



AUTO ITALIA

AUTO ITALIA HOLDINGS LIMITED

意達利控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號：720

2012

Annual Report 年報





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Corporate and Investor Information

公司及投資者資料

DIRECTORS

Dr. Richard Man Fai LEE
(Executive Chairman & Chief Executive Officer)
Mr. Jeff Man Bun LEE
Mr. Tik Tung WONG
Mr. William Keith JACOBSEN
Mr. Boon Seng TAN*
Mr. Ying Kwan CHEUNG*
Mr. Peter Pi Tak YIN*
Dr. Antonio Maria SANTOS*

* Independent Non-executive Director ("INED")

AUDIT COMMITTEE

Mr. Ying Kwan CHEUNG (Chairman)
Mr. Boon Seng TAN
Mr. Peter Pi Tak YIN
Dr. Antonio Maria SANTOS

REMUNERATION COMMITTEE

Mr. Boon Seng TAN (Chairman)
Mr. Ying Kwan CHEUNG
Mr. Tik Tung WONG
Dr. Antonio Maria SANTOS

NOMINATION COMMITTEE

Dr. Richard Man Fai LEE (Chairman)
Mr. Tik Tung WONG
Mr. Boon Seng TAN
Mr. Ying Kwan CHEUNG
Mr. Peter Pi Tak YIN
Dr. Antonio Maria SANTOS

COMPANY SECRETARY

Mr. Tik Tung WONG

AUTHORISED REPRESENTATIVES

Dr. Richard Man Fai LEE
Mr. Tik Tung WONG

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

PRINCIPAL OFFICE IN HONG KONG

Room 901, Island Place Tower
510 King's Road
North Point, Hong Kong
Tel: (852) 3605 2388
Fax: (852) 2521 7198

董事

李文輝博士
(執行主席兼行政總裁)
李文彬先生
汪滌東先生
葉偉其先生
陳文生先生*
張應坤先生*
尹彼德先生*
杜東尼博士*

* 獨立非執行董事

審核委員會

張應坤先生(主席)
陳文生先生
尹彼德先生
杜東尼博士

薪酬委員會

陳文生先生(主席)
張應坤先生
汪滌東先生
杜東尼博士

提名委員會

李文輝博士(主席)
汪滌東先生
陳文生先生
張應坤先生
尹彼德先生
杜東尼博士

公司秘書

汪滌東先生

授權代表

李文輝博士
汪滌東先生

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

香港主要辦事處

香港北角
英皇道510號
港運大廈901室
電話: (852) 3605 2388
傳真: (852) 2521 7198

PRINCIPAL BANKERS

China CITIC Bank International Limited
DBS Bank (Hong Kong) Limited
Standard Chartered Bank (Hong Kong) Limited
China Construction Bank (Asia) Corporation Limited
Industrial and Commercial Bank of China (Asia) Limited
Dah Sing Bank, Limited
ORIX Asia Limited
Wing Hang Bank, Limited

LEGAL ADVISORS

Hong Kong
Woo, Kwan, Lee & Lo
Troutman Sanders

Bermuda
Appleby

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants

AMERICAN DEPOSITARY

The Bank of New York Mellon
Depositary Receipts Division
101 Barclay Street, 22nd Floor
New York, NY 10286
USA

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

HSBC Securities Services (Bermuda) Limited
6 Front Street
Hamilton HM 11
Bermuda

SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

STOCK CODE

The Stock Exchange of Hong Kong Limited: 720
American Depositary Receipt:
Symbol – AIHLY
CUSIP – 05272R100

WEBSITE ADDRESS

<http://www.autoitalia.com.hk>

DATE OF ANNUAL GENERAL MEETING

May 30, 2013

主要往來銀行

中信銀行(國際)有限公司
星展銀行(香港)有限公司
渣打銀行(香港)有限公司
中國建設銀行(亞洲)股份有限公司
中國工商銀行(亞洲)有限公司
大新銀行有限公司
歐力士(亞洲)有限公司
永亨銀行有限公司

法律顧問

香港
胡關李羅律師行
長盛國際律師事務所

百慕達
Appleby

核數師

德勤•關黃陳方會計師行
香港執業會計師

美國託存股份處

The Bank of New York Mellon
Depositary Receipts Division
101 Barclay Street, 22nd Floor
New York, NY 10286
USA

百慕達之主要股份過戶登記處

HSBC Securities Services (Bermuda) Limited
6 Front Street
Hamilton HM 11
Bermuda

香港之股份過戶登記處

卓佳標準有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓

股份代號

香港聯合交易所有限公司: 720
美國預託證券:
代號 – AIHLY
證券識別統一號碼 – 05272R100

網址

<http://www.autoitalia.com.hk>

股東週年大會舉行日期

2013年5月30日

Chairman's Statement

主席報告



Dr. Richard Man Fai LEE

李文輝博士

Executive Chairman & CEO

執行主席兼行政總裁

Your Board of Directors regrets to announce that a consolidated loss of HK\$80.6 million was recorded for the year ended December 31, 2012. Consolidated revenue increased by 6.4% to HK\$1,507.4 million.

The car business in Hong Kong and Macau had performed satisfactorily, which generated operating profit. A healthy order portfolio was maintained throughout the year. However, the negative market sentiment in Mainland China led to slow sales and poor margins in our Nanjing and Dalian dealerships. The decision to close down Dalian was inevitable with the view to cutting further losses, as both of these Mainland China dealerships suffered substantial losses during the year.

董事會遺憾地宣佈於截至2012年12月31日止年度錄得綜合虧損80,600,000港元。綜合收入增長6.4%至1,507,400,000港元。

香港及澳門汽車業務表現理想並錄得經營盈利，於整個年度維持穩健的訂單組合。然而，中國內地的負面市場氣氛導致南京及大連之經銷業務銷售放緩及利潤欠佳。由於年內該等中國內地之經銷業務蒙受重大虧損，本集團無可避免地決定關閉大連之業務以減低進一步虧損。

Our electrical appliance business performed well and generated operating profit due to good results achieved in the commercial and high end residential air conditioning systems. Besides Hong Kong and Macau, our electrical appliance business also finished a profitable year in Singapore and Malaysia.

The watch business also generated good sales growth and profit, yet a substantial loss was made in the fashion business of our own brand "V-one" in Mainland China due to severe market conditions.

We had to make a large non-recurring impairment loss in the non-current assets including the goodwill of our fashion business and also on some receivables and inventories as prudent measures. This is done to reflect a realistic asset situation as we move forward.

The Group was able to generate positive cash flow of HK\$32.6 million for the year. It was mainly due to the new shares issued upon completion of placing, with desired strengthening of our capital base. To the management, maintaining a viable positive cash flow for the Group is a paramount task in a challenging market condition.

We have also changed the name of the holding company to Auto Italia Holdings Limited to signify our direction of focusing the Group's activities on the luxury car business, whilst we are planning to detach the other non-core businesses. This will result in focusing our management efforts and resources to grow our profitable car segment, eliminating the non-profit-making segments and relevant costs.

I call on all of our staff to build a stronger and more streamlined organization in 2013, which I am confident will result in profitable growth in the future on a more solid foundation.

I also take this opportunity to thank our shareholders, bankers and very loyal staff for their utmost trust, support and contribution.

由於商業及高檔住宅冷氣系統取得佳績，本集團之電器業務表現良好並錄得經營盈利。除香港及澳門外，本集團之電器業務亦於年內在新加坡及馬來西亞錄得盈利。

手錶業務亦錄得良好的銷售增長及盈利，然而本集團於中國內地之自家品牌「V-one」時裝業務因嚴峻的市場環境而錄得重大虧損。

為審慎起見，本集團已就非流動資產（包括時裝業務之商譽）及若干應收款項以及存貨作出大幅非經常性減值虧損。此舉乃為反映未來的更真實資產狀況。

本集團於年內產生正面現金流量32,600,000港元。主要由於完成配售後發行新股份，並旨在加強本集團之資本基礎。對管理層而言，在具挑戰之市況下維持本集團可使用的正面現金流量乃首要任務。

本集團亦已將控股公司之名稱更改為意達利控股有限公司，以闡明本集團將專注發展豪華汽車業務之方針，而本集團亦同時計劃分割其他非核心業務。此舉將令管理層可集中力量和資源發展具盈利能力之汽車業務，摒棄虧損的業務分類及有關成本。

本人號召全體員工於2013年建立更強大及更高效的機構，而本人堅信此舉將令本集團於未來在更穩固的基礎上取得盈利增長。

本人亦藉此機會對股東、往來銀行及各位盡忠職守的員工對本集團的信任、支持及貢獻致以由衷的謝意。

Dr. Richard Man Fai LEE
Executive Chairman & CEO

Hong Kong, March 26, 2013

執行主席兼行政總裁
李文輝博士

香港，2013年3月26日

Group Financial Summary

集團財務摘要

		2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)	2010 HK\$'000 千港元 (restated) (重列)	2009 HK\$'000 千港元 (restated) (重列)	2008 HK\$'000 千港元 (restated) (重列)
Results	業績					
Revenue	收入	1,507,401	1,416,310	1,271,250	1,048,815	1,021,764
(Loss) profit for the year	本年度(虧損)盈利	(80,637)	(18,568)	35,485	(151,190)	(59,052)
Attributable to:	應佔:					
Owners of the Company	本公司擁有人	(78,472)	(23,115)	27,879	(141,225)	(68,869)
Non-controlling interests	非控股權益	(2,165)	4,547	7,606	(9,965)	9,817
		(80,637)	(18,568)	35,485	(151,190)	(59,052)
Assets and liabilities	資產及負債					
Total assets	總資產	984,273	1,005,160	858,797	777,877	864,775
Total liabilities	總負債	(720,294)	(735,127)	(592,372)	(558,544)	(538,874)
Net assets	資產淨值	263,979	270,033	266,425	219,333	325,901
Equity attributable to owners of the Company	本公司擁有人應佔權益	245,699	249,453	250,437	208,698	305,093
Non-controlling interests	非控股權益	18,280	20,580	15,988	10,635	20,808
Total equity	總權益	263,979	270,033	266,425	219,333	325,901

Management Discussion and Analysis of Results of Operations and Financial Condition

管理層討論及經營業績及財務狀況分析

FINANCIAL REVIEW

Results of Operations

For the year ended December 31, 2012, the Group's revenue increased from HK\$1,416.3 million in 2011 (restated) to HK\$1,507.4 million, representing a growth of 6.4%.

Gross profit margin for 2012 recorded a slight decrease from 20.8% in 2011 (restated) to 19.5%. Accordingly our gross profit figure dropped from HK\$295.1 million in 2011 to HK\$294.4 million in 2012.

For the year ended 2012, other income and expenses amounted to HK\$19.9 million (2011: HK\$13.8 million), of which HK\$11.6 million was derived from our car segment.

Other gains and losses amounted to a net loss of HK\$47.5 million (2011: gain of HK\$2.8 million) which included non-recurring impairments in respect of: available-for-sale investment of HK\$9.3 million; goodwill of HK\$27.3 million; loan receivables of HK\$8.1 million and trade and other receivables of HK\$9.3 million.

Our core expense items of selling and distribution costs and administrative expenses in 2012 aggregated to HK\$323.6 million (2011 restated: HK\$313.7 million), representing 21.5% of revenue (2011 restated: 22.1%). This increase of HK\$9.9 million was mainly related to our car business: increased costs of rental by HK\$6.1 million and increased sales commission by HK\$5.8 million as a result of the sales growth.

The board (the "Board") of directors of the Company (the "Director(s)") regrets to report that the consolidated loss for the year amounted to HK\$80.6 million (2011: HK\$18.6 million). As a highlight, a sum of HK\$60.1 million out of this loss was derived from impairment losses which are substantially of non-recurring nature. Moreover, a loss in aggregate of HK\$28.0 million was derived from our car segment in Mainland China due to the closing down of Dalian car business as well as the operating loss incurred by our Nanjing car dealership as a result of the severe market condition in Mainland China for the year under review.

財務回顧

經營業績

截至2012年12月31日止年度，本集團收入由2011年的1,416,300,000港元（重列）增加至1,507,400,000港元，增長6.4%。

2012年毛利率由2011年的20.8%（重列）錄得輕微下跌至19.5%。因此，本集團毛利由2011年的295,100,000港元下跌至2012年的294,400,000港元。

截至2012年年底，其他收入及開支為19,900,000港元（2011年：13,800,000港元），其中11,600,000港元來自本集團的汽車分類。

其他收益及虧損為虧損淨額47,500,000港元（2011年：收益2,800,000港元），其包括有關下列各項的非經常性減值：可供出售投資9,300,000港元；商譽27,300,000港元；應收貸款8,100,000港元及貿易往來及其他應收賬款9,300,000港元。

本集團於2012年的核心開支，即銷售及分銷成本及行政費用，合共為323,600,000港元（2011年重列：313,700,000港元），佔收入21.5%（2011年重列：22.1%）。上述開支增加9,900,000港元主要與本集團的汽車業務有關：租金成本增加6,100,000港元及銷售佣金因銷量增長而增加5,800,000港元。

本公司董事（「董事」）會（「董事會」）對於年內錄得綜合虧損80,600,000港元（2011年：18,600,000港元）感到遺憾。值得注意的是該虧損中的60,100,000港元乃源自實質上屬非經常性的減值虧損。此外，合共28,000,000港元的虧損源自本集團於中國內地的汽車分類，原因為結束大連汽車業務及本集團的南京汽車經銷業務因中國內地於回顧年內市況嚴峻而產生經營虧損。

FINANCIAL REVIEW (Continued)

Financial Condition and Capital Structure

The Group was financed by a combination of its equity capital base, cash flow generated from operations and bank borrowings. As usual, bank and other liabilities were being met upon their maturities in the normal course of business.

Cash and cash equivalents (including pledged bank deposits) at December 31, 2012 were HK\$237.4 million (2011: HK\$205.8 million). A net cash inflow of HK\$32.6 million (2011 restated: net cash outflow of HK\$42.2 million) was recorded, representing in aggregate funds generated from operating, investing and financing activities in the year.

The Group had total borrowings at December 31, 2012 amounting to HK\$338.2 million (2011: HK\$333.1 million). The Group's long term gearing ratio stood at 5.0% (2011: 9.5%), based on long term liabilities (excluding deferred tax) of HK\$12.3 million (2011: HK\$23.7 million) and shareholders' equity of HK\$245.7 million (2011: HK\$249.5 million). The current ratio was 1.2 (2011: 1.2), based on current assets of HK\$848.6 million (2011 restated: HK\$820.8 million) and current liabilities of HK\$708.0 million (2011: HK\$711.4 million).

The Group had trading facilities at December 31, 2012 amounting to HK\$452.4 million (2011: HK\$494.1 million) of which HK\$438.7 million (2011: HK\$402.5 million) was utilized.

Foreign Exchange Exposure

The Group's purchases are mainly conducted in HK Dollar, Renminbi and US Dollar whilst sales are mainly conducted in HK Dollar and Renminbi. During the year, the Group had entered into several forward exchange contracts with bankers to hedge foreign currency transactions with the objective to stabilize the cost. There were no outstanding foreign exchange contracts at both years ended 2012 and 2011.

Pledge of Assets

Certain of the Group's properties, inventories, cash deposits and all assets of certain subsidiaries were pledged at year ended 2012 in an aggregate amount of HK\$395.6 million (2011: HK\$384.3 million) to secure loans and facilities granted.

Capital Commitments and Contingent Liabilities

The Group had capital commitments of HK\$4.5 million at December 31, 2012 (2011: HK\$5.4 million). The Group had no material contingent liabilities at December 31, 2012 and 2011.

財務回顧 (續)

財務狀況及資本架構

本集團的融資途徑，乃綜合其權益股本基礎、經營產生的現金流量及銀行貸款。銀行及其他負債均如常於經常業務下，於其到期日前獲得清償。

於2012年12月31日，現金及現金等值項目（包括已抵押銀行存款）為237,400,000港元（2011年：205,800,000港元）。本集團錄得現金淨流入32,600,000港元（2011年重列：現金淨流出42,200,000港元），乃年內經營、投資及融資活動所得的資金總額。

本集團於2012年12月31日的貸款總額為338,200,000港元（2011年：333,100,000港元）。根據長期負債（不包括遞延稅項）12,300,000港元（2011年：23,700,000港元）及股東權益245,700,000港元（2011年：249,500,000港元）計算，本集團長期資本負債比率為5.0%（2011年：9.5%）。根據流動資產848,600,000港元（2011年重列：820,800,000港元）及流動負債708,000,000港元（2011年：711,400,000港元）計算，流動比率為1.2（2011年：1.2）。

於2012年12月31日，本集團的貿易信貸額為452,400,000港元（2011年：494,100,000港元），當中已動用438,700,000港元（2011年：402,500,000港元）。

外匯風險

本集團的採購主要以港元、人民幣及美元進行，而銷售主要以港元及人民幣進行。年內，本集團與銀行訂立多份遠期外幣合約，以對沖外匯交易及穩定成本。於2012年及2011年年底均無未到期履約的外匯合約。

資產抵押

於2012年年底，本集團若干物業、存貨、現金存款及若干附屬公司的全部資產合共395,600,000港元（2011年：384,300,000港元）已被抵押以獲取貸款及信貸。

資本承擔及或然負債

於2012年12月31日，本集團的資本承擔為4,500,000港元（2011年：5,400,000港元）。於2012年及2011年12月31日，本集團並無重大或然負債。

BUSINESS REVIEW

Cars

The business consists mainly of the import, distribution and after-sales service of Italian “Ferrari” and “Maserati” cars and spare parts in Hong Kong and Macau. In the Mainland China, we operate “Ferrari” and “Maserati” car dealerships in Dalian and Nanjing.

Compared to 2011, revenue increased by 6.8% to HK\$1,190.2 million.

In Hong Kong, with 2012 representing the second full year of production of the 458 Italia and deliveries of the first examples of the new 458 Spider (convertible) in May 2012, a record number of cars were delivered with an outstanding order bank of close to two years.

In March 2012, Ferrari announced the successor to the 599 series, the F12 Berlinetta. This new model was received very well by our customers as evidenced by the large number of firm orders secured by the end of 2012. First deliveries to customers are scheduled from second quarter of 2013.

業務回顧

汽車

此業務主要包括意大利「法拉利」及「瑪莎拉蒂」汽車及配件於香港及澳門的進口、分銷及售後服務。於中國內地，本集團於大連及南京經銷「法拉利」及「瑪莎拉蒂」汽車。

與2011年相比，收入上升6.8%至1,190,200,000港元。

在香港，隨著2012年為458 Italia汽車投產的第二個全年度及於2012年5月交付新458 Spider（敞篷式）的首批樣辦車，交付的汽車數量刷歷史新高及尚未交付的訂單接近兩年。

於2012年3月，法拉利公開發佈599系列之後繼型號—F12 Berlinetta。於2012年年底所接到之大量訂單足以證明此新型號廣受客戶歡迎。預期將於2013年第2季開始首次交付此型號予客戶。



458 ITALIA

BUSINESS REVIEW (Continued)

業務回顧 (續)

Cars (Continued)

汽車 (續)



Quattroporte GTS

Demand for Maserati's two-door range of coupes and convertibles remained relatively high. The new Maserati Quattroporte (four-door saloon), to be followed by a completely new model, the Ghibli, in the medium size segment as well as a new Sport Utility Vehicle (SUV) will elevate Maserati to an important new platform in the car market during the next three years.

瑪莎拉蒂的雙門轎跑車及敞篷式跑車的需求仍然相對高企。從新款瑪莎拉蒂Quattroporte (四門房車)，到隨後推出主打中型車市場之全新型號Ghibli，以及一款新運動型多功能車(SUV)，將於未來3年在汽車市場內把瑪莎拉蒂提升至重要的新平台。

Total workshop service revenue for the full year recorded double-digit growth. This was primarily due to a continuing increase in our service activities, the introduction of new working practices in Hong Kong and an increase in the Ferrari/Maserati pre-delivery inspection business which we operate in Shanghai.

全年汽車維修服務總收入錄得雙位數字增長。該增長主要由本集團的服務項目持續增加並於香港推出新作業方法，以及於上海營運的法拉利／瑪莎拉蒂交貨前檢驗業務增加所致。

The sales performance of both Nanjing and Dalian dealerships was not satisfactory and resulted in a segmental loss of HK\$21.3 million for the year 2012 due to severe market conditions in Mainland China. (In February 2013, our business in Dalian was closed down as we considered that its business performance as well as potential was far from satisfactory.)

於2012年，由於中國內地市況嚴峻，南京及大連經銷業務的銷售表現並不理想，並導致分類虧損21,300,000港元。(於2013年2月，本集團已結束於大連的業務，原因為本集團認為其業務表現以及潛力均強差人意。)

BUSINESS REVIEW (Continued)

Electrical Appliances

The business consists of distribution of consumer and commercial air-conditioning and home appliances products, namely “MHI” (Mitsubishi Heavy Industries of Japan), “Bodysonic” and “Gree”, audio-visual products of the “Rogers” brand and “Alpine” car electronics.

Revenue in this segment recorded a growth of 2.7%, from HK\$256.3 million in 2011 to HK\$263.1 million.

In Hong Kong, demand and sales of air-conditioning products and audio-visual products remained steady throughout the year 2012.

In Singapore and Malaysia, we also recorded a growth in both revenue and profit in 2012. The success was mainly due to the OEM car audio business and the continuous steady growth of air-conditioning markets in these regions.

業務回顧 (續)

電器

此業務包括分銷家用及商用空調產品及家用電器產品，包括日本「三菱重工」、「先力」及「格力」、影音類別產品「樂爵士」以及汽車電子類別的「阿爾派」。

此分類的收入由2011年的256,300,000港元增長2.7%至263,100,000港元。

空調產品及影音產品於香港的需求及銷售在2012年內一直保持穩定。

於2012年，新加坡及馬來西亞的電器業務的收入及盈利亦錄得增長。業務取得成功主要由於OEM汽車音響業務以及該等地區的空調市場持續穩定增長所致。



Fashion Apparels and Accessories

The business consists of the distribution of our men's wear brand "V-one" and fashionable watches, namely "D & G", "Moschino", "Vivienne Westwood", "Jorg Gray" and "Braun".



2012 continued to be a difficult year for our men's wear brand "V-one" in Mainland China. Due to the austerity measures adopted by the central government, local consumption was weakened and our apparel business was under great pressure.

Our watch business in Hong Kong recorded a double-digit growth whilst our watch business in Mainland China was not satisfactory due to the retreat of the D&G brand from the market.

時裝及配飾

該業務包括分銷本集團的男士服裝品牌「V-one」及時尚手錶，包括「D&G」、「Moschino」、「Vivienne Westwood」、「Jorg Gray」及「Braun」。

2012年，本集團於中國內地的男士服裝品牌「V-one」繼續處於逆境。由於中央政府實施緊縮措施，導致當地消費疲弱並令本集團的服裝業務承受巨大壓力。

本集團於香港的手錶業務錄得雙位數字增長，而本集團於中國內地之手錶業務因D&G品牌退出市場而表現未如理想。



HUMAN RESOURCES

At the end of 2012, the total number of employees of the Group, excluding associates, was 431 (2011: 464).

The management is committed to staff training and development to ensure that the standard of our employees remains competitive in the marketplace. Leadership training seminars for our managerial and supervisory staff were conducted during the year to enhance their skills and spirits of co-operation. We are confident that our employees will continue to grow with the business and contribute their best to the Group.

The Company was awarded the Caring Company Logo since 2010, launched by the Hong Kong Council of Social Service. This is the third consecutive year the Company awarded this logo. The Caring Company Logo is awarded to companies which demonstrate good corporate citizenship. It aims to promote corporate social responsibility through caring for community, employees and the environment. Both the Company and our staff are very proud to receive the honor.

人力資源

於2012年年底，本集團（不包括聯營公司）總員工人數為431人（2011年：464人）。

管理層致力加強員工培訓及發展，構建一個具市場競爭力的員工團隊。年內，本集團為管理及監督人員舉行多個領袖訓練講座，務求提升彼等的技能及合作精神。本集團有信心員工將與業務共同成長，為本集團作出最大貢獻。

本公司自2010年起獲頒香港社會服務聯會推行的商界展關懷標誌。此乃本公司連續第三年獲頒此標誌。商界展關懷標誌乃授予顯示良好企業公民責任的企業，旨在透過關懷社區、僱員及環境，從而推廣企業社會責任。本公司及員工對獲頒此殊榮深感自豪。

EVENTS AFTER THE REPORTING PERIOD

Update on placing of Reverse Convertible Notes and Straight Bonds

On September 11, 2012, the Company entered into a placing agreement (the "Placing Agreement") with Freeman Securities Limited (the "Placing Agent") in respect of placing of unsecured reverse convertible notes (the "Reverse Convertible Notes") with an aggregate principal amount of HK\$250,000,000 and unsecured straight bonds (the "Straight Bonds") with an aggregate principal amount of HK\$250,000,000 to independent subscribers.

On December 24, 2012, the Company and the Placing Agent entered into a supplemental agreement to the Placing Agreement to, among others, extend the placing period and amend the obligations of the Placing Agent as a result of the demand from Ferrari Greater China (the "Principal") on imposing certain requirements on the subscribers taking shares of the Company (the "Shares") under the Reverse Convertible Notes.

Up to the date of this Annual Report, the Company is still in discussions with the Principal in respect of its requirements. The Company will further notify the shareholders of the Company (the "Shareholders") the results of such discussions and the consequential amendments to the instrument constituting the Reverse Convertible Notes. A special general meeting will be convened for approving, inter alia, a specific mandate to allot and issue Shares under the Reverse Convertible Notes with amendments to be made. For more details, please refer to the announcements of the Company dated September 12, 2012, December 24, 2012 and January 28, 2013 respectively and the circular of the Company dated November 9, 2012.

PROSPECTS

Looking forward, the Group intends to increase its focus on the premium car distribution in Greater China and more resources will be utilized to support this business segment.

Our order portfolio for "Ferrari" continues to grow healthily with a lead time of up to 2 years, whilst the profile of "Maserati" will continue to broaden. Both brands are expected to introduce exciting new models in the coming years to further expand their market dominance and reach for new clients.

Our electrical appliances business will work closely with our major suppliers such as "MHI" and "Alpine" in order to improve our market share and market positioning through innovative marketing and sales programs.

報告期後事項

配售反向可換股票據及普通債券之最新進展

於2012年9月11日，本公司與民豐證券有限公司（「配售代理」）就向獨立認購人配售本金總額為250,000,000港元之無抵押反向可換股票據（「反向可換股票據」）及本金總額為250,000,000港元之無抵押普通債券（「普通債券」）而訂立配售協議（「配售協議」）。

於2012年12月24日，本公司與配售代理訂立配售協議之補充協議，以（其中包括）因法拉利大中華區（「委託人」）對根據反向可換股票據取得本公司股份（「股份」）之認購人施加若干規定而延長配售期及修訂配售代理之責任。

直至本年報日期，本公司仍就其規定與委託人進行討論。本公司將進一步通知本公司股東（「股東」）有關討論之結果及對構成反向可換股票據之文據之相應修訂。本公司將召開股東特別大會以批准（其中包括）特別授權，以根據將作出修訂之反向可換股票據予以配發及發行股份。有關進一步詳情請參閱本公司日期分別為2012年9月12日、2012年12月24日及2013年1月28日之公告以及本公司日期為2012年11月9日之通函。

展望

展望未來，本集團擬更集中專注大中華高檔汽車之分銷業務，並投放更多資源以支援此業務分類。

本集團的「法拉利」訂單組合持續錄得穩健增長，供應週期長達兩年，而「瑪莎拉蒂」的知名度將繼續提高。預計兩個品牌將於未來數年推出令人期待的新型號，以進一步擴大兩個品牌的市場佔有率及開拓新客戶。

電器業務方面，本集團將與主要供應商（例如「三菱重工」及「阿爾派」）緊密合作，透過創新的市場推廣及銷售計劃，改善集團的市場份額和市場定位。

Directors and Senior Management Profiles

董事及高層管理人員簡介

EXECUTIVE DIRECTORS

Richard Man Fai LEE, BSB, MBA, DBA, aged 56, the Executive Chairman and Chief Executive Officer and the Chairman of the Nomination Committee of the Company, is the son of Mr. Wing Sum LEE, the former Director and Honorary Chairman of the Company and Ms. Kam Har YUE, the former Non-executive Director and the elder brother of Mr. Jeff Man Bun LEE, an Executive Director. He is the Chairman and Chief Executive Officer of China Premium Lifestyle Enterprise, Inc., an associated company of the Group.

Dr. Lee is responsible for formulating the Group's overall strategic planning and business development. Dr. Lee has 33 years' experience in marketing consumer products and has been with the Group for 29 years. He has a bachelor's degree and a master's degree in business administration from the University of Minnesota, U.S.A..

In September 2006, Dr. Lee was bestowed the title of "Commander of the Order of the Star of Italian Solidarity". In March 2009, Dr. Lee was awarded the 11th World Outstanding Chinese Award and the Honorary Doctorate of Business Administration from International American University, U.S.A..

Jeff Man Bun LEE, BSc, MSc, University of Michigan, MSc, Stanford University, aged 54, has been an Executive Director since January 2002. He is the son of Mr. Wing Sum LEE and Ms. Kam Har YUE and the younger brother of Dr. Richard Man Fai LEE. He is responsible for strategic planning and development of new projects of the Group. Prior to joining the Group, he was a System Software Specialist at the Research and Development Department of Apple Computer International Limited for 5 years. He had also been actively involved in the Group's business from 1991 to 1997 prior to his current appointment.

Tik Tung WONG, FCCA, CPA (Practising), aged 56, has been an Executive Director since June 2004 and is the Chief Financial Officer, Company Secretary, authorized representative and a member of each of the Remuneration Committee and the Nomination Committee of the Company. He is also the Chief Financial Officer and Corporate Secretary of China Premium Lifestyle Enterprise, Inc., an associated company of the Group. He is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. He is an independent non-executive director of Chi Cheung Investment Company, Limited. Mr. Wong was an independent non-executive director of China Energy Development Holdings Limited during the last three years.

執行董事

李文輝·BSB·MBA·DBA·56歲·本公司執行主席兼行政總裁及提名委員會主席·為本公司前任董事兼榮譽主席李永森先生及前任非執行董事余金霞女士之子·並為執行董事李文彬先生之兄長·彼為本集團之聯營公司China Premium Lifestyle Enterprise, Inc.之主席兼行政總裁。

李博士負責制訂本集團之整體策略計劃及業務發展。李博士擁有33年經銷消費品之經驗·已任職本集團29年。彼獲美國明尼蘇達州大學頒發工商管理學士及碩士銜。

於2006年9月·李博士獲頒授「意大利團結星級司令勳章」。於2009年3月·李博士榮獲「第11屆世界傑出華人獎」及「美國加州國際大學榮譽商管博士」。

李文彬·BSc·MSc(密歇根大學)·MSc(史丹福大學)·54歲·自2002年1月起為執行董事。李先生為李永森先生與余金霞女士之子·亦為李文輝博士之胞弟·負責本集團之策略策劃及開發新項目。彼在加盟本集團前·曾於蘋果電腦國際有限公司研發部任職系統軟件工程專家一職·為時5年。彼在擔任本職之前·曾於1991年至1997年期間積極參與本集團業務。

汪濂東·FCCA·CPA(執業)·56歲·自2004年6月起擔任執行董事·並為本公司之首席財務官·公司秘書·授權代表及薪酬委員會及提名委員會成員。彼亦為本集團之聯營公司China Premium Lifestyle Enterprise, Inc.之首席財務官及公司秘書。彼為英國特許公認會計師公會資深會員及香港會計師公會會員。彼於至祥置業有限公司擔任獨立非執行董事。於過去三年·汪先生曾擔任中國能源開發控股有限公司之獨立非執行董事。

EXECUTIVE DIRECTORS (Continued)

William Keith JACOBSEN, LLB (HKU), MBA (University of British Columbia in Canada), aged 46, was appointed as an Executive Director on January 1, 2012. He is the managing director, corporate finance of VMS Securities Limited. Mr. Jacobsen has more than 19 years of experience in corporate finance and business development.

Mr. Jacobsen is a director of Gustavo International Limited and Maini Investments Limited, both are private companies. He is also an independent non-executive director of Hycomm Wireless Limited (Stock code: 499), China Financial Leasing Group Limited (Stock code: 2312), Perception Digital Holdings Limited (Stock code: 1822) and Sustainable Forest Holdings Limited (Stock code: 723), all companies are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and abc Multiactive Limited (Stock code: 8131), a company listed on the Growth Enterprise Market of the Stock Exchange. He was also an independent non-executive director of King Stone Energy Group Limited (Stock code: 663), a company listed on the Stock Exchange for the period from September 26, 2008 to September 30, 2011.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Boon Seng TAN, M.A., Cambridge University, aged 57, has been an INED since April 1999 and is a member of each of the Audit Committee and the Nomination Committee and the Chairman of the Remuneration Committee of the Company. Mr. Tan is the chairman and managing director of Lee Hing Development Limited and an independent non-executive director of Genting Hong Kong Limited, both companies are listed on the main board of the Stock Exchange. He resigned as an independent non-executive director of Genting Hong Kong Limited with effect from January 10, 2013. He is also an executive director of IGB Corporation Berhad, a company listed on the stock exchange of Kuala Lumpur, Malaysia. He was appointed as a non-executive director of PureCircle Limited, a company listed on the London stock exchange, in August 2012 and has resigned from the same position in December 2012. He also holds directorships in many other companies.

執行董事 (續)

葉偉其，LLB（香港大學）、MBA（加拿大英屬哥倫比亞大學），46歲，於2012年1月1日獲委任為執行董事。彼為鼎珮證券有限公司(VMS Securities Limited)企業財務部之董事總經理。葉先生在企業融資及業務發展方面累積逾19年經驗。

葉先生現時為Gustavo International Limited及Maini Investments Limited（兩者均為私人公司）之董事。彼亦為於香港聯合交易所有限公司（「聯交所」）上市之公司－華脈無線通信有限公司（股份代號：499）、中國金融租賃集團有限公司（股份代號：2312）、幻音數碼控股有限公司（股份代號：1822）及永保林業控股有限公司（股份代號：723）及一間於聯交所創業板上市之公司－辰罡科技有限公司（股份代號：8131）之獨立非執行董事。由2008年9月26日至2011年9月30日止期間，彼亦曾為一間於聯交所上市之公司－金山能源集團有限公司（股份代號：663）之獨立非執行董事。

獨立非執行董事

陳文生，M.A.（劍橋大學），57歲，自1999年4月起擔任獨立非執行董事，並為本公司審核委員會及提名委員會成員以及薪酬委員會主席。陳先生為利興發展有限公司之主席兼董事總經理及雲頂香港有限公司之獨立非執行董事，此兩間公司均於聯交所主板上市。彼已於2013年1月10日起辭任雲頂香港有限公司之獨立非執行董事。彼亦擔任於馬來西亞吉隆坡證券交易所上市公司IGB Corporation Berhad之執行董事。彼於2012年8月獲委任為於倫敦證券交易所上市公司PureCircle Limited之非執行董事並已於2012年12月辭任。彼並擔任多間公司之董事。

Directors and Senior Management Profiles

董事及高層管理人員簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS

(Continued)

Ying Kwan CHEUNG, FCCA, CPA, aged 53, has been an INED since November 2005 and is the Chairman of the Audit Committee and a member of each of the Remuneration Committee and the Nomination Committee of the Company. He is the finance manager of Carling Technology Limited and has over 26 years of experience in financial management for a number of corporations and listed companies. He is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. He is an independent non-executive director of Tian Shan Development (Holding) Limited.

Peter Pi Tak YIN, BA, MBA, PhD, aged 59, has been appointed as an INED since September 2009 and is a member of each of the Audit Committee and the Nomination Committee of the Company. He is the Marketing Vice President of Federal Express Corporation now based in Hong Kong. He has been with Federal Express for 29 years with ample experience in operational management, marketing and communications aspects and stationed in Singapore, Japan and Memphis, Tennessee, U.S.A..

Antonio Maria SANTOS, aged 56, was appointed as an INED on September 1, 2012 and is a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company. He retired from Hong Kong Police Force in January 2012 after more than 30 years of service. His last position was an Assistant Commander of a Police District. Apart from volunteering for community services, Dr. Santos is currently a part time lecturer in the faculty of Crime & Investigation for associate degrees and degrees. Dr. Santos holds a Phd in business administration from the Nueva Ecija University of Science and Technology in the Republic of Philippines, a master's degree in management studies from the University of Northumbria at Newcastle in the United Kingdom and a master's degree in criminal justice from the Tarlac State University in the Republic of Philippines. He is a Fellow of the Chartered Management Institute, the United Kingdom. Dr. Santos is an independent non-executive director of Willie International Holdings Limited, the shares of which are listed on the main board of the Stock Exchange, since August 1, 2012.

獨立非執行董事 (續)

張應坤，FCCA、CPA，53歲，自2005年11月起擔任獨立非執行董事，並為本公司審核委員會主席以及薪酬委員會及提名委員會成員。彼為Carling Technology Limited之財務經理，並於多間企業及上市公司之財務管理領域積逾26年經驗。張先生為英國特許公認會計師資深會員及香港會計師公會會員。彼於天山發展（控股）有限公司擔任獨立非執行董事。

尹彼德，BA、MBA、PhD，59歲，自2009年9月起擔任獨立非執行董事，並為本公司審核委員會及提名委員會成員。彼現任香港聯邦快遞公司之市場銷售部副總裁。彼在聯邦快遞任職逾29年，於營運管理、市場營銷及公關方面擁有豐富經驗，並曾派駐新加坡、日本及美國田納西州孟菲斯市。

杜東尼，56歲，於2012年9月1日獲委任為獨立非執行董事，並為本公司審核委員會、薪酬委員會及提名委員會成員。彼於2012年1月退休前已在香港警務處服務逾30年；最後之職位為一警區助理指揮官。杜博士除參與社區服務之義務工作外，現為一所大專院校之客席講師，負責刑事及調查之副學士及學士學位課程。杜博士持有菲律賓共和國國立雷省科技大學之工商管理博士學位，英國紐卡素諾桑比亞大學管理學碩士學位及菲律賓共和國太歷國立大學刑法學碩士學位。彼為英國特許管理學院資深會員。自2012年8月1日起，杜博士為股份於聯交所主板上市之威利國際控股有限公司之獨立非執行董事。

SENIOR MANAGEMENT

Herbert ADAMCZYK, aged 72, is the Executive Vice Chairman of Auto Italia Limited, a subsidiary of our Group, and the Director and Chief Operating Officer of China Premium Lifestyle Enterprise, Inc., an associated company of the Group. He has 48 years' experience in the automotive trade in Hong Kong. He has a motor engineering background and has been with the Technorient Group for 29 years. He is an Executive Committee member of The Motor Traders Association of Hong Kong and The Italian Chamber of Commerce in Hong Kong and Macao.

John NEWMAN, aged 45, is the Managing Director of Auto Italia Limited. He has 25 years' experience with blue chip sports and luxury car manufacturers and importers, and was a director of a successful motor racing team in Europe. He holds a Diploma in Business and Finance, is a qualified pilot and a member of the Institute of the Motor Industry in the United Kingdom. Experienced in sales, marketing, distribution, dealer development, media communications and customer relationship management, he has been with the Group since 2005.

Powell Kwok Chuen CHEUNG, MBA, aged 49, is the Deputy Director of the Group. He is also the director of various subsidiaries of the Group. He has 24 years' sales and marketing experience in both industrial and consumer products. He has been with the Group for 21 years.

Terence Po Sheung WONG, aged 61, is the General Manager of Human Resources and Administration Department of the Group and Deputy Director of Auto Italia Limited. He has 42 years' experience in property management, distribution management, after-sales services and logistics management. He had been with the Group for 6 years from 1991 to 1997. He rejoined the Group in 2005 and has been with the Group for 7 years.

Kwang Liang CHIA, BSBA (Hons), aged 52, is a Director and General Manager of the subsidiary companies of the Group in Singapore. He also oversees the operation of the companies of the Group in Malaysia. He has over 26 years' corporate and financial management experience and has been with the Group for 19 years. Prior to joining the Group, he worked in KPMG Peat Marwick as an auditor for 5 years and a multinational company for 3 years. He is also an officer of the Singapore Arm Forces.

高層管理人員

Herbert ADAMCZYK (夏德成)，72歲，本集團之附屬公司快意汽車有限公司之執行副主席，並為本集團之聯營公司China Premium Lifestyle Enterprise, Inc.之董事兼營運總裁。彼於香港汽車貿易累積48年經驗。彼擁有汽車工程學歷，已任職勵安集團29年。彼為香港汽車商會及The Italian Chamber of Commerce in Hong Kong and Macao之執行委員會成員。

John NEWMAN，45歲，為快意汽車有限公司之董事長。彼於藍籌跑車及豪華汽車製造及進口行業擁有25年經驗，並曾擔任一個成功歐洲賽車隊主管。彼持有商業及財務學文憑，為合資格飛機機師及英國汽車工業學會會員。彼於銷售、市場推廣、分銷、代理商拓展、媒體傳訊及客戶關係管理等領域具有豐富經驗，並自2005年起任職本集團。

張國存，MBA，49歲，本集團副董事，並為本集團多間附屬公司之董事。彼於工業及消費產品方面擁有24年銷售及推銷經驗。彼已任職本集團21年。

黃寶驥，61歲，本集團人力資源及行政部總經理及快意汽車有限公司副董事。彼於房地產管理、分銷管理、售後服務及物流管理方面擁有42年經驗。彼曾於1991年至1997年期間任職本集團為時6年。彼於2005年重返本集團，並已任職本集團7年。

謝光亮，BSBA (Hons)，52歲，兼任多間本集團於新加坡之附屬公司董事及總經理。同時彼亦主管本集團多間馬來西亞公司之營運。彼於企業及財務管理方面擁有逾26年經驗，在本集團已任職19年。彼在加入本集團前，於畢馬威擔任核數師5年及於一間跨國公司工作3年。彼亦為新加坡武裝部隊之現役軍官。

Directors' Report

董事會報告

The Directors present to the Shareholders this Annual Report and audited financial statements for the financial year ended December 31, 2012 of the Company and its subsidiaries (together, the "Group").

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company.

Its subsidiaries are principally engaged in the import, marketing and distribution of cars, electrical appliances and fashion apparels and accessories. The activities and other particulars of the principal subsidiaries are set out in note 44 to the financial statements.

SEGMENTAL INFORMATION

Details of segmental information are set out in note 7 to the financial statements.

GROUP RESULTS

The consolidated income statement is set out on page 52 and further analysis is given in the accompanying notes to the financial statements.

DIVIDENDS

The Directors do not recommend the payment of a final dividend (2011: nil) for the year ended December 31, 2012. No interim dividend was paid during the year (2011: nil).

GROUP FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 6.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the share capital of the Company during the year are set out in note 33 to the financial statements. Information about the share options of the Company and details of movements in the share options of the Company during the year are set out in the "Share Option Information" section in this Annual Report and in note 34 to the financial statements.

董事向股東提呈本年報及截至2012年12月31日止財務年度之本公司及其附屬公司(統稱為「本集團」)經審核財務報表。

主要業務

本公司為一家投資控股公司。

其附屬公司主要經營入口、市場推廣及分銷汽車、電器及時裝及配飾。各主要附屬公司之業務及其他資料載列於財務報表附註44。

分類資料

分類資料詳情載列於財務報表附註7。

集團業績

綜合損益表載列於第52頁，其進一步分析則一併載列於財務報表附註內。

股息

董事會並不建議就截至2012年12月31日止年度派發末期股息(2011年：無)。本年內並無派發中期股息(2011年：無)。

集團財務摘要

本集團於過去5個財政年度之業績、資產及負債之摘要載列於第6頁內。

股本及優先認股權

本年度本公司股本之變動詳情載列於財務報表附註33。本年度有關本公司優先認股權資料及其優先認股權之變動詳情載列於本年報「優先認股權資料」一節內及財務報表附註34。

RESERVES

Details of movements in reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 56 of this Annual Report.

PROPERTY, PLANT AND EQUIPMENT

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

DONATIONS

During the year, the Group made charitable and other donations of HK\$106,000 (2011: HK\$160,000).

BORROWINGS

Details of the Group's borrowings are set out in note 29 to the financial statements. No interest was capitalised by the Group during the year.

MAJOR CUSTOMERS AND SUPPLIERS

The Group's five largest suppliers accounted for 77.5% of the Group's purchases during the year, 31.8% being attributable to the largest supplier. The percentage of turnover attributable to the Group's five largest customers is less than 30% during the year.

As far as the Directors are aware, no Director, their associates or any Shareholder (who to the knowledge of the Directors owns more than 5% of the Company's share capital) has interest in the Group's five largest suppliers.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

There was no contract of significance between the Company or any of its subsidiary companies, and a controlling Shareholder or any of its subsidiaries for the year ended December 31, 2012.

There was no contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling Shareholder or any of its subsidiaries for the year ended December 31, 2012.

儲備

本年度本集團儲備之變動情況分別詳載於本年報第56頁之綜合權益變動表。

物業、廠房及設備

本年度本集團及本公司之物業、廠房及設備之變動情況詳載於財務報表附註16。

捐款

本年度本集團之慈善及其他捐款總額為106,000港元(2011年: 160,000港元)。

貸款

本集團貸款之詳情載列於財務報表附註29。本年度本集團並無將利息資本化。

主要客戶及供應商

本年度本集團之5大供應商佔本集團採購額之77.5%，其中最大供應商佔31.8%。本年度來自本集團5大客戶佔本集團營業額不足30%。

據董事所知，概無董事、彼等之聯繫人士或任何股東（據董事知悉擁有本公司股本5%以上）於本集團5大供應商中擁有權益。

控股股東在合約上之利益

截至2012年12月31日止年度，本公司或其任何附屬公司與控股股東或其任何附屬公司並無簽訂任何重大合約。

截至2012年12月31日止年度，並無簽訂任何由控股股東或其附屬公司向本公司或其任何附屬公司提供服務之重要合約。

Directors' Report

董事會報告

DIRECTORS

The Directors who held office during the year and up to the date of this Annual Report are:

Executive Directors

Dr. Richard Man Fai LEE

(Executive Chairman and Chief Executive Officer)

Mr. Jeff Man Bun LEE

Mr. Tik Tung WONG

Mr. William Keith JACOBSEN

Mr. Kei Wah CHUA (Note 1)

Non-executive Director

Ms. Kam Har YUE (Note 2)

INEDs

Mr. Boon Seng TAN

Mr. Ying Kwan CHEUNG

Mr. Peter Pi Tak YIN

Dr. Antonio Maria SANTOS (Note 3)

Notes:

1. Mr. Kei Wah CHUA was appointed on January 1, 2012 and resigned as an Executive Director on June 6, 2012.
2. Ms. Kam Har YUE resigned as a Non-executive Director with effect from August 30, 2012.
3. Dr. Antonio Maria SANTOS was appointed as an INED with effect from September 1, 2012.

In accordance with Bye-law 99(A) of the bye-laws of the Company ("Bye-laws"), Messrs. Ying Kwan CHEUNG and Peter Pi Tak YIN will retire from office by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

Mr. Boon Seng TAN was re-appointed as an INED at last year's annual general meeting for a term up to the date of the forthcoming Annual General Meeting. Since he has been an INED for more than nine years, his further appointment will be subject to a separate resolution to be approved by Shareholders at the forthcoming Annual General Meeting pursuant to Code Provision A.4.3 of the Corporate Governance Code set out in Appendix 14 to the Rules Governing the Listing Securities on the Stock Exchange (the "Listing Rules"). Mr. TAN will offer himself for re-election at the forthcoming Annual General Meeting.

董事

本年度內及直至本年報日期任職董事之芳名如下：

執行董事

李文輝博士

(執行主席兼行政總裁)

李文彬先生

汪滌東先生

葉偉其先生

蔡啟華先生(附註1)

非執行董事

余金霞女士(附註2)

獨立非執行董事

陳文生先生

張應坤先生

尹彼德先生

杜東尼博士(附註3)

附註：

1. 蔡啟華先生於2012年1月1日獲委任及於2012年6月6日辭任執行董事。
2. 余金霞女士自2012年8月30日起辭任非執行董事。
3. 杜東尼博士自2012年9月1日起獲委任為獨立非執行董事。

根據本公司之公司細則(「公司細則」)第99(A)條，張應坤先生及尹彼德先生將在應屆股東週年大會上輪席告退，惟合資格並願意接受膺選連任。

陳文生先生已於上屆股東週年大會上獲續任為獨立非執行董事至應屆股東週年大會當日止。由於彼已擔任獨立非執行董事超過9年，其續任將遵照股東於應屆股東週年大會上批准之獨立決議案。根據聯交所證券上市規則(「上市規則」)附錄14載列之企業管治守則(「企業管治守則」)(於2012年3月31日之前稱為企業管治常規守則)，陳先生在即將舉行之股東週年大會願意接受膺選連任。

DIRECTORS (Continued)

The INEDs are also subject to retirement by rotation in accordance with the Bye-laws. The Company has received from each INED an annual confirmation of their independence pursuant to the independence assessing factors guidelines set out in Rule 3.13 of the Listing Rules. The Company considers the INEDs to be independent.

DIRECTORS' SERVICE CONTRACTS

None of the Directors who is proposed for re-election at the forthcoming Annual General Meeting has an unexpired service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Dr. Richard Man Fai LEE entered into a service agreement with the Company for a term of 3 years commencing from April 1, 2002 and a supplemental service agreement on July 27, 2011 and shall be renewable automatically by 3 years upon expiration of such term and every successive period of 3 years thereafter unless and until terminated by either party giving to the other 6 months' notice in writing or pay-in-lieu.

Mr. Jeff Man Bun LEE entered into a service agreement with the Company for a term of 1 year commencing from January 21, 2002 and the appointment continues thereafter unless and until terminated by either party giving to the other 3 months' notice in writing or pay-in-lieu.

Save as disclosed above, there is no other Director's service contract which is exempted under Rule 13.69 of the Listing Rules or not determinable within 1 year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN SECURITIES

At December 31, 2012, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under Section 352 of the SFO; or are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange are as follows:

董事 (續)

獨立非執行董事亦須依據公司細則輪席告退。根據上市規則第3.13條獨立性評估因素指引，本公司已收到各獨立非執行董事之年度確認其乃屬獨立。本公司認為該等獨立非執行董事確屬獨立人士。

董事之服務合約

在即將召開之股東週年大會上獲提名連任之董事概無與本公司訂立任何本公司如在1年內終止聘用，必須作出賠償（法定賠償除外）之服務合約。

李文輝博士與本公司訂立由2002年4月1日開始為期3年之服務合約及日期為2011年7月27日之補充服務協議，是項委任此後將於該任期終止後自動續期3年及往後每連續3年續期，除其中一方提前6個月發出書面通知或代通知金予對方終止有關委任為止。

李文彬先生與本公司訂立為期1年之服務合約，並於2002年1月21日開始，且是項委任此後持續有效，除其中一方提前3個月發出書面通知或代通知金予對方終止有關委任為止。

除披露者外，並沒有其他董事服務合約根據上市規則第13.69條獲得豁免，亦沒有其他董事服務合約屬僱主在1年內不可在不予賠償（法定賠償除外）的情況下終止者。

董事之證券權益

於2012年12月31日，本公司各董事及行政總裁於本公司或任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中擁有根據證券及期貨條例第352條須記入登記冊；或根據上市規則附錄10載列之上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

DIRECTORS' INTERESTS IN SECURITIES (Continued)

董事之證券權益 (續)

(a) Beneficial interests and short positions in the shares of the Company at December 31, 2012:

(a) 於2012年12月31日，於本公司股份之實益權益及淡倉：

Director 董事	Number of ordinary shares of HK\$0.02 each ("Share(s)") 每股面值0.02港元普通股股份(「股份」)數目			Total interests 權益總計
	Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	
Dr. Richard Man Fai LEE 李文輝博士	247,818,625	–	582,801,420 (Note 1) (附註1)	830,620,045
Mr. Jeff Man Bun LEE 李文彬先生	19,651,400	–	8,674,310 (Note 2) (附註2)	28,325,710
Mr. Tik Tung WONG 汪滌東先生	20,900,000	–	–	20,900,000
Mr. Boon Seng TAN 陳文生先生	1,020,000	–	–	1,020,000
Mr. Ying Kwan CHEUNG 張應坤先生	2,820,000	–	–	2,820,000
Mr. Peter Pi Tak YIN 尹彼德先生	2,500,200	–	–	2,500,200

Notes:

附註：

- The 582,801,420 Shares are held by Modern Orbit Limited, a company incorporated in the British Virgin Islands and wholly owned by Dr. Richard Man Fai LEE.
- The 8,674,310 Shares are held by Fisherman Enterprises Inc., a company incorporated in the British Virgin Islands and wholly owned by Mr. Jeff Man Bun LEE.

- 該582,801,420股股份由Modern Orbit Limited(該公司於英屬處女群島註冊成立)持有及由李文輝博士全資擁有。
- 該8,674,310股股份由Fisherman Enterprises Inc.(該公司於英屬處女群島註冊成立)持有及由李文彬先生全資擁有。

All interests in the Shares are long positions. None of the Directors held any short position in the Shares.

股份中所有權益均為好倉。各董事概無於股份中持有任何淡倉。

(b) Beneficial interests and short positions in underlying shares of equity derivatives of the Company at December 31, 2012 are disclosed in the section headed "Share Option Information" of this Annual Report.

(b) 於2012年12月31日，本公司之股本衍生工具之相關股份之實益權益及淡倉在本年報「優先認股權資料」一節內予以披露。

DIRECTORS' INTERESTS IN ASSETS AND/OR ARRANGEMENT

At December 31, 2012, save as those disclosed in "Directors' Interests in Contracts" in this Directors' Report, none of the Directors had any other direct or indirect interest in any assets which have been acquired or disposed of by or leased to any members of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

At December 31, 2012, save as those disclosed in "Directors' Interests in Contracts" in this Directors' Report, there was no other contract or arrangement subsisting in which a Director was materially interested and which was significant in relation to the business of the Group as a whole.

DIRECTORS' INTERESTS IN CONTRACTS

There was no contract of significance in relation to the Group business, to which the Company or any of its subsidiaries was a party and in which a Director had, whether directly or indirectly, a material interest subsisting at the end of the year or at any time during the year ended December 31, 2012.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors (other than INEDs) was interested in any business apart from the Company's business, which competes or is likely to compete, either directly or indirectly, with the Company's business during the year.

ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed herein, at no time during the year ended December 31, 2012 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 the acquisition of shares or debentures of the Company or any other body corporate.

董事於資產之權益及／或安排

於2012年12月31日，除董事會報告所披露之「董事在合約上之利益」外，並無任何董事於已收購或出售或租賃予本集團任何成員之資產，或於擬收購或出售或租賃予本集團任何成員之任何資產中享有任何其他直接或間接權益。

於2012年12月31日，除董事會報告所披露之「董事在合約上之利益」外，並無任何董事於本集團整體業務有重要影響之其他合約或安排中享有重大利益。

董事在合約上之利益

本公司或其任何附屬公司於本年底或截至2012年12月31日止年度內任何時間，並無簽訂任何與本集團業務有關而董事在其中直接或間接享有重大利益之重要合約。

董事在競爭行業之權益

於年內，除本公司之業務外，各董事（獨立非執行董事除外）概無在任何與本公司業務有直接或間接競爭或可能有競爭之業務中擁有權益。

購買股份或債券之安排

除披露者外，於本年度任何時間內，本公司或其任何附屬公司並無參與任何安排，使本公司董事透過購買本公司或任何其他公司之股份或債券而獲得利益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

Save as disclosed below and in the section headed "Directors' Interests in Securities" in this Directors' Report, at December 31, 2012, so far as is known to the Directors, no other person had, or was deemed or taken to have an interest or short position of 5% or more of the interests in the Shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

主要股東於證券之權益

除下文及於董事會報告之「董事之證券權益」一節所披露外，於2012年12月31日，就董事所知，概無其他人士於股份或本公司相關股份中擁有或被視為或當作擁有5%或以上之權益或淡倉，而須根據證券及期貨條例第336條記入登記冊內：

Shareholder 股東	Number of Shares 股份數目	Number of underlying shares of equity derivatives 相關股本衍生工具 之相關股份數目	Approximate % of the total issued Shares [#] 佔已發行股本總數之 概約百分比 [#]
Modern Orbit Limited	582,801,420 (Note 1) (附註1)	—	19.69%
Gustavo International Limited	203,150,000 (Note 2) (附註2)	—	6.86%
Maini Investments Limited	203,150,000 (Note 2) (附註2)	—	6.86%
VMS Investment Group Limited	224,150,000 (Note 2) (附註2)	—	7.57%
Ms. Viola Siu Hang MAK 麥少嫻女士	224,150,000 (Note 2) (附註2)	—	7.57%

[#] Based on the total issued Shares of 2,959,452,260 at December 31, 2012.

[#] 基於截至2012年12月31日止的全部已發行股份2,959,452,260股。

Notes:

- The 582,801,420 Shares are held by Modern Orbit Limited, a company incorporated in the British Virgin Islands and wholly owned by Dr. Richard Man Fai LEE.
- The 203,150,000 Shares are held by Gustavo International Limited which is approximately 80% owned by Maini Investments Limited, a wholly owned subsidiary of VMS Investment Group Limited which is in turn wholly-owned by Ms. Viola Siu Hang MAK. The 203,150,000 Shares held by Gustavo International Limited duplicates with each of the 203,150,000 Shares held by Maini Investments Limited, VMS Investment Group Limited and Ms. Viola Siu Hang MAK as set out in this section.

附註：

- 該582,801,420股股份由Modern Orbit Limited (該公司於英屬處女群島註冊成立)持有及由李文輝博士全資擁有。
- 該203,150,000股股份由Gustavo International Limited持有，而Maini Investments Limited (為VMS Investment Group Limited之全資附屬公司，而VMS Investment Group Limited則由麥少嫻女士全資擁有)則持有其約80%權益。由Gustavo International Limited持有之203,150,000股股份分別與於本部份所載之Maini Investments Limited、VMS Investment Group Limited及麥少嫻女士持有之203,150,000股股份重疊。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES (Continued)

All interests in Shares and underlying shares of equity derivatives of the Company are long positions. None of the substantial Shareholders held any short positions in the Shares or underlying shares of equity derivatives of the Company.

PUBLIC FLOAT

At the date of this Annual Report, based on information that is publicly available to the Company, the Directors acknowledge that more than 25% of the issued share capital of the Company is held by the public.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year ended December 31, 2012, the Company and its subsidiaries have not repurchased, sold or redeemed any of the Company's securities.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-laws or the laws in Bermuda although there is no restriction against such rights under the laws in Bermuda.

AUDITORS

During the year ended December 31, 2012, HLB Hodgson Impey Cheng Limited resigned as auditors of the Group and Messrs. Deloitte Touche Tohmatsu were appointed as auditors of the Group to fill the casual vacancy to hold office until the conclusion of the forthcoming Annual General Meeting.

The financial statements for the year were audited by Messrs. Deloitte Touche Tohmatsu who will retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

主要股東於證券之權益 (續)

於股份及本公司股本衍生工具之相關股份之所有權益皆為好倉。概無主要股東於股份及本公司股本衍生工具之相關股份中持有任何淡倉。

公眾持股量

於本年報日，本公司依據已公開的資料，董事確認本公司25%以上之已發行股本由公眾持有。

證券之購買、出售或贖回

截至2012年12月31日止年度，本公司及其附屬公司並無回購、出售或贖回本公司之任何證券。

先買權

儘管百慕達法例在先買權上並無設立限制，公司細則或百慕達法例並無有關先買權之條文。

核數師

截至2012年12月31日止年度，國衛會計師事務所有限公司辭任本集團核數師及德勤•關黃陳方會計師行被委任為本集團核數師以填補由此產生之空缺，直至應屆股東週年大會結束為止。

本年度之財務報表由德勤•關黃陳方會計師行審核，彼將在即將舉行之股東週年大會任滿告退，惟合資格並願意膺選再獲委任。

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51(B)(1) of the Listing Rules, the changes in information of Directors subsequent to the date of the Company's interim report 2012 are set out below:

Ms. Kam Har YUE resigned as a Non-executive Director with effect from August 30, 2012.

Dr. Antonio Maria SANTOS was appointed as an INED and a member of each of the audit committee, the remuneration committee and the nomination committee of the Company with effect from September 1, 2012.

Mr. Boon Seng TAN was appointed as a non-executive director of PureCircle Limited, a company listed on the London Stock Exchange, in August 2012 and resigned from the same position in December 2012. He also resigned as an independent non-executive director of Genting Hong Kong Limited, a company listed on the Stock Exchange with effect from January 10, 2013.

Mr. William Keith JACOBSEN was appointed as an independent non-executive director of Sustainable Forest Holdings Limited, Perception Digital Holdings Limited and China Financial Leasing Group Limited, these companies are listed on the Stock Exchange, with effect from January 4, 2013, January 7, 2013 and February 1, 2013 respectively.

For the year ended December 31, 2012, the Directors' fees for each of Mr. Boon Seng TAN, Mr. Ying Kwan CHEUNG and Mr. Peter Pi Tak YIN have been revised to HK\$15,000 monthly.

For and on behalf of the Board

Dr. Richard Man Fai LEE
Executive Chairman & CEO

Hong Kong, March 26, 2013

董事資料之變更

根據上市規則第13.51(B)(1)條，於本公司2012年中期報告刊發日期後董事資料之變更載列如下：

余金霞女士自2012年8月30日起辭任本公司非執行董事。

杜東尼博士自2012年9月1日起獲委任為本公司獨立非執行董事，以及審核委員會、薪酬委員會及提名委員會之成員。

陳文生先生於2012年8月獲委任為於倫敦證券交易所上市公司PureCircle Limited之非執行董事並已於2012年12月辭任。彼亦已於2013年1月10日起辭任於聯交所上市之雲頂香港有限公司之獨立非執行董事。

葉偉其先生分別自2013年1月4日、2013年1月7日及2013年2月1日起獲委任為於聯交所上市之永保林業控股有限公司、幻音數碼控股有限公司及中國金融租賃集團有限公司之獨立非執行董事。

截至2012年12月31日止年度，陳文生先生、張應坤先生及尹彼德先生之董事袍金已調整為每月15,000港元。

代表董事會

執行主席兼行政總裁
李文輝博士

香港，2013年3月26日

Maintaining an effective corporate governance framework is one of the priorities of the Company. This includes informing our Shareholders of our corporate practices in our Annual Report. In the opinion of the Directors, the Company has complied with all the code provisions of the Corporate Governance Code throughout the year ended December 31, 2012, except Code Provisions A.2.1 and A.6.7 of the CG Code which are explained below.

The corporate governance principles of the Company emphasize a quality board, sound internal control, and transparency and accountability to all Shareholders.

A. DIRECTORS

A.1 The Board

We are governed by the Board which assumes the responsibility for leadership and control of the Company. Our Directors are collectively responsible for promoting the success of the Company by directing and supervising the affairs of the Company.

The Board meets regularly, normally four times each year at approximately once every 3 months and additional meetings will be arranged if and when necessary. Notice of each regular Board meeting will be given to all Directors at least 14 days before the meeting. Special Board meetings will be held as and when necessary. Matters on transactions where Directors are considered having conflict of interests or material interests will not be dealt with by way of written resolutions and a separate Board meeting shall be held where INEDs who have no material interests shall be present in the meeting. In addition, Directors considered having conflict of interests or material interests in the matters before the Board are required to declare their interests and abstain from voting for the relevant resolution.

Appropriate notices are given to all Directors for attending regular Board meetings and other meetings. A package containing agenda and all the relevant information is normally despatched to the Directors 3 days in advance of the relevant meetings.

保持一個有效之企業管治架構乃本公司優先考慮事項之一。此舉包括於本公司年報中向本公司股東告知本公司企業常規。董事認為，於截至2012年12月31日止年度，本公司一直遵守企業管治守則之全部守則條文，惟偏離企業管治守則守則條文第A.2.1及A.6.7條。於下文會說明此項偏離。

本公司企業管治原則強調高素質之董事會、穩健之內部監控，具透明度，及向全體股東問責。

A. 董事

A.1 董事會

本公司由負責領導及管理之董事會管治。本公司董事集體負責統管及監督本公司事務以促使本公司成功。

董事會定期開會，通常每年召開4次，大約每3個月1次。倘若或當有需要時亦另安排會議。每次召開董事會定期會議時，均於有關會議舉行前最少14天通知董事。有需要時將舉行特別董事會會議。當董事被認為於交易事項有利益衝突或擁有重大利益，該事項不會以書面決議案而須舉行個別董事會會議處理，在交易中沒有擁有重大利益之獨立非執行董事須出席該會議。此外，當董事被認為與董事會審議事項有利益衝突或擁有重大利益，須申報其利益並放棄表決有關決議案。

於董事會定期會議及其他會議前均向所有董事發出適當通知。通常於相關會議日期的3天前向董事發出議程及所有相關資料。

A. DIRECTORS (Continued)

A.1 The Board (Continued)

Board meetings involve the active participation, either in person or through electronic means of communication, of a majority of Directors. The Company Secretary assists the Executive Chairman in preparing the meeting agenda, and each Director may request the inclusion of items in the agenda. Directors are also consulted on matters to be included in the agenda for all regular Board meetings.

Minutes of the Board meetings are recorded in detail and draft minutes are circulated to all Directors for review and comment within a reasonable time after the Board meetings are held. All the minutes of the meetings are properly kept by the Company Secretary after approved and are available for inspection by the Directors during normal office hours.

The Board met five times in 2012. The attendance of individual Director at these Board meetings is as below:

A. 董事 (續)

A.1 董事會 (續)

董事會會議均由大部份董事親身出席或透過電子通訊方法積極參與。公司秘書協助執行主席準備會議議程，各位董事皆可要求將商討事項列入議程。就所有董事會定期會議而言，擬商討事項亦會在徵詢董事意見後方列入議程。

董事會會議均作詳細記錄。而會議記錄的草稿均於董事會會議結束後之合理時間內供所有董事傳閱，並表達意見。所有會議記錄經批准後由公司秘書妥善保存，並供董事於正常辦公時間查閱。

2012年董事會舉行了5次會議。各董事於該等董事會會議之出席率如下：

Name of Director	董事姓名	Number of meeting attended/held 會議出席／舉行次數	Attendance rate 出席率
<i>Executive Directors:</i>			
Dr. Richard Man Fai LEE	李文輝博士	4/5	80%
Mr. Jeff Man Bun LEE	李文彬先生	1/5	20%
Mr. Tik Tung WONG	汪滌東先生	5/5	100%
Mr. William Keith JACOBSEN	葉偉其先生	1/5	20%
Mr. Kei Wah CHUA (Note 1)	蔡啟華先生 (附註1)	1/1	100%
<i>Non-executive Director:</i>			
Ms. Kam Har YUE (Note 2)	余金霞女士 (附註2)	1/2	50%
<i>INEDs:</i>			
Mr. Boon Seng TAN	陳文生先生	1/5	20%
Mr. Ying Kwan CHEUNG	張應坤先生	5/5	100%
Mr. Peter Pi Tak YIN	尹彼德先生	2/5	40%
Dr. Antonio Maria SANTOS (Note 3)	杜東尼博士 (附註3)	3/3	100%

A. DIRECTORS (Continued)**A.1 The Board (Continued)**

Notes:

1. Mr. Kei Wah CHUA was appointed on January 1, 2012 and resigned as an Executive Director on June 6, 2012.
2. Ms. Kam Har YUE resigned as a Non-executive Director on August 30, 2012.
3. Dr. Antonio Maria SANTOS was appointed as an INED on September 1, 2012.

The Company has also taken out appropriate insurance cover for our Directors in respect of legal actions taken against Directors and officers. The Board reviews the extent of the insurance cover every year.

A.2 Chairman and Chief Executive Officer

Code Provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Dr. Richard Man Fai LEE is the Executive Chairman and the Chief Executive Officer of the Company. Dr. Lee has extensive experience in marketing consumer products and is responsible for the overall strategic planning and business development of the Group. The Board considers that vesting of the roles of Chairman and Chief Executive Officer simultaneously on Dr. Lee is beneficial to the business prospects and management of the Group. The Board also considers that this structure will not impair the balance of power and authority between the Board and the management. This is because the Board has adopted clear guidelines as to the power and authority of the Board and the management. There are guidelines as to the power and duties of Chief Executive Officer. The details were set out fully in the corporate governance report in the Company's 2005 annual report.

A. 董事 (續)**A.1 董事會 (續)**

附註：

1. 蔡啟華先生於2012年1月1日獲委任及於2012年6月6日辭任執行董事。
2. 余金霞女士於2012年8月30日辭任非執行董事。
3. 杜東尼博士於2012年9月1日獲委任為獨立非執行董事。

本公司亦為其董事購買適當保險，以為董事及高級職員所面對法律行動提供保障。董事會每年檢討保險受保範圍。

A.2 主席及行政總裁

企業管治守則守則條文第A.2.1條規定，主席與行政總裁的角色應有區分，並不應由同一人同時兼任。

李文輝博士為本公司執行主席兼行政總裁。李博士對消費品推廣擁有豐富經驗，並負責制訂本集團之整體策略計劃及業務發展。董事會認為李博士同時出任主席及行政總裁之角色有利於本集團之業務前景及管理。董事會亦認為此架構不會影響董事會與管理層之間之權力及授權均衡，因為董事會已就董事會與管理層之權力及職權採納清晰指引。對於行政總裁之權力及職責亦訂有指引。其全文已刊載於本公司2005年年報的企業管治報告內。

A. DIRECTORS (Continued)

A.2 Chairman and Chief Executive Officer (Continued)

In addition, the Board which comprises experienced and high caliber individuals meets regularly to discuss issues and operation of the Group. The Board believes that this structure is conducive to strengthen and maintain consistent leadership, enabling the Group to make and implement decisions promptly and efficiently.

As the Executive Chairman of the Company, Dr. Richard Man Fai LEE shall ensure that all Directors are properly briefed on issues arising at Board meetings and that Directors receive adequate information, which must be accurate, clear, complete and reliable, in a timely manner. He is also responsible for the duties as specified in Code Provisions A.2.4 to A.2.9 of the CG Code.

A.3 Board Composition

Currently, the Board comprises eight Directors, including four Executive Directors and four INEDs. The Listing Rules require every listed issuer to have INEDs who are representing at least one-third of the Board, at least one of whom must have appropriate professional qualifications, or accounting or related financial management expertise. Mr. Ying Kwan CHEUNG, one of the INEDs, is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. Each INED is required to confirm his independence in accordance with Rule 3.13 of the Listing Rules annually.

Two of the four Executive Directors are family members. Dr. Richard Man Fai LEE and Mr. Jeff Man Bun LEE are brothers. Save as disclosed herein, Board members do not have any family, financial or business relations with each other.

A. 董事 (續)

A.2 主席及行政總裁 (續)

此外，由擁有經驗及才幹之人士組成之董事會定期開會討論本集團之業務及運作。董事會相信，此結構有助於加強及維持一致之領導，使本集團得以迅速和有效地制定及實施決策。

作為本公司執行主席，李文輝博士須確保所有董事能妥善地獲得董事會會議上討論問題之通報，所有董事能適時地收到充份資訊，而該等資訊必須準確清晰及完整可靠。彼亦負責企業管治守則守則條文第A.2.4至A.2.9條指定之職務。

A.3 董事會組成

現時董事會由8名董事組成，其中執行董事4名及獨立非執行董事4名。上市規則要求每個上市發行人至少擁有3名獨立非執行董事（其佔董事會成員人數至少三分之一），其中至少1名必須擁有適當專業資格或會計或相關財務管理專業技能。其中一位獨立非執行董事張應坤先生為英國特許公認會計師公會資深會員及香港會計師公會會員。各獨立非執行董事每年均須按照上市規則第3.13條確認其獨立性。

4名執行董事的其中2名為家族成員關係。李文輝博士及李文彬先生為兄弟關係。除於此披露者外，董事會成員之間並無任何家族、財務或業務關係。

A. DIRECTORS (Continued)**A.3 Board Composition (Continued)**

The biographies of our Directors are set out in the "Directors and Senior Management Profiles" section in this Annual Report. Details of the biographies of the Directors seeking re-election at the forthcoming Annual General Meeting are set out in the circular issued by the Company and sent to our Shareholders together with this Annual Report. The Company also maintains on its website (<http://www.autoitalia.com.hk>) an updated biography of each Director. A list of Directors and their roles and functions has also been published on the websites of the Company and the Stock Exchange respectively.

A.4 Appointments, re-election and removal of Directors

All INEDs, except Mr. Boon Seng TAN, are appointed for a specific term of two years, subject to re-election in accordance with the Bye-laws. All Directors, including those appointed for a fixed term, except for Dr. Richard Man Fai LEE, the Executive Chairman and the Chief Executive Officer of the Company, are subject to the retirement by rotation pursuant to the Bye-laws. A Director appointed by the Board to fill a casual vacancy or as an addition shall hold office until the next general meeting.

According to the Bye-laws, no director holding the office of chairman or managing director shall be subject to retirement by rotation. In order to comply with Code Provision A.4.2 of the CG Code that every director should be subject to retirement by rotation at least once every 3 years, Dr. Richard Man Fai LEE, the Executive Chairman and the Chief Executive Officer of the Company, sent confirmation to the Company that he would voluntarily retire from his directorship at future annual general meetings of the Company at least once every 3 years and, being eligible for re-election, would offer himself for re-election at the relevant general meetings.

A. 董事 (續)**A.3 董事會組成 (續)**

各董事之履歷載列於本年報「董事及高層管理人員簡介」一節。擬於應屆股東週年大會膺選連任之董事之履歷詳情載列於本公司刊發，並與本年報一併寄發予股東之通函內。本公司亦於其網頁 (<http://www.autoitalia.com.hk>) 上載有董事履歷之最新資料。董事名單與其角色和職能亦已分別刊登於本公司及聯交所網站。

A.4 董事之委任、重選和罷免

本公司所有獨立非執行董事(陳文生先生除外)之委任指定任期為2年，且須根據公司細則接受重選。所有董事(本公司執行主席兼行政總裁李文輝博士除外)，包括有固定任期之董事，須根據公司細則輪席告退。由董事會委任以填補臨時空缺或作新增之董事須任職至下屆股東大會為止。

根據公司細則，擔任主席或董事總經理職務之董事無須輪席告退。為遵守企業管治守則守則條文第A.4.2條(即每名董事至少每3年輪席告退1次之規定)，本公司執行主席兼行政總裁李文輝博士已向本公司發出確認函，表示至少每3年於本公司將來之股東週年大會上自願退任，彼有資格重選，亦將於相關股東大會上膺選連任。

A. DIRECTORS (Continued)

A.4 Appointments, re-election and removal of Directors (Continued)

Mr. Boon Seng TAN was re-appointed as an INED at last year's annual general meeting for a term up to the date of the forthcoming Annual General Meeting. Since he has been an INED for more than 9 years, his further appointment will be subject to a separate resolution to be approved by our Shareholders at the forthcoming Annual General Meeting pursuant to Code Provision A.4.3 of the CG Code. The reasons that the Board believes he is still independent and should be re-elected are stated in the circular sent to our shareholders together with this Annual Report.

A.5 Nomination Committee

The Company established the Nomination Committee on November 15, 2011 in accordance with the CG Code. The members of the Nomination Committee are Dr. Richard Man Fai LEE, Mr. Tik Tung WONG, both of whom are Executive Directors, Mr. Boon Seng TAN, Mr. Ying Kwan CHEUNG, Mr. Peter Pi Tak YIN and Dr. Antonio Maria SANTOS, all of whom are INEDs. Dr. Richard Man Fai LEE is the Chairman of the Nomination Committee.

The terms of reference of the Nomination Committee were adopted by the Board with reference to the CG Code and the principal duties are as follows:—

- reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations to the Board on any proposed changes to the Board to complement the Company's corporate strategy;
- identifying individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships;

A. 董事 (續)

A.4 董事之委任、重選和罷免 (續)

陳文生先生已於上屆股東週年大會上獲續任為獨立非執行董事至應屆股東週年大會當日止。由於彼已擔任獨立非執行董事超過9年，根據企業管治守則守則條文第A.4.3條，其續任將遵照股東於應屆股東週年大會上批准之獨立決議案。有關董事會認為彼仍屬獨立人士及應獲重選的原因已列於與本年報一併發予股東之通函內。

A.5 提名委員會

依據企業管治守則，本公司已於2011年11月15日成立提名委員會。提名委員會之成員為李文輝博士、汪滌東先生(2人均為執行董事)、陳文生先生、張應坤先生、尹彼德先生及杜東尼博士(全部4人均為獨立非執行董事)。李文輝博士為提名委員會主席。

提名委員會的職權範圍是經參考企業管治守則而被董事會採納，以下為其主要職責：—

- 至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何為配合本公司策略而擬對董事會作出的變動提出建議；
- 物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供推薦意見；

A. DIRECTORS (Continued)

A.5 Nomination Committee (Continued)

- assessing the independence of INEDs, having regard to the requirements under the Listing Rules; and
- making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman of the Board and the chief executive of the Company.

During the year, the Nomination Committee had conducted one formal meeting. Attendance of individual member at the Nomination Committee meeting in 2012, except Dr. Antonio Maria SANTOS who was appointed as a member after the said meeting held, is as below:

Name of committee member	委員會成員姓名	Number of meeting attended/held 會議的出席／舉行次數	Attendance rate 出席率
Dr. Richard Man Fai LEE	李文輝博士	1/1	100%
Mr. Tik Tung WONG	汪滌東先生	1/1	100%
Mr. Boon Seng TAN	陳文生先生	0/1	0%
Mr. Ying Kwan CHEUNG	張應坤先生	1/1	100%
Mr. Peter Pi Tak YIN	尹彼德先生	1/1	100%

During the year of 2012, the Nomination Committee had reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board; assessed the independence of INEDs, having regard to the requirements under the Listing Rules; made recommendations to the Board on the re-appointment of Directors; and recommended to the Board the appointment of new INED.

Draft and final versions of the minutes of the Nomination Committee are sent to all members of the Nomination Committee for comment and record. Full minutes of the Nomination Committee meeting are kept by the Company Secretary after approval.

A. 董事 (續)

A.5 提名委員會 (續)

- 經考慮上市規則的規定評核獨立非執行董事的獨立性；及
- 就董事委任或重新委任以及董事（尤其是董事會主席及本公司行政人員）繼任計劃向董事會提出推薦意見。

年內，提名委員會召開了1次正式會議。2012年提名委員會各成員之出席率（於有關會議召開後獲委任為成員之杜東尼博士除外）如下：

於2012年，提名委員會已檢討董事會的架構、人數及組成（包括技能、知識及經驗方面）；經考慮上市規則的規定評核獨立非執行董事的獨立性；就董事委任或重新委任以及董事（尤其是董事會主席及行政總裁）繼任計劃向董事會提出推薦意見；及就新獨立非執行董事之委任向董事會作出推薦。

提名委員會會議記錄之初稿及最後版本均送交提名委員會全體成員，以徵求其意見及作為記錄。提名委員會之詳細會議記錄經批准後由公司秘書存置。

A. DIRECTORS (Continued)

A.6 Responsibilities of Directors

Each newly appointed Director is provided with a package of orientation materials setting out the required duties and responsibilities of Directors under the Listing Rules and other relevant statutory requirements of Hong Kong. Newly appointed Directors are invited to attend a briefing session on directors' duties and responsibilities under laws and regulations conducted by legal professional. Our Directors are kept informed on a regular basis on the latest development of any latest changes to the regulatory requirements. All our Directors are encouraged to participate in continuous professional development seminars and/or courses to update their skills and knowledge on the latest development or changes in the relevant statutes, the Listing Rules and corporate governance practices. The Company has arranged for continuous professional development on the update of the Listing Rules and the related legal and regulatory requirements for the Directors in accordance with Code Provision A.6.5 of the CG Code.

A summary of training received by the Directors during the year is as follows:

A. 董事 (續)

A.6 董事責任

每名新委任董事均獲得一套職務簡介材料，該等材料載列有關上市規則及香港其他相關法例規定下之董事職責及責任。新獲委任董事將獲邀出席一個由法律專業人士主持之簡介會，以了解董事根據法規之職責及責任。本公司定期通知董事有關任何最新法例規定之最新進展。本公司鼓勵所有董事參加持續專業技能發展研討會及／或課程，以更新其對相關法例、上市規則及企業管治常規之最新發展或修改。根據企業管治守則守則條文第A.6.5條，本公司已為董事安排就有關上市規則之最新情況及其相關之法律及監管規定的持續專業發展。

董事於年內接受培訓的概要如下：

Name of Director	董事姓名	Type of training (Note) 培訓類別 (附註)
<i>Executive Directors:</i>		
Dr. Richard Man Fai LEE	李文輝博士	B
Mr. Jeff Man Bun LEE	李文彬先生	B
Mr. Tik Tung WONG	汪滌東先生	A,B
Mr. William Keith JACOBSEN	葉偉其先生	A,B
<i>INEDs:</i>		
Mr. Boon Seng TAN	陳文生先生	B
Mr. Ying Kwan CHEUNG	張應坤先生	A,B
Mr. Peter Pi Tak YIN	尹彼德先生	B
Dr. Antonio Maria SANTOS	杜東尼博士	A,C

A. DIRECTORS (Continued)

A.6 Responsibilities of Directors (Continued)

Note:

- A: attending seminars organised by the Company and/or other organisations
- B: reading seminar materials and update relating to the latest development of the Listing Rules and other applicable regulatory requirements
- C: attending a briefing session on directors' duties and responsibilities under laws and regulations conducted by legal professional when newly appointed

The functions of INEDs have included the functions as specified in Code Provisions A.6.2(a) to (d) of the CG Code.

The Company has adopted the standards set out in the Model Code in relation to the dealings in securities of the Company by the Directors and employees of the Group. Having made specific enquiry of all Directors by the Company, the Directors have confirmed that they have complied with the required standards as set out in the Model Code during the year ended December 31, 2012.

In respect of Code Provision A.6.7 of the CG Code, due to other engagements, two INEDs and the former Non-executive Director were unable to attend the annual general meeting of the Company held on May 28, 2012; two INEDs were unable to attend the special general meetings of the Company held on August 30, 2012 and November 26, 2012 respectively; and three INEDs were unable to attend the special general meeting of the Company held on October 3, 2012.

A. 董事 (續)

A.6 董事責任 (續)

附註：

- A：出席由本公司及／或其他機構安排之研討會
- B：閱讀有關上市規則及其他適用監管規定最新發展的研討會材料與更新資料
- C：於新獲委任時，出席一個由法律專業人士主持之簡介會，以了解董事根據法規之職責及責任

獨立非執行董事之職能包括企業管治守則守則條文第A.6.2(a)至(d)條指定之職能。

本公司已採納標準守則載列之標準為本集團董事及僱員買賣本公司證券之標準。本公司已向所有董事作出具體查詢，於截至2012年12月31日止年度期間內，董事確認彼等已遵守標準守則載列之規定標準。

就企業管治守則守則條文A.6.7條，由於有其他事務在身，2名獨立非執行董事及前任非執行董事未能出席本公司於2012年5月28日舉行的股東週年大會；2名獨立非執行董事則未能出席本公司分別於2012年8月30日及2012年11月26日舉行的股東特別大會；以及3名獨立非執行董事則未能出席本公司於2012年10月3日舉行的股東特別大會。

A. DIRECTORS (Continued)

A.7 Supply of and access to information

In respect of regular Board meetings, and so far as practicable in all other cases, an agenda and accompanying Board papers are sent in full to all Directors in a timely manner and at least 3 days before the intended date of a Board or Board committee meeting.

The Board and each Director have separate and independent access to the Group's senior management. All Directors are entitled to have access to Board papers, minutes and related materials.

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT AND BOARD EVALUATION

B.1 Remuneration Committee

The Remuneration Committee was established on April 25, 2005 in accordance with the CG Code. The members of the Remuneration Committee are Mr. Boon Seng TAN, Mr. Ying Kwan CHEUNG and Dr. Antonio Maria SANTOS, all of whom are the INEDs and Mr. Tik Tung WONG, an Executive Director. Mr. Boon Seng TAN is the Chairman of the Remuneration Committee. The terms of reference of the Remuneration Committee were adopted with reference to the CG Code, including the specific duties set out in Code Provisions B.1.2(a) to (h).

During the year, the Remuneration Committee had conducted one formal meeting. Attendance of individual member at the Remuneration Committee meeting in 2012 is as below:

Name of committee member	委員會成員姓名	Number of meeting attended/held 會議的出席／舉行次數	Attendance rate 出席率
Mr. Boon Seng TAN	陳文生先生	0/1	0%
Mr. Tik Tung WONG	汪滌東先生	1/1	100%
Mr. Ying Kwan CHEUNG	張應坤先生	1/1	100%
Dr. Antonio Maria SANTOS	杜東尼博士	1/1	100%

A. 董事 (續)

A.7 資料提供及使用

就董事會定期召開之會議及在其他情況下(只要實際可行),會議之議程及相關會議文件全部適時送交全體董事,並至少在計劃舉行董事會或其轄下委員會會議日期的3天前送出。

董事會及每名董事均能個別及獨立地接觸本集團高級管理人員。所有董事均有權獲取董事會會議文件、會議記錄及相關材料。

B. 董事及高級管理人員的薪酬及董事會評核

B.1 薪酬委員會

本公司已根據企業管治守則於2005年4月25日成立薪酬委員會。薪酬委員會成員為陳文生先生、張應坤先生及杜東尼博士(全部均為獨立非執行董事)及汪滌東先生(執行董事),陳文生先生為薪酬委員會主席。薪酬委員會職權範圍是經參考企業管治守則而採納的,其中已包括守則條文第B.1.2(a)至(h)條載列之特定職責。

年內,薪酬委員會已召開了1次正式會議。各成員於薪酬委員會會議之出席率如下:

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT AND BOARD EVALUATION (Continued)

B.1 Remuneration Committee (Continued)

The Remuneration Committee has the delegated responsibility to determine the remuneration packages of individual Executive Directors and senior management and adopted a set of policy and guidelines to govern its administration in reviewing, considering and fixing the remuneration packages and benefits of Directors and senior management of the Group. During the year 2012, the Remuneration Committee had fixed the schedule of INEDs' fees; and made recommendations to the Board in relation to the Director's fee of the new INED.

Draft and final versions of the minutes of the Remuneration Committee meetings are sent to all members of the Remuneration Committee for comment and record. Full minutes of the Remuneration Committee meetings are kept by the Company Secretary.

C. ACCOUNTABILITY AND AUDIT

C.1 Financial reporting

Management shall provide such explanation and information to the Board as will enable the Board to make an informed assessment of the financial and other information put before the Board for approval.

The Directors are responsible for overseeing all financial aspects of the Company and for keeping proper accounting records and preparing accounts of each financial period, which give a true and fair view of the state of affairs of the Group and the results and cash flow for that period. In preparing the accounts for the year ended December 31, 2012, the Directors had approved the adoption of all applicable Hong Kong Financial Reporting Standards which are issued by the Hong Kong Institute of Certified Public Accountants; selected and applied consistently appropriate accounting policies; made judgments and estimates that are prudent and reasonable; and prepared the accounts on the on-going concern basis.

B. 董事及高級管理人員的薪酬及董事會評核 (續)

B.1 薪酬委員會 (續)

薪酬委員會獲授權負責釐定個別執行董事及高級管理人員之薪酬組合及已採納一套政策及指引，以供審閱、考慮及釐定本集團董事及高級管理人員之薪酬及福利。於2012年期間，薪酬委員會已制定獨立非執行董事薪酬之支付時間表；及就新獨立非執行董事之董事袍金向董事會提出建議。

薪酬委員會會議記錄之初稿及最後版本均送交薪酬委員會全體成員，以徵求其意見及作為記錄。薪酬委員會會議之詳細會議記錄由公司秘書存置。

C. 問責及核數

C.1 財務匯報

管理層須向董事會提供充分的解釋及足夠的資料，讓董事會可以就提交給其批准的財務及其他資料，作出有根據的評審。

董事負責監督本公司所有財務事項，妥善保管會計記錄並編制各財務期間之賬目，而該等賬目真實公平地反映本集團於該期間的業務狀況、業績及現金流量。編制截至2012年12月31日止年度賬目時，董事已批准採納香港會計師公會頒佈之所有可適用香港財務報告準則；選擇並一貫採用適當之會計政策；作出審慎及合理判斷及評估；及以持續經營為基礎編制賬目。

C. ACCOUNTABILITY AND AUDIT (Continued)

C.1 Financial reporting (Continued)

The Board is accountable to our Shareholders for a clear and balanced assessment of the Company's financial position and prospects. In this regard, the Directors are responsible for presenting a balanced, clear and understandable assessment to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements. Financial results of the Group are announced in a timely manner in accordance with all statutory requirements, particularly the timeframe stipulated in Rule 13.49(1) and (6) of the Listing Rules and the Directors acknowledge their responsibility for preparing the financial statements of the Group.

During the year ended December 31, 2012, HLB Hodgson Impey Cheng Limited resigned as external auditors of the Group and Messrs. Deloitte Touche Tohmatsu ("Deloitte") were appointed as external auditors of the Group. The statement of Deloitte about their reporting responsibilities on the financial statements of the Group is set out on pages 50 to 51 of this Annual Report.

For the year ended December 31, 2012, no material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern was reported on by Deloitte.

During the year of 2012, the auditors of the Company have performed audit and non-audit services and their remuneration in respect of audit and non-audit services is HK\$2,000,000 and HK\$239,000 respectively.

C. 問責及核數 (續)

C.1 財務匯報 (續)

董事會須清晰及平衡地評審本公司財務狀況及前景，以向其股東負責。在此方面，董事有責任於年報及中期報告、其他涉及股價敏感資料的通告及根據上市規則規定須予披露的其他財務資料，及向監管者提交之報告書以至根據法例規定須予披露之資料中提出平衡、清晰及可理解的評審。本集團財務業績根據所有法例規定及時予以公佈，尤其是在上市規則第13.49(1)及(6)條規定的時間內予以公佈，而董事確認彼等有編制本集團財務報表之責任。

於截至2012年12月31日止年度，國衛會計師事務所有限公司辭任本集團核數師及德勤•關黃陳方會計師行(「德勤」)被委任為本集團核數師。有關德勤對本集團財務報表申報責任之聲明載於本年報第50至51頁。

於截至2012年12月31日止年度，德勤概無呈報可對本公司持續經營之能力構成重大疑問之相關重大不確定性。

於2012年，本公司核數師已提供核數及非核數服務，彼等提供核數及非核數服務之薪酬分別為2,000,000港元及239,000港元。

C. ACCOUNTABILITY AND AUDIT (Continued)

C.2 Internal controls

The Board acknowledges its responsibility for the effectiveness of the Group's internal control and risk management system, which is designed to provide reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group. The Group has established and implemented the segregation of duties and functions of the respective operational departments of the Group; monitored the strategic plan and performance; designed an effective accounting and information system; reviewed systems and procedures to identify, measure, manage and control risks including reputation, legal, credit, market and operational risks; handled price-sensitive information by setting out the procedures and policies; updated the internal control manual when there are changes to business environment or regulatory guidelines; and followed up with various departments to ensure timely implementation of the recommendations and report the status to the management periodically.

The Group is committed to maintain and uphold good corporate governance practices and internal control system. An annual review of the effectiveness of the Group's internal control system has been conducted. In respect of the year ended December 31, 2012, the Directors were satisfied that the Group had operated an effective internal control system.

C. 問責及核數 (續)

C.2 內部監控

董事會確認其有責任確保集團內部監控及風險管理系統的成效，內部監控系統旨在合理（但非絕對）保證不會出現嚴重管理及財務資料及記錄誤報或財務損失或欺詐。

董事會已制定可確定、評估及管理本集團所面對重大風險之持續程序。本集團已制定及執行分隔本集團各營運部門之職責及職能；監察策略方案及表現；設計一套有效之會計及資訊系統；檢討可確定、計量、管理及控制各項風險（包括信譽、法律、信貸、市場及營運風險）之系統及程序；透過訂立程序及政策，以處理股價敏感資料；因應營商環境或規例指引變更，更新內部監控守則；及與不同部門進行跟進，以確保及時執行有關建議，並定期向管理層匯報情況。

本集團致力維持和強化高水準的企業管治常規及內部監控系統。本集團內部監控系統之成效已進行年度檢討。就截至2012年12月31日止年度而言，董事滿意本集團實施之內部監控系統。

C. ACCOUNTABILITY AND AUDIT (Continued)

C.3 Audit Committee

The Audit Committee was established on December 31, 1998. The terms of reference of the Audit Committee are reviewed annually and have included the duties set out in Code Provisions C.3.3(a) to (n) of the CG Code. The members of the Audit Committee comprise Mr. Ying Kwan CHEUNG, Mr. Boon Seng TAN, Mr. Peter Pi Tak YIN and Dr. Antonio Maria SANTOS, all of whom are INEDs. Mr. Ying Kwan CHEUNG is the Chairman of the Audit Committee. Mr. Cheung, being a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants, has the appropriate professional qualification and experience in financial field.

During the year, the Audit Committee had conducted two formal meetings and discharged its responsibilities. Attendance of individual member at the Audit Committee meetings in 2012, except Dr. Antonio Maria SANTOS who was appointed as a member after the said meetings were held, is as below:

Name of committee member	委員會成員姓名	Number of meeting attended/held 會議的出席／舉行次數	Attendance rate 出席率
Mr. Boon Seng TAN	陳文生先生	1/2	50%
Mr. Ying Kwan CHEUNG	張應坤先生	2/2	100%
Mr. Peter Pi Tak YIN	尹彼德先生	2/2	100%

The principal duties of the Audit Committee include reviewing the financial controls, internal control and risk management system, annual report and accounts, interim report and accounts.

C. 問責及核數 (續)

C.3 審核委員會

審核委員會於1998年12月31日成立。審核委員會之職權範圍每年均經檢討並包括企業管治守則守則條文第C.3.3(a)至(n)條載列之職責。審核委員會成員包括張應坤先生、陳文生先生、尹彼德先生及杜東尼博士(均為獨立非執行董事)。張應坤先生為審核委員會主席。張先生為英國特許公認會計師公會資深會員及香港會計師公會會員，擁有適當之財務專業資格及經驗。

年內，審核委員會召開了2次正式會議並履行其責任。2012年審核委員會各成員之出席率(於有關會議召開後獲委任為成員之杜東尼博士除外)如下：

審核委員會之主要職責包括檢討財務監控、內部監控及風險管理制度、審閱年度報告及賬目、中期報告及賬目。

C. ACCOUNTABILITY AND AUDIT (Continued)**C.3 Audit Committee (Continued)**

During the year of 2012, the Audit Committee had reviewed the audit issues raised by the external auditors; considered and recommended to the Board for adoption of new accounting standards; reviewed and recommended to the Board for approval of the audit fee proposal for the Group for 2011; reviewed the audited accounts and final results announcement for the year 2011; reviewed the interim report and the interim results announcement for the six months ended June 30, 2012; reviewed the effectiveness of internal control system of the Group; reviewed and considered the report of the annual internal control review of the Group; reviewed the related party transactions and compliance of the relevant Listing Rules and accounting policies in relation thereto; and reviewed the terms of reference of the Audit Committee.

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended December 31, 2012.

All issues raised by the Audit Committee have been addressed by the management. The work and findings of the Audit Committee have been reported to the Board. During the year, no issue that brought to the attention of the management and the Board was of sufficient importance to require disclosure in this Annual Report.

Draft and final versions of the minutes of the Audit Committee meetings are sent to all members of the Audit Committee for comment and record. Full minutes of the Audit Committee meetings are kept by the Company Secretary after approval.

C. 問責及核數 (續)**C.3 審核委員會 (續)**

於2012年，審核委員會已審閱外聘核數師提出之審核事項；審議並向董事會建議採納新會計準則；審閱並向董事會建議批准2011年本集團核數費用建議書；審閱2011年度經審核賬目及末期業績公告；審閱截至2012年6月30日止6個月中期報告及中期業績公告；檢討本集團內部監控系統之有效性；檢討並考慮本集團年度內部監控檢討報告；審核關連人士交易及遵守相關上市規則及其有關之會計政策；及檢討審核委員會之職權範圍。

審核委員會已審閱本集團截至2012年12月31日止年度之經審核綜合財務報表。

管理層已處理審核委員會提出之所有事宜。審核委員會已向董事會報告其工作及調查結果。年內，管理層及董事會所知悉之事宜，其重要程度不足以須於本年報內予以披露。

審核委員會會議記錄之初稿及最後版本均送交審核委員會全體成員，以徵求其意見及作為記錄。審核委員會會議之詳細會議記錄經批准後由公司秘書存置。

D. DELEGATION BY THE BOARD

D.1 Management functions

The Board oversees the Company's strategic development and determines the objectives, strategies and policies of the Group. It also monitors and controls operating and financial performance and sets appropriate policies for risk management in pursuit of the Group's strategic objectives, and delegates the implementation of strategies, and day-to-day operation of the Group to the management. The Board is entrusted with certain reserved powers which were fully described in the corporate governance report in the Company's 2005 annual report.

The Company has formal letters of appointment for Directors setting out the key terms and conditions of their appointments.

D.2 Board committees

Apart from the Audit Committee (particulars are disclosed under C.3 above), the Remuneration Committee (particulars are disclosed under B.1 above) and the Nomination Committee (particulars are disclosed under A.5 above), the Board has also established two other committees of the Board, namely the Financial Control Committee and the Executive Directors' Committee. The composition and functions of the respective Board committees were set out in the corporate governance report in the Company's 2005 annual report.

In order to comply with the Listing Rules and the CG Code, the terms of reference of each of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company have been revised accordingly during the year. The terms of reference of each of the Board committees have been published on the websites of the Company and the Stock Exchange respectively.

D. 董事會權力的轉授

D.1 管理功能

董事會監察本公司之策略發展並釐定本集團之目標、策略及政策。其亦監控及控制經營及財務表現並制定風險管理之適當政策，以實現本集團之策略目標，並將本集團實施策略及日常營運之權力轉授予管理層。董事會受託擁有若干保留之權力，有關詳情刊載於本公司2005年年報的企業管治報告內。

本公司已有正式的董事委任書，訂明有關委任的主要條款及條件。

D.2 董事會轄下的委員會

除審核委員會（詳情載列於上文C.3）、薪酬委員會（詳情載列於上文B.1）及提名委員會（詳情載列於上文A.5）外，董事會亦已成立另外2個董事委員會，即財務管理委員會及執行董事委員會。各董事會轄下之委員會之組成及職能刊載於本公司2005年年報的企業管治報告內。

於年內，為符合上市規則及企業管治守則，本公司各個董事委員會之職權範圍已作相應更改。本公司之審核委員會、薪酬委員會及提名委員會之職權範圍已分別刊登於本公司及聯交所網站。

D. DELEGATION BY THE BOARD (Continued)**D.3 Corporate governance functions**

The Company has adopted the terms of reference for corporate governance functions on March 28, 2012 in compliance with Code Provision D.3 of the CG Code, effective from April 1, 2012. Pursuant to the terms of reference of the corporate governance functions, the Audit Committee shall be responsible for developing, reviewing and/or monitoring the policies and practices on corporate governance of the Company and making recommendations to the Board; training and continuous professional development of Directors and senior management; compliance with legal and regulatory requirements; the code of conduct and compliance manual (if any) applicable to employees and Directors; and the Company's compliance with the CG Code and disclosure in the corporate governance report. This Corporate Governance Report has been reviewed by the Audit Committee in discharge of its corporate governance functions.

E. COMMUNICATION WITH SHAREHOLDERS**E.1 Effective communication**

The Company follows the practice that at the annual general meetings of the Company, a separate resolution is proposed in respect of each separate issue, including the re-election of Directors. In every annual general meeting of the Company, the Chairman of the Board would attend and the Chairmen of the Audit Committee, the Remuneration Committee and the Nomination Committee or the members of the respective committees or their respective appointed delegates are present to answer questions of Shareholders.

Pursuant to Code Provision E.1.2 of the CG Code, the Company invited representatives of the external auditors of the Company to attend the annual general meeting of the Company convened on May 28, 2012 to answer Shareholders' questions about the conduct of the audit, the preparation and content of the auditors' report, the accounting policies and auditors' independence.

D. 董事會權力的轉授 (續)**D.3 企業管治職能**

為符合企業管治守則守則條文第D.3條(於2012年4月1日起生效),本公司已於2012年3月28日採納有關企業管治職能之職權範圍。根據有關企業管治職能之職權範圍,審核委員會應負責制定、檢討及/或監察本公司的企業管治政策及常規,並向董事會提出建議;董事及高級管理人員的培訓及持續專業發展;本公司在遵守法律及監管規定方面的政策及常規;僱員及董事的操守準則及合規手冊(如有);及本公司遵守《企業管治守則》的情況及在《企業管治報告》內的披露。本《企業管治報告》已由審核委員會就履行其企業管治職能而被審閱。

E. 與股東的溝通**E.1 有效溝通**

根據本公司之慣例,於本公司之股東週年大會上,將就各個別事宜通過獨立決議案,包括重選董事。於本公司各屆股東週年大會上,董事會主席將會出席及審核委員會、薪酬委員會及提名委員會主席或相關委員會之成員或其相關之獲委任代表均出席,以回答股東提出之問題。

根據企業管治守則守則條文第E.1.2條,本公司已邀請本公司之外聘核數師出席於2012年5月28日舉行之股東週年大會以回答股東就有關審計工作,編制核數師報告及其內容,會計政策以及核數師的獨立性等問題。

E. COMMUNICATION WITH SHAREHOLDERS (Continued)

E.1 Effective communication (Continued)

The Company held four general meetings in 2012. The attendance of individual Director at these general meetings is as below:

Name of Director	董事姓名	Number of meeting attended/held 會議的出席／舉行次數	Attendance rate 出席率
<i>Executive Directors:</i>			
Dr. Richard Man Fai LEE	李文輝博士	1/4	25%
Mr. Jeff Man Bun LEE	李文彬先生	0/4	0%
Mr. Tik Tung WONG	汪滌東先生	4/4	100%
Mr. William Keith JACOBSEN	葉偉其先生	3/4	75%
Mr. Kei Wah CHUA (Note 1)	蔡啟華先生(附註1)	0/1	0%
<i>Non-executive Director:</i>			
Ms. Kam Har YUE (Note 2)	余金霞女士(附註2)	0/1	0%
<i>INEDs:</i>			
Mr. Boon Seng TAN	陳文生先生	0/4	0%
Mr. Ying Kwan CHEUNG	張應坤先生	4/4	100%
Mr. Peter Pi Tak YIN	尹彼德先生	0/4	0%
Dr. Antonio Maria SANTOS (Note 3)	杜東尼博士(附註3)	1/2	50%

Notes:

- Mr. Kei Wah CHUA was appointed on January 1, 2012 and resigned as an Executive Director on June 6, 2012.
- Ms. Kam Har YUE resigned as a Non-executive Director on August 30, 2012.
- Dr. Antonio Maria SANTOS was appointed as an INED on September 1, 2012.

於2012年，本公司舉行了4次股東會。各董事於該等股東會之出席率如下：

E.1 有效溝通(續)

E. 與股東的溝通(續)

附註：

- 蔡啟華先生於2012年1月1日獲委任及於2012年6月6日辭任執行董事。
- 余金霞女士於2012年8月30日辭任非執行董事。
- 杜東尼博士於2012年9月1日獲委任為獨立非執行董事。

E. COMMUNICATION WITH SHAREHOLDERS

(Continued)

E.2 Constitutional documents

The Stock Exchange has amended the Listing Rules and the CG Code which came into effect in phases on or before April 1, 2012. In order to ensure that the Bye-laws is in compliance with the requirements of the Listing Rules and the CG Code, during the year, the Board made the relevant amendments to the Bye-laws to comply with the Listing Rules and the CG Code and proposed the adoption of a new set of Bye-laws which incorporated such relevant amendments. The Shareholders approved the adoption of the amended and restated Bye-laws at the annual general meeting of the Company convened on May 28, 2012. The amended and restated Bye-laws has been published on the websites of the Company and the Stock Exchange respectively.

E.3 Voting by poll

The Company informs Shareholders of the procedures for demanding a poll by incorporating them in any circular for annual general meetings and special general meetings, if any. In addition, in every general meeting, the chairman of the meeting provides an explanation of the detailed procedures for conducting a poll at the meeting. The procedures for conducting a poll were incorporated in the circular for the forthcoming Annual General Meeting.

E. 與股東的溝通 (續)

E.2 憲章文件

聯交所已修訂上市規則及企業管治守則(於2012年4月1日或之前分階段生效)。為確保公司細則符合上市規則及企業管治守則之要求,於年內,董事會對公司細則作出相應修訂以符合上市規則及企業管治守則,並建議採納一份已包括相關修訂之新公司細則。股東已於2012年5月28日舉行之股東週年大會上批准採納經修訂及經重列之公司細則。該經修訂及經重列之公司細則已分別刊登於本公司及聯交所網站。

E.3 以投票方式表決

於有關本公司股東週年大會或股東特別大會(如有)之任何通函內,均納入要求以投票方式表決之程序,藉以知會股東。此外,於每次股東大會上,大會主席於會議均會解釋以投票方式表決的詳細程序。以按股數投票方式表決之程序已納入應屆股東週年大會之通函內。

E. COMMUNICATION WITH SHAREHOLDERS
(Continued)

E.4 Shareholders' right

The Company has adopted a shareholders' communication policy and procedures for Shareholders to propose a person for election as a Director with effect on March 28, 2012. The procedures are available on the website of the Company.

How shareholders can convene a special general meeting ("SGM") and procedures for putting forward proposals at a general meeting

Shareholders may make a requisition to the Board to convene a SGM of the Company in accordance with the provisions as set out in the Bye-laws and section 74 of the Companies Act 1981 of Bermuda (as amended) (the "Bermuda Companies Act"). Shareholder(s) holding at the date of the 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 have the right to submit a written requisition to the Board requiring a SGM to be called by the Board. The written requisition must state the purpose(s) of the meeting (including the resolutions to be considered at the meeting), and must be signed by the requisitionists and deposited at the registered office of the Company at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda for attention of the Board and the Company Secretary of the Company, and may consist of several documents in like form, each signed by one or more requisitionists. If the requisition does not comply with the relevant requirements of the Bye-laws or the Bermuda Companies Act, the requisitionists will be advised of the same and accordingly, the SGM will not be convened as requested.

E. 與股東的溝通 (續)

E.4 股東權利

本公司已採納股東通訊政策及股東提名人選參選董事的程序，由2012年3月28日起生效。該程序可於本公司網站內參閱。

股東如何召開股東特別大會及股東於股東大會上提呈決議案之程序

根據公司細則之條文及百慕達1981年公司法(經修訂)(「百慕達公司法」)第74條，股東可向董事會遞交請求以召開本公司股東特別大會。於遞交請求日期持有附帶可於本公司股東大會上投票權利之佔本公司已繳足股本不少於十分之一之股東有權向董事會遞交書面請求，以要求董事會召開股東特別大會。該書面請求須列明大會的目的(其中包括將於大會上考慮之決議案)，及須由請求人簽署並送交本公司位於Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda之註冊辦事處(註明收件人為本公司之董事會及公司秘書)，並可由數份同樣格式的文件組成，而每份由一名或多名請求人簽署。倘該請求並未符合本公司細則或百慕達公司法之相關規定，則請求人將獲通知，而股東特別大會將不會應要求召開。

E. COMMUNICATION WITH SHAREHOLDERS*(Continued)***E.4 Shareholders' right** *(Continued)*

If Directors do not within 21 days from the date of the deposit of the requisition proceed duly to convene a SGM, the requisitionists or any of them representing more than one-half of the total voting rights of all of them may themselves convene a SGM, but any SGM so convened shall not be held after the expiration of 3 months from the said date of deposit of the requisition. A meeting convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by Board.

Sections 79 and 80 of the Bermuda Companies Act allow certain Shareholder(s) for a requisition the Company to give notice to the Shareholders in respect of any resolution which is intended to be moved at an annual general meeting ("AGM") of the Company and/or to circulate a statement in respect of any proposed resolution or business to be considered at a general meeting of the Company. Under section 79 of the Bermuda Companies Act, at the expense of the requisitionists unless the Company otherwise resolves, it shall be the duty of the Company on the requisition in writing by such number of Shareholders:-

- (a) to give to the Shareholders entitled to receive notice of the next AGM notice of any resolution which may properly be moved and is intended to be moved at that meeting;
- (b) to circulate to the Shareholders entitled to have notice of any general meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

E. 與股東的溝通 (續)**E.4 股東權利 (續)**

倘董事未有在請求書遞呈日期起計21日內召開股東特別大會，則該等請求人或佔全體請求人總投票權一半以上之請求人，可自行召開股東特別大會，但任何如此召開之股東特別大會不得在上述請求書遞交日期起計3個月屆滿後舉行。由請求人召開之大會須盡可能以接近董事會召開大會之方式召開。

百慕達公司法第79及80條准許若干股東向本公司提交請求，就任何擬於本公司股東週年大會（「股東週年大會」）動議之決議案向股東發出通知，並／或傳閱任何有關擬於本公司股東大會上考慮之決議案或事項之陳述書。根據百慕達公司法第79條，就請求人支付費用的情況下（惟本公司另有決議除外），本公司對以書面請求之該等數目股東有責任：

- (a) 向有權接收下屆股東週年大會通告之股東發出通知，以告知任何可能於該大會上正式動議及擬於會上動議之任何決議案；
- (b) 向有權獲發送任何股東大會通告之股東傳閱任何不多於一千字的陳述書，以告知於該大會上提呈之決議案所述事宜或將處理的事項。

E. COMMUNICATION WITH SHAREHOLDERS
(Continued)

E.4 Shareholders' right (Continued)

The number of Shareholders necessary to make the above-mentioned requisitions to the Company shall be:-

- (i) either any number of Shareholders representing not less than one-twentieth of the total voting rights of all the Shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates; or
- (ii) not less than one hundred Shareholders.

The Company shall not be bound to give notice of any resolution or to circulate any statement as mentioned above unless:-

- (a) a copy of the requisition signed by the requisitionists, or two or more copies which between them contain the signatures of all the requisitionists, is deposited at the registered office of the Company:-
 - (i) in the case of a requisition requiring notice of a resolution, not less than six weeks before the meeting; and
 - (ii) in the case of any other requisition, not less than one week before the meeting; and
- (b) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expense in giving effect to the requisition (i.e. the giving of notice of resolution and/or circulation of statement).

Provided that if, after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an AGM is called for a date six weeks or less after the copy has been deposited, the copy though not deposited within the above-mentioned time shall be deemed to have been properly deposited for the purposes thereof.

E. 與股東的溝通 (續)

E.4 股東權利 (續)

向本公司提出以上請求之所需股東數目應為:-

- (i) 任何於遞交請求日期持有附帶可於本公司股東大會上投票權利之佔總表決權不少於二十分之一之任何數目股東有權在該請求有關的大會上表決;或
- (ii) 不少於100名股東。

本公司毋須根據以上發出有關任何決議案的通知或傳閱任何以上提及之陳述書,除非:-

- (a) 一份由請求人簽署的請求書(或2份或多份載有全體請求人簽署的請求書)存放於本公司的註冊辦事處:-
 - (i) 如屬要求發出決議通知的請求書,在有關會議舉行前不少於6個星期;及
 - (ii) 如屬任何其他請求書,在有關會議舉行前不少於1個星期;及
- (b) 隨該請求書存放或付交一筆合理地足以應付本公司為實行請求書之要求而作的開支款項(即發出決議案之通知及/或傳閱陳述書)。

但如要求發出決議通知的請求書在存放於本公司的註冊辦事處後,有關方面在該請求書存放後6個星期或較短期間內的某一日期召開股東週年大會,亦須當作已恰當地存放。

E. COMMUNICATION WITH SHAREHOLDERS
(Continued)

E.4 Shareholders' right (Continued)

Procedures for directing Shareholders' enquiries to the Board

Shareholders should direct their enquiries about their shareholdings to Tricor Standard Limited, the Company's Share Registrar and Transfer Office in Hong Kong. Other Shareholders' enquiries can be directed to the Company Secretary or his subordinates from time to time. Enquiring Shareholder has to provide evidence to the Company to identify its identity. Please refer to the section headed "Corporate and Investor Information" of this Annual Report for the contact details.

F. COMPANY SECRETARY

Mr. Tik Tung WONG, the Company Secretary of the Company, is an employee of the Company and has day-to-day knowledge of the Company's affairs. During the year ended December 31, 2012, he has taken no less than 15 hours of relevant professional training.

All directors have access to the advice and services of the Company Secretary to ensure that board procedures, and all applicable law, rules and regulations, are followed.

For and on behalf of the Board

Dr. Richard Man Fai LEE
Executive Chairman & CEO

Hong Kong, March 26, 2013

E. 與股東的溝通 (續)

E.4 股東權利 (續)

股東向董事會提出查詢之程序

股東可向本公司香港之股份過戶登記處卓佳標準有限公司查詢彼等之持股情況。股東之其他查詢可不時向公司秘書或其下屬提出。提出查詢之股東須向公司提供證明以證明其身份。請參考載列於本年報「公司及投資者資料」一節內之聯絡資料。

F. 公司秘書

本公司之公司秘書汪滌東先生是本公司之僱員，並對本公司的日常事務具有認識。於截至2012年12月31日止年度，彼已參加不少於15小時的相關專業培訓。

所有董事可取得公司秘書的意見及享用其的服務，以確保董事會程序及所有適用法律、規則及規例均獲得遵守。

代表董事會

執行主席兼行政總裁
李文輝博士

香港，2013年3月26日

Deloitte.

德勤

德勤•關黃陳方會計師行
香港金鐘道88號
太古廣場一座35樓

Deloitte Touche Tohmatsu
35/F One Pacific Place
88 Queensway
Hong Kong

**TO THE MEMBERS OF AUTO ITALIA HOLDINGS LIMITED
(FORMERLY KNOWN AS WO KEE HONG (HOLDINGS) LIMITED)**
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Auto Italia Holdings Limited (formerly known as Wo Kee Hong (Holdings) Limited) (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 52 to 162, which comprise the consolidated statement of financial position at December 31, 2012, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, 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 as to whether the consolidated financial statements are free from material misstatement.

致意達利控股有限公司
(前稱為和記行(集團)有限公司)各股東
(於百慕達註冊成立之有限公司)

本行已審核列載於第52至第162頁意達利控股有限公司(前稱為和記行(集團)有限公司)(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。綜合財務報表包括於2012年12月31日之綜合財務狀況表,以及截至該日止年度之綜合損益表、綜合全面損益表、綜合權益變動表及綜合現金流量表連同主要會計政策摘要及其他解釋資料。

董事就綜合財務報表之責任

貴公司之董事須根據由香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製及呈列真實而公平之綜合財務報表,並實行董事認為屬必要之內部監控,致使綜合財務報表之編製不存在因欺詐或錯誤而導致之重大錯誤陳述。

核數師之責任

本行之責任是根據本行之審核,對該等綜合財務報表提出意見,並根據百慕達公司法第90條,僅向全體股東報告本行之意見,除此以外,本報告不可用作其他用途。本行概不就本報告內容向任何其他人士承擔或負上任何責任。本行乃根據香港會計師公會頒佈之香港審計準則進行審核工作。該準則要求本行遵守道德規範,並策劃及執行審核,以合理確定該等綜合財務報表是否不存在任何重大錯誤陳述。

AUDITOR'S RESPONSIBILITY (Continued)

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 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 at December 31, 2012, and of its 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.

OTHER MATTER

The consolidated financial statements of the Group for the year ended December 31, 2011 were audited by another auditor who expressed an unmodified opinion on those statements on March 28, 2012.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

March 26, 2013

核數師之責任 (續)

審核涉及執程序以取得與綜合財務報表所載數額及披露事項有關之審核憑證。所選用之程序由核數師作判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。當核數師作出該等風險評估時，會考慮與該公司編製綜合財務報表相關之內部監控，以設計適合當時情況之審核程序，但不會就公司之內部控制之成效發表意見。審核亦包括評價董事所採用之會計政策是否合適，及所作出之會計估計是否合理，以及評價綜合財務報表之整體呈列方式。

本行相信本行得到足夠及適當之審核憑證以作為提供該審核意見之基礎。

意見

本行認為，該等綜合財務報表已根據香港財務報告準則真實與公平地反映貴集團於2012年12月31日之財政狀況及其於截至該日止年度之虧損及現金流量，並已按照香港公司條例之披露規定妥善編製。

其他事項

截至2011年12月31日止年度之綜合財務報表乃由另一核數師審核，其於2012年3月28日就該等報表發表無保留意見。

德勤•關黃陳方會計師行
香港執業會計師
香港

2013年3月26日

Consolidated Income Statement

綜合損益表

For the year ended December 31, 2012

截至2012年12月31日止年度

		Notes 附註	2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)
Revenue	收入	8	1,507,401	1,416,310
Cost of sales	銷售成本		(1,213,046)	(1,121,184)
Gross profit	毛利		294,355	295,126
Other income and expenses	其他收入及開支	9	19,867	13,754
Other gains and losses	其他收益及虧損	10	(47,489)	2,811
Selling and distribution costs	銷售及分銷成本		(185,171)	(170,928)
Administrative expenses	行政費用		(138,448)	(142,840)
Finance costs	財務費用	11	(20,837)	(14,098)
Share of result of a jointly controlled entity	應佔一間共同控制 實體業績		–	313
Loss before taxation	除稅前虧損		(77,723)	(15,862)
Taxation	稅項	12	(2,914)	(2,706)
Loss for the year	本年度虧損	13	(80,637)	(18,568)
Loss for the year attributable to:	應佔本年度虧損：			
Owners of the Company	本公司擁有人		(78,472)	(23,115)
Non-controlling interests	非控股權益		(2,165)	4,547
			(80,637)	(18,568)
Loss per share attributable to the owners of the Company	本公司擁有人應佔之 每股虧損			
– Basic and diluted	– 基本及攤薄	15	(2.92) cents 仙	(0.99) cents 仙

Consolidated Statement of Comprehensive Income

綜合全面損益表

For the year ended December 31, 2012

截至2012年12月31日止年度

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Loss for the year	本年度虧損	(80,637)	(18,568)
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	1,706	371
Total comprehensive expense for the year	本年度全面開支總額	(78,931)	(18,197)
Total comprehensive (expense) income attributable to:	應佔全面(開支)收入總額:		
Owners of the Company	本公司擁有人	(76,631)	(22,789)
Non-controlling interests	非控股權益	(2,300)	4,592
		(78,931)	(18,197)

Consolidated Statement of Financial Position

綜合財務狀況表

At December 31, 2012

於2012年12月31日

		Notes 附註	2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	78,162	129,178
Investment properties	投資物業	17	–	4,000
Goodwill	商譽	18	2,855	30,111
Intangible assets	無形資產	19	5,400	5,400
Available-for-sale investments	可供出售投資	20	252	9,552
Interest in associates	於聯營公司之權益	21	–	–
Amounts due from associates	應收聯營公司款項	26	41,246	–
Rental deposits	租賃按金		7,539	6,042
Deferred tax assets	遞延稅項資產	32	194	118
			135,648	184,401
Current assets	流動資產			
Inventories	存貨	22	416,577	300,995
Properties held for sale	持作出售物業	23	30,070	30,070
Trade and other receivables	貿易往來及 其他應收賬款	24	128,275	201,818
Loan receivables	應收貸款	25	6,086	15,811
Amounts due from associates	應收聯營公司款項	26	30,234	66,311
Pledged bank deposits	已抵押銀行存款	27	151,603	134,000
Bank balances and cash	銀行結餘及現金	27	85,780	71,754
			848,625	820,759
Current liabilities	流動負債			
Trade and other payables	貿易往來及 其他應付賬款	28	380,596	401,041
Tax payable	應繳稅項		123	52
Amount due to a related company	應付一間關聯公司款項	26	441	441
Bank and other borrowings	銀行及其他借貸	29	326,563	309,758
Obligations under finance leases	融資租賃債務	30	302	148
			708,025	711,440
Net current assets	流動資產淨值		140,600	109,319
Total assets less current liabilities	總資產減流動負債		276,248	293,720

Consolidated Statement of Financial Position

綜合財務狀況表

At December 31, 2012

於2012年12月31日

		Notes 附註	2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)
Capital and reserves	資本及儲備			
Share capital	股本	33	59,189	49,178
Reserves	儲備		186,510	200,275
Equity attributable to owners of the Company	本公司擁有人應佔權益		245,699	249,453
Non-controlling interests	非控股權益		18,280	20,580
Total equity	總權益		263,979	270,033
Non-current liabilities	非流動負債			
Bank and other borrowings	銀行及其他借貸	29	11,577	23,251
Obligations under finance leases	融資租賃債務	30	679	423
Deferred tax liabilities	遞延稅項負債	32	13	13
			12,269	23,687
			276,248	293,720

The consolidated financial statements on pages 52 to 162 were approved and authorised for issue by the Board of Directors on March 26, 2013 and are signed on its behalf by:

於第52至第162頁之綜合財務報表經董事會於2013年3月26日批准及授權刊發並由下列董事代表董事會簽署：

Director
董事

Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended December 31, 2012

截至2012年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Capital redemption reserve	Share option reserve	Translation reserve	Equity component of convertible loan note	Other reserve	Accumulated profit/(losses)	Total	Non-controlling interests	Total
		股本	股份溢價	資本贖回儲備	優先認股權儲備	匯兌儲備	可換股貸款票據之權益部份	其他儲備	累計盈利/(虧損)	合計	非控股權益	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At January 1, 2011	於2011年1月1日	45,838	30,847	2,151	2,563	(824)	973	157,034	11,855	250,437	15,988	266,425
(Loss) profit for the year	本年度(虧損)盈利	-	-	-	-	-	-	-	(23,115)	(23,115)	4,547	(18,568)
Other comprehensive income for the year	本年度其他全面收入	-	-	-	-	326	-	-	-	326	45	371
Total comprehensive income (expense) for the year	本年度全面收入(開支)總額	-	-	-	-	326	-	-	(23,115)	(22,789)	4,592	(18,197)
Issue of shares upon exercise of share options, net of transaction costs	於行使優先認股權時發行股份(扣除交易成本)	1,715	10,033	-	(2,256)	-	-	-	-	9,492	-	9,492
Lapse of share options	優先認股權失效	-	-	-	(18)	-	-	-	18	-	-	-
Issue of shares upon conversion of convertible loan note	於兌換可換股貸款票據時發行股份	1,625	11,661	-	-	-	(973)	-	-	12,313	-	12,313
At December 31, 2011	於2011年12月31日	49,178	52,541	2,151	289	(498)	-	157,034	(11,242)	249,453	20,580	270,033
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(78,472)	(78,472)	(2,165)	(80,637)
Other comprehensive income (expense) for the year	本年度其他全面收入(開支)	-	-	-	-	1,841	-	-	-	1,841	(135)	1,706
Total comprehensive income (expenses) for the year	本年度全面收入(開支)總額	-	-	-	-	1,841	-	-	(78,472)	(76,631)	(2,300)	(78,931)
Issue of new shares under placement (Note 33)	根據配售發行新股份(附註33)	9,836	63,932	-	-	-	-	-	-	73,768	-	73,768
Issue of shares upon exercise of share options	於行使優先認股權時發行股份	175	1,617	-	(271)	-	-	-	-	1,521	-	1,521
Transaction costs attributable to issue of shares	發行股份應佔交易成本	-	(2,412)	-	-	-	-	-	-	(2,412)	-	(2,412)
At December 31, 2012	於2012年12月31日	59,189	115,678	2,151	18	1,343	-	157,034	(89,714)	245,699	18,280	263,979

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended December 31, 2012

截至2012年12月31日止年度

		2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)
OPERATING ACTIVITIES	經營業務		
Loss before taxation	除稅前虧損	(77,723)	(15,862)
Adjustments for:	經作出以下調整:		
Impairment losses on trade and other receivables	貿易往來及其他應收賬款減值虧損	9,260	60
Allowance (reversal of allowance) for inventories	存貨撥備(撥備撥回)	6,879	(2,259)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	22,699	21,739
Interest income	利息收入	(1,428)	(1,433)
Interest expenses	利息支出	20,837	13,221
Impairment losses on available-for-sale investments	可供出售投資減值虧損	9,300	-
Impairment loss on goodwill	商譽減值虧損	27,256	-
Impairment losses on loan receivables	應收貸款減值虧損	8,104	6,238
Written-off of other receivables	其他應收賬款撇銷	-	721
Fair value gains on investment properties	投資物業之公平值收益	-	(1,000)
Share of result of a jointly controlled entity	應佔一間共同控制實體業績	-	(313)
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	29
Gain on disposal property, plant and equipment	出售物業、廠房及設備之收益	(7,949)	(1,039)
Gain on disposal of prepaid lease payments	出售預付租賃款項之收益	-	(1,461)
Loss on disposal of financial assets at fair value through profit or loss	出售以公平值計入損益之金融資產之虧損	-	17
Loss on disposal of investment properties	出售投資物業之虧損	838	-
Reversal of properties held for sale to net realisable value	持作出售物業撥回至可變現淨值	-	(4,600)
Operating cash flows before movements in working capital	未計營運資金變動前之經營現金流量	18,073	14,058
Increase in inventories	存貨增加	(122,461)	(98,377)
Decrease in trade and other receivables	貿易往來及其他應收賬款減少	64,664	10,874
Decrease (increase) in loan receivables	應收貸款減少(增加)	1,621	(24,115)
Decrease in amount due to a related company	應付一間關聯公司款項減少	-	(2,315)
(Decrease) increase in trade and other payables	貿易往來及其他應付賬款(減少)增加	(21,197)	19,900
Net cash used in operations	經營所用現金淨額	(59,300)	(79,975)
Income taxes paid	已付所得稅	(2,911)	(5,701)
NET CASH USED IN OPERATING ACTIVITIES	經營業務所用現金淨額	(62,211)	(85,676)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended December 31, 2012

截至2012年12月31日止年度

		Note 附註	2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)
INVESTING ACTIVITIES	投資業務			
Interest received	已收利息		1,428	1,559
Purchase of property, plant and equipment	購買物業、廠房及設備		(25,138)	(32,509)
Proceeds from disposal of investment properties	出售投資物業所得款項		3,162	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		62,175	10,192
Proceeds from disposal of prepaid lease payments	出售預付租賃款項所得款項		-	2,968
Advances to associates	向聯營公司之墊款		(5,169)	(2,266)
Acquisition of subsidiaries	收購附屬公司	36	-	(6,098)
Placement of pledged bank deposits	存放已抵押銀行存款		(103,336)	(60,802)
Withdrawal of pledged bank deposits	提取已抵押銀行存款		85,733	34,363
NET CASH FROM (USED IN) INVESTING ACTIVITIES	投資業務所得(所用)現金淨額		18,855	(52,593)
FINANCING ACTIVITIES	融資業務			
Interest paid	已付利息		(20,796)	(12,681)
Bank and other borrowings raised	所籌集之銀行及其他借貸		1,212,795	941,285
Repayment of bank and other borrowings	償還銀行及其他借貸		(1,188,701)	(833,512)
Repayment under finance leases	償還融資租賃債務		(221)	(136)
Interest paid on finance leases	支付融資租賃利息		(41)	(20)
Proceeds from exercise of share options	行使優先認股權時所得款項		1,521	9,492
Proceeds from share placement	股份配售之所得款項		73,768	-
Shares issue expenses	股份發行開支		(2,412)	-
NET CASH FROM FINANCING ACTIVITIES	融資業務所得現金淨額		75,913	104,428
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加(減少)淨額		32,557	(33,841)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	於年初之現金及現金等值項目		39,938	73,381
Effect of exchange rate changes	外幣匯率變動之影響		432	398
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	於年終之現金及現金等值項目		72,927	39,938
Represented by:	指:			
Bank balances and cash	銀行結餘及現金		85,780	71,754
Bank overdrafts	銀行透支		(12,853)	(31,816)
			72,927	39,938

Notes to the Consolidated Financial Statements

綜合財務報表附註

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1. GENERAL

The Company is a public limited company incorporated in Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office and principal place of business of the Company is disclosed in the corporate and investor information section of the annual report.

Pursuant to the special resolution of the Company dated August 30, 2012, the name of the Company has been changed from Wo Kee Hong (Holdings) Limited to Auto Italia Holdings Limited with effect from September 6, 2012.

The Company is a holding company with major subsidiaries engaged in import, marketing, distribution and after-sales service of high quality, branded products serving customers in the Asian region and, in particular, the markets of the Mainland China, Hong Kong, Macau, Singapore and Malaysia. The products include principally cars and car accessories, motor yachts, fashion apparels and accessories, air-conditioning and refrigeration products, audio-visual equipment, car audio and electronic products, other electronic and electrical products and property investment.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company.

1. 一般資料

本公司乃於百慕達註冊成立之公眾有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要經營地點之地址於本年報公司及投資者資料部份披露。

根據本公司日期為2012年8月30日之特別決議案，本公司名稱已自2012年9月6日起由和記行（集團）有限公司更改為意達利控股有限公司。

本公司為一間控股公司，其主要附屬公司從事優質品牌產品之進口、市場推廣、分銷及售後服務。客戶遍及亞洲地區，並以中國內地、香港、澳門、新加坡及馬來西亞市場為主。提供的產品主要包括汽車及汽車配件、機動遊艇、時裝及配飾、空調及冷凍產品、影音設備、汽車音響及電子產品、其他電子及電器產品與物業投資。

綜合財務報表以港元（「港元」），亦為本公司之功能貨幣）呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied the following amended HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Amendments to HKAS 12	Deferred tax: Recovery of underlying assets;
Amendments to HKFRS 7	Financial instruments: Disclosures – Transfers of financial assets; and
Amendments to HKAS 1	As part of the Annual Improvements to HKFRSs 2009 – 2011 Cycle

Amendments to HKAS 1 Presentation of Financial Statements (as part of the Annual Improvements to HKFRSs 2009 – 2011 Cycle)

In current year, the Group has applied for the first time the amendments to HKAS 1 (the effective date of these amendments is annual periods beginning on or after January 1, 2013) in advance of the effective date.

HKAS 1 requires an entity that changes accounting policies retrospectively, or makes a retrospective restatement or reclassification to present a statement of financial position at the beginning of the preceding period (third statement of financial position). The amendments to HKAS 1 clarify that an entity is required to present a third statement of financial position only when the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position and that related notes are not required to accompany the third statement of financial position.

In accordance with the amendments to HKAS 1, the Group has not presented a third statement of financial position at January 1, 2012 and the related notes as the reclassification set out in note 42 has no material effect on the information in the third statement of financial position.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已應用下列由香港會計師公會（「香港會計師公會」）頒佈之經修訂香港財務報告準則。

香港會計準則第12號（修訂本）	遞延稅項：收回相關資產；
香港財務報告準則第7號（修訂本）	金融工具：披露－金融資產轉讓；及
香港會計準則第1號（修訂本）	作為對香港財務報告準則2009－2011週期之年度改進之一部份

香港會計準則第1號（修訂本）呈報財務報表（作為對香港財務報告準則2009－2011週期之年度改進之一部份）

本年度，本集團首次在生效日期前應用香港會計準則第1號（修訂本）（該等修訂本之生效日期為2013年1月1日或以後開始之年度期間）。

香港會計準則第1號要求實體追溯會計政策變動、或對於前期之期初所呈報財務狀況表（第三財務狀況表）作出追溯重報或重新歸類。香港會計準則第1號（修訂本）澄清，唯獨在追溯應用、重報或重新歸類對第三財務狀況表之資料有重大的影響之情況下，實體被要求呈報第三財務狀況表，而相關附註並不需要附隨第三財務狀況表呈報。

根據香港會計準則第1號（修訂本），本集團並無呈列於2012年1月1日之第三財務狀況表，及相關附註，原因為附註42所載之重列並無對第三財務狀況表之資料產生重大的影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (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 properties 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 portfolios and concluded that certain of the Group’s investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, the Directors have determined that the “sale” 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 properties. However, the Directors considered that the application of the above amendments has had no material impact on these consolidated financial statements and hence no retrospective restatement is made.

The application of the amendments to others HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則（「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：收回相關資產

本集團於本年度已首次應用香港會計準則第12號「遞延稅項：收回相關資產」的修訂本。在此修訂本下，就計量遞延稅項而言，假定根據香港會計準則第40號「投資物業」以公平值模式計量的投資物業可從出售中悉數收回，除非在若干情況下假定被駁回則另作別論。

本集團利用公平值模式計量其投資物業。由於應用香港會計準則第12號的修訂本，董事審閱本集團的投資物業組合並得出結論，本集團的若干投資物業並非按旨在以時間消耗該等投資物業大部份經濟利益的業務模式持有。因此，董事已釐定載於香港會計準則第12號的修訂本的「出售」假設並無被駁回。

在應用香港會計準則第12號之修訂本，本集團並無就投資物業之公平值變動確認任何遞延稅項。然而，董事認為，應用上述修訂本對此等綜合財務報表並無重大影響，因此毋須作出追溯重列。

於本年度應用其他香港財務報告準則（修訂本）對本集團本年度及過往年度之財務表現及狀況及／或該等綜合財務報表所載之披露並無重大影響。

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綜合財務報表附註

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

The Group has not early applied the following new and revised Standards, Amendments or Interpretations that have been issued but are not yet effective.

Amendments to HKFRSs	Annual improvement to HKFRSs 2009 – 2011 cycle, except for the amendments HKAS 1 ¹
Amendments to HKFRS 7	Disclosures – Offsetting financial assets and financial liabilities ¹
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures ²
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance ¹
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities ⁴
HKFRS 9	Financial instruments ²
HKFRS 10	Consolidated financial statements ¹
HKFRS 11	Joint arrangements ¹
HKFRS 12	Disclosure of interests in other entities ¹
HKFRS 13	Fair value measurement ¹
Amendments to HKAS 1	Presentation of items of other comprehensive income ³
HKAS 19 (as revised in 2011)	Employee benefits ¹
HKAS 27 (as revised in 2011)	Separate financial statements ¹
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures ¹
Amendments to HKAS 32	Offsetting financial assets and financial liabilities ⁴
HK(IFRIC) – INT 20	Stripping costs in the production phase of a surface mine ¹

¹ Effective for annual periods beginning on or after January 1, 2013.

² Effective for annual periods beginning on or after January 1, 2015.

³ Effective for annual periods beginning on or after July 1, 2012.

⁴ Effective for annual periods beginning on or after January 1, 2014.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂準則、修訂或詮釋。

香港財務報告準則（修訂本）	2009年至2011年週期的年度改進，惟香港會計準則第1號（修訂本）除外 ¹
香港財務報告準則第7號（修訂本）	披露—金融資產及金融負債之互相抵銷 ¹
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號的強制性生效日期及過渡性披露 ²
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號（修訂本）	綜合財務報表、共同安排及披露於其他實體的權益：過渡性指引 ¹
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 ⁴
香港財務報告準則第9號	金融工具 ²
香港財務報告準則第10號	綜合財務報表 ¹
香港財務報告準則第11號	聯合安排 ¹
香港財務報告準則第12號	披露於其他實體之權益 ¹
香港財務報告準則第13號	公平值計量 ¹
香港會計準則第1號（修訂本）	呈列其他全面收入項目 ³
香港會計準則第19號（2011年經修訂）	僱員福利 ¹
香港會計準則第27號（2011年經修訂）	獨立財務報表 ¹
香港會計準則第28號（2011年經修訂）	於聯營公司及合營公司之投資 ¹
香港會計準則第32號（修訂本）	金融資產與金融負債之互相抵銷 ⁴
香港（國際財務報告詮釋委員會）—詮釋第20號	露天礦場生產期之剝採成本 ¹

¹ 於2013年1月1日或之後開始之年度期間生效。

² 於2015年1月1日或之後開始之年度期間生效。

³ 於2012年7月1日或之後開始之年度期間生效。

⁴ 於2014年1月1日或之後開始之年度期間生效。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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 and income statement. Under the amendments to HKAS 1, a ‘statement of comprehensive income’ is renamed as a ‘statement of profit or loss and other comprehensive income’ and an ‘income statement’ is renamed as a ‘statement of profit or loss’.

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

The amendments to HKAS 1 are effective for the Group for annual period beginning on or after January 1, 2013. It is not expected to modify the presentation of items of other comprehensive income when the amendments are applied in the future accounting periods based on the items presented in the consolidated financial statements at December 31, 2012.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港會計準則第1號（修訂本）呈列其他全面收益項目

香港會計準則第1號（修訂本）其他全面收益項目呈列提供了全面收益表及收益表的新術語。根據香港會計準則第1號（修訂本），「全面收益表」重新命名為「損益及其他全面收益表」及「收益表」重新命名為「損益表」。

香港會計準則第1號（修訂本）保留列示損益及其他全面收益為單一或分別兩個獨立但連續報表之選擇。但香港會計準則第1號（修訂本）要求於其他全面收益部份作出附加披露使到其他全面收益項目歸類成兩個類別：(a)項目以後將不會重新分類至損益；及(b)項目以後當符合特定情況時可能會重新分類至損益。其他全面收益項目之所得稅須根據相同基礎分配。

香港會計準則第1號（修訂本）對本集團於2013年1月1日或以後開始之年度期間生效。根據於2012年12月31日之綜合財務報表所呈列之項目，預期毋須於未來會計期間應用修訂本時修訂其他全面收益項目呈列。

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

New and revised standards on consolidation

In June 2011, HKFRS 10 was issued. Key requirement of this standard is described below.

HKFRS 10 replaces the parts of HKAS 27 *Consolidated and separate financial statements* that deal with consolidated financial statements. HK (SIC)-INT 12 "Consolidation – Special purpose entities" will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

In July 2012, the amendments to HKFRS10 were issued to clarify certain transitional guidance on the application of this HKFRS for the first time.

HKFRS 10, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after January 1, 2013 with earlier application permitted.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

有關綜合的新訂及經修訂標準

於2011年6月，香港財務報告準則第10號已頒佈。該準則之主要規定載於下文。

香港財務報告準則第10號取代處理綜合財務報表的部份香港會計準則第27號綜合及獨立財務報表。香港（常務詮釋委員會）－詮釋第12號「綜合－特殊目的實體」將於香港財務報告準則第10號生效日期後撤回。根據香港財務報告準則第10號，僅有一項綜合基準，即控制權。此外，香港財務報告準則第10號載有控制權之新定義，包括三項元素：(a)對被投資公司之權力，(b)來自其參與被投資公司所獲可變回報之風險或權利，及(c)對被投資公司使用其權力影響投資者回報金額之能力。香港財務報告準則第10號已新增多項指引以處理複雜情況。

於2012年7月，香港財務報告準則第10號（修訂本）已頒佈以釐清於首次應用此香港財務報告準則時的若干過渡指引。

香港財務報告準則第10號連同有關過渡指引的修訂本於2013年1月1日或之後開始的年度期間生效，並可提早應用。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and revised standards on consolidation (Continued)

The application of HKFRS 10 may affect the accounting for the Group’s 49.8% ownership interest in China Premium Lifestyle Enterprise, Inc. (“CPLY”) and CPMM (Asia) Limited (“CPMM”) that are currently classified as the Group’s associates. Taking into account the new definition of control and the additional guidance on control set out in HKFRS 10, the application of HKFRS 10 may result in CPLY and CPMM being treated as the Group’s subsidiaries. If CPLY and CPMM are consolidated as the Group’s subsidiaries, the assets and liabilities as well as income and expenses of CPLY and CPMM will be presented as separate line items in the consolidated statement of financial position and in the consolidated income statement respectively, rather than being presented as one line item in the Group’s consolidated financial statements and any losses incurred by CPLY and CPMM not recognised by the Group under the equity method of accounting would have to be recognised by the Group under the equity method of accounting if CPLY and CPMM were treated as subsidiaries under HKFRS10. At December 31, 2012 the accumulated unrecognised share of losses of associates is set out in note 21. A detailed review will be performed by the Directors to determine and quantify the impact on the application of HKFRS 10.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

有關綜合的新訂及經修訂標準（續）

應用香港財務報告準則第10號可能影響本集團於China Premium Lifestyle Enterprise, Inc.（「CPLY」）及名品（亞洲）有限公司（「名品」）（現時分類為本集團的聯營公司）持有49.8%權益之會計方法。考慮到香港財務報告準則第10號所載有關控制的新定義及控制的額外指引，應用香港財務報告準則第10號將導致CPLY及名品被視為本集團的附屬公司。倘CPLY及名品綜合入賬為本集團的附屬公司，則CPLY及名品的資產及負債以及收益及支出將分別於綜合財務狀況表及綜合損益表以個別項目呈列，而非以一個項目呈列於本集團的綜合財務報表內及倘CPLY及名品根據香港財務報告準則第10號視為附屬公司，則本集團根據權益會計法尚未確認之CPLY及名品產生之任何虧損將須由本集團根據會計權益法確認。於2012年12月31日，累計未確認之應佔聯營公司虧損載於附註21。董事將進行詳細審閱以釐定應用香港財務報告準則第10號的影響及量化影響的程度。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 13 Fair value measurement

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

HKFRS 13 is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted. The Directors anticipate that HKFRS 13 will be adopted in the Group’s consolidated financial statements for the annual period beginning January 1, 2013 and that the application of the new Standard may not affect significantly on the amounts reported in the consolidated financial statements but will result in more extensive disclosures in the consolidated financial statements.

The Directors anticipate that the application of the other new and revised Standards, Amendments or Interpretations will have no material impact on the Group’s consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第13號公平值計量

香港財務報告準則第13號就公平值計量及公平值計量披露制定單一來源指引。該準則對公平值進行界定、設立計量公平值之框架及有關公平值計量之披露規定。香港財務報告準則第13號之應用範圍相當廣泛，其同時應用於其他香港財務報告準則規定或允許公平值計量及有關公平值計量披露之金融工具項目及非金融工具項目，惟特定情況除外。整體而言，香港財務報告準則第13號所載之披露規定較現行準則所規定者更為全面。例如，現時根據香港財務報告準則第7號「金融工具：披露」僅須對金融工具採用三級公平值等級作出量化及質量披露之規定，將藉香港財務報告準則第13號擴大至涵蓋其範圍內之所有資產及負債。

香港財務報告準則第13號於2013年1月1日或之後開始的年度期間生效，並容許提早應用。董事預期香港財務報告準則第13號將於本集團於2013年1月1日開始之年度期間之綜合財務報表中採用，應用該新準則將不會對綜合財務報表呈報之金額造成重大影響，惟將導致須於綜合財務報表作出更廣泛之披露。

董事預期應用其他新訂及經修訂準則、修訂或詮釋將不會對本集團之綜合財務報表造成重大影響。

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 properties and financial instruments that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the 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 income statement from the effective date of acquisition and 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 into line with those used by other members of the Group.

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

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

3. 主要會計政策

綜合財務報表乃依據香港會計師公會所頒佈之香港財務報告準則編製。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則及香港公司條例規定之適用披露資料。

綜合財務報表按歷史成本基準編製，惟下文所載會計政策所闡述之若干物業及金融工具按公平值計量除外。歷史成本一般按交換商品所給予代價之公平值計算。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及本公司控股之實體（其附屬公司）之財務報表。當本公司有權監管一間公司之財務及營運政策以獲取商業利益時，控制權已確立。

年內購入或售出之附屬公司收入及開支按自收購生效日期起計及截至出售生效日期止（如適用）計入綜合損益表。

必要時，將調整附屬公司之財務報表，以令彼等之會計政策與本集團其他成員公司所採用者一致。

所有集團內公司間交易、結餘、收入及支出概於綜合時全數對銷。

於附屬公司之非控股權益與本集團於當中之權益分開呈列。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

Allocation of total comprehensive income to non-controlling interests

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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 assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 "Income taxes" and HKAS 19 "Employee benefits" respectively; and
- 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).

3. 主要會計政策 (續)

綜合基準 (續)

全面收入總額歸類至非控股權益

一間附屬公司之全面收入及開支總額歸屬於本公司擁有人及非控股權益，即使此會導致非控股權益結餘出現虧絀。

業務合併

收購業務採用收購法入賬。業務合併之轉讓代價按公平值計量，計算方法為本集團所轉讓資產、本集團對被收購方前擁有人產生之負債及本集團就換取被收購方控制權而發行之股本權益於收購日期之公平值總和。收購相關成本通常於產生時在損益確認。

於收購日期，所收購之可識別資產及所承擔之負債乃按公平值確認，惟以下情況除外：

- 遞延稅項資產或負債及僱員福利安排之相關資產或負債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；及
- 與被收購方以股份付款之安排有關或以本集團訂立股份付款安排以取代被收購方以股份付款之安排有關之負債或權益工具，乃於收購日期按香港財務報告準則第2號「以股份支付」計量（請參閱下文會計政策）。

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.

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

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

3. 主要會計政策 (續)**業務合併 (續)**

商譽按轉讓代價、任何於被收購方之非控股權益金額及收購方過往於被收購方所持股權(如有)之公平值總和超出所收購之可識別資產及所承擔之負債於收購日期淨額之差額計量。倘於重新評估後所收購之可識別資產及所承擔之負債於收購日期之淨額超出轉讓代價、任何於被收購方之非控股權益金額及收購方過往於被收購方所持股權(如有)之公平值總和,有關差額即時於損益確認為議價購買收益。

屬現有擁有權權益且於清盤時賦予其持有人按比例應佔實體資產淨值之非控股權益可初步按公平值或非控股權益應佔被收購方可識別資產淨值之已確認金額比例計量,計量基準視乎個別交易作出選擇。其他類別非控股權益按其公平值或(如適用)於另一準則指定之基準計量。

倘業務合併分階段完成,本集團過往於被收購方持有之股本權益重新計量至其於收購日期(即本集團取得控制權當日)之公平值,而所產生之盈虧(如有)於損益中確認。過往於收購日期前於其他全面收入確認之被收購方權益所產生款額重新分類至損益(倘有關處理方法適用於出售權益)。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Acquisition of assets through acquisition of a subsidiary

Where an acquisition of an asset or a group of assets that does not constitute a business, the Group identify and recognise the individual identifiable assets acquired and liabilities assumed. The purchase price is allocated to the individual identifiable assets and liabilities on the basis of their relative values at the date of purchase.

Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associates. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment.

3. 主要會計政策 (續)

透過收購一間附屬公司收購資產

倘收購不構成一項業務之資產或一組資產，本集團識別及確認所收購之個別可識別資產及所承擔之負債。購買價應按其於購買日之其相關價值分配至個別可識別資產及負債。

於聯營公司之投資

聯營公司指本集團對其有重大影響力且既非附屬公司，亦非於合營公司權益之實體。重大影響力乃指有權參與被投資方之財務及營運決策，惟對該等政策並無控制權或共同控制權。

聯營公司之業績、資產及負債以會計權益法綜合計入此等綜合財務報表。根據權益法，於聯營公司之投資初步按成本於綜合財務狀況表確認，隨後於確認本集團分佔該聯營公司之損益及其他全面收入之後作出調整。當本集團分佔某聯營公司之虧損超出本集團於該聯營公司之權益（其包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司之投資淨額之一部份），則本集團不再繼續確認其分佔之進一步虧損。額外虧損僅以本集團已產生法定或推定責任或代表該聯營公司作出付款者為限被確認。

收購成本超出於收購當日確認之本集團分佔聯營公司可識別資產、負債及或然負債之公平淨值之任何差額確認為投資賬面值所包括之商譽。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Investments in associates** *(Continued)*

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Upon disposal of an associate that results in the Group losing significant influence over that associate, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with HKAS 39. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses significant influence over that associate.

3. 主要會計政策 (續)**於聯營公司之投資 (續)**

本集團分佔可識別資產、負債及或然負債之公平淨值超出收購成本之任何數額，於重新評估後即時於損益內確認。

香港會計準則第39號之規定適用於釐定有否必要確認本集團於聯營公司投資之任何減值虧損，如有必要，則將投資之全部賬面值（包括商譽）作為單一資產根據香港會計準則第36號「資產減值」透過比較其可收回金額（使用價值與公平值減銷售成本之較高者）與賬面值測試有否減值。任何確認之減值虧損屬投資賬面值之一部份。倘其後投資之可收回金額增加，則根據香港會計準則第36號確認該減值虧損之任何撥回。

倘出售聯營公司會導致本集團失去對該聯營公司之重大影響力，則任何保留投資會按當日之公平值計量，並以其根據香港會計準則第39號初步確認為金融資產之公平值作其公平值。先前已保留權益應佔聯營公司賬面值與其公平值之間之差額，乃於釐定出售該聯營公司之收益或虧損時計入。此外，本集團將先前於其他全面收入就該聯營公司確認之所有金額入賬，基準與倘該聯營公司直接出售相關資產或負債時所規定之基準相同。因此，倘該聯營公司先前已於其他全面收入確認收益或虧損，則將於出售相關資產或負債時重新分類至損益，當本集團失去對該聯營公司之重大影響力時，本集團將收益或虧損由權益重新分類至損益（作為重新分類調整）。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates (Continued)

When a group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

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 and sales related taxes.

Service income is recognised when services are provided.

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 revenue can be measured reliably. Interest income 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.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

3. 主要會計政策 (續)

於聯營公司之投資 (續)

倘一間集團實體與本集團之聯營公司進行交易，則本集團之綜合財務報表確認與該聯營公司交易所產生之損益時，僅限於該聯營公司與本集團以外之權益。

收入確認

收入按所收取或應收取代價之公平值計量，指於一般業務過程中已售貨物之應收款項扣除折扣及有關稅項後之金額。

服務收入乃於提供服務時確認。

當經濟利益很可能流入本集團，且收入之金額能夠可靠計量時，則會確認金融資產的利息收入。金融資產之利息收入參考未償還本金及適用實際利率按時間基準累計，實際利率指於金融資產預期年期將估計日後現金收入準確貼現至該資產初步確認時之賬面淨值的利率。

投資物業

投資物業為持作賺取租金及／或資本增值之物業。

投資物業初步按成本計量（包括任何直接應佔開支）。於初步確認後，投資物業按其公平值計量。投資物業公平值變動產生之收益或虧損於其產生期內之損益入賬。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Investment properties** *(Continued)*

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 disposal. 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 property is derecognised.

Property, plant and equipment

Property, plant and equipment including leasehold land and building held for administrative purposes are stated in the consolidated financial position at cost less subsequent accumulated depreciation and subsequent 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.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

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. 主要會計政策 (續)**投資物業 (續)**

一項投資物業被出售或該投資物業永久停止使用，及預期出售不會產生任何未來經濟利益，則終止確認該項投資物業。終止確認某項物業產生之任何損益（按出售所得款項淨額與該資產賬面值之差額計算）均列入該物業被終止確認期間之損益。

物業、廠房及設備

持作行政用途之物業、廠房及設備（包括租賃土地及樓宇）均以綜合財務狀況表按成本值減除累計折舊及隨後累計減值虧損（如有）後入賬。

確認折舊以於物業、廠房及設備之估計可使用年期內按直線法撇銷成本減殘值。估計可使用年期、殘值及折舊方法於各報告期末進行檢討，並對任何估計之變更影響按預期基準作出調整。

按融資租賃持有之資產，均按其與自置資產相同基準按預期可使用年期折舊。然而，當於租期結束前對將獲得之所有權並無合理確定因素時，資產按租期與其可使用年期兩者之較短者予以折舊。

當出售時或繼續使用該資產預期日後不會產生經濟利益時，物業、廠房及設備項目會終止確認。出售或報廢物業、廠房及設備項目所產生之任何收益或虧損乃按資產出售所得款項與賬面值之差額釐定並於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Properties under held for sale

Properties under held for sale are stated at the lower of cost and net realisable value and are shown as current assets. Cost comprises acquisition costs for the property. Net realisable value takes into account the price ultimately expected to be realised, less applicable selling expenses and the anticipated costs to completion.

Goodwill

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

For the purposes of impairment testing, goodwill is allocated to each of the Group's 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 when there is 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 its carrying amount, 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 on a pro rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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

3. 主要會計政策 (續)

持作出售之物業

持作出售之物業按成本與可變現淨值之較低者入賬，並列為流動資產。成本包括物業收購成本。可變現淨值考慮預期最終將實現之價格，扣除適用銷售開支以及預期竣工成本。

商譽

收購業務所產生的商譽按成本減除任何累計減值虧損（如有）列賬，並於綜合財務狀況表中分開呈列。

就減值測試而言，商譽被分配至本集團每個預期因收購之協同效應而受惠之現金產生單位（或現金產生單位組別）。

獲分配商譽之現金產生單位將每年（或在有跡象顯示該單位可能出現減值時更頻密地）進行減值測試。就於報告期間因收購所產生商譽而言，獲分配商譽之現金產生單位將於該報告期末前進行減值測試。倘現金產生單位之可收回金額低於其賬面值，將首先分配減值虧損抵減該單位所獲分配任何商譽之賬面值，再依據該單位內每項資產賬面值按比例抵減該單位內其他資產。商譽之任何減值虧損於損益內直接確認。就商譽確認之減值虧損並不於隨後期間內撥回。

出售相關現金產生單位時，商譽之應佔金額於釐定出售之盈利或虧損時計入。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories are calculated using the first-in, first-out or specific identification method as appropriate. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Intangible assets

Intangible assets acquired separately

Intangible assets with indefinite useful lives that are acquired separately are carried at costs less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

3. 主要會計政策 (續)

存貨

存貨乃按成本與可變現淨值之較低者入賬。存貨成本乃按先入先出基準或特別鑒定法(如適用)計算。可變現淨值為存貨之估計售價減所有估計之完成成本及估計所需之銷售成本。

無形資產

獨立收購之無形資產

單獨收購之具有無限可使用年期之無形資產按成本減任何隨後累計減值虧損列賬(請參閱下文有關有形及無形資產之減值虧損之會計政策)。

無形資產於處置或倘預期自使用或處置中並無未來經濟利益時取消確認。取消確認無形資產所產生之收益或虧損按處置有關資產之所得款項淨額與其賬面金額之差額計量,並於取消確認有關資產之期間於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of the Group ("foreign currencies") are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entities 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.

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

3. 主要會計政策 (續)

外幣

編製每個個別集團實體之財務報表時，採用本集團功能貨幣之外貨幣（「外幣」）進行之交易，一律以交易日現行匯率換算為各自之功能貨幣（即該企業經營之主要經濟環境之貨幣）入賬。於報告期末，以外幣計值之貨幣項目以該日現行匯率重新換算。以外幣計值且以公平值入賬之非貨幣項目，以公平值釐定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概不重新換算。

因結算貨幣項目及重新換算貨幣項目時產生之匯兌差額於產生期間於損益內確認。

就呈列本集團之財務報表而言，本集團海外經營業務之資產及負債乃採用於各報告期末之現行匯率換算為本集團之列賬貨幣（即港元）。收入及支出乃按年內之平均匯率進行換算，於此情況下採用該日之現行匯率。所產生之匯兌差額（如有）乃於其他全面收益中確認並於匯兌儲備（歸屬於非控股權益，如適用）項下權益中累計。

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 'accounting result before taxation' as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items of income or expense 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 end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such 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 and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 主要會計政策 (續)

稅項

所得稅開支乃為現行應繳稅項與遞延稅項之總額。

現時應繳稅項乃按本年度應課稅盈利計算。應課稅盈利與綜合收益表中所呈報之「除稅前會計業績」不同，乃由於前者不包括在其他年度應課稅或可扣稅收入或開支，及並不包括從未課稅或扣稅之收入或開支項目。本集團即期稅項之負債乃按報告期末已頒佈或實際已頒佈之稅率計算。

遞延稅項乃根據綜合財務報表內資產及負債賬面值與計算應課稅盈利所採用相應稅基之暫時差異而確認。遞延稅項負債一般按所有應課稅之暫時性差異予以確認。遞延稅項資產則一般按可能會出現可用以抵銷所有可扣減之暫時性差異之應課稅盈利而予以確認。倘若暫時差異乃基於商譽或於一項不影響應課稅盈利或會計盈利之交易中初步確認（業務合併之情況下除外）之其他資產及負債而引致，則有關資產及負債不予確認。

遞延稅項負債乃按與於附屬公司及聯營公司之投資及於合資企業之權益有關之應課稅臨時差額而確認，惟若本集團可控制臨時差額之撥回及臨時差額有可能不會於可見將來之撥回之情況則除外。與該等投資及權益相關的可扣減臨時差額所產生的遞延稅項資產，僅在按可能出現可利用臨時差額扣稅之應課稅盈利時，並預期於可見將來撥回時確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

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.

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. Current and deferred tax are recognised in profit or loss.

For the purposes of measuring deferred tax liabilities or deferred tax assets 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 liabilities and deferred tax assets 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).

3. 主要會計政策 (續)

稅項 (續)

遞延稅項資產之賬面值於報告期末作檢討，並減少至不再可能有足夠應課稅盈利以收回全部或部分資產價值。

遞延稅項資產及負債按預期適用於清償負債或變現資產期間之稅率計算，而該等稅率乃基於於報告期末前已頒佈或大致上頒佈之稅率（及稅法）。

遞延稅項負債及資產之計量反映按本集團預期於報告期末將可收回或清償其資產及負債之賬面值之方式計算所得之稅務結果。本年度及遞延稅項於損益內確認。

就計量以公平值模式計量投資物業之遞延稅項負債或遞延稅項資產而言，假定該等物業之賬面值可從出售中全數收回，除非假定被駁回則另作別論。當投資物業折舊，並按業務模式持有該等物業，其目的是隨時間耗用投資物業所包含的絕大部分經濟利益（而並非透過出售），該假定被駁回。倘假定被駁回，該等投資物業之遞延稅項負債及遞延稅項資產按香港會計準則第12號所述上述一般原則計量（即以該等物業將如何收回之預期方法為基準）。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***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. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

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 lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

3. 主要會計政策 (續)**貸款成本**

因收購、興建或生產需要長時間籌備方可供其擬定用途或銷售之合資格資產所產生之直接貸款成本，需計入該等資產之成本中，直至該等資產大致上可供其擬定用途或銷售。在合資格資產產生支出前，臨時投資於該等特定借貸所賺取之投資收入，乃在該等合資格資產的資本化貸款成本中扣除。

所有貸款成本均於產生期間在損益內確認。

租賃

倘租賃之條款將資產所有權之絕大部份風險及回報轉撥予承租人，則有關租賃將歸類為融資租賃。所有其他租賃均歸類為經營租賃。

本集團為承租人

按融資租賃而持有之資產以購置日期之公平值確認為本集團資產，或倘屬較低者，則以最低租賃付款之現值。對出租人相應之債務，於綜合財務狀況表中列賬為融資租賃債務。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leasing (Continued)

The Group as lessee (Continued)

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's policy on borrowing costs (see the accounting policy below).

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

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 the building element of the lease at the inception of the lease.

When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

3. 主要會計政策 (續)

租賃 (續)

本集團為承租人 (續)

租賃付款乃於融資開支與租賃債務扣減之間作出分配，致使負債之餘額維持固定之利率。融資開支即時於損益確認，惟有關開支與合資格資產直接相關則除外，於此情況下，有關開支按照本集團之貸款成本政策（請參閱下文會計政策）撥充資本。

經營租賃付款於租期按直線法確認為開支，惟另有系統基準更能代表使用租賃資產產生經濟利益之時間模式則除外。

租賃土地及樓宇

倘租賃包括土地及樓宇部份，本集團根據評估各部份之絕大部份風險及回報是否已轉移至本集團，評估各部份獨立分類為融資或經營租賃，惟倘若兩個部份明確地屬於經營租賃，則整個租賃分類為經營租賃。具體而言，最低租賃款項（包括任何一次性預付款）被分配到土地及樓宇部份之比例，以其租賃在開始時土地租賃權益和樓宇租賃權益之相對公平值比例分配。

在租賃款項不能在土地及樓宇之間作可靠分配之情況下，全數租賃款項均被納入土地及樓宇之成本作為物業、廠房及設備之融資租賃。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Retirement benefits scheme**

Payments to state-managed retirement benefit schemes and Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Equity-settled share-based payment transactions

The fair value of services received determined by reference to the fair value of share options granted at the date of grant 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 original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated profits/(losses).

3. 主要會計政策 (續)**退休福利計劃**

國家管理之退休福利計劃及強積金計劃之付款於僱員提供服務而合資格享有供款時確認開支。

以權益結算並以股份付款之交易

參考授出日期授出優先認股權之公平值而釐定所得服務之公平值，於歸屬期內以直線法確認為開支，並於權益（優先認股權儲備）中作出相應增加。

於報告期末時，本集團修訂對預期最終可歸屬之優先購股權數目之估計，並將修訂歸屬期內原先估計之影響（如有）於損益內確認，使累計開支反映經修訂估計，優先購股權儲備亦作相應之調整。

當優先認股權獲行使時，先前於優先認股權儲備確認之金額將轉撥至股份溢價。倘購股權於歸屬日期後遭沒收或於屆滿日期尚未行使，則先前於優先認股權儲備確認之金額將轉撥至保留盈利／（虧損）。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment losses on tangible assets and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

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. Where 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.

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

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

3. 主要會計政策 (續)

有形資產及無形資產之減值虧損(商譽除外(請參閱上文有關商譽之會計政策))

於報告期間末,本集團須檢討其有形資產之賬面值,以確定是否有任何跡象顯示該等資產出現減值虧損。倘出現任何有關跡象,則估計資產可收回金額,以釐定減值虧損的幅度(如有)。倘不能估計單一資產之可收回金額,則本集團會估計其資產所屬現金產生單位之可收回金額。於可識別合理和一貫分配基準的情況下,企業資產亦會被分配到個別的現金產生單位,否則或會被分配到可合理地及按一貫分配基準而識別之最小之現金產生單位中。

倘可能出現減值跡象時,具無限使用年期之無形資產至少每年進行減值測試。

可收回金額為公平值減銷售成本與使用價值之較高者。評估使用價值時,估計未來現金流量乃使用稅前貼現率折現至其現值,該貼現率反映目前市場對資金時間值之評估以及估計未來現金流量未經調整之資產的特定風險。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Impairment losses on tangible assets and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) (Continued)**

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

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 or 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.

3. 主要會計政策 (續)

有形資產及無形資產之減值虧損 (商譽除外 (請參閱上文有關商譽之會計政策)) (續)

倘某項資產 (或現金產生單位) 之可收回金額估計低於其賬面值, 則該項資產 (或現金產生單位) 之賬面值須削減至其可收回金額。減值虧損即時在損益中確認為開支。

倘日後撥回減值虧損, 有關資產 (或現金產生單位) 之賬面值須增至其經修訂估計之可收回金額, 惟增加之賬面值不得超出倘有關資產 (或現金產生單位) 並無於以往年度確認任何減值虧損所應釐定之賬面值。撥回之減值虧損即時確認為收入。

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或金融負債除外) 而直接應佔之交易成本於初步確認時, 加入或扣自該項金融資產或金融負債之公平值 (如適用)。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets

The Group's financial assets are mainly loans and receivables and available-for-sale financial assets. 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.

Effective interest method

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

Interest income is recognised on an effective interest basis.

3. 主要會計政策 (續)

金融工具 (續)

金融資產

本集團之金融資產主要為貸款及應收款項及可供出售之金融資產。分類視乎該等金融資產之性質及目的而定，並於初步確認時決定所屬類別。金融資產之所有正常購買及出售均按交易日期基準確認及取消確認。正常購買及銷售乃指須按規定或市場慣例規定之時間內交收資產之金融資產買賣。

實際利息法

實際利息法為計算債務工具之攤銷成本以及分配於有關期間的利息收入之方法。實際利率是於初次確認時可準確透過債務工具之預計可用年期或（倘適用）在較短期間內對估計未來現金收入（包括所支付或收取能構成整體實際利率之所有費用及即時費用、交易成本及其他溢價或折價）折算為賬面淨值的利率。

利息收入按實際利率基準確認。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Financial instruments (Continued)****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 and other receivables, loan receivables, amounts due from associates, pledged bank deposits and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as loans and receivables, held-to-maturity instruments or financial assets at fair value through profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

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

3. 主要會計政策 (續)**金融工具 (續)****貸款及應收款項**

貸款及應收款項乃固定或可釐定付款，並未於活躍市場掛牌之非衍生金融資產。於初次確認後，貸款及應收賬款（包括貿易往來及其他應收款項、應收貸款、應收聯營公司款項、已抵押存款及銀行結餘）以實際利率法按攤銷成本減任何已識別減值虧損列賬（請參閱下文有關金融資產減值之會計政策）。

可供出售金融資產

可供出售金融資產為非衍生工具，且指定或並非分類為貸款及應收款項、持有至到期日投資或按公平值計入損益之金融資產。

本集團收取股息之權利確立時，可供出售股本工具之股息於損益內確認。

在任何活躍市場並無市場報價及無法可靠地計量公平值之可供出售股本投資，及與該等無報價股本投資掛鉤及必須透過交付該等股本投資進行結算之衍生工具，於報告期末按成本減任何可識別減值虧損計量（請參閱下文有關金融資產減值虧損之會計政策）。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each 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 an available-for sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade and other receivables, assets that are assessed not to be impaired individually, 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 and observable changes in national or local economic conditions that correlate with default on receivables.

3. 主要會計政策 (續)

金融工具 (續)

金融資產減值

於各報告期末評估金融資產有否減值跡象。倘有客觀證據顯示金融資產首次確認後發生的一項或多項事件導致金融資產之估計未來現金流量受影響，則金融資產視為減值。

就可供出售股本投資而言，倘該投資的公平值大幅或長期下跌至低於其成本，則被視為減值之客觀證據。

減值之客觀證據包括：

- 發行人或交易對手出現重大財政困難；或
- 違約，例如拖欠或不支付利息及本金付款；或
- 借款人很可能破產或進行財務重組。

就若干類別之金融資產（例如貿易往來及其他應收賬款）而言，評估為不會單獨作出減值之資產亦會另行彙集一併評估減值。應收賬款組合出現減值之客觀證據包括本集團過往收款記錄及國家或地區經濟狀況出現明顯變動導致應收賬款未能償還。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets (Continued)

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. If, in a subsequent period, the amount of impairment loss 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 of impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables and loan 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 trade and other receivables are considered uncollectible, they are written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

3. 主要會計政策 (續)

金融工具 (續)

金融資產減值 (續)

就按攤銷成本列賬之金融資產而言，已確認減值虧損金額為該資產之賬面值與按該金融資產原實際利率貼現之估計日後現金流量現值之差額。倘減值虧損額於隨後期間有所減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時之已攤銷成本。

所有金融資產之減值虧損會直接於金融資產之賬面值中作出扣減，惟貿易往來及其他應收賬款及應收貸款除外，其賬面值會透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益確認。當貿易往來及其他應收賬款被視為不可收回時，將於撥備賬內撇銷。先前已撇銷之款項如其後收回，於損益列賬。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised 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.

Financial liabilities

Financial liabilities (including trade and other payables, amount due to a related company, bank and other borrowings and obligations under finance leases) are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及權益工具

由一間集團公司發行之債務工具及權益工具，乃根據合約安排之實質，及對金融負債及權益工具之界定歸類為金融負債或股本。

權益工具

一項權益工具乃證明於本集團資產之剩餘權益（扣減其所有負債後）之任何合約。本集團發行之權益工具於收取所得款項（扣除直接發行成本）時確認。

實際利息法

實際利息法為計算金融負債之攤銷成本以及分配於有關期間之利息開支之方法。實際利率為初次確認時可準確透過金融負債或（倘適用）在較短期間內對估計未來現金付款（包括所支付或收取能構成整體實際利率之所有費用及即時費用、交易成本及其他溢價或折價）折算為賬面淨值之利率。

利息開支按實際利率基準確認。

金融負債

金融負債（包括貿易往來及其他應付款項、應付一間關聯公司款項、銀行及其他貸款及融資租賃承擔）隨後採用實際利息法計算按攤銷成本計量。

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 directly in other comprehensive income and accumulated in equity 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.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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. 主要會計政策 (續)**金融工具 (續)****終止確認**

只有當資產現金流之合約權利屆滿時，或轉讓該金融資產而將其所有權之絕大部份風險及回報轉移予另一實體時，本集團方會終止確認金融資產。

於全面終止確認某項金融資產時，有關資產賬面值及已收或應收代價之和，與直接於其他全面收入確認並於權益累計之累計收益或虧損之差額乃於損益內確認。

當有關合約訂明之責任解除、註銷或屆滿，將取消確認金融負債。終止確認之金融負債賬面值與已付及應付代價之差額於損益內確認。

4. 主要不確定估計來源

下文闡釋就日後作出之主要假設及於報告期末之其他主要估計不確定來源，該等假設及不確定因素會對下一個財政年度之資產及負債之賬面值造成須作出重大調整之重大風險。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating units to which goodwill has been allocated. Where the recoverable amount is determined based on the value in use calculation, the value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. When the actual future cash flows are less than expected, a material impairment loss may arise. At December 31, 2012, the carrying amount of goodwill was HK\$2,855,000 (2011: HK\$30,111,000), whereas an impairment loss of HK\$27,256,000 (2011: nil) was recognised during the year ended December 31, 2012. Details of the recoverable amount calculation disclosed in note 18.

Depreciation

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the relevant assets, after taking into account their estimated residual value, if any. The Group reviews the estimated useful lives of the assets annually in order to determine the amount of depreciation expenses to be recorded during the periods. The useful lives are based on the Group's historical experience with similar assets taking into account anticipated technological changes. The depreciation expenses for future periods are adjusted if there are significant changes from previous estimates. At December 31, 2012, the carrying value of property, plant and equipment is HK\$78,162,000 (2011: HK\$129,178,000).

4. 主要不確定估計來源 (續)

商譽減值

釐定商譽是否減值需估算商譽分配之現金產生單位之可收回金額。而可收回金額乃根據使用價值計算而釐定，使用價值計算需要本集團估計有關現金產生單位預期產生之未來現金流量及適當折現率，以計算現值。倘實際未來現金流量較預期少，或會出現重大減值虧損。於2012年12月31日，商譽賬面值約為2,855,000港元（2011年：30,111,000港元），而截至2012年12月31日止年度內確認27,256,000港元（2011年：無）之減值虧損。可收回金額計算詳情披露於附註18。

折舊

經考慮物業、廠房及設備的估計剩餘價值（如有）後，物業、廠房及設備就相關資產之估計可使用年限按直線法折舊。本集團每年會檢討資產之估計可使用年限，以釐定將於有關期間入賬之折舊開支數額。可使用年期以本集團於類似資產方面的過往經驗為基礎，並計及預期的技術變動。倘之前估計出現重大變動，則未來期間折舊開支會有所調整。於2012年12月31日，物業、廠房及設備之賬面值為78,162,000港元（2011年：129,178,000港元）。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Impairment of intangible assets

Determining whether intangible assets are impaired requires an estimation of the future cash flows expected to arise from the products developed and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. At December 31, 2012, the carrying amounts of intangible assets were HK\$5,400,000 (2011: HK\$5,400,000) with no impairment loss recognised. Details of the recoverable amount calculation disclosed in note 19.

Allowance 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 based primarily on the latest selling and purchase 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 slowing-moving inventory. If the market condition was to deteriorate, resulting in a lower net realisable value for such finished goods, additional allowances may be required. At December 31, 2012, the carrying amount of inventories is HK\$416,577,000 (2011: HK\$300,995,000), whereas the allowance for inventories recognised during the year ended December 31, 2012 is HK\$6,879,000 (2011: reversal of allowance for inventories of HK\$2,259,000).

4. 主要不確定估計來源 (續)

無形資產減值

釐定無形資產是否出現減值時，需估算已開發產品預期於未來產生之現金流量及適當貼現率，以計算現值。倘實際未來現金流量較預期少，或會出現重大減值虧損。於2012年12月31日，無形資產賬面值為5,400,000港元（2011年：5,400,000港元），且並無確認減值虧損。可收回金額計算詳情披露於附註19。

存貨撥備

本集團管理層於報告期末審查賬齡分析及對已識別不再適合用於生產或銷售之陳舊及滯銷存貨項目作出撥備。管理層主要依據最近買賣價及現行市況估計此等製成品之可變現淨值。本集團於各報告期末逐項產品進行存貨審核，對呆滯存貨作出撥備。倘市況惡化導致低於該等製成品可變現淨值，則或會須作出額外撥備。於2012年12月31日，存貨賬面值為416,577,000港元（2011年：300,995,000港元），而截至2012年12月31日止年度內確認之存貨撥備為6,879,000港元（2011年：存貨撥備撥回2,259,000港元）。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY
(Continued)

Impairment of available-for-sale investments

Determining whether available-for-sale investments are impaired requires an estimation of the future cash flows expected to arise from the investments developed. Where the actual future cash flows are less than expected, a material impairment loss may arise. At December 31, 2012, the carrying amounts of available-for-sale investments were HK\$252,000 (2011: HK\$9,552,000), whereas impairment loss recognised during the year ended December 31, 2012 is HK\$9,300,000 (2011: nil). Details of the recoverable amount calculation disclosed in note 20.

Allowances for bad and doubtful debts

When there is objective evidence that trade and other receivables and loans receivables may be impaired, the Group estimates the future cash flows of those balances. The amount of the impairment loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial assets' original effective interest rate (i.e. the effective interest rate computed on initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. At December 31, 2012, the carrying amount of trade and other receivables and loan receivables were HK\$128,275,000 (2011: HK\$201,818,000) and HK\$6,086,000 (2011: HK\$15,811,000) respectively, whereas allowance for bad and doubtful debts recognised during the years ended December 31, 2012 is HK\$9,260,000 (2011: HK\$60,000) and HK\$8,104,000 (2011: HK\$6,238,000) respectively.

4. 主要不確定估計來源 (續)

可供出售投資減值

釐定可供出售投資減值是否減值需估算預計已開發投資產品產生之未來現金流量。倘實際未來現金流量較預期少，或會出現重大減值虧損。於2012年12月31日可供出售投資賬面值為252,000港元（2011年：9,552,000港元），而截至2012年12月31日止年度內確認之減值虧損為9,300,000港元（2011年：無）。可收回金額計算詳情披露於附註20。

呆壞賬撥備

當出現貿易往來及其他應收賬款及應收貸款可能減值之客觀證據，本集團將估計該等結餘之未來現金流量。減值虧損之金額乃按資產賬面值及估計現金流現值（不包括未出現之未來回撥虧損）折算金融資產原有實際利率（即於初步確認時之實際利率）。倘實際未來現金流量較預期少，或會出現重大減值虧損。於2012年12月31日，貿易往來及其他應收賬款及應收貸款賬面值分別為128,275,000港元（2011年：201,818,000港元）及6,086,000港元（2011年：15,811,000港元），而截至2012年12月31日止年度內確認之呆壞賬撥備分別為9,260,000港元（2011年：60,000港元）及8,104,000港元（2011年：6,238,000港元）。

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to the 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 debt, which includes amount due to a related company, obligations under finance leases and bank and other borrowings disclosed net with cash and cash equivalents, and equity attributable to owners of the Company, comprising issued share capital and reserves. The Directors review the capital structure on a continuous basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital.

6. FINANCIAL INSTRUMENTS**Categories of financial instruments**

		2012	2011
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets	金融資產		
Available-for-sale investments	可供出售投資	252	9,552
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款 (包括現金及現金 等值項目)	394,916	427,826
Financial liabilities	金融負債		
Amortised cost	攤銷成本	638,238	668,994

5. 資本風險管理

本集團管理其資本，以確保其將能繼續持續經營業務，同時透過優化債務及股本結餘為股東爭取最大回報。本集團之整體策略與去年一致。

本集團之資本架構包括債務（包括應付一間關聯公司款項、融資租賃債務及銀行及其他借貸）、現金及現金等值項目以及本公司擁有人應佔權益（包括已發行股本及儲備）。董事持續審閱資本結構。作為審閱一部分，董事考慮資本成本及與各類資本相關之風險。

6. 金融工具**金融工具分類**

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

The Group's financial instruments include available-for-sale investments, trade and other receivables, loan receivables, amounts due from associates, pledged bank deposits, bank balances, trade and other payables, amount due to a related company, obligations under finance leases and bank and other borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate 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.

Market risk

Currency risk

The group entities collect most of the revenue and incur most of the expenditures in their respective functional currencies. The Directors consider that the Group's exposure to foreign currency exchange risk is insignificant as the majority of the Group's transactions are denominated in the functional currency of each individual group entity.

The Group currently does not have a foreign currency hedging policy. However, the management of the Company monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

6. 金融工具 (續)

金融風險管理目標及政策

本集團之主要金融工具包括可供出售投資、貿易往來及其他應收賬款、應收貸款、應收聯營公司款項、已抵押銀行存款、銀行結餘、貿易往來及其他應付賬款、應付一間關聯公司款項、融資租賃債務及銀行及其他借貸。該等金融工具之詳情於各相關附註披露，其相關風險包括市場風險（貨幣風險及利率風險）、信用風險及流動性風險。有關減輕該等風險之政策載於下文。管理層管理及監察該等風險以確保及時有效實施適當之措施。

市場風險

貨幣風險

集團實體各自收取之大部份收入及產生之大部份開支均以其各自之功能貨幣計值。董事認為，由於本集團大部份交易以個別集團實體各自之功能貨幣計值，故本集團所面臨之外匯風險並不重大。

本集團目前並無外幣對沖政策。然而，本公司管理層監控有關外幣風險，並將於必要時考慮對沖重大貨幣風險。

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies
(Continued)

Market risk (Continued)

Currency risk (Continued)

The carrying amounts of the Group's major foreign currency denominated monetary assets and liabilities at the end of the reporting period are as follows:

	Assets		Liabilities	
	資產		負債	
	2012	2011	2012	2011
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
United States Dollars ("USD") 美元	48,438	55,676	45,189	45,764
Renminbi ("RMB") 人民幣	36,548	51,734	-	-
Euro ("EUR") 歐元	7,764	13,911	3,690	21,984
Singapore Dollar ("SGD") 新加坡幣	-	-	4,185	1,240
Thai Baht ("THB") 泰銖	-	-	17,850	12,937

Sensitivity analysis

As HK\$ is pledged to USD, the Group does not expect any significant foreign currency exposure arising from the fluctuation of the HK\$/USD exchange rates. As a result, the Directors consider that the sensitivity of the Group's exposure towards the change in foreign exchange rates between HK\$/USD is minimal.

6. 金融工具 (續)

金融風險管理目標及政策 (續)

市場風險 (續)

貨幣風險 (續)

本集團於報告期末以外幣為單位之主要貨幣資產及貨幣負債之賬面值如下：

敏感度分析

由於港元與美元掛鈎，本集團預期不會因港元兌美元之匯率波動而產生任何重大外幣風險。因此，董事認為本集團對港元兌美元之間外幣匯率變動之敏感度屬極低。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended December 31, 2012

截至2012年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk (Continued)

Sensitivity analysis (Continued)

The following table details the Group's sensitivity to a 5% (2011: 5%) increase and decrease in HK\$ against RMB, EUR, SGD and THB. 5% (2011: 5%) represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis of the Group's exposure to foreign currency risk at the end of the reporting period has been determined based on the change taking place at the beginning of the financial period and held constant throughout the reporting period. The sensitivity analysis of the Group's exposure to foreign currency risk at the end of the reporting period include only outstanding foreign currency denominated monetary items.

A positive number below indicates an increase in post-tax loss for the current year where a 5% (2011: 5%) strengthening of HK\$ against RMB, EUR, SGD and THB. For a 5% (2011: 5%) weakening of HK\$ against RMB, EUR, SGD and THB, there would be an equal and opposite impact on the post-tax loss for the year as set out below:

	RMB impact 人民幣影響		EUR impact 歐元影響		SGD impact 新加坡幣影響		THB impact 泰銖影響	
	2012	2011	2012	2011	2012	2011	2012	2011
	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
Increase (decrease) in post-tax loss 除稅後虧損增加(減少)	1,526	2,160	170	(337)	(175)	(52)	(745)	(540)

In the management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the period end exposure does not reflect the exposure during the reporting period.

6. 金融工具 (續)

金融風險管理目標及政策 (續)

市場風險 (續)

貨幣風險 (續)

敏感度分析 (續)

下表詳列因應本集團對於港元兌人民幣、歐元、新加坡幣及泰銖匯率上下波動5% (2011年: 5%) 之敏感度。5% (2011年: 5%) 指管理層對匯率可能合理變動之評估。本集團於報告期末之外幣風險之敏感度分析乃根據財政期間初出現之變動釐定，並在整個報告期內維持不變。本集團於報告期末之外幣風險之敏感度分析僅包括未結算外幣計值之貨幣項目。

下列正數表示港元兌人民幣、歐元、新加坡幣及泰銖出現港元轉強5% (2011年: 5%)，以致本年度除稅後虧損增加。倘港元兌人民幣、歐元、新加坡幣及泰銖出現港元減弱5% (2011年: 5%)，將會對本年度除稅後虧損造成下列相等及相反之影響：

管理層認為，由於期末風險並不能反映報告期間內之風險，故敏感度分析並不代表固有外匯風險。

6. FINANCIAL INSTRUMENTS (Continued)**Financial risk management objectives and policies (Continued)****Market risk (Continued)***Interest rate risk*

The Group's fair value interest rate risk relates primarily to loan receivables, pledged bank deposits and obligations under finance leases. The Group's cash flow interest rate risk relates primarily to variable-rate bank balances, bank and other borrowings (see note 27 for details of the bank balances and note 29 for details of bank and other borrowings). The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For variable-rate bank balances and bank borrowings, the analysis is prepared assuming the bank balances and bank borrowings outstanding at the end of the reporting period were outstanding for the whole year. A 10 basis points increase or decrease in variable-rate bank balances represents management's assessment of the reasonably possible change in interest rates. If interest rate decreases/increases by the aforesaid basis point, and all other variables were held constant, the Group's post-tax loss for the year ended December 31, 2012 would increase/decrease by approximately HK\$227,000 (2011: HK\$206,000). A 50 basis points increase or decrease in variable-rate bank borrowings represents management's assessment of the reasonably possible change in interest rates. If interest rate increases/decreases by the aforesaid basis point, and all other variables were held constant, the Group's post-tax loss for the year ended December 31, 2012 would increase/decrease by approximately HK\$1,371,000 (2011: HK\$1,367,000).

In the management's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk as the period end exposure does not reflect the exposure during the reporting period.

6. 金融工具 (續)**金融風險管理目標及政策 (續)****市場風險 (續)***利率風險*

本集團之公平值利率風險主要與應收貸款、已抵押銀行存款及融資租賃債務有關。本集團之現金流利率風險主要與浮息銀行結餘、銀行及其他借貸（銀行結餘之詳情請參閱附註27及銀行及其他借貸之詳情請參閱附註29）有關。本集團現時並無利率對沖政策。然而，管理層監控利率風險並將於預期面臨重大利率風險時考慮其他所需行動。

敏感度分析

以下敏感度分析乃根據於報告期末之非衍生工具之利率風險而釐定。就浮息銀行結餘及銀行借貸而言，該分析乃假設於報告期末仍未償還之銀行結餘及銀行供貸於整個年度仍不會償還。浮息銀行結餘運用10個基點的增減幅度，表示管理層對利率可能出現之合理變動的評估。倘利率按上述基點下跌／上升，且所有其他變數維持不變，則本集團截至2012年12月31日止年度之除稅後虧損增加／減少約227,000港元（2011年：206,000港元）。浮息銀行借貸運用50個基點的增減幅度，表示管理層對利率可能出現之合理變動的評估。倘利率按上述基點上升／下跌，且所有其他變數維持不變，則本集團截至2012年12月31日止年度之除稅後虧損增加／減少約1,371,000港元（2011年：1,367,000港元）。

管理層認為期末之利率風險並無反映期內之風險，故敏感度分析並不代表固有利率風險。

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, loan receivables, amounts due from associates and bank balances and pledged bank deposits for year ended December 31, 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 as stated in the consolidated statement of financial position.

Trade and other receivables consist of a large number of customers spread over diverse geographical areas, thus the Group does not have significant concentration on credit risk.

Bank balances and pledged bank deposits are placed in various banks and the Group has limited exposure to any single financial institution. The credit risk on liquid funds is limited because the counterparties are banks with good reputation.

Sensitivity analysis

The Group has significant concentration of credit risk on loan receivables and amounts due from associates. In order to minimise credit risk, management has delegated a team to be responsible for the determination of credit limits, credit approvals and other monitoring procedures. In addition, management reviews the recoverable amount of each loan receivable and amount due from associates at the end of the reporting period to ensure that adequate impairment losses are recognised for irrecoverable debts. The impairment losses recognised in respect of loan receivables during the year ended December 31, 2012 is HK\$8,104,000 (2011: HK\$6,238,000). The management closely monitors the subsequent settlement of the individual loan and does not grant long credit period to the counterparties. Also, management may request for collaterals in order to minimise the exposure of credit risk due to discharge an obligation by the counterparties. For the amounts due from associates, the management assesses the financial position of the associates. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

6. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險

本集團之信貸風險主要來自截至2012年及2011年12月31日止年度之貿易及其他應收款項、應收貸款、應收聯營公司款項及銀行結餘及已抵押銀行存款。

因對手方未履行責任而令本集團蒙受財務損失之最高信貸風險乃因綜合財務狀況表所載列相關已確認金融資產之賬面值而產生。

貿易及其他應收款項包含大量分佈於多個地理區域之客戶，因此本集團並無重大信貸集中風險。

銀行結餘及已抵押銀行存款存放於不同的銀行，故此本集團承受有限度的單一金融機構風險。由於存款的銀行均具有良好信譽，所以流動資金承受有限度的信貸風險。

敏感度分析

本集團之應收貸款及應收聯營公司款項面臨重大集中信貸風險。為把信貸風險減至最低，本公司管理層已委派一組人員負責製訂信貸限額、信貸審批及其他監控措施。此外，本集團於各報告期末檢討各項應收貸款及應收聯營公司款項之可收回金額，以確保就不可收回金額作出足夠減值虧損。截至2012年12月31日止年度期間就應收貸款確認之減值虧損為8,104,000港元(2011年：6,238,000港元)。管理層密切監察客戶其後付款且並無向對手方授出長期信貸期限。同時，管理層可能要求擔保品以減低由於對手方不履行義務所面臨之信貸風險。就應收聯營公司款項而言，管理層評估聯營公司之財務狀況。就此而言，董事認為本集團的信貸風險已大幅降低。

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies
(Continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management of the Company monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specially, 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 the rights. The maturity dates for non-derivative 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 contracted interest rate at the end of the reporting period.

6. 金融工具 (續)

金融風險管理目標及政策 (續)

流動性風險

就管理流動性風險而言，本集團監察及維持一定水平之現金及現金等值項目，管理層認為足以應付其營運並減低現金流量波動之影響。本公司管理層監察銀行借款之運用，以確保符合貸款契約。

下表詳述本集團基於協定條款之非衍生金融負債之餘下合約到期情況，該表乃根據本集團可被要求還款之最早付款日之金融負債未貼現現金流量編製。具體而言，載有應要求還款條款之銀行借貸計入最早時段，而不論銀行選擇行使其權利之可能性。非衍生金融負債之到期日乃基於協定之還款日。

該表包括利息與本金之現金流量。於利息流量為浮動利率之前提下，未貼現款項乃以報告期末之合約利率得出。

	Weighted average interest rate	Less than 1 year or on demand	1 to 5 years	Over 5 years	Total undiscounted cash flows	Total carrying amount
	加權平均 利率 %	1年內或 按要求 HK\$'000 千港元	1至5年 HK\$'000 千港元	5年以上 HK\$'000 千港元	非折現現金 流量總額 HK\$'000 千港元	賬面總值 HK\$'000 千港元
At December 31, 2012						
Non-derivative financial liabilities						
Trade and other payables		298,676	-	-	298,676	298,676
Amount due to a related company		441	-	-	441	441
Bank and other borrowings	4.60%	341,330	7,335	5,038	353,703	338,140
Obligations under finance leases	4.88%	340	720	22	1,082	981
		640,787	8,055	5,060	653,902	638,238

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6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

	Weighted average interest rate 加權平均 利率 %	Less than 1 year or on demand 1年內或 按要求 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Over 5 years 5年以上 HK\$'000 千港元	Total undiscounted cash flows 非折現現金 流量總額 HK\$'000 千港元	Total carrying amount 賬面總值 HK\$'000 千港元
At December 31, 2011						
Non-derivative financial liabilities						
Trade and other payables	-	334,973	-	-	334,973	334,973
Amount due to a related company	-	441	-	-	441	441
Bank and other borrowings	5.65%	328,260	10,706	13,895	352,861	333,009
Obligations under finance leases	3.62%	171	411	82	664	571
		663,845	11,117	13,977	688,939	668,994

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

Fair value

The fair values of financial assets (excluding available-for-sale investments) and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

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

6. 金融工具 (續)

金融風險管理目標及政策 (續)

流動性風險 (續)

倘浮動利率變動與該等於報告期末釐定之估計利率出現差異，計入上述非衍生金融負債之浮息工具之金額將會變動。

公平值

金融資產（不包括可供出售投資）及金融負債之公平值乃根據一般採納之定價模式，基於折現現金流量分析而釐定。

董事認為綜合財務報表按攤銷成本記錄之金融資產及金融負債賬面值與其公平值相若。

7. SEGMENT INFORMATION

Information reported to the Group's chief operating decision maker ("CODM"), being the Executive Directors of the Group, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services rendered which is also consistent with the basis of organisation of the Group. The Group's operating and reportable segments under HKFRS 8 are as follows:

- (i) Cars – Trading of cars and related accessories and provision of car repairing services
- (ii) Electrical appliances – Distribution of air-conditioning products, audio-visual equipment, car audio and other electrical appliances
- (iii) Fashion apparels and accessories – Distribution and retail of fashion apparels and accessories
- (iv) Others – Motor yachts and property investment

7. 分類資料

就分配資源及評估分類表現而向本集團主要運營決策者（「主要運營決策者」，即為本集團執行董事）呈報之資料主要按提供商品或服務之類別劃分，其亦與本集團之組織基準協調一致。根據香港財務報告準則第8號，本集團之經營及報告分類如下：

- (i) 汽車—買賣汽車及相關配件及提供汽車維修服務
- (ii) 電器—分銷空調產品、影音設備、汽車音響及其他電器
- (iii) 時裝及配飾—分銷及零售時裝及配飾
- (iv) 其他—機動遊艇及物業投資

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7. SEGMENT INFORMATION (Continued)

Segment revenue and results

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

2012

		Cars 汽車	Electrical appliances 電器	Fashion apparels and accessories 時裝及配飾	Others 其他	Eliminations 抵銷	Consolidated 綜合賬目
		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 REVENUE	分類收入						
External sales	外部銷售收入	1,190,230	263,055	54,116	-	-	1,507,401
Inter-segment sales	業務之間銷售收入	64	94	118	-	(276)	-
Group revenue	集團收入	1,190,294	263,149	54,234	-	(276)	1,507,401
SEGMENT RESULTS	分類業績						
Segment profit/(loss)	分類盈利/(虧損)	7,693	9,076	(12,629)	(2,092)	-	2,048
Interest income	利息收入						1,428
Unallocated corporate expenses	未分類公司支出						(15,702)
Finance costs	財務費用						(20,837)
Impairment loss on goodwill	商譽之減值虧損						(27,256)
Impairment losses on loan receivables	應收貸款之減值虧損						(8,104)
Impairment loss on available-for-sale investment	可供出售投資之減值虧損						(9,300)
Loss before taxation	除稅前虧損						(77,723)

7. 分類資料 (續)

分類收入及業績

本集團按報告及經營分類之收入及業績之分析如下。

7. SEGMENT INFORMATION (Continued)

7. 分類資料 (續)

Segment revenue and results (Continued)

分類收入及業績 (續)

2011 (restated) (重列)

		Cars 汽車	Electrical appliances 電器	Fashion apparels and accessories 時裝及配飾	Others 其他	Eliminations 抵銷	Consolidated 綜合賬目
		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 REVENUE	分類收入						
External sales	外部銷售收入	1,114,500	256,311	38,270	7,229	-	1,416,310
Inter-segment sales	業務之間銷售收入	83	1,263	4	-	(1,350)	-
Group revenue	集團收入	1,114,583	257,574	38,274	7,229	(1,350)	1,416,310
SEGMENT RESULTS	分類業績						
Segment profit/(loss)	分類盈利/(虧損)	28,424	9,127	(1,868)	1,466	-	37,149
Interest income	利息收入						1,433
Unallocated corporate expenses	未分類公司支出						(34,421)
Finance costs	財務費用						(14,098)
Impairment losses on loan receivables	應收貸款之減值虧損						(6,238)
Share of result of a jointly controlled entity	應佔一間共同控制實體之 業績						313
Loss before taxation	除稅前虧損						(15,862)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit/(loss) represents the profit earned by/(loss) from each segment without allocation of central administration costs, impairment losses on goodwill, loan receivables and available-for-sale investments, share of result of a jointly controlled entity and finance costs. This is the measure reported to the Executive Directors for the purposes of resource allocation and performance assessment. The segment revenue and results for the year ended December 31, 2011 has been re-presented to be consistent with the presentation applied for this year (please refer to note 42 for details).

經營分類之會計政策與附註3所述之本集團會計政策相同。分類盈利/(虧損)指各分類賺取之盈利/(產生之虧損)，未分配中央行政成本、商譽、應收貸款及可供出售投資減值虧損、應佔一間共同控制實體業績及財務費用。此乃就資源分配及表現評估向執行董事呈報之方法。截至2011年12月31日止年度之分類收入及業績已經重列以與本年度應用之呈列一致(詳情請參閱附註42)。

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7. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

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

2012

		Cars	Electrical	Fashion	Others	Consolidated
		汽車	appliances	apparels and	其他	綜合賬目
		HK\$'000	電器	accessories	HK\$'000	HK\$'000
		千港元	千港元	時裝及配飾	千港元	千港元
				HK\$'000		
Assets	資產					
Segment assets	分類資產	474,455	116,513	29,675	41,620	662,263
Available-for-sale investment	可供出售投資					252
Loan receivables	應收貸款					6,086
Bank balances and cash	銀行結餘及現金					85,780
Pledged bank deposits	已抵押銀行存款					151,603
Unallocated corporate assets	未分類公司資產					78,289
						984,273
Consolidated assets	綜合資產					
Liabilities	負債					
Segment liabilities	分類負債	291,035	53,578	8,705	18,401	371,719
Bank and other borrowings	銀行及其他借貸					338,140
Unallocated corporate liabilities	未分類公司負債					10,435
						720,294
Consolidated liabilities	綜合負債					

7. 分類資料 (續)

分類資產及負債

本集團按呈報及經營分類劃分之資產及負債分析如下。

7. SEGMENT INFORMATION (Continued)

7. 分類資料 (續)

Segment assets and liabilities (Continued)

分類資產及負債 (續)

2011 (restated) (重列)

		Cars 汽車 HK\$'000 千港元	Electrical appliances 電器 HK\$'000 千港元	Fashion apparels and accessories 時裝及配飾 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 綜合賬目 HK\$'000 千港元
Assets	資產					
Segment assets	分類資產	426,252	91,359	83,422	47,736	648,769
Available-for-sale investments	可供出售投資					9,552
Loan receivables	應收貸款					15,811
Bank balances and cash	銀行結餘及現金					71,754
Pledged bank deposits	已抵押銀行存款					134,000
Unallocated corporate assets	未分類公司資產					125,274
Consolidated assets	綜合資產					1,005,160
Liabilities	負債					
Segment liabilities	分類負債	308,359	51,612	28,635	785	389,391
Bank and other borrowings	銀行及其他借貸					333,009
Unallocated corporate liabilities	未分類公司負債					12,727
Consolidated liabilities	綜合負債					735,127

For the purpose of monitoring segment performance and allocating resource between segment:

為了監察分類表現及於分類間分配資源：

- all assets are allocated to operating segment other than corporate assets, available-for-sale investments, loan receivables, bank balances and cash and pledged bank deposits;
- all liabilities are allocated to operating segment other than corporate liabilities and bank and other borrowings.

- 除公司資產、可供出售投資、應收貸款、銀行結餘及現金及已抵押銀行存款外，所有資產均分配至經營分類；
- 除公司負債及銀行及其他借貸外，所有負債均分配至經營分類。

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7. SEGMENT INFORMATION (Continued)

Other segment information

2012

		Cars	Electrical appliances	Fashion apparels and accessories	Others	Unallocated	Consolidated
		汽車	電器	時裝及配飾	其他	未分類	綜合賬目
		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
Amounts included in the measure of segment profit/ loss or segment assets	計量分類盈利/虧損或分類資產時計入之金額						
Addition of property, plant and equipment	添置物業、廠房及設備	19,631	534	728	-	4,835	25,728
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	16,884	715	1,948	42	3,110	22,699
Gain/(loss) on disposal of property, plant and equipment	出售物業、廠房及設備之收益/(虧損)	(409)	(17)	(4)	(42)	8,421	7,949
Loss on disposal of investment properties	出售投資物業之虧損	-	-	-	-	(838)	(838)
Impairment loss on available-for-sale investment	可供出售投資之減值虧損	-	-	-	-	(9,300)	(9,300)
Impairment losses on loan receivables	應收貸款之減值虧損	-	-	-	-	(8,104)	(8,104)
Impairment losses on trade and other receivables	貿易往來及其他應收賬款之減值虧損	(1,502)	(79)	(2,777)	-	(4,902)	(9,260)

7. 分類資料 (續)

其他分類資料

7. SEGMENT INFORMATION (Continued)

7. 分類資料 (續)

Other segment information (Continued)

其他分類資料 (續)

2011

	Cars 汽車	Electrical appliances 電器	Fashion apparels and accessories 時裝及配飾	Others 其他	Unallocated 未分類	Consolidated 綜合賬目
	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
Amounts included in the measure of segment profit/loss or segment assets	計量分類盈利/虧損或分類資產時計入之金額					
Addition of property, plant and equipment	26,467	809	1,428	-	4,172	32,876
Depreciation of property, plant and equipment	15,574	696	1,322	183	3,964	21,739
Amortisation of prepaid lease payments	-	-	-	19	10	29
Fair value gains on investment properties	-	-	-	1,000	-	1,000
Reversal of properties held for sale to net realisable value	-	-	-	4,600	-	4,600
Gain/(loss) on disposal of property, plant and equipment	719	(49)	26	745	(402)	1,039
Gain on disposal of prepaid lease payments	-	-	-	1,339	122	1,461
Impairment losses on trade and other receivables	-	(60)	-	-	-	(60)
Impairment losses on loan receivables	-	-	-	-	(6,238)	(6,238)
Written-off of other receivables	-	-	-	-	(721)	(721)

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7. SEGMENT INFORMATION (Continued)

Information about major customers

No revenue from customers contributing over 10% of total revenue of the Group for both years.

Geographical information

The Group's operations are mainly located in Hong Kong, Singapore, Malaysia, Mainland China and Macau. The following table provides an analysis of the Group's revenue by location of customers, irrespective of the origin of the goods/services:

7. 分類資料 (續)

主要客戶資料

於兩個年度內，無來自客戶之收入超逾本集團總收入之10%。

地區資料

本集團之業務主要分佈於香港、新加坡、馬來西亞、中國內地及澳門。下表按客戶之所在地分析本集團之收入（不論商品／服務之原產地）：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)
Hong Kong	香港	937,239	858,596
Singapore	新加坡	115,537	105,035
Malaysia	馬來西亞	50,204	58,644
Mainland China	中國內地	392,670	385,123
Macau	澳門	11,751	8,912
		1,507,401	1,416,310

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7. SEGMENT INFORMATION (Continued)

Geographical information (Continued)

The following is an analysis of the carrying amount of non-current assets (excluding deferred tax assets and financial instruments) analysed by the geographical area in which the assets are located:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)
Hong Kong	香港	84,638	122,125
Singapore	新加坡	697	790
Malaysia	馬來西亞	635	727
Mainland China	中國內地	7,986	51,075
Macau	澳門	-	14
		93,956	174,731

7. 分類資料 (續)

地區資料 (續)

按資產所在地區分析之非流動資產(不包括遞延稅項資產及金融工具)之賬面值如下:

8. REVENUE

An analysis of the Group's revenue for the year is as follows:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)
Sales of goods to customers, less returns and discounts	銷售商品予客戶， 扣除退回及折扣	1,358,197	1,284,221
Maintenance service income	保養維修服務收入	149,204	131,860
Rental income	租金收入	-	229
		1,507,401	1,416,310

8. 收入

本集團年度收入之分析如下:

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9. OTHER INCOME AND EXPENSES

9. 其他收入及開支

		2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)
Commission income	佣金收入	3,481	3,569
Interest income	利息收入	1,428	1,433
Dividend income	股息收入	4,409	2,244
Warranty and insurance claims received	已收取保證及保險申索	-	3,431
Subsidies income from suppliers	供應商給予之補貼	4,472	5,374
Legal and professional fees in relation to voluntary cash offers	與自願現金要約有關之法律及專業費用	-	(6,826)
Others	其他	6,077	4,529
		19,867	13,754

10. OTHER GAINS AND LOSSES

10. 其他收益及虧損

		2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)
Impairment loss on available-for-sale investment	可供出售投資之減值虧損	(9,300)	-
Impairment loss on goodwill	商譽之減值虧損	(27,256)	-
Impairment losses on loan receivables	應收貸款之減值虧損	(8,104)	(6,238)
Impairment losses on trade and other receivables, net	貿易往來及其他應收賬款之減值淨虧損	(9,260)	(60)
Loss on disposal of investment properties	出售投資物業之虧損	(838)	-
Written-off of other receivables	其他應收賬款撇銷	-	(721)
Net foreign exchange (losses) gains	外匯淨(虧損)收益	(680)	1,730
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	7,949	1,039
Gain on disposal of prepaid lease payments	出售預付租賃款項之收益	-	1,461
Fair value gains on investment properties	投資物業公平值之收益	-	1,000
Reversal of properties held-for-sale to net realisable value	持作出售物業撥回至可變現淨值	-	4,600
		(47,489)	2,811

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11. FINANCE COSTS

11. 財務費用

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Interests on bank and other borrowings	銀行及其他借貸利息		
– wholly repayable within five years	– 5年內全數償還	20,521	13,294
– wholly repayable after five years	– 5年後全數償還	275	511
Effective interest expense on convertible loan notes	可換股貸款票據之實際利息支出	–	273
Interest on finance leases	融資租賃利息	41	20
		20,837	14,098

12. TAXATION

12. 稅項

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Current tax	本年度稅項		
Hong Kong	香港	2,023	2,794
Other jurisdictions	其他司法權區	898	787
		2,921	3,581
Under (over) provision in prior years	以往年度撥備不足(超額撥備)		
Hong Kong	香港	20	(751)
Other jurisdictions	其他司法權區	41	–
		61	(751)
Deferred tax (Note 32)	遞延稅項(附註32)		
Other jurisdictions	其他司法權區	(68)	(124)
		2,914	2,706

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12. TAXATION (Continued)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

Under the Law of the People's Republic of China (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% for the both years.

The Malaysia income tax is calculated at the statutory tax rate of 25% of the estimated taxable profit for the both years.

Under Singapore Income Tax Act, the tax rate of the Singapore subsidiaries is 17% for the both years.

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

12. 稅項 (續)

香港利得稅乃根據兩個年度估計應課稅盈利按16.5%計算。

根據中華人民共和國(「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，中國附屬公司兩個年度之稅率為25%。

馬來西亞所得稅按兩個年度估計應課稅盈利之法定稅率25%計算。

根據新加坡所得稅法，新加坡附屬公司兩個年度之稅率為17%。

綜合損益表所載本年度稅項可與除稅前虧損對賬如下：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Loss before taxation	除稅前虧損	(77,723)	(15,862)
Tax at the domestic income tax rate of 16.5% (Note)	按本地所得稅稅率16.5%計算之稅項(附註)	(12,824)	(2,617)
Tax effect of expenses not deductible for tax purpose	就稅務目的不可扣減開支之稅務影響	13,210	5,337
Tax effect of income not taxable for tax purpose	就稅務目的毋需課稅收入之稅務影響	(3,626)	(3,235)
Under (over) provision in prior years	以往年度撥備不足(超額撥備)	61	(751)
Tax effect of tax losses not recognised	未予確認稅項虧損之稅務影響	8,505	3,429
Utilisation of tax losses previously not recognised	動用先前未予確認之稅項虧損	(2,558)	(187)
Tax effect of share of result of a jointly controlled entity	應佔一間共同控制實體業績之稅務影響	-	(52)
Effect of difference tax rates of subsidiaries	附屬公司不同稅率之影響	146	782
Taxation for the year	本年度稅項	2,914	2,706

Note: The domestic tax rate in the jurisdiction where the operation of the Group is substantially based is used.

附註：採用本集團業務主要所在司法權區之本地稅率。

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13. LOSS FOR THE YEAR

13. 本年度虧損

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Loss for the year has been arrived at after charging (crediting):	本年度虧損已扣除(計入)下列各項:		
Auditor's remuneration	核數師酬金	2,941	873
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	22,699	21,739
Staff costs:	僱員成本:		
Directors' emoluments	董事酬金	4,371	8,490
Salaries and allowances	薪金及津貼	107,831	99,794
Retirement benefits scheme contributions	退休福利計劃供款	5,881	5,764
		118,083	114,048
Cost of inventories recognised as expense	確認為開支之存貨成本	1,209,538	1,124,745
Allowance (reversal of allowance) for inventories (included in cost of sales)	存貨撥備(撥備撥回)(包括在銷售成本)	6,879	(2,259)
Operating lease payments in respect of rented properties	租賃物業之經營租賃付款	57,280	43,871
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	29
Loss on disposal of financial assets at fair value through profit or loss	出售以公平值計入損益之金融資產之虧損	-	17

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14. DIRECTORS' AND CHIEF EXECUTIVE EMOLUMENTS AND EMPLOYEE'S EMOLUMENTS

The emoluments paid or payable to each of ten (2011: seven) Directors and the Chief Executive were as follows:

2012

14. 董事及行政總裁酬金及僱員酬金

已付或應付給10位(2011年: 7位)董事及行政總裁每人之酬金如下:

		Other emoluments 其他酬金			Total emoluments
		Salaries and other benefits	Performance related incentive payments	Retirement benefits scheme contributions	
Fees	袍金	薪金及 其他福利	與業務表現 相關之獎金	退休福利 計劃之供款	酬金總額
HK\$'000	千港元	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
			(Note iv) (附註iv)		
Executive Directors	執行董事				
Richard Man Fai LEE	李文輝	-	2,590	14	2,604
Jeff Man Bun LEE	李文彬	-	-	-	-
Tik Tung WONG	汪滌東	-	1,030	14	1,044
William Keith JACOBSEN (Note i)	葉偉其(附註i)	90	-	5	95
Kei Wah CHUA (Note i)	蔡啟華(附註i)	39	-	2	41
Non-executive Director	非執行董事				
Kam Har YUE (Note ii)	余金霞(附註ii)	22	-	-	22
Independent Non-executive Directors	獨立非執行董事				
Boon Seng TAN	陳文生	180	-	-	180
Ying Kwan CHEUNG	張應坤	180	-	-	180
Peter Pi Tak YIN	尹彼德	180	-	-	180
Antonio Maria SANTOS (Note iii)	杜東尼 (附註iii)	60	-	-	60
		751	3,620	35	4,406

14. DIRECTORS' AND CHIEF EXECUTIVE EMOLUMENTS AND EMPLOYEE'S EMOLUMENTS (Continued)

14. 董事及行政總裁酬金及僱員酬金 (續)

2011

		Fees 袍金 HK\$'000 千港元	Other emoluments 其他酬金			Total emoluments 酬金總額 HK\$'000 千港元
			Salaries and other benefits 薪金及 其他福利 HK\$'000 千港元	Performance related incentive payments 與業務表現 相關之獎金 HK\$'000 千港元 (Note iv) (附註iv)	Retirement benefits scheme contributions 退休福利 計劃之供款 HK\$'000 千港元	
Executive Directors	執行董事					
Richard Man Fai LEE	李文輝	–	2,563	3,080	12	5,655
Jeff Man Bun LEE	李文彬	–	–	300	1	301
Tik Tung WONG	汪滌東	–	1,023	1,220	12	2,255
Non-executive Director	非執行董事					
Kam Har YUE	余金霞	34	–	–	–	34
Independent Non-executive Directors	獨立非執行董事					
Boon Seng TAN	陳文生	90	–	–	–	90
Ying Kwan CHEUNG	張應坤	90	–	–	–	90
Peter Pi Tak YIN	尹彼德	90	–	–	–	90
		304	3,586	4,600	25	8,515

Notes:

附註:

- | | |
|---|---|
| (i) Both Directors were appointed on January 1, 2012. Kei Wah CHUA resigned on June 6, 2012. | (i) 兩名董事於2012年1月1日獲委任。蔡啟華先生於2012年6月6日辭任。 |
| (ii) The Director resigned on August 30, 2012. | (ii) 該董事於2012年8月30日辭任。 |
| (iii) The Director was appointed on September 1, 2012. | (iii) 該董事於2012年9月1日獲委任。 |
| (iv) Performance related incentive payments were determined by the remuneration committee having regard to the performance of Directors and the Group's operating result. | (iv) 與業務表現相關之獎金由薪酬委員會經參考董事之表現及本集團之經營業績釐定。 |

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14. DIRECTORS' AND CHIEF EXECUTIVE EMOLUMENTS AND EMPLOYEE'S EMOLUMENTS (Continued)

Richard Man Fai LEE, is also the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

Of the five individuals with the highest emoluments in the Group, one (2011: two) was Director whose emolument is included in the disclosures above. The emoluments of the remaining four (2011: three) individuals were as follows:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	8,072	8,337
Performance related incentive payments	與業務表現相關之獎金	2,700	-
Retirement benefits scheme contributions	退休福利計劃之供款	33	24
		10,805	8,361

Their emoluments were within the following bands:

彼等之酬金於下列酬金範圍內：

		2012 Number of employees 僱員人數	2011 Number of employees 僱員人數
HK\$1,500,001 to HK\$2,000,000	1,500,001港元 – 2,000,000港元	1	-
HK\$2,000,001 to HK\$2,500,000	2,000,001港元 – 2,500,000港元	1	2
HK\$2,500,001 to HK\$3,000,000	2,500,001港元 – 3,000,000港元	1	-
HK\$4,000,001 to HK\$4,500,000	4,000,001港元 – 4,500,000港元	1	1
		4	3

14. 董事及行政總裁酬金及僱員酬金 (續)

李文輝亦為本公司之行政總裁，上文披露之其酬金包括其作為行政總裁提供之服務。

本集團5位薪酬最高人士中，1名（2011年：2名）為董事，其酬金載於上文之披露。餘下4名（2011年：3名）人士之薪酬如下：

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14. DIRECTORS' AND CHIEF EXECUTIVE EMOLUMENTS AND EMPLOYEE'S EMOLUMENTS (Continued)

During the both years, no emoluments were paid by the Group to the five highest paid individuals (including Directors, the Chief Executive and employees) as an inducement to join or upon joining the Group or as compensation for loss of office.

None of the Directors and the Chief Executive waived any emoluments during the both years.

15. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Loss	虧損		
Loss for the year attributable to owners of the Company and loss for the purpose of basic and diluted loss per share	本公司擁有人應佔本年度虧損及用作計算每股基本及攤薄虧損之虧損	(78,472)	(23,115)
		2012 Number of shares 股份數目	2011 Number of shares 股份數目
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	用作計算每股基本及攤薄虧損之普通股加權平均數	2,685,140,988	2,341,621,208

No diluted loss per share has been presented for the year ended December 31, 2012 and 2011 because the assumed conversion of the share options would result in reduction in loss per share.

14. 董事及行政總裁酬金及僱員酬金 (續)

於兩個年度，本集團並無向5位薪酬最高人士（包括董事、行政總裁及僱員）支付任何酬金，作為吸引其加入或於加入本集團時之聘金或離職賠償。

於兩個年度，概無董事及行政總裁放棄任何酬金。

15. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃按下列數據計算：

截至2012年及2011年12月31日止年度並無呈列每股攤薄虧損，原因為假設兌換優先認股權將導致每股虧損減少。

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Leasehold land in Hong Kong under medium term lease 在香港根據 中期契約持有 之租賃土地 HK\$'000 千港元	Buildings outside Hong Kong 在香港以外 持有之樓宇 HK\$'000 千港元	Buildings in Hong Kong 在香港 持有之樓宇 HK\$'000 千港元	Leasehold improvements 物業裝修 HK\$'000 千港元	Machinery and tools 機器及工具 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	Motor yacht 機動遊艇 HK\$'000 千港元	Total 總額 HK\$'000 千港元
COST	成本值									
At January 1, 2011	於2011年1月1日	42,126	908	15,081	64,170	15,768	28,364	26,991	17,636	211,044
Exchange adjustments	匯兌調整	-	8	-	857	150	118	153	-	1,286
Additions	添置	-	-	-	13,563	2,031	2,179	15,103	-	32,876
Acquisition of a subsidiary (Note 36(i))	收購一間附屬公司(附註36(i))	-	-	-	39	-	1,493	-	-	1,532
Disposals	出售	-	(916)	-	(6,913)	-	(2,506)	(6,899)	-	(17,234)
At December 31, 2011	於2011年12月31日	42,126	-	15,081	71,716	17,949	29,648	35,348	17,636	229,504
Exchange adjustments	匯兌調整	-	-	-	164	40	164	216	-	584
Additions	添置	-	-	-	13,365	1,068	6,604	4,691	-	25,728
Disposals	出售	(26,090)	-	(2,087)	(5,531)	(2,079)	(1,998)	(20,597)	(17,636)	(76,018)
At December 31, 2012	於2012年12月31日	16,036	-	12,994	79,714	16,978	34,418	19,658	-	179,798
DEPRECIATION	折舊									
At January 1, 2011	於2011年1月1日	1,710	73	264	46,019	9,190	17,962	6,494	3,528	85,240
Exchange adjustments	匯兌調整	-	1	-	663	75	31	32	-	802
Provided for the year	本年度折舊	1,053	18	377	8,061	2,287	3,377	5,684	882	21,739
Acquisition of a subsidiary (Note 36(i))	收購一間附屬公司(附註36(i))	-	-	-	36	-	596	-	-	632
Eliminated on disposals	出售時撇銷	-	(92)	-	(6,596)	-	(872)	(527)	-	(8,087)
At December 31, 2011	於2011年12月31日	2,763	-	641	48,183	11,552	21,094	11,683	4,410	100,326
Exchange adjustments	匯兌調整	-	-	-	132	25	148	98	-	403
Provided for the year	本年度折舊	673	-	347	10,795	2,336	4,442	3,740	366	22,699
Eliminated on disposals	出售時撇銷	(2,500)	-	(230)	(5,381)	(1,737)	(1,633)	(5,535)	(4,776)	(21,792)
At December 31, 2012	於2012年12月31日	936	-	758	53,729	12,176	24,051	9,986	-	101,636
CARRYING VALUES	賬面值									
At December 31, 2012	於2012年12月31日	15,100	-	12,236	25,985	4,802	10,367	9,672	-	78,162
At December 31, 2011	於2011年12月31日	39,363	-	14,440	23,533	6,397	8,554	23,665	13,226	129,178

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

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method, at the following rates per annum:

Leasehold land and buildings	Shorter of lease terms or 2½% – 5%
Leasehold improvements	Shorter of lease terms or 10% – 20%
Machinery and tools	20% – 33⅓%
Furniture, fixtures and equipment	10% – 20%
Motor vehicles	20% – 25%
Motor yacht	5%

At December 31, 2012, property, plant and equipment with an aggregate carrying amount of HK\$27,336,000 (2011: HK\$67,029,000) are pledged to secure certain bank borrowings granted to the Group.

The carrying value of property, plant and equipment in respect of assets held under finance leases was HK\$1,062,000 (2011: HK\$791,000).

17. INVESTMENT PROPERTIES**16. 物業、廠房及設備 (續)**

折舊乃按物業、廠房及設備項目之預計可使用期，於扣除其估計剩餘價值後，以直線法及下列年率撇銷其成本值：

租賃土地及樓宇	租賃期限或2½% – 5% (以較短者為準)
物業裝修	租賃期限或10% – 20% (以較短者為準)
機器及工具	20% – 33⅓%
傢俬、裝置及設備	10% – 20%
汽車	20% – 25%
機動遊艇	5%

於2012年12月31日，物業、廠房及設備之賬面總值為27,336,000港元(2011年：67,029,000港元)已抵押以獲授予本集團之若干銀行借貸。

就按融資租賃持有之資產之物業、廠房及設備之賬面值為1,062,000港元(2011年：791,000港元)。

17. 投資物業

		HK\$'000 千港元
FAIR VALUE	公平值	
At January 1, 2011	於2011年1月1日	3,000
Increase in fair value recognised in profit or loss	於損益確認之公平值增加	1,000
At December 31, 2011	於2011年12月31日	4,000
Disposal	出售	(4,000)
At December 31, 2012	於2012年12月31日	–

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17. INVESTMENT PROPERTIES (Continued)

The fair value of the Group's investment properties at December 31, 2011 has been arrived at on the basis of a valuation carried out on that date by Raffles Appraisals Limited, which is an independent qualified valuer not connected with the Group. The valuation was arrived at by reference to recent market evidence of transaction price for similar properties in the same locations and conditions.

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 properties. The above investment properties are located in the Mainland China, held under medium-term leases.

17. 投資物業 (續)

本集團於2011年12月31日之投資物業之公平值乃經萊斯評估有限公司(與本集團概無關連之獨立合資格專業估值師)於該日進行之估值基準計算得出。估值乃經參考於類似地點及狀況之類似物業交易價之近期市場證據計算得出。

本集團按經營租賃持有以賺取租金或資本增值用途之物業權益按公平值模式計量，並分類及計入投資物業。上述投資物業位於中國內地，以中期租約持有。

18. GOODWILL

18. 商譽

		HK\$'000 千港元
COST	成本	
At January 1, 2011	於2011年1月1日	33,312
Acquisition of a subsidiary (Note 36(i))	收購一間附屬公司(附註36(i))	67
At December 31, 2011 and 2012	於2011年及2012年12月31日	33,379
IMPAIRMENT	減值	
At January 1, 2011 and December 31, 2011	於2011年1月1日及2011年12月31日	3,268
Impairment loss recognised in the year	年內確認之減值虧損	27,256
At December 31, 2012	於2012年12月31日	30,524
CARRYING VALUES	賬面值	
At December 31, 2012	於2012年12月31日	2,855
At December 31, 2011	於2011年12月31日	30,111

18. GOODWILL (Continued)

The Group tests goodwill annually or more frequently if there are indications that goodwill may be impaired.

For the purposes of impairment testing, management compared the value in use of the relevant CGUs with the fair value less cost to sell of the CGUs and concluded that the value in use is higher than the fair value less cost to sell. Management of the Group considered each subsidiary represents a separate cash generating unit ("CGU"). The carrying amount of goodwill has been allocated to three individual CGUs relating to sales of fashion apparels amounting to HK\$27,256,000, the sales of accessories amounting to HK\$67,000 and the sales of cars amounting to HK\$2,788,000 respectively.

The basis of the recoverable amount and its major underlying assumptions of CGUs engaged in the sales of fashion apparels and the sales of cars are summarised below:

Sales of fashion apparels

At December 31, 2011, the recoverable amount of the CGU engaged in the sales of fashion apparels has been determined based on a value in use calculation. For impairment assessment purposes, cash flow projections based on financial budgets approved by management covering a 5-year period at a discount rate of 11.6% was used. The cash flows of the CGU engaged in the sales of fashion apparels beyond the 5-year period of the financial budgets were extrapolated using a steady 7% growth rate. This growth rate was based on the relevant industry growth forecasts and did not exceed the average long-term growth rate for the relevant industry. Another key assumption for the value in use calculation was the budgeted gross margin, which was determined based on the past performance of the CGU engaged in the sales of fashion apparels and management's expectations for the market development. At December 31, 2011, the recoverable amount of the CGU engaged in the sales of fashion apparels exceeded the carrying amount, therefore, no impairment loss was considered necessary. Management believes that any reasonably possible change in any of these assumptions would not cause the material change of the recoverable amounts of the sales of fashion apparels.

18. 商譽 (續)

本集團將就商譽進行年度減值測試，或於商譽有減值跡象出現時進行更頻密之測試。

為進行減值測試，管理層將相關現金產生單位之使用價值與現金產生單位之公平值減銷售成本作比較，並得出結論使用價值較公平值減銷售成本為高。本集團管理層認為各附屬公司為一個獨立現金產生單位（「現金產生單位」）。商譽賬面值已分配至三類個別現金產生單位，分別為有關時裝銷售為27,256,000港元、配飾銷售為67,000港元及汽車銷售為2,788,000港元。

可收回金額之基準及其從事時裝銷售及汽車銷售之現金產生單位之主要相關假設概述如下：

銷售時裝

於2011年12月31日，從事時裝銷售之現金產生單位之可收回金額根據使用價值計算。為評估減值，已使用管理層核准之5年財務預算按折讓率為11.6%之現金流預測。從事時裝銷售之現金產生單位超逾5年財務預算之現金流量乃使用7%之穩定增長率推算。此增長率乃按有關之業務增長預測為基準，且並不超出有關業務之平均長期增長率。使用價值另一重要假設為預算毛利率，乃根據從事時裝銷售之現金產生單位之過往表現及管理層預計市場發展以釐定。於2011年12月31日，從事時裝銷售之現金產生單位之可收回金額超過賬面值故毋須作出減值虧損。管理層認為，任何該等假設之任何合理可能變動將不會導致銷售時裝之可收回金額大幅變動。

18. GOODWILL (Continued)

Sales of fashion apparels (Continued)

However, as a result of the unsatisfactory performance of the fashion businesses in Mainland China due to the sluggish local consumption, the management expects that the fashion businesses will remain loss-making in the foreseeable future and does not expect any future economic benefits. The Group fully impaired the amount of goodwill of HK\$27,256,000 during the year ended December 31, 2012.

Sales of cars

At December 31, 2012 and 2011, the recoverable amount of the CGU engaged in the sales of cars has been determined based on a value in use calculation. For impairment assessment purposes, cash flow projections based on financial budgets approved by management covering a 5-year period at a discount rate of 13.2% (2011: 11.6%) was used. The cash flows of the CGU engaged in the sales of cars beyond the 5-year period of the financial budgets are extrapolated using a steady 5% (2011: 7%) growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. Another key assumption for the value in use calculation is the budgeted gross margin, which is determined based on the past performance of the CGU engaged in the sales of cars and management's expectations for the market development. At the end of the reporting period, the recoverable amount of the CGU engaged in the sales of cars exceeded the carrying amount, therefore, no impairment loss is considered necessary. Management believes that any reasonably possible change in any of these assumptions would not cause the material change of the recoverable amounts of the sales of cars.

18. 商譽 (續)

銷售時裝 (續)

然而，由於對當地消費低迷，中國內地時裝業務表現不令人滿意，管理層預期時裝業務於可預見將來將繼續錄得虧損，預期不會產生任何未來經濟利益。截至2012年12月31日，本集團商譽之悉數減值金額為27,256,000港元。

銷售汽車

於2012年及2011年12月31日，從事汽車銷售之現金產生單位之可收回金額根據使用價值計算。為評估減值，已使用管理層核准之5年財務預算按折讓率為13.2%（2011年：11.6%）之現金流預測。從事汽車銷售之現金產生單位超逾5年財務預算之現金流量乃使用5%（2011年：7%）之穩定增長率推算。此增長率乃按有關之業務增長預測為基準，且並不超出有關業務之平均長期增長率。使用價值另一重要假設為預算毛利率，乃根據從事汽車銷售之現金產生單位之過往表現及管理層預計市場發展以釐定。於報告期末，從事汽車銷售之現金產生單位之可收回金額超過賬面值故毋須作出減值虧損。管理層認為，該等假設之任何合理可能變動不會對汽車銷售之可收回金額產生重大影響。

19. INTANGIBLE ASSETS

19. 無形資產

Trademarks

商標

HK\$'000

千港元

Cost and carrying values at January 1, 2011, December 31, 2011 and 2012	於2011年1月1日、2011年及 2012年12月31日之成本及賬面值	5,400
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The trademarks represented the legal and beneficial ownership of the brand "Rogers" for the distribution of audio visual products included in the segment of electrical appliances. It is considered by management of the Group as having an indefinite useful life because it is expected to be used indefinitely. The trademarks will not be amortised until its useful life is determined to be finite, instead it will be tested for impairment annually and whenever there is an indication that it may be impaired.

For the purpose of impairment testing on trademarks, the recoverable amount has been determined based on a value in use calculation. That calculation uses cash flow projection based on financial budget approved by management covering a 5-year period and discount rate of 11.75% (2011: 12.77%). The cash flows beyond the 5-year period are extrapolated having a steady 5% (2011: 5%) growth rate. The growth rate is based on the relevant industry growth forecasts and average long-term growth rate for the relevant industry. A key assumption for the value in use calculation is the budgeted growth rate, which is determined based on past performance and management's expectations for the market development. Based on the assumption applied, the recoverable amount exceeds its carrying amount, thus, no impairment loss is considered necessary. Management believes that any reasonably possible change in any of the assumption would not cause the aggregate carrying amount of the intangible assets to exceed the aggregate recoverable amount of the intangible assets.

商標指計入電器之分銷影音類別產品之「樂爵士」品牌之法定及實益擁有權。由於預期可無限期使用，因此本集團管理層認為具有無限使用年期。商標將不會被攤銷，直至其使用年期被釐定為有限。然而，其將於每年及有跡象顯示可能出現減值時作減值測試。

就商標之減值測試而言，可收回金額已按使用價值釐定。該計算使用管理層以財務預算為基準審批的5年現金流量預測並以11.75%（2011年：12.77%）的折現率折現。超過5年期之現金流量則按5%（2011年：5%）穩定增長率推斷。此增長率乃基於有關行業增長預測計算及有關行業之平均長期增長率。一個為使用價值計算的關鍵假設是根據過往表現及管理層對市場發展期望的預算增長率。基於上文應用之假設，可收回金額超過賬面值故毋須作出減值虧損。管理層相信，任何可能改變的假設並不會導致無形資產總額超過無形資產之總計可收回金額。

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20. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprises:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Unlisted equity securities in Hong Kong	於香港之無牌價之股本證券	-	9,300
Club debenture	會所債券	252	252
		252	9,552

Unlisted equity securities represented the securities issued by a private entity incorporated in Hong Kong. The private entity is engaged in the provision of digital advertising. They are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the Directors are of the opinion that their fair values cannot be measured reliably. During the year ended December 31, 2012, an objective evidence of impairment was considered to exist due to adverse financial position of such private entity. For the purpose of impairment, the recoverable amount has been determined based on value in the calculation. The management expected there is no future economic benefits and hence an impairment loss of HK\$9,300,000 (2011: nil) is recognised in full against the investment cost. Club debenture represented the debenture in a recreation club. Such debenture is carried at cost less any subsequent accumulated impairment loss with reference to the latest market prices.

20. 可供出售投資

可供出售投資包括：

無牌價之股本證券指一間於香港註冊成立之私人實體發行之證券。該私人實體從事提供數碼廣告業務。其按成本減於報告期末之減值計量，原因為合理公平值範圍過大，董事認為其公平值不可可靠計量。截至2012年12月31日止年度，由於該私人實體之不利財務狀況，認為存在減值之客觀證據。就減值而言，可收回金額基於計算之價值釐定。管理層預期無未來經濟收益，因此，就投資成本悉數作出9,300,000港元（2011年：無）之減值虧損。會所債券指一間休閒會所之債券。該債券按成本經參考最新市價減任何其後累計減值虧損計值。

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21. INTEREST IN ASSOCIATES

At December 31, 2012 and 2011, the Group had interest in the following associates:

Name of entity	Place of incorporation	Principal place of operation	Class of shares held	Proportion of nominal value of issued capital held by the Group	Proportion of voting power held	Principal activity
實體名稱	註冊成立地點	主要經營地點	所持股份類別	本集團持有已發行之股本面值之比例	所持投票權比例	主要業務
China Premium Lifestyle Enterprise, Inc. (Note i) (附註i)	United States of America ("USA") 美利堅合眾國 (「美國」)	USA 美國	Common Stock 普通股	49.8%	49.8%	Investment holding 投資控股
CPMM (Asia) Limited (Note ii) 名品(亞洲)有限公司 (附註ii)	Hong Kong 香港	Hong Kong 香港	Ordinary 普通股	49.8%	49.8%	Dormant 不運作

Notes:

- (i) The company is listed on Nasdaq OTC Bulletin Board in USA.
- (ii) The company is a wholly owned subsidiary of China Premium Lifestyle Enterprise, Inc.

21. 於聯營公司之權益

於2012年及2011年12月31日，本集團擁有下列聯營公司之權益：

Name of entity	Place of incorporation	Principal place of operation	Class of shares held	Proportion of nominal value of issued capital held by the Group	Proportion of voting power held	Principal activity
實體名稱	註冊成立地點	主要經營地點	所持股份類別	本集團持有已發行之股本面值之比例	所持投票權比例	主要業務
China Premium Lifestyle Enterprise, Inc. (Note i) (附註i)	United States of America ("USA") 美利堅合眾國 (「美國」)	USA 美國	Common Stock 普通股	49.8%	49.8%	Investment holding 投資控股
CPMM (Asia) Limited (Note ii) 名品(亞洲)有限公司 (附註ii)	Hong Kong 香港	Hong Kong 香港	Ordinary 普通股	49.8%	49.8%	Dormant 不運作

附註：

- (i) 該公司於美國納斯達克場外交易議價板上市。
- (ii) 該公司為China Premium Lifestyle Enterprise, Inc.之全資附屬公司。

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21. INTEREST IN ASSOCIATES (Continued)

The summarised financial information in respect of the Group's associates are set out below:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Total assets	總資產	20,034	20,080
Total liabilities	總負債	(73,143)	(71,634)
Net liabilities	負債淨值	(53,109)	(51,554)
Group's share of net assets of associates	本集團應佔聯營公司之資產淨值	-	-
Revenue	收入	-	-
Loss for the year	本年度虧損	(1,602)	(4,652)
Group's share of result of associates for the year	本年度本集團應佔聯營公司之業績	-	-
Group's share of other comprehensive expense of associates for the year	本年度本集團應佔聯營公司之其他全面開支	-	-
Market value of listed securities	有牌價證券市值	3,804	95,305

The Group has discontinued recognition of its shares of losses of the associates. The amount of unrecognised share of those losses, extracted from the relevant management accounts of associates, both for the year and accumulatively, are as follows:

21. 於聯營公司之權益 (續)

本集團聯營公司之財務資料概要載列如下：

本集團已終止確認其應佔聯營公司之虧損。未確認之該等應佔虧損(摘錄自聯營公司之相關管理賬目)於本年度之金額及累計金額如下：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Unrecognised share of losses of associates for the year	本年度未確認應佔聯營公司之虧損	(798)	(2,317)
Accumulated unrecognised share of losses of associates	累計未確認之應佔聯營公司虧損	(32,307)	(31,509)

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22. INVENTORIES

22. 存貨

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Finished goods	製成品	385,576	268,896
Spare parts	零件	31,001	32,099
		416,577	300,995

Included in the above figures are finished goods of HK\$115,656,000 (2011: HK\$103,497,000) which have been pledged as security for bank borrowings (Note 38).

上述金額內115,656,000港元(2011年: 103,497,000港元)之製成品, 乃作為銀行貸款之抵押品作出抵押(附註38)。

23. PROPERTIES HELD FOR SALE

23. 持作出售物業

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Cost at January 1, 2011, December 31, 2011 and 2012	於2011年1月1日、2011年及 2012年12月31日之成本	30,070	30,070

The Group's properties held for sales are stated at cost less impairment. At December 31, 2012 and 2011, the Group's properties held for sales are pledged as security for bank borrowings (Note 38). On December 17, 2012, the Company has entered into sales and purchase agreement with an independent third party for the disposal of the properties held for sale for a total consideration of RMB24,790,000 (equivalent to HK\$30,497,000). The transaction completed in March 2013.

本集團之持作出售物業乃按成本減減值列賬。於2012年及2011年12月31日, 本集團之持作出售物業乃作為銀行借貸之抵押品作出抵押(附註38)。於2012年12月17日, 本公司已與一名獨立第三方就出售該等持作出售物業訂立買賣協議, 總代價為24,790,000人民幣(等同於30,497,000港元)。該交易已於2013年3月完成。

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24. TRADE AND OTHER RECEIVABLES

Trade and other receivables at the end of the reporting period comprise receivables from third parties as follows:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)
Trade receivables	貿易往來應收賬款	73,237	99,665
Less: Allowance for doubtful debts	減：呆賬撥備	(3,770)	(1,009)
		69,467	98,656
Purchase deposits	購貨訂金	10,646	31,981
Utility and rental deposits	公用服務及租賃按金	7,559	7,431
Other tax receivables	其他應收稅項	12,456	9,197
Prepayments and other receivables	預付款及其他應收賬款	28,147	54,553
		128,275	201,818

Trade receivables

The Group allows its trade customers an average credit period of 90 days. The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Within 30 days	30天以內	36,707	63,869
31 to 60 days	31天至60天	18,142	25,332
61 to 90 days	61天至90天	6,608	3,163
91 days to 1 year	91天至1年	7,058	2,556
Over 1 year	1年以上	952	3,736
		69,467	98,656

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date of credit was initially granted up to the end of the reporting period.

24. 貿易往來及其他應收賬款

於報告期末之貿易往來及其他應收賬款包括應收第三方賬款，列示如下：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元 (restated) (重列)
Trade receivables	貿易往來應收賬款	73,237	99,665
Less: Allowance for doubtful debts	減：呆賬撥備	(3,770)	(1,009)
		69,467	98,656
Purchase deposits	購貨訂金	10,646	31,981
Utility and rental deposits	公用服務及租賃按金	7,559	7,431
Other tax receivables	其他應收稅項	12,456	9,197
Prepayments and other receivables	預付款及其他應收賬款	28,147	54,553
		128,275	201,818

貿易往來應收賬款

本集團給予其貿易客戶平均90天之信貸期。於報告期末，貿易往來應收賬款減呆賬撥備根據發票日期之賬齡分析呈列如下，其與有關收入確認日期相若：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Within 30 days	30天以內	36,707	63,869
31 to 60 days	31天至60天	18,142	25,332
61 to 90 days	61天至90天	6,608	3,163
91 days to 1 year	91天至1年	7,058	2,556
Over 1 year	1年以上	952	3,736
		69,467	98,656

於釐定能否收回貿易往來應收賬款時，本集團考慮自信貸首次獲授日期起直至報告期末止期間貿易往來應收賬款之信貸質素是否發生任何變動。

24. TRADE AND OTHER RECEIVABLES (Continued)

Trade receivables (Continued)

At December 31, 2012, included in the Group's trade receivable balances are receivables with aggregate carrying amounts of HK\$8,010,000 (2011: HK\$6,292,000) which are past due at the end of the reporting period for which the Group has not provided for impairment loss. As these balances were either subsequently settled or there has not been a significant change in credit quality, thus, the amounts are still considered recoverable. Accordingly, the Directors believe that no impairment is required. The Group does not hold any collateral over these balances.

Ageing of trade receivables which are past due but not impaired:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
91 days to 1 year	91天至1年	7,058	2,556
Over 1 year	1年以上	952	3,736
		8,010	6,292

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 impairment on these receivables and considered that they are generally not recoverable.

24. 貿易往來及其他應收賬款 (續)

貿易往來應收賬款 (續)

於2012年12月31日，本集團貿易往來應收賬款包括賬面總額8,010,000港元(2011年：6,292,000港元)之應收賬款，該等金額於報告期末已逾期，惟本集團並未作出減值虧損。由於該等結餘已於隨後結算或信貸質素並無出現重大變動，因此，該等金額仍被視為可收回。故此，董事認為毋須作出減值。本集團並無就該等結餘持有任何抵押品。

已逾期但無減值之貿易往來應收賬款之賬齡：

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
91 days to 1 year	7,058	2,556
Over 1 year	952	3,736
	8,010	6,292

呆賬撥備包括遭遇重大財務困境或逾期甚久之個別減值貿易往來應收賬款。本集團已就該等應收賬款作出悉數減值，並認為該等應收賬款一般不可收回。

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24. TRADE AND OTHER RECEIVABLES (Continued)

24. 貿易往來及其他應收賬款 (續)

Movement in the allowance for doubtful debts

呆賬撥備之變動

Trade receivables

貿易往來應收賬款

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
At January 1	於1月1日	1,009	1,229
Impairment losses recognised in profit or loss	於損益內確認之減值虧損	2,977	60
Amounts written off as uncollectible	撇銷不可收回金額	(18)	(242)
Amounts recovered	已收回金額	(244)	(28)
Exchange adjustments	匯兌調整	46	(10)
At December 31	於12月31日	3,770	1,009

Other receivables

其他應收賬款

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
At January 1	於1月1日	-	-
Impairment losses recognised in profit or loss	於損益內確認之減值虧損	6,283	-
At December 31	於12月31日	6,283	-

The Group's trade and other receivables denominated in foreign currencies of the group entities are as follows:

本集團以集團實體之外幣計值之貿易往來及其他應收賬款如下：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
USD	美元	116	7,468
RMB	人民幣	-	15
EUR	歐元	7,702	13,772

25. LOAN RECEIVABLES

25. 應收貸款

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Fixed-rate loans	固定利率貸款	6,086	15,811

The outstanding loan receivables are due from third parties and unsecured and have contractual maturity dates/years or repayable on demand at December 31, 2012 and 2011. The loan amounts are ranged from HK\$200,000 to HK\$1,800,000.

Included in the carrying amount of loan receivables at December 31, 2012 is accumulated impairment loss of HK\$14,342,000 (2011: HK\$6,238,000). Full impairment was made on certain loan receivables, which were either in the severe financial difficulties or overdue for a long period time.

The Group has policy for allowance of doubtful debts which is based on the evaluation of collectability and aging analysis of accounts and on Directors' judgement, including the current creditworthiness and the past collection history of each debtor.

In determining the recoverability of the loan receivables, the Group considers any change in the credit quality of the loan receivables from the date credit was initially granted up to the end of the reporting period. At December 31, 2012, included in the Group's loan receivable balances are receivables of aggregate carrying amounts of HK\$4,182,000 (2011: HK\$14,160,000) which are past due at the end of the reporting period. No impairment is provided for loan receivables past due but not impaired as the creditworthiness and the past collection history of the debtors are satisfactory. Accordingly, the Directors believe that there is no further credit provision required.

The interest rate for the fixed-rate loan receivables were ranging from 5.5% to 12.0% (2011: 7.0% to 12.0%) per annum.

於2012年及2011年12月31日，尚未償還之應收貸款乃應收第三方款項，而並無抵押，且有合約到期日期／年度或按要求償還。貸款金額介乎200,000港元至1,800,000港元。

於2012年12月31日，應收貸款賬面值中包括累計減值虧損14,342,000港元（2011年：6,238,000港元）。已對若干出現嚴重財政困難或長時間逾期之應收貸款作出全數減值。

本集團之呆賬撥備政策乃以賬項之可收回性評估及賬齡分析，以及董事對包括每名債務人之現時信譽及收款往績之判斷為基礎。

釐定應收貸款能否收回時，本集團會考慮應收貸款之信貸質素自信貸初次批出當日直至報告期末期間之任何變化。本集團於2012年12月31日之應收貸款結餘包括賬面總額為4,182,000港元（2011年：14,160,000港元）於報告期末已逾期之應收款項。由於債務人之信譽及收款往績理想，故並無就已逾期但無減值之應收貸款作出減值撥備。因此，董事相信毋須進一步計提信貸撥備。

固定利率應收貸款之利率介乎每年5.5%至12.0%（2011年：7.0%至12.0%）。

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26. AMOUNTS DUE FROM (TO) ASSOCIATES AND A RELATED COMPANY

The related company represented a subsidiary of an associate of the Group.

At December 31, 2012, amounts due from the Group's associates of HK\$41,246,000 (2011: nil) were unsecured, interest-free and not expected to be repaid within 1 year from the end of the reporting period. It is measured at amortised cost. The remaining balances of HK\$30,234,000 (2011: HK\$66,311,000) are unsecured, interest-free and are expected to be realised within 1 year from the end of the reporting period.

27. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less and carry variable-rate interest at market rates which range from 0.01% to 0.50% per annum (2011: 0.01% to 1.00% per annum).

Pledged bank deposits represent deposits pledged to banks to secure banking facilities granted to the Group. Deposits amounting to HK\$151,603,000 (2011: HK\$134,000,000) have been pledged to secure short-term bank loans and undrawn short-term facilities and are therefore classified as current assets. The pledged bank deposits carry fixed interest rate of 0.10% to 1.00% per annum (2011: 0.01% to 1.00% per annum).

The Group's pledged bank deposits and bank balances and cash denominated in foreign currencies of the relevant group entities are as follows:

26. 應收(付)聯營公司及關連公司之款項

關連公司指本集團一間聯營公司之附屬公司。

於2012年12月31日，應收本集團聯營公司之款項41,246,000港元(2011年：無)為無抵押、免息並預期自報告期末起1年內將不予以償還。其乃按攤銷成本計量。30,234,000港元(2011年：66,311,000港元)之餘額為無抵押、免息並預期自報告期末起1年內變現。

27. 已抵押銀行存款／銀行結餘及現金

銀行結餘及現金包括本集團所持之現金及原先3個月或少於3個月到期並按介乎每年0.01%至0.50%(2011年：每年0.01%至1.00%)之市場利率計算浮息利率之短期銀行存款。

已抵押銀行存款指向銀行抵押以取得授予本集團之銀行信貸之存款。存款約151,603,000港元(2011年：134,000,000港元)已抵押以取得短期銀行借貸而未提取短期信貸，故分類為流動資產。已抵押銀行存款按每年0.10%至1.00%之固定利率(2011年：每年0.01%至1.00%)計息。

本集團以相關集團實體之外幣計值之已抵押銀行存款以及銀行結餘及現金如下：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
USD	美元	48,322	48,208
RMB	人民幣	36,548	51,719
EUR	歐元	62	139

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28. TRADE AND OTHER PAYABLES

Trade and other payables at the end of the reporting period comprise amounts outstanding for trade purposes and daily operating costs. The average credit period on purchase of goods is 30 to 90 days. The following is an aged analysis of trade and bills payables presented based on invoice date at the end of the reporting period.

28. 貿易往來及其他應付賬款

於報告期末，貿易往來及其他應付賬款包括未償還貿易往來賬款及日常經營成本。採購貨物之平均信貸期為30至90天。於報告期末，貿易往來應付賬款及應付票據根據發票日期之賬齡分析呈列如下。

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Within 30 days	30天以內	57,613	59,290
31 to 60 days	31天至60天	6,775	20,159
61 to 90 days	61天至90天	1,358	12,391
91 days to 1 year	91天至1年	834	1,229
Over 1 year	1年以上	2,464	586
Trade and bills payables	貿易往來應付賬款及應付票據	69,044	93,655
Deposits received from customers	已收客戶訂金	165,341	200,274
Advance payments from customers	客戶預付款項	65,883	19,161
Accrued charges	應計費用	16,037	46,907
Other payables	其他應付賬款	64,291	41,044
		380,596	401,041

The Group's trade and other payables denominated in foreign currencies of the relevant group entities are as follows:

本集團以相關集團實體之外幣計值之貿易往來及其他應付賬款如下：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
USD	美元	20,516	31,803
EUR	歐元	3,690	21,984
SGD	新加坡幣	641	1,240
THB	泰銖	17,850	12,937

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29. BANK AND OTHER BORROWINGS

29. 銀行及其他借貸

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Bank overdrafts	銀行透支	12,853	31,816
Bank borrowings	銀行借貸	217,365	189,399
Trust receipt loans	信託收據貸款	106,649	92,031
Other borrowings	其他借貸	1,273	19,763
		338,140	333,009
Secured	有抵押	324,307	302,105
Unsecured	無抵押	13,833	30,904
		338,140	333,009
Carrying amount repayable:	應償還之賬面值：		
Within one year	1年內	326,563	309,199
More than one year, but not exceeding two years	1年以上，但不超過2年	1,622	3,011
More than two years, but not more than five years	2年以上，但不超過5年	5,056	7,654
More than five years	5年以上	4,899	13,145
		338,140	333,009
Less: Carrying amount of bank borrowings that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause	減：並非於報告期末起計1年內償還但載有須按要求償還條款之銀行借貸之賬面值	-	(559)
Amounts due within one year shown under current liabilities	列於流動負債項下之1年內到期款項	(326,563)	(309,199)
Amounts shown under non-current liabilities	列於非流動負債項下之款項	11,577	23,251

29. BANK AND OTHER BORROWINGS (Continued)

At December 31, 2012, the bank and other borrowings are variable-rate borrowings which bear average effective interest rate (which is also equal to contracted interest rate) at 4.60% per annum (2011: 5.65% per annum).

Details of the pledge of assets to secure the Group's banking facilities were set out in note 38.

The Group's bank and other borrowings that are denominated in a currency other than the functional currency of the relevant group entities is set out below:

29. 銀行及其他借貸 (續)

於2012年12月31日，銀行及其他借貸乃按平均實際利率（其亦等於合約利率）每年4.60%（2011年：每年5.65%）計息之浮息借貸。

抵押資產以取得本集團之銀行信貸之詳情載列於附註38。

本集團以除相關集團實體之功能貨幣外之貨幣計值之銀行及其他借貸載列如下：

		2012	2011
		HK\$'000	HK\$'000
		千港元	千港元
USD	美元	24,673	13,961
SGD	新加坡幣	3,544	-

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30. OBLIGATIONS UNDER FINANCE LEASES

30. 融資租賃債務

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款現值	
		2012 HK\$'000 千港元	2011 HK\$'000 千港元	2012 HK\$'000 千港元	2011 HK\$'000 千港元
Amounts payable under finance leases:	根據融資租賃之應付數額：				
Within one year	1年內	340	171	302	148
In the second to fifth year inclusive	第2年至第5年 (包括首尾兩年)	720	411	658	423
More than five years	5年以上	22	82	21	-
		1,082	664	981	571
Less: Future finance charges	減：未來融資費用	(101)	(93)	-	-
Present value of lease obligations	租賃債務現值	981	571	981	571
Less: Amount due for settlement within one year	減：1年內到期結算之款項			(302)	(148)
Amount due for settlement after one year	1年後到期結算之款項			679	423

The Group leased certain of its plant and machinery under finance leases with terms of 5 years. The average effective interest rates was 4.88% (2011: 3.62%) per annum during the lease term. Interest rates were fixed at the contract dates. The leases were on a fixed repayment basis and no arrangement has been entered into for contingent rental payments.

The Group's obligations under the finance leases are secured by the lessor's charge over the leased assets.

本集團於融資租賃項下租賃其若干廠房及機器，為期5年。於租期內，平均實際利率為每年4.88%（2011年：3.62%）。利率均於合約日期固定。該等租賃乃按固定償還基準作出且並無就或然租金付款訂立任何安排。

本集團之融資租賃債務乃以出租人對所租賃資產之押記作抵押。

31. CONVERTIBLE LOAN NOTE

On June 4, 2010, the Company entered into a placing agreement with Tanrich Capital Limited (the "Placing Agent"), pursuant to which the Placing Agent has conditionally agreed to act as placing agent, on a best effort basis, for the purpose of arranging subscribers who are third parties independent of the Company, to subscribe for the convertible loan note to be issued by the Company with an aggregate principal amount of up to HK\$25,000,000. The convertible loan note bear interest at 4% per annum, mature on the second anniversary of the date of issue and are convertible into new ordinary shares of HK\$0.02 each at the initial conversion price of HK\$0.16 each. On August 6, 2010, the Company and the Placing Agent agreed to place the convertible loan note in the aggregate principal amount of HK\$13,000,000 to Mr. Kwok Chung SIU, an independent third party of the Company, and the Company would not proceed with the placing of the remaining aggregate principal amount of the convertible loan note. The placing was completed on August 12, 2010.

The convertible loan note contains two components, liability and equity components. The equity components is presented in equity heading "Equity component of convertible loan note". The effective interest rate of the liability component is 11.77%.

During the year ended December 31, 2011, the entire convertible loan note was converted into 81,250,000 shares of the Company of HK\$0.02 each at a conversion price of HK\$0.16 per share pursuant to the terms and conditions of the convertible loan note.

The movement of the liability component of the convertible loans notes for the year ended December 31, 2011 is set out below:

		HK\$'000 千港元
Carrying amount at January 1, 2011	於2011年1月1日之賬面值	11,612
Interest charge	利息支出	273
Converted during the year	年內已轉換	(11,885)
Carrying amount at December 31, 2011	於2011年12月31日之賬面值	-

31. 可換股貸款票據

於2010年6月4日，本公司與敦沛融資有限公司（「配售代理」）訂立配售協議，據此，配售代理（作為配售代理）有條件同意按竭誠基準安排認購人（獨立於本公司之第三方）認購本公司將予發行本金總額最多為25,000,000港元之可換股貸款票據。可換股貸款票據按年利率4%計息，於發行日期起計第二週年到期，並可按初步換股價每股0.16港元轉換為每股面值0.02港元之新普通股。於2010年8月6日，本公司與配售代理同意配售本金總額為13,000,000港元之可換股貸款票據予蕭國松先生（獨立於本公司之第三方），而本公司不會繼續進行配售剩餘本金總額之可換股貸款票據。配售事項於2010年8月12日完成。

可換股貸款票據包括兩個部份，分別為負債及權益部份。權益部份於「可換股貸款票據之權益部份」項下之權益呈列。負債部份之實際利率為11.77%。

截至2011年12月31日止年度，全部可換股貸款票據轉換為本公司81,250,000股每股面值0.02港元之股份，根據可換股貸款票據之條款及條件，轉換價為每股0.16港元。

截至2011年12月31日止年度，可換股貸款票據之負債部份變動載列如下：

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32. DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purpose:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	194	118
Deferred tax liabilities	遞延稅項負債	(13)	(13)
		181	105

The following are the major deferred tax assets (liabilities) recognised and movements thereon during the current and prior years:

		Convertible loan note 可換股 貸款票據 HK\$'000 千港元	Decelerated (accelerated) tax depreciation 減速(加速) 稅項折舊 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At January 1, 2011	於2011年1月1日	(229)	(16)	(245)
Exchange adjustments	匯兌調整	-	(3)	(3)
Released on conversion of convertible loan note	轉換可換股貸款票據之撥回	229	-	229
Credit to profit or loss	計入損益	-	124	124
At December 31, 2011	於2011年12月31日	-	105	105
Exchange adjustments	匯兌調整	-	8	8
Credit to profit or loss	計入損益	-	68	68
At December 31, 2012	於2012年12月31日	-	181	181

32. 遞延稅項

以下為遞延稅項結餘就財務申報而言之分析：

以下為於本年度及過往年度確認之主要遞延稅項資產(負債)及其變動：

At the end of the reporting period, the Group had unused estimated tax losses of HK\$284,185,000 (2011: HK\$226,652,000) available for offset against future profits. No deferred tax assets has been recognised in respect of the unrecognised estimated tax losses due to unpredictability of future profit streams. The losses may be carried forward indefinitely.

於報告期末，本集團可供抵銷日後盈利之未動用估計稅項虧損284,185,000港元(2011年：226,652,000港元)。由於未能估計日後盈利來源，故並無就未確認估計稅項虧損確認遞延稅項資產。該等虧損可無限期結轉。

32. DEFERRED TAXATION (Continued)

At the end of the reporting period, the Group has deductible temporary differences of HK\$5,925,000 (2011: nil). No deferred tax assets has been recognised in relation to such deductible temporary differences as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

In addition, there are no undistributed earnings of the subsidiaries in Mainland China.

32. 遞延稅項 (續)

於報告期末，本集團之可扣稅暫時差額為5,925,000港元（2011年：無）。由於不可能出現可供動用可扣除暫時差額之稅項盈利，故並無就有關可扣稅暫時差額確認任何遞延稅項資產。

此外，並無中國內地附屬公司之未分派盈利。

33. SHARE CAPITAL**33. 股本**

		Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
Ordinary shares of HK\$0.02 each:	每股面值0.02港元之普通股：		
Authorised:	法定：		
At January 1, 2011,	於2011年1月1日、2011年及		
December 31, 2011 and 2012	2012年12月31日	17,500,000,000	35,000
Issued and fully paid:	已發行及繳足：		
At January 1, 2011	於2011年1月1日	2,291,878,550	45,838
Exercise of share options (Note 34)	行使優先認股權（附註34）	85,790,000	1,715
Conversion of convertible loan note (Note 31)	轉換可換股貸款票據（附註31）	81,250,000	1,625
At December 31, 2011	於2011年12月31日	2,458,918,550	49,178
Exercise of share options (Note 34)	行使優先認股權（附註34）	8,750,000	175
Issue of shares under placement (Note)	根據配售發行股份（附註）	491,783,710	9,836
At December 31, 2012	於2012年12月31日	2,959,452,260	59,189

Note: Save as disclosed in the announcement dated July 20, 2012, a total of 491,783,710 ordinary shares of HK\$0.15 each were issued through placement to various placees, who and whose ultimate beneficial owners are independent and not connected to the Group. The gross proceeds of HK\$73,768,000 were used as general working capital of the Group.

附註：除日期為2012年7月20日之公告所披露者外，合共491,783,710股每股面值0.15港元之普通股已透過配售發行予多名承配人（其及其最終實益擁有人均為獨立人士且與本集團並無關連）。73,768,000港元之所得款項總額已用作本集團之一般營運資金。

All the shares issued rank pari passu with the existing shares in all respects.

所有已發行股份在各方面與現有股份享有同等地位。

34. SHARE OPTION SCHEMES

2002 Scheme

A share option scheme (the "2002 Scheme") was adopted pursuant to a resolution passed by the shareholders of the Company on May 30, 2002 for a period of 10 years. The purpose of the 2002 Scheme was to provide incentives or rewards to participants for their contribution to the Group and enable the Group to recruit and retain high calibre employees and attract human resources that are valuable to the Group and any company in which the Group holds any equity interest. The 2002 Scheme was terminated and a new share option scheme (the "2012 Scheme") was adopted pursuant to resolutions passed by the shareholders of the Company on May 28, 2012.

Under the 2002 Scheme, the Board may at their discretion grants options to the following participants of the Company, its subsidiaries and any company in which the Group holds any equity interest, to subscribe for shares in the Company:

1. eligible employees, including Directors; or
2. suppliers or customers; or
3. any person or entity that provides research, development or other technological support; or
4. shareholders; or
5. employees, partners or directors of any business partners, joint venture partners, financial advisers and legal advisers.

Options granted to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by the INEDs (excluding any INED who is the grantee of the options).

34. 優先認股權計劃

2002年計劃

根據本公司股東於2002年5月30日通過之決議案，採納一為期10年之優先認股權計劃（「2002年計劃」）。2002年計劃旨在鼓勵或嘉獎對本集團有所貢獻之參與人士，同時使本集團可招攬及挽留能幹之員工，並吸引重要之人才為本集團及任何本集團持有任何股份權益之公司作出貢獻。根據本公司股東於2012年5月28日通過之決議案，終止2002年計劃及採納一新優先認股權計劃（「2012年計劃」）。

根據2002年計劃，董事會可酌情決定向與本公司、其附屬公司及任何本集團持有任何股份權益之公司有關之以下參與人士授予優先認股權，以認購本公司股份：

1. 合資格僱員，包括董事；或
2. 供應商或客戶；或
3. 提供研究、開發或其他技術支援之任何人士或公司；或
4. 股東；或
5. 任何業務合夥人、合營企業合夥人、財務顧問及法律顧問之任何僱員、合夥人或董事。

授出優先認股權予董事、本公司行政總裁或主要股東或彼等各自之聯繫人士，須獲獨立非執行董事（不包括身為優先認股權承授人之任何獨立非執行董事）的批准。

34. SHARE OPTION SCHEMES (Continued)**2002 Scheme (Continued)**

The total number of shares which may be issued upon exercise of all outstanding options granted under the 2002 Scheme and any other share option schemes of the Company must not exceed 30% of the issued share capital of the Company from time to time. The total number of shares in respect of which options may be granted under the 2002 Scheme and any other share option schemes of the Company shall not, in aggregate, exceed 10% of the issued share capital of the Company at the adoption date of the 2002 Scheme without prior approval by the shareholders of the Company. Pursuant to an ordinary resolution passed by the Company's shareholders at the annual general meeting held on May 31, 2011, the scheme limit of the 2002 Scheme was refreshed so that the total number of shares of the Company which may be issued upon exercise of all options to be granted under the 2002 Scheme must not exceed 10% of the issued share capital of the Company at that date. Options granted prior to May 31, 2011 under the 2002 Scheme were not counted for the purpose of calculating the refreshed scheme limit of the 2002 Scheme.

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the total issued share capital of the Company, without prior approval by the shareholders of the Company. Options granted to a substantial shareholder of the Company or an INED, or any of their respective associates, under the 2002 Scheme and any other share option schemes of the Company would result in the shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in any 12-month period in aggregate in excess of 0.1% of the Company's issued share capital and with an aggregate value, based on the closing price of the shares of the Company at the date of each grant, in excess of HK\$5 million must obtain prior approval from the shareholders of the Company.

34. 優先認股權計劃 (續)**2002年計劃 (續)**

因全面行使2002年計劃及本公司任何其他優先認股權計劃項下所有尚未行使的優先認股權而可能將予發行的股份總數，不得超過本公司不時已發行股本之30%。如未經本公司股東事先批准，2002年計劃及本公司任何其他優先認股權計劃所授出的優先認股權獲行使時可予發行之股份總數合共不得超過於2002年計劃採納日期本公司已發行股本總數之10%。根據本公司股東於2011年5月31日舉行之股東週年大會上通過之一項普通決議案，2002年計劃之計劃上限已經更新，以致因行使2002計劃將授出之優先認股權而可發行之本公司股份總數不得超過本公司於當日已發行股本之10%。於計算2002年計劃之經更新計劃上限時，於2011年5月31日前已根據2002年計劃授出之優先認股權不會計算在內。

如未經本公司股東事先批准，於任何12個月期間內向任何參與人士授出之優先認股權（包括已行使及尚未行使之優先認股權）涉及之已發行及將予發行之股份總數不得超過本公司已發行股本總數之1%。根據2002年計劃及本公司任何其他優先認股權計劃向一名本公司主要股東或獨立非執行董事或彼等各自之聯繫人士授出優先認股權，將導致於截至該授出之日止12個月期間內，因行使所有已向該人士授出及將予授出之優先認股權（包括已行使、已註銷及尚未行使之優先認股權），而已發行及將予發行股份合共超過本公司已發行股本0.1%，或按各授出日期本公司股份收市價，總值超過5,000,000港元，必須經本公司股東事先批准。

34. SHARE OPTION SCHEMES (Continued)

2002 Scheme (Continued)

Options granted must be taken up within 28 days of the date of grant upon payment of HK\$1 per each grant of options. The exercise period of the options granted under the 2002 Scheme shall be determined by the Board when such options are granted, provided that such period shall not end later than 6 years from the date of grant. The subscription price is determined by the Board and will not be lower than the higher of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets on the date of grant, and (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant, and (iii) the nominal value of a Company's share.

Upon termination of the 2002 Scheme, no further options will be granted under the 2002 Scheme. However, the rules of the 2002 Scheme will remain in full force and effect to the extent necessary to give effect to the exercise of any option granted prior to its termination, or otherwise to the extent as may be required in accordance with the rules of the 2002 Scheme. All options granted under the 2002 Scheme prior to its termination will continue to be valid and exercisable in accordance with the rules of the 2002 Scheme.

For the year ended December 31, 2012, no share options was granted by the Company (2011: Nil) and the number of share options exercised was 8,750,000 (2011: 85,790,000).

At December 31, 2012, the number of shares in respect of which options had been granted and remained outstanding under the 2002 Scheme was 300,000 (2011: 9,050,000) representing 0.01% (2011: 0.37%) of the issued share capital of the Company at that date.

In 2012, the weighted average share price at the share price at the date of exercise price for share options exercised during the year was HK\$0.165 (2011: HK\$0.422).

The options outstanding at December 31, 2012 had the weighted average exercise price of HK\$0.197 (2011: HK\$0.174) and weighted average remaining contractual life of 0.65 years (2011: 1.73 years).

34. 優先認股權計劃 (續)

2002年計劃 (續)

參與人士可於獲提出授予優先認股權當日起計28日內接納優先認股權，並須於接納優先認股權時繳付1港元作為代價。根據2002年計劃授出之優先認股權之行使期於授出時由董事會決定，惟不得遲於董事會提出授予優先認股權日期起計之6年後屆滿。股份認購價由董事會決定，惟認購價不得低於下列三者中之最高者：(i)於授出日期本公司股份的收市價（以聯交所日報表所載者為準）；及(ii)於緊接授出日期前5個交易日本公司股份的平均收市價（以聯交所日報表所載者為準）；及(iii)本公司股份面值。

在終止2002年計劃後，不會再根據2002年計劃授出優先認股權。然而，2002年計劃之規則將維持有效，以必要地使2002年計劃終止前授出之任何優先認股權可予有效行使，或根據2002年計劃規定之方式另行處理該等優先認股權。2002年計劃在其終止之前授出之所有優先認股權將根據2002年計劃之規則維持有效並可予行使。

截至2012年12月31日止年度內，本公司沒有授出優先認股權（2011年：無），而獲行使之優先認股權數目為8,750,000股（2011年：85,790,000股）。

於2012年12月31日，有關根據2002年計劃授出惟尚未行使之優先認股權之股份數目為300,000股（2011年：9,050,000股），佔本公司當日之已發行股本之0.01%（2011年：0.37%）。

於2012年，行使優先認股權當日之股價之加權平均股價為0.165港元（2011年：0.422港元）。

於2012年12月31日尚未行使優先認股權之加權平均行使價為0.197港元（2011年：0.174港元），而加權平均餘下合約年期為0.65年（2011年：1.73年）。

34. SHARE OPTION SCHEMES (Continued)**2012 Scheme**

The Company adopted the 2012 Scheme on May 28, 2012. The purpose of the 2012 Scheme is to provide incentives or rewards to the participants for their contribution to the Group and enable the Group to recruit and retain high calibre employees and attract human resources that are valuable to the Group and any companies in which the Group holds any equity interest. The 2012 Scheme will expire on the 10th anniversary of the date of adoption.

Under the 2012 Scheme, the Board may at their discretion grant options to the following participants of the Company, its subsidiaries and any company in which the Group holds any equity interest, to subscribe for shares in the Company:

1. eligible employees, including Directors; or
2. suppliers or customers; or
3. any person or entity that provides research, development or other technological support; or
4. shareholders; or
5. employees, partners or directors of any business partners, joint venture partners, financial advisers and legal advisers.

Options granted to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by the INEDs (excluding any INED who is a grantee of the options).

34. 優先認股權計劃 (續)**2012年計劃**

本公司於2012年5月28日採納2012年計劃。2012年計劃旨在鼓勵或嘉獎對本集團有所貢獻之參與人士，同時使本集團可招攬及挽留能幹之員工，並吸引重要之人才為本集團及任何本集團持有任何股份權益之公司作出貢獻。2012年計劃將自採納日期起計第10週年屆滿。

根據2012年計劃，董事會可酌情決定向與本公司、其附屬公司及任何本集團持有任何股份權益之公司有關之以下參與人士授予優先認股權，以認購本公司股份：

1. 合資格僱員，包括董事；或
2. 供應商或客戶；或
3. 提供研究、開發或其他技術支援之任何人士或公司；或
4. 股東；或
5. 任何業務合夥人、合營企業合夥人、財務顧問及法律顧問之任何僱員、合夥人或董事。

授出優先認股權予董事、本公司行政總裁或主要股東或彼等各自之聯繫人士，須獲獨立非執行董事（不包括身為優先認股權承授人之任何獨立非執行董事）的批准。

34. SHARE OPTION SCHEMES (Continued)

2012 Scheme (Continued)

The total number of shares which may be issued upon exercise of all outstanding options granted under the 2012 Scheme and any other share option schemes of the Company must not exceed 30% of the issued share capital of the Company from time to time. The total number of shares which may be issued upon exercise of all options granted under the 2012 Scheme and any other share option schemes of the Company shall not, in aggregate, exceed 10% of the issued share capital of the Company at the adoption date of the 2012 Scheme without prior approval by the shareholders of the Company.

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the total issued share capital of the Company, without prior approval by the shareholders of the Company. Options granted to a substantial shareholder of the Company or an INED, or any of their respective associates, under the 2012 Scheme and any other share option schemes of the Company would result in the shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in any 12-month period in aggregate in excess of 0.1% of the Company's issued share capital and with an aggregate value, based on the closing price of the shares of the Company at the date of each grant, in excess of HK\$5 million must obtain prior approval from the shareholders of the Company.

34. 優先認股權計劃 (續)

2012年計劃 (續)

因全面行使2012年計劃及本公司任何其他優先認股權計劃項下所有尚未行使的優先認股權而可能將予發行的股份之總數，不得超過本公司不時已發行股本之30%。如未經本公司股東事先批准，2012年計劃及本公司任何其他優先認股權計劃所授出的優先認股權獲行使時可予發行之股份總數合共不得超過於2012年計劃採納日期已發行股本總數之10%。

如未經本公司股東事先批准，於任何12個月期間內向任何參與人士授出之優先認股權（包括已行使及尚未行使之優先認股權）涉及之已發行及將予發行之股份總數不得超過本公司已發行股本總數之1%。根據2012年計劃及本公司任何其他優先認股權計劃向一名本公司主要股東或獨立非執行董事或彼等各自之聯繫人士授出優先認股權，將導致於截至該授出之日止12個月期間內，因行使所有已向該人士授出及將予授出之優先認股權（包括已行使、已註銷及尚未行使之優先認股權），而已發行及將予發行股份合共超過本公司已發行股本0.1%，或按各授出日期本公司股份收市價，總值超過5,000,000港元，必須經本公司股東事先批准。

34. SHARE OPTION SCHEMES (Continued)**2012 Scheme (Continued)**

Options granted must be taken up within 28 days of the date of grant upon payment of HK\$1 per each grant of options. The exercise period of the options granted under the 2012 Scheme shall be determined by the Board when such options are granted, provided that such period shall not end later than 6 years from the date of grant. The subscription price is determined by the Board and will not be lower than the higher of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets on the date of grant, and (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant, and (iii) the nominal value of a Company's share.

For the year ended December 31, 2012, no options were granted, exercised, cancelled or lapsed.

34. 優先認股權計劃 (續)**2012年計劃 (續)**

參與人士可於獲提出授予優先認股權當日起計28日內接納優先認股權，並須於接納優先認股權時繳付1港元作為代價。根據2012年計劃授出之優先認股權之行使期於授出時由董事會決定，惟不得遲於董事會提出授予優先認股權日期起計之6年後屆滿。股份認購價由董事會決定，惟認購價不得低於下列三者中之最高者：(i)於授出日期本公司股份的收市價（以聯交所日報表所載者為準）；及(ii)於緊接授出日期前5個交易日本公司股份的平均收市價（以聯交所日報表所載者為準）；及(iii)本公司股份面值。

截至2012年12月31日止年度內，並沒有優先認股權授出、行使、註銷或失效。

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34. SHARE OPTION SCHEMES (Continued)

The following table discloses details and movements of the Company's share options granted under the 2002 Scheme held by employees (including Directors) during the year:

2012

Date of grant	Outstanding at January 1, 2012 於2012年1月1日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Cancelled/lapsed during the year 年內註銷/失效	Outstanding at December 31, 2012 於2012年12月31日 尚未行使	Exercisable period 行使期	Exercise price 行使價 HK\$ 港元
June 11, 2007 2007年6月11日	150,000	-	(150,000)	-	-	June 11, 2007 – June 10, 2013 2007年6月11日至 2013年6月10日	0.1667
August 9, 2007 2007年8月9日	180,000	-	-	-	180,000	August 9, 2007 – August 8, 2013 2007年8月9日至 2013年8月8日	0.2130
September 25, 2007 2007年9月25日	8,720,000	-	(8,600,000)	-	120,000	September 25, 2007 – September 24, 2013 2007年9月25日至 2013年9月24日	0.1740
Grand Total 總計	9,050,000	-	(8,750,000)	-	300,000		

34. 優先認股權計劃 (續)

下表披露於年內，本公司根據2002年計劃授出予僱員（包括董事）所持之優先認股權之詳情及變動：

34. SHARE OPTION SCHEMES (Continued)

34. 優先認股權計劃 (續)

2011

Date of grant 授出日期	Outstanding at January 1, 2011 於2011年 1月1日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Cancelled/ lapsed during the year 年內註銷/ 失效	Outstanding at December 31, 2011 於2011年 12月31日 尚未行使	Exercisable period 行使期	Exercise price 行使價 HK\$ 港元
June 11, 2007 2007年6月11日	1,830,000	-	(1,680,000)	-	150,000	June 11, 2007 – June 10, 2013 2007年6月11日至 2013年6月10日	0.1667
August 9, 2007 2007年8月9日	2,040,000	-	(1,680,000)	(180,000)	180,000	August 9, 2007 – August 8, 2013 2007年8月9日至 2013年8月8日	0.2130
September 25, 2007 2007年9月25日	26,520,000	-	(17,680,000)	(120,000)	8,720,000	September 25, 2007 – September 24, 2013 2007年9月25日至 2013年9月24日	0.1740
June 12, 2009 2009年6月12日	43,500,000	-	(43,500,000)	-	-	June 12, 2009 – June 11, 2015 2009年6月12日至 2015年6月11日	0.0590
November 11, 2009 2009年11月11日	4,250,000	-	(4,250,000)	-	-	November 11, 2009 – November 10, 2015 2009年11月11日至 2015年11月10日	0.1560
July 7, 2010 2010年7月7日	17,000,000	-	(17,000,000)	-	-	July 7, 2011– July 6, 2017 2011年7月7日至 2017年7月6日	0.1500
Grand Total 總計	95,140,000	-	(85,790,000)	(300,000)	9,050,000		

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34. SHARE OPTION SCHEMES (Continued)

Details of the share options held by the Directors included in the above table are as follows:

2012

Date of grant	Outstanding at January 1, 2012 於2012年1月1日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Cancelled/lapsed during the year 年內註銷/失效	Outstanding at December 31, 2012 於2012年12月31日 尚未行使	Exercisable period 行使期	Exercise price 行使價 HK\$ 港元
September 25, 2007 2007年9月25日	7,400,000	-	(7,400,000)	-	-	September 25, 2007 – September 24, 2013 2007年9月25日至 2013年9月24日	0.1740
Grand Total 總計	7,400,000	-	(7,400,000)	-	-		

34. 優先認股權計劃 (續)

上表所載由董事持有之優先認股權詳情如下：

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34. SHARE OPTION SCHEMES (Continued)

34. 優先認股權計劃 (續)

2011							
Date of grant	Outstanding at January 1, 2011 於2011年1月1日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Cancelled/lapsed during the year 年內註銷/失效	Outstanding at December 31, 2011 於2011年12月31日 尚未行使	Exercisable period 行使期	Exercise price 行使價 HK\$ 港元
June 11, 2007 2007年6月11日	1,380,000	-	(1,380,000)	-	-	June 11, 2007 – June 10, 2013 2007年6月11日至 2013年6月10日	0.1667
September 25, 2007 2007年9月25日	21,000,000	-	(13,600,000)	-	7,400,000	September 25, 2007 – September 24, 2013 2007年9月25日至 2013年9月24日	0.1740
June 12, 2009 2009年6月12日	42,500,000	-	(42,500,000)	-	-	June 12, 2009 – June 11, 2015 2009年6月12日至 2015年6月11日	0.0590
November 11, 2009 2009年11月11日	2,500,000	-	(2,500,000)	-	-	November 11, 2009 – November 10, 2015 2009年11月11日至 2015年11月10日	0.1560
July 7, 2010 2010年7月7日	10,500,000	-	(10,500,000)	-	-	July 7, 2011– July 6, 2017 2011年7月7日至 2017年7月6日	0.1500
Grand Total 總計	77,880,000	-	(70,480,000)	-	7,400,000		

35. RETIREMENT BENEFITS SCHEMES

The relevant subsidiaries in Mainland China are required to make contributions to the state-managed retirement schemes in the PRC based on a specific percentage of the payroll costs of their current employees to fund the benefits. The employees are entitled to retirement pension calculated with reference to their basic salaries on retirement and their length of service in accordance with the relevant government regulations. The government in Mainland China is responsible for the pension liability to these retired staff.

In addition, the Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group and each employee employed in Hong Kong are required to make a contribution of 5% on the employees' monthly relevant income with a maximum monthly contribution of HK\$1,000 (2011: HK\$1,000) per person, which increased to HK\$1,250 effective from June 1, 2012.

For subsidiaries other than in Hong Kong and Mainland China, contributions are made to the defined contribution schemes by the Group at rates specified on the rules of the schemes at the relevant jurisdiction.

The total cost of HK\$5,881,000 (2011: HK\$5,764,000) recognised to profit or loss represents contributions payable to these schemes by the Group in respect of year ended December 31, 2012.

35. 退休福利計劃

相關中國內地附屬公司須根據彼等現時僱員之工資成本之某個指定百分比向中國國家管理之退休計劃作出供款為有關福利提供資金。根據相關政府法規，僱員有權享有參照其退休時之基本薪金及其服務年限計算之退休金。中國內地政府負責向該等退休員工支付退休金。

此外，本集團為所有香港合資格僱員設立強制性公積金計劃。該計劃之資產乃以受託人控制下之基金與本集團之資產分開持有。本集團及受僱於香港之每名僱員須按僱員每月相關收入之5%作出供款，而最高每月供款為每人1,000港元（2011年：1,000港元），並自2012年6月1日起上調至1,250港元。

至於香港及中國內地以外之附屬公司，本集團就定額供款計劃作出之供款乃按有關司法權區之計劃規則訂明之比率作出。

於損益確認之總成本5,881,000港元（2011年：5,764,000港元）指就截至2012年12月31日止年度本集團應向該等計劃作出之供款。

36. ACQUISITION OF SUBSIDIARIES

- (i) On November 30, 2011, the Group acquired remaining 50% of the issued share capital of One Timepieces Limited, a jointly controlled entity prior to acquisition, which is operating in the segment of fashion apparels and accessories, at a consideration of HK\$3,900,000. The amount of goodwill arising as a result of the acquisition was approximately HK\$67,000.

Assets and liabilities at the date of acquisition recognised by the Group:

36. 收購附屬公司

- (i) 於2011年11月30日，本集團收購 One Timepieces Limited (於收購前之一間共同控制實體，並以時裝及配飾分類經營)已發行股本中餘下之50%，代價為3,900,000港元。因收購而產生之商譽金額約為67,000港元。

本集團所確認之於收購日期之資產及負債：

		Acquiree's carrying amount and fair value 被收購方之 賬面值 及公平值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	900
Inventories	存貨	7,681
Trade and other receivables	貿易往來及其他應收款項	3,329
Bank balances and cash	銀行結餘及現金	3,202
Amount due from a related company	應收一間關聯公司款項	270
Trade and other payables	貿易往來及其他應付款項	(7,716)
		7,666
Joint controlling entity partner	共同控制實體合作夥伴	(3,833)
Goodwill	商譽	67
		3,900
		3,900
Satisfied by:	支付方式：	
Cash	現金	3,900
		(698)
Net cash outflow arising on acquisition:	收購時之現金流出淨額：	
Cash consideration paid	已付現金代價	(3,900)
Bank balances and cash acquired	已收購之銀行結餘及現金	3,202
		(698)

Joint controlling entity partner is measured at its proportionate share of the recognised amounts of identifiable net assets of One Timepieces Limited.

共同控制實體合作夥伴乃按其應佔 One Timepieces Limited 經識別資產淨值之已確認金額之比例計量。

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36. ACQUISITION OF SUBSIDIARIES (Continued)

(i) (Continued)

Included in the loss for the year ended December 31, 2011 had loss of approximately HK\$1,252,000 attributable to One Timepieces Limited and its subsidiaries ("One Timepieces Group") for post-acquisition period. Revenue of approximately HK\$4,788,000 was generated by One Timepieces Group for post-acquisition period.

Had these business combinations been effected on January 1, 2011, the revenue of the Group would have been HK\$1,456,133,000 (restated), and the loss for the year ended December 31, 2011 would have been HK\$17,856,000. The pro forma financial information was for illustrative purposes only and was not necessarily an indication of revenue and results of the Group that actually would have been achieved had the acquisition been completed on January 1, 2011 nor was it intended to be a projection of future results.

- (ii) On July 29, 2011, the Group acquired 100% of the issued share capital of Rogers International Limited at a consideration of HK\$5,400,000. The acquisition is accounted for as acquisition of assets through acquisition of subsidiaries.

36. 收購附屬公司 (續)

(i) (續)

截至2011年12月31日止年度之虧損包括One Timepieces Limited及其附屬公司(「One Timepieces集團」)應佔之於收購後期間之虧損約1,252,000港元。One Timepieces集團於收購後期間產生收入約4,788,000港元。

倘若上述業務合併於2011年1月1日已進行，本集團之收入應為1,456,133,000港元(重列)，而截至2011年12月31日止年度之虧損應為17,856,000港元。該備考財務資料僅供說明用途，不一定作為倘若收購於2011年1月1日已完成之情況下本集團之收入及業績實際可達致水平之指標，亦不擬作為將來業績之預測。

- (ii) 於2011年7月29日，本集團收購樂爵士國際有限公司已發行股本之100%，代價為5,400,000港元。該收購乃入賬為透過收購附屬公司收購資產。

36. ACQUISITION OF SUBSIDIARIES (Continued)

36. 收購附屬公司(續)

(ii) (Continued)

Assets at the date of acquisition recognised by the Group:

(ii) (續)

本集團所確認之於收購日期之資產：

The acquisition is accounted for as acquisition of assets through acquisition of subsidiary
 該收購乃入賬為透過收購附屬公司收購資產
 HK\$'000
 千港元

Intangible assets	無形資產	5,400
Satisfied by:	支付方式：	
Cash	現金	5,400
Net cash outflow arising on acquisition:	收購時產生之現金流出淨額：	
Cash consideration paid	已付現金代價	(5,400)
Bank balances and cash acquired	已收購銀行結餘及現金	-
		(5,400)

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37. OPERATING LEASE COMMITMENTS

The Group as lessees

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Within one year	1年內	41,601	46,011
In the second to fifth year inclusive	第2年至第5年(包括首尾兩年)	67,271	93,607
After five years	5年以上	–	19,712
		108,872	159,330

Leases for rented premises are negotiated for terms of 2 to 10 years with fixed rental.

38. PLEDGE OF ASSETS

At the end of the reporting period, the following assets of the Group were pledged to banks to secure the bank borrowings granted to the Group:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Inventories	存貨	115,656	103,497
Properties held for sale	持作出售物業	30,070	30,070
Pledged bank deposits	已抵押銀行存款	151,603	134,000
Property, plant and equipment	物業、廠房及設備	27,336	67,029
		324,665	334,596

Other than those disclosed above, at December 31, 2012, Wo Kee Hong Distribution Pte Ltd. and Wo Kee Hong Marketing Pte Ltd. both are the subsidiaries of the Company, have pledged its assets with carrying values of HK\$70,911,000 (2011: HK\$49,681,000) to bank to secure bank borrowings granted to the Group.

37. 經營租賃承擔

本集團為承租人

於報告期末，本集團就承租物業之不可撤銷之經營租賃未來最低租金付款之承擔及屆滿期如下：

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
Within one year	41,601	46,011
In the second to fifth year inclusive	67,271	93,607
After five years	–	19,712
	108,872	159,330

承租物業之租約期限乃商定為2至10年且租金固定。

38. 資產抵押

於報告期末，本集團以下資產已抵押予銀行，作為本集團所獲授之銀行借貸之擔保：

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
Inventories	115,656	103,497
Properties held for sale	30,070	30,070
Pledged bank deposits	151,603	134,000
Property, plant and equipment	27,336	67,029
	324,665	334,596

除上文所披露者外，於2012年12月31日，Wo Kee Hong Distribution Pte Ltd.及Wo Kee Hong Marketing Pte Ltd. (均為本公司之附屬公司)已向銀行抵押其賬面值為70,911,000港元(2011年：49,681,000港元)之資產，作為本集團所獲授銀行借貸之擔保。

39. MAJOR NON-CASH TRANSACTION

During the year, the Group entered into finance lease arrangements in respect of assets with a total capital value at the inception of the leases of HK\$590,000.

39. 主要非現金交易

年內，本集團就於租賃開始時之資本總值590,000港元之資產訂立融資租賃安排。

40. RELATED PARTY TRANSACTIONS

Apart from the amounts due from (to) a related party as set out in note 26 respectively, the Group had entered the following significant transactions with its related companies and group companies:

40. 關聯人士交易

除附註26分別所載之應收(應付)一名關聯人士之款項外，本集團已與其關聯公司及集團公司進行下列重大交易：

		2012	2011
		HK\$'000	HK\$'000
		千港元	千港元
IT consultancy fee received from a related party (Note a)	自一名關聯人士收取資訊科技顧問費(附註a)	205	219
Purchases of goods from a related party (Note b)	自一名關聯人士購入貨物(附註b)	-	101
Purchases of goods from a jointly controlled entity	自一間共同控制實體購入貨物	-	79
General services fee from a jointly controlled entity	自一間共同控制實體之一般服務費	-	965
Storage services fee from a jointly controlled entity	自一間共同控制實體之儲存服務費	-	362
Management fee from a jointly controlled entity	自一間共同控制實體之管理費	-	365
Sales of property, plant and equipment to a jointly controlled entity	向一間共同控制實體銷售物業、廠房及設備	-	1,269
Sales of goods to a jointly controlled entity	向一間共同控制實體銷售貨物	-	882

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40. RELATED PARTY TRANSACTIONS (Continued)

Notes:

- (a) During the year ended December 31, 2012 and 2011, the independent consultancy agreement entered into between Auto Italia Limited ("Auto Italia"), an indirect subsidiary of the Company, and Mr. Michael ADAMCZYK, the son of Mr. Herbert ADAMCZYK who is a director of Auto Italia, in relation to the provision of professional consulting services in the area of information technology operation and organization strategy was renewed for a term annually.
- (b) On August 1, 2011, Auto Italia, an indirect subsidiary of the Company, as buyer, and Mr. Michael ADAMCZYK, as seller, had entered into a sale and purchase contract for the purchase of a Fiat car (Model: 2008 Fiat Lounge 1.4 Manual) for a consideration of HK\$101,000.

Compensation of key management personnel

The remuneration of key management personnel of the Group during the year is as follows:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Fees	袍金	751	304
Salaries and other benefits	薪金及其他福利	11,692	11,923
Performance related incentive payments	與業務表現相關之獎金	2,700	4,600
Retirement benefits scheme contributions	退休福利計劃之供款	68	49
		15,211	16,876

The remuneration of key management personnel is determined by the Directors having regard to the performance of individuals and market trends.

40. 關聯人士交易 (續)

附註:

- (a) 截至2012年及2011年12月31日止年度內，本公司之間接附屬公司快意汽車有限公司(「快意汽車」)與快意汽車董事夏德成先生之子Michael ADAMCZYK先生所訂立有關提供資訊科技運作及組織策略之專業顧問服務之獨立顧問協議乃每年重續一次。
- (b) 於2011年8月1日，本公司之間接附屬公司快意汽車(作為買家)與Michael ADAMCZYK先生(作為賣家)訂立買賣協議，以購買一輛Fiat汽車(型號：2008 Fiat Lounge 1.4 Manual)，代價為101,000港元。

重要管理人員之報酬

本年度內本集團重要管理人員之薪酬如下：

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
	751	304
	11,692	11,923
	2,700	4,600
	68	49
	15,211	16,876

重要管理人員之薪酬由董事依據各人之表現及市場趨勢釐定。

41. CAPITAL COMMITMENTS

41. 資本承擔

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted but not provided for	4,493	5,361

42. PRIOR YEAR FINANCIAL INFORMATION

42. 以往年度財務資料

During the year ended December 31, 2012, the management has further evaluated the classifications and terminologies of certain balances of the consolidated financial statements. Reclassification were made for the comparative information to achieve consistent presentation with the current year's presentation. The reconciliations in respect of the comparative information are shown as follows:

截至2012年12月31日止年度，管理層已進一步評估綜合財務報表之若干餘額之分類及術語。對比較資料已作出重新分類以與本年度之呈列一致。有關比較資料之對賬列示如下：

Financial statements line item 財務報表行項目	As originally stated 如原呈列 HK\$'000 千港元	Reclassification 重新分類 HK\$'000 千港元	After reclassification 重新分類後 HK\$'000 千港元
Consolidated income statement 綜合損益表			
Revenue (Note) 收入(附註)	1,761,357	(345,047)	1,416,310
Cost of sales (Note) 銷售成本(附註)	(1,466,231)	345,047	(1,121,184)
Selling and distribution cost 銷售及分銷成本	(152,616)	(18,312)	(170,928)
Administrative expenses 行政費用	(168,171)	25,331	(142,840)
Other operating income 其他經營收入	24,810	(24,810)	-
Other income and expenses 其他收入及開支	-	13,754	13,754
Other gains and losses 其他收益及虧損	-	2,811	2,811
Legal and professional fees in relation to voluntary cash offers 與自願現金要約有關之法律及專業費用	(6,826)	6,826	-
Fair value gains on investment properties 投資物業之公平值收益	1,000	(1,000)	-
Reversal of properties held for sale to net realisable value 撥回持作出售物業至可變現淨值	4,600	(4,600)	-

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42. PRIOR YEAR FINANCIAL INFORMATION

(Continued)

42. 以往年度財務資料 (續)

Financial statements line item 財務報表行項目		As originally stated 如原呈列 HK\$'000 千港元	Reclassification 重新分類 HK\$'000 千港元	After reclassification 重新分類後 HK\$'000 千港元
Consolidated statement of cash flows	綜合現金流量表			
Operating activities – Advances to associates	經營業務 – 向聯營公司之 墊款	(2,266)	2,266	–
Investing activities – Advances to associates	投資業務 – 向聯營公司之 墊款	–	(2,266)	(2,266)
Investing activities – Purchase of property, plant and equipment	投資業務 – 購置物業、 廠房及設備	(32,876)	367	(32,509)
Financing activities – New obligations under finance lease	融資業務 – 新訂融資租賃 債務	367	(367)	–
Investing activities – Placement of pledged bank deposits	投資業務 – 存放已抵押 銀行存款	–	(60,802)	(60,802)
Investing activities – Withdrawal of pledged bank deposits	投資業務 – 提取已抵押 銀行存款	–	34,363	34,363
Financing activities – New bank loans	融資業務 – 新造銀行貸款	934,285	(934,285)	–
Financing activities – New other loans	融資業務 – 新造其他貸款	7,000	(7,000)	–
Financing activities – Bank and other borrowings raised	融資業務 – 已籌集銀行及 其他借貸	–	941,285	941,285
Financing activities – Repayment of bank loans	融資業務 – 償還銀行貸款	(832,900)	832,900	–
Financing activities – Repayment of other loans	融資業務 – 償還其他貸款	(612)	612	–
Financing activities – Repayment of bank and other borrowings	融資業務 – 償還銀行及 其他借貸	–	(833,512)	(833,512)
Net change in the cash and cash equivalents	現金及現金等值項目 變動淨額	72,998	(26,439)	46,559
Cash and cash equivalents at beginning of the year	於年初之現金及現金 等值項目	180,942	(107,561)	73,381
Cash and cash equivalents at end of the year	於年終之現金及現金 等值項目	173,938	(134,000)	39,938

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42. PRIOR YEAR FINANCIAL INFORMATION (Continued)

42. 以往年度財務資料 (續)

Financial statements line item 財務報表行項目		As originally stated 如原呈列 HK\$'000 千港元	Reclassification 重新分類 HK\$'000 千港元	After reclassification 重新分類後 HK\$'000 千港元
Consolidated statement of financial position	綜合財務狀況表			
Trade and other receivables	貿易往來及其他應收賬款	223,671	(21,853)	201,818
Loan receivables	應收貸款	–	15,811	15,811
Bank balances and cash	銀行結餘及現金	205,754	(134,000)	71,754
Pledged bank deposits	已抵押銀行存款	–	134,000	134,000
Rental deposits	租賃按金	–	6,042	6,042
Bills payables	應付票據	25,545	(25,545)	–
Trade and other payables	貿易往來及其他應付賬款	375,496	25,545	401,041

Note: The amount represents first registration tax ("FRT") charged by the Hong Kong Government. On the first registration of a motor vehicle in Hong Kong, FRT is charged to the buyer. Licensing of vehicles takes place only after registration by the importer who collects the FRT from the buyer on behalf of the Hong Kong Government. As a result, the Directors consider it is more appropriate to exclude FRT in both revenue and cost of sales.

附註：有關金額指香港政府收取之首次登記稅（「首次登記稅」）。於香港首次登記汽車時，會向買方收取首次登記稅。汽車的牌照只會在代表香港政府向買方收取首次登記稅之進口商進行登記後方會獲發。因此，董事認為，於收入及銷售成本兩項中扣除首次登記稅更為適當。

43. DIVIDEND

43. 股息

No dividend was paid or proposed during 2012 and 2011, nor has any dividend been proposed since the end of the reporting period (2011: nil).

於2012年及2011年概無任何派息或擬派發股息，自報告期末起亦無任何擬派發股息（2011年：無）。

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44. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Particulars of the Company's principal subsidiaries at December 31, 2012 and 2011 are as follows:

44. 本公司主要附屬公司之詳情

本公司於2012年及2011年12月31日之主要附屬公司之詳情如下：

Name of company 公司名稱	Place of incorporation/ establishment/ operations 註冊成立/成立/ 營運地點	Class of shares held 所持股份類別	Fully paid-up and issued/ registered capital 繳足及已發行/ 註冊資本	Proportion of nominal value of issued capital/ registered capital held by the Company 本公司所持已發行股本面值/註冊股本比例		Principal activities 主要業務
				2012 %	2011 %	
Wo Kee Hong (B.V.I.) Limited	British Virgin Islands 英屬處女群島	Ordinary 普通股	USD300 300美元	100%	100%	Investment holding 投資控股
Auto Italia Limited	Hong Kong	Ordinary	HK\$100,000	75.4%#	75.4%#	Trading of cars and related accessories and provision of car repairing services 買賣汽車及相關配件以及提供汽車維修服務
快意汽車有限公司	香港	普通股	100,000港元			
Common Joy Limited 普熹有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	100%#	100%#	Property holding 物業持有
Dalian Auto Italia Car Trading Co., Ltd.** 大連快意汽車貿易有限公司	Mainland China 中國內地	N/A 不適用	RMB5,000,000 5,000,000人民幣	75.4%#	75.4%#	Trading of cars 買賣汽車
Italian Motors (Sales & Service) Limited 勵駿汽車有限公司	Hong Kong 香港	Ordinary 普通股	HK\$600,000 600,000港元	75.4%#	75.4%#	Investment holding 投資控股
Noble Brand Investments Limited 力保派有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	90%#	90%#	Trading of yachts and accessories 買賣遊艇及配件
One Timepieces Limited	Hong Kong 香港	Ordinary 普通股	HK\$12,000,000 12,000,000港元	100%#	100%#	Trading, distribution and retail of fashion accessories 買賣、分銷及零售時尚配飾
Rise Champ Limited	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	100%#	100%#	Property holding 物業持有
Technorient Limited 勵安有限公司	Hong Kong 香港	Ordinary 普通股	HK\$46,168,700 46,168,700港元	75.4%#	75.4%#	Investment holding 投資控股

For the year ended December 31, 2012

截至2012年12月31日止年度

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued) 44. 本公司主要附屬公司之詳情 (續)

Name of company 公司名稱	Place of incorporation/ establishment/ operations 註冊成立/成立/ 營運地點	Class of shares held 所持股份類別	Fully paid-up and issued/ registered capital 繳足及已發行/ 註冊資本	Proportion of nominal value of issued capital/ registered capital held by the Company 本公司所持已發行股本面值/註冊股本比例		Principal activities 主要業務
				2012 %	2011 %	
Wo Kee Administration Limited 和記管理有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	100% [#]	100% [#]	Treasury and administration 庫務及行政管理
Wo Kee Hong Distribution Pte Ltd	Singapore 新加坡	Ordinary 普通股	SGD4,500,000 4,500,000新加坡幣	100% [#]	100% [#]	Distribution of home audio and car audio equipment and accessories 分銷家用音響及汽車音響設備及配件
Wo Kee Hong Electronics Sdn Bhd	Malaysia 馬來西亞	Ordinary 普通股	MYR1,000,000 1,000,000馬幣	100% [#]	100% [#]	Distribution of audio equipment 分銷影音設備
Wo Kee Hong Finance Limited 和記電業財務有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	100% [#]	100% [#]	Finance and money lending 財務及借貸
Wo Kee Hong Limited 和記電業有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2,000 2,000港元	100% [#]	100% [#]	Distribution of air-conditioning products, audio-visual equipment, car audio and other electrical appliances 分銷空調產品、影音設備、汽車音響及其他電器
		Non-voting deferred 無投票權遞延股	HK\$10,000,000 10,000,000港元	-	-	
Wo Kee Hong Marketing Pte Ltd	Singapore 新加坡	Ordinary 普通股	SGD6,200,000 6,200,000新加坡幣	94.8% [#]	94.8% [#]	Distribution of air-conditioning products 分銷空調產品
Wo Kee Hong Trading Sdn Bhd	Malaysia 馬來西亞	Ordinary 普通股	MYR5,100,000 5,100,000馬幣	100% [#]	100% [#]	Distribution of audio-visual equipment 分銷影音設備

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended December 31, 2012

截至2012年12月31日止年度

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued) 44. 本公司主要附屬公司之詳情 (續)

Name of company 公司名稱	Place of incorporation/ establishment/ operations 註冊成立/成立/ 營運地點	Class of shares held 所持股份類別	Fully paid-up and issued/ registered capital 繳足及已發行/ 註冊資本	Proportion of nominal value of issued capital/ registered capital held by the Company 本公司所持已發行 股本面值/註冊股本比例		Principal activities 主要業務
				2012 %	2011 %	
上海新概念服飾有限公司 [#]	Mainland China 中國內地	N/A 不適用	USD3,000,000 3,000,000美元	51.0% [#]	51.0% [#]	Distribution and retail of fashion apparels 分銷及零售時裝
南京快意汽車貿易 有限公司 ^{**}	Mainland China 中國內地	N/A 不適用	RMB40,000,000 40,000,000人民幣	75.4% [#]	75.4% [#]	Trading of cars 買賣汽車
勵快駿投資諮詢(上海) 有限公司 ^{**}	Mainland China 中國內地	N/A 不適用	HK\$1,000,000 1,000,000港元	75.4% [#]	75.4% [#]	Provision of pre-delivery inspection consultancy services of Ferrari and Maserati cars in Shanghai 於上海提供法拉利及 瑪莎拉蒂汽車交付前 檢查諮詢服務
嘉寶萊貿易(深圳) 有限公司 ^{**}	Mainland China 中國內地	N/A 不適用	RMB2,500,000 2,500,000人民幣	100% [#]	100% [#]	Trading, distribution and retail of fashion accessories 買賣、分銷及零售時尚 配飾

[#] These entities are indirectly held by the Company.

[#] 該等實體乃由本公司間接持有。

^{**} These entities are wholly foreign owned enterprises registered in the Mainland China.

^{**} 該等實體均為於中國內地註冊之外商獨資企業。

The above 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.

董事認為，上表只載列對本集團業績或資產有重要影響之本公司附屬公司。如載列其他附屬公司詳情，董事則認為所佔用之篇幅將會過於冗長。

None of the subsidiaries had issued any debt securities at the end of the year.

年終概無附屬公司發行任何債務證券。

Schedule of Group Properties

集團物業表

For the year ended December 31, 2012

截至2012年12月31日止年度

PROPERTIES HELD FOR SALE

持作出售物業

Address 地點	Existing use 現有用途	Category of lease 契約類別	Percentage held by the Group 本集團持有百分比
Units 1912, 1915-1918 on Level 19, Bright China Chang An Building, No. 7 Jianguomennei Da Jie, Dongcheng District, Beijing, Mainland China 中國北京 東城區 建國門內大街7號 光華長安大廈 第19層 1912、1915至1918單位	Commercial 商業	Medium-term lease 中期	100%

Share Option Information

優先認股權資料

The following table discloses movement in the Company's share options granted under 2002 Scheme for the year ended December 31, 2012:

下表披露本公司根據2002年計劃授出之優先認股權於2012年12月31日止年度之變動情況：

Eligible person	Date of grant	Outstanding at January 1, 2012 於2012年1月1日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Cancelled/ lapsed during the year 年內註銷/ 失效	Outstanding at December 31, 2012 於2012年12月31日 尚未行使	Exercisable period 行使期	Exercise price 行使價 HK\$ 港元
Mr. Tik Tung WONG (Director) 汪滌東先生 (董事)	September 25, 2007 2007年9月25日	7,400,000	-	(7,400,000)	-	-	September 25, 2007 – September 24, 2013 2007年9月25日至 2013年9月24日	0.1740
		7,400,000	-	(7,400,000)	-	-		
Continuous contract employees 持續合約員工	June 11, 2007 2007年6月11日	150,000	-	(150,000)	-	-	June 11, 2007 – June 10, 2013 2007年6月11日至 2013年6月10日	0.1667
	August 9, 2007 2007年8月9日	180,000	-	-	-	180,000	August 9, 2007 – August 8, 2013 2007年8月9日至 2013年8月8日	0.2130
	September 25, 2007 2007年9月25日	1,320,000	-	(1,200,000)	-	120,000	September 25, 2007 – September 24, 2013 2007年9月25日至 2013年9月24日	0.1740
		1,650,000	-	(1,350,000)	-	300,000		
		9,050,000	-	(8,750,000)	-	300,000		





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