GLOBAL TECH (HOLDINGS) LIMITED
耀科國際(控股)有限公司

(Stock Code 股份代號 : 143)

2012
Annual Report
年報

Contents

CORPORATE PROFILE

Global Tech (Holdings) Limited (the "Company") and its subsidiaries (collectively the "Group") work with mobile telecommunications industry players in completing a positive customer experience and business process in support of the delivery of technology offerings to market. The Group adds value to the supply chain through the provision of branding adaptation, marketing, distribution and after-sale services across a rapidly evolving spectrum of mobile products and services.

As part of the Group's ongoing product portfolio enhancement process, it has expanded into the aftermarket handset accessories sector, which continues to be accelerated by smartphone growth. The Group will continue to navigate this evolving marketplace through the provision of more advanced and high-quality offerings with equal focus on function and fashion.

The Group also provides reliable repair services as part of its user experience solution. Where and when appropriate, the Group may engage in investments in financial assets and other business initiatives in order to enhance shareholder value.

With a keen understanding of evolving trends and complex market dynamics, the Group aims to venture further within the mobile telecommunications arena.

CHAIRMAN'S STATEMENT

The year ended 30 September 2012 saw a gradual strengthening of activity from a lacklustre start. However, the recovery of the world economy was interrupted by new risks relating to the viability of the eurozone and major fiscal policy issues in the United States.

In its *World Economic Outlook*, the International Monetary Fund warns that such uncertainty will weigh heavily on the global outlook, citing the key reason as the inability of major advanced economies to implement policies to rebuild confidence in medium-term prospects.

Across Asia, many economies reported their worst growth in the third quarter of 2012. Analysts forecast a better year in 2013 for most of the region. However, in Hong Kong, where the Group operates, the business sector displayed negative sentiment in response to a survey conducted in December 2012. Amidst rising operating costs and economic uncertainty, small-to-medium businesses are the least confident among their peers in the Asia Pacific region. The survey unveiled worrying signs for the Hong Kong economy, in which small businesses have been facing escalating costs in rentals and services.

As the telecommunications industry continues to shift into integrated ecosystems through the rollout of hybrid products with Web access, a 'smart connected device' market is beginning to emerge. International Data Corporation (IDC) estimates that the worldwide smart connected device market – a collection of personal computer (PC), tablet and smartphone products – grew about 27% year on year in the third quarter of 2012, reaching a record 304 million shipments.

According to the IDC, shipments in the fourth quarter of 2012 are expected to reach 362 million units. Holiday season growth will mainly be driven by tablets and smartphones, while PCs are expected to decline slightly from this quarter a year ago.

Looking ahead, IDC expects the smart connected device space to continue to grow to over 2.1 billion units by 2016. This study clearly points to the arrival of a multi-device era, with market dynamics shifting between product categories. PCs, for example, accounted for 39% of the smart connected device market in 2011, but by 2016 their share is expected to drop to below 20%. Smartphones will be the preferred product category with their share growing from 53% in 2011 to 67% in 2016. Tablets are another category that is predicted to grow significantly, from an 8% share in 2011 to over 13% in 2016. The shift in demand from the more expensive PC category to more accessibly priced smartphones and tablets will drive the collective market ASP down substantially in the next few years.

Consumers increasingly find the need for multiple 'smart' devices. The advent of cloud-based services, which enable users to move seamlessly from device to device, also encourages the use of different devices for different purposes or in different places. This trend will grow further, especially in mature markets.

The Internet of Things (IoT) will probably be another trend-setting concept to watch out for, as identified by Gartner, Inc. in its *Top 10 Strategic Technology Trends* for 2013. IoT defines how physical items such as consumer devices and physical assets are connected to the Internet, with sensors, image recognition technologies, near field communication (NFC) payment and other functions being embedded in mobile devices. At the same time, cellular technology will be embedded in new types of devices other than smartphones and tablets, such as pharmaceutical containers and automobiles. Intelligent devices, on the other hand, will communicate via NFC, Bluetooth, LE and Wi-Fi with a wide range of devices and peripherals, such as wristwatch displays, healthcare sensors, smart posters and home entertainment systems. The IoT will enable a wide range of new applications and services while raising many new challenges.

In a report, Ernst & Young highlights conflicting perspectives on how the telecommunications sector will evolve against a generally improving outlook. For example, data usage is projected by the firm to rise from 20% of global mobile revenues in 2008 to 36% in 2015, threatening major disruption to revenue models. Investors are also concerned about the massive capital expenditure (capex) required to support this growth, and about whether over-the-top (OTT) players may once again beat the operators in the race to secure new revenue streams, as they did with mobile applications (apps).

As a result, investors' view of the sector remains fundamentally ambivalent, reflecting the difficulty of reconciling its structural weaknesses, such as heavy regulation of higher-margin activities. There is also concern over the trade-off between the cost and value of new growth areas, given the uncertain capex commitments as mobile traffic growth and mobile data revenue growth diverge.

On top of the list of business risks identified by the firm is the failure of operators to shift their business models from 'minutes' to 'bytes'. As value shifts from minutes of voice usage to volumes of data, operators need to move away from their legacy strategies focused on customer retention. Instead, operators will have to target revenues from new services that tap into rising demand and master a wider array of fee models to monetize these services.

With global technology brands now dominating consumer consciousness, and technology cycles speeding up, operators need to respond quickly to rapidly evolving customer behaviour and expectations if they are to stave off the competitive threat from OTT providers. Brand loyalty will be created through innovative service models apart from technology upgrades.

Excessively strict capex control is likely to restrict operators' ability to develop new services quickly. To avoid this, they need to remain committed to investing in growth opportunities, though their financial investments need to be tightly focused in alignment with changing technology and consumer developments. Indeed, industry operators are now competing not only with their peers, but with players from different arenas in the telecommunications sphere. One example is the operators' loss of income from traditional SMS text messaging, not to other mobile operators, but to new OTT service providers. For quite some years, SMS has been a cash cow for mobile operators until upstarts such as WhatsApp, textPlus and WeChat attracted millions of users within a short period of time. Smartphone users adopt these apps for their functionality and lower costs, driving the phenomenal growth of OTT messaging adoption. Research firm Ovum expected this trend to cause mobile operators worldwide to lose US$23 billion in text messaging income in 2012, and up to US$54 billion by 2016.

Amidst renewed global economic uncertainty, the Group will continue to further its defensive qualities and financial management capabilities. Facing wider influences from the macro environment, the Group will constantly review and extend its risk management measures as appropriate to ensure that they cover the full extent of its operations. The Group's operations are susceptible to market forces, but with a tight cost control system and a prudent business strategy, the Group strives to safeguard its business portfolio against the risks and challenges in the market.

At the same time, the Group will keep an open mind on new business opportunities that fit well with its risk-averse policy. Management will also look out for structural changes that may have an impact on the Group or the industry as a whole in order to stay on top of trends.

In a time of rapid change that threatens the viability of existing strategies while opening up new opportunities for those ready to take swift advantage of them, the Group looks ahead to the future with cautious confidence.

SY Ethan, Timothy
Chairman

Hong Kong, 21 December 2012

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Highlights

The Group's turnover in the year ended 30 September 2012 was approximately HK$100.6 million (2011: HK$38.9 million), a 158.6% increase from the previous year, mainly owing to increased revenue from the trading of telecommunications products and provision of repair services.

Thus far, different parts of the world have been cautiously guarding against further potential shockwaves from the euro zone crisis, while managing slowing growth in the emerging economies. In a macro environment characterised by uncertainty, the Group continued to maintain disciplined development of its telecommunications products trading segment while responding to market trends with a relevant product portfolio. Sales during the year rose by 81.2% year on year to approximately HK$27.0 million (2011: HK$14.9 million), with the growth accounted for mainly by the trading of mobile phone accessories and computer accessories. Revenue for the provision of repair services during the year grew by 212.1% year on year to approximately HK$74.9 million (2011: HK$24.0 million), as a result of increased demand for services in upgrading smartphones.

Negatively impacted by an increase in operating expenses, in particular staff costs, a loss from operations of approximately HK$21.1 million (loss in 2011: HK$15.3 million) was incurred, with loss for the year amounting to approximately HK$20.6 million (loss in 2011: HK$15.3 million).

The Hong Kong Market

Hong Kong remains a highly mature market for telecommunications services. In December 2011, the number of mobile service subscribers was boosted to 14.9 million, representing one of the highest penetration rates in the world at about 210%, according to data released by the Office of the Communications Authority (OFCA) in April 2012. Among these 14.9 million subscribers, 7.4 million were third-generation (3G) or 3.5G service customers.

Other than basic voice services, data services such as short messaging, mobile Internet services, download services, multimedia services, video call services and mobile TV services are very popular among local consumers. As at December 2011, local mobile data usage recorded a remarkable surge to 4,134 Terabytes, or an average of 508.7 Mbytes per 2.5G/3G mobile user. This represents 2.2 times the mobile data usage over the same period in 2010 and 6.5 times that over the same period in 2009.

Competition in local public mobile services is intense. As at February 2012, there were 15 digital networks and five mobile network operators in Hong Kong. Four of them were 3G operators, but all have deployed 3.5G services utilizing High Speed Downlink Packet Access (HSDPA) technology. Some 3G operators have implemented the new Dual-Carrier Evolved High Speed Packet Access (DC-HSPA+) technology. The fastest 3G networks provide mobile data services at a speed of up to 42 megabits per second (Mbps).

The progressive deployment of fourth-generation (4G) technologies such as Long Term Evolution (LTE) and other advanced technologies facilitates theoretical download speeds of up to 100 Mbps. The cycle of a new technology and the subsequent battle for market share is beginning again, even while 3G deployment has yet to reach its peak.

Industry analysts therefore do not expect 4G tariffs to be set at a substantial premium to 3G. Moody's also forecast that as mobile phone penetration deepens and competition increases, there will be a gradual contraction in EBITDA margins for telecommunication companies in developed markets including Hong Kong. Margin contraction will be intensified as data revenues, information and communications technology (ICT) and content services increase.

For Hong Kong's tech-savvy consumers, the past few months have seen a tug of war between Apple and Samsung Electronics as the two companies released their new smartphones. While Apple's iPhone is still a gadget of choice, the city has also turned its affections to competitive offerings, such as Samsung's Galaxy series smartphone-media tablet hybrid.

Overall, BMI projects Hong Kong's consumer electronics spending in 2012 to grow by about 5% to US$4.4 billion from a year earlier, but a moderation in ongoing consumer demand is expected. Handset sales are estimated to increase about 10% year on year to US$554 million in 2012, with smartphones remaining the key revenue growth driver.

Smartphones currently account for more than 50% of Hong Kong's total handset sales, above global and regional averages. As operators roll out discounted data plans, and manufacturers release cheaper models, the prices of smartphones are becoming more affordable.

Vendors also anticipate other bright spots such as tablets and lower-priced ultrabooks, but any cooling in property prices and the equities market could have an impact on consumer spending. Consumer electronics are expected to outperform general retail sales, but demand has been muted by slowing inbound tourism as well as poor domestic consumer sentiment.

Consumer confidence in Hong Kong, as reported by Nielsen, decreased significantly to 89 in the third quarter of 2012 from 104 in the second quarter, as the gloomy global economic outlook has further dampened local consumer confidence and discouraged spending. During periods of uncertainty, cautious Hong Kong consumers customarily rein in discretionary spending.

Hong Kong's economy returned to modest growth in the third quarter of 2012, after a shrinking second quarter. However, the Hong Kong SAR Government warned of a highly uncertain economic environment amidst concerns about the looming "fiscal cliff" crisis in the United States and renewed worries that the euro zone is heading into another recession.

Liquidity, financial and working capital resources

The Group's total non-current assets decreased slightly to approximately HK$10.5 million (2011: HK$11.9 million) at 30 September 2012, owing to the disposal of available-for-sale financial assets.

The Group maintained its conservative low-inventory policy during the year. As a result, inventories remained at a relatively low level of approximately HK$9.1 million (2011: HK$5.6 million) at 30 September 2012.

At 30 September 2012, the Group had net trade receivables of approximately HK$28.0 million (2011: HK$29.8 million).

The Group had no bank borrowings at 30 September 2012 (2011: HK$ Nil). Its gearing ratio, expressed as a percentage of total borrowings over total assets, was nil (2011: Nil). No fixed deposit was pledged for obtaining any banking facility during the year (2011: HK$ Nil). The current ratio was approximately 1.48 (2011: 1.81) while the liquid ratio stood at approximately 1.34 (2011: 1.72).

The objective of the Group's cash management policy is to optimise liquidity to gain a better return for shareholders in a risk-averse manner. At 30 September 2012, there was no investment in financial assets at fair value through profit or loss (2011: HK$ Nil).

With increasing financial volatility around the world, the Group is committed to maintaining a conservative cash management policy.

Currencies

The Group conducts its core business transactions mainly in Hong Kong dollars, New Taiwan dollars and United States dollars. The majority of the Group's cash and bank balances are also denominated in these three currencies. During the year ended 30 September 2012, the Group did not experience significant exposure to exchange rate and interest rate fluctuations. As a result, the Group did not enter into any material foreign exchange contracts, currency swaps or other financial derivatives.

Contingent Liability

The Group did not have any significant contingent liability at 30 September 2012.

Material Acquisition or Disposal of Subsidiaries

There was no material acquisition or disposal of subsidiaries during the year ended 30 September 2012. Two (2011: Three) subsidiaries of the Group were deregistered during the year.

Prospects and Strategic Outlook

In its latest forecast, the International Monetary Fund remarks that uncertainty weighs heavily on the world's outlook as the recovery has suffered new setbacks. The organisation thus sees only a gradual strengthening of economic activities from the relatively disappointing pace of early 2012.

While the world is coping with high debt and sluggish growth, the Group will continue to lead its business activities with disciplined management. Stringent cost control and streamlined operational practices will be adopted to help it maintain resilience during these challenging times.

Amidst the global economic uncertainty, the telecommunications industry has performed relatively well, but the sector's risk universe is changing at a speed and on a scale that is hard to keep pace with. While new technologies present opportunities, there are also constantly new entrants to the industry to compete fiercely for revenues from emerging products and services.

Worldwide sales of mobile phones to end users declined 3.1% year on year to about 428 million units in the third quarter of 2012, according to Gartner, Inc. Smartphone sales increased 46.9% year on year and accounted for 39.6% of total mobile phone sales in the last quarter.

After two consecutive quarters of decline in mobile phone sales, demand has improved in the fourth quarter. While seasonality in the fourth quarter of 2012 will help end-of-year mobile phone sales, Gartner analysts expect a lower-than-usual boost from the holiday season. Consumers are either cautious with their spending or finding new gadgets like tablets as more attractive presents.

The smartphone market continued to be the battleground of the two main rival operating systems (OS) – Apple iOS and Google's Android. According to the International Data Corporation (IDC) Worldwide Quarterly Mobile Phone Tracker, total Android smartphone shipments worldwide reached 136 million units, claiming 75% of the 181 million smartphones shipped in the third quarter of 2012.

Since its launch in 2008, Android has outpaced the market and claimed share from the competition. Analysts point out that the share decline of smartphone OS other than iOS and Android is not a coincidence as the OS is not an isolated product, but a crucial part of a larger technology ecosystem. Google has the advantage of a growing, multi-faceted product portfolio while many of its competitors have weaker tie-ins to the mobile OS.

As identified in Gartner's report on 2013's technology trends, the mobile device battles will continue in many ways. For example, by 2013 mobile phones are predicted to overtake personal computers (PC) as the most common Web access device worldwide and by 2015 over 80% of the handsets sold in mature markets will be smartphones. By 2015 media tablet shipments will reach around 50% of laptop shipments and Windows 8 will likely be in third place behind Android and iOS. The implication is that the era of PC dominance with Windows as the single platform will be replaced with a post-PC era where there are a variety of environments.

Overall, the market is forecast to undergo a further shift to more integrated systems and ecosystems, away from loosely coupled heterogeneous approaches. Driving this trend is the user desire for lower cost, simplicity, and more assured security, on the one hand, and for vendors to have more control of the solution stack and obtain greater margin in sales without the need to provide physical hardware, on the other.

Technologies continue to emerge amidst a nexus of converging forces -- social, mobile, cloud and information. These forces are revolutionising business and society, disrupting old business models and creating new leaders. Companies in the sector, including the Group, will need to respond with offerings that fit with these emerging trends.

At the same time, the Group anticipates tight control of expenditures on after-sales services by vendors, presenting further pressures on the Group's profit margins.

Amidst ongoing challenges, the Group will strive to build a sustainable business platform based on a strategy with a solid underpinning of risk management. It will also capitalise on the changes under way in the telecommunications ecosystem, in terms of technology, industry practices and consumer preferences, to optimise existing operations and tap into new sources of growth. All in all, the Group's ability to create long-term value for shareholders is the management's top priority.

Employee Information

At 30 September 2012, the Group employed a work force of 121 (2011: 87). Staff costs, including salaries, bonuses and allowances, were approximately HK$27.0 million (2011: HK$20.5 million).

The Group maintains a competitive remuneration policy to motivate, retain and attract talent. The remuneration packages mainly comprise salary payments, group medical insurance plans and discretionary bonuses awarded on a performance basis. The Group provides pension schemes for employees as part of the staff benefits.

CORPORATE GOVERNANCE PRACTICES

Adapting and adhering to recognised standards of corporate governance principles and practices has always been one of the top priorities of the Company. The board of directors of the Company (the "Board") believes that good corporate governance is one of the areas that leads to the success of the Company and in balancing the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

The Stock Exchange of Hong Kong Limited (the "Stock Exchange") has revised and renamed the Code on Corporate Governance Practices (the "Former Code") set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") to Corporate Governance Code (the "New Code") effective 1 April 2012. Throughout the year ended 30 September 2012, the Company has complied with the respective code provisions ("Code Provisions") of the Former Code and the New Code for the relevant periods in which they are in force, except for certain deviations specified with considered reasons as explained below.

THE BOARD OF DIRECTORS

Composition and Responsibilities

The Board currently comprises six directors ("Directors"), of which two are Executive Directors, one is Non-executive Director, and three are Independent Non-executive Directors.

The Board members are:

Executive Directors:
Mr. SY Ethan, Timothy *(Chairman)*
Mr. SUNG Yee Keung, Ricky

Non-executive Director:
Mr. KO Wai Lun, Warren

Independent Non-executive Directors:
Mr. Andrew David ROSS
Mr. Geoffrey William FAWCETT
Mr. Charles Robert LAWSON

The biographical details of each Director are set out in the section "Human Capital" on page 21.

During the year ended 30 September 2012, there was no change in the composition of the Board.

While the Board is primarily overseeing and managing the Company's affairs, the Chairman of the Board provides leadership to the Board in carrying out its duties. The Executive Directors constituting the senior management of the Company are delegated with responsibilities in the day-to-day management of the Company and make operational and business decisions within the control of and delegation framework of the Company. The Non-executive Directors (including Independent Non-executive Directors) contribute valuable views and proposals for the Board's deliberation and decisions.

The positions of Chairman of the Board and Chief Executive Officer ("CEO") of the Company are both currently carried on by Mr. SY Ethan, Timothy. Although Code Provision A.2.1 provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual, the Board considers that the structure currently operated by the Company does not undermine the balance of power and authority between the Board and the management. The Board members have considerable experience and qualities which they bring to the Company and the Board believes that it is able to ensure that the balance of power between the Board and the management is not impaired. The Board believes that having the same person performing the roles of both Chairman and CEO does provide the Group with strong and consistent leadership and that, operating in this manner allows for more effective and efficient overall strategic planning of the Group.

The Company has put in place appropriate insurance cover in respect of Directors' liability.

Board Meetings

The Board members meet regularly, normally four times each year at approximately quarterly intervals, to discuss the overall strategy as well as the operational and financial performance of the Company. Other Board meetings will be held when necessary. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of a majority of Directors. During the year ended 30 September 2012, four regular Board meetings were held and the attendance records of individual Directors are set out below:

	Number of Meetings Attended/Held
Executive Directors:	
Mr. SY Ethan, Timothy	4/4
Mr. SUNG Yee Keung, Ricky	2/4
Non-executive Director:	
Mr. KO Wai Lun, Warren	4/4
Independent Non-executive Directors:	
Mr. Andrew David ROSS	4/4
Mr. Geoffrey William FAWCETT	4/4
Mr. Charles Robert LAWSON	4/4

Appropriate notices are given to all Directors in advance for attending regular and other Board meetings. Meeting agendas and other relevant information are normally provided to the Directors in advance of Board meetings. All Directors are consulted to include additional matters in the agenda for Board meetings.

Directors have access to the advice and services of the Company Secretary with a view to ensuring that Board procedures, and all applicable law, rules and regulations, are followed.

Draft and final versions of the minutes are sent to all Directors for their comment and records respectively. Minutes of Board meetings are kept by the Company Secretary and such minutes are open for inspection at any reasonable time on reasonable prior notice by any Director.

Appointments, Re-election and Removal

All Non-executive Directors have entered into service contracts with the Company for a specific term of two years.

Code Provision A.4.2 provides that every director should be subject to retirement by rotation at least once every three years. According to Article 116 of the articles of association, all Directors (except the CEO) shall retire by rotation at the annual general meeting of the Company at least once every three years. In the opinion of the Board, stability and continuation are key factors to the successful implementation of business plans. The Board believes that it is beneficial to the Group that there is continuity in the role of the CEO and, therefore, the Board is of the view that the CEO should be exempt from this arrangement at the present time.

The Board is collectively responsible for appointing new Directors either to fill casual vacancies or as additional Board members and removing any Director. Candidates to be appointed are those experienced, high caliber individuals with sufficient skill and knowledge required for the positions. All candidates must be able to meet the standards as set forth in rules 3.08 and 3.09 of the Listing Rules. A candidate who is to be appointed as an Independent Non-executive Director should also meet the independence criteria set out in rule 3.13 of the Listing Rules.

Nomination Committee

The Board established the Nomination Committee in March 2012, with written terms of reference in compliance with the New Code. The Committee comprises one Executive Director, namely Mr. SY Ethan, Timothy and two Independent Non-executive Directors, namely Messrs. Andrew David ROSS and Charles Robert LAWSON, and is chaired by Mr. SY Ethan, Timothy. The written terms of reference of the Nomination Committee are available on the Company's website.

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board regularly and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy. Its duties include making recommendations to the Board on the selection of individuals nominated for directorships, the appointment or re-appointment of Directors and succession planning for Directors. The Committee is also responsible for assessing the independence of Independent Non-Executive Directors. The Nomination Committee is provided with sufficient resources to perform its duties.

During the year under review, no meeting of the Nomination Committee was held. The first Nomination Committee meeting was held on 18 December 2012.

Confirmation of Independence

The independence of the Independent Non-executive Directors has been assessed in accordance with the applicable Listing Rules. Each of the Independent Non-executive Directors has made an annual written confirmation of independence pursuant to rule 3.13 of the Listing Rules. The Company is of the view that all Independent Non-executive Directors meet the guidelines for assessing independence set out in rule 3.13 of the Listing Rules and are independent.

Corporate Governance Functions

The Board is collectively responsible for performing the corporate governance duties. During the year, the Board formalised the inclusion of the following corporate governance duties into the terms of reference of the Board:–

- to develop and review the Company's policies and practices on corporate governance and make any changes it considers necessary to ensure their effectiveness;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to Directors and employees; and
- to review the Company's compliance with the New Code and disclosure in the Corporate Governance Report.

During the year, the Board also established the Nomination Committee, and revised the terms of reference of the Remuneration Committee and the Audit Committee in accordance with the requirements of the New Code. The Board also devised a shareholders' communication policy as more particularly described in the section headed "Shareholder and Investor Relations" of this Corporate Governance Report.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. Specific enquiry has been made to all Directors who have confirmed that they have complied with the required standard set out in the Model Code throughout the year under review.

Directors' Training and Professional Development

Every Director keeps abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company. Directors are continually updated with regulatory and governance developments. With effect from 1 April 2012, the Company provides all members of the Board with monthly updates on the Company's performance, position and prospects.

Directors are encouraged to participate in professional development courses and seminars to develop and refresh their knowledge and skills. The Company has devised a training record to assist the Directors to record the training they have undertaken.

During the year, all Directors are provided with the latest version of "A Guide on Directors' Duties" issued by the Companies Registry, and "Guidelines for Directors" and "Guide for Independent Non-executive Directors" published by the Hong Kong Institute of Directors. Messrs. SY Ethan, Timothy, KO Wai Lun, Warren, Andrew David ROSS, Geoffrey William FAWCETT and Charles Robert LAWSON received briefings on updates of accounting standards from auditors of the Company at Audit Committee meetings.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Emolument Policy

The remuneration policy of the Group is to ensure the fairness and competitiveness of total remuneration. The emoluments of Executive Directors are determined based on the skill, knowledge, individual performance as well as contributions, the scope of responsibility and accountability of such Directors, taking into consideration of the Company's performance and prevailing market conditions. The remuneration policy of Non-executive Directors (including Independent Non-executive Directors) is to ensure that the Non-executive Directors are adequately compensated for their efforts and time dedicated to the Company's affairs including their participation in respective Board committees. The emoluments of Non-executive Directors are determined with reference to their experience, duties and knowledge.

Remuneration Committee

The Board established the Remuneration Committee in July 2006, with written terms of reference in compliance with the Code Provisions, which were reviewed from time to time by the Board to keep them in line with the most up-to-date requirements. The Committee comprises three Independent Non-executive Directors, namely Messrs. Geoffrey William FAWCETT, Andrew David ROSS and Charles Robert LAWSON, one Non-executive Director, namely Mr. KO Wai Lun, Warren and one Executive Director, namely Mr. SY Ethan, Timothy, and is chaired by Mr. Geoffrey William FAWCETT. The most up-to-date version of the written terms of reference of the Remuneration Committee are available on the Company's website.

The Remuneration Committee is responsible for making recommendations to the Board on the Company's emolument policy and on the establishment of a formal and transparent procedure for developing such policy. Prior to making its recommendations, the Committee consults the Chairman of the Board and CEO and takes into consideration factors including the Group's performance and profitability, experience, duties and time commitment of Directors, prevailing market conditions, salaries paid by comparable companies, employment conditions elsewhere in the Group and desirability of performance-based remuneration. The Committee has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of individual Executive Directors and senior management. The Committee is provided with sufficient resources enabling it to discharge its duties.

During the year, the Remuneration Committee reviewed the remuneration packages of the Directors and employees of the Company. No Director was involved in deciding his own remuneration.

The Remuneration Committee held one meeting during the year, and the attendance record of individual Committee members are set out below:

	Number of Meetings Attended/Held
Mr. Geoffrey William FAWCETT *(Chairman)*	1/1
Mr. Andrew David ROSS	1/1
Mr. Charles Robert LAWSON	1/1
Mr. KO Wai Lun, Warren	1/1
Mr. SY Ethan, Timothy	1/1

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board acknowledges its responsibility for the preparation of the financial statements which give a true and fair view of the state of affairs of the Group. The financial statements set out on pages 33 to 83 were prepared on a going concern basis. Financial results of the Group are announced in a timely manner in accordance with statutory and/or regulatory requirements.

During the year, the Company engaged Messrs. HLB Hodgson Impey Cheng ("HLB") as the external auditors. Apart from providing audit services, HLB also reviewed the interim results of the Group. The fees in respect of audit and non-audit services provided by HLB for the year ended 30 September 2012 approximately amounted to HK$1,000,000 and HK$250,000 respectively.

The reporting responsibilities of HLB are set out in the Independent Auditors' Report on pages 31 and 32.

Internal Controls

The Board has overall responsibility for the Group's systems of internal controls and for reviewing their effectiveness.

During the year, the Company conducted reviews on the effectiveness of the Group's internal control systems as required by the Code Provisions, covering financial, operational and compliance controls and risk management functions, and including reviews on the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial report function.

Audit Committee

The Audit Committee of the Company was established in December 2004, with written terms of reference in compliance with the Code Provisions, which were reviewed from time to time by the Board to keep them in line with the most up-to-date requirements. The Committee comprises three Independent Non-executive Directors, namely Messrs. Andrew David ROSS, Geoffrey William FAWCETT and Charles Robert LAWSON and one Non-executive Director, namely Mr. KO Wai Lun, Warren, and is chaired by Mr. Andrew David ROSS. The most up-to-date version of the written terms of reference of the Audit Committee are available on the Company's website.

The Audit Committee reports to the Board and has held regular meetings to assist the Board in reviewing the effectiveness of the Group's financial reporting process, internal controls and risk management systems. The Committee monitors the integrity of the Company's financial statements, annual report and accounts and half-year report and reviews significant financial report judgments contained therein. It reviews, makes recommendations and reports to the Board on findings relating to the financial statements, reports and accounts, systems of internal controls and risk management and compliance issues. The Committee also oversees the Company's relationship with the external auditor, reviews auditor's letter of engagement and makes recommendations to the Board on the appointment and re-appointment of external auditor. It is empowered to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. It reviews external auditor's management letter and any material queries raised by the auditor to the management and the management's response. The Audit Committee is provided with sufficient resources enabling it to discharge its duties.

During the year, the Audit Committee discussed with the management of the Company the internal controls and financial reporting matters, and reviewed the accounting principles and practices adopted by the Group and the effectiveness of the Group's internal control system. The Audit Committee also met with the external auditors and reviewed the annual and interim reports of the Company.

The Audit Committee members met twice during the year, and the attendance records of individual Committee members are set out below:

	Number of Meetings Attended/Held
Mr. Andrew David ROSS *(Chairman)*	2/2
Mr. Geoffrey William FAWCETT	2/2
Mr. Charles Robert LAWSON	2/2
Mr. KO Wai Lun, Warren	2/2

DELEGATION BY THE BOARD

While at all times the Board retains full responsibility for guiding and monitoring the Company in discharging its duties, certain responsibilities are delegated to various Board committees which have been established by the Board to deal with different aspects of the Company's affairs. Unless otherwise specified in their respective written terms of reference as approved by the Board, these Board committees are governed by the Company's articles of association as well as the Board's policies and practices (in so far as the same are not in conflict with the provisions contained in the articles of association).

The Board has also delegated the responsibility of implementing its strategies and the day-to-day operation to the management of the Company under the leadership of the Executive Directors. Clear guidance has been made as to the matters that should be reserved to the Board for its decision which include matters on, inter alia, capital, finance and financial reporting, internal controls, communication with shareholders, Board membership, delegation of authority and corporate governance.

COMPANY SECRETARY

The Company Secretary of the Company is Ms. WONG Shuk Ching, a solicitor qualified to practise law in Hong Kong and a member of The Hong Kong Institute of Chartered Secretaries. Ms. Wong assists the Board by ensuring good information flow within the Board and that Board policy and procedures including those on governance matters are followed. She reports to Mr. SY Ethan, Timothy, Chairman of the Board and CEO, who is also her primary corporate contact person at the Company.

SHAREHOLDER AND INVESTOR RELATIONS

Communication Strategies

The Board established a shareholders' communication policy setting out the principles of the Company in relation to its communication with the shareholders, with the objective of ensuring effective and timely dissemination of information to shareholders. Information would be communicated to shareholders mainly through the Company's corporate communications including interim and annual reports, announcements and circulars. These publications are sent to the shareholders in a timely manner and are also available on the website of the Company.

The Chairman of the Board, members of the Board and external auditors attended the 2012 annual general meeting of the Company ("AGM") held on 7 March 2012. The attendance record of the Directors at the AGM is set out below:

	AGM attended/Held
Executive Directors:	
Mr. SY Ethan, Timothy *(Chairman)*	1/1
Mr. SUNG Yee Keung, Ricky	0/1
Non-executive Director:	
Mr. KO Wai Lun, Warren	1/1
Independent Non-executive Directors:	
Mr. Andrew David ROSS	1/1
Mr. Geoffrey William FAWCETT	1/1
Mr. Charles Robert LAWSON	1/1

Shareholders may direct enquiries about their shareholdings to the Company's Share Registrars. To the extent the requisite information of the Company is publicly available, shareholders and the investment community may at any time make enquiry in respect of the Company in writing at our head office in Hong Kong by post, facsimile or email via the numbers and email address provided on the Company's website or through the Company's Investor Relations Adviser whose contact details are provided in the "Corporate Information" section of this Annual Report.

Shareholders' Rights

Pursuant to the articles of association of the Company, any two or more shareholders or any one shareholder which is a clearing house (or its nominee) (in either case) holding not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings can make a requisition to convene and put forward proposals at an extraordinary general meeting. The requisition must specify the objects of the meeting, and must be signed by the relevant requisitionist(s) and deposited at the head office of the Company in Hong Kong.

Shareholders may put forward their enquiries about the Company to the Board or the Company Secretary at the Company's head office in Hong Kong or by email or through the Investor Relations Adviser of the Company.

HUMAN CAPITAL

Hong Kong's recruitment market has remained robust in 2012 owing to a continued inflow of investments and a stable retail sector. Consistent hiring activity is seen for front-line revenue-generating roles, as well as talents with technical skills in information technology and procurement. Skilled professionals across the sales, marketing and retail sectors are particularly in demand.

While maintaining a focus on managing business costs, the Group adopts a talent management programme which incorporates foundational, performance-based and career progression rewards to attract and retain employees with critical skills. The long-term human capital strategy aims to help the Group sustain itself through the ups and downs of the business cycle. Through talent acquisition and retention, engagement and inspiration, management also addresses key risks of decreased staff creativity and commitment that could hinder the sustainable development of the Group.

To cope with the changing demands of today's knowledge economy, there needs to be a constant retooling of human capital. Hence, in addition to providing an enabling environment to support staff members to meet their set performance targets, a learning culture is in place to help them achieve their development goals. Staff members are also empowered to pursue their professional aspirations while adding value to the organisation.

As the Group embraces new challenges every day, gratitude is expressed to staff members who have remained focused on the mission of delivering professional solutions to clients and end users, whose lives are enriched and made more productive through technology.

EXECUTIVE DIRECTORS

Mr. SY Ethan, Timothy, aged 39, is the Chairman and Chief Executive Officer of the Company. He joined the Group in 1997 and is responsible for the Group's corporate strategies.

Mr. SUNG Yee Keung, Ricky, aged 47, is an Executive Director of the Company. He joined the Group in 1993 and is responsible for the Group's strategic planning. Mr. Sung has over 20 years of experience in the customer telecommunications industry and over 23 years of trading experience in the People's Republic of China.

NON-EXECUTIVE DIRECTOR

Mr. KO Wai Lun, Warren, aged 45, is a Non-executive Director of the Company since 2003. Educated in England and Canada, Mr. Ko obtained his Bachelor of Science Degree from Simon Fraser University in Canada and Bachelor of Laws Degree in England. He was a partner of Richards Butler, an international law firm, between 2001 and 2005. He is currently a partner at the law firm, Robertsons and specialises in corporate finance work including initial public offerings, mergers and acquisitions and restructuring. He is qualified to practise law in both England and Wales and Hong Kong.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Andrew David ROSS, aged 58, is an Independent Non-executive Director of the Company since 2004. He is a partner of Baker Tilly Hong Kong Limited, Certified Public Accountants and the finance director of Windy City International Limited. Mr. Ross holds a Bachelor of Arts Degree in Accountancy and Law and is a member of both the Institute of Chartered Accountants of Scotland and the Hong Kong Institute of Certified Public Accountants. Mr. Ross has over 30 years of experience in auditing, business accounting, taxation and business valuations and has been involved in due diligence investigations, preparation of pre-listing documents and giving expert opinions on a number of auditing and accounting issues.

Mr. Geoffrey William FAWCETT, aged 55, is an Independent Non-executive Director of the Company since 2004. Graduated from John Moores University of Liverpool, England, Mr. Fawcett has over 30 years of experience in the maritime transportation industry, particularly in successfully formulating plans and strategies for Fortune 200 level maritime transportation companies, the fastest growing US State Port Authority and a variety of other large international organisations.

Mr. Charles Robert LAWSON, aged 63, is an Independent Non-executive Director of the Company since 2005. Mr. Lawson is the senior vice president of Amerex International (H.K.) Limited. He is a fellow member of the Institute of Chartered Accountants in England and Wales. Mr. Lawson has extensive experience in general and financial management. He has been exposed to a number of bank negotiations and restructuring documentation. He also has extensive knowledge of most of the areas in the Far East region.

MARKET OVERVIEW

Worldwide sales of mobile phones slid by 3.1% year on year in the third quarter of 2012 to almost 428 million units, according to Gartner, Inc. After two consecutive quarters of decline in mobile phone sales, demand has begun to improve in both mature and emerging markets with sales picking up sequentially. Smartphone sales accounted for nearly 39.6% of total mobile phone sales, as the category's sales jumped 46.9% year on year.

Smartphones continue to fuel sales of mobile phones worldwide, with sales rising to some 169 million units in the third quarter. The smartphone market was dominated by Apple and Samsung Electronics. The two vendors together controlled about 47% of the smartphone market, leaving a handful of vendors fighting to secure a distant third spot.

The battle between Apple and Samsung in the 'smart connected device' space has been stronger than ever. According to International Data Corporation (IDC), both vendors compete at the top end of the tablet and smartphone markets, but the average selling price (ASP) achieved by each is a telling sign of their different market approaches. While Samsung took the top position in the third quarter with close to a 21.8% market share based on shipments, Apple, which ranked second in shipments with a 15.1% share, led all vendors in value.

Samsung's mobile phone sales continued to accelerate, totalling almost 98 million units in the third quarter of 2012, up 18.6% year on year. Samsung saw strong demand for Galaxy smartphones across different price points, and it further widened the gap with Apple in the smartphone market, selling 55 million smartphones in the third quarter.

Nokia slipped from the third position in the second quarter to seventh in smartphone sales in the third quarter of 2012. Research in Motion (RIM) moved to the third spot followed by HTC in fourth position. Gartner reports that both HTC and RIM have seen their sales declining in the past few quarters, and market challenges might prevent them from holding on to their current rankings in coming quarters.

In terms of the operating system (OS), Google's Android has been one of the primary growth engines of the smartphone market. During the third quarter of 2012, Android was found on three out of every four smartphones shipped. IDC estimates that total Android smartphone shipments worldwide reached 136 million units, accounting for 75% of the 181 million smartphones shipped in the quarter. Android's 91.5% year-over-year growth was nearly double the overall market growth rate of 46.4%.

Apple's iOS took a distant second place behind Android, but was the only other mobile OS to amass a double-digit market share for the quarter. The launch of the iPhone 5 and lower prices on older models prevented total shipment volumes from slipping to previous-year levels.

BlackBerry's market share continued to sink, falling to just over 4% by the end of the quarter. With the launch of the BlackBerry 10 yet to come in 2013, RIM will continue to rely on its aging BlackBerry 7 platform. However, demand has remained strong within certain key markets.

Symbian posted the largest year-on-year decline of the leading OS. Nokia remains the largest vendor still supporting Symbian, along with Japanese vendors Fujitsu, Sharp, and Sony. Each of these vendors is in the midst of transitioning to other OS, and IDC believes that they will cease shipping Symbian-powered smartphones in 2013.

Windows Phone marked its second anniversary with a total of 3.6 million units shipped worldwide, fewer than the total number of Symbian units shipped. Even with the backing of multiple smartphone market leaders, Windows Phone has yet to make a significant dent into Android's and iOS's collective market share. That could change in the fourth quarter with the launch of multiple Windows Phone 8 smartphones.

While mobile application (app) store downloads are expected to exceed 45 billion in 2012, Gartner analysts point out that app stores have yet to come up with an effective model to convert casual app users into paying customers. Free apps are estimated to account for 89% of total downloads in 2012. In terms of the apps that consumers are buying, 90% of the paid-for downloads cost less than US$3 each. Similar to free apps, lower-priced apps drive the majority of downloads.

Apple's market share is the largest, with its App Store accounting for 25% of all available apps. The number of apps available is driven by an increasing number of stores in the market today that include platform owners, device vendors, communication service providers (CSPs) and others who offer core mobile app services. These stores will see their combined share of total downloads increase, but demand for apps overall is expected by Gartner to be dominated by Apple, Google and Microsoft.

Gartner expects Apple's App Store to have more than 21 billion downloads in 2012, which is an increase of 74% over 2011 and indicates continued strong demand for mobile app content.

Amazon has also appealed to users with its strong brand, global presence and a good selection of high-quality content, while Facebook's recently launched App Center has the potential to become a powerful competitor owing to its strong brand and leading position in social networking and gaming. Gartner expects to see more new entrants to the market, aiming to deepen relationships with their customers and/or to capture some of this growth market.

In-app purchases offer a new path of monetisation. This is a different approach from upfront payment. In-app purchasing opens the door to a recurring revenue stream for developers, but app performance and design will always be the most important factor when attracting new users and keeping them satisfied.

In-app purchases will drive 41% of the store revenue in 2016. While the market is moving towards free and low-priced apps, in-app purchases will drive downloads as well as app store revenue. Gartner expects the number of downloads featuring in-app purchase will increase from 5% of total downloads in 2011 to 30% in 2016, and its contribution to store revenue will increase from 10% to 41% over the same period.

Apart from device sales and apps downloads, smartphones are also driving US$20 billion in aftermarket accessory revenues in 2012, accounting for more than half of the US$36 billion that all aftermarket handset accessories will produce. By 2017, smartphone accessories will grow to US$38 billion in revenues, while feature phone accessory revenues will decline to US$12 billion. An ABI Research study shows that smartphone owners spend roughly US$56 on accessories per device, nearly double the amount of feature phone owners.

The increasing penetration of smartphones is leading to a shift in accessory design towards smart accessories that drive higher levels of consumer interaction, product value, and brand recognition. While feature phone accessories tend to be basic commodity-type products, smartphone-focused accessories are increasingly looking to leverage on device applications and communication protocols that can increase the design complexity and allow the accessories to become service delivery platforms.

In many ways, smartphone users have grown increasingly reliant on their devices, but the concerns over privacy and security still need to be addressed. Clearly smartphones are here to stay, but the challenge for companies will be to stay alert to what users want from their smartphones and align their investments accordingly.

Executive Directors	Mr. SY Ethan, Timothy Mr. SUNG Yee Keung, Ricky
Non-executive Director	Mr. KO Wai Lun, Warren
Independent Non-executive Directors	Mr. Andrew David ROSS Mr. Geoffrey William FAWCETT Mr. Charles Robert LAWSON
Registered office	Ugland House South Church Street P.O. Box 309 George Town Grand Cayman Cayman Islands
Head office and principal place of business	3603-5 AIA Kowloon Tower Landmark East 100 How Ming Street Kwun Tong Kowloon Hong Kong Tel. : 2425-8888 Fax. : 3181-9980 E-mail : info@iglobaltech.com Website : www.iglobaltech.com
Company Secretary	Ms. WONG Shuk Ching
Authorised representatives	Mr. SY Ethan, Timothy Ms. WONG Shuk Ching
Auditors	HLB Hodgson Impey Cheng Chartered Accountants Certified Public Accountants 31/F., Gloucester Tower The Landmark 11 Pedder Street Central Hong Kong
Principal banker	DBS Bank (Hong Kong) Limited 16/F., The Center 99 Queen's Road Central Central Hong Kong

Principal share registrar and transfer office	Royal Bank of Canada Trust Company (Cayman) Limited 4th Floor, Royal Bank House 24 Shedden Road George Town Grand Cayman KY1-1110 Cayman Islands
Hong Kong branch share registrar and transfer office	Tricor Abacus Limited 26/F., Tesbury Centre 28 Queen's Road East Hong Kong
Singapore share transfer agent	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Listing information	The Stock Exchange of Hong Kong Limited: 143 Singapore Exchange Securities Trading Limited: G11
Investor relations adviser	t6.communications limited 8A CATIC Plaza 8 Causeway Road Causeway Bay Hong Kong Tel. : 2511-8388 Fax. : 2511-8238 E-mail : enquiry@t6pr.com

The Directors submit their report together with the audited financial statements of the Company and the Group for the year ended 30 September 2012.

PRINCIPAL ACTIVITIES AND SEGMENT INFORMATION

The principal activity of the Company is investment holding. The principal activities of the principal subsidiaries of the Company are set out in note 17 to the consolidated financial statements.

An analysis of the Group's performance for the year ended 30 September 2012 by business and geographical segments is set out in note 8 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 30 September 2012 are set out in the consolidated income statement on page 33.

The Directors resolved not to make any payment of an interim dividend (2011: Nil) and do not recommend the payment of a final dividend (2011: Nil) for the year ended 30 September 2012.

RESERVES

Movements in the reserves of the Group and the Company during the year ended 30 September 2012 are set out in the consolidated statement of changes in equity on page 37 and note 27 to the consolidated financial statements respectively.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 30 September 2012 are set out in note 16 to the consolidated financial statements.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 30 September 2012.

BANK BORROWINGS

The Group has no bank borrowings at 30 September 2012.

DIRECTORS

The Directors who held office during the year ended 30 September 2012 and up to the date of this report are as follows:

Mr. SY Ethan, Timothy
Mr. SUNG Yee Keung, Ricky
Mr. KO Wai Lun, Warren*
Mr. Andrew David ROSS**
Mr. Geoffrey William FAWCETT**
Mr. Charles Robert LAWSON**

* *Non-executive Director*
** *Independent Non-executive Director*

In accordance with Article 116 of the Articles of Association of the Company, Messrs. KO Wai Lun, Warren and Geoffrey William FAWCETT shall retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

BIOGRAPHICAL DETAILS OF DIRECTORS

Brief biographical details of the Directors are set out on page 21.

DISTRIBUTABLE RESERVES

Details of distributable reserves of the Company at 30 September 2012 are set out in note 27 to the consolidated financial statements.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 84.

DIRECTORS' SERVICE CONTRACTS

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

CONNECTED TRANSACTIONS

No transactions were entered into by the Group during the year ended 30 September 2012, which constitute connected transactions under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 30 to the consolidated financial statements, no Director had material beneficial interests, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party at any time during the year ended 30 September 2012.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, no Director has been recorded as having interests in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 30 September 2012, the following Director had the following interests in long positions in the shares of the Company as recorded in the register required to be kept under section 352 of the Securities and Futures Ordinance (Chapter 571 of the Laws of the Hong Kong) (the "SFO"):

Name of Director	Number of ordinary shares held at 30 September 2012	Approximate percentage of shareholding	Capacity in which interests are held
Mr. SUNG Yee Keung, Ricky	72,913,303*	1.41%	Beneficial owner

* These shares include 250,000 shares which were jointly owned by Ms. SUNG Mei Ling, the sister of Mr. SUNG Yee Keung, Ricky.

Save as disclosed above, at 30 September 2012, none of the Directors, chief executive of the Company or their respective associates had any interests or short positions in the 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 entered in the register kept by the Company pursuant to section 352 of the SFO, or were required to be notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

Apart from the above, at no time during the year was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS DISCLOSEABLE UNDER THE SFO

At 30 September 2012, the register of substantial shareholders maintained under section 336 of the SFO shows that the following companies (not being Directors or chief executive of the Company) had long positions of 5% or more in the shares of the Company which fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

Name of shareholder	Capacity	Number of shares	Approximate percentage of shareholding
Optimum Pace International Limited	Beneficial owner	2,942,608,695	56.96%

Save as disclosed above, no other person was recorded in the register required to be kept under section 336 of the SFO as having an interest or short position in the shares or underlying shares of the Company at 30 September 2012.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 30 September 2012.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and sales for the year ended 30 September 2012 attributable to the Group's major suppliers and customers are as follows:

	Percentage of the total purchases/sales accounted for
Purchases	
– the largest supplier	74%
– five largest suppliers combined	94%
Sales	
– the largest customer	60%
– five largest customers combined	68%

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

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association although there are no restrictions against such rights under the laws of the Cayman Islands.

PENSION SCHEME

On 1 December 2000, the Group set up a Mandatory Provident Fund Scheme (the "MPF Scheme") in accordance with the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong). The assets of the MPF Scheme are held separately from those of the Group and are under the control of an independent trustee.

Both the Group and its employees are required to contribute 5% of the employees' monthly salaries to the MPF Scheme. The mandatory contributions required to be made respectively by the Group and an employee are each capped at HK$1,000 per month up to 31 May 2012 and HK$1,250 per month since 1 June 2012. Members are entitled to 100% of the employer's mandatory contributions as soon as they are paid to the MPF Scheme but all benefits derived from the mandatory contributions must be preserved until an employee reaches the retirement age of 65 or in accordance with the rules of the MPF Scheme.

In addition to the mandatory contributions, the Group makes voluntary contributions for certain employees during the year. In any event, total monthly contributions made by the Group to an employee are capped at 5% of the relevant employee's salaries.

PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of the Directors at the date of this report, the Company has maintained the prescribed public float under the Listing Rules.

AUDITORS

The accounts for the year were audited by HLB Hodgson Impey Cheng whose term of office will expire upon the forthcoming annual general meeting. In March 2012, the practice of HLB Hodgson Impey Cheng was reorganised as HLB Hodgson Impey Cheng Limited. The Audit Committee has recommended to the Board that HLB Hodgson Impey Cheng Limited shall be nominated for appointment as auditor of the Company at the forthcoming annual general meeting.

A resolution for the appointment of HLB Hodgson Impey Cheng Limited as auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

On behalf of the Board
SY Ethan, Timothy
Chairman

Hong Kong, 21 December 2012

HLB 國衛會計師事務所
Hodgson Impey Cheng

Chartered Accountants
Certified Public Accountants

31/F Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF
GLOBAL TECH (HOLDINGS) LIMITED
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Global Tech (Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 33 to 83 which comprise the consolidated and company statement of financial position as at 30 September 2012, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

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

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 September 2012, and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants

Hong Kong, 21 December 2012

	Notes	2012 HK$'000	2011 HK$'000
Turnover	7	**100,583**	38,898
Cost of sales		**(75,031)**	(27,434)
Gross profit		**25,552**	11,464
Other revenue	9	**437**	13,030
Other income	10	**1,779**	39,545
Selling and distribution expenses		**(2,495)**	(2,592)
Administrative expenses		**(46,298)**	(38,956)
Other operating expenses		**(118)**	(37,770)
Loss from operations	11	**(21,143)**	(15,279)
Cumulative gain reclassified from equity to profit or loss upon disposal of available-for-sale financial assets	19	**517**	–
Loss before taxation		**(20,626)**	(15,279)
Taxation	12	**–**	27
Loss for the year	13	**(20,626)**	(15,252)
Dividends	14	**–**	–
Loss for the year attributable to owners of the Company		**(20,626)**	(15,252)
Loss per share attributable to owners of the Company			
Basic and diluted	15	**HK$(0.004)**	HK$(0.003)

All of the Group's activities are classified as continuing operations.

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 30 September 2012

	Notes	2012 HK$'000	2011 HK$'000
Loss for the year		**(20,626)**	(15,252)
Other comprehensive income/(loss)			
Exchange differences on translating foreign operations		**(1,647)**	(1,951)
Release of exchange reserves upon deregistration of subsidiaries		**108**	–
Gain/(loss) on fair value change of available-for-sale financial assets		**767**	(1,155)
Reclassification adjustments relating to available-for-sale financial assets disposed of during the year	19	**(517)**	–
Total comprehensive loss for the year		**(21,915)**	(18,358)
Total comprehensive loss attributable to owners of the Company		**(21,915)**	(18,358)

	Notes	2012 HK$'000	2011 HK$'000
Non-current assets			
Property, plant and equipment	16	4,510	5,036
Available-for-sale financial assets	19	5,950	6,896
		10,460	11,932
Current assets			
Inventories	20	9,122	5,588
Trade receivables	21	28,036	29,767
Prepayments, deposits and other receivables	22	10,591	26,312
Cash and bank balances	23	48,429	53,873
		96,178	115,540
Current liabilities			
Trade payables	24	2,005	1,053
Accrued charges and other payables	25	9,862	9,733
Tax payables		52,993	52,993
		64,860	63,779
Net current assets		31,318	51,761
Total assets less current liabilities		41,778	63,693
Net assets		41,778	63,693
Equity			
Capital and reserves attributable to owners of the Company			
Share capital	26	51,659	51,659
Reserves		(9,881)	12,034
Total equity		41,778	63,693

The consolidated financial statements were approved and authorised for issue by the board of directors on 21 December 2012 and signed on its behalf by:

SY Ethan, Timothy
Executive Director

SUNG Yee Keung, Ricky
Executive Director

The accompanying notes form an integral part of these consolidated financial statements.

Statement of Financial Position

At 30 September 2012

	Notes	2012 HK$'000	2011 HK$'000
Non-current assets			
Interests in subsidiaries	17	**24,764**	24,764
Available-for-sale financial assets	19	**5,300**	5,300
		30,064	30,064
Current assets			
Amounts due from subsidiaries	18	**17,585**	13,639
Prepayments, deposits and other receivables	22	**352**	1,120
Cash and bank balances	23	**1,425**	3,356
		19,362	18,115
Current liabilities			
Accrued charges and other payables	25	**4,256**	4,132
Amount due to subsidiaries		**13,613**	11,826
		17,869	15,958
Net current assets		**1,493**	2,157
Net assets		**31,557**	32,221
Equity			
Capital and reserves attributable to owners of the Company			
Share capital	26	**51,659**	51,659
Reserves	27	**(20,102)**	(19,438)
Total equity		**31,557**	32,221

The financial statements were approved and authorised for issue by the board of directors on 21 December 2012 and signed on its behalf by:

SY Ethan, Timothy
Executive Director

SUNG Yee Keung, Ricky
Executive Director

The accompanying notes form an integral part of these financial statements.

	Share capital HK$'000	Share premium HK$'000	Capital reserve HK$'000	Capital redemption reserve HK$'000 (Note 1)	Investment revaluation reserve HK$'000 (Note 2)	Exchange difference reserve HK$'000 (Note 3)	Accumulated losses HK$'000	Total HK$'000
At 1 October 2010	51,659	457,804	2,450	160	905	1,565	(432,492)	82,051
Loss for the year	–	–	–	–	–	–	(15,252)	(15,252)
Exchange difference on translating foreign operations	–	–	–	–	–	(1,951)	–	(1,951)
Fair value change of available-for-sale financial assets	–	–	–	–	(1,155)	–	–	(1,155)
Total comprehensive loss for the year	–	–	–	–	(1,155)	(1,951)	(15,252)	(18,358)
At 30 September 2011 and 1 October 2011	**51,659**	**457,804**	**2,450**	**160**	**(250)**	**(386)**	**(447,744)**	**63,693**
Loss for the year	–	–	–	–	–	–	(20,626)	(20,626)
Exchange difference on translating foreign operations	–	–	–	–	–	(1,647)	–	(1,647)
Release of exchange reserves upon deregistration of subsidiaries	–	–	–	–	–	108	–	108
Fair value change of available-for-sale financial assets	–	–	–	–	767	–	–	767
Reclassification adjustments relating to available-for-sale financial assets disposed of during the year	–	–	–	–	(517)	–	–	(517)
Total comprehensive income/(loss) for the year	–	–	–	–	250	(1,539)	(20,626)	(21,915)
At 30 September 2012	**51,659**	**457,804**	**2,450**	**160**	**–**	**(1,925)**	**(468,370)**	**41,778**

Notes:

1) **Capital redemption reserve**
The capital redemption reserve represents the repurchase of shares of the Company on The Stock Exchange of Hong Kong Limited during the financial year of 30 September 2000. These repurchased shares were cancelled upon repurchase and, accordingly, the nominal value of the cancelled shares was credited to capital redemption reserve and the aggregate consideration paid was debited to the retained earnings and share premium account.

2) **Investment revaluation reserve**
The investment revaluation reserve represents accumulated gains and losses arising on the revaluation of available-for-sale financial assets that have been recognised in other comprehensive income/(loss), net of amounts reclassified to profit or loss when those investments have been disposed of or are determined to be impaired.

3) **Exchange difference reserve**
Exchange differences arising from the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong dollars) are recognised directly in other comprehensive income/(loss) and accumulated in the exchange difference reserve. The reserve is dealt with in accordance with the accounting policy of foreign currencies set out in note 4(h).

	2012 HK$'000	2011 HK$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	**(20,626)**	(15,279)
Adjustments for:		
Bad debts written off	**–**	13
Cumulative gain reclassified from equity to profit or loss upon disposal of available-for-sale financial assets	**(517)**	–
Depreciation	**1,852**	1,500
Fair value losses on financial assets at fair value through profit or loss, net	**1,323**	–
Impairment loss recognised in respect of trade receivables	**–**	29
Loss on disposals of property, plant and equipment	**10**	162
Losses/(gains) on deregistration of subsidiaries	**108**	(37,565)
Other receivables written off arising from deregistration of subsidiaries	**–**	37,565
Provision of obsolete inventories	**482**	262
Reversal of provision of obsolete inventories	**(39)**	(16)
Write down on inventories	**16**	144
Dividend income	**–**	(28)
Interest income	**(162)**	(182)
Unrealised foreign currency gain	**(1,777)**	(1,966)
Operating cash flows before movements in working capital	**(19,330)**	(15,361)
Increase in inventories	**(3,969)**	(2,581)
Decrease/(increase) in trade receivables	**1,747**	(1,444)
Decrease/(increase) in prepayments, deposits and other receivables	**15,807**	(14,905)
Increase in trade payables	**949**	77
Increase in accrued charges and other payables	**105**	1,193
Cash used in operations	**(4,691)**	(33,021)
Profits tax paid	**–**	(225)
Net cash used in operating activities	**(4,691)**	(33,246)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(1,321)**	(4,383)
Purchase of financial assets at fair value through profit or loss	**(5,584)**	–
Proceeds from disposals of available-for-sale financial assets	**1,713**	–
Proceeds from disposals of financial assets at fair value through profit or loss	**4,261**	–
Interest income	**162**	182
Dividend income	**–**	28
Net cash used in investing activities	**(769)**	(4,173)

	2012 HK$'000	2011 HK$'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in pledged time deposits	–	4,665
Net cash generated from financing activities	–	4,665
Net decrease in cash and cash equivalents	**(5,460)**	(32,754)
Cash and cash equivalents at the beginning of the year	**53,873**	86,618
Effect of foreign exchange rate changes	**16**	9
Cash and cash equivalents at the end of the year	**48,429**	53,873
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	**48,429**	53,873

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 9 December 1998 as an exempted company with limited liability and its shares have a primary listing on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and a secondary listing on Singapore Exchange Securities Trading Limited.

The registered office of the Company is Ugland House, South Church Street, P.O. Box 309, George Town, Grand Cayman, Cayman Islands. At the date of approval of these consolidated financial statements, the principal place of business of the Company is located at 3603-5, AIA Kowloon Tower, Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong.

The principal activity of the Company is investment holding and the principal activities of its principal subsidiaries are set out in note 17 to the consolidated financial statements.

The directors of the Company (the "Directors") regard Optimum Pace International Limited, a company incorporated in the British Virgin Islands as the ultimate holding company.

2. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations ("Ints") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") and the disclosure requirements of the Hong Kong Companies Ordinance.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost convention, as modified for the revaluation of certain available-for-sale financial assets which are stated at their fair values. The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the application of the Group's accounting policies.

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

In the current year, the Group has applied, for the first time, the following new standards, amendments and interpretations ("new HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning 1 October 2011.

HKFRSs (Amendments)	Improvements to HKFRSs 2010
HKAS 24 (As revised in 2009)	Related Party Disclosures
HKFRS 1 (Amendments)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets
HK(IFRIC) – Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement

The application of new and revised HKFRSs in the current year has had no material effect on the amounts reported in these consolidated financial statements and/or disclosures set out in these consolidated financial statements.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

New and revised Standards and Interpretations in issue but not yet effective

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

HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income[2]
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets[1]
HKAS 19 (As revised in 2011)	Employee Benefits[3]
HKAS 27 (As revised in 2011)	Separate Financial Statements[3]
HKAS 28 (As revised in 2011)	Investments in Associates and Joint Ventures[3]
HKAS 32 (Amendments)	Presentation – Offsetting Financial Assets and Financial Liabilities[4]
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle[3]
HKFRS 1	Government Loan[3]
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities[3]
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date of HKFRS 9 and Financial Liabilities[5]
HKFRS 9 (As revised in 2010)	Financial Instruments[5]
HKFRS 10	Consolidated Financial Statements[3]
HKFRS 11	Joint Arrangements[3]
HKFRS 12	Disclosure of Interests in Other Entities[3]
HKFRS 13	Fair Value Measurement[3]
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance[3]
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[3]

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

HKFRS 9 Financial Instruments

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

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

New and revised Standards and Interpretations in issue but not yet effective (continued)

Key requirements of HKFRS 9 are described as follows:–

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

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

HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements and HK (SIC) – Int 12 Consolidation – Special Purpose Entities. HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 Interests in Joint Ventures and HK (SIC) – Int 13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

New and revised Standards and Interpretations in issue but not yet effective (continued)

New and revised Standards on consolidation, joint arrangements, associates and disclosures (continued)

In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate accounting.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

These five standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

HKFRS 13 Fair Value Measurement

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

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

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

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

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

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

New and revised Standards and Interpretations in issue but not yet effective (continued)

Amendments to HKAS 12 Deferred Tax: Recovery of Underlying Assets

The amendments to HKAS 12 provide an exception to the general principles in HKAS 12 that the measurement of deferred tax assets and deferred tax liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset. Specifically, under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 Investment Property are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The amendments to HKAS 12 are effective for annual periods beginning on or after 1 January 2012.

Amendments to HKAS 19 Employee Benefits

The amendments to HKAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of HKAS 19. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus.

The amendments to HKAS 19 are effective for annual periods beginning on or after 1 January 2013 and require retrospective application with certain exceptions.

Amendments to HKAS 32 – Presentation – Offsetting Financial Assets and Financial Liabilities

The amendments to HKAS 32 address inconsistencies in current practice when applying the offsetting criteria and clarify:

- the meaning of 'currently has a legally enforceable right of set-off'; and
- that some gross settlement systems may be considered equivalent to net settlement.

The amendments are effective for annual periods beginning on or after 1 January 2014 and are required to be applied retrospectively.

The Group is in the process of assessing the potential impact of the above new HKFRSs upon initial application but is not yet in a position to state whether the above new HKFRSs will have a significant impact on the Group's results of operations and financial position.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements of the Group and of the Company are set-out below. These policies have been consistently applied to all the year presented, unless otherwise stated.

(a) Basis of consolidation

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

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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

Changes in the Group's ownership interests in existing subsidiaries

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

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

(b) Business combinations

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Business combinations (continued)

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

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

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

- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

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

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

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Business combinations (continued)

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

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

(c) Interests in subsidiaries

Interests in subsidiaries are stated at cost less any allowance for impairment losses. The results of subsidiaries are accounted by the Company on the basis of dividend received or receivables.

(d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (the "CODM"), who is responsible for allocating resources and assessing performance of the operating segments.

Unallocated costs represent corporate expenses. Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment assets consist primarily of property, plant and equipment, inventories, receivables, other assets, operating cash and exclude mainly available-for-sale financial assets. Segment liabilities comprise operating liabilities and exclude items such as deferred tax and certain corporate provisions.

Geographical information is not presented as the majority of the Group's revenue is attributed to customers in Hong Kong and the majority of assets are located in Hong Kong.

(e) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:–

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

ii. Service income is recognised when services are rendered;

iii. Sale of financial assets are recognised on a trade date basis;

iv. Interest income is recognised, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable;

v. Dividend income from investments is recognised when the Group's right to receive payment is established; and

vi. Compensation income is recognised when the right to receive payment is established.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

Depreciation is recognised so as to write off the cost of property, plant and equipment, using the straight-line method, over their estimated useful lives. The principal annual rates are as follows:

Computers and equipment	20 – 30%
Furniture and fixtures	20%
Leasehold improvements	20 – 100%

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

(g) Leasing

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

The Company as lessee

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

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

(h) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Foreign currencies (continued)

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange difference reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation or, a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in equity under the heading of exchange difference reserve.

(i) Employee benefits

i. Employee leave entitlements

Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period. Employee entitlements to sick leave and maternity or paternity leave are not recognised until the time of leave.

ii. Retirement benefit obligations

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme administered by an independent trustee. All contributions to the MPF Scheme are charged to the consolidated income statement as incurred and reduced by contributions forfeited by those employees who leave the MPF Scheme prior to vesting fully in contributions.

The Group also undertakes mandatory pension schemes covering retirement benefits for its Taiwan employees as required by relevant legislations and regulations in Taiwan.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Employee benefits (continued)

iii. Share-based compensation

The fair value of the employee services received in exchange for the grant of the share options and restricted share awards is recognised as an expense in the consolidated income statement.

The total amount to be expensed over the vesting period is determined with reference to the fair value of the share options and restricted share awards granted. At the end of each reporting period, the Company revises its estimates of the number of share options that are expected to become exercisable and the number of restricted share awards that become vested. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement, and a corresponding adjustment to equity in the consolidated statement of financial position will be made over the remaining vesting periods.

The proceeds received, net of any directly attributable transaction costs, are credited to share capital and share premium accounts when the share options are exercised and when the restricted share awards are vested.

(j) Taxation

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

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

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

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Taxation (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost represents the invoiced cost of inventories. In general, costs are assigned to individual items on a weighted average basis. Net realisable value is the price at which inventories can be sold in the normal course of business after allowing for the costs of realisation.

(l) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the allowance is recognised in the consolidated income statement.

(m) Financial instruments

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

Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Financial instruments (continued)

Financial assets (continued)

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at fair value through profit or loss.

Financial assets at fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near future; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

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

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the consolidated income statement.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Financial instruments (continued)

Financial assets (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through profit or loss.

Available-for-sale financial assets are measured at fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. When the financial asset is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of the reporting period (see the accounting policy in respect of impairment loss on financial assets below).

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of each reporting period subsequent to initial recognition, loans and receivables (including trade receivables, deposits and other receivables and cash and bank balances) are carried at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For available-for-sale equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

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

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

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

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

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

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

In respect of available-for-sale equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. In respect of available-for-sale debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Financial instruments (continued)

Financial assets (continued)

Financial liabilities and equity instruments

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

Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Other financial liabilities

Other financial liabilities (including trade payables and accrued charges and other payables) are subsequently measured at amortised cost using the effective interest method.

Effective interest method

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

Interest expense is recognised on an effective interest basis other than financial liabilities classified as at fair value through profit or loss.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs if a specified debtor fails to make payment when due in accordance with the original or modified terms of debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as fair value through profit or loss, are subsequently measured at the higher of:

- the amount of obligation under the contract, as determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and

- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Financial instruments (continued)

Derecognition

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

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

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

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

(n) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

Recoverable amount is the higher of fair value less costs to sell and value in use.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Impairment of tangible and intangible assets other than goodwill (continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

(o) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(p) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(q) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Related parties

(a) A person, or a close member of that person's family, is related to the group if that person:

(i) has control or joint control over the group;

(ii) has significant influence over the group; or

(iii) is a member of the key management personnel of the group or the group's parent.

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

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

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the group or an entity related to the group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity). Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

5. FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale financial assets, trade receivables, deposits and other receivables, cash and bank balances, trade payables, accrued charges and other payables. Details of these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Categories of financial instruments

	2012 HK$'000	2011 HK$'000
Financial assets		
Loans and receivables (including cash and bank balances)	86,024	108,800
Available-for-sale financial assets	5,950	6,896
Financial liabilities		
Amortised costs	11,867	10,786

Financial risk factors

The Group is exposed to a variety of financial risks: market risk (including foreign exchange risk and price risk), credit risk, liquidity risk and cash flow and fair value interest rate risk, which result from both its operating and investing activities. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Management regularly manages the financial risks of the Group. Because of the simplicity of the financial structure and the current operations of the Group, no major hedging activities are undertaken by management.

(a) Market risk

(1) Foreign exchange risk

The Group operates mainly in Hong Kong, principally with respect to Hong Kong Dollars. Hong Kong Dollars are pegged to the United States Dollars and the foreign exchange sale exposure between them are considered limited.

(2) Price risk

The Group's equity investments classified as available-for-sale financial assets which is measured at fair value at the end of each reporting period and expose the Group to price risk.

The Group's equity price risk is mainly concentrated on listed equity securities which quoted in the Stock Exchange. The management will monitor the price movements and take appropriate actions when it is required.

Sensitivity analysis on price risks management

The sensitivity analyses below have been determined based on the exposure to price risks on listed equity securities at the reporting date.

There is no movement in investment revaluation reserve for the Group (2011: HK$47,000) as a result of the changes of available-for-sale financial assets for the year ended 30 September 2012.

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (continued)

(b) Credit risk

The carrying amounts of trade and other receivables included in the consolidated statement of financial position represent the Group's maximum exposure to credit risk in relation to the Group's financial assets. No other financial assets carry a significant exposure to credit risk.

In order to minimise the credit risk, the management of the Group has credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In this regards, the Directors consider that the Group's credit risk is significantly reduced.

The Group's concentration of credit risk by geographical location is mainly in Hong Kong. The Group also has concentration of credit risk by customers of approximately 67% (2011: 87%) and 86% (2011: 96%) of total trade receivables was due from the Group's largest customer and the two largest customers respectively.

The Group performs ongoing credit evaluation of its customers' financial condition and requires no collateral from its customers. The impairment loss in trade receivables is based upon a review of the expected collectability of all trade receivables.

(c) Liquidity risk

The Group manages its liquidity risk by regularly monitoring current and expected liquidity requirements and ensuring sufficient liquid cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet the Group's liquidity requirements in the short and long term. In addition, the management of the Group continuously monitors forecast and actual cash flows and matches the maturity profiles of financial assets and liabilities.

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities. The tables below have been drawn up based on the contractual maturities of the undiscounted financial liabilities including interest that will accrue to those liabilities except when the Group are entitled and intends to repay the liability before its maturity.

At 30 September 2012

	Weighted average effective interest rate	Within 1 year HK$'000	Between 1 and 5 years HK$'000	Over 5 years HK$'000	Total contractual undiscounted cash flow HK$'000	Total carrying amount HK$'000
Non-derivative financial liabilities						
Trade payables	–	2,005	–	–	2,005	2,005
Accrued charges and other payables	–	9,862	–	–	9,862	9,862
		11,867	–	–	11,867	11,867

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (continued)

(c) Liquidity risk (continued)

At 30 September 2011

	Weighted average effective interest rate	Within 1 year HK$'000	Between 1 and 5 years HK$'000	Over 5 years HK$'000	Total contractual undiscounted cash flow HK$'000	Total carrying amount HK$'000
Non-derivative financial liabilities						
Trade payables	–	1,053	–	–	1,053	1,053
Accrued charges and other payables	–	9,733	–	–	9,733	9,733
		10,786	–	–	10,786	10,786

(d) Cash flow and fair value interest rate risk

The Group considers that there is no significant cash flow interest rate risk and fair value interest rate risk as the Group does not have variable rate and fixed rate borrowings. The Group did not enter into interest rate swap to hedge against its exposure to change in fair value of the borrowings.

The Group's exposure to market risk for changes in interest rates relates primarily to the cash and bank balances. Floating rate interest income is charged to the consolidated income statement as incurred.

Fair value of financial instruments

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

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices respectively.

- The fair values of derivative instruments are calculated using quotes prices. Where such price are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivative, and option pricing models for optional derivatives. Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

- The fair values of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair value measurements recognised in the consolidated statement of financial position

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

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

The following table presents the Group's financial assets and financial liabilities that are measured at fair value at 30 September 2012 and 2011.

	Level 1 HK$'000	**Level 2 HK$'000**	**Level 3 HK$'000**	**Total HK$'000**
At 30 September 2012				
Available-for-sale financial assets	–	–	–	–

	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
At 30 September 2011				
Available-for-sale financial assets	946	–	–	946

There have been no significant transfers between level 1, 2 and 3 in the reporting periods.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

Capital risk management

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

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves. The Directors review the capital structure on a continuous basis. As part of this review, the Directors consider the cost of capital and the risks associated with capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, issuance of new share and borrowings.

The Group monitors its capital on the basis of the gearing ratio of bank borrowings over total assets. During the year ended 30 September 2012, the Group's strategy, which was unchanged from previous years, aims to maintain the gearing ratio at a reasonable level.

The gearing ratios at the end of the reporting periods are as follows:

	2012 **HK$'000**	2011 HK$'000
Bank borrowings	**–**	–
Total assets	**106,638**	127,472
Gearing ratios	**N/A**	N/A

Note: Total assets include all non-current assets and current assets of the Group.

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of trade and other receivables

The impairment of trade and other receivables are based on the ongoing evaluation of collectability and aging analysis of the outstanding receivables and on management's judgement. From time to time, the Group may experience delays in collection. Where recoverability of trade and other debtor balances are called into doubts, resulting in an impairment of their ability to make payments, provision may be required. Certain receivables may be initially identified as collectable, yet subsequently become uncollectable and result in a subsequent write-off of the related receivable to the consolidated income statement. Changes in the collectability of trade and other receivables for which provisions are not made could affect our results of operations.

(b) Useful lives of property, plant and equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, and technical obsolescence arising from changes in the market demands or service output of the assets. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid. The Group test annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which requires the use of assumptions and estimates.

(c) Allowance for obsolete and slow-moving inventories

Inventories are stated at the lower of cost and net realisable value. Assessment of net realisable value is based primarily on the latest invoice prices and current market conditions. The Group also carries out review of inventories on a product-by-product basis at the end of each reporting period and makes allowance for obsolete and slow-moving items.

7. TURNOVER

The principal activities of the Group are (i) trading of telecommunications products; (ii) provision of repair services; and (iii) investments in financial assets.

An analysis of turnover is as follows:

	2012 **HK$'000**	2011 HK$'000
Sales of goods	**26,990**	14,882
Provision of repair services	**74,916**	24,016
Fair value losses on financial assets at fair value through profit or loss, net	**(1,323)**	–
	100,583	38,898

8. SEGMENT INFORMATION

The Group's operating segments based on information reported to the CODM for the purpose of resource allocation and performance assessment are as follows:

(i) Trading of telecommunications products

(ii) Provision of repair services

(iii) Investments in financial assets

Information regarding the Group's reportable segments for the years ended 30 September 2012 and 2011 is presented as follows:

(a) Segment revenue and results

	Trading of telecommunications products 2012 HK$'000	Provision of repair services 2012 HK$'000	Investments in financial assets 2012 HK$'000	Consolidated 2012 HK$'000
Turnover	26,990	74,916	(1,323)	100,583
Segment results	(6,216)	1,097	(803)	(5,922)
Interest income				162
Unallocated income				97
Unallocated expenses				(14,963)
Loss before taxation				(20,626)
Taxation				–
Loss for the year				(20,626)

8. SEGMENT INFORMATION (CONTINUED)

(a) Segment revenue and results (continued)

	Trading of telecommunications products 2011 HK$'000	Provision of repair services 2011 HK$'000	Investments in financial assets 2011 HK$'000	Consolidated 2011 HK$'000
Turnover	14,882	24,016	–	38,898
Segment results	(6,982)	(6,619)	28	(13,573)
Interest income				182
Unallocated income				13,296
Unallocated expenses				(15,184)
Loss before taxation				(15,279)
Taxation				27
Loss for the year				(15,252)

Turnover reported above represents turnover generated from external customers. There are no inter-segment sales for the year ended 30 September 2012 (2011: HK$ Nil).

Segment result represents the result generated from each segment without allocation of central administrative costs including directors' salaries, staff costs, legal and professional fees and taxation. This is the measure reported to the CODM for the purpose of resource allocation and assessment of segment performance.

(b) Segment assets and liabilities

	Trading of telecommunications products 2012 HK$'000	Provision of repair services 2012 HK$'000	Investments in financial assets 2012 HK$'000	Consolidated 2012 HK$'000
Segment assets	52,466	19,851	16,628	88,945
Available-for-sale financial assets				5,950
Unallocated corporate assets				11,743
Consolidated total assets				106,638
Segment liabilities	(4,572)	(2,741)	–	(7,313)
Unallocated corporate liabilities				(57,547)
Consolidated total liabilities				(64,860)

8. SEGMENT INFORMATION (CONTINUED)

(b) Segment assets and liabilities (continued)

	Trading of telecommunications products 2011 HK$'000	Provision of repair services 2011 HK$'000	Investments in financial assets 2011 HK$'000	Consolidated 2011 HK$'000
Segment assets	72,221	6,312	16,240	94,773
Available-for-sale financial assets				6,896
Unallocated corporate assets				25,803
Consolidated total assets				127,472
Segment liabilities	(3,979)	(1,849)	–	(5,828)
Unallocated corporate liabilities				(57,951)
Consolidated total liabilities				(63,779)

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

i) All assets are allocated to reportable segments other than available-for-sale financial assets and unallocated corporate assets; and

ii) All liabilities are allocated to reportable segments other than current tax liabilities and unallocated corporate liabilities.

(c) Other segment information

	Trading of telecommunications products 2012 HK$'000	Provision of repair services 2012 HK$'000	Investments in financial assets 2012 HK$'000	Unallocated 2012 HK$'000	Consolidated 2012 HK$'000
Capital expenditure	204	276	–	841	1,321
Depreciation	48	610	–	1,194	1,852
Loss on deregistration of subsidiaries	–	–	–	108	108

8. SEGMENT INFORMATION (CONTINUED)

(c) Other segment information (continued)

	Trading of telecommunications products 2011 HK$'000	Provision of repair services 2011 HK$'000	Investments in financial assets 2011 HK$'000	Unallocated 2011 HK$'000	Consolidated 2011 HK$'000
Capital expenditure	104	514	–	3,765	4,383
Depreciation	8	577	–	915	1,500
Impairment loss recognised in respect of other receivables	–	–	–	37,565	37,565

(d) Geographical segments

During the year ended 30 September 2012, more than 94% (2011: more than 96%) of the Group's turnover and total assets were derived from and located in Hong Kong. Therefore, no geographical segment for the respective years is presented.

(e) Information about major customers

During the year, the turnover from the Group's largest customer arising from provision of repair services amounted to 60% of the Group's total turnover (2011: 48%).

9. OTHER REVENUE

	2012 HK$'000	2011 HK$'000
Interest income	**162**	182
Dividend income	**–**	28
Compensation income*	**–**	12,375
Sundry income	**275**	445
	437	13,030

* Compensation income represents the settlement amounts accepted by the Group from defendants for the year ended 30 September 2011 in respect of the claim brought by a subsidiary of the Company that the defendants breached the terms of investment agreements.

10. OTHER INCOME

	2012 HK$'000	2011 HK$'000
Exchange gains	1,779	1,980
Gains on deregistration of subsidiaries (note 32)	–	37,565
	1,779	39,545

11. LOSS FROM OPERATIONS

Loss from operations has been arrived at after charging/(crediting):

	2012 HK$'000	2011 HK$'000
Auditors' remuneration:		
Auditors of the Company	1,250	1,250
Other auditors	41	25
Bad debts written off*	–	13
Cost of trading inventories sold	20,451	11,223
Depreciation	1,852	1,500
Exchange gains#	(1,779)	(1,980)
Employee benefit expenses (note 28)	25,920	19,624
Retirement benefit costs (note 28)	1,108	863
Impairment loss recognised in respect of trade receivables*	–	29
Gains on deregistration of subsidiaries (note 32)#	–	(37,565)
Losses on deregistration of subsidiaries (note 32)*	108	–
Loss on disposals of property, plant and equipment*	10	162
Reversal on provision of obsolete inventories	(39)	(16)
Provision of obsolete inventories	482	262
Write down on inventories	16	144
Other receivables written off arising on deregistration of subsidiaries*	–	37,565
Operating lease rental in respect of rental premises	5,724	5,544

* Items included in other operating expenses.
\# Items included in other income.

12. TAXATION

	2012 HK$'000	2011 HK$'000
Current tax:		
Hong Kong Profits Tax:		
Current year	–	–
Over-provision in prior year	–	27
Taxation attributable to the Group	–	27

Note:

Hong Kong Profits Tax is calculated at 16.5% (2011: 16.5%) on the estimated assessable profits for the year. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The tax credit for the years are reconciled to the loss before taxation per the consolidated income statement as follows:

	2012 HK$'000	2012 %	2011 HK$'000	2011 %
Loss before taxation	(20,626)		(15,279)	
Tax at statutory tax rate	(3,403)	(16.5)	(2,521)	(16.5)
Tax effect of expenses that are not deductible in determining taxable profit	3,051	14.8	1,706	11.2
Tax effect of income that is not taxable in determining taxable profit	(2,492)	(12.1)	(3,319)	(21.7)
Utilisation of tax losses previously not recognised	(561)	(2.7)	–	–
Unrecognised tax losses	3,306	16.0	4,332	28.3
Over-provision for the previous year	–	–	(27)	(0.2)
Unrecognised deductible temporary differences	99	0.5	(198)	(1.3)
Tax credit and effective tax rate for the year	–	–	(27)	(0.2)

The Group

At 30 September 2012, the Group had cumulative tax losses of approximately HK$204,221,000 (2011: HK$187,582,000) available for offsetting against future profits. Deferred tax assets have not been recognised in respect of the estimated tax losses of HK$204,221,000 (2011: HK$187,582,000) due to uncertainty of future profit streams.

The Company

At 30 September 2012, the Company has estimated unused tax losses of approximately HK$154,734,000 (2011: HK$145,570,000) available for offsetting against future profits. Losses may be carried forward indefinitely. No deferred tax assets have been recognised due to uncertainty of future profits streams.

13. LOSS FOR THE YEAR

The Group's consolidated loss attributable to owners of the Company for the year is approximately HK$20,626,000 (2011: loss of HK$15,252,000) of which net loss of approximately HK$664,000 (2011: loss of HK$5,809,000) is dealt with in the financial statements of the Company.

14. DIVIDENDS

The Directors do not recommend the payment of any dividend for the year ended 30 September 2012 (2011: HK$ Nil).

15. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to owners of the Company of approximately HK$20,626,000 (2011: loss of HK$15,252,000) and on 5,165,973,933 (2011: 5,165,973,933) ordinary shares in issue during the year.

The diluted loss per share for the years ended 30 September 2012 and 2011 was the same as basic loss per share as there were no potential outstanding shares for the years.

16. PROPERTY, PLANT AND EQUIPMENT

The Group

	Leasehold improvements HK$'000	Furniture and fixtures HK$'000	Computers and equipment HK$'000	Total HK$'000
Cost:				
At 1 October 2010	3,191	499	6,219	9,909
Exchange difference	14	–	9	23
Additions	3,177	375	831	4,383
Written off	(2,186)	–	(22)	(2,208)
At 30 September 2011 and 1 October 2011	4,196	874	7,037	12,107
Exchange difference	14	–	11	25
Additions	326	293	702	1,321
Written off	–	(253)	(2,770)	(3,023)
At 30 September 2012	**4,536**	**914**	**4,980**	**10,430**
Accumulated depreciation and impairment losses:				
At 1 October 2010	2,282	345	4,983	7,610
Exchange difference	(2)	–	9	7
Charge for the year	840	75	585	1,500
Reversal on written off	(2,031)	–	(15)	(2,046)
At 30 September 2011 and 1 October 2011	1,089	420	5,562	7,071
Exchange difference	6	–	4	10
Charge for the year	944	159	749	1,852
Reversal on written off	–	(253)	(2,760)	(3,013)
At 30 September 2012	**2,039**	**326**	**3,555**	**5,920**
Carrying amounts:				
At 30 September 2012	**2,497**	**588**	**1,425**	**4,510**
At 30 September 2011	3,107	454	1,475	5,036

17. INTERESTS IN SUBSIDIARIES

	The Company 2012 HK$'000	2011 HK$'000
Unlisted shares, at cost	**191,093**	191,093
Impairment loss recognised	**(166,329)**	(166,329)
	24,764	24,764

Details of the Company's principal subsidiaries at 30 September 2012 and 2011 are as follows:

Name of subsidiaries	Place of incorporation/ operation	Particulars of fully paid up capital	Percentage of equity attributable to the Company 2012 % Indirectly held	2011 %	Principal activities
Ample Vision Holdings Limited	British Virgin Islands/ Hong Kong	US$1 Ordinary	**100**	100	General trading
Camdenville Group Limited	British Virgin Islands/ Hong Kong	US$1 Ordinary	**100**	100	Trading of telecommunications products
Linktech Hong Kong Limited	Hong Kong	HK$2 Ordinary	**100**	100	Provision of repair services
Techglory Hong Kong Limited	Hong Kong	HK$1 Ordinary	**100**	100	General trading
Oriental Art Holdings Limited	Hong Kong	HK$1 Ordinary	**100**	100	General trading

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affect the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

The carrying amounts of the interests in subsidiaries are reduced to their recoverable amounts which are determined by reference to the estimation of future cash flows expected to be generated from the respective subsidiaries.

18. AMOUNTS DUE FROM SUBSIDIARIES

	The Company	
	2012	2011
	HK$'000	HK$'000
Amounts due from subsidiaries	**17,585**	13,639

The amounts due from subsidiaries grouped under current assets are unsecured, interest-free and recoverable on demand.

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	The Group		The Company	
	2012	2011	**2012**	2011
	HK$'000	HK$'000	**HK$'000**	HK$'000
At the beginning of the year	**6,896**	8,051	**5,300**	5,300
Disposals	**(1,713)**	–	**–**	–
Fair value change	**767**	(1,155)	**–**	–
At the end of the year	**5,950**	6,896	**5,300**	5,300
Available-for-sale financial assets at 30 September, comprise of				
Unlisted debt securities:				
Club debentures (note (a))	**5,950**	5,950	**5,300**	5,300
Listed securities:				
Equity securities listed in Hong Kong (note (b))	**–**	946	**–**	–
	5,950	6,896	**5,300**	5,300

Notes:

(a) The club debentures are stated at cost less impairment loss at the end of each reporting period because the range of reasonable fair value estimates is so significant that the Directors consider that their fair values cannot be measured reliably. During the years ended 30 September 2012 and 2011, the Group identified no impairment loss related to the club debentures.

(b) All of equity securities listed in Hong Kong are held for long term investment purpose and stated at fair values. Fair values of the listed investments are determined by reference to the quoted market bid prices available on the Stock Exchange.

(c) For the year ended 30 September 2012, a cumulative gain of approximately HK$517,000 was reclassified from equity to profit or loss upon disposal of certain listed equity securities under the Group's available-for-sale financial assets.

20. INVENTORIES

	The Group	
	2012	2011
	HK$'000	HK$'000
Finished goods	**9,951**	6,562
Less: Allowance for obsolete and slow-moving inventories	**(829)**	(974)
	9,122	5,588

21. TRADE RECEIVABLES

At the end of the reporting periods, the aging analysis of the trade receivables is as follows:

	The Group	
	2012	2011
	HK$'000	HK$'000
Current	**8,112**	3,321
One to three months overdue	**805**	476
More than three months, but less than twelve months overdue	**127**	44
Over twelve months overdue	**138,855**	145,850
	147,899	149,691
Less: Impairment loss recognised	**(119,863)**	(119,924)
	28,036	29,767

Notes:

(a) The credit terms granted to the Group's customers vary and are generally the results of negotiations between the Group and individual customers.

(b) Included in the trade receivable balances are debtors with an aggregate carrying amount of approximately HK$19,924,000 (2011: HK$26,446,000) which are overdue at the reporting date for which the Group has not provided for impairment loss as there has not been a significant change in credit quality and the amounts are still considered recoverable, as there is an agreed repayment plan. The Group does not hold any collateral over these balances.

The aging of trade receivables which are overdue but not impaired is as follows:

	The Group	
	2012	2011
	HK$'000	HK$'000
One to three months overdue	**805**	473
More than three months, but less than twelve months overdue	**127**	31
Over twelve months overdue	**18,992**	25,942
	19,924	26,446

21. TRADE RECEIVABLES (CONTINUED)

Notes: (continued)

(c) The movement of the allowance for impairment loss of trade receivables is as follows:

	The Group 2012 HK$'000	2011 HK$'000
At the beginning of the year	**119,924**	119,895
Impairment loss recognised	**–**	29
Written off	**(61)**	–
At the end of the year	**119,863**	119,924

(d) The aging analysis of the Group's trade receivables which are impaired is as follows:

	The Group 2012 HK$'000	2011 HK$'000
One to three months overdue	**–**	3
More than three months, but less than twelve months overdue	**–**	13
Over twelve months overdue	**119,863**	119,908
At the end of the year	**119,863**	119,924

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	The Group		The Company	
	2012 HK$'000	2011 HK$'000	**2012 HK$'000**	2011 HK$'000
Prepayments	**1,032**	1,152	**352**	302
Deposits	**7,127**	9,600	**–**	–
Other receivables	**2,432**	15,560	**–**	818
	10,591	26,312	**352**	1,120

The amounts due from the deregistered subsidiaries of approximately HK$37,565,000 were fully written off as these subsidiaries were deregistered during the year ended 30 September 2011.

Note:

The movement of the allowance for impairment loss of Group's other receivables is as follows:

	The Group 2012 HK$'000	2011 HK$'000
At the beginning of the year	**–**	5,798
Written off	**–**	(5,798)
At the end of the year	**–**	–

23. CASH AND BANK BALANCES

	The Group		The Company	
	2012	2011	**2012**	2011
	HK$'000	HK$'000	**HK$'000**	HK$'000
Cash at bank and in hand	**48,429**	36,873	**1,425**	3,356
Short-term time deposits	**–**	17,000	**–**	–
Cash and bank balances	**48,429**	53,873	**1,425**	3,356

Notes:

(a) Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for period from one day to one month depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposits rates.

(b) The Group's and the Company's bank balances and time deposit that are denominated in the following currencies:

	The Group		The Company	
	2012	2011	**2012**	2011
	HK$'000	HK$'000	**HK$'000**	HK$'000
Hong Kong Dollars	**47,015**	52,932	**1,425**	3,356
United States Dollars	**658**	575	**–**	–
New Taiwan Dollars	**742**	360	**–**	–
Others	**14**	6	**–**	–

24. TRADE PAYABLES

At the end of the reporting periods, the aging analysis of the trade payables is as follows:

	The Group	
	2012	2011
	HK$'000	HK$'000
Current and within one month	**1,804**	1,011
One to three months overdue	**26**	18
Overdue over three months	**175**	24
	2,005	1,053

25. ACCRUED CHARGES AND OTHER PAYABLES

	The Group		The Company	
	2012	2011	**2012**	2011
	HK$'000	HK$'000	**HK$'000**	HK$'000
Accrued charges	**5,038**	4,698	**1,098**	1,066
Other payables	**4,824**	5,035	**3,158**	3,066
	9,862	9,733	**4,256**	4,132

Included in other payables of the Group and the Company was an amount of approximately HK$487,000 (2011: HK$487,000) due to a Director. The amount was unsecured, interest-free and has no fixed terms of repayment.

26. SHARE CAPITAL

	The Group and The Company 2012 and 2011	
	Number of Shares	HK$'000
Ordinary shares of HK$0.01 each		
Authorised	**20,000,000,000**	200,000
Issued and fully paid	**5,165,973,933**	51,659

27. RESERVES

The Company

	Share premium	Capital redemption reserve	Accumulated losses	Total
	HK$'000	HK$'000	HK$'000	HK$'000
At 1 October 2010	648,897	160	(662,686)	(13,629)
Total comprehensive loss for the year	–	–	(5,809)	(5,809)
At 30 September 2011 and 1 October 2011	648,897	160	(668,495)	(19,438)
Total comprehensive loss for the year	–	–	(664)	(664)
At 30 September 2012	**648,897**	**160**	**(669,159)**	**(20,102)**

At 30 September 2012, the Company has no distributable reserve (2011: HK$ Nil), represented by share premium less accumulated losses of the Company. Under the Companies law (2001 Second Revision) of the Cayman Islands, share premium of the Company is distributable to the members, subject to a solvency test.

28. EMPLOYEE BENEFIT EXPENSES

(a) Staff cost

The total staff cost of the Group during the year (including directors and senior management emoluments) is as follows:

	The Group 2012 HK$'000	2011 HK$'000
Salaries and allowances	25,403	19,204
Discretionary bonuses	68	68
Staff welfare	449	352
Contributions to retirement fund	1,108	863
	27,028	20,487

(b) Directors and senior management emoluments

The emoluments of the Directors are as follows:

	Year ended 30 September 2012			
Name of Directors	Fees HK$'000	Salaries and allowances HK$'000	Contributions to retirement fund HK$'000	Total HK$'000
Executive Directors				
Mr. SY Ethan, Timothy	–	–	–	–
Mr. SUNG Yee Keung, Ricky	–	360	18	378
Non-executive Director				
Mr. KO Wai Lun, Warren	300	–	–	300
Independent non-executive Directors				
Mr. Andrew David ROSS	420	–	–	420
Mr. Geoffrey William FAWCETT	300	–	–	300
Mr. Charles Robert LAWSON	300	–	–	300
	1,320	360	18	1,698

28. EMPLOYEE BENEFIT EXPENSES (CONTINUED)

(b) Directors and senior management emoluments (continued)

	Year ended 30 September 2011			
Name of Directors	Fees HK$'000	Salaries and allowances HK$'000	Contributions to retirement fund HK$'000	Total HK$'000
Executive Directors				
Mr. SY Ethan, Timothy	–	–	–	–
Mr. SUNG Yee Keung, Ricky	–	360	18	378
Non-executive Director				
Mr. KO Wai Lun, Warren	300	–	–	300
Independent non-executive Directors				
Mr. Andrew David ROSS	420	–	–	420
Mr. Geoffrey William FAWCETT	300	–	–	300
Mr. Charles Robert LAWSON	300	–	–	300
	1,320	360	18	1,698

Certain Directors have waived emoluments for both of the years ended 30 September 2012 and 2011 and up to the dates of reports:

	Year ended 30 September 2012			From 1 October 2012 to the date of the report		
Name of Directors	Fees HK$'000	Salaries and allowances HK$'000	Contributions to retirement fund HK$'000	Fees HK$'000	Salaries and allowances HK$'000	Contributions to retirement fund HK$'000
Executive Director						
Mr. SY Ethan, Timothy	–	18,000	900	–	4,016	201
Non-executive Director						
Mr. KO Wai Lun, Warren	120	–	–	27	–	–
Independent non-executive Directors						
Mr. Andrew David ROSS	180	–	–	40	–	–
Mr. Geoffrey William FAWCETT	120	–	–	27	–	–
Mr. Charles Robert LAWSON	120	–	–	27	–	–

28. EMPLOYEE BENEFIT EXPENSES (CONTINUED)

(b) Directors and senior management emoluments (continued)

	Year ended 30 September 2011			From 1 October 2011 to 15 December 2011		
Name of Directors	Fees HK$'000	Salaries and allowances HK$'000	Contributions to retirement fund HK$'000	Fees HK$'000	Salaries and allowances HK$'000	Contributions to retirement fund HK$'000
Executive Director						
Mr. SY Ethan, Timothy	–	18,000	900	–	3,726	186
Non-executive Director						
Mr. KO Wai Lun, Warren	120	–	–	25	–	–
Independent non-executive Directors						
Mr. Andrew David ROSS	180	–	–	37	–	–
Mr. Geoffrey William FAWCETT	120	–	–	25	–	–
Mr. Charles Robert LAWSON	120	–	–	25	–	–

No amounts have been paid by the Group to the Directors as inducement to join the Group, as compensation for loss of office or as commitment fees to existing Directors for entering into new service contracts with the Group for the year ended 30 September 2012 (2011: HK$ Nil).

Apart from the aforesaid, no other emoluments have been paid to the Directors for the year ended 30 September 2012 (2011: HK$ Nil).

(c) Five highest paid individuals

The five individuals with the highest emoluments in the Group for the year included no (2011: no) Directors whose emoluments are set out in note 28(b). The aggregate of the emoluments payable in respect of the five (2011: five) highest paid individuals of which do not include any senior management during the year are as follows:

	The Group	
	2012 HK$'000	2011 HK$'000
Basic salaries and allowances	**2,809**	2,818
Contributions to retirement fund	**132**	131
	2,941	2,949

	Number of individual	
	2012	2011
Emolument bands:		
Nil to HK$1,000,000	**5**	5

29. SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 27 March 2003 pursuant to which employees and directors of the Group and other eligible persons who have made contribution to the Group were given opportunity to obtain equity holdings in the Company.

A summary of the Scheme is set out as follows:

(a) Purpose of the Scheme

The purpose of the Scheme is to enable the Company to grant share options to selected participants as incentives or rewards for their contribution to the Group.

(b) Participants of the Scheme

Eligible participants include full time employees and directors of the Company or its subsidiaries; advisers, consultants, suppliers and agents to the Company or its subsidiaries and such other persons who, at the sole determination of the board of directors, have contributed to the Group.

(c) Total number of shares available for issue under the Scheme and percentage of issued share capital at the date of this annual report

No share option had been granted under the Scheme. The Company may grant share options to subscribe for 516,597,393 shares of the Company, representing approximately 10.00% of the shares in issue as at the date of this report.

(d) Maximum entitlement of each participant under the Scheme

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including exercised, cancelled and outstanding options) in any 12-month period must not exceed 1% of the shares in issue unless the same is approved by shareholders in general meeting.

(e) The period within which the shares must be taken up under an option

At any time during a period to be notified by the board of directors, which period not to exceed 10 years commencing on the date on which the option is accepted and expiring on a day not later than the last day of the 10-year period.

(f) The minimum period for which an option must be held before it can be exercised

None.

(g) The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be repaid

HK$1.00 is to be paid as consideration for the grant of option within 30 days from the date of offer.

(h) The basis of determining the exercise price

The exercise price shall be determined by the board of directors but shall not be less than the highest of:

(i) the official closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of offer;

(ii) the average of the official closing price of the shares as stated in the Stock Exchange's daily quotations sheet for the 5 business days immediately preceding the date of offer; and

(iii) the nominal value of a share.

29. SHARE OPTION SCHEME (CONTINUED)

(i) The remaining life of the Scheme

The Scheme shall be valid and effective for a period of 10 years commencing on the adoption date on 27 March 2003.

No share option had been granted under the Scheme since its adoption.

30. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, the Group had the following material related party transactions during the year:

Key management personnel compensation

Compensation for key management personnel, including amount paid to the Directors, as disclosed in note 28(b), is as follows:

	The Group	
	2012	2011
	HK$'000	HK$'000
Salaries and allowances	**1,680**	1,680
Contributions to retirement fund	**18**	18
	1,698	1,698

31. OPERATING LEASE COMMITMENT

The Group leases certain of its properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three years.

At the end of reporting periods, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	The Group	
	2012	2011
	HK$'000	HK$'000
Within one year	**4,026**	4,040
In the second to fifth years, inclusive	**986**	2,818
	5,012	6,858

32. DEREGISTRATION OF SUBSIDIARIES

For the year ended 30 September 2012, two (2011: three) wholly owned subsidiaries of the Group were deregistered. The assets and liabilities of the subsidiaries deregistered at the relevant dates were as follows:

	2012 HK$'000	2011 HK$'000
Accrued charges and other payables	**–**	37,565
Release of exchange reserves upon deregistration	**(108)**	–
(Losses)/gains on deregistration of subsidiaries (notes 10 &11)	**(108)**	37,565

Amounts due to the Group of approximately HK$37,565,000 was included in accrued charges and other payables of the deregistration of subsidiaries during the year ended 30 September 2011.

33. CONTINGENT LIABILITIES

The Group and the Company did not have any significant contingent liabilities at the end of the reporting periods.

34. AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Directors on 21 December 2012.

Five-Year Financial Summary

For the year ended 30 September 2012

	For the year ended 30 September				
	2012	2011	2010	2009	2008
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Results					
Turnover	**100,583**	38,898	32,424	30,927	676,356
(Loss)/profit before taxation	**(20,626)**	(15,279)	(10,830)	2,382	(171,432)
Taxation	**–**	27	549	(297)	12
(Loss)/profit attributable to owners of the Company	**(20,626)**	(15,252)	(10,281)	2,085	(171,420)
Dividends	**–**	–	–	–	–

	At 30 September				
	2012	2011	2010	2009	2008
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Assets and liabilities					
Investment property	**–**	–	–	13,800	12,000
Property, plant and equipment	**4,510**	5,036	2,299	1,624	3,983
Intangible assets	**–**	–	–	–	29,381
Available-for-sale financial assets	**5,950**	6,896	8,051	19,352	12,301
Net current assets	**31,318**	51,761	71,701	64,147	33,476
	41,778	63,693	82,051	98,923	91,141
Equity attributable to owners of the Company	**41,778**	63,693	82,051	98,122	90,637
Deferred tax liabilities	**–**	–	–	801	504
	41,778	63,693	82,051	98,923	91,141

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