物業、廠房及設備 (續)

附註:

- (a) 上述物業、廠房及設備項目(除在建工程外)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) 辦公室設備及交通指示牌的折舊開支約7,669,000港元(二零一一年: 4,238,000港元)已計入截至二零一二年六月三十日止年度之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 2012 截至二零一二年六月三十日止年度

21. FILM RIGHTS, FILM IN PROGRESS AND FILM ROYALTY DEPOSITS

21. 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	Film 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 2010	於二零一零年七月一日	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
Additions	添置	12	-	-	12
Reclassified as assets held for sale	重新分類為持作出售資產	(117,339)	(1,811)	(482)	(119,632)
At 30 June 2012	於二零一二年六月三十日	-	-	-	-
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值				
At 1 July 2010	於二零一零年七月一日	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
Amortisation provided for the year	年內攤銷撥備	278	-	-	278
Impairment loss recognised for the year	年內確認之減值虧損	3,949	-	-	3,949
Reclassified as assets held for sale	重新分類為持作出售資產	(115,512)	(1,811)	(482)	(117,805)
At 30 June 2012	於二零一二年六月三十日	-	-	-	-
CARRYING VALUES	賬面值				
At 30 June 2012	於二零一二年六月三十日	-	-	-	-
At 30 June 2011	於二零一一年六月三十日	6,042	-	-	6,042

(a) Amortisation charge of approximately HKD278,000 (2011: HKD2,056,000) with respect of film rights has been included in loss for the year from discontinued operations in the consolidated statement of comprehensive income.

(b) The carrying amounts of film rights and film in progress have reduced to their recoverable amounts through recognition of impairment loss of approximately HKD3,949,000 (2011: HKD2,549,000) which has been included in loss for the year from discontinued operations in the consolidated statement of comprehensive income.

(a) 電影版權之攤銷費用約278,000港元(二零一一年: 2,056,000港元)乃於綜合全面收益表計入終止經營業務之年內虧損。

(b) 電影版權及在製影片之賬面值已透過確認減值虧損約3,949,000港元(二零一一年: 2,549,000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終止經營業務之年內虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

22. GOODWILL

22. 商譽

		HKD'000 千港元
COST	成本	
At 1 July 2010 (Note a)	於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 and 1 July 2011	於二零一一年六月三十日及 二零一一年七月一日	764,275
Arising on acquisition of subsidiaries (Note c)	因收購附屬公司所產生 (附註c)	134,606
At 30 June 2012	於二零一二年六月三十日	898,881
ACCUMULATED IMPAIRMENT	累計減值	
At 1 July 2010, 30 June 2011 and 1 July 2011 (Note a)	於二零一零年七月一日、二零一一年 六月三十日及二零一一年七月一日 (附註a)	5,895
Impairment loss recognised for the year	年內已確認減值虧損	541,458
At 30 June 2012	於二零一二年六月三十日	547,353
CARRYING VALUES	賬面值	
At 30 June 2012	於二零一二年六月三十日	351,528
At 30 June 2011	於二零一一年六月三十日	758,380

Notes:

- (a) At 1 July 2010, the cost and accumulated impairment of approximately HKD52,845,000 and HKD5,895,000 represent a 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") during the year ended 30 June 2010.
- (b) For the year ended 30 June 2011, addition of goodwill amounted to approximately HKD711,430,000 was arisen from the Ease Ray Acquisition, The Ease Ray Group including Pacific Mind Limited, Elegant Capital Company Limited, City Media Co., Ltd. and Shanghai Dasan Hexian City Environmental Art Company Limited (Note 39(b)).
- (c) For the year ended 30 June 2012, addition of goodwill amounted to approximately HKD134,606,000 was arisen from acquisition of entire equity interests of Smart Long and its subsidiaries, including Cheermay Limited and Guangdong Wisys Communications Company Limited (Note 39(a)).

附註:

- (a) 於二零一零年七月一日，約52,845,000港元及5,895,000港元之成本及累計減值乃指截至二零一零年六月三十日止年度因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」）而產生之商譽。
- (b) 截至二零一一年六月三十日止年度，約711,430,000港元之額外商譽乃產生自宜亮收購。宜亮集團包括立思有限公司、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（附註39(b)）。
- (c) 截至二零一二年六月三十日止年度，約134,606,000港元之額外商譽乃產生自收購智朗及其附屬公司（包括展鳴有限公司及廣東兆鴻通信技術有限公司）之全部股本權益（附註39(a)）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

23. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS

SALES OF TELECOMMUNICATION PRODUCTS AND PROVIDING WIRELESS SERVICE

China Wimetro Group

China Wimetro Group have obtained the license to operate a national local call package called “Shenzhou 950” which is a value added service provided to China Mobile subscribers. After 3 years of operations, China Wimetro Group has gained a sizable market share among subscribers of mobile telecommunications. However, with the advanced development of broadband wireless mobile telecommunication technology and continuous innovation in Web application technology, China mobile internet industry begins to grow dramatically, as 3G technology is rapidly popularised. Moreover, instant message (IM) products are developed for new smart phones and smart terminal users, especially the smart phone users, grow explosively. Besides, an increasing number of innovative companies emerge and expand with over half of their products developed for mobile internets, and these products form a new opening basic network for telecommunication that provides telecommunication services of high quality, such as voice, facsimile, image, multi-media services. Consequently, the China mobile internet has grown from merely a chatting tool into a comprehensive information platform that combines functions including communication, information, entertainment, searching, e-commerce, collaboration work and business customer service. The most famous ones include: comprehensive IM tools such as Tencent QQ and Microsoft MSN; vertical IM tools such as NetEase POPO, Sina UC, Baidu Hi, Aliwangwang, Taobao Wangwang and SNDA-US Quanquan; and multi-platform and multi-network IM tools such as China Mobile Feition, eSurfing Live of China Telecom and Skype.

23. 商譽及無形資產之減值測試

銷售電訊產品及提供無線服務

中國無線城市集團

中國無線城市集團經營著「神州950」全國市話套餐，此乃針對中國移動用戶推出的一項增值業務。經過三年多的經營，中國無線城市集團取得了一定的移動通信用戶市場規模，但隨著寬帶無線移动通信技術的進一步發展和Web應用技術的不斷創新，中國移動互聯網產業在3G的快速普及下正逐步迎來爆發式增長，新一代智能手機的即時通訊產品以及更多創新型的企業的誕生及不斷的擴大，智能終端用戶（特別是智能手機用戶）的大幅增加，而且他們很多的產品，有超過一半的數量是在移動互聯網方面，可同時提供話音、傳真、圖像、多媒體等高品質電信服務的新一代開放的電信基礎網絡，不再是一個單純的聊天工具，它已經發展成集交流、資訊、娛樂、搜索、電子商務、辦公協作和企業客戶服務等為一體的綜合化信息平台，目前人們熟知的，既有騰訊QQ、微軟MSN等綜合類即時通信工具，也有網易泡泡、新浪UC、百度Hi、阿里旺旺、淘寶旺旺、盛大圈圈等垂直即時通信工具，還包括中國移動飛信、中國電信天翼Live、Skype等跨平台、跨網絡即時通信工具。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

23. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS (Continued)

SALES OF TELECOMMUNICATION PRODUCTS AND PROVIDING WIRELESS SERVICE (Continued)

China Wimetro Group (Continued)

We have been observing such development and evaluated its business strategies from time to time. Stakeholders either participate in or withdraw from the market of this emerging mobile internet industry constantly. The mobile internet business has become another driver for internet development next to the broadband technology and brought development space and new and sustainable business modes to traditional internet business development. As its development also provides infinite possibilities in applications of the mobile network and promoted extensive development of broadband mobile network, it has become a strategic focus of mobile operators in their business development. Thus, traditional operating mode of information industry is being replaced by the emerging of the new mode.

With the improvement of network bandwidth in our country, it is expected that the demand of the users on the business will change into a business mode that integrates mobile network and internet in the next couple of years.

As a result, the original operating mode and competitive structure of the Group seem inopportune in the new landscape. The market share of our products may fall far behind mobile internet in the future as is compared to the past. The original operating mechanism and the manner of resource allocation are changing.

The license of Shenzhen 950 was expired in December 2011. Given the above reasons and taking into accounts that if China Wimetro Group renewed its licensed period of Shenzhen 950 and operated in the existing operation mode, China Wimetro Group would expect to suffer operating loss during the license period. Therefore China Wimetro Group has not renewed the license and became inactive afterward. Under this circumstance, the directors of the Company have therefore decided to fully write off the goodwill arose from the acquisition of China Wimetro Group during the year ended 30 June 2012.

23. 商譽及無形資產之減值測試 (續)

銷售電訊產品及提供無線服務 (續)

中國無線城市集團 (續)

中國無線城市集團一直監察有關情況，並不時評估其業務策略。移動互聯網作為一個新興的產業，許多利益主體都在不斷地參與或者退出這個市場，移動互聯網業務已成為繼寬帶技術後互聯網發展的另一個推動力，為傳統的互聯網類業務提供了新的發展空間和可持續發展的新商業模式；與此同時，移動互聯網業務的發展為移動網帶來了無盡的應用空間，促進了移動網絡寬帶化的深入發展，正在成長為移動運營商業務發展的戰略重點。傳統的信息產業運作模式正在被打破，新的運作模式正在形成。

預計在今後的1至2年內，隨著我國移動網絡帶寬的增加，用戶對業務的需求也會發生一定的變化，實現移動網和互聯網融合的業務轉變。

所以中國無線城市集團公司原有的產業運作模式和競爭結構在新的形勢下已經顯得不合時宜，與過去相比，日後我們產品的市場份額可能會遠遠小於移動互聯網，原有的運作機制和資源配置方式都在改變。

神州950的授權已於二零一一年十二月到期。鑑於上述理由及考慮到倘中國無線城市集團重續其神州950的授權許可期並以現有經營模式經營，中國無線城市集團預期會於授權許可期內遭受經營虧損。因此，中國無線城市集團並無重續該授權，並已於其後暫停業務。因此，根據此情況，本公司董事決定於截至二零一二年六月三十日止年度悉數撤銷因收購中國無線城市集團而產生的商譽。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

23. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS (Continued)

SALES OF TELECOMMUNICATION PRODUCTS AND PROVIDING WIRELESS SERVICE (Continued)

China Wimetro Group (Continued)

During the year ended 30 June 2011, 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 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.

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.

23. 商譽及無形資產之減值測試 (續)

銷售電訊產品及提供無線服務 (續)

中國無線城市集團 (續)

截至二零一一年六月三十日止年度，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) 每年18.99%的折現率（其反映出市場對當時貨幣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。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二零一二年至二零一三年採用5%及往後每年採用3%的增長率推斷，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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

23. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS (Continued)

SALES OF TELECOMMUNICATION PRODUCTS AND PROVIDING WIRELESS SERVICE (Continued)

Smart Long Group

On 1 July 2011, the Group completed the acquisition of Smart Long Limited and its subsidiaries (collectively referred to as "Smart Long Group"). Smart Long Group is granted an exclusive right to sell and market the high temperature superconducting ("HTS") filtering solutions in Guangdong and Guangxi, the PRC. During the year ended 30 June 2012, the development and profitability of Smart Long Group was adversely affected due to the following factors: 1) There was a supply shortage of HTS filters. 2) Smart Long Group's major customers, i.e. the major telecommunication operators in the PRC, changed their procurement policy, called "泛招標化" (General Bidding Purchasing Policy), due to the change of the relevant regulations in the PRC. This has delayed the procurement process of these operators; the order of the first batch of HTS filters made by them has been extended by one year to the Company's next financial year. 3) The fierce competition among network equipment manufacturers made the price of base station fall remarkably. The dominance of the HTS system in the market share of network optimization market was therefore adversely affected. 4) Our major customer which was a major telecommunication operator, has reduced its investment in network equipments so as to utilize such fund to implement their marketing strategies, such as various kinds of subsidies to their subscribers.

23. 商譽及無形資產之減值測試 (續)

銷售電訊產品及提供無線服務 (續)

智朗集團

於二零一一年七月一日，本集團完成收購智朗有限公司及其附屬公司（統稱為「智朗集團」）。智朗集團獲授獨家權利，可在中國廣東省及廣西省銷售及推廣高溫超導（「高溫超導」）濾波解決方案。於截至二零一二年六月三十日止年度，智朗集團的發展及盈利能力受到不利影響，主要是由於下列因素所致：1) 高溫超導濾波器供應短缺。2) 由於中國的相關監管情況轉變，智朗集團主要客戶（即中國的大型電信營運商）的採購政策已經改變，呈現「泛招標化」。這種情況拖慢了該等營運商的採購過程，導致首批高溫超導過濾器的訂單延長一年至本公司的下一個財政年度。3) 網絡設備廠商競爭白熱化，基站設備的價格大幅下降，在此情況下高溫超導系統在網絡優化市場佔有率的獨創地位受到不利影響。4) 我們的主要客戶（一家大型電信營運商）壓縮其在網絡設備的投資，以將該等資金用於實施彼等的市場推廣策略，包括對彼等的用戶提供多種補貼。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

23. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS (Continued)

SALES OF TELECOMMUNICATION PRODUCTS AND PROVIDING WIRELESS SERVICE (Continued)

Smart Long Group (Continued)

All the above factors have adversely affected the profitability of Smart Long Group. During the year ended 30 June 2012, 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 periods and ii) a discount rate of 18.04% per annum which reflects current market assessments of the time value of money and the credit risk specific to the CGU.

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 (6.92%) for the year 2013, 67.24% for the year 2014, 30% for the year 2015, 10% for the year 2016 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. Based on the business valuation report issued by Messrs. Asset Appraisal Limited ("Asset Appraisal") dated 27 September 2012 on Smart Long Group, the Group has recognised an impairment loss of approximately HKD68,854,000 and HKD10,231,000, respectively on goodwill and intangible assets arose on the acquisition of Smart Long Group for the year ended 30 June 2012.

23. 商譽及無形資產之減值測試 (續)

銷售電訊產品及提供無線服務 (續)

智朗集團 (續)

所有上述因素均已對智朗集團的盈利能力造成不利影響。截至二零一二年六月三十日止年度，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)每年18.04%的折現率（其反映出市場對當時貨幣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。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二零一三年採用(6.92%)、二零一四年採用67.24%、二零一五年採用30%、二零一六年採用10%及往後每年採用3%的增長率推斷，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。基於資產評估顧問有限公司（「資產評估顧問」）於二零一二年九月二十七日發佈的有關智朗集團的業務評估報告，本集團已於截至二零一二年六月三十日止年度就因收購智朗集團而產生的商譽及無形資產分別確認減值虧損約68,854,000港元及10,231,000港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

23. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS (Continued)

PROVIDING ADVERTISING SERVICE REGARDING TRAFFIC SIGNBOARD BUSINESS

Ease Ray Group

The Group operates outdoor advertising business via the city informational pedestrian traffic signboard system (the "System") developed by Shanghai Dasan Hexian City Environmental Art Company Limited (上海大三和弦城市環境藝術有限公司) ("Dasan Hexian"), a 51.1% indirectly owned subsidiary of the Company. The System delivers public information, commercial information and advertisements on LED screens of traffic signboards through wireless technology for government departments, public institutions and companies. As recognised by municipal traffic police departments in the PRC, the System has been granted the utility model patent certificate and the Shanghai High & New Technology Transformation Certificate.

However, because of the European debt crisis that has led to tightened credit and liquidity problem, Ease Ray Group encountered difficulties in obtaining financing in the money market and raising funds from the capital market. Due to the lack of funding: 1) Dasan Hexian missed the opportunities to obtain more resources in cities at an early stage, which has resulted in only four cities being equipped on a permanent basis for the traffic signboard media business. Thus, the business is not able to develop into media of a national scale. Consequently, it cannot attract large national advertisement customers. 2) Ease Ray Group is unable to carry out large-scale upgrading and transformation to traffic signboards in cities with pilot installations. Ease Ray Group is even unable to complete the total installed capacities as set out in contracts executed, seriously undermining the advantage of networking information delivery on traffic signboards in those cities. The total number of the traffic signboard media owned by Dasan Hexian is able to satisfy neither the requirement of installation on roads of the existing four cities nor customers' requirement to deliver information across the cities. 3) The maintenance of traffic signboards cannot be dealt with in time, causing abnormal information delivery in a number of traffic signboards. This has negative impact on the image of municipal facilities and was held accountable by the relevant authorities. It also had negative effect on customers' confidence towards traffic signboard media, which makes it more difficult to achieve good results for traffic signboard media.

23. 商譽及無形資產之減值測試 (續)

提供有關交通指示牌業務之廣告服務

宜亮集團

宜亮集團借助由本公司間接擁有51.1%權益之附屬公司上海大三和弦城市環境藝術有限公司(「大三和弦」)開發的城市信息化人行信號燈系統(「該系統」)開展戶外廣告業務。此系統通過無線發佈形式實現信號燈LED顯示屏上的信息發佈，在為政府部門發佈公益信息的同時發佈企業事業單位的商業信息和廣告。該系統獲得中國各地政府交管部門的認可，並先後獲得實用新型專利證書和上海市高新技術成果轉化證書。

然而，由於歐債危機導致信貸收緊及流動資金問題，宜亮集團面臨在貨幣市場獲取融資及自資本市場籌集資金的困難。由於缺乏資金：1)大三和弦錯失了前期獲得更多城市資源的機遇，導致目前僅有四個城市作為信號燈媒體的永久經營陣地。因此，該業務無法發展成為全國性的媒體，進而無法吸引全國性廣告大客戶的青睞。2)宜亮集團無法對已進行試點安裝的城市進行信號燈大面積更新改造。宜亮集團甚至無法按照已簽合同完成安裝總量，嚴重影響到所在城市交通信號燈網絡化信息發佈的優勢。以目前大三和弦擁有的交通信號燈媒體總量來看，很難滿足已有四個城市道路安裝要求及客戶需要的信息覆蓋全市的要求。3)信號燈的維護不能及時處理，導致多處交通信號燈無法正常發佈信息。此種情況影響到城市市政設施的形象並引起相關部門的問責，亦對客戶對投放交通信號燈媒體的信心造成不利影響，增加了交通信號燈媒體創造好業績的難度。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

23. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS (Continued)

PROVIDING ADVERTISING SERVICE REGARDING TRAFFIC SIGNBOARD BUSINESS (Continued)

Ease Ray Group (Continued)

As a result, the Group was unable to develop the business of Ease Ray Group as originally planned and its profitability has been adversely impacted. 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 period and ii) a discount rate of 19.97% (2011: 21.54%) per annum which reflects current market assessments of the time value of money and the credit risk specific to the CGUs.

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 3% (2011: 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.

Based on the business valuation report issued by Asset Appraisal dated 27 September 2012 of Ease Ray Group, the Group has recognised an impairment loss of approximately HKD425,654,000 (2011: Nil) and HKD99,085,000 (2011: Nil), respectively on goodwill and intangible assets arose on the acquisition of Ease Ray Group for the year ended 30 June 2012.

23. 商譽及無形資產之減值測試 (續)

提供有關交通指示牌業務之廣告服務 (續)

宜亮集團 (續)

因此，本集團無法按原計劃發展宜亮集團的業務，其盈利能力因此而受到不利影響。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。有關計算法乃根據i)管理層批准之五年期溢利預測，及ii)每年19.97%（二零一一年：21.54%）的折現率（其反映出市場對當時貨幣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。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可實現。超過五年期之現金流量則按往後每年採用3%（二零一一年：15%）的增長率推斷，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。

基於資產評估顧問於二零一二年九月二十七日發佈的有關宜亮集團的業務評估報告，本集團已於截至二零一二年六月三十日止年度就因收購宜亮集團而產生的商譽及無形資產確認減值虧損約425,654,000港元（二零一一年：零）及99,085,000港元（二零一一年：零）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

24. DEPOSIT PAID FOR ACQUISITION OF A SUBSIDIARY

Pursuant to the announcement of the Company dated 4 August 2010 and the circular dated 8 March 2011, the Company has entered into a conditional agreement with Mr. Cheung Sing Tai (the "Smart Long Vendor") on 2 August 2010 for the acquisition of the entire issued share capital of Smart Long at a consideration of HKD230,000,000 (the "Smart Long Acquisition"). The amount of HKD120,000,000 as at 30 June 2011 represents the refundable deposit paid by the Group to the Smart Long Vendor upon signing a conditional agreement for the Smart Long Acquisition.

The Smart Long Acquisition was completed on 1 July 2011. Details of the Smart Long Acquisition are disclosed in Note 39(a).

24. 就收購一間附屬公司之已付按金

根據本公司日期為二零一零年八月四日的公佈以及日期為二零一一年三月八日的通函，本公司已於二零一零年八月二日與張聲泰先生（「智朗賣方」）訂立一項有條件協議，以代價230,000,000港元收購智朗之全部已發行股本（「智朗收購」）。於二零一一年六月三十日，120,000,000港元指於就智朗收購簽署有條件協議時本集團支付予智朗賣方之可退回按金。

智朗收購已於二零一一年七月一日完成。有關智朗收購之詳情已於附註39(a)披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

25. INTANGIBLE ASSETS

25. 無形資產

		Wireless network platform	Contracted and uncontracted customers relationships	Total
		無線網絡平台	已訂約及未訂約之客戶關係	總計
		HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元
		(Note a)	(Note b)	
		(附註a)	(附註b)	
COST	成本			
At 1 July 2010	於二零一零年七月一日	-	-	-
Acquired on acquisition of subsidiaries (Note 39(b))	因收購附屬公司而購入 (附註39(b))	-	185,920	185,920
At 30 June 2011	於二零一一年六月三十日	-	185,920	185,920
Acquired on acquisition of subsidiaries (Note 39(a))	因收購附屬公司而購入 (附註39(a))	-	31,802	31,802
Additions	添置	8,115	-	8,115
At 30 June 2012	於二零一二年六月三十日	8,115	217,722	225,837
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值			
At 1 July 2010	於二零一零年七月一日	-	-	-
Provided for the year	年內撥備	-	3,098	3,098
At 30 June 2011	於二零一一年六月三十日	-	3,098	3,098
Provided for the year	年內撥備	135	51,006	51,141
Impairment loss recognised for the year	年內已確認減值虧損	-	109,316	109,316
At 30 June 2012	於二零一二年六月三十日	135	163,420	163,555
CARRYING VALUES	賬面值			
At 30 June 2012	於二零一二年六月三十日	7,980	54,302	62,282
At 30 June 2011	於二零一一年六月三十日	-	182,822	182,822

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

25. INTANGIBLE ASSETS (Continued)

Notes:

- (a) The wireless network platform represents the platform acquired separately from the software house for providing wireless services to external customers.

The wireless network platform is amortised over its estimated useful life of five years on a straight-line basis. The balance has been included in the cash-generating unit of sale of telecommunication products and providing wireless service. Particulars of the impairment test have been disclosed in Note 23.

- (b) It represents contracted and uncontracted customers relationships arising from the acquisition of Ease Ray Group during the year ended 30 June 2011 (included in the cash-generating unit of providing advertising service regarding traffic signboard business) and the Smart Long Group during the year ended 30 June 2012 (included in the cash-generating unit of sale of telecommunication products and providing wireless service).

The fair value of the contracted and uncontracted customers relationships at the date of acquisition was arrived using the income approach which was performed by Asset Appraisal. 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.

The contracted and uncontracted customers relationships are amortised over its estimated useful life of four (2011: ten) years on a straight-line basis. Particulars of the impairment test have been disclosed in Note 23.

- (c) Amortisation charge of approximately HKD135,000 (2011: Nil) with respect of wireless network platform has been included in cost of sales in the consolidated statement of comprehensive income during the year ended 30 June 2012.

25. 無形資產 (續)

附註:

- (a) 無線網絡平台指單獨向軟件服務站收購以向外部客戶提供無線服務之平台。

無線網絡平台按直線法於其估計為五年的使用年期內攤銷。結餘已計入銷售電訊產品及提供無線服務之現金產生單位。有關減值測試之詳情已於附註23披露。

- (b) 指自截至二零一一年六月三十日止年度收購宜亮集團(已計入提供有關交通指示牌的廣告服務業務之現金產生單位)及截至二零一二年六月三十日止年度收購智朗集團(已計入銷售電訊產品及提供無線服務之現金產生單位)產生之已訂約及未訂約之客戶關係。

訂約及未訂約之客戶關係於收購日期之公平值乃由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。

訂約及未訂約之客戶關係乃按直線法於其估計為四年(二零一一年:十年)的使用年期內攤銷。有關減值測試之詳情已於附註23披露。

- (c) 有關無線網絡平台的攤銷費用約135,000港元(二零一一年:零)已計入截至二零一二年六月三十日止年度綜合全面收益表之銷售成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

26. LOAN AND LOAN INTEREST RECEIVABLES

26. 應收貸款及貸款利息

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Fixed-rate loan receivables	固定利率應收貸款		
Analysed as:	按以下各項分析：		
Current	即期	54,964	5,958
Non-current	非即期	–	11,915
		54,964	17,873
Fixed-rate loan interest receivables	固定利率應收貸款利息		
Analysed as:	按以下各項分析：		
Current	即期	1,385	–
Total	總計	56,349	17,873

Notes:

- a) At 30 June 2012, included in loan receivables amounting to approximately HKD6,148,000 (equivalent to RMB5,000,000) is unsecured and carried fixed interest at 6.8% per annum (2011:6.8%). The corresponding loan interest receivable is approximately HKD1,150,000 (equivalent to approximately RMB935,000). The loan is due from an independent third party. During the year ended 30 June 2012, repayment of approximately HKD11,915,000 (equivalent to RMB10,000,000) has been received by the Group. Pursuant to the loan agreement entered into with the independent third party on 20 June 2011, the original loan principal was approximately HKD17,873,000 (equivalent to RMB15,000,000). The outstanding balance including interest is approximately HKD7,298,000 (equivalent to approximately RMB5,935,000) as at 30 June 2012 would be due on 31 December 2012.

附註：

- a) 於二零一二年六月三十日，合共約6,148,000港元（相當於人民幣5,000,000元）之應收貸款乃無抵押，並按固定年利率6.8%（二零一一年：6.8%）計息。相應的應收貸款利息約為1,150,000港元（相當於約人民幣935,000元）。該貸款乃應收一名獨立第三方之款項。截至二零一二年六月三十日止年度，本集團已收到約11,915,000港元（相當於人民幣10,000,000元）之還款。根據於二零一一年六月二十日與該獨立第三方訂立之貸款協議，初始貸款本金額約為17,873,000港元（相當於人民幣15,000,000元）。於二零一二年六月三十日，尚未償還之結餘（包括利息）約為7,298,000港元（相當於約人民幣5,935,000元），將於二零一二年十二月三十一日到期。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

26. LOAN AND LOAN INTEREST

RECEIVABLES (Continued)

Notes: (Continued)

- b) At 30 June 2012, included in loan receivable amounting to approximately HKD37,995,000 (equivalent to RMB30,900,000) is unsecured and carried fixed interest at 4.3% per annum (2011: Nil). The loan interest receivable is approximately HKD198,000 (equivalent to approximately RMB161,000). The loan is due from an independent third party. Pursuant to the loan agreement entered into with the independent third party on 9 April 2012, the original loan principal was approximately HKD43,037,000 (equivalent to RMB35,000,000). The outstanding balance including interest is approximately HKD38,193,000 (equivalent to RMB31,061,000) at 30 June 2012 would be settled by three installments of approximately HKD18,642,000 (equivalent to RMB15,161,000), HKD11,612,000 (equivalent to RMB9,443,000) and HKD7,939,000 (equivalent to RMB6,457,000) on or before 11 April 2013, 21 June 2013 and 29 June 2013, respectively.
- c) At 30 June 2012, included in loan receivable amounting to approximately HKD10,821,000 (equivalent to RMB8,800,000) is guaranteed by a company incorporated in the PRC and carried fixed interest at 7.3% per annum (2011: Nil). The loan interest receivable is approximately HKD37,000 (equivalent to approximately RMB30,000). The loan is due from an independent third party. Pursuant to the loan agreement entered into with the independent third party on 9 May 2012, the original loan principal was approximately HKD30,741,000 (equivalent to RMB25,000,000) and would be paid out by several installments. The outstanding balance including interest is approximately HKD10,858,000 (equivalent to approximately RMB8,830,000) at 30 June 2012 and would be settled in June 2013.

Included in the loan and loan interest receivables are the following amounts denominated in currency other than the functional currency of the relevant group entities to which they related:

26. 應收貸款及貸款利息 (續)

附註：(續)

- b) 於二零一二年六月三十日，合共約37,995,000港元（相當於人民幣30,900,000元）之應收貸款乃無抵押，並按固定年利率4.3%（二零一一年：零）計息。應收貸款利息約為198,000港元（相當於約人民幣161,000元）。該貸款乃應收一名獨立第三方之款項。根據於二零一二年四月九日與該獨立第三方訂立之貸款協議，初始貸款本金額約為43,037,000港元（相當於人民幣35,000,000元）。於二零一二年六月三十日，尚未償還之結餘（包括利息）約為38,193,000港元（相當於人民幣31,061,000元），將分三期結算，於二零一三年四月十一日、二零一三年六月二十一日及二零一三年六月二十九日或之前分別償還約18,642,000港元（相當於人民幣15,161,000元）、11,612,000港元（相當於人民幣9,443,000元）及7,939,000港元（相當於人民幣6,457,000元）。
- c) 於二零一二年六月三十日，合共約10,821,000港元（相當於人民幣8,800,000元）之應收貸款乃由一間於中國註冊成立的公司提供擔保，並按固定年利率7.3%（二零一一年：零）計息。應收貸款利息約為37,000港元（相當於人民幣30,000元）。該貸款乃應收一名獨立第三方之款項。根據於二零一二年五月九日與該獨立第三方訂立之貸款協議，初始貸款本金額約為30,741,000港元（相當於約人民幣25,000,000元），將透過多次分期付款償還。於二零一二年六月三十日，尚未償還之結餘（包括利息）約為10,858,000港元（相當於約人民幣8,830,000元），將於二零一三年六月結算。

應收貸款及貸款利息包括下列款項（以與之相關的集團實體的功能貨幣以外的貨幣計值）：

		2012 二零一二年 '000 千元	2011 二零一一年 '000 千元
RMB	人民幣	45,826	15,000

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

26. LOAN AND LOAN INTEREST RECEIVABLES (Continued)

The maturity profile of these loan and loan interest receivables, (net of impairment allowance), at the end of the reporting period is analysed by the remaining periods to their contracted maturity dates as follow:

26. 應收貸款及貸款利息(續)

於報告期末，該等應收貸款及貸款利息(經扣除減值撥備)到期情況，按合約到期日之剩餘期限分析如下：

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Within one year	於一年內	56,349	5,958
In more than one year but not more than two years	一年以上但兩年以內	-	11,915
		56,349	17,873

27. TRADE RECEIVABLES

27. 貿易應收賬款

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Trade receivables	貿易應收賬款	80,139	54,724
Less: Accumulated allowance for doubtful debts	減：呆賬累計撥備	(41)	-
		80,098	54,724

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

27. TRADE RECEIVABLES (Continued)

The Group allows an average credit period of range from 90 days (2011: 90 days) to its trade customers. The following is an aged analysis of trade receivables net of accumulated allowance for doubtful debts presented based on the invoice date at the end of the reporting period.

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Within 30 days	30日內	20,289	30,184
31 to 60 days	31至60日	20,388	5
61 to 90 days	61至90日	23,619	-
Over 90 days	超過90日	15,802	24,535
		80,098	54,724

Included in the Group's trade receivables balances are debtors with aggregate carrying amount of approximately HKD15,802,000 (2011: HKD24,535,000) which are past due at the end of the reporting period for which the Group has not provided for impairment loss as there has not been a significant change in credit quality and the balances are still considered to be recoverable. The Group does not hold any collateral over these balances. The ageing of these receivables is over 90 days (2011: over 90 days).

27. 貿易應收賬款(續)

本集團給予其貿易客戶平均90日(二零一一年: 90日)的信貸期。於報告期末根據發票日期所呈列之貿易應收賬款(經扣除呆賬累計撥備)之賬齡分析如下。

本集團貿易應收賬款結餘包含於報告期末賬面總值約為15,802,000港元(二零一一年: 24,535,000港元)的逾期應收賬款, 本集團並無就其減值虧損作出撥備, 乃由於該等結餘之信貸質素並無重大改變, 且仍被視為可收回。本集團並無就該等結餘持有任何抵押品。該等應收賬款之賬齡超過90日(二零一一年: 超過90日)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

27. TRADE RECEIVABLES (Continued)

Ageing of trade receivables which are past due but not impaired:

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Overdue by:	逾期:		
Over 90 days	超過90日	15,802	24,535

27. 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 the accumulated allowance for doubtful debts for trade receivables:

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
At 1 July	於七月一日	-	790
Exchange realignment	匯兌調整	-	16
Impairment loss recognised during the year	年內已確認減值虧損	41	-
Reversal of impairment loss during the year	年內減值虧損撥回	-	(806)
At 30 June	於六月三十日	41	-

貿易應收賬款之呆賬累計撥備變動:

Included in the Group's accumulated allowance for doubtful debts of trade receivables are individually impaired trade receivables with an aggregated balances of approximately HKD41,000 (2011: Nil) in which the directors of the Company consider that the Group is unlikely to recover these debts as they are long outstanding over one year. The Group does not hold any collateral over these balances.

本集團的貿易應收賬款呆賬累計撥備包含總結餘約為41,000港元(二零一一年:零)已個別減值之貿易應收賬款,本公司董事認為,由於該等債務長期未償還逾一年,本集團無法收回該等債務。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 2012 截至二零一二年六月三十日止年度

27. TRADE RECEIVABLES (Continued)

Included in trade receivables are the following amounts denominated in a currency other than the functional currency of the relevant group entities to which they relate:

		2012 二零一二年 '000 千元	2011 二零一一年 '000 千元
RMB	人民幣	65,140	28,653

27. 貿易應收賬款(續)

貿易應收賬款包括下列款項(以與之相關的集團實體的功能貨幣以外的貨幣計值):

28. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Prepayments (Note a)	預付款項(附註a)	58,867	47,156
Deposits	按金	744	797
Other receivables (Note b)	其他應收款項(附註b)	35,819	50,991
		95,430	98,944
Less: accumulated allowance for doubtful debts	減: 呆賬累計撥備	(1,157)	(632)
		94,273	98,312

28. 預付款項、按金及其他應收款項

Notes:

- (a) (i) Included in prepayments is advance payment to supplier for purchase of the traffic signboard amounting to approximately HKD14,812,000 (2011: HKD17,215,000) as at 30 June 2012.
- (ii) Included in prepayments is advance payment to an independent third party for the project development and consultancy services of approximately HKD23,270,000 (2011: HKD29,270,000) as at 30 June 2012.
- (iii) Included in prepayments is advance payment to an independent third party for acted as an agent of referring investment projects amounting to approximately HKD19,106,000 (2011: Nil) as at 30 June 2012.

附註:

- (a) (i) 於二零一二年六月三十日, 其他應收款項包括就購買交通指示牌向供應商作出之墊款約14,812,000港元(二零一一年: 17,215,000港元)。
- (ii) 於二零一二年六月三十日, 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約23,270,000港元(二零一一年: 29,270,000港元)。
- (iii) 於二零一二年六月三十日, 預付款項包括向一名獨立第三方(作為介紹投資項目之中介)作出之墊款約19,106,000港元(二零一一年: 零)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

28. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- (b) Included in other receivables is a receivable due from an independent third party arising from the Smart Long Acquisition of approximately HKD33,972,000 (equivalent to approximately RMB27,628,000) (2011: Nil) as at 30 June 2011. Pursuant to the announcement of the Company dated 4 August 2010, the Company has entered into a conditional agreement with the Smart Long Vendor on 2 August 2010 (the "Agreement") for the acquisition of the entire issued share capital of Smart Long at a consideration of HKD230,000,000. (Details of Smart Long Acquisition is disclosed in Note 39(a)).

In accordance to the 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 or exceptional items of the Smart Long Group to be determined under the HKFRSs for the year ended 31 December 2011 shall not be less than RMB20,000,000 (equivalents to approximately HKD24,592,000) (the "Guarantee Profit"). In the event that the Smart Long Group cannot achieve the Guarantee Profit, the Smart Long Vendor shall pay the Company in cash of amount equal to the difference between the audited net profit and the Guarantee Profit on a dollar to dollar basis.

As the Smart Long Group has incurred a loss of approximately RMB7,628,000 for the year ended 31 December 2011, the Smart Long Vendor shall pay the Company of approximately RMB27,628,000 (equivalents to approximately HKD33,972,000).

Gain on contingent consideration of approximately HKD33,972,000 (equivalents to approximately RMB27,628,000) has been recognised in the consolidated statement of comprehensive income during the year ended 30 June 2012.

28. 預付款項、按金及其他應收款項 (續)

附註：(續)

- (b) 於二零一一年六月三十日，其他應收款項包括就智朗收購產生的應收一名獨立第三方之款項約33,972,000港元（二零一一年：零）。根據本公司日期為二零一零年八月四日之公佈，本公司已於二零一零年八月二日與智朗賣方訂立一項有條件協議（「該協議」），以收購智朗之全部已發行股本，代價為230,000,000港元。（有關智朗收購之詳情於附註39(a)披露）。

根據該協議，智朗賣方已向本公司擔保，截至二零一一年十二月三十一日止年度，根據香港財務報告準則而釐定之智朗集團除稅項及任何非經常性項目或特殊項目後之經審核綜合溢利淨額將不少於人民幣20,000,000元（相當於約24,592,000港元）（「保證溢利」）。倘智朗集團未能取得保證溢利，則智朗賣方須以現金向本公司支付相當於經審核溢利淨額及保證溢利間之實額差額。

由於截至二零一一年十二月三十一日止年度，智朗集團已產生虧損約人民幣7,628,000元，故智朗賣方須向本公司支付約人民幣27,628,000港元（相當於約33,972,000港元）。

或然代價之收益約33,972,000港元（相當於約人民幣27,628,000元）已於截至二零一二年六月三十日止年度之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 2012 截至二零一二年六月三十日止年度

28. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

Movements in the accumulated allowance for doubtful debts for prepayments, deposits and other receivables:

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
At 1 July	於七月一日	632	164
Exchange realignment	匯兌調整	26	13
Impairment losses recognised during the year	年內已確認減值虧損	1,607	622
Reversal of impairment losses during the year	年內減值虧損撥回	-	(167)
Reclassified as assets held for sale	重新分類為持作出售資產	(1,108)	-
At 30 June	於六月三十日	1,157	632

Included in the accumulated allowance for doubtful debts are individually impaired receivables with and aggregated balances of HKD1,157,000 (2011: HKD632,000) in which the directors of the Company consider that the Group is unlikely to recover these debts as they are long outstanding over one year. The Group does not hold any collateral over these balances.

Included in prepayments, deposits and other receivables are the following amounts denominated in a currency other than the functional currency of the relevant group entities to which they relate:

		2012 二零一二年 '000 千元	2011 二零一一年 '000 千元
RMB	人民幣	41,515	3,293

28. 預付款項、按金及其他應收款項 (續)

就預付款項、按金及其他應收款項的呆賬累計撥備變動：

呆賬累計撥備包含總結餘約為1,157,000港元(二零一一年：632,000港元)已個別減值之應收賬款，本公司董事認為，由於該等債務長期未償還逾一年，本集團無法收回該等債務。本集團並無就該等結餘持有任何抵押品。

預付款項、按金及其他應收款項包括下列款項(以與之相關的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 2012 截至二零一二年六月三十日止年度

29. INVENTORIES

29. 存貨

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Finished goods	製成品	800	-
Less: Accumulated Impairment	減：累計減值	(800)	-
		-	-

During the year ended 30 June 2012, the directors of the Company conducted a review of the Group's inventories and determined that all inventories were impaired due to decrease in demand. Accordingly, impairment loss of approximately HKD800,000 has been recognised.

於截至二零一二年六月三十日止年度，本公司董事對本集團的存貨進行檢討，並釐定所有存貨由於需求減少而出現減值。因此，本公司已確認約800,000港元之減值虧損。

30. CASH AND CASH EQUIVALENTS

30. 現金及現金等價物

Cash and cash equivalents consist of cash on hand and balance with banks.

現金及現金等價物包括手頭現金及銀行結餘。

Bank balances carry interest at market rates ranged from 0.001% to 0.36% (2011: 0.001% to 0.36%) per annum at 30 June 2012.

於二零一二年六月三十日，銀行結餘按市場年利率介乎0.001%至0.36%（二零一一年：0.001%至0.36%）計息。

Investment in money market instruments represent short term deposits with maturity of three months or less and carried interest rate at 0.01% (2011: 0.01%) per annum.

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%（二零一一年：0.01%）計息。

Approximately HKD6,982,000 as at 30 June 2012 (2011: HKD10,235,000) 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.

於二零一二年六月三十日，約6,982,000港元（二零一一年：10,235,000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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

31. ASSETS/LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

As details disclosed in Note 15, the Disposal is still in progress up to the date of this report.

The assets and liabilities attributable to the businesses of Getbetter Group and B&S Group, which are expected to be sold within twelve months, have been classified as a disposal group held for sale and are presented separately in the consolidated statement of financial position accordingly.

The major classes of assets and liabilities classified as held for sale at 30 June 2012, which have been presented separately in the consolidated statement of financial positions, are as follows:

31. 與分類為持作出售之資產有關之資產／負債

誠如附註15所詳述，出售事項直至本報告日期仍在進行中。

Getbetter集團及B&S集團之業務（預期將於十二個月內出售）應佔之資產及負債已分類為持作出售之出售集團，並因此於綜合財務狀況表內單獨呈列。

於二零一二年六月三十日，已於綜合財務狀況表內單獨呈列之分類為持作出售之資產及負債之主要類別如下：

		2012 二零一二年 HKD'000 千港元
Film rights, film in progress and film royalty deposits	電影版權、在製電影及電影版權按金	1,827
Trade receivables	貿易應收賬款	5
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	20,664
Cash and cash equivalents	現金及現金等價物	520
		23,016
Impairment loss recognised for the year	年內已確認減值虧損	(7,142)
Assets classified as held for sale	分類為持作出售之資產	15,874
Trade payables	貿易應付賬款	71
Other payables and accruals	其他應付款項及應計款項	2,420
Deposits received	已收按金	5,383
Liabilities associated with assets classified as held for sale	與分類為持作出售之資產有關之負債	7,874

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

32. TRADE PAYABLES

32. 貿易應付賬款

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Trade payables	貿易應付賬款	7,854	37,497

The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

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：

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Within 30 days	30日內	-	13,239
31 to 60 days	31至60日	-	42
61 to 90 days	61至90日	-	-
Over 90 days	超過90日	7,854	24,216
		7,854	37,497

The average credit period on purchases of goods is 90 days (2011: 90 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

購買貨品的平均信貸期為90日(二零一一年: 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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

32. TRADE PAYABLES (Continued)

Included in the trade payables are the following amounts denominated in a currency other than the functional currency of the relevant group entities to which they relate:

		2012 二零一二年 '000 千元	2011 二零一一年 '000 千元
RMB	人民幣	6,387	13,327

32. 貿易應付賬款(續)

貿易應付賬款包括下列款項(以與之相關的集團實體的功能貨幣以外的貨幣計值):

33. OTHER PAYABLES AND ACCRUALS

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Other payables	其他應付款項	19,009	46,237
Accruals	應計款項	2,693	2,479
		21,702	48,716

33. 其他應付款項及應計款項

Included in other payables are advances from independent third parties of approximately HKD7,223,000 (2011: approximately HKD10,198,000) with interest-free rate and expected to be realised within twelve months from the end of the reporting period.

其他應付款項包括獨立第三方提供的附息墊款約7,223,000港元(二零一一年:約10,198,000港元)預計將於報告期末起計十二個月內予以變現的墊款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

34. CONTINGENT CONSIDERATION PAYABLE

34. 應付或然代價

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元 (Restated) (經重列)
Contingent consideration payable	應付或然代價	-	220,500

As stated in Note 39(b), the Group has completed the Ease Ray Acquisition at a total consideration of HKD860,000,000 on 29 April 2011. Pursuant to the Ease Ray Agreement, the consideration should be settled by cash of HKD230,000,000, and issuance and allotment of i) 3,900,000,000 ordinary shares of the Company at HKD0.145 each and ii) a maximum of 210,000,000 new shares (after the share consolidation effective from 30 June 2011), subject to the downward adjustment, to be issued by the Company to the Ease Ray Vendor.

The amount of approximately HKD220,500,000 represented the fair value of the Ease Ray Second Batch Consideration Shares at the date of acquisition on 29 April 2011 which was calculated by Asset Appraisal.

On 10 May 2012, 55,350,793 new shares of the Company were issued as Ease Ray Second Batch Consideration Shares of the Ease Ray Acquisition. The Ease Ray Second Batch Consideration Shares were credited as fully paid upon the finalisation of the audited result of the Ease Ray Group for the year ended 31 December 2011 at the published price of the shares of the Company at HKD0.67 per share as of 10 May 2012. Hence, a gain on settlement of contingent consideration payable of approximately HKD183,415,000 has been recognised in the consolidated statement of comprehensive income during the year ended 30 June 2012. Details of the Ease Ray Acquisition are disclosed in Note 39(b).

誠如附註39(b)所述，本集團已於二零一一年四月二十九日完成宜亮收購，總代價為860,000,000港元。根據宜亮協議，有關代價須以現金230,000,000港元，及i)按每股0.145港元發行及配發3,900,000,000股本公司普通股及ii)本公司向宜亮賣方發行及配發最多210,000,000股（可予向下調整）新股份（於股份合併自二零一一年六月三十日生效後）支付。

款項約220,500,000港元指宜亮第二批代價股份於收購日期（即二零一一年四月二十九日）之公平值，由資產評估顧問計算得出。

於二零一二年五月十日，本公司發行55,350,793股新股份，作為宜亮收購之宜亮第二批代價股份。於落實宜亮集團截至二零一一年十二月三十一日止年度之經審核業績時，宜亮第二批代價股份乃按本公司股份於二零一二年五月十日之公開價格每股0.67港元入賬列為繳足。因此，結算應付或然代價之收益約183,415,000港元已於截至二零一二年六月三十日止年度之綜合全面收益表內確認。有關宜亮收購之詳情於附註39(b)披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

35. CONVERTIBLE NOTES PAYABLE

On 2 June 2011, pursuant to the subscription agreement entered into by the Company and Standard Bank Plc dated 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

Note:

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 36(b)), 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.

35. 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36(b)），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 2012 截至二零一二年六月三十日止年度

35. 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 only. 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 or the specified event stated at the Subscription Agreement occurred during the conversion period, the Convertible Notes shall be redeemed by the Company at an amount of HKD27,000,000, which representing 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.

35. 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地位。倘可換股票據於到期日仍未轉換或於轉換期間發生認購協議所載之特定事件，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 2012 截至二零一二年六月三十日止年度

35. 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, at the end of the reporting period of 30 June 2011 and at the date of early redemption on 2 December 2012, 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% on 2 June 2011, 13.12% on 30 June 2011 and 14.06% on 2 December 2011, respectively. The conversion option derivative is measured at fair value with changes in fair value recognised in profit or loss.

35. 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、於二零一一年六月三十日報告期末及於二零一二年十二月二日的提早贖回日期，可換股票據的公平值已由資產評估顧問進行評估。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、二零一一年六月三十日及二零一一年十二月二日，負債部份的實際利率分別為12.28%、13.12%及14.06%。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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

35. CONVERTIBLE NOTES PAYABLE

(Continued)

The movements of the liability component and conversion option derivative of the Convertible Notes during the year are set out below:

35. 應付可換股票據(續)

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)
Effective interest charged	所收取之實際利息	222	-	222
Changes in fair value of convertible notes	可換股票據之公平值變動	538	(209)	329
At 30 June 2011	於二零一一年六月三十日	24,086	715	24,801
Effective interest charged	所收取之實際利息	1,305	-	1,305
Changes in fair value of convertible notes	可換股票據之公平值變動	(134)	(568)	(702)
Loss on early redemption of convertible notes	提早贖回可換股票據之虧損	1,596	-	1,596
Redemption of convertible notes*	贖回可換股票據*	(26,853)	(147)	(27,000)
At 30 June 2012	於二零一二年六月三十日	-	-	-

* The convertible notes with a principal amount of HKD25,000,000 was early redeemed on 2 December 2011 at an amount of HKD27,000,000, representing 108% of the principal amount. After the redemption, no other convertible notes remain outstanding.

* 本金額為25,000,000港元之可換股票據已於二零一一年十二月二日按27,000,000港元(相當於本金額的108%)提早贖回。於贖回後，概無任何其他可換股票據仍然發行在外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

35. 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 inputs used in calculating the fair value of the Convertible Notes under the Monte Carlo Simulation model are as follows:

35. 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。

根據蒙地卡羅模式計算可換股票據之公平值時所使用的輸入數據如下：

		2 December 2011 二零一一年 十二月二日 Adjusted after share consolidation 經股份 合併後調整	30 June 2011 二零一一年 六月三十日 Adjusted after share consolidation 經股份 合併後調整	2 June 2011 二零一一年 六月二日
Share price	股價	HKD0.31港元	HKD0.48港元	HKD0.083港元
Minimum conversion price	最低換股價	HKD0.78港元	HKD0.78港元	HKD0.078港元
Contractual life	合約年期	1 year年	1 year年	1 year年
Risk-free rate	無風險利率	0.17%	0.13%	0.20%
Expected dividend yield	預期股息率	N/A不適用	N/A不適用	N/A不適用
Volatility	波幅	94.36%	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 2012 截至二零一二年六月三十日止年度

36. SHARE CAPITAL

36. 股本

		Par value per share 每股面值 HKD 港元	Number of shares 股份數目	Amount 金額 HKD'000 千港元
Authorised:	法定：			
At 1 July 2010	於二零一零年七月一日	0.01	40,000,000,000	400,000
Share consolidation (Note b)	股份合併(附註b)	N/A不適用	(36,000,000,000)	-
At 30 June 2011, 1 July 2011 and 30 June 2012	於二零一一年六月三十日、 二零一一年七月一日及 二零一二年六月三十日	0.1	4,000,000,000	400,000
Issued and fully paid:	已發行及繳足：			
At 1 July 2010	於二零一零年七月一日	0.01	15,428,200,000	154,282
Issue of shares in relation to the Ease Ray Acquisition (Note a)	就宜亮收購發行股份 (附註a)	0.01	3,900,000,000	39,000
Share consolidation (Note b)	股份合併(附註b)	N/A不適用	(17,395,380,000)	-
At 30 June 2011 and 1 July 2011	於二零一一年六月三十日 及二零一一年七月一日	0.1	1,932,820,000	193,282
Issue shares in relation to the Smart Long Acquisition (Note c)	就智朗收購發行股份 (附註c)	0.1	68,750,000	6,875
Placing of shares (Note d)	配售股份(附註d)	0.1	270,000,000	27,000
Issue shares in relation to the Ease Ray Acquisition (Note a)	就宜亮收購發行股份 (附註a)	0.1	55,350,793	5,535
At 30 June 2012	於二零一二年六月三十日	0.1	2,326,920,793	232,692

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

36. SHARE CAPITAL (Continued)

Notes:

- (a) 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 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, the first batch consideration shares of 3,900,000,000 ordinary shares of par value of HKD0.10 each have been issued by the Company to the Ease Ray Vendor and parties nominated by the Ease Ray Vendor at HKD0.105 each which represent the published price of the shares of the Company on 5 May 2011.

On 10 May 2012, the Second Batch Consideration Shares of 55,350,793 ordinary shares in relation to Ease Ray Acquisition have been issued by the Company at the published price of the shares of the Company of HKD0.67 each.

- (b) 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 of HKD0.01 each in the share capital of the Company be consolidated into one ordinary share of par value of HKD0.10 each with effective from 30 June 2011.
- (c) Pursuant to the announcements of the Company dated 4 August 2010, 31 December 2010, 29 April 2011 and 30 June 2011 and the circular of the Company dated 8 March 2011, the acquisition of the entire issued share capital of Smart Long was completed on 1 July 2011. On 7 July 2011, 68,750,000 ordinary shares of par value of HKD0.10 each were issued as consideration shares at the published price of the shares of the Company of par value of HKD0.55 each.
- (d) Pursuant to a placing agreement entered into with Kingston Securities Limited dated 22 November 2011, the Company placed out 270,000,000 new ordinary shares of par value of HKD0.10 each the Company at a price of HKD0.30 per share to independent third parties. Net proceeds from such issue amounted to approximately HKD79,780,000 (after deducting the placement expenses of approximately HKD1,220,000), out of which approximately HKD27,000,000 and HKD52,780,000 were recorded in share capital and share premium respectively. The placing has been completed on 30 November 2011.

36. 股本 (續)

附註:

- (a) 根據本公司日期為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日期為二零一一年三月八日之通函，收購宜亮全部已發行股本已於二零一一年四月二十九日完成。根據二零一零年六月三日之買賣協議及本公司於二零一一年五月五日之公佈，本公司已按本公司股份於二零一一年五月五日公佈之價格每股0.105港元發行第一批代價股份3,900,000,000股每股面值0.10港元之普通股予宜亮賣方及宜亮賣方指定之人士。

於二零一二年五月十日，本公司已就宜亮收購按本公司股份公佈之價格每股0.67港元發行第二批代價股份55,350,793股普通股。

- (b) 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面值0.10港元之普通股，自二零一一年六月三十日起生效。
- (c) 根據本公司日期為二零一零年八月四日、二零一零年十二月三十一日、二零一一年四月二十九日及二零一一年六月三十日之公佈及本公司日期為二零一一年三月八日之通函，收購智朗全部已發行股本已於二零一一年七月一日完成。於二零一一年七月七日，本公司已按本公司股份公佈之價格每股0.55港元之價格發行68,750,000股每股面值0.10港元之普通股，作為代價股份。
- (d) 根據本公司與金利豐證券有限公司於二零一一年十一月二十二日訂立之配售協議，本公司按每股股份0.30港元之價格向獨立第三方配售270,000,000股本公司每股面值0.10港元之新普通股。該等發行之所得款項淨額約為79,780,000港元（經扣減配售開支約1,220,000港元），其中約27,000,000港元及52,780,000港元分別計入股本及股份溢價。配售已於二零一一年十一月三十日完成。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

37. 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 expired on 21 July 2012.

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.

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.

37. 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，並已於二零一二年七月二十一日屆滿。

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。

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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

37. SHARE OPTION SCHEME (Continued)

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 Stock Exchange closing price of the Company's shares on the date of the offer of the share options; (ii) the average Stock 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.

37. 購股權計劃(續)

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 2012 截至二零一二年六月三十日止年度

37. SHARE OPTION SCHEME (Continued)

The following table discloses details of the Company's share option in issue under the Scheme during the year:

30 June 2012

Name of category of participant	Date of grant	Exercise period	Exercise price per share	Number of share options			At 30 June 2012
				At 1 July 2011	Lapsed during the year	Reallocated	
參與者類別名稱	授出日期	行使期	每股行使價	於二零一一年七月一日	於年內失效 (Note b) (附註b)	重新分配 (Note c) (附註c)	於二零一二年六月三十日
Directors							
董事							
Mr. Hu Yangjun 胡揚俊先生	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 二零一二年四月七日	1.07	15,000,000	-	-	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 二零一二年四月七日	1.07	15,000,000	(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 二零一二年四月七日	1.07	15,000,000	-	(15,000,000)	-
Subtotal 小計				45,000,000	(15,000,000)	(15,000,000)	15,000,000
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 二零一二年四月七日	1.07	70,500,000	(500,000)	15,000,000	85,000,000
Total 總計				115,500,000	(15,500,000)	-	100,000,000
Weighted average exercise price (HKD) 加權平均行使價(港元)			1.07				1.07

37. 購股權計劃(續)

年內，本公司根據該計劃發行之購股權詳情披露於下表：

二零一二年六月三十日

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

37. SHARE OPTION SCHEME (Continued)

30 June 2011

Name of category of participant	Date of grant	Exercise period	Exercise price per share (Note a) (附註a)	Number of share options 購股權數目			At 30 June 2011 於二零一一年六月三十日
				At 1 July 2010 於二零一零年七月一日	Granted during the year 於年內授出	Adjustment for Share Consolidation (Note a) (附註a)	
Directors							
董事							
Mr. Hu Yangjun	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
胡揚俊先生							
Mr. Zhang Fan	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
張帆先生							
Mr. Zhou Zhibin	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
周志斌先生							
Subtotal 小計				-	450,000,000	(405,000,000)	45,000,000
Employees and others							
僱員及其他							
In aggregate	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
合計							
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

Notes:

- (a) 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.
- (b) Mr. Zhang Fan resigned on 23 March 2012 and his options had been lapsed after his resignation.
- (c) Mr. Zhou Zhibin retired on 16 December 2011 and his options had been reallocated to "employees" after his retirement as he is still a director of one of the subsidiaries of the Company.

附註:

- (a) 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。
- (b) 張帆先生於二零一二年三月二十三日辭任，其購股權已於其辭任後失效。
- (c) 周志斌先生於二零一一年十二月十六日退任，由於彼仍為本公司一間附屬公司之董事，其購股權已於其退任後重新分配至「僱員」。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

37. SHARE OPTION SCHEME (Continued)

The fair values of those share options granted on 8 April 2011 were calculated by Asset Appraisal using the Binomial model. The key 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

Note: The weighted average share price and exercise price were adjusted after the Share Consolidation on 30 June 2011.

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 during the year ended 30 June 2011 in relation to share options granted by the Company.

No share option was exercised for both years ended 30 June 2012 and 2011.

37. 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由資產評估顧問透過採用二項式模式計算。該模式之重要輸入值如下：

	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

附註：加權平均股價及行使價已於二零一一年六月三十日股份合併後調整

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。

截至二零一二年及二零一一年六月三十日止兩個年度，概無任何購股權獲行使。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

38. DEFERRED TAXATION

Detail of the deferred tax liabilities recognised and movements thereon during the year is as follow:

38. 遞延稅項

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 2010	於二零一零年七月一日	-
Acquisition of Ease Ray Group (Note 39 (b))	收購宜亮集團 (附註39 (b))	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
Acquisition of Smart Long Group (Note 39 (a))	收購智朗集團 (附註39 (a))	7,951
Credited to consolidated statement of comprehensive income	計入綜合全面收益表	(43,884)
At 30 June 2012	於二零一二年六月三十日	9,772

At the end of the reporting period, the Group has unused tax losses of approximately HKD31,869,000 (2011: HKD17,881,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

At the end of the reporting period, the Group has deductible temporary differences of approximately nil (2011: HKD2,009,000). 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，本集團的未動用稅項虧損約31,869,000港元（二零一一年：17,881,000港元）可用於抵銷未來溢利。由於未來溢利流難以預測，故並無就餘下的稅項虧損確認遞延稅項資產。稅項虧損或可無限期結轉。

於報告期末，本集團的可扣減暫時差額約為零元（二零一一年：2,009,000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 2012 截至二零一二年六月三十日止年度

39. ACQUISITION OF SUBSIDIARIES

(A) DURING THE YEAR ENDED 30 JUNE 2012

Smart Long Limited

Pursuant to the announcement of the Company dated 4 August 2010, the Company has entered into a conditional agreement with the Smart Long Vendor on 2 August 2010 for the acquisition of the entire issued share capital of Smart Long at a consideration of HKD230,000,000. The Smart Long Acquisition was completed on 1 July 2011.

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) by the Company to the Smart Long Vendor or his nominees (except for connected person of the Company).

In accordance to the 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 Group to be determined under the HKFRSs for the year ended 31 December 2011 shall not be less than RMB20,000,000 (equivalent to approximately HKD22,800,000) the "Guarantee Profit". In the event that the Smart Long Group cannot achieve the Guarantee 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. Based on the audited consolidated financial statements of Smart Long Group for the year ended 31 December 2011, Smart Long Group has failed to meet the Guarantee Profit, therefore the Smart Long Vendor was obliged to refund approximately HKD33,972,000 (equivalent to RMB27,628,000) to the Company. The balance has been included in the "prepayments, deposits and other receivables" of the consolidated statement of financial position as at 30 June 2012.

39. 收購附屬公司

(A) 截至二零一二年六月三十日止年度

智朗有限公司

根據本公司日期為二零一零年八月四日之公佈，本公司已於二零一零年八月二日與智朗賣方訂立有條件協議，以代價230,000,000港元收購智朗之全部已發行股本。智朗收購已於二零一一年七月一日完成。

智朗收購之代價將按以下方式支付：(i)120,000,000港元將以現金於簽訂智朗收購協議時支付，作為可退回按金；及(ii)110,000,000港元以本公司向智朗賣方或其代名人（本公司之關連人士除外）配發及發行68,750,000股代價股份（經二零一一年六月三十日股份合併後調整）之方式支付。

根據該協議，智朗賣方已向本公司擔保，截至二零一一年十二月三十一日止年度，根據香港財務報告準則而釐定之智朗集團除稅項及任何非經常性項目或特殊項目後之經審核綜合溢利淨額將不少於人民幣20,000,000元（相當於約22,800,000港元）（「保證溢利」）。倘智朗集團未能取得保證溢利，則智朗賣方須以現金向本公司支付相當於經審核溢利淨額及預期溢利間之實額差額。根據智朗集團截至二零一一年十二月三十一日止年度之經審核綜合財務報表，智朗集團未能達到保證溢利，因此，智朗賣方須向本公司退還約33,972,000港元（相當於人民幣27,628,000元）。該結餘已計入於二零一二年六月三十日之綜合財務狀況表之「預付款項、按金及其他應收款項」。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

39. ACQUISITION OF SUBSIDIARIES

(Continued)

(A) DURING THE YEAR ENDED 30 JUNE 2012 (Continued)

Smart Long Limited (Continued)

The above arrangement constitutes a contingent consideration. The Group shall classify a right to return of previously transferred consideration as an asset if specified conditions are met. No asset from the above arrangement has been recognised at the Smart Long Acquisition Date because in the opinion of directors, after reviewing the business plan of Smart Long Group, the estimated net profit after tax of the Smart Long Group for the year ended 31 December 2011 will meet the Guarantee Amount, and the Smart Long Vendor is not obligated to compensate the Group any shortfall in the Smart Long Profit Guarantee. However, as per the audited financial statements of Smart Long Group for the year ended 31 December 2011, Smart Long Group incurred a loss of approximately RMB7,628,000. The Smart Long Vendor shall pay the Company of approximately RMB27,628,000 (equivalent to approximately HKD33,972,000). The balance has been included in other receivable as at 30 June 2012.

As Smart Long Group is granted an exclusive right to sell and market the high temperature superconducting (“HTS”) filtering solutions in Guangdong and Guangxi, the Smart Long Acquisition would enhance the Group’s market shares and business development in the sales of telecommunication products and providing wireless services in the PRC.

39. 收購附屬公司(續)

(A) 截至二零一二年六月三十日止年度(續)

智朗有限公司(續)

上述安排構成或然代價。倘達致特定條件，本集團可將收回先前已轉撥代價之權利分類為資產。由於董事於審閱智朗集團之業務計劃後認為，智朗集團截至二零一一年十二月三十一日止年度之估計除稅後溢利淨額將達到保證金額，智朗賣方無需向本集團支付智朗溢利擔保之任何差額，故於智朗收購日期並無確認來自上述安排之任何資產。然而，根據智朗集團截至二零一一年十二月三十一日止年度之經審核財務報表，智朗集團產生虧損約人民幣7,628,000元。智朗賣方須向本公司支付約人民幣27,628,000元(相當於約33,972,000港元)。該結餘已計入於二零一二年六月三十日之其他應收款項。

由於智朗集團獲授獨家權利，可在中國廣東省及廣西省銷售及推廣高溫超導(「高溫超導」)濾波解決方案，收購智朗集團將會擴大本集團在中國銷售電信產品及提供無線服務的市場份額及業務發展。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

39. ACQUISITION OF SUBSIDIARIES

(Continued)

(A) DURING THE YEAR ENDED 30 JUNE 2012 (Continued)

Smart Long 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 Smart Long Acquisition and the goodwill arising are as follows:

39. 收購附屬公司(續)

(A) 截至二零一二年六月三十日止年度(續)

智朗有限公司(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。於智朗收購中所收購的資產淨值以及產生的商譽如下：

		Pre- acquisition carrying amount	Fair value adjustment	Fair value
		收購前賬面值	公平值調整	公平值
		HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元
Net assets acquired	所收購資產淨值			
Property, plant and equipment (Note 20)	物業、廠房及設備 (附註20)	38	-	38
Intangible assets (Note 25)	無形資產(附註25)	-	31,802	31,802
Trade and other receivables	貿易應收賬款及 其他應收款項	7,257	-	7,257
Inventories	存貨	800	-	800
Cash and cash equivalents	現金及現金等價物	13	-	13
Trade and other payables	貿易應付賬款及 其他應付款項	(8,754)	-	(8,754)
Deferred taxation (Note 38)	遞延稅項(附註38)	-	(7,951)	(7,951)
				23,205
Goodwill (Note 22)	商譽(附註22)			134,606
Adjusted consideration	經調整代價			157,811

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

39. ACQUISITION OF SUBSIDIARIES

(Continued)

(A) DURING THE YEAR ENDED 30 JUNE 2012 (Continued)

Smart Long Limited (Continued)

		Fair value
		公平值
		HKD'000
		千港元
<hr/>		
Consideration satisfied by:	代價以下列方式支付：	
Deposit paid for the acquisition (Note 24)	收購的已付按金(附註24)	120,000
Consideration shares	代價股份	37,811
		<hr/>
		157,811
<hr/>		
Net cash flow arising on acquisition:	收購產生的現金流量淨額：	
Year ended 30 June 2012	截至二零一二年六月三十日止年度	
– Bank balances and cash acquired	– 所收購的銀行結餘及現金	13
Year ended 30 June 2011	截至二零一一年六月三十日止年度	
– Deposit paid for the acquisition	– 收購的已付按金	(120,000)
		<hr/>
		(119,987)
<hr/>		

Including in the loss for the year is profit of approximately HKD3,638,000 attributable to Smart Long Group. Turnover for the year of approximately HKD7,132,000 is attributable to Smart Long Group. The acquisition of Smart Long Group has been effective at 1 July 2011.

年內虧損包括智朗集團應佔溢利約3,638,000港元。智朗集團應佔年內營業額約為7,132,000港元。智朗集團收購於二零一一年七月一日生效。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

39. ACQUISITION OF SUBSIDIARIES

(Continued)

(B) DURING THE YEAR ENDED 30 JUNE 2011

Ease Ray

Pursuant to the announcement of the Company dated 14 June 2010 and the circular dated 8 March 2011, the Company has entered into a conditional agreement with the Ease Ray Vendor on 3 June 2010 for the acquisition of the entire issued share capital of Ease Ray at a consideration of HKD1,100,000,000, subject to downward adjustment according to the terms of the agreement.

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 Ease Ray Vendor 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. As part of the consideration for the Ease Ray Acquisition, 3,900,000,000 new ordinary shares of the Company with par value of HKD0.01 each were issued on 5 May 2011 as First Batch Consideration Shares. The fair value of the ordinary shares issued was determined by referring to the published price available of HKD0.105 per share at the date of the acquisition on 29 April 2011.

39. 收購附屬公司(續)

(B) 截至二零一一年六月三十日止年度

宜亮

根據本公司日期為二零一零年六月十四日的公佈及日期為二零一一年三月八日的通函，本公司已於二零一零年六月三日與宜亮賣方訂立有條件協議，以代價1,100,000,000港元(可根據協議條款向下調整)收購宜亮之全部已發行股本。

宜亮收購代價將以下列方式支付：
(i)230,000,000港元將以現金於簽署宜亮收購協議後支付，作為可退回按金；(ii)870,000,000港元由本公司以按每股代價股份0.145港元之發行價向宜亮賣方或其代名人(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之全部已發行股本。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，作為第一批代價股份。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每股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 2012 截至二零一二年六月三十日止年度

39. ACQUISITION OF SUBSIDIARIES

(Continued)

(B) DURING THE YEAR ENDED 30 JUNE 2011 (Continued)

Ease Ray (Continued)

Pursuant to the sales and purchase agreement dated 3 June 2010 entered with the Ease Ray Vendor, 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 ended 31 December 2011, the Ease Ray Vendor 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 Ease Ray Vendor is not required to return to the Company any of the First Batch Consideration Shares already issued to him.

Based on the audited consolidated financial statements of Ease Ray Group for the year ended 31 December 2011, Ease Ray Group has failed to meet the Reference Profit, therefore the Company has issued 55,350,793 ordinary shares of the Company as the Second Batch Consideration Shares to the Ease Ray Vendor on 10 May 2012.

The First Batch Consideration Share 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.

39. 收購附屬公司(續)

(B) 截至二零一一年六月三十日止年度(續)

宜亮(續)

根據本公司與宜亮賣方於二零一零年六月三日訂立之買賣協議，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。

若宜亮集團於截至二零一一年十二月三十一日止年度未能達成保證溢利(即參考溢利)，宜亮賣方須按調整第二批代價股份的方式向本公司支付等於保證溢利所缺金額十倍的賠償。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，而宜亮賣方毋須向本公司退還已獲發行之任何第一批代價股份。

根據宜亮集團截至二零一一年十二月三十一日止年度之經審核綜合財務報表，宜亮集團未能達到參考溢利，因此，本公司已於二零一二年五月十日向宜亮賣方發行55,350,793股本公司普通股作為第二批代價股份。

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所產生的廣告收入)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

39. ACQUISITION OF SUBSIDIARIES

(Continued)

(B) DURING THE YEAR ENDED 30 JUNE 2011 (Continued)

Ease Ray (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:

39. 收購附屬公司(續)

(B) 截至二零一一年六月三十日止年度(續)

宜亮(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：

		Pre-acquisition carrying amount	Fair value adjustment	Fair value
		收購前賬面值	公平值調整	公平值
		HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元
Net assets acquired	所收購資產淨值			
Property, plant and equipment (Note 20)	物業、廠房及設備 (附註20)	16,349	-	16,349
Goodwill	商譽	6,087	(6,087)	-
Intangible assets (Note 25)	無形資產(附註25)	-	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 (Note 38)	遞延稅項(附註38)	-	(46,480)	(46,480)
Non-controlling interests	非控股權益	(19,218)	-	(19,218)
				148,570
Goodwill (Note 22)	商譽(附註22)			711,430
Adjusted consideration	經調整代價			860,000

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

39. ACQUISITION OF SUBSIDIARIES

(Continued)

(B) DURING THE YEAR ENDED 30 JUNE 2011 (Continued)

Ease Ray (Continued)

39. 收購附屬公司(續)

(B) 截至二零一一年六月三十日止年度(續)

宜亮(續)

		Fair value
		公平值
		HKD'000
		千港元
Adjusted consideration satisfied by:		
經調整代價以下列方式支付：		
Deposit paid for the acquisition	收購的已付按金	230,000
Issuance of First Batch	發行第一批代價股份	
Consideration Shares		409,500
Issuance of Second Batch	發行第二批代價股份*	
Consideration Shares *		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

* 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.

* 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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

39. ACQUISITION OF SUBSIDIARIES

(Continued)

(B) DURING THE YEAR ENDED 30 JUNE 2011 (Continued)

Ease Ray (Continued)

The directors of the Company considered that 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. Turnover 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 of the Company 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.

39. 收購附屬公司(續)

(B) 截至二零一一年六月三十日止年度(續)

宜亮(續)

本公司董事認為，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。年內營業額包括宜亮集團的約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收入及經營業績的指標，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，本公司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 2012 截至二零一二年六月三十日止年度

40. OPERATING LEASES

THE GROUP AS LESSEE

Minimum lease payments paid under operating leases in respect of office premises from continuing and discontinued operation during the year amounting to approximately HKD8,580,000 (2011: HKD3,513,000).

Operating lease payments represent rentals payables by the Group for certain of its office premises. Leases are negotiated for a term of two years (2011: two years) with a fixed rentals. None of the leases included contingent rentals and terms of renewal were established in the leases.

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:

40. 經營租賃

本集團作為承租人

年內持續及終止經營業務根據辦公室物業經營租賃已付的最低租金約為8,580,000港元(二零一一年:3,513,000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(二零一一年: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。

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:

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Within one year	一年內	6,048	5,831
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	5	3,946
		6,053	9,777

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

41. CAPITAL COMMITMENTS

41. 資本承擔

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元
Commitments contracted for but not provided in the consolidated financial statements in respect of – Acquisition of property, plant and equipment	有關以下各項於綜合財務報表之已訂約但未撥備的承擔 – 收購物業、廠房及設備	10,600	–

42. MAJOR NON-CASH TRANSACTION

42. 主要非現金交易

Year ended 30 June 2011

截至二零一一年六月三十日止年度

- (a) On 5 May 2011, 3,900,000,000 new shares of the Company were issued as the First Batch Consideration Shares for the Ease Ray Acquisition. The consideration shares were credited as fully paid upon completion of the Ease Ray Acquisition at the published price of the shares of the Company at HKD0.105 per share as of 29 April 2011.

- (a) 於二零一一年五月五日，本公司發行3,900,000,000股新股作為宜亮收購之第一批代價股份。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價格每股0.105港元入賬列作繳足。

Year ended 30 June 2012

截至二零一二年六月三十日止年度

- (a) On 7 July 2011, 68,750,000 new shares of the Company were issued as the consideration shares for the Smart Long Acquisition. The consideration shares were credited as fully paid upon completion of the Smart Long Acquisition at the published price of the shares of the Company at HKD0.55 per share as of that date. For details, please refer to Note 39(a) to the consolidated financial statements.

- (a) 於二零一一年七月七日，本公司發行68,750,000股新股作為智朗收購之代價股份。代價股份於智朗收購完成時按本公司股份於當日之公開價格每股0.55港元入賬列作繳足。詳情請參閱綜合財務報表附註39(a)。

- (b) On 10 May 2012, 55,350,793 new shares of the Company were issued as Second Batch Consideration Shares for the Ease Ray Acquisition. The consideration shares were credited as fully paid upon the finalisation of the audited resulted of Ease Ray Group for the year ended 31 December 2011 at the published price of the shares of the Company at HKD0.67 per share as of 10 May 2012. For details, please refer to Note 39(b) to the consolidated financial statements.

- (b) 於二零一二年五月十日，本公司發行55,350,793股新股作為宜亮收購之第二批代價股份。該等代價股份於落實宜亮集團截至二零一一年十二月三十一日止年度之經審核業績時按本公司股份於二零一二年五月十日之公開價格每股0.67港元入賬列作繳足。詳情請參閱綜合財務報表附註39(b)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

43. SUBSIDIARIES

The following is a list of the subsidiaries as at 30 June 2012:

43. 附屬公司

下表載列於二零一二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 ("BVI"), 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
China Wimetro Communications Company Limited	Ordinary	BVI, limited liability company	USD1	-	100%	Investment holding
中國無線城市通信有限公司	普通股	英屬處女群島, 有限公司	1美元	-	100%	投資控股

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

43. SUBSIDIARIES (Continued)

43. 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
				本公司應佔權益		
				Directly 直接	Indirectly 間接	
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	BVI, 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	BVI, 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	BVI, 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
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 宜亮	Ordinary 普通股	BVI, 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 2012 截至二零一二年六月三十日止年度

43. SUBSIDIARIES (Continued)

43. 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	
City Media Co., Ltd. 上海希迪美信息科技有限公司	Ordinary 普通股	PRC, limited liability company 中國·有限責任公司	RMB500,000 人民幣500,000元	-	70%	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	-	51.1%	Design and production of traffic signboards and 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
Smart Long 智朗	Ordinary 普通股	BVI, limited liability company 英屬處女群島·有限公司	USD1 1美元	100%	-	Investment holding 投資控股
Cheemay Limited 展鳴有限公司	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
Guangdong Wisys Communications Co. Ltd. 廣東兆鴻通信技術有限公司	Ordinary 普通股	PRC, limited liability company 中國·有限責任公司	RMB10,000,000 人民幣10,000,000元	-	100%	Sales of telecommunication products and provision of agency services for sale of telecommunication products 銷售電訊產品及就銷售電訊產品提供代理服務

44. DEED OF CHARGE

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.

44. 抵押契據

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，作為漢凱履行該協議項下義務之擔保。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

45. STATEMENT OF FINANCIAL POSITION 45. 財務狀況表

		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元 (Restated) (經重列)
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司之投資	503,283	860,100
Property, plant and equipment	物業、廠房及設備	573	719
Deposit paid for acquisition of a subsidiary	就收購一間附屬公司之 已付按金	-	120,000
		503,856	980,819
CURRENT ASSETS	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他 應收款項	77,096	35,402
Amounts due from subsidiaries	應收附屬公司款項	22,351	18,699
Cash and cash equivalents	現金及現金等價物	638	1,145
		100,085	55,246
Asset classified as held for sales	分類為持作出售之資產	100	-
		100,185	55,246
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款項及應計款項	1,030	4,955
Convertible notes payable	應付可換股票據	-	24,801
Contingent consideration payable	應付或然代價	-	220,500
		1,030	250,256
NET CURRENT ASSETS (LIABILITIES)	流動資產(負債)淨值	99,155	(195,010)
NET ASSETS	資產淨值	603,011	785,809
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	232,692	193,282
Reserves	儲備	370,319	592,527
TOTAL EQUITY	總權益	603,011	785,809

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2012 截至二零一二年六月三十日止年度

46. RELATED PARTY TRANSACTIONS

The key management personnel of the Group comprises all directors of the Company, details of their emoluments are disclosed in Note 17. The remuneration of the directors of the Company is determined by the remuneration committee having regards to the performance of individuals and market.

47. 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 2011 have been reclassified. Reclassification adjustment is made to reclassify finance costs amounting to approximately HKD329,000 to changes in fair value on convertible notes payable and such reclassification has no impact on the Group's loss for the year ended 30 June 2011.

Details of the restatement are provided as follows:

46. 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17。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。

47. 比較數字

為符合本年度之呈列方式，截至二零一一年六月三十日止年度之綜合全面收益表之若干項目獲重新分類。有關重新分類調整乃為將融資成本約329,000港元重新分類至應付可換股票據之公平值變動，而有關重新分類對本集團截至二零一一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 2011	截至二零一一年六月三十日止年度之綜合全面收益表項目			
Changes in fair value on convertible notes payable	應付可換股票據之公平值變動	-	329	329
Finance costs	融資成本	551	(329)	222

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				
		2012 二零一二年 HKD'000 千港元	2011 二零一一年 HKD'000 千港元 (Restated) (經重列)	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
Turnover	營業額	100,180	27,163	44,626	48,394	24,356
Cost of sales	銷售成本	(9,396)	(5,359)	(43,013)	(48,869)	(25,218)
Gross profit (loss)	毛利(毛損)	90,784	21,804	1,613	(475)	(862)
Other income and gains	其他收入及收益	3,180	12,025	2,315	560	955
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	(1,741)	(2,846)	(6,970)	(8,066)	(5,655)
Administrative and other expenses	行政及其他費用	(112,489)	(19,355)	(35,509)	(25,836)	(19,852)
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	(541,458)	-	(5,895)	-	-
Gain on contingent consideration	或然代價之收益	33,972	-	-	-	-
Gain on settlement of contingent consideration payable	結算應付或然代價之收益	183,415	-	-	-	-
Impairment loss on intangible asset	無形資產減值虧損	(109,316)	-	-	-	-
Loss on early redemption of convertible notes payable	提早贖回應付可換股票據之虧損	(1,596)	-	-	-	-
Changes in fair value on convertible notes payable	應付可換股票據之公平值變動	702	(329)	-	-	-
Loss from operating activities	經營業務虧損	(454,547)	(27,032)	(44,446)	(33,817)	(25,414)
Finance costs	融資成本	(1,305)	(222)	(8)	(18)	(121)
Loss before taxation	除稅前虧損	(455,852)	(27,254)	(44,454)	(33,835)	(25,535)
Income tax credit (expense)	所得稅抵免(開支)	35,630	(3,809)	(10)	-	-
Net loss for the year	年內虧損淨額	(420,222)	(31,063)	(44,464)	(33,835)	(25,535)

Financial Summary

財務概要

Assets and liabilities

資產及負債

		As at 30 June 於六月三十日				
		2012	2011	2010	2009	2008
		二零一二年	二零一一年	二零一零年	二零零九年	二零零八年
		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
			(Restated)	(Restated)	(Restated)	
			(經重列)	(經重列)	(經重列)	
Non-current assets	非流動資產	440,054	1,120,388	302,654	28,849	47,366
Current assets	流動資產	254,265	171,196	238,245	33,998	34,790
Current liabilities	流動負債	(73,494)	(360,552)	(89,686)	(25,766)	(11,261)
Net current assets (liabilities)	流動資產(負債)淨值	180,771	(189,356)	148,559	8,232	23,529
Non-current liability	非流動負債	(9,772)	(45,705)	-	(21)	-
Net assets	資產淨值	611,053	885,327	451,213	37,060	70,895

