

Megalogic Technology Holdings Limited

宏創高科集團有限公司

(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 : 8242

年報
Annual Report
2012



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Corporate Information

公司資料

Board of Directors

Non-executive Director

Mr. Hui King Chun (*Chairman*)

Executive Directors

Mr. Li Kwei Chung (*Chief Executive Officer*)

Mr. Liu Kam Lung

Mr. Liu Loi Ying

Mr. Lee Cheung Ming

Independent Non-executive Directors

Mr. Chan Sun Kwong

Mr. Chan Chi Kwong Dickson

Mr. Ko Yin Wai

Mr. Sung Tak Wing Leo

Company Secretary

Mr. Liu Kam Lung (*CPA, HKICS and ICSA*)

Compliance Officer

Mr. Li Kwei Chung

Authorized Representatives

Mr. Li Kwei Chung

Mr. Liu Kam Lung

Audit Committee

Mr. Chan Sun Kwong (*Chairman*)

Mr. Chan Chi Kwong Dickson

Mr. Ko Yin Wai

Mr. Sung Tak Wing Leo

Remuneration Committee

Mr. Chan Sun Kwong (*Chairman*)

Mr. Chan Chi Kwong Dickson

Mr. Ko Yin Wai

Mr. Sung Tak Wing Leo

Nomination Committee

Mr. Chan Sun Kwong (*Chairman*)

Mr. Chan Chi Kwong Dickson

Mr. Ko Yin Wai

Mr. Sung Tak Wing Leo

董事會

非執行董事

許經振先生(*主席*)

執行董事

李桂聰先生(*行政總裁*)

廖金龍先生

廖來英先生

李長銘先生

獨立非執行董事

陳晨光先生

陳智光先生

高賢偉先生

宋得榮先生

公司秘書

廖金龍先生(*CPA, HKICS and ICSA*)

監察主任

李桂聰先生

授權代表

李桂聰先生

廖金龍先生

審核委員會

陳晨光先生(*主席*)

陳智光先生

高賢偉先生

宋得榮先生

薪酬委員會

陳晨光先生(*主席*)

陳智光先生

高賢偉先生

宋得榮先生

提名委員會

陳晨光先生(*主席*)

陳智光先生

高賢偉先生

宋得榮先生

Corporate Information (continued)

公司資料(續)

Auditor

Graham H.Y. Chan & Co.
Certified Public Accountants

Legal Advisor

Fred Kan & Co.

Compliance Advisor

Ample Capital Limited

Registered Office

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Principal Share Registrar and Transfer Office

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Grand Cayman KY1-1110
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited
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Stock Code

8242

Company Website

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核數師

陳浩賢會計師事務所
執業會計師

法律顧問

簡家驄律師行

合規顧問

豐盛融資有限公司

註冊辦事處

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香港股份過戶登記處及轉讓辦事處

卓佳證券登記有限公司
香港灣仔
皇后大道東28號金鐘匯中心26樓

股份代號

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Chairman's Statement 主席報告

On behalf of the board of directors (the "Board") of Megalogic Technology Holdings Limited (the "Company"), I hereby present the annual report of the Company and its subsidiaries (collectively referred to as the "Group") for the financial year ended 31 December 2012.

Listing

On 19 January 2012, the company was successfully spun-off from Kith Holdings Limited (Stock Code: 1201) and listed on the Growth Enterprise Market of the Stock Exchange (the "Listing"). Listing has laid a foundation for the Group to continue to develop as one stop integrated circuit solution provider.

Business Review

2012 was a year of fast changing and difficulties. During the year, the Group recorded a substantial loss. Such loss was primarily attributable to the drop in revenue and gross profit of the Group as a result of increasing competition in the integrated circuit ("IC") industry as well as stagnant demand in the IC industry which was caused by the on-going debt crisis in Europe and slowing down of the PRC economy, and one-off expenses incurred in connection with the Listing as well as an increase in administrative expenses over the period under review. On one hand, the Group took cautious control of cost. On the other hand, the Group continued to enhance research and development activities for diversifying new IC products and improving existing IC products so as to maintain market competitiveness. As the market was being affected by poor sentiment, the customers tended for longer process of new IC models evaluation, acceptance and modification work and hence, the completion time of development had been extended. The Group had only launched 3 new IC models during the year 2012 and had 15 new IC models under development as at 31 December 2012.

The Group would like to share more details of the Group's performance, financial position and other information in the year 2012 with shareholders in the following section of management discussion and analysis.

In order to become one of the major IC solution providers in Asia, the Group is expected to continue to achieve the business objectives as set out in the Company's prospectus dated 30 December 2011 (the "Prospectus") despite the delay in the establishment of Suzhou office would be delayed due to market condition. Please refer to the following section of comparison of business objectives with actual business progress for details.

本人謹此代表宏創高科集團有限公司(「本公司」)董事會(「董事會」)呈報本公司及其附屬公司(統稱「本集團」)截至2012年12月31日止財政年度的年報。

上市

本公司成功於2012年1月19日自僑威集團有限公司(股份代號：1201)分拆並於聯交所創業板上市(「上市」)。本公司上市為繼續發展成為一個一站式集成電路解決方案供應商奠定基礎。

業務回顧

2012是一個變化很快及困難之年。年內，本集團錄得重大的虧損，該虧損主要歸因於回顧期內，集成電路行業競爭加劇，以及歐洲債務危機持續和中國經濟放緩使集成電路行業需求停滯不前，導致本集團收益及毛利下降，及上市所產生之一次性開支和經常性行政支出增加。一方面，本集團已採取謹慎的成本控制，另一方面，本集團繼續加強研究與開發活動以開發新集成電路產品及改良現有集成電路型號以維持市場競爭力。由於市場受壞的情緒影響，客戶傾向較長時間處理新集成電路型號的評估、接受及修改工作，因此，開發的完成時間被延長。本集團於2012年內只推出3款新集成電路型號，而有15款新集成電路型號於2012年12月31日正在開發中。

本集團於下文的管理層討論及分析，將向股東提供更多有關本集團於2012年的業績、財務狀況及其他資料。

雖然設立蘇州辦事處因市場情況而被延遲，但為致力成為亞洲區其中一名主要集成電路解決方案供應商，本集團預期繼續達至本公司2011年12月30日招股章程(「招股章程」)所載的業務目標。詳情請參考下文的業務目標與實際業務進展的比較。



Chairman's Statement (continued)

主席報告 (續)

Nevertheless, the demand and selling prices of DVD Players ICs, being one of our major ASIC products, unexpectedly dropped due to market situation and keen competition in the DVD player market, which may be resulting from the launch of certain new smart mobile phones, tablets and other relevant products which have more convenient, internet and video functions hence conquering the market of certain electronic products, including DVD player market. Besides, the consumption from Russia market for LCD Driver ICs for instrument panel, being one of our major Standard IC products, was showed a substantial drop in the year 2012, which may be caused by the effect of on-going debt crisis in Europe. In this regard, we may seek for new business for business diversification in order to reduce commercial risk and look for opportunity to turn loss into profit.

Proposed Acquisition

On 28 January 2013, the Company entered into a conditional sale and purchase agreement (the "S&P") to acquire the entire issued capital of Jin Dragon Holdings Limited and its subsidiaries (collectively referred to as the "Target Group") at a consideration of HK\$45,000,000 (the "Consideration") which will be satisfied by (i) HK\$4,500,000 refundable deposit paid under S&P; (ii) cash of HK\$15,500,000 and (iii) issuance of promissory note of HK\$25,000,000 by the Company upon completion of the proposed acquisition (the "Proposed Acquisition").

The Target Group is principally engaged in the securities broking, margin financing, underwriting, placing services and consultancy services. We believe the Proposed Acquisition will diversify the Group's business transformation which enables the Group to deliver long-term sustainable returns to shareholders.

The completion of the Proposed Acquisition is subject to the fulfillment of the conditions set out in the S&P. According to the GEM Listing Rules, the Proposed Acquisition constitutes a major and connected acquisition of the Company. As of the approval date on the financial statements of the Company, the Proposed Acquisition is under progress and not yet completed. Details are disclosed in Company's announcements dated 28 January 2013, 27 February 2013 and 6 March 2013.

然而，可能由於若干新推出的智能手提電話、平板電腦及其他相關產品擁有較多方便、上網及視訊功能不斷侵佔若干電子產品的市場（包括DVD播放器市場），使我們的主要ASIC產品之一DVD播放器集成電路受到無法預計的DVD播放器市場情況及激烈競爭而需求及售價下跌。此外，俄羅斯市場對我們的主要標準集成電路產品之一LCD驅動器集成電路的需求，可能在歐債危機持續的影響下表現大幅下滑。有見及此，我們可尋找新業務使業務多元化，以減低商業風險及爭取轉虧為盈的機會。

建議收購事項

於2013年1月28日，本公司已訂立一份有條件買賣協議（「買賣協議」），以購買Jin Dragon Holdings Limited及其附屬公司（統稱為「目標集團」）之全部已發行股本，總代價為45,000,000港元（「代價」）。代價將由以下方式撥付：(i)根據買賣協議支付可退還的誠意金4,500,000港元；由本公司於建議收購事項完成時(ii)以現金15,500,000港元及(iii)發行25,000,000港元承兌票據（「建議收購事項」）。

目標集團主要從事提供證券經紀、保證金融資、包銷、配售服務及顧問服務。我們相信，建議收購事項將加速本集團的業務多元化，而使本集團有能力為股東帶來長期可持續回報。

建議收購事項之完成須待買賣協議所載之條件達成後方可作實。根據創業板上市規則，建議收購事項構成本公司一項主要及關連交易。於本公司財務報表之批准日期，建議收購事項正在進行中，尚未完成。詳情披露於本公司日期為2013年1月28日、2013年2月27日及2013年3月6日之公告。



Chairman's Statement (continued)

主席報告 (續)

Corporate Governance

The Group remains committed to maintaining high standards of corporate governance. All board committees have effectively supported the Board in carrying out its responsibilities. By conducting its business under good corporate governance, the group's and shareholder's long term interests will be maximized.

Appreciation

On behalf of the Board, I wish to express my sincere thanks to our management team, employees and business partners for their continuous dedication and commitment to the Group. Finally, I would like to express my gratitude to the Group's shareholders and investors for their continuous support and trust towards the Group.

Mr. Hui King Chun

Chairman

Hong Kong, 19 March 2013

企業管治

本集團銳意保持高水平的企業管治。由董事會委員會有效協助董事會執行職務。在良好的企業管治下經營業務，長遠定能為集團及股東帶來最大的利益。

感謝

本人謹代表本集團董事會感謝其管理層隊伍、僱員及業務夥伴一直以來對本集團的熱誠及承諾。最後，本人謹此對股東及投資者對本集團不斷支持及信任致以衷心謝意。

許經振先生

主席

香港，2013年3月19日



Management Discussion and Analysis

管理層討論及分析

During the financial year ended 31 December 2012, the Group is a fabless semiconductor company specializing in provision of IC solutions and is engaged in design, development and sales of ICs. The Group sells IC under its own brand name "MiniLogic" and provides application specific IC service ("ASIC Service") in design and development of tailor-made IC to its customers. The Group has no production facility of its own, and outsources the production process to specialist semiconductor subcontractors. The Group provides tailor-made IC solutions and sells tailor-made ICs to customers under the ASIC Service business section (the "ASIC Section"); and independently develops and sells generically-applicable ICs for sale in the market under the MiniLogic Brand IC business section (the "Standard IC Section").

於截至2012年12月31日止財政年度，本集團乃一間無晶圓廠半導體公司，專門提供集成電路的解決方案，並從事集成電路的設計、開發及銷售。本集團以「MiniLogic」的品牌銷售集成電路並向其客戶提供設計和開發度身訂造集成電路的特定用途集成電路服務（「ASIC服務」）。本集團並無擁有生產設備，並將生產程序外判予專業半導體分包商。本集團提供度身訂造的集成電路解決方案以及向ASIC服務業務分部的客戶銷售度身訂造的集成電路（「ASIC部分」）；另外，在MiniLogic品牌集成電路業務分部獨立開發及銷售普遍適用的集成電路以在市場銷售（「標準集成電路部分」）。

Business Review

During the year 2012, the Group's R&D teams completed and launched 3 new IC models as follows:

業務回顧

於2012年度內，本集團研發團隊完成並推出的3款新集成電路型號如下：

Section 分部	Product Name 產品名稱	Period of development 開發期	Period of sale 銷售期
1 ASIC	MP1109 Portable DVD Power Management Unit IC	September 2011 to September 2012	September 2012 to present
ASIC	MP1109 可攜式DVD播放器專用電源管理集成電路	2011年9月至2012年9月	2012年9月至今
2 ASIC	MP1202 Single Time Electronic Cigarette with blue LED IC	January 2012 to September 2012	September 2012 to present
ASIC	MP1202 一次性LED藍光電子煙集成電路	2012年1月至2012年9月	2012年9月至今
3 ASIC	MP1204 LDO and Tray Driver IC	March 2012 to July 2012	July 2012 to present
ASIC	MP1204 LDO及托盤驅動器集成電路	2012年3月至2012年7月	2012年7月至今

The Group had 15 new IC models under development as at 31 December 2012.

本集團於2012年12月31日有15款新集成電路型號正在開發中。

The Directors believe that developing IC products with suitable technology that appeal to the market is the key to the Group's long-term success. Hence, developing new IC products and expanding the range of the Group's products as well as broadening the customer base are essential for growth of the Group's IC solutions and design, development and sales of ICs business.

董事相信，開發配備合適技術及受市場歡迎的集成電路產品為本集團取得長期成功的關鍵因素。因此，開發新集成電路產品和增加本集團產品的種類以及擴闊客戶基礎對發展本集團集成電路解決方案及設計、開發及銷售集成電路的業務相當重要。



Management Discussion and Analysis (continued) 管理層討論及分析(續)

ASIC Section

Under the ASIC Section, the major IC products are Electronic Cigarette ICs, CCD Surveillance System ICs and DVD Player ICs. Although 3 new IC models were launched in the year 2012, the increase in revenue for the new model ICs was not sufficient to offset the decrease in revenue for the older model ICs as well as decrease in gross profit of ASIC products. Besides, the revenue from the provision of ASIC services for the year 2012 was dropped to HK\$0.8 million (2011: HK\$6.3 million) due to poor market sentiment such that most of the customers took the prudent view in project investment by observing the market changes. The overall revenue of the ASIC Section for the year 2012 dropped by 41.0% to HK\$25.8 million (2011: HK\$43.7 million).

As compared with the year 2011, the performance of the ASIC Section in the year 2012 was poor due to market competition and situations. However, the demand for Electronic Cigarette ICs recorded stable despite a downward clash in selling prices due to keen competition. The demand and selling prices for CCD Surveillance System ICs went down due to keen competition. Nevertheless, the demand and selling prices of DVD Players ICs unexpectedly dropped due to market situation and keen competition in the DVD player market, which may be resulting from the launch of certain smart mobile phones, tablets and other relevant products which have more convenient, internet and video functions hence conquering the market of certain electronic products, including DVD player market.

Standard IC Section

Under the Standard IC Section, the major IC products are Power Management ICs, LCD Driver ICs for instrument panel and LED Lighting Driver ICs. No new model IC was launched in the year 2012 due to poor market sentiment. The overall revenue of the Standard IC Section for the year 2012 decreased by 64.3% to HK\$5.5 million (2011: HK\$15.4 million).

As compared with the year 2011, the performance of the Standard IC Section in the year 2012 was poor due to market competition and situations. The demand for Power Management ICs went down due to competition. Besides, the consumption from Russia market for LCD Driver ICs for instrument panel was showed a substantial drop, which may be caused by the effect of on-going debt crisis in Europe. For LED Lighting Driver ICs, we were in the process of developing more series of LED Lighting Driver ICs with the expectation to more customers' order in LED Lighting market for the near future.

ASIC 部分

ASIC 部分之主要產品為電子煙集成電路、CCD 監察系統集成電路及DVD播放器集成電路。雖然於2012年度推出了3款新集成電路型號，但是新集成電路型號的需求增加不足以抵銷較舊集成電路型號的需求減少以及ASIC部分之集成電路毛利下跌。此外，受壞的市場情緒影響下，大部份客戶採取對市場觀望變化的保守項目投資策略，使2012年度提供ASIC服務的收益而下跌至0.8百萬港元(2011：6.3百萬港元)。ASIC部分之整體收入於2012年度下降達41.0%至25.8百萬港元(2011：43.7百萬港元)。

與2011年比較，2012年ASIC部分由於市場競爭及情況而表現得差。但是，電子煙集成電路的需求錄得平穩，惟售價因應激烈競爭而大幅下調。CCD監察系統集成電路的需求及售價受激烈競爭而向下。然而，可能由於若干新推出的智能手提電話、平板電腦及其他相關產品擁有較多方便、上網及視訊功能不斷侵佔若干電子產品的市場(包括DVD播放器市場)，使DVD播放器集成電路受到無法預計的DVD播放器市場情況及激烈競爭而需求及售價下跌。

標準集成電路部分

標準集成電路部分之主要產品為電源管理集成電路、供儀器板使用的LCD驅動器集成電路及LED燈光驅動器集成電路。由於壞的市場情緒，致2012年度未有推出新型號集成電路。標準集成電路分部之整體收入於2012年度下跌64.3%至5.5百萬港元(2011：15.4百萬港元)。

與2011年比較，2012年標準集成電路部分由於市場競爭及情況而表現得差。電源管理集成電路的需求受競爭而向下。此外，俄羅斯市場對LCD驅動器集成電路的需求，可能在歐債危機持續的影響下表現大幅下滑。就LED燈光驅動器集成電路而言，我們在開發更多系列的LED燈光驅動器集成電路，期望在不久將來獲取更多LED燈光市場的客戶訂單。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

Summary of Consolidated Financial Information

The following is a summary of the published results, assets and liabilities of the Group for the last four financial years, as extracted from the audited financial statements and restated/reclassified as appropriate. This summary does not form part of the audited financial statements.

綜合財務資料概要

以下為本集團按審核財務報表及其恰當重述／重新歸類所載編製之過去4個財政年度已刊發業績、資產及負債概要。本概要並不構成審核財務報表的部份。

		Year ended 31 December 截至12月31日止年度			
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元	2009 2009年 HK\$'000 千港元
Revenue	收益	31,281	59,134	66,066	25,362
(Loss)/profit after income tax	除所得稅後(虧損)/溢利	(17,211)	10,796	15,943	369
Basic (loss)/earnings per share (HK cents)	每股基本(虧損)/盈利(港仙)	(8.7)	7.2	10.6	0.2

		As at 31 December 於12月31日			
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元	2009 2009年 HK\$'000 千港元
Total assets	總資產	64,023	46,604	33,457	11,142
Total liabilities	總負債	3,601	3,293	10,942	4,742
Net assets	資產淨值	60,422	43,311	22,515	6,400

Financial Review

The Group recorded a total revenue of approximately HK\$31.3 million for the year 2012 (2011: approximately HK\$59.1 million), representing a decrease of approximately 47.0% as compared with that of the year 2011. Save as disclosed in the above Sections, the increased competition in the IC industry, slowing down of the PRC economy and the on-going debt crisis in Europe had an impact on the demand for the Group's products and services and on the drop in overall revenue of the Group for the year 2012.

財務回顧

本集團於2012年度錄得總收益約31.3百萬港元(2011: 約59.1百萬港元)，與2011年同期比較減少約47.0%。除上述分部披露外，集成電器行業競爭加劇，中國經濟放緩以及歐洲債務危機持續影響本集團產品及服務的需求，並令本集團於2012年度的整體收益下降。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

Cost of Sales and Gross Profit

Cost of sales of the Group decreased by 32.8% from approximately HK\$36.6 million for the year 2011 to approximately HK\$24.6 million for the year 2012.

The overall gross profit of the Group decreased from approximately HK\$22.6 million in the year 2011 to approximately HK\$6.7 million in the year 2012, representing a decrease of 70.4%. The gross profit of the ASIC Section declined by approximately HK\$12.7 million to approximately HK\$5.6 million in the year 2012 (2011: approximately HK\$18.3 million), and gross profit margin of ASIC Section was 22%, representing a drop of 20% from that of the year 2011, primarily due to a substantial drop of revenue from provision of ASIC services and overall decrease in selling prices of ASIC products. The gross profit of the Standard IC Section decreased by approximately HK\$3.2 million to approximately HK\$1.1 million in the year 2012 (2011: approximately HK\$4.3 million), and the gross profit margin of Standard IC Section was 20%, representing a slight drop of 8% from that of the year 2011, primarily due to a decrease in sales of higher margin IC products.

Expenses

Staff costs for the year 2012 increased by approximately HK\$1.3 million as compared to the year 2011, which was mainly due to the increase in general pay level to cope with the need of business development and listing.

Depreciation for the year 2012 was approximately HK\$1.3 million which was similar to the year 2011, primarily due to the increase in purchase of instruments for production of new IC products.

Other operating expenses for the year 2012 were approximately HK\$18.5 million (2011: approximately HK\$3.2 million), representing an increase of approximately HK\$15.3 million from that of the previous year. The increase was primarily attributable to expenses incurred in connection with the listing of approximately HK\$9.3 million, which are non-recurrent in nature, to be recognized upon of the completion of the Listing, increases in product development expenses, operating costs and other on-going administrative expenses for listing. As the IC market was poor in the year 2012, together with the prudent market sentiment, the customers had relatively demanded for higher standard in technological innovation. As a result, the relative product development expenses of new IC products have increased as compared to the year 2011.

銷售成本及毛利

本集團的銷售成本由2011年度約36.6百萬港元下降32.8%至2012年度約24.6百萬港元。

本集團的整體毛利由2011年度約22.6百萬港元下調至2012年度約6.7百萬港元，跌幅為70.4%。ASIC部分毛利減少約12.7百萬港元至2012年度約5.6百萬港元(2011：約18.3百萬港元)，而ASIC部分的毛利率為22%，較2011年度跌20%，乃主要由於提供ASIC服務的收益大幅下跌及整體ASIC產品售價下跌。標準集成電路部分毛利下跌約3.2百萬港元至約1.1百萬港元(2011：約4.3百萬港元)，而標準集成電路部分的毛利率為20%，較2011輕微下跌8%，乃主要由於較高毛利率的集成電路產品銷售下跌。

開支

員工成本於2012年度較2011年度增加約1.3百萬港元，乃主要由於薪金整體上升以達致業務發展及上市所需。

折舊開支於2012年度為約1.3百萬港元與2011年度相約，乃主要由於增加購買工具用作生產新集成電路產品。

其他經營開支於2012年度為約18.5百萬港元(2011：約3.2百萬港元)，較上一個年度增加約15.3百萬港元。上升主要歸因來自用於上市約9.3百萬港元開支(屬非經常性)並於上市完成後於本集團之損益賬中扣除，產品開發費用、經營成本和用於上市的其他經常性行政支出增加。2012年集成電路市場不景氣，加上保守的市場情緒，客戶對技術創新要求相對提高，使新集成電路的產品開發費用相應較2011年度提升。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

(Loss)/profit Attributable to Owners of the Company

The consolidated loss attributable to owners of the Company for the year 2012 is approximately HK\$17.2 million. For the year 2011, the consolidated profit attributable to owners of the Company is approximately HK\$10.8 million.

本公司擁有人應佔(虧損)/溢利

本公司擁有人應佔綜合(虧損)於2012年度約17.2百萬港元。於2011年度，本公司擁有人應佔綜合溢利約10.8百萬港元。

Liquidity, Financial Resources and Capital Structure

The Group generally financed its daily operations from internally generated cash flows. As at 31 December 2012, the Group had bank and cash balances of approximately HK\$43.9 million (2011: approximately HK\$7.6 million) and did not have any borrowings, banking facilities or any loan arrangement containing any covenant. The gearing ratio calculated as the ratio of total interest-bearing debt to total assets was nil as at 31 December 2012 (31 December 2011: nil). Taking into account the cash reserves, the net proceeds from placing upon the Listing and recurring cash flows from its core business, the Group's financial position is healthy, positioning the Group advantageously to expand its core business and to achieve its business objectives.

流動資金、財務資源及資本架構

本集團一般以內部產生的現金流量為其日常業務提供資金。於2012年12月31日，本集團的銀行及現金結餘約為43.9百萬港元(2011年：約7.6百萬港元)及並無任何借款、銀行融資或載有任何契諾的任何貸款安排。於2012年12月31日，本集團的資產負債比率(即總計息債務對總資產的比率)為無(2011年12月31日：無)。經考慮現金儲備、上市時配售所得款項淨額及來自其核心業務的經常性現金流量，本集團的財務狀況健全，讓本集團具備有利條件可擴充其核心業務並達成其業務目標。

Charges on Assets

As at 31 December 2012, the Group did not have any charges on its assets.

資產抵押

於2012年12月31日，本集團並無任何資產抵押。

Foreign Exchange Exposure

The Group's transactions are mainly denominated in United States dollars, Hong Kong dollars and Renminbi. Therefore, the Group is exposed to foreign currency exchange risk. The Group has not implemented any foreign currency hedging policy at the moment. However, continuous monitoring on the foreign exchange exposure is carried out by the management and the management will consider hedging against foreign exchange risk if it is significant to the Group.

外匯風險

本集團的交易主要以美元、港元及人民幣計值。因此，本集團承受外匯風險。本集團現時並無實行任何外幣對沖政策。然而，管理層持續監察所承受的外匯風險，並將於外匯風險對本集團有重大影響時進行對沖。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

Contingent Liabilities and Capital Commitment

As at 31 December 2012, 6 employees of the Group have completed the required number of years of service under the Hong Kong Employment Ordinance (Cap. 57, Law of Hong Kong) (the "Employment Ordinance"), to be eligible for long service payments on termination of their employment. The Group is liable to make such payments where the termination meets the circumstances specified in the Employment Ordinance. These circumstances include (i) dismissal by reasons other than serious misconduct; (ii) being certified as permanently unfit for the present job and that the relevant employee resigns; (iii) resignation when the relevant employee is aged 65 or above; and (iv) death of the relevant employee in service. If the termination of all such employees met the circumstances set out in the Employment Ordinance, the Group's liability as at 31 December 2012 would have been approximately HK\$84,000. No provision has been made for these amounts in the consolidated financial statements as the Directors are of the view that these amounts are not expected to crystallize in the foreseeable future.

Save as disclosed above, the Group did not have any significant contingent liabilities or capital commitment as at 31 December 2012.

Significant Investments held, Material Acquisitions and Disposals of Subsidiaries, and Future Plans for Material Investments or Capital Assets

Save for those disclosed in this report, there were no significant investments held by the Group as at 31 December 2012, nor were there material acquisitions and disposals of subsidiaries by the Group during the year. There is a proposed acquisition under processing as at the date of this report, please refer to the Company's announcements dated 28 January 2013, 27 February 2013 and 6 March 2013 for details.

Dividend

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2012.

或然負債及資本承擔

於2012年12月31日，根據香港僱傭條例(香港法例第57章)(「僱傭條例」)本集團之6名僱員已完成其所須的服務年期，並合資格在終止僱傭後獲得長期服務金。倘終止符合僱傭條例指定的情況，本集團便有責任作出該等付款。該等情況包括(i)因嚴重不當行為以外之理由被免職；(ii)證實為永久不適合現時的崗位及相關的僱員辭職；(iii)相關僱員於65歲或以上時辭職；及(iv)相關僱員於服務期間離世。倘全部該等僱員終止服務的情況均符合僱傭條例所載列者，本集團於2012年12月31日之負債約為84,000港元。因董事認為該筆金額預期不會於近期實現，故於合併財務報表內並無為該等金額作出撥備。

除以上所披露者外，本集團於2012年12月31日並無任何重大或然負債或資本承擔。

所持重大投資、附屬公司的重大收購及出售以及未來重大投資或資本資產計劃

除本報告所披露者外，於2012年12月31日本集團並無持有重大投資，年內亦無附屬公司的重大收購及出售。於本報告日期，有一個正在建議收購中的事項，詳情請參考本公司日期為2013年1月28日、2013年2月27日及2013年3月6日之公告。

股息

董事不建議就截至2012年12月31日止年度派付末期股息。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

Employees and Remuneration Policies

The Group has approximately 13 (2011: 15) employees as at 31 December 2012. The total staff costs for the year 2012, including directors' remuneration, amounted to approximately HK\$6.1 million (2011: approximately HK\$4.8 million). The Group's remuneration policies are in line with the prevailing market practice and are determined on the basis of performance, qualification and experience of individual employee.

We recognize the importance of a good relationship with our employees. The remuneration payable to our employees includes salaries and allowances. Other benefits include training and discretionary bonus.

僱員及薪酬政策

於2012年12月31日，本集團約有13名(2011年：15名)僱員，2012年度的總員工成本(包括董事酬金)為約6.1百萬港元(2011年：約4.8百萬港元)。本集團的薪酬政策符合現行市場慣例，並根據個別僱員的表現、資歷及經驗而釐定。

我們明白與僱員建立良好關係的重要性。應付僱員的薪酬包括薪金及津貼。其他福利包括培訓及酌情花紅。

Comparison of Business Objectives with Actual Business Progress

An analysis comparing the business objectives as set out in the Company's prospectus dated 30 December 2011 ("Prospectus") for the period from 23 December 2011, being the latest practicable date as defined in the Prospectus ("LPD") to 31 December 2012 (the "Review Period") with the Group's actual business progress for the Review Period is set out as follows:

Business Objective for
the Review Period

Actual Business Progress up to
31 December 2012

Enhancing product development by diversifying into new IC products and improving existing IC products

Develop and launch 8 new
MiniLogic Brand IC models

5 new MiniLogic Brand IC models were still under development, including (i) ML1370 LED Light Tube Driver IC, (ii) MP1110 24V LED Backlight Driver with dimming control IC which was sold to ASIC customer with its development work in progress, (iii) ML1361 MR16 LED Lighting Driver with Buck/Boost Feature IC, (iv) ML1372 E27 LED Light Bulb Driver IC and (v) MP1205 USB Backup Power Supply IC, during the Review Period. The completion of development of these new IC models had been extended as the process was prolonged due to customer evaluation, acceptance and modification work.

As to LED Light Bulb Driver with PFC feature IC and two more new MiniLogic Brand IC models under the category of LED Lighting Driver ICs, the projects had not been deployed due to the specification of market demand being unclear.

業務目標與實際業務進展的比較

本公司的2011年12月30日招股章程(「招股章程」)所載2011年12月23日(即招股章程所界定的最後實際可行日期(「最後可行日期」)至2012年12月31日期間(「審閱期間」)的業務目標與本集團截至2012年12月31日止的實際業務進展的比較分析載列如下：

審閱期間的業務目標

截至2012年12月31日止
的實際業務進展

以多元化策略開發新集成電路產品及改良現有集成電路型號以加強產品開發

開發及推出8款
新MiniLogic品牌
集成電路型號

於審閱期間，5款新MiniLogic品牌集成電路型號仍在開發中，包括：(i) ML1370 LED光管驅動器集成電路、(ii) MP1110 24V具有調光暗控制功能的LED背光驅動器集成電路於審閱期內已售予ASIC客戶繼續其開發工作、(iii) ML1361 MR16具有升／降壓功能的LED燈光驅動器集成電路、(iv) ML1372 E27 LED燈泡驅動器集成電路及(v) MP1205 USB後備電源供應集成電路。該等新集成電路型號的開發，因客戶評估、接受及修改工作，使其完成的時間被延長。

至於在LED燈光驅動器集成電路系列中具有PFC功能的LED燈泡驅動器集成電路，及另外兩款新MiniLogic品牌集成電路型號，由於市場需求規格並未清晰，該項目未有開展。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

Develop and launch 9 new ASIC products

7 new ASIC products were still under development, including (i) MP1103 18V Dual Channel Buck Converter IC, (ii) MP1113 Class-D Stereo and Subwoofer Audio Power Amplifier IC, (iii) Ai9123 Low Voltage Video Amplifier with Low Pass Filter IC, (iv) Ai8149 Power Management Unit for CCD Camera ICs, (v) MP1017 Portable Electronic Charger IC, (vi) MP1201 Electronic Cigar IC and (vii) MP1209 Linear LED Driver IC, during the Review Period. The completion of development of these new IC models had been extended as the process was prolonged due to customer evaluation, acceptance and modification work.

開發及推出9款新ASIC產品

於審閱期間，7款新ASIC產品仍在開發中，包括(i) MP1103 18V雙通道降壓轉換器集成電路、(ii) MP1113 D類立體聲及低音喇叭音頻放大器集成電路、(iii) Ai9123低電壓與低通濾波器的視頻放大器集成電路、(iv) Ai8149 CCD攝影機電源管理器集成電路、(v) MP1017電子煙煙盒轉充電集成電路、(vi) MP1201電子雪茄集成電路及(vii) MP1209線性LED驅動器集成電路。該等新集成電路型的開發，因客戶評估、接受及修改工作，使其完成的時間被延長。

Nevertheless, 3 new IC models of ASIC products, namely (i) MP1204 LDO and Tray Driver IC, (ii) MP1109 Portable DVD Power Management Unit IC and (iii) MP1202 Single Time Electronic Cigarette with blue LED IC, were developed and launched in July 2012, September 2012 and September 2012 respectively.

然而，3款新ASIC產品的集成電路型號完成開發並分別於2012年7月、2012年9月及2012年9月推出，其為(i) MP1204 LDO與盤子驅動器集成電路、(ii) MP1109可攜式DVD播放器專用電源管理集成電路、(iii) MP1202一次性電子煙連藍色LED集成電路。

Due to the demand from customer, the product development of new IC model of ASIC products was one more than that stated in the business objective for the Review Period.

ASIC產品新集成電路型號的產品開發，因客戶需求，而較審閱期間的業務目標的所載多出一款。

Improve and launch 4 modified existing IC models

3 modified existing IC models were still under improvement, including (i) MP1105 Static LCD COG Driver IC, (ii) MP1203 Rechargeable Electronic Cigarette IC and (iii) MP1213 Motor Driver IC for portable DVD player, during the Review Period. The completion of development of these new IC models had been extended as the process was prolonged due to customer evaluation, acceptance and modification work.

改良及推出4款改良現有集成電路型號

於審閱期間，3款改良現有集成電路型號仍在改良中，包括(i) MP1105靜態LCD COG驅動器集成電路及(ii) MP1203充電式電子煙集成電路及(iii) MP1213馬達驅動集成電路。該等新集成電路型號的開發，因客戶評估、接受及修改工作，使其完成的時間被延長。

As to one more modified IC model of existing IC models, the project had not been deployed due to the specification of market demand being unclear.

至於另一款改良現有集成電路，由於市場需求規格並未清晰，該項目未有開展。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

Strengthening R&D capabilities by establishing a research and development centre and sales office in Suzhou, the PRC

Establish Suzhou office	Visits had been made to Suzhou Industrial Park, Suzhou, the PRC by the management of the Group during the Review Period. However, in view of uncertain economic outlook in the PRC market, the establishment of Suzhou office would be delayed until the market becomes positive.
Recruit 6 new employees with engineering expertise	Not yet commenced
Provide supporting services to Hong Kong R&D team	Not yet commenced
Explore new opportunities to cooperate with local universities in Suzhou, PRC	Not yet commenced
Develop into a full-fledged R&D centre	Not yet commenced

透過於中國蘇州設立研究及開發中心及銷售辦事處加強研發能力

設立蘇州辦事處	於審閱期間，本集團管理層已拜訪中國蘇州工業園，但由於中國市場經濟前景不穩定，故設立蘇州辦事處將會延遲直至市場變得明朗。
招聘6名具備工程專業知識的新僱員	尚未展開
支援香港的研發團隊	尚未展開
與中國蘇州本地大學合作探索新機會	尚未展開
設立完備的研究及開發中心	尚未展開

Expanding the customer base and sales network in the PRC

Formulate an marketing plan	In view of uncertain economic outlook in the PRC market, the formulation of a marketing plan would be delayed until the market becomes positive.
Recruit 5 new sales and marketing staff	Not yet commenced
Explore and develop new sales and marketing network in Suzhou and Wuxi regions	Not yet commenced

擴闊中國的客戶基礎及銷售網絡

擬定市場推廣計劃	由於中國市場經濟前景不穩定，故擬定的市場推廣計劃將會延遲直至市場變得明朗。
招聘5名銷售及市場推廣新員工	尚未展開
開拓及發展蘇州及無錫地區的新銷售及營銷網絡	尚未展開

Management Discussion and Analysis (continued)

管理層討論及分析(續)

Use of Proceeds

The net proceeds from the issue of new shares of the Company under the placing as set out in the Prospectus were approximately HK\$24.3 million, which was different from the estimated net proceeds of approximately HK\$33.8 million (estimated on the assumption that the placing price would be the mid-point of the stated range as stated in the Prospectus). We intend to adjust the use of proceeds in the same manner and in the same proportion as shown in the Prospectus, and approximately HK\$11.9 million, HK\$10.7 million, HK\$1.6 million and HK\$0.1 million were adjusted for (i) enhancing product development by diversifying into new IC products and improving existing IC products, (ii) establishing a research and development centre and sales office in Suzhou, the PRC, (iii) expanding PRC customer base and sales network and (iv) working capital of the Group respectively. As at the date of this report, we do not anticipate any change to the plan. During the Review Period, the Group has applied the net proceeds as follows:

所得款項用途

根據招股章程所載的配售而發行本公司新股籌得的所得款項淨額約為24.3百萬港元，有別於估計所得款項淨額約33.8百萬港元（按配售價將為招股章程所述指定範圍的中間價的假設而作出估計）。我們擬以招股章程所示的相同方式及相同比例調整所得款項用途，以及分別就本集團(i)以多元化策略開發新集成電路產品及改良現有集成電路型號以加強產品開發、(ii)透過於中國蘇州設立研究及開發中心及銷售辦事處加強研發能力、(iii)擴闊中國的客戶基礎及銷售網絡及(iv)營運資金作出約11.9百萬港元、10.7百萬港元、1.6百萬港元及0.1百萬港元之調整。於本報告日期，本集團並不預期該計劃將有任何改變。於審閱期間，本集團經已將所得款項淨額應用於以下用途：

		Adjusted use of proceeds in the same manner and proportion as stated in Prospectus 按與招股章程所示的相同方式及比例調整所得款項用途		Actual usage 實際用途
		Notes 附註	HK\$ million 港幣百萬元	HK\$ million 港幣百萬元
Enhancing product development by diversifying into new IC products and improving existing IC products	以多元化策略開發新集成電路產品及改良現有集成電路型號以加強產品開發	1	5.9	4.5
Strengthening R&D capabilities by establishing a research and development centre and sales office in Suzhou, the PRC	透過於中國蘇州設立研究及開發中心及銷售辦事處加強研發能力	2	4.7	—
Expanding the customer base and sales network in the PRC	擴闊中國的客戶基礎及銷售網絡	2	0.6	—
Working capital	營運資金		0.1	0.1
			11.3	4.6



Management Discussion and Analysis (continued)

管理層討論及分析(續)

1. Comparatively, there were less new IC product development projects deployed due to the specification of market demand being unclear, resulting in less actual spending. However, the completion of development of several new IC models had been extended as the process was prolonged due to customer evaluation, acceptance and modification work, resulting in more actual spending. After offsetting, the actual use of proceed was less than the expected amount as stated in the Prospectus.
2. Visits had been made to Suzhou Industrial Park, Suzhou, the PRC by the management of the Group during the Review Period. However, in view of uncertain economic outlook in the PRC market, the establishment of Suzhou office would be delayed until the market becomes positive.

The remaining unused net proceeds as at 31 December 2012 were placed as interest bearing deposits with licensed bank in Hong Kong and is expected to be used as intended and as stated in the Prospectus.

Outlook

We are cognizant of the uncertainty of the global economy. The Group is optimistic and cautiously confident that the economy will show slow growth momentum over the coming year. The business prospect of the Group, in particular for revenue from provision of ASIC Service, is likely to be optimistic. The Group will focus its future development on IC products for "green energy" devices. One example is LED Lighting Driver ICs for energy saving lighting appliances. Other than LED Lighting Driver ICs, the Group will continue to explore other potential green energy products. Besides the green energy products, the Group will explore other new ASIC products that will be demanded by its existing and new customers in order to expand its product and customer base.

Nevertheless, we need to pay attention to the fact that on-going debt crisis in Europe and slowing down of the PRC economy may further increase competition and prolong stagnant demand in the IC industry, which would adversely affect the performance of the Group. Hence, we would also look for other business opportunities that will improve the Group's profitability.

1. 比較而言，較少新集成電路型號的產品開發計劃因市場需求規格並未清晰而未有開展，減少了實際支出。但是，當中有幾個新集成電路型號的開發，因客戶評估、接受及修改工作，使其完成的時間被延長，增加了實際支出。相互抵銷下，實質的資金使用比招股章程所述的預期金額為少。
2. 於審閱期間，本集團管理層已拜訪中國蘇州工業園，但由於中國市場經濟前景不穩定，故設立蘇州辦事處將會延遲直至市場變得明朗。

於2012年12月31日之餘下未使用的所得款項淨額已存放於香港持牌銀行作計息存款，並預期按招股章程所載的擬定用途使用。

前景

我們明白全球經濟不明朗。本集團對來年經濟緩慢增長審慎樂觀。本集團的業務前景尤以提供ASIC服務的收益多半樂觀。本集團將集中開發綠色能源裝置的集成電路產品。其中一個例子為節省能源燈光設備的LED燈光驅動器集成電路。除了LED燈光驅動器集成電路，本集團將繼續開發其他潛在綠色能源產品。除了綠色能源產品，本集團將開發其他其現有及新客戶所需的新ASIC產品以擴闊其產品及客戶基礎。

然而，我們應關注歐洲債務危機持續和中國經濟放緩的情況，有可能使集成電路行業競爭加劇和需求進一步停滯不前，這將會對本集團業績產生壞的影響。因此，我們亦會尋找其他商機以改善本集團盈利能力。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

On 28 January 2013, the Company entered into a conditional sale and purchase agreement for a proposed acquisition regarding major and connected transaction in relation to a securities and consultancy business. Meanwhile, the proposed acquisition is under progress and not yet completed. Details are disclosed in the Company's announcements dated 28 January 2013, 27 February 2013 and 6 March 2013.

Looking forward, the Group will remain committed to the development of our core business. Apart from enhancing IC product development and strengthening R&D capabilities, the Group aims to expand its customer base and sales network in the PRC. We would actively make substantial progress to enhance growth and strive for potential and new business opportunities.

於2013年1月28日，本公司訂立一份有條件買賣協議有關擬收購證券及顧問業務之主要及關連交易。目前，擬收購事項正在進行中，尚未完成。詳情披露於本公司日期為2013年1月28日、2013年2月27日及2013年3月6日之公告。

展望未來，本集團將繼續努力發展核心業務。除加強集成電路產品開發以及加強研發能力外，本集團有意擴闊其於中國的客戶基礎及銷售網絡。我們將積極邁步向前，以加快增長，及爭取潛在及新的商機。



Corporate Governance Report

企業管治報告

Pursuant to Rule 18.44 of the GEM Listing Rules, the Board is pleased to present this corporate governance report for the year ended 31 December 2012.

根據創業板上市規則第18.44條，董事會欣然呈報截至2012年12月31日止年度的企業管治報告。

Corporate Governance Practices

The Group is committed to uphold high standards of corporate governance. The Board considers that enhanced public accountability and corporate governance are beneficial for the healthy growth of the Group, improving customer and supplier confidence and safeguarding the interests of shareholders of the Company.

The Company has adopted the Corporate Governance Code (the “CG Code”) contained in Appendix 15 to the GEM Listing Rules as its own code effective from 19 January 2012 (the “Listing Date”) upon the listing of the Company and had complied with the CG Code for the year ended 31 December 2012.

企業管治常規

本集團致力維持高水平的企業管治。董事會認為，加強公眾問責性及企業管治有利於本集團的穩健增長，提升客戶及供應商信心，並保障本公司股東的利益。

本公司自上市日2012年1月19日（「上市日期」）起採納創業板上市規則附錄15所載之《企業管治守則》（「企業管治守則」）之原則作為其本身的守則，截至2012年12月31日，本公司一直遵守企業管治守則。

Directors' Securities Transactions

The Company has adopted a code of conduct regarding securities transactions by Directors (the “Model Code”) on terms no less exacting than the required standard of dealings set out in Rule 5.48 to 5.67 of the GEM Listing Rules effective from the Listing Date.

On specific enquiry made to all the Directors, the Company was not aware of any non-compliance with the Model Code regarding securities transactions by the Directors upon the Listing Date to 31 December 2012.

董事的證券交易

本公司由上市日期起已採納一套條款不寬鬆於創業板上市規則第5.48至5.67條所載的交易必守標準（「交易必守標準」）之董事進行證券交易之行為守則。

經向所有董事作出特定查詢後，而本公司並不知悉由上市日期截至2012年12月31日內有任何未符合交易必守標準之董事進行證券交易之行為守則之情況。

Board of Directors

Composition

The Board currently comprises 9 Directors, including 1 non-executive Director (Chairman), 4 executive Directors and 4 independent non-executive Directors. An updated list of Directors identifying their role and function has been published on the websites of the Company and the Stock Exchange. The profiles of the Directors are set out in the section “Profiles of Directors and Senior Management” of this report.

董事會

組成

董事會現由9名董事組成，其中1名非執行董事（主席）、4名執行董事及4名獨立非執行董事。最新1份董事會成員名單列明其角色和職能刊載於本公司及聯交所網站。董事的履歷詳情載於本年報「董事及高級管理人員的履歷」一節。

Corporate Governance Report (continued)

企業管治報告(續)

During the year ended 31 December 2012, there were 7 Board meetings held in addition to circulation of written resolution. The composition of the Board and its members' attendance record are shown below:

截於2012年12月31日止年度內，除了以傳閱方式的書面議案外，共舉行了7次董事會會議。董事會的組成及其成員的出席紀錄如下：

Attendance record of meetings held in 2012 於2012年內舉行的會議出席紀錄

Name of member 成員名稱	Annual General Meeting 週年股東大會 In number (in %) / 次數(百分率)	Board 董事會 In number (in %) / 次數(百分率)	Audit Committee 審核委員會 In number (in %) / 次數(百分率)	Remuneration Committee 薪酬委員會 In number (in %) / 次數(百分率)	Nomination Committee 提名委員會 In number (in %) / 次數(百分率)
Total Number of Meetings 會議次數總數	1	7 (Note 2) (附註2)	5	2	2
Non-executive Director 非執行董事					
Mr. Hui King Chun (Chairman) 許經振先生(主席)	1/1 (100%)	5/7 (71%)	N/A 不適用	N/A 不適用	N/A 不適用
Executive Directors 執行董事					
Mr. Li Kwei Chung (Chief Executive Officer) 李桂聰先生(行政總裁)	1/1 (100%)	7/7 (100%)	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Liu Kam Lung 廖金龍先生	1/1 (100%)	7/7 (100%)	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Liu Loi Ying 廖來英先生	0/1 (0%)	5/7 (71%)	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Lee Cheung Ming (Note 1) 李長銘先生(附註1)	N/A 不適用	1/2 (50%)	N/A 不適用	N/A 不適用	N/A 不適用
Independent Non-executive Directors 獨立非執行董事					
Mr. Chan Sun Kwong 陳晨光先生	1/1 (100%)	5/7 (71%)	5/5 (100%)	2/2 (100%)	2/2 (100%)
Mr. Chan Chi Kwong Dickson 陳智光先生	1/1 (100%)	5/7 (71%)	5/5 (100%)	2/2 (100%)	2/2 (100%)
Mr. Ko Yin Wai 高賢偉先生	0/1 (0%)	5/7 (71%)	5/5 (100%)	2/2 (100%)	2/2 (100%)
Mr. Sung Tak Wing Leo 宋得榮先生	0/1 (0%)	5/7 (71%)	5/5 (100%)	2/2 (100%)	2/2 (100%)

Notes:

附註：

- Mr. Lee Cheung Ming was appointed on 3 August 2012.
- The Board held 4 regular Board meetings and 3 other Board meeting during the year ended 31 December 2012.

- 李長銘先生於2012年8月3日被委任。
- 截至於2012年12月31日止年度內，董事會舉行了4次董事會常規會議及3次其他董事會會議。

Corporate Governance Report (continued)

企業管治報告(續)

The Responsibilities of the Board

The Board is responsible for the control and leadership of management company's business and is collectively responsible for the company's affair under the Board's direction and supervision. All the Directors should make decision objectively in the interests of the Company.

The overall responsibilities of the Board include considering and making decisions on the following matters:

- (i) Setting the cooperate goals of the Group and formulating the Group's strategy and monitoring the implementation;
- (ii) Diversification and extension of activities into new business area;
- (iii) Approving the annual, half year and quarterly results;
- (iv) Dividend policy;
- (v) Material acquisitions and disposal;
- (vi) Reviewing and monitoring the Group's internal control systems; and
- (vii) Monitoring the performance of the Management.

董事會的職責

董事會負責領導及監控本公司業務之整體管理，並共同承擔指導及監督本公司事務之責任，推動本公司達至成功全體董事應以本公司之利益為依歸，客觀作出決策。

董事會就下列事項進行審議並作出決定：

- (i) 制定本集團的企業目標，並制定本集團的策略，並監控其執行情；
- (ii) 作多元化和擴展新的業務領域；
- (iii) 批准年度，半年度及季度業績；
- (iv) 股息政策；
- (v) 重大收購及出售；
- (vi) 檢討及監察本集團之內部監控系統；及
- (vii) 監控管理層的表現。



Corporate Governance Report (continued)

企業管治報告(續)

Management

The daily management, administration and operation of the Company are delegated to the Chief Executive Officer and senior management (the "Management"). The delegated functions and assignments are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the above mentioned officers.

The overall responsibilities of the Management include considering and making decisions on the following matters:

- (i) Implementing the Group's policy and strategies as set by the Board;
- (ii) Strategic planning of different business and functions;
- (iii) Closely monitoring operational and financial results in accordance with plans and budgets;
- (iv) Putting adequate operational, planning and financial control systems in place; and
- (v) Managing the Group's day to day business.

Confirmation of Independence

Each of the independent non-executive Directors has made an annual confirmation in writing of his independence pursuant to Rule 5.09 of the GEM Listing Rules and the Company considers that all the independent non-executive Directors were independent during the year.

Mr. Hui King Chun, being the non-executive director of the Company, and Mr. Liu Kam Lung, being the executive director of the Company, are also the executive director of and the non-executive director of Kith Holdings Limited, which is the controlling shareholder of the Company respectively. As at 31 December 2012, Mr. Hui King Chun and Mr. Liu Kam Lung have interest of approximately 61.58% and approximately 0.1% in Kith Holdings Limited respectively. Save as disclosed, there was no relationship (including financial, business, family or other material/relevant relationship(s)) between Board members and in particular between the Chairman and the Chief Executive.

管理層

本公司日常管理、行政及經營委派予行政總裁及高級管理層(「管理層」)，所委派職能及工作任務由董事會定期進行檢討。上述高級職員於訂立任何重大交易前須獲得董事會批准。

管理層就下列事項進行審議並作出決定：

- (i) 實行由董事會制定本集團的政策和策略；
- (ii) 策劃不同的業務及職能；
- (iii) 按照計劃和預算密切監察營運及財務業績；
- (iv) 建立適當的營運，規劃和財務控制制度；及
- (v) 本集團的日常業務管理。

確立獨立性

各獨立非執行董事已根據創業板上市規則第5.09條之規定，以書面確認其年度之獨立性。本公司認為所有獨立非執行董事均為獨立人士。

許經振先生(本公司非執行董事)及廖金龍先生(本公司執行董事)分別為僑威集團有限公司的執行董事及非執行董事。於2012年12月31日，許經振先生及廖金龍先生分別持有僑威集團有限公司權益約61.58%及約0.1%。除上文所披露外，董事會成員之間(特別是主席與行政總裁之間)並沒有任何關係，包括財務、業務、家屬或其他重大相關的關係。

Corporate Governance Report (continued)

企業管治報告(續)

Continuous Professional Development

Pursuant to the code provision A.6.5 of the CG Code effective on 1 April 2012, all the Directors were in compliance with the requirement thereof and participated in continuous professional development during the year ended 31 December 2012 in the following manner:

持續專業發展

根據2012年4月1日起生效之企業管治守則之守則條文第A.6.5條，截至2012年12月31日止全體相關董事均遵守守則條文之規定並已藉著以下方式參與持續專業發展：

	Reading materials relevant to directors' duties and responsibilities 閱讀有關董事職務及職責之資料	Attending the seminar provided by the Company 出席公司提供之講座	Attending the seminar relevant to the skill of the Director's position 出席與其職能相關之技術講座
Non-executive Director			
非執行董事			
Mr. Hui King Chun (<i>Chairman</i>) 許經振先生(主席)	✓	✓	—
Executive Directors			
執行董事			
Mr. Li Kwei Chung (<i>Chief Executive Officer</i>) 李桂聰先生(行政總裁)	✓	✓	✓
Mr. Liu Kam Lung 廖金龍先生	✓	✓	✓
Mr. Liu Loi Ying 廖來英先生	✓	✓	✓
Mr. Lee Cheung Ming [#] 李長銘先生 [#]	✓	✓	—
Independent Non-executive Directors			
獨立非執行董事			
Mr. Chan Sun Kwong 陳晨光先生	✓	✓	✓
Mr. Chan Chi Kwong Dickson 陳智光先生	✓	✓	✓
Mr. Ko Yin Wai 高賢偉先生	✓	✓	—
Mr. Sung Tak Wing Leo 宋得榮先生	✓	✓	✓

[#] Appointed on 3 August 2012

[#] 於2012年8月3日被委任



Corporate Governance Report (continued)

企業管治報告(續)

Chairman and Chief Executive Officer

The Chairman of the Company is Mr. Hui King Chun and the Chief Executive Officer of the Company is Mr. Li Kwei Chung. The roles of the Chairman and the Chief Executive Officer are separated and not executed by the same individual to prevent power concentration on any one individual.

主席及行政總裁

本公司主席為許經振先生，而本公司之行政總裁為李桂聰先生。主席與行政總裁的角色有區分，並非由一人同時兼任，以確保權力不會集中於一位人士。

Appointment and Re-election of Directors

All the Directors are appointed for an initial term of one year and subject to retirement by rotation and eligible for re-election in accordance with the Company's articles of association. At each annual general meeting, not less than one third of the Directors then in office shall retire and every Director is subject to retirement by rotation at least once every three years.

董事委任及重選

所有董事的初步任期為一年，並須根據本公司章程細則輪值退任及符合資格重選。於各股東週年大會上，不少於三分之一當時在任的董事須退任，而每名董事須最少每三年輪值退任一次。

Board Committees

The Board has established the board committees, namely, the audit committee, the remuneration committee and the nomination committee, all with specific terms of reference clearly defining the powers and responsibilities of the respective board committees. All board committees are required by their terms of reference to report to the Board in relation to their decisions, findings or recommendations.

董事會委員會

董事會設立之董事會委員會，即審核委員會、薪酬委員會及提名委員會，均具備各自特定的職權範圍，清楚列明各委員會之權力及責任。所有董事會委員會均須按照其職權範圍規定向董事會匯報其決定、發現及建議。

Corporate Governance Report (continued)

企業管治報告(續)

Audit Committee

The Company has established an audit committee ("Audit Committee") with written terms of reference that are in conformity of the requirements of the CG Code which are available on the websites of the Stock Exchange and the Company.

The Audit Committee is currently composed of the 4 independent non-executive Directors, namely Mr. Chan Sun Kwong, Mr. Chan Chi Kwong Dickson, Mr. Ko Yin Wai and Mr. Sung Tak Wing Leo, and chaired by Mr. Chan Sun Kwong.

For the year ended 31 December 2012, 5 audit committee meetings were held and the members' attendance is shown on page 20 of this report.

The function of the Audit Committee include the following:

(i) Relationship with the Company's auditors

- (a) to be primarily responsible for make recommendation to the Board on the appointment, reappointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal;
- (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;
- (c) to develop and implement policy on engaging an external auditor to supply non-audit services. For this purpose, "external auditor" includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The Audit Committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed;

審核委員會

本公司按照創業板上市規則之規定設立審核委員會(「審核委員會」)，並已制定符合企業管治守則規定的書面職權範圍並可於聯交所及本公司之網站查閱。

審核委員會現由4名獨立非執行董事組成，包括陳晨光先生、陳智光先生、高賢偉先生及宋得榮先生，並由陳晨光先生擔任主席。

截至於2012年12月31日，舉行了5次審核委員會會議及其與會成員出席紀錄刊登於本年報第20頁。

審核委員會的職能包括以下各項：

(i) 與外聘核數師的關係

- (a) 就外聘核數師的委任、重新委任及罷免向董事會提供建議、批准外聘核數師的薪酬及聘用條款，及處理任何有關該核數師辭職或辭退該核數師的問題；
- (b) 按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程式是否有效；審核委員會應於核數工作開始前與核數師討論核數性質及範疇及有關申報責任；
- (c) 就外聘審計師提供非審計服務制定政策，並予以執行。就此規定而言，外聘審計師包括與負責審計的公司處於同一控制權、所有權或管理權之下的任何機構，或一個合理知悉所有有關資料的第三方，在合理情況下會斷定該機構屬於該負責審計的公司的本土或國際業務的一部分的任何機構。審核委員會應就其認為必須採取的行動或改善的事項向董事會報告，並建議有哪些可採取的步驟；



Corporate Governance Report (continued)

企業管治報告(續)

(ii) Review of the Company's financial information

- (a) to monitor the integrity of the Company's financial statements and annual report and accounts, half-year report and/or quarterly reports, and to review significant financial reporting judgments contained in them before submission to the Board, focusing particularly on:

- (1) any changes in accounting policies and practices;
- (2) major judgmental areas;
- (3) significant adjustments resulting from the audit;
- (4) the going concern assumptions and any qualifications;
- (5) compliance with accounting standards; and
- (6) compliance with GEM Listing Rules and legal requirements in relation to financial reporting;

Regarding (ii)(a) above,

- (1) the members of the Audit Committee should liaise with the Board and senior management and the Audit Committee must meet, at least twice a year, with the Company's auditors and
- (2) the Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in the reports and accounts, it should give due consideration to any matters that have been raised by the Company's staff responsible for the accountant, compliance officer or auditors;

(ii) 監察公司財務資料

- (a) 監察公司的財務報表及年度報告及賬目、半年度報告及季度報告的完整性，並審閱報表及報告所載有關財務申報的重大意見。在這方面，委員會在向董事會提交有公司年度報告及賬目、半年度報告及季度報告前作出審閱有關報表及報告時，應特別針對下列事項：

- (1) 會計政策及實務的任何更改；
- (2) 涉及重要判斷的地方；
- (3) 因核數而出現的重大調整；
- (4) 企業持續經營的假設及任何保留意見；
- (5) 是否遵守會計準則；及
- (6) 是否遵守有關財務申報的《創業板上市規則》及其他法律規定；

就上述(ii)(a)項而言，

- (1) 審核委員會成員須與董事會及高層管理人員聯絡。委員會須至少每年與公司的審計師開會兩次；及
- (2) 委員會應考慮於該等報告及賬目中所反映或需反映的任何重大或不尋常事項，並須適當考慮任何由公司屬下會計及財務匯報職員、監察主任或審計師提出的事項；



Corporate Governance Report (continued)

企業管治報告(續)

(iii) Oversight of the Company's financial reporting system and internal control procedures

- (a) to review the Company's financial controls, internal control and risk management systems;
- (b) to discuss the internal control system with management to ensure that management has performed its duty to have an effective internal control system. The discussion should include the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting and financial reporting function;
- (c) to consider major investigation findings on internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- (d) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
- (e) to review the group's financial and accounting policies and practices;
- (f) to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response;
- (g) to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;
- (h) to report to the Board on any matters above;
- (i) to consider other topics, as requested by the Board;
- (j) to review arrangements employee of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The Audit Committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow up action; and

(iii) 監察公司財務申報系統及內部監控程序

- (a) 檢討發行人的財務監控、內部監控及風險管理制度；
- (b) 與管理層討論內部監控系統，確保管理層已履行職責建立有效的內部監控系統，包括考慮發行人在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算又是否充足；
- (c) 主動或應董事會的委派，就有關內部監控事宜的重要調查結果及管理層的回應進行研究；
- (d) 如公司設有內部審計功能，須確保內部和外聘核數師的工作得到協調；也須確保內部審計功能在發行人內部有足夠資源運作，並且有適當的地位；以及檢討及監察內部核數功能是否有效；
- (e) 檢討集團的財務及會計政策及實務；
- (f) 檢查外聘審計師給予管理層的《審核情況說明函件》、審計師就會計紀錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層作出的回應；
- (g) 確保董事會及時回應於外聘審計師給予管理層的《審核情況說明函件》中提出的事宜；
- (h) 就本守則條文所載的事宜向董事會匯報；
- (i) 研究其他由董事會界定的課題；
- (j) 檢討公司設定的以下安排：僱員可暗中就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注。審核委員會應確保有適當安排，讓公司對此等事宜作出公平獨立的調查及採取適當行動；及



Corporate Governance Report (continued)

企業管治報告(續)

- (k) to act as the key representative body for overseeing the Company's relationship with the external auditor.

- (k) 擔任公司與外聘審計師之間的主要代表，負責監察二者之間的關係。

Major accomplishments in 2012 comprised of the following:

於2012年主要達成事項包括以下各項：

- (a) reviewed the financial statements for disclosure on a quarterly and annually basis;
- (b) reviewed the external auditors' significant findings and management's response to the recommendation raised;
- (c) reviewed the effectiveness of the internal control system and the adequacy of the accounting and financial reporting function;
- (d) reviewed and approved the external auditor's statutory audit scope for 2012 and the letter of representation to be given by the Board;
- (e) considered and approved the 2012 external audit fees and engagement letters; and
- (f) discussed the whistleblowing policy of the company.

- (a) 每季度及年度審閱披露的財務報表；
- (b) 審閱外聘核數師的主要審核結果，以及管理層對所提出審核建議的回應；
- (c) 檢討內部監控系統的效能以及會計與財務匯報功能的充足程度；
- (d) 審閱外聘核數師2012年的法定審核範圍，以及由董事會給予的情況說明書；
- (e) 審議及批准2012年度的外聘核數費用及聘任書；及
- (f) 討論本公司之舉報政策。

The Group's internal control system is reviewed regularly by management. With the view of enhancing the Group's internal control system, during the year ended 31 December 2012, the Company had appointed Graham H. Y. Chan & Co, as independent internal control reviewer, to review the Group's internal control systems and recommending actions to improve our internal controls.

管理層定期審核本集團的內部監控系統。為提升本集團的內部監控系統，本公司已於2012年12月31日止年度委任獨立內部監控審閱顧問陳浩賢會計師事務所評核本集團的內部監控系統，以及建議應採取以加強我們的內部監控的行動。

Based on the review, the Audit Committee is of the view that the Group's internal control system was effective with the requirements of the CG Code C.2.1 for the year ended 31 December 2012.

根據評核，審核委員會認為截至2012年12月31日止年度本集團的內部監控制度符合企業管治守則C.2.1之要求有效運作。

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditors for the year ended 31 December 2012.

截至2012年12月31日止為止，董事會並無與審核委員會就外聘核數師之選擇及聘任問題出現分歧。

The Audit Committee has reviewed the audited financial statements of the Group for the year and recommended approval to the Board.

審核委員會已審閱本集團的本年度經審核財務報表，並推薦董事批准。

Corporate Governance Report (continued)

企業管治報告(續)

Remuneration Committee

The Company has established a remuneration committee ("Remuneration Committee") with written terms of reference in accordance with the requirement of the CG Code effective from the Listing Date. In accordance with provisions set out in the CG Code are available on the websites of the Stock Exchange and the Company.

The Remuneration Committee is composed of the 4 independent non-executive Directors, namely Mr. Chan Sun Kwong, Mr. Chan Chi Kwong Dickson, Mr. Ko Yin Wai and Mr. Sung Tak Wing Leo, and chaired by Mr. Chan Sun Kwong.

For the year ended 31 December 2012, 2 remuneration committee meetings were held and the members' attendance is shown on page 20 of this Report.

The role and function of the Remuneration Committee includes:

- (i) to make recommendations to the Board on the Company's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (ii) to review and approve the management's remuneration proposals with reference to the Board's corporate goal and objectives;
- (iii) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management. This should include benefits in kind, person rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- (iv) to make recommendations to the Board on the remuneration of non-executive directors;
- (v) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- (vi) to review and approve compensation payable to executive directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;

薪酬委員會

本公司已根據企業管治守則之規定設立薪酬委員會(「薪酬委員會」)，並已根據企業管治守則之規定制定書面職權範圍，由上市日期起生效。其職權範圍符合企業管治守則所載之條文並可於聯交所及本公司之網站查閱。

薪酬委員由四名獨立非執行董事組成，包括陳晨光先生、陳智光先生、高賢偉先生及宋得榮先生，並由陳晨光先生擔任主席。

截至於2012年12月31日，舉行了2次薪酬委員會會議及其與會成員出席紀錄刊登於本年報第20頁。

薪酬委員會之角色及職能包括：

- (i) 就各董事及高級管理人員的薪酬待遇政策及結構和建立一個規範及透明的釐定薪酬政策程序事宜，向董事會提出建議；
- (ii) 透過參照董事會不時通過的公司目標，檢討及批准按表現而釐定的薪酬；
- (iii) 就各執行董事及高級管理人員的薪酬待遇向董事會提出建議。這該包括薪酬待遇及其他非金錢薪酬相關事宜，包括支付那些與喪失或終止職務或委任有關的賠償；
- (iv) 向董事會提出非執行董事薪酬建議；
- (v) 考慮同比公司薪酬、參與時間及責任、以及集團內現存僱用條款；
- (vi) 檢討及批准向執行董事及高級管理人員支付那些與喪失或終止職務或委任有關的賠償，以確保該等賠償按有關合約條款釐定；若未能按有關合約條款釐定，賠償亦須公平合理，不會對公司造成過重負擔；



Corporate Governance Report (continued)

企業管治報告(續)

(vii) to review and approve compensation arrangements relating to dismissal or remove of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and

(viii) to ensure that no director or any of his associates is involved in deciding his own remuneration.

Major accomplishments in 2012 comprised of the following;

- (i) reviewed the remuneration policy and assessment system;
- (ii) recommended to the Board with respect to director remuneration of newly appointed Director, Mr. Lee Cheung Ming;
- (iii) assessed performance of executive directors and approved the terms of executive director's service contract;
- (iv) recommended to the Board a salary and director fee adjustment for 2012.

(vii) 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排按有關合約條款釐定；若未能按有關合約條款釐定，有關賠償亦須合理適當；及

(viii) 確保任何董事或其任何連絡人不得自行釐訂薪酬。

於2012年主要達成事項包括以下各項：

- (i) 檢討目前之薪酬政策及評核制度；
- (ii) 向董事局提出新委任董事李長銘先生的酬金；
- (iii) 評估執行董事表現及批准執行董事服務條款；
- (iv) 向董事局提出2012年董事及高級管理層之薪酬及袍金的調整。

Nomination Committee

The Company has established a nomination committee ("Nomination Committee") with written terms of reference effective from the Listing Date. The terms of reference of the Nomination Committee are in conformity with the requirements of the CG Code and are available on the websites of the Stock Exchange and the Company.

The Nomination Committee is currently composed of the 4 independent non-executive Directors, namely Mr. Chan Sun Kwong, Mr. Chan Chi Kwong Dickson, Mr. Ko Yin Wai and Mr. Sung Tak Wing Leo, and chaired by Mr. Chan Sun Kwong.

For the year ended 31 December 2012, 2 Nomination Committee meetings were held and the members' attendance is shown on page 20 of this Report.

提名委員會

本公司設立提名委員會（「提名委員會」），並已制定書面職權範圍，由上市日期起生效。其職權範圍符合企業管治守則所載之條文並可於聯交所及本公司之網站查閱。

提名委員會現由四名獨立非執行董事組成，包括陳晨光先生、陳智光先生、高賢偉先生及宋得榮先生，並由陳晨光先生擔任主席。

截至於2012年12月31日，舉行了2次提名委員會會議及其與會成員出席紀錄刊登於本年報第20頁。



Corporate Governance Report (continued)

企業管治報告(續)

The role and function of the Nomination Committee includes:

- (i) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (ii) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (iii) to assess the independence of independent non-executive Directors;
- (iv) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors in particular the Chairman and the chief executive of the Company; and
- (v) where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why the Nomination Committee believes he should be elected and the reasons why the Nomination Committee considers him to be independent.

Major accomplishments in 2012 comprised of the following:

- (i) recommended to the Board with respect to the retirement and re-election of Directors at the last annual general meeting held on 16 May 2012; and
- (ii) recommended to the Board the appointment of Mr. Lee Cheung Ming as executive director of the Company.

提名委員會之角色及職能包括：

- (i) 檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何擬作出的變動應每年最少1次向董事會提出建議，以配合公司企業策略；
- (ii) 物色具備合適資格可擔任董事的人士，向董事會提出有關委任或重選執行及非執行董事的建議；
- (iii) 評核獨立非執行董事的獨立性；
- (iv) 就董事委任或重新委任以及董事(尤其是主席及行政總裁)繼任計劃的有關事宜向董事會提出建議；及
- (v) 當董事會決議提呈召開股東大會委任個人為獨立非執行董事時，應就提名委員會相信為何他／她獲得委任及考慮其獨立性事宜，需在股東通函及／或於召開有關股東大會的通知附註上說明。

於2012年主要達成事項包括以下各項：

- (i) 向董事會提出於2012年5月16日舉行之上屆股東週年大會上有關退任及重選董事的建議，及
- (ii) 向董事會提出委任李長銘先生為本公司執行董事的事宜。



Corporate Governance Report (continued)

企業管治報告(續)

Corporate Governance Functions

The Board is responsible for performing the corporate governance duties set out in the code provision D.3.1 of the CG Code.

The Board held 1 meeting for the purpose of reviewing the compliance of corporate governance policies for the year ended 31 December 2012.

The duties of the Board include:

- (i) to develop and review the Group's policies and practices on corporate governance and make recommendations to the Board;
- (ii) to review and monitor the training and continuous professional development of Directors and senior management;
- (iii) to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
- (iv) to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors; and
- (v) to review the Group's compliance with the CG Code and disclosure in the CG Report.

Major accomplishments in 2012 comprised of the following:

- (i) evaluated the Group's policies and practices on corporate governance and make appropriate amendments;
- (ii) arranged the training and continuous professional development of Directors and senior management.

企業管治職能

本公司已根據企業管治守則之規定，董事會負責執行企業管治守則之守則條文D.3.1職權範圍所載之企業管治職責。

截至2012年12月31日止年度內，董事會就審閱企業管治政策之遵守情況舉行1次會議。

董事會所履行之工作概要包括：

- (i) 制定及檢討本集團的企業管治政策及常規，並向董事會提出建議；
- (ii) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (iii) 檢討及監察本集團在遵守法律及監管規定方面的政策及常規；
- (iv) 制定、檢討及監察僱員及董事的操守準則及合規手冊；及
- (v) 檢討本集團遵守企業管治守則的情況及在企業管治報告內的披露。

於2012年主要達成事項包括以下各項：

- (i) 評估本集團的企業管治政策及常規，並作出合適修訂；
- (ii) 安排董事及高級管理人員的培訓及持續專業發展。

Corporate Governance Report (continued)

企業管治報告(續)

Auditor's Remuneration

Graham H.Y. Chan & Co. was re-appointed as the auditors of the Company and its subsidiaries at the annual general meeting held on 16 May 2012.

The fees in respect of audit and paid non-audit services provided by the external auditor to the Group for the year ended 31 December 2012 amounted to approximately HK\$380,000 and HK\$30,000 respectively. The non-audit service was the review of internal control system of the Group. The Group also paid to the Company's auditor of approximately HK\$393,000 for listing service in the year.

Directors' Responsibilities for Financial Reporting

The Directors acknowledge their responsibility for preparation of the Group's financial statements to give a true and fair view. The responsibilities of auditors in respect of the financial statements are set out in the report of the auditors forming part of this Report.

Company Secretary

For the year ended 31 December 2012, the Company Secretary was Mr. Liu Kam Lung.

Details of backgrounds and qualification of the Company Secretary are set out in the "Profiles of Directors and Senior Management" of this report.

A written record had been received by the Company from Mr. Liu Kam Lung to confirm that he took not less than 15 hours of relevant professional training during the year ended 31 December 2012. The Company is of the view that Mr. Liu has complied with Rule 5.15 of the GEM Listing Rules.

核數師酬金

陳浩賢會計師事務所已於2012年5月16日舉行之股東週年大會上獲重新委任為本公司及其附屬公司之核數師。

截至2012年12月31日止年度內，外聘核數師對本集團提供之核數及已支付非核數服務之費用分別約為380,000港元及30,000港元。非核數服務為評核本集團內部監控系統。本集團於年內亦就上市服務向公司核數師支付約393,000港元。

財務報表承擔之責任

董事明白彼等有責任編製本集團之財務報表。於編製財務報表時，已採納香港普遍採納之會計原則，並已使用及貫徹應用適當之會計政策，以及作出合理審慎之判斷及估算。

公司秘書

截至2012年12月31日止年度內，公司秘書為廖金龍先生。

公司秘書的履歷詳情載於本年報「董事及高級管理人員的履歷」一節。

本公司已收到廖金龍先生發出之文書，彼確認截至2012年12月31日止年度內已參與不少於15小時的相關專業培訓。本公司認為廖先生符合創業板上市規則第5.15條之規定。



Corporate Governance Report (continued)

企業管治報告(續)

Shareholders' Rights

In order to safeguard shareholders' interests and rights, separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual directors, for shareholders' consideration and voting.

The following procedures for shareholders of the Company to convene an extraordinary general meeting are subject to the articles of association of the Company (the "Articles"), and the applicable legislation and regulation, in particular the GEM Listing Rules:

- (i) any one or more shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company (the "Eligible Shareholder(s)") carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company (the "Company Secretary"), to require an extraordinary general meeting (the "EGM") to be called by the Board for the transaction of any business specified in such requisition pursuant to Article 58 of the Articles; and
- (ii) if within 21 days of the deposit of the Requisition, the Board fails to proceed to convene such EGM, the Eligible Shareholder(s) himself/herself/themselves may do so, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of the failure of the Board shall be reimbursed to the Eligible Shareholder(s) concerned by the Company.

Procedures for sending enquiries to the Board

Except for email to info@minilogic.com.hk, shareholders may send their enquiries and concerns to the Board by addressing them to the headquarter and principal place of business of the Company in Hong Kong at Unit 508–509, 5th Floor, IC Development Centre, No. 6 Science Park West Avenue, Hong Kong Science Park, Pak Shek Kok, Shatin, N.T. Hong Kong, by post or by fax to (852) 2776 9363, for the attention of the Company Secretary.

股東權利

為保障股東權益及權利，本公司就各重大事項(包括選舉個別董事)於股東大會提呈獨立決議案，以供股東考慮及投票。

本公司股東召開股東特別大會之程序乃受下列本公司章程細則(「章程細則」)、適用法例及法規，特別是創業板上市規則所規限：

- (i) 根據章程細則第58條，於遞呈要求日期持不少於本公司繳足股本(賦予權利於本公司股東大會上投票)十分之一的任何一名或多名本公司股東(「合資格股東」)隨時有權向董事會或本公司之公司秘書(「公司秘書」)發出書面要求，要求董事會召開股東特別大會(「股東特別大會」)，以處理有關要求中指明的任何事項；及
- (ii) 倘董事會未能在要求書遞交後21天內召開股東特別大會，則合資格股東可自行召開股東特別大會，而因董事會未能召開該大會令有關合資格股東產生的所有合理費用，本公司須向有關合資格股東進行償付。

向董事會查詢的程序

股東可向本公司董事會寄發其查詢及關注事宜，除了電郵至info@minilogic.com.hk，以郵寄方式將上述事項寄往本公司於香港的總辦事處及主要營業地點(地址為香港新界沙田白石角香港科學園科技大道西6號集成電路開發中心5樓508–509室)或傳真至(852)2776 9363，收件人為公司秘書。

Corporate Governance Report (continued)

企業管治報告(續)

Procedures for Shareholders to put forward proposals at Shareholders' meetings

There are no provisions allowing Shareholders to move new resolutions at the general meetings under the Companies Law (Revised) of Cayman Islands. However, pursuant to the Articles, Shareholders who wish to move a resolution may by means of Requisition convene an EGM following the procedures set out above.

股東於股東大會提呈建議的程序

根據開曼群島公司法(經修訂)，概無條文批准股東於股東大會動議新決議案。然而，根據章程細則，有意動議決議案的股東可於依循上述程序後按提交要求書方式召開股東特別大會。

Investor Relationship

Pursuant to the written resolutions of the shareholders of the Company passed on 23 December 2011, the articles of association of the Company were adopted in substitution for and to the exclusion of the then existing articles of association of the Company with effect from and conditional upon Listing, which took place on 19 January 2012.

Save as disclosed above, during the year ended 31 December 2012, there was no significant change in the Company's memorandum and articles of association.

投資者關係

根據股東於2011年12月23日通過的書面決議案，本公司採納章程細則以代替及摒除本公司當時現有的章程細則，由上市(即2012年1月19日)起生效及以上市為條件。

除以上所披露外，於截至2012年12月31日止年度內，本公司的章程大綱及細則並無重大變更。



Profiles of Directors and Senior Management

董事及高級管理人員的履歷

Directors

Non-executive Director

Mr. Hui King Chun, aged 62, is the Chairman of the Company. He was appointed as a non-executive Director on 15 June 2011. Mr. Hui has been a director of one subsidiary of the Company, MiniLogic Device Corporation Limited, since February 2007 and is also a director of all of our subsidiaries. He provides advices to the Group in respect of the overall strategic management and development of corporate policy and strategy of the Group, without participating in the daily management of the Group. Mr. Hui is currently the chairman and an executive director of Kith Holdings Limited (Stock Code: 1201). He is the largest shareholder of Kith Holdings Limited. Mr. Hui has over 33 years of experience in management and manufacturing, including about 19 years of experience in printing and packaging industry. As at 31 December 2012, he has an indirect interest of approximately 61.58% in Kith Holdings Limited, being a controlling shareholder of the Company.

Executive Directors

Mr. Li Kwei Chung, aged 43, is one of the founders of the Group, chief executive officer, engineering director and compliance officer of the Company. He was appointed as an executive Director on 15 June 2011. Mr. Li has been a director of one subsidiary of the Company, MiniLogic Device Corporation Limited, since September 2004 and is also a director of all of our subsidiaries. He is responsible for daily operations, research and development activities, procurement and quality control of the Group. Mr. Li obtained a bachelor's degree of Engineering and master's degree of Science in Engineering from the University of Hong Kong in 1992 and 1998 respectively. He has over 18 years of experience in the semiconductor field. Mr. Li was appointed as a member of the Information and Communication Technology R&D Centre Technology Review Panel of ASTRI for the years of 2011 and 2012. His responsibilities includes advising ASTRI on improving the quality of ASTRI's R&D projects in terms of technical merit as well as the commercialisation prospects and technology transfer potential of the projects and assisting in evaluating the effectiveness of funded projects in terms of assisting Hong Kong and Pearl River Delta based companies' to upgrade their technological competitiveness. As at 31 December 2012, he held interest in 11,762,842 shares of the Company, representing approximately 5.88% interest of the total issued capital of the Company.

董事

非執行董事

許經振先生，62歲，為本公司的主席。他於2011年6月15日獲委任為非執行董事。許先生自2007年2月起為本公司一間附屬公司微創高科有限公司的董事，亦為我們各附屬公司的董事。他就本集團整體策略性管理及企業政策與策略的發展向本集團提供意見，不會參與本集團日常管理工作。許先生現時為僑威集團有限公司(股份代號：1201)的主席兼執行董事。他為僑威集團有限公司之最大股東。許先生於管理及製造方面積逾33年經驗，包括約19年印刷及包裝行業的經驗。於2012年12月31日，他間接持有僑威集團有限公司(為本公司控股股東)的約61.58%的權益。

執行董事

李桂聰先生，43歲，為本集團創辦人之一，亦是本公司的首席執行官、工程總監兼合規主任。他於2011年6月15日獲委任為執行董事。李先生自2004年9月起為本公司一間附屬公司微創高科有限公司的董事，亦為我們各附屬公司的董事。他負責本集團日常運作、研發活動、採購及質量監控。李先生於1992年及1998年獲香港大學分別頒授工程學學士學位及工程科學碩士學位。他於半導體行業積逾18年經驗。李先生獲委任為香港應科院資訊及通訊技術研發中心技術評審委員會於2011及2012年度的成員。他負責向香港應科院提出意見，以改善香港應科院的研發項目於技術水平及商業化發展方面的質素及該等項目的技術轉讓潛力，以及協助評估受資助項目是否有效幫助以香港及珠江三角洲為基地的公司提升其於技術上的競爭力。於2012年12月31日，他個人於本公司11,762,842股股份中擁有權益，相當於本公司已發行股本總數的約5.88%權益。



Profiles of Directors and Senior Management (continued)

董事及高級管理人員的履歷(續)

Mr. Liu Kam Lung, aged 49, is a finance director and the company secretary of the Company. He was appointed as an executive Director on 31 March 2011. He has been a director of one subsidiary of the Company, MiniLogic Device Corporation Limited since February 2011 and is also a director of all of our subsidiaries. Mr. Liu is responsible for accounting and finance management, investor relation as well as company secretarial matters of the Group. He has been a non-executive director of Kith Holdings Limited (Stock Code: 1201) since October 2010. Mr. Liu obtained a Diploma of Business Administration from Hong Kong Shue Yan College (now known as Hong Kong Shue Yan University) in 1990 and is currently an Associate of Hong Kong Institute of Certified Public Accountants, an Associate of The Institute of Chartered Secretaries and Administrators of the United Kingdom, an Associate of The Hong Kong Institute of Chartered Secretaries, a fellow of The Association of Chartered Certified Accountants, a full member of the Society of Registered Financial Planners and an Associate of the Taxation Institute of Hong Kong. He has over 22 years of experience in the financial industry. As at 31 December 2012, Mr. Liu has interest of approximately 0.1% in Kith Holdings Limited, being a controlling shareholder of the Company.

Mr. Liu Loi Ying, aged 35, was appointed as an executive Director on 15 June 2011. He is a director of one subsidiary of the Company, Minilogic Investment Limited. Mr. Liu has been a R&D product manager and one of the team leaders in the R&D Department of one subsidiary of the Company, MiniLogic Device Corporation Limited, since July 2003. He is responsible for leading a team of engineers in R&D operations, and supporting sales and marketing activities. Mr. Liu obtained a bachelor's degree of Engineering in Computer Science and Computer Engineering and a master's degree of Science in IC Design Engineering from The Hong Kong University of Science and Technology in 2001 and 2005 respectively. He has been working in the semiconductor field for about 11 years.

Mr. Lee Cheung Ming, aged 41, was appointed an executive Director on 3 August 2012. He is responsible for business development of the Group in the mainland China. Mr. Lee holds graduate certificate in Business Administration from Beijing Economy Management College. He has more than 16 years of experience in marketing, strategic management and business operation in the mainland China. Mr. Lee worked for Xiamen Poyi Real Estate Company Limited as development division manager from December 1996 to December 1998. He then worked for Xiamen Hong Du Park Hotel as deputy general manager from January 1999 to December 2004. Prior to joining the Company, Mr. Lee had worked for Hongasteel (Xiamen) Technology Company Limited as general manager since January 2005. As at 31 December 2012, he held interest in 2,500,000 shares of the Company, representing approximately 1.25% interest of the total issued capital of the Company. Mr. Lee is brother-in-law of Mr. Cheng Tun Nei, a substantial shareholder of the Company (as defined in the GEM Listing Rules).

廖金龍先生，49歲，為本公司的財務總監兼公司秘書。他於2011年3月31日獲委任為執行董事。廖先生自2011年2月起為本公司一間附屬公司微創高科有限公司的董事，亦為我們各附屬公司的董事。廖先生負責會計及財務管理、投資者關係及本集團的公司秘書事宜。他自2010年10月起出任僑威集團有限公司(股份代號：1201)的非執行董事。廖先生於1990年獲香港樹仁學院(現稱為香港樹仁大學)頒授工商管理文憑，現時為香港會計師公會會員、英國特許秘書及行政人員公會會員、香港特許秘書公會會員、特許公認會計師公會資深會員、註冊財務策劃師協會正式成員及香港稅務學會會員。他於金融業積逾22年經驗。於2012年12月31日，廖先生持有僑威集團有限公司(為本公司控股股東)的約0.1%的權益。

廖來英先生，35歲，於2011年6月15日獲委任為執行董事。亦為本公司一間附屬公司Minilogic Investment Limited的董事。廖先生自2003年7月起為本公司一間附屬公司微創高科有限公司的研發產品經理及研發部內其中一名團隊領導。他負責帶領一支工程師團隊進行研發工作，以及支援銷售及營銷活動。廖先生於2001年及2005年獲香港科技大學分別頒授計算機科學及計算機工程學士學位及集成電路設計工程碩士學位。他於半導體行業工作約11年。

李長銘先生，41歲，於2012年8月3日獲委任為執行董事。他負責本集團於中國大陸的業務發展。李先生持有北京經濟管理函授學院工商管理畢業證書。他擁有超過16年於中國大陸從事市場、策劃管理及業務運作的經驗。李先生於1996年12月至1998年12月期間擔任廈門普益房產開發有限公司的拓展部經理。他接着於1999年1月至2004年12月期間擔任廈門宏都大飯店的副總經理。在加入本公司之前，李先生於2005年1月開始擔任宏晉建設(廈門)科技有限公司的總經理。於2012年12月31日，他個人於本公司2,500,000股股份中擁有權益，相當於本公司已發行股本總數的約1.25%權益。李先生是本公司一位主要股東(定義見創業板上市規則)鄭盾尼先生的太太的弟弟。



Profiles of Directors and Senior Management (continued)

董事及高級管理人員的履歷(續)

Independent Non-executive Directors

Mr. Chan Sun Kwong, aged 46, was appointed as an independent non-executive Director on 23 December 2011. He is the company secretary of Powerwell Pacific Holdings Limited (Stock Code: 8265). During the past three years, Mr. Chan served as an independent non-executive director (from July 2010 to November 2010) of Creative Energy Solutions Holdings Limited (Stock Code: 8109) whose shares are also listed on GEM and served as executive director and company secretary of Sam Woo Holdings Limited (now known as Noble Century Investment Holdings Limited) (Stock Code: 2322), whose shares are listed on Main Board, for the period from March 2003 to June 2011. Mr. Chan obtained a Diploma of Business Administration from Hong Kong Shue Yan College (now known as Hong Kong Shue Yan University) in 1990. He is currently a fellow of The Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom. Mr. Chan has more than 20 years of auditing, accounting and company secretarial experience. He is currently the chairman of the Audit Committee, the Remuneration Committee and the Nomination Committee.

Mr. Chan Chi Kwong Dickson, aged 41, was appointed as an independent non-executive Director on 23 December 2011. He is currently a practising certified public accountant. Mr. Chan obtained a master's degree in corporate finance from the Hong Kong Polytechnic University in 2004. He is currently a fellow of Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants. Mr. Chan has been working in accounting field for about 14 years. He is currently a member of the Remuneration Committee, the Nomination Committee and the Audit Committee.

Mr. Ko Yin Wai, aged 50, was appointed as an independent non-executive Director on 23 December 2011. He currently is an enterprise consultant for Dongguan Changping Qiaohui Lipeng Plastic & Hardware Manufacturing Company (東莞常平橋滙勵鵬塑膠五金製品廠) and a marketing strategic consultant for Shenzhen Lanshuo Communication Equipment Company Limited (深圳市藍碩通訊設備有限公司). Mr. Ko has been working in the electronic consumer products industry for about 16 years. He is currently a member of the Remuneration Committee, the Nomination Committee and the Audit Committee.

獨立非執行董事

陳晨光先生，46歲，於2011年12月23日獲委任為獨立非執行董事。彼為宏峰太平洋集團有限公司(股份代號：8265)的公司秘書。於過往三年，陳先生曾出任創業板上市公司科瑞控股有限公司(股份代號：8109)的獨立非執行董事(由2010年7月至2010年11月)及主板上市公司三和集團有限公司(現稱為仁瑞投資控股有限公司)(股份代號：2322)的執行董事兼公司秘書(由2003年3月至2011年6月)。陳先生於一九九零年獲香港樹仁學院(現稱為香港樹仁大學)頒授工商管理文憑。彼現為英國特許公認會計師公會、香港會計師公會、香港特許秘書公會及英國特許秘書及行政人員公會的資深會員。陳先生擁有逾20年審計、會計及公司秘書經驗。他現為審核委員會、薪酬委員會及提名委員會的主席。

陳智光先生，41歲，於2011年12月23日獲委任為獨立非執行董事。他現時為執業會計師。陳先生於2004年獲香港理工大學頒授企業融資碩士學位。他現為香港會計師公會及英國特許公認會計師公會資深會員。陳先生在會計行業工作約有14年。他現為薪酬委員會、提名委員會及審核委員會的成員。

高賢偉先生，50歲，於2011年12月23日獲委任為獨立非執行董事。他現任東莞常平橋滙勵鵬塑膠五金製品廠的企業顧問，及出任深圳市藍碩通訊設備有限公司的營銷策略顧問。高先生於電子消費產品行業工作約有16年。他現為薪酬委員會、提名委員會及審核委員會的成員。



Profiles of Directors and Senior Management (continued)

董事及高級管理人員的履歷(續)

Mr. Sung Tak Wing Leo, aged 52, was appointed as an independent non-executive Director on 23 December 2011. He currently is the managing director and a responsible officer of King's HT Securities Limited, a licensed corporation under the SFO. Mr. Sung has been a Senator of Junior Chamber International since 2005. He obtained a bachelor's degree of Commerce in Management and Marketing from Curtin University of Technology in Australia in 2002. He also obtained a Master Degree of Accountancy from Lingnan University in 2012. Mr. Sung has been awarded the distinction of an honorary doctor in Business Administration from American Purlinton University on 12 January 2013. He is currently a member of Institute of Public Accountants. Mr. Sung has been working in the securities industry for about 10 years. Before entering into securities industry, He worked for several solicitors' firms in Hong Kong for about 17 years. Mr. Sung is currently a member of the Remuneration Committee, the Nomination Committee and the Audit Committee.

Senior Management

Ms. Tong Suk Fun Sabrina, aged 49, is one of the founders of the Group. She has been a director and the personnel and administration director of one subsidiary of the Company, MiniLogic Device Corporation Limited, since January 2000. Ms. Tong is responsible for personnel and administration management. She worked as HR and Administration Manager of a company for the period from January 2000 to June 2003. As at 31 December 2012, Ms. Tong held interest in 11,762,842 shares of the Company, representing approximately 5.88% interest of the total issued capital of the Company.

Mr. Lam Nim Yin, aged 53, has been the marketing director of one subsidiary of the Company, MiniLogic Device Corporation Limited, since March 2007. He is responsible for sales and marketing activities, logistic and warehouse control. Mr. Lam has been working in semiconductor industry for about 25 years. During the period from 1993 to 2009, he served as a director of a company engaging in trading of electronics such as IC.

Company Secretary

Mr. Liu Kam Lung is the company secretary of the Company. For details of his profile, please refer to the paragraph headed "Executive Directors" under this section.

Compliance Officer

Mr. Li Kwei Chung is the compliance officer of the Company. For details of his profile, please refer to the paragraph headed "Executive Directors" under this section.

宋得榮先生，52歲，於2011年12月23日獲委任為獨立非執行董事。他現任皇冠亨達國際證券有限公司(證券及期貨條例下的持牌法團)的董事總經理及負責人員。宋先生自2005年起出任國際青年商會的參議員。他於2002年獲澳洲科庭科技大學頒授商業管理及市場學學士學位。他亦於2012年獲嶺南大學頒授會計學碩士學位。於2013年1月12日，宋先生獲美國普林頓大學授予工商管理榮譽博士銜。他現為澳洲公共會計師協會會員。宋先生於證券行業工作約有10年。於加入證券行業前，他曾於香港多家律師事務所工作約17年。宋先生現為薪酬委員會、提名委員會及審核委員會的成員。

高級管理人員

湯淑芬女士，49歲，為本集團創辦人之一。她自2000年1月起為本公司一間附屬公司微創高科有限公司的董事及人事及行政總監。湯女士負責人事及行政管理。她曾於2000年1月至2003年6月期間擔任一間公司的人力資源及行政經理。於2012年12月31日，湯女士個人於本公司11,762,842股股份中擁有權益，相當於本公司已發行股本總數的約5.88%權益。

林念賢先生，53歲，自2007年3月起為本公司一間附屬公司微創高科有限公司的營銷總監。他負責銷售及營銷活動、物流及倉庫管理。林先生於半導體行業工作約25年。於1993年至2009年期間，他出任一間公司之董事，該公司從事電子產品(如集成電路)貿易。

公司秘書

廖金龍先生為本公司的公司秘書。有關他的履歷詳情，請參閱本節「執行董事」一段。

監察主任

李桂聰先生為本公司的監察主任。有關他的履歷詳情，請參閱本節「執行董事」一段。



Directors' Report

董事會報告

The directors ("Directors") of Megalogic Technology Holdings Limited (the "Company") are pleased to present their annual report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2012.

Principal Activities and Geographical Analysis of Operation

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are set out in note 32 to the consolidated financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

An analysis of the group's performance for the year by segment information is set out in note 9 to the consolidated financial statements.

Results and Appropriations

The results of the Group for the year ended 31 December 2012 and the state of the Company's and the Group's affairs as at that date are set out in the consolidated financial statements on pages 53 to 55.

The Directors do not recommend the payment of any dividend for the year ended 31 December 2012.

Reserves

Details of the movements in reserves of the Group and the Company during the year are set out in the "Consolidated Statement of Changes in Equity" and note 25(b) to the consolidated financial statements respectively.

Property, Plant and Equipment

Details of movements in property, plant and equipment of the Group during the year are set out in note 17 to the consolidated financial statements.

Share Capital

Details of movements in the share capital of the Company during the year are set out in note 24 to the consolidated financial statements.

宏創高科集團有限公司(「本公司」)董事(「董事」)欣然呈報本公司及其附屬公司(統稱「本集團」)截至2012年12月31日止年度的年報及經審核綜合財務報表。

主要業務及業務的地域分析

本公司的主要業務為投資控股。本公司的附屬公司的主要業務載於綜合財務報表附註32內，本集團的主要業務性質並無重大改變。

於本年度，本集團的分部資料載於綜合財務報表附註9內。

業績及分派

本集團截至2012年12月31日止年度的業績以及本公司及本集團於該日的財務狀況載於第53至55頁的綜合財務報表。

董事不建議派發本年度截至2012年12月31日止之任何股息。

儲備

有關本集團及本公司儲備於年內的變動詳情分別載於綜合財務報表之綜合權益變動表及附註25(b)。

物業、廠房及設備

有關本集團物業、廠房及設備於年內的變動詳情載於綜合財務報表附註17。

股本

有關本公司股本於年內的變動詳情載於綜合財務報表附註24。

Directors' Report (continued)

董事會報告(續)

Distributable Reserves of the Company

The Company's reserve available for distribution as at 31 December 2012, as calculated under Section 79B of the Companies Ordinance, was approximately HK\$6,902,000.

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

Four Years Financial Summary

A summary of the results and of the assets and liabilities of the group for the last 4 years ended is set out on page 9 of the annual report

Purchase, Sale or Redemption of Listed Securities of the Company

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2012.

Share Option Scheme

Details of the Share Option Scheme of the Company adopted during the year are set out in note 30 to the consolidated financial statement.

本公司可供分派儲備

根據公司條例79B本公司於2012年12月31日約港幣6,902,000元可供分派的儲備金額。

優先購買權

本公司組織章程細則或開曼群島法例並無載有優先購買權條文規定本公司須按比例向現有股東發售新股。

四年財務概要

本集團最近4個財政年度之業績及資產與負債概要載於本年報第9頁。

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於截至2012年12月31日止年度概無購買、出售或贖回任何本公司上市證券。

購股權計劃

有關本公司於年內採納的購股權計劃詳情載於綜合財務報表附註30。



Directors' Report (continued)

董事會報告(續)

Directors

The Directors of the Company during the year and up to the date of this report were as follows:

Non-executive Director

Mr. Hui King Chun (*Chairman*)

Executive Directors

Mr. Li Kwei Chung (*Chief Executive Officer*)

Mr. Liu Kam Lung

Mr. Liu Loi Ying

Mr. Lee Cheung Ming (*appointed on 3 August 2012*)

Independent Non-executive Directors

Mr. Chan Sun Kwong

Mr. Chan Chi Kwong Dickson

Mr. Ko Yin Wai

Mr. Sung Tak Wing Leo

In accordance with the Article 83(3) of the Articles of Association of the Company, Mr. Lee Cheung Ming, who was appointed during the year ended 31 December 2012, and shall retire at the forthcoming annual general meeting. Pursuant to the Article 84 of the Articles of Association of the Company, Mr. Chan Chi Kwong Dickson, Mr. Chan Sun Kwong and Mr. Liu Loi Ying shall retire from office as Directors by rotation at the forthcoming annual general meeting respectively. Other than Mr. Liu Loi Ying and Mr. Chan Chi Kwong Dickson who have indicated not to seek for re-election at the forthcoming annual general meeting, the other retiring Directors, namely Mr. Lee Cheung Ming and Mr. Chan Sun Kwong, being eligible, have agreed to offer themselves for re-election at the forthcoming annual general meeting.

Each of the non-executive Directors and independent non-executive Directors is appointed for an initial term of one year commencing from their respective dates of appointment and shall continue thereafter from year to year until terminated by one month's notice in writing served by either party on the other party.

董事

於年內及截至本報告日期為止，本公司的董事如下：

非執行董事

許經振先生(主席)

執行董事

李桂聰先生(行政總裁)

廖金龍先生

廖來英先生

李長銘先生(於2012年8月3日獲委任)

獨立非執行董事

陳晨光先生

陳智光先生

高賢偉先生

宋得榮先生

根據本公司組織章程細則第83(3)條之規定，李長銘先生(於截至2012年12月31止年度期間被委任)應於股東週年大會上退任。根據本公司組織章程細則第84條之規定，陳智光、陳晨光先生及廖來英先生應於股東週年大會上輪值告任董事職務。除廖來英先生及陳智光先生已表示無意於股東週年大會上膺選連任外，其他退任董事包括李長銘先生及陳晨光先生符合資格且同意膺選連任。

各非執行董事及獨立非執行董事已獲委任，初步由各自的委任日期起計為期一年，並將於其後每年繼續生效，直至其中一方給予對方一個月的書面通知而終止。

Directors' Report (continued)

董事會報告(續)

Directors' Services Contracts

No director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Directors' Interests in Contracts

No contracts of significance to which the Company, its controlling shareholder or any of its subsidiaries or fellow subsidiaries 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.

Profiles of Directors' and Senior Management

Profiles of the Directors and senior management of the Group are set out on pages 36 to 39 of this report.

Emolument Policy

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the Directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

Remuneration of Directors and Five Individuals with Highest Emoluments

Details of the emoluments of the Directors and five individuals with highest emoluments are set out in note 13 to the consolidated financial statements.

Retirement Benefit Schemes

Details of the retirement benefit schemes of the Group are set out in note 26 to the consolidated financial statements.

董事服務合約

擬於即將舉行之股東週年大會上膺選連任之董事概無訂立任何不得於一年內在無需支付任何賠償(法定賠償除外)之情況下由本集團終止之服務合約。

董事於合約的權益

於年終或年內任何時間，本公司、其控股股東、或其任何附屬公司或同系附屬公司概無作為一方參與訂立本公司董事於其中直接或間接擁有重大權益的重大合約。

董事及高級管理層的履歷

本集團董事及高級管理層的履歷資料載於本報告第36至39頁。

酬金政策

本集團僱員的酬金政策由薪酬委員會按其表現、資歷及能力而訂立。

本公司董事的酬金由薪酬委員會經考慮本公司的經營業績、個人表現及可比較市場統計數據而釐定。

董事及5名最高酬金人士的薪酬

有關董事及5名最高酬金人士的薪酬詳情載於綜合財務報表附註13。

退休福利計劃

有關本集團的退休福利計劃詳情載於綜合財務報表附註26。

Directors' Report (continued)

董事會報告(續)

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or any Associated Corporation

As at 31 December 2012, the interests and short position of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

Long positions

Ordinary shares of the Company

董事及最高行政人員於本公司或任何相聯法團股份、相關股份及債券的權益及淡倉

於2012年12月31日，按本公司根據證券及期貨條例第352條存置的登記冊所記錄，或按本公司及香港聯合交易所有限公司（「聯交所」）根據創業板上市規則第5.46條的作為上市發行人所需求的董事交易準則所獲通知，董事及最高行政人員於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券的權益及淡倉如下：

好倉

本公司的普通股

Name of Director	Capacity/Nature of Interest	Number of issued ordinary Shares held	Approximate percentage of the issued share capital of the Company
			佔本公司已發行股本的百分比
董事名稱	身份／權益性質	所持已發行普通股數目	
Mr. Hui King Chun 許經振先生	Interest of a controlled company (Note) 受控制法團權益(附註)	78,018,829	39.01%
Mr. Li Kwei Chung 李桂聰先生	Beneficial owner 實益擁有人	11,762,842	5.88%
Mr. Lee Cheung Ming 李長銘先生	Beneficial owner 實益擁有人	2,500,000	1.25%

Note: These shares are beneficially owned by Kith Technologies Limited, which is wholly owned by Kith Enterstand Limited; Kith Enterstand Limited is a wholly owned subsidiary of Kith Limited, which is wholly owned by Kith Holdings Limited; Mr. Hui King Chun has an indirect interest of 61.58% in Kith Holdings Limited.

附註：該等股份由Kith Technologies Limited實益擁有，其由Kith Enterstand Limited全資擁有；Kith Enterstand Limited是Kith Limited的全資附屬公司，其由僑威集團有限公司全資擁有；而許經振先生間接持有僑威集團有限公司的61.58%權益。

Directors' Report (continued)

董事會報告(續)

Save as disclosed above, as at 31 December 2012, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules.

除上文所披露外，於2012年12月31日，概無董事或最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有須記錄於本公司根據證券及期貨條例第352條存置之登記冊內或根據創業板上市規則第5.46條作為上市發行人所要求的董事交易準則。

Arrangements to Purchase Shares or Debentures

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

收購股份或債券的安排

於年內任何時間內，本公司、其控股公司或其任何附屬公司或同系附屬公司概無作為一方參與任何安排，致令本公司董事可藉購入本公司或任何其他法團的股份或債券而獲得利益。

Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares of the Company

As at 31 December 2012, the following persons (other than a director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

主要股東及其他人仕於本公司股份及相關股份的權益及淡倉

於2012年12月31日，本公司根據證券及期貨條例第336條存置之登記冊顯示，以下人仕(除本公司的董事或最高行政人員外)擁有本公司股份及相關股份的權益或淡倉：

Directors' Report (continued)

董事會報告(續)

Long positions

Ordinary shares of the Company

好倉

本公司的普通股

Name of shareholder	Capacity/Nature of Interest	Number of issued ordinary Shares held	Percentage of the issued share capital of the Company
股東名稱	身份／權益性質	所持已發行 普通股數目	佔本公司 已發行股本 的百分比
Kith Technologies Limited	Beneficial owner (Note 1) 實益擁有人(附註1)	78,018,829	39.01%
Kith Enterstand Limited	Interest of a controlled company (Note 1) 受控制法團權益(附註1)	78,018,829	39.01%
Kith Limited	Interest of a controlled company (Note 1) 受控制法團權益(附註1)	78,018,829	39.01%
Kith Holdings Limited 僑威集團有限公司	Interest of a controlled company (Note 1) 受控制法團權益(附註1)	78,018,829	39.01%
Richly Global Investments Limited	Beneficial owner (Note 2) 實益擁有人(附註2)	27,489,276	13.74%
Mr. Cheng Tun Nei 鄭盾尼先生	Interest of a controlled company (Note 2) 受控制法團權益(附註2)	27,489,276	13.74%
China Angel Fund	Beneficial owner 實益擁有人	12,500,000	6.25%
Ms. Tong Suk Fun Sabrina 湯淑芬女士	Beneficial owner 實益擁有人	11,762,842	5.88%

Notes:

附註：

- (1) These shares are beneficially owned by Kith Technologies Limited, which is wholly owned by Kith Enterstand Limited; Kith Enterstand Limited is a wholly owned subsidiary of Kith Limited, which is wholly owned by Kith Holdings Limited.
- (2) These shares are beneficially owned by Richly Global Investments Limited, which is wholly owned by Mr. Cheng Tun Nei.

- (1) 該等股份由Kith Technologies Limited實益擁有，其由Kith Enterstand Limited全資擁有；Kith Enterstand Limited是Kith Limited的全資附屬公司，其由僑威集團有限公司全資擁有。
- (2) 該等股份由Richly Global Investments Limited實益擁有，其由鄭盾尼先生全資擁有。

Save as disclosed above, as at 31 December 2012, no other interests or short positions in the shares or underlying shares of the Company were recorded in the register required to be kept by the Company under section 336 of the SFO.

除上文所披露者外，於2012年12月31日，根據本公司按照證券及期貨條例第336條所存置之登記冊顯示並沒有任何其他本公司股份的權益或淡倉。



Directors' Report (continued)

董事會報告(續)

Major Customers and Suppliers

The approximate percentages in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the year are as follows:

		Sales 銷售	Purchases 採購
The largest customer	最大客戶	49%	N/A 不適用
Five largest customers in aggregate	五大客戶合計	78%	N/A 不適用
The largest supplier	最大供應商	N/A 不適用	34%
Five largest suppliers in aggregate	五大供應商合計	N/A 不適用	80%

None of the Directors, their associates or any shareholders (which to the knowledge of the Directors owned more than 5% of the Company's share capital) had any interest in the Group's five largest customers or suppliers.

主要客戶及供應商

本集團的主要客戶及供應商應佔本年度銷售及採購的概約百分比如下：

董事、彼等之聯繫人士或任何就董事所知擁有本公司逾5%之股東概無擁有於本集團五大客戶或供應商的任何權益。

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.

管理合約

本年度內，本公司並無全盤業務或其中重大部分的管理及行政事宜簽訂或存有任何合約。

Connected Transactions

Significant related party transactions entered into by the Group during the year ended 31 December 2012 are disclosed in note 29 to the consolidated financial statements. The transactions do not fall under the definition of "connected transaction" or "continuing connected transaction" (as the case may be) in Chapter 20 of the GEM Listing Rules.

關連交易

本集團於截至2012年12月31日止年度訂立重大關連人士之交易於綜合財務報表附註第29項披露。根據創業板上市規則第二十章，這等交易不符合關連交易或持續關連交易的定義(視情況而定)。

Sufficiency of Public Float

Based on the information available to the Company and to the knowledge of the Directors, the Company has maintained a sufficient public float since its shares became listed on the Growth Enterprise Market of the Stock Exchange on 19 January 2012 and up to the date of this report.

足夠公眾持股量

根據本公司所得資料及就董事所知，本公司自其股份於2012年1月19日於聯交所創業板上市起及截至本報告日期一直保持足夠公眾持股量。



Directors' Report (continued)

董事會報告(續)

Interest in a Competing Business

During the year ended 31 December 2012, none of the Directors, the controlling shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interest in any business which competes or is likely to compete, directly or indirectly, with the business of the Group or any other conflicts of interest with the Group.

Interests of the Compliance Adviser

As notified by the compliance adviser of the Company, Ample Capital Limited, as at 31 December 2012, except for (i) Ample Capital Limited's participation as the sponsor and its affiliated company, Ample Orient Capital Limited as one of the joint lead managers in relation to the Listing; (ii) the compliance adviser agreement entered into between the Company and Ample Capital Limited dated 29 December 2011 and (iii) the financial adviser agreement entered into between the Company and Ample Capital Limited dated 21 January 2013 in respect of the Proposed Acquisition, neither Ample Capital Limited or its directors, employees or associates had any interest in relation to the Group.

Non-competition Undertaking

In relation to the non-competition undertaking dated 29 December 2011 (the "Undertaking") given by Mr. Hui King Chun, Kith Holdings Limited and each of the executive directors of the Company (collectively the "Covenantors") in favour of the Company and set out in the Company's prospectus dated 30 December 2011, the Covenantors made the annual declaration on the compliance with the Undertaking in this annual report as follows:

- (a) Kith Holdings Limited did not, and procured each of its subsidiaries and associates not to, engage in or be interested or otherwise be involved in any business presently carried on by the Group or any other business that may be carried on from time to time during the term of the Undertaking;

於競爭業務的權益

截至2012年12月31日止年度，概無本公司的董事、控股股東及他們各自的聯繫人(定義見創業板上市規則)於與本集團業務直接或間接構成或可能構成競爭的任何業務中擁有任何權益，而與本集團有任何其他利益衝突。

合規顧問的權益

誠如本公司合規顧問豐盛融資有限公司的告知，於2012年12月31日，除(i)上市項目中擔任保薦人及其關聯公司Ample Orient Capital Limited為其中一位聯席牽頭經辦人，(ii)於2011年12月29日本公司與豐盛融資有限公司訂立的合規顧問協議及(iii)於2013年1月21日本公司與豐盛融資有限公司訂立有關建議收購事項的財務顧問協議外，豐盛融資有限公司或其董事、僱員或聯繫人概無擁有與本集團有關的任何權益。

不競爭承諾

就由許經振先生、僑威集團有限公司及本公司各執行董事(統稱為「契諾承諾人」)於2011年12月29日以本公司為受益人的不競爭承諾(「承諾」)，並載於本公司的2011年12月30日招股章程內，契諾承諾人在本公司年報中作出遵守承諾的聲明如下：

- (a) 僑威集團有限公司不會及促使其各附屬公司及聯繫人士不會從事本集團現時進行的任何業務或任何其他於承諾有效期間可能不時進行的業務或於當中擁有權益或涉及其中：



Directors' Report (continued)

董事會報告(續)

- | | |
|---|---|
| <p>(b) that he/she/it did not and procured that none of his/her/its associates (other than the Group) would, either on his/her/its own account or in conjunction with or on behalf of any person, firm or company, directly or indirectly be interested or engaged in or acquire or hold any rights or otherwise involved in (in each case whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) any business in all the countries and regions presently carried on by the Group or any other business that may be carried on from time to time during the term of the Undertaking ("Business");</p> | <p>(b) 彼不會及促使其聯繫人士(本集團除外)不會自行或聯同或代表任何人士、商號或公司直接或間接擁有或從事或收購本集團現時於所有國家或地區進行的業務，或任何其他於承諾有效期間可能不時進行的業務(「該等業務」)或持有該等業務的任何權利或涉及其中(在各情況下不論是否以股東、合夥人、代理或其他身份及不論有否利潤、回報或其他利益)；</p> |
| <p>(c) if he/she/it and/or any of his/her/its associates (other than the Group) was offered or became aware of any opportunity in relation to the Business, whether directly or indirectly, he/she/it would have notified the Company of such opportunity, provide such information as is reasonably required by the Company as soon as practicable in order to enable it to come to an informed assessment of such opportunity and used his/her/its best endeavours to procure that such opportunity is offered to the Company on terms no less favourable than the terms on which such opportunity is offered on him/her/it and/or his/her/its associates (other than the Group); and</p> | <p>(c) 倘彼及／或其任何聯繫人士(本集團除外)獲提供或知悉與該等業務有關的任何機會(不論直接或間接)，彼須通知本公司該機會、盡快提供本公司合理要求的資料以助其對該機會作出知情評估，且盡其最大努力促使本公司可按不遜於向彼及／或其聯繫人士(本集團除外)提供的條款向本公司提供該機會；及</p> |
| <p>(d) he/she/it provided all information necessary for the enforcement of the Undertaking and made this annual declaration on the compliance with the Undertaking in this annual report.</p> | <p>(d) 彼須提供執行承諾所需的一切資料，並須每年在本公司年報中作出遵守承諾的聲明。</p> |

Event after Reporting Period

Details of material subsequent events of the Group are set out in note 31 to the consolidated financial statements.

結算日後事項

有關本集團重大其後事項的詳情載於綜合財務報表附註31。

Corporate Governance Report

A corporate governance report is set out on pages 19 to 35 of this report.

Mr. Li Kwei Chung whose biographical details are set out on page 36 of this report, is the Compliance Officer of the Company and Mr. Liu Kam Lung whose biographical details are set out on page 37 of this report, is the Company Secretary of the Company.

企業管治報告

本公司的企業管治報告載於本報告第19至35頁。

李桂聰先生(其履歷刊載於本年報第36頁)為本公司之監察主任及廖金龍先生(其履歷刊載於本年報第37頁)為本公司之公司秘書。



Directors' Report (continued)

董事會報告(續)

Auditor

The financial statements have been audited by Graham H.Y. Chan & Co. who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

Mr. Hui King Chun

Chairman

Hong Kong, 19 March 2013

核數師

陳浩賢會計師事務所已審核本財務報表，該核數師任滿告退，但表示願應聘連任。

代表董事會

許經振先生

主席

香港，2012年3月19日



Independent Auditor's Report

獨立核數師報告



GRAHAM H.Y. CHAN & CO.
CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG

TO THE SHAREHOLDERS OF
MEGALOGIC TECHNOLOGY HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Megalogic Technology Holdings Limited (the "Company") and its subsidiaries (together "the Group") set out on pages 53 to 120, which comprise the consolidated and the Company's statement of financial position as at 31 December 2012, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with 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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致宏創高科集團有限公司全體股東

(於開曼群島註冊成立之有限公司)

吾等已審核列載於第53至120頁宏創高科集團有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此等財務報表包括於2012年12月31日的綜合財務狀況表及貴公司之財務狀況表與截至該日止年度的綜合全面收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

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的香港財務報告準則及香港公司條例的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

吾等的責任是根據吾等的審核對該等綜合財務報表作出意見，並僅向整體股東報告，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。

吾等已根據香港會計師公會頒佈的香港審計準則進行審核。該等準則要求吾等遵守道德規範，並規劃及執行審核，以合理確定該等綜合財務報表是否不存有任何重大錯誤陳述。



Independent Auditor's Report (continued)

獨立核數師報告(續)

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 consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2012 and of the Group's 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.

Graham H.Y. Chan & Co.

Certified Public Accountants (Practising)

Rooms 3719–26, 37/F., Sun Hung Kai Centre,
30 Harbour Road, Wanchai,
Hong Kong

19 March 2013

審核涉及執程序以獲取該等綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致該等綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報綜合財務報表相關的內部控制，以設計按有關情況下適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

吾等相信，吾等所獲得的審核憑證能充足和適當為吾等的審核意見提供基礎。

意見

吾等認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於2012年12月31日的財務狀況及 貴集團截至該日止年度的虧損及現金流量，並已按照香港公司條例的披露規定妥為編製。

陳浩賢會計師事務所

執業會計師

香港

灣仔港灣道30號

新鴻基中心37樓3719–26室

2013年3月19日

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2012 截至2012年12月31日止年度

		Notes 附註	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Revenue	收益	7	31,281	59,134
Cost of sales of integrated circuits and provision of integrated circuits packaging service	銷售集成電路及提供晶片包封服務的成本		(24,559)	(36,551)
Gross profit	毛利		6,722	22,583
Other income	其他收入	8	1,749	3
Staff costs	員工成本		(6,071)	(4,764)
Depreciation	折舊		(1,293)	(1,255)
Operating lease rental — land and buildings	經營租賃租金 — 土地及樓宇		(386)	(369)
Other operating expenses	其他經營開支		(9,199)	(3,190)
Expenses incurred in connection with listing	上市所產生開支		(9,272)	—
Finance costs	融資成本	10	—	(9)
(Loss)/profit before income tax	除所得稅前(虧損)/溢利		(17,750)	12,999
Income tax credit/(expenses)	所得稅抵免/(開支)	11	539	(2,203)
(Loss)/profit for the year	年度(虧損)/溢利	12	(17,211)	10,796
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔(虧損)/溢利		(17,211)	10,796
Total comprehensive (loss)/income for the year	年度全面(虧損)/收益總額		(17,211)	10,796
(Loss)/earnings per share attributable to owners of the Company	本公司擁有人應佔每股(虧損)/盈利	16	(HK8.71) cents	HK7.20 cents
Basic and diluted (cents)	基本及攤薄(仙)		港仙	港仙

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2012 於2012年12月31日

		Notes 附註	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	17	3,118	3,443
Current assets	流動資產			
Inventories	存貨	18	6,566	3,972
Trade receivables	應收貿易賬款	19	8,041	20,381
Deposit and prepayments	按金及預付款項	20	1,406	10,182
Tax recoverable	可收回稅項		991	991
Bank balances and cash	銀行結餘及現金	21	43,901	7,635
Total current assets	總流動資產		60,905	43,161
Current liabilities	流動負債			
Trade and other payables	應付貿易及其他應付賬款	22	3,601	2,754
Total current liabilities	總流動負債		3,601	2,754
Net current assets	淨流動資產		57,304	40,407
Total assets less current liabilities	總資產減流動負債		60,422	43,850
Non-current liabilities	非流動負債			
Deferred taxation	遞延稅項	23	—	539
Net assets	淨資產		60,422	43,311
Capital and reserves	資本及儲備			
Share capital	股本	24(a)	20,000	380
Share premium	股份溢價		14,702	—
Reserves	儲備	25(a)	25,720	42,931
Total equity	權益總額		60,422	43,311

Li Kwei Chung

李桂聰

Director

董事

Liu Kam Lung

廖金龍

Director

董事

Statement of Financial Position

財務狀況表

As at 31 December 2012 於2012年12月31日

		Notes 附註	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Non-current assets	非流動資產			
Investment in a subsidiary	於一間附屬公司之投資	32(a)	—	—
Current assets	流動資產			
Prepayment	預付款項		—	249
Amount due from a directly owned subsidiary	應收一間直接持有的 附屬公司的款項	32(b)	380	380
Amount due from an indirectly owned subsidiary	應收一間間接持有的 附屬公司的款項	32(b)	48	—
Bank and cash balances	銀行及現金結餘		41,481	232
Total current assets	總流動資產		41,909	861
Current liabilities	流動負債			
Amount due to an indirectly owned subsidiary	應付一間間接持有的 附屬公司的款項	32(b)	—	510
Other payables	其他應付款項		305	311
Total current liabilities	總流動負債		305	821
Net current assets	淨流動資產		41,604	40
Net assets	淨資產		41,604	40
Capital and reserves	資本及儲備			
Share capital	股本	24(a)	20,000	380
Share premium	股份溢價	25(b)	14,702	—
Retained earnings/(accumulated losses)	保留盈利/(累計虧損)	25(b)	6,902	(340)
Total equity	權益總額		41,604	40

Li Kwei Chung

李桂聰

Director

董事

Liu Kam Lung

廖金龍

Director

董事



Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2012 截至2012年12月31日止年度

			Share capital	Share premium	Merger reserve	Asset revaluation reserve	Retained profits	Total
			股本	股份溢價	合併 儲備	資產重估 儲備	保留溢利	合計
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at 1 January 2011	於2011年1月1日結餘	*	6,249	2,072	—	173	14,021	22,515
Changes in equity for the year ended 31 December 2011:	截至2011年12月31日止年度的權益變動：							
Profit and total comprehensive income for the year	年度溢利及全面收益總額		—	—	—	—	10,796	10,796
Allotment and issue of consideration shares and credited as fully paid for share swap	因換股配發及發行代價股份及入賬列作繳足	24(a)(a-b)	380	—	(380)	—	—	—
Share allotment of MiniLogic HK	微創高科之股份配發	*	1,402	8,598	—	—	—	10,000
Exchange of share upon group reorganization	集團重組之股份互換	24(a)(a-b)*	(7,651)	(10,670)	18,321	—	—	—
Balance at 31 December 2011 and 1 January 2012	於2011年12月31日及2012年1月1日結餘		380	—	17,941	173	24,817	43,311
Changes in equity for the year ended 31 December 2012:	截至2012年12月31日止年度的權益變動：							
Loss and total comprehensive loss for the year	年度虧損及全面虧損總額		—	—	—	—	(17,211)	(17,211)
Issue of shares upon Capitalisation	因資本化發行股份	24(a)(d)	14,620	(14,620)	—	—	—	—
Issue of shares upon Placing	因配售發行股份	24(a)(e)	5,000	35,000	—	—	—	40,000
Expenses incurred in connection with the issue of shares during the year	年內發行股份產生的開支		—	(5,678)	—	—	—	(5,678)
Balance at 31 December 2012	於2012年12月31日結餘		20,000	14,702	17,941	173	7,606	60,422

* MiniLogic Device Corporation Limited ("MiniLogic HK") was incorporated with an authorized share capital of HK\$10,000,000 of 10,000,000 shares HK\$1.0 each and 6,249,027 shares of HK\$1.0 each were issued prior to 1 January 2010. On 28 February 2011, 1,402,173 shares of HK\$1.0 each were issued at an aggregate subscription price of HK\$10,000,000. According to the share swap agreement between the Company, Minilogic Investment Limited ("Minilogic BVI") and the then equity holders of MiniLogic HK on 20 December 2011, the total share capital of 7,651,200 shares and the entire share premium balance of MiniLogic HK was reallocated to merger reserve for the group reorganization.

* 微創高科有限公司(「微創高科」)於註冊成立時的法定股本為10,000,000港元，分為10,000,000股每股面值1.0港元的股份，其中6,249,027股每股面值1.0港元的股份已於2010年1月1日前發行。於2011年2月28日，按總認購價10,000,000港元發行1,402,173股每股面值1.0港元的股份。依據一份由本公司、Minilogic Investment Limited(「Minilogic BVI」)及微創高科的當時權益持有人於2011年12月20日訂立的換股協議，微創高科之總股本7,651,200股股份及全部股份溢價結餘重新分配至集團重組的合併儲備。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2012 截至2012年12月31日止年度

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Operating activities	經營活動		
(Loss)/profit before tax	除稅前(虧損)/溢利	(17,750)	12,999
Adjustment for:	經以下調整：		
— Finance cost	— 融資成本	—	9
— Interest income	— 利息收入	(355)	(3)
— Depreciation of property, plant and equipment	— 物業、廠房及設備折舊	1,293	1,255
— Reversal of allowance for impairment on trade receivables	— 應收貿易賬款減值撥備撥回	—	(17)
— Gain on disposal of property, plant and equipment	— 出售物業、廠房及設備收益	(221)	—
— Provision for slow-moving and obsolete inventories	— 滯銷及過時存貨撥備	648	136
Operating cash flows before working capital changes	未計營運資金變動前經營現金流量	(16,385)	14,379
(Increase)/decrease in inventories	存貨(增加)/減少	(3,242)	5,463
Decrease/(increase) trade receivables	應收貿易賬款減少/(增加)	12,340	(7,851)
Decrease/(increase) in deposit and prepayment	按金及預付款項減少/(增加)	8,776	(7,355)
Increase in trade and other payables	應付貿易及其他		
	應付賬款增加	847	562
Decrease in trade payable to a fellow subsidiary	應付一間同系附屬公司之貿易賬款減少	—	(1,390)
Decrease in amount due to an intermediate holding company	應付一間中間控股公司之款項減少	—	(134)
Cash generated from operations	產生自營運之現金	2,336	3,674
Hong Kong Profits Tax Paid	已付香港利得稅	—	(5,492)
Net cash from/(used in) operating activities	來自/(用於)經營活動之淨現金	2,336	(1,818)

Consolidated Statement of Cash Flows (continued)

綜合現金流量表(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Investing activities	投資活動		
Payment for purchase of property, plant and equipment	購買物業、廠房及設備之付款	(1,311)	(2,147)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	564	—
Interest received	已收利息	355	3
Net cash used in investing activities	用於投資活動之淨現金	(392)	(2,144)
Financing activities	融資活動		
Repayment of bank advances under discounted bills	償還貼現票據之銀行墊款	—	(3,894)
Decrease in advance from Innovation and Technology Fund	來自創新科技基金之墊款減少	—	(398)
Proceeds from issue of shares by a subsidiary	一間附屬公司發行股份之所得款項	—	10,000
Interests on bank borrowings paid	已付銀行借款利息	—	(9)
Issue of shares	發行股份	34,322	—
Net cash from financing activities	來自融資活動之淨現金	34,322	5,699
Net increase in cash and cash equivalents	現金及現金等價物淨增加	36,266	1,737
Cash and cash equivalents at 1 January	於1月1日的現金及現金等價物	7,635	5,898
Cash and cash equivalents at 31 December	於12月31日的現金及現金等價物	43,901	7,635

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

1 General Information

The Company was incorporated in the Cayman Islands on 31 March 2011, as an exempted company with limited liability under the Companies Law Cap. 22 of the Cayman Islands. The address of its registered office is located at Clifton House, 75 Fort Street, P.O. Box 1350 Grand Cayman KY1-1108, Cayman Islands. The address of its principal place of business is located at Unit 508–509, 5th Floor, IC Development Centre, No.6 Science Park West Avenue, Hong Kong Science Park, Pak Shek Kok, Shatin, New Territories, Hong Kong.

The Company's shares were listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 19 January 2012 ("Listing").

The Company is an investment holding company. The principal activity of its subsidiaries (together with the Company referred to as the "Group") is the provision of Integrated Circuit ("IC") solutions and is engaged in design, development and sales of ICs. The details of particulars of subsidiaries of the Company are set out in note 31.

The consolidated financial statements are presented in Hong Kong dollar ("HK\$"), which is the same as the functional currency of the Company and all value are rounded to the nearest thousand except when otherwise indicated.

2 Reorganisation and Basis of Preparation

Through a reorganisation to rationalise the structure of the Group in preparation for the listing of the Company's shares (the "Reorganisation"), the Company has since 20 December 2011 become the holding company of its subsidiaries now comprising the Group. Details of the Reorganisation are fully explained in the paragraphs headed "The Reorganisation" of the section headed "History, Reorganisation and Corporate Structure" to the prospectus of the Company dated 30 December 2011 (the "Prospectus") in connection with the Listing and in note (2) to the consolidated financial statements of annual report 2011.

1 一般資料

本公司於2011年3月31日根據開曼群島法例第22章公司法在開曼群島註冊成立為一間獲豁免有限責任公司。本公司註冊辦事處位於 Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands，而其主要營業地址仍為香港新界沙田白石角香港科學園科技大道西6號集成電路開發中心5樓508–509室。

本公司股份自2012年1月19日起在香港聯合交易所有限公司（「聯交所」）創業板上市（「上市」）。

本公司乃一間投資控股公司，其附屬公司（連同本公司合稱「本集團」）的主要業務為提供集成電路（「集成電路」）的解決方案，並從事集成電路的設計、開發及銷售。有關本公司附屬公司的詳情載於附註31。

綜合財務報表以本公司的功能貨幣港元（「港元」）呈報，除另有指明者外，所有金額均已調整至最接近千港元。

2 重組及編製基準

為籌備本公司股份上市而對本集團架構進行合理重組（「重組」）後，本公司自2011年12月20日起成為現時組成本集團各附屬公司的控股公司。重組詳情載於本公司日期為2011年12月30日的上市招股章程（「招股章程」）「歷史、重組及公司架構」一節「重組」一段以及2011年年報之綜合財務報表附註(2)。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

2 Reorganisation and Basis of Preparation (Continued)

As the companies now comprising the Group were controlled by the Controlling Shareholders before and after the Reorganisation, the Reorganisation was accounted for as a business combination of entities under common control. The consolidated financial statements has been prepared based on the principles and procedures of merger accounting in accordance with Accounting Guideline 5 “Merger Accounting for Common Control Combinations” issued by Hong Kong Institute of Certified Public Accountants (“HKICPA”). Accordingly, the consolidated statements of comprehensive income, consolidated statements of financial position, consolidated statements of changes in equity and consolidated statements of cash flows are prepared as if the current group structure had been in existence throughout the reporting years rather than from the date of incorporation of the Company.

2 重組及編製基準(續)

由於控股股東於重組前後控制現時組成本集團的各公司，故重組作為受共同控制的實體的業務合併入賬。綜合財務報表乃按照香港會計師公會（「香港會計師公會」）發出的會計指引第5號「共同控制合併的合併會計法」的合併會計原則及程序而編製。因此，綜合全面收益表、綜合財務狀況表、綜合權益變動表及綜合現金流量表按猶如現有集團架構於報告年度一直存在編製，而不是自本公司註冊成立日期起。

3 Application of New and Revised Hong Kong Financial Reporting Standards

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”). A summary of the significant accounting policies adopted by the Group is set out below.

3 採納新訂及經修訂香港財務報告準則

(a) 合規聲明

此等綜合財務報表乃按照香港會計師公會頒佈所有適用之香港財務報告準則（該詞彙包括所有適用的香港財務報告準則、香港會計準則及詮釋）、香港普遍適用會計原則以及香港公司條例的披露規定而編製。該等綜合財務報表亦符合香港聯合交易所有限公司創業板證券上市規則（「創業板上市規則」）的適用披露條文。以下列載本集團所採納的主要會計政策概要。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

3 Application of New and Revised Hong Kong Financial Reporting Standards (Continued)

(b) The adoption of new and revised HKFRS

HKICPA has issued a number of new and revised HKFRSs, which are effective for accounting periods beginning on or after 1 January 2012. The Group has adopted the new and revised HKFRSs which are first effective for the current accounting period of the Group and are pertinent to its operations and relevant to these consolidated financial statements. The application of these new and revised HKFRSs has no significant impact on the consolidated financial statements of the Group for the year ended 31 December 2012.

The Group has not applied any new standards, amendments or interpretations that is not yet effective for the current accounting period.

3 採納新訂及經修訂香港財務報告準則(續)

(b) 新訂及經修訂香港財務報告準則的應用

香港會計師公會已頒佈多項新訂及經修訂香港財務報告準則，並於2012年1月1日或以後開始的會計期間生效。本集團已採納此等於本會計期間首次生效及與集團業務及本綜合財務報表有關的新訂及經修訂香港財務報告準則。此等新訂及經修訂之香港財務報告準則對本集團截至2012年12月31日止年度綜合財務報表並無重大影響。

本集團並無採用任何在當前會計期間尚未生效之新準則、修訂本或詮釋。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

3 Application of New and Revised Hong Kong Financial Reporting Standards (Continued)

(c) Impact of issued but not yet effective HKFRSs

The Group has not early applied the following new and revised HKFRSs that potentially relevant to the Group's financial statements but are not yet effective for the accounting year beginning on 1 January 2012.

HKFRS 7 (Amendments)	Offsetting Financial Assets and Financial Liabilities ²
HKFRS 9	Financial Instruments ⁴
HKFRS 10	Consolidated Financial Statements ²
HKFRS 11	Joint Arrangements ²
HKFRS 12	Disclosure of Interest in Other Entities ²
HKFRS 13	Fair Value Measurement ²
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income ¹
HKAS 27 (2011)	Separate Financial Statements ²
HKAS 28 (2011)	Investment in Associates and Joint Ventures ²
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities ³
HKAS 19 (2011)	Employee Benefits ²
HKFRS 10, HKFRS 12 and HKAS 27 (2011) (Amendment)	Investment Entities ³
HKFRS 1 (Amendments)	Government Loans ²
Annual Improvements 2009–2011 Cycle ²	

3 採納新訂及經修訂香港財務報告準則(續)

(c) 已頒佈但尚未生效的香港財務報告準則的影響

本集團並未於本財務報表中提早應用下列可能與本集團財務報表相關，但於2012年1月1日開始的會計年度期間尚未生效的新訂及經修訂香港財務報告準則。

香港財務報告 準則第7號(修訂)	抵銷金融資產 及金融負債 ²
香港財務報告 準則第9號	金融工具 ⁴
香港財務報告 準則第10號	綜合財務報表 ²
香港財務報告 準則第11號	合營安排 ²
香港財務報告 準則第12號	披露其他實體 的權益 ²
香港財務報告 準則第13號	公平值計量 ²
香港會計準則 第1號(修訂)	其他全面收益 項目的呈列 ¹
香港會計準則 第27號(2011)	個別財務報表 ²
香港會計準則 第28號(2011)	投資聯營公司及 合營公司 ²
香港會計準則 第32號(修訂)	抵銷金融資產及 金融負債 ³
香港會計準則 第19號(2011)	僱員福利 ²
香港財務報告準則 第10號、香港財務 報告準則第12號及 香港會計準則 第27號(2011) (修訂)	投資實體 ³
香港財務報告 準則第1號(修訂)	政府貸款 ²
2009年至2011年 週期的年度改進 ²	

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

3 Application of New and Revised Hong Kong Financial Reporting Standards (Continued)

(c) Impact of issued but not yet effective HKFRSs (Continued)

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

HKFRS 7 Amendments require an entity to disclose information about rights to set-off and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with HKAS 32 Financial Instruments: Presentation. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with HKAS 32. The Group expects to adopt the amendments from 1 January 2013. The application of the amendments is unlikely to have any material financial impact on the Group.

HKFRS 9 issued in November 2009 is the first part of phase 1 of a comprehensive project to entirely replace HKAS 39 Financial Instruments: Recognition and Measurement. This phase focuses on the classification and measurement of financial assets. Entity shall classify financial assets as measured at amortised cost or fair value, on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

3 採納新訂及經修訂香港財務報告準則(續)

(c) 已頒佈但尚未生效的香港財務報告準則的影響(續)

- ¹ 於2012年7月1日或之後開始的年度期間生效
- ² 於2013年1月1日或之後開始的年度期間生效
- ³ 於2014年1月1日或之後開始的年度期間生效
- ⁴ 於2015年1月1日或之後開始的年度期間生效

香港財務報告準則第7號(修訂)規定，實體須披露有關抵銷權及相關安排(例如抵押品協議)的資料。該等披露將為使用者提供評估淨額結算安排對實體財務狀況的影響的有用資料。所有根據香港會計準則第32號「金融工具：呈列」抵銷的已確認金融工具須作出該等新披露。該等披露亦適用於受限於可執行的總淨額結算安排或類似協議的已確認金融工具，不論其是否根據香港會計準則第32號抵銷。本集團預期自2013年1月1日起採納該等修訂。應用該等修訂應不會對本集團構成任何重大財務影響。

2009年11月頒佈的香港財務報告準則第9號為完全取代香港會計準則第39號「金融工具：確認及計量」的全面計劃的第一階段第一部分。此階段針對金融資產的分類及計量。實體須根據該實體管理金融資產的業務模式及金融資產的合約現金流量特性，將金融資產分類為可按攤銷成本或公平值計量。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

3 Application of New and Revised Hong Kong Financial Reporting Standards (Continued)

(c) Impact of issued but not yet effective HKFRSs (Continued)

In November 2010, the HKICPA issued additions to HKFRS 9 to address financial liabilities (the “Additions”) and incorporated in HKFRS 9 the current derecognition principles of financial instruments of HKAS 39. Most of the Additions were carried forward unchanged from HKAS 39, while changes were made to the measurement of financial liabilities designated at fair value through profit or loss using the fair value option (“FVO”). For these financial liabilities, the amount of change in the fair value, which is attributable to changes in credit risk should be recognized in other comprehensive income (“OCI”). The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability’s credit risk in OCI would create an accounting mismatch in profit or loss. However, loan commitments and financial guarantee contracts which have been designated under the FVO are scoped out of the Additions.

HKAS 39 is aimed to be replaced by HKFRS 9 in its entirety. Before this entire replacement, the guidance in HKAS 39 on hedge accounting and impairment of financial assets continues to apply. The Group expects to adopt HKFRS 9 from 1 January 2015. The Group will quantify the effect in conjunction with other phases, when the final standard including all phases is issued.

3 採納新訂及經修訂香港財務報告準則(續)

(c) 已頒佈但尚未生效的香港財務報告準則的影響(續)

2010年11月，香港會計師公會就金融負債頒佈香港財務報告準則第9號的新增規定(「新增規定」)，並將香港會計準則第39號金融工具的現有終止確認原則納入香港財務報告準則第9號內。大部分新增規定與香港會計準則第39號一致，維持不變，而變動僅影響透過公平值選擇(「公平值選擇」)以公平值計入損益的金融負債計量。就該等金融負債而言，由信貸風險變動而產生的公平值變動金額，應當於其他全面收益(「其他全面收益」)中確認。除非於其他全面收益中就負債的信貸風險呈列公平值變動會於損益中產生會計差異，否則其餘公平值變動金額於損益呈列。然而，新增規定並不涵蓋按公平值選擇指定的貸款承諾及財務擔保合約。

香港財務報告準則第9號旨在全面取代香港會計準則第39號。於全面取代前，香港會計準則第39號於金融資產之對沖會計及減值方面的指引仍繼續適用。本集團預期自2015年1月1日起採納香港財務報告準則第9號。於頒佈涵蓋所有階段的最終標準時，本集團將連同其他階段量化其影響。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

3 Application of New and Revised Hong Kong Financial Reporting Standards (Continued)

(c) Impact of issued but not yet effective HKFRSs (Continued)

HKFRS 10 establishes a single control model that applies to all entities. It includes a new definition of control which is used to determine which entities are consolidated. The changes introduced by HKFRS 10 require management of the Group to exercise significant judgement to determine which entities are controlled, compared with the requirements in HKAS 27 Consolidated and Separate Financial Statements and HK(SIC)-Int 12 Consolidation — Special Purpose Entities. HKFRS 10 replaces the portion of HKAS 27 that addresses the accounting for consolidated financial statements and HK(SIC)-Int 12. Based on the preliminary analyses performed, HKFRS 10 is not expected to have any impact on the currently held investments of the Group.

HKFRS 11 replaces HKAS 31 Interests in Joint Ventures and HK(SIC)-Int 13 Jointly Controlled Entities — Non-Monetary Contributions by Venturers. It describes the accounting for joint arrangements with joint control. It addresses only two forms of joint arrangements, i.e., joint operations and joint ventures, and removes the option to account for joint ventures using proportionate consolidation. The application of this new standard is unlikely to have any material financial impact on the Group.

HKFRS 12 includes the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities previously included in HKAS 27 Consolidated and Separate Financial Statements, HKAS 31 Interests in Joint Ventures and HKAS 28 Investments in Associates. It also introduces a number of new disclosure requirements for these entities.

3 採納新訂及經修訂香港財務報告準則(續)

(c) 已頒佈但尚未生效的香港財務報告準則的影響(續)

香港財務報告準則第10號建立一項適用於所有實體的單一控制模式。該準則包括控制的新定義，用於確定須綜合的實體。與香港會計準則第27號「綜合及獨立財務報表」及香港(常務詮釋委員會)－詮釋第12號「綜合——特殊目的實體」的規定相比，香港財務報告準則第10號引入的變動規定本集團管理層須作出重大判斷，以確定哪些實體受到控制。香港財務報告準則第10號取代香港會計準則第27號處理綜合財務報表入賬的部分，並替換香港(常務詮釋委員會)－詮釋第12號。基於已作出的初步分析，預期香港財務報告準則第10號不會對本集團現時持有的投資構成任何影響。

香港財務報告準則第11號取代香港會計準則第31號「於合營公司的權益」及香港(常務詮釋委員會)－詮釋第13號「共同控制實體——合營方作出的非貨幣出資」，說明共同控制的合營安排的入賬。該準則僅指明兩種形式的合營安排，即共同經營及合營公司，且取消採用按比例綜合的合營公司的入賬選擇。應用該新準則應不會對本集團構成任何重大財務影響。

香港財務報告準則第12號包括附屬公司、合營安排、聯營公司及非綜合計算的結構性實體的披露規定，該等規定以往包括在香港會計準則第27號「綜合及獨立財務報表」、香港會計準則第31號「於合營公司的權益」及香港會計準則第28號「於聯營公司的投資」內。該準則亦引入該等實體的多項新披露規定。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

3 Application of New and Revised Hong Kong Financial Reporting Standards (Continued)

(c) Impact of issued but not yet effective HKFRSs (Continued)

In July 2012, the HKICPA issued amendments to HKFRS 10, HKFRS 11 and HKFRS 12 which clarify certain transitional guidance on the application of HKFRS 10, provide further relief from full retrospective application of these standards, and limit the requirement to provide adjusted comparative information to only the preceding comparative period. The amendments clarify that retrospective adjustments are only required if the consolidation conclusion as to which entities are controlled by the Group is different from that under HKAS 27 or HK(SIC)-Int 12 at the beginning of the annual reporting period in which HKFRS 10 is applied for the first time. Furthermore, for disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before HKFRS 12 is first applied.

The amendments to HKFRS 10 issued in December 2012 include a definition of investment entities and provide an exception to the consolidation requirement for entities that meet the definition of investment entities. Investment entities are required to account for subsidiaries at fair value through profit or loss in accordance with HKFRS 9, rather than consolidate them. Consequential amendments were made to HKFRS 12 and HKAS 27 (2011). The amendments to HKFRS 12 also set out the disclosure requirements for investment entities. The Group expects that these amendments will not have any impact on the Group as the Company is not an investment entity as defined in HKFRS 10.

3 採納新訂及經修訂香港財務報告準則(續)

(c) 已頒佈但尚未生效的香港財務報告準則的影響(續)

2012年7月，香港會計師公會頒佈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號之修訂以釐清採用香港財務報告準則第10號的部份過渡指引，提供進一步寬免，免除該等準則的完全追溯應用，以及限定僅就上個比較期間提供經調整比較資料。該等修訂釐清，倘於首次應用香港財務報告準則第10號之年度期間開始時，香港財務報告準則第10號及香港會計準則第27號或香港(常務詮釋委員會)－詮釋第12號有關本集團所控制實體之綜合結論有所不同，方須進行追溯調整。此外，就有關未經綜合結構性實體的披露而言，該等修訂將移除首次應用香港財務報告準則第12號前之期間須呈列比較資料的規定。

2012年12月頒佈的香港財務報告準則第10號(修訂)包括投資實體的定義，並為符合投資實體定義的實體提供豁免綜合入賬的規定。根據香港財務報告準則第9號，投資實體須按附屬公司公平值計入損益入賬，而並非予以綜合。香港財務報告準則第12號及香港會計準則第27號(2011)已作出後續修訂。香港財務報告準則第12號(修訂)亦載列投資實體的披露規定。由於本公司並非香港財務報告準則第10號中所界定的投資實體，所以本集團預期該等修訂將不會對本集團構成任何影響。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

3 Application of New and Revised Hong Kong Financial Reporting Standards (Continued)

(c) Impact of issued but not yet effective HKFRSs (Continued)

Consequential amendments were made to HKAS 27 and HKAS 28 as a result of the issuance of HKFRS 10, HKFRS 11 and HKFRS 12. The Group expects to adopt HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (2011), HKAS 28 (2011), and the subsequent amendments to these standards issued in July and December 2012 from 1 January 2013.

HKFRS 13 provides a precise definition of fair value and a single source of guidance for fair value measurement and disclosure requirements for use across HKFRSs. The standard does not change the circumstances in which the Group is required to use fair value, but provides guidance on how fair value should be applied. The Group expects to adopt the standard from 1 January 2013. The application of this new standard is unlikely to have any material financial impact on the Group.

HKAS 1 Amendments change the grouping of items presented in OCI. Items that may be reclassified (or recycled) to profit or loss at a future point in time (for example, net gain on hedge of a net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) would be presented separately from items which will never be reclassified (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings). For the Group, the amendments will affect presentation only and have no impact on the financial position or performance. The Group expects to adopt the amendments from 1 January 2013.

3 採納新訂及經修訂香港財務報告準則(續)

(c) 已頒佈但尚未生效的香港財務報告準則的影響(續)

隨着頒佈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，香港會計準則第27號及香港會計準則第28號亦作出後續修訂。本集團預期自2013年1月1日起採納香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號、香港會計準則第27號(2011)、香港會計準則第28號(2011)，以及於2012年7月及12月頒佈的該等準則的後續修訂。

香港財務報告準則第13號規定了公平值的精確定義、公平值計量的單一來源指引及在香港財務報告準則範圍內使用的披露規定。該準則不會改變本集團須使用公平值的情況，但為如何應用公平值提供指引。本集團預期自2013年1月1日起採用該準則。應用該新準則應不會對本集團構成任何重大財務影響。

香港會計準則第1號(修訂)改變在其他全面收益呈列的項目分組。在未來可重新分類至損益(或於損益重新使用)的項目(例如對沖投資淨額的收益淨額、換算境外業務的匯兌差額、現金流量對沖的變動淨額及可供出售金融資產的淨虧損或收益)將與不得重新分類的項目(例如有關界定福利計劃及重估土地及樓宇的精算收益及虧損)分開呈列。就本集團而言，該等修訂僅影響呈列，並不會對財務狀況或表現構成影響。本集團預期自2013年1月1日起採納該等修訂。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

3 Application of New and Revised Hong Kong Financial Reporting Standards (Continued)

(c) Impact of issued but not yet effective HKFRSs (Continued)

HKAS 32 Amendments clarify the meaning of “currently has a legally enforceable right to set-off” and that some gross settlement systems may be considered equivalent to net settlement. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2014.

Annual Improvements 2009–2011 Cycle issued in June 2012 sets out amendments to a number of HKFRSs. The Group expects to adopt the amendments from 1 January 2013. There are separate transitional provisions for each standard. While the adoption of some of the amendments may result in changes in accounting policies, none of these amendments are expected to have a significant financial impact on the Group:

- (a) HKAS 1 Presentation of Financial Statements: Clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative period is the previous period. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the previous period. The additional comparative information does not need to contain a complete set of financial statements. In addition, the amendment clarifies that the opening statement of financial position as at the beginning of the preceding period must be presented when an entity changes its accounting policies; makes retrospective restatements or makes reclassifications, and that change has a material effect on the statement of financial position. However, the related notes to the opening statement of financial position as at the beginning of the preceding period are not required to be presented.

3 採納新訂及經修訂香港財務報告準則(續)

(c) 已頒佈但尚未生效的香港財務報告準則的影響(續)

香港會計準則第32號(修訂)釐清「目前具有可合法強制執行之抵銷權利」之涵義，而部份總額結算機制可能被視為等同於淨額結算。本集團將自2014年1月1日起採納該等修訂，而該等修訂將不會對本集團的財務狀況或表現構成任何影響。

2012年6月頒佈的2009至2011週期的年度改進載列對多項香港財務報告準則的修訂。本集團預期自2013年1月1日起採納該等修訂。各項準則均設有過渡性條文。雖然採納部分修訂可能導致會計政策變動，但預期該等修訂概不會對本集團構成重大財務影響：

- (a) 香港會計準則第1號「財務報表的呈列」：釐清自願性額外比較資料與最低規定比較資料之間的差異。一般而言，最低規定比較期間為上個期間。當實體自願提供上個期間以外的比較資料時，其須於財務報表的相關附註中載入比較資料。額外比較資料毋須包含完整財務報表。此外，該修訂釐清，當實體變更其會計政策、作出追溯重列或進行重新分類，而有關變動對財務狀況表構成重大影響，則須呈列上個期間開始時的期初財務狀況表。然而，上個期間開始時的期初財務狀況表的相關附註則毋須呈列。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

3 Application of New and Revised Hong Kong Financial Reporting Standards (Continued)

(c) Impact of issued but not yet effective HKFRSs (Continued)

- (b) HKAS 16 Property, Plant and Equipment: Clarifies that major spare parts and servicing equipment that meet the definition of property, plant and equipment are required to be classified as property, plant and equipment, and classified as inventory when the definition is not met.
- (c) HKAS 32 Financial Instruments: Presentation: Clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with HKAS 12 Income Taxes.

HKAS 19 (2011) "Employee Benefits" includes a number of amendments that range from fundamental changes to simple clarifications and re-wording. The revised standard introduces significant changes in the accounting for defined benefit pension plans including removing the choice to defer the recognition of actuarial gains and losses. Other changes include modifications to the timing of recognition for termination benefits, the classification of short-term employee benefits and disclosures of defined benefit plans.

4 Significant Accounting Policies

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain key assumptions and estimates. It also requires the management to exercise their judgments in the process of applying the accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. The areas involving critical judgments and areas where assumptions and estimates are significant to these financial statements are disclosed in note 5 to the financial statements.

3 採納新訂及經修訂香港財務報告準則(續)

(c) 已頒佈但尚未生效的香港財務報告準則的影響(續)

- (b) 香港會計準則第16號「物業、廠房及設備」：釐清符合物業、廠房及設備定義的主要零部件及維修設備須分類為物業、廠房及設備；倘不符合定義，則分類為存貨。
- (c) 香港會計準則第32號「金融工具：呈列」：釐清向權益持有人作出分派所產生的所得稅須按香港會計準則第12號「所得稅」入賬。

香港會計準則第19號(2011)「僱員福利」包括從基本改變以至簡單闡明及重新措辭之多項修訂。經修訂之準則就界定退休福利計劃之入賬引入重大變動，包括取消遞延確認精算收益及虧損之選擇。其他變動包括離職福利確認時間之修改、短期僱員福利之分類及界定福利計劃之披露。

4 重大會計政策

遵照香港財務報告準則編製綜合財務報表須採用若干主要假設及估計，此外亦要求管理人員在採納會計政策過程中作出判斷。儘管該等估計乃根據管理層對現行事件及行動的最佳了解而作出，惟最終實際結果可能與該等估計有差異。涉及重大判斷之範疇，或對該等財務報表有重大影響之假設及估計之範疇於財務報表附註5中披露。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

The consolidated financial statements have been prepared under the historical cost convention, except for property, plant and equipment which is measured at revalued amounts, as explained in the accounting policies set out below.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statement of the Company and entities (including 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 to the effective date of disposal, as appropriate.

All intra- group transactions, balances, income, expenses and unrealized gains on transactions between Group entities are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

(b) Subsidiaries

Subsidiaries are entities in which the Company has the power, directly or indirectly, to govern the financial and operating policies, so as to obtain benefits from their activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Interests in subsidiaries are included in the Company's statement of financial position at cost less any accumulated impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

4 重大會計政策(續)

誠如下文會計政策所闡釋，除物業、廠房及設備以重估金額計量外，該等綜合財務報表乃按歷史成本法編製。

編製該等綜合財務報表所應用的主要會計政策如下。

(a) 綜合基準

綜合財務報表包括本公司及本公司控制的實體(包括特殊目的實體)(其附屬公司)的財務報表。當本公司有權決定一間實體的財務及經營政策，藉以從其業務中獲益時，則被視為擁有該實體的控制權。

於年內收購或出售的附屬公司的業績乃由收購生效日期起至出售生效日期(如適用)為止計入綜合全面收益表中。

所有集團內公司間的交易、結餘、收入、開支及本集團實體間的交易之未實現收益均在綜合賬目時對銷。如有需要，將會就附屬公司的財務報表作出調整，使其會計政策與本集團其他成員公司所用者貫徹一致。

(b) 附屬公司

附屬公司為由本公司擁有直接或間接權力可監督其財務及經營政策的企業，從而自其業務中獲益。於評估控制權時，以目前可行使的潛在投票權作考量。

於附屬公司之投資乃按成本減任何累計減值虧損後計入本公司財務狀況表。附屬公司之業績由本公司按已收及應收股息入賬。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(c) Property, plant and equipment

Property, plant and equipment is stated at historical cost or fair value at the date of revaluation, less subsequent accumulated depreciation and accumulated impairment losses, if any. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from that which would be determined using fair values at the end of the reporting year.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognized in profit or loss during the financial year in which they are incurred.

Any revaluation increase arising on revaluation of an asset is recognised in other comprehensive income, and accumulated under the heading of asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the net carrying amount arising on revaluation of an asset is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the asset revaluation reserve is transferred directly to retained profits.

Depreciation on property, plant and equipment is calculated at rates sufficient to write off their cost or revalued amounts over their estimated useful lives on a straight line basis. The principal annual rates used for this purpose during the reporting year are as follows:

Computer	30%
Furniture and fixtures	20%
Instruments	20%
Office equipment	30%
Motor vehicle	30%
Leasehold improvement	Over the lease term

4 重大會計政策(續)

(c) 物業、廠房及設備

物業、廠房及設備按於重估當日的歷史成本或公平值，並扣除其後累計折舊及累計減值虧損(如有)列賬。重估會定期進行，使賬面值與按於報告年末之公平值釐定之價值不會有重大差別。

其後成本只在與該項目有關的日後經濟利益很可能會流向本集團及該項目的成本能可靠地計量時，始會計入該資產的賬面值內或確認為另一項資產(如適用)。所有其他維修及保養於其發生的財政年度在損益表內確認。

因重估資產產生的任何重估增值於其他全面收益中確認，並累計在資產重估儲備項下，惟倘其屬於撥回同一項資產之前在損益表內確認的重估減值時，如減少在之前已支銷，則該增加撥入損益表內。由於重估資產以致賬面淨額減少，倘其超過列入與該資產之前重估有關的資產重估儲備內的結餘(如有)，則在損益表內確認。其後於出售或報廢某項經重估資產時，於資產重估儲備內應計的重估盈餘直接撥入保留溢利內。

物業、廠房及設備的折舊按足以在其估計可使用期內撇銷其成本或重估金額的比率按直線法計算。於報告年度就此目的所用的主要年率如下：

電腦	30%
傢俱及裝置	20%
工具	20%
辦公室設備	30%
汽車	30%
租賃物業裝修	於租賃期內



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(c) Property, plant and equipment (Continued)

Useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on derecognition of the asset is the difference between the net disposal proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss in the period in which the asset is derecognised.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold or services provided in the normal course of business, net of returns and discounts. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Revenue from the sales of goods

Revenue from the sales of goods is recognized on the transfer of risks and rewards of ownership, which generally coincides with the time when goods are delivered and the title has passed to the customers.

(ii) Revenue from the provision of integrated circuits packaging service

Revenue from the provision of integrated circuits packaging service is recognized in the period in which the relevant service is provided.

4 重大會計政策(續)

(c) 物業、廠房及設備(續)

可使用期及折舊法於各報告期末檢討及調整(如適用)，任何估計變動之影響按預計基準入賬。

以融資租賃持有的資產按與自置資產相同的基準釐定的估計可使用期或按有關租賃期(如較短)折舊。

物業、廠房及設備項目於出售時或預期日後繼續使用該資產不會再產生經濟利益時即終止確認。終止確認該資產所產生的收益或虧損乃有關資產的出售所得款項淨額與賬面值之差額，並於資產終止確認的期間於損益表內確認。

(d) 收益確認

收益按已收或應收之代價之公平值計，相當於在正常業務過程中出售貨物或提供服務應收之金額，扣除退貨及折扣。當經濟利益很可能流向本集團及當收益與成本(如適用)可以可靠地計量時，將按以下方式於損益內確認收益：

(i) 來自銷售貨物的收益

來自銷售貨物的收益在擁有權的風險和回報轉讓時(通常為貨物付運及所有權已轉移予客戶時)，即可確認收益。

(ii) 來自提供晶片包封服務之收益

來自提供晶片包封服務之收益於提供相關服務之期間確認。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(d) Revenue recognition (Continued)

(iii) Revenue from fixed-price contracts

Revenue from fixed-price contracts for the provision of application specific integrated circuit service ("ASIC Service") is recognized under the percentage of completion method, which is based on the services performed to date as a percentage of the total services to be performed under the relevant contract.

(iv) Interest income

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimates future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(e) Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income and 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 year.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises 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)

(d) 收益確認(續)

(iii) 來自固定價格合約的收益

來自提供應用指定集成電路服務(「ASIC服務」)的固定價格合約的收益按照完成百分比法確認，乃根據相關合約截至該日止已提供的服務佔將予提供的全部服務的百分比確認。

(iv) 利息收入

來自金融資產的利息收入根據時間基準經參考尚未償還本金及按適用實際利率(即在該金融資產的預期有效期內恰好將其估計日後所收現金貼現至該資產於初步確認時的淨賬面值的利率)計算。

(e) 稅項

所得稅開支指現時應付的稅項及遞延稅項之總和。

現時應付稅項根據該年度的應課稅溢利計算。應課稅溢利與在綜合全面收益表所呈報的溢利不同，因為其不計入其他年度的應課稅或應扣減收入及開支項目，並且不計入非課稅或不可扣減項目。本集團的現行稅務負債是使用於報告年末已立法或大致上已立法的稅率計算。

遞延稅項按綜合財務報表的資產與負債賬面金額的暫時差額及用以計算應課稅溢利的相應稅基確認。遞延稅項負債一般按所有應課稅暫時差額確認。遞延稅項資產一般按所有可扣減暫時差額確認，但只適用於應課稅溢利將可用於抵銷可扣減暫時差額的情況下。如暫時差額是來自於某項交易而不影響應課稅溢利或會計溢利的其他資產與負債初步確認(業務合併除外)，則上述遞延稅項資產及負債不予確認。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(e) 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 are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year 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 year in which the liability is settled or the asset is realised. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is recognized in profit or loss, except when it relates to items that are recognized in other comprehensive income or directly in equity, in which case, the deferred tax is also recognized in other comprehensive income or directly in equity respectively.

(f) Operating lease

Leases which do not transfer substantially all the risks and rewards of ownership to the lessee are classified as operating leases. Where the Group has the use of assets under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease terms, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Lease should recognise the aggregate benefit of incentives as a reduction of rental expense over the lease term.

4 重大會計政策(續)

(e) 稅項(續)

遞延稅項負債乃就與於附屬公司的投資有關的應課稅暫時差額確認，惟倘本集團可控制暫時差額的撥回且暫時差額於可見將來不可能撥回則除外。來自與上述投資有關的可扣減暫時差額的遞延稅項資產只會在很可能有足夠的應課稅溢利用於暫時差額的利益且預期於可見將來可撥回時才會確認。

對遞延稅項資產的賬面金額於每個報告年末會作出檢討，並在不再可能有足夠的應課稅溢利可用於備抵全部或部份資產時作調減。

遞延稅項資產與負債按預期會用於結算負債及變現資產的年度的稅率計量。遞延稅項資產與負債的計量反映於報告年末會以本集團預期的方式發生的稅務後果，以收回或結算其資產與負債的賬面金額。

遞延稅項於損益中確認，惟當其與於其他全面收益中或直接於權益中確認的項目有關則除外，在這情況下，遞延稅項亦分別於其他全面收益中或直接於權益中確認。

(f) 經營租賃

租賃不會使所有權的絕大部份風險及回報轉移至承租人，則分類為經營租賃。倘本集團透過經營租賃使用資產的情況，則根據租賃作出的付款會於租賃期所涵蓋的會計期間內，以等額於損益表中扣除。若有其他基準能更清楚地反映租賃資產所產生的收益模式則除外。經營租賃協議所涉及的激勵措施均於損益表中確認為租賃淨付款總額的組成部份。租賃項下有關優惠的收益總額應確認為租賃期內的租金支出減少。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(g) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, calculated on the first-in, first-out basis, comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories in the ordinary course of business, less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognized as an expense in the year in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories are recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognized as a reduction in the amount of inventories recognized as an expense in the year in which the reversal occurs.

(h) Financial instruments

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

Financial assets

All the Group's financial assets are classified as loans and receivables. The accounting policies adopted for the Group's financial assets are set out below.

4 重大會計政策(續)

(g) 存貨

存貨按成本與可變現淨值的較低者入賬。成本以先入先出基準計算，包括所有採購成本及令存貨達致其現時地點及狀況的其他成本。可變現淨值指在日常業務過程中存貨的估計售價，減去作出銷售所必需的估計成本。

當存貨出售時，存貨的賬面值於相關收益確認的年度確認為支出。將存貨撇減至可變現淨值及所有存貨虧損金額於撇減或發生虧損的期間確認為支出。撇減存貨的任何撥回金額於發生撥回的年度確認為存貨成本支出的減少。

(h) 金融工具

當集團實體成為工具的合約條款一方時，金融資產及金融負債於綜合財務狀況表確認。金融資產及金融負債初步按公平值計量。與收購或發行金融資產及金融負債(按公平值經損益入賬的金融資產及金融負債除外)直接有關的交易成本於初步確認時加入金融資產或金融負債的公平值或從中扣除(如適用)。與收購按公平值經損益入賬的金融資產或金融負債直接有關的交易成本即時於損益確認。

金融資產

本集團的所有金融資產分類為貸款及應收款項。本集團就其金融資產所採納的會計政策現載於下文。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(h) Financial instruments (Continued)

Financial assets (Continued)

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 year. 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.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of each reporting year subsequent to initial recognition, loans and receivables (including trade receivables and bank balances and cash) are carried at amortised cost using the effective interest rate method, less any identified impairment losses (see accounting policy in respect of impairment on financial assets below), unless the effect of discounting would be immaterial, in which case they are stated at cost less any identified impairment losses.

Impairment of financial assets

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

4 重大會計政策(續)

(h) 金融工具(續)

金融資產(續)

實際利率法

實際利率法是計算金融資產攤銷成本及將利息收入分配於有關年度的一種方法。實際利率是指於初步確認時將金融資產整個預計存在期(或如適用,較短期間)的估計日後現金收益(包括作為實際利率、交易成本及其他溢價或折讓不可分割部份的所有已支付或收取費用)準確貼現至淨賬面值的利率。

債務工具的利息收入以實際利率基準確認。

貸款及應收款項

貸款及應收款項乃非衍生金融資產,其付款為固定或可確定,不在活躍市場報價。於初步確認後的每個報告年末,貸款及應收款項(包括應收貿易賬款及銀行結餘及現金)使用實際利率法以攤銷成本,減去任何已識別減值虧損(見下文有關金融資產減值的會計政策)入賬,除非貼現的影響微不足道,在這情況下,則以成本減去任何已識別減值虧損入賬。

金融資產減值

於每個報告年末,對金融資產評估是否顯示出現減值。倘有客觀跡象顯示由於初步確認金融資產後發生一項或多項事件,令金融資產的估計日後現金流量受影響,則金融資產已減值。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(h) Financial instruments (Continued)

Impairment of financial assets (Continued)

For loans and receivables, objective evidence of impairment could include: (i) significant financial difficulty of the issuer or the counterparty; (ii) default or delinquency in interest or principal payments; (iii) it becoming probable that the borrower will enter bankruptcy or financial re-organization; or (iv) the disappearance of an active market for that financial asset because of financial difficulties.

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

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

4 重大會計政策(續)

(h) 金融工具(續)

金融資產減值(續)

就貸款及應收款項而言，對於減值的客觀跡象，可包括：(i)發行人或對手方有重大財政困難；(ii)拖欠或逾期不還利息或本金付款；(iii)借款人將可能破產或進行財務重組；或(iv)由於財政困難而令該金融資產的活躍市場消失。

獲個別地評估為並無減值的金融資產，例如應收貿易賬款，其後以統一方式評估減值。一個組合的應收款項減值客觀跡象可包括本集團收賬的過往經驗、於組合超逾平均信貸期的延遲還款個案增加及與拖欠應收款項有關的國家或地方經濟狀況的可察覺變化。

就按攤銷成本入賬的金融資產而言，當有該資產減值的客觀跡象時，減值虧損即於損益表確認，並按資產的賬面金額與按金融資產原來的實際利率貼現估計日後現金流量現值兩者之差額計量。

就按成本入賬的金融資產而言，減值虧損的金額按資產的賬面金額與按同類金融資產的現行市場回報率貼現的估計日後現金流量現值兩者之差額計量。上述減值虧損於其後年度不會撥回。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(h) Financial instruments (Continued)

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 recognized 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.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss 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 recognized.

Financial liabilities and equity

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

Effective interest method

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

Interest expense is recognised on an effective interest basis.

4 重大會計政策(續)

(h) 金融工具(續)

所有金融資產的賬面金額直接按減值虧損削減，但應收貿易賬款除外，其賬面金額乃透過使用撥備賬削減。撥備賬賬面金額的變動於損益表中確認。當某項應收貿易賬款被認為無法收回，則於撥備賬內撇銷。其後如收回之前已撇銷的金額，則撥入損益賬。

對於按攤銷成本計量的金融資產，如於其後期間該減值虧損減少，而減少與確認減值虧損後的某項事件存在客觀關係，則之前已確認的減值虧損透過損益撥回，但資產於撥回減值日期的賬面金額不得超過倘並無確認減值的攤銷成本。

金融負債及股本

集團實體發行的金融負債及股本工具乃按照所訂立的合約安排內容及金融負債及股本工具的定義而分類。

實際利率法

實際利率法是計算金融負債攤銷成本及將利息支出分配於有關期間的一種方法。實際利率是指於初步確認時將金融負債的預計存在期(或如適用，較短期間)的估計日後現金付款準確貼現至淨賬面值的利率。

利息支出以實際利率基準確認。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(h) Financial instruments (Continued)

Financial liabilities

Financial liabilities (including trade and other payables) are subsequently measured at amortised cost using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Equity instruments

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

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, 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 directly in other comprehensive income and accumulated in equity is recognised in profit or loss.

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

4 重大會計政策(續)

(h) 金融工具(續)

金融負債

金融負債(包括應付貿易及其他應付賬款)其後使用實際利率法按攤銷成本計量,除非貼現的影響微不足道,在這情況下以成本入賬。

股本工具

股本工具是證明某實體的資產(於扣除所有負債後)有剩餘權益的合約。由有關集團實體發行的股本工具以所收取的款項扣除直接發行成本後列賬。

終止確認

當收取來自資產的現金流的權利完結後,或金融資產已轉讓而本集團已將金融資產所有權的絕大部份風險及回報轉讓,則金融資產被終止確認。終止確認金融資產時,資產的賬面金額與已收取及應收代價及已直接於其他全面收益及累計權益中確認的累計損益總和之差額乃於損益中確認。

當相關合約訂明的責任解除、取消或完結後,金融負債即被終止確認。被終止確認的金融負債賬面金額與已付及應付代價之差額於損益中確認。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(i) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash in hand, deposits held at call with banks and short-term bank deposits with an original maturity period of three months or less. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

(j) Impairment of non-financial assets

At the end of each reporting year, the Group reviews the carrying amounts of its non-financial assets (see the accounting policy in respect of impairment of financial assets above) 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.

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 is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense in profit or loss immediately, 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.

4 重大會計政策(續)

(i) 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金、銀行活期存款和原於三個月或以下到期的短期銀行存款。於要求時償還及構成本集團不可分割的現金管理部份之銀行透支亦列為現金及現金等價物的成份。

(j) 非金融資產減值

於每個報告年度，本集團檢討其非金融資產的賬面金額(見上文有關金融資產減值的會計政策)以決定是否有跡象顯示該等資產產生減值虧損。如有跡象，則會對資產的可收回金額作出估計，以確定減值虧損的多少(如有)。

可收回金額指扣除銷售成本的公平值與使用價值的較高者。於評估使用價值時，估計日後現金流量以反映當時市場對金錢時間價值及尚未調整日後現金流量估計的資產所特有風險的評估的稅前貼現率貼現至其現值。

如資產的可收回金額估計少於其賬面金額，則資產的賬面金額減至其可收回金額。減值虧損即時於損益中確認為支出，除非有關資產根據另一項準則以重估金額入賬，在這情況下，減值虧損將根據該準則視作重估減值處理。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(j) Impairment of non-financial assets (Continued)

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

(k) 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 the reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the year in which they arise.

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. HK\$) at the rate of exchange prevailing at the end of the reporting year, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during that year, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

4 重大會計政策(續)

(j) 非金融資產減值(續)

倘減值虧損其後撥回，則資產的賬面金額增至其修正估計的可收回金額，但已增加的賬面金額不可超過以往年度倘資產並無確認減值虧損所確定的賬面金額。減值虧損的撥回於損益中確認為收入，除非有關資產根據另一項準則以重估金額入賬，在這情況下，減值虧損撥回將根據該準則視作重估增值處理。

(k) 外幣

於編製個別集團實體的財務報表時，以該實體的功能貨幣以外貨幣(外幣)進行的交易均以各自的功能貨幣(即該實體經營所在的主要經濟環境的貨幣)按交易日的當時匯率入賬。於報告年末，以外幣列賬的貨幣項目按當日的當時匯率再換算。以外幣按歷史成本計量的非貨幣項目不須再換算。

來自貨幣項目結算及於再換算貨幣項目時的匯兌差額於其發生的年度於損益中確認。

就呈列綜合財務報表而言，本集團外國業務的資產與負債乃按本集團的呈報貨幣(即港元)按報告年末的當時匯率換算，而其收入及支出按年內的平均匯率換算，除非匯率於年內大幅波動，在這情況下，則使用於各交易日的當時匯率。如出現匯兌差額(如有)，則於其他全面收益及累計權益中的匯兌儲備項下確認。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(l) 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.

All other borrowing costs are recognised in profit or loss in the year in which they are incurred. During the reporting year, all borrowing costs have been expensed.

(m) Employee benefits

(i) Employee leave entitlement

The cost of accumulating compensated absences is recognised as an expense and measured based on the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated as at the end of the reporting year.

(ii) Retirement benefits scheme

The Group participates in defined contribution retirement benefit schemes for those employees who are eligible to participate. The assets of the schemes are held separately from those of the Group in independently administered funds.

Contribution for Mandatory Provident Fund Scheme is made based on a percentage of the participating employees' relevant monthly income from the Group and the contributions are charged to the consolidated income statement as they become payable in accordance with the rules of the scheme.

4 重大會計政策(續)

(l) 借款成本

與收購、建造或生產合資格資產(均屬經一段頗長時間才可按計劃使用或出售的資產)直接有關的借款成本均加入有關資產的成本中，直至資產大致上可按計劃使用或出售。

所有其他借款成本均於其發生的年內在損益中確認。於報告年度，所有借款成本均已支銷。

(m) 僱員福利

(i) 僱員休假權利

累積補假成本確認為開支並根據本集團預計因僱員於報告年末未使用累積權利而應支付的額外數額計算。

(ii) 退休福利計劃

本集團為合資格參與的有關僱員參與界定供款退休福利計劃。計劃之資產與本集團之資產分開持有，並由獨立管理基金保管。

強制性公積金計劃供款根據參與僱員來自本集團的相關月收入的百分比作出，供款於根據計劃的規則成為應支付的時候於綜合收益表扣除。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(n) Research and development expenditure

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the year in which it is incurred.

During the reporting year, all research and development expenditure has been expensed.

4 重大會計政策(續)

(n) 研究與開發開支

研究活動的開支於其產生的年度確認為支出。

當及僅當以下各項得到證明的情況下，來自開發(或來自一個內部項目之開發階段)之內部產生無形資產將予以確認：

- 完成無形資產使可供使用或出售的技術可行性；
- 完成無形資產及使用或出售的意圖；
- 使用或出售無形資產的能力；
- 無形資產將如何產生可能的日後經濟利益；
- 有足夠的技術、財務及其他資源去完成開發及使用或出售無形資產；及
- 能可靠地計量與無形資產於開發時有關的開支。

內部產生的無形資產的初步確認金額乃由無形資產首次符合上述確認準則日期起所產生的開支總和。倘並無可確認的內部產生無形資產，則開發開支於其發生的年內於損益中扣除。

於報告年度，所有研究與開發開支均已支銷。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(o) Provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(p) Related parties

(a) A person, or a close member of that person's family, is related to the Group if 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 the Group's parents.

(b) An entity is related to the Group if any of the following conditions applies:

- (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

4 重大會計政策(續)

(o) 撥備及或然負債

當本集團因過往事件而須負上法律或推定責任，且可能須就履行該等責任而導致經濟利益流出，並能夠就此作出可靠估計，本集團會就該些未能確定發生時間或金額不定的其他負債作出撥備。當數額涉及重大的時間價值時，則撥備按用以履行責任的開支的現值入賬。

倘不一定需要經濟利益流出履行責任或未能可靠估計款額，則該等責任將披露作或然負債，除非出現經濟利益流出的可能性極微。可能出現的責任（僅由發生或不發生一項或多項未來事件而確定）亦披露為或然負債，除非出現經濟利益流出的可能性極微。

(p) 關連人士

(a) 該名人士須符合以下條件時，該名人士或其家族之近親與本集團方有關連：

- (i) 對本集團擁有控制權或聯合控制權；
- (ii) 對本集團擁有重大影響；或
- (iii) 為本集團或本集團母公司之主要管理層成員。

(b) 倘實體適用於以下任何條件，與本集團方有關連：

- (i) 實體與本集團為同一集團公司成員，即母公司、附屬公司及同系附屬公司各自彼此相互關連；

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

4 Significant Accounting Policies (Continued)

(p) Related parties (Continued)

(b) (Continued)

- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) both entities 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 party;
- (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); or
- (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).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

4 重大會計政策(續)

(p) 關連人士(續)

(b) (續)

- (ii) 某一實體為另一實體之聯營公司或合營公司，或為另一實體所屬集團公司成員之聯營公司或合營公司；
- (iii) 實體均為同一第三方之合營公司；
- (iv) 實體為第三實體之合營公司，而另一實體為第三方之聯營公司；
- (v) 實體為本集團或與本集團有關之實體之僱員福利設立離職後福利計劃；
- (vi) 實體受(a)所界定人士控制或聯合控制；或
- (vii) (a)(i)所界定人士對實體擁有重大影響或為實體或該名實體母公司之主要管理層成員。

該名人士之近親是指與該實體交易時預期可影響該人士或受該人士影響之家庭成員。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

5 Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in note 4, management is 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 underlying assumptions are based on past experience, expectations of the future and other information that are considered to be relevant. Actual results may differ from these estimates.

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

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

Impairment of trade receivables

The Group makes impairment of trade receivables based on assessments of the recoverability of the trade receivables, including the aging analysis of the trade debts, the current creditworthiness and/or the past collection history of each debtor. Impairment arises where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debt requires the use of judgment and estimates. Where the actual result is different from the original estimate, such difference will have impact on the carrying value of the trade receivables and doubtful debt expenses in the reporting year in which such estimate has been changed.

Allowance for slow-moving and obsolete inventories

Allowance for slow-moving and obsolete inventories is made based on the aging and estimated net realizable value of inventories. The assessment of the allowance amount involves judgment and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and the allowance charge/write-back in the year in which such estimate has been changed.

5 估計不明朗因素的主要來源

於應用本集團的會計政策(載於附註4)時,管理層須就從其他來源不易得知的資產與負債賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗、對未來的預期及認為相關的其他資料。實際結果可能與這些估計不同。

對估計及相關假設會不斷作出檢討。對會計估計的修正,如修正只影響該年度,則於估計修正的年度確認,或如修正影響現行年度及日後年度,則於修正年度及日後年度確認。

以下是關係到日後的主要假設,以及於報告年末對下一個財政年度的資產與負債賬面值有引致重大調整風險的其他估計不明朗因素主要來源。

應收貿易賬款減值

本集團根據對應收貿易賬款的可收回程度的評估對應收貿易賬款作出減值,包括貿易債項的賬齡分析、各欠債方的現行信譽及/或過往收賬歷史。倘發生事件或改變時,其情況顯示結餘可能無法收回,即出現減值。識別呆壞賬須運用判斷和估計。倘實際結果與原來估計不同,上述差異將會對估計改變的報告年度的應收貿易賬款與呆賬支出賬面金額有影響。

對滯銷及過時存貨的撥備

對滯銷及過時存貨的撥備乃根據存貨的賬齡及估計變現淨值而作出。評估撥備額涉及判斷和估計。倘日後的實際結果與原來估計不同,上述差異將會對上述估計已改變年度的存貨賬面值和扣除/撥回撥備有影響。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

5 Key Sources of Estimation Uncertainty (Continued)

Useful lives of property, plant and equipment

In applying the accounting policy on property, plant and equipment with respect to depreciation, management estimates the useful lives of various categories of property, plant and equipment based on the historical experience of the actual useful lives of assets of similar nature and functions. The Group will revise the depreciation charge where useful lives are different to those previously estimated, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

Provisions and contingent liabilities

The Group recognises provision for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligations and a reliable estimate can be made. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability in a note to the consolidated financial statements.

5 估計不明朗因素的主要來源 (續)

物業、廠房及設備的可用期

在對物業、廠房及設備的折舊應用會計政策時，管理層根據類似性質及功能的資產實際可用期的過往經驗估計各類物業、廠房及設備的可用期。倘可用期與之前估計不同，本集團會修正折舊支出，或撇銷或撇減技術上已過時或已廢棄或出售的非策略性資產。

撥備及或然負債

當本集團因過往事件而須負上法律或推定責任，且可能須就履行該等責任而導致經濟利益流出，並能夠就此作出可靠估計，本集團會就該些未能確定發生時間或金額不定的負債作出撥備。倘不一定需要流出經濟利益履行責任或未能可靠估計款額，則該等責任將於綜合財務報表附註中披露作或然負債。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

6 Financial Instruments

6 金融工具

(a) Categories of financial instruments

The carrying amounts of the Group's financial assets and liabilities as at the end of each reporting year are as follows:

(a) 金融工具的分類

本集團於各報告年末的金融資產與負債賬面值如下：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Group	本集團		
Financial assets:	金融資產：		
Loans and receivables:	貸款及應收款項：		
— Trade receivables	— 應收貿易賬款	8,041	20,381
— Bank balances and cash	— 銀行結餘及現金	43,901	7,635
		51,942	28,016
Financial liabilities:	金融負債：		
Financial liabilities measured at amortised cost:	按攤銷成本計量的金融負債：		
Trade and other payables	應付貿易及其他應付賬款	3,221	2,354
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Company	本公司		
Financial assets:	金融資產：		
Loans and receivables:	貸款及應收款項：		
Amount due from a directly owned subsidiary	應收一間直接持有的 附屬公司的款項	380	380
Amount due from an indirectly owned subsidiary	應收一間間接持有的 附屬公司的款項	48	—
Bank balances and cash	銀行結餘及現金	41,481	232
		41,909	612
Financial liabilities:	金融負債：		
Financial liabilities measured at amortised cost:	按攤銷成本計量的金融負債：		
Amount due to an indirectly owned subsidiary	應付一間間接持有的 附屬公司的款項	—	510
Other payables	其他應付款項	25	11
		25	521

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

6 Financial Instruments (Continued)

(b) Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are described below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) Currency risk

The Group is exposed to foreign currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk include United States dollars ("USD") and Renminbi ("RMB"). In addition, certain bank balances of the Group are also denominated in USD. The Group currently does not have a foreign currency hedging policy with respect to its foreign exchange exposure. However, management monitors foreign exchange exposures and will consider hedging significant foreign currency exposure should the need arise.

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

6 金融工具(續)

(b) 財務風險管理目標及政策

本集團的活動面對多種財務風險：市場風險(包括貨幣風險及利率風險)、信貸風險及流動資金風險。如何減低這些風險的政策載於下文。管理層管理及監察這些風險以確保及時及有效地實施適當的措施。

(i) 貨幣風險

本集團面對的外幣風險，主要透過以相關業務的功能貨幣以外的貨幣進行銷售和採購。帶來風險的貨幣包括美元(「美元」)及人民幣(「人民幣」)。此外，本集團之若干銀行結餘亦以美元計值。本集團目前並無就其外匯風險訂立外幣對沖政策。然而，管理層會監察外匯風險及在有需要時考慮對沖重大外匯風險。

本集團於各報告年末以外幣計值的貨幣資產及貨幣負債的賬面值如下：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Assets	資產		
USD	美元	8,877	22,910
RMB	人民幣	262	450
Liabilities	負債		
USD	美元	1,494	1,793
RMB	人民幣	738	—



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

6 Financial Instruments (Continued)

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

(i) Currency risk (Continued)

Foreign currency sensitivity analysis

The Group mainly exposes to foreign exchange fluctuation of the currencies of USD and RMB against the currency of Hong Kong dollar ("HKD"). The directors consider that the Group's exposure to USD does not give rise to significant foreign currency risk on the ground that HKD is pegged to USD. Therefore, no sensitivity analysis of USD against the functional currency of the respective group entity is disclosed.

A reasonably possible change of 5% in the exchange rate between RMB and HKD would have no material impact on the Group's profit or loss during the reporting year and there would be no material impact on the Group's equity as at the end of each reporting year. The sensitivity analysis includes only outstanding RMB denominated monetary items and adjusts their translation at the end of respective reporting year for a 5% change in the currency rate. 5% is the sensitivity rate used when reporting foreign currency risk in respect of RMB internally to key management personnel and represents management's assessment of the reasonably possible change in the exchange rate of HKD against RMB.

(ii) Interest rate risk

The Group's exposure to cash flow interest rate risk arises primarily from its variable-rate bank deposits.

The Group currently does not have any interest rate hedging policy. However, the management monitors the Group's exposure to interest rate risk on an ongoing basis and will consider hedging interest rate risk should the need arise.

6 金融工具(續)

(b) 財務風險管理目標及政策(續)

(i) 貨幣風險(續)

外幣敏感度分析

本集團主要承受美元和人民幣兌港元(「港元」)的外匯波動。董事認為，由於港元與美元掛鈎，本集團所承受由美元引起的外幣風險並不重大。因此，概無披露美元兌相關集團實體之功能貨幣之敏感度分析。

人民幣與港元之間的匯率可能出現的5%合理變動不會對本集團於報告年度的溢利或虧損構成重大影響，亦不會對本集團於各報告年末之權益構成重大影響。敏感度分析只包括未償還並以人民幣計值之貨幣項目，及於各自之報告年末時作出5%貨幣匯率之匯兌調整。在向主要管理人員內部匯報有關人民幣之外幣風險時，5%為所用的敏感率比率，亦代表管理層評估港元兌換人民幣之合理可能變動。

(ii) 利率風險

本集團承受之現金流量利率風險主要來自其可變利率銀行存款。

本集團現時概無任何利率對沖政策。然而，管理層會持續監控本集團之利率風險，並在有需要時考慮對沖利率。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

6 Financial Instruments (Continued)

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

(ii) Interest rate risk (Continued)

Interest rate sensitivity analysis

The sensitivity analysis below has been prepared based on the exposure to interest rates for the Group's variable-rate bank deposits at the end of each reporting year. The analysis is prepared assuming the amount of these assets and liabilities outstanding at the end of each reporting year were outstanding for the whole year. A 100 basis points increase or decrease in interest rates is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. The analysis has been performed on the same basis throughout the reporting year.

At the end of the reporting year, if interest rates had been 100 basis points higher/lower in respect of the Group's variable rate bank deposits, with all other variables held constant, there would have no significant impact on the Group's profit or loss during the reporting year and on the Group's equity as at 31 December 2012 and 2011.

(iii) Credit risk

The Group's credit risk is primarily attributable to trade receivables and bank deposits. As at 31 December 2012 and 2011, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is the carrying amounts of the respective recognised financial assets as stated in the consolidated statements of financial position.

The Group has a credit policy in place and will perform credit evaluations on all customers requiring credit over a certain amount. The Group also has an export credit insurance with the Hong Kong Export Credit Insurance Corporation to cover risks on non-payment by customers.

6 金融工具(續)

(b) 財務風險管理目標及政策(續)

(ii) 利率風險(續)

利率敏感度分析

以下敏感度分析基於各報告年末本集團之可變利率銀行存款所帶來的利率風險編製。於編製分析時假設於各報告年末結欠的該等資產及負債金額於全年期間內結欠。於向主要管理人員內部匯報利率風險時使用100個基點的利率上升或下降，並代表管理層評估利率變動之合理可能變動。於整段報告年度的分析亦以相同的基準編製。

於報告年末，倘本集團之可變利率銀行存款之利率上升／降低100個基點（而所有其他可變因素保持不變），本集團於報告年度的溢利或虧損及本集團於2012年及2011年12月31日之股本不會受到重大影響。

(iii) 信貸風險

本集團之信貸風險主要是來自應收貿易賬款及銀行存款。於2012年及2011年12月31日，因交易對手未能履行責任而將對本集團造成財務損失之最高信貸風險為綜合財務狀況表所呈列相關已確認金融資產之賬面值。

本集團有適當的信貸政策並將對要求獲得超過若干金額的信貸的所有客戶進行信貸評估。本集團亦有向香港出口信用保險局購買覆蓋某些客戶不繳款之風險之出口信用保險。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

6 Financial Instruments (Continued)

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

(iii) Credit risk (Continued)

In order to minimise the credit risk, the Group reviews the recoverable amount of each individual trade debt regularly to ensure that adequate allowance for impairment losses are made for irrecoverable amounts. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

The Group has concentration of credit risk as the Group's largest trade debtor accounted for 70% and 39% of its total trade receivables as at 31 December 2012 and 31 December 2011 respectively. In addition, the Group's five largest trade debtors accounted for 94% and 86% of its total trade receivables as at 31 December 2012 and 2011 respectively.

The credit risk for liquid funds is limited because such amounts are placed with various banks with good credit ratings.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade receivables are set out in note 19.

(iv) Liquidity risk

The Group's liquidity position is monitored closely by the management of the Group. In the 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 to meet its liquidity requirements in the short and longer term.

During the reporting year, the Group financed its working capital requirements principally by funds generated from operations and issue of shares.

6 金融工具(續)

(b) 財務風險管理目標及政策(續)

(iii) 信貸風險(續)

為盡量減低信貸風險，本集團定期審閱個別貿易債務的可收回金額，以確保為不能收回之金額作出足夠的減值虧損撥備。就此而言，本集團之管理層認為本集團之信貸風險已大幅降低。

於2012年12月31日及2011年12月31日，本集團最大應收貿易賬款分別佔其總應收貿易賬款之70%及39%，故本集團之信貸風險集中。此外，於2012年及2011年12月31日，本集團五大應收貿易賬款分別佔其總應收貿易賬款的94%及86%。

本集團在流動資金方面之信貸風險有限，因為有關資金存放在多間信貸評級良好之銀行。

有關本集團所承受來自應收貿易賬款的信貸風險的進一步定量披露載於附註19。

(iv) 流動資金風險

本集團之管理層會密切監察本集團之流動資金狀況。在管理流動資金風險方面，本集團監控及維持管理層視為充足之現金及現金等價物水平，以為本集團之營運撥資及應付其短期及較長期的流動資金需求。

於報告年度，本集團主要透過營運產生的資金及發行股份提供所需營運資本。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

6 Financial Instruments (Continued)

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

(iv) Liquidity risk (Continued)

The following table details the Group's contractual maturities at the end of each reporting year for its financial liabilities. The table has been drawn up based on 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.

Group		Repayable on demand or within one month 須按要求或 於一個月內 償還 HK\$'000 千港元	Between 1-3 months 一個月至 三個月 HK\$'000 千港元	Between 3 months to 1 year 三個月至 一年 HK\$'000 千港元	Total undiscounted cash flows 未貼現 現金流量 總額 HK\$'000 千港元	Carrying amount 賬面金額 HK\$'000 千港元
本集團						
As at 31 December 2012	於2012年12月31日					
Trade and other payables	應付貿易及其他 應付賬款	3,221	—	—	3,221	3,221
As at 31 December 2011	於2011年12月31日					
Trade and other payables	應付貿易及其他 應付賬款	2,354	—	—	2,354	2,354
Company						
本公司						
As at 31 December 2012	於2012年12月31日					
Other payables	其他應付款項	25	—	—	25	25
As at 31 December 2011	於2011年12月31日					
Amount due to an indirectly owned subsidiary	應付一間間接持有的 附屬公司的款項	510	—	—	510	510
Other payables	其他應付款項	11	—	—	11	11
		521	—	—	521	521

6 金融工具(續)

(b) 財務風險管理目標及政策(續)

(iv) 流動資金風險(續)

下表詳列本集團於各報告年末金融負債之合約到期分析。下表是根據金融負債之未貼現現金流量，並以本集團須要付款的最早日期為基準編製。表內包括利息及主要的現金流量。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

6 Financial Instruments (Continued)

(c) Fair value of financial instruments

The management of the Group considers that the carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statements of financial position approximate their respective fair values.

6 金融工具(續)

(c) 金融工具的公平值

本集團管理層認為，綜合財務狀況表所反映的本集團的金融資產及金融負債賬面值與其各自的公平值相若。

7 Revenue

The Group is principally engaged in the design, development and sales of integrated circuits ("ICs"). Revenue represents the amount received and receivable for goods sold and services provided by the Group at invoiced value, net of returns and discounts, during the year. An analysis of the Group's revenue recognised during the year is as follows:

7 收益

本集團主要從事集成電路的設計、開發和銷售。收益指本集團於年度因出售貨物及提供服務已收及應收金額的發票價值，並扣除退貨及折扣。本集團於年內已確認收益分析如下：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Revenue from sales of ICs	銷售集成電路的收益	25,192	44,713
Revenue from provision of IC packaging service	提供晶片包封服務的收益	5,252	8,073
Revenue from provision of ASIC Service	提供ASIC服務的收益	837	6,348
		31,281	59,134

8 Other Income

8 其他收入

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Interest income	利息收入	355	3
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	221	—
Patents transfer income	專利權轉讓收入	965	—
Sundry income	雜項收入	208	—
		1,749	3

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

9 Segment Information

The chief operating decision maker considers that the Group's activities constitute one operating segment as all of the Group's operation relate to the design, development and sales of integrated circuits. The management of the Group makes decisions about resource allocation and performance assessment on a group basis. It is determined that the Group has only one single reporting segment, being the design, development and sales of integrated circuits. As a result, no segment information other than the entity-wide disclosure is presented.

An analysis of the Group's revenue from major products and services is set out in note 8 above.

Information about major customers

The Group's revenue from customers which accounted for 10% or more of the Group's total revenue are as follows:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Customer A	客戶A	15,355	18,098
Customer B	客戶B	3,497	8,052
		18,852	26,150

9 分部資料

首席營運決策者認為，由於本集團所有業務均與設計、開發和銷售集成電路有關，故本集團的活動構成一個單一經營分部。本集團的管理層就資源分配和表現評估按集團基準而作出決定。本集團確定只有一個單一呈報分部，即設計、開發和銷售集成電路。因此，除整個實體作出披露外，並無呈報分部資料。

本集團來自主要產品和服務的收益分析載於上文附註8。

有關主要客戶的資料

來自佔本集團總收益10%或以上的客戶的本集團收益如下：

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

9 Segment Information (Continued)

Geographical information

The Group's operations are located in Hong Kong. The geographical location of customers is based on the location of the customers, irrespective of the origin of the goods or services. The geographical location of the non-current assets is based on the physical location of the asset, in the case of property, plant and equipment. The Group's revenue from external customers and information about its non-current assets by geographical location of the assets are set out below:

Revenue from external customers

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Hong Kong (place of domicile)	香港(居駐地)	5,048	17,966
The PRC, excluding Hong Kong and Taiwan	中國，不包括香港及台灣	23,094	30,293
Germany	德國	248	2,142
Korea	韓國	1,565	4,201
Russia	俄羅斯	13	3,533
Taiwan	台灣	822	999
Others	其他	491	—
		31,281	59,134

Non-current assets

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Hong Kong (place of domicile)	香港(居駐地)	690	598
The PRC, excluding Hong Kong and Taiwan	中國，不包括香港及台灣	225	85
Taiwan	台灣	2,203	2,312
Korea	韓國	—	448
		3,118	3,443

9 分部資料(續)

地域資料

本集團的業務位於香港。客戶的地域位置乃根據客戶的所在地而定，而不論貨物或服務的來源地。就物業、廠房及設備而言，非流動資產的地域位置乃根據資產的實際地點而定。本集團按地域位置劃分來自外界客戶的收益及有關其非流動資產的資料如下：

來自外界客戶的收益

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

10 Finance Costs

10 融資成本

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Interests on:	以下的利息：		
Bank borrowings wholly repayable within 5 years	須於五年內全數償還的 銀行借款	—	9

11 Income Tax Credit/(Expenses)

11 所得稅抵免／(開支)

Income tax credit/(expense) recognized in profit or loss

於損益中確認的所得稅抵免／(開支)

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Current tax — Hong Kong Profits Tax	即期稅項 — 香港利得稅年度		
provision for the year	撥備	—	(2,053)
Deferred tax (note 23)	遞延稅項(附註23)	539	(150)
		539	(2,203)

No provision for Hong Kong Profits Tax is made since the Group has no estimated assessable profit for the year ended 31 December 2012. Hong Kong Profits Tax has been provided at a rate of 16.5% based on the estimated assessable profit for the year ended 31 December 2011.

由於本集團於截至2012年12月31日止年度並無產生任何估計應課稅溢利，故並無就香港利得稅作出撥備。截至2011年12月31日止年度的香港利得稅撥備按估計應課稅溢利的16.5%作出。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

11 Income Tax Credit/(Expenses) (Continued)

The income tax (credit)/expense for the year can be reconciled to the (loss)/profit before tax per the consolidated statements of comprehensive income as follows:

11 所得稅抵免／(開支)(續)

本年度的所得稅(抵免)／開支可與綜合全面收益表的除稅前(虧損)／溢利對賬如下：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
(Loss)/profit before tax	除稅前(虧損)／溢利	(17,750)	12,999
Tax at the applicable income tax rate of 16.5%	按16.5%的適用所得稅稅率計算的稅項	(2,929)	2,145
Tax effect of expenses not deductible for tax purpose	就稅項而言不可扣減開支的稅務影響	1,857	59
Tax effect of income not taxable for tax purpose	就稅項而言無須課稅收入的稅務影響	(58)	(1)
Deferred tax assets not recognized	未確認遞延稅項資產	591	—
Income tax (credit)/expense for the year	年度所得稅(抵免)／開支	(539)	2,203

12 (Loss)/Profit for the Year

12 年度(虧損)／溢利

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
(Loss)/profit for the year has been arrived at after charging and (crediting):	年內(虧損)／溢利已扣除及(計入)：		
Auditors' remuneration	核數師薪酬	380	400
Cost of inventories recognized as an expense*	確認為開支的存貨成本*	22,992	34,448
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,293	1,255
Legal and professional fee	法律及專業費用	703	682
Design and development fee	設計及開發費	4,600	183
Staff costs including directors' emoluments	包括董事酬金的員工成本		
— Salaries, bonus and benefits in kind	— 薪金、花紅及實物福利	5,889	4,618
— Contributions to Mandatory Provident Fund	— 強制性公積金供款	167	134
— Staff welfare	— 員工福利	15	12
Reversal of allowance for impairment on trade receivables	應收貿易賬款減值撥備撥回	—	(17)

* including provision for slow-moving and obsolete inventories of approximately HK\$648,000 (2011: HK\$136,000)

* 包括滯銷及過時存貨撥備約648,000港元(2011年：136,000港元)

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

13 Remuneration of Directors and Five Highest Paid Individuals

(a) Directors' remuneration

Directors' remuneration for the year is as follows:

		Year ended 31 December 2012 截至2012年12月31日止年度				
Name of Directors		Directors' fees	Salaries	Incentive bonuses	Employer's contributions Other benefits to Mandatory Provident Fund	Total
董事姓名		董事袍金	薪金	獎勵性花紅	其他福利 (附註2) 僱主供款 公積金	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<i>Executive directors</i> 執行董事						
Li Kwei Chung 李桂聰	(Chief Executive) (行政總裁)	—	769	—	28	811
Liu Loi Ying 廖來英		—	675	—	14	690
Liu Kam Lung 廖金龍		—	500	—	11	511
Lee Cheung Ming (Note 1) 李長銘(附註1)		—	107	—	5	112
<i>Non-executive directors</i> 非執行董事						
Hui King Chun 許經振		—	—	—	—	—
Sung Tak Wing Leo 宋得榮		100	—	—	—	100
Chan Sun Kwong 陳晨光		120	—	—	—	120
Chan Chi Kwong Dickson 陳智光		100	—	—	—	100
Ko Yin Wai 高賢偉		100	—	—	—	100
Total 合計		420	2,051	—	29	2,544

13 董事及五名最高薪酬人士的酬金

(a) 董事酬金

年內的董事酬金如下：



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

13 Remuneration of Directors and Five Highest Paid Individuals (Continued)

(a) Directors' remuneration (Continued)

Directors' remuneration for the year is as follows:

Name of Directors 董事姓名	Directors' fees 董事袍金 HK\$'000 千港元	Salaries 薪金 HK\$'000 千港元	Incentive bonuses 獎勵性花紅 HK\$'000 千港元	Other benefits (Note 2) 其他福利 (附註2) HK\$'000 千港元	Employer's contributions to Mandatory Provident Fund 強制性公積金 僱主供款 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<i>Executive directors</i> 執行董事						
Li Kwei Chung (Chief Executive) 李桂聰 (行政總裁)	—	726	250	25	12	1,013
Liu Loi Ying 廖來英	—	530	—	—	12	542
Liu Kam Lung 廖金龍	—	81	—	—	4	85
<i>Non-executive directors</i> 非執行董事						
Hui King Chun 許經振	—	—	—	—	—	—
Sung Tak Wing Leo 宋得榮	2	—	—	—	—	2
Chan Sun Kwong 陳晨光	3	—	—	—	—	3
Chan Chi Kwong Dickson 陳智光	2	—	—	—	—	2
Ko Yin Wai 高賢偉	3	—	—	—	—	3
Total 合計	10	1,337	250	25	28	1,650

Notes:

- Mr. Lee Cheung Ming was appointed on 3 August 2012.
- Other benefits include car park rental allowance and leave pay.
- Pursuant to an agreement entered into between MiniLogic HK and Mr. Li Kwei Chung on 3 January 2011, Mr. Li was entitled to a bonus amounting to HK\$ 250,000 for the year of 2011. The entitlement to the aforesaid bonus is vested on Mr. Li's continuity to work with MiniLogic HK for the year from 1 January 2011 to 31 December 2011.

附註：

- 李長銘先生於2012年8月3日獲委任。
- 其他福利包括停車場租金補貼及假期薪資。
- 根據微創高科與李桂聰先生於2011年1月3日訂立的協議，李先生於2011年可獲得250,000港元的花紅。獲得前述花紅的條件為李先生於2011年1月1日至2011年12月31日的年度繼續於微創高科工作。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

13 Remuneration of Directors and Five Highest Paid Individuals (Continued)

(b) Five highest paid individuals' remuneration

The five highest paid individuals of the Group included three and two directors of the Company for the years ended 31 December 2012 and 2011 respectively, details of whose emoluments are included in the disclosures in above. The emoluments of the remaining two and three highest paid individuals for the year ended 31 December 2012 and 2011 respectively, are as follows:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,145	1,385
Contributions to Mandatory Provident Fund	強制性公積金供款	26	36
		1,171	1,421

The emoluments of the 2 (2011: 3) individuals with the highest emoluments are within the following bands:

		Number of individuals 人數	
		2012 2012年	2011 2011年
Nil to \$1,000,000	零港元至1,000,000港元	2	3

None of emoluments has been paid to these individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the financial year (2011: nil). In addition, none of the directors of the Company has waived any emoluments during the year.

13 董事及五名最高薪酬人士的酬金(續)

(b) 五名最高薪酬人士的酬金

本集團截至2012年及2011年12月31日止年度的五名最高薪酬人士當中，分別包括本公司三名及兩名董事，其薪酬詳情列入上文披露中。截至2012年12月31日止年度餘下兩名及截至2011年12月31日止年度餘下三名最高薪酬人士的薪酬如下：

該兩名(2011年：三名)最高薪酬個人的薪酬介乎以下範圍：

財政年內，本集團並無向上述人士支付酬金作為鼓勵加入或於其加入本集團時的獎勵或作為離職的補償(2011年：無)。此外，概無本公司董事於年內放棄任何酬金。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

14 (Loss)/Profit Attributable to Owners of the Company

The consolidated loss attributable to owners of the Company includes a profit of approximately HK\$7,242,000 (2011: a loss of approximately HK\$340,000) which has been dealt with in the financial statements of the Company.

14 本公司擁有人應佔(虧損)/溢利

本公司擁有人應佔綜合虧損包括已於本公司財務報表處理之約7,242,000港元之溢利(2011年：約340,000港元之虧損)。

15 Dividends

No dividends was declared or paid during the year ended 31 December 2012 (2011: nil).

15 股息

截至2012年12月31日止年度，並無宣派或支付任何股息(2011年：無)。

16 (Loss)/Earnings per Share

The calculation of basic loss per share is based on the consolidated loss attributable to owners of the Company for the year ended 31 December 2012 of approximately HK\$17,211,000 (2011 profit : approximately HK\$10,796,000), and the weighted average number of shares in issue during the year ended 31 December 2012 of 197,540,983 (2011: 150,000,000 shares in issue, being the number of shares in issue immediately after the completion of capitalization issue as detailed in note 24(a)(d) throughout the year).

The Group did not have any dilutive potential ordinary shares during the year ended 31 December 2012 and 2011.

16 每股(虧損)/盈利

截至2012年12月31日止年度的每股基本虧損乃根據本公司擁有人應佔綜合虧損約17,211,000港元(2011年溢利：約10,796,000港元)及截至2012年12月31日止年度已發行股份加權平均數目197,540,983股股份(2011年：整個年度已發行150,000,000股股份，即如附註24(a)(d)所詳述緊接資本化發行完成後已發行的股份數目)計算。

本集團於截至2012年及2011年12月31日止年度並無任何具攤薄潛力的普通股。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

17 Property, Plant and Equipment

17 物業、廠房及設備

		Computer Equipment	Instruments	Office Equipment	Motor Vehicle	Furniture and Fixture	Leasehold improvement	Total
		電腦設備	工具	辦公室 設備	汽車	傢俱及 裝置	租賃物業 裝修	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Valuation:	估值：							
At 1 January 2011	於2011年1月1日	69	2,444	7	18	13	—	2,551
Additions	添置	104	2,033	—	—	10	—	2,147
At 31 December 2011	於2011年12月31日	173	4,477	7	18	23	—	4,698
At 1 January 2012	於2012年1月1日	173	4,477	7	18	23	—	4,698
Additions	添置	42	1,267	—	—	2	—	1,311
Disposals	出售	—	(543)	—	—	—	—	(543)
At 31 December 2012	於2012年12月31日	215	5,201	7	18	25	—	5,466
Accumulated depreciation	累計折舊							
At 1 January 2011	於2011年1月1日	—	—	—	—	—	—	—
Charge for the year	年內折舊	71	1,150	6	18	10	—	1,255
At 31 December 2011	於2011年12月31日	71	1,150	6	18	10	—	1,255
At 1 January 2012	於2012年1月1日	71	1,150	6	18	10	—	1,255
Charge for the year	年內折舊	63	1,225	1	—	4	—	1,293
Written back on disposals	於出售時撥回	—	(200)	—	—	—	—	(200)
At 31 December 2012	於2012年12月31日	134	2,175	7	18	14	—	2,348
Net book value	賬面淨值							
At 31 December 2012	於2012年12月31日	81	3,026	—	—	11	—	3,118
At 31 December 2011	於2011年12月31日	102	3,327	1	—	13	—	3,443

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

17 Property, Plant and Equipment (Continued)

The Group's property, plant and equipment were revalued as at 31 December 2010 by an independent firm of surveyors, Norton Appraisals Limited, by reference to market evidence of recent transactions for similar assets.

Had the Group's property, plant and equipment been carried at cost less accumulated depreciation, the carrying values of property, plant and equipment as at 31 December 2012 and 31 December 2011 would have been stated as follows:

17 物業、廠房及設備(續)

本集團於2010年12月31日的物業、廠房及設備由一間獨立測量行普敦國際評估有限公司參考市場同類資產新近交易的憑證作出重估。

倘本集團的物業、廠房及設備以成本減累計折舊入賬，則於2012年12月31日及2011年12月31日的物業、廠房及設備的賬面值會列賬如下：

		Cost 成本 HK\$'000 千港元	2012 2012年 Accumulated Depreciation 累計折舊 HK\$'000 千港元	Carrying values 賬面值 HK\$'000 千港元
Computer equipment	電腦設備	514	426	88
Instruments	工具	9,716	6,632	3,084
Office equipment	辦公室設備	44	44	—
Furniture and fixtures	傢俱及裝置	90	77	13
Motor vehicles	汽車	166	166	—
Leasehold improvement	租賃物業裝修	150	150	—
		10,680	7,495	3,185

		Cost 成本 HK\$'000 千港元	2011 2011年 Accumulated Depreciation 累計折舊 HK\$'000 千港元	Carrying Values 賬面值 HK\$'000 千港元
Computer equipment	電腦設備	473	363	110
Instruments	工具	9,034	5,483	3,551
Office equipment	辦公室設備	44	41	3
Furniture and fixtures	傢俱及裝置	88	73	15
Motor vehicles	汽車	166	166	—
Leasehold improvement	租賃物業裝修	150	148	2
		9,955	6,274	3,681

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

18 Inventories

18 存貨

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Raw materials	原材料	983	1,064
Work in progress	在製品	2,599	867
Finished goods	成品	3,768	2,177
		7,350	4,108
Less: Provision for slow- moving and obsolete inventories	減：滯銷及過時存貨撥備	(784)	(136)
		6,566	3,972

As at 31 December 2012, slow-moving and obsolete inventories amounting to approximately HK\$784,000 (2011: HK\$136,000) had been fully provided. Apart from that no inventory was carried at net realizable value.

於2012年12月31日，除滯銷及過時存貨約784,000港元(2011年：136,000港元)已作全面撥備外，並無存貨以可變現淨值入賬。

19 Trade Receivables

19 應收貿易賬款

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Trade receivables	應收貿易賬款	8,041	20,381



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

19 Trade Receivables (Continued)

The Group normally allows a credit period ranging from “cash on delivery” to 90 days to its trade customers as at 31 December 2012 and 2011. The following is an aged analysis of trade receivables at the end of each year, presented based on the invoice date:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
0 – 30 days	0–30日	1,827	8,462
31 – 60 days	31–60日	1,858	4,361
61 – 90 days	61–90日	1,891	3,788
More than 90 days	超過90日	2,465	3,770
		8,041	20,381

Amounts included in trade receivables at 31 December 2012 and 2011 related to both IC sold and services performed under ASIC services contracts and invoiced to those customers.

The Group has concentration of credit risk as 70% (31 December 2011: 39%) of the total trade receivable was due from the Group's largest customer during the year. The Group has implemented policies that require appropriate credit checks on potential customers before granting credit. The Group has adopted a policy of only dealing with creditworthy counterparties. The Group's exposure and credit ratings of its counterparties are monitored by management. The maximum credit risk of such financial assets is represented by the carrying value of asset.

Before accepting any new customer, the Group uses an internal credit assessment process to assess the potential customer's credit quality and defines credit limits by customer. Credit limits attributed to customers are reviewed by the management regularly. In determining recoverability of a trade receivable, the Group considers any change in credit quality of the trade receivable from the date credit was initially granted up to the end of the year and no impairment is necessary for these balances which are not past due.

19 應收貿易賬款(續)

於2012年及2011年12月31日，本集團通常為其貿易客戶提供「貨到付款」至90日的信貸期。以下是於各年末的應收貿易賬款的賬齡分析，根據發票日期呈列：

於2012年及2011年12月31日，列入應收貿易賬款的款項與集成電路銷售及根據ASIC服務合約提供服務有關，並已向該等客戶開具發票。

由於年內應收貿易賬款總額的70% (2011年12月31日：39%)均來自本集團的最大客戶，因此本集團面臨集中信貸風險。本集團已制定政策，要求授出信貸前對潛在客戶進行適當信貸審查。本集團的政策為僅與信譽良好的對手方進行交易，而管理層亦會注意本集團所面對的風險及其對手方的信貸評級。相關金融資產的最高信貸風險為資產的賬面值。

於接納任何新客戶之前，本集團運用內部信貸評估程序以評估潛在客戶的信貸質素及界定客戶的信貸限額。給予客戶的信貸限額由管理層定期檢討。釐定應收貿易賬款的可收回程度時，本集團考慮自初次授出信貸當日至年末期間應收貿易賬款信貸質素的任何轉變，且該等尚未逾期的結餘毋需作出減值。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

19 Trade Receivables (Continued)

Included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately HK\$4,032,000 and HK\$9,512,000 which are past due as at 31 December 2012 and 2011 respectively for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances.

The aging analysis of the Group's trade receivables which are past due but not impaired is as follows:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
0 – 30 days	0–30 日	274	213
31 – 60 days	31–60 日	611	2,716
61 – 90 days	61–90 日	680	4,545
More than 90 days	超過90 日	2,465	2,038
		4,030	9,512

Trade receivables that were past due but not impaired related to a number of independent customers for whom there is no recent history of default. Based on past experience, management believes that no impairment allowance is necessary as there has not been a significant change in credit quality up to the date of this report and the balances are still considered fully recoverable. Majority of the Group's trade receivables which are past due but not impaired as at 31 December 2012 has been received after 31 December 2012.

19 應收貿易賬款(續)

列入本集團應收貿易賬款結餘中有賬面值合共約為4,032,000港元及9,512,000港元的應收款項，該等款項已分別於2012年及2011年12月31日逾期，而本集團尚未為減值虧損作出撥備。本集團並無就該等結餘持有任何抵押品。

本集團的已逾期但未減值的應收貿易賬款賬齡分析如下：

已逾期但未減值的應收貿易賬款與近期並無拖欠記錄的若干獨立客戶有關。根據過往經驗，管理層認為毋需作出減值撥備，原因是截至本報告日期信貸質素並無重大改變，而結餘仍被視為可全數取回。於2012年12月31日已逾期但未減值的本集團大部分應收貿易賬款已於2012年12月31日後收回。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

19 Trade Receivables (Continued)

Movement in the allowance for doubtful debts on trade receivables during the year is as follows:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	—	1,236
Reversal of allowance during the year	年內撥備撥回	—	(17)
Amount written off during the year as uncollectible	年內撇銷為不可收收款項 的金額	—	(1,219)
Balance at end of the year	年終結餘	—	—

19 應收貿易賬款(續)

應收貿易賬款呆賬撥備於年內的變動如下：

20 Deposits and Prepayments

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Deposit for purchase of raw materials	採購原材料之按金	169	430
Deposit for purchase of instruments	採購工具之按金	92	433
Rental and utilities deposits for leased properties	租賃物業之租金及水電按金	140	124
Prepayment of listing expenses	上市開支之預付款項	—	8,380
Prepayment of sample charges	樣板費之預付款項	—	119
Deposits for design service	設計服務之按金	758	549
Others	其他	247	147
		1,406	10,182

20 按金及預付款項

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

21 Bank Balances and Cash

Bank balances and cash comprise cash and short-term deposits with an original maturity of three months or less which are held with financial institutions and carry interest at prevailing market rates. The average effective interest rates of the Group's bank balances are 0.88% and 0.07% per annum, as at 31 December 2012 and 2011 respectively.

21 銀行結餘及現金

銀行結餘及現金包括現金及存放於金融機構原到期時間為三個月或以下及以現行市場利率計息的短期存款。於2012年及2011年12月31日，本集團銀行結餘的平均實際年利率分別為0.88%及0.07%。

22 Trade and Other Payables

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Trade payables	應付貿易賬款	1,524	1,808
Other payables and accruals	其他應付及應計款項	2,077	946
		3,601	2,754

An aging analysis of the Group's trade payables presented based on the invoice date at the end of each year, is as follows:

本集團於各年末按發票日期呈列的應付貿易賬款的賬齡分析如下：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
0 – 30 days	0–30日	833	1,715
31 – 60 days	31–60日	428	2
61 – 90 days	61–90日	172	—
More than 90 days	超過90日	91	91
		1,524	1,808

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

23 Deferred Taxation

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

23 遞延稅項

於綜合財務狀況表確認的遞延稅項(資產)/負債組成部分以及其於年內的變動如下：

		Revaluation of property, plant and equipment 重估物業、 廠房及設備 HK\$'000 千港元	Accelerated tax depreciation 加速稅務 折舊 HK\$'000 千港元	Unused tax losses 未動用 稅務虧損 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2011	於2011年1月1日	34	355	—	389
Charged to profit or loss	扣除損益	—	150	—	150
At 31 December 2011	於2011年12月31日	34	505	—	539
At 1 January 2012	於2012年1月1日	34	505	—	539
Credited to profit or loss	計入損益	—	(51)	(488)	(539)
At 31 December 2012	於2012年12月31日	34	454	(488)	—

As at 31 December 2012, the Group has unused tax loss of approximately HK\$6,541,000 (2011: nil) available for offset against future profits that may be carried forward indefinitely. Deferred tax assets have been recognised in respect of HK\$2,958,000 of such tax loss. No further deferred tax asset has been recognised in respect of the tax loss due to the unpredictability of future profit streams.

於2012年12月31日，本集團尚未動用之稅項虧損約為6,541,000港元(2011年：無)，可用以抵銷未來溢利並可無限期結轉。本集團已就此等稅項虧損確認2,958,000港元之遞延稅項資產。因未能評估未來溢利來源，故並未就稅項虧損確認更多遞延稅項資產。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

24 Share Capital

(a) Share capital

Authorised and issued share capital

		2012 2012年		2011 2011年	
		No. of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元	No. of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元
Ordinary shares of HK\$0.1 each	每股0.1港元的普通股				
Authorised	法定				
Upon incorporation (note (a))	於註冊成立後(附註(a))	—	—	3,800	380
At 1 January	於1月1日	10,000,000	1,000,000	—	—
Increase during the year (note (c))	年內增加(附註(c))	—	—	9,996,200	999,620
At 31 December	於12月31日	10,000,000	1,000,000	10,000,000	1,000,000
Issued and fully paid	已發行及繳足				
Upon incorporation (note (a) and (b))	於註冊成立後 (附註(a)及(b))	—	—	—	—
At 1 January	於1月1日	3,800	380	—	—
Issue of shares on Reorganization (note (b))	於重組時發行股份 (附註(b))	—	—	3,800	380
Issue of shares upon Capitalisation (note (d))	因資本化發行股份 (附註(d))	146,200	14,620	—	—
Issue of shares upon Placing (note (e))	因配售發行股份 (附註(e))	50,000	5,000	—	—
At 31 December	於12月31日	200,000	20,000	3,800	380

(a) The Company was incorporated on 31 March 2011 in the Cayman Islands with an authorized share capital of HK\$380,000 divided into 3,800,000 shares of HK\$0.10 each, of which one share of HK\$0.10 was allotted and issued.

(b) On 20 December 2011, the Company, Minilogic BVI and the shareholders of MiniLogic HK entered into a share swap agreement, pursuant to which Minilogic BVI acquired the entire issued share capital of MiniLogic HK from the said shareholders in consideration of, (i) Minilogic BVI crediting as paid up the initial one nil paid share of Minilogic BVI held by the Company; (ii) the crediting as fully paid at par the initial one nil paid share of the Company and (iii) the issue and allotment of 3,799,999 shares to the said shareholders, all credited as fully paid.

24 股本

(a) 股本

法定及已發行股本

		2012 2012年		2011 2011年	
		No. of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元	No. of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元
Ordinary shares of HK\$0.1 each	每股0.1港元的普通股				
Authorised	法定				
Upon incorporation (note (a))	於註冊成立後(附註(a))	—	—	3,800	380
At 1 January	於1月1日	10,000,000	1,000,000	—	—
Increase during the year (note (c))	年內增加(附註(c))	—	—	9,996,200	999,620
At 31 December	於12月31日	10,000,000	1,000,000	10,000,000	1,000,000
Issued and fully paid	已發行及繳足				
Upon incorporation (note (a) and (b))	於註冊成立後 (附註(a)及(b))	—	—	—	—
At 1 January	於1月1日	3,800	380	—	—
Issue of shares on Reorganization (note (b))	於重組時發行股份 (附註(b))	—	—	3,800	380
Issue of shares upon Capitalisation (note (d))	因資本化發行股份 (附註(d))	146,200	14,620	—	—
Issue of shares upon Placing (note (e))	因配售發行股份 (附註(e))	50,000	5,000	—	—
At 31 December	於12月31日	200,000	20,000	3,800	380

(a) 本公司於2011年3月31日於開曼群島註冊成立，法定股本為380,000港元，分為3,800,000股每股面值0.10港元的股份，其中1股面值0.10港元的股份已配發及發行。

(b) 於2011年12月20日，本公司、Minilogic BVI及微創高科的當時股東訂立一份換股協議，據此，Minilogic BVI向上述股東收購微創高科的全部已發行股本，代價為(i) Minilogic BVI將本公司所持Minilogic BVI初始一股未繳股款股份入賬列為繳足；(ii)將本公司初始一股未繳股款股份按面值入賬列為繳足；及(iii)向上述股東發行及配發3,799,999股全部入賬列為繳足的股份。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

24 Share Capital (Continued)

(a) Share capital (Continued)

Authorised and issued share capital (Continued)

- (c) Pursuant to a shareholder resolution passed on 23 December 2011, the authorized share capital of the Company was increased from HK\$380,000 to HK\$1,000,000,000 by the creation of additional 9,996,200,000 ordinary shares of HK\$0.10 each.
- (d) Pursuant to a shareholder resolution passed on 23 December 2011, conditional on the share premium account of the Company being credited by HK\$14,620,000 as a result of the placing as mentioned and defined in (e) below, an aggregate of 146,200,000 Shares, by way of capitalization of the sum of HK\$14,620,000 standing to the credit of the share premium account of the Company, would be issued, allotted and credited as fully paid at par to the Shareholders as appearing on the register of members of the Company as of 23 December 2011. Upon the Capitalization, the issued share capital of the Company would become HK\$15,000,000 divided into 150,000,000 shares of HK\$0.10 each.
- (e) On 19 January 2012, 50,000,000 ordinary shares of HK\$0.10 each were issued by way of placing at a price of HK\$0.80 per share (the "Placing Price") for cash consideration of HK\$40,000,000. The excess of the Placing Price over the par value of the shares issued was credited to the share premium account.

24 股本(續)

(a) 股本(續)

法定及已發行股本(續)

- (c) 根據2011年12月23日通過的股東決議案，本公司藉增設額外9,996,200,000股每股面值0.10港元的普通股將其法定股本由380,000港元增加至1,000,000,000港元。
- (d) 根據2011年12月23日通過的股東決議案，待本公司股份溢價賬由於配售(如下文(e)所提及及界定)而獲進賬14,620,000港元後，本公司透過將本公司股份溢價賬進賬額14,620,000港元撥充資本的方式，向於2011年12月23日名列本公司股東名冊的股東按面值發行及配發合共146,200,000股入賬列為繳足的股份。於資本化後，本公司的已發行股本將為15,000,000港元，分為150,000,000股每股面值0.10港元的股份。
- (e) 於2012年1月19日，本公司透過配售方式按每股0.80港元的價格(「配售價」)發行50,000,000股每股面值0.10港元的普通股以換取現金代價40,000,000港元。配售價超出已發行股份面值的部分已計入股份溢價賬。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

24 Share Capital (Continued)

(b) Capital management

The Group manages its capital to ensure the entities in the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balances.

The capital structure of the Group consists of bank balances and cash, and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits.

The management of the Group reviews the capital structure periodically. The Group considers the cost of capital and risk associated with each class of capital, and will balance its overall capital structure through payment of dividends, issuance of new shares as well as the raising of new debts.

24 股本(續)

(b) 資本管理

本集團管理其資本以確保本集團旗下實體能持續經營業務，而另一方面能透過優化債務與股本結餘為股東爭取最大回報。

本集團的資本架構包括銀行結餘及現金，以及本公司擁有人應佔權益(包括已發行股本、儲備及保留溢利)構成。

本集團的管理層定期檢討資本架構。本集團考慮與各類資本有關的資本成本和風險，並會透過支付股息、發行新股以及舉新債以平衡其整體資本架構。

25 Reserves

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 56 of the consolidated financial statements. Merger reserve arose as a result of the Reorganization taken place on 20 December 2011 which represents the issued shares and share premium of MiniLogic HK upon group Reorganization and the nil-paid issued of 380,000 shares of the Company which credited as fully paid.

25 儲備

(a) 本集團

本集團本年度及往年的儲備金額及其變動呈列於本綜合財務報表第56頁的綜合權益變動表內。2011年12月20日因重組而產生的合併儲備指集團重組後微創高科的已發行股份及股份溢價以及本公司以未繳股款方式發行的380,000股入賬列為繳足的股份。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

25 Reserves (Continued)

(b) Statement of change in equity of the Company

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

		Share Capital 股本 HK\$'000 千港元	Share Premium 股份溢價 HK\$'000 千港元	(Accumulated losses)/ retained profits (累計虧損)/ 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2011	於2011年1月1日	—	—	—	—
Loss for the year	年度虧損	—	—	(340)	(340)
Other comprehensive income	其他全面收益	—	—	—	—
Total comprehensive income	全面收益總額	—	—	(340)	(340)
Transactions with owners	與擁有人之交易				
Allotment and issue of consideration shares and credited as fully paid for share swap (note 24(a)(a-b))	因換股配發及發行代價股份及入賬列作繳足(附註24(a)(a-b))	380	—	—	380
		380	—	—	380
At 31 December 2011	於2011年12月31日	380	—	(340)	40
At 1 January 2012	於2012年1月1日	380	—	(340)	40
Profit of the year	年度溢利	—	—	7,242	7,242
Other comprehensive income	其他全面收益	—	—	—	—
Total Comprehensive income	全面收益總額	—	—	7,242	7,242
Transactions with owners	與擁有人之交易				
Issue of shares upon Capitalisation (note 24(a)(d))	因資本化發行股份(附註24(a)(d))	14,620	(14,620)	—	—
Issue of shares upon Placing (note 24(a)(e))	因配售發行股份(附註24(a)(e))	5,000	35,000	—	40,000
Expenses incurred in connection with the issue of shares during the year	年內發行股份產生的開支	—	(5,678)	—	(5,678)
		19,620	14,702	—	34,322
		20,000	14,702	6,902	41,604

25 儲備(續)

(b) 本公司的權益變動表

本集團綜合權益各組成部分期初與期末結餘的對賬載於綜合權益變動表。本公司各個權益組成部分於本年度期初至期末的變動詳情如下：

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

26 Retirement Benefit Scheme

The Group participates in a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees employed. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the Group and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$25,000. Contributions to the MPF scheme vest immediately. The assets of the MPF Scheme are held separately from those of the Group, in fund under the control of trustees. Total contributions paid or payable to the MPF scheme by the Group amounted to approximately HK\$167,000 and HK\$134,000 for the year ended 31 December 2012 and 2011 respectively, which had been recognized as expenses and included in staff costs in the consolidated statement of comprehensive income.

The Group has no other material obligation for payment of retirement benefits beyond the contributions as described above.

26 退休福利計劃

本集團為所有合資格僱員參與根據香港強制性公積金計劃條例設立的強制性公積金計劃(「強積金計劃」)。強積金計劃乃由獨立信託人管理的定額供款退休計劃。根據強積金計劃，本集團和其僱員分別須按僱員有關收入的5%向該計劃作出供款，而有關收入以每月25,000港元為上限。向該計劃作出的供款即時歸屬。強積金計劃的資產與本集團的資產分開持有，資金由信託人控制。本集團於截至2012年及2011年12月31日止年度向強積金計劃已付或應付的供款總額分別約為167,000港元及134,000港元，該等金額已確認為支出及於綜合全面收益表中列為員工成本。

本集團除上述供款外，並無其他重大的支付退休福利責任。

27 Operating Lease Commitments

At the end of the year, the Group had commitments for future minimum lease payments under non-cancellable operating lease in respect of leased properties which are payable as follows:

27 經營租賃承擔

於年末，本集團根據不可撤銷經營租賃持有的租賃物業之日後最低租賃總付款承擔到期情況如下：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Within one year	一年內	406	301
After one year but within five years	一年後但五年內	544	82
		950	383

Operating lease payments mainly represent rentals payable by the Group for its office premises and a warehouse in Hong Kong. Leases are negotiated for an average term of 1 to 3 years with rental fixed at the date of signing of lease agreements and do not include contingent rentals.

經營租賃付款主要指本集團就其位於香港的辦公室單位及倉庫應付的租金。所磋商租賃平均為期一至三年，於簽訂租賃協議日期確定租金及不包括或然租金。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

28 Contingent Liabilities

As at 31 December 2012 and 2011, 6 employees of the Group have completed the required number of years of service under the Hong Kong Employment Ordinance (the "Ordinance"), to be eligible for long service payments on termination of their employment. The Group is only liable to make such payments where the termination meets the circumstances specified in the Ordinance.

If the termination of all such employees met the circumstances set out in the Ordinance, the Group's liability as at 31 December 2012 and 2011 would be approximately HK\$84,000 and HK\$141,000 respectively. No provision has been made for these amounts in the consolidated financial statements as the directors of the Company are of the view that these amounts are not expected to crystallize in the foreseeable future.

Save as disclosed above, the Group did not have any significant contingent liabilities as at 31 December 2012 and 2011.

28 或然負債

於2012年及2011年12月31日，本集團有六名僱員已完成根據香港僱傭條例(「該條例」)的所需服務年數而合資格於終止僱用時享有長期服務金。本集團只就符合該條例所指定的情況下須作出有關付款。

如所有上述僱員終止服務符合該條例所載列的情況，則本集團於2012年及2011年12月31日的負債分別約為84,000港元及141,000港元。本集團並無就這些金額於綜合財務報表中作出撥備，因為本公司董事認為預期這些金額於可見將來不會實現。

除以上所披露外，本集團於2012年及2011年12月31日並無任何重大或然負債。

29 Material Related Party Transactions

The Group entered into the following material related party transactions during the year.

Key management compensation

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 13(a) and one of the highest paid employees as disclosed in note 13(b), is as follows:

29 重大關連人士交易

本集團於年內與其關連人士有以下重大交易：

主要管理人員的薪酬

本集團主要管理人員的酬金，包括如附註13(a)所披露已支付予本公司董事的金額及已支付如附註13(b)所披露的其中一位最高薪酬僱員的金額如下：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Salaries and other short term employee benefits	薪金及其他短期僱員福利	2,848	2,335
Contributions to Mandatory Provident Fund	強積金供款	58	40
		2,906	2,375

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

30 Share Option Scheme

The Company has adopted a share option scheme (the "Share Option Scheme") on 16 May 2012 ("the Adoption Date"). Share Option Scheme will remain in force for a period of 10 years effective from 10 July 2012 of the scheme and will expire on 9 July 2022.

The purpose of the Share Options Scheme is to provide incentives to the participants. The participants of the Share Option Scheme, as absolutely determined by the Board, include:

- (a) any employee (whether full time or part time employee, including any executive directors) of any member of the Group or any entity in which the Group holds any equity interest ("Invested Entity");
- (b) any non-executive directors (including independent non-executive directors) of any member of the Group or any Invested Entity;
- (c) any supplier of goods or services to any member of the Group or any Invested Entity;
- (d) any customer of any member of the Group or any Invested Entity;
- (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity;
- (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; and
- (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity.

30 購股權計劃

本公司於2012年5月16日(「採納日期」)採納一項購股權計劃(「購股權計劃」)。購股權計劃由2012年7月10日起10年內有效直至2022年7月9日屆滿。

購股權計劃之目的為獎勵其參與者。購股權計劃之參與者(均由董事會全權酌情決定)包括：

- (a) 本集團任何成員公司或本集團持有任何股權之任何實體(「受投資實體」)之任何僱員(不論全職或兼職僱員，包括任何執行董事)；
- (b) 本集團任何成員公司或任何受投資實體之任何非執行董事(包括獨立非執行董事)；
- (c) 向本集團任何成員公司或任何受投資實體提供貨物或服務之任何供應商；
- (d) 本集團任何成員公司或任何受投資實體之任何客戶；
- (e) 向本集團任何成員公司或任何受投資實體提供研究、開發或其他技術支援之任何人士或實體；
- (f) 本集團任何成員公司或任何受投資實體之任何股東或本集團任何成員公司或任何受投資實體所發行任何證券之任何持有人；及
- (g) 本集團任何成員公司或任何受投資實體之任何領域業務或業務發展方面之任何顧問(專業或其他)或諮詢者。



Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

30 Share Option Scheme (Continued)

The maximum number of shares in respect to which options may be granted under the Share Option Scheme shall not exceed 10% of the issued share capital of the Company on the date of adopting the Share Option Scheme. The limit may be refreshed at any time provided that the new limit must not be in aggregate exceed 10% of the issued share capital of the Company as at the date of the shareholders' approval in general meeting. However, the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other scheme of the Company must not in aggregate exceed 30% of the shares in issue from time to time. The maximum number of shares in respect of which options may be granted to any individual in any 12-month period shall not exceed 1% of the shares in issue on the last date of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the GEM Listing Rules. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

Options may be exercised at any time from the date of grant of the option to the 10th anniversary of the date of grant as may be determined by the Directors. The exercise price is determined by the Directors, and will not be less than the highest of (i) the closing price per share as stated in the Stock Exchange's daily quotations sheets on the date of the grant of the options; (ii) the average closing price per share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the grant of the options; or (iii) the nominal value of a share.

On the basis 10% of the shares of the Company in issue as at the date of this report, the total number of shares of the Company which may be issued upon the exercise of all options to be granted under the Share Option Scheme is 20,000,000 shares.

From the Adoption Date of the Share Option Scheme to 31 December 2012, no share option was granted, exercised, cancelled, expired or lapsed and there were no outstanding share options under the Share Option Scheme.

30 購股權計劃(續)

根據購股權計劃可能授出之購股權所涉及之股份數目，最多不得超過批准購股權計劃當日本公司已發行股本之10%。該上限可隨時更新，惟新限額合共不得超過股東於股東大會批准當日本公司已發行股本之10%。然而，根據購股權計劃及本公司任何其他計劃已授出但尚未行使之全部購股權獲行使時，可予發行之股份數目合共不得超過當時已發行股份之30%。於任何十二個月期間內，向任何個別人士授出之購股權獲行使時，可予發行之股份數目不得超過該十二個月期間最後一天本公司已發行股份之1%，除非按照創業板上市規則經由本公司股東批准則作別論。接納授出之購股權時，應付象徵性代價1港元。

購股權可在授出當日起至授出日之十周年為止期間內隨時行使，而期限由董事釐定。行使價將由董事釐定，但不會低於下列之最高者：(i)每股股份在購股權授出當日在聯交所每日報價表上之收市價；(ii)緊接授出購股權日期前五個營業日每股股份在聯交所每日報價表上之平均收市價；或(iii)股份面值。

按本報告日期已發行股份之10%計算，購股權計劃將予授出之所有購股權獲行使而可予發行之股份總數為20,000,000股股份。

由採納日期至2012年12月31日，概無任何購股權已獲授出、行使、取消、到期或失效，且該計劃項目下概無任何尚未行使之購股權。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

31 Events after the Reporting Period

On 28 January 2013, the Company and Mr. Cheng Tun Nei who is a substantial shareholder of the Company and the owner of the entire equity interest of the target company, had entered into a conditional sale and purchase agreement (the "S&P") for the proposed acquisition (the "Proposed Acquisition"). According to the S&P, the Company has agreed to acquire the entire issued capital of the target company and its subsidiaries (collectively referred to as the "Target Group") at a consideration of HK\$45,000,000 (the "Consideration") which will be satisfied by (i) the deposit (the "Deposit") of HK\$4,500,000 paid on 28 January 2013 under the S&P; (ii) cash of HK\$15,500,000; and (iii) the remaining balance of the Consideration being HK\$25,000,000 shall be settled by the issuance of the promissory note by the Company upon completion of the Proposed Acquisition.

The Deposit is unsecured, non-interest bearing and refundable in the event that the Proposed Acquisition is terminated.

The Target Group is principally engaged in the provision of securities broking, margin and other financing, underwriting placing services and consultancy services.

The completion of the Proposed Acquisition is subject to the fulfillment of the conditions set out in the S&P, including approval of the Company's shareholders in extraordinary general meeting. As of the approval date on the financial statements of the Company, the Proposed Acquisition is under progress and not yet completed.

Details of the Proposed Acquisition are disclosed in the Company's announcements dated 28 January 2013, 27 February 2013 and 6 March 2013.

31 報告期後事項

於2013年1月28日，本公司與鄭盾尼先生（一名本公司的主要股東，並為目標公司全部股本權益的擁有人）訂立一項有條件買賣協議（「買賣協議」），內容關於建議收購事項（「建議收購事項」）。根據買賣協議，本公司同意收購目標公司及其附屬公司（統稱「目標集團」）的全部已發行股本，代價為45,000,000港元（「代價」），由本公司於建議收購事項完成後按以下方式支付：(i)於2013年1月28日根據買賣協議支付按金（「按金」）4,500,000港元；(ii)15,500,000港元現金；及(iii)餘下代價25,000,000港元由本公司發行承兌票據的方式支付。

按金為無抵押、免息並可在建議收購事項終止的情況下予以退還。

目標集團主要從事提供證券經紀、保證金及其他融資、包銷、配售服務及顧問服務。

建議收購事項須待買賣協議中所列的條件達成（包括於股東特別大會上獲得本公司股東批准）後方告完成。截至本公司財務報表獲通過當日，建議收購事項正在進行中，尚未完成。

有關建議收購事項詳情披露於本公司日期為2013年1月28日、2013年2月27日及2013年3月6日的公告。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2012 截至2012年12月31日止年度

32 Particulars of the Subsidiaries of the Company

- (a) As at 31 December 2012 and 2011, the Company had direct or indirect interests in the following subsidiaries, all of which are private companies, particulars of which are set out below:

Name of company 公司名稱	Place of incorporation and operation 註冊成立及營業地點	Issued and fully paid-up capital 已發行及繳足股本	Attributable equity interest 應佔股本權益		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Minilogic Investment Limited	British Virgin Islands	1 ordinary share of US\$1	100%	—	Investment holding
	英屬處女群島	1股面值1美元的普通股	100%	—	投資控股
MiniLogic Device Corporation Limited 微創高科有限公司	Hong Kong	7,651,200 Ordinary share of HK\$1	—	100%	Design, development and sales of ICs
	香港	7,651,200股每股面值1港元的普通股	—	100%	設計、開發及銷售集成電路

(b) Amounts due from/(to) subsidiaries

As at 31 December 2012 and 2011, the amount due from/(to) subsidiaries are unsecured, interest-free and repayable on demand. The carrying amount approximates to its fair value as at the reporting date.

32 本公司的附屬公司詳情

- (a) 於2012年及2011年12月31日，本公司在以下附屬公司中擁有直接或間接權益，該等公司全為私營公司，詳情如下：

(b) 應收／(應付)附屬公司款項

於2012年及2011年12月31日，應收／(應付)附屬公司款項為無抵押、免息並須應要求償還。於本報告日期，該款項賬面值與其公平值相若。

33 Authorisation of Issue of the Consolidated Financial Statements

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 19 March 2013.

33 授權刊發綜合財務報表

董事會已於2013年3月19日批准並授權刊發綜合財務報表。



