

Welling

WELLING HOLDING LIMITED
威靈控股有限公司

Stock Code 股份代號 : 382



INTERIM REPORT
2012 中期報告



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CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. CAI Qiwu (*Chairman*)
Mr. JIANG Deqing (*Chief Executive Officer*)
Mr. QU Fei
Mr. CHEN Jianhong
Ms. YUAN Liqun
Mr. LI Jianwei
Mr. ZHENG Weikang

Independent Non-executive Directors

Mr. TAN Jinsong
Mr. LAM Ming Yung
Ms. CHEN Chunhua

AUDIT COMMITTEE

Mr. TAN Jinsong (*Chairman*)
Mr. LAM Ming Yung
Ms. CHEN Chunhua

REMUNERATION COMMITTEE

Ms. CHEN Chunhua (*Chairman*)
Mr. TAN Jinsong
Mr. LAM Ming Yung
Mr. CAI Qiwu
Mr. ZHENG Weikang

NOMINATION COMMITTEE

Mr. CAI Qiwu (*Chairman*)
Mr. TAN Jinsong
Mr. LAM Ming Yung
Ms. CHEN Chunhua
Mr. ZHENG Weikang

EXECUTIVE COMMITTEE

Mr. CAI Qiwu (*Chairman*)
Mr. JIANG Deqing
Mr. QU Fei
Mr. CHEN Jianhong
Ms. YUAN Liqun
Mr. LI Jianwei
Mr. ZHENG Weikang

公司資料

董事

執行董事

蔡其武先生(*主席*)
姜德清先生(*首席執行官*)
瞿飛先生
陳建紅先生
袁利群女士
栗建偉先生
鄭偉康先生

獨立非執行董事

譚勁松先生
林明勇先生
陳春花女士

審核委員會

譚勁松先生(*主席*)
林明勇先生
陳春花女士

薪酬委員會

陳春花女士(*主席*)
譚勁松先生
林明勇先生
蔡其武先生
鄭偉康先生

提名委員會

蔡其武先生(*主席*)
譚勁松先生
林明勇先生
陳春花女士
鄭偉康先生

行政委員會

蔡其武先生(*主席*)
姜德清先生
瞿飛先生
陳建紅先生
袁利群女士
栗建偉先生
鄭偉康先生



CORPORATE INFORMATION (Continued)

COMPANY SECRETARY

Ms. TANG Wai Ying, Tracy CPA FCCA

REGISTERED OFFICE

Suite 3904, 39/F, Tower 6
The Gateway, Harbour City
9 Canton Road
Tsim Sha Tsui
Kowloon Hong Kong

LEGAL ADVISERS

Paul Hastings
21-22/F, Bank of China Tower
1 Garden Road, Central
Hong Kong

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor Prince's Building
Central
Hong Kong

PRINCIPAL BANKERS

Bank of China Limited
Agricultural Bank of China Limited
Industrial and Commercial Bank of China Limited
China Merchants Bank Co., Ltd.
Bank of Communications Co., Ltd.

SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong

WEBSITE ADDRESS

<http://www.welling.com.cn>

STOCK CODE

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公司資料(續)

公司秘書

鄧惠英女士 CPA FCCA

註冊辦事處

香港
九龍
尖沙咀廣東道9號
海港城港威大廈
第6座39樓3904室

法律顧問

普衡律師事務所
香港
中環花園道1號
中銀大廈21-22樓

核數師

羅兵咸永道會計師事務所
執業會計師
香港
中環
太子大廈22樓

主要銀行

中國銀行股份有限公司
中國農業銀行股份有限公司
中國工商銀行股份有限公司
招商銀行股份有限公司
交通銀行股份有限公司

股份過戶登記處

香港中央證券登記有限公司
香港
灣仔皇后大道東183號
合和中心17M樓

公司網址

<http://www.welling.com.cn>

股份代號

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INTERIM RESULTS

The directors (the “Directors”) of Welling Holding Limited (the “Company”) hereby present the unaudited consolidated results of the Company and its subsidiaries (together, the “Group”) for the six months ended 30 June 2012, together with the comparative figures for 2011. These condensed consolidated interim financial information have not been audited, but have been reviewed by the Company’s audit committee (“Audit Committee”).

中期業績

威靈控股有限公司(「本公司」)董事(「董事」)謹此提呈本公司及其附屬公司(統稱「本集團」)截至二零一二年六月三十日止六個月之未經審核綜合業績，連同二零一一年之比較數字。該等簡明綜合中期財務資料未經審核，但已由本公司之審核委員會(「審核委員會」)審閱。

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT 簡明綜合中期收益表

FOR THE SIX MONTHS ENDED 30 JUNE 2012

截至二零一二年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
	Note 附註	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Continuing operations			
Revenue			
Cost of goods sold	6	4,068,821 (3,474,966)	6,081,965 (5,369,665)
Gross profit		593,855	712,300
Other gains/(losses) — net	7	21,879	(759)
Selling and marketing costs		(69,398)	(73,427)
Administrative expenses		(117,867)	(171,907)
Operating profit		428,469	466,207
Finance costs		(10,991)	(21,920)
Finance income		2,762	3,242
Finance costs — net	9	(8,229)	(18,678)
Share of profit of associates		9,901	19,963
Profit before income tax		430,141	467,492
Income tax expense	10	(82,094)	(88,780)
Profit for the period from continuing operations		348,047	378,712
Discontinued operations			
Profit from discontinued operations	22	—	12,445
Profit for the period		348,047	391,157

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT (Continued)

簡明綜合中期收益表(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2012

截至二零一二年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年	2011 二零一一年
		HK\$'000 港幣千元	HK\$'000 港幣千元
	Note 附註		
Profit attributable to:	以下人士應佔利潤：		
Owners of the Company	本公司擁有人	349,411	391,157
Non-controlling interests	非控股權益	(1,364)	—
		348,047	391,157
Profit attributable to the owners of the Company arises from:	本公司擁有人應佔利潤：		
— Continuing operations	— 來自持續經營業務	349,411	378,712
— Discontinued operations	— 來自終止經營業務	—	12,445
		349,411	391,157
Earnings per share from continuing and discontinued operations attributable to the owners of the Company, expressed in HK cents per share	本公司擁有人應佔持續經營業務及終止經營業務之每股盈利，以每股港仙列示		
Basic earnings per share	每股基本盈利		
From continuing operations	來自持續經營業務	11	12.38
From discontinued operations	來自終止經營業務	11	—
			12.38
Diluted earnings per share	每股攤薄盈利		
From continuing operations	來自持續經營業務	11	12.32
From discontinued operations	來自終止經營業務	11	—
			12.32
Dividends	股息	12	—

The notes on pages 12 to 45 form an integral part of this condensed consolidated interim financial information.

於第12至45頁之附註為此簡明綜合中期財務資料之一部分。



CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME 簡明綜合中期全面收益表

FOR THE SIX MONTHS ENDED 30 JUNE 2012

截至二零一二年六月三十日止六個月

Unaudited
未經審核
Six months ended 30 June
截至六月三十日止六個月

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Profit for the period	期間利潤	348,047	391,157
Other comprehensive income:	其他全面收益：		
Currency translation differences	貨幣匯兌差異	(14,728)	46,556
Other comprehensive income for the period	期間其他全面收益	(14,728)	46,556
Total comprehensive income for the period	期間全面收益總額	333,319	437,713
Total comprehensive income for the period attributable to:	以下人士應佔期間全面收益總額：		
Owners of the Company	本公司擁有人	334,990	437,713
Non-controlling interests	非控股權益	(1,671)	—
		333,319	437,713
Total comprehensive income attributable to the owners of the Company arises from:	本公司擁有人應佔全面收益總額：		
Continuing operations	來自持續經營業務	334,990	425,177
Discontinued operations	來自終止經營業務	—	12,536
		334,990	437,713

The notes on pages 12 to 45 form an integral part of this condensed consolidated interim financial information.

於第12至45頁之附註為此簡明綜合中期財務資料之一部分。

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION 簡明綜合中期財務狀況表

AS AT 30 JUNE 2012

於二零一二年六月三十日

			Unaudited 未經審核 30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	Audited 經審核 31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Leasehold land and land use rights	租賃土地及土地使用權	13	219,282	171,367
Property, plant and equipment	物業、廠房及設備	13	1,141,197	1,137,570
Intangible assets	無形資產		69,135	65,017
Investments in associates	聯營公司投資		262,817	254,352
Deferred income tax assets	遞延所得稅資產		24,487	38,853
Available-for-sale financial assets	可供出售金融資產		96,770	97,307
Prepayment for property, plant and equipment	預付物業、廠房及設備款項	15	4,812	11,981
			1,818,500	1,776,447
Current assets	流動資產			
Inventories	存貨	14	552,266	613,051
Trade and other receivables	貿易及其他應收款	15	2,256,682	1,635,114
Due from related companies	應收關聯公司款項	23(c)	1,002,525	1,070,358
Derivative financial instruments	衍生金融工具		7,471	16,792
Pledged bank deposits with maturity period over 3 months	三個月以上到期之已抵押銀行存款		96,405	77,767
Cash and cash equivalents	現金及現金等價物		808,862	972,923
			4,724,211	4,386,005
Total assets	總資產		6,542,711	6,162,452
EQUITY	權益			
Capital and reserves attributable to the owners of the Company	本公司擁有人應佔股本及儲備			
Share capital	股本	16	1,410,806	1,410,806
Other reserves	其他儲備	17	686,614	700,121
Retained earnings	保留盈利			
— Proposed final dividend	— 建議末期股息		—	112,865
— Others	— 其他		621,433	272,022
			2,718,853	2,495,814
Non-controlling interests	非控股權益		54,689	56,360
Total equity	權益總額		2,773,542	2,552,174



CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION (Continued) 簡明綜合中期財務狀況表(續)

AS AT 30 JUNE 2012

於二零一二年六月三十日

		Note 附註	Unaudited 未經審核 30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	Audited 經審核 31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Borrowings	借款	18	172,416	94,395
Deferred income tax liabilities	遞延所得稅負債		86,616	73,549
Deferred government grant	遞延政府補貼		22,916	23,282
			281,948	191,226
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款	19	2,854,879	3,012,053
Due to related companies	應付關聯公司款項	23(c)	298,658	130,376
Derivative financial instruments	衍生金融工具		412	240
Current income tax liabilities	即期所得稅負債		44,420	37,262
Borrowings	借款	18	288,852	239,121
			3,487,221	3,419,052
Total liabilities	總負債		3,769,169	3,610,278
Total equity and liabilities	權益及負債總額		6,542,711	6,162,452
Net current assets	流動資產淨額		1,236,990	966,953
Total assets less current liabilities	總資產減流動負債		3,055,490	2,743,400

The notes on pages 12 to 45 form an integral part of this condensed consolidated interim financial information.

於第12至45頁之附註為此簡明綜合中期財務資料之一部分。

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY 簡明綜合中期權益變動表

FOR THE SIX MONTHS ENDED 30 JUNE 2012

截至二零一二年六月三十日止六個月

		Unaudited 未經審核 Attributable to the owners of the Company 本公司擁有人應佔					
		Share capital	Other reserves	Retained earnings/ (Accumulated losses)	Total	Non-controlling interests	Total equity
		股本	其他儲備	保留盈利/ (累計虧損)	合計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Balance at 1 January 2011	於二零一一年一月一日之結餘	1,409,056	583,999	(72,055)	1,921,000	54,304	1,975,304
Comprehensive income:	全面收益：						
Profit for the period	期間利潤	—	—	391,157	391,157	—	391,157
Other comprehensive income:	其他全面收益：						
Currency translation differences	貨幣匯兌差異	—	46,556	—	46,556	—	46,556
Total comprehensive income	全面收益總額	—	46,556	391,157	437,713	—	437,713
Transactions with owners:	與擁有人進行之交易：						
Transfer to statutory reserves	轉撥至法定儲備	—	13,164	(13,164)	—	—	—
Employee share option scheme — value of services provided	僱員購股權計劃 — 所提供服務之價值	—	1,211	—	1,211	—	1,211
Consideration paid for merger of a subsidiary under common control	合併共同控制下之附屬公司已付代價	—	(88,694)	—	(88,694)	—	(88,694)
Deemed contribution from ultimate holding company arising from its acquisition of non-controlling interests	最終控股公司收購非控股權益所產生的 視作貢獻	—	54,304	—	54,304	(54,304)	—
Dividend relating to 2010	二零一零年度股息	—	—	(112,725)	(112,725)	—	(112,725)
Total transactions with owners	與擁有人進行之交易總額	—	(20,015)	(125,889)	(145,904)	(54,304)	(200,208)
Balance at 30 June 2011	於二零一一年六月三十日之結餘	1,409,056	610,540	193,213	2,212,809	—	2,212,809
Balance at 1 January 2012	於二零一二年一月一日之結餘	1,410,806	700,121	384,887	2,495,814	56,360	2,552,174
Comprehensive income:	全面收益：						
Profit for the period	期間利潤	—	—	349,411	349,411	(1,364)	348,047
Other comprehensive income:	其他全面收益：						
Currency translation differences	貨幣匯兌差異	—	(14,421)	—	(14,421)	(307)	(14,728)
Total comprehensive income	全面收益總額	—	(14,421)	349,411	334,990	(1,671)	333,319
Transactions with owners:	與擁有人進行之交易：						
Transfer to statutory reserves	轉撥至法定儲備	—	—	—	—	—	—
Employee share option scheme — value of services provided	僱員購股權計劃 — 所提供服務之價值	—	914	—	914	—	914
Dividend relating to 2011	二零一一年度股息	—	—	(112,865)	(112,865)	—	(112,865)
Total transactions with owners	與擁有人進行之交易總額	—	914	(112,865)	(111,951)	—	(111,951)
Balance at 30 June 2012	於二零一二年六月三十日之結餘	1,410,806	686,614	621,433	2,718,853	54,689	2,773,542

The notes on pages 12 to 45 form an integral part of this condensed consolidated interim financial information.

於第12至45頁之附註為此簡明綜合中期財務資料之一部分。



CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS 簡明綜合中期現金流量表

FOR THE SIX MONTHS ENDED 30 JUNE 2012

截至二零一二年六月三十日止六個月

Unaudited
未經審核
Six months ended 30 June
六月三十日止六個月

	Note 附註	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Cash flows from operating activities			
經營活動之現金流量			
Profit before income tax		430,141	485,000
Adjustments for:			
— Depreciation	13	63,308	57,885
— Amortisation of leasehold land and land use rights	13	2,224	1,674
— Amortisation of intangible assets		1,543	—
— Deferred government grant		(237)	—
— Gain on disposals of property, plant and equipment of discontinued operations		—	(2,457)
— Loss on disposals of property, plant and equipment	7	2,259	2,252
— Share-based payment expenses	17	914	1,211
— Share of profit of associates		(9,901)	(19,963)
— Interest income	9	(2,762)	(3,374)
— Interest expense	9	7,283	26,453
Changes in working capital:			
— Inventories		60,785	929,056
— Derivative financial instruments		9,493	24,884
— Trade and other receivables (i)		(624,035)	(110,178)
— Due from related companies		67,833	(1,097,818)
— Trade and other payables		(157,174)	395,400
— Due to related companies		168,282	(278,134)
Cash generated from operations		19,956	411,891
Interest paid		(7,283)	(26,453)
Interest received		2,762	3,374
Income tax paid		(47,223)	(71,152)
Net cash (used in)/generated from operating activities		(31,788)	317,660
經營活動(所用)/產生之現金淨額		(31,788)	317,660

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (Continued) 簡明綜合中期現金流量表(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2012

截至二零一二年六月三十日止六個月

Unaudited
未經審核
Six months ended 30 June
六月三十日止六個月

	Note 附註	2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Cash flows from investing activities			
Purchases of property, plant and equipment		(44,344)	(156,440)
Increase in construction-in-progress		(40,310)	(54,979)
Decrease in prepayment for property, plant and equipment		7,169	2,060
Consideration paid for merger of a subsidiary under common control		—	(88,694)
Purchases of leasehold land and land use rights	13	(51,242)	(31,194)
Proceeds from disposals of property, plant and equipment		9,393	36,973
Proceeds from disposals of property, plant and equipment for discontinued operations		—	26,208
Development cost		(6,035)	—
Net cash used in investing activities		(125,369)	(266,066)
Cash flows from financing activities			
Proceeds from borrowings		232,774	211,912
Repayments of borrowings		(103,725)	(190,613)
Increase in pledged bank deposits with maturity period over 3 months		(18,638)	(79,522)
Dividends paid		(112,865)	(112,725)
Net cash used in financing activities		(2,454)	(170,948)
Net decrease in cash and cash equivalents		(159,611)	(119,354)
Cash and cash equivalents at the beginning of the period		972,923	805,079
Effect on exchange difference		(4,450)	14,815
Cash and cash equivalents at the end of the period		808,862	700,540

Note:

(i) For the period ended 30 June 2012, increase in trade and other receivables included increase in notes receivable issued and accepted by commercial banks of HK\$220,474,000 which will be matured within 6 months and can be discounted upon request.

附註:

(i) 截至二零一二年六月三十日止期間，貿易及其他應收款之增加包括應收票據增加港幣220,474,000元，應收票據均由商業銀行發出及承兌，於六個月內到期，可應要求貼現。

The notes on pages 12 to 45 form an integral part of this condensed consolidated interim financial information.

於第12至45頁之附註為此簡明綜合中期財務資料之一部分。



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION 簡明綜合中期財務資料附註

1. GENERAL INFORMATION

Welling Holding Limited (the “Company”) and its subsidiaries (together, the “Group”) manufacture, distribute and sell motors and electronic and electric components for electrical household appliances in the People’s Republic of China (the “PRC”) and overseas.

The Company is a limited liability company incorporated in Hong Kong. The address of its registered office is at Suite 3904, 39/F, Tower 6, The Gateway, Harbour City, 9 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information for the six months ended 30 June 2012 are presented in Hong Kong dollars (“HK\$”), unless otherwise stated. This condensed consolidated interim financial information has been approved for issue by the Directors on 27 August 2012.

2. BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2012 has been prepared in accordance with Hong Kong Accounting Standard 34, “Interim financial reporting”. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2011, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

1. 一般資料

威靈控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)在中華人民共和國(「中國」)及海外製造、分銷及出售家用電器之電機及電子電器產品。

本公司為於香港註冊成立之有限責任公司，註冊辦事處地址為香港九龍尖沙咀廣東道9號海港城港威大廈第6座39樓3904室。

本公司股份於香港聯合交易所有限公司主板上市。

除另有指明外，截至二零一二年六月三十日止六個月之簡明綜合中期財務資料以港幣(「港幣」)呈列。此簡明綜合中期財務資料已於二零一二年八月二十七日獲董事會批准刊發。

2. 編製基準

截至二零一二年六月三十日止六個月之簡明綜合中期財務資料乃根據香港會計準則第34號「中期財務報告」編製。簡明綜合中期財務資料須與截至二零一一年十二月三十一日止年度之年度財務報表一併閱讀，該年度財務報表是根據香港財務報告準則(「香港財務報告準則」)編製。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

3. ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2011, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) New and amended standards adopted by the Group

The following standards, amendments and interpretations are mandatory for the first time for the financial period beginning 1 January 2012, but do not currently have any material financial impact on the Group.

Amendment to HKFRS 7, 'Disclosures — Transfers of financial assets' is effective for annual periods beginning on or after 1 July 2011. It promotes transparency in the reporting of transfer transactions and improves users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitisation of financial assets. The change in accounting policy do not have any material financial impact on the Group as the Group does not have any such transfers of financial assets during the period.

3. 會計政策

除詳述如下，所採用之會計政策與截至二零一一年十二月三十一日止年度之年度財務報表所採用者(如有關之年度財務報表所述)一致。

本中期期間之所得稅按照預期年度總盈利適用之稅率計提。

(a) 本集團採納的新訂及經修訂準則

以下準則、修訂及詮釋必須於二零一二年一月一日開始之財政期間首次採納，惟現時並無對本集團構成任何重大財務影響。

香港財務報告準則第7號之修訂本「披露 — 金融資產的轉讓」於二零一一年七月一日或之後開始的年度期間起生效。該修訂本提高轉讓交易申報的透明度，並增進使用者與金融資產轉讓有關的風險及該等風險對實體財務狀況影響之理解(尤其是涉及金融資產證券化的風險)。由於本集團於期內並無進行任何該等金融資產轉讓，故上述會計政策的變動並無對本集團構成任何重大財務影響。



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

3. ACCOUNTING POLICIES (Continued)

(a) New and amended standards adopted by the Group (Continued)

Amendment to HKFRS 1, 'Severe hyperinflation and removal of fixed dates for first-time adopters' is effective for annual periods beginning on or after 1 July 2011. It includes two changes to HKFRS 1, 'First-time adoption of HKFRS'. The first replaces references to a fixed date of 1 January 2004 with 'the date of transition to HKFRSs', thus eliminating the need for entities adopting HKFRSs for the first time to restate derecognition transactions that occurred before the date of transition to HKFRSs. The second amendment provides guidance on how an entity should resume presenting financial statements in accordance with HKFRSs after a period when the entity was unable to comply with HKFRSs because its functional currency was subject to severe hyperinflation. The changes in accounting policy do not have any material financial impact on the Group as the Group does not have any operations under hyperinflation.

(b) Standards, amendments and interpretations to existing standards effective in 2012 but not relevant to the Group

Amendment to HKAS 12, 'Deferred tax: Recovery of underlying assets' HKAS 12, 'Income taxes' is effective for annual periods beginning on or after 1 January 2012. This amendment therefore introduces an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. This is not currently applicable to the Group as the Group's does not have any recovery of underlying assets.

3. 會計政策(續)

(a) 本集團採納的新訂及經修訂準則(續)

香港財務報告準則第1號之修訂本「嚴重惡性通脹及首次採納者取消固定日期」於二零一一年七月一日或之後開始的年度期間起生效。該修訂本載有對香港財務報告準則第1號「首次採納香港財務報告準則」之兩項更改。第一項將對固定日期二零零四年一月一日之提述以「過渡至香港財務報告準則之日」取代之，從而消除首次採納香港財務報告準則的實體需對於過渡至香港財務報告準則之日前發生之終止確認交易重新列賬。第二項修訂規定關於實體在因其功能貨幣發生嚴重惡性通脹而未能遵守香港財務報告準則之期間後重新依照香港財務報告準則呈列財務報表之方法之指引。由於本集團並無任何在惡性通脹下進行的營運，故上述會計政策的變動並無對本集團構成任何重大財務影響。

(b) 於二零一二年生效但與本集團無關的準則、對現有準則的修訂及詮釋

香港會計準則第12號之修訂本「遞延稅項：收回相關資產」及香港會計準則第12號「所得稅」於二零一二年一月一日或之後開始的年度期間起生效。該修訂因此對因按公平值計量的投資物業而產生的遞延稅項資產或負債的現有計量原則引入例外情況。由於本集團並無任何相關資產的收回，故此修訂現時並不適用於本集團。



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

3. ACCOUNTING POLICIES (Continued)

(c) The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1 January 2012 and have not been early adopted

- Amendment to HKAS 1, "Presentation of financial statements" (effective for annual periods beginning on or after 1 July 2012)
- HKFRS 10, "Consolidated financial statements" (effective for annual periods beginning on or after 1 January 2013)
- HKAS 27 (revised 2011), "Separate financial statements" (effective for annual periods beginning on or after 1 January 2013)
- HKFRS 11, "Joint arrangements" (effective for annual periods beginning on or after 1 January 2013)
- HKAS 28, (revised 2011) "Associates and joint ventures" (effective for annual periods beginning on or after 1 January 2013)
- HKFRS 12, "Disclosure of interests in other entities" (effective for annual periods beginning on or after 1 January 2013)
- HKFRS 13, "Fair value measurements" (effective for annual periods beginning on or after 1 January 2013)

3. 會計政策(續)

(c) 下列新訂及經修訂準則已頒佈但於二零一二年一月一日開始的財政年度尚未生效且並無提前採納

- 香港會計準則第1號之修訂本「財務報表的呈報」(於二零一二年七月一日或之後開始的年度期間起生效)
- 香港財務報告準則第10號「綜合財務報表」(於二零一三年一月一日或之後開始的年度期間起生效)
- 香港會計準則第27號(二零一一年經修訂)「獨立財務報表」(於二零一三年一月一日或之後開始的年度期間起生效)
- 香港財務報告準則第11號「合營安排」(於二零一三年一月一日或之後開始的年度期間起生效)
- 香港會計準則第28號(二零一一年經修訂)「聯營公司及合營企業」(於二零一三年一月一日或之後開始的年度期間起生效)
- 香港財務報告準則第12號「於其他實體權益之披露」(於二零一三年一月一日或之後開始的年度期間起生效)
- 香港財務報告準則第13號「公平值計量」(於二零一三年一月一日或之後開始的年度期間起生效)



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

3. ACCOUNTING POLICIES (Continued)

(c) **The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1 January 2012 and have not been early adopted (Continued)**

- Amendment to HKAS 19, "Employee benefits" (effective for annual periods beginning on or after 1 January 2013)
- Amendment to HKFRS 7, "Financial instruments: Disclosures — Offsetting financial assets and financial liabilities" (effective for annual periods beginning on or after 1 January 2013)
- HK(IFRIC) — Int 20, "Stripping costs in the production phase of a surface mine" (effective for annual period beginning on or after 1 January 2013)

4. ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2011.

3. 會計政策(續)

(c) **下列新訂及經修訂準則已頒佈但於二零一二年一月一日開始的財政年度尚未生效且並無提前採納(續)**

- 香港會計準則第19號之修訂本「僱員福利」(於二零一三年一月一日或之後開始的年度期間起生效)
- 香港財務報告準則第7號之修訂本「金融工具：披露—抵銷金融資產及金融負債」(於二零一三年一月一日或之後開始的年度期間起生效)
- 香港(國際財務報告詮釋委員會) — 詮釋第20號「露天採礦場生產階段之剝採成本」(於二零一三年一月一日或之後開始的年度期間起生效)

4. 估計

編製中期財務報表要求管理層對影響會計政策應用以及資產及負債、收入及開支的報告金額作出判斷、估計及假設。實際業績可能與該等估計有所不同。

編製本簡明合併中期財務報表時，管理層就應用本集團會計政策所作重大判斷及估計不確定因素的主要來源與截至二零一一年十二月三十一日止年度的綜合財務報表所用者相同。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

5. FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2011.

There have been no changes in the risk management department or in any risk management policies since year end.

5.2 Liquidity risk

Liquidity risk management includes maintaining sufficient cash balance, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.

5.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

5. 財務風險管理

5.1 財務風險因素

本集團之業務承受多種財務風險：市場風險(包括外幣風險、公平值利率風險、現金流量利率風險以及價格風險)、信貸風險及流動資金風險。

本簡明綜合中期財務報表並不包括年度財務報表規定之所有財務風險管理的資料及披露，並須與本集團截至二零一一年十二月三十一日止年度之年度財務報表一併閱讀。

自年終起，風險管理部門並無改變，而風險管理政策亦未有任何變更。

5.2 流動資金風險

流動資金風險管理包括維持充足現金結餘、從可靠之信貸融資獲取足夠資金及規避市場風險之能力。

5.3 公平值估計

下表是根據估值方法，分析按公平值列值之金融工具。不同分級定義如下：

- 相同資產或負債之活躍市場報價(未經調整)(第一級)。
- 除包括在第一級之報價外，資產或負債之可觀察直接(即價格)或間接(即源自價格者)輸入資料(第二級)。
- 並非根據可觀察市場資料而釐定之資產或負債之輸入資料(即不可觀察之輸入資料)(第三級)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

5. FINANCIAL RISK MANAGEMENT (Continued) 5. 財務風險管理(續)

5.3 Fair value estimation (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 30 June 2012.

5.3 公平值估計(續)

下表呈列本集團於二零一二年六月三十日按公平值計量之資產及負債。

		Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Assets	資產				
Derivative financial instruments	衍生金融工具				
— Commodity futures contracts	— 期貨商品合約	1,510	—	—	1,510
— Foreign exchange forward contracts	— 遠期外匯合約	—	5,961	—	5,961
Available-for-sale financial assets	可供出售金融資產				
— Equity investment	— 股權投資	—	—	96,770	96,770
		Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Liabilities	負債				
Derivative financial instruments	衍生金融工具				
— Foreign exchange forward contracts	— 遠期外匯合約	—	412	—	412

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

5. FINANCIAL RISK MANAGEMENT (Continued) 5. 財務風險管理(續)

5.3 Fair value estimation (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2011.

5.3 公平值估計(續)

下表呈列本集團於二零一一年十二月三十一日按公平值計量之資產及負債。

		Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Assets					
	資產				
Derivative financial instruments	衍生金融工具				
— Commodity futures contracts	— 期貨商品合約	1,682	—	—	1,682
— Foreign exchange forward contracts	— 遠期外匯合約	—	15,110	—	15,110
Available-for-sale financial assets	可供出售金融資產				
— Equity investment	— 股權投資	—	—	97,307	97,307
		Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Liabilities					
	負債				
Derivative financial instruments	衍生金融工具				
— Commodity futures contracts	— 期貨商品合約	240	—	—	240



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

6. SEGMENT INFORMATION

The principal activities of the Group are manufacturing, distributing and selling motors and electronic and electric components for electrical household appliances and trading of raw materials in the PRC and overseas.

In accordance with the Group's internal financial reporting provided to the chief operating decision-maker, the board of Directors, who is responsible for allocating resources, assessing performance of the operating segments and making strategic decisions, the management considers the business from both business and geographical perspective. From business perspective, the Group organised into the following main business segments:

Micro motors business	—	manufacture and distribution of motors for air-conditioner and refrigerator compressor
Washing motors business	—	manufacture and distribution of motors for washing machine, dish washer and food processing machines
Raw material business	—	trading of raw materials
Others	—	manufacture and distribution of reactors and other businesses, subsequent to the disposal of the assets as disclosed in note 22, the remaining assets and liabilities of this business have been grouped under the segment of micro motors business
Discontinued operations	—	manufacture and distribution of transformers and shaded pole motors

The chief operating decision-maker assesses the performance of the operating segments based on the profit before income tax for the period.

6. 分部資料

本集團之主要業務為在中國及海外製造、分銷及出售家用電器之電機及電子電器產品，以及從事買賣原材料。

根據本集團提交予負責分配資源、評估營運分部表現及作出策略性決定之主要經營決策的董事會之內部財務報告，管理層認為可從業務及地域兩方面考慮業務狀況。在業務方面，本集團經營以下主要業務分部：

微電機業務	—	製造及分銷空調及冰箱壓縮機之電機
洗滌電機業務	—	製造及分銷洗衣機、洗碗碟機及食品加工機器之電機
原材料業務	—	買賣原材料
其他	—	製造及分銷電抗器及其他業務，經出售附註22所披露之資產後，此項業務餘下的資產及負債已列入微電機業務分部
終止經營業務	—	製造及分銷變壓器及罩極電機

主要經營決策者根據期內扣除所得稅前利潤評估營運分部之表現。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

6. SEGMENT INFORMATION (Continued)

The segment information for the six months ended 30 June 2012 are as follows:

6. 分部資料(續)

截至二零一二年六月三十日止六個月之分部資料如下:

		Micro motors business	Washing motors business	Raw material business	Corporate function	Continuing operations Total 持續經營 業務 總額	Discontinued operations 終止經營 業務	Group Total 本集團 合計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Gross segment revenue	總分部收入	2,597,617	1,464,451	1,392,226	—	5,454,294	—	5,454,294
Inter-segment revenue	分部間收入	(37)	(76)	(1,385,360)	—	(1,385,473)	—	(1,385,473)
Revenue (from external customers)	收入(來自外來客戶)	2,597,580	1,464,375	6,866	—	4,068,821	—	4,068,821
Operating profit/(loss)	經營利潤/(虧損)	266,146	156,050	11,569	(5,296)	428,469	—	428,469
Finance income/(cost) — net	融資收入/(成本) — 淨額	10,033	(4,162)	(10,772)	(3,328)	(8,229)	—	(8,229)
Share of profit of associates	佔聯營公司利潤	—	—	—	9,901	9,901	—	9,901
Profit before income tax	扣除所得稅前利潤	276,179	151,888	797	1,277	430,141	—	430,141
Income tax expense	所得稅開支	(42,789)	(23,425)	(495)	(15,385)	(82,094)	—	(82,094)
Profit/(loss) for the period	期間利潤/(虧損)	233,390	128,463	302	(14,108)	348,047	—	348,047
Segment assets	分部資產	3,758,212	1,969,178	457,489	70,528	6,255,407	—	6,255,407
Deferred income tax assets	遞延所得稅資產	—	—	—	—	24,487	—	24,487
Investments in associates	聯營公司投資	—	—	—	—	262,817	—	262,817
Total assets	總資產	—	—	—	—	6,542,711	—	6,542,711
Segment liabilities	分部負債	1,818,282	1,352,099	341,229	170,943	3,682,553	—	3,682,553
Deferred income tax liabilities	遞延所得稅負債	—	—	—	—	86,616	—	86,616
Total liabilities	總負債	—	—	—	—	3,769,169	—	3,769,169
Capital expenditure	資本開支	124,267	11,619	—	10	135,896	—	135,896
Material non-cash expenses	重大非現金開支							
Amortisation of leasehold land and land use rights	租賃土地及土地使用權攤銷	1,191	1,033	—	—	2,224	—	2,224
Depreciation of property, plant and equipment	物業、廠房及設備折舊	40,501	22,792	—	15	63,308	—	63,308



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

6. SEGMENT INFORMATION (Continued)

The segment results for the six months ended 30 June 2011, segment assets and liabilities as at 31 December 2011 and other segment items for the six months ended 30 June 2011 are as follows:

6. 分部資料(續)

截至二零一一年六月三十日止六個月之分部業績、於二零一一年十二月三十一日之分部資產及負債，以及截至二零一一年六月三十日止六個月之其他分部項目如下：

		Micro motors business	Washing motors business	Raw material business	Corporate function	Continuing operations Total 持續經營 業務 總額	Discontinued operations	Group Total
		微電機 業務 HK\$'000 港幣千元	洗滌電機 業務 HK\$'000 港幣千元	原材料 業務 HK\$'000 港幣千元	總部 職能 HK\$'000 港幣千元	HK\$'000 港幣千元	終止經營 業務 HK\$'000 港幣千元	本集團 合計 HK\$'000 港幣千元
Gross segment revenue	總分部收入	4,427,015	1,665,564	2,037,522	—	8,130,101	426,413	8,556,514
Inter-segment revenue	分部間收入	(2,185)	(11,486)	(2,034,465)	—	(2,048,136)	(111)	(2,048,247)
Revenue (from external customers)	收入(來自外來客戶)	4,424,830	1,654,078	3,057	—	6,081,965	426,302	6,508,267
Operating profit/(loss)	經營利潤/(虧損)	361,397	89,523	17,917	(2,630)	466,207	17,376	483,583
Finance income/(cost) — net	融資收入/(成本) — 淨額	3,627	1,924	(21,408)	(2,821)	(18,678)	132	(18,546)
Share of profit of associates	佔聯營公司利潤	—	—	—	19,963	19,963	—	19,963
Profit/(loss) before income tax	扣除所得稅前利潤/(虧損)	365,024	91,447	(3,491)	14,512	467,492	17,508	485,000
Income tax expense	所得稅開支	(54,116)	(16,810)	—	(17,854)	(88,780)	(5,063)	(93,843)
Profit/(loss) for the period	期間利潤/(虧損)	310,908	74,637	(3,491)	(3,342)	378,712	12,445	391,157
Segment assets	分部資產	3,585,801	1,949,028	305,503	28,915	5,869,247	—	5,869,247
Deferred income tax assets	遞延所得稅資產	—	—	—	—	38,853	—	38,853
Investments in associates	聯營公司投資	—	—	—	—	254,352	—	254,352
Total assets	總資產					6,162,452	—	6,162,452
Segment liabilities	分部負債	2,138,728	1,070,552	182,631	144,818	3,536,729	—	3,536,729
Deferred income tax liabilities	遞延所得稅負債	—	—	—	—	73,549	—	73,549
Total liabilities	總負債					3,610,278	—	3,610,278
Capital expenditure	資本開支	111,714	130,225	—	—	241,939	674	242,613
Material non-cash expenses	重大非現金開支							
Amortisation of leasehold land and land use rights	租賃土地及土地使用權攤銷	881	793	—	—	1,674	—	1,674
Depreciation of property, plant and equipment	物業、廠房及設備折舊	31,978	24,770	—	11	56,759	1,126	57,885

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

6. SEGMENT INFORMATION (Continued)

The Group is domiciled in the PRC. The Group's revenue from customers located in the PRC and outside the PRC are presented as follows:

		Micro motors business 微電機 業務 HK\$'000 港幣千元	Washing motors business 洗滌電機 業務 HK\$'000 港幣千元	Raw material business 原材料 業務 HK\$'000 港幣千元	Group Total 本集團 合計 HK\$'000 港幣千元
For the period ended 30 June 2012	截至二零一二年六月三十日止期間				
Revenue from customers in the PRC	來自中國境內客戶之收入	1,995,726	562,768	6,866	2,565,360
Revenue from customers outside the PRC	來自中國境外客戶之收入	601,854	901,607	—	1,503,461
		2,597,580	1,464,375	6,866	4,068,821

		Micro motors business 微電機 業務 HK\$'000 港幣千元	Washing motors business 洗滌電機 業務 HK\$'000 港幣千元	Raw material business 原材料 業務 HK\$'000 港幣千元	Continuing operations Total 持續經營 業務 總額 HK\$'000 港幣千元	Discontinued operations 終止經營 業務 HK\$'000 港幣千元	Group Total 本集團 合計 HK\$'000 港幣千元
For the period ended 30 June 2011	截至二零一一年六月三十日止期間						
Revenue from customers in the PRC	來自中國境內客戶之收入	3,894,873	978,336	3,057	4,876,266	404,364	5,280,630
Revenue from customers outside the PRC	來自中國境外客戶之收入	529,957	675,742	—	1,205,699	21,938	1,227,637
		4,424,830	1,654,078	3,057	6,081,965	426,302	6,508,267

No geographical segment analysis on non-current assets is prepared as substantially all of the Group's assets were located in the PRC, except for financial instruments and deferred income tax assets.

Turnover represented revenue from customers and is the same as revenue in the condensed consolidated interim income statement.

Information about a major customer

Revenue of approximately HK\$458,813,000 (2011: HK\$1,278,597,000) is derived from a single customer, which is a related party, contributed to the revenue of the operating segment of micro motors business.

6. 分部資料(續)

本集團駐於中國。本集團來自中國境內及境外之客戶之收入，呈列如下：

由於惟金融及遞延所得稅資產外，本集團絕大部份資產皆位於中國，故並無編製非流動資產之地區分部分析。

營業額指來自客戶的收入，與簡明綜合中期收益表的「收入」相同。

有關一名主要客戶之資料

收入中約港幣458,813,000元(二零一一年：港幣1,278,597,000元)來自一名客戶(為關聯方)，列入微電機業務的營運分部的收入。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)
簡明綜合中期財務資料附註(續)

7. OTHER GAINS/(LOSSES) — NET

7. 其他收益／(虧損) — 淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Government grants	政府補貼	3,297	3,653
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	(2,259)	(2,252)
Penalty income	罰款收入	2,046	1,642
Derivative financial instruments:	衍生金融工具：		
— fair value gain on commodity future contracts not qualified for hedge accounting: not settled	— 不符合資格作對沖會計處理之商品期貨合約公平值收益：未結算	1,510	517
— fair value gain on commodity future contracts not qualified for hedge accounting: settled	— 不符合資格作對沖會計處理之商品期貨合約公平值收益：已結算	11,907	2,865
— fair value gain on foreign exchange forward contracts not qualified for hedge accounting: not settled	— 不符合資格作對沖會計處理之遠期外匯合約公平值收益：未結算	5,549	521
— fair value gain/(loss) on foreign exchange forward contracts not qualified for hedge accounting: settled	— 不符合資格作對沖會計處理之遠期外匯合約公平值收益／(虧損)：已結算	6,917	(5,973)
Dividend income from available-for-sale financial assets	可供出售金融資產股息收入	2,555	—
Exchange loss	匯兌虧損	(9,544)	(2,108)
Others	其他	(99)	376
		21,879	(759)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

8. EXPENSES BY NATURE

Expenses included in cost of goods sold, selling and marketing costs and administrative expenses are analysed as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Depreciation	折舊	63,308	56,759
Amortisation of intangible assets	無形資產攤銷	1,543	—
Amortisation of leasehold land and land use rights	租賃土地及土地使用權攤銷	2,224	1,674
Employee benefit expenses	僱員福利開支	362,632	400,384
Operating lease rental for land and buildings	土地及樓宇經營租賃租金	5,297	5,599

8. 按性質分類之開支

包括在銷售貨品成本、銷售及市場推廣成本及行政開支的開支分析如下：

9. FINANCE COSTS — NET

		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Interest expense	利息開支	(7,283)	(26,453)
Exchange (loss)/gain — net	匯兌(虧損)/收益 — 淨額	(3,708)	4,533
Finance cost	融資成本	(10,991)	(21,920)
Finance income — interest income on bank deposit	融資收入 — 銀行存款之利息收入	2,762	3,242
Net finance cost	融資成本淨額	(8,229)	(18,678)

9. 融資成本 — 淨額

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

10. INCOME TAX EXPENSE

(i) Macao and British Virgin Islands profits tax

The Group has not been subject to any taxation in these jurisdictions for both periods.

(ii) Hong Kong profits tax

No Hong Kong profits tax has been provided as the Group did not have any assessable profit in Hong Kong for both periods.

(iii) PRC corporate income tax

PRC corporate income tax is provided for on 25% of the profits for the PRC statutory financial reporting purpose, adjusted for those items, which are not assessable or deductible for the PRC corporate income tax purpose, except for certain subsidiaries which were entitled to different preferential tax rate of 15% during both periods.

10. 所得稅開支

(i) 澳門及英屬處女群島利得稅

本集團於該兩個期間毋須支付此等司法管轄區的任何稅項。

(ii) 香港利得稅

由於本集團於該兩個期間並無在香港賺取應課稅盈利，因此並無作出香港利得稅撥備。

(iii) 中國企業所得稅

除若干附屬公司於該兩個期間內可享有15%不同程度的優惠稅率外，中國企業所得稅乃按中國法定財務呈報利潤之25%計算，並在對不可就中國企業所得稅目的課稅或扣減之該等項目作出調整後予以撥備。

Six months ended 30 June 截至六月三十日止六個月

		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Current income tax	即期稅項		
— PRC corporate income tax	— 中國企業所得稅	54,381	70,492
Deferred income tax	遞延所得稅	27,713	18,288
		82,094	88,780

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

11. EARNINGS PER SHARE

The weighted average number of ordinary shares for the purposes of calculating the basic and diluted earnings per share for the period ended 30 June 2011 has been retrospectively adjusted for the effect of share consolidation completed on 27 May 2011 (note 16(i)).

(a) Basic

Basic earnings per share are calculated by dividing the profit for the period by the weighted average number of ordinary shares in issue during the period.

11. 每股盈利

用作計算截至二零一一年六月三十日止期間每股基本及攤薄盈利之普通股加權平均數已追溯調整，以反映於二零一一年五月二十七日完成股份合併的影響(附註16(i))。

(a) 基本

每股基本盈利乃按期間利潤除以期內已發行普通股之加權平均數計算。

		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年	2011 二零一一年
Continuing operations	持續經營業務		
Profit for the period from continuing operations attributable to the owners of the Company (HK\$'000)	本公司擁有人應佔持續經營業務期間利潤(港幣千元)	349,411	378,712
Weighted average number of ordinary shares for the purposes of basic earnings per share ('000 shares)	就計算每股基本盈利之普通股加權平均數(千股)	2,821,613	2,818,113
Basic earnings per share (HK cents)	每股基本盈利(港仙)	12.38	13.44

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)
簡明綜合中期財務資料附註(續)

11. EARNINGS PER SHARE (Continued)

11. 每股盈利(續)

(a) Basic (Continued)

(a) 基本(續)

		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年	2011 二零一一年
Discontinued operations	終止經營業務		
Profit for the period from discontinued operations attributable to the owners of the Company (HK\$'000)	本公司擁有人應佔終止經營業務期間利潤(港幣千元)	—	12,445
Weighted average number of ordinary shares for the purposes of basic earnings per share ('000 shares)	就計算每股基本盈利之普通股加權平均數(千股)	—	2,818,113
Basic earnings per share (HK cents)	每股基本盈利(港仙)	—	0.44
Profit for the period attributable to the owners of the Company (HK\$'000)	本公司擁有人應佔期間利潤(港幣千元)	349,411	391,157
Weighted average number of ordinary shares for the purposes of basic earnings per share ('000 shares)	就計算每股基本盈利之普通股加權平均數(千股)	2,821,613	2,818,113
Basic earnings per share (HK cents)	每股基本盈利(港仙)	12.38	13.88

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

11. EARNINGS PER SHARE (Continued)

(b) Diluted

For the six months ended 30 June 2012 and 2011, diluted earnings per share were calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The dilutive potential ordinary shares of the Company are performance-based share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

11. 每股盈利(續)

(b) 攤薄

截至二零一二年及二零一一年六月三十日止六個月，每股攤薄盈利乃透過對已發行普通股之加權平均數作出調整而計算，並假設轉換所有潛在攤薄普通股。本公司之潛在攤薄普通股為以表現掛鈎之購股權。就購股權而言，已作出按附設於尚未行使購股權之認購權利貨幣值以釐定應可按公平值(以本公司股份平均年度市場股價釐定)收購之股份數目之計算。上文計算之股份數目與假設購股權獲行使而已發行之股份數目已作出比較。

		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年	2011 二零一一年
Continuing operations	持續經營業務		
Profit for the period from continuing operations attributable to the owners of the Company (HK\$'000)	本公司擁有人應佔持續經營業務期間利潤(港幣千元)	349,411	378,712
Weighted average number of ordinary shares for the purposes of basic earnings per share ('000 shares)	就計算每股基本盈利之普通股加權平均數(千股)	2,821,613	2,818,113
Adjustments for share options ('000 shares)	對購股權作出之調整(千股)	15,022	44,250
		2,836,635	2,862,363
Diluted earnings per share (HK cents)	每股攤薄盈利(港仙)	12.32	13.23

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

11. EARNINGS PER SHARE (Continued)

11. 每股盈利(續)

(b) Diluted (Continued)

(b) 攤薄(續)

		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年	2011 二零一一年
Discontinued operations	終止經營業務		
Profit for the period from discontinued operations attributable to the owners of the Company (HK\$'000)	本公司擁有人應佔終止經營業務期間利潤(港幣千元)	—	12,445
Weighted average number of ordinary shares for the purposes of basic earnings per share ('000 shares)	就計算每股基本盈利之普通股加權平均數(千股)	—	2,818,113
Adjustments for share options ('000 shares)	對購股權作出之調整(千股)	—	44,250
		—	2,862,363
Diluted earnings per share (HK cents)	每股攤薄盈利(港仙)	—	0.43
Profit for the period attributable to the owners of the Company (HK\$'000)	本公司擁有人應佔期間利潤(港幣千元)	349,411	391,157
Weighted average number of ordinary shares for the purposes of basic earnings per share ('000 shares)	就計算每股基本盈利之普通股加權平均數(千股)	2,821,613	2,818,113
Adjustments for share options ('000 shares)	對購股權作出之調整(千股)	15,022	44,250
		2,836,635	2,862,363
Diluted earnings per share (HK cents)	每股攤薄盈利(港仙)	12.32	13.66

12. DIVIDENDS

A 2011 final dividend of HK4 cents (2010 final: HK0.8 cent per ordinary share before five-to-one share consolidation), totaling approximately HK\$112,865,000 has been declared in the Company's Annual General Meeting on 31 May 2012 and was paid to the owners of the Company on 15 June 2012.

12. 股息

本公司於二零一二年五月三十一日舉行的股東週年大會上宣派二零一一年末期股息每股普通股4港仙(二零一零年末期:每股普通股0.8港仙,按五合一股份合併前計),合共約港幣112,865,000元已於二零一二年六月十五日向本公司擁有人派付。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

12. DIVIDENDS (Continued)

The Directors have resolved not to declare an interim dividend in respect of the six months ended 30 June 2012 (2011: Nil).

12. 股息(續)

董事議決不宣派截至二零一二年六月三十日止六個月之中期股息(二零一一年:無)。

13. CAPITAL EXPENDITURE

13. 資本開支

		Leasehold land and land use rights 租賃土地及 土地使用權 HK\$'000 港幣千元	Property, plant and equipment 物業、廠房 及設備 HK\$'000 港幣千元
Opening net book amount as at 1 January 2011	於二零一一年一月一日之 期初賬面淨值	125,509	883,435
Additions	添置	31,194	211,419
Disposals	出售	—	(39,225)
Disposal — discontinued operations	出售終止經營業務	—	(23,751)
Amortisation/depreciation charges	攤銷/折舊開支	(1,674)	(57,885)
Exchange difference	匯兌差異	3,171	19,676
Closing net book amount as at 30 June 2011	於二零一一年六月三十日之 期末賬面淨值	158,200	993,669
Opening net book amount as at 1 January 2012	於二零一二年一月一日之 期初賬面淨值	171,367	1,137,570
Additions	添置	51,242	84,654
Disposals	出售	—	(11,652)
Amortisation/depreciation charges	攤銷/折舊開支	(2,224)	(63,308)
Exchange difference	匯兌差異	(1,103)	(6,067)
Closing net book amount as at 30 June 2012	於二零一二年六月三十日之 期末賬面淨值	219,282	1,141,197

Certain of the property of the Group with net book value of approximately HK\$41,578,000 (31 December 2011: approximately HK\$43,253,000) and leasehold land and land use rights with net book value of approximately HK\$45,274,000 (31 December 2011: approximately HK\$46,102,000) have been pledged as security for the Group's banking facilities .

本集團之銀行授信以本集團賬面淨值約港幣41,578,000元(二零一一年十二月三十一日:約港幣43,253,000元)之若干物業以及賬面淨值約港幣45,274,000元(二零一一年十二月三十一日:約港幣46,102,000元)之租賃土地及土地使用權作為抵押。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)
簡明綜合中期財務資料附註(續)

14. INVENTORIES

14. 存貨

		As at 於	
		30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
Raw materials	原材料	191,832	187,835
Work-in-progress	在製品	33,534	40,862
Finished goods	製成品	326,900	384,354
		552,266	613,051

15. TRADE AND OTHER RECEIVABLES

15. 貿易及其他應收款

		As at 於	
		30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
Trade receivables (Note (a))	貿易應收款(附註(a))	1,409,446	1,022,211
Less: provision for impairment	減: 減值撥備	(20,496)	(35,162)
Trade receivables — net	貿易應收款 — 淨額	1,388,950	987,049
Notes receivable (Note (a))	應收票據(附註(a))	565,916	345,442
Prepayments	預付款	127,066	133,875
Other receivables	其他應收款	100,971	146,712
Less: provision for impairment of other receivables	減: 其他應收款減值撥備	(104)	(104)
Prepaid value-added tax — net	預付增值稅 — 淨額	78,695	34,121
		2,261,494	1,647,095
Less: non-current portion	減: 非即期部分		
Prepayment for property, plant and equipment	預付物業、廠房及設備款項	(4,812)	(11,981)
		2,256,682	1,635,114

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

15. TRADE AND OTHER RECEIVABLES (Continued) 15. 貿易及其他應收款(續)

(a) The majority of the Group's trade receivables are with credit period from 60 to 150 days. The ageing analysis of the gross trade receivables and notes receivable of the Group are as follows:

(a) 本集團大部份貿易應收款之信貸期介乎60日至150日。本集團貿易應收款及應收票據總額之賬齡分析如下：

		As at 於	
		30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
Gross trade receivables:	貿易應收款總額：		
Within 3 months	三個月以內	1,210,467	872,258
3 to 6 months	三至六個月	192,034	140,659
Over 6 months	六個月以上	6,945	9,294
		1,409,446	1,022,211

		As at 於	
		30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
Notes receivable:	應收票據：		
Within 3 months	三個月以內	332,636	98,157
3 to 6 months	三至六個月	233,280	247,285
		565,916	345,442

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

16. SHARE CAPITAL

16. 股本

		Authorised Ordinary shares 法定股本之普通股	
		Number of shares ('000) 股份數目(千股)	HK\$'000 港幣千元
At 1 January 2011, at HK\$0.1 each	於二零一一年一月一日每股面值 港幣0.1元	20,000,000	2,000,000
Share consolidation (i)	股份合併(i)	(16,000,000)	—
At 30 June 2011, 31 December 2011 and 30 June 2012, at HK\$0.5 each	於二零一一年六月三十日、二零一一年 十二月三十一日及二零一二年 六月三十日每股面值港幣0.5元	4,000,000	2,000,000
		Issued and fully paid Ordinary shares 已發行及繳足股本之普通股	
		Number of shares ('000) 股份數目(千股)	HK\$'000 港幣千元
At 1 January 2011, at HK\$0.1 each	於二零一一年一月一日每股面值 港幣0.1元	14,090,564	1,409,056
Share consolidation (i)	股份合併(i)	(11,272,451)	—
At 30 June 2011, at HK\$0.5 each	於二零一一年六月三十日每股面值 港幣0.5元	2,818,113	1,409,056
Shares issued under the employee share option scheme (ii)	僱員購股權計劃發行 之股份(ii)	3,500	1,750
At 31 December 2011, 1 January 2012 and 30 June 2012, at HK\$0.5 each	於二零一一年十二月三十一日、 二零一二年一月一日及二零一二年 六月三十日每股面值港幣0.5元	2,821,613	1,410,806

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

16. SHARE CAPITAL (Continued)

- (i) Pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 26 May 2011, every five issued and unissued shares of HK\$0.1 each in the capital of the Company were consolidated into one share of HK\$0.5 each and the share consolidation became effective on 27 May 2011. The weighted average number of ordinary shares for the purposes of calculating the basic and diluted earnings per share for the period ended 30 June 2011 has been retrospectively adjusted for the effect of share consolidation completed on 27 May 2011.
- (ii) The share options exercised by a Director of the Company and an employee of the Group for the year ended 31 December 2011, resulted in 3,500,000 shares being issued at HK\$0.785 per share, yielding proceeds after transaction costs of approximately HK\$2,714,000. The weighted average closing price of shares of the Company at the time of exercise of share options was HK\$1.23.

16. 股本(續)

- (i) 根據二零一一年五月二十六日通過的本公司股東特別大會普通決議案，每五股每股面值港幣0.1元的本公司股本中已發行及未發行股份合併為一股每股面值港幣0.5元的本公司股份，股份合併於二零一一年五月二十七日生效。用作計算截至二零一一年六月三十日止期間每股基本及攤薄盈利之普通股加權平均數已追溯調整，以反映於二零一一年五月二十七日完成股份合併的影響。
- (ii) 截止二零一一年十二月三十一日止年度，本公司一名董事及本集團一名僱員行使購股權，導致總數3,500,000股股份以每股港幣0.785元的價格發行，扣除交易費後的所得款項約為港幣2,714,000元。購股權獲行使時，本公司股份的加權平均收市價為港幣1.23元。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

17. OTHER RESERVES

17. 其他儲備

		Share premium	Statutory reserve fund	General reserve fund	Enterprise expansion fund	Share option reserve	Available-for-sale revaluation reserve	Exchange reserve	Merger reserve	Total
		股份溢價	法定儲備基金	一般儲備基金	企業發展基金	購股權儲備	可供出售重估儲備	匯兌儲備	合併儲備	合計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
			Note (a) 附註(a)	Note (a) 附註(a)	Note (a) 附註(a)				Note (b) 附註(b)	
Balance at 1 January 2011	於二零一一年一月一日之結餘	3,522,431	2,851	104,329	95,176	23,688	—	59,147	(3,223,623)	583,999
Employee share option scheme	僱員購股權計劃	—	—	—	—	1,211	—	—	—	1,211
— value of services provided	— 所提供服務之價值	—	—	—	—	—	—	—	—	—
Currency translation differences	貨幣匯兌差異	—	—	—	—	—	—	46,556	—	46,556
Transfer to statutory reserve	轉撥至法定儲備	—	—	6,582	6,582	—	—	—	—	13,164
Consideration paid for merger of a subsidiary under common control	合併共同控制下之附屬公司已付代價	—	—	—	—	—	—	—	(88,694)	(88,694)
Deemed contribution from ultimate holding company arising from its acquisition of non-controlling interests	最終控股公司收購非控股權益所產生的視作貢獻	—	—	—	—	—	—	—	54,304	54,304
Balance at 30 June 2011	於二零一一年六月三十日之結餘	3,522,431	2,851	110,911	101,758	24,899	—	105,703	(3,258,013)	610,540
Balance at 1 January 2012	於二零一二年一月一日之結餘	3,523,395	3,153	123,126	113,973	26,187	4,694	163,606	(3,258,013)	700,121
Employee share option scheme	僱員購股權計劃	—	—	—	—	914	—	—	—	914
— value of services provided	— 所提供服務之價值	—	—	—	—	—	—	—	—	—
Currency translation differences	貨幣匯兌差異	—	—	—	—	—	—	(14,421)	—	(14,421)
Balance at 30 June 2012	於二零一二年六月三十日之結餘	3,523,395	3,153	123,126	113,973	27,101	4,694	149,185	(3,258,013)	686,614

(a) The Company's PRC subsidiaries are required to follow the laws and regulations of the PRC and their articles of association. These subsidiaries are required to provide for certain statutory funds, namely, general reserve fund and enterprise expansion fund, which are appropriated from net profit after taxation but before dividend distribution based on the local statutory accounts prepared in accordance with the accounting principles and relevant financial regulations applicable to enterprises established in the PRC. These PRC subsidiaries are required to allocate at least 10% of its net profit to the reserve fund until the balance of such fund has reached 50% of its registered capital. Such appropriations are determined at the discretion of the directors. The general reserve fund can only be used, upon approval by the relevant authority, to offset accumulated deficit or increase capital.

(a) 本公司在中國之附屬公司須遵守中國法律及法規，以及彼等之組織章程細則。該等附屬公司須提供若干法定基金，分別為一般儲備基金及企業發展基金，均自除稅後但未計股息分派之純利中提取。該純利根據按中國內地企業適用之會計原則及相關財務法規而編製之國內法定賬目計算。此等中國附屬公司須將其純利最少10%分配至儲備基金，直至該儲備基金結餘達至其註冊資本之50%為止。此等撥款由董事酌情釐定。一般儲備基金僅在有關當局批准後始可用作抵銷累計虧損或增加資本。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

17. OTHER RESERVES (Continued)

- (b) Merger reserve represents the difference between the consideration paid for the acquisition under common control, and the aggregate nominal value of share capital/paid-up capital of the subsidiaries comprising the Group contributed by the owners of the Company.

17. 其他儲備(續)

- (b) 合併儲備指在共同控制下收購所付之代價與本公司擁有人注入本集團成員附屬公司之股本／繳足股本之面值總額之差額。

18. BORROWINGS

18. 借款

		As at 於	
		30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
Non-current	非即期		
Long-term bank borrowings, unsecured	長期銀行借款 — 無抵押	172,416	94,395
Current	即期		
Short-term bank borrowings, unsecured	短期銀行借款 — 無抵押	288,852	239,121
		461,268	333,516

The effective interest rates of the above floating rate borrowings at the end of the reporting period were 1.75% per annum (31 December 2011: 2.39% per annum).

於報告期間完結時，上述浮息借款之實際年利率為1.75% (二零一一年十二月三十一日：年利率2.39%)。



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

19. TRADE AND OTHER PAYABLES

19. 貿易及其他應付款

		As at 於	
		30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
Trade payables (Note (a))	貿易應付款(附註(a))	1,211,170	1,201,394
Notes payable (Notes (a) & (b))	應付票據(附註(a)及(b))	1,397,994	1,407,935
		2,609,164	2,609,329
Provision for staff welfare and bonus	員工福利及花紅撥備	74,263	145,087
Accruals	預提費用	13,538	41,682
Advances from customers	預收客戶賬款	25,336	12,584
Others	其他	132,578	203,371
		2,854,879	3,012,053

(a) The ageing analysis of the trade payables and notes payable of the Group are as follows:

(a) 本集團貿易應付款及應付票據之賬齡分析如下:

		As at 於	
		30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
Within 3 months	三個月以內	1,900,536	1,540,416
3 to 6 months	三至六個月	672,080	1,051,116
Over 6 months	六個月以上	36,548	17,797
		2,609,164	2,609,329

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

19. TRADE AND OTHER PAYABLES (Continued)

- (b) The balance represents non-interest bearing bank acceptance notes issued by the Group with maturity periods of less than six months. As at 30 June 2012, certain notes payable were pledged by bank deposits of approximately HK\$172,403,000 (31 December 2011: approximately HK\$192,887,000).

20. CONTINGENT LIABILITIES

As at 30 June 2012 and 31 December 2011, the Group and the Company did not have any material contingent liabilities.

21. COMMITMENTS

(a) Capital commitments

		As at 於	
		30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
Contracted but not provided for — purchase of property, plant and equipment	已訂約但未撥備 — 購置物業、廠房及 設備	82,025	89,776

19. 貿易及其他應付款(續)

- (b) 有關結餘為本集團發出不計息銀行承兌票據，到期期限少於六個月。於二零一二年六月三十日，若干應付票據以銀行存款約港幣172,403,000元(二零一一年十二月三十一日：約港幣192,887,000元)作為抵押。

20. 或然負債

於二零一二年六月三十日及二零一一年十二月三十一日，本集團及本公司並無任何重大之或然負債。

21. 承擔

(a) 資本承擔

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

21. COMMITMENTS (Continued)

(b) Operating lease commitments

The future aggregate minimum lease payments of the Group under non-cancellable operating leases are as follows:

		As at 於	
		30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
Not later than one year	不超過一年	9,608	8,176
Later than one year and not later than five years	超過一年但不超過五年	16,593	19,626
		26,201	27,802

22. DISCONTINUED OPERATIONS

On 15 April 2011, Foshan Welling Electronic and Electric Co., Ltd. ("Welling Electronic and Electric", an indirect wholly-owned subsidiary of the Company) as the vendor and Guangdong Midea Microwave Electrical Appliances Manufacturing Co., Ltd. ("Midea Microwave", a fellow subsidiary of Midea Group Co., Ltd.) as the purchaser entered into the Assets Transfer Agreement, pursuant to which Welling Electronic and Electric agreed to dispose of certain machinery equipment and moulds, testing equipment and office equipment (the "Assets") owned by Welling Electronic and Electric to Midea Microwave at a cash consideration of RMB22,078,100 (equivalent to approximately HK\$26,208,000) ("Disposal").

Upon completion of the Disposal, the Company disposed of the Assets used for the business of transformer and shaded pole motor of Welling Electronic and Electric and ceased the relevant business. Accordingly, the consolidated results for the business of transformer and shaded pole motor are presented as discontinued operations in the condensed consolidated financial statements. Profit from discontinued operations of HK\$12,445,000 was recorded for the six months ended 30 June 2011.

21. 承擔(續)

(b) 經營租賃承擔

本集團根據不可撤銷之經營租賃而於未來應付之最低租賃款項總額如下：

22. 終止經營業務

於二零一一年四月十五日，佛山市威靈電子電器有限公司(「威靈電子電器」，為本公司間接全資附屬公司)(以賣方身份)與廣東美的微波電器製造有限公司(「美的微波」，為美的集團有限公司同系附屬公司)(以買方身份)訂立資產轉讓協議，據此，威靈電子電器同意向美的微波出售威靈電子電器擁有的若干機器設備及模具、檢測設備及辦公室設備(「資產」)，現金代價為人民幣22,078,100元(相當於約港幣26,208,000元)(「出售」)。

出售完成後，本公司出售威靈電子電器的變壓器和罩極電機業務相關的資產，並終止有關業務。因此，變壓器和罩極電機業務的綜合業績於簡明綜合財務報表內呈列為終止經營業務。截至二零一一年六月三十日止六個月錄得的終止經營業務之利潤為港幣12,445,000元。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

23. RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries have been eliminated on consolidation. Transactions between the Group and other related parties during the period are summarised below:

(a) Transactions with related parties

The following transactions were carried out with related parties in accordance with the terms mutually agreed by the respective parties:

23. 關聯方交易

本公司與其附屬公司間之交易已於綜合賬目內對銷。本集團與其他關聯方於期內之交易概述如下：

(a) 與關聯方之交易

以下與關聯方之交易根據各自共同同意的條款進行：

		Six months ended 30 June 六月三十日止六個月	
		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Sales to related parties:			
	向關聯方銷售：		
— Controlled by the ultimate holding company	— 由最終控股公司控制	1,333,500	3,593,038
— Controlled by a substantial shareholder of the ultimate holding company	— 由最終控股公司之主要股東控制	6,495	397,148
		1,339,995	3,990,186
Purchase from related parties:			
	向關聯方採購：		
— Controlled by the ultimate holding company	— 由最終控股公司控制	118,637	4,998
— Controlled by a substantial shareholder of the ultimate holding company	— 由最終控股公司之主要股東控制	81	125,169
— Controlled by a close family member of the ultimate holding company's substantial shareholder	— 由最終控股公司主要股東之近親控制	1,496	—
		120,214	130,167
Rental expenses paid to a related party:			
	向關聯方支付的租金開支：		
— Controlled by the ultimate holding company	— 由最終控股公司控制	1,661	1,992

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

23. RELATED PARTY TRANSACTIONS (Continued) 23. 關聯方交易(續)

(a) Transactions with related parties (Continued)

(a) 與關聯方之交易(續)

		Six months ended 30 June 六月三十日止六個月	
		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Interest income on deposits received from Midea Group Finance Co., Ltd. ("Finance Company"):	向自美的集團財務有限公司(「財務公司」)收取存款利息收入:		
— Controlled by the ultimate holding company	— 由最終控股公司控制	735	258
Interest expense for bills discounted paid to Finance Company:	向財務公司支付經貼現票據之利息開支:		
— Controlled by the ultimate holding company	— 由最終控股公司控制	1,206	4,836
Interest expense for loan paid to Finance Company:	向財務公司支付借貸利息開支:		
— Controlled by the ultimate holding company	— 由最終控股公司控制	2,258	—
Bank charges paid to Finance Company:	向財務公司支付銀行費用:		
— Controlled by the ultimate holding company	— 由最終控股公司控制	292	86
Consideration paid to a related party for the acquisition of a subsidiary:	向關聯方支付收購一家附屬公司的代價:		
— Controlled by the ultimate holding company	— 由最終控股公司控制	—	88,694
Consideration received from a related party for the disposal of property, plant and equipments:	向關聯方收取出售物業、廠房及設備的代價:		
— Controlled by a substantial shareholder of the ultimate holding company	— 由最終控股公司之主要股東控制	—	26,208

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)
簡明綜合中期財務資料附註(續)

23. RELATED PARTY TRANSACTIONS (Continued) 23. 關聯方交易(續)

(b) Key management compensation

(b) 主要管理人員酬金

		Six months ended 30 June 六月三十日止六個月	
		2012 二零一二年 HK\$'000 港幣千元	2011 二零一一年 HK\$'000 港幣千元
Salaries and other employee benefits	薪金及其他僱員福利	2,807	2,172
Share-based payments	以股份支付支出	611	789
		3,418	2,961

(c) Balances with related companies

(c) 與關聯公司之結餘

		As at 於	
		30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
(i) Due from related companies:	(i) 應收關聯公司款項：		
— Controlled by the ultimate holding company	— 由最終控股公司控制	979,443	1,063,490
— Controlled by a substantial shareholder of the ultimate holding company	— 由最終控股公司之主要股東控制	22,459	5,714
— Controlled by a close family member of the ultimate holding company's substantial shareholder	— 由最終控股公司主要股東之近親控制	623	1,154
		1,002,525	1,070,358

As at 30 June 2012, the amount due from related companies including notes receivable of approximately HK\$463,181,000 (31 December 2011: approximately HK\$464,442,000).

於二零一二年六月三十日，應收關聯公司款項包括應收票據約港幣463,181,000元(二零一一年十二月三十一日：約港幣464,442,000元)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

23. RELATED PARTY TRANSACTIONS (Continued) 23. 關聯方交易(續)

(c) Balances with related companies (Continued)

(c) 與關聯公司之結餘(續)

		As at 於	
		30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
(ii) Due to related companies:	(ii) 應付關聯公司款項:		
— Controlled by the ultimate holding company	— 由最終控股公司控制	276,015	123,158
— Controlled by a substantial shareholder of the ultimate holding company	— 由最終控股公司之主要股東控制	18,693	4,045
— Controlled by a close family member of the ultimate holding company's substantial shareholder	— 由最終控股公司主要股東之近親控制	3,950	3,173
		298,658	130,376

As at 30 June 2012, the amount due to related companies including notes payable of approximately HK\$61,089,000 (31 December 2011: approximately HK\$27,778,000).

於二零一二年六月三十日，應付關聯公司款項包括應付票據約港幣61,089,000元(二零一一年十二月三十一日：約港幣27,778,000元)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued) 簡明綜合中期財務資料附註(續)

23. RELATED PARTY TRANSACTIONS (Continued)

(c) Balances with related companies (Continued)

The balances due from/to related companies are denominated in RMB, unsecured, interest free and are repayable on demand. No balance due from related companies is past due or impaired.

23. 關聯方交易(續)

(c) 與關聯公司之結餘(續)

應收／應付關聯公司結餘以人民幣列值，並為無抵押、免息且須於要求時償還。概無應收關聯公司結餘逾期或減值。

		As at 於	
		30 June 2012 二零一二年 六月三十日 HK\$'000 港幣千元	31 December 2011 二零一一年 十二月三十一日 HK\$'000 港幣千元
(iii) Short-term deposits in the Finance Company: — Controlled by the ultimate holding company	(iii) 存於財務公司之短期存款： — 由最終控股公司控制	209,493	233,784

24. ULTIMATE HOLDING COMPANY

The Directors regard Midea Group Co., Ltd., a company incorporated in the PRC, as the ultimate holding company.

24. 最終控股公司

董事視美的集團有限公司(於中國註冊成立之公司)為最終控股公司。



INTERIM DIVIDEND

The Board of Directors of the Company (the "Board") has resolved not to declare an interim dividend in respect of the six months ended 30 June 2012 (2011: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group's profit attributable to the owners of the Company and earnings per share for the six months ended 30 June 2012 amounted to approximately HK\$349,411,000 (2011: approximately HK\$391,157,000) and HK12.38 cents (2011: HK13.88 cents) respectively. Decline in profit by 10.7% as compared to the same period last year was mainly attributable to the decrease in overall sales volume of our motor products for electrical household appliances which were affected by weak demand in electrical household appliances in the first half of the year. During the reporting period, gross profit margin of our products was improved by implementing effective cost control measures, accelerating expansion of overseas quality corporate clients as well as actively shifting sales mix of our products which partially offset the Group's profit drop.

The Group's turnover from continuing operations for the six months ended 30 June 2012 amounted to approximately HK\$4,068,821,000 (2011: approximately HK\$6,081,965,000), representing a decrease of approximately 33.1% as compared to the same period last year. The Group's gross profit margin was approximately 14.6% (2011: 11.7%). Increase in gross profit margin was primarily due to the improvement achieved for our product mix adjustment and customer structure optimization as well as the continuous decrease in prices of raw materials since the beginning of the year. Under a severe market environment, we kept on adjusting our strategies adopted for the domestic and export sales and expanding the development of overseas markets. In addition, contribution to gross profit from our high-value-added strategic products was increasing. We observed the gradual positive effects of these strategies after they have been employed over a period of time. It made an increase in our overall profit margin. Net asset value per share of the Group as at 30 June 2012 was HK96 cents (30 June 2011: 79 cents).

中期股息

本公司董事會(「董事會」)議決不宣派截至二零一二年六月三十日止六個月之中期股息(二零一一年：無)。

管理層討論與分析

業務回顧

截至二零一二年六月三十日止六個月，本公司擁有人應佔本集團利潤約港幣349,411,000元(二零一一年：約港幣391,157,000元)，及每股盈利為12.38港仙(二零一一年：13.88港仙)，利潤下降10.7%，主要受家電產品上半年市場需求下跌導致家電電機產品整體銷量相應下降所影響；報告期內，本公司已通過採取一系列控制成本的有效措施，及加快推進海外優質大客戶的拓展，並積極調整產品銷售結構，提升產品的毛利率，使集團的利潤下滑幅度得以減低。

於截至二零一二年六月三十日止六個月，本集團持續經營業務營業額為約港幣4,068,821,000元(二零一一年：約港幣6,081,965,000元)，同比下降約33.1%，本集團的毛利率為約14.6%(二零一一年：11.7%)。毛利率提升主要受惠產品結構和客戶結構的改善以及年初以來原材料價格持續下降，面對惡劣的市場環境，本公司持續調整內外銷策略，加大了外銷市場的拓展，以及高附加值戰略產品的毛利貢獻逐步加大，該等策略實施了一段時間後漸見成效，使整體產品毛利率得以提升。於二零一二年六月三十日，本集團之每股資產淨值為96港仙(二零一一年六月三十日：79港仙)。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

Analysis of Major Business Operations

主要業務經營情況分析

Since the second half of 2011, momentous growth in electrical household appliances industry over the last two years could not be sustained due to the termination or conclusion of certain national policies for stimulating domestic consumption, and the entire industry was facing the threat of inventory pile-up and stagnant domestic demand. Meanwhile, China's property market remained deadlocked as influenced by the macroeconomic control policies in China. A combination of these adverse factors and the last year's high-base comparative figures, the sales in principal products of electrical household appliances decreased in the first half of the year. As a result, the manufacturing industry of intermediate component products, such as motors and components, for electrical household appliances has been hit hard by an apparent decrease in demand for those products. In the first half of the year, the industry was in a stage of clearing inventory, major manufacturers have curbed their enthusiasm in boosting production, resulting in a continuous drop in raw material prices due to low demand. Decline in products demand led to idle labour time and excessive production capacity. Shrinkage in production scale affected the earnings of manufacturers adversely. In particular, the rising labor cost was the fatal flaw in business development for these enterprises.

自二零一一年下半年以來，受部分刺激內需的國策逐步退出或完結所影響，家電行業過往兩年持續取得的高增長的情況難以持續，整體庫存居高不下，內需增長乏力，國內房地產行業在宏觀調控政策的持續作用下處於低迷狀態，這一系列負面因素導致主要家電產品的銷售額相較去年高基數的基礎下呈現下滑，因此對應家電電機及配件等相關中間產品的需求也明顯下降，行業受到嚴重的衝擊。今年上半年，行業整體繼續處於清庫存階段，各主流廠商生產積極性減弱，原材料價格受此影響逐步回落，但需求減少導致開工不足，整體產能過剩，規模下滑後造成企業盈利不佳，人工成本持續上升更是給企業發展帶來致命一擊。

Confronted with economic downturn, the PRC government has launched another new phase of policy in May this year to stimulate domestic demand with no lesser financial subsidies than before, in an effort to regain market confidence and to further explore spending potential. Nevertheless, the objective of the new phase of policy has shifted to upgrading the product structure from stimulating the growth in scale, and such policy was intended to subsidise energy-saving products. As such, a restoration of confidence among industry players has been translated into action for grasping opportunities in the market. They sped up the development of energy-efficient products, in particular those intermediate products with better prospect of development, such as direct current motors for air-conditioner, motors for energy-saving refrigerator compressor and direct current motors for washing machines. Therefore, the capacity expansion of the Group's direct current motors is scheduled to complete by the end of this year in order to fulfill the market demand for energy-efficient products under this new subsidy policy. It is expected that the benefits of such policy will be reflected in our results for the second half of this year and the next year.

面對如此低迷的市場狀況，為了重新提振市場信心，進一步激發消費潛力，於今年五月，中國政府新一輪刺激消費需求的政策正式出台，補貼力度較以前相比並未下降；不過，新的政策關注點聚焦在產品節能上，由以前更多注重刺激規模增長向注重產品結構升級方面轉變，受此政策影響，各廠商開始重拾信心，緊抓機遇，加快推進節能產品發展，對應中間產品如直流空調電機、節能冰箱壓縮機電機、直流洗衣機電機等產品將面臨較大的發展機遇，因此本集團爭取直流電機擴能可在年底完成以配合新一輪的節能補貼政策，而節能補貼政策發揮的利好作用可望在下半年和明年的業績上逐漸體現。



MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

1. Micro Motors Business

For the micro motors business, the Group recorded approximately 38,226,000 units of domestic sales and 8,308,000 units of export sales of micro motors for the six months ended 30 June 2012. The aggregate sales volume decreased by 24.5% as compared to the same period last year. The micro motors business recorded a turnover of HK\$2,597,580,000 for the first half of 2012, which represented a decrease of approximately 41.3% as compared to HK\$4,424,830,000 for the same period in 2011. Profit of the micro motors business for the first half of 2012 amounted to HK\$233,390,000, which was approximately 24.9% lower as compared to HK\$310,908,000 recorded for the same period in 2011. The decrease in profit, though, was substantially in line with the decrease in gross sales volume of motors; decrease in turnover was larger in terms of percentage due to raw material prices on downward trend in the first half of this year, resulting in reduction of motor products prices for the orders from our corporate clients, sales to which at prices pegged to raw material costs.

In the first half of 2012, the progress of strategic transformation in our micro motors business continued with a focus on quality enhancement in operations. For product mix adjustment, we have further expanded the development in commercial motors, direct current motors, motors for refrigerator compressor and servo motors so as to seize opportunities in future mainstream development of commercial sectors and opportunities when the market trend shifting from alternating current to direct current. In addition, we have expanded our production capacity, cultivated mainstream customer base and key geographical markets as well as accelerated the construction of production base for commercial motors in Changzhou. In the improvement of product quality, we have polished the establishment of our quality control system and consistently adopted a comprehensive quality management model for continuously elevating our ability in quality analysis and improvement to introduce product assurance effectively. For technological innovation and production advancement, we have increased our investments in new technologies and production techniques under our long-term development plan, with the support of the Shanghai R&D center, in particular, by accelerating the research and development of servo motors, motors for energy-saving refrigerator compressor and high-efficiency permanent magnet motors, expected targets, in general, have been achieved. In addition, we continued to adopt lean production process and

管理層討論與分析(續)

1. 微電機業務

截至二零一二年六月三十日止六個月，微電機業務內銷之電機銷量約為38,226,000台，出口之電機銷量約為8,308,000台，總銷量較去年同期下降24.5%。微電機業務於二零一二年上半年之營業額為港幣2,597,580,000元，比二零一一年同期之營業額為港幣4,424,830,000元，下降約41.3%。微電機業務於二零一二年上半年利潤約為港幣233,390,000元，比二零一一年同期之利潤為港幣310,908,000元，下降約為24.9%。利潤下降幅度與整體電機銷售量下降幅度相若，然而由於原材料價格於上半年持續下降，售價與大宗原材料價格掛鉤的大額客戶訂單的電機產品價格相應下調，因此營業額的下降幅度較大。

二零一二年上半年，微電機事業部繼續推進戰略轉型工作，注重提升經營質量。在產品結構調整方面，繼續加大商用電機、直流電機、冰箱壓縮機電機及伺服電機等產品的拓展力度，抓住未來商用領域主流發展機會以及交流向直流轉變的發展機遇，提升產能，深耕主流客戶群及重點區域市場，加快推進常州商用電機生產基地的建設進度；在產品質量方面，完善質量監控體系建設，貫徹全面質量管理模式，持續提升品質分析和改進的能力，有效落實品質保障要求；在技術創新、製造工藝革新方面，立足長遠發展規劃，加大新技術、新工藝的投入，尤其依託上海研發中心，本公司加快了伺服電機、節能冰箱壓縮機電機、永磁高效電機等產品研發，基本達到預期目標，持續推進精益生產，加快推進設備自動化、少人化系統工程，深度挖掘產品盈利潛力；在客戶結構及銷售模式

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

accelerate the implementation of equipment automation and less workforce system and deeply explore the earnings potential of our products. To optimize customer structure and sales pipelines, we began to clear off low-margin customers, strengthen cooperative relationship with mainstream corporate clients and speed up the expansion of overseas markets. Meanwhile, we further enhanced the support capability to our IT system of marketing management to elevate our informatization level. In connection with our organizational reforms, we have streamlined and optimized our organizational structure as required during the progress of strategic transformation. Department of lean and innovation has been set up, on the one hand to strengthen our capability in innovation to facilitate a rapid implementation of new projects on some new technologies and new production techniques, and on the other hand to complete the establishment of a lean organizational structure so as to accelerate our pace of lean production. We have also strategically recruited more professionals from all over the world who are specialized in quality control, technologies, manufacturing and production process respectively, in a bid to continuously strengthen our team and consolidate our team building with talent.

Our efforts over the first half of the year, to a certain extent, made an achievement in our transformation. Well-defined roadmap of our businesses has been drawn under our established development strategies. As our core competitive advantages in products were further realized, with our enhanced team building and ingenious organizational structure, a concrete foundation has been laid for our sustainable development.

2. *Washing Motors Business*

For the six months ended 30 June 2012, the Group recorded approximately 6,538,000 units of domestic sales and approximately 8,399,000 units of export sales for its washing motors. Total sales volume dropped by 7.2% as compared to the same period last year. The aggregate turnover of the washing motors business for the first half of 2012 decreased by approximately 11.5% to HK\$1,464,375,000 (HK\$1,654,078,000 for the same period in 2011). Profit of the washing motors business for the first half of 2012 amounted to HK\$128,463,000, increased by approximately 72.1% as compared to HK\$74,637,000 recorded for the same period in 2011. Such an increase was mainly due to the growth in export sales as well as the gradual increase in gross profit contribution

優化方面，全面清理低盈利客戶，強化與主流大客戶的合作關係，加快推進海外市場的拓展；同時提升營銷管理IT系統的支援能力，提升資訊化水平；在組織結構調整方面，順應戰略轉型要求，精簡、優化組織結構，成立精益革新部，一方面強化創新能力培育，促進新技術、新工藝等新項目的快速實施，另一方面完成精益組織體系的搭建，促進公司精益生產的快速推進；在人才引進方面，加強戰略人才引進力度，在全球範圍內引進品質、技術、製造、工藝等核心專業人才，持續優化員工隊伍，加強人才梯隊建設。

經過上半年的努力，公司轉型工作取得一定成效，在既定的發展戰略下，總體思路清晰，產品核心競爭力進一步提升，並且人才梯隊建設、創新體系建設均得到加強，為公司持續的發展奠定了良好的基礎。

2、*洗滌電機業務*

截至二零一二年六月三十日止六個月，洗滌電機業務內銷之電機銷量約為6,538,000台，出口之電機銷量約為8,399,000台，總銷量較去年同期下降7.2%。洗滌電機業務於二零一二年上半年之營業額為港幣1,464,375,000元，比二零一一年同期之營業額為港幣1,654,078,000元，下降約11.5%。洗滌電機業務於二零一二年上半年利潤約為港幣128,463,000元，比二零一一年同期之利潤為港幣74,637,000元，增加約



MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

from our high-value-added strategic products. Positive effects of these strategies were observed gradually after they were implemented over a period of time, leading to an increase in the overall profit margin.

In the first half of 2012, washing motors division continued to accelerate the progress of strategic transformation and strengthen the cultivation of its internal core capability. Since the proportion of our export sales increased, we could have recorded an increase in profit against the downturn in the entire industry. In the first half of the year, strong demand from overseas powered the export of washing machines to bottom out, making a steady growth in demand for motors. In view of this, we have modified our strategies for domestic and export sales of washing motors to accelerate overseas market expansion so as to consolidate our cooperation with mainstream washing machine manufacturers in overseas and establish a network with other manufacturers. Through resources integration, we enhanced investment in strategic products and gained a more rapid growth in some of these strategic products including dryer motors, direct current motors for washing machines and motors for vehicles etc. By adoption of lean production process, implementation of standard labor hours, investment in technological improvement, upgrading standard of equipment automation, launch of a streamlined system with less workforces, strengthening production process and logistics management as well as optimization of site management, our production efficiency has been improved significantly. In addition, we have formed a dual-direction strategy for human resources to recruit core professionals and technicians externally and nurture management staff internally through training and promotion. As a result, stable management together with reasonably diversified personnel are in place to support the rapid business development of the Group. At the beginning of the year, a Korean expert in manufacturing and two Korean experts in automation were introduced into the washing motor division with a view to raise the management standard of the product quality and manufacturing technology of its washing motors. Through the enhanced external exchange of learning on quality management with domestic and international leading enterprises, including Japan-based well-known companies, we are able to ensure product quality. In the first half of the year, the business of our washing motors outperformed the industry average and other market competitors to achieve a solid growth under the

為72.1%。主要由於加大了外銷市場的拓展，以及高附加值戰略產品的毛利貢獻逐步加大，該等策略實施了一段時間後漸見成效，使整體利潤得以提升。

二零一二年上半年，洗滌電機事業部繼續加快推進戰略轉型工作，強化內部核心能力培育，在行業整體低迷情況下，由於外銷比例增加，盈利逆勢呈現增長。上半年，海外市場需求強勁，洗衣機出口脫離低迷，電機需求維持穩定增長，洗滌電機調整內外銷策略，加快了外銷市場拓展，借此機會鞏固與海外主流洗衣機廠商的合作基礎，加快其他廠商佈局。通過資源聚焦，加大戰略產品投入，乾衣機電機、直流洗衣機電機、汽車電機等產品獲得較快增長。通過積極開展精益生產，推行標準工時，加強技改投入，提升設備自動化水平，推行少人化，精簡工序，強化工藝、物流佈局，完善現場管理，整體生產效率明顯改善。採取核心專業、技術人才外部引進、管理人才內部培養的雙向策略，人才基本能支撐企業業務迅速發展，管理人才穩定，人才梯隊搭配合理。在產品質量和製造技術方面，洗滌電機事業部在年初引進韓國製造專家一名，以及引進韓國自動化專家兩名以提升洗滌電機的製造技術和產品質量管理水平。通過加強外部交流學習，加強與國內外優勢企業(包括一些日本知名企業)開展品質交流，品質穩定。上半年，在正確的策略調整下，洗滌電機超出行業及競

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

properly modified strategies. On a solid foundation for sustainable expansion, the growth potential will be fully explored. Therefore, being driven by the new PRC government policies, subsequent growth would further be secured.

3. *Business of Associate*

Shanxi Huaxiang Group Co., Ltd. (“Shanxi Huaxiang”) has further defined its direction for transformation with a focus on enhancement of product capability. Foundation for developing compressor casting parts has been further solidified to intensively explore potentials, ensuring profit and constant cash flow for our operating development. Also, Shanxi Huaxiang has sped up its development of machine processing, integrated its internal resources with existing resources base for synergies. Planning in advance for developing other high-value-added casting parts has been conducted with expanded investments in our existing casting parts, such as high-speed rail parts, valve parts and vehicle parts, in an effort to increase market shares and optimize its product development.

In the first half of 2012, sales of casting product for compressor, one of Shanxi Huaxiang’s core products, dropped considerably as affected by the decrease in domestic demand for household air-conditioners, and sales volume of other casting products also saw a decline as a result of domestic and global economic downturn, leading to a period-to-period decrease in profit. Nevertheless, Shanxi Huaxiang has strengthened its internal control system by devoting efforts to the enhancement of fundamental management system of financial and human resources, and launched, among other things, projects on process intensification for production, in a bid to gradually transform and upgrade its production structure and model, shifting its business objective from the pursuit of scale and quantity to the enhancement of the strength in cost control and better product quality, and such move not only enabling potential exploitation and efficiency enhancement, but also quality improvement, so as to proactively respond to the risk of a slump in orders amid downturns of the engineering and machinery industry and the electrical household appliances industry.

For the six months ended 30 June 2012, the Group’s share of profit from Shanxi Huaxiang, an associate owned as to 49% by the Group, amounted to HK\$9,901,000 (2011: approximately HK\$19,963,000).

管理層討論與分析(續)

爭對手獲得有質量的增長，增長基礎穩定，具有可持續性，增長潛力得到充分挖掘，在新一輪政策刺激作用下，後續增長動力更加有保障。

3、聯營公司業務

山西華翔集團有限公司(「山西華翔」)進一步清晰轉型思路，以提升產品力為核心，繼續鞏固好壓縮機鑄件發展基礎，深挖潛能，確保盈利以及為公司經營發展提供持續現金流；加快推進機加工快速發展，積極開展內部資源整合及現有基地資源協同；提前謀劃佈局其他高附加值鑄件產品，目前已在高鐵件、管閥件、汽車件等鑄件產品領域加大投入，快速擴大市場份額，完善公司產品發展梯隊。

二零一二年上半年，山西華翔的其中一項主要產品壓縮機鑄件產品受國內家用空調市場需求減少所影響，銷售明顯下降，而其他的鑄件產品的銷量亦因國內外整體經濟低迷而下滑，令利潤同比錄得跌幅。然而，山西華翔通過重點提升財務及人力資源基礎管理體系，加強內控體系建設，啟動短流程工藝論證等項目，逐步轉變、升級生產組織模式，把對量的追求轉變為對提升成本控制力和品質的追求，不僅挖潛增效、而且提質增效，來積極應對工程機械、家電領域行業低迷帶來的訂單減少的風險。

於截至二零一二年六月三十日止六個月期間，本集團應佔49%股權的聯營公司山西華翔利潤為港幣9,901,000元(二零一一年：約港幣19,963,000元)。



MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

Financial Review

財務回顧

Liquidity and Financial Resources

流動資金及財務資源

The Group has maintained a healthy financial and liquidity position with a current ratio of 135% as at 30 June 2012 (31 December 2011: 128%). During the period ended 30 June 2012, given that the Group has maintained sufficient cash and cash equivalents, less notes receivable were discounted compared with previous period so as to save interest expense, resulted in an increase of notes receivable of HK\$220,474,000 for the period. As a result, the Group recorded net cash outflow from operating activities amounted to approximately HK\$31,788,000 (30 June 2011: net cash inflow of HK\$317,660,000). All notes receivable are issued and accepted by commercial banks which will be matured within 6 months and can be discounted upon request.

本集團之財政及流動資金狀況穩健，於二零一二年六月三十日之流動比率為135%（於二零一一年十二月三十一日：128%）。截至二零一二年六月三十日止期間，鑒於本集團維持充足的現金及現金等價物，因此較上期間少進行貼現應收票據，以節省利息開支，致令期內應收票據上升港幣220,474,000元。故此，本集團錄得經營活動現金流出淨額約港幣31,788,000元（二零一一年六月三十日：現金流入淨額港幣317,660,000元）。所有應收票據均由商業銀行發出及承兌，於六個月內到期，可應要求貼現。

As at 30 June 2012, the Group was in a net cash position of HK\$443,999,000 (31 December 2011: HK\$717,174,000), representing cash and cash equivalents and pledged bank deposits of approximately HK\$905,267,000 less total bank borrowings of approximately HK\$461,268,000 (comprising approximately HK\$288,852,000 would be due within one year and approximately HK\$172,416,000 would be due over one year).

於二零一二年六月三十日，集團處於淨現金狀態，淨現金盈餘為港幣443,999,000元（於二零一一年十二月三十一日：港幣717,174,000元），由現金及現金等價物及已抵押銀行存款約港幣905,267,000元減去總銀行借款約港幣461,268,000元（包括約港幣288,852,000元於一年內到期及約港幣172,416,000元於超過一年後到期）組成。

Financial Ratios

財務比率

The following are certain financial ratios of the Group as at the consolidated statement of financial position date:

下表載列於綜合財務狀況表日本集團的若干財務比率：

		30 June 2012 二零一二年 六月三十日	31 December 2011 二零一一年 十二月三十一日
Inventories turnover (Note 1)	存貨周轉期(附註1)	31 days日	50 days日
Trade receivables turnover (Note 2)	貿易應收賬周轉期(附註2)	79 days日	46 days日
Trade payables turnover (Note 3)	貿易應付賬周轉期(附註3)	72 days日	69 days日
Current ratio (Note 4)	流動比率(附註4)	1.35 times倍	1.28 times倍

Notes:

附註：

1. Inventories turnover is calculated based on the average of the opening inventories and closing inventories divided by the cost of goods sold for continuing operations of the period/year, and multiplied by the total number of days of the period/year.

1. 存貨周轉期是根據期／年初存貨與期／年終存貨平均數除以當期／年持續經營業務之銷售貨品成本，再乘以該期／年的總日數計算。



MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

- Trade receivables turnover is calculated based on the average of the opening and closing of trade receivables of third parties and related companies, divided by the turnover for continuing operations of the period/year, and multiplied by the total number of days of the period/year.
- Trade payables turnover is calculated based on the average of the opening and closing of trade payables of third parties and related companies, divided by the cost of goods sold for continuing operations of the period/year, and multiplied by the total number of days of the period/year.
- Current ratio is calculated based on the period-end/year-end current assets divided by the period-end/year-end current liabilities.

- 貿易應收賬周轉期是根據第三方及關聯公司期/年初應收賬與期/年終應收賬平均數除以當期/年持續經營業務之收入，再乘以該期/年的總日數計算。
- 貿易應付賬周轉期是根據第三方及關聯公司期/年初應付賬與期/年終應付賬平均數除以當期/年持續經營業務之銷售貨品成本，再乘以該期/年的總日數計算。
- 流動比率是根據期/年終的流動資產除以期/年終流動負債。

Pledge of Assets

As at 30 June 2012, the Group's banking facilities were secured by certain property with net book value of approximately HK\$41,578,000 (31 December 2011: approximately HK\$43,253,000) and certain leasehold land and land use rights with net book value of approximately HK\$45,274,000 (31 December 2011: approximately HK\$46,102,000) of the Group.

資產抵押

於二零一二年六月三十日，本集團的銀行授信以本集團賬面淨值約港幣41,578,000元(二零一一年十二月三十一日：約港幣43,253,000元)之若干物業及賬面淨值約港幣45,274,000元(二零一一年十二月三十一日：約港幣46,102,000元)之若干租賃土地及土地使用權作為抵押。

Contingent Liabilities

Save for the financial guarantees given by the Group as disclosed below, as at 30 June 2012, the Group did not have any material contingent liabilities.

或然負債

除下文披露本集團所提供的融資擔保外，本集團於二零一二年六月三十日並無任何重大或然負債。

Financial Guarantees

As at 30 June 2012, the Group has given guarantee to banks in respect of the banking facilities extended to the associates of the Group of approximately HK\$648,307,000 (31 December 2011: approximately HK\$528,556,000). As at 30 June 2012, bank loans of approximately HK\$566,119,000 (31 December 2011: approximately HK\$470,581,000) being guaranteed by the Group to associates have been drawn down.

融資擔保

於二零一二年六月三十日，本集團就銀行向本集團聯營公司提供約港幣648,307,000元(二零一一年十二月三十一日：約港幣528,556,000元)銀行融資作出擔保。於二零一二年六月三十日，本集團所擔保的聯營公司銀行貸款約港幣566,119,000元(二零一一年十二月三十一日：約港幣470,581,000元)已被提取。

Capital Expenditure

For the six months ended 30 June 2012, the capital expenditure of the Group was approximately HK\$135,896,000 (31 December 2011: approximately HK\$410,503,000) related to the purchase of property, plant and equipment, leasehold land and land use rights.

資本開支

截至二零一二年六月三十日止六個月，本集團有關購置物業、廠房及設備以及租賃土地及土地使用權的資本開支約為港幣135,896,000元(二零一一年十二月三十一日：約港幣410,503,000元)。



MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

Derivative Financial Instruments

衍生金融工具

As at 30 June 2012, the Group's outstanding derivative financial instrument assets and liabilities under various copper and aluminium futures contracts and foreign exchange forward contracts amounted to approximately HK\$7,471,000 and HK\$412,000 respectively (31 December 2011: the Group's outstanding derivative financial instrument assets and liabilities of approximately HK\$16,792,000 and HK\$240,000 respectively).

於二零一二年六月三十日，本集團訂立若干銅及鋁期貨合約及外匯遠期合約，未到期衍生金融工具資產及負債分別約港幣7,471,000元及港幣412,000元(二零一一年十二月三十一日：本集團未到期衍生金融工具資產及負債分別約為港幣16,792,000元及港幣240,000元)。

Exposure to Exchange Rate Fluctuations

匯率波動風險

During the six months ended 30 June 2012, approximately 37% of the Group's turnover was derived from export trading settled in Euro and US dollars. In the meantime, the Group has also imported raw materials from the suppliers which were paid in Euro and US dollars for settlement. As a result, foreign exchange risks associated with these currencies were partially offset. On the other hand, the Group has made arrangements to purchase foreign exchange forward contracts to hedge against foreign exchange exposure arising from export trading. The Group has stringent control over the risk of exchange rate fluctuation, and will review from time to time the sufficiency and appropriateness of the financial instruments which were currently used to hedge significant foreign currency risks.

於截至二零一二年六月三十日止六個月內，本集團營業額中約佔37%來自外銷之出口貿易，交易以歐元及美元結算，與此同時，本集團亦有進口原材料是以歐元及美元向供應商付款，因此，由該等外幣引起的匯兌風險彼此能作部分抵銷。另一方面，本集團已安排為出口貿易購買遠期外匯合約，以對沖產生的匯兌風險。本集團對外匯匯率波動風險有嚴格監控，並會不時檢討現時所使用以對沖重大外幣風險之金融工具是否足夠及適當。

Capital Commitments

資本承擔

As at 30 June 2012, the Group has contracted capital commitments in respect of the purchase of property, plant and equipment amounting to approximately HK\$82,025,000 (31 December 2011: approximately HK\$89,776,000).

於二零一二年六月三十日，本集團就購買物業、廠房及設備已訂約的資本承擔約為港幣82,025,000元(二零一一年十二月三十一日：約港幣89,776,000元)。

Human Resources

人力資源

As at 30 June 2012, the Group employed approximately 12,686 full time employees in Hong Kong and the PRC. While the Group was supported by a team of young and competent staff, it does not ignore the importance of the development, management and future planning of its human resources. With the use of open recruitment, job rotation, internal promotion and professional training for the recruitment, deployment and nurture of employees, it is intended to ensure the selection and deployment of employees to be carried out in an open, fair and equitable manner. Besides, it could also provide staff with a platform for their further promotion and development. Through the implementation of comprehensive human resources management, it is aimed at achieving the objectives of enhancing employees contributions to the Group and shaping the Group's strategic advantages in human resources.

於二零一二年六月三十日，本集團於香港及中國聘用約12,686名全職僱員。本集團擁有一支年輕、優秀的員工隊伍，同時亦充分重視人力資源開發、管理及發展規劃，通過公開招聘、崗位輪換、內部升遷、專業培訓等用人、育人機制，以期通過公開、公平、公正的選才、用才機制，為公司員工提供了一個晉升、發展的平台，通過完善的人力資源管理，提高僱員對本集團的貢獻，使本集團具備戰略性的人力資源優勢。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

The Group has adopted a share option scheme for employees as an incentive to motivate its employees by linking their interests to the future development and expansion of the Group. The Group currently provides employees with competitive remuneration packages (comprising salary, bonus and benefits in kind), adequate insurance cover (including pension, medical insurance, unemployment compensation insurance, work injury compensation insurance and maternity insurance) and housing provident fund. In addition, the Group also provides its employees with other benefits including on-the-job academic education, meal subsidy, housing subsidy, cooperative medical scheme services, support fund and recreational activities etc.

Business Prospects

Since 2011, the PRC government has adopted austerity measures to control domestic inflation. Effective control on over investments has completely changed the momentums of rapid economic growth that driven overly dependent on investments in the past years. In the first half of 2012, the quarterly GDP growth rate in China fell consecutively at below 8%, showing an apparent slowdown in China's economic growth as well as insufficient demand, and relevant industries have to bear the brunt of economic slowdown. In order to prevent further downturn, the government has lowered interest rates and cut the reserve requirement ratio to relax its austerity measures in due manner, attempting to regain market confidence. As driven by favorable policies, the PRC real estate industry has showed a sign of recovery. Coupled with the launch of another phase of subsidy program on energy-saving products as well as low base of comparison resulted from slowdown of economic growth in the second half of last year, it is expected that sales of electrical household appliances will improve in the second half of this year as demand will be further spurred, and the industry, in general, has hit the bottom in the first half of the year and will be back on track of steady growth. To grasp the opportunities arising from gradual recovery in the industry and consumption upgrade, we are committed to initiate forward planning for production capacity expansion of energy-saving products to swiftly increase market share so as to lay a concrete foundation for future development.

Micro motors division will keep on its strategic transformation and adhere to our missions of "Innovation, Lean Production and Transformation" with a focus on enhancement of product capability and keep a balance between scale and profit. On one hand, in view of the scale grew smaller in the first half of the year, we will strive for getting maximum orders in the second half of the year in order to attain the sales

管理層討論與分析(續)

本集團採用購股權計劃，用以鼓勵僱員為本集團之未來發展及擴展出力。本集團目前為僱員提供具競爭力的薪酬(含崗位工資、獎金及實物利益)、充足的保險(包括養老保險、醫療保險、失業保險、工傷保險和生育保險)及住房公積金。另外本集團為僱員提供其他福利，包括在職學歷教育、膳食補助、住房補貼、員工合作醫療、扶助基金、團隊活動等。

業務展望

自二零一一年以來，中國政府為了控制國內通貨膨脹採取了緊縮銀根的措施，有效控制投資過快增長導致以往過度依靠投資驅動帶動經濟高速發展的局面已完全改變；二零一二年上半年，GDP增長逐季回落，整體增速已位於8%以下，經濟增長明顯放緩，整體需求明顯不足，關聯度較高行業影響顯著。為了防止經濟繼續下行，政府通過降息、降銀行存款準備金比率進行適度調整其緊縮政策，重新提振市場信心。在政策利好的推動下，國內房地產行業已出現回暖跡象，加上新一輪節能補貼政策的推出，以及去年下半年因經濟增長放緩導致基數較低，主要家電品類預期將在下半年出現好轉，需求有望得到進一步激發，逐步走出上半年的低迷狀況，重新回歸穩定增長水平。本公司將會繼續抓住行業逐步恢復的機遇，牢牢把握消費升級的機會，加快對節能產品的佈局，快速擴能，迅速搶佔市場份額，奠定未來發展基礎。

微電機業務繼續推動戰略轉型工作，深入貫徹「創新、精益、轉型」的工作要求，堅持以提升產品力為核心，平衡好規模和盈利的關係，一方面在上半年規模出現下滑的情況下，下半年要搶抓訂



MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

target, on the others, we will further enhance our recruitment and retention of technical personnel, inject more input to technological upgrade as well as strengthen our ability in innovation and lean production, in an effort to generate vitality for our sustainable development.

For alternating current household appliances motors, we will further expand into overseas markets. For commercial motors, we will accelerate the construction of our new production base in Changzhou. By turning technological innovation, production advancement, automation and lean production into competitive strengths of our products, such as alternating current household appliances motors, commercial motors and refrigerator compressor motors, we are able to enhance the operational efficiencies of our resources, including production base, production facilities and employees.

For direct current motors, we will exploit the opportunities arising in the industry and from the government policies. By leveraging on our existing technologies and capacity advantages, we will expand our customer base vertically as well as horizontally with swift production expansion to gain a good reputation in the industry. In addition to our existing core products, the Company will accelerate the research and development of new products with the support of the Shanghai R&D center in a bid to further master core technologies.

Washing motors division will continue to adjust its strategies on domestic and export sales, further develop into overseas markets to ensure a sustainable growth in future. In view of the regular peak seasons of washing machines industry approaching as well as the advantages brought by the new subsidy program on energy-saving products, we will continue to expand our production capacity of washing machine motors. It is our aim to expand the production scale with a further enhanced strategic products management and market development strategies. In addition to retaining qualified personnel, we will also accelerate the research and development of high-value-added products for transformation with the support of the Shanghai R&D center, building a more concrete foundation for sustainable development.

管理層討論與分析(續)

單，確保目標的達成。另一方面，加強技術人才引進及儲備，提升科技投入，強化企業創新、精益能力，培育企業可持續發展的動力。

在家用交流電機產品方面加大海外市場拓展，在商用電機產品方面加快常州新生產基地的建設，通過技術創新、工藝革新、自動化項目、精益生產工作的推進，轉化為家用交流電機、商用電機、冰壓機電機等產品的競爭力，提高場地、設備、人員等資源的營運效率。

直流電機產品方面，公司將緊握目前的行業、政策機遇，依託現有的技術、產能優勢，深度、廣度開發客戶資源，並快速擴充產能，迅速在行業形成良好口碑。除現有主力產品外，公司將加快全新產品的研發和拓展力度，並依託上海研發中心的研發，進一步掌握核心關鍵技術。

洗滌電機業務繼續堅持目前內外銷策略的調整，繼續加大海外市場的拓展，確保未來持續增長潛力。進一步抓好洗衣機行業下半年旺季特性及新的節能補貼政策提供的優勢，擴大規模。繼續強化戰略產品管理，要加強市場開拓力度，繼續做大規模。另外，要做好人才儲備工作，依託上海研發中心加快高附加值轉型產品研發，進一步奠定可持續發展基礎。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Shanxi Huaxiang after objectively assessed the cyclical risks of certain of its business sectors, continued to improve its product mix adjustment and customer structure and further diversify its products and customer base in order to cope with the effect of economic fluctuation. In addition, Shanxi Huaxiang will further enhance its internal fundamental management, conduct strict production process, strengthen quality control and increase the products output rate. Meanwhile, development of high-value-added casting parts, such as high-speed rail parts, valve parts and vehicle parts will be accelerated to achieve mass production, in an effort to minimize the risk of its sales income that relies much on single product.

As a summary of our interim results for the first half of 2012, there was a substantial drop in demand for motors of electrical household appliances resulting from sales plunge of end products in domestic market caused by pessimism among consumers coupled with the factor of inventory piled up. Looking ahead, electrical household appliances industry will start to bottom out and a sign of recovery in domestic demand appeared under the favorable circumstances, such as inventory digestion in the first half of the year, the launch of new phase of subsidy policy for energy-efficient electrical household appliances and the accelerated construction of indemnificatory housing. In such volatile global economy, slow-paced recovery also correlates with a number of uncertainties. With an aim to mitigate pressures and adverse effects from deteriorating economy and slowdown in domestic growth, our operation and development model has turned to striving for profit quality instead of economies of scale. In addition, we have looked to expand overseas markets, will focus on the development of high-value-added energy-efficient motors with high gross profit, conduct further technological research and development and innovation, upgrade technological level of our brand, in an effort to enhance the core competitive strengths of our products, while balancing all of those efforts with careful risk control. Leveraging on our own advantages, we will exploit market opportunities to ensure our sustainable development.

管理層討論與分析(續)

山西華翔客觀評估部分業務領域受經濟週期影響帶來的風險，持續改善產品及客戶結構，繼續加大客戶拓展，通過多元化的產品及客戶結構來彌補經營的波動。此外，進一步落實內部基礎管理，嚴格工藝流程，強化品質控制，提高成品率。加快目前重點發展的高附加值鑄件產品如高鐵件、管閥件、汽車件等的拓展步伐，透過快速上量，可以逐步降低山西華翔的銷售收入過於依賴單一產品的風險。

總結本集團上半年的業績表現，內銷市場因終端產品受消費者悲觀情緒影響下銷售顯著下滑，加上原先的庫存產品，令家電電機的需求大幅下降。展望未來，隨著上半年的積壓存貨逐漸減少，加上政府推出新一輪節能家電補貼政策帶動以及保障房建設工程提速等利好因素帶動下，家電行業逐漸走出低迷，內需有回暖跡象。全球經濟反覆波動，復甦步伐緩慢及存在很多不確定變數，但本集團的經營發展模式已從過往追求規模效益轉向追求利潤效益，並積極拓展海外市場，以及主力發展高附加值及高毛利的高效節能電機產品，積極推進技術研發與創新及提升品牌的技術水平以增強產品的核心競爭力，同時做好控制風險的措施，可望減低經濟環境惡化及國內市場增長放緩帶來的壓力及負面影響，並利用本身的優勢把握市場的機遇，以確保集團得以持續發展。



SHARE OPTION SCHEME

The Company adopted a share option scheme as approved by the shareholders of the Company at an extraordinary general meeting held on 27 June 2003 (the "Share Option Scheme").

The purpose of the Share Option Scheme is for the Company to attract, retain and motivate talented participants to strive for future developments and expansion of the Group and to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the participants. Eligible participants of the Share Option Scheme include the Directors (including executive Directors and non-executive Directors) of the Company or employees of the Group, consultants or advisors of the Group, substantial shareholders or employees of substantial shareholders of the Company, associates of Directors or chief executives or substantial shareholders of the Company, employees or directors of suppliers or customers of the Group, discretionary objects of a discretionary trust established by employees or directors of the Group, as to be determined by the Board at its absolute discretion within the above categories.

The maximum numbers of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes adopted by the Company must not in aggregate exceed 30% of the shares in issue from time to time. The total number of shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the shares of the Company in issue as at the date of adoption of the Share Option Scheme, but the Company may seek approval of its shareholders in general meeting to refresh the 10% limit under the Share Option Scheme.

The total number of shares issued and to be issued upon exercise of the share options granted under the Share Option Scheme and any other share option schemes of the Company to each participant in any 12-month period up to the date of grant must not exceed 1% of the shares of the Company in issue at the date of grant. Any further grant of share options in excess of such limit is subject to the approval of shareholders in general meeting of the Company.

購股權計劃

本公司採納經由本公司股東於二零零三年六月二十七日舉行之股東特別大會上批准之購股權計劃（「購股權計劃」）。

購股權計劃之目的，是讓本公司吸引、挽留及激勵有才幹之參與者為本集團之未來發展及擴展積極努力，並使本公司能以更靈活之方式向參與者提供獎勵、獎賞、酬勞、報酬及／或福利。購股權計劃之合資格參與者包括本公司董事（包括執行董事及非執行董事）或本集團之僱員、本集團之顧問或專業諮詢人士、本公司之主要股東或其僱員、本公司之董事、最高行政人員或主要股東之任何聯繫人、本集團供應商或客戶之僱員或董事、本集團僱員或董事所設立之全權信託之任何全權受益人（由董事會在上述人士中全權酌情決定）。

購股權計劃及本公司採納之任何其他購股權計劃項下所有授出但尚未行使之購股權獲行使時，可予發行之最高股份數目合共不得超過本公司當時已發行股份之30%。購股權計劃及本公司任何其他購股權計劃項下所有將予授出之購股權獲行使時，可予發行之股份總數合共不得超過本公司於購股權計劃採納日期已發行股份之10%，惟本公司可於股東大會上尋求股東批准，以更新購股權計劃下之10%限額。

於截至授出日期止任何十二個月期間，根據購股權計劃及本公司之任何其他購股權計劃授出之購股權獲行使時，已發行及將發行予每名參與者之股份總數不得超過本公司於授出日期已發行股份之1%。進一步授出超過此限額之購股權須經股東於本公司股東大會上批准。

SHARE OPTION SCHEME (Continued)

Share options granted under the Share Option Scheme to Director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval of the independent non-executive Directors of the Company (excluding any independent non-executive Director who is also the grantee of the options). In addition, any share options granted to a substantial shareholder or an independent non-executive Director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of each grant) in excess of HK\$5,000,000, within any 12-month period up to and including the date of such grant, are subject to shareholders' approval in general meeting of the Company.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the Directors and ends on a date which is not later than 10 years from the date of the offer of the share options.

The exercise price of the share options will be at least the highest of (i) the closing price of the Company's shares as stated in daily quotations sheet of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of the offer for grant, which must be a business day; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of the offer for grant, which must be a business day; and (iii) the nominal value of the Company's share.

On 30 July 2007, 9,500,000 share options were granted to certain Directors and employees at an exercise price of HK\$0.78 per share. The share options were exercisable immediately on the date of grant and will expire on 29 July 2017.

購股權計劃(續)

根據購股權計劃向本公司董事、最高行政人員或主要股東或彼等任何聯繫人授出之購股權，須獲本公司獨立非執行董事(不包括身為購股權承授人之任何獨立非執行董事)批准。此外，於截至授出日期(包括該日)止任何十二個月期間，向本公司主要股東或獨立非執行董事或彼等任何聯繫人授出之任何購股權，倘若超過本公司於任何時間已發行股份之0.1%，或總值(根據本公司於各授出日期之股份收市價計算)超過港幣5,000,000元，則須經股東於本公司股東大會上批准。

承授人可於授出購股權當日起計28日內，支付象徵式代價港幣1元接納有關購股權。購股權之行使期可由董事釐定，由授出購股權當日起計10年內到期。

購股權之行使價將不低於下列之最高者(i)於授出購股權日期(該日必須為營業日)，本公司股份在香港聯合交易所有限公司(「聯交所」)每日報價表中所列之收市價；(ii)緊接授出購股權日期(該日必須為營業日)前五個營業日，本公司股份於聯交所每日報價表中所列之平均收市價；及(iii)本公司股份之面值。

於二零零七年七月三十日，若干董事及僱員獲授9,500,000份購股權，行使價為每股港幣0.78元。該等購股權於授出當日起即可行使，並將於二零一七年七月二十九日到期。



SHARE OPTION SCHEME (Continued)

Pursuant to an ordinary resolution passed by the shareholders of the Company at an extraordinary general meeting held on 9 December 2008, the 10% limit under the Share Option Scheme was refreshed ("Refreshment"). Upon the approval of the Refreshment, a maximum of 1,347,931,411 shares of the Company being 10% of the issued share capital of the Company as at the date of approval of the Refreshment, may be issued upon exercise of the share options to be granted under the Share Option Scheme and all other share option schemes of the Company.

On 9 January 2009, 375,000,000 share options were granted to certain Directors and employees at an exercise price of HK\$0.157 per share subject to a vesting scale in four tranches of 25% each and the achievement of the Company's performance target as set out in the note below and these options will expire on 31 March 2017.

On 27 May 2011, the Company implemented a share consolidation on the basis that every five issued and unissued shares of HK\$0.1 each in the share capital of the Company were consolidated into one share of HK\$0.5 each ("Share Consolidation"). As a result, the exercise price and the number of outstanding share options granted under the Share Option Scheme were adjusted to reflect the effect of the Share Consolidation on 27 May 2011. As at 30 June 2012, 56,000,000 share options granted to certain Directors of the Company and employees of the Group were outstanding, details of which are set out in the table below.

No share options were cancelled, lapsed, exercised or granted during the six months ended 30 June 2012.

購股權計劃(續)

根據本公司股東於二零零八年十二月九日舉行之股東特別大會上通過之普通決議案，購股權計劃項下之10%限額已獲更新(「更新」)。批准更新後，本公司可於根據購股權計劃及本公司所有其他購股權計劃授出之購股權獲行使後，發行最高達1,347,931,411股本公司股份，即批准更新當日本公司已發行股本之10%。

於二零零九年一月九日，若干董事及僱員獲授375,000,000份購股權，行使價為每股港幣0.157元，惟需按四期各25%比例歸屬及達至本公司之表現目標(載於下文附註)，而該等購股權將於二零一七年三月三十一日到期。

於二零一一年五月二十七日，本公司實施股份合併，基準為每五股本公司股份中每股面值港幣0.1元之已發行及未發行股份合併為一股每股面值港幣0.5元之合併股份(「股份合併」)。因此，根據購股權計劃授出而尚未行使之購股權之行使價及數目已予以調整，以反映於二零一一年五月二十七日生效之股份合併之影響。於二零一二年六月三十日，本公司若干董事及本集團僱員獲授56,000,000份購股權尚未行使，詳情載於下表。

截至二零一二年六月三十日止六個月並無購股權被註銷、失效、行使或獲授出。



SHARE OPTION SCHEME (Continued)

購股權計劃(續)

Movements of the share options granted under the Share Option Scheme during the six months ended 30 June 2012 were as follows:

於截至二零一二年六月三十日止六個月內，根據購股權計劃授出之購股權變動如下：

Name	Date of grant	Options held at 1 January 2012 於二零一二年一月一日 持有之購股權	Options held at 30 June 2012 於二零一二年六月三十日 持有之購股權	Exercise price per option 每份購股權 行使價 HK\$ 港幣	Exercisable period
姓名	授出日期				可行使期限
Directors					
董事					
Mr. Cai Qiwu 蔡其武先生	09/01/2009	13,600,000	13,600,000	0.785	01/04/2010–31/03/2017 (Note) (附註)
Mr. Jiang Deqing 姜德清先生	09/01/2009	7,200,000	7,200,000	0.785	01/04/2010–31/03/2017 (Note) (附註)
Mr. Qu Fei 瞿飛先生	09/01/2009	4,400,000	4,400,000	0.785	01/04/2010–31/03/2017 (Note) (附註)
Mr. Lam Ming Yung 林明勇先生	30/07/2007 09/01/2009	400,000 1,000,000	400,000 1,000,000	3.900 0.785	30/07/2007–29/07/2017 01/04/2010–31/03/2017 (Note) (附註)
Ms. Chen Chunhua 陳春花女士	30/07/2007 09/01/2009	400,000 1,000,000	400,000 1,000,000	3.900 0.785	30/07/2007–29/07/2017 01/04/2010–31/03/2017 (Note) (附註)
Employees					
僱員					
In aggregate 合共	30/07/2007 09/01/2009	700,000 27,300,000	700,000 27,300,000	3.900 0.785	30/07/2007–29/07/2017 01/04/2010–31/03/2017 (Note) (附註)
Total 合計		56,000,000	56,000,000		



SHARE OPTION SCHEME (Continued)

Note :

The consideration for each of the grants above was HK\$1. The options granted on 9 January 2009 shall be exercisable during the option period subject to a vesting scale in four tranches of 25% each and the achievement of the performance target of the net profit attributable to the owners of the Company of the relevant period as set out below:

- the first 25% of the options granted to each grantee shall be exercisable within seven years after 31 March 2010 provided that the net profit attributable to the owners of the Company for the financial year ended 31 December 2009 as disclosed in the final results announcement of the Company is not less than 100% of the net profit attributable to the owners of the Company for the financial year ended 31 December 2008 (excluding the results from discontinued business) ("Net Profit of 2008");
- the second 25% of the options granted to each grantee shall be exercisable within six years after 31 March 2011 provided that the net profit attributable to the owners of the Company for the financial year ended 31 December 2010 as disclosed in the final results announcement of the Company is not less than 150% of the Net Profit of 2008;
- the third 25% of the options granted to each grantee shall be exercisable within five years after 31 March 2012 provided that the net profit attributable to the owners of the Company for the financial year ended 31 December 2011 as disclosed in the final results announcement of the Company is not less than 200% of the Net Profit of 2008; and
- the remaining 25% of the options granted to each grantee shall be exercisable within four years after 31 March 2013 provided that the net profit attributable to the owners of the Company for the financial year ended 31 December 2012 as disclosed in the final results announcement of the Company is not less than 280% of the Net Profit of 2008.

The fair value of the options are determined used the "Binomial Valuation model" (the "Model"). Key assumptions of the Model are set out below:

Date of Grant:	授出日期:	9 January 2009 二零零九年 一月九日	30 July 2007 二零零七年 七月三十日
Risk-free rate:	無風險利率:	1.299%	4.13%
Expected dividend yield:	預期股息率:	3%	0%
Expected volatility of the market price of the Company's shares:	本公司股份市價預期波幅:	52.34%	65.38%
Expected option life:	預期購股權期限:	8.2 years年	5.23 years年
Fair value as at the date of grant (approximately):	授出日期之公平值(約數):	HK\$港幣 25,229,000元	HK\$港幣 3,453,000元

The Model requires the input of subjective assumptions, including the volatility of share price. As changes in subjective input assumptions can materially affect the fair value estimate, in the Directors' opinion, the Model does not necessarily provide a reliable single measure of the fair value of share options.

購股權計劃(續)

附註:

上述授出購股權之代價為港幣1元。於二零零九年一月九日授出之購股權可於購股權期間行使，惟需按下列四期各25%比例歸屬及達至有關期間本公司擁有人應佔純利之表現目標：

- 首25%授予各承授人之購股權可於二零一零年三月三十一日以後七年內行使，惟需根據本公司全年業績公佈所披露截至二零零九年十二月三十一日止財政年度本公司擁有人應佔純利不少於截至二零零八年十二月三十一日止財政年度本公司擁有人應佔純利(不包括來自已終止經營業務之業績)(「二零零八年純利」)之100%；
- 次25%授予各承授人之購股權可於二零一一年三月三十一日以後六年內行使，惟需根據本公司全年業績公佈所披露截至二零一零年十二月三十一日止財政年度本公司擁有人應佔純利不少於二零零八年純利之150%；
- 第三個25%授予各承授人之購股權可於二零一二年三月三十一日以後五年內行使，惟需根據本公司全年業績公佈所披露截至二零一一年十二月三十一日止財政年度本公司擁有人應佔純利不少於二零零八年純利之200%；及
- 餘下25%授予各承授人之購股權可於二零一三年三月三十一日以後四年內行使，惟需根據本公司全年業績公佈所披露截至二零一二年十二月三十一日止財政年度本公司擁有人應佔純利不少於二零零八年純利之280%。

購股權之公平值採用「二項式估值模型(「該模型」)釐定。該模型所採用之主要假設載列如下：

該模型包括股價波幅等主觀假設成份。由於主觀假設之變更會嚴重影響估計公平值，故董事認為，該模型未必能為購股權公平值提供可靠之單一計算方法。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN EQUITY AND DEBT SECURITIES

As at 30 June 2012, the interests and short positions of the Directors and the chief executive of the Company as at 30 June 2012 in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”), Chapter 571 of the laws of Hong Kong), as recorded in the register required to be kept by the Company under Section 352 of the SFO or which have to be 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 any such Director or chief executive is taken or deemed to have under such provisions of the SFO) and the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) contained in the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), were as follows:

Interests in share options of the Company (long position)

The interests of the Directors' rights to acquire shares of the Company under the Share Option Scheme are set out in detail in the above section of “Share Option Scheme”.

Save as disclosed above, at no time during the six months ended 30 June 2012 was the Company or any of its subsidiaries or associated corporations (within the meaning of Part XV of the SFO), its fellow subsidiaries or its holding company, a party to any arrangements to enable the Directors or the chief executive of the Company to acquire benefits by means of the acquisition of the shares in, or debentures of, the Company or its associated corporation (within the meaning of the SFO), or had exercised any such rights during the period.

Other than those interests disclosed above, as at 30 June 2012, none of the Directors and the chief executive of the Company and their respective associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be 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 he/she was taken or deemed to have under such provisions of the SFO), or which were recorded in the register kept by the Company under section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及最高行政人員於股本證券或債務證券之權益

於二零一二年六月三十日，董事及本公司最高行政人員在本公司或其相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中，擁有須記入本公司根據證券及期貨條例第352條所述而存置之登記冊之權益及淡倉，或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有關條文該董事或最高行政人員被認為或視作擁有之權益及淡倉)，及根據聯交所證券上市規則(「上市規則」)中上市發行人董事進行證券交易之標準守則(「標準守則」)須知會本公司及聯交所之權益及淡倉如下：

於本公司之購股權權益(好倉)

董事根據購股權計劃可認購本公司股份之權益詳載於上文「購股權計劃」一節。

除上文所披露者外，於截至二零一二年六月三十日止六個月內，本公司或其任何附屬公司或相聯法團(定義見證券及期貨條例第XV部)、其同系附屬公司或其控股公司概無參與任何安排，致使本公司董事或最高行政人員藉購入本公司或其相聯法團(定義見證券及期貨條例)之任何股份或債券而獲益，或於期內行使任何該等權利。

除上文所披露之權益外，於二零一二年六月三十日，董事及本公司最高行政人員以及彼等各自之聯繫人並無擁有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、相關股份或債券之任何權益或淡倉而須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所(包括彼等根據證券及期貨條例之上述條文被認為或視作擁有之權益及淡倉)、或已記錄在本公司根據證券及期貨條例第352條存置之登記冊內，或須根據標準守則知會本公司及聯交所。



SUBSTANTIAL SHAREHOLDERS' INTERESTS

主要股東權益

As at 30 June 2012, the following persons, other than a Director or chief executive of the Company, had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

本公司根據證券及期貨條例第336條須存置之登記冊顯示，於二零一二年六月三十日，下列人士（董事或本公司最高行政人員除外）於本公司之股份及相關股份中擁有權益或淡倉：

Name of shareholder 股東姓名／名稱		Nature of interest 權益性質	Number of shares held 持有股份數目	Approximate percentage of shareholding 持股概約百分比
Midea Holding (Cayman Islands) Limited ("Midea (Cayman Islands)") (Note 1) 美的控股(開曼群島)有限公司(「美的(開曼群島)」) (附註1)	Long position 好倉	Beneficial interest 實益權益	1,901,204,779	67.38%
Midea Investment Holding (BVI) Limited ("Midea Holding") (Note 2) 美的控股(BVI)有限公司(「美的控股」)(附註2)	Long position 好倉	Interest in a controlled corporation 受控法團權益	1,901,204,779	67.38%
Midea Group Co., Ltd. ("Midea") (Note 3) 美的集團有限公司(「美的」)(附註3)	Long position 好倉	Interest in controlled corporations 受控法團權益	1,947,116,779	69.01%
Foshan Shunde Midea Investment Holding Co., Ltd. ("Shunde Midea") (Note 4) 佛山市順德區美的投資控股有限公司(「順德美的」) (附註4)	Long position 好倉	Interest in controlled corporations 受控法團權益	1,947,116,779	69.01%
Mr. He Xiangjian (Note 5) 何享健先生(附註5)	Long position 好倉	Interest in controlled corporations 受控法團權益	1,947,116,779	69.01%
Ms. Liang Fengchai (Note 6) 梁鳳釵女士(附註6)	Long position 好倉	Interest of spouse 配偶權益	1,947,116,779	69.01%

Notes:

附註：

- These 1,901,204,779 shares of the Company were registered in the name of and beneficially owned by Midea (Cayman Islands).
- Midea Holding was deemed to be interested in the 1,901,204,779 shares of the Company in which Midea (Cayman Islands) was interested by virtue of its holding 100% equity interest in Midea (Cayman Islands).

- 美的(開曼群島)以其名義登記並實益擁有該等1,901,204,779股本公司股份。
- 美的控股藉持有美的(開曼群島)100%股權而被視為於美的(開曼群島)擁有權益之1,901,204,779股本公司股份中擁有權益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS (Continued)

主要股東權益(續)

3. There were 45,912,000 shares of the Company registered in the name of and beneficially owned by Midea International Corporation Company Limited ("Midea International") which is a company 100%-owned by Midea. Midea Holding is also a 100%-owned company of Midea. Accordingly, Midea was deemed to be interested in the aggregate of 1,947,116,779 shares of the Company including 45,912,000 shares of the Company in which Midea International was interested and 1,901,204,779 shares of the Company in which Midea Holding was deemed to be interested by virtue of its holding 100% equity interest in both Midea International and Midea Holding.
4. The registered capital of Midea is owned as to 59.85% by Shunde Midea. Accordingly, Shunde Midea was deemed to be interested in the aggregate number of 1,947,116,779 shares of the Company in which Midea was deemed to be interested by virtue of its holding 59.85% equity interest in Midea.
5. The registered capital of Shunde Midea is owned as to 94.55% by Mr. He Xiangjian. Accordingly, Mr. He Xiangjian was deemed to be interested in the aggregate number of 1,947,116,779 shares of the Company in which Shunde Midea was deemed to be interested by virtue of his holding 94.55% equity interest in Shunde Midea.
6. Ms. Liang Fengchai is the spouse of Mr. He Xiangjian and is therefore deemed to be interested in the aggregate number of 1,947,116,779 shares of the Company in which Mr. He Xiangjian was deemed to be interested.

3. 美的國際控股有限公司(「美的國際」)以其名義登記並實益擁有45,912,000股本公司股份，美的國際為美的的全資擁有的公司。美的控股亦為美的的全資擁有的公司。因此，美的藉持有美的國際及美的控股100%股權而被視為於合計1,947,116,779股本公司股份中擁有權益，包括美的國際擁有45,912,000股本公司股份的權益以及美的控股被視為擁有權益的1,901,204,779股本公司股份中的權益。
4. 順德美的擁有美的的註冊資本之59.85%。因此，順德美的藉持有美的的59.85%股權而被視為於美的的被視為擁有權益之總數為1,947,116,779股之本公司股份中擁有權益。
5. 何享健先生擁有順德美的的註冊資本之94.55%。因此，何享健先生藉持有順德美的的94.55%股權而被視為於順德美的的被視為擁有權益之總數為1,947,116,779股之本公司股份中擁有權益。
6. 梁鳳釵女士為何享健先生之配偶，因此，被視為於何享健先生被視為擁有權益之總數為1,947,116,779股之本公司股份中擁有權益。

Save as disclosed above, as at 30 June 2012, the Company was not aware of any other persons (other than the Directors or chief executive of the Company) who had an interest or a short position in the shares or underlying shares of the Company which was required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and have been recorded in the register kept by the Company under section 336 of the SFO.

除上文披露者外，就本公司所知，於二零一二年六月三十日，並無任何其他人士(本公司董事或最高行政人員除外)於本公司股份或相關股份中擁有權益或淡倉而須根據證券及期貨條例第XV部第2及3分部的規定知會本公司及聯交所及記入本公司根據證券及期貨條例第336條須存置之登記冊內。



DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

As at 30 June 2012, the aggregate amount of guarantees given for the loan facilities granted to the associates by the Group amounted to HK\$648,307,000 which exceeded 8% of the assets ratio as defined in Rule 14.07(1) of the Listing Rules. A pro-forma combined statement of financial position of the associates, in which the Group has a 49% equity interest, as at 30 June 2012 is presented below:

根據上市規則第13.22條作出披露

於二零一二年六月三十日，本集團就聯營公司獲得貸款融資而提供之擔保合共為港幣648,307,000元，超過上市規則第14.07(1)條所界定資產比率之8%。於二零一二年六月三十日，該由本集團擁有49%股權的聯營公司之備考合併財務狀況表呈列如下：

		Pro-forma combined statement of financial position 備考合併 財務狀況表	Group's attributable interest (49%) 本集團應佔權益 (49%)
		HK\$'000 港幣千元	HK\$'000 港幣千元
Non-current assets	非流動資產	597,734	292,890
Current assets	流動資產	1,290,507	632,348
Current liabilities	流動負債	(703,574)	(344,751)
Non-current liabilities	非流動負債	(648,306)	(317,670)
Net assets	資產淨額	536,361	262,817

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 June 2012.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix 10 to the Listing Rules as the code of conduct of the Company for Directors’ securities transactions. Having made specific enquiry of the Directors, all the Directors confirmed that they have complied with the Model Code throughout the six months ended 30 June 2012.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

Throughout the six months ended 30 June 2012, the Company had complied with all code provisions of the Code on Corporate Governance Practices (effective until 31 March 2012) and the Corporate Governance Code (new edition of the Code on Corporate Governance Practices effective from 1 April 2012) (“New CG Code”) as set out in Appendix 14 to the Listing Rules.

AUDIT COMMITTEE

The Company established its Audit Committee on 5 August 1999 to be responsible for reviewing the financial information of the Group and overseeing the financial reporting system and internal control procedures to ensure the integrity of the financial statements of the Group and the effectiveness of internal control and risk management system of the Group. A revised set of terms of reference of the Audit Committee in compliance with the code provisions of the New CG Code was adopted and approved by the Board on 9 March 2012 and is available on the websites of the Company and Hong Kong Exchanges and Clearing Limited (“HKEx”). The Audit Committee comprises all three independent non-executive Directors, namely, Mr. Tan Jinsong (Chairman of the Audit Committee), Mr. Lam Ming Yung and Ms. Chen Chunhua.

The Audit Committee has reviewed the unaudited interim results of the Group for the six months ended 30 June 2012 and agreed to the accounting policies and practices adopted by the Group.

購買、出售或贖回上市證券

於截至二零一二年六月三十日止六個月內，本公司或其任何附屬公司並無購買、出售或贖回任何本公司之上市證券。

遵守上市公司董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之上市公司董事進行證券交易的標準守則(「標準守則」)，作為本公司董事進行證券交易之操守守則。經向董事作出特定查詢後，全體董事確認，彼等已於截至二零一二年六月三十日止六個月內一直遵守標準守則。

遵守企業管治守則

於截至二零一二年六月三十日止六個月內，本公司一直遵守上市規則附錄十四所載之企業管治常規守則(有效期至二零一二年三月三十一日止)及企業管治守則(於二零一二年四月一日起生效的企業管治常規守則新版)(「新企業管治守則」)的所有守則條文。

審核委員會

本公司於一九九九年八月五日成立審核委員會，負責審閱本集團財務資料以及監督財務報告系統及內部監控程序，以確保本集團財務報表之完整性以及內部監控及風險管理制度之成效。董事會於二零一二年三月九日採納及批准符合新企業管治守則之守則條文的審核委員會經修訂職權範圍，該職權範圍可於本公司及香港交易及結算所有限公司(「香港交易所」)網頁查閱。審核委員會由全體三名獨立非執行董事包括譚勁松先生(審核委員會主席)、林明勇先生及陳春花女士所組成。

審核委員會已審閱本集團截至二零一二年六月三十日止六個月之未經審核中期業績，並同意本集團所採納之會計政策及常規。



REMUNERATION COMMITTEE

The Company established its remuneration committee (the “Remuneration Committee”) on 22 September 2005 to be responsible for determining the remuneration of the executive Directors and senior management of the Company and making recommendation on the remuneration of the non-executive Directors to the Board. The Remuneration Committee shall be responsible for making recommendations to the Board on the policy and structure for remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy. A revised set of terms of reference of the Remuneration Committee in compliance with the code provisions of the New CG Code was adopted and approved by the Board on 9 March 2012 and is available on the websites of the Company and HKEx. The Chairman and majority member of the Remuneration Committee are independent non-executive Directors. The Remuneration Committee comprises Ms. Chen Chunhua (Chairman of the Remuneration Committee), Mr. Tan Jinsong, Mr. Lam Ming Yung, Mr. Cai Qiwu and Mr. Zheng Weikang.

NOMINATION COMMITTEE

The Company established its nomination committee (the “Nomination Committee”) with written terms of reference on 9 March 2012 to be responsible for reviewing the structure, size and composition of the Board and making recommendation to the Board on appointment or re-appointment of Directors. A set of terms of reference of the Nomination Committee is available on the websites of the Company and HKEx. The Nomination Committee comprises two executive Directors, namely Mr. Cai Qiwu (Chairman of the Nomination Committee) and Mr. Zheng Weikang and all three independent non-executive Directors, namely, Ms. Chen Chunhua, Mr. Tan Jinsong and Mr. Lam Ming Yung.

UPDATE ON DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Mr. Tan Jinsong resigned as an independent director of Cosco Shipping Co., Ltd. (a listed company on the Shanghai Stock Exchange) in January 2012. Mr. Tan was appointed an independent director of Poly Real Estate Group Co., Ltd. (a listed company on the Shanghai Stock Exchange) in April 2012.

On behalf of the Board
Welling Holding Limited
Cai Qiwu
Chairman

Hong Kong, 27 August 2012

薪酬委員會

本公司於二零零五年九月二十二日成立薪酬委員會(「薪酬委員會」)，負責釐定本公司執行董事及高級管理人員之薪酬，並就非執行董事之薪酬向董事會提出推薦意見。薪酬委員會負責就本公司董事及高級管理人員之整體薪酬政策及架構，及就設立正規而具透明度之程序制訂此等薪酬政策，向董事會提出推薦意見。董事會於二零一二年三月九日採納及批准符合新企業管治守則之守則條文的薪酬委員會經修訂職權範圍，該職權範圍可於本公司及香港交易所網頁查閱。薪酬委員會之主席及大部分成員為獨立非執行董事。薪酬委員會由陳春花女士(薪酬委員會主席)、譚勁松先生、林明勇先生、蔡其武先生及鄭偉康先生所組成。

提名委員會

本公司於二零一二年三月九日成立提名委員會(「提名委員會」)，訂有書面職權範圍，負責檢討董事會之架構、規模和組成及就董事之委任或重新委任向董事會提出建議。提名委員會之職權範圍可於本公司及香港交易所網頁查閱。提名委員會由兩名執行董事，蔡其武先生(提名委員會主席)及鄭偉康先生，以及全體三名獨立非執行董事包括陳春花女士、譚勁松先生及林明勇先生所組成。

根據上市規則第13.51B(1)條更新董事資料

譚勁松先生於二零一二年一月辭任中遠航運股份有限公司(於上海證券交易所上市的公司)的獨立董事。譚先生於二零一二年四月獲聘任為保利房地產(集團)股份有限公司(於上海證券交易所上市的公司)的獨立董事。

代表董事會
威靈控股有限公司
主席
蔡其武

香港，二零一二年八月二十七日

