



# Dragonite International Limited 叁龍國際有限公司

*(Incorporated in the Cayman Islands with limited liability)*

*(於開曼群島註冊成立之有限公司)*

(Stock Code : 329) (股份代號: 329)



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## Corporate Information

### 公司資料

#### EXECUTIVE DIRECTORS

Mr. Wong Yin Sen  
Mr. Gary Drew Douglas  
Mr. Hon Lik  
Ms. Chan Mee Sze  
Mr. Lam Suk Ping

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chung Yuk Lun  
Mr. Liu Kwong Sang  
Mr. Lam Man Sum, Albert  
Mr. Ho Tak Fun  
Mr. Pang Hong  
*(resigned on 29 February 2012)*

#### AUDIT COMMITTEE

Mr. Chung Yuk Lun  
Mr. Liu Kwong Sang  
Mr. Lam Man Sum, Albert  
Mr. Ho Tak Fun  
Mr. Pang Hong  
*(resigned on 29 February 2012)*

#### COMPANY SECRETARY

Ms. Chan Mee Sze

#### AUDITOR

Deloitte Touche Tohmatsu

#### REGISTERED OFFICE

Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

#### 執行董事

王彥宸先生  
Gary Drew Douglas 先生  
韓力先生  
陳美思女士  
林叔平先生

#### 獨立非執行董事

鍾育麟先生  
廖廣生先生  
林聞深先生  
何德芬先生  
龐鴻先生  
*(於二零一二年二月二十九日辭任)*

#### 審核委員會

鍾育麟先生  
廖廣生先生  
林聞深先生  
何德芬先生  
龐鴻先生  
*(於二零一二年二月二十九日辭任)*

#### 公司秘書

陳美思女士

#### 核數師

德勤 • 關黃陳方會計師行

#### 註冊辦事處

Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

**HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA ("HONG KONG")**

Room 1101, 11th Floor  
China United Centre  
28 Marble Road  
North Point  
Hong Kong

中華人民共和國  
香港特別行政區(「香港」)  
總辦事處及主要營業地點  
香港  
北角  
馬寶道28號  
華匯中心  
11樓1101室

**PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE**

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110  
Cayman Islands

**股份過戶登記總處**

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110  
Cayman Islands

**HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, Hopewell Centre  
183 Queen's Road East  
Hong Kong

**香港股份過戶登記分處**

香港中央證券登記有限公司  
香港  
皇后大道東183號  
合和中心1712-1716室

**PRINCIPAL BANKERS**

in Hong Kong:  
The Hong Kong and Shanghai Banking Corporation Limited

**主要往來銀行**

於香港：  
香港上海滙豐銀行有限公司

in the PRC:  
China Construction Bank  
Shenyang Economic and Technology Development Zone Branch

於中國：  
中國建設銀行  
瀋陽經濟技術開發區分行

**WEBSITE**

[www.dragonite.com.hk](http://www.dragonite.com.hk)

**網站**

[www.dragonite.com.hk](http://www.dragonite.com.hk)

**STOCK CODE**

0329

**股份代號**

0329

# Chairman's Statement and Management Discussion and Analysis

## 主席報告及管理層討論與分析

On behalf of the board of directors (the "Board") of Dragonite International Limited (the "Company"), I hereby present the audited results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2012 (the "Year").

### BUSINESS REVIEW

The Group recorded an audited consolidated net loss of approximately HK\$66,080,000 for the Year (2011: HK\$314,081,000). Turnover for the Year was a negative amount of approximately HK\$1,551,000 (2011: negative amount of approximately HK\$232,907,000). The net asset value of the Group increased from approximately HK\$235,852,000 as at 31 December 2011 to approximately HK\$310,445,000 as at 31 December 2012, representing a 31.63% increment.

Loss for the Year was mainly attributable to the following factors:

1. The Group's securities portfolio has suffered the net realized and unrealized losses of approximately HK\$11,104,000 (2011: net loss of approximately HK\$214,408,000) on change in fair value of financial assets at fair value through profit or loss ("FAFVPL") in the income statement.
2. The sales of electronic cigarette products remained sluggish during the Year as the Group continued revamping its products. Limited sales were recorded in the People's Republic of China (the "PRC") market and some minimal sales to overseas markets were made after various lab-testing approvals were granted.
3. Due to the change in fair value of derivative financial instruments, a loss of approximately HK\$11,643,000 (2011: a gain of approximately HK\$958,000) was recorded for the Year.
4. Provision for doubtful debts on loan receivable amounted to HK\$10,000,000 (2011: NIL) was made for the Year.
5. Due to technical or commercial obsolescence, a provision for impairment of inventories at about HK\$4,839,000 (2011: HK\$31,796,000) was made for the Year.

本人謹代表參龍國際有限公司(「本公司」)董事會(「董事會」)提呈本公司及其附屬公司(統稱「本集團」)截至二零一二年十二月三十一日止年度(「本年度」)之經審核業績。

### 業務回顧

本集團於本年度錄得經審核綜合虧損淨額約66,080,000港元(二零一一年:314,081,000港元)。本年度營業額約負1,551,000港元(二零一一年:約負232,907,000港元)。本集團資產淨值由二零一一年十二月三十一日約235,852,000港元增至二零一二年十二月三十一日約310,445,000港元,錄得31.63%增長。

本年度出現虧損主要由於下列因素:

1. 本集團之證券組合就按公平值計入損益之金融資產(「按公平值計入損益之金融資產」)之公平值變動錄得已變現及未變現虧損淨額約11,104,000港元(二零一一年:虧損淨額約214,408,000港元)。
2. 在本集團不斷改良產品之同時,於本年度電子煙產品之銷售仍然低迷。於中國市場錄得有限之銷售額,及獲得多項實驗室測試批准後,於海外市場錄得少量銷售。
3. 由於衍生金融工具之公平值變動,本年度錄得虧損約11,643,000港元(二零一一年:約958,000港元收益)。
4. 本年度應收貸款之呆賬撥備為10,000,000港元(二零一一年:零)。
5. 本年度因存貨在技術或商業方面過時而作出減值撥備約4,839,000港元(二零一一年:31,796,000港元)。

# Chairman's Statement and Management Discussion and Analysis

## 主席報告及管理層討論與分析

### Health Care Products

In 2012, the Group temporarily suspended production in order to upgrade its manufacturing plant in Shenyang. Following the upgrade, approval was granted in January 2013 for sales and production of Chenlong Baoling Longevity Ginseng products.

### Pharmaceutical Products

Azithromycin Granules (II) (「阿奇黴素顆粒(II)」) and Rosiglitazone Hydrochloride Capsules (「鹽酸叻格列酮膠囊」) remained as two key products of the Group for the sales during the Year. Despite the continued increase in prices of raw materials and energy, continued strategic price reduction of medicine and irrational price competition, the Group managed to exercise tight control of costing of its products. The performance of trading of pharmaceutical products was stabilized. Turnover of pharmaceutical products for the Year was approximately HK\$17,787,000, representing an increase of 23.36% from approximately HK\$14,419,000 as compared to the previous year.

### Electronic Cigarettes and Intellectual Property

In 2012, the Group consolidated distribution of electronic cigarettes in the PRC and had limited sales increases in overseas markets, resulting in a decrease in turnover of electronic cigarettes from approximately HK\$5,363,000 in 2011 to approximately HK\$2,540,000 in 2012.

The Group is proceeding with plans to re-launch electronic cigarette products in several new markets. In addition, the Group has successfully resolved litigation related to US Patent No. 7,832,410 (the '410 Patent) with a win of 3 default judgments/permanent injunctions, 5 defendants agreeing to settlement, and 5 defendants admitting infringement and validity of the '410 Patent.

### 保健產品

於二零一二年，本集團暫停生產以改良瀋陽之製造工廠。改良後，於二零一三年一月獲准銷售及生產辰龍保齡參產品。

### 醫藥產品

阿奇黴素顆粒(II)及鹽酸叻格列酮膠囊兩種主要產品仍佔本集團本年度銷售額相當比例。面對原材料及能源價格繼續上揚、藥品維持策略性降價以及非理性價格競爭，本集團仍對產品成本實施嚴格控制。醫藥產品買賣之表現趨於穩定。本年度醫藥產品之營業額約17,787,000港元，較去年約14,419,000港元增加約23.36%。

### 電子煙及知識產權

於二零一二年，本集團鞏固中國之電子煙分銷業務，且海外市場銷量增長有限，使電子煙營業額由二零一一年之約5,363,000港元減至二零一二年之約2,540,000港元。

本集團正計劃於多個新市場重新推出電子煙產品。此外，本集團已成功解決有關美國專利第7,832,410號(410專利)之訴訟，以發出3項因欠缺行動而作出之判決／永久禁令、5名被告同意和解以及5名被告承認侵權及410專利之有效性的方式而勝訴。

## Chairman's Statement and Management Discussion and Analysis

### 主席報告及管理層討論與分析

As previously announced, a new US Patent, Patent No. 8,156,944 (the '944 Patent), was granted in April 2012 in favor of the Group's wholly-owned subsidiary, Ruyan Investment (Holdings) Limited. The '944 Patent is one of several patents in the Group's electronic cigarette intellectual property portfolio and is related to the fundamental architecture and functionality of the electronic cigarette. Ruyan Investment (Holdings) Limited filed ten new complaints in June 2012 for infringement of the '944 Patent against (i) BARJAN LLC, a Delaware limited liability company, (ii) CB DISTRIBUTORS, INC., an Illinois corporation and DR DISTRIBUTORS, LLC, an Illinois limited liability company dba 21st CENTURY SMOKE, (iii) FINITI BRANDING GROUP, LLC, an Illinois limited liability company, (iv) LOEC, INC., a Delaware corporation, (v) LOGIC TECHNOLOGY DEVELOPMENT LLC, a New Jersey limited liability company, (vi) NICOTEK LLC, a Colorado limited liability company, (vii) THE SAFE CIG, LLC, a California limited liability company, (viii) SOTTERA, INC., a Nevada corporation, (ix) SPARK INDUSTRIES, LLC, a California limited liability company, and (x) VAPOR CORP., a Nevada corporation, (collectively, the "Defendants") in the United States District Court of the Central District of California. The above Defendants included the largest electronic cigarette companies operating in the United States at the time.

Continued improvements to Ruyan's atomization technology deliver nicotine more efficiently and at a sustained level over the life of the atomizer. RUYAN emphasizes reliability in the design and manufacture of its products. RUYAN provides a stainless steel, encased and leak-resistant cartomizer that houses the atomizer. Ruyan has adopted several methods to ensure there is no leakage and there are no droplets being inhaled into the mouth — common problems in the e-cigarette industry.

Throughout the Year, further progress was made in market-entry and international sales. Business was advanced in sales and in regulatory and market planning with partners or potential partners in Israel, the United Kingdom, France, Switzerland, Sweden and India.

如先前所公佈，本集團之全資附屬公司Ruyan Investment (Holdings) Limited於二零一二年四月獲得一項新美國專利，即第8,156,944號專利(944專利)。944專利是本集團多項電子煙知識產權之一，與電子煙之基本結構及功能有關。Ruyan Investment (Holdings) Limited於二零一二年六月向加州中央區美國地方法院提出十項新訴訟，指控(i) BARJAN LLC (於特拉華州成立之有限公司)；(ii) CB DISTRIBUTORS, INC. (於伊利諾斯州成立之公司)、DR DISTRIBUTORS, LLC (於伊利諾斯州成立之有限公司，以21st CENTURY SMOKE之名稱營商)；(iii) FINITI BRANDING GROUP, LLC (於伊利諾斯州成立之有限公司)；(iv) LOEC, INC. (於特拉華州成立之公司)；(v) LOGIC TECHNOLOGY DEVELOPMENT LLC (於新澤西州成立之有限公司)；(vi) NICOTEK LLC (於科羅拉多州成立之有限公司)；(vii) THE SAFE CIG, LLC (於加州成立之有限公司)；(viii) SOTTERA, INC. (於內華達州成立之公司)；(ix) SPARK INDUSTRIES, LLC (於加州成立之有限公司)及(x) VAPOR CORP. (於內華達州成立之公司)(統稱為「被告」)侵犯944專利。上述被告包括當時於美國營運之最大電子煙公司。

不斷改進如煙之霧化技術可於噴霧器使用期內更有效率及持久釋出尼古丁。如煙產品之設計及製造極注重安全性能。如煙用不鏽鋼、密封及防漏之霧化器裝載噴霧器。如煙已採用幾種技術，確保不會出現洩漏以及將液滴吸入嘴中這類電子煙行業常見之問題。

本集團於整個年度在開拓市場及國際銷售方面取得更大進步。在銷售以及監管及市場規劃方面與以色列、英國、法國、瑞士、瑞典及印度之夥伴或潛在夥伴推動業務發展。

# Chairman's Statement and Management Discussion and Analysis

## 主席報告及管理層討論與分析

### Trading of Securities

The Group continues its principal business in securities trading and as a treasury function invests its surplus cash in the Hong Kong securities market with an aim to capture future appreciation of share price. The net realized and unrealized losses incurred by securities trading substantially decreased to approximately HK\$11,104,000 for the Year (2011: net loss on the change in fair value of FAFVPL approximately HK\$214,408,000). The net realized gain on change in fair value of FAFVPL amounted to approximately HK\$262,000 (2011: net realized loss of approximately HK\$65,924,000). As the deposit rate offered by the licensed banks in Hong Kong is minimal, the Group will continue to utilize the surplus funds for short term securities investments and also to grasp the opportunities to diversify its investment portfolio.

### Property Investment

The Group has fully leased out the entire area (except the common area for public access) of the premises situated at the Basement, China United Centre, 28 Marble Road, North Point, Hong Kong to a Chinese clinic and a pharmacy, generating a monthly rent of HK\$410,000. Attributable to such rental income, the Group recorded a segment turnover of approximately HK\$4,680,000 for the Year (2011: HK\$1,671,000).

### Money Lending

During the Year, the Group has utilized part of its surplus cash to provide short-term financing to individual borrowers. Interest income generated from money lending business amounted to HK\$300,000 for the Year. The Group had taken legal action against a borrower and impairment loss of HK\$10,000,000 was recognised during the Year due to default of repayment.

### 證券買賣

本集團繼續以證券買賣為其主要業務，並將其現金盈餘投資於香港證券市場作為財資功能，旨在獲取未來股價升值。於本年度證券買賣產生的已變現及未變現虧損淨額大幅減少至約11,104,000港元(二零一一年：按公平值計入損益之金融資產之公平值變動虧損淨額約214,408,000港元)。按公平值計入損益之金融資產之公平值變動已變現收益淨額約為262,000港元(二零一一年：已變現虧損淨額約65,924,000港元)。由於香港持牌銀行提供之存款利率極低，本集團將繼續把剩餘資金用作短期證券投資，亦會抓緊機會使其投資組合多樣化。

### 物業投資

本集團將位於香港北角馬寶道28號華匯中心地庫之物業全部(除供公眾進出的公共範圍外)租予一間中醫診所及一間西藥店，帶來每月租金410,000港元。因有關租賃收入，本集團於本年度錄得分類營業額約4,680,000港元(二零一一年：1,671,000港元)。

### 貸款

於本年度，本集團利用其部分現金盈餘向個人借款人提供短期融資。本年度貸款業務所得利息收入為300,000港元。本集團已對一名拖欠還款之借款人採取法律行動並於本年度確認減值虧損10,000,000港元。



## Chairman's Statement and Management Discussion and Analysis

### 主席報告及管理層討論與分析

#### LIQUIDITY, FINANCIAL ANALYSIS AND CAPITAL STRUCTURE

As at 31 December 2012, the Group has fully repaid its unsecured borrowings, remaining a secured bank borrowing of approximately HK\$25,676,000 (31 December 2011: HK\$92,342,000). Such borrowing was denominated in Hong Kong Dollar, and thus, there was no exposure to fluctuations in exchange rate. Gearing ratio of the Group decreased from approximately 39.15% as at 31 December 2011 to approximately 8.27% as at 31 December 2012. This calculation is based on net borrowings mentioned above and shareholders' funds of approximately HK\$310,445,000 (31 December 2011: HK\$235,852,000). Cash and bank balances amounted to approximately HK\$34,881,000 (31 December 2011: HK\$55,970,000) and total assets were approximately HK\$394,990,000 (31 December 2011: HK\$375,323,000). Net current assets of the Group on the same date amounted to approximately HK\$104,571,000 (31 December 2011: HK\$52,633,000). As at 31 December 2012, inventories amounted to approximately HK\$8,555,000 (31 December 2011: HK\$8,487,000). As at 31 December 2012, the Group had approximately HK\$2,698,000 capital commitment for the acquisition of assets in the future (31 December 2011: HK\$317,000).

#### 流動資金、財務分析及資本結構

於二零一二年十二月三十一日，本集團悉數償還無抵押借貸，剩餘有抵押銀行借貸約25,676,000港元(二零一一年十二月三十一日：92,342,000港元)。該等借貸以港元計值，因此無匯率波動之風險。本集團之資本與負債比率由二零一一年十二月三十一日約39.15%減至二零一二年十二月三十一日約8.27%。此乃根據上述借貸淨額及股東資金約310,445,000港元(二零一一年十二月三十一日：235,852,000港元)計算。現金及銀行結餘約34,881,000港元(二零一一年十二月三十一日：55,970,000港元)及資產總額約394,990,000港元(二零一一年十二月三十一日：375,323,000港元)。本集團於同日之流動資產淨額約104,571,000港元(二零一一年十二月三十一日：52,633,000港元)。於二零一二年十二月三十一日，存貨約為8,555,000港元(二零一一年十二月三十一日：8,487,000港元)。於二零一二年十二月三十一日本集團就日後收購資產之資本承擔約2,698,000港元(二零一一年十二月三十一日：317,000港元)。

## Chairman's Statement and Management Discussion and Analysis 主席報告及管理層討論與分析

In order to improve the financial position of the Group, the Company carried out the following fund raising exercises during the Year:

- 1) In March 2012, the Company completed a capital reorganisation which involved, among others, share consolidation of every 5 issued shares into 1 consolidated share and capital reduction. Upon the said capital reorganisation became effective after 4:00 p.m. on 19 March 2012, par value of the shares of the Company had become HK\$0.01 each and the authorised share capital of the Company has become HK\$1,000,000,000 divided into 100,000,000,000 shares of HK\$0.01 each. Subsequently, the Company allotted and issued 1,086,923,000 shares on 2 May 2012, by way of rights issue at a subscription price of HK\$0.1 per rights share on the basis of two rights shares for every one share then held. Gross proceeds of approximately HK\$108,692,000 were raised.
- 2) On 29 June 2012, the Company completed a placement of 326,076,900 ordinary shares to independent investors at the placing price of HK\$0.066 per share and the Company received gross proceeds of approximately HK\$21,521,000.

These fund raising activities during the Year (i) strengthened the Group's financial position with additional resources for future expansion; and (ii) provided the paid-up capital for a new wholly-owned subsidiary, which was incorporated in California in July 2012, to facilitate sales, marketing, regulatory compliance as well as public relations in regard to the Group's electronic cigarette business in the United States.

On 31 October 2012, the Company completed another capital reorganisation which involved a share consolidation of every 20 issued shares into 1 consolidated share followed by a capital reduction. Upon the said capital reorganisation became effective after 4:00 p.m. on 31 October 2012, par value of the shares of the Company remained at HK\$0.01 each. As at 31 December 2012, the issued share capital of the Company was 105,974,992 shares of HK\$0.01 each.

為改善本集團之財務狀況，本公司於本年度進行了下列集資活動：

- 1) 二零一二年三月，本公司完成資本重組，其中包括將每5股已發行股份合併為1股合併股份之股份合併及股本削減。當上述資本重組於二零一二年三月十九日下午四時正後生效時，本公司股份面值為每股0.01港元，而本公司法定股本為1,000,000,000港元，分為100,000,000,000股每股面值0.01港元之股份。其後，本公司於二零一二年五月二日以認購價每股供股股份0.1港元配發及發行1,086,923,000股供股股份，按當時每持有一股股份獲發兩股供股股份之基準進行供股。所得款項總額約108,692,000港元。
- 2) 於二零一二年六月二十九日，本公司完成向獨立投資者以每股0.066港元之配售價配售326,076,900股普通股。本公司所得款項總額約21,521,000港元。

本年度該等集資活動(i)改善本集團之財務狀況，為未來擴張提供額外資金來源；及(ii)為於二零一二年七月在加州成立之新全資附屬公司提供繳足股本，協助本集團電子煙業務於美國之銷售、推廣、監管合規及公共關係。

二零一二年十月三十一日，本公司完成另一次資本重組，其中包括將每20股已發行股份合併為1股合併股份之股份合併，隨後進行股本削減。當上述資本重組於二零一二年十月三十一日下午四時正後生效時，本公司股份面值仍為每股0.01港元。於二零一二年十二月三十一日，本公司已發行股本為105,974,992股每股面值0.01港元之股份。

# Chairman's Statement and Management Discussion and Analysis

## 主席報告及管理層討論與分析

Pursuant to the option agreement dated 8 August 2011 relating to the possible acquisition of Apex Corporate Investments Limited ("Apex"), the holding company of HON Chinese Medicine Company Limited ("Clinic"), the exercise price of the call/put options is capped at HK\$75 million and the minimum is HK\$25 million. The Group will keep itself apprised of any future fund raising opportunities for investing in Apex and the Clinic if and when the option is exercised.

### FOREIGN EXCHANGE RISKS

The Group's operations conducted in the PRC are mainly settled in Renminbi. However, securities trading and investments, money lending, property investment and all corporate activities such as fund raising activities are conducted in Hong Kong Dollars. Therefore, the Group is exposed to fluctuations in foreign exchange rate to a certain extent. Currently, the Group has no formal hedging policies in place. The Group has not entered into any foreign currency exchange contracts or derivatives to hedge against the Group's currency risks.

### PROSPECTS FOR THE YEAR 2013 AND DEVELOPMENT PLAN

#### Electronic Cigarette

The range and mix of external issues affecting Ruyan's international business require that Ruyan continues to lead on all fronts and to maintain its upward trajectory in intellectual property protection, product development, scientific testing, quality manufacturing, and securing and serving strong distribution channels. Five key points deserve to be highlighted:

- Ruyan is committed to safety and quality and will address the critical concerns of governments and customers around the world.
- Ruyan has upgraded its manufacturing facilities to fill its e-cigarette products under GMP manufacturing standards. Ruyan's factory was awarded ISO9001 in late 2012.
- Ruyan technology provides superior consistency in nicotine and vapor delivery and deep lung absorption.
- Ruyan, with its extensive intellectual property portfolio and growing international distribution network, is strongly-positioned for the long-term challenges and opportunities that lie ahead.

根據有關可能收購漢坊中醫藥業有限公司(「診所」)之控股公司Apex Corporate Investments Limited (「Apex」)於二零一一年八月八日所訂立之期權協議，認購／認沽期權之行使價上下限分別為75,000,000港元及25,000,000港元。本集團會繼續留意日後之任何集資機會，以便行使期權時用於投資Apex及診所。

### 外匯風險

本集團之國內業務主要以人民幣結算，然而，證券買賣和投資、貸款、物業投資、及所有企業活動(如集資活動)則以港元進行。因此，本集團有一定程度之匯率波動風險。現時，本集團並無制定正式對沖政策，亦無訂立任何外匯合約或衍生工具，以對沖本集團之貨幣風險。

### 二零一三年展望及發展計劃

#### 電子煙

影響如煙國際業務之外部因素之範圍及類型需要如煙繼續在各方面走在最前，並保持在知識產權保護、產品開發、科學試驗、品質製造以及確保及服務於強大分銷渠道中之上升軌跡。需要強調以下五大重點：

- 如煙非常注重安全及質量，並將處理世界各國政府及客戶所關注之重要問題。
- 如煙已提升其生產設施，以使其電子煙產品符合GMP生產標準。如煙之工廠已於二零一二年底獲得ISO9001認證。
- 如煙之科技在尼古丁及煙霧釋出及肺部深層吸收方面具有優越穩定性。
- 如煙全面之知識產權組合及不斷發展之國際分銷網絡使其處於有利地位，迎接未來之長期挑戰及機遇。

# Chairman's Statement and Management Discussion and Analysis

## 主席報告及管理層討論與分析

- The worldwide trend toward smoking bans and practical smoking alternatives continues to accelerate exponentially.

It is expected that, various legal initiatives underway will begin to yield significant results to raise market share in key markets by the 2nd and 3rd quarters of 2013. Ruyan remains confident in the strength of its intellectual property. It is expected that investments in intellectual property protection and enforcement will continue in 2013.

Finally, Ruyan will continue to work with governments and international organizations around the world to address continuing concerns about the safety and regulatory requirements of the electronic cigarette. Scientific testing will continue and be accelerated. Ruyan believes in the essential contribution of its invention to the betterment of humankind and the markets that are demanding practical solutions to the smoking pandemic.

### Possible Disposal of Electronic Cigarette Business

During the Year, the Company engaged an international investment bank to advise the Company on the possible disposal of the electronic cigarette business in whole or in parts (the "Possible Disposal"). The initial closing date for the bid was 22 March 2013. As at the date of this statement, the Company has tentatively received one bid for the intellectual property assets only and the Board is considering entering into an exclusive arrangement with this potential buyer for a period of 30 days. The Company may consider the bids for other assets in the future. The Board has not yet concluded the form of the Possible Disposal with the potential buyer(s) and hopefully the sales and purchase agreement can be reached. No definitive agreements have been signed and the Possible Disposal may or may not materialize.

### Pharmaceuticals and Health Care Products

In 2012, the operating results of pharmaceuticals products were generally satisfactory. The Group will attempt to develop more sales channels and focus on exploring new product lines to broaden the income stream.

Following completion of the production plant upgrade and upon the grant of sales and production approval in January 2013, the Group expects to resume production of health care products in 2013.

- 全球提倡禁止吸煙以及實用性香煙替代品之趨勢持續以指數方式加速。

預期正在進行之多項法律行動將開始取得重大成果，於二零一三年第二季及第三季前提高我們於重要市場之市場佔有率。如煙仍對其知識產權優勢充滿信心。預期將於二零一三年繼續對知識產權保護之投資及行使其知識產權。

最後，如煙將繼續與多個政府及國際組織合作以持續關注處理對電子煙安全及監管之規定。如煙將繼續及加快進行科學試驗。如煙相信其發明將對人類福祉以及急需解決吸煙問題之可行方法之市場作出重大貢獻。

### 可能出售電子煙業務

本年度內，本公司聘請一間國際投資銀行就可能出售全部或部分電子煙業務（「可能出售事項」）向本公司提供意見。初步截止競投日期為二零一三年三月二十二日。於本報告日期，本公司暫時接獲一份純粹有關知識產權資產之競投，而董事會正考慮與這名潛在買家訂立為期30天之獨家安排。本公司日後可能會考慮其他資產之競投。董事會尚未與潛在買家決定可能出售事項之形式，並希望可達成買賣協議。尚未簽訂明確協議及可能出售事項未必一定會落實。

### 藥品及保健品

二零一二年，醫藥產品之經營業績整體令人滿意。本集團將試圖開發更多銷售渠道，專注於尋求新產品系列以拓寬收入來源。

生產廠房改良完成及於二零一三年一月獲得銷售及生產批文後，本集團預期於二零一三年恢復保健產品生產。

# Chairman's Statement and Management Discussion and Analysis

## 主席報告及管理層討論與分析

### DETAILS OF MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

There were no material acquisitions or disposals of subsidiaries during the Year.

### PLEDGE OF ASSETS

At 31 December 2012, the Group pledged its investment property to secure its bank borrowing of approximately HK\$25,676,000 (31 December 2011: HK\$27,342,000).

At 31 December 2012, margin facilities of approximately HK\$64,914,000 (31 December 2011: HK\$51,486,000) from regulated securities brokers were granted to the Group which were secured by the Group's FAFVPL with the carrying amount of approximately HK\$129,828,000 (31 December 2011: HK\$124,654,000).

### CONTINGENT LIABILITIES

As at 31 December 2012, the Group did not provide any form of guarantees for any external party and was not liable to any material legal proceedings of which provision for contingent liabilities was required.

### EMPLOYEE POLICY

As at 31 December 2012, the Group employed approximately 105 employees in the PRC and Hong Kong. The remuneration package of the employees is determined with reference to their performance, experience and their positions, duties and responsibilities in the Group.

### 重大收購及出售附屬公司詳情

本年度內並無附屬公司之重大收購或出售。

### 資產抵押

於二零一二年十二月三十一日，本集團已抵押其投資物業，以取得銀行借貸約25,676,000港元(二零一一年十二月三十一日：27,342,000港元)。

於二零一二年十二月三十一日，本集團獲規管證券經紀商授予保證金信貸額約64,914,000港元(二零一一年十二月三十一日：51,486,000港元)，以本集團賬面值約129,828,000港元(二零一一年十二月三十一日：124,654,000港元)之按公平值計入損益之金融資產擔保。

### 或然負債

於二零一二年十二月三十一日，本集團並無對外為其他公司作出任何形式之擔保，亦無涉及重大訴訟事項而需要作出或然負債撥備。

### 僱員政策

於二零一二年十二月三十一日，本集團在中國和香港僱有員工約105名。僱員之薪酬待遇參考其表現、經驗及在本集團之職位、職責及責任而釐定。

# Chairman's Statement and Management Discussion and Analysis

## 主席報告及管理層討論與分析

### EVENTS AFTER THE REPORTING PERIOD

On 7 February 2013, the Company completed a rights issue on the basis of one rights share for every share held on the record date at the subscription price of HK\$1.00 per rights share. Net proceeds of approximately HK\$101.83 million were raised, of which approximately three-fourth was injected into Ruyan Holding Corporation, a wholly owned subsidiary of the Company for electronic cigarette business.

### APPRECIATION

The Board would like to express our gratitude and sincere appreciation to our business partners, all management and staff members, and shareholders for their continuous support.

By Order of the Board  
Dragonite International Limited

Wong Yin Sen  
Chairman

25 March 2013

### 報告期後事項

於二零一三年二月七日，本公司以認購價每股供股股份1.00港元按於記錄日期每持有一股股份獲發一股供股股份之基準完成供股。籌集所得款項淨額約101,830,000港元。其中約四分之三注入Ruyan Holding Corporation(為本公司電子煙業務之全資附屬公司)。

### 致謝

董事會衷心感謝本公司之業務夥伴、全體管理層、員工及股東一直以來之支持。

承董事會命  
叁龍國際有限公司

主席  
王彥宸

二零一三年三月二十五日

# Corporate Governance Report

## 企業管治報告

The board of directors (the “Board”) of the Company is committed to maintaining and ensuring a high standard of corporate governance. The Board takes the view that a high standard of corporate governance lays down a solid foundation for enhancing a high degree of accountability and transparency, maintaining sound and effective internal control, improving the performance of the Group and safeguarding the interests of the shareholders of the Company.

The Board has adopted the code provisions set out in the Corporate Governance Code (the “Code” and formerly known as the Code on Corporate Governance Practices) as contained in Appendix 14 to Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The Company has complied with all code provisions of the Code on Corporate Governance Practices during the period from 1 January 2012 to 31 March 2012 and the Code during the period from 1 April 2012 to 31 December 2012, except the deviations from code provisions A.4.1 and A.6.7 of the Code. The Board will continue to review and recommend such steps as appropriate in a timely manner in order to comply with the requirements of the Code.

### THE BOARD

As at 31 December 2012, the Board comprised of Mr. Wong Yin Sen (Chairman), Mr. Gary Drew Douglas (Managing Director), Mr. Hon Lik (Chief Executive Officer), Ms. Chan Mee Sze and Mr. Lam Suk Ping as Executive Directors; and Mr. Chung Yuk Lun, Mr. Liu Kwong Sang, Mr. Lam Man Sum, Albert and Mr. Ho Tak Fun as Independent Non-Executive Directors. Mr. Pang Hong resigned as an Independent Non-Executive Director of the Company with effect from 29 February 2012.

The biographies of the Directors are set out in pages 28 to 31. The composition of Board members demonstrate a diversity of skills, expertise, experience and qualifications.

To the best of knowledge of the Company, save for the interests in the shares of the Company held by Absolute Target Limited, a corporation which is controlled as to 46.25%, 42.5% and 11.25% by Mr. Wong Yin Sen, Mr. Hon Lik and Mr. Wong Hei Lin respectively, there is no financial, business, family or other material/relevant relationship between the Directors.

本公司董事會(「董事會」)致力保持及確保高水準之企業管治，乃因董事會認為高水準之企業管治為問責性和透明度的提升確立穩固基礎，保持合理有效的內部監控，並改善本集團表現及保障本公司股東之利益。

董事會已採納香港聯合交易所有限公司證券上市規則(「上市規則」)第十四章所載之企業管治守則(「守則」，前稱企業管治常規守則)。本公司已於二零一二年一月一日至二零一二年三月三十一日遵守企業管治常規守則及於二零一二年四月一日至二零一二年十二月三十一日遵守企業管治守則，惟守則第A.4.1條及A.6.7條除外。董事會將繼續適時檢討及建議適當步驟，以遵守守則規定。

### 董事會

於二零一二年十二月三十一日，董事會包括執行董事王彥宸先生(主席)、Gary Drew Douglas先生(董事總經理)、韓力先生(行政總裁)、陳美思女士及林叔平先生；以及獨立非執行董事鍾育麟先生、廖廣生先生、林聞深先生及何德芬先生。龐鴻先生於二零一二年二月二十九日起辭任本公司獨立非執行董事一職。

董事之履歷資料載於第28至31頁。董事會成員的組成顯示董事各具不同技能、專業知識、經驗和資歷。

據本公司所深知，除由Absolute Target Limited(由王彥宸先生、韓力先生及王希年先生分別控制46.25%、42.5%及11.25%的公司)持有本公司股份權益外，各董事之間並無任何財務、業務、家屬或其他重大／相關關係。

The Board is responsible for the overall strategic development of the Company and its subsidiaries (collectively the “Group”) and is also responsible for the financial performance, internal control policies and business operations of the Group. The daily operations of the Group are delegated to the Group management. All Directors are provided with updated information relating to corporate governance and regulatory matters. Since April 2012, all Directors have been provided with monthly management updates giving a balanced and understandable assessment of the Company’s performance, position and prospects to enable the Directors to discharge their duties under the Listing Rules.

The Board is responsible for performing corporate governance functions with written terms of reference. The primary duties are:

1. To develop and review the Company’s policies and practices on corporate governance.
2. To review and monitor the training and continuous professional development of Directors and senior management.
3. To review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements.
4. To develop, review and monitor the code of conduct applicable to employees and Directors.
5. To review the Company’s compliance with code and disclosure in the corporate governance report.

## BOARD MEETINGS

The Executive Directors meet on a regular basis to discuss the ordinary business of the Company. Board meetings are held to discuss the overall development, operation, financial performance, interim results, annual results and other business of the Company that requires approval from the Board. Reasonable notice has been given to Board members to give them an opportunity to attend. All Board members are provided relevant documentation covering the subject matter of the board meetings. Board members are also provided with sufficient information in a timely manner to review and consider matters to be discussed at Board meetings. The Company utilizes telephone conferencing for Directors who are not able to attend in person.

董事會負責本公司及其附屬公司(統稱「本集團」)之整體策略發展，亦負責本集團之財務表現、內部監控政策及業務營運。本集團之日常業務授權予本集團管理層負責。全體董事均會獲提供有關企業管治及監管事項之最新資料。自二零一二年四月起，全體董事獲提供有關本公司表現、狀況及前景之公正及易於理解之評估，有助董事履行其在上市規則下之職責。

董事會負責執行企業管治職能並書面界定職權範圍。主要職責為：

1. 制定及檢討本公司之企業管治政策及常規。
2. 檢討及監察董事及高級管理人員之培訓及持續專業發展。
3. 檢討及監察本公司在遵守法律及監管規定方面之政策及常規。
4. 制定、檢討及監察本公司僱員及董事之行為守則。
5. 檢討本公司遵守守則之情況及在企業管治報告內之披露。

## 董事會會議

執行董事定期召開會議，以商討本公司日常業務。召開董事會會議乃為討論本公司整體發展、營運、財務表現、中期業績、年度業績及須董事會審批之本公司其他業務。本公司會給合理通知予董事會成員，以便彼等有機會出席會議。董事會全體成員均能獲得涵蓋董事會會議主題的有關文件，亦適時獲提供充足資料以審閱及考慮董事會會議上商討事項。對於不能親身出席之董事，本公司使用電話會議方式以便彼等參與。



# Corporate Governance Report

## 企業管治報告

During the year ended 31 December 2012 (the “Year”), the Board held 29 board meetings. The following table shows the attendance of Directors at board meetings during the Year:

於截至二零一二年十二月三十一日止年度(「本年度」)，董事會已舉行29次董事會會議。下表列示本年度內董事出席董事會會議的情況：

Name of Directors 董事姓名		Attendance 出席會議次數
<b>Executive Directors</b>		
<b>執行董事</b>		
Wong Yin Sen ( <i>Chairman</i> )	王彥宸 (主席)	23/29
Gary Drew Douglas ( <i>Managing Director</i> )	Gary Drew Douglas (董事總經理)	28/29
Hon Lik ( <i>Chief Executive Officer</i> )	韓力 (行政總裁)	18/29
Chan Mee Sze	陳美思	29/29
Lam Suk Ping	林叔平	29/29
<b>Independent Non-Executive Directors</b>		
<b>獨立非執行董事</b>		
Chung Yuk Lun	鍾育麟	2/29
Liu Kwong Sang	廖廣生	10/29
Lam Man Sum, Albert	林聞深	6/29
Ho Tak Fun	何德芬	9/29
Pang Hong ( <i>resigned on 29 February 2012</i> )	龐鴻 (於二零一二年二月二十九日辭任)	0/5

During the Year, all Directors discharged their duties in a dedicated, diligent and proactive manner with reasonable prudence. They have executed their duties in accordance with statutory requirements, the articles of association of the Company (the “Articles of Association”) and the Listing Rules. All Directors have exercised due care in monitoring corporate matters of the Company and provided sufficient time and attention to all significant issues of Group.

於本年度內，全體董事以合理審慎之方式竭力、盡職及主動履行職責。彼等根據法定規定、本公司組織章程細則(「組織章程細則」)及上市規則執行職責。全體董事謹慎監督本公司的企業事務，並投入充裕時間及精力關注本集團的一切重大問題。

## DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

The Directors are encouraged to enroll in professional development courses and programs so that they can continuously update and refresh their knowledge and skills. The training received by each Director is set out below:

Directors 董事		Corporate Governance/ Updates on Laws, Rules & Regulations 企業管治／法律、 規則及條例的 最新資料	Accounting/ Financial/ Management or Other Professional Skills 會計／財務／ 管理或其他 專業技能
<b>Executive Directors</b> 執行董事			
Wong Yin Sen	王彥宸	√	—
Gary Drew Douglas	Gary Drew Douglas	√	—
Hon Lik	韓力	—	√
Chan Mee Sze	陳美思	√	√
Lam Suk Ping	林叔平	√	√
<b>Independent Non-Executive Directors</b> 獨立非執行董事			
Chung Yuk Lun	鍾育麟	√	√
Liu Kwong Sang	廖廣生	√	√
Lam Man Sum, Albert	林聞深	√	√
Ho Tak Fun	何德芬	√	—

## 董事之持續專業發展

董事獲鼓勵參加專業發展課程及計劃，使彼等能不斷更新及整理其知識和技能。各董事的培訓載列如下：

## 董事之證券交易

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. Following enquiries with the Directors, the Company has received confirmation from each of the Directors confirming that he or she has complied with the required standard of dealings set out in the Model Code for the Year.

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易之標準守則（「標準守則」）。經向各董事作出查詢後，全體董事均向本公司確認，彼等於本年度內已遵守標準守則所載的交易規定標準。

### SEGREGATION OF DUTIES

Chairman, Managing Director and Chief Executive Officer positions are held by separate individuals with a view to maintain an effective segregation of duties in respect of the management of the Board and the day-to-day management of the Group's business. The Chairman is responsible for the management of the Board. The Managing Director is responsible for implementing the overall strategy of the Group and the Chief Executive Officer is responsible for the Group's day-to-day operation.

### INDEPENDENT NON-EXECUTIVE DIRECTOR

The Independent Non-Executive Directors bring independent judgment to the Board. Each Independent Non-Executive Director sent a written confirmation of their independence pursuant to Rule 3.13 of the Listing Rules to the Company. Based on these confirmations, the Board considers that all Independent Non-Executive Directors have met the qualifications of Rule 3.13 of the Listing Rules for the Year.

### APPOINTMENT AND RE-ELECTION OF DIRECTORS

Directors are appointed in accordance with their qualifications and experience to ensure they are capable to perform their duties and protect the interests of the stakeholders. Every newly appointed Director receives a comprehensive and formal introduction to ensure that he/she has an understanding of the Group's business and operation, his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements, and the Model Code.

Article A.4.1 of the Code stipulates that non-executive directors shall be appointed for a specific term and be subject to re-election. The Independent Non-Executive Directors of the Company have not appointed for a specific term of office, which constitutes a deviation from A.4.1 of the Code. However, all Independent Non-Executive Directors are subject to retirement by rotation at the Annual General Meeting of the Company in accordance with the Articles of Association. The Board therefore considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those of the Code.

According to the provisions of the Articles of Association and the Listing Rules, any Director appointed by the Board to fill a casual vacancy shall hold office until the next following general meeting of the Company, and in the case of an addition to the existing Board, until the next following Annual General Meeting of the Company. Furthermore, each Director, including those appointed for a specific term or holding office as Chairman and/or Managing Director, are subject to retirement by rotation at least once every three years.

### 職責分工

主席、董事總經理及行政總裁之職位由不同人士擔任，以有效區分董事會管理及本集團業務之日常管理職責。主席負責董事會管理，董事總經理負責本集團整體戰略實施，而行政總裁負責本集團的日常經營。

### 獨立非執行董事

獨立非執行董事向董事會提出獨立判斷。各獨立非執行董事根據上市規則第3.13條就本身的獨立性向本公司發出確認書。根據該等確認書，董事會認為於本年度內全體獨立非執行董事均符合上市規則第3.13條所述的資格。

### 委任及重選董事

董事之委任乃根據其資歷及經驗而決定，確保彼等有能履行職責及保障股權持有人權益。本公司會向每名新獲委任之董事作出全面正式介紹，以確保彼等了解本集團的業務及經營、彼等根據上市規則以及有關規管規定及標準守則所負的職務和責任。

守則A.4.1規定，非執行董事之委任應有指定任期，惟可膺選連任。本公司獨立非執行董事概無特定委任年期，故偏離守則A.4.1規定。然而，全體獨立非執行董事須遵照組織章程細則於本公司股東週年大會輪席退任。因此，董事會認為已採取充分措施確保本公司的企業管治慣例並無較守則之規定寬鬆。

按照組織章程細則之條文及上市規則，任何獲董事會委任填補臨時空缺之董事，其任期至本公司下屆股東大會為止，倘在新加入現有董事會情況下，其任期則至本公司下屆股東週年大會為止。此外，各董事(包括獲委任特定任期或擔任主席及/或董事總經理之董事)須至少每三年輪席退任一次。

## NOMINATION OF DIRECTORS

In March 2012, the Company has established the nomination committee which is responsible for the selection of individuals nominated as Director. The Board considers the experience, qualification, general market conditions and composition of the Board in selecting and recommending candidates as Directors of the Company.

Detailed information relating to educational, professional qualifications and relevant work experience are provided at the board meeting to approve the proposed appointment of new Directors. The criteria for selecting Directors are mainly based on the candidate's qualifications, experience, professional knowledge, ethics and integrity.

## REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

In determining the remuneration of Directors and senior management, the Company took into account (i) prevailing market conditions; (ii) time commitment requirements; (iii) duties and responsibilities; (iv) contribution to the Group; (v) qualifications and (vi) experience, to ensure sufficient remuneration levels to attract and retain high caliber personnel without paying excessively.

## THE COMMITTEES

### Audit Committee

The audit committee of the Company (the "Audit Committee") was established in 2001 and the Company adopted written terms of reference for the Audit Committee. In March 2012, the Board adopted a set of revised terms of reference of the Audit Committee. During the Year and up to the date of this report, the Audit Committee comprised of the following Independent Non-Executive Directors:

Mr. Chung Yuk Lun (*Chairman*)

Mr. Ho Tak Fun

Mr. Lam Man Sum, Albert

Mr. Liu Kwong Sang

Mr. Pang Hong (*resigned on 29 February 2012*)

## 董事提名

於二零一二年三月，本公司成立提名委員會，負責甄選提名為董事的人士。董事會於甄選及推薦本公司董事候選人時，會考慮經驗、資歷、整體市況及董事會組成結構。

有關教育、專業資格以及相關工作經驗的詳細資料會提呈董事會會議，以批准新董事的提議任命。甄選董事的標準主要以候選人的資格、經驗、專業知識、操守和誠信為基礎。

## 董事及高級管理層之薪酬

釐定董事及高級管理層之薪酬時，本公司考慮 (i) 現行市況；(ii) 所須時間承擔；(iii) 職責及責任；(iv) 對本集團之貢獻；(v) 資格；及 (vi) 經驗，以確保能以充足而非過高的薪酬水平吸引及留任高素質人才。

## 委員會

### 審核委員會

本公司審核委員會（「審核委員會」）於二零零一年成立，且本公司採用審核委員會之書面職權範圍。於二零一二年三月，董事會採納一套審核委員會之經修訂職權範圍。於本年度及截至本報告日期，審核委員會由以下獨立非執行董事組成：

鍾育麟先生 (*主席*)

何德芬先生

林聞深先生

廖廣生先生

龐鴻先生 (*於二零一二年二月二十九日辭任*)

## Corporate Governance Report 企業管治報告

The primary duties of the Audit Committee include, among other things, review and supervision of the financial reporting process and the Company's internal control policies and procedures. The Audit Committee also acts as the communication bridge between the Board and the external auditors in relation to the planning and scope of audit work. The appointment of members to the Audit Committee was based on members' breadth of experience in various commercial sectors and professional knowledge of financial reporting and general management.

The Audit Committee met twice during the Year to review interim and annual results of the Group and internal control issues. The attendance records of the meetings are shown below.

### Remuneration Committee

The remuneration committee of the Company (the "Remuneration Committee") was established in 2005. In March 2012, the Board adopted a set of revised terms of reference of the Remuneration Committee which included changes in line with the new requirements of the Code. During the Year and up to the date of this report, the Remuneration Committee comprised of the following Independent Non-Executive Directors:

Mr. Chung Yuk Lun (*Chairman with effect from  
29 February 2012*)

Mr. Liu Kwong Sang

Mr. Lam Man Sum, Albert

Mr. Ho Tak Fun

Mr. Pang Hong (*resigned on 29 February 2012*)

Upon the resignation of Mr. Pang Hong on 29 February 2012, Mr. Chung Yuk Lun assumed the position of Chairman of the Remuneration Committee. The primary duties of the Remuneration Committee include, among other things, determining the policy for the remuneration of Executive Directors, assessing performance of Executive Directors and approving the terms of Executive Directors' service contracts. The Remuneration Committee review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management.

During the Year, the Remuneration Committee held one meeting. The attendance record of the meeting is shown below.

審核委員會之主要職責包括(其中包括)檢討及監察財務報告程序及本公司之內部監控政策和程序。審核委員會亦擔任董事會與外部核數師就核數工作策劃及範圍方面的溝通橋樑。審核委員會成員之委任，乃根據有關成員於各商界之廣泛經驗及對財務報告和一般管理之專業知識而釐定。

於本年度，審核委員會已舉行兩次會議，以審閱本集團的中期及年度業績以及內部監控問題。會議之出席紀錄載於下文。

### 薪酬委員會

本公司薪酬委員會(「薪酬委員會」)於二零零五年成立。於二零一二年三月，董事會採納一套薪酬委員會之經修訂職權範圍，其中包含符合守則新規定之變動。於本年度及截至本報告日期，薪酬委員會由以下獨立非執行董事組成：

鍾育麟先生(二零一二年二月二十九日起  
出任主席)

廖廣生先生

林聞深先生

何德芬先生

龐鴻先生(於二零一二年二月二十九日辭任)

於龐鴻先生在二零一二年二月二十九日辭任後，鍾育麟先生出任薪酬委員會主席一職。薪酬委員會之主要職責包括(其中包括)決定執行董事之薪酬政策、評估執行董事之表現，以及批准執行董事之服務合約條款。薪酬委員會根據董事會之企業目標及方針審閱及批准高級管理人員的薪酬方案，以就個別執行董事及高級管理人員之薪酬待遇向董事會提出建議。

於本年度內，薪酬委員會已舉行一次會議。會議之出席紀錄載於下文。

### Nomination Committee

In compliance with Code A.5.1 of the Code effective on 1 April 2012, the Company established a nomination committee (the "Nomination Committee") in March 2012 with written terms of reference. During the Year and up to the date of this report, the Nomination Committee was comprised of five Directors:

Mr. Lam Man Sum, Albert (*Chairman*)

Mr. Gary Drew Douglas

Mr. Chung Yuk Lun

Mr. Liu Kwong Sang

Mr. Ho Tak Fun

The primary duties of the Nomination Committee include (i) reviewing the structure, size and composition of the Board; (ii) selection of individuals nominated for directorships; (iii) assess the independence of Independent Non-Executive Directors; and (iv) make recommendations to the Board. The Nomination Committee shall meet at least once a year. The first meeting of Nomination Committee was held during the Year.

### Attendance Record

The following table shows the attendance of Directors at meetings of the Audit Committee, Remuneration Committee and Nomination Committee during the Year:

Name of Directors 董事姓名		Attendance 出席情況		
		Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Chung Yuk Lun	鍾育麟	2/2	1/1	1/1
Liu Kwong Sang	廖廣生	2/2	1/1	1/1
Lam Man Sum, Albert	林聞深	1/2	1/1	1/1
Ho Tak Fun	何德芬	2/2	1/1	1/1
Gary Drew Douglas	Gary Drew Douglas	N/A 不適用	N/A 不適用	1/1
Pang Hong ( <i>resigned on 29 February 2012</i> )	龐鴻 (於二零一二年 二月二十九日辭任)	0/0	0/0	N/A 不適用

### 提名委員會

為符合於二零一二年四月一日起生效之守則第A.5.1條，本公司於二零一二年三月成立提名委員會(「提名委員會」)並書面界定其職權範圍。於本年度及截至本報告日期，提名委員會由五名董事組成：

林聞深先生(主席)

Gary Drew Douglas 先生

鍾育麟先生

廖廣生先生

何德芬先生

提名委員會之主要職責包括(i) 審閱董事會之架構、規模及組成；(ii) 甄選提名為董事的人士；(iii) 評估獨立非執行董事的獨立性；及(iv) 向董事會提出建議。提名委員會須至少每年舉行一次會議。於本年度內，提名委員會已舉行第一次會議。

### 出席紀錄

下表顯示本年度內董事於審核委員會、薪酬委員會及提名委員會會議之出席情況：

# Corporate Governance Report

## 企業管治報告

### INVESTOR RELATIONS AND COMMUNICATIONS

Company general meetings are valuable platform to allow the Board to communicate with shareholders and answer questions regarding proposed resolutions. Individual resolutions were stipulated at general meetings for each substantial issue and Board members are available to answer questions raised by shareholders. The attendance of each Director at the general meetings of the Company for the Year is set out below:

### 投資者關係及溝通

本公司股東週年大會為寶貴之平台，可讓董事會與股東溝通及回答有關所提呈決議案的問題。股東大會就各重大問題制定個別決議案，而董事會成員均會列席大會回答股東之提問。各董事於本年度出席本公司股東大會的情況載列如下：

Name of Directors 董事名稱		Attendance 出席情況
<b>Executive Directors</b>		
<b>執行董事</b>		
Wong Yin Sen ( <i>Chairman</i> )	王彥宸 (主席)	3/3
Gary Drew Douglas ( <i>Managing Director</i> )	Gary Drew Douglas (董事總經理)	2/3
Hon Lik ( <i>Chief Executive Officer</i> )	韓力 (行政總裁)	0/3
Chan Mee Sze	陳美思	3/3
Lam Suk Ping	林叔平	3/3
<b>Independent Non-Executive Directors</b>		
<b>獨立非執行董事</b>		
Chung Yuk Lun	鍾育麟	3/3
Liu Kwong Sang	廖廣生	1/3
Lam Man Sum, Albert	林聞深	2/3
Ho Tak Fun	何德芬	3/3
Pang Hong ( <i>Resigned on 29 February 2012</i> )	龐鴻 (於二零一二年二月二十九日辭任)	0/0

Under the code provision of A.6.7 of the Code, all independent non-executive directors should attend general meetings of the Company and develop a balanced understanding of shareholders' view. Mr. Liu Kwong Sang was unable to attend the Company's Annual General Meeting on 29 May 2012 due to sickness. For the Extraordinary General Meeting held on 6 August 2012, Mr. Liu Kwong Sang and Mr. Lam Man Sum, Albert were unable to attend due to other business engagements.

根據守則第A.6.7之守則條文，全體獨立非執行董事應出席本公司股東大會，並對股東意見有平衡的了解。廖廣生先生於二零一二年五月二十九日因生病未能出席本公司股東週年大會。於二零一二年八月六日舉行的股東特別大會上，廖廣生先生及林聞深先生由於其他業務無法出席。

In March 2012, the Board adopted a Shareholder's Communication Policy aiming to provide Shareholders and potential investors with ready and timely access to balanced and understandable information of the Company. Information of the Group was disseminated to Shareholders and investors as follows:

- Delivery of interim reports and annual reports to all shareholders of the Company and other interested parties;
- Announce interim results and annual results on the Stock Exchange's website and the Company's website; and issue and publication of other announcements and shareholders' circulars in accordance with the continuing disclosure obligation under the Listing Rules; and
- Price sensitive information is disclosed to the public by way of announcement as required by the Listing Rules.

#### Procedures for directing shareholders' enquiries to the Board

Shareholders may direct enquiries to the Board at any time. Such enquiries can be addressed to the Company Secretary by mail to the Company's principal office in Hong Kong at Room 1101, 11th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong.

#### SHAREHOLDERS' RIGHTS

##### Procedures for shareholders to convene an Extraordinary General Meeting and putting forward proposals at shareholders' meetings

There are no provisions allowing shareholders to propose new resolutions at general meetings under the Cayman Islands Companies Law or the Articles of Association. Shareholders who wish to move a resolution may request the Company to convene an Extraordinary General Meeting following the procedures set out below.

Pursuant to Article 58 of the Articles of Association, any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary of the Company, to require an Extraordinary General Meeting to be called by the Board for the transaction of any business specified in such requisition.

於二零一二年三月，董事會採納與股東溝通的政策，旨在使本公司股東及潛在投資者即時及適時獲得均衡及易於理解之本公司資料。本集團之資料亦會以下列方式發佈予股東及投資者：

- 向本公司全體股東及其他利益關係方發送中期報告及年報；
- 在聯交所網站及本公司網站公佈中期業績及年度業績，及按上市規則所規定之持續披露責任發表和刊發其他公告及股東通函；及
- 價格敏感資料乃按照上市規則之規定以公告方式向公眾披露。

#### 向董事會傳達股東查詢之程序

股東可隨時直接向董事會進行查詢。該等查詢可郵寄至本公司主要辦事處（地址為香港北角馬寶道28號華匯中心11樓1101室），並註明公司秘書為收件人。

#### 股東之權利

##### 股東召開股東特別大會及於股東大會上提呈新決議案之程序

開曼群島公司法或組織章程細則並無條文批准股東於股東大會上提呈新決議案。股東如欲動議決議案，可循下文所載程序要求本公司召開股東特別大會。

根據本公司組織章程細則第58條，倘任何一名或多名股東於送達請求當日持有附本公司股東大會投票權之本公司繳足股本不少於十分之一，可隨時有權向本公司董事會或公司秘書發出書面請求，要求董事會召開股東特別大會，處理該請求中指明之任何事務。



If the requisition is in order, then the meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

### Procedures for proposing a person for election as a Director

Procedures for proposing a person for election as a Director, please refer to the procedures available on the Company's website at [www.dragonite.com.hk](http://www.dragonite.com.hk).

### SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENTS

At the Extraordinary General Meeting held on 17 December 2012, a special resolution was passed to amend the Articles of Association. The purpose of the amendments is to bring the Articles of Association up-to-date and in-line with the recent amendments to the Listing Rules, as well as the Code, and certain housekeeping amendments proposed by the Board. The major amendments include the followings:-

- 1) An Annual General Meeting shall be called by notice in writing of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any Extraordinary General Meeting at which the passing of a special resolution is to be considered shall be called by notice in writing of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other special general meeting may be called by notice in writing of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Stock Exchange, a general meeting may be called by shorter notice if it is so agreed by the Shareholders in accordance with the Articles;
- 2) all resolutions at general meetings of the company shall be decided by poll other than resolution which relates purely to a procedural or administrative matter as the chairman of the meeting may in good faith allow it to be voted on by a show of hands;

倘請求屬恰當，則大會須於該請求送達後兩(2)個月內舉行。倘於請求送達後二十一(21)日內董事會未能召開會議，則請求人可自行以同樣方式召開大會，且因董事會未能召開大會而導致請求人產生的合理費用，本公司須退還請求人。

### 建議任何人士選舉董事之程序

有關建議任何人士選舉董事之程序，請參閱可於本公司網站[www.dragonite.com.hk](http://www.dragonite.com.hk)閱覽之程序。

### 組織章程文件之重大變動

於二零一二年十二月十七日舉行的股東特別大會上，通過一項修改組織章程細則之特別決議案。修訂旨在更新組織章程細則，使其符合最近上市規則及守則之修訂，以及對董事會所建議之若干內部管理的修訂。主要修訂包括以下各項：

- 1) 股東週年大會須發出不少於二十一(21)個整天及不少於二十(20)個完整營業日的書面通告，為通過特別決議案而召開的任何股東特別大會須發出不少於二十一(21)個整天及不少於十(10)個完整營業日的書面通告。所有其他股東特別大會可以不少於十四(14)個整天及不少於十(10)個完整營業日的書面通告召開，惟倘聯交所規則允許及根據組織章程細則經股東同意的情況下，召開股東大會的通告期可較上述所規定者短；
- 2) 除會議主席可誠實准許就純粹與程序或行政事宜有關的決議案以舉手方式表決外，本公司股東大會的所有決議案須以投票方式表決；

- 3) removal of the exception where a Director shall be able to vote on any board resolution approving any contract or arrangement or any other proposal in which he/she or any of his/her associates has a material interest nor shall he/she be counted in the quorum present at the meeting, provided that he/she or any of his/her associates are not beneficially interested in more than 5% in the party with which the Company proposes to enter into a contract or arrangement;
- 4) if a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter shall be dealt with by a physical board meeting rather than a written resolution; and
- 5) (i) the Company may send summarised financial statements ("Summary Financial Reports") derived from the Company's annual accounts and directors' report in form and containing the information required by applicable laws and regulations subject to compliance with all applicable statutes, rules and regulations, including the Listing Rules and obtaining all necessary consents if any, required thereunder; and
- (ii) the requirement to send the balance sheet and profit and loss account including every document required by law to be annexed thereto, made up to the end of the applicable financial year and a statement of income and expenditure together with a copy of the auditors report ("Financial Reports") and Summary Financial Reports to persons entitled thereto is deemed satisfied where, in accordance with all applicable statutes, rules and regulations, including the Listing Rules, the Company publishes copies of the Financial Reports and Summary Financial Reports on the Company's computer network or in any other permitted manner and that person has agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send him a copy of such documents.
- 3) 刪除下列例外情況：董事可就批准本身或其任何聯繫人士擁有重大權益的合約或安排或其他建議的任何董事會決議案投票，亦計入有關會議的法定人數，惟有關董事或其任何聯繫人士並無擁有本公司擬訂立合約或安排的對方5%以上的實益權益；
- 4) 倘主要股東或董事在董事會將考慮的事項中存有董事會認為重大的利益衝突，有關事項應召開董事會會議（而非通過書面決議案）處理；及
- 5) (i) 本公司可按相關法律及法規規定的形式及內容寄發摘錄自本公司年度賬目及董事會報告的財務報表概要（「財務摘要報告」），惟須遵守所有有關法律、規則及法規（包括上市規則）並取得該等規定所要求的全部必要同意（如有）；及
- (ii) 本公司根據所有相關法律、規則及法規（包括上市規則）於本公司網站或以任何其他許可方式刊載財務報告及財務摘要報告，而有關人士同意將按上述方式刊載或接收該等文件當作為本公司已履行向其寄發有關文件副本的責任，即視作已履行將所編製截至有關財政年度末的資產負債表及損益賬（包括法律規定須隨附的所有文件）以及收支表與核數師報告副本（「財務報告」）以及財務摘要報告寄發至有權收取的人士的規定。

Details of the amendments are set out in the circular of the Company dated 22 November 2012.

修訂詳情載於本公司日期為二零一二年十一月二十二日之通函。

### ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibilities for overseeing the preparation of the financial statements of the Group and believe these statements give a true and fair view of the Group's affairs and its results. The Directors are also responsible for the timely publication of financial statements of the Group and to ensure they are prepared in accordance with statutory requirements and applicable financial reporting standards. The Directors are also committed to making appropriate announcements in accordance with the requirements of the Listing Rules, and to disclose all information necessary for shareholders of the Company to assess the financial performance and other aspects of the Company.

Deloitte Touche Tohmatsu was appointed as the external auditor of the Group for the Year and will continue as such until the forthcoming Annual General Meeting of the Company. The annual consolidated financial statements of the Group for the Year have been audited by Deloitte Touche Tohmatsu. The auditors' responsibilities for the Group's financial statements are set out in the Independent Auditor's Report on pages 41 to 42 of the Company's 2012 Annual Report.

The Audit Committee is responsible for evaluating the external auditors of the Group, including but not limited to their independence and objectivity.

The fees of the external auditors of the Group for audit services amounted to HK\$1,650,000 and for non-audit services amounted to approximately HK\$1,517,000 for the Year.

### INTERNAL CONTROL

The Board is responsible to ensure that an adequate system of internal control is maintained within the Group, and to review its effectiveness through the Audit Committee. The internal control systems are designed to meet the Group's particular needs and the risks to which it is exposed, and by their nature can only provide reasonable, but not absolute assurance against misstatement or loss and to manage, but not to eliminate, risks of failure in achieving the Group's objectives. Practicable and effective control systems and procedures have been implemented by the Group to enhance internal control in an ongoing basis. The Board, through the Audit Committee, has conducted reviews of the effectiveness and the adequacy of the Group's system of internal control.

### 問責及審核

董事確認彼等須負責監察本集團財務報表之編製，認為該等財務報表真確公允反映本集團的事務及業績。董事亦須負責及時刊發本集團財務報表，以確保財務報表乃根據法定要求及適用財務報告準則編製。董事亦致力按照上市規則之規定作出適當公佈，以披露本公司股東就評估本公司財務表現及其他事宜所須的一切資料。

德勤•關黃陳方會計師行於本年度獲委任為本集團外部核數師，任期至本公司應屆股東週年大會止。本集團於本年度之年度綜合財務報表已由德勤•關黃陳方會計師行審核。核數師對本集團財務報表之責任載於本公司二零一二年年報第41至42頁之獨立核數師報告。

審核委員會負責評估本集團之外部核數師，包括但不限於彼等之獨立性和客觀性。

本集團之外部核數師有關核數服務及非核數服務之費用分別為1,650,000港元及約1,517,000港元。

### 內部監控

董事會負責確保本集團內部維持足夠之內部監控系統，及透過審核委員會對其有效性進行檢討。內部監控系統是專為應付本集團的具體需要及所須承受之風險而設，惟其性質使然，僅能提供有關錯誤陳述或損失之合理(並非絕對)保證，以及管理(並非消除)無法達致本集團目標之風險。本集團已實施實際有效的監控系統及程序，以持續加強內部監控。董事會(透過審核委員會)已就本集團內部監控系統之有效性和足夠性進行檢討。

During the Year, based on the evaluations made by the Audit Committee, the Board was satisfied that nothing has come to its attention to cause the Board to believe that the system of internal control is inadequate; and there is an ongoing process to identify, evaluate and manage significant risks encountered by the Group.

#### GOING CONCERN

The Directors confirm that, to the best of their knowledge, information and belief and having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cause significant doubt upon the Company's ability to continue as a going concern. The Board therefore continues to adopt the going concern approach in preparing the financial statements for the Year.

On Behalf of the Board

Dragonite International Limited

Gary Drew Douglas

*Managing Director*

Hong Kong, 25 March 2013

於本年度根據審核委員會所作評估，董事會信納並無任何事宜將導致董事會相信內部監控系統乃不足夠，另有持續程序識別、評估及管理本集團所承受之重大風險。

#### 持續經營

經作出一切合理查詢後所知、所悉及所信，董事確認並無任何有關事項或情況的重大不確定因素可能引致對本公司持續經營能力產生重大懷疑。因此，董事會仍然採用持續經營方法編製本年度財務報表。

代表董事會

叁龍國際有限公司

*董事總經理*

Gary Drew Douglas

香港，二零一三年三月二十五日

## Directors and Senior Management Profile

### 董事及高級管理層人員簡介

#### DIRECTORS

##### Executive Directors

**Mr. Wong Yin Sen**, aged 60, is one of the co-founders and currently the Chairman and President of the Group. Mr. Wong is familiar with commercial, political and social affairs in the People's Republic of China (the "PRC") and has over 27 years of experience managing enterprises in the PRC. After settling down in Hong Kong in 1992, he established and invested in the Group. Mr. Wong has accumulated abundant knowledge in the medical and health care product industry and has extensive experience in enterprise management.

**Mr. Gary Drew Douglas**, aged 63, is the managing Director of the Company and responsible for the electronic cigarette business of the Group. Mr. Douglas holds a Master's Degree in Business Administration from the University of Santa Clara, USA. Mr. Douglas has over 20 years of professional experience in general management, consumer electronics, IT business, project management and software, and commercial and retail banking in Japan and the USA. Mr. Douglas is also fluent in Japanese. He is currently an independent non-executive director of Freeman Financial Corporation Limited, a company listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). During 30 June 2011 to 20 October 2011, Mr. Douglas was appointed as an independent non-executive director of Radford Capital Investment Limited, a company listed on the main board of the Stock Exchange. Also, Mr. Douglas was appointed as an independent non-executive director of Willie International Holdings Limited, a company listed on the main board of the Stock Exchange from 1 June 2011 to 1 September 2012.

**Mr. Hon Lik**, aged 57, is a senior pharmacist, a co-founder and currently Chief Executive Officer of the Group. Mr. Hon graduated from Liaoning College of Traditional Chinese Medicine in 1982 and began his career with Liaoning Academy of Traditional Chinese Medicine in the same year. Mr. Hon was promoted to the position of vice superintendent of Liaoning Academy of Traditional Chinese Medicine in 1990, and was responsible for the company's technology development. Mr. Hon has approximately 28 years of experience in the medical field and invented and patented the technology used in Chenlong Baoling Longevity Ginseng and electronic cigarette products.

#### 董事

##### 執行董事

**王彥宸先生**，60歲，本集團共同創辦人之一，目前亦為本集團主席及總裁。王先生稔熟中華人民共和國（「中國」）商業、政治及社會事務，於中國企業積逾27年商業管理經驗。於一九九二年定居香港後，成功投資創辦了本集團，積累了大量醫藥及保健品行業知識及企業管理經驗。

**Gary Drew Douglas先生**，63歲，為本公司董事總經理，負責本集團的電子煙業務。Douglas先生獲美國聖克拉拉大學(University of Santa Clara)工商管理碩士學位。Douglas先生於日本及美國的一般管理、消費電子、資訊科技業務、項目管理及軟件以及商業及零售銀行業積逾20年專業經驗。Douglas先生亦精通日語。Douglas先生現任民豐企業控股有限公司（一間於香港聯合交易所有限公司（「聯交所」）主板上市的公司）的獨立非執行董事。於二零一一年六月三十日至二零一一年十月二十日，Douglas先生獲委任為萊福資本投資有限公司（一間於聯交所主板上市的公司）的獨立非執行董事。於二零一一年六月一日至二零一二年九月一日，Douglas先生亦獲委任為威利國際控股有限公司（一間於聯交所主板上市之公司）之獨立非執行董事。

**韓力先生**，57歲，高級藥劑師、本集團共同創辦人及目前為本集團行政總裁。韓先生於一九八二年畢業於遼寧中醫學院，同年開始於遼寧省中藥研究所工作。於一九九零年擢升為遼寧省中藥研究所副所長，主管該公司技術開發。韓先生於醫藥界積累約28年之豐富經驗，且為辰龍保齡參系列及電子煙產品所用專利技術之發明人。

## Directors and Senior Management Profile

### 董事及高級管理層人員簡介

**Ms. Chan Mee Sze**, aged 38, is an executive Director and Company Secretary of the Company. Ms. Chan holds a Bachelor's Degree in Laws from University of London and a Master's Degree in Business Administration from University of Dundee. She is also an associate member of The Hong Kong Institute of Company Secretaries with Practitioner's Endorsement and an associate member of The Institute of Chartered Secretaries and Administrators. She has over 12 years of experience in corporate secretaryship and corporate finance.

**Mr. Lam Suk Ping**, aged 55, is an executive Director of the Company and he joined the Group in 2011 to oversee the accounts department. Mr. Lam holds a Master's Degree in Business Administration from the University of Hull, the United Kingdom. He has over 30 years of experience in auditing, finance and accounting, investment and business management. Prior to joining the Group, Mr. Lam was an executive director of Mascotte Holdings Limited, a company listed on the main board of the Stock Exchange during the period from 7 April 2008 to 27 April 2011. During 30 June 2011 to 20 October 2011, Mr. Lam was also an independent non-executive director of Radford Capital Investment Limited, a company listed on the main board of the Stock Exchange.

#### Independent Non-Executive Directors

**Mr. Chung Yuk Lun**, aged 52, is an independent non-executive Director of the Company. He is a fellow member of The Association of Chartered Certified Accountants, an associate member of The Hong Kong Institute of Certified Public Accountants and an Associate Chartered Accountants (England and Wales). Mr. Chung has over 22 years' experience in finance and project investment. He is currently an executive director of Radford Capital Investment Limited and Ming Fung Jewellery Group Limited, an independent non-executive director of Heritage International Holdings Limited and Forefront Group Limited, all of which are companies listed on the main board of the Stock Exchange.

**陳美思女士**，38歲，為本公司執行董事兼公司秘書。陳女士持有倫敦大學法律學士學位及University of Dundee工商管理碩士學位。彼亦為香港特許秘書公會會員，持有執業者認可證明，並為特許秘書及行政人員公會會員。陳女士於企業秘書事務及企業財務方面擁有逾12年經驗。

**林叔平先生**，55歲，為本公司執行董事。彼於二零一一年加入本集團，監管會計部。林先生持有英國University of Hull工商管理碩士學位。彼擁有逾30年審計、金融及會計、投資及商業管理經驗。加入本集團前，林先生曾於二零零八年四月七日至二零一一年四月二十七日擔任馬斯葛集團有限公司（於聯交所主板上市的公司）的執行董事。林先生亦於二零一一年六月三十日至二零一一年十月二十日擔任萊福資本投資有限公司（一間於聯交所主板上市的公司）的獨立非執行董事。

#### 獨立非執行董事

**鍾育麟先生**，52歲，為本公司獨立非執行董事。彼為英國特許公認會計師公會資深會員、香港會計師公會會員以及英格蘭及威爾斯特許會計師公會會員。鍾先生於金融及項目投資方面擁有逾22年經驗。彼現任萊福資本投資有限公司及明豐珠寶集團有限公司之執行董事，以及漢基控股有限公司及福方集團有限公司之獨立非執行董事，該等公司均為聯交所主板上市公司。

## Directors and Senior Management Profile

### 董事及高級管理層人員簡介

**Mr. Liu Kwong Sang**, aged 51, is an independent non-executive Director of the Company. He has been practising as a certified public accountant in Hong Kong with more than 20 years' experience. He graduated with honours from the Hong Kong Polytechnic University with a Bachelor's Degree in accountancy and obtained the Master's Degree in Business Administration from the University of Lincoln, the United Kingdom. Mr. Liu is an associate member of the Institute of Chartered Accountants in England and Wales, a fellow member of The Association of Chartered Certified Accountants, a fellow member of the Institute of Financial Accountants, the United Kingdom and a fellow member of the National Institute of Accountants, Australia. He is also a fellow member of The Hong Kong Institute of Certified Public Accountants, a fellow member of the Taxation Institute of Hong Kong and a fellow member of the Society of Registered Financial Planners. Mr. Liu acts as an independent non-executive director of Polytec Asset Holdings Limited and China Railsmedia Corporation Limited, securities of both are listed on the main board of the Stock Exchange, and of abc Multiactive Ltd whose securities are listed on the GEM board of the Stock Exchange. He was also an independent non-executive director of Tack Fiori International Group Limited whose securities are listed on the main board of the Stock Exchange; and of KH Investments Limited whose securities are listed on the GEM board of the Stock Exchange; and of Pacific CMA, Inc. whose securities were previously listed on the American Stock Exchange.

**Mr. Lam Man Sum, Albert**, aged 57, is an independent non-executive Director of the Company. He is a fellow member of The Association of Chartered Certified Accountants and The Hong Kong Institute of Certified Public Accountants and member of the Hong Kong Securities Institute, Society of Chinese Accountants and Auditors, New Zealand Institute of Chartered Accountants, Taxation Institute of Hong Kong and Certified Tax Advisor. Mr. Lam holds a Bachelor's Degree in Arts (Economics) from the University of Manchester, United Kingdom. He is currently an independent non-executive director of Junefield Department Store Group Limited, the shares of which are listed on the Stock Exchange. He was the shareholder and director of Hopkins CPA Limited from 2007 to 2011 and the proprietor of Albert Lam & Co. CPA from 1993 to 2007.

**廖廣生先生**，51歲，為本公司獨立非執行董事。彼為香港執業會計師，擁有超過20年經驗。廖先生畢業於香港理工大學，持有會計學士學位，並取得英國林肯大學之工商管理碩士學位。廖先生為英格蘭及威爾斯特許會計師公會之會員、英國特許公認會計師公會資深會員、英國財務會計師公會資深會員及澳大利亞國家會計師公會資深會員。彼亦為香港會計師公會資深會員、香港稅務學會資深會員及註冊財務策劃師協會資深會員。廖先生擔任保利達資產控股有限公司及中國鐵聯傳媒有限公司（該等公司證券於聯交所主板上市）及辰罡科技有限公司（其證券於聯交所創業板上市）之獨立非執行董事。彼亦曾為野馬國際集團有限公司（其證券於聯交所主板上市）、嘉匯投資控股有限公司（其證券於聯交所創業板上市），及Pacific CMA, Inc.（其證券先前於美國證券交易所上市）之獨立非執行董事。

**林聞深先生**，57歲，為本公司獨立非執行董事。彼為英國特許公認會計師公會及香港會計師公會資深會員以及香港證券學會、香港華人會計師公會、紐西蘭會計師公會、香港稅務學會會員註冊稅務師。林先生持有英國曼徹斯特大學經濟學文學士學位。彼一直擔任莊勝百貨集團有限公司之獨立非執行董事，該公司之股份於聯交所上市。彼於二零零七年至二零一一年期間為浩勤會計師事務所有限公司之股東及董事，並於一九九三年至二零零七年期間為林聞深會計師事務所之東主。

## Directors and Senior Management Profile

### 董事及高級管理層人員簡介

**Mr. Ho Tak Fun**, aged 59, is an independent non-executive Director of the Company. He received a Bachelor's Degree in Business Administration, Marketing from The Chinese University of Hong Kong and a Master's Degree in Science, Information Systems from the Hong Kong Polytechnic University. Mr. Ho is a seasoned retail executive with profound experience in launching new businesses, strategic planning, business development and operations in both the PRC and Hong Kong retail markets. He also has extensive knowledge in marketing, merchandising, distribution and promotion of consumer products and mass merchandise. During the period from 5 August 2011 to 31 October 2011, Mr. Ho was an executive director of Tack Fiori International Group Limited, a company listed on the main board of the Stock Exchange.

#### SENIOR MANAGEMENT

**Mr. Scott Fraser**, is the Vice President of a subsidiary of the Company. Mr. Fraser holds a Master's Degree in Business Administration from University California at Berkeley, Haas School of Business. He has over 22 years of work experience in sales and marketing in various multinational corporations in the PRC and the United States, including being the marketing manager in Intel China Limited and being the retail channel marketing manager in Motorola Asia/ Pacific Limited. He is currently responsible for the Group's international market and sales development. He joined the Group in 2007.

**何德芬先生**，59歲，為本公司獨立非執行董事。彼獲香港中文大學頒發工商管理學市場系學士學位及香港理工大學資訊系統理學碩士學位。何先生為資深零售業行政人員，於中國及香港零售市場之開創新業務、策略性規劃、業務發展及營運方面經驗豐富。彼亦於消費產品及大眾商品之市場推廣、採購、分銷及宣傳方面具有廣泛知識。二零一一年八月五日至二零一一年十月三十一日期間，何先生為野馬國際集團有限公司（一間於聯交所主板上市之公司）之執行董事。

#### 高級管理人員

**雷思華先生**為本公司附屬公司之副總裁。雷先生持有美國加州大學伯克萊商學院工商管理碩士學位。彼於中國和美國多間大型跨國公司有超過22年的營銷工作經驗，包括：英特爾中國有限公司市場部經理、摩托羅拉亞太有限公司零售市場部經理；目前負責本集團國際市場之開拓及銷售工作。彼於二零零七年加入本集團。



## Directors' Report 董事會報告

The directors of the Company present the annual report and the audited consolidated financial statements for the year ended 31 December 2012 (the "Year").

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of the Company's principal subsidiaries are set out in note 1 to the consolidated financial statements.

### RESULTS AND DIVIDENDS

The results of the Company and its subsidiaries (collectively the "Group") for the Year are set out in the consolidated statement of comprehensive income on page 43.

The directors do not recommend the payment of a dividend for the Year.

### 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.

### SHARE CAPITAL

Details of movements during the Year in the Company's share capital are set out in note 29 to the consolidated financial statements.

### DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distributions to shareholders as at 31 December 2012 comprised the share premium, contributed surplus less accumulated losses with a net aggregate amount of approximately HK\$145,393,000 (2011: HK\$210,047,000).

本公司董事會謹此提呈截至二零一二年十二月三十一日止年度（「本年度」）之年報及經審核綜合財務報表。

### 主要業務

本公司為一家投資控股公司。本公司主要附屬公司之主要業務載於綜合財務報表附註1。

### 業績及股息

本公司及其附屬公司（統稱「本集團」）本年度之業績載於第43頁之綜合全面收益表。

董事現不建議派付本年度股息。

### 物業、廠房及設備

本集團於本年度的物業、廠房及設備之變動詳情載於綜合財務報表附註16。

### 股本

本公司之股本於本年度之變動詳情載於綜合財務報表附註29。

### 本公司之可分派儲備

於二零一二年十二月三十一日，本公司可供分派予股東之儲備包括股份溢價、繳入盈餘減去累積虧損之總計淨額約145,393,000港元（二零一一年：210,047,000港元）。

## DIRECTORS

The directors of the Company during the Year and up to the date of this report were:

### Executive Directors:

Mr. Wong Yin Sen  
Mr. Gary Drew Douglas  
Mr. Hon Lik  
Ms. Chan Mee Sze  
Mr. Lam Suk Ping

### Independent Non-Executive Directors:

Mr. Pang Hong  
*(resigned on 29 February 2012)*  
Mr. Chung Yuk Lun  
Mr. Liu Kwong Sang  
Mr. Lam Man Sum, Albert  
Mr. Ho Tak Fun

In accordance with Article 87 of the Company's Articles of Association, Ms. Chan Mee Sze, Mr. Lam Man Sum, Albert and Mr. Liu Kwong Sang shall retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

The non-executive directors have no specific term of office but are subject to retirement by rotation, and being eligible, offer themselves for re-election, in accordance with the Company's Articles of Association.

## DIRECTORS' SERVICE CONTRACTS

None of the directors proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

## 董事

本公司於本年度及截至本報告日期之董事為：

### 執行董事：

王彥宸先生  
Gary Drew Douglas先生  
韓力先生  
陳美思女士  
林叔平先生

### 獨立非執行董事：

龐鴻先生  
*(於二零一二年二月二十九日辭任)*  
鍾育麟先生  
廖廣生先生  
林聞深先生  
何德芬先生

根據本公司組織章程細則第87條，陳美思女士、林聞深先生及廖廣生先生須輪值退任，惟符合資格在應屆股東週年大會膺選連任。

非執行董事並無設定任期，惟根據本公司組織章程細則之規定須輪值退任，惟符合資格膺選連任。

## 董事服務合約

將在應屆股東週年大會上被提名候選連任之董事，概無訂立不可於一年內由本集團終止而無須作出賠償（法定賠償除外）之服務合約。

#### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN SHARES AND UNDERLYING SHARES

As at 31 December 2012, the interests and short positions of the directors and the chief executive of the Company in the shares, underlying shares and debt securities of the Company or any of its subsidiaries or associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which are required (i) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") to be notified to the Company and the Stock Exchange were as follows:

#### 董事及主要行政人員於股份及相關股份中之權益及短倉

於二零一二年十二月三十一日，本公司董事及主要行政人員於本公司或其任何附屬公司或相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有須(i)根據證券及期貨條例第XV部而須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及短倉（包括根據證券及期貨條例有關規定擁有或視作擁有之權益及短倉）；或(ii)須載入根據證券及期貨條例第352條之規定所存置之登記冊內之權益及短倉；或(iii)根據聯交所證券上市規則（「上市規則」）附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）而須知會本公司及聯交所之權益及短倉載列如下：

Long positions in ordinary shares and underlying shares of the Company as at 31 December 2012:

於二零一二年十二月三十一日，本公司普通股及相關股份中的長倉載列如下：

Name of Director 董事姓名	Capacity 身份	Number of issued ordinary shares of the Company 本公司已發行 股份數目	Number of underlying shares in respect of the options granted under the share option scheme of the Company 根據本公司 購股權計劃 授出購股權之 相關股份數目 (Note 1) (附註1)	Approximate percentage of the issued share capital of the Company 本公司 已發行股本之 概約百分比
Mr. Wong Yin Sen 王彥宸先生	Beneficial owner 實益擁有人		3,259	0.01%
	Interest of controlled corporation 受控制法團權益	1,672,650 (Note 2) (附註2)		1.57%
Mr. Hon Lik 韓力先生	Beneficial owner 實益擁有人		3,259	0.01%
	Interest of controlled corporation 受控制法團權益	1,672,650 (Note 2) (附註2)		1.57%

Notes:

附註：

- Details of share option scheme of the Company are disclosed in note 30 to the consolidated financial statements.
  - These represent the interests in the 1,672,650 shares of the Company directly held by Absolute Target Limited which is controlled as to 46.25%, 42.5% and 11.25% by Mr. Wong Yin Sen, Mr. Hon Lik and Mr. Wong Hei Lin respectively.
- 本公司購股權計劃之詳情於綜合財務報表附註30披露。
  - 由Absolute Target Limited直接持有的本公司1,672,650股之權益。王彥宸先生、韓力先生及王希年先生分別擁有Absolute Target Limited 46.25%、42.5%及11.25%權益。

## Directors' Report

### 董事會報告

Save as disclosed above, as at 31 December 2012, none of the directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debt securities of the Company or any of its subsidiaries or associated corporations that are required to be recorded pursuant to section 352 of the SFO, or otherwise notified to the Company or the Stock Exchange pursuant to the Model Code.

#### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES OF THE COMPANY

Save as disclosed in note 30 to the financial statements headed "Share Based Payments", at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debt securities (including debentures) of, the Company or any associated corporations, and none of the directors of the Company, or their spouses or children under age of 18, had any right to subscribe for the shares or debt securities of the Company or had exercised any such right during the Year.

#### DIRECTORS' INTEREST IN CONTRACTS

There was no contract of significance to which the Company, its holding company, subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

除上文所披露者外，於二零一二年十二月三十一日，概無任何本公司董事及主要行政人員於本公司或其任何附屬公司或相聯法團的股份、相關股份及債券中擁有須根據證券及期貨條例第352條之規定登記之權益或短倉或須根據標準守則知會本公司或聯交所之權益或短倉。

#### 董事購買本公司股份或債券之權利

除財務報表附註30「以股份為基礎之付款」所披露者外，於本年度任何時間，本公司或其任何附屬公司概無訂立任何安排，致使本公司董事透過收購本公司或任何相聯法團之股份或債券（包括公司債券）而獲得利益，且於本年度內，本公司董事或彼等配偶或十八歲以下子女並無認購本公司股份或債券的權利，亦無行使任何權利。

#### 董事於合約之權益

於本年度末或本年度任何時間，本公司、其控股公司、附屬公司或其同系附屬公司概無訂立任何本公司董事於其中直接或間接擁有重大利益關係之重大合約。

## SUBSTANTIAL SHAREHOLDERS

So far as is known to directors of the Company, as at 31 December 2012, the persons or companies (other than directors or chief executive of the Company) who had interests or short positions in the shares and underlying shares of the Company which fall to be disclosed to the Company under Part XV of the SFO, or which were recorded in the register of substantial shareholders required to be kept by the Company under section 336 of the SFO were as follows:

Long positions in the ordinary shares of the Company as at 31 December 2012:

Name 名稱	Capacity 身份	Number of shares of the Company 本公司股份數目	Approximate percentage of shareholding 股權概約百分比
Unity Investments Holdings Limited (Note 1) 合一投資控股有限公司 (附註1)	Interest of controlled corporation 受控制法團權益	10,010,000	9.45%
HEC Capital Limited (Note 2) HEC Capital Limited (附註2)	Interest of controlled corporation 受控制法團權益	7,514,700	7.09%

Notes:

- These shares are held by Great Panorama International Limited which is a wholly-owned subsidiary of Unity Investments Holdings Limited, a company listed on the Stock Exchange.
- These shares are held by Murtsa Capital Management Limited which is a wholly-owned subsidiary of HEC Capital Limited.

Save as disclosed above, as at 31 December 2012, no person, other than the directors of the Company, whose interests are set out herein this report, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

## 主要股東

就本公司董事所知，於二零一二年十二月三十一日，於本公司股份及相關股份中擁有須根據證券及期貨條例第XV部向本公司披露，或須載入本公司根據證券及期貨條例第336條之規定存置之主要股東登記冊的權益或短倉的人士或公司（除本公司董事或主要行政人員外）載列如下：

於二零一二年十二月三十一日，本公司普通股的長倉載列如下：

附註：

- 該等股份由合一投資控股有限公司（一間於聯交所上市之公司）之全資附屬公司Great Panorama International Limited持有。
- 該等股份由HEC Capital Limited之全資附屬公司Murtsa Capital Management Limited持有。

除上文所披露者外，於二零一二年十二月三十一日，概無任何人士（除於本報告中載有其權益的本公司董事外）於本公司股份或相關股份中擁有須根據證券及期貨條例第336條登記之權益或短倉。

## Directors' Report

### 董事會報告

#### SHARE OPTION SCHEME

At an extraordinary general meeting of the Company held on 17 December 2012, an ordinary resolution was duly passed to adopt a new share option scheme. The old share option scheme adopted by the Company on 30 May 2003 was terminated upon passing of the ordinary resolution to adopt the new share option scheme.

Details and the movement of the share option scheme of the Company are disclosed in "Share-based Payments" in note 30 to the consolidated financial statements.

#### CONVERTIBLE SECURITIES, OPTIONS OR OTHER SIMILAR RIGHTS

Movements in share option scheme during the Year are set out in notes 30 to the consolidated financial statements. Save for the outstanding share options as set out in note 30 to the consolidated financial statements, the Company has no other outstanding convertible securities, options or similar rights in issue as at 31 December 2012.

#### BORROWINGS

Details of the interest-bearing borrowings of the Group are set out in note 27 to the consolidated financial statements.

#### RETIREMENT SCHEME

The Group provides a defined contribution retirement scheme under the Mandatory Provident Fund Scheme (the "Scheme") in Hong Kong. Under the Scheme, employer and employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$25,000 and a minimum level of relevant income of HK\$6,500 for the employees' contribution.

#### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company and the Group was entered into or existed during the Year.

#### 購股權計劃

在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，正式通過一項普通決議案以採納新購股權計劃。本公司於二零零三年五月三十日採納之舊購股權計劃已於通過普通決議案以採納新購股權計劃時終止。

本公司購股權計劃之詳情及變動於綜合財務報表附註30「以股份為基礎之付款」中披露。

#### 可換股證券、購股權或其他同類權利

本年度的購股權計劃變動載於綜合財務報表附註30。除綜合財務報表附註30所載的未行使購股權外，於二零一二年十二月三十一日，本公司並無其他尚未行使的可換股證券、購股權或同類權利。

#### 借貸

本集團的計息借貸詳情載於綜合財務報表附註27。

#### 退休計劃

本集團根據香港強制性公積金計劃（「強積金計劃」）提供定額供款退休計劃。根據強積金計劃，僱主及僱員均須按僱員相關收入的5%向強積金計劃供款，惟僱員供款的相關每月收入最高及最低限額分別為25,000港元及6,500港元。

#### 管理合約

本年度內並沒有訂立或存在有關管理本公司及本集團整體或任何重大部分業務之合約。

#### INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

#### EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the remuneration committee of the Company (the "Remuneration Committee") on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are recommended by the Remuneration Committee, having regard to the Company's operating results, individual performance, time, commitment, duties and responsibilities, contribution to the Group, comparable market statistics and prevailing marketing practice and trends.

#### PRE-EMPTIVE RIGHTS

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

#### MAJOR SUPPLIERS AND CUSTOMERS

During the Year, the largest supplier of the Group by itself and together with the next four suppliers accounted for about 30.8% and 55.96%, respectively, of the Group's purchases.

During the Year, the five largest customers of the Group accounted for less than 75% of the Group's turnover.

At no time during the Year did a director, an associate of a director of a shareholder of the Company (which to the knowledge of the directors own more than 5% of the Company's share capital) have an interest in any of the Group's five largest suppliers.

#### RELATED PARTY TRANSACTION

The related party transaction set out in note 36 to the consolidated financial statements did not fall within the definition of connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules.

#### 獨立非執行董事的獨立性

本公司已從各獨立非執行董事接獲根據上市規則第3.13條確認其獨立性之年度確認書，並認為所有獨立非執行董事均為獨立。

#### 薪酬政策

本公司薪酬委員會（「薪酬委員會」）按本集團僱員之功績、資歷及勝任度釐定其薪酬政策。

薪酬委員會視乎本公司之營運業績、個人表現及董事之年期、承諾及職務、對集團之貢獻及可作比較之市場統計數字，及當前市場慣例及趨勢建議本公司董事之薪酬。

#### 優先購買權

根據本公司組織章程細則或開曼群島法例，當中並無載列優先購買權條文，規定本公司按比例基準向其現有股東建議發售新股。

#### 主要供應商及客戶

於本年度，本集團最大供應商連同另外四名最大供應商分別佔本集團總採購額約30.8%及55.96%。

於本年度，本集團五大客戶佔本集團營業額不足75%。

於本年度內，本公司各董事、董事之聯繫人士或股東（據董事所知擁有本公司股本超過5%者），概無於本集團五大供應商擁有任何權益。

#### 關連人士交易

綜合財務報表附註36所載之關連人士交易並非上市規則第14A章「關連交易」或「持續關連交易」之定義範圍內。



## Directors' Report

### 董事會報告

#### PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

#### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its directors, as at the date of this report, the Company has maintained sufficient public float as required under the Listing Rules.

#### AUDITOR

The consolidated financial statements of the Company for each of the three years ended 31 December 2012 were audited by Messrs. Deloitte Touche Tohmatsu. A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On Behalf of the Board

**Dragonite International Limited**

**Wong Yin Sen**

*Chairman*

25 March 2013

#### 購買、出售或贖回證券

於本年度內，本公司或其任何附屬公司亦無購買、出售或贖回本公司任何上市證券。

#### 足夠公眾持股量

於本報告日期，基於本公司所得之公開資料及就董事所知，本公司一直維持上市規則規定之充足公眾持股量。

#### 核數師

本公司截至二零一二年十二月三十一日止三個年度各年的綜合財務報表均由德勤•關黃陳方會計師行審核。本公司將於即將舉行之股東週年大會上提呈續聘德勤•關黃陳方會計師行為本公司核數師之決議案。

代表董事會

**參龍國際有限公司**

*主席*

**王彥宸**

二零一三年三月二十五日

# Deloitte.

## 德勤

TO THE SHAREHOLDERS OF DRAGONITE INTERNATIONAL LIMITED  
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Dragonite International Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 43 to 147, which comprise the consolidated statement of financial position as at 31 December 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

### AUDITOR'S RESPONSIBILITY

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

致：叁龍國際有限公司股東  
(於開曼群島註冊成立之有限公司)

本行已完成審核載於第43頁至第147頁叁龍國際有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）綜合財務報表，其中包括於二零一二年十二月三十一日的綜合財務狀況表，及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，以及重大會計政策概要及其他說明性資料。

### 董事就綜合財務報表須承擔的責任

貴公司董事須負責遵照香港會計師公會頒佈的香港財務報告準則及香港公司條例披露規定，編製及真實而公平地列報綜合財務報表，及制定董事認為編製並無重大錯誤陳述（不論是否因欺詐或錯誤引起）的綜合財務報表所必要的內部監控。

### 核數師的責任

我們的責任是根據我們審核的結果，對該等綜合財務報表發表意見，並僅向整體股東報告，除此以外，按我們協定的委聘條款，本報告並無其他用途。我們不會就本報告的內容向任何其他人士承擔或負上任何責任。我們已根據香港會計師公會頒佈的香港審核準則進行審核。該等準則規定我們須遵守職業道德規範計劃及進行審核，以合理確定此等綜合財務報表有否存有任何重大錯誤陳述。

## Independent Auditor's Report 獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the 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 Group as at 31 December 2012 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu  
Certified Public Accountants  
Hong Kong

25 March 2013

審計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的審計憑證。所選程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製真實公平列報的綜合財務報表相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的成效發表意見。審計亦包括評價董事所採用會計政策是否合適及所作會計估計是否合理，以及評價綜合財務報表的整體列報方式。

我們相信，我們已取得充分恰當的審核憑證，為我們的審核意見提供了基礎。

### 意見

我們認為，按照香港財務報告準則編製的綜合財務報表真實公平地反映 貴集團於二零一二年十二月三十一日的財政狀況及 貴集團截至該日止年度的虧損和現金流量，並已按照香港公司條例的披露規定妥善編製。

德勤•關黃陳方會計師行  
執業會計師  
香港

二零一三年三月二十五日

# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

For the 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
Turnover	營業額			
Sales of goods	銷售貨品		20,327	19,878
Cost of goods sold	銷貨成本		<u>(15,915)</u>	<u>(42,854)</u>
			4,412	(22,976)
Dividend income	股息收入		161	2,806
Rental income	租賃收入		4,680	1,671
Interest income from loans receivable	應收貸款之利息收入		300	—
Change in fair value of financial assets at fair value through profit or loss	按公平值計入損益之金融資產 之公平值變動		<u>(11,104)</u>	<u>(214,408)</u>
			(1,551)	(232,907)
Other income	其他收入		3,443	3,119
Other gains and losses	其他盈虧	8	7,100	(6,459)
Distribution costs	經銷費用		(17,361)	(14,005)
Administrative expenses	行政支出		(31,186)	(37,904)
Other expenses	其他支出		(22,971)	(12,724)
Loss on disposal of a subsidiary	出售附屬公司虧損	32	—	(9,967)
Finance costs	財務費用	9	<u>(1,255)</u>	<u>(2,635)</u>
Loss before tax	稅前虧損		(63,781)	(313,482)
Income tax expense	所得稅支出	10	<u>(2,299)</u>	<u>(599)</u>
Loss for the year	本年度虧損	11	<u>(66,080)</u>	<u>(314,081)</u>
Other comprehensive income for the year:	本年度其他全面收益：			
Exchange differences arising on translation to presentation currency	換算為呈列貨幣產生 之匯兌差額		<u>1,169</u>	<u>767</u>
Total comprehensive expense for the year	本年度全面開支總額		<u>(64,911)</u>	<u>(313,314)</u>
Loss per share	每股虧損			(restated) (經重列)
Basic and diluted	基本及攤薄	15	<u>HK\$(0.64)港元</u>	<u>HK\$(8.78)港元</u>

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2012 於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
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	16	27,652	25,799
Investment property	投資物業	17	175,600	145,000
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	18	—	9,730
Prepaid lease payments	預付租賃款項	19	2,622	2,690
			<b>205,874</b>	<b>183,219</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	20	8,555	8,487
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	18	129,828	114,924
Trade receivables	應收貿易賬項	21	1,764	4,184
Deposits, prepayments and other receivables	按金、預付款項及其他應收賬項	22	14,006	6,878
Taxation recoverable	可收回稅項		—	1,579
Prepaid lease payments	預付租賃款項	19	82	82
Bank balances and cash	銀行結存及現金	23	34,881	55,970
			<b>189,116</b>	<b>192,104</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	應付貿易賬項	24	6,096	6,272
Accruals and other payables	應計款項及其他應付賬項	25	34,397	33,665
Derivative financial instruments	衍生金融工具	26	17,332	5,689
Borrowings	借款	27	25,676	92,342
Taxation payable	應付稅項		1,044	1,503
			<b>84,545</b>	<b>139,471</b>
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>104,571</b>	<b>52,633</b>
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>310,445</b>	<b>235,852</b>

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2012 於二零一二年十二月三十一日

		NOTES	2012	2011
		附註	二零一二年	二零一一年
			HK\$'000	HK\$'000
			千港元	千港元
Capital and reserves	資本及儲備			
Share capital	股本	29	1,060	271,731
Reserves	儲備		309,385	(35,879)
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>310,445</b>	<b>235,852</b>

The consolidated financial statements on pages 43 to 147 were approved and authorised for issue by the Board of Directors on 25 March 2013 and are signed on its behalf by:

第43至147頁之綜合財務報表於二零一三年三月二十五日獲董事會批准及授權刊發，並由下列董事代表簽署：

*DIRECTOR*  
董事

*DIRECTOR*  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

		Share capital	Share premium account	Shareholders' contribution	Translation reserve	Share option reserve	Non-distributable reserve	Merger reserve	Special reserve	(Accumulated losses)	Attributable to owners of the Company
		股本	股份溢價賬	股東出資	匯兌儲備	購股權儲備	非供分派儲備	合併儲備	特別儲備	(累積虧損)	本公司擁有人應佔權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(note a)			(note b)	(note d)	(note c)		
				(附註a)			(附註b)	(附註d)	(附註c)		
At 1 January 2011	於二零一一年一月一日	9,236	1,219,392	21,780	93,224	10,180	24,737	(1,016,738)	3,142	(292,063)	72,890
Loss for the year	本年度虧損	—	—	—	—	—	—	—	—	(314,081)	(314,081)
Other comprehensive income for the year	本年度其他全面收益	—	—	—	767	—	—	—	—	—	767
Total comprehensive income (expense) for the year	本年度全面收益(支出)總額	—	—	—	767	—	—	—	—	(314,081)	(313,314)
Issue of new shares upon rights issue	因供股而發行新股	184,725	221,669	—	—	—	—	—	—	—	406,394
Issue of new shares upon subscription	因認購而發行新股	1,847	1,109	—	—	—	—	—	—	—	2,956
Issue of new shares upon exercise of share options	因行使購股權而發行新股	923	1,540	—	—	(783)	—	—	—	—	1,680
Issue of new shares upon placing	因配股而發行新股	75,000	—	—	—	—	—	—	—	—	75,000
Transaction costs attributable to issue of shares	發行新股應佔之交易費用	—	(10,537)	—	—	—	—	—	—	—	(10,537)
Recognition of equity-settled share-based payment expenses	確認以權益結算並以股份為基礎之付款支出	—	—	—	—	783	—	—	—	—	783
Lapse of share options	購股權失效	—	—	—	—	(1,464)	—	—	—	1,464	—
At 31 December 2011	於二零一一年十二月三十一日	271,731	1,433,173	21,780	93,991	8,716	24,737	(1,016,738)	3,142	(604,680)	235,852

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

									(Accumulated losses) Retained earnings	Attributable to owners of the Company	
		Share capital	Share premium account	Shareholders' contribution	Translation reserve	Share option reserve	Non-distributable reserve	Merger reserve	Special reserve	(Accumulated losses) Retained earnings	Attributable to owners of the Company
		股本	股份溢價賬	股東出資	匯兌儲備	購股權儲備	分派儲備	合併儲備	特別儲備	保留盈利	應佔權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(note a) (附註a)			(note b) (附註b)	(note d) (附註d)	(note c) (附註c)		
At 1 January 2012	於二零一二年一月一日	271,731	1,433,173	21,780	93,991	8,716	24,737	(1,016,738)	3,142	(604,680)	235,852
Loss for the year	本年度虧損	—	—	—	—	—	—	—	—	(66,080)	(66,080)
Other comprehensive income for the year	本年度其他全面收益	—	—	—	1,169	—	—	—	—	—	1,169
Total comprehensive income (expense) for the year	本年度全面收益(支出)總額	—	—	—	1,169	—	—	—	—	(66,080)	(64,911)
First Capital Reorganisation (note e)	第一次資本重組(附註e)	(266,296)	(1,433,173)	—	—	—	—	—	—	1,699,469	—
Issue of new shares upon rights issue	因供股而發行新股	10,869	97,823	—	—	—	—	—	—	—	108,692
Issue of new shares upon exercise of share options	因行使購股權而發行新股	1,630	11,460	—	—	(1,678)	—	—	—	—	11,412
Issue of new shares upon placing	因配股而發行新股	3,261	18,260	—	—	—	—	—	—	—	21,521
Second Capital Reorganisation (note f)	第二次資本重組(附註f)	(20,135)	—	—	—	—	—	—	—	20,135	—
Transaction costs attributable to issue of shares	發行新股應佔之交易費用	—	(3,799)	—	—	—	—	—	—	—	(3,799)
Recognition of equity-settled share-based payment expenses	確認以權益結算並以股份為基礎之付款支出	—	—	—	—	1,678	—	—	—	—	1,678
At 31 December 2012	於二零一二年十二月三十一日	1,060	123,744	21,780	95,160	8,716	24,737	(1,016,738)	3,142	1,048,844	310,445



## Consolidated Statement of Changes in Equity

### 綜合權益變動表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

#### Notes:

- (a) Shareholders' contribution represents the amounts contributed by shareholders of Ruyan Investment (Holdings) Limited ("RIHL") during the year ended 31 December 2007.
- (b) The non-distributable reserve represents statutory reserves appropriated from profit after tax of the Company's PRC subsidiary under the PRC laws and regulations.
- (c) The special reserve of the Group represents reserve arising pursuant to group reorganisation on the basis that the group reorganisation had been effected on 1 January 2000.
- (d) The merger reserve represents (i) the share capital of RIHL (ii) the carrying amount of equity interest in RIHL held by the non-controlling parties and (iii) the fair value of the considerations paid for acquisition of RIHL during the year ended 31 December 2007.
- (e) Pursuant to special resolution passed on 23 December 2011 and the approval by the court in the Cayman Islands on 9 March 2012, the entire amount standing to the credit of the share premium account of the Company upon the completion to First Capital Reorganisation (as defined in note 29) on 19 March 2012 is cancelled and transferred to the accumulated losses of the Company.
- (f) Pursuant to special resolution passed on 6 August 2012 and the approval by the court in the Cayman Islands on 26 October 2012, the credit arising from the reduction in share capital is transferred to accumulated losses of the Company upon the completion of Second Capital Reorganisation (as defined in note 29) on 31 October 2012.

#### 附註：

- (a) 股東出資指截至二零零七年十二月三十一日止年度Ruyan Investment (Holdings) Limited (「RIHL」)之股東出資金額。
- (b) 非供分派儲備指本公司之中國附屬公司根據中國法律及法規從除稅後溢利中撥出之法定儲備。
- (c) 本集團之特別儲備指集團重組於二零零零年一月一日生效時因集團重組產生之儲備。
- (d) 合併儲備指(i)RIHL股本；(ii)無控制權人士持有之RIHL股權之賬面值；及(iii)截至二零零七年十二月三十一日止年度就收購RIHL所付代價之公平值。
- (e) 根據於二零一一年十二月二十三日通過之特別決議案並經開曼群島法院於二零一二年三月九日批准，第一次資本重組（定義見附註29）於二零一二年三月十九日完成後本公司股份溢價賬之全部進賬金額將被註銷並轉撥至本公司累計虧損。
- (f) 根據二零一二年八月六日通過之特別決議案並經開曼群島法院於二零一二年十月二十六日批准，於第二次資本重組（定義見附註29）於二零一二年十月三十一日完成後，股本削減所得進賬已轉撥至本公司累計虧損。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the 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
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Loss before tax	除稅前虧損	(63,781)	(313,482)
Adjustments for:	就以下項目作出調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,135	6,015
Amortisation of prepaid lease payments	預付租賃款項攤銷	90	88
Allowance for inventory obsolescence	陳舊存貨撥備	4,839	31,796
Allowance for doubtful debts	呆賬撥備	1,842	1,473
Impairment loss recognised in respect of loans receivable	就應收貸款確認減值虧損	10,000	—
Share-based payment expenses	以股份為基礎付款之支出	1,678	783
Finance costs	財務費用	1,255	2,635
Change in fair value of derivative financial instruments	衍生金融工具之公平值變動	11,643	(958)
Change in fair value of financial assets designated at fair value through profit or loss	指定按公平值計入損益之金融資產之公平值變動	(10,495)	10,295
Bank interest income	銀行利息收入	(9)	(8)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	15	(65)
Loss on disposal of a subsidiary	出售附屬公司之虧損	—	9,967
Change in fair value of investment property	投資物業之公平值變動	(30,600)	6,009
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(70,388)	(245,452)
Increase in inventories	存貨增加	(4,930)	(4,235)
Decrease (increase) in trade receivables	應收貿易賬項減少(增加)	567	(505)
Increase in deposits, prepayments and other receivable	按金、預付款項及其他應收賬項增加	(7,147)	(703)
Increase in loans receivable	應收貸款增加	(10,000)	—
Increase in held-for-trading investments	持作買賣用途之投資增加	(24,604)	(94,111)
(Decrease) increase in trade payables	應付貿易賬項(減少)增加	(193)	1,537
Increase (decrease) in accruals and other payables	應計款項及其他應付賬項增加(減少)	641	(9,224)

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the 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 used in operations	經營所用現金		(116,054)	(352,693)
Interest received	已收利息		9	8
PRC income tax (paid) refunded	(已繳)中國所得稅已退回		(1,179)	1,034
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>經營活動所用現金淨額</b>		<b>(117,224)</b>	<b>(351,651)</b>
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>			
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款項		85	65
Proceeds on disposal of financial assets designated at fair value through profit or loss	出售指定按公平值計入損益 之金融資產所得款項		29,925	24,750
Purchase of financial assets designated at fair value through profit or loss	購入指定按公平值計入損益 之金融資產		—	(30,025)
Purchase of property, plant and equipment	購入物業、廠房及設備		(4,948)	(405)
Acquisition of subsidiaries	收購附屬公司	31	—	(10,000)
Acquisition of assets and liabilities	收購資產與負債	31	—	(116,943)
<b>NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>	<b>投資活動所得(所用)現金淨額</b>		<b>25,062</b>	<b>(132,558)</b>
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>			
New borrowings raised	新造借款		50,000	140,000
Interest paid on borrowings	借款已付利息		(1,255)	(1,771)
Repayment of borrowings	償還借款		(116,666)	(80,677)
Redemption of convertible bonds	贖回可換股債券		—	(5,000)
Issue of new shares	發行新股		141,625	486,030
Expenses of issue of shares	發行股份之開支		(3,799)	(10,537)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>融資活動所得現金淨額</b>		<b>69,905</b>	<b>528,045</b>

## Consolidated Statement of Cash Flows 綜合現金流量表

For the 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 (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目(減少) 增加淨額		(22,257)	43,836
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初之現金及現金等值項目		55,970	11,681
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響		1,168	453
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, REPRESENTED BY BANK BALANCES AND CASH	年終之現金及現金等值項目 即銀行結存及現金		<u>34,881</u>	<u>55,970</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. The addresses of the registered office and principal place of business of the Company are disclosed in the introduction to the annual report.

The Company acts as an investment holding company. Its subsidiaries are principally engaged in production and sales of a series of health care products, pharmaceutical products, Ruyan atomizing cigarettes, securities trading and investments, property investment and money lending in Hong Kong.

The functional currency of the Company is Hong Kong dollars ("HKD"). For the purposes of presenting the consolidated financial statements, the Group adopted HKD as its presentation currency for the convenience of the readers. The directors consider HKD can provide more meaningful information to the Company's shareholders.

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied the following amendments issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

HKAS 12 (Amendments)	Deferred tax: Recovery of underlying assets;
HKFRS 7 (Amendments)	Financial instruments: Disclosures – Transfers of financial assets.

Except as described below, the adoption of the amendments has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

### 1. 一般資料

本公司於開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司上市。本公司之註冊辦事處地址及主要營業地點已於本年報之簡介中披露。

本公司為一家投資控股公司，其附屬公司之主要業務為生產及銷售一系列保健產品、醫藥產品及如煙霧化煙、證券買賣及投資、在香港進行物業投資以及貸款。

本公司之功能貨幣為港元（「港元」）。就呈列綜合財務報表而言，為方便讀者閱覽，本集團採用港元作為其呈列貨幣。董事認為港元可為本公司股東提供更有意義之資料。

### 2. 應用新訂及經修訂香港財務報告準則

於本年度，本集團應用下列由香港會計師公會（「香港會計師公會」）頒佈之修訂本。

香港會計準則 第12號 (修訂本)	遞延稅項： 撥回相關資產；
香港財務報告 準則第7號 (修訂本)	金融工具：披露 — 轉讓金融資產。

除下述者外，採用修訂本對本集團現時及過往會計期間之綜合財務報表並無重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

#### Amendments to HKAS 12 Deferred tax: Recovery of underlying assets

The Group has applied for the first time the amendments to HKAS 12 "Deferred tax: Recovery of underlying assets" in the current year. Under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 "Investment property" are presumed to be recovered entirely through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The Group measures its investment property using the fair value model. As a result of the application of the amendments to HKAS 12, the directors reviewed the Group's investment property and concluded that Group's investment property is not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, and that presumption set out in the amendments to HKAS 12 is not rebutted.

The application of the amendments to HKAS 12 has resulted in the Group not recognising any deferred taxes on changes in fair value of the investment property as the Group is not subject to any income taxes on disposal of its investments property in Hong Kong. Previously, the Group recognised deferred taxes on changes in fair value of investment property based on the manner in which the Group expected to recover or settle the carrying amount of investment property. The amendments to HKAS 12 have been applied retrospectively. There is no deferred tax on change in fair value of investment property recognised in previous period, therefore no prior year adjustment is required. In current year, no deferred taxes have been provided for changes in fair value of the Group's investment property. The change in accounting policy has resulted in the Group's income tax expense for the year ended 31 December 2012 being reduced by HK\$4,058,000 and hence resulted in loss for the year ended 31 December 2012 decreased by HK\$4,058,000. Accordingly, the deferred tax liabilities are decreased by HK\$4,058,000 as at 31 December 2012. The Group's basic and diluted loss per share during the year ended 31 December 2012 are reduced by HK\$0.04 per share upon the application of the amendments to HKAS 12.

### 2. 應用新訂及經修訂香港財務報告準則(續)

#### 香港會計準則第12號(修訂本)：遞延稅項：相關資產之回收

於本年度，本集團首次應用香港會計準則第12號(修訂本)「遞延稅項：相關資產之回收」。根據該修訂，按照香港會計準則第40號「投資物業」以公平值模式計量之投資物業是假設可透過出售收回而計算遞延稅項，除非此項假設在若干情況下被駁回。

本集團按公平值模式計算投資物業。由於應用香港會計準則第12號(修訂本)，董事審閱本集團之投資物業並認為本集團之投資物業並非根據商業模式持有，而該商業模式之目的是在一段時間內消耗在投資物業內的絕大部份經濟利益，故董事認為在香港會計準則第12號(修訂本)所列表載之出售假設並未被駁回。

由於本集團毋須就其出售位於香港的投資物業繳交任何所得稅，故應用香港會計準則第12號(修訂本)導致本集團並無就投資物業之公平值變動確認任何遞延稅項。過往，本集團按本集團預計收回或結算投資物業之賬面值之方式確認因投資物業公平值變動之遞延稅項。香港會計準則第12號(修訂本)已追溯應用。以往期間確認的投資物業公平值變動並無遞延稅項，故毋需上年度調整。於本年度，概無就本集團投資物業公平值變動確認遞延稅項撥備。會計政策之變動導致本集團截至二零一二年十二月三十一日止年度所得稅開支減少4,058,000港元，以致本集團截至二零一二年十二月三十一日止年度虧損減少4,058,000港元。因此，遞延稅項負債於二零一二年十二月三十一日減少4,058,000港元。本集團於截至二零一二年十二月三十一日止年度的每股基本及攤薄虧損於應用香港會計準則第12號(修訂本)後減少每股0.04港元。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

The Group has not early applied the following new or revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs Annual improvements to HKFRS 2009 - 2011 cycle<sup>1</sup>

HKFRS 7 (Amendments) Disclosures – Offsetting financial assets and financial liabilities<sup>1</sup>

HKFRS 9 Financial instruments<sup>3</sup>

HKFRS 9 and HKFRS 7 (Amendments) Mandatory effective date of HKFRS 9 and transition disclosures<sup>3</sup>

HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments) Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance<sup>1</sup>

HKFRS 10, HKFRS 12 and HKAS 27 (Amendments) Investment Entities<sup>2</sup>

HKFRS 10 Consolidated financial statements<sup>1</sup>

### 2. 應用新訂及經修訂香港財務報告準則(續)

本集團並無提早採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：

香港財務報告準則之修訂 香港財務報告準則二零零九年至二零一一年週期之年度改進<sup>1</sup>

香港財務報告準則第7號(修訂本) 披露－抵銷金融資產及金融負債<sup>1</sup>

香港財務報告準則第9號 金融工具<sup>3</sup>

香港財務報告準則第9號及香港財務報告準則第7號(修訂本) 香港財務報告準則第9號之強制生效日期及過渡性披露<sup>3</sup>

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) 綜合財務報表、合營安排及披露其他實體之權益：過渡性指引<sup>1</sup>

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(修訂本) 投資實體<sup>2</sup>

香港財務報告準則第10號 綜合財務報表<sup>1</sup>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

The Group has not early applied the following new or revised HKFRSs that have been issued but are not yet effective: (Continued)

HKFRS 11	Joint arrangements <sup>1</sup>
HKFRS 12	Disclosure of interests in other entities <sup>1</sup>
HKFRS 13	Fair value measurement <sup>1</sup>
HKAS 1 (Amendments)	Presentation of items of other comprehensive income <sup>4</sup>
HKAS 19 (as revised in 2012)	Employee benefits <sup>1</sup>
HKAS 27 (as revised in 2011)	Separate financial statements <sup>1</sup>
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures <sup>1</sup>
HKAS 32 (Amendments)	Offsetting financial assets and financial liabilities <sup>2</sup>
HK (IFRIC) – INT 20	Stripping costs in the production phase of a surface mine <sup>1</sup>

### 2. 應用新訂及經修訂香港財務報告準則(續)

本集團並無提早採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：(續)

香港財務報告準則第11號	合營安排 <sup>1</sup>
香港財務報告準則第12號	披露其他實體之權益 <sup>1</sup>
香港財務報告準則第13號	公平值計量 <sup>1</sup>
香港會計準則第1號 (修訂本)	呈列其他全面收益項目 <sup>4</sup>
香港會計準則第19號 (二零一二年經修訂)	僱員福利 <sup>1</sup>
香港會計準則第27號 (二零一一年經修訂)	獨立財務報表 <sup>1</sup>
香港會計準則第28號 (二零一一年經修訂)	於聯營公司及合營企業之投資 <sup>1</sup>
香港會計準則第32號 (修訂本)	抵銷金融資產及金融負債 <sup>2</sup>
香港(國際財務報告詮釋委員會) – 詮釋第20號	地表礦生產階段之剝離成本 <sup>1</sup>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

The Group has not early applied the following new or revised HKFRSs that have been issued but are not yet effective: (Continued)

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2013.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2014.
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2015.
- <sup>4</sup> Effective for annual periods beginning on or after 1 July 2012.

#### HKFRS 9 Financial instruments

HKFRS 9 "Financial instruments" (as issued in 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 "Financial instruments" (as revised in October 2010) adds requirements for the classified and measurement of financial liabilities and for derecognition.

### 2. 應用新訂及經修訂香港財務報告準則(續)

本集團並無提早採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：(續)

- <sup>1</sup> 於二零一三年一月一日或之後開始之年度期間生效。
- <sup>2</sup> 於二零一四年一月一日或之後開始之年度期間生效。
- <sup>3</sup> 於二零一五年一月一日或之後開始之年度期間生效。
- <sup>4</sup> 於二零一二年七月一日或之後開始之年度期間生效。

#### 香港財務報告準則第9號金融工具

香港財務報告準則第9號「金融工具」(於二零零九年頒佈)引進有關金融資產分類和計量的新要求。香港財務報告準則第9號「金融工具」(於二零一零年十月修訂)加入有關分類及計量金融負債及取消確認的規定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

#### HKFRS 9 Financial instruments (Continued)

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 “Financial instruments: recognition and measurement” are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- with regard to measurement of financial liabilities that are designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the presentation of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability’s credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

### 2. 應用新訂及經修訂香港財務報告準則(續)

#### 香港財務報告準則第9號金融工具(續)

香港財務報告準則第9號的主要規定如下：

- 所有屬香港會計準則第39號「金融工具：確認及計量」範疇內的已確認金融資產，其後均按攤銷成本或公平值計量。其中，按商業模式持有而目的為收取合約現金流量的債務投資，以及僅為支付本金及未償還本金利息的合約現金流量的債務投資，一般均於其後會計期結束時按攤銷成本計量。所有其他債務投資及股本投資均於其後會計期結束時按公平值計量。此外，根據香港財務報告準則第9號，公司有不可撤回的選擇權把股本投資(非持有作交易用途)隨後的公平值變動呈列於其他全面收益內，一般只有股息收入於損益確認。
- 就指定為按公平值計入損益的金融負債之計量而言，香港財務報告準則第9號規定因金融負債信貸風險有變而導致其公平值變動的款額乃於其他全面收益呈列，惟於其他全面收益確認該負債信貸風險變動的影響會產生或增加損益的會計錯配則除外。因金融負債信貸風險而導致其公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公平值計入損益的金融負債的全部公平值變動款額均於損益呈列。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

#### HKFRS 9 Financial instruments (Continued)

The directors of the Company anticipate that HKFRS 9 that will be adopted in the Group's consolidated financial statements for financial year ending 31 December 2015 and that based on the Group's financial instruments as at 31 December 2012, the application of HKFRS 9 will have no material impact on the consolidated financial statements.

#### Amendments to HKAS 1 Presentation of items of other comprehensive income

The amendments to HKAS 1 "Presentation of items of other comprehensive income" introduce new terminology for the statement of comprehensive income. Under the amendments to HKAS 1, a 'statement of comprehensive income' is renamed as a 'statement of profit or loss and other comprehensive income'. In addition, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments to HKAS 1 are effective for the Group for annual periods beginning on 1 January 2013. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied.

The directors of the Company anticipate that the application of the other new and revised HKFRSs will have no material impact on the consolidated financial statements.

### 2. 應用新訂及經修訂香港財務報告準則(續)

#### 香港財務報告準則第9號金融工具(續)

本公司董事預期，香港財務報告準則第9號將於本集團截至二零一五年十二月三十一日止財政年度的綜合財務報表採納，而根據本集團於二零一二年十二月三十一日的金融工具，應用香港財務報告準則第9號不會對綜合財務報表造成重大影響。

#### 香港會計準則第1號的修訂本呈列其他全面收益項目

香港會計準則第1號的修訂本「呈列其他全面收益項目」引入了全面收益表之新術語。根據香港會計準則第1號的修訂本，「全面收益表」重新命名為「損益及其他全面收益表」。此外，香港會計準則第1號的修訂本規定須將其他全面收益項目劃分為兩類：(a)其後不會重新分類至損益的項目；及(b)於達成特定條件時，其後可重新分類至損益的項目。其他全面收益項目的所得稅須按相同基準予以分配－該修訂本不會更改按稅前或除稅後呈列其他全面收益項目之選擇權。

香港會計準則第1號的修訂本乃於二零一三年一月一日開始的年度期間生效。當修訂本應用時，其他全面收益項目的呈列方式將會作出相應變動。

本公司董事預期，應用其他新訂及經修訂香港財務報告準則不會對綜合財務報表造成重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and investment property, which are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on fair value of the consideration given in exchange for goods.

The principal accounting policies are set out below:

#### Basis of consolidation

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

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

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

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

### 3. 重大會計政策

綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則及香港公司條例所規定的相關披露事項。

如下文所載會計政策所解釋，除若干按公平值列賬之金融工具及投資物業以外，綜合財務報表乃根據歷史成本法編製。歷史成本一般基於為換取貨物所付代價的公平值。

主要會計政策如下：

#### 綜合賬目之基準

綜合財務報表包括本公司及本公司控制之實體(附屬公司)之財務報表。倘本公司有權力規管實體之財務及營運政策，以從其業務獲益，即為取得其控制權。

本年內購入或出售之附屬公司收入及開支自收購生效日期起或至出售生效日期止(倘適用)計入綜合全面收益表。

於必要時調整附屬公司之財務報表，使其會計政策符合本集團其他成員公司所使用者。

集團內各公司間之交易、結餘、收入及開支均於綜合賬目時抵銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Business combinations

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

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

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income taxes” and HKAS 19 “Employee benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 “Share-based payment” at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current assets held for sale and discontinued operations” are measured in accordance with that standard.

### 3. 重大會計政策 (續)

#### 業務合併

收購業務採用收購法入賬。業務合併所轉讓代價按公平值計量，而計算方法為本集團所轉讓資產、本集團產生的對被收購方前股東的負債及本集團為換取被收購方控制權而發行的股權於收購日期的公平值的總和。有關收購的成本一般於產生時於損益表確認。

於收購日期，所收購的可識別資產及所承擔的負債按公平值確認，惟以下情況除外：

- 遞延稅項資產或負債及與僱員福利安排相關的負債或資產分別按香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與被收購方以股份為基礎的付款安排有關或以所訂立本集團以股份為基礎的付款安排取代被收購方以股份為基礎的付款安排有關的負債或權益工具，乃於收購日期按香港財務報告準則第2號「以股份為基礎的付款」計量(見下文會計政策)；及
- 根據香港財務報告準則第5號「持作出售的非流動資產及已終止經營業務」分類為持作出售的資產(或出售組別)根據該準則計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Business combinations (Continued)

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

#### Goodwill

Goodwill arising on an acquisition of a business is carried at cost less accumulated impairment losses, if any, and is presented in the consolidated statement of financial position as an intangible asset.

For the purposes of impairment testing, goodwill is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that is expected to benefit from the synergies of the acquisition.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of comprehensive income. An impairment loss for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

### 3. 重大會計政策 (續)

#### 業務合併(續)

商譽是以所轉讓的代價、任何非控股權益於被收購方所佔金額及收購方先前所持被收購方股權的公平值(如有)的總和，超出所收購的可識別資產及所承擔的負債於收購日期的淨額的差額計量。倘經過重新評估後，所收購的可識別資產與所承擔負債於收購日期的淨額高於轉讓的代價及任何非控股權益於被收購方所佔金額及收購方先前所持被收購方權益的公平值(如有)的總和，則差額即時於損益確認為議價收購收益。

#### 商譽

收購業務所產生之商譽乃按成本減累計減值虧損(如有)計算，並於綜合財務狀況表呈列為無形資產。

就減值測試而言，商譽乃分配至預期受益於收購之協同效應的各有關賺取現金單位或賺取現金單位組別。

已獲分配商譽之賺取現金單位每年或更頻繁及凡有跡象顯示單位可能出現減值時進行減值測試。對於報告期末之收購所產生之商譽，已獲分配商譽之賺取現金單位於該報告期末前進行減值測試。如賺取現金單位之可收回金額少於該單位之賬面值，則減值虧損會先用作減低分配到該單位之任何商譽之賬面值，其後按單位中各資產之賬面值比例分配到該單位之其他資產。商譽之任何減值虧損乃直接於綜合全面收益表的損益確認。商譽之減值虧損於其後期間不予撥回。

於出售有關賺取現金單位時，釐定出售所得損益計及已撥充資本的商譽應佔金額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts, sales related taxes and returns.

Revenue from sale of goods is recognised when the goods are delivered and title has passed at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income is recognised, on a straight-line basis, over the terms of the respective leases.

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

### 3. 重大會計政策 (續)

#### 收益確認

收益按已收或應收代價之公平值計量，指在日常業務過程中所出售貨品之應收金額(經扣除折扣、銷售相關稅項及退貨)。

銷售貨物之收益於交付貨物及轉讓所有權並於下列所有條件達成時確認：

- 本集團已向買方轉讓貨物擁有權之重大風險及回報；
- 本集團並無對售出貨品保留一般與擁有權相關之持續管理參與，亦無保留售出貨物之實際控制權；
- 收入金額能可靠計量；
- 與交易有關之經濟利益很有可能流入本集團；及
- 就交易所產生或將產生之成本能可靠計量。

金融資產之利息收入當經濟效益可能會流入本集團及收入金額能可靠計量時確認。金融資產之利息收入乃以時間基準按未償還本金及相關實際利率累計，而實際利率為於金融資產之預期期限內將估計日後現金收入準確折現至初步確認時該資產賬面淨值之利率。

租金收入按直線法於相關租期內確認。

投資股息收入於本集團收取款項的權利建立時確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Research and development expenditure

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

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

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

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

Subsequent to initial recognition, internally-generated intangible asset is measured at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets acquired separately.

### 3. 重大會計政策 (續)

#### 研究與開發支出

研究活動支出在其發生期間確認為開支。

開發活動(或是內部工程開發階段)所形成的內部產生無形資產，僅在以下所有條件達成時方予確認：

- 完成該無形資產以供使用或出售在技術上可行；
- 有意完成該無形資產並使用或出售；
- 有能力使用或出售該無形資產；
- 該無形資產如何產生很可能的未來經濟利益；
- 有足夠的技術、財務及其他資源來完成其發展，並使用和出售該無形資產；及
- 能夠可靠計量開發期間該無形資產應佔的支出。

於初步確認的內部產生的無形資產數額為無形資產自首次符合上述確認標準當日起所產生的支出總和。當無內部產生的無形資產可確認時，開發支出於產生期間計入損益。

初步確認後，內部產生的無形資產如同獨立收購的無形資產按成本減累計攤銷及累計減值虧損(如有)計算。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment losses. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

### 3. 重大會計政策 (續)

#### 物業、廠房及設備

物業、廠房及設備(包括持作生產，或提供產品或服務或作行政用途之樓宇)以成本減累計折舊及累計減值虧損(如有)列賬。

折舊乃以直線法按估計可使用年期撇銷物業、廠房及設備項目成本減其殘值計算。估計可使用年期、殘值及折舊方法於各報告期末檢討，而任何估計變動的影響按相應基準入賬。

興建中作生產、供應或行政用途之物業按成本減任何已確認之減值虧損列賬。成本包括專業費用及根據本集團之會計政策撥充資本之借貸成本(就合資格資產而言)。有關物業一經完成及於可作擬定用途時被分類至物業、廠房及設備之適當類別。該等資產按與其他物業資產相同的基準，於可作擬定用途時開始折舊。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟利益時解除確認。出售或報廢物業、廠房及設備項目產生之任何收益或虧損，按該資產之銷售所得款項與其賬面值之差額計算，於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investment property

Investment property is property held to earn rentals and/or for capital appreciation. Investment property includes land held for undetermined future use, which is regarded as held for capital appreciation purpose.

Investment property is initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is measured at its fair values. Gain or loss arising from change in the fair value of investment property is included in profit or loss for the period in which it arises.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the item is derecognised.

#### Leasing

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

#### *The Group as lessor*

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

#### *The Group as lessee*

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

### 3. 重大會計政策 (續)

#### 投資物業

投資物業指持有以賺取租金及／或作資本增值的物業。投資物業包括持作日後未確定用途的土地，視為持作資本增值。

投資物業初步按成本計量，包括任何直接應佔支出。初步確認後，投資物業按公平值計量。投資物業公平值變動產生的收益或虧損於產生期間計入損益。

投資物業於出售，或當投資物業永久不再使用，且預期其出售不會產生未來經濟利益時取消確認。該物業取消確認產生的任何盈虧（按該資產出售所得款項淨值與其賬面值之間的差額計算）於取消確認該項目的期間計入損益。

#### 租賃

凡租約條款將擁有權之絕大部分風險及回報轉讓予承租人之租賃，均分類為融資租賃。所有其他租約則分類為經營租賃。

#### *本集團作為出租人*

經營租賃的租賃收入在相關租期內按直線法於損益確認。

#### *本集團作為承租人*

經營租賃款項於租期內按直線法確認為開支。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leasing (Continued)

##### Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

### 3. 重大會計政策 (續)

#### 租賃(續)

##### 租賃土地及樓宇

當租賃包含土地及樓宇部分，本集團會按各部分擁有權之絕大部分風險及回報是否已轉移至本集團來評估各部分應分類為融資租賃還是經營租賃，惟倘兩個部分均明顯為經營租賃除外，在此情況下整項租賃分類為經營租賃。具體來說，最低租賃款項(包括任何一次過預付款)乃按租賃開始時土地及樓宇部分之租賃權益的相對公平值比例在兩個部分間分配。

如若租賃款項能可靠地分配，入賬為經營租賃之租賃土地權益在綜合財務狀況表呈列為「預付租賃款項」，並於租期內按直線法攤銷。

#### 外幣

於編製各個別集團實體之財務報表時，計值貨幣並非實體功能貨幣(外幣)之交易，以相關功能貨幣(即該實體經營所在主體經濟環境之貨幣)按交易日期之匯率換算入賬。於報告期末，以外幣列值之貨幣項目按該日之匯率重新換算。以外幣列值按公平值入賬之非貨幣項目按釐定公平值當日之現行匯率重新換算。以外幣歷史成本計量之非貨幣項目則不會重新換算。

結算及重新換算貨幣項目所產生之匯兌差額，於產生期間在損益確認。因重新換算按公平值入賬之非貨幣項目產生之匯兌差額計入該期間損益內，惟重新換算有關盈虧直接在其他全面收益確認之非貨幣項目所產生之差額除外，於此情況下，匯兌差額亦直接在其他全面收益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of the translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

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

#### Retirement benefits costs

Payments to defined contribution retirement benefits schemes and state-managed retirement benefit scheme are recognised as expenses when employees have rendered service entitling them to the contributions.

### 3. 重大會計政策 (續)

#### 外幣(續)

為呈列綜合財務報表，本集團業務的資產及負債均以報告期末現行匯率換算為本集團之呈列貨幣(即港元)，而其收入及開支則以本年度平均匯率予以換算，惟匯率於期間大幅波動而須使用交易日之匯率的情況則除外。產生之匯兌差額(如有)於其他全面收益確認及並於權益之匯兌儲備累計。

在出售海外業務(即出售本集團所持海外業務的全部權益)時，關於本公司擁有人應佔該業務並累計至權益的所有匯兌差額重新分類至損益。

#### 借貸成本

收購、建設或生產合資格資產(即需很長一段時間才能達到擬定用途或出售的資產)直接有關的借貸成本作為該等資產的成本，直至該等資產大體上可作擬定用途或出售時為止。

其他所有借貸成本均於產生期間在損益確認。

#### 退休福利成本

界定供款退休福利計劃及國家管理退休福利計劃之付款，於僱員提供服務而可享有供款時確認為開支。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation

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

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

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

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

The carrying amount of deferred tax assets is reviewed at the end of the 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 asset to be recovered.

### 3. 重大會計政策 (續)

#### 稅項

所得稅開支指現時應付稅項與遞延稅項之和。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與損益所呈溢利不同，此乃由於前者不包括其他年度應課稅或可扣稅收入或開支項目，並且不包括從未課稅或扣稅之項目。本集團本期稅項負債按於報告期末已頒佈或具體頒佈之稅率計算。

遞延稅項就綜合財務報表內資產及負債賬面值與計算應課稅溢利所採用相應稅基間之暫時差額確認。遞延稅項負債一般按所有應課稅暫時差額確認。遞延稅項資產一般於可能有應課稅溢利而動用可扣減暫時差額時予以確認。倘由商譽或初次確認不影響應課稅溢利或會計溢利之交易之其他資產及負債(業務合併除外)產生暫時差額，有關資產及負債不予確認。

遞延稅項負債乃按因於附屬公司之投資而引致之應課稅暫時差額而確認，惟若本集團可控制暫時差額撥回及暫時差額有可能不會於可見將來撥回之情況除外。與該等投資相關之可扣減暫時差額產生之遞延稅項資產僅在有足夠應課稅溢利可供動用暫時差額利益，並預期會在可見未來撥回之情況下，方會確認。

於報告期末檢討遞延稅項資產的賬面值，並在不再可能有足夠應課稅溢利以收回全部或部分遞延稅項資產時，相應扣減該賬面值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax for such investment properties are measured in accordance with the above general principles set out in HKAS 12 (i.e. based on the expected manner as to how the properties will be recovered).

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

### 3. 重大會計政策 (續)

#### 稅項(續)

遞延稅項資產及負債按照於報告期末已頒佈或實質頒佈之稅率(及稅法)，以預計於償還負債或變現資產之期間適用之稅率計算。

遞延稅項負債及資產之計量反映於報告期末本集團預期收回資產或償還負債賬面值之方式之稅務後果。

就計量使用公平值模式計量之投資物業之遞延稅項而言，有關物業之賬面值乃推斷為透過出售收回(除非此推斷被駁回)。當投資物業可折舊及並且其相關的業務模式是隨着時間的流逝通過使用而非出售該投資物業所包含之絕大部分經濟利益時，則此推斷被駁回。倘此推斷被駁回，有關投資物業之遞延稅項根據上述載於香港會計準則第12號之一般準則(即根據如何收回投資物業之預期方式)計量。

即期及遞延稅項於損益確認，惟倘稅項有關在其他全面收益或直接於權益確認之項目，則即期及遞延稅項亦分別於其他全面收益或直接於權益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Inventories

Inventories comprise raw materials, work-in-progress and finished goods are carried at the lower of cost and net realisable value.

Costs of inventories are calculated using the weighted average method.

Net realisable value is estimated by the management and is determined by reference to the selling price less all costs to completion and costs to be incurred in selling and distribution.

#### Financial instruments

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Financial assets

The Group's financial assets are classified into financial assets at fair value through profit or loss ("FVTPL") and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

### 3. 重大會計政策 (續)

#### 存貨

存貨包括原材料，在製品及製成品，按成本或可變現淨值兩者之較低者列賬。

存貨成本使用加權平均法計算。

可變現淨值由管理層估計，參考售價扣除完成之所有成本以及出售及分銷產生之成本釐定。

#### 金融工具

當集團實體成為工具訂約條文之訂約方時，金融資產及金融負債於綜合財務狀況表確認。

金融資產及金融負債初步按公平值計算。因收購或發行金融資產及金融負債（按公平值計入損益之金融資產及金融負債除外）而直接應佔之交易成本於初步確認時按適用情況加入或扣自該項金融資產或金融負債之公平值。因收購按公平值計入損益之金融資產或金融負債而直接應佔之交易成本當即於損益確認。

#### 金融資產

本集團金融資產分為按公平值計入損益（「按公平值計入損益」）之金融資產以及貸款及應收賬項。分類視乎金融資產的性質及目的而定，並於初步確認時釐定。金融資產之所有定期買賣按交易日基準確認及取消確認。定期買賣指規定在市場規例或慣例設定之時間內交付資產的金融資產買賣。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Effective interest method

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

Interest income is recognised on an effective interest basis for debt instruments.

#### Financial assets at fair value through profit or loss

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated as at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

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

### 3. 重大會計政策 (續)

#### 金融工具(續)

#### 金融資產(續)

#### 實際利率法

實際利率法是在相關期間內計算金融資產的攤銷成本以及分配利息收入的方法。實際利率乃將估計日後現金收入(包括構成實際利率不可缺少的一部分的已付或已收所有費用及點數、交易成本以及其他溢價或折讓)按金融資產的預期使用年期，或(倘合適)較短期間精確折現至初步確認時的賬面淨值的利率。

債務工具的利息收入按實際利率基準確認。

#### 按公平值計入損益之金融資產

按公平值計入損益之金融資產有兩個類別，包括持作買賣用途之金融資產及於首次確認時指定為按公平值計入損益之金融資產。

倘金融資產：

- 購入之主要目的為於近期銷售；或
- 屬於本集團合併管理的金融工具確定組合的一部分及具有最近實際短期獲利模式；或
- 為未被指定的衍生工具及可有效作為對沖工具，則該金融資產歸類為持作買賣用途。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Financial assets at fair value through profit or loss (Continued)

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

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

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes dividend and interest earned on the financial assets.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, other receivables and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment losses of loans and receivables below).

### 3. 重大會計政策 (續)

#### 金融工具(續)

#### 金融資產(續)

#### 按公平值計入損益之金融資產(續)

倘屬於下列情況，持作買賣用途之金融資產以外之金融資產可能於首次確認時指定為按公平值計入損益：

- 有關指定可對銷或大幅度減少計量或確認出現的不一致情況；或
- 金融資產屬於金融資產或金融負債組別或兩者之組成部份，而根據本集團之風險管理文件或投資策略，其乃按照公平值基準管理及評估表現，且有關分類資料會以該基準向內部提供；或
- 其屬於包括一項或多項嵌入式衍生工具之合約之組成部份，而香港會計準則第39號容許將全部合併合約(資產或負債)指定為按公平值計入損益。

按公平值計入損益之金融資產以公平值計量，重新計量產生的公平值變動直接在發生期間於損益確認。於損益確認的盈虧淨額不包括金融資產賺取的股息及利息。

#### 貸款及應收賬項

貸款及應收賬項指於活躍市場並無報價而具有固定或可釐定款項之非衍生金融資產。首次確認後，貸款及應收賬項(包括應收貿易賬項、其他應收賬項與銀行結餘及現金)乃利用實際利率法按攤銷成本扣除任何已識別減值虧損列賬(見下文有關貸款及應收賬項之減值虧損之會計政策)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Impairment losses of loans and receivables

Loans and receivables are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becomes probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of loans and receivables, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period from 60 to 270 days, observable changes in national or local economic conditions that correlate with default on receivables.

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

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

### 3. 重大會計政策 (續)

#### 金融工具(續)

##### 貸款及應收賬項之減值虧損

貸款及應收賬項會於報告期末評定有否減值跡象。當有客觀證據顯示金融資產之估計未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響時，該金融資產即視為已減值。

對於貸款及應收賬項，減值之客觀證據包括：

- 發行人或交易對手出現重大財務困難；或
- 拖欠利息或本金；或
- 借款人有可能破產或進行財務重組。

對於若干類別貸款及應收賬項，比如應收貿易賬項，不會單個評估減值的資產另外整體評估減值。應收賬項組合減值之客觀證據包括本集團過往收款經驗、組合中逾期60至270天平均信用期之滯延付款數量增加及與拖欠應收賬項有關之全國或本地經濟環境可觀察變化。

對於按攤銷成本列賬之金融資產，減值虧損數額為資產之賬面值與估計未來現金流量按金融資產初始實際利率折讓之現值之差額。

除應收貿易賬項通過計提壞賬準備減少賬面值外，所有金融資產之賬面值直接按減值虧損減少。壞賬準備賬面值之變動於損益確認。當應收賬項視為不可收回時，則於壞賬準備撇銷。其後收回先前撇銷之款項計入損益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Impairment losses of loans and receivables (Continued)

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

##### Financial liabilities and equity instruments

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

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

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

##### Effective interest method

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

Interest expense is recognised on an effective interest basis.

### 3. 重大會計政策 (續)

#### 金融工具(續)

##### 貸款及應收賬項之減值虧損(續)

倘減值虧損數額於後續期間減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益撥回，惟該資產於減值撥回當日之賬面值不得超過未確認減值情況下應有之攤銷成本。

##### 金融負債及股本工具

集團實體發行之金融負債及股本工具，乃根據所訂立合約安排之實際內容及金融負債工具之定義分類為金融負債或股本工具。

##### 股本工具

股本工具乃證明扣除集團所有負債後的集團資產剩餘權益之任何合約。

本公司發行之股本工具，按已收所得款項減直接發行成本入賬。

##### 實際利率法

實際利率法是在相關期間內計算金融負債的攤銷成本以及分配利息支出的方法。實際利率乃將估計日後現金付款(包括構成實際利率不可缺少的一部分的已付或已收所有費用及點數、交易成本以及其他溢價或折讓)按金融負債的預期使用年期，或(倘合適)較短期間精確折現至初步確認時的賬面淨值的利率。

利息支出按實際利率基準確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial liabilities and equity instruments (Continued)

#### Convertible bonds containing liability component and conversion option derivative

Convertible bonds issued by the Group that contain liability, early redemption option derivatives and conversion option components are classified separately into respective items on initial recognition. Conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is a conversion option derivative. At the date of issue, the liability, early redemption options and conversion option components are recognised at fair value.

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The early redemption option derivatives and conversion option derivative is measured at fair value with changes in fair value recognised in profit or loss.

When an entity extinguishes the convertible bonds before maturity through an early redemption or repurchase, in which the original conversion privileges are unchanged, are extinguished, the consideration paid and any transaction costs for the repurchase or redemption are allocated to the liability, early redemption option derivatives and conversion option components of the instrument at the date of the transaction. The method used in allocating the consideration paid and transaction costs to the separate components is consistent with that used in the original allocation to the separate components of the proceeds received by the Group when the convertible bonds were issued.

Once the allocation of the consideration is made, the amount of gain or loss relating to the liability component are recognised in profit or loss and equity respectively.

### 3. 重大會計政策 (續)

#### 金融工具(續)

#### 金融負債及股本工具(續)

#### 可換股債券(包括負債部分及換股選擇權衍生工具)

本集團發行的可換股債券(包括負債、提早贖回選擇權衍生工具及換股選擇權部分)於初步確認時獨立分類至各自項目。換股選擇權將以定額現金或其他金融資產交換本公司固定數目的股本工具以外的方式結算，屬於換股選擇權衍生工具。於發行日期，負債、提早贖回選擇權及換股選擇權部分均按公平值確認。

於隨後的期間，可換股債券的負債部分乃使用實際利率法按攤銷成本列賬。提早贖回選擇權衍生工具及換股選擇權衍生工具按公平值計量，而公平值變動於損益確認。

當實體於到期前透過提早贖回或購回而註銷可換股債券，且原定換股特權維持不變，則購回或贖回所付之代價及任何交易成本將於交易當日分配至有關工具之負債、提早贖回選擇權衍生工具及換股選擇權部分。分配所付代價及交易成本至個別部分之方法與發行可換股債券當時本集團所收款項個別部分之原定分配方法一致。

一旦分配代價，負債部分有關之盈虧會分別於損益及權益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial liabilities and equity instruments (Continued)

##### Convertible bonds containing liability component and conversion option derivative (Continued)

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability, early redemption option derivatives and conversion option components in proportion to their relative fair values. Transaction costs relating to the conversion option derivative is charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

##### Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

##### Other financial liabilities

Other financial liabilities (including trade payables, accruals and other payables and borrowings) are subsequently measured at amortised cost, using the effective interest rate method.

##### Embedded derivatives

Derivatives embedded in non-derivative host contracts are separated from the relevant host contracts (the liability component) and deemed as held-for-trading when the economic characteristics and risks of the embedded derivatives are not closely related to those of the host contracts, and the combined contracts are not measured at fair value through profit or loss.

### 3. 重大會計政策 (續)

#### 金融工具(續)

##### 金融負債及股本工具(續)

##### 可換股債券(包括負債部分及換股選擇權衍生工具)(續)

發行可換股債券相關交易成本按其相關公平值比例分配予負債、提早贖回選擇權衍生工具及換股選擇權部分。換股選擇權衍生工具相關交易成本即時自損益扣除。負債部分相關交易成本列入負債部分之賬面值，並採用實際利率法於可換股債券期限內攤銷。

##### 衍生金融工具

衍生工具初步按於衍生工具合約訂立當日之公平值確認，其後於報告期末以其公平值重新計量。所得收益或虧損即時於損益確認。

##### 其他金融負債

其他金融負債(包括應付貿易賬項、應計款項及其他應付款項及借貸)，其後以實際利率法按攤銷成本計算。

##### 嵌入式衍生工具

嵌入非衍生工具主合同之衍生工具獨立於有關主合約(負債部分)，倘嵌入式衍生工具之經濟特質及風險與該等主合約並無密切關連及合併合約並非按公平值計入損益計量，則視為持作買賣用途之衍生工具。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

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

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

##### Impairment losses on tangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

### 3. 重大會計政策 (續)

#### 金融工具(續)

##### 解除確認

僅當收取資產現金流量之合約權利屆滿時，或將金融資產及資產擁有權之絕大部份風險及回報轉移予另一實體時，本集團方會取消確認金融資產。

於完全解除確認金融資產時，該項資產賬面值與已收及應收代價與於其他全面收益確認之累計損益的總和間的差額於損益確認。

金融負債則於有關合約指定之債務解除、註銷或屆滿時解除確認。解除確認之金融負債之賬面值與已付及應付代價間的差額於損益確認。

##### 有形資產(商譽除外)之減值虧損

於報告期末，本集團檢討有形資產之賬面值，以釐定有否跡象顯示該等資產出現減值虧損。倘出現該等跡象，將估計資產之可收回金額以釐定減值虧損(如有)之程度。倘無法估計個別資產之可收回金額，則本集團估計該資產所屬賺取現金單位之可收回金額。倘可以確定一個合理及一致之分配基礎，總部資產亦分配至單個賺取現金單位，若不能分配至單個賺取現金單位，則將總部資產按可確定之合理及一致之基準分配至最小賺取現金單位組別。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment losses on tangible assets other than goodwill (Continued)

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

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

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised immediately in profit or loss.

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

### 3. 重大會計政策 (續)

#### 有形資產(商譽除外)之減值虧損(續)

可收回金額乃公平值減銷售成本與使用價值兩者中之較高者。在評估使用價值時，估計未來現金流量將使用稅前折現率折現至其現值，該折現率反映目前市場估量之資金時間值及有關該資產估計未來現金流量未經調整之特定風險。

倘估計一項資產(或賺取現金單位)之可收回金額低於其賬面值，則將該項資產(或該賺取現金單位)之賬面值減少至其可收回金額。

減值虧損即時於損益確認。

倘減值虧損其後撥回，則資產(或賺取現金單位)之賬面值增至經修訂估計可收回金額，惟增加後之賬面值不得超過假設該資產(或賺取現金單位)於過往年度並無確認減值虧損所釐定之賬面值。減值虧損撥回即時確認為收益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Share-based payment transactions

##### Equity-settled share-based payment transactions

*Share options granted to employees and others providing similar services as employees*

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimated, with a corresponding adjustment to share options reserve.

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are lapsed after the vesting date or still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are 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.

### 3. 重大會計政策 (續)

#### 以股份為基礎付款交易

##### 以權益結算並以股份為基礎付款交易

*授予僱員及提供與僱員類似服務的其他人士之購股權*

所獲取服務之公平值乃參照獲授購股權於授出日期之公平值而釐定，並於歸屬期按直線基準列支，而權益(購股權儲備)亦相應增加。

本集團於報告期末修訂對預期最終會歸屬之購股權數目之估計。修訂估計之影響(如有)於損益內確認以使累計開支反映修訂估計，並對購股權儲備作相應調整。

倘購股權獲行使，原先於購股權儲備內確認之款項將轉撥至股份溢價。倘購股權於歸屬日期後失效或於屆滿日期仍未行使，原先於購股權儲備內確認之款項將轉撥至累計虧損。

### 4. 主要不確定估計來源

於應用附註3所述本集團會計政策時，本公司之董事須對未能透過其他來源確定之資產及負債之賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及視為相關之其他因素作出。實際結果可能與該等估計有異。

估計及相關假設會持續檢討。倘會計估計之修訂僅影響修訂估計之期間，則於該期間確認，倘修訂影響當前及未來期間，則於修訂期間及未來期間確認。

下列為報告期末有關日後事件之關鍵假設以及其他主要不確定估計來源，該等估計及假設或會導致須對下一財政年度之資產及負債的賬面值作出重大調整。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### Fair value of derivative financial instruments

As described in note 26, the directors of the Company use their judgment in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. The derivative financial instruments are valued using the Black Scholes Option Pricing Model that incorporated mainly unobservable market data and involved uncertainty in estimates used by management in the assumption. The Black Scholes Option Pricing Model requires the input of highly subjective assumptions, including the volatility of share prices of comparable listed companies and equity value of Apex Corporate Investments Limited ("Chinese Medical Clinic"). Changes in subjective input assumptions can materially affect the fair value estimate. The carrying amounts of the financial derivatives are set out in note 26.

#### Allowances for inventories

The management of the Group reviews an aging analysis at the end of the reporting period and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production or sale. The management estimates the net realisable value for such finished goods and work-in-progress based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at the end of the reporting period and makes allowance for obsolete items.

If the market condition was to deteriorate, resulting in a lower net realisable value for such finished goods and work-in-progress, additional allowances may be required.

As at 31 December 2012, the carrying amount of inventories is approximately HK\$8,555,000 (net of allowance for obsolescence inventories of approximately HK\$362,401,000) (2011: carrying amount of approximately HK\$8,487,000, net of allowance for obsolescence inventories of approximately HK\$357,562,000).

### 4. 主要不確定估計來源(續)

#### 衍生金融工具之公平值

如附註26所述，本公司董事就並無於活躍市場報價之金融工具選取合適估值方法時須作出判斷。所採用估值技術乃市場估值師普遍採納者。衍生金融工具使用柏立克－舒爾斯期權定價模式估值，當中主要包括不可觀察市場數據並涉及管理層作出假設時所採用估計不確定因素。柏立克－舒爾斯期權定價模式須輸入相當主觀之假設(包括可比較上市公司的股價波幅及Apex Corporate Investments Limited(「中醫診所」)之資本值)。所輸入主觀假設的變更會重大影響公平值估計。金融衍生工具之賬面值載於附註26。

#### 存貨撥備

本集團管理層於報告期末檢討賬齡分析並對確認為不再適合生產或銷售之過時及滯銷存貨作出撥備。管理層估計該等製成品及半成品之可變現淨值主要根據最近期發票價格及目前市況釐定。本集團於報告期末對每種產品進行盤點，並對過時存貨作出撥備。

倘市況轉差導致該等製成品及半成品之可變現淨值下降，則或須作出額外撥備。

於二零一二年十二月三十一日，扣除滯銷存貨撥備約362,401,000港元後，存貨之賬面值約8,555,000港元(二零一一年：扣除滯銷存貨撥備約357,562,000港元後，賬面值約8,487,000港元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

##### Allowance for doubtful debts

In estimating whether allowance for doubtful debts is required, the Group takes into consideration the ageing status and the likelihood of collection. When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment 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 been incurred) discounted at the financial asset's original effective interest rate. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2012, the net carrying amounts of trade receivables are approximately HK\$1,764,000 (2011: HK\$4,184,000). Details of trade receivables are disclosed in note 21.

#### 5. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of debts, which include the borrowings disclosed in note 27 and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

#### 4. 主要不確定估計來源(續)

##### 呆賬撥備

於釐定是否須作出呆賬撥備時，本集團考慮賬齡狀況及收回之可能性。倘存在減值虧損之客觀證據，本集團考慮未來現金流量之估計。減值虧損之金額計量為資產賬面值與按金融資產之原實際利率貼現之估計未來現金流量(不包括尚未產生之未來信貸虧損)的現值之間的差值。倘實際未來現金流量低於預期，或會產生重大減值虧損。於二零一二年十二月三十一日，應收貿易賬項之淨賬面值約為1,764,000港元(二零一一年：4,184,000港元)。應收貿易賬項之詳情披露於附註21。

#### 5. 資本風險管理

本集團管理其資本，以確保本集團可持續經營，並透過優化債務及權益結餘為股東帶來最大回報。本集團之整體策略與過往年度維持不變。

本集團之資本結構包括債項(包括於附註27披露之借款)及本公司權益持有人之應佔權益(包括已發行股本及儲備)。

本公司董事定期檢討資本結構，董事檢討時考慮資本成本及各類別資本相關風險。本集團將根據董事之意見透過支付股息、發行新股及購回股份以及新增債務或贖回現有債務而平衡其整體資本結構。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS

#### Categories of financial instruments

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產		
– Designated at fair value through profit or loss	– 指定按公平值計入損益	—	19,430
– Held-for-trading investments	– 持作交易用途之投資	129,828	105,224
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等值項目)	44,459	61,166
Financial liabilities	金融負債		
Financial liabilities at fair value through profit or loss	按公平值計入損益之金融負債		
– Derivative financial instruments	– 衍生金融工具	17,332	5,689
Amortised cost	攤銷成本	59,533	123,931

### 6. 金融工具

#### 金融工具之分類

#### Financial risk management objectives and policies

The Group's major financial instruments include financial assets at fair value through profit or loss, trade receivables, other receivables, bank balances and cash, trade payables, accruals and other payables, borrowings and derivative financial instruments. Details of the financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (interest rate risk, currency risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### 財務風險管理目的及政策

本集團之主要金融工具包括按公平值計入損益之金融資產、應收貿易賬項、其他應收款項、銀行結餘及現金、應付貿易賬項、應計款項及其他應付款項、借款及衍生金融工具。金融工具詳情於相關附註披露。與該等金融工具相關之風險包括市場風險(利率風險、貨幣風險與其他價格風險)、信貸風險及流動資金風險。有關減低該等風險之政策載列如下。管理層管理及監控該等風險，以確保及時與有效地採取適當措施。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

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

##### Market risk

##### Currency risk

Certain bank balances of the Group are denominated in foreign currencies which are different from functional currencies of respective group entities. As at 31 December 2012 and 2011, bank balances of respective group entities denominated in foreign currencies were immaterial. The Group does not have a foreign currency hedging policy. However, management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

##### Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances.

The Group is exposed to fair value interest rate risk in relation to the fixed-rate borrowings through the impact of market interest rate changes on interest bearing borrowings.

The Group currently does not have interest rate hedging policy. However, the management will consider hedging significant interest rate exposure should the need arise.

##### Sensitivity analysis

The management considers that the Group's exposure to cash flow interest rate risk on variable-rate bank balances as a result of the change of market interest rate is insignificant due to its short-term maturity and thus no sensitivity analysis is prepared for interest rate risk.

### 6. 金融工具(續)

#### 財務風險管理目的及政策(續)

##### 市場風險

##### 貨幣風險

本集團之若干銀行結餘乃以不同於有關集團實體功能貨幣之外幣計值。於二零一二年及二零一一年十二月三十一日，由於有關集團實體以外幣計值之銀行結餘並不重大，故本集團並無外幣對沖政策。然而，管理層監管外匯風險，並於需要時考慮對沖重大外幣風險。

##### 利率風險

本集團承受浮息銀行結餘的現金流量利率風險。

本集團透過計息借款的市場利率變動之影響面對有關定息借款的公平值利率風險。

本集團目前概無利率對沖政策。然而，管理層於需要時將考慮對沖重大利率風險。

##### 敏感度分析

管理層認為本集團因市場利率變動而面對的浮息銀行結餘現金流量利率風險由於到期日短而並不重大，故未對利率風險作敏感度分析。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Other price risk

The Group is exposed to price risk in respect of:

- The Call Option and Put Option (as defined and set out in note 26) in relation to acquisition of entire equity interests in Chinese Medical Clinic, which engaged in the Chinese medical clinic operation in Hong Kong.
- held for trading investments in equity securities listed in the respective stock exchange.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk on the Group's held for trading investments at the end of the reporting period. If the prices of the respective equity instruments had been 5% (2011: 5%) higher/lower, post-tax loss for the year ended 31 December 2012 would decrease/increase by HK\$6,491,000 (2011: HK\$5,261,000) as a result of the changes in fair value of held-for-trading investments.

The management would manage its exposure arising from these investments by closely monitoring the performance of respective listed equity security and market conditions. The management would consider diversifying the portfolio of these investments as they consider appropriate.

### 6. 金融工具(續)

財務風險管理目的及政策(續)

市場風險(續)

其他價格風險

本集團面對以下項目的價格風險：

- 有關收購於香港經營中醫診所業務的中醫診所全部股權之認購期權及認沽期權(定義見附註26)。
- 就於各證券交易所上市的股本證券而持作交易用途之投資。

敏感度分析

以下的敏感度分析乃根據報告期末本集團持作交易用途之投資的股價風險釐定。倘股本工具價格分別上升/下降5% (二零一一年：5%)，持作交易用途之投資之公平值變動將導致截至二零一二年十二月三十一日止年度的除稅後虧損減少/增加6,491,000港元(二零一一年：5,261,000港元)。

管理層將透過密切監督各上市股本證券之表現及市況，管控由該等投資引致之風險。管理層將在認為適當時考慮分散該等投資組合。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

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

##### Credit risk

As at 31 December 2012 and 2011, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets including trade receivables, loans receivable, other receivables as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt and loans receivable at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on financial assets designated at fair value through profit or loss during the year ended 31 December 2011 was limited because the counterparties were companies listed in The Stock Exchange of Hong Kong. The directors consider the default in payment upon maturity to be low. In addition, management of the Group reviewed the public announcements and financial information of these listed companies in order to assess their credit quality. In this regard, the directors of the Company considered that the Group's credit risk was significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group does not have any other significant concentration of credit risk as trade receivables consist of a large number of customers.

### 6. 金融工具(續)

#### 財務風險管理目的及政策(續)

##### 信貸風險

於二零一二年及二零一一年十二月三十一日，本集團所面臨因交易對手未能履行彼等之責任而將導致財務虧損的最大信貸風險，乃源自綜合財務狀況表所示有關已確認金融資產(包括應收貿易賬項、應收貸款、其他應收賬項)之賬面值。

為將信貸風險減至最低，本集團管理層已委派一組人員負責釐定信貸限額、信貸審批及其他監控措施，以確保採取後續措施收回逾期未付債務。此外，本集團於報告期末檢討每項個別貿易債務及應收貸款之可收回金額，以確保就不可收回金額作出足夠減值虧損。就此而言，本公司董事認為本集團信貸風險已大幅降低。

由於交易對手為於香港聯交所上市的公司，故截至二零一一年十二月三十一日止年度指定按公平值計入損益之金融資產的信貸風險有限。董事認為拖欠到期款項的機會較低。此外，本集團管理層檢討該等上市公司之公佈及財務資料以評估彼等的信貸質素。就此而言，本公司董事認為本集團信貸風險已大幅降低。

由於交易對手為獲國際信貸評級機構給予高信貸評級之銀行，故流動資金之信貸風險有限。

本集團並無任何其他重大集中信貸風險，原因為應收貿易賬項包括大量客戶。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

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

##### Liquidity risk

The Group manages its liquidity risk by monitoring and maintaining a level of cash and cash equivalents secured adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowing and ensure compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

##### Liquidity risk tables

		Weighted average interest rate	On demand or less than 1 month		1 - 3 months	Total undiscounted cash flows	Carrying amount at 31.12.2012
			at requirement or one month below	HK\$'000			
		%	厘	千港元	千港元	千港元	千港元
2012	二零一二年						
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>						
Trade payables	應付貿易賬項	—	4,681	1,415	6,096	6,096	
Accruals and other payables	應計款項及其他應付款項	—	15,024	12,737	27,761	27,761	
Fixed-rate bank borrowing	定息銀行借款	3.25	25,676	—	25,676	25,676	
			45,381	14,152	59,533	59,533	

### 6. 金融工具(續)

#### 財務風險管理目的及政策(續)

##### 流動資金風險

本集團通過監管及將現金及現金等值項目維持於管理層認為充足的水平管理流動資金風險，以為本集團提供營運資金及減低現金流量波動之影響。管理層監管銀行借款的動用情況並確保遵守貸款契諾。

下表詳細載列根據本集團可能被要求還款之最早日期計算的非衍生金融負債的合約剩餘期限。具體而言，附有於要求時償還條款之銀行借款於最早時間計入，而不考慮銀行選擇行使彼等權利的可能。其他金融負債之到期日根據協定還款期釐定。利息及主要現金流量均載於該表。倘利息流為浮動利率，則未貼現金額基於報告期末的利率曲線得出。

##### 流動資金風險表

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity risk tables (Continued)

### 6. 金融工具(續)

財務風險管理目的及政策(續)

流動資金風險(續)

流動資金風險表(續)

		Weighted average interest rate	On demand or less than 1 month	1 - 3 months	Total undiscounted cash flows	Carrying amount at 31.12.2012
		加權平均利率	於要求時或一個月以下	一至三個月	未貼現現金流量總額	於二零一二年十二月三十一日之賬面值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		厘	千港元	千港元	千港元	千港元
2011	二零一一年					
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>					
Trade payables	應付貿易賬項	—	5,093	1,179	6,272	6,272
Accruals and other payables	應計款項及其他應付款項	—	16,567	8,750	25,317	25,317
Fixed-rate bank borrowing	定息銀行借款	3.25	27,342	—	27,342	27,342
Fixed-rate other borrowing	定息其他借款	5	65,000	—	65,000	65,000
			114,002	9,929	123,931	123,931



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

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

##### Liquidity risk (Continued)

Bank borrowing with a repayment on demand clause is included in the “on demand or within 1 month” time band in the above maturity analysis. The carrying amount of the bank borrowing amounted to approximately HK\$25,676,000 as at 31 December 2012 (2011: HK\$27,342,000). Taking into account the Group’s financial position and assets pledged to the bank, the directors of the Company do not believe that it is probable that the bank will exercise its discretionary rights to demand immediate payment. The directors of the Company believe that such bank borrowing will be repaid within 12 (2011: 13) years after the reporting date in accordance with the scheduled repayment dates set out in the loan agreement. The aggregate principal and interest cash outflows amounted to approximately HK\$31,198,000 as at 31 December 2012 (2011: HK\$33,893,000). The bank repayment schedule based on the scheduled repayment dates as per following:

		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	2,530	2,530
In the second to fifth year	二至五年內	10,118	10,120
More than five year	五年以上	18,550	21,243
		<b>31,198</b>	<b>33,893</b>

### 6. 金融工具(續)

#### 財務風險管理目的及政策(續)

##### 流動資金風險(續)

附有於要求時償還條款之銀行借款於上述到期日分析計入「於要求時或一個月以下」之時間組別內。於二零一二年十二月三十一日，該等銀行借款的賬面值約為25,676,000港元(二零一一年：27,342,000港元)。經考慮本集團的財務狀況及抵押予銀行的資產後，本公司董事相信銀行不會行使酌情權要求即時支付款項。本公司董事相信該等銀行借款將根據貸款協議所載之計劃還款日期於報告日期後12年(二零一一年：13年)內償還。於二零一二年十二月三十一日，本金總額及利息現金流出約為31,198,000港元(二零一一年：33,893,000港元)。基於計劃還款日期之銀行還款計劃如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### Fair value

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

- the fair values of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices;
- the fair values of other financial assets and financial liabilities (excluding derivative financial instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and
- the fair values of derivative financial instruments are calculated using option pricing model.

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

#### *Fair value measurements recognised in the consolidated statement of financial position*

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

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

### 6. 金融工具(續)

#### 公平值

金融資產及金融負債之公平值按以下釐定：

- 具有標準條款及條件並於活躍流通市場買賣之金融資產之公平值乃參考市場所報買入價釐定；
- 其他金融資產及金融負債(不包括衍生金融工具)之公平值乃根據普遍採納之定價模式，按貼現現金流量分析釐定；及
- 衍生金融工具之公平值採用期權定價模型估計。

本公司董事認為，在綜合財務報表中以攤銷成本列賬之金融資產及金融負債之賬面值，與其公平值相若。

#### *在綜合財務狀況表確認之公平值計量*

下表載列於初步確認後以公平值計量之金融工具按照其公平值可觀察程度分為一至三級之分析。

- 第一級公平值計量指以在活躍市場就相同資產或負債取得之報價(未經調整)進行之計量。
- 第二級公平值計量指以第一級報價以外的資產或負債的可觀察數據(無論是直接(即價格)或間接(即按價格推算))進行之計量。
- 第三級公平值計量指透過運用並非基於可觀察市場數據之資產或負債參數(不可觀察參數)之估值方法進行之計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

Fair value (Continued)

Fair value measurements recognised in the consolidated statement of financial position (Continued)

As at 31 December 2012

		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 總計 HK\$'000 千港元
<b>Financial assets at FVTPL</b>	<b>按公平值計入損益之金融資產</b>				
Non-derivative financial assets held for trading	持作交易用途之非衍生金融資產	129,828	—	—	129,828
<b>Financial liabilities FVTPL</b>	<b>按公平值計入損益之金融負債</b>				
Derivative financial instruments	衍生金融工具	—	—	17,332	17,332

As at 31 December 2011

於二零一一年十二月三十一日

		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 總計 HK\$'000 千港元
<b>Financial assets at FVTPL</b>	<b>按公平值計入損益之金融資產</b>				
Non-derivative financial assets held for trading	持作交易用途之非衍生金融資產	105,224	—	—	105,224
Investment in convertible instruments	投資可換股工具	—	—	19,430	19,430
<b>Total</b>	<b>總計</b>	<b>105,224</b>	<b>—</b>	<b>19,430</b>	<b>124,654</b>
<b>Financial liabilities FVTPL</b>	<b>按公平值計入損益之金融負債</b>				
Derivative financial instruments	衍生金融工具	—	—	5,689	5,689

There were no transfers between Level 1 and 2 in the current and prior years.

於本年度及過往年度第一級與第二級之間概無轉移。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

Fair value (Continued)

Reconciliation of Level 3 fair value measurements of financial assets

### 6. 金融工具(續)

公平值(續)

金融資產之第三級公平值計量之對賬

		Call option/ Put option 認購期權/ 認沽期權 HK\$'000 千港元	Conversion option derivatives 換股選擇權 衍生工具 HK\$'000 千港元	Investment in convertible instruments 投資 可換股工具 HK\$'000 千港元
At 1 January 2011	於二零一一年一月一日	—	(377)	24,450
Granted during the year	年內授出	(6,270)	—	—
(Loss) gain in profit or loss	損益之(虧損)收益	581	377	(10,295)
Disposal	出售	—	—	(24,750)
Purchases	購入	—	—	30,025
At 31 December 2011	於二零一一年 十二月三十一日	(5,689)	—	19,430
Gain in profit or loss	損益之收益	—	—	10,495
Disposal	出售	—	—	(29,925)
Unrealised loss in profit or loss	損益之未實現虧損	(11,643)	—	—
At 31 December 2012	於二零一二年 十二月三十一日	(17,332)	—	—

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 7. SEGMENT INFORMATION

The Group's executive directors are the chief operation decision makers as they collectively make strategic decisions towards the Group's operations. During the year ended 31 December 2012, the Group started money lending business and executive directors considered this is a separate reportable and operating segment to the Group.

The Group's reportable and operating segments under HKFRS 8 are therefore as follows:

- (a) health care products, which are mainly represented by ginseng products
- (b) pharmaceutical products, which are mainly represented by licensed medicines
- (c) Ruyan atomizing cigarettes
- (d) securities trading and investments
- (e) property investment in Hong Kong
- (f) money lending

### 7. 分類資料

由於本集團執行董事共同對本集團營運作出策略決定，故彼等為主要經營決策者。截至二零一二年十二月三十一日止年度，本集團開始進行貸款業務，執行董事認為該業務為本集團的獨立呈報及經營分類。

本集團根據香港財務報告準則第8號之呈報及經營分類如下：

- (a) 保健產品，主要為人參產品
- (b) 醫藥產品，主要為持牌藥物
- (c) 如煙霧化煙
- (d) 證券交易及投資
- (e) 於香港之物業投資
- (f) 貸款

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

#### Segment turnover and results

The following is an analysis of the Group's turnover and results by reportable and operating segments.

For the year ended 31 December 2012

### 7. 分類資料(續)

#### 分類營業額及業績

以下為按呈報及經營分類之本集團營業額及業績之分析。

截至二零一二年十二月三十一日止年度

		Health care products 保健產品	Pharmaceutical products 醫藥產品	Ruyan atomizing cigarettes 如煙霧化煙	Securities trading and investments 證券交易及投資	Property investment in Hong Kong 於香港之物業投資	Money lending 貸款	Consolidated 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment turnover	分類營業額							
Sales of goods	貨物銷售	—	17,787	2,540	—	—	—	20,327
Change in fair value of financial assets at fair value through profit or loss	按公平價值計入損益之金融資產之公平價值變動	—	—	—	(11,104)	—	—	(11,104)
Dividend income	股息收入	—	—	—	161	—	—	161
Rental income	租賃收入	—	—	—	—	4,680	—	4,680
Interest income from loans receivable	應收貸款之利息收入	—	—	—	—	—	300	300
		—	17,787	2,540	(10,943)	4,680	300	14,364
Segment (loss) profit	分類(虧損)溢利	(2,212)	395	(30,767)	(9,673)	33,174	(9,720)	(18,803)
Other income	其他收入							211
Change in fair value of derivative financial instruments	衍生金融工具之公平價值變動							(11,643)
Share-based payment expenses	以股份為基礎付款之支出							(1,678)
Unallocated corporate expenses	未分配公司支出							(31,477)
Finance costs	財務費用							(391)
Loss before tax	稅前虧損							(63,781)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

#### Segment turnover and results (Continued)

For the year ended 31 December 2011

		Health care products 保健產品	Pharmaceutical products 醫藥產品	Ruyan atomizing cigarettes 如煙霧化煙	Securities trading and investments 證券交易及投資	Property investment in Hong Kong 於香港之物業投資	Consolidated 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment turnover	分類營業額						
Sales of goods	貨物銷售	96	14,419	5,363	—	—	19,878
Change in fair value of financial assets at fair value through profit or loss	按公平值計入損益之金融資產之公平值變動	—	—	—	(214,408)	—	(214,408)
Dividend income	股息收入	—	—	—	2,806	—	2,806
Rental income	租賃收入	—	—	—	—	1,671	1,671
		96	14,419	5,363	(211,602)	1,671	(190,053)
Segment loss	分類虧損	(15,894)	(10,515)	(32,509)	(209,889)	(4,881)	(273,688)
Other income	其他收入						1,401
Change in fair value of derivative financial instruments	衍生金融工具之公平值變動						958
Loss on disposal of a subsidiary	出售附屬公司之虧損						(9,967)
Share-based payment expenses	以股份為基礎付款之支出						(783)
Unallocated corporate expenses	未分配公司支出						(29,144)
Finance costs	財務費用						(2,259)
Loss before tax	稅前虧損						(313,482)

Segment turnover includes proceeds from sales of goods, dividend income, rental income and interest income from loans receivable. In addition, the chief operation decision maker also considers change in fair value of financial assets at fair value through profit or loss (excluding derivative financial instruments) as segment turnover.

### 7. 分類資料(續)

#### 分類營業額及業績(續)

截至二零一一年十二月三十一日止年度

分類營業額包括銷售貨物所得款項、股息收入、租金收入及應收貸款利息收入。此外，主要經營決策者亦考慮按公平值計入損益之金融資產(不包括衍生金融工具)公平值變動作為分類營業額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

#### Segment turnover and results (Continued)

Segment (loss) profit represents the loss from/profit earned by each segment without allocation of other income, change in fair value of derivative financial instruments, loss on disposal of a subsidiary, share-based payment expenses, unallocated corporate expenses and certain finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

#### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

As at 31 December 2012

		Health care products 保健產品	Pharmaceutical products 醫藥產品	Ruyan atomizing cigarettes 如煙霧化煙	Securities trading and investments 證券交易及投資	Property investment in Hong Kong 於香港之物業投資	Money lending 貸款	Consolidated 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>							
Segment assets	分類資產	26,743	14,965	5,986	134,483	176,054	—	358,231
Bank balances and cash	銀行結餘及現金							34,881
Other receivables	其他應收款項							1,878
Consolidated total assets	綜合資產總額							394,990
<b>LIABILITIES</b>	<b>負債</b>							
Segment liabilities	分類負債	8,039	11,471	12,686	—	26,500	—	58,696
Derivative financial instruments	衍生金融工具							17,332
Other payables	其他應付款項							7,473
Taxation payable	應付稅項							1,044
Consolidated total liabilities	綜合負債總額							84,545

### 7. 分類資料(續)

#### 分類營業額及業績(續)

分類(虧損)溢利指各分類產生之虧損/所賺取之溢利，不計及分派其他收入、衍生金融工具之公平值變動、出售附屬公司之虧損、以股份為基礎付款之支出、未分配公司支出及若干財務費用。此乃向主要營運決策者呈報之計量方式，以便分配資源及評估表現。

#### 分類資產及負債

以下為按呈報及經營分類之本集團資產及負債之分析：

於二零一二年十二月三十一日



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

#### Segment assets and liabilities (Continued)

As at 31 December 2011

		Health care products 保健產品	Pharmaceutical products 醫藥產品	Ruyan atomizing cigarettes 如煙霧化煙	Securities trading and investments 證券交易 及投資	Property investment in Hong Kong 於香港之 物業投資	Consolidated 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>						
Segment assets	分類資產	21,519	14,738	9,159	125,332	145,350	316,098
Bank balances and cash	銀行結餘及現金						55,970
Taxation recoverable	可收回稅項						1,579
Other receivables	其他應收款項						1,676
Consolidated total assets	綜合資產總額						375,323
<b>LIABILITIES</b>	<b>負債</b>						
Segment liabilities	分類負債	8,374	10,490	13,949	—	28,169	60,982
Other payables	其他應付款項						6,297
Taxation payable	應付稅項						1,503
Derivative financial instruments	衍生金融工具						5,689
Borrowings	借款						65,000
Consolidated total liabilities	綜合負債總額						139,471

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

- all assets are allocated to reportable and operating segments, other than certain other receivables, taxation recoverable and bank balances and cash.
- all liabilities are allocated to reportable and operating segments, other than derivative financial instruments, certain other payables, certain borrowings and taxation payable.

### 7. 分類資料(續)

#### 分類資產及負債(續)

於二零一一年十二月三十一日

		Health care products 保健產品	Pharmaceutical products 醫藥產品	Ruyan atomizing cigarettes 如煙霧化煙	Securities trading and investments 證券交易 及投資	Property investment in Hong Kong 於香港之 物業投資	Consolidated 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>						
Segment assets	分類資產	21,519	14,738	9,159	125,332	145,350	316,098
Bank balances and cash	銀行結餘及現金						55,970
Taxation recoverable	可收回稅項						1,579
Other receivables	其他應收款項						1,676
Consolidated total assets	綜合資產總額						375,323
<b>LIABILITIES</b>	<b>負債</b>						
Segment liabilities	分類負債	8,374	10,490	13,949	—	28,169	60,982
Other payables	其他應付款項						6,297
Taxation payable	應付稅項						1,503
Derivative financial instruments	衍生金融工具						5,689
Borrowings	借款						65,000
Consolidated total liabilities	綜合負債總額						139,471

為監控分類之間之分類表現及資源分配：

- 所有資產分配至呈報及經營分類，惟若干其他應收款項、可收回稅項以及銀行結餘及現金除外。
- 所有負債分配至呈報及經營分類，惟衍生金融工具、若干其他應付款項、若干借款及應付稅項除外。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

#### Other segment information

Amounts included in measure of segment profit or loss or segment assets:

For the year ended 31 December 2012

### 7. 分類資料(續)

#### 其他分類資料

於計量分類溢利或虧損或分類資產時計入之款項：

截至二零一二年十二月三十一日止年度

	Health care products 保健產品	Pharmaceutical products 醫藥產品	Ruyan atomizing cigarettes 如煙霧化煙	Securities trading and investments 證券交易及投資	Property investment in Hong Kong 於香港之物業投資	Money lending 貸款	Unallocated 未分配	Consolidated 合計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Addition to property, plant and equipment 物業、廠房及設備添置	3,661	630	553	—	104	—	—	4,948
Depreciation of property, plant and equipment 物業、廠房及設備折舊	1,764	723	354	—	2	—	292	3,135
Amortisation of prepaid lease payments 預付租賃款項之攤銷	90	—	—	—	—	—	—	90
Gain in fair value of investment property 投資物業公平值之收益	—	—	—	—	(30,600)	—	—	(30,600)
Allowance for obsolescence inventories 滯銷存貨之撥備	830	1,009	3,000	—	—	—	—	4,839
Allowance for doubtful debts 呆賬撥備	—	1,842	—	—	—	—	—	1,842
Impairment losses recognised in respect of loans receivable 就應收貸款確認減值虧損	—	—	—	—	—	10,000	—	10,000
Loss on disposal of property, plant and equipment 出售物業、廠房及設備之虧損	—	—	15	—	—	—	—	15
Finance costs 財務費用	—	—	—	—	864	—	391	1,255

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 31 December 2011

	Health care products	Pharmaceutical products	Ruyan atomizing cigarettes	Securities trading and investments	Property investment in Hong Kong	Unallocated	Consolidated
	保健產品	醫藥產品	如煙霧化煙	證券交易及投資	於香港之物業投資	未分配	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Addition to property, plant and equipment	—	339	66	—	—	—	405
Depreciation of property, plant and equipment	1,802	700	3,513	—	—	—	6,015
Amortisation of prepaid lease payments	88	—	—	—	—	—	88
Loss in fair value of investment property	—	—	—	—	6,009	—	6,009
Allowance for obsolescence inventories	13,341	11,025	7,430	—	—	—	31,796
Allowance for doubtful debts, net	192	1,225	56	—	—	—	1,473
Gain on disposal of property, plant and equipment	—	—	(65)	—	—	—	(65)
Finance costs	—	—	—	—	376	2,259	2,635

### 7. 分類資料(續)

其他分類資料(續)

截至二零一一年十二月三十一日止年度

### Turnover from major products

### 來自主要產品之營業額

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Health care products	—	96
Pharmaceutical products	17,787	14,419
Ruyan atomizing cigarettes	2,540	5,363
	20,327	19,878

### Information about major customers

There is no single customer contributing over 10% of total sales of the Group for the year ended 31 December 2012 and 2011.

### 關於主要客戶之資料

截至二零一二年及二零一一年十二月三十一日止年度，概無單一客戶佔本集團總銷售額逾10%。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

#### Geographical information

The Group's non-current assets by geographical location of the assets are detailed below:

		Non-current assets 非流動資產	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
The People's Republic of China ("PRC")	中華人民共和國(「中國」)	30,274	28,489
Hong Kong	香港	175,600	145,000
		205,874	173,489

Note: The non-current assets exclude financial assets at fair value through profit or loss.

### 7. 分類資料(續)

#### 地理資料

本集團以資產地理位置分析之非流動資產之資料詳情如下：

附註：非流動資產不包括按公平值計入損益之金融資產。

### 8. OTHER GAINS AND LOSSES

		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Change in fair value of derivative financial instruments	衍生金融工具之公平值變動	(11,643)	958
(Loss) gain on disposal of property, plant and equipment	出售物業、廠房及設備之(虧損)收益	(15)	65
Change in fair value of investment property	投資物業之公平值變動	30,600	(6,009)
Allowance for doubtful debts, net	呆賬撥備淨額	(1,842)	(1,473)
Impairment losses in respect of loans receivable (note)	就應收貸款確認減值虧損(附註)	(10,000)	—
		7,100	(6,459)

Note: The loans receivable is made to an independent third party in money lending business during the year ended 31 December 2012, maturing with 1 month and bearing fixed-interest rate of 1% per month. The loans receivable is unsecured. Impairment losses of HK\$10,000,000 is recognised during the year as the counterparty has placed under bankruptcy.

### 8. 其他盈虧

附註：應收貸款於截至二零一二年十二月三十一日止年度在貸款業務中向一名獨立第三方作出，期限為一個月，固定月利率為1%。應收貸款為無抵押。由於交易對手破產，10,000,000港元之減值虧損已於年內確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 9. FINANCE COSTS

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
The finance costs represent interests on:	財務費用指以下各項之利息：		
– bank borrowing wholly repayable more than five years	– 須於五年後悉數償還之銀行借款	864	376
– other borrowing wholly repayable within five years	– 須於五年內悉數償還之其他借款	391	1,395
– Convertible Bonds (note 28)	– 可換股債券(附註28)	—	864
		1,255	2,635

### 9. 財務費用

### 10. INCOME TAX EXPENSE

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
PRC Enterprise Income Tax	中國企業所得稅	711	599
Underprovision in prior years (note)	過往年度撥備不足(附註)	1,588	—
		2,299	599

### 10. 所得稅開支

Note: Amount represented an underprovision on Enterprise Income Tax incurred in prior years by a PRC Subsidiary.

附註：金額為一家中國附屬公司於過往年度產生之企業所得稅撥備不足。

No Hong Kong Profits Tax is payable by the Company or its subsidiaries operated in Hong Kong since they had no assessable profit for the year.

本公司或其於香港經營之附屬公司於本年度並無任何應課稅溢利，故並無任何應付之香港利得稅。

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，自二零零八年一月一日起，中國附屬公司之所得稅率為25%。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 10. INCOME TAX EXPENSE (Continued)

The taxation for the year can be reconciled to the loss before taxation per the consolidated statement of comprehensive income as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Loss before tax	稅前虧損	(63,781)	(313,482)
Tax at PRC income tax rate of 25%	按中國所得稅率 25% 計算之稅項	(15,945)	(78,371)
Tax effect of expenses not deductible for tax purpose	不可扣稅之支出對稅項之影響	2,911	4,120
Tax effect of incomes not taxable for tax purpose	毋須課稅之收入對稅項之影響	(7,652)	(53)
Tax effect of tax losses not recognised	未確認稅項虧損對稅項之影響	19,727	66,586
Tax effect of deductible temporary difference not recognised	未確認可扣減暫時性差額對稅項之影響	1,670	8,317
Underprovision in prior years	過往年度撥備不足	1,588	—
Taxation for the year	本年度之稅項	2,299	599

At the end of the reporting period, the Group has estimated unused tax losses of approximately HK\$505,587,000 (2011: HK\$426,679,000) available for offset against future profits. No provision of deferred taxation has been recognised in respect of the tax losses due to unpredictability of future profit streams. Included in unused tax losses of HK\$222,765,000 (2011: HK\$202,832,000) that will expire by 2017 (2011: 2016). Other tax losses may be carried forward indefinitely.

At the end of the reporting period, the Group has deductible temporary difference on allowance for doubtful debts on trade receivables and other receivables, allowance for obsolescence inventories and impairment loss in respect of property, plant and equipment of HK\$582,032,000 (2011: HK\$574,371,000). No deferred tax asset has been recognised in relation to such deductible temporary differences as the directors of the Company is not certain when taxable profit will be available again which the deductible temporary differences can be utilised.

### 10. 所得稅開支(續)

本年度之稅項與綜合全面收益表之稅前虧損對賬如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Loss before tax	稅前虧損	(63,781)	(313,482)
Tax at PRC income tax rate of 25%	按中國所得稅率 25% 計算之稅項	(15,945)	(78,371)
Tax effect of expenses not deductible for tax purpose	不可扣稅之支出對稅項之影響	2,911	4,120
Tax effect of incomes not taxable for tax purpose	毋須課稅之收入對稅項之影響	(7,652)	(53)
Tax effect of tax losses not recognised	未確認稅項虧損對稅項之影響	19,727	66,586
Tax effect of deductible temporary difference not recognised	未確認可扣減暫時性差額對稅項之影響	1,670	8,317
Underprovision in prior years	過往年度撥備不足	1,588	—
Taxation for the year	本年度之稅項	2,299	599

於報告期末，本集團估計有未使用稅損約505,587,000港元(二零一一年：426,679,000港元)可供抵銷未來溢利。由於未來溢利難以預測，故並無就稅損確認遞延稅項撥備。222,765,000港元(二零一一年：202,832,000港元)之未使用稅損將於二零一七年(二零一一年：二零一六年)屆滿。其他稅損可無限期結轉。

於報告期末，本集團就應收貿易賬項及其他應收賬項之呆賬撥備、滯銷存貨撥備、及有關物業、廠房及設備之減值虧損有可扣減暫時性差額582,032,000港元(二零一一年：574,371,000港元)。由於本公司董事不確定何時有應課稅溢利能用作抵銷可扣減暫時性差額，故並無就該等可扣減暫時性差額確認遞延稅項資產。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### II. LOSS FOR THE YEAR

### II. 本年度虧損

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Loss for the year has been arrived at after charging (crediting):	本年度虧損已扣除(計入)下列項目：		
Staff costs	員工開支		
Directors' emoluments (note 12)	董事酬金(附註 12)		
– fees and other emoluments	– 袍金及其他酬金	4,915	5,443
Other staff costs	其他員工開支		
– salaries, allowances and bonus	– 薪金、津貼及花紅	10,214	8,838
– share-based payment expenses (note ii)	– 以股份為基礎付款之開支(附註 ii)	1,678	783
– retirement benefits scheme contributions	– 退休福利計劃供款	942	837
		17,749	15,901
Amortisation of prepaid lease payments	預付租賃款項之攤銷	90	88
Cost of inventories recognised as expense (note i)	確認為開支之存貨成本(附註 i)	15,915	42,854
Auditor's remuneration	核數師酬金	1,650	1,600
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	3,135	6,015
Operating lease rentals in respect of land and buildings	土地及樓宇營業租約租賃款項	6,101	5,109
Research and development expenses (included in other expenses)	研發開支(包括在其他開支內)	1,207	2,309
Interest income from bank balances (included in other income)	銀行結餘之利息收入 (包括在其他收入內)	(9)	(8)
Gross rental income from investment property	投資物業之總租賃收入	(4,680)	(1,671)
Less: direct operating expenses incurred for investment property that generate rental income for the year	減：產生本年度租賃收入之投資物業之直接運營開支	309	145
		(4,371)	(1,526)
Legal and professional expenses (included in other expenses)	法律及專業費用 (包括在其他開支內)	20,086	9,632

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### II. LOSS FOR THE YEAR (Continued)

Notes:

- (i) An allowance for obsolescence inventories of HK\$4,839,000 (2011: HK\$31,796,000) was included in the cost of inventories recognised as expense. This allowance was provided for certain slow-moving raw materials and finished goods of HK\$4,839,000 (2011: HK\$18,331,000) including health care products, pharmaceutical products and Ruyan atomizing cigarettes. During the year ended 31 December 2012, no allowance for inventories was made on health care products that were spoiled and no longer sellable. During the year ended 31 December 2011, certain health care products were spoiled and no longer sellable, and an allowance for inventories of HK\$13,465,000 was provided.
- (ii) The share-based payment expenses of HK\$1,678,000 (2011: HK\$783,000) granted to eligible participants during the year ended 31 December 2012 were mainly related to the Group's securities trading business.

### 12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to each of the ten (2011: fifteen) directors and chief executive were as follows:

		Gary Drew Douglas	Wong Yin Sen 王彥宸	Hon Lik 韓力	Chan Mee Sze 陳美思	Lam Suk Ping 林叔平	Chung Yuk Lun 鍾育麟	Lam Man Sum 林聞深	Liu Pang 龐鴻	Ho Kwong 廖廣生	2012 Tak Fun 何德芬	Total 二零一二年 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Fees	袍金	—	—	—	—	—	210	210	38	210	210	878
Other emoluments	其他酬金											
Salaries	薪金	840	735	780	899	690	—	—	—	—	—	3,944
Retirement benefit scheme	退休福利計劃	4	14	14	14	14	11	11	—	—	11	93
Other allowances	其他津貼	—	—	—	—	—	—	—	—	—	—	—
		844	749	794	913	704	221	221	38	210	221	4,915

### II. 本年度虧損(續)

附註：

- (i) 滯銷存貨撥備4,839,000港元(二零一一年：31,796,000港元)計入確認為開支之存貨成本。滯銷存貨撥備乃就若干滯銷原材料及製成品(包括保健產品、醫藥產品及如煙霧化煙)4,839,000港元(二零一一年：18,331,000港元)計提。截至二零一二年十二月三十一日止年度，並無就已變質且不可出售之保健產品計提存貨撥備。截至二零一一年十二月三十一日止年度，若干保健產品變質且不可出售，計提存貨撥備13,465,000港元。
- (ii) 截至二零一二年十二月三十一日止年度，以股份為基礎之付款開支1,678,000港元(二零一一年：783,000港元)乃授予合資格參與者，主要與本集團之證券買賣業務有關。

### 12. 董事及主要行政人員酬金

已付或應付十名(二零一一年：十五名)董事及主要行政人員之薪酬如下：



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

Note:

- (a) Mr. Pang Hong resigned as independent non-executive director on 29 February 2012.
- (b) Mr. Wong Yin Sen is also the chief executive of the Company and his remuneration disclosed above included those for services rendered by him as chief executive.

### 12. 董事及主要行政人員酬金(續)

附註：

- (a) 龐鴻先生於二零一二年二月二十九日辭任獨立非執行董事。
- (b) 王彥宸先生亦為本公司之主要行政人員，上文所披露之其薪酬包括就其作為主要行政人員提供服務之薪酬。

	Gay Drew	Wong Douglas	Wong Hei Lin	Hon Lik	Au Yeung Kai Chor	Chan Mee Sze	Ching Yuen Man, Angela	Lam Suk Ping	Chung Yuk Lun	Lam Man Sum, Albert	Pang Hong	Liu Kwong Sang	Frank H. Miu	Manfred A. Haussler	Ho Tak Fun	2011 Total
	王彥宸	王希年	韓力	歐陽啟初	陳美思	程婉雯	林叔平	鍾育麟	林闈深	龐鴻	廖廣生	繆希	何德芬	總計		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
	(note e)	(note h)	(note d)		(note f)	(note b)	(note f)	(note c)				(note d)	(note a)	(note g)		
	(附註e)	(附註h)	(附註d)		(附註f)	(附註b)	(附註f)	(附註c)				(附註d)	(附註a)	(附註g)		
Fees 袍金	—	—	—	—	—	—	—	—	120	120	150	120	93	60	20	683
Other emoluments 其他酬金																
Salaries 薪金	158	750	402	780	714	637	637	350	—	—	—	—	—	—	—	4,428
Retirement benefit scheme 退休福利計劃	—	12	7	12	10	9	10	7	6	6	—	—	—	—	1	80
Other allowances 其他津貼	—	252	—	—	—	—	—	—	—	—	—	—	—	—	—	252
	158	1,014	409	792	724	646	647	357	126	126	150	120	93	60	21	5,443

Notes:

- (a) Mr. Manfred A. Haussler resigned as non-executive director on 1 April 2011.
- (b) Ms. Chan Mee Sze was appointed as executive director on 11 April 2011.
- (c) Mr. Lam Suk Ping was appointed as executive director on 1 June 2011.
- (d) Mr. Wong Hei Lin resigned as executive director and Mr. Frank H. Miu resigned as non-executive director on 7 July 2011, respectively.
- (e) Mr. Gary Drew Douglas appointed as executive director on 24 October 2011.

附註：

- (a) Manfred A. Haussler先生於二零一一年四月一日辭任非執行董事。
- (b) 陳美思女士於二零一一年四月十一日獲委任為執行董事。
- (c) 林叔平先生於二零一一年六月一日獲委任為執行董事。
- (d) 王希年先生及繆希先生於二零一一年七月七日分別辭任執行董事及非執行董事。
- (e) Gary Drew Douglas先生於二零一一年十月二十四日獲委任為執行董事。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

Notes:

- (f) Mr. Au Yeung Kai Chor and Ms. Ching Yuen Man, Angela resigned as executive directors on 25 October 2011, respectively.
- (g) Mr. Ho Tak Fun was appointed as independent non-executive director on 1 November 2011.
- (h) Mr. Wong Yin Sen is also the chief executive of the Company and his remuneration disclosed above included those for services rendered by him as chief executive.

During the year, no emoluments were paid by the Group to any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

### 13. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, four (2011: five) were directors of the Company whose emoluments are included in the disclosures in note 12 above. The emoluments of the remaining individual for the year ended 31 December 2012 were as follows:

### 12. 董事及主要行政人員酬金(續)

附註：

- (f) 歐陽啟初先生及程婉雯女士分別於二零一一年十月二十五日辭任執行董事。
- (g) 何德芬先生於二零一一年十一月一日獲委任為獨立非執行董事。
- (h) 王彥宸先生亦為本公司之主要行政人員，上文所披露之其薪酬包括就其作為主要行政人員提供服務之薪酬。

年內，本集團並無向任何董事支付酬金，作為加入或於加入本集團時之獎勵或離職賠償。年內，並無董事放棄任何酬金。

### 13. 僱員酬金

本集團內享有最高酬金之五位人士，其中四位(二零一一年：五位)為本公司董事。彼等之酬金已列入上述附註12之披露資料。截至二零一二年十二月三十一日止年度，餘下一位人士之酬金如下：

		2012 二零一二年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,020
Contributions to retirement benefits schemes	退休福利計劃供款	14
		1,034

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 14. DIVIDEND

No dividend was paid or proposed for both years, nor has any dividend been proposed since the end of the reporting period.

### 15. LOSS PER SHARE

The calculation of the basic loss per share attributable to the ordinary equity holders of the parent is based on the following data:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Loss for the purpose of basic and diluted earnings per share (loss for the year attributable to owners of the Company)	就計算每股基本及攤薄盈利之虧損 (本公司擁有人應佔年內虧損)	(66,080)	(314,081)

		2012 二零一二年 '000 千股	2011 二零一一年 '000 千股 (restated) (經重列)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	就計算每股基本盈利之普通股加權平均數	102,700	35,783

The computation of diluted loss per share does not assume the conversion of the Company's share options since their assumed conversion would result in a decrease in loss per share.

The weighted average number of ordinary shares for the calculation of the basic and diluted loss per share for the years of 2012 and 2011 have been adjusted to reflect the impact of share consolidation and rights issue effected during the year ended 31 December 2012 as well as rights issue completed subsequent to 31 December 2012.

### 14. 股息

過去兩年並無派付或建議派付股息，自報告期末以來亦無建議派付任何股息。

### 15. 每股虧損

母公司普通股持有人應佔每股基本虧損乃按下列數據計算：

每股攤薄虧損之計算並無假設本公司購股權獲轉換，原因是假設彼等轉換可能導致每股虧損減少。

計算二零一二年及二零一一年之每股基本及攤薄虧損之普通股加權平均數已作出調整，以反映截至二零一二年十二月三十一日止年度進行之股份合併及供股以及二零一二年十二月三十一日後完成之供股之影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 16. PROPERTY, PLANT AND EQUIPMENT

### 16. 物業、廠房及設備

		Construction in progress 在建工程 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Leasehold improvement 租賃物業 裝修 HK\$'000 千港元	Plant and machinery 廠房及 機器 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元
<b>COST</b>	<b>成本</b>							
At 1 January 2011	於二零一一年一月一日	—	34,698	4,727	56,836	6,678	8,198	111,137
Exchange adjustments	匯兌調整	—	1,300	105	2,134	207	271	4,017
Additions	添置	—	—	—	202	150	53	405
Disposals	出售	—	—	—	—	—	(938)	(938)
At 31 December 2011	於二零一一年十二月三十一日	—	35,998	4,832	59,172	7,035	7,584	114,621
Exchange adjustments	匯兌調整	7	194	16	324	32	41	614
Additions	添置	2,646	—	—	1,524	227	551	4,948
Disposals	出售	—	—	—	—	—	(220)	(220)
At 31 December 2012	於二零一二年十二月三十一日	<b>2,653</b>	<b>36,192</b>	<b>4,848</b>	<b>61,020</b>	<b>7,294</b>	<b>7,956</b>	<b>119,963</b>
<b>DEPRECIATION AND IMPAIRMENT LOSSES</b>	<b>折舊及減值虧損</b>							
At 1 January 2011	於二零一一年 一月一日	—	13,517	4,123	50,733	6,032	6,319	80,724
Exchange adjustments	匯兌調整	—	545	105	1,962	206	203	3,021
Provided for the year	年內撥備	—	1,656	138	3,824	313	84	6,015
Eliminated on disposals	出售時抵銷	—	—	—	—	—	(938)	(938)
At 31 December 2011	於二零一一年十二月三十一日	—	15,718	4,366	56,519	6,551	5,668	88,822
Exchange adjustments	匯兌調整	—	90	16	305	32	31	474
Provided for the year	年內撥備	—	1,765	139	650	190	391	3,135
Eliminated on disposals	出售時抵銷	—	—	—	—	—	(120)	(120)
At 31 December 2012	於二零一二年十二月三十一日	—	<b>17,573</b>	<b>4,521</b>	<b>57,474</b>	<b>6,773</b>	<b>5,970</b>	<b>92,311</b>
<b>CARRYING VALUES</b>	<b>賬面值</b>							
At 31 December 2012	於二零一二年十二月三十一日	<b>2,653</b>	<b>18,619</b>	<b>327</b>	<b>3,546</b>	<b>521</b>	<b>1,986</b>	<b>27,652</b>
At 31 December 2011	於二零一一年十二月三十一日	—	20,280	466	2,653	484	1,916	25,799

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 16. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, other than construction in progress, are depreciated on a straight-line basis at the following rates per annum:

Buildings	Over the shorter of the terms of the lease or 50 years
Leasehold improvement	Over the shorter of the terms of the lease or 50 years
Plant and machinery	9% - 20%
Furniture, fixtures and equipment	18% - 20%
Motor vehicles	9% - 20%

### 17. INVESTMENT PROPERTY

		HK\$'000 千港元
FAIR VALUE	公平值	
At 1 January 2011	於二零一一年一月一日	—
Acquisition of subsidiaries (note 31)	收購附屬公司(附註31)	151,009
Fair value changes recognised to profit or loss	於損益確認之公平值變動	(6,009)
At 31 December 2011	於二零一一年十二月三十一日	145,000
Fair value changes recognised to profit or loss	於損益確認之公平值變動	30,600
At 31 December 2012	於二零一二年十二月三十一日	175,600

The fair value of the Group's investment property at 31 December 2012 has been arrived at on the basis of a valuation carried out on that date by Grant Sherman Appraisal Limited (2011: Asset Appraisal Limited), independent qualified professional valuers not connected with the Group. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the similar locations and conditions.

### 16. 物業、廠房及設備(續)

上述物業、廠房及設備項目(在建工程除外)以直線法按以下年率計算折舊：

樓宇	於租約年期或五十年之較短者
租賃物業裝修	於租約年期或五十年之較短者
廠房及機器	9%至20%
傢俬、裝置及設備	18%至20%
汽車	9%至20%

### 17. 投資物業

本集團於二零一二年十二月三十一日投資物業之公平值乃根據與本集團概無關連之獨立合資格專業估值師中證評估有限公司(二零一一年：資產評估顧問有限公司)基於截至該日之估值而作出。估值乃參考類似地點及狀況之類似物業成交價之市場憑證作出。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 17. INVESTMENT PROPERTY (Continued)

The Group's investment property is held under medium-term leases in Hong Kong. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment property.

As at 31 December 2012 and 2011, the Group has pledged this investment property to secure general banking facilities granted to the Group.

### 17. 投資物業(續)

本集團之投資物業位於香港及按中期租約持有。本集團用作賺取租金或作資本升值用途而持有之經營租約物業權益使用公平值模式計量，並歸類及入賬列作投資物業。

於二零一二年及二零一一年十二月三十一日，本集團已抵押該投資物業作為授予本集團的一般銀行融資之擔保。

### 18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

### 18. 按公平值計入損益之金融資產

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Financial assets at fair value through profit or loss comprise:	按公平值計入損益之金融資產包括：		
Investment in convertible investments designated at fair value through profit or loss	指定按公平值計入損益之可換股工具投資	—	19,430
Held-for-trading investments	持作交易用途之投資	129,828	105,224
		129,828	124,654
Analysed for reporting purpose as:	就呈報目的分析：		
Non-current portion	非即期部分	—	9,730
Current portion	即期部分	129,828	114,924
		129,828	124,654

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

*(Continued)*

Held-for-trading investments comprise of equity securities listed in Hong Kong and their fair values are based on quoted market bid price.

During the year ended 31 December 2011, the Group acquired investment in convertible investments designated at fair value through profit and loss consisting of a convertible bond instruments issued by Hong Kong Life Group Holdings Limited ("Hong Kong Life"), a Hong Kong listed company incorporated in the Cayman Islands, and a convertible bond instruments issued by Rising Development Holdings Limited ("RDHL"), a Hong Kong listed company incorporated in Bermuda, at a consideration of HK\$20,000,000 and HK\$10,025,000, respectively. The carrying amounts of investment in convertible bond instruments of Hong Kong Life and RDHL are HK\$9,730,000 and HK\$10,025,000, respectively. In the opinion of directors, the investment in convertible bond instrument of Hong Kong Life is not expected to convert to shares within 12 months and the carrying amount of such investment of HK\$9,730,000 is then classified as non-current assets as at 31 December 2011.

These convertible bond investments are disposed of during the year ended 31 December 2012.

### 18. 按公平值計入損益之金融資產(續)

持作交易用途之投資包括於香港上市之股本證券，彼等之公平值乃基於市場所報買入價釐定。

截至二零一一年十二月三十一日止年度，本集團收購了按公平值計入損益之可換股投資，當中包括於開曼群島註冊成立之香港上市公司香港生命集團控股有限公司(「香港生命」)發行之可換股債券工具及於百慕達註冊成立之香港上市公司麗盛集團控股有限公司(「麗盛集團控股」)發行之可換股債券工具，代價分別為20,000,000港元及10,025,000港元。投資於香港生命及麗盛集團控股可換股債券工具之賬面值分別為9,730,000港元及10,025,000港元。董事認為，於香港生命可換股債券之投資預期不會於12個月內轉換為股份，故該項面值9,730,000港元之投資其後於二零一一年十二月三十一日分類為非流動資產。

截至二零一二年十二月三十一日止年度，該等可換股債券投資已被出售。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(Continued)

Binominal Option Pricing model is used for valuation of conversion option and redemption option of respective convertible bonds instruments. The inputs into the model were as follows:

		As at 31 December 2011 於二零一一年十二月三十一日	
		Hong Kong Life Convertible Bonds 香港生命之 可換股債券	RDHL Convertible Bonds 麗盛集團 控股之 可換股債券
Stock price	股價	HK\$0.35港元	HK\$0.97港元
Exercise price	行使價	HK\$23.86港元	HK\$1.00港元
Volatility (note a)	波幅(附註a)	67%	84%
Option life (note b)	選擇權年期(附註b)	4.4 years年	2.8 years年
Risk-free rate (note c)	無風險利率(附註c)	0.845%	0.496%

Notes:

- (a) Expected volatility was determined by calculating the historical volatility of the respective share prices of Hong Kong Life and RDHL.
- (b) Expected life was the remaining life of the respective options.
- (c) The risk free is determined by reference to the Hong Kong Government Bond Yield.

During the year ended 31 December 2012, gain of HK\$10,495,000 (2011: loss of HK\$10,295,000) on change in fair value of investment in convertible instruments designated at fair value through profit or loss was credited (2011: charged) to profit or loss.

### 18. 按公平值計入損益之金融資產(續)

二項式期權定價模式乃用於各可換股債券工具之換股選擇權及贖回選擇權之估值中。輸入模式之參數如下：

		As at 31 December 2011 於二零一一年十二月三十一日	
		Hong Kong Life Convertible Bonds 香港生命之 可換股債券	RDHL Convertible Bonds 麗盛集團 控股之 可換股債券
Stock price	股價	HK\$0.35港元	HK\$0.97港元
Exercise price	行使價	HK\$23.86港元	HK\$1.00港元
Volatility (note a)	波幅(附註a)	67%	84%
Option life (note b)	選擇權年期(附註b)	4.4 years年	2.8 years年
Risk-free rate (note c)	無風險利率(附註c)	0.845%	0.496%

附註：

- (a) 預期波幅透過計算香港生命及麗盛集團控股各自股價之歷史波幅釐定。
- (b) 預期年期為有關選擇權之餘下年期。
- (c) 無風險利率乃參照香港政府債券孳息釐定。

截至二零一二年十二月三十一日止年度，按公平值計入(二零一一年：扣除)損益之可換股工具之投資之公平值變動為收益10,495,000港元(二零一一年：虧損10,295,000港元)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 19. PREPAID LEASE PAYMENTS

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Leasehold land outside Hong Kong:	香港以外之租賃土地：		
Medium-term lease	中期租約	2,704	2,772
Analysed for reporting purposes as:	就呈報目的分析：		
Current portion	即期部分	82	82
Non-current portion	非即期部分	2,622	2,690
		2,704	2,772

The leasehold land is amortised on a straight-line basis over the remaining term of the lease.

租賃土地於租約剩餘年期以直線法攤銷。

### 20. INVENTORIES

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Raw materials	原料	5,735	5,489
Work in progress	在製品	354	634
Finished goods	製成品	2,466	2,364
		8,555	8,487

As at 31 December 2012, the carrying amount of inventories is approximately HK\$8,555,000 (net of allowance for obsolescence inventories of approximately HK\$362,401,000) (2011: carrying amount of approximately HK\$8,487,000, net of allowance for obsolescence inventories of approximately HK\$357,562,000).

於二零一二年十二月三十一日，存貨之賬面值約為8,555,000港元（扣除滯銷存貨撥備約362,401,000港元）（二零一一年：賬面值約為8,487,000港元，扣除滯銷存貨撥備約357,562,000港元）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 21. TRADE RECEIVABLES

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Trade receivables	應收貿易賬項	150,000	149,792
Less: Allowance for doubtful debts	減：呆賬撥備	(148,236)	(145,608)
		<b>1,764</b>	<b>4,184</b>

The Group allows an average credit period from 60 to 270 days to its trade customers. The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice dates which approximated the respective revenue recognition dates at the end of the reporting period:

本集團容許其貿易客戶有平均60至270日之信貸期。以下為於報告期末根據接近各收益確認日期之發票日期呈列應收貿易賬項(扣除呆賬撥備)之賬齡分析：

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
0 to 60 days	0至60日	1,195	1,258
61 to 90 days	61至90日	100	42
91 to 180 days	91至180日	343	2,884
181 to 270 days	181至270日	126	—
		<b>1,764</b>	<b>4,184</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 21. TRADE RECEIVABLES (Continued)

The Group has policy of allowance for doubtful debts which is based on the evaluation of collectability and age of accounts and on management's judgement including credit worthiness and past collection history of each customer.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed regularly.

The receivables with a carrying amount of HK\$1,764,000 (2011: HK\$4,184,000) which are neither past due nor impaired at the end of the reporting date for which the Group believes that the amounts are considered recoverable because the receivables are related to a number of independent customers that have good repayment records with the Group.

At 31 December 2012 and 2011, there is no trade receivable balance past due at the reporting date for which the Group has not provided for impairment loss.

In determining the recoverability of the trade receivables, the Group considers any changes in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period. Accordingly, the directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

### 21. 應收貿易賬項(續)

本集團設有一套呆賬撥備政策，該政策乃根據對可收回性及賬齡進行之評估以及根據管理層之判斷(包括每位客戶之信用及過往收賬記錄)而制訂。

於接納任何新客戶前，本集團評估客戶之信貸質素及釐定客戶信貸上限。本集團定期審閱給予客戶之信貸限額。

賬面值為1,764,000港元(二零一一年：4,184,000港元)之應收款項於報告日期未既未逾期亦未減值，本集團相信可收回該款項，原因是應收款項來自若干獨立客戶，該等客戶於本集團擁有良好還款紀錄。

於二零一二年以及二零一一年十二月三十一日，本集團並無應收貿易賬項餘額於報告日期已逾期，而本集團並無作出減值虧損撥備。

於釐定應收貿易賬項之可收回性時，本集團考慮應收貿易賬項自首次獲授信貸當日至報告期末之任何信貸質素變化。因此，董事認為，除呆賬撥備以外，毋須作出其他信貸撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 21. TRADE RECEIVABLES (Continued)

#### Movement in the allowance for doubtful debts

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Balance at beginning of the year	年初結餘	145,608	138,904
Impairment losses recognised	已確認減值虧損	1,842	1,676
Amounts recovered during the year	年內已收回款項	—	(203)
Exchange adjustments	匯兌調整	786	5,231
Balance at end of the year	年終結餘	148,236	145,608

Included in the allowance for doubtful debts are individually impaired trade receivables, which were either in the severe financial difficulties or overdue for a long period time. The Group has made full allowance on these receivables and considered that they are generally not recoverable.

### 21. 應收貿易賬項(續)

#### 呆賬撥備之變動

呆賬撥備包括個別正遭遇嚴重財務困難或逾期甚久之已減值應收貿易賬項。本集團已就該等應收款項悉數撥備，並認為該等款項一般不能收回。

### 22. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Other deposits	其他按金	1,222	1,219
Deposits for legal and professional services	法律及專業服務按金	1,268	1,268
Prepayments to suppliers	供應商預付款項	3,525	2,388
Other prepayments	其他預付款項	177	991
Receivables from financial institutions (note)	金融機構應收款項(附註)	7,109	—
Other receivables	其他應收款項	705	1,012
		14,006	6,878

Note: Amount represents the funds deposits to financial institutions for securities trading purpose.

### 22. 按金、預付款項及其他應收款項

附註：該款項指為證券交易目的而寄存於金融機構之資金。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 22. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Other receivables	其他應收款項	36,833	36,946
Less: Allowance	減：撥備	(36,128)	(35,934)
Other receivables (net of provision)	其他應收款項(扣除撥備)	705	1,012

#### Movement in the allowance for doubtful debts for other receivables

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	35,934	34,636
Exchange adjustments	匯兌調整	194	1,298
Balance at end of the year	年末結餘	36,128	35,934

Included in the allowance for doubtful debts are individually impaired other receivables, which were either in the severe financial difficulties or overdue for a long period time. The Group has made full allowance on these other receivables and considered that they are generally not recoverable.

### 22. 按金、預付款項及其他應收款項 (續)

#### 其他應收賬項之呆壞賬撥備之變動

呆賬撥備包括個別已減值之遭遇嚴重財務困難或逾期甚久之其他應收賬項。本集團已就該等其他應收賬項悉數撥備，並認為該等款項一般不能收回。

### 23. BANK BALANCES AND CASH

At 31 December 2012, there were bank balances and cash denominated in Renminbi ("RMB") amounting to approximately HK\$5,513,000 (2011: HK\$7,610,000) and carry interest at market rates which range from 0.001% to 0.36% (2011: 0.001% to 0.36%) per annum. RMB is not freely convertible into other currencies. Other bank balances and cash are denominated in Hong Kong dollars which carry interest at market rates which range from 0.001% to 0.06% (2011: 0.001% to 0.06%) per annum.

### 23. 銀行結餘及現金

於二零一二年十二月三十一日，以人民幣(「人民幣」)計值之銀行結餘及現金約為5,513,000港元(二零一一年：7,610,000港元)，按市場年利率介乎0.001%至0.36%(二零一一年：0.001%至0.36%)計息。人民幣不能自由兌換為其他貨幣。其他銀行結餘及現金以港元計值，按市場年利率介乎0.001%至0.06%(二零一一年：0.001%至0.06%)計息。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 24. TRADE PAYABLES

The aged analysis of trade payables presented based on the invoice date at the end of the reporting period is as follows:

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
0 to 30 days	0至30日	477	51
31 to 60 days	31至60日	874	1,006
61 to 90 days	61至90日	41	65
Over 90 days but less than 1 year	90日以上但不到一年	23	1,226
Over 1 year	一年以上	4,681	3,924
		6,096	6,272

### 24. 應付貿易賬項

以下為於報告期末根據發票日期呈列應付貿易賬項之賬齡分析：

### 25. ACCRUALS AND OTHER PAYABLES

Other payables	其他應付賬項
Accruals	應計款項
Deposits received from customers	已收客戶按金
Deposits received from distributors	已收經銷商按金

### 25. 應計款項及其他應付賬項

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
		16,195	12,410
		11,566	12,907
		3,458	3,660
		3,178	4,688
		34,397	33,665

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 26. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments consist of the following items:  
Call Option/Put Option

衍生金融工具包括  
下列項目：  
認購期權/ 認沽期權

### 26. 衍生金融工具

	2012	2011
	二零一二年	二零一一年
	HK\$'000	HK\$'000
	千港元	千港元

17,332

5,689

On 8 August 2011 ("Date of Completion"), Nation Wealth Holdings Limited ("NWHL"), a wholly-owned subsidiary of the Company, acquired entire equity interests in Central Town Limited ("CTL") from an independent third party (the "Vendor") at a consideration of HK\$117,000,000 (the "Acquisition"). Details of the Acquisition are disclosed in note 31.

The terms of the option agreement are that (i) the Vendor granted a call option to NWHL to require the Vendor to sell entire equity interest in Chinese Medical Clinic ("Option Shares") and to assign the shareholders loans of Chinese Medical Clinic ("Option Shareholders Loans") to NWHL (collectively known as "Call Option"); and (ii) NWHL granted a put option to the Vendor to require NWHL to purchase the Option Shares and Option Shareholders Loans (collectively known as "Put Option"). Chinese Medical Clinic is currently a wholly-owned subsidiary of the Vendor.

二零一一年八月八日(「完成日期」)，本公司全資附屬公司Nation Wealth Holdings Limited(「NWHL」)以代價117,000,000港元自一名獨立第三方(「賣方」)收購Central Town Limited(「CTL」)全部股權(「收購」)。收購詳情披露於附註31。

期權協議的條款為(i)賣方向NWHL授出認購期權，可要求賣方向NWHL出售Chinese Medical Clinic的全部股權(「期權股份」)並轉讓Chinese Medical Clinic的股東貸款(「期權股東貸款」)(統稱「認購期權」)；及(ii) NWHL向賣方授出認沽期權，可要求NWHL購買期權股份及期權股東貸款(統稱「認沽期權」)。Chinese Medical Clinic現為賣方的全資附屬公司。

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## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

The Call Option and Put Option are exercisable within 5 years from the Date of Completion conditional upon the completion of the Vendor's contribution of an interest free loan or by way of equity of HK\$25 million to Chinese Medical Clinic. As at 31 December 2012 and 2011, the Vendor's interest free loan to Chinese Medical Clinic is less than HK\$25 million and both Call Option and Put Option are not exercisable as at 31 December 2012 and 2011. The option exercise price is determined with the following conditions:

- if Chinese Medical Clinic's audited results for the year ending 31 March 2012 or any accounting period subsequent thereto has not been released and issued, the option exercise price will be HK\$25,000,000; and
- if Chinese Medical Clinic's audited results for the year ending 31 March 2012 or any accounting period subsequent thereto has been released and issued,
  - in the case of the exercise of the Call Option, the option exercise price will be the higher of HK\$25 million; or (ii) the lower of 10 times earnings before interest, taxes, depreciation and amortisation ("EBITDA") or HK\$75 million; and
  - in the case of the exercise of the Put Option, the option exercise price will be the higher of: (i) HK\$25 million; or (ii) the lower of 5 times EBITDA or HK\$75 million.

### 26. 衍生金融工具(續)

認購期權及認沽期權可於完成日期起計5年內行使，惟須待賣方向Chinese Medical Clinic注入25,000,000港元不計息貸款或以股本形式注入該金額完成後方可作實。截至二零一二年及二零一一年十二月三十一日，賣方向Chinese Medical Clinic注入的不計息貸款不足25,000,000港元，因此截至二零一二年及二零一一年十二月三十一日認購期權及認沽期權均不可行使。期權行使價按下列條件釐定：

- 倘Chinese Medical Clinic截至二零一二年三月三十一日止年度或任何其後會計期的經審核業績尚未發佈及刊發，則期權行使價為25,000,000港元；及
- 倘Chinese Medical Clinic截至二零一二年三月三十一日止年度或任何其後會計期的經審核業績已發佈及刊發，則
  - 在行使認購期權情況下，期權行使價為以下兩者之較高者：25,000,000港元；或(ii)除利息、稅項、折舊及攤銷前盈利(「EBITDA」)10倍或75,000,000港元之較低者；及
  - 在行使認沽期權情況下，期權行使價為以下兩者之較高者：(i) 25,000,000港元；或(ii) EBITDA 5倍或75,000,000港元之較低者。



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### 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

#### 26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

The fair value of the Call Option and Put Option is approximately HK\$6,270,000 at Date of Completion.

The movement of the Call Option and Put Option is set out below:

		HK\$'000 千港元
Granted at the Date of Completion	於完成日期授出	(6,270)
Change in fair value	公平值變動	581
At 31 December 2011	於二零一一年十二月三十一日	(5,689)
Change in fair value	公平值變動	(11,643)
At 31 December 2012	於二零一二年十二月三十一日	(17,332)

The fair value of Call Option and Put Option are calculated using the Black Scholes Option Pricing Model at the Date of Completion, 31 December 2011 and 2012. The inputs into the model were as follows:

#### 26. 衍生金融工具(續)

認購期權及認沽期權於完成日期的公平值約為6,270,000港元。

認購期權及認沽期權之變動如下：

認購期權及認沽期權的公平值於完成日期以及二零一一年及二零一二年十二月三十一日採用柏立克-舒爾斯期權定價模式計算。輸入模式之參數如下：

#### Call Option and Put Option

##### 認購期權及認沽期權

		As at 31 December 2012 於二零一二年 十二月三十一日	As at 31 December 2011 於二零一一年 十二月三十一日	As at Date of Completion 於完成日期
Exercise price	行使價	HK\$25,000,000港元	HK\$25,000,000港元	HK\$25,000,000港元
Equity value (note a)	資本值(附註a)	HK\$7,668,000港元	HK\$22,000,000港元	HK\$22,000,000港元
Expected volatility (note b)	預期波幅(附註b)	30.81%	41.354%	36.03%
Expected life (note c)	預期年期(附註c)	3.6 years年	4.6 years年	5 years年
Dividend yield	股息收益率	—	—	—
Risk-free rate (note d)	無風險利率(附註d)	0.21%	0.943%	0.922%

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

Notes:

- (a) The equity value is determined based on the future discounted cashflow of the operation of Chinese Medical Clinic.
- (b) Expected volatility for options is based on historical daily price movements of comparable listed companies in the same industry over a historical period of 3.6 years (2011: 4.6 years; date of completion: 5 years).
- (c) Expected life was the expected remaining life of the Call Option and the Put Option.
- (d) The risk-free rate is determined by reference to the yield of Hong Kong Exchange Fund Notes.

During the year ended 31 December 2012, loss of HK\$11,643,000 (2011: gain of HK\$581,000) was recognised in respect of the changes in fair values of derivative financial instruments.

### 26. 衍生金融工具(續)

附註：

- (a) 資本值根據Chinese Medical Clinic業務的日後貼現現金流釐定。
- (b) 期權的預期波幅根據過往3.6年(二零一一年：4.6年；完成日期：5年)同行業可比較上市公司的過往每日股價波動釐定。
- (c) 預期年期為認購期權及認沽期權之預期餘下年期。
- (d) 無風險利率乃參考香港外匯基金票據孳息釐定。

截至二零一二年十二月三十一日止年度，就衍生金融工具公平值變動確認虧損11,643,000港元(二零一一年：收益581,000港元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 27. BORROWINGS

### 27. 借款

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Secured bank borrowing	有抵押銀行借款	25,676	27,342
Unsecured other borrowing	無抵押其他借款	—	65,000
		<b>25,676</b>	<b>92,342</b>
Carrying amount repayable within one year	須於一年內償還之賬面值	—	65,000
Carrying amount of bank borrowing that is not repayable within one year from the end of the reporting period but contains a repayment on demand clause (shown under current liabilities)	毋須於報告期末起一年內償還但包含於要求時償還條款之銀行借款賬面值 (列入流動負債)	23,971	25,693
Carrying amount of bank borrowing that is repayable within one year and contains a repayment on demand clause	須於一年內償還且包含於要求時償還條款之銀行借款賬面值	1,705	1,649
		<b>25,676</b>	<b>92,342</b>
Amounts due within one year shown under current liabilities	列作流動負債之一年內到期金額	(25,676)	(92,342)
		—	—
Borrowings comprise:	借款包括：		
Fixed-rate borrowing	定息借款	25,676	92,342

As at 31 December 2012, bank borrowing amounting to approximately HK\$25,676,000 (2011: HK\$27,342,000) is fixed-rate borrowing which carries interest at 3.25% per annum. Unsecured other borrowing of approximately HK\$65,000,000 as at 31 December 2011 carried a fixed interest rate of 5% per annum and fully repaid during the year ended 31 December 2012.

As at 31 December 2012, bank borrowing of HK\$25,676,000 (2011: HK\$27,342,000) was secured by investment property of the Group in note 17.

於二零一二年十二月三十一日，銀行借款約25,676,000港元(二零一一年：27,342,000港元)為定息借款，按3.25%的年利率計息。於二零一一年十二月三十一日之無抵押其他借款約65,000,000港元按固定年利率5%計息並已於截至二零一二年十二月三十一日止年度全數償還。

於二零一二年十二月三十一日，銀行借款25,676,000港元(二零一一年：27,342,000港元)由附註17所述本集團投資物業作抵押。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 28. CONVERTIBLE BONDS

On 11 August 2011, the Company served a redemption notice to the bondholder for the fully redemption of the remaining convertible bonds at an agreed redemption consideration of HK\$5,000,000 being the outstanding principal.

The movement of the liability component and conversion option derivatives of the convertible bonds for the periods is set out as below:

### 28. 可換股債券

二零一一年八月十一日，本公司向債券持有人發出贖回通知，要求按協定贖回代價5,000,000港元(即尚欠本金)全數贖回餘下可換股債券。

期內可換股債券之負債部分及換股選擇權衍生工具的變動如下：

		Liability component 負債部分 HK\$'000 千港元	Conversion option derivatives 換股選擇權 衍生工具 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1 January 2011	於二零一一年 一月一日	4,136	377	4,513
Interest charged	利息支出	864	—	864
Redemption	贖回	(5,000)	—	(5,000)
Gain arising on change of fair value	公平值變動所得收益	—	(377)	(377)
As at 31 December 2011 and 31 December 2012	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	—	—	—

During the year ended 31 December 2011, HK\$377,000 was recognised in profit or loss as change in fair value of derivative financial statements upon redemption of the outstanding convertible bonds.

截至二零一一年十二月三十一日止年度，377,000港元於贖回尚未贖回之可換股債券時在損益內確認為衍生金融工具公平值變動。

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## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 29. SHARE CAPITAL

### 29. 股本

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
Ordinary shares of HK\$0.01 (2011: HK\$0.10) each	每股面值0.01 港元 (二零一一年: 0.10 港元)之普通股		
Authorised:	法定:		
At 1 January 2011 and 31 December 2011	於二零一一年一月一日 及二零一一年十二月三十一日	10,000,000	1,000,000
Increase in authorised share capital (note v)	法定股本增加(附註v)	90,000,000	—
At 31 December 2012	於二零一二年十二月三十一日	100,000,000	1,000,000
Issued:	已發行:		
At 1 January 2011	於二零一一年一月一日	92,362	9,236
Rights issue (note i)	供股(附註i)	1,847,245	184,725
Exercise of share options (note ii)	行使購股權(附註ii)	9,230	923
Issue of subscription shares (note iii)	發行認購股份(附註iii)	18,470	1,847
Issue of placing shares (note iv)	發行配售股份(附註iv)	750,000	75,000
At 31 December 2011	於二零一一年十二月三十一日	2,717,307	271,731
First Capital Reorganisation (note v)	首次資本重組(附註v)	(2,173,845)	(266,296)
Rights issue (note vii)	供股(附註vii)	1,086,923	10,869
Issue of placing shares (note viii)	發行配售股份(附註viii)	326,077	3,261
Exercise of share options (note ix)	行使購股權(附註ix)	163,038	1,630
Second Capital Reorganisation (note x)	第二次資本重組(附註x)	(2,013,525)	(20,135)
At 31 December 2012	於二零一二年十二月三十一日	<b>105,975</b>	<b>1,060</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 29. SHARE CAPITAL (Continued)

Notes:

- (i) On 28 January 2011, the Company allotted and issued 1,847,245,240 shares by way of rights issue at a subscription price of HK\$0.22 per rights share on the basis of twenty rights share for every share held on 7 January 2011.
- (ii) On 31 March 2011, share options for 9,230,000 of HK\$0.1 each were exercised at the exercise price of HK\$0.182.
- (iii) On 12 April 2011, 18,470,000 new ordinary shares of the Company of HK\$0.1 each were issued by subscription pursuant to the subscription agreement dated 30 March 2011 entered into between the Company and an individual third party, at a price of HK\$0.16 per share.
- (iv) On 4 August 2011, 750,000,000 new ordinary share of the Company of HK\$0.1 each were issued by placing pursuant to the placing agreement dated 4 May 2011, the placing price was HK\$0.145 per share. The placing price was amended to HK\$0.1 per share pursuant to the supplement placing agreement dated 28 June 2011.
- (v) Pursuant to special resolution passed on 23 December 2011, the Company's every 5 issued and unissued shares of par value of HK\$0.10 each are consolidated into 1 consolidated share of par value of HK\$0.50 each. Immediately following share consolidation, the nominal value of each issued consolidated share was reduced from par value of HK\$0.50 each to par value of HK\$0.01 each by cancellation of the paid-up capital to the extent of HK\$0.49 on each issued consolidated share ("First Capital Reorganisation"). Details of the First Capital Reorganisation are disclosed in the circular issued by the Company on 30 November 2011. First Capital Reorganisation was effective on 19 March 2012 upon the approval by the Court of Cayman Islands on 9 March 2012. Thus, the share capital of the Company was decreased by approximately HK\$266,296,000.

### 29. 股本(續)

附註：

- (i) 於二零一一年一月二十八日，本公司以供股方式按於二零一一年一月七日每持有一股股份可獲發二十股供股股份之基準以認購價每股供股股份0.22港元配發及發行1,847,245,240股股份。
- (ii) 於二零一一年三月三十一日，以行使價0.182港元行使9,230,000份每股面值0.1港元之購股權。
- (iii) 於二零一一年四月十二日，本公司根據本公司及獨立第三方訂立之日期為二零一一年三月三十日之認購協議以認購方式按每股股份0.16港元之價格發行18,470,000股每股面值0.1港元之新普通股。
- (iv) 於二零一一年八月四日，本公司透過根據日期為二零一一年五月四日之配售協議以配售方式發行750,000,000股每股面值0.1港元之新普通股，配售價為每股0.145港元。配售價根據日期為二零一一年六月二十八日之補充配售協議修訂為每股0.1港元。
- (v) 根據二零一一年十二月二十三日通過之特別決議案，本公司每5股每股面值0.10港元之已發行及未發行股份被合併為1股每股面值0.50港元之合併股份。緊隨股份合併後，透過將每股已發行合併股份之繳足股本註銷0.49港元，每股已發行合併股份之面值由每股面值0.50港元減少至每股面值0.01港元（「首次資本重組」）。本公司已於二零一一年十一月三十日刊發之通函披露有關首次資本重組之詳情。首次資本重組經開曼群島法院於二零一二年三月九日批准後自二零一二年三月十九日起生效。因此，本公司股本減少約266,296,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 29. SHARE CAPITAL (Continued)

Notes: (Continued)

- (vi) Pursuant to special resolution passed on 23 December 2011, each of the Company's authorized but unissued shares of par value HK\$0.10 each were subdivided into ten shares of par value of HK\$0.01 each ("Share Subdivision"). The Share Subdivision is effective on 19 March 2012, the authorized share capital of the Company was divided into 100,000,000,000 shares of HK\$0.01 each. Details of Share Subdivision are disclosed in the circular issued by the Company on 30 November 2011.
- (vii) On 2 May 2012, the Company allotted and issued 1,086,923,000 shares by way of rights issue at a subscription price of HK\$0.1 per rights share on the basis of two rights shares for every one share then held.
- (viii) On 29 June 2012, 326,076,900 new ordinary shares of the Company of HK\$0.01 each were issued to individual third parties by placing pursuant to the placing agreement dated 22 June 2012 at a price of HK\$0.066 per share.
- (ix) On 9 July 2012, share options for 163,038,450 of HK\$0.01 each were exercised at the exercise price of HK\$0.07.
- (x) Pursuant to special resolution passed on 6 August 2012, the Company carried out a share consolidation involving every 20 shares of par value of HK\$0.01 each be consolidated into 1 consolidated share of par value of HK\$0.20 each. A capital reduction whereby upon this share consolidation becoming effective, the nominal value of all the issued consolidated share was reduced from HK\$0.20 each to HK\$0.01 each, and the issued and paid up capital of the Company was cancelled to the extent of HK\$0.19 per consolidated share in issue ("Second Capital Reorganisation"). Details of Second Capital Reorganisation are disclosed in the circular issued by the Company on 13 July 2012. Second Capital Reorganisation was effective on 31 October 2012 upon the approval by the Court of Cayman Islands on 26 October 2012. Thus, the share capital of the Company was decreased by approximately HK\$20,135,000.

All the shares issued during the year ended 31 December 2012 and 2011 rank pari passu with the existing shares of the Company in all respect.

### 29. 股本(續)

附註：(續)

- (vi) 根據二零一一年十二月二十三日通過之特別決議案，本公司每股面值0.10港元之法定但未發行之股份被拆細為十股每股面值0.01港元之股份（「股份拆細」）。股份拆細自二零一二年三月十九日起生效，本公司之法定股本被分為100,000,000,000股每股0.01港元之股份。本公司已於二零一一年十一月三十日刊發之通函披露有關股份拆細之詳情。
- (vii) 於二零一二年五月二日，本公司以供股方式按於當時每持有一股股份可獲發兩股供股股份之基準以認購價每股供股股份0.1港元配發及發行1,086,923,000股股份。
- (viii) 於二零一二年六月二十九日，本公司根據日期為二零一二年六月二十二日之配售協議，以配售方式按每股股份0.066港元之價格向獨立第三方發行326,076,900股每股面值0.01港元之新普通股。
- (ix) 於二零一二年七月九日，以行使價0.07港元行使163,038,450份每股面值0.01港元之購股權。
- (x) 根據二零一二年八月六日通過之特別決議案，本公司進行股份合併，將每20股每股面值0.01港元之股份合併為1股每股面值0.20港元之合併股份。因該股份合併而致之股本削減生效後，所有已發行合併股份之面值由每股0.20港元減少至每股0.01港元，而本公司之已發行繳足股本按每股已發行合併股份注銷0.19港元之方式進行註銷（「第二次資本重組」）。本公司已於二零一二年七月十三日刊發之通函披露有關第二次資本重組之詳情。第二次資本重組經開曼群島法院於二零一二年十月二十六日批准後自二零一二年十月三十一日起生效。因此，本公司股本減少約20,135,000港元。

截至二零一二年及二零一一年十二月三十一日止年度內所有已發行股份在所有方面與本公司現有股份享有同等地位。

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For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 30. SHARE-BASED PAYMENTS

#### Equity-settled share option scheme

Upon passing of an ordinary resolution on 17 December 2012, the Company adopted a new share option scheme and whereupon the old share option scheme adopted on 30 May 2003 was terminated. The primary purpose of granting share options is to provide incentives to participants, including executive directors of the Company and its subsidiaries. Under the share option scheme of the Company, the Board of Directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

The following table discloses movements in the Company's share options during the year:

Category of participants 參與者分類	Date of share options granted 授出購股權日期 (note i) (附註i)	Number of share options as at 1 January 2011	Number of share options granted during the period	Number of share options exercised during the period	Number of share options adjusted during the period	Number of share options lapsed during the period	No. of share options as at 1 January 2012	Number of share options granted during the period	Number of share options exercised during the period	Number of share options adjusted during the period	Number of share options outstanding as at 31 December 2012	Exercise price per share option 每股購股權之行使價 HK\$ 港元	
		於二零一一年一月一日之購股權數目	於二零一一年一月一日之授出之購股權數目	於二零一一年一月一日之行使之購股權數目	於二零一一年一月一日之經調整之購股權數目	於二零一一年一月一日之期內失效之購股權數目	於二零一二年一月一日之購股權數目	於二零一二年一月一日之授出之購股權數目	於二零一二年一月一日之行使之購股權數目	於二零一二年一月一日之經調整之購股權數目	於二零一二年十二月三十一日尚未行使之購股權數目		Exercise period 行使期間
<b>Directors</b> <b>董事</b>													
Wong Yin Sen 王彥宸	9 January 2008 二零零八年一月九日	43,912	—	—	216,354	—	260,266	—	—	(257,007)	3,259	11 January 2008 to 10 January 2013 二零零八年一月 十一日至二零一三年 一月十日 (note vi) (附註vi)	275,958 (note vi) (附註vi)
Hon Lik 韓力	9 January 2008 二零零八年一月九日	43,912	—	—	216,354	—	260,266	—	—	(257,007)	3,259	4 February 2008 to 3 February 2013 二零零八年二月 四日至二零一三年 二月三日 (note vi) (附註vi)	275,958 (note vi) (附註vi)
Wong Hai Lin (note ii) 王希年 (附註ii)	9 January 2008 二零零八年一月九日	43,912	—	—	216,354	(260,266)	—	—	—	—	—	4 February 2008 to 3 February 2013 二零零八年二月 四日至二零一三年 二月三日 (note vi) (附註vi)	275,958 (note vi) (附註vi)

### 30. 以股份為基礎之付款

#### 以股權結算之購股權計劃

於二零一二年十二月十七日通過一項普通決議案後，本公司採納一項新購股權計劃，據此，於二零零三年五月三十日採納的舊購股權計劃予以終止。授予購股權的主要目的是向參與者(包括本公司及其附屬公司的執行董事)提供獎勵。根據本公司的購股權計劃，本公司董事可向合資格僱員(包括本公司及其附屬公司董事)授出購股權，以認購本公司股份。

下表披露本公司年內購股權之變動：



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For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 30. SHARE-BASED PAYMENTS (Continued)

#### Equity-settled share option scheme (Continued)

Category of participants 參與者分類	Date of share options granted 授出購股權日期 (note i) (附註i)	Number of	Number of	Number of	Number of	Number of	No. of	Number of	Number of	Number of	Number of	Exercise price per share option 每股購股權之行使價 HK\$ 港元	
		share options as at 1 January 2011 購股權數目	share options granted during the period 購股權數目	share options exercised during the period 購股權數目	share options adjusted during the period 購股權數目	share options lapsed during the period 購股權數目	share options as at 1 January 2012 購股權數目	share options granted during the period 購股權數目	share options exercised during the period 購股權數目	share options adjusted during the period 購股權數目	share options outstanding as at 31 December 2012 購股權數目		
Pang Hong (note ii) 龐鴻 (附註ii)	9 January 2008 二零零八年一月九日	29,275	—	—	144,238	—	173,513	—	—	(171,341)	2,172	14 January 2008 to 13 January 2013 二零零八年一月 十四日至二零一三年 一月十三日	275,958 (note vi) (附註vi)
Cheung Kwan Hung (note ii) 張鈞鴻 (附註ii)	9 January 2008 二零零八年一月九日	29,275	—	—	144,238	—	173,513	—	—	(171,341)	2,172	11 January 2008 to 10 January 2013 二零零八年一月 十一日至二零一三年 一月十日	275,958 (note vi) (附註vi)
Ding Xun (note ii) 丁迅 (附註ii)	9 January 2008 二零零八年一月九日	29,275	—	—	144,238	—	173,513	—	—	(171,341)	2,172	22 January 2008 to 21 January 2013 二零零八年 一月二十二日至 二零一三年一月二十一日	275,958 (note vi) (附註vi)
		219,561	—	—			1,041,071				13,034		

### 30. 以股份為基礎之付款(續)

#### 以股權結算之購股權計劃(續)

Category of participants 參與者分類	Date of share options granted 授出購股權日期 (note i) (附註i)	Number of	Number of	Number of	Number of	Number of	No. of	Number of	Number of	Number of	Number of	Exercise price per share option 每股購股權之行使價 HK\$ 港元	
		share options as at 1 January 2011 購股權數目	share options granted during the period 購股權數目	share options exercised during the period 購股權數目	share options adjusted during the period 購股權數目	share options lapsed during the period 購股權數目	share options as at 1 January 2012 購股權數目	share options granted during the period 購股權數目	share options exercised during the period 購股權數目	share options adjusted during the period 購股權數目	share options outstanding as at 31 December 2012 購股權數目		
Pang Hong (note ii) 龐鴻 (附註ii)	9 January 2008 二零零八年一月九日	29,275	—	—	144,238	—	173,513	—	—	(171,341)	2,172	14 January 2008 to 13 January 2013 二零零八年一月 十四日至二零一三年 一月十三日	275,958 (note vi) (附註vi)
Cheung Kwan Hung (note ii) 張鈞鴻 (附註ii)	9 January 2008 二零零八年一月九日	29,275	—	—	144,238	—	173,513	—	—	(171,341)	2,172	11 January 2008 to 10 January 2013 二零零八年一月 十一日至二零一三年 一月十日	275,958 (note vi) (附註vi)
Ding Xun (note ii) 丁迅 (附註ii)	9 January 2008 二零零八年一月九日	29,275	—	—	144,238	—	173,513	—	—	(171,341)	2,172	22 January 2008 to 21 January 2013 二零零八年 一月二十二日至 二零一三年一月二十一日	275,958 (note vi) (附註vi)
		219,561	—	—			1,041,071				13,034		

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## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 30. SHARE-BASED PAYMENTS (Continued)

#### Equity-settled share option scheme (Continued)

Category of participants 參與者分類	Date of share options granted 授出購股權日期 (附註)	Number of share options as at 1 January 2011	Number of share options granted during the period	Number of share options exercised during the period	Number of share options adjusted during the period	Number of share options lapsed during the period	No. of share options as at 1 January 2012	Number of share options granted during the period	Number of share options exercised during the period	Number of share options adjusted during the period	Number of outstanding share options as at 31 December 2012	Exercise price per share option 每份購股權之行使價 HK\$ 港元	
		於二零一一年一月一日之購股權數目 (附註)	於二零一一年一月一日之授出之購股權數目	於二零一一年一月一日之行使之購股權數目	於二零一一年一月一日之經調整之購股權數目 (附註iv)	於二零一一年一月一日之期內失效之購股權數目	於二零一二年一月一日之購股權數目	於二零一二年一月一日之授出之購股權數目	於二零一二年一月一日之行使之購股權數目	於二零一二年一月一日之經調整之購股權數目 (附註v)	於二零一二年十二月三十一日尚未行使之購股權數目		Exercise period 行使期間
Employees (in aggregate) 僱員 (總計)	9 January 2008 二零零八年一月九日	661,616	—	—	3,259,783	(867,565)	3,053,834	—	—	(3,015,601)	38,233	6 February 2008 to 5 February 2013 二零零八年二月六日至二零一三年二月五日	275,958 (note vi) (附註vi)
	18 February 2008 二零零八年二月十八日	29,275	—	—	144,238	—	173,513	—	—	(171,341)	2,172	17 March 2008 to 16 March 2013 二零零八年三月十七日至二零一三年三月十六日	322,364 (note vi) (附註vi)
	28 February 2008 二零零八年二月二十八日	117,100	—	—	576,952	(347,026)	347,026	—	—	(342,681)	4,345	27 March 2008 to 26 March 2013 二零零八年三月二十七日至二零一三年三月二十六日	322,364 (note vi) (附註vi)
	5 June 2008 二零零八年六月五日	58,550	—	—	288,476	—	347,026	—	—	(342,681)	4,345	3 July 2008 to 2 July 2013 二零零八年七月三日至二零一三年七月二日	285,144 (note vi) (附註vi)
	20 November 2009 二零零九年十一月二十日	146,375	—	—	721,190	—	867,565	—	—	(856,703)	10,862	20 November 2009 to 19 November 2013 二零零九年十一月二十日至二零一三年十一月十九日	77,077 (note vi) (附註vi)
		1,012,916					4,788,964				59,957		

### 30. 以股份為基礎之付款 (續)

#### 以股權結算之購股權計劃 (續)

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## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 30. SHARE-BASED PAYMENTS (Continued)

#### Equity-settled share option scheme (Continued)

Category of participants 參與者分類	Date of share options granted 授出購股權日期 (note i) (附註i)	Number of share options as at 1 January 2011	Number of share options granted during the period	Number of share options exercised during the period	Number of share options adjusted during the period	Number of share options lapsed during the period	No. of share options as at 1 January 2012	Number of share options granted during the period	Number of share options exercised during the period	Number of share options adjusted during the period	Number of share options outstanding as at 31 December 2012	Exercise price per share option 每股購股權之行使價 HK\$ 港元	
		於二零一一年一月一日之購股權數目	期內授出之購股權數目	期內行使之購股權數目	經調整之購股權數目 (note iv) (附註iv)	期內失效之購股權數目	於二零一二年一月一日之購股權數目	期內授出之購股權數目	期內行使之購股權數目	經調整之購股權數目 (note v) (附註v)	於二零一二年十二月三十一日尚未行使之購股權數目		Exercise period 行使期間
Others (note iii) 其他 (附註iii)	6 May 2008 二零零八年五月六日	58,550	—	—	288,476	—	347,026	—	—	(342,681)	4,345	3 June 2008 to 2 June 2013 二零零八年六月三日至二零一三年六月二日	280,831 (note v) (附註v)
	30 March 2009 二零零九年三月三十日	439,125	—	—	2,163,569	—	2,602,694	—	—	(2,570,108)	32,586	30 March 2009 to 29 March 2013 二零零九年三月三十日至二零一三年三月二十九日	184,345 (note v) (附註v)
	31 March 2011 (note vii) 二零一一年三月三十一日 (附註vii)	—	9,230,000	(9,230,000)	—	—	—	—	—	—	—	31 March 2012 to 30 March 2016 二零一二年三月三十一日至二零一六年三月三十日	0.182
	9 July 2012 (note vii) 二零一二年七月九日 (附註vii)	—	—	—	—	—	—	163,038,450	(163,038,450)	—	—	9 July 2012 to 8 July 2017 二零一二年七月九日至二零一七年七月八日	0.07
		497,675					2,949,720				36,931		
Total 總額		1,730,152					8,779,755				109,922		
Exercisable at the end of the year 年終可行使		1,730,152					8,779,755				109,922		
Weighted average exercise price (HK\$) 加權平均行使價 (港元)							2.929				232.454		

### 30. 以股份為基礎之付款(續)

#### 以股權結算之購股權計劃(續)

Category of participants 參與者分類	Date of share options granted 授出購股權日期 (note i) (附註i)	Number of share options as at 1 January 2011	Number of share options granted during the period	Number of share options exercised during the period	Number of share options adjusted during the period	Number of share options lapsed during the period	No. of share options as at 1 January 2012	Number of share options granted during the period	Number of share options exercised during the period	Number of share options adjusted during the period	Number of share options outstanding as at 31 December 2012	Exercise price per share option 每股購股權之行使價 HK\$ 港元	
		於二零一一年一月一日之購股權數目	期內授出之購股權數目	期內行使之購股權數目	經調整之購股權數目 (note iv) (附註iv)	期內失效之購股權數目	於二零一二年一月一日之購股權數目	期內授出之購股權數目	期內行使之購股權數目	經調整之購股權數目 (note v) (附註v)	於二零一二年十二月三十一日尚未行使之購股權數目		Exercise period 行使期間
Others (note iii) 其他 (附註iii)	6 May 2008 二零零八年五月六日	58,550	—	—	288,476	—	347,026	—	—	(342,681)	4,345	3 June 2008 to 2 June 2013 二零零八年六月三日至二零一三年六月二日	280,831 (note v) (附註v)
	30 March 2009 二零零九年三月三十日	439,125	—	—	2,163,569	—	2,602,694	—	—	(2,570,108)	32,586	30 March 2009 to 29 March 2013 二零零九年三月三十日至二零一三年三月二十九日	184,345 (note v) (附註v)
	31 March 2011 (note vii) 二零一一年三月三十一日 (附註vii)	—	9,230,000	(9,230,000)	—	—	—	—	—	—	—	31 March 2012 to 30 March 2016 二零一二年三月三十一日至二零一六年三月三十日	0.182
	9 July 2012 (note vii) 二零一二年七月九日 (附註vii)	—	—	—	—	—	—	163,038,450	(163,038,450)	—	—	9 July 2012 to 8 July 2017 二零一二年七月九日至二零一七年七月八日	0.07
		497,675					2,949,720				36,931		
Total 總額		1,730,152					8,779,755				109,922		
Exercisable at the end of the year 年終可行使		1,730,152					8,779,755				109,922		
Weighted average exercise price (HK\$) 加權平均行使價 (港元)							2.929				232.454		

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For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 30. SHARE-BASED PAYMENTS (Continued)

#### Equity-settled share option scheme (Continued)

Notes:

- (i) There is no vesting period for the share options granted except for 21,600,000 share options granted during 2008 are subject to a vesting period of three stages with 33.33% of such options granted becoming exercisable on the first anniversary, another 33.33% becoming exercisable on the second anniversary and the remaining 33.34% becoming exercisable on the third anniversary of the respective dates on which the options were accepted.
- (ii) Mr. Cheung Kwan Hung and Mr. Ding Xun resigned as an independent non-executive director on 28 June 2010. Mr. Wong Hei Lin resigned as an executive director on 7 July 2011, Mr. Pang Hong resigned as an independent non-executive director on 29 February 2012.
- (iii) These are individuals who rendered consultancy services in respect of management of the Ruyan atomizing cigarettes and securities investment to the Group. The Group granted share options to them for recognising their services similar to those rendered by other employees. The consultancy services rendered by the consultants include, among others, coordination of potential investment projects and advise on potential acquisition and corporate exercises. In the opinion of the directors, the consultancy services rendered by the consultants are similar to those rendered by the employees. Therefore, the fair value of the share options granted to the consultants was measured by the same accounting policies as that of the employees in accordance with HKFRS 2.
- (iv) The numbers of share options were adjusted immediately after the completion of the rights issue on 28 January 2011.

### 30. 以股份為基礎之付款(續)

#### 以股權結算之購股權計劃(續)

附註：

- (i) 授出之購股權並無歸屬期，惟於二零零八年授出之21,600,000份購股權於購股權獲接納之各自日期起分三期行使：33.33%授出之有關購股權於第一週年可行使，另外33.33%授出之有關購股權於第二週年可行使，而其餘33.34%於第三週年可行使。
- (ii) 張鈞鴻先生及丁迅先生已於二零一零年六月二十八日辭任獨立非執行董事。王希年先生於二零一一年七月七日辭任執行董事，而龐鴻先生於二零一二年二月二十九日辭任獨立非執行董事。
- (iii) 該等人士為就如煙霧化煙管理及證券投資向本集團提供諮詢服務之人士。本集團確認因彼等提供類似其他僱員提供之服務而向彼等授出購股權。該等顧問提供之諮詢服務包括（其中包括）協調潛在投資項目及就潛在收購和企業開支提供意見。董事認為，顧問提供之諮詢服務類似僱員提供之服務。因此，授予顧問購股權之公平值根據香港財務報告準則第2號按照適用於僱員之相同會計政策計量。
- (iv) 購股權數目於二零一一年一月二十八日供股完成後即時調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 30. SHARE-BASED PAYMENTS (Continued)

#### Equity-settled share option scheme (Continued)

Notes: (Continued)

- (v) The numbers of share options were adjusted upon the (i) share consolidations on 19 March 2012 and 31 October 2012 respectively; and (ii) completion of the rights issue on 2 May 2012.
- (vi) The exercise price per share option were adjusted upon the (i) share consolidations on 19 March 2012 and 31 October respectively; and (ii) completion of rights issue on 28 January 2011 and 2 May 2012 respectively.
- (vii) The weighted average closing price of the shares immediately before 31 March 2011 on which the options were exercised was HK\$0.182 per share. The closing price of the Company's shares immediately before 31 March 2011, the date of grant of the share options was HK\$0.182 per share.
- (viii) The weighted average closing price of the shares immediately before 9 July 2012 on which the options were exercised was HK\$0.07 per share. The closing price of the Company's shares immediately before 9 July 2012, the date of grant of the share options was HK\$0.07 per share.

### 30. 以股份為基礎之付款(續)

#### 以股權結算之購股權計劃(續)

附註：(續)

- (v) 購股權數目於(i)股份分別於二零一二年三月十九日及二零一二年十月三十一日合併；及(ii)供股於二零一二年五月二日完成時調整。
- (vi) 每份購股權行使價均在(i)股份分別於二零一二年三月十九日及二零一二年十月三十一日合併；及(ii)供股分別於二零一一年一月二十八日及二零一二年五月二日完成時調整。
- (vii) 緊接二零一一年三月三十一日購股權行使前的股份加權平均收市價為每股0.182港元。緊接購股權之授出日期二零一一年三月三十一日前，本公司股份之收市價為每股0.182港元。
- (viii) 緊接二零一二年七月九日購股權行使前的股份加權平均收市價為每股0.07港元。緊接購股權之授出日期二零一二年七月九日前，本公司股份之收市價為每股0.07港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 30. SHARE-BASED PAYMENTS (Continued)

#### Equity-settled share option scheme (Continued)

The fair value of options determined at 9 July 2012 and 31 March 2011 using the Binomial Option Pricing Model were approximately HK\$1,678,000 and HK\$783,000 respectively.

The following assumptions were used to calculate the fair values of share options:

		9.7.2012 二零一二年 七月九日	31.3.2011 二零一一年 三月三十一日
Grant date share price	授出日股價	HK\$0.07港元	HK\$0.182港元
Exercise price	行使價	HK\$0.07港元	HK\$0.182港元
Option life	購股權年期	5 years年	5 years年
Expected volatility	預期波幅	52%	81%
Dividend yield	股息率	—	—
Risk-free interest rate	無風險利率	0.11%	1.845%

The Binomial Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

At the end of the reporting period, the Group revised its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in the profit and loss, with a corresponding adjustment to the share options reserve.

During the Year, an amount of share-based payment expenses in respect of its share options of HK\$1,678,000 (2011: HK\$783,000) has been recognised in the consolidated statement of comprehensive income with a corresponding adjustment recognised in the Group's share option reserve.

### 30. 以股份為基礎之付款(續)

#### 以股權結算之購股權計劃(續)

於二零一二年七月九日及二零一一年三月三十一日採二項式期權定價模式釐定之購股權公平值分別約為1,678,000港元及783,000港元。

在計算購股權公平值時運用了以下假設：

	9.7.2012 二零一二年 七月九日	31.3.2011 二零一一年 三月三十一日
授出日股價	HK\$0.07港元	HK\$0.182港元
行使價	HK\$0.07港元	HK\$0.182港元
購股權年期	5 years年	5 years年
預期波幅	52%	81%
股息率	—	—
無風險利率	0.11%	1.845%

二項式期權定價模式乃用於估計購股權之公平值。在計算購股權之公平值時所使用之數據及假設乃根據董事之最佳估計而作出。購股權之價值亦視乎若干主觀假設之不同數據而不同。

於報告期末，本集團修訂對預計最終歸屬購股權數目之估計。修正估計產生之影響(如有)將於損益確認，購股權儲備亦相應調整。

本年度內，就購股權以股份為基礎付款之支出1,678,000港元(二零一一年：783,000港元)已於綜合全面收益表確認，其相應調整則於本集團購股權儲備確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 31. ACQUISITION OF SUBSIDIARIES

#### Acquisition of CTL

In May 2011, NWHL entered a sale and purchase agreement to (i) acquire the entire issued share capital in and the shareholder's loan to CTL; and (ii) in August 2011 enter into an option agreement as disclosed in note 26, at a total consideration of HK\$117,000,000 by cash, of which HK\$123,270,000 representing CTL's assets acquired and liabilities recognised and HK\$6,270,000 representing Call Option and Put Option acquired. CTL is an investment holding company and its subsidiaries are principally engaged in property investment in Hong Kong. The Acquisition is completed on Date of Completion.

CTL's assets acquired and liabilities recognised at the Date of Completion are as follows:

		HK\$'000 千港元
Investment property	投資物業	151,009
Deposits and prepayments	按金及預付款項	350
Bank balances and cash	銀行結餘及現金	57
Deposits received	已收按金	(127)
Bank borrowing	銀行借款	(28,019)
		123,270
Net cash outflow arising on acquisition:	收購產生的現金流出淨額：	
Cash consideration paid	已付現金代價	117,000
Less: Bank balances and cash acquired	減：所收購銀行結餘及現金	(57)
		116,943

### 31. 收購附屬公司

#### 收購CTL

二零一一年五月，NWHL訂立買賣協議以(i)收購CTL全部已發行股本及其股東貸款；及(ii)於二零一一年八月訂立期權協議在附註26中披露，總現金代價為117,000,000港元，其中123,270,000港元為所收購CTL資產及所確認負債，而6,270,000港元為所收購認購期權及認沽期權。CTL為投資控股公司，其附屬公司主要於香港從事物業投資。收購於完成日期完成。

於完成日期所收購CTL資產及所確認負債如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 31. ACQUISITION OF SUBSIDIARIES (Continued)

#### Acquisition of Charm Action Group Limited ("Charm Action")

On 21 February 2011, Ruyan International Limited, a wholly-owned subsidiary of the Group, acquired the entire issued share capital of Charm Action at a consideration of HK\$10,000,000 by cash from an independent third party. The acquisition has been accounted for using the purchase method.

Assets acquired and liabilities recognised at the date of acquisition are as follows:

		HK\$'000 千港元
Inventories	存貨	972
Other receivables	其他應收款項	47
Other payables	其他應付款項	(5,213)
Other borrowings	其他借款	(1,558)
		(5,752)
Goodwill	商譽	15,752
Total consideration	總代價	10,000
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	10,000

In the opinion of the directors of the Company, the Group would like to restart distribution of Ruyan atomizing cigarettes in the United States. Management considers that Charm Action is an appropriate company to acquire because Charm Action and its subsidiary, has existing distribution network in the United States. Thus, management agreed with the vendor to acquire Charm Action in February 2011 at HK\$10 million.

Goodwill arose in the acquisition of Charm Action because the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development in the United States. These benefits are not recognised separately from goodwill because they do not meet recognition criteria for identifiable intangible assets.

### 31. 收購附屬公司(續)

#### 收購 Charm Action Group Limited (「Charm Action」)

於二零一一年二月二十一日，本集團全資附屬公司Ruyan International Limited以現金代價10,000,000港元向獨立第三方收購Charm Action的全部已發行股本。收購按購買法入賬。

於收購日期所收購資產及所確認負債如下：

		HK\$'000 千港元
Inventories	存貨	972
Other receivables	其他應收款項	47
Other payables	其他應付款項	(5,213)
Other borrowings	其他借款	(1,558)
		(5,752)
Goodwill	商譽	15,752
Total consideration	總代價	10,000
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	10,000

本公司董事認為，本集團將重新於美國分銷如煙霧化煙。由於Charm Action及其附屬公司於美國擁有分銷網絡，管理層認為適宜收購Charm Action，故管理層同意於二零一一年二月以代價10,000,000港元向賣方收購Charm Action。

由於收購已付代價實際包括有關預期協同效應利益、收益增長及美國未來市場發展之款項，故收購Charm Action產生商譽。由於該等利益不符合可識別無形資產之確認標準，故並不獨立於商譽確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 31. ACQUISITION OF SUBSIDIARIES (Continued)

#### Acquisition of Charm Action Group Limited (“Charm Action”) (Continued)

Included in the loss for the year ended 31 December 2011 is HK\$33,000 incurred by Charm Action and its subsidiary. No revenue for the year ended 31 December 2011 contributed from Charm Action.

### 32. DISPOSAL OF A SUBSIDIARY

#### Disposal of Charm Action

In early October 2011, management reassessed that benefits from the acquisition of Charm Action is less than original expectation. Management decided to streamline its business in the PRC and Hong Kong thus considered the disposal of Charm Action.

On 31 October 2011, Ruyan International Limited disposed of the entire issued share capital of Charm Action at a consideration of HK\$100 by cash to another independent third party. The net liabilities of Charm Action and its subsidiary at the date of disposal were as follows:

### 31. 收購附屬公司(續)

#### 收購 Charm Action Group Limited (「Charm Action」)(續)

截至二零一一年十二月三十一日止年度之虧損包括 Charm Action 及其附屬公司應計虧損 33,000 港元。截至二零一一年十二月三十一日止年度並無自 Charm Action 獲得收益。

### 32. 出售附屬公司

#### 出售 Charm Action

於二零一一年十月初，管理層重估收購 Charm Action 所得利潤較預期者低，管理層決定整合中國及香港業務，故考慮出售 Charm Action。

於二零一一年十月三十一日，Ruyan International Limited 以現金代價 100 港元向另一獨立第三方出售 Charm Action 全部已發行股本。Charm Action 及其附屬公司於出售日期之負債淨額如下：

		HK\$'000 千港元
Net liabilities disposed of:	出售以下各項之負債淨額：	
Goodwill	商譽	15,752
Inventories	存貨	972
Other receivables	其他應收款項	67
Other payables	其他應付款項	(5,266)
Other borrowings	其他借款	(1,558)
		9,967
Cash consideration	現金代價	—
Loss on disposal of a subsidiary	出售附屬公司之虧損	9,967

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 32. DISPOSAL OF A SUBSIDIARY (Continued)

#### Disposal of Charm Action (Continued)

The impact of Charm Action on the Group's results and cash flows for the year ended 31 December 2011 is shown as follows:

The loss for the year ended 31 December 2011 from the disposal is analysis as follows:

		HK\$'000 千港元
Loss from the operation of Charm Action (included in administrative expenses)	經營 Charm Action 產生的虧損 (包括在行政開支內)	33
Loss on disposal of Charm Action	出售 Charm Action 的虧損	9,967
		10,000

During the year ended 31 December 2011, Charm Action incurred loss of HK\$33,000 to the Group's net operating cash flows.

### 32. 出售附屬公司(續)

#### 出售 Charm Action(續)

Charm Action 對本集團截至二零一一年十二月三十一日止年度之業績及現金流量的影響如下：

截至二零一一年十二月三十一日止年度，出售產生的虧損分析如下

		HK\$'000 千港元
Loss from the operation of Charm Action (included in administrative expenses)	經營 Charm Action 產生的虧損 (包括在行政開支內)	33
Loss on disposal of Charm Action	出售 Charm Action 的虧損	9,967
		10,000

截至二零一一年十二月三十一日止年度，Charm Action 產生 33,000 港 元 虧損，計入本集團經營現金流量淨額。

### 33. CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided in the consolidated financial statements in respect of	就以下項目之已訂約但未於綜合財務報表中撥備之資本開支			
– acquisition of intangible assets	– 收購無形資產	—	317	
– acquisition of property, plant and equipment	– 收購物業、廠房及設備	2,698	—	

		2,698	317	
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### 33. 資本承擔

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
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# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 34. OPERATING LEASES

#### The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments in respect of rented premises which fall due as follows:

		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	3,138	4,494
In the second to fifth year	第二至五年	390	461
		<b>3,528</b>	<b>4,955</b>

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases are negotiated for six years and rentals are fixed for two years.

#### The Group as lessor

All of the properties held have committed tenants for five years.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		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	4,920	4,200
In second to fifth year inclusive	第二至五年(包括首尾兩年)	11,178	15,050
		<b>16,098</b>	<b>19,250</b>

### 34. 經營租賃

#### 本集團作為承租人

本集團於報告期末就租用物業日後須承擔最低租金載列如下：

		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	3,138	4,494
In the second to fifth year	第二至五年	390	461
		<b>3,528</b>	<b>4,955</b>

經營租金為本集團租用其若干辦公室而應付租金。租期協定為六年，兩年租金固定。

#### 本集團作為出租人

所持所有物業五年內均有承諾租戶。

於報告期末，本集團已與租戶就下列日後最低租金訂約：

		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	4,920	4,200
In second to fifth year inclusive	第二至五年(包括首尾兩年)	11,178	15,050
		<b>16,098</b>	<b>19,250</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 35. RETIREMENT BENEFITS SCHEMES

The Group operates a mandatory provident fund scheme (the "Scheme") for all qualifying employees of the Group in Hong Kong. The assets of the Scheme are held separately from those of the Group, in funds under the control of the trustees. During the year, contributions made by the Group to the Scheme amounted HK\$431,000 (2011: HK\$362,000).

The employees of the subsidiaries in the PRC are members of retirement benefits schemes operated by the PRC government. The relevant PRC subsidiaries are required to make contributions to the state retirement schemes in the PRC based on certain percentage of the monthly salaries of their current employees to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specific contributions.

During the year, contributions made by the Group to the state retirement schemes amounted HK\$604,000 (2011: HK\$555,000).

The contributions made by the Group to the Scheme and state retirement schemes are charged to the consolidated statement of comprehensive income when employees have rendered service to the Group.

### 36. RELATED PARTY TRANSACTIONS

The remuneration of directors and other members of key management during the year was as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Short-term benefits	短期福利	4,822	5,363
Post employment benefits	離職後福利	93	80
		<b>4,915</b>	<b>5,443</b>

The remuneration of directors is determined by the remuneration committee having regard to the performance of individuals and market trends.

### 35. 退休福利計劃

本集團為其香港所有合資格僱員設有強制性公積金計劃(「計劃」)。計劃之資產乃由受託人控制之基金持有，並與本集團資產分開。年內，本集團向計劃作出供款431,000港元(二零一一年：362,000港元)。

中國附屬公司之僱員參與中國政府所經辦之退休福利計劃。有關中國附屬公司須按僱員月薪之若干百分比向中國國營退休福利計劃供款以為有關福利提供資金。本集團有關退休福利計劃之唯一責任為作出指定供款。

年內，本集團向國營退休福利計劃作出供款604,000港元(二零一一年：555,000港元)。

本集團向計劃及國營退休福利計劃作出之供款已於僱員向本集團提供服務時在綜合全面收益表內扣除。

### 36. 關連人士交易

董事及其他主要管理人員年內之薪酬如下：

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Short-term benefits	4,822	5,363
Post employment benefits	93	80
	<b>4,915</b>	<b>5,443</b>

董事之薪酬由薪酬委員會考慮個人表現及市場趨勢後釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 37. EVENTS AFTER THE REPORTING PERIOD

On 7 February 2013, the Company completed a rights issue on the basis of one rights share for every share held on the record date at the subscription price of HK\$1.00 per rights share. Net proceeds of approximately HK\$101.83 million were raised.

### 38. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

### 37. 報告期後事項

於二零一三年二月七日，本公司以認購價每股供股股份1.00港元按於記錄日期每持有一股股份獲發一股供股股份之基準完成供股。籌集所得款項淨額約101,830,000港元。

### 38. 有關本公司財務狀況表之資料

有關本公司報告期末財務狀況表之資料包括：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>		
Investments in subsidiaries	投資附屬公司	44,765	—
Amounts due from subsidiaries	應收附屬公司款項	97,440	117,000
		142,205	117,000
<b>Current assets</b>	<b>流動資產</b>		
Deposits and prepayments	按金及預付款項	1,309	1,309
Bank balance and cash	銀行結存及現金	20,715	42,468
		22,024	43,777
<b>Current liabilities</b>	<b>流動負債</b>		
Amounts due to subsidiaries	應付附屬公司賬項	2,022	2,021
Accruals and other payables	應計款項及其他應付賬項	7,038	5,088
Borrowings	借款	—	65,000
		9,060	72,109
<b>Net current assets (liabilities)</b>	<b>流動資產（負債）淨值</b>	12,964	(28,332)
<b>Net assets</b>	<b>資產淨值</b>	155,169	88,668
<b>Capital and reserves</b>	<b>資本及儲備</b>		
Share capital	股本	1,060	271,731
Reserves	儲備	154,109	(183,063)
<b>Total equity</b>	<b>總權益</b>	155,169	88,668

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 38. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued) 38. 有關本公司財務狀況表之資料(續)

		Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Contribution surplus 實繳盈餘 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2011	於二零一一年一月一日	1,219,392	10,180	102,411	(1,362,135)	(30,152)
Loss and total comprehensive expense for the year	年內虧損及 全面開支總額	—	—	—	(366,692)	(366,692)
Issue of new shares upon rights issue	因供股而發行新股份	221,669	—	—	—	221,669
Issue of new shares upon subscription	因認購而發行新股份	1,109	—	—	—	1,109
Issue of new shares upon exercise of share options	因行使購股權而 發行新股份	1,540	(783)	—	—	757
Transaction costs attributable to issue of shares	發行新股應佔 之交易費用	(10,537)	—	—	—	(10,537)
Recognition of equity-settled share-based payment expenses	確認以權益結算並以股份 為基礎之付款支出	—	783	—	—	783
Lapse of share options	購股權失效	—	(1,464)	—	1,464	—
At 31 December 2011	於二零一一年十二月三十一日	1,433,173	8,716	102,411	(1,727,363)	(183,063)
Loss and total comprehensive expense for the year	年內虧損及 全面開支總額	—	—	—	(73,003)	(73,003)
First Capital Reorganisation	首次資本重組	(1,433,173)	—	—	1,699,469	266,296
Issue of new shares upon rights issue	因供股而發行新股份	97,823	—	—	—	97,823
Issue of new shares upon exercise of share options	因行使購股權而 發行新股份	11,460	(1,678)	—	—	9,782
Issue of new shares upon placing	因配售而發行新股份	18,260	—	—	—	18,260
Second Capital Reorganisation	第二次資本重組	—	—	—	20,135	20,135
Transaction costs attributable to issue of shares	發行新股應佔 之交易費用	(3,799)	—	—	—	(3,799)
Recognition of equity-settled share-based payment expenses	確認以權益結算並以股份 為基礎之付款支出	—	1,678	—	—	1,678
At 31 December 2012	於二零一二年十二月三十一日	123,744	8,716	102,411	(80,762)	154,109

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 39. PRIOR YEAR FINANCIAL INFORMATION

During the year ended 31 December 2012, the management has further evaluated the classifications and terminologies of certain balances of the consolidated financial statements. As a result of such evaluation, the management determined that certain reclassification adjustments should be made to achieve better and consistent presentation in the current year's consolidated financial statements. The reconciliations of these adjustments are shown as follows:

Financial statements line item  
財務報表主要項目

Consolidated statement of  
comprehensive income

Other gains and losses	其他收益及虧損
Administrative expenses	行政開支
Other expenses	其他開支

綜合全面收益表

### 39. 過往年度財務資料

於截至二零一二年十二月三十一日止年度，管理層已進一步評估綜合財務報表若干結餘之分類和用字。經這次評估後，管理層決定應作出若干重新分類調整，使本年度綜合財務報表內之呈列更好和更一致。該等調整之對賬列示如下：

As originally

stated	Reclassification	As restated
原先呈列	重新分類	重列
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元

(4,986)	(1,473)	(6,459)
(47,536)	9,632	(37,904)
(4,565)	(8,159)	(12,724)

The adjustments are made regarding the reclassification of legal and professional fees of HK\$9,632,000 from administrative expenses to other expenses and reclassification of allowance of doubtful debts of HK\$1,473,000 from other expenses to other gains and losses.

已作出的調整為法律及專業費用9,632,000港元由行政開支重新分類至其他開支，以及呆賬撥備1,473,000港元由其他開支重新分類至其他收益及虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 40. PRINCIPAL SUBSIDIARIES

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

### 40. 主要附屬公司

下表載列董事認為對本集團之業績或資產具有主要影響之本公司附屬公司。董事認為，提供其他附屬公司之詳情將令篇幅過於冗長。

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operation 註冊成立或註冊/ 營業地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本	Proportion of nominal value of issued capital/ registered capital held by the Company 本公司持有 已發行股本面值/ 註冊資本之百分比		Principal activities 主要業務
			2012 二零一二年 %	2011 二零一一年 %	
Chenlong Group Limited	BVI/Hong Kong 英屬處女群島/香港	US\$20,000 20,000 美元	100	100	Investment holding 投資控股
New Wellon Limited 新華龍有限公司	Hong Kong 香港	HK\$10,000 10,000 港元	100	100	Investment holding 投資控股
Central Town Limited	BVI/Hong Kong 英屬處女群島/香港	US\$1 1 美元	100	100	Investment holding 投資控股
East Champion Limited 億緯有限公司	Hong Kong 香港	HK\$2 2 港元	100	100	Property investment in Hong Kong 於香港之物業投資
Ruyan Group (Hong Kong) Limited 如烟集團(香港)有限公司	Hong Kong 香港	HK\$100 100 港元	100	100	Investment holding 投資控股
Jian New Wellon Ginseng Industry Co., Ltd. ("Jian New Wellon") 集安新華龍參業有限公司 (「集安新華龍」)	PRC 中國	RMB7,000,000 (note a) 人民幣 7,000,000 元 (附註 a)	100	100	Purchase and sales of raw ginseng 採購及銷售原參



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 40. PRINCIPAL SUBSIDIARIES (Continued)

### 40. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operation 註冊成立或註冊/ 營業地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本	Proportion of nominal value of issued capital/ registered capital held by the Company 本公司持有 已發行股本面值/ 註冊資本之百分比		Principal activities 主要業務
			2012 二零一二年 %	2011 二零一一年 %	
Shenyang Chenlong Longevity Ginseng Co., Ltd ("Shenyang Chenlong") 瀋陽辰龍保齡參有限公司 (「瀋陽辰龍」)	PRC 中國	US\$3,705,000 (note b) 3,705,000 美元 (附註 b)	100	100	Processing and sales of a series of health care products 加工及銷售一 系列保健品
Shenyang Jinlong Health Care Products Co., Ltd. ("Shenyang Jinlong") 瀋陽金龍保健品有限公司 (「瀋陽金龍」)	PRC 中國	US\$1,220,000 (note c) 1,220,000 美元 (附註 c)	100	100	Processing and sales of ginseng and related products 加工及銷售人參及 相關產品
Shenyang Jinlong Pharmaceutical Co., Ltd. ("Jinlong Pharmaceutical") 瀋陽金龍藥業有限公司 (「金龍藥業」)	PRC 中國	HK\$20,000,000 (note d) 20,000,000 港元 (附註 d)	100	100	Processing and sales of pharmaceutical products and production of electronics cigarettes components 加工及銷售藥品及 生產電子煙配件
Beijing SBT Ruyan Technology and Development Co., Ltd. ("BJ SBT") 北京賽波特如煙科技發展有限公司 (「北京賽波特」)	PRC 中國	US\$5,000,000 (note f) 5,000,000 美元 (附註 f)	100	100	Research and develop production and sales of Ruyan atomizing cigarettes 研究與開發如煙霧化煙 之生產與銷售

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 40. PRINCIPAL SUBSIDIARIES (Continued)

### 40. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operation 註冊成立或註冊/ 營業地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本	Proportion of nominal value of issued capital/ registered capital held by the Company 本公司持有 已發行股本面值/ 註冊資本之百分比		Principal activities 主要業務
			2012 二零一二年 %	2011 二零一一年 %	
Shenyang SBT Technology and Development Co., Ltd. ("Shenyang SBT") 瀋陽賽波特科技發展有限公司 (「瀋陽賽波特」)	PRC 中國	US\$500,000 (note g) 500,000 美元 (附註 g)	100	100	Research and develop production and sales of Ruyan atomizing cigarettes 研究與開發如煙霧化煙 之生產與銷售
Tianjin SBT Ruyan Technology and Development Corporation ("Tianjin SBT") 天津賽波特如煙科技發展有限公司 (「天津賽波特」)	PRC 中國	HK\$56,000,000 (note h) 56,000,000 港元 (附註 h)	100	100	Research and develop production and sales of Ruyan atomizing cigarettes 研究與開發如煙霧化煙 之生產與銷售
北京埃迪歐亞商貿有限責任公司	PRC 中國	RMB100,000 (note e) 人民幣 100,000 元 (附註 e)	100	100	Sales of Ruyan atomizing cigarettes 銷售如煙霧化煙
北京如煙科技發展有限公司	PRC 中國	US\$749,990 (note i) 749,990 美元 (附註 i)	100	100	Research and develop production and sales of Ruyan atomizing cigarettes 研究與開發如煙霧化煙 之生產與銷售

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 40. PRINCIPAL SUBSIDIARIES (Continued)

None of the subsidiaries had issued any debt securities at the end of the year.

Notes:

- (a) Jian New Wellon is a wholly foreign-owned enterprise for a period of 15 years commencing from 22 June 1998.
- (b) Shenyang Chenlong is a wholly foreign-owned enterprise for a period of 15 years commencing from 7 May 1999.
- (c) Shenyang Jinlong is a sino-foreign equity joint venture for a period of 40 years commencing from 27 November 1992 established under a joint venture agreement with another PRC party who is the former shareholder of Success Century holding the remaining 20% shareholding of Shenyang Jinlong.

Pursuant to an agreement made between the Group and the former shareholder of Success Century during the year 2004, the remaining 20% shareholding of Shenyang Jinlong was transferred to the Group by way of acquisition of Success Century and Shenyang Jinlong became the wholly foreign owned enterprise.

- (d) Jinlong Pharmaceutical is a wholly foreign-owned enterprise for a period of 15 years commencing from 8 June 2001.
- (e) 北京埃迪歐亞商貿有限責任公司 is a wholly foreign-owned enterprise for a period of 20 years commencing from 13 December 2007.
- (f) BJ SBT is wholly foreign-owned enterprises for a period of 10 years commencing from 29 December 2003.

### 40. 主要附屬公司(續)

上述附屬公司於年終均無發行任何債務證券。

附註：

- (a) 集安新華龍為一家外商獨資企業，自一九九八年六月二十二日開始經營，為期十五年。
- (b) 瀋陽辰龍為一家外商獨資企業，自一九九九年五月七日開始經營，為期十五年。
- (c) 瀋陽金龍為本集團根據一份合資協議與另一中方伙伴合資成立之中外合資企業，自一九九二年十一月二十七日開始經營，為期四十年，而該名中方伙伴為持有瀋陽金龍剩餘20%股權之Success Century之前任股東。

根據本集團與Success Century之前任股東於二零零四年訂立之協議，瀋陽金龍剩餘20%股權透過收購Success Century轉讓予本集團，而瀋陽金龍成為一家外商獨資企業。

- (d) 金龍藥業為一家外商獨資企業，自二零零一年六月八日開始經營，為期十五年。
- (e) 北京埃迪歐亞商貿有限責任公司為一家外商獨資企業，自二零零七年十二月十三日開始經營，為期二十年。
- (f) 北京賽波特為外商獨資企業，自二零零三年十二月二十九日起開始經營，為期十年。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 40. PRINCIPAL SUBSIDIARIES (Continued)

Notes: (Continued)

- (g) Shenyang SBT is a wholly foreign-owned enterprise for a period of 12 years commencing from 21 July 2003.
- (h) Tianjin SBT is a wholly foreign-owned enterprise for a period of 10 years commencing from 21 June 2006.
- (i) 北京如煙科技發展有限公司 is a wholly foreign-owned enterprise for a period of 15 years commencing from 29 June 2011.

### 40. 主要附屬公司(續)

附註：(續)

- (g) 瀋陽賽波特為外商獨資企業，自二零零三年七月二十一日起開始經營，為期十二年。
- (h) 天津賽波特為外商獨資企業，自二零零六年六月二十一日起開始經營，為期十年。
- (i) 北京如煙科技發展有限公司為外商獨資企業，自二零一一年六月二十九日起開始經營，為期十五年。

# Financial Summary

## 財務摘要

		Year ended 31 December 截至十二月三十一日止年度				
		2012	2011	2010	2009	2008
		二零一二年	二零一一年	二零一零年	二零零九年	二零零八年
		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
<b>RESULTS</b>	<b>業績</b>					
Turnover	營業額	(1,551)	(232,907)	(61,425)	(137,388)	213,925
Loss before tax	稅前虧損	(63,781)	(313,482)	(232,839)	(441,855)	(147,374)
Income tax expense	所得稅支出	(2,299)	(599)	(492)	(2,052)	(17,270)
Loss for the year	本年度虧損	(66,080)	(314,081)	(233,331)	(443,907)	(164,644)
Attributable to:	應佔：					
Equity holders of the parent	母公司權益持有人	(66,080)	(314,081)	(233,331)	(443,907)	(164,644)

		As at 31 December 於十二月三十一日				
		2012	2011	2010	2009	2008
		二零一二年	二零一一年	二零一零年	二零零九年	二零零八年
		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
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	總資產	394,990	375,323	129,210	271,412	769,861
Total liabilities	總負債	(84,545)	(139,471)	(56,320)	(227,205)	(286,654)
		310,445	235,852	72,890	44,207	483,207
Equity attributable to equity holders of the period	本期間權益持有人應佔權益	310,445	235,852	72,890	44,207	483,207