



HANERGY SOLAR GROUP LIMITED 漢能太陽能集團有限公司

(Formerly Known as Apollo Solar Energy Technology Holdings Limited)

(前稱為鉑陽太陽能技術控股有限公司)

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號：566)



2012

Annual Report 年報

CONTENTS

目錄

	PAGES 頁次
CORPORATE INFORMATION 公司資料	2
CHAIRMAN'S STATEMENT 主席報告	4
MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析	10
REPORT OF THE DIRECTORS 董事會報告	39
CORPORATE GOVERNANCE REPORT 企業管治報告	67
BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員履歷	75
INDEPENDENT AUDITORS' REPORT 獨立核數師報告書	79
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 綜合全面收益表	81
CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表	83
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表	85
CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量報表	87
STATEMENT OF FINANCIAL POSITION 財務狀況表	89
NOTES TO THE FINANCIAL STATEMENTS 財務報表附註	90
FIVE YEAR FINANCIAL SUMMARY 五年財務概要	203

CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Frank Mingfang Dai (*Chairman and Chief Executive Officer*) (re-designated on 4 March 2013)

Dr. Li Yuan-min
(*Deputy Chairman and Chief Technology Officer*)

Mr. Hui Ka Wah, Ronnie J.P.
(*Finance Director and Senior Vice-President*)
(re-designated on 4 March 2013)

Mr. Chen Li

Mr. Li Guangmin

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Zhao Lan

Mr. Wong Wing Ho

Mr. Wang Tongbo

AUDIT COMMITTEE

Ms. Zhao Lan (*Chairman*)

Mr. Wong Wing Ho

Mr. Wang Tongbo

REMUNERATION COMMITTEE

Ms. Zhao Lan (*Chairman*)

Mr. Frank Mingfang Dai

Mr. Wong Wing Ho

Mr. Wang Tongbo

NOMINATION COMMITTEE

Mr. Wong Wing Ho (*Chairman*)

Ms. Zhao Lan

Mr. Wang Tongbo

COMPANY SECRETARY

Mr. Cheng Chai Fu

AUDITORS

Ernst & Young

執行董事

Frank Mingfang Dai 先生 (主席兼行政總裁)
(於二零一三年三月四日調任)

李沅民博士
(副主席兼首席技術官)

許家驊先生太平紳士
(財務董事兼高級副總裁)
(於二零一三年三月四日調任)

陳力先生

李廣民先生

獨立非執行董事

趙嵐女士

黃永浩先生

王同渤先生

審核委員會

趙嵐女士 (主席)

黃永浩先生

王同渤先生

薪酬委員會

趙嵐女士 (主席)

Frank Mingfang Dai 先生

黃永浩先生

王同渤先生

提名委員會

黃永浩先生 (主席)

趙嵐女士

王同渤先生

公司秘書

鄭濟富先生

核數師

安永會計師事務所

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Shanghai Commercial Bank Limited
Industrial Bank Co., Ltd.
China Construction Bank
Shanghai Pudong Development Bank Co., Ltd.
Bank of Quanzhou

REGISTERED OFFICE

Clarendon House
Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suite 7606-07
Level 76
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRARS AND TRANSFER OFFICE

Butterfield Fulcrum Group (Bermuda) Limited
26 Burnaby Street
Hamilton HM 11
Bermuda

BRANCH SHARE REGISTRARS AND TRANSFER OFFICE IN HONG KONG

Tricor Tengis Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

STOCK CODE

566

WEBSITE

www.hanergysolargroup.com

主要往來銀行

香港上海滙豐銀行有限公司
上海商業銀行有限公司
興業銀行股份有限公司
中國建設銀行
上海浦東發展銀行股份有限公司
泉州銀行

註冊辦事處

Clarendon House
Church Street
Hamilton HM 11
Bermuda

總辦事處及主要營業地點

香港
九龍
柯士甸道西一號
環球貿易廣場
76樓
7606-07室

股份過戶及登記總處

Butterfield Fulcrum Group (Bermuda) Limited
26 Burnaby Street
Hamilton HM 11
Bermuda

股份過戶及登記香港分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

股份代號

566

網址

www.hanergysolargroup.com

CHAIRMAN'S STATEMENT

主席報告

On behalf of the Board of Directors of Hanergy Solar Group Limited (the "Company", together with its subsidiaries, collectively known as the "Group"), I am pleased to present the annual report of the Company for the year ended 31 December 2012.

During the year under review, the Group recorded revenue from continuing operations of approximately HK\$2,756,463,000 (2011: HK\$2,564,640,000), an increase of 7.5% from the previous year. The increase was primarily due to the delivery of turnkey production lines to customers in line with schedule which represented an increase year-on-year. Profit for the year amounted to approximately HK\$1,316,182,000 (2011: HK\$722,962,000), a significant increase of 82.1% from the prior year. During the year, the Group has further intensified investment in research and development ("R&D"), as a result, R&D expenses increased by 11.3% on the prior year.

OPPORTUNITIES FOR THIN-FILM SOLAR SEGMENT

The over-supply in solar photovoltaic ("PV") market resulted in stiff competition and forced many less competitive manufacturers to withdraw from the market.

In addition, the anti-dumping tariffs imposed by the United States Department of Commerce and the PV dumping complaint lodged to the European Commission targeted at Chinese manufacturers are specifically aimed at the poly-silicon solar sector. Though these have been devastating to the traditional poly-silicon solar PV industry, it bodes well for the thin-film solar sector, which is now enjoying a clear competitive pricing advantage to allow the capture of an increasing market share.

On the other hand, public awareness on environmental protection is increasing, pushing up the demand for clean and renewable energy sources, both in the People's Republic of China (the "PRC") and worldwide.

本人欣然代表漢能太陽能集團有限公司(「本公司」, 與其附屬公司統稱「本集團」)董事會呈報本公司截至二零一二年十二月三十一日止年度之年報。

於回顧年度, 本集團錄得持續經營業務收益約2,756,463,000港元(二零一一年: 2,564,640,000港元), 較去年增加7.5%。有關增加乃主要由如期向客戶交付整線生產線, 故能按年增長所致。本年度溢利約為1,316,182,000港元(二零一一年: 722,962,000港元), 較去年大幅增加82.1%。本集團於回顧年度進一步加大技術研發(「研發」)之投資力度, 致令研發開支較去年增加11.3%。

薄膜太陽能業之機遇

太陽能光伏(「光伏」)市場供應過盛, 引致激烈競爭, 競爭力稍遜之生產商均被迫離場。

此外, 美國商務部所施加之反傾銷稅, 以及向歐盟委員會提出之中國生產商光伏傾銷投訴, 均特別針對多晶矽太陽能行業。儘管反傾銷關稅是傳統多晶矽太陽能行業之大災難, 卻有助提升薄膜太陽能行業(現時明顯享有價格競爭優勢), 為增加市場份額鋪平道路。

而另一方面, 中華人民共和國(「中國」)及世界各地之大眾環保意識均日益增加, 令清潔及可再生能源資源需求增加。

CHAIRMAN'S STATEMENT

主席報告

Emerging markets in North America, and more importantly Asia, are playing an increasing role. It is expected that global solar demand will grow at a very high-speed in the next few years.

The Central People's Government of the PRC (the "PRC government") is committed to developing sources of renewable solar energy, with the target for solar power generation capacity by 2015 set to at least 35 giga-watt ("GW"). The PRC government has promulgated relevant laws and regulations to promote solar energy industry and promise to help in enhancing conversion efficiency and developing self-owned solar technology and equipment.

CONTINUOUS INVESTMENT IN R&D

The solar market is in a race in the pursuit of achieving higher electricity conversion efficiency. We have and will continue our R&D efforts in order to further enhance our competitiveness and maintain our leadership in the market. During the year under review, we achieved two significant technological breakthroughs, which shorten the production cycle and reduce the production costs of thin-film PV modules, improving the competitiveness of our production lines. We will continue our efforts in R&D on improving the existing silicon-germanium technology, with the aim of further reducing the total gas usage and cost of production of thin-film PV.

We have purchased from Hanergy Holding Group Limited ("Hanergy Group") five technology patents which are important for our R&D work on existing thin-film technology and are also important for the development of nano-crystalline silicon-based thin-film solar technology. Following the acquisition, we have intensified the R&D work. We expect that the new nano-crystalline silicon technology could be substantially advanced to enable mass production in 2013.

北美及舉足輕重之亞洲新興市場之市場份額日重，預期全球太陽能需求會在未來數年急速增長。

中國中央人民政府(「中國政府」)致力發展可再生太陽能資源，目標為於及至二零一五年時，將太陽能發電量推高至最少35吉瓦(「GW」)。中國政府已公佈相關法律及法規，以推動太陽能行業，並承諾協助改善轉換效率及開發擁有自主太陽能技術及設備。

持續進行研發投資

太陽能市場面對激烈競爭，業界都傾力提高電力轉換效率。我們會繼續努力研發，提升競爭力，並維持於市場之領導地位。於回顧年度，我們有兩項重大技術突破，令生產週期縮短及削減薄膜光伏組件之生產成本，提升我們生產線之競爭力。我們會繼續努力研發，改善現有矽鍺技術，目標為進一步減低生產薄膜光伏組件之總氣體耗用量及成本。

我們自漢能控股集團有限公司(「漢能集團」)採購五項技術專利，該五項技術專利對我們現有薄膜技術之研發及納米矽基薄膜太陽能技術之發展均非常重要。我們已於收購後加強研發工作，我們預期新納米矽技術將取得實質性進展，以於二零一三年大量生產。

CHAIRMAN'S STATEMENT

主席報告

We continue to be dedicated to further broadening our technology scope and capability. We are looking into the development of Copper Indium Gallium Selenide ("CIGS") technology as, at present, it has the highest conversion efficiency among all thin-film solar technologies. We believe that thin-film flexible modules possess a greater competitive edge as compared to traditional polysilicon modules for roof-top projects due to its light weight and better applicability on buildings. Equipped with the world's leading thin-film technology, we have set building integrated/attached PV as one of our key business goals and direction of our R&D work. We have identified thin-film and flexible solar products as our future main development themes and will heavily invest in R&D of new thin-film and flexible technology to achieve an ever higher conversion rate, particularly for nano-crystalline silicon based flexible modules. We will set up further research centres in the United States and the PRC in 2013 to strengthen our R&D work on flexible thin-film technology.

We are currently on the look-out for potential acquisitions of world leading thin-film solar technologies, as well as other solar related technologies. As disclosed in the circular of the Company dated 4 October 2012, we are in the course of negotiation with Hanergy Group in relation to the possible acquisition of all or part of the assets of a target company incorporated in Germany. We anticipate that the acquisition may be finalised in 2013 and new turnkey lines may be provided to the market thereafter. CIGS technology is one of our targets as thin-film CIGS PV solar modules could achieve a conversion efficiency of up to 15%. We believe that by broadening our technology base and scope, we can further enhance our technological strength and maintain a leading position in the global solar energy industry.

我們繼續致力進一步擴大我們的技術範疇及能力。我們正研究銅銦鎵硒(CIGS)技術之發展，因為CIGS是現時所有薄膜太陽能技術當中具備最高轉換效率之技術。我們相信，就屋頂項目而言，由於柔性薄膜組件較輕及較易嵌於大廈上，故其較傳統多晶矽組件具競爭優勢。藉著全球領先薄膜技術，我們已訂下內嵌式／依附式建築光伏為主要業務目標及研發方向之一。我們已經確定了薄膜及柔性太陽能產品為我們今後的主要發展主題，並將大量投資於新薄膜及柔性薄膜技術以達至更高之轉換率，特別是納米晶矽柔性薄膜電池。我們將在二零一三年於美國及中國設立研究中心，加強柔性薄膜技術之研發工作。

我們正留意收購全球頂尖薄膜太陽能技術及其他太陽能相關技術之潛在機會。誠如本公司日期為二零一二年十月四日之通函所披露，本公司現正就可能收購一間於德國註冊成立之目標公司全部或部分資產與漢能集團進行協商。我們預期收購有機會於二零一三年落實，新整線生產線其後可於市場面世。CIGS技術是本集團之目標之一，原因是薄膜CIGS光伏太陽能組件之轉換效率高達15%。我們相信，透過擴展其技術基礎及範圍，我們可進一步提升我們的技術優勢，並維持於全球太陽能行業之領導地位。

CHAIRMAN'S STATEMENT

主席報告

NEW BUSINESS MODELS TO INCLUDE DOWNSTREAM SOLAR ENERGY INDUSTRY SEGMENT

Looking forward, we intend to diversify our current business to solicit and undertake downstream PV power generation projects and we are aggressively seeking investment opportunities both in the PRC and overseas, either by acquiring existing projects with attractive returns, or investing in new start-up solar projects.

Future business models may take the form of (i) engineering, procurement and construction ("EPC"); (ii) build and operate; and (iii) build and sell. A Master Supply Agreement has been entered into with Hanergy Group to purchase from them thin-film solar modules. We will also strengthen our strategic partnership with our major shareholder, Hanergy Group, and with Hanergy Group's experience in developing the downstream business and operations in the mid-stream sector, we believe we will venture into the downstream solar business both rapidly and successfully.

We target both roof-top and ground mounted projects both in the PRC and overseas markets. As disclosed in the announcements of the Company dated 12 March 2013 and 20 March 2013, the Group's wholly-owned subsidiary, Hanergy Global Solar Power Group (Europe) B.V. is and has been in negotiation with an independent third party, as seller, for the acquisition of a company incorporated in Portugal ("Target Company"). The Target Company owns two solar power plant projects in Portugal which are under development with an estimated installed power of 4.4 mega-watt in total. The possible proposed acquisition represents the beginning of our aggressive endeavour to venture into the international PV power generation business. In addition, we plan to construct solar farms in Qinghai and Xinjiang with total power generation capacity reaching 1.1 GW during 2013 and 2014.

包括下游太陽能業務之新業務模式

展望將來，我們擬多元化拓展現有業務以爭取及承攬下游光伏發電項目，且我們將通過收購有可觀回報的現有項目，或投資於新開發太陽能項目，積極物色中國及海外之投資機會。

我們未來業務可能以下列形式進行(i)工程、採購及建設(「EPC」)；(ii)建築及營運；及(iii)建築及出售。我們已與漢能集團訂立總供應協議，以向其採購薄膜太陽能組件。我們亦將加強與本集團之主要股東漢能集團之策略性合作關係，而憑藉漢能集團發展下游業務及營運中游分部之經驗，我們相信我們將快速而順暢地進軍下游太陽能業務。

我們的目標為囊括中國及海外市場之屋頂及地面項目。誠如本公司於二零一三年三月十二日及二零一三年三月二十日之公告，本集團之全資附屬公司Hanergy Global Solar Power Group (Europe) B.V.正與獨立第三方(作為賣方)就收購一間於葡萄牙成立之公司(「目標公司」)進行協商。目標公司擁有兩個位於葡萄牙之電站計劃。兩個電站正在興建，估計裝機容量為4.4 MW。此可能收購反映我們正開始積極進軍國際光伏發電業務。此外，我們擬於二零一三年及二零一四年在青海及新疆建設總裝機量達1.1 GW之太陽能電站。

CHAIRMAN'S STATEMENT

主席報告

We have aspirations of going global which will help diversify our global presence, customer footprint, ability and resources to attract talent.

We believe that investing heavily in downstream solar projects will broaden our revenue and cash flow base, and provide a more diverse stable income stream. This can help us weather the ups and downs in the solar energy business cycle and provide a good return to shareholders.

GROUP RESTRUCTURING

As part of our expansion plan, we have undergone restructuring to cater for the development of the downstream business. On top of the existing turnkey line business, we have added a new downstream business line. To ensure the smooth and successful expansion into the downstream business, we will recruit people all over the world for the new line, including (i) a strong solar project management team to equip them with the capability in sourcing and operating solar farms or roof-top projects; (ii) construction teams capable of managing the EPC of solar farms or roof-top projects which will be formed in the PRC, Europe and the United States, with people recruited locally to meet the needs of PRC and overseas projects; (iii) sales teams to identify potential buyers for the sales of solar power plants; and (iv) a finance team to source finance for the downstream projects. It is expected that our total future headcount will increase substantially, with the workforce for the new downstream business likely exceeding that of the current turnkey line business.

我們有走向國際之抱負，力求增加世界各地之據點、客戶足跡、能力及資源，以吸納人才。

我們相信，大力投資下游太陽能項目將擴闊我們的收益及現金流基礎，提供更多元化之穩定現金來源，有助我們度過太陽能業務週期之起起落落，為股東帶來豐厚回報。

集團重組

作為我們擴展計劃之一部分，我們已進行重組，以應付下游業務之發展。除現有整線生產線業務外，我們已成立新下游業務線。為確保能順利地成功擴展至下游業務，我們將在全球各地為新生產線招聘人才，包括(i)具有開發和管理太陽能電站和屋頂光伏項目能力的強大太陽能項目管理團隊；(ii)具有管理太陽能電站和屋頂光伏項目工程、採購及建設能力之建設團隊(將於中國、歐洲及美國成立，並在當地聘用人才，應付中國及海外項目之需要)；(iii)銷售團隊，以物色銷售太陽能電站之準買家；及(iv)融資團隊，以為下游項目準備融資。由於新下游業務所需人力高於現時整線生產業務之所需，故預期我們之未來總員工人數很可能會大幅增加。

CHAIRMAN'S STATEMENT

主席報告

CHANGE IN SHAREHOLDING

On 27 February 2013, 7,964,611,584 shares and 300,000,000 shares were issued to Hanergy Investment Limited, a wholly-owned subsidiary of Hanergy Group, and Hanergy Option Limited, as nominee of Hanergy Group, respectively, which resulted in the interests held by Hanergy Group and its concert parties increasing from 20.28% to 50.65% of the issued share capital of the Company. Hanergy Group has in substance become the ultimate holding company of the Company from that date. This marks a significant milestone underscoring the strategic partnership between the Group and Hanergy Group. With Hanergy Group as our strategic partner, we could substantially advance our thin film technology. In addition, Hanergy Group has the ability to facilitate our rapid venture into the downstream solar market and expansion into international markets.

We believe that a bright future lies ahead and we are committed to continuing on a course to provide clean, safe and sustainable solar energy to the world in the most efficient and cost-effective way. I would like to take this opportunity to express my gratitude to all our staff for their dedicated services and contributions throughout the year. I would also like to thank our long term suppliers, customers and shareholders for their continuous trust and support.

Frank Mingfang Dai

Chairman and Chief Executive Officer

Hong Kong, 22 March 2013

持股變動

於二零一三年二月二十七日，7,964,611,584 股股份及300,000,000股股份將分別發行予 Hanergy Investment Limited (漢能集團之全資附屬公司)及 Hanergy Option Limited (漢能集團之代名人)，導致漢能集團及其一致行動人士持有之權益由佔本公司之已發行股本20.28%增加至50.65%。基本上漢能集團於該日起成為本公司之最終控股公司。這標誌著我們與漢能集團策略性合作之重要里程碑。憑藉與漢能集團之策略夥伴關係，我們能於薄膜技術取得重大進展。此外，漢能集團有能力協助我們迅速地進軍下游太陽能市場及擴展至國際市場。

我們相信，前景一片光明，我們將致力繼續以最有效率及符合成本效益之方式向世界各地供應清潔、安全及可持續之太陽能。本人謹此感謝本集團全體員工於年內之盡心服務及貢獻，亦感激長期供應商、客戶及股東一直以來之信賴及支持。

主席兼行政總裁

Frank Mingfang Dai

香港，二零一三年三月二十二日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's principal activity during the year is the manufacture of equipment and turnkey production lines for the manufacture of amorphous silicon based thin-film solar photovoltaic ("PV") modules.

The Company changed the company name from "Apollo Solar Energy Technology Holdings Limited 鉑陽太陽能技術控股有限公司" to "Hanergy Solar Group Limited 漢能太陽能集團有限公司" on 14 January 2013.

FINANCIAL REVIEW

During the year under review, the Group's revenue for the year from a continuing operation amounted to HK\$2,756,463,000, representing an increase of 7.5% from the previous year's HK\$2,564,640,000.

For the year under review, the Group showed an increase in profits from HK\$722,962,000 to HK\$1,316,182,000 for the corresponding financial year ended 31 December 2011. Such increase is primarily due to a number of various reasons including but not limited to (i) the increase in revenue of the Group for the year ended 31 December 2012; (ii) the decrease in cost of sales; (iii) the decrease in other expenses including but not limited to the making of impairment provision of gross amount due from customers for contract work and account receivables from customers and impairment loss on intangible assets.

本集團本年度之主要業務為製造矽基薄膜太陽能光伏(「光伏」)組件之生產設備及整線生產線。

本公司已於二零一三年一月十四日將公司名稱由「Apollo Solar Energy Technology Holdings Limited 鉑陽太陽能技術控股有限公司」更改為「Hanergy Solar Group Limited 漢能太陽能集團有限公司」。

財務回顧

於回顧年度，本集團來自持續經營業務之本年度收入為2,756,463,000港元，較去年之2,564,640,000港元增加7.5%。

於回顧年度，本集團之盈利由二零一一年十二月三十一日止財政年度之722,962,000港元增加至1,316,182,000港元。該增加乃主要由於一系列原因所致，包括但不限於(i)本集團截至二零一二年十二月三十一日止年度之收入增加；(ii)銷售成本下降；(iii)其他費用減少包括但不限於就應收合約工程客戶款項總額及應收客戶賬款及無形資產減值虧損所作出之減值撥備。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

A. Sales of production lines to Hanergy Group

The Group has entered into two master sales contracts with Hanergy Group for the sale of new turnkey equipment, tools and machinery of solar photovoltaic ("PV") modules and production systems to Hanergy Group. Pursuant to the two sales contracts, production lines delivered to Hanergy Group will undergo several phases from move-in and installation, followed by start of production ("SOP") and then end of ramping ("EOR"), before mass production.

During the year under review, the progress of the Group's production lines delivered to Hanergy Group's manufacturing bases is summarised as follows:

(i) *Haikou (Hainan), Shuangliu Base II (Sichuan) and Shuangyashan (Heilongjiang)*

Production lines were delivered to the above Hanergy Group's manufacturing bases. The Group is now expeditiously installing and fine-tuning the manufacturing lines and it is expected that installation will be completed in 2013.

(ii) *Heyuan (Guangdong), Wujin (Jiangsu) and Yucheng (Shandong)*

Production lines have successfully undergone the SOP stage.

(iii) *Shuangliu I base*

The production line has successfully completed the final EOR stage.

業務回顧

A. 向漢能集團銷售生產線

本集團已與漢能集團訂立兩份主銷售合約，以向漢能集團銷售太陽能光伏（「光伏」）組件及生產系統之新整線設備、工具及機械。根據兩份銷售合約，向漢能集團交付之生產線將分數個階段搬入及安裝，成功進行試生產開始（「SOP」）及調試結束（「EOR」）後便會大量投產。

於回顧年度，本集團向漢能集團生產基地交付生產線之進度概述如下：

(i) *(海南)海口、(四川)雙流二期基地及(黑龍江)雙鴨山*

生產線已交付至上述之漢能集團生產基地。本集團現正迅速地安裝及調試生產線，預期安裝流程將於二零一三年完成。

(ii) *(廣東)河源、(江蘇)武進及(山東)禹城*

生產線已成功進入 SOP 階段。

(iii) *雙流一期基地*

生產線已成功完成最後 EOR 階段。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

B. Master Supply Agreement with Hanergy Group

The Group intends to diversify its current business to solicit and undertake PV power generation projects. As such, on 11 April 2012, the Group entered into a Master Supply Agreement with Hanergy Group to purchase from them thin-film solar panels manufactured.

The Master Supply Agreement allows the Group to secure a long-term stable supply of a large quantity of thin-film solar panels at selling prices not higher than the market price. There is no commitment for the Group to purchase any solar modules under the Master Supply Agreement. The Group considers the long-term stable supply of solar energy panels is crucial to the development of PV power generation projects.

As the Group is expediting its investment process in developing solar generation projects, the Group has entered into an individual supply sub-contract, under the Master Supply Agreement, for the purchase order with Hanergy Group subsequent to the 2012 financial year end.

業務回顧(續)

B. 與漢能集團訂立總供應協議

本集團擬拓展其現有業務以爭取及承攬光伏發電項目。因此，本集團於二零一二年四月十一日與漢能集團訂立總供應協議，以向漢能集團採購所生產之薄膜太陽能電池板。

總供應協議使本集團可按不高於市價之售價，獲得長期穩定之大量薄膜太陽能電池板供應。本集團於總供應協議並無承諾採購任何太陽能組件。本集團認為長期穩定之太陽能電池板供應對光伏發電項目發展相當重要。

因應本集團正加快發展太陽能發電項目之投資步伐，本集團已於二零一二年財政年度年結日後根據總供應協議就與漢能集團之採購訂單訂立獨立供應協議之子合同。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

C. Focussed investment in research and development (“R&D”)

The solar market is in a race in the pursuit of achieving higher electricity conversion efficiency. The key to success is in achieving higher conversion rates coupled with lower manufacturing costs. The Group believes that only through developing the kind of solar technology that can deliver the most competitive manufacturing cost for solar modules, can the Group continue its leading position in the global solar market. As a result, the Group has and will continue its R&D efforts in order to improve the manufacturing process and in turn further enhance the Group’s competitiveness.

(i) R&D Centre

The Group has leased a facility of more than 6,000 square meters in Chengdu City from Sichuan Hanergy Photovoltaic Limited (“Sichuan Hanergy”), which is used as a R&D Centre. In addition, the Group has entered into an equipment lease agreement and a technology agreement with Sichuan Hanergy, to lease a 40 mega-watt (“MW”) production line to facilitate the R&D Centre in Chengdu City. This allows the Group to expand its R&D facilities and test on a large scale production line in order to obtain all necessary data and operating parameters. The Group believes that mastering the technology on a mass commercial production line is both an enabler and a differentiator of the Group’s competitiveness in the solar energy market.

The Group also has both outdoor and indoor I-V testing and light-induced degradation laboratories, established in Panzhihua City and Chengdu City, with a variety of analytical and diagnostic instruments which allow our R&D team to obtain important first hand data on degradation rates.

業務回顧(續)

C. 致力投資於技術研發(「研發」)

太陽能市場面對激烈競爭，業界都傾力提高電力轉換效率，而要令轉換效率提升，就必須輔以較低之生產成本。本集團相信，只有透過發展一種能以最低生產成本生產太陽能模組之太陽能技術，方能令本集團穩守其於全球太陽能市場之領導地位。因此，本集團繼往開來，積極研發，改善生產過程，從而提升本集團之競爭力。

(i) 研發中心

本集團已向四川漢能光伏有限公司(「四川漢能」)訂立租賃協議在成都市租賃一個總建築面積超過6,000平方米的地方作研發中心。此外，本集團已與四川漢能訂立設備租賃協議及技術協議，以租賃40兆瓦(「MW」)生產線，供成都市研發中心使用。此舉使本集團可擴充其研發設施，使研究工作得以在大規模量產生產線上進行及測試，從而取得所有必須數據及營運參數。本集團相信，掌握技術並運用於大型商業生產線，能加強本集團在太陽能市場之競爭力，令本集團傲視同儕。

本集團亦已在攀枝花市及成都市成立一所室外及室內光測試及光衰減實驗室，分析判斷工具為本集團研發團隊提供光衰減之重要一手數據。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

C. Focussed investment in research and development (“R&D”) *(continued)*

(ii) Experienced team of world leading scientists

The Group’s R&D work is led by the Group’s Technical Committee (the “Committee”) which is co-chaired by the Chief Technology Officers, Dr. Li Yuanmin and Dr. Xu Xixiang. The Committee also has a world-class engineer, Mr. Zhang Yingchun, who specialising in the design and manufacture of large vacuum processing equipment, and two other world-leading scientists, Dr. Shan Hongqing and Dr. Jinyan Zhang, the General Manager and the Deputy Director of the R&D Centre in Chengdu City, respectively. All of them have over 20 years of individual international experience in solar related technology. The Committee is further supported by a number of experienced engineers and technical staff at a managerial level with tertiary education level or above. The headcount of the Group’s R&D team has increased from 76 as at 31 December 2011 to 174 up to 20 March 2013.

(iii) Technological breakthroughs

During the year under review, the Group achieved two significant technological breakthroughs, which shorten the production cycle and reduce the production costs of thin-film PV modules, improving the competitiveness of our production lines.

業務回顧(續)

C. 致力投資於技術研發(「研發」)(續)

(ii) 由世界級科學家組成之頂尖團隊

本集團之研發工作由本集團之技術聯會(「聯會」)首席技術官李沅民博士及徐希翔博士領導，聯會成員還包括一位專門設計及製造大型真空處理設備的世界級工程師，張迎春先生及另外兩位世界級科學家，彼等分別為成都市研發中心之總經理單洪青博士及副主任張津燕博士。眾博士各自於太陽能相關技術方面有超過二十年的國際經驗。聯會還有多名經驗豐富擁有大專或以上學歷的中高層工程師及技術人員協助。本集團研發團隊人數由二零一一年十二月三十一日之76人增至二零一三年三月二十日之174人。

(iii) 技術突破

於回顧年度，本集團有兩項重大技術突破，令生產週期縮短及削減薄膜光伏組件之生產成本，提升本集團生產線之競爭力。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

C. Focussed investment in research and development (“R&D”) *(continued)*

(iii) Technological breakthroughs (continued)

In July 2012, the Group successfully introduced a new operational processing method for our triple tandem silicon-germanium manufacturing line, which results in significant reduction in the overall consumption of key material gases, namely germane, silane, and trimethylboron gases (collectively “the Gases”), in the production of thin-film PV modules. The Gases are the key and most expensive materials used in the manufacture of the triple tandem silicon-germanium thin-film PV modules. Using this new processing method, the total gas cost could be lowered by up to 17.5%. There is also an enhancement of the conversion efficiency of the thin-film PV modules manufactured using this new processing method and, as a result, the total direct material cost will be reduced by approximately 12.7% on a per watt basis.

業務回顧(續)

C. 致力投資於技術研發(「研發」)(續)

(iii) 技術突破(續)

於二零一二年七月，本集團成功開發出三疊層矽鍺生產線之新的生產操作程序，其在製造薄膜光伏組件之過程中大幅減少主要氣體(即鍺烷、矽烷及三甲基硼烷氣體)(統稱「該等氣體」)之整體耗用量。該等氣體為生產三疊層矽鍺薄膜光伏組件之主要及最昂貴之物料。應用此新生產操作程序將減低氣體總成本17.5%。應用此新生產操作程序亦可提升生產薄膜光伏組件之轉換效率，因此，每瓦之直接物料成本總額將減少約12.7%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

C. Focussed investment in research and development (“R&D”) *(continued)*

(iii) Technological breakthroughs (continued)

In December 2012, the Group achieved another significant breakthrough in the plasma enhanced chemical vapor deposition (“PECVD”) process, which is the core of its tandem silicon-germanium production line. The process cycle (including box carrier in and out time) for each PECVD unit is reduced from approximately 5.5 hours to 3.4 hours, and as such, the output capacity of the PECVD unit is enhanced by approximately 61.8%. The Group has, based on this new PECVD process, developed an upgraded enhancement solution for the tandem silicon-germanium production line, which includes the application of a new set of laser scribing, annealing, soldering, packaging, and lamination systems. The output capacity of the Group’s tandem silicon-germanium production line will be significantly increased upon the adoption of this new enhancement solution. It is expected that the cost of each module produced by the enhanced production line will be reduced by approximately 9%.

業務回顧(續)

C. 致力投資於技術研發(「研發」)(續)

(iii) 技術突破(續)

於二零一二年十二月，本集團在其矽鍺生產線最核心之等離子體增強化學氣相沉積(「PECVD」)制程工藝上亦取得重大突破，每台PECVD的制程周期(含工件架進出時間)約從5.5小時降低至3.4小時，因此，單台PECVD之輸出產能將可提高約61.8%。基於此PECVD新制程工藝，本集團已開發出其矽鍺生產線整線產能升級方案，包括使用最新制程之激光、退火、焊接、封裝、及層壓工藝。本集團矽鍺生產線之輸出產能在採納全新升級解決方案後將大幅提升。預計本集團的客戶使用升級後的生產線製造之每瓦組件成本亦將下降約9%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

C. Focussed investment in research and development (“R&D”) (continued)

(iv) Acquisition of technology patents

The Group has invested heavily in developing the next generation of thin-film technology, and nano-crystalline silicon thin-film technology is one of the main investment themes of the Group.

On 19 April 2012, Kunming Apollo Solar Power Technology Limited (昆明鉑陽太谷光伏技術有限公司) (“Kunming Apollo”), a wholly-owned subsidiary of the Company, entered into a Technology Transfer Agreement with Hanergy Group, pursuant to which Kunming Apollo conditionally agreed to purchase from Hanergy Group five technology patents for a consideration of RMB200,000,000 (equivalent to approximately HK\$246,000,000). The five technology patents are important for the Group’s R&D work on existing thin-film technology and are also important for the development of nano-crystalline silicon-based thin-film solar technology. The five patents in relation to solar energy technologies are as follows:

- (i) a low cost method for the high speed deposition of silicon-based thin-film;
- (ii) optical parameters testing equipment;
- (iii) photo-electrical parameter testing equipment;
- (iv) tandem thin-film PV modules with broader solar spectrum response produced at low temperatures; and
- (v) technology of large area zinc oxide transparent conducting oxide coating by metal-organic chemical vapor deposition.

業務回顧(續)

C. 致力投資於技術研發(「研發」)(續)

(iv) 收購技術專利

本集團傾力投資新一代薄膜技術，本集團其中一個主要投資範疇為納米矽薄膜技術。

於二零一二年四月十九日，本公司之全資附屬公司昆明鉑陽太谷光伏技術有限公司(「昆明鉑陽」)與漢能集團訂立技術轉讓協議，據此，昆明鉑陽有條件地同意向漢能集團購買五項技術專利，代價為人民幣200,000,000元(相等於約246,000,000港元)。該五項技術專利對本集團現有薄膜技術之研發及納米矽薄膜太陽能技術之發展均非常重要。有關太陽能技術之五項專利如下：

- (i) 一種高速生長矽基薄膜的低成本方法；
- (ii) 光學參數測量裝置；
- (iii) 多功能光電參數測量裝置；
- (iv) 寬譜域低溫疊層矽基薄膜光伏組件；及
- (v) 金屬有機化學氣相沉積大面積氧化鋅透明導電膜反應器。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

C. Focussed investment in research and development (“R&D”) *(continued)*

(iv) Acquisition of technology patents (continued)

The Group believes that these patents will enable the Group to intensify its R&D work particularly in relation to new nano-crystalline silicon thin-film technology such that the Group can maintain its leading position in the solar energy industry.

The Group expects that the turnkey line of new generation nano-crystalline silicon technology could be launched in the market in 2013.

D. Manufacturing and service capability

The Group rented a large manufacturing plant of more than 32,000 square meters in Beijing as its manufacturing centre. With this facility, the manufacturing capacity could be up to 3-5 giga-watt (“GW”) annually. This centre serves as the main operating centre for procurement and after sales services.

The Group has strengthened its workforce in 2012 with total labour force increasing from 390 as at 31 December 2011 to 485 up to 20 March 2013. The Group has expanded its manufacturing capability to continue its smooth execution of the contracts with Hanergy Group.

In respect of customer service, the Group has setup and operates 7 service centres in Sichuan, Jiangsu, Guangdong, Hainan, Zhejiang, Shandong and Heilongjiang provinces. As the service engineers get closer to our customer, the Group is able to provide more convenient and efficient after sales services and continuously enhance the Group’s competitiveness.

業務回顧(續)

C. 致力投資於技術研發(「研發」)(續)

(iv) 收購技術專利(續)

本集團相信，該等專利有助本集團增強其研發工作，特別是全新納米矽薄膜技術，使本集團可於太陽能行業保持其領導地位。

本集團預期新一代納米矽技術之整線生產線將於二零一三年推出市場。

D. 生產及服務能力

本集團於北京租賃一間超過32,000平方米之大型生產工廠作為其生產中心。藉此廠房，產能可提升至每年3至5吉瓦(「GW」)。此中心用作採購及售後服務之主要營運中心。

本集團於二零一二年加強其人力資源，總員工人數由二零一一年十二月三十一日之390人增至二零一三年三月二十日之485人。本集團已擴充產能，為繼續順利履行與漢能集團之合約作好準備。

客戶服務方面，本集團已於四川、江蘇、廣東、海南、浙江、山東及黑龍江省設立及營運7個服務中心。服務工程師與本集團客戶之距離越近，本集團可提供更方便及有效率之售後服務，並可持續提升本集團之競爭力。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

E. Proposed acquisition of a company incorporated in Portugal (the “Possible Acquisition”)

As disclosed in the Company’s Announcements dated 12 March 2013 and 20 March 2013, the Group’s wholly-owned subsidiary, Hanergy Global Solar Power Group (Europe) B.V., is and has been in negotiation with an independent third party, as Seller, for the acquisition of a company incorporated in Portugal (“Target Company”). The Target Company owns two solar power plant projects in Portugal which are under development with an estimated installed power of 4.4MW in total. Subject to the completion of the Possible Acquisition, the Group expects to utilise advanced thin film technologies such as Copper Indium Gallium Selenide (“CIGS”) or amorphous silicon for the two power plant projects.

As the Group intends to expand its operations into downstream solar markets, the Possible Acquisition represents an opportunity for the diversification of the Group’s business into the downstream solar business for PV power generation and also a step in the Group’s strategy to enter into international PV power generation projects.

業務回顧(續)

E. 擬收購於葡萄牙註冊成立之公司(「可能收購事項」)

誠如本公司於二零一三年三月十二日及二零一三年三月二十日刊發之公佈所披露，本集團之全資附屬公司Hanergy Global Solar Power Group (Europe) B.V.正在及已經與一名獨立第三方(作為賣方)就收購一間於葡萄牙註冊成立之公司(「目標公司」)進行協商。目標公司於葡萄牙擁有兩個仍在發展中之太陽能电站項目，而兩個电站之估計裝機產能合共4.4 MW。待可能收購事項完成，本集團預期對兩個电站項目運用銅銦鎵硒(「CIGS」)或非晶硅等先進薄膜技術。

由於本集團有意將業務擴展至下游太陽能市場，故可能收購事項讓本集團有機會多元化拓展業務至下游光伏太陽能發電業務，亦使本集團參與國際光伏發電項目策略達入另一階段。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

F. Change in shareholding structure

On 29 October 2012, the Group announced that (i) pursuant to the 2010 Subscription Agreement (as defined in the Circular of the Company dated 14 November 2011), Hanergy Investment Limited (“Hanergy Investment”), a wholly-owned subsidiary of Hanergy Group, will complete the first tranche subscription of 1,964,611,584 shares of the Company; (ii) pursuant to the 2011 Hanergy Option Agreement (as defined in the Circular of the Company dated 14 November 2011), Hanergy Option Limited (“Hanergy Option”), a company wholly owned by Mr. Geng Jiafeng, the Deputy General Manager of Chairman Office of Hanergy Group, as nominee, will partially exercise the options granted to it to acquire 300,000,000 shares of the Company; and (iii) pursuant to the 2011 Subscription Agreement (as defined in the Circular of the Company dated 14 November 2011), Hanergy Investment will complete the first tranche subscription of 6,000,000,000 shares of the Company (collectively “the Transactions”).

Upon the completion of the Transactions, 7,964,611,584 shares and 300,000,000 shares will be issued to Hanergy Investment and Hanergy Option respectively, which will result in the interests held by Hanergy Group and its concert parties increasing from 20.28% to 50.65% of the issued share capital of the Company. Accordingly, Hanergy Group and its concert parties, in the absence of a Whitewash Waiver, would be obliged to make a mandatory general offer under Rule 26 of the Takeovers Code for all the shares and other securities of the Company not already owned or agreed to be acquired by Hanergy Group or its concert parties as a result of the completion of the Transactions. On 28 December 2012, the ordinary resolution approving the Whitewash Waiver was duly passed by the independent shareholders of the Company.

業務回顧(續)

F. 持股架構變動

於二零一二年十月二十九日，本集團公佈(i)根據二零一零年認購協議(定義見本公司日期為二零一一年十一月十四日之通函)，Hanergy Investment Limited(「Hanergy Investment」，漢能集團之全資附屬公司)將完成第一批認購1,964,611,584股本公司股份；(ii)根據二零一一年漢能購股權協議(定義見本公司日期為二零一一年十一月十四日之通函)，Hanergy Option Limited(「Hanergy Option」，漢能集團董事長辦公室副總經理耿家鳳先生全資擁有之公司)(作為代名人)將行使部分其獲授之購股權，以收購300,000,000股本公司股份；及(iii)根據二零一一年認購協議(定義見本公司日期為二零一一年十一月十四日之通函)，Hanergy Investment將完成第一批認購6,000,000,000股本公司股份(統稱為「該等交易」)。

於該等交易完成後，7,964,611,584股股份及300,000,000股股份將分別發行予Hanergy Investment及Hanergy Option，將導致漢能集團及其一致行動人士持有之權益由佔本公司之已發行股本20.28%增加至50.65%。因此，如無清洗豁免，漢能集團及其一致行動人士將因該等交易完成而須根據收購守則規則26就其漢能集團或其一致行動人士尚未擁有或同意收購之所有股份及本公司其他證券提出強制性全面要約。於二零一二年十二月二十八日，批准清洗豁免之普通決議案已獲本公司獨立股東正式通過。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

F. Change in shareholding structure *(continued)*

The Transactions were completed on 27 February 2013 and the interests held by Hanergy Group and its concert parties increased from 20.28% to 50.65% of the issued share capital of the Company, and Hanergy Group, in substance becoming the ultimate holding company of the Company from that date. This marks a significant milestone underscoring the Group's future business direction. With Hanergy Group as a strategic partner, the Group can substantially advance its thin film solar technology. In addition, Hanergy Group has the ability to rapidly facilitate the Group's venture into the downstream solar market and expand into international markets. The Transactions have provided additional funding which will allow the Group to make further investments to strengthen the R&D and development capability, increase the production capacity, pursue other potential expansion opportunities and provide additional working capital to the Group.

OUTLOOK

A. Current solar energy market

Over the past two years, the solar energy industry has contracted significantly at an alarming rate; and less competitive manufacturers have withdrawn from the market. With the fall in number of suppliers, the overcapacity issue has gradually dissolved. On the other hand, public awareness on environmental protection is increasing, pushing up the demand for clean and renewable energy sources. In addition to this, emerging markets in North America, and more importantly Asia, are playing an increasing role. As a result, it is expected that global solar demand will grow at a very high-speed in the next few years.

業務回顧 *(續)*

F. 持股架構變動 *(續)*

該等交易已於二零一三年二月二十七日完成，漢能集團及其一致行動人士持有之權益由佔本公司之已發行股本20.28%增加至50.65%，基本上漢能集團於該日起成為本公司之最終控股公司。這標誌著本集團未來業務方向之重要里程碑。憑藉與漢能集團之策略夥伴關係，本集團能於薄膜太陽能技術取得重大進展。此外，漢能集團有能力迅速地協助本集團進軍下游太陽能市場及擴展至國際市場。該等交易帶來額外資金，令本集團可作出更多投資，加強研發及發展能力，提升產能、擷取其他潛在拓展機會，以及為本集團提供額外營運資金。

展望

A. 現時之太陽能市場

過去兩年，太陽能行業以驚人的速度大幅收縮，競爭力稍遜之生產商均被迫離場。隨著供應商數目減少，產能過盛問題正逐步解決。而另一方面，大眾之環保意識日益增加，令清潔及可再生能源資源需求增加。再加上北美及舉足輕重之亞洲新興市場之市場份額日重，因此，預期全球太陽能需求會在未來數年急速增長。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

A. Current solar energy market *(continued)*

(i) *United States and European Commission Anti-dumping complaints*

The recent excess supply in solar PV market resulted in stiff competition and a dramatic fall in price. American and European manufacturers, as victims of this global competition, to strive for survival, respectively raised concerns to the United States Department of Commerce (“US DOC”) and European Commission in respect of dumping by Chinese manufacturers. On 17 May 2012, the US DOC ruled to impose anti-dumping tariffs on Chinese manufacturers of poly-silicon solar cells and modules. This has had an enormous impact on the Chinese solar energy industry. According to estimates performed by a research institution, ENF, with the sharp fall in market prices, approximately 300 manufacturers in the People’s Republic of China (“PRC”) wound-up in 2012, and approximately a further 180 large-scale manufacturing plants have currently ceased operation, leaving only 524 PRC PV manufacturers struggling and mostly running at a loss. The anti-dumping tariffs imposed by the US DOC and the PV dumping complaint lodged to the European Commission are targeted at PRC manufacturers who produce poly-silicon solar cells, but conversely not thin-film PV. These anti-dumping tariffs are devastating to the traditional poly-silicon solar energy industry, but bode well for the thin-film solar sector, within which the Group operates, providing a competitive edge to allow the capture of an increasing market share.

展望 *(續)*

A. 現時之太陽能市場 *(續)*

(i) *美國及歐盟委員會之反傾銷申訴*

太陽能光伏市場近期之供應過盛問題，引致激烈競爭及價格暴跌。歐美生產商在全球競爭中淪為輸家，為求生存，兩地生產商分別向美國商務部（「美國商務部」）及歐盟委員會反映彼等對中國生產商進行傾銷之憂慮。於二零一二年五月十七日，美國商務部裁定向中國多晶矽太陽能電池及組件製造商施加反傾銷稅，嚴重影響中國太陽能行業。根據研究機構ENF所進行之評估，由於市價大跌，約有300間中華人民共和國（「中國」）生產商在二零一二年結業，另約有180間大型生產廠房現已終止營運，故只有524間中國光伏生產商仍努力掙扎求存，但大部分均錄得虧損。美國商務部施加之反傾銷稅及向歐盟委員會提出之反傾銷申訴之針對對象是中國多晶矽太陽能電池生產商，反之則對薄膜光伏生產商並無影響。儘管反傾銷關稅對傳統多晶矽太陽能行業造成大災難，卻有助薄膜太陽能行業之崛起搭建舞台（本集團正於此行業經營），提升競爭力及為增加市場份額鋪平道路。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

A. Current solar energy market *(continued)*

(ii) Emerging markets in North America and Asia

According to the Marketbuzz report from NPD Solarbuzz, a global PV market research organisation, dated 21 February 2013, during the year under review, global solar PV installations hit 29 GW, an increase of 5% from 27.7 GW in 2011. The PV industry has rebounded from previous lows and is on the recovery. The PV demand for the second half of 2012 saw increasing contributions from emerging markets in North America and Asia Pacific collectively, accounting for 60% of PV demand according to the PV Market Quarterly report from NPD Solarbuzz dated 14 May 2012. This represents an important change for the PV industry, indicative of longer-term trends in which the share of global PV demand stimulated by European countries will decline. While 50% of global demand during second half of 2011 came from Germany and Italy, 54% of demand in the final quarter of 2012 came from the United States of America ("US"), the PRC, India and Japan, further pointing to the recovery of global PV markets demand driven by demand from North America and Asia Pacific.

展望 *(續)*

A. 現時之太陽能市場 *(續)*

(ii) 北美及亞洲之新興市場

根據全球光伏市場研究機構NPD Solarbuzz日期為二零一三年二月二十一日之Marketbuzz報告，於回顧年度，全球太陽能光伏安裝高見29 GW，較二零一一年之27.7 GW增加5%。光伏行業由過往低位回升，正處於復甦階段。於二零一二年下半年，來自北美及亞太之光伏需求日益增加，根據NPD Solarbuzz日期為二零一二年五月十四日之光伏市場季度報告，兩地共佔光伏需求之60%，反映光伏行業之重大變動，顯示長遠而言，由歐洲各國所帶動之全球光伏需求份額將有所衰減。於二零一一年下半年，50%全球需求來自德國及意大利，而於二零一二年第四季則有54%來自美利堅合眾國（「美國」）、中國、印度及日本，進一步反映全球光伏市場需求原動力是來自北美及亞太之需求。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

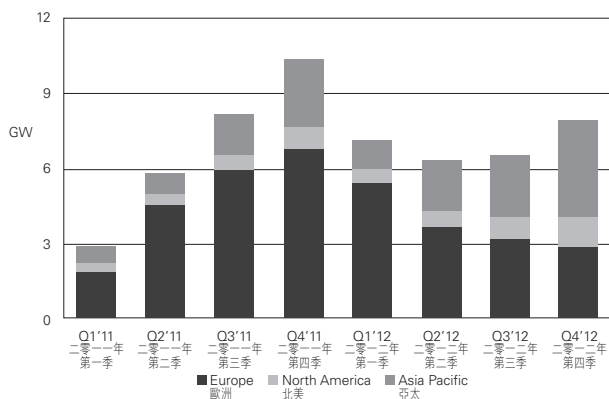
OUTLOOK (continued)

展望(續)

A. Current solar energy market (continued)

A. 現時之太陽能市場(續)

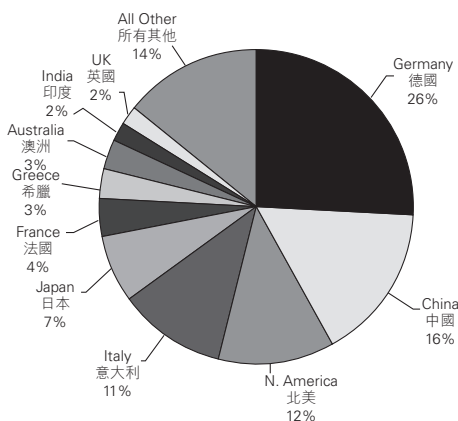
Quarterly PV Demand for Major PV Market Regions
主要光伏市場地區之季度光伏需求



According to the research of NPD Solarbuzz Marketbuzz, the PRC PV market showed tremendous growth in 2012, with the market size increasing by more than 70% year-on-year, and becoming the second largest PV market in the world.

根據NPD Solarbuzz之Marketbuzz研究，中國光伏市場於二零一二年大幅增長，市場規模按年增長逾70%，正成為全球第二大光伏市場。

Top PV Markets in 2012
二零一二年主要光伏市場



Source: Adapted from the forthcoming NPD Solarbuzz Marketbuzz Annual Report (2012)
資料來源：節錄自NPD Solarbuzz Marketbuzz 下期年報(二零一二年)

Current projections show the trend of growth in emerging countries (especially in Asia) will continue into 2013, with the PRC and Japan set to becoming the largest and the fourth single-country market in the world in 2013, respectively.

現時之預測顯示新興國家(特別是亞洲)之增長走勢將持續至二零一三年，中國及日本將分別於二零一三年晉身全球單一國家市場第一及第四位。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

B. Encouraging support from the Central People's Government of the PRC ("PRC government")

Following the announcement of the PRC government's 12th Five-Year Plan, the National Energy Board announced in January 2013 that the target for solar power generation capacity by 2015 was revised to at least 35 GW from the initial target of 5 GW released in September 2011. With the rapid expansion of production capacity and PV products in recent years, the target was revised twice in 2011 to 10 GW and then to 15 GW, and again in 2012 to 21 GW and now, further to 35 GW in January 2013, while keeping the 2020 target unchanged at 50 GW. The frequent revision of the target is not only evidence of how rapidly the solar energy industry is developing, but also shows how committed the PRC government is to developing sources of renewable solar energy.

To achieve such target, the PRC government has seemingly focused on (i) the establishment of distributed PV generation in Eastern and Central China where the area is more built-up making large-scale solar farms development difficult, but roof-top technology more feasible; and (ii) grid-connected PV power plants to increase local electrical power supply in those regions which have rich solar resources and uncultivated land resources e.g. Qinghai, Xinjiang, Gansu and Inner Mongolia. To this end, the PRC government has promulgated relevant laws and regulations to promote solar energy industry and promise to help in enhancing conversion efficiency and developing self-owned solar technology and equipment. The PRC government has also called for new PV and building integrated PV ("BIPV") applications from regional governments to boost PV growth. The PRC government has also encouraged the installation of PV systems in public areas such as in schools, hospitals and public buildings.

展望(續)

B. 中華人民共和國中央人民政府(「中國政府」)之大力支持

中國政府公佈第十二個五年計劃後，國家能源局於二零一三年一月公佈，及至二零一五年之太陽能發電量目標由二零一一年九月所公佈之初步目標5 GW修訂至最少35 GW。鑒於光伏產品近年之產能急速擴展，故目標於二零一一年前後兩次修訂至10 GW及15 GW，並於二零一二年再修訂至21 GW，現時又於二零一三年一月進一步修訂至35 GW，而二零二零年之目標仍維持於50 GW。目標不斷修訂不僅證明太陽能行業之發展何其快速，亦反映中國政府發展可再生太陽能資源之決心有多強大。

為達此目標，中國政府似乎致力(i)於中國東部及中部等建築物較多，較難設立大型太陽能電站但屋頂技術較為可行之地區設立分佈式光伏發電機組；及(ii)於青海、新疆、甘肅及內蒙古等太陽能資源豐富、有未開墾土地資源之地區設立併網太陽能電站，以增加地方電力供應。為達此目的，中國政府已公佈相關法律及法規，以推動太陽能行業，並承諾協助改善轉換效率及開發擁有自主太陽能技術及設備。中國政府亦已要求地方政府應用新光伏建築一體化(「光伏建築一體化」)，推動光伏增長。中國政府亦鼓勵於學校、醫院及公用大樓等公眾地方安裝光伏系統。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK (continued)

B. Encouraging support from the Central People's Government of the PRC ("PRC government") (continued)

In 2011 and 2012, the solar energy industry in the PRC as a whole reached a solar power generation capacity of 3 GW and 4 GW, respectively. To meet the 2015 target, solar PV technology has to develop at a very fast pace, and this is as a result boosting the number of PV installations in the PRC.

With the above, the PRC is forecast to become the world's largest solar market, with total PV installations estimated to be over 6 GW, overtaking Germany in 2013.

展望(續)

B. 中華人民共和國中央人民政府(「中國政府」)之大力支持(續)

於二零一一年及二零一二年，中國太陽能行業太陽能發電量整體而言分別達3 GW及4 GW。為達致二零一五年目標，太陽能光伏技術需以超高速發展，而發展之原動力為增加中國之光伏裝置數目。

鑒於上述者，預期中國會成為全球最大之太陽能市場，總光伏裝置估計逾6 GW，於二零一三年取代德國。

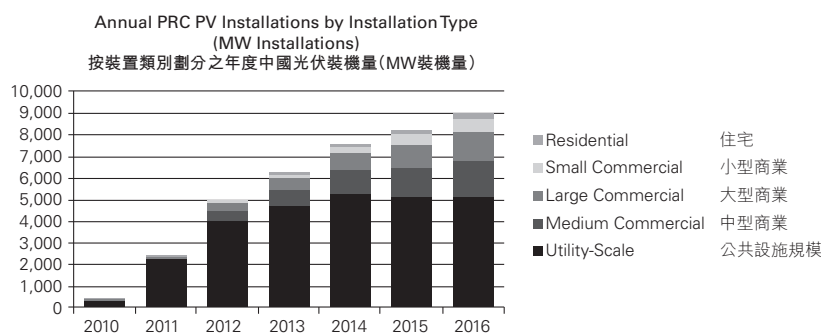
Top 5 Solar Markets in 2012 and 2013
二零一二年及二零一三年之五大太陽能市場

Country	國家	2012		2013	
		MW installed 裝機MW	Ranking 排名	MW installed 裝機MW	Ranking 排名
Germany	德國	8,000	1	5,000	3
China	中國	5,100	2	6,300	1
USA	美國	3,600	3	5,100	2
Italy	意大利	3,500	4	2,900	5
Japan	日本	2,200	5	3,500	4

Source: IHS Solar Research, December 2012
資料來源：IHS太陽能研究，二零一二年十二月

The graph below shows the estimated PV installations in the PRC from 2012 to 2016.

下表顯示中國於二零一二年至二零一六年之估計光伏裝機量。



Source: IHS Solar Research, December 2012
資料來源：IHS太陽能研究，二零一二年十二月

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

B. Encouraging support from the Central People's Government of the PRC ("PRC government") *(continued)*

Furthermore, the recent smog in the PRC has called for the reduction in the use of coal for electricity generation, which in turn encourages the use of renewable solar energy. The PRC government has recently issued the Notice for Energy Development as part of the 12th Five-Year Plan, setting the energy consumption per unit of Gross Domestic Products ("GDP") in 2015 target to 16% lower than that in 2010. The total energy consumption is limited to 40 million tons of standard coal, equivalent to electricity generation of 6.15 trillion kwh. Non-fossil energy consumption ratio will be increased to 11.4%, while carbon dioxide emissions per unit of GDP will be reduced by 17% than that in 2010. The target for new solar installed capacity in 2013 is 10 GW, which is higher than the current accumulative installed capacity of 7 GW as at 31 December 2012, giving significant ground for optimism. The PRC government expects that total installed capacity of solar power will reach 50 GW by 2020, by which time overall financial investment is expected to reach RMB250 billion (equivalent to approximately HK\$312.5 billion). The Group believes that a bright future lies ahead and that it is well planned to benefit from it.

展望 *(續)*

B. 中華人民共和國中央人民政府(「中國政府」)之大力支持 *(續)*

此外，中國近來煙霧問題嚴重，警示了減少煤炭發電之必要性，而可再生太陽能之使用則更獲推崇。作為十二個五年計劃之一部分，中國政府最近發出了能源發展通告，當中訂明了二零一五年每個國民生產總值(「國民生產總值」)單位之能源耗用量目標為較二零一零年減少16%。能源消費總量控制在四千萬噸標準煤左右，相當於6.15萬億千瓦時發電量。非化石能源耗用率將增加至11.4%，每個國民生產總值碳排放量將較二零一零年減少17%。二零一三年新太陽能裝機容量的目標為10 GW，高於二零一二年十二月三十一日之現時累計裝機容量7 GW，前景秀麗。中國政府預期，及至二零二零年，太陽能之總裝機容量將達50 GW，其時整體財務投資預期會達致人民幣2,500億元(相等於約3,125億港元)。本集團相信，此行業之前景一片光明，並將惠及本集團。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

C. Strengthening cooperation with Hanergy Group

Hanergy Group is a private company engaged in the clean energy business including investment in hydro power, wind power and solar power projects. Hanergy Group's developments in the solar energy industry include both mid-stream production of solar panels and downstream development of solar power plants or roof-top projects.

Hanergy Group has signed a number of agreements with several PRC regional governments, such as Nanjing and Qinghai, to construct and develop new module manufacturing bases. The pace of Hanergy Group rolling out its mega solar module manufacturing projects is quickening. The construction work at the Nanjing site is underway and expected to be completed in the near future. The Group will continue to strengthen its cooperation with Hanergy Group to ensure timely delivery of its turnkey lines.

As discussed above, following the completion of the subscription of the Company's shares and the partial exercise of the options to acquire the Company's shares by Hanergy Group, Hanergy Group has become the controlling shareholder of the Group, which is crucial to the long term development and strategic direction of the Group. The Group will collaborate and cooperate with Hanergy Group to develop PRC and overseas solar downstream projects. With Hanergy Group's experience in developing the downstream business and operations in the mid-stream sector, the Group believes it will embark upon closer and stronger co-operation with Hanergy Group on all fronts.

展望(續)

C. 加強與漢能集團之合作

漢能集團為一間私人公司，從事清潔能源業務，當中包括水力發電、風力發電及太陽能發電項目方面之投資。漢能集團於太陽能行業之發展包括中游太陽能電池板生產，以及下游太陽能發電站或屋頂項目。

漢能集團已與南京及青海等地多個中國地方政府簽訂協議，建設及發展新組件生產基地。漢能集團正加快其巨量太陽能組件生產計劃之步伐。南京之基地建設工程如火如荼，預期將於短期內竣工。本集團將繼續加強與漢能集團之合作，確保準時交付其整線生產線。

如前文所述，漢能集團完成認購本公司股份及行使部份本公司股份的購股權後，漢能集團已成為本集團之控股股東，其對本集團長遠發展及策略方向至關重要。本集團將與漢能集團攜手合作，開拓中外太陽能下游項目。憑藉漢能集團發展下游業務及營運中游分部之經驗，本集團相信其將開始在各方面加強與本集團緊密合作。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

D. Continual R&D investment on thin-film technology

Amid a number of significant breakthroughs in 2012 discussed earlier, the Group will continue its efforts in R&D on improving the existing silicon-germanium technology, with the aim of further reducing the total gas usage and cost of production of thin-film PV modules manufactured with the Group's technology. It is contemplated that with further improvement of the new operating process and technology advancement, the direct material costs and hence the production costs of thin-film PV modules manufactured with the technology of the Group will be further reduced. The Group is targeting to further improve the operating process so as to further reduce 15% of the total gas consumption and thus total gas cost. Though the Group only provides turnkey production lines for our customers, the Group understands that the module manufacturing cost of our production lines is the key to customer value, which in turn will become the competitive edge of the Group. The reduction of module cost will create more customer value by increasing the price competitiveness of our customers.

- (i) Following the acquisition of the intellectual properties related to the nano-crystalline silicon-based thin-film solar technology discussed earlier, the Group has intensified the R&D work on the technology. Nano-crystalline silicon thin-film technology could provide a wider solar absorption spectrum and better stability under sunlight exposure thus higher conversion efficiency. The Group targets to drive down the equipment and manufacturing costs for this technology. The Group expects that the new nano-crystalline silicon technology could be substantially advanced to enable mass production in 2013.

展望(續)

D. 繼續投資研發薄膜技術

本集團雖然於二零一二年取得上述重大突破，但仍會繼續努力研發，改善其現有矽鍺技術，目標為藉本集團之技術進一步減低生產薄膜光伏組件之總氣體耗用量及成本。本集團擬透過改進新生產操作程序及技術提升，使本集團進一步減低生產薄膜光伏組件之直接物料成本及生產成本。本集團之目標為進一步改善生產操作程序，以進一步減少15%之總氣體耗用量及總氣體成本。儘管本集團僅為本集團之客戶提供整線生產線，本集團明白到其生產線之組件製造成本為主要客戶價值，變相為本集團之競爭力。降低組件成本將提升本集團客戶之價格競爭力，從而增加客戶價值。

- (i) 收購涉及納米矽基薄膜太陽能技術之知識產權(誠如上文所論述)後，本集團已加強其技術研發工作。納米矽薄膜太陽能技術具有更廣闊之太陽能吸收光譜及良好的光照穩定性，因而令轉換效率更高。本集團之目標為減低此項技術之設備成本及製造成本。本集團預期新納米矽技術將取得實質進展，以於二零一三年大量生產。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

D. Continual R&D investment on thin-film technology *(continued)*

- (ii) The Group continues to be dedicated to further enhancing the conversion efficiency of its existing silicon-germanium multi-junction thin-film solar production line. The Group is looking into the development of CIGS technology as, at present, it has the highest conversion efficiency among all thin-film solar technologies. This is one of the key focus areas of the Group's R&D team. The Group is establishing new wholly-owned subsidiaries and research centres focusing on CIGS technology R&D. Scientists and engineers with expertise in CIGS technology will be recruited overseas, in particular in the US and Germany where the technology is currently more advanced.
- (iii) The Group believes that flexible thin-film modules possess a greater competitive edge as compared to traditional poly-silicon modules for roof-top projects due to its light weight and easier applicability on buildings. Equipped with the world's leading thin-film technology, the Group has set BIPV and building attached PV ("BAPV") as its key business goals and direction of its R&D work.

The Group has identified thin-film and flexible solar products as its future main development themes and will heavily invest in R&D of new thin-film and flexible technology. The Group will strive to develop higher conversion rate silicon based thin-film and flexible substrate products in particular nano-crystalline silicon based flexible modules. The Group will set up further research centres in the US and the PRC in 2013 to strengthen its R&D work on flexible thin-film technology.

展望 *(續)*

D. 繼續投資研發薄膜技術 *(續)*

- (ii) 本集團繼續致力提升其現有矽鍺多結薄膜太陽能生產線之轉換效率。本集團正研究CIGS技術之發展，原因為CIGS是所有其他薄膜太陽能技術當中具備最高轉換效率之技術。CIGS是本集團研發團隊主要著眼範圍之一。本集團正成立全新全資附屬公司及研究中心，專注研發CIGS技術。本集團將於海外(特別是美國及德國等現有技術較先進之國家)聘請具備CIGS技術方面之專業知識之科學家及工程師。
- (iii) 本集團相信，就屋頂項目而言，由於柔性薄膜組件較輕及較易嵌於大廈上，故其較傳統多晶矽組件具競爭優勢。藉著全球領先薄膜技術，本集團已訂下光伏建築一體化及依附式建築光伏(「依附式建築光伏」)為主要業務目標及研發方向之一。

本集團以薄膜及柔性太陽能產品為其未來主要發展方針，並將大量投資於新薄膜及柔性薄膜技術。本集團致力發展更高轉換率之矽基薄膜及柔性襯底產品，特別是納米晶矽柔性組件。本集團將在二零一三年於美國及中國設立額外研究中心，加強其柔性薄膜之研發工作。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

E. New business models to include downstream solar energy industry segment

Given the continual decline in module and inverter prices, and other construction costs, the total system costs for solar farms and roof-top projects continue to decrease, and conversely the downstream solar energy industry segment is becoming more and more profitable and attractive. As a result, the Group is aggressively seeking investment opportunities to expand operations into downstream solar projects, either by acquiring existing projects with attractive returns, or investing in new start-up solar projects. The Group is setting up a whole new business unit focusing on solar power generation. The future business models of this newly set-up business unit will be in the following three forms:

(i) Engineering, procurement and construction ("EPC")

This will be a contracting arrangement under which the Group will act as a contractor to design the installation, procure the solar panels and build the solar farms or roof-top projects for customers, either directly or by subcontracting part of the work. The Group will receive contracting fees for each EPC contract. The Group will recruit the necessary manpower and expertise in the PRC and various overseas countries who have rich experience in ground-mounted, BAPV and BIPV solar projects.

展望(續)

E. 包括下游太陽能業務之新業務模式

當太陽能電站和屋頂項目之總系統成本因組件，逆變器和其他建築成本下降而呈降低趨勢，下游太陽能產業市場變得越來越具營利性及吸引力。因此，本集團將通過收購具有可觀回報的現有項目，或投資於新開發太陽能項目，積極物色把業務拓展至下游之投資機會。本集團正設立全新業務單位，致力發展太陽能發電業務。此新設立之業務單位之未來業務模式將以以下三種形式進行：

(i) 工程、採購及建設(EPC)

此將為一項合約安排，據此，本集團將擔當承包商，直接或透過分包部分工作，為客戶設計安裝、採購太陽能電池板，以及建設太陽能電站及屋頂項目。本集團將就每份EPC合約收取合約費用。本集團將在中國及多個海外國家(於地面、依附式建築光伏／光伏建築一體化太陽能項目方面有豐富經驗)聘用必要人手及專家。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

E. New business models to include downstream solar energy industry segment *(continued)*

(ii) Build and operate

The Group may build the solar farms or roof-top power stations and operate the power stations itself. The power station may be connected to an electricity grid such that the Group can enjoy a stable revenue stream from selling electricity to the electricity grids. By using solar panels manufactured by the Group's turnkey lines, such solar projects can provide a long and stable revenue stream given the long guaranteed average useful life of 25 years for solar panels.

For roof-top projects, the electricity generated from solar panels can be connected to the power grid or supplied directly to the underlying or adjacent buildings such that electricity generated from solar power can be consumed directly.

(iii) Build and sell

The Group may build the solar farms or roof-top power stations and once connected to the electricity grid, the power stations will be sold to long term investors such as pension funds or mutual funds. In addition, the Group will consider using various financial instruments to finance the solar power projects such as securitisation, real estate investment trust (REIT) or other forms of trusts to transfer the Group's interests in these solar power projects to investors.

展望 *(續)*

E. 包括下游太陽能業務之新業務模式 *(續)*

(ii) 建築及營運

本集團可能會建築太陽能電站或屋頂發電站，並自行經營電站。電站或會連接電網，令本集團得以向電網售電而得到穩定收入來源。透過使用本集團整線生產線所生產之太陽能電池板，有關太陽能項目能提供長遠而穩定之收益來源，此乃由於太陽能電池板有長期且獲保證之平均使用年期25年。

就屋頂項目而言，太陽能電池板所產生之電力可連接至電網或直接向相關或鄰近大廈供電，令太陽能電站所產生之電力能直接使用。

(iii) 建築及出售

本集團或會建築太陽能電站或屋頂電站，而一經連接至電網，發電站將售予長期投資者如退休基金或共同基金。此外，本集團將考慮使用多項財務工具以為太陽能項目提供資金，工具包括證券化、房地產投資信託(REIT)或其他形式之信託，以將本集團於該等太陽能項目之權益轉予投資者。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

E. New business models to include downstream solar energy industry segment *(continued)*

The Group targets both roof-top and ground mounted projects both in the PRC and overseas markets. Hanergy Europe's continual negotiations with the Seller for the acquisition of solar power plants in Portugal represents the beginning of the Group's aggressive endeavours to venture into PV power generation business and also marks the first step for the Group to enter the international PV power generation market. The Group will continue to actively look for opportunities in investing in PRC and overseas solar power generation projects such as Europe and the US either by acquiring existing solar projects or developing the solar projects on its own. The Group will also look for the corresponding subsidy schemes launched in the respective countries. The Group believes that thin film solar modules possess a distinctive competitive advantage compared to poly-silicon panels for overseas solar power markets due to the recent anti-dumping wars in the US and Europe, which are targeted only at PRC poly-silicon solar module manufacturers, but not thin-film PV products. As a result, the Group believes projects using thin-film solar panel will be able to capture a bigger market share in overseas markets.

Given the strong growth potential of the solar energy market in the PRC, initially, the Group plans to construct solar farms in Qinghai and Xinjiang as well as taking up BAPV/BIPV projects. It is intended that solar energy plants with total power generation capacity reaching 1.1 GW will be constructed during 2013 and 2014. The construction of the first solar energy plant in Qinghai is expected to commence this year after obtaining the requisite PRC government approvals.

展望 *(續)*

E. 包括下游太陽能業務之新業務模式 *(續)*

本集團之目標為囊括中國及海外市場之屋頂及地面項目。Hanergy Europe與賣方繼續就收購位於葡萄牙之太陽能電站協商，不僅反映本集團正開始積極進軍光伏發電業務，亦標誌著本集團打入國際光伏發電市場之第一步。本集團將透過收購現有太陽能項目或自行發展太陽能項目積極物式投資於中國及海外，如歐美太陽能電項目之機會。本集團亦將繼續積極物色各國所推出之相關資助計劃。本集團相信，對比多晶矽電池板，薄膜太陽能組件在海外太陽能市場具備特殊競爭優勢，原因是近期歐美之反傾銷戰爭僅針對中國之多晶矽太陽能組件生產商，而薄膜光伏產品則不受影響。因此，本集團相信，使用薄膜太陽能電池板之項目將能於海外市場取得較大市場份額。

鑒於中國太陽能市場之龐大增長潛力，本集團初步計劃於青海及新疆建設太陽能電站，以及承攬依附式建築光伏／光伏建築一體化項目。現擬於二零一三年及二零一四年建設總裝機量達1.1 GW之太陽能電站。預期於取得所需中國政府批准後於今年於青海動工建設第一個太陽能電站。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

E. New business models to include downstream solar energy industry segment *(continued)*

The Group believes that investing heavily in downstream solar projects will broaden the Group's revenue and cash flow base, and provide a more diverse stable income stream. This can help the Group weather the ups and downs in the solar energy business cycle and provide a good return to shareholders.

F. Group restructuring

As part of the Group's expansion plan, the Group has undergone major organisation restructuring to cater for the development of the downstream business unit. On top of the existing turnkey line business, the Group has formed a new downstream business unit, which the Group believes will take on the same, if not bigger role in revenue and profit contribution as compared to the existing business. The Group will invest heavily both in capital investment and human resources for the new downstream business unit. The Group will recruit people from all over the world for the new business unit, including (i) a strong solar project management team to equip them with the capability in sourcing and operating solar farms or roof-top projects; (ii) construction teams capable of managing the EPC of solar farms or roof-top projects which will be formed in the PRC, Europe and the US, with people recruited locally to meet the needs of PRC and overseas projects; (iii) sales teams to identify potential buyers for the sales of solar power plants; and (iv) a finance team to source finance for the downstream projects. It is expected that the Group's total future headcount will increase substantially, with the workforce for the new downstream business exceeding that of the current turnkey operations.

展望 *(續)*

E. 包括下游太陽能業務之新業務模式 *(續)*

本集團相信，大力投資下游太陽能項目將擴闊本集團之收益及現金流基礎，提供更多元化之穩定現金來源，有助本集團度過太陽能業務週期之起起落落，為股東帶來豐厚回報。

F. 集團重組

作為本集團擴展計劃之一部分，本集團已進行大規模企業重組，以應付下游業務單位之發展。除現有整線生產線業務外，本集團已成立新下游業務單位，而本集團相信此單位會較現有業務帶來相同，甚至更多之收益及利潤。本集團將為新下游業務單位之資本投資及人力資源作出重大投資。本集團將為新業務單位自全球各地招聘人才，包括(i)具有開發和管理太陽能電站和屋頂光伏項目能力的強大太陽能項目管理團隊；(ii)具有管理太陽能電站和屋頂光伏項目EPC能力之建設團隊(將於中國、歐洲及美國成立，並在當地聘用人才，應付中國及海外項目之需要)；(iii)銷售團隊，以物色銷售太陽能電站之準買家；及(iv)融資團隊，以為下游項目準備融資。由於新下游業務所需人力高於現時整線生產業務之所需，故預期本集團之未來總員工人數會大幅增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

G. Acquisition of solar technology

The Group is currently a turnkey solutions provider, focusing effort on amorphous silicon, double tandem silicon-germanium, triple tandem silicon-germanium and nano-crystalline silicon thin-film technology. The Group will keep on the look-out for potential acquisitions of world leading thin-film solar technologies, as well as other solar related technologies. CIGS is one of the Group's targets as thin-film PV solar modules manufactured by the CIGS technology have a conversion efficiency of up to 15%.

With the European solar energy industry struggling for survival in the past few years, many top tier solar companies have been filing for bankruptcy, and as a result many advanced solar technology companies are now open for acquisition. This provides the Group opportunities to acquire other advanced and sophisticated solar technology operations. As disclosed in the circular of the Company dated 4 October 2012, the Company is currently in the course of negotiation with Hanergy Group in relation to the possible acquisition of all or part of its assets of a target company incorporated in Germany. The Group anticipates that the acquisition may be finalised in 2013 and provide a new market for turnkey lines. The Group believes that by broadening its technology base and scope, the Group can further enhance its technological strength and maintain a leading position in the global solar energy industry.

展望(續)

G. 收購太陽能技術

本集團現時為整線生產線方案提供者，專注於非晶矽、雙疊層矽鎢、三疊層矽鎢及納米矽薄膜技術。本集團將繼續留意收購全球頂尖薄膜太陽能技術及其他太陽能相關技術之潛在機會。CIGS是本集團之目標之一，原因是CIGS所生產之薄膜光伏太陽能組件之轉換效率高達15%。

近幾年隨著歐洲太陽能公司為生存而苦苦掙扎，大批一流太陽能公司申請破產保護，很多擁有領先技術的太陽能公司可供收購。這為本集團收購更多先進和複雜的太陽能技術提供了機遇。誠如本公司日期為二零一二年十月四日之通函所披露，本公司現正就可能收購一間於德國註冊成立之目標公司全部或部分資產與漢能集團進行協商。本集團預期收購可能會於二零一三年落實，提供一個新整線生產線市場。本集團相信，透過擴展其技術基礎及範圍，本集團可進一步提升其技術優勢，並維持其於全球太陽能行業之領導地位。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK *(continued)*

H. Going Global

The Group has aspirations of going global which will help diversify its global presence, customer footprint, ability and resources to attract talent, and risk profile. Hanergy Europe's continued negotiation with the Seller for the acquisition of solar power plants in Portugal marks a first step towards the Group going global. With the expansion plans in the downstream business and acquisition of solar technologies globally, the Group expects its business to Go Global in 2013.

LIQUIDITY AND FINANCIAL POSITION

As at 31 December 2012, the Group did not have any bank borrowings (2011: Nil) while the cash and bank balances amounted to approximately HK\$707,958,000 (2011: approximately HK\$284,809,000).

Gearing ratio (total borrowings (exclude Convertible Bonds) over shareholders' equity) as at 31 December 2012 was 0% (2011: 0%).

TREASURY POLICIES AND EXCHANGE & OTHER EXPOSURES

The Group's monetary transactions and deposits continued to be in the form of US dollars, Renminbi and HK dollars. The Group expected that the exposure to exchange rates fluctuation was not significant and therefore had not engaged in any hedging activities.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 31 December 2012 (2011: Nil).

CHARGES ON ASSETS

As at 31 December 2012, the Group did not have any charges on its leasehold land and buildings (2011: Nil).

展望(續)

H. 走向國際

本集團有走向國際之抱負，力求增加世界各地之據點、客戶足跡、能力及資源，以吸納人才及分散風險。Hanergy Europe與賣方繼續就收購位於葡萄牙之太陽能發電站協商，標誌著本集團邁向全球之第一步。本集團預期能憑藉下游業務擴展計劃及收購全球各地之太陽能技術，在二零一三年走向國際。

流動資金及財務資源

於二零一二年十二月三十一日，本集團並無任何銀行借貸(二零一一年：無)，而現金及銀行結存約為707,958,000港元(二零一一年：約284,809,000港元)。

於二零一二年十二月三十一日，資本借貸比率(借貸總額(不包括可換股債券)除以股東權益)為0%(二零一一年：0%)。

庫務政策及匯兌及其他風險

本集團之貨幣交易及存款繼續以美元、人民幣及港元結算。本集團預期匯率波動風險並不重大，故並無進行任何對沖活動。

或然負債

於二零一二年十二月三十一日，本集團並無任何重大或然負債(二零一一年：無)。

資產質押

於二零一二年十二月三十一日，本集團並無質押其任何租賃土地及樓宇(二零一一年：無)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2012, information on sales and purchases relating to the major customers and suppliers is summarised as follows:

主要客戶及供應商

截至二零一二年十二月三十一日止年度，有關主要客戶及供應商之銷售及採購資料概述如下：

		2012 二零一二年	2011 二零一一年
Sales (Percentage over total sales)	銷售(佔總銷售額百分比)		
The largest customer	最大客戶	100%	94%
Five largest customers	五大客戶	100%	98%
Purchases (Percentage over total purchases)	採購(佔總採購額百分比)		
The largest supplier	最大供應商	22%	22%
Five largest suppliers	五大供應商	51%	55%

At 31 December 2012, the Hanergy Group was the Group's only customer. All transactions between the Group and the customer concerned were carried out on normal commercial terms.

於二零一二年十二月三十一日，漢能集團為本集團之唯一客戶。本集團與該客戶進行之所有交易均按一般商業條款進行。

Other than as mentioned above, none of the directors of the Company (the "Director"), their associates, or any shareholder which to the knowledge of the Directors owns more than 5% of the Company's issued share capital had a beneficial interest in any of the Group's five largest customers or five largest suppliers for the year ended 31 December 2012.

除上述者外，截至二零一二年十二月三十一日止年度，本公司各董事（「董事」）、彼等之聯繫人士或據董事所知擁有本公司已發行股本5%以上之任何股東概無擁有本集團任何五大客戶或五大供應商之實益權益。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PERSONNEL

The number of employees of the Group as at 31 December 2012 was approximately 424 (2011: 390) of whom 126 (2011: 159) were office administration staff.

Remuneration of employees and directors are determined according to individual performance and the prevailing trends in different areas and reviewed on an annual basis. The Group has also contributed mandatory provident fund, retirement funds and provided medical insurance to its employees.

Bonuses are awarded based on individual performance and overall Group performance, and are made to certain employees of the Group.

員工

於二零一二年十二月三十一日，本集團僱員之數目約為424人(二零一一年：390人)，其中126人(二零一一年：159人)為辦公室行政人員。

員工及董事之薪酬乃按照個人表現及不同地區現行之薪金趨勢而釐定，並按年進行檢討。本集團亦向員工提供強積金、退休金及醫療保險。

本集團根據個別員工表現及集團整體表現而向若干僱員發放花紅。

REPORT OF THE DIRECTORS

董事會報告

The Directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 December 2012.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. During the year under review, the Group's revenue and operating profit were derived principally from the manufacture of equipment and turnkey production lines for the manufacture of amorphous silicon based thin-film solar photovoltaic modules.

OPERATING SEGMENT INFORMATION

Details of operating segment information of the Group during the year are set out in note 4 to the consolidated financial statements

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2012 and the state of the Group's affairs as at that date are set out in the consolidated financial statements on pages 81 to 202.

The Board does not recommend to declare final dividend (2011: Nil) and interim dividend (2011: Nil) for the year ended 31 December 2012.

SHARE CAPITAL

Details of movements in the Company's Convertible Bonds, share capital and share options during the year are set out in notes 26, 28 and 29 to the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

董事會全寅欣然提呈截至二零一二年十二月三十一日止年度之年報連同經審核財務報表。

主要業務

本公司之主要業務為投資控股。於回顧年度，本集團之收入及經營溢利主要來自於製造矽基薄膜太陽能光伏組件之生產設備及整套生產線。

經營分類資料

本集團於年內之經營分類資料詳情載於綜合財務報表附註4。

業績及分配

本集團截至二零一二年十二月三十一日止年度之業績及本集團於該日之財務狀況載於綜合財務報表第81頁至第202頁。

董事會不建議宣派截至二零一二年十二月三十一日止年度之末期股息(二零一一年：無)及中期股息(二零一一年：無)。

股本

本公司之可換股債券、股本及購股權於年內之變動情況詳情載於綜合財務報表附註26、28及29。

購買、出售或贖回上市證券

截至二零一二年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS

In accordance with the reporting and announcement requirements under Chapter 14A of the Listing Rules, the Group had entered the following connected transactions during the year:

- (I) On 30 March 2012, the Company and Hanergy entered into the 7th Supplemental Agreement in respect of the 2010 Subscription Agreement, pursuant to which the Company and Hanergy agreed to further extend the long stop date for the fulfillment of the conditions precedent of the 2010 Subscription Agreement from 31 March 2012 to 30 September 2012 (or such later date as agreed by the Company and Hanergy).

On 28 September 2012, the Company and Hanergy entered into two extension letters to extend the long stop date for the fulfillment of the conditions precedent of the 2010 Subscription Agreement and the long stop date for the fulfillment of the conditions precedent of the 2011 Subscription Agreement to 31 March 2013 (or such later date as the Company and Hanergy may agree).

The details of the transactions were set out in an announcement dated 30 March 2012 and 28 September 2012 respectively.

- (II) The IP Acquisition

On 19 April 2012, 昆明鉑陽太谷光伏技術有限公司 (“Kunming Apollo”), a wholly-owned subsidiary of the Company, entered into the Technology Transfer Agreement with Hanergy, pursuant to which Kunming Apollo conditionally agreed to purchase and Hanergy conditionally agreed to sell the IP at the IP Consideration of RMB200,000,000 (equivalent to approximately HK\$246,000,000). The details of the transaction were set out in an announcement dated 19 April 2012 and the circular dated 18 May 2012 respectively, while the resolution relating to the transactions was duly passed by independent Shareholders by way of poll as an ordinary resolution at SGM held on 4 June 2012.

持續關連交易及關連交易

根據上市規則第14A章項下之申報及公佈規定，本集團於年內進行以下關連交易：

- (I) 於二零一二年三月三十日，本公司與漢能就二零一零年認購協議訂立第七份補充協議，據此，本公司與漢能同意將達成二零一零年認購協議先決條件之最後期限進一步由二零一二年三月三十一日延長至二零一二年九月三十日(或本公司與漢能協定之有關較後日期)。

於二零一二年九月二十八日，本公司與漢能訂立兩份延期函件，以延長達成二零一零年認購協議先決條件之最後期限及二零一一年認購協議先決條件之最後期限至二零一三年三月三十一日(或本公司與漢能可能協定之有關較後日期)。

交易詳情分別載於二零一二年三月三十日及二零一二年九月二十八日刊發之公佈。

- (II) 知識產權收購事項

於二零一二年四月十九日，昆明鉑陽太谷光伏技術有限公司(「昆明鉑陽」)(本公司之全資附屬公司)與漢能訂立技術轉讓協議，據此，昆明鉑陽有條件地同意購買及漢能有條件地同意出售知識產權，知識產權代價為人民幣200,000,000元(相等於約246,000,000港元)。交易詳情分別載於二零一二年四月十九日刊發之公佈及二零一二年五月十八日刊發之通函，而有關交易之決議案已於二零一二年六月四日舉行之股東特別大會上獲獨立股東以投票表決方式正式通過為普通決議案。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS *(continued)*

(II) The IP Acquisition *(continued)* The Sale Interest Acquisition

On 19 April 2012, 北京精誠鉑陽光電設備有限公司 (“Beijing Apollo”), a non-wholly owned subsidiary of the Company, entered into the Sale and Purchase Agreement with Hanergy, 漢能科技有限公司 and 漢能光伏科技有限公司 (the “Sale Interest Vendors”), pursuant to which Beijing Apollo conditionally agreed to purchase and the Sale Interest Vendors conditionally agreed to sell the entire paid-up capital of 漢能新能源研發中心有限公司 at the Sale Interest Consideration of RMB150,000,000 (equivalent to approximately HK\$184,500,000). The details of the transaction were set out in an announcement dated 19 April 2012.

As additional time is required for Hanergy to clarify the extent and impact of the terms of the fixed asset investment commitment in respect of the Land with the relevant government authorities, Beijing Apollo and the Sale Interest Vendors entered into an extension letter on 19 July 2012 pursuant to which the long stop date of the Sale and Purchase Agreement has been extended from 18 July 2012 to six months following the date of the extension letter, being 18 January 2013 (or such later date as the parties may agree in writing). The details of the transaction were set out in an announcement dated 20 July 2012.

On 17 January 2013, Beijing Apollo and the Sale Interest Vendors entered into a second extension letter to the Sale and Purchase Agreement, pursuant to which the long stop date of the Sale and Purchase Agreement will be further extended from 18 January 2013 to six months following the date of that second extension letter, being 17 July 2013 (or such later date as the parties may agree in writing). The details of the transaction were set out in an announcement dated 17 January 2013.

持續關連交易及關連交易(續)

(II) 知識產權收購事項(續) 待售權益收購事項

於二零一二年四月十九日，北京精誠鉑陽光電設備有限公司(「北京鉑陽」，本公司之非全資附屬公司)與漢能、漢能科技有限公司及漢能光伏科技有限公司(「待售權益賣方」)訂立買賣協議，據此，北京鉑陽有條件地同意購買及待售權益賣方有條件地同意出售漢能新能源研發中心有限公司之全部繳足股本，待售權益代價為人民幣150,000,000元(相等於約184,500,000港元)。交易詳情載於二零一二年四月十九日刊發之公佈。

由於漢能需要額外時間與有關政府當局釐清有關該土地之固定資產投資承擔條款之範圍及影響，北京鉑陽與待售權益賣方於二零一二年七月十九日訂立延期書，據此，買賣協議之最後限期由二零一二年七月十八日延後至延期書日期起計六個月後，即二零一三年一月十八日(或訂約方可能書面協定之有關較後日期)。交易詳情載於二零一二年七月二十日刊發之公佈。

於二零一三年一月十七日，北京鉑陽與待售權益賣方訂立買賣協議之第二份延期書，據此，買賣協議之最後限期將由二零一三年一月十八日進一步延後至第二份延期書日期起計六個月後，即二零一三年七月十七日(或訂約方可能書面協定之有關較後日期)。交易詳情載於二零一三年一月十七日刊發之公佈。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS *(continued)*

(III) On 6 September 2012 (after the trading hours), the Company and Hanergy entered into the Option Agreement pursuant to which, the Company has conditionally agreed to grant Hanergy (or such person(s) at its direction) the Option to subscribe for an aggregate of 600,000,000 Option Shares at the exercise price of HK\$0.25 per Option Share. The details of the transaction were set out in an announcement dated 6 September 2012 and the circular dated 3 October 2012 respectively, while the resolution relating to the transactions was duly passed by independent Shareholders by way of poll as an ordinary resolution at SGM held on 5 November 2012. On 31 December 2012, after fulfillment of the conditions precedent to Option Agreement, the Company had granted 600,000,000 options to Hanergy Investment Limited (Hanergy's designated entity).

In accordance with the reporting and announcement requirements under Chapter 14A of the Listing Rules, the Group had entered the following continuing connected transactions during the year:

(I) On 9 March 2012, 福建鉑陽精工設備有限公司 (“Fujian Apollo”), a wholly owned subsidiary, entered into three tenancy agreements, an equipment lease agreement and a technology agreement (collectively the “Agreements”) with 四川漢能光伏有限公司 (“Sichuan Hanergy”), a 68% owned subsidiary of Hanergy. Details of the Agreements are disclosed below:

持續關連交易及關連交易(續)

(III) 於二零一二年九月六日(交易時段後), 本公司與漢能訂立購股權協議, 據此, 本公司已有條件地同意向漢能(或其所指示之有關人士)授出購股權, 以按每股購股權股份0.25港元之行使價認購合共600,000,000股購股權股份。交易詳情分別載於二零一二年九月六日刊發之公佈及二零一二年十月三日刊發之通函, 而有關交易之決議案已於二零一二年十一月五日舉行之股東特別大會上獲獨立股東以投票表決方式正式通過為普通決議案。於二零一二年十二月三十一日, 購股權協議之各項先決條件獲達成後, 本公司已向Hanergy Investment Limited(漢能指定之實體)授出6億份購股權。

根據上市規則第14A章項下之申報及公佈規定, 本集團於年內曾進行以下持續關連交易:

(I) 於二零一二年三月九日, 福建鉑陽精工設備有限公司(「福建鉑陽」)(全資附屬公司)與四川漢能光伏有限公司(「四川漢能」)(漢能擁有68%之附屬公司)訂立三份租賃協議、設備租賃協議及技術協議(統稱「該等協議」)。該等協議之詳情披露如下:

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS *(continued)*

(l) *(continued)*

(i) Three Tenancy Agreements

Pursuant to the terms of the three tenancy agreements, Fujian Apollo would rent the office premises, the factory premises and the staff dormitory all located in the production base in Shuangliu County, Sichuan Province, the PRC owned by Sichuan Hanergy for a term of one year commencing from 10 March 2012 to 9 March 2013. The monthly rent for the office premises would be RMB19,680 per month. The monthly rent for the factory premises would be RMB204,680 per month. The monthly rent for the staff dormitory would be RMB5,600 per month. The monthly rent was determined after arm's length negotiations with reference to the monthly rental of other similar premises in Shuangliu County, Sichuan Province, the PRC.

(ii) Equipment Lease Agreement

Pursuant to the terms of the equipment lease agreement in relation to the lease of the production line by Sichuan Hanergy to Fujian Apollo for its use, Sichuan Hanergy would lease the production line located in the factory premises with equipments associated with the production line to Fujian Apollo for a term of one year commencing from 10 March 2012 to 9 March 2013. The monthly rent for the production line and the equipments associated thereto would be RMB1,376,986 per month. The monthly rent was determined after arm's length negotiations with reference to the monthly rental costs of other similar equipments used in the production line in the PRC.

持續關連交易及關連交易 *(續)*

(l) *(續)*

(i) 三份租賃協議

根據三份租賃協議之條款，福建鉑陽須租用四川漢能擁有之辦公場所、工廠場所及員工宿舍(均位於中國四川省雙流縣)，由二零一二年三月十日起至二零一三年三月九日止為期一年。辦公場所之每月租金為人民幣19,680元。工廠場所之月租為每月人民幣204,680元。員工宿舍之每月租金為人民幣5,600元。月租乃經參考中國四川省雙流縣其他同類場所之月租後，所作出的公平磋商釐定。

(ii) 設備租賃協議

根據設備租賃協議(內容有關四川漢能出租生產線予福建鉑陽供其使用)之條款，四川漢能須將位於工廠場所之生產線連生產線相關設備租予福建鉑陽，由二零一二年三月十日起至二零一三年三月九日止為期一年。生產線及其相關設備之月租為每月人民幣1,376,986元。月租乃經參考中國生產線所採用之其他同類設備之月租成本後，所作出的公平磋商釐定。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS *(continued)*

(l) *(continued)*

(iii) Technology Agreement

Pursuant to the terms of the technology agreement, Sichuan Hanergy would upon the request of Fujian Apollo provide relevant equipments, material and facilities to allow Fujian Apollo to carry out research on thin-film solar energy technology development. In particular, Sichuan Hanergy would upon request of Fujian Apollo provide plasmas enhanced chemical vaporized deposition device ("PECVD") furnaces for research to be conducted by Fujian Apollo. The term of the technology agreement would commence from 10 March 2012 to 9 March 2013.

The consideration payable by Fujian Apollo to Sichuan Hanergy would be at RMB12,000 per PECVD furnace. Assuming that the maximum number of PECVD furnaces to be utilised by Fujian Apollo shall be 1,500, the maximum aggregate consideration payable by Fujian Apollo to Sichuan Hanergy under the Technology Agreement shall be RMB18,000,000. The consideration payable by Fujian Apollo to Sichuan Hanergy was determined after arm's length negotiations with reference to the costs and expenses to be borne by Sichuan Hanergy in respect of each PECVD furnace.

The details of the above transactions from (i) to (iii) were set out in an announcement dated 9 March 2012.

持續關連交易及關連交易 *(續)*

(l) *(續)*

(iii) 技術協議

根據技術協議之條款，四川漢能須應福建鉑陽之要求提供相關設備、材料及設施，以便福建鉑陽進行薄膜太陽能之技術開發及研究。當中四川漢能須應福建鉑陽之要求提供等離子體增強化學氣相沉積設備（「PECVD」）熔煉爐，以供福建鉑陽進行各項研發工作。技術協議之年期將由二零一二年三月十日起至二零一三年三月九日止。

福建鉑陽應付予四川漢能之代價為每台PECVD熔煉爐人民幣12,000元。假設福建鉑陽將使用之最高PECVD熔煉爐數目為1,500台，福建鉑陽根據技術協議應付予四川漢能之最高總代價為人民幣18,000,000元。福建鉑陽應付予四川漢能之代價乃經參考四川漢能就每台PECVD熔煉爐承擔之成本及開支後，所作出的公平磋商釐定。

上文(i)至(iii)項交易詳情載於二零一二年三月九日刊發之公佈。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS *(continued)*

(I) *(continued)*

(iii) Technology Agreement *(continued)*

In respect to the Technology Agreement, it was originally anticipated that the maximum number of PECVD furnaces to be utilized by Fujian Apollo would be 1,500 and therefore the maximum consideration payable by Fujian Apollo under the Technology Agreement would be RMB18,000,000 based on the agreed price of RMB12,000 per PECVD furnace. In light of the current progress of research and development activities of Fujian Apollo, the annual cap was increased such that the maximum number of PECVD furnaces to be utilized by Fujian Apollo would be 2,600 and therefore the maximum consideration payable by Fujian Apollo under the Technology Agreement would be RMB31,200,000. Pursuant to Rule 14A.36 of the Listing Rules, if the Company proposed to amend the annual caps for continuing connected transaction, the Company would have to re-comply with the provisions of Chapter 14A of the Listing Rules in relation to the relevant connected transactions. The details of the transactions were set out in an announcement dated 23 November 2012.

(II) Master Supply Agreement

The Group is contemplating to diversify its current business to solicit and undertake photovoltaic power generation projects in the PRC. It is intended that a number of solar energy plants with power generation capacity reaching 1.5 GW will be constructed by the Group prior to the end of the financial year 2014. Solar energy panel is one of the key components for the construction of solar energy plants. Pursuant to the Master Supply Agreement, Hanergy has agreed to supply solar energy panels to the Group at the selling price of not more than US\$1 per W or not more than the prevailing market price of solar energy panels, whichever is lower.

持續關連交易及關連交易 *(續)*

(I) *(續)*

(iii) 技術協議 *(續)*

就技術協議而言，原本預期福建鉑陽將使用之最高PECVD熔煉爐數目為1,500台，因此福建鉑陽根據技術協議按已協定價格每台PECVD熔煉爐人民幣12,000元計算之應付最高代價將為人民幣18,000,000元。鑒於福建鉑陽研究及開發活動之現時進度，年度上限獲增加以便福建鉑陽將使用之最高PECVD熔煉爐數目為2,600台，因此福建鉑陽根據技術協議應付之最高代價應為人民幣31,200,000元。根據上市規則第14A.36條，倘本公司建議修改持續關連交易之年度上限，本公司須重新遵守上市規則第14A章有關相關關連交易之條文。交易詳情載於二零一二年十一月二十三日刊發之公佈。

(II) 總供應協議

本集團擬多元化拓展其現有業務至在中國爭取及承攬光伏發電項目。本集團擬於二零一四年財政年度年底前建設多個太陽能發電站，以致總裝機容量達1.5 GW。太陽能電池板為建設太陽能電廠之主要零件之一。根據總供應協議，漢能已同意按不超過每瓦1美元或不超過太陽能電池板現行市價(以較低者為準)之售價，向本集團供應太陽能電池板。

REPORT OF THE DIRECTORS 董事會報告

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS *(continued)*

(II) *(continued)*

The details of the transaction regarding Master Supply Agreement and the Annual Caps were set out in an announcement dated 11 April 2012 and the circular dated 18 May 2012 respectively, while the resolution relating to the transactions was duly passed by independent Shareholders by way of poll as an ordinary resolution at a special general meeting of the Company ("SGM") held on 4 June 2012.

The independent non-executive directors of the Company had reviewed the continuing connected transactions I and II and confirmed the transactions had been entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) either on normal commercial terms or, if there were not sufficient comparable transactions to judge whether they were on normal commercial terms, on terms no less favourable to the Company than terms available to or from (as appropriate) independent third parties; and

持續關連交易及關連交易 *(續)*

(II) *(續)*

有關總供應協議及年度上限之詳情分別載於二零一二年四月十一日刊發之公佈及二零一二年五月十八日刊發之通函，而有關交易之決議案已於本公司於二零一二年六月四日舉行之股東特別大會（「股東特別大會」）上獲獨立股東以投票表決方式正式通過為普通決議案。

本公司獨立非執行董事已審閱持續關連交易I及II，並確認交易乃：

- (1) 於本集團正常及日常業務過程中訂立；
- (2) 按一般商業條款，或倘無足夠可資比較交易以評定是否按一般商業條款，則按不遜於向獨立第三方提供，或自獨立第三方取得（按適當情況）之條件；及

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS (continued)

- (3) in accordance with the relevant agreement governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

Ernst & Young, the Company's auditors, were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and with reference to Practice note 740 *Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules* issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.38 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Hong Kong Stock Exchange.

EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

Share Subscription and Exercise of Options

Following the granting of Whitewash Waiver by the Executive on 27 December 2012 and the approval by the Independent Shareholders as disclosed in the SGM Poll Results Announcement, the 2010 First Subscription Completion, the proposed partial exercise of options granted under the 2011 Hanergy Option Agreement and the 2011 First Subscription Completion were completed on 27 February 2013 (the "Completion Date") and:

- a total of 1,964,611,584 Shares (the "2010 First Subscription Shares"), representing approximately 9.06% of the issued share capital of the Company as at the Completion Date as enlarged by the issue of the 2010 First Subscription Shares, the Option Shares (defined below) and the 2011 First Subscription Shares (defined below) (the 2010 First Subscription Shares, the Option Shares and the 2011 First Subscription Shares collectively, the "Completion Shares"), were issued and allotted to Hanergy Investment at the subscription price of HK\$0.239 per 2010 First Subscription Share;

持續關連交易及關連交易(續)

- (3) 根據規管該等交易之相關協議，而該等協議之條款屬公平合理，且符合本公司股東之整體利益。

本公司核數師安永會計師事務所獲聘根據香港會計師公會頒佈之香港鑒證業務準則第3000號審計或審閱歷史財務資料以外的鑒證工作並參考實務說明第740號關於香港上市規則所述持續關連交易的核數師函件就本集團之持續關連交易作出報告。安永會計師事務所已根據上市規則第14A.38條發出無保留函件，載列其就本集團於上文所披露之持續關連交易所取得之結果及結論。本公司已向香港聯交所提供核數師函件之副本。

財務狀況表後事項

股份認購及行使購股權

在執行人員於二零一二年十二月二十七日授出清洗豁免及清洗豁免獲獨立股東批准(誠如股東特別大會之投票結果公佈所披露)後，二零一零年第一項認購事項完成、建議部分行使根據二零一一年漢能購股權協議授出之購股權，及二零一一年第一項認購事項完成均於二零一三年二月二十七日(「完成日期」)完成，以及：

- 合共1,964,611,584股股份(「二零一零年第一項認購事項股份」)，佔本公司於完成日期經發行二零一零年第一項認購事項股份、購股權股份(定義見下文)及二零一一年第一項認購事項股份(定義見下文)(二零一零年第一項認購事項股份、購股權股份及二零一一年第一項認購事項股份統稱為「完成股份」)擴大之已發行股本約9.06%，已按每二零一零年第一項認購事項股份0.239港元之認購價發行及配發予Hanergy Investment；

REPORT OF THE DIRECTORS

董事會報告

EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE *(continued)*

Share Subscription and Exercise of Options *(continued)*

- a total of 300,000,000 Shares (the “Option Shares”), representing approximately 1.38% of the issued share capital of the Company as at the Completion Date as enlarged by the issue of the Completion Shares, were issued and allotted to Hanergy Option at the exercise price of HK\$0.1664 per Option Share; and
- a total of 6,000,000,000 Shares (the “2011 First Subscription Shares”), representing approximately 27.66% of the issued share capital of the Company as at the Completion Date as enlarged by the issue of the Completion Shares, were issued and allotted to Hanergy Investment at the subscription price of HK\$0.1 per 2011 First Subscription Share.

The details of the events were set out in an announcement dated 27 February 2013.

Adjustment to Conversion Price

One of the conditions precedent to the 2010 First Subscription Completion and 2011 First Subscription Completion was the obtaining by the Company of written consents from all the Bondholders to waive any adjustment to the conversion price pursuant to the provisions of the Existing Convertible Bonds and/or the instrument constituting the Existing Convertible Bonds caused by the transactions contemplated under the 2010 Subscription Agreement and the 2011 Subscription Agreement, and that condition was duly waived by Hanergy in accordance with the terms of the 2010 Subscription Agreement and the 2011 Subscription Agreement prior to the Completion Date.

財務狀況表後事項(續)

股份認購及行使購股權(續)

- 合共300,000,000股股份(「購股權股份」，佔本公司於完成日期經發行完成股份擴大之已發行股本約1.38%)已按每購股權股份0.1664港元之行使價發行及配發予Hanergy Option；及
- 合共6,000,000,000股股份(「二零一一年第一項認購事項股份」，佔本公司於完成日期經發行完成股份擴大之已發行股本約27.66%)已按每二零一一年第一項認購事項股份0.1港元之認購價發行及配發予Hanergy Investment。

有關事項之詳情載於日期為二零一三年二月二十七日之公佈。

調整換股價

二零一零年第一項認購事項完成及二零一一年第一項認購事項完成之其中一項先決條件為本公司獲得全體債券持有人書面同意豁免根據二零一零年認購協議及二零一一年認購協議擬進行之交易所引起根據現有可換股債券及／或構成現有可換股債券文據之條文對換股價作出任何調整，而該項條件已獲漢能於完成日期前根據二零一零年認購協議及二零一一年認購協議之條款正式豁免。

REPORT OF THE DIRECTORS

董事會報告

EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE *(continued)*

Adjustment to Conversion Price *(continued)*

As a result of the 2010 First Subscription Completion and the 2011 First Subscription Completion, pursuant to the terms and conditions of the Existing Convertible Bonds, the conversion price of the Existing Convertible Bonds has been adjusted from HK\$0.329 per Share to HK\$0.272 per Share. Based on the outstanding principal amount of the Existing Convertible Bonds (HK\$847,530,000) as at the date of this annual report, the number of Shares to be issued and allotted upon full conversion of the Convertible Bonds after adjustment to the conversion price shall be approximately 3,115,931,827 Shares (representing approximately 14.36% of the issued share capital of the Company as at the date of this annual report, and approximately 12.56% of the issued share capital of the Company as enlarged by the Shares to be issued upon the said full conversion). The aforesaid adjustment would have retrospective effect commencing on the Completion Date.

The details of the events were set out in an announcement dated 4 March 2013.

Continuing Connected Transactions

On 1 March 2013, Fujian Apollo entered into three tenancy agreements, the equipment lease agreement and the technology agreement with Sichuan Hanergy. Given that Hanergy, through Hanergy Investment, is a controlling Shareholder of the Company, the entering into of the Agreements constitutes a continuing connected transaction on the part of the Company under Chapter 14A of the Listing Rules. Details of the Agreements are disclosed below:

(i) Three Tenancy Agreements

Pursuant to the terms of the three Tenancy Agreements, Fujian Apollo shall rent the Office Premises, the Factory Premises and the Staff Dormitory owned by Sichuan Hanergy for a term of one year commencing from 10 March 2013 to 9 March 2014.

財務狀況表後事項(續)

調整換股價(續)

由於二零一零年第一項認購事項完成及二零一一年第一項認購事項完成，根據現有可換股債券之條款及條件，現有可換股債券之換股價已由每股股份0.329港元調整為每股股份0.272港元。根據本年報日期現有可換股債券之未兌換本金額(847,530,000港元)，調整換股價後，悉數兌換可換股債券後將予發行及配發之股份數目將約為3,115,931,827股(佔本公司於本年報日期之已發行股本約14.36%，及本公司經上述悉數兌換後將予發行之股份擴大之已發行股本約12.56%)。上述調整將由完成日期開始具有追溯效力。

有關事項之詳情載於日期為二零一三年三月四日之公佈。

持續關連交易

於二零一三年三月一日，福建鉑陽與四川漢能訂立三份租賃協議、設備租賃協議及技術協議。鑒於漢能透過Hanergy Investment為本公司之控股股東，根據上市規則第14A章，訂立該等協議構成本公司之持續關連交易。該等協議之詳情披露如下：

(i) 三份租賃協議

根據三份租賃協議之條款，福建鉑陽須租用四川漢能擁有之辦公場所、工廠場所及員工宿舍，由二零一三年三月十日起至二零一四年三月九日止為期一年。

REPORT OF THE DIRECTORS

董事會報告

EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE *(continued)*

Continuing Connected Transactions *(continued)*

(i) *Three Tenancy Agreements (continued)*

The monthly rent for the Office Premises shall be RMB19,680 per month. The monthly rent for the Factory Premises shall be RMB314,280 per month. The monthly rent for the Staff Dormitory shall be RMB10,800 per month. The monthly rent is determined after arm's length negotiations with reference to the monthly rental of other similar premises in Shunagliu County, Sichuan Province, the PRC.

(ii) *Equipment Lease Agreement*

Pursuant to the terms of the Equipment Lease Agreement, Sichuan Hanergy shall lease the Production Line located in the Factory Premises with equipments associated with the Production Line to Fujian Apollo for a term of one year commencing from 10 March 2013 to 9 March 2014. The monthly rent for the Production Line and the equipments associated thereto shall be RMB1,376,986 per month. The monthly rent is determined after arm's length negotiations with reference to the monthly rental costs of other similar equipments used in the Production Line in the PRC.

財務狀況表後事項(續)

持續關連交易(續)

(i) *三份租賃協議(續)*

辦公場所之月租為每月人民幣19,680元。工廠場所之月租為每月人民幣314,280元。員工宿舍之月租為每月人民幣10,800元。月租乃經參考中國四川省雙流縣其他同類場所之月租後，所作出的公平磋商釐定。

(ii) *設備租賃協議*

根據設備租賃協議之條款，四川漢能須將位於工廠場所之生產線連生產線相關設備租予福建鉑陽，由二零一三年三月十日起至二零一四年三月九日止為期一年。生產線及其相關設備之月租為每月人民幣1,376,986元。月租乃經參考中國生產線所採用之其他同類設備之月租成本後，所作出的公平磋商釐定。

REPORT OF THE DIRECTORS

董事會報告

EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE *(continued)*

Continuing Connected Transactions *(continued)*

(iii) Technology Agreement

Pursuant to the terms of the Technology Agreement, Sichuan Hanergy shall upon the request of Fujian Apollo to provide relevant equipments, material and facilities to allow Fujian Apollo to carry out research on thin-film solar energy technology development. In particular, Sichuan Hanergy shall upon request of Fujian Apollo to provide PECVD furnaces for research to be conducted by Fujian Apollo. The term of the Technology Agreement shall commence from 10 March 2013 to 9 March 2014. The consideration payable by Fujian Apollo to Sichuan Hanergy shall be at RMB12,000 per PECVD furnace. Assuming that the maximum number of PECVD furnaces to be utilised by Fujian Apollo shall be 2,600, the maximum aggregate consideration payable by Fujian Apollo to Sichuan Hanergy under the Technology Agreement shall be RMB31,200,000. The consideration payable by Fujian Apollo to Sichuan Hanergy is determined after arm's length negotiations with reference to the costs and expenses to be borne by Sichuan Hanergy in respect of each PECVD furnace.

Based on the monthly rental payment under the Tenancy Agreements and Equipment Lease Agreement and the maximum anticipated consideration payable under the Technology Agreement, the maximum aggregate annual amount payable by the Group under the Agreements will be approximately RMB51,860,952.

The details of the above transactions from (i) to (iii) were set out in an announcement dated 12 March 2013.

財務狀況表後事項(續)

持續關連交易(續)

(iii) 技術協議

根據技術協議之條款，四川漢能須應福建鉑陽之要求提供相關設備、材料及設施，以便福建鉑陽進行薄膜太陽能之技術開發研究。當中四川漢能須應福建鉑陽之要求提供PECVD熔煉爐，以供福建鉑陽進行各項研發工作。技術協議之年期將由二零一三年三月十日起至二零一四年三月九日止。福建鉑陽應付予四川漢能之代價為每台PECVD熔煉爐人民幣12,000元。假設福建鉑陽將使用之最高PECVD熔煉爐數目為2,600台，福建鉑陽根據技術協議應付予四川漢能之最高總代價為人民幣31,200,000元。福建鉑陽應付予四川漢能之代價乃經參考四川漢能就每台PECVD熔煉爐承擔之成本及開支後，所作出的公平磋商釐定。

按根據租賃協議及設備租賃協議支付之月租及根據技術協議應付之最高預計代價計算，本集團每年根據該等協議應付之最高總額將約為人民幣51,860,952元。

上文(i)至(iii)項交易詳情載於二零一三年三月十二日刊發之公佈。

REPORT OF THE DIRECTORS

董事會報告

EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE *(continued)*

Letter of Intent

On 12 March 2013, Hanergy Global Solar Power Group (Europe) B.V. (“**Hanergy Europe**”), a subsidiary of the Company, has entered into a non-binding offer letter setting out the intent of the parties (the “**LOI**”) with an independent third party as seller (the “**Seller**”). Pursuant to the LOI, it is proposed that the Seller may sell and Hanergy Europe shall acquire a company (the “**Target Company**”) which owns two turn-key photovoltaic power plants in Portugal. The two power plants will be with estimated installed power of 2.2MW each, i.e. a total of 4.4MW for the two power plant projects. The Group expects to utilise advanced thin film technologies such as CIGS or amorphous silicon for the two power plant projects.

The details of LOI were set out in an announcement dated 12 March 2013.

As disclosed in the Announcement of the Company dated 12 March 2013, pursuant to the LOI dated 12 March 2013, Hanergy Europe and the Seller intended to enter into further negotiations for the purpose of concluding the Agreement(s) on the purchase by Hanergy Europe from the Seller, directly or indirectly, the Target Company. Each party will negotiate in good faith and exclusively with the other party in respect of the projects owned by the Target Company during the exclusivity period, which shall commence from the date of signature of the LOI and shall expire on the first of (i) signature of the Agreement(s) or (ii) 20 March 2013.

The details of further negotiation of the acquisition of solar power plants in Portugal were set out in an announcement dated 20 March 2013.

財務狀況表後事項(續)

意向書

於二零一三年三月十二日，本公司之附屬公司 Hanergy Global Solar Power Group (Europe) B.V. (「**Hanergy Europe**」) 已與一名獨立第三方(作為賣方)(「**賣方**」) 訂立無約束力建議書，當中載列訂約方之意向(「**意向書**」)。根據意向書，建議賣方可能出售而 Hanergy Europe 應收購一間於葡萄牙擁有兩個整線太陽能電池公司(「**目標公司**」)。兩個電池之估計裝機容量各為 2.2MW，即兩個電池項目合共 4.4MW。本集團預期對兩個電池項目運用先進薄膜技術如 CIGS 或非晶硅等。

意向書之詳情載於二零一三年三月十二日刊發之公佈。

誠如本公司於二零一三年三月十二日刊發之該公佈所披露，根據二零一三年三月十二日之意向書，Hanergy Europe 與賣方擬就 Hanergy Europe 直接或間接向賣方購買目標公司訂立最終協議進行進一步協商。各方將於意向書簽署日期起至 (i) 協議簽署；或 (ii) 二零一三年三月二十日兩者之較先者屆滿之排他期內，真誠及獨家地與另一方就目標公司擁有之項目進行協商。

收購葡萄牙太陽能電池之進一步協商的詳情載於二零一三年三月二十日刊發之公佈。

REPORT OF THE DIRECTORS

董事會報告

CHANGE IN AUDITORS

Grant Thornton had resigned as auditors of the Group with effect from 16 July 2010. To fill the casual vacancy following the resignation of Grant Thornton as auditors of the Group, Ernst & Young had been appointed as auditors of the Group at the special general meeting held on 9 August 2010. Ernst & Young would hold office until the conclusion of the next annual general meeting of the Company. The details of the change in auditors were set out in an announcement dated 21 July 2010 and the circular dated 22 July 2010.

SHARE OPTIONS

i. Share Option Scheme

Pursuant to the terms of the share option scheme adopted by the Company on 28 August 2007 (the “Share Option Scheme”), the Company may grant option to (i) any director, employee or consultant of the Group or a company in which the Group holds an equity interest or a subsidiary of such company (“Affiliate”); or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Group or an Affiliate; or (iii) a company beneficially owned by any director or employee or consultant of the Group or an Affiliate; (iv) any customer, supplier or adviser whose service to the Group or business with the Group contributes or is expected to contribute to the business or operation of the Group as may be determined by the Directors from time to time to subscribe for the shares of the Company.

Principal terms of Share Option Scheme

The Share Option Scheme is set up for the purpose of attracting and retaining quality personnel and other persons and providing incentive to them to contribute to the business and operation of the Group. To this end, the Directors may specify the minimum period, if any, for which an option must be held or the performance targets, if any, that must be achieved before the option can be exercised.

更換核數師

均富會計師行已辭任本集團核數師，自二零一零年七月十六日起生效。為填補均富辭任本集團核數師後出現之臨時空缺，於二零一零年八月九日舉行之股東特別大會上，安永會計師事務所已獲委任為本集團之核數師。安永會計師事務所之任期將直至本公司下屆股東週年大會結束為止。更換核數師之詳情載於二零一零年七月二十一日刊發之公佈及二零一零年七月二十二日刊發之通函。

購股權

i. 購股權計劃

根據本公司於二零零七年八月二十八日採納之購股權計劃(「購股權計劃」)之條款，本公司可授出購股權予(i)本集團或本集團持有股本權益之公司或其附屬公司(「聯屬公司」)之任何董事、僱員或諮詢人；或(ii)本集團或聯屬公司之任何董事、僱員或諮詢人為全權託管對象之任何權信託；或(iii)本集團或聯屬公司之任何董事、僱員或諮詢人實益擁有之公司；或(iv)董事不時釐定向本集團提供之服務或與本集團之業務目前或預期將會對本集團之業務或營運有貢獻之任何客戶、供應商或顧問，以認購本公司股份。

購股權計劃之主要條款

購股權計劃之設立目的為吸引及挽留高質素之員工及其他人士，以及提供獎勵讓彼等為本集團業務及營運作出貢獻。為達此目的，董事或會指定購股權可獲行使前必須持有之最低限期(如有)或必須達致之表現目標(如有)。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTIONS *(continued)*

i. Share Option Scheme *(continued)*

Principal terms of Share Option Scheme (continued)

Share options may be granted without any initial payment for the share options at an exercise price (subject to adjustments as provided therein) equal to the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of the grant of the share option; and (iii) the average closing price per share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the grant of the share option.

The maximum number of shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company shall not exceed 10% of the share capital of the Company in issue on 28 August 2007, the date of adoption of the Share Option Scheme, unless a refresh approval of the shareholders is obtained. At a special general meeting of the Company held on 11 June 2010, the shareholders of the Company have approved to refresh the 10% limit. As at the date of this annual report, the total number of shares available for issue upon the exercise of all options granted or to be granted under the Share Option Scheme is 461,224,947 (representing 10% of the issued share capital of the Company as at the date of passing the resolution to refresh the 10% limit).

The maximum number of the shares (issued and to be issued) in respect of which share options may be granted under the Share Option Scheme to any one grantee in any 12-month period shall not exceed 1% of the share capital of the Company in issue on the last date of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules.

購股權 *(續)*

i. 購股權計劃 *(續)*

購股權計劃之主要條款 (續)

購股權可毋須按行使價就該等購股權 (可按本文規定而予以調整) 作出初步付款而授出，行使價相等於下列三者中之最高者：(i) 股份之面值；(ii) 每股股份於授出購股權當日在聯交所每日報價表所報之收市價；及 (iii) 每股股份於緊接授出購股權當日之前五個營業日在聯交所每日報價表所報之平均收市價。

因行使根據購股權計劃及本公司任何其他購股權計劃將予授出之全部購股權而可能須予發行之股份最高數目不得超過於二零零七年八月二十八日(採納購股權計劃日期)本公司已發行股本之10%，惟取得股東之更新批准除外。於二零一零年六月十一日舉行之本公司股東特別大會上，本公司股東已批准更新10%限額。於本年報日期，因行使根據購股權計劃已授出或將予授出之全部購股權而可予發行之股份總數為461,224,947股(佔通過更新10%限額之決議案當日之本公司已發行股本之10%)。

根據購股權計劃可於任何12個月期間向任何一名承授人授出購股權之有關股份(已發行及將予發行)最高數目不得超過於有關12個月期間最後一日本公司已發行股本之1%，惟根據上市規則已取得本公司股東批准除外。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTIONS *(continued)*

i. Share Option Scheme *(continued)*

Principal terms of Share Option Scheme (continued)

The Share Option Scheme was approved by the shareholders of the Company on 28 August 2007 and has a life of 10 years until 27 August 2017. The exercise period of an option granted under the Share Option Scheme shall not be more than ten years from its date of grant and may include the minimum period, if any, for which such option must be held before it can be exercised.

ii. Other Option

The Company has also granted other options to certain consultants upon completion of acquisition of Apollo Precision Ltd. and its subsidiaries (“Solar Business”) in November 2009 as incentive of their contribution to the development of Solar Business (the “Other Option I”). The Other Option I was not granted under the Share Option Scheme.

Principal terms of the Other Option I

The Other Option I entitled the consultants to subscribe for an aggregate of 320,000,000 shares of the Company as adjusted after the share subdivision effective from 5 November 2009 at an exercise price of HK\$0.25 after the share subdivision effective from 5 November 2009 for a period of 5 years from the date of granting of the Other Option I. The vesting period was 1 year from the date of grant. Details of the Other Option I are set out in the circular dated 29 October 2009.

On 18 September 2011, the Company entered into the 2011 Option Agreements with each of Hanergy and Apollo Management respectively pursuant to which the Company conditionally agreed to grant the 2011 Options to Hanergy (or its designated individuals or entities) and Apollo Management (the “Other Option II”). On 16 December 2011 (the “Date of Grant”), after fulfillment of the conditions precedent to each of the 2011 Options Agreements, the Company had granted the Other Option II to Hanergy Option Limited (Hanergy’s designated entities) and Apollo Management. The Other Option II was not granted under the Share Option Scheme.

購股權(續)

i. 購股權計劃(續)

購股權計劃之主要條款(續)

購股權計劃已於二零零七年八月二十八日獲本公司股東批准，為期10年，直至二零一七年八月二十七日為止。根據購股權計劃授出之購股權之行使期自授出日期起計不超過十年及可能包括有關購股權行使之前必須持有之最短期限(如有)。

ii. 其他購股權

於二零零九年十一月完成收購Apollo Precision Ltd.及其附屬公司(「太陽能業務」)後，本公司亦已向若干顧問授出其他購股權，以獎勵其對太陽能業務發展之貢獻(「其他購股權I」)。其他購股權I並非根據購股權計劃授出。

其他購股權I之主要條款

其他購股權I賦予顧問權利可於其他購股權I授出日期起計5年期間，按行使價0.25港元(已於二零零九年十一月五日股份拆細生效後作出調整)認購合共320,000,000股本公司股份(股份拆細自二零零九年十一月五日生後)。歸屬期由授出日期起計為期一年。其他購股權I之詳情載於二零零九年十月二十九日刊發之通函。

於二零一一年九月十八日，本公司分別與漢能及鉑陽管理層各自訂立二零一一年購股權協議，據此，本公司有條件同意向漢能(或其指定之人士或實體)及鉑陽管理層授出二零一一年購股權(「其他購股權II」)。於二零一一年十二月十六日(「授出日期」)，二零一一年購股權協議之各項先決條件獲達成後，本公司已向Hanergy Option Limited(漢能指定之實體)及鉑陽管理層授出其他購股權II。其他購股權II並非根據購股權計劃授出。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTIONS *(continued)*

ii. Other Option *(continued)*

Principal terms of the Other Option II

The Other Option II entitled Hanergy Option Limited (Hanergy's designated entities) and Apollo Management to subscribe for an aggregate of 1.3 billion shares and 100 million shares of the Company at an exercise price of HK\$0.1664 respectively. It will be lapsed upon the fifth anniversary of the Date of Grant.

For the Other Option II granted to Hanergy Option Limited on 16 December 2011, the exercise periods are as follows:

- (i) Options to subscribe for 610 million shares of the Company are exercisable during the period commencing on the Date of Grant and ending on the day immediately prior to the fifth anniversary of the Date of Grant;
- (ii) Options to subscribe for 310 million shares of the Company are exercisable during the period commencing on the first anniversary of the Date of Grant and ending on the day immediately prior to the fifth anniversary of the Date of Grant;
- (iii) Options to subscribe for 310 million shares of the Company are exercisable during the period commencing on the second anniversary of the Date of Grant and ending on the day immediately prior to the fifth anniversary of the Date of Grant;
- (iv) Options to subscribe for 10 million shares of the Company are exercisable during the period commencing on the third anniversary of the Date of Grant and ending on the day immediately prior to the fifth anniversary of the Date of Grant; and
- (v) Options to subscribe for 60 million shares of the Company are exercisable during the period commencing on the fourth anniversary of the Date of Grant and ending on the day immediately prior to the fifth anniversary of the Date of Grant.

購股權(續)

ii. 其他購股權(續)

其他購股權II之主要條款

其他購股權II賦予Hanergy Option Limited(漢能指定之實體)及鉑陽管理層權利可按行使價0.1664港元分別認購合共13億股及1億股本公司股份。購股權將於授出日期五週年失效。

於二零一一年十二月十六日授予Hanergy Option Limited之其他購股權II之行使期如下：

- (i) 可認購6.1億股本公司股份之購股權可於授出日期起至緊接授出日期五週年前之日止期間內行使；
- (ii) 可認購3.1億股本公司股份之購股權可於授出日期一週年日起至緊接授出日期五週年前之日止期間內行使；
- (iii) 可認購3.1億股本公司股份之購股權可於授出日期兩週年日起至緊接授出日期五週年前之日止期間內行使；
- (iv) 可認購1,000萬股本公司股份之購股權可於授出日期三週年日起至緊接授出日期五週年前之日止期間內行使；及
- (v) 可認購6,000萬股本公司股份之購股權可於授出日期四週年日起至緊接授出日期五週年前之日止期間內行使。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTIONS (continued)

ii. Other Option (continued)

For the Other Option II granted to Apollo Management, the exercise periods are as follows:

Name of grantees	承授人姓名	Exercise periods				
		From the first anniversary of the Date of Grant ending on the day immediately prior to the fifth anniversary of the Date of Grant	From the second anniversary of the Date of Grant ending on the day immediately prior to the fifth anniversary of the Date of Grant	From the third anniversary of the Date of Grant ending on the day immediately prior to the fifth anniversary of the Date of Grant	From the fourth anniversary of the Date of Grant ending on the day immediately prior to the fifth anniversary of the Date of Grant	From the fifth anniversary of the Date of Grant ending on the day immediately prior to the fifth anniversary of the Date of Grant
		由授出日期起至緊接授出日期五週年前之日止	由授出日期一週年起至緊接授出日期五週年前之日止	由授出日期兩週年起至緊接授出日期五週年前之日止	由授出日期三週年起至緊接授出日期五週年前之日止	由授出日期四週年起至緊接授出日期五週年前之日止
Mr. Frank Mingfang Dai	Frank Mingfang Dai 先生	2,800,000	2,800,000	2,800,000	2,800,000	16,800,000
Mr. Hui Ka Wah, Ronnie J.P.	許家驊先生太平紳士	2,400,000	2,400,000	2,400,000	2,400,000	14,400,000
Dr. Li Yuan-min	李沅民博士	1,200,000	1,200,000	1,200,000	1,200,000	7,200,000
Dr. Xu Xixiang	徐希翔博士	1,200,000	1,200,000	1,200,000	1,200,000	7,200,000
Dr. Shan Hongqing	單洪青博士	1,200,000	1,200,000	1,200,000	1,200,000	7,200,000
Mr. Li Guangmin	李廣民先生	600,000	600,000	600,000	600,000	3,600,000
Mr. Xu Xiaohua	徐曉華先生	600,000	600,000	600,000	600,000	3,600,000
Total	總計	10,000,000	10,000,000	10,000,000	10,000,000	60,000,000

Details of the Other Option II are set out in the circular dated 14 November 2011.

購股權(續)

ii. 其他購股權(續)

授予鉅陽管理層之其他購股權II之行使期如下：

Exercise periods				
From the first anniversary of the Date of Grant ending on the day immediately prior to the fifth anniversary of the Date of Grant	From the second anniversary of the Date of Grant ending on the day immediately prior to the fifth anniversary of the Date of Grant	From the third anniversary of the Date of Grant ending on the day immediately prior to the fifth anniversary of the Date of Grant	From the fourth anniversary of the Date of Grant ending on the day immediately prior to the fifth anniversary of the Date of Grant	From the fifth anniversary of the Date of Grant ending on the day immediately prior to the fifth anniversary of the Date of Grant
由授出日期起至緊接授出日期五週年前之日止	由授出日期一週年起至緊接授出日期五週年前之日止	由授出日期兩週年起至緊接授出日期五週年前之日止	由授出日期三週年起至緊接授出日期五週年前之日止	由授出日期四週年起至緊接授出日期五週年前之日止

其他購股權II之詳情載於二零一一年十一月十四日刊發之通函。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTIONS *(continued)*

ii. Other Option *(continued)*

On 6 September 2012 (after the trading hours), the Company and Hanergy entered into the Option Agreement, pursuant to which the Company has conditionally agreed to grant Hanergy (or such person(s) at its direction) the Option to subscribe for an aggregate of 600,000,000 Option Shares at the exercise price of HK\$0.25 per Option Share (the "Other Option III"). On 31 December 2012 (the "Grant Date"), after fulfillment of the conditions precedent to Option Agreement, the Company had granted the Other Option III to Hanergy Investment Limited (Hanergy's designated entities). The Other Option III was not granted under the Share Option Scheme. It will be lapsed upon the fifth anniversary of the Grant Date.

Principal terms of the Other Option III

For the Other Option III granted to Hanergy Investment Limited on 31 December 2012, the exercise periods are as follows:

- (i) 300,000,000 Option Shares are exercisable during the period commencing from the Grant Date to the day immediately prior to the fifth anniversary of the Grant Date;
- (ii) 150,000,000 Option Shares are exercisable during the period commencing from the first anniversary of the Grant Date to the day immediately prior to the fifth anniversary of the Grant Date; and
- (iii) 150,000,000 Option Shares are exercisable during the period commencing from the second anniversary of the Grant Date to the day immediately prior to the fifth anniversary of the Grant Date.

購股權(續)

ii. 其他購股權(續)

於二零一二年九月六日(交易時段後)，本公司與漢能訂立購股權協議，據此，本公司已有條件地同意向漢能(或其所指示之有關人士)授出購股權，以按每股購股權股份0.25港元之行使價認購合共600,000,000股購股權股份(「其他購股權III」)。於二零一二年十二月三十一日(「授出日期」)，達成購股權協議之先決條件後，本公司已向Hanergy Investment Limited(漢能指定之實體)授出其他購股權III。其他購股權III並非根據購股權計劃授出，並將於授出日期五週年失效。

其他購股權III之主要條款

於二零一二年十二月三十一日授予Hanergy Investment Limited之其他購股權III之行使期如下：

- (i) 300,000,000股購股權股份可於授出日期起至緊接授出日期五週年前之日止期間內行使；
- (ii) 150,000,000股購股權股份可於授出日期一週年起至緊接授出日期五週年前之日止期間內行使；及
- (iii) 150,000,000股購股權股份可於授出日期兩週年起至緊接授出日期五週年前之日止期間內行使；

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTIONS *(continued)*

iii. Movements of Share Options

Movements of the Share options granted to the participants during the year ended 31 December 2012 are as follows:

Date of grant	Exercise price	Exercise period	Outstanding as at 1 January 2012 於二零一二年 一月一日 尚未行使	Granted during the year 年內授出	Exercised/ lapsed during the year 年內已行使/ 失效	Outstanding as at 31 December 2012 於二零一二年 十二月三十一 日尚未行使
The Other Option 其他購股權						
(i)	25 November 2009 二零零九年 十一月二十五日	HK\$0.25 港元*	25 November 2009 — 24 November 2014 二零零九年十一月二十五日至 二零一四年十一月二十四日	3,600,000	—	— 3,600,000
(ii)	16 December 2011 二零一一年 十二月十六日	HK\$0.1664 港元*	16 December 2011 — 15 December 2016 二零一一年十二月十六日至 二零一六年十二月十五日	1,400,000,000	—	— 1,400,000,000
(iii)	31 December 2012 二零一二年 十二月三十一日	HK\$0.25 港元*	31 December 2012 — 30 December 2017 二零一二年十二月三十一日至 二零一七年十二月三十日	—	600,000,000	— 600,000,000

* after the adjustment of Share Subdivision.

Save as disclosed above, none of the grantees is a director, chief executive or substantial shareholder of the Company or an associate (as defined in the Listing Rules) of any of them.

購股權(續)

iii 購股權變動

截至二零一二年十二月三十一日止年度內向參與者授出購股權之變動如下：

Outstanding as at 1 January 2012 於二零一二年 一月一日 尚未行使	Granted during the year 年內授出	Exercised/ lapsed during the year 年內已行使/ 失效	Outstanding as at 31 December 2012 於二零一二年 十二月三十一 日尚未行使
3,600,000	—	—	3,600,000
1,400,000,000	—	—	1,400,000,000
—	600,000,000	—	600,000,000

* 經股份拆細調整後。

除上文所披露者外，概無承授人為本公司董事、主要行政人員或主要股東或任何彼等之聯繫人士(定義見上市規則)。

REPORT OF THE DIRECTORS

董事會報告

RESERVES

Movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity of the consolidated financial statements set out on page 86.

In the opinion of the Directors, the Company's reserves available for distribution to shareholders at 31 December 2012 were as below:

儲備

本集團之儲備於年內之變動情況載於第86頁綜合財務報表中綜合權益變動表內。

董事認為，本公司於二零一二年十二月三十一日可供分派予股東之儲備如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Contributed surplus	實繳盈餘	262,432	262,432

The contributed surplus of the Company represents the excess of the carrying value of the subsidiaries acquired over the nominal value of the Company's shares issued in prior years and reorganisation during the year ended 31 December 2009 which, under the Companies Act 1981 of Bermuda (as amended), is available for distribution to the shareholders of the Company. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

本公司之實繳盈餘指被收購附屬公司之賬面值超出本公司於過往年度已發行股份之面值之差額及截至二零零九年十二月三十一日止年度內之資本重組，並可根據一九八一年百慕達公司法(經修訂)分派予本公司股東。然而，倘出現以下情況，則本公司不得宣佈或派發股息或自實繳盈餘分派：

- (i) 派發後，本公司不能償還到期之負債；或
- (ii) 其資產之可變現價值因而少於其負債及其已發行股本及股份溢價賬之總數。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws ("Bye-laws") although there is no statutory restriction against such rights under the laws in Bermuda.

優先購買權

儘管百慕達法例對優先購買權並無法定限制，本公司之公司細則(「公司細則」)並無有關此等權利之規定。

REPORT OF THE DIRECTORS

董事會報告

PROPERTY, PLANT AND EQUIPMENT

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

BORROWINGS AND INTEREST CAPITALISED

The Group had no borrowings outstanding at 31 December 2012. No interest was capitalised by the Group during the year.

PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 31 December 2012 are set out in note 17 to the consolidated financial statements.

FINANCIAL SUMMARY

A five year financial summary is shown on pages 203 and 204.

DIRECTORS

The Directors during the financial year 2012 and up to the date of this report were:

Mr. Frank Mingfang Dai (*Chairman and Chief Executive Officer*) (re-designated on 4 March 2013)

Dr. Li Yuan-min
(*Vice-chairman and Chief Technology Officer*)

Mr. Hui Ka Wah, Ronnie J.P. (*Finance Director and Senior Vice-President*) (re-designated on 4 March 2013)

Mr. Chen Li

Mr. Li Guangmin

Ms. Zhao Lan[#]

Mr. Wong Wing Ho[#]

Mr. Wang Tongbo[#]

[#] Independent non-executive Directors

In accordance with the Bye-law section 87(1), Dr. Li Yuan-min, Mr. Chen Li and Ms. Zhao Lan will retire from the office of Directors at the Annual General Meeting by rotation. Dr. Li Yuan-min, Mr. Chen Li and Ms. Zhao Lan, who being eligible, offers themselves for re-election at the Annual General Meeting.

物業、廠房及設備

本集團之物業、廠房及設備於年內之變動詳情載於綜合財務報表附註16。

借貸及資本化利息

本集團於二零一二年十二月三十一日並無借貸結欠。本集團於年內並無將利息資本化。

主要附屬公司

於二零一二年十二月三十一日，本公司主要附屬公司之詳情載於綜合財務報表附註17。

財務概要

五年財務概要載於第203及204頁。

董事

二零一二年財政年度及直至本報告日期之董事如下：

Frank Mingfang Dai 先生(主席兼行政總裁)
(於二零一三年三月四日調任)

李沅民博士
(副主席兼首席技術官)

許家驊先生太平紳士(財務董事兼高級副總裁)
(於二零一三年三月四日調任)

陳力先生

李廣民先生

趙嵐女士[#]

黃永浩先生[#]

王同渤先生[#]

[#] 獨立非執行董事

根據公司細則第87(1)條，李沅民博士、陳力先生及趙嵐女士將於股東週年大會上輪值告退。李沅民博士、陳力先生及趙嵐女士合資格並願意於股東週年大會上膺選連任。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTEREST IN SHARES

As at 31 December 2012, the Directors or the chief executive of the Company had interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules as follows:

Name of Director	董事姓名	Number of shares 股份數目	Number of share options 購股權數目	Total interests 合共權益	Percentage of issued share capital 佔已發行股本百分比 (%)
Mr. Frank Mingfang Dai	Frank Mingfang Dai 先生	—	28,000,000	28,000,000	0.21
Dr. Li Yuan-min (Note 1)	李沅民博士(附註1)	1,200,000	12,000,000	13,200,000	0.10
Mr. Hui Ka Wah, Ronnie J.P.	許家驊先生太平紳士	—	24,000,000	24,000,000	0.18
Mr. Li Guangmin	李廣民先生	—	6,000,000	6,000,000	0.04
Mr. Wong Wing Ho (Note 2)	黃永浩先生(附註2)	7,150,000	—	7,150,000	0.05

Note:

- (1) Dr. Li Yuan-min, who is a deputy chairman, executive Director and chief technology officer of the Company, is deemed to be interested in 1,200,000 Shares, through its controlled corporation, Thriving Sino Limited, within the meaning of Part XV of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong).
- (2) Mr. Wong Wing Ho, who is an independent non-executive Director of the Company, is deemed to be interested in 7,150,000 Shares, including 800,000 Shares owned by Ms. Yuan Suqin, the spouse of Mr. Wong Wing Ho.

董事之股份權益

於二零一二年十二月三十一日，本公司各董事或主要行政人員在本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份或債券中擁有任何記錄於本公司根據證券及期貨條例第352條須存置之登記冊之權益或淡倉，或根據上市規則附錄十所載之上市發行人董事進行證券交易的標準守則須知會本公司及聯交所之權益或淡倉載列如下：

附註：

- (1) 本公司副主席、執行董事兼首席技術官李沅民博士被視為透過其控制公司 Thriving Sino Limited 於 1,200,000 股股份中擁有香港法例第 571 章證券及期貨條例第 XV 部所界定之權益。
- (2) 本公司獨立非執行董事黃永浩先生被視為於 7,150,000 股股份中擁有權益，當中包括黃永浩先生之配偶袁素琴女士所擁有之 800,000 股股份。

Save as disclosed above, as at 31 December 2012, none of the Directors and the chief executive of the Company had registered an interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for the Securities Transactions by Directors of Listed Issuers.

除上文所披露者外，於二零一二年十二月三十一日，本公司之董事及主要行政人員概無在本公司或其相聯法團之股份、相關股份或債券中登記擁有任何須記錄於本公司根據證券及期貨條例第352條須存置之登記冊之權益或淡倉，或根據上市發行人董事進行證券交易的標準守則須知會本公司及聯交所之權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the Share Option Scheme section stated above, at no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

MANAGEMENT AND SERVICE CONTRACTS

No contracts of significance concerning the management or administration of the whole or any substantial part of any business of the Company were entered into or existed during the year.

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without the payment of compensation (other than statutory compensation).

RETIREMENT SCHEMES

Details of the Group's retirement scheme are shown in note 2.4 to the consolidated financial statements.

The Group's retirement scheme contributions charged to the consolidated statement of comprehensive income for the year amounted to approximately HK\$3,798,000 (2011: HK\$4,334,000).

董事於重大合約之權益

於年結日或年內任何時間，本公司或其任何附屬公司概無訂立董事在當中直接或間接地擁有重大權益之重要合約。

購買股份或債券之安排

除上文購股權計劃一節所披露者外，於年內任何時間，本公司或其任何附屬公司並無訂立任何安排，致使董事可因購買本公司或任何其他法人團體之股份或債券而獲取利益。

管理及服務合約

年內並無訂立或存在任何有關本公司全部或任何主要部分業務之重大管理或行政合約。

獲提名在應屆股東週年大會上重選之董事概無與本公司或其任何附屬公司訂立僱用公司不可在一年內不予賠償(法定賠償除外)而終止之服務合約。

退休計劃

本集團之退休計劃詳情載於綜合財務報表附註2.4。

本年度，在綜合全面收益表扣除之本集團退休計劃供款約為3,798,000港元(二零一一年：4,334,000港元)。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2012, having made enquiries with the relevant persons/corporations, the interests or short positions of such persons/corporations, other than a Director or chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO are as follows:

主要股東

於二零一二年十二月三十一日，經向有關人士／法團作出查詢後，按照本公司根據證券及期貨條例第336條須存置之登記冊所記錄，有關人士／法團（本公司各董事或主要行政人員除外）於本公司股份及相關股份中擁有之權益或淡倉如下：

Name of shareholder 股東名稱	Capacity 權益性質	Number of Shares 股份數目	Number of underlying shares under derivatives equity 衍生工具 權益項下之 相關股份數目	Total interests 合共權益	Percentage of issued share capital 佔已發行股本 百分比 (%)
Mr. Li He Jun 李河君先生	Interest of controlled corporation 所控制法團之權益	25,928,387,688	600,000,000	26,528,387,688	197.52
中睿資產管理有限公司	Interest of controlled corporation 所控制法團之權益	25,928,387,688	600,000,000	26,528,387,688	197.52
北京市建煌電力投資有限公司	Interest of controlled corporation 所控制法團之權益	25,928,387,688	600,000,000	26,528,387,688	197.52
北京華勤高科技貿易有限公司	Interest of controlled corporation 所控制法團之權益	25,928,387,688	600,000,000	26,528,387,688	197.52
Hanergy 漢能	Beneficial owner 實益擁有人	25,928,387,688	600,000,000	26,528,387,688	197.52
肇慶市粵電機電設備有限公司	Interest of controlled corporation 所控制法團之權益	25,928,387,688	600,000,000	26,528,387,688	197.52

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS (continued)

主要股東(續)

Name of shareholder 股東名稱	Capacity 權益性質	Number of Shares 股份數目	Number of underlying shares under derivatives equity 衍生工具 權益項下之 相關股份數目	Total interests 合共權益	Percentage of issued share capital 佔已發行股本 百分比 (%)
廣東東江電力開發有限公司	Interest of controlled corporation 所控制法團之權益	25,928,387,688	600,000,000	26,528,387,688	197.52
Hanergy Option Limited	Beneficial owner 實益擁有人	2,649,746,331	1,300,000,000	3,949,746,331	29.41
Mr. Geng Jiafeng 耿家鳳先生	Interest of controlled corporation 所控制法團之權益	2,649,746,331	1,300,000,000	3,949,746,331	29.41
Ms. Liu Chuntao 劉春桃女士	Interest of controlled corporation 所控制法團之權益	2,649,746,331	1,300,000,000	3,949,746,331	29.41
GL Wind Farm Investment Limited	Beneficial owner 實益擁有人	91,022,862	1,276,089,535	1,367,112,397	10.18
Mr. Yu Jie 于杰先生	Interest of controlled corporation 所控制法團之權益	91,022,862	1,276,089,535	1,367,112,397	10.18
China Genco Investment Limited	Beneficial owner 實益擁有人	16,858,728	1,300,000,000	1,316,858,728	9.80
Ms. Yang Jing 楊靖女士	Interest of controlled corporation 所控制法團之權益	16,858,728	1,300,000,000	1,316,858,728	9.80

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

除上文所披露者外，於二零一二年十二月三十一日，概無其他人士／法團在本公司股份及相關股份中擁有須記錄於本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

CORPORATE GOVERNANCE

Information on the Company's corporate governance practices is set out in the "Corporate Governance Report" from pages 67 to 74.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises three independent non-executive Directors.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and with the knowledge of the Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

AUDITORS

Ernst & Young was appointed by the Directors to conduct audit on the financial statements of the Company for the year ended 2012. A resolution will be proposed at the forthcoming annual general meeting to re-appoint Ernst & Young as auditors of the Company.

On behalf of the board

Frank Mingfang Dai
Chairman and Chief Executive Officer

Hong Kong, 22 March 2013

企業管治

有關本公司企業管治常規之資料載於第67頁至第74頁之「企業管治報告」。

審核委員會

本公司已按照上市規則第3.21條成立審核委員會，負責審閱並監督本集團之財務申報程序及內部監控。審核委員會成員包括三名獨立非執行董事。

公眾持股量充足度

根據本公司所得之公開資料並就董事所知，於本報告日期，本公司具備上市規則所規定不少於已發行股份25%之充足公眾持股量。

核數師

安永會計師事務所獲董事委任審核本公司截至二零一二年止年度之財務報表。於應屆股東週年大會上將提呈一項決議案以續聘安永會計師事務所為本公司核數師。

代表董事會

主席兼行政總裁
Frank Mingfang Dai

香港，二零一三年三月二十二日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is charged with providing effective and responsible leadership for the Company. The Directors, individually and collectively, must act in good faith in the best interests of the Company and its shareholders.

The Board has established the following committees to oversee different areas of the Company's affairs. The composition of the Board and the committees are given below and their respective responsibilities are discussed later in this report. The terms of references of these committees adopted by the Board are published on the Company's website (www.hanergysolargroup.com).

As at 31 December 2012, the members of the Board and the committees are as follows:

董事會負責為本公司提供有效及負責任之領導。董事必須個別及共同秉承行事，以本公司及其股東之最佳利益為依歸。

董事會已成立以下委員會監管本公司不同範疇之事務。董事會及各委員會之成員載於下文，而各自之職責將於本報告下文論述。該等委員會之職權範圍已獲董事會採納，並登載於本公司網站 (www.hanergysolargroup.com)。

於二零一二年十二月三十一日，董事會及各委員會之成員如下：

		Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Board	董事會			
Executive Directors	執行董事			
Mr. Frank Mingfang Dai	Frank Mingfang Dai 先生		✓	
Dr. Li Yuan-min	李沅民博士			
Mr. Hui Ka Wah, Ronnie J.P.	許家驊先生 太平紳士			
Mr. Chen Li	陳力先生			
Mr. Li Guangmin	李廣民先生			
Independent Non Executive Directors	獨立非執行董事			
Ms. Zhao Lan	趙嵐女士	✓*	✓*	✓
Mr. Wong Wing Ho	黃永浩先生	✓	✓	✓*
Mr. Wang Tongbo	王同渤先生	✓	✓	✓
* Chairman of the committee		*	委員會主席	

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board sets the Group's objectives and strategies and monitors its performance. The Board also decides on matters such as annual and interim results, major transactions, director appointments, dividend and accounting policies. The Board has delegated the authority and responsibility of managing and overseeing the Group's day to day operations to the Chief Executive Officer and Executive Directors of the Company and respective directors of principal subsidiaries of the Group. The role of the Chairman and the Chief Executive Officer is segregated.

On 4 March 2013, Mr. Frank Mingfang Dai has been re-designated as the Chairman and the Chief Executive Officer of the Company. Under Rule A.2.1 in Appendix 14 to the Listing Rules, the roles of the Chairman and the Chief Executive Officer should be separate and should not be performed by the same individual. However, the Board believes that the serving by the same individual as Chairman and Chief Executive Officer during the rapid development of the business is beneficial to the consistency of the business plans and decision-making of the Company.

The Company had received annual confirmation from each of the independent non-executive directors as regards their independence to the Company and based on the contents of such confirmations, considers that each of the independent non-executive Directors is independent to the Company.

The company secretary of the Company assists the Chairman in setting the agenda of board meetings and each Director is invited to present any businesses that they wish to discuss or propose at the meetings. All Directors have timely access to all relevant information of the meetings and may take professional advice if necessary.

董事會設定本集團之目標及策略，並監管其表現。董事會亦會對有關年度及中期業績、主要交易、董事委任，以及股息及會計政策作出決定。董事會將管理及監督本集團日常營運之權力及責任授權予本公司行政總裁及執行董事及本集團主要附屬公司各自之董事。主席與行政總裁之職責有所區分。

於二零一三年三月四日，Frank Mingfang Dai 先生已被調任為本公司之主席兼行政總裁。根據上市規則附錄 14 第 A.2.1 條，主席與行政總裁之角色應有區分，並不應由一人同時兼任。然而，董事會相信，在業務迅速發展期間，主席與行政總裁由一人同時兼任有助本公司落實一致之業務計劃及決策。

本公司已接獲各獨立非執行董事就其於本公司之獨立性作出之年度確認，並根據有關確認之內容認為各獨立非執行董事均獨立於本公司。

本公司之公司秘書協助主席擬備董事會會議之會議議程，而各董事均會獲邀提出任何彼等擬於會上討論或提呈之事項。全體董事均可迅速取得所有會議之相關資料，亦可於需要時尋求專業意見。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD

The Board held 18 full Board Meetings for the year ended 31 December 2012. Attendances of the full Board meetings are as follows:

		No. of meetings attended 出席會議次數	No. of general meetings attended 出席股東大會次數
Mr. Frank Mingfang Dai	Frank Mingfang Dai 先生	18/18	5/5
Dr. Li Yuan-min	李沅民博士	16/16	0/0
Mr. Hui Ka Wah, Ronnie <i>J.P.</i>	許家驊先生 太平紳士	18/18	6/6
Mr. Chen Li	陳力先生	16/16	4/4
Mr. Li Guangmin	李廣民先生	16/16	3/3
Ms. Zhao Lan	趙嵐女士	13/13	3/3
Mr. Wong Wing Ho	黃永浩先生	13/13	3/3
Mr. Wang Tongbo	王同渤先生	13/13	0/0

Under the Bye-laws, all the Directors are currently required to offer themselves for re-election by rotation at least once every three years. All Directors appointed to fill a casual vacancy should be subject to election at the first general meeting after their appointment.

The independent non-executive Directors were appointed for one year up to the date of the next annual general meeting. During the year, the Chairman had at least annually held meetings with all independent non-executive directors without the executive directors present.

The chairman of the board had attended the annual general meeting of the Company in 2012, while the chairmen of the audit, remuneration, and nomination committee and the external auditor of the Company had been invited to attend.

Every newly appointed director of the Company had received a comprehensive, formal and tailored induction on appointment. Subsequently any briefing or continuous professional development will be provided to ensure that Director has a proper understanding of the Company's operations and business and is fully aware of his responsibilities under statute and common law, the Exchange Listing Rules, legal and other regulatory requirements and the Company's business and governance policies.

董事會

於截至二零一二年十二月三十一日止年度，董事會已舉行18次全體董事會會議。全體董事會會議之出席紀錄如下：

		No. of meetings attended 出席會議次數	No. of general meetings attended 出席股東大會次數
Mr. Frank Mingfang Dai	Frank Mingfang Dai 先生	18/18	5/5
Dr. Li Yuan-min	李沅民博士	16/16	0/0
Mr. Hui Ka Wah, Ronnie <i>J.P.</i>	許家驊先生 太平紳士	18/18	6/6
Mr. Chen Li	陳力先生	16/16	4/4
Mr. Li Guangmin	李廣民先生	16/16	3/3
Ms. Zhao Lan	趙嵐女士	13/13	3/3
Mr. Wong Wing Ho	黃永浩先生	13/13	3/3
Mr. Wang Tongbo	王同渤先生	13/13	0/0

根據公司細則，全體董事現時須最少每三年輪流接受一次重選。所有為填補臨時空缺而獲委任之董事須在接受委任後首次股東大會上進行選舉。

獨立非執行董事之任期為一年，直至下屆股東週年大會舉行日期為止。年內，主席最少每年一次與全體獨立非執行董事舉行執行董事不得出席之大會。

董事會主席於二零一二年出席本公司之股東週年大會，而審核、薪酬及提名委員會之各主席以及本公司外聘核數師均獲邀請出席。

各新委任之本公司董事均獲得全面、正式兼特為其而設之入門培訓。隨後獲提供任何簡報或持續專業發展，以確保董事了解本公司之營運及業務，並明瞭其根據國家法律及普通法、聯交所上市規則、法律及其他監管規定以及本公司之業務及管治政策之責任。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE

The audit committee of the Company (“Audit Committee”) was established to review the Group’s financial reporting, internal controls and corporate governance issues and make relevant recommendations to the Board. As at 31 December 2012, the Audit Committee comprises of three independent non-executive Directors. The chairman of the Audit Committee possess appropriate professional qualifications, accounting or related financial management expertise as required under the Listing Rules. Please refer to biography section of Directors for further details of the committee members.

The Audit Committee may elect to ask its external auditors to attend its meetings. During the year, the Audit Committee has met with the external auditors with no executive Directors present.

審核委員會

本公司之審核委員會(「審核委員會」)乃成立以審閱本集團之財務申報、內部監控及企業管治事宜，並對董事會提出相關建議。於二零一二年十二月三十一日，審核委員會包括三名獨立非執行董事。審核委員會主席具備上市規則所規定之適當專業資格、會計或相關財務管理專業知識。委員會成員之進一步詳情請參閱董事履歷一節。

審核委員會可選擇要求外聘核數師出席其會議。於本年度，審核委員會已與外聘核數師舉行並無執行董事出席之會議。

No. of meetings attended 出席會議次數

Ms. Zhao Lan (<i>Chairman</i>)	趙嵐女士(主席)	4/4
Mr. Wong Wing Ho	黃永浩先生	4/4
Mr. Wang Tongbo	王同渤先生	4/4

AUDITORS’ REMUNERATION

The services provided by Ernst & Young and the associated fees thereof for the year ended 31 December 2011 and 2012, respectively, were as follows:

核數師酬金

安永會計師事務所於截至二零一一年及二零一二年十二月三十一日止年度分別提供之服務及其相關費用如下：

		2012 二零一二年 HK\$’000 千港元	2011 二零一一年 HK\$’000 千港元
Statutory audit and agreed upon procedure services for interim results	法定審核及中期業績協定程序服務	3,400	2,830
Taxation services	稅務服務	24	57
		3,424	2,887

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE

The remuneration committee of the Company (“Remuneration Committee”) was established to review the remuneration of Directors and the Group’s salary policy. A majority of members are independent non-executive Directors. To minimize any conflict of interest, any member who is interested in any given proposed motion is required to abstain from voting on such motion. During the year under review, the Remuneration Committee had reviewed the Group’s policy and structure for all remuneration of Directors and senior management.

薪酬委員會

本公司之薪酬委員會(「薪酬委員會」)成立以審閱董事酬金及本集團薪酬政策。大部分成員為獨立非執行董事。為將利益衝突減至最低，任何成員如於所提出之任何動議中擁有權益，則須就該項動議放棄投票。於回顧年度，薪酬委員會已審閱本集團董事及高級管理人員之所有薪酬政策及架構。

No. of meetings attended 出席會議次數

Ms. Zhao Lan (<i>Chairman</i>)	趙嵐女士(主席)	2/2
Mr. Frank Mingfang Dai	Frank Mingfang Dai 先生	1/2
Mr. Wong Wing Ho	黃永浩先生	2/2
Mr. Wang Tongbo	王同渤先生	2/2

NOMINATION COMMITTEE

The nomination committee of the Company was established with specific written terms of reference to review the structure, size and composition of the Board at least annually, to make recommendations on the procedures and criteria for appointment of Directors and to implement those that are adopted by the Board. All members are independent non-executive Directors.

提名委員會

本公司已成立提名委員會並以書面訂明其職權範圍，以最少每年審核一次董事會之架構、規模及組成，以就委任董事之程序及準則提出建議及落實董事會所採納之程序及準則。全體成員均為獨立非執行董事。

No. of meetings attended 出席會議次數

Mr. Wong Wing Ho (<i>Chairman</i>)	黃永浩先生(主席)	1/1
Ms. Zhao Lan	趙嵐女士	1/1
Mr. Wang Tongbo	王同渤先生	1/1

CORPORATE GOVERNANCE REPORT

企業管治報告

ACCOUNTABILITY AND AUDIT

Financial Reporting

The annual and interim results announcement of the Company are published in a timely manner and within three months and two months respectively of the year end and interim periods.

The responsibility of Directors in relation to the financial statements is set out below. It should be read in conjunction with, but distinguished from, the Independent Auditor's Report on pages 79 and 80 which acknowledges the reporting responsibility of the Group's Auditor.

Annual Report and Accounts

The Directors acknowledge their responsibility for the preparation of the annual report and financial statements of the Company to ensure that these financial statements give a true and fair presentation in accordance with Hong Kong Companies Ordinance and the applicable accounting standards.

Accounting Policies

The Directors consider that in preparing the financial statements, the Group has applied appropriate accounting policies that are consistently adopted and made judgements and estimates that are reasonable and prudent in accordance with the applicable accounting standards.

Accounting Records

The Directors are responsible for ensuring that the Group keeps accounting records which disclose the financial position of the Group upon which financial statements of the Group could be prepared in accordance with the Group's accounting policies, while monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail had been provided to all Directors.

問責性與審核

財務申報

本公司年度及中期業績公佈分別於年結日及中期期間結束後各自於三個月及兩個月時限內按時刊發。

董事就財務報表所承擔之責任載列如下。下文與第79頁及第80頁所載獨立核數師報告內本集團核數師確認其報告責任有所不同，但兩者應一併閱讀。

年報及賬目

董事確認其有責任編製本公司之年報及財務報表，以確保此等財務報表能根據香港公司條例及適用會計準則，真實而公平地呈列資料。

會計政策

董事認為，本集團在編製財務報表時已應用一貫採納之適當會計政策，並根據適用之會計準則作出合理及審慎之判斷及估計。

會計記錄

董事負責確保本集團保存可披露本集團財政狀況之會計記錄，而藉此等記錄，本集團得以按照本集團之會計政策編製財務報表。全體董事每月均獲提供本公司表現、狀況及前景之平衡及可理解的詳細評估。

CORPORATE GOVERNANCE REPORT

企業管治報告

ACCOUNTABILITY AND AUDIT *(continued)*

Safeguarding Assets

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities within the Group.

Going Concern

The Directors, after due and careful enquiries and by performing the necessary due diligence work to assess the credibility and the capacity of the Hanergy Group, are of the view that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate for the Group to adopt the going concern basis in preparing the financial statements.

INTERNAL CONTROL

The Board has an overall responsibility for maintaining a sound and effective internal control system (the "System") of the Group. The System is designed not only to achieve the Group's objectives with facilitating an effective and efficient business operation to ensure a reliable financial reporting and compliance with applicable rules and regulations, but also to provide reasonable, but not absolute, assurance on preventing material misstatement or loss as well as managing and minimizing risks of failure in operational system.

The Board should at least annually conduct a review on the effectiveness of the System including all relevant financial, operational and compliance controls and risk management functions.

The Directors, through the Audit Committee and the internal audit department, have continued to review the effectiveness of the System. The System is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. Controls are monitored by management review and by a programme of internal audits.

問責性與審核 *(續)*

保護資產

董事負責採取一切合理及必要之措施保護本集團資產，並防範及查察本集團內之詐騙行為及其他違規事項。

持續經營

經謹慎查詢及就評估漢能集團之信譽及能力而進行必須盡職審查工作後，董事認為本集團擁有足夠資源在可見未來繼續營運，因此本集團適宜採納持續經營基準來編製財務報表。

內部監控

董事會就維持本集團穩健而有效之內部監控系統(「系統」)負全責。系統旨在透過促進有效及高效之業務運作，確保可靠之財務報告及確保遵守各項適用規則法規以達致本集團之目標，同時亦旨在提供合理但非絕對保證，以防範重大失實陳述或損失，以及理順及減低營運系統失靈之風險。

董事會應最少每年對系統(包括所有相關財務、營運及合規控制及風險管理功能)之有效性進行一次檢討。

董事一直透過審核委員會及內部審計部檢討系統之有效性。系統旨在管理但不能消除未能達成業務目標之風險，並僅可提供合理但非絕對之無重大錯誤陳述或損失保證。監控措施由管理人員檢討及透過內部核數程序進行監督。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE PRACTICE

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules throughout the year ended 31 December 2012.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF THE COMPANY

The Company has adopted a code of conduct (the “Model Code”) regarding securities transactions by the Directors on terms no less exacting than the required standard set out in Appendix 10 to the Listing Rules. Having made specific enquiry to all Directors, the Directors confirmed that they had complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by Directors adopted by the Company.

遵守企業管治常規守則

於截至二零一二年十二月三十一日止年度，本公司一直遵守上市規則附錄十四所載之企業管治常規守則所載之守則條文。

本公司董事進行證券交易的標準守則

本公司已就董事進行證券交易採納一套不比聯交所上市規則附錄十所訂標準寬鬆之行為守則(「標準守則」)。經向全體董事作出特定查詢後，董事確認彼等已遵守標準守則之所訂標準及本公司就董事進行證券交易所採納之行為守則。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員履歷

EXECUTIVE DIRECTORS

Mr. Frank Mingfang Dai (“Mr. Dai”), aged 49, is the Chairman, Chief Executive Officer, a member of Remuneration Committee and an Executive Director of the Company. Mr. Dai joined the Company on 13 August 2010. He is a senior vice president of Hanergy. Mr. Dai has extensive experience in asset restructuring, merger and acquisition, international financing and development of photovoltaic business. Before joining Hanergy, Mr. Dai had been engaged in business management and market development in the PRC, Hong Kong and the United States of America (“USA”) for many years. Mr. Dai graduated from the faculty of industrial economy management of 瀋陽大學 (Shenyang University) in 1984 and later obtained a master’s degree in business administration (EMBA) in 2000 from the University of Texas at Dallas, USA.

Dr. Li Yuan-min (“Dr. Li”), age 54, joined the Group in 2009 and has been the Deputy Chairman, an Executive Director and the Chief Technology Officer of the Company since 3 August 2011. Dr. Li graduated in modern physics from University of Science and Technology of China in 1982 and obtained a master’s degree in physics from Harvard University in 1984 and obtained his doctor of philosophy in applied physics from Harvard University in 1989. Dr. Li has over 29 years of experience in international thin-film materials preparation, characterization and deposition technologies, photovoltaic (PV) devices design, synthesis, analysis and optimization, large-area PV module manufacturing and related process engineering, displays and optoelectronic devices and materials. Dr. Li is the inventor of numerous patents related to thin-film materials preparation and technologies and PV devices design. Dr. Li is currently a member of the Technical Advisory Board of SEMI (China) PV Committee (a PV industry promotional organization with headquarters in Shanghai). Dr. Li was also the president and chief technology officer of a thin-film PV company in New Jersey, USA and was a consultant to a number of PV companies in the People’s Republic of China, Taiwan and USA.

執行董事

Frank Mingfang Dai 先生(「Dai 先生」)，49歲，為本公司主席、行政總裁、薪酬委員會委員及執行董事。Dai 先生於二零一零年八月十三日加入本公司。彼為漢能之高級副總裁。彼於資產重組、兼併收購、國際融資及光伏業務開發方面擁有豐富經驗。Dai 先生在加入漢能之前曾在中國、香港及美國等地多年從事企業管理及市場開發等工作。Dai 先生於一九八四年畢業於瀋陽大學工業經濟管理專業，其後於二零零零年於美國達拉斯市德克薩斯大學獲得工商管理碩士學位。

李沅民博士(「李博士」)，54歲，於二零零九年加入本集團，自二零一一年八月三日起為本公司副主席、執行董事及首席技術官。李博士於一九八二年畢業於中國科技大學近代物理系，並分別在一九八四年及一九八九年於哈佛大學取得物理學碩士學位及應用物理學博士學位。李博士在國際薄膜材料製備、表徵及沉積技術、太陽能光伏器件之設計、合成、分析和優化、大面積光伏組件製造和相關工藝技術、顯示器、光電器件和材料領域擁有超過29年之經驗。李博士為有關薄膜材料製備及技術與光伏器件設計之多項專利發明人。李博士現為SEMI 中國光伏技術顧問委員會(一個總部設於上海之光伏行業推廣組織)成員。李博士亦曾為美利堅合眾國(「美國」)新澤西州一間薄膜光伏公司之總裁及首席技術官，以及中華人民共和國、台灣及美國多間光伏公司之顧問。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員履歷

EXECUTIVE DIRECTORS *(continued)*

Mr. Hui Ka Wah, *Ronnie J.P.* (“Mr. Hui”), aged 49, joined the Group in 2009 as Chief Financial Officer of the Group. Following his appointment as an Executive Director and the Chief Executive Officer of the Company on 3 August 2011 and re-designation as an Finance Director and Senior Vice President of the Company on 4 March 2013, he has ceased to be chief financial officer of the Group. Mr. Hui is a specialist in Paediatrics. Mr. Hui is also a chartered financial analyst (CFA) and holds a master of business administration (MBA) degree conferred by Universitas 21 Global. Mr. Hui is a member of Small and Medium Enterprises Committee of the Government of HKSAR and a non-official member of the Women’s Commission of the Government of HKSAR and was a member of Energy Advisory Committee. In the past three years, Mr. Hui was an executive director of Town Health International Investments Limited (stock code: 3886) and was an independent non-executive director of Hao Tian Resources Group Limited (stock code: 474) and Suncorp Technologies Limited (stock code: 1063).

Mr. Chen Li (“Mr. Chen”), aged 40, has years of experience in finance management, risk management and arranging for financing. Mr. Chen, who joined the Company on 12 December 2011, is currently the Executive Vice-President and Executive Director of the Company. He obtained a master degree in business administration from the University of International Business and Economics in 2006. He is also the vice-president and the chief head of finance management unit of Hanergy. Before joining Hanergy, Mr. Chen has worked in the Jinan branch of the Bank of China and been responsible for the credit business.

執行董事(續)

許家驊先生太平紳士(「許先生」)，49歲，於二零零九年加入本集團擔任本集團首席財務官。繼其於二零一一年八月三日獲委任為本公司執行董事及行政總裁及於二零一三年三月四日調任為本公司財務董事及高級副總裁後，其已不再為本集團之首席財務官。許先生為兒科專科醫生。許先生亦為特許財務分析師，並獲Universitas 21 Global頒授工商管理碩士學位。許先生為香港特區政府中小型企業委員會委員及香港特區政府婦女事務委員會非官方成員，並曾任能源諮詢委員會。於過去三年，許先生曾為康健國際投資有限公司(股份代號：3886)之執行董事，並為昊天能源集團有限公司(股份代號：474)及新確科技有限公司(股份代號：1063)之獨立非執行董事。

陳力先生(「陳先生」)，40歲，具備多年金融管理、風險管理及融資安排經驗。陳先生於二零一一年十二月十二日加入本公司。陳先生現任本公司之常務副總裁及執行董事。彼於二零零六年取得對外經濟貿易大學工商管理碩士學位。彼亦為漢能副總裁及金融管理中心總監。加入漢能前，陳先生曾任職中國銀行濟南分行，負責信貸業務。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員履歷

EXECUTIVE DIRECTORS *(continued)*

Mr. Li Guangmin (“Mr. Li”), aged 36, was appointed as an Executive Director of the Company on 13 August 2010 and as the Financial Controller of the Company with effect from 1 November 2011. He is the senior deputy finance controller of Hanergy. He joined Hanergy in 2002. He had worked for 北京起重機廠 (Beijing Crane Factory*) from 2000 to 2002. He graduated from 北方交通大學 (Northern Jiaotong University*) (currently known as 北京交通大學 (Beijing Jiaotong University*)) with a bachelor degree in accountancy in 2000.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Zhao Lan (“Ms. Zhao”), aged 49, was appointed as an independent non-executive Director, the chairman of each of Audit Committee and Remuneration Committee of the Company on 23 August 2011 and a member of Nomination Committee of the Company on 29 March 2012. Ms. Zhao obtained the Bachelor of Economics from Renmin University of China, the People’s Republic of China (“PRC”), in 1996. Ms. Zhao is a member of the Chinese Institute of Certified Public Accountants and the Beijing City Certified Tax Agents Association. Ms. Zhao is experienced in auditing, accounting and corporate management.

Mr. Wong Wing Ho (“Mr. Wong”), aged 38, was appointed as an independent non-executive Director, a member of each of Audit Committee and Remuneration Committee of the Company on 23 August 2011 and the chairman of Nomination Committee of the Company on 29 March 2012. Mr. Wong is a Chartered Certified Accountant ACCA, a Certified Financial Planner CFP^{CM}, a Chartered Wealth Manager CWMTM, a certified Private Banker CPB and also a member of the Global Association of Risk Professionals. Mr. Wong has extensive experience in financial, wealth and risk management.

執行董事(續)

李廣民先生(「李先生」)，36歲，於二零一零年八月十三日獲委任為本公司執行董事及自二零一一年十一月一日起獲委任為本公司之財務總監。彼系漢能財務高級副總監。彼於二零零二年加入漢能。彼於二零零零年至二零零二年就職北京起重機廠。彼於二零零零年畢業於北方交通大學(現稱北京交通大學)，取得會計專業學士學位。

獨立非執行董事

趙嵐女士(「趙女士」)，49歲，於二零一一年八月二十三日被委任為本公司之獨立非執行董事、審核委員會主席和薪酬委員會主席及於二零一二年三月二十九日被委任為本公司之提名委員會委員。在一九九六年於中華人民共和國(「中國」)中國人民大學取得經濟學學士學位。趙女士為中國註冊會計師協會及北京市註冊稅務師協會之成員。趙女士具備審計、會計及企業管理經驗。

黃永浩先生(「黃先生」)，38歲，於二零一一年八月二十三日被委任為本公司之獨立非執行董事、審核委員會委員和薪酬委員會委員及於二零一二年三月二十九日被委任為本公司之提名委員會主席。黃先生為特許公認會計師ACCA、認可財務策劃師CFP^{CM}、特許財富管理師CWMTM，認可私人銀行家CPB，並為全球風險專業管理協會會員。黃先生於財務、財富及風險管理方面具備豐富經驗。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS *(continued)*

Mr. Wang Tongbo ("Mr. Wang"), aged 62, has years of experience in foreign import and export. He was appointed as an independent non-executive Director of the Company, a member of each of Audit Committee and Remuneration Committee of the Company on 12 December 2011 and a member of Nomination Committee of the Company on 29 March 2012. He obtained a master degree in Economics from Liaoning University (遼寧大學) in 1995. Mr. Wang is currently a partner of 美國 — 中國成長基金 (American-China Growth Fund*). Before joining American-China Growth Fund, Mr. Wang has worked in 美國億泰證券公司 (Etech Securities, Inc*) as an executive director from 2005 to 2009; 瀋陽維爾克藥業 (Shenyang Wilke Medicine*) as a director from 2003 to 2004; 瀋陽市政府駐美國辦事處 (Shenyang Municipal Government Offices*) as a chief representative of the United States of America from 1996 to 2002; 瀋陽市對外經濟貿易委員會 (Shenyang Foreign Economic and Trade Commission*) as deputy chief from 1990 to 1996; 瀋陽五金礦產進出口公司 (Shenyang Metals and Minerals Import and Export Corporation*) as general manager from 1988 to 1990; and 中國五金礦產進出口公司 (China National Metals and Minerals Import and Export Corporation*) Shenyang branch office as general manager from 1985 to 1988.

獨立非執行董事(續)

王同渤先生(「王先生」)，62歲，具備多年對外進出口經驗。彼於二零一一年十二月十二日被委任為本公司之獨立非執行董事、審核委員會委員和薪酬委員會委員及於二零一二年三月二十九日被委任為本公司之提名委員會委員。彼於一九九五年取得遼寧大學經濟學碩士學位。王先生現為美國 — 中國成長基金之合伙人。加入美國 — 中國成長基金前，王先生於二零零五年至二零零九年任美國億泰證券公司執行董事；二零零三年至二零零四年任瀋陽維爾克藥業董事；一九九六年至二零零二年任瀋陽市政府駐美國辦事處總代表；一九九零年至一九九六年任瀋陽市對外經濟貿易委員會之副主任；一九八八年至一九九零年任瀋陽五金礦產進出口公司總經理；及一九八五年至一九八八年任中國五金礦產進出口公司瀋陽分公司總經理。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告書



To the shareholders of Hanergy Solar Group Limited (Formerly known as Apollo Solar Energy Technology Holdings Limited)

(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Hanergy Solar Group Limited (formerly known as Apollo Solar Energy Technology Holdings Limited) (the "Company") and its subsidiaries (together, the "Group") set out on pages 81 to 202, which comprise the consolidated and company statements of financial position as at 31 December 2012, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致漢能太陽能集團有限公司全體股東
(前稱為鉑陽太陽能技術控股有限公司)

(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核載於第81至202頁之漢能太陽能集團有限公司(前稱為鉑陽太陽能技術控股有限公司)(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零一二年十二月三十一日之綜合及公司財務狀況表與截至該日止年度之綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他說明資料。

董事對綜合財務報表之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製真實兼公平之綜合財務報表，以及落實其認為編製綜合財務報表所必要之內部控制以確保編製綜合財務報表時並無重大錯誤陳述(無論其因欺詐或錯誤而引起)。

核數師之責任

我們之責任是根據我們之審核對該等綜合財務報表發表意見。我們之報告乃依據百慕達一九八一年公司法第90條編製，以及僅向全體股東報告我們之意見，除此之外，我們之報告書不可用作其他用途。我們概不就本報告之內容對任何其他人士負責或承擔責任。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告書

AUDITORS' RESPONSIBILITY (continued)

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 31 December 2012, and of the Group's profit 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.

Ernst & Young
Certified Public Accountants
22nd Floor, CITIC Tower
1 Tim Mei Avenue, Central
Hong Kong

22 March 2013

核數師之責任(續)

我們已根據香港會計師公會頒佈之香港審核準則進行審核。該等準則要求我們遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否存在任何重大錯誤陳述。

審核涉及執行情序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製真實兼公平之綜合財務報表相關之內部控制，以設計適當之審核程序，但並非對公司內部控制之有效性發表意見。審核亦包括評價董事所採用會計政策之合適性及作出會計估計之合理性，以及評價綜合財務報表之整體列報方式。

我們相信，我們已獲得充足和適當之審核憑證為我們之審核意見提供基礎。

意見

我們認為，綜合財務報表已根據香港財務報告準則真實兼公平地反映 貴公司及 貴集團於二零一二年十二月三十一日之事務狀況及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定妥為編製。

安永會計師事務所
執業會計師
香港
中環添美道1號
中信大廈22樓

二零一三年三月二十二日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

(Year ended 31 December 2012 截至二零一二年十二月三十一日止年度)

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
CONTINUING OPERATION	持續經營業務			
REVENUE	收入	5	2,756,463	2,564,640
Cost of sales	銷售成本		(789,504)	(952,879)
Gross profit	毛利		1,966,959	1,611,761
Other income and gains	其他收入及收益	6	4,917	6,662
Selling and distribution expenses	分銷費用		(654)	(2,062)
Administrative expenses	行政費用		(93,804)	(117,144)
Research and development costs	研發成本		(134,631)	(121,010)
Other expenses	其他費用		(16,445)	(319,595)
Loss on disposal of equity interests in subsidiaries	出售附屬公司股權之 虧損		—	(12,331)
Finance costs	財務費用	7	(60,184)	(78,738)
PROFIT BEFORE TAX FROM A CONTINUING OPERATION	來自持續經營業務之 稅前溢利	8	1,666,158	967,543
Income tax expense	所得稅務支出	9	(349,976)	(243,814)
PROFIT FOR THE YEAR FROM A CONTINUING OPERATION	來自持續經營業務之 本年度溢利		1,316,182	723,729
DISCONTINUED OPERATION	已終止經營業務			
Loss for the year from a discontinued operation	來自已終止經營業務 之本年度虧損	10	—	(767)
PROFIT FOR THE YEAR	本年度溢利		1,316,182	722,962
OTHER COMPREHENSIVE INCOME	其他全面收益			
Exchange reserve:	匯兌儲備：			
Translation of foreign operations	換算海外業務		4,249	105,575
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	本年度全面收益總額		1,320,431	828,537

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

(Year ended 31 December 2012 截至二零一二年十二月三十一日止年度)

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Profit for the year attributable to:	應佔本年度溢利：			
Owners of the parent	母公司擁有人	11	1,316,182	719,320
Non-controlling interests	非控股權益		—	3,642
			1,316,182	722,962
Total comprehensive income attributable to:	應佔全面收益總額：			
Owners of the parent	母公司擁有人		1,320,431	824,895
Non-controlling interests	非控股權益		—	3,642
			1,320,431	828,537
			<i>HK cents</i> 港仙	<i>HK cents</i> 港仙
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通股權益 持有人應佔 每股盈利	13		
Basic	基本			
— For profit for the year	— 本年度溢利		9.8	5.9
— For profit from a continuing operation	— 來自持續經營 業務之溢利		9.8	5.9
Diluted	攤薄			
— For profit for the year	— 本年度溢利		8.4	5.0
— For profit from a continuing operation	— 來自持續經營 業務之溢利		8.4	5.0

Details of the dividends for the year are disclosed in note 12 to the consolidated financial statements.

本年度股息之詳情於綜合財務報表附註12披露。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

(31 December 2012 二零一二年十二月三十一日)

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	133,848	119,364
Goodwill	商譽	18	7,915,318	7,915,318
Intangible assets	無形資產	19	551,091	370,689
Available-for-sale investment	可供出售金融資產	20	85,800	—
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備之已付按金		2,376	15,583
Deferred tax assets	遞延稅項資產	27	44,286	71,453
Total non-current assets	非流動資產總額		8,732,719	8,492,407
CURRENT ASSETS	流動資產			
Inventories	存貨	21	390,840	360,345
Trade and other receivables	貿易及其他應收款項	22	3,788,428	2,897,939
Bills receivable	應收票據		550	—
Deposits and prepayments	按金及預付款項		127,623	38,695
Equity investment at fair value through profit or loss	按公平值列賬於損益之權益投資	23	4,480	5,320
Pledged deposits	已抵押存款	24	8,572	40,759
Cash and bank balances	現金及銀行結存	24	707,958	284,809
Total current assets	流動資產總額		5,028,451	3,627,867
CURRENT LIABILITIES	流動負債			
Trade and other payables	貿易及其他應付款項	25	679,563	474,489
Deposits and accruals	按金及應計費用		96,638	71,035
Convertible Bonds	可換股債券	26	789,559	—
Tax payable	應付稅項		232,435	256,549
Total current liabilities	流動負債總額		1,798,195	802,073
NET CURRENT ASSETS	流動資產淨額		3,230,256	2,825,794
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總額減流動負債		11,962,975	11,318,201

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

(31 December 2012 二零一二年十二月三十一日)

			2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總額減流動負債		11,962,975	11,318,201
NON-CURRENT LIABILITIES	非流動負債			
Convertible Bonds	可換股債券	26	—	729,375
Deferred tax liabilities	遞延稅項負債	27	250,875	197,157
Total non-current liabilities	非流動負債總額		250,875	926,532
Net assets	資產淨額		11,712,100	10,391,669
EQUITY	權益			
Equity attributable to the owners of the parent	母公司擁有人應佔權益			
Issued capital	已發行股本	28	33,577	33,577
Reserves	儲備		11,678,523	10,358,092
Non-controlling interests	非控股權益		—	—
Total equity	權益總額		11,712,100	10,391,669

Frank Mingfang Dai

Chairman and Chief Executive Officer
主席兼行政總裁

Li Guangmin

李廣民先生
Executive Director and Financial Controller
執行董事兼財務總監

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

(Year ended 31 December 2012 截至二零一二年十二月三十一日止年度)

		Attributable to owners of the parent 母公司擁有人應佔										Total 總計	
		Issued capital 已發行股本	Share premium account 股份溢價賬	Capital redemption reserve 資本贖回儲備	Reserve funds 儲備金	Contributed surplus 實繳盈餘	Convertible Bonds equity reserve 可換股債券權益儲備	Exchange reserve 匯兌儲備	Share option reserve 購股權儲備	Retained profits 留存溢利	Non-controlling interests 非控股權益		
		HK\$'000 千港元 (note 28) (附註 28)	HK\$'000 千港元 (note 30(a)(ii)) (附註 30(a)(ii))	HK\$'000 千港元 (note 30(a)(iii)) (附註 30(a)(iii))	HK\$'000 千港元 (note 30(a)(iii)) (附註 30(a)(iii))	HK\$'000 千港元 (note 30(a)(iii)) (附註 30(a)(iii))	HK\$'000 千港元 (note 26) (附註 26)	HK\$'000 千港元 (note 30(a)(iv)) (附註 30(a)(iv))	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Group	本集團												
At 1 January 2011	於二零一一年一月一日	20,721	3,890,254	6,815	51,105	161,797	2,754,321	57,762	128,957	1,226,251	8,297,983	107,871	8,405,854
Repurchase of own shares	購回本身股份	(785)	(199,515)	785	—	—	—	—	—	—	(199,515)	—	(199,515)
Share repurchase expenses	股份購回支出	—	(1,096)	—	—	—	—	—	—	—	(1,096)	—	(1,096)
Conversion of Convertible Bonds	兌換可換股債券	13,364	3,266,999	—	—	—	(1,858,636)	—	—	—	1,421,727	—	1,421,727
Exercise of share options	行使購股權	277	151,322	—	—	—	—	—	(123,899)	—	27,700	—	27,700
Equity-settled share option arrangements (note 29)	權益結算購股權安排(附註 29)	—	—	—	—	—	—	—	19,975	—	19,975	—	19,975
Transfer of share option reserve upon the expiry of share options	購股權屆滿時轉撥購股權儲備	—	—	—	—	—	—	—	(1,033)	1,033	—	—	—
Transfer of reserve funds upon disposal of equity interests in subsidiaries	出售附屬公司股份時轉撥儲備金	—	—	—	(34,000)	—	—	—	—	34,000	—	—	—
Disposal of equity interests in subsidiaries	出售附屬公司股份	—	—	—	—	—	—	—	—	—	—	(111,513)	(111,513)
Transactions with owners	與擁有人之交易	12,856	3,217,710	785	(34,000)	—	(1,858,636)	—	(104,957)	35,033	1,268,791	(111,513)	1,157,278
Profit for the year	本年度溢利	—	—	—	—	—	—	—	—	719,320	719,320	3,642	722,962
Other comprehensive income for the year:	本年度其他全面收益：												
Exchange differences on translation of foreign operations	換算海外業務之匯兌差異	—	—	—	—	—	—	105,575	—	—	105,575	—	105,575
Total comprehensive income for the year	本年度全面收益總額	—	—	—	—	—	—	105,575	—	719,320	824,895	3,642	828,537
At 31 December 2011	於二零一一年十二月三十一日	33,577	7,107,964*	7,600*	17,105*	161,797*	895,685*	163,337*	24,000*	1,980,604*	10,391,669	—	10,391,669

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

(Year ended 31 December 2012 截至二零一二年十二月三十一日止年度)

	Group	Attributable to owners of the parent 母公司擁有人應佔									
		Issued capital 已發行股本	Share premium account 股份溢價賬	Capital redemption reserve 資本贖回儲備	Reserve funds 儲備金	Contributed surplus 實收盈餘	Convertible Bonds equity reserve 可換股債券權益儲備	Exchange reserve 匯兌儲備	Share option reserve 購股權儲備	Retained profits 留存溢利	Total equity 權益總額
		HK\$'000 千港元 (note 28) (附註28)	HK\$'000 千港元	HK\$'000 千港元 (note 30(a)(ii)) (附註30(a)(ii))	HK\$'000 千港元 (note 30(a)(iii)) (附註30(a)(iii))	HK\$'000 千港元 (note 30(a)(iii)) (附註30(a)(iii))	HK\$'000 千港元 (note 26) (附註26)	HK\$'000 千港元 (note 30(a)(iv)) (附註30(a)(iv))	HK\$'000 千港元	HK\$'000 千港元	
At 1 January 2012	於二零一二年一月一日	33,577	7,107,964	7,600	17,105	161,797	895,685	163,337	24,000	1,980,604	10,391,669
Profit for the year	本年度溢利	—	—	—	—	—	—	—	—	1,316,182	1,316,182
Other comprehensive income for the year:	本年度其他全面收益：										
Exchange differences on translation of foreign operations	換算海外業務之匯兌差異	—	—	—	—	—	—	4,249	—	—	4,249
Total comprehensive income for the year	本年度全面收益總額	—	—	—	—	—	—	4,249	—	1,316,182	1,320,431
Transfer from retained profits	留存溢利轉撥	—	—	—	5,987	—	—	—	—	(5,987)	—
At 31 December 2012	於二零一二年十二月三十一日	33,577	7,107,964*	7,600*	23,092*	161,797*	895,685*	167,586*	24,000*	3,290,799*	11,712,100

* These reserve accounts comprise the consolidated reserves of HK\$11,678,523,000 (2011: HK\$10,358,092,000) in the consolidated statement of financial position.

* 該等儲備賬目包括綜合財務狀況表之綜合儲備11,678,523,000港元(二零一一年：10,358,092,000港元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

(Year ended 31 December 2012 截至二零一二年十二月三十一日止年度)

	Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES			
經營項目現金流量			
Profit before tax:			
稅前溢利：			
From a continuing operation		1,666,158	967,543
來自持續經營業務			
From a discontinued operation	10	—	(753)
來自已終止經營業務			
Adjustments for:			
調整：			
Finance costs		60,184	78,738
財務費用			
Bank interest income		(1,650)	(5,984)
銀行利息收入			
Amortisation of prepaid land lease payments		—	74
預付土地租金攤銷			
Amortisation of intangible assets	8	65,616	115,988
無形資產攤銷			
Impairment of trade receivables	8	—	178,395
貿易應收款項減值			
Impairment of intangible assets	8	—	61,300
無形資產減值			
Impairment of items of property, plant and equipment	8	8,091	62,382
物業、廠房及設備項目之減值			
Impairment of a deposit	8	7,514	—
按金減值			
Equity-settled share option expenses	8	—	19,975
權益結算購股權開支			
Depreciation of property, plant and equipment	16	28,022	18,565
物業、廠房及設備折舊			
Write-down of inventories to net realisable value	8	1,736	15,331
存貨撇減至可變現淨值			
Write-off of items of property, plant and equipment	8	—	12,016
物業、廠房及設備項目之撇銷			
Loss on disposal of equity interests in subsidiaries	31	—	12,331
出售附屬公司股權淨虧損			
Fair value loss on an equity investment at fair value through profit or loss	8	840	5,502
按公平值列賬於損益之權益投資之公平值之虧損			
Reversal of allowance for slow-moving inventories		—	(4,429)
滯銷存貨撥備撥回			
Loss on disposal of items of property, plant and equipment	8	79	6
出售物業、廠房及設備項目之虧損			
		1,836,590	1,536,980
Increase in inventories		(31,718)	(283,885)
存貨增加			
Increase in trade and other receivables		(927,182)	(1,421,591)
貿易及其他應收款項增加			
(Increase)/decrease in bills receivable		(548)	2,684
應收票據(增加)/減少			
(Increase)/decrease in deposits and prepayments		(96,202)	122,390
按金及預付款項(增加)/減少			
Increase/(decrease) in trade and other payables		243,295	(14,473)
貿易及其他應付款項增加/(減少)			
Decrease in bills payable		—	(99,660)
應付票據減少			
Increase/(decrease) in deposits and accruals		25,543	(127,384)
按金及應計費用增加/(減少)			
Cash generated from/(used in) operations		1,049,778	(284,939)
經營項目之現金收入/(開支)			
Interest paid		—	(20)
已付利息			
Income taxes paid		(293,298)	(281,783)
已付所得稅			
Net cash flows from/(used in) operating activities		756,480	(566,742)
經營項目之現金流量產生/(使用)淨額			

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

(Year ended 31 December 2012 截至二零一二年十二月三十一日止年度)

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Net cash flows from/(used in) operating activities	經營項目之現金流量產生/(使用)淨額		756,480	(566,742)
CASH FLOWS FROM INVESTING ACTIVITIES	投資項目現金流量			
Purchase of items of property, plant and equipment	增購物業、廠房及設備項目		(35,453)	(93,426)
Deposits paid for acquisition of items of property, plant and equipment	收購物業、廠房及設備項目之已付按金		(2,376)	(14,804)
Purchase of intangible assets	增購無形資產	19	(245,818)	—
Investment in an available-for-sale investment	投資於可供出售金融投資		(85,800)	—
Purchase of an equity investment at fair value through profit or loss	增購按公平值列賬於損益之權益投資		—	(10,822)
Decrease in pledged deposits	已抵押存款減少		32,092	178,463
Interest received	已收利息		1,650	5,984
Proceeds from disposal of equity interests in subsidiaries	出售附屬公司股權之所得款項	31	—	31,059
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目之所得款項		330	20
Net cash flows from/(used in) investing activities	投資項目之現金流量產生/(使用)淨額		(335,375)	96,474
CASH FLOWS FROM FINANCING ACTIVITIES	融資項目現金流量			
Repurchase of shares	購回股份		—	(200,611)
Proceeds from issue of shares upon exercise of share options	行使購股權時發行股份之所得款項		—	27,700
Net cash flows used in financing activities	融資項目使用現金流量淨額		—	(172,911)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物之增加/(減少)淨額		421,105	(643,179)
Cash and cash equivalents at beginning of year	年初之現金及現金等價物		284,809	890,880
Effect of foreign exchange rate changes, net	外幣匯率變動之影響，淨額		2,044	37,108
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終之現金及現金等價物		707,958	284,809
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘之分析			
Cash and bank balances	現金及銀行結存	24	707,958	284,809

STATEMENT OF FINANCIAL POSITION

財務狀況表

(31 December 2012 二零一二年十二月三十一日)

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	1,937	—
Investments in subsidiaries	投資於附屬公司	17	8,396,521	8,396,133
Total non-current assets	非流動資產總值		8,398,458	8,396,133
CURRENT ASSETS	流動資產			
Amounts due from subsidiaries	應收附屬公司款項	17	175,146	128,475
Deposits and prepayments	按金及預付款項		2,096	3,686
Cash and bank balances	現金及銀行結存	24	3,662	51,419
Total current assets	流動資產總額		180,904	183,580
CURRENT LIABILITIES	流動負債			
Amount due to a subsidiary	應付附屬公司款項	17	106,434	77,469
Deposits and accruals	按金及應計費用		1,323	1,375
Convertible Bonds	可換股債券	26	789,559	—
Tax payable	應繳稅項		2,300	2,297
Total current liabilities	流動負債總額		899,616	81,141
NET CURRENT (LIABILITIES)/ ASSETS	流動(負債)/資產淨額		(718,712)	102,439
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總額減流動負債		7,679,746	8,498,572
NON-CURRENT LIABILITIES	非流動負債			
Convertible Bonds	可換股債券	26	—	729,375
Net assets	資產淨額		7,679,746	7,769,197
EQUITY	權益			
Issued capital	已發行股本	28	33,577	33,577
Reserves	儲備	30(b)	7,646,169	7,735,620
Total equity	權益總額		7,679,746	7,769,197

Frank Mingfang Dai

Chairman and Chief Executive Officer
主席兼行政總裁

Li Guangmin

李廣民

Executive Director and Financial Controller
執行董事兼財務總監

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

1. CORPORATE INFORMATION

Hanergy Solar Group Limited (formerly known as Apollo Solar Energy Technology Holdings Limited) (the "Company") is an exempted company with limited liability incorporated in Bermuda. The address of its registered office is Clarendon House, Church Street, Hamilton HM11, Bermuda and its principal place of business is Suite 7606-07, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

During the year, the Company and its subsidiaries (collectively referred to as the "Group") were involved in the manufacture of equipment and turnkey production lines for the manufacture of amorphous silicon based thin-film solar photovoltaic modules.

The Company's shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Group's operations are based in Hong Kong and the People's Republic of China (the "PRC").

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for an equity investment at fair value through profit or loss, which has been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

1. 公司資料

漢能太陽能集團有限公司(前稱為鉞陽太陽能技術控股有限公司)(「本公司」)於百慕達註冊成立為獲豁免有限公司。其註冊辦事處地址為Clarendon House, Church Street, Hamilton HM11, Bermuda，其主要營業地點為香港九龍柯士甸道西一號環球貿易廣場七十六樓7606-07室。

年內，本公司及其附屬公司(統稱「本集團」)從事製造矽基薄膜太陽能光伏組件製造用設備及整套生產線。

本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。本集團以香港及中華人民共和國(「中國」)為營運基地。

2.1 編製基準

此等財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」，包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例之披露規定編製。此等財務報表乃根據歷史成本慣例編製，惟按公平值列賬於損益之權益投資乃按公平值計量除外。除另有指明外，此等財務報表乃以港元(「港元」)呈列，而所有價值均調整至最接近千位數。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.1 BASIS OF PREPARATION (continued)

As at 31 December 2012, the Group had net current assets of HK\$3,230,256,000 and included in the Group's current assets as at 31 December 2012 were gross amount due from and account receivables from Hanergy Holding Group Limited ("Hanergy"), a substantial shareholder of the Company, and its subsidiaries (collectively the "Hanergy Group") for contract work of HK\$3,764,258,000 (details of which are set out in note 22(ii) to the consolidated financial statements). The Group finances its operations principally by obtaining progress payments from customers and credit terms from suppliers and therefore the Group's liquidity depends very much on the timeliness of settlement of progress payments by the Hanergy Group.

The directors of the Company, after due and careful enquiries and by performing the necessary due diligence work to assess the credibility and the capacity of the Hanergy Group, are of the view that the Hanergy Group would be able to settle all progress payments on a timely basis and fulfil all the contracts concluded with the Group. As such, the directors of the Company are of the opinion that the Group will have sufficient working capital to finance its operations and financial obligations as and when they fall due, and accordingly, are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2.1 編製基準(續)

於二零一二年十二月三十一日，本集團之流動資產淨值為3,230,256,000港元，而計入本集團於二零一二年十二月三十一日之流動資產為應收漢能控股集團有限公司(「漢能」，本公司之主要股東)及其附屬公司(統稱「漢能集團」)之合約工程款及客戶賬款3,764,258,000港元(詳情載於綜合財務報表附註22(ii))。本集團主要透過向客戶收取進度款項及從供應商獲授信貸期撥資經營，故本集團之流動資金十分依賴漢能集團是否能及時結清進度款項。

經謹慎查詢及就評估漢能集團之信譽及能力而進行必須盡職審查工作後，本公司董事認為漢能集團能夠按時結清所有進度款項，並履行與本集團訂立之所有合約。因此，本公司董事認為，本集團將具備充足營運資金以撥資經營及於財務責任到期時履行責任，故此，信納本集團適宜按持續經營基準編製綜合財務報表。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2012. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if it results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

2.1 編製基準(續)

綜合基準

綜合財務報表包括本公司及其附屬公司截至二零一二年十二月三十一日止年度之財務報表。附屬公司與本公司之財務報表的報告期間相同，並採用一致會計政策編製。附屬公司之業績由收購日期（即本集團取得控制權之日）起計綜合入賬，並繼續綜合入賬至該等控制權終止之日為止。所有集團內公司間之結餘、交易、集團內公司間交易所引致之未變現盈虧及股息均於綜合賬目時全數抵銷。

附屬公司之全面收益總額乃歸屬於非控股權益，即使此舉引致虧絀結餘。

一間附屬公司之擁有權權益發生變動（並未失去控制權），則按權益交易入賬。

倘本集團失去對一間附屬公司之控制權，則其撤銷確認(i)該附屬公司之資產（包括商譽）及負債、(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計換算差額；及確認(i)所收代價之公平值、(ii)所保留任何投資之公平值及(iii)損益賬中任何因此產生之盈餘或虧損。先前於其他全面收益內確認之本集團應佔部分重新分類為損益或留存溢利（視何者屬適當）。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

HKFRS 1 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i>
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Transfers of Financial Assets</i>
HKAS 12 Amendments	Amendments to HKAS 12 <i>Income Taxes – Deferred Tax: Recovery of Underlying Assets</i>

The adoption of the revised HKFRSs has had no significant financial effect on these financial statements.

2.2 會計政策及披露之轉變

本集團已於本年度財務報表首次採納以下經修訂香港財務報告準則。

香港財務報告準則第1號修訂本	香港財務報告準則第1號首次採納香港財務報告準則 — 嚴重高通脹及剔除首次採納者之固定日期之修訂
香港財務報告準則第7號修訂本	香港財務報告準則第7號金融工具：披露 — 金融資產轉讓之修訂
香港會計準則第12號修訂本	香港會計準則第12號所得稅 — 遞延稅項：收回相關資產之修訂

採納經修訂香港財務報告準則並無對本財務報表構成重大財務影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards – Government Loans</i> ²
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities</i> ²
HKFRS 9	<i>Financial Instruments</i> ⁴
HKFRS 10	<i>Consolidated Financial Statements</i> ²
HKFRS 11	<i>Joint Arrangements</i> ²
HKFRS 12	<i>Disclosure of Interests in Other Entities</i> ²
HKFRS 10, HKFRS 11 and HKFRS 12 Amendments	Amendments to HKFRS 10, HKFRS 11 and HKFRS 12 – <i>Transition Guidance</i> ²
HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments	Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) – <i>Investment Entities</i> ³
HKFRS 13	<i>Fair Value Measurement</i> ²

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並未於此等財務報表內應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第1號修訂本	香港財務報告準則第1號首次採納香港財務報告準則 – 政府貸款之修訂 ²
香港財務報告準則第7號修訂本	香港財務報告準則第7號金融工具：披露 – 抵銷金融資產及金融負債之修訂 ²
香港財務報告準則第9號	金融工具 ⁴
香港財務報告準則第10號	綜合財務報表 ²
香港財務報告準則第11號	合營安排 ²
香港財務報告準則第12號	披露於其他實體之權益 ²
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號修訂本	香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號 – 過渡性指引之修訂 ²
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(二零一一年)修訂本	香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(二零一一年) – 投資實體之修訂 ³
香港財務報告準則第13號	公平值計量 ²

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (continued)

HKAS 1 Amendments	Amendments to HKAS 1 <i>Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income</i> ¹
HKAS 19 (2011)	<i>Employee Benefits</i> ²
HKAS 27 (2011)	<i>Separate Financial Statements</i> ²
HKAS 28 (2011)	<i>Investments in Associates and Joint Ventures</i> ²
HKAS 32 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</i> ³
HK(IFRIC)-Int 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i> ²
<i>Annual Improvements 2009-2011 Cycle</i>	Amendments to a number of HKFRSs issued in June 2012 ²

¹ Effective for annual periods beginning on or after 1 July 2012

² Effective for annual periods beginning on or after 1 January 2013

³ Effective for annual periods beginning on or after 1 January 2014

⁴ Effective for annual periods beginning on or after 1 January 2015

2.3 已頒佈但尚未生效之香港財務 報告準則(續)

香港會計準則 第1號修訂本	香港會計準則第1號 <i>財務報表之呈列 – 其他全面收入項目之呈列之修訂</i> ¹
香港會計準則 第19號 (二零一一年)	<i>僱員福利</i> ²
香港會計準則 第27號 (二零一一年)	<i>獨立財務報表</i> ²
香港會計準則 第28號 (二零一一年)	<i>投資於聯營公司及合營企業</i> ²
香港會計準則 第32號修訂本	香港會計準則第32號 <i>金融工具：呈列 – 抵銷金融資產及金融負債之修訂</i> ³
香港(國際財務報 告詮釋委員會) — 詮釋第20號	<i>露天礦場生產階段之剝採成本</i> ²
二零零九年至 二零一一年 周期之年度 改進	於二零一二年六月頒 佈之多項香港財務 報告準則之修訂 ²

¹ 於二零一二年七月一日或之後開始之年度期間生效

² 於二零一三年一月一日或之後開始之年度期間生效

³ 於二零一四年一月一日或之後開始之年度期間生效

⁴ 於二零一五年一月一日或之後開始之年度期間生效

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (continued)

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

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

HKFRS 9 issued in November 2009 is the first part of phase 1 of a comprehensive project to entirely replace HKAS 39 *Financial Instruments: Recognition and Measurement*. This phase focuses on the classification and measurement of financial assets. Instead of classifying financial assets into four categories, an entity shall classify financial assets as subsequently measured at either amortised cost or fair value, on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. This aims to improve and simplify the approach for the classification and measurement of financial assets compared with the requirements of HKAS 39.

2.3 已頒佈但尚未生效之香港財務 報告準則(續)

預期該等適用於本集團之香港財務報告準則之進一步資料如下：

香港財務報告準則第7號修訂本要求某一實體披露有關抵銷之權利及相關安排(例如抵押品安排)。披露將提供使用者對評估淨額結算安排對某一實體之財務狀況之影響之有用資料。就根據香港會計準則第32號*金融工具：呈列抵銷*之所有已確認金融工具，須作出新披露。該等披露亦適用於受可強制執行主淨額結算安排或類似協議所規限之已確認金融工具(不論彼等是否根據香港會計準則第32號抵銷)。本集團預期自二零一三年一月一日起採用修訂。

於二零零九年十一月頒佈之香港財務報告準則第9號為完全取代香港會計準則第39號*金融工具：確認及計量*之全面計劃之第一階段第一部分。此階段針對金融資產之分類及計量。實體須根據實體管理金融資產之業務模式及金融資產之合約現金流量特徵，將金融資產分類為其後按攤銷成本或公平值計量，而非將金融資產分為四類。此舉旨在改善及簡化香港會計準則第39號所規定金融資產分類及計量方法。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (continued)

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

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

2.3 已頒佈但尚未生效之香港財務 報告準則(續)

於二零一零年十一月，香港會計師公會針對金融負債頒佈香港財務報告準則第9號之新增規定(「新增規定」)，並將香港會計準則第39號金融工具之現有終止確認原則納入香港財務報告準則第9號。大部分新增規定自香港會計準則第39號承前結轉不變，同時對採用公平值選擇(「公平值選擇」)指定按公平值列賬於損益之金融負債之計量作出變動。就該等公平值選擇負債而言，該負債信貸風險變動應佔之公平值變動金額必須於其他全面收益(「其他全面收益」)呈列。除非於其他全面收益中就負債之信貸風險呈列公平值變動，會於損益中產生或擴大會計差異，否則其餘公平值變動金額於損益呈列。然而，新增規定不涵蓋指定按公平值選擇納入之貸款承諾及財務擔保合約。

香港財務報告準則第9號旨在全面取代香港會計準則第39號。於全面取代前，香港會計準則第39號對於對沖會計及金融資產減值方面之指引繼續適用。本集團預期自二零一五年一月一日起採納香港財務報告準則第9號。於最終準則(包括所有階段)獲頒佈時，本集團將配合其他階段量化該影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (continued)

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

HKFRS 11 replaces HKAS 31 *Interests in Joint Ventures* and HK(SIC)-Int 13 *Jointly Controlled Entities – Non-Monetary Contributions by Venturers*. It describes the accounting for joint arrangements with joint control. It addresses only two forms of joint arrangements, i.e., joint operations and joint ventures, and removes the option to account for joint ventures using proportionate consolidation.

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

2.3 已頒佈但尚未生效之香港財務 報告準則(續)

香港財務報告準則第10號建立適用於所有實體(包括特殊目的實體或結構性實體)之單一控制模式。該準則包括控制之新定義，用於確定須要綜合之實體。與香港會計準則第27號綜合及獨立財務報表及香港(常務詮釋委員會) — 詮釋第12號綜合 — 特殊目的實體之規定相比，香港財務報告準則第10號引入之變動規定本集團管理層須作出重大判斷，以確定受控制之實體。香港財務報告準則第10號取代香港會計準則第27號綜合及獨立財務報表指明綜合財務報表入賬之部分。其亦指明香港(常務詮釋委員會) — 詮釋第12號提出之問題。根據已進行之初步分析，預期香港財務報告準則第10號不會對本集團目前持有之投資構成任何影響。

香港財務報告準則第11號取代香港會計準則第31號於合營企業之權益及香港(常務詮釋委員會) — 詮釋第13號共同控制實體 — 合營方之非貨幣出資，說明共同控制之合營安排之入賬。該準則僅指明兩種形式之合營安排，即共同經營及合營企業，取消了採用按比例綜合之合營公司入賬之選擇。

香港財務報告準則第12號包括附屬公司、合營安排、聯營公司及結構性實體之披露規定，該等規定以往包括在香港會計準則第27號綜合及獨立財務報表、香港會計準則第28號於聯營公司之投資及香港會計準則第31號於合營公司之權益內。該準則亦引入了該等實體之多項新披露規定。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (continued)

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

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

2.3 已頒佈但尚未生效之香港財務 報告準則(續)

於二零一二年七月，香港會計師公會已頒佈香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號之修訂以釐清香港財務報告準則第10號之過渡性指引及提供進一步寬免，免除完全追溯應用此等準則，限定僅就上一個比較期間提供經調整比較資料。該等修訂釐清，倘於香港財務報告準則第10號首次獲應用之年度期間開始時，香港財務報告準則第10號及香港會計準則第27號或香港(常務詮釋委員會)－詮釋第12號有關本集團所控制企業之綜合結論有所不同，方須進行追溯調整。此外，就有關未經綜合之結構性企業之披露而言，此等修訂將移除首次應用香港財務報告準則第12號前之期間須呈列比較資料之規定。

於二零一二年十二月頒佈香港財務報告準則第10號修訂本包括一間投資實體之定義，並為符合一間投資實體定義之企業豁免綜合入賬。根據香港財務報告準則第9號，投資實體須按附屬公司公平值計入損益入賬，而非予以綜合。香港財務報告準則第12號及香港會計準則第27號(二零一一年)已作出後續修訂。香港財務報告準則第12號修訂本亦載列投資實體之披露規定。由於本公司並非香港財務報告準則第10號所界定之投資實體，故本集團預期此等修訂將不會對本集團構成任何影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (continued)

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

HKFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The standard does not change the circumstances in which the Group is required to use fair value, but provides guidance on how fair value should be applied where its use is already required or permitted under other HKFRSs. The standard is not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2013.

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

2.3 已頒佈但尚未生效之香港財務 報告準則(續)

因頒佈香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號對香港會計準則第27號及香港會計準則第28號造成後續修訂。本集團預期自二零一三年一月一日起採納香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號、香港會計準則第27號(二零一一年)、香港會計準則第28號(二零一一年)以及於二零一二年七月及十二月頒佈之此等準則之後續修訂。

香港財務報告準則第13號提供了公平值之精確定義，公平值計量之單一來源及在香港財務報告準則範圍內使用之披露規定。該準則並不改變本集團須要使用公平值之情況，但為在其他香港財務報告準則已規定或允許使用公平值之情況下，應如何應用公平值提供了指引。預期於二零一三年一月一日採納準則後不會對本集團之財務狀況或表現構成任何影響。

香港會計準則第1號修訂本改變在其他全面收益呈列之項目之分組。在未來某個時間(例如對沖投資淨額之淨收益、換算海外業務之匯兌差額、現金流量對沖之淨變動以及可供出售金融資產之淨虧損或收益)與永不會再重新分類(例如界定福利計劃以及重估土地及樓宇之精算收益及虧損)項目獨立呈列。該等修訂將僅影響呈列方式，惟不會對財務狀況或表現構成影響。本集團預期自二零一三年一月一日起採納該等修訂。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (continued)

HKAS 19 (2011) includes a number of amendments that range from fundamental changes to simple clarifications and re-wording. The revised standard introduces significant changes in the accounting for defined benefit pension plans including removing the choice to defer the recognition of actuarial gains and losses. Other changes include modifications to the timing of recognition for termination benefits, the classification of short-term employee benefits and disclosures of defined benefit plans. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2013.

The HKAS 32 Amendments clarify the meaning of “currently has a legally enforceable right to set off” for offsetting financial assets and financial liabilities. The amendments also clarify the application of the offsetting criteria in HKAS 32 to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2014.

2.3 已頒佈但尚未生效之香港財務 報告準則(續)

香港會計準則第19號(二零一一年)包括從基本改變以至簡單闡明及重新措辭之多項修訂。經修訂之準則就界定退休福利計劃之入賬引入重大變動，包括取消遞延確認精算收益及虧損之選擇。其他變動包括離職福利確認時間之修改、短期僱員福利之分類及界定福利計劃之披露。預期於二零一三年一月一日採用修訂後不會對本集團之財務狀況或表現構成任何影響。

香港會計準則第32號修訂本為抵銷金融資產及金融負債釐清「現時擁有於法律上可強制執行之抵銷權」之釋義。該等修訂亦釐清香港會計準則第32號抵銷標準於結算系統之應用(例如中央結算所系統)，而該系統乃採用非同步之總額結算機制。本集團將於二零一四年一月一日採納該等修訂，而該等修訂預期不會對本集團之財務狀況或表現構成任何影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (continued)

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

- (a) *HKAS 1 Presentation of Financial Statements*: Clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative period is the previous period. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the previous period. The additional comparative information does not need to contain a complete set of financial statements.

In addition, the amendment clarifies that the opening statement of financial position as at the beginning of the preceding period must be presented when an entity changes its accounting policies; makes retrospective restatements or makes reclassifications, and that change has a material effect on the statement of financial position. However, the related notes to the opening statement of financial position as at the beginning of the preceding period are not required to be presented.

2.3 已頒佈但尚未生效之香港財務 報告準則(續)

二零一二年六月頒佈之二零零九年至二零一一年周期之年度改進載列多項對香港財務報告準則之修訂。本集團預期自二零一三年一月一日起採納該等修訂。各項準則均設有過渡性條文。儘管採納部分修訂可能導致會計政策變動，但預期此等修訂概不會對本集團構成重大財務影響。預期對本集團政策構成重大影響之修訂如下：

- (a) 香港會計準則第1號*財務報表之呈列*：釐清自願性額外比較資料與最低規定比較資料之間之差異。一般而言，最低規定比較期間為上個期間。當一間企業自願提供上個期間以外之比較資料時，其須於財務報表之相關附註中載入比較資料。額外比較資料毋須包含完整財務報表。

此外，修訂本釐清當企業變更其會計政策、作出追溯重列或進行重新分類，而有關變動對財務狀況表構成重大影響，則須呈列上個期間開始時之期初財務狀況表。然而，上個期間開始時之期初財務狀況表之相關附註則毋須呈列。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (continued)

- (b) HKAS 32 *Financial Instruments: Presentation*: Clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with HKAS 12 *Income Taxes*. The amendment removes existing income tax requirements from HKAS 32 and requires entities to apply the requirements in HKAS 12 to any income tax arising from distribution to equity holders.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's statement of comprehensive income to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed 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. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

- (b) 香港會計準則第32號*金融工具：呈列*：釐清向權益持有人作出分派所產生之所得稅須按香港會計準則第12號*所得稅*入賬。該修訂刪除香港會計準則第32號之現有所得稅規定，並要求企業就向權益持有人作出分派所產生之任何所得稅須應用香港會計準則第12號之規定。

2.4 主要會計政策概要

附屬公司

附屬公司乃本公司直接或間接控制其財務及營運政策以從其業務中獲取利益之公司。

附屬公司業績按已收及應收股息數量計入本公司之全面收益表。本公司於附屬公司之投資按成本減任何減值虧損列賬。

業務合併及商譽

業務合併採用收購法入賬。轉讓代價以收購日期之公平值計量，乃本集團所轉讓資產之收購日期公平值、本集團自被收購方之前擁有人承擔之負債及本集團發行以交換被收購方控制權之股本權益之總和。就各業務合併而言，本集團選擇是否以公平值或被收購方可識別資產淨值之應佔比例，計量屬現有擁有權權益及賦予持有人權利於清盤時按比例分佔資產淨值之於被收購方之非控股權益。非控股權益之所有其他部分按公平值計量。收購相關成本於產生時支銷。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of HKAS 39 is measured at fair value with changes in fair value either recognised in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of HKAS 39, it is measured in accordance with the appropriate HKFRS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

2.4 主要會計政策概要

(續)

業務合併及商譽(續)

當本集團收購業務時，其根據合約條款、經濟環境及於收購日期之相關條件評估金融資產及所承擔之負債以作出適當之分類及指定。此包括將被收購公司之內含衍生工具與主合約分開。

倘業務合併分階段達成，則早前持有之被收購方股本權益乃按其於收購日期之公平值重新計量，而任何產生之盈虧乃於損益表內確認。

由收購方將予轉讓之任何或然代價按收購日期之公平值確認。或然代價(被分類為金融工具之資產或負債，並屬香港會計準則第39號範圍內)按公平值計量，公平值變動將於損益表確認或確認為其他全面收入之變動。倘或然代價不屬香港會計準則第39號範圍內，則按適用香港財務報告準則計量。分類為權益之或然代價將不會重新計量，而其後結算會於權益內列賬。

商譽初步按成本計量，即所轉讓代價、就非控股權益確認之金額及本集團過往所持有被收購公司股本權益之任何公平值之總和超出所收購可識別資產及所承擔負債之淨額之差額。倘此代價及其他項目之總和低於所收購附屬公司資產淨值之公平值，則該差額於重新評估後於損益確認為議價購買收益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2.4 主要會計政策概要 (續)

業務合併及商譽(續)

於初步確認後，商譽按成本減任何累計減值虧損計量。商譽每年或於發生事件或情況變動顯示賬面值可能減值時更頻繁地進行減值測試。本集團於十二月三十一日進行年度商譽減值測試。就減值測試而言，於業務合併中收購之商譽自收購日期起分配至本集團各現金產生單位或各組現金產生單位分配，該等現金產生單位預期會受惠於合併帶來之協同效益，而不論本集團其他資產或負債有否分配至該等單位或單位組別。

減值乃按評估與商譽有關之現金產生單位(現金產生單位組別)之可收回金額而釐定。倘現金產生單位(現金產生單位組別)之可收回金額低於賬面值，則確認減值虧損。已就商譽確認之減值虧損不會於其後期間撥回。

倘商譽已分配至現金產生單位(或現金產生單位組別)及所出售單位內業務之一部分，則於釐定出售事項之盈虧時，與出售業務有關之商譽計入業務賬面值。在此情況下出售之商譽，乃按出售業務與所保留現金產生單位部分之相對價值計量。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, construction contract assets, financial assets and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to profit or loss of the statement of comprehensive income in the period in which it arises in those expense categories consistent with the function of the impaired asset.

2.4 主要會計政策概要

(續)

非金融資產之減值

倘出現減值跡象，或需要對資產（存貨、建設合約資產、金融資產及商譽除外）進行年度減值測試，則估計資產之可收回金額。資產之可收回金額乃按資產或現金產生單位之使用價值或其公平值扣除銷售成本之較高者計算，並就個別資產釐定，除非該資產並無產生大致上獨立於其他資產或資產組別之現金流入，在此情況下，則就該資產所屬之現金產生單位釐定可收回金額。

減值虧損僅於資產賬面值超過其可收回金額時確認。在評估使用價值時，估計未來現金流量乃按稅前貼現率計算其現值，該貼現率反映目前市場對貨幣時間值之評估及該資產之特定風險。減值虧損乃在其產生期間自全面收益表之損益與資產減值相符之相關費用類別扣除。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets (continued)

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss of the statement of comprehensive income in the period in which it arises.

Related parties

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

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

or

2.4 主要會計政策概要 (續)

非金融資產之減值(續)

於每個報告期末會評估有否跡象顯示過往確認之減值虧損已不再存在或有所減少。倘出現任何該等跡象，則會估計可收回金額。當用以釐定資產可收回金額之估計有變時，方會撥回先前就資產(商譽除外)確認之減值虧損，惟撥回之數額不可超過倘過往年度並無就該項資產確認減值虧損而原應釐定之賬面值(扣除任何折舊／攤銷)。撥回之減值虧損於產生期間計入全面收益表之損益。

關連人士

下列任何一方被視為本集團之關連人士：

- (a) 該方為某人士或某人士之直系親屬，且該人士
 - (i) 對本集團具有控制權或共同控制權；
 - (ii) 對本集團具有重大影響力；或
 - (iii) 為本集團或其母公司之其中一名主要管理人；

或

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

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

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

2.4 主要會計政策概要

(續)

關連人士(續)

- (b) 該方乃以下任何條件適用之實體：
- (i) 該實體及本集團為同一集團之成員；
 - (ii) 該實體為其他實體(其他實體之母公司、附屬公司或同系附屬公司)之聯營公司或合資企業；
 - (iii) 該實體及本集團為同一第三者之合資企業；
 - (iv) 該實體乃第三者之合資企業，而另一實體為第三方實體之聯營公司；
 - (v) 該實體為本集團或本集團有關實體為僱員福利設立之退休福利計劃；
 - (vi) 該實體受(a)所述之人士控制或共同控制；及
 - (vii) (a)(i)所述之人士對該實體具有重大影響力或乃該實體(或該實體之母公司)之其中一名主要管理人員。

物業、廠房及設備及折舊

除在建工程以外之物業、廠房及設備乃按成本減累計折舊及任何減值虧損入賬。物業、廠房及設備項目之成本包括其購入價以及將該項資產置於其運作狀態及地點作其擬定用途之任何直接相關成本。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss of the statement of comprehensive income in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write-off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land under finance leases	Over the lease terms
Buildings	4% — 5%
Plant and machinery	10% — 20%
Moulds and tools	20% — 33 ¹ / ₃ %
Leasehold improvements, furniture, fixtures and equipment	20% — 25%
Motor vehicles	20% — 25%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

2.4 主要會計政策概要 (續)

物業、廠房及設備及折舊(續)

物業、廠房及設備項目投入運作後所產生如維修及保養等開支，通常於產生期間自全面收益表之損益扣除。倘符合確認標準，則有關重大檢查之開支會按該資產之賬面值資本化為重置資產。倘物業、廠房及設備之主要部分須分段重置，則本集團將該等部分確認為獨立資產，並設定特定之可使用年期及進行相應折舊。

折舊乃按直線基準將每項物業、廠房及設備之成本於其估計可使用年內撇銷至其剩餘價值。就此所採用之主要年率如下：

融資租賃土地	按租期
樓宇	4% — 5%
廠房及機器	10% — 20%
模具及工具	20% — 33 ¹ / ₃ %
租賃物業裝修、傢俬、裝置及設備	20% — 25%
汽車	20% — 25%

倘物業、廠房及設備項目各部分之可使用年期不同，則該項目之成本會按合理基準分配至各部分，而各部分會分別計算折舊。就至少一次剩餘價值、可使用年期及折舊方法將至少於各財政年末檢討，並作出調整(如適用)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss of the statement of comprehensive income in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents plant and machinery under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and installation. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be finite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Technology know-how

Purchased technology know-how is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 10 years.

2.4 主要會計政策概要

(續)

物業、廠房及設備及折舊(續)

倘物業、廠房及設備項目(包括任何主要部分)於出售後或預期日後使用或出售該項目不會帶來經濟利益，則會終止確認有關項目。於該資產終止確認年度之全面收益表之損益內確認之任何出售或報廢盈虧乃有關資產出售所得款項淨額與賬面值之差額。

在建工程指建設中之廠房及機器，按成本值減任何減值虧損列賬而不作折舊。成本值包括建築工程及安裝之直接成本。在建工程於落成及可供使用時重新分類為物業、廠房及設備之適當類別。

無形資產(商譽除外)

分開收購之無形資產於初步確認時按成本計量。於業務合併時收購之無形資產之成本乃收購日期之公平值。無形資產之可使用年期評估為有限。具有有限年期之無形資產其後按可使用年期攤銷，並於有跡象顯示該無形資產可能出現減值時進行減值評估。具有有限年期之無形資產之攤銷年期及攤銷方法至少於各財政年末進行檢討。

技術知識

購入之技術知識按成本減任何減值虧損列賬，並按直線基準於其估計可使用年期10年內攤銷。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

Customer contracts

Customer contracts secured on the date of acquisition will be recognised as cost of goods sold when the revenue of the related customer contracts is recognised.

Research and development costs

All research costs are charged to profit or loss of the statement of comprehensive income as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

2.4 主要會計政策概要 (續)

無形資產(商譽除外)(續)

客戶合約

於收購日期所獲之客戶合約將於確認有關客戶合約收入時確認為已售出貨品之成本。

研發成本

所有研究成本於產生時自全面收益表之損益扣除。

開發新產品項目所產生之開支只會在本集團能顯示有可行性技術完成無形資產以使其可供使用或出售、有意完成及有能力使用或出售資產、資產如何產生未來經濟利益、可否獲得完成項目所需資源及能否可靠計量開發支出時，方可撥作資本及遞延。不符合該等準則之產品開發開支乃於產生時支銷。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to profit or loss of the statement of comprehensive income on the straight-line basis over the lease terms.

Investments and other financial assets

Initial recognition and measurement

Financial assets within the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial investments. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

2.4 主要會計政策概要

(續)

租賃

資產擁有權之絕大部分回報及風險仍由出租人承擔之租賃，均入賬列為經營租賃。如本集團為承租人，根據經營租賃應付之租金在扣除自出租人收取之任何獎勵金後，按直線基準於租期內於全面收益表之損益內扣除。

投資及其他金融資產

初步確認及計量

屬於香港會計準則第39號範圍內之金融資產分類為按公平值於損益列賬之金融資產、貸款及應收款項及可供出售金融工具。本集團於初步確認時釐定其金融資產之分類。倘金融資產乃於初步確認，其乃按公平值加交易成本計量，惟按公平值於損益列賬之金融資產除外。

所有以正常方式買賣之金融資產於交易日(即本集團承諾購買或出售該資產當日)予以確認。以正常方式買賣指須於市場規例或常規所定時間內交付資產之金融資產買賣。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presented as finance costs in profit or loss of the statement of comprehensive income. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

Financial assets designated upon initial recognition at fair value through profit or loss are designated at the date of initial recognition and only if the criteria under HKAS 39 are satisfied.

2.4 主要會計政策概要 (續)

投資及其他金融資產(續)

其後計量

金融資產之其後計量視乎其分類進行，方式如下：

按公平值列賬於損益之金融資產

按公平值列賬於損益之金融資產包括持作買賣金融資產及於初步確認時指定按公平值列賬於損益之金融資產。金融資產如以短期內出售為目的而購買，則分類為持作買賣資產。

按公平值列賬於損益之金融資產按公平值於財務狀況表入賬，而正數之淨公平值變動則於全面收益表之損益內以其他收入及收益呈列，而負數之淨公平值變動則以財務費用呈列。此等淨公平值變動並不包括此等金融資產之任何股息或所賺取之利息，有關股息或利息乃根據下文「收入確認」所載之政策確認。

於初步確認時指定為按公平值列賬於損益之金融資產於初步確認日期且僅於符合香港會計準則第39號之準則時指定。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

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

The Group evaluates its financial assets at fair value through profit or loss (held for trading) to assess whether the intent to sell them in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intent to sell them in the foreseeable future significantly changes, the Group may elect to reclassify them. The reclassification from financial assets at fair value through profit or loss to loans and receivables, available-for-sale financial assets or held-to-maturity investments depends on the nature of the assets. This evaluation does not affect any financial assets designated at fair value through profit or loss using the fair value option at designation, as these instruments cannot be reclassified after initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in profit or loss of the statement of comprehensive income. The loss arising from impairment is recognised in profit or loss of the statement of comprehensive income in finance costs for loans and in other expenses for receivables.

2.4 主要會計政策概要

(續)

投資及其他金融資產(續)

按公平值列賬於損益之金融資產(續)

本集團評估其按公平值列賬於損益之金融資產(持作交易)，以評估於近期內出售之意向是否仍然合適。當市場不活躍導致本集團無法買賣此等金融資產或管理層在可見將來出售之意向出現重大改變，本集團可能於罕有情況下選擇重新將此等金融資產分類。按公平值列賬於損益之金融資產視乎資產之性質重新分類為貸款及應收款項、可供出售金融資產或持有至到期日之投資。由於此等工具於初步確認後不能重新分類，故此評估並不影響任何指定採用公平值選擇之按公平值列賬於損益之任何金融資產。

貸款及應收款項

貸款及應收款項為具有固定或可確定付款，但在活躍市場中無報價之非衍生金融資產。於初步計量後，該等資產其後採用實際利率法按攤銷成本減任何減值撥備計量。攤銷成本乃按收購之任何折讓或溢價計算，並包括屬實際利率必要部分之費用或成本。實際利率攤銷計入全面收益表中損益之其他收入及收益內。減值產生之虧損於全面收益表之損益中之財務費用(就貸款而言)及其他開支(就應收款項而言)內確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in unlisted equity investments. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated at fair value through profit or loss.

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in profit or loss of the statement of comprehensive income in other income and gains, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to profit or loss of the statement of comprehensive income in other expenses. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively and are recognised in profit or loss of the statement of comprehensive income as other income and gains in accordance with the policies set out for "Revenue recognition" below.

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

2.4 主要會計政策概要

(續)

投資及其他金融資產(續)

可供出售金融投資

可供出售金融投資指非上市權益投資中之非衍生金融資產。分類為可供出售之權益投資即未被分類為持作買賣亦非被指定為公平值計入損益之金融資產。

於首次確認後，可供出售金融投資其後按公平值計量，而有關未變現盈虧確認為其他全面收益中之可供出售投資重估儲備，直至投資終止確認為止，屆時累計盈虧均於全面收益表之其他收入確認，或直至該投資被釐定為將予減值為止，屆時累計盈虧將由可供出售投資重估儲備重新分類至收益表損益之其他開支。持有可供出售金融投資時賺取之利息及股息分別以利息收入及股息收入呈報，並根據下文「收入確認」所載之政策於全面收益表損益中確認為其他收入及收益。

倘基於 (a) 該項投資之合理公平值估計範圍廣闊或 (b) 於估計公平值時無法合理評估並使用該範圍內不同估計之可能性而未能可靠計量非上市股權投資之公平值，則該等投資均按成本減任何減值虧損列賬。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments (continued)

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intent to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets. Reclassification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the Group has the intent and ability to hold these assets for the foreseeable future or to maturity. Reclassification to the held-to-maturity category is permitted only when the Group has the ability and intent to hold until the maturity date of the financial asset.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss of the statement of comprehensive income over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to profit or loss of the statement of comprehensive income.

2.4 主要會計政策概要

(續)

投資及其他金融資產(續)

可供出售金融投資(續)

本集團評估近期出售其可供出售金融資產之能力及意向是否仍合適。在極少數情況下，倘本集團因市場不活躍及管理層擬於可預見將來如此行事之意向出現重大變動而無法買賣該等金融資產，則本集團可選擇重新分類該等金融資產。倘金融資產符合貸款及應收款項之定義，而本集團有意及有能力於可預見將來持有該等資產或持至到期，則獲准重新分類至貸款及應收款項。僅當本集團有能力及有意持有金融資產直至其到期日時方可重新分類至持至到期類別。

就金融資產從可供出售類別重新分類而言，重新分類日期之公平值賬面值成為其新攤銷成本，而該資產之前已於權益確認之任何收益或虧損採用實際利率於餘下投資年期攤銷至全面收益表之損益。新攤銷成本與到期金額之間之任何差額亦採用實際利率於資產餘下年期攤銷。倘資產其後被釐定為將予減值，則於權益入賬之金額重新分類至綜合收益表之損益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策概要

(續)

終止確認金融資產

金融資產(或倘適用,一項金融資產之一部分或一組同類金融資產之一部分)在下列情況將終止確認:

- 自資產收取現金流量之權利經已屆滿;或
- 本集團已轉讓其自資產收取現金流量之權利,或已根據「轉遞」安排就向第三方在並無重大延誤下全數支付所收取現金流量承擔責任;而(a)本集團已轉讓資產之絕大部分風險及回報,或(b)本集團並無轉讓或保留資產之絕大部分風險及回報,惟已轉讓資產之控制權。

倘本集團已轉讓其自資產收取現金流量之權利或已訂立轉遞安排,其評估是否保留資產所有權之風險及回報以及保留程度。倘無轉讓或保留資產之絕大部分風險及回報,亦無轉讓資產之控制權,則資產按本集團持續參與資產之程度確認。在該情況下,本集團亦確認相關負債。已轉讓資產及相關負債乃按反映本集團已保留權利及義務之基準計量。

按已轉讓資產之擔保方式之持續參與乃按資產之原賬面值及本集團可能需要償還之最高代價兩者之較低者計算。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

2.4 主要會計政策概要

(續)

金融資產之減值

本集團於各報告期末評估是否有客觀憑證顯示一項金融資產或一組金融資產出現減值。倘及僅倘於初步確認一項金融資產或一組金融資產後發生一項或多項事件導致存在客觀減值憑證(一項已發生「虧損事件」)，而該虧損事件對該項金融資產或該組金融資產之估計未來現金流量所造成之影響能可靠地估計，則該項資產或該組資產會被視為減值。減值憑證可包括一名債務人或一群債務人正面臨重大財政困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察資料顯示估計未來現金流量出現可計量減少，例如欠款數目變動或出現與違約相關之經濟狀況。

按攤銷成本列賬之金融資產

就按攤銷成本列賬之金融資產而言，本集團首先會按個別基準就個別屬重大之金融資產或按組合基準就個別不屬重大之金融資產，評估是否存在客觀減值憑證。倘本集團釐定個別評估之金融資產(無論具重要性與否)並無客觀憑證顯示出現減值，則該項資產會歸入一組具有相似信貸風險特性之金融資產內，並共同評估該組金融資產是否存在減值。經個別評估減值且減值虧損會予確認或繼續確認入賬之資產，不會納入綜合減值評估之內。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss of the statement of comprehensive income. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in profit or loss of the statement of comprehensive income.

2.4 主要會計政策概要

(續)

金融資產之減值(續)

按攤銷成本列賬之金融資產(續)

倘有客觀憑證顯示出現減值虧損，則虧損數額按資產賬面值與按估計未來現金流量(不包括尚未產生之未來信貸虧損)現值之差額計算。估計未來現金流量現值乃按金融資產原有實際利率(即初步確認時計算之實際利率)貼現。倘貸款之利率為浮動利率，則計量任何減值虧損之貼現率為當前實際利率。

該資產之賬面值會通過使用撥備賬而減少，而虧損會於全面收益表之損益內確認。利息收入繼續按減少後之賬面值計提，且採用計量減值虧損時用以貼現未來現金流量之利率累計。若日後收回之機會極低及所有抵押品已經變現或轉讓予本集團，則撇銷貸款及應收款項連同任何相關撥備。

倘於其後期間估計減值虧損金額由於確認減值以後發生之事件增加或減少，則透過調整撥備賬增加或減少先前確認之減值虧損。倘撇銷其後收回，該項收回計入全面收益表中損益之其他開支內。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the profit or loss of the statement of comprehensive income, is removed from other comprehensive income and recognised in profit or loss of the statement of comprehensive income.

2.4 主要會計政策概要

(續)

金融資產之減值(續)

按成本列賬之資產

倘有客觀跡象表明一項無報價權益工具已產生減值虧損，而該項工具由於其公平值無法可靠計量而並無按公平值列賬，或衍生資產已產生減值虧損，而其與該無報價權益工具有關及必須透過交付該無報價權益工具支付，則虧損之金額乃按該資產之賬面值與將預計未來現金流量按目前市場類似金融資產之回報率折現之現值兩者之差額計算。該等資產之減值虧損不得撥回。

可供出售金融投資

就可供出售金融投資而言，本集於各報告期末評估是否有客觀證據指出一項投資或一組投資出現減值。

倘可供出售金融投資出現減值，有關金額(即其成本(扣除任何本金額付款及攤銷)與其現有公平值間之差額，減任何早前於全面收益表內之損益內確認之任何減值虧損)，將自其他全面收益移除，並在全面收益表之損益中確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale financial investments (continued)

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. The determination of what is “significant” or “prolonged” requires judgement. “Significant” is evaluated against the original cost of the investment and “prolonged” against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss of the statement of comprehensive income – is removed from other comprehensive income and recognised in profit or loss of the statement of comprehensive income. Impairment losses on equity instruments classified as available for sale are not reversed through profit or loss of the statement of comprehensive income. Increases in their fair value after impairment are recognised directly in other comprehensive income.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of HKAS 39 are classified as loans and borrowings. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group’s financial liabilities include trade and other payables and the Convertible Bonds.

2.4 主要會計政策概要

(續)

金融資產之減值(續)

可供出售金融投資(續)

倘權益投資分類為可供出售類別，客觀證據將包括該項投資公平值大幅或長期跌至低於其成本值。釐定「大幅」或「長期」時需要作出判斷。「大幅」是就於投資之原來成本評估，而「長期」則就公平值低於其原來成本之期間評估。倘出現減值證據，則累計虧損(按收購成本與現時公平值間之差額，減該項投資早前於全面收益表之損益內確認之任何減值虧損計量)將從其他全面收益中移除，並於全面收益表之損益內確認。分類為可供出售之權益投資之減值虧損不可透過全面收益表之損益撥回，而其公平值於減值後之增加部分會直接於其他全面收益中確認。

金融負債

初步確認及計量

屬香港會計準則第39號範圍內之金融負債分類為貸款及借貸。本集團於初步確認時釐定其金融負債之分類。

所有金融負債初步按公平值確認，而就貸款及借貸而言，則扣除直接應計交易成本確認。

本集團之金融負債包括貿易及其他應付款項及可換股債券。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Trade and other payables and bills payable

They are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss of the statement of comprehensive income when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised costs is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss of the statement of comprehensive income.

Convertible Bonds

Convertible Bonds that can be converted to equity share capital at the option of the holders, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component.

2.4 主要會計政策概要 (續)

金融負債(續)

其後計量

金融負債之其後計量根據其分類進行，方式如下：

貿易及其他應付款項及應付票據

貿易及其他應付款項及應付票據初步按其公平值計量，其後則採用實際利率法按攤銷成本計量，除非折讓之影響屬不重大，於該情況下則按成本列賬。倘負債獲終止確認，收益及虧損會於全面收益表之損益內並透過以實際利率攤銷程序確認。

攤銷成本乃經考慮於購入時之任何折價或溢價以及實際利率組成部分之費用或成本後計算。實際利率攤銷額乃計入全面收益表之損益之財務費用中。

可換股債券

倘於兌換時將予發行之股份數目及將予收取之代價價值當時並無改變，則可供持有人選擇兌換為股本之可換股債券列賬為包含負債部分及權益部分之複合金融工具列賬。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Convertible Bonds (continued)

Convertible Bonds issued by the Group that contain both financial liability and equity components are classified separately into respective liability and equity component on initial recognition. On initial recognition, the fair value of the Convertible Bonds is determined using the binomial model that takes into account factors specific to the Convertible Bonds. Liability component is then determined using the prevailing market interest rate for similar non-convertible debts. The remainder is allocated to the conversion option and is included in equity as equity component of the Convertible Bonds.

The liability component is subsequently carried at amortised cost using the effective interest method. The equity component will remain in equity until conversion or redemption of the bond.

When the bonds are converted, the equity component of the Convertible Bonds and the carrying amount of the liability component at the time of conversion, are transferred to share capital and share premium as consideration for the shares issued. If the bonds are redeemed, the equity component of the Convertible Bonds is released directly to retained profits.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

2.4 主要會計政策概要

(續)

金融負債(續)

可換股債券(續)

本集團發行之包含金融負債及權益部分之可換股債券於初步確認時分別分類為相關負債及權益部分。於初步確認時，可換股債券之公平值乃使用考慮可換股債券特有因素之二項模式釐定。負債部分其後使用類似非可換股債務之現行市場利率釐定。餘額分配至兌換權，並作為可換股債券之權益部分計入權益。

負債部分其後使用實際利率法按攤銷成本列賬。權益部分將保留在權益內直至兌換或贖回債券為止。

倘債券獲兌換，可換股債券權益部分及負債部分於兌換時之賬面值轉撥至股本及股份溢價，作為已發行股份之代價。倘債券獲贖回，則可換股債券權益部分直接撥入留存溢利。

終止確認金融負債

金融負債於負債之責任已解除、註銷或屆滿時終止確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial liabilities (continued)

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss of the statement of comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss of the statement of comprehensive income on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration is recognised in equity.

2.4 主要會計政策概要 (續)

終止確認金融負債(續)

當現有金融負債由同一貸款人以大致不同條款之另一負債取代時，或現有負債之條款有重大修改時，則有關交換或修改被視為終止確認原有負債及確認一項新負債，而有關賬面值間之差額乃於全面收益表之損益內確認。

抵銷金融工具

倘現時擁有於法律上可強制執行之作抵銷已確認金額，並有意按淨額基準結算，或可同時變現資產並結算負債，則金融資產及金融負債可互相抵銷，而有關淨額會於財務狀況表內呈報。

金融工具之公平值

於活躍市場買賣之金融工具公平值乃參考市場報價或交易商之報價(好倉之買入價及淡倉之賣出價)而釐定，且不會扣除任何交易成本。

庫存股份

購回本身之權益工具(庫存股份)按成本確認並自權益中扣除。因購買、出售、發行或註銷本公司本身之權益工具而產生之損益不會於全面收益表之損益內確認。賬面值與代價之差額於權益確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statement of financial position, cash and bank balances comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

2.4 主要會計政策概要 (續)

存貨

存貨乃按成本及可變現淨值兩者中較低者列賬。就在建工程及製成品而言(包括直接物料、直接勞工及適當比率)，成本乃按加權平均數基準釐定。可變現淨值則以估計售價減任何估計因完成及出售而產生之成本計算。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及於購入後一般於三個月內到期、可隨時兌換為確定現金數額且價值變動風險不大之短期及高度流通投資，扣除須按要求時償還之銀行透支，並構成本集團現金管理一部分。

就財務狀況表而言，現金及銀行結存包括手頭及銀行現金，包括定期存款及類似現金性質且無用途限制之資產。

所得稅

所得稅包括即期及遞延稅項。有關損益外確認項目之所得稅於其他全面收益或直接於權益內在損益外確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策概要

(續)

所得稅(續)

現行及過往期間之即期稅項資產及負債乃根據於報告期末已實施或大致實施之稅率(及稅務法例)，考慮本集團經營所在國家之現行詮釋及慣例，按預期可自稅務當局收回或向其支付之數額計算。

遞延稅項乃使用負債法就於報告期末資產與負債之稅基及其作財務申報用途之賬面值兩者間之所有暫時差額計提撥備。

遞延稅項負債乃就所有應課稅暫時差額確認，除非：

- 遞延稅項負債乃因初步確認商譽或一項並非業務合併且在交易當時不會對會計溢利或應課稅溢利或虧損造成影響之交易中之資產或負債而產生；及
- 就與投資於附屬公司有關之應課稅暫時差額而言，倘暫時差額撥回之時間可予控制或暫時差額於可見將來可能不會撥回則除外。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

2.4 主要會計政策概要

(續)

所得稅(續)

遞延稅項資產乃就所有可扣減暫時差額、承前未用稅項抵免及任何未用稅項虧損予以確認。遞延稅項資產之確認以有可能將會有應課稅溢利抵銷可扣減暫時差額、承前未用稅項抵免及未用稅項虧損為限，除非：

- 與可扣減暫時差額有關之遞延稅項資產乃因初步確認一項並非業務合併且在交易當時不會對會計溢利或應課稅溢利或虧損造成影響之交易中之資產或負債而產生；及
- 就與投資於附屬公司有關之可扣減暫時差額而言，遞延稅項資產僅會在暫時差額於可見將來可能會撥回及可能有應課稅溢利可用於對銷暫時差額時方會確認。

遞延稅項資產之賬面值於各報告期末均會進行審閱，如不再可能有足夠應課稅溢利可用於抵免全部或部分遞延稅項資產，則會予以撇減。未確認之遞延稅項資產會於各報告期末重新評估，在可能有足夠應課稅溢利可用於收回全部或部分遞延稅項資產時予以確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Government grants

Government grants are recognised at their fair values where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

2.4 主要會計政策概要

(續)

所得稅(續)

遞延稅項資產及負債乃根據於報告期末已實施或已大致實施之稅率(及稅務法例)，按預期將於資產變現或負債償付期間適用之稅率計量。

倘有合法可強制執行權利將即期稅項資產與即期稅項負債抵銷，而遞延稅項乃與同一應課稅實體及同一稅務當局有關，則遞延稅項資產及遞延稅項負債可予抵銷。

政府補貼

政府補貼於有理由確定能予以收取，以及符合所有附帶條件後，按公平值確認。當補貼涉及開支項目，則以有系統方式，將補貼在有關期間內呈列並確認為收益，以抵銷擬作補償之成本。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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:

- (a) from the manufacture of equipment and turnkey production lines: either (i) upon customers' acceptance when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither management involvement to the degree usually associated with ownership, nor effective control over the products sold; or (ii) on the percentage of completion basis, pursuant to which costs to complete a contract are estimated and revenue is recognised based on the estimated progress to completion, as further explained in the accounting policy for "Construction contracts" below, depending on the structure and terms of arrangement;
- (b) from the rendering of services, when the services are rendered;

2.4 主要會計政策概要

(續)

收入確認

收入乃於本集團預計可獲得經濟利益及能可靠計算收入時，按下列基準確認入賬：

- (a) 來自製造設備及整套生產線：於 (i) 客戶接納擁有權之大部分風險及回報已轉讓予買方時，惟本集團須並無維持通常與擁有權有關之參與程度或於售出產品擁有實際控制權；或 (ii) 按完工百分比基準，據此，完成合約之成本及收入分別視乎安排之結構及條款，按估計完成進度估計及確認(按下文「建設合約」之會計政策所進一步闡述)；
- (b) 來自提供服務，於提供服務時；

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

- (c) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and
- (d) dividend income, when the shareholders' right to receive payment has been established.

Construction contracts

Contract revenue comprises the agreed contract amount and appropriate amounts from variation orders, claims and incentive payments. Contract costs incurred comprise direct materials, the costs of subcontracting, direct labour and an appropriate proportion of variable and fixed construction overheads.

Revenue from fixed price construction contracts is recognised on the percentage of completion method, measured by reference to the proportion of costs incurred to date to the estimated total cost of the relevant contract.

Provision is made for foreseeable losses as soon as they are anticipated by management. Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from contract customers. Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to contract customers.

2.4 主要會計政策概要

(續)

收入確認(續)

- (c) 利息收入，按應計基準以實際利率法使用比率透過應用該比率將估計於金融工具預計年期或較短期間（按適用情況）內之未來現金收入準確貼現至該金融資產之賬面淨值；及
- (d) 股息收入，當股東收取付款之權利確立時。

建設合約

合約收入包括議定合約金額及因訂單、索償及佣金變動而產生之適當金額。所產生之合約成本包括直接物料、分包成本、直接勞工及適當比例之可變及固定建設工程經常開支。

固定價格建設合約之收入乃按完工百分比法確認，並參考直至該日已產生之成本佔有關合約之估計總成本之比例計量。

倘管理層預計到於可見未來出現虧損，即會提取撥備。倘直至該日已產生之合約成本另加已確認溢利減去已確認虧損超逾進度賬單款項，則有關結餘被視為應收客戶之合約工程款項。倘進度賬單款項超逾直至該日已產生之合約成本另加已確認溢利減去已確認虧損，則有關結餘被視為應付合約客戶之款項。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 29 to the financial statements.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss of the statement of comprehensive income for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

2.4 主要會計政策概要

(續)

以股份為基礎之付款

本公司設有購股權計劃，以鼓勵及獎勵對本集團營運成功作出貢獻之合資格參與者。本集團僱員(包括董事)收取以股份為基礎之付款形式發出之酬金，據此，僱員提供服務作為權益工具之代價(「權益結算交易」)。

於二零零二年十一月七日以後授予僱員之以權益結算交易之成本乃參考彼等授出當日之公平值計算。公平值由外聘估價師使用二項模式釐定，其詳情載於財務報報附註29。

權益結算交易之成本連同股本之相應增加會於達成表現及／或服務條件之期間內確認。由各報告期末直至歸屬日就權益結算交易確認之累計費用反映歸屬期屆滿之程度，以及本集團就最終將會歸屬之權益工具數目所作最佳估計。期內於全面收益表扣除或計入損益之項目指於期初及期終確認之累計費用變動。

未能最終歸屬之報酬不會確認為費用，除非權益結算交易須待達成市場或非歸屬條件後方可歸屬，在此情況下，不論市場或非歸屬條件是否獲達成，均會被視作已歸屬處理，惟其他所有表現及／或條件必須已獲達成。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

2.4 主要會計政策概要

(續)

股份支付交易(續)

當修訂權益結算報酬之條款時，倘符合報酬之原有條款，則會確認最少之費用，猶如條款並無修訂一樣。此外，會就導致以股份支付交易之公平總值增加，或按於修訂日期計量而對僱員有利之任何修訂確認費用。

當權益結算報酬被註銷時，會被視作於註銷當日經已歸屬，並即時確認尚未就報酬確認之任何費用。這包括不符合本集團或僱員所能控制之非歸屬條件之任何報酬。然而，倘已註銷報酬由任何新報酬所替代，並於授出當日獲指定為替代報酬，則該項註銷及新報酬會如前段所述被處理，猶如彼等乃原有報酬之修訂。

於計算每股盈利時，尚未行使購股權之攤薄影響乃反映為額外之股份攤薄。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss of the statement of comprehensive income as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute to a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss of the statement of comprehensive income as they become payable in accordance with the rules of the central pension scheme.

2.4 主要會計政策概要

(續)

其他僱員福利

退休金計劃

本集團根據強制性公積金計劃條例為其合資格參與計劃之僱員設立一項定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款乃以僱員之基本薪金百分比作出，並根據強積金計劃之規則於應付時在全面收益表之損益內扣除。強積金計劃之資產乃存放於一個獨立管理之基金內，與本集團之資產分開持有。當本集團向強積金計劃供款後，僱員有權完全享有僱主供款。

本集團於中國所經營之附屬公司之僱員，須參加當地市政府設立之中央退休金計劃。此等附屬公司須按其薪酬成本之若干百分比向中央退休金計劃供款，並於根據中央退休金計劃之規則須支付該款項時自全面收益表之損益扣除。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss of the statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation differences on the items whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

2.4 主要會計政策概要

(續)

外幣

此等財政報表以港元呈列，乃本公司之功能及呈列貨幣。本集團各實體決定其本身之功能貨幣，而計入各實體財政報表之項目均以該功能貨幣計量。本集團各實體所入賬之外幣交易初步乃按交易日期其各自之功能貨幣現行匯率入賬。以外幣為單位之貨幣資產及負債按於報告期末功能貨幣之適用匯率重新換算。因結算或換算貨幣項目之差額會於全面收益表之損益中確認。

以外幣為單位而按歷史成本計量之非貨幣項目按初次交易日之匯率換算。以外幣為單位而按公平值計量之非貨幣項目，按釐定公平值當日之匯率換算。換算非貨幣項目產生並按公平值計量之收益或虧損乃與確認該項目之公平值變動而確認之盈虧之處理方法一致(即於其他全面收益或損益中確認公平值盈虧之項目之匯兌差額，亦分別於其他全面收益或損益中確認)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Foreign currencies *(continued)*

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates prevailing at the end of the reporting period and their statements of comprehensive income are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss of the statement of comprehensive income.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.4 主要會計政策概要

(續)

外幣^(續)

若干海外附屬公司之功能貨幣乃港元以外之貨幣。於報告期末，該等實體之資產及負債按於報告期末之現行匯率換算為本公司之呈列貨幣，而該等實體之全面收益表則按該年度之加權平均匯率換算為港元。所產生之匯兌差額均於其他全面收益確認，並於外匯儲備累計。於出售海外業務時，有關該特定海外業務之其他全面收益部分於全面收益表之損益中確認。

收購海外業務所產生之任何商譽及收購所產生資產及負債之賬面值之任何公平值調整，乃視為該海外業務之資產及負債處理，並按收市匯率換算。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

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

2.4 主要會計政策概要 (續)

外幣(續)

就綜合現金流量表而言，海外附屬公司之現金流量乃按現金流量當日之適用匯率換算為港元。整年頻繁產生之海外附屬公司現金流量乃按該年度之加權平均匯率換算為港元。

3. 主要會計估計

編製本集團財政報表需要管理層作出判斷、估計及假設，而此等將影響收入、開支、資產及負債之呈報金額及其相關披露，以及或然負債之披露。該等假設及估計之不明朗因素可能導致未來需要對受影響資產或負債之賬面值作出重大調整。

估計不明朗因素

有關未來之主要假設以及其他於報告期末會為下個財政年度資產與負債賬面值帶來重大調整風險之主要估計不明朗因素描述如下。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

3. SIGNIFICANT ACCOUNTING ESTIMATES (continued)

Estimation uncertainty (continued)

(i) Estimated fair value of acquired intangible assets

Fair value of technology know-how is determined based on the relief-from-royalty method. These calculations require the use of estimates about the rate of royalty savings and the discount rate. In the process of estimation, management makes assumptions about future revenue and costs.

Fair value of customers' contracts is determined based on the excess earnings method. These calculations require the use of estimates about future cash flows, the discount rate, required returns on contributory assets and the duration of customers' contracts. In the process of estimation, management makes assumptions about future cash flows, costs and the duration of customers' contracts.

(ii) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are given in note 18 to the consolidated financial statements.

3. 主要會計估計 (續)

估計不明朗因素(續)

(i) 所收購無形資產之估計公平值

技術知識之公平值根據免納專利權使用費之方法釐定。該等計算方法要求估計專利費節約率及貼現率。在進行估計時，管理層對未來收入及成本作出假設。

客戶合約之公平值根據超額盈利法釐定。該等計算方法要求估計未來現金流量、貼現率、相關資產所要求回報率及客戶合約期限。在進行估計時，管理層對未來現金流量、成本及客戶合約期限作出假設。

(ii) 商譽減值

本集團最少每年釐定商譽有否減值。這需要估計獲分配商譽之現金產生單位之使用價值。估計使用價值時，本集團需要估計現金產生單位之預期未來現金流量，並選用適合之貼現率以計算該等現金流量之現值。進一步詳情載於綜合財務報表附註18內。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

3. SIGNIFICANT ACCOUNTING ESTIMATES (continued)

Estimation uncertainty (continued)

(iii) Estimated useful lives of property, plant and equipment

The Group determines the estimated useful lives of its property, plant and equipment and their related depreciation charges. When useful lives of property, plant and equipment are different from those previously estimated, the depreciation charges for future periods will be adjusted accordingly.

(iv) Estimated useful lives of intangible assets

The estimated useful lives of intangible assets reflect management's estimation on the Group's intention to derive future economic benefits from the intangible assets. When useful lives of intangible assets are different from those previously estimated, the amortisation charges for future periods will be adjusted accordingly.

(v) Construction contracts

As further explained in note 2.4 to the consolidated financial statements, revenue and profit recognition on contract work is dependent on the estimation of the total outcome of the construction contract, as well as the work performed to date. In addition, actual outcomes in terms of total contract costs and/or revenue may be higher or lower than those estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years.

Significant assumptions are required to estimate the total contract costs that will affect whether any provision is required for foreseeable losses. The estimates are made based on past experience and knowledge of project management.

3. 主要會計估計 (續)

估計不明朗因素(續)

(iii) 物業、廠房及設備之估計可使用年期

本集團釐定其物業、廠房及設備之估計可用年期及有關折舊支出。當物業、廠房及設備之可用年期與之前估計有不同，未來期間之折舊支出會相應調整。

(iv) 無形資產之估計可使用年期

無形資產之估計可使用年期反映管理層所估計本集團擬自無形資產產生未來經濟利益之期間。倘無形資產之可使用年期與先前估計不同，未來期間之攤銷支出會相應調整。

(v) 建設合約

誠如綜合財務報表附註2.4所進一步闡釋，合約工程之收入及溢利確認須取決於估計建設合約成果總額以及迄今已完成之工程。此外，總合約成本及／或收入之實際結果可能高於或低於報告期末所作之該等估計，而影響到於未來年度確認之收入及溢利。

總合約成本是須作出重大假設的，因其會影響是否需要為可預見之損失提取撥備。估計乃根據項目管理之過往經驗及知識作出。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

3. SIGNIFICANT ACCOUNTING ESTIMATES *(continued)*

Estimation uncertainty *(continued)*

(vi) Impairment loss on property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets of the Group are reviewed by management for possible impairment when events or changes in an operating environment indicate that the carrying amounts of such assets may not be fully recoverable. In determining the recoverable amounts of these assets, expected cash flows to be generated by the assets are discounted to their present value, which involves significant level of estimates relating to sales volume, selling prices and manufacturing and other operating costs. When a decline in an asset's recoverable amount has occurred, the carrying amount is reduced to its estimated recoverable amount. Further details are given in notes 16 and 19 to the consolidated financial statements.

(vii) Impairment loss on trade receivables

The Group regularly conducts assessments on possible losses resulting from the inability of debtors to settle the amounts due to the Group. The assessment is based, inter alia, on the age of the debt and the credit-worthiness of the debtors. If the financial condition of the debtors deteriorates, allowance for doubtful receivables would be required. Further details are given in note 22 to the consolidated financial statements.

3. 主要會計估計 (續)

估計不明朗因素(續)

(vi) 物業、廠房及設備及無形資產之減值虧損

倘有事項及經營環境改變而顯示物業、機器及設備及無形資產之賬面值不能全部收回，管理層會審閱該等資產減值之可能性。於釐定此等資產之可回收金額時，須對其銷售量、售價、生產及其他經營成本作出大量估計，從而將資產產生之預期現金流量貼現至其現值。倘資產之可回收金額下跌，其賬面值應減少至其估計可回收金額。進一步詳情載於綜合財務報表附註16及19內。

(vii) 應收款項減值虧損

本集團對因借款人不能償還應付本集團之金額所導致之可能損失進行定期評估。該評估乃根據(其中包括)欠款之賬齡及借款人之信用作出。如借款人之財務狀況轉差，則或須作出應收呆賬撥備。進一步詳情載於綜合財務報表附註22。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

3. SIGNIFICANT ACCOUNTING ESTIMATES *(continued)*

Estimation uncertainty *(continued)*

(viii) Impairment loss and net realisable value of inventories

Inventories of the Group are carried at the lower of cost and net realisable value. Management conducts assessments on the net realisable value of inventories by reference to their age, obsolescence, estimated net selling prices and other economic conditions of the markets in which the Group's customers operate. If the actual selling prices of inventories are substantially less than those expected due to an adverse market condition or other factors, an impairment loss on inventories may result.

(ix) Income taxes

The Group is subject to income taxes in Hong Kong and the PRC. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provision in the period in which such determination is made.

3. 主要會計估計 (續)

估計不明朗因素(續)

(viii) 存貨之減值虧損及可變現淨值

本集團之存貨乃按成本及可變現淨值之較低者列賬。管理層參考估計售價淨額及本集團客戶經營所在市場之其他經濟狀況評估存貨之可變現淨值。倘存貨之實際售價因市場狀況或其他因素遠少於預期，則可能導致存貨減值虧損。

(ix) 所得稅

本集團須繳納香港及中國之所得稅。在確定所得稅之撥備時，本集團須作出重大判斷。在正常業務過程中，有許多交易及計算均難以明確作出最終之稅務釐定。本集團根據有否額外稅項將到期之估計確認預計稅項負債。倘若該等事宜之最終稅務結果與初始記錄金額不同，則有關差額將影響落實稅項結果期間之所得稅及遞延稅項撥備。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

3. SIGNIFICANT ACCOUNTING ESTIMATES (continued)

Estimation uncertainty (continued)

(x) Deferred tax assets

The realisability of the deferred tax assets mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less than expected, a reversal of the deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal takes place.

Further information about the assumptions and their risk factors relating to the fair values of share options granted are disclosed in note 29 to the consolidated financial statements.

4. OPERATING SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined according to the Group's major product and service lines.

From management purpose, the Group has only one operating segment, which is the manufacture of equipment and turnkey production lines for the manufacture of amorphous silicon based thin-film solar photovoltaic modules (the "Solar Business").

3. 主要會計估計 (續)

估計不明朗因素(續)

(x) 遞延稅項資產

遞延稅項資產之可變現性主要視乎未來是否具有足夠之未來溢利或應課稅暫時差額。倘若未來之實際溢利低於預期，可能產生遞延稅項資產之撥回，撥回將於該等撥回發生之期間之損益中確認。

有關所授出購股權公平值之假設及其風險因素之進一步資料於綜合財務報表附註29披露。

4. 經營分類資料

本集團根據向執行董事呈報以供彼等就分配資源至本集團業務部分及檢討該等部分表現作出決定之定期內部財務資料識別經營分類及編製分類資料。向執行董事呈報之內部財務資料內之業務部分乃按以下本集團主要產品及服務線釐定。

就管理目的而言，本集團僅有一個經營分類，該分類為製造矽基薄膜太陽能光伏組件之生產設備及整套生產線(「太陽能業務」)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

4. OPERATING SEGMENT INFORMATION

(continued)

The segment information reported does not include any amount for a discontinued operation, which is the design, manufacture and sale of toys and manufacture of moulds for sales to customers (the “Toy Business”). More details of the Toy Business are set out in note 10. Since the Solar Business is the only continuing operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

The Group’s revenue from external customers is derived solely from its operations in the PRC, and the non-current assets of the Group are substantially located in the PRC.

Information about a major customer

Revenue of HK\$2,756,463,000 (2011: HK\$2,454,695,000) was derived from sales by the Solar Business to a single customer, including sales to a group of entities which are known to be under common control with that customer.

5. REVENUE

Revenue from a continuing operation, which is also the Group’s turnover, represents the net invoiced value of goods sold and an appropriate proportion of contract revenue of construction contracts during the year.

4. 經營分類資料

(續)

所呈報之分類資料並不包括任何已終止經營業務(即設計、生產及銷售玩具，以及生產模具銷售給顧客(「玩具業務」))款項。玩具業務之更多詳情載於附註10。由於太陽能業務為本集團之唯一持續經營分類，故並無呈列其他經營分類分析。

地區資料

本集團來自外來客戶之收入乃源自於中國之營運，以及其非流動資產主要位於中國。

有關主要客戶之資料

收入2,756,463,000港元(二零一一年：2,454,695,000港元)乃來自太陽能業務向單一客戶進行銷售，當中包括銷售予本集團知悉與該客戶受同一控制之一組實體。

5. 收入

來自持續經營業務之收入亦即本集團之營業額，指所出售貨物之發票淨值及本年度內建設合約之合約收入之適當部分。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

6. OTHER INCOME AND GAINS

An analysis of other income and gains from a continuing operation is as follows:

6. 其他收入及收益

來自持續經營業務之其他收入及收益分析如下：

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Government grants	政府補助金	2,581	457
Bank interest income	銀行利息收入	1,650	5,886
Exchange gain	匯兌收益	303	—
Others	其他	383	319
		4,917	6,662

7. FINANCE COSTS

An analysis of finance costs from a continuing operation is as follows:

7. 財務費用

來自持續經營業務之財務費用分析如下：

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Imputed interest expenses on the Convertible Bonds (note 26)	可換股債券之 估算利息開支(附註26)	60,184	78,718
Interest on bank overdrafts	銀行透支利息	—	20
		60,184	78,738

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

8. PROFIT BEFORE TAX

The Group's profit before tax from a continuing operation is arrived at after charging/(crediting):

8. 稅前溢利

本集團來自持續經營業務之稅前溢利已扣除/(計入)下列項目：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Auditors' remuneration	核數師酬金	2,950	2,600
Total amortisation of intangible assets (note 19)	無形資產攤銷總額(附註19)	66,099	118,790
Less: Capitalised to inventories	減：資本化至存貨	(483)	(2,802)
Amortisation of intangible assets recognised in profit or loss	於損益確認之無形資產攤銷	65,616	115,988
Cost of inventories sold	已售存貨成本	—	132,348
Depreciation of property, plant and equipment	物業、廠房及設備折舊	28,022	13,249
Equity-settled share option expenses	權益結算購股權開支	—	19,975
Fair value loss on an equity investment at fair value through profit or loss*	按公平值列賬於損益之權益投資之公平值虧損*	840	5,502
Foreign exchange differences, net	匯兌差異，淨額	(303)	4,444
Impairment of items of property, plant and equipment* (note 16)	物業、廠房及設備項目之減值*(附註16)	8,091	62,382
Impairment of intangible assets* (note 19)	無形資產減值*(附註19)	—	61,300
Impairment of gross amount due from customers for contract work and account receivables from customers* (note 22)	應收合約工程客戶款項總額及應收客戶賬款之減值*(附註22)	—	178,395
Impairment of a deposit*	按金減值*	7,514	—
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損	79	6
Minimum lease payments under operating leases:	經營租賃之最低租金：		
Land and buildings	土地及樓宇	33,039	12,423
Equipment	設備	16,473	—
Write-down of inventories to net realisable value	存貨撇減至可變現淨值	1,736	15,331
Write-off of items of property, plant and equipment*	物業、廠房及設備項目之撇銷*	—	12,016

* These items are included in "other expenses" on the face of the consolidated statement of comprehensive income of the Group.

* 該等項目計入本集團之綜合全面收益表之「其他費用」內。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

9. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising from Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

Group

	Group
Current tax:	即期稅項：
— The PRC	— 中國
Income tax expense for the year (Overprovision)/underprovision in respect of prior years	本年度所得稅務支出 過往年度(超額撥備)/ 撥備不足
	275,235
	(6,006)
	269,229
Deferred tax charge/(credit)	遞延稅項支出/(抵免)
Total tax charge for the year from a continuing operation	來自持續經營業務之 本年度稅務支出總額
	349,976
	243,814

Certain of the Group's subsidiaries in the PRC were designated as "High and New Technology Enterprise" and accordingly can enjoy a preferential Corporate Income Tax rate of 15%.

9. 所得稅

由於本集團於本年度在香港並無產生任何應課稅溢利，故並無就香港利得稅作出撥備。其他地方應課稅溢利之稅項乃按本集團經營所在司法地區實行之稅率計算。

本集團

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Current tax:		
— The PRC		
Income tax expense for the year (Overprovision)/underprovision in respect of prior years	275,235	265,467
	(6,006)	4,264
	269,229	269,731
Deferred tax charge/(credit)	80,747	(25,917)
Total tax charge for the year from a continuing operation	349,976	243,814

本集團之若干中國附屬公司獲認定為「高新技術企業」，因而可享有優惠企業所得稅率15%。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

9. INCOME TAX (Continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates is as follows:

9. 所得稅(續)

按本公司及其大部分附屬公司註冊所在司法權區之法定稅率計算適用於稅前溢利之稅務支出與按實際稅率計算之稅務支出對賬如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Profit before tax from a continuing operation	來自持續經營業務之稅前溢利	1,666,158	967,543
Tax at the statutory tax rates of different jurisdictions	按不同司法權區法定稅率計算之稅項	429,651	255,281
Lower tax rates for specific provinces or enacted by local authority	指定省份或當地機關實施之較低稅率	(138,782)	(112,514)
Adjustments in respect of current tax of previous periods	過往期間即期稅項之調整	(6,006)	4,264
Income not subject to tax	毋須繳稅收入	(85)	(451)
Expenses not deductible for tax	不可扣稅開支	8,236	25,676
Tax losses utilised from previous periods	已動用過往期間稅項虧損	—	(6)
Tax losses not recognised	未確認之稅項虧損	65	3,936
PRC capital gain taxes arising from disposal of subsidiaries	因出售附屬公司而須繳納之中國資本利得稅	—	2,300
Effect of withholding tax at 5% on the distributable profits of the Group's PRC subsidiaries	5% 預扣稅對本集團中國附屬公司可分派溢利之影響	56,892	64,528
Others	其他	5	800
Tax charge from a continuing operation at the Group's effective rate	來自持續經營業務按本集團實際稅率計算之稅務支出	349,976	243,814

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

10. DISCONTINUED OPERATION

In March 2011, the Group entered into a sale and purchase agreement with certain independent third parties to dispose of its remaining 51% equity interest in RBI Industries Holdings Limited and its subsidiaries, the then immediate holding company of the Group's Toy Business. The Group had decided to cease the operation of the Toy Business because it planned to focus its resources on the Solar Business. The disposal was completed in March 2011.

The results of the Toy Business for the year ended 31 December 2011 are presented below:

10. 已終止經營業務

於二零一一年三月，本集團與若干獨立第三方訂立一項買賣協議，以出售其附屬公司紅發實業控股有限公司及其附屬公司(本集團玩具業務當時之直接控股公司)之餘下51%股本權益。本集團已決定終止經營玩具業務，原因是其計劃將資源集中於太陽能業務。出售於二零一一年三月完成。

截至二零一一年十二月三十一日止年度之玩具業務業績呈列如下：

		2011 二零一一年 HK\$'000 千港元
Revenue	收入	49,285
Cost of sales	銷售成本	(33,313)
		15,972
Other income and gains	其他收入及收益	476
Selling and distribution expenses	分銷費用	(3,118)
Administrative expenses	行政費用	(14,083)
Loss before tax from a discontinued operation	來自己終止經營業務之 稅前虧損	(753)
Income tax expense	所得稅務支出	(14)
Loss for the year from a discontinued operation	來自己終止經營業務之 本年度虧損	(767)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

10. DISCONTINUED OPERATION (continued)

The net cash flows incurred are as follows:

		2011 二零一一年 HK\$'000 千港元
Operating activities	經營項目	(19,589)
Investing activities	投資項目	(1,438)
Net cash outflows	現金流出淨額	(21,027)

10. 已終止經營業務(續)

所產生現金流量淨額如下：

		2011 二零一一年 HK Cents 港仙
Loss per share:	每股虧損：	
Basic, from a discontinued operation	基本，來自已終止經營業務	(0.0)
Diluted, from a discontinued operation	攤薄，來自已終止經營業務	(0.0)

The calculations of basic and diluted loss per share from a discontinued operation are based on:

來自已終止經營業務之每股基本及攤薄虧損乃根據下列項目計算：

		2011 二零一一年 HK\$'000 千港元
Loss attributable to ordinary equity holders of the parent from a discontinued operation	來自已終止經營業務之母公司普通股權益持有人應佔虧損	(767)

		Number of shares 股份數目
		2011 二零一一年 '000 千股
Weighted average number of ordinary shares in issue during the year used in the basic and diluted loss per share calculation (note 13)	用作計算每股基本及攤薄虧損之本年度已發行普通股加權平均數 (附註 13)	12,290,290

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

10. DISCONTINUED OPERATION *(continued)*

No adjustment has been made to the basic loss per share from a discontinued operation presented for the year ended 31 December 2011 in respect of a dilution as the impact of the share options and Convertible Bonds outstanding during the year had an anti-dilutive effect on the basic loss per share from a discontinued operation presented.

11. PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

The consolidated profit attributable to the owners of the parent for the year ended 31 December 2012 of HK\$1,316,182,000 (2011: HK\$719,320,000) includes a loss of HK\$89,451,000 (2011: loss of HK\$167,662,000) which has been dealt with in the financial statements of the Company (note 30(b)).

12. DIVIDENDS

The board of directors does not recommend to declare any final dividend (2011: Nil) and interim dividend (2011: Nil) for the year ended 31 December 2012.

10. 已終止經營業務(續)

由於年內尚未行使之購股權及可換股債券對所呈列來自已終止經營業務之每股基本虧損具有反攤薄影響，故並無就攤薄對截至二零一一年十二月三十一日止年度所呈列來自已終止經營業務之每股基本虧損作出調整。

11. 母公司擁有人應佔溢利

截至二零一二年十二月三十一日止年度母公司擁有人應佔綜合溢利1,316,182,000港元(二零一一年：719,320,000港元)包括已於本公司財務報表內處理之虧損89,451,000港元(二零一一年：虧損167,662,000港元)(附註30(b))。

12. 股息

董事會不建議宣派截至二零一二年十二月三十一日止年度之任何末期股息(二零一一年：無)及中期股息(二零一一年：無)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculations of basic and diluted earnings per share are based on:

13. 母公司普通股權益持有人應佔每股盈利

每股基本及攤薄盈利乃根據下列項目計算：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Earnings	盈利		
Profit/(loss) attributable to ordinary equity holders of the parent, used in basic earnings per share calculation:	用作計算每股基本盈利之 母公司普通股權益 持有人應佔溢利/ (虧損)：		
From a continuing operation	來自持續經營業務	1,316,182	720,087
From a discontinued operation	來自已終止經營業務	—	(767)
		1,316,182	719,320
Imputed interest expenses on the Convertible Bonds	可換股債券之 估算利息開支	60,184	78,718
Profit for the purpose of diluted earnings per share calculation	用以計算每股攤薄盈利之 溢利	1,376,366	798,038
Attributable to:	應佔：		
Continuing operation	持續經營業務	1,376,366	798,805
Discontinued operation	已終止經營業務	—	(767)
		1,376,366	798,038

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT *(continued)*

13. 母公司普通股權益持有人應佔每股盈利(續)

		Number of shares 股份數目	
		2012 二零一二年 '000 千股	2011 二零一一年 '000 千股
Shares	股份		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	用作計算每股基本盈利之本年度已發行普通股加權平均數	13,431,022	12,290,290
Effect of dilution — weighted average number of ordinary shares:	攤薄影響 — 普通股加權平均數：		
Assumed issue at no consideration on deemed exercise of all share options outstanding during the year	本年度視作行使所有未行使購股權而假設無償發行	413,586	74,877
Deemed conversion of all Convertible Bonds	視作悉數兌換可換股債券	2,576,090	3,688,832
Weighted average number of ordinary shares in issue during the year used in diluted earnings per share calculation	用作計算每股攤薄盈利之本年度已發行普通股加權平均數	16,420,698	16,053,999

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

14. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

An analysis of employee benefit expenses (including directors' emoluments) from a continuing operation is as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	61,106	44,385
Performance related and incentive payments	按工作表現獎金	22,037	43,408
Equity-settled share option expenses	以股權結算之購股權開支	—	19,975
Contributions to retirement benefit schemes	退休福利計劃供款	3,798	4,334
		86,941	112,102

14. 僱員福利費用(包括董事酬金)

來自持續經營業務之僱員福利費用(包括董事酬金)分析如下：

15. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT EMOLUMENTS

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange and Section 161 of the Hong Kong Companies Ordinance, is as follows:

15. 董事薪酬及高級管理人員酬金

根據聯交所證券上市規則(「上市規則」)及香港公司條例第161條披露之本年度董事薪酬如下：

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Fees	袍金	1,276	996
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	10,492	4,572
Discretionary bonuses	酌情花紅	—	5,384
Contributions to retirement benefit schemes	退休福利計劃供款	14	36
		10,506	9,992
		11,782	10,988

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

15. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT EMOLUMENTS

(continued)

(a) Executive directors and independent non-executive directors

		Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Contributions to retirement benefit schemes	Total
		袍金	薪金、津貼及實物利益	酌情花紅	退休福利計劃供款	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
2012	二零一二年					
Executive directors:	執行董事:					
Mr. Frank Mingfang Dai	Frank Mingfang Dai先生	364	2,150	—	—	2,514
Mr. Hui Ka Wah, Ronnie J.P.	許家驊先生太平紳士	156	4,225	—	14	4,395
Mr. Li Guangmin	李廣民先生	156	542	—	—	698
Dr. Li Yuanmin	李沅民博士	156	2,492	—	—	2,648
Mr. Chen Li	陳力先生	156	1,083	—	—	1,239
		988	10,492	—	14	11,494
Independent non-executive directors:	獨立非執行董事:					
Ms. Zhao Lan	趙嵐女士	96	—	—	—	96
Mr. Wong Wing Ho	黃永浩先生	96	—	—	—	96
Mr. Wang Tongbo	王同勃先生	96	—	—	—	96
		288	—	—	—	288
Total emoluments for the year 2012	二零一二年酬金總額	1,276	10,492	—	14	11,782

		Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Contributions to retirement benefit schemes	Total
		袍金	薪金、津貼及實物利益	酌情花紅	退休福利計劃供款	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
2011	二零一一年					
Executive directors:	執行董事:					
Mr. Frank Mingfang Dai	Frank Mingfang Dai先生	364	710	—	—	1,074
Mr. Hui Ka Wah, Ronnie J.P.*	許家驊先生太平紳士*	64	1,929	—	5	1,998
Mr. Li Guangmin	李廣民先生	156	125	—	—	281
Dr. Li Yuanmin*	李沅民博士*	64	1,005	—	—	1,069
Mr. Chen Li*	陳力先生*	20	137	—	—	157
Mr. Xu Guo Jun*	徐國俊先生*	—	301	5,384	—	5,685
Mr. Peng Li Bin*	彭立斌先生*	—	365	—	31	396
		668	4,572	5,384	36	10,660
Independent non-executive directors:	獨立非執行董事:					
Ms. Zhao Lan*	趙嵐女士*	34	—	—	—	34
Mr. Wong Wing Ho*	黃永浩先生*	34	—	—	—	34
Mr. Wang Tongbo*	王同勃先生*	5	—	—	—	5
Mr. Su Changpeng*	蘇昌鵬先生*	141	—	—	—	141
Mr. Jiang Zhesheng*	江哲生先生*	114	—	—	—	114
		328	—	—	—	328
Total emoluments for the year 2011	二零一一年酬金總額	996	4,572	5,384	36	10,988

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

15. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT EMOLUMENTS

(continued)

(a) Executive directors and independent non-executive directors (continued)

* Appointed during the year ended 31 December 2011

Resigned during the year ended 31 December 2011

No emolument was paid by the Group to any director as an inducement to join or upon joining the Group, or as compensation for loss of office during the years ended 31 December 2012 and 2011.

There was no arrangement under which a director waived or agreed to waive any remuneration during the years ended 31 December 2012 and 2011.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year included three (2011: three) directors whose emoluments are included in the analysis presented above. The emoluments payable to the remaining two (2011: two) individuals during the year are as follows:

15. 董事薪酬及高級管理人員酬金 (續)

(a) 執行董事及獨立非執行董事(續)

* 於截至二零一一年十二月三十一日止年度內獲委任

於截至二零一一年十二月三十一日止年度內辭任

截至二零一二年及二零一一年十二月三十一日止年度，本集團概無向任何董事支付酬金，以吸引彼等加入本集團或於加入本集團作為報酬，或作為離職補償。

截至二零一二年及二零一一年十二月三十一日止年度並無作出董事放棄或同意放棄收取任何酬金之安排。

(b) 五名最高薪酬人士

於本年度，本集團五名最高薪酬人士包括三名(二零一一年：三名)董事，其酬金已載於上文分析。年內應付餘下兩名(二零一一年：兩名)人士之酬金如下：

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Salaries and other emoluments	薪金及其他酬金	4,821	1,798
Discretionary bonuses	酌情花紅	—	4,533
		4,821	6,331

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

15. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT EMOLUMENTS

(continued)

(b) Five highest paid individuals (continued)

No emolument was paid by the Group to any top five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office during the years ended 31 December 2012 and 2011.

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

15. 董事薪酬及高級管理人員酬金 (續)

(b) 五名最高薪酬人士(續)

截至二零一二年及二零一一年十二月三十一日止年度，本集團概無向任何五名最高薪酬人士支付酬金，以吸引彼等加入本集團或於加入本集團作為報酬，或作為離職補償。

非董事最高薪酬僱員之酬金介乎以下範圍：

		Number of employees 僱員人數	
		2012 二零一二年	2011 二零一一年
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	1	—
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	1	1
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	—	1

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

Group		本集團						
		Land and buildings	Construction in progress	Plant and machinery	Moulds and tools	Leasehold improvements, furniture, fixtures and equipment	Motor vehicles	Total
		土地及樓宇 HK\$'000 千港元	在建工程 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	模具及工具 HK\$'000 千港元	租賃物業 裝修、傢俬、 裝置及設備 HK\$'000 千港元	汽車 HK\$'000 千港元	合計 HK\$'000 千港元
31 December 2012	二零一二年十二月三十一日							
At 1 January 2012:	於二零一二年一月一日:							
Cost	成本	12,545	38,693	124,145	—	14,268	9,013	198,664
Accumulated depreciation and impairment	累計折舊及減值	(4,424)	(20,591)	(48,668)	—	(3,838)	(1,779)	(79,300)
Net carrying amount	賬面淨值	8,121	18,102	75,477	—	10,430	7,234	119,364
At 1 January 2012, net of accumulated depreciation and impairment	於二零一二年一月一日，扣除累計折舊及減值	8,121	18,102	75,477	—	10,430	7,234	119,364
Additions	添置	—	45,135	—	—	5,119	743	50,997
Disposals	出售	—	—	(180)	—	(209)	(20)	(409)
Transfer	轉撥	—	(48,071)	22,547	—	25,524	—	—
Impairment during the year	年內減值	(8,091)	—	—	—	—	—	(8,091)
Depreciation provided during the year	年內折舊撥備	—	—	(18,966)	—	(7,108)	(1,948)	(28,022)
Exchange realignment	匯兌調整	(30)	(15)	1	—	65	(12)	9
At 31 December 2012, net of accumulated depreciation and impairment	於二零一二年十二月三十一日，扣除累計折舊及減值	—	15,151	78,879	—	33,821	5,997	133,848
At 31 December 2012:	於二零一二年十二月三十一日:							
Cost	成本	12,545	35,742	146,513	—	44,767	9,724	249,291
Accumulated depreciation and impairment	累計折舊及減值	(12,545)	(20,591)	(67,634)	—	(10,946)	(3,727)	(115,443)
Net carrying amount	賬面淨值	—	15,151	78,879	—	33,821	5,997	133,848
31 December 2011	二零一一年十二月三十一日							
At 1 January 2011:	於二零一一年一月一日:							
Cost	成本	100,013	33,414	188,582	179,338	59,905	8,872	570,124
Accumulated depreciation and impairment	累計折舊及減值	(52,208)	—	(133,537)	(178,365)	(46,110)	(4,535)	(414,755)
Net carrying amount	賬面淨值	47,805	33,414	55,045	973	13,795	4,337	155,369
At 1 January 2011, net of accumulated depreciation and impairment	於二零一一年一月一日，扣除累計折舊及減值	47,805	33,414	55,045	973	13,795	4,337	155,369
Additions	添置	—	17,138	69,410	441	24,483	4,717	116,189
Disposals	出售	—	(493)	(920)	—	(313)	—	(1,726)
Disposal of subsidiaries (note 31)	出售附屬公司(附註31)	(46,481)	(368)	(4,727)	—	(10,335)	(604)	(62,515)
Write-off	撇銷	—	—	—	—	(12,016)	—	(12,016)
Transfer	轉撥	12,258	(12,258)	—	—	—	—	—
Impairment during the year	年內減值	(3,864)	(20,591)	(35,858)	—	(2,069)	—	(62,382)
Depreciation provided during the year	年內折舊撥備	(1,784)	—	(10,476)	(1,414)	(3,417)	(1,474)	(18,565)
Exchange realignment	匯兌調整	187	1,260	3,003	—	302	258	5,010
At 31 December 2011, net of accumulated depreciation and impairment	於二零一一年十二月三十一日，扣除累計折舊及減值	8,121	18,102	75,477	—	10,430	7,234	119,364
At 31 December 2011:	於二零一一年十二月三十一日:							
Cost	成本	12,545	38,693	124,145	—	14,268	9,013	198,664
Accumulated depreciation and impairment	累計折舊及減值	(4,424)	(20,591)	(48,668)	—	(3,838)	(1,779)	(79,300)
Net carrying amount	賬面淨值	8,121	18,102	75,477	—	10,430	7,234	119,364

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

16. PROPERTY, PLANT AND EQUIPMENT

(continued)

16. 物業、廠房及設備(續)

Company		本公司	
		Leasehold improvements 租賃物業裝修	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1 January	於一月一日		
Cost	成本	—	—
Accumulated depreciation	累計折舊	—	—
Net carrying amount	賬面淨值	—	—
At 1 January, net of accumulated depreciation	於一月一日，扣除累計折舊	—	—
Additions	添置	2,905	—
Depreciation provided during the year	年內折舊撥備	(968)	—
At 31 December, net of accumulated depreciation	於十二月三十一日，扣除累計折舊	1,937	—
At 31 December	於十二月三十一日		
Cost	成本	2,905	—
Accumulated depreciation	累計折舊	(968)	—
Net carrying amount	賬面淨值	1,937	—

As at 31 December 2011, whilst the application was in progress, the certificate of ownership with respect to certain buildings of the Group with an aggregate carrying amount of HK\$8,121,000 had not been issued by the relevant government authorities.

於二零一一年十二月三十一日，進行申請時，相關政府當局尚未就本集團賬面總值8,121,000港元之若干樓宇發出所有權證。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

17. INVESTMENTS IN SUBSIDIARIES

17. 投資於附屬公司

		Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	8,396,521	8,396,133

The amounts due from/to subsidiaries are unsecured, interest-free and repayable on demand.

應收／應付附屬公司款項為無抵押、免息及於要求時還款。

Details of the principal subsidiaries at 31 December 2012 are as follows:

於二零一二年十二月三十一日之主要附屬公司詳情如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立／登記及 營運地點	Nominal value of issued/ registered share capital 已發行／註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			2012 二零一二年	2011 二零一一年	
Hanergy Hi-Tech Power International Limited (formerly known as Apollo Precision Ltd.) @ 漢能高科技能源國際股份有限公司(前稱為Apollo Precision Ltd.) @	British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」)	Ordinary US\$1,000 普通股 1,000 美元	100%	100%	Investment holding 投資控股
Hanergy Hi-Tech Power (HK) Limited (formerly known as Apollo Precision (HK) Limited) 漢能高科技能源(香港)股份有限公司 (前稱為鉞陽精工設備有限公司)	Hong Kong 香港	Ordinary US\$1,000,000 普通股 1,000,000 美元	100%	100%	Investment holding and trading of equipment and turnkey production lines 投資控股及買賣設備及整套生產線

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

17. INVESTMENTS IN SUBSIDIARIES

(continued)

17. 投資於附屬公司(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/登記及 營運地點	Nominal value of issued/ registered share capital 已發行/註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			2012 二零一二年	2011 二零一一年	
Apollo Precision (Fujian) Ltd. (a wholly-owned foreign enterprise) 福建鉅陽精工設備有限公司 (全資外商企業)	The PRC 中國	Registered US\$3,800,000 註冊資本3,800,000美元	100%	100%	Manufacturing of equipment and turnkey production lines 製造設備及整套生產線
Apollo Precision (Beijing) Ltd. (a wholly-owned foreign enterprise) 北京精誠鉅陽光電設備有限公司 (全資外商企業)	The PRC 中國	Registered RMB5,000,000 註冊資本人民幣5,000,000元	100%	100%	Manufacturing of equipment and turnkey production lines 製造設備及整套生產線
Apollo Precision (Kunming) Yuanhong Limited 昆明鉅陽遠宏能源科技有限公司	The PRC 中國	Registered RMB1,500,000 註冊資本人民幣1,500,000元	100%	N/A 不適用	Manufacturing of equipment and turnkey production lines 製造設備及整套生產線
Apollo Precision (Kunming) Rijun Limited 昆明鉅陽日君光伏設備有限公司 (a wholly-owned foreign enterprise) (全資外商企業)	The PRC 中國	Registered US\$750,100 註冊資本750,100美元	100%	N/A 不適用	Manufacturing of equipment and turnkey production lines 製造設備及整套生產線
Sun Reliant International Limited @	BVI 英屬處女群島	Ordinary US\$1 普通股1美元	100%	N/A 不適用	Investment holding 投資控股

@ Direct subsidiaries of the Company

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

@ 本公司之直接附屬公司

上表列出董事認為主要影響本年度業績或構成本集團重大淨資產部分之附屬公司。董事認為，提供其他附屬公司之詳情會令篇幅過於冗長。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

18. GOODWILL

The goodwill arose from the acquisition of the Solar Business in 2009 and its net carrying amount is analysed as follows:

Net carrying amount at
1 January and 31 December

於一月一日及十二月三十一日之
賬面淨值

Group 本集團	
2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
7,915,318	7,915,318

The goodwill is allocated to the cash-generating unit of the Solar Business and its recoverable amount was determined by the directors of the Company with reference to the valuation performed by a firm of independent professional valuers, based on value-in-use calculations covering a detailed 10-year budget plan followed by an extrapolation of expected cash flows. The 10-year budget plan is based on contracted cash flows according to the production plan and capacity of the Group in the next 10 years. The growth rate reflects the expected long-term average growth rate for the product lines of the cash-generating unit and the discount rate applied to the cash flow projections is 20% (2011: 20%).

The key assumptions also include stable profit margins, which have been determined based on past performance, and management's expectations for market share, evidenced by the sales contracts entered into during these years and after taking into consideration published market forecast and research. The growth rate used is consistent with the forecast included in industry reports. The discount rate used is pre-tax and reflects specific risks relating to the Solar Business segment.

Impairment testing has taken into account the sales contracts entered into before the end of the reporting period, together with the management's assumptions on the growth and rate of return. No impairment of goodwill was associated with the Solar Business based on this value-in-use calculation.

Apart from the considerations described in determining the value-in-use of the Solar Business above, the Group's management is not currently aware of any other probable changes that would necessitate changes in its key estimates. However, the estimate of the recoverable amount of the Solar Business is particularly sensitive to the discount rate applied.

18. 商譽

於二零零九年收購太陽能業務所產生之商譽及其賬面淨值分析如下：

商譽分配至太陽能業務之現金產生單位，而其可收回金額乃由本公司董事參考獨立專業估值師行進行之估值，根據涵蓋十年詳盡預算計劃之使用價值計算方法及推算預期現金流量釐定。十年預算計劃乃根據合約現金流釐定。而合約現金流乃根據本集團未來十年之生產計劃及產能得出。增長率反映現金產生單位產品系列之預期長期平均增長率以及應用於現金流量預計之貼現率為20%（二零一一年：20%）。

主要假設亦包括穩定之邊際利率，其乃根據過往表現及管理層預期之市場份額（由年內訂立之銷售合約證明）並經考慮已公佈市場預測及研究釐定。所採用之增長率與行業報告內之預測一致。所採用之貼現率為稅前，並反映與太陽能業務分部有關之特定風險。

減值測試已計及報告期末前訂立之銷售合約及管理層有關增長及回報率之假設。根據此使用價值計算方法，並無商譽減值乃與太陽能業務現金產生單位有關。

除上文釐定太陽能業務之使用價值時所述之考慮外，本集團管理層目前並不知悉任何其他可能變動而須改變其主要估計。然而，太陽能業務之估計可收回金額對所採用之貼現率尤其敏感。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

19. INTANGIBLE ASSETS

Group

19. 無形資產

本集團

		Technology know-how 技術知識 HK\$'000 千港元 (note (i)) (附註(i))	Customers' contracts 客戶合約 HK\$'000 千港元 (note (ii)) (附註(ii))	Total 合計 HK\$'000 千港元
31 December 2012	二零一二年十二月三十一日			
Cost at 1 January 2012, net of accumulated amortisation and impairment	於二零一二年一月一日按成本值，扣除累計攤銷及減值	370,689	—	370,689
Additions	添置	245,818	—	245,818
Amortisation provided during the year	年內攤銷撥備	(66,099)	—	(66,099)
Exchange realignment	匯兌調整	683	—	683
At 31 December 2012	於二零一二年十二月三十一日	551,091	—	551,091
At 31 December 2012:	於二零一二年十二月三十一日：			
Cost	成本	1,102,040	—	1,102,040
Accumulated amortisation and impairment	累計攤銷及減值	(550,949)	—	(550,949)
Net carrying amount	賬面淨值	551,091	—	551,091
31 December 2011	二零一一年十二月三十一日			
Cost at 1 January 2011, net of accumulated amortisation	於二零一一年一月一日按成本值，扣除累計攤銷	414,360	128,276	542,636
Amortisation provided during the year	年內攤銷撥備	(51,814)	(66,976)	(118,790)
Impairment during the year (note(iii))	年內減值(附註(iii))	—	(61,300)	(61,300)
Exchange realignment	匯兌調整	8,143	—	8,143
At 31 December 2011	於二零一一年十二月三十一日	370,689	—	370,689
At 31 December 2011:	於二零一一年十二月三十一日：			
Cost	成本	480,813	374,613	855,426
Accumulated amortisation and impairment	累計攤銷及減值	(110,124)	(374,613)	(484,737)
Net carrying amount	賬面淨值	370,689	—	370,689

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

19. INTANGIBLE ASSETS (continued)

Notes:

- (i) Technology know-how of the Solar Business is amortised on a straight-line basis over its estimated useful life of 10 years.
- (ii) Customers' contracts acquired during the acquisition of the Solar Business are recognised at fair value on the date of acquisition. They were charged to profit or loss of the consolidated statement of comprehensive income when the related customers contracts were completed.
- (iii) The impairment of the intangible assets of HK\$61,300,000 recognised for the year ended 31 December 2011 was attributable to the termination of certain customers' contracts in the prior year.

20. AVAILABLE-FOR-SALE INVESTMENT

The Group's available-for-sale investment represents an investment in an unlisted equity security in the PRC. In the opinion of the directors, the fair value of the unlisted equity investment cannot be reliably measured because (a) the investment does not have quoted market prices in an active market; (b) the range of reasonable fair value estimates is significant for the investment; and (c) the probabilities of the various estimates cannot be reasonably assessed and used in estimating fair value. As such, the unlisted equity security is stated at cost less any impairment losses.

19. 無形資產(續)

附註：

- (i) 收購太陽能業務中之技術知識以直線基準於其估計可使用年期10年內攤銷。
- (ii) 於收購太陽能業務當日，收購事項中購入之客戶合約乃按公平值確認，並於有關客戶合約完成時計入綜合全面收益表之損益。
- (iii) 截至二零一一年十二月三十一日止年度已確認之無形資產減值為61,300,000港元，減值乃過往年度終止若干客戶合約而產生。

20. 可供出售投資

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Unlisted equity investment, at cost	非上市股本投資，按成本	85,800	—

本集團之可供出售投資指投資於中國非上市權益證券。董事認為，非上市權益投資之公平值無法可靠計量，原因是(a)該項投資並無活躍市場之市場報價；(b)合理公平值估計範圍對該項投資而言太大；及(c)各項估計之可能性無法合理評估及用於估計公平值。因此，非上市股本證券乃按成本扣除任何減值虧損列賬。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

21. INVENTORIES

21. 存貨

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Raw materials	原料	386,847	357,216
Work-in-progress	在製品	2,785	229
Finished goods	製成品	1,208	2,900
		390,840	360,345

22. TRADE AND OTHER RECEIVABLES

22. 貿易及其他應收款項

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Trade receivables	貿易應收款項	(i) 39	524
Gross amount due from customers for contract work and account receivables from customers	應收合約工程客戶款項總額及應收客戶賬款	(ii) 3,942,653	2,989,053
Less: Allowance for impairment of receivables	減：應收款項減值撥備	(ii) (178,395)	(178,395)
		3,764,258	2,810,658
Other receivables	其他應收款項	(iii) 24,131	86,757
		3,788,428	2,897,939

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

22. TRADE AND OTHER RECEIVABLES

(continued)

Notes:

(i) Trade receivables

Trade receivables are settled in accordance with the terms of the respective contracts. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Based on invoice date, the ageing analysis of the Group's net trade receivables is as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
0 — 30 days	0 — 30天	—	496
Over 180 days	180天以上	39	28
		39	524

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that the recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly. The movements in the allowance for impairment of trade receivables are as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1 January	於一月一日	—	1,891
Disposal of subsidiaries	出售附屬公司	—	(1,891)
At 31 December	於十二月三十一日	—	—

22. 貿易及其他應收款項(續)

附註：

(i) 貿易應收款項

貿易應收款項乃根據有關合約之條款結算。本集團並未就其貿易應收款項餘款持有任何抵押品或其他加強信貸措施。本集團貿易應收款項淨額以發票日期作出之賬齡分析如下：

有關貿易應收款項之減值虧損乃記入撥備賬，除非本集團信納收回款項之機會極微，則減值虧損乃直接與貿易應收款項對銷。貿易應收款項減值撥備變動列示如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

22. TRADE AND OTHER RECEIVABLES

(continued)

Notes: (continued)

(i) Trade receivables (continued)

The individually impaired trade receivables related to customers that were in financial difficulties or were in default in both interest and/or principal payments.

The ageing analysis of the Group's trade receivables that were past due as at the end of the reporting period but not impaired, based on the due date is as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
1 — 90 days past due	逾期1 — 90天	39	496
Over 180 days past due	逾期超過180天	—	28
		39	524

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

22. 貿易及其他應收款項(續)

附註：(續)

(i) 貿易應收款項(續)

個別減值貿易應收款項與面對財政困難或拖欠利息及／或本金之客戶有關。

於報告期末已逾期但未減值之本集團貿易應收款項以到期日作出之賬齡如下：

已逾期但未減值之應收款項與多名與本集團有良好信貸記錄之獨立客戶有關。根據過往經驗，本公司董事認為，由於信貸質素並無任何重大變動，且結餘仍被視作可全數收回，故毋須就該等結餘計提減值撥備。本集團並無就該等結餘持有任何抵押品或其他信貸提升。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

22. TRADE AND OTHER RECEIVABLES

(continued)

Notes: (continued)

(ii) Gross amount due from customers for contract work and account receivables from customers

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1 January	於一月一日	2,810,658	1,422,428
Contract costs incurred plus recognised profits less recognised losses	已產生合約成本加已確認溢利減已確認虧損	3,231,008	2,874,689
Progress billings	進度賬單款項	(3,062,394)	(1,945,045)
Impairment during the year	年內減值	—	(178,395)
Exchange realignment	匯兌調整	2,665	100,760
Subtotal	小計	2,981,937	2,274,437
Account receivables from customers	應收客戶賬款	782,321	536,221
At 31 December	於十二月三十一日	3,764,258	2,810,658

The Group's gross amount due from customers for contract work and account receivables from customers were related to contracts with the Hanergy Group. All account receivables from customers as at 31 December 2012 and 2011 were past due for less than 90 days. Subsequent to the end of the reporting period on 29 January 2013, the Hanergy Group has settled HK\$295,000,000 of the past due account receivables from customers. On 20 March 2013, the Hanergy Group has committed a revised payment schedule to settle the rest of the past due progress payments by 30 June 2013.

The directors of the Company have conducted a financial due diligence to assess the credibility and the capacity of the Hanergy Group and are satisfied that the revised payment schedule offered by the Hanergy Group will be feasible and hence is acceptable by the Group.

Furthermore, pursuant to the relevant sales contracts, the Group is entitled to claim the Hanergy Group penalty on the overdue progress payments.

22. 貿易及其他應收款項(續)

附註：(續)

(ii) 應收合約工程客戶款項及應收客戶款項總額

本集團應收合約工程客戶總額及應收客戶賬款與漢能集團之合約有關，於二零一二年及二零一一年十二月三十一日，所有應收客戶賬款均逾期少於90天。報告期末後，於二零一三年一月二十九日，漢能集團已結清逾期應收客戶賬款295,000,000港元。於二零一三年三月二十日，漢能集團已承諾採用經更新之付款時間表，以於二零一三年六月三十日前結清餘下之逾期進度款項。

本公司董事已就評估漢能集團之信譽及能力進行財務盡職審查，並信納漢能集團所提供之更新付款時間表為可行的，故可獲本集團接納。

另外，根據相關銷售合同，本集團有權就逾期進度款項向漢能集團索償罰款。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

22. TRADE AND OTHER RECEIVABLES

(continued)

Notes: (continued)

(iii) Other receivables

None of the above assets is either past due or impaired. The financial assets included in the above balance related to receivables for which there was no recent history of default.

The directors of the Company considered that the fair values of trade and other receivables are not materially different from their carrying amounts because these amounts have short maturity periods at their inception.

23. EQUITY INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS

Equity investment stated at market value — listed in Hong Kong	按市值列賬之權益投資 — 於香港上市
--	-----------------------

The above equity investment was classified as held for trading and was, upon initial recognition, designated by the Group as a financial asset at fair value through profit or loss.

22. 貿易及其他應收款項(續)

附註：(續)

(iii) 其他應收款項

以上資產並未逾期亦未作減值。計入以上結餘之金融資產與近期並無拖欠款項記錄之應收款項有關。

由於貿易及其他應收款項自開始起計於短期內到期，故本公司董事認為該等款項之公平值與其賬面值並無重大差異。

23. 按公平值列賬於損益之權益投資

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Equity investment stated at market value — listed in Hong Kong	按市值列賬之權益投資 — 於香港上市	4,480	5,320

上述權益投資分類為持作買賣，在初步確認後，本集團將其分類為按公平值列賬於損益之金融資產。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

24. CASH AND BANK BALANCES AND PLEDGED DEPOSITS

24. 現金及銀行結存及已抵押存款

		Group 本集團		Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Cash at banks and on hand	銀行及手頭現金	716,530	325,568	3,662	51,419
Less: Pledged deposits for the Group's general banking facilities	減：本集團一般銀行信貸之已抵押存款	(8,572)	(40,759)	—	—
Total cash and cash equivalents	現金及現金等價物總額	707,958	284,809	3,662	51,419

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to HK\$684,122,000 (2011: HK\$229,755,000). The RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks that are authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day to three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

於報告期末，本集團以人民幣為單位之現金及銀行結存為684,122,000港元(二零一一年：229,755,000港元)。人民幣不可自由兌換為其他貨幣，然而，根據中國之外匯管制條例及結匯管理規定，本集團獲批准透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行現金根據每日銀行存款利率計算之浮息賺取利息。短期定期存款之存款期由一日至三個月不等，視乎本集團之即時現金需求而定，並按各短期定期存款息率賺取利息。銀行結存及已抵押存款存放於信譽良好且無近期拖欠記錄之銀行。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

25. TRADE AND OTHER PAYABLES

25. 貿易及其他應付款項

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Trade payables	貿易應付款項	214,071	169,597
Other payables	其他應付款項	465,492	304,892
		679,563	474,489

The Group was granted by its suppliers credit periods ranging from 0 to 60 days. Based on the invoice date, the ageing analysis of the Group's trade payables is as follows:

本集團獲其供應商給予介乎0至60天信貸期。本集團貿易應付款項以發票日期作出之賬齡分析如下：

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
0 — 30 days	0 — 30天	128,751	147,277
31 — 60 days	31 — 60天	38,707	2,807
61 — 90 days	61 — 90天	8,858	3,141
Over 90 days	90天以上	37,755	16,372
Trade payable	貿易應付款項	214,071	169,597

All amounts are short term and hence the carrying amounts of trade and other payables are considered to be a reasonable approximation of their fair values.

所有金額為短期，因此貿易及其他應付款項之賬面值被視為其公平值之合理約數。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

26. CONVERTIBLE BONDS

On 25 November 2009, the Company issued zero coupon convertible bonds, as part of the consideration in respect of the acquisition for the Solar Business, with a principal amount of HK\$3,814,950,000 (the "Convertible Bonds"). The Convertible Bonds were issued in two tranches. The principal amount for the first tranche is HK\$1,040,440,000 and the second tranche is HK\$2,774,510,000. The Convertible Bonds will mature on 25 November 2013 and are convertible into fully paid ordinary shares with a par value of HK\$0.0025 each of the Company at an initial conversion price of HK\$0.329 per share, subject to the adjustments in the event of, inter alia, consolidation or subdivision of the shares, capitalisation of profits or reserves, capital distributions in cash or specie or subsequent issue of securities at a discount of the then market price, in the Company.

The holders of the Convertible Bonds will have the right to convert the whole or part of the outstanding principal amount of the Convertible Bonds during the conversion period subject to the applicable restrictions contained herein. The Convertible Bonds that remain outstanding on the maturity date shall be redeemed at its then outstanding principal amount.

The movements in principal amount of the Convertible Bonds during the year are as follows:

Company and Group

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Principal amount at 1 January	於一月一日之本金額	847,530	2,606,239
Conversion of the Convertible Bonds	轉換可換股債券	—	(1,758,709)
Principal amount at 31 December	於十二月三十一日之本金額	847,530	847,530

26. 可換股債券

作為收購太陽能業務代價之一部分，本公司於二零零九年十一月二十五日發行本金為3,814,950,000港元之零票息可換股債券（「可換股債券」）。可換股債券分兩批發行。首批之本金額為1,040,440,000港元及第二批之本金額為2,774,510,000港元。可換股債券將於二零一三年十一月二十五日到期，並可按初步換股價每股0.329港元兌換為本公司每股面值0.0025港元之繳足普通股股份，惟換股價可在（其中包括）股份合併或拆細、溢利或儲備資本化、現金或實物資本分派或隨後發行本公司證券之情況下予以調整，乃較本公司當時市價折讓。

於換股期內，可換股債券持有人有權兌換可換股債券之全部或部分未兌換本金額（受本年報所載之適用限制所限）。於到期日尚未兌換之可換股債券須按當時未兌換本金額贖回。

年內可換股債券本金額之變動如下：

本公司及本集團

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Principal amount at 1 January	於一月一日之本金額	847,530	2,606,239
Conversion of the Convertible Bonds	轉換可換股債券	—	(1,758,709)
Principal amount at 31 December	於十二月三十一日之本金額	847,530	847,530

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

26. CONVERTIBLE BONDS (continued)

On initial recognition, the fair value of the Convertible Bonds is determined using the binomial model that takes into account factors specific to the Convertible Bonds. Liability component is then determined using an effective interest rate of 8.23% for an equivalent non-convertible bond. The remainder of the proceeds is allocated to the conversion option and is included in equity as equity component of the Convertible Bonds.

The Convertible Bonds recognised in the statement of financial position are calculated as follows:

Company and Group

		Liability component	Equity component	Total
		負債部分	權益部分	合計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Net carrying amount at 1 January 2011	於二零一一年一月一日之賬面淨值	2,072,384	2,754,321	4,826,705
Conversion of the Convertible Bonds	兌換可換股債券	(1,421,727)	(1,858,636)	(3,280,363)
Interest expenses	利息開支	78,718	—	78,718
Net carrying amount at 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日及二零一二年一月一日之賬面淨值	729,375	895,685	1,625,060
Interest expenses	利息開支	60,184	—	60,184
Net carrying amount at 31 December 2012	於二零一二年十二月三十一日之賬面淨值	789,559	895,685	1,685,244

26. 可換股債券(續)

於初步確認時，可換股債券之公平值使用經計及可換股債券特定因素之二項模式釐定。負債部分其後使用對等非可換股債務之實際利率8.23%釐定。所得款項餘額分配至兌換權，並作為可換股債券之權益部分計入權益。

於財務狀況表確認之可換股債券計算如下：

本公司及本集團

Liability component	Equity component	Total
負債部分	權益部分	合計
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

27. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

Group

		Depreciation in excess of related depreciation allowance	Unrealised profit or loss on intra-group transfer of assets or transactions	Fair value adjustments on business combination	With- holding tax	Accruals	Deductible impairment losses	Other temporary differences	Loss available for offsetting against future taxable profit	Total
	Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	附註	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2011	於二零一一年一月一日	4,630	(1,812)	(56,376)	(90,018)	5,183	—	7,072	—	(131,321)
Disposal of subsidiaries	出售附屬公司	31	(4,630)	1,812	—	3,109	—	(7,072)	—	(6,781)
Deferred tax credited/ (charged) to profit or loss of the statement of comprehensive income during the year	年內於全面收益表之 損益中計入/(扣除) 之遞延稅項	9	—	35,254	24,847	(64,528)	1,685	28,659	—	25,917
Exchange realignment	匯兌調整	—	—	—	(14,191)	—	672	—	—	(13,519)
At 31 December 2011 and 1 January 2012	於二零一一年 十二月三十一日及 二零一二年一月一日	—	35,254	(31,529)	(165,628)	6,868	29,331	—	—	(125,704)
Deferred tax credited/ (charged) to profit or loss of the statement of comprehensive income during the year	年內於全面收益表之 損益中計入/(扣除) 之遞延稅項	9	—	(36,382)	4,450	(56,892)	3,433	—	—	4,644
Exchange realignment	匯兌調整	—	—	—	(148)	2	—	—	8	(138)
At 31 December 2012	於二零一二年 十二月三十一日	—	(1,128)	(27,079)	(222,668)	10,303	29,331	—	4,652	(206,589)

27. 遞延稅項

年內遞延稅項負債及資產之變動如下：

本集團

		Depreciation in excess of related depreciation allowance	Unrealised profit or loss on intra-group transfer of assets or transactions	Fair value adjustments on business combination	With- holding tax	Accruals	Deductible impairment losses	Other temporary differences	Loss available for offsetting against future taxable profit	Total
	Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	附註	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2011	於二零一一年一月一日	4,630	(1,812)	(56,376)	(90,018)	5,183	—	7,072	—	(131,321)
Disposal of subsidiaries	出售附屬公司	31	(4,630)	1,812	—	3,109	—	(7,072)	—	(6,781)
Deferred tax credited/ (charged) to profit or loss of the statement of comprehensive income during the year	年內於全面收益表之 損益中計入/(扣除) 之遞延稅項	9	—	35,254	24,847	(64,528)	1,685	28,659	—	25,917
Exchange realignment	匯兌調整	—	—	—	(14,191)	—	672	—	—	(13,519)
At 31 December 2011 and 1 January 2012	於二零一一年 十二月三十一日及 二零一二年一月一日	—	35,254	(31,529)	(165,628)	6,868	29,331	—	—	(125,704)
Deferred tax credited/ (charged) to profit or loss of the statement of comprehensive income during the year	年內於全面收益表之 損益中計入/(扣除) 之遞延稅項	9	—	(36,382)	4,450	(56,892)	3,433	—	—	4,644
Exchange realignment	匯兌調整	—	—	—	(148)	2	—	—	8	(138)
At 31 December 2012	於二零一二年 十二月三十一日	—	(1,128)	(27,079)	(222,668)	10,303	29,331	—	4,652	(206,589)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

27. DEFERRED TAX (continued)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes.

27. 遞延稅項(續)

就呈列目的而言，若干遞延稅項資產及負債已於財務狀況報表抵銷。以下為就財務呈報目的而言之本集團遞延稅項結餘分析。

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Net deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表確認之淨遞延稅項資產	44,286	71,453
Net deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表確認之淨遞延稅項負債	(250,875)	(197,157)
		(206,589)	(125,704)

The Group has tax losses of HK\$55,786,000 (2011: HK\$48,275,000) that are available for offsetting against future taxable profits of the companies in which the losses arose, subject to the rules of the tax jurisdictions in which the Group operates. Deferred tax assets have been recognised in respect of HK\$30,959,000 (2011: Nil) of such losses. Deferred tax assets have not been recognised in respect of HK\$24,827,000 (2011: HK\$48,275,000) of such losses as the utilisation of which is uncertain.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in the PRC in respect of earnings generated from 1 January 2008.

本集團有稅務虧損55,786,000港元(二零一一年：48,275,000港元)可於本集團經營所在稅務司法權區之規則之規限下，用以抵銷產生虧損之公司之未來應課稅溢利。已就有關虧損確認遞延稅項資產30,959,000港元(二零一一年：無)。由於未確定有關虧損能否被使用，故並無就該等虧損之24,827,000港元(二零一一年：48,275,000港元)確認遞延稅項資產。

根據中國企業所得稅法，於中國成立之外商投資企業須就向境外投資者宣派之股息繳納10%預扣稅。此規定由二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後之盈利。倘中國與境外投資者之司法權區有簽訂相關稅務協議，則可運用較低之預扣稅率。就本集團而言，適用稅率為5%。因此，本集團有責任就於中國成立之該等附屬公司於二零零八年一月一日起產生之盈利所分派之股息繳付預扣稅。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

28. SHARE CAPITAL

28. 股本

Shares	股份	Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元
Authorised:	法定：		
At 1 January 2011 (ordinary shares of HK\$0.0025 each)	於二零一一年一月一日 (每股面值0.0025港元之 普通股)	32,000,000	80,000
Increase of authorised share capital	法定股本增加	32,000,000	80,000
At 31 December 2011 and 31 December 2012 (ordinary shares of HK\$0.0025 each)	於二零一一年十二月三十一日 及二零一二年十二月三十一 日(每股面值0.0025港元之普 通股)	64,000,000	160,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2011 (ordinary shares of HK\$0.0025 each)	於二零一一年一月一日 (每股面值0.0025港元之 普通股)	8,288,554	20,721
Repurchase of own shares	購回本身股份	(313,952)	(785)
Conversion of the Convertible Bonds	兌換可換股債券	5,345,620	13,364
Exercise of share options (note 29)	行使購股權(附註29)	110,800	277
At 31 December 2011, 1 January 2012 and 31 December 2012 (ordinary shares of HK\$0.0025 each)	於二零一一年十二月三十一日、 二零一二年一月一日及 二零一二年十二月三十一日 (每股面值0.0025港元之 普通股)	13,431,022	33,577

Share options

購股權

Details of the Company's share options are set out in note 29 to the financial statements.

本公司購股權之詳情載於財務報表附註29。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

29. SHARE OPTIONS

Share option scheme

Pursuant to a resolution passed on 28 August 2007, the Company adopted a share option scheme (the "Scheme") relating to the grant of share options to directors, employees and other participants (the "Grantee") including consultants, advisers, suppliers and customers of the Group.

The directors may specify the minimum period, if any, for which an option must be held or the performance targets, if any, that must be achieved by the Grantee before the option can be exercised.

Share options may be granted without any initial payment and at an exercise price (subject to adjustments as provided therein) equal to the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the date of the grant of the share option; and (iii) the average of the closing price per share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the grant of the share option.

The maximum number of shares which may be issued upon the exercise of all options to be granted under the Scheme and any other share option scheme(s) of the Company shall not exceed 10% of the share capital of the Company in issue on 28 August 2007, the date of adoption of the Scheme, unless a refresh approval of the shareholders is obtained.

29. 購股權

購股權計劃

根據於二零零七年八月二十八日通過之決議案，本公司採納一項購股權計劃（「該計劃」）向本集團之董事、僱員及其他參與者（「承授人」，包括顧問、諮詢人、供應商及客戶）授出購股權。

董事或會指定購股權可獲行使前必須持有之最短限期（如有）或承授人必須達致之表現目標（如有）。

購股權可毋須支付任何初步款項而授出，行使價（可按當中規定之方式調整）相等於下列三者中之最高者：(i) 股份之面值；(ii) 股份於購股權授出當日在聯交所每日報價表所述之每股收市價；及 (iii) 股份於緊接購股權授出當日前五個營業日於聯交所每日報價表所述之每股平均收市價。

因行使根據該計劃及本公司任何其他購股權計劃將予授出之全部購股權而可能發行之股份最高數目不得超過本公司於二零零七年八月二十八日（即採納該計劃之日期）之已發行股本之10%，惟已取得股東之更新批准除外。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

29. SHARE OPTIONS *(continued)*

Share option scheme *(continued)*

Pursuant to the special general meeting held on 11 June 2010, the resolution approving the renewal of the 10% of the general limit was passed by the shareholders and the maximum number of shares which may be issued upon the exercise of all options to be granted under the Scheme and any other share option scheme(s) of the Company shall not exceed 10% of the share capital of the Company in issue on 11 June 2010. The total number of shares available for issue under the Scheme is 461,224,947 (representing 10% of the issued share capital of the Company as at the date of passing the resolution to refresh the 10% limit).

The maximum number of the shares (issued and to be issued) in respect of which share options may be granted under the Scheme to any one Grantee in any 12-month period shall not exceed 1% of the share capital of the Company in issue on the last date of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules.

The Scheme was approved by the shareholders of the Company on 28 August 2007 and has a life of 10 years until 27 August 2017.

Share options granted to certain consultants of the Solar Business

Pursuant to the ordinary resolutions passed in a special general meeting held on 23 November 2009, the directors are specifically authorised to (i) grant the options to consultants of the Solar Business and (ii) upon the exercise of the options, allot and issue up to 320,000,000 shares of HK\$0.0025 each in the share capital of the Company to the Grantee.

29. 購股權(續)

購股權計劃(續)

根據於二零一零年六月十一日舉行之股東特別大會，批准更新10%一般上限之決議案獲股東批准，而因行使根據該計劃及本公司任何其他購股權計劃將予授出之全部購股權而可能發行之股份最高數目不得超過本公司於二零一零年六月十一日之已發行股本之10%。可供根據該計劃發行之股份總數為461,224,947股(佔本公司於通過更新10%上限之決議案當日之已發行股本10%)。

於任何12個月期間根據該計劃授予任何一名承授人之購股權所涉及之股份最高數目(已發行及將予發行)不得超過本公司於該12個月期間最後一日之已發行股本之1%，惟根據上市規則已取得本公司股東之批准除外。

該計劃已於二零零七年八月二十八日獲本公司股東批准，為期10年，直至二零一七年八月二十七日為止。

授予太陽能業務若干顧問之購股權

根據於二零零九年十一月二十三日舉行之股東特別大會上通過之普通決議案，董事獲特別授權(i)授出購股權予太陽能業務顧問；及(ii)於行使購股權時，配發及發行最多320,000,000股本公司股本中每股面值0.0025港元之股份予承授人。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

29. SHARE OPTIONS (continued)

Share options granted to the management of the Group

Pursuant to the ordinary resolutions passed in a special general meeting held on 30 November 2011, the directors are specifically authorised to (i) grant the options to the management of the Group and (ii) upon the exercise of the options, allot and issue up to 100,000,000 shares of HK\$0.0025 each in the share capital of the Company to the Grantee.

The following share options were outstanding during the year:

29. 購股權(續)

授予本集團管理層之購股權

根據於二零一一年十一月三十日舉行之股東特別大會上通過之普通決議案，董事獲特別授權(i)授出購股權予本集團管理層；及(ii)於行使購股權時，配發及發行最多100,000,000股本公司股本中每股面值0.0025港元之股份予承授人。

以下購股權於年內尚未行使：

		2012 二零一二年		2011 二零一一年	
		Weighted average exercise price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千股	Weighted average exercise price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千股
At 1 January	於一月一日	0.17	103,600	0.24	126,400
Granted during the year	年內授出	—	—	0.17	100,000
Exercised during the year	年內行使	—	—	0.25	(110,800)
Expired during the year	年內屆滿	—	—	0.18	(12,000)
At 31 December	於十二月三十一日	0.17	103,600	0.17	103,600

The weighted average share price at the date of exercise for share options exercised during the prior year was HK\$0.63 per share.

上年度內已行使購股權於行使日期之加權平均股價為每股0.63港元。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

29. SHARE OPTIONS (continued)

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

2012 and 2011 二零一二年及二零一一年		Number of options 購股權數目	Exercise price* 行使價*	Exercise period 行使期
Granted to 授予		'000 千股	HK\$ per share 每股港元	
Consultants of the Solar Business (i)	太陽能業務 顧問 (i)	3,600	0.25	25 November 2010 to 24 November 2014 二零一零年十一月二十五日 至二零一四年十一月 二十四日
Management of the Group (ii)	本集團管理層 (ii)	100,000	0.1664	16 December 2011 to 15 December 2016 二零一一年十二月十六日至 二零一六年十二月十五日
		<hr/> 103,600 <hr/>		

* The exercise price of the share options is subject to adjustment in case of rights on bonus issues, or other similar changes in the Company's share capital.

29. 購股權(續)

於報告期末尚未行使之購股權之行使價及行使期如下：

* 購股權之行使期可於紅股發行或本公司股本出現其他類似變動時作出調整。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

29. SHARE OPTIONS (continued)

Notes:

- (i) On 25 November 2009, being the date of the completion of the acquisition of the Solar Business, the Company issued 320,000,000 share options to certain consultants of the Solar Business for nil consideration at an exercise price of HK\$0.25 per share as an incentive of their contribution to the development of the Solar Business. The vesting date of the share options granted to consultants of the Solar Business is one year from the date of grant.
- (ii) On 16 December 2011, the Company granted 100,000,000 share options to the management of the Group for nil consideration at an exercise price of HK\$0.1664 per share. The exercise periods of the share options granted to the management of the Group are as follows:

Exercise periods	行使期	Number of options 購股權數目 '000 千股
16 December 2011 to 15 December 2016	二零一一年十二月十六日至 二零一六年十二月十五日	10,000
16 December 2012 to 15 December 2016	二零一二年十二月十六日至 二零一六年十二月十五日	10,000
16 December 2013 to 15 December 2016	二零一三年十二月十六日至 二零一六年十二月十五日	10,000
16 December 2014 to 15 December 2016	二零一四年十二月十六日至 二零一六年十二月十五日	10,000
16 December 2015 to 15 December 2016	二零一五年十二月十六日至 二零一六年十二月十五日	60,000
		100,000

The fair value of the share options granted to the management of the Group was HK\$19,975,000 at the grant date and was fully recognised as a share option expense in the prior year.

- (iii) The options outstanding at 31 December 2012 had an exercise price of HK\$0.1664 to HK\$0.25 and a weighted average remaining contractual life of 1.9 years (2011: 2 years).

29. 購股權(續)

附註：

- (i) 於二零零九年十一月二十五日(即完成收購太陽能業務之日期)，本公司以零代價發行320,000,000份購股權予太陽能業務之若干顧問，行使價為每股0.25港元，以鼓勵彼等對太陽能業務之發展作出貢獻。授予太陽能業務顧問之購股權之歸屬期為授出日期起計一年。
- (ii) 於二零一一年十二月十六日，本公司以零代價授出100,000,000份購股權予本集團管理層，行使價為每股0.1664港元。授予本集團管理層之購股權之行使期如下：

於授出日期，授予本集團管理層之購股權之公平值為19,975,000港元，已悉數確認為上年度之購股權開支。

- (iii) 於二零一二年十二月三十一日尚未行使之購股權之行使價為0.1664港元至0.25港元，而加權平均餘下合約年期為1.9年(二零一一年：2年)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

29. SHARE OPTIONS (continued)

Notes: (continued)

- (iv) The valuation of the share options granted to the management of the Group in the prior year was carried out by an independent professionally qualified valuer using a binomial model and the inputs for the model were as follows:

		2011 二零一一年
Expected volatility	預期波幅	76.17%
Risk free rate	無風險利率	0.85%
Expected life (years)	預期年期(年)	5
Expected dividend yield	預期股息收益	0%

The underlying expected volatility was determined by reference to historical data, calculated based on the expected life of the share options. Expectations of early exercise were incorporated in the binomial model. No special features pertinent to the options granted were incorporated into the measurement of fair value.

- (v) At the end of the reporting period, the Company had 103,600,000 share options outstanding. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 103,600,000 additional ordinary shares of the Company and additional share capital of HK\$259,000 and share premium of HK\$17,281,000 (before issue expense).
- (vi) At the date of approval of these financial statements, the Company had 103,600,000 share options outstanding, which represented less than 1% of the Company's shares in issue as at that date.

29. 購股權(續)

附註：(續)

- (iv) 於過往年度授予本集團管理層之購股權之估值乃由獨立專業合資格估值師採用二項模式進行，該模型所使用之數據如下：

相關預期波幅乃參考過往資料釐定及按購股權之預期年期計算。提早行使之預期乃計入二項模式。於計量公平值時，並無考慮所授出購股權之特點。

- (v) 於報告期末，本公司有 103,600,000 份未行使購股權。根據本公司之現有股本架構，全數行使未行使購股權將導致發行 103,600,000 股本公司額外股份，並增加股本 259,000 港元及股本溢價 17,281,000 港元(扣除發行開支前)。
- (vi) 於本財務報表批准日期，本公司有 103,600,000 份未行使購股權，佔本公司於該日之已發行股本之 1% 以下。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

30. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current year are presented in the consolidated statement of changes in equity on pages 85 to 86 of the consolidated financial statements.

(i) *Capital redemption reserve*

Capital redemption reserve represents an amount equivalent to the par value of the ordinary shares cancelled as a result of the share repurchase.

(ii) *Reserve funds*

Pursuant to the relevant laws and regulations in the PRC, a portion of the profits of the Company's subsidiaries in the PRC has been transferred to the reserve funds which are restricted to use.

(iii) *Contributed surplus*

The contributed surplus arose from the capital reorganisation in prior years.

(iv) *Share option reserve*

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.4 to the consolidated financial statements. The amount will be transferred either to the share premium account when the related options are exercised, or retained profits should the related options expire or lapse.

30. 儲備

(a) 本集團

本集團於本年度之儲備金額及其變動載於綜合財務報表第85至86頁之綜合權益變動表。

(i) *資本贖回儲備*

資本贖回儲備之金額等於因股份購回而註銷之普通股面值。

(ii) *儲備金*

根據中國相關法例及法規，本公司之中國附屬公司之部分盈利已轉撥至具限制用途之儲備金。

(iii) *實繳盈餘*

實繳盈餘乃產生於過往年度之資本重組。

(iv) *購股權儲備*

購股權儲備包括已授出但未行使之購股權之公平值，按綜合財務報表附註2.4有關股份支付之會計政策進一步闡述。該金額將於相關購股權獲行使時轉撥至股份溢價賬，或於相關購股權屆滿或失效時轉撥至留存溢利。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

30. RESERVES (continued)

(b) Company

		Share premium account	Capital redemption reserve	Contributed surplus*	Convertible		Share option reserve	Accumulated losses	Total
					Bonds equity reserve	Share option reserve			
		股份溢價賬	贖回儲備	實繳盈餘*	券權益儲備	購股權儲備	累計虧損	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	
At 1 January 2011	於二零一一年一月一日	3,890,254	6,815	262,432	2,754,321	128,957	(395,432)	6,647,347	
Repurchase of own shares	購回本身股份	(199,515)	785	—	—	—	—	(198,730)	
Share repurchase expenses	股份購回支出	(1,096)	—	—	—	—	—	(1,096)	
Conversion of the Convertible Bonds	兌換可換股債券	3,266,999	—	—	(1,858,636)	—	—	1,408,363	
Exercise of share options (note 29)	行使購股權 (附註29)	151,322	—	—	—	(123,899)	—	27,423	
Equity-based share option arrangements (note 29)	權益結算購股權安排 (附註29)	—	—	—	—	19,975	—	19,975	
Transfer of share option reserve upon the expiry of share options	購股權屆滿時轉撥購股權 儲備	—	—	—	—	(1,033)	1,033	—	
Transaction with owners	與擁有人之交易	3,217,710	785	—	(1,858,636)	(104,957)	1,033	1,255,935	
Total comprehensive loss for the year	本年度全面虧損總額	—	—	—	—	—	(167,662)	(167,662)	
At 31 December 2011 and 1 January 2012	於二零一一年 十二月三十一日及 二零一二年一月一日	7,107,964	7,600	262,432	895,685	24,000	(562,061)	7,735,620	
Total comprehensive loss for the year	本年度全面虧損總額	—	—	—	—	—	(89,451)	(89,451)	
At 31 December 2012	於二零一二年十二月 三十一日	7,107,964	7,600	262,432	895,685	24,000	(651,512)	7,646,169	

* Contributed surplus arose from the excess of the carrying value of the subsidiaries acquired over the nominal value of the Company's shares issued and capital reorganisation in prior years.

* 實繳盈餘乃產生於所收購附屬公司賬面值超出所發行本公司股份面值之差額及過往年度之資本重組。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

31. DISPOSAL OF EQUITY INTERESTS IN SUBSIDIARIES

Year ended 31 December 2011

In March 2011, the Group entered into a sale and purchase agreement with several independent third parties to dispose of the remaining 51% equity interest in the Toy Business, for an aggregate consideration of HK\$90,000,000. The disposal was completed in March 2011. A loss on disposal of the equity interests in subsidiaries of HK\$12,331,000 was recognised in profit or loss of the consolidated statement of comprehensive income and the respective reserve funds of HK\$34,000,000 were transferred to retained profits upon disposal in the prior year.

Details of the aggregate net assets disposed of in the prior year and their financial impacts are summarised below:

31. 出售附屬公司股本權益

截至二零一一年十二月三十一日止年度

於二零一一年三月，本集團與多個獨立第三方訂立買賣協議，以出售其於玩具業務之餘下51%股本權益，總代價為90,000,000港元。出售於二零一一年三月完成。出售附屬公司股本權益之虧損為12,331,000港元，已於綜合全面收益表之損益內確認，而相關儲備金34,000,000港元已於過往年度出售後轉撥至留存溢利。

於過往年度所出售之總資產淨額詳情及其財務影響概述如下：

		HK\$'000 千港元
Net assets disposed of:	已出售之淨資產：	
Property, plant and equipment	物業、廠房及設備	62,515
Prepaid land lease payments	預付土地租金	9,756
Deferred tax assets	遞延稅項資產	11,251
Inventories	存貨	104,354
Trade and other receivables	貿易及其他應收款項	19,730
Bills receivable	應收票據	945
Deposits and prepayments	按金及預付款項	8,758
Cash and bank balances	現金及銀行結存	58,941
Trade and other payables	貿易及其他應付款項	(18,531)
Deposits and accruals	按金及應計費用	(38,680)
Tax payable	應付稅項	(725)
Deferred tax liabilities	遞延稅項負債	(4,470)
Non-controlling interests	非控股權益	(111,513)
		102,331
Loss on disposal of equity interests in subsidiaries	出售附屬公司股本權益之虧損	(12,331)
Total consideration — satisfied by cash	總代價 — 以現金支付	90,000
Net cash inflow on disposal:	出售時之淨現金流入：	
Cash consideration	現金代價	90,000
Cash and bank balances disposed of	已出售現金及銀行結存	(58,941)
		31,059

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

32. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

32. 或然負債

於報告期末，未於財務報表中撥備之或然負債如下：

	Group 本集團		Company 本公司	
	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Guarantee given to a bank in connection with banking facilities granted to a subsidiary	—	—	—	1,233,502
就附屬公司獲授銀行信貸額向銀行作出擔保				

As at 31 December 2011, the guarantee given to a bank in connection with banking facilities granted to a subsidiary by the Company was not utilised.

於二零一一年十二月三十一日，本公司就附屬公司獲授銀行信貸額向銀行作出之擔保尚未動用。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

33. OPERATING LEASE COMMITMENTS

As lessee

The Group leases a number of properties, warehouses and equipment under operating leases, with leases negotiated for an initial period of three months to five years, with an option to renew the lease and renegotiate the terms at the expiry dates or at dates as mutually agreed between the Group and the respective landlords. None of the leases include contingent rental.

At 31 December 2012, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

33. 經營租賃承擔

作為承租人

本集團根據經營租賃租用若干物業、倉庫及設備，租賃初步為期三個月至五年，可選擇於租約屆滿當日或本集團與有關業主雙方同意之日續租及重新磋商條款。該等租賃概不包括或然租金。

於二零一二年十二月三十一日，本集團根據不可撤銷經營租賃之未來最低租金總額將於下列期限屆滿：

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Within one year	一年內	15,121	13,218
In the second to fifth years, inclusive	第二至五年(包括首尾兩年)	5,749	12,620
		20,870	25,838

34. CAPITAL COMMITMENTS

34. 資本承擔

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Contracted, but not provided for, acquisition of items of property, plant and equipment	已訂約但未撥備收購物業、廠房及設備項目	17,460	11,773

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

35. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances detailed elsewhere in these consolidated financial statements, the Group had the following material transactions with a related party during the year:

		Group 本集團		
		2012 二零一二年	2011 二零一一年	
		HK\$'000 千港元	HK\$'000 千港元	
		Notes 附註		
Hanergy Group	漢能集團			
Sales of equipment and turnkey production lines	銷售設備及整套生產線	(i)	2,756,463	2,454,695
Rental expense	租金開支	(ii)	2,744	—
Equipment lease expense	設備租賃開支	(ii)	16,473	—
Technology usage fee expense	技術使用費開支	(ii)	28,761	—

Notes:

- (i) The revenue from the sales of equipment and turnkey production lines was receivable from Hanergy Group. The sales were made in accordance with the terms as stipulated in the relevant sales contracts.
- (ii) The transactions were made in accordance with the terms as stipulated in the relevant agreements entered into between the Group and the related party.

附註：

- (i) 製造設備及整套生產線之收入乃應收自漢能集團。銷售乃根據有關銷售合約訂明之條款進行。
- (ii) 該等交易乃根據本集團與關連人士所訂立之有關協議訂明之條款進行。

- (b) Other transactions with a related party:

- (i) On 31 December 2012, the Company has granted Hanergy the option to subscribe for an aggregate of 600,000,000 option shares at an exercise price of HK\$0.25 per option share. Further details are set out in the Company's announcement dated 7 September 2012.

- (b) 其他與關連人士進行之交易：

- (i) 於二零一二年十二月三十一日，本公司向漢能授出購股權，以按行使購每股購股權股份0.25港元認購600,000,000股購股權股份。進一步詳情載於本公司日期為二零一二年九月七日刊發之公佈。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

35. RELATED PARTY TRANSACTIONS

(continued)

(b) (continued)

(ii) On 19 April 2012, a subsidiary of the Group entered into a technology transfer agreement with Hanergy to acquire five patents at an aggregate consideration of approximately HK\$245,818,000. The acquisition was completed on 31 July 2012 and further details are set out the Company's circular dated 18 May 2012.

(iii) On 19 April 2012, a subsidiary of the Group entered into a sale and purchase agreement with the Hanergy Group to acquire a company which is principally engaged in the research and development of solar energy technology. As at 31 December 2012, the acquisition was not yet completed. Further details of which are set out in the Company's announcement dated 19 April 2012.

(c) Details of compensation of key management personnel of the Group are set out in note 15 to the financial statements.

The related party transactions in respect of items (a) and (b) above also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The financial risks include market risk (including foreign currency risk and interest risk), credit risk and liquidity risk.

35. 關連人士交易(續)

(b) (續)

(ii) 於二零一二年四月二十九日，本集團附屬公司與漢能訂立技術轉讓協議，以總代價約245,818,000港元收購五項專利。收購已於二零一二年七月三十一日完成，進一步詳情載於本公司日期為二零一二年五月十八日之通函。

(iii) 於二零一二年四月十九日，本集團之附屬公司與漢能集團訂立買賣協議，以收購一間主要從事研發太陽能技術之公司。於二零一二年十二月三十一日，收購事項尚未完成。有關進一步詳情載於本公司日期為二零一二年四月十九日之公佈。

(c) 本集團主要管理層薪酬詳情載於財務報表附註15。

有關上述第(a)項及(b)項之關連人士交易亦構成上市規則第14A章所界定之關連交易或持續關連交易。

36. 財務風險管理目標及政策

本集團透過於其日常營運過程及其投資活動中使用金融工具而面對財務風險。財務風險包括市場風險(包括外匯風險及利息風險)、信貸風險及流動資金風險。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management is coordinated at the Group's headquarters, in close co-operation with the board of directors. The overall objectives in managing financial risks focus on securing the Group's short to medium term cash flows by minimising its exposure to financial markets. Long term financial investments are managed to generate lasting returns with acceptable risk levels.

It is not the Group's policy to actively engage in the trading of financial instruments for speculative purposes. The Group's senior management works under the policies approved by the board of directors. It identifies ways to access financial markets and monitors the Group's financial risk exposures. Regular reports are provided to the board of directors.

Foreign currency risk

(i) Transactions in foreign currencies and the Group's risk management policies

Currency risk refers to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposures to currency risk arise from its sales and purchases, which are primarily denominated in RMB and United States dollars ("US\$"), other than the functional currencies of the Group entities to which these transactions relate.

The Group reviews its foreign currency exposure regularly. No hedging or other alternatives have been implemented during the year.

The policies to manage foreign currency risk have been followed by the Group since prior years and are considered to be effective.

36. 財務風險管理目標及政策(續)

財務風險管理主要在本集團總部協調，並與董事會緊密合作。整體之財務風險管理目的集中於保障本集團短期至中期之現金流，從而將面對金融市場風險減至最低。在可接受風險水平內，管理長期財務投資以產生持久回報。

主動參與投機性質之金融工具交易並非本集團之政策。本集團之高級管理層按董事會批准之政策工作，確定評估金融市場及監察本集團金融風險之方法，並向董事會提供定期報告。

外幣風險

(i) 外幣交易及本集團之風險管理政策

貨幣風險指由於匯率變動導致金融工具之公平值或未來現金流量出現波動之風險。本集團面對之貨幣風險來自其主要以人民幣及美元(「美元」)計值之買賣。此等貨幣並非涉及此等交易之本集團實體之功能貨幣。

本集團定期檢討其外幣風險。年內並無進行對沖或其他安排。

外幣風險管理政策於過往數年一直由本集團沿用，且被認為行之有效。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

(ii) Summary of exposure

Foreign currency denominated financial assets and liabilities, translated into Hong Kong dollars at the closing rates, are as follows:

		2012 二零一二年		2011 二零一一年	
		US\$ 美元 HK\$'000 千港元	RMB 人民幣 HK\$'000 千港元	US\$ 美元 HK\$'000 千港元	RMB 人民幣 HK\$'000 千港元
Trade and other receivables	貿易及其他應收款項	3,764,420	—	2,810,821	—
Cash and bank balances	現金及銀行結存	17,709	2,317	296	48,637
Trade and other payables	貿易及其他應付款項	(269)	(17,537)	(1,477)	—
Gross exposure arising from recognised financial assets/(liabilities)	已確認金融資產/(負債)產生之風險總額	3,781,860	(15,220)	2,809,640	48,637

36. 財務風險管理目標及政策(續)

外幣風險(續)

(ii) 風險概要

以外幣計值之金融資產及負債按收市匯率換算為港元如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

(iii) Sensitivity analysis

The following table illustrates the sensitivity at the end of the reporting period to a reasonably possible change in the exchange rates of foreign currencies other than the functional currencies of the relevant operating units. The rates are used when reporting foreign currency risk internally to key management personnel and represents management's best assessment of the change in foreign currency exchange rates.

The sensitivity analysis of the Group's exposure to foreign currency risk at the end of the reporting period has been performed based on the assumed percentage changes in foreign currency exchange rates taking place at the beginning of the financial year and held constant throughout the year. All other variables are held constant.

Appreciation/(depreciation) in US\$ against RMB

36. 財務風險管理目標及政策(續)

外幣風險(續)

(iii) 敏感度分析

下表闡述報告期末外匯(相關經營單位之功能貨幣除外)變動之合理可能變動之敏感度。比率為向主要管理人員內部呈報外匯風險時所用之比率，並為管理層對外幣匯率可能變動之最佳評估。

於報告期末，本集團所面對外幣風險之敏感度分析乃假設外幣匯率變動百分比於財政年初發生並於整年內維持不變而進行。所有其他變數維持不變。

美元兌人民幣升值/(減值)

	2012 二零一二年		2011 二零一一年	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
	+5%	(-5%)	+5%	(-5%)
	升5%	(跌5%)	升5%	(跌5%)
Profit for the year and retained profits	本年度溢利及留存溢利	160,729 (160,729)	119,390 (119,390)	

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

(iii) Sensitivity analysis (continued)

Appreciation/(depreciation) in US\$ against HK\$

	2012 二零一二年		2011 二零一一年	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
	+1%	(-1%)	+1%	(-1%)
	升1%	(跌1%)	升1%	(跌1%)
Profit for the year and retained profits	—	—	—	—

Appreciation/(depreciation) in RMB against HK\$

	2012 二零一二年		2011 二零一一年	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
	+5%	(-5%)	+5%	(-5%)
	升5%	(跌5%)	升5%	(跌5%)
Profit for the year and retained profits	(646)	646	2,030	(2,030)

These are the same methods and assumptions used in preparing the sensitivity analysis included in the consolidated financial statements for the year ended 31 December 2011.

Exposures to foreign exchange rates varied during the year depending on the volume of overseas transactions. Nevertheless, the analysis above is considered to be representative of the Group's exposure to foreign currency risk.

36. 財務風險管理目標及政策(續)

外幣風險(續)

(iii) 敏感度分析(續)

美元兌港元升值/(減值)

人民幣兌港元升值/(減值)

此等方法及假設與編製截至二零一一年十二月三十一日止年度之綜合財務報表所載敏感度分析所使用者相同。

外幣匯率風險於年內因應海外交易量而改變。然而，上述分析被認為可反映本集團之外幣風險。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk

(i) Exposures to interest rate risk and the Group's risk management policies

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from cash and bank balances. Other financial assets and financial liabilities are either non-interest-bearing or bear fixed interest rates and are measured at amortised cost.

(ii) Sensitivity analysis

The following table illustrates the sensitivity of the Group's profit for the year and equity to a possible change in interest rates of +/-50 basis points (2011: +/-50 basis points), with effect from the beginning of the year. The calculations are based on the Group's amount of cash and bank balances during the year. All other variables are held constant.

Group

		2012 二零一二年		2011 二零一一年	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		+50 basis points +50 基點	-50 basis points -50 基點	+50 basis points +50 基點	-50 basis points -50 基點
Profit for the year and retained profits	本年度溢利及 留存溢利	2,922	(2,922)	1,461	(1,461)

36. 財務風險管理目標及政策(續)

利率風險

(i) 利率風險承擔及本集團之風險管理政策

利率風險指金融工具之公平值或現金流量因市場利率改變而出現波動之風險。本集團之利率風險主要來自現金及銀行結存。其他金融資產及金融負債乃不計息或以固定利率計息，並按攤銷成本計量。

(ii) 敏感度分析

下表闡述自年初起，本集團之本年度溢利及權益對利率可能出現 +/-50 基點(二零一一年： +/-50 基點)變動之敏感度。有關運算乃以本集團於年內之現金及銀行結存金額為基礎。所有其他變數維持不變。

本集團

		2012 二零一二年		2011 二零一一年	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		+50 basis points +50 基點	-50 basis points -50 基點	+50 basis points +50 基點	-50 basis points -50 基點
Profit for the year and retained profits	本年度溢利及 留存溢利	2,922	(2,922)	1,461	(1,461)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk (continued)

(ii) Sensitivity analysis (continued)

Company

	2012 二零一二年		2011 二零一一年	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
	+50 basis points +50 基點	-50 basis points -50 基點	+50 basis points +50 基點	-50 basis points -50 基點
Profit for the year and retained profits	18	(18)	257	(257)

The assumed changes in interest rates are considered to be reasonable based on observation of current market conditions and represent the management's assessment of reasonable change in interest rates over the period until the end of the next reporting period.

The sensitivity analysis included in the consolidated financial statements for the year ended 31 December 2011 was prepared on the same basis.

36. 財務風險管理目標及政策(續)

利率風險(續)

(ii) 敏感度分析(續)

本公司

利率之假設變動乃經觀察現行市況後視為合理之變動，並為管理層對截至下個報告期末止期間利率之合理變動之評估。

截至二零一一年十二月三十一日止年度之綜合財務報表所載之敏感度分析乃基於相同基準編製。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

(i) Summary of exposures

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. The Group's exposure to credit risk mainly arises from granting credit to customers in the ordinary course of its operations and its investing activities.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, trade and other receivables, arises from the default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and other receivables is disclosed in note 22 to the consolidated financial statements.

(ii) Risk management objectives and policies

The Group's policy is to deal only with creditworthy counterparties. Credit terms are granted to new customers after a creditworthiness assessment. When considered appropriate, customers may be requested to provide proof as to their financial position.

Customers who are not considered creditworthy are required to pay in advance or on delivery of goods. Payment records of customers are closely monitored. Overdue balances and significant trade receivables are highlighted. The directors will determine the appropriate recovery actions. It is not the Group's policy to request collateral from its customers.

36. 財務風險管理目標及政策(續)

信貸風險

(i) 風險概要

信貸風險指金融工具之對方未能按金融工具之條款履行其責任，並導致本集團錄得財務虧損之風險。本集團之信貸風險主要來自於其日常營運過程及其投資活動中授予客戶信貸。

本集團其他金融資產(包括現金及現金等價物、貿易及其他應收款項)之信貸風險來自對方違約，最高風險相等於該等工具之賬面值。

有關本集團產生自貿易及其他應收款項之信貸風險之進一步量化數據於綜合財務報表附註22披露。

(ii) 風險管理目標及政策

本集團之政策為僅與信譽良好之對方進行交易。授予新客戶之信貸期乃經信譽評估後授出。倘認為適合，客戶可被要求提供財政狀況之證明。

被認為信譽不佳之客戶須預付款項或於交付時付款。客戶之付款記錄獲密切監視。逾期結餘及重大貿易應收款受重視。董事將釐定適當追收行動。本集團之政策不要求其客戶提供抵押品。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

(ii) Risk management objectives and policies (continued)

The credit risk for liquid funds is considered negligible as the counterparties are reputable banks and securities brokers.

The credit policies have been followed by the Group since prior years and are considered to have been effective in limiting the Group's exposure to credit risk to a reasonable level.

(iii) Concentration of credit risk

Included in trade receivables of HK\$3,764,297,000 (2011: HK\$2,811,182,000) was HK\$3,764,258,000 (2011: HK\$2,810,658,000) due from one single customer, which represented approximately 100% (2011: 100%) of total trade receivables at the end of the reporting period.

The directors of the Company believe that impairment allowance is adequate in respect of such balances as the customer has a good track record of settlements during the current year and prior year.

36. 財務風險管理目標及政策(續)

信貸風險(續)

(ii) 風險管理目標及政策(續)

由於對方為信譽良好之銀行及證券經紀，故流動資金之信貸風險被認為極微。

信貸政策在過往數年度一直由本集團沿用，且被認為行之有效，將本集團承擔之信貸風險限制在合理水平。

(iii) 信貸風險集中

應收貿易款項3,764,297,000港元(二零一一年：2,811,182,000港元)包括應收單一客戶款項3,764,258,000港元(二零一一年：2,810,658,000港元)，佔報告期末之貿易應收款項總額約100%(二零一一年：100%)。

本公司董事相信，由於顧客於本年及去年均擁有良好結算記錄，故就該等結餘計提之減值撥備充足。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities. The Group is exposed to liquidity risk in respect of settlement of trade payables, and also in respect of its cash flow management. The Group's objective is to maintain an appropriate level of liquid assets and committed lines of funding to meet its liquidity requirements in the short and long term.

Analysed below is the Group's and Company's remaining contractual maturities for its financial liabilities as at 31 December 2012. When the creditor has a choice of when the liability is settled, the liability is included on the basis of the earliest date on which the Group can be required to pay. Where the settlement of the liability is in instalments, each instalment is allocated to the earliest period in which the Group is committed to pay.

The contractual maturity analysis below is based on the undiscounted cash flows in the financial statements:

Group
2012

	On demand 於要求時 HK\$'000 千港元	Less than 6 months 少於6個月 HK\$'000 千港元	6 to 12 months 6至12個月 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Trade and other payables 貿易及其他應付款項	2,115	590,733	54,086	32,629	679,563
Convertible Bonds 可換股債券	—	—	847,530	—	847,530
	2,115	590,733	901,616	32,629	1,527,093

36. 財務風險管理目標及政策(續)

流動資金風險

流動資金風險乃與本集團未能履行金融負債相關責任之風險有關。本集團在清償貿易應付款項以及在現金流量管理方面承擔流動資金風險。本集團之目標為維持適當之流動資產水平及承諾資金額度，以應付其短及長期之流動資金需要。

以下為本集團及本公司就其於二零一二年十二月三十一日之非衍生金融負債之剩餘合約到期日。負債乃按本集團可被要求付款之最早日期計入，惟貸權人可選擇結清負債之日期。當負債以分期方式結清，則各分期乃分配至本集團承諾付款之最早期間。

以下合約到期分析乃根據財務報表之未貼現現金流量作出：

本集團
二零一二年

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

Group (continued)

2011

	On demand 於要求時 HK\$'000 千港元	Less than 6 months 少於6個月 HK\$'000 千港元	6 to 12 months 6至12個月 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Trade and other payables 貿易及其他應付款項	7,110	361,833	81,335	24,210	474,488
Convertible Bonds 可換股債券	—	—	—	847,530	847,530
	7,110	361,833	81,335	871,740	1,322,018

Company

2012

	On demand 於要求時 HK\$'000 千港元	Less than 6 months 少於6個月 HK\$'000 千港元	6 to 12 months 6至12個月 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Amount due to a subsidiary 應付附屬公司款項	106,434	—	—	—	106,434
Convertible Bonds 可換股債券	—	—	847,530	—	847,530
Subtotal 小計	106,434	—	847,530	—	953,964
The maximum amount of the guarantee given to a bank in connection with facilities granted to a subsidiary 就附屬公司獲授銀行信貸額向銀行作出擔保之最高金額	—	—	—	—	—

36. 財務風險管理目標及政策(續)

流動資金風險(續)

本集團(續)

二零一一年

本公司

二零一二年

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

Company (continued)

2011

		On demand 於要求時 HK\$'000 千港元	Less than 6 months 少於6個月 HK\$'000 千港元	6 to 12 months 6至12個月 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Amount due to a subsidiary	應付附屬公司 款項	77,469	—	—	—	77,469
Convertible Bonds	可換股債券	—	—	—	847,530	847,530
		77,469	—	—	847,530	924,999
The maximum amount of the guarantee given to a bank in connection with facilities granted to a subsidiary	就附屬公司 獲授銀行 信貸額向 銀行作出 擔保之最高 金額	1,233,502	—	—	—	1,233,502

36. 財務風險管理目標及政策(續)

流動資金風險(續)

本公司(續)

二零一一年

		On demand 於要求時 HK\$'000 千港元	Less than 6 months 少於6個月 HK\$'000 千港元	6 to 12 months 6至12個月 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Amount due to a subsidiary	應付附屬公司 款項	77,469	—	—	—	77,469
Convertible Bonds	可換股債券	—	—	—	847,530	847,530
		77,469	—	—	847,530	924,999
The maximum amount of the guarantee given to a bank in connection with facilities granted to a subsidiary	就附屬公司 獲授銀行 信貸額向 銀行作出 擔保之最高 金額	1,233,502	—	—	—	1,233,502

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

Assets measured at fair value:

Group

As at 31 December 2012:

36. 財務風險管理目標及政策(續)

公平值架構

本集團採用下列架構釐定及披露金融工具之公平值：

第一級：根據相同資產或負債在活躍市場上之報價(未經調整)計量之公平值

第二級：根據所有直接或間接對已列賬公平值有重大影響之可觀察資料之估值技術計量之公平值

第三級：並非根據可觀察之市場數據(非可觀察資料)而對已列賬公平值有重大影響之任何資料之估值技術計量之公平值

按公平值計量之資產：

本集團

於二零一二年十二月三十一日：

Assets	資產	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Equity investment at fair value through profit or loss (note 23)	按公平值列賬於損益之權益投資(附註23)	4,480	—	—	4,480

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Fair value hierarchy (continued)

Group (continued)

As at 31 December 2011:

Assets	資產	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Equity investment at fair value through profit or loss (note 23)	按公平值列賬於損益之權益投資 (附註 23)	5,320	—	—	5,320

Capital management

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing goods and services commensurately with the level of risk.

The Group actively and regularly reviews its capital structure and makes adjustments in light of changes in economic conditions. The Group monitors its capital structure on the basis of the debt to equity ratio. For this purpose, debt includes total borrowings excluding the Convertible Bonds. Equity includes equity attributable to the owners of the parent. The Group's goal in capital management is to maintain the debt to equity ratio at a reasonable level. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

The gearing ratio as at the end of the reporting period was 0% (2011: 0%).

36. 財務風險管理目標及政策(續)

公平值架構(續)

本集團(續)

於二零一一年十二月三十一日：

資本管理

本集團之資本管理目標為確保本集團有能力持續經營，並透過配合風險水平之貨品與服務訂價，為股東提供足夠回報。

本集團主動定期檢討其資本架構並就經濟狀況變動而作出調整。本集團基於其債務額對權益比率監察其資本架構。就此而言，債務額包括除可換股債券外之總借貸。權益包括母公司擁有人應佔權益。本集團之資本管理目標為維持債務淨額對權益比率於合理水平。為維持或調整該比率，本集團可能調整支付予股東之股息金額、發行新股份、向股東退回資本、籌集新債務融資或出售資產以減低債務。

於報告期末，資本借貸比率為0% (二零一一年：0%)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

37. EVENTS AFTER THE REPORTING PERIOD

- (i) Pursuant to a special resolution passed at the special general meeting of the Company held on 17 December 2012, the name of the Company was changed from Apollo Solar Energy Technology Holdings Limited to Hanergy Solar Group Limited with effect from 14 January 2013.
- (ii) Share subscription by Hanergy and its designated parties (the "Share Subscription"):
 - (a) On 27 February 2013, a total of 1,964,611,584 shares were issued and allotted to Hanergy Investment Limited, a subsidiary of Hanergy, at the subscription price of HK\$0.239 per share under the subscription agreement dated 20 May 2010 entered into between the Company and Hanergy;
 - (b) On 27 February 2013, a total of 6,000,000,000 shares were issued and allotted to Hanergy Investment Limited, a subsidiary of Hanergy, at the subscription price of HK\$0.1 per share under the subscription agreement dated 18 September 2011 entered into between the Company and Hanergy; and
 - (c) On 27 February 2013, a total of 300,000,000 option shares were issued and allotted to Hanergy Option Limited, a designated party of Hanergy, at the exercise price of HK\$0.1664 per option share under the share option agreement dated 18 September 2011 entered into between the Company and Hanergy.

37. 報告期後事項

- (i) 根據本公司於二零一二年十二月十七日舉行之股東特別大會上通過之特別決議案，本公司之名稱由鉞陽太陽能技術控股有限公司更改為漢能太陽能集團有限公司，由二零一三年一月十四日起生效。
- (ii) 漢能及其指定人士認購股份（「股份認購事項」）：
 - (a) 於二零一三年二月二十七日，本公司根據其與漢能於二零一零年五月二十日訂立之認購協議，按每股0.239港元之認購價向漢能之附屬公司Hanergy Investment Limited發行及配發合共1,964,611,584股股份；
 - (b) 於二零一三年二月二十七日，本公司根據其與漢能於二零一一年九月十八日訂立之認購協議，按每股0.1港元之認購價向漢能之附屬公司Hanergy Investment Limited發行及配發合共6,000,000,000股股份；及
 - (c) 於二零一三年二月二十七日，本公司根據其與漢能於二零一一年九月十八日訂立之購股權協議，按每股購股權股份0.1664港元之行使價向漢能之指定人士Hanergy Option Limited發行及配發合共300,000,000股購股權股份。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

(31 December 2012 二零一二年十二月三十一日)

37. EVENTS AFTER THE REPORTING PERIOD (continued)

(ii) (continued)

The Share Subscription was completed on 27 February 2013 and the Group raised an aggregate proceeds approximately HK\$1,119,000,000 (before deduction of related issuing expenses).

Upon the completion of the Share Subscription, Hanergy and its concert parties held 10,897,499,187 issued shares, representing 50.65% of the total issued share capital of the Company, and Hanergy became the controlling shareholder of the Company. Further details of the aforesaid subscription are set out in the Company's announcement dated 27 February 2013.

(iii) On 12 March 2013, a subsidiary of the Company entered into a non-binding offer letter with an independent third party to acquire a company which owns two turnkey photovoltaic power plants in Portugal. The acquisition is subject to conclusion of the definitive agreement. Further details in respect of the potential acquisition are set out in the Company's announcements dated 12 March 2013 and 20 March 2013.

38. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 22 March 2013.

37. 報告期後事項(續)

(ii) (續)

股份認購事項已於二零一三年二月二十七日完成，而本集團已籌得所得款項合共約1,119,000,000港元（扣除相關發行開支前）。

於股份認購事項完成後，漢能及其一致行動人士持有10,897,499,187股已發行股份，佔本公司之已發行股本總額之50.65%，而漢能成為本公司之控股股東。上述認購事項之進一步詳情載於本公司日期為二零一三年二月二十七日之公佈。

(iii) 於二零一三年三月十二日，本公司之附屬公司與獨立第三方訂立無約束力要約書，以收購一間於葡萄牙擁有兩個整線光伏電站之公司。收購事項須待訂立最終協議後方可作實。有關潛在收購之進一步詳情載於本公司日期為二零一三年三月十二日及二零一三年三月二十日之公佈。

38. 批准財務報表

財務報表已於二零一三年三月二十二日經董事會批准及授權刊發。

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements and re-presented as appropriate, is set out below.

下文載列本集團過去五個財政年度之業績、資產及負債概要，乃摘錄自己刊發之經審核財務報表，並已作出適當之重新呈報。

RESULTS

業績

		2008	2009	2010	2011	2012
		二零零八年	二零零九年	二零一零年	二零一一年	二零一二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
CONTINUING OPERATION	持續經營業務					
REVENUE	收入	—	315,292	3,019,097	2,564,640	2,756,463
PROFIT/(LOSS) BEFORE TAX FROM A CONTINUING OPERATION	來自持續經營業務之稅前溢利/(虧損)	—	(135,048)	1,517,129	967,543	1,666,158
Income tax expense	所得稅支出	—	(10,795)	(346,459)	(243,814)	(349,976)
PROFIT/(LOSS) FOR THE YEAR FROM A CONTINUING OPERATION	來自持續經營業務之本年度溢利/(虧損)	—	(145,843)	1,170,670	723,729	1,316,182
DISCONTINUED OPERATION	已終止經營業務					
PROFIT/(LOSS) FOR THE YEAR FROM A DISCONTINUED OPERATION	來自已終止經營業務之本年度溢利/(虧損)	(55,677)	18,916	20,342	(767)	—
PROFIT/(LOSS) FOR THE YEAR	本年度溢利/(虧損)	(55,677)	(126,927)	1,191,012	722,962	1,316,182
Profit/(loss) for the year attributable to owners of the parent	母公司擁有人應佔本年度溢利/(虧損)	(55,677)	(124,535)	1,184,697	719,320	1,316,182
Profit/(loss) for the year attributable to non-controlling interests	非控股權益應佔本年度溢利/(虧損)	—	(2,392)	6,315	3,642	—

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

ASSETS AND LIABILITIES

資產及負債

			2008	2009	2010	2011	2012
			二零零八年	二零零九年	二零一零年	二零一一年	二零一二年
		Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		附註	千港元	千港元	千港元	千港元	千港元
Goodwill	商譽	18	—	7,915,318	7,915,318	7,915,318	7,915,318
Intangible assets	無形資產	19	—	649,751	542,636	370,689	551,091
Property, plant and equipment	物業、廠房及設備	16	188,685	125,887	155,369	119,364	133,848
Available-for-sale investment	可供出售投資	20	—	—	—	—	85,800
Prepaid land lease payments (non-current portion)	預付土地租金 (非流動部分)		29,697	13,475	9,665	—	—
Deposits paid for acquisition of items of property, plant and equipment	收購物業、廠房及設備之已付按金		—	—	22,763	15,583	2,376
Investment properties	投資物業		—	30,000	—	—	—
Deferred tax assets	遞延稅項資產		9,196	6,686	16,434	71,453	44,286
Net current assets	流動資產淨額		159,067	229,131	1,963,808	2,825,794	3,230,256
Deferred tax liabilities	遞延稅項負債		(4,008)	(120,061)	(147,755)	(197,157)	(250,875)
Convertible Bonds (non-current portion)	可換股債券 (非流動部分)		—	(2,802,885)	(2,072,384)	(729,375)	—
Shareholders' funds	股東資金		382,637	6,047,302	8,405,854	10,391,669	11,712,100

