



Telefield International (Holdings) Limited
中慧國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock code 股份代號: 1143

ANNUAL REPORT **2011** 年報



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Corporate Information

公司資料

EXECUTIVE DIRECTORS

Mr. Cheng Han Ngok Steve (*Chairman*)
Mr. Poon Ka Lee Barry
Mr. Ng Kim Yuen
Ms. Fok Pui Yin
Mr. Lee Kai Bon

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Au-Yang Cheong Yan Peter
Dr. Kwan Pun Fong Vincent
Dr. Xue Quan

COMPANY SECRETARY

Mr. Poon Ka Lee Barry *CPA*

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執行董事

鄭衡嶽先生(*主席*)
潘家利先生
吳儉源先生
霍佩賢女士
李繼邦先生

獨立非執行董事

歐陽長恩先生
關品方博士
薛泉博士

公司秘書

潘家利先生 *CPA*

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Corporate Information

公司資料

MAINLAND OFFICE

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PRC

PRINCIPAL BANKERS

Standard Chartered Bank (Hong Kong) Limited
DBS Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

AUDITORS

RSM Nelson Wheeler
Certified Public Accountants
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Lee Gardens Two
28 Yun Ping Road
Causeway Bay
Hong Kong

COMPLIANCE ADVISOR

China Merchants Securities (HK) Co., Limited
48/F, One Exchange Square
Central
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內地辦事處

中國
廣東省
廣州
白雲區竹料鎮
第一工業區
廣從商業北街15號

主要往來銀行

渣打銀行(香港)有限公司
星展銀行(香港)有限公司
香港上海滙豐銀行有限公司

核數師

中瑞岳華(香港)會計師事務所
執業會計師
香港
銅鑼灣
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利園2期
嘉蘭中心29樓

合規顧問

招商證券(香港)有限公司
香港
中環
交易廣場一期48樓

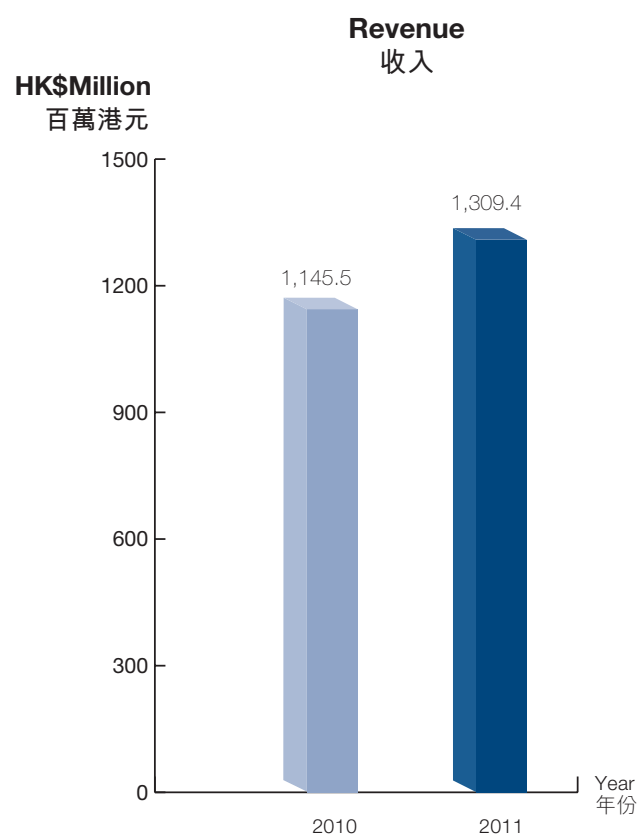
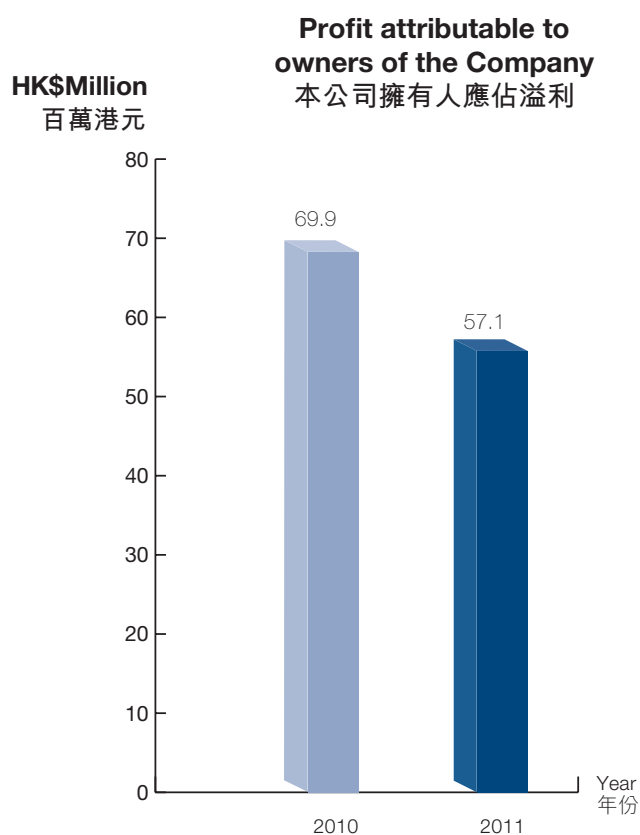
Financial Highlights

財務摘要

HK\$ Million, except otherwise stated

百萬港元，除另有指明者外

		2011	2010
Revenue	收入	1,309.4	1,145.5
Profit for the year	年度溢利	60.5	55.7
Profit attributable to owners of the Company	本公司擁有人應佔溢利	57.1	69.9
Basic earnings per share (HK cents)	每股基本盈利(港仙)	14.15	23.31
Dividend per share – Proposed final (HK cents)	每股股息 – 建議末期(港仙)	3.00	1.80
Average inventory turnover day (days)	平均存貨周轉天數(天)	63.4	54.1
Trade receivable turnover day (days)	應收貿易賬款周轉天數(天)	46.9	49.9
Trade payable turnover day (days)	應付貿易賬款周轉天數(天)	45.6	45.5



Chairman's Statement

主席報告書

Dear Shareholders,

On behalf of the Board of Directors (the "Board"), I present the annual results of Telefield International (Holdings) Limited (the "Company") and its subsidiaries (collectively the "Group") for the year ended 31 December 2011 (the "Year").

During the past year, business conditions remained highly challenging due to a weak global economy, but more significantly, severe cost pressure arising from rising labour cost and labour shortages compounded by the appreciation of the Renminbi which drove production cost upwards. Our veteran management team consequently formulated business strategies and implemented highly stringent cost control measures to lessen the impact of these pressure points, yet at the same time further invested in research and development.

A new milestone was achieved in terms of revenue generated, reaching approximately HK\$1,309.4 million – a year-on-year increase of around 14.3%. Gross profit also increased by 6.6% to HK\$269.3 million. However, profit attributable to owners of the Company contracted by 18.4% to HK\$57.1 million, mainly due to a surge in labour cost, along with higher expenses related to marketing activities as we sought to expand our distribution businesses overseas.

The Board recommended a final dividend of 3.0 HK cents per share for the Year. Together with an interim dividend of 2.0 HK cents per share already paid, total dividend per share will amount to 5.0 HK cents for the financial year, representing a payout ratio of 36.1%.

A major highlight of the year was undoubtedly the strong performance of the Distribution Businesses. Capitalising on an expanded distribution network and new acquisition, notable progress was made. Standing out in particular was the brand "TrekStor". Since its acquisition in late 2009 we have within a relatively short period transformed the business into a profit maker.

The acquisition of G.A.E.M.S., Inc. ("GAEMS") in November 2011 is set to be another success story. After gaining controlling interest in the American electronic gaming accessories company, which was followed by the launch of the first registered proprietary product for mobile gaming, GAEMS began contributing income to the Group in the final two months of the year. In addition to benefiting from an additional revenue stream, we thus strengthened our distribution network in the United States.

致各股東：

本人謹代表董事會(「董事會」)呈列中慧國際控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零一一年十二月三十一日止年度(「本年度」)之全年業績。

於過去一年，由於全球經濟疲弱，營商環境仍然面臨重重挑戰，當中工資成本上漲、勞工短缺及人民幣升值導使生產成本上升，對企業構成沉重的成本壓力。為紓緩上述成本壓力所帶來的影響，本集團經驗豐富的管理團隊制訂了相應業務策略，實施高度嚴謹的成本控制措施，同時加強研發方面的投資。

本集團的收入於本年度創下新高，總額達到約1,309,400,000港元，較去年上升約14.3%。毛利亦增加6.6%至269,300,000港元。然而，本公司擁有人應佔溢利下降18.4%至57,100,000港元，主要由於工資成本大幅上升，加上本集團積極擴展海外的分銷業務，令相關市場推廣的開支增加所致。

董事會建議派付本年度末期股息每股3.0港仙。加上已派付之中期股息每股2.0港仙，本財政年度之全年股息為每股5.0港仙，派息比率為36.1%。

分銷業務的卓越表現乃本集團於本年度內的業績亮點。透過擴大分銷網絡及完成一項新的收購，該業務取得重大進展，其中以「TrekStor」品牌業務表現尤其突出。本集團自二零零九年年底完成收購「TrekStor」後，成功在短時間內令該業務帶來盈利。

本集團於二零一一年十一月收購的G.A.E.M.S., Inc. (「GAEMS」)是本年度的另一成就。自取得該美國電子遊戲配件公司的控股權益後，本集團推出首個註冊專利流動電子遊戲產品，令GAEMS於本年度最後兩個月開始帶來收入貢獻。該收購不單成為我們的新收入來源，亦鞏固了我們於美國的分銷網絡。

Chairman's Statement

主席報告書

With regards to the Electronic Manufacturing Services (“EMS”) business, this segment was acutely affected by the escalation in labour cost. While redoubling efforts at controlling this expense, we did not hesitate in pursuing our goal of tapping niche markets to sustain growth. Capitalising on our technical knowhow and flexible production capability, we were able to earn the trust of world renowned consumer electronics brands, resulting in the securing of more bulk orders and entry into niche markets. Having dedicated research and development into more specialised products, particularly healthcare electronics, we will look forward to launching them on the market to spur further business growth.

Moving forward, the Distribution Businesses will remain our key focus. We will continue to expand relevant distribution channels and add still greater number of appealing products into the line-up. Specifically, we will intensify efforts in developing our presence in China and India.

As the EMS business is the Group's core revenue source, our main objective will be to sustain turnover growth by securing more bulk orders from top global clients. At the same time we will seek to generate greater sales from niche markets, particularly healthcare electronics, where we have seen solid demand for its baby care products. With labour and production costs expected to remain high in the coming year, this is a concern that will take top priority, and will involve the employment of even stricter cost control measures backed by prudent management.

At this time, I would like to extend my sincere gratitude to the entire workforce for their diligence and commitment during the year. I would further like to express my appreciation to all of our customers, suppliers and business partners for their unwavering support, which is the cornerstone of our growth and prosperity.

Cheng Han Ngok Steve

Chairman

30 March, 2012

至於電子製造服務(「電子製造服務」)業務則受到工資成本上漲的不利因素影響。儘管如此，我們在加緊控制工資開支之同時，亦致力進軍獨特市場以維持增長。憑藉我們的專業技術知識及具彈性的生產能力，我們贏得國際知名電子消費品牌的信任，取得更多大批量訂單，並進一步拓展獨特市場。本集團一直致力研發更多專業產品，尤其是電子保健產品，我們預期更多相關產品會陸續推出市場，藉此進一步推動業務增長。

展望未來，分銷業務仍是本集團的發展重點。我們將繼續擴大相關分銷渠道，加入更多具吸引力的產品。值得一提的是，我們將會加強在中國及印度市場的據點。

電子製造服務業務為本集團的核心收入來源，因此我們的主要方針將會是透過從頂尖國際客戶取得更多大批量訂單，從而維持營業額增長。同時，我們亦會致力提升於獨特市場的銷售，尤其是電子保健產品，當中我們留意到嬰兒護理產品的需求殷切。本集團預期來年的工資及生產成本仍然高企，因此這將成為管理層的首要關注事項。我們將維持審慎的業務管理，並採取更嚴謹的成本控制措施。

本人謹此向全體員工於過去一年所付出的努力和貢獻深表謝意，並感謝各客戶、供應商及業務夥伴一直對我們的鼎力支持，奠下本集團的增長與成功之基石。

鄭衡嶽

主席

二零一二年三月三十日

Management Discussion and Analysis

管理層討論及分析

BUSINESS OVERVIEW

Overview

While the global economy remained unstable in 2011, the greatest challenges that confronted manufacturers operating in the People's Republic of China ("PRC") was the ongoing increase in labour cost resulting from minimum wage legislation imposed by the local government, and further appreciation of the Renminbi which directly affected the cost of production.

In spite of the various obstacles, the management's strategic focus on niche markets as highlighted by significant sales growth from the Distribution Businesses, proved key in enabling the Group to generate greater turnover, reaching HK\$1,309.4 million in 2011, a year-on-year increase of 14.3% (2010: HK\$1,145.5 million). Gross profit increased by 6.6% to HK\$269.3 million (2010: HK\$252.6 million), which translated into a gross profit margin of 20.6% (2010: 22.1%). Profit attributable to owners of the Company amounted to HK\$57.1 million (2010: HK\$69.9 million).

Electronic Manufacturing Services ("EMS") Business

Despite the challenging market environment, the EMS business recorded a 5.1% increase in turnover to HK\$802.7 million (2010: HK\$764.0 million), thus accounting for 61.3% of the Group's total turnover (2010: 66.7%).

During the year under review, the Group remained keen on identifying and developing products for potential niche markets, which proved successful in generating new income streams. This included the further development of healthcare electronics which is expected to contribute more to the Group's turnover in the near term.

Under severe cost pressure throughout the year, the Group implemented greater cost controls, including increased automation of production lines and bulk purchase of materials from suppliers. These ongoing measures were crucial to moderating the impact of the cost rises on the Group's profitability.

Distribution Businesses

As a result of significant contributions from the Distribution Business in multimedia products and computer accessories, the business segment achieved a surge in turnover, rising by 32.8% to HK\$506.7 million (2010: HK\$381.5 million), and accounting for 38.7% of the Group's total turnover (2010: 33.3%).

業務回顧

概覽

二零一一年環球經濟持續不穩定，對中華人民共和國（「中國」）製造商而言，最大的衝擊來自當地政府實施最低工資引致勞工成本持續上升，而人民幣進一步升值亦直接影響生產成本。

即使面對眾多挑戰，由於本集團的管理層策略性地專注發展毛利較高的獨特市場，因此分銷業務錄得顯著銷售增長，使本集團營業額於二零一一年達到1,309,400,000港元（二零一零年：1,145,500,000港元），按年增長14.3%。毛利上升6.6%至269,300,000港元（二零一零年：252,600,000港元），相當於毛利率20.6%（二零一零年：22.1%）。本公司擁有人應佔溢利為57,100,000港元（二零一零年：69,900,000港元）。

電子製造服務（「電力製造服務」）業務

雖然市況充滿挑戰，但電子製造服務業務的營業額仍上升5.1%至802,700,000港元（二零一零年：764,000,000港元），佔本集團總營業額61.3%（二零一零年：66.7%）。

於回顧年內，本集團繼續積極地發掘及針對開發具潛力的獨特市場的產品，此策略已於過去證明能創造新收入來源。本集團於年內進一步開發電子保健產品，預期這些產品於短期內可帶來更多貢獻。

由於年內成本壓力沉重，本集團已加強成本控制措施，包括提高自動化生產線的比例及向供應商大量採購物料。這些持續措施對紓緩成本上漲對本集團盈利的影響發揮了重要作用。

分銷業務

憑藉多媒體產品及電腦配件分銷業務所帶來的可觀貢獻，本分部業務的營業額飆升32.8%至506,700,000港元（二零一零年：381,500,000港元），佔本集團總營業額38.7%（二零一零年：33.3%）。

Management Discussion and Analysis

管理層討論及分析

(i) Telecommunications Products

The business involves the marketing and distribution of branded small and medium business phone systems (“SMB phone systems”). The segment turnover maintained at HK\$153.8 million during the year under review (2010: HK\$158.4 million).

(ii) Multimedia Products & Computer Accessories

This business segment refers to the assembling and/or marketing and distribution of multimedia products and computer accessories. During the year, the solid performance achieved by the Group’s subsidiary in Germany TrekStor GmbH (“TrekStor”) highlighted management’s prudence in tapping this particular niche market. Sales growth was particularly evident in the second half year, leading to segment turnover of HK\$335.1 million (2010: HK\$223.1 million) or a year-on-year rise of 50.2%. Considering the promising eBook reader market in Germany, the Group launched and distributed its first eBook reader in October 2010. Significant sales of the product were recorded since launch, which became a key contributor to the rise in segment turnover during the review year.

(iii) Others

The business refers to the marketing and distribution of branded mobile electronic gaming and entertainment systems and other products. In view of the high potential of the gaming accessories market, the Group acquired 51% equity interest in G.A.E.M.S., Inc. (“GAEMS”), an electronic gaming accessories company in the United States (“US”), in November 2011. In doing so, the Group expanded both its brand and product portfolio. Following the acquisition, the Group stepped up its marketing and distribution efforts to promote the first registered proprietary product under the “GAEMS” brand name, specifically, the G155, a portable multi-platform console gaming product. Market response was highly positive, allowing this newly acquired business to contribute income to the Group by the end of the financial year.

(i) 電訊產品

該業務包括著名品牌中小企電話系統(「中小企電話系統」)的推廣及分銷。回顧該業務於年內的營業額為153,800,000港元(二零一零年：158,400,000港元)，與去年營業額持平。

(ii) 多媒體產品及電腦配件

該業務包括多媒體產品及電腦配件的組裝及／或推廣和分銷。年內，本集團於德國的附屬公司TrekStor GmbH(「TrekStor」)表現彪炳，反映管理層於該獨特市場的發展策略取得成效。其銷售增長於下半年尤其顯著，令整體分部業務的營業額按年增加50.2%至335,100,000港元(二零一零年：223,100,000港元)。有見德國的電子書市場前景亮麗，本集團於二零一零年十月推出及分銷旗下首個電子書閱讀器。該產品自推出以來銷售強勁，成為回顧年內分部營業額的主要增長動力。

(iii) 其他

該業務覆蓋著名品牌流動電子遊戲及娛樂系統產品，以及其他產品的推廣及分銷。鑑於遊戲配件市場潛力龐大，本集團於二零一一年十一月收購美國電子遊戲配件公司G.A.E.M.S., Inc. (「GAEMS」)51%權益，藉此擴展品牌及產品組合。收購完成後，本集團加強宣傳及分銷以「GAEMS」品牌命名的首個註冊專利產品—便攜式多平台遊戲產品G155。由於市場反應熱烈，該新收購的業務於本財政年度末開始為本集團帶來收入貢獻。

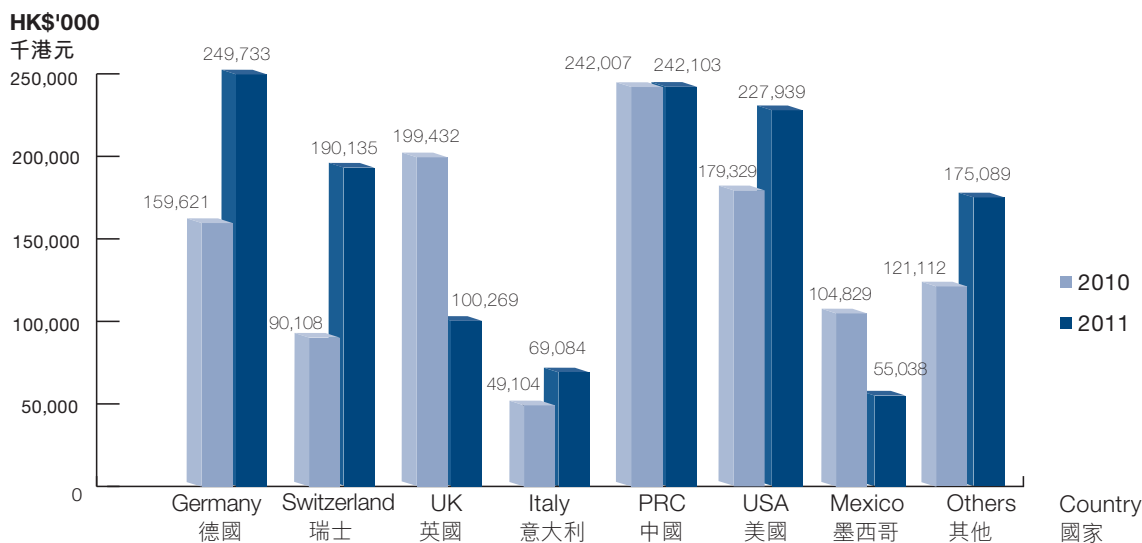
Management Discussion and Analysis

管理層討論及分析

Geographical Analysis

地區分析

Revenue by Country 地區收入



With significant growth achieved by TrekStor, turnover from major European countries (Germany, United Kingdom, Switzerland and Italy) rose by 22.3% to HK\$609.2 million (2010: HK\$498.3 million), accounting for 46.5% of the Group's total turnover. Revenue from the US increased by 27.1% to HK\$227.9 million (2010: HK\$179.3 million), representing 17.4% of total turnover. Revenue from the PRC (mainly Hong Kong) amounted to HK\$242.1 million (2010: HK\$242.0 million). As for other countries, turnover rose by 1.9% to HK\$230.2 million (2010: HK\$225.9 million).

由於TrekStor業務的增長顯著，來自主要的歐洲國家(德國、英國、瑞士及意大利)之營業額增加22.3%至609,200,000港元(二零一零年：498,300,000港元)，佔本集團總營業額的46.5%。美國市場的收益上升27.1%至227,900,000港元(二零一零年：179,300,000港元)，佔總營業額的17.4%。中國(主要來自香港)的營業額為242,100,000港元(二零一零年：242,000,000港元)。而其他國家的營業額則上升1.9%至230,200,000港元(二零一零年：225,900,000港元)。

FINANCIAL INFORMATION

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2011, the Group recorded total revenue of HK\$1,309.4 million, an increase of 14.3% as compared to last year. The Group managed to have a strong growth in revenue as a result of the increase in EMS business and Distribution Businesses – multimedia products and computer accessories segment.

財務資料

財務回顧

收入

截至二零一一年十二月三十一日止年度，本集團總收入為1,309,400,000港元，較上一年度增長14.3%。由於電子製造服務業務以及分銷業務—多媒體產品及電腦配件分部錄得增長，本集團的收入強勁增加。

Management Discussion and Analysis

管理層討論及分析

The Group's reporting segments are strategic business units that offer different products and services. Prior to the Year, the business of the Group were segmented into two main groups, namely EMS and Branded Businesses. With the growth in business scope, the management team redefined segments to give a more appropriate picture of the business of the Group. It is now considered there are two broad groups of business units for segment accounting purpose, EMS and Distribution Businesses whereas the latter can be subdivided into telecommunications products, multimedia products and computer accessories and others.

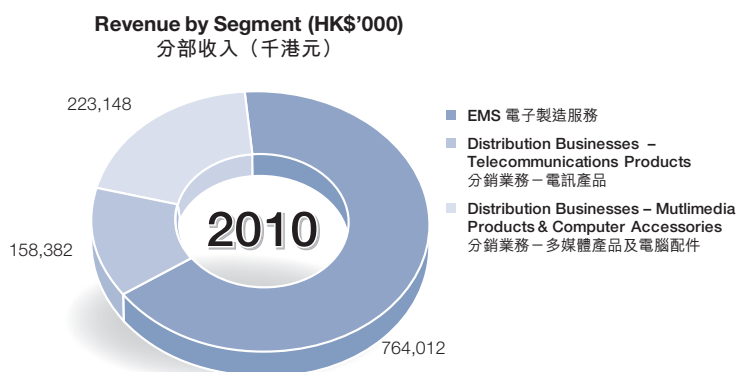
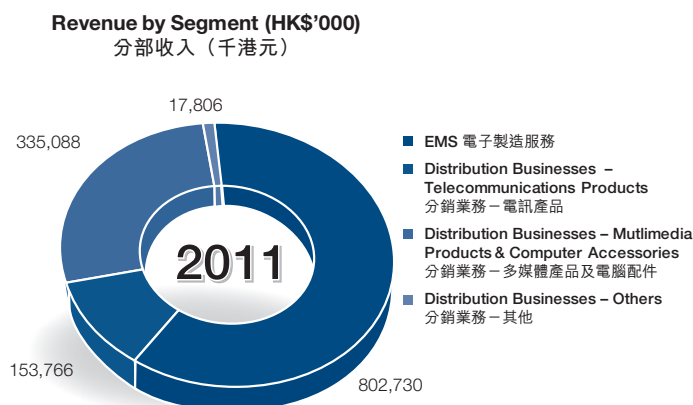
The Group's other operating segments include the marketing and distribution of branded mobile electronic gaming and entertainment systems and others.

For the year ended 31 December 2011, the revenue from EMS increased by 5.1% to HK\$802.7 million (2010: HK\$764.0 million), whereas the revenue from Distribution Businesses segment increased by 32.8% to HK\$506.7 million (2010: HK\$381.5 million).

本集團的報告分部為策略性業務單位，提供不同產品及服務。本年度之前，本集團的業務分為兩大類，即電子製造服務及品牌業務。隨著業務範圍擴展，本集團管理層為分部重新定義，以更適當地反映本集團的業務。就分部會計目的而言，目前有兩個廣泛的業務單位組別，即電子製造服務以及分銷業務，後者可再細分為電訊產品、多媒體產品及電腦配件，以及其他。

本集團的其他經營分部包括營銷及分銷品牌流動電子遊戲及娛樂系統，以及其他。

截至二零一一年十二月三十一日止年度，電子製造服務的收入增加5.1%至802,700,000港元(二零一零年：764,000,000港元)，而來自分銷業務分部的收入則增加32.8%至506,700,000港元(二零一零年：381,500,000港元)。



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The increase in revenue was mainly attributable to the growth in the sale of non-telecommunications products in both EMS and Distribution Businesses by 18.7% to HK\$985.6 million (2010: HK\$830.3 million), which in turn contributes 75.3% (2010: 72.5%) of the overall revenue. It is the ongoing policy of the Group to increase its emphasis to products with higher profit margin.

Non-telecommunications products of the Group's EMS segment mainly include appliances and appliances control products; whilst non-telecommunications products of the Group's Distribution Businesses segment mainly include multimedia products and computer accessories under the brand "TrekStor" and the mobile electronic gaming and entertainment systems under the brand "GAEMS".

The growth in the revenue generated from non-telecommunications products was mainly attributable to the following factors:

- (i) The "TrekStor" brand launched its first eBook reader in Germany since October 2010 and has significant sales in 2011. The revenue generated from this segment of HK\$335.1 million (2010: HK\$223.1 million) representing an increase of 50.2% and the revenue also accounted for approximately 25.6% (2010: 19.5%) of the Group's total revenue for the year ended 31 December 2011;
- (ii) the revenue of HK\$17.8 million recorded in the sale of the mobile electronic gaming and entertainment systems under GAEMS upon acquisition of the subsidiary since November 2011; and
- (iii) an increase in the sale of the Group's EMS appliances and appliances control products, revenue generated from which increased from approximately HK\$489.3 million for the year ended 31 December 2010 to approximately HK\$513.3 million for the year ended 31 December 2011, representing an increase of 4.9%.

Cost of Goods Sold

Cost of goods sold increased by 16.5% from HK\$892.9 million in 2010 to HK\$1,040.1 million in 2011. The increase was mainly due to:

- (i) an increase in the volume of raw materials and components purchased by 13.9% to HK\$859.2 million (2010: HK\$754.4 million), primarily attributable to an increase in the sales of Distribution Businesses segment and EMS non-telecommunications products; and

收入增加主要是由於電子製造服務及分銷業務下的非電訊產品銷售增加18.7%至985,600,000港元(二零一零年: 830,300,000港元), 佔整體收入75.3%(二零一零年: 72.5%)。提升對具較高利潤的產品的重視為本集團的持續政策。

本集團的電子製造服務分部的非電訊產品主要包括電器和電器控制產品; 而本集團分銷業務分部的非電訊產品則主要包括以「TrekStor」作為品牌的多媒體產品及電腦配件, 以及「GAEMS」作為品牌的流動電子遊戲及娛樂系統。

非電訊產品所產生的收入增長, 主要是由於以下因素導致:

- (i) 「TrekStor」品牌於二零一零年十月在德國推出首個電子書閱讀器產品, 並於二零一一年錄得可觀的銷售。此分部帶來的收入為335,100,000港元(二零一零年: 223,100,000港元), 增長50.2%, 此收入亦佔截至二零一一年十二月三十一日止年度本集團總收入約25.6%(二零一零年: 19.5%);
- (ii) 於二零一一年十一月收購附屬公司GAEMS以來, 銷售流動電子遊戲及娛樂系統錄得收入17,800,000港元; 及
- (iii) 本集團電子製造服務下的電器和電器控制產品銷售增加, 所產生的收入由截至二零一零年十二月三十一日止年度約489,300,000港元, 增加至截至二零一一年十二月三十一日止年約513,300,000港元, 增長4.9%。

銷售成本

銷售成本由二零一零年892,900,000港元增加16.5%至二零一一年1,040,100,000港元。增加主要是由於:

- (i) 原料及元件的採購額增加13.9%至859,200,000港元(二零一零年: 754,400,000港元), 主要是由於分銷業務分部及電子製造服務非電訊產品的銷售增長所致; 及

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(ii) an increase in labour costs caused by labour shortage and compliance with minimum wage requirement in the PRC and the associated production costs as a result of the appreciation of Renminbi.

(ii) 由於勞動力短缺及須遵守中國的最低工資規定，勞動力成本增加，加上因人民幣升值令相關生產成本上升所致。

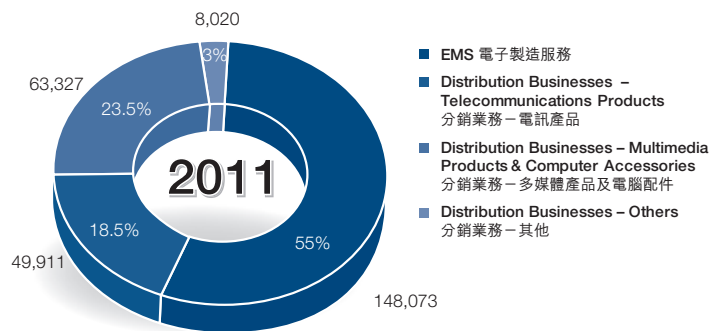
Gross Profit

Gross profit increased by 6.6% from HK\$252.6 million to HK\$269.3 million, while the gross profit margin slightly reduced by 1.5% to 20.6% (2010: 22.1%). The gross profit was contributed by the EMS segment of 55.0% (2010: 67.4%) and Distribution Businesses of 45.0% (2010: 32.6%).

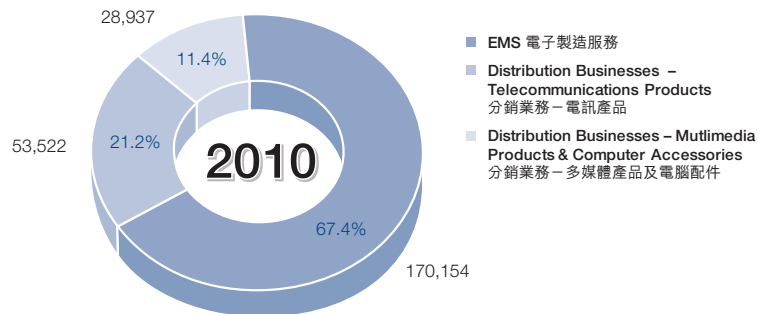
毛利

毛利由 252,600,000 港元，增加 6.6%，至 269,300,000 港元，而毛利率則微降 1.5% 至 20.6% (二零一零年：22.1%)。來自電子製造服務分部的毛利為 55.0% (二零一零年：67.4%)，來自分銷業務的毛利為 45.0% (二零一零年：32.6%)。

Gross Profit by Segment (HK\$'000)
分部毛利 (千港元)



Gross Profit by Segment (HK\$'000)
分部毛利 (千港元)



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The increase in gross profit was primarily attributable to the following reasons.

- (i) The Distribution Businesses segment of the Group remained strong growth both in volume and gross profit in the year. The volume increased by 32.8% and the gross profit of the segment increased by 47.0% to HK\$121.3 million (2010: HK\$82.5 million) with the improving result of the distribution of multimedia products and computer accessories under the brand “TrekStor” and the additional contribution resulting from the distribution of the mobile gaming entertainment systems by the newly acquired business in late 2011 under the brand “GAEMS” respectively.
- (ii) The continuing expansion into the Distribution Businesses gives the increasing level of gross profit for the year 2011. An increasing portion of the Group’s gross profit is now derived from Distribution Businesses 45.0% (2010: 32.6%) during the year.

Other income

Other income decreased by 43.3% from HK\$13.2 million in 2010 to HK\$7.5 million in 2011. One of the major items in the last year is the sum of HK\$7.3 million derived from the cancellation of customers’ orders which no such item is found in current year.

Selling and distribution expenses

Selling and distribution expenses accounted for approximately 6.4% in 2010 and 6.1% in 2011 of the Group’s revenue respectively. The Group maintained similar level of selling and distribution expenses to Group’s revenue as last year.

Administrative expenses

Administrative expenses accounted for approximately 6.9% in 2010 and 7.0% in 2011 of the Group’s revenue respectively. There is no major fluctuation in administrative expenses as a percentage of the Group’s revenue in 2011.

Other operating expenses

Other operating expenses decreased by 29.7% from HK\$40.8 million in 2010 to HK\$28.7 million in 2011. The decrease was mainly attributable to the non-recurring one-off expenses of HK\$12.1 million in relation to Group’s IPO during the year 2010.

毛利增加主要是由於以下原因所致。

- (i) 年內，本集團分銷業務分部的銷售額和毛利均維持強勁增長。此分部的銷售額增長32.8%，而毛利則增長47.0%至121,300,000港元（二零一零年：82,500,000港元），此乃由於「TrekStor」品牌下的多媒體產品及電腦配件的分銷業績有所改善，以及二零一一年底新收購「GAEMS」品牌下的分銷流動遊戲娛樂系統業務帶來的貢獻所致。
- (ii) 於二零一一年，持續擴展分銷業務令毛利水平上升。年內，本集團來自分銷業務的毛利部分為45.0%（二零一零年：32.6%），比重有所增加。

其他收入

其他收入較二零一零年13,200,000港元下跌43.3%，至二零一一年錄得7,500,000港元。上年度，其中一個項目約7,300,000港元的其他收入是由於客戶取消訂單而衍生的，本年度並沒有此收入項目。

銷售及分銷開支

於二零一零年，銷售及分銷開支佔本集團收入約6.4%，於二零一一年則佔6.1%。與去年比較，本集團銷售及分銷開支佔本集團收入的比例維持於相若水平。

行政費用

於二零一零年，行政費用佔本集團收入約6.9%，而二零一一年則佔7.0%。於二零一一年，行政費用佔本集團收入的百分比並無重大變化。

其他經營費用

其他經營費用由二零一零年40,800,000港元，減少29.7%，至二零一一年28,700,000港元。減少主要是由於二零一零年本集團進行首次公開招股而錄得非經常一次性的有關開支12,100,000港元所致。

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Finance costs

The Group's finance costs mainly comprise interests incurred for the Group's bank loans, import/export loans, factoring and other interests. The Group's other interest expenses represent the recognition of implicit interest on license fee payable. The Group's finance costs were approximately HK\$4.4 million in 2010 and HK\$8.4 million in 2011, represented approximately 0.4% and 0.6% of its revenue, respectively.

Income tax expenses

The Group's income tax expense mainly represents the Group's current profits tax provisions, at the applicable tax rates in accordance with the relevant laws and regulations in Hong Kong, PRC, the US, Japan and Germany. The Group had no tax payable in other jurisdictions during the years ended 31 December 2010 and 2011.

The Group's effective income tax rates for the years ended 31 December 2010 and 2011 were approximately 18.6% and 11.8%, respectively. The decrease in the Group's effective tax rates during the year 2011 was primarily attributable to the utilization of tax losses of the Group's overseas subsidiary in Germany.

Profit for the year attributable to owners of the Company

The profit for the year attributable to owners of the Company decreased by approximately 18.4% from approximately HK\$69.9 million for the year ended 31 December 2010 to approximately HK\$57.1 million for the year ended 31 December 2011. The Group's net profit margin attributable to owners of the Company decreased from approximately 6.1% for the year ended 31 December 2010 to approximately 4.4% for the year ended 31 December 2011.

The decrease was mainly attributable to the significant increase in cost of goods sold in the EMS segment due to an increase in labour costs caused by labour shortage and compliance with minimum wage requirement in the PRC and the associated production costs as a result of the appreciation of Renminbi.

Profit for the year attributable to non-controlling interests

Profit for the year attributable to non-controlling interests amounts to HK\$3.5 million for the year ended 31 December 2011 (2010: loss of HK\$14.2 million). The increase was primarily attributable to TrekStor and GAEMS, the indirectly owned subsidiaries of the Company in Germany and USA respectively.

融資成本

本集團融資成本主要包括本集團銀行貸款、進／出口貸款及客賬融通貸款的利息及其他利息。本集團的其他利息開支為確認特許權應付款的隱含利息。於二零一零年，本集團的融資成本約為4,400,000港元，二零一一年則為8,400,000港元，分別佔收入約0.4%及0.6%。

所得稅開支

本集團的所得稅開支主要為本集團的即期所得稅撥備，而撥備乃按香港、中國、美國、日本及德國的有關法律及法規按適用稅率提撥。截至二零一零年及二零一一年十二月三十一日止年度，本集團於其他司法權區並無須繳付的稅項。

截至二零一零年及二零一一年十二月三十一日止年度，本集團的實際所得稅率分別約為18.6%及11.8%。二零一一年本集團實際稅率下跌，主要是由於應用本集團於德國的海外附屬公司的稅項虧損所致。

本公司擁有人應佔年度溢利

本公司擁有人應佔年度溢利由截至二零一零年十二月三十一日止年度約69,900,000港元，減少約18.4%，至截至二零一一年十二月三十一日止年度約57,100,000港元。本公司擁有人應佔本集團淨溢利率由截至二零一零年十二月三十一日止年度約6.1%減少至截至二零一一年十二月三十一日止年度約4.4%。

減少主要是由於勞動力短缺及須遵守中國的最高工資規定，令電子製造服務分部的銷售成本大幅上升，加上因人民幣升值令相關生產成本上升所致。

非控股權益應佔年度溢利

截至二零一一年十二月三十一日止年度，非控股權益應佔年度溢利為3,500,000港元（二零一零年：虧損14,200,000港元）。該等增加主要是來自本公司分別於德國和美國間接擁有附屬公司TrekStor及GAEMS。

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LIQUIDITY AND CAPITAL RESOURCES

The Group generally finances its operations and capital expenditure by internally generated cash flows and the proceeds from the Company's initial public offering in January 2011.

As at 31 December 2011, the cash and cash equivalents amounted to HK\$147.8 million, representing an increase of HK\$88.9 million from 2010. Respective sum of 40.4%, 27.7% and 19.8% of the cash and cash equivalents was denominated in Renminbi, US dollars and HK dollars and other 12.1% was denominated in various currencies.

The Group's current ratio reflects a strong position at 1.62 times (2010: 1.30 times).

As at 31 December 2011, the total interest-bearing bank borrowings were HK\$51.9 million (2010: HK\$62.6 million), comprised primarily of bank loans and import/export loans. These borrowings are all repayable within one year. The majority of these borrowings were denominated in US dollars, Hong Kong dollars and Euro and the interest rates applied were primarily subject to floating rate terms.

The Group was in a net cash position (cash and cash equivalents less total bank borrowings) of HK\$95.9 million such that no gearing ratio applies.

Cash flow

In 2011, HK\$38.3 million was generated from the operating activities, whilst HK\$93.9 million were received on financing activities and HK\$44.9 million were spent on investing activities respectively. Net cash inflow from financing activities was mainly related to the net proceeds from initial public offer of HK\$119.6 million offset by the net repayment in bank borrowings of HK\$10.3 million and the dividends paid of HK\$15.6 million.

Exchange risk exposure

The Group mitigates its foreign exchange rate risk through foreign currency forward contracts and put option (the put option enables the Group to sell Euro at a designated strike price), in particular, the exchange rate between Euro and US dollars. The Group categorises these instruments as being entered into for purposes other than trading.

As at 31 December 2011, the Group had currency option and forward contracts with fair value of approximately HK\$1.5 million. The contract amounts of the option and forward contracts are EUR3,000,000 and EUR2,500,000 respectively.

流動資金及資本資源

本集團一般以內部產生現金流量及本公司於二零一一年一月首次公開招股的所得款項撥付其業務營運及資本開支所需。

於二零一一年十二月三十一日，現金及現金等價物為147,800,000港元，較二零一零年增加88,900,000港元。現金及現金等價物中40.4%、27.7%及19.8%分別以人民幣、美元以及港元計值，另外12.1%以其他多種貨幣計值。

本集團的流動比率為1.62倍(二零一零年：1.30倍)，反映流動性強健。

於二零一一年十二月三十一日，計息銀行借貸總額為51,900,000港元(二零一零年：62,600,000港元)，主要為銀行貸款及進/出口貸款。此等借貸全部須於一年內償還。此等借貸中大部分以美元、港元及歐元計值，所採用的利率主要按浮動條款釐定。

本集團處於淨現金狀況(現金及現金等價物減總銀行借貸)95,900,000港元，故負債比率並不適用。

現金流量

於二零一一年，經營活動所得現金為38,300,000港元，融資活動所得現金為93,900,000港元及投資活動所用現金為44,900,000港元。融資活動現金流入淨額主要與首次公開招股的所得款項淨額119,600,000港元有關，被銀行借貸的還款淨額10,300,000港元及支付股息15,600,000港元所抵銷。

外匯風險

本集團訂立外匯遠期合同及認沽期權(本集團可憑該認沽期權以特定行使價出售歐元)，以減輕外匯匯率波動的影響，尤其是歐元兌美元的匯率。本集團將該工具歸類為買賣以外目的訂立之工具。

於二零一一年十二月三十一日，本集團的外匯期權及遠期合同之公平值約為1,500,000港元。該等外匯期權及遠期合同的合同金額分別為3,000,000歐元及2,500,000歐元。

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Capital expenditure

Capital expenditure for 2011 amounted to HK\$19.6 million and capital commitments as at 31 December 2011 amounted to HK\$19.9 million. Both the capital expenditure and capital commitments were mainly related to the acquisition of plant and machinery to cope with the increase in business volume.

Pledge of assets

As at 31 December 2010 and 2011, none of the Group's assets was pledged.

Contingent liabilities

During 2011, a copyright collecting agency has unilaterally announced new copyright fees for certain products of the Group. Management estimates that the relevant alleged claim is approximately HK\$7 million. Based on the latest available information, the directors are of the opinion that it is not probable that a Group will be required to settle the relevant alleged claim.(2010: Nil).

Acquisitions, disposals and significant investment

During the year ended 31 December 2011, the Group acquired the 51% equity interest of GAEMS, a company incorporated in the State of Washington, USA, at a subscription price of US\$2.0 million pursuant to a share subscription agreement. The Group also provided a 3-year interest bearing loan of US\$3.0 million to GAEMS to enable GAEMS to repay its loans, financial obligations and accounts payable due to third parties. Apart from the aforesaid transaction, there was no material acquisition, disposal or investment by the Group.

Human resources

As at 31 December 2011, the Group had 2,800 employees in various operating units located Hong Kong, USA, Germany, India and the PRC. In order to attract and retain high quality talents to ensure smooth operation and cater for the Group's constant expansion, it offers competitive remuneration packages, with reference to market conditions and individual qualifications and experience.

The Company has adopted a share option scheme as incentive to Directors and eligible employees. Since the adoption of the Scheme, no share option has been granted by the Company.

資本開支

二零一一年度的資本開支為19,600,000港元，於二零一一年十二月三十一日的資本承擔為19,900,000港元。資本開支及資本承擔主要與應付業務量增加而購置廠房及機器有關。

資產抵押

於二零一零年及二零一一年十二月三十一日，本集團並無抵押其資產。

或然負債

於二零一一年，一家版權收費機構單方面宣佈本集團若干產品的新版權費。管理層估計有關的聲稱索償約為7,000,000港元。根據最新資料顯示，董事認為本集團須為有關的聲稱索償付款的可能性甚微(二零一零年：無)。

收購、出售及重大投資

截至二零一一年十二月三十一日止年度，本集團根據一項股份認購協議，以2,000,000美元的認購價，收購在美國華盛頓州註冊成立的公司GAEMS的51%股權。本集團亦向GAEMS提供三年期的計息貸款3,000,000美元，以讓GAEMS用於償還其貸款、財務責任及應付第三方的賬款。除上述交易外，本集團並無進行重大收購、出售或投資。

人力資源

於二零一一年十二月三十一日，本集團位於香港、美國、德國、印度及中國各個營運單位合共聘有約2,800名僱員。為招攬及延攬優質精英，以確保營運順暢及應付本集團持續拓展，本集團參照市況及個人履歷及經驗提供具競爭力的薪酬計劃。

本公司已採納一項購股權計劃，作為對董事及合資格僱員之獎勵。自採納該計劃以來，本公司並無授出購股權。

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PROSPECTS

Looking ahead, the new financial period is expected to continue presenting a fair mix of challenges and opportunities. Through the management's careful direction, the Group's Distribution Business in multimedia products and computer accessories that is starting to bear fruit and enriched high-margin product portfolio, the management is cautiously optimistic towards the Group's performance in the coming year.

Having made significant strides in the past year, the Group's distribution business in multimedia products and computer accessories is expected to continue performing solidly in 2012. Backed by its well-received eBook reader and enhanced awareness of "TrekStor" brand, the management is considering to launch advanced series of the eBook reader to fully optimise returns. Meanwhile, it will also continue to extend the distribution channels and enrich product offerings under this brand.

Furthermore, the Group secured a new license towards the end of the financial year with a renowned phone and telecommunications giant to distribute SMB phone systems in South America. In addition to bolstering the Group's product portfolios, the license will allow the Group to extend distribution reach to yet another important market, thus strengthening its appeal to potential clients.

Encouraged by the positive market response following the launch of GAEMS's first electronic gaming product, the Group will now look forward to reporting on the performance of this brand within a full 12-month period. In 2012, the Group began the sales of G155 through the retail stores and online portal of a major video game console manufacturer in the US. Recently, it further extends the sales of the product through the online portal of a leading major video game developer. Besides, it will remain keen on identifying and developing other innovative gaming accessories.

Fully aware of the importance of strong geographical coverage, as well as the growing affluence of consumers in emerging markets, the Group has established offices in Shanghai, PRC and Chennai, India with the objective of expanding its presence in the two countries. The management will duly build on this network in the coming year as part of efforts to strengthen the Distribution Businesses.

展望

展望未來，新的財政年度將繼續同時湧現挑戰與契機。在管理層的審慎領導下、加上多媒體產品及電腦配件分銷業務開始帶來盈利貢獻，以及更全面的高毛利產品組合，管理層對本集團於來年的表現感到審慎樂觀。

憑藉本集團的多媒體產品及電腦配件分銷業務於去年取得重大進展，預期該業務將於二零一二年持續穩定發展。旗下電子書閱讀器深受歡迎，加上「TrekStor」品牌的知名度獲得提升，管理層正考慮推出電子書閱讀器的提升版以尋求最佳回報，同時本集團將繼續擴大此品牌的分銷渠道及豐富其產品組合。

此外，本集團於本財政年度末與一家著名電話及電訊業品牌簽訂了一項新特許權，該協議允許本集團於南美分銷該品牌的中小企電話系統。有關特許權除有助豐富本集團的產品組合外，更令本集團能擴展分銷業務至另一重要市場，從而提高對潛在客戶的吸引力。

市場對GAEMS推出的首個電子遊戲產品反應熱烈，本集團期待此品牌於新一年帶來全年銷售貢獻。由二零一二年開始，本集團開始於美國一家主要遊戲機製造商的零售店及網站內售賣G155產品。而最近本集團亦開始於一家電子遊戲發展商的網站內售賣該產品。與此同時，本集團將繼續物色及發展其他嶄新的遊戲配件。

本集團理解建立強大地域覆蓋的重要性，加上考慮到新興市場的富裕消費群不斷增長，因此已於中國上海及印度清奈設立辦事處以發展當地業務。於來年，管理層將會積極拓展這兩個地區的網絡以加強其分銷業務。

Management Discussion and Analysis

管理層討論及分析

To best combat production and labour costs, which most severely affected the EMS business, the management will implement a strategy that balances product expansion with prudent cost management. The Group will continue its commitment to the research and development of new products in order to reinforce its competitive edge in niche markets. More innovative products will be rolled out, in particular, baby care products – part of the healthcare product line – which will be further promoted in response to positive reception from consumers and retailers during the review year. By expanding sales volume and fully leveraging its extensive distribution network, this will in turn lead to more cost effective running of operations. Certainly, ongoing automation and cost control efforts will be pursued given that materials prices and labour cost is anticipated to remain high in 2012.

By bolstering the Company's competitiveness over its EMS counterparts on a variety of fronts, as well as having well-defined business strategies in place, the management is optimistic about achieving growth in the coming years.

為減輕對電子製造服務業務構成最大影響的生產及勞工成本，管理層將務求在擴充產品及審慎控制成本之間取得平衡。本集團將繼續致力研發新產品，以加強其於獨特市場的競爭力。本集團亦會推出更多創新產品，尤其是屬於保健產品系列的嬰兒護理產品，從而迎合消費者及零售商的殷切需求。透過提升銷售量及善用龐大的分銷網絡，本集團於經營業務方面將會達致更高成本效益。由於預期原材料價格及勞工成本於二零一二年維持高企，本集團亦將持續提高自動化及加強成本控制。

透過於多方面加強本公司相對其他電子製造服務商之中的競爭優勢，以及確立清晰的業務策略，管理層對本集團於未來數年的發展感到樂觀。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability. The Directors continuously observe the principles of good corporate governance in the interests of shareholders and devote considerable effort to identifying and formalising best practice.

The Company's corporate governance practices are based on the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). Throughout the period from 27 January 2011 (the "Listing Date") to 31 December 2011, the Company had applied the principles and complied with all the applicable code provisions set out in the Code, except for the deviation from code provision A.2.1 of the Code as described below.

Code Provision A.2.1

Under code provision A.2.1 of the Code, the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not have any officer with the title of "chief executive officer" and this is deviated from the code provision A.2.1 of the Code. Mr. Cheng Han Ngok Steve, who acts as the chairman and the executive Director of the Company, is also responsible for overseeing the general operations of the Group. The Board will meet regularly to consider major matters affecting the operations of the Group. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Group. The roles of the respective executive Directors and senior management who are in charge of different functions complement the role of the chairman and chief executive officer. The Board believes that this structure is conducive to strong consistent leadership enabling the Group to operate efficiently.

The Company understands the importance to comply with the code provision A.2.1 and will continue to consider the feasibility to comply with the said code provision. If compliance with the said provision is determined, appropriate persons will be nominated to assume the different roles of chairman and chief executive officer.

企業管治實務

董事深明，為達致有效問責，在本集團管理架構及內部監控程序引進良好企業管治元素乃攸關重要。董事一直遵守維護股東利益的良好企業管治準則，致力制訂並落實最佳常規。

本公司的企業管治實務乃基於香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「守則」)。不過，由二零一一年一月二十七日(「上市日」)至二零一一年十二月三十一日止期間，本公司已採用該等準則並遵守守則所載所有適用守則條文，惟下文所述就守則第A.2.1條有所偏離的情況除外。

守則條文A.2.1

根據守則的守則條文第A.2.1條，主席及行政總裁的角色應分開及不應由同一人士擔任。本公司並無任何職銜為「行政總裁」的高級職員，此偏離守則的守則條文第A.2.1條。鄭衡嶽先生為本公司主席兼執行董事，亦負責監督本集團整體運作。董事會定期召開會議考慮影響本集團運作的重大事宜。董事會認為此架構無損董事會與本集團管理層之間的權力均衡和權責。各執行董事及主管不同職能的高級管理層的角色與主席及行政總裁的角色相輔相成。董事會相信，此架構有利於建立鞏固而連貫的領導，讓本集團有效運作。

本公司明白遵守守則條文第A.2.1條的重要性，並將繼續考慮遵守上述守則條文的可行性。如決定遵守上述條文，本公司將提名合適人選分別擔任主席及行政總裁之職。

Corporate Governance Report

企業管治報告

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”) as the required standard for securities transactions by Directors. The Company has made specific enquiries of all Directors and all Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Directors’ securities transactions from the Listing Date and up to the date of this annual report.

BOARD OF DIRECTORS

The Board currently comprises five executive Directors and three independent non-executive Directors. The three independent non-executive Directors account for more than one-third of the Board. The composition of the Board is set out as follows:

Executive Directors:

Mr. Cheng Han Ngok Steve (*Chairman*)
Mr. Poon Ka Lee Barry
Mr. Ng Kim Yuen
Ms. Fok Pui Yin
Mr. Lee Kai Bon

Independent Non-executive Directors:

Mr. Au-Yang Cheong Yan Peter
Dr. Kwan Pun Fong Vincent
Dr. Xue Quan

The biographical details of the Directors and other senior management are disclosed in the section headed “Biographical Details of Directors and Senior Management” on pages 28 to 33 in this annual report. The composition of the Board ensures a balance of skills and experiences appropriate to the requirements of the businesses of the Group and to exercise of independence and is well balanced. Each of the Directors has relevant expertise and extensive corporate and strategic planning experiences that may contribute to the business of the Group. The Company has complied with the requirements under Rule 3.10(1) and (2) of the Listing Rules since the Listing Date. All independent non-executive Directors also meet the guidelines for assessment of their independence as set out in Rule 3.13 of the Listing Rules.

進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)作為其董事進行證券交易所需的標準。本公司經向全體董事作個別查詢後，董事均確認彼等自上市日起至本年報日期止期間已遵守標準守則載列的所需標準及有關董事進行證券交易的行為守則。

董事會

董事會現時由五名執行董事及三名獨立非執行董事組成。該三名獨立非執行董事佔董事會三分之一以上。董事會的成員如下：

執行董事：

鄭衡嶽先生(主席)
潘家利先生
吳儉源先生
霍佩賢女士
李繼邦先生

獨立非執行董事：

歐陽長恩先生
關品方博士
薛泉博士

董事及其他高級管理層的履歷詳情披露於本年報第28至第33頁的「董事及高級管理層履歷詳情」一節。董事會之組成確保集各方專長技能及經驗，以滿足本集團之業務需求，達致獨立判斷及平衡作用。各董事擁有相關專業及豐富企業及策略計劃經驗，均可為本集團業務作出貢獻。本公司自上市日起一直遵守上市規則第3.10(1)及(2)條的規定。全體獨立非執行董事亦符合上市規則第3.13條對其獨立性的評估指引。

Corporate Governance Report

企業管治報告

Functions of the Board

The Board supervises the management of the business and affairs of the Company. The Board's primary duty is to ensure the viability of the Company and to ensure that it is managed in the best interests of the shareholders as a whole while taking into account the interests of other stakeholders. The Group has adopted internal guidelines in setting forth matters that require the Board's approval. Apart from its statutory responsibilities, the Board approves the Group's strategic plan, key operational initiatives, major investments and funding decisions. It also reviews the Group's financial performance, identifies principal risks of the Group's business and ensures implementation of appropriate systems to manage these risks. Daily business operations and administrative functions of the Group are delegated to the management.

Board Meetings and Procedures

Board members were provided with complete, adequate and timely information to allow them to fulfill their duties properly. In compliance with code provision A.1.3 of the Code, at least 14 days' notice has been given for a regular Board meeting to give all Directors an opportunity to attend. Notice, agenda and board papers of regular Board meetings are sent to all Directors within reasonable time and at least 3 days prior to the meetings. Directors are free to contribute and share their views at meetings and major decisions will only be taken after deliberation at Board meetings. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed will not be counted in the quorum of meeting and will abstain from voting on the relevant resolutions. Full minutes are prepared after the meetings and the draft minutes are sent to all Directors for their comment on the final version of which are endorsed in the subsequent Board meeting.

All independent non-executive Directors have been appointed for a fixed term. Every Director is subject to re-election on retirement by rotation in accordance with the Articles of Association of the Company. The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and still considers the independent non-executive Directors to be independent as at the date of this annual report.

董事會職能

董事會監督本公司業務及事務的管理。董事會的主要職責為確保本公司的存續性，並確保其以符合股東整體最佳利益同時顧及其他權益持有人利益的方式管理。本集團已採納內部指引，列出需要董事會批准的事宜。除法定責任外，董事會批准本集團的策略計劃、重點營運舉措、主要投資及融資決定。其亦負責檢討本集團財務表現，辨認本集團業務的重大風險並確保實施合適制度管控有關風險。本集團日常業務營運及行政職能乃轉授管理層處理。

董事會會議及程序

董事會成員獲提供完整、充分和及時的資料，以便妥善履行其職責。在遵守企業管治守則之守則條文A.1.3條之規定，董事會召開例行會議須發出至少14天通知，以便所有董事都能出席。有關董事會例行會議之通告、議程及文件乃於會議前合理時間內(最少三天前)發送予所有董事。董事可於會上各抒己見，而任何重大決策均須經董事會會議審議始行落實。若任何董事就建議交易事項或待討論事項涉及利益沖突或重大利益，則不得計入該次會議的法定人數，亦不得就相關決議案投票。會後須編制會議記錄，草擬本交全體董事評議，最終定稿則於下屆董事會會議上審批。

全體獨立非執行董事的任命均有固定任期。根據本公司的組織章程細則，每名董事均須輪值告退並膺選連任。本公司已接獲各獨立非執行董事根據上市規則第3.13條呈交的年度確認書，確認其獨立性。本公司於本年報日仍視獨立非執行董事具獨立性。

Corporate Governance Report

企業管治報告

During the year under review, five Board meetings were held and the individual attendance of each director is set out below:

於回顧年度內，已召開五次董事會會議，各董事的個別出席率如下：

Name of director	董事姓名	Number of meetings attended/held 出席會議 數目／召開會議數目
Mr. Cheng Han Ngok Steve	鄭衡嶽先生	5/5
Mr. Poon Ka Lee Barry	潘家利先生	5/5
Mr. Ng Kim Yuen	吳儉源先生	5/5
Ms. Fok Pui Yin	霍佩賢女士	5/5
Mr. Lee Kai Bon	李繼邦先生	5/5
Mr. Au-Yang Cheong Yan Peter	歐陽長恩先生	5/5
Dr. Kwan Pun Fong Vincent	關品方博士	5/5
Dr. Xue Quan	薛泉博士	5/5

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

Each of the executive Directors has entered into a service contract with the Company commencing from 1 July 2010 (save for Mr. Cheng Han Ngok Steve, whose service contract commenced from 18 May 2010) until termination in accordance with the respective contract. Subject to the terms of the service contract, each service contract may be terminated by either party thereto giving to the other party not less than three months' prior written notice.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company for a term of three years commencing from the date of signing of their respective letter of appointment and may be terminated by either party by giving at least three months' prior written notice.

In accordance with Article 108(a) of the Articles of Association of the Company, at each annual general meeting, at least one third of the Directors are required to retire from office by rotation. Each Director shall retire from office at least once every three years and shall include those who have been longest in office since their last election or re-election.

In accordance with Article 112 of the Articles of Association of the Company, new Directors appointed by the Board during the year shall retire and submit themselves for re-election at the annual general meeting immediately following their appointments.

董事委任、重選及罷免

各執行董事與本公司已訂立服務合約，自二零一零年七月一日起計（鄭衡嶽先生除外，其服務合約於二零一零年五月十八日開始），直至根據相關合約終止。根據服務合約條款，各服務合約均可由任何一方向另一方發出不少於三個月事先書面通知予以終止。

各獨立非執行董事與本公司已訂立委任函，自各委任函簽署日期起計，任期三年，任何一方可發出至少三個月事先書面通知予以終止。

根據本公司組織章程細則第108(a)條，於每年股東週年大會上最少須有三分之一董事輪席退任。董事須最少每三年退任一次，當中須包括自上次獲委任或重選為董事時間最長的董事。

根據本公司組織章程細則第112條，本年度內獲董事會委任之新董事須退任並於緊隨獲委任後之股東週年大會上呈重選。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES

The Board has established specific committees, namely the Audit Committee, Remuneration Committee and Nomination Committee, with written terms of reference to assist them in the efficient implementation of their functions. Specific responsibilities have been delegated to the above committees.

The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

The Board shall establish other committees for specific purposes from time to time to facilitate the Company's operations.

Audit Committee

The Company established the Audit Committee on 31 December 2010. The Audit Committee had three members comprising our three independent non-executive Directors, namely, Dr. Kwan Pun Fong Vincent (Chairman), Mr. Au-Yang Cheong Yan Peter and Dr. Xue Quan. The composition and members of the Audit Committee complies with the requirements under Rules 3.21 of the Listing Rules.

The primary duties of the Audit Committee are mainly to review and supervise the financial reporting process and internal control system of the Group. The written terms of reference which describes the authority and duties of the Audit Committee have been revised by the Board on 30 March 2012 to conform to the provisions of the Revised Code, a copy of which is posted to the Company's website and HKEx website.

The works performed by the Audit Committee in 2011 included the following:

- to review the financial results and reports;
- to review the reports from external auditors, management letters and management response;
- to review the matters in relation to internal audit and the effectiveness of the internal control system;

董事委員會

董事會已成立具書面職權範圍的特定委員會，以協助其有效實行其職能，即審核委員會、薪酬委員會及提名委員會。上述委員會已獲轉授特定職責。

董事委員會獲提供足夠的資源以履行其職務，並且於提出合理要求時，可以在合適的情況下尋求獨立專業建議，費用由本公司承擔。

董事會可不時為特定目的成立其他委員會，以推動本公司的業務運作。

審核委員會

本公司已於二零一零年十二月三十一日成立審核委員會。審核委員會現由三名獨立非執行董事組成，分別為關品方博士(主席)、歐陽長恩先生及薛泉博士。審核委員會的組成及成員遵守上市規則第3.21條的規定。

審核委員會之基本職務主要為審閱及監察本集團之財務申報程序及內部監控系統。載列審核委員會的權力及職責的書面職權範圍已於二零一二年三月三十日經董事會作出修訂，以符合經修訂守則的條文。該份經修訂職權範圍已刊登於本公司及聯交所的網站。

審核委員會於二零一一年履行的工作包括以下所列者：

- 審閱財務業績及報告；
- 審閱外聘核數師報告、管理層函件及管理層回應；
- 審閱有關內部審計及內部監控系統有效性的事宜；

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- to review the Group's compliance with statutory and regulatory requirements;
- to review corporate governance matters; and
- to review the re-appointment of the external auditors.

The Audit Committee held four meetings during 2011 and the individual attendance of each member is set out below:

Name of member	成員姓名	Number of meetings attended/held 出席會議 數目／召開會議數目
Dr. Kwan Pun Fong Vincent	關品方博士	4/4
Mr. Au-Yang Cheong Yan Peter	歐陽長恩先生	4/4
Dr. Xue Quan	薛泉博士	4/4

The Company's annual results for the year ended 31 December 2011 have been reviewed by the Audit Committee.

Remuneration Committee

The Remuneration Committee was established on 31 December 2010 and currently comprises one executive Director, namely, Mr. Cheng Han Ngok Steve, and three independent non-executive Directors, namely, Mr. Au-Yang Cheong Yan Peter, Dr. Kwan Pun Fong Vincent and Dr. Xue Quan. Pursuant to a resolution of the Board passed on 30 March 2012, Mr. Au-Yang Cheong Yan Peter has been appointed as the chairman of the Remuneration Committee.

The Remuneration Committee is governed by its terms of reference, which have been revised by the Board on 30 March 2012 pursuant to the Revised Code. The terms of reference are currently available on the Company's website and HKEx websites.

- 審閱本集團遵守法定及監管規定的情況；
- 審閱企業管治事宜；及
- 審閱外部核數師的續聘事宜。

審核委員會於二零一一年召開四次會議，各成員的個別出席率載列如下：

本公司截至二零一一年十二月三十一日止年度的年度業績已經審核委員會進行審閱。

薪酬委員會

本公司於二零一零年十二月三十一日成立薪酬委員會，現時由一名執行董事鄭衡嶽先生，以及三名獨立非執行董事，分別為歐陽長恩先生、關品方博士及薛泉博士組成。根據董事會於二零一二年三月三十日通過的決議案，歐陽長恩先生獲委任為薪酬委員會主席。

薪酬委員會受其職權範圍監管，董事會於二零一二年三月三十日根據經修訂的守則修訂其職權範圍。薪酬委員會職權範圍現已刊登於本公司及聯交所網站。

Corporate Governance Report

企業管治報告

The primary duties of the Remuneration Committee are mainly to review and determine the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management and to make recommendation to the Board on the Group's policy and structure for all remuneration of the Directors and senior management. No Director shall participate in any discussion about his or her own remuneration. The remuneration of the Directors was determined with reference to their respective experience, responsibilities with the Group and general market conditions.

Three meetings of the Remuneration Committee was held during the year ended 31 December 2011 to review the remuneration package of the Directors and senior management. The individual attendance of each member is set out below.

薪酬委員會基本職責主要為審閱及釐定應付董事及高級管理層之薪酬待遇、花紅及其他應付補償，並就本集團所有董事及高級管理層薪酬的政策及架構向董事會提出建議。概無董事參與任何涉及其薪酬的討論。董事薪酬參考其各自經驗、於本集團的職責及整體市場狀況釐定。

截至二零一一年十二月三十一日止年度薪酬委員會召開三次會議，以檢討董事及高級管理層的薪酬福利。各成員的個別出席率如下：

Name of member	成員姓名	Number of meetings attended/held 出席會議數目／召開會議數目
Mr. Au-Yang Cheong Yan Peter	歐陽長恩先生	3/3
Mr. Cheng Han Ngok Steve	鄭衡嶽先生	3/3
Dr. Xue Quan	薛泉博士	3/3
Dr. Kwan Pun Fong Vincent	關品方博士	3/3

Nomination Committee

The Company established the Nomination Committee on 31 December 2010 with written terms of reference which are in compliance with the code provisions of the Code. The primary duties of the Nomination Committee include the making of recommendations to the Board on appointment of Directors and succession planning for the Directors. Its specific written terms of reference, which has been revised by the Board on 30 March 2012 pursuant to the Revised Code, are currently available on the Company's website and HKEx websites.

The Nomination Committee consists of four members, comprising one executive Director, namely, Mr. Cheng Han Ngok Steve, and three independent non-executive Directors, namely, Mr. Au-Yang Cheong Yan Peter, Dr. Kwan Pun Fong Vincent and Dr. Xue Quan. Pursuant to a resolution of the Board passed on 30 March 2012, Dr. Xue Quan has been appointed as the chairman of the Nomination Committee.

提名委員會

本公司於二零一零年十二月三十一日成立提名委員會，並書面訂立符合守則的守則條文的職權範圍。提名委員會主要職責包括就董事委任及董事替任計劃向董事會提出建議。提名委員會的具體書面職權範圍已於二零一二年三月三十日根據經修訂的守則作出修訂，現已刊登於本公司及聯交所的網站。

提名委員會由四名成員組成，包括一名執行董事鄭衡嶽先生及三名獨立非執行董事，分別為歐陽長恩先生、關品方博士及薛泉博士。根據董事會於二零一二年三月三十日通過的決議案，薛泉博士獲委任為提名委員會主席。

Corporate Governance Report

企業管治報告

Three Nomination Committee meetings were held and the individual attendance of each member is set out below.

提名委員會曾召開三次會議，各成員的個別出席率如下：

Name of member	成員姓名	Number of meetings attended/held 出席會議 數目／召開會議數目
Dr. Xue Quan	薛泉博士	3/3
Mr. Cheng Han Ngok Steve	鄭衡嶽先生	3/3
Mr. Au-Yang Cheong Yan Peter	歐陽長恩先生	3/3
Dr. Kwan Pun Fong Vincent	關品方博士	3/3

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENT

The Directors acknowledge their responsibility for the preparation of the financial statements which give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period.

The statement by the auditors of the Company about their responsibilities for the financial statements is set out in the report of the independent auditor's report contained in the Annual Report. There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

AUDITORS' REMUNERATION

The Company engaged RSM Nelson Wheeler as its external auditors for the Year. Analysis of the remuneration in respect of audit services provided by the external auditors is included in note 12 to the consolidated financial statements in the Annual Report. Apart from the provisions of annual audit services, the external auditors were also reporting accountants of the Company in relation to the listing. For the Year, the total fee paid in respect of the non-audit services is approximately HK\$0.3 million.

董事對財務報表的責任

董事明白其須負責編製真實的及公平地反映本集團事務狀況的財務報表以及有關期間的業績和現金流。

本公司核數師對財務報表的責任陳述，載於本年報獨立核數師報告內。並無重大不明朗事件或情況對本公司持續經營的能力造成重大疑問。

核數師薪酬

本公司委聘中瑞岳華(香港)會計師事務所為本年度的外聘核數師。有關外聘核數師就所提供審核服務收取的薪酬分析載於本年報綜合財務報表附註12。除提供年度核數服務外，外聘核數師為本公司上市的申報會計師。於本年度，就非核數服務支付的總費用約為300,000港元。

Corporate Governance Report

企業管治報告

INTERNAL CONTROLS

The Board is responsible for ensuring the effectiveness of the Group's internal control systems. The internal control systems are designed to meet the Group's particular needs and the risks to which it is exposed.

Procedures have been set up for safeguarding assets against unauthorized use or disposition, controlling over capital expenditure, maintaining proper accounting records and ensuring the reliability of financial information used for business and publication. Qualified management of the Group maintains and monitors the internal control systems on an ongoing basis.

For the year ended 31 December 2011, the Company has appointed an external independent internal control advisor to conduct a review of the effectiveness of the internal control systems of the Group, covering all material controls, including financial, operational, compliance controls and risk management functions, etc. Based on the assessment made by the internal control advisor, the Board considers that the internal control systems of the Group are effective and the Audit Committee has found no material deficiencies on the internal control systems.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

In order to keep shareholders well informed of the business activities and direction of the Group, information about the Group has been provided to the shareholders through financial reports and announcements. The Company has established its own corporate website www.telefieldgroup.com.hk as a channel to facilitate effective communication with its shareholders and the public. The Company will continue to enhance communications and relationships with its shareholders and investors.

Shareholders, investors and interested parties can make enquiries directly to the Company through the following e-mail: enquiry@telefieldgroup.com.hk.

內部監控

董事會負責確保本集團的內部監控體系行之有效。內部監控體系的設計是滿足本集團的特定需求及所承擔風險。

本公司已訂立程序，確保資產不會未經授權而被使用或出售，同時控制資本支出、妥善保存會計紀錄，並確保用於業務及刊發的財務資料可靠性。本集團合資格管理人員須持續保持及監察內部監控體系。

截至二零一一年十二月三十一日止年度，本公司已委聘外部獨立內部監控顧問，就本集團的內部監控體系效能進行檢視，檢視涵蓋所有重大控制，包括財務、營運、合規監控及風險管理職能等。根據內部監控顧問的評核，董事會認為本集團的內部監控體系行之有效，審核委員會並無發現內部監控體系出現重大不足之處。

與股東及投資者的溝通

為了讓股東充分了解本集團的業務活動及方向，有關本集團的資訊一直透過財務報告及公告提供予股東。本公司已設立其企業網頁 www.telefieldgroup.com.hk，作為促進與股東和公眾人士有效溝通的渠道。本公司將繼續增加與股東及投資者溝通，建立緊密關係。

股東、投資者及有興趣人士可透過電郵方式 enquiry@telefieldgroup.com.hk 直接向本公司提出查詢。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

DIRECTORS

Executive Directors

Mr. Cheng Han Ngok Steve, aged 58, an executive Director and chairman of the Company since its incorporation on 18 May 2010, is the founder of the Group and a director of most of the major operating subsidiaries of the Group. Mr. Cheng is responsible for the overall strategic development of the Group's business. He has over 30 years of experience in consumer electronic products industry. Under Mr. Cheng's leadership, the Group has succeeded to diversify from the production of telecommunications products to a wider EMS industry segment and entered into the branded products distribution sector.

Mr. Cheng is a 中國人民政治協商會議廣州市白雲區常務委員(standing committee member of The Chinese People's Political Consultative Conference of the Baiyun District of Guangzhou). Mr. Cheng obtained a Bachelor of Mathematics from the University of Waterloo in Canada in October 1977 and a Higher Diploma in Electronic Engineering from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in November 1973. He and Mr. Poon Ka Lee Barry are brothers-in-law.

Mr. Poon Ka Lee Barry, aged 52, an executive Director since 1 July 2010, is the chief financial officer and the company secretary of the Company. He is currently a director of most of the major operating subsidiaries of the Group. He is also a supervisor of Guangzhou Telefield Limited (the "Guangzhou Telefield"), Guangzhou Telefield Medical Devices Limited (the "Guangzhou Telefield Medical") and Telefield Vision (Shanghai) Limited (the "Telefield Vision (SH)"). Mr. Poon is responsible for developing and implementing the Group's strategic objectives and business plans. Mr. Poon has over 25 years of experience in audit, accounting and finance. He is currently a practising member of the Hong Kong Institute of Certified Public Accountants. He is also an associate member of the Association of Chartered Certified Accountants. Mr. Poon obtained a Master Degree in Business Administration from the University of Manchester in the United Kingdom in December 2002 and a Professional Diploma in Accountancy from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in November 1983. Since October 2009 and up to February

董事

執行董事

鄭衡嶽先生，58歲，自本公司於二零一零年五月十八日註冊成立以來，即出任本公司執行董事兼主席，是本集團創辦人，亦是本集團大部分主要營運附屬公司的董事。鄭先生負責本集團業務的整體戰略發展。彼於電子消費品行業累積超過30年的經驗。在鄭先生的領導下，本集團業務成功由電訊產品生產分散至更廣闊的電子製造服務行業環節，並進軍品牌產品分銷領域。

鄭先生是中國人民政治協商會議廣州市白雲區常務委員。鄭先生於一九七七年十月取得加拿大滑鐵盧大學數學學士學位，一九七三年十一月取得香港理工學院(現稱香港理工大學)電子工程高級文憑。彼為潘家利先生的內兄。

潘家利先生，52歲，自二零一零年七月一日起出任執行董事，是本公司財務總監兼公司秘書。彼現時為本集團大部分營運附屬公司的董事。彼亦是廣州中慧電子有限公司(「廣州中慧」)、廣州中慧醫療器材有限公司(「廣州中慧醫療」)及慧訊光學商貿(上海)有限公司(「慧訊(上海)」)的監事。潘先生負責制定及實施本集團的戰略目標和業務計劃。潘先生於審計、會計及財務累積超過25年的經驗。目前是香港會計師公會的執業會員。彼為英國特許公認會計師公會附屬會員。潘先生於二零零二年十二月取得英國曼徹斯特大學的工商管理碩士學位，一九八三年十一月取得香港理工

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

2012, Mr. Poon has been an independent non-executive director of Sunlink International Holdings Limited (“Sunlink”) (stock code: 2336), a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). His appointment was subsequent to a winding-up petition against Sunlink which was filed on 1 December 2008 and the petition was subsequently discharged in February 2012. Mr. Poon and Mr. Cheng Han Ngok Steve are brothers-in-law.

Mr. Ng Kim Yuen, aged 51, an executive Director since 1 July 2010, is currently the general manager of manufacturing division of Telefield Limited (the “Telefield (HK)”). Mr. KY Ng is also a director of Guangzhou Telefield, Huizhou Telefield Limited (the “Huizhou Telefield”), Telefield Vision (SH), Guangzhou Telefield Medical, Telefield Holdings Limited (formerly known as “Orient Power Telecommunication Limited” and “Big Apple Enterprises Limited” (the “Telefield (BVI)”) and Telefield (HK). Mr. KY Ng has over 25 years of experience in the electronics industry.

Mr. KY Ng is a chartered engineer of the Engineering Council and is a member of The Hong Kong Institution of Engineers and The Institution of Electrical Engineers, the United Kingdom. He obtained a Master of Science in Engineering from The University of Hong Kong in December 1989 and Associateship and Higher Diploma in Production and Industrial Engineering from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in November 1983 and November 1982, respectively.

Ms. Fok Pui Yin, aged 56, an executive Director since 1 July 2010, is the general manager of administration division of Telefield (HK). Ms. Fok is also a director of Aiko Beauty (Shenzhen) Limited (the “Aiko (SZ)”), Modern Channel Limited (the “Modern Channel”), Telefield Medical, Telefield (BVI) and Telefield (HK). She is responsible for general administration, procurement and information technology management of the Group.

學院(現稱香港理工大學)的會計專業文憑。自二零零九年十月起至二零一二年二月止期間，潘先生為香港聯合交易所有限公司(「聯交所」)主板上市公司科浪國際控股有限公司(「科浪」)(股份代號：2336)的獨立非執行董事，彼在科浪二零零八年十二月一日的清盤呈請提出後獲得任命。該項呈請其後已於二零一二年二月獲解除。潘先生為鄭衡嶽先生的妹夫。

吳儉源先生，51歲，自二零一零年七月一日起出任執行董事，現為中慧有限公司(「中慧香港」)生產部的總經理，亦是廣州中慧、惠州中慧電子有限公司(「惠州中慧」)、慧訊(上海)、廣州中慧醫療、Telefield Holdings Limited(前稱「Orient Power Telecommunication Limited」)及「Big Apple Enterprises Limited」(「Telefield (BVI)」)及中慧香港的董事。吳先生於電子行業累積超過25年的經驗。

吳先生為工程師學會的特許工程師，並為香港工程師學會及英國電機工程師學會的會員。彼於一九八九年十二月取得香港大學工程科學碩士學位，並分別於一九八三年十一月及一九八二年十一月，取得香港理工學院(現稱香港理工大學)的生產及工業工程院士資格及高級文憑。

霍佩賢女士，56歲，自二零一零年七月一日起出任執行董事，為中慧香港行政部總經理，亦是愛康科商貿(「深圳」)有限公司(「愛康科(深圳)」)、啟協有限公司(「啟協」)、中慧醫療、Telefield (BVI)及中慧香港的董事，負責本集團的一般行政，採購和資訊科技管理。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

Ms. Fok obtained a Bachelor of Business (Business Administration) from the Royal Melbourne Institute of Technology in September 2004, a Professional Diploma in Enterprise Directorship awarded jointly by the Hong Kong Institute of Directors and Hong Kong Productivity Council in August 2009, and a Diploma in Management Studies awarded jointly by Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) and Hong Kong Management Association in September 1992.

Mr. Lee Kai Bon, aged 52, an executive Director since 1 July 2010, is a general manager of business division of Telefield (HK) and the Group's research and development centre. Mr. KB Lee is also a director of Telefield (BVI), Telefield (HK), Guangzhou Telefield, Huizhou Telefield, Aiko (SZ) and Telefield Vision (SH). Mr. KB Lee has over 25 years of experience in consumer electronic products industry. From November 1989 to November 1992, he served as an associate consultant of Hong Kong Productivity Council. Mr. KB Lee graduated with a Bachelor of Science (Hons) from the University of Warwick, the United Kingdom in July 1982.

Independent Non-executive Directors

Mr. Au-Yang Cheong Yan Peter, aged 51, an independent non-executive Director since 1 July 2010. Mr. Au-Yang is a director of AsiaSoft Company Limited which is the holding company of a group with businesses in different sectors of the software industry. Prior to joining AsiaSoft Company Limited, Mr. Au-Yang spent more than 20 years in the financial services sector in the Asia-Pacific region. Mr. Au-Yang joined the HSBC group in 1985 and became a co-head of Investment Banking, the Asia-Pacific region of the HSBC group in 2001. Between 1985 and 2003 when he was with the HSBC group, he worked on various equity capital fund-raising exercises and mergers and acquisitions projects in the Asia-Pacific region. Between 2003 and 2006, Mr. Au-Yang was an executive director and the chief operating officer of the SFC. In late 2004, Mr. Au-Yang doubled up as the executive director in charge of the corporate finance division of the SFC. Mr. Au-Yang is also an independent non-executive Director and the Chairman of GreaterChina Professional Services Limited (a company listed on the Growth Enterprise Market of the Stock Exchange). Mr. Au-Yang obtained a Bachelor of Science degree in Business Studies from the University of Bradford in England in July 1982, and a Master of Science degree in Accounting and Finance from the London School of Economics and Political Science in August 1983.

霍女士於二零零四年九月取得墨爾本皇家理工學院學士(工商管理)學位，於二零零九年八月取得香港董事學會及香港生產力促進局聯合頒發的企業董事專業文憑，於一九九二年九月取得香港理工學院(現稱香港理工大學)及香港管理專業協會聯合頒發的管理學文憑。

李繼邦先生，52歲，自二零一零年七月一日起出任執行董事，為中慧香港業務部兼本集團研發中心總經理，亦是Telefield (BVI)、中慧香港、廣州中慧、惠州中慧、愛康科(深圳)及慧訊(上海)的董事。李先生於電子消費品行業累積超過25年的經驗。由一九八九年十一月至一九九二年十一月，李先生曾擔任香港生產力促進局的助理顧問。李先生於一九八二年七月畢業於英國華威大學，取得理學士(榮譽)學位。

獨立非執行董事

歐陽長恩先生，51歲，自二零一零年七月一日起出任獨立非執行董事。歐陽先生是AsiaSoft Company Limited的董事，該公司為包羅軟件產業多個領域業務的企業集團控股公司。加入AsiaSoft Company Limited前，歐陽先生於亞太區金融服務業積逾20年的經驗。歐陽先生於一九八五年加入滙豐集團，二零零一年成為滙豐集團亞太區投資銀行聯席主管。由一九八五年至二零零三年任職滙豐集團時，他曾參與亞太區多項股本集資活動、兼併及收購項目。由二零零三年至二零零六年，歐陽先生出任證監會的執行董事和營運總裁。二零零四年底，歐陽先生作為執行董事，兼掌證監會的企業融資部。歐陽先生亦擔任漢華專業服務有限公司(一間於聯交所創業板上市的公司)的獨立非執行董事兼主席。歐陽先生於一九八二年七月獲得英國布拉德福德大學商業研究理學士學位，並於一九八三年八月取得倫敦政治經濟學院會計及財務理學士學位。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

Dr. Kwan Pun Fong Vincent, aged 61, an independent non-executive Director since 1 July 2010. Dr. Kwan is a professor of Business and Management Division of United International College (jointly founded by 北京師範大學 (Beijing Normal University) and Hong Kong Baptist University). He is also the chief financial officer and new premises project manager of Yew Chung Education Foundation in Hong Kong. From October 2002 to June 2008, Dr. Kwan was a non-executive director of Finet Group Limited (stock code: 8317), a company listed on the Growth Enterprise Market of the Stock Exchange. Since June 2008, he has been an independent non-executive director of Jiangling Motors Co., Limited, a company listed on the Shenzhen Stock Exchange. Dr. Kwan is a Certified Practising Accountant of CPA Australia, an associate member of the Hong Kong Institute of Human Resources Management, a fellow of the Institute of Management Consultants, and a senior member of the Hong Kong Institute of Marketing. Dr. Kwan obtained a Doctoral Degree in Business Administration from the University of Western Sydney in Australia in May 2004, a Master's Degree in Commerce from the University of Hitotsubashi in Japan in March 1981, and a Bachelor's Degree in Social Sciences from The University of Hong Kong in November 1973.

Dr. Xue Quan, aged 46, an independent non-executive Director since 15 July 2010. Dr. Xue obtained a Doctor of Philosophy from 電子科技大學 (The University of Electronic Science and Technology of China) in September 1993 and a Bachelor of Engineering from 成都電訊工程學院 (Chengdu Institute of Radio Engineering) in July 1988. Dr. Xue is currently a professor of the Department of Electronic Engineering and the Associate Vice President of the City University of Hong Kong. He has over 12 years experience in consumer electronic products industry. From January 2002 to February 2009, he was the managing director of Shenzhen Goldradio Communication Ltd, a company engaged in microwave and antenna components for satellite communications. From October 1998 to May 1999, Dr. Xue was a senior engineer of Dynax Electronics (HK) Limited, a company engaged in DVD components and wireless communications.

關品方博士，61歲，自二零一零年七月一日起出任獨立非執行董事。關博士為聯合國際學院(北京師範大學和香港浸會大學共同創辦)工商管理學部教授。彼亦是香港的耀中教育機構的財務總監和新建物業項目經理。由二零零二年十月至二零零八年六月，關博士擔任財華社集團有限公司(股份代號：8317)的非執行董事，該公司在聯交所創業板上市。自二零零八年六月以來，他一直擔任江鈴汽車股份有限公司的獨立非執行董事，該公司在深圳證券交易所上市。關博士是澳洲會計師公會的執業會計師，香港人力資源管理學會的副會員，管理顧問學會的資深會員，以及香港市務學會的資深會員。關博士於二零零四年五月獲得澳洲西悉尼大學工商管理學博士學位，一九八一年三月獲得日本一橋大學商科碩士學位，一九七三年十一月獲得香港大學社會科學學士學位。

薛泉博士，46歲，自二零一零年七月十五日出任獨立非執行董事。薛博士於一九九三年九月獲得電子科技大學博士學位，一九八八年七月獲得成都電訊工程學院工程學學士。薛博士現為香港城市大學電子工程學系教授兼協理副校長。彼於電子消費產品行業累積超過12年的經驗。由二零零二年一月至二零零九年二月，彼為深圳國瑞通訊有限公司的董事總經理，該公司從事微波和衛星通信天線組件業務。由一九九八年十月至一九九九年五月，薛博士擔任騰達電子(香港)有限公司的資深工程師，該公司從事DVD元件和無線通信業務。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

SENIOR MANAGEMENT

Mr. Ng Wing Nin, aged 50, is the general manager of Aiko. He joined the Group since 2006. He is a director of Aiko, Aiko (SZ) Telefield GAEMS Limited (the “Telefield GAEMS”), GAEMS Inc. (the “GAEMS”) and GAEMS International Limited (the “GAEMS Intl”). Mr. Ng has held senior management positions in sales, marketing, operations and manufacturing for more than 20 years. Mr. Ng obtained a Master of Science in Engineering Business Management jointly awarded by The Hong Kong Polytechnic University and the University of Warwick, a Bachelor of Science from the University of Ulster and a Higher Certificate in Electronic Engineering from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University).

Mr. Lee Cheong Lim, aged 50, is a general manager of Telefield (HK). Mr. Lee is responsible for the exploration of business opportunities in relation to medical equipment. Mr. Lee is also a director of Guangzhou Telefield Medical. Mr. Lee joined the Group in early 2010 as the general manager of the Group’s marketing department. Mr. Lee has over 25 years of experience in consumer electronic products industry. Mr. Lee obtained a Higher Diploma in Electronic Engineering from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University).

Mr. Tam Kam Fong, aged 51, is a senior manager of Telefield (HK). Mr. Tam joined the Group as chief mechanical engineer in 1992. He had served various managerial capacity in the Group such as manager of the Group’s mechanical engineering department and project and operations manager. Mr. Tam has over 20 years of experience in business development and research and development in electronics industry. Mr. Tam obtained a Master of Science in Engineering and a Bachelor of Science in Engineering from The University of Hong Kong, and a Higher Diploma in Mechanical Engineering from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University).

Ms. Ko Mee Ling, aged 49, is a senior manager of Telefield (HK). She is also a supervisor of Huizhou Telefield and Guangzhou Telefield Medical. Ms. Ko joined the Group in 1993 and is responsible for the finance and accounting of the Group. She has over 20 years of experience in accounting, financial control and management. Ms. Ko is a fellow member of Association of International Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. Ms. Ko obtained a Master of Business Administration from the Open University of Hong Kong.

高級管理層

吳永年先生，50歲，艾科的總經理，彼自二零零六年加入本集團。彼為艾科、愛康科（深圳）、Telefield GAEMS Limited（「Telefield GAEMS」）、GAEMS Inc.（「GAEMS」）及GAEMS International（「GAEMS Intl」）的董事。吳先生擔任銷售、市場推廣、營運及製造的高級管理職位，累積超過20年的經驗。吳先生取得香港理工大學及華威大學聯合頒發的工程商業管理理碩士、University of Ulster理學士，及香港理工學院（現稱香港理工大學）電子工程高級證書。

李昌濂先生，50歲，中慧香港的總經理，李先生負責開拓有關醫療設備的商機。李先生亦是廣州中慧醫療的董事。李先生於二零一零年初加入本集團，出任本集團市場推廣部總經理。李先生於電子消費品行業累積超過25年的經驗。李先生取得香港理工學院（現稱香港理工大學）電子工程高級文憑。

譚錦方先生，51歲，中慧香港的高級經理。譚先生於一九九二年加入本集團出任首席機械工程師。彼曾任本集團多個不同的管理職位，例如本集團機械工程部經理及項目兼營運經理。譚先生於電子產品行業累積超過20年的業務發展及研發經驗。彼取得香港大學工程理碩士及學士學位，以及香港理工學院（現稱香港理工大學）機械工程高級文憑。

高美齡女士，49歲，中慧香港的高級經理，並兼任惠州中慧及廣州中慧醫療的監事。高女士於一九九三年加入本集團，負責本集團財務與會計。彼於會計、財務控制及管理累積超過20年的經驗。高女士為國際會計師公會的資深會員及香港會計師公會的會員。高女士取得香港公開大學的工商管理碩士學位。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

Mr. Wong Sik Hung, aged 52, is a senior manager of Telefield (HK). He joined the Group in 1997 as a manager. He has over 25 years of experience in electronics industry. Mr. Wong obtained a Diploma in Management Studies awarded jointly by Hong Kong Polytechnic and Hong Kong Management Association and a Higher Certificate in Electronic Engineering from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University).

Mr. Sum Kwok Fai, aged 53, is a senior manager of Telefield (HK). Mr. Sum joined the Group in 1997 as manager of plastic department. He has over 30 years of experience in moulding. He acquired extensive techniques in relation to the use of lathe milling machinery, EDM sparks machinery and computer numerically controlled machinery from his past work experience. Mr. Sum completed Form Two education at Chan Shu Kui Memorial School.

Mr. Dwight T. Sakuma, aged 61, is the president of TFNA (US). He joined the Group in January 2009 as the president of TFNA (US). Mr. Sakuma is currently in charge of the North American business, which includes managing sales, marketing, operations, product management and business development of TFNA (US). Mr. Sakuma has held senior management positions in sales, product management and business development in the consumer electronics industry. Mr. Sakuma obtained a Bachelor of Arts from the University of Washington in the US.

Mr. Shimon Szmigiel, aged 61, is the director and chief executive officer of TrekStor (Germany). He joined the Group in October 2009 as the director and chief executive officer of TrekStor (Germany). Mr. Szmigiel has 30 years of experience in sales, product management and business development in electronics industry. Mr. Szmigiel was educated in Israel at a “Kibbutz” (a special closed-group-community) and graduated from a high school in Mannheim, Germany.

COMPANY SECRETARY

Mr. Poon Ka Lee Barry has been the company secretary of the Company since 20 August 2010. His biographical details are set out in the sub-section headed “Directors” in this section.

黃式雄先生，52歲，中慧香港的高級經理。彼於一九九七年加入本集團擔任經理。彼於電子行業累積超過25年的經驗。黃先生取得香港理工學院及香港管理專業協會聯合頒發的管理研究文憑，以及香港理工學院(現稱為香港理工大學)的電子工程高級證書。

沈國輝先生，53歲，中慧香港的高級經理。沈先生於一九九七年加入本集團擔任塑膠部經理。彼於模具累積超過30年經驗。憑藉過往的工作經驗，彼對車床打磨機械、EDM火花機械及電腦數控機械掌握豐富的技術。沈先生在陳樹渠紀念中學完成中二課程。

Dwight T. Sakuma先生，61歲，TFNA(美國)的總裁，二零零九年一月加入本集團出任TFNA(美國)的總裁。Sakuma先生現時負責北美業務，包括TFNA(美國)的管理銷售、市場推廣、營運、產品管理及業務發展。Sakuma先生於電子消費品行業擔任銷售、產品管理及業務發展的高級管理職位。Sakuma先生取得美國華盛頓大學的文學士學位。

Shimon Szmigiel先生，61歲，TrekStor德國的董事兼行政總裁，二零零九年十月加入本集團出任TrekStor德國的董事兼行政總裁。Szmigiel先生於電子產品行業的銷售、產品管理及業務發展累積30年經驗。Szmigiel先生於以色列的社區合作社接受教育，中學畢業於德國曼海姆。

公司秘書

潘家利先生自二零一零年八月二十日起擔任本公司的公司秘書，其履歷詳情載於「董事」分節。

Report of the Directors

董事會報告

The Directors have pleasure in presenting their annual report together with the audited financial statements for the year ended 31 December 2011 (the “Year”).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities and other particulars of the Company’s subsidiaries are set out in note 20 to the financial statements. There were no significant changes in the nature of the Group’s principal activities during the Year.

RESULTS AND DIVIDENDS

The Group’s profit for the year ended 31 December 2011 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 49 to 53.

The Board has declared an interim dividend for the year of 2.0 HK cents per ordinary share of the Company (2010: HK\$82.44 per ordinary share of Telefield Holdings Limited), totaling HK\$8,234,000 which was paid on 29 September 2011.

The Board recommended the payment of a final dividend of 3.0 HK cents per ordinary share in respect of the year to shareholders on the register of members of the Company on 4 June 2012. Subject to the approval of the shareholders at the forthcoming annual general meeting, it is expected that the final dividend will be paid on or around 18 June 2012. The recommendation of the final dividend has been incorporated in the financial statements as an allocation of retained profits within the equity section of the statement of financial position.

董事欣然謹呈本集團截至二零一一年十二月三十一日止年度(「本年度」)的年報及經審核財務報表。

主要業務

本公司之主要業務為投資控股。本公司附屬公司之主要業務及其他細節的詳情載於財務報表附註20。本年度內，本集團之主要業務性質並無任何重大變動。

業績及股息

本集團截至二零一一年十二月三十一日止年度之溢利及本公司與本集團於該日之營運狀況載於財務報表第49至第53頁。

董事會宣派本年度中期股息每股本公司普通股2.0港仙(二零一零年：每股Telefield Holdings Limited普通股82.44港元)，合計8,234,000港元，並已於二零一一年九月二十九日派付。

董事會建議就本年度向於二零一二年六月四日名列本公司股東名冊之股東派付末期股息每股普通股港幣3.0港仙。待股東於應屆股東週年大會批准後，預期末期股息將於二零一二年六月十八日或前後派發。派發末期股息之建議已載入財務報表，作為財務狀況報表內權益項下保留溢利之分配。

Report of the Directors

董事會報告

REORGANISATION AND USE OF PROCEEDS

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands on 18 May 2010. Pursuant to a reorganisation scheme to rationalise the structure of the Group in preparation for the listing of the Company's shares on the Stock Exchange, the Company became the holding company of the companies now comprising the Group on 31 December 2010. During the year, on 27 January 2011 (the "Listing Date") the shares of the Company have been listed on the main board of the Stock Exchange.

As part of the preparation for listing of the shares of the Company, the Company implemented a capitalisation issue of 299,990,000 shares and an issue of 100,000,000 new shares during its initial public offering (the "IPO") in 2011. All such shares issued were ordinary shares and the 100,000,000 new shares were issued at HK\$1.20 per share. In February 2011, the underwriters of the Company's IPO partially exercised the over-allotment option and the Company issued an additional 11,714,000 new shares at HK\$1.20 per share. The gross proceeds of the IPO and the partial exercise of the over-allotment option received by the Company were approximately HK\$120.0 million and HK\$14.1 million, respectively, and the net proceeds were approximately HK\$105.5 million and HK\$14.1 million, respectively. Details of the plan for the use of proceeds from the IPO are set out in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 14 January 2011.

FINANCIAL SUMMARY

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the audited financial statements and the prospectus of the Company dated 14 January 2011, is set out on page 143. This summary does not form part of the audited financial statements in this annual report.

FIXED ASSETS

Details of movements in the fixed assets of the Group during the Year are set out in note 17 to the financial statements in this annual report.

SHARE CAPITAL

Details of movements in the Company's share capital during the Year are set out in note 34 to the financial statements in this annual report.

重組及所得款項用途

本公司為一間於二零一零年五月十八日在開曼群島根據開曼群島公司法註冊成立之獲豁免有限責任公司。根據重組計劃本集團重組架構以籌備本公司股份於聯交所上市，本公司於二零一零年十二月三十一日成為各公司(現構成本集團)之控股公司。年內，本公司之股份於二零一一年一月二十七日(「上市日」)開始於聯交所主板上市。

作為本公司股份上市籌備工作之其中一環，本公司已於二零一一年首次公開招股(「首次公開招股」)期間，資本化發行299,990,000股股份及發行100,000,000股新股份。所有該等已發行股份均為普通股，且該100,000,000股新股份乃按每股1.20港元發行。於二零一一年二月，本公司之首次公開招股包銷商已行使部分超額配股權，而本公司已按每股1.20港元額外發行11,714,000股新股份。本公司自首次公開招股及行使部分超額配股權收取之所得款項總額分別約為120,000,000港元及14,100,000港元，而所得款項淨額分別約為105,500,000港元及14,100,000港元。首次公開招股所得款項用途的計劃詳情載於本公司於二零一一年一月十四日刊發的招股章程「未來計劃及所得款項用途」一節。

財務資料概要

本集團過去五個財政年度之已刊發業績與資產、負債及非控股權益之概要載於第143頁，乃摘錄自本公司經審核財務報表及本公司於二零一一年一月十四日刊發之招股章程。該概要並非本年報中經審核財務報表一部分。

固定資產

本集團之固定資產於本年度之變動詳情載於本年報財務報表附註17。

股本

本公司股本於年度內之變動詳情載於本年報財務報表附註34。

Report of the Directors

董事會報告

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF THE COMPANY'S LISTED SECURITIES

The shares of the Company were first listed on the main board of the Stock Exchange on 27 January 2011. Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities after listing.

RESERVES

For the year ended 31 December 2011, the profits attributable to shareholders of the Company amounted to HK\$57.1 million. The Company's reserves available for distribution comprise share premium and retained profits. Under the Companies Law of the Cayman Islands, the Company's share premium account may be applied by the Company in paying distributions or dividend to shareholders of the Company provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company shall be able to pay its debts as they fall due in the ordinary course of business.

As at 31 December 2011, the Company had distributable reserves amounting to HK\$128.4 million, of which HK\$12.4 million has been proposed as a final dividend for the Year, calculated in accordance with statutory provisions applicable in the Cayman Islands.

Details of movements in the reserves of the Company and the Group during the Year are set out in note 35 to the financial statements and in the consolidated statement of changes in equity, respectively.

RELATED PARTIES TRANSACTIONS AND CONNECTED TRANSACTIONS

Related parties transactions of the Group during the Year are disclosed in note 40 to the financial statements in this annual report. Since each of the percentage ratios (other than the profit ratio) for the aforesaid related parties transactions respectively is less than 5% and the annual consideration is less than HK\$1,000,000, the transactions are exempted from the reporting, announcement and independent shareholders' approval requirements applicable under Chapter 14A of the Listing Rules as it falls within the de minimus threshold under Rule 14A.33(3) of the Listing Rules.

優先購買權

本公司組織章程細則或本公司註冊成立所在司法權區開曼群島之法例均無任何有關優先購買權之條文，規定本公司須按比例向現有股東提呈發售新股份。

購買、贖回或出售本公司之上市證券

本公司股份於二零一一年一月二十七日首次於聯交所主板上市。本公司及其任何附屬公司於上市後並無購買、出售或贖回本公司任何上市證券。

儲備

於截至二零一一年十二月三十一日止年度，本公司股東應佔溢利為57,100,000港元。本公司之可供分派儲備包括股份溢價及保留盈利。根據開曼群島公司法，本公司可動用股份溢價賬，以向本公司股東作出分派或派付股息，惟於建議分派或派付股息當日後，本公司須有能力支付日常業務中到期之債務。

於二零一一年十二月三十一日，本公司有可供分派儲備合共128,400,000港元（當中12,400,000港元建議用作派發本年度末期股息），乃根據任何適用於開曼群島之法定撥備計算。

本年度內，本公司及本集團之儲備變動詳情，分別載於財務報表附註35及綜合權益變動表。

關連方交易及關連交易

本集團於本年度內的關連方交易披露於本年報財務報表附註40。由於上述各項關連方交易的百分比率（溢利比率除外）低於5%及年度代價低於1,000,000港元，其金額在上市規則第14A.33(3)條的低額交易限額內，該等交易獲豁免上市規則第14A章下的報告、公佈及須獲獨立股東批准的規定。

Report of the Directors

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, sales to the Group's five largest customers accounted for 62.4% of the total sales for the Year and sales to the largest customer amounted to 15.8%. Purchases from the Group's five largest suppliers accounted for 26.0% of the total purchases and purchases from the largest supplier amounted to 10.2%.

None of Directors, their associates or any shareholder (which to the knowledge of the directors own more than 5% of the listed issuers share capital) has any interest in the Group's five largest suppliers and customers.

EMOLUMENT POLICY

The Remuneration Committee was established for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance and comparable market practices. The Company has adopted a share option scheme as incentive to Directors and eligible employees, details of the scheme are set out in the paragraph headed "Share Option Scheme" below.

DIRECTORS

The Directors of the Company during the Year and up to the date of this report are:

Executive Directors:

Mr. Cheng Han Ngok Steve (*Chairman*)
Mr. Poon Ka Lee Barry
Mr. Ng Kim Yuen
Ms. Fok Pui Yin
Mr. Lee Kai Bon

Independent non-executive Directors:

Mr. Au-Yang Cheong Yan Peter
Dr. Kwan Pun Fong Vincent
Dr. Xue Quan

In accordance with Articles 108(a) and 108(b) of the Articles of Association, Mr. Cheng Han Ngok Steve, Mr. Poon Ka Lee Barry and Mr. Ng Kim Yuen will retire by rotation and, being eligible, will offer themselves for election at the forthcoming annual general meeting. The independent non-executive Directors are appointed for a period of three years.

The Company has received annual confirmations of independence from Mr. Au-Yang Cheong Yan Peter, Dr. Kwan Pun Fong Vincent and Dr. Xue Quan, and as at the date of this annual report, the Company still considers them to be independent.

主要客戶及供應商

於本年度內，本集團五大客戶之銷售額佔本年度總銷售額62.4%，而向最大客戶之銷售額則佔15.8%。本年度內，本集團五大供應商之購買額佔總購買額26.0%，而最大供應商之購買額則佔10.2%。

概無董事、其聯繫人或任何股東(就董事所知，擁有上市發行人股本逾5%者)於本集團五大供應商及客戶擁有任何權益。

薪酬政策

薪酬委員會之設立旨在根據本集團之經營業績、個人表現及可作比較之市場統計數字，檢討本集團之薪酬政策及本集團所有董事及高級管理層之薪酬架構。本公司已採納一項購股權計劃，作為對董事及合資格僱員之獎勵，計劃詳情載於下文標題為「購股權計劃」一段。

董事

於本年度及截至本報告日期，本公司董事為：

執行董事：

鄭衡嶽先生(主席)
潘家利先生
吳儉源先生
霍佩賢女士
李繼邦先生

獨立非執行董事：

歐陽長恩先生
關品方博士
薛泉博士

根據本公司之組織章程細則第108(a)及108(b)，鄭衡嶽先生、潘家利先生和吳儉源先生將於應屆股東週年大會輪值退任，並符合資格且願意重選連任。獨立非執行董事之委任年期為三年。

本公司已接獲歐陽長恩先生、關品方博士及薛泉博士發出之年度獨立身分確認書，截至本年報日，本公司仍認為彼等屬獨立人士。

Report of the Directors

董事會報告

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 28 to 33 of this annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company commencing from their respective date of appointment and each of the independent non-executive Directors has entered into a service contract with the Company for an initial fixed term of three years commencing from their respective date of appointment, subject to retirement by rotation and reelection at annual general meetings of the Company pursuant to its articles of association, and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other.

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

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 40 to the financial statements, no Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group subsisted at the end of the Year or at any time during the Year to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party.

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.

董事及高級管理人員履歷

董事及本集團高級管理層之履歷詳情載於本年報第28至第33頁。

董事服務合約

各執行董事均與本公司訂有服務合約，由其各自委任日期起計，而各獨立非執行董事與本公司訂有服務合約，自其各自委任日期起計初步固定任期為三年，惟須根據本公司組織章程細則於股東週年大會輪值告退及重選連任，其後將繼續任職，直至任何一方向對方發出不少於三個月書面通知終止為止。

擬於應屆股東週年大會重選連任之董事概無與本公司訂立任何本公司不得於一年內終止而不作出補償(法定補償除外)之服務合約。

董事之合約權益

除財務報表附註40披露者外，董事概無於任何由本公司、其控股公司或其任何附屬公司或同系附屬公司所訂立對本集團業務而言屬重大、且於本年度年結日或本年度任何時間內依然存續之合約中，直接或間接擁有重大權益。

管理合約

本年度內並無訂立或存在任何涉及本公司全部或任何重大部分業務之管理及行政之合約。

Report of the Directors

董事會報告

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2011, interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) held by the Directors and chief executives of the Company which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債券之權益及淡倉

於二零一一年十二月三十一日，董事及本公司主要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，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例之有關條文被當作或被視為擁有之權益及淡倉），或已記入根據證券及期貨條例第352條本公司須存置之登記冊內，或根據標準守則已知會本公司及聯交所之權益及淡倉如下：

Name	Company/ Name of associated corporation	Nature of Interest	Number of Shares held	Approximate percentage of issued share capital 佔已發行股本 概約百分比
名稱	公司／相聯法團名稱	權益性質	持股數量	
Mr. Cheng Han Ngok Steve 鄭衡嶽先生	The Company 本公司	Interest in controlled corporation (Note) 受控制法團權益(附註)	243,942,000	59.25%
	The Company 本公司	Interest in controlled corporation (Note) 受控制法團權益(附註)	30,646,000	7.44%
Mr. Lee Kai Bon 李繼邦先生	The Company 本公司	Beneficial Interest 實益權益	2,640,000	0.64%
Mr. Ng Kim Yuen 吳儉源先生	The Company 本公司	Beneficial Interest 實益權益	2,640,000	0.64%

Report of the Directors

董事會報告

Name	Company/ Name of associated corporation	Nature of Interest	Number of Shares held	Approximate percentage of issued share capital 佔已發行股本 概約百分比
名稱	公司／相聯法團名稱	權益性質	持股數量	
Mr. Poon Ka Lee Barry 潘家利先生	The Company 本公司	Beneficial Interest 實益權益	540,000	0.13%
Ms. Fok Pui Yin 霍佩賢女士	The Company 本公司	Beneficial Interest 實益權益	1,950,000	0.47%

Note:

Mr. Cheng Han Ngok Steve holds approximately 53.68% interest in Century Win Industrial Limited and Century Win Industrial Limited respectively holds approximately 52.62% interest in each of Dragon Fortune International Limited and Telefield Charitable Fund Limited. Therefore, Mr. Cheng is deemed or taken to be interested in all the Shares which are beneficially owned by each of Dragon Fortune International Limited and Telefield Charitable Fund Limited.

附註：

鄭衡嶽先生持有紀宏實業有限公司約53.68%權益，而紀宏實業有限公司分別於龍豐國際有限公司及中慧慈善基金有限公司各自持有約52.62%權益，故鄭先生於龍豐國際有限公司及中慧慈善基金有限公司各自實益擁有的所有股份中被視為或已擁有權益。

Report of the Directors

董事會報告

Interest discloseable under the SFO and substantial shareholders

As at 31 December 2011, the following persons/entities will have an interest or a short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO, or who will be, directly or indirectly, to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group:

(a) Interest in the Company

根據證券及期貨條例披露的權益及主要股東

於二零一一年十二月三十一日，以下人士／實體於股份或相關股份中擁有須根據證券及期貨條例第XV部第2及3分部條文向本公司披露之權益或淡倉，或根據證券及期貨條例第336條存置的本公司登記冊所記錄的權益或淡倉，或預期將直接或間接擁有附帶權利可於任何情況下在本公司或任何其他本集團成員股東大會表決之任何類別股本面值10%或以上權益：

(a) 於本公司權益

Name 名稱	Company/ Name of associated corporation 公司名稱／ 相聯法團名稱	Nature of Interest 權益性質	Number of Shares held 持股數量	Approximate percentage of issued share capital 佔已發行股本 概約百分比
Dragon Fortune International Limited 龍豐國際有限公司	The Company 本公司	Beneficial Interest 實益權益	243,942,000	59.25%
Telefield Charitable Fund 中慧慈善基金有限公司	The Company 本公司	Beneficial Interest 實益權益	30,646,000	7.44%
Century Win Limited 紀宏實業有限公司	The Company 本公司	Interest in controlled corporation (Note 1) 受控制法團權益 (附註1)	243,942,000	59.25%
	The Company 本公司	Interest in controlled corporation (Note 2) 受控制法團權益 (附註2)	30,646,000	7.44%
Mr. Cheng Han Ngok Steve 鄭衡嶽先生	The Company 本公司	Interest in controlled corporation (Note 3) 受控制法團權益 (附註3)	243,942,000	59.25%
	The Company 本公司	Interest in controlled corporation (Note 3) 受控制法團權益 (附註3)	30,646,000	7.44%

Report of the Directors

董事會報告

Name	Company/ Name of associated corporation 公司名稱／ 相聯法團名稱	Nature of Interest	Number of Shares held	Approximate percentage of issued share capital 佔已發行股本 概約百分比
名稱		權益性質	持股數量	
Ms. Ma Mei Han Elitte ("Mrs. Cheng") 馬美嫻女士 (「鄭太太」)	The Company 本公司	Interest in controlled corporation (Note 4) 受控制法團權益 (附註4)	243,942,000	59.25%
	The Company 本公司	Interest in controlled corporation (Note 4) 受控制法團權益 (附註4)	30,646,000	7.44%

Notes:

附註：

- | | | | |
|-----|--|-----|--|
| (1) | Century Win Limited holds approximately 52.62% interest in Dragon Fortune International Limited. Therefore, Century Win Limited is deemed or taken to be interested in all the Shares which are beneficially owned by Dragon Fortune International Limited for the purpose of the SFO. | (1) | 紀宏實業有限公司持有龍豐國際有限公司約52.62%權益，故就證券及期貨條例而言，紀宏實業有限公司於龍豐國際有限公司實益擁有的所有股份中被視為或已擁有權益。 |
| (2) | Century Win Limited holds approximately 52.62% interest in Telefield Charitable Fund Limited. Therefore, Century Win Limited is deemed or taken to be interested in all the Shares which are beneficially owned by Telefield Charitable Fund Limited for the purpose of the SFO. | (2) | 紀宏實業有限公司持有中慧慈善基金有限公司約52.62%權益，故就證券及期貨條例而言，紀宏實業有限公司於中慧慈善基金有限公司實益擁有的所有股份中被視為或已擁有權益。 |
| (3) | Mr. Cheng Han Ngok Steve holds approximately 53.68% interest in Century Win Limited and Century Win Limited respectively holds approximately 52.62% interest in each of Dragon Fortune International Limited and Telefield Charitable Fund Limited. Therefore, Mr. Cheng is deemed or taken to be interested in all the Shares which are beneficially owned by each of Dragon Fortune and Telefield Charitable Fund. | (3) | 鄭衡嶽先生持有紀宏實業有限公司約53.68%權益，而紀宏實業有限公司分別於龍豐國際有限公司及中慧慈善基金有限公司各自持有約52.62%，故鄭先生於龍豐國際有限公司及中慧慈善基金有限公司各自實益擁有的所有股份中被視為或已擁有權益。 |
| (4) | Mrs. Cheng holds approximately 46.32% interest in Century Win Limited and Century Win Limited respectively holds approximately 52.62% interest in each of Dragon Fortune International Limited and Telefield Charitable Fund Limited. Therefore, Mrs. Cheng is deemed or taken to be interested in all the Shares which are beneficially owned by each of Dragon Fortune and Telefield Charitable Fund Limited. | (4) | 鄭太太持有紀宏實業有限公司約46.32%，而紀宏實業有限公司分別於龍豐國際有限公司及中慧慈善基金有限公司各自持有約52.62%，故鄭太太於龍豐國際有限公司及中慧慈善基金有限公司各自實益擁有的所有股份中被視為或已擁有權益。 |

Report of the Directors

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(b) Interest in other members of the Group

(b) 於本集團其他成員公司權益

Name of shareholders	Name of subsidiary of the Company	Number of shares held	Approximate percentage of equity interest
股東名稱	本公司附屬公司名稱	持股數量	股本權益概約百分比
Tarez GmbH	TrekStor Limited	33	33%
Tarez GmbH	Telefield TrekStor S.a.r.l.	66	33%
Tavida GmbH	TrekStor Limited	16	16%
Tavida GmbH	Telefield TrekStor S.a.r.l.	32	16%
Mr. Kam Wa	Telefield Lifestyle Limited	175,000	25%
Mr. Ho Yau Chau	Able Trend Technology Limited	500	5%
Mr. Cheuk Kim Piu	Able Trend Technology Limited	500	5%
Mr. Dean Mercier	G.A.E.M.S., Inc.	3,500	26%
Mr. John Smith	G.A.E.M.S., Inc.	3,000	23%

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective associates, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事購買股份或債券之權利

本公司於本年度內任何時間概無向任何董事或彼等各自之聯繫人士授出可藉收購本公司股份或債券而獲益之權利，而彼等亦無行使任何該等權利；或本公司、其控股公司或其任何附屬公司或同系附屬公司概無訂立任何安排，致使董事可於任何其他法人團體獲得此等權利。

Report of the Directors

董事會報告

COMPETING INTERESTS

None of the Directors, and the substantial shareholders had any interests in any business, which competed with or might compete with the business of the Group.

SHARE OPTION SCHEME

As to attract and retain the eligible persons, to provide additional incentive to them and to promote the success of the business of the Group, the Company conditionally adopted a share option scheme (the "Scheme") on 31 December 2010 whereby the Board are authorised, at their absolute discretion and subject to the terms of the Scheme, to grant options to subscribe for the shares of the Company (the "Shares") to, inter alia, any employees (full-time or part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group. The Scheme shall be valid and effective for a period of ten years commencing from the date on which the Scheme was adopted, subject to the early termination provisions contained in the Scheme.

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1.00. The subscription price of a Share in respect of any particular option granted under the Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 trading days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share on the date of grant of the option provided always that for the purpose of calculating the subscription price, where the Company has been listed on the Stock Exchange for less than 5 trading days, the issue price shall be used as the closing price for any trading day fall within the period before the Listing Date.

The Company shall be entitled to issue options, provided that the total number of shares which may be issued upon exercise of all options to be granted under the Scheme does not exceed 10% of the shares in issue from the Listing Date. The Company may at any time refresh such limit, subject to the shareholders' approval and issue of a circular in compliance with the Listing Rules, provided that the total number of shares which may be issued upon exercise of all outstanding options granted and

競爭權益

概無董事及主要股東於與本集團業務構成或可能構成競爭之任何業務中擁有任何權益。

購股權計劃

為吸引及留聘合資格人士、向彼等提供額外獎勵以及推動本集團創出佳績，本公司已於二零一零年十二月三十一日有條件採納購股權計劃（「計劃」），據此，董事會獲授權全權酌情根據並按計劃的條款，向本集團僱員（全職或兼職）、董事、顧問、諮詢顧問、分銷商、分包商、供應商、代理、客戶、商業夥伴或服務供應商授出購股權，以認購本公司股份（「股份」）。計劃將於採納計劃日期起計十年內存在且生效，惟可根據計劃所載之條款提前終止。

授出購股權的建議須於發出有關建議日期（包括當日）起計七日內接納。承授人於接納授出購股權建議時須就購股權向本公司支付1.00港元。就根據計劃授出的任何特定購股權的股份認購價，將全權由董事會釐定並通知參與者，但不得低於下列最高者：(i) 股份於購股權授出日期在聯交所每日報價表所報的收市價；(ii) 股份於緊接購股權授出日期前五個交易日在聯交所每日報價表所報的平均收市價；及(iii) 股份於購股權授出日期的面值，惟就計算認購價而言，倘本公司於聯交所之上市期間少於五個交易日，發行價將當作上市日前期間任何營業日之收市價。

本公司有權發行購股權，惟行使計劃項下授予的所有購股權時可能發行的股份總額不得超過上市日已發行股份的10%。本公司可於任何時間更新有關上限，惟須得到股東批准並遵守上市規則刊發通函後，方可作實，而行使根據本公司所有購股權計劃授予的所有尚未行使購股權及有待行使的購股權時已發行的股份總數，不得超過當時已

Report of the Directors

董事會報告

yet to be exercised under all the share option schemes of the Company does not exceed 30% of the shares in issue at the time. An option may be exercised in accordance with the terms of the Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

Since the adoption of the Scheme, no share option has been granted by the Company.

COMPLIANCE ADVISOR'S INTERESTS

As at 31 December 2011 neither China Merchants Securities (HK) Co., Limited ("CMS") nor any of its directors, employees or associates had any interests in the shares of the Company or any member of the Group, or any right to subscribe for or to nominate persons to subscribe for the shares of the Company or any member of the Group.

Pursuant to the compliance advisor agreement entered into with the Company and CMS in 2011, CMS received and will receive fees for acting as the Company's compliance advisor for the period commencing on the Listing Date and ending on the date which the Company complies with Rule 13.46 of the Listing Rules in respect of its financial result for the first full financial year after the Listing Date.

CORPORATE GOVERNANCE

The Company has applied the code provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 to the Listing Rules. Since its listing on the Stock Exchange, the Company has complied with the code provisions of the Code, save for the exceptions explained in the Corporate Governance Report in this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this annual report.

發行股份的30%。購股權可於董事會釐定的期間內任何時間行使，惟須遵守計劃的條款，而該期間不得超過授出日期後十年，且可根據條文提早終止。

本公司自採納計劃以來，並無授出購股權。

合規顧問之權益

於二零一一年十二月三十一日，招商證券(香港)有限公司(「招商證券」)及其任何董事、僱員或聯繫人士於本公司或本集團任何成員公司股份中概無擁有任何權益，或擁有任何可認購或提名他人認購本公司或本集團任何成員公司股份之權利。

根據招商證券與本公司於二零一一年訂立之合規顧問協議，招商證券已經及將會由上市日起至本公司根據上市規則第13.46條公佈其於上市日後首個財政年度財務業績的日期止期間擔任本公司之合規顧問而收取費用。

企業管治

本公司已實施上市規則附錄十四所載企業管治常規守則(「守則」)載列的守則條文。自本公司於聯交所上市以來，本公司已遵守守則的條文，惟本年報內「企業管治報告」一段所述者除外。

足夠公眾持股量

據本公司可獲得之公開資料及董事所知悉，於本年報日期，本公司已發行股本總額中最少25%由公眾人士持有。

Report of the Directors

董事會報告

EVENTS AFTER THE REPORTING PERIOD

The Group has no significant event occurring after the end of the reporting period and up to the date of this annual report.

AUDITORS

The financial statements for the year ended 31 December 2011 have been audited by the Company's auditors, RSM Nelson Wheeler (who shall retire and, being eligible, offer themselves for reappointment at the forthcoming annual general meeting).

ON BEHALF OF THE BOARD

Cheng Han Ngok Steve

Chairman

Hong Kong
30 March 2012

報告期後事件

於報告期後及直至本年報日為止，本集團並無發生重大事件。

核數師

截至二零一一年十二月三十一日止年度之財務報表已經本公司之核數師中瑞岳華(香港)會計師事務所審核，其將於本公司應屆股東週年大會退任，惟合資格並願意獲續聘。

代表董事會

鄭衡嶽

主席

香港
二零一二年三月三十日

RSM! Nelson Wheeler

中瑞岳華(香港)會計師事務所

Certified Public Accountants

**TO THE SHAREHOLDERS OF
TELEFIELD INTERNATIONAL (HOLDINGS) LIMITED**
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Telefield International (Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 49 to 142, which comprise the consolidated and Company statements of financial position as at 31 December 2011, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

致中慧國際控股有限公司
全體股東
(於開曼群島註冊成立的有限公司)

我們已審核列載於第49至142頁中慧國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，此綜合財務報表包括於二零一一年十二月三十一日之綜合及公司財務狀況報表與截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他解釋資料。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之《香港財務報告準則》及按照香港公司條例之披露規定編製真實及公平之綜合財務報表，及落實其認為編製綜合財務報表所必要的內部監控，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師之責任

我們之責任是根據我們之審核對該等綜合財務報表發表意見，並僅向全體股東報告，除此之外本報告別無其他目的。我們不會就本報告內容向任何其他人士負上或承擔任何責任。我們已按照香港會計師公會頒佈之香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the 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 2011, and of the Group's results and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

RSM Nelson Wheeler

Certified Public Accountants

Hong Kong

30 March 2012

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製真實及公平地列報綜合財務報表相關之內部監控，以設計適當之審核程序，但並非為對公司之內部監控效能發表意見。審核工作亦包括評估董事所採用之會計政策是否合適及所作出會計估計是否合理，以及評價綜合財務報表之整體列報方式。

我們相信，我們所獲得之審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實及公平地反映 貴公司及 貴集團於二零一一年十二月三十一日之財務狀況及 貴集團截至該日止年度之業績及現金流量，並已按照香港公司條例之披露規定妥善編製。

中瑞岳華(香港)會計師事務所

執業會計師

香港

二零一二年三月三十日

Consolidated Income Statement

綜合收益表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		Note	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
		附註		
Revenue	收入	7	1,309,390	1,145,542
Cost of goods sold	銷售成本		(1,040,059)	(892,929)
Gross profit	毛利		269,331	252,613
Other income	其他收入	9	7,501	13,243
Selling and distribution expenses	銷售及分銷成本		(79,524)	(73,022)
Administrative expenses	行政費用		(91,562)	(79,086)
Other operating expenses	其他經營費用		(28,728)	(40,858)
Profit from operations	經營溢利		77,018	72,890
Finance costs	融資成本	10	(8,391)	(4,425)
Profit before tax	除稅前溢利		68,627	68,465
Income tax expense	所得稅開支	11	(8,116)	(12,754)
Profit for the year	年度溢利	12	60,511	55,711
Attributable to:	以下各方應佔：			
Owners of the Company	本公司擁有人		57,051	69,921
Non-controlling interests	非控股權益		3,460	(14,210)
			60,511	55,711
Earnings per share	每股盈利	16		
Basic (HK cents)	基本(港仙)		14.15	23.31
Diluted (HK cents)	攤薄(港仙)		N/A	N/A

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		2011 二零一一年	2010 二零一零年
	Note 附註	HK\$'000 千港元	HK\$'000 千港元
Profit for the year	年度溢利	60,511	55,711
Other comprehensive income:	其他全面收益：		
Exchange differences on translating foreign operations	換算海外業務的匯兌差額	2,827	2,735
Gains on property revaluation	物業重估收益	17 5,980	2,496
Deferred tax arising from gains on property revaluation	物業重估收益產生的遞延稅項	33 (987)	(868)
Other comprehensive income for the year, net of tax	年度其他全面收益，扣除稅項	7,820	4,363
Total comprehensive income for the year	年度總全面收益	68,331	60,074
Attributable to:	以下各方應佔：		
Owners of the Company	本公司擁有人	64,778	74,284
Non-controlling interests	非控股權益	3,553	(14,210)
		68,331	60,074

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2011 於二零一一年十二月三十一日

			2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
	Note 附註			
Non-current assets		非流動資產		
Fixed assets	17	固定資產	75,803	63,324
Goodwill	18	商譽	12,157	–
Intangible assets	19	無形資產	72,662	39,715
Available-for-sale financial assets	21	可供出售金融資產	–	–
Deferred tax assets	33	遞延稅項資產	5,841	7,690
			166,463	110,729
Current assets		流動資產		
Inventories	22	存貨	209,565	151,862
Trade and bill receivables	23	應收貿易賬款及應收票據	182,220	154,338
Prepayments, deposits and other receivables	24	預付款項、按金及其他應收款項	61,647	40,330
Derivative instruments	25	衍生工具	1,532	2,361
Amount due from a shareholder	26	應收股東款項	200	–
Current tax assets		即期稅項資產	2,147	1,601
Bank and cash balances	27	銀行及現金結餘	147,756	58,913
			605,067	409,405
Current liabilities		流動負債		
Trade payables	28	應付貿易賬款	144,477	115,313
Accruals and other payables	29	預提費用及其他應付款項	148,205	107,677
Financial liabilities at fair value through profit or loss	32	按公平值計入損益的金融負債	9,023	8,321
Derivative instruments	25	衍生工具	–	154
Bank borrowings	30	銀行借貸	51,880	62,613
Product warranty provision	31	產品保用撥備	15,906	13,355
Current tax liabilities		即期稅項負債	3,834	7,780
			373,325	315,213
Net current assets		流動資產淨值	231,742	94,192
Total assets less current liabilities		資產總值減流動負債	398,205	204,921

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2011 於二零一一年十二月三十一日

			2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
		Note 附註		
Non-current liabilities	非流動負債			
Financial liabilities at fair value through profit or loss	按公平值計入損益的金融負債	32	10,063	17,770
License fee payable	特許權應付款	19(b)	18,721	–
Deferred tax liabilities	遞延稅項負債	33	21,446	14,880
			50,230	32,650
NET ASSETS	資產淨值		347,975	172,271
Capital and reserves	資本及儲備			
Share capital	股本	34	4,117	–
Reserves	儲備	35	351,806	187,165
Equity attributable to owners of the Company	貴公司擁有人應佔權益		355,923	187,165
Non-controlling interests	非控股權益		(7,948)	(14,894)
TOTAL EQUITY	權益總值		347,975	172,271

Approved by the Board of Directors on 30 March 2012

董事會於二零一二年三月三十日批准

Cheng Han Ngok Steve

鄭衡嶽

Director

董事

Poon Ka Lee Barry

潘家利

Director

董事

Statement of Financial Position

財務狀況表

As at 31 December 2011 於二零一一年十二月三十一日

			2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
		Note 附註		
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司的投資	20	3,171	3,171
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司款項	20	120,491	7,898
Bank and cash balances	銀行及現金結餘	27	12,985	–
			133,476	7,898
Current liabilities	流動負債			
Accruals and other payables	預提費用及其他應付款項	29	937	–
Net current assets	流動資產淨值		132,539	7,898
NET ASSETS	資產淨值		135,710	11,069
Capital and reserves	資本及儲備			
Share capital	股本	34	4,117	–
Reserves	儲備	35(b)	131,593	11,069
TOTAL EQUITY	權益總值		135,710	11,069

Approved by the Board of Directors on 30 March 2012

董事會於二零一二年三月三十日批准

Cheng Han Ngok Steve

鄭衡嶽

Director

董事

Poon Ka Lee Barry

潘家利

Director

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		Attributable to owners of the Company 貴公司擁有人應佔											
		Share		Foreign	Property						Non-	Total	
		capital	premium	currency	revaluation	Contributed	Statutory	Retained	Proposed	Total	controlling	Total	
		(note 34)	(note 35(c)(i))	translation	reserve	surplus	reserve	profits	dividend		interests	equity	
				reserve									
				(note 35(c)(ii))	(note 35(c)(iii))	(note 35(c)(iv))	(note 35(c)(v))						
				物業									
		股本	股份溢價賬	匯兌儲備	重估儲備	繳入盈餘	法定儲備	留存收益	擬派股息	總計	非控股權益	權益總值	
		(附註34)	(附註35(c)(i))	(附註35(c)(ii))	(附註35(c)(iii))	(附註35(c)(iv))	(附註35(c)(v))						
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
At 1 January 2010	於二零一零年一月一日	-	-	3,171	10,486	2,763	18,298	355	111,608	-	146,681	(811)	145,870
Total comprehensive income for the year	年度全面收益總額	-	-	-	2,735	1,628	-	-	69,921	-	74,284	(14,210)	60,074
Transfers	轉撥	-	-	-	-	-	598	(598)	-	-	-	-	-
Contributions from non-controlling shareholders	非控股股東出資	-	-	-	-	-	-	-	-	-	127	-	127
2010 interim dividend paid (note 15)	已支付二零一零年中期股息 (附註15)	-	-	-	-	-	-	(33,800)	-	(33,800)	-	-	(33,800)
2010 proposed final dividend (note 15)	擬派付二零一零年末期股息 (附註15)	-	-	-	-	-	-	(7,411)	7,411	-	-	-	-
At 31 December 2010	於二零一零年十二月三十一日	-	-	3,171	13,221	4,391	18,298	953	139,720	7,411	187,165	(14,894)	172,271
At 1 January 2011	於二零一一年一月一日	-	-	3,171	13,221	4,391	18,298	953	139,720	7,411	187,165	(14,894)	172,271
Total comprehensive income for the year	年度全面收益總額	-	-	-	2,734	4,993	-	-	57,051	-	64,778	3,553	68,331
Issue of shares (note 34(e) and (g))	發行股份 (附註34(e)及(g))	1,117	132,940	-	-	-	-	-	-	-	134,057	-	134,057
Capitalisation issue (note 34(f))	資本化發行 (附註34(f))	3,000	(3,000)	-	-	-	-	-	-	-	-	-	-
Share issue expenses	股份發行開支	-	(14,432)	-	-	-	-	-	-	(14,432)	-	-	(14,432)
Transfers	轉撥	-	-	-	-	-	318	(318)	-	-	-	-	-
Acquisition of a subsidiary	收購一間附屬公司	-	-	-	-	-	-	-	-	-	3,212	-	3,212
Contributions from non-controlling shareholders	非控股股東出資	-	-	-	-	-	-	-	-	-	181	-	181
2010 final dividend paid	已支付二零一零年末期股息	-	-	-	-	-	-	-	(7,411)	(7,411)	-	-	(7,411)
2011 interim dividend paid (note 15)	已支付二零一一年中期股息 (附註15)	-	-	-	-	-	-	(8,234)	-	(8,234)	-	-	(8,234)
2011 proposed final dividend (note 15)	擬派付二零一一年末期股息 (附註15)	-	-	-	-	-	-	(12,352)	12,352	-	-	-	-
At 31 December 2011	於二零一一年十二月三十一日	4,117	115,508	3,171	15,955	9,384	18,298	1,271	175,867	12,352	355,923	(7,948)	347,975

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動現金流量		
Profit before tax	除稅前溢利	68,627	68,465
Adjustments for:	調整：		
Allowance for receivables, net	應收款項撥備淨額	1,416	2,970
Allowance on inventories, net	存貨撥備淨額	8,556	218
Amortisation of intangible assets	無形資產攤銷	8,394	7,423
Depreciation	折舊	14,819	13,120
Fair value (gain)/loss on financial liabilities at fair value through profit or loss	按公平值計入損益的金融負債 之公平值(收益)/虧損	(1,109)	3,696
Unrealised fair value (gain)/loss on derivative instruments	衍生工具未變現公平值(收益)/虧損	(1,199)	788
Realised gain on derivative instruments	衍生工具已變現收益	(1,132)	-
Finance costs	融資成本	8,391	4,425
Impairment loss on intangible assets	無形資產減值虧損	2,746	123
Bank interest income	銀行利息收入	(235)	(39)
Loss on disposal of fixed assets	出售固定資產虧損	-	222
Provision on product warranty	產品保用撥備	14,784	11,683
Operating profit before working capital changes	營運資金變動前經營溢利	124,058	113,094
Payment of contingent considerations (note 32)	支付或然代價(附註32)	(5,864)	(4,637)
Increase in inventories	存貨增加	(65,258)	(39,274)
(Increase)/decrease in trade and bill receivables	應收貿易賬款及應收票據(增加)/減少	(24,755)	1,332
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收增加款項	(21,244)	(28,056)
Increase in amount due from a shareholder	應收一名股東的款項增加	(200)	-
Decrease in amount due from a related party	應收關連公司款項減少	-	15
Increase in trade payables	應付貿易賬款增加	27,791	8,197
Increase in accruals and other payables	預提費用及其他應付款項增加	36,242	10,003
Increase in amount due to a shareholder	應付股東款項增加	-	245
Decrease in product warranty provisions	產品保用撥備減少	(11,897)	(11,004)
Cash generated from operations	經營所得現金	58,873	49,915
Income tax paid	已支付所得稅	(14,856)	(15,509)
Finance costs paid	已支付融資成本	(5,691)	(4,425)
Net cash generated from operating activities	經營活動所得現金淨額	38,326	29,981

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動現金流量		
Payment of business combinations	業務合併付款	(2,280)	(6,270)
Acquisition of a subsidiary (note 36)	收購一間附屬公司(附註36)	(26,277)	-
Interest received	已收利息	235	39
Purchase of derivative instruments	購買衍生工具	(333)	(2,995)
Purchases of fixed assets	購買固定資產	(19,620)	(16,226)
Net proceeds from exercising derivative instruments	行使衍生工具所得款項淨額	3,339	-
Proceeds from disposal of fixed assets	出售固定資產所得款項	-	632
Net cash used in investing activities	投資活動所用現金淨額	(44,936)	(24,820)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動現金流量		
Bank loans raised	已籌集銀行貸款	-	52,553
Repayment of bank loans	償還銀行貸款	(11,004)	(30,475)
Net import/export loans raised	已籌集進出口貸款淨額	717	11,944
Proceeds from issue of shares (note 34(e) and (g))	發行股份所得款項(附註34(e)及(g))	134,057	-
Share issue expenses paid	發行股份已付開支	(14,432)	-
Contributions from non-controlling shareholders	非控股股東出資	181	127
Dividends paid	已支付股息	(15,645)	(52,300)
Net cash generated from/(used in) financing activities	融資活動所得/(所用)現金淨額	93,874	(18,151)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加/(減少)淨額	87,264	(12,990)
Effect of foreign exchange rate changes	匯率變動影響	1,579	3,281
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初現金及現金等價物	58,913	68,622
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末現金及現金等價物	147,756	58,913
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等價物分析		
Bank and cash balances (note 27)	銀行及現金結餘(附註27)	147,756	58,913

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liabilities on 18 May 2010. The address of its registered office is Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and principal place of business is Units 609-610, 6/F, Bio Informatics Centre, No.2 Science Park West Avenue, Hong Kong Science Park, Shatin, New Territories, Hong Kong. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 27 January 2011.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 20 to the financial statements.

In the opinion of the directors of the Company, as at 31 December 2011, Dragon Fortune International Limited ("Dragon Fortune"), a company incorporated in Hong Kong, is the ultimate parent and Mr. Cheng Han Ngok, Steve, is the ultimate controlling party of the Company.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Pursuant to a group reorganisation (the "Group Reorganisation") to rationalise structure of the Group in preparation for the listing of the Company's shares on the Main Board of the Stock Exchange, the Company became the holding company of the Group on 31 December 2010. Further details of the Group Reorganisation are set out in the paragraph headed "Group reorganisation" in Appendix VI to the prospectus of the Company dated 14 January 2011 (the "Prospectus").

The financial statements of the Group have been prepared in accordance with the principles and procedures of merger accounting as set out in Accounting Guideline 5 ("AG 5") "Merger Accounting for Common Control Combinations" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), as if the Group Reorganisation had occurred from the date when the combining entities first came under the control of the Controlling Shareholders.

Details of accounting policy of merger accounting for business combinations under common control are set out in note 4(b).

1. 一般資料

本公司於二零一零年五月十八日根據公司法在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處地址為Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands，主要營業地點則為香港新界沙田香港科學園科技大道西2號生物資訊中心6樓609-610室。本公司股份自二零一一年一月二十七日起在香港聯合交易所有限公司（「聯交所」）主板上市。

本公司為投資控股公司，其附屬公司的主營業務載於財務報表附註20。

本公司董事認為，於二零一一年十二月三十一日，於香港註冊成立的龍豐國際有限公司（「龍豐」）為本公司的母公司，鄭衡嶽先生為本公司最終控股方。

2. 財務報表編製基準

為籌備本公司之股份於聯交所主板上市，本集團進行集團重組（「集團重組」）以精簡本集團架構，據此，本公司於二零一零年十二月三十一日成為本集團之控股公司。有關集團重組之進一步詳情請參閱載於本公司於二零一一年一月十四日公佈之招股章程（「招股章程」）附錄六「集團重組」一段。

本集團之財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之會計指引第5號「共同控制合併之合併會計法」（「會計指引第5號」）所載合併會計原則及程序編製，猶如集團重組於合併實體首次受控股股東控制當日已發生。

共同控制業務合併之合併會計處理之會計政策詳情載於附註4(b)。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2011. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

4. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with HKFRSs issued by the HKICPA, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the disclosure requirements of the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of leasehold land and building, derivative instruments and financial liabilities at fair value through profit or loss which are carried at their fair values.

The preparation of financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to the financial statements are disclosed in note 5 to the financial statements.

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

3. 採納新訂及經修訂香港財務報告準則

於本年度，本集團已採納香港會計師公會所頒佈與其業務相關，並於二零一一年一月一日或之後開始之會計年度生效之所有新訂及經修訂香港財務報告準則（「香港財務報告準則」）。香港財務報告準則包括香港財務報告準則、香港會計準則及詮釋。採納該等新訂及經修訂香港財務報告準則並無導致本集團於本年度及過往年度之會計政策、本集團財務報表之呈報方式及所呈報金額出現重大變動。

本集團尚未採納已頒佈但尚未生效的新訂香港財務報告準則。本集團已開始對該等新訂香港財務報告準則的影響進行評估，但尚無法確定該等新訂香港財務報告準則是否會對其經營業績及財務狀況產生重大影響。

4. 重要會計政策

財務報表是按照香港會計師公會頒佈香港財務報告準則、香港公認會計原則以及聯交所證券上市規則的適用披露規定及香港公司條例的披露規定編製。

財務報表乃根據歷史成本慣例編製，並已就按公平值入賬之租賃土地及樓宇、衍生工具及按公平值計入損益的金融負債作出重估修訂。

編製符合香港財務報告準則之財務報表需使用若干主要假設及估計，亦需要董事於應用會計政策之過程中作出判斷。涉及關鍵判斷之範疇與對財務報表屬重大之假設及估計之範疇，於財務報表附註5披露。

編製財務報表之重要會計政策載述如下。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

4. 重要會計政策 (續)

(a) 綜合財務報表

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止之財務報表。附屬公司乃本集團可控制之實體。控制是指對一個實體有權規管財政及營運政策因而從其活動中取得利益。於評估本集團有否控制權時，會考慮現時可行使或可轉換之潛在投票權之存在及影響。

附屬公司自控制權轉入本集團的日期起綜合計算，彼等於控制權終止時隨即剝離。

出售附屬公司而導致失去控制權之損益乃指(i)出售代價公平值連同於該附屬公司任何保留投資公平值與(ii)本公司分佔該附屬公司資產淨值連同與該附屬公司有關之任何餘下商譽以及任何相關累計匯兌儲備兩者間差額。

集團內公司間之交易、結餘及未變現溢利已對銷。未變現之虧損也對銷，除非有關交易證明資產之轉讓出現減值。附屬公司之會計政策在需要時已作修改，確保其與本集團採納之政策一致。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Consolidation (Continued)

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated income statement and consolidated statement of comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

In the Company's statement of financial position the investments in subsidiaries are stated at cost less allowance for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

4. 重要會計政策 (續)

(a) 綜合財務報表 (續)

非控股權益指並非直接或間接歸屬於本公司之附屬公司權益。非控股權益於綜合財務狀況表及綜合權益變動表之權益內列賬。於綜合收益表及綜合全面收益表內，非控股權益呈列為年度溢利或虧損及全面收益總額在非控股股東與本公司擁有人之間的分配。

溢利或虧損及其他全面收益項目歸本公司擁有人及非控股股東，即使導致非控股權益結餘出現虧絀。

本公司於附屬公司之所有權權益之變動(不會導致失去控制權)作為權益交易入賬(即與擁有人(以彼等之擁有人身份)進行交易)。控股及非控股權益之賬面值經調整以反映其於附屬公司相關權益之變動。非控股權益被調整之金額與已付或已收代價公平值之間之任何差額須直接於權益內確認並歸屬於本公司擁有人。

於本公司財務狀況表內，於附屬公司之投資按成本扣除減值虧損撥備列賬。附屬公司之業績按照已收及應收股息之基準入賬。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Merger accounting for business combination under common control

The consolidated financial statements incorporate the financial statements of the combining entities as if they had been combined from the date when they first came under the control of the controlling shareholders.

The consolidated income statements and statements of comprehensive income and consolidated statements of cash flows include the results and cash flows of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The consolidated statements of financial position have been prepared to present the assets and liabilities of the combining entities as if the Group structure as at 31 December 2011 had been in existence at the end of each reporting period. The net assets of the combining entities are combined using the existing book values from the controlling shareholders' perspective. No amount is recognised in respect of goodwill or gain on bargain purchase at the time of common control combination, to the extent of the continuation of the controlling shareholders' interest.

There was no adjustment made to the net assets nor the net profit or loss of any combining entities in order to achieve consistency of the Group's accounting policies.

4. 重要會計政策 (續)

(b) 共同控制業務合併之合併會計法

綜合財務報表包含合併實體的財務報表，猶如於合併實體受控股股東控制首日已經合併。

綜合收益表及全面收益表以及綜合現金流量表包括由最早呈列日期或自合併實體受共同控制首日起的較短期間各合併實體的業績及現金流量，而不論共同控制合併的日期。

綜合財務狀況表已為了呈列合併實體的資產及負債而編製，猶如於二零一一年十二月三十一日完成日期的集團架構於各報告期末已一直存在。合併實體的資產淨值從控股股東的角度以現有賬面值合併。共同控制合併時進行議價收購涉及的商譽或折讓收益不予確認，惟以控股股東持續持有的權益為限。

為確保本集團的會計政策一致，故無調整任何合併實體的資產淨值或損益淨額。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Business combination (other than under common control) and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, available-for-sale investment), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

4. 重要會計政策 (續)

(c) 業務合併 (共同控制的除外) 及商譽

本集團採用收購法為業務合併中所收購之附屬公司列賬。收購成本乃按所獲資產收購日期之公平值、所發行之權益工具及所產生之負債以及或然代價計量。收購相關成本於有關成本產生及接獲服務期間確認為開支。於收購時附屬公司之可識別資產及負債，均按其於收購日期之公平值計量。

收購成本超出本公司應佔附屬公司可識別資產及負債之公平淨值之差額乃列作商譽。本公司應佔可識別資產及負債之公平淨值超出收購成本之差額乃於綜合損益內確認為本公司應佔議價收購折讓收益。

對於分段進行之業務合併，先前已持有之附屬公司之權益乃按收購日期之公平值重新計量，而由此產生之損益於綜合損益內確認。公平值會加入至收購成本以計算商譽。

倘先前已持有之附屬公司之權益之價值變動已於其他全面收益內確認 (例如可供出售投資)，則於其他全面收益確認之金額乃按在先前已持有之權益被出售時所須之相同基準確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Business combination (other than under common control) and goodwill (Continued)

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in note 4(z) to the financial statements. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollar, which is the Company's functional and presentation currency.

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

4. 重要會計政策 (續)

(c) 業務合併 (共同控制的除外) 及商譽 (續)

商譽會每年進行減值測試或當事件或情況改變顯示可能減值時則更頻繁地進行減值測試。商譽乃按成本減累計減值虧損計量。商譽減值虧損之計量方法與財務報表附註4(z)所述會計政策之其他資產之計量方法相同。商譽之減值虧損於綜合損益內確認，且隨後不予撥回。就減值測試而言，商譽會被分配至預期因收購之協同效益而產生利益之現金產生單位。

於附屬公司之非控股權益初步按非控股股東應佔該附屬公司於收購當日之可識別資產及負債之公平淨值比例計算。

(d) 外幣換算

(i) 功能及呈列貨幣

納入本集團各實體的財務報表的項目乃按實體經營業務所在的主要經濟環境的貨幣(「功能貨幣」)計算。綜合財務報表以港元呈列。港元是本公司的功能及呈列貨幣。

(ii) 於各實體財務報表之交易及結餘

以外幣進行之交易乃於初步確認時採用交易當日之適用匯率換算為功能貨幣。以外幣計值之貨幣資產及負債乃採用各報告期末之匯率換算。因此項換算政策導致之損益均計入損益內。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Foreign currency translation (Continued)

(ii) Transactions and balances in each entity's financial statements (Continued)

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in the foreign currency translation reserve.

4. 重要會計政策 (續)

(d) 外幣換算 (續)

(ii) 於各實體財務報表之交易及結餘 (續)

按公平值計量及以外幣計值之非貨幣項目乃按釐定公平值當日之匯率換算。

當非貨幣項目之損益於其他全面收益確認時，該損益之任何匯兌影響確認於其他全面收益內。當非貨幣項目之損益於損益確認時，該損益之任何匯兌影響確認於損益。

(iii) 綜合賬目時換算

當本集團所有實體之功能貨幣與本公司之呈列貨幣不同，其業績及財務狀況乃按下列方式換算為本公司之呈列貨幣：

- 於各財務狀況表之資產及負債按財務狀況表日期之收市匯率換算；
- 於各收益表之收入及開支乃按平均匯率換算 (惟當此項平均值並不能合理地反映於交易日期之通用匯率累計影響，收入及開支則按交易日期之匯率換算)；及
- 所有因此而產生之匯兌差額乃於外幣匯兌儲備確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Foreign currency translation (Continued)

(iii) Translation on consolidation (Continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the profit or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(e) Fixed assets

Land and buildings comprise mainly warehouse and offices. Land and buildings are carried at fair values, based on periodic valuations by external independent valuers, less subsequent depreciation and impairment losses. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other fixed assets are stated at cost less accumulated depreciation and impairment losses.

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 recognised in profit or loss during the period in which they are incurred.

4. 重要會計政策 (續)

(d) 外幣換算 (續)

(iii) 綜合賬目時換算 (續)

於綜合賬目時，因換算海外實體投資淨額及借貸產生之匯兌差額於外幣匯兌儲備確認。當出售海外業務時，該等匯兌差額於綜合損益內確認為出售損益之一部分。

因收購海外實體而產生之商譽公平值調整，均視作為該海外實體之資產及負債處理，並按收市匯率換算。

(e) 固定資產

土地及樓宇主要包括倉庫及辦公室。土地及樓宇按公平值（根據外聘獨立估值師定期進行之估值計算）減其後之折舊及減值虧損列賬。於估值日之任何累計折舊與資產之賬面值總額對銷，而淨額則重列至資產之重估金額。所有其他固定資產按成本減累計折舊及減值虧損列賬。

期後成本乃計入資產賬面值，惟當與項目有關之未來經濟利益有可能流入本集團及該項目之成本能可靠計量時則確認為獨立資產（如適用）。所有其他維修及保養乃於其產生之期間內於損益中確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Fixed assets (Continued)

Revaluation increases of land and building are recognised in profit or loss to the extent that the increases reverse revaluation decreases of the same asset previously recognised in profit or loss. All other revaluation increases are credited to the property revaluation reserve as other comprehensive income. Revaluation decreases that offset previous revaluation increases of the same asset remaining in the property revaluation reserve are charged against property revaluation reserve as other comprehensive income. All other decreases are recognised in profit or loss. On the subsequent sale or retirement of a revalued land and buildings, the attributable revaluation increases remaining in the property revaluation reserve are transferred directly to retained profits.

Depreciation of fixed assets is calculated at rates sufficient to write off their cost or revalued amounts over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Leasehold land and buildings	4%
Leasehold improvements	Over the lease term or 25%
Plant, machinery, moulds and tools	10% – 25%
Furniture and equipment	10% – 20%
Motor vehicles	20% – 33 $\frac{1}{3}$ %

The useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of fixed assets is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

4. 重要會計政策 (續)

(e) 固定資產 (續)

倘土地及樓宇之重估增加已抵銷之前於損益內確認同一資產之重估減值，則重估增加於損益內確認；所有其他重估增加以其他全面收益撥入物業重估儲備內。物業重估減值與同一物業過往重估增加以其他全面收益於物業重估儲備抵銷。餘額均於損益內確認。已重估土地及樓宇其後出售或報廢時，物業重估儲備餘下應佔重估增加乃直接轉撥至留存收益。

固定資產按其估計可使用年限以直線法，按足以撇銷其成本或重估金額之折舊率計算折舊。所採用之主要年率如下：

租賃土地及樓宇	4%
租賃改善工程	按租期或25%
廠房、機器、模具 及工具	10% – 25%
傢俬及設備	10% – 20%
汽車	20% – 33 $\frac{1}{3}$ %

可使用年限及折舊方法乃於各報告期末審閱及調整（如適用）。

出售固定資產之損益乃指出售所得款項淨額與有關資產賬面值之差額，並於損益中確認。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Intangible assets

Trademarks are measured initially at fair value upon business combination and are assessed to have indefinite useful lives. No amortisation is charged to profit or loss. Useful lives are reviewed during each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment for the trademarks. If they do not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate.

License rights, customer relationship and patents are measured initially at fair value upon business combination or acquisition date and amortised on straight-line basis over their estimated useful lives less impairment losses. Useful lives of license rights, customer relationship and patents are as follows:

License rights	Over the lease period
Customer relationship	5 – 6 years
Patents	4 years

The useful lives of customer relationship were estimated by the Company's management team upon business combination, based on their expected successful rate in retaining the acquirees' customers, and the prevailing general practice in the industry in estimating the expected useful life of customer relationship acquired in business combination.

4. 重要會計政策 (續)

(f) 無形資產

商標於業務合併時初步按公平值計量，並評核為無限定可使用年限。概無攤銷應計入損益之內。可使用年限須於各報告期間予以檢討，以釐定是否仍有任何事件及情況繼續支持評核商標具無限定可使用年限。否則，將可使用年限由無限轉至有限的評核結果，須以會計估算變動確認入賬。

特許權、客戶關係及專利於業務合併時或收購日期初步按公平值計量，並按其估計可使用年限扣除減值虧損以直線法攤銷。特許權、客戶關係及專利的可使用年限如下：

特許權	租賃年期內
客戶關係	5年 – 6年
專利	4年

本公司管理團隊於業務合併時估算客戶關係可使用年限，而有關估值的基準為挽留被收購方之客戶之預計成功率以及行內一般就業務合併獲取客戶關係預計可使用年限的估算沿用之計算方法。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Leases

(i) Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

(ii) Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. At the commencement of the lease term, a finance lease is capitalised at the lower of the fair value of the leased asset and the present value of the minimum lease payments, each determined at the inception of the lease.

The corresponding liability to the lessor is included in the statement of financial position as finance lease payable. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets under finance leases are depreciated the same as owned assets.

4. 重要會計政策 (續)

(g) 租賃

(i) 經營租賃

租賃資產所有權之所有風險及回報實質上不會轉移至本集團之租賃會以經營租賃入賬。租賃款項(扣除自出租人收取之任何回扣)於租期內以直線法確認為開支。

(ii) 融資租賃

資產所有權之所有風險及回報實質上轉移至本集團之租賃會以融資租賃入賬。融資租賃在租賃期開始時按均於租賃開始時釐定之租賃資產公平值與最低租賃款項現值兩者之較低者入賬資本化。

欠負出租人之相應債務於財務狀況表中列作融資租賃應付款項。租賃款項於財務費用及未付債務減額間分配。融資費用在各租期內攤分，以為債務結餘得出統一定期利率。

於融資租賃下之資產按與自置資產相同之方式計算折舊。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from the Group's product development activity is recognised only if all of the following conditions are met:

- An asset is created that can be identified (such as software and new processes);
- It is probable that the asset created will generate future economic benefits; and
- The development cost of the asset can be measured reliably.

Internally generated intangible assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out basis. The cost of finished goods and work-in-progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

4. 重要會計政策 (續)

(h) 研究及開發支出

研究活動之支出於產生期間內確認為開支。本集團之產品開發所產生之內部產生無形資產僅於符合下列所有條件下，方獲確認：

- 所增設之資產為可予識別 (例如軟件及新工藝)；
- 所增設之資產可能將產生未來經濟利益；及
- 資產之開發成本能可靠地計量。

內部產生無形資產以成本減累計攤銷及減值虧損列賬。攤銷乃按其估計可使用年期以直線法計算。當並無內部產生無形資產可予確認時，開發支出於產生期間內於損益中確認。

(i) 存貨

存貨按成本與可變現淨值兩者中之較低者列賬。成本以先進先出基準釐定。製成品及半成品之成本包括原材料、直接人工及適當比例之所有生產間接成本，及外判費用 (如適用)。可變現淨值乃於日常業務過程中之估計售價減估計完成成本及估計出售時所需之費用。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income 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 is recognised in profit or loss.

(k) Investments

Investments are recognised and derecognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus directly attributable transaction costs except in the case of financial assets at fair value through profit or loss.

Investments are classified as either financial assets at fair value through profit or loss or available-for-sale financial assets.

4. 重要會計政策 (續)

(j) 確認及終止確認金融工具

金融資產及金融負債於本集團成為工具合約條文之訂約方時，於財務狀況表內確認。

倘從資產收取現金流量之合約權利已到期，或本集團將其於資產擁有權之絕大部分風險及回報轉移，或本集團並無轉移及保留其於資產擁有權之絕大部分風險及回報但保留對資產之控制權，則金融資產將被終止確認。於終止確認金融資產時，資產之賬面值與已收代價及已於其他全面收益內確認之累計損益兩者總和之差額，將於損益內確認。

倘於有關合約之特定責任獲解除、取消或到期，則金融負債將被終止確認。終止確認之金融負債之賬面值與已付代價之差額於損益內確認。

(k) 投資

投資乃按交易日基準（即購買或出售投資之合約條款所規定及經由所屬市場設定的時限交付該項投資之日）確認及終止確認，並初步按公平值加上直接應佔交易成本計量，惟按公平值計入損益的金融資產則除外。

投資分類為按公平值計入損益的金融資產或可供出售金融資產。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Investments (Continued)

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

Financial assets at fair value through profit or loss are either investments classified as held for trading or designated as at fair value through profit or loss upon initial recognition. These investments are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised in profit or loss.

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets not classified as trade and other receivables, held-to-maturity investments or financial assets at fair value through profit or loss. Available-for-sale financial assets are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised in other comprehensive income, until the investments are disposed of or there is objective evidence that the investments are impaired, at which time the cumulative gains or losses previously recognised in other comprehensive income are recognised in profit or loss. Interest calculated using the effective interest method is recognised in profit or loss.

Impairment losses recognised in profit or loss for equity investments classified as available-for-sale financial assets are not subsequently reversed through profit or loss. Impairment losses recognised in profit or loss for debt instruments classified as available-for-sale financial assets are subsequently reversed and recognised in profit or loss if an increase in the fair value of the instruments can be objectively related to an event occurring after the recognition of the impairment loss.

4. 重要會計政策 (續)

(k) 投資 (續)

(i) 按公平值計入損益的金融資產

初步確認時，按公平值計入損益的金融資產均為持作買賣或指定為按公平值計入損益的投資。此等投資隨後按公平值計量。此等投資公平值變動產生的損益均在損益確認。

(ii) 可供出售金融資產

可供出售金融資產指並非歸類為應收貿易賬款及其他應收款項、持至到期日投資或按公平值計入損益的金融資產的非衍生金融資產。可供出售金融資產其後按公平值計量。該等投資公平值變動產生的損益，在其他全面收益確認，直至該等投資被出售或有客觀證據顯示投資已減值為止。屆時，先前在其他全面收益中確認的累計損益會在損益中確認。按實際利率法計算的利息在損益確認。

股本投資（歸類為可供出售金融資產）已在損益確認的減值虧損，其後不會在損益撥回。倘債務工具（歸類為可供出售金融資產）的公平值增加客觀上與確認減值虧損後發生的事項相關，則就該等工具已在損益確認的減值虧損會於其後撥回並在損益中確認。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the receivables' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in profit or loss.

Impairment losses are reversed in subsequent periods and recognised in profit or loss when an increase in the receivables' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

(m) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. 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.

4. 重要會計政策 (續)

(l) 應收貿易賬款及其他應收款項

應收貿易賬款及其他應收款項為並非於交投活躍之市場內報價而附帶固定或可議定付款之非衍生金融資產，並於初始確認時按公平值入賬，其後使用實際利率法按攤銷成本減去減值撥備釐定。倘有客觀證據顯示本集團將不能根據應收款項的原有期限收取所有到期金額，將會就應收貿易賬款及其他應收款項作出減值撥備。撥備金額乃應收款項賬面值與估計未來現金流量的現值的差額，按初始確認時計算之實際利率貼現。撥備金額於損益中確認入賬。

於往後期間，倘應收款項之可收回金額增加與確認減值後所發生之事項客觀相連，則可撥回減值虧損並於損益內確認，惟於減值日撥回之應收款項賬面值不得高於假設並無確認減值之攤銷成本。

(m) 現金及現金等價物

就現金流量表而言，現金及現金等價物指銀行及手頭上的現金、銀行及其他金融機構之活期存款、可轉為已知數量之現金及沒有明顯變值風險之短期高流動性投資。應要求償還並構成本集團現金管理部分之銀行透支，都包括在現金及現金等價物之內。

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out from note 4 (o) to 4 (s) to the financial statements.

(o) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(p) Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

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

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition at fair value through profit or loss. Financial liabilities are classified as held-for-trading if they are acquired for the purpose of selling in the near term. Gains or losses on liabilities held-for-trading and those designated at fair value through profit or loss are recognised in profit or loss.

4. 重要會計政策 (續)

(n) 金融負債及權益工具

金融負債及權益工具乃根據所訂立合約安排之實質內容，及香港財務報告準則中金融負債和權益工具之定義予以分類。權益工具為可證明於本集團資產之餘額權益經扣除其所有負債後之任何合約。就特定金融負債及權益工具採納之會計政策載於財務報表附註4(o)至4(s)。

(o) 借貸

借貸初始按公平值扣除所產生之交易成本確認，其後則採用實際利息法按攤銷成本入賬。

借貸被分類為流動負債，惟本集團有權無條件地延遲清償負債至自報告期起計至少十二個月的則除外。

(p) 應付貿易賬款及其他應付款項

應付貿易賬款及其他應付款項初始按其公平值列賬，並於其後採用實際利息法按攤銷成本計量，除非貼現之影響輕微，則在此情況下按成本列賬。

(q) 按公平值計入損益的金融負債

按公平值計入損益的金融負債包括持作買賣金融負債及初步確認時指定按公平值計入損益的金融負債。倘若收購旨在短期內出售，有關的金融負債會歸入持作買賣類別。持作買賣負債的損益以及指定按公平值計入損益的負債於損益內確認入賬。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Derivative financial instruments

Derivatives are initially recognised and subsequently measured at fair value.

Changes in the fair value of derivatives are recognised in profit or loss as they arise.

(s) Equity instruments

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

(t) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

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

Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend income is recognised when the shareholders' rights to receive payment are established.

4. 重要會計政策 (續)

(r) 衍生金融工具

衍生工具初步按公平值確認並其後按公平值計量。

衍生工具公平值的變動於產生時於損益內確認入賬。

(s) 權益工具

由本公司所發行的權益工具乃按收取的所得款項減直接發行成本記錄。

(t) 收入確認

收入乃按已收或應收代價的公平值計量，並於經濟利益可能會流入本集團而收入金額可以可靠釐定時確認。

銷售貨品的收入於擁有權的大部分風險及回報轉移時確認入賬。擁有權轉移通常與貨品交付及擁有權轉讓予客戶的時間相同。

利息收入按時間比例基準，根據實際利率法確認入賬。

股息收入於確立股東收款權利時確認入賬。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all eligible employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

(iii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detail formal plan which is without realistic possibility of withdrawal.

(v) Share-based payments

The Group issues equity-settled share-based payments to certain management employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions. The issuance of fully vested equity instruments, or rights to equity instruments, is presumed to relate to past service, requiring the full amount of the grant-date fair value to be expensed immediately.

4. 重要會計政策 (續)

(u) 僱員福利

(i) 僱員應享假期

僱員之年假及長期服務假期於賦予僱員時確認。截至報告期末止已就僱員因所提供服務享有之年假及長期服務假期之估計負債作出撥備。

僱員病假及產假於僱員休假時始確認。

(ii) 退休金承擔

本集團向定額供款退休金計劃作出供款，全體合格僱員均可參與該計劃。供款由本集團及僱員按僱員基本薪金之百分比作出。自損益扣除之退休福利計劃成本指本集團應向該基金支付之供款。

(iii) 終止僱用福利

只有在本集團明確表示終止僱用或透過制訂一項實際上不可能撤回之詳細正式計劃向自願接受裁員安排者提供福利時，終止僱用福利始予確認。

(v) 以股份支付的支出

本集團授予若干管理僱員以權益結算以股份支付的支出。以權益結算以股份支付的支出於授出日期按權益工具的公平值計量（不包括以非市場為基礎之歸屬條件之影響）。於授出以權益結算以股份支付的支出之日釐定的公平值，乃依據本集團對其最終歸屬股份作估計，並以非市場為基礎之歸屬條件之影響作出調整，以直線法於歸屬期內支銷。發行全面歸屬權益工具或權益工具的權利乃假設與過往服務有關，須要就全數授出日期公平值即時支銷。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) 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 capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

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

(x) Taxation

Income tax represents the sum of the current tax and deferred tax.

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

4. 重要會計政策 (續)

(w) 借貸成本

直接涉及合資格資產之收購、興建或生產(即必須等待一段頗長時間始能投入作擬訂用途或出售之資產)之借貸成本當作該等資產之部分成本資本化,直至該等資產大致上準備好投入作擬訂用途或出售為止。在特定借貸撥作合資格資產之支出前暫時用作投資所賺獲之投資收入自合資格資本化之借貸成本中扣除。

如借貸之一般目的及用途為獲取合資格資產,合資格資本化之借貸成本金額則採用資本化率計算該項資產開支之方法釐定。資本化率為適用於該期間未償還借貸之借貸成本加權平均值(為獲得合資格資產之特別借貸除外)。

所有其他借貸成本於產生期間於收益表內確認。

(x) 稅項

所得稅指即期稅項及遞延稅項總額。

現時應付稅項乃按年度應課稅溢利計算。應課稅溢利不包括其他年度之應課稅或應扣減之收入及開支項目,亦不包括可作免稅或不可作稅項扣減之項目,故與收益表所確認溢利不同。本集團之當期稅項負債按其於報告期結束前已訂立或大致上訂立之稅率計算。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Taxation (Continued)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the 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 and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

4. 重要會計政策 (續)

(x) 稅項 (續)

遞延稅項就財務報表內資產及負債賬面值與計算應課稅溢利所採用相應稅基之差額予以確認。遞延稅項負債一般按所有應課稅暫時性差額確認，遞延稅項資產則於很可能對銷應課稅溢利應用可扣減暫時差額之情況下才予以確認，未動用稅項虧損及未動用稅項抵免均可動用。倘暫時差額由商譽或初次確認一項不影響應課稅溢利或會計溢利之交易之其他資產及負債（業務合併除外）所產生，則有關資產及負債不予確認。

遞延稅項負債就於附屬公司之投資所產生應課稅暫時差額予以確認，若本集團有能力控制暫時差額撥回，而暫時差額將很可能不會於可見將來撥回則除外。

遞延稅項資產之賬面值乃於各報告期末進行檢討，並予以相應扣減，直至並無足夠應課稅溢利可供全部或部分資產可予收回為止。

遞延稅項根據於報告期末前已訂立或大致上訂立之稅率，按預期適用於負債清償或資產變現期間之稅率計算。遞延稅項於收益表中確認，除非遞延稅項關乎於其他全面收益或直接於權益中予以確認之項目，在該情況下，遞延稅項亦於其他全面收益或直接於權益中予以確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Taxation (Continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(y) Related parties

A related party is a person or entity that is related to the Group.

(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 Company or of a parent of the Company.

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

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

4. 重要會計政策 (續)

(x) 稅項 (續)

當擁有合法可強制執行權利以即期稅項資產抵銷即期稅項負債，及當有關權利涉及由同一稅務當局徵收之所得稅，以及本集團計劃按淨額基準結算其即期稅項資產及負債時，遞延稅項資產及負債則互相抵銷。

(y) 關連人士

關連人士為與本集團有關連之個人或實體。

(A) 倘屬以下人士，則該人士或該人士之近親與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本公司或本公司母公司之主要管理層成員。

(B) 倘符合下列任何條件，則該實體與本集團（報告實體）有關連：

- (i) 該實體與本公司屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
- (ii) 一間實體為另一實體之聯營公司或合營企業（或另一實體為集團旗下成員公司之聯營公司或合營企業之成員公司）。
- (iii) 兩間實體均為同一第三方之合營企業。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Related parties (Continued)

- (B) (Continued)
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (A).
 - (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).

(z) Impairment of assets

Intangible assets that have an indefinite useful life or not yet available for use are reviewed annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets except derivative instruments, deferred tax assets, inventories and receivables 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 any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

4. 重要會計政策 (續)

(y) 關連人士 (續)

- (B) (續)
- (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
 - (v) 實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃。倘本集團本身屬有關計劃，提供資助之僱主亦與本集團有關連。
 - (vi) 實體受(A)內所識別人士控制或共同控制。
 - (vii) (A)(i)內所識別人士對實體有重大影響力或屬該實體（或該實體之母公司）之主要管理層成員。

(z) 資產減值

無限定可使用年期或尚未可供使用之無形資產會每年進行減值檢討，並且當任何事件發生或環境變化預示其賬面值可能無法收回時，亦會進行減值檢討。

於每個報告期末，本集團會對其有形及無形資產（衍生工具、遞延稅項資產、存貨及應收款項除外）之賬面值進行檢討，以確定是否有跡象顯示該等資產已出現減值虧損。倘任何該等跡象出現，則會估計該項資產之可收回金額以釐定任何減值虧損之程度。倘未能估計個別資產之可收回金額，則本集團會估計該項資產所屬之現金產生單位之可收回金額。

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(z) Impairment of assets (Continued)

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.

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

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit 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 (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(aa) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present 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 expenditures expected to settle the obligation.

4. 重要會計政策 (續)

(z) 資產減值 (續)

可收回金額為公平值減銷售成本及其使用價值兩者中之較高者。評估使用價值時，估計未來現金流量以除稅前貼現率貼現至彼等之現值，而該貼現率反映當時市場對金錢時間價值之評估及該項資產之特有風險。

倘資產或現金產生單位之可收回金額估計低於其賬面值，則將該資產或現金產生單位之賬面值減低至其可收回金額。減值虧損會於損益內即時確認，除非有關資產按重估價值列賬，在該情況下，減值虧損則視作重估減少處理。

倘減值虧損於其後撥回，則將該資產或現金產生單位之賬面值增加至其可收回金額之重新估計值，惟增加後之賬面值不能超過假設該資產或現金產生單位過往年度已確認為無減值虧損之賬面值（扣除攤銷或折舊）。減值虧損之撥回會於損益內即時確認，除非有關資產按重估價值列賬，在該情況下，減值虧損撥回則視作重估增加處理。

(aa) 撥備及或然負債

倘本集團須就已發生之事件承擔現有法律或推定責任，而且履行責任可能涉及經濟效益之流出，並可作出可靠之估計，則須就不肯定時間或數額之負債確認撥備。倘金錢之時間價值重大，則撥備將會以預計履行責任之支出現值列示。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) Provisions and contingent liabilities (Continued)

When 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 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 is remote.

(ab) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statement when material.

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

(a) Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

Split of land and building elements

The Group determines that the lease payments cannot be allocated reliably between the land and building elements. Accordingly the entire lease of land and buildings is classified as a finance lease and included under fixed assets.

Legal title of certain patents

During 2011, the Group acquired a new subsidiary as set out in note 36 to the financial statements. As at 31 December 2011, certain patents of that newly acquired subsidiary were still under registration process. Despite the fact that the Group has not obtained the relevant legal titles, the directors determine to recognise those patents as intangible assets, on the grounds that they expect the registration of legal titles in the future should have no major difficulties and the Group is in substance controlling these patents.

4. 重要會計政策 (續)

(aa) 撥備及或然負債 (續)

倘不大可能涉及經濟效益之流出，或是無法對有關數額作出可靠之估計，則將責任披露為或然負債，惟經濟效益流出之可能性極低則除外。須視乎某宗或多宗未來事件是否發生或不發生才能確定存在與否之可能責任，亦會被披露為或然負債，惟經濟效益流出之可能性極低則除外。

(ab) 報告期後事項

提供有關本集團於報告期末之狀況或顯示持續經營假設不適用之其他資料的報告期後事項均為調整事項，並於財務報表內反映。並不屬調整事項之報告期後事項如屬重大時在財務報表附註內披露。

5. 關鍵判斷及主要估計

(a) 應用會計政策的關鍵判斷

在應用會計政策時，董事曾作出下列對財務報表確認的款項有最大影響之判斷。

分撥土地與樓宇

本集團斷定不能可靠地將租賃付款分為土地與樓宇。因此，土地與樓宇整項租賃歸入融資租賃類別並計入固定資產之內。

若干專利的法定所有權

於二零一一年，本集團收購一家新附屬公司（如財務報表附註36所述）。於二零一一年十二月三十一日，該新收購的附屬公司的若干專利仍在辦理登記手續。雖然本集團並未取得有關的法定所有權，董事決定將此等專利確認為無形資產，理由是彼等預期未來登記此等法定所有權上將不會遇到重大困難，本集團實質上控制此等專利。

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

(b) Key sources of estimation uncertainty

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

Fair value of certain assets and liabilities involve valuation technique

During the Group's acquisitions of certain businesses in 2009 and acquisition of a subsidiary as set out in note 36 to the financial statements, valuation techniques were applied to determine the fair values of the acquired assets, liabilities and contingent liabilities. Furthermore, the fair value of derivative instruments and financial liabilities at fair value through profit or loss as set out in note 25 and note 32 to the financial statements respectively also involve valuation techniques. When applying valuation techniques, various subjective assumptions and generally accepted methodologies were used to derive the fair values. Any changes in these assumptions can significantly affect the estimate of the fair value of the underlying assets and liabilities.

Fixed assets and depreciation

The Group's management determines the estimated useful lives and related depreciation charges for the Group's fixed assets. This estimate is based on the historical experience of the actual useful lives of fixed 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.

5. 關鍵判斷及主要估計 (續)

(b) 估計不明朗因素之主要來源

於報告期末對未來及其他估計不明朗因素之主要來源的主要假設(對下個報告期間的資產及負債的賬面值造成重大調整之重大風險)在下文討論。

涉及估值技巧的若干資產及負債之公平值

誠如財務報表附註36所載，本集團於二零零九年收購若干業務及收購一間附屬公司的過程中，其已應用估值技巧斷定獲收購資產、負債及或然負債的公平值。此外，誠如財務報表附註25及附註32所載，衍生工具之公平值及按公平值計入損益的金融負債均涉及估值技巧。於應用估值技巧時，運用了各主觀假設及公認方法計算公平值。有關假設的任何變動可嚴重影響相關資產及負債之公平值估算。

固定資產及折舊

本集團管理層釐定本集團固定資產之估計可使用年期及相關折舊支出。此估計乃根據類似性質及功能之固定資產之實際可使用年期之過往經驗作出。倘可使用年期與先前估計者不同，或本集團將撇銷或撇減已廢棄或出售之技術過時或非策略性資產，則本集團將修訂折舊支出。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

(b) Key sources of estimation uncertainty (Continued)

Impairment of fixed assets

The Group assesses annually whether fixed assets have any indication of impairment in accordance with the accounting policy. The recoverable amounts of fixed assets have been determined based on value-in-use calculations. These calculations require the use of judgement and estimates.

Intangible assets and amortisation

The Group determines the estimated useful lives and related amortisation for the Group's intangible assets. The useful life of intangible assets are assessed to be either finite or indefinite, based on the expected usage and technical obsolescence from the changes in the market demands or services output from the assets. Intangible assets with finite useful lives are amortised over the expected useful economic lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for the intangible assets with a finite useful life are reviewed by the management at least at the end of each reporting period.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. The carrying amount of goodwill at the end of the reporting period was approximately HK\$12,157,000.

5. 關鍵判斷及主要估計 (續)

(b) 估計不明朗因素之主要來源 (續)

固定資產減值

本集團按會計政策每年評核固定資產是否有減值跡象。固定資產可收回金額已按使用價值計算法釐定。有關計算方法需利用判斷及估算。

無形資產及攤銷

本集團就其無形資產釐定估計可使用年期及相關攤銷。無形資產的可使用年期按市場需求變動或資產服務輸出的預期用途及技術陳舊程度基準評估為有限或無限。有限可使用年期的無形資產隨預期可使用經濟年限攤銷，並於無形資產有跡象會減值時作出減值評估。有限可使用年期的無形資產的攤銷期及攤銷法由管理層至少各個報告期末作出檢討。

商譽的減值

在決定商譽是否要減值時，需要估計商譽分攤至現金產生單位後的使用價值。商譽按使用價值的計算需要本集團估計通過現金產生單位所產生的未來現金流和適當的貼現率以計算現值。於本報告期末，商譽的賬面價值為12,157,000港元。

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財務報表附註

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

(b) Key sources of estimation uncertainty (Continued)

Allowance for slow-moving inventories

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

Impairment of available-for-sale financial assets

The Group determines whether the unlisted equity investment is impaired at least on an annual basis and based on the financial information available from the unlisted equity investment. Details are set out in note 21 to the financial statements.

Impairment of trade and other receivables

The Group makes impairment of trade and other receivables based on assessments of the recoverability of the trade and other receivables, including 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 collectable. The identification of bad and doubtful debt requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact on the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed.

5. 關鍵判斷及主要估計 (續)

(b) 估計不明朗因素之主要來源 (續)

滯銷存貨撥備

滯銷存貨撥備乃以存貨貨齡及估計可變現淨值為基準計算。評估撥備金額涉及判斷及估計。倘日後之實際結果有別於原來估計，該等差額將影響上述估計出現變動期間存貨賬面值及撥備開支／撥回。

可供出售金融資產之減值

本集團最少按年度基準及根據非上市股本投資可得財務報表釐定非上市股本投資是否減值。詳情載述於財務報表附註21。

應收貿易賬款及其他應收款項減值

本集團根據對應收貿易賬款及其他應收款項的可回收性作出的評估，包括各債務人的現時借貸能力及／或過往回收記錄，就應收貿易賬款及其他應收款項作出減值。倘事件或情況變動顯示餘款或會無法回收，減值予以確認。發現呆壞賬需要使用判斷及估計。倘實際結果與原有估計存在差異，相關差異將影響相關估計變動所在年度的應收貿易賬款及其他應收款項的賬面值及呆賬開支。

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

(b) Key sources of estimation uncertainty (Continued)

Product warranty provision

Product warrant provision of the Group is recognised based on past experience of level of repairs and returns, discounted to their present value as appropriate. Movement of the product warranty provision during the year is set out in note 31 to the financial statements.

Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. Should the final assessment of tax authorities were different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has certain exposure to foreign currency risk as part of its business transactions, assets and liabilities are denominated in United States dollar, Euro, Renminbi and Hong Kong dollar.

5. 關鍵判斷及主要估計 (續)

(b) 估計不明朗因素之主要來源 (續)

產品保用撥備

本集團產品保用撥備按過往修理及退貨的經驗確認入賬，並貼現至其現值（如適用）。年內的產品保用撥備之變動載於財務報表附註31。

所得稅

本集團須繳納若干司法權區的所得稅。於釐定所得稅撥備時，須作出重大估計。倘有關稅務當局的最終評稅結果與初始記錄的數額存在差異，則相關差異將影響釐定期間所得稅及遞延稅項撥備。

6. 財務風險管理

本集團業務活動使之承受各種財務風險：外幣風險、信貸風險、流動資金風險及利率風險。本集團的總體風險管理項目專注於金融市場的不可預測性及致力降低對本集團財務表現的潛在不利影響。

(a) 外幣風險

本集團需承受外幣風險，原因是其部分業務交易、資產及負債以美元、歐元、人民幣及港元列值。

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財務報表附註

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6. FINANCIAL RISK MANAGEMENT (Continued)

(a) Foreign currency risk (Continued)

The following tables detail the Group's major exposure at the end of reporting period to foreign currency risk arising from recognised assets or liabilities denominated in respective foreign currency. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollar translated using the spot rates at the end of reporting period.

6. 財務風險管理(續)

(a) 外幣風險(續)

下表詳載本集團因其按相關外幣列值已確認資產或負債產生於報告期末承擔的主要外幣風險。就呈列目的，利用報告期末即期匯率換算以港元列示風險金額。

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Denominated in United States dollar			
	以美元列值		
Trade and bill receivables	應收貿易賬款及應收票據	119,042	126,109
Deposits and other receivables	按金及其他應收款項	59	-
Bank and cash balances	銀行及現金結餘	28,239	25,877
Trade payables	應付貿易賬款	(43,390)	(34,467)
Accruals and other payables	預提費用及其他應付款項	(2,946)	(392)
Bank borrowings	銀行借貸	(14,778)	(7,363)
Amounts due from/(to) group companies	應收/(應付)集團公司款項	71,041	18,684
Total	總計	157,267	128,448
Denominated in Renminbi			
	以人民幣列值		
Deposits and other receivables	按金及其他應收款項	248	-
Bank and cash balances	銀行及現金結餘	50,950	3
Trade payables	應付貿易賬款	(10,945)	(10,306)
Accruals and other payables	預提費用及其他應付款項	(1,769)	(1,780)
Amounts due from/(to) group companies	應收/(應付)集團公司款項	(15,709)	(14,533)
Total	總計	22,775	(26,616)

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6. FINANCIAL RISK MANAGEMENT (Continued)

(a) Foreign currency risk (Continued)

6. 財務風險管理(續)

(a) 外幣風險(續)

		2011	2010
		二零一一年	二零一零年
		HK\$'000	HK\$'000
		千港元	千港元
Denominated in Euro	以歐元列值		
Bank and cash balances	銀行及現金結餘	5,804	29
Trade payables	應付貿易賬款	(613)	(480)
Amounts due from/(to) group companies	應收/(應付)集團公司款項	36,305	37,201
Total	總計	41,496	36,750
Denominated in Hong Kong dollar	以港元列值		
Bank and cash balances	銀行及現金結餘	11	7
Amounts due from/(to) group companies	應收/(應付)集團公司款項	113,720	90,531
Total	總計	113,731	90,538

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6. FINANCIAL RISK MANAGEMENT (Continued)

(a) Foreign currency risk (Continued)

The following table indicates the instantaneous change in the Group's profit for the year and retained profits that would have been arisen if foreign exchange rates to which the Group has significant exposure at the end of reporting period had changed at those dates, assuming all other risk variables remained constant.

Foreign currency/ functional currency	外幣兌功能貨幣	2011		2010	
		Increase/ (decrease) in foreign exchange rates 匯率升/ (降)	HK\$'000 千港元	Increase/ (decrease) in foreign exchange rates 匯率升/ (降)	HK\$'000 千港元
United States dollar/ Hong Kong dollar	美元兌港元	1% (1)%	2,192 (2,192)	1% (1)%	1,567 (1,567)
Renminbi/ Hong Kong dollar	人民幣兌港元	5% (5)%	(3,248) 3,248	5% (5)%	(3,853) 3,853
Euro/ Hong Kong dollar	歐元兌港元	10% (10)%	3,790 (3,790)	10% (10)%	3,385 (3,385)

During the years ended 31 December 2011 and 31 December 2010, the Group has used derivative financial instruments to mitigate its risks associated with foreign currency fluctuations. The use of financial derivatives has been closely monitored by directors of the Company. The Group would choose financial institutions with high credit rating as counter party when using derivative financial instruments. The Group currently does not have a foreign currency hedging policy in respect of other foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

6. 財務風險管理(續)

(a) 外幣風險(續)

假設所有其他風險可變數維持不變，本集團承擔主要風險的匯率於報告期末如有變動，會即時改變本集團年度溢利及留存收益的狀況如下：

截至二零一一年十二月三十一日及二零一零年十二月三十一日止年度，本集團已利用衍生金融工具以減低外幣波動涉及的風險。本公司董事已密切關注金融衍生工具的使用。本集團會選擇高信貸評級的金融機構作利用衍生金融工具的對手方。本集團現時並無制定有關其他外幣交易、資產及負債的外幣對沖政策。本集團將密切監察其外幣風險，需要時會考慮對沖重大的外匯風險。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

The Group has policies in place to ensure that sales are made to customers with an appropriate credit history. The carrying amount of the bank and cash balances, derivative financial instruments, trade and other receivables and due from a shareholder included in the statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

The credit risk on bank and cash balances and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has certain concentration of credit risk, as the Group's largest three debtors account for 37% of trade receivables as at 31 December 2011 (2010: 49%).

In order to minimise credit risk, management have delegated a team to be responsible for the determination of credit limits, credit approvals and other monitoring procedures. In addition, management reviews the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable debts. In this regard, management considers that the Group's credit risk is significantly reduced.

6. 財務風險管理(續)

(b) 信貸風險

本集團制定了政策，確保向具備合適信貸記錄的客戶進行銷售。計入財務狀況表的銀行及現金結餘、衍生金融工具、應收貿易賬款及其他應收款項以及應收一名股東款項的賬面值為本集團金融資產涉及的最高信貸風險。

銀行及現金結餘以及衍生金融工具的信貸風險有限，原因是對手方屬國際信貸評級機構給予高信貸評級的銀行。

本集團承受若干集中程度的信貸風險，原因是本集團三大債務人所佔二零一一年十二月三十一日的應收貿易賬款為37%（二零一零年：49%）。

為減低信貸風險，管理層特派專責制定信貸限額、信貸批准及其他監管程序的團隊。此外，管理層會定期檢討個別應收貿易賬款的可收回狀況，確保就不可收回債項確認充足的減值虧損。就此，管理層認為本集團的信貸風險大幅減少。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The contractual maturity analysis of the Group's financial liabilities (with interest thereon) is as follows:

6. 財務風險管理(續)

(c) 流動資金風險

本集團的政策為定期監察現時及預期的流動資金需要，以確保本集團維持足夠現金儲備以應付短期及較長期的流動資金需要。

本集團金融負債(連同其利息)的合約到期日分析如下：

		Less than 1 year and on demand 1年以下及 於提出 要求時 HK\$'000 千港元	Between 1 and 2 years 介乎1至2年 HK\$'000 千港元	Between 2 and 5 years 介乎2至5年 HK\$'000 千港元	Over 5 years 超過5年 HK\$'000 千港元
At 31 December 2011	於二零一一年 十二月三十一日				
Trade payables	應付貿易賬款	144,477	-	-	-
Accruals and other payables	預提費用及其他應付 款項	128,484	-	-	-
Bank borrowings	銀行借貸	51,880	-	-	-
Financial liabilities at fair value through profit or loss	按公平值計入損益的 金融負債	10,137	8,893	944	-
License fee payable	應付特許費	-	-	25,676	18,988
At 31 December 2010	於二零一零年 十二月三十一日				
Trade payables	應付貿易賬款	115,313	-	-	-
Accruals and other payables	預提費用及其他應付 款項	100,027	-	-	-
Bank borrowings	銀行借貸	62,613	-	-	-
Financial liabilities at fair value through profit or loss	按公平值計入損益的 金融負債	9,033	15,093	2,237	-
Derivative instruments	衍生金融工具	154	-	-	-

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

Bank borrowings included certain bank loans that were expected by the Group management to be repayable twelve months or more after the end of each reporting period. The maturity analysis in respect of bank borrowings (with interest thereon) provided by the Group management incorporating the above expectation is as follows:

Bank borrowings	銀行借貸	Less than	Between	Between
		1 year	1 and 2	2 and 5
		1 year	Years	years
		1年以下	介乎1至2年	介乎2至5年
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 31 December 2011	於二零一一年十二月三十一日	49,682	2,527	-
At 31 December 2010	於二零一零年十二月三十一日	53,554	7,364	2,525

(d) Interest rate risk

The Group's exposure to interest-rate risk arises from its bank deposits and bank borrowings. These deposits and borrowings bear interests at variable rates varied with the then prevailing market condition.

As at 31 December 2011, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have increased/decreased the Group's profit for the year and retained profits as follows:

Increase/(decrease) in interest rates	利率上升/(下降)	2011	2010
		二零一一年	二零一零年
		HK\$'000	HK\$'000
		千港元	千港元
100 basis points	100基點	496	(174)
(100) basis points	(100)基點	(496)	174

The sensitivity analysis above indicates the impact on the Group's profit for the year and retained profits that would have arisen assuming that there is an annualised impact on interest income and expense by a change in interest rates. The analysis has been performed on the same basis throughout the year.

6. 財務風險管理(續)

(c) 流動資金風險(續)

銀行借貸包括本集團管理層預期須於各報告期末起計十二個月或以後償還的若干銀行貸款。本集團管理層按其上述預計還款期所作銀行借貸(連同有關利息)的到期日分析如下:

(d) 利率風險

本集團需承受其銀行存款及銀行借貸的利率風險。該等存款及借貸按浮動利率計息，利率按當時市況而定。

於二零一一年十二月三十一日，在所有其他變數維持不變的情況下，只要利率整體上升/下降100個基點，本集團的年度溢利及留存收益的增/減如下:

上文敏感度分析列示假設利率變動影響年度化利息收入及開支，從而對本集團年度溢利及留存收益構成影響。進行全年的分析之基準相同。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL RISK MANAGEMENT (Continued)

(e) Categories of the Group's financial instruments at 31 December 2011

6. 財務風險管理(續)

(e) 本集團於二零一一年十二月三十一日的金融工具之類別

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Financial assets:	金融資產：		
Financial assets at fair value through profit or loss:	按公平值計入損益的金融資產：		
Held for trading	持作買賣	1,532	2,361
Loans and receivables (including cash cash equivalents):	貸款及應收款項(包括現金及現金等價物)：		
Trade and bill receivables	應收貿易賬款及應收票據	182,220	154,338
Deposits and other receivables	按金及其他應收款項	34,826	28,019
Amount due from a shareholder	應收一名股東款項	200	-
Bank and cash balances	銀行及現金結餘	147,756	58,913
		366,534	243,631
Financial liabilities:	金融負債：		
Financial liabilities at fair value through profit or loss:	按公平值計入損益的金融負債：		
Designated as such upon initial recognition	於初步確認指定者	19,086	26,091
Held for trading	持作買賣	-	154
Financial liabilities at amortised cost:	按攤銷成本列值的金融負債：		
Trade payables	應付貿易賬款	144,477	115,313
Accruals and other payables	預提費用及其他應付款項	128,484	100,027
Bank borrowings	銀行借貸	51,880	62,613
License fee payable	應付特許費	18,721	-
		362,648	304,198

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL RISK MANAGEMENT (Continued)

(e) Categories of the Group's financial instruments at 31 December 2011 (Continued)

The following disclosures of fair value measurements use a fair value hierarchy which has 3 levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Disclosures of level in fair value hierarchy at 31 December 2011:

At 31 December 2011

6. 財務風險管理(續)

(e) 本集團於二零一一年十二月三十一日的金融工具之類別(續)

本集團採用以下公平值等級架構披露公平值計量，當中包括3層：

第1層：相同資產或負債之活躍市場報價(未經調整)。

第2層：第1層所包括之報價以外，資產或負債直接(即價格)或間接(即從價格推算)觀察得出之輸入資料。

第3層：並非根據可觀察市場數據而得出之資產或負債輸入資料(無法觀察輸入)。

公平值等級架構於二零一一年十二月三十一日之各層披露：

於二零一一年十二月三十一日

Fair value measurement using:

公平值計量所用的等級：

Description	項目	Level 1	Level 2	Level 3	Total
		第1層	第2層	第3層	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Assets					
資產					
Financial assets at fair value through profit or loss:	按公平值計入損益的				
Derivative instruments	金融資產：				
(note 25)	衍生工具				
	(附註25)	-	1,532	-	1,532
Liabilities					
負債					
Financial liabilities at fair value through profit or loss:	按公平值計入損益的				
Contingent considerations	金融負債：				
(note 32)	或然代價				
	(附註32)	-	19,086	-	19,086

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL RISK MANAGEMENT (Continued)

(e) Categories of the Group's financial instruments at 31 December 2011 (Continued)

At 31 December 2010

Description	項目	Fair value measurement using: 公平值計量所用的等級：			
		Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets					
資產					
Financial assets at fair value through profit or loss:	按公平值計入損益的金融資產				
Derivative instruments (note 25)	衍生工具 (附註25)	–	2,361	–	2,361
Liabilities					
負債					
Financial liabilities at fair value through profit or loss:	按公平值計入損益的金融負債：				
Contingent considerations (note 32)	或然代價 (附註32)	–	26,091	–	26,091
Derivative instruments (note 25)	衍生工具 (附註25)	–	154	–	154

(f) Fair values

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

(f) 公平值

本集團於綜合財務狀況表所載金融資產及金融負債的賬面值與其各自的公平值相若。

7. REVENUE

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Sales of goods	銷售貨品	1,332,548	1,167,610
Others	其他	1,757	159
		1,334,305	1,167,769
Net sales return arising from product warranty	產品保用產生的退貨淨額	(24,915)	(22,227)
		1,309,390	1,145,542

7. 收入

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

8. SEGMENT INFORMATION

The Group has three reportable segments as follows:

EMS	–	Electronic Manufacturing Services
Distribution Businesses:		
Telecommunications products (“TCP”)	–	Marketing and distribution of branded SMB phone systems
Multimedia products and computer accessories (“MPCA”)	–	Assembling and/or marketing and distribution of branded multimedia products and computer accessories

The Group’s reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The Group’s other operating segments include the marketing and distribution of branded mobile electronic gaming and entertainment systems and others. None of these segments meets any of the quantitative thresholds for determining reportable segments. The information of these other operating segments is included in the ‘Others’ column under Distribution Businesses.

The accounting policies of the operating segments are the same as those described in note 4 to the financial statements. Segment profits or losses do not include impairment loss on intangible assets. Segment assets do not include amount due from a shareholder and deferred tax assets. Segment liabilities do not include bank borrowings and deferred tax liabilities.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

8. 分部資料

本集團三個報告分部如下：

電子製造服務	–	電子製造服務
分銷業務：		
電訊產品	–	營銷及分銷品牌中小企電話系統
多媒體產品及電腦配件	–	組裝及／或營銷與分銷品牌多媒體產品和電腦配件

本集團的報告分部為策略性業務單位，提供不同產品及服務。各分部獨立管理，原因是各業務需要不同的技術及營銷策略。

本集團其他經營分部包括營銷及分銷品牌流動電子遊戲及娛樂系統，以及其他產品。此等分部概未達到釐定可報告分部的任何定量規模。此等其他經營分部的資料載入分銷業務下「其他」一欄。

經營分部的會計政策與財務報表附註4所述者相同。分部損益並不包括無形資產減值虧損。分部資產並不包括應收一名股東款項及遞延稅項資產。分部負債並不包括銀行貸款及遞延稅項負債。

本集團按當前市價把分部間銷售及轉讓入賬，猶如對第三方銷售或轉讓。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

8. SEGMENT INFORMATION (Continued)

(a) Information about reportable segment profit or loss, assets and liabilities:

8. 分部資料(續)

(a) 有關報告分部溢利或虧損、資產及負債的資料：

		Distribution Businesses				Total
		分銷業務				
		EMS	TCP	MPCA	Others	
		電子製造服務	電訊產品	多媒體產品 及電腦配件	其他	總計
		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
Year ended	截至二零一一年					
31 December 2011	十二月三十一日					
	止年度					
Revenue from external customers	來自外來客戶收入	802,730	153,766	335,088	17,806	1,309,390
Intersegment revenue	分部間收入	119,484	-	-	5,877	125,361
Segment profit	分部溢利	65,886	2,741	7,599	1,331	77,557
Interest revenue	利息收入	232	1	2	-	235
Interest expense	利息開支	886	2,700	4,805	-	8,391
Depreciation and amortisation	折舊及攤銷	14,335	6,877	815	1,186	23,213
Staff costs	員工成本	161,602	6,642	35,384	2,344	205,972
Income tax expense/(credit)	所得稅開支/(抵免)	7,009	329	(165)	943	8,116
Additions to segment non-current assets	分部非流動資產增添	18,891	16,206	308	236	35,641
As at 31 December 2011	於二零一一年					
	十二月三十一日					
Segment assets	分部資產	620,263	111,947	131,904	93,243	957,357
Segment liabilities	分部負債	232,434	90,807	132,373	80,299	535,913

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

8. SEGMENT INFORMATION (Continued)

(a) Information about reportable segment profit or loss, assets and liabilities (Continued):

8. 分部資料(續)

(a) 有關報告分部溢利或虧損、資產及負債的資料(續):

		Distribution Businesses 分銷業務				
		EMS	TCP	MPCA	Others	Total
		電子製造服務	電訊產品	多媒體產品 及電腦配件	其他	總計
		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
Year ended	截至二零一零年					
31 December 2010	十二月三十一日					
	止年度					
Revenue from external customers	來自外來客戶收入	764,012	158,382	223,148	–	1,145,542
Intersegment revenue	分部間收入	93,391	–	–	–	93,391
Segment profit/(loss)	分部溢利/(虧損)	93,233	5,725	(28,017)	–	70,941
Interest revenue	利息收入	38	1	–	–	39
Interest expense	利息開支	1,233	–	3,192	–	4,425
Depreciation and amortisation	折舊及攤銷	12,839	6,999	705	–	20,543
Staff costs	員工成本	124,341	5,374	35,264	–	164,979
Income tax expense/(credit)	所得稅開支/(抵免)	10,875	2,088	(209)	–	12,754
Additions to segment non-current assets	分部非流動資產增添	15,949	22	255	–	16,226
As at 31 December 2010	於二零一零年					
	十二月三十一日					
Segment assets	分部資產	422,959	100,676	91,416	–	615,051
Segment liabilities	分部負債	194,135	77,385	99,104	–	370,624

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

8. SEGMENT INFORMATION (Continued)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities:

		2011	2010
		二零一一年	二零一零年
		HK\$'000	HK\$'000
		千港元	千港元
Revenue	收入		
Total revenue of reportable segments	報告分部收入總額	1,434,751	1,238,933
Elimination of intersegment revenue	分部間收入抵銷	(125,361)	(93,391)
Consolidated revenue	綜合收入	1,309,390	1,145,542
<hr/>			
		2011	2010
		二零一一年	二零一零年
		HK\$'000	HK\$'000
		千港元	千港元
Profit or loss	溢利或虧損		
Total profit of reportable segments	報告分部溢利總額	77,557	70,941
Elimination of intersegment profits	分部間溢利抵銷	(6,184)	(2,353)
Unallocated amounts:	未分配金額：		
Impairment loss on intangible assets	無形資產減值虧損	(2,746)	(123)
Consolidated profit before tax	綜合除稅前溢利	68,627	68,465

8. 分部資料(續)

(b) 報告分部收入、溢利或虧損、資產及負債的對賬：

2011	2010
二零一一年	二零一零年
HK\$'000	HK\$'000
千港元	千港元

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

8. SEGMENT INFORMATION (Continued)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities (Continued):

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Assets	資產		
Total assets of reportable segments	報告分部資產總值	957,357	615,051
Elimination of intersegment receivables	分部間應收款項抵銷	(185,070)	(100,254)
Elimination of unrealised profits	未變現溢利抵銷	(6,798)	(2,353)
Unallocated amounts:	未分配金額：		
Amount due from a shareholder	應收一名股東款項	200	-
Deferred tax assets	遞延稅項資產	5,841	7,690
Consolidated total assets	綜合資產總值	771,530	520,134

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Liabilities	負債		
Total liabilities of reportable segments	報告分部負債總額	535,913	370,624
Elimination of intersegment payables	分部間應付款項抵銷	(185,070)	(100,254)
Elimination of unrealised profits	未變現溢利抵銷	(614)	-
Unallocated amounts:	未分配金額：		
Bank borrowings	銀行借貸	51,880	62,613
Deferred tax liabilities	遞延稅項負債	21,446	14,880
Consolidated total liabilities	綜合負債總額	423,555	347,863

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

8. SEGMENT INFORMATION (Continued)

(c) Geographical information:

		2011	2010
		二零一一年	二零一零年
		HK\$'000	HK\$'000
		千港元	千港元
Revenue	收入		
Germany	德國	249,733	159,621
People's Republic of China ("PRC") (including Hong Kong)	中華人民共和國(「中國」) (包括香港)	242,103	242,007
The United States of America	美國	227,939	179,329
Switzerland	瑞士	190,135	90,108
United Kingdom	英國	100,269	199,432
Italy	意大利	69,084	49,104
Mexico	墨西哥	55,038	104,829
Others	其他	175,089	121,112
Consolidated total	綜合總額	1,309,390	1,145,542

		2011	2010
		二零一一年	二零一零年
		HK\$'000	HK\$'000
		千港元	千港元
Non-current assets	非流動資產		
Germany	德國	16,628	17,660
PRC (including Hong Kong)	中國(包括香港)	73,982	62,401
The United State of America	美國	69,841	22,978
Others	其他	171	–
Consolidated total	綜合總額	160,622	103,039

In presenting the geographical information, revenue is based on the locations of the customers.

在呈列地區資料時，收入是以客戶所處地點為準。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

8. SEGMENT INFORMATION (Continued)

(d) Revenue from major customers:

An analysis of revenue from major customers which account for over 10 percent or more of the Group's revenue is as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
EMS segment	電子製造服務分部		
Customer a	客戶a	174,960	149,625
Customer b	客戶b	207,490	353,913
Customer c	客戶c	188,382	N/A
Distribution Businesses – MPCA segment	分銷業務 – 多媒體產品及 電腦配件分部		
Customer d	客戶d	132,816	156,522

9. OTHER INCOME

9. 其他收入

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Bank interest income	銀行利息收入	235	39
Income from cancellation of customers' orders	客戶訂單取消收入	–	7,323
Unrealised fair value gain on derivative instruments	未變現衍生工具公平值收益	1,199	–
Realised gain on derivative instruments	已變現衍生工具收益	1,132	2,453
Fair value gain on financial liabilities at fair value through profit or loss	按公平值計入損益的金融負債 公平值收益	1,109	–
Sales of scrap materials	銷售廢料	777	61
Others	其他	3,049	3,367
		7,501	13,243

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

10. FINANCE COSTS

Wholly repayable within five years:

Bank overdraft interest

Bank loans interest

Interest on import/export loans

Interest on factoring loans

Not wholly repayable within five years:

Other interest expenses

須於五年內悉數償還：

銀行透支利息

銀行貸款利息

進出口貸款利息

客賬融通貸款利息

毋須於五年內悉數償還：

其他利息開支

2011	2010
二零一一年	二零一零年
HK\$'000	HK\$'000
千港元	千港元

1 2

986 1,314

394 323

4,310 2,786

2,700 -

8,391 4,425

11. INCOME TAX EXPENSE

Current tax – Hong Kong Profits Tax

Provision for the year

Over-provision in prior years

Current tax – Overseas

Provision for the year

Under-provision in prior years

Deferred tax (note 33)

即期稅項－香港利得稅

年度撥備

過往年度超額撥備

即期稅項－海外

年度撥備

過往年度撥備不足

遞延稅項(附註33)

11. 所得稅開支

2011	2010
二零一一年	二零一零年
HK\$'000	HK\$'000
千港元	千港元

6,935 9,491

(512) (533)

6,423 8,958

3,876 3,797

- 16

3,876 3,813

(2,183) (17)

8,116 12,754

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

11. INCOME TAX EXPENSE (Continued)

Hong Kong Profits Tax has been provided at a rate of 16.5% (2010: 16.5%) based on the estimated assessable profit for the year.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

The reconciliation between the income tax expense and the product of profit before tax multiplied by the Hong Kong Profits Tax rate is as follows:

11. 所得稅開支(續)

本集團根據本年度估計應課稅溢利，按16.5%（二零一零年：16.5%）的稅率計提香港利得稅撥備。

其他地方應課稅溢利的稅項費用乃按本集團經營所在國家當前稅率，根據當地現行法例、詮釋及慣例計算。

所得稅開支與除稅前溢利乘以香港利得稅稅率的積之對賬如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Profit before tax	除稅前溢利	68,627	68,465
Tax at the Hong Kong Profits Tax rate of 16.5% (2010: 16.5%)	按稅率16.5%(二零一零年：16.5%) 計算香港利得稅	11,323	11,297
Tax effect of income that is not taxable	毋須課稅收入的稅務影響	(4,027)	(3,049)
Tax effect of expenses that are not deductible	不可扣稅開支的稅務影響	7,154	5,684
Tax effect of temporary differences not recognised	不確認暫時差異的稅務影響	(36)	440
Tax effect of offshore profits that are not taxable	毋須課稅離岸溢利的稅務影響	(5,362)	(8,244)
Over-provision in prior years	過往年度超額撥備	(512)	(517)
Tax effect of utilisation of tax losses not previously recognised	使用過往未有確認稅項虧損的稅務影響	(1,499)	(473)
Tax effect of unused tax losses not recognised	不確認未動用稅項虧損的稅務影響	480	5,813
Effect of different tax rates of subsidiaries	附屬公司不同稅率的影響	595	1,803
Income tax expense	所得稅開支	8,116	12,754

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

12. PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging/(crediting) the following:

12. 年度溢利

本集團年度溢利在扣除/(計入)以下各項後載列如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Amortisation of intangible assets (included in selling and distribution expenses)	無形資產攤銷(計入銷售及分銷開支)	8,394	7,423
Auditor's remuneration	核數師酬金	1,233	1,168
Allowance for receivables, net (note 23)	應收款項撥備淨額(附註23)	1,416	2,970
Cost of goods sold (Note (i))	出售貨物成本(附註(i))		
Cost of inventories sold	已售存貨成本	1,031,503	892,711
Allowance for inventories	存貨撥備	18,432	10,842
Reversal of allowance for inventories (Note (ii))	存貨撥備撥回(附註(ii))	(9,876)	(10,624)
		1,040,059	892,929
Depreciation	折舊	14,819	13,120
Directors' emoluments	董事酬金		
As directors	董事	540	263
For management	管理層	8,253	10,122
		8,793	10,385
Research and development expenditure (Note (iii))	研發開支(附註(iii))	22,748	20,931
Exchange losses, net	匯兌虧損淨額	3,693	4,887
Unrealised fair value (gain)/loss on derivative instruments	未變現衍生工具公平值(收益)/虧損	(1,199)	788
Fair value (gain)/loss on financial liabilities at fair value through profit or loss	按公平值計入損益的金融負債公平值(收益)/虧損	(1,109)	3,696
Impairment loss on intangible assets (included in other operating expenses)	無形資產減值虧損(計入其他經營費用)	2,746	123
Loss on disposal of fixed assets	出售固定資產虧損	-	222
Operating lease charges	經營租賃費用		
Land and buildings	土地及樓宇	12,781	11,727
Staff costs including directors' emoluments	員工成本(包括董事酬金)		
Salaries, bonus and allowances	薪金、花紅及津貼	196,153	157,208
Retirement benefit scheme contributions	退休福利計劃供款	9,819	7,771
		205,972	164,979

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

12. PROFIT FOR THE YEAR (Continued)

Notes:

- (i) During the year ended 31 December 2011, cost of goods sold includes approximately HK\$121,045,000 (2010: HK\$90,278,000) relating to staff costs and depreciation, amounts of which are also included in the respective total amounts disclosed separately above for each of these types of expenses.
- (ii) The Group makes allowance for inventories under respective aged criteria in different segments. The reversal of such allowance represents the amount of inventories subsequently used in production or sold.
- (iii) During the year ended 31 December 2011, research and development expenditure includes approximately HK\$20,202,000 (2010: HK\$18,112,000) relating to staff costs, amounts of which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

12. 年度溢利(續)

附註：

- (i) 截至二零一一年十二月三十一日止年度銷售成本包括有關員工成本及折舊約121,045,000港元(二零一零年：90,278,000港元)，該等金額亦計入上文個別披露各類開支的總額中。
- (ii) 本集團對貨齡逾各自類別的賬齡準則的存貨作出撥備。撥備撥回指其後用於生產或出售的存貨金額。
- (iii) 截至二零一一年十二月三十一日止年度，研發開支包括有關員工成本約20,202,000港元(二零一零年：18,112,000港元)，該等金額亦計入上文個別披露各類該等開支的總額中。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

13. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

(a) Directors' remuneration

The emoluments of each of the Company's director were as follows:

Name of director	董事姓名	Fees 袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind	Retirement benefit contributions scheme	Discretionary bonus	Total 總計 HK\$'000 千港元
			薪金、津貼及 實物利益 HK\$'000 千港元	退休福利 供款計劃 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	
Year ended 31 December 2011		截至二零一一年十二月三十一日止年度				
<i>Executive directors</i>		<i>執行董事</i>				
Mr. Cheng Han Ngok, Steve	鄭衡嶽先生	-	2,683	114	180	2,977
Mr. Lee Kai Bon	李繼邦先生	-	1,206	51	100	1,357
Mr. Ng Kim Yuen	吳儉源先生	-	1,379	59	100	1,538
Mr. Poon Ka Lee, Barry	潘家利先生	-	1,040	12	120	1,172
Madam Fok Pui Yin	霍佩賢女士	-	1,064	45	100	1,209
		-	7,372	281	600	8,253
<i>Independent non-executive directors</i>		<i>獨立非執行董事</i>				
Mr. Au-yang Cheong Yan, Peter	歐陽長恩先生	180	-	-	-	180
Mr. Kwan Pun Fong, Vincent	關品方先生	180	-	-	-	180
Mr. Xue Quan	薛泉先生	180	-	-	-	180
Total	總計	540	7,372	281	600	8,793
Year ended 31 December 2010		截至二零一零年十二月三十一日止年度				
<i>Executive directors</i>		<i>執行董事</i>				
Mr. Cheng Han Ngok, Steve	鄭衡嶽先生	-	2,417	103	1,120	3,640
Mr. Lee Kai Bon	李繼邦先生	-	1,171	50	425	1,646
Mr. Ng Kim Yuen	吳儉源先生	-	1,344	58	490	1,892
Mr. Poon Ka Lee, Barry	潘家利先生	-	945	12	508	1,465
Madam Fok Pui Yin	霍佩賢女士	-	1,011	43	425	1,479
		-	6,888	266	2,968	10,122
<i>Independent non-executive directors</i>		<i>獨立非執行董事</i>				
Mr. Au-yang Cheong Yan, Peter	歐陽長恩先生	90	-	-	-	90
Mr. Kwan Pun Fong, Vincent	關品方先生	90	-	-	-	90
Mr. Xue Quan	薛泉先生	83	-	-	-	83
Total	總計	263	6,888	266	2,968	10,385

Save as disclosed above, there was no arrangement under which a director waived or agreed to waive any emoluments during the year.

13. 董事及五名最高薪人士的酬金

(a) 董事酬金

本公司各董事酬金如下：

Name of director	董事姓名	Fees 袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind	Retirement benefit contributions scheme	Discretionary bonus	Total 總計 HK\$'000 千港元
			薪金、津貼及 實物利益 HK\$'000 千港元	退休福利 供款計劃 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	
Year ended 31 December 2011		截至二零一一年十二月三十一日止年度				
<i>Executive directors</i>		<i>執行董事</i>				
Mr. Cheng Han Ngok, Steve	鄭衡嶽先生	-	2,683	114	180	2,977
Mr. Lee Kai Bon	李繼邦先生	-	1,206	51	100	1,357
Mr. Ng Kim Yuen	吳儉源先生	-	1,379	59	100	1,538
Mr. Poon Ka Lee, Barry	潘家利先生	-	1,040	12	120	1,172
Madam Fok Pui Yin	霍佩賢女士	-	1,064	45	100	1,209
		-	7,372	281	600	8,253
<i>Independent non-executive directors</i>		<i>獨立非執行董事</i>				
Mr. Au-yang Cheong Yan, Peter	歐陽長恩先生	180	-	-	-	180
Mr. Kwan Pun Fong, Vincent	關品方先生	180	-	-	-	180
Mr. Xue Quan	薛泉先生	180	-	-	-	180
Total	總計	540	7,372	281	600	8,793
Year ended 31 December 2010		截至二零一零年十二月三十一日止年度				
<i>Executive directors</i>		<i>執行董事</i>				
Mr. Cheng Han Ngok, Steve	鄭衡嶽先生	-	2,417	103	1,120	3,640
Mr. Lee Kai Bon	李繼邦先生	-	1,171	50	425	1,646
Mr. Ng Kim Yuen	吳儉源先生	-	1,344	58	490	1,892
Mr. Poon Ka Lee, Barry	潘家利先生	-	945	12	508	1,465
Madam Fok Pui Yin	霍佩賢女士	-	1,011	43	425	1,479
		-	6,888	266	2,968	10,122
<i>Independent non-executive directors</i>		<i>獨立非執行董事</i>				
Mr. Au-yang Cheong Yan, Peter	歐陽長恩先生	90	-	-	-	90
Mr. Kwan Pun Fong, Vincent	關品方先生	90	-	-	-	90
Mr. Xue Quan	薛泉先生	83	-	-	-	83
Total	總計	263	6,888	266	2,968	10,385

除上文所披露者外，並無任何有關董事放棄或同意放棄年內任何酬金的安排。

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

13. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(b) Five highest paid individuals' remuneration

The five highest paid individuals in the Group during the year included 2 (2010: 3 directors). Details of those emoluments have been disclosed above. Details of the remuneration of the remaining highest paid individuals during the year are set out below:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	4,102	3,517
Retirement benefit scheme contributions	退休福利計劃供款	214	68
		4,316	3,585

The number of highest paid individuals whose remuneration fell within the following band is as follows:

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	3	-
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	-	2
		3	2

No remunerations were paid by the Group to any of the directors or the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the year.

13. 董事及五名最高薪人士的酬金 (續)

(b) 五名最高薪人士的酬金

本年度，本集團的五名最高薪人士分別包括2名(二零一零年：3名)董事。其酬金於上文披露。於年內餘下最高薪人士的酬金詳情如下：

酬金屬於下列範圍的最高薪人士數目如下：

年內，本集團並無向任何董事或最高薪人士支付酬金，以作為邀請加盟或加盟本集團的獎勵或離職補償。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

14. RETIREMENT BENEFIT SCHEMES

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The assets of the MPF Scheme were held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees were each required to make contributions to the scheme at rate specified in the rules. The Group's contributions to the MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount of contribution of HK\$1,000 per employee and vest fully with employees when contributed into the MPF Scheme.

Eligible employees of the Group's subsidiaries established in the PRC are members of a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of the employees' basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of these subsidiaries. The only obligation of these subsidiaries with respect to the central pension scheme is to meet the required contributions under the scheme.

The subsidiaries of the Group incorporated in the United States of America (the "U.S.A.") and Germany make monthly contribution to the social security fund managed by respective relevant authorities, which undertake the retirement obligations of the Group's employees in the U.S.A. and Germany. The Group has no obligation for payment of retirement benefits beyond the monthly contributions. The contributions payable are charged as an expense to the consolidated income statement as and when incurred.

14. 退休福利計劃

本集團按照香港強制性公積金計劃條例為其全體合資格香港僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃之資產透過一名獨立受託人控制之基金與本集團所持資產分開持有。根據強積金計劃的規則，僱主及其僱員分別須按規則訂明的比率向計劃供款。本集團須按僱員薪金及工資5%向強積金計劃作出供款，惟每月供款上限為每名僱員1,000港元，於向強積金計劃作出供款後，供款悉數歸屬僱員。

本集團於中國成立之附屬公司合資格僱員為地方市政府營辦之中央退休金計劃成員。該等附屬公司須按僱員基本薪金及工資若干百分比向中央退休金計劃作出供款，以支付有關退休福利。地方市政府承諾承擔該等附屬公司所有現有及日後退休僱員之退休福利責任。該等附屬公司就中央退休金計劃之唯一責任為根據該計劃作出所需供款。

於美國及德國註冊成立之本集團附屬公司向由各有關當局管理之社會保障基金按月作出供款，承擔本集團美國及德國僱員之退休責任。除按月供款外，本集團並無其他退休福利付款責任。應付供款在產生之時於入綜合收益表內支銷。

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

15. DIVIDENDS

			2011	2010
			二零一一年	二零一零年
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
Proposed final	建議末期	(a)	12,352	7,411
Interim	中期	(b)	8,234	33,800
			20,586	41,211

Notes:

- (a) A final dividend of HK\$0.03 (2010: HK\$0.018) per ordinary share of the Company was proposed for the year ended 31 December 2011.
- (b) The interim dividend for 2011 of HK\$0.02 per ordinary share of the Company (2010: HK\$2.44 per ordinary share of Telefield Holdings Limited), totaling HK\$8,234,000 (2010: HK\$33,800,000) was declared and paid in 2011.

15. 股息

			2011	2010
			二零一一年	二零一零年
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
Proposed final	建議末期	(a)	12,352	7,411
Interim	中期	(b)	8,234	33,800
			20,586	41,211

附註:

- (a) 截至二零一一年十二月三十一日止年度，建議派付末期股息每股本公司普通股0.03港元（二零一零年：0.018港元）。
- (b) 於二零一一年，已就本公司普通股宣派及派付中期股息每股0.02港元（二零一零年：Telefield Holdings Limited每股普通股82.44港元），於二零一一年已宣派及派付合計8,234,000港元（二零一零年：33,800,000港元）。

16. EARNINGS PER SHARE

Earnings	盈利		2011	2010
			二零一一年	二零一零年
			HK\$'000	HK\$'000
			千港元	千港元
Profit attributable to owners of the Company, used in the basic earnings per share calculation	用於計算每股基本盈利之本公司擁有人應佔溢利		57,051	69,921
Number of shares	股數			
Weighted average number of ordinary shares used in basic earnings per share calculation	用於計算每股基本盈利之加權平均普通股股數		403,050,241	300,000,000

In determining the weighted average number of ordinary shares in issue during the years ended 31 December 2011 and 2010, the 10,000 shares issued due to the Group Reorganisation during the year ended 31 December 2010 and 299,990,000 shares issued pursuant to the Capitalisation Issue have been regarded as if these shares were in issue since 1 January 2010. Further details of the Group Reorganisation are set out in the paragraph headed "Group reorganisation" in Appendix VI to the prospectus of the Company dated 14 January 2011 (the "Prospectus").

No diluted earnings per share are presented as the Company did not have any dilutive potential ordinary shares during the two years.

16. 每股盈利

			2011	2010
			二零一一年	二零一零年
			HK\$'000	HK\$'000
			千港元	千港元
Profit attributable to owners of the Company, used in the basic earnings per share calculation	用於計算每股基本盈利之本公司擁有人應佔溢利		57,051	69,921
Number of shares	股數			
Weighted average number of ordinary shares used in basic earnings per share calculation	用於計算每股基本盈利之加權平均普通股股數		403,050,241	300,000,000

釐定截至二零一一年及二零一零年十二月三十一日止年度已發行的加權平均普通股股數時，已計及於截至二零一零年十二月三十一日止年度因集團重組而發行的10,000股股份及根據資本化發行而發行的299,990,000股股份，猶如該等股份由二零一零年一月一日起已經發行。有關集團重組之進一步詳情請參閱載於本公司日期為二零一一年一月十四日之招股章程（「招股章程」）附錄六「集團重組」一段。

於該兩個期間內，本公司概無任何潛在攤薄普通股，故並無呈列每股攤薄盈利。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

17. FIXED ASSETS Group

17. 固定資產

		本集團					
		Land and buildings	Leasehold improvements	Plant, machinery, moulds and tools 廠房、機器、 模具及工具	Furniture and equipment 傢俬及設備	Motor vehicles 汽車	Total 總計
		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	HK\$'000 千港元
Cost or valuation	成本或估值						
At 1 January 2010	於二零一零年一月一日	9,900	5,567	94,356	7,435	1,410	118,668
Additions	購置	-	2,733	11,872	1,425	196	16,226
Elimination of accumulated depreciation	累計折舊抵銷	(396)	-	-	-	-	(396)
Surplus on revaluation	重估盈餘	2,496	-	-	-	-	2,496
Disposals	出售	-	-	(2,507)	-	(100)	(2,607)
Exchange differences	匯兌差額	-	199	1,913	81	25	2,218
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日及 二零一一年一月一日	12,000	8,499	105,634	8,941	1,531	136,605
Additions	購置	-	846	17,037	1,711	26	19,620
Acquisition of a subsidiary (note 36)	收購一間附屬公司(附註36)	-	-	-	680	-	680
Elimination of accumulated depreciation	累計折舊抵銷	(480)	-	-	-	-	(480)
Surplus on revaluation	重估盈餘	5,980	-	-	-	-	5,980
Disposals	出售	-	-	(338)	-	-	(338)
Exchange differences	匯兌差額	-	235	2,185	99	26	2,545
At 31 December 2011	於二零一一年十二月三十一日	17,500	9,580	124,518	11,431	1,583	164,612
Accumulated depreciation	累計折舊						
At 1 January 2010	於二零一零年一月一日	-	2,605	52,182	5,354	814	60,955
Charge for the year	年度折舊	396	1,132	10,483	783	326	13,120
Elimination on revaluation	重估抵銷	(396)	-	-	-	-	(396)
Written back on disposals	出售撥回	-	-	(1,728)	-	(25)	(1,753)
Exchange differences	匯兌差額	-	71	1,181	90	13	1,355
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日及 二零一一年一月一日	-	3,808	62,118	6,227	1,128	73,281
Charge for the year	年度折舊	480	1,564	11,571	1,079	125	14,819
Elimination on revaluation	重估抵銷	(480)	-	-	-	-	(480)
Written back on disposals	出售撥回	-	-	(338)	-	-	(338)
Exchange differences	匯兌差額	-	102	1,329	81	15	1,527
At 31 December 2011	於二零一一年十二月三十一日	-	5,474	74,680	7,387	1,268	88,809
Carrying amount	賬面值						
At 31 December 2011	於二零一一年十二月三十一日	17,500	4,106	49,838	4,044	315	75,803
At 31 December 2010	於二零一零年十二月三十一日	12,000	4,691	43,516	2,714	403	63,324

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

17. FIXED ASSETS (Continued)

The analysis of the cost or valuation of the above assets is as follows:

17. 固定資產(續)

上述資產的成本或估值分析如下：

		Land and buildings	Leasehold improvements	Plant, machinery, moulds and tools	Furniture and equipment	Motor vehicles	Total
		土地及樓宇	租賃 改善工程	廠房、機器、 模具及工具	傢俬及設備	汽車	總計
		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
At 31 December 2011	於二零一一年 十二月三十一日						
At cost	成本	-	9,580	124,518	11,431	1,583	147,112
At valuation	估值	17,500	-	-	-	-	17,500
		17,500	9,580	124,518	11,431	1,583	164,612
At 31 December 2010	於二零一零年 十二月三十一日						
At cost	成本	-	8,499	105,634	8,941	1,531	124,605
At valuation	估值	12,000	-	-	-	-	12,000
		12,000	8,499	105,634	8,941	1,531	136,605

The Group's land and buildings are situated in Hong Kong and are held under medium term leases.

The Group's land and buildings were revalued at 31 December 2011 and 2010 on the open market value basis by reference to market evidence of recent transactions for similar properties by Colliers International (HK) Limited and DTZ Debenham Tie Leung Limited, independent firms of professional valuers respectively.

The carrying amount of land and buildings at 31 December 2011 would have been approximately HK\$4,550,000 (2010: HK\$4,884,000) had they been stated at cost less accumulated depreciation and impairment losses.

本集團土地及樓宇位於香港，並以中期租約持有。

獨立專業估值師行高力國際物業顧問(香港)有限公司及戴德梁行有限公司經參考類似物業最近交易的市場證據後，重估本集團土地及樓宇於二零一一年及二零一零年十二月三十一日的公開市值。

於二零一一年十二月三十一日，土地及樓宇賬面值約為4,550,000港元(二零一零年：4,884,000港元)，按成本減累計折舊及減值虧損後列賬。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

18. GOODWILL

Goodwill arising on acquisition of a subsidiary and at 31 December 2011 (note 36)	收購一間附屬公司的商譽及於二零一一年十二月三十一日(附註36)	12,157
Accumulated impairment losses at 31 December 2011	於二零一一年十二月三十一日累計減值虧損	-
Carrying amount at 31 December 2011	於二零一一年十二月三十一日賬面值	12,157

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (“CGUs”) that are expected to benefit from that business combination. Before recognition of impairment losses, the carrying amount of goodwill had been allocated in Distribution Businesses – Others segment.

The recoverable amounts of the CGUs are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and budgeted gross margin and turnover during the period. The Group estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on long-term average economic growth rate of the geographical area in which the businesses of the CGUs operate. Budgeted gross margin and turnover are based on past practices and expectations on market development.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next five years with the residual period using the growth rate of 3%. This rate does not exceed the average long-term growth rate for the relevant markets.

The rate used to discount the forecast cash flows from the Group's Distribution Businesses – Others segment is 13.7%.

18. 商譽

Group
本集團
HK\$'000
千港元

收購一間附屬公司的商譽及於二零一一年十二月三十一日(附註36)	12,157
於二零一一年十二月三十一日累計減值虧損	-
於二零一一年十二月三十一日賬面值	12,157

於一項業務合併下收購的商譽於收購時分配至預期從該業務合併受益的現金產生單位(「現金產生單位」)。於確認減值虧損前，商譽的賬面值已於分銷業務—其他分部內分配。

現金產生單位的可收回金額按使用價值的計算釐定。計算使用價值的主要假設為有關期內的貼現率、增長率，以及預算毛利率和營業額。本集團使用反映當時對金錢時間值的市場評估及有關的現金產生單位特定的風險的除稅前利率估計貼現率。增長率乃基於現金產生單位的業務經營在所地區的長期平均經濟增長率。預算毛利率及營業額乃基於過往做法及對市場發展的預期。

本集團根據董事批准剩餘期間的未來五年最近期財務預算使用3%的增長率編製現金流預測。該比率不超過有關市場的平均長期增長率。

用於貼現本集團的分銷業務—其他分部的預測現金流的貼現率為13.7%。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

19. INTANGIBLE ASSETS Group

19. 無形資產 本集團

		Trademarks (note a) 商標 (附註a) HK\$'000 千港元	License rights (note b) 特許權 (附註b) HK\$'000 千港元	Customer relationship (note c) 客戶關係 (附註c) HK\$'000 千港元	Patents (note d) 專利 (附註d) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本					
At 1 January 2010	於二零一零年一月一日	15,616	21,361	17,200	-	54,177
Exchange differences	匯兌差額	(1,113)	-	(249)	-	(1,362)
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日 及二零一一年一月一日	14,503	21,361	16,951	-	52,815
Acquisition of a subsidiary (note 36)	收購一間附屬公司(附註36)	-	-	11,307	17,152	28,459
Additions	購置	-	16,021	-	-	16,021
Exchange differences	匯兌差額	(370)	-	(83)	-	(453)
At 31 December 2011	於二零一一年十二月三十一日	14,133	37,382	28,175	17,152	96,842
Accumulated amortisation and impairment losses	累計攤銷及 減值虧損					
At 1 January 2010	於二零一零年一月一日	-	3,560	2,001	-	5,561
Amortisation for the year	年度攤銷	-	4,598	2,825	-	7,423
Impairment loss	減值虧損	123	-	-	-	123
Exchange differences	匯兌差額	-	-	(7)	-	(7)
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日 及二零一一年一月一日	123	8,158	4,819	-	13,100
Amortisation for the year	年度攤銷	-	4,450	3,229	715	8,394
Impairment loss	減值虧損	-	-	2,746	-	2,746
Exchange differences	匯兌差額	(3)	-	(57)	-	(60)
At 31 December 2011	於二零一一年十二月三十一日	120	12,608	10,737	715	24,180
Carrying amount	賬面值					
At 31 December 2011	於二零一一年十二月三十一日	14,013	24,774	17,438	16,437	72,662
At 31 December 2010	於二零一零年十二月三十一日	14,380	13,203	12,132	-	39,715

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

19. INTANGIBLE ASSETS (Continued)

Notes:

- (a) The Group's trademarks protect the design and specification of the Group's "TrekStor" trade logo, and were assessed to have indefinite useful lives (note 5(b)).
- (b) License rights represent the right to use the "RCA" trademark in trading of certain manufactured business phones in the United States and Canada. The amortisation period of the license rights is 9.8 years (2010: 4.8 years).

Originally, the Group has the license rights for the period from 1 March 2009 to 31 December 2013. On 8 February 2011, Telefield NA Inc., a wholly-owned subsidiary of the Group, reached an agreement with the licensor to extend the license period of the License Agreement of the Distribution Business – TCP for an additional terms of five years from 1 January 2014 up to and including 31 December 2018 and the Group is allowed to use an additional trademark on similar terms and conditions. The consideration for the additional license rights period is based on certain percentage of net sales of Telefield NA Inc. for the calendar year 2014 to 2018 with annual minimum guaranteed amounts increased progressively throughout the five calendar years.

At initial recognition, the cost of the license rights is based on the fair value of license fee payable which is approximately HK\$16,021,000. The discount rate used was 18.3%. The license fee payable is subsequently measured at amortised cost.

- (c) Customer relationship represents the future economic benefit to the Group arising from regular contact between individual customer and the business entity before business combination. The amortising period of the customer relationship is 5 – 6 years (2010: 6 years).
- (d) Patents represent certain registered patents and patents under registration process in relation to design and utility of the portable gaming console. The amortisation period of patents is 4 years.

The Group carried out reviews of the recoverable amount of its intangible assets. The review led to the recognition of an impairment loss of approximately HK\$2,746,000 for customer relationship (2010: HK\$123,000 for trademarks) that has been recognised in profit or loss. The recoverable amount of the relevant assets has been determined on the basis of their value in use. The discount rates used in measuring value in use ranging from 16% to 19% (2010: 18% to 21%).

19. 無形資產(續)

附註：

- (a) 本集團的商標保障其「TrekStor」商標設計及規格，經評估後，其可使用年期並無期限（附註5(b)）。
- (b) 特許權指在美國及加拿大買賣若干商務電話成品時使用「RCA」商標的權利。特許權的攤銷期為9.8年（二零一零年：4.8年）。

本集團原來的特許權由二零零九年三月一日至二零一三年十二月三十一日。於二零一一年二月八日，本集團全資附屬公司Telefield NA Inc.與授權人達成協議，延長分銷業務一電訊產品的特許協議的特許有效期五年，由二零一四年一月一日至二零一八年十二月三十一日（包括當日）止。本集團亦可按相若條款及條件使用一個額外的商標。額外特許權代價乃根據二零一四年至二零一八年曆年Telefield NA Inc.銷售淨額若干百分比計算，其年度最低擔保金額於五個曆年內遞增。

初始確認時，特許權成本按應付特許權費公平值約為16,021,000港元計算。用作計算的貼現率為18.3%。應付的特許權費其後按攤銷成本計量。

- (c) 客戶關係指在業務合併前個人客戶及業務實體定期接觸對本集團產生的未來經濟利益。客戶關係的攤銷期為5-6年（二零一零年：6年）。
- (d) 專利指設計及使用便攜式遊戲機有關的若干註冊專利及辦理註冊過程中的專利。專利的攤銷期為4年。

本集團就無形資產的可收回款額進行審閱。有關審閱致使確認客戶關係的減值虧損約2,746,000港元（二零一零年：商標的減值虧損123,000港元），並已於損益確認。相關資產的可收回款額乃根據使用價值釐定。用作計算使用價值的貼現率介乎16%至19%（二零一零年：18%至21%。）

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20. INVESTMENTS IN SUBSIDIARIES Company

20. 於附屬公司的投資 本公司

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Unlisted investment, at cost	非上市投資，按成本	3,171	3,171

The amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

應收附屬公司款項為無抵押及免息，且無固定還款期。

Particulars of the subsidiaries as at 31 December 2011 are as follows:

於二零一一年十二月三十一日本公司的附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立／成立地點	Issued and paid up capital 已發行及繳足股本	Percentage of ownership interest/ voting power/ profit sharing 應佔擁有權權益／ 投票權／共享溢利百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Telefield Holdings Limited	British Virgin Islands ("B.V.I.") 英屬處女群島	410,000 ordinary shares of US\$1 each 410,000股每股面值1美元的 普通股	100%	-	Investment holding 投資控股
Able Trend Technology Limited	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股面值 1港元的普通股	-	90%	Design of electronic components 設計電子元件
Aiko Products Limited 艾科產品有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股面值 1港元的普通股	-	100%	Trading of electrical appliances, provision of consultancy and agency services 電器貿易、提供顧問及代理服務
Alagona Holdings Limited	B.V.I. 英屬處女群島	1 ordinary share of US\$1 each 1股每股面值1美元的普通股	-	100%	Investment holding 投資控股
Bracciano Limited	B.V.I. 英屬處女群島	1 ordinary share of US\$1 each 1股每股面值1美元的普通股	-	100%	Investment holding 投資控股

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

20. INVESTMENTS IN SUBSIDIARIES (Continued)

Particulars of the subsidiaries as at 31 December 2011 are as follows (Continued):

20. 於附屬公司的投資(續)

於二零一一年十二月三十一日本公司的附屬公司詳情如下(續)：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立／成立地點	Issued and paid up capital 已發行及繳足股本	Percentage of ownership interest/ voting power/ profit sharing 應佔擁有權權益/ 投票權／共享溢利百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Circuit Development Limited	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股面值 1港元的普通股	-	100%	Property investment 物業控股
Gabrio International Limited	B.V.I. 英屬處女群島	1 ordinary share of US\$1 each 1股面值1美元的普通股	-	100%	Investment holding 投資控股
G.A.E.M.S., Inc.	U.S.A. 美國	13,265 shares at no par value 13,265股無面值股份	-	51%	Design, development, trading, distribution and sale of mobile electronic gaming and entertainment systems 流動電子遊戲及娛樂系統的設計、 開發、買賣、分銷及銷售
Macar Holdings Limited	B.V.I. 英屬處女群島	1 ordinary share of US\$1 each 1股面值1美元的普通股	-	100%	Investment holding 投資控股
Metro Creator Limited 天捷有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股面值 1港元的普通股	-	100%	Investment holding 投資控股
Modern Channel Limited 啟協有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股面值 1港元的普通股	-	100%	Development of electronic medical devices 開發電子醫療設備
Sino Achieve Limited 中禧有限公司	Hong Kong 香港	5,000,000 ordinary shares of HK\$1 each 5,000,000股每股面值 1港元的普通股	-	100%	Investment holding and trading 投資控股及貿易
Space Wisdom Limited 智航有限公司	B.V.I. 英屬處女群島	1 ordinary share of US\$1 each 1股每股面值 1美元的普通股	-	100%	Inactive 暫無業務

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

20. INVESTMENTS IN SUBSIDIARIES (Continued)

Particulars of the subsidiaries as at 31 December 2011 are as follows (Continued):

20. 於附屬公司的投資(續)

於二零一一年十二月三十一日本公司的附屬公司詳情如下(續)：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立／成立地點	Issued and paid up capital 已發行及繳足股本	Percentage of ownership interest/ voting power/ profit sharing 應佔擁有權權益／ 投票權／共享溢利百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Telefield Limited 中慧有限公司	Hong Kong 香港	20,000,000 ordinary shares of HK\$1 each and 5,000,000 non-voting deferred shares of HK\$1 each 20,000,000股每股面值1港元 的普通股及5,000,000股 每股面值1港元的 無投票權遞延股份	-	100%	Investment holding, Electronic Manufacturing Services for telecommunications, security, car electronics, home appliances, other consumer and industrial electronic products 投資控股、電訊、保安、 汽車電子產品、家電、其他消費 及工業電子產品的電子製造服務
Telefield ADSAT Limited	Hong Kong 香港	15,000 ordinary shares of HK\$1 each 15,000股每股面值1港元 的普通股	-	67%	Investment holding 投資控股
Telefield Asia Pacific Limited	Hong Kong 香港	1 ordinary share of HK\$1 each 1股面值1港元的普通股	-	100%	Investment holding 投資控股
Telefield GAEMS Limited	Hong Kong 香港	1 ordinary share of HK\$1 each 1股面值1港元的普通股	-	100%	Investment holding 投資控股
Telefield Japan Inc.	Japan 日本	Share capital of JPY9,500,000 股本9,500,000日圓	-	100%	EMS marketing and agency services 電子製造服務市場推廣及代理服務
Telefield Lifestyle Limited	Hong Kong 香港	700,000 ordinary shares of HK\$1 each 700,000股每股面值1港元 的普通股	-	75%	Trading and EMS agency services 貿易及電子製造服務代理服務
Telefield Medical Devices Limited 中慧醫療器材有限公司	Hong Kong 香港	1,000 ordinary shares of HK\$1 each 1,000股每股面值 1港元的普通股	-	100%	Trading and development of electronic medical devices 電子醫療設備貿易及開發

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

20. INVESTMENTS IN SUBSIDIARIES (Continued)

Particulars of the subsidiaries as at 31 December 2011 are as follows (Continued):

20. 於附屬公司的投資(續)

於二零一一年十二月三十一日本公司的附屬公司詳情如下(續)：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立／成立地點	Issued and paid up capital 已發行及繳足股本	Percentage of ownership interest/ voting power/ profit sharing 應佔擁有權權益／ 投票權／共享溢利百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Telefield NA Inc.	U.S.A. 美國	Share capital of US\$2,000,000 股本2,000,000美元	-	100%	Trading of business telephone system 商業電話系統貿易
Telefield SAT Limited	Hong Kong 香港	1 ordinary shares of HK\$1 each 1股每股面值1港元的普通股	-	100%	Investment holding 投資控股
Telefield TrekStor S.a.r.l.	Luxembourg 盧森堡	200 registered shares of EUR125 each 200股每股面值125歐元的 註冊股份	-	51%	Investment holding and sub-licensing of trademark 投資控股及商標轉授特許權
Telefield Universal Limited 中慧環球有限公司	Hong Kong 香港	15,600,000 ordinary shares of HK\$1 each 15,600,000股每股面值 1港元的普通股	-	100%	Investment holding and trading 投資控股及貿易
Telefield Vision Limited	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股面值1港元 的普通股	-	100%	Investment holding and trading of computer accessories 投資控股及電腦配件貿易
TK-Trade S.R.L.	Italy 意大利	Share capital of EUR15,000 股本15,000歐元	-	51%	Marketing and agency services 市場推廣及代理服務
TrekStor GmbH	Germany 德國	Share capital of EUR25,000 股本25,000歐元	-	51%	Assembling, marketing and distribution of "TrekStor" branded products such as portable storage devices and multimedia products 組裝、營銷和分銷 「TrekStor」品牌產品，如便攜式 存儲裝置和多媒體產品

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

20. INVESTMENTS IN SUBSIDIARIES (Continued)

Particulars of the subsidiaries as at 31 December 2011 are as follows (Continued):

20. 於附屬公司的投資(續)

於二零一一年十二月三十一日本公司的附屬公司詳情如下(續)：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立／成立地點	Issued and paid up capital 已發行及繳足股本	Percentage of ownership interest/ voting power/ profit sharing 應佔擁有權權益/ 投票權／共享溢利百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
TrekStor Limited	Hong Kong	100 ordinary shares of HK\$1 each 100股每股面值1港元的 普通股	-	51%	Holding of trademark and intellectual property, licensing of trademark 持有商標及知識產權，以及 特許商標
Zen ADSAT Industries Private Limited	India 印度	1,000,000 equity shares of Rs.10 each 1,000,000股每股面值 10盧比的權益股	-	67%	Not yet commence business 仍未展開業務
愛康科商貿(深圳)有限公司 Aiko Beauty (Shenzhen) Limited (Note) (附註)	PRC 中國	Registered capital of HK\$1,000,000 註冊股本1,000,000港元	-	100%	Trading of appliances 電器貿易
惠州中慧電子有限公司 Huizhou Telefield Limited (Note) (附註)	PRC 中國	Registered capital of HK\$15,000,000 註冊股本15,000,000港元	-	100%	Manufacture and sale of telecommunications and other products 電訊及其他產品的製造及銷售
廣州中慧電子有限公司 Guangzhou Telefield Limited (Note) (附註)	PRC 中國	Registered capital of US\$7,060,000 註冊股本7,060,000美元	-	100%	Manufacture of telecommunications and other products 電訊及其他產品的製造及銷售
廣州中慧醫療器材有限公司 Guangzhou Telefield Medical Devices Limited (Note) (附註)	PRC 中國	Registered capital of US\$200,000 註冊股本200,000美元	-	100%	Manufacture and sale of medical devices 醫療設備的製造及銷售
慧訊光學商貿(上海)有限公司 Telefield Vision (Shanghai) Limited (Note) (附註)	PRC 中國	Registered capital of US\$200,000 註冊股本200,000美元	-	100%	Not yet commence business 仍未展開業務

Note: English names for identification purpose.

附註：英文名稱供識別用途。

All subsidiaries established in the PRC are wholly-owned foreign enterprise.

所有在中國成立的附屬公司均為外商獨資企業。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

21. AVAILABLE-FOR-SALE FINANCIAL ASSETS Group

Unlisted equity securities, at cost	非上市股本證券，按成本
Less: Impairment loss	減：減值虧損

2011	2010
二零一一年	二零一零年
HK\$'000	HK\$'000
千港元	千港元

4,340	4,340
(4,340)	(4,340)

- -

At 31 December 2011, the Group has 11.46% (2010: 11.46%) equity interest in Ades Technology Limited which is a private limited company incorporated in Hong Kong.

At 31 December 2011, the Group has 2.10% (2010: 2.10%) equity interest in Touch Media International Holdings, which is a private company incorporated in the Cayman Islands.

22. INVENTORIES Group

Raw materials	原材料
Work in progress	半成品
Finished goods	製成品
Goods in transit	在運貨品

2011	2010
二零一一年	二零一零年
HK\$'000	HK\$'000
千港元	千港元

63,614	60,743
32,418	15,167
67,291	54,182
46,242	21,770

209,565 151,862

21. 可供出售金融資產 本集團

2011	2010
二零一一年	二零一零年
HK\$'000	HK\$'000
千港元	千港元

4,340	4,340
(4,340)	(4,340)

- -

於二零一一年十二月三十一日，本集團擁有愛達科技有限公司的11.46%股權（二零一零年：11.46%），該公司為一家於香港註冊成立的私人有限公司。

於二零一一年十二月三十一日，本集團擁有 Touch Media International Holdings 的 2.10%（二零一零年：2.10%）股權，該公司為一家於開曼群島註冊成立的私人公司。

22. 存貨 本集團

2011	2010
二零一一年	二零一零年
HK\$'000	HK\$'000
千港元	千港元

63,614	60,743
32,418	15,167
67,291	54,182
46,242	21,770

209,565 151,862

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

23. TRADE AND BILL RECEIVABLES Group

Trade receivables	應收貿易賬款
Bill receivables	應收票據

23. 應收貿易賬款及應收票據 本集團

			2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
		Note 附註		
Trade receivables	應收貿易賬款	(a)	172,934	154,338
Bill receivables	應收票據	(b)	9,286	–
			182,220	154,338

Notes:

- (a) The Group's trading terms with customers are mainly on credit. During the year, the credit terms generally range from 30 to 120 days. Each customer has a maximum credit limit. For new customers, payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

The Group's aging analysis of trade receivables, based on invoice date, and net of allowance, is as follows:

			2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
0 to 90 days	0至90天		166,392	148,023
91 to 180 days	91至180天		3,960	4,057
181 to 365 days	181至365天		1,702	2,198
Over 365 days	365天以上		880	60
			172,934	154,338

Reconciliation of allowance for trade receivables during the year is set out below:

			2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
At 1 January	於一月一日		5,862	2,892
Allowance for the year	年度撥備		2,164	3,174
Reversal for the year	年度撥回		(748)	(204)
Bad debt written off	撇銷壞賬		(3,679)	–
Exchange difference	匯兌差額		36	–
At 31 December	於十二月三十一日		3,635	5,862

附註

- (a) 本集團與客戶主要以信貸方式進行買賣。於年內，信貸期一般介乎30天至120天。每名客戶均有最高信貸限額。新客戶一般須預付款項。本集團致力對尚未收回應收款項維持嚴格監控。董事定期審閱逾期結餘。

本集團按發票日期的應收貿易賬款（扣除撥備）賬齡分析如下：

於年內應收貿易賬款撥備的對賬載列如下：

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

23. TRADE AND BILL RECEIVABLES (Continued) Group (Continued)

Notes (Continued):

(a) (Continued)

As at 31 December 2011, trade receivables of approximately HK\$33,398,000 (2010: HK\$44,400,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. An aging analysis of these trade receivables is as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Up to 3 months	三個月內	28,217	40,884
Over 3 months	三個月以上	5,181	3,516
		33,398	44,400

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
United States dollar	美元	164,939	148,465
Hong Kong dollar	港元	560	36
Renminbi	人民幣	-	2,334
Euro	歐元	7,091	3,052
Others	其他	344	451
Total	總計	172,934	154,338

(b) The bill receivables is repaid within 3 months after the end of reporting period.

23. 應收貿易賬款及應收票據(續) 本集團(續)

附註(續)

(a) (續)

於二零一一年十二月三十一日，應收貿易賬款約33,398,000港元(二零一零年：44,400,000港元)到期未付但並未減值。該等款項與數名獨立客戶有關，彼等近期並無拖欠記錄。該等應收貿易賬款的賬齡分析如下：

本集團應收貿易賬款賬面值以下列貨幣列值：

(b) 應收票據須於報告期末起計三個月內償還。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Group

		2011	2010
		二零一一年	二零一零年
		HK\$'000	HK\$'000
		千港元	千港元
Prepayments	預付款項	5,102	2,161
Deposits	按金	6,724	3,053
Factoring receivables from bank	客賬融通應收銀行款項	24,490	17,984
Purchase deposits	購買按金	21,719	10,150
Other receivables	其他應收款項	3,612	6,982
		61,647	40,330

24. 預付款項、按金及其他應收款項

本集團

25. DERIVATIVE INSTRUMENTS

Group

		2011	2010
		二零一一年	二零一零年
		HK\$'000	HK\$'000
		千港元	千港元
At fair value	按公平值		
Currency option – assets	貨幣期權 – 資產	116	2,361
Forward contracts – assets/(liabilities)	遠期合約 – 資產/(負債)	1,416	(154)
		1,532	2,207

25. 衍生工具

本集團

The Group utilises the currency option and forward contracts to mitigate currency exposure of loans to subsidiaries and purchases denominated in foreign currencies. These instruments enabled the Group to have short position in Euro (“EUR”) and long position in United States dollar (“USD”). The contract amounts of the option and forward contracts are EUR3,000,000 (2010: EUR3,000,000) and EUR2,500,000 (2010: EUR1,028,444) respectively.

本集團利用貨幣期權及遠期合約減輕以外幣向附屬公司貸款及原材料採購所面對的貨幣風險。該等工具使本集團持有歐元淡倉及美元好倉。期權及遠期合約合同金額分別為3,000,000歐元(二零一零年：3,000,000歐元)及2,500,000歐元(二零一零年：1,028,444歐元)。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

25. DERIVATIVE INSTRUMENTS (Continued) Group (Continued)

At 31 December 2011, the fair values of the Group's currency option and forward contracts are estimated to be approximately HK\$116,000 (2010: HK\$2,361,000) and HK\$1,416,000 (2010: negative of HK\$154,000) respectively. The fair value of the Group's currency option is estimated by its value at maturity date that is closed to the end of reporting period. The fair value of the Group's forward contracts are estimated using Black-Scholes Options Pricing Model and Discounted Cash Flow Method respectively and are based on the valuation performed by Grant Sherman Appraisal Limited, an independent firm of professional valuer. The key assumptions used are as follows:

		2011 二零一一年	2010 二零一零年
Forward contracts	遠期合約		
Strike exchange rate (EUR/USD)	協定匯率(歐元/美元)	1.38	1.32
Time to expiration	屆滿時間	0.049-0.301 years年	0.049-0.085 years年
USD risk free rate	美元無風險利率	0.10%	0.26%

26. AMOUNT DUE FROM A SHAREHOLDER Group

Due from Telefield Charitable Fund Limited	應收中慧慈善基金有限公司款項	200	-
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The amount due from Telefield Charitable Fund Limited is unsecured, interest-free and has no fixed terms of repayment.

25. 衍生工具(續) 本集團(續)

於二零一一年十二月三十一日，本集團貨幣期權及遠期合約公平值估計分別約為116,000港元(二零一零年：2,361,000港元)及1,416,000港元(二零一零年：負數154,000港元)。本集的貨幣期權公平值按接近報告期末的到期日價值估計。本集團遠期合約的公平值利用柏力克-舒爾斯期權定價模式及現金量折現法估計，其基準為獨立專業估值師行中證評估有限公司進行的估值。所用主要假設如下：

26. 應收股東款項 本集團

	2011 二零一一年	2010 二零一零年
	HK\$'000 千港元	HK\$'000 千港元
Due from Telefield Charitable Fund Limited	200	-

應收中慧慈善基金有限公司款項為無抵押、免息及無指定還款期。

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27. BANK AND CASH BALANCES

The cash and cash equivalents of the Group and Company are as follows:

		Group 本集團		Company 本公司	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cash on hand	手頭現金	301	227	-	-
Cash at bank	銀行現金	147,455	58,686	12,985	-
Cash and cash equivalents in the consolidated statement of cash flows	於綜合現金流量表的 現金及現金等價物	147,756	58,913	12,985	-

27. 銀行及現金結餘

本集團及本公司的現金及現金等價物如下：

The bank and cash balances of the Group and Company are denominated in the following currencies:

本集團及本公司的以下列貨幣列值的銀行及現金結餘：

		Group 本集團		Company 本公司	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
United States dollar	美元	40,931	27,791	-	-
Hong Kong dollar	港元	29,289	18,741	12,985	-
Renminbi	人民幣	59,625	7,579	-	-
Euro	歐元	15,384	4,798	-	-
Others	其他	2,527	4	-	-
		147,756	58,913	12,985	-

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

28. TRADE PAYABLES

The Group's aging analysis of trade payables, based on invoice date, is as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
0 to 90 days	0至90天	140,714	111,062
91 to 180 days	91至180天	2,182	1,915
181 to 365 days	181至365天	402	771
Over 365 days	365天以上	1,179	1,565
		144,477	115,313

The carrying amounts of the Group's trade payables are denominated in the following currencies:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
United States dollar	美元	42,119	34,467
Hong Kong dollar	港元	85,324	66,114
Renminbi	人民幣	13,342	12,292
Euro	歐元	3,673	2,439
Others	其他	19	1
Total	總計	144,477	115,313

28. 應付貿易賬款

本集團按發票日期的應付貿易賬款賬齡分析如下：

本集團以下列貨幣列值的應付貿易賬款賬面值如下：

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29. ACCRUALS AND OTHER PAYABLES

		29. 預提費用及其他應付款項			
		Group		Company	
		本集團		本公司	
		2011	2010	2011	2010
		二零一一年	二零一零年	二零一一年	二零一零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Accrued salaries	預提薪金	72,550	70,867	-	-
Accrued expenses	預提開支	36,990	14,619	937	-
Customer deposits and receipts in advance	客戶按金及預收款項	19,721	7,650	-	-
Other payables	其他應付款項	18,944	14,541	-	-
		148,205	107,677	937	-

30. BANK BORROWINGS

30. BANK BORROWINGS		30. 銀行借貸	
Group		本集團	
		2011	2010
		二零一一年	二零一零年
		HK\$'000	HK\$'000
		千港元	千港元
Bank loans	銀行貸款	26,774	38,224
Import/export loans	進出口貸款	25,106	24,389
		51,880	62,613

The carrying amounts of the Group's borrowings are denominated in the following currencies:

本集團以下列貨幣列值的借貸賬面值：

		Hong Kong	United States	Euro	Total
		dollar	dollar		
		港元	美元	歐元	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 31 December 2011	於二零一一年十二月三十一日				
Bank loans	銀行貸款	9,667	-	17,107	26,774
Import/export loans	進出口貸款	10,538	14,568	-	25,106
		20,205	14,568	17,107	51,880

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30. BANK BORROWINGS (Continued) Group (Continued)

30. 銀行借貸(續) 本集團(續)

		Hong Kong dollar 港元 HK\$'000 千港元	United States dollar 美元 HK\$'000 千港元	Euro 歐元 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2010	於二零一零年十二月三十一日				
Bank loans	銀行貸款	20,671	-	17,553	38,224
Import/export loans	進出口貸款	17,026	7,363	-	24,389
		37,697	7,363	17,553	62,613

The average interest rates at the 31 December were as follows:

於十二月三十一日的平均利率如下：

		2011 二零一一年	2010 二零一零年
Bank loans	銀行貸款	2.7%	2.9%
Import/export loans	進出口貸款	3.2%	2.8%

All bank borrowings are arranged at floating rates, thus exposing the Group to cash flow interest rate risk.

所有銀行借貸均為浮息，使本集團面對現金流量利率風險。

As at 31 December 2011 and 2010, the Group's bank borrowings were secured by the followings:

於二零一一年及二零一零年十二月三十一日，本集團銀行借貸以下列各項作抵押：

- | | |
|--|--|
| <p>(i) Corporate guarantee of Telefield International (Holdings) Limited, Telefield Holdings Limited, Telefield Limited and Telefield Medical Devices Limited;</p> | <p>(i) 中慧國際控股有限公司、Telefield Holdings Limited、中慧有限公司及中慧醫療器材有限公司的公司擔保；</p> |
| <p>(ii) Government guarantee of the Hong Kong Special Administrative Region up to HK\$7.2 million; and</p> | <p>(ii) 香港特別行政區政府擔保最高7,200,000港元；及</p> |
| <p>(iii) Personal guarantee of a director of the Group as at 31 December 2010.</p> | <p>(iii) 本集團一名董事於二零一零年十二月三十一日的個人擔保。</p> |

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

31. PRODUCT WARRANTY PROVISION

The movement in the Group's product warranty provision are analysed as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
At 1 January	於一月一日	13,355	12,968
Provision used	已動用撥備	(11,897)	(11,004)
Unused provision reversed	撥回未動用撥備	(725)	(695)
Additional provision	額外撥備	15,509	12,378
Exchange differences	匯兌差額	(336)	(292)
At 31 December	於十二月三十一日	15,906	13,355

The Group has committed to repurchase its products from or offer replacement of its products to certain distributors when these distributors receive returned goods from unsatisfied ultimate consumers. Such kind of provision for product warranties granted by the Group are recognised based on past experience of level of repairs and returns, discounted to their present value as appropriate.

31. 產品保用撥備

本集團產品保用撥備變動分析如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
At 1 January	於一月一日	13,355	12,968
Provision used	已動用撥備	(11,897)	(11,004)
Unused provision reversed	撥回未動用撥備	(725)	(695)
Additional provision	額外撥備	15,509	12,378
Exchange differences	匯兌差額	(336)	(292)
At 31 December	於十二月三十一日	15,906	13,355

當若干分銷商自不滿最終客戶收取退貨時，本集團承諾向該等分銷商購回產品或更換產品。本集團授出的該類產品保用撥備根據修理及退貨水平的過往經驗確認，並折現至其現值(如適用)。

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32. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

In 2009, the Group had acquired two businesses. Part of the considerations were contingent considerations and had been valued at fair value upon completion of respective acquisitions. Details of the contingent considerations are as follows:

32. 按公平值計入損益的金融負債

於二零零九年，本集團收購兩項業務。部分代價為或然代價，於各自收購完成時按公平值進行估值。或然代價的詳情如下：

		Distribution Businesses		
		分銷業務		Total 總計
		TCP 電訊產品 HK\$'000 千港元	MPCA 多媒體產品 及電腦配件 HK\$'000 千港元	
At 1 January 2010	於二零一零年一月一日	25,232	1,939	27,171
Settlement during the year	於年內清償	(4,637)	–	(4,637)
Change of fair value during the year	年度公平值變動	1,738	1,958	3,696
Exchange differences	匯兌差額	–	(139)	(139)
At 31 December 2010	於二零一零年十二月三十一日	22,333	3,758	26,091
Settlement during the year	於年內清償	(5,864)	–	(5,864)
Change of fair value during the year	年度公平值變動	(234)	(875)	(1,109)
Exchange differences	匯兌差額	–	(32)	(32)
At 31 December 2011	於二零一一年十二月三十一日	16,235	2,851	19,086
At 31 December 2011	於二零一一年十二月三十一日			
Current liabilities	流動負債	9,023	–	9,023
Non-current liabilities	非流動負債	7,212	2,851	10,063
		16,235	2,851	19,086
At 31 December 2010	於二零一零年十二月三十一日			
Current liabilities	流動負債	8,321	–	8,321
Non-current liabilities	非流動負債	14,012	3,758	17,770
		22,333	3,758	26,091

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32. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

The contingent consideration for Distribution Businesses – TCP is based on certain percentage of net sales of Telefield NA Inc. for the calendar year 2009 to 2013 with annual minimum guaranteed amounts increased progressively throughout the five calendar years.

The contingent consideration for Distribution Businesses – MPCA based on 20% of accumulated consolidated taxable profit of TrekStor GmbH and TrekStor Limited for the five years after acquisition or 10% of yearly consolidated taxable profit of TrekStor GmbH and TrekStor Limited for the five years after acquisition, whichever is higher. The total contingent consideration for Distribution Business – MPCA is capped at EUR500,000.

The fair values of both contingent considerations at dates of acquisition and at the end of each reporting period are based on valuation results of Grant Sherman Appraisal Limited, an independent firm of professional valuer. The discount rates used in the valuations of the branded business were as follows:

32. 按公平值計入損益的金融負債 (續)

分銷業務－電訊產品或然代價乃根據二零零九年至二零一三年曆年Telefield NA Inc. 銷售淨額若干百分比計算，其年度最低擔保金額於五個曆年內遞增。

分銷業務－多媒體產品及電腦配件或然代價乃根據收購後五年TrekStor GmbH及TrekStor Limited累計綜合應課稅溢利的20%或收購後五年TrekStor GmbH及TrekStor Limited年度綜合應課稅溢利的10%(以較高者為準)計算。分銷業務－多媒體產品及電腦配件或然代價總額上限為500,000歐元。

兩項收購或然代價於收購日期及各報告期末的公平值均按獨立專業估值師行中證評估有限公司的估值結果釐定。品牌業務估值所用的折讓率如下：

		2011 二零一一年	2010 二零一零年
Distribution Businesses – TCP	分銷業務－電訊產品	5.0%	5.0%
Distribution Businesses – MPCA	分銷業務－多媒體產品及電腦配件	3.2%	2.7%

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33. DEFERRED TAX Group

33. 遞延稅項 本集團

		Accelerated tax depreciation	Valuation of intangible assets	Valuation of contingent consideration	Revaluation of land and buildings	Others	Total
		加速稅務折舊	無形資產估值	或然代價估值	土地及 樓宇重估	其他	總計
		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
At 1 January 2010	於二零一零年一月一日	(2,060)	(15,049)	10,178	-	342	(6,589)
Credit/(charge) to profit or loss for the year (note 11)	年度損益中列為收益/ (費用)(附註11)						
- origination and reversal of temporary differences	- 臨時差異產生及撥回	37	2,810	(2,970)	-	140	17
Charge to equity for the year	年度權益中列為費用	-	-	-	(868)	-	(868)
Exchange differences	匯兌差額	-	250	-	-	-	250
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日 及二零一一年一月一日	(2,023)	(11,989)	7,208	(868)	482	(7,190)
Credit/(charge) to profit or loss for the year (note 11)	年度損益中列為收益/ (費用)(附註11)						
- origination and reversal of temporary differences	- 臨時差異產生及撥回	(267)	4,296	(2,426)	-	580	2,183
Charge to equity for the year	年度權益中列為費用	-	-	-	(987)	-	(987)
Acquisition of a subsidiary (note 36)	收購一間附屬公司(附註36)	-	(9,676)	-	-	-	(9,676)
Exchange differences	匯兌差額	-	68	-	-	(3)	65
At 31 December 2011	於二零一一年十二月三十一日	(2,290)	(17,301)	4,782	(1,855)	1,059	(15,605)

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33. DEFERRED TAX (Continued) Group (Continued)

The following is the analysis of the deferred tax balances for consolidated statement of financial position purposes:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	5,841	7,690
Deferred tax liabilities	遞延稅項負債	(21,446)	(14,880)
		(15,605)	(7,190)

At 31 December 2011, the Group has estimated unused tax losses of approximately HK\$18.4 million (2010: HK\$25.6 million) from some of its subsidiaries available for offset against future profits in these subsidiaries. No deferred tax asset in relation to unused tax losses has been recognised due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of approximately HK\$3.1 million (2010: HK\$3.1 million) that will expire before 2015. Other tax losses may be carried forward indefinitely.

Temporary differences arising in connection with interests in subsidiaries are insignificant.

33. 遞延稅項(續) 本集團(續)

以下為就綜合財務狀況表的遞延稅項結餘分析：

於二零一一年十二月三十一日，本集團自若干附屬公司獲得估計未動用稅項虧損約為18,400,000港元（二零一零年：25,600,000港元），可用於抵扣該等附屬公司未來溢利。由於未能預料未來溢利來源，故並無確認有關未動用稅項虧損的遞延稅項資產。未確認稅項虧損包括將於二零一五年前屆滿的虧損約3,100,000港元（二零一零年：3,100,000港元）。其他稅項虧損可無限期結轉。

與附屬公司權益有關的臨時差異並不重大。

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34. SHARE CAPITAL Company

34. 股本(續) 本公司

		2011		2010	
		二零一一年		二零一零年	
		Number	Amount	Number	Amount
		of shares	金額	of shares	金額
		股數	金額	股數	金額
			HK\$'000		HK\$'000
			千港元		千港元
Authorised:	法定：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元普通股				
At 1 January	於一月一日	10,000,000,000	100,000	-	-
Upon incorporation (note (a))	註冊成立時 (附註(a))	-	-	38,000,000	380
Increase in authorised share capital of HK\$0.01 each (note (c))	新增每股面值0.01港元的法定股本 (附註(c))	-	-	9,962,000,000	99,620
At 31 December	於十二月三十一日	10,000,000,000	100,000	10,000,000,000	100,000
Issued and fully paid:	已發行及繳足：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元普通股				
At 1 January	於一月一日	10,000	-	-	-
Upon incorporation (note (a))	註冊成立時 (附註(a))	-	-	1	-
Issue of shares (notes (b))	股份發行 (附註(b))	-	-	99	-
Issue of shares – share swap (note (d))	股份發行 – 股份交換 (附註(d))	-	-	9,900	-
Issue of shares – by way of public offer (note (e))	發行股份 – 透過公開發售 (附註(e))	100,000,000	1,000	-	-
Capitalisation issue (note (f))	資本化發行 (附註(f))	299,990,000	3,000	-	-
Issue of shares – exercises of Over-Allotment Option (note (g))	發行股份 – 行使超額配股權 (附註(g))	11,714,000	117	-	-
At 31 December	於十二月三十一日	411,714,000	4,117	10,000	-

The Company was incorporated in the Cayman Islands on 18 May 2010 and therefore there was no issued share capital as at 1 January 2010.

本公司於二零一零年五月十八日在開曼群島註冊成立，故此截至二零一零年一月一日並無已發行股本。

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

34. SHARE CAPITAL (Continued)

Notes:

- (a) The Company was incorporated in the Cayman Islands on 18 May 2010 with an authorised share capital of HK\$380,000 divided into 38,000,000 at par of HK\$0.01 each. Upon incorporation, 1 share was allotted and issued at fully paid to the initial subscriber on 18 May 2010.
- (b) On 18 May 2010, 99 shares with the par value of HK\$0.01 were allotted and issued at nil paid to a shareholder. On 12 August 2010, the shareholder transferred 100 shares, of which one share is fully paid and 99 shares are nil paid, to Dragon Fortune.
- (c) Pursuant to the written resolution of shareholders of the Company passed on 31 December 2010, the Company's authorised share capital was increased from HK\$380,000 to HK\$100,000,000 by the creation of an additional 9,962,000,000 shares of HK\$0.01 each.
- (d) On 31 December 2010, in consideration of the transfer by Dragon Fortune to the Company of the entire interests in Telefield Holdings Limited, an additional 9,900 shares of HK\$0.01 each were allotted and issued by the Company at par, credited as fully paid: as to the shareholders, directors and senior management; and credited as fully paid the 99 nil paid shares transferred to Dragon Fortune as referred to in note (b) above.
- (e) In connection with the Company's initial public offering, 100,000,000 shares of HK\$0.01 each were issued at a price of HK\$1.2 per share for a total cash consideration, before listing expenses, of HK\$120 million. Dealings of these shares on the Stock Exchange commenced on 27 January 2011.
- (f) As a result of new shares issued to the public in connection with the Company's initial public offering as detailed in (e) above, the directors were authorised to capitalise HK\$2,999,900 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par 299,990,000 shares for allotment and issue to shareholder(s) whose name(s) appeared on the register of members of the Company at the close of business on 31 December 2010 to its/their then existing shareholdings in the Company and so that the shares to be allotted and issued pursuant to this resolution shall rank pari passu in all respects with the then existing issued shares.
- (g) Pursuant to the Global Offering and Over-allotment Option referred to in the Company's Prospectus dated 14 January 2011, the Company granted an option to the Sole Bookrunner and Sponsor, exercisable by China Merchants Securities (HK) Co., Ltd. ("China Merchants"), whereby the Company was required to allot and issue up to 15,000,000 additional shares to cover any over-allocation in the global offering. The exercise price per share for the Over-allotment Option is HK\$1.2. On 18 February 2011, the Over-allotment Option was partially exercised and, as a result, the Company issued 11,714,000 additional shares.

34. 股本(續)

附註:

- (a) 本公司於二零一零年五月十八日在開曼群島註冊成，法定股本為380,000港元，分為38,000,000股每股面值0.01港元的股份。二零一零年五月十八日註冊成立時，一股繳足股份配發及發行予初步認購人。
- (b) 於二零一零年五月十八日，99股每股面值0.01港元未繳股款股份配發及發行予一名股東。於二零一零年八月十二日，該股東向龍豐轉讓100股股份，其中一股為繳足股份，99股為未繳股款股份。
- (c) 根據本公司股東於二零一零年十二月三十一日通過的書面決議案，本公司藉增設額外9,962,000,000股每股面值0.01港元股份，把法定股本由380,000港元增至100,000,000港元。
- (d) 二零一零年十二月三十一日，龍豐向本公司轉讓Telefield Holdings Limited全部權益，代價為本公司按面值向股東、董事及高級管理人員配發及發行額外9,900股入賬列作繳足股份，並按上文附註(b)所述向龍豐轉讓99股未繳股款入賬列作繳足股份。
- (e) 就本公司的首次公開發售而言，100,000,000股每股面值0.01港元的股份按每股1.2港元的價格發行，現金代價總額(未計上市開支)為120,000,000港元。此等股份由二零一一年一月二十七日起在聯交所買賣。
- (f) 由於如上文(e)詳述本公司首次公開發售向公眾人士發行新股份，授權董事將本公司股份溢價賬進賬額約2,999,900港元撥充資本，並按面值繳足向於二零一零年十二月三十一日營業時間結束時名列本公司股東名冊的股東按彼等當時於本公司的持股比例配發及發行的299,990,000股股份，因而所配發及發行股份在各方面均與當時已發行的股份具有同等權益。
- (g) 根據本公司於二零一一年一月十四日刊發招股章程所述的全球發售及超額配股權，本公司向獨家賬簿管理人及保薦人一招商證券(香港)有限公司(「招商證券」)授出購股權，據此，本公司須額外配發及發行最多15,000,000股股份，以補足全球發售的超額分配。超額配股權每股的行使價為1.2港元。於二零一一年二月十八日，部分超額配股權已獲行使，故此本公司已發行11,714,000股額外股份。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

34. SHARE CAPITAL (Continued)

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the payment of dividends, issue new shares, buy-back shares, raise new debts, redeem existing debts or sell assets to reduce debts.

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debts (i.e. bank borrowings) less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital, share premium, non-controlling interests, retained profits and other reserves).

The Group's strategy was to maintain debt-to adjusted capital ratio at the lowest as possible, in order to secure access to finance at a reasonable cost. The debt-to-adjusted capital ratio at the 31 December 2011 and 2010 was as follows:

		2011 二零一一年	2010 二零一零年
Debt-to-adjusted capital ratio	債務與經調整資本比率	N/A	2.1%

The Group's cash and cash equivalents at 31 December 2011 were in excess of the bank borrowings, as a result, no debt-to-adjusted capital ratio was presented.

The banker of the Group which provide the bank borrowings (note 30) has capital requirement to maintain consolidated tangible net worth of Telefield Limited at or above HK\$20 million for the years ended 31 December 2011 and 2010.

34. 股本(續)

本集團管理資本的目標是維護本集團的持續經營能力，並通過優化債項及權益結餘，為股東帶來最大回報。本集團整體策略與上一年度並無改變。

本集團按風險比例釐定資本金額。本集團因應經濟狀況的變動及相關資產的風險特性管理資本結構並作出調整。為了維持或調整資本結構，本集團可調整股息款項、發行新股、購回股份、籌集新債、贖回現有債項或出售資產以減債。

本集團根據債務與經調整資本比率監察資本。債務與經調整資本比率即債務淨額除以經調整資本。債務淨額為債務總額(即銀行借貸)減現金及現金等價物。經調整資本包括所有權益的組成部分(即股本、股份溢價、非控股權益、留存收益及其他儲備)。

本集團的策略是盡量維持低債務與經調整資本比率，以便按合理成本取得融資。於二零一一年及二零一零年十二月三十一日債務與經調整資本比率如下：

	2011 二零一一年	2010 二零一零年
	N/A	2.1%

於二零一一年十二月三十一日，本集團的現金及現金等價物超逾銀行借貸，故此並無呈列債務與經調整資本比率。

向本集團提供銀行借貸(附註30)的銀行的資本規定訂明截至二零一一年及二零一零年十二月三十一日止年度，中慧有限公司維持綜合有形資產淨值20,000,000港元或以上。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

35. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of comprehensive income and consolidated statement of changes in equity.

(b) Company

35. 儲備

(a) 本集團

本集團儲備金額及其變動於綜合全面收益表及綜合權益變動表內呈列。

(b) 本公司

		Share premium account 股份溢價賬 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元	Retained profits 留存收益 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Arising from group reorganisation	因集團重組產生	-	3,171	-	3,171
Profit for the period from 18 May 2010 (date of incorporation) to 31 December 2010	二零一零年五月十八日 (註冊成立日期) 至 二零一零年十二月 三十一日期間溢利	-	-	7,898	7,898
At 31 December 2010	於二零一零年 十二月三十一日	-	3,171	7,898	11,069
At 1 January 2011	於二零一一年一月一日	-	3,171	7,898	11,069
Profit for the year	年度溢利	-	-	20,661	20,661
Issue of shares (note 34 (e) and (g))	發行股份 (附註34(e)及(g))	132,940	-	-	132,940
Capitalisation issue (note 34(f))	資本發行 (附註34(f))	(3,000)	-	-	(3,000)
Share issue expenses	股份發行開支	(14,432)	-	-	(14,432)
2011 interim dividend and 2010 final dividend paid	二零一一年中期股息及 已付二零一零年末期股息	-	-	(15,645)	(15,645)
At 31 December 2011	於二零一一年 十二月三十一日	115,508	3,171	12,914	131,593

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

35. RESERVES (Continued)

(c) Nature and purpose of reserves

(i) Merger reserve

The merger reserve represents the difference between the nominal value of the shares issued by the Company in exchange for the nominal value of the share capital of its subsidiaries arising from the Group Reorganisation.

(ii) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations as well as the effective portion of any foreign exchange differences arising from hedges of the net investment in these foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 4(d)(iii) to the financial statements.

(iii) Property revaluation reserve

The property revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for land and buildings in note 4(e) to the financial statements.

(iv) Contributed surplus

The contributed surplus of the Group represents the difference between the nominal value of shares of the subsidiaries acquired pursuant to a group reorganisation in 1997, over the nominal value of shares of Telefield Holdings Limited issued in exchange therefor.

(v) Statutory reserve

The statutory reserve, which is non-distributable, is appropriated from the profit after taxation of the Group's PRC subsidiaries under the applicable laws and regulations in the PRC.

35. 儲備(續)

(c) 儲備性質及目的

(i) 合併儲備

合併儲備代表因集團重組本公司發行股份的面值以換取其附屬公司股本面值之差額。

(ii) 外匯換算儲備

外匯換算儲備包括換算海外業務財務報表產生的所有外匯差異，以及對沖該等海外業務投資淨額產生的任何外匯差異的有效部分。該儲備根據財務資料附註4(d)(iii)所載會計政策處理。

(iii) 物業重估儲備

本集團根據財務報表附註4(e)土地及樓宇所採納的會計政策成立及處理物業重估儲備。

(iv) 繳入盈餘

本集團繳入盈餘指於一九九七年根據集團重組收購附屬公司股份面值超逾Telefield Holdings Limited為換取該等股份發行的股份面值之間的差異。

(v) 法定儲備

法定儲備為不可分派，乃根據中國適用法律及法規自本集團中國附屬公司除稅後溢利中劃撥。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Acquisition of a subsidiary

On 3 November 2011, the Group obtained control of G.A.E.M.S., Inc. ("GAEMS") by injecting cash of HK\$15,500,000 into GAEMS in return for 51% of its issued share capital. GAEMS was engaged in design, development, trading, distribution and sale of mobile electronic gaming and entertainment system during the year. The amount of acquisition-related costs was approximately HK\$930,000.

The fair value of the identifiable assets and liabilities of GAEMS acquired as at its date of acquisition is as follows:

36. 綜合現金流量表附註

收購一間附屬公司

於二零一一年十一月三日，本集團透過注資 15,500,000 港元至 G.A.E.M.S., Inc. (「GAEMS」)，換取其 51% 已發行股本，獲得對 GAEMS 的控制權。年內，GAEMS 從事設計、開發、買賣、分銷及銷售流動電子遊戲及娛樂系統。收購相關的成本金額約為 930,000 港元。

於收購日期，GAEMS 的已收購可識別資產及負債的公平值如下：

		HK\$'000 千港元
Net assets acquired:	已收購資產淨值：	
Fixed assets (note 17)	固定資產(附註17)	680
Customer relationship (note 19)	客戶關係(附註19)	11,307
Patents (note 19)	專利(附註19)	17,152
Inventories	存貨	889
Trade receivables	應收貿易賬款	4,578
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	73
Bank and cash balances	銀行及現金結餘	12,473
Accrued and other payables	預提費用及其他應付款項	(7,671)
Loan from Telefield GAEMS Limited, immediate holding company of GAMES	GAEMS直接控股公司 Telefield GAEMS Limited的貸款	(23,250)
Deferred tax liabilities (note 33)	遞延稅項負債(附註33)	(9,676)
Non-controlling interests	非控股權益	(3,212)
		3,343
Goodwill (note 18)	商譽(附註18)	12,157
		15,500
Satisfied by:	以下列方式清償：	
Cash	現金	15,500
Net cash outflow arising on acquisition:	因收購產生的現金流出淨額：	
Cash consideration paid	已付現金代價	15,500
Loan to GAEMS	向GAEMS授出貸款	23,250
Cash and cash equivalents acquired	已收購現金及現金等價物	(12,473)
		26,277

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

Acquisition of a subsidiary (Continued)

The goodwill arising on the acquisition of GAEMS is attributable to the anticipated profitability of the distribution of the Group's products in the new markets and the anticipated future operating synergies from the combination.

GAEMS contributed approximately HK\$23,683,000 and HK\$2,555,000 to the Group's revenue and profit for the year respectively for the period between the date of acquisition and the end of the reporting period.

If the acquisition had been completed on 1 January 2011, total Group revenue for the year would have been HK\$1,317,851,000, and profit for the year would have been HK\$49,753,000. The proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2011, nor is intended to be a projection of future results.

37. CONTINGENT LIABILITIES

During 2011, a copyright collecting agency has unilaterally announced new copyright fees for certain products of the Group. Management estimated that the relevant alleged claim is approximately HK\$7 million. Base on the latest available information, the directors are of the opinion that it is not probable that the Group will be required to settle the relevant alleged claim. (2010: Nil).

38. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the reporting period are as follows:

	廠房及機器
Plant and machinery	
Contracted but not provided for	已訂約但未撥備
Approved but not contracted for	已批准但未訂約

36. 綜合現金流量表附註(續)

收購一間附屬公司(續)

因收購GAEMS產生的商譽來自本集團在新市場分銷產品的預期盈利能力，以及預期可從合併帶來的未來經營協同效益。

由收購日期起至報告期末，GAEMS分別為本集團帶來約23,683,000港元及2,555,000港元收入及年度溢利。

如收購於二零一一年一月一日已完成，本集團年度收入總額將為1,317,851,000港元，年度溢利將為49,753,000港元。備考資料只供參考，不一定反映倘收購於二零一一年一月一日已完成本集團實際所能達到的收入及經營業績，亦不擬作為對未來業績的預測。

37. 或然負債

於二零一一年，一家版權收費機構單方面宣佈本集團若干產品的新版權費。管理層估計有關的聲稱索償約為7,000,000港元。根據最新資料顯示，董事認為本集團須為有關的聲稱索償付款的可能性甚微(二零一零年：無)。

38. 資本承擔

本集團於報告期末的資本承擔如下：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Plant and machinery		
Contracted but not provided for	3,887	2,373
Approved but not contracted for	15,970	15,000
	19,857	17,373

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

39. LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within one year	一年內	12,667	7,946
In the second to fifth years, inclusive	第二年至第五年(首尾兩年包括在內)	22,584	22,903
Over five years	五年以上	10,508	14,203
		45,759	45,052

Operating lease payments represent rentals payable by the Group for certain of its staff quarter, factories and offices. Leases are negotiated for a range from one to ten years and rentals are fixed over the lease terms and do not include contingent rentals.

39. 租任承擔

根據不可撤銷經營租賃到期須付的未來最低租賃款項如下：

經營租賃款項指本集團就若干員工宿舍、廠房及辦公室應付的租金，經磋商釐定的租期介乎一至十年。租金於租期內固定不變，並不包括或然租金。

40. RELATED PARTY TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the financial statements, the Group had the following transactions with its related parties during the year:

40. 關連方交易

除財務報表其他地方披露的關連方交易及結餘外，本集團於年度與關連方有以下交易：

		Name of directors having beneficial interests	擁有實益權益 的董事姓名	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Rent paid to related companies	已付關連公司租金				
– Modern Field Limited	– Modern Field Limited	Mr. Cheng Han Ngok Steve	鄭衡嶽先生	210	435
– Perpetual Rich Limited	– Perpetual Rich Limited	Mr. Cheng Han Ngok Steve	鄭衡嶽先生	390	–
– Swintown Investment Limited	– 穎源投資有限公司	Mr. Ng Kim Yuen	吳儉源先生	252	240
– Grand Access Limited	– 弘訊有限公司	Mr. Lee Kai Bon	李繼邦先生	264	240
				1,116	915
Legal and professional fee paid to a related company	已付關連公司法律及專業費用				
– Expertsec Limited	– 易辦事秘書有限公司	Mr. Poon Ka Lee Barry	潘家利先生	–	32
Sale of a vehicle to a related company	向關連公司銷售汽車所得款項				
– Expertsec Limited	– 易辦事秘書有限公司	Mr. Poon Ka Lee Barry	潘家利先生	–	68

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

41. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 30 March 2012..

41. 審批財務報表

董事會於二零一二年三月三十日審批並授權刊發財務報表。

Five-Year Financial Summary

五年財務概要

The consolidated results of Telefield International (Holdings) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2011 and the consolidated assets, liabilities and equity of the Group as at 31 December 2011 are those set out in the audited financial statements.

The summary of the consolidated results of the Group for each for the three years ended 31 December 2007, 2008 and 2009 and of the assets, liabilities and non-controlling interests as at 31 December 2007, 2008 and 2009 has been extracted from the prospectus issued on 14 January 2011 in connection with the listing of the Company’s shares on the Main Board of the Stock Exchange of Hong Kong Limited on 27 January 2011. Such summary was prepared as if the current structure of the Group had been in existence throughout these financial years and is presented on the basis as set out in note 2 to the financial statements.

The summary below does not form part of the audited financial statements.

中慧國際控股有限公司(「本公司」)及其附屬公司(「本集團」)截至二零一一年十二月三十一日止年度的綜合業績及本集團於二零一一年十二月三十一日的綜合資產、負債及權益載於經審核財務報表內。

本集團截至二零零七、二零零八及二零零九年十二月三十一日止三個年度各年的綜合業績及於二零零七、二零零八及二零零九年十二月三十一日的資產負債及非控股權益概要摘錄自就本公司股份於二零一一年一月二十七日在香港聯合交易所有限公司主板上市而於二零一一年一月十四日刊發的招股章程。該概要以本集團的現行結構於此等財政年度一直存在及按財務報表附註2所載的基準而編製。

以下的概要並不構成經審核財務報表的部份。

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
RESULTS	業績					
Revenue	收入	1,309,390	1,145,542	821,898	848,492	564,052
Cost of goods sold	銷售成本	(1,040,059)	(892,929)	(634,166)	(712,162)	(497,797)
Gross profit	毛利	269,331	252,613	187,732	136,330	66,255
Other income	其他收入	7,501	13,243	12,371	3,819	5,636
Selling and distribution expenses	銷售及分銷成本	(79,524)	(73,022)	(39,851)	(17,413)	(12,767)
Administrative expenses	行政費用	(91,562)	(79,086)	(52,996)	(40,299)	(27,565)
Other operating expenses	其他經營費用	(28,728)	(40,858)	(22,507)	(20,530)	(12,752)
Profit from operations	經營溢利	77,018	72,890	84,749	61,907	18,807
Finance costs	融資成本	(8,391)	(4,425)	(947)	(1,844)	(1,969)
Gain on disposal of subsidiaries	出售附屬公司所得收益	-	-	1,596	-	-
Share of loss of an associate	分佔聯營公司虧損	-	-	-	(17)	(297)
Profit before tax	除稅前溢利	68,627	68,465	85,398	60,046	16,541
Income tax expense	所得稅開支	(8,116)	(12,754)	(12,731)	(8,792)	(2,188)
Profit for the year	年度溢利	60,511	55,711	72,667	51,254	14,353
Attributable to:	以下各方應佔：					
Owners of the Company	本公司擁有人	57,051	69,921	76,216	51,258	14,353
Non-controlling interests	非控股權益	3,460	(14,210)	(3,549)	(4)	-
		60,511	55,711	72,667	51,254	14,353
ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS	資產、負債及非控股權益					
TOTAL ASSETS	資產總值	771,530	520,134	471,637	372,891	280,940
TOTAL LIABILITIES	負債總值	(423,555)	(347,863)	(325,767)	(252,492)	(205,453)
NON-CONTROLLING INTEREST	非控股權益	7,948	14,894	811	-	-
		355,923	187,165	146,681	120,399	75,487

Information for Investors

投資者資料

LISTING INFORMATION

Listing: Hong Kong Stock Exchange
Stock code: 1143
Ticker Symbol
Reuters: 1143.HK
Bloomberg: 1143 HK Equity

KEY DATES

27 January 2011

Listed on Hong Kong Stock Exchange

30 March 2012

Announcement of 2011 Annual Results

25 May 2012

Annual General Meeting

31 May 2012 to 4 June 2012

(both days inclusive)

Closure of Register of Shareholders

REGISTRAR & TRANSFER OFFICES

Principal:

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 609
Grand Cayman, KY1-1111
Cayman Islands

Hong Kong Branch:

Tricor Investor Services Limited
26th Floor, Tesbury Centre
28 Queen's Road East, Wanchai
Hong Kong

WEBSITE

www.telefieldgroup.com.hk

上市資料

上市：香港聯合交易所
股份代號：1143
股票簡稱
路透社：1143.HK
彭博：1143 HK Equity

重要日子

二零一一年一月二十七日

於香港聯合交易所上市

二零一二年三月三十日

公佈二零一一年年度業績

二零一二年五月二十五日

股東週年大會

二零一二年五月三十一日至

二零一二年六月四日

(包括首尾兩天)

暫停辦理股份過戶登記手續

過戶登記處

總處：

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 609
Grand Cayman, KY1-1111
Cayman Islands

香港分處：

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

網址

www.telefieldgroup.com.hk

The image features a vibrant blue background with a complex network of glowing white lines and nodes, resembling a circuit board or a data network. The lines are interconnected, forming various shapes and paths. There are several bright light sources, particularly in the lower-left quadrant, which create a lens flare effect with multiple rays of light extending across the frame. The overall aesthetic is futuristic and technological. The word "TELEFIELD" is centered in the middle of the image in a bold, dark blue, sans-serif font. A small "TM" trademark symbol is positioned to the upper right of the word.

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